



CASTA DIVA GROUP STRATEGIC PLAN 2018-2021 ADDITIONAL INFORMATION

Milan, 18th December 2018

Casta Diva Group (CDG:IM), Innovative PMI listed on AIM Italia, operating internationally in the field of communications, announces the following information regarding the Strategic Plan 2018-2021, in addition to what has already been stated on 12th December 2018.

The chart presented in the Industrial Plan on 12th December, listed below, highlights management figures.

| 2018-2021 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--------------------------------|-------------------|------------------|------------------|-------------------|-------------------|
| Income Statement | | <i>FORECAST</i> | <i>ESTIMATED</i> | <i>ESTIMATED</i> | <i>ESTIMATED</i> |
| <i>revenues</i> | 22.469.604 | 30.088.059 | 33.223.652 | 37.431.234 | 41.784.544 |
| <i>other revenues</i> | 1.055.397 | 2.675.417 | 2.693.752 | 1.560.752 | 1.410.752 |
| Total Production Value | 23.525.001 | 32.763.476 | 35.917.404 | 38.991.986 | 43.195.297 |
| Total Production Costs | 15.133.940 | 23.953.002 | 26.106.219 | 28.624.309 | 31.846.261 |
| Contribution Margin | 8.391.062 37% | 8.810.474 29% | 9.811.185 30% | 10.567.677 28% | 11.849.035 28% |
| Total Personnel Costs | 3.366.531 | 4.314.150 | 3.939.046 | 4.093.833 | 4.097.333 |
| General Costs | 3.700.386 | 3.842.004 | 4.395.558 | 3.897.274 | 4.003.774 |
| SG&A | 7.066.917 | 8.156.154 | 8.334.604 | 7.991.107 | 8.101.107 |
| % SG&A on Turnover | 30% | 25% | 23% | 20% | 19% |
| EBITDA ADJUSTED | 1.324.144 | 2.004.320 | 2.221.582 | 2.826.571 | 3.547.929 |
| ebitda % on revenues | 5,9% | 6,7% | 6,7% | 7,6% | 8,5% |
| Depreciations and Amortization | 1.999.255 | 1.171.546 | 1.038.287 | 938.287 | 943.127 |
| Financial Revenues/(Costs) | -399.312 | -1.013.239 | -260.535 | -270.535 | -270.534 |
| Yearly Current/Deferred Tax | 254.376 | -350.000 | 0 | 350.000 | 500.000 |
| Net Profit | -1.328.799 | 169.535 | 922.759 | 1.267.748 | 1.834.268 |
| <i>NP %</i> | -5,6% | 0,5% | 2,6% | 3,3% | 4,2% |

As per revision, the figures below have been calculated according to the Italian accounting principles for income statements.

| Income Statement | 2018 | 2019 | 2020 | 2021 |
|-------------------------------|------------------|------------------|------------------|------------------|
| Revenue | 30.088.059 | 33.223.652 | 37.431.234 | 41.784.544 |
| Production Value | 32.763.476 | 35.917.404 | 38.991.986 | 43.195.296 |
| Direct costs | 23.953.002 | 26.106.219 | 28.624.309 | 31.846.261 |
| Contribution Margin | 8.810.474 | 9.811.185 | 10.367.677 | 11.349.035 |
| Other operational costs | 7.804.939 | 7.911.185 | 7.541.106 | 7.801.106 |
| Amortisation | 850.000 | 950.000 | 926.571 | 947.929 |
| Operating Profit | 155.535 | 950.000 | 1.900.000 | 2.600.000 |
| Amortisation/Depreciations | 850.000 | 950.000 | 926.571 | 947.929 |
| Ebitda | 1.005.535 | 1.900.000 | 2.826.571 | 3.547.929 |
| Non recurring costs | 998.785 | 321.582 | | |
| Ebitda Adjusted | 2.004.320 | 2.221.582 | 2.826.571 | 3.547.929 |
| Ebitda Adjusted % on revenues | 6,7% | 6,7% | 7,6% | 8,5% |
| Financial costs | (250.000) | (250.000) | (300.000) | (300.000) |
| Taxation | 264.000 | 222.759 | (332.252) | (465.732) |
| Net Profit | 169.535 | 922.759 | 1.267.748 | 1.834.268 |
| Net Profit % | 0,56% | 2,78% | 3,39% | 4,39% |
| Earning per share | 1% | 7% | 10% | 14% |
| number of share | 12.715.875 | 12.715.875 | 12.715.875 | 12.715.875 |

As highlighted in the two charts, **the same strategic targets in terms of Revenue, Production Value, Adjusted EBITDA and Net Profit are the same**, though a few differences are related to the following points:

- Risks management policy includes provisions for risks on receivables and payables, loss on operating activities (receivables for clients) and fixed activities (shares). From the management prospect, these are all "Depreciations", and for this reason the value is higher than the legal prospect. Legally, provisions for risks on receivables are a non-monetary cost, hence it's not taken into account when calculating Ebitda, whereas receivables loss plays a vital role when calculating Ebitda.
- The point "**Financial Revenue/(Costs)**" in the management prospect includes extraordinary costs, whereas the legal prospect includes only financial costs.
- The value "fiscal benefit": in the management prospect, we have added up the value of deferred taxes and tax credit that Casta Diva Pictures Srl has obtained after the production of Diva!, whereas in the legal prospect, tax credit is considered as "other proceeds", section A of the Income Statement.

In relation to the strategic targets of Adjusted EBITDA 2018-2021, in 2018, it's estimated that the weight of extraordinary and/or non-recurring components is equal to approximately 50% of the EBITDA. These components are mainly referred to what has been announced on 27th September 2018 (747.000,00 €) when approving the consolidated semestrial financial statement on 30th June 2018, and for extraordinary operations such as:

- Integration of G.2 Eventi Srl and MeTe Travel and Events Srl;
- Transfer of the company post-production, audio and video department to Casta Diva Pictures Srl;
- Abroad start-up branches in Shangai, Dubai and Los Angeles.



The above mentioned extraordinary operations have taken place in 2018, in some cases over the last trimester of the year, therefore these extraordinary components have been finalised mainly in 2018 and 2019; we have not included other costs for the next two years,

CASTA DIVA GROUP (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, Anteprima 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 on www.castadivagroup.com and www.emarketstorage.com

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