



**iervolino & lady bacardi  
entertainment**

Film productions  
100% made in Italy,  
distributed all over the world

COMPANY PRESENTATION

**Intermonte – Lunch with Investors**

*Milan, 27th April 2023*

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## About the FY 2022, Andrea Iervolino, Chairman & Ceo, stated

*'The consolidation recorded by the business in 2022 represents an important objective, positively influenced by the **most recent projects started by ILBE**, albeit in a market context that proved to be complex and uncertain from time to time, also due to the effects of Russia's invasion of Ukraine and the energy crisis. I am satisfied to say that these results, also due to savings and some management and financial optimisations achieved, were substantially in line and consistent with the backlog and projects under development, as well as with the guidance provided in the previous year. All this has enabled us to **improve our financial situation and further consolidate our solid capital structure**, as well as to make us serene for future challenges. We are increasingly **pioneering new digital businesses, such as NFTs and virtual experiences like the metaverse**, but we maintain a solid attachment to the **'made in Italy'**, of which we are proud all over the world. All this is the synthesis of ILBE's desire to be a key player in the future of the **entertainment and media world (M&E), a sector always attractive, stimulating and growing**, in which we are essentially witnessing the emergence of a younger, more digital global consumer base, which is in fact shaping the future of the entire industry.'*



**Andrea Iervolino**  
Chairman & Ceo

+ 15 years of experience as an entrepreneur in the Media & Entertainment industry

 **BY IERVOLINO & LADY BACARDI ENTERTAINMENT**



**Giorgio Paglioni**  
MD, Finance

+ 40 years of experience in Accounting & Finance as a partner at Ernst & Young



**MARANGONI** 

 **VITROCISSET**  
a LEONARDO company



**iervolino & lady bacardi  
entertainment**

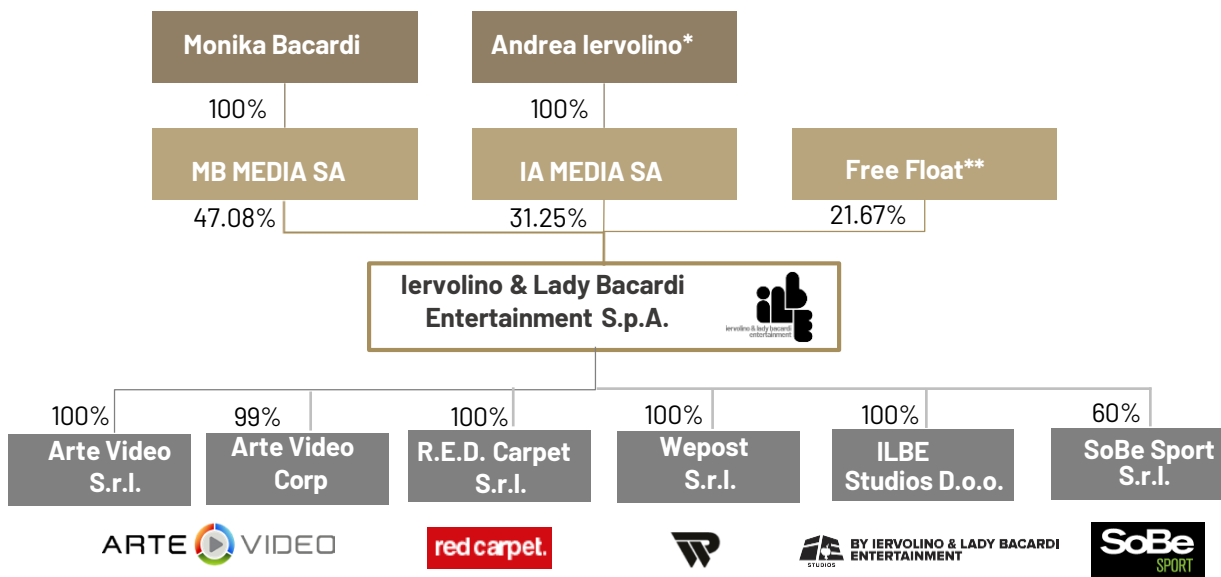
**WHO WE ARE**

## ILBE at a glance

- **Iervolino & Lady Bacardi Entertainment S.p.A.(ILBE) is a global production company** established by **Andrea Iervolino** and Monika Bacardi in 2011 **specialized in cinema and television content production**
- Listed on Euronext Growth Milan and in Paris, ILBE has a strong focus on OTTs contents. **It produces diversified contents for an international audience, focusing on core production phases and IP ownership**
- As a European producer, ILBE on the one hand benefits from significant public tax incentives, on the other hand can guarantee a rich catalog contents made in Europe – but with an international appeal – a key element in light of the constraints imposed by European media law.

ILBE BUSINESS LINES	ACTIVITIES	OUTPUTS
IP PRODUCTION	Business Development & Negotiation Pre Production, Production, Post Production Delivery	Business Idea, Cast Selection, Sale & Production Agreements IP Asset Movie / Web Series / TV Shows / Web Shows
SERVICES PROVISION	IP Asset Valorization Service Rendering	Pipeline & Characters Service Agreements and rendered
CELEBRITY MANAGEMENT	Celebrities & Events Exploration Negotiation on Fees	Celebrity Management Plan Celebrity Participation to Events

# Shareholders & Corporate Governance



(\*): Andrea Iervolino owns the control of the company with 57.63% voting rights thanks to multiple-voting shares.

(\*\*): of which 0.24% owned by Andrea Iervolino. The company owns shares for a total amount of EUR 232.000 (#150.000 ordinary shares).

## Board of Directors



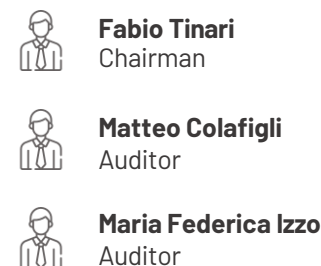
## Group's Structure

IP Productions  
&  
Service  
Provision

- ILBE** mainly focuses on production of Film, TV show, web show and Service activities to third party producers, coming from IP production processes (the "Pipeline") and IP Characters exploitation.
- ILBE Studios D.o.o.** focuses on the executive production (service) of animation content to third party producer.
- Arte Video** is active in the high-quality production of video, film, animation and multimedia contents and post productions services.
- Wepost** is a post production studio based in Rome.
- Red Carpet** is a reference point at national level in the select of VIP casting for the main Italian TV shows and in the creation of video contents for TV and web.
- SoBe Sport** is a key player in communication and marketing in the field of sports for professional athlete and coaches.

Celebrity  
Management

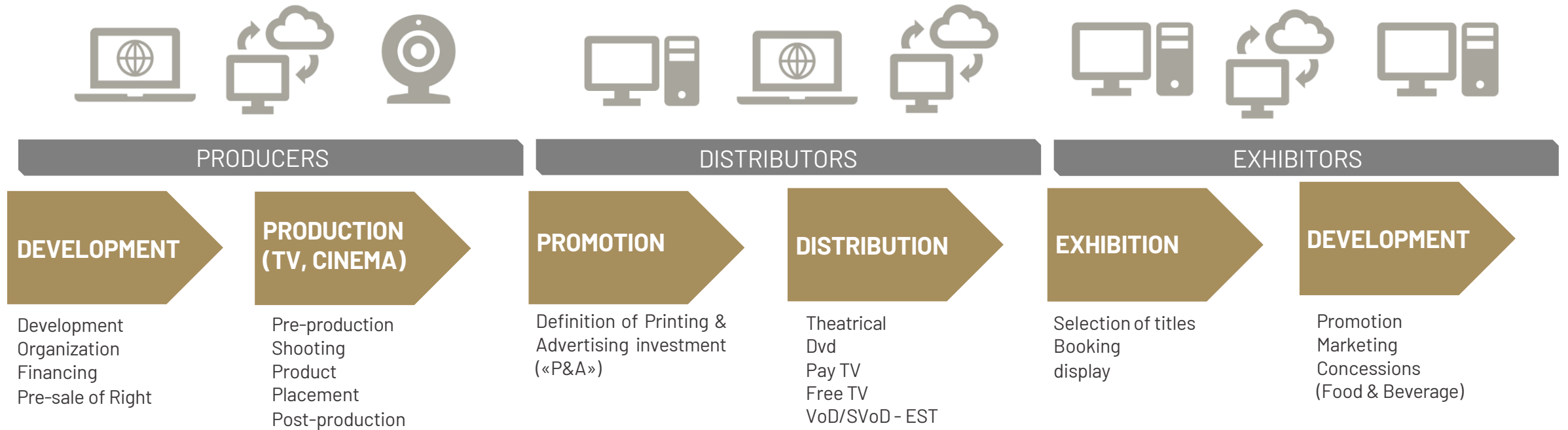
## Board of Statutory Auditors



## Audit Firm



# Industry Structure





## The sector: Significant M&E industry increase in 2021-2022

- Global entertainment and media (M&E) industry in 2021 and 2022 experienced a marked increase, with revenues up by 10% YoY in 2021 to \$ 2,3 trillion
- Still positive medium term visibility for pure content providers
- M&E market trend driven by consumers' choices on where to invest their time fuelling the industry's transformation
- Italian M&E in 2022 at around EUR 37bn – estimated to be over EUR 40bn by 2026 (CAGR '21-'26 between 3 and 4%) despite the uncertainty dictated by the recent geopolitical instability

### Globally:

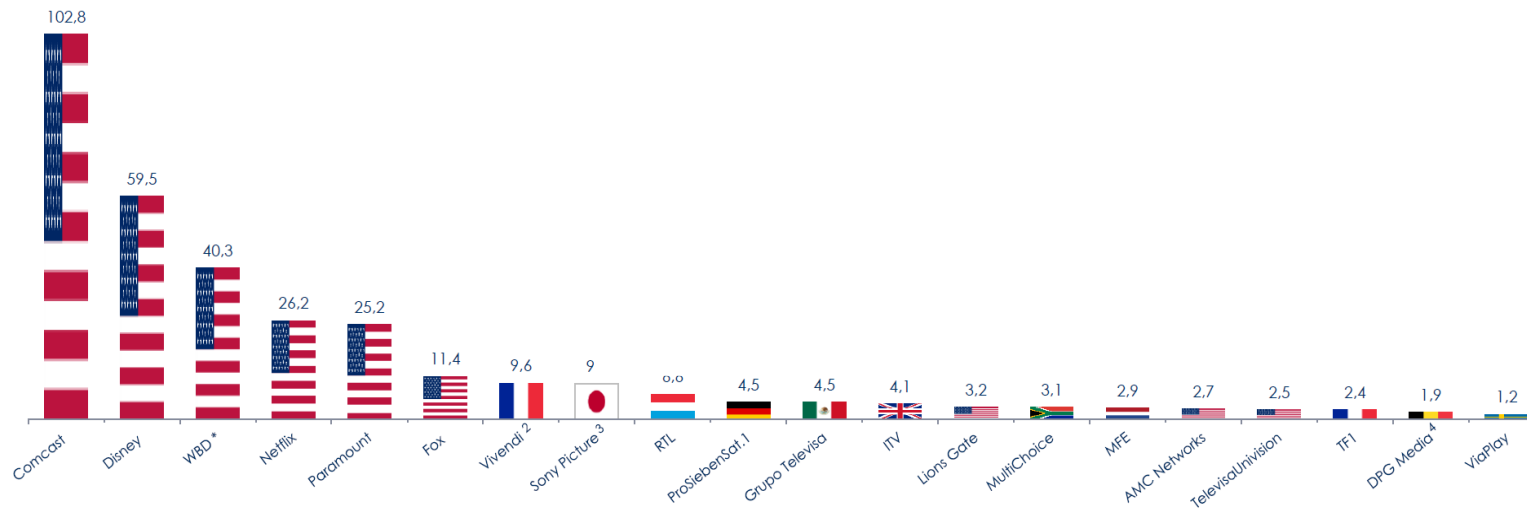
- **Video game and eSport** production of \$216bn in 2021 (projected to grow at a 8.5% CAGR to \$325bn in 2026)
- **VR** continues to be the fastest growing M&E, 36% YoY in 2021 to \$2.6bn, 24% CAGR in 2021-2026
- **ADV**, after a nearly 7% decline in 2020, grew an impressive 23% in 2021 to \$747bn, driven almost entirely by digital – CAGR of 6.6% through 2026
- After growing over 35% in 2020, **over-the-top (OTT)** video was up 22.8% in 2021, to \$79bn, expected to grow at 7.6% CAGR through 2026
- **Traditional TV**, beset by competition from OTT streaming services, still generates sizable revenues, but its inexorable decline will continue, negative CAGR of 0.8% from \$231bn in 2021 to \$222.1bn in 2026
- **Global movie** revenue is rebounding – box office revenue is projected to reach \$49.4bn in 2026 from \$20.8 bn 2021
- **Live music** revenue is projected to surpass pre-pandemic levels in 2024. Digital music streaming subscriptions are driving growth in the recorded music industry, revenue to increase from \$36.1bn in 2021 to \$45.8bn in 2026



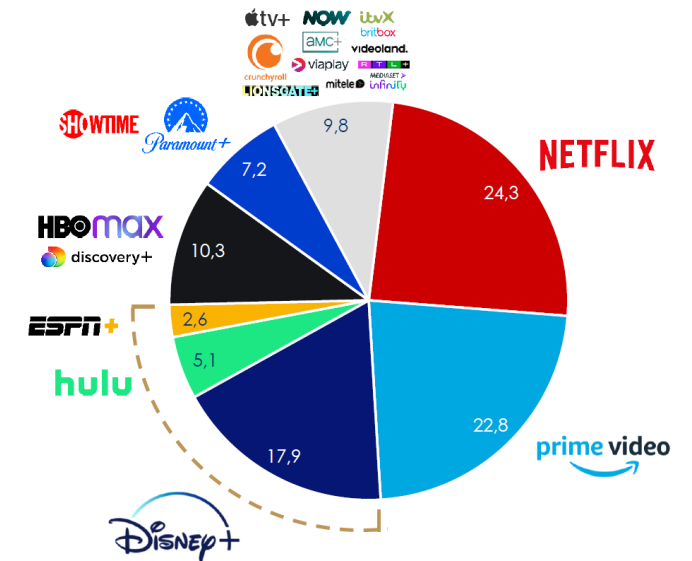
# The sector: Overall context continue to offer growth opportunities for ILBE

- **Media & Entertainment industry also considered as under renovation**
- The consolidation catalysts for the companies are quite clearly defined. In particular, they include the strategic need to acquire content to feed the streaming growth. Success will depend on industry leaders adapting strategies to deal with unforeseen market opportunities and threats
- New emerging opportunities: **NFTs - Metaverse**

Main M&E private companies – Revenues EUR/bn



SVod subscription (% 30/09/2022)





## KEY INVESTMENT HIGHLIGHTS

# Key Investment Highlights



**Global production group with high profitability and relative low risk**  
**Long-term relationships with foreign production and distribution companies, as well as strong connections with international players and actors**



**Generation and exploitation of valuable Intellectual Property rights and of international style quality movies**



**Rich and valuable content library and work in progress**



**Integrated synergic offer in the entertainment industry**



**High top line business visibility**





# Global Production Group with consistent profitability and relative low risk

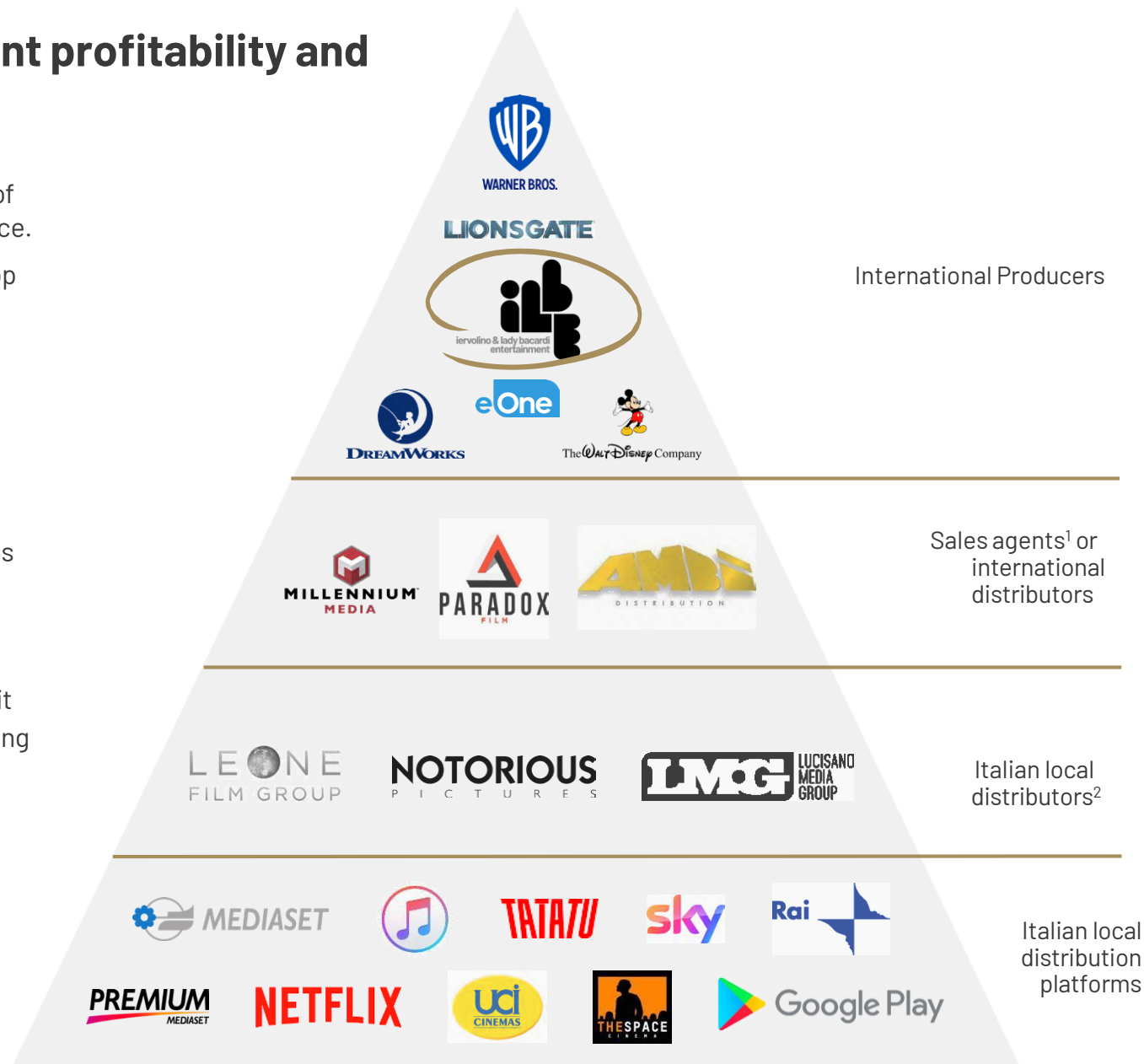
- The pyramid shows the positioning of the principal players of the film production and distribution market up to the audience.
- ILBE, as a “pure” production company, is positioned at the top
- Distributors ensure ILBE a “minimum non-revocable guaranteed amount” (MG) and a backend (where applicable)

## Profitable business model

- ILBE operates on a global scale
- ILBE holds the Intellectual Property rights of the productions

## Relative low risk

- ILBE focuses on the core production phase and Intellectual Property (IP) ownership and exploitation, which means that it does not take care of the distribution and print and advertising phases, leaving most of box office risk to Sales Agents and Distributor.
- The budget is submitted to a sale agent who ensures a minimum non-revocable guaranteed MG



(1) Sales agents are above all referable to the major Hollywood players.

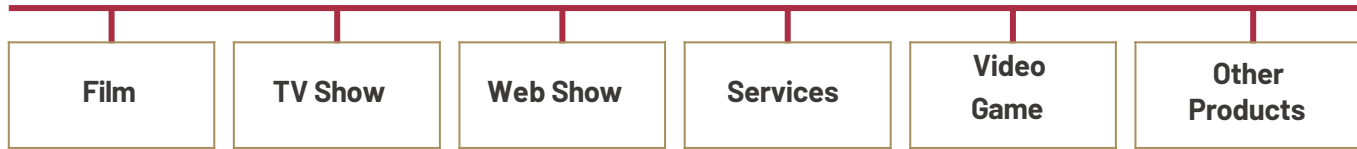
(2) Local distributors of international contents and domestic producers are shown by way of example but not limited to, and relating to the Italian scene. Considering the global market, the average presence is 10 local distributors per country.



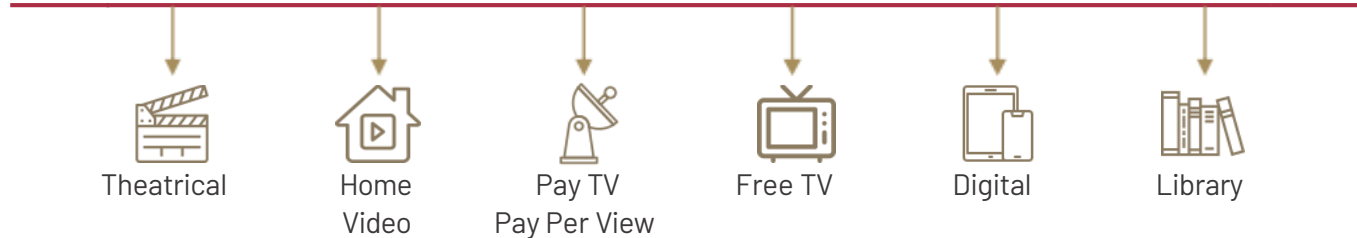
# Generation and exploitation of valuable Intellectual Property rights

- ILBE Group **generates** and **exploits IP** of different natures, that are distributed by its customers through different third parties distribution channels in various territories
- As a production company **ILBE creates, buys and manages IP rights**, the bulk of the Company's revenues. When ILBE creates a new movie, web series or short video, that content becomes indefinitely protected by IP right
- **All the features** linked to a film or a series, such as prequels, sequels, merchandising, books and so on, are a form of exploitation of the same IP right, and generate the so called "**Ancillary Revenues**"

## INTELLECTUAL PROPERTY



## Distribution Channels





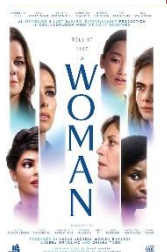

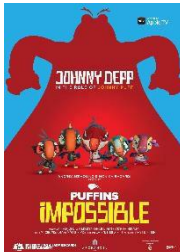


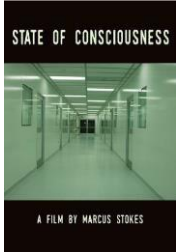






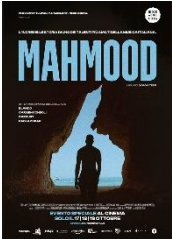

## ILBE'S IP EXPLOITATION





## ILBE's Group main library and IPs

											
	Arctic Friends	Puffins	The Poison Rose	Waiting For The Barbarians	Tell it Like a Woman	Dakota	Puffins Impossible	Eddie & Sunny	Muti	State of Consciousness	Lamborghini
Actual MG Revenues <sup>1</sup> (€/M)	141	82	17	21	10	4	44	2.5	15	3	3

					
	BP&B	Tik Tok	Animaiton Movie	Mahmood	Giving Back 1-2-3
Actual MG Revenues <sup>1</sup> (€/M)	25	12	16	1	4

## Animation IPs

### Pipeline and Characters

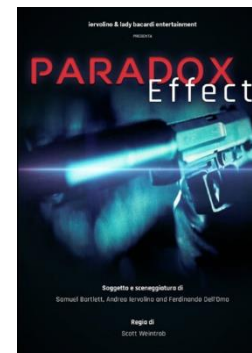
IP on processes and working methods for the production of short animated contents.



(1) Actual MG Revenues is referred to the 31 December 2022 data.



## ILBE's Group main WIP







# Integrated synergic offer in the entertainment industry

**red carpet.**

**SoBe**  
SPORT

## Celebrity Management

- **Red Carpet**, the marketing agency & production company founded by Ellida Bronzetti and Fabrizio Carratù is a marketing agency & production company experienced in branded entertainment projects built around celebrities for which it takes care of all phases, from strategy to content creation to production.
- The company recently joined **OBE - Osservatorio Branded Entertainment**, the Association that studies and promotes the diffusion on the Italian market of branded entertainment.
- **SoBe Sport** offers services of sponsorship and management of image rights, brand identity, social media, web design - particular focus on the most important football matches.



ARTE VIDEO

## Arte Video: Service Rendering

- **Arte Video** offers audio/video encoding, post-production, XML programming and quality control services for online broadcasting and streaming. In order to enlarge its production services a department for replication and mastering of CDs, DVDs, Blu-Ray was created.
- Recently the company has been awarded the **"Apple Preferred Encoding House" certification** for the second year in a row, an international Apple iTunes recognition dedicated to technology companies

Apple iTunes

amazon  
prime video

Google Play

Disney+

SONY

Microsoft



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ENTERTAINMENT**

## ILBE Studios D.o.o. : IP Production

- Animation company based in Serbia, with the main focus on creating high-quality short animated contents for streaming platforms. is
- It carries out all the phases of the creative process: from the initial idea to the distribution of the animated content all around the world.



## BUSINESS MODEL AND CAPITAL STRUCTURE CONSOLIDATION TO GROW WITH HIGH QUALITY WORKS

**ILBE is well positioned to expand in Italy and abroad, while continuing its profitable growth**



### **Quality at the service of growth:**

- Quality and growth as a prominent position in ILBE strategic priorities, also boosted by the numerous productions of the last few months
- Keep on focusing on quality IPs production with the possibility of perpetual exploitation
- Further realization of International Standing Film Productions, animated Web Series and co-production of films with players of international standing
- Set to benefit from the rising global demand for audio-visual contents, as it produces contents with international appeal



### **Business model integration:**

- Consolidation of business model through:
  - i. Investing in quality Intellectual Properties
  - ii. Diversifying with high added value service activities (executive productions and provision of quality services)
  - iii. Prioritize growth and the creation of value over time over greater short-term profitability
  - iv. Pursue investments and growth, while maintaining a sound balance sheet



# FY 2022 HIGHLIGHTS

## Significant events and ongoing newsflow

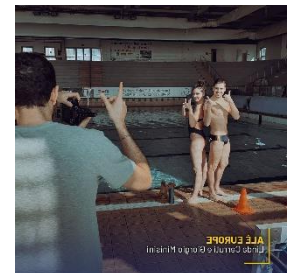
- a) Sign of an agreement with the international distribution company WWPS.TV for **the sale of the rights of Baby Puffins & Bunny - 405 five-minute episodes - 2022-2024**
- b) Sign of an agreement with **KidsMe, the children content factory of De Agostini** granting programming rights of the **Puffins series** - 60 episodes for 18 months
- c) Apple TV and Amazon Prime Video started both playing **"Puffins Impossible"**
- d) Launch of new and **innovative short contents** to meet the needs of new generations - new video reel formats of social networks (Tik Tok and Instagram); three projects of 100 episodes each were sold for a €15,5m
- e) **"Lamborghini - The man behind the legend"** - movie **conquers U.S. audience** (Lambo Film, in executive by ILBE and Notorious Pictures with the collaboration of Prime Video,)
- f) In 2022 the Group produced and delivered **3 Animation Movies** based on the characters of the animated series Puffins
- g) Films, revenues in 2022 - **MUTI**: revenues totalling EUR 17.1m - **State of Consciousness**: revenues of EUR 3.9m - **GIVING BACK GENERATION 2 and 3**, EUR 3.5 million for the 25-episode series - all revenues shown are inclusive of government grants accrued





## Significant events and ongoing newsflow

- h) Red Carpet productions currently enjoying an interesting competitive advantage – i.e. docufilms **Mahmood** and **Stavamo Bene Insieme**, the music documentary **Red Valley: We Are What We Listen To**, and the docu-series **Ale' Europe**
- i) Beginning of January 2023, **"State of consciousness"** directed by Marcus Stokes with Emile Hirsch ("Into the wild") arrived in cinemas
- j) **ILBE as the service production in Italy and executive producer of biopic of Enzo Ferrari** – starring Adam Driver, Penélope Cruz, Shailene Woodley, and Patrick Dempsey
- k) Currently engaged in the start-up of the production of the **musical "Verona", inspired by the story of Romeo and Juliet – a new international production** with the sets of the Oscar winner award-winning Dante Ferretti
- l) **"Tell it like a woman,"** the movie at the Academy Awards with "Applause" named as Best Original Song promoted also by Intesa Sanpaolo, a leader in supporting the Italian film industry
- m) In terms of **organization structure**, to strengthens its U.S. division **Richard Salvatore was appointed as U.S. Head of Sales and Film Production**, operating in both Los Angeles and Rome



## **Revenues at EUR 161M, up 6% vs. FY 2021** **Debt-adjusted NFP strongly improved to EUR 23.1m**

### **1. EBIT at EUR 20.8m, 13% of total revenue (EUR 24.4m in 2021, with a margin of 16%)**

- non-recurring costs of EUR 11.0m related to a change in business strategy to optimise the long-term economic return of certain productions with seasonal trend

### **1. Net profit of EUR 3.5m after non-recurring expenses (EUR 18.4m in 2021)**

### **2. Order book with clear visibility and solidity regarding future results**

- Significant Backlog at EUR 172.9m over the three years 2023-2025
- EUR 395m as projects under development

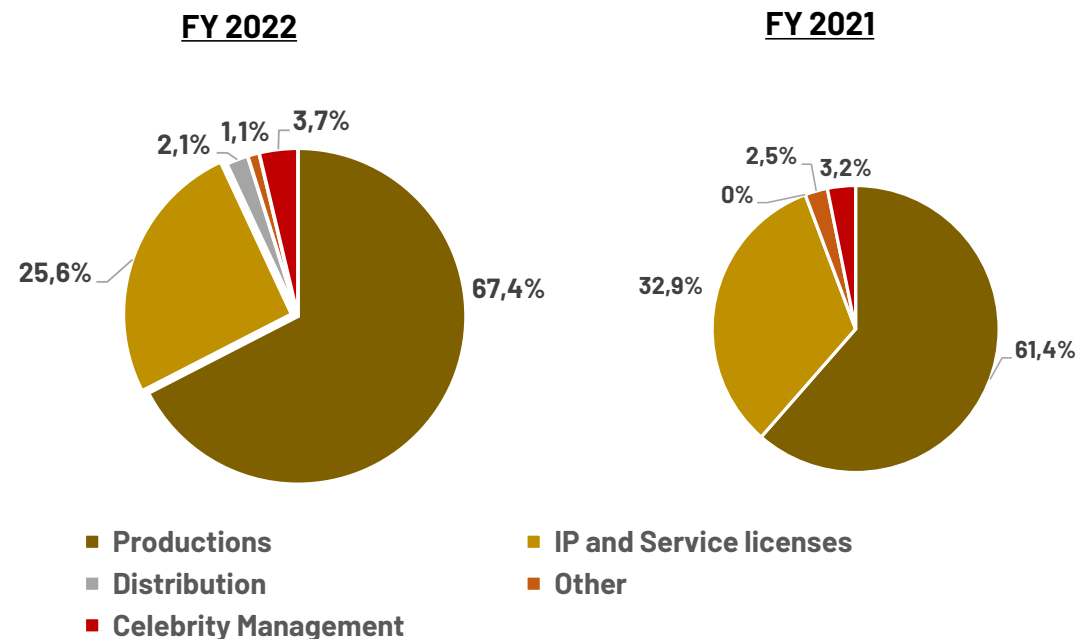
### **1. Adjusted Net Debt at EUR 23.1m (EUR 29.3m in FY 2021)**

### **2. 2023 Guidance: growth in revenues and a slightly lower margin dynamic are confirmed**

# Income Statement 2022

Income Statement €/M	FY2022	FY2021	Change %
<b>Revenues</b>	<b>161,0</b>	<b>152,3</b>	<b>5,7%</b>
Operating costs	24,6	10,6	132,1%
Personnel expenses	5,8	3,4	69,1%
Amortisation/depreciation, write-downs	109,8	113,8	-3,6%
<b>EBIT</b>	<b>20,8</b>	<b>24,4</b>	<b>-14,9%</b>
<b>EBIT margin %</b>	<b>12,9%</b>	<b>16,0%</b>	<b>-3,2bps</b>
Non-recurring charges	11,0	0,9	>100%
EBIT net of non-recurring costs	9,8	23,5	-58,5%
Net financial expenses	5,2	3,1	66,0%
Pre-tax profit	4,5	20,4	-77,7%
Taxes	(1,0)	(1,9)	-47,6%
<b>Net profit net of non-recurring costs</b>	<b>14,6</b>	<b>19,4</b>	<b>-24,7%</b>
<b>Net profit for the period</b>	<b>3,5</b>	<b>18,4</b>	<b>-80,9%</b>

## Revenues breakdown by segment



- **Revenues include government grants** recognized on an accrual basis with regard to the productions to which they refer - **revenues from Production**, licensing of rights to film and audiovisual works, reached EUR 108.6m (EUR 93.6 million in 2021); revenues from **Services**, including licences for IP exploitation EUR 41.2m (EUR 50.1m in 2021), revenue **from Casting, Celebrity and ADV** at EUR 5.9m (EUR 4.8m in 2021), revenues from **Distribution rights**, not present in the previous year, of EUR 3.4m; revenues from post-production activities included in Other, EUR 1.4m (EUR 1.0m in 2021).
- **The tax credit for cinema production** - concerning costs incurred for producing Italian audiovisual works - was EUR 18,6m.

Notes:

i. The financial statements are prepared in accordance with IAS/IFRS.

ii. EBIT: is defined as the operating profit attributable to recurring operations only.

iii. Non-recurring charges: defined as costs classified by their accounting nature in the financial statements, and reclassified by purpose to appropriately reflect the performance of operations during the year (costs related to events or transactions - both from ordinary operations and not representative of normal business activity - whose occurrence is non-recurring).



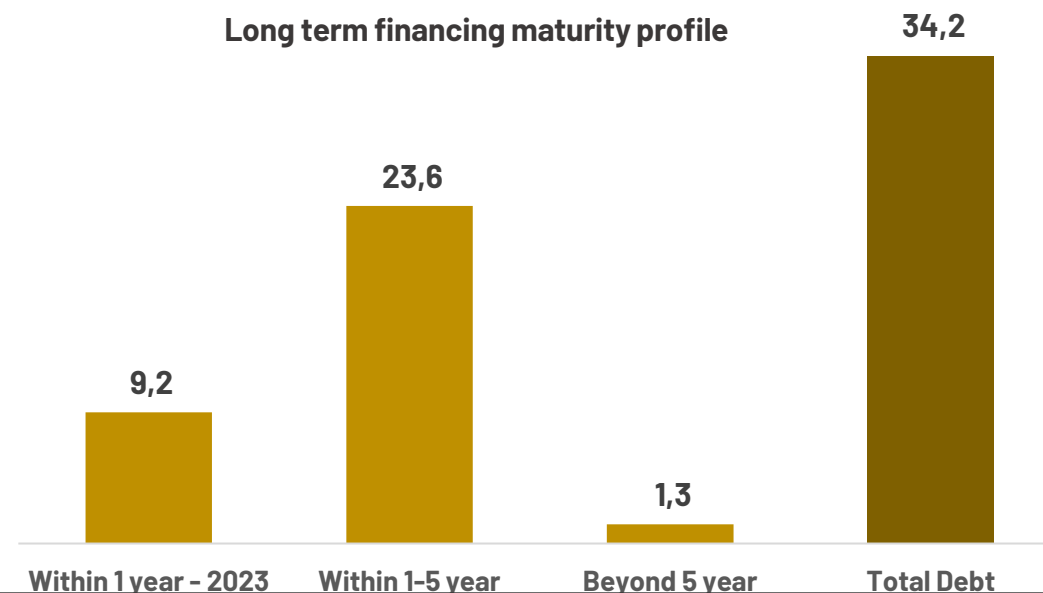
## Key highlights Balance Sheet – NFP 2022

Balance Sheet Key data – €/M	31/12/2022	31/12/2021	Change %
<b>Net Working Capital</b>	26,2	3,7	<b>608,2%</b>
<b>Net Invested Capital</b>	115,2	114,9	<b>0,3%</b>
<b>Shareholder's equity</b>	89,4	85,6	<b>4,4%</b>
<b>Adjusted NFP, Debt</b>	(23,1)	(29,3)	<b>-21,2%</b>

- **Adjusted NFP (Debt)** improved to EUR 23.1m (net of the net 2.7m for the application of IFRS 16 relating to new lease agreements) due to effect, essentially, of using resources to finance third-party production activities with significant margins. the effect
- **Cash** of EUR 12.5m up sharply mainly due to the raising of resources for the financial requirements of productions with important payments in the first quarter of 2023
- Improvement of **NFP** in the period resulting in better **ratio to total non-financial assets, 14.5% in FY 2022 vs 17.8% in FY 2021, ratio to revenues 14.3% in FY 2022 compared to 19.2% in FY 2021.**

Cash Flow – €/M	31/12/2022	31/12/2021
A – Net flow generated/(used) from operating activities	84,1	102,6
B – Net flow generated/(used) from investing activities	(83,0)	(123,6)
C – Net flow generated/(used) from financing activities	8,1	20,7
<b>D – Total cash flow generated/(used) in the period (A+B+C)</b>	<b>9,2</b>	<b>(0,3)</b>
E – Cash and cash equivalents at the beginning of the period	3,2	3,5
<b>F – Cash and cash equivalents at the beginning of the period (D+E)</b>	<b>12,5</b>	<b>3,2</b>

### Long term financing maturity profile





## APPENDIX

## Reclassified Consolidated Balance Sheet 2021-2022

Euro thousands	31/12/22	31/12/21
<b>Assets</b>		
<b>Non-current assets</b>		
Intangible assets	74.793	100.663
Tangible Assets and Rights of Use	3.562	505
Deferred tax assets	8.190	8.958
Investments accounted for using the equity method	73	18
Other non-current assets	2.757	1.788
<b>Total non-current assets</b>	<b>89.376</b>	<b>111.932</b>
<b>Current assets</b>		
Trade receivables	31.693	18.759
Tax receivables	2.108	-
Current financial assets	18.158	12.070
Other current assets	36.462	34.078
Cash and other liquid assets	12.462	3.246
<b>Total current assets</b>	<b>100.882</b>	<b>68.152</b>
<b>Total Assets</b>	<b>190.258</b>	<b>180.084</b>
<b>Shareholders' equity</b>	<b>89.370</b>	<b>85.579</b>
<b>Non-current liabilities</b>		
Employee benefits	310	308
Other non current liabilities	112	409
Non-current financial liabilities	26.859	32.940
<b>Total non-current liabilities</b>	<b>27.280</b>	<b>33.657</b>
<b>Current liabilities</b>		
Current financial liabilities	29.547	11.665
Trade payables	13.957	22.257
Tax payables	54	567
Contractual Liabilities	10.190	17.392
Other current liabilities	19.859	8.968
<b>Total current liabilities</b>	<b>73.607</b>	<b>60.848</b>
<b>Total liabilities</b>	<b>190.258</b>	<b>180.084</b>

## Consolidated Net Financial Position 2021-2022

Net financial position - Euro thousand	31/12/22	31/12/21
Cash and cash equivalents	(12.462)	(3.246)
Current financial assets	(18.158)	(12.070)
<b>Liquidity</b>	<b>(30.620)</b>	<b>(15.316)</b>
Current portion of non-current financial liabilities	9.506	1.996
Liabilities for current leases	615	-
Other current financial liabilities	19.426	9.669
<b>Current financial debt</b>	<b>29.547</b>	<b>11.665</b>
<b>Net current financial debt</b>	<b>(1.073)</b>	<b>(3.651)</b>
Non-current financial liabilities	24.761	32.940
Liabilities for non-current leases	2.098	-
Non-current payables to suppliers	-	-
<b>Non-current financial debt</b>	<b>26.859</b>	<b>32.940</b>
<b>NFP debt</b>	<b>25.787</b>	<b>29.289</b>
<i>of which IFRS 16 (leasing)</i>	<i>2.713</i>	<i>-</i>
<b>NFP adjusted debt</b>	<b>23.074</b>	<b>29.289</b>

# The Business from the Accounting point of view

- Companies operating in the entertainment and media industry, production companies in particular, have some peculiarities in the treatment and representation of some financial statement items.

Revenue Recognition	Capitalization of Production Costs	Amortization of Intangible Assets	Tax Credit Recognition
<p>The different revenues streams related to the content business are, according to consolidated industry practices and IAS guidelines:</p> <ol style="list-style-type: none"><li>1. Sale or license of distribution rights of the Intellectual property through the payment of the "Minimum Guaranteed Amount" must be recognized as revenue at the moment in which the IP Distribution rights are passed to the customer (i.e. the content is accepted by the agent/distributor);</li><li>2. Ancillary Revenues, revenues from further exploitation of IP through merchandising, spinoffs, books etc., are recognized as they occur;</li><li>3. So-called "Backend Revenues", a share of the extra profits earned by the Distributor that are owed by contract to the Producer and must be recognized as they occur.</li></ol>	<p>The production costs in the content industry are capitalized, as production leads to an Intellectual Property, not to a "good". These costs can be capitalized and recognized both as "Intangible Assets" as well as "Inventory" according to the different criteria: guidelines suggest that in case of the sale or license of distribution rights only (i.e. when the production company retains the majority of its rights on the IP) expenses should be capitalized as "Intangible Assets" thus falling into the guidelines established by IAS 38 (Work in progress). Production costs that can be capitalized are all those costs directly related to the production of the Intellectual Property, including some direct overhead costs, administrative costs and, if any, related interest expenses.</p>	<p>It represents the amortization of the rights of exploitation of the Intellectual Property stemming from the production or acquisition of movies or other video contents' rights. In the Cinema Industry the rights of movies and series are amortized using the "individual-film-forecast-computation-method".</p> <p>Under this method and in the absence of changes in estimates, an entity amortizes capitalized film costs in a manner that yields a constant rate of profit over the ultimate period, which considers a film's actual current-period revenue and estimated remaining "Ultimate Revenue".</p> <p>"Ultimate Revenue" is an estimate of all revenues expected to be received from the exploitation, exhibition and sale of a film in all markets and territories.</p> <p>Hence, for each period, there is an amortization schedule that follows the predicted percentage of revenues coming from the movie in all forms (so comprehensive of expected royalties, merchandising sales, usage etc.).</p>	<p>The accounting of the Cinema Tax Credits follows the industry common practice that includes them among the other revenues, following the same distribution of the specific costs they refer to, i.e. the amortization of the production costs. As for R&amp;D tax credit they are also included among other revenues in the year they are recognized.</p>

## The Business from the Accounting point of view – the production

The Group starts the production of film and audiovisual content after reaching agreements for the sale of international distribution rights that provide for the payment of a "guaranteed minimum".

The Group retains the intellectual property rights, which can be used in the years following the content production through remakes, sequels and other derivative products.

Revenues and income from the production of films and audiovisual content (TV series) are divided into 4 categories:

1. Revenues from the sale of the so-called guaranteed minimum right (GM) to the sales agent or distributor (the majority of the revenues of a work); these revenues are realised upon delivery to the customer
  - Actual production period can last from four to seven months for web series, ten to eighteen months for films
  - GM collection takes place between five and six months after delivery to the customer, but also after a period of more than one year
2. Government grant income (tax credit or other contributions to the production costs) whose collection takes place, on average, 18M from the commercial delivery of the work
3. Revenues deriving income subsequent to the GM (so-called backend, of which the majority obviously pertains to the distributor). In this case, these are revenues that are recognised when they are realised, i.e. the collection that generally takes place over a long-term time horizon; or, in the case of assignment to third parties, at the time of assignment of the related rights. Revenues from the backend are collected at the time of realisation, which normally takes place over a long-term time horizon. The backends of the web series include also the licenses of characters and pipelines both in Italy and abroad, which, in this case of works, generate the majority of revenues subsequent to the guaranteed minimum of distribution.
4. Income from distribution rights. The cost of sales of films and audiovisual content is given by the portion pertaining to the year of the amortisation of the projects whose costs, during the production phase, are recorded under intangible assets. Amortisation is calculated according to IAS i.e. the "film forecast computation method", according to which it is calculated on the time horizon over which the intangible asset will generate revenues. The amortisation period is set at maximum four years. Consequently, at the end of the fourth year the work will have a net book value of zero even if it will not have terminated the ability to generate cash through the backends in subsequent years.



## International style quality movies

Thanks to the peculiarity of the business model and to a strong relationship network, ILBE is able to attract and collaborate with some of the best celebrities

Celebrity	Personal Nominations	Award	Co-Lab with ILBE	Celebrity	Personal Nominations	Award	Co-Lab with ILBE
 Morgan Freeman	 	 		 James Franco	 		
 Alec Baldwin	 			 Mark Rylance	 		
 Johnny Depp	 			 John Cleese	   	 	
 John Travolta	 			 Peter Stormare			







**Iervolino & Lady Bacardi Entertainment S.p.A.**

Via Barberini, 29 00187 - Roma, Italia

[ir@iervolinoent.com](mailto:ir@iervolinoent.com)

[www.ilbegroup.com](http://www.ilbegroup.com)

