



LEONE

FILM GROUP

2020 Results and 2021 business plan

22nd June, 2021

AGENDA

1 The Group

2 Key Facts

3 Our Roadmap

4 Distribution

5 Production

6 2020 Results and
2021 targets



1. THE GROUP

Two mainstream areas of activity



Distribution

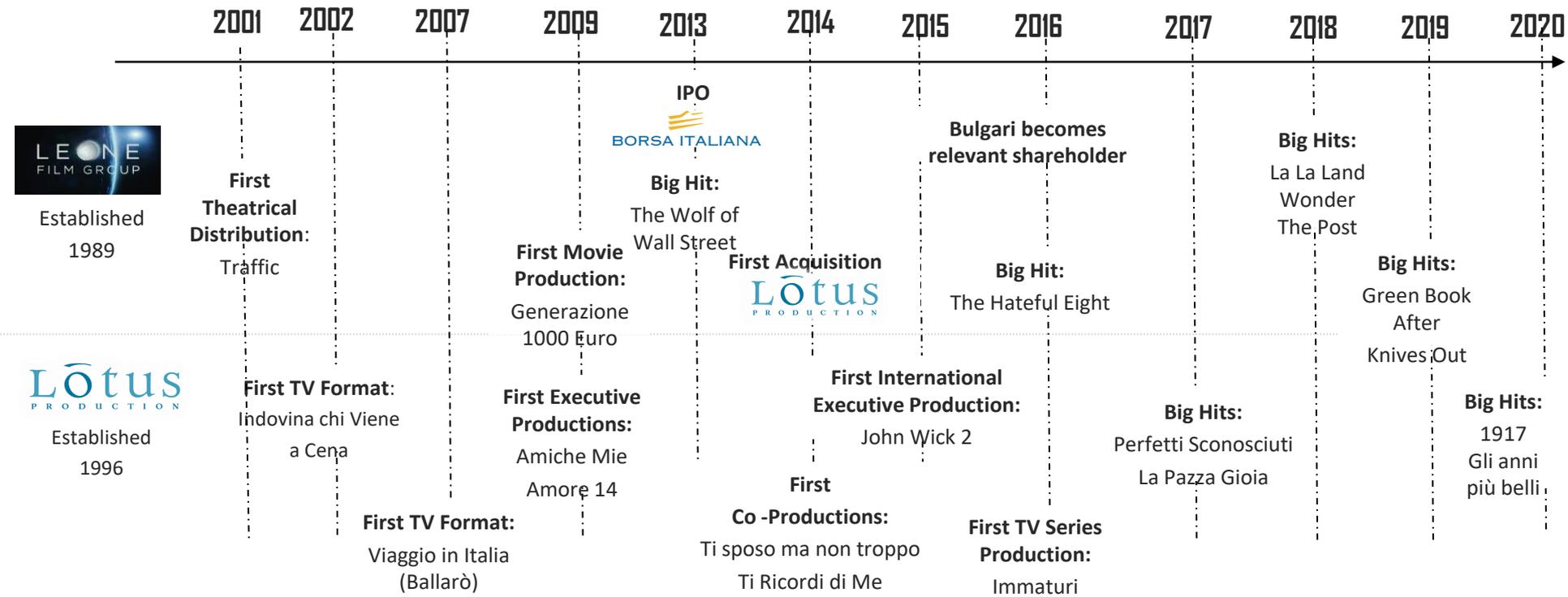
- Theatrical
- Free-TV
- Pay-TV
- Home Video
- Digital



Production

- Production
- Co-production
- Executive production
- International co-production
- TV series production
- International TV series co-production
- International executive production service

A History of Growth



Italy's largest independent distributor

Box Office 2018 - All Market - LFG pro forma

Distributor	Market Share
WARNER BROS ITALIA	19,4%
WALT DISNEY S.M.P. ITALIA	14,8%
UNIVERSAL	14,7%
20TH CENTURY FOX ITALIA	12,0%
LEONE FILM GROUP S.P.A.	7,5%
LUCKY RED DISTRIB.	5,1%
MEDUSA FILM	4,3%
01 DISTRIBUTION	4,1%
VISION DISTRIBUTION	3,2%
EAGLE PICTURES	3,1%
NOTORIOUS PICT.	2,5%
NEXO DIGITAL	1,4%
Others	8,0%
Total	100,0%

Box Office 2018 - Italian - LFG pro forma

Distributor	Market Share
LEONE FILM GROUP S.P.A.	19,3%
LUCKY RED DISTRIB.	12,9%
MEDUSA FILM	10,9%
01 DISTRIBUTION	10,6%
VISION DISTRIBUTION	8,2%
EAGLE PICTURES	7,8%
NOTORIOUS PICT.	6,3%
NEXO DIGITAL	3,5%
Others	20,5%
Total	100,0%

Box Office 2019 - All Market - LFG pro forma

Distributor	Market Share
WALT DISNEY S.M.P. ITALIA	26,8%
WARNER BROS ITALIA	21,6%
01 DISTRIBUTION	6,8%
LEONE FILM GROUP S.P.A.	5,8%
20TH CENTURY FOX ITALIA	5,3%
UNIVERSAL	5,1%
MEDUSA FILM	5,1%
VISION DISTRIBUTION	5,0%
LUCKY RED DISTRIB.	4,9%
EAGLE PICTURES	3,0%
NOTORIOUS PICT.	2,7%
NEXO DIGITAL	1,2%
M2 PICTURES	0,8%
Others	6,0%
Totale	100,0%

Box Office 2019 - ITA Distributors - LFG pro forma

Distributor	Market Share
01 DISTRIBUTION	16,5%
LEONE FILM GROUP S.P.A.	14,0%
EAGLE PICTURES	7,4%
MEDUSA FILM	12,3%
VISION DISTRIBUTION	12,2%
LUCKY RED DISTRIB.	11,8%
NOTORIOUS PICT.	6,3%
Others	19,5%
Totale	100,0%

BOX OFFICE 2020 - All Market - LFG PROFORMA

DISTRIBUTOR	Market share
MEDUSA FILM S.P.A.	29,4%
WARNER BROS ITALIA S.P.A.	21,8%
LEONE FILM GROUP S.P.A.	10,5%
01 DISTRIBUTION	7,2%
WALT DISNEY S.M.P. ITALIA	5,8%
VISION DISTRIBUTION	4,7%
LUCKY RED DISTRIB.	3,9%
UNIVERSAL S.R.L.	2,9%
ACADEMY TWO DISTR. S.R.L.	2,6%
NEXO DIGITAL S.P.A.	1,2%
Other	10,0%
Total	100,0%

BOX OFFICE 2020 - ITA Distributors - LFG PROFORMA

DISTRIBUTOR	Market share
MEDUSA FILM S.P.A.	43,3%
LEONE FILM GROUP S.P.A.	15,4%
01 DISTRIBUTION	10,7%
VISION DISTRIBUTION	7,0%
LUCKY RED DISTRIB.	5,7%
ACADEMY TWO DISTR. S.R.L.	3,8%
NEXO DIGITAL S.P.A.	1,8%
EAGLE PICTURES S.P.A.	2,3%
Other	9,9%
Total	100,0%

Two companies creating strong synergies



National Distribution



Co-Production



National Movie Production



Executive Production



National TV Series Production



International TV Series Production



International Co-Production



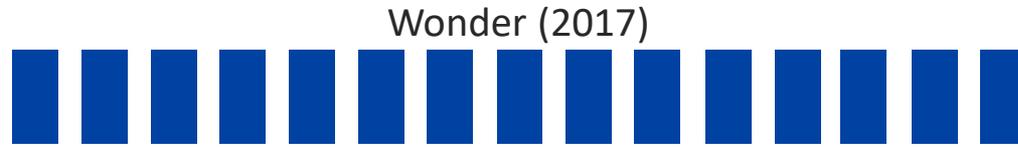
International Executive Production



- Connect production and distribution
- Leverage on same distribution partnerships

- Expand and diversify client base
- Stronger management team

Leone Film Group Top Hits since IPO 1/2



Box Office ⁽¹⁾

12,4



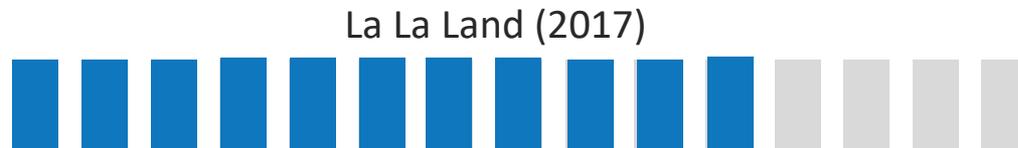
12,0



10,1



8,5



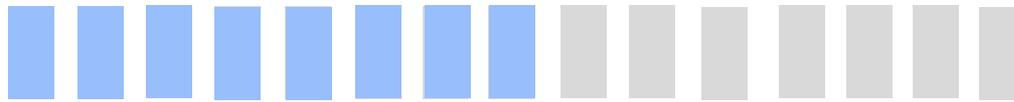
8,3

Leone Film Group Top Hits since IPO 2/2

Box Office ⁽¹⁾



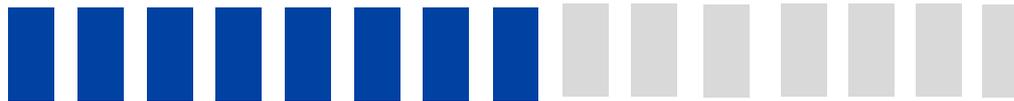
1917 (2020)



6,7



The Post (2018)



6,5



After (2019)



6,4



Mia & the white lion (2019)



5,7



Cena con delitto – Knives Out (2019)



5,2

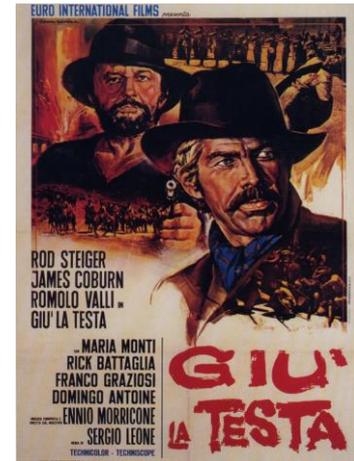
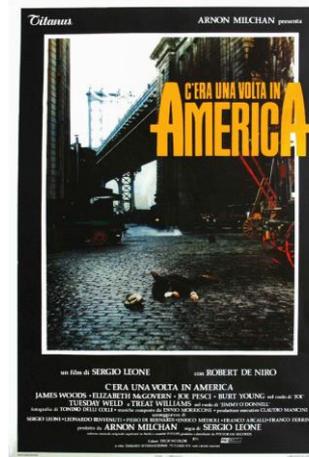
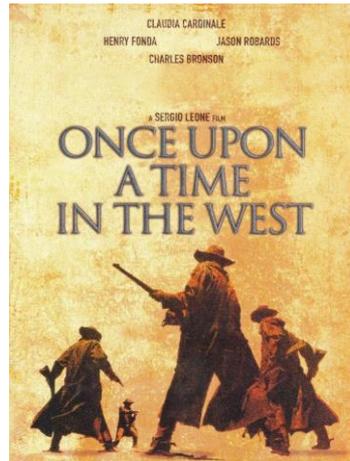
Leone Film Group Library

- Top independently owned Italian library
- Almost 500 movies
- Mostly composed of recent titles



Snapshot on Sergio Leone's library

- Cult movies on which LFG commercializes perpetual distribution rights (1)



Lotus Top Hits



Perfetti Sconosciuti (2016)



Box Office ⁽¹⁾

17,4



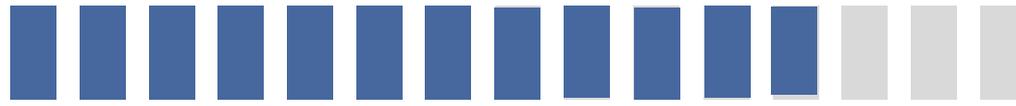
Immaturi (2011)



15,2



Immaturi – Il Viaggio (2012)



11,8



A Casa Tutti Bene (2018)



9,2



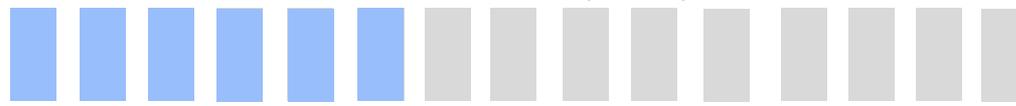
Tutta Colpa di Freud (2014)



7,9

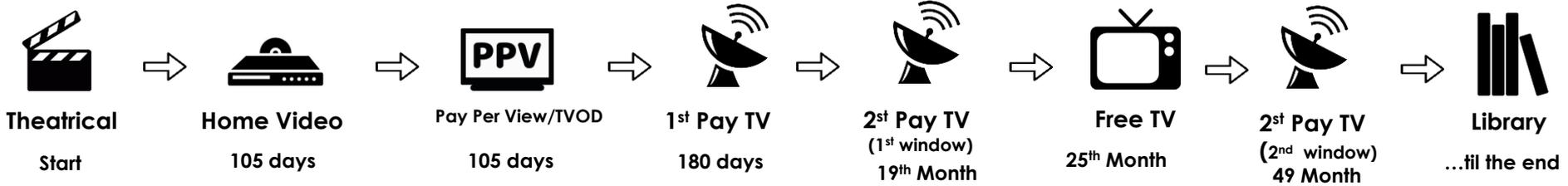


La Pazza Gioia (2016)



6,2

Sales Distribution Cycle



Past



NETFLIX



Rai Cinema



TELECOM ITALIA

now



sky
NETFLIX

Rai Cinema



sky
NETFLIX

Out Goals:

**Maintaining the leadership among Italians
Independent movie producers and distributors**

**Scaling our successful business model via
international expansion**

**Distribute top
independent
blockbusters**

**Produce top
commercial and
high-quality movie,
TV series, along
top-notch Italian
directors**

**Continue
expanding our
production and
distribution
agreements**

Infrastructure

Content

Brand



2. KEY FACTS

Key highlights



Content Acquisition

Strong relationships with all international independent producers, including Lionsgate, Amblin, Canal Plus and others.

Acquisition team devoted to select and negotiate the best movies on the market



Content Distribution

Multi-year agreement with RAI
Long-term sales output deal with Amazon, Sky and Telecom Italia
Sales to Sky, NETFLIX, Telecom Italia, iTunes, Google Play, etc.



Content Production

Signed agreements with top directors and screen writers like Paolo Genovese, Gabriele Muccino, Stefano Sollima, Rolando Ravello



2019 – 2020 Main Releases - Distribution

	Title	Box Office ⁽¹⁾
	Green Book	10.1 M€
	1917	6.7 M€
	After	6.4 M€
	Mia and the white lion	5.7 M€
	Knives Out	5.2 M€



3. OUR ROADMAP

Distribution 2021 and 2022 - Titles snapshot

AFTER 3

Director: Castille Landon

Cast: Josephine Langford, Hero Fiennes Tiffin



THE GOOD HOUSE

Director: Maya Forbes, Wallace Wolodarsky

Cast: Morena Baccarin, Sigourney Weaver, Kevin Kline



THE WOLF AND THE LION

Director: Gilles de Maistre

Cast: Graham Greene

KILLER OF THE FLOWERS MOON

Director: Martin Scorsese

Cast: Leonardo Di Caprio



Distant

Director: Josh Gordon

Cast: Anthony Ramos



HYPNOTIC

Director: Robert Rodriguez

Cast: Ben Affleck

THE MARKSMAN

Director: Robert Lorenz

Cast: Liam Neeson, Katheryn Winnick



SPIRAL

Director: Darren Bousman

Cast: Samuel Jackson

355

Director: Simon Kinberg

Cast: Jessica Chastain, Penelope Cruz, Lupita Nyong'o, Diane Kruger



Production – selection of Movies or TV Series completed or in post-production



Primo Giorno della Mia vita

Director: Paolo Genovese

Script: Paolo Genovese

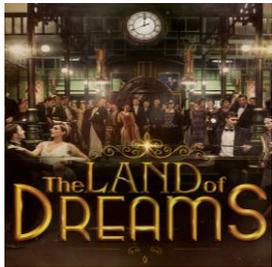
Cast: Toni Servillo, Margherita Buy, Valerio Mastrandrea



Alfredino – una storia italiana

Director: Marco Pontecorvo

Cast: Anna Foglietta



THE LAND OF DREAMS

Director: Nicola Abbatangelo

Cast: Caterina Shulha, George Blagden, Edoardo Pesce



TIME IS UP

Director: Elisa Amoruso

Cast: Bella Thorne, Benjamin Mascolo



PER TUTTA LA VITA

Script: Paolo Genovese, Paolo Costella

Director: Paolo Costella

Cast: Fabio Volo, Ambra Angiolini



A CASA TUTTI BENE

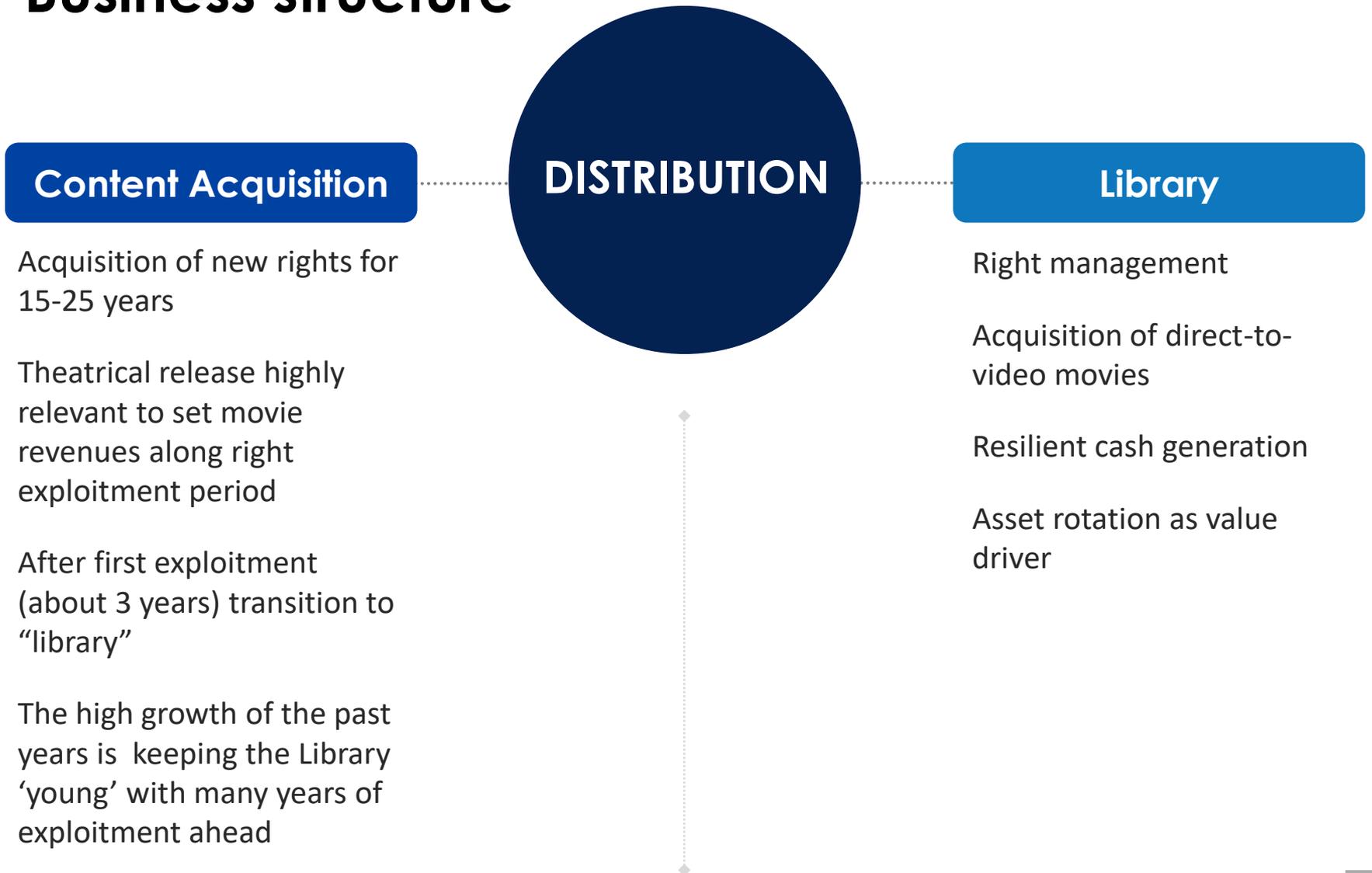
Director: Gabriele Muccino

Cast: Laura Morante, Emma Marrone, Francesco Acquaroli, Francesco Scianna, Antonio Folletto, Euridice Axen



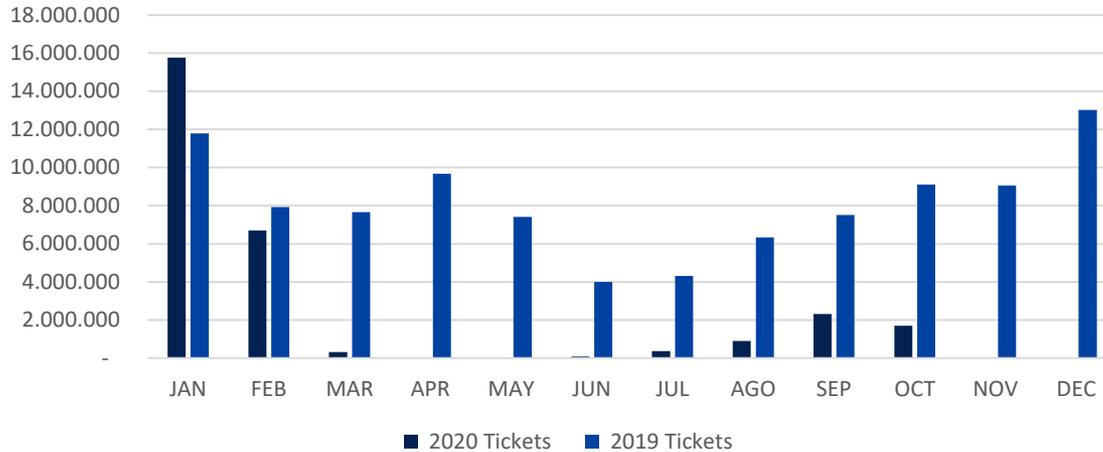
4. DISTRIBUTION

Business structure



Theatrical Distribution market update

Tickets by Months



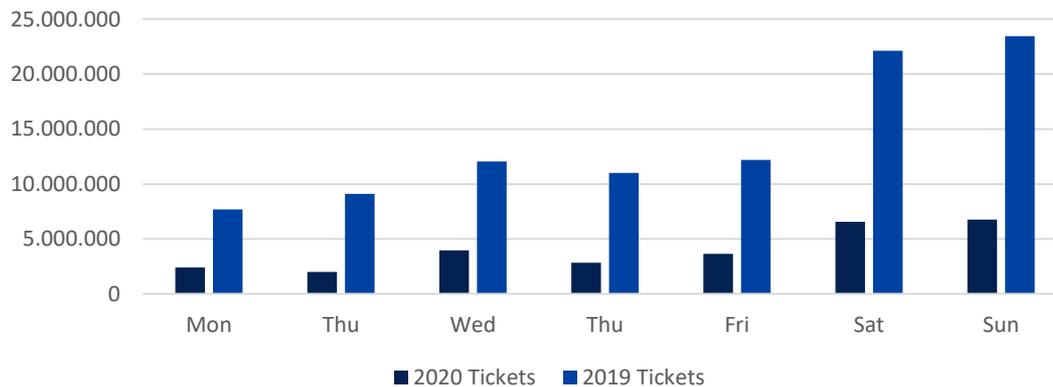
Total Box Office 2020: 182,5 ml

(-71,28% vs 2019)

Total Tickets 2020: 28,1 ml

(-71,20% vs 2019)

Tickets by Day





5. PRODUCTION

Lotus business model hedges its risks pre-covering production budgets

Production

Project identification

Selection of director and cast

Sign agreements with all key players

Cost coverage

Production and co-production

Cost partially or totally covered by pre-sales of rights, international sales, tax credit, governmental and regional incentives, equity

Executive Production services for international producers

Costs entirely up-fronted by the client
Lotus receives a fee
No balance sheet or P&L risk

Commercialization

Perpetual sale of content across all distribution channels
Library build-up as rights are retained

Sale of the entire product to a single client
No rights retained

Our investment criteria in movie production

Stand-out

We focus on products which can be immediately recognized by the audience (director, cast, story, etc.)

Marketability

Commercial appeal is the key driver

Financial discipline

No cash-out until all movie costs are covered

Internationalization

Products that can be sold outside national borders are of particular interest



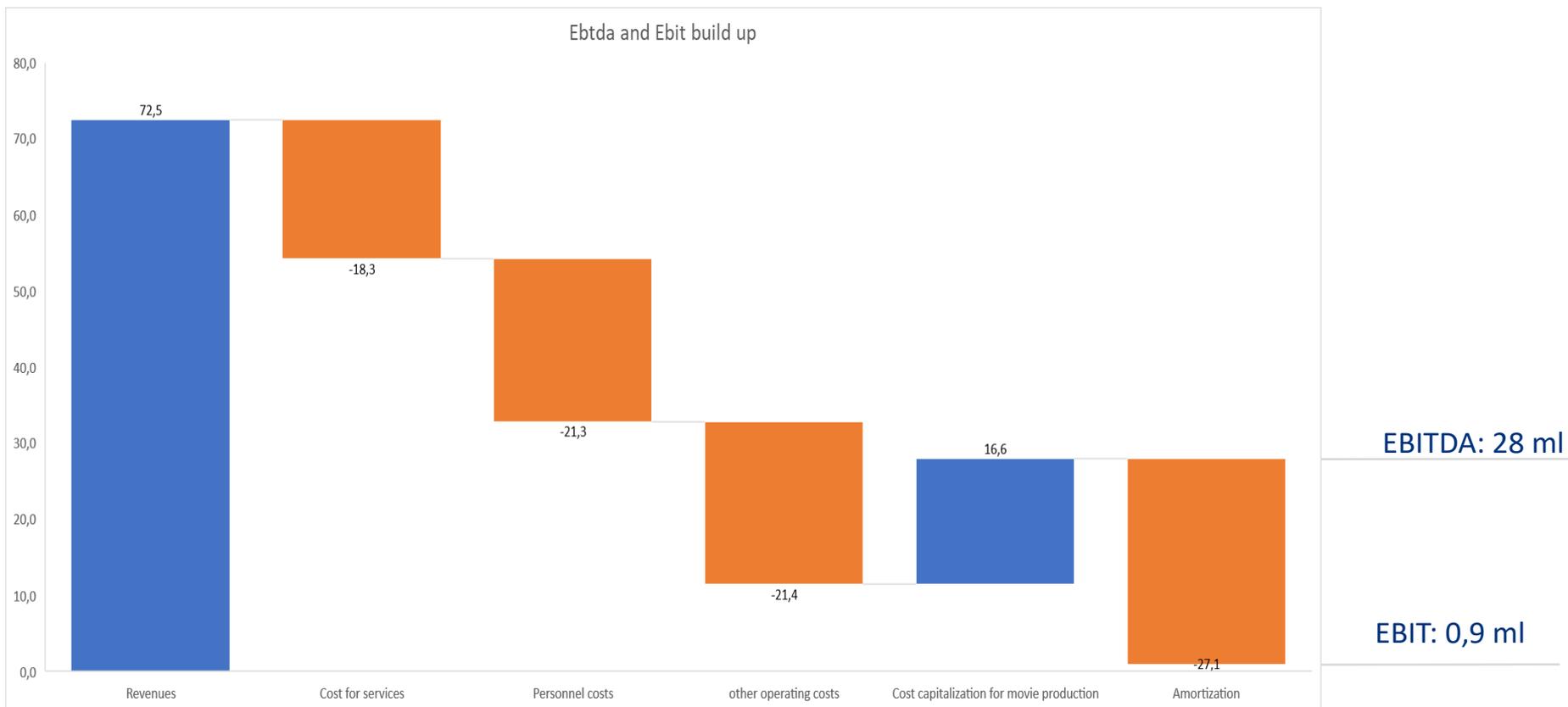
6. 2020 RESULTS AND 2021 TARGETS

2020 Financial highlights

(€/m)	2020E	2020A ⁽¹⁾	Δ	Δ%
Revenues	62,0	72,5	10,5	17,0%
EBITDA	27,6	28,0	0,4	1,3%
EBIT	1,2	0,9	-0,3	-23,4%
Net Income/(Net Loss)	(0,9)	(1,2)	-0,3	28,4%
Net Financial Position/(Cash)	69,7	65,9	-3,8	-5,4%
Net Debt / EBITDA	2,5	2,4	-0,2	-6,6%
Total releases (#)	7	7	0,0	0,0%
Distribution	6	5	-1,0	-16,7%
Production	1	2	1,0	100,0%
Investments	34,0	28,7	-5,3	-15,7%

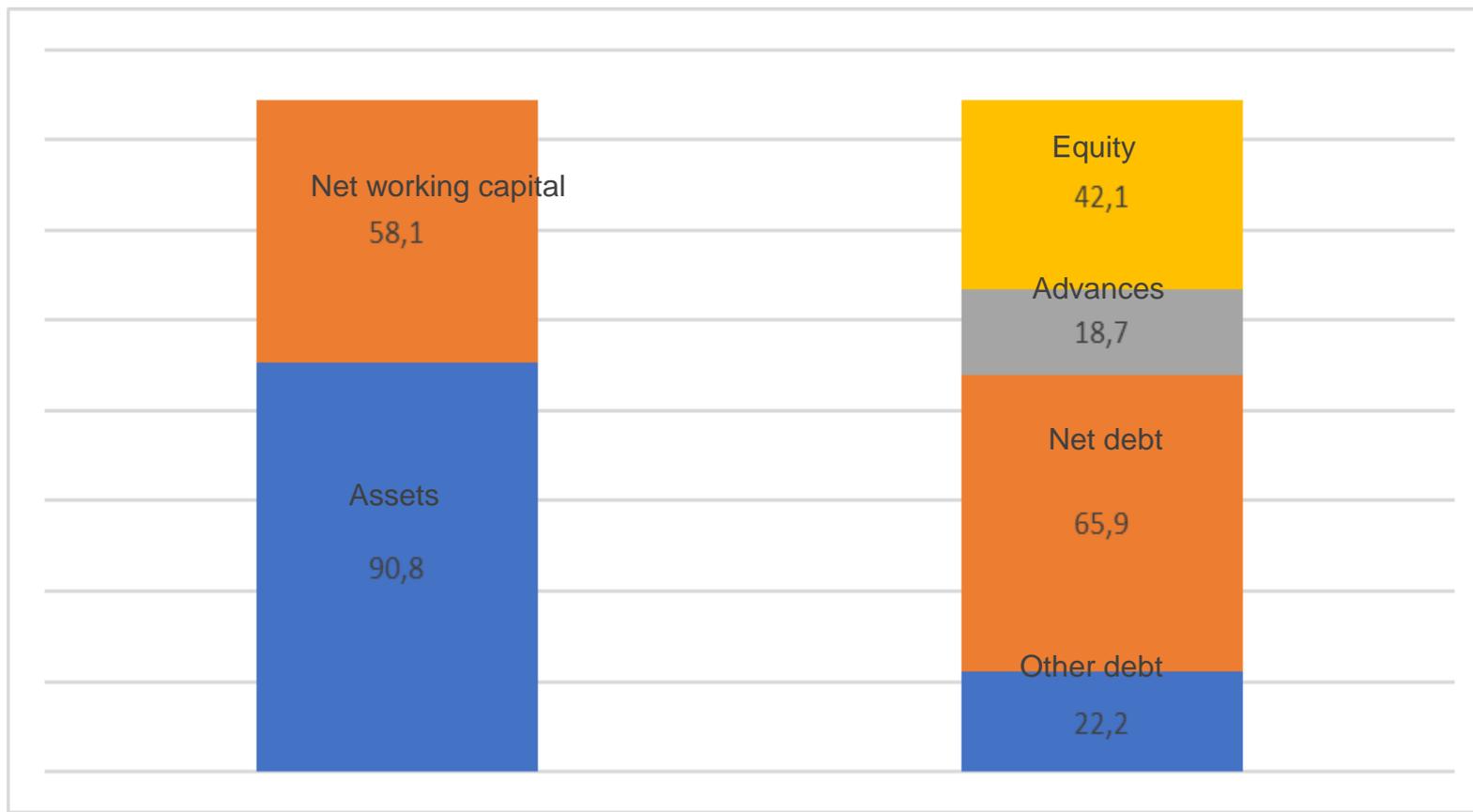
2020 EBITDA and EBIT generation⁽¹⁾

€ ml



2020 financial structure ⁽¹⁾

€ ml



Our targets for 2021

(€/m)	2020A	2021E	CAGR
Revenues	72,5	104,5	44%
EBITDA	28,0	39,1	40%
EBIT	0,9	6,8	641%
Net Income	-1,2	4,2	n/a
Net Financial Position/(Cash)	65,9	66,4	1%
Net Debt / EBITDA	2,4	1,7	-28%
Total releases (#)	7	3	-57%
Distribution	5	2	-60%
Production	2	1	-50%
Investments	23,2	32,2	39%

The Group assumes a situation of the Covid 19 normalizing in second half of 2021. This is reflected in the hypothesis of low theatrical revenues in first semester 2021 and average theatrical revenues in second semester 2021. It is also assumed that there are no impacts on the completion of the production activities. If, on the other hand, the pandemic were to restart in an important form also in second semester 2021 and if the completion of the production activities was to be severely impacted by Covid, this would worsen the Group's result.

2021 targets by business

(€/m)	2020A	2021E	CAGR
Revenues	72,5	104,5	44%
Distribution	24,1	22,9	-5%
Production	48,4	81,6	69%
Ebitda	28,0	39,1	
Distribution	16,1	17,1	6%
Production	11,9	22,0	85%
Ebit	0,9	6,8	
Distribution	0,9	3,4	288%
Production	0,0	3,4	n/a

Distribution

(€/m)	2020A	2021E	CAGR
Theatrical Releases (#)	5	2	-60%
Theatrical Revenues	3,0	1,4	-54%
Sale of Rights	1,4	2,4	64%
Free TV	5,6	6,2	11%
Digital + Pay-TV	12,4	10,8	-12%
Home Video	0,5	0,2	-56%
Others	1,2	1,9	60%
Revenues	24,1	22,9	-5%
P&A and Other Costs	(8,0)	-5,8	-27%
EBITDA	16,1	17,1	6%
Amortizations	(15,2)	(13,6)	-10%
EBIT	0,9	3,5	293%

Production

(€/m)	2020A	2021E	CAGR
Productions	2	1	-50%
Revenues	48,4	81,6	69%
Production, Corporate & P&A costs	(36,5)	(59,6)	63%
EBITDA	11,9	22,0	85%
D&A	(11,9)	(18,6)	57%
EBIT	0,0	3,4	n/a

Our 2021 expected theatrical releases

2021



Distribution

- **Spiral**
- **After 3**



Production

- **Supereroi**

DISCLAIMER



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