

CASTA DIVA GROUP: THE BOD RESOLVED THE CAPITAL INCREASE WITHOUT PRE-EMPTION RIGHT FOR A MAXIMUM OF EURO 380,000.00, RESERVED TO SELECTED DIRECTORS, EMPLOYEES AND CONSULTANTS.

REQUEST FOR PARTIAL CONVERSION BY BRACKNOR INVESTMENT OF THE REMAING 2 BONDS OF THE SECOND INSTALMENT OF THE BOND LOAN FOR AN AMOUNT OF EURO 20,000.

CHANGE IN SHARE CAPITAL FOLLOWING THE EXERCISE OF PRE-EMPTION RIGHTS FOR THE REQUEST OF PARTIAL CONVERSION OF THE SECOND INSTALMENT OF THE BOND LOAN

Milan, 10 January 2018

The Board of Directors of the Casta Diva Group (CDG:IM), multinational active in the communication sector, listed on AIM Italia, met today before a Notary, in partial execution of the proxy granted by the Extraordinary Shareholders' Meeting on 18 July 2016, resolved to increase, by payment in tranches, the share capital for a maximum amount of Euro 380,000.00, of which Euro 285,000.00 as a share premium, by issuing with the exclusion of the pre-emption right in favour of existing shareholders, at the price of Euro 2.00 per share, a maximum of 190,000.00 new ordinary shares.

The shares will be offered for subscription pursuant to art. 2441, subsection 5 of the Italian Civil Code in favour of the directors, employees and contractors of the company - whose names are listed below - that have stood out for their efforts to achieve extraordinary business objectives:

- Luca Oddo (50,000 shares);
- Andrea De Micheli (50,000 shares);
- Francesco Merone (20,000 shares);
- Philip Key (10,000 shares);
- Marwan Nicolas (10,000 shares);
- Enis Ozkul (10,000 shares);
- David Propper (10,000 shares);
- Tomas David (10,000 shares);
- Filip Havlik (10,000 shares);
- Oliver Hyde (10,000 shares).

Today 120,000 shares of the overall 190,000 ordinary shares offered in pre-emption were subscribed, for a consideration of Euro 240,000, of which Euro 180,000.00 as a share premium.

The Board determined the issue price of the new shares in line with the valuation methods used in similar transactions, taking into account, as provided by art. 2441, subsection 6 of the Italian Civil Code, of the Shareholders' Equity and price of the securities in the previous six months: these methods led to the determination of the price of Euro 2.00 per share, at a premium of 40% on the current Stock Exchange prices, of which Euro 0.50 (zero point fifty) as share capital and Euro 1.50 (one point fifty) as share premium.

It is noted that Luca Oddo and Andrea de Micheli, respectively Chairman and CEO of the Casta Diva Group and beneficiaries of the pre-emption offer of new shares resolved today, each hold a stake of 38.23% in Reload Srl, owner of 73.02% of the share capital of the Company.

Following the subscription of the shares as of today, it is noted that Luca Oddo and Andrea de Micheli both hold, directly and indirectly, a stake in the Casta Diva Group equal to 28% of the Share capital.

REQUEST OF PARTIAL CONVERSION BY BRACKNOR INVESTMENT

The Company notified to have received from Bracknor Investment ("Bracknor", a request to convert the remaining 2 bonds, each for a nominal value of Euro 10,000.00. The conversion request is part of the second instalment - issued on 20 September 2017 - of the convertible bond loan (the "Loan") referred to in the contract between Casta Diva Group ("the Company") and Bracknor (the "Contract") on 28 June 2017. As regards to Loan regulations, please refer to the press release issued on 28 June 2017 and published on the Company's website in the Investor Relations section.

The number of shares subject to conversion was determined, in compliance with the terms of the Contract, based on 95% of the Daily VWAP of the transaction-weighted average price for the transaction volumes during the 15 trading days prior to the conversion request date. The price so determined was Euro 1.32 per share: therefore, the 2 bonds subject to conversion grant the right to subscribe 11,364 newly issued ordinary shares of the Casta Diva Group.

Casta Diva Group has chosen to convert only 75% of the value of the 2 bonds, while the remainder will be paid by bank wire transfer.

As a result of the foregoing, the nominal value of the share capital increased by Euro 5,682.00, while the remaining Euro 9,318.48 was paid as a share premium.

There are 170,289 warrants in circulation. The summary report is available at the following link: <http://castadivagroup.com/investor-relations/prestiti-obbligazionari/>.

It is noted that the Agreement was terminated on 26 October 2017, effective from 25 November 2017.

SHARE CAPITAL

As a result of the foregoing, the Share capital of Casta Diva Group S.p.A., will be Euro 6,121,477.50, consisting of 12,715,877 ordinary shares. Reload S.r.l. holds a stake of 72.27%, while other shareholders with investments of less than 5% hold a total stake of 27.73%, treasury shares have a zero value.

The Company has published, within the time limits laid down by the law, the notice of the change of share capital subsequent to filing the successful increase of the capital with the Registry of Companies in Milan.

The press release is available 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 live music entertainment. It is present in 4 continents with offices in 14 cities: Milan, Rome, London, Manchester, Prague, Beirut, Istanbul, New York, Los Angeles, Buenos Aires, Montevideo, Cape Town, Mumbai and Shanghai. Group brands are Casta Diva Pictures, Casta Diva Events, Anteprema Video, Blue Note Milano and Monaco Growth Forums. 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 digital communication and live entertainment professionals. It is a talent hub capable of engaging Oscar winners and celebrities from around the world, and to discover and attract new creative talents that guarantee an extremely high standard 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 establishment in 2005, the Group has grown steadily and has been regularly awarded numerous prizes and awards including several 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 in via Borsieri, at Isola (and not only) it puts on over 300 shows a year, invoicing approximately 25% (source: SIAE) of the jazz industry's income in Italy.

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