



ENTERTAINMENT

Investor update

July 2017



Wizz YouTube:

Pip Ahoy! has launched on the Wizz YouTube channel and has already amassed 13,000 views with no marketing around the launch. Wizz has suggested these are very positive viewing figures in such a short period of time. Marketing of the series on the channel will commence in the coming months.

Cartoonito:

Pip Ahoy! is on track to broadcast towards the end of July as Schools in England and Wales break for the summer.

Milkshake:

Pip Ahoy! is currently scheduled for broadcast at weekends. We are awaiting a decision from the Head of Acquisitions regarding the new series.

China:

Our representatives are currently in Shanghai to negotiate further distribution opportunities for Pip Ahoy! in mainland China. Interest has also been generated by Wings Media in both India and Russia and we are currently awaiting the outcome of these negotiations.

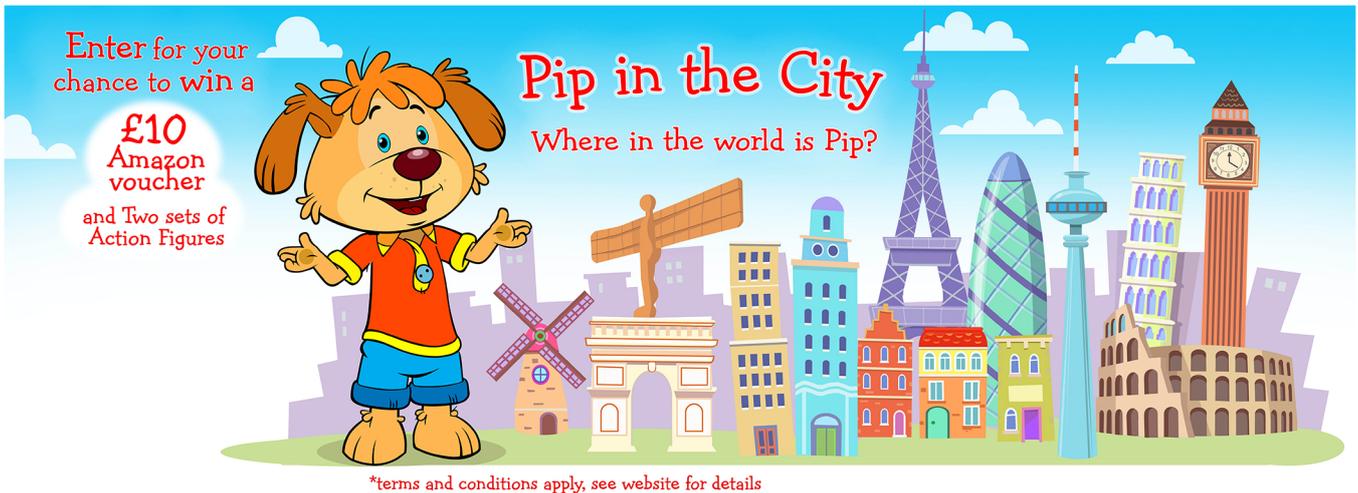


Events & Marketing:

Pip Ahoy! marketing activities have been centred around getting Pip out and about to engage with the target pre-school audience. Our 'Sunflower Sadie' growing competition is now in full swing with lots of followers on social media sending in updates of their progress.



We have also created a 'Pip in the City' competition which has just ended - this time Pip was in Shanghai which was topical given that Pip Ahoy! is now airing in China and the studio in China is supporting the creation of the third series.



Along with these activities, Pip Ahoy! has featured at two high profile events in July; the RHS Tatton Park Flower show where Pip Ahoy! Cress Heads were being grown outdoors to encourage children to get outside and into their gardens and local parks. The other was Pug-fest where Pip was part of the judging panel for the 'Top Pug'. Attending such events is important for the brand as Pip can meet and greet his excited fans and it raises overall awareness and following of the show.





Cartoonito:

The commission of Daisy & Ollie has now been officially announced with Cartoonito to the trade press and it has been very positively received. The consumer launch is scheduled for early September. Please see below a link to several of the trade press articles featured following the official press release:

<https://www.awn.com/news/chf-announces-new-preschool-series>

<https://www.c21media.net/cartoonito-adds-jason-manford-toon/>

<http://worldscreen.com/tvkids/chfs-daisy-ollie-slated-for-cartoonitos-fall-lineup/>

<http://kidscreen.com/2017/07/13/cartoonito-picks-up-daisy-ollie/>

<http://licensingsource.net/chf-adds-daisy-ollie-to-production-slate/>

<http://www.animationmagazine.net/tv/chf-makes-friends-with-daisy-ollie-for-cartoonito/>

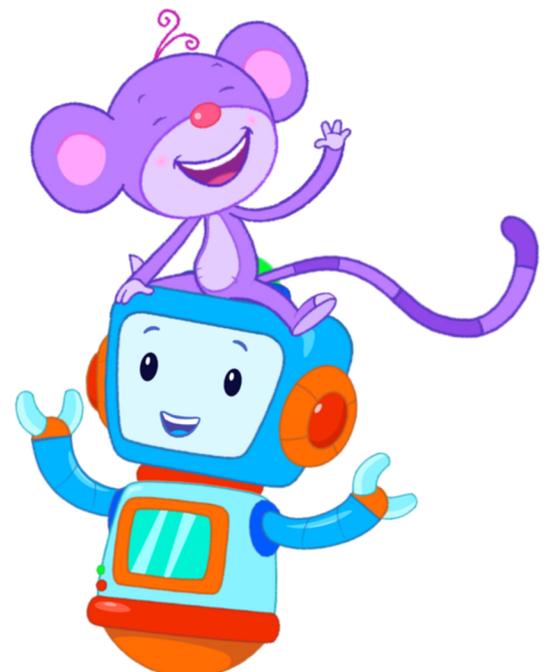


Cartoon Network are also in the process of creating an EPK (electronic press kit), which will be followed by a press junket in Autumn, whereby the press will have direct access to interview the cast in advance of a full-scale consumer launch.

The Studio is also in the process of finalising a raft of promotional materials, trailers, karaoke videos and nursery rhymes, which we will be able to share soon. Please see below a link to the 'Coming soon' trailer which will air on Cartoonito throughout September and October. Please note that whilst we have uploaded the link to Vimeo, it is with the request that it is not shared online or on any social media sites. This is because Cartoonito have exclusive rights to air this promotional trailer; CHF will be able to share the promo across its websites and social media outlets from October 2017 onwards.



The voice of a new character was recorded this month, that of Grandad with Brendan O'Carroll (or Mrs Brown as he is better known). He was thoroughly excited by the concept and design of Daisy & Ollie and even offered to support our consumer launch by advertising his involvement on his website and across social media. This could prove to be invaluable, particularly in relation to capturing the Irish market. We are planning to announce his involvement officially in October alongside the consumer launch to ensure maximum coverage so for now please do not share this information on any social media sites. The costume characters for Daisy & Ollie are now complete and look very true to the characters in the show. We are delighted with how the costumes resemble the animated figures and are looking forward to introducing them to our audience in September and October to help build up their character profiles.



The full website is currently under construction however, the holding page is now live, www.daisyandollie.com - Click below to take a look...



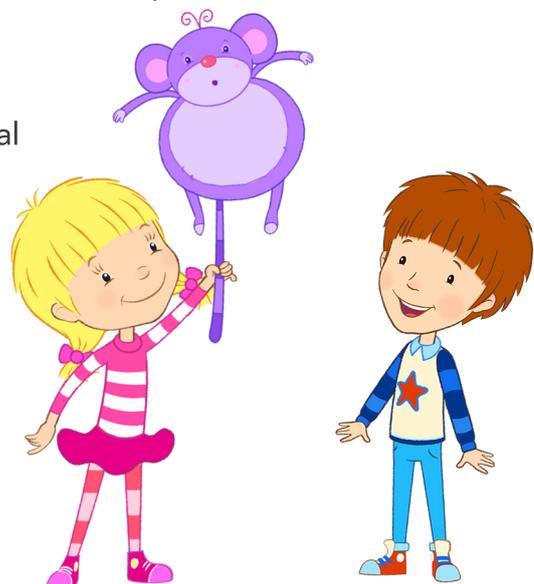
We are aiming to launch the full website at the end of August and are working towards creating engaging content with factual and activity pages to involve the audience as early as possible. Cartoonito will also share these assets on their sites and we can share them with selected partners to ensure maximum coverage.

We are now in the final stages of putting a budget together for Daisy & Ollie to star in a large scale live event throughout December 2017 and early January 2018. As the episodes will be being broadcast regularly by this stage, it will be a provide a further opportunity to attract additional press interest and continue to build the fan base.

We are continuing to pursue interest in broadcast and distribution following our attendance at the Asia Content market. No deals have been formalised at this stage.

There is also interest in the series from the Chinese market and we are currently discussing potential distribution arrangements. Our Commercial Director will travel out to China in the coming weeks, with additional content and 13 episodes, with a view to securing distribution for pan-Asia and South America. The deal will be based on typical 30% commission arrangement for the agent.

Following on from the trade press release, we have been approached by a number of international broadcasters for further information on the series and we are now following up on these enquiries.



Magic Marlon:

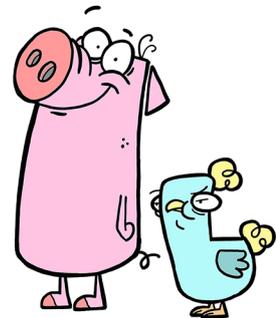
We are now in the process of redeveloping Magic Marlon and refining the concept for submission to Chanel 5's Milkshake in September 2017. We have instructed a Script Editor to oversee the pitch document and writers bible and the initial stages are going very well. The team is confident in the direction the show it is taking and the Studio is looking forward to involving new designers throughout the Summer. Magic Marlon is due for broadcast in 2018.

Freestylers (formally Splish & Splash):

The development team have reconceptualised and refocussed the core values of what will be the new children's swim brand. Rather than restrict the emphasis on two young characters known as Splish and Splash, it will now feature five children with a broader age range and this more diverse set of children will be known as the 'Freestylers.' Character design and logos are in the process of being finalised and, once approved, will steer the design of all supporting materials including badges, certificates, website and merchandising.

Ham 'n' Eggs:

We are in the early stages of development on Ham 'n' Eggs, creating initial designs for the characters with the focus on ensuring they support the comedic adventures in which they will star. Location designs are also underway. The Studio is currently in the process of further developing the storylines and expect to have assigned a writer within the coming weeks to start the scripting process.



100mph Fairy Stories:

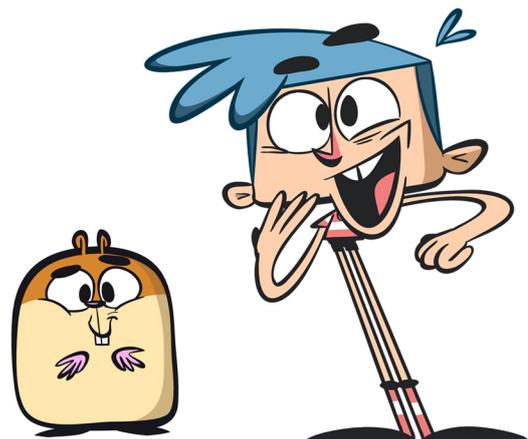
We have now completed the first batch of draft scripts for all seven episodes, which are highly entertaining and fast-paced, reflecting the concept exactly as it was envisaged. The storyboards for the first 4 episodes are now complete and the Director is working on editing them to ensure the comedic timing of narration and direction is working in sync. Once this process has been completed, a template will have been formulated for the remaining episodes. The first voice recordings are scheduled for mid-August with core production planned to commence in October 2017.

Herogliffix:

We have been approached by a potential Co-Production Partner in America and we are currently exploring the possibility of following this route to market. We are in the process of re-scheduling the series based on this premise in order to open up further discussions.

Chester & Rex:

Following our attendance at the recent Children's Media Conference, we will be re-pitching Chester & Rex to Cartoon Network. The channel is actively seeking this type of content for EMEA distribution. If interested, it is possible that the channel will commission new content.



Horatio - Genius For Hire:

No Update.

The Blib-Blabs:

No Update.

Boy From A Long Way Away:

No Update.

Reporter Ray:

No Update.

CHF TV:

No Update.



Animal Fu:

Animal Fu has now completed the first term in both the Everyone Active's Acton site and Fusion Lifestyle Isleworth's site and Linda Hall (the creator of Animal Fu) has personally carried out the first grading in both sites, with students being awarded a sash for their efforts. Talks will take place with the two leisure centres over the summer break around extending the trial to further sites, as well as discussing ideas to attract new instructors to support the roll-out.

Work on the Animal Fu online shop has just begun.



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