

PRESS RELEASE

The Italian Sea Group:

Preliminary consolidated results at June 30th 2022 approved

2022 Guidance confirmed

The Board of Directors resolves the acquisition of 100% of “TISG Turkey” shares

Key preliminary consolidated results at June 30th 2022:

- **Total Revenues: 133 million Euros, + 64.0%** versus 80.9 million Euros in the first half of 2021;
- **EBITDA: 20 million Euros, +93.7%** versus 10.3 million Euros at June 30th 2021, with a **margin** on revenues equal to 15% (versus 12.7% in the first half of 2021);
- **Backlog: Gross Backlog** equal to **922 million Euros** and **Net Backlog** equal to **537 million Euros**;
- **Net Financial Debt** at **47 million Euros** versus a Net Financial Position positive for 41 million Euros at December 31st 2021;
- **Investments: 7 million Euros** at June 30th, 2022;
- **2022 Guidance confirmed.**

Marina di Carrara, August 4th 2022 – **The Italian Sea Group S.p.A.** (“**TISG**” or the “**Company**”), global operator in luxury yachting with the brands Picchiotti, Admiral, Perini Navi, Tecnomar and NCA Refit, announces that the Board of Directors, during today’s meeting, has approved the preliminary consolidated results at June 30th 2022.

Giovanni Costantino, Founder & CEO of The Italian Sea Group, commented:

“The excellent results recorded in the first half of 2022 confirm the solidity of our Company’s development project in line with the guidance for 2022, despite a complex macroeconomic and geopolitical environment.

We continue to strengthen our brands in new markets, with exciting growth opportunities and great commercial commitment for all products, as proven by the new partnership agreements signed with leading international brokers as well as by the expansion of our commercial presence in strategic locations, such as the flagship store opened in June in Porto Cervo, in the heart of one of the most renowned destinations for international yachting and luxury.

In the coming months, we will continue to carry on the activities planned to relaunch the Perini Navi and Picchiotti brands, which continue to generate a strong interest from Owners all over the world, especially in the Americas, Asia and Middle East.

In particular, the new Picchiotti fleet represents a strategic extension of our product range and gives homage to a brand which is recognised as the historical heritage of the yachting industry, addressing a niche of clients who love the timeless elegance of classic lines.

By the end of the year, we will present a complete restyling of the Perini Navi fleet and unveil the model of the “new Maltese Falcon”, which will be absolutely iconic and innovative both in terms of aesthetics and technology.”

ANALYSIS OF THE COMPANY’S ECONOMIC AND FINANCIAL MANAGEMENT

During the first half of 2022, The Italian Sea Group recorded **Total Revenues** for **133 million Euros**, growing by **64.0%** versus 80.9 million Euros in the same period of 2021. This result is mainly related to the regular progress of the projects under construction for a total of **36 orders**, including **19 Tecnomar for Lamborghini 63**.

The total value of the order portfolio – that is, the gross value of the contracts related to yachts not yet delivered – (**Order Book**) at June 30th 2022 is equal to **922 million Euros**; the value of contracts related to yachts not yet delivered, net of the revenues already recorded in the income statement (**Net Backlog**) at June 30th 2022 is equal to **537 million Euros**.

EBITDA is equal to **20 million Euros**, with a **93.7%** increase versus 10.3 million Euros at June 30th 2021 and an **EBITDA Margin** equal to **15%** versus 12.7% in the first six months of 2021.

Throughout the first six months of 2022, TISG recorded **Investments** for **7 million Euros** related to the progress of the two investment plans “**TISG 4.0**” and “**TISG 4.1**” as well as the start-up of the two shipyards in La Spezia and Viareggio.

Net Financial Debt at June 30th 2022 is equal to **47 million Euros** with respect to a positive Net Financial Position for 41 million Euros at December 31st 2021.

The change for 88.4 million Euros reflects the cash outflow due to the acquisition of Perini Navi for 75 million Euros, the investments carried out during the first half of 2022 for the progress of the “**TISG 4.0**” and “**TISG 4.1**” projects and the finetuning of the Viareggio and La Spezia production facilities for 7 million Euros, as well as the increase in Net Working Capital which has generated a cash-out of 6.5 million Euros in the first half.

It is important to note that, in line with the Net Working Capital dynamics respecting the payment collection plan of the instalments related to the orders in progress, in the second quarter of 2022 the Company generated cash inflow from operations for 8.5 million Euros.

According to IAS/IFRS accounting principles, Net Financial Debt includes the current value of fees due to the Port Authorities for the state concessions of the shipyards in Marina di Carrara, Viareggio and La Spezia, equal to 6.9 million Euros at June 30th 2022, amount which will be paid throughout the duration of the related concessions.

2022 GUIDANCE

The Italian Sea Group confirms the 2022 Guidance, announced on February 22nd 2022, foreseeing **Total Revenues** at December 31st 2022 between **280 and 295 million Euros** and an **EBITDA Margin** of **15.5%**.

BUSINESS OUTLOOK

Perini Navi Production Plan

Less than six months from the completion of the Perini Navi acquisition and from the integration of the related assets, The Italian Sea Group once again confirms its relaunch strategy for the brand and the production plan already communicated to the market, with a new stylistic approach and a renewed commercial organisation and energy.

The restyling of the Perini Navi fleet continues, and it will be revealed to the market in the next months: four new lines of vessels ranging from 42 to 75 metres in length, with deep innovations in terms of engineering and aesthetics. Within the end of the year, the Company will unveil the “new Maltese Falcon”, the contemporary version of the 88-metre, three-masted clipper that, in 2006, revolutionised the sailing yacht world with a never-seen-before sailing system.

Relaunch of Picchiotti

The relaunch of the prestigious Picchiotti brand, with a history of over four-hundred years, represents an important driver of growth through the “Gentleman’s yacht” project, developed in collaboration with Luca Dini Design & Architecture, international studio for the design of superyacht interiors and exteriors.

Through this project, TISG approaches for the first time the segment of serial production of yacht and superyacht, maintaining its ultra-high-level positioning. The “Gentleman’s yacht” line presents an entire fleet of motor-yachts ranging from 24 to 55 metres in length,

inspired by the silhouette of American yachts from the 60's, proposing a timeless elegance to a sophisticated international clientele tied to the concept of elegant yachting, while asking for cutting-edge engineering solutions.

In producing this fleet, TISG will remain coherent with its eco-sustainable strategy, which continues to evolve not only through significant investments in the Company's production facilities but also with the development of sustainable solutions for its products.

In fact, the hull and superstructure of this new yacht line will be completely made in aluminium and the models will be equipped with hybrid propulsion or full-electric engines.

The keel of the first "Gentleman Picchiotti", with delivery scheduled for the second half of 2024, has been laid on July 15th. At the moment, the production plan includes 15 units.

Global strengthening of the brands and penetration in new markets

The Company continues to expand its global presence and to strengthen its positioning in markets with great growth potential, also thanks to partnerships with main international brokers.

After the agreement with Camper & Nicholsons for the expansion in the Asian market, and the collaboration with TWW Yachts, signed in April, for Egypt, Turkey and Azerbaijan, in June 2022 TISG signed another partnership with **Blackorange Yacht Experts**, full-service yacht brokerage company with a strong positioning in the Gulf of Arabia and a proven track record in the segment of mega-yachts from 50 to 150 metres in length.

The broker will represent the brands Admiral and Tecnomar in the **Arab Emirates, Oman, Kuwait, Qatar and Bahrain**.

OTHER RESOLUTIONS OF THE BOARD OF DIRECTORS

During today's meeting, The Italian Sea Group's Board of Directors has furthermore resolved the acquisition of 100% of TISG Turkey Yat Tersanecilik Anonim Sirketi ("**TISG Turkey**") shares from GC Holding S.p.A. for a price of **150,000 Euros**, bestowing Chairman Filippo Menchelli with the power to sign the related deeds.

This operation will allow the Company to consolidate the entire production process, granting a more integrated and quality-oriented management of the operations. Moreover, it will enable to favour the investment strategy directly from TISG to TISG Turkey from a perspective of business growth.

Declaration ex art. 154-bis, second comma, T.U.F.

Pursuant to the Consolidation Act, section 154 clause 2 bis, of the D. Lgs. n. 58/98, as subsequently adjusted (TUF), Mr. Marco Carniani, the Manager in charge of preparing the corporate Accounting Books, herewith represents that the financial information contained in this Press Release conforms with corporate accounting documents, records, and books.

The following document contains forward-looking statements related to future events and operational, economic and financial results of The Italian Sea Group S.p.A.. Such forward-looking statements, by their nature, contain an element of risk and uncertainty, as they rely on the realisation of future events and developments.

The press release is available in the Investor section of the Company's Website at <https://investor.theitalianseagroup.com/en/press-releases>.

This document is an English translation from Italian. The Italian original shall prevail in case of difference in interpretation and/or factual errors.

The Italian Sea Group is a global operator in the luxury yachting industry, listed on Euronext Milan ("EXM") and active in the construction and refit of motoryachts and sailing yachts up to 140 metres. The Company, led by Italian entrepreneur Giovanni Costantino, operates on the market with the brands **Admiral**, renown for elegant and prestigious yachts, **Tecnomar**, known for its sporty features, cutting-edge design and high performance, **Perini Navi**, excellence in the design and construction of large sailing yachts, and **Picchiotti**, historical brand in the Italian yachting industry featuring classic and elegant lines. The Company also has a business unit named **NCA Refit** that manages the maintenance and refit services for yachts over 60 metres. In line with its strategic positioning, The Italian Sea Group has partnered with important Italian luxury brands: Giorgio Armani – to develop yachts penned by the designer, highlighting the merger of two excellence Ambassadors of Italian style in fashion and yachting – and Automobili Lamborghini – to design and produce "Tecnomar for Lamborghini 63", a limited-edition motor yacht featuring extraordinary performances and quality beyond limits.

The Italian Sea Group is the first Italian producer of superyachts over 50 metres, according to the 2022 Global Order Book, the global ranking by Boat International.

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