CASTA DIVA GROUP

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Media

Accretive M&A Fuels Organic Momentum

Casta Diva Group is a multinational communication company listed on Euronext Growth Milan, active in branded content, advertising films, viral and digital content, corporate events and live music entertainment. It operates across 4 continents with offices in 13 cities, and is recognized globally with 120+ international awards and 150+ leading partner brands.

FAIR VALUE (€)	**2.75**
MARKET PRICE (€)	**2.18**
MARKET CAP (€mn)	**45.0**

FY25 Preliminary Revenues +11% y/y, +9% vs. Estimates

CDG FY25 top-line performance was strong, with preliminary revenues reaching €134.9mn (+10.7% y/y), outperforming both the market consensus (+2%) and our latest projections (+9%), while essentially aligning with the €136.4mn target set in the business plan. Growth was entirely organic, largely fueled by a very strong 3Q25 (+47% y/y). 4Q25 revenues stood at €40.5mn (+2% y/y, +16% q/q), confirming a sustained execution despite a more challenging comparison base.

Prodea Integration and Shareholder Base Institutionalization

In Jan-26, CDG finalized the Prodea events branch acquisition for €3.0mn (~1.5x FY24 EV/EBITDA), a highly accretive deal. This follows a structural reshaping of the shareholder base (Nov-25/Feb-26) marked by the entry of institutional partners Alkemia Capital and Hoop Club, and professional investor A. Previtali exceeding 5%. Supported by the recent €15mn sustainability-linked bonds, these moves accelerate CDG's scaling toward its €200-300mn medium/long-term revenue target, focusing on high-margin verticals (e.g., large Ceremonies, scripted content) and the GCC region.

Upgrading Estimates on Strong Momentum and Prodea

Accounting for the FY25 revenue beat and the Prodea acquisition, we revised our FY26E-27E top line estimates by +17% p.a., while Adj. EBITDA sees a more-than-proportional increase (+25%-30%), as Prodea's ~18% margin is highly accretive to the Group's profile. We now forecast FY27E VoP at €160mn and Adj. EBITDA margin at 10% (+160bps vs. FY24). Net Debt is projected at €4.5mn, factoring in the €3mn Prodea cash-out and higher working capital absorption, though superior profitability should drive faster FCF generation from FY27E onwards.

Fair Value at €2.75 p/s (from €2.30): ~30% Potential Upside

We lift our fair value to €2.75 p/s following the estimates upgrade and stable peer multiples. Despite the recent re-rating, CDG remains undervalued, trading at a ~40% discount to comparables on FY26E-27E multiples. At our fair value, CDG would trade at 5.0x EV/EBITDA FY26E, in line with our historical implicit valuation targets and current peers, while maintaining a ~15% discount on FY27E Our DCF cross-check stands at €3.00 p/s.

On the negative side, we underline the worsening macro / geopolitical situation whose impact on cyclical companies such as CDG is to be quantified yet.

KEY FINANCIALS	FY24	FY25E	FY26E
VALUE OF PRODUCTION	123.1	136.6	153.7
EBITDA	8.8	9.8	13.4
EBIT	5.1	6.1	9.2
NET PROFIT	0.9	1.4	4.2
GROUP NET EQUITY	10.2	11.6	15.4
NET DEBT (-) / NET CASH (+)	-9.5	-11.0	-9.6
EPS ADJ.	0.08	0.11	0.26
DPS	0.03	0.02	0.06

Source: Casta Diva Group (historial figures), Value Track (estimates)

RATIOS AND MULTIPLES	FY24	FY25E	FY26E
EBITDA MARGIN (%)	7.1	7.2	8.7
EBIT MARGIN (%)	4.2	4.5	6.0
NET DEBT / EBITDA (x)	1.1	1.1	0.7
NET DEBT / NET EQUITY (x)	0.9	1.0	0.6
ROE (%)	9.6	12.7	28.0
EV / SALES (x)	0.28	0.41	0.36
EV / EBITDA (x)	4.0	5.7	4.1
EV / EBIT (x)	6.8	9.2	6.0
P / E ADJ. (x)	16.4	19.9	8.2

Source: Casta Diva Group (historial figures), Value Track (estimates)

STOCK DATA	
MARKET PRICE (€)	2.18
NOSH (mn)	20.7
MARKET CAP (€mn)	45.0
ENTERPRISE VALUE (€mn)	54.9
FREE FLOAT (%)	41.4
AVG L30D VOLUME ('000)	76,317
RIC / BBG	CDG.MI / CDG IM
52 WK MAX - MIN (€)	0.91 – 2.83

Source: Stock Market Data

Description

Casta Diva Group is a multinational communication company listed on Euronext Growth Milan, active in branded content, advertising films, viral and digital content, corporate events and live music entertainment. It operates across 4 continents with offices in 13 cities, uniting brands such as G2 Eventi, Genius Progetti, Casta Diva Art & Show, First Class, Blue Note Milano (Live Communication), and Casta Diva Pictures, Akita Film, E-Motion (Content Production). Recognized with 120+ international awards (including Cannes Lions, LIA, EuBEA, Mobius), CDG is a talent hub that has partnered with 150+ leading brands. The Group also owns Blue Note Milano (one of Europe's most renowned jazz clubs) producing 300+ shows per year.

Financial Highlights

KEY FINANCIALS (IT GAAP, €mn)	FY24	FY25E	FY26E	FY27E
Value of Production	**123.1**	**136.6**	**153.7**	**160.0**
y/y (%)	*10.4%*	*10.9%*	*12.5%*	*4.1%*
EBITDA	**8.8**	**9.8**	**13.4**	**15.3**
EBITDA Margin (%)	*7.1%*	*7.2%*	*8.7%*	*9.5%*
EBIT	**5.1**	**6.1**	**9.2**	**10.6**
EBIT Margin (%)	*4.2%*	*4.5%*	*6.0%*	*6.6%*
Net Profit	**0.9**	**1.4**	**4.2**	**5.4**
y/y (%)	*-43.0%*	*51.4%*	*nm*	*28.8%*
Adj. Net Profit	**1.5**	**2.2**	**5.5**	**6.7**
y/y (%)	*-33.2%*	*46.0%*	*nm*	*22.6%*
Net Fin. Position [Net Debt (-) / Cash(+)]	**-9.5**	**-11.0**	**-9.6**	**-4.5**
Net. Fin. Pos. / EBITDA (x)	*1.1*	*1.1*	*0.7*	*0.3*
Capex	-1.2	-2.0	-5.7	-2.8
OpFCF b.t.	**4.9**	**2.2**	**9.8**	**11.5**
OpFCF b.t. / EBITDA (%)	*55.9%*	*22.1%*	*73.2%*	*75.4%*

Source: Casta Diva Group, Value Track Analysis

Investment Case

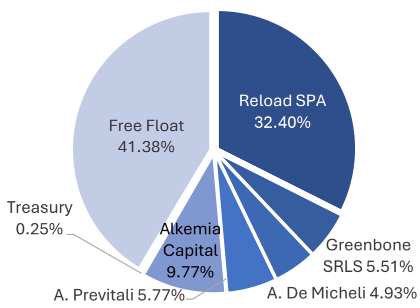
Strengths / Opportunities

- Italian leader of the communication sector of the media industry;
- Long-lasting retention of highly spending and renowned clients;
- Opportunity to act as consolidator of a fragmented market thanks to stock market listing.

Weaknesses / Risks

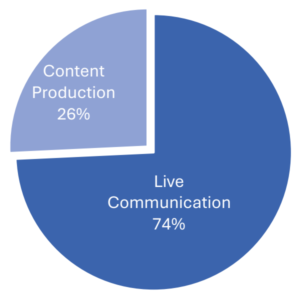
- Highly competitive market environment with players from neighbouring industries;
- Market exposed to macroeconomic shocks.

SHAREHOLDERS' STRUCTURE



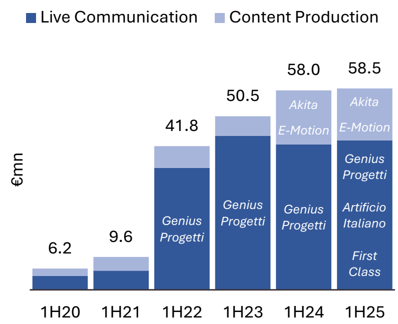
Source: Casta Diva Group

REVENUES BY BUSINESS UNIT



Source: Casta Diva Group, 1H25

REVENUES BY LEGAL ENTITY



Source: Casta Diva Group, Value Track Analysis

STOCK MULTIPLES @ FV	FY26E	FY27E
EV / SALES (x)	0.43	0.39
EV / EBITDA (x)	5.0	4.0
EV / EBIT (x)	7.3	5.8
EV / CAP. EMPLOYED	2.7	2.6
OpFCF Yield (%)	10.2	18.7
P / E (x)	10.4	8.5
P / BV (x)	3.8	3.0
Dividend Yield (%)	2.2	2.8

Source: Value Track Analysis

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4Q25/FY25 Preliminary Revenue

Casta Diva Group (CDG.MI / CDG IM) closed 2025 with a very strong top-line performance, significantly beating both our expectations and the market consensus, primarily driven by an exceptional 3Q25.

The Group reported **FY25 Preliminary Revenues from Sales** at **€134.9mn**, marking a **+10.7% y/y** increase compared to FY24 (€121.9mn). The growth was **entirely organic** and essentially aligned with the targets of the 2023-2026 Industrial Plan (-1% vs. €136.4mn target).

More details:

- **4Q25 Revenues** at **€40.5mn** (+2% y/y, +16% q/q), beating the consensus of €38.5mn (+5%) and significantly above our latest estimate of €29.3mn (not revised after the 3Q25 surprise);
- **FY25 Revenues** at **€134.9mn** outperforming both the consensus (€132.9mn, +2%) and our previous estimate of €123.7mn.

CEO Andrea De Micheli emphasized that these results confirm the solidity of the Group's growth path and its ability to consistently capture market demand.

Casta Diva Group: Preliminary Revenues

Prel. Revenue (IT GAAP, €mn)	1Q24	2Q24	3Q24	4Q24	FY24	1Q25	2Q25	3Q25	4Q25	FY25	4Q25E	*A vs E*	FY25E	*A vs E*
Revenues from Sales	22.6	35.6	23.8	39.9	121.9	23.7	35.7	35.0	40.5	134.9	29.3	*38%*	123.7	*9%*
y/y	*7%*	*21%*	*14%*	*1%*	*10%*	*5%*	*0%*	*47%*	*2%*	*11%*	*-26%*		*2%*	

Source: Value Track Analysis

Business Development

Outstanding M&A Track Record

CDG has established itself as **Italy's leading communication company**, serving a **top-tier client base** with best-in-class services, recognized by 130+ national and international awards. This success is underpinned by an exceptional M&A strategy, with **19 acquisitions over the past 20 years**, contributing to a **~20% revenue CAGR from 2005 to 2025**. Since 2022, CDG has completed **6** major acquisitions, investing **~€20mn** at **highly attractive valuation multiples** (0.3x EV/Sales, 1.8x EV/EBITDA). These deals have expanded CDG's scale, expertise, synergies, and diversification across corporate events and content production.

Casta Diva Group: Key M&A Deals Recap 2022-2025

Target	Business Unit	Focus	Cash-Out (€mn)	Stake	Closing	Consol. Since	Sales FY0 (€mn)	EBITDA FY0 (€mn)	Net Debt FY0 (€mn)	EV/S.	EV/EB.
Genius Progetti S.p.A.	Live Comm.	Luxury Events	6.2	100%	27-04-22	01-01-22	23.0	3.6	-2.3	0.2x	1.1x
Akita S.r.l.	Content Prod.	FMCG, Auto, TLC, Ent.	8.3	100%	07-11-23	01-01-23	14.7	2.8	-1.8	0.4x	2.3x
E-Motion S.r.l.	Content Prod.	Corporate & Event Videos	0.8	70%	17-06-24	01-01-24	3.2	0.6	n.a.	0.4x	2.0x
Artificio Italiano S.r.l.	Live Comm.	Celebratory Events	0.4	100%	19-12-24	01-01-24	1.0	n.a.	0.0	0.4x	n.a.
First Class S.r.l.	Live Comm.	Medical Congresses	3.2	100%	27-12-24	01-01-24	7.5	0.7	n.a.	0.4x	4.3x
Prodea Group (Events)	Live Comm.	Big Events	3.0	100%	05-01-26	05-01-26	11.9	2.2	0.4	0.3x	1,5x
Total	**//**	**//**	**21.9**	**//**	**//**	**//**	**61.3**	**9.9**	**-3.7**	**0.3x**	**1.8x**

Source: Value Track Analysis

Recent M&A Finalized

We flag that in the latest couple of years CDG has finalized the following M&A deals:

- **Prodea Group** (events branch): deal closed on January 5th, 2026, following authorization by the Court of Turin, for a total consideration of €3.0mn, and implying an attractive EV/EBITDA multiple of ~1.5x on FY24 figures, which we see as highly attractive and driven by the seller's broader restructuring context, rather than by any weakness in the acquired asset, which retains strong industrial quality;
- **First Class S.r.l.**: finalized on December 27th, 2024, acquiring 100% of the target's share capital for €3.18mn (two tranches) at ca. 0.4x EV/Sales and 4.3x EV/EBITDA FY0 (more details on previous reports). First Class has been retroactively consolidated from January 1st, 2024;
- **Artificio Italiano S.r.l.**(now "Casta Diva Art & Show"): deal closed on December 19th, 2024 acquiring the entire share capital for ~€360k, reflecting a 0.4x EV/Sales FY0 multiple (more details on previous reports). Artificio Italian was retroactively consolidated from January 1st, 2024
- **E-Motion S.r.l.**: deal secured on June 17th, 2024, with CDG acquiring 70% of the target's share capital for €826k (two tranches), at ca. 0.4x EV/Sales and 2.0x EV/EBITDA FY0 (more details on previous reports). E-Motion was then retroactively consolidated from January 1st, 2024;
- **Akita S.r.l.**: deal secured on November 7th, 2023, with CDG acquiring the entire share capital for €8.3mn (two tranches), at ca. 0.4x EV/Sales and 2.3x EV/EBITDA FY0 (more details on previous reports). Akita was then retroactively consolidated from January 1st, 2023;
- **Genius Progetti S.p.A.**: first 90% stake acquired on April 27th, 2022 for €5.2mn (in different tranches) and the remaining 10% over the course of 2023 for €1mn cash out. We calculate aggregate acquisition multiples of 0.2x EV/Sales and 1.1x EV/EBITDA FY0. Genius was then retroactively consolidated starting from January 1st, 2022;
- **Overseas** branch acquired over the course of 2023 for €2mn. This business was previously managed on a leasing basis.

Other Development Moves

Reshaping of the Shareholder Base

Between November 2025 and February 2026, Casta Diva underwent a significant reshaping of its shareholder base, which involved:

1. **Majority Shareholder Realignment**: following a succession event involving one of Reload's minority shareholders and the ensuing request for liquidity by the heirs, Reload has sold part of its stake in CDG to institutional investors. This has been accompanied by the conversion of 3,005,069 multiple-vote shares (3 voting rights per share) into ordinary shares;
2. **Entry of New Institutional Investors**: Alkemia Capital, through its PIPE fund, has entered CDG with 2,018,000 ordinary shares, while Hoop Club, via its subsidiary Astra S.r.l., now holds 966,000 ordinary shares. Both investors explicitly position themselves as active, long-term partners, highlighting CDG's standing in a structurally growing and still fragmented market;
3. **Reserved Capital Increase**: the Board has approved a reserved capital increase of up to €967,200, including share premium, via the issue of up to 620,000 new multiple-vote shares at €1.56 p/s, reserved to Reload, CEO Andrea De Micheli, and selected managers and employees. The price has been set with reference to the 3-month VWAP and confirmed as fair by BDO Italia; the transaction is framed as a step to strengthen capital and to tighten management and key-staff loyalty, while effectively allowing De Micheli (through Reload) to rebuild exposure after the stake rebalancing;
4. **Professional Investor Threshold**: Alberto Previtali, a highly active professional investor, surpassed the 5% relevance threshold, reaching a 5.77% stake in the share capital (3.22% of voting rights) with 1,191,392 ordinary shares.

The combined impact of these transactions is a more balanced and institutionally anchored shareholder base. Alkemia and Hoop Club provide qualified financial backing, while strategic control remains firmly with Reload/De Micheli. The use of multiple-vote instruments ensures that top management remains strongly aligned with long-term value creation despite the increased free float.

Casta Diva Group: Old Shareholder Base

Shareholders	Multiple Rights Shares	Ordinary Shares	Total Shares	*As a % of Total*	Voting Rights	*As a % of Total*
RELOAD S.p.A.	9,369,695	94,431	9,464,126	*47.22%*	28,203,516	*68.33%*
GREENBONE S.r.l.s.	580,000	554,085	1,134,085	*5.66%*	2,294,085	*5.56%*
Andrea De Micheli	357,000	657,400	1,014,400	*5.06%*	1,728,400	*4.19%*
Market	309,304	8,071,944	8,381,248	*41.81%*	8,999,856	*21.80%*
Treasury Shares	0	50,860	50,860	*0.25%*	50,860	*0.12%*
Total	**10,615,999**	**9,428,720**	**20,044,719**	***100.00%***	**41,276,717**	***100.00%***

Source: Casta Diva Group, Value Track Analysis

Casta Diva Group: Current Shareholder Base

Shareholders	Multiple Rights Shares	Ordinary Shares	Total Shares	*As a % of Total*	Voting Rights	*As a % of Total*
RELOAD S.p.A.	6,669,472	26,676	6,696,148	*32.40%*	20,035,092	*54.14%*
GREENBONE S.r.l.s.	580,000	558,620	1,138,620	*5.51%*	2,298,620	*6.21%*
Andrea De Micheli	357,000	661,096	1,018,096	*4.93%*	1,732,096	*4.68%*
Alkemia Capital	0	2,018,000	2,018,000	*9.77%*	2,018,000	*5.45%*
Alberto Previtali	0	1,191,392	1,191,392	*5.77%*	1,191,392	*3.22%*
Market (incl. Astra S.r.l.)	562,854	7,988,749	8,551,603	*41.38%*	9,677,311	*26.15%*
Treasury Shares	0	50,860	50,860	*0.25%*	50,860	*0.14%*
Total	**8,169,326**	**12,495,393**	**20,664,719**	***100.00%***	**37,003,371**	***100.00%***

Source: Casta Diva Group, Value Track Analysis

Issue of Two Sustainability-Linked Bonds Worth €15mn

On June 27th, 2025, CDG completed a private placement of **two non-convertible sustainability-linked bonds totaling €15mn**. The first tranche (€10mn) was subscribed by Crédit Agricole Italia (€6mn) and Finlombarda S.p.A. (€4mn); the second tranche (€5mn) was fully subscribed by Cassa Depositi e Prestiti. Both issues are backed by SACE's "Garanzia Archimede", and have 6-year maturity, floating rate, semi-annual coupons, and a 12-month interest-only (pre-amortization) period. Proceeds will be used to support the investment plan and the M&A strategy, as well as refinancing needs and working-capital funding. Aimed at broadening capabilities, diversifying the offer, and consolidating the Group's global footprint.

New Joint Venture with eGroup Italy: agenZy

On July 3rd, 2025, CDG and **eGroup Italy** - leading Italian media player with >4mn social followers and a portfolio of proprietary events targeting younger audiences - announced "**agenZy**," a communication and events agency "by Gen Z for Gen Z." The venture's mission is to help brands and institutions engage new generations in their own language, using the right codes, formats and creators. In Italy, Gen Z counts ~9.5mn people, representing both a priority target for major advertisers and the incoming workforce for large corporates, SMEs and the public sector. agenZy enhances CDG's positioning in youth-focused events, branded content and social activations, leveraging eGroup's reach to speed up client acquisition.

Growth Strategy and Key Guidelines

With strategic messages reinforced during the Capital Market Day in November, management remains committed to establishing CDG as a national champion, targeting annual revenue of €200mn-€300mn and a long-term EBITDA Margin of 12%, with the scale and capabilities to compete with major European players.

To achieve this, the company's strategy focuses on **capturing top-tier clients with large marketing and advertising budgets in high-growth end-markets**. The key pillars driving this growth are:

1. **Market Consolidation**: further consolidating market share across both business lines through additional M&A activities. CDG continues to explore several acquisition opportunities, which we believe should materialize already in the short-to-medium term.
2. **International Expansion**: the Group is accelerating its global footprint, specifically in the GCC region, having established structures in Bahrain, Dubai, and Riyadh. This presence is key to competing in the large ceremonies vertical, a niche market dominated globally by few major players;
3. **Offer Diversification**: having recently entered the medical congresses and large celebratory events sectors, the Company aims to continue expanding its revenue streams. Key target industries include large-scale retail (leveraging loyalty programs), fashion, and pharmaceuticals, all of which align with CDG's expertise and growth ambitions. In addition, regarding the video content production business, CDG has successfully entered the "scripted" segment (e.g., "Franco Battiato. Il Lungo Viaggio" movie on Rai), a higher-value market (vs. "unscripted" content on Amazon and Discovery OTT platforms) with multi-million euro budgets that significantly boosts the Group's industrial track record;
4. **Technological Innovation**: studying options to integrate AI-powered solutions to enhance customized spot advertising and the cinematic, audiovisual, and animation aspects of events. Clients could commission a single high-quality spot, which AI then adapts dynamically for different audiences, locations, or campaigns. This premium solution would strengthen CDG's appeal to high-budget clients, reducing their need for multiple agencies. Additionally, the company could leverage its role in the Web3 Alliance for further differentiation;
5. **Operational Efficiency**: focusing on streamlining the Company's structure through digital transformation and cost-efficiency initiatives, ensuring leaner operations and improved scalability;
6. **Sustainability Commitment**: advancing the sustainability agenda through its "ESG Pact", with the goal of integrating sustainable practices across its operations and transitioning into a Benefit Corporation.

Forecasts FY25E-27E

Estimates Revision

Following the top-line outperformance in FY25 preliminary results and the inclusion of the Prodea business unit within the consolidation perimeter, we have updated our projections for CDG with the following adjustments:

- **Value of Production** revised upwards by 17% over the FY26E-27E period. This reflects the stronger-than-expected organic momentum in FY25 (+9% vs. our previous estimates) and the full-year contribution of Prodea starting from January 2026, which should add €12mn in incremental revenues;
- **EBITDA**: adjusted upwards more than proportionally (+25% - +30%) to account for Prodea's superior profitability profile (EBITDA margin at ~18%), which is highly accretive to CDG's historical margins. Consequently, we now forecast Adj. EBITDA to reach the 10% threshold by the end of the forecast period;
- **Net Debt**: our estimates now factor in a higher working capital absorption driven by the sustained growth seen in 2H25. Furthermore, FY26E figures include the €3mn cash-out for the Prodea acquisition. Nevertheless, enhanced profitability at the P&L level is expected to drive accelerated FCF generation starting from FY27E, assuming a "no-M&A" scenario.

Casta Diva Group: Estimates Old vs. New

Key Financials (IT GAAP, €mn)	FY25E			FY26E			FY27E		
	Old	New	Δ	Old	New	Δ	Old	New	Δ
Value of Production	**125.2**	**136.6**	***9%***	**131.4**	**153.7**	***17%***	**136.2**	**160.0**	***17%***
Adj. EBITDA	**11.5**	**12.6**	***10%***	**11.9**	**14.9**	***25%***	**12.2**	**16.0**	***32%***
EBITDA	9.0	9.8	*10%*	10.4	13.4	*28%*	11.7	15.3	*31%*
Adj. EBIT	**7.8**	**8.9**	***13%***	**8.2**	**10.7**	***31%***	**8.4**	**11.4**	***36%***
EBIT	5.3	6.1	*15%*	6.7	9.2	*38%*	7.9	10.6	*35%*
Net Profit	**1.0**	**1.4**	***44%***	**2.4**	**4.2**	***70%***	**3.5**	**5.4**	***54%***
Net Debt	**9.0**	**11.0**	***2.0***	**6.3**	**9.6**	***3.3***	**3.2**	**4.5**	***1.3***

Source: Value Track Analysis

New Estimates FY25E-27E

Key Forecasts & Drivers

While our revised top-line projections are now broadly aligned with CDG's Business Plan targets, we maintain a more conservative stance on both profitability and Net Financial Position (NFP). This reflects the fact that revenue targets have been achieved through a higher degree of external growth than initially anticipated. Consequently, the group faced greater capital absorption and a more demanding integration phase. Based on the current consolidation perimeter, our FY27E forecasts are:

- **Value of Production** at **€160mn**, reflecting a 8% $CAGR_{FY25E\text{-}27E}$ on a purely organic basis;
- **Adj. EBITDA** at **€16mn**, growing faster than top line on efficiency gains, with Adj. EBITDA and EBITDA converging into FY27E, and an Adj. EBITDA Margin at 10% (+160bps vs. FY24);
- **Net Debt** at **€4.5mn**, after factoring in €2.3mn cumulative dividend distributions over FY25E-27E.

Casta Diva Group: Business Plan Targets vs. Value Track New Estimates

Key Financials (IT GAAP, €mn)	FY24			FY25E			FY26E		
	CDG	Actual	Δ	CDG	VT	Δ	CDG	VT	Δ
Value of Production	**120.7**	**123.1**	***2%***	**136.4**	**136.6**	***0%***	**153.0**	**153.7**	***0%***
Adj. EBITDA	**12.0**	**10.4**	***-13%***	**14.6**	**12.6**	***-14%***	**17.7**	**14.9**	***-16%***
Adj. EBITDA Margin (%)	*9.9%*	*8.4%*	*-150bps*	*10.7%*	*9.2%*	*-150bps*	*11.6%*	*9.7%*	*-250bps*
Adj. EBIT	**8.0**	**6.7**	***-16%***	**10.7**	**8.9**	***-17%***	**13.6**	**10.7**	***-22%***
Adj. EBIT Margin (%)	*6.6%*	*5.5%*	*-110bps*	*7.8%*	*6.5%*	*-130bps*	*8.9%*	*6.9%*	*-200bps*
Net Financial Position	**-0.4**	**-9.5**	***-9.1***	**3.3**	**-11.0**	***-14.3***	**6.4**	**-9.6**	***-16.0***

Source: Value Track Analysis

Financial Statements FY24-27E

Casta Diva Group: P&L FY24-27E

P&L (IT GAAP, €mn)	FY24	FY25E	FY26E	FY27E	*CAGR$_{FY24-27E}$*
Revenues from Sales	**121.9**	**134.9**	**152.0**	**158.4**	**9%**
Δ Fixed Assets	0.2	0.2	0.2	0.2	*-5%*
Other Revenues	1.1	1.5	1.5	1.5	*12%*
Value of Production	**123.1**	**136.6**	**153.7**	**160.0**	**9%**
Raw Materials (incl. Δ Inventory)	-1.4	-2.5	-1.8	-1.9	*10%*
Costs of Services	-95.2	-103.1	-114.5	-117.6	*7%*
Costs of Rent	-2.9	-5.5	-6.0	-6.1	*28%*
Labour Costs	-13.2	-14.1	-16.1	-17.2	*9%*
G&A	-1.6	-1.6	-1.8	-1.9	*7%*
EBITDA	**8.8**	**9.8**	**13.4**	**15.3**	***20%***
EBITDA Margin (%)	*7.1%*	*7.2%*	*8.7%*	*9.5%*	*240bps*
D&A	-3.7	-3.7	-4.2	-4.6	*8%*
EBIT	**5.1**	**6.1**	**9.2**	**10.6**	***27%***
EBIT Margin (%)	*4.2%*	*4.5%*	*6.0%*	*6.6%*	*240bps*
Net Financial Charges	-1.5	-1.9	-1.8	-1.6	*3%*
Taxes	-2.7	-2.7	-3.1	-3.6	*10%*
Minorities	0.0	-0.1	-0.1	-0.1	*43%*
Net Profit	**0.9**	**1.4**	**4.2**	**5.4**	***79%***

Source: Casta Diva Group, Value Track Analysis

Casta Diva Group: Balance Sheet FY24-27E

Balance Sheet (IT GAAP, €mn)	FY24	FY25E	FY26E	FY27E
Net Fixed Assets	23.7	20.9	22.4	20.5
Net Working Capital	-1.4	4.8	5.8	6.8
Provisions	2.6	3.1	3.2	3.3
Total Capital Employed	**19.7**	**22.6**	**24.9**	**24.1**
Group Net Equity	**10.2**	**11.6**	**15.4**	**19.6**
Net Financial Position	**-9.5**	**-11.0**	**-9.6**	**-4.5**

Source: Casta Diva Group, Value Track Analysis

Casta Diva Group: Cash Flow Statement FY24-27E

Cash Flow (IT GAAP, €mn)	FY24	FY25E	FY26E	FY27E
EBITDA	**8.8**	**9.8**	**13.4**	**15.3**
Δ Net Working Capital (incl. Prov.)	-2.6	-5.6	-0.9	-1.0
Capex	-1.2	-2.0	-2.7	-2.8
OpFCF (b.t.)	**4.9**	**2.2**	**9.8**	**11.5**
As a % of EBITDA	*56%*	*22%*	*73%*	*75%*
Cash Taxes	-2.7	-2.7	-3.1	-3.6
Net Financial Charges	-1.4	-1.8	-1.7	-1.5
Dividends Paid	-0.8	-0.6	-0.5	-1.2
Others (incl. Financial Investments)	-3.9	1.5	-3.1	-0.1
Δ Net Financial Position	**-3.9**	**-1.5**	**1.4**	**5.1**

Source: Casta Diva Group, Value Track Analysis

Valuation

Fair Equity Value at €2.75 p/s (from €2.30 p/s)

We lift CDG's **fair equity value** at **€2.75 p/s**, (implying a potential upside of **+30%** versus current trading levels), reflecting (i) the upward revision of our forecasts (on a like-for-like basis and including Prodea in the consolidation perimeter) and (ii) constant peers' multiples since our last update of October.

We still view CDG as undervalued, as shares are currently trading at just 4.0x-3.2x EV/EBITDA for FY26E-27E.

At our fair value, CDG would trade at **5.0x EV/EBITDA FY1** (2026), a reference point for our historical valuation of the stock, and broadly in line with current peers' multiples. Still, our fair value would keep embedding a ~15%% discount on FY27E comparables' medians.

In addition, our DCF-derived cross-check points to a fair value of €3.00 p/s, supporting our view of the stock's undervaluation, despite the methodology's sensitivity to macroeconomic inputs.

On the negative side, we underline the worsening macro / geopolitical situation whose impact on cyclical companies such as CDG is to be quantified yet.

Casta Diva Group: Multiples Sensitivity

Fair Equity Value p/s (€)	EV/Sales (x)		EV/EBITDA (x)		EV/EBIT (x)	
	FY26E	FY27E	FY27E	FY25E	FY26E	FY27E
1.85	0.31	0.27	3.6	2.8	5.3	4.0
2.15	0.35	0.31	4.1	3.2	5.9	4.6
2.45	0.39	0.35	4.5	3.6	6.6	5.2
2.75	**0.43**	**0.39**	**5.0**	**4.0**	**7.3**	**5.8**
3.05	0.47	0.42	5.4	4.4	8.0	6.4
3.35	0.51	0.46	5.9	4.8	8.6	7.0
3.65	0.56	0.50	6.4	5.3	9.3	7.5

Source: Value Track Analysis

Peers Analysis

Peers are currently trading at a median of **0.9x EV/Sales**, **4.8x EV/EBITDA**, and **8.4x EV/EBIT FY26E**, with CDG trading at an **average discount of ~40% across FY26E-27E** multiples, in line with last October.

To reflect CDG's smaller scale and the execution risk to recent M&A integration we continue to apply the same discount rates of 45%, 15%, and 15% on peers' median EV/Sales, EV/EBITDA, and EV/EBIT. On this basis, our model returns a **fair equity value** of **€2.75 p/s**.

Casta Diva Group: Relative Valuation

Relative Valuation FY26E-FY27E	EV/Sales (x)		EV/EBITDA (x)		EV/EBIT (x)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Peers Median (x)	0.9	0.9	4.8	4.6	8.4	6.1
Fair Discounts (%)	*-45%*	*-45%*	*-15%*	*-15%*	*-15%*	*-15%*
Fair Multiples (x)	**0.5**	**0.5**	**4.0**	**3.9**	**7.1**	**5.1**
Average Fair Equity Value p/s (€)	**2.75**					

Source: FactSet, Value Track Analysis

Casta Diva Group: Peers Trading Multiples

Peers	Mkt Cap (€mn)	EV/Sales (x)		EV/EBITDA (x)		EV/EBIT (x)	
		FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Live Communication							
Dentsu Group Inc.	4,055	0.7	0.6	4.8	3.9	7.1	5.8
GL events SA	934	0.9	0.8	5.4	4.8	8.4	7.5
Interpublic Group of Companies, Inc.	na	na	na	na	na	na	na
Publicis Groupe SA	18,952	1.2	1.1	5.4	4.9	6.8	6.1
Pursuit Attractions and Hospitality, Inc.	911	2.3	2.1	8.2	7.4	13.9	12.2
WPP Plc	3,337	0.7	0.7	4.6	4.4	5.9	5.5
Fiera Milano SpA	548	1.8	1.5	6.4	4.6	13.2	7.9
SG Company Societa Benefit S.p.A.	10	0.3	0.2	2.8	2.2	4.3	3.0
Average	**4,107**	**1.1**	**1.0**	**5.4**	**4.6**	**8.5**	**6.8**
Median	**934**	**0.9**	**0.8**	**5.4**	**4.6**	**7.1**	**6.1**
Creative Content Production							
Notorious Pictures S.p.A.	14	0.9	0.9	1.9	1.8	8.5	5.9
Leone Film Group SpA	20	1.3	<0	1.9	<0	19.2	<0
Lucisano Media Group S.p.A.	17	0.9	<0	2.1	<0	7.2	<0
Lionsgate Studios Corp.	2,822	1.6	1.5	14.7	13.1	20.8	17.8
Average	**718**	**1.2**	**1.2**	**5.1**	**7.5**	**13.9**	**11.9**
Median	**19**	**1.1**	**1.2**	**2.0**	**7.5**	**13.8**	**11.9**
Total Average	**2,874**	**1.1**	**1.0**	**5.3**	**5.2**	**10.5**	**8.0**
Total Median	**911**	**0.9**	**0.9**	**4.8**	**4.6**	**8.4**	**6.1**
Casta Diva Group S.p.A.	**45**	**0.4**	**0.3**	**4.1**	**3.3**	**6.0**	**4.7**
Premium / Discount vs. Total Median (%)	*-95%*	*-61%*	*-64%*	*-14%*	*-29%*	*-29%*	*-23%*

Source: FactSet

Discounted Cash Flow (Cross-Check)

We remind that DCF is not the primary valuation tool for companies like CDG given their exposure to macro volatility, but it remains a valuable cross-check when adjusted for sector-specific factors.

Our DCF yields a **fair equity value** of **€3.00 p/s**, based on a rolling WACC of 10.9%-11.6%, which adjusts annually in line with our projected capital structure, in accordance with CAPM methodology.

The Terminal Value in 2032E is calculated using a 4.5x TV/EBITDA multiple (aligning with a ~1% perpetuity growth rate) on our 2032E forecasts, a reasonable level given sector dynamics.

The model also accounts for potential minority interest cash-out adjustments related to E-Motion, ensuring a more comprehensive valuation.

Casta Diva Group: WACC at Rolling Capital Structure

WACC Assumptions	Rolling Capital Structure
Risk-Free Rate (%)	2.5%
Capital Structure (D/D+E) (%)	38% - 0%
Unlevered Beta (x)	1.1
Levered Beta (x)	1.7 - 1.1
Market Risk Premium (Italy) (%)	4.9%
Small Cap Market Risk Premium (%)	3.5%
Credit Spread (%)	4.5%
Tax Rate (%)	24.0%
Cost of Equity (%)	**14.3% - 11.6%**
Cost of Debt (%)	**5.3%**
WACC (%)	**10.9% - 11.6%**

Source: FactSet, Damodaran, Value Track Analysis

Casta Diva Group: DCF Valuation

DCF Valuation	(€mn)
Discounted Free Cash Flows FY26E-FY32E	35.8
Discounted Terminal Value with g=1% or TV/EBITDA=4.5x	37.9
Fair Enterprise Value	**73.7**
Net Debt FY25E	-11.0
EV Adjustments FY25E	-0.3
Fair Equity Value	**62.4**
NOSH (mn)	20.7
Fair Equity Value p/s (€)	**3.00**

Source: Value Track Analysis

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