

Jubilee Pictures plc

**An Offer for Subscription under the
Enterprise Investment Scheme**

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the contents of this document or as to what action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent adviser who is authorised for the purpose of the Financial Services and Markets Act 2000 and who specialises in advising on the acquisition of shares and other securities.

It is emphasised that no application is being made for admission of the A Ordinary Shares and B Ordinary Shares to the Official List of the United Kingdom Listing Authority. Further, the London Stock Exchange has not itself examined or approved the contents of this document. The A Ordinary Shares and B Ordinary Shares are not dealt in on any other recognised investment exchange and no other such applications have been made.

A copy of this document, which comprises a Prospectus drawn up in accordance with the Public Offers of Securities Regulations 1995 as amended ("the Regulations") has been issued in connection with the Offer and has been delivered to the Registrar of Companies in England and Wales for registration, in accordance with regulation 4(2) of the Regulations.

Jubilee Pictures plc

(Incorporated and registered in England and Wales under the Companies Act 1985 with Registered No 05243829)

**Offer of up to 15,000,000 B Ordinary Shares
At £0.40 per Ordinary Share payable in full on
Application**

21 March 2005

The Directors, whose names appear on page 6 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts, and this document makes no omission likely to affect the import of such information.

Jubilee Pictures plc is a public company that was incorporated in England and Wales as 121Mountco 041 Limited on 28 September 2004. The Company has no existing business record and does not have three years trading accounts. The attention of investors is drawn to the risk factors set out in Part 2 of this document.

The offer expires at 4.00pm on 30 April 2005. The procedure for application and payment is set out on page 25 of this document and in the Application Form which accompanies this document. To be valid, duly completed application forms must be returned with the appropriate remittance so as to reach Philip Ashworth & Co, 121 The Mount, York, North Yorkshire, YO24 1DU as soon as possible and in any event so as to be received no later than 30 April 2005.

Neither the existing shares of the Company nor the new shares have been, or will be registered under the United States Securities Act of 1933 (as amended) or under the securities laws of any state of the United States or qualify for distribution under any of the relevant securities laws of Canada, Australia or Japan nor has any prospectus in relation to the Shares been lodged with or registered by the Australian Securities and Investments Commission. Accordingly, subject to certain exceptions, the Shares may not be, directly or indirectly, offered, sold, taken up, delivered or transferred in or into the United States, Canada, Australia or Japan. Overseas Shareholders and any person (including without limitation, nominees and trustees) who have a contractual or other legal obligation to forward this document into a jurisdiction outside the UK should seek appropriate advice before taking any action. Overseas Shareholders are referred to Part 7 of the section entitled 'How to Complete the Application Form' on page 32 of this document.

Key Features of the Offer

Jubilee Pictures plc was incorporated on 28 September 2004 to finance, produce and exploit a slate of feature films that have been carefully selected and developed by the Directors. It is the Directors' intention that the Company will build a library of films which will be exploited across all media and will generate an on-going income stream into the future.

The Company is aiming to raise a maximum of £6,000,000 by way of the Offer and the Company intends to use the capital raised under this Offer to fund the production of these films and develop an on-going and profitable film production company. The Directors propose to ensure that the Company and its trade meet the Enterprise Investment Scheme ("EIS") qualifying conditions so that the investors may take advantage of tax reliefs available under the EIS. Full details of the offer for subscription are set out on page 14 and the procedure for application and payments is detailed on page 25.

The entertainment and leisure industry is a rapidly growing market and the annual rise in cinema admissions and DVD sales and rentals demonstrate a continuing demand for filmed entertainment.

By producing a number of films and developing a library of products the chances of making worthwhile and on-going profits are increased. The Directors believe that the proposed scripts are of a suitably high quality to attract established and respected acting talent who will enhance the commercial value of each film.

The proposed productions will appeal to a mainstream audience and will be ideal for distribution and exploitation across all media and worldwide territories.

The Board and Management

The Chairman, Production Directors and Adviser to the Board are an award winning group of film makers and with the Finance Director bring a combined wealth of experience to the production team.

Chairman and Emmy award winner John Goldsmith has over thirty years of experience in the industry and Production Directors Crispin Manson and Jon Kirby are further supported by their Adviser to the Board Stephen Evans, who has 2 Oscar wins and a further 9 Oscar nominations to his name. Stephen Evans has produced 13 films, all of which have secured a cinema release in the UK.

Finance Director Malcolm Jessop, is a Chartered Accountant with over 30 years commercial experience. He has acted as finance director for television facility companies, documentary film makers and producers of content for electronic distribution.

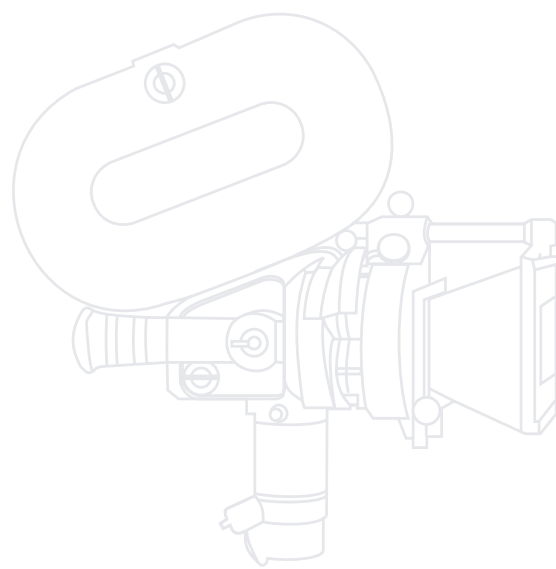
Business Strategy

It is the Directors' proposed strategy to underpin the business by securing a proportion of each film's production budget in the form of pre-sales and/or other committed sources of finance. It is intended that this will be not less than 40% of the film's budget. The Directors intend to secure such finance through entering into co-productions with specific countries with whom the UK has signed co-production treaties. Government backed film incentives in certain countries can constitute as much as 20% of a film's budget and through combining these benefits with the allowable UK tax credit for British qualifying films each film may potentially recoup not less than 40% of its budget before any film sales have been made.

The Directors believe that by building up a portfolio of films they will create an entity that may in the future be suitable for a trade sale or flotation. The Company is seen as an on-going commercial vehicle to acquire additional scripts in the future and continue to produce films.

Contents

	<i>Page</i>
Directors and Advisers	5
Definitions	6
Glossary of Industry Terminology	7
Offer Statistics and Expected Timetable	8
Part 1 – Information on the Company	9
Part 2 – Risk Factors	15
Part 3 – Accountant’s Report	16
Part 4 – Statutory and General Information	18
Part 5 – Procedure for Application and Payment	25
Appendix 1 – The Production and Distribution Process	27
Appendix 2 – Industry Overview: The British Film Industry Today	29
Appendix 3 – Sales Potential	30
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How to Complete the Application Form	32
Application Form	33



Directors and Advisers

Directors

John Goldsmith (Chairman)
6th Floor
International House
223 Regent Street
London
W1B 2EB

Crispin Manson (Production Director)
6th Floor
International House
223 Regent Street
London
W1B 2EB

Jon Kirby (Production Director)
6th Floor
International House
223 Regent Street
London
W1B 2EB

Malcolm Jessop FCA (Finance Director)
6th Floor
International House
223 Regent Street
London
W1B 2EB

Company Secretary

Philip Ashworth
121 The Mount
York
YO24 1DU

Solicitors and Receiving Agents

Philip Ashworth & Co
121 The Mount
York
YO24 1DU

Auditors & Reporting Accountants

JW Pickles & Co
20-24 Park Street
Selby
YO8 4PW

Bankers

C Hoare & Co
37 Fleet Street
London
EC4P 4DQ

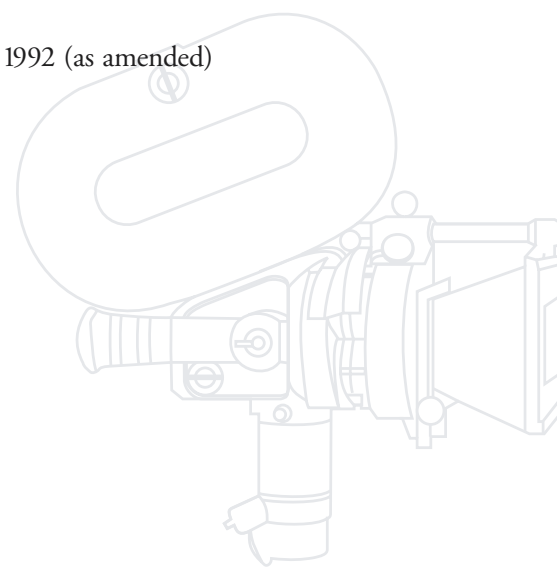
Registered Office

6th Floor
International House
223 Regent Street
London
W1B 2EB

Definitions

In this document, unless the context requires otherwise, the following expressions have the following meanings:

"the Act"	The Companies Act 1985 (as amended)
"the Articles"	the articles of association of the Company
"the Board" or "the Directors"	the board of directors of the Company
"the Company"	Jubilee Pictures plc
"Costs of Production"	monies spent in the development and making of the film
"EIS"	the Enterprise Investment Scheme as particularised in Chapter III of Part VII of ICTA
"EIS Deferral Relief"	capital gains deferral on reinvestment pursuant to Section 150C and schedule 5B of TCGA
"EIS Relief"	income tax relief and/or exemption from tax in respect of chargeable gains which is available under the EIS
"the Film(s)"	the proposed full length feature films currently entitled " <i>The Ferryman</i> ", " <i>Detectives</i> ", " <i>Scratched Inside</i> " and " <i>Jester</i> "
"FSMA"	the Financial Services and Markets Act 2000
"Gross Receipts"	the aggregate sums, exclusive of VAT, received by the Company from the lease, license, exhibition and commercial exploitation of the Film(s)
"ICTA"	the Income and Corporation Taxes Act 1988 (as amended)
"Investors"	subscribers for B Shares, pursuant to the Offer
"the Minimum Amount"	£400,000 which, in the opinion of the Directors, is the minimum amount which must be raised by the issue of the B Shares pursuant to the Offer
"the Offer"	the offer for subscription to raise up to £6,000,000 by the issue of up to 15,000,000 B Shares upon the terms and conditions of this prospectus
"Prospectus"	this document including the application form
"the Regulations"	the Public Offers of Securities Regulations 1995
"Relevant Period"	the period beginning on the date on which the B Shares are issued under this Offer and ending three years after that date or three years after the commencement of the Company's trade, whichever is later
"A Shares"	the A Ordinary Shares of £0.01 each in the capital of the Company
"B Shares"	the B Ordinary Shares of £0.01 each in the capital of the Company
"Shares"	the A Shares and the B Shares
"TCGA"	the Taxation of Chargeable Gains Act 1992 (as amended)



Glossary of Industry Terminology

"Above-The-Line and Below-The-Line"	There is a line on the first page of a film budget, separating the artistic elements of the budget from the technical elements. The artistic elements (writer, producer, director of the film, actors) are listed above that line and the technical elements (crew, equipment costs, location hire, insurances etc.) are listed below it. For sake of brevity, budget elements are often referred to as "above-the-line" or "below-the-line."
"Associate Producer"	A title given to a person who has made a major contribution to the production. It could be a financier, production manager, writer, post-production supervisor, actor, etc. The second in charge of production and the person who takes a share of the producer responsibility, both creatively and administratively.
"Co-producer"	A person sharing the producer responsibility. In an international co-production the producers from the various different countries are referred to as the Co-producers.
"Crew"	The technicians in a production. Typically everyone but the producers, the director and actors.
"Distributors"	A Distributor exhibits and exploits a film in the country or countries in which it has licensed the rights to do so. A Distributor may license the rights to a film from the producers or through a sales agent representing the producers.
"Executive Producer"	A term that embraces many definitions. Often an experienced producer taking an overseeing, advisory or mentoring role. Sometimes the person who has arranged or contributed finance to the film, finalised presales or made other important contributions to the production.
"Final Mix"	The process of combining all the film's soundtracks into one, with all the sounds blended together at their correct volumes, together with any equalisation, filtering, and effecting of the sound to give the desired end result.
"Location"	The overall working area where filming is taking place. The term on-location is also used when working in a 'real' venue to differentiate from a studio shoot where the set is built.
"M&E"	M&E stands for Music and Effects. After the final mix is complete an M&E track is made where the dialogue is mixed out and only the music and effects tracks are left. An M&E track is essential for dubbing the film into different languages.
"Production Schedule"	Prepared by the First Assistant Director the schedule is a detailed breakdown of how the film will be shot day-by-day. It is prepared in close relation to the budget and how long the producers have determined the shoot will be. It shows which scenes will be shot each day, which actors, special props, stunts etc. will be required.
"Producer"	The person responsible for the film from concept, through pre-production, production and post-production to release and maximisation of revenue. Hires all cast and crew and is the person in authority to make artistic and financial decisions. The person who causes the film to be made and released.
"Set"	The set is where the camera is, as opposed to the "location," which is the overall working area. There may be several sets at one location. A set also refers to a purpose built area in a studio (with moveable walls etc.) as opposed to shooting 'on-location'.
"Shot List"	A written list of the camera angles that will be shot in a scene. A simplified story board without the pictures.
"Story Board"	A sequential series of sketches which can be anything from 'stick-men' drawings to elaborate art work showing each shot of a scene, with dialogue and scene numbers underneath. Used to plot the shooting economically and invaluable for action/stunt scenes.
"Slate"	A group of films scheduled for production by the same producers.
"Talent"	A term that refers to all Above-The-Line creative personnel such as writers, directors, but specifically to the actors.

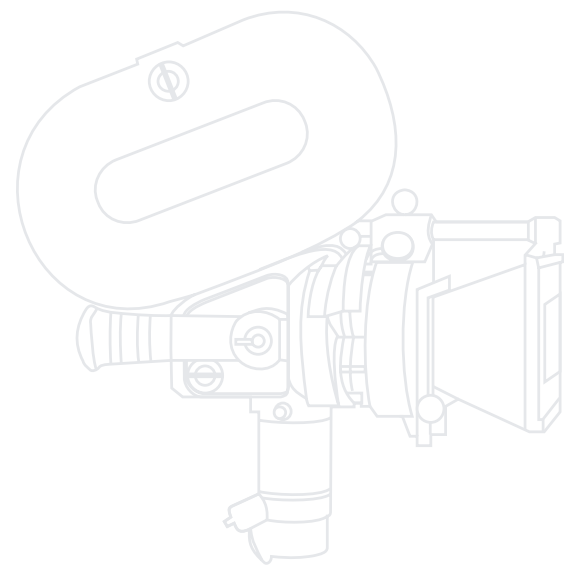
Offer Statistics

(assuming full subscription)

Offer Price	£0.40
Number of A Shares in issue pre-Offer	5,000,000
Number of B Shares in issue pre-Offer	0
Number of A Shares in issue following the Offer	5,000,000
Number of B Shares in issue following the Offer	15,000,000
Percentage of enlarged issue share capital being offered	75%
Gross proceeds of the Offer	£6,000,000
Net proceeds of the Offer to be received by the Company	£5,750,000

Expected Timetable

Offer ends	30 April 2005
Latest time for receipt of completed application forms	30 April 2005
Basis of allocation expected to be announced	20 May 2005
Letter of acceptance expected to be sent out	20 May 2005
Despatch of definitive share certificates by	27 May 2005



Part 1 – Information on the Company

Jubilee Pictures plc has been formed to produce and market a slate of films and has already acquired the rights to a number of scripts. The scripts selected and developed by the Directors for production are all in the thriller category. This is a decision based on the enduring popularity of the genre with audiences in the cinema, on television and home video and its demand in the market. Films that are successful in this genre can provide long-term, lucrative returns for the film's investors.

It is intended that the first film produced by the Company will be directed by David Price. Price has directed a number of films, including *Children of the Corn II*, a film produced on a budget of less than \$1,000,000 which took over \$10,000,000 at US cinemas and over \$25,000,000 worldwide. A letter of intent has been received from David Price although no binding contract has as yet been signed.

The Company aims to produce up to 2 films per year at varying budgets. The slate of films will provide a continuing income stream for the Company over a number of years through releases in cinema, and on video and DVD (assuming the appropriate distribution contracts are secured) and thereafter on television (both satellite and terrestrial). The directors intend to market each film on a worldwide basis.

The Company has secured the services of two eminent figures in the British film industry, John Goldsmith and Stephen Evans.

John Goldsmith has been involved with a string of successful films and television shows. He recently wrote and produced the highly successful *Victoria and Albert* which starred Jonathan Pryce and Sir Peter Ustinov. The Directors intend to draw on John's experience in his role as Chairman, producer and script consultant.

Stephen Evans is a very respected producer whose films have won two Oscars. He has produced, among other films, the highly popular British film *Peter's Friends*. The Directors intend to draw on his considerable film making experience in his role as an Adviser to the Board.

Sales and Marketing

The Directors intend to utilise the Company's relationship with Spice Factory, who have a number of key distribution partners, to market the films produced by the Company on a domestic, European and worldwide basis.

The films produced by the Company will be marketed in the primary world markets: UK, USA, Scandinavia, Germany, Italy, Spain, France, Australia and Japan.

Since starting in 1995, producers Jason Piette and Michael Lionello Cowan have built Spice Factory into one of the UK's leading independent film production businesses.

To date, Spice Factory has actively produced, co-produced and co-financed more than 55 films. While many of their films have attracted top directors and star casts, Jason and Michael have also broken new writing, directing and acting talent. Their films span all genres and budget levels and have a combined production spend of approximately \$400,000,000.

Some recent productions include: *Head in the Clouds* directed by John Duigan starring Charlize Theron, Penelope Cruz and Stuart Townsend; *The Statement* directed by Norman Jewison starring Michael Caine, Tilda Swinton, Jeremy Northam and Charlotte Rampling; *A Different Loyalty* directed by Marek Kaniévski starring Sharon Stone and Rupert Everett; *The Bridge of San Luis Rey* directed by Mary McGuckian starring Robert De Niro, Kathy Bates, F Murray Abraham, Harvey Keitel and Gabriel Byrne and *The Merchant of Venice* starring Al Pacino and Jeremy Irons.

Spice Factory's current joint ventures include:-

Arclight Films - a film sales company that was co-founded with Gary Hamilton in 2002 with offices in Sydney, the UK and Los Angeles.

Bluespice - a joint production and distribution company, with leading Italian producer Pete Maggie.

La Fabrique - a French distribution and production company which is already slated to produce a French version of *Bend it Like Beckham* in early 2005.

Spice Factory and the Company may also look to co-produce projects with each other as well.

The Directors believe that use of Spice Factory's partners to distribute the films will enable the Company to have its films distributed by high quality Distributors worldwide.

The Films

The Company has acquired the rights to a number of screenplays all of which are available for production at the date of the Offer. Production will not commence on any of the films until after the expiry of the Offer Period.

The Company intends to build up a portfolio of films to generate income for the Company in the long term. The Company has acquired the rights to a number of scripts already (brief synopses of which are set out below) but the Directors may acquire the rights to further scripts in the future and will review and revise the films it intends to produce to maximise potential returns dependent on the state of the market and available scripts at the time of production.

The titles of the screenplays are all working titles and are subject to change.

The Ferryman

...Having just completed the routine hit of a double-crossing accountant to the mob, professional assassin Tony Drake is unscrewing the silencer of his revolver when a seven-year-old boy walks into the room. Drake coldly takes aim at the boy; there can be no witnesses. But Drake can't pull the trigger and realises that he has lost his nerve and ruthlessness for the job...

Now retired, former hit-man Tony Drake thought he'd done one good thing in a life of violence and bloodshed by sparing the life of an innocent boy. Years later the unresolved need to know whatever happened to that boy, what he made of his life, leads Drake back to the murderous world he thought he'd left behind and to the shocking realisation that the one act of goodness in his past has in fact created a monster.

Detectives

...And so it starts again.

In a squalid, second floor room of a derelict tenement building a young woman is found brutally murdered. The fifth such murder in five years; each committed on the same date each year. Each victim left savagely mutilated and branded by the killer's trademark: a letter carved into their tongues...

The relentless pursuit of a sadistic serial killer leads to the mental breakdown of Detective John Hyde, his mind lost to a world of crime and violent death. Yet perversely, it is through the nightmares and hallucinations of his damaged brain that the killer's identity emerges. To catch the killer our Detective has to let him into his mind and solving the crime could be at the cost of his own sanity.

Scratched Inside

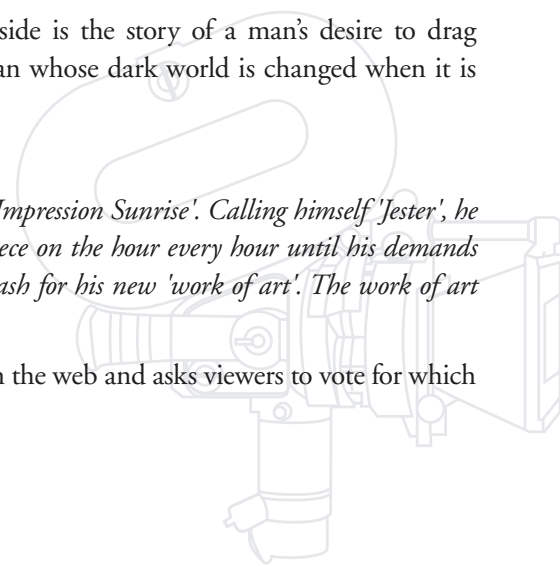
...Woody is a low-life hustler and fixer. From the massage parlours and street girls to the purveying of dodgy fags and videos, Woody runs them all and collects for Stanley the boss. New girl, Yvette, is as naïve and innocent as they come. Yet there is something about her that touches Woody. Soon he is protecting her rather than exploiting her and he's succumbed to the cardinal sin in his line of work: he's fallen for the hooker...

Against a backdrop of a world of vice and gang warfare Scratched Inside is the story of a man's desire to drag himself out of the gutter and seek redemption from a violent past. A man whose dark world is changed when it is touched by the purity and innocence of an intended victim.

Jester

...A man walks into an art gallery, produces a shotgun and shoots Monet's 'Impression Sunrise'. Calling himself 'Jester', he holds the rest of the paintings to ransom and promises to shoot one masterpiece on the hour every hour until his demands are met. His demands are simple - he is to be paid one million pounds in cash for his new 'work of art'. The work of art in question is the remains of "Impression, Sunrise"...

Jester is the ultimate, cool master criminal. He broadcasts his 'siege' live on the web and asks viewers to vote for which



paintings he should blow away next. When the story hits the news, a national debate is sparked about art, in which Jester's work is dubbed 'Destructivist'. Critics register their joy that Jester has made no attempt to explain his work, thus leaving them the chance to inform the public about the significance of it all. But is it art, or criminal vandalism? Will the authorities negotiate a deal with an artistic terrorist? Will Jester get away with it, or will it all end in a whirlwind of violence.

Only one thing is for sure, in an artistic space, no one can hear Edvard Munch's 'Scream'.

Casting

To secure the right talent for lead roles and major supporting roles the Company intends to employ the services of Jeremy Zimmermann Casting. Jeremy Zimmermann is one of the UK's most respected casting directors and his name appears on the credits of many British television and international film productions. Recent projects he has been involved in include *Hidalgo* (with Viggo Mortensen), *Blade II* (with Wesley Snipes), *The Foreigner* (with Steven Seagal) and the UK hit *Dog Soldiers*.

The following actors and actresses have so far been proposed by their agents for specific roles in *The Ferryman* and *Detectives*:

Colin Firth	- <i>The Girl With The Pearl Earring, Love Actually, Bridget Jones</i>
Alan Rickman	- <i>Harry Potter, Robin Hood Prince of Thieves, Galaxy Quest</i>
Sean Bean	- <i>Troy, Lord of the Rings, Goldeneye</i>
Miranda Richardson	- <i>The Hours, Sleepy Hollow, Chicken Run</i>
Penelope Wilton	- <i>Shaun of the Dead, Calendar Girls, Iris</i>
Jurgen Prochnow	- <i>The English Patient, Judge Dredd, Das Boot</i>

It is emphasised that no legally binding contracts have yet been signed and contracts will not be entered into until budgets for each film have been determined and pre-production has begun.

The Production and Distribution Process

Each film will take approximately six months for the Company to produce before it is ready to be released. Production takes place in three stages - pre-production, production and post-production.

During pre-production film budgets are finalised and crew personnel engaged as required. Negotiations will begin for the hire of equipment and locations. A 'storyboard' and detailed production schedule is also produced to aid the shooting of the film.

The production phase then follows when the film will be shot. This usually takes about six weeks. Whilst the production process is continuing the Producer and the director of the film will begin to produce the final version of the film (known as the "Final Cut"). This is finished during the post-production process during which time the sound effects and music score are finalised. The film is then ready to be released. One version of the film will be produced without the voices of the actors to allow it to be dubbed into foreign languages for distribution abroad.

Once the Final Cut of the film has been produced the film is taken to market. A Sales Agent is appointed and attempts to sell rights on a country by country basis to Distributors. The minimum amount that will be payable for the rights to the film in each territory will be agreed in advance between the Sales Agent and the Company. The fee payable by a Distributor will be an agreed advance against the film's revenue and thereafter an agreed share of future revenue.

A full explanation of the production, distribution and marketing process is set out in Appendix 1 on page 27.

Key Personnel

John Goldsmith (Chairman)

John Goldsmith is an award winning producer and writer with over thirty years of screen credits to his name that include such highly acclaimed productions as *David Copperfield*, *The Old Curiosity Shop* and *Great Expectations* for the BBC as well as the feature films *Agnes Brown* (directed by Anjelica Huston) and *Paradise Found* (starring Kiefer Sutherland); *Coming Home* and *Nanherrow* and classic '70s television series *The Protectors*, *The Professionals* and *The Return of The Saint*.

Recently John wrote and produced the hugely successful *Victoria and Albert* in 2001 which was nominated for "Best Mini Series" at both the 2002 Banff International TV Festival and the 2002 Broadcast Awards and penned the recently released *The Gospel of St. John*.

John has won and been nominated for many other awards during his career, including a Daytime Emmy for *The Island on Bird Street*, (Winner Best Picture in Category) a silver award at the New York International Film Festival for *Mrs Livingstone I Presume* and 1st prize, "Feature Live Action" at the Chicago International Festival of Children's Films for *Danny Champion of the World*. He has also previously been chairman of the Writers Guild of Great Britain

Crispin Manson (Production Director)

Crispin studied Business and Communication Arts at the University of West Florida, Pensacola before attending Mountview Drama School in London where he gained a diploma in acting and began his career as an actor. He starred in a number of feature films including *Only Darkness*, *Craven Place*, *Jack of Diamonds* and *Requiem*.

Whilst continuing to work as an actor he moved into production co-producing the short film *Soldiers Leap* starring Rupert Graves, Edward Hardwicke and Billy Boyd.

In 1997 Crispin co-founded Splendid Films with Jon Kirby and has since produced four feature films.

Jon Kirby (Production Director)

Jon Kirby has worked in the film and television industry since graduating from King Alfred's College Winchester with a degree in Theatre and Television studies in 1991. Working initially in post-production for London facilities house TVP he moved on to work for Barrie Hinchliffe Productions before teaming up with Crispin Manson and co-founding Splendid Films.

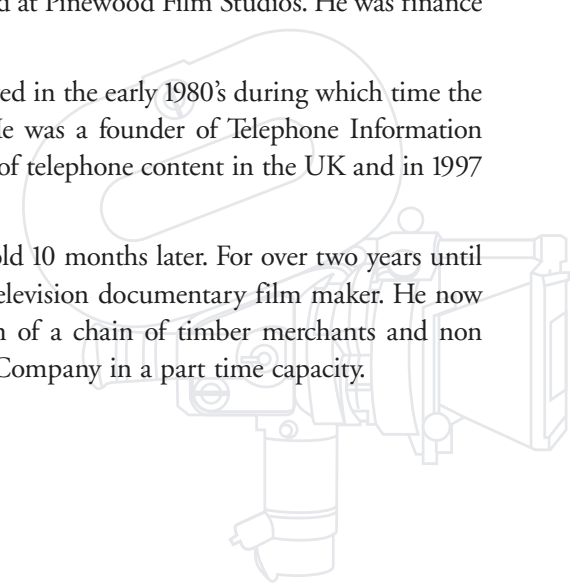
Prior to his feature film work Jon had made programmes for a diverse range of corporate and broadcast clients including The Design Council, BBC Top Gear Motorsport, Sony and HMSO Books. His credits include pop promos, corporate and broadcast documentaries seen across an international audience. He is also a member of the Directors Guild of Great Britain.

Malcolm Jessop (Finance Director)

Malcolm Jessop is an experienced Chartered Accountant who has worked in a diverse range of enterprises. Having qualified in 1974, he worked for a group whose interests included a large broadcast television facilities company (TVI) and a television equipment hire company (Zoom Television) based at Pinewood Film Studios. He was finance director of both these companies.

A five year spell as finance director of Micro Business Systems plc followed in the early 1980's during which time the company grew from 49 staff to 750 and was floated on the USM. He was a founder of Telephone Information Services plc. This company grew to become one of the largest providers of telephone content in the UK and in 1997 was sold to Thus plc.

In 1999 he founded an e-commerce company which was successfully sold 10 months later. For over two years until 2001 he was part time finance director of Invincible Films Limited, a television documentary film maker. He now runs a small management consultancy and is non executive Chairman of a chain of timber merchants and non executive finance director of a software company. He will work for the Company in a part time capacity.



Stephen Evans (*Adviser to the Board*)

Stephen is a highly respected UK film producer. He has produced 13 feature films and brings exceptional experience to the Company. During his career he has received 11 Academy Award nominations including 2 Oscar wins for *The Madness of King George* and *Wings of a Dove*. Stephen began his career in the City and was a member of the London Stock Exchange from 1973 until 1994.

In 1989 he founded Renaissance Films and produced the acclaimed movies *Henry V*, *Peter's Friends* and *Much Ado About Nothing*. From 1994, Stephen took sole charge of Renaissance and cemented his position at the forefront of UK film production with a string of hits, including *The Madness of King George*, *Wings of the Dove* and *The Luzhin Defence*. Recently, Stephen was Executive Producer of *Confessions of a Dangerous Mind* (directed by George Clooney), *The Safety of Objects* (starring Glenn Close), the recently released *The Reckoning* (with Willem Defoe) and *The Mother* (in Cannes Director's Fortnight 2003). Most recently he was Executive Producer of *Dear Frankie* (starring Emily Mortimer and Gerard Butler) which was well received at Un Certain Regard in Cannes 2004, part of the Cannes Film Festival.

Film Budgets and Timetable

The budgets for each film produced will depend on the amount of funds raised.

The capital raised by the Offer and the income generated from the initial films will dictate the budgets available for future films. However, it is the current intention of the directors to produce the films in the following order in the following timescale:-

Film	Anticipated date of start of production	Anticipated Budget
<i>Scratched Inside</i>	July 2005	£350-450K
<i>The Ferryman</i>	November 2005	£2.0-25M
<i>Jester</i>	February 2006	£350-450K
<i>Detectives</i>	May 2006	£2.0-25M

If less than the full amount of the money the Company is aiming to raise under the Offer is raised it may result in the budgets for the films produced varying and may affect the total number of films the Company is able to produce and/or the anticipated production dates.

Completion Guarantee

A completion guarantee (or completion bond) will be taken out for each film (where appropriate). The completion guarantee is a guarantee to the financiers that the film will be completed as per the agreed budgets, scripts and scheduled time-scales.

In addition production insurance will be taken out on each film. This will cover things such as the cast and crew, equipment and the negatives. Thus, any loss of shooting days through damaged film stock, scratched negatives or faulty equipment can be covered enabling the lost scenes to be re-shot.

Application of Funds

The Company is seeking to raise between a minimum of £400,000 and a maximum of £6,000,000, by means of the Offer. It is intended that funds will be used to produce and market a slate of films over a number of years to generate a continuing income stream for the Company.

Financial Control

The Board has prepared a budget incorporating various assumptions. It has also put in place procedures to provide a comprehensive series of regular reports on key aspects of the business. The Directors have reviewed the Company's financial reporting procedures and are satisfied that they can discharge the statutory obligations placed upon them as Directors of a public company.

Employees

With the exception of the Directors the Company does not currently have any employees. Cast and crew will be

hired on a film by film basis as is standard practice within the industry.

Management Incentives

The major objective of the Company is to realise value from the slate of scripts to which it has the rights and turn them into successful films to generate a continuing stream of income. The Directors therefore consider that it is in the interests of the Company and its shareholders that suitable incentives are provided to the Directors. Accordingly the Production Directors, Crispin Manson and Jon Kirby will hold 2,500,000 A Shares each.

In addition, certain Directors may benefit from the proposed share option scheme, further details of which are set out in paragraph 5 of part 4 below.

Dividend Policy

It is the intention of the Company to pay dividends to investors. However, the Board believes that to maximise revenue it will be necessary to invest the profits made by the Company into the business for the purposes of producing high quality films to produce an on-going income stream for the Company.

The Directors do not therefore expect to pay a dividend for the financial period ending 30 September 2005. This will be reviewed in the light of the performance of the Company following production of the first two films and on a regular basis thereafter.

Details of the Offer

Up to 15,000,000 B Shares of £0.01 each are being offered at a price of £0.40 per share. The B Shares are payable in full upon application.

Applications must be for a minimum of 10,000 B Shares and thereafter in multiples of 2,500 B Shares. There is no limit on the number of B Shares that an investor may subscribe for provided that their shareholding does not exceed 29.9% of the entire issued share capital of the company after the offer closes. In the event that an investor subscribes for a number of shares in excess of 29.9% of the company, the investor will be allotted with as many shares as possible and the balance of funds will be returned to them.

The offer will open at 10am on 21 March 2005 and will close at 5pm on 30 April 2005 (or such later time and/or date as the Directors may determine) or when 15,000,000 B ordinary shares have been subscribed, whichever is the earlier.

If the offer is over-subscribed, the Directors can exercise their discretion to scale down applications or, pursuant to their general power under the Articles of Association, to accept the applications and allot shares accordingly. If the Offer is less than fully subscribed, the amount of capital subscription will be allotted and issued, provided the Minimum Amount has been achieved.

Additional Benefits

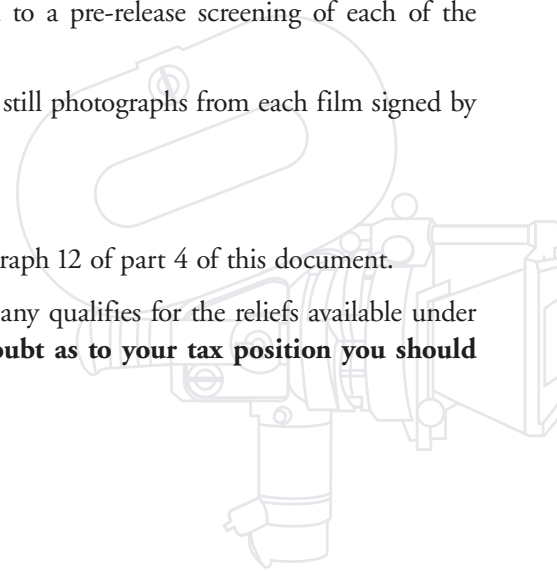
In addition to the potential tax savings offered by investment in the company and a share of future profits the Directors will offer all investors the opportunity to participate in the social aspect of film making:

- Each Investor will receive a copy of each film on DVD.
- All Investors, introducers, advisers and their partners will be invited to a pre-release screening of each of the completed films in London.
- An Investor contributing £50,000 or more will receive a set of framed, still photographs from each film signed by the lead actors.

Taxation

Information regarding taxation in relation to the offer is set out in paragraph 12 of part 4 of this document.

The Inland Revenue has given provisional confirmation that the Company qualifies for the reliefs available under the Enterprise Investment Scheme ("EIS") legislation. **If you are in doubt as to your tax position you should consult your own independent financial adviser immediately.**



Part 2 – Risk Factors

Investment in the Company carries a high degree of risk. It should be noted that the value of shares may go down as well as up and there is no certainty that any amount initially invested will be returned.

This type of investment is not suitable for everyone and potential investors are strongly recommended to consult a person authorised under the FSMA, as well as an appropriately qualified taxation adviser before making an investment.

The Directors consider the following risks and other factors to be the most significant for potential investors, but the risks listed do not necessarily comprise all those associated with an investment in the Company and the risks listed are not set out in any particular order of priority:-

1. The success of the films to be produced by the Company will affect the value of the Shares. Demand for the films and successful distribution cannot be guaranteed. A lack of success in the marketplace will also impact on the ability of the Company to recover the costs of production. Whilst the Directors intend to secure an amount of the film's budget through methods such as pre-sales this cannot be guaranteed.
2. There is not, nor is there intended to be any market for the sale of shares. Consequently, Investors may have difficulty in selling shares or obtaining reliable information about their value. It may prove difficult for Investors to secure an exit. These are unquoted securities, which may have more risks than quoted securities.
3. Changes in government or government policy may affect the return on an Investor's investment as well as affecting tax rates and available reliefs.
4. The Company may cease to carry out a 'qualifying trade' resulting in the loss to Investors of EIS Relief. In addition, if B Shares are not held by an Investor for the period of three years following their allotment any tax reliefs obtained will be lost and will be repayable with interest. Accordingly, for Investors wishing to obtain EIS Relief or EIS Deferral Relief investment in the Company may not be suitable as a short term investment. In addition, there are various additional conditions attached to EIS Relief and EIS Deferral Relief which individual Investors must satisfy for specified periods. Potential Investors must take advice from their own professional advisers as to the likelihood of their qualifying for EIS Relief or EIS Deferral Relief.
5. The Company has no trading history. The Directors are seeking to generate revenue from the production of feature films. However there is no guarantee that this strategy will be successful. The success of this strategy will depend on the films being widely distributed. Whilst the Directors have attempted to ensure that suitable distribution arrangements will be in place for the films no binding agreement has been entered into with a Distributor.

David Pavey, F.C.A.
David Ingall, F.C.A.
Stephen Headley, F.C.A. C.T.A.
Russell Smith, F.C.A.
Tony Farmer, F.C.A.
Robert Pickles, F.C.A.



J. W. Pickles & Co.

CHARTERED ACCOUNTANTS
REGISTERED AUDITORS

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ACCOUNTANT'S REPORT

21 March 2005

The Directors
Jubilee Pictures plc
International House
223 Regent Street
London
W1B 2EB

Dear Sirs

Jubilee Pictures plc (the "Company")

We report on the financial information set out below relating to Jubilee Pictures plc from incorporation to 21 March 2005. This financial information has been prepared for inclusion in the Prospectus dated 21 March 2005 of Jubilee Pictures plc.

Basis of Preparation

Jubilee Pictures plc was incorporated as a limited company on 28 September 2004 under the name 121 Mountco 041 Limited with an authorised share capital of £1,000 divided into 1,000 Ordinary Shares of £1 each. On 10 February 2005 a further 199,000 Ordinary Shares were authorised making a total authorised share capital of £200,000. On 10 February 2005 the authorised share capital was sub-divided into 20,000,000 Ordinary Shares of £0.01 each. The Company was re-registered as Jubilee Pictures plc by a written resolution dated 17 February 2005 and the Ordinary Shares were sub-divided into 5,000,000 A Ordinary Shares of £0.01 each and 15,000,000 B Ordinary Shares of £0.01 each. Save for these transactions the Company had not traded and no dividends have been declared or paid. No audited financial statements have yet been prepared for the Company.

Responsibility

Such financial statements are the responsibility of the Directors of the Company who approved their issue.

The Directors of the Company are responsible for the contents of the Prospectus dated 21 March 2005 in which this report is included. It is our responsibility to compile the financial information set out in our report from the financial statements, to form an opinion on the financial information and to report our opinion to you.

Basis of Opinion

We conducted our work in accordance with the Statements of Investments Circular Reporting Standards issued by the Auditing Practices Board. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. The evidence included an assessment of significant estimates and judgements made by those responsible for the preparation of the financial statements underlying the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the financial information on page 17 gives, for the purposes of the Prospectus dated 21 March 2005, a true and fair view of the state of affairs of the Company as at the date stated.

Consent

We consent to the inclusion in the Prospectus dated 21 March 2005 of the report and accept responsibility for this report for the purposes of paragraph 45(1)(b)(iii) of Schedule 1 to the Public Offers of Securities Regulations 1995.

Yours faithfully,

J. W. Pickles & Co.

JUBILEE PICTURES PLC

BALANCE SHEET

	Note	21 March 2005
		£
CURRENT ASSETS		
Cash at bank and in hand		12,500
		<u>12,500</u>
CAPITAL AND RESERVES		
Called up share capital	2	12,500
SHAREHOLDERS FUNDS		<u>12,500</u>

NOTES TO THE BALANCE SHEET

COMPLIANCE WITH ACCOUNTING STANDARDS

The Accounts have been prepared in accordance with applicable accounting standards. There were no material departures from those standards.

1. ACCOUNTING POLICIES

Accounting Convention

The balance sheet has been prepared under the historical cost convention.

2. SHARE CAPITAL

	2005
	£
Authorised	
5,000,000 A Ordinary Shares of £0.01 each	50,000
15,000,000 B Ordinary Shares of £0.01 each	<u>150,000</u>
	<u>200,000</u>
Allotted, called up and fully paid	
5,000,000 A Ordinary Shares of £0.01 each paid up as to 0.25p per share	<u>12,500</u>

Part 4 - Statutory and General Information

1. Incorporation and Status of the Company

- a) Jubilee Pictures plc was incorporated and registered in England and Wales on 28 September 2004 as a limited company with the name 121Mountco 041 Limited and with registered number 05243829. Its registered office is located at International House, 6th Floor, 223 Regent Street, London W1B 2EB.
- b) By a written resolution dated 29 September 2004 the Company changed its name to Jubilee Pictures Limited. The Company was re-incorporated as Jubilee Pictures plc by a written resolution dated 17 February 2005.
- c) The principal legislation the Company operates under is the Act and regulations made thereunder. The liability of the members of the Company is limited.

2. Share Capital of the Company

- a) The authorised and issued share capital of the Company as at the date of this document and on the Offer are as follows:

Authorised Share Capital			Issued and fully paid up Share Capital			
			At present		On Offer	
£	Number		£	Number	£	Number
50,000	5,000,000	A Ordinary Shares of £0.01 each	50,000	5,000,000	50,000	5,000,000
				paid up as to 0.25p per share		paid up as to 0.25p per share
150,000	15,000,000	B Ordinary Shares of £0.01 each	-	-	150,000	15,000,000

- b) The Company was incorporated with an authorised share capital of £1,000 divided into 1,000 ordinary shares of £1.00 each of which 1 share was issued to the subscribers to the Memorandum of Association of the Company. On 11 February 2005 the subscriber share was transferred to Crispin Manson.
- c) On 10 February 2005 by or pursuant to resolutions of the Company passed on that date the Company resolved to:
 - (i) increase the authorised share capital of the Company from £1,000 to £200,000 by the creation of 199,000 Ordinary Shares of £1.00; and
 - (ii) sub-divide all of the 200,000 issued and un-issued Ordinary Shares of £1.00 each into 20,000,000 ordinary shares of £0.01 each;
- d) On 17 February 2005 by or pursuant to resolutions of the Company passed on that date the Company resolved to:
 - (i) sub-divide the authorised share capital of the Company into 5,000,000 A Ordinary Shares of £0.01 each and 15,000,000 B Ordinary Shares of £0.01 each
 - (ii) adopt new Memorandum and Articles of Association of the Company;
 - (iii) change the name of the Company to Jubilee Pictures plc;
- e) The provisions of section 89(1) of the Act (which confer on shareholders right of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash other than by way of allotment to employees under an employees' share scheme as defined in section 743 of the Act) apply to the authorised but un-issued share capital of the Company to the extent not dis-applied as described in paragraph (a) above.
- f) Save as otherwise disclosed, no share or loan capital of the Company is proposed to be issued or is under option or agreed, conditionally or unconditionally, to be put under option.

3. Memorandum and Articles of Association

The Memorandum of Association of the Company provides that its principal object is to carry on business as a general commercial company allowing it to carry on any business it wishes without encountering problems with limitation from the objects clauses. The Company has the power to borrow, raise, secure, mortgage and charge the property and assets of the company. The main objects of the Company are set out in paragraph 3 of the

Memorandum of Association of the Company.

The Articles include provisions to the following effect:

a) Rights Attaching to Share Capital

(i) Voting Rights

Whatever the number of A Shares in issue the A Shares shall confer upon the holders of the A Shares to cast an aggregate of 51% of the voting rights of the voting rights capable of being cast on all matters to be decided by vote at a general meeting of the Company.

(ii) Dividends

Any dividends granted in any financial year shall be distributed pro-rata to the holders of the Shares.

(iii) Capital

On a return of assets on a liquidation, reduction of capital or otherwise (after payment of all liabilities) all shareholders will be entitled to participate equally in the return of assets up to the amount of the issued nominal amount of the share capital of the Company at the date of return of such assets.

(iv) Redemption

The Shares in the Company are not redeemable.

b) Share Transfers

Subject to any applicable restrictions contained in the Articles of Association of the Company as may be applicable, any shareholder may transfer all or any of his shares by an instrument of transfer in any usual or common form or in any other form approved by the directors. Where companies legislation allows, shares in the Company may be transferred without a written instrument pursuant to procedures adopted by the Directors for the purpose. Any instrument of transfer of a share shall be signed by or on behalf of the transferor and, in the case of a partly paid share, by or on behalf of the transferee. The Directors may in their absolute discretion and without having to give any reason refuse any transfer of shares (not being fully paid shares). The Directors may also refuse to register a transfer of shares unless the instrument of transfer:-

(i) is lodged (duly stamped if required) at the Company's registered office or such other place as the Directors may appoint accompanied by the relevant share certificate;

(ii) is in respect of only one class of share; and

(iii) is in favour of not more than four persons jointly.

The Directors may also decline to register any transfer of shares on which the Company has a lien or which is made in favour of an infant, bankrupt or person of unsound mind.

Where, in respect of any shares, any registered holder or any person appearing to be interested in such shares fails to comply with any notice given by the Company under section 212 of the Act then, provided that such shares concerned represent at least 0.25% in nominal value of the issued shares of the relevant class, the Company may prohibit the transfers of such shares.

The transferor of a share shall be deemed to remain the holder of such share until the name of the transferee is entered into the register in respect thereof.

c) Suspension of Rights

No shareholder shall unless the Board otherwise determines be entitled to vote at general meetings either personally or by proxy if he or any person appearing to be interested in those shares has been duly served with a notice under Section 212 of the Act and he or any such person in the absolute discretion of the Board (i) is in default of supplying the Company with the information thereby requested within 21 days after service of such notice or such longer period as may be specified in such notice for compliance with, and (ii) has remedied such default within a further period of 14 days after service of a further notice requiring him to do so.

d) Variation of Rights

Subject to the Act, if at any time the capital of the Company is divided into additional different classes of shares, the rights attached to any class may be varied or abrogated, whether or not the Company is being wound up, either:

(i) in such manner (if any) as may be provided by such rights; or

(ii) in the absence of any such provision with the consent in writing of the holders of three quarters in nominal value of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of that class. To every such meeting all the provisions of the Articles relating to general meetings or the proceedings thereat shall, so far as applicable and with the necessary modifications, apply, except that the necessary quorum shall be two persons at least, holding or representing by proxy not less than one third in nominal amount of the issued shares of that class in question and that any member of the class present in person or by proxy may demand a poll.

3. Directors' and other Interests

a)

(i) The interests of the Directors and their immediate families, all of which (unless otherwise stated) are beneficial, and of connected persons, within the meaning of section 346 of the Act, in the issued share capital of the Company which have been notified to the Company pursuant to Sections 324 and 328 of the Act or are required to be disclosed in the Register of Directors interests pursuant to Section 325 of the Act as at the date of this document and as expected to be immediately following the Offer are as follows:

Name	Number and class of Shares prior to Offer	Percentage of the the issued share prior to Offer	Number and class of Shares following Offer (assuming full subscription)	Percentage of the the issued share capital following Offer (assuming full subscription)
Crispin Manson	2,500,000 A Ordinary Shares	50%	2,500,000 A Ordinary Shares	125%
Jon Kirby	2,500,000 A Ordinary Shares	50%	2,500,000 A Ordinary Shares	125%
John Goldsmith	-	-	-	-
Malcolm Jessop	-	-	-	-

(ii) Save as disclosed in sub-paragraphs (i) above and this sub-paragraph (ii) the Directors are not aware of any interest (within the meaning of Part VI of the Act) in the Company's share capital which, immediately following the Offer, would amount to 3 per cent or more of the Company's issued share capital or which would enable a shareholder to exercise control over the Company.

(iii) Save as set out in this Part, following the Offer no Director will have any interest in the share capital of the Company or any of its subsidiaries.

b) Save as set out in this Part, the Directors are not aware of any person who could directly or indirectly, jointly or severally, exercise control over the Company.

c) Save as set out in sub-paragraphs (i) to (ii) above, following the Offer, no Director or any person connected with such a Director (within the meaning of Section 346 of the Act) is expected to have any interest in the share capital of the Company amounting to 3 per cent or more of the Company's issued ordinary share capital.

d) There are no outstanding loans granted or guarantees provided by the Company to or for the benefit of any of the Directors.

e) No Director or member of such a Director's family has a related financial product referenced to the Shares.

f) Save as disclosed in this paragraph 3, no Director has any interest, whether direct or indirect, in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company and which was effected by the Company and which remains in any respect outstanding or unperformed.

4. Directors' Service Agreements/Letters of Appointment

a) John Goldsmith, Crispin Manson, Jon Kirby and Malcolm Jessop have entered into Letters of Appointment in respect of their positions as Directors of the Company. Conditional on the Company raising the Minimum Amount Crispin Manson and Jon Kirby will each receive Directors' fees of £20,000 per annum and John Goldsmith £10,000 per annum. Malcolm Jessop will work for the Company on a part time basis at a rate of £1,000 per day for a maximum of 10 days per annum.

b) It is estimated that under arrangements currently in force, the aggregate remuneration and benefits in kind to be paid to the Directors for the financial year ending 30 September 2005 will be approximately £30,000.

5. Share Option Schemes

It is intended that a share option scheme for the benefit of key management will be put in place over the course of the next 12 months which will result in a maximum dilution to holders of the A Shares of 5%.

6. Additional Information on the Board

In addition to directorships of the Company the Directors hold or have held the following directorships and are or have been partners in the following partnerships within the five years prior to the date of this document:

Director	Current Directorships/PartnershipsPast	Directorships/Partnerships
Crispin Manson	Splendid Films (UK) Ltd, MKM Films Ltd, Skewered Films Ltd, Splendid Film Finance Ltd	
Jon Kirby	Splendid Films (UK) Ltd, MKM Films Ltd, Skewered Films Ltd, Splendid Film Finance Ltd	
John Goldsmith	Own2Feet Productions Limited	
Malcolm Jessop	A.W. Champion Ltd, A.W. Champion Property Ltd, A.W. Champion Timber Ltd, Pursuit Services Ltd, Bostock Developments Ltd (in liquidation), Convergent Communications plc (in administrative receivership).	Invincible Films Ltd, Narrateo Ltd, Xpertise Group plc, Xpertise Training Ltd, Experts (UK) Ltd, Red Dot Direct Ltd, Alveronic Communications Technologies Ltd (in liquidation)

Save as disclosed above, none of the Directors has:

- (i) any unspent convictions in relation to indictable offences;
- (ii) had any bankruptcy order made against him or entered into any voluntary arrangements;
- (iii) been a director of a company which has been placed in receivership, compulsory liquidation, administration, been subject to a voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors whilst he was a director of that company or within the 12 months after he ceased to be a director of that company;
- (iv) been a partner in any partnership which has been placed in compulsory liquidation, administration or been the subject of a partnership voluntary arrangement whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
- (v) been the owner of any assets or a partner in any partnership which has been placed in receivership whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
- (vi) been publicly criticised by any statutory or regulatory authority (including recognised professional bodies); or
- (vii) been disqualified by a court from acting as a director of any company or from acting in the management or conduct of the affairs of a Company.

7. Material Contracts

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company within the period from incorporation to the date immediately preceding the date of this document and are, or may be, material:

- (i) An Agreement dated 2 November 2004 between the Company and Jon Kirby for an exclusive option over all rights to the screenplay provisionally entitled '*Scratched Inside*';
- (ii) An Agreement dated 14 December 2004 between the Company and Alexandra Galle for the purchase of the screenplay provisionally entitled '*Jester*';

(iii) An Agreement dated 21 December 2004 between the Company and Nick Hildred for writing services in connection with the screenplay provisionally entitled *'Jester'* and

(iv) An Agreement dated 13 January 2005 between the Company and Splendid Films (UK) Limited for the purchase of the screenplays provisionally entitled *'The Ferryman'* and *'Detectives'*.

8. 3% Shareholders

Save as disclosed in paragraph 3 above the Company is not aware of any person who, immediately following the Offer will be interested in 3% or more of the issued share capital of the Company.

9. Litigation

The Company is not involved in any legal or arbitration proceedings which may have or have had since incorporation a significant effect on the Company's financial position and, so far as the Directors are aware, there are no such proceedings pending or threatened against the Company.

10. Significant Change

Save as disclosed in this prospectus, there has been no significant change in the financial or trading position of the Company since its incorporation.

11. Working capital

The Directors are of the opinion, having made due and careful enquiry, that the working capital available to the Company at the Offer, will, from the time of the Offer, be sufficient for its present requirements, that is, for at least the next 12 months.

12. Taxation

The following paragraphs include advice received by the Directors about the tax position of shareholders who are resident or ordinarily resident in the UK for tax purposes and who hold their Shares as investments. The statements below are intended only as a general guide and do not constitute advice to any shareholder on his or her personal tax position and may not apply to certain classes of investor (such as dealers or UK insurance companies). The comments are based on current legislation and Inland Revenue practice. Any investor who is in doubt as to his or her tax position should consult his or her professional adviser.

(a) Taxation of the Company

The Company will be liable to UK corporation tax at current rates (depending on the level of its profits for each accounting period) between 0 per cent and 30 per cent of its taxable profits.

(b) Taxation of Shareholders

The following paragraphs summarise the tax position of shareholders other than UK corporate shareholders receiving dividends.

A UK resident shareholder who is an individual will be entitled on receipt of a dividend to a tax credit equal to one ninth of the net dividend (i.e. one tenth of the aggregate of the net dividend and associated tax credit).

However, the rate of income tax payable on such dividends by a UK individual shareholder whose total income, including the dividend and the associated tax credit, falls within the threshold for lower or basic rate tax, will be reduced to ten per cent (known as the 'Schedule F ordinary rate'). Accordingly, the tax credit, will discharge such shareholder's liability to UK income tax on the dividend. To the extent that the tax credit exceeds that shareholder's liability to UK income tax, such shareholder will not be entitled to claim payment of the excess from the Inland Revenue.

In addition, the rate of income tax payable on such dividends by a UK individual shareholder whose total income, including the dividend and associated tax credit, falls above the threshold for higher rate tax, is 32.5 per cent. (known as the 'Schedule F upper rate'). Accordingly a shareholder who is liable to tax at the higher rate will have an additional liability to tax in respect of the dividend and associated tax credit at 22.5 per cent, being the difference between the Schedule F ordinary rate and the Schedule F upper rate.

An individual shareholder who is a Commonwealth citizen, a citizen of the Republic of Ireland, a resident of the Isle of Man or Channel Islands or a national of a state within the European Economic Area will not be entitled to claim repayment of the whole or any part of the tax credit attaching to dividends. However, such shareholders or other non-UK resident shareholders may be entitled to claim payment of the whole or part of the reduced tax credit depending on the terms of an applicable tax treaty but the reduction in the level of the tax credit will generally reduce or eliminate the amount payable.

(c) Enterprise Investment Scheme Relief

The Inland Revenue has given provisional confirmation that the Company will, following the issue of the new B Shares, be a qualifying company for the purposes of the EIS legislation.

The Company cannot guarantee or undertake to conduct its activities in such a way that relief under the EIS scheme will be preserved.

EIS relief will enable a qualifying individual investor who subscribes for and is issued eligible shares in a qualifying company to secure certain tax reliefs on his subscription, namely:

- Relief from income tax (currently at 20 per cent) in respect of the amount subscribed up to a limit of £200,000 per year invested by the individual (a maximum of £40,000 of tax relief per year);
- On the first disposal of shares after three years after the issue, (provided that EIS relief has not been previously withdrawn) any gain on the disposal will be exempt from capital gains tax;
- Should the shares be disposed of at a loss, the net loss (i.e. reduced by the amount of any income tax relief) will be allowable for either income tax or capital gains tax purposes; and
- Where the investor has made a capital gain on the disposal of assets and certain other events it will generally be possible to defer the tax on these gains as a consequence of investing in eligible shares.

(i) Qualifying Individuals

EIS relief does not require an individual to be ordinarily resident in the UK to qualify for relief. An individual must not be connected with the Company or become connected with it in the next three years in order to retain relief.

(ii) Qualifying Companies

To qualify, a company must satisfy a number of conditions for certain periods. In particular, it must (in this case) carry on a qualifying trade. This condition must be satisfied for a period of three years from the date of issue of the eligible shares or, if later, from the date on which the Company commenced trading.

(iii) Amount of Relief

The amount of relief available to an individual is limited to the lower of:

- (1) an amount equal to income tax at the lower rate (currently at 20 per cent) on the amount subscribed; and
- (2) such amount as would reduce his overall liability to income tax for the tax year in which he subscribes for the shares to nil (ignoring for this purpose certain other reliefs available to him).

The amount of each individual investor's subscription must be between £500 and £200,000 (the £200,000 being a limit which applies to all EIS subscriptions by an individual investor in the tax year concerned). The amount subscribed by each investor qualifying for EIS Relief will be scaled back if and to the extent that subscriptions to the Company exceed a certain limit in a given period of time. If a qualifying individual subscribes for eligible shares in the first six months of a tax year, that individual may claim relief for the previous tax year in respect of half of the amount subscribed up to a maximum of £25,000.

(iv) Withdrawal of Relief

EIS Relief may be withdrawn if any of the relevant conditions (which are beyond the scope of this summary) are not satisfied for the relevant period. In particular, EIS Relief may be withdrawn if the Company does not start a qualifying trade within two years from the date of issue of the B Shares. EIS Relief may also be withdrawn if the B Shares are disposed of within three years from the date of issue or the Shareholder receives value (other than dividends) from the Company.

(d) UK Corporate Shareholders

A shareholder which is a UK resident company will in general not be liable to UK corporate tax on dividends received on its Ordinary Shares and will be entitled to treat the dividend and the associated tax credit (to which a UK resident individual shareholder would be entitled) as franked investment income. By virtue of changes introduced in the Finance (No 2) Act 1997 with effect from 2 July 1997, UK pension funds (together with certain other tax exempt funds) and most UK corporate shareholders, will not be entitled to obtain payments of any tax credit associated to dividends.

(e) Stamp Duty and Stamp Duty Reserve Tax

The allotment and issue of new B Shares by the Company pursuant to the Offer will not give rise to a charge to stamp duty or SDRT.

Transfer of B Shares will be liable to stamp duty at the rate of 50 pence per £100 (or part thereof) of the actual consideration paid, subject to a minimum of £5. An unconditional agreement to transfer such shares will be subject to SDRT at the rate of 0.5 per cent of the consideration paid, payable at the end of the month following the date of the agreement or if the agreement was conditional. However, when an instrument of transfer is executed and duly stamped before the expiry of a period of six years beginning with the date of that agreement, a claim can normally be made to cancel or obtain a repayment of the SDRT liability. The purchaser will normally assume the liability to pay the stamp duty and will be liable to pay SDRT.

Special rules apply to the agreement made by market makers in the ordinary course of their business, broker-dealers and certain other persons. Agreement to the transfer of shares to charities will not give rise to SDRT or stamp duty.

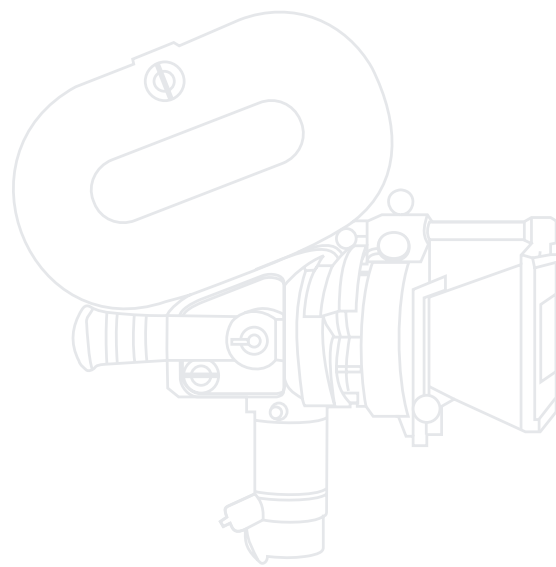
Where B Shares are issued to or transferred to issuers of clearance services, or in certain circumstances, their nominees or agents, stamp duty will be payable at a higher rate of £150 per £100 (or part thereof) of the amount or value of the consideration provided, or SDRT will be payable at the higher rate of 1.5 per cent of the consideration, or, in certain cases, the value of the shares transferred.

13. General

- a) JW Pickles & Co have given and not withdrawn their written consent to the issue of this document with the inclusion of their report and the references to their name in the form and context in which they appear.
- b) Philip Ashworth & Co have given and not withdrawn their written consent to the inclusion in this document of references to their name in the form and context in which it appears.
- c) The accounting reference date of the Company is 30 September.
- d) The Directors are unaware of any exceptional factors which have influenced the Company's activities.
- e) The Directors are not aware of any patents or other intellectual property rights, licences or particular contracts which are or may be of fundamental importance to the Company's business.
- f) There has been no significant change in the trading or financial position of the Company since 28 September 2004, being the date of incorporation of the Company.
- g) Save as disclosed above, no person directly or indirectly (other than the Company's professional advisers and trade suppliers or save as disclosed in this document) since incorporation has received or is contractually entitled to receive, directly or indirectly, from the Company on or after the Offer (excluding in either case persons who are professional advisers otherwise than as disclosed in this document and persons who are trade suppliers) any payment or benefit from the Company to the value of £10,000 or more or securities in the Company to such value (at the Offer Price) or entered into any contractual arrangements to receive the same from the Company at the Offer.
- h) It is estimated that assuming full subscription the total expenses payable by the Company in connection with the Offer will amount to approximately £250,000 (excluding value added tax). The minimum net cash proceeds of the Offer after expenses are estimated to be approximately £350,000.

14. Availability of this Document

Copies of this document are available free of charge from the Company's registered office and at the offices of Philip Ashworth & Co during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) and shall remain available for at least one month after this Offer.



Part 5 -Procedure for Application and Payment

Procedure for Application and Payment

Investors wishing to apply for B Shares should complete and sign the enclosed Application Form in accordance with the instructions thereon and send or deliver it, together with a remittance for the full amount payable in the manner set out below to the Company's solicitors, Philip Ashworth & Co, 121 The Mount, York, YO24 1DU, so as to arrive as soon as possible, but in any event not later than 4.00 p.m. on 30 April 2005, after which time applications will not be accepted (unless the Offer is re-opened at the discretion of the Directors). Applications will be irrevocable and will not be acknowledged.

Cheques or banker's drafts should be crossed "Account Payee only" and made payable to "Philip Ashworth & Co Client Deposit Account re Jubilee Pictures plc". They must be drawn in sterling on a bank or building society or branch thereof in the United Kingdom, the Channel Islands or the Isle of Man, which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company or which has arranged for its cheques or banker's drafts to be cleared through the facilities provided in either of those companies and must bear the appropriate sort code in the top right hand corner. The Company reserves the right to reject applications unless these requirements are fulfilled. Cheques and banker's drafts are liable to be presented for payment upon receipt. It is a term of the Offer for Subscription that cheques shall be honoured on first presentation. The Company may elect to treat as invalid any application in respect of which a remittance is not honoured.

The Company reserves the right, but shall not be obliged, to accept applications accompanied by the required remittance which are received after 4pm on 30 April 2005, but not later than 4pm on 4 May 2005 provided that the cover bears a legible postmark dated not later than 30 April 2005.

Money Laundering Regulations

The Money Laundering Regulations 2003 of the UK require the Company to establish the identity of the person by whom or on whose behalf an Application Form is lodged.

Each subscriber for B Shares, by lodging an Application Form with payment as described above and any agent lodging such an Application Form on his behalf shall thereby be deemed to agree to provide the Company with such information and other evidence as the Company may require to satisfy the verification of identity requirements.

Failure to provide such verification of identity as requested by the Company may result in delays in despatch of your share certificate(s) and may even result in your application being rejected. In the event of the rejection of an Application Form, the application monies (without interest) will be returned to the bank or building society account from which the payment is made.

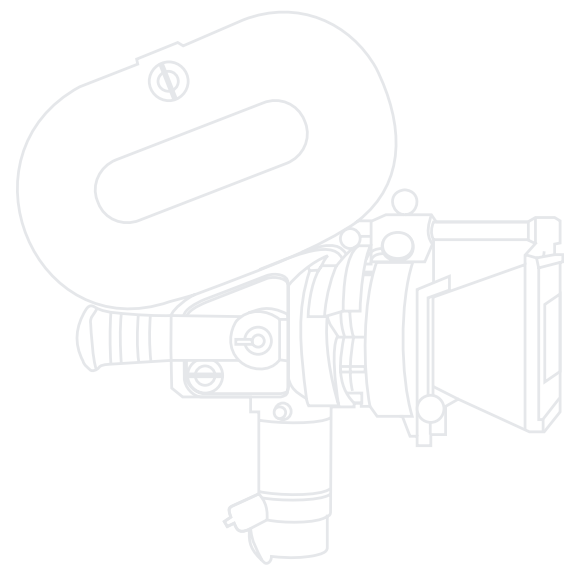
In order to avoid this, applicants should, ideally, make payment by their own cheque. If this is not practicable and applicants use a cheque drawn on a building society or another third party or banker's draft, applicants should (a) write their own name and address on the back of the building society cheque, banker's draft or cheque and record their date of birth against their name; and (b) if a building society cheque, banker's draft or cheque is used, ask the building society or bank to endorse the cheque with the name and account number of the person whose building society or bank account is being debited.

Appendices

Appendix 1 – The Production and Distribution Process

Appendix 2 – Industry Overview – The British Film Industry Today

Appendix 3 – Sales Potential



Appendix 1 – The Production and Distribution Process

1. Pre-Production

Pre-Production is an intensive period of approximately eight weeks. It is an important period and if done well will significantly help the remainder of the production of the film. It involves the finalising of detailed budgets to cover the complete production process. Once the budget is finalised crew personnel will be engaged as required and negotiations will begin for the hire of equipment, locations (which will already have been scouted and identified during pre-production) and other service contracts.

The script is then broken down into a day-by-day production schedule showing what scenes will be shot on each day. At this stage a casting director will be engaged to carry out the casting and detailed storyboards will be prepared to aid shooting of the film.

2. Production

The actual shooting of the film takes about six weeks and is done according to the schedule prepared in pre-production. It is the aim of the Company to shoot three minutes of actual screen time per day. The actual shooting of a ninety minute film will therefore take approximately six weeks.

3. Post-Production

The Post-Production process eventually results in the final cut of the film being produced (although work on editing the film will have begun during the production process). Several more weeks is spent producing the final cut. After several probable re-cuts the picture will be termed 'locked off'. This means that the Producers and Director are happy with the finished film.

At this stage the composer will complete the music score for the film and this will be mixed with the other sound track elements in the sound studio. Various versions of the film will be produced, including one without the voices of the actors which will allow the film to be dubbed into foreign languages.

Marketing

When the Post-Production process has been completed the film is taken to market. A Sales Agent will be appointed to market the film. The Sales Agent will seek to secure distribution contracts for the film to be sold for cinema, video/DVD and television release worldwide. It is the Directors' intention to endeavour to have a Sales Agent appointed in advance. This will enable the pre-selling of the films in certain territories based on the strength of the script and the cast.

The Sales Agent will sell the film on a country by country basis. The minimum price that will be accepted for each territory is agreed in advance with the Company. The fee payable to the Sales Agent is an agreed percentage of the sale price, thus increasing their incentive to negotiate the best deal. A Sales Agent will be in constant contact with the various Distributors and buyers in each territory and will also market the films he is representing at major film festivals. The Sales Agent will first seek a Distributor for the cinema rights and thereafter will look for Distributors for the video/DVD and television rights.

The majority of a film's income will be derived within the first five years following its release, when the film's exposure will be highest through cinema screenings, video and DVD sales and television screenings.

Film Distribution

A Distributor will license the rights to the film through the Sales Agent to exhibit the film in one or more territories. A film may be distributed by more than one Distributor in the same territory.

The fee a Distributor pays for the rights to the film is usually an advance against the actual revenue generated in the territory by the Distributor's exploitation of the film. Once a Distributor has recouped his advance and expenses, a negotiated split of revenue with the Production Company applies.

The distribution rights that a Distributor will look to secure are set out below. If a film can secure cinema distribution it assists greatly in securing distribution rights on other media and enhances the value of such rights.

Cinema

A healthy outing at the cinema is valuable not only in financial terms, but also in raising the profile of a film. It

ensures reviews and articles in the national and trade press and coverage on television and radio. The higher a film's profile, the more it will be in demand and the more revenue it will derive from television and video sales.

The Directors aim to secure cinema distribution by combining strong commercial scripts with recognised talent to maximise potential interest from Distributors worldwide. Once each film is completed further awareness will be generated through screenings at markets and festivals which are attended by sales companies and Distributors.

Fourteen thriller films were given a cinema release in 2003 and grossed £13m at the UK box office. British films also continue to perform well at the international box office with film exports worth £656 million in 2002. The top ten performing UK films worldwide grossed \$1,167 million in 2003 and worldwide the gross box office for all UK films grew by 3% in 2003 to over \$20 billion.

Video/DVD Rental & Retail (approximately 6 months after release)

A film's release on video/DVD is usually in two stages. Initially it is available on rental only before becoming available to buy retail.

Rental and sale of videos and DVDs means that films produced by the Company can potentially continue to earn money for many years after their cinema release. Thriller and horror films are a recognised mainstay of the video sector. A recent example is the 2003 released *28 Days Later* which to date has taken \$5.64m on video rental.

The DVD market is growing constantly. It was worth over £500m in retail sales in 2001. Video sales in the same year were worth over £800m.

By the end of 2002 DVD and video sales had grown to £2,421 million worldwide. Of this amount UK productions accounted for 18% of video and 15% of DVD sales. In the rental market UK films accounted for 14.5% of all transactions.

In 2003 the video and DVD market was worth a total of £2.87 billion.

Satellite Premieres (air approximately 9 months after release)

A Satellite Broadcaster will often pay a premium for the rights to screen a television premiere. British companies such as Sky Box Office and Front Row (on cable) operate around 60 separate pay-per-view film channels. In addition to this there are opportunities for the film to be shown on many similar channels worldwide.

Digital & Cable Television (18 months after release)

In addition to licensing a film to Terrestrial and Satellite Broadcasters, Digital and Cable Television offers another possible outlet and avenue for income.

The digital market is growing all the time and 13.4 million households now have access to multi-channel television in the UK. Similar opportunities for licence agreements with digital television companies worldwide are likely to present themselves and provide continuing income for the films.

Terrestrial Television (2 -3 years after release)

The Terrestrial Television market has an on-going demand for the supply of film content. 2,339 films were shown on terrestrial channels in 2003, up 11% on 2002. Of these 518 (22%) were British films.

Other Income Streams

A film can be exploited beyond Theatrical, Video and Television sales.

Most airlines now offer a considerable choice of in-flight entertainment and many ferry, train and coach companies provide on-board film entertainment.

In the same way as a deal with a TV Broadcaster, revenue is derived from the respective company licensing the film for a set period of time.

Music, Publishing & Merchandising

When a film has a strong identity and has performed well at the box office, the release of the Music Soundtrack on CD is another potentially lucrative source of income.

Similarly, the publishing of a film's screenplay and the novelisation of a film present more potential revenue. It is not uncommon for a film's Director or lead actor to publish their diary on the making of a film. Part of the revenue from sales of such a diary would be paid to the Production Company.

When a film is a global hit, merchandising opportunities can be one of the most lucrative sources of revenue. Toys, video games, figurines, posters and clothing offered across a global market place can earn large amounts of income for the Production Company.

Appendix 2 – Industry Overview – The British Film Industry Today

New UK Film Council analysis shows an increase in the number of and spending on inward investment films, indigenous films and co-productions. Films such as *Harry Potter and the Prisoner of Azkaban*, *Troy*, *The Magic Roundabout*, *Code 46* and *Bridget Jones: The Edge of Reason* helped to make 2003 an all-time record year for spending on film production in the UK. According to the analysis which covers films with a budget of £500,000 and above, production spending in 2003 totalled £1.17 billion with UK involvement in the production of 177 features. The study covers indigenous UK film production, inward investment productions (films originating overseas but filmed mainly in the UK), and UK co-productions filmed both in the UK and abroad using UK crew and expertise. The analysis which is based on financial information supplied by the industry found that:

- the UK was involved in the production of a total of 177 films, including 45 UK feature films, 30 inward investment films produced in the UK, and 102 co-productions
- total film production spending more than doubled to £1.17 billion from £550.45 million in 2002, (an increase of £619.65 million or 113%)
- the number of indigenous productions increased by 21% to 45, from 2002's total of 37. Last year's UK productions included *Bridget Jones: The Edge of Reason*; Bollywood-inspired musical *Bride and Prejudice*; *Football Factory*; the E Nesbitt classic *Five Children and It*; and period romp *Ladies in Lavender* with Dame Judi Dench and Dame Maggie Smith
- spending on indigenous productions increased by 77% to £277.73 million, up from £156.36 million in 2002
- inward investment from international filmmakers locating their productions in the UK increased by 85% to £409.65 million, up from £221.16 million in 2002. A further £319.89 million up from £44.7 million in 2002 was generated from such films co-produced with the UK
- the number of inward investment productions filmed in the UK increased to 17 up from 13 in 2002. Inward investment films included *Harry Potter and the Prisoner of Azkaban*, and the remake of *Alfie*. The number of inward investment co-productions with the UK such as *Troy* and *Alexander* was 13, up from 3 in 2002
- the number of co-productions (other than inward investment), such as the UK/New Zealand feature *In My Father's Den* and the UK/French *Magic Roundabout*, increased to 102 in 2003, up from 66 in 2002
- spending on UK co-productions (other than inward investment) increased to £162.83 million in 2003, a 27% rise from £128.23 million in 2002

Commenting on the figures British Film Commissioner Steve Norris, Head of the UK Film Council's International Department which compiled the figures, said:

"These figures show that the wealth of talent in the UK film industry, together with our outstanding studios and facilities and our fiscal incentives, reaped record creative and economic rewards in 2003.

"The increase in domestic features, which reflect the people and culture of the UK, together with the boost for inward investment films and co-productions, combine to show the major cultural as well as economic contribution made by the UK film industry.

"The UK continues to be recognised by international filmmakers as one of the best places in the world to make a film.

"In 2003 the UK was involved in film productions ranging from big budget international productions, European co-productions, to mid and lower budget feature films. The high numbers of co-productions highlight the truly global nature of the film industry and the key, and increasing, role that the UK plays within it."

Welcoming the figures Films Minister the Rt Hon Estelle Morris MP said;

"The international film industry has harnessed UK talent to make some of the box office hits of 2004. This is a tribute to the wealth of expertise we have to offer both behind and in front of the camera. Today's report proves what a huge contribution our film industry makes to the UK economically as well as culturally."

Appendix 3 – Sales Potential

Sales Revenues

Below is an article taken from the industry journal The Hollywood Reporter which gives illustrative figures for what films of different production values have sold for across various international territories.

It is important to note that sales to the USA and Canada are not included in this example as this table details what is referred to as 'foreign' sales – i.e. sales outside North America. Sales to North America account for approximately half the world market and a film can potentially recoup its budget on sales to the US alone if it performs well.

Please note that these figures are not intended to represent a forecast and such issues as cast, director and reviews all influence a film's perceived worth.

"The Going Rate"

A detailed look at the price of film rights in key territories.

By Hy Hollinger, The Hollywood Reporter

Prices are calculated for all rights, although films in the \$1 million to \$3 million budget range rarely have opportunities for theatrical release. Chances have improved for the specialized \$3 million to \$6 million entries. The most acceptable films are those that are considered good for subsequent TV exposure.

This "going rate" is based on conversations with sellers and buyers. The figures were assembled with the help of William A. Shields, president of Dove/G.E.L. Distribution and chairman of the American Film Export Association.

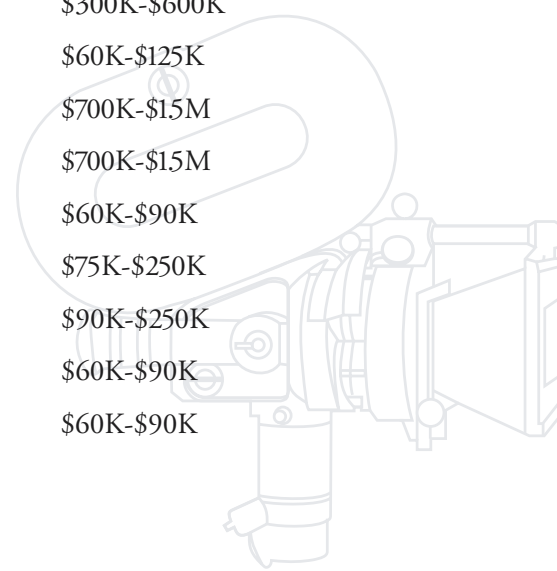
Territory	1 to 3 Mil Range	3 to 6 Mil Range	6 to 12 Mil Range
Germany	\$100K-\$350K	\$300K-\$700K	\$700K-\$1.5M
France	\$75K-\$200K	\$200K-\$400K	\$350K-\$750K
Italy	\$75K-\$200K	\$200K-\$400K	\$300-\$700K
Spain	\$50K-\$125K	\$125K-\$275K	\$275-\$700K
Scandinavia	\$50K-\$200K	\$200K-\$350K	\$350-\$600K
Netherlands	\$25K-\$75K	\$75K-\$125K	\$125K-\$250K
Portugal	\$10K-\$20K	\$20K-\$40K	\$40K-\$75K
UK	\$75K-\$250K	\$200K-\$500K	\$500K-\$1M

Belgium divided between France and the Netherlands

Austria sold with Germany

Switzerland divided evenly among Germany, France and Italy

Australia -			
New Zealand	\$50K-\$100K	\$100K-\$300K	\$300K-\$600K
Hong Kong	\$75K-\$30K	\$30K-\$60K	\$60K-\$125K
Japan	\$75K-\$350K	\$300K-\$700K	\$700K-\$1.5M
Korea	\$50K-\$350K	\$300K-\$750K	\$700K-\$1.5M
Malaysia	\$10K-\$30K	\$30K-\$60K	\$60K-\$90K
Singapore	\$15K-\$45K	\$45K-\$75K	\$75K-\$250K
Taiwan	\$10K-\$50K	\$50K-\$90K	\$90K-\$250K
Thailand	\$10K-\$30K	\$30K-\$60K	\$60K-\$90K
Philippines	\$10K-\$30K	\$30K-\$60K	\$60K-\$90K



Argentina- Paraguay-Uruguay	\$15K-\$40K	\$40K-\$90K	\$75K-\$150K
Bolivia- Peru-Ecuador	\$5K-\$20K	\$20K-\$35K	\$35K-\$60K
Brazil	\$15K-\$75K	\$50K-\$150K	\$100K-\$300K
Chile	\$10K-\$25K	\$25K-\$50K	\$50K-\$75K
Columbia	\$5K-\$15K	\$15K-\$30K	\$30K-\$50K
Mexico	\$15K-\$40K	\$40K-\$75K	\$75K-\$125K
Venezuela	\$5K-\$20K	\$20K-\$50K	\$50K-\$75K
Czech Republic- Slovakia	\$5K-\$15K	\$10K-\$25K	\$25K-\$50K
Former Yugoslavia	\$5K-\$10K	\$10K-\$25K	\$25K-\$50K
Hungary	\$5K-\$15K	\$10K-\$30K	\$25K-\$75K
Poland	\$5K-\$10K	\$10K-\$25K	\$25K-\$75K
Russia	\$10K-\$25K	\$25K-\$40K	\$40K-\$125K
Israel	\$5K-\$20K	\$15K-\$35K	\$30K-\$60K
Middle East	\$5K-\$20K	\$20K-\$35K	\$35K-\$50K
South Africa	\$10K-\$25K	\$25K-\$75K	\$75-\$150K
Turkey	\$10K-\$25K	\$25K-\$50K	\$50K-\$100K

Totals:	\$7825K-\$2.825M	\$2.605M-\$5.765M	\$549M-\$11.64M
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HOW TO COMPLETE THE APPLICATION FORM

Before making any application to acquire B Shares, you are recommended to consult an independent financial adviser authorised under the FSMA. The following instructions should be read in conjunction with the Application Form and the terms and conditions of application set out in this document.

1. Insert in Box 1 (in figures) the number of B Shares for which you are applying.

2. Insert in Box 2 (in figures) the amount of your cheque or banker's draft.

3. Insert your full name and address in BLOCK CAPITALS in Box 3.

4. Sign and date the Application Form in Box 4.

The Application Form may be signed by another person on your behalf (and/or on behalf of any joint applicant(s) if that person is duly authorised to do so, but the power(s) of attorney (or (a) copy(ies) thereof duly certified by a solicitor) or form(s) of authority must be enclosed for inspection. A corporation should sign under the hand of a duly authorised official whose representative capacity must be stated.

5. You must pin a single cheque or banker's draft to your completed Application Form in Box 5.

Your cheque or banker's draft must be payable to "Philip Ashworth & Co Client Deposit Account re Jubilee Pictures plc" for the amount payable on application (inserted in Box 2) and should be crossed "A/C payee only".

A separate cheque or banker's draft must accompany each application. No other method of payment is acceptable. No receipt will be issued for this payment.

Your cheque or banker's draft must be drawn in Sterling and bear a UK bank sorting code in the top right-hand corner.

An application may be accompanied by a cheque drawn by a person other than the applicant(s), but any monies to be returned will be sent by crossed cheque in favour of the person named in Box 3.

6. You may apply jointly with up to three other persons.

If you are applying jointly you must arrange for the Application Form to be completed by or on behalf of each joint applicant. Their full names and addresses should be inserted in BLOCK CAPITALS in Box 6.

7. Box 7 must be signed by or on behalf of each joint applicant (other than the first applicant who should complete Box 3 and sign Box 4).

By completing and returning the Application Form you irrevocably undertake, confirm and agree that:

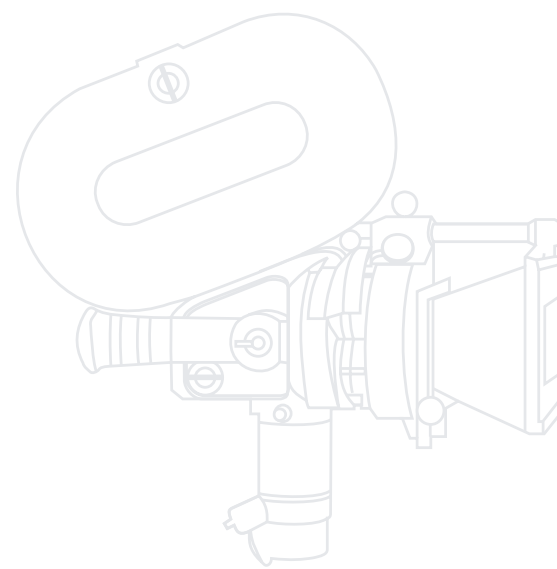
(i) you are not a national resident of the United States of America (including its territories, its possessions and all areas subject to its jurisdiction) or Canada, or Australia or a corporation, partnership or other entity organised under the laws of the United States of America or Canada (or any political sub-division of either) or Australia and that you will not offer, sell or deliver directly or indirectly any of the B Shares into the Offer of the United States or Canada or Australia or to or for the benefit of any person resident in the United States of America or Canada or Australia.

(ii) you are entitled to take B Shares under the Offer for Subscription under the laws of all relevant jurisdictions which apply to you, that you have fully observed such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities; and

(iii) you have read the Section headed "Risk Factors" found in Part 2 of this document and confirm that you understand the nature of the risks and that you could lose all your investments in the Company.

8. Send the completed Application Form by post or by hand to the Company's solicitors

**Philip Ashworth & Co,
121 The Mount,
York, YO24 1DU.**



IMPORTANT: Before completing this Application Form you should read the above terms and conditions of applications and the above notes on how to complete the Application Form. Boxes 1 – 4 must be completed by all applicants. Your remittance must be pinned at Box 5. Boxes 6 and 7 must be completed in the case of joint applicants.

If the Offer for Subscription is over-subscribed the Directors reserve the right to allot and issue to applicants such smaller number of B Shares which they, in their absolute discretion, see fit.

PLEASE RETURN YOUR COMPLETED APPLICATION FORM BY POST TO, OR DELIVER TO THE COMPANY'S SOLICITORS PHILIP ASHWORTH & CO, 121 THE MOUNT, YORK, YO24 1DU.

THIS FORM MUST ARRIVE NOT LATER THAN 4.00 p.m. ON 30 April 2005 unless extended by the Directors

I/We irrevocably offer to subscribe for	B Shares* at £0.40 per Share	1
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in JUBILEE PICTURES PLC on the terms and subject to the conditions of application set out in the document to which this Application Form is attached and the Memorandum and Articles of Association of the Company.

***Applications must be for a minimum of 10,000 B Shares and thereafter in multiples of 2,500 B Shares**

and I/We attach a cheque or banker's draft for the amount payable, namely £	2
---	---

PLEASE USE BLOCK CAPITALS

Mr/Mrs/Miss or Title	Forename(s)(in full)	Surname:	3
Address (in full)			
Postcode			

I confirm that I have read the document to which this Application Form is attached and am aware of the "Risk Factors" set out in Part 2 of the document.

Signature	Date	4
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Pin your cheque or banker's draft for the amount shown in Box 2 made payable to Philip Ashworth & Co Client Deposit Account re Jubilee Pictures plc and crossed "A/C payee only"	5
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Boxes 6 and 7 must be completed in the case of joint applicants only

Mr/Mrs/Miss/Ms or Title	6	Mr/Mrs/Miss/Ms or Title	6	Mr/Mrs/Miss/Ms or Title	6
Name(s) in full		Name(s) in full		Name(s) in full	
Address in full		Address in full		Address in full	
Postcode		Postcode		Postcode	
Signature	7	Signature	7	Signature	7

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