



Immsi

Società per Azioni

Share capital €178,464,000 fully paid up
Registered office: Piazza Vilfredo Pareto, 3 – 46100 Mantova
Mantova Register of Companies – Tax code and VAT registration number
07918540019

Interim Report

on

Operations

31 March 2023

This Interim Financial Report as of 31 March 2023 has been translated into English solely for the convenience of the international reader. In the event of conflict or inconsistency between the terms used in the Italian version of the report and the English version, the Italian version shall prevail, as the Italian version constitutes the sole official document

Immsi

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This document was approved by the Board of Directors of Immsi S.p.A. on 10 May 2023 and is available to the public at the Company's registered office, in the authorised 'eMarket STORAGE' system available at www.emarketstorage.it and on the Issuer's website www.immsi.it (section: "Investors/Financial reports/2023")

COMPANY BOARDS

The Board of Directors and the Board of Statutory Auditors of Immsi S.p.A. were appointed by shareholders' resolution of 30 April 2021 and will remain in office until the date the Shareholders' Meeting is convened to approve the financial statements for the year ending 31 December 2023.

BOARD OF DIRECTORS

Roberto Colaninno	Chairman
Daniele Discepolo	Deputy Chairman
Michele Colaninno	Chief Executive Officer
Matteo Colaninno	Director
Ruggero Magnoni	Director
Gianpiero Succi	Director
Patrizia De Pasquale	Director
Paola Mignani	Director
Alessandra Simonotto	Director
Giulia Molteni	Director
Rosanna Ricci	Director
Piercarlo Rossi	Director

BOARD OF STATUTORY AUDITORS

Antonella Giachetti	Chairman
Alessandro Lai	Statutory Auditor
Giovanni Barbara	Statutory Auditor
Gianmarco Losi	Alternate Auditor
Filippo Dami	Alternate Auditor

INDEPENDENT AUDITORS

Deloitte & Touche S.p.A.	2021 - 2029
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GENERAL MANAGER

Michele Colaninno

In accordance with the principles of Corporate Governance recommended by the Corporate Governance Code (January 2020 version), and pursuant to Legislative Decree 231/01, the Board of Directors has established the following bodies:

RISK AND SUSTAINABILITY COMMITTEE

Daniele Discepolo Paola Mignani Rosanna Ricci	Chairman
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RELATED-PARTY COMMITTEE

Rosanna Ricci Paola Mignani Patrizia De Pasquale	Chairman
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COMPLIANCE COMMITTEE

Marco Reboa Giovanni Barbara Maurizio Strozzi	Chairman
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APPOINTMENT PROPOSAL AND REMUNERATION COMMITTEE

Daniele Discepolo Paola Mignani Rosanna Ricci	Chairman
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LEAD INDEPENDENT DIRECTOR

Daniele Discepolo

CHIEF EXECUTIVE OFFICER

Michele Colaninno

INTERNAL AUDIT MANAGER

Maurizio Strozzi

MANAGER IN CHARGE OF PREPARING THE COMPANY ACCOUNTS

Stefano Tenucci

INVESTOR RELATOR

Stefano Tenucci

All information on powers reserved for the Board of Directors, the authority granted to the Chairman and CEO, as well as functions of various Committees of the Board of Directors, is available in the Governance section of the Issuer's website www.immsi.it.

Covid-19 health emergency and the Russia-Ukraine conflict

Health emergency – Covid-19

At the start of 2023, the epidemiological situation improved further, and in early May 2023, the World Health Organization declared the end of the global health emergency.

In all markets in which the Group operates, lockdown measures are no longer in place and cases of contagion are falling sharply.

The Group is closely monitoring developments in the situation and has taken all possible precautions to guarantee employees' health at its offices and its commitments made with the sales network and with customers.

With particular regard to the Piaggio group, it is worth noting that the pandemic has made the need for safe personal transport increasingly important among the population – to the detriment of public transport, which is seen as a potential vector of transmission. The group will continue to work to seize the opportunities presented by potential growth in demand, offering products that guarantee safe travel with low or no environmental impact.

The subsidiary Intermarine S.p.A., which operates in the marine sector, is also maintaining the measures it put in place last year to comply with the requirements of the Government and relevant authorities to combat the spread of the Covid-19 virus to protect the community and the health of its workers, in accordance with regulations.

In the Property sector, the subsidiary Is Molas S.p.A., despite limitations linked to the health emergency, continued its commercial activities aimed at looking for potential buyers both of the villas built to date and, possibly, of those only partially built ("at an advanced construction stage").

Russia – Ukraine Crisis

In relation to the Russia-Ukraine conflict, the Group is carefully following the evolution of the crisis, which has generated increases in the costs of raw materials and energy, with significant repercussions on the world economy and on renewed inflation, which Western central banks are attempting to control by increasing interest rates. The extreme geographical diversification of the Group's sales and purchases means that it has essentially no exposure in the conflict area.

Regarding the indirect effects of the conflict, the Group was affected by the increase in the cost of energy – mainly in European plants – and of raw materials, partially mitigated by agreements reached with suppliers.

Financial highlights of the Immsi Group

In the first three months of 2023, the Immsi Group's indicators showed an improvement on the corresponding period of the previous year: turnover increased by 19.1%, EBITDA by 68.9% and the net profit including the portion attributable to non-controlling interests was €15.6 million in the first three months of 2023, compared to a profit of €5.7 million in the same period of 2022. Net financial debt at 31 March 2023 was equal to €804.5 million, down by around €32.3 million compared to the corresponding period of the previous year (€836.8 million).

For a clearer interpretation, the following is reported on a preliminary basis:

- The “property and holding sector” consolidated the financial position and performance of Immsi S.p.A., Immsi Audit S.c.a r.l., ISM Investimenti S.p.A., Is Molas S.p.A., Apuliae S.r.l., Pietra S.r.l. in liquidation and RCN Finanziaria S.p.A., as well as intergroup eliminations;
- the “industrial sector” includes the companies owned by the Piaggio group, while
- the “marine sector” includes Intermarine S.p.A..

Some of the main financial data of the Immsi Group are presented below, divided by business segment and determined, as already stated, in accordance with international accounting standards (IAS/IFRS). A more detailed description of the figures below may be found further on in this paragraph.

The Immsi Group at 31 March 2023

In thousands of Euros	<i>Property and holding sector</i>	<i>as a %</i>	<i>Property sector</i>	<i>as a %</i>	<i>Property sector</i>	<i>as a %</i>	<i>Immsi Group</i>	<i>as a %</i>
Net revenues	409		546,784		9,163		556,356	
Operating income before depreciation and amortisation (EBITDA)	-1,942	n/m	81,049	14.8%	-2,035	-22.2%	77,072	13.9%
Operating income (EBIT)	-2,215	n/m	44,868	8.2%	-2,334	-25.5%	40,319	7.2%
Profit before tax	-6,381	n/m	36,502	6.7%	-3,447	-37.6%	26,674	4.8%
Profit (loss) for the period including minority interests	-5,891	n/m	24,091	4.4%	-2,649	-28.9%	15,551	2.8%
Group earnings for the period (which may be consolidated)	-4,369	n/m	12,183	2.2%	-1,921	-21.0%	5,893	1.1%
Net debt	-308,853		-428,038		-67,567		-804,458	
Personnel (number)	55		6,429		221		6,705	

Hereunder we give the same table referring to the same period of the preceding year. A comparison between the two periods is made in the specific comment related to the single business sectors presented further on.

The Immsi Group at 31 March 2022

In thousands of Euros	<i>Property and holding sector</i>	<i>as a %</i>	<i>Property sector</i>	<i>as a %</i>	<i>Property sector</i>	<i>as a %</i>	<i>Immsi Group</i>	<i>as a %</i>
Net revenues	576		455,818		10,735		467,129	
Operating income before depreciation and amortisation (EBITDA)	-2,214	n/m	60,076	13.2%	-696	-6.5%	57,166	12.2%
Operating income (EBIT)	-2,504	n/m	27,665	6.1%	-1,292	-12.0%	23,869	5.1%
Profit before tax	-6,098	n/m	20,426	4.5%	-1,819	-16.9%	12,509	2.7%
Profit (loss) for the period including minority interests	-5,574	n/m	12,664	2.8%	-1,410	-13.1%	5,680	1.2%
Group earnings for the period (which may be consolidated)	-4,058	n/m	6,361	1.4%	-1,022	-9.5%	1,281	0.3%
Net debt	-328,206		-441,071		-67,491		-836,768	
Personnel (number)	57		6,332		234		6,623	

The data in the previous tables refer to results that may be consolidated, i.e. net in particular of revenues and intergroup costs and any dividends of subsidiaries.

Alternative non-GAAP performance indicators

This Report contains some indicators that, although not indicated by IFRS (“Non-GAAP Measures”), derive from IFRS financial measures.

These indicators – which are presented to allow a better assessment of the Group’s operating performance – should not be considered as an alternative to IFRS measures. They are identical to those contained in the Annual Report and Financial Statements at 31 December 2022 and in the periodical quarterly reports of the Immsi Group.

Moreover, the procedures for determining these indicators are not specifically regulated by reference accounting standards, so they might not be uniform with the measures adopted by other entities and therefore might not be sufficiently comparable.

In particular, the following alternative performance indicators have been used:

- **EBITDA:** defined as operating income before amortisation/depreciation and impairment costs of intangible assets and plant, property and equipment, as reported in the consolidated income statement;
- **Net financial debt (or net financial position):** equal to financial liabilities (current and non-current) including trade payables and other non-current payables that include a significant component of implicit (or explicit) finance, minus cash and cash equivalents

(ESMA Guidelines 2021 / 32-382-1138). On the other hand, as determined by the Immsi Group, net financial debt does not consider derivative financial instruments designated as hedging and non-hedging, fair value adjustments of the related hedged items and related accruals, fair value adjustments of financial liabilities, payables and accruals for interest accrued on bank loans, interest accrued on loans to third party shareholders.

A detailed table highlighting the items that contribute to the indicator is included in this Report.

Form and content

Italian Legislative Decree 25 of 2016, which implemented the new Directive Transparency II (2013/50/EU), eliminated the obligation of publication of the interim Report on Operations. The decision to continue to publish information on the first quarter and the first nine months of the Immsi Group was taken in continuity with the past, also in the light of changes in the regulatory framework. In this regard, it should be noted that Consob, with Resolution no. 19770 of 26 October 2016, approved the amendments to the Issuer Regulations on interim reports on operations (additional periodic financial information) through the introduction of the new Article 82-ter. The new provisions shall apply from 2 January 2017.

The disclosure on subsequent events and the operating outlook is provided later in the specific paragraph of this Report.

As provided for by Consob communication no. DEM/5073567 of 4 November 2005, the Company has indicated fewer details than required by IAS 34 – Interim Financial Reporting.

The information in this Report should be read together with the Consolidated Financial Statements at 31 December 2022, prepared according to IFRS.

The reclassified Income Statement and Statement of Comprehensive Income for the first three months of 2023 are given below, compared to the same period of 2022, as well as the reclassified Statement of Financial Position at 31 March 2023, compared to the situation at 31 December 2022 and 31 March 2022 and the Statement of Cash Flows at 31 March 2023 compared to the same period of 2022. The Statement of changes in shareholders' equity at 31 March 2023, compared with figures for the same period of the previous year is also presented.

In the first three months of 2023, and same period in 2022, there were no significant non-recurring transactions, as defined by Consob Communication no. DEM/6064293 of 28 July 2006, nor were there atypical or unusual transactions, as defined by Consob Communications no. DEM/6037577 of 28 April 2006 and no. DEM/6064293 of 28 July 2006.

The Executive in charge of financial reporting Stefano Tenucci, hereby declares, in accordance with paragraph 2 of Article 154-bis of the Consolidated Finance Act, that the accounting disclosure in this document corresponds to accounting records.

The preparation of the Interim Report on Operations required the Management to make estimates and assumptions that particularly affect the reported amounts of revenues, expenses, assets and liabilities recorded in the financial statements and disclosure of contingent assets and liabilities at the closing date of the period. If in the future such estimates and assumptions deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances should change. In addition, some evaluative processes, particularly the more complex ones such as the determination of impairment losses on intangible assets, are generally carried out completely only at the time of drawing up the annual financial statements, when all the potentially necessary information is available, saving the cases in which

there are indicators of impairment that require immediate evaluation of possible impairment of assets.

This document may include forward-looking statements, regarding future events and operating, economic and financial results of the Immsi Group. Said statements have a certain degree of risk and uncertainty by nature, since they depend on the occurrence of future events and developments. The actual results may differ even significantly compared to the forecast ones, in relation to several factors.

The Group's activities, especially those regarding the industrial sector and the tourist/hospitality industries, are subject to significant seasonal changes in sales during the year.

The financial statements are prepared using the going concern assumption. The Directors considered that despite the uncertainty caused by the global health emergency of Covid-19 and the conflict involving Russia and Ukraine, and all the consequences arising from these events, currently available funds, in addition to those generated from operating and financing activities, will enable the Group to meet its own needs arising from investments, management of working capital and repayment of debts, also bearing in mind the credit lines maturing in the next 12 months and the Group's financial commitments, and will ensure an adequate level of operational and strategic flexibility.

This Interim Report on Operations is expressed in Euros since that is the currency in which most of the Group's transactions take place. Unless stated otherwise, the figures in the financial statements and explanatory notes that follow are expressed in thousands of Euros.

The exchange rates used to translate the financial statements of companies included in the scope of consolidation into Euros are shown in the table below:

	Exchange rate as of 31 March 2023	Average exchange rate first three months of 2023	Exchange rate as of 31 December 2022	Average exchange rate first three months of 2022
US Dollar	1.0875	1.07301	1.0666	1.12168
Pound Sterling	0.87920	0.883090	0.88693	0.836406
Indian Rupee	89.3995	88.24376	88.1710	84.39443
Singapore Dollars	1.4464	1.43018	1.43	1.51692
Chinese Yuan	7.4763	7.34192	7.3582	7.12120
Croatian Kuna *	1	1	7.5345	7.54421
Japanese Yen	144.83	141.98062	140.66	130.46359
Vietnamese Dong	25,528.00	25,289.38462	25,183.00	25,541.75
Indonesian Rupiah	16,300.19	16,345.24815	16,519.82	16,088.34031
Brazilian Real	5.5158	5.57505	5.6386	5.86956

* Croatia joined the Euro area on 1 January 2023

This Interim Report on Operations at 31 March 2023, which is not audited, was prepared pursuant to Italian Legislative Decree 58/1998 as amended, and to Consob Regulation on Issuers and includes reclassified consolidated financial statements and notes prepared adopting the IFRS issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union. The interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") were also taken into account.

In preparing the Interim Report on Operations at 31 March 2023, the Immsi Group adopted the same accounting standards as those used for the Consolidated Financial Statements at 31 December 2022 (to which reference is made for further details), with the exception of the following.

New accounting standards, amendments and interpretations adopted from 1 January 2023

- On 18 May 2017, the IASB published IFRS 17 - Insurance Contracts, which is intended to replace IFRS 4 - Insurance Contracts. The standard applies from 1 January 2023 but early application is permitted, only for entities that apply IFRS 9 - *Financial Instruments* and IFRS 15 - *Revenue from Contracts with Customers*.
- On 9 December 2021, the IASB published an amendment called "*Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information*". The amendment is a transition option relating to comparative information about financial assets presented at the date of initial application of IFRS 17. The amendment is intended to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and thus to improve the usefulness of comparative information for readers of financial statements. The amendments apply from 1 January 2023, together with the application of IFRS 17.
- On 12 February 2021, the IASB published two amendments entitled "*Disclosure of Accounting Policies—Amendments to IAS 1 and IFRS Practice Statement 2*" and "*Definition of Accounting Estimates—Amendments to IAS 8*". The amendments are intended to improve the disclosure on accounting policy so as to provide more useful information to investors and other primary users of financial statements as well as to help companies distinguish changes in accounting estimates from changes in accounting policy. The amendments will apply from 1 January 2023, but early application is permitted.
- On 7 May 2021, the IASB published an amendment called "*Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction*". The document clarifies how deferred taxes should be accounted for on certain transactions that may generate assets and liabilities of equal amounts, such as leases and decommissioning obligations. The amendments will apply from 1 January 2023, but early application is permitted.

The application of the new amendments did not have a significant impact on values or on the financial statements.

Accounting standards, amendments and interpretations not yet applicable

At the date of these Financial Statements, competent bodies of the European Union had not completed the approval process necessary for the application of the following accounting standards and amendments:

- On 23 January 2020, the IASB published an amendment called "*Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current*" and on 31 October 2022 published an amendment called "*Amendments to IAS 1 Presentation of Financial Statements: Non-Current Liabilities with Covenants*". These documents aim to clarify how to classify debts and other short or long term liabilities. The amendments enter into force on 1 January 2024; although earlier application is permitted.
- On 22 September 2022, the IASB published an amendment called "*Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback*". The document requires the seller-lessee to measure the lease liability arising from a sale and leaseback transaction so as not to recognise an income or loss that relates to the retained right of use. The amendments will apply from 1 January 2024, but early application is permitted.

The Group will adopt these new standards, amendments and interpretations, based on the application date indicated, and will evaluate potential impact, when the standards, amendments and interpretations are endorsed by the European Union.

Scope of consolidation

For the purposes of consolidation, the financial statements at 31 March 2023 of companies included in the scope of consolidation, appropriately modified and reclassified, where necessary, to bring them in line with international accounting standards and uniform classification criteria used by the Group, were used. The scope of consolidation includes the companies in which the Parent Company, directly or indirectly, owns more than half of the voting rights exercisable in Shareholders' Meetings, or has the power to control or direct voting rights by means of contractual or by-law clauses, or can appoint the majority of the members of the Boards of Directors. Excluded from the line-by-line consolidation are non-operating subsidiaries or those with low operating levels as their influence on the final result of the Group is insignificant.

As at 31 March 2023, the scope of consolidation had changed as follows:

- the consolidated portion of shareholders' equity of the Piaggio group, which amounted to 50.57% at 31 March 2023, was basically unchanged compared to 31 December 2022 (amounting to 50.23% as at 31 March 2022). The changes are due to the buyback of treasury shares by the subsidiary Piaggio & C. S.p.A.;
- on 14 June 2022, the direct subsidiary Pietra S.r.l. (77.78% owned by Immsi S.p.A. and 22.22% by Intesa Sanpaolo S.p.A.), signed the definitive contract with Chorus Life Pietra Ligure S.p.A. (wholly owned by Polifin S.p.A.) for the sale of the entire equity investment held directly in Pietra Ligure S.r.l..

These changes are limited and did not affect the comparability of the balance sheet and income statement between the two reporting periods.

For details on the structure of the Immsi Group, please refer to the table included in the Directors' Report and Financial Statements as at 31 December 2022, to which reference is made.

Reclassified consolidated financial statements and relative notes

Reclassified income statement of the Immsi Group

In thousands of Euros	31.03.2023		31.03.2022		Change	
Net revenues	556,356	100%	467,129	100%	89,227	19.1%
Costs for materials	356,966	64.2%	294,873	63.1%	62,093	21.1%
Costs for services, leases and rentals	79,013	14.2%	71,909	15.4%	7,104	9.9%
Employee costs	71,163	12.8%	69,406	14.9%	1,757	2.5%
Other operating income	35,581	6.4%	32,879	7.0%	2,702	8.2%
Net reversals (write-downs) of trade and other receivables	-1,165	-0.2%	-972	-0.2%	-193	-19.9%
Other operating costs	6,558	1.2%	5,682	1.2%	876	15.4%
OPERATING INCOME BEFORE AMORTISATION AND DEPRECIATION (EBITDA)	77,072	13.9%	57,166	12.2%	19,906	34.8%
Depreciation and impairment costs of plant, property and equipment	16,514	3.0%	14,728	3.2%	1,786	12.1%
Impairment of goodwill	0	-	0	-	0	-
Amortisation and impairment costs of intangible assets with a finite useful life	20,239	3.6%	18,569	4.0%	1,670	9.0%
OPERATING INCOME (EBIT)	40,319	7.2%	23,869	5.1%	16,450	68.9%
Income/(loss) from investments	5	0.0%	-67	0.0%	72	-
Financial income	7,370	1.3%	6,447	1.4%	923	14.3%
Borrowing costs	21,020	3.8%	17,740	3.8%	3,280	18.5%
PROFIT BEFORE TAX	26,674	4.8%	12,509	2.7%	14,165	113.2%
Taxes	11,123	2.0%	6,829	1.5%	4,294	62.9%
PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	15,551	2.8%	5,680	1.2%	9,871	173.8%
Gain (loss) from assets held for sale or disposal	0	-	0	-	0	-
PROFIT (LOSS) FOR THE PERIOD INCLUDING MINORITY INTERESTS	15,551	2.8%	5,680	1.2%	9,871	173.8%
Earnings for the period attributable to non-controlling interests	9,658	1.7%	4,399	0.9%	5,259	119.5%
GROUP PROFIT (LOSS) FOR THE PERIOD	5,893	1.1%	1,281	0.3%	4,612	360.0%

Statement of comprehensive income of the Immsi Group

In thousands of Euros	31.03.2023	31.03.2022
PROFIT (LOSS) FOR THE PERIOD INCLUDING MINORITY INTERESTS	15,551	5,680
Items that will not be reclassified in the income statement		
Profit (loss) arising from the fair value measurement of assets and liabilities recognised in the statement of comprehensive income ("FVTOCI")	1,157	(1,031)
Actuarial gains (losses) on defined benefit plans	(298)	1,464
Total	859	433
Items that may be reclassified in the income statement		
Effective portion of profit (losses) from instruments to hedge cash flows	(450)	741
Profit (loss) deriving from the translation of financial statements of foreign companies denominated in foreign currency	(1,568)	(1,272)
Share of subsidiaries/associates valued with the equity method	(171)	269
Total	(2,189)	(262)
Other Consolidated Comprehensive Income (Expense)	(1,330)	171
TOTAL COMPREHENSIVE PROFIT (LOSS) FOR THE PERIOD	14,221	5,851
Comprehensive income of minority interests	8,432	4,890
COMPREHENSIVE GROUP PROFIT (LOSS) FOR THE PERIOD	5,789	961

The figures in the above table are net of the corresponding tax effect.

Net revenues

Consolidated net revenues at 31 March 2023 amounted to €556.4 million, of which 98.3%, equal to €546.8 million attributable to the industrial sector (Piaggio group), 1.6%, equal to €9.2 million, to the marine sector (Intermarine S.p.A.), and the remaining part, of approximately €0.4 million, to the property and holding sector (Is Molas S.p.A. net of intergroup eliminations).

With regard to the industrial sector, the Piaggio group recorded net revenues of €546.8 million in the first three months of 2023, an increase of 20% compared to the corresponding period of 2022.

Consolidated revenues from the marine sector (Intermarine S.p.A.) amounted to €9.2 million at 31 March 2023, down by 14.6% compared to the figure of €10.7 million in the first three months of 2022, in line with job order planning for the current year.

With regard to the property and holding sector, net revenues (€0.4 million) decreased compared to 31 March 2022 (€0.6 million).

Operating income before depreciation, amortisation and impairment costs of plant, property and equipment and intangible assets (EBITDA)

Consolidated operating income before amortisation, depreciation and impairment costs (EBITDA) amounted to €77.1 million at 31 March 2023, equal to 13.9% of net revenues, up by €19.9 million compared to EBITDA for the first three months of 2022.

The component attributable to the industrial sector (Piaggio group) amounted to €81 million, improving by €21 million compared to the figure at 31 March 2022 (equal to €60.1 million), and accounting for 14.8% of sector net revenues (13.2% in the same period of 2022). The component attributable to the marine sector (Intermarine S.p.A.) was equal to €2 million negative, deteriorating compared to €0.7 million negative at 31 March 2022. Finally, the component attributable to the property and holding sector amounted to a loss of €1.9 million, while in the first three months of 2022, a loss of €2.2 million was recorded.

The main costs of the Immsi Group included personnel costs of €71.2 million, up on the figure recorded for the same period in 2022, which was equal to €69.4 million (accounting for 12.8% of net revenues, down from 14.9% for the first three months of 2022). The average workforce in the first three months of 2023 (6,589 units) was down compared to the same period of the previous year (6,641 units).

Operating income (EBIT)

Operating income (EBIT) in the first three months of 2023 amounted to €40.3 million, equal to 7.2% of net revenues. Consolidated operating income (EBIT) in the first three months of the previous year amounted to €23.9 million, accounting for 5.1% of net revenues.

The component attributable to the industrial sector (Piaggio group) amounted to €44.9 million, accounting for 8.2% of sector net revenues, increasing compared to €27.7 million at 31 March 2022. The component attributable to the marine sector (Intermarine S.p.A.) was equal to negative €2.3 million, compared to negative €1.3 million at 31 March 2022. Lastly, the component attributable to the property and holding sector was approximately €2.2 million negative, compared to €2.5 million negative in the first three months of the previous year.

Depreciation and amortisation for the period, including impairment costs, totalled €36.8 million (up by €3.5 million compared to the first three months of 2022), accounting for 6.6% of net revenues,

compared to 7.1% for the same period of 2022, comprising depreciation of property, plant and equipment amounting to €16.5 million (€14.7 million in the first three months of 2022) and amortisation of intangible assets for €20.2 million (€18.6 million in the same period of 2022). Depreciation and amortisation referable to the industrial sector (Piaggio group) amounted to approximately €36.2 million, up on the figure at 31 March 2022 (€32.4 million), of which €16 million relative to property, plant and equipment and €20.2 million to intangible assets.

Goodwill *impairment* in the first three months of 2023 was not recognised because, on the basis of results expected from long-term development plans prepared by Group companies and used in *impairment* testing carried out on 31 December 2022, it was not considered necessary to carry out impairment, as this goodwill was considered recoverable through future financial flows. Moreover, no events occurred during the first three months of 2023 that would indicate that such goodwill was affected by a significant impairment loss. No impairment costs were recognised in the consolidated figures at 31 March 2022.

Considering that the analyses conducted to estimate the recoverable value for the Immsi Group cash-generating unit were also determined based on estimates, the Group cannot guarantee that there will be no goodwill impairment losses in future periods. Given the current ongoing difficulty of certain reference and financial markets, the various factors – both internal and external to cash generating units identified – used in making the estimates could be revised in future: the Group will constantly monitor these factors and the possible existence of future impairment losses.

Profit before tax

Profit before tax at 31 March 2023 amounted to €26.7 million, up on the consolidated figure for the first three months of the previous year, which amounted to €12.5 million.

Financial costs, net of income and profit from equity investments, amounted to €13.6 million in the first three months of 2023, equal to 2.5% of revenues (€11.4 million in the corresponding period of the previous financial year, equal to 2.4% of net revenues). The breakdown of this figure included €8.4 million from the industrial sector (€7.2 million in the first three months of 2022) €1.1 million from the marine sector (€0.5 million as at 31 March 2022), and €4.2 million from the property and holding sector in the first three months of 2023 (equal to €3.6 million in the corresponding period of 2022). The deterioration was substantially due to the rise in interest rates on debt only partially offset by the positive impact of currency management.

Group profit/loss for the period

Earnings for the period, net of taxes and the portion attributable to non-controlling interests, at 31 March 2023 recorded a profit of €5.9 million (1.1% of net revenues for the period), up compared to the profit of €1.3 million registered in the same period of the previous year.

Taxes accruing in the period represented a cost of approximately €11.1 million (during the first three months of 2022 a cost of €6.8 million was recorded): income tax, also in view of requirements of IAS 34, was on average determined, based on the best estimate of the average weighted rate expected for the entire year.

Earnings/(loss) per share

In Euros

From continuing and discontinued operations:	31.03.2023	31.03.2022
<i>Basic</i>	0.017	0.004
<i>Diluted</i>	0.017	0.004
Average number of shares:	340,530,000	340,530,000

Diluted earnings per share correspond to basic profit as there are no potential shares with a diluting effect.

At the end of the reporting period, no gains or losses from assets held for sale or disposal had been recognised.

Reclassified statement of financial position of the Immsi Group

In thousands of Euros	31.03.2023	as a %	31.12.2022	as a %	31.03.2022	as a %
Current assets:						
Cash and cash equivalents	250,994	10.4%	263,577	11.1%	235,098	9.8%
Financial assets	0	0.0%	0	0.0%	0	0.0%
Operating activities	726,243	30.0%	653,509	27.6%	694,580	29.0%
Total current assets	977,237	40.3%	917,086	38.7%	929,678	38.8%
Non-current assets:						
Financial assets	0	0.0%	0	0.0%	0	0.0%
Intangible assets	899,249	37.1%	897,337	37.9%	889,121	37.1%
Property, plant and equipment	366,095	15.1%	369,668	15.6%	350,800	14.6%
Other assets	181,363	7.5%	186,229	7.9%	228,475	9.5%
Total non-current assets	1,446,707	59.7%	1,453,234	61.3%	1,468,396	61.2%
TOTAL ASSETS	2,423,944	100.0%	2,370,320	100.0%	2,398,074	100.0%
Current liabilities:						
Financial liabilities	481,320	19.9%	400,096	16.9%	480,611	20.0%
Operating liabilities	874,906	36.1%	895,063	37.8%	842,459	35.1%
Total current liabilities	1,356,226	56.0%	1,295,159	54.6%	1,323,070	55.2%
Non-current liabilities:						
Financial liabilities	574,132	23.7%	595,176	25.1%	591,255	24.7%
Other non-current liabilities	70,587	2.9%	71,129	3.0%	87,237	3.6%
Total non-current liabilities	644,719	26.6%	666,305	28.1%	678,492	28.3%
TOTAL LIABILITIES	2,000,945	82.5%	1,961,464	82.8%	2,001,562	83.5%
TOTAL SHAREHOLDERS' EQUITY	422,999	17.5%	408,856	17.2%	396,512	16.5%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,423,944	100.0%	2,370,320	100.0%	2,398,074	100.0%

Analysis of capital invested by the Immsi Group

In thousands of Euros	31.03.2023	as a %	31.12.2022	as a %	31.03.2022	as a %
Current operating assets	726,243	55.9%	653,509	53.9%	694,580	52.6%
Current operating liabilities	-874,906	-67.4%	-895,063	-73.9%	-842,459	-63.8%
Net operating working capital	-148,663	-11.5%	-241,554	-19.9%	-147,879	-11.2%
Intangible assets	899,249	69.3%	897,337	74.1%	889,121	67.3%
Property, plant and equipment	366,095	28.2%	369,668	30.5%	350,800	26.6%
Other assets	181,363	14.0%	186,229	15.4%	228,475	17.3%
Capital employed	1,298,044	100.0%	1,211,680	100.0%	1,320,517	100.0%
Non-current non-financial liabilities	70,587	5.4%	71,129	5.9%	87,237	6.6%
Capital and reserves of non-controlling interests	177,794	13.7%	168,591	13.9%	172,686	13.1%
Consolidated Group shareholders' equity	245,205	18.9%	240,265	19.8%	223,826	16.9%
Total non-financial sources	493,586	38.0%	479,985	39.6%	483,749	36.6%
Net Financial debt	804,458	62.0%	731,695	60.4%	836,768	63.4%

Capital employed

Capital employed at 31 March 2023 amounted to €1,298 million, up by €86.4 million compared to 31 December 2022, while this figure amounted to €1,320.5 million at 31 March 2022.

Net operating working capital at 31 March 2023 was €148.7 million negative, compared to €-241.6 million at 31 December 2022 and equal to €-147.9 million at 31 March 2022.

Intangible assets increased compared to 31 December 2022 and 31 March 2022, and were equal to €899.2 million; property, plant and equipment decreased by €3.6 million compared to the figure at the end of 2022, while this item increased by €15.3 million compared to 31 March 2022.

Net financial debt of the Immsi Group

Net financial debt as at 31 March 2023, amounting to €804.5 million, is presented below in accordance with the provisions of ESMA Guidelines 32-382-1138 of 4 March 2021, and compared with the same figure as at 31 December 2022 (€731.7 million).

In thousands of Euros	31.03.2023	31.12.2022
A Cash and cash equivalents	-250,994	-263,577
B Cash equivalents	0	0
C Other financial assets	0	0
D Total liquidity (A + B + C)	-250,994	-263,577
E Current financial payables (including debt instruments, but not including current portion of non-current financial debt)		
- Bonds	0	0
- Payables due to banks	292,555	224,127
- Lease liabilities	12,718	11,611
- Amounts due to other lenders	58,066	59,077
F Current portion of non-current financial debt	117,981	105,281
G Total current financial debt (E + F)	481,320	400,096
H Net current financial debt (G + D)	230,326	136,519
I Non-current financial debt (excluding current portion and debt instruments)		
- Payables due to banks	311,003	330,344
- Lease liabilities	17,217	18,920
- Amounts due to other lenders	176	176
J Debt instruments	245,736	245,736
K Trade payables and other non-current payables	0	0
L Non-current financial debt (I + J + K)	574,132	595,176
M Net financial debt (H + L)	804,458	731,695

*) In derogation from the ESMA Guidelines 2021 / 32-382-1138, described above, the Immsi Group has determined that net financial debt does not include other financial assets and liabilities arising from fair value measurements and interest accrued on loans to third parties.

As at 31 March 2023, the Group had increased its debt compared to 31 December 2022 by approximately €72.8 million, while compared to 31 March 2022 (€836.8 million) it had decreased by approximately €32.3 million. The increase compared to 31 December 2022 is mainly attributable to the seasonality of the industrial sector which, as known, absorbs resources in the first part of the year and generates them in the second.

Investments

The Group's gross investments at 31 March 2023 totalled €34.7 million compared to €26.8 million in the first three months of 2022 (of which 32.4 million referred to the Piaggio group). These investments refer to €22.6 million for intangible assets (€18.8 million in the first three months of 2022) and €12.1 million for property, plant and equipment (compared to €8.1 million in the same period of the previous year).

Cash flow statement of the Immsi Group

In thousands of Euros	31.03.2023	31.03.2022
<i>Operating activities</i>		
Profit before tax	26,674	12,509
Depreciation of property, plant and equipment (including investment property)	16,514	14,728
Amortisation of intangible assets	20,239	18,569
Provisions for risks and for severance indemnity and similar obligations	5,907	5,153
Write-downs (reversals of fair value measurements)	1,147	972
Losses / (Gains) on the disposal of property, plant and equipment (including investment property)	(3)	1
Financial income	(811)	(380)
Borrowing costs	14,695	9,845
Amortisation of grants	(1,468)	(1,126)
Change in working capital	(98,403)	(73,733)
Change in non-current provisions and other changes	(3,754)	(17,939)
<i>Cash generated from operating activities</i>	<i>(19,263)</i>	<i>(31,401)</i>
Interest paid	(7,866)	(5,887)
Taxes paid	(7,376)	(6,067)
<i>Cash flow from operations</i>	<i>(34,505)</i>	<i>(43,355)</i>
<i>Investing activities</i>		
Acquisition of subsidiaries, net of cash and cash equivalents	(78)	(206)
Investment in property, plant and equipment (including investment property)	(12,119)	(8,051)
Sale price, or repayment value, of plant, property and equipment (including investment property)	68	1
Investment in intangible assets	(22,619)	(18,790)
Sale price, or repayment value, of intangible assets	0	3
Collected interests	570	356
Public grants collected	184	61
<i>Cash flow from investing activities</i>	<i>(33,994)</i>	<i>(26,626)</i>
<i>Financing activities</i>		
Loans received	103,277	58,438
Outflow for repayment of loans	(44,033)	(43,362)
Reimbursement of rights of use	(2,904)	(2,547)
<i>Cash flow from financing activities</i>	<i>56,340</i>	<i>12,529</i>
<i>Increase / (Decrease) in cash and cash equivalents</i>	<i>(12,159)</i>	<i>(57,452)</i>
<i>Opening balance</i>	<i>263,513</i>	<i>290,361</i>
Exchange differences	(2,425)	182
<i>Closing balance</i>	<i>248,929</i>	<i>233,091</i>

This schedule illustrates the changes in cash and cash equivalents totalling €251 million at 31 March 2023 (€235.1 million at 31 March 2022), gross of short-term bank overdrafts. As at 31 March 2023, the Group had short-term bank overdrafts for approximately €2.1 million (€2 million as at 31 March 2022).

Total shareholders' equity and equity attributable to the Immsi Group

In thousands of Euros	Shareholders' equity shareholders' equity attributable to the Immsi	Capital and reserves non-controlling interests	Total consolidated Group and non- controlling interests
Balances at 1 January 2022	231,948	158,919	390,867
Other changes	(9,083)	8,877	(206)
Net comprehensive earnings for the period	961	4,890	5,851
Balances as at 31 March 2022	223,826	172,686	396,512

In thousands of Euros	Shareholders' equity shareholders' equity attributable to the Immsi	Capital and reserves non-controlling interests	Total consolidated Group and non- controlling interests
Balances at 1 January 2023	240,265	168,591	408,856
Other changes	(849)	771	(78)
Net comprehensive earnings for the period	5,789	8,432	14,221
Balances as at 31 March 2023	245,205	177,794	422,999

Human resources

At 31 March 2023, the Immsi Group employed 6,705 staff, of which 55 in the property and holding sector, 6,429 in the industrial sector (Piaggio group) and 221 in the marine sector (Intermarine S.p.A.).

The following tables divide resources by category and geographic segment:

Human resources by category

numbers	31.03.2023			
	Property and holding sector	Industrial sector	Marine sector	Group total
Senior management	4	116	7	127
Middle managers and white-collar workers	28	2,320	133	2,481
Blue-collar workers	23	3,993	81	4,097
TOTAL	55	6,429	221	6,705
numbers	31.12.2022			
	Property and holding sector	Industrial sector	Marine sector	Group total
Senior management	4	116	7	127
Middle managers and white-collar workers	24	2,284	132	2,440
Blue-collar workers	21	3,438	83	3,542
TOTAL	49	5,838	222	6,109
numbers	Changes			
	Property and holding sector	Industrial sector	Marine sector	Group total
Senior management	0	0	0	0
Middle managers and white-collar workers	4	36	1	41
Blue-collar workers	2	555	-2	555
TOTAL	6	591	-1	596

Human resources by geographic segment

numbers	31.03.2023			
	Property and holding sector	Industrial sector	Marine sector	Group total
Italy	55	3,600	221	3,876
Rest of Europe	0	158	0	158
Rest of the world	0	2,671	0	2,671
TOTAL	55	6,429	221	6,705
numbers	31.12.2022			
	Property and holding sector	Industrial sector	Marine sector	Group total
Italy	49	2,989	222	3,260
Rest of Europe	0	159	0	159
Rest of the world	0	2,690	0	2,690
TOTAL	49	5,838	222	6,109
numbers	Changes			
	Property and holding sector	Industrial sector	Marine sector	Group total
Italy	6	611	-1	616
Rest of Europe	0	-1	0	-1
Rest of the world	0	-19	0	-19
TOTAL	6	591	-1	596

Employee numbers were also affected by seasonal workers in the summer (on fixed-term employment contracts). The Group effectively hires temporary staff to cover peaks in demand typical of the summer months.

For further information on Group employees (such as remuneration and training policies, diversity and equal opportunities, safety, etc.), reference is made to the section on the Social Dimension in the Consolidated Non-Financial Statement at 31 December 2022 prepared pursuant to Legislative Decree 254/2016.

Directors' comments on operations

As anticipated, during the first three months of 2023 the Immsi Group recorded a strong economic and financial improvement, in particular in the industrial sector, which showed very positive overall results.

Final results for the period have different trends with reference to the various sectors comprising the Group, based on business trends and the different impact of seasonality.

Property and holding sector

In thousands of Euros	31.03.2023	as a %	31.03.2022	as a %	Change	as a %
Net revenues	409		576		-167	-29.0%
Operating income before depreciation and amortisation (EBITDA)	-1,942	n/m	-2,214	n/m	272	12.3%
Operating income (EBIT)	-2,215	n/m	-2,504	n/m	289	11.5%
Profit before tax	-6,381	n/m	-6,098	n/m	-283	-4.6%
Profit (loss) for the period including minority interests	-5,891	n/m	-5,574	n/m	-317	-5.7%
Group earnings for the period (which may be consolidated)	-4,369	n/m	-4,058	n/m	-312	-7.7%
Net debt	-308,853		-328,206		19,353	5.9%
Personnel (number)	55		57		-2	-3.5%

Overall, the **property and holding sector** reported a net loss for consolidation purposes as at 31 March 2023 of approximately €4.4 million, slightly worsening compared to the loss of €4.1 million recorded in the same period of the previous year.

The sector reported net debt of €308.9 million, an improvement on the debt of €328.2 million at 31 March 2022.

The **Parent Company Immsi S.p.A.** recorded a net loss for the period of approximately €0.7 million, compared to a profit of €0.2 million at 31 March 2022; the decrease is mainly due to higher borrowing costs incurred in the period due to the increase in interest rates.

Net debt as at 31 March 2023 came to €6.3 million, compared to net debt of €0.5 million at 31 December 2022.

In preparing this Interim Report at 31 March 2023, the Parent Company did not carry out any specific impairment analyses on the carrying amount of investments held in fully consolidated companies as these investments and any changes arising from the related impairment tests would have been fully eliminated on consolidation.

With regard to initiatives in the **property sector** and in particular with reference to the subsidiary **Is Molas S.p.A.**, it should be noted that the company has promoted the rental of mockup villas in order to allow potential end customers, including investors, to better understand the product and the related services offered (e.g. wellness and home catering) in order to be able to assess the income capacity of the same. The company is also successfully taking measures to sell the "Le Ginestre" property complex, which consisted of 50 residential units (residences) and several parking spaces, with the aim of rationalising its property portfolio.

Revenues from the tourist/hospitality industry and golfing in the first six months of 2023 (equal to €0.4 million) fell by approximately €0.2 million compared to the amount posted in the same period of the previous year, due to lower sales revenues from the “Le Ginestre” property complex. In terms of margins, at 31 March 2023, the company recorded an operating loss of approximately €0.9 million and a net loss for consolidation purposes equal to €1.3 million, a deterioration on the figures recorded for the same period of 2022, equal to €0.9 million, mainly due to higher borrowing costs in the period.

The net debt of the company amounted to €79.8 million, with a cash absorption of €1.5 million, compared to 31 December 2022 (when it was equal to €78.3 million) mainly as a result of the investments in property, plant and equipment, relating to the extraordinary maintenance of existing tourist/hotel facilities.

Pietra S.r.l. is in liquidation following the completion in June 2022 of the sale to Chorus Life Pietra Ligure S.p.A. (wholly owned by Polifin S.p.A.) of the investment in Pietra Ligure S.r.l., and it should be noted that the result for consolidation positions essentially reached breakeven, while the net financial position was positive for approximately €1 million.

With reference to the subsidiary **Apuliae S.r.l.**, there are no further updates since the Report of Directors and Financial Statements of the Immsi Group as at 31 December 2022, to which reference is made. As at 31 March 2023, the company had posted a substantial break-even position and net debt was more or less unchanged compared to 31 December 2022, amounting to €1 million.

The other major companies falling within the property and holding sector also include RCN Finanziaria S.p.A. and ISM Investimenti S.p.A.. With reference to main financial data of the company:

- **RCN Finanziaria S.p.A.**, in which Immsi S.p.A. holds 72.51% and Intermarine S.p.A. is the sole member, recorded a net loss for consolidation purposes for the Immsi Group of approximately €1.9 million (slightly deteriorating by €1 million compared to 31 March 2022), and net financial debt of €129.3 million at 31 March 2023, largely unchanged compared to 31 December 2022;
- **ISM Investimenti S.p.A.**, 72.64% owned by Immsi S.p.A. and parent company of Is Molas S.p.A. with a 92.59% stake, recorded a net loss for consolidation purposes for the Immsi Group of approximately €0.4 million, an improvement compared to negative €1.8 million at 31 March 2022 due to a reduction in financial expenses as a result of a reduction in financial expenses as a result of: i) the framework agreement between the shareholders that ends the accrual of interest on the shareholder loans granted and on the Immsi credit line from May 2022, binding ISM Investimenti S.p.A. to recognise such interest in the future if certain liquidity events provided for in the agreement occur for ISM Investimenti S.p.A., and ii) the contraction in net financial debt, which at 31 March 2023 was equal to €93.7 million, compared to €101.4 million at 31 March 2022. This change is essentially the result of the partial waiver of financial receivables by the shareholders with the conversion of the same into reserves for future capital increases.

Industrial sector

In thousands of Euros	31.03.2023	as a %	31.03.2022	as a %	Change	as a %
Net revenues	546,784		455,818		90,966	20.0%
Operating income before depreciation and amortisation (EBITDA)	81,049	14.8%	60,076	13.2%	20,973	34.9%
Operating income (EBIT)	44,868	8.2%	27,665	6.1%	17,203	62.2%
Profit before tax	36,502	6.7%	20,426	4.5%	16,076	78.7%
Profit (loss) for the period including minority interests	24,091	4.4%	12,664	2.8%	11,427	90.2%
Group earnings for the period (which may be consolidated)	12,183	2.2%	6,361	1.4%	5,822	91.5%
Net debt	-428,038		-441,071		13,033	3.0%
Personnel (number)	6,429		6,332		97	1.5%

At 31 March 2023, the Piaggio group had sold a total of 154,900 vehicles worldwide, recording an increase compared to the first three months of the previous year, when 141,800 vehicles were sold (+9.2%). Regarding product type, sales of Two-Wheeler vehicles grew (+4.8%), as well as sales of Commercial Vehicles (+32.4%).

The Piaggio group's consolidated net revenues amounted to €546.8 million, up (+20%) compared to €455.8 million recorded at 31 March 2022.

EBITDA amounted to €81 million at 31 March 2023, an improvement of 34.9% on the €60.1 million reported in the first three months of 2022. The EBITDA *margin* was equal to 14.8% (13.2% at 31 March 2022).

Operating income (EBIT) amounted to €44.9 million, up 62.2% compared to €27.7 million at 31 March 2022. The EBIT margin was 8.2% (6.1% in the first three months of 2022).

Profit before tax amounted to €36.5 million, up by +78.7%, compared to €20.4 million at 31 March 2022. Income taxes for the period amounted to €12.4 million, equivalent to 34% of profit before tax.

Net profit of the Piaggio group stood at €24.1 million in the first three months of 2023 (4.4% of turnover) also improving (+90.2%) on the figure for the same period of the previous year, which came to €12.7 million (2.8% of turnover).

Net financial debt at 31 March 2023 was equal to €428 million, compared to €368.2 million at 31 December 2022. Net financial debt decreased by approximately €13 million compared to 31 March 2022.

Marine sector

In thousands of Euros	31.03.2023	as a %	31.03.2022	as a %	Change	as a %
Net revenues	9,163		10,735		-1,572	-14.6%
Operating income before depreciation and amortisation (EBITDA)	-2,035	-22.2%	-696	-6.5%	-1,339	-192.4%
Operating income (EBIT)	-2,334	-25.5%	-1,292	-12.0%	-1,042	-80.7%
Profit before tax	-3,447	-37.6%	-1,819	-16.9%	-1,628	-89.5%
Profit (loss) for the period including minority interests	-2,649	-28.9%	-1,410	-13.1%	-1,239	-87.9%
Group earnings for the period (which may be consolidated)	-1,921	-21.0%	-1,022	-9.5%	-898	-87.9%
Net debt	-67,567		-67,491		-76	-0.1%
Personnel (number)	221		234		-13	-5.6%

With reference to the income data of the **marine sector** (Intermarine S.p.A.), during the first three months of 2023, net sales revenues (consisting of sales and changes in work in progress) amounted to €9.2 million, compared to €10.7 million in the corresponding period of 2022. Production progress, including research and development, and the completion of constructions and deliveries, concerned in particular:

- the Defence division, with €4.6 million (8 million in the first three months of 2022), mainly attributable to progress with the job order for the modernisation of Gaeta Class minesweepers for the Italian Navy, as well as the development of studies and experimental tests on new-generation minesweepers for the same Navy.
- The *Fast Ferries* and *Yacht* divisions, with a total of €4.6 million (2.7 million in the first three months of 2022), mainly for activities at the Messina shipyard relating to the start-up of the construction order for a first passenger vessel for a leading shipowner on the Italian market.

In relation to the above, a negative EBIT of €2.3 million was recorded in the first three months of 2023, compared to a negative €1.3 million in the corresponding period of the previous year. A pre-tax loss of €3.4 million was recorded (compared to a loss of €1.8 million in the corresponding period of 2022), while the net loss for consolidation purposes for the Immsi Group at 31 March 2023 was equal to a negative €1.9 million, compared to a loss of €1 million recorded in the corresponding period of the previous year.

The total value of the orders portfolio of the company amounted to €21.8 million as at 31 March 2023 (mainly relating to the Defence division), referring to the remaining part of existing contracts still to be developed in terms of revenues.

Net financial debt at 31 March 2023 amounted to €67.6 million, slightly up on the balance at 31 December 2022, equal to €62.5 million, and basically in line with the figure of €67.5 million at 31 March 2022.

Events occurring after 31 March 2023 and operating outlook

Despite forecasts remaining complex due to uncertainties over the critical aspects concerning geopolitical tensions with a consequence increase in commodity prices and the cost of money, the Immsi Group will continue to work to meet its commitments and objectives, maintaining all the necessary measures to respond flexibly and immediately to unexpected and difficult situations that may still arise, thanks to a careful and efficient management of its economic and financial structure.

With reference to the **real estate and hotel tourism sector**, the subsidiary Is Molas, in particular, will continue activities aimed at marketing and renting the complex built, and at increasing the resort's customers in its new design proposal *for* accommodation, golf and the Is Molas Beach Club.

With regard to the **industrial sector**, in this general framework, the Piaggio group, thanks to a portfolio of unique brands in the world, will continue its growth path, confirming the planned investments in new products and new plants and strengthening its commitment on ESG issues.

Also with reference to the **marine sector**, production progress will be made in the next few months on job orders acquired, and commercial activities in all the company's business sectors will continue, seeking favourable commercial opportunities; management will continue to take all actions to keep costs down, and will carry out all activities necessary to obtain further job orders enabling it to increase its orders portfolio and consequently optimise and increase, where necessary, production capacity over the next few years.