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Sequoia Capital

Sequoia bets on indie films with $100mn Mubi fundraising

Capital infusion led by Silicon Valley firm comes after box office success of 'The Substance'



Mubi beat out Apple and Netflix to acquire the rights to 'Die, My Love' starring Jennifer Lawrence and Robert Pattinson © Mubi/Kimberly French

Christopher Grimes in Los Angeles MAY 31, 2025

Sequoia Capital is hoping to cash in on rising global demand for art house cinema after leading a $100mn investment in Mubi that values the indie streaming service at $1bn, marking a rare foray into film and media for the Silicon Valley venture capital firm.

The cash from Sequoia, best known for its early bets on high-growth tech companies including Google, Apple and YouTube, will help Mubi build out its global distribution network and invest in new films.

The fundraising marks a vote of confidence for the 18-year-old company, which has recently undergone a big transformation from niche indie streamer to Hollywood player.

Andrew Reed, a partner at Sequoia who led the investment, said the firm was banking on untapped global demand for highbrow films, including those being bankrolled by Mubi.

"We're a Silicon Valley investor, so the question is, how many people around the world will projects like this resonate with? Our opinion is that this is going to resonate with a lot more people than anybody thinks."

The Sequoia deal gives London-based Mubi financial firepower when the broader movie industry — a risky business at the best of times — is reeling from the disruptive effects of the streaming revolution. It also follows a series of big swings by Mubi, which this month beat out Apple and Netflix to acquire the rights to Lynne Ramsay's Die, My Love starring Jennifer Lawrence for $24mn, in the biggest deal to come out of the Cannes Film Festival.

Mubi's streaming service features a wide range of international films from Latin America, Europe and Asia alongside American indies. It has about 20mn registered users worldwide, with US subscribers paying $14.99 a month, but also distributes independent films in cinemas in the UK, US, Canada, Latin America, Germany and, starting this year, Italy. It now has offices in 15 countries with more than 400 employees.

"Mubi is high-growth and profitable, and in the film business that's an impossibly rare combination," said Reed.

The company established itself as a serious player in Hollywood last year following founder Efe Cakarel's big bet on The Substance, starring Demi Moore and Margaret Qualley, which he bought for $12mn and went on to earn $84mn at the box office.

The Substance won an Oscar, a Golden Globe and a Bafta. "We took this body-horror film from a director that no one ever heard of and made it a cultural global phenomenon because of word of mouth," Cakarel told the Financial Times.

Cakarel said he was not aiming to challenge Netflix or Apple, despite recent successes. "We are not really competing with them — we have a completely different business," he said, adding that Mubi's goal was to "elevate great cinema, both classic

The company is planning more cinematic releases this year, including its first original film — director Kelly Reichardt's The Mastermind — as well as Paolo Sorrentino's La Grazia and Jim Jarmusch's Father, Mother, Sister, Brother.

Despite a sagging overall box office, Cakarel said he believed there was a healthy global audience for such films, noting that seven of the nominees for the Best Picture Oscar this year were indies, including the winner, Anora, along with The Brutalist and The Substance.

“If you look at the box office for speciality films, it is growing year over year, very substantially. You look at the biggest 200 films over the past three years in the box office, 69 of them [were] speciality films. So we are not talking about some small niche here.”

Sequoia joins other outside investors in Mubi, including Summit Partners and Chinese billionaire Zhang Xin, who invested in the company last year through her New York-based film company Closer Media. She also sits on the company’s board.