

# THE ITALIAN SEA GROUP

## PRESS RELEASE

### THE ITALIAN SEA GROUP: APPROVED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

*Excellent growth in all economic and financial indicators:  
Total revenues (+16.1%) and EBITDA (+49.8%)  
Strong improvement in net financial debt  
Significant increase in new contracts  
Net Backlog reaches a value of 432 million Euros*

#### Main results for the year ended 31 December 2020 compared to 31 December 2019:

- **Total<sup>1</sup> revenues:** 116.4 million Euros compared with 100.3 million Euros (+16.1%);
- **EBITDA<sup>2</sup>:** 14.5 million Euros compared to 9.7 million Euros (+49.8%), with a revenue margin of 12.5%;
- **EBIT<sup>3</sup>:** 9.4 million Euros compared to 4.5 million Euros (+108%), with an EBIT margin of 8.1%;
- **Net profit:** 6.2 million Euros compared to 0.43 million Euros;
- **Net financial debt** of 3.8 million Euros improved from 12.2 million Euros as of 31 December 2019;
- **The total value of outstanding contracts** related to *yachts* not yet delivered to customers, net of revenues already recognised in the income statement (**Net Backlog**) at 31 December 2020 (shipbuilding and refit) is **approximately 432 million Euros**, 3.7x Total Revenues;
- There are currently 19 yachts and mega yachts in production.

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<sup>1</sup> Total revenues exclude contingent assets (2020: EUR 0.8m; 2019: EUR 0.7m) and capital gains (2019: EUR 0.1m).

<sup>2</sup> EBITDA includes provisions for bad debts (2020: Eu -0.2 mn; 2019: Eu -0.1 mn) and excludes (i) contingent assets (2020: Eu 0.8 mn; 2019: Eu 0.7 mn) (ii) capital gains (2019: EUR 0.1 mn) (iii) out-of-period expenses (2020: EUR -0.4 mn; 2019 EUR -2.3 mn) (iv) provisions for risks (2020: EUR -0.5 mn; 2019 EUR -0.6 mn) (v) provisions for tax liabilities (2020: EUR -0.1 mn)

<sup>3</sup> EBIT excludes (i) contingent assets (2020: EUR 0.8 mn; 2019: EUR 0.7 mn) (ii) capital gains (2019: EUR 0.1 mn) (iii) contingent liabilities (2020: EUR -0.4 mn; 2019 EUR -2.3 mn)

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Marina di Carrara, 17 March 2021. The Shareholders' Meeting of The Italian Sea Group S.p.A. (the "**Company**"), a global operator in the luxury nautical sector, announces that it has approved the Financial Statements of the Company for the year ended 31 December 2020, prepared by IFRS international accounting standards.

*"I am very proud of the extraordinary results we achieved in 2020, both in terms of revenue and margin growth, as well as the significant increase in new contracts that boosted the order book to 605 million Euros. Despite the serious pandemic that broke out last spring and is still ongoing, we have hired 96 employees and achieved excellent results, confirming the solidity of our business model and the growing appreciation by all operators in the sector of the very high quality of our yachts and the services offered within our yard. - commented **Giovanni Costantino, Founder & CEO of The Italian Sea Group** - Our DNA has always been distinguished by our ability to offer a total experience in the world of luxury, made up of quality, attention to detail, design, art, innovation and prestige, characteristics that represent the essence of true Made in Italy".*

## **MAIN RESULTS**

During the 2020 financial year, The Italian Sea Group achieved **Total Revenues of 116.4 million Euros**, an increase of 16.1% compared to the 100.3 million Euros recorded in the same period of 2019. This result reflects the growing appreciation for the products made by The Italian Sea Group by all sector operators, brokers, all acquired or potential clients, for the quality of the *yachts* on the market as well as for all the services offered within the shipyard.

The Italian Sea Group has registered a significant **increase in its order book**, both for *yachts* over forty metres and up to 100 metres, built under the Admiral and Tecnomar brands, and for yachts under 35 metres, thanks to the combination of The Italian Sea Group and Automobili Lamborghini S.p.A., which have created the new Tecnomar for Lamborghini 63 model.

**The total value of the contracts for work in progress on order (Order Book) on 31 December 2020 is approximately 605 million Euros**, of which approximately 286 million Euros relates to new contracts signed (shipbuilding and refit) during the 2020 financial year.

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There are **currently 19 yachts and mega yachts in production** for a **net backlog of 432 million Euros**, which corresponds to 3.7 times the shipbuilding division's 2020 net revenues.

**EBITDA<sup>4</sup>** amounted to **14.5 million Euros**, up +49.8% compared to 9.7 million Euros as of 31 December 2019, with a **margin on revenue of 12.5%** compared to 9.7% in FY2019, mainly due to the increased use of operating leverage.

**EBIT<sup>5</sup>** amounted to **9.4 million Euros**, more than doubled compared to the same period last year when it amounted to 4.5 million Euros, with a **margin on revenue of 8.1% compared** to 4.5% in FY2019 against depreciation, amortisation, impairment, provisions and capital losses amounting to 5.1 million Euro at 31 December 2020.

**The Net Profit** was 6.2 million Euros, a sharp increase compared to 0.43 million Euros in FY2019.

**The Net Financial Indebtedness** as of 31 December 2020 amounted to a total of 3.8 million Euros, improving compared to 12.2 million Euros as of 31 December 2019, due to the higher cash generation in the year.

### Main events after the end of the financial year

On 15 February 2021, the production spaces dedicated exclusively to the Tecnomar for Lamborghini 63 line were inaugurated. These spaces have been set up to recreate the exclusive and personalised environment characteristic of Automobili Lamborghini's philosophy. Here, customers will be able to finalise the *outfitting* of their Tecnomar for Lamborghini 63 models, with the first delivery scheduled for the summer of 2021.

On 25 February 2021, the Company submitted an application to Borsa Italiana ("Italian Stock Exchange") for the listing of its ordinary shares on the Mercato Telematico Azionario ("MTA") and, where the conditions were met, on the STAR

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<sup>5</sup> EBIT excludes (i) contingent assets (2020: EUR 0.8 mn; 2019: EUR 0.7 mn) (ii) capital gains (2019: EUR 0.1 mn) (iii) contingent liabilities (2020: EUR -0.4 mn; 2019 EUR -2.3 mn)

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segment, and also submitted a formal request to Consob for authorisation to publish the Prospectus.

## **Impacts and effects of the COVID-19 outbreak**

In response to the health emergency due to COVID-19, The Italian Sea Group has focused on the protection of employees and their families, the sustainability of the Company, business continuity and compliance with the Emergency Regulations applicable at the time.

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The press release is available in the *Press Releases* section of the <https://theitalianseagroup.com/it/> website.

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## **The Italian Sea Group**

The Italian Sea Group is a global luxury yachting operator, active in the construction and refit of motor yachts and vessels up to 100 metres. The company, headed by Italian entrepreneur Giovanni Costantino, operates under the Admiral brand, renowned for its prestigious and elegant yachts, and Tecnomar, known for the sportiness, cutting-edge design and high performance of its yachts; it has a business unit that manages the repair and refit service with a focus on yachts and megayachts over 60 metres long.

## **For further information:**

Image Building: Tel. +39 02 89011300 / +39 06 68392100

E-mail: [theitalianseagroup@imagebuilding.it](mailto:theitalianseagroup@imagebuilding.it)