

Bellini Nautica

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Rating
BUY

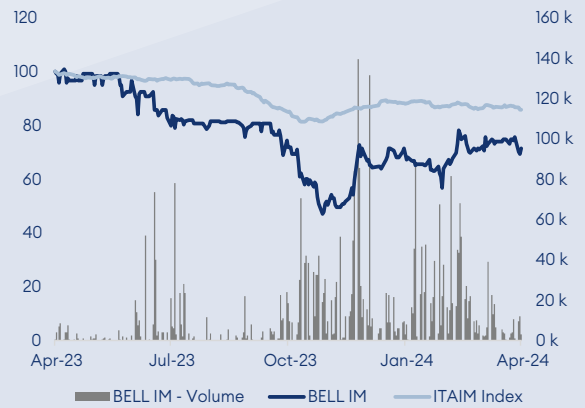
Target Price
€ 3,00



Risk
Medium

Upside potential
76,6%

Stocks performance relative to FTSE Italia Growth



Stock Data

Price	€ 1,70
Target price	€ 3,00
Upside/(Downside) potential	76,6%
Ticker	BELL IM
Market Cap (€/mln)	€ 10,85
EV (€/mln)	€ 14,50
Free Float	21,62%
Share Outstanding	6.379.500
52-week high	€ 2,40
52-week low	€ 1,09
Average Daily Volumes (3 months)	18.914

Key Financials (€/mln)	FY23A*	FY24E	FY25E	FY26E
Revenues	15,1	16,5	18,0	20,0
Value of Production	18,6	19,5	21,0	23,0
EBITDA	1,2	1,6	2,2	2,8
EBIT	0,8	1,2	1,7	2,3
Net Income	0,5	0,7	1,1	1,5
EBITDA Margin	6,3%	8,2%	10,5%	12,2%
EBIT Margin	4,1%	5,9%	8,1%	10,0%
Net income Margin	2,7%	3,6%	5,0%	6,3%

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1. Company Overview

1.1 Activity

Bellini Nautica SpA (“Bellini Nautica” or “The Company”), head of the homonymous Group, is an Italian company active and at the forefront in the luxury nautical sector, specializing in the sale, restoration, and commercialization of “Vintage Riva” boats, in the trade of new and second-hand yachts, and the offer of storage and port services. Founded in 1967 in Clusane d’Iseo (BS), along the shores of Lake Iseo, the Company has succeeded, thanks to the experience and passion of the Bellini family, to establish itself as an Italian leader in the restoration of vintage Riva boats, becoming a point a reference for enthusiasts all over the world.

Bellini Nautica’s organization is divided into three business lines:

- The “New and Second-Hand” line refers to the trading of new and second-hand motor yachts of various brands and models measuring between 6 and 24 m, and precisely in complete customer support with the selection, negotiation, and post-sales buy and sell side phases;
- The “Vintage Riva” line is dedicated to the buying and selling of Riva-branded Vintage boats and the related restoration activities that guarantee their originality;
- The “Refitting, Storage and Other Services” line, refers to maintenance and refitting services (hull painting, upholstery replacement, system maintenance), transport and winterization, and other port and consultancy amenities.

The Company carries out activities from its Italian headquarters in Clusane d’Iseo (BS), where the legal and administration offices, shipyard, spaces dedicated to external and internal boat storage, mechanical workshops, and areas designated for refitting and maintenance activities are all situated.

From its manufacturing facility in Corte Franca (BS) and open to the public, Bellini Nautica exhibits Company President Romano Bellini’s, private collection of historic Riva boats. Featuring 26 vessels and a market value of several million euros, Bellini’s Vintage Riva collection, currently represents the most extensive assortment in the world, preserving and showcasing Italian boat excellence on a global scale.

Bellini Nautica has recently undertaken a merger by incorporation of Rimini Service Yacht & Sail Srl, a nationally renowned nautical service with the subsidiary Lusso Nautica Srl (now Italian Dealer Srl).

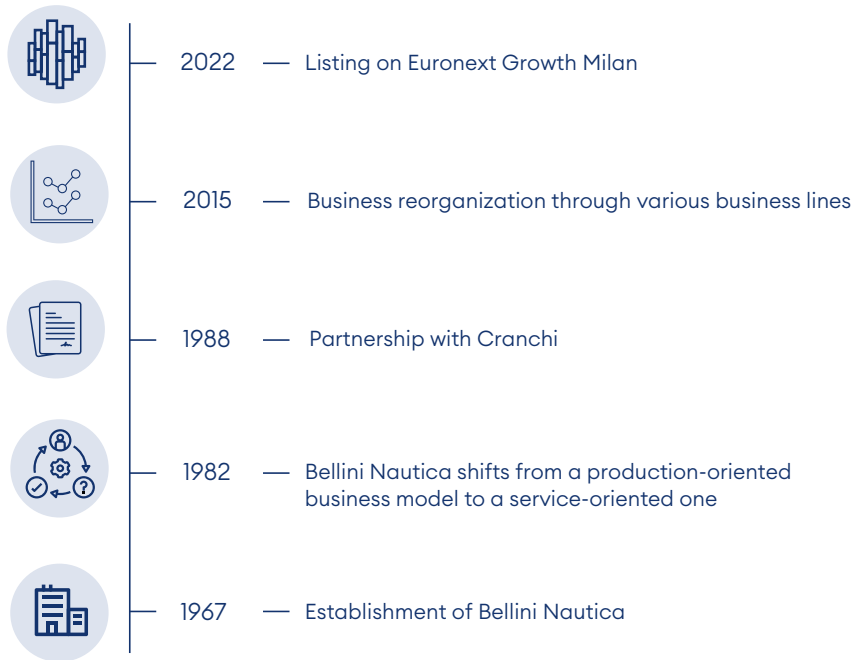
CHART1 - BELLINI NAUTICA



Source: Bellini Nautica

1.2 Company History

CHART 2 – COMPANY STORY



Source: Bellini Nautica

- **1967:** Bellini Nautica was founded as a Snc, called “Cantieri di Iseo – società in nome collettivo of Acerbis & C.” and established its headquarters in the Italian town of Clusane on Lake Iseo. Founder Battista Bellini, the father of Romano Bellini, began manufacturing the Riva, Sebino and Astor models;
- **1972:** The Company changed its name to “Cantiere del lago d’Iseo Bellini Srl” and moved its headquarters to Villolongo S. Filastro. Bellini boat models became so famous, that they were exported throughout Europe;
- **1982:** Followed by the premature death of Founder Battista Bellini, Romano Bellini took over the leadership of the Company, and orientated it from the production of own-brand boats to the offering of services including the sale of new and second-hand yachts, but above all the restoration of the iconic wooden hulls designed by Carlo Riva, thanks to the precious know-how accumulated over years of experience;
- **1988:** With the conclusion of a 10-year collaboration with the Tullio Abbate brand, Romano Bellini inaugurated a new partnership with Cranchi, a cut-

ting-edge brand renowned for its technology, variety range, and industrialization processes in the European nautical sector;

- **2004:** The Company is renamed “Cantieri del lago d’Iseo Bellini Srl” and moves its headquarters to the town of Clusane on Lake Iseo;
- **2011:** The Vintage Riva Collection exhibition is inaugurated and open to the public, accompanied by the start of the Company’s digitalization sales channels;
- **2015:** A process of growth and reorganization is implemented. The Company is structured into various business lines and the 100,0% acquisition of the business line “Vintage Riva” is completed;
- **2018:** A partial proportional split occurred through the creation of a new entity, R.B.M. Srl, to which the real estate assets previously held by the Company were transferred;
- **2020:** The Company launched a collaborative project with a series of internationally renowned artists including Mr. Brainwash, a well-known French street pop director and artist. This collaboration led to the restoration of the exclusive Riva Aquarama, which fused the iconic charm of Riva boats with pop and hyper-contemporary style of street art;
- **2021:** The 100,0% acquisition of Lusso Nautica Srl, a company located in Marina di Varazze (SV), allows for the Company’s first direct access to the sea;
- **2022:** The Company is transformed into a SpA, adopts the new company name “Bellini Nautica SpA” and completes the market listing process on the Euronext Growth Milan segment of the Italian Stock Exchange, to find the necessary resources to accelerate its growth and expansion;
- **2023:** Through the Company Blue Luxury S.s., owner of Rimini Service Yacht & Sail Srl, a merger by incorporation of Rimini Service Yacht & Sail Srl with Lusso Nautica Srl was initiated.

1.3 Shareholders and Corporate Structure

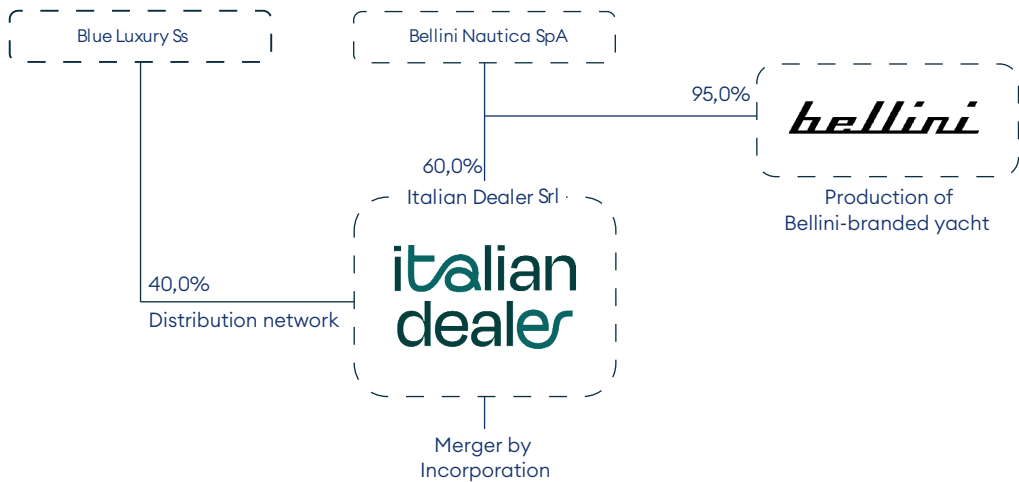
TABLE 1 – SHAREHOLDERS

Shareholders	# Shares	% Shares
Calypso Srl	2.550.000	39,97%
Romano Bellini	1.250.000	19,59%
Martina Bellini	1.200.000	18,81%
Free float	1.379.500	21,62%
Total	6.379.500	100%

Source: Bellini Nautica

Calypso Srl, a company attributable to Battista Bellini, holds the majority of the share capital of Bellini Nautica with 40,0% share ownership. Romano Bellini and Martina Bellini, however, hold 19,6% and 18,8% of the share capital respectively. The remaining shares equal to 21,6%, are held by the market. In December 2023, the Company’s Board of Directors approved an agreement aimed at carrying out a merger by incorporation of Rimini Service Yacht, a company recently acquired and entirely controlled by Blue Luxury Ss, into Lusso Nautica Srl (whose share capital is 100,0% held by Bellini Nautica). The company name resulting from this merger was changed to Italian Dealer Srl. The establishment of a NewCo, called Bellini Yacht Srl, 95,0% owned by the Parent Company and 5,0% by Blue Luxury Ss was also decided to start the “Bellini Yacht” production of branded boats soon.

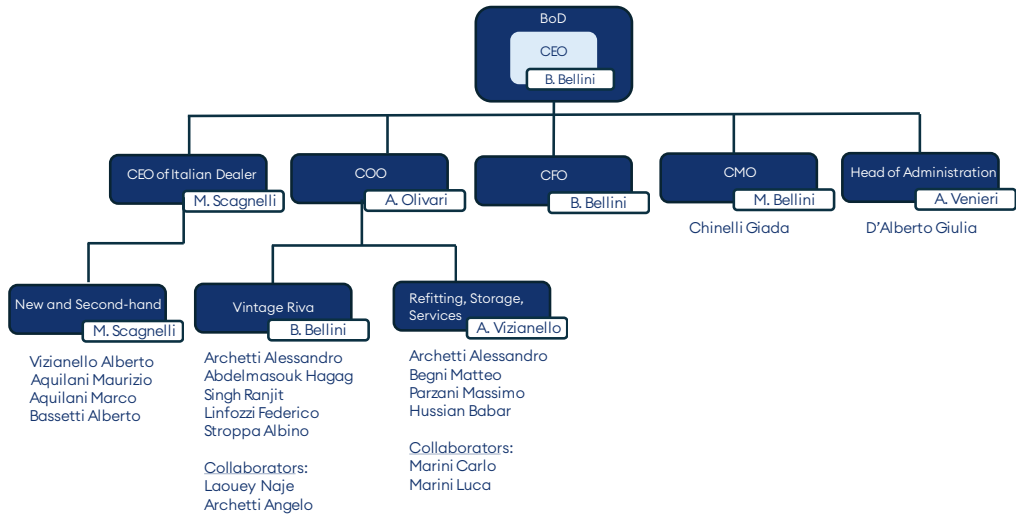
CHART 3 – GROUP STRUCTURE



Source: Bellini Nautica

1.4 Corporate Governance

CHART 4 - CORPORATE GOVERNANCE



Source: Bellini Nautica

The Board of Directors is made up of 5 members, in office for the next 5 years

- Romano Bellini, President of the Board of Directors;
- Battista Bellini, CEO;
- Martina Bellini and Andrea Olivari, Board Advisors;
- Norberto Ferretti, Independent Advisory Director.

The Board of Auditors is composed of, in addition to the President, two Standing Auditors and two Alternate Auditors, in office until next year:

- Davide Mantegazza, President of the Board of Statutory Auditors;
- Barbara Ricciardi and Alessandro De Luca, Standing Auditors;
- Vincenza D’Isa and Andrea Tamburelli, Alternate Auditors.

1.5 Key People

Romano Bellini – President

Born March 30th, 1963 in Bergamo Italy, Romano Bellini first completed his accounting studies at the Vittorio Alfieri Institute in the same city and later joined the family business where he played a crucial role in the Company expansion, with a particular focus on sales and restoration of vintage Riva boats. Through his characteristic commitment and dedication, Romano Bellini has been able to create the most exclusive and complete collection of existing vintage Riva boats ever made to date, for a total of approximately 20 pieces, that showcase many unique, one-of-a-kind models. He currently holds the role of Company President.

Battista Bellini – CEO

Battista Bellini, born June 10th, 1988 in Iseo Italy, first completed his studies in business management at Luigi Bocconi University Milan, enriching his formation with international university experiences at London's Queen Mary University and the Indian School of Business in New Delhi, thanks to academic exchange programs. After completing a Master's Degree in Business Administration from Luigi Bocconi University of Milan, in 2011 Battista Bellini joined the family business as an Administrative Manager. The following year, he took on a position in the sales sector, concentrating on main client relations, a position he still holds today, and in 2019 he became the Company's CEO.

Martina Bellini – CMO, Chief Marketing Officer

Martina Bellini was born in Seriate (BG) on January 29th, 1995. After completing two years of a law degree course in 2016 at Milan's Luigi Bocconi University, she went on to obtain her Master's degree in Luxury Management at the SDA Bocconi School of Management in 2022. She first collaborated with the Company leading various initiatives across both commercial and marketing fields and eventually launched her own communication and marketing business with a strong focus on luxury. She currently holds the Company roles of Chief Marketing Officer and General Manager regarding the management of the "Vintage Riva" Collection, loaned to the Company by her father Romano Bellini.

2. *Business Overview*

2.1 Business Model

The in-depth expertise and enthusiasm of the Bellini family, who has been working into the restoration of Vintage Riva boats for almost sixty years, have greatly contributed to the consolidation of the leading position in Italy, operating within a market niche.

The Group manages its business through two distinct entities, starting with Bellini Nautica SpA, headquartered in Clusane d'Iseo (Brescia), that focuses mainly on the restoration of Vintage Riva models, storage services, restoration, and port assistance, in addition to buying and selling of boats; and secondly through Lusso Nautica Srl (now Italian Dealer Srl), acquired in October 2011 and located in Marina di Varazze (Savona). It specializes in the sale of motor yachts, both new and second-hand and also offers boat storage and renovation services.

Delving into the details of the business model, net of the yacht production business line currently being implemented, the Company operates in the luxury nautical sector through three main business areas, described as follows:

“Sale of New and Second-hand Boats”

In the context of the commercial brokerage activities dedicated to the sale of new and second-hand Boats, the Group features a range of luxury boats that stand out for the highest quality, craftsmanship, innovation, and distinct design. This careful selection is the result of pristine evaluation and criteria that place and prioritize Made in Italy excellence and values at the very center.

The Group, through this business line, is active in the trading segments of boats, both new and second-hand, with lengths from 6 to 24 meters. Bellini Nautica is also the official dealer of Cranchi, the Italian brand that embodies technological excellence, recognized worldwide in the panorama of motorized pleasure boats.

The history of Cranchi is rooted in the 1960s on Lake Como, where founder Giovanni Cranchi first began his business with a workshop building hulls. After sixty years, when Giovanni Cranchi's grandson took the lead, the brand began its transformation as a modern shipyard, that allowed for its distinctive high-quality production that is characteristic of Cranchi. Originally focused on wooden hulls until the 1960s, the transition to fiberglass occurred

between the 1970s and 1980s, paving the way from an artisanal production to a more industrial one that was capable of generating high volumes of unique boats. Among the shipyard's notable successes, some of its standout models include the Pilotina, the Scout, the Rally 20, the Hobby 20, the Derby 700, the Clipper 760, the Start 21, and the Cruiser 32, with exceptional unit production numbers over the years.

CHART 5 – CRANCHI YACHT MODELS



Source: Bellini Nautica

Cranchi boats are renowned for their highly customizable large-scale production features, offering their customers the freedom to choose from various options and the finest materials such as Oak and Wengé wood, real leathers, a vast color palette, and diverse configurations. This flexibility in custom design underlines the style uniqueness of Cranchi, combining elegance with the ease of piloting, which renders for an unparalleled boating experience.

Before being offered to the market, Second-hand Boats are rigorously inspected by the Company's specialized team so that they can be sold in excellent condition. Bellini Nautica provides complete service to clients, accompanying them from the beginning to the end of the purchasing process to build a long-lasting relationship of trust while adopting the company policy to not stock new boats. It is also important to note the Company sometimes accepts boats in exchange, which are carefully renewed before being offered for sale again.

In mid-2023, Bellini Nautica introduced the "12-mile", platform that offers a long-term rental service for boats, designed as an alternative to traditional leasing contracts. Through this service, customers have the opportunity to rent one of the new Cranchi yachts available, paying a monthly fee that covers not only assistance, insurance, and maintenance costs but also various administrative fees. After completing a minimal rental period of three years, customers have the option to become owners of the yacht, exercising a right provided by the service.

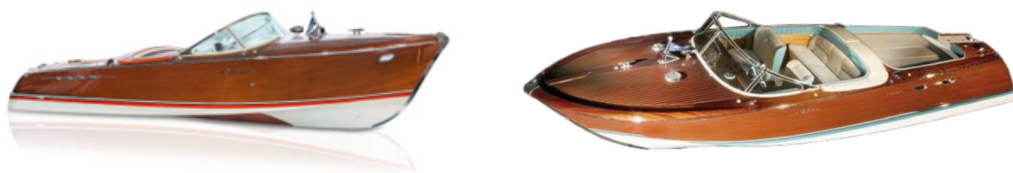
“Vintage Riva”

Within the division “Vintage Riva”, Bellini Nautica is dedicated not only to the purchase and sale but also to the maintenance and restoration of Vintage Riva hulls, a brand representative of excellence and prestige in the nautical field of luxury and the undisputed nautical symbol of Made in Italy on a global level. Riva boats, renowned for their performance, unique design, artisanal craftsmanship, and manufacturing, embody the essence of exclusivity in the nautical world.

The history of the Riva brand dates back to 1842 with founder Pietro Riva, a master shipwright who first opened his workshop in the town Laglio, on Lake Como, and has evolved through the family generations up until Carlo Riva, who led the Sarnico-based company to worldwide fame through until the 70’s before it became part of the Ferretti Group.

For three generations, the Bellini family has specialized in the restoration of handcrafted wooden boats, continuing this tradition with the renovation of Vintage Riva boats. These restoration activities, which take place in boat construction sites, require the highest levels of patience, care, skill, experience, and professionalism and can require up to 12 months of work to complete a single project. Annually the Company is able to restore approximately between 12 and 15 vintage Riva boats.

CHART 6 – RIVA MODELS



Source: Bellini Nautica

“Storage, Refitting and Port Services”

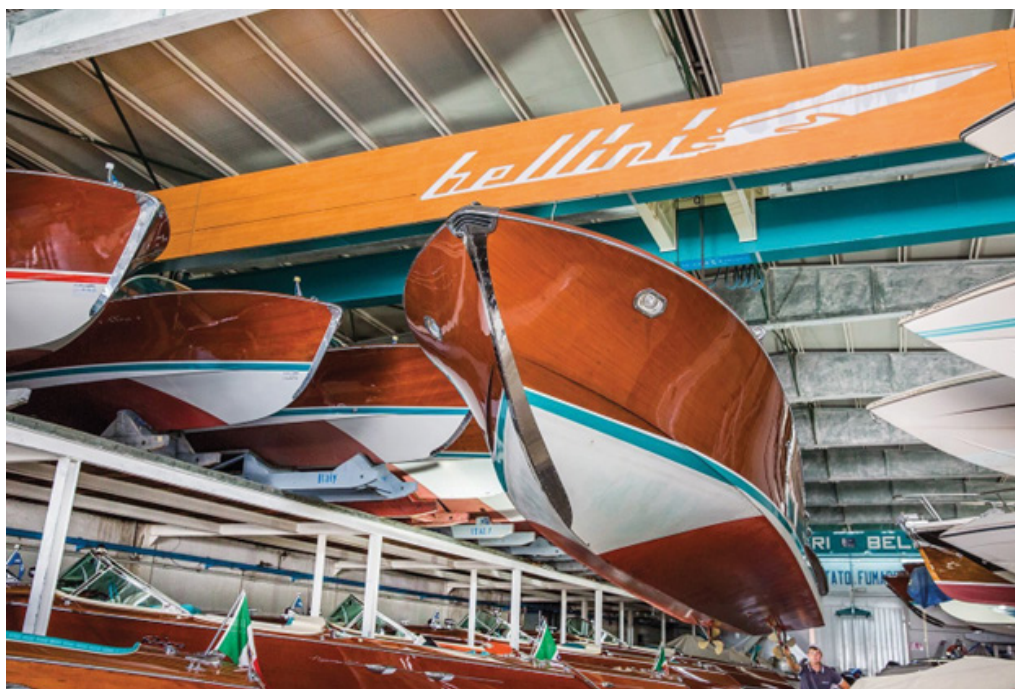
The Group offers clients access to three specialized structures for the storage of boats on Lake Iseo. These dedicated structures include a boat shed on the lake shore, another one located just 800 meters from it, and a third situated in Corte Franca, not far from Clusane, guaranteeing a total of approximately 270 boat positions with a maximum length of up to 15 m.

Clients are offered a variety of storage options, including annual, monthly, seasonal, or winter-specific solutions. Each service offered can be customized according to the customer’s

needs and is provided by qualified and specialized personnel.

Bellini Nautica also manages boat collections and deliveries to and from renowned coastal locations such as the French Riviera and Sardegna, curating all organizational aspects. Each vessel, upon return, is cleaned, protected with special covers, and returned in impeccable condition. The process includes a series of detailed procedures for the correct winterization of boats performed with precision and the utmost professionalism.

CHART 7 – BOAT STORAGE BY BELLINI NAUTICA



Source: Bellini Nautica

“Bellini Yacht”

For a more complete visual, it is important to also present the future business line dedicated to the production of yachts. Specifically, on December 7th, 2023, the NewCo Bellini Yacht Srl was formally established, whose share capital is held 95,0% by Bellini Nautica SpA and 5,0% by Blu Luxury Ss, to expand the production of boats under the “Bellini Yacht” brand.

This recent project of Bellini Nautica focuses on production and represents a fundamental pillar of its long-term growth strategy, as well as a return to its DNA roots in a completely renewed context. This initiative aims to harmonize and integrate strategic directives that the Group has concentrated efforts on in recent years, including Brand enhancement, capitalization through the hiring of highly qualified and skilled resources; as well as the expansion

of the distribution network of services.

In this context, the Company has communicated that Bellini Yacht production plan will extend over a five-year plan. This program foresees a series of boat production launches, aimed at the development of a diverse gamma of models up to 24 m in length.

Bellini Yacht operations will focus on the production of the hulls, with a strategy of outsourcing some of the less critical activities to a selected number of suppliers, while the key processes such as plant engineering and painting will remain internal, taking full advantage of Bellini Nautica's current structures and expertise that premieres four painting ovens and a consolidated experience that will guarantee productive excellence.

The Bellini Yacht market debut will be marked by the launch of a 33" model in 2024.

2.2 Value Chain

Bellini Nautica's value chain is based on several key aspects in the luxury nautical sector, in particular, the renovation, sale, and boating experiences related to vintage Riva motorboats with the aim of building and consolidating long-lasting customer relationships.

CHART 8 – “SALE OF NEW AND SECOND-HAND” AND “VINTAGE RIVA” VALUE CHAIN



Source: Bellini Nautica

In the case of the first two business lines (“Sales New and Used” and “Vintage Riva”) the value chain includes 5 phases as summarized:

- **Purchase:** The Group is actively engaged in the research and purchase of “Vintage Riva” directly through contact with owners who are interested in selling and through a network of 7 specialized brokers (4 of which are internal resources with exclusive contracts) and through the main specialized online marketplaces. Each purchase is unique and dictated by the specific conditions of every individual boat, which can vary considerably even between boats of the same model and period. Before each purchase, the Company’s technical specialists conduct detailed inspections to evaluate the condition of the vessel, including the structural, mechanical, engine conditions, electrical systems, and above all, the authenticity of the components and accessories. This preliminary evaluation allows us to correctly estimate the necessary restoration costs to bring the vessel back to optimal conditions with a view toward the possibility of a future resale. Based on this comprehensive analysis, a purchase price is then defined, followed by the transfer of ownership and the transfer of the vessel to the Bellini Nautica shipyard to begin the restoration process. Finally, to be noted, Bellini Nautica proceeds with the purchase of the vessel only after confirmation of the order by the customer and receipt of a payment advance. This approach allows the company to not be influenced by price volatility in the nautical market and to maintain a reduced impact on its net working capital. In regards to Second-hand Boats the Company engages in negotiations exclusively for those boats that are easy to resell or for which there is a predefined potential buyer;

- Restoration:** The restoration process of a Vintage Riva boat requires between 4 and 9 months of work, during which the Company makes use of its highly specialized nautical restoration personnel. This skilled expert team, formed and selected through years of work and experience at the Bellini Nautica facilities, deals in particular with the wooden parts, engines, and boat systems. To guarantee the authenticity of the restoration, only the original spare parts or those faithfully produced from the original molds from that particular era are used, and procured from suppliers near Lake Iseo. The details and choice of materials are extremely precise: for example, the screws for the chrome edges must have a specific straight cross shape, while the Mahogany wood, selected for its absence of knots and originating from Africa, Honduras, or the Amazon, is stored for five years before use to ensure optimal maturation. The dashboard of the Aquarama also follows rigorous criteria of authenticity, favoring a particular wood grain over flamed Mahogany. The upholstery restoration and re-chroming operations are entrusted to external master craftsmen, with whom the Group has maintained a longstanding relationship of trust. The team dedicated to the restoration is made up of shipwrights, mechanics, electricians, and painters, supported by external resources for specific technical needs, demonstrating the importance of a highly qualified technical team for this type of work;
- Sales:** The Group promotes the sale of its boats mainly by exploiting its database of contacts and potentially interested customers, as well as through its website while avoiding in regards to the “Vintage Riva” boats, the use of main marketplaces in the sector. This corporate choice is supported by an online marketing strategy that includes the use of Google AdWords to ensure superior visibility in search engine results and careful management of keywords to optimize the site’s online presence, dedicated to the sale boats. When a potential customer shows interest in purchasing a vintage Riva, Bellini Nautica organizes direct visits to its premises, during which the customer can carry out a detailed inspection and if they demonstrate a concrete interest, also can test the boat directly in the water. After the sale of a boat, be it a “Vintage Riva” or a new or second-hand model of another brand, Bellini Nautica is dedicated to showing clients all the functions and assists in the first trips out to sea to ensure that new owners can familiarize themselves with the vessel;
- After-Sales:** The Company continually engages in a series of strategic initiatives to maintain and strengthen its relationships with entrusted customers. Specifically, every two or three years, Bellini Nautica personally contacts clients who have purchased a “Vintage Riva” model, offering them a series of updated painting and maintenance services. Additionally, the Company communicates directly with customers consistently, thanks to bi-weekly newsletters and personalized messages with tailor-made offers of assistance and

curtailed services. The Company is dedicated to ensuring clients continuous, made-to-measure assistance in any season, featuring additional adapted featured services during the winter months. Bellini Nautica also organizes exclusive events and special experiences for its clientele. For international visiting clients, a complete premier service is offered to guarantee and facilitate their local stay and experiential exploration;

- **Marketing and Communication:** The Company recognizes the importance of digital as both a crucial and essential means to increase its visibility, update customers on new products, recent launches, and highlighted events, and collect market data on tastes and trends, extremely useful for commercial and product development objectives. This adopted communication aims to successfully intensify customer engagement also through digital platforms. Starting in July 2021, the Company has inaugurated a collaborative series of initiatives with illustrious world-renowned artists for the creation of unique examples of Riva models. The first pilot from this series featured Mr. Brainwash, a celebrated international artist, who customized a Riva Aquarama, applying his distinctive contemporary pop style to the color palettes and upholstery. This exclusive model, signed by the artist, achieved immediate success and was promptly purchased by a prestigious international art collector, during the celebrative inaugural event of the initiative.

CHART 9 – “ISEO LAKE” – BRITTO X BELLINI



Source: Bellini Nautica

On the “experience” side, the Group has introduced the “Riva Experiences”, a series of curated activities to engage, educate and include clients in the prestigious universe of Riva and

the highest level of tourism connected to it. These special experiences allow the participants to fully immerse in the luxury and finely crafted tradition. Special offered features include the possibility to sail aboard a historic Riva Aquarama piloted by an expert captain, as well as a guided visit to the unique spaces dedicated to restoration while enjoying the one-of-a-kind exhibited collection of Vintage Riva models.

CHART 10 – “STORAGE, REFITTING AND PORT SERVICES” VALUE CHAIN



Source: Bellini Nautica

The Value Chain refers to the business line of “Storage, Refitting and Port Services” is characterized by:

- **Winterizing:** This process dedicated to preparing boats for winter storage begins first with an engine check and desalination, which takes place in a special-sized pool within the boat site. This crucial step avoids salt corrosion damage. The subsequent step proceeds with the lubrication of engine cylinders and the removal of water from internal components. During this phase, batteries are removed from the boat and kept charged to ensure their efficiency for the following season. Additionally, dehumidifiers are installed on board to prevent humidity problems such as mold. Particular attention is paid to cleaning the boats, especially those with wooden hulls, and protecting the chrome parts with a layer of Vaseline oil. Finally, after a meticulously thorough check, the boats are then covered and stored for the period of non-use. If repairs are needed, the owners are informed and receive a detailed quote from the shipyard’s in-house workshop, to ensure that each vessel is ready and in perfect condition for the following boating season;
- **De-winterizing:** The process that follows the winter storage period, proceeding the Summer season, involves various operations to prepare the vessel for reuse. This includes reinstalling the batteries and relaunching the boat in the water, which is necessary to restart the engine and subsequent maintenance. After these steps, the vessel is taken out of the water and prepared for use;
- **Refitting:** This complete service includes the renewal and update detailing on all aspects of the boats according to and curtailed to each customer’s needs

and preferences. This service varies from routine to more complex maintenance and may include cleaning, antifouling, launching, and hauling mechanical assistance and services, as well as detailing work such as hull painting, upholstery replacement, and a complete electronic and mechanical systems overhaul. The Company distinguishes itself by the use of the highest quality paints and the six state-of-the-art paint ovens, that operate year-round. For the maintenance and overhaul of plant systems, Bellini Nautica relies on an internal workshop. Mechanical repairs and routine and mandatory checks are carried out with precision, using only original high-quality spare parts. The technical staff's consolidated experience, professionalism, and constant skill updating have heavily contributed to creating a solid trusted customer base, both in Italy and abroad;

- **Port Services:** The Company provides mooring availability to accommodate customers' boats, as well as offering curtailed services and a unique infrastructure capable of providing and satisfying every type of need both in terms of technical and maintenance aspects. This includes boat protection, mooring operations, and refueling. Regarding refueling, the port is equipped with two fuel stations for boat transport. Bellini Nautica also has a truck, used to move small boats. It collaborates with external services to move larger vessels but guarantees personalized supervision of loading operations including the safety of binding and fixing. Ultimately, the Company offers a consultancy service. Various skilled technicians are available to help customers evaluate their boats and select the most suitable on-board equipment. They also provide assistance and guidance with all the bureaucratic administration related to boating including obtaining and renewing boating licenses, registrations, property transfers, duplicate documents, and insurance.

2.3 Clients and Suppliers

Considering the above illustrated business model, it emerges that Bellini Nautica typically interfaces with a clientele ranging from passionate amateur and professional boating enthusiasts, to those clients that are looking for boats for leisure or commercial purposes. Concerning the “Vintage Riva” business line, it is aimed at a particularly sophisticated clientele, usually belonging to the sector of “HNWI, High-Net Worth Individuals,” and often being collectors or experts of valuable vessels.

However, regarding the business line of Port Services, Refitting, Storage, and Port Services which typically targets recurring customers, the Group places the utmost importance on guaranteeing high-level assistance, fulfilling most of the boats’ maintenance and upkeep needs. Specifically regarding the storage activity, Bellini Nautica provides the availability of approximately 100 spaces in the water and 300 indoor spaces within the port of Lake Iseo and over 700 spaces at its seafront location in Varazze.

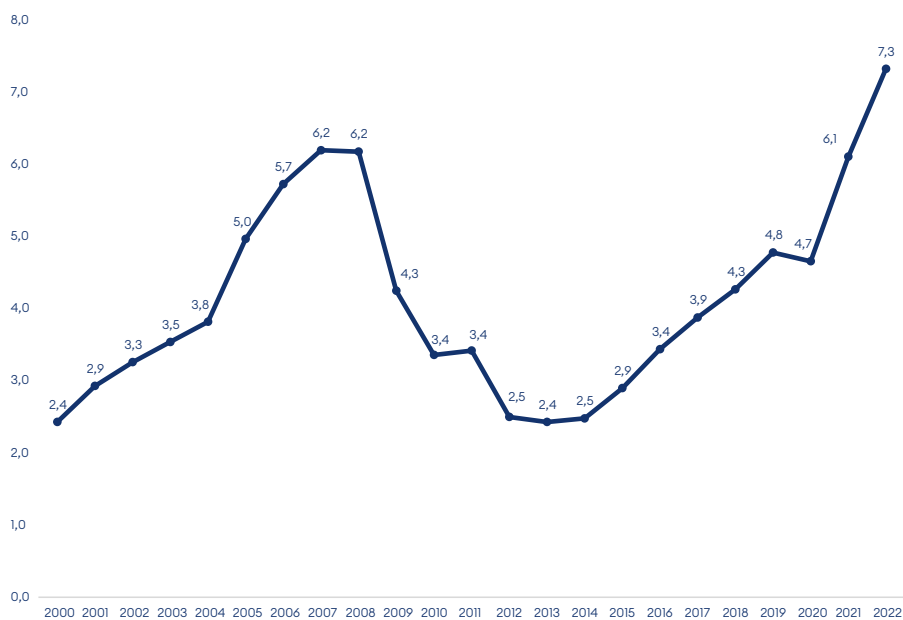
The main supplier for newly built boats is the brand Cranchi, for which the Group operates as an official dealer. Within the context of restoration and refitting Vintage Riva models, the Group interfaces with select suppliers of the raw materials that are essential for this meticulous process. Among these include the stand-out suppliers of specific high-quality wood, an essential raw material needed for the restoration of vintage boats. Their crafted expertise and pristine provided materials are fundamental to preserving the authenticity and ensuring the longevity of these historic vessels. A trusted long-standing collaboration with these suppliers is a crucial part of the success of any Vintage Riva restoration project.

3. The Market

The Company is active in the luxury nautical segment, an area in which Bellini Nautica stands out by providing its customers, both Italian and International, with restoration and marketing assistance for Vintage Riva boats, as well as port and touristic services, and the sale of new and second-hand vessels. It should be noted that Bellini Nautica, within its market niche, aims to satisfy a demanding and wealthy clientele, including Vintage Riva boat collectors, and discerning yachtsmen looking for tailor-made services characterized by attention to detail and professionalism.

3.1 The Italian Nautical Industry

CHART 11 - ITALIAN NAUTICAL INDUSTRY, GLOBAL TURNOVER TREND 2000 - 2022 (€ / BLN)



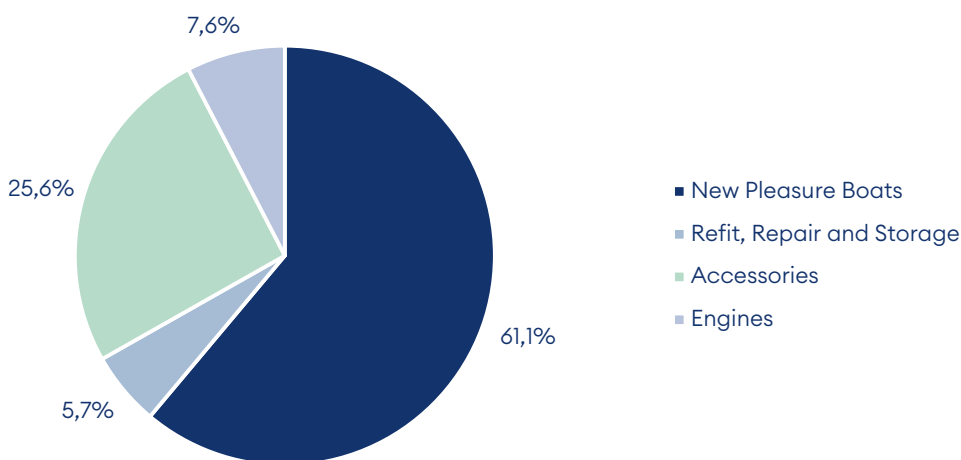
Source: *La Nautica in Cifre - Analisi del mercato per l'anno 2022*, Confindustria Nautica, Integrae SIM elaboration

The Italian economy in 2022 has shown signs of growth, particularly evident in the nautical sector, as demonstrated by the key sector data reported and published in “La Nautica in Cifre - Analisi del mercato per l'anno 2022” by Confindustria Nautica. The total turnover

relating to nautical production increased significantly, going from € 6,11 billion in 2021 to €7,33 billion in 2022. This 20,0% increase, leads the turnover to exceed the previous record of the two years 2007-2008 and confirms a trend of sustained growth in the sector over recent years.

Most of the turnover (67,9%) comes from sales abroad, while the domestic market contributes to the remaining 32,1%. National production, which represents 1'85,6% of the total turnover, reached approximately € 6,30 bln. The construction of new units is the most profitable segment, generating € 4,50 bln and representing 61,1% of total turnover. Followed by accessories and components, engines and refitting activities (the process of overhauling and repairing a boat), repair and storage.

CHART 12 – THE WEIGHT OF SUBSECTORS OF THE NAUTICAL INDUSTRY (2022)



Source: *La Nautica in Cifre - Analisi del mercato per l'anno 2022*, Confindustria Nautica, Integrae SIM elaboration

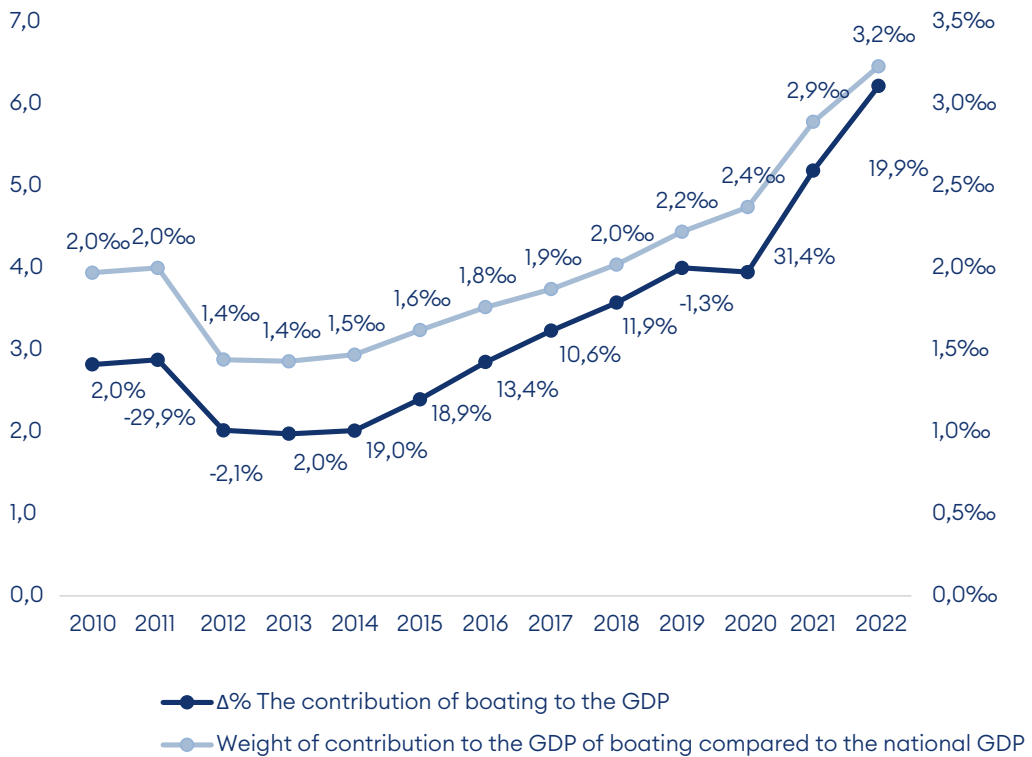
Exports played a crucial role, with 76,6% of national production destined for foreign markets highlighting a growth of 20,7% compared to 2021. Domestic market sales also registered an increase, with approximately € 1,50 bln of national products sold in Italy.

Interest in recreational boating is growing significantly not only within the nation but also globally. The sector has reached a commanding value of \$ 21,30 bln in 2021, with optimistic forecasts pointing towards an increase of \$ 28,80 bln in 2027, signaling growth at a CAGR of 5,6%, as highlighted from the “Global Recreational Boating Market Report 2022” published by Business Wire.

The number of employees in the sector grew in 2022 to 28.660, marking an increase of 8,8% compared to 2021 and underlining a positive employment trend affecting all sector divisions. The construction of new units employs more than half of the total employees, with a

growth of 5,7% in the number of workers.

CHART 13 - EVOLUTION OF THE BOATING CONTRIBUTION TO THE GDP & WEIGHT OF CONTRIBUTION TO THE BOATING GDP IN COMPARISON TO THE NATIONAL GDP

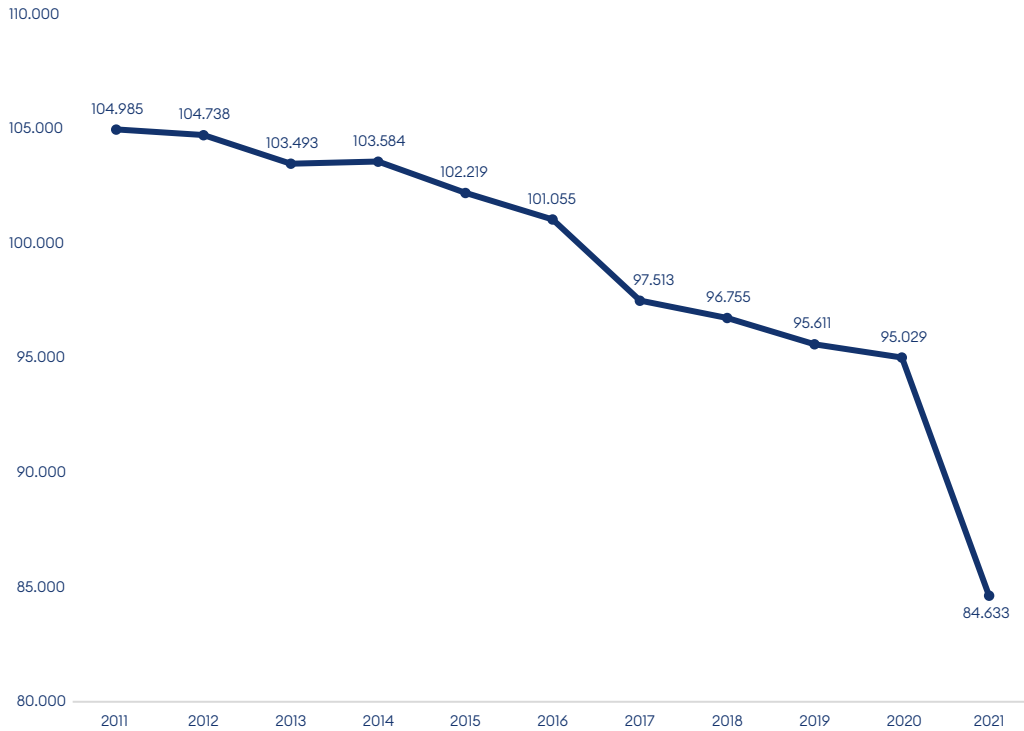


Source: La Nautica in Cifre - Analisi del mercato per l'anno 2022, Confindustria Nautica, Integrae SIM elaboration

Finally, the contribution of the nautical sector to the national GDP was above € 6,00 bln in 2022, an approximate increase of 20,0% compared to 2021. This underlines the growing importance of the nautical sector for the Italian economy, confirming an expansionary phase of the sector and its significant impact at a national level.

Again, according to the published Confindustria Nautica report, during 2021, the Italian Ministry of Infrastructure and Transport recorded a total of 84.633 registered boats, highlighting a slight decrease from the 95.029 registered in 2020 and to the 95.611 in 2019.

CHART 14 – ANNUAL TREND OF THE REGISTERED NAUTICAL SITES.



Source: *La Nautica in Cifre - Analisi del mercato per l'anno 2022, Confindustria Nautica, Integrae SIM elaboration*

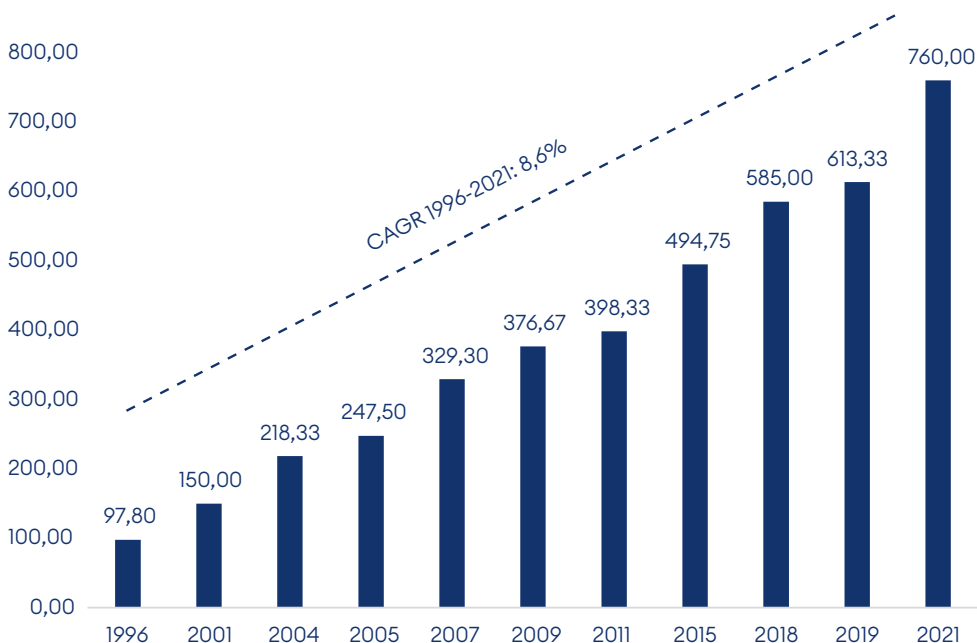
3.2 The Riva Aquarama Market

Riva SpA is a historic Italian company specializing in the manufacturing of high-end boats, with its DNA rooted in Sarnico (BG), precisely on Lake Iseo. This location continues to be the heart and soul of Riva's history since its foundation in 1842. Having become part of the Ferretti Group in 2000, Riva continues to stand out for its boat models, thanks to the continuing innovation and brand creativity inspired by founder Carlo Riva, Italian designer and boat builder of motor boats. Among the Vintage Riva models is the renowned Aquarama series, considered to be the most valuable, and a true emblem of established elegance and charm, earning the undisputed title of iconic maritime excellence. Over the years, this model has captured and embodied the essence of luxury and exclusivity that was elected by international critics based on a survey in the 1990s as the most famous and celebrated boat globally.

Between 1962 and 1996, the production of the celebrated Riva Aquarama line was characterized by the creation of three distinct models: the original Aquarama, launched between 1962 and 1972, the Super Aquarama manufactured between 1963 and 1971 and the Aquarama Special, which marked the period between 1972 and 1996. The total of these boats Riva SpA has put into the water numbers 768 models, which subdivide into 491 units of Aquarama and Super Aquarama boats and 277 Aquarama Special models.

Other wooden boats created by the Brand include Tritone, Ariston, Florida, and Junior models, in various versions, and bring to date the number of boats built to a total of 3.792 units.

CHART 15 – THE PRICE TREND OF RIVA AQUARAMA (€/000)



Source: *Analisi di mercato Vintage Riva: i Riva Aquarama, aprile 2022 – Ugo Colleoni, Integrae SIM elaboration*

Over the last twenty-five years, the Aquarama series has seen a progressive and constant revaluation with a CAGR of 1996-2021 of 8,6%. This brought their average market value to approximately €760.000 in 2021, a valuation positively influenced by the intense promotional Riva brand that is now part of the Ferretti Group. The evolution value of Riva Aquarama vessels highlights that these precious objects do not follow the nautical sector’s typical devaluation patterns, but rather behave and mirror similarly to collector’s items, with which they share the same characteristics and market dimensions.

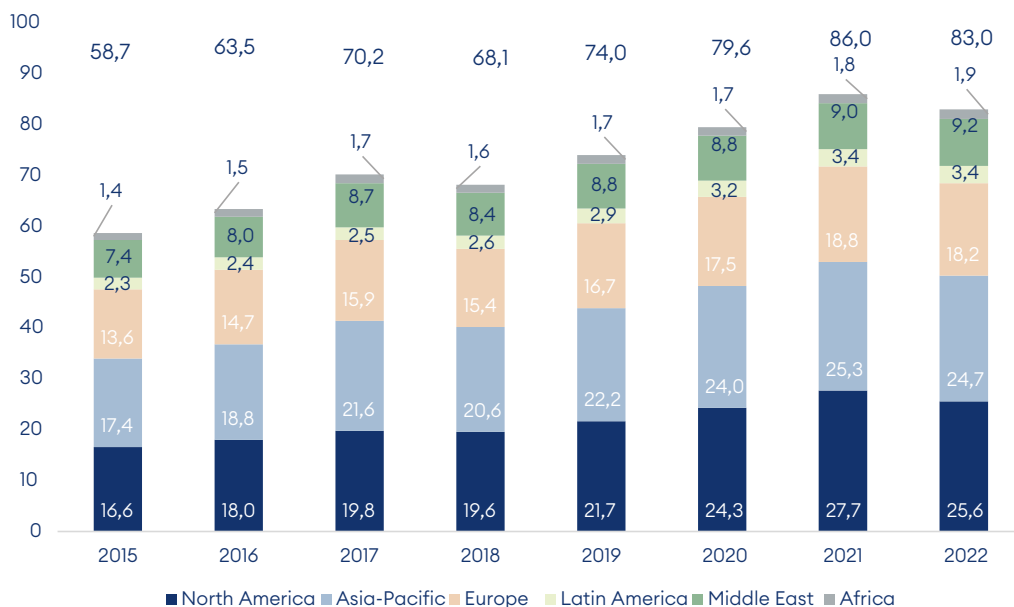
Between 2012 and 2021, Bellini Nautica stood out for its sales purchases of 88 renowned Riva Vintage vessels including 24 of the celebrated Aquarama models, for a total sale of 71 units, of which 17 were Aquarama boats. The key to these successful results lies in the Com-

pany’s considerable expertise, understanding, and acting within its specific marketplace. This ability has allowed the Company to identify and acquire Vintage Riva boats in impeccable condition ready to be restored and to be resold. The effectiveness of this approach is further amplified by a carefully cultivated database over the years and a trusted network of highly qualified brokers who together help facilitate these buying and selling operations.

3.3 HNWIs and Luxury Boats

The luxury yacht market is strongly influenced by High-Net-Worth Individuals (HNWIs), who are “individuals or families with high resources and who hold liquid assets between \$ 1,00 to \$ 5,00 million. In 2021, a combination of unprecedented government stimulus packages, low-interest rates, and a positive momentum in the stock markets has led to marked growth in wealth and an increase number of High-Net-Worth Individuals.

CHART 16 – HNWI FINANCIAL PERFORMANCE (\$/TRN)

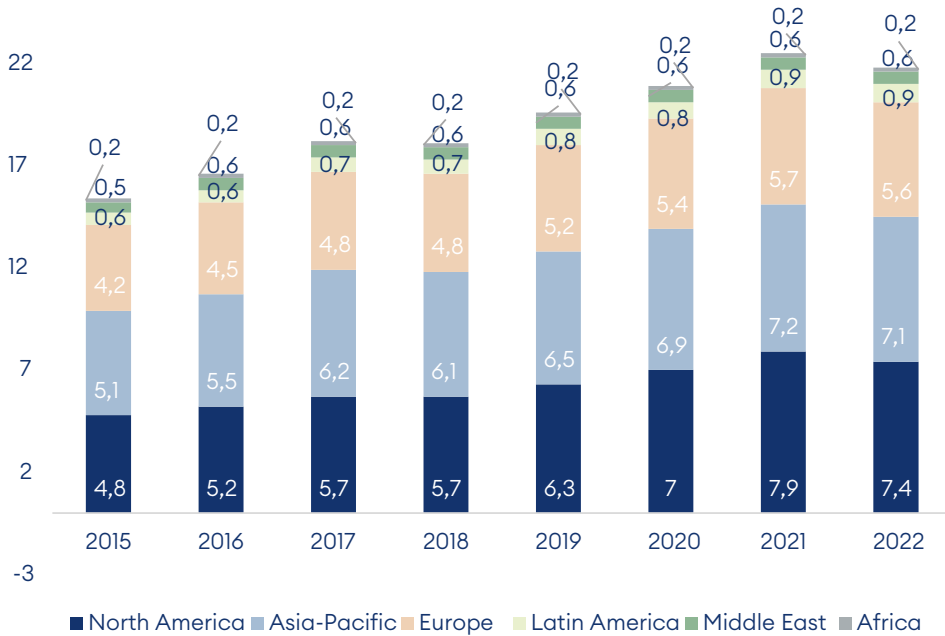


Source: Capgemini, World Wealth Report, 2023

Throughout 2022, however, HNWIs faced notable challenges including geopolitical crises, market declines, and never-seen-before levels of inflation, which marked a difficult conclusion for the year with a reduction in wealth equal to 3,6% compared to the previous year.

The HNWI community has followed this negative trend shrinking by 3,3% to approximately 21,70 million, interrupting a previous decade of continual growth. While some emerging markets and France registered a slight increase in HNWIs, this did not offset or compensate for significant losses in the world's major economies.

CHART 17 – HNWI COMMUNITY TRENDS

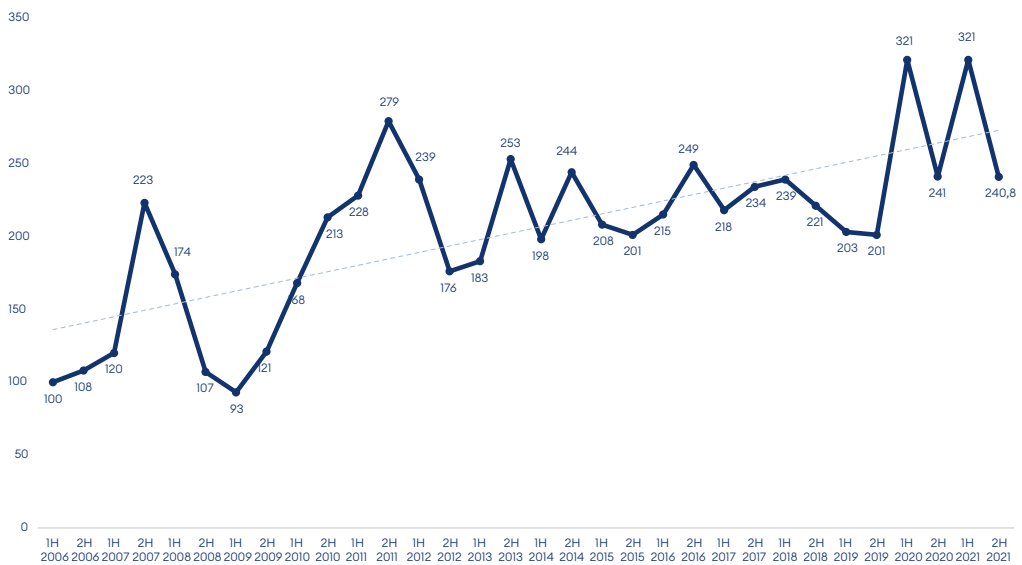


Source: Capgemini, World Wealth Report, 2023

3.4 The Global Market for Collectibles

Vintage Riva boats, born in the 1960s, quickly gained global recognition as symbols of prestige rising to emblematic icons of Italian design and nautical excellence. Their unique rarity due to the limited existing numbers, together with superior crafted construction quality, elevates them to the status of true works of art. These distinct features make them considered to be collector’s items. The Global Passion Assets Index, which tracks value changes in collectibles, excluding art, and monitoring items such as jewelry, watches, antique design furniture, wine, spirits, and photography, offers valuable insight into this phenomenon.

CHART 18 – GLOBAL PASSION ASSETS INDEX TREND (2006-2021I)



Source: Il mercato dell’arte e dei beni da collezione, Deloitte Private, 2022

These market sectors have seen an increase in interest from collectors, facilitated by easier research and greater economic accessibility. In contrast to contemporary art, many of these objects have lower price volatility and reduced risk, which makes them attractive options for those exploring the market for the first time. The abundance of liquidity and the arrival of new interested parties have limited the negative impact of the Pandemic on these assets, as highlighted and published by the Global Passion Assets Index, which has remained stable compared to 2020, the year that showed an increase of an annual growth rate of +19,8% that followed a decline in 2019. Performance over the period remains favorable, with a seen increase of +140,8% compared to the first half of 2006.

Despite a significant reduction in the number of million-dollar auctions in the segment, which saw a decline of 42,5% from 275 in 2019 to 158 in 2021, the demonstrated enthusiasm by collectors and new market participants is reflected in the recovery of revenues which reached almost \$2.30 billion. This represents an increase of +45,6%, compared to 2020 and a slight decrease of only 4% compared to 2019. This trend has led to a significant increase in the average market value of live or hybrid auctions over the past three years, rising from \$ 8,70 million in 2019 to \$ 14,50 million in 2021, accompanied by a decrease in the unsold lots, which stood at 14,7%.

TABLE 2 – AUCTION DETAILS

Anno	# Aste	Fatturato Totale	Aggiudicazione Media	Unsold Medio
2019	275	\$ 2.379.921.867,3	\$ 8.654.261,3	20,1%
2020	156	\$ 1.568.671.316,4	\$ 10.055.585,4	18,3%
2021	158	\$ 2.284.316.423,2	\$ 14.457.698,9	14,7%

Source: *Il mercato dell'arte e dei beni da collezione, Deloitte Private, 2022*

4. Competitive Positioning

Bellini Nautica is a leading company that operates in the luxury nautical sector, specializing in the market niche of trading and restoration of vintage Riva boats. The Company, in addition to offering storage and port services, stands out as one of the few entities capable of offering both restoration and trade services for vintage Riva boats thanks to its profound knowledge of the market and technical skills acquired over years of activity.

TABLE 3 – MAIN COMPETITORS (2022 DATA)

€/mln	VoP	Ebitda	Ebitda %	Net Income	Net Income %	NFP
Company						
R.A.M. SpA	0,6	0,0	n/a	(0,1)	n/a	1,2
Sarnico Classic Boats Srl	1,0	0,1	7,2%	0,1	5,2%	(0,0)
Yacht Club Erio Lario Srl	0,7	0,2	25,6%	0,1	12,6%	(0,1)
Nautica Casarola Srl	0,0	0,2	n/a	0,0	17,8%	(0,1)
Riva World	n/a	n/a	n/a	n/a	n/a	n/a
Median	0,7	0,1	16,4%	0,0	12,6%	0,0
Bellini Nautica*	18,6	1,2	6,3%	0,5	2,7%	3,7

Source: Orbis

















FY23A Data

The market niche dedicated to the restoration of and sale of vintage Riva boats is dominated by a group of small players, principally located in Italy and hailing primarily from in and areas around the main Italian lakes. Bellini Nautica's main competitors are:

- **RAM Riva Excellence (RAM):** Part of the Ferretti Group (world leader in the design, construction, and sales of luxury yachts and boats and includes Riva among its' brands) this company is located in Sarnico, Italy, and is mainly active in restoration of classic of Riva boats;
- **Sarnico Classic Boats Srl:** This company is also headquartered in Sarnico, Italy, and lends its namesake to, and is historically linked to the construction of prestigious boats such as the Riva model, which is world-renowned for their excellence dedicated to continuing the tradition of nautical Italian craftsmanship, restoration, and selling of carefully selected boats, that are restored by talented professionals with over 30 years of experience;

- **Yacht Club Erio Lario Srl:** Founded in 1865, the Nautico Matteri Shipyard situated in Lezzeno on Lake Como is a company that specializes in the construction, restoration, a maintenance of traditional and luxury Lake Como boats. The dedicated restoration shipyard focuses specifically on the construction of wooden boats using consolidated artisan shipbuilding techniques and high-quality materials;
- **Nautica Casarola Srl:** This company founded in 1964 specializes in sales and assistance of historic classic boats with technical know-how ranging from maintenance, overhaul, and up to the restoration of mahogany jewels;
- **Riva World:** This company specializes in high-quality restoration of the legendary classic Riva wooden boats, with its headquarters located in Uithoorn, Holland. Riva World stands out for its ability to restore these historic vessels to their original splendor, while also offering customized projects such as the Riva Aquarama Special used as a tender for one of the newly delivered Fead-ship yachts.

CHART 19 – MAIN COMPETITORS

Company						
Country						
Restoration						
Boat trading						

Source: Integrae SIM elaboration

Furthermore, the Group boasts some of the most important and distinctive elements in its operating segments, characterized by a current competitive position and growth potential. Drivers that allow Bellini Nautica its competitive edge in the sector can be summarized in the following factors:

- **Market Leader in the “Vintage Riva” Sector:** Over its sixty-year course of activity, the Group has stood at the forefront of the Italian market as a leader in the restoration and trade of “Vintage Riva” boats, a very specific niche market, thanks to its gained experience. Their offer is characterized by their ability to work on classic boats with iconic and timeless nautical designs ai-

med at a demanding clientele. The adopted methodology in the restoration of these iconic boats involves the exclusive use of original high-quality materials and finishings, that maintain the authenticity and value of a Riva boat. The numerous classic vintage Riva boats purchased over the years by Bellini Nautica have consolidated its reputation internationally which has allowed for the creation of a vast network of private owners and professional dealers as well establishing special collaborations with world-famous artists such as Mr. Brainwash. These collaborations extend to the customization of the interiors and exteriors of the boats highlighted and inspired by the artists' designs and works of art and combining the concept of "vintage" with contemporary trends in art and design. It is to be noted that the signed contracts often provide for granting a license to use the brands and artists' collections are remunerated based on the selling price of the boats set up according to their designs and concepts;

- **Complete and Integral Service Offering:** As previously described, the Company has developed a wide range of services aimed to satisfy every customer's needs in regards to their boats. These services cover a wide gamma from preliminary consultancy in selecting a vessel and assistance with the bureaucratic administration through to navigation tests up to ordinary and extraordinary maintenance including port services and refitting. Over time, this personalized approach has consolidated resulting in a loyal and refined customer base, that has resulted in longstanding client trust and reoccurring revenue generation;
- **Luxury Asset Class:** The "Vintage Riva" speedboat, and in particular the Aquarama model, can be categorized as an authentic luxury class asset. Their valuation has continuously increased over the last 25 years, registering a CAGR growth of 8,6% during 1996-2021;
- **Successful Generational Transition:** Ongoing for three generations, the care and restoration of the iconic "Vintage Riva" boats have represented the very essence of the Bellini family's commitment. Their deep passion and vast knowledge are reflected in their exclusive private collection, which includes and exhibits over 20 priceless models and ranks among the most important globally. The current leadership, led by the family's new generation has embarked on a notable journey towards modernization, implementing innovative marketing strategies and business sales channels to successfully promote the Bellini brand into the future.

4.1 SWOT Analysis

Strengths:

- Elevated know-how in nautical restoration;
- Absolute leading reference for Vintage Riva boats;
- World Leader in a fragmented market niche;
- Wide range of personalized and tailor-made services.

Weaknesses:

- Limited visibility in the vessel trading sector.

Opportunities:

- Upselling and Cross-selling synergies through M&A operations aimed at expanding the Company's client portfolio;
- Constant revaluation of Riva Vintage boats as a luxury asset class;
- Continual Group expansion in Northern Italy's principal main lakes.

Threats:

- Difficulty finding rare classic vintage Riva boats at a fair price;
- Scarcity and diminishing number of craftsmen available with an elevated know-how.

5. Economics & Financials

TABLE 4 – ECONOMICS & FINANCIALS

CONDOLIDATED INCOME STATEMENT (€/mln)	FY22A	FY23A	FY23A*	FY24E	FY25E	FY26E
Revenues	12,10	11,12	15,12	16,50	18,00	20,00
Work in progress	2,14	2,48	2,48	2,00	2,00	2,00
Other revenues	1,23	1,03	1,04	1,00	1,00	1,00
Value of Production	15,47	14,63	18,65	19,50	21,00	23,00
COGS	10,61	10,22	13,34	13,40	14,00	15,10
Services	1,71	1,78	2,19	2,30	2,40	2,55
Use of assets owned by others	0,28	0,42	0,44	0,50	0,55	0,60
Employees	0,66	0,78	0,82	1,00	1,10	1,15
Other operating costs	0,24	0,65	0,70	0,70	0,75	0,80
EBITDA	1,98	0,78	1,17	1,60	2,20	2,80
<i>EBITDA Margin</i>	<i>12,8%</i>	<i>5,3%</i>	<i>6,3%</i>	<i>8,2%</i>	<i>10,5%</i>	<i>12,2%</i>
D&A	0,74	0,40	0,41	0,45	0,50	0,50
EBIT	1,24	0,37	0,76	1,15	1,70	2,30
<i>EBIT Margin</i>	<i>8,0%</i>	<i>2,5%</i>	<i>4,1%</i>	<i>5,9%</i>	<i>8,1%</i>	<i>10,0%</i>
Financial management	(0,12)	(0,14)	(0,15)	(0,20)	(0,25)	(0,25)
EBT	1,12	0,23	0,61	0,95	1,45	2,05
Taxes	0,45	(0,01)	0,09	0,25	0,40	0,60
Net Income	0,67	0,24	0,51	0,70	1,05	1,45
<i>Minorities Net Income</i>	<i>0,00</i>	<i>0,00</i>	<i>0,10</i>	<i>0,13</i>	<i>0,20</i>	<i>0,27</i>

CONSOLIDATED BALANCE SHEET (€/mln)	FY22A	FY23A	FY23A*	FY24E	FY25E	FY26E
Fixed Assets	1,20	1,15	1,15	1,00	0,80	0,60
Account receivable	5,59	6,41	6,41	8,00	8,65	9,40
Inventory	5,30	9,00	9,00	9,30	9,50	10,00
Account payable	3,99	3,84	3,84	5,00	5,50	6,25
Operating Working Capital	6,91	11,57	11,57	12,30	12,65	13,15
Other receivable	2,21	0,48	0,62	0,70	0,80	0,85
Other payable	0,93	1,90	1,90	2,30	2,40	2,50
Net Working Capital	8,19	10,15	10,29	10,70	11,05	11,50
Severance & other provisions	0,38	0,33	0,33	0,45	0,55	0,55
NET INVESTED CAPITAL	9,01	10,98	11,12	11,25	11,30	11,55
Share capital	0,06	0,06	0,06	0,06	0,06	0,06
Reserves	6,04	6,93	6,93	7,18	7,74	8,59
Net Income	0,67	0,24	0,24	0,57	0,85	1,18
Equity	6,77	7,24	7,24	7,81	8,66	9,83
Minorities equity	0,00	0,23	0,23	0,36	0,56	0,83
Cash & cash equivalents	0,33	0,49	0,49	0,81	1,41	2,21
Short term financial debt	1,73	2,71	2,85	2,70	2,50	2,30
M/L term financial debt	0,83	1,29	1,29	1,20	1,00	0,80
Net Financial Position	2,23	3,51	3,65	3,09	2,09	0,89
SOURCES	9,01	10,98	11,12	11,25	11,30	11,55

CONSOLIDATED CASH FLOW (€/mln)	FY23A	FY23A*	FY24E	FY25E	FY26E
EBIT	0,37	0,76	1,15	1,70	2,30
Taxes	(0,01)	0,09	0,25	0,40	0,60
NOPAT	0,39	0,66	0,90	1,30	1,70
D&A	0,40	0,41	0,45	0,50	0,50
Change in NWC	(1,96)	(2,10)	(0,41)	(0,35)	(0,45)
Change in receivable	(0,82)	(0,82)	(1,59)	(0,65)	(0,75)
Change in inventory	(3,70)	(3,70)	(0,30)	(0,20)	(0,50)
Change in payable	(0,15)	(0,15)	1,17	0,50	0,75
Change in others	2,70	2,56	0,32	0,00	0,05
Change in provisions	(0,05)	(0,05)	0,13	0,10	0,00
OPERATING CASH FLOW	(1,23)	(1,08)	1,06	1,55	1,75
Capex	(0,36)	(0,37)	(0,30)	(0,30)	(0,30)
FREE CASH FLOW	(1,59)	(1,45)	0,77	1,25	1,45
Financial management	(0,14)	(0,15)	(0,20)	(0,25)	(0,25)
Change in financial debt	1,44	1,58	(0,24)	(0,40)	(0,40)
Change in equity	0,45	0,18	0,00	0,00	0,00
FREE CASH FLOW TO EQUITY	0,16	0,16	0,33	0,60	0,80

Source: Integrae SIM

* Dati Pro-forma

5.1 FY23A Results

TABLE 5 – FY22A VS FY23A

€/mln	VoP	EBITDA	EBITDA %	EBIT	Net Income	NFP
FY23A	14,63	0,78	5,3%	0,37	0,24	3,51
FY22A	15,47	1,98	12,8%	1,24	0,67	2,23
<i>Change</i>	-5,4%	-60,8%	-7,5%	-70,1%	-64,1%	n/a

Source: Bellini Nautica

* Dati Pro-forma

Battista Bellini, CEO of Bellini Nautica, commented on the Company’s annual results stating: *“During 2023, our Group has taken significant structural and organization changes aimed at strengthening the foundation for our growth and expansion strategies. Although necessary, this transformation brought about challenges from both an economic and organizational point of view, impacting costs and requiring considerable effort in retraining the teams. We faced a period of adaptation, especially in the second half of the year, due to a slowdown in the new vessel market, where we operate. However, thanks to our new Italian Dealer sales team, we were able to keep our performance on aggregate revenues stable with Second-hand Boats. We have reorganized different business lines to be more focused and to perform better. The strongest growth driver for our future is Bellini Yachts. By listening carefully to our investors and shareholders, we recognized the need to overcome the perceived growth limitations related to the niche sectors in which we have operated thus far. Our ambition matches the roster of talented professional standing of each team representative, who have all led the boating world for years. This new challenge necessarily involves risks and it is our constant commitment to manage them correctly and maintain a solid financial structure.”*

The Financial Balance Sheet data as of December 31st, 2023 as reported above have been prepared to push back on the economic impact deriving from the capital increase from Italian Dealer Srl of € 47.500,00 to January 1st, 2023 the capital increase is to be contextualized within the scope of an extraordinary operation which has been structure as follows:

- Lusso Nautica Srl, a company entirely controlled by Bellini Nautica SpA, has changed its name to “Italian Dealer Srl”;
- On December 7th, 2023 a **Capital Increase** was approved for an amount equal to € 47.500,00, in regards to Italian Dealer Srl (formerly Lusso Nautica Srl). The Capital Increase was approved by the acting CEO on behalf of Bellini Nautica SpA, which contributed an amount equal to € 24.500,00, and in part by Blue Luxury Srl, which contributed full participation in the Share Capital of Rimini Service Yacht & Sail Srl (for a value of € 23.000,00). Following that

operation, it is stipulated that the Share Capital of Italian Dealer Srl is owned 60,0% by Bellini Nautica SpA with the remaining 40,0% owned by Blue Luxury SpA;

- On February 8th, the **Merger Plan by Incorporation** of Rimini Service Yacht & Sail Srl into Italian Dealer Srl was approved.

These operations align perfectly with the growth strategies of Bellini Nautica, aiming to consolidate a dominant market share. This will occur through the merger and integration of the business lines relating to the purchase and sale of new and Second-hand Boats, and rental offerings, to provide customers with a broader, more direct qualification.

Bellini Nautica and Rimini Service Yacht have previously established a commercial collaboration, creating the “Italian Dealer”, platform aimed at enticing the commercial offer of both partner Companies in the luxury nautical sector to cover the entire demand within the Italian territory from lakeside to coastal areas. This Operation not only strengthens from a corporate point of view, the synergies between Bellini Nautica and Rimini Service Yacht but also amplifies them, thanks to the precious contribution from the team of technical experts in the sales of new and used Cranchi vessels and in the services of storage, refitting, painting, maintenance and technical assistance. The merger will create a company with a consolidated user base of 1.500 berths and will operate over four Italian locations: Varazze, Rimini, Lake Iseo, and Ancona.

Pending the finalization of the merger by incorporation and the full manifestation of its effects, reference is made to the Group’s financial statement results in the context of the current corporate perimeter, therefore, excluding the impact of the operation itself. Further updates of the research document will provide a detailed analysis of the effects of the operation on the financial and operational structure of the Group. This approach will allow us to precisely outline the consequences of the Merger by Incorporation and offer a clear vision of the potential and synergies that will derive from it, thus contributing to a better understanding of the Group’s evolution.

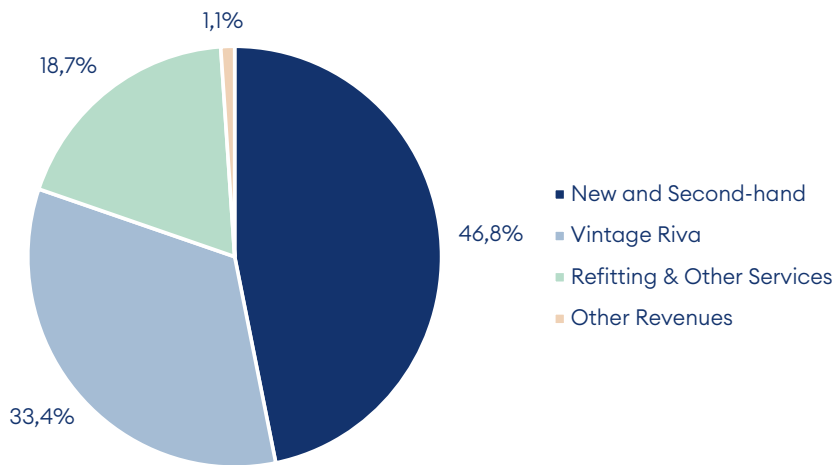
Regarding the Operating Results, as of December 31st, 2023, Bellini Nautica registered sales revenues of € 11,12 million, marking a decrease of -8,1% compared to the figure from the end of the year 2022, equal to € 12,10 million.

The Production Value, equal to € 14,63 million, includes the change in inventories (positive for € 2,48 million) and other revenues and income for € 1,03 million. The data follows the trend in revenues and shows a decrease of -5,4% compared to the previous year, in which the Production Value was registered at € 15,47 million.

Concerning the revenue breakdowns of the three Business Lines, the main source of revenues over the year was the “New and Second-hand ” line which generated a revenue share equal to 46,8% of the total, followed by the “Vintage Riva” line, at 33,4% and the “Storage,

Refitting and Port Services” equal to 18,7%. The remaining revenues refer to other revenues, for example, proceeds from the photovoltaic systems installed in the Group’s properties that carry out its business (1,1%).

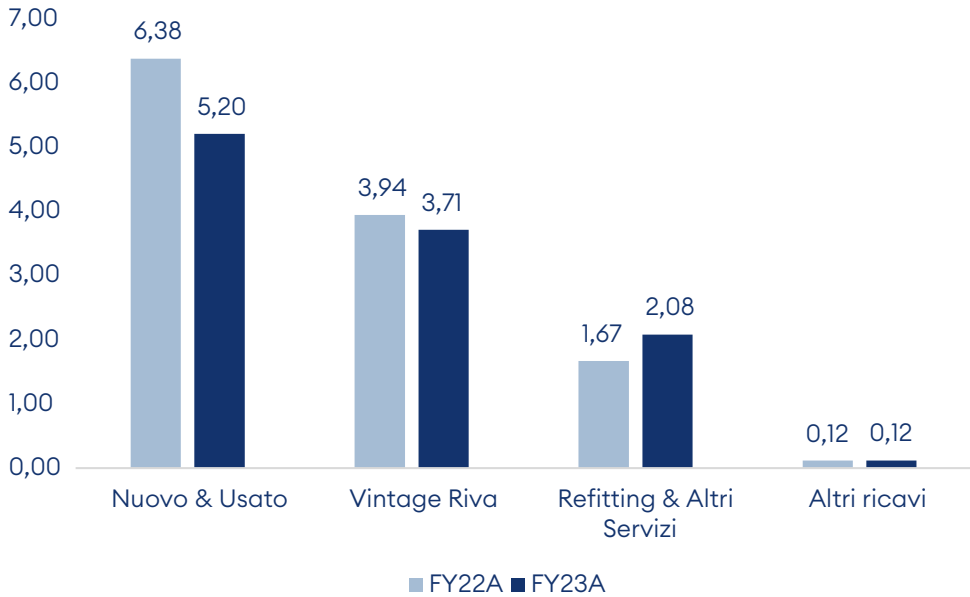
CHART 20 – REVENUES BREAKDOWN BY BUSINESS LINE FY23A



Source: Bellini Nautica

In particular, the performance of all business lines is highlighted during this period. Specifically, as demonstrated in the graph below, the line “New and Second-hand,” registered a decline of -18,4%, reaching € 5,20 million, due to the lower sales of new boats partially offset by the increased sales of used ones; the turnover generated by the “Vintage Riva” line of new vessels however, given the lower trading activity went from € 3,94 million in FY22A to € 3,71 million at the end of the period in question (-5,8%.) The Riva Vintage boats sold during the year totaled 17, in addition to 4 new Cranchi vessels and 5 Second-hand Boats. Concerning the “Storage, Refitting and Port Services” it’s possible to note an increase of +24,8% during the del FY23A, reaching € 2,08 million (€ 1,67 million in FY22A.)

CHART 21 – REVENUES BREAKDOWN BY BUSINESS LINE FY22A VS FY23A (€/MLN)



Source: Bellini Nautica

The FY23A L'EBITDA amounted to € 0,78 million, down 60,8% compared to € 1,98 million in FY22A, with the EBITDA Margin equal to 5,3%, a decrease compared to a margin of 12,8% of last year. This margin decrease can principally be attributed to a contradiction in turnover compared to the previous financial year, which was accompanied simultaneously by a generalized increase in operating costs. The implementation of the corporate consolidation and strategic strategies as previously outlined in the IPO, have induced an increase in fixed costs deriving from essential structural adjustments to integrate the new production business line. The restructuring of the Group aims to give each business line the ability to operate in a more autonomous and concentrated way, as demonstrated by the isolation of sales activities of the new and Second-hand Boats through the Italian Dealer, leader in the national distribution sector. This strategy also took the form of an investment in more highly qualified human resources and personnel, which has proved to be burdensome in the short term.

L'EBIT, after amortization, depreciation, and impairment losses for € 0,40 million was equal to € 0,37 million, a decrease compared to last year's figure equal to € 1,24 million (-70,1%) and with an EBIT Margin equal to 2,5% (vs 8,0% del FY22A). The Net Income is positive and amounts to € 0,24 million (€ 0,67 million in FY22A).

At the Assets level, the NFP resulted as equal to approximately € 3,51 million of debt compared to € 2,23 million of debt in FY22A. This change can be partially attributed to sales operations carried out during 2023, with the corresponding revenues for which have not yet

been received due to delays in deliveries and processing. These delays foresee a consequent generation of incoming cash flow during 2024.

For the sake of completeness and a preliminary understanding of the economic-financial consequences of the operation, we present a brief previewed overview of the main economic results of (FY23A*), which incorporate the effects of the Increase in Capital previously described.

Specifically, the turnover of FY23A* amounted to € 15,12 million, mainly composed of the sales revenue of Bellini and from Rimini Service Yacht & Sail, of which € 4,00 million referable to Rimini Service Yacht & Sail in growth increased to 24,9% compared to € 11,12 million in FY22A. The value of production in FY23A* amounted to € 18,65 million compared to € 15,47 million in FY22A.

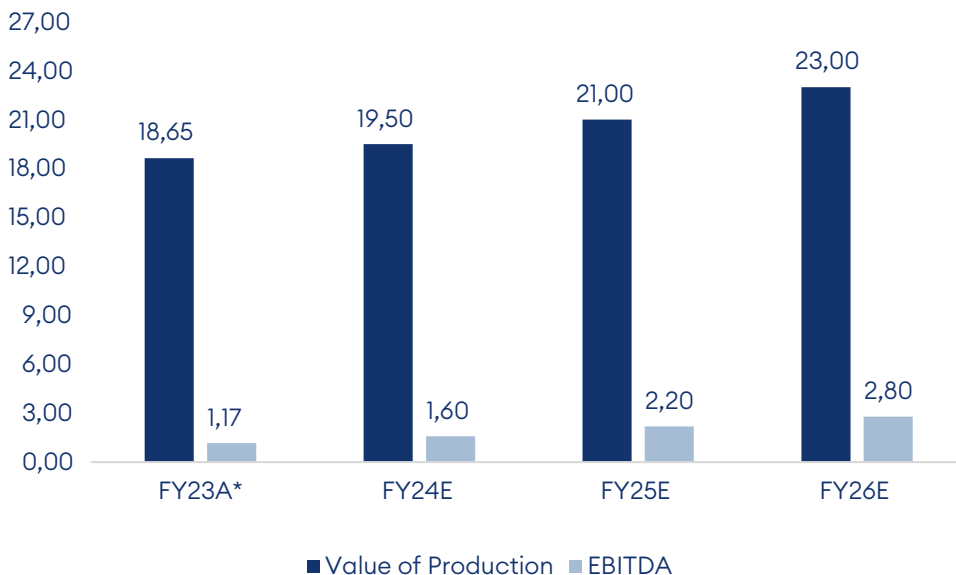
The FY23A* L'EBITDA was equal to € 1,17 million down 41,0% compared to € 1,98 million in FY22A, with the EBITDA Margin equal to 6,3%, decreased in comparison to margins of 12,8% from last year.

L'EBIT del FY23A*, dopo amortizations and devaluation for € 0,41 million, was equal to € 0,76 million, decreasing with the 2022 figure of € 1,24 million (-39,1%) and with an EBIT Margin equal to 4,1% (8,0% in FY22A). The Net Income is positive and equal to € 0,51 million.

At the level of Assets, the NFP for FY23A* amounts to approximately € 3,65 million of debt, compared to € 2,23 million debt in FY22A.

5.2 FY24E – FY26E Estimates

CHART 22 – VOP & EBITDA FY23A-FY26E



Source: *Integrae SIM*

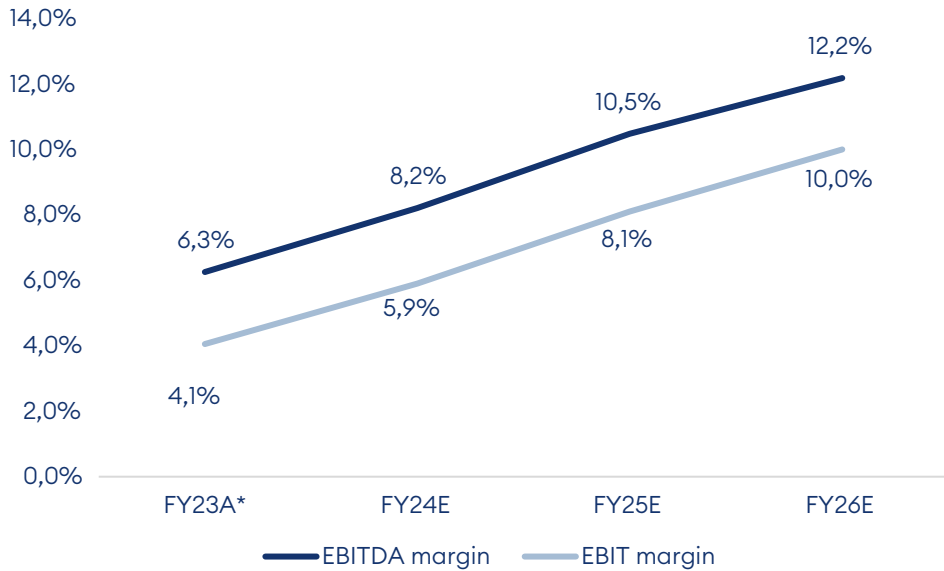
* *Dati Pro-forma*

For the next few years, an increase in the Value of Production is expected, which, according to our estimates, will go from € 18,65 million in FY23A* to € 23,00 million in FY26E (CA-GR23A*-26E: 7,2%).

We believe that the plan for the coming years will show growth driven principally by the following drivers:

- The reorganization of the Group aimed at rendering each business line to perform in a more independent and focused manner;
- The consolidation of the Bellini Group's position as a leading point of reference in the Italian boating market;
- The targeted acquisition of classic Vintage Riva models significantly expanding both the value and quality of the inventory consolidating the Company's leadership;
- The expansion of the brand portfolio offered through the Group's distribution network.

CHART 23 – EBITDA AND EBIT MARGIN FY23A – FY26E



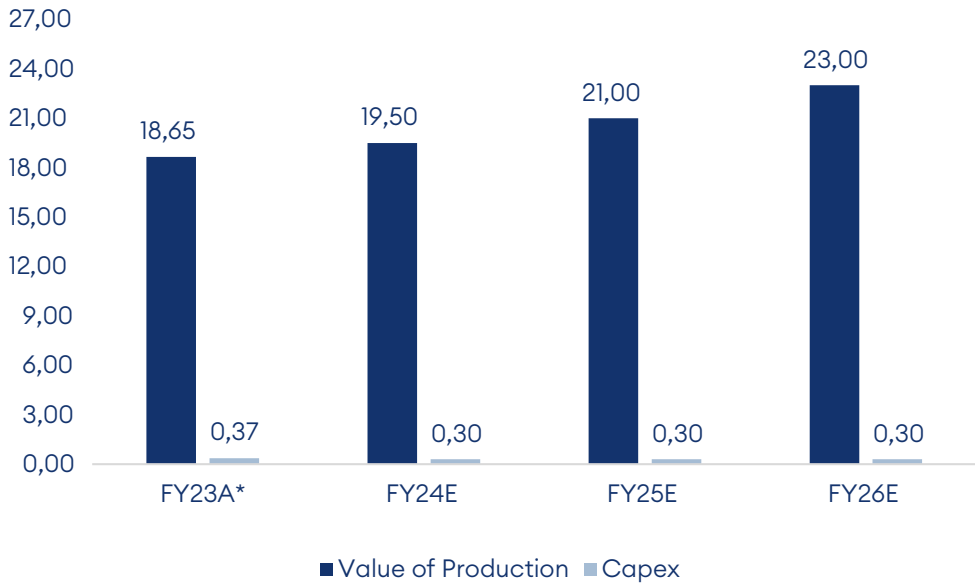
Source: Integrae SIM

* Dati Pro-forma

At the same time, we expect an increase in EBITDA, which according to our estimates, will go from € 1,17 million in FY23A* to € 2,80 million in FY26E. This improvement in absolute terms will lead to an improvement in the EBITDA Margin that, according to our forecast, will go from 6,3% in FY23A* to 12,2% in FY26E.

Furthermore, considering the development and efficiency plans envisioned for a period of analysis, we believe the Group will be able to guarantee higher levels of margins expected through the further reduction of fixed costs and the improvement of the contribution margin of services, with the main objective to ensure the sustainable growth of the Group.

CHART 24 – REVENUES AND CAPEX FY23A – FY26E

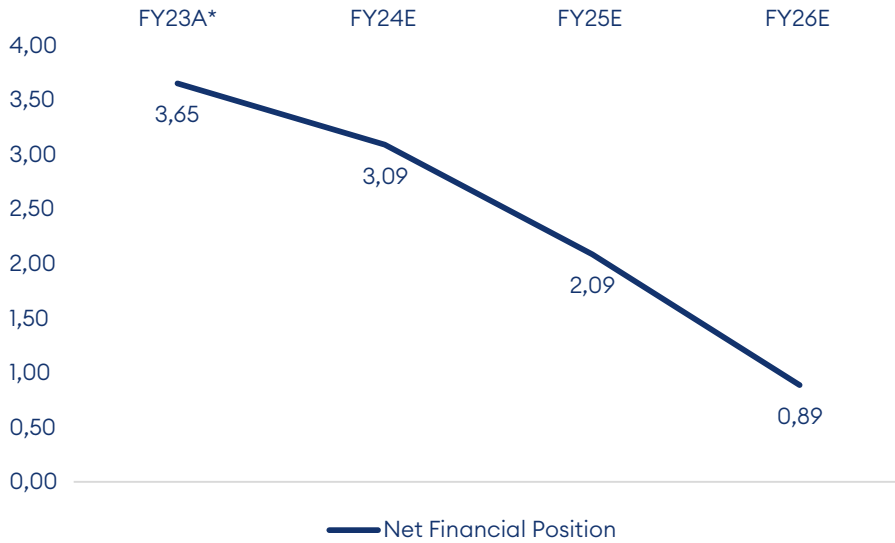


Source: Integrae SIM

* Dati Pro-forma

At the Capex level, we estimate the Company’s investments during the planned period, will be geared towards continued maintenance of facilities and the transition from a service-focused to a product-focused business model.

CHART 25 – NET FINANCIAL POSITION FY23A– FY26E



Source: *Integrae SIM*

* *Dati Pro-forma*

Finally, we strongly believe the Group can improve NFP in the coming years following FY23A*, thanks to positive cash flows generated by the core management the progressive turnover, and an increase in business volume. We estimate that NFP could reach a value in FY26E equal to €0,89 million of debt, mainly driven by business growth and improved margins.

6. Valuation

We conducted the equity range assessment of Bellini Nautica based on the DCF methodology and the multiples of a sample of comparable companies.

6.1 DCF Method

TABLE 6 – WACC

WACC				9,00%
D/E 42,86%	Risk Free Rate 3,14%	β Adjusted 0,8	α (specific risk) 2,50%	
K_d 3,50%	Market Premium 7,81%	β Relevered 0,7	K_e 11,78%	

Source: *Integrae SIM*

Particularly:

- The Risk-Free Rate is represented by the March 2024 Rendistato with a maturity between 3 years and 7 months and 4 years and 6 months;
- The Market Premium coincides with the Italian market risk premium calculated by Professor A. Damodaran;
- D/E is calculated based on estimates by Integrae SIM;
- K_e was calculated using the CAPM;
- Alpha, which is the additional specific risk typical of equity investments in companies characterized by reduced operational sizes. Given the small size, the additional small cap risk was assumed to be 2.5%, the average value among those suggested by major studies in the field (Massari Zanetti, Financial Valuation, McGraw-Hill, 2004, p. 145, A. Damodaran, Cost of Equity and Small Cap Premium in Investment Valuation, Tools and Techniques for Determining the Value of Any Asset, 3rd edition 2012, Guatri Bini, New Treaty on the Valuation of Companies, 2009 p. 236);

- Beta is calculated based on the 5-year unlevered Beta of the competitors;
- Kd coincides with the current cost of the company's debt.

Using this data, the WACC is 9,00%.

TABLE 7 – DCF VALUATION

DCF		% of EV
FCFO actualized	6,4	19%
TV actualized DCF	27,1	81%
Enterprise Value	33,6	100%
NFP (FY23A*)	3,7	
Equity Value	29,9	

Source: Integrae SIM

With the above data and referring to our estimates and assumptions, the resulting **equity value is €29.9 million.**

TABLE 8 – EQUITY VALUE – SENSITIVITY ANALYSIS

€/mIn	Growth Rate (g)	WACC						
		7,5%	8,0%	8,5%	9,0%	9,5%	10,0%	10,5%
	3,0%	51,3	45,5	40,7	36,7	33,3	30,5	28,0
	2,5%	46,5	41,6	37,5	34,1	31,2	28,6	26,4
	2,0%	42,6	38,4	34,9	31,9	29,3	27,0	25,0
	1,5%	39,3	35,7	32,6	29,9	27,6	25,5	23,7
	1,0%	36,5	33,3	30,6	28,2	26,1	24,3	22,6
	0,5%	34,1	31,3	28,9	26,7	24,8	23,1	21,6
	0,0%	32,0	29,5	27,3	25,4	23,7	22,1	20,7

Source: Integrae SIM

6.2 Multiples Method

6.2.1 Panel composition

- **San Lorenzo SpA**

Sanlorenzo SpA is involved in the production and sale of yachts. The company produces motor yachts and mega yachts made of fiberglass, aluminum, or steel. Its products include the SL62, SL72, SL104, pontoons, aluminum, fishing boats, bass, and speed boats. It operates through the following divisions: Yacht, Superyacht, and Bluegame. The Yacht division includes composite vessels ranging in length from 24 to 38 meters. The Superyacht Division refers to aluminum and steel superyachts longer than 38 meters. The Bluegame Division represents sport utility yachts shorter than 24 meters. The company was founded by Gianfranco Cecchi, Giuliano Pecchia, and Giovanni Jannetti in 1958 and is headquartered in Ameglia, Italy.

- **Italian Sea Group SpA**

The Italian Sea Group SpA provides yacht construction, design, and sales services. It operates through the Shipbuilding and NCA Refit divisions. The Shipbuilding division is involved in the design and sale of luxury superyachts and ships ranging from seventeen to one hundred meters in length. The NCA Refit division offers refitting services for both its own yachts and motor and sailing vessels built by third parties. The company was founded in 1942 and is headquartered in Carrara, Italy.

- **Ferretti SpA**

Ferretti SpA is involved in the design, construction, and marketing of motor yachts and pleasure vessels. Its brands include Riva, Wally, Ferretti Yachts, Pershing, Itama, CRN, and Custom Line. The company was founded by Alessandro Ferretti and Norberto Ferretti in 1968 and is headquartered in Forlì, Italy.

- **Brunswick Corp.**

Brunswick Corp. is engaged in the design, manufacture, and marketing of recreational marine products, including marine engines, boats, and parts and accessories for such products. It operates through the following segments: Propulsion, Engine P&A, Boats, and the Novico Group. The company was founded by John Brunswick in 1845 and is based in Mettawa, IL.

TABLE 9 – COMPARABLES (€/MLN)

Company	Country	Market Cap	EV	NFP	EV/EBITDA	P/E	NFP/EBITDA
Sanlorenzo S.p.A.	Italy	1.458,6	1.325,0	(138,0)	9,1 x	15,6 x	n/ax
Italian Sea Group S.p.A.	Italy	508,3	506,4	(1,9)	8,2 x	13,8 x	0,0 x
Ferretti S.p.A.	Italy	1.033,1	753,7	(280,2)	5,2 x	12,5 x	n/a
Brunswick Corporation	USA	5.858,2	7.993,6	1.912,7	8,1 x	15,7 x	1,9 x
Peer Median	n/a	1.245,8	1.039,4	(69,9)	8,1 x	14,7 x	n/a
Bellini Nautica SpA*	Italy	11,0	14,7	3,7	12,4 x	21,2 x	3,1 x

Source: FactSet

*Dati Pro-forma

TABLE 10 – COMPARABLES (€/MLN)

Company	Sales	EBITDA	EBIT	Net Income	EBITDA Margin	EBIT Margin	Net Profit Margin
Sanlorenzo S.p.A.	854,30	146,12	114,52	92,84	17,1%	13,4%	10,9%
Italian Sea Group S.p.A.	356,09	61,98	50,46	36,91	17,4%	14,2%	10,4%
Ferretti S.p.A.	1.134,48	143,60	80,43	83,05	12,7%	7,1%	7,3%
Brunswick Corporation	5.921,11	974,46	722,03	400,14	16,5%	12,2%	6,8%
Peer Median	994,4	144,9	97,5	87,9	16,8%	12,8%	8,8%
Bellini Nautica SpA*	15,1	1,17	0,76	0,51	6,3%	4,1%	2,7%

Source: FactSet

*Dati Pro-forma

6.2.2 Market Multiples Valuation

TABLE 11 – MARKET MULTIPLES

Company Name	EV/EBITDA			EV/EBIT			P/E		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Sanlorenzo S.p.A.	7,5 x	6,9 x	6,4 x	9,3 x	8,4 x	7,8 x	14,0 x	12,7 x	11,9 x
Italian Sea Group S.p.A.	7,2 x	6,4 x	6,0 x	8,5 x	7,3 x	6,6 x	11,6 x	9,9 x	8,7 x
Ferretti S.p.A.	3,8 x	3,3 x	3,0 x	6,0 x	5,1 x	4,2 x	10,9 x	9,4 x	7,8 x
Brunswick Corporation	8,8 x	7,9 x	7,6 x	11,4 x	10,1 x	9,7 x	12,6 x	10,7 x	10,1 x
Peer median	7,4 x	6,6 x	6,2 x	8,9 x	7,8 x	7,2 x	12,1 x	10,3 x	9,4 x

Source: FactSet

TABLE 12 – MARKET MULTIPLES VALUATION

€/mln	FY24E	FY25E	FY26E
Enterprise Value (EV)			
EV/EBITDA	11,8	14,6	17,4
EV/EBIT	10,2	13,3	16,5
P/E	8,5	10,8	13,6
Enterprise Value post 25% discount			
EV/EBITDA	8,8	11,0	13,0
EV/EBIT	7,7	10,0	12,4
P/E	6,3	8,1	10,2
Equity Value			
EV/EBITDA	5,7	8,9	12,1
EV/EBIT	4,6	7,9	11,5
P/E	6,3	8,1	10,2
Average	5,6	8,3	11,3

Source: Integrae SIM

The equity value of Bellini Nautica was calculated using the market multiples EV/EBITDA, EV/EBIT, and P/E. After applying a 25.0% discount, the resulting **equity value is €8.4 million.**

7. Equity Value

TABLE 13 – EQUITY VALUE

Average Equity Value (€/mln)	19,2
Equity Value DCF (€/mln)	29,9
Equity Value multiples (€/mln)	8,4
Target Price (€)	3,00

Source: Integrae SIM

Consequently, by observing the values obtained with the DCF method and those derived with the multiples method, an average equity value of €19.2 million is reached. Therefore, the **target price is €3.00, with a BUY rating and MEDIUM risk.**

TABLE 14 – TARGET PRICE IMPLIED VALUATION MULTIPLES

Multiples	FY23A*	FY24E	FY25E	FY26E
EV/EBITDA	19,6 x	14,3 x	10,4 x	8,1 x
EV/EBIT	30,2 x	19,8 x	13,4 x	9,9 x
P/E	37,4 x	27,4 x	18,2 x	13,2 x

Source: Integrae SIM

TABLE 15 – CURRENT PRICE IMPLIED VALUATION MULTIPLES

Main Ratios	FY23A*	FY24E	FY25E	FY26E
EV/EBITDA	12,4x	9,1x	6,6x	5,2x
EV/EBIT	19,2x	12,6x	8,5x	6,3x
P/E	21,2x	15,5x	10,3x	7,5x

Source: Integrae SIM

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Equity Total Return (ETR) for different risk categories

Rating	Low Risk	Medium Risk	High Risk
BUY	ETR \geq 7.5%	ETR \geq 10%	ETR \geq 15%
HOLD	-5% < ETR < 7.5%	-5% < ETR < 10%	0% < ETR < 15%
SELL	ETR \leq -5%	ETR \leq -5%	ETR \leq 0%
U.R.	Rating e/o target price Under Review		
N.R.	Stock Not Rated		

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