

THE ITALIAN SEA GROUP

PRESS RELEASE

THE ITALIAN SEA GROUP S.P.A.

THE BOARD OF DIRECTORS APPROVES THE SELECTED INFORMATION FOR THE FIRST QUARTER OF 2024

+12.2% Revenue growth

+16.6% EBITDA increase, with a 16.8% EBITDA Margin

2024 Guidance and 2025 Strategic Outlook Confirmed

Selected information for the first quarter of 2024:

- **Revenues** at **EUR 95.6 million**, **+12.2%** versus **EUR 85.2 million** in the first quarter of 2023;
- **EBITDA** at **EUR 16.1 million**, **+16.6%** versus **EUR 13.8 million** in the first quarter of 2023, with a margin on Revenues of **16.8%** versus 16.2% in the first three months of 2023;
- **Investments** for the period equal to **EUR 2 million**;
- The **total value of the Order Book** is **EUR 1,344 million** at March 31st, 2024;
- **Net Financial Debt** of **EUR 25 million** versus a positive Net Financial Position for EUR 2 million as of 31st December 2023. This change is mainly due to the **extension of the Marina di Carrara state concession** for another 29 years, from December 31st, 2043 to **December 31st, 2072**.

Marina di Carrara, Carrara, May 15th, 2024 – The Board of Directors of **The Italian Sea Group S.p.A.** (“TISG” or the “Company”), global operator in luxury yachting, has approved today the selected information related to the business performance of the first quarter of 2024¹ (Revenues, EBITDA, Net Financial Position, Investments).

¹ Information not subject to audit, not even limited.

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

“I am very proud of the results we approve today, which confirm the moment of development and consolidation that our Group is experiencing.

The increasing appreciation of our superyachts from Owners all over the world and the success of semi-custom lines, which let us optimise our production capacity, allow us to enhance the quality and visibility of our order book.

We continue our expansion in the most dynamic areas of the world for luxury yachting, attracting an ever-increasing and more resilient clientele also due to the important partnerships with leading sector brokers.”

REVENUES

In the first three months of 2024, TISG recorded **Revenues** for **EUR 95.6 million**, growing by **12.2%** versus EUR 85.2 million during the same period of 2023.

Operating Revenues – before **Other revenues and income** and **Commissions** – are equal to **EUR 95.8 million**, growing by 18.6% versus the same period of 2023.

- **Shipbuilding** Revenues amount to EUR 86.7 million (+26.2% versus the first quarter of 2023). This result is attributable to the regular progress of projects under construction and the signing of new sale contracts.
- **Refit** Revenues amount to EUR 9.1 million, slightly declining versus the first quarter of 2023. This result is attributable to an increased use of production capacity by Shipbuilding activities, which have experienced a strong acceleration in the first part of the year.

EBITDA

EBITDA is equal to **EUR 16.1 million**, growing by **16.6%** versus EUR 13.8 million in the same period of 2023, with an **EBITDA Margin** of **16.8%**.

The increase in marginality over time is attributable to: (i) a strong attention to operating cost management; (ii) an improved efficiency of production processes; (iii) benefits coming from the expansion in production capacity with an optimal mix between Shipbuilding and Refit activities; (iv) internalisation of key supply chain activities, also following the acquisition of woodworking company Celi 1920; (v) an increase in sale

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prices, due to a constant improvement in the recognition of the Company's brands from owners and brokers worldwide; and (vi) economies of scale.

BACKLOG

The total value of the Order Book, relating to the gross value of existing contracts for yachts not yet delivered to clients, as of March 31st, 2024 is equal to **EUR 1,344.4 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 March 31st, 2024 is equal to **EUR 667.4 million**.

As of March 31st, 2024, there are **35 projects under construction: 25 yachts and mega-yachts and 10 Tecnomar for Lamborghini 63**, with deliveries scheduled until 2027.

INVESTMENTS

During the first three months of 2024, TISG carried out **Investments** for **EUR 2 million**, mainly related to the completion of the works for the enhancement of the production capacity of **Celi 1920**, to the “**TISG NEW ERA**” project for the extension of the commercial offices, and the expansion of the Upholstery and Steelworks Business Units in the Marina di Carrara Headquarters.

NET FINANCIAL POSITION

Net Financial Position at March 31st, 2024 is negative for **EUR 25 million** versus a Net Financial Position positive for EUR 2 million at December 31st, 2023.

In accordance with IAS/IFRS accounting principles, the extension of 29 years of the state concession on the Marina di Carrara shipyard obtained at the end of 2023 – from December 31st, 2043 to December 31st, 2072 – had an impact on Net Financial Debt for **EUR 8 million** for the current values of the future fees due.

Also of note are **Investments** for **EUR 2 million** for the enhancement of **Celi 1920** production capacity, and the expansion of commercial offices as well as the Upholstery and Steelworks Business Units in the Marina di Carrara Headquarters.

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The remaining part is attributable to the regular Net Working Capital dynamics driven by the planning of contractual instalments of the projects in progress.

2024 GUIDANCE

In light of first quarter results, the regular progress of existing projects, and the expected increase of the order intake for the second half of the year, The Italian Sea Group confirms the 2024 Guidance already announced during the Capital Markets Day, with Revenues at December 31st, 2024 between **EUR 400 – 420 million** and EBITDA Margin between **17 – 17.5%**.

Furthermore, during the Capital Markets Day held last **February 7th**, the Company presented its **2025 Strategic Outlook** with Revenues between **EUR 430 – 450 million** and EBITDA Margin between **18 – 18.5%**.

BUSINESS OUTLOOK

Strategic partnerships and commercial development

TISG continues its international development path through commercial partnerships with leading brokers.

In April 2024, the Company signed an agreement with the renowned Yachting Family Office **Kitson Yachts** to act as an “Authorised Sales Agency” in America, a geographic area of particular interest to TISG and with great potential of demand development.

Located in Miami, Kitson Yachts will start-up an important capillary expansion plan in the US and beyond. At The Italian Sea Group, they already follow the construction of two Admiral mega-yachts of 73 and 88 metres.

The great success of the semi-custom lines continues with the sale of the fifth unit of the Admiral 50 model to an owner from the UAE, further showing the Company’s commercial strength in the region.

The Company also sold the first unit of the Admiral 40 line, presented to the market just at the beginning of the year.

The development of the semi-custom segment will allow TISG to decrease delivery times compared to full-custom mega-yachts – which will remain the Company’s core business – thus attracting a broader range of clients and, at the same time, will allow for the

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utilisation of the expanded production capacity without impacting the Company's engineering department, which will remain focused on the core business.

DECLARATION EX ART. 154-BIS, SECOND COMMA, LEGISLATIVE DECREE 58/98

Pursuant to the Consolidation Act, section 154 clause 2 bis, of the Legislative Decree n. 58/98, as subsequently adjusted, 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.

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

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Conference Call via Webcast

The Financial Results as of March 31st, 2024 will be presented today, **Wednesday May 15th, 2024** at **4:00pm CET** through a Conference Call held by Top Management and broadcasted via the following link: https://b1c-co-uk.zoom.us/meeting/register/tZMoce-gqTgqGtQx5d_3TRk9WISBNRQ5dgYU#/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 courtesy 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 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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