



**Iervolino and Lady Bacardi Entertainment SPA (“ILBE”)
announces its admission to trading by direct listing on Euronext
Growth in Paris, and becomes the first Italian production company
with a dual listing in Milan and Paris**

The secondary listing shows ILBE’s aspiration to attract new investors to participate in the future success of the group, being part of a market that has grown in importance across Europe over the last years

Rome, 11 January 2022 – ILBE (Iervolino and Lady Bacardi Entertainment SPA), a global production company listed on Euronext Growth Milan since 2019, is listing its securities on Euronext Growth in Paris via direct admission. The first listing will take place on 12 January 2022 (ISIN: IT0005380602 - Ticker: ALIE).

ILBE, an international standing production company

Founded in Rome in 2011 by Andrea Iervolino and Monika Bacardi, **Iervolino & Lady Bacardi Entertainment (ILBE)** is a production and co-production company focusing on media content creation and production (including films, TV-shows, web series and more) of international standing, suitable for the young audience of Digital Platforms and attentive to human values.

Since 2018, the company, which majority shareholders are Andrea Iervolino and Monika Bacardi, started to produce movies for the international market, based on the business model used by the main Hollywood Majors, and entered in a new phase of growth.

In 2020 ILBE recorded revenues of €120.7 million, EBIT of €22.8 million and net income of €19.5 million.

With a limited risk business model, and a rich pipe of films and animation under production, ILBE is well positioned to expand into foreign markets and continue its profitable growth.

Andrea Iervolino commented on the group ‘s strategy:

"Consumer expectations and their needs of video content continue to evolve, and technology is transforming production, from delivery to consumption of video products. The Covid crisis has been a real catalyst in this regard. OTT platforms and social media for video content have seen their audience skyrocket. This context opens new growth opportunities for the ILBE group, whose productions are mainly planned for streaming platforms, but also focused on innovative short content formats with highest quality. In addition to traditional productions, ILBE has the know-how to produce innovative audiovisual content and provide associated services to its partners. In this regard, the animated film Arctic Justice is an exemplary case. Released in US cinemas in 2019, it then became one of the three most watched titles on Netflix US during the lockdown period. Following that success of streaming we have accelerated our short content



productions (spin-offs of the same film) Arctic Friends and Puffins with Johnny Depp which are from September 20, 2020 distributed in over 80 countries on Apple TV and Amazon Prime.”

Regarding the operation, Andrea Iervolino added:

"As reported in the half year consolidated financial statements as of June 30th, 2021, with a backlog of around €44 million and projects under development of approximately €349 million over the next three years (2022-2024), ILBE is well positioned to accelerate its international development. This secondary listing in Paris illustrates our desire to attract new investors to participate in the future success of the group as we are now part of a market that has grown in importance in Europe over the last years. We believe that our company will benefit from a thriving French media and entertainment industry, notably by sitting next to companies that we regard as peers and by reaching a new investors' community receptive to our business. ILBE is ready to take the next step in its development by leveraging a large ecosystem of internal talent and external partners. Welcome to all our future shareholders."

Listing on Euronext Growth Paris to increase the group's visibility and international reputation

By the admission of its Ordinary Shares on Euronext Growth Paris, ILBE seeks in particular:

- to increase its visibility towards French and international investors and gain access some investors that are especially receptive to Entertainment & Media markets;
- to set foot in the Paris' Entertainment & Media ecosystem to find additional business partners and support the company's external growth development plans;
- to enhance the liquidity of its Ordinary Shares by setting forth a liquidity contract.

Andrea Iervolino and Lady Bacardi have complementary track records united by a common ambition: "building a major production company with integrated ancillary services"

Andrea Iervolino began his career as a producer in Italy and then in the United States together with Luciano Martino (historic Italian producer, screenwriter and director), participating in the making of the film "Mercante di Venezia" (The Merchant of Venice, with Jeremy Irons, Joseph Fiennes, Al Pacino) awarded at the 71st Venice Film Festival in 2004.

Lady **Monika Bacardi** is a successful and internationally known female entrepreneur, and the company's largest shareholder and producer of all the projects.

In **2013**, Andrea Iervolino and Monika Gomez del Campo Bacardi founded AMBI Distribution in the US, which soon established itself as one of the world's leading cinema sales agents.

The Company then scaled-up in **2019** with its IPO in Milan in August 2019, a year during which the Company also launched new lines of business in digital marketing and advertising, and stars artistic management. This activity has been reinforced by the acquisition of Red Carpet Srl, a company specialising in such matters.



In **2020**, the Company also made the acquisition of Arte Video Srl to reinforce its services to production component: authoring, encoding and digital delivery.

Key success factors based on proven knowledge of the international audiovisual production industry and its players

ILBE business formula relies essentially on the following main strengths:

- a network of relationships with internationally renowned actors and directors based on Andrea Iervolino journey who has produced over 60 films in over 15 years of business with some of the main Hollywood stars;
- strong relationships with the Sales Agents and local distributors, which give the Issuer easy access to both Guaranteed Minimums necessary to start production and to the international rights market;
- regular contacts with co-producers of international standing, which increase opportunities to initiate or participate in international productions;
- the many years of experience of the Company's management in the running and implementation, in practice, of international standing productions, both in Italy and at an international scale.

1 core business and 2 growth drivers supporting strong financial results

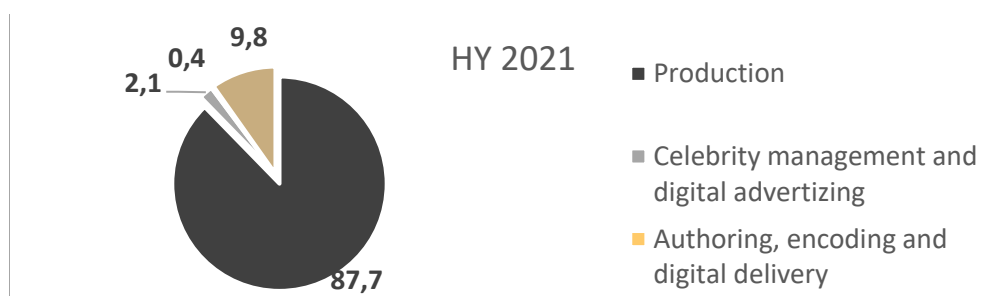
Operating mainly in the field of **audiovisual works production**, ILBE has launched in 2019 two businesses ancillary to its core business:

- **an in-house digital advertising department:** this activity involves the development and design of advertising campaigns, as well as the management, marketing and sale of advertising spaces.
- **a celebrities management activity** with whom ILBE has privileged relations: this activity aims to manage the image and marketing of celebrities in Italy. It does so by concluding contracts with television broadcasters for the participation of international actors in television programmes. This activity is a growing business line on which ILBE invested notably through the acquisition of Red Carpet in 2020.

Key Financial Highlights

In **2020** ILBE recorded consolidated revenues of €120.7 million, EBIT of €22.8 million and net income of €19.5 million.

The Company's consolidated revenues as at **30 June 2021** amounted as EUR 114.2m and were distributed as follows:



* Others mainly include grants and tax credits from production

At the end of September 2021, ILBE recorded data which confirms the company's growth with **consolidated revenues of €134.0 million as at Q3** (+77.0% compared to €75.7 million as at 30 September 2020) and **consolidated EBIT before non-recurring net charges (€1.1 million of non-recurring expenses of the parent company relating to remote working), of €18.2 million** (+6.4% compared to €17.1 million as at 30 September 2020).

The Group's **net profit** at 30 September 2021 amounted to €13.8 million, compared to the €14.3 million of the same period in 2020.

A limited risk business model with new barriers to develop in European local markets

ILBE shows a business model which bears limited risks thanks to a financing scheme typical of content production: it does not directly finance its production activities and retains full control over content rights. ILBE is thereby uniquely positioned to play in the growing media content production industry, which is expected to benefit from even more investment to come from SVOD platforms (subscription video on demand) in a near future in a European market that is now protected by quotas set forth by EU regulation.

ILBE automatically acquires, from the outset, full ownership (or a share, if it acts as a coproducer) of all the exploitation rights of the Audiovisual Works in perpetuity and for the whole world, in all languages and on all distribution channels. The Issuer exploits the Rights thus acquired both by transferring them outright and by granting distribution licenses.

Sales Agents and distributors thus advance to ILBE a part of the future proceeds expected from the exploitation of the Audiovisual Works. The so-called Guaranteed Minimums are paid when the contractual performance obligation is done. After the distributor has recovered, from the exploitation of the licensed Rights, an amount equal to the Guaranteed Minimums and, as a rule, some distribution costs, an additional percentage of the proceeds (i.e. Backend) or of the assets (i.e. Rights) should be expected.

ILBE's business model thus allows a containment of the main operational risks typical of film and television productions.

Company's strategy based on 5 priority objectives

The Company's strategy is essentially based, as regards the film production activity, on:



1. keep on focusing on the production of quality IPs with the possibility of perpetual exploitation;
2. further realization of International Standing Film Productions and animated Web Series;
3. the co-production of films with players of international standing, notably by expanding ILBE’s services offering;
4. further production of animated web series;
5. the marketing, in favourable terms, of the existing library and that under construction;

To achieve those goals, ILBE will consider M&A opportunities and take advantage of its intellectual property rights on its in-house Animation Pipeline.

Furthermore, in the Digital Advertising sector, the Company intends to focus its activities on advertising aimed at end users and on premium advertising content, with an offer structured by vertical channels.

Growth prospects: a pipe of films and animation under production not yet released

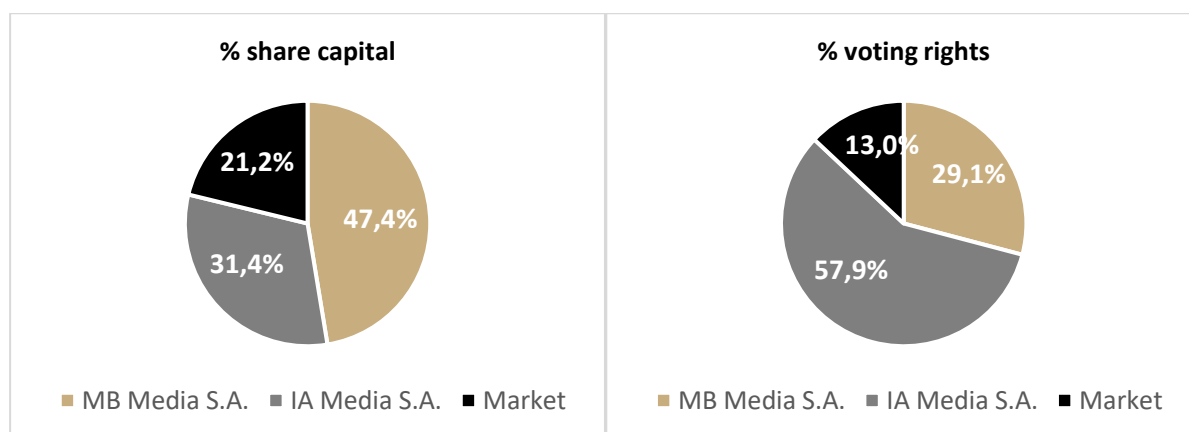
Today, ILBE successfully completed three film productions (*The Poison Rose*, *Waiting for the Barbarians* and *Tell It Like A Woman*) as well as 190 episodes of the Web Series *Arctic Justice* and 129 episodes of the series *Puffins*.

ILBE also has a pipe of films and animation under production not yet released (*State of Consciousness*, *Dakota*, *Beautiful Sleeping Babies*, *Lamborghini*, *Muti*, *Puffins: Impossible*, *The Christmas Witch* and *Christmas Thieves*).

In addition, ILBE has licensed rights in its library relating to 26 films, which it markets in Italy.

Breakdown of capital and voting rights

The below diagrams show the distribution of the Issuer’s capital ownership and voting rights, including all classes of shares:



Terms and conditions of the operation

Issuer	Iervolino & Lady Bacardi Entertainment SpA
Primary market	AIM Italia, Borsa Italiana (now Euronext Growth Milan)
Shares which admission is requested	100% of the Ordinary Shares
ISIN	IT0005380602
Ticker on Euronext Growth Milan	"IE"
Request for admission on	Euronext Growth Paris
Admission method	Technical admission
Expected number of Ordinary Shares to be admitted	24 016 104
Opening price on 12/01/2022	EUR2.54
Expected capitalization of Ordinary Shares	c. EUR61.0m
Expected total capitalization at the date of admission (incl. Multiple Voting Shares)	c. EUR88.9m
Desired trading symbol	"ALIE"
Start of trading:	12/01/2022

Transaction partners



Advisers and Listing
Sponsor



Legal advice



Statutory Auditor



Financial Communication

About ILBE (www.ilbgroup.it/com)

Iervolino and Lady Bacardi Entertainment S.p.A. (ILBE) is a global production company, previously called **Iervolino Entertainment (IE)**, founded by Andrea Iervolino, engaged in the production of cinematographic and television content including mainly films, TV shows and animated web series.

The Company also operates through its subsidiaries Arte Video, Red Carpet, IES Serbia and Wepost (formerly Iexchange), and has been listed on the AIM Italia market of Borsa Italiana (now Euronext Growth Milan) since August 2019. In 2020 ILBE recorded revenues of €120.7 million, EBIT of €22.8 million and net income of €19.5 million.

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