



## Structured Film Finance Within the BTS Ecosystem

### Film Finance, the BTS Way

Within the **BTS** platform, film is approached as a structured, execution-based financial activity, not a speculative creative gamble. The **BTS** film division operates behind the scenes, applying the same principles that define the wider **BTS** ecosystem:

- Radical transparency
- Real-world execution
- Disciplined capital deployment
- Participation without speculation

Our objective is not to "bet on movies" but to engineer repeatable, low-risk financial structures that support film production while generating predictable returns that flow back into the **BTS** ecosystem.

## Understanding the Risks in Film And How BTS Navigates It

**Film** is often perceived as high risk due to its association with box office performance, audience taste and creative outcomes. In reality, **the film industry** is financed through several distinct routes, each with very **different risk profiles**.

**The four most common routes are:**

- **Equity investment with royalties** - ownership-based, highly speculative, reliant on commercial success
- **Debt financing** - fixed-term funding repaid from contracted revenues
- **Rebate and tax credit financing** - advances against government-backed incentives
- **Secured loan notes** - often wrapped within insurance or completion bonds

The owners and management of **BTS** have been active in the **film** sector for almost a decade. Through this experience, we have deliberately **avoided the most speculative routes** and instead focus on highly structured arrangements that **reduce exposure to traditional film risks**.

### The BTS Film Strategy - Combining Proven Routes

Rather than relying on a single funding mechanism, **BTS** has engineered a model that **combines two of the most secure routes within film finance**:

- **Debt financing**, and
- **Rebate-backed / secured structures**

## Through long-standing, collaborative partnerships with:

- Established production houses
- **Streaming platforms and broadcasters**
- Sales agents and film markets

**BTS** is able to participate in film-backed ventures where repayment is linked to contracted, non-speculative revenue sources, rather than audience performance.

This deliberate structure significantly lowers risk and allows **BTS** to operate within film as a financial facilitator, not a creative stakeholder.

This is execution-backed finance, not box-office speculation.

### Why BTS Chooses Debt Over Equity

**BTS** has intentionally chosen debt financing over equity-based film investment for several reasons:

- Shorter capital lock-up – funds are typically tied up for around 6 months
- Defined returns – negotiated in advance, usually between 5-15%
- No reliance on film success – repayment comes from contracts, not audiences
- Repeatability – the same capital can be deployed across multiple productions per year

This approach aligns with the **BTS** philosophy of access, not promises

## Bridging Gaps Across the Film Sector

The **film industry** is fragmented into silos: producers, distributors, broadcasters, streamers, and financiers, all operating on different timelines.

**BTS** acts as a connector within these silos, stepping in precisely where capital timing gaps exist. By doing so, **we help ensure:**

- **Productions get off the ground**
- **Schedules are maintained**
- **Equity dilution is reduced for producers**

This role is **practical**, **invisible to audiences** and **essential to modern film production**.

## Returns and the BTS Ecosystem

The **negotiated returns** generated from **BTS** film financing activities are not sourced from member funds.

### Important distinction:

All **capital** deployed into **film** ventures comes from **BTS** profits, not from individual members. The resulting **returns** are then shared across the **BTS membership community**, typically in the form of additional **GODL** tokens, reinforcing the ecosystem's value-distribution model.



## A Repeatable, Low-Risk Cycle

Because **BTS** focuses on secured, **short-term structures**, this process can be:

- **Repeated multiple times per year**
- **Applied across multiple productions**
- **Scaled without increasing speculative exposure**

This creates a **healthy, recurring return profile** that feeds back into the **BTS** platform rather than relying on one-off outcomes.

## Film as Part of a Broader BTS Ecosystem

**Film** is one pillar within the wider **BTS** ecosystem, alongside other real-world initiatives. Members are not asked to speculate, guess or commit **capital** directly.

Instead, they gain:

- **Insight into how real-world projects are financed**
- **Participation in value generated through execution**
- **Exposure without direct operational or creative risk**

## In Summary:

- **BTS** engages in film through structured, low-risk finance
- We avoid speculative equity and box-office dependence
- **Debt and secured structures are deliberately chosen**
- Capital is deployed short term (6 months)
- **Typical returns range from 5-15%**
- Returns flow back into the **BTS** ecosystem via **GODL**
- Member funds are never directly used for film financing