

In Re: Open Road Films, LLC, et. al. Debtor

Case No.: 18-12012 (LSS) (Jointly Administered)
 Reporting Period: February 1, 2019 to February 28, 2019

MONTHLY OPERATING REPORT

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached	Affidavit/ Supplement Attached
Schedule of Cash Receipts and Disbursements	MOR-1	Yes		
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1A	Yes		
Schedule of Professional Fees Paid	MOR-1B	Yes		
Copies of bank statements		No		
Cash disbursements journals		No		
Statement of Operations	MOR-2	Yes		
Balance Sheet	MOR-3	Yes		
Status of Post-petition Taxes	MOR-4	Yes		
Copies of IRS Form 6123 or payment receipt		No		
Copies of tax returns filed during reporting period		No		
Summary of Unpaid Post-petition Debts	MOR-4	Yes		
Listing of aged accounts payable	MOR-4	No		
Accounts Receivable Reconciliation and Aging	MOR-5	Yes		
Debtor Questionnaire	MOR-5	Yes		

Global Notes:

This Monthly Operating Report ("MOR") has been prepared solely for the purpose of complying with the monthly reporting requirements applicable in this bankruptcy case. The financial information contained herein is unaudited, limited in scope and as discussed below, not prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

The results of operations contained herein are not necessarily indicative of the results which may be expected from any other period or for the full year and may not necessarily reflect the results of operations, financial position and schedule of receipts and disbursements in the future. The amounts in MOR-3 currently classified as liabilities subject to compromise may be subject to future change as the Debtor completes their analysis of pre and post-petition liabilities. The Debtors caution readers not to place undue reliance upon the MOR. There can be no assurance that such information is complete and the MOR may be subject to revision.

The Debtors filed bankruptcy on September 6, 2018.

The Debtors closed the sale of the majority of their film assets to Raven Capital Management on December 21, 2018, which resulted in substantial changes to their balance sheets.

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

 Signature of Debtor

 Date

 Signature of Joint Debtor

 Date

 Signature of Authorized Individual*

 Date

 Printed Name of Authorized Individual

 Title of Authorized Individual

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

3/29/19

Chief Restructuring Officer

MOR-1: CONSOLIDATING SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

	Case No. Debtor	18-12012 Open Road Films, LLC	18-12013 Open Road Releasing, LLC	18-12014 OR Productions LLC	18-12015 Briarcliff LLC	18-12016 Open Road International LLC	18-12017 Empire Productions LLC	MONTH TOTAL	CUMULATIVE FILING TO DATE
Total Receipts	[1,2,3]	\$ 98,547	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 98,547	\$ 12,030,965
Total Distribution Outflows		-	-	-	-	-	-	-	(695,732)
Minimum Guarantees		-	-	-	-	-	-	-	-
Total Participation Outflows		-	-	-	-	-	-	-	(122,075)
Total Personnel & Other Operating Outflows	[4]	(136,776)	-	-	-	-	-	(136,776)	(1,890,418)
Net Inflows/(Outflows) from Operations		\$ (38,229)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (38,229)	\$ 9,322,740
Total Banking Outflows	[3]	(9,817)	-	-	-	-	-	(9,817)	(4,186,713)
Total Credit Facility Outflows		-	-	-	-	-	-	-	-
Total Restructuring Outflows		(1,627,639)	-	-	-	-	-	(1,627,639)	(7,012,210)
Total Asset Sale Proceeds		-	-	-	-	-	-	-	59,406,632
KERP	[4,5]	(4,127)	-	-	-	-	-	(4,127)	(221,491)
Net Inflows/(Outflows)		\$ (1,679,813)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,679,813)	\$ 57,308,958
Opening Available Cash Balance		\$ 61,968,535	\$ 25,000	\$ 243,018	\$ -	\$ -	\$ -	\$ 62,236,553	\$ 3,247,782
Ending Available Cash Balance	[6]	\$ 60,288,722	\$ 25,000	\$ 243,018	\$ -	\$ -	\$ -	\$ 60,556,740	\$ 60,556,740
Ending Restricted Cash Balance	[6]	\$ 553,866	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 553,866	\$ 553,866
Total Disbursements (from Above)		\$ (1,778,359)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,778,359)	\$ (14,128,639)
Less: Transfers between Debtors		-	-	-	-	-	-	-	-
Add: Third-Party Disbursements fbo Debtors		-	-	-	-	-	-	-	-
Add: January 2019 KERP Payment Not Included	[5]	(217,365)	-	-	-	-	-	(217,365)	-
Total Disbursements (for UST Fees)	[1,5]	\$ (1,995,724)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,995,724)	\$ (14,128,639)

[1] Total Receipts does not include any cash that the Debtors received related to the films purchased by Raven Capital Management, which, if received by the Debtors, must be remitted to the buyer within the period described in the Asset Purchase Agreement. Likewise, the sending to Raven of amounts that were remitted to the Debtors, but were due to Raven / OR Acquisitions from third parties have not been included as disbursements.

[2] Amounts collected by the Debtor on behalf of producers and subsequently passed along to those producers, including international collections, are not included.

[3] \$107,830 in bank account interest collected in January 2019 has been reclassified from Total Banking Outflows to Total Receipts. This reclassification has no impact on Net Inflows/Outflows or Total Disbursements (for UST Fees).

[4] Total Personnel & Other Operating Outflows includes \$77,585 transferred to non-Debtor affiliate Global Road Entertainment ("GRE") and \$40,788 transferred to non-debtor affiliate Tang Media Partners ("TMP") to fund ORF's payroll & benefits and portion of payroll & benefits for Shared Employees (partially offset by \$24,500 of payroll & benefits funded by a production counterparty and \$23,289 of payroll & benefits funded by Raven Capital Management). Total Personnel & Other Operating Outflows also includes \$8,264 transferred to TMP for ORF's share of post-petition ADP payroll fees and website hosting fees. KERP includes \$4,127 transferred to GRE to fund ORF's remaining KERP and related payroll expenses. No additional payments to non-Debtor affiliates were made during the reporting period.

[5] January 2019 KERP payment was inadvertently not included in the January 2019 Total Disbursements (for UST Fees) calculation. Pursuant to discussions with the Office of the U.S. Trustee, this payment has been added to the current month's calculation as well as the cumulative filing to date calculation.

[6] Ending Available Cash Balance represents cash available to the Debtors as of the end of the Reporting Period. Available Cash variance from bank balances (shown on MOR-1A) relates to restricted cash held in XXXXXX7030 (\$289,224).

MOR 1A: BANK RECONCILIATION

BANK NAME	ACCOUNT DESCRIPTION	ACCOUNT NUMBER	ENDING BALANCE [1]
Bank of America	Collection Account (Open Road Main)	XXXXXXX7030	\$ 60,560,237
Bank of America	Sweep Account (Not In Use)	XXXXXXX9652	\$ -
Bank of America	Disbursement Account	XXXXXXX5975	\$ 17,709
Bank of America	Open Road Productions Collection Account	XXXXXXX1547	\$ 243,018
Bank of America	Open Road International Collection Account (Show Dogs International) - [3]	XXXXXXX1180	\$ -
Bank of America	Open Road International Collection Account (A.X.L. International)	XXXXXXX1185	\$ -
Bank of America	Open Road Films Collection Account (A.X.L. Domestic) - [2]	XXXXXXX5985	\$ 173
Bank of America	Service Deal P&A Account - [2]	XXXXXXX6710	\$ 102,870
Bank of America	Service Deal P&A Account - [2]	XXXXXXX3833	\$ 138,036
Bank of America	Service Deal P&A Account - [3]	XXXXXXX9701	\$ -
Bank of America	Service Deal P&A Account - [3]	XXXXXXX9017	\$ -
Bank of America	Service Deal P&A Account - [2]	XXXXXXX6056	\$ 23,562
Bank of America	Service Deal P&A Account - [3]	XXXXXXX0888	\$ -
Bank of America	Service Deal P&A Account- [3]	XXXXXXX0179	\$ -
Bank of America	Not In Use - [3]	XXXXXXX7035	\$ -
Bank of America	OR Releasing Operating Account	XXXXXXX7073	\$ 25,000
OneWest Bank (CIT)	Not In Use	XXXXXXX0445	\$ -

[1] Amounts presented in this schedule are the bank balances as of the end of the Reporting Period. The Debtors have completed bank reconciliations for the activity of the Reporting Period.

[2] Indicates a Restricted Cash Account. Some or all of the amounts in these accounts may be the property of a non-Debtor third party.

[3] XXXXXX1180, XXXXXX9701, XXXXXX9017, XXXXXX0888, XXXXXX0179, XXXXXX7035 were closed during the months of February and March 2019.

MOR 1B: SCHEDULE OF PROFESSIONAL FEES AND EXPENSES PAID [1]

Payee	Period Covered	Amount Approved	Payer	Payment		Amount Paid		Case-to-date	
				Wire	Date(s)	Fees	Expenses	Fees	Expenses
FTI Consulting, Inc.	1/28/19 - 2/17/19	\$ 144,634.99	Open Road Films, LLC	X	2/6/19; 2/13/19; 2/20/19	\$ 140,489.50	\$ 4,145.49	\$ 2,845,338.00	\$ 75,270.16
Klee, Tuchin, Bogdanoff & Stern, LLP	9/6/18-12/31/18	\$ 503,954.15	Open Road Films, LLC	X	2/6/2019; 2/26/19	\$ 490,330.20	\$ 13,623.95	\$ 1,462,643.00	\$ 39,005.26
Young Conaway Stargatt & Taylor, LLP [2]	9/6/18-11/30/18	\$ 53,976.20	Open Road Films, LLC	X	2/26/19	\$ 55,781.20	\$ (1,805.00)	\$ 328,946.80	\$ 14,414.22
Donlin, Recano & Company, Inc.	9/6/18-11/30/18	\$ 1,298.70	Open Road Films, LLC	X	2/26/19	\$ 1,298.70	\$ -	\$ 207,578.95	\$ 102,708.97
Paul Hastings LLP	10/1/18-11/30/18	\$ 503,886.31	Open Road Films, LLC	X	2/7/19	\$ 503,345.00	\$ 541.31	\$ 503,345.00	\$ 541.31
Berkeley Research Group, LLC	No Payments in Period							\$ 332,621.00	\$ 4,512.02
Sidley Austin LLP	12/1/18-12/31/18	\$ 28,048.70	Open Road Films, LLC	X	2/21/19	\$ 28,015.00	\$ 33.70	\$ 235,490.00	\$ 64.39
Ashby & Geddes, P.A.	11/1/18-12/31/18	\$ 19,630.26	Open Road Films, LLC	X	2/15/19	\$ 18,770.50	\$ 859.76	\$ 64,649.50	\$ 1,905.02
Pachulski Stang Ziehl & Jones LLP	9/6/18-11/30/18	\$ 81,047.45	Open Road Films, LLC	X	2/26/19	\$ 81,047.45	\$ -	\$ 405,237.25	\$ 7,941.00
Dundon Advisers LLC	9/6/18-10/31/18	\$ 153,847.67	Open Road Films, LLC	X	2/25/19	\$ 148,613.60	\$ 5,234.07	\$ 148,613.60	\$ 5,234.07
Bush Gottlieb, A Law Corporation	11/1/18-11/30/18	\$ 39,805.00	Open Road Films, LLC	X	2/13/19	\$ 37,055.00	\$ 2,750.00	\$ 123,357.50	\$ 8,508.53

[1] The following professionals are holding retainers:

- A) FTI Consulting, Inc.: \$94,867.37
- B) Klee Tuchin, Bogdanoff & Stern, LLP: \$253,047.92
- C) Young Conaway Stargatt & Taylor, LLP: \$77,206.50
- D) Donlin, Recano & Company, Inc.: \$50,000.00

[2] Young Conaway Stargatt & Taylor, LLP expenses in current period include an \$1,805 reduction in expenses previously paid.

MOR 2: STATEMENT OF OPERATIONS [1]

	Case No. Debtor	18-12012 Open Road Films, LLC	18-12013 Open Road Releasing, LLC	18-12014 OR Productions LLC	18-12015 Briarcliff LLC	18-12016 Open Road International LLC	18-12017 Empire Productions LLC	Consolidation	MONTH TOTAL	CUMULATIVE FILING TO DATE
REVENUES										
Operating Revenue	\$	70,771	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,771	\$ 21,467,315
OPERATING EXPENSE										
Cost of Revenue		(70,771)	-	-	-	-	-	-	(70,771)	(15,407,794)
Selling, General and Administrative Expense		(44,836)	-	-	-	-	-	-	(44,836)	(562,031)
Payroll and Benefits Expense		(82,223)	-	-	-	-	-	-	(82,223)	(1,542,279)
Non-Recurring Operating Costs - Other		-	-	-	-	-	-	-	-	266,152
OPERATING INCOME		(127,059)	-	-	-	-	-	-	(127,059)	4,221,363
OTHER OPERATING INCOME (EXPENSE)										
Interest Income (Expense)		(640,199)	-	-	-	-	-	-	(640,199)	(4,400,211)
Taxes		1,711	-	-	-	-	-	-	1,711	1,286
Depreciation and amortization		(3,274)	-	-	-	-	-	-	(3,274)	(172,131)
NET OPERATING INCOME (EXPENSE)		(768,821)	-	-	-	-	-	-	(768,821)	(349,693)
Restructuring Costs [2]		(400,635)	-	-	-	-	-	-	(400,635)	(9,614,188)
Non-Operating [3]		(1,056)	-	-	-	-	-	-	(1,056)	(50,852)
Gain/(Loss) on Sale of Film Assets [4]		-	-	-	-	-	-	-	-	76,525,960
Net Profit (Loss)	\$	(1,170,512)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,170,512)	\$ 66,511,227

[1] The unaudited financial statements have been derived from the books and records of the Debtors. The information furnished in this report includes primarily normal recurring adjustments, but not all of the adjustments that would typically be made for the annual financial statements in accordance with US GAAP. Furthermore, the monthly financial information contained herein has not been subjected to the same level of accounting review and testing that the Debtors apply in the preparation of its annual financial information in accordance with US GAAP. Accordingly, upon the application of such procedures, the financial information may be subject to change and these changes could be material.

[2] Actual February Restructuring Costs for certain professionals are not known at this time and may materially change this amount. As amounts become known, adjustments will be made in future months.

[3] February and Cumulative Filing to Date Non-Operating Income/(Expense) relates to book gains/(losses) on the sale of certain miscellaneous equipment assets.

[4] Cumulative Filing to Date Gain/(Loss) on Sale on Film Assets relates to the sale of the majority of the Debtors' film assets on December 21, 2018.

MOR 3: BALANCE SHEETS [1]

Case No. Debtor	18-12012 Open Road Films, LLC	18-12013 Open Road Releasing, LLC	18-12014 OR Productions LLC	18-12015 Briarcliff LLC	18-12016 Open Road International LLC	18-12017 Empire Productions LLC
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	\$ 60,288,722	\$ 25,000	\$ 243,018	\$ -	\$ -	\$ -
Restricted cash	553,866	-	-	-	-	-
Accounts receivable, net	919,380	-	-	-	6,075,605	-
Inventories, net [2]	9,718	-	-	-	-	-
Prepaid expenses	76,173	-	-	-	-	-
Film Costs	2,613,275	-	378,034	-	-	539,472
TOTAL CURRENT ASSETS	64,461,135	25,000	621,053	-	6,075,605	539,472
Property and equipment, net [3]	56,982	-	-	-	-	-
Other Assets	6,212,012	-	-	-	-	-
TOTAL ASSETS	\$ 70,730,129	\$ 25,000	\$ 621,053	\$ -	\$ 6,075,605	\$ 539,472

LIABILITIES^[4]						
LIABILITIES NOT SUBJECT TO COMPROMISE (POST-PETITION)						
Accounts payable	\$ 98,226	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued salaries and benefits	-	-	-	-	-	-
Other accrued liabilities	2,690,686	-	-	-	-	-
TOTAL POST-PETITION LIABILITIES	2,788,912	-	-	-	-	-
LIABILITIES SUBJECT TO COMPROMISE (PRE-PETITION)						
Accounts payable	47,599,302	-	-	-	-	-
Accrued salaries and benefits	-	-	-	-	-	-
Other accrued liabilities [5]	28,362,785	49,530	859,869	5,619	(23,114,621)	543,826
Notes payable [6]	90,750,000	-	-	-	-	-
Deferred Compensation	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	3,015,118	-
TOTAL PRE-PETITION LIABILITIES	166,712,087	49,530	859,869	5,619	(20,099,503)	543,826
TOTAL LIABILITIES	169,500,999	49,530	859,869	5,619	(20,099,503)	543,826
MEMBERS' EQUITY						
Members capital	25,000,000	-	-	-	-	-
Distribution	-	-	-	-	-	-
Accumulated Deficit	(123,770,870)	(24,530)	(238,816)	(5,619)	26,175,108	(4,355)
NET MEMBERS' EQUITY	(98,770,870)	(24,530)	(238,816)	(5,619)	26,175,108	(4,355)
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 70,730,129	\$ 25,000	\$ 621,053	\$ -	\$ 6,075,605	\$ 539,472

[1] The unaudited financial statements have been derived from the books and records of the Debtors. The information furnished in this report includes primarily normal recurring adjustments, but not all of the adjustments that would typically be made for the annual financial statements in accordance with US GAAP. Furthermore, the monthly financial information contained herein has not been subjected to the same level of accounting review and testing that the Debtors apply in the preparation of its annual financial information in accordance with US GAAP. Accordingly, upon the application of such procedures, the financial information may be subject to change and that these changes could be material.

[2] Inventory balances are updated on a quarterly basis and were updated as of 12/31/18.

[3] The amounts listed for Property and Equipment are the book value of the assets net of depreciation; the Debtors have not analyzed the salvage value of any property and equipment.

[4] The Debtors are in the process of reviewing accounts payable and liabilities; therefore, these figures may be subject to change.

[5] The negative Other Accrued Liability for Open Road International, LLC is driven by an intercompany receivable with Open Road Films, LLC.

[6] As set forth in the Schedules of Assets and Liabilities filed by the Debtors, the collateral value for the Notes Payable is undetermined.

MOR 4: SUMMARY OF UNPAID POST-PETITION DEBTS

	NUMBER OF DAYS PAST DUE					Total
	Current	0-30	31-60	61-90	Over 90	
Accounts payable ^[1]	98,226	-	-	-	-	98,226
Accrued salaries and benefits ^[1]	-	-	-	-	-	-
Other accrued liabilities ^[1]	2,690,686	-	-	-	-	2,690,686
TOTAL POST-PETITION LIABILITIES	2,788,912	-	-	-	-	2,788,912

[1] The Debtors are in the process of reviewing accounts payable and liabilities; therefore, these figures may be subject to change; the Debtors believe that they are current on all post-petition tax liabilities.

MOR 5: ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation	Amounts
Total Accounts Receivable at the beginning of the reporting period	8,963,371
+ Amount incurred during the period	-
- Amount collected during the period [1]	(1,968,386)
Total Accounts receivable at the end of the reporting period	6,994,985

Accounts Receivable Aging [2]	Amounts
Current	N/A
0 - 30 days past due	
31 - 60 days past due	
61 - 90 days past due	
Over 90 days past due	
Total Accounts Receivable	
Amount considered uncollectible (Bad Debts)	
Accounts Receivables	

MOR-5: DEBTOR QUESTIONNAIRE

	Yes	No
1 Have any assets been sold or transferred outside of the normal course of business this reporting period? If yes, provide an explanation below. [3]	X	
2 Have any funds been disbursed from any account other than a debtor in possession account in this reporting period? If yes, provide an explanation below. [4]	X	
3 Have all post-petition tax returns been timing filed? If no, provide an explanation below.	X	
4 Are workers compensation, general liability and other necessary insurance coverages in effect? If no, please provide an explanation below.	X	
5 Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). (1) If any investment account has been opened, provide the required documentation pursuant to the Delaware Local Rule 4001-3.		X

[1] The Debtors have reconciled the amount collected in MOR-5 to cash receipts in MOR-1.

[2] All of the Debtors' A/R as of February 28, 2019 related to the film *AXL*. On March 11, 2019, the bankruptcy court approved a stipulation by and among the Debtors and Lakeshore Entertainment, the producer of *AXL*. The stipulation assigns all attendant rights to the film, including rights to uncollected A/R, to Lakeshore. As such, all, or almost all of the Debtors A/R as of February 28, 2019 is not expected to be collected by the Debtors.

[3] The Debtors sold a small number of equipment assets for approximately \$200 in February, under the court approved procedure for miscellaneous asset sales.

[4] As described in the Debtors' Motion to Approve Use of Cash Collateral [Docket No. 6], the Debtors advance cash to certain non-Debtor affiliates in order to cover payroll and other operational expenses.