



*Casa D'Am*

GROUP

INDUSTRIAL PLAN  
2021 - 2023

### INTRODUCTION

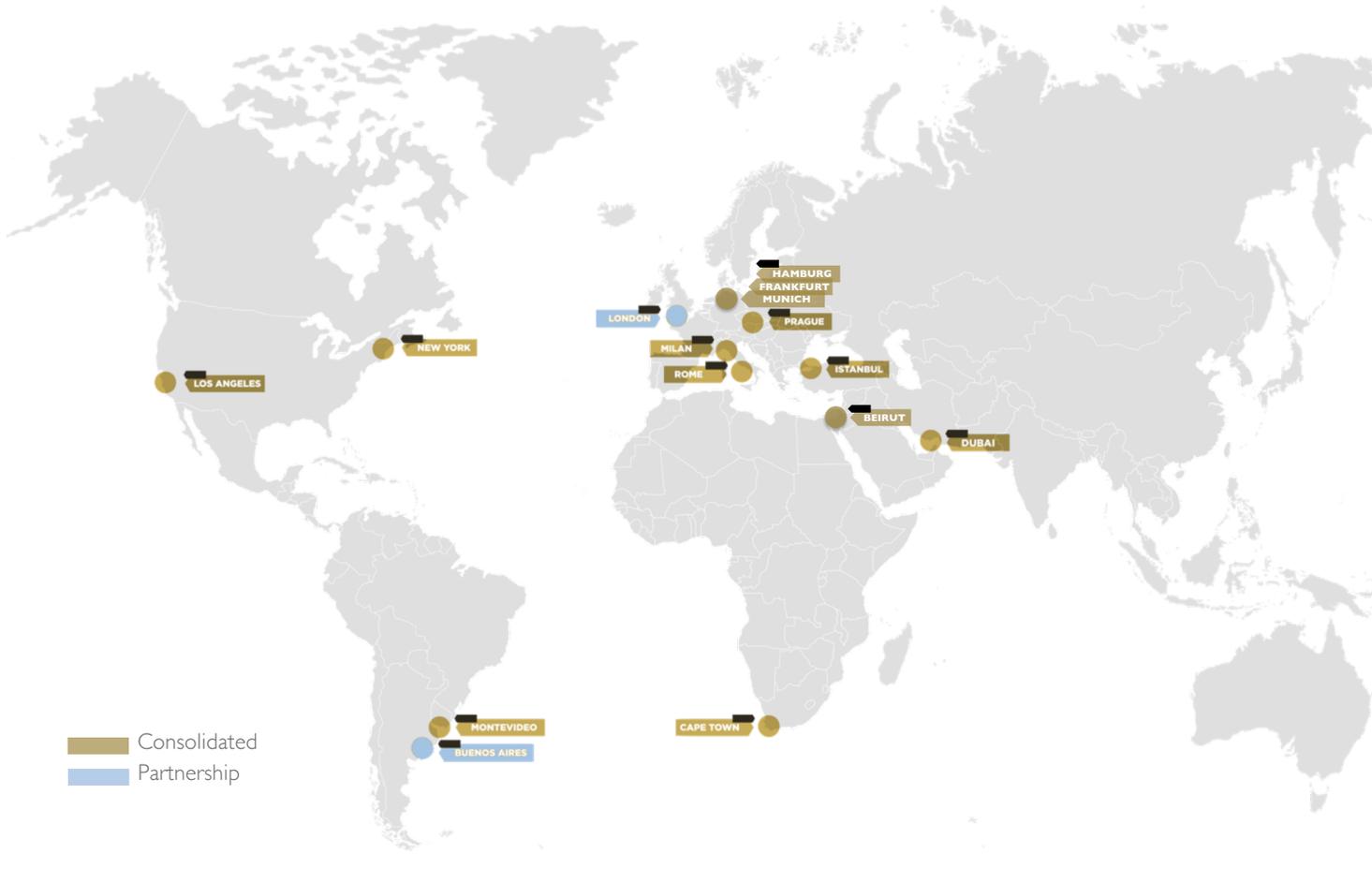
- In the last years, Casta Diva steadily increased its revenues and ranking in Creative Contents and Live Communication sectors, reinforcing its creative and digital capabilities, with an extensive and qualified international presence in almost all continents.
- This year, Covid-19 had impacted media investments, particularly in the Live Communication sector, with a spending decrease of 70% in Italy and a direct negative effect on 61% of Casta Diva's turnover.
- In the short term, CDG has been deploying a defensive strategy to maximize the access to available government financial support, the optimization of capital structure and a significant cost reduction program, including the rationalisation of its international network, phasing out from problematic countries (Argentina, Lebanon), entering promising ones (Germany) and switching partners in other regions (Turkey, USA).
- The Group also achieved significant results on branded contents, protecting its customer project pipeline and key resources during the pandemic.
- While undeniably challenging, this abnormal discontinuity is giving CDG the opportunity to steer its business model and profits, capturing the rising importance of the emerging video formats and distribution channels, the acceleration of digital adoption and the consolidation of the competition.
- As result of these efforts, along 2020, CDG's management has limited Covid impact on margins, defended CDG market value (+16,9% YtY\*) and envisaged a plan to recover most of the revenues and reach profitability in 2021.
- Going forward, CDG will be driven by organic and inorganic growth. After a period of consolidation, the latter will now be fuelled by agencies less impacted by the pandemic, with assets and management suited for the new age, within CDG continuous effort to select and integrate acquisition targets coherent with CDG values and culture.

An aerial photograph of a two-lane asphalt road with white dashed center lines, cutting through a dense, lush green forest. A semi-transparent white rectangular box is overlaid horizontally across the middle of the image, containing the company logo and title.

*Casta Diva*

GROUP

# CASTA DIVA AT A GLANCE



Casta Diva Group is a **COMMUNICATION GROUP**, listed on the **AIM OF MILAN**, active in creative content production and live communication & entertainment.

Its global presence spans **FIFTEEN CITIES ACROSS FOUR CONTINENTS.**

Its team has worked successfully with over 100 of the world's top brands, winning several **AWARDS WORLDWIDE.**

VALUE OF PROD 2019: 36.8 M€	CREATIVE CONTENT PRODUCTION: 39 %	PHYGITAL & ENTERTAINMENT: 61 %
<p>INTERNATIONAL: 27 %</p> <div style="background-color: #c09040; color: white; padding: 20px; text-align: center; font-weight: bold; font-size: 1.2em;">           CLIENTS / BRAND SELECTIONS         </div>		

# BLUE NOTE

Blue Note tempio della musica, oggi diventato anche venue per eventi digitali di altissima qualità

2020

BLUE NOTE

# ANTE

## PANTEN

Campagna lancio prodotto testimonial Chiara Ferragni e Baby K

2020

PANTEN

## GILLETTE

Campagna lancio prodotto testimonial Luca Argentero e Daniele De Rossi

2020

GILLETTE

CITROSODINA

L'ORIGINE

BAYER  
CITROSODINA

Campagna lancio prodotto Citrosodina L'originale effetto BURP!

2020

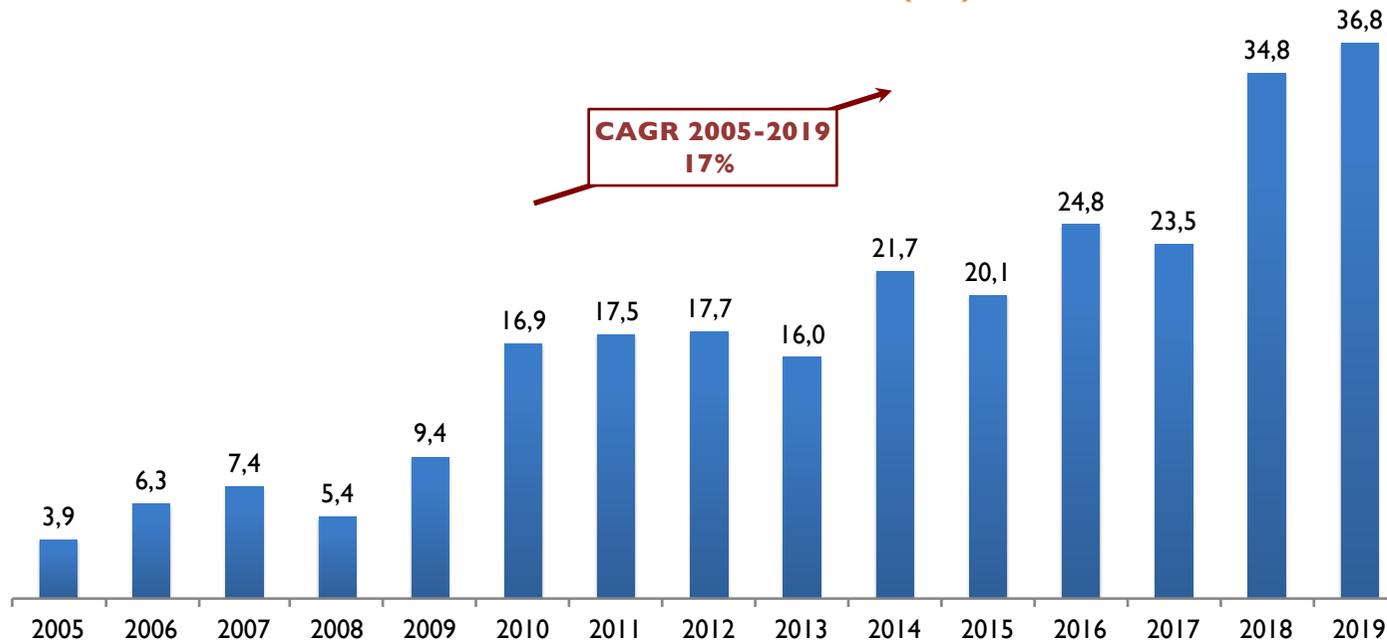
BAYER

Caratena

GROUP 6

The Group's expansion has been driven by organic growth and domestic/international acquisitions.

VALUE OF PRODUCTION (€M)



ACQUISITIONS & JOINT VENTURES

- 2005: Paramour (Prague)
- 2007: Egg (Milan)
- 2009: Onyx (Buenos Aires)
- 2010: CDP (London)
- 2011: Dynamo (Istanbul)
- 2012: Niche (New York, Los Angeles)
- 2013: Moonlighting (Cape Town)
- 2016: Blue Note (Milan)
- 2018: CDE (Dubai)
- 2018: G.2 Eventi (Milan)
- 2018: Mete Travel & Events (Milan)
- 2020: Over Seas (Rome)



GROUP

## THE STORY OF CASTA DIVA GROUP

**2005**  
Casta Diva Pictures  
Prague



**2005**  
Egg Milan (CDE)



**2008**  
Casta Diva Pictures  
Buenos Aires



**2010**  
Casta Diva Pictures  
London



**2011**  
Casta Diva Pictures  
Istanbul



**2012**  
Casta Diva Pictures  
New York



**2013**  
Casta Diva Pictures  
Cape Town



A unique selling proposition, based on global integration and partnership, has allowed for an initial quick expansion



GROUP

## THE STORY OF CASTA DIVA GROUP

**2014**  
Egg Rome  
(Casta Diva Events)



**2018**  
Casta Diva Events  
Dubai



**2014**  
Casta Diva Pictures  
Los Angeles



**2018**  
G.2 Eventi - Mete



**2015**  
Casta Diva Pictures  
Montevideo



**2020**  
Over Seas\*  
Roma



**2016**  
Blue Note  
Jazz Club & Events



**2021**  
Hamburg • Frankfurt  
Munich

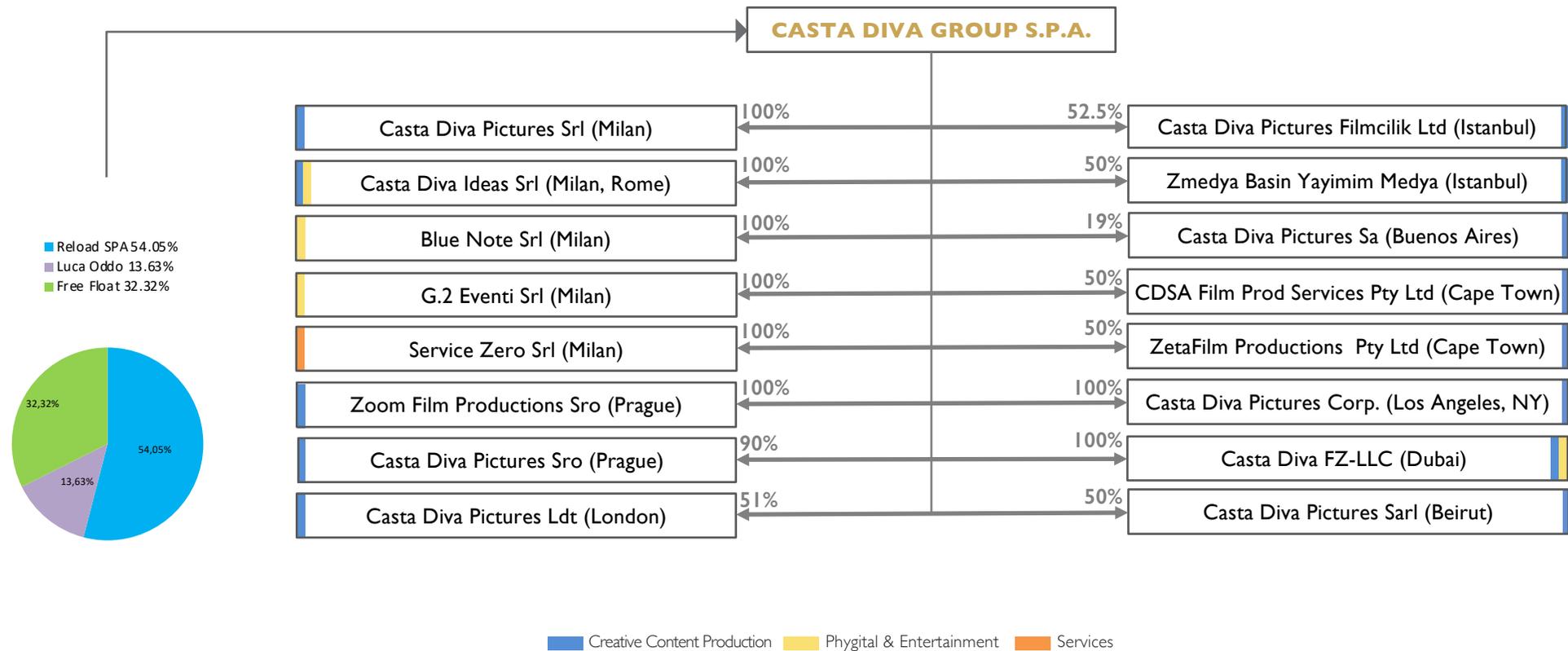


After years of international growth, the Group has developed a consistent acquisition methodology to leverage for further expansion



GROUP

# CORPORATE STRUCTURE



## STOCK PERFORMANCE



- One Month Performance **+21.76%**
- Six Months Performance **+5.20%**
- One Year Performance **+16.89%**
- Current price vs year low (€0.29, during the pandemic's first wave) **+90%**



Awards

MORE THAN

125

INTERNATIONAL AWARDS  
WON UP TO 2020

IR Department for International Trade  
«Best IPO Innovative Project»  
Award 2017  
AIM-INVESTOR CLUB - Direzione Palazzo Mezzanotte  
Casta ERM  
GROUP  
Per «le caratteristiche di eccellenza e innovazione del modello di business presentato in fase di quotazione»

THE MOSCOW AWARD  
BEST IPO  
2016  
SERVICES  
CASTA DIVA PICTURES

INDUSTRIAL PLAN  
2021 - 2023



GUIDO  
PALLADINI  
GROUP CFO



FABIO  
NESI  
CEO CDP MILAN  
& INTL NETWORK DIRECTOR



ANDREA  
DE MICHELI  
GROUP CHAIRMAN & CEO



MATTEO  
VALCELLI  
CHAIRMAN G.2



FRANCESCO  
PAOLO  
CONTICELLO  
CEO CASTA DIVA IDEAS



KEY  
PEOPLE

# KEY PEOPLE



ERNESTO  
DE PELLEGRINI  
DIRECTOR G.2

RAFFAELE  
COZZA D'ONOFRIO  
HEAD OF FINANCE AND CONTROL  
CHAIRMAN CDI



VANESSA  
FULVIO  
COMMERCIAL DIRECTOR G.2



FRANCESCA  
PANIGUTTO  
CLIENT DIRECTOR &  
NEW BUSINESS MANAGER  
BOARD MEMBER CDI



DANIELE  
GENOVESE  
CEO BLUE NOTE MILANO



DANIELA  
FUMAGALLI  
GM G.2



INDUSTRIAL PLAN  
2021 - 2023



INDUSTRIAL PLAN  
2021 - 2023



IVANA  
GABBIANO  
PEOPLE & PROCESS MANAGEMENT



VERONICA  
LANZANO  
ACCOUNT DIRECTOR



CLAUDIO  
CANDIA  
HEAD OF MARKETING



MASSIMO  
RIGHINI  
CHIEF CREATIVE OFFICER CDP



MASSIMO  
PUTZU  
ACCOUNT DIRECTOR CDI



DUCCIO  
STANZANI GHEDINI  
ACCOUNT DIRECTOR G2



INDUSTRIAL  
PLAN  
2021 - 2023



MANUELA  
MICHELI  
COMMERCIAL MANAGER G.2

NICOLE  
ROVERE  
BUSINESS MANAGER G.2



EMRE  
ATAKAN  
CEO CASTA DIVA ISTANBUL

THOMAS  
DAVID  
CEO CASTA DIVA PRAGUE

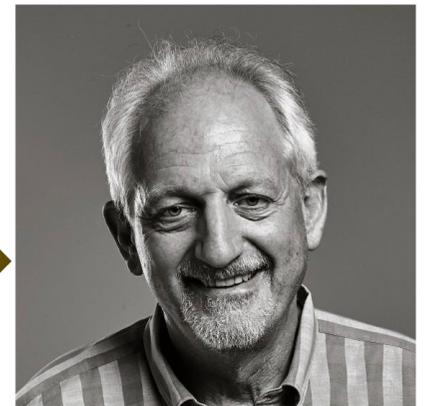


KEY  
PEOPLE



CECILIA  
FELGUERAS  
CEO CASTA DIVA BUENOS AIRES

PHILIP  
KEY  
CEO CASTA DIVA CAPE TOWN



A silhouette of a person wearing a cap and holding binoculars, standing on a hillside and looking out over a vast landscape of rolling hills under a dramatic, golden sunset sky. The person is positioned on the left side of the frame, facing right.

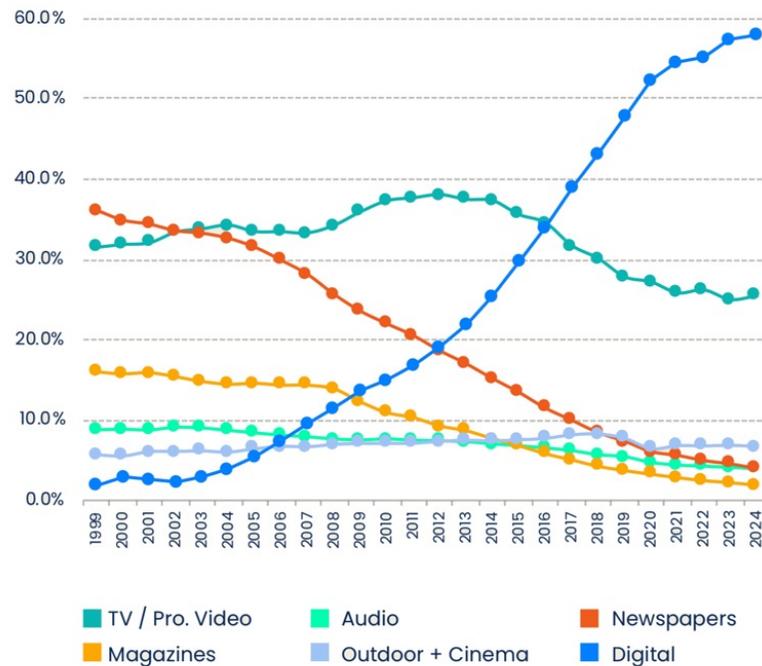
*Casa Brva*

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# INDUSTRIAL PLAN 2021-2023

While video is defending its historical share, digital emerged as the leading advertising channel

GLOBAL ADVERTISING SHARE BY MEDIUM



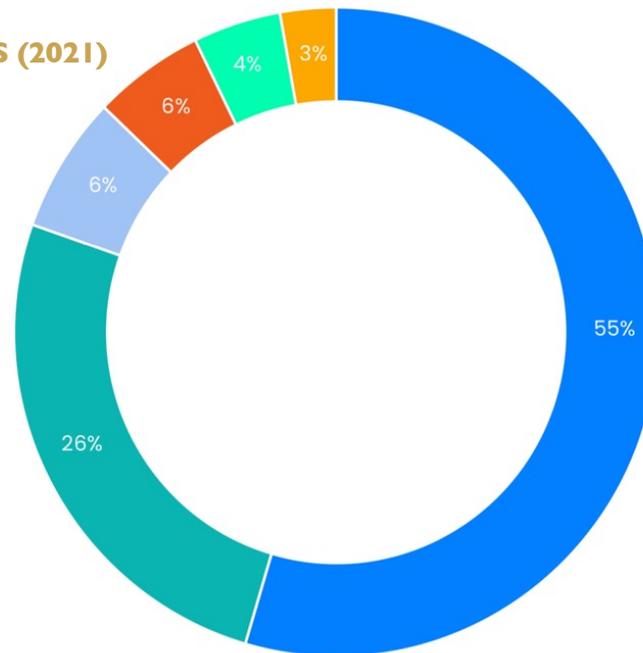
- Since 4 years, digital channels have surpassed television advertising, that should decline again by 17.6% in 2020.
- However, large brand continue to allocate approximately 40% of their budget to advertising associated with premium video, whether online or offline, a figure that has probably only declined slightly.
- Moreover, all media are highly impacted by “digital extensions” (digital advertising associated with traditional media), that will account for 16% of advertising spending on traditional media by 2024.

As a stand-alone medium, digital has reached a plateau

**EXPECTED GLOBAL MEDIA SHARES (2021)**

(Excluding U.S. Political Advertising Spend)

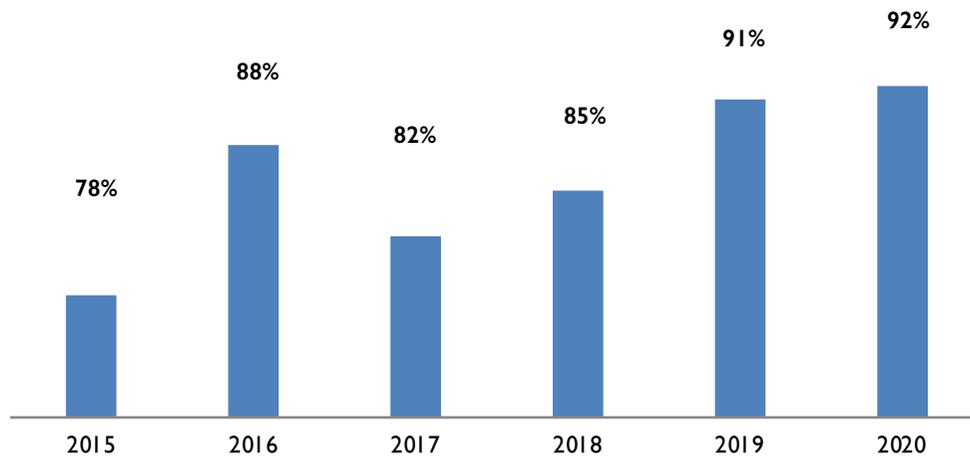
- Digital
- TV / Pro. Video
- Outdoor + Cinema
- Newspapers
- Audio
- Magazines



- During 2020 digital advertising will have a 55% share of media captured, up from 48% in 2019 and 44% in 2018.
- However, pure digital advertising - excluding traditional media extensions - is expected to decline by 2.4% during 2020. This follows nearly a decade of double-digit growth, with many years exceeding 20% at a global level.

Video will continue to get the largest share of marketing budgets and converge with online communication strategies

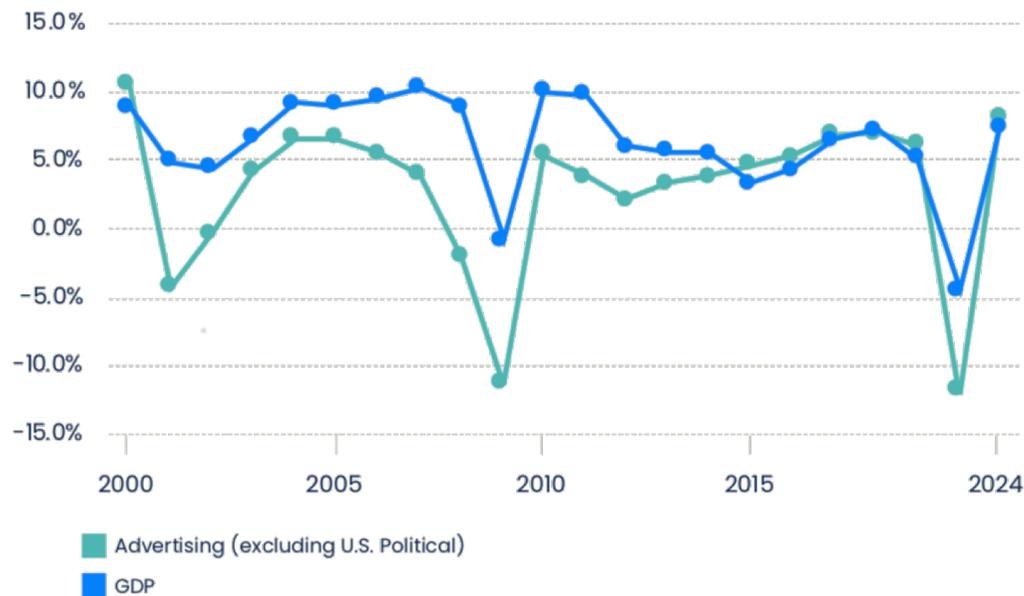
**GLOBAL SHARE OF MARKETERS WHO CONSIDER VIDEO AN IMPORTANT PART OF THEIR MARKETING STRATEGY**



- According to Cisco, video will account for 82% of all internet traffic by 2022, compared to 64% in 2014
- People will spend 100 minutes a day watching online videos in 2021

Traditionally, advertising is highly correlated with economic growth

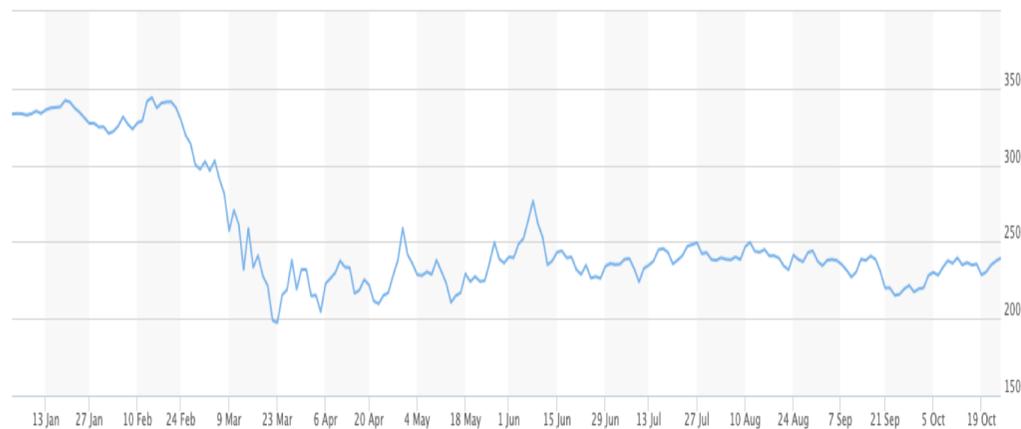
### GLOBAL ECONOMIC GROWTH AND ADVERTISING



- During 2020, experts estimate that the global advertising economy will fall by 11.8%. This is a sharp decline from the growth rate from 2019 of 6.2%.
- Global advertising is expected to grow by 8.2% next year, although some sectors (e.g. MICE) will continue to suffer from the restrictions caused by the pandemic.

To describe 2020 as a disruptive year around the world would be an understatement

### S&P 500 ADVERTISING SUB-INDUSTRY INDEX



- Consumers vaulted five years in the adoption of digital in just eight weeks. In Latin America, 13 million people made their first-ever e-commerce transaction.
- Net intent to shop in physical stores has gone down 7% in both Italy and the UK and 8% in Spain. Amazon reported a 26% boom in sales in the first quarter of 2020 compared with the same period in 2019.
- Across Europe there has been a 10% increase in new users of online streaming and 13% in online gaming, with high intent to continue for both. The popular video game Fortnite recently hosted a concert that was “attended” by 12.3m users.
- We saw an unprecedented acceleration in the pace at which businesses transform their online and offline activities.

### Consequences deeply impact the advertising players' strategy

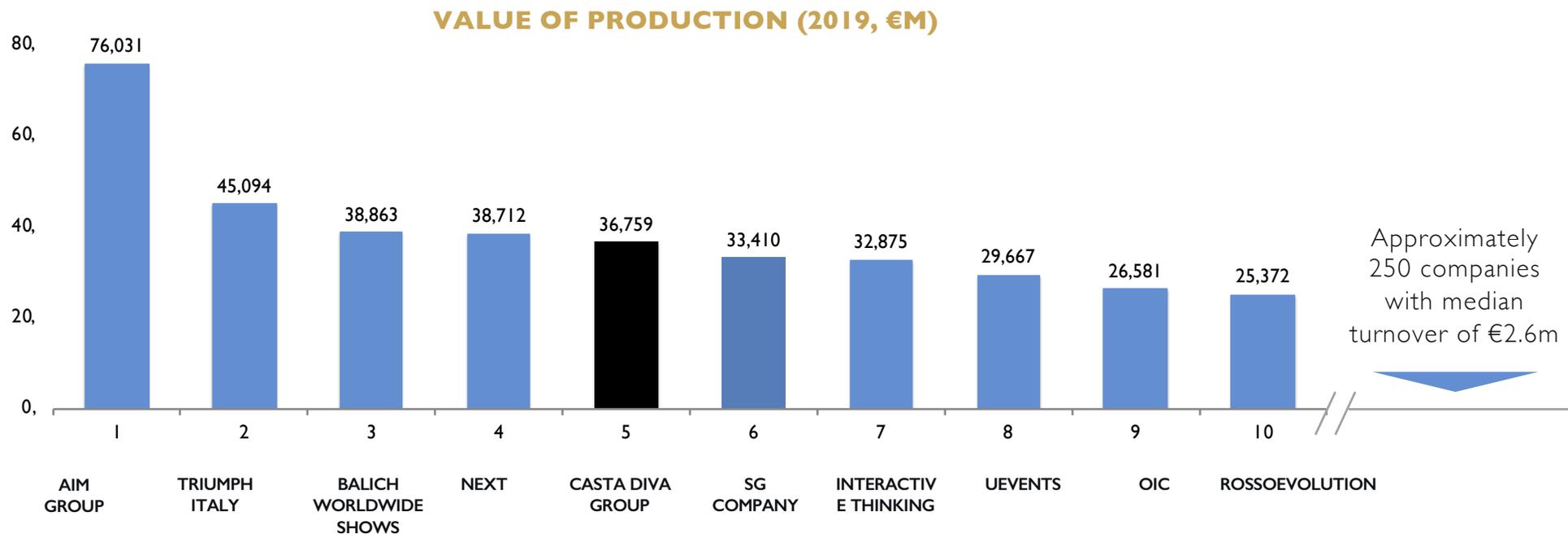
#### DIGITAL IS THE CORNERSTONE OF EVERY ADVERTISING PLAN

- New ways to connect with consumers, managing today's new wave of data to better personalize offers and messages to ever-narrower customer segments, providing meaningful content.
- Rethink the media mix across a larger set of technologies and channels: videoconferencing platforms, virtual and augmented reality, video games, 360° video production, post production; need to engage with smart devices and interfaces across the home (IoT).
- Accelerated convergence between physical and digital, e.g. retail/e-commerce, live venues/home entertainment.

#### LIVE INTERACTIONS HAVE DEEPLY CHANGED

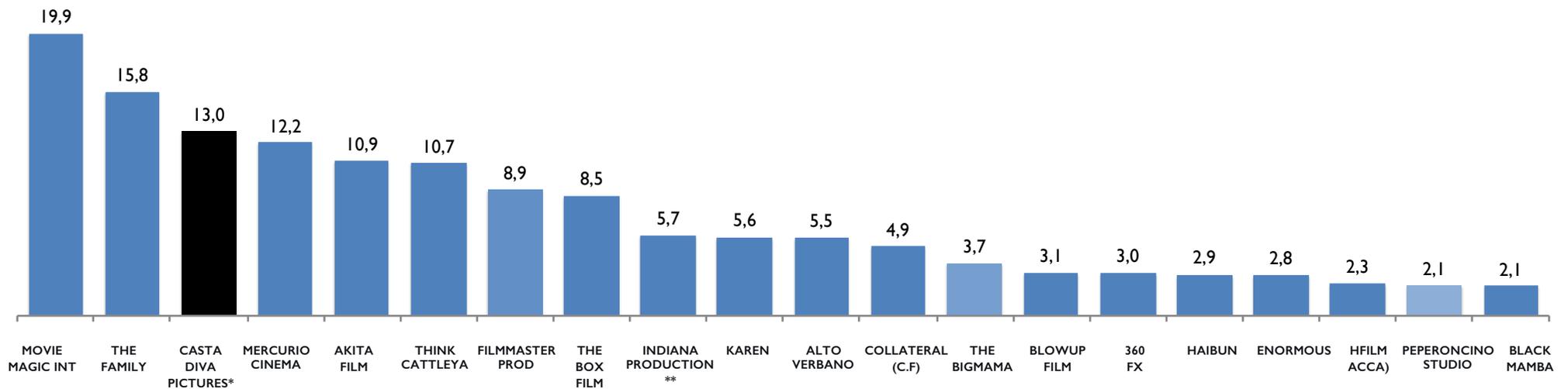
- Need to redesign consumer journeys in every sector.
- Additional complexity: thermal temperature screening, face masks, frequent disinfection of high use areas and social distancing.
- Different mix of Live Communication activities: higher level of virtual or hybrid events, large events and exhibitions rebounding before conferences, small meetings definitely gone virtual.
- Pressure on organisations, organisers and planners, who must be ready to take their events into the digital sphere while offering outstanding value to all stakeholders.
- Consolidation of the Live Communication industry, with less resilient players going out of business.

Casta Diva ranks 5<sup>th</sup> in the main comparable group\*, gaining 6 positions since previous year



Casta Diva's Creative Content Production DNA: ranking 3rd among Italian video advertising producers

REVENUES (2019, €M)



Casa *Elite*

GROUP

## THE GROUP'S KEY ASSETS

### CREATIVITY



### RELIABILITY



### DIGITAL+LIVE



### BUSINESS+CONSUMER



### CREATIVITY

- Mastering the three key areas of engagement (sports, music, cinema)
- Traditional above-the-line advertising for top brands worldwide
- Branded contents (millions of views with 4-digit budgets)
- Social media videos for leading influencers
- Feature films (DIVA!) & TV series (in progress)
- Proprietary formats: The Heart of Jazz, Jazzmi, Buenos Aires Cine Italiano festival

### RELIABILITY

- Master agreements with major international and Italian clients
- Media-agnostic approach aligns interests with Clients
- Production oriented creative directors
- Creative producers
- Flawless management of logistics
- Focus on value for money

### DIGITAL+LIVE

- Digital communication with technology experts
- Digital and live communication creativity (worldwide, top clients)
- Creative contamination: Virtual Promoters, Virtual Sets, Virtual & Augmented Reality
- Adoption of Phygital models as a standard
- Management capability suited for worldwide physical events
- Widespread physical events

### BUSINESS+CONSUMER

- Achieving corporate goals through by reaching target consumers audience
- 300 concerts/year @ Blue Note Milan
- 100 concerts/year @ clients' venues with Blue Note Off
- Corporate & consumers social media
- Live and near-live streaming concerts with millions of views
- Viral cases (Flights, Samsung Hearing Hands, Chiara Ferragni's Pantene for TikTok)

CDG's key assets are already being leveraged on emerging market trends

## INFLUENCERS

- Agency agreements
- Short movie productions for improved quality of social activity



## BRANDS

- Clients/brands become media companies
- Translate Brands' purpose into creative content suitable for different media

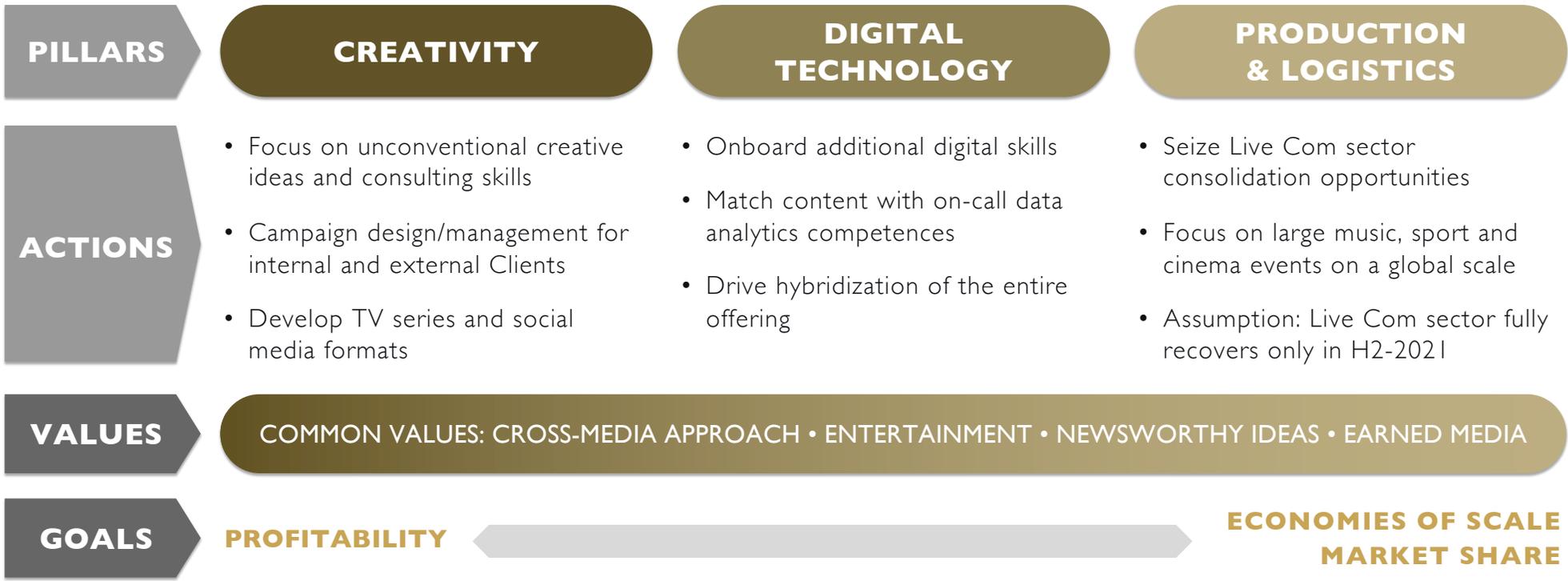


## FORMATS

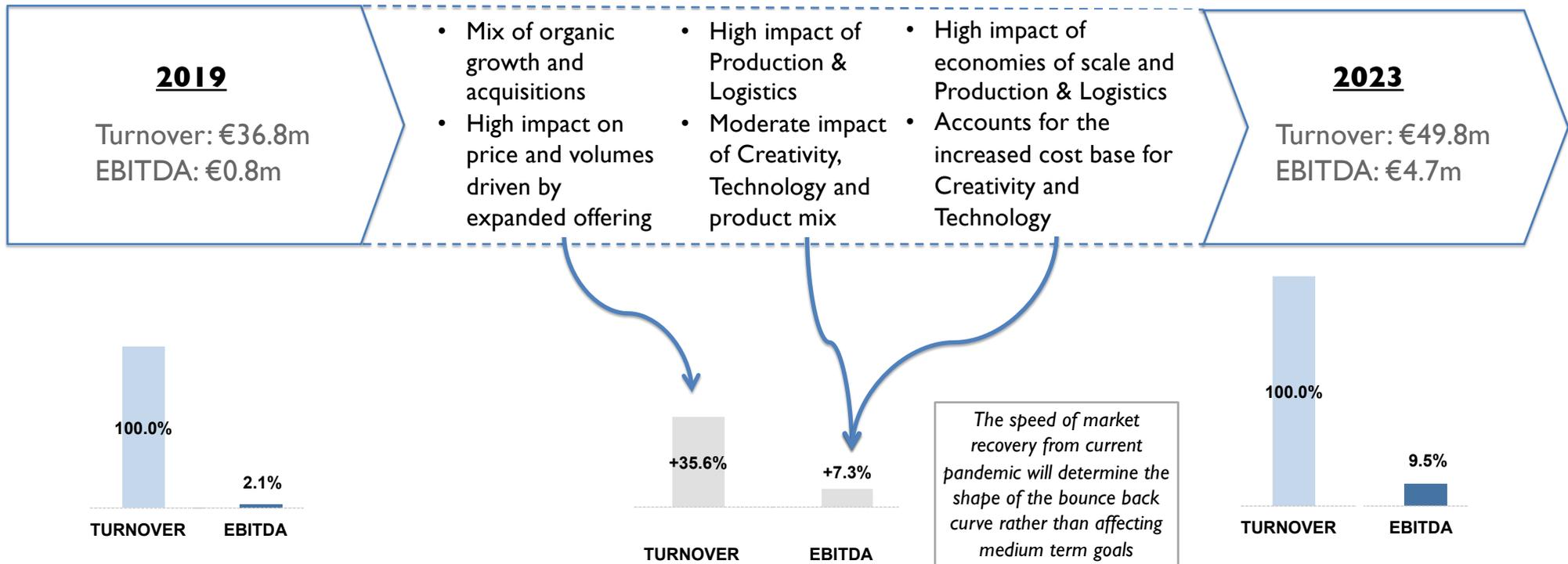
- Produce TV formats centered on media stars
- Proprietary content for streaming platforms



Casta Diva Group is a creative content production company connecting digital and live communication

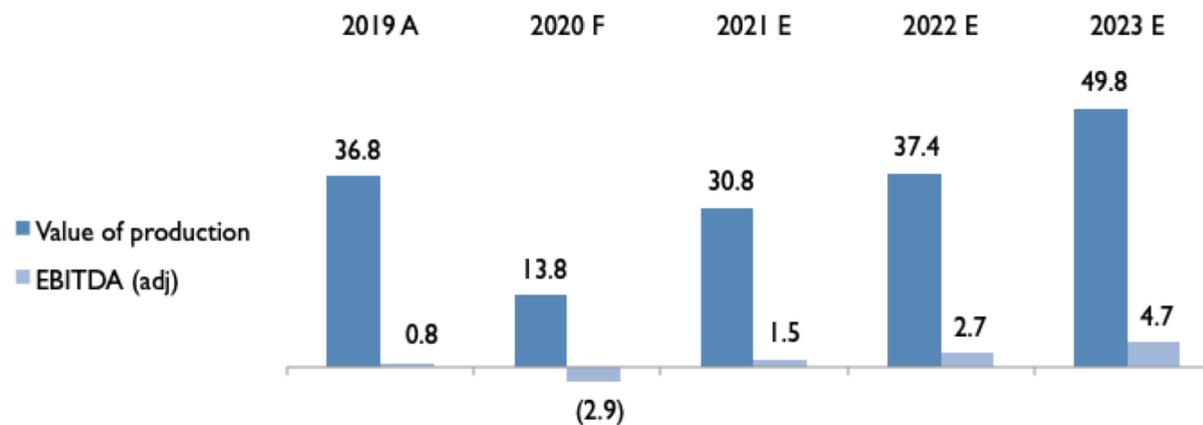


The three strategic pillars are expected to generate profitability alongside revenue growth



### CDG aims at 8% Revenue CAGR and 56% EBITDA CAGR from 2019 to 2023

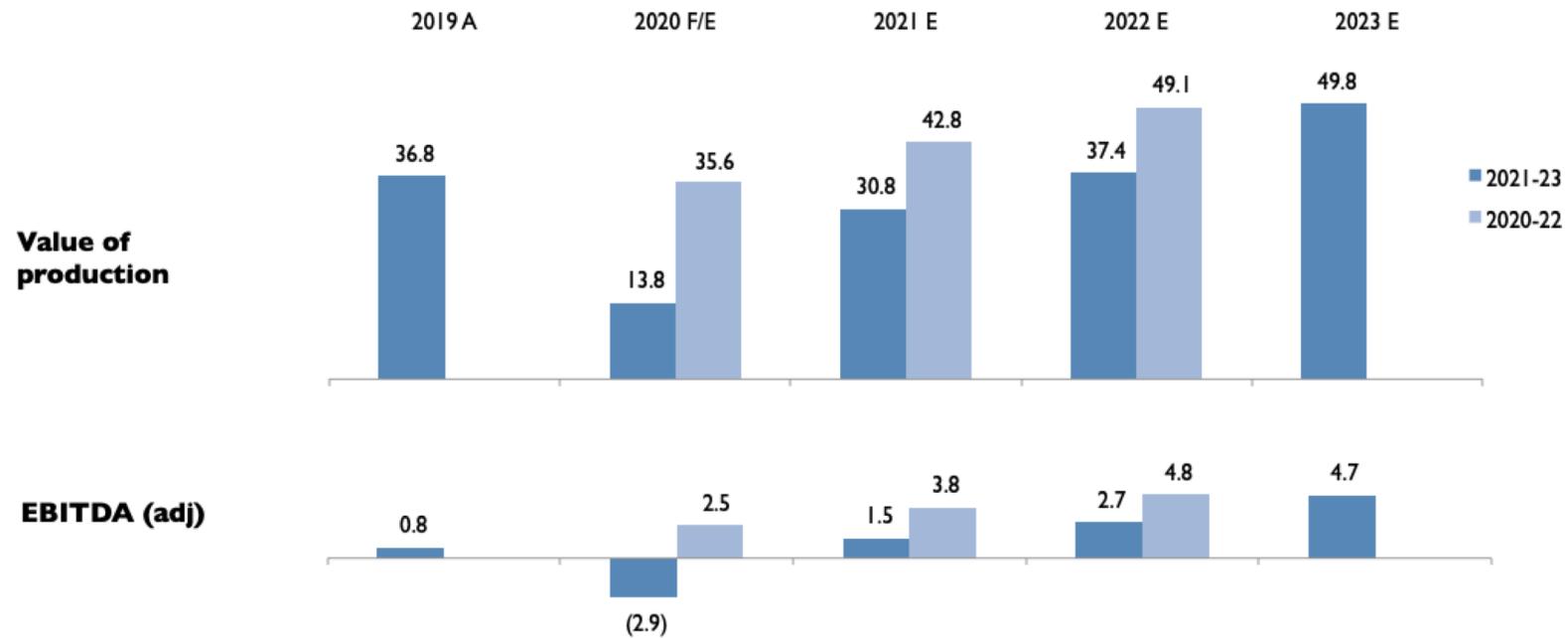
#### Key figures (€m, %)



EBITDA (adj) %	2.1%	-21.1%	4.8%	7.2%	9.5%
EBIT (adj)	0.1	(3.5)	0.5	1.6	2.8
NFP (cash)	1.6	1.5	0.5	(0.3)	(0.5)

- In the light of current market uncertainty, the forecast for 2021 has been carefully developed on the basis of secured contracts and master agreements/preferred partnerships with leading multinationals, large corporates and institutional clients, that account for 60% of the forecast.
- Each BU Manager has been responsible for setting attainable goals on current and foreseeable pipeline for 2021.

## Industrial Plan 2021-23 vs 2020-22 (€m, %)



EBITDA (adj) %	2.1%	-21.1%	7%	4.8%	8.9%	7.2%	9.8%	9.5%	na
EBIT (adj)	0.1	(3.5)	1.3	0.5	2	1.6	3.3	2.8	na
NFP (cash)	1.6	1.5	0.7	0.5	(0.1)	(0.3)	(0.6)	(0.5)	na



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