

**PRESS RELEASE**

**IMMSI GROUP: RESULTS AT 30 SEPTEMBER 2021**

*The Immsi Group reported very positive results for the year to 30 September 2021, with net sales up 29.6% - the best result for the first nine months since 2008 -, EBITDA up 24.1% and net profit, including minority interests, of 32.7 million euro. Over the same period, debt was cut by almost 79 million euro from 30 September 2020. Although uncertainty caused by the Covid-19 pandemic persists at global level, making it necessary to continue monitoring each business and market with close attention, the Group is in a situation enabling it to further consolidate its current healthy position.*

- **Consolidated net sales 1,349.8 million euro, up 29.6%** (1,041.9 €/mln at 30.09.2020)
- **EBITDA 187.2 million euro, up 24.1%** (150.9 €/mln at 30.09.2020)  
**EBITDA margin 13.9%** (14.5% at 30.09.2020)
- **EBIT 88.2 million euro, up 44.4%** (61.1 €/mln at 30.09.2020)  
**EBIT margin 6.5%** (5.9% at 30.09.2020)
- **Profit before tax 61.4 million euro** (33.6 €/mln at 30.09.2020) subject to tax totalling 28.7 million euro
- **Net profit of 32.7 million euro** (16.1 €/mln at 30.09.2020), **including minority interests** (18.1 €/mln at 30.09.2021, 6.8 €/mln at 30.09.2020)
- **Immsi Group consolidated net financial position -744.9 €/mln, an improvement of 78.8 €/mln** from -823.7 €/mln at 30.09.2020 and 58 €/mln from -802.9 €/mln at 31.12.2020
- **Capital expenditure 106.7 million euro, up 17.8%** (90.6 €/mln at 30.09.2020)

*Mantua, 12 November 2021* - At a meeting today chaired by Roberto Colaninno, the Board of Directors of Immsi S.p.A. (IMS.MI) examined and approved the interim report on operations as at and for the nine months to 30 September 2021.

**Immsi Group financial and business performance at 30 September 2021**

**Consolidated net sales** for the nine months to 30 September 2021 amounted to **1,349.8 million euro, the best result for the period since 2008, reflecting an increase of 29.6%** from 1,041.9 million euro in the year-earlier period.

Immsi Group consolidated **EBITDA** amounted to **187.2 million euro, up 24.1%** from 150.9 million euro at 30 September 2020. The **EBITDA margin** was **13.9%** (14.5% at 30 September 2020).

**Consolidated EBIT** was **88.2 million euro, an improvement of 44.4%** from 61.1 million euro in the first nine months of 2020. The **EBIT margin** was **6.5%** (5.9% at 30 September 2020).

**Profit before tax was 61.4 million euro** (33.6 million euro at 30 September 2020) and was subject to tax totalling 28.7 million euro.

**Net profit was 32.7 million euro** (16.1 million euro in the year-earlier period), **including minority interests** (18.1 million euro at 30 September 2021 and 6.8 million euro at 30 September 2020).

**Immsi Group net financial debt at 30 September 2021 was 744.9 million euro, an improvement of 78.8 million euro** from 823.7 million euro at 30 September 2020, when there was a block on sales in connection with the Covid-19 pandemic. The improvement was secured by prudent management of working capital and by operating cash flow from the Group's positive business performance (at the Piaggio Group in particular), which also made it possible to absorb a greater capital expenditure requirement. Compared with 31 December 2020, the Immsi Group reduced debt by 58 million euro. Group business, especially in the two-wheeler segment, is subject to seasonal trends, absorbing resources in the first half of the year and generating resources in the second half.

In the first nine months of 2021, Immsi Group **capital expenditure amounted to 106.7 million euro, an increase of 17.8%** from 90.6 million euro in the year-earlier period.

### **Performance of the Immsi Group businesses at 30 September 2021**

#### ***Industrial Sector: Piaggio Group***

In the first nine months to 30 September 2021, the **Piaggio Group sold 430,600 vehicles worldwide (+36.5%), reporting consolidated net sales of 1,319.2 million euro (+32.7%)**. Consolidated EBITDA was 192.9 million euro (+28.5%), with an EBITDA margin of 14.6%; EBIT was 97.4 million euro, with an EBIT margin of 7.4%; net profit increased by 77.1% to 51.6 million euro (29.1 million in the year-earlier period).

**Net financial debt at 30 September 2021 stood at 372.7 million euro, an improvement of 72.1 million euro** from 444.8 million euro at 30 September 2020 and an improvement of 50.9 million euro from 423.6 million euro at 31 December 2020.

#### ***Naval Sector: Intermarine S.p.A.***

The subsidiary **Intermarine S.p.A.** reported **consolidated net sales of 28.5 million euro** in the first nine months of 2021, arising for 24.4 million euro in the Military Sector and 4.1 million euro in the Fast Ferries and Yacht division, largely on operations at the Messina shipyard. **The Intermarine order book at 30 September 2021 stood at approximately 41.5 million euro.**

#### ***Real Estate and Holding sector***

The Real Estate and Holding sector had net sales of 2.1 million euro at 30 September 2021.

The subsidiary **Is Molas S.p.A.**, which manages the Is Molas Golf Resort project in the Sardinian province of Cagliari, completed four showhomes and took the remaining 11 villas in the first batch to an advanced unfinished stage, to enable potential clients to select floorings and internal finishes. The company confirmed the possibility of leasing the showhomes in order to enable end customers, including investors, to become familiar with the product and related services on offer. Commercial operations are underway to identify possible national/international purchasers.

### **Significant events in and after the first nine months of 2021**

Supplementing the information published above or at the time of approval of the 2021 half-year results (directors' meeting of 2 September 2021), this section illustrates key events in and after the first nine months of 2019.

On 6 September, further to the letter of intent of 1 March 2021, the Piaggio Group, Honda Motor Co. Ltd., KTM F&E GmbH and Yamaha Motor Co. Ltd. signed an official agreement for the creation of the Swappable Batteries Motorcycle Consortium (SBMC), to promote wide-scale use of lightweight electric vehicles such as mopeds, scooters, motorcycles, motorised tricycles and quad bikes, and promote more sustainable management of battery life in line with international climate policies.

On 10 September, the important project for the preservation and restructuring of the Moto Guzzi industrial site was presented in Mandello del Lario. The project was commissioned from world-famous US architect and designer Greg Lynn and involves the entire site. Unique of its kind and in its style, this is a futuristic project: a location with open spaces for use by the public. On the same day, the new Moto Guzzi V100 was displayed in a world preview. The bike will be officially unveiled at the EICMA 2021 international motorcycle show.

Towards the end of September, with rulings issued within a few days of each other, the Judicial Tribunal of Paris and the Court of Milan found Peugeot Motorcycles (now owned by an Indian Group) guilty of infringing a European patent on the technology of the Piaggio MP3 three-wheel scooter with the Peugeot Metropolis model. The patent in question owned by the Piaggio Group to which the rulings in its favour refer (still subject to appeal) relates to the control system that enables a three-wheel vehicle to tilt sideways like a conventional motorcycle.

On 25 October, the Piaggio Group, bp and its Indian subsidiary Jio-bp announced a memorandum of understanding to identify opportunities for cooperation on the rapidly expanding two- and three-wheel electric vehicle market. The aim is to offer charging and interchangeable battery stations, as well as all-inclusive services such as "Battery as a Service" (BaaS), which comprises battery leasing, management and recycling, and "Vehicle as a Service" (VaaS), for vehicle leasing, repairs, maintenance and intelligent energy management. The partners intend to explore growth opportunities in Asia - China, Indonesia and Vietnam - and in Europe.

On 28 October, Intermarine delivered the CP421 "Roberto Aringhieri" to the General Command of the Corps of the Port Captaincies, Coast Guard, at the Messina shipyard. The vessel is the second boat in the "Angeli del Mare" class, the longest self-righting and unsinkable boats ever built in Italy and among the world's largest Search and Rescue units.

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### **Outlook**

Although the complexity of providing guidance remains, given the uncertainty over the evolution of the pandemic in the coming months of 2021, and a number of difficulties including the general rise in raw materials prices and the current problems in logistics and transportation, especially from the Far East, the **Immsi Group** will continue to work to meet its commitments and targets, maintaining all the necessary measures to ensure a flexible and immediate response to any difficult and unexpected situations that might arise, thanks to careful and efficient business and financial management.

In the **Industrial Sector**, the Piaggio Group will complete the launch of the 11 new two-wheelers scheduled for 2021 and operations relating to the increase in expenditure announced at the beginning of the year with the new E-mobility department, the new factory in Indonesia and the complete restructuring of the Moto Guzzi production facility and museum areas.

In the **Naval Sector**, despite continuing uncertainty, advances in production work on contracts will continue as well as commercial operations in all the company's areas of business. Intermarine is also involved in a number of negotiations, in the Defence sector in particular, to win new orders that would enable it to expand its order book and consequently guarantee conditions allowing it to optimise its production capacity over the coming years. The company will also pursue every opportunity to contain direct and indirect costs.

In the **Real Estate and Tourism-Hospitality Sector** a gradual return to normality is expected, and the Is Molas S.p.A. subsidiary is therefore moving ahead with commercial operations to identify possible domestic and international buyers.

\* \* \*

The manager in charge of preparing the company accounts and documents, Andrea Paroli, certifies, pursuant to paragraph 2 of art. 154-*bis* of the Consolidated Law on Financial Intermediation, that the accounting disclosures in this statement correspond to the accounting documents, ledgers and entries.

This press release may contain forward-looking statements relating to future events and Immsi Group business and financial results. By their nature, these statements are subject to inherent risks and uncertainties since they relate to events and depend on circumstances that may or may not occur or exist in the future. Actual results may differ materially from those expressed in such statements as a result of a variety of factors.

This press release contains a number of indicators that, though not yet contemplated by the IFRS (“Non-GAAP Measures”), are based on financial measures envisaged by the IFRS. These indicators – presented in order to assist assessment of the Group’s business performance – should not be considered as alternatives to those envisaged by the IFRS and are consistent with those in the Immsi Group 2020 Annual Report and quarterly and half-year reports. Furthermore, since determination of such indicators is not specifically regulated by the IFRS, the methods used may not coincide with those adopted by other companies/groups, and consequently the indicators in question may not be comparable. Specifically, the following alternative performance indicators are used:

- EBITDA: earnings before amortisation and depreciation and impairment losses on property, plant and equipment, intangible assets, and rights of use, as reflected in the income statement;
- Net financial debt: this reflects financial liabilities (current and non-current) including trade payables and other non-current liabilities that include a material implicit (or explicit) debt component, less cash and cash equivalents, and other current financial receivables. Unlike the ESMA Guidelines 2021 / 32-382-1138, net financial debt as determined by the Immsi Group does not include other financial assets and liabilities arising from measurement at fair value, interest accrued on shareholder loans and financial liabilities relating to assets held for sale. The accounting schedules in the Interim Report on Operations as at and for the nine months to 30 September 2021 include a schedule detailing the components of the indicator.
- In drawing up the Interim Report on Operations as at and for the nine months to 30 September 2021, the Immsi Group applied the same accounting policies as those used to draw up the Report on Operations and Financial Statements as at and for the year ended 31 December 2020.

Immsi S.p.A. said that the Interim Report on Operations as at and for the nine months to 30 September 2021 will be available to the public at the company registered office, in the “eMarket STORAGE” authorised storage mechanism at [www.emarketstorage.com](http://www.emarketstorage.com) and on the issuer’s website [www.immsi.it](http://www.immsi.it) (section “Investors/Financial Reports/2021”) as required by law.

The Immsi Group reclassified consolidated income statement, reclassified consolidated statement of financial position and consolidated statement of cash flows are set out below. In compliance with the Instructions to the Regulation for Markets organised and managed by Borsa Italiana S.p.A. section IA.2.6, the reclassified schedules are not subject to auditing by the independent auditors.

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*\*\* ACCOUNTING SCHEDULES FOLLOW \*\**

## SCHEDULES

### Immsi Group reclassified income statement

In thousands of euro	30.09.2021		30.09.2020		Change	
<b>Net sales</b>	<b>1,349,828</b>	<b>100%</b>	<b>1,041,861</b>	<b>100%</b>	<b>307,967</b>	<b>29.6%</b>
Cost of materials	839,599	62.2%	628,366	60.3%	211,233	33.6%
Cost of services and use of third-party assets	217,684	16.1%	164,541	15.8%	53,143	32.3%
Employee expense	195,289	14.5%	170,204	16.3%	25,085	14.7%
Other operating income	112,758	8.4%	90,679	8.7%	22,079	24.3%
Impairment reversals (losses) net of trade and other receivables	-1,514	-0.1%	-2,043	-0.2%	529	25.9%
Other operating expense	21,341	1.6%	16,520	1.6%	4,821	29.2%
<b>EBITDA</b>	<b>187,159</b>	<b>13.9%</b>	<b>150,866</b>	<b>14.5%</b>	<b>36,293</b>	<b>24.1%</b>
Depreciation and impairment property, plant and equipment	41,307	3.1%	37,237	3.6%	4,070	10.9%
Goodwill impairment	0	-	0	-	0	-
Amortisation and impairment intangible assets with finite life	57,677	4.3%	52,551	5.0%	5,126	9.8%
<b>EBIT</b>	<b>88,175</b>	<b>6.5%</b>	<b>61,078</b>	<b>5.9%</b>	<b>27,097</b>	<b>44.4%</b>
Results of associates	609	0.0%	772	0.1%	-163	-
Finance income	19,683	1.5%	21,804	2.1%	-2,121	-9.7%
Finance costs	47,033	3.5%	50,031	4.8%	-2,998	-6.0%
<b>PROFIT BEFORE TAX</b>	<b>61,434</b>	<b>4.6%</b>	<b>33,623</b>	<b>3.2%</b>	<b>27,811</b>	<b>82.7%</b>
Income tax	28,713	2.1%	17,573	1.7%	11,140	63.4%
<b>PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>32,721</b>	<b>2.4%</b>	<b>16,050</b>	<b>1.5%</b>	<b>16,671</b>	<b>103.9%</b>
Profit (loss) for the period from discontinued operations	0	-	0	-	0	-
<b>PROFIT (LOSS) FOR THE PERIOD INCLUDING MINORITY INTERESTS</b>	<b>32,721</b>	<b>2.4%</b>	<b>16,050</b>	<b>1.5%</b>	<b>16,671</b>	<b>103.9%</b>
Minority interests	18,122	1.3%	6,820	0.7%	11,302	165.7%
<b>GROUP PROFIT (LOSS) FOR THE PERIOD</b>	<b>14,599</b>	<b>1.1%</b>	<b>9,230</b>	<b>0.9%</b>	<b>5,369</b>	<b>58.2%</b>

## Immsi Group reclassified statement of financial position

In thousands of euro	30.09.2021	in %	31.12.2020	in %	30.09.2020	in %
<b>Current assets:</b>						
Cash and cash equivalents	246,301	10.9%	249,886	11.7%	267,275	12.4%
Financial assets	0	0.0%	0	0.0%	0	0.0%
Operating assets	581,489	25.7%	447,339	21.0%	496,562	23.1%
<b>Total current assets</b>	<b>827,790</b>	<b>36.6%</b>	<b>697,225</b>	<b>32.8%</b>	<b>763,837</b>	<b>35.5%</b>
<b>Non-current assets:</b>						
Financial assets	0	0.0%	0	0.0%	0	0.0%
Intangible assets	879,093	38.9%	866,099	40.7%	855,007	39.7%
Property, plant, equipment	341,565	15.1%	336,850	15.8%	329,174	15.3%
Other assets	213,305	9.4%	227,731	10.7%	205,770	9.6%
<b>Total non-current assets</b>	<b>1,433,963</b>	<b>63.4%</b>	<b>1,430,680</b>	<b>67.2%</b>	<b>1,389,951</b>	<b>64.5%</b>
<b>TOTAL ASSETS</b>	<b>2,261,753</b>	<b>100.0%</b>	<b>2,127,905</b>	<b>100.0%</b>	<b>2,153,788</b>	<b>100.0%</b>
<b>Current liabilities:</b>						
Financial liabilities	447,326	19.8%	481,273	22.6%	436,363	20.3%
Operating liabilities	799,865	35.4%	629,755	29.6%	608,421	28.2%
<b>Total current liabilities</b>	<b>1,247,191</b>	<b>55.1%</b>	<b>1,111,028</b>	<b>52.2%</b>	<b>1,044,784</b>	<b>48.5%</b>
<b>Non-current liabilities:</b>						
Financial liabilities	543,840	24.0%	571,517	26.9%	654,626	30.4%
Other non-current liabilities	85,573	3.8%	83,411	3.9%	82,846	3.8%
<b>Total non-current liabilities</b>	<b>629,413</b>	<b>27.8%</b>	<b>654,928</b>	<b>30.8%</b>	<b>737,472</b>	<b>34.2%</b>
<b>TOTAL LIABILITIES</b>	<b>1,876,604</b>	<b>83.0%</b>	<b>1,765,956</b>	<b>83.0%</b>	<b>1,782,256</b>	<b>82.7%</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>385,149</b>	<b>17.0%</b>	<b>361,949</b>	<b>17.0%</b>	<b>371,532</b>	<b>17.3%</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>2,261,753</b>	<b>100.0%</b>	<b>2,127,905</b>	<b>100.0%</b>	<b>2,153,788</b>	<b>100.0%</b>

## Immsi Group Consolidated Statement of Cash Flows

In thousands of euro	30.09.2021	30.09.2020
<i>Operating assets</i>		
Profit before tax	61,434	33,623
Depreciation of tangible assets (including investment property)	41,307	37,237
Amortisation of intangible assets	57,677	52,551
Provision for risks, severance liabilities and similar obligations	18,895	13,670
Impairment losses / (Reversals of impairment losses to fair value )	1,516	3,950
Losses / (Gains) on the sale of tangible assets (including investment property)	(116)	(108)
Finance income	(773)	(969)
Dividend income	0	(25)
Finance costs	31,861	33,098
Amortisation of public grants	(3,197)	(3,546)
Change in working capital	39,104	(42,106)
Change in non-current provisions and other variations	(30,800)	(13,736)
<i>Cash generated by operating activities</i>	216,908	113,639
Interest expense paid	(23,183)	(21,603)
Tax paid	(16,540)	(11,836)
<i>Cash flow relating to operating activities</i>	177,185	80,200
<i>Investing activities</i>		
Acquisition of subsidiaries, net of cash and cash equivalents	(53)	(217)
Investment in tangible assets (including investment property)	(37,292)	(30,505)
Sale price or redemption value of tangible assets (including investment property)	5,703	325
Investment in intangible assets	(69,408)	(60,072)
Sale price or redemption value of intangible assets	60	8
Interest collected	470	796
Public grants collected	1,062	954
Dividends from equity investments	0	25
<i>Cash flow relating to investing activities</i>	(99,458)	(88,686)
<i>Financing activities</i>		
Loans received	132,391	228,216
Outflow for loan repayments	(191,857)	(144,082)
Reimbursement of rights of use	(7,478)	(7,198)
Outflow for dividends paid to Minority Shareholders	(19,733)	(9,779)
<i>Cash flow relating to financing activities</i>	(86,677)	67,157
<i>Increase / (Decrease) in cash and cash equivalents</i>	(8,950)	58,671
<i>Opening balance</i>	248,699	212,055
Exchange differences	6,552	(3,452)
<i>Closing balance</i>	246,301	267,274