

## **MODERN CINEMA GROUP ANNOUNCES A PARTNERSHIP WITH THE PRIDE GROUP AND PRIDE HOLDINGS**

Beverly Hills, California – October 5th, 2017 - Modern Cinema Group Inc. (OTCPK: MOCI) is proud to announce the signing of an agreement between Pride Holdings and the Pride Group to launch a first of its kind international futures exchange allowing individuals to buy and sell fractional interests in movies, television series and electronic games.

Over the last three years, Modern Cinema Group has developed systems and networks for the efficient distribution of valuable media assets to international platform operators (streaming services, mobile, cable and satellite TV) with a particular focus on the needs of mobile carriers. The Pride Group based in Dubai with 2 billion USD under management has been operating their own futures exchanges around the world for more than 20 years. This partnership allows the two groups to leverage intellectual properties, technologies and exchange networks for the benefit of those involved in the media production and distribution industries.

Chaired by Her Excellency Shaikha Moaza Obaid Suhail Al Maktoum, The Pride Group is a nonbanking, private network of multi-national companies headquartered in Dubai, UAE. Founded in 1986, Pride has built a corporate community of over 10,000 employees, more than 3,000 independent representatives and affiliates, and a network of brokers all benefiting from Pride's brand recognition and ever-expanding reach.

This new futures exchange offers up to 50% capital financing for media productions. On the other end of the distribution supply chain, platform operators can purchase “contracts” that combine territorial license rights with fractional equity ownership. The novel equity component helps operators to further monetize popular content titles in an effort to reduce content acquisition costs that have been spiraling out of control for decades. A further advantage provides incentives for platform operators to contribute ad “avails” (or ad spots) for more effective promotional (P&A) campaigns. Therefore, media titles co-financed by the exchange will always have awareness campaigns strengthened by huge numbers of ad “avails”.

The CEO of Modern Cinema Group, Ross Cooper, the founder of the well-known content security company Verimatrix has been developing this concept for almost ten years. Mr. Cooper has one issued U.S. Patent on the model and has acted in an advisory capacity to previous efforts that focused more on box office metrics. Says Mr. Cooper, “In comparison to previous attempts, this new model avoids isolating box office performance, and instead, uses longer-term performance criteria. In fact, many motion pictures today have no box office component whatsoever. The model we’ve developed with Pride offers a mezzanine financing program to producers that is designed to “settle” according to pre-defined contract specifications. Once futures contracts for a given title “settle”, territorial licensing rights are then awarded and equity ownership is granted to those looking to bolster their media services. And the best part is, this is all performed on-line.”

Mr. Cooper goes on to say, “Many people in the motion picture industry believe the systems and processes that are in place today are old and inefficient. Producers spend far too much time raising money, and downstream distributors recoil from the spiraling costs of content acquisition. It’s time to aggregate downstream distributors so they can act as a bank. The savings realized from a more efficient model can then be used to both capitalize new productions and simultaneously lower licensing costs by way of a first-of-its-kind equity “kicker”. What is needed is a vast network spanning all continents that scales exponentially, and has no ability to exert favoritism. This is where The Pride Group with their history of launching international futures exchanges can make a difference.

The Modern Cinema Group model is based around a futures exchange, and futures exchanges, by law, are restricted from favoring one trader over another, and can assume no risk whatsoever. This means no czar will ever unwittingly emerge (in the fashion of iTunes or Netflix). When sophisticated trading strategies are initiated, powerful trading positions can be leveraged by those who have in-depth knowledge of the industry. Advantages are then shifted from “influence peddling” to “industry savvy”. Those who are able to effectively trade contracts will gain advantages by way of adroit execution which is consistent with contemporary economic trends (as popularized by the movie Money Ball). This is very different from the environment most Hollywood insiders are familiar with today.

In addition, the exchange makes it possible for private (non-industry) individuals to buy fractional interests in movies, television series and electronic games, and become arm-chair producers. These speculators will be encouraged to trade by way of compelling social media campaigns (and user-friendly interfaces). More about this aspect of the model will be announced in the near future.

Aboo Backer, CEO of The Pride Group says, “Ross came to us with his model and patents and we immediately saw potential far beyond that which he envisioned. After months of further patent development and systems design, we decided to move forward with Modern Cinema Group to become an international trading platform for financing, distributing and promoting popular media titles by way of a global media futures exchange.

Richard Kapsch, Managing Director of Pride Holdings, “We are excited about this new opportunity to merge modern technology with an iconic industry. Through our exchange’s approach to risk management, we believe we will revolutionize the financing of movie productions.”

Ross Cooper, CEO of Modern Cinema Group says, “I’m thrilled to be working with The Pride Group and Pride Holdings as they have the highest level of knowledge, experience and integrity in the global futures trading industry. We couldn’t have a better partner. This partnership represents an unprecedented step forward for Modern Cinema Group and others looking for alternatives to the status quo.”

Modern Cinema Group will soon be listing its first motion picture contract and will then work to expand its reach to the point where sufficient volumes are achieved. During this time period, efforts will be made to introduce the exchange to producers looking for investment capital and distributors looking to lower their overall costs of content acquisition. A far-reaching series of educational videos are scheduled to be released before the end of the year and made available on the Modern Cinema Group and Pride Group web sites, not to mention the other well-known video distribution sites.

This signed agreement, although fully binding, anticipates a more definitive agreement to be signed no later than January 31st, 2018.

### **Modern Cinema Group**

Modern Cinema Group based in Beverly Hills, founded in San Diego has spent the last three years designing and patenting new business and technology models that allow both producers and distribution partners to integrate their systems in such a way as to leverage each other's natural advantages. [www.moderncinemagroup.com](http://www.moderncinemagroup.com)

### **The Pride Group**

The Pride Group based in Dubai has spent the last 31 years developing business opportunities ranging from information systems to health care, Pride group is involved in a multitude of industry sectors. Pride's affiliates are located in over 43 countries that span over 5 continents. [www.prideholding.com](http://www.prideholding.com)

### **Pride Holdings**

Pride Holdings based in Chicago is headed up by Richard Kapsch, was an eminent trader from his early days on the Chicago Mercantile Exchange's (CME) trading floor. He is a self-made man who went on to take up the mantle as a member of the Board of Governors of the CME. [www.prideholding.com](http://www.prideholding.com)

## FORWARD LOOKING STATEMENT

This press release contains certain “forward-looking” statements, as defined in the United States Private Securities Litigation Reform Act of 1995 that involve a number of risks and uncertainties. Statements, which are not historical facts, are forward-looking statements. The Company, through its management, makes forward-looking public statements concerning its expected future operations, performance and other developments. Such forward-looking statements are necessarily estimates reflecting the Company’s best judgment based upon current information and involve a number of risks and uncertainties, and there can be no factors that could cause actual results to differ materially from those estimated by the Company. They include, but are not limited to, the Company’s ability to develop operations, the Company’s ability to consummate and complete the acquisition, the Company’s access to future capital, the successful integration of acquired companies, government regulation, managing and maintaining growth, the effect of adverse publicity, litigation, competition, sales and other factors that may be identified from time to time in the Company’s public announcements.

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