

SANLORENZO

SANLORENZO S.P.A.:
THE BOARD OF DIRECTORS EXAMINED AND APPROVED
THE PRELIMINARY CONSOLIDATED RESULTS AS OF 31 DECEMBER 2023

Double-digit growth of all main metrics:
Net Revenues New Yachts +13.4% YoY at €840.2 million,
EBITDA +21.5% YoY at €157.5 million, with a 18.7% margin on revenues,
net cash position +€40.2 million YoY at €140.5 million,
thus in line with the guidance already revised upwards as of H1 2023 results.

Net backlog over €1 billion, 90% sold to final clients,
with high visibility on future results.

- Net revenues from the sale of new yachts (“Net Revenues New Yachts”) at €840.2 million, +13.4% compared to €740.7 million in 2022, led by the excellent results recorded across all Group’s divisions; geographically, robust performance in Europe, 68.7% of revenues, and significant growth in the MEA area.
- EBITDA at €157.5 million, +21.5% compared to €129.6 million in 2022, margin on Net Revenues New Yachts increasing from 17.5% to 18.7%, up by 120 basis points.
- Organic net investments for €44.5 million, a 5.3% incidence on Net Revenues New Yachts, of which 90% are expansionary, dedicated to production capacity increase and to develop new models and lines. Effect from changes of investments’ perimeter for additional €20.2 million, resulting from the acquisition of the majority and relative consolidation of Duerre and Sea Energy (both suppliers of Sanlorenzo).
- Net cash position of €140.5 million as of 31 December 2023, compared to €100.3 million as of 31 December 2022, strong cash generation equal to €40.2 million, net of €22.9 million dividends distribution, €3.3 million share buy-back, €44.5 million organic net investments, as well as €11.3 million impact on NFP from the consolidation of Duerre and Sea Energy. Therefore, net cash position, on a like-for-like basis, would amount to €151.8 million, comparing to the guidance range €135-145 million provided on an organic basis.
- Backlog equal to €1,041.7 million as of 31 December 2023, compared to €1,069.6 million as of 31 December 2022, of which €587.1 million referring to 2024 and €454.6 million to following years, providing a high level of visibility over a wide timeframe.

(€ million and margin in % of Net Revenues New Yachts)	2021	2022	2023 ¹	2023
	Actual	Actual	Guidance	Preliminary
Net Revenues New Yachts	585.9	740.7	830-850	840.2
EBITDA ²	95.5	130.2	155-160	157.5
EBITDA margin ²	16.3%	17.6%	18.6%-18.8%	18.7%
Organic Investments	49.2	50.0	48-50	44.5
<i>Incidence % on Net Revenues New Yachts</i>	8.4%	6.8%	5.8%	5.3%
Net financial position	39.0	100.3	135-145	140.5

¹ Revised upwards by the Board of Directors for the approval of half-year results, on 3 August 2023.

² The figures from 2019 to 2022 referred to Adjusted EBITDA, which differed from reported EBITDA by less than 0.5%.

Ameilia (La Spezia), 8 February 2024 – The Board of Directors of Sanlorenzo S.p.A. (“Sanlorenzo” or the “Company”), which met today under the chairmanship of Mr. Massimo Perotti, examined and approved the preliminary consolidated results as of 31 December 2023.

Massimo Perotti, Chairman and Chief Executive Officer of the Company, commented:

«Reliability, commitment, determination and transparency, always on track towards our goals. These are the values that have always guided the Group, which today presents the preliminary results of 2023 hitting the guidance already increased on the approval of the first half results. The performance of the year is substantiated by the growth of all the main metrics – at income and assets level, as well as in terms of constant ability to generate new cash to support future investments and the remuneration of our shareholders.

Sanlorenzo products are icons of the sea, ambassadors of Made in Italy excellence in the world, the highest expression of quality craftsmanship, design, innovative inspiration as well as technological and execution know-how. A unique ability that is enhanced by the clear high-end positioning strategy of our brand, which is not limited to product excellence but is an essential element of all our actions to keep this positioning.

In this perspective, we signed in December the contract for the acquisition of Simpson Marine, allowing us direct control in the APAC area towards which we have significantly high expectations in the medium-long term, but not only: the capillary structure in the South-East Asia will be synergic with the international development strategy of services. For example, in chartering, besides the activities started with the acquisition of Equinoxe, the Group’s network will allow to extend the offer on an intercontinental basis.

Also in December, the signing of a Memorandum of Understanding to explore a possible partnership with the Nautor Swan Group fits perfectly into our long-term strategy, especially in terms of sustainability given the obvious complementarity between the world of sailing and the cutting-edge technologies that we are applying for the use of green methanol and hydrogen as yachting fuels of the future.»

ANALYSIS OF NET REVENUES NEW YACHTS

Net Revenues New Yachts³ for the year ended 31 December 2023 amounted to **€840.2 million, up by 13.4%** compared to €740.7 million in 2022. In the fourth quarter, Net Revenues New Yachts are equal to €214.2 million, up by 8.9% compared to €196.6 million in the same period of 2022.

The Yacht Division drove growth with Net Revenues New Yachts at €510.6 million, up by 9.9% compared to 2022, with a particular significance of the iconic cross-over SX line.

The Superyacht Division generated Net Revenues New Yachts of €238.3 million, up by 19.0% compared to 2022, led by the Steel line and the contribution of the new X-Space.

Bluegame keeps growing strongly with Net Revenues New Yachts at €91.3 million, up by 20.2% compared to 2021. This outstanding performance has been also achieved thanks to a change in the favourable mix, vis-à-vis the results of the first sales of BGM75 and the first full year of operation of the BG54 line, the range's best seller.

The performance of all divisions benefits from the success of the new products, both those recently launched, in particular the SX100 of the Yacht Division, the X-Space of the Superyacht Division and the multi-hull BGM75 of Bluegame, as well as the models that will be presented during 2024, such as the SD132, the first composite 40-meter yacht of the Group, and the awaited 50Steel, the first superyacht in the world with the integration of fuel cell systems running on green hydrogen, continuously reformed on-board from green methanol, to generate the electricity to power the yacht *hotellerie* services.

³ Net Revenues New Yachts are calculated as the algebraic sum of revenues from contracts with customers relating to the sale of new yachts (recognised over time with the “cost-to-cost” method) and pre-owned yachts, net of commissions and trade-in costs of pre-owned boats.

The geographical breakdown confirmed, once again, the strong expansion of the European market, up by 38.3% compared to 2022, and the Middle-East, up by 83.7%, more than offsetting the slowdown in the Americas.

NET REVENUES NEW YACHTS BY DIVISION

(€'000)	Year ended 31 December				Change	
	2023	% of total	2022	% of total	2023 vs. 2022	2023 vs. 2022%
Yacht Division	510,603	60.8%	464,520	62.7%	46,083	+9.9%
Superyacht Division	238,256	28.3%	200,199	27.0%	38,057	+19.0%
Bluegame Division	91,305	10.9%	75,960	10.3%	15,345	+20.2%
Net Revenues New Yachts	840,164	100.0%	740,679	100.0%	99,485	+13.4%

NET REVENUES NEW YACHTS BY GEOGRAPHICAL AREA

(€'000)	Year ended 31 December				Change	
	2023	% of total	2022	% of total	2023 vs. 2022	2023 vs. 2022%
Europe	577,238	68.7%	417,268	56.3%	159,970	+38.3%
Americas	92,594	11.0%	171,497	23.2%	(78,903)	-46.0%
APAC	91,999	11.0%	109,273	14.8%	(17,274)	-15.8%
MEA	78,333	9.3%	42,641	5.7%	35,692	+83.7%
Net Revenues New Yachts	840,164	100.0%	740,679	100.0%	99,485	+13.4%

OPERATING RESULTS

EBITDA⁴ amounted to **€157.5 million, up by 21.5%** compared to €129.6 million in 2022. The **margin on Net Revenues New Yachts** is equal to **18.7%, up by around 120 basis points** compared to 2022, as proof of the solidity of the business model and the ability to practice sustainable pricing policies, consistent with the brand positioning.

INVESTMENTS

Organic net investments amounted to **€44.5 million**, of which approximately 90% dedicated to expand production capacity and to develop new models and ranges. The incidence on Net Revenues New Yachts showed a reduction, amounting to 5.3%, mainly as a result of an ever-expanding revenue base, given a substantially stable average amount of investment needed for a new model development. Including the effect of the inclusion of Duerre S.r.l. and Sea Energy S.r.l. in the scope of consolidation, **total investments** amounted to **€64.7 million**.

NET FINANCIAL POSITION

Net working capital was **steady and negative for €34.9 million** as of 31 December 2023, compared to a negative figure of €37.0 million as of 31 December 2022, a stable result in the area of -5% of year-end revenues.

Net cash position as of 31 December 2023 was equal to **€140.5 million**, up by €40.2 million compared to €100.3 million as of 31 December 2022, net of the payment of dividends for €22.9 million, the share buy-back for €3.3 million, organic net investments for €44.5 million and impact on NFP from changes of the consolidation perimeter of €11.3 million, as a result of the acquisition of the majority and relative consolidation of Duerre S.r.l. and Sea Energy S.r.l.

⁴ EBITDA is calculated by adding amortisation/depreciation expenses to operating profit/loss.

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The manager responsible for preparing the corporate accounts, Attilio Bruzzese, pursuant to Article 154-bis, paragraph 2, of Italian Legislative Decree no. 58 of 1998 ("Consolidated Law on Finance - TUF") states that the information in this communication correspond to the records, ledgers and accounting entries.

This document includes forward-looking statements relating to future events and operational, economic and financial results of Sanlorenzo Group. These forecasts, by their nature, contain an element of risk and uncertainty, as they depend on the occurrence of future events and developments.

This document makes use of some alternative performance indicators. The represented indicators are not identified as accounting measurements in the context of IFRS standards and, therefore, must not be viewed as alternative measurements to those included in the financial statements. The management team believes that these indicators are a significant parameter for the assessment of the Group's economic and financial performance.

The preliminary consolidated results in this document are not subject to audit.

The Board of Directors will examine and approve the consolidated financial statements and the draft separate financial statements for the year ended 31 December 2023 at the meeting scheduled for the next 15 March.

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Sanlorenzo S.p.A.

Sanlorenzo is a leading global brand in the luxury yachting which builds "made-to-measure" yachts and superyachts customized for each client, characterized by a distinctive and timeless design.

Founded in 1958 in Limite Sull'Arno (FI), the cradle of Italian shipbuilding, Sanlorenzo has excelled in carving out a clear identity and a high-end brand positioning over time. In 1974, Giovanni Jannetti acquired the company and created Sanlorenzo legend, producing every year a limited number of yachts characterized by a unique, highly recognizable style, comfort, safety and focusing on a sophisticated customer base. In 2005, Massimo Perotti, Executive Chairman, acquired the majority of Sanlorenzo, guiding its growth and development on international markets, while preserving the heritage of the brand.

Today, manufacturing activities are carried out in four shipyards in La Spezia, Ameglia (SP), Viareggio (LU) and Massa, synergistically and strategically located within a 50 kilometres radius, in the heart of the nautical district.

The production is articulated into three business units: Yacht Division (composite 24-38 metres yachts); Superyacht Division (40-73 metres aluminium and steel superyachts); Bluegame Division (13-23 metres sports utility yachts in composite). Sanlorenzo also offers an exclusive range of services dedicated to its clients, such as a monobrand charter program (Sanlorenzo Charter Fleet), maintenance, refit and restyling services (Sanlorenzo Timeless) and crew training (Sanlorenzo Academy).

The Group employs over 970 people and cooperates with a network of thousands of qualified artisan companies. In addition, the Group leverages on an international distribution network, a widespread service network for customers worldwide, close collaborations with world-renowned architects and designers and a strong liaison with art and culture.

In 2022, the Group generated net revenues from the sale of new yachts of €740.7 million, Adjusted EBITDA of €130.2 million (EBITDA of €129.6 million) and a Group net profit of €74.2 million.

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