

THE ITALIAN SEA GROUP

PICCHIOTTI
SINCE 1600

ADMIRAL

PERINI NAVI

TECNOMAR

NCA REFIT

Q1 2022 RESULTS

May 11th, 2022



The Italian Sea Group at a glance

3

SHIPYARDS
IN ITALY

4

BUSINESS
UNITS

6

SHIPYARDS
IN EUROPE
EXCLUDING
ITALY

863

LAUNCHED
YACHTS

The Italian Sea Group S.p.A. is a global operator in the luxury yachting industry, the first Italian builder and the fourth builder worldwide for yachts over 50 mt¹.

BRANDS

PICCHIOTTI
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 **ADMIRAL**

 **PERINI NAVI**

TECNOMAR

NCA REFIT

PARTNERSHIPS

TECNOMAR FOR 


GIORGIO ARMANI

THE ITALIAN SEA GROUP

Notes: 1) Ranking based on 2021 sales (source: Boat International, Global Order Book 2021)

FINANCIALS

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Q1 2022 Major Highlights



Strong EBITDA growth (+120.3% vs Q1 2021) to Eu 10.2 mn and an EBITDA margin equal to 14.8% (vs 13.4% in Q1 2021)



Significant increase in Net Sales (+98.6% vs Q1 2021) to Eu 69 mn



Order Book (Shipbuilding and Refit) to Eu 891 mn and Net Backlog (Shipbuilding and Refit) equal to Eu 573 mn with 31 yachts under construction



Investments Eu 4 mn for the progress of the "TISG 4.0" and "TISG 4.1" investment plans and the fine-tuning of the La Spezia and Viareggio shipyards

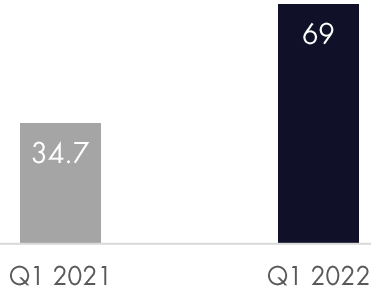


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Q1 2022 in numbers (1/2)

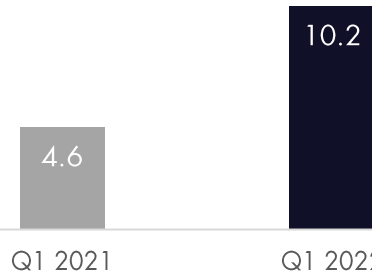
Net Sales Q1 2022

Eu 69 mn
(+98.6% vs Q1 2021)



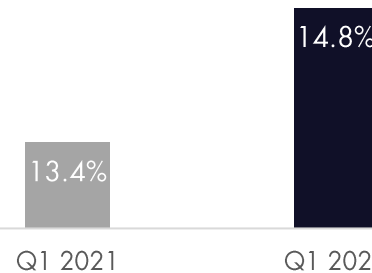
EBITDA Q1 2022

Eu 10.2 mn
(+120.3% vs Q1 2021)



EBITDA Margin Q1 2022

(+140 bps vs Q1 2021)



Comments

- Increase in **Net Sales** by **98.6%** with respect to Q1 2021, related to the positive progress of Shipbuilding orders and the increase in Refit activities due to the expansion in production capacity.
- Growth in **EBITDA Margin** reflects:
 - an optimal mix between Shipbuilding and Refit activities, granting strong marginality;
 - strict management of costs and budgets;
 - increase in the sale prices of products, due to renown quality standards and high-end market positioning.

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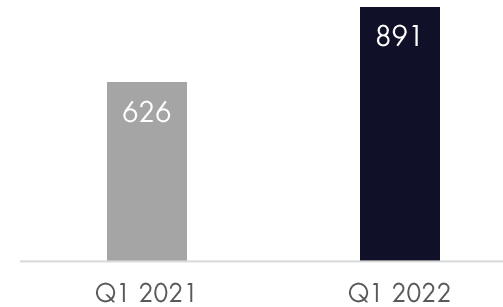
Q1 2022 in numbers (2/2)

Comments

- Increase in **Order Book**, with **31 yachts** under construction.
- **Net Financial Position (NFP)** reflecting:
 - - **Eu 75 mn** destined to the **Perini Navi** acquisition;
 - - **Eu 4 mn** investments for the first quarter of the year;
 - - **Eu 15 mn** Net Working Capital.
- **Investments** for **Eu 4 mn** related to the progress of investment plans "TISG 4.0" and "TISG 4.1" and the fine-tuning of the two shipyards of Viareggio and La Spezia.

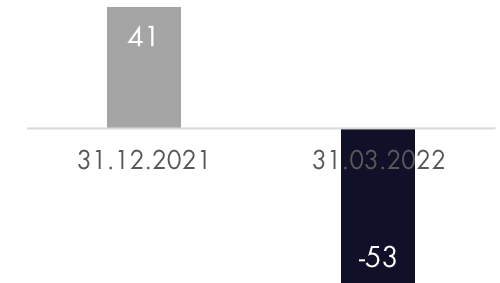
Order Book Q1 2022

Eu 891 mn



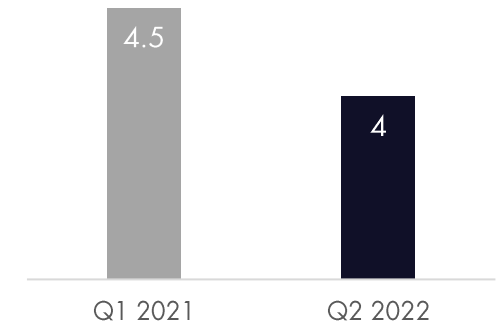
NFP Q1 2022

Eu (53) mn



CAPEX Q1 2022

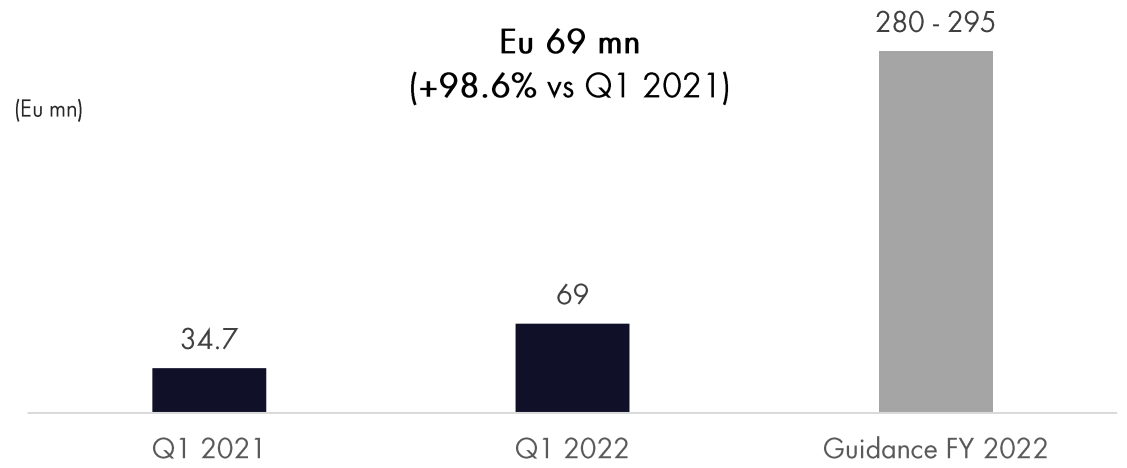
Eu 4 mn



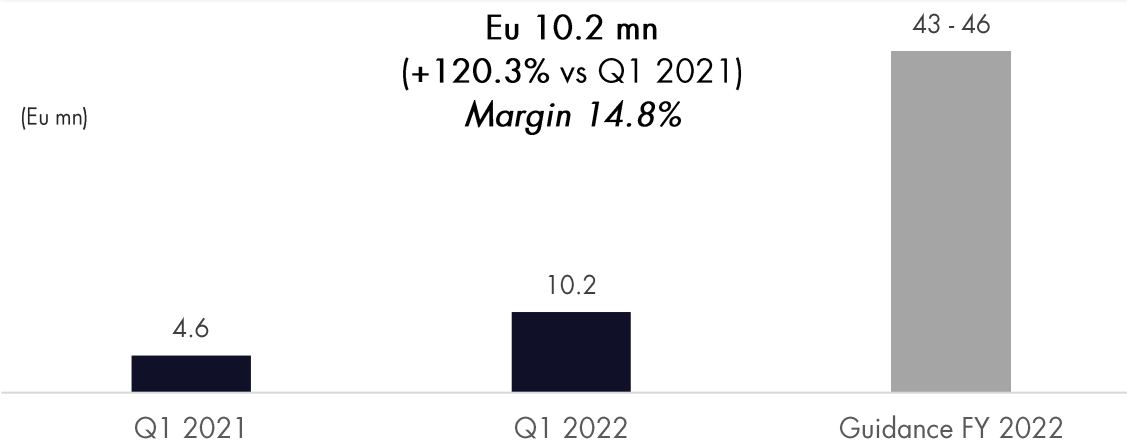
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Net Sales and EBITDA Evolution

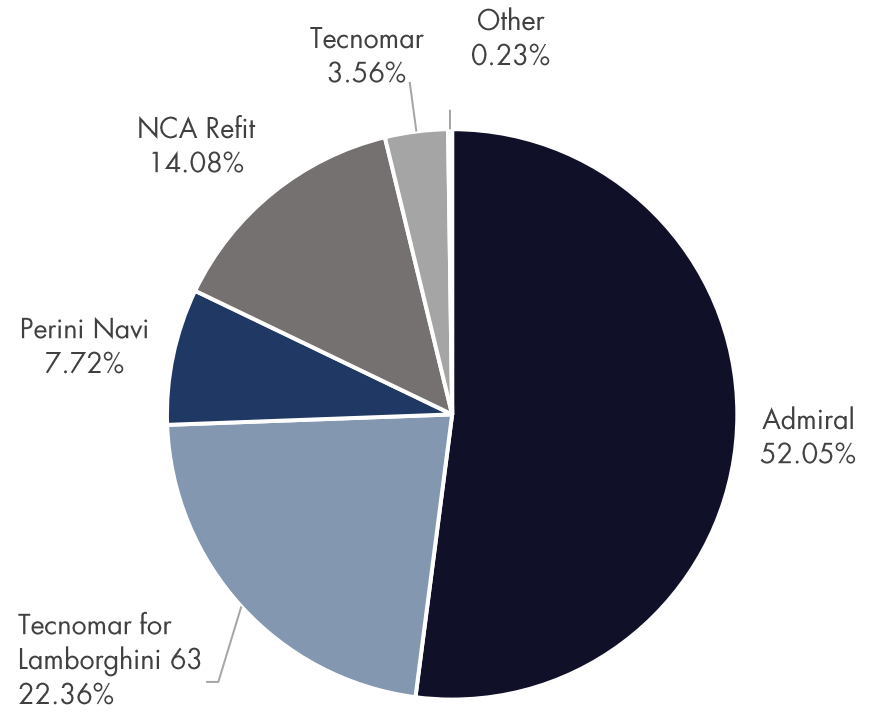
Net Sales Q1 2022



EBITDA Q1 2022



Q1 2022 Net Sales breakdown by brand

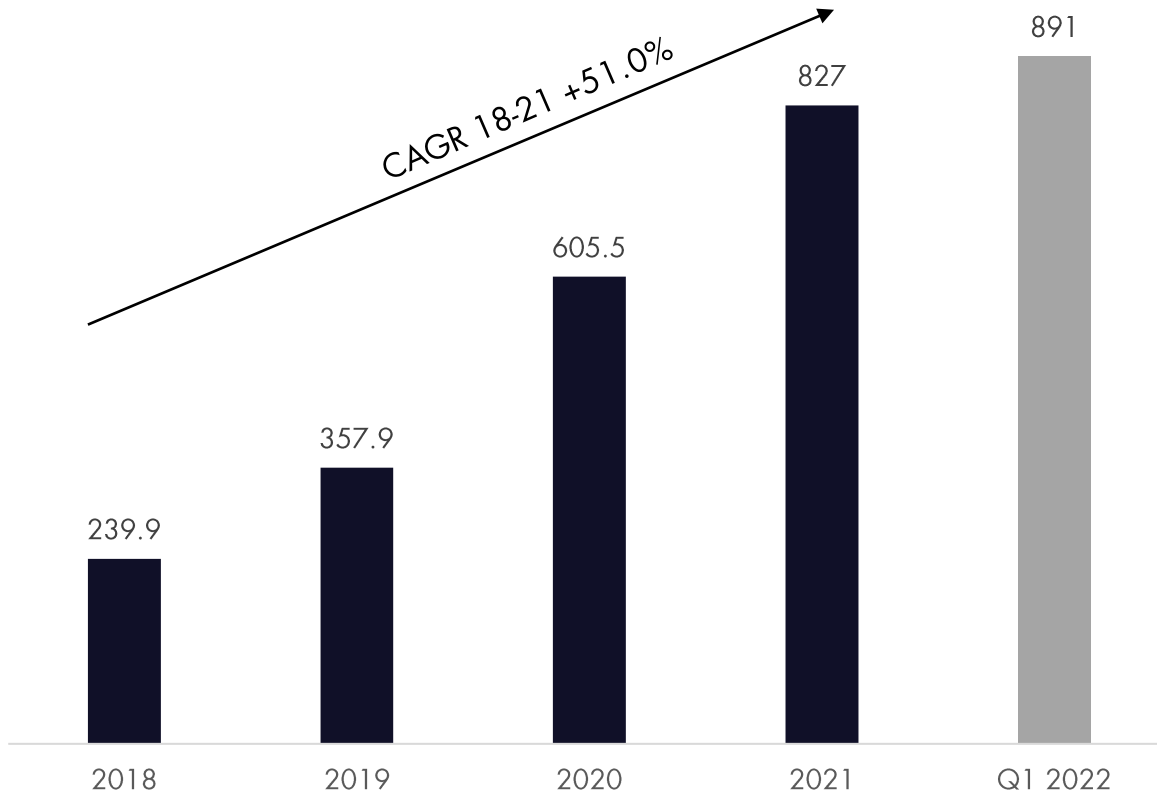


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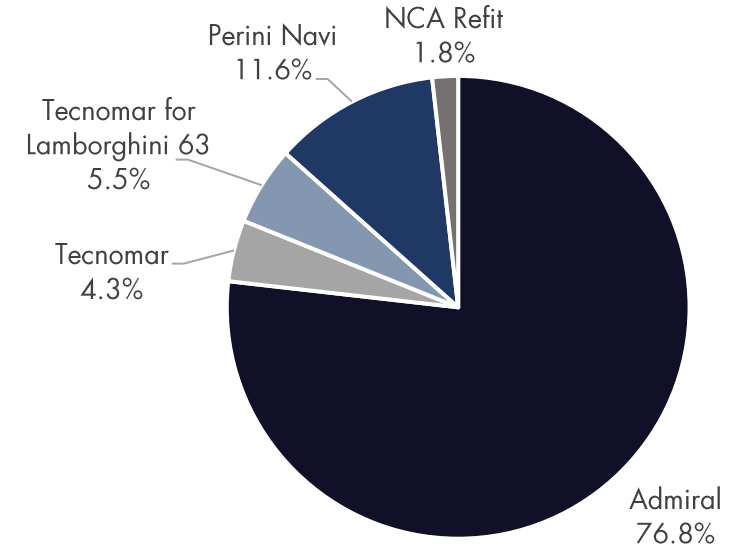
Order Book Evolution

Q1 2022 Order Book¹

(Eu mn)



Q1 2022 Order Book breakdown by brand



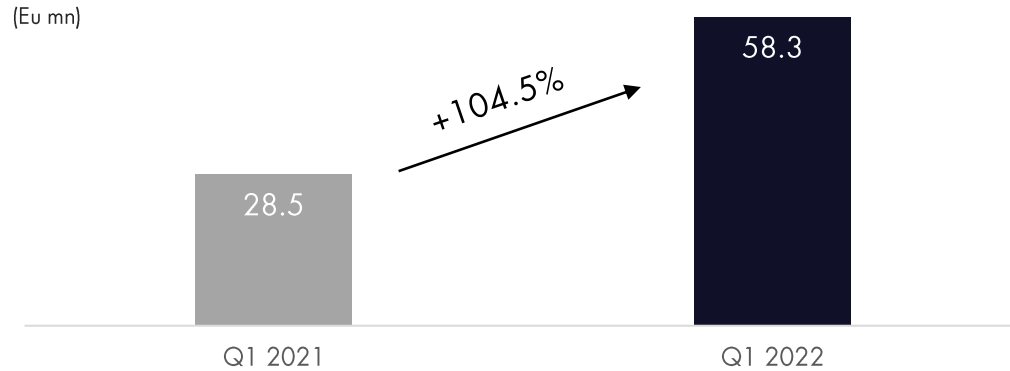
Comments

- Growing Order Book with visibility up to 2026, including:
 - 17 mega and giga yachts under construction
 - 14 Tecnomar for Lamborghini 63.

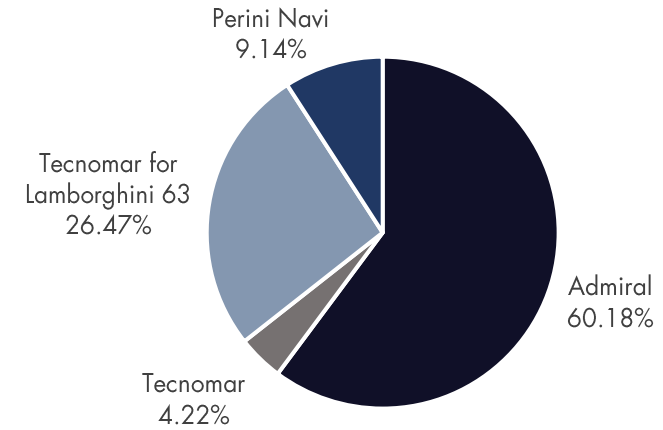
Notes: 1) Order Book is equal to the sum of all contract values related to orders in progress;

Q1 2022 - Shipbuilding

Revenues



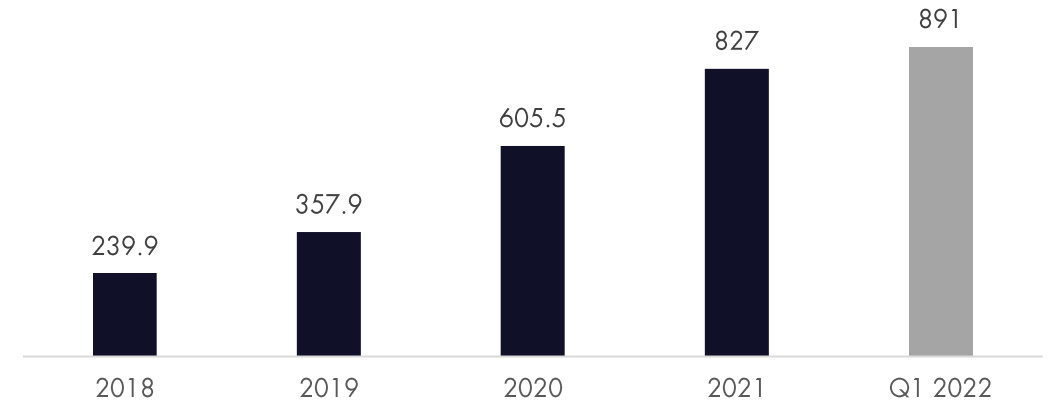
Q1 2022 Revenues breakdown



Comments

- Revenue growth driven by several factors, mainly:
 - Sound progress of orders for motor-yachts in the higher dimensional range (over 60 mt);
 - Start of works on Perini Navi orders;
 - Increase in sale prices due to recognised quality and high-end market positioning.

Order Book

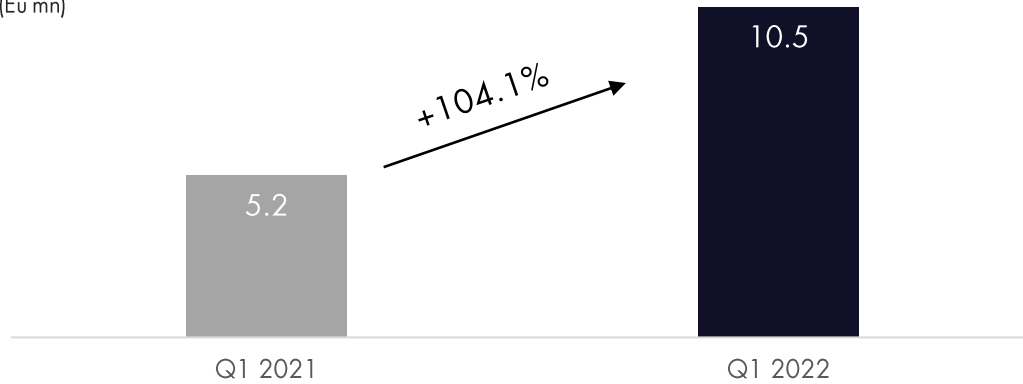


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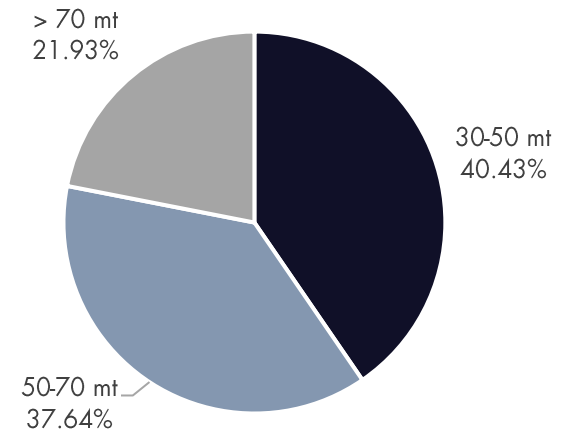
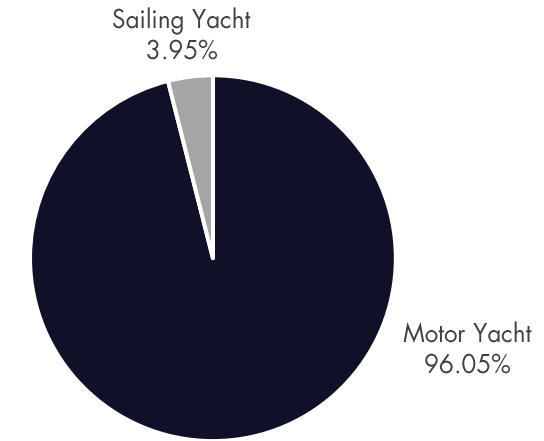
Q1 2022 - Refit

Revenues

(Eu mn)



Q1 2022 Revenues breakdown



Comments

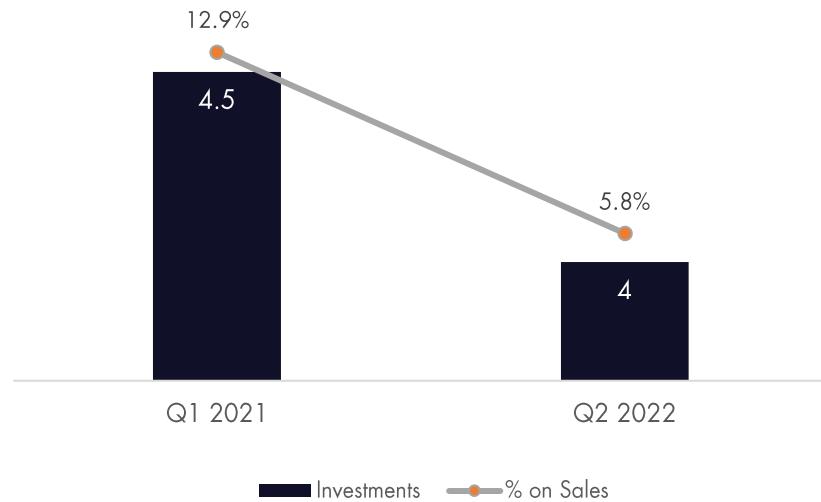
- Revenue growth driven by:
 - Activities performed on motor-yachts and sailing yachts in the higher dimensional range.
 - Expansion in production capacity in the Viareggio and La Spezia shipyard, allowing for increase in order intake.

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CAPEX

Q1 2022

(Eu mn)



Comments

- Investments for Eu 4 mn, related to:
 - The regular progress of the remaining activities relating to the "TISG 4.0" and "TISG 4.1" investment plans;
 - The **fine-tuning** of the Viareggio and La Spezia shipyards acquired from Perini Navi.
- Between 2022 and 2023, the Viareggio and La Spezia Shipyards will require Eu 1.8 mn of total investments.



STRATEGY

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Our Strategy in Action



Focus on **larger dimensions** for vessels, up to **over 100 mt LOA**, granting better backlog coverage and higher visibility.



Perini Navi Relaunch, with **three sailing yachts** already in production to be delivered between 2023 and 2024.



Picchiotti Relaunch, with a completely new fleet, still respecting the historical brand's style codes.



Enhancement of the Company's positioning in the **luxury industry**, also through the development of **new partnership agreements** with leading **luxury brands**.



Partnerships with **leading international brokers** to boost positioning and facilitate entrance in markets in which TISG sees great potential.



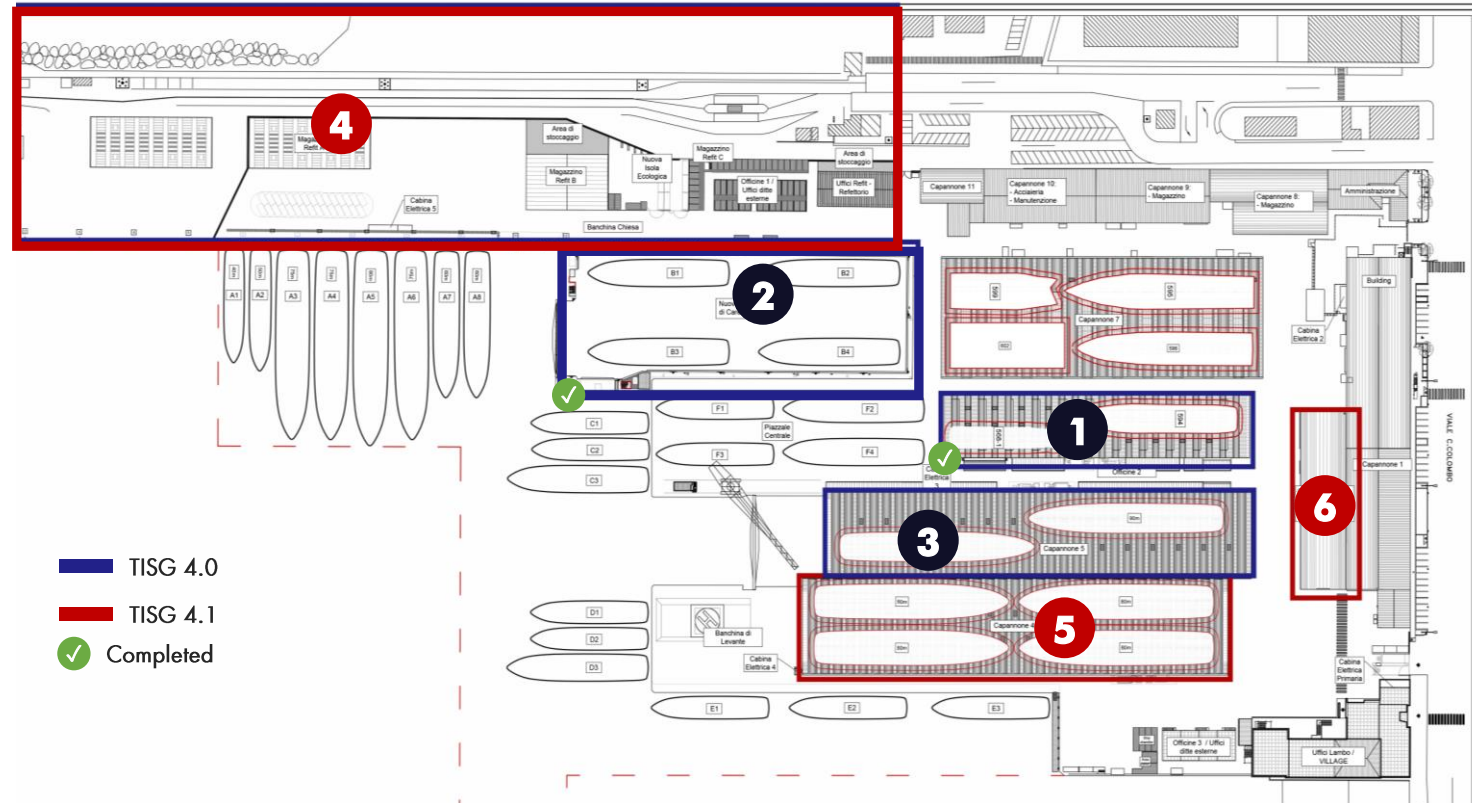
Expansion of **production capacity** in the Headquarters through investment plans "TISG 4.0" and "TISG 4.1" and fine-tuning of **Perini Navi** production sites in Viareggio and La Spezia



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Investment Plans – “TISG 4.0” and “TISG 4.1”

- “TISG 4.0” Investment plan approved in early 2020 for Eu 38 mn to expand production capacity by 40%, with Eu 9 mn to be invested in 2022
- “TISG 4.1” Investment plan approved on November 4th, 2021 for Eu 14 mn inside the Marina di Carrara shipyard, with Eu 10 mn to be invested in 2022



“TISG 4.0”

- 1 New shed with the capacity to accommodate up to two 80 mt yachts [completed]
- 2 New dry dock with a maximum capacity of 5 yachts between 60 and 70 mt and vessels up to 140 mt [completed]
- 3 New shed on the old dry dock, with capacity up to two 90 mt yachts

“TISG 4.1”

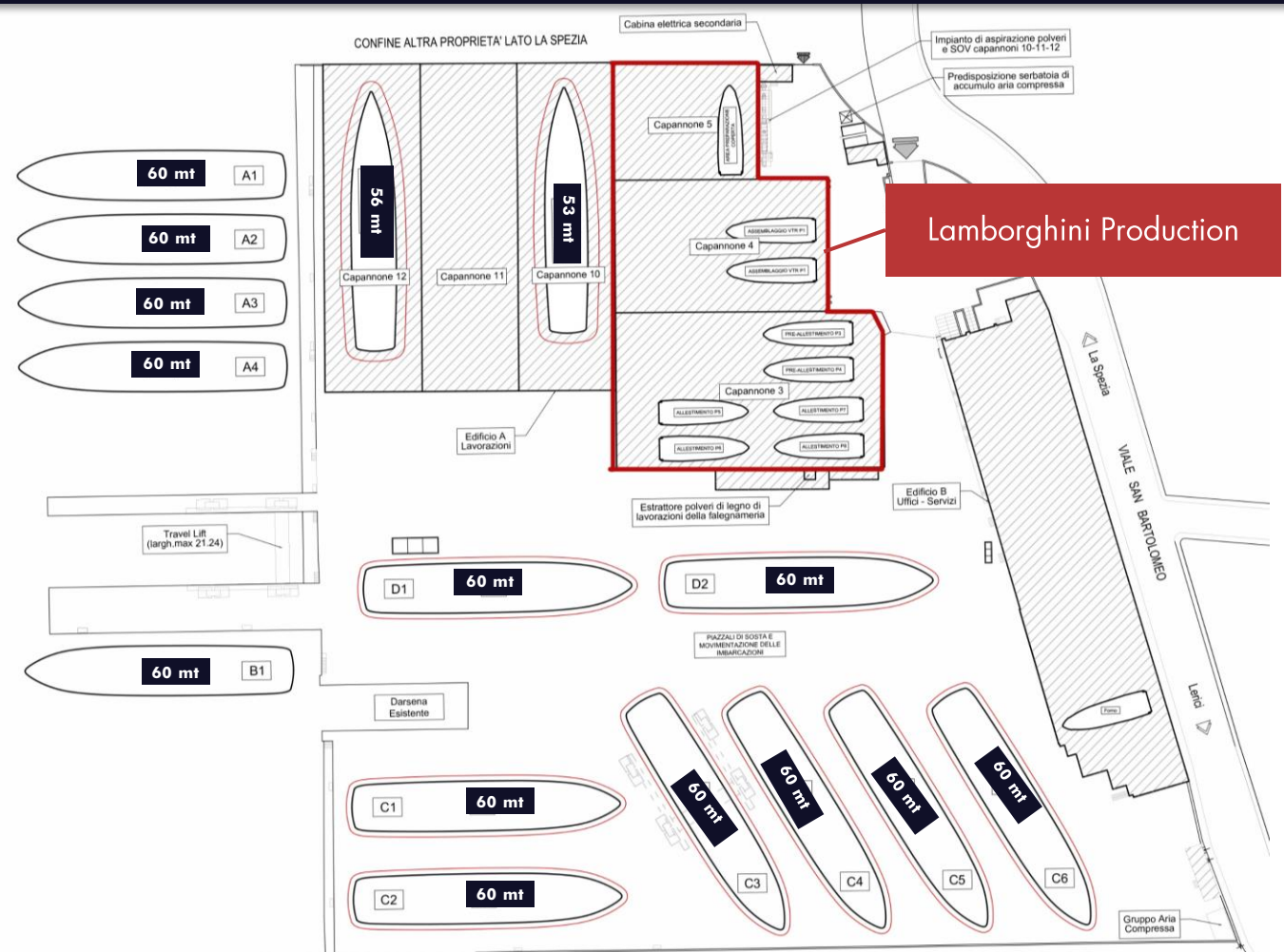
- 4 Expansion on the Chiesa Dock to expand spaces dedicated to refit activities and moorings of yachts
- 5 New shed next to the old dock, with capacity of 4 yachts from 75 – 80mt
- 6 New spaces dedicated to (i) warehouse, (ii) painting and (iii) upholstery

Perini Navi Acquisition – La Spezia Production Facilities

LA SPEZIA

Equipped with impressive infrastructures, including new hangars and an expansive dock front, La Spezia has gained a solid reputation in refit.

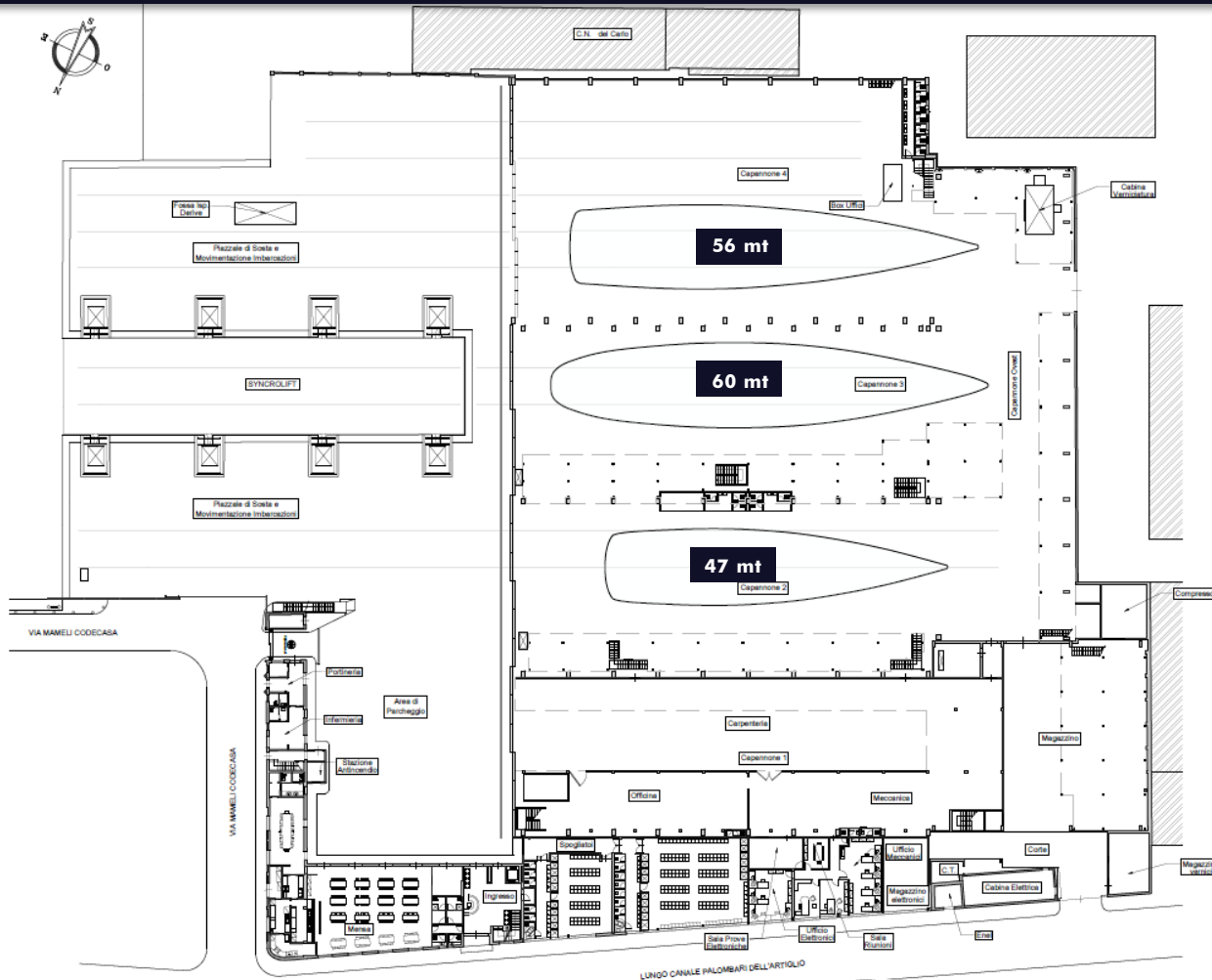
- Production facilities dedicated to refit, with a contemporaneity up to 16 orders of c. 60 mt LOA
- Production facilities dedicated to Tecnomar for Lamborghini 63



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Perini Navi Acquisition – Viareggio Production Facilities

VIAREGGIO



Viareggio is where the Perini Navi headquarters are located and where nearly all of the Perini Navi sailing yachts are built.

- Production facilities dedicated to sailing yacht production
- Three deliveries of sailing yachts scheduled between 2023 and 2024.



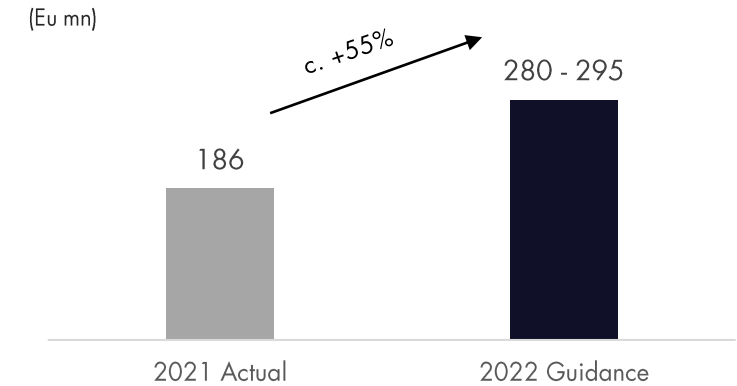
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FY 2022 Guidance Confirmed

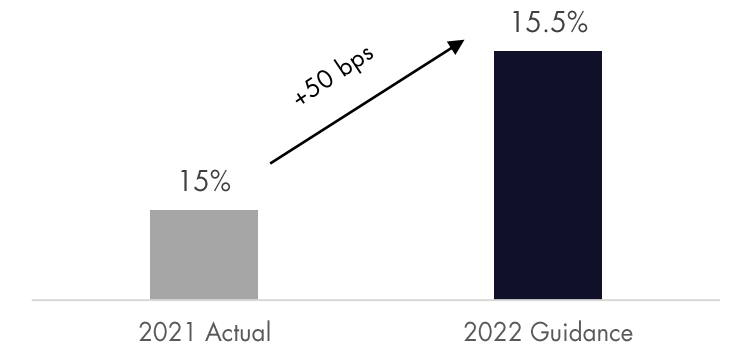
Despite the challenging scenario, TISG confirms the Guidance provided on **February 22nd**, when releasing preliminary FY21 results.

- **Net Sales 2022** expected to rise by c. 55% vs FY2021, driven by the progress of already existing contracts and from a forecasted increase in demand for yachts in the higher dimensional range.
- **EBITDA Margin** is expected to reach 15.5% in 2022, driven by:
 - Increase in **production capacity** due to the advancement of investment plans "TISG 4.0" and "TISG 4.1", as well as the speedy start-up of the Viareggio and La Spezia shipyards with a limited amount of investments (Eu 1.8 mn in the 2022-2023 period);
 - Increase of **sale prices**, improving marginality and offsetting the rise in raw material costs.

Net Sales Guidance 2022



EBITDA Margin Guidance 2022



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PERINI NAVI

“I grandi sogni non devono mai finire”

Giovanni Costantino

Founder & CEO - The Italian Sea Group

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