



CASTA DIVA GROUP: THE BOARD APPROVES THE FIGURES AS OF 31ST DECEMBER 2019, WITH PRODUCTION VALUE INCREASED TO 36.8 MILLION EUR (+ 5.7%)

- **Revenue: € 35.1 million (+6 compared to FY 2018: € 33.1)**
- **Production value: € 36.8 million (+ 5.7% than 2018: € 34.8 million)**
- **EBITDA: Euro 0.8 million (EBTDA FY 2018: 0.8 million)**
- **NFP: net debt of 1.6 million euros (NFP as of 30.6.2019: net debt of 1.6 million euros)**
- **Shareholders' equity: 9.0 million euros (+ 15.4% compared to FY 2018: 7.8 million euros)**

Milan, 16th May 2020

The Board of Directors of Casta Diva Group (CDG: IM), Innovative SME listed on the AIM Italia, operating internationally in the communication sector, chaired by President Andrea De Micheli, met today and approved on 15th May 2020 the draft Financial Statements as of 31st December 2019 and the Consolidated Financial Statements which show production value equal to Euro 36.8 million, increased by 5.7% compared to Euro 34.8 million in 2018.

Andrea De Micheli, President and CEO of Casta Diva Group commented: "2019 was a year of great positive changes for the Group. Changes in governance, management, investments, capitalization. We presented our balance sheet with growth in turnover and equity. In the future, we will have to do better in terms of profitability; in 2019, we invested many resources in the digitalization of the company, which, in hindsight, was strategic because it allowed us to face the Covid-19 emergency from a strong position. New resources from capital increase, combined with a new three-year industrial plan and the enhancement of innovative products, make us look confidently into the future of the Group, despite the situation caused by the pandemic. We are focusing on new business models using digital technologies and we are planning to expand the business into new areas of corporate communication: in-store promotion, e-learning, video streaming, etc. The lockdown has prompted us to accelerate on innovative products, being developed for some time in the Group's various business units, such as a new format of digital events, already appreciated by customers, and other ready-to-use solutions. We believe that, once the Coronavirus emergency has passed, our digital business advantage will be alongside the traditional one. The challenge has already started and the enormous success of the first streaming concert of Blue Note, with over 110 thousand spectators connected worldwide, encourages us to continue on this path".



MAIN CONSOLIDATED FIGURES AS OF 31 ST DECEMBER 2019

Revenue from sales and services were € 35.1 million, increased by 6% compared to 2018 (€ 33.1 million).

Production Value is equal to Euro 36.8 million, increased by 5.7% compared to 2018 (Euro 34.8 million). The figure is approximately 5% compared to € 35.2 million estimated in the 2020-2022 Strategic Plan.

Abroad Production Value (equal to Euro 9.5 million) is 26% of the total.

The First Margin was Euro 11.7 million, increased by 18% compared to the previous year. The higher margin is attributable to an improvement in the contribution, from the Company's core activities.

EBITDA is equal to Euro 0.8 million as in 2018 (Euro 0.8 million).

Adjusted EBITDA is equal to Euro 1.3 million (4% of Revenues) net of extraordinary and non-recurring costs **and is 100% higher than what was estimated in the 2020 - 2022 Strategic Plan (Euro 0.7 million).** The figure is positive and is attributable to the increase in industrial margins of the various companies.

Adjusted EBITDA was € 2.3 million in 2018, but extraordinary figures of € 1.5 million were discounted during the year.

The extraordinary costs in 2019 mainly relate to the previous CFO' transaction, extraordinary consultancy costs for the business, extraordinary costs for disputes closed during the year. The non-recurring costs are related to changes within the company and governance, the start-up of new operating businesses, to overhead costs that will not occur in 2020.

EBIT is equal to Euro -0.4 million, increased by 43% compared to 2018 (Euro -0.7 million) for Euro 0.3 million.

Adjusted EBIT is equal to Euro 0.1 million and compared to the 2020-2022 Strategic Plan it is decreasing by Euro 0.4 million due to higher depreciation.

The pre-tax result was € -0.7 million, increased by 42% on 2018 (€ -1.2 million).

Net Result came to € -0.4 million, increased by 33% compared to 2018 (€ -0.6 million), after positive taxes of € 0.4 million (positive taxes of € 0.6 million in 2018).

Net Financial Position is represented by net debt, and is equal to Euro 1.6 million, increased by 15.7% compared to the 2020-2022 Strategic Plan and on the same length of NFP as of

30.6.2019 (net debt for Euro 1,6 million).



Net Equity is equal to 9.0 million Euros, increased by 15.4% compared to 2018 (7.8 million Euros). This result mainly depends on the **recapitalization, by the shareholders**, who brought **funds** to the company's coffers for **over 2 million Euros**.

MAIN FIGURES OF THE HOLDING COMPANY CASTA DIVA GROUP S.P.A. AS OF 31ST DECEMBER

2019 Casta Diva Group S.p.A. had Production Value of 1.4 million Euros, -7% in 2018 (1.5 million Euros) as the relationship between the holding company and its subsidiaries have been revised. EBIT equal to -0.8 Euros million, + 14% than in 2018 (-0.7 million Euro) and Net Result of -0.1 million Euro, + 50% than in 2018 (-0.2 million Euro). Net Equity is equal to Euro 12.4 million, increased by 19% compared to the previous year (Euro 10.4 million in 2018) thanks to the introduction funds by the shareholders as indicated above. NFP is positive and equal to Euro 1.1 million, with a variation of 1.5 million compared to 2018 (2018 debt position for Euro 0.4 million).

OPERATING RESULT

The Board of Directors resolved to carry forward the 77,529 euros loss.

MAIN EVENTS AFTER THE END OF THE YEAR

Appointment of Guido Palladini as Group CFO

Since 7th January 2020, Guido Palladini is the new Chief Financial Officer and Investor. Guido Palladini has had great experience as a financial director. In 1995, he began his professional career at Birra Peroni, where he managed the companies of the group, and then was in charge of the acquisition process of numerous wholesale distribution companies in the beverage sector. In 2006, he joined Einstein Multimedia Group as head of administration and finance. From 2013 to 2018, he was the financial director of Fandango, a film production company. Subsequently, with the same role, he joined Lucisano Media Group, a company listed on the Aim Italia.

Internal dealing

On 10th January 2019, the President of CDG's Board of Directors, Andrea De Micheli and the Vice President, Gianluigi Rossi, announced that on 9th January 2020 they subscribed 400,000 CDG shares per head at the unit price of € 0.50.

2020-2022 Business Plan Presentation



On 27th February 2020 the BoD approved the 2020-2022 Business Plan. The figures shown in the chart are estimated to be achieved.

CASTA DIVA GROUP	Consolidated figures				
€M / %	2018A	2019 F	2020 E	2021 E	2022 E
Value of production	34,8	35,2	35,6	42,8	49,1
Ebitda (adjusted)	0,8	0,7	2,5	3,8	4,8
Ebitda % (adjusted)	6,7%	2,0%	7,0%	8,9%	9,8%
Ebit (adjusted)	0,6	0,5	1,3	2,0	3,3
NFP (Cash)	0,8	1,9	0,7	-0,1	-0,6
Value of prod CAGR '19-'22	12%				

The 2020-2022 Plan shows a target of 49 million in production value and 4.8 million Ebitda, by the end of 2022. The Plan already took into account the effects of the measures adopted by the Authorities against the spread of the new coronavirus COVID-19.

202 Financial Calendar updates

On 27th April 2020, CDG announced that, due to the Coronavirus emergency and its precautionary measures, as well as the arising organizational problems, the BoD decided to avail the 180-day period from the closure of the financial year, for the approval of the separate and consolidated financial statements as of 31st December 2019 by the Shareholders' Meeting, with a new calendar of corporate events:

- May 15th 2020 approval of the draft financial statements and consolidated financial statements as of December 31st 2019
- June 15th 2020 Ordinary Shareholders' Meeting for the approval of the Separate and Consolidated Financial Statements as of December 31st 2019
- September 28th 2020 for the approval of the half-yearly financial report as of June 30th 2020

Epidemic and lockdown: "resilient" reaction and creation of new digital products

In the end of financial year 2019, the Covid-19 pandemic and the consequent restrictive measures taken by the government had a strong impact on the national and international scenario.

Since the end of February, CDG launched some specific actions to support commercial policies towards customers, costs control, social safety, subsidized loans and other support measures to protect its employees throughout the country, allowing to work from home.

Before this health emergency, in 2019, the Group companies had already started investing in the digitalization of companies, as a strategic and differentiation element. This preventive investment proved to be crucial in dealing with the *lockdown* situation from a different perspective.

CDG's creative team and managers have been implementing new digital products to meet the requests of numerous customers and by adopting new technology, capable of making CDG's offer more interesting and competitive. The pandemic and the consequent need to



reinvent the company in an innovative way have actually accelerated this process in the first quarter of 2020. Even though some production activities stopped, CDG was ready to present new products to the market and some of them have already been launched.

- **Jazz Stream**

For some time, the management of Blue Note Milano had been thinking of shooting some concerts and broadcast them live streaming. The opportunity to implement this project came up with the lockdown, following collaboration with Huawei and JVC. On 8th May, which was Red Cross World Day and Red Crescent, Blue Note was the first club in Italy to reopen, "behind closed doors", with a live streaming concert with Paolo Fresu Devil Quartet, on the "Huawei Video" app, promoting the initiative to 70 million potential users, located in 12 European countries. The initiative had 70,000 viewers, simultaneously, on Huawei Video, and 40,000 followers on the Blue Note Milano Facebook page. The event also promoted an opportunity to raise funds for the Italian Red Cross.

- **Virtual promoter**

Well before the Covid-19 epidemic, the number of sales of consumer goods has been increasing online. The need to have an online consultation with a promoter became more popular, as if in stores. Virtual Promoters will accomplish this by allowing the customer to have immediate contact with a specialized promoter, trained to create empathy with the customer and establish trust so that the consumers make appropriate choices in virtual "shops in shops". The Virtual Promoter product has already been sold to some top brands in the consumer electronics sector.

- **Back to Office**

The project was created in 2019 driven by some customers' needs, eager to improve their internal communication. It is a platform where the "Agorà" stands out, a virtual village where users can meet, through digital technology, as if in traditional forms of aggregation. The "Agora" is a structure made up of thematic areas, which offers and collects content generated mainly by users. Back to Office has a strong



engaging function because it identifies and enhances the corporate DNA. It is currently being evaluated by numerous customers.

- **Virtual Set and Virtual Show**

Due to the *lockdown* and the understandable fear that people will still feel for some time in terms of moving and travelling, it is unlikely to go back to normal in a short time. In order to meet future needs, CDG is building a virtual set of LED panels to shoot spectacular spots and create exciting and interactive events. This technology allows to connect with a very large number of people thanks to remote control and a solid streaming platform. The elements that will bring competitive advantage are experience and interaction by using augmented reality and a series of tools to limit the "distraction from streaming". Three of CDG's most important customers have already confirmed that they want to invest in this type of digital events.

- **Hydra project**

The common denominator of the plan created in 2019 is Tourism, managed by the principles of Destination Management: this is the discipline that analyses countries and their investor market, with the aim of collecting data and information useful for the definition and implementation of strategic plans of territorial marketing. In consideration of the events occurred in the first part of 2020, the project has strategic features and will be developed next year.

- **Sport Project**

From the partnership between Casta Diva Live, Casta Diva Events, G2 Events and Hy Sport & Event Consulting, the new BU called FIVE brings together an extraordinary experience into the world of MICE events, integrated communication and sporting events from the past decade. Like any ambitious and competitive team, FIVE is now implementing a line-up of the most popular and skilled professionals both inside and outside the event market, on a national and international level. It is also taking part, with other partners, in an important tender for Dubai Expo 2020 (now postponed to 2021).

- **Human Nest**



Human Nest is a co-working project created in one of CDG offices, with creative groups engaged in initiatives for the Group's activities. The ability to deal with professionals from different sectors and the collaboration between different parties have been vital for the planning, development, and implementation of important projects, including Virtual Set and Virtual Show. Scripts and television formats were also created in collaboration with leading advertising investors.

- **ESG4YOU**

The ever-growing attention on ESG (Environmental, Social, Governance) issues, in 2019, shows CDG's focus on a project called ESG4YOU, aimed at creating specific expertise and proposing a series of services to consumers, taking into consideration economic, financial and environmental aspects. CDG believes that it is vital to implement a sustainable agenda on ESG issues, by transforming words into deeds and having an efficient approach to each specific matter. Trust has been built with leading companies and certification institutions to identify the applicable international standards and the methods of collaboration in this sector.

During today's Board of Directors, the President De Micheli informed the directors of a negotiation for the rental of the events business unit (RAE) of an important competitor.

The Chairman also underlined that the conditions are being defined, closing is expected in the second quarter, the effective date of the lease is expected in the third quarter and that the evaluation is currently underway regarding further investigation into the company.

The BoD resolved to authorize President De Micheli to continue the negotiation until closing. The President stated that when the contract for the rental of RAE is finalized, the information will be shared with the market.

NOTICE OF ORDINARY SHAREHOLDERS 'MEETING

The Board resolved to arrange the ordinary meeting on first call on June 15th 2020 at 9:00 am and on second call on June 16th 2020 at 10:00 am for the approval of the separate and consolidated financial statements as of December 31st 2019.

Filing of documentation

The documentation as of 31st December 2019 will be made available at the registered office and on the website www.castadivagroup.com, Investor Relations / Financial Data and Press Releases section.

Please find below the the consolidated, reclassified charts of the Group as of 31st December 2019.

CONSOLIDATED ACCOUNTS		
BALANCE SHEET		
ASSETS		
A) SUBSCRIBED CAPITAL, UNPAID		
Total subscribed capital unpaid (A)	0	30.000
B) FIXED ASSETS		
<i>I - Intangible fixed assets</i>		
1) Installation and expansion costs	1.671.163	1.743.404
2) Development costs	4.781	6.400
3) Industrial patents and intellectual property rights	9.551	0
4) Concessions, licences and trademarks	1.357.486	584.652
5) Goodwill	2.908.443	3.060.607
6) Assets under construction and payments on account	913.500	149.526
7) Others	652.708	775.198

Total intangible fixed assets (I)	7.517.633	6.319.787
<i>II - Tangible fixed assets</i>		
2) Plant and machinery	84.361	29.339
3) Industrial and commercial equipment	67.251	297.230
4) Other assets	311.799	71.551
Total tangible fixed assets (II)	463.411	398.120
<i>III - Financial fixed assets</i>		
<i>1) Shareholdings</i>		
a) Subsidiaries	0	0
d) Companies under the control of parent companies		
d bis) other companies	104.832	655.672
2) Receivables		
a) From subsidiaries	0	0
b) From associated companies	0	21.713
c) From parent companies	0	0
Due after the next financial year	0	0
d) Companies under the control of parent companies	0	0
d bis) From others		
Due in the next financial year	431.151	707.241
Due after the next financial year	0	0
Total financial fixed assets (III)	535.983	1.384.626
Total fixed assets (B)	8.517.027	8.102.534
C) CURRENT ASSETS		
<i>I - Stock</i>		
1) Subsidiary and consumable raw materials	41.473	0
3) Contract work in progress	7.593	306.659
4) Finished products and goods for sale	5.824	13.607
Total stock (I)	54.890	320.266
<i>II - Receivables</i>		
1) Trade receivables		
Due in the next financial year	10.465.986	9.686.474
Total trade receivables (1)	10.465.986	9.686.474
2) From subsidiary companies		
Due in the next financial year	0	0
Total receivables from subsidiaries (2)	0	0
5-bis) Tax receivables		
Due in the next financial year	1.329.038	713.627
Total tax receivables (5-bis)	1.329.038	713.627
5-ter) Prepaid taxes		
Due in the next financial year	2.342	308.000
Due after the next financial year	1.779.367	1.062.000

Total prepaid taxes (4-ter)	1.781.709	1.370.000
5 quater) From others		
Due in the next financial year	1.507.463	1.964.537
Due after the next financial year	4.626	0
Total receivables from others (5)	1.512.089	1.964.537
Total receivables (II)	15.088.822	13.734.637
<i>III- Financial assets that do not constitute long term investments</i>		
Total financial assets which are not long term investments (III)		
<i>IV - Cash and cash equivalents</i>		
1) Bank and post office deposits	2.881.457	1.572.959
3) Cash and cash equivalents in hand	75.609	195.023
Total cash and cash equivalents (IV)	2.957.066	1.767.981
Total current assets (C)	18.100.778	15.822.884
D) ACCRUALS AND DEFERRALS		
Accrued income and prepaid expenses	620.887	829.160
Total accruals and deferrals (D)	620.887	829.160
TOTAL ASSETS	27.238.692	24.784.578

LIABILITIES	31.12.2019	31.12.2018
A) NET ASSETS		
I - Capital	8.158.930	6.121.478
II - Share premium reserve	4.373.507	4.373.507
III - Revaluation reserves	0	0
IV - Legal reserve	8.000	8.000
V - Statutory reserves	0	0
VI - Other reserves, separately indicated		
Contribution reserve	2.923.639	2.923.639
Share capital reduction reserve	511	511
Reserve for translation differences	0	(292.456)
Other reserve	0	0
Extraordinary reserve	43.759	43.759
Negative reserve for own shares in portfolio	0	0
Consolidation reserve	514.369	840.978

	Merger surplus	186.639	186.639
	Reserve from alienation of own share	(97.601)	0
Total other reserves (VI)		3.571.316	3.703.070
VIII - Retained earnings (or losses) carried forward		(7.896.820)	(6.340.757)
IX - Profit (loss) for the year			
Group interest in profit (loss) for the year		(429.946)	(800.936)
X - Reserve for own shares held in portfolio		0	(139.694)
NET MINORITY ASSETS		7.784.986	6.924.667
Profit (loss) from minority interests		40.594	186.722
Net Assets Under Management		1.203.373	705.746
Total equity (A)		9.028.954	7.817.135
B) FUNDS FOR RISKS AND CHARGES		32.563	343.278
Total provisions for risks and charges (B)		32.563	343.278
B) FUNDS FOR RISKS AND CHARGES			
2) For taxes		13.800	33.774
3) Other		18.763	309.504
C) TERMINATION OF SUBORDINATE EMPLOYMENT CONTRACTS		801.177	772.769
D) DEBT			
3) Payables to shareholders for loans			
Due in the next financial year		0	64.098
Due after the next financial year		0	0
Total payables to shareholders for loans (3)		0	64.098
4) Payables to banks			
Due in the next financial year		4.295.817	2.345.337
Due after the next financial year		710.653	972.663
Total amounts due to banks (4)		5.006.470	3.318.000
5) Payables due to other funders within the financial year		140.931	0
Total payables due to other funders (5)		140.931	0
6) Advances on account			
Due in the next financial year		47.845	554.786
Total payments on account (6)		47.845	554.786
7) Payables to suppliers			
Due in the next financial year		8.424.734	8.889.782
Total trade payables (7)		8.424.734	8.889.782
9) Payables to subsidiary companies			
Due in the next financial year		0	0

Total payables to subsidiary companies (9)	0	0
12) Tax payables		
Due in the next financial year	991.474	453.793
Due after the next financial year	0	0
Total tax payables (12)	991.474	453.793
13) Payables to pension and social security institutions		
Due in the next financial year	193.203	242.131
Total payables to pension and social security institutions (13)	193.203	242.131
14) Other payables		
Due in the next financial year	905.127	1.091.055
Total other payables (14)	905.127	1.091.055
Total payables (D)	15.709.784	14.613.645
E) ACCRUALS AND REFERRALS		
Accrued liabilities and deferred income	1.666.214	1.237.751
Total accruals and referrals (E)	1.666.214	1.237.751
TOTAL LIABILITIES	27.238.692	24.784.578

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Income Statement	31.12.2019	31.12.2018
A) PRODUCTION VALUE:		
1) Revenues from sales and services	35.052.272	33.112.173
2) Var. work in progress, semi-finished and finished products	(7.371)	4.434
3) Var. work in progress on request	(200.636)	320.684
4) Increase of fixed assets for internal jobs	1.248.096	0
5) Other revenues and income	666.671	1.407.484
Total production value (A)	36.759.032	34.844.775
B) PRODUCTION COSTS:		
6) raw, ancillary, consumable materials and goods for sale	862.549	584.637
7) for services	27.984.355	29.348.549

8) for use of third party assets	1.700.850	543.950
9) for staff		
<i>a) wages and salaries</i>	3.386.977	2.829.528
<i>b) social security contributions</i>	1.009.722	597.416
<i>d), e) severance indemnity, retirement benefits, other persecution costs.</i>	38.028	0
<i>c) End of contract</i>	145.746	103.165
Total costs for staff (9)	4.580.473	3.530.109
10) depreciation, amortisation		
<i>a) Amortisation of intangible fixed assets</i>	1.094.525	1.122.175
<i>b) Depreciation of tangible fixed assets</i>	112.577	101.423
<i>c) Depreciation of receivables from financial assets</i>	0	181.247
<i>d) Depreciation of receivables from working capital</i>	0	100.000
Total amortisation and depreciation (10)	1.207.102	1.504.845
11) Var. remnants. of raw materials, consumables and goods for sale	0	0
12) Provisions for risks	0	0
14) Sundry operating charges	841.699	0
Total cost of production (B)	37.177.028	35.512.090
Difference between production value and costs (A-B)	(417.997)	(667.314)
C) FINANCIAL INCOME AND CHARGES:		
16) other financial income:		
d) income other than previous income		
Other	39.839	64.069
Total income, different from the previous ones (d)	39.839	64.069
Total other financial income (16)	39.839	64.069
17) interest and other financial charges		
Other	321.536	303.189
Total interests and other financial charges (17)	321.536	303.189
17-bis) profit (loss) on exchange	(58.832)	(312.736)
Total financial income and expenses (C) (15+16-17+-17-bis)	(340.530)	(551.855)
D)VALUE ADJUSTMENTS OF FINANCIAL ACTIVITIES:		
Total value adjustments of financial assets (D) (18-19)	0	0
Result before taxes (A-B+-C+-D)	(758.526)	(1.219.170)
20) Current, deferred and prepaid income taxes for the year:		
Current taxes	317.412	271.776
Advance taxes	(686.586)	(876.732)



Total income taxes for the year (22)	(369.174)	(604.956)
23) PROFIT (LOSS) FOR THE CURRENT FINANCIAL YEAR	(389.352)	(614.214)
THIRD PARTIES PROFIT (LOSS) FOR THE FINANCIAL YEAR	40.594	186.722
GROUP PROFIT (LOSS) FOR THE FINANCIAL YEAR	(429.946)	(800.936)

Cash Flow Statement	31/12/2019	31/12/2018
A. Cash Flow from operating activities (indirect)		
Profit (loss) for financial year	(389.353)	(614.214)
Taxes on income	(369.174)	(604.956)
Interests payables/(receivables)	340.529	551.856
(Dividends)	0	
Capital loss (capital gains) from disposal of tangible and intangible fixed assets	0	(434.633)
Capital loss (capital gains) from disposal of fixed assets	0	
(Capital gains)/ capital loss from disposal of operating activity	0	(434.633)
1. Profit (loss) of financial year before taxes on income, interests, dividends and capital gains/loss from disposal	(417.998)	(1.101.947)
<i>Adjustments for non-monetary elements without compensation in net working</i>		
Provisions of funds	145.746	211.085



Amortisation of fixed assets	1.207.102	1.223.598
Depreciation for long-term value loss		
Other adjustments on non-monetary elements		
2. Cash flow before adjustments in working capital	934.850	332.736
<i>Variazioni del capitale circolante netto</i>		
(Increase)/decrease in Inventory	265.376	(33.464)
(Increase)/decrease in Receivables	(779.513)	(4.507.488)
Increase/(decrease) in Payables for suppliers	(465.048)	4.640.433
Increase/(decrease) in asset accruals and deferrals	208.273	(652.817)
Increase/(decrease) in liabilities accruals and deferrals	428.466	579.129
Other adjustments in net working capital	(837.665)	137.291
(Increase)/decrease in trade receivables and other receivables	452.452	408.888
Increase /(Decrease) other Liabilities	(741.799)	495.320
Increase /(Decrease) in risk funds and charges	(290.741)	252.791
Increase/(decrease) Benefits after work termination	(117.338)	36.630
Increase/(decrease) fiscal liabilities (assets)	254.903	(1.424.353)
Increase/(decrease) tax payables (receivables)	(395.142)	368.015
Adjustments to Consolidation/Extraordinary operations		
3. Cash flow after adjustments in working capital	(245.261)	495.820
<i>Other adjustments</i>		
Collected interests/(paid)		
(Paid income taxes)		
Collected Dividends		
(Use of funds)		
4. Cash flow after other adjustments	(245.261)	495.820
Cash flow from operating activities (A)	(245.261)	495.820
B. Cash flow from investments activities		
<i>Tangible fixed assets</i>		
(Investments)	(1.574)	(59.331)
Disinvestments selling-off price		
<i>Intangible fixed assets</i>		
(Investments)	(74.576)	(923.212)
Disinvestments selling-off price		58.623
<i>Financial fixed assets</i>		
(Investments)	1.146.020	(2.142.266)
Disinvestments selling-off price	(560.230)	(216.224)
<i>Non fixed assets financial activities</i>		
(Investments)		
Disinvestments selling-off price		
<i>Subsidiaries acquisition or termination/incorporation on net cash</i>		
Consolidation adjustments/Extraordinary activities:		
Tangible		



Intangible	0	(1.310.298)
Financial	0	5.005.439
Other		
Other fixed assets adjustments:	(2.441.767)	(3.255.967)
Tangible	(176.295)	280.409
Intangible	(2.217.796)	(739.885)
Financial	(77.676)	(2.766.491)
Other	30.000	(30.000)
Net cash for investments activities	(1.932.127)	(2.843.236)
Financial activities		
Increase/(decrease) bonds		
Increase/(decrease) other financial debts	76.834	60.257
Increase/(decrease) debts with Banks	1.688.470	1.444.385
Increase/(decrease) third party net assets	310.906	(262.233)
Increase/(decrease) Group net assets	1.290.264	804.816
Net cash for investments activity	3.366.474	2.047.225
Increase/(decrease) in cash and cash equivalent	1.189.086	(300.191)
Cash and cash equivalent at the beginning of financial year	1.767.981	2.068.172
Cash and cash equivalent at the end of financial year	2.957.067	1.767.981

ANNUAL REPORT CASTA DIVA GROUP S.P.A.	CASTA DIVA GROUP SPA	CASTA DIVA GROUP SPA
BALANCE SHEET		
ASSETS	31.12.2019	31.12.2018
A) SUBSCRIBED CAPITAL, UNPAID		
Total subscribed capital unpaid (A)	0	0
B) FIXED ASSETS		
<i>I - Intangible fixed assets</i>		
1) Installation and expansion costs	662.771	802.605
2) Development costs	0	0
3) Industrial patents and intellectual property rights	0	0
4) Concessions, licences and trademarks	417.635	282.115
5) Goodwill	0	0
6) Assets under construction and payments on account	382.249	104.526

7) Others	30.082	24.819
Total intangible fixed assets (I)	1.492.737	1.214.065
<i>II - Tangible fixed assets</i>		
2) Plant and machinery	3.700	5.000
3) Industrial and commercial equipment	4.131	50.590
4) Other assets	86.919	1.269
Total tangible fixed assets (II)	94.750	56.859
<i>III - Financial fixed assets</i>		
<i>1) Shareholdings</i>		
a) Subsidiaries	7.569.827	6.536.307
d) Companies under the control of parent companies		
d bis) other companies	100.541	100.541
2) Receivables		
a) From subsidiaries	190.000	1.703.894
b) From associated companies	0	0
c) From parent companies	0	0
Due after the next financial year	0	0
d) Companies under the control of parent companies	0	0
d bis) From others		
Due in the next financial year	431.151	554.241
Due after the next financial year	0	0
4) Own shares	0	0
Total financial fixed assets (III)	8.291.519	8.894.983
Total fixed assets (B)	9.879.006	10.165.907
C) CURRENT ASSETS		
<i>I - Stock</i>		
3) Contract work in progress	0	0
4) Finished products and goods for sale	0	0
Total stock (I)	0	0
<i>II - Receivables</i>		
1) Trade receivables		
Due in the next financial year	146.274	185.953
Total trade receivables (1)	146.274	185.953
2) From subsidiary companies		
Due in the next financial year	2.143.539	671.556
Total receivables from subsidiaries (2)	2.143.539	671.556
5-bis) Tax receivables		
Due in the next financial year	513.131	71.584
Total tax receivables (5-bis)	513.131	71.584
5-ter) Prepaid taxes		
Due in the next financial year	0	117.227
Due after the next financial year	1.588.594	1.062.000
Total prepaid taxes (4-ter)	1.588.594	1.179.227

5 quater) From others		
Due in the next financial year	73.573	320.505
Due after the next financial year	0	0
Total receivables from others (5)	73.573	320.505
Total receivables (II)	4.465.111	2.428.825
<i>III- Financial assets that do not constitute long term investments</i>		585.193
Total financial assets which are not long term investments (III)		585.193
<i>IV - Cash and cash equivalents</i>		
1) Bank and post office deposits	1.082.188	17.196
3) Cash and cash equivalents in hand	398	11
Total cash and cash equivalents (IV)	1.082.586	17.207
Total current assets (C)	5.547.697	3.031.225
D) ACCRUALS AND DEFERRALS		
Accrued income and prepaid expenses	36.766	59.552
Total accruals and deferrals (D)	36.766	59.552
TOTAL ASSETS	15.463.469	13.256.684

LIABILITIES	31.12.2019	31.12.2018
A) NET ASSETS		
I - Capital	8.158.930	6.121.478
II - Share premium reserve	4.373.507	4.373.507
III - Revaluation reserves	0	0
IV - Legal reserve	8.000	8.000
V - Statutory reserves	0	0
VI - Other reserves, separately indicated		
Contribution reserve	2.923.639	2.923.639
Share capital reduction reserve	511	511
Reserve for translation differences	0	0
Other reserve	0	0

Extraordinary reserve	43.759	43.759
Negative reserve for own shares in portfolio	0	0
Consolidation reserve	0	0
Merger surplus	186.639	186.639
Reserve from alienation of own share	(97.601)	0
Total other reserves (VI)	3.056.947	3.154.548
VIII - Retained earnings (or losses) carried forward	(3.057.468)	(2.842.958)
IX - Profit (loss) for the year		
Profit (loss) for the year	(77.529)	(214.516)
X - Reserve for own shares held in portfolio	0	(139.694)
NET MINORITY ASSETS	12.462.387	10.460.365
Third party profit (loss)	0	0
Third party equity	0	0
Total equity (A)	12.462.387	10.460.365
B) FUNDS FOR RISKS AND CHARGES	0	0
Total funds for risks and charges (B)	0	0
C) TERMINATION OF SUBORDINATE EMPLOYMENT CONTRACTS	1.188	32.687
D) DEBT		
3) Payables to shareholders for loans		
Due in the next financial year	0	0
Due after the next financial year	0	0
Total payables to shareholders for loans (3)	0	0
4) Payables to banks		
Due in the next financial year	916.496	814.916
Due after the next financial year	275.565	167.699
Total amounts due to banks (4)	1.192.061	982.615
6) Advances on account		
Due in the next financial year	0	0
Total payments on account (6)	0	0
7) Payables to suppliers		
Due in the next financial year	527.430	672.663
Total trade payables (7)	527.430	672.663
9) Payables to subsidiary companies		
Due in the next financial year	1.058.975	935.550
Total payables to subsidiary companies (9)	1.058.975	935.550
12) Tax payables		
Due in the next financial year	158.587	38.891
Due after the next financial year	0	0
Total tax payables (12)	158.587	38.891
13) Payables to pension and social security institutions		

Due in the next financial year	13.049	28.371
Total payables to pension and social security institutions (13)	13.049	28.371
14) Other payables		
Due in the next financial year	49.792	77.325
Total other payables (14)	49.792	77.325
Total payables (D)	2.999.894	2.735.415
E) ACCRUALS AND REFERRALS		
Liabilities accruals and referrals	0	28.217
Total accruals and referrals (E)	0	28.217
TOTAL LIABILITIES	15.463.469	13.256.684

Income Statement CASTA DIVA GROUP SPA	31.12.2019	31.12.2018
A) PRODUCTION VALUE:		
1) Revenues from sales and services	5.250	83.183
2) Var. work in progress, semi-finished and finished products	0	0
3) Var. work in progress on request	0	91.730
4) Increase of fixed assets for internal jobs	552.091	
5) Other revenues and income	879.780	1.338.512
Total production value (A)	1.437.121	1.513.425

B) PRODUCTION COSTS:		
6) raw, ancillary, consumable materials and goods for sale	0	0
7) for services	1.367.616	1.512.785
8) for use of third party assets	123.623	58.883
9) for staff		
<i>a) wages and salaries</i>	283.689	213.689
<i>b) social security contributions</i>	45.524	53.795
<i>d), e) severance indemnity, retirement benefits, other persecution costs.</i>	0	0
<i>c) End of contract</i>	1.114	14.116
Total costs for staff (9)	330.327	281.600
10) depreciation, amortisation		
<i>a) Amortisation of intangible fixed assets</i>	425.782	381.878
<i>b) Depreciation of tangible fixed assets</i>	18.500	8.584
<i>c) Depreciation of receivables from financial assets</i>		
<i>d) Depreciation of receivables from working capital</i>	0	45.000
Total amortisation and depreciation (10)	444.282	435.462
11) Var. remnants. of raw materials, consumables and goods for sale	0	0
12) Provisions for risks	0	0
14) Sundry operating charges	70.194	0
Total cost of production (B)	2.336.042	2.288.730
Difference between production value and costs (A-B)	(898.921)	(775.305)
C) FINANCIAL INCOME AND CHARGES:		
16) other financial income:		
d) income other than previous income		
Other	360.771	118.569
Total income, different from the previous ones (d)	360.771	118.569
Total other financial income (16)	360.771	118.569
17) interest and other financial charges		
Other	24.975	27.263
Total interests and other financial charges (17)	24.975	27.263
17-bis) profit (loss) on exchange	(2.006)	(918)
Total financial income and expenses (C) (15+16-17+-17-bis)	333.790	90.388
D)VALUE ADJUSTMENTS OF FINANCIAL ACTIVITIES:		
Total value adjustments of financial assets (D) (18-19)	0	0



Result before taxes (A-B+-C+-D)	(565.131)	(684.917)
20) Current, deferred and prepaid income taxes for the year:		
Current taxes	0	0
Advanced taxes	(487.602)	(470.401)
Total income taxes for the year (22)	(487.602)	(470.401)
23) PROFIT (LOSS) FOR THE CURRENT FINANCIAL YEAR	(77.529)	(214.516)
THIRD PARTIES PROFIT (LOSS) FOR THE FINANCIAL YEAR	0	0
GROUP PROFIT (LOSS) FOR THE FINANCIAL YEAR	(77.529)	(214.516)

Cash Flow Statement CASTA DIVA GROUP SPA	31/12/2019	31/12/2018
A. Cash Flow from operating activities (indirect)		
Profit (loss) for financial year	(77.533)	(214.516)
Taxes on income	(487.602)	(470.401)
Interests payables/(receivables)	(333.790)	(90.388)
(Dividends)	(299.912)	(92.873)
Capital loss (capital gains) from disposal of tangible and intangible fixed assets	0	(434.469)
1. Profit (loss) of financial year before taxes on income, interests, dividends and capital gains/loss from disposal	(1.198.837)	(1.302.647)
<i>Adjustments for non-monetary elements without compensation in net working</i>		



Provisions of funds	1.114	14.116
Amortisation of fixed assets	444.282	390.462
Depreciation for long-term value loss	0	0
Other adjustments on non-monetary elements	0	0
2. Cash flow before adjustments in working capital	(753.441)	(898.069)
<i>Net working capital adjustments</i>		
(Increase)/decrease in Inventory	0	0
(Increase)/decrease in Receivables	39.679	(135.232)
Increase/(decrease) in Payables for suppliers	(145.229)	21.775
Increase/(decrease) in asset accruals and deferrals	22.786	(30.941)
Increase/(decrease) in liabilities accruals and deferrals	(28.217)	2.160
Other adjustments in net working capital	(1.420.710)	316.391
3. Cash flow after adjustments in working capital	(2.285.132)	(723.916)
<i>Other adjustments</i>		
Collected interests/(paid)	0	0
(Paid income taxes)	0	0
Collected Dividends	0	0
(Use of funds)	0	0
4. Cash flow after other adjustments	(2.285.132)	(723.916)
Cash flow from operating activities (A)	(2.285.132)	(723.916)
B. Cash flow from investments activities		
<i>Tangible fixed assets</i>		
(Investments)	0	(59.331)
Disinvestments selling-off price	0	0
<i>Intangible fixed assets</i>		
(Investments)	0	(905.873)
Disinvestments selling-off price	0	3.077
<i>Financial fixed assets</i>		
(Investments)	(10.000)	(1.190.910)
Disinvestments selling-off price	0	188.276
<i>Non fixed assets financial activities</i>		
(Investments)	0	0
Disinvestments selling-off price	0	0
<i>Subsidiaries acquisition or termination/incorporation on net cash</i>		
Consolidation adjustments/Extraordinary activities:		
Tangible	0	0
Intangible	0	0
Financial	0	(145.291)
Other	0	0
Other fixed assets adjustments:	1.071.514	59.753
Net cash for investments activities	1.061.514	(2.050.299)
Financial activities		



Increase/(decrease) bonds	0	(20.000)
Increase/(decrease) debts with Banks	209.446	982.615
Increase/(decrease) third party net assets		(201.108)
Increase/(decrease) Group net assets	2.079.551	1.527.034
Net cash for investments activity	2.288.997	2.288.541
Increase/(decrease) in cash and cash equivalent	1.065.379	(485.674)
Cash and cash equivalent at the beginning of financial year	17.207	502.881
Cash and cash equivalent at the end of financial year	1.082.586	17.207

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CASTA DIVA GROUP (CDG: IM - ISIN IT0005003782) is a multinational company, active in the communication sector, for the production of branded content, viral videos, digital content, films and live music entertainment. It is located in 4 continents with offices in 15 cities: Milan, Rome, London, Manchester, Prague, Beirut, Istanbul, New York, Los Angeles, Buenos Aires, Montevideo, Cape Town, Dubai, Mumbai and Shanghai. The Group's brands are Casta Diva Pictures, District, Casta Diva Events, G.2 Events, Casta Diva Financial Events, K2 Com, Blue Note Milano and Blue Note Off. It represents the largest network of advertising, films and events production worldwide, built through an active and continuous interaction between the different offices and the experience of its professionals in digital communication and live entertainment. It is a talent hub capable of winning Oscar awards and engaging with celebrities from all over the world as well as of discovering and attracting new creative talents that deliver very high standards of excellence. Casta Diva Group and its managers have offered innovative and creative communication strategies to over 100 major brands, reinterpreting conventional communication rules. Since been founded in 2005, the group has grown and has won more than 120 international awards, including numerous Lions at the Cannes Lions International Festival of Creativity, Mobius Award, LIA - London International Awards, EuBEA - European Best Event Awards.

The Group owns Blue Note Milano, the best known jazz club and restaurant in continental Europe, opened in 2003 producing over 300 shows a year, invoicing about 25% (source: Siae) of the jazz collection in Italy.

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

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