

**THE ITALIAN SEA GROUP S.P.A.**

**Registered office in Marina di Carrara, Carrara (MS), Viale Cristoforo Colombo, 4bis**

**Share Capital EUR 26,500,000.00 subscribed and fully paid-in**

**No. of Registration in the Company Register of Massa Carrara and Tax Code 00096320452**

**Board of Director's Explanatory Report on Item no.1 on the Agenda of the Ordinary Annual General Meeting convened for 29 April 2024, in a single call.**

(drafted in accordance with article 125-ter of Legislative Decree 24 February 1998 no. 58 and article 84-ter of the regulation adopted with Consob resolution no. 11971 on 14 May 1999)

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

The Italian Sea Group S.p.A.

**Headquarters - Facilities**

Viale Cristoforo Colombo, 4BIS  
54033 Marina Di Carrara (MS) - Italy  
Tel. +39 0585 5062  
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theitalianseagroup.com

**Secondary Headquarter**

Viale San Bartolomeo, 428  
19126 La Spezia (SP)  
Tel. +39 0187 28371  
Fax. +39 0187 2837348

Share capital € 26.500.000 f.p.  
Massa | Carrara Business Register  
REA MS 65218  
VAT no. 00096320452

## 1. Financial Report at 31 December 2023.

### 1.1. Approval of the Financial Statements at 31 December 2023. Reports of the Board of Directors, Board of Statutory Auditors, and Auditing Firm. Presentation of the consolidated financial report at 31 December 2023 and the Consolidated Non-Financial Report related to 2023;

### 1.2. Allocation of Net Income for the Year.

Dear Shareholders,

This report has been drafted in accordance with article 125-ter, paragraph 1, of Legislative Decree 24 February 1998, no. 58 (hereinafter “TUF”) and article 84-ter of the Regulation adopted with Consob resolution no. 11971 of 14 May 1999 (“Issuer’s Regulation”).

This explanatory report has been approved by The Italian Sea Group S.p.A.’s (the “Company”) Board of Directors in the meeting held on 21 March 2024 and is made available to the public, within the terms provided by laws and regulations, at the Company’s registered offices, on the Company’s website [www.investor.theitalianseagroup.com](http://www.investor.theitalianseagroup.com) in the “Corporate Governance / Annual General Meeting” section, as well as on the storage mechanism “eMarket Storage”, available at the following address [www.emarketstorage.com](http://www.emarketstorage.com).

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The Board of Directors intends to submit to your approval the draft financial statements at 31 December 2023 (composed by Balance Sheet, Income statement, Cashflow, Prospect of change in shareholders’ equity, and Explanatory Notes), accompanied by the related Report by the Board of Directors on performance.

All documents related to this item, including the consolidated financial report at 31 December 2023, the Report of the Board of Statutory Auditors drafted in accordance with article 2429 of the Civil Code, and the Report by the Auditing Firm BDO S.p.A. on the Financial Statements and the Consolidated Financial Statements at 31 December 2023, will be made available to the public, within the terms provided by the current law, at the Company’s registered offices, on its website [www.investor.theitalianseagroup.it](http://www.investor.theitalianseagroup.it), in the “Financial Documents / Financial Reports” and the “Corporate Governance / Annual General Meeting” sections, and on the authorised storage mechanism “eMarket Storage” available at the following address [www.emarketstorage.com](http://www.emarketstorage.com).

The Company’s Financial Statements at 31 December 2023, drafted in accordance with IFRS International Accounting Standards, records:

- Revenues for EUR 363,461 thousand;
- Costs for EUR 302,257 thousand;
- Net Income for EUR 36,682 thousand.

The Consolidated Financial Statements at 31 December 2023, drafted in accordance with IFRS

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International Accounting Standards, records:

- Revenues for EUR 364,458 thousand;
- EBITDA for EUR 61,979 thousand;
- Group Net Income for EUR 36,911 thousand;
- Net Financial Position for EUR 1,587 thousand.

Considering these results, the Company's Board of Directors proposes, subject to the approval by the Annual General Meeting of the Financial Statements at 31 December 2023, to allocate the Net Income equal to EUR 36,682 thousand as follows:

- To the shareholders, an ordinary dividend for EUR 0.37 for each entitled share, for a total of EUR 19,610 thousand, with coupon detachment on May 20<sup>th</sup>, 2024, record date in accordance of article 83-*terdecies* of Legislative Decree 58/1998 ("**record date**") on May 21<sup>st</sup>, 2024 and payment on May 22<sup>nd</sup>, 2024;
- Retained Earnings for the remaining EUR 17,072 thousand.

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In light of the above, we hereby submit to Your approval the following resolution proposals:

### 1. Resolution proposal regarding the approval of the Annual Financial Statements

*"The Italian Sea Group S.p.A. 's Ordinary Annual General Meeting:*

- *Having seen the Board of Directors' explanatory report;*
- *Having examined the Financial Statements of The Italian Sea Group S.p.A. at December 31<sup>st</sup>, 2023, and the Board of Directors' Report on business performance;*
- *Having seen the Consolidated Financial Statements at December 31<sup>st</sup>, 2023;*
- *Having acknowledged the Report of the Board of Statutory Auditors, drafted in accordance with article 2429 of the Civil Code;*
- *Having acknowledged the Report by the Auditing Firm BDO S.p.A.*

**resolves**

- *To approve the Financial Statements of The Italian Sea Group S.p.A. at 31 December 2023, as proposed and explained by the Board of Directors, accompanied by the Report on business performance, which records a Net Income of EUR 36,682 thousand, as well as to acknowledge the consolidated financial statements of the Group controlled by the Company at 31 December 2023;*
- *To confer the Chief Executive Officer all the necessary or appropriate powers to execute this resolution."*

The Italian Sea Group S.p.A.

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## 2. Resolution proposal regarding the Net Income allocation

*“The Italian Sea Group S.p.A.’s Annual General Meeting:*

- *Having seen the Board of Directors’ explanatory report;*
- *Having examined the Financial Statements of The Italian Sea Group S.p.A. at December 31<sup>st</sup>, 2023 and the Board of Directors’ report on business performance;*
- *Taking into account the provisions of article 2430 of the Civil Code in terms of Legal Reserve;*

### *resolves*

- *To approve the allocation of Net Income, equal to EUR 36,682 thousand, as follows:*
  - *To the shareholders, an ordinary dividend for EUR 0.37 for each entitled share, for a total of EUR 19,610 thousand, with coupon detachment on May 20<sup>th</sup>, 2024, record date in accordance of article 83-terdecies of Legislative Decree 58/1998 (“**record date**”) on May 21<sup>st</sup>, 2024 and payment on May 22<sup>nd</sup>, 2024;*
  - *Retained Earnings for the remaining EUR 17,072 thousand.*
- *To confer the Chief Executive Officer all the necessary or appropriate powers to execute this resolution.”*

Marina di Carrara, Carrara (MS), March 21<sup>st</sup>, 2024

The Chairman of the Board of Directors  
(Filippo Menchelli)

The Italian Sea Group S.p.A.

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