

THE ITALIAN SEA GROUP

PRESS RELEASE

The Italian Sea Group S.p.A. Approves Preliminary Results as of December 31st, 2023 Meeting with the Financial Community to Present 2024-2025 Strategic Outlook

Main consolidated preliminary results as of December 31st, 2023:

- **All key indicators in the high end or above 2023 guidance;**
- **Total Revenues:** EUR 363 million, **+23%** versus EUR 295 million in the previous year;
- **EBITDA:** EUR 61 million, increasing significantly by **+30%** versus EUR 47 million as of December 31st, 2022; **EBITDA Margin** increased to **16.8%** versus 15.9% in 2022;
- **Investments:** EUR 10 million, of which EUR 5.6 million dedicated to increase in production capacity for Celi 1920;
- **Net Financial Position:** positive for EUR 2 million versus a Net Financial Debt for EUR 11 million at December 31st, 2022;
- **The total value of the Order Book** at December 31st, 2023 was equal to EUR 1,265 million.

2024 – 2025 Strategic Outlook

- **2024:** revenues between EUR 400-420 million and EBITDA Margin between 17-17.5%;
- **2025:** revenues between EUR 430-450 million and EBITDA Margin between 18-18.5%.

Milan, February 6th, 2024 – **The Italian Sea Group S.p.A.** (“**TISG**” or the “**Company**”), global operator in luxury yachting with the brands Admiral, Tecnomar, Perini Navi, Picchiotti, NCA Refit, and Celi 1920, announces that the Board of Directors, in today’s meeting, has examined and approved the consolidated preliminary results as of December 31st, 2023 and the 2024-2025 Strategic Outlook.

Preliminary results and the 2024-2025 Strategic Outlook will be presented by the Company’s Top Management to investors and the financial community during the second Capital Markets Day, which will be held in Milan on February 7th, 2024.

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Throughout the year, TISG has further established its growth journey in line with the strategy announced to the market in January 2023.

Throughout its increasingly acknowledged high-level positioning, the Company confirmed its leadership in the yachting industry in the large dimensional range as the third shipyard in the world and the first in Italy for the production of yachts over 50 metres in length.

Giovanni Costantino, TISG's Founder & CEO, commented:

“2023 has been a challenging yet satisfying year. Our return to the Monaco Yacht Show, the important deliveries, and the development of new, exciting projects for our brands have represented an additional step for the Group's growth, which is now an established reference point in luxury yachting.

Once again, we have respected and exceeded the market's expectations, with Revenues reaching EUR 363 million and an EBITDA Margin of 16.8%, beyond the guidance we announced at the beginning of last year. We also recorded a positive Net Financial Position, despite a rewarding dividend policy and the investments made for the integration of a company like Celi 1920, for which we have interesting perspectives.

With seven yacht launches, six of which we will deliver, 2024 promises to be a year full of new challenges and exciting opportunities for development, which I am sure we will be able to overcome and face in the best way.”

ANALYSIS OF TISG'S ECONOMIC AND FINANCIAL RESULTS

The Company's consolidated preliminary results for 2023 show **Total Revenues** equal to **EUR 363 million**, growing by **23%** versus EUR 295 recorded in 2022. This result is mainly linked to new sale contracts and the progress of existing orders.

The **Total value of the Order Book**, relating to the gross value of existing contracts for yachts not yet delivered to clients, as of December 31st 2023 (Shipbuilding and Refit) is equal to EUR 1,265 million.

The **total value of existing contracts** for yachts not yet delivered to clients, net of the revenues already recorded in the income statement (**Net Backlog**) as of December 31st, 2023 (Shipbuilding and Refit) is equal to EUR 609 million.

Preliminary **EBITDA** as of December 31st, 2023 is equal to **EUR 61 million**, significantly improving from EUR 47 million recorded on December 31st, 2022. **EBITDA Margin** is equal to **16.8%** versus 15.9% in 2022.

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Throughout the year, TISG carried out **Investments** equal to **EUR 10 million**, mainly related to the restart of the Perini Navi hub in Viareggio and interventions on the production capacity of Celi 1920; for the expansion of the latter, the Company acquired two new sheds, reaching a total surface of approximately 30,000 square metres of facilities which will allow TISG to internalise up to 70% of its production needs for wooden furniture activities.

Preliminary **Net Financial Position** at December 31st, 2023, drafted in accordance to IAS/IFRS accounting principles, is positive for EUR 2 million versus a negative Net Financial Position of EUR 11 million at December 31st, 2022. This result reflects:

- i) Cash out for **EUR 14.4 million** for dividend distribution;
- ii) **Investments** for the year equal to **EUR 10 million**;
- iii) The disposal of an office building inside the Viareggio shipyard, generating a net cash inflow of **EUR 10.6 million**.

2024-2025 STRATEGIC OUTLOOK

Strategic Outlook for **2024-2025** forecasts a significant organic growth and benefits from the current structure of the Group and the important support due to the integration of Perini Navi and its assets, the important partnerships signed with luxury brands and the capillary sale structure with a global perimeter.

The Group's growth objectives expect: Revenues between EUR 400-420 million and an EBITDA Margin between 17-17.5% in 2024 and Revenues between EUR 430-450 million with an EBITDA Margin between 18-18.5% in 2025.

With respect to the capital structure and the dividend policy the objectives for 2024 and 2025 are to maintain a neutral financial position, with maximum leverage of 1,5x EBITDA, and to distribute a yearly dividend which equates to a payout ratio between 40-60% of the Net Income of the Group. These objectives are subject to temporary impacts related to the CapEx and M&A strategy.

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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 <https://investor.theitalianseagroup.com/en/press-releases/>.

Conference Call in Webcast

Preliminary financial results and the Strategic Outlook 2024-2025 will be presented on Wednesday February 7th, 2024 at 10:30AM CET through a Conference Call held by Top Management and broadcasted via the following link:

<https://b1c-co-uk.zoom.us/meeting/register/tZwrdu6trTkve9CqPRe7DtD-RQxycIjXf4Qk#/registration>

The presentation illustrated by top management will be available from the beginning of the Conference Call on the website investor.theitalianseagroup.com in the "Financial Documents" section.

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

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The Italian Sea Group

The Italian Sea Group is a global operator in luxury yachting, listed on Euronext Milan (“EXM”) and active in the construction and refit of motor yachts 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. According to the Global Order Book 2024, international ranking by Boat International, The Italian Sea Group is the first Italian superyacht builder for yachts over 50 metres.

For more information:

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