

9M 2020 FINANCIAL RESULTS AND OUTLOOK



SANLORENZO

SOLID 9M RESULTS, CONFIRMED RESILIENCE



NEW SX112 PRESENTED AT GENOA BOAT SHOW



NEW BGX60 PRESENTED AT GENOA BOAT SHOW

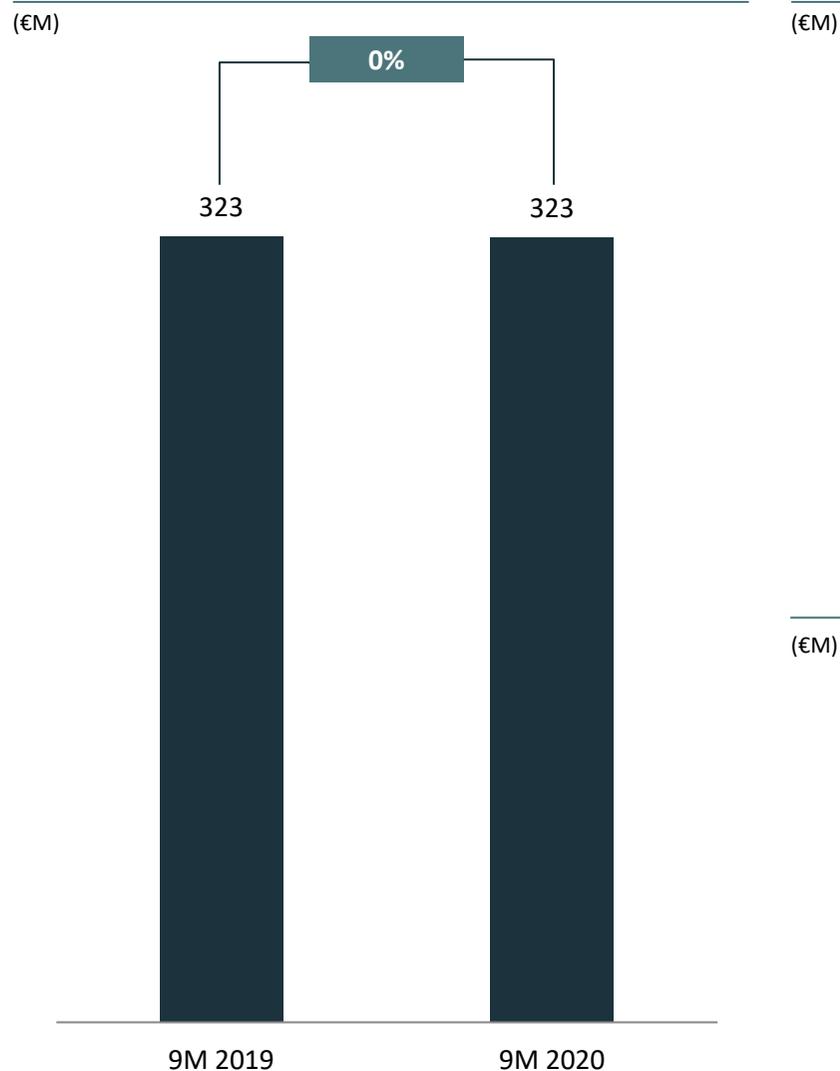
- ALL FACILITIES IN FULL OPERATION ALSO DURING THE MONTH OF AUGUST IN ORDER TO ACHIEVE FULL RECOVER BY END OF THE YEAR AND ALL YACHT DELIVERIES CARRIED OUT AS PLANNED
 - MARKETING AND COMMERCIAL INITIATIVES SUPPORTING 2021 ORDER INTAKE PROMOTED DURING SEPTEMBER AND OCTOBER:
 - GENOA BOAT SHOW REGULARLY HELD FROM 1 TO 6 OCTOBER WITH THE PRESENTATION OF THE NEW SX112 AND BGX60 MODELS
 - “SANLORENZO ELITE WEEKENDS” WITH STRONG ATTENDANCE
 - **SANLORENZO BUSINESS MODEL ONCE AGAIN PROVING RESILIENT THROUGHOUT THE CYCLE**
 - **ORDER BACKLOG EQUAL TO €670M**, UP BY €105M IN Q3 2020 (+18%) IN THE ABSENCE OF BOAT SHOWS IN SEPTEMBER
 - LOYAL CUSTOMER BASE BELONGING TO THE WEALTHIEST FAMILIES LESS IMPACTED BY ECONOMIC DOWNTURN (“SL CUSTOMER CLUB”)
 - APPROX. 90% OF ORDER BACKLOG COVERED BY FINAL CLIENTS
 - **SOLID 9M 2020 RESULTS, DESPITE SIGNIFICANT IMPACT OF COVID-19 ON MARKET ACROSS GEOGRAPHIES AND INDUSTRIES**
 - **TOP LINE AND OPERATING MARGINS RESILIENCE**
 - SIGNIFICANT **NET DEBT REDUCTION** COMPARED TO 30 JUNE 2020
- **2020 EXPECTED RESULTS CONFIRMED IN LINE WITH 2019**

9M 2020 FINANCIAL HIGHLIGHTS

COMMENTARY

- **RESILIENCE OF NET REVENUES NEW YACHTS NOTWITHSTANDING THE IMPACT OF COVID-19: STABLE AT CONSTANT PERIMETER¹**
- **ADJUSTED EBITDA² AT €49M, IN LINE WITH 9M 2019**
- **GROUP NET INCOME AT €22M IMPACTED BY HIGHER D&A AND COVID-19 RELATED COSTS**
- **SUBSTANTIALLY STABLE PROFITABILITY MARGINS ON NET REVENUES NEW YACHTS**
 - **ADJUSTED EBITDA MARGIN AT 15% (+0.4% vs 9M 2019)**
 - **GROUP NET INCOME MARGIN AT 7% (-0.4% vs 9M 2019)**

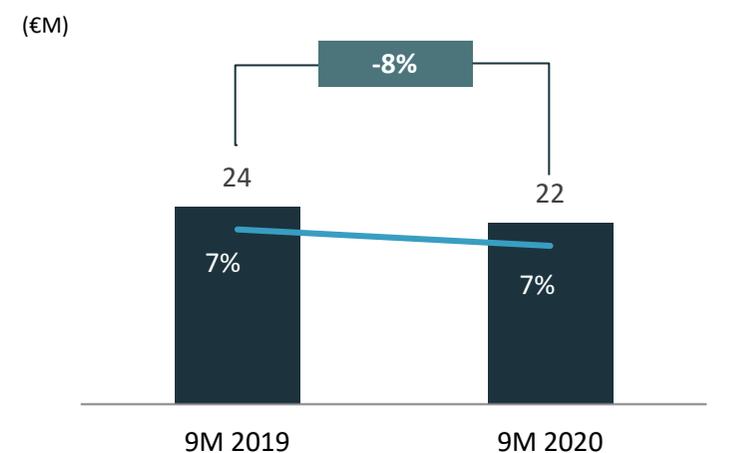
NET REVENUES NEW YACHTS¹



ADJUSTED EBITDA²



GROUP NET INCOME



Source: Company's information.

¹ For 9M 2019, excluding GP Yachts contribution (€7.7m), sold in July 2019, and the provision of maintenance and other services (€2.5m) which in 2020 has been recognised in a separate item.

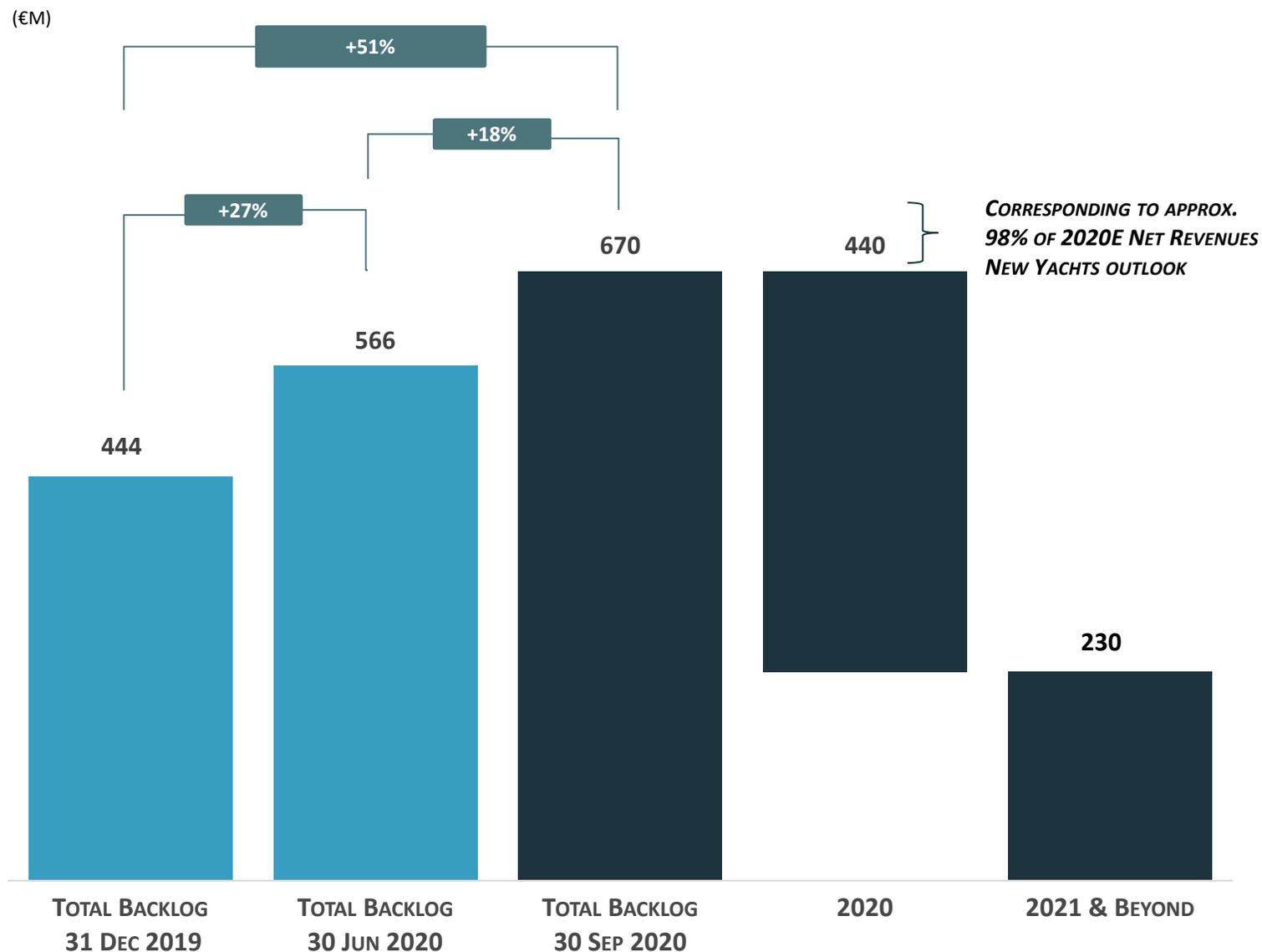
² Defined as EBIT + D&A. For 9M 2020 excludes €1.1m related to 2020 Stock Option Plan and COVID-19 related costs.

ORDER BACKLOG AS OF 30 SEPTEMBER 2020

COMMENTARY

- ORDER BACKLOG EQUAL TO €670M AS OF 30 SEPTEMBER 2020, +18% VERSUS 30 JUNE 2020, THANKS TO €104M NEW CONTRACTS IN Q3 2020 (OF WHICH €53M RELATING TO 2021) IN THE ABSENCE OF BOAT SHOWS IN SEPTEMBER**
 - OF WHICH ABOUT 90% COVERED BY FINAL CLIENTS
 - OF WHICH €440M RELATING TO 2020 (+13% VERSUS H1 2020)
- ORDER INTAKE SUPPORTED BY A PLAN OF TARGETED MARKETING AND COMMERCIAL ACTIONS IN PLACE FROM SEPTEMBER 2020

ORDER BACKLOG COMPOSITION AS OF 30 SEPTEMBER 2020



FOCUS ON NET REVENUES NEW YACHTS

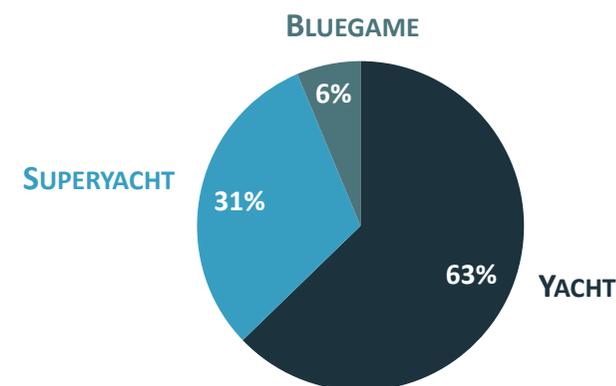
COMMENTARY

- **9M 2020 NET REVENUES NEW YACHTS AT €323M: STABLE VS 9M 2019 AT CONSTANT PERIMETER¹**
- **BREAKDOWN BY DIVISION**
 - **YACHT -3% vs 9M 2019**
 - **SUPERYACHT -6% vs 9M 2019**
 - **BLUEGAME +76% vs 9M 2019**
- **BREAKDOWN BY GEOGRAPHY**
 - **EUROPE -9% vs 9M 2019**
 - **APAC +22 vs 9M 2019**
 - **AMERICAS STABLE vs 9M 2019**
 - **MEA -10% vs 9M 2019**

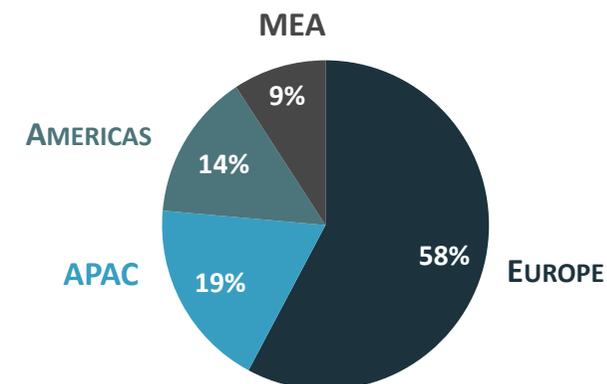
NET REVENUES NEW YACHTS¹



BREAKDOWN BY DIVISION



BREAKDOWN BY GEOGRAPHY



Source: Company's information.

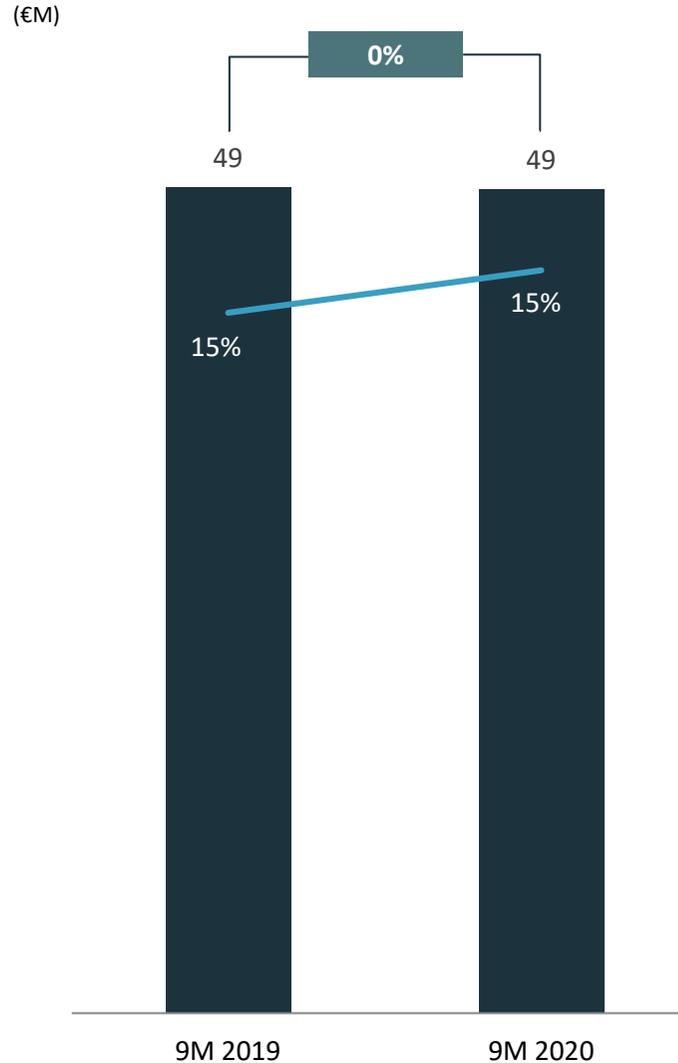
¹ For 9M 2021, excluding GP Yachts contribution (€7.7m), sold in July 2019, and the provision of maintenance and other services (€2.5m) which in 2020 has been recognised in a separate item.

FOCUS ON PROFITABILITY

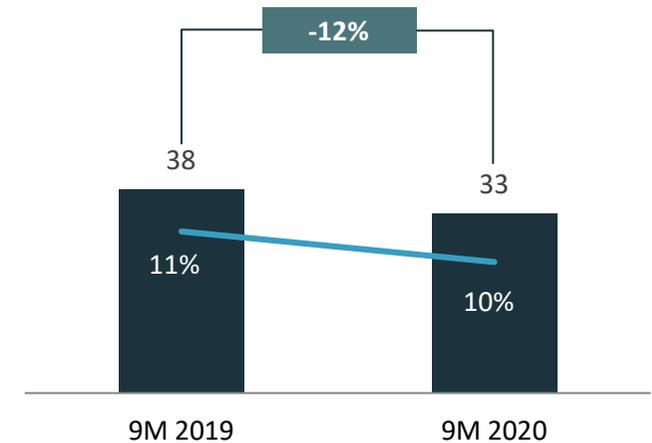
COMMENTARY

- **STABLE ADJUSTED EBITDA AT €49M AND INCREASE IN MARGIN ON NET REVENUES NEW YACHTS (15%, +0.4% vs 9M 2019) NOTWITHSTANDING THE IMPACT OF COVID-19, MAINLY DRIVEN BY:**
 - HIGHER SELLING PRICES
 - INCREASED EFFICIENCY THANKS TO FULLY OPERATIONAL NEW PRODUCTION CAPACITY
- **EBIT MARGIN IN REDUCTION vs 9M 2019 REFLECTING D&A INCREASE CONNECTED TO INDUSTRIAL CAPEX**
- **GROUP NET INCOME MARGIN AT 7% (-0.4% vs 9M 2019)**
- FINANCIAL EXPENSES DECREASED (-46%), REFLECTING LOWER INDEBTEDNESS AND IMPROVED BANK CONDITIONS

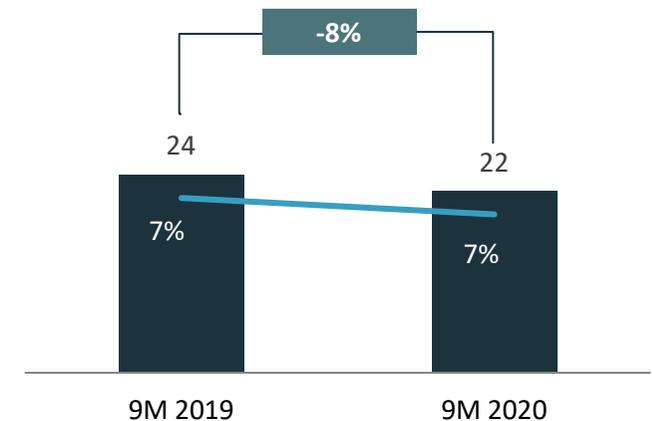
ADJUSTED EBITDA¹



EBIT



GROUP NET INCOME



— MARGIN (AS % OF NET REVENUES NEW YACHTS)

Source: Company's information.

¹ Defined as EBIT + D&A. In 9M 2020 excludes €1.1m related to 2020 Stock Option Plan and COVID-19 related costs..

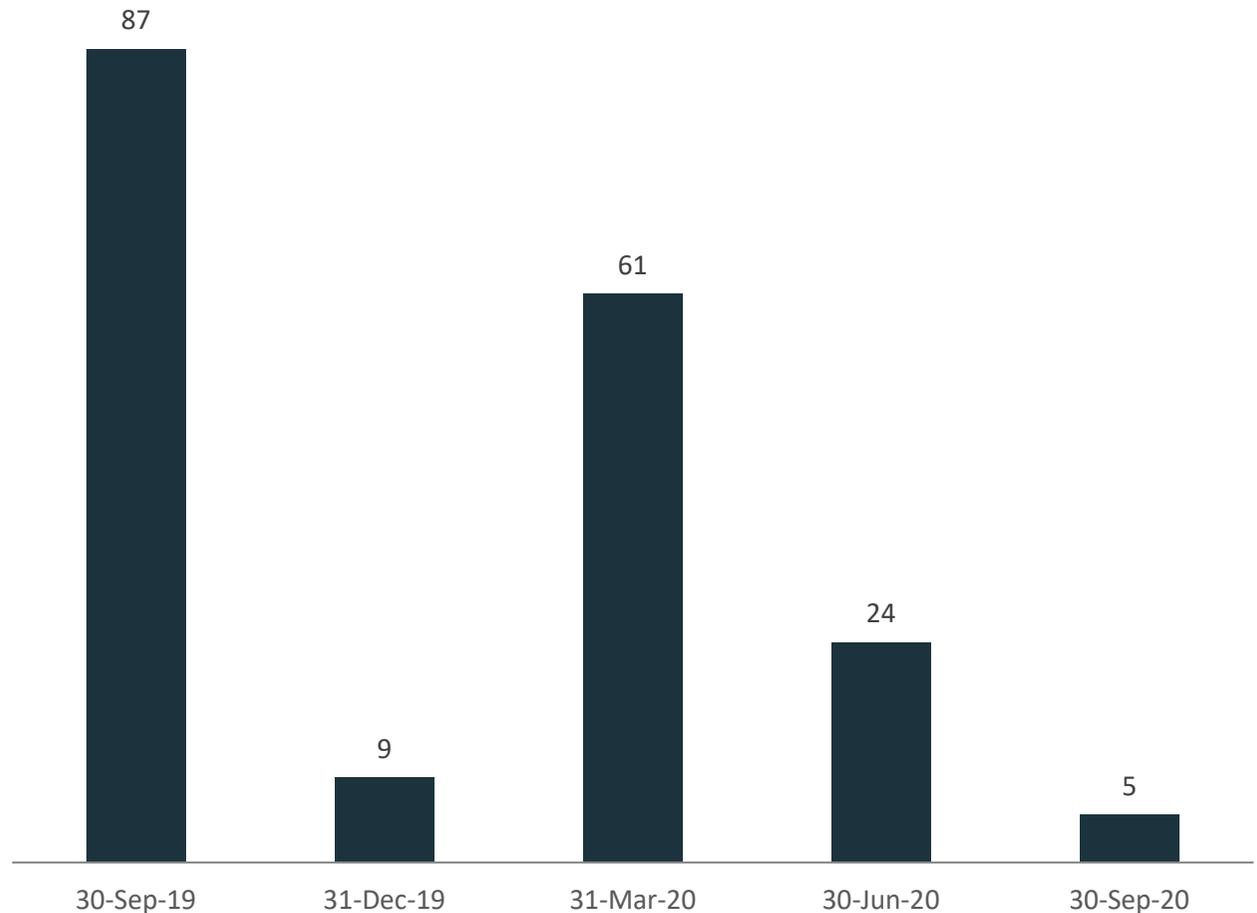
NET FINANCIAL POSITION AND LIQUIDITY

COMMENTARY

- **NET FINANCIAL POSITION DOWN TO €5M**
 - FROM €24M AS OF 30 JUNE 2020, THANKS TO YACHT DELIVERIES IN Q3
 - FROM €87M AS OF 30 SEPTEMBER 2019 MAINLY THANKS TO IPO PRIMARY PROCEEDS
- NET DEBT EVOLUTION FROM 31 DECEMBER 2019 FIGURES CONSISTENT WITH BUSINESS SEASONALITY
- **9M 2020 CASH & CASH EQUIVALENTS EQUAL TO €101M VS €81M AS OF 30 JUNE 2020**
- **UNDRAWN CREDIT LINES EQUAL TO €118M AS OF 30 SEPTEMBER 2020, SIGNIFICANTLY INCREASED VS 30 JUNE 2020 THANKS TO NEW AGREEMENTS WITH PRIMARY FINANCIAL INSTITUTIONS AND LOWER UTILISATION**

NET FINANCIAL POSITION

(€M)



OUTLOOK CONFIRMED

- DESPITE SIGNIFICANT IMPACT OF COVID-19 ON MARKET ACROSS GEOGRAPHIES AND INDUSTRIES, SANLORENZO CONTINUES TO BENEFIT FROM ITS SUPERIOR BUSINESS MODEL
 - SOLID LEADERSHIP IN LUXURY YACHTING, WITH POWERFUL BRAND EQUITY
 - LOYAL CUSTOMER BASE BELONGING TO THE WEALTHIEST FAMILIES
 - RESILIENT ORDER BACKLOG (LARGELY COVERED BY FINAL CLIENTS) PROVIDING HIGH VISIBILITY
 - UNIQUE APPROACH TO DISTRIBUTION THROUGH A HIGHLY SELECTIVE BRAND REPRESENTATIVE NETWORK
 - FOCUS ON VALUE-ADDED PHASES ALLOWING FOR A FLEXIBLE COST STRUCTURE
- **SANLORENZO'S MANAGEMENT CONFIRMS 2020E NET REVENUES FROM NEW YACHTS AND EBITDA IN LINE WITH 2019**
 - SUCH OUTLOOK REFLECTS CURRENT BACKDROP AND DOES NOT ENVISAGE MATERIAL IMPACTS FROM FURTHER LOCKDOWNS OR DISRUPTIONS COMPARABLE TO THOSE EXPERIENCED IN MARCH/APRIL 2020
- **INVESTMENTS DEDICATED TO PRODUCT DEVELOPMENT, INNOVATION AND SUSTAINABILITY ARE CONFIRMED AND OTHER PROJECTS NOT RETAINED A PRIORITY OR NECESSARY AT THIS TIME HAVE BEEN POSTPONED**



YOUR VISION, OUR CRAFT

APPENDIX

INCOME STATEMENT

(€'000)	Nine months ending as at 30 September				Change	
	2020	% Net Revenues New Yachts	2019	% Net Revenues New Yachts	2020 vs. 2019	2020 vs. 2019%
Net Revenues New Yachts	322,623	100.0%	333,537	100.0%	(10,914)	-3.3%
Net revenues from pre-owned boats, maintenance and other services	42,728	13.2%	19,619	5.9%	23,109	+117.8%
Other income	2,632	0.8%	731	0.2%	1,901	+260.1%
Operating costs	(319,462)	(99.0%)	(305,247)	(91.5%)	(14,215)	+4.7%
Adjusted EBITDA	48,521	15.0%	48,640	14.6%	(119)	-0.2%
Non-recurring costs	(1,098)	(0.3%)	-	-	(1,098)	-
EBITDA	47,423	14.7%	48,640	14.6%	(1,217)	-2.5%
Depreciation and amortisation	(14,314)	(4.4%)	(10,985)	(3.3%)	(3,329)	+30.3%
EBIT	33,109	10.3%	37,655	11.3%	(4,546)	-12.1%
Net financial expense	(1,578)	(0.5%)	(2,932)	(0.9%)	1,354	-46.2%
Adjustments to financial assets	33	0.0%	(291)	(0.1%)	324	-111.3%
Pre-tax profit	31,564	9.8%	34,432	10.3%	(2,868)	-8.3%
Income taxes	(9,435)	(2.9%)	(10,100)	(3.0%)	665	-6.6%
Net profit	22,129	6.9%	24,332	7.3%	(2,203)	-9.1%
Net profit/loss attributable	197	0.1%	(17)	(0.0%)	214	-1,258.8%
Group net profit	22,326	6.9%	24,315	7.3%	(1,989)	-8.2%

Source: Company information
Consolidated Figures

BALANCE SHEET

(€'000)	30 September 2020	31 December 2019	Change	
			2020 vs. 2019	2020 vs. 2019%
USES				
Goodwill	8,667	8,667	-	-
Intangible assets with a finite useful life	34,898	35,404	(506)	-1.4%
Property, plant and equipment	106,100	102,598	3,502	+3.4%
Other equity investments and other non-current assets	409	379	30	+7.9%
Net deferred tax assets	2,723	3,008	(285)	-9.5%
Non-current employee benefits	(908)	(796)	(112)	+14.1%
Non-current provisions for risks and charges	(982)	(913)	(69)	+7.6%
Net fixed capital	150,907	148,347	2,560	+1.7%
Inventories	93,151	62,311	30,840	+49.5%
Trade receivables	16,193	20,269	(4,076)	-20.1%
Contract assets	104,018	87,889	16,129	+18.4%
Trade payables	(124,449)	(152,189)	27,740	-18.2%
Contract liabilities	(59,570)	(19,442)	(40,128)	+206.4%
Other current assets	32,268	46,007	(13,739)	-29.9%
Current provisions for risks and charges	(8,438)	(9,299)	861	-9.3%
Other current liabilities	(25,584)	(23,999)	(1,585)	+6.6%
Net working capital	27,589	11,547	16,042	+138.9%
NET INVESTED CAPITAL	178,496	159,894	18,602	+11.6%
SOURCES				
Net financial position	5,088	9,063	(3,975)	-43.9%
Equity	173,408	150,831	22,577	+15.0%
TOTAL SOURCES	178,496	159,894	18,602	+11.6%

Source: Company information
Consolidated Figures

CASH FLOW STATEMENT AND NET FINANCIAL POSITION

CASH FLOW STATEMENT

(€'000)	30 September 2020	30 September 2019
EBITDA	47,423	48,640
Taxes paid	(3,859)	(4,891)
Changes in inventories	(30,840)	(44,737)
Changes in net contract assets and liabilities	23,999	(6,651)
Changes in trade receivables and advances to suppliers	3,932	13,400
Changes in trade payables	(27,740)	32,633
Changes in provisions for risk and charges, allowances and other assets and liabilities	9,473	(3,650)
Operating cash flow	22,388	34,744
Capital expenditures	(17,333)	(27,352)
Business combinations (Enterprise Value)	-	(17,116)
Free cash flow	5,055	(9,724)
Net financial charges	(1,545)	(2,932)
Change in NFP due to operations under joint control		(52,500)
Other changes	464	1,209
Change in net financial position	3,975	(63,947)
Beginning net financial position	9,063	22,963
Ending net financial position	5,088	86,910

NET FINANCIAL POSITION

(€'000)	30 September 2020	31 December 2019
Cash and cash equivalents	(100,876)	(60,186)
Other liquid assets	-	-
Securities held for trading	-	-
Cash	(100,876)	(60,186)
Current financial receivables	(674)	(6,654)
Current bank payables	1,290	370
Current portion of debt	33,374	17,394
Other current financial payables	5,658	1,530
Current financial debt	40,322	19,294
Net current financial debt	(61,228)	(47,546)
Non-current bank payables	64,100	54,706
Bonds issued	-	-
Other non-current payables	2,216	1,903
Non-current financial debt	66,316	56,609
Net financial position	5,088	9,063

Source: Company information
Consolidated Figures

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