

THE ITALIAN SEA GROUP

1H 2024 RESULTS PRESENTATION

10 SEPTEMBER 2024

BRANDS

PICCHIOTTI
SINCE 1575

ADMIRAL

PERINI NAVI

TECNOMAR

CELI
1920

NCA REFIT





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- 2 BUSINESS REVIEW
- 3 FINANCIAL REVIEW



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EXECUTIVE SUMMARY

TISG SHARES RECEIVED EURONEXT STAR QUALIFICATION

EFFECTIVE 6 AUGUST 2024

BORSA

THE ITALIAN SEA GROUP

 BORSA ITALIANA

1° giorno di
quotazione

8 GIUGNO 2021

EXECUTIVE SUMMARY

1H 2024 RESULTS

Revenues amounting to **Eu 189.4 Mn**, **+14.2%** vs 1H 2023

EBITDA amounting to **Eu 32.4 Mn**, **+19.0%** vs 1H 2023, with a **Margin on Revenues** of **17.1%**

Order Book amounting to **Eu 1.32 bn** at June 30, 2024

Investments for the period amounting to **Eu 5 Mn**

Net Financial Debt equal to **Eu 33.6 Mn**

STRATEGIC OUTLOOK 2024 2025

2024 Guidance Confirmed: Revenues between **Eu 400 – 420 Mn** and **EBITDA Margin** between **17.0 – 17.5%**

2025 Strategic Outlook: Revenues between **Eu 430 – 450 Mn** and **EBITDA Margin** between **18.0 – 18.5%**

SHAREHOLDERS' MEETING RESOLUTION

1 JULY 2024

ORDINARY SESSION

Confirmed the appointment of Ms. Simona Del Re as member and Chairwoman of the Board of Directors

Approved the “Long term incentive plan 2027-2029”

Authorised the purchase and disposal of treasury shares

Approved the review of the remuneration of the members of the Board of Directors

Approved the report on remuneration policy and compensation paid

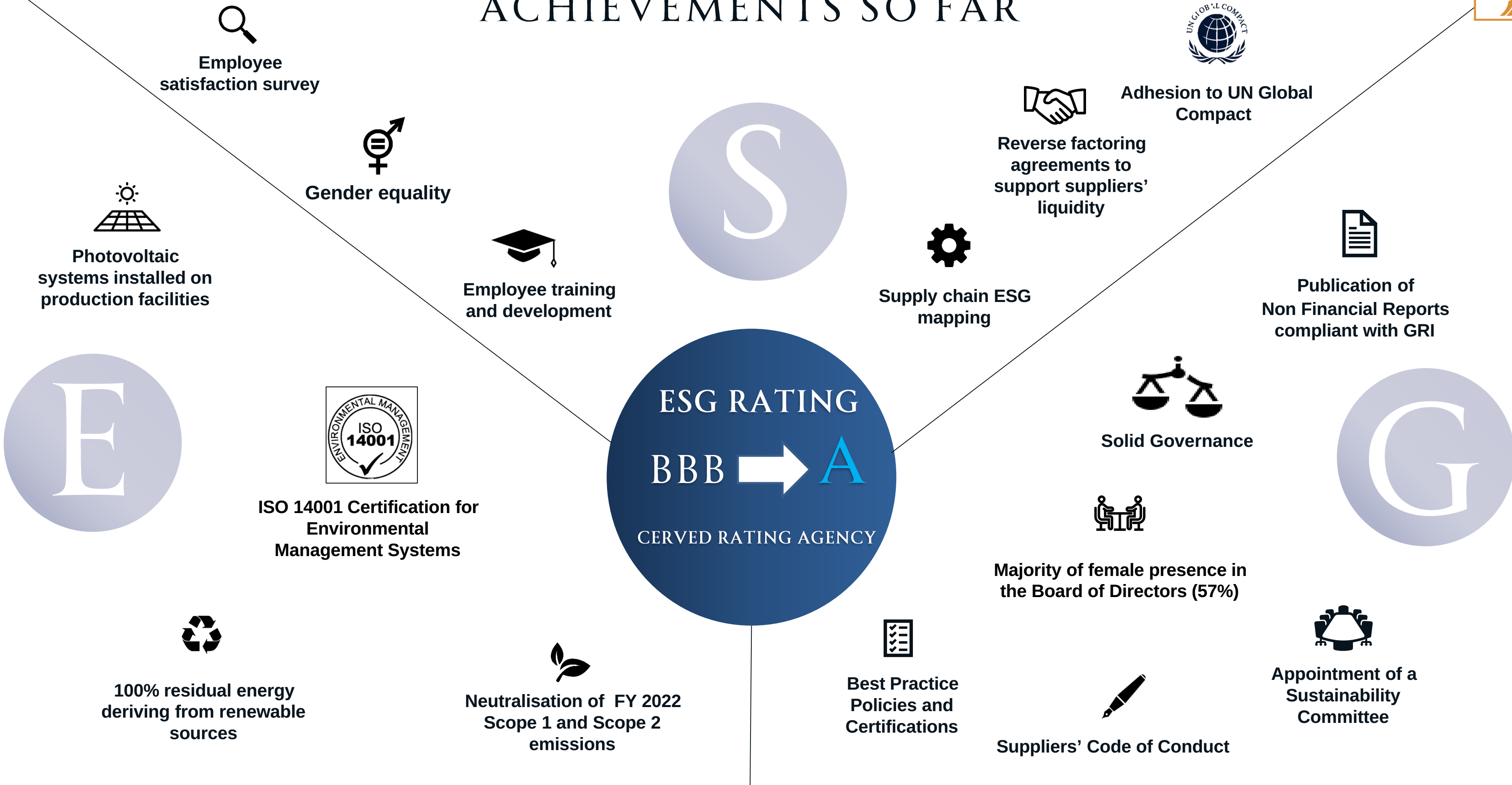
EXTRAORDINARY SESSION

Approved the proposal of share capital increase through the issue of maximum 1,590,000 new ordinary shares to service the stock option plan

Approved the amendment of the bylaws in order to introduce:

- The increased voting rights (article 6)
- The institution of the designated representative (article 10)

ACHIEVEMENTS SO FAR



POSITIONED AT THE TOP OF THE LUXURY PYRAMID

Luxury pyramid

Life's better at the top



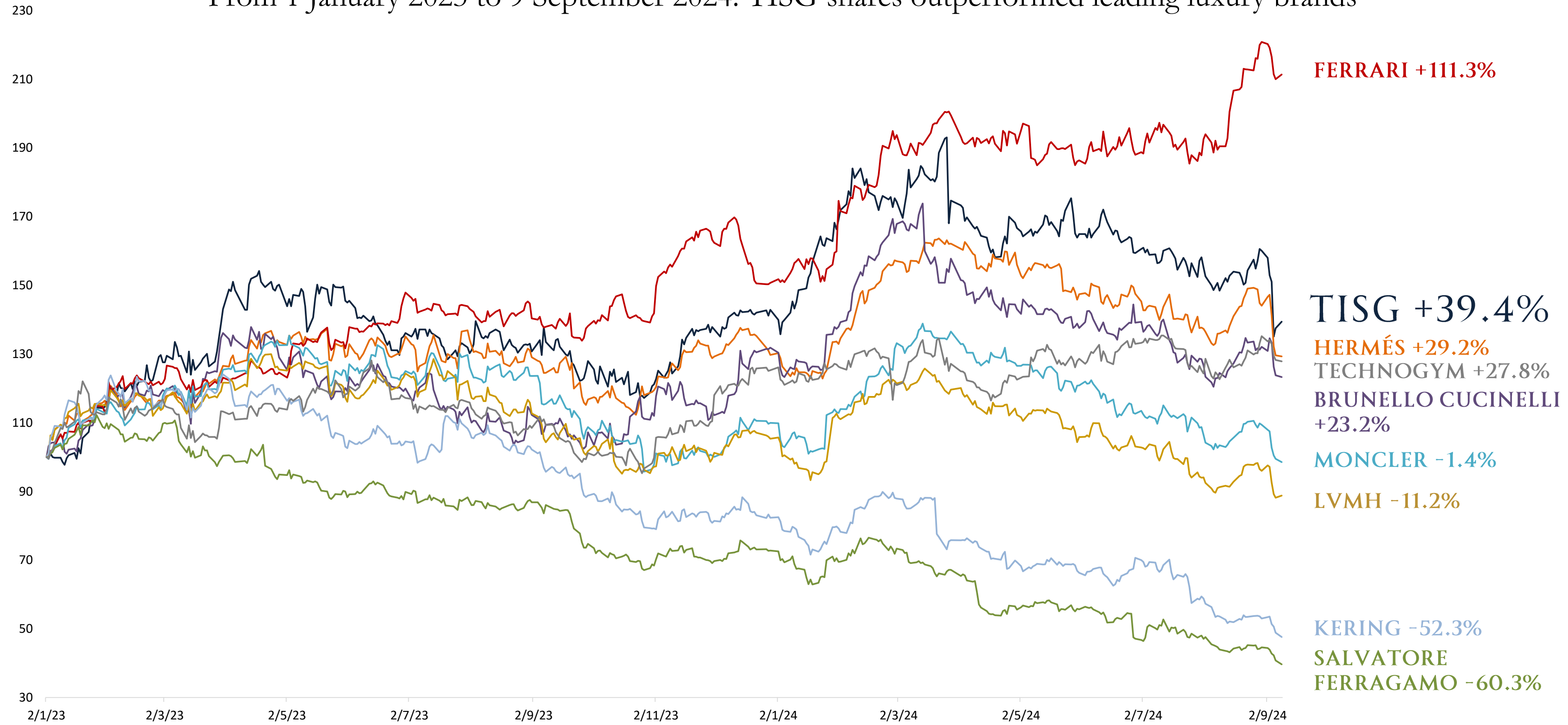
Source: GAM as of March 2024.

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.



STOCK PERFORMANCE VS LUXURY INDUSTRY PEERS

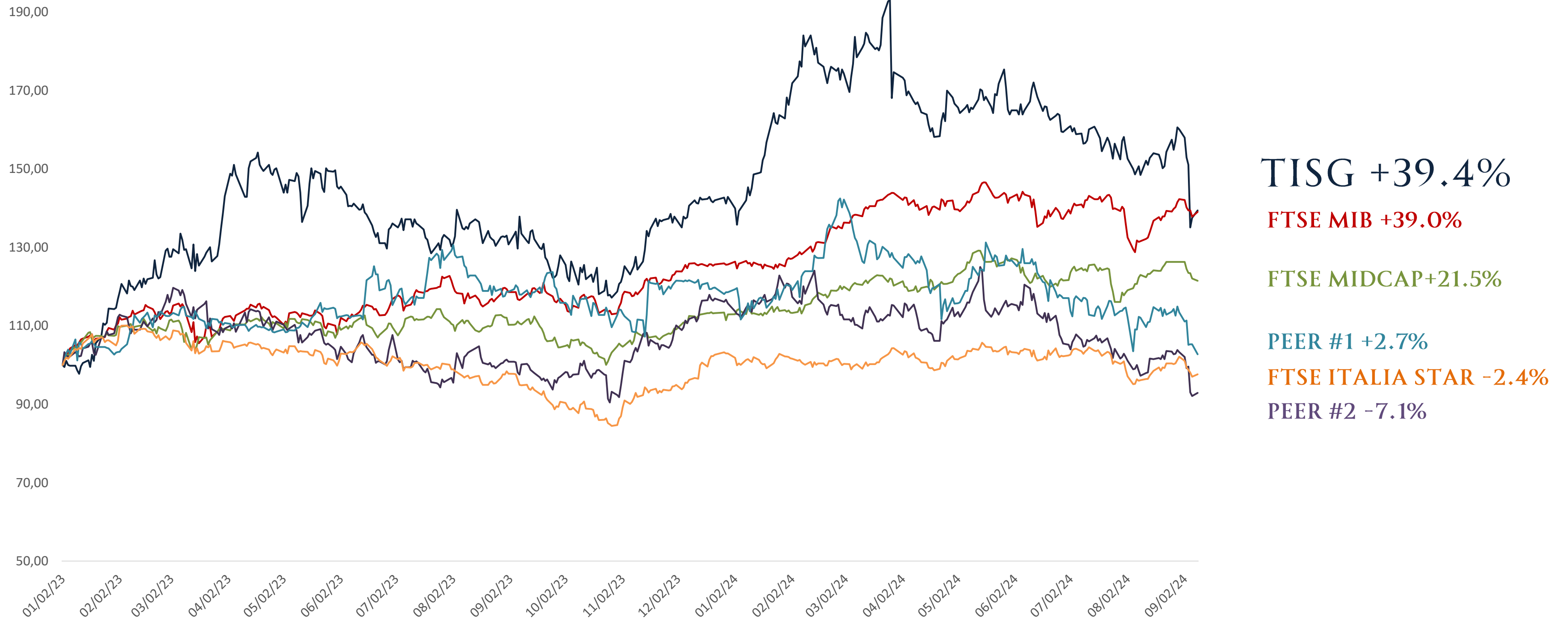
From 1 January 2023 to 9 September 2024: TISG shares outperformed leading luxury brands



THE ITALIAN SEA GROUP

STOCK PERFORMANCE VS INDEX AND PEERS

From 1 January 2023 to 9 September 2024: impressive share price performance, well above the reference FTSE ITALIA STAR Index and other leading industry players



THE ITALIAN SEA GROUP

THE BIGGEST SUPERYACHT BUILDERS WORLDWIDE

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	TOT LENGTH	N. OF PROJECTS
 FEADSHIP ROYAL DUTCH SHIPYARDS	1.611	N/A
 LÜRSSEN	1.388	13
 THE ITALIAN SEA GROUP	1.374	24

Fonte: Global Order Book



MONACO YACHT SHOW 2024

Admiral - 78m. Unique in the elegance and sinuosity of its design

Admiral - 67m. Classic yet original and strongly design-oriented line

Admiral - 55m with interiors by Giorgio Armani

Two iconic models of the **Tecnomar for Lamborghini 63** project



mys

MONACO YACHT SHOW



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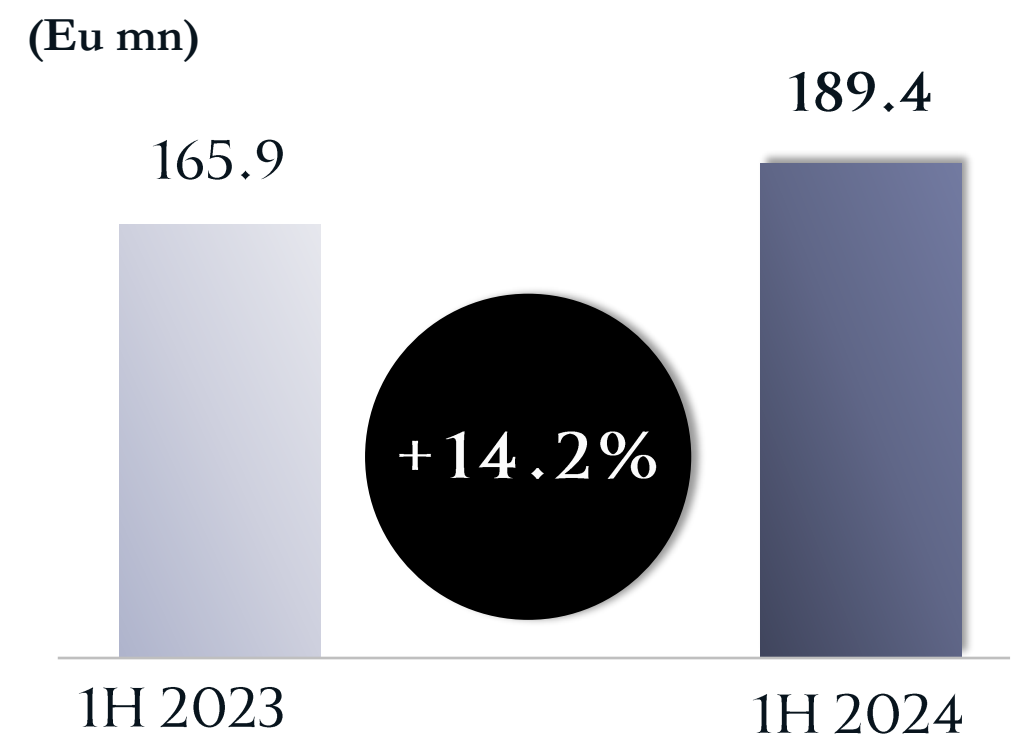


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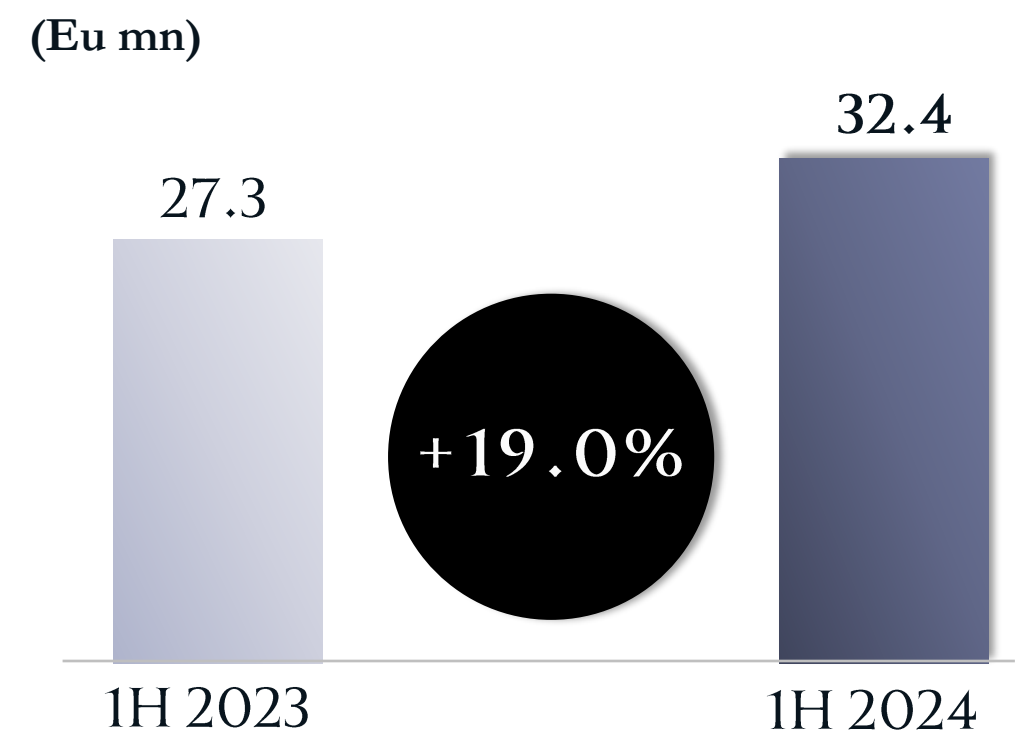
BUSINESS REVIEW

SUMMARY OF KEY 1H 2024 RESULTS

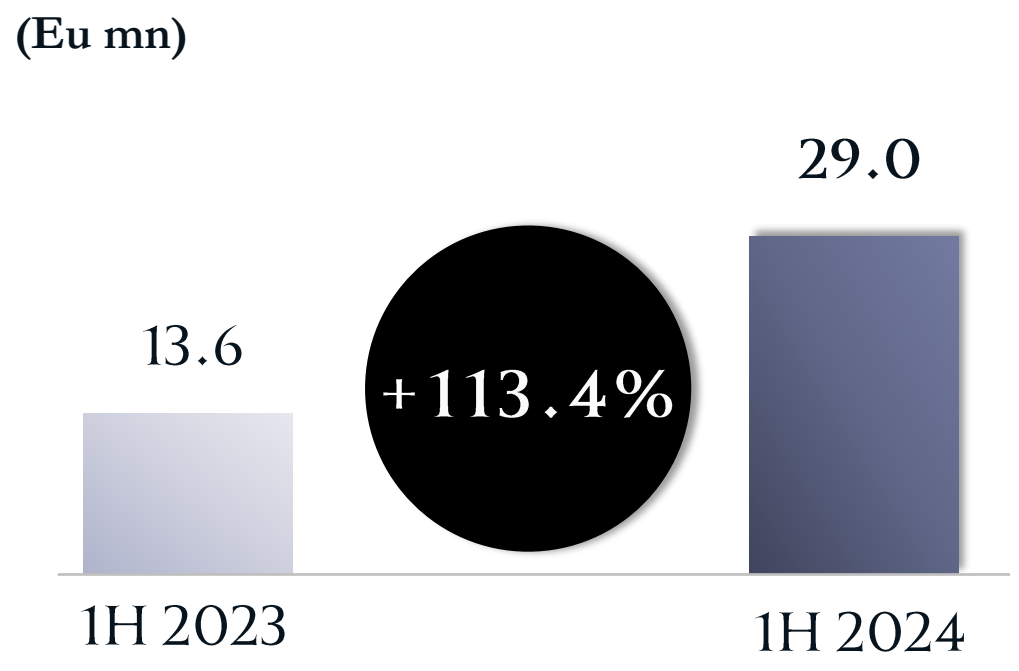
REVENUES



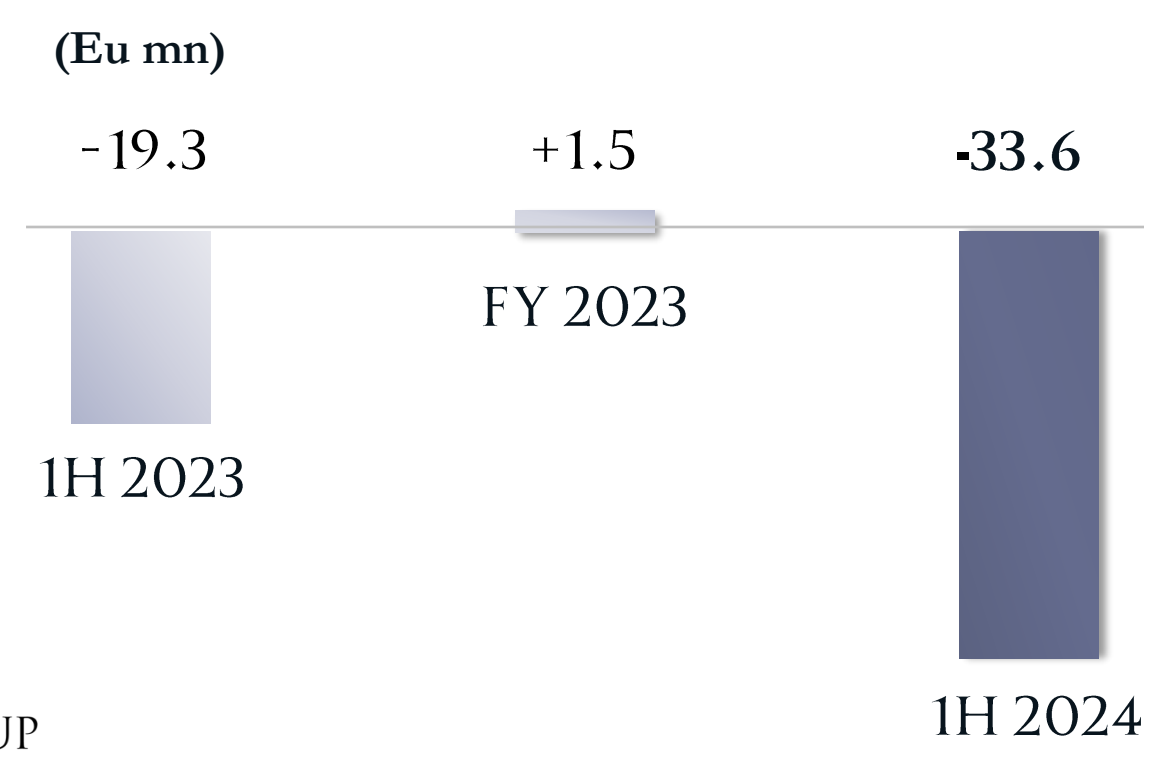
EBITDA



NET PROFIT

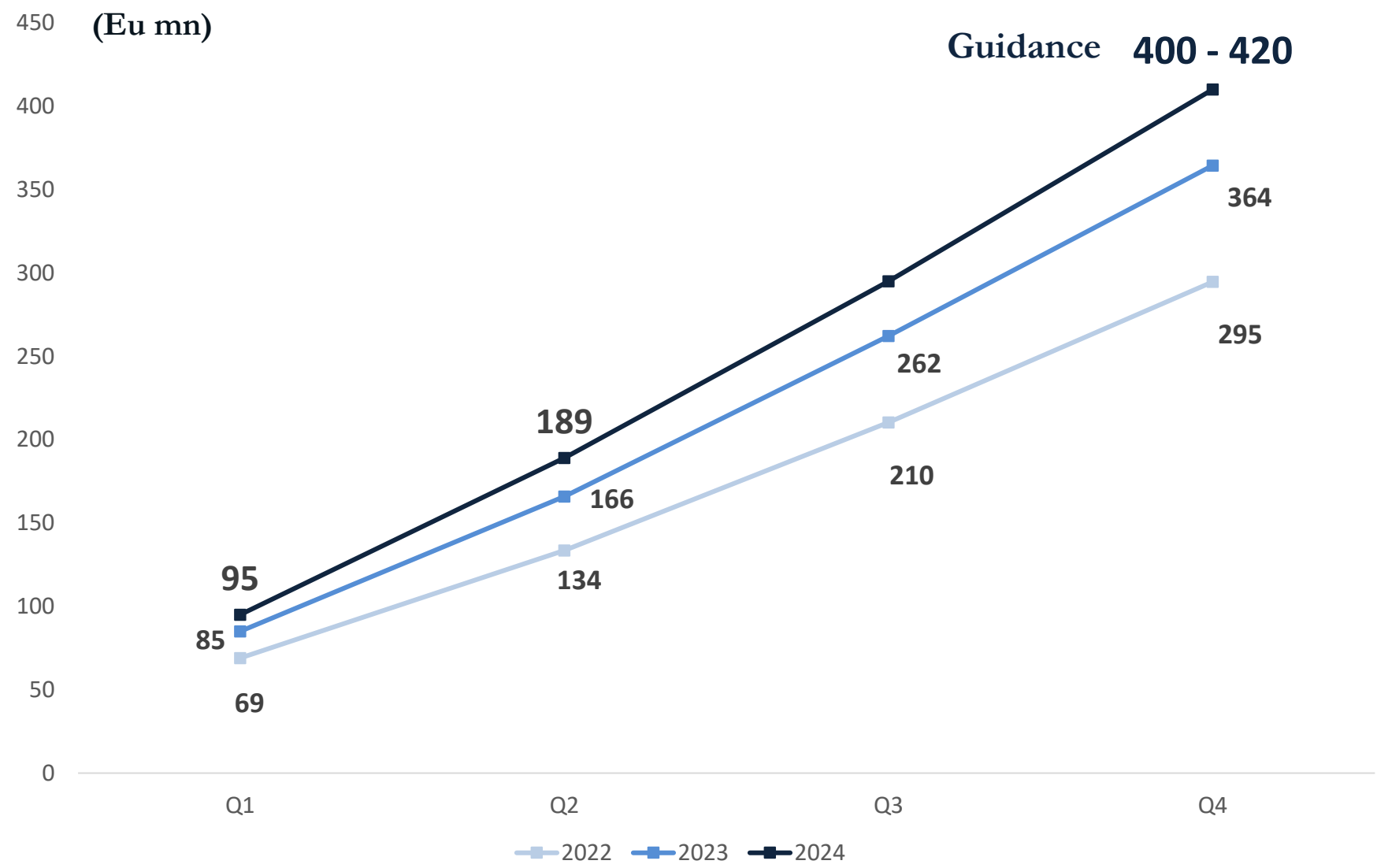


NET FINANCIAL POSITION

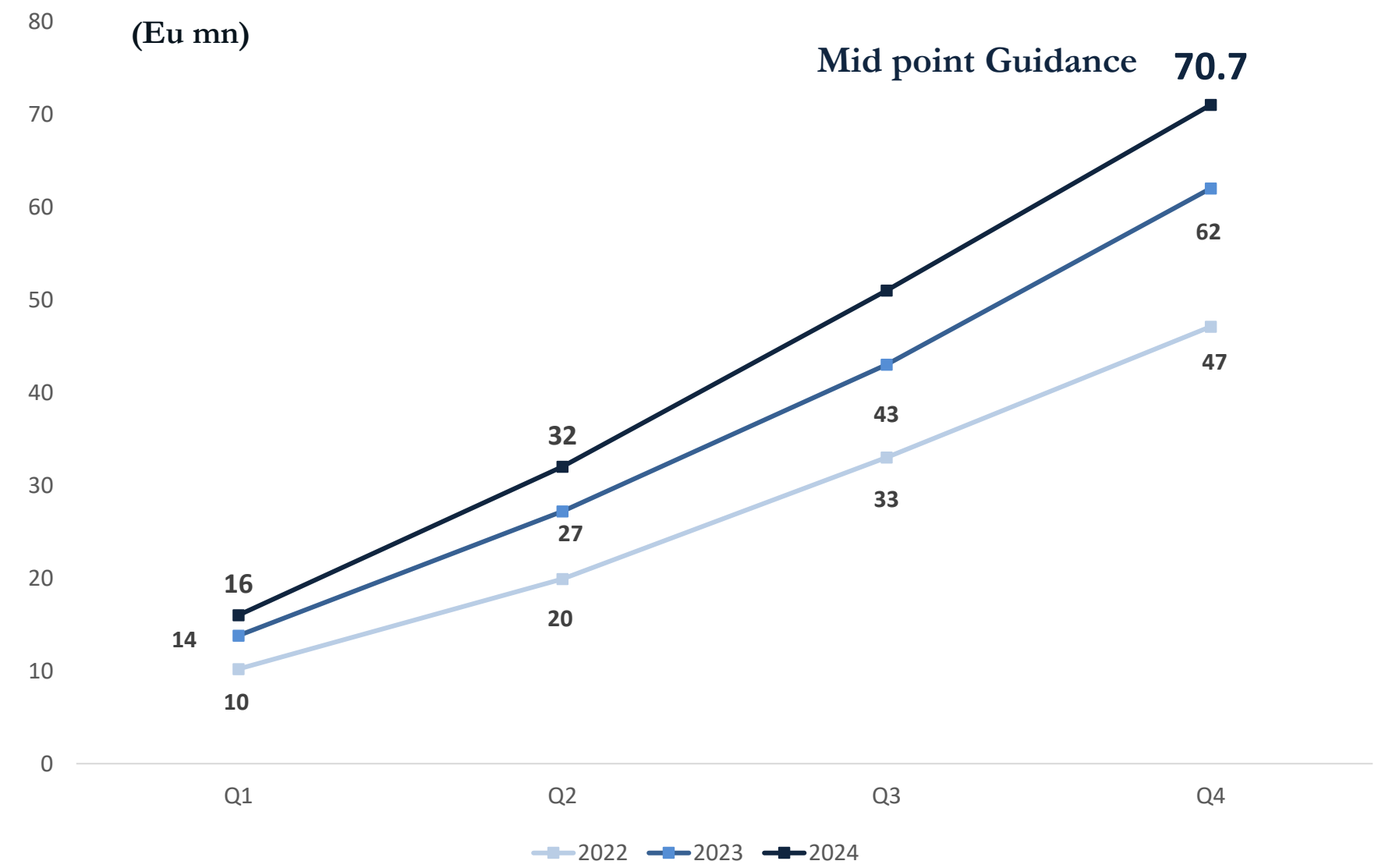


CONSISTENT GROWTH IN QUARTERLY REVENUES AND EBITDA 2022-2024

REVENUE PERFORMANCE 2022 - 2024



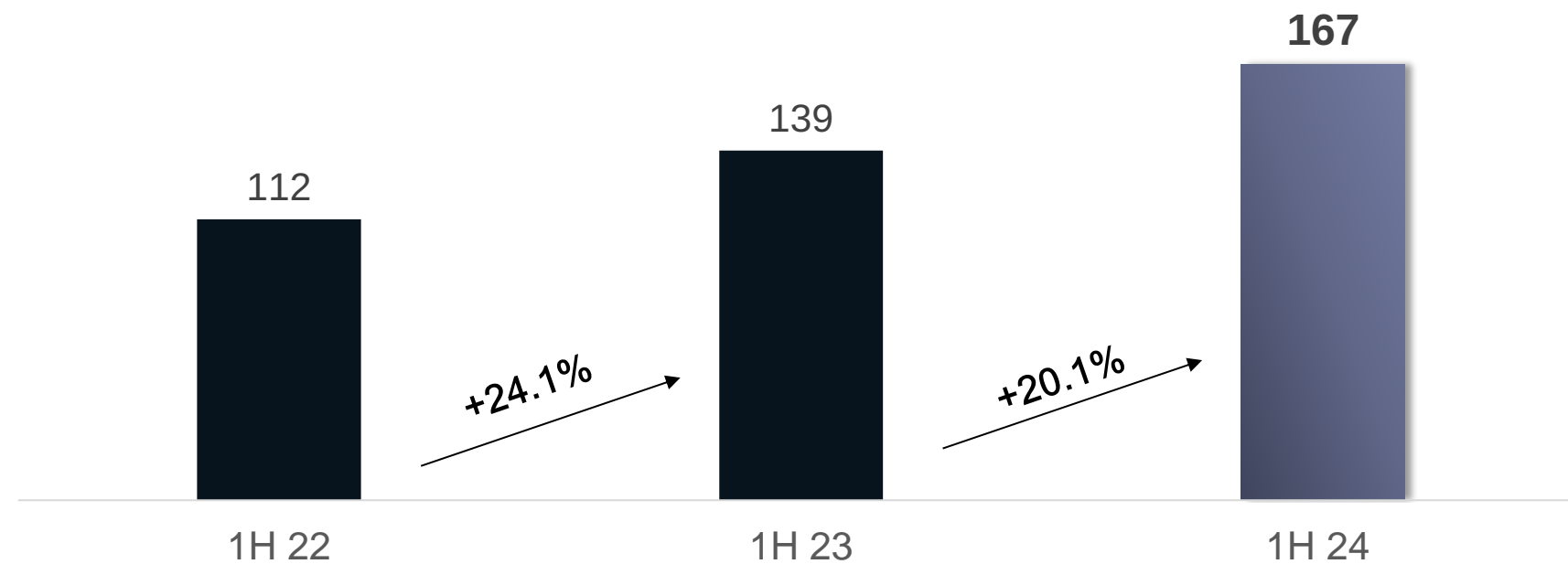
EBITDA PERFORMANCE 2022 - 2024



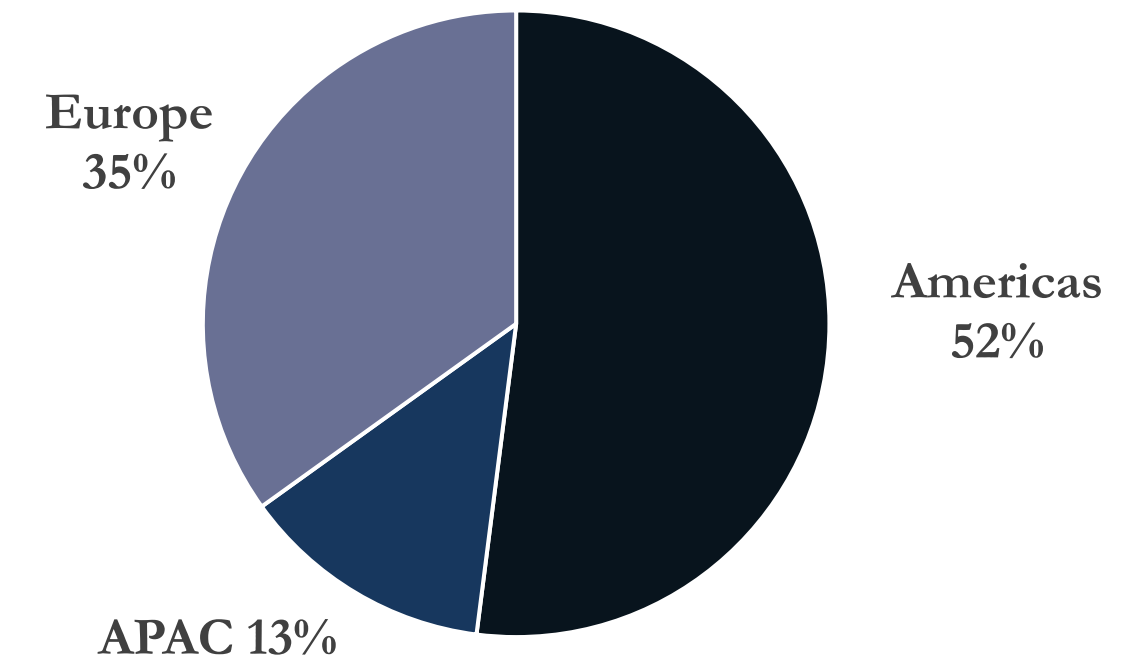
SHIPBUILDING REVENUES

REVENUE EVOLUTION

(Eu mn)



BREAKDOWN BY LOA AND GEOGRAPHY

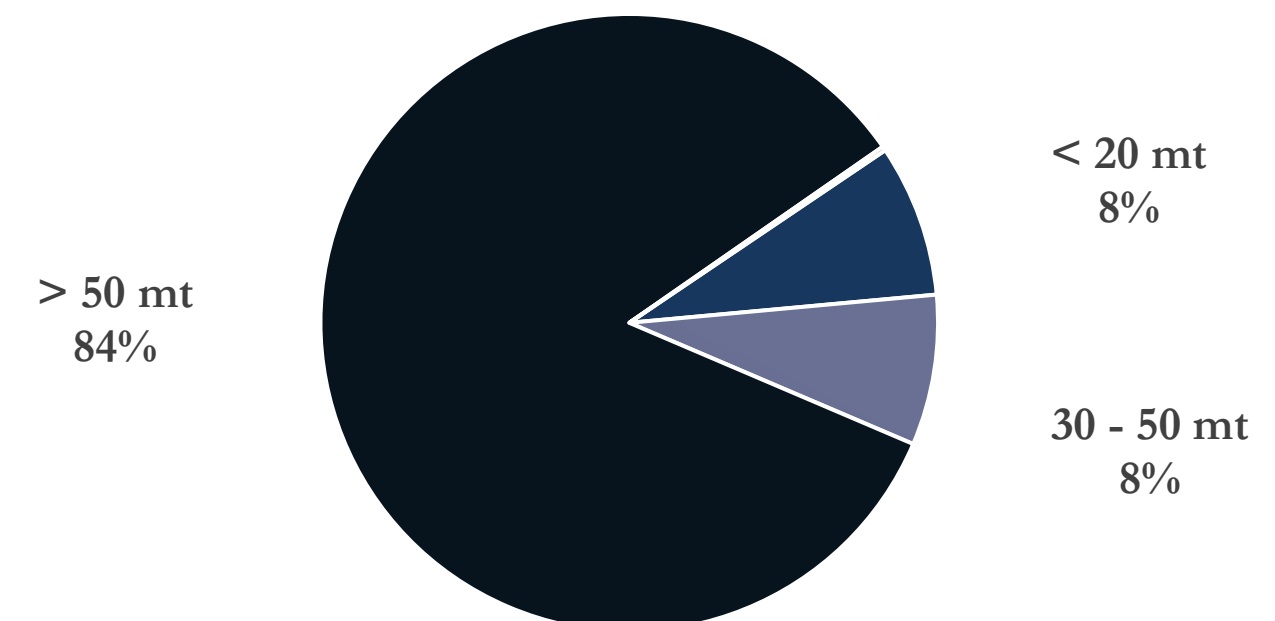


KEY HIGHLIGHTS

Shipbuilding Revenues amount to Eu **167 Mn** (+20.1% vs 1H 2023).

This result is attributable to:

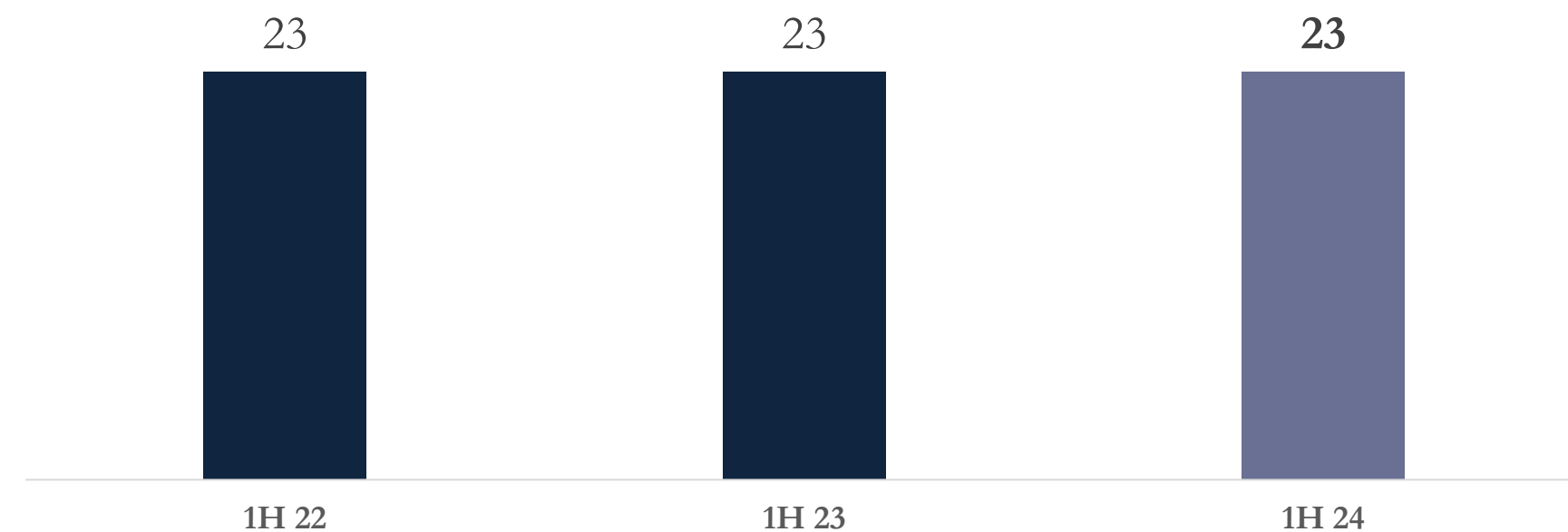
- i) regular progress of existing projects;
- ii) focus on large dimensions;
- iii) introduction of the semi-custom lines.



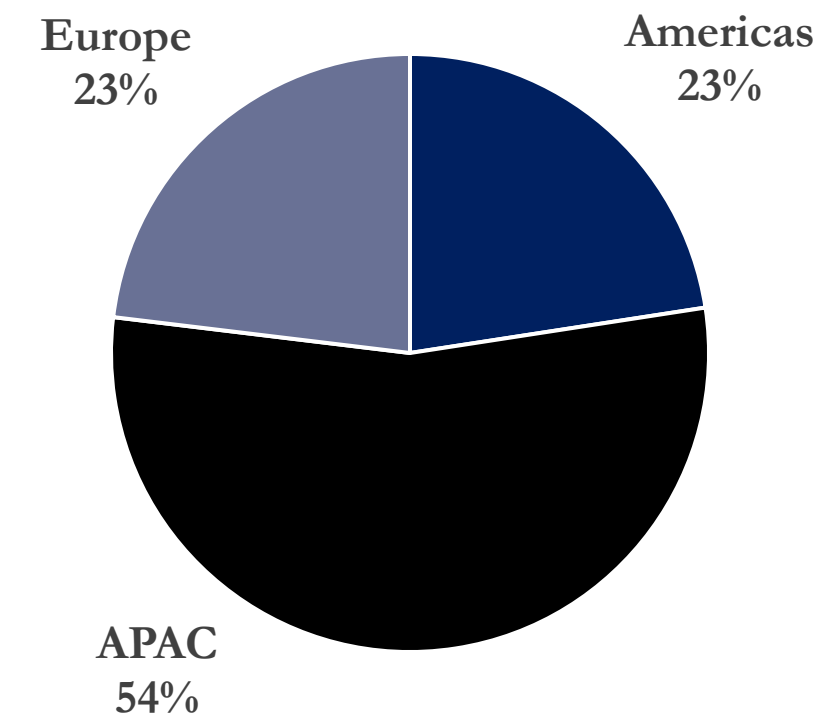
REFIT REVENUES

REVENUE EVOLUTION

(Eu mn)



BREAKDOWN BY LOA & GEOGRAPHY

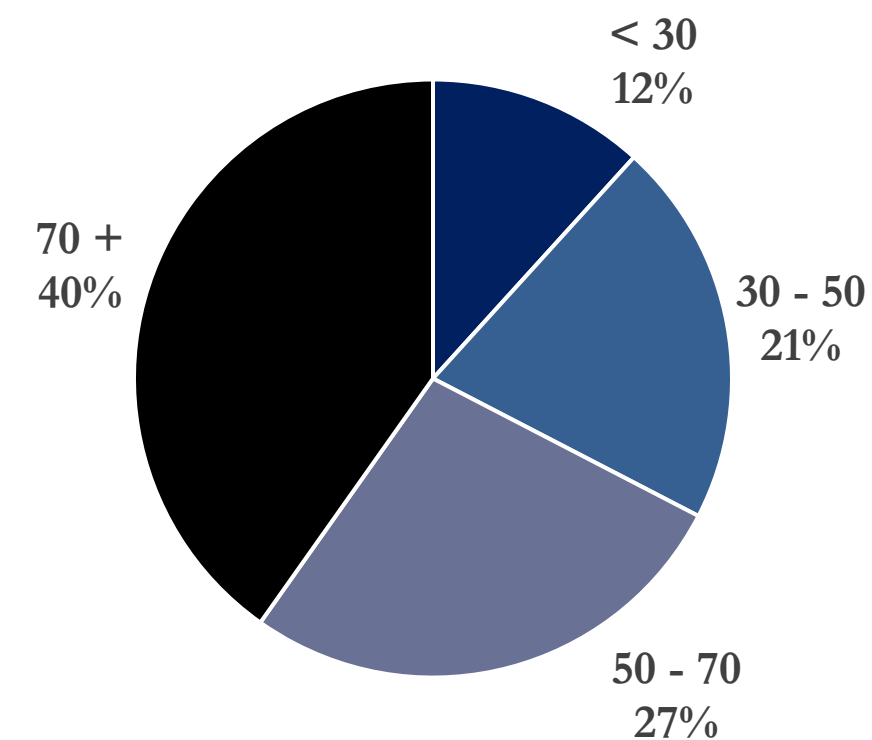


KEY HIGHLIGHTS

Refit Revenues amount to Eu **23 Mn**, in line with 1H 2023.

This performance is attributable to:

- i) a certain degree of seasonality, generally determining an acceleration in revenues in the second half of the year.



EBITDA & CAPEX

EBITDA

The increase in marginality over time is attributable to:

- (i) strong attention to **operating cost management**;
- (ii) perfect management of the Shipbuilding/Refit production mix;
- (iii) internalisation of **key supply chain activities**, also following the recent launch of the *Interior Steelworks* business unit.

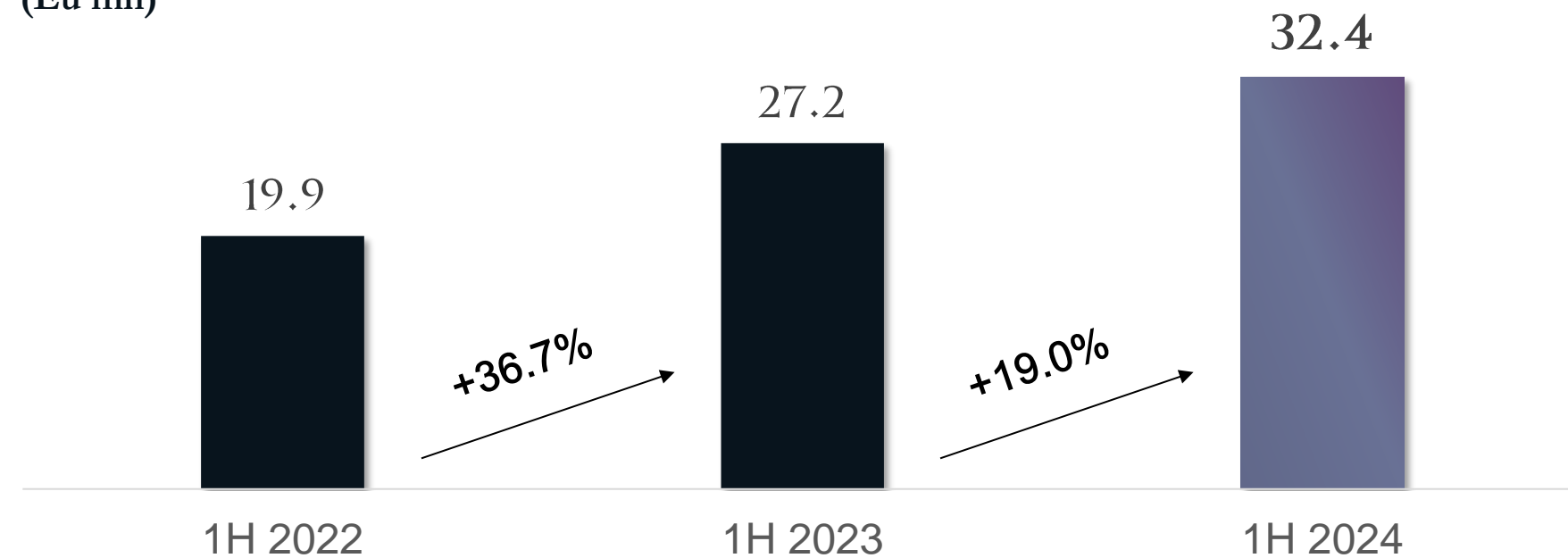
CAPEX

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

- (i) the extension of commercial offices in the Marina di Carrara Headquarters;
- (ii) launch of the *Interior Steelworks* Business Units.

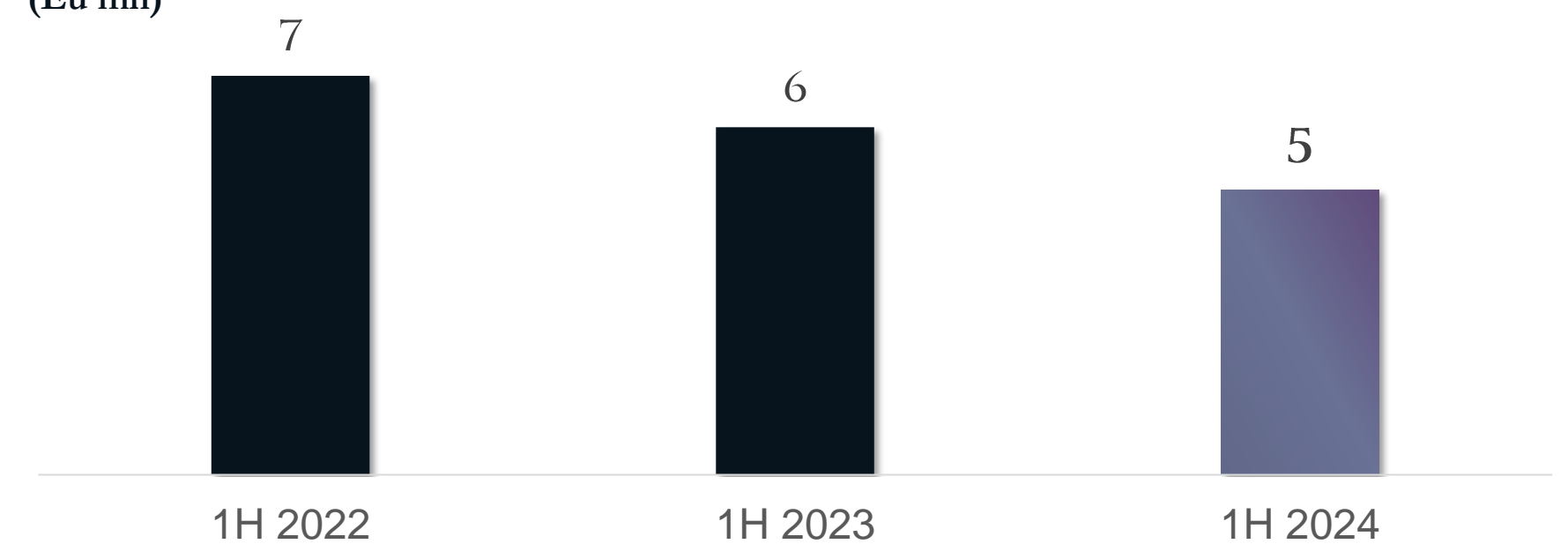
EBITDA EVOLUTION 1H 2022 – 1H 2024

(Eu mn)



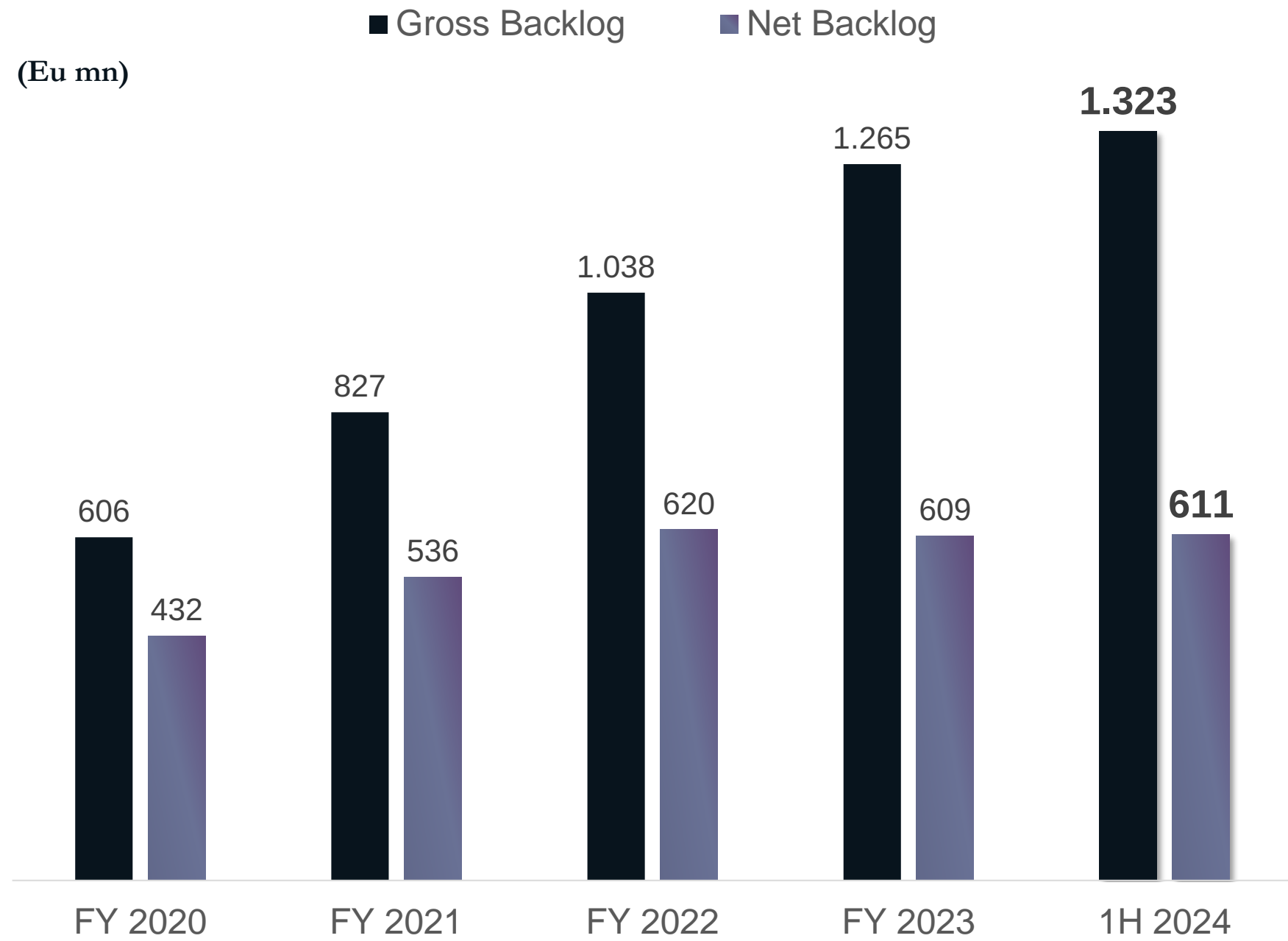
CAPEX EVOLUTION 1H 2022 – 1H 2024

(Eu mn)

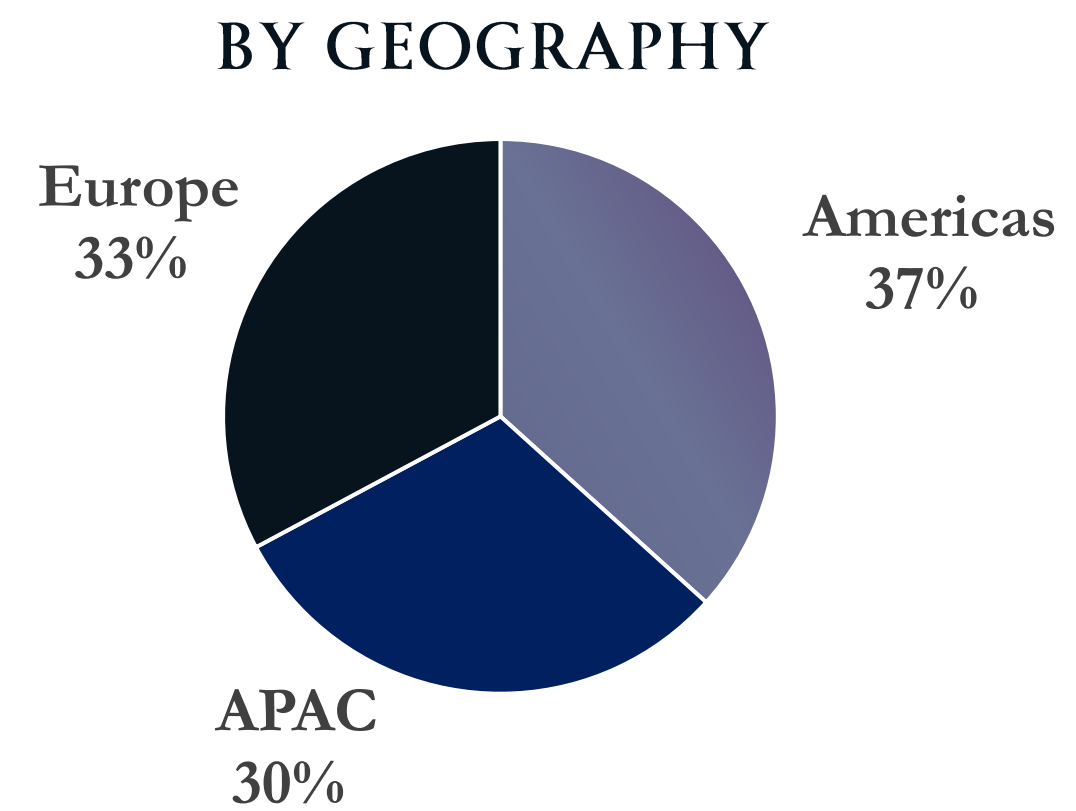
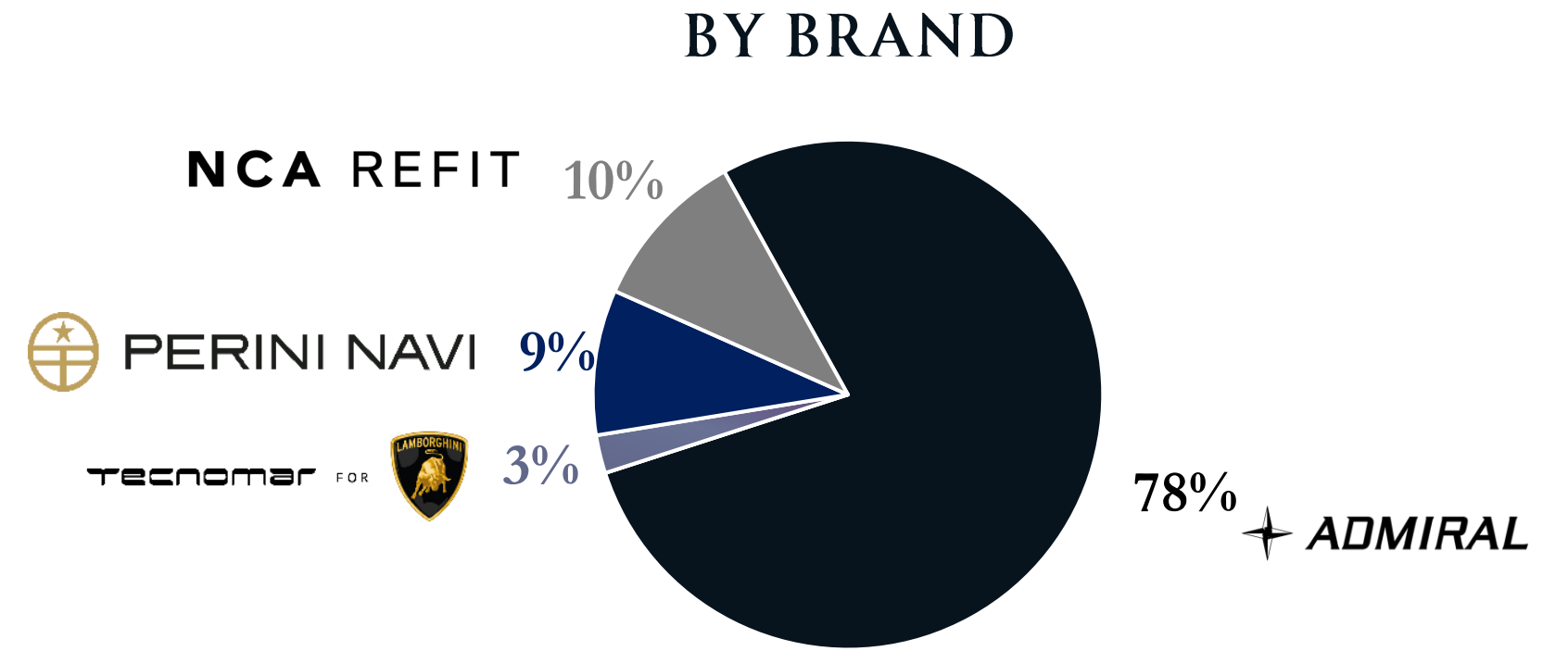


QUALITY AND VISIBILITY OF THE ORDER BOOK

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

SEASONALITY OF ORDERS





REVENUES

Eu 400 – 420mn in 2024

Eu 430 – 450mn in 2025

EBITDA
MARGIN

17.0 – 17.5% in 2024

18.0 – 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



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FINANCIAL SUMMARY

SUMMARY PROFIT & LOSS

SUMMARY P&L (IN EU THOUSAND)	30/06/2023	30/06/2024
REVENUES	165,903	189,449
<i>% GROWTH</i>	24.2%	14.2%
COSTS FROM OUTSOURCED WORK	-67,851	-68,532
RAW MATERIAL	-32,134	-45,336
PERSONNEL COSTS	-18,691	-21,358
OTHER COSTS	-19,969	-21,776
EBITDA	27,258	32,446
<i>% GROWTH</i>	37%	19%
<i>% OF REVENUES</i>	16.4%	17.1%
AMORTISATION, DEPRECIATION, WRITE-DOWNS AND CAPITAL LOSSES	-5,537	-5,611
EBIT	21,721	26,835
<i>% OF REVENUES</i>	13.09%	14.16%
NET INTEREST EXPENSES	-2,179	-3,127
INCOME FROM EXTRAORDINARY CHARGES	-404	17,089
TAXATION	-5,544	-11,783
NET INCOME	13,593	29,013
<i>% OF REVENUES</i>	8.2%	15.3%

KEY HIGHLIGHTS

- The trend of the Net Working Capital is aligned with the development of the current projects and the planning of the related invoices and proceeds;
- The growth in **Inventories and Payments on Account** grew mainly due to the on spec construction of a Picchiotti 24mt yacht, for an amount of Eu 4.4mn, to facilitate the marketing of the Picchiotti line;
- **Inventories and Payments on Account** does not include trade-ins or used yachts, due to the Group's strict commercial strategy, which effectively eliminates inventory risk.

NET WORKING CAPITAL (IN EU THOUSANDS)	31/12/2023	30/06/2024
INVENTORIES AND PAYMENTS ON ACCOUNT	10,897	12,362
CONTRACT WORK IN PROGRESS AND ADVANCES FROM CUSTOMERS	50,508	86,195
TRADE RECEIVABLES	24,007	35,585
TRADE PAYABLES	-90,568	-93,402
OTHER CURRENT ASSETS AND LIABILITIES	-26,867	-22,987
NET WORKING CAPITAL	-32,024	17,753
<i>INVENTORIES AND PAYMENTS ON ACCOUNT</i>	<i>3.0%</i>	<i>3.2%</i>
<i>CONTRACT WORK IN PROGRESS AND ADVANCES FROM CUSTOMERS</i>	<i>13.9%</i>	<i>22.2%</i>
<i>TRADE RECEIVABLES</i>	<i>6.6%</i>	<i>9.2%</i>
<i>TRADE PAYABLES</i>	<i>-24.9%</i>	<i>-24.1%</i>
<i>OTHER CURRENT ASSETS AND LIABILITIES</i>	<i>-7.2%</i>	<i>-5.9%</i>
NWC % Revenues	-8.6%	4.6%

NET FINANCIAL POSITION

NET CASH POSITION (IN EU THOUSANDS)	31/12/2023	30/06/2024
A. CASH	29.897	14,140
B. CASH EQUIVALENTS	46.516	26,164
C. OTHER CURRENT FINANCIAL ASSETS	0	0
D. LIQUIDITY (A)+(B)+(C)	76.413	40,303
E. CURRENT FINANCIAL DEBT (INCLUDING DEBT INSTRUMENTS, BUT EXCLUDING THE CURRENT PORTION OF NON-CURRENT FINANCIAL DEBT)	-2	-2
F. CURRENT PORTION OF NON-CURRENT FINANCIAL DEBT	-11.661	-11,593
F.1 OTHER CURRENT FINANCIAL PAYABLES	-1.111	-1,448
G. CURRENT FINANCIAL DEBT (E+F)	-12.774	-13,043
H. NET FINANCIAL DEBT (G+D)	63.638	27,260
I. NON-CURRENT BANK DEBT (EXCLUDING THE CURRENT PORTION OF DEBT INSTRUMENTS)	-54.591	-48,790
J. DEBT INSTRUMENTS	0	0
K. TRADE AND NON-CURRENT PAYABLES	-7.460	-12,166
K.1 PAYABLES TO OTHER LENDERS	0	0
L. NON-CURRENT FINANCIAL DEBT (I+J)+K)	-62.051	-60,956
M. TOTAL FINANCIAL POSITION (H+L)	1.587	-33,695

KEY HIGHLIGHTS

- **Net Financial Position of Eu -33.6 Mn** at 30 June 2024 includes:
 - i) **Dividends paid for Eu 19.6 Mn**
 - ii) **Capex of Eu 5 Mn** during the year
 - iii) **Cash inflows for Eu 21 Mn** for the disposal of the Viareggio shipyard;

- The discounted value of the fees due to the Port Authorities for the state-owned concessions of the Marina di Carrara and La Spezia shipyards and the Viareggio woodworking hub as of 30 June 2024 was equal to **€ 8.3 million**, an amount that will be paid based on the duration of the relevant concessions.

THE ITALIAN SEA GROUP

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