

# THE ITALIAN SEA GROUP

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INVESTOR PRESENTATION

LONDON, JUNE 2024



- 1 EXECUTIVE SUMMARY
- 2 BUSINESS REVIEW
- 3 COMMITMENT TO SUSTAINABILITY



# 1

## EXECUTIVE SUMMARY

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## Q1 2024 RESULTS

**Revenues** amounting to **Eu 95.6 mn**, **+12.2%** vs Q1 2023

**EBITDA** amounting to **Eu 16.1 mn**, **+16.6%** vs Q1 2023, with a **Margin on Revenues** of **16.8%**

**Order Book** amounting to **Eu 1,344 mn** at March 31<sup>st</sup>, 2024

**Investments** for the period amounting to **Eu 2 mn**

**Net Financial Debt** equal to **Eu 25 mn** following the actualisation of the state concession to 2072

## STRATEGIC OUTLOOK 2024 2025

**2024 Guidance Confirmed: Revenues** between **Eu 400 – 420 mn** and **EBITDA Margin** between **17 – 17.5%**

**2025 Strategic Outlook: Revenues** between **Eu 430 – 450 mn** and **EBITDA Margin** between **18 – 18.5%**

# FLOATING MASTERPIECES

**PICCHIOTTI**  
SINCE 1875



**ADMIRAL**



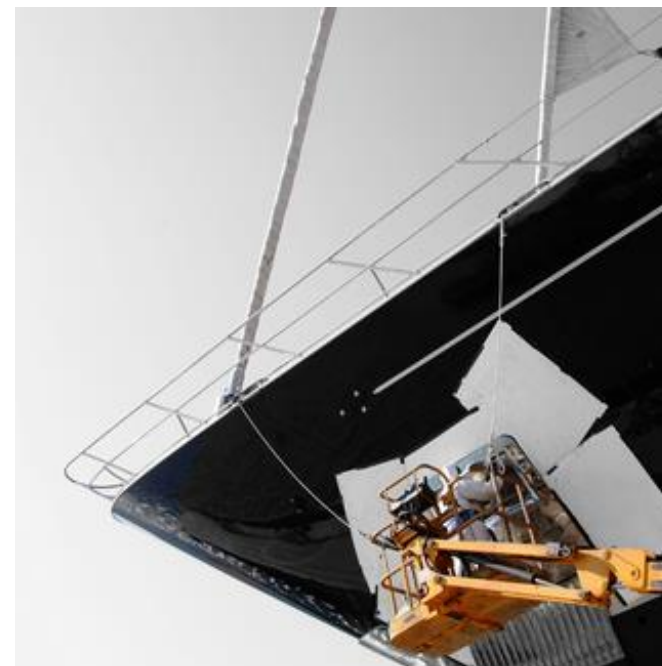
**PERINI NAVI**



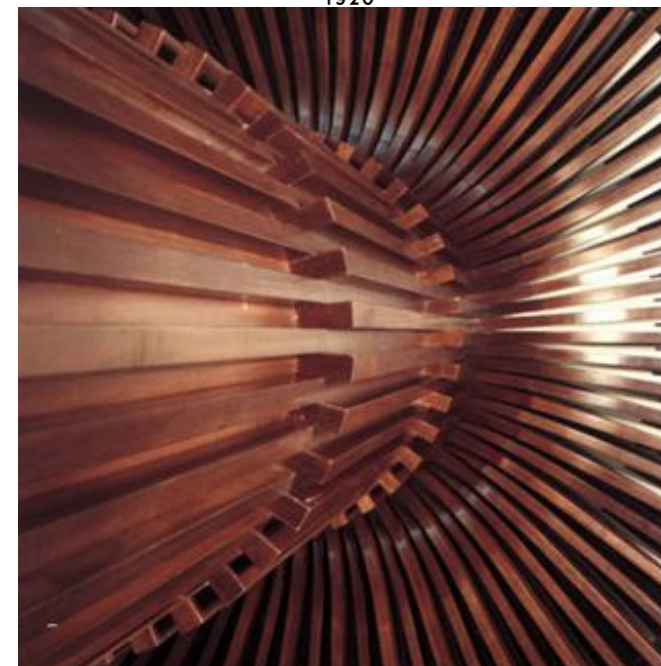
**TECNOMAR**



**NCA REFIT**



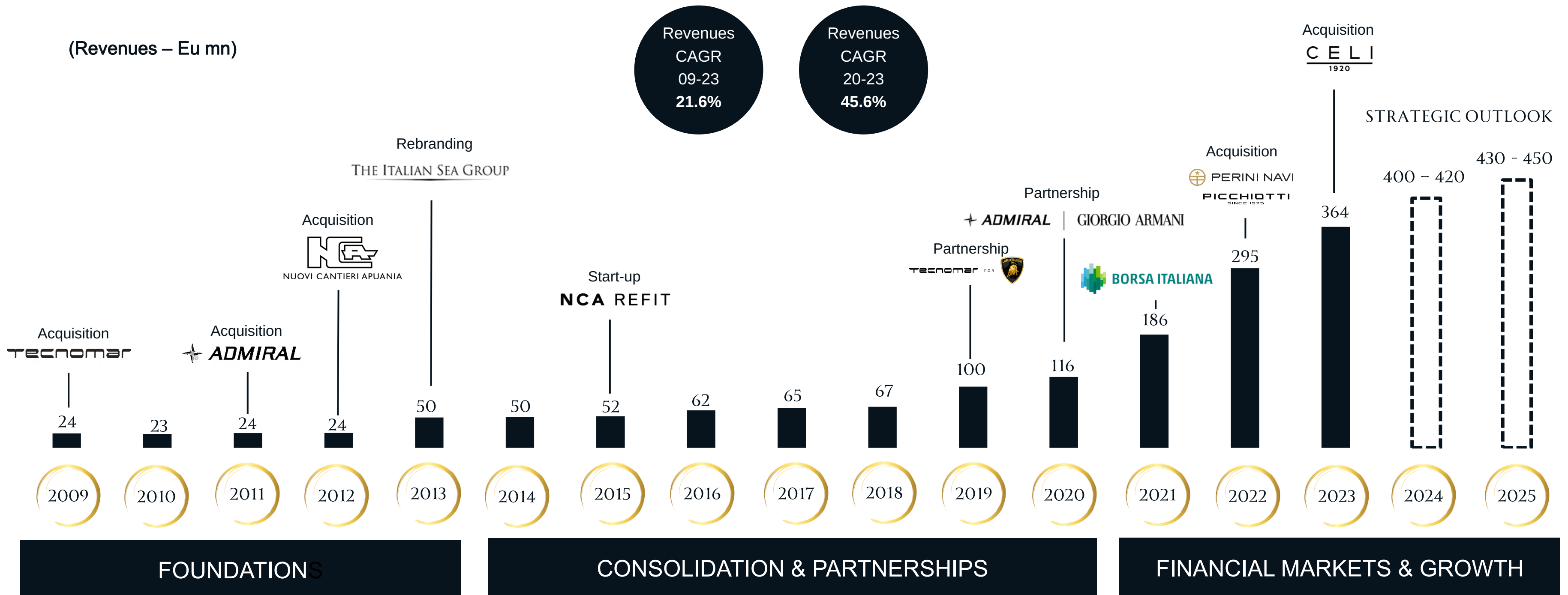
**CELI**  
1920



# SUCCESS STORY SINCE 2009

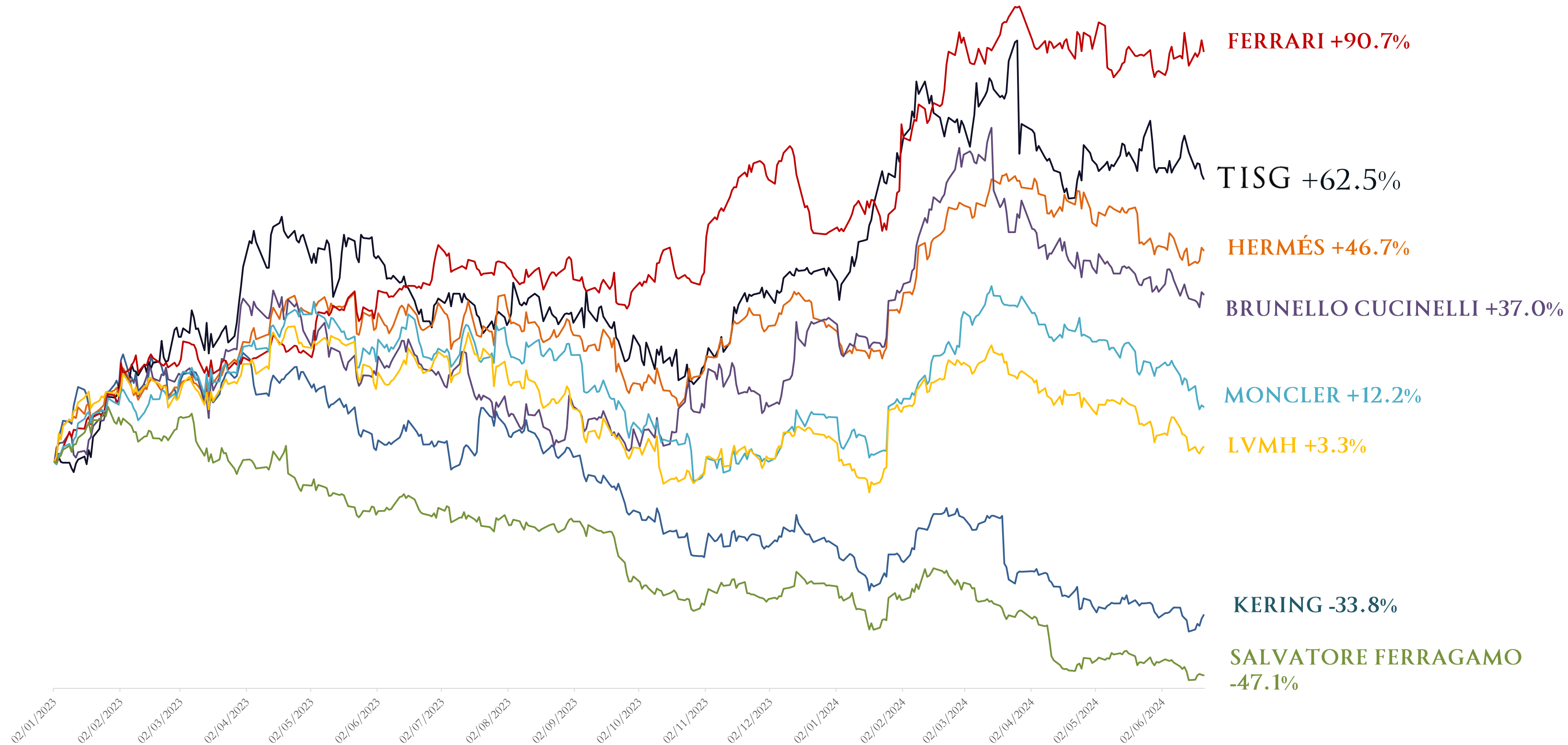
Unrivalled success story founded on the revamping of heritage Italian brands, focus on design and product quality, investments on production capacity, and commitment to financial growth and solidity.

**The Group's ambition is to exceed Eu 500mn in Revenues.**



# STOCK PERFORMANCE VS LEADING LUXURY PEERS

TISG's stock performance was in line with leading luxury brands.

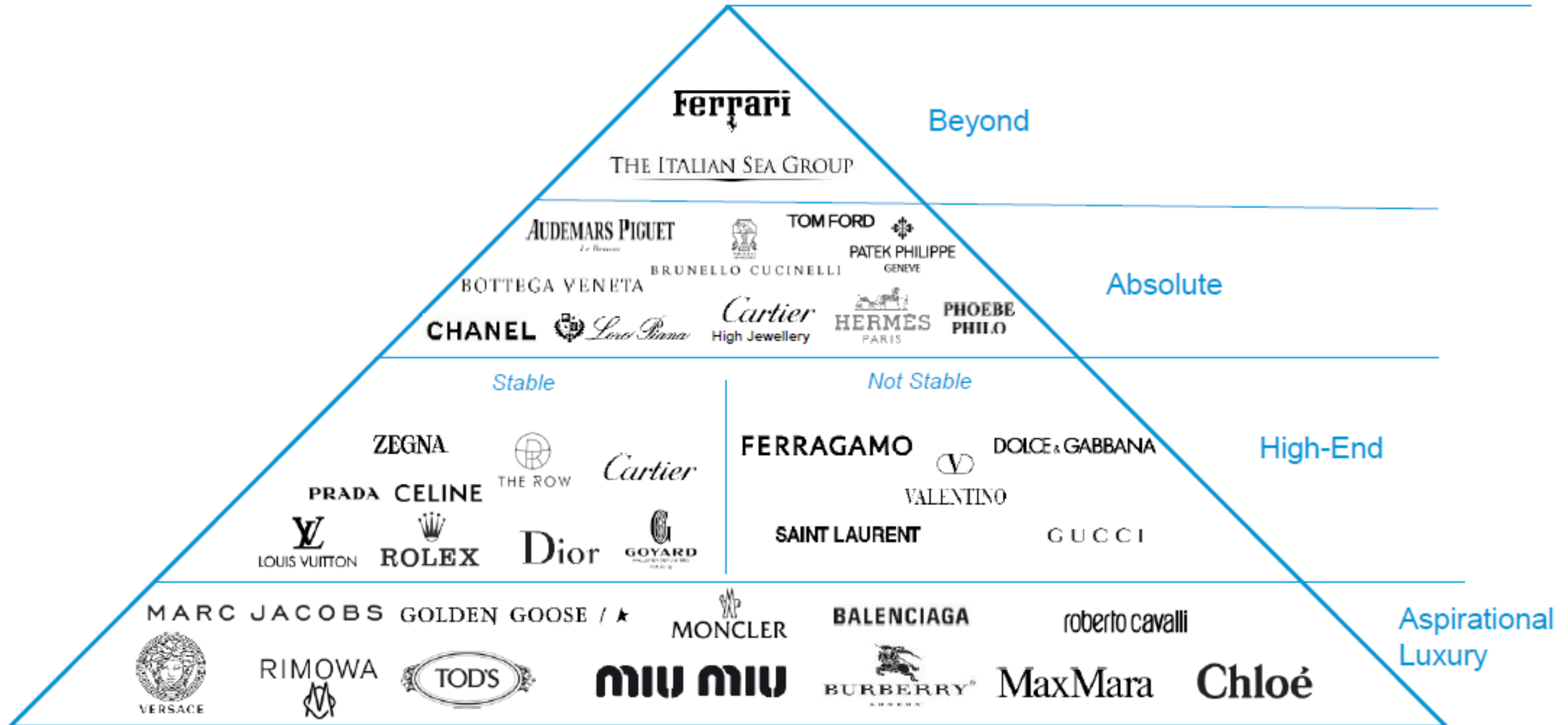


THE ITALIAN SEA GROUP

# POSITIONED AT THE TOP OF THE LUXURY PYRAMID

## Luxury pyramid

Life's better at the top



Source: GAM as of March 2024.

The views are those of the manager and are subject to change. The mentioned financial instruments are provided for illustrative purposes only and shall not be considered as a direct offering, investment recommendation or investment advice. Logos are trademarks of their respective owners and are used for illustrative purposes and should not be construed as an endorsement or sponsorship of GAM.



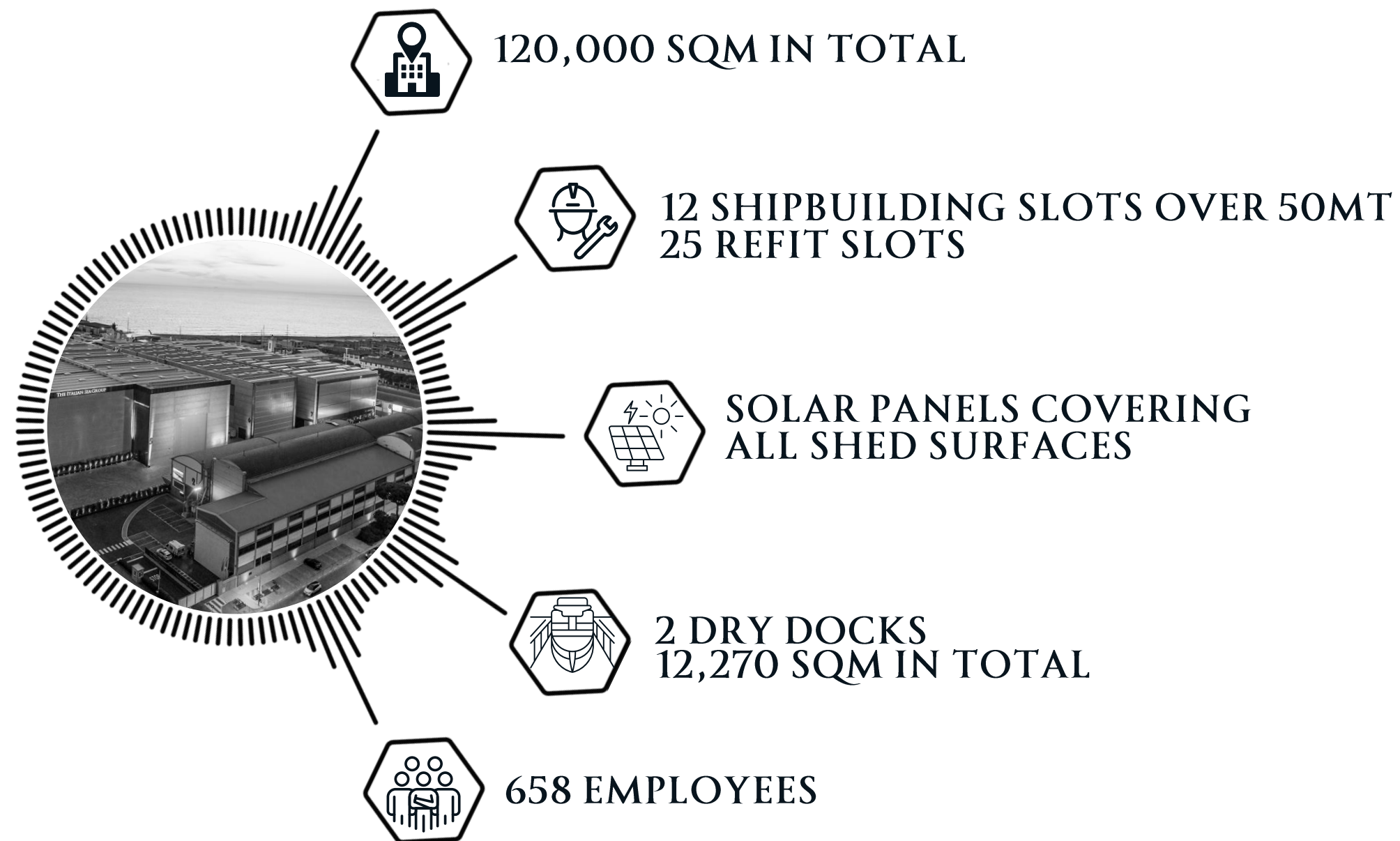
# COMMERCIAL APPROACH & CONTRACT STRUCTURE

TISG's commercial approach and contract structure aim at **eliminating risks with respect to inventory**, achieving **favourable working capital dynamics**, and **locking in contractual margins**.

ORDER TYPE	ADVANCE PAYMENTS CONTRACT STRUCTURE (% OF PURCHASE PRICE)			
OVER 30 MT LOA	CONTRACT SIGNING 10%	FROM 8 TO 10 INSTALMENTS REPRESENTING 80% IN TOTAL		DELIVERY 10%
TECNOMAR FOR LAMBORGHINI 63	CONTRACT SIGNING 10%	MID-PAYMENT 30%	MID-PAYMENT 30%	DELIVERY 30%

# MARINA DI CARRARA

## STATE CONCESSION RENEWED UNTIL 2072





# HEADQUARTERS “NEW ERA”

+3,500 SQM

EXPANSION

IN MARINA DI CARRARA



# CONTEMPORARY ART GALLERY



# OWNER PRIVATE LOUNGE BAR

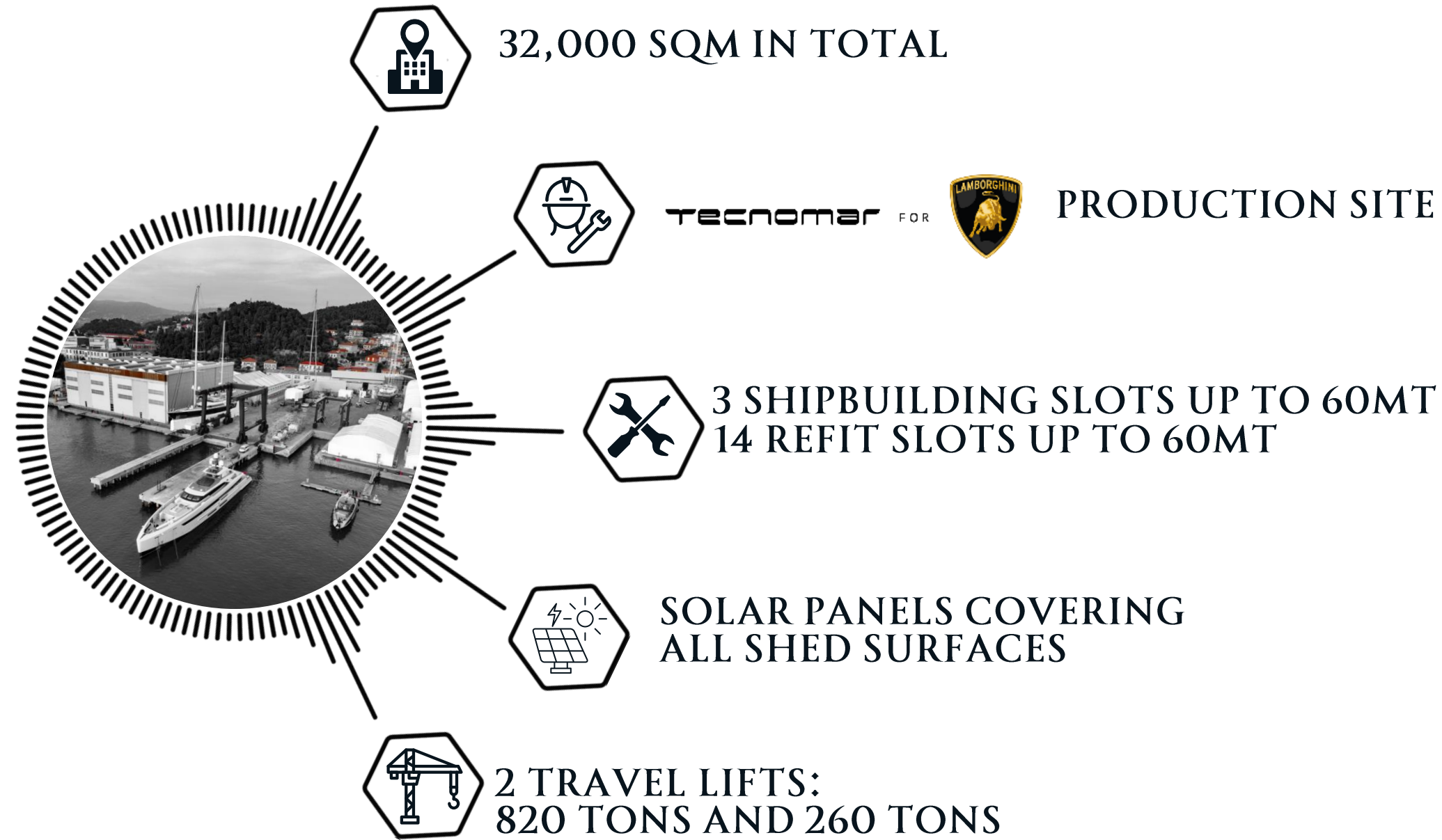


# VIRTUAL ROOM & NEW OFFICES



# TISG MUSEUM

# LA SPEZIA FORMER PERINI NAVI FACILITIES



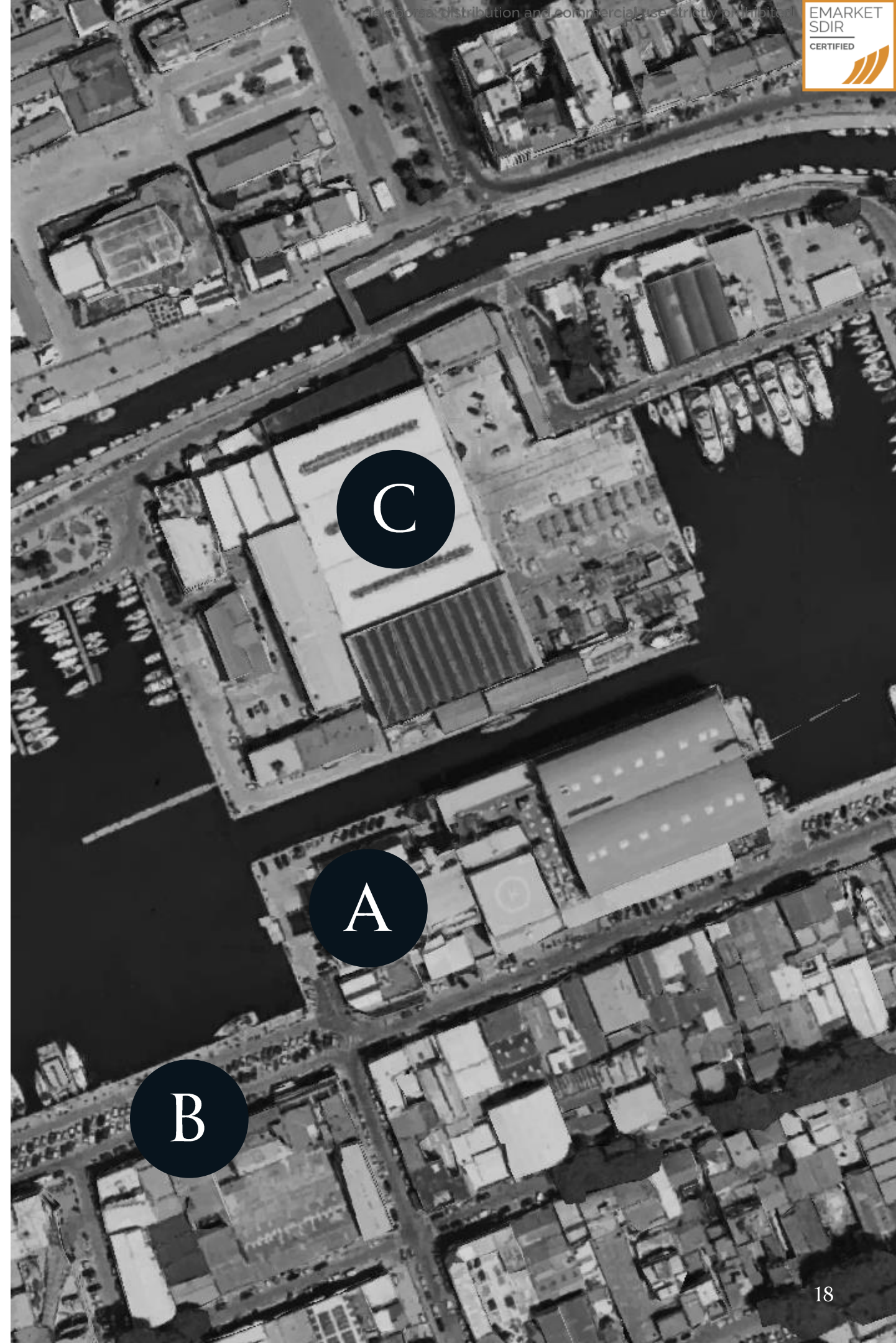
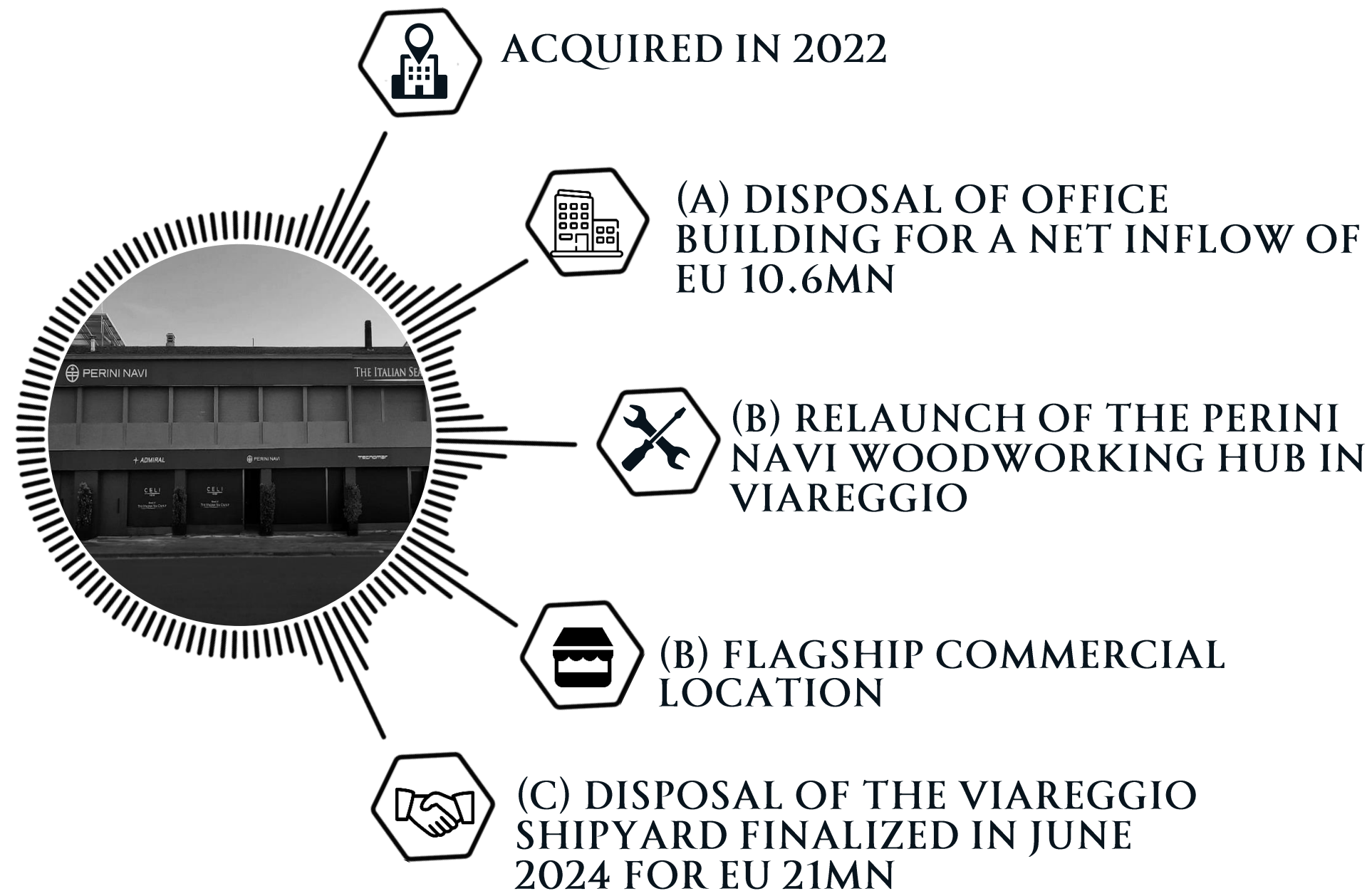




# LA SPEZIA

# VIAREGGIO

## FORMER PERINI NAVI FACILITIES





COMMERCIAL FLAGSHIP IN VIAREGGIO- EXTERIOR

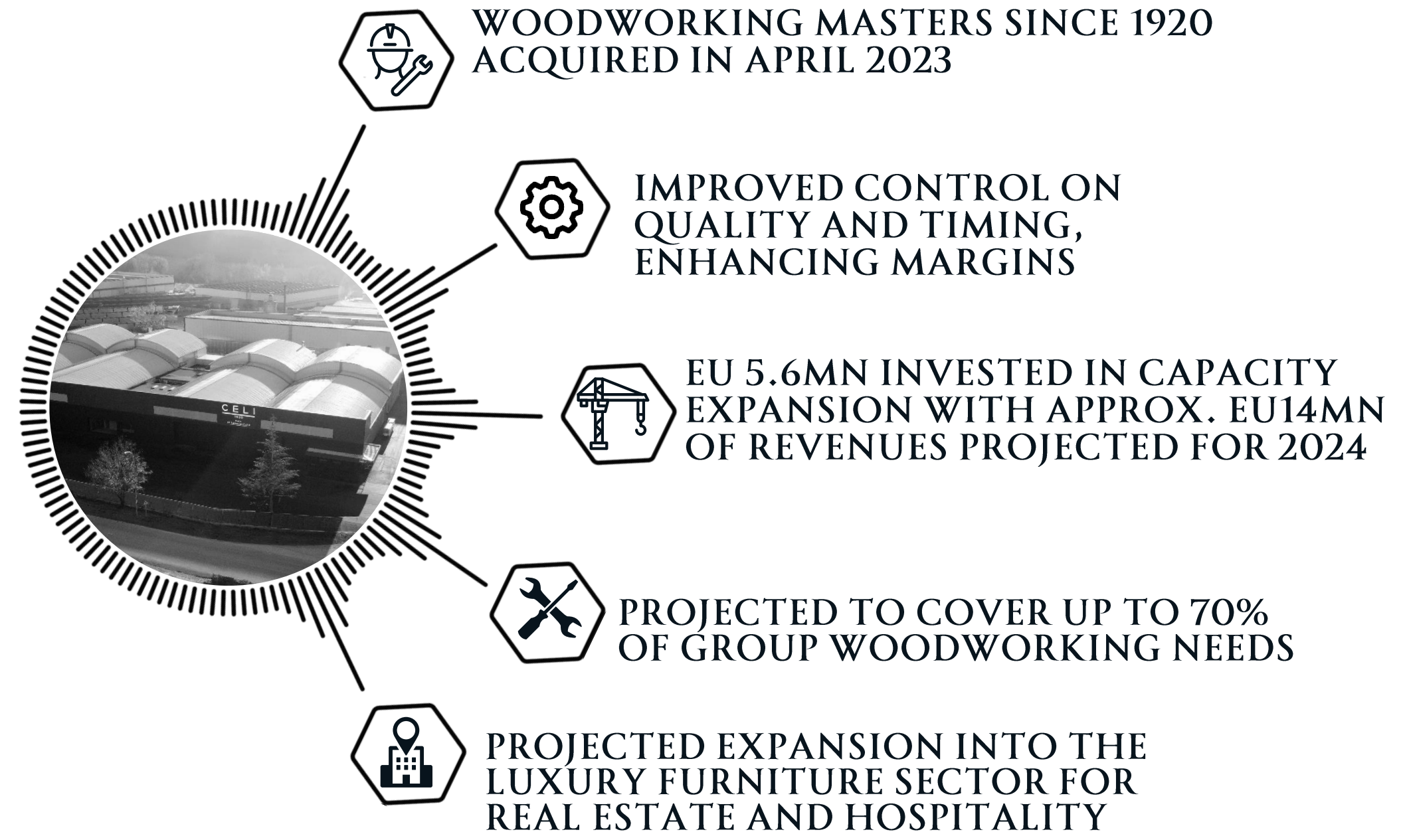


# COMMERCIAL FLAGSHIP IN VIAREGGIO - INTERIOR



# WOODWORKING HUB IN VIAREGGIO

# CELI 1920 WOODWORKS





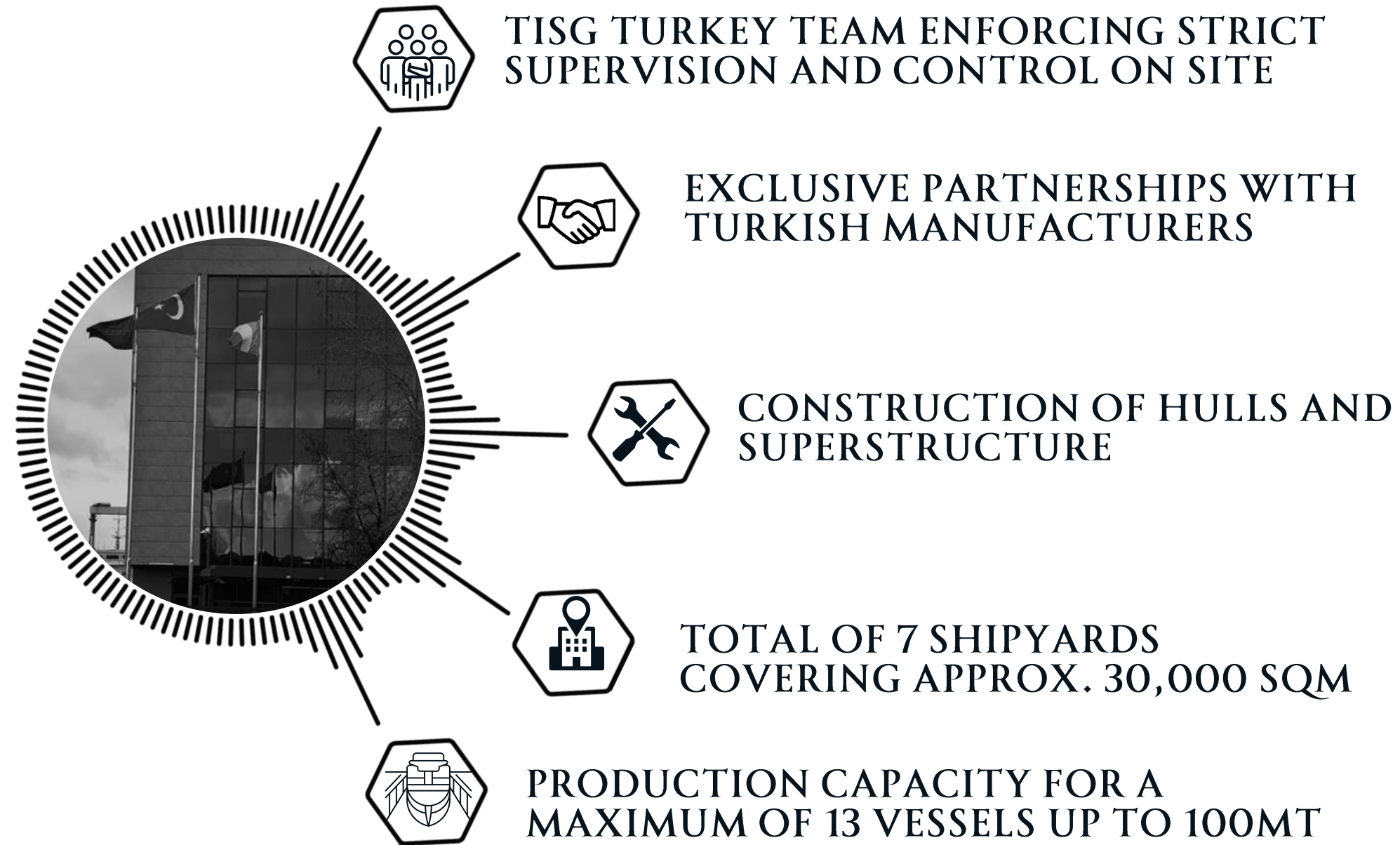
# CELI NEW FACILITIES



# CELI NEW FACILITIES



# TISG TURKEY





# NAVEKS - YALOVA



# HERÇELİK - YALOVA



HICRI ERCILI- YALOVA



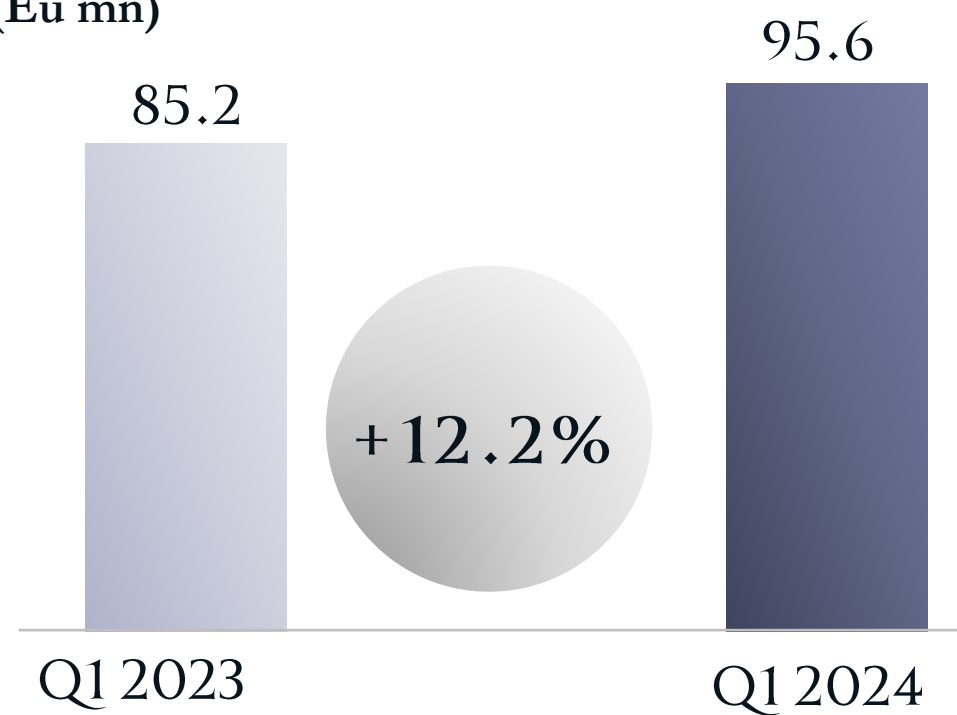
# 2

## BUSINESS REVIEW

# SUMMARY OF KEY Q1 2024 RESULTS

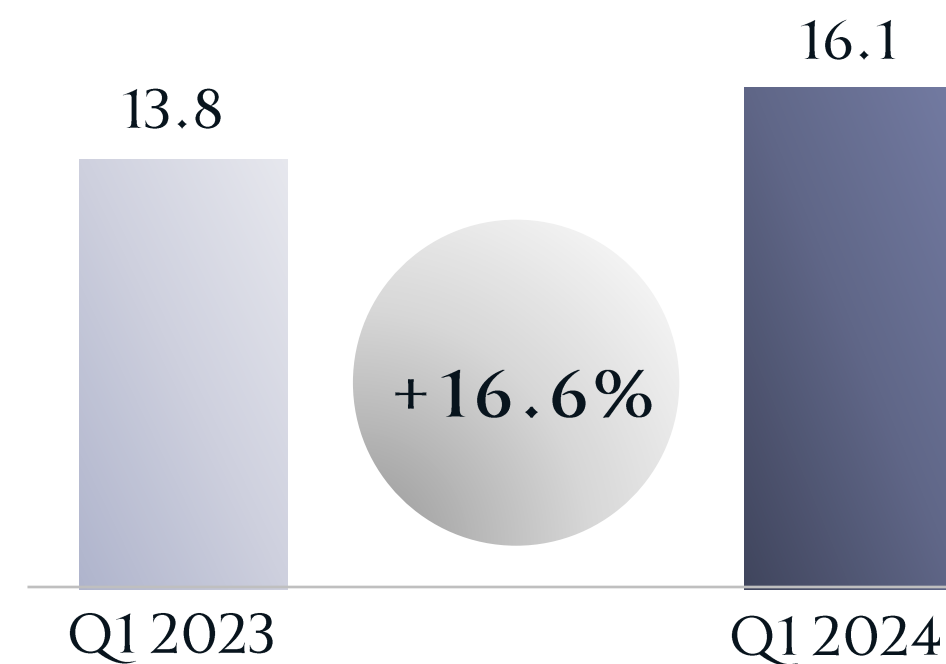
## REVENUES

(Eu mn)



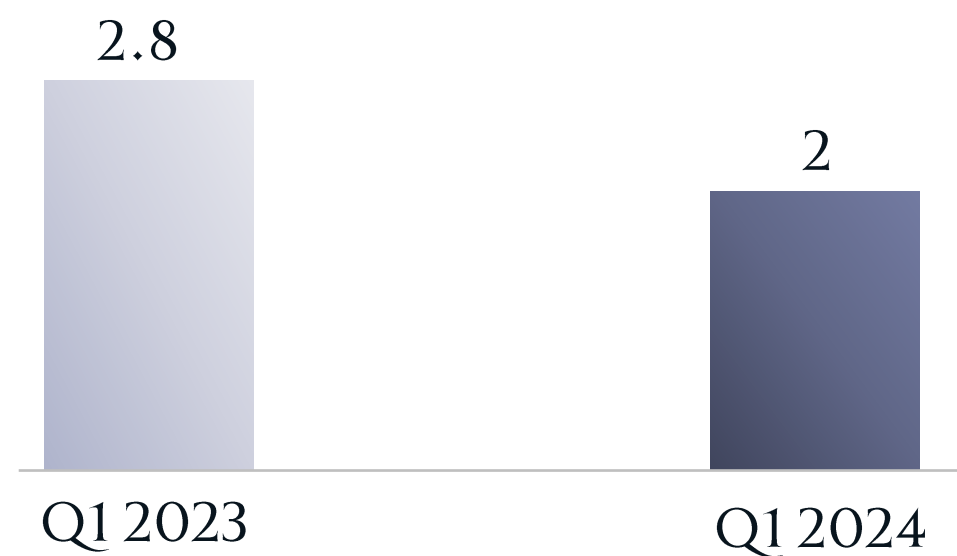
## EBITDA

(Eu mn)



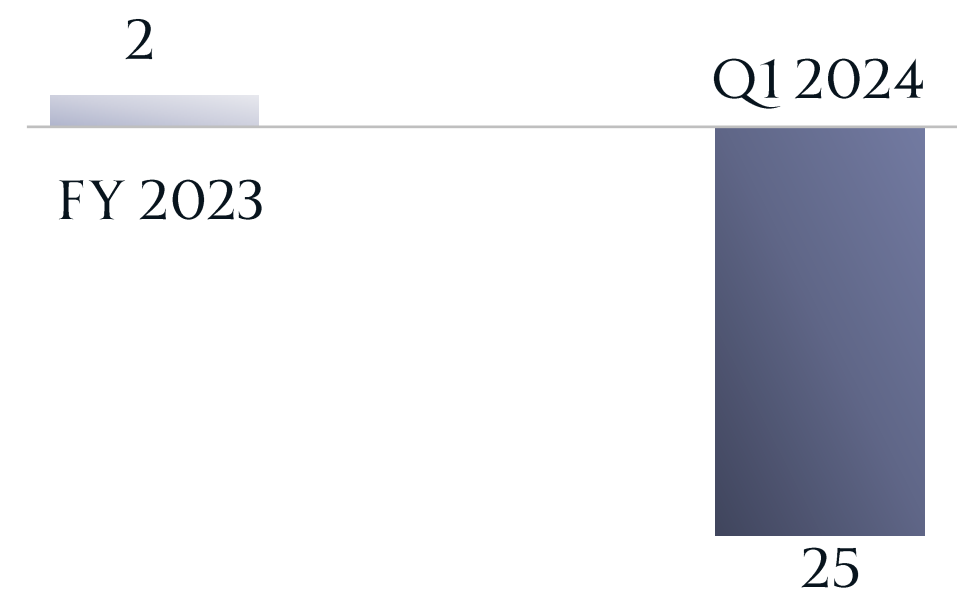
## INVESTMENTS

(Eu mn)



## NET FINANCIAL POSITION

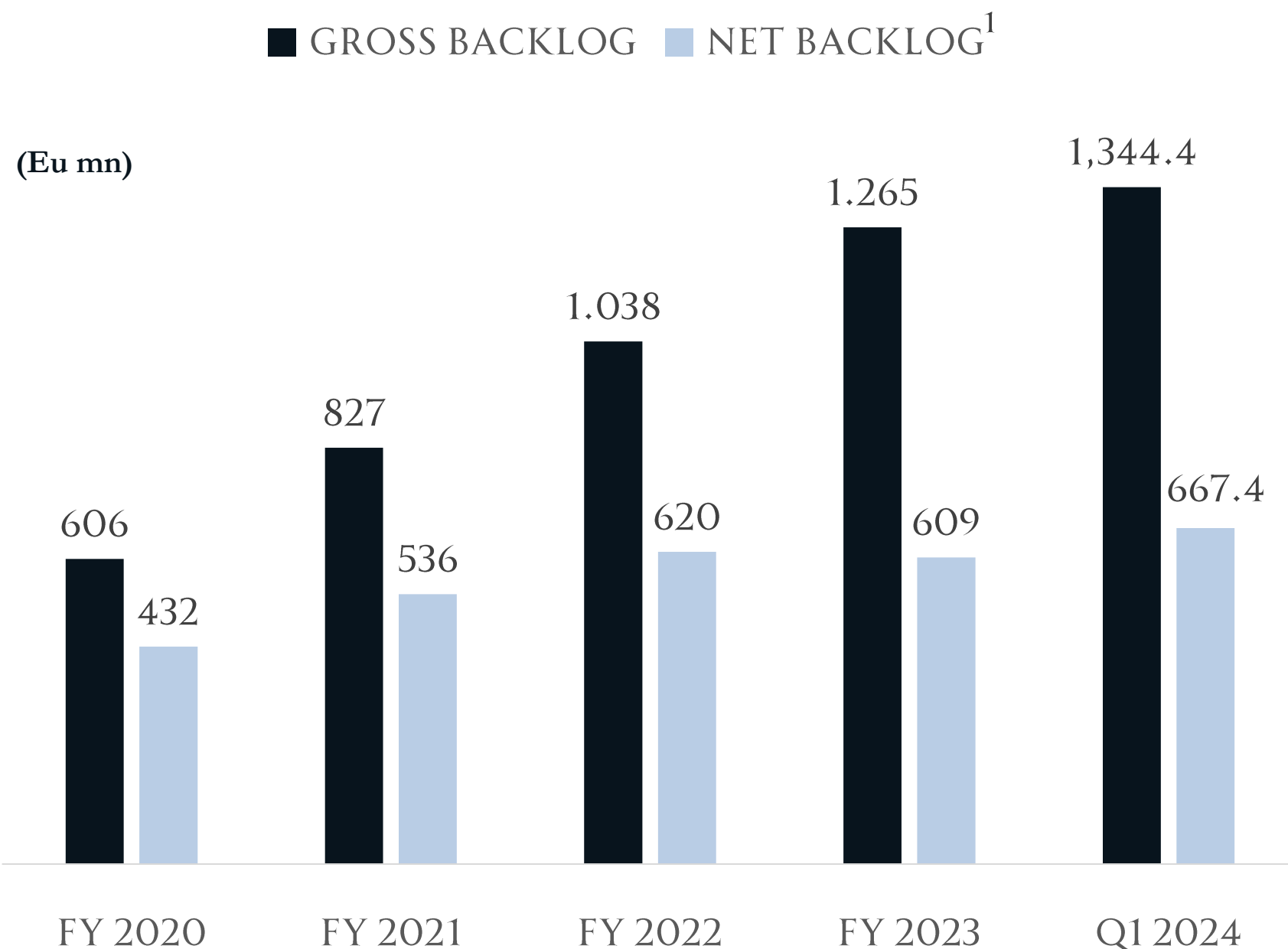
(Eu mn)



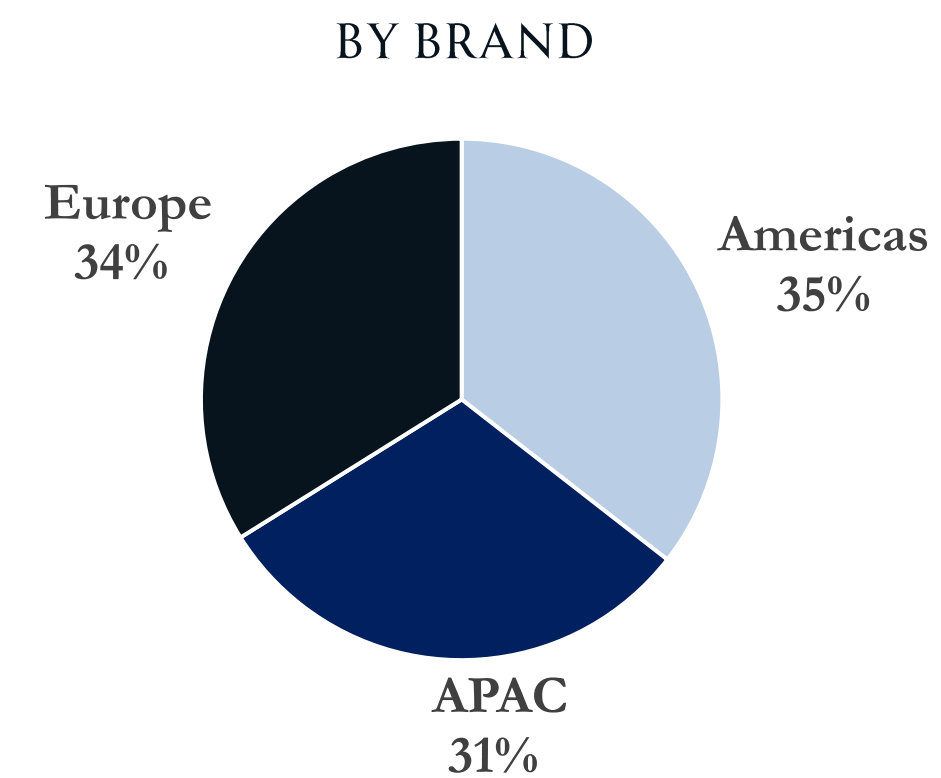
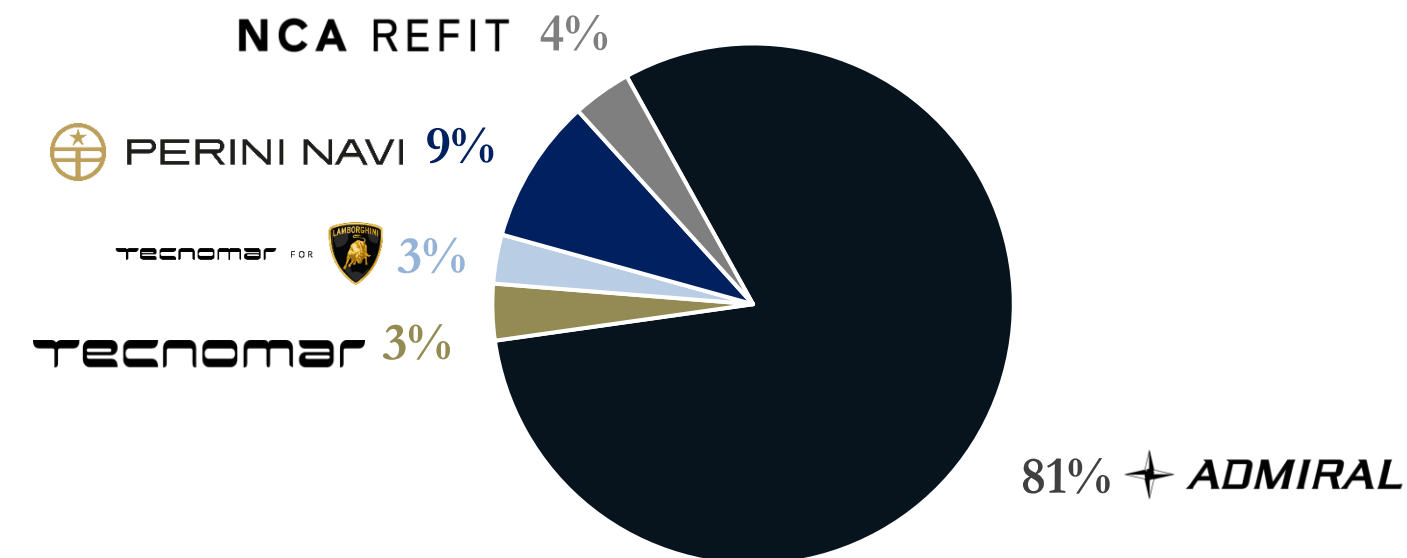
# QUALITY AND VISIBILITY OF THE ORDER BOOK

Resilient client base (UHNWI), **cash-buyers** who do not require any financing to purchase the products. Strict commercial policy with no **trade-ins or sale of used boats, eliminating inventory risk.**

## BACKLOG EVOLUTION (GROSS & NET)



## BACKLOG BREAKDOWN BY BRAND & GEOGRAPHY

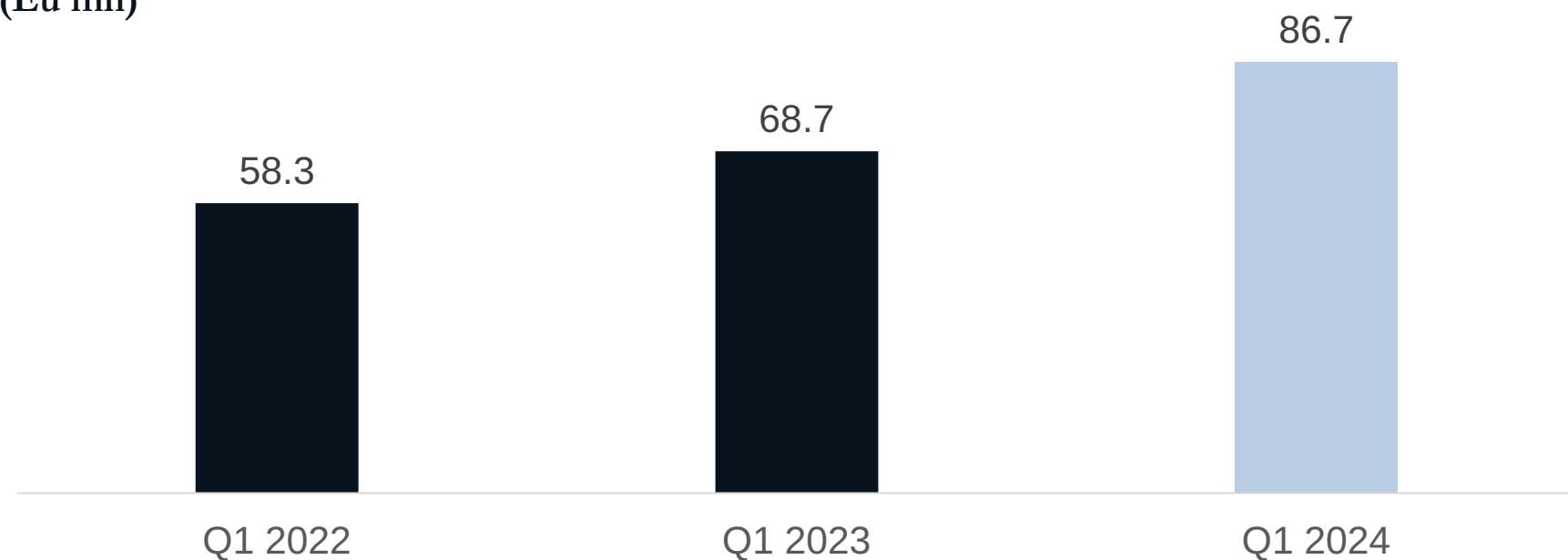


Notes: 1) **Net Backlog** refers to the total value of contracts in progress related to yachts not yet delivered to the clients, net of the revenues already recorded in the income statement

# REVENUES – SHIPBUILDING & REFIT

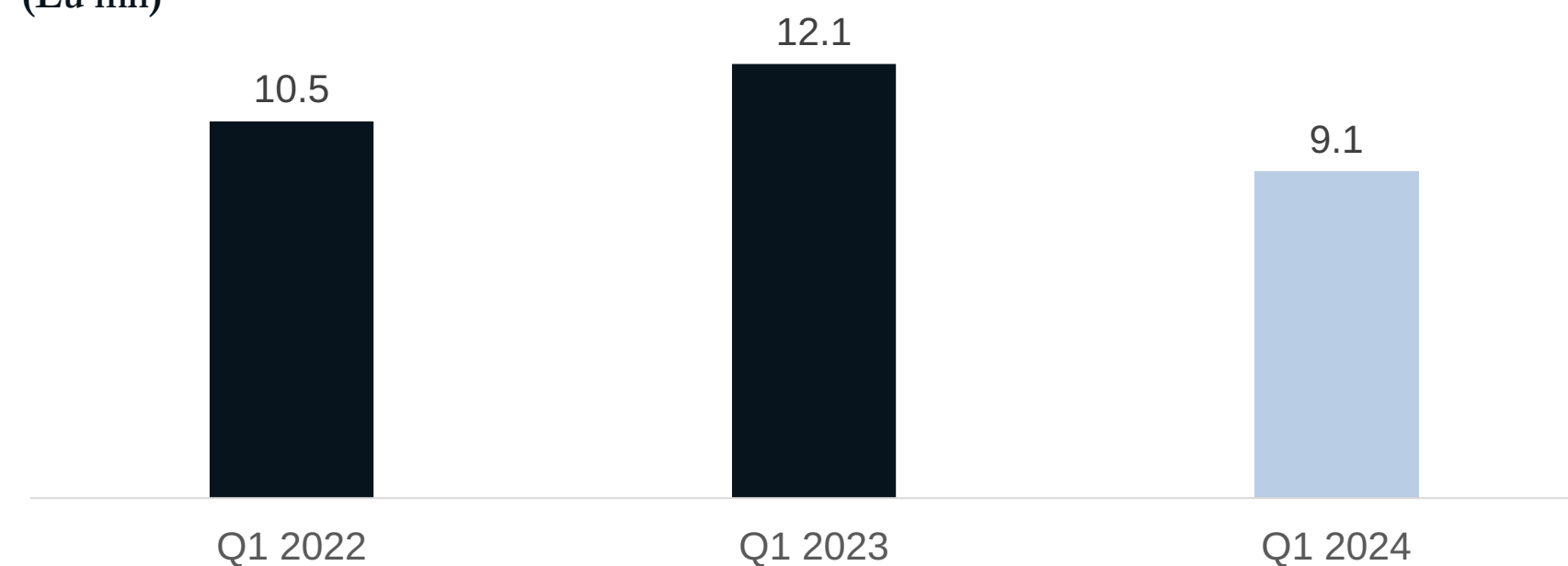
## SHIPBUILDING

(Eu mn)

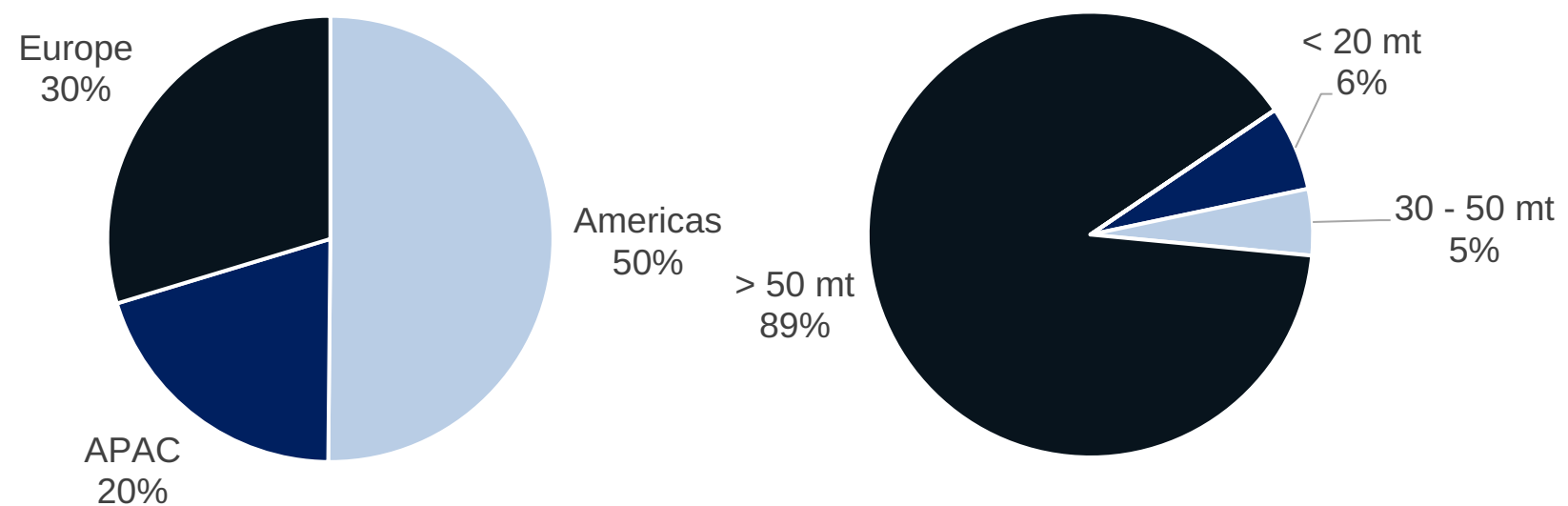


## REFIT

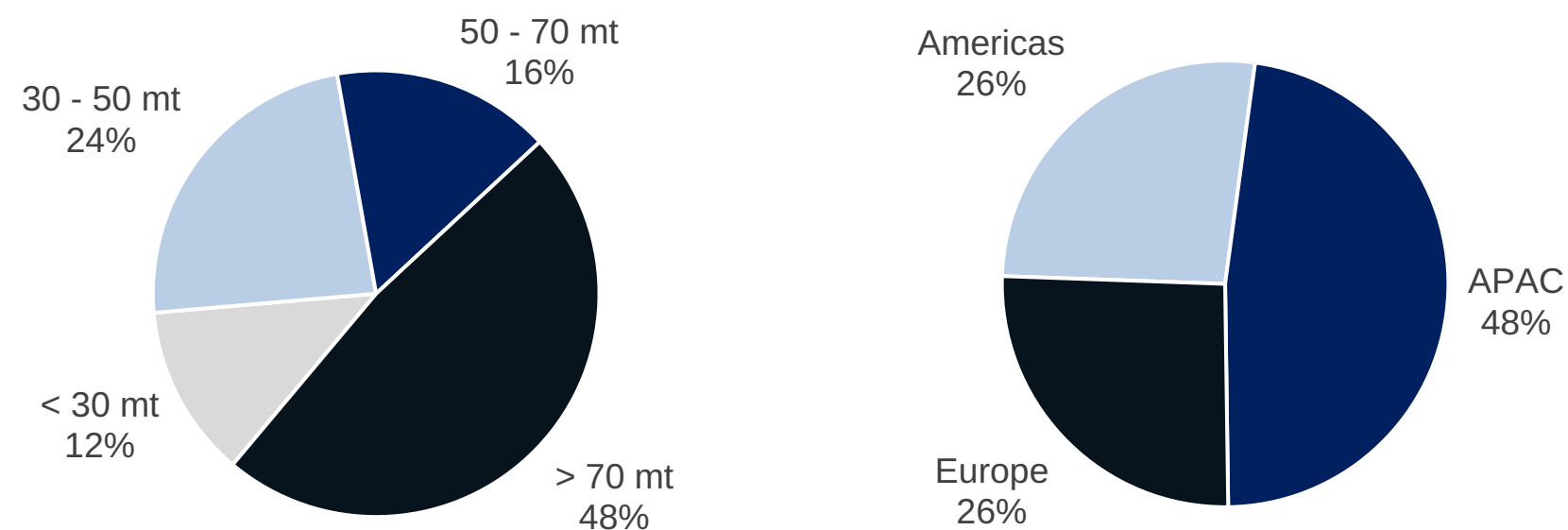
(Eu mn)



## BREAKDOWN BY LOA AND GEOGRAPHY / SHIPBUILDING



## BREAKDOWN BY LOA & GEOGRAPHY / REFIT





# EBITDA & CAPEX

## EBITDA

The increase in marginality over time is attributable to:

- (i) Strong attention to **operating cost management**
- (ii) Improved efficiency of **production processes**
- (iii) Benefits coming from the expansion in production capacity with mix between **Shipbuilding** and **Refit**
- (iv) Internalisation of **key supply chain activities**
- (v) Increase in **sale prices** due to improved brand awareness
- (vi) Economies of scale

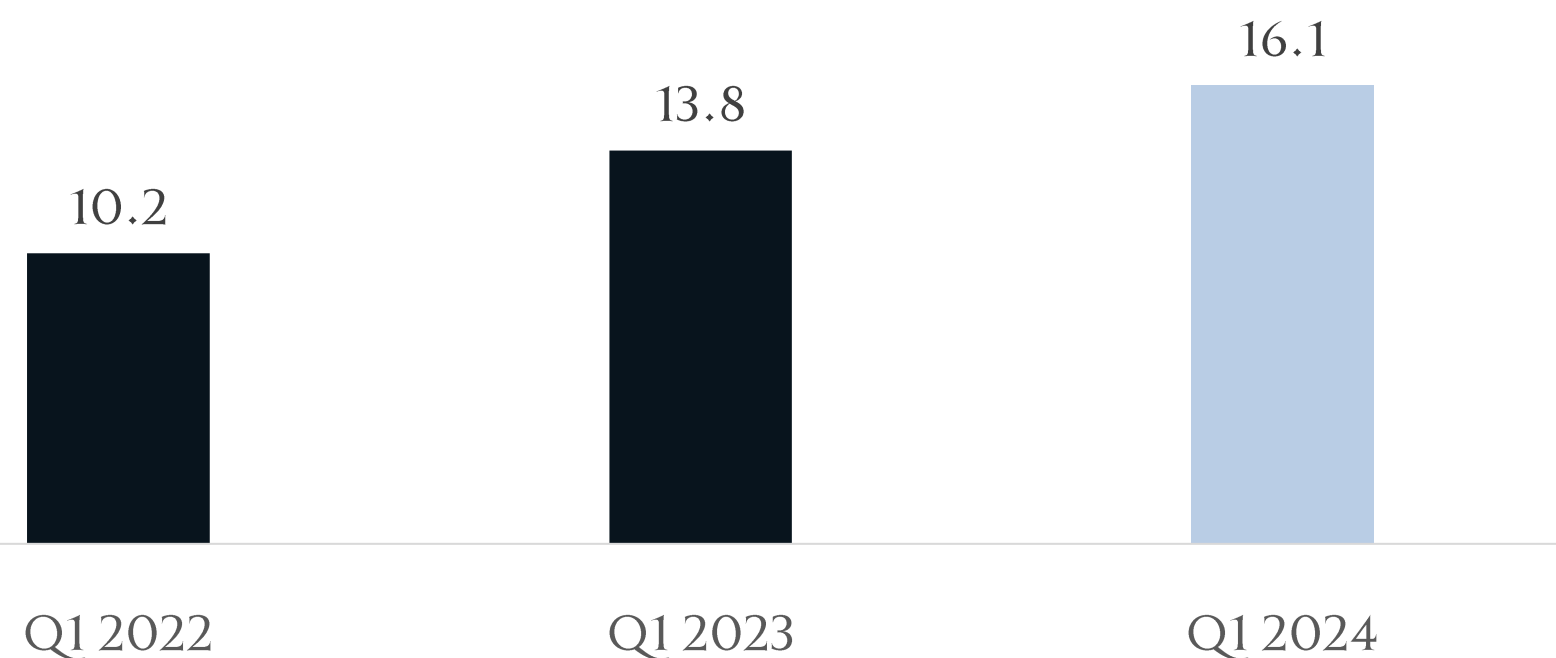
## CAPEX

During the first quarter of 2024, the Company carried out **Investments** related to:

- (i) The completion of the works for the enhancement of **Celi 1920** facilities
- (ii) Activities related to the «**TISG NEW ERA**» project for the extension of commercial offices
- (iii) Expansion of the Upholstery and Steelworks Business Units in the Marina di Carrara Headquarters

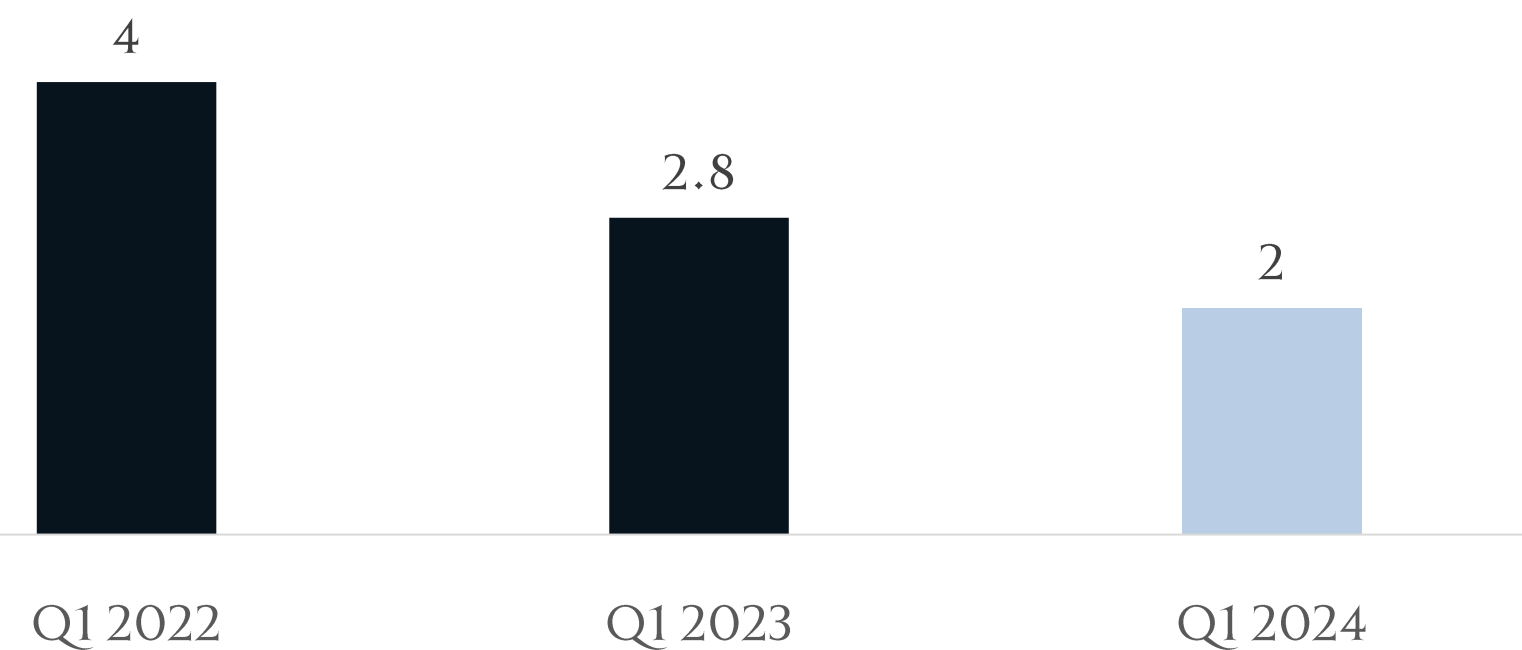
## EBITDA EVOLUTION / Q1 2022 – Q1 2024

(Eu mn)



## CAPEX EVOLUTION / Q1 2022 – Q1 2024

(Eu mn)



# STRATEGY & STRATEGIC OUTLOOK

## STRATEGY

MARKET POSITIONING: MEGA & GIGA YACHTS

BRAND AWARENESS: EXCELLENCE IN QUALITY & DESIGN

SHIPBUILDING & REFIT: SYNERGIES & PRODUCTION CAPACITY

PERINI NAVI: RELAUNCH & SYNERGIES

SUSTAINABILITY: LONG TERM VALUE CREATION FOR ALL STAKEHOLDERS

EMPLOYEES & MANAGEMENT: TRAINING & INCENTIVES

## STRATEGIC OUTLOOK 2024 – 2025

REVENUES

**Eu 400 – 420mn** in 2024

**Eu 430 – 450mn** in 2025

EBITDA  
MARGIN

**17 – 17.5%** in 2024

**18 – 18.5%** in 2025

DIVIDEND  
POLICY\*

Distribution of **40-60%** of Net Profit as yearly dividend

FINANCIAL  
LEVERAGE\*

Neutral level of leverage  
subject to a cap of **1.5x** LTM EBITDA

\*Subject to temporary impacts from M&A and Capex strategy



# 3

COMMITMENT  
TO  
SUSTAINABILITY

# 2023 ESG STRATEGY DELIVERED

## ENVIRONMENTAL



Focus on fighting climate change through an effective environmental management system and making concrete moves towards decarbonisation

## SOCIAL



Sustainable management of the supply chain and conscious commitment to increase employee well-being and development

## GOVERNANCE



Build on solid governance and promote internally and externally business ethics and sustainable values

FIRST ESG RATING

**BBB**

IN THE HIGH  
PERFORMANCE  
RANGE

# ACHIEVEMENTS SO FAR



# BEST-IN-CLASS COMPLIANCE AND CERTIFICATIONS

## POLICIES

HUMAN RIGHTS	DIVERSITY & INCLUSION	ENVIRONMENTAL	SHAREHOLDER ENGAGEMENT	CONFLICT OF INTEREST	SUPPLIERS' CODE OF CONDUCT
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## FOUNDATIONS

CODE OF ETHICS	ORGANISATIONAL & MANAGEMENT MODEL (LD 231)	WHISTLEBLOWING PROCEDURE	PRIVACY
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## CERTIFICATIONS



Quality



Occupational Health & Safety



Environmental

JH-143

Risk assessment and control

AEO

Authorised Economic Operator

# PRODUCT SUSTAINABILITY

## PIONEER IN HYBRID PROPULSION

- **M/Y Quinta Essentia 55mt (2016)** was the biggest hybrid yacht in the world at her delivery
- Today, offering the **best alternative propulsion** options upon clients' requests

## KEY SUSTAINABLE PRODUCT FEATURES

- **Voluntary “green class” notation**
- **DPF** and **catalytic filters**
- **Solar panels** installed on the deck-house
- **Battery pack** allowing for 6h full-load at anchor and 4h sailing at **zero emissions**
- **Manoeuvres** in port and protected areas in **full electric mode**



# THE ITALIAN SEA GROUP



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PICCHIOTTI  
SINCE 1575

 ADMIRAL

 PERINI NAVI

TECNOMAR

NCA REFIT

C E L I  
1920