



CASTA DIVA GROUP TRIPLES THE VALUE OF THE EVENTS DEPARTMENT BY CREATING “DISTRICT” WITH MATTEO VALCELLI AND ERNESTO DE PELLEGRINI

DISTRICT SRL, company created by merging investments of Casta Diva Events Srl, G.2 Eventi Srl and MeTe Travel and Events Srl, will be placed among the top events agencies in Italy with a production value of approximately 18 Million Euro

Milan, 27th September 2018

Casta Diva Group (CDG:IM), Innovative PMI listed on AIM Italia, operating internationally in communications, shares the binding agreement signed with Matteo Valcelli, the G.2 Eventi Srl shareholder (G2) and procurer of partners MeTe Travel and Events Srl (MeTe), establishing **DISTRICT SRL**. Casta Diva Group SpA will participate 100% with Casta Diva Events Srl (CDE); Valcelli will participate 100% with a Newco (Newco), established and controlled for this purpose, with investments contribution of G2 and MeTe.

Upon completion, expected by November 2018, DISTRICT SRL will be participated 51% by Casta Diva Group SpA and 49% by Newco, for the value of the companies CDE, by CDG, G2 and MeTe by Newco, as well as the increase of capital, from the parties, through compensation of related credits from termination of contributions to DISTRICT and cash adjustments.

Investments from G2, MeTe and CDE, transferred to DISTRICT, will be evaluated by multiplying Ebitda, as calculated by the CDG auditors. In addition, it is expected contribution of cash amounts by CDG, in four semestrial installments, equal to the difference between the value of 51% of G2 and MeTe and 49% of CDE, in order to achieve participation to the capital of DISTRICT.

Casta Diva Group and Matteo Valcelli will have a 24 month lock-up; Valcelli is expected to have a 2 year non-competitive agreement. Selling shares will be decided by the other shareholders. The governance of DISTRICT will be managed by 3 members of the Board - 2 nominated by Newco and 1 by CDG – with the following roles: Matteo Valcelli, Chairman; Ernesto de Pellegrini, Advisor; Francesco Merone, Advisor. The agreement includes call clauses for CDG regarding the total shares of District, drag-along for CDG and way-out for Valcelli from 2022, to perform through conversion in shares of the controlling party CDG, by cash adjustments.

G.2 Eventi, MeTe Travel and Events are renowned companies in the field of events in Italy with production value of over Euro 12 million. CDE revenue was over 5 Million Euro.

G2 has 20 years of experience in analysis, planning and management of big events for clients such as Gruppo Allianz, AllianzBank, Ferrovie dello Stato, Gruppo Mediaset, Gruppo Marazzi, Banco BPM, Gruppo CREVAL, Gruppo AON, Mazda Group. Within the company, the G4 Turismo department, a travel agency and tour operator, offers all support for travel services to main projects: trains/flights/ships transportation, private cars, staff and guests accommodation. Its production value in 2017 was 7,8 Million Euro, EBITDA equal to 0,4 Million Euro and Net Financial Position equal to 0,25 Million Euro.

MeTe manages big events for thousands of attendees, in terms of logistics and training courses. Its production value in 2017 was 4,4 Million Euro, EBITDA equal to 0,2 Million Euro and Net Financial Position of -0,1 Million Euro.

Casta Diva Group, with DISTRICT SRL, will offer these new services to all their clients, in Italy and abroad in 14 branches, extending the events activities internationally.



Thanks to this operation, which contributed to the revenue with 12 Million Euro, the strategic targets stated on 21st June 2018 after the approval of the Strategic Plan 2018-2020 are to be overcome. After careful consideration of potential synergies from the integration of the new companies within the Group, the Board of Casta Diva Group will be developing in the next months a Strategic Plan, which will define consolidation.

Andrea De Micheli and **Luca Oddo**, Chairman and CEO of Casta Diva Group: *"This operation represents one of the most significant operations over the past years in the events market in Italy. It defines the merging among companies perfectly compatible in terms of skills, services and clients portfolio. Casta Diva strong creativity allowed us to be awarded as the second events agency in the European ranking (from ADC Group), as well as business opportunities for the Blue Note and Blue Note Off opened up in terms of events management skills, logistics, incentive and non-incentive travel management, training courses management skills that G2 and MeTe achieved over the years. This merging operation will also offer other services to the clients by creating winning synergies on an international level. Projects and targets are shared by us and the partners of G2 and MeTe, Matteo Valcelli and Ernesto De Pellegrini. DISTRICT is expected to have 18 Million Euro revenue, which would lead us among the first agencies in Italy, even though our synergies will improve this result. M&A will keep increasing as the main strategic guideline of the Industrial Plan 2018-2020 approved on 21st June 2018."*

Matteo Valcelli, Chairman of G.2 Eventi and **Ernesto De Pellegrini**, CEO of MeTe Travel and Events: *"After 20 years in this industry, we have been given the opportunity to strengthen our experience within a more structured Group, for a new and unique adventure in the events sector. This is a very important operation and we are glad to be the main players and give our contribution in defining a new scenario in this field, in Italy and abroad."*

Casta Diva Group (CDG:IM - ISIN IT0005003782) is a multinational company, which operates in communications and production of branded contents, viral videos, digital contents, film and live music entertainment. It is located in 4 continents with branches in 14 cities: Milan, Rome, London, Manchester, Prague, Beirut, Istanbul, New York, Los Angeles, Buenos Aires, Montevideo, Cape Town, Mumbai and Shanghai. The Group brands are Casta Diva Pictures, Casta Diva Events, Anteprema Video, Blue Note Milano and Casta Diva Forums. It represents the biggest production network for advertising and events worldwide, built through an active and continuous interaction among the different branches and the experience of its professionals in digital communications and live entertainment. It's a talent hub able to get Oscar awards and celebrities from all over the world and to discover and attract new creative talents, who deliver standard of excellence. Casta Diva Group and its managers have offered strategies of innovative and creative communications and 100 big brands, reinterpreting the rules of conventional communication. Since its foundation, in 2005, the Group has constantly developed and awarded with the Lions at Cannes Lions International Festival of Creativity, Mobius Award, LIA - London International Awards, EuBEA – European Best Event Awards. It owns Blue Note Milan, jazz club and cuisine restaurant opened in 2003 and part of the international network Blue Note, well renowned in the jazz world, located in via Borsieri, Isola, (not only there) and produces over 300 shows per year, with an income of 25% (by: Siae) of the total income of the jazz industry in Italy.

Press release available on www.castadivagroup.com and www.emarketstorage.com

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