

CASTA DIVA GROUP: AGREEMENT FOR THE FORMATION OF CASTA DIVA CHINA CO. LTD, JOINT VENTURE WITH HEADQUARTERS IN SHANGHAI

Milan, 09 November 2017

Casta Diva Group (CDG: IM), is a multinational company listed on AIM Italia, active in the field of communication. Today it has signed an agreement with Shanghai Red Horse Advertising Media Co., Ltd. for the formation of *Joint Venture* Casta Diva China Co., Ltd.. Joint Venture will capture China's great market potential by combining the strong positioning of Shanghai Red Horse Advertising Media Co., Ltd. and the extensive international network of Casta Diva Group SpA.

Casta Diva China Co., Ltd. will be headquartered in Shanghai and be 50.1% owned by Casta Diva Group SpA and 49.9% owned by Shanghai Red Horse Advertising Media Co., Ltd.. The formation is expected to happen by the end of the year, in accordance with the timing of Chinese legislation. The transaction will cost Casta Diva Group an investment of \$ 50,100. With regard to Governance, the Board of Directors will consist of 3 members, 2 of which from Shanghai Red Horse Advertising Media Co., Ltd. and 1 from Casta Diva Group, in the person of Luca Oddo. No put and call options were provided under the agreement.

Shanghai Red Horse Advertising Media Co., Ltd., is listed on the stock market National Equities Exchange, billing about \$ 7.5 million consolidated through 4 business units: advertising production, rental of technical material, celebrity rights management and feature films.

It has customers like Oppo (one of the leading manufacturers of electronic and mobile phone products in China and Asia), Coca Cola, Alibaba and other top international clients.

Andrea de Micheli, CEO and Luca Oddo, President: *"The new headquarters in China breaks interesting new ground also for the continued expansion of Chinese business outside national boundaries and vice versa. With Casta Diva Group Network we can take advantage of all our potential to accompany and support our customers with their business, not only in China but also in Korea and Hong Kong."*

The press release can be viewed on the websites www.castadivagroup.com and www.emarketstorage.com

Casta Diva Group (CDG:IM) is a multinational company active in the field of communication for the production of branded content, viral videos, digital content, films and corporate events. It has a presence on 4 continents with offices in 13 cities: Milan, Rome, London, Manchester, Prague, Beirut, Istanbul, New York, Los Angeles, Buenos Aires, Montevideo, Cape Town and Mumbai. The brands of the group are Casta Diva Pictures, Egg Events, Bin Jip and, thanks to a trade agreement, Adacto. It represents the most extensive production network of advertising films and events worldwide, created through an active and continuous interaction between the different locations and the experience of its 62 digital communication and live entertainment professionals. It is a talent hub, equally adept at working with Oscar award-winners and global celebrities as at discovering new creative talent, thereby ensuring the highest standards of excellence. Casta Diva Group and its managers have offered innovative and creative communication strategies to over 100 prominent brands reinterpreting conventional communication rules. Since its foundation in 2005, the Group has grown steadily and has been regularly awarded numerous awards and recognitions including various Lions at the Cannes Lions International Festival of Creativity and the Mobius Award, LIA - London International Awards, EuBEA — European Best Event Awards. It is the owner of Blue Note Milano, a prestigious jazz club and restaurant which opened in 2003 and is part of the international Blue Note network, a focal point on the world jazz scene, which at the site of via Borsieri, at Isola (just one of the venues) it puts on around 300 shows a year, billing approximately 25% (source: SIAE) of the jazz industry's income in Italy.

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