



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 2024

This Interim Financial Report as of 31 March 2024 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 13 May 2024 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/2024")

COMPANY BOARDS

The Board of Directors and the Audit Committee of Immsi S.p.A. in office at the date of presentation of this report will remain in office until the date the Shareholders' Meeting is convened to approve the financial statements for the year ending 31 December 2026.

BOARD OF DIRECTORS

Matteo Colaninno	Chairman
Daniele Discepolo	Deputy Chairman
Michele Colaninno	Chief Executive Officer
Giovanni Barbara	Director
Fabrizio Quarta	Director
Gianpiero Succi	Director
Ruggero Magnoni	Director
Giulia Molteni	Director
Anna Lucia Muserra	Director
Rosanna Ricci	Director
Alessandra Simonotto	Director
Patrizia De Pasquale	Director

AUDIT COMMITTEE

Giovanni Barbara	Chairman
Anna Lucia Muserra	
Daniele Discepolo	

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
Anna Lucia Muserra
Giovanni Barbara

Chairman

RELATED-PARTY COMMITTEE

Rosanna Ricci
Daniele Discepolo
Patrizia De Pasquale

Chairman

APPOINTMENT PROPOSAL AND REMUNERATION COMMITTEE

Daniele Discepolo
Giovanni Barbara
Rosanna Ricci

Chairman

COMPLIANCE COMMITTEE

Marco Reboa
Giovanni Barbara
Maurizio Strozzi

Chairman

WHISTLEBLOWING COMMITTEE

Marco Reboa
Giovanni Barbara
Maurizio Strozzi

Chairman

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.

The Shareholders' Meeting of Immsi S.p.A. held on 29 April 2024 approved:

- the proposals for amendments to the Articles of Association relating to the adoption of the so-called one-tier administration and control model, which will have a Board of Directors responsible for the management function, and an Audit Committee, set up within the Board itself, with control functions;
- further amendments to the Articles of Association, also in line with the most recent practices and guidelines, for which reference should be made to the relevant explanatory report (see the Issuer's website www.immsi.it, Governance section).

The adoption of the one-tier system is instrumental in further improving the profitable and timely synergy between the management and control functions, to the benefit of the Company and all its stakeholders, and confirms, once again, Immsi's constant focus on complying with international best practices in terms of governance, as this model is the most widely used by issuers listed on European and international stock markets.

Financial highlights of the Immsi Group

The Immsi Group closed the first quarter of 2024 at its highest ever levels of margins, despite the temporary slowdown in some markets, particularly in Asia, leading to a decline in revenues. Net sales amounted to €434.8 million, down 21.4% compared to the same period of 2023, EBIT at 31 March 2024 was down 9.6%, but as a percentage of turnover amounted to 8.4%, an improvement of more than one percentage point compared to the same period of the previous year (7.3% at 31 March 2023); Net profit, including the share of non-controlling interests, amounted to €8.4 million in the first three months of 2024, compared to a profit of €15.6 million at 31 March 2023. Net financial debt at 31 March 2024 amounted to €894.6 million, an increase of approximately €67.2 million compared to 31 December 2023 (€827.4 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. 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 2024

	<i>Property and holding sector</i>	<i>as a %</i>	<i>Industrial sector</i>	<i>as a %</i>	<i>Marine sector</i>	<i>as a %</i>	<i>Immsi Group</i>	<i>as a %</i>
In thousands of Euros								
Net revenues	325		428,037		6,508		434,870	
Operating income before depreciation and amortisation (EBITDA)	-2,056	n/m	75,310	17.6%	-2,161	-33.2%	71,093	16.3%
Operating income (EBIT)	-2,446	n/m	41,347	9.7%	-2,439	-37.5%	36,462	8.4%
Profit before tax	-7,852	n/m	28,300	6.6%	-4,098	-63.0%	16,350	3.8%
Profit (loss) for the period including minority interests	-7,170	n/m	18,678	4.4%	-3,143	-48.3%	8,365	1.9%
Group earnings for the period (which may be consolidated)	-5,399	n/m	9,456	2.2%	-2,279	-35.0%	1,778	0.4%
Net debt	-314,918		-498,004		-81,648		-894,570	
Personnel (number)	52		6,441		212		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 2023

	<i>Property and holding sector</i>	<i>as a %</i>	<i>Industrial sector</i>	<i>as a %</i>	<i>Marine sector</i>	<i>as a %</i>	<i>Immsi Group</i>	<i>as a %</i>
In thousands of Euros								
Net revenues (*)	409		543,927		9,163		553,499	
Operating income before depreciation and amortisation (EBITDA)	-1,942	n/m	81,049	14.9%	-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	7.3%
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	

(*) with reference to the industrial sector, following the contractual changes made from 2024 to the sell-out promotions for the Indian market, the costs of the aforementioned promotions, previously allocated to the provision of services, are now allocated as a deduction of revenues. Although the value is to be considered negligible, €2.9 million was reclassified from cost of services to lower revenue in the first quarter of 2023, in order to allow for a better comparability with 2024 figures.

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 2023 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 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, and current financial receivables (ESMA Guidance 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 2023, prepared according to IFRS.

The reclassified Income Statement and Statement of Comprehensive Income for the first three months of 2024 are given below, compared to the same period of 2023, as well as the reclassified Statement of Financial Position at 31 March 2024, compared to the situation at 31 December 2023

and 31 March 2023 and the Statement of Cash Flows at 31 March 2024 compared to the same period of 2023. The Statement of changes in shareholders' equity at 31 March 2024, compared with figures for the same period of the previous year is also presented.

In the first three months of 2024, and same period in 2023, 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 ongoing geopolitical tensions and all their consequences, 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 at 31 March 2024	Average exchange rate first three months of 2024	Exchange rate at 31 December 2023	Average exchange rate first three months of 2023
US Dollar	1.0811	1.08579	1.1050	1.07301
Pound Sterling	0.85510	0.856266	0.86905	0.883090
Indian Rupee	90.1365	90.15512	91.9045	88.24376
Singapore Dollars	1.4587	1.45516	1.4591	1.43018
Chinese Yuan	7.8144	7.80481	7.8509	7.34192
Japanese Yen	163.45	161.15000	156.33	141.98062
Vietnamese Dong	26,804.00	26,662.53968	26,808.00	25,289.38462
Indonesian Rupiah	17,157.87	17,003.66746	17,079.71	16,345.24815
Brazilian Real	5.4032	5.37523	5.3618	5.57505

This Interim Report on Operations at 31 March 2024, 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 2024, the Immsi Group adopted the same accounting standards as those used for the Consolidated Financial Statements at 31 December 2023 (to which reference is made for further details), with the exception of the following.

New accounting standards, amendments and interpretations adopted from 1 January 2024

- 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 amendments aim to clarify how to classify debts and other short or long term liabilities. In addition, the amendments also improve the information that an entity must provide when its right to defer the extinguishing of a liability for at least twelve months is subject to compliance with certain parameters (i.e. covenants). The amendments came into force on 1 January 2024, but early application was 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 came into force on 1 January 2024, but early application was permitted.
- On 25 May 2023, the IASB published an amendment entitled “**Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements**”. The document requires an entity to provide additional disclosures about reverse factoring arrangements that enable users of financial statements to evaluate how financial arrangements with suppliers may affect the entity’s liabilities and cash flows and to understand the effect of those arrangements on the entity’s exposure to liquidity risk. The amendments came into force on 1 January 2024, but early application was permitted.

IFRS accounting standards, amendments and interpretations endorsed by the European Union at 31 March 2024, not yet mandatorily applicable and not adopted in advance of 31 March 2024

- On 15 August 2023, the IASB published “**Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability**”. This amendment requires an entity to adopt a methodology to be applied in a consistent manner in order to verify whether one currency can be converted into another and, when this is not possible, how to determine the exchange rate to be used and the disclosure to be provided in the notes to the financial statements. The amendments will apply from 1 January 2025, but early adoption is permitted.

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

Scope of consolidation

For the purposes of consolidation, the financial statements at 31 March 2024 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.

At 31 March 2024, the scope of consolidation was unchanged compared to 31 December 2023, while compared to 31 March 2023:

- the portion of the Piaggio group’s consolidated shareholders’ equity at 31 March 2024 was 50.63%, up from 50.57% at 31 March 2023. The change is the result of the cancellation of 3,521,595 treasury shares held by the company (keeping the share capital unchanged) and the purchase by the subsidiary Piaggio & C. S.p.A. of 426,161 treasury shares; events that occurred during the 2023 financial year;
- With the Shareholders’ Meeting’s approval of the financial statements for liquidation purposes, the liquidation of the direct subsidiary Pietra S.r.l. (77.78% owned by Immsi S.p.A. and 22.22% owned by Intesa Sanpaolo S.p.A.) was finalised on 27 July 2023.

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 at 31 December 2023, to which reference is made.

Reclassified consolidated financial statements and relative notes

Reclassified income statement of the Immsi Group

In thousands of Euros	31.03.2024		31.03.2023		Change	
Net revenues (*)	434,870	100%	553,499	100%	-118,629	-21.4%
Costs for materials	261,506	60.1%	356,966	64.2%	-95,460	-26.7%
Costs for services, leases and rentals (*)	66,665	15.3%	76,156	14.2%	-9,491	-12.5%
Employee costs	70,781	16.3%	71,163	12.8%	-382	-0.5%
Other operating income	41,115	9.5%	35,581	6.4%	5,534	15.6%
Net reversals (write-downs) of trade and other receivables	-664	-0.2%	-1,165	-0.2%	501	43.0%
Other operating costs	5,276	1.2%	6,558	1.2%	-1,282	-19.5%
OPERATING EARNINGS BEFORE AMORTISATION AND DEPRECIATION (EBITDA)	71,093	16.3%	77,072	13.9%	-5,979	-7.8%
Depreciation and impairment costs of plant, property and equipment	15,893	3.7%	16,514	3.0%	-621	-3.8%
Impairment of goodwill	0	-	0	-	0	-
Amortisation and impairment costs of intangible assets with a finite life	18,738	4.3%	20,239	3.6%	-1,501	-7.4%
OPERATING INCOME (EBIT)	36,462	8.4%	40,319	7.2%	-3,857	-9.6%
Income/(loss) from investments	-200	0.0%	5	0.0%	-205	-
Financial income	1,561	0.4%	7,370	1.3%	-5,809	-78.8%
Borrowing costs	21,473	4.9%	21,020	3.8%	453	2.2%
PROFIT BEFORE TAX	16,350	3.8%	26,674	4.8%	-10,324	-38.7%
Taxes	7,985	1.8%	11,123	2.0%	-3,138	-28.2%
PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	8,365	1.9%	15,551	2.8%	-7,186	-46.2%
Profits or losses arising from assets held for sale or termination	0	-	0	-	0	-
PROFIT (LOSS) FOR THE PERIOD INCLUDING MINORITY INTERESTS	8,365	1.9%	15,551	2.8%	-7,186	-46.2%
Earnings for the period attributable to non-controlling interests	6,587	1.5%	9,658	1.7%	-3,071	-31.8%
GROUP PROFIT (LOSS) FOR THE PERIOD	1,778	0.4%	5,893	1.1%	-4,115	-69.8%

(*) with reference to the industrial sector, following the contractual changes made from 2024 to the sell-out promotions for the Indian market, the costs of the aforementioned promotions, previously allocated to the provision of services, are now allocated as a deduction of revenues. Although the value is to be considered negligible, €2.9 million was reclassified from cost of services to lower revenue in the first quarter of 2023, in order to allow for a better comparability with 2024 figures.

Statement of comprehensive income of the Immsi Group

	31.03.2024	31.03.2023
PROFIT (LOSS) FOR THE PERIOD INCLUDING MINORITY INTERESTS	8,365	15,551
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")	2,597	1,157
Actuarial gains (losses) on defined benefit plans	312	(298)
Total	2,909	859
Items that may be reclassified in the income statement		
Effective portion of profit (losses) from instruments to hedge cash flows	(156)	(450)
Profit (loss) deriving from the translation of financial statements of foreign companies denominated in foreign currency	1,659	(1,568)
Share of subsidiaries/associates valued with the equity method	43	(171)
Total	1,546	(2,189)
Other Consolidated Comprehensive Income (Expense)	4,455	(1,330)
TOTAL COMPREHENSIVE PROFIT (LOSS) FOR THE PERIOD	12,820	14,221
Comprehensive income of minority interests	7,445	8,432
COMPREHENSIVE GROUP PROFIT (LOSS) FOR THE PERIOD	5,375	5,789

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

Net revenues

Consolidated net revenues at 31 March 2024 amounted to €434.9 million, of which 98.4%, equal to €428 million attributable to the industrial sector (Piaggio group), 1.5%, equal to €6.5 million, to the marine sector (Intermarine S.p.A.), and the remaining part, of approximately €0.3 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 €428 million in the first three months of 2024, down on the corresponding period of 2023 (€543.9 million).

With reference to the marine sector (Intermarine S.p.A.), consolidated revenues amounted to €6.5 million at 31 March 2024, a decrease of €2.7 million compared to the figure for the first three months of 2023.

With regard to the property and holding sector, net revenues in the first quarter of 2024 were equal to €0.3 million, compared to €0.4 million at 31 March 2023.

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 €71.1 million at 31 March 2024, equal to 16.3% of net revenues (13.9% at 31 March 2023), down by approximately €6 million compared to EBITDA for the first three months of 2023.

The component attributable to the industrial sector (Piaggio group) amounted to €75.3 million, falling by €5.7 million compared to the figure at 31 March 2023 (equal to €81 million), and accounting for 17.6% of sector net revenues (14.8% in the same period of 2023). The component attributable to the marine sector (Intermarine S.p.A.) was equal to €2.2 million negative (€2.1 million negative at 31 March 2023). Finally, the component attributable to the property and holding sector amounted to a loss of approximately €2 million, while in the first three months of 2023, a loss of €1.9 million was recorded.

The main costs of the Immsi Group included personnel costs of €70.8 million, down on the figure recorded for the same period in 2023, which was equal to €71.2 million (accounting for 16.3% of net revenues, up from 12.8% for the first three months of 2023). The average workforce in the first three months of 2024 (6,522 units) was down compared to the same period of the previous year (6,589 units).

Operating income (EBIT)

Operating income (EBIT) in the first three months of 2024 amounted to €36.5 million, equal to 8.4% of net revenues. Consolidated operating income (EBIT) in the first three months of the previous year amounted to €40.3 million, accounting for 7.2% of net revenues.

The component attributable to the industrial sector (Piaggio group) amounted to €41.3 million, accounting for 9.7% of sector net revenues, down on the figure of €44.9 million at 31 March 2023. The component attributable to the marine sector (Intermarine S.p.A.) was €2.4 million negative, compared to €2.3 million negative at 31 March 2023. Lastly, the component attributable to the property and holding sector was approximately €2.4 million negative, compared to €2.2 million negative in the first three months of the previous year.

Depreciation and amortisation for the period, including impairment costs, totalled €34.6 million (down by €2.1 million compared to the first three months of 2023), accounting for 8% of net revenues,

compared to 6.6% for the same period of 2023, comprising depreciation of property, plant and equipment amounting to €15.9 million (€16.5 million in the first three months of 2023) and amortisation of intangible assets for €18.8 million (€20.2 million in the same period of 2023). Depreciation and amortisation referable to the industrial sector (Piaggio group) amounted to approximately €34 million, down on the figure at 31 March 2023 (€2.2 million), of which €15.3 million relative to property, plant and equipment and €18.7 million to intangible assets.

Goodwill impairment in the first three months of 2024 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 2023, 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 2024 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 2023.

Considering that the analyses conducted to estimate the recoverable value 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 2024 amounted to €16.4 million, down on the consolidated figure for the first three months of the previous year, which amounted to €26.7 million.

Financial costs, net of income and profit from equity investments, amounted to €20.1 million in the first three months of 2024, equal to 4.6% of revenues (€13.6 million in the corresponding period of the previous financial year, equal to 2.5% of net revenues). The breakdown of this figure included €13 million from the industrial sector (€8.4 million in the first three months of 2023) €1.7 million from the marine sector (€1.1 million at 31 March 2023), and €5.4 million from the property and holding sector in the first three months of 2024 (equal to €4.2 million in the corresponding period of 2023). The deterioration was substantially generated by the rise in interest rates on the debt, mainly related to the new bond issue by Piaggio & C. S.p.A. in October 2023, exacerbated by the negative 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 2024 recorded a profit of €1.8 million (0.4% of net revenues for the period), compared to a profit of €5.9 million registered in the same period of the previous year.

Taxes accruing in the period represented a cost of approximately €8 million (during the first three months of 2023 a cost of €11.1 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:	31.03.2024	31.03.2023
<i>Basic</i>	0.005	0.017
<i>Diluted</i>	0.005	0.017
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	31.03.2024	as a %	31.12.2023	as a %	31.03.2023	as a %
Current assets:						
Cash and cash equivalents	234,793	9.6%	196,096	8.6%	250,994	10.4%
Financial assets	1,955	0.1%	6,205	0.3%	0	0.0%
Operating activities	724,066	29.5%	595,197	26.2%	726,243	30.0%
Total current assets	960,814	39.2%	797,498	35.1%	977,237	40.3%
Non-current assets:						
Financial assets	0	0.0%	0	0.0%	0	0.0%
Intangible assets	928,459	37.8%	922,155	40.5%	899,249	37.1%
Property, plant and equipment	387,791	15.8%	376,055	16.5%	366,095	15.1%
Other assets	176,576	7.2%	179,428	7.9%	181,363	7.5%
Total non-current assets	1,492,826	60.8%	1,477,638	64.9%	1,446,707	59.7%
TOTAL ASSETS	2,453,640	100.0%	2,275,136	100.0%	2,423,944	100.0%
Current liabilities:						
Financial liabilities	455,434	18.6%	439,543	-19.3%	481,320	19.9%
Operating liabilities	846,951	34.5%	782,706	34.4%	874,906	36.1%
Total current liabilities	1,302,385	53.1%	1,222,249	53.7%	1,356,226	56.0%
Non-current liabilities:						
Financial liabilities	675,884	27.5%	590,121	25.9%	574,132	23.7%
Other non-current liabilities	67,284	2.7%	67,499	3.0%	70,587	2.9%
Total non-current liabilities	743,168	30.3%	657,620	28.9%	644,719	26.6%
TOTAL LIABILITIES	2,045,553	83.4%	1,879,869	82.6%	2,000,945	82.5%
TOTAL SHAREHOLDERS' EQUITY	408,087	16.6%	395,267	17.4%	422,999	17.5%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,453,640	100.0%	2,275,136	100.0%	2,423,944	100.0%

Analysis of capital invested by the Immsi Group

In thousands of Euros	31.03.2024	as a %	31.12.2023	as a %	31.03.2023	as a %
Current operating assets	724,066	52.9%	595,197	46.1%	726,243	55.9%
Current operating liabilities	-846,951	-61.8%	-782,706	-60.7%	-874,906	-67.4%
Net operating working capital	-122,885	-9.0%	-187,509	-14.5%	-148,663	-11.5%
Intangible assets	928,459	67.8%	922,155	71.5%	899,249	69.3%
Property, plant and equipment	387,791	28.3%	376,055	29.1%	366,095	28.2%
Other assets	176,576	12.9%	179,428	13.9%	181,363	14.0%
Capital employed	1,369,941	100.0%	1,290,129	100.0%	1,298,044	100.0%
Non-current non-financial liabilities	67,284	4.9%	67,499	5.2%	70,587	5.4%
Capital and reserves of non-controlling interests	179,085	13.1%	166,427	12.9%	177,794	13.7%
Consolidated Group shareholders' equity	229,002	16.7%	228,840	17.7%	245,205	18.9%
Total non-financial sources	475,371	34.7%	462,766	35.9%	493,586	38.0%
Net Financial debt	894,570	65.3%	827,363	64.1%	804,458	62.0%

Capital employed

Capital employed at 31 March 2024 amounted to €1,369.9 million, up by €79.8 million compared to 31 December 2023, while this figure came to €1,298 million at 31 March 2023.

Net operating working capital at 31 March 2024 was €122.9 million negative, compared to €-187.5 million at 31 December 2023 and equal to €-148.7 million at 31 March 2023.

Intangible assets increased compared to 31 December 2023 and 31 March 2023, and were equal to €928.5 million; property, plant and equipment, equal to €387.8 million, increased by €11.7 million compared to the figure at the end of 2023, while this item increased by €21.7 million compared to 31 March 2023.

Net financial debt of the Immsi Group

Net financial debt at 31 March 2024, amounting to €894.6 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 at 31 December 2023 (€827.4 million).

In thousands of Euros	31.03.2024	31.12.2023
A Cash and cash equivalents	-234,793	-196,096
B Cash equivalents	0	0
C. Other financial assets	-1,955	-6,205
D Total liquidity (A + B + C)	-236,748	-202,301
E Current financial payables (including debt instruments, but not including current portion of non-current financial debt)		
- Bonds	0	0
- Payables due to banks	278,688	255,979
- Lease liabilities	10,310	10,629
- Amounts due to other lenders	59,654	55,798
F Current portion of non-current financial debt	106,782	117,137
G Total current financial debt (E + F)	455,434	439,543
H Net current financial debt (G + D)	218,686	237,242
I Non-current financial debt (excluding current portion and debt instruments)		
- Payables due to banks	407,271	322,567
- Lease liabilities	22,625	21,548
- Amounts due to other lenders	106	106
J Debt instruments	245,882	245,900
K Trade payables and other non-current payables	0	0
L Non-current financial debt (I + J + K)	675,884	590,121
M Net financial debt (H + L)*	894,570	827,363

*) 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.

At 31 March 2024, the Group increased its debt compared to 31 December 2023 by approximately €67.2 million and compared to 31 March 2023 by approximately €90.1 million. The increase compared to 31 December 2023 was mainly due to cash absorption resulting from the dynamics of working capital and net investments in particular of the Piaggio group.

Investments

The Group's gross investments at 31 March 2024 totalled €42.6 million (of which €38.9 million referred to the Piaggio group), compared to €34.7 million in the first three months of 2023. These investments refer to €24.6 million for intangible assets (€22.6 million in the first three months of 2023) and €18.1 million for property, plant and equipment (compared to €12.1 million in the same period of the previous year).

Cash flow statement of the Immsi Group

In thousands of Euros	31.03.2024	31.03.2023
<i>Operating activities</i>		
Profit before tax	16,350	26,674
Depreciation of property, plant and equipment (including investment property)	15,893	16,514
Amortisation of intangible assets	18,738	20,239
Provisions for risks and for severance indemnity and similar obligations	5,114	5,907
Write-downs (reversals of fair value measurements)	664	1,147
Losses / (Gains) on the disposal of property, plant and equipment (including investment property)	(304)	(3)
Financial income	(422)	(811)
Borrowing costs	19,131	14,695
Amortisation of grants	(1,150)	(1,468)
Change in working capital	(76,337)	(98,403)
Change in non-current provisions and other changes	(18,086)	(3,754)
<i>Cash generated from operating activities</i>	<i>(20,409)</i>	<i>(19,263)</i>
Interest paid	(7,261)	(7,866)
Taxes paid	(5,079)	(7,376)
<i>Cash flow from operations</i>	<i>(32,749)</i>	<i>(34,505)</i>
<i>Investing activities</i>		
Acquisition of subsidiaries, net of cash and cash equivalents	0	(78)
Investment in property, plant and equipment (including investment property)	(18,054)	(12,119)
Sale price, or repayment value, of plant, property and equipment (including investment property)	389	68
Investment in intangible assets	(24,578)	(22,619)
Sale price, or repayment value, of intangible assets	7	0
Collected interests	228	570
Public grants collected	337	184
Sale price of financial assets	9,466	0
<i>Cash flow from investing activities</i>	<i>(32,205)</i>	<i>(33,994)</i>
<i>Financing activities</i>		
Change in other financial assets	4,248	0
Loans received	156,626	103,277
Outflow for repayment of loans	(53,697)	(44,033)
Reimbursement of rights of use	(2,714)	(2,904)
<i>Cash flow from financing activities</i>	<i>104,463</i>	<i>56,340</i>
<i>Increase / (Decrease) in cash and cash equivalents</i>	<i>39,509</i>	<i>(12,159)</i>
<i>Opening balance</i>	<i>193,552</i>	<i>263,513</i>
<i>Exchange differences</i>	<i>1,001</i>	<i>(2,425)</i>
<i>Closing balance</i>	<i>234,062</i>	<i>248,929</i>

This schedule illustrates the changes in cash and cash equivalents totalling €234.8 million at 31 March 2024 (€251 million at 31 March 2023), gross of short-term bank overdrafts. At 31 March 2024, the Group had short-term bank overdrafts for approximately €0.7 million (€2.1 million at the end of the first quarter of 2023).

Total shareholders' equity and equity attributable to the Immsi Group

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

In thousands of Euros	<i>Shareholders' equity shareholders' equity attributable to the Immsi</i>	<i>Capital and reserves non- controlling interests</i>	<i>Total consolidated Group and non- controlling interests</i>
Balances at 1 January 2024	228,840	166,427	395,267
<i>Other changes</i>	<i>(5,213)</i>	<i>5,213</i>	<i>0</i>
<i>Net comprehensive earnings for the period</i>	<i>5,375</i>	<i>7,445</i>	<i>12,820</i>
Balances at 31 March 2024	229,002	179,085	408,087

Human resources

At 31 March 2024, the Immsi Group employed 6,705 staff, of which 52 in the property and holding sector, 6,441 in the industrial sector (Piaggio group) and 212 in the marine sector (Intermarine S.p.A.).

The following tables divide resources by category and geographic segment:

Human resources by category

numbers	31.03.2024			
	Property sector sector	Property sector	Property sector	Total Immsi
Senior management	4	118	7	129
Middle managers and white-collar workers	27	2,304	129	2,460
Blue-collar workers	21	4,019	76	4,116
TOTAL	52	6,441	212	6,705
numbers	31.12.2023			
	Property sector sector	Property sector	Property sector	Total Immsi
Senior management	4	112	7	123
Middle managers and white-collar workers	27	2,319	127	2,473
Blue-collar workers	19	3,494	79	3,592
TOTAL	50	5,925	213	6,188
numbers	Changes			
	Property sector sector	Property sector	Property sector	Total Immsi
Senior management	0	6	0	6
Middle managers and white-collar workers	0	-15	2	-13
Blue-collar workers	2	525	-3	524
TOTAL	2	516	-1	517

Human resources by geographic segment

numbers	31.03.2024			
	Property sector sector	Property sector	Property sector	Total Immsi
Italy	52	3,617	212	3,881
Rest of Europe	0	155	0	155
Rest of the world	0	2,669	0	2,669
TOTAL	52	6,441	212	6,705
numbers	31.12.2023			
	Property sector sector	Property sector	Property sector	Total Immsi
Italy	50	3,007	213	3,270
Rest of Europe	0	271	0	271
Rest of the world	0	2,647	0	2,647
TOTAL	50	5,925	213	6,188
numbers	Changes			
	Property sector sector	Property sector	Property sector	Total Immsi
Italy	2	610	-1	611
Rest of Europe	0	-116	0	-116
Rest of the world	0	22	0	22
TOTAL	2	516	-1	517

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 2023 prepared pursuant to Legislative Decree 254/2016.

Directors' comments on operations

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

	31.03.2024	as a %	31.03.2023	as a %	Change	as a %
In thousands of Euros						
Net revenues	325		409		-84	-20.5%
Operating income before depreciation and amortisation (EBITDA)	-2,056	n/m	-1,942	n/m	-114	-5.9%
Operating income (EBIT)	-2,446	n/m	-2,215	n/m	-231	-10.4%
Profit before tax	-7,852	n/m	-6,381	n/m	-1,471	-23.1%
Profit (loss) for the period including minority interests	-7,170	n/m	-5,891	n/m	-1,279	-21.7%
Group earnings for the period (which may be consolidated)	-5,399	n/m	-4,369	n/m	-1,030	-23.6%
Net debt	-314,918		-308,853		-6,065	-2.0%
Personnel (number)	52		55		-3	-5.5%

Overall, the **property and holding sector** reported a net loss for consolidation purposes of approximately €5.4 million at 31 March 2024, a deterioration of approximately €1 million and mainly generated by higher net financial expenses due to the rise in interest rates on debt compared to the same period the previous year.

The sector's net financial debt was negative by €314.9 million, substantially in line with the figure at 31 December 2023 (-€314.8 million), while it increased compared to €308.9 million negative at 31 March 2023.

The **Parent Company Immsi S.p.A.** recorded a net loss for the period of approximately €1.2 million, compared to a loss of €0.7 million at 31 March 2023; the decrease is mainly due to higher net financial expenses incurred.

Net financial borrowing costs at 31 March 2024 were €9.7 million negative, compared to €11.9 million negative at 31 December 2023, which was mainly influenced by inflows of €9.5 million in March 2024, for the sale of all UniCredit shares held in the portfolio, partially offset by the payment of net financial borrowing costs for the period and other operating costs incurred.

In preparing this Interim Report at 31 March 2024, 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 to the subsidiary **Is Molas S.p.A.**, important extraordinary maintenance works were carried out in the first quarter of 2024 on the existing tourist and hotel facilities to adapt the services to the standards of the identified customer target. The company continued business activities to identify possible buyers, also international, and it decided to allow the mock-up villas to be rented out again in 2024 (as in previous years) in order to allow end customers – including any investors – to better understand the product and the associated services

offered (e.g. wellness and home catering), so as to be able to assess their profitability. In this regard, it should be noted that during the first quarter of 2024, an intermediary of high standing in the Luxury sector was exclusively appointed for the sale and short rental of villas.

The subsidiary is successfully continuing activities to sell the “Le Ginestre” property complex, consisting of 50 residential units and several parking spaces, with the aim of rationalising its property portfolio. At 31 March 2024, a total of 35 units had been sold, with a further two purchase proposals accepted.

Revenues generated by the tourist-hotel and golf business in the first three months of 2024 amounted to €0.3 million, in line with €0.4 million recorded in the same period of the previous year, also attributable to the sale of real estate units related to the “Le Ginestre” property complex. In terms of margins, at 31 March 2024, the company had recorded an operating loss of approximately €1.1 million and a net loss for consolidation purposes equal to €1.6 million, a deterioration on the figures recorded for the same period of 2022, equal to €1.3 million, mainly due to higher borrowing costs in the period.

The company’s net debt amounted to €89.2 million, with a cash absorption of approximately €1 million, compared to 31 December 2023 (when it was equal to €88.3 million) mainly as a result of ongoing investments in tourist/hotel and golfing facilities.

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 at 31 December 2023, to which reference is made. At 31 March 2024, the company’s income statement showed a loss of €29 million (in line with the figure for the same period in 2023) and the net financial position was virtually unchanged from the figure at 31 December 2023 and negative by approximately €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 at 31 March 2024 of approximately €2.2million (deteriorating by approximately €0.3 million compared to 31 March 2023 mainly due to the higher incidence of borrowing costs), and a net financial debt of €134.8 million at 31 March 2024, compared to €132.7 million at 31 December 2023; During March 2024, the parent company Immsi S.p.A., with the aim of recapitalising RCN Finanziaria S.p.A., waived financial receivables due from the subsidiary for a nominal value of €10.5 million, allocating them to a special reserve for the future capital increase of Immsi.
- **ISM Investimenti S.p.A.**, owned by Immsi S.p.A. with a 72.64% stake and parent 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 at the end of the first quarter of 2024, basically in line with the figure at 31 March 2023. Net financial debt at 31 March 2024 was equal to €80.2 million, compared to €81 million at 31 December 2023. During March 2024, the parent company Immsi S.p.A., with the aim of recapitalising ISM Investimenti S.p.A., waived financial receivables due from the subsidiary for a nominal value of €8.5 million, allocating them to a special reserve for the future capital increase of Immsi.

Industrial sector

In thousands of Euros	31.03.2024	as a %	31.03.2023	as a %	Change	as a %
Net revenues (*)	428,037		543,927		-115,890	-21.3%
Operating income before depreciation and amortisation (EBITDA)	75,310	17.6%	81,049	14.8%	-5,739	-7.1%
Operating income (EBIT)	41,347	9.7%	44,868	8.2%	-3,521	-7.8%
Profit before tax	28,300	6.6%	36,502	6.7%	-8,202	-22.5%
Profit (loss) for the period including minority interests	18,678	4.4%	24,091	4.4%	-5,413	-22.5%
Group earnings for the period (which may be consolidated)	9,456	2.2%	12,183	2.2%	-2,727	-22.4%
Net debt	-498,004		-428,038		-69,966	-16.3%
Personnel (number)	6,441		6,429		12	0.2%

(*) with reference to the industrial sector, following the contractual changes made from 2024 to the sell-out promotions for the Indian market, the costs of the aforementioned promotions, previously allocated to the provision of services, are now allocated as a deduction of revenues. Although the value is to be considered negligible, €2.9 million was reclassified from cost of services to lower revenue in the first quarter of 2023, in order to allow for a better comparability with 2024 figures.

In the first three months of 2024, the Piaggio group sold 120,300 vehicles worldwide, recording a decrease of 22.3% compared to the first three months of the previous year, when 154,900 vehicles had been sold.

As regards product type, the decrease in sales of Commercial Vehicles was minor (-3.9%), while it was more significant for Two-Wheeler Vehicles (-26.7%).

The Piaggio group's consolidated net revenues amounted to €428 million, down on the corresponding period of 2023. The decline in sales recorded in the first quarter mainly reflects the sales performance of Asian markets, which, conversely, recorded their best-ever performance in the first three months of 2023. In addition, the comparison with the first quarter of the previous year reflects the necessary stock rebalancing undertaken by global distribution networks to anticipate the introduction of new emissions regulations, that will come into force between 2024 and 2025 for two-, three- and four-wheeler vehicles.

EBITDA decreased to €75.3 million at 31 March 2024 (€81 million in the first three months of 2023). In relation to turnover, EBITDA was equal to 17.6% (14.9% in the first three months of 2023).

Operating income (EBIT) amounted to €41.3 million, decreasing on the first three months of 2023; in relation to turnover, EBIT was equal to 9.7% (8.2% in the first three months of 2023).

Profit before tax for the period amounted to €28.3 million (€36.5 million in the first quarter of 2023), impacted by net financial borrowing costs of €13.0 million (€8.4 million at 31 March 2023). The deterioration is mainly due to the rise in interest rates on debt, mainly related to the new bond issue in October 2023, exacerbated by the negative impact of currency management.

Income taxes for the period are estimated to be €9.6 million, equivalent to 34% of profit before tax.

Profit for the period came to €18.7 million (4.4% of turnover), down on the figure for the same period of the previous financial year, when it amounted to €24.1 million (4.4% of turnover).

Net financial debt at 31 March 2024 was equal to €498 million, compared to €434 million at 31 December 2023, and up by approximately €64 million.

Net financial debt increased by approximately €70 million compared to 31 March 2023.

Marine sector

In thousands of Euros	31.03.2024	as a %	31.03.2023	as a %	Change	as a %
Net revenues	6,508		9,163		-2,655	-29.0%
Operating income before depreciation and amortisation (EBITDA)	-2,161	-33.2%	-2,035	-22.2%	-126	-6.2%
Operating income (EBIT)	-2,439	-37.5%	-2,334	-25.5%	-105	-4.5%
Profit before tax	-4,098	-63.0%	-3,447	-37.6%	-651	-18.9%
Profit (loss) for the period including minority interests	-3,143	-48.3%	-2,649	-28.9%	-494	-18.6%
Group earnings for the period (which may be consolidated)	-2,279	-35.0%	-1,921	-21.0%	-358	-18.6%
Net debt	-81,648		-67,567		-14,081	-20.8%
Personnel (number)	212		221		-9	-4.1%

With reference to the income data of the **marine sector** (Intermarine S.p.A.), during the first three months of 2024, net sales revenues (consisting of sales and changes in work in progress) amounted to €6.5 million, compared to €9.2 million in the corresponding period of 2023. Production progress, including research and development, and the completion of constructions and deliveries, concerned in particular:

- the Defence division, with €2.2 million (4.6 million in the first three months of 2023), 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, and activities for repairs/refitting/modernisation of the Navy's Termoli-class minesweepers.
- The Fast Ferries and Yacht divisions, with a total of €4.3 million (4.6 million in the first three months of 2023), mainly for activities at the Messina shipyard for the construction of a first passenger vessel and start of a second unit for a leading shipowner on the Italian market.

In relation to the above, a negative EBIT of €2.4 million was recorded in the first three months of 2024, compared to a negative €2.3 million in the corresponding period of the previous year. A pre-tax loss of €4.1 million was recorded (compared to a loss of €3.4 million in the corresponding period of 2023), while the net loss for consolidation purposes for the Immsi Group at 31 March 2024 was equal to €2.3 million, compared to a loss of €1.9 million recorded in the corresponding period of the previous year.

The total value of the orders portfolio of the company amounted to €78 million at 31 March 2024 (divided between the Defence division and the Fast Ferries and Yacht Divisions), referring to the remaining part of existing contracts still to be developed in terms of revenues.

Net financial debt at 31 March 2024 amounted to €81.6 million, up on the balance at 31 December 2023, equal to €78.6 million, and on the balance of €67.6 million at 31 March 2023.

During March 2024, the parent company RCN Finanziaria S.p.A., with the aim of recapitalising Intermarine S.p.A., waived financial receivables due from the subsidiary for €3.5 million, allocating them to a special reserve for a future capital increase.

Events occurring after 31 March 2024 and operating outlook

Although the geopolitical and macroeconomic context is still complex, the Group will continue its growth path while maintaining a constant focus on the efficient management of its economic and financial structure, to respond concisely and immediately to the challenges of 2024.

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.

As regards events subsequent to 31 March 2024, it should be noted that on 29 April 2024 the Shareholders' Meeting of the parent company Immsi S.p.A. approved, among others, the adoption of the new text of the Articles of Association and therefore the adoption of the one-tier administration and control model.

With reference to the **industrial sector**, in the absence of further critical factors in the global macroeconomic scenario, the Piaggio group, thanks to a portfolio of iconic brands, appreciated worldwide as Italian symbols of elegance, sporting style and high technology, will aim to maintain the profitability levels achieved in the last few months, regardless of the possible temporary slowdown in some markets.

The current difficulties in international transport and the related increase in costs and delivery times will continue to be dealt with through careful management and planning of stock levels and purchasing flows, while maintaining a constant focus on achieving greater efficiency.

In view of this, the investments planned for new products in the two-wheeler and commercial vehicle sectors and the consolidation of the commitment to ESG issues are confirmed. In Italy, major investment plans have been outlined for the next few years, so as to be ready also for the ongoing energy transition. The decision to verticalize the development and production of strategic assets will be key to dealing efficiently with new technologies.

With regard to events subsequent to 31 March 2024, it should be noted that on 15 April 2024, the Ministry of Enterprise and Made in Italy authorised a Development Contract proposed by the Piaggio group, which envisages an investment plan of approximately €112 million to expand production at Pontedera plant, in the province of Pisa. The industrial development programme, called 'E-Mobility', includes the introduction and development of a new line of electric motors dedicated to next-generation zero-emission vehicles and five industrial research and experimental development projects, aimed at the development of components and systems for electric-powered vehicles, as well as the development of solutions in the digital area, covering safety and vehicle status monitoring, advanced driver assistance systems and complete cybersecurity systems.

On 17 April 2024, the Shareholders' Meeting of the subsidiary Piaggio & C. S.p.A. approved, among others, the adoption of the new text of the Articles of Association and therefore the adoption of the one-tier administration and control model.

Also with reference to the **marine sector**, Intermarine S.p.A. will continue production in the next few months on job orders acquired, as well as commercial activities in all the company's business sectors, 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.