

# FY 2020 PRELIMINARY CONSOLIDATED RESULTS

23 FEBRUARY 2021



**SANLORENZO**

# PROVEN RESILIENCE

- **STRONG 2020 RESULTS PROVING ONCE AGAIN THE RESILIENCE OF SANLORENZO BUSINESS MODEL**, DESPITE THE IMPACT OF COVID-19 AND THE LOCKDOWN IN SPRING
- **OUTLOOK CONFIRMED FOR NET REVENUES NEW YACHTS**, STANDING AT €457.7M, SUBSTANTIALLY STABLE COMPARED WITH 2019
- **ADJUSTED EBITDA EXCEEDING OUTLOOK**, STANDING AT **€70.6M<sup>1</sup>**, REPRESENTING A **15.4% MARGIN** ON NET REVENUES NEW YACHTS VERSUS 14.5% IN 2019
- **INVESTMENTS FOR €30.8M** (6.7% OF NET REVENUES NEW YACHTS VERSUS 11.3% IN 2019), WITH ADDED FOCUS ON NEW PRODUCT DEVELOPMENT, INCLUDING 4 NEW MODELS LAUNCHED IN 2020
- SOLID FINANCIAL STANDING, WITH **€3.8M NET CASH POSITION** AS OF 31 DECEMBER 2020 FROM €5.1M NET DEBT AS OF 30 SEPTEMBER 2020
- **STRONG REBOUND IN BACKLOG**, WITH €196.3M ORDER INTAKE IN Q4 AS A RESULT OF MARKET RECOVERY AND THE COMMERCIAL INITIATIVES UNDERTAKEN BY THE GROUP
- **BACKLOG<sup>2</sup>** AS OF 31 DECEMBER 2020 AT **€408.8M**



1. Defined as EBIT + D&A, excluding non recurring items. FY 2020 non recurring items of €1.4m, linked to COVID-19 related expenses and non-monetary costs of the stock incentive plans.  
2. Conventionally cleared from the Net Revenues New Yachts generated during the year.

# 2021 GLOBAL ORDER BOOK

## SANLORENZO THE WORLD'S LEADING SINGLE-BRAND SHIPYARD

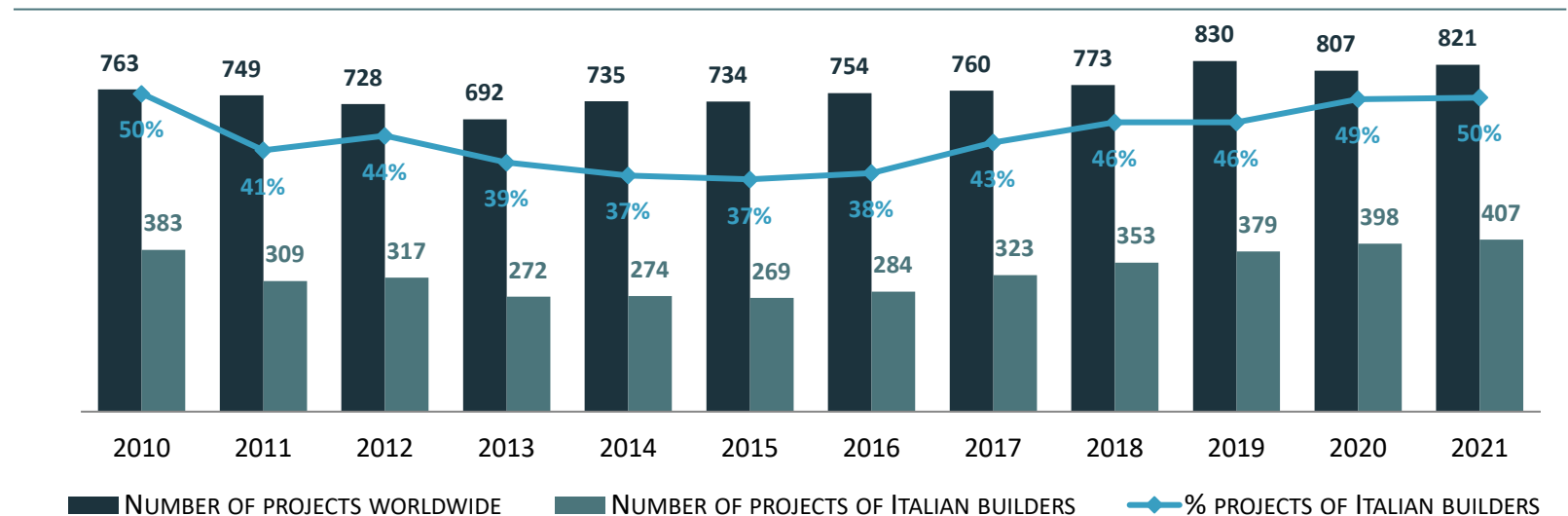
TOP 20 SHIPYARDS BY LENGTH

TOP BUILDERS BY LENGTH						
2021 RANK	COMPANY	TOTAL LENGTH (M)	NUMBER OF PROJECTS	AVERAGE LENGTH (M)	NUMBER OF PROJECTS 2020	2020 RANK
1	Azimut-Benetti	3,521	100	35.2	101	1
2	Sanlorenzo	3,089	86	35.9	87	2
3	Feadship	1,162	17	68.4	16	3
4	Ocean Alexander	1,119	35	32.0	31	7
5	Lürssen	1,049	9	116.6	9	5
6	Damen Yachting	1,028	15	68.5	14	6
7	Horizon	721	25	28.8	24	9
8	Overmarine	692	16	43.3	12	10
9	The Italian Sea Group	688	12	57.3	5	NEW ENTRY
10	Heesen Yachts	626	11	56.9	13	8
11	Oceanco	566	5	113.2	3	15
12	Bilgin Yachts	499	7	71.3	5	13

“SANLORENZO SITS IN SECOND PLACE, BOTH IN NUMBER OF PROJECTS AND COMBINED LENGTH. THIS ITALIAN YARD’S PROJECTS ARE BIGGER ON AVERAGE THAN LAST YEAR, THANKS TO THE 23 PROJECTS IN ITS SUPERYACHT DIVISION.”

– GLOBAL ORDER BOOK 2021

NUMBER OF PROJECTS 2010-2021, YACHTS >24M



Source: Boat International.

# FY 2020 FINANCIAL HIGHLIGHTS

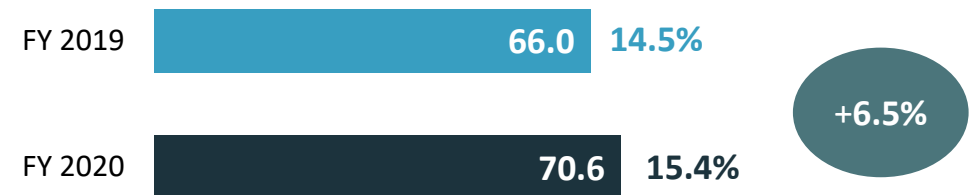
## NET REVENUES NEW YACHTS

(€M)



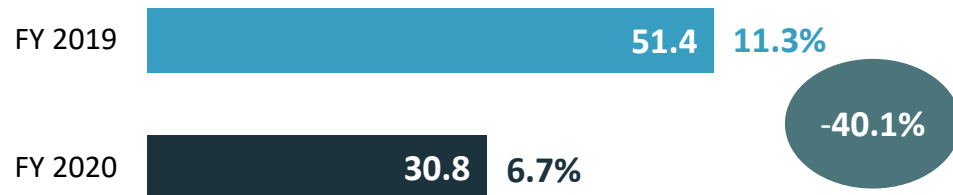
## ADJUSTED EBITDA

(€M AND MARGIN AS % OF NET REVENUES NEW YACHTS)



## CAPEX

(€M AND % OF NET REVENUES NEW YACHTS)



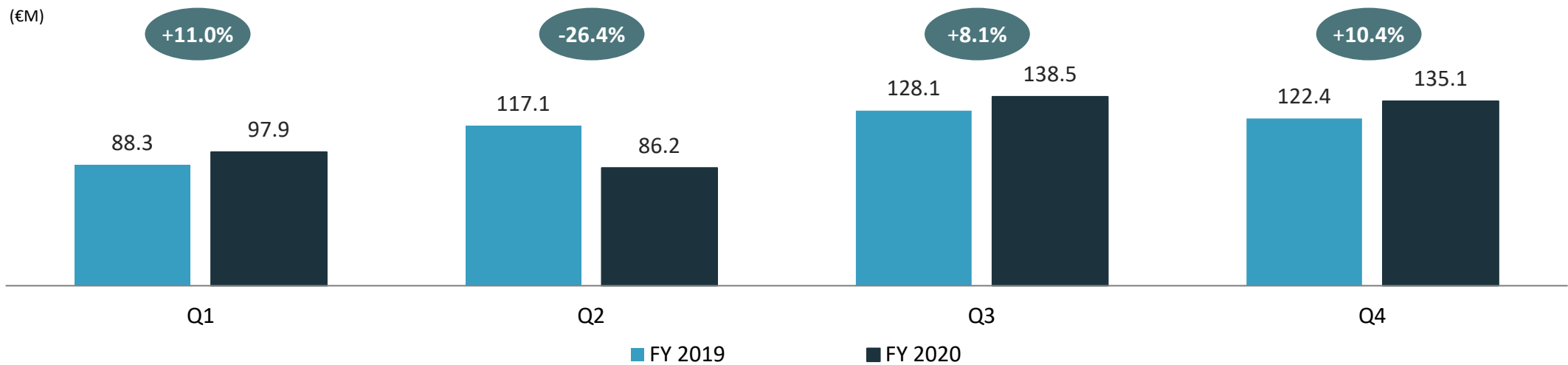
## NET FINANCIAL POSITION

(€M)

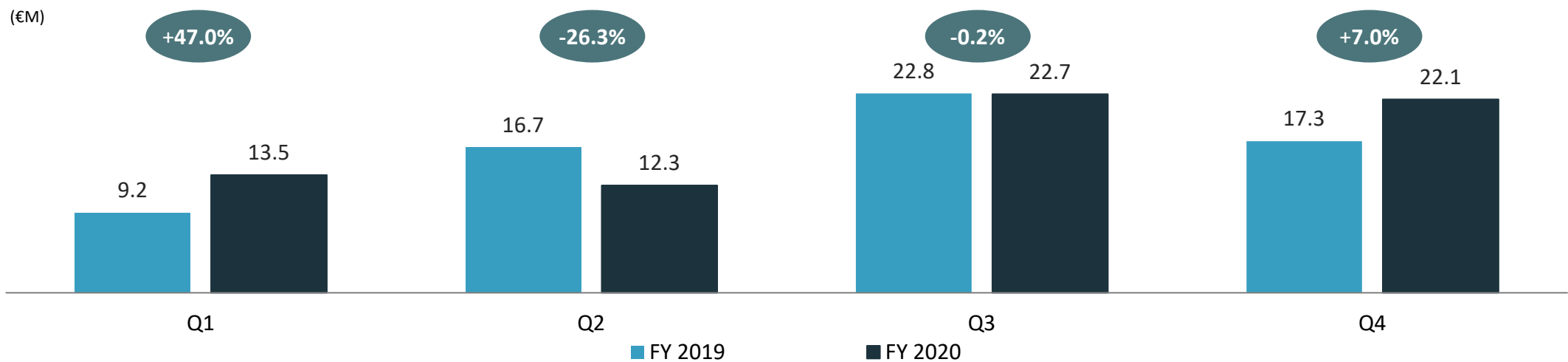


# NET REVENUES NEW YACHTS AND ADJUSTED EBITDA QUARTERLY EVOLUTION

## NET REVENUES NEW YACHTS



## ADJUSTED EBITDA



# NET REVENUES NEW YACHTS

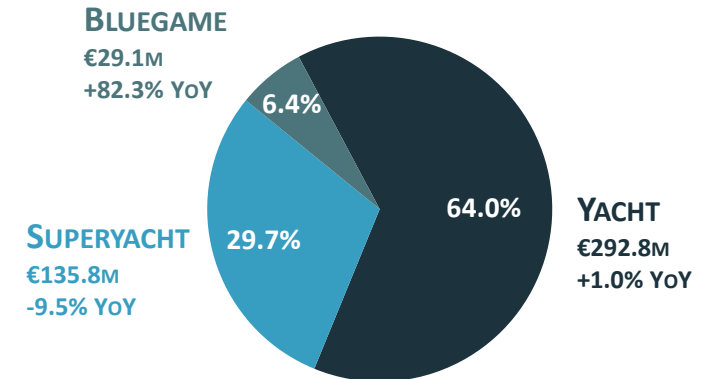
## COMMENTARY

- **FY 2020 NET REVENUES NEW YACHTS AT €457.7M: STABLE VERSUS FY 2019, CONFIRMING OUTLOOK**
- **BREAKDOWN BY DIVISION**
  - **YACHT +1.0% YoY, DRIVEN BY SALES OF LARGER YACHTS**
  - **SUPERYACHT -9.5% YoY, DUE TO THE RESTRICTIVE MEASURES ON TRAVELS AFFECTING VALIDATION OF PRODUCTION MILESTONES BY SURVEYORS**
  - **BLUEGAME +82.3% YoY, DRIVEN BY THE BGX LINE WITH THE ADDITION OF THE BGX60 LAUNCHED IN 2020**
- **BREAKDOWN BY GEOGRAPHY**
  - **EUROPE -16.3% YoY, IMPACTED BY THE RESTRICTIVE MEASURES DUE TO THE PANDEMIC**
  - **APAC +42.0% YoY, THANKS TO A QUICKER RECOVERY STARTED IN Q2**
  - **AMERICAS +15.4% YoY, DRIVEN BY A STRONG ACCELERATION IN Q4**
  - **MEA +17.5% YoY**

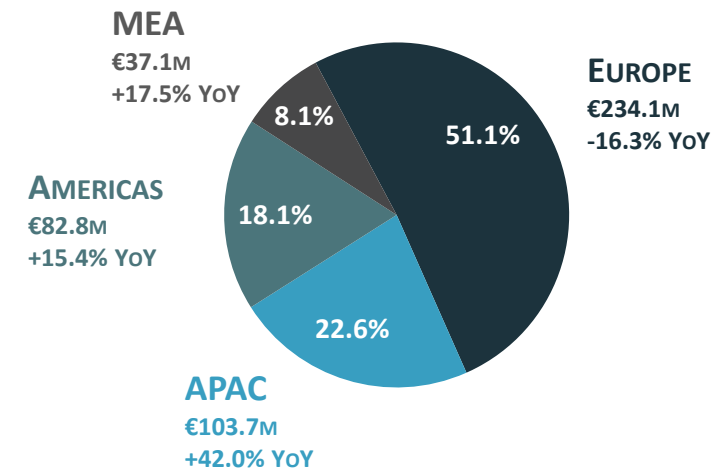
## NET REVENUES NEW YACHTS



## BREAKDOWN BY DIVISION



## BREAKDOWN BY GEOGRAPHY



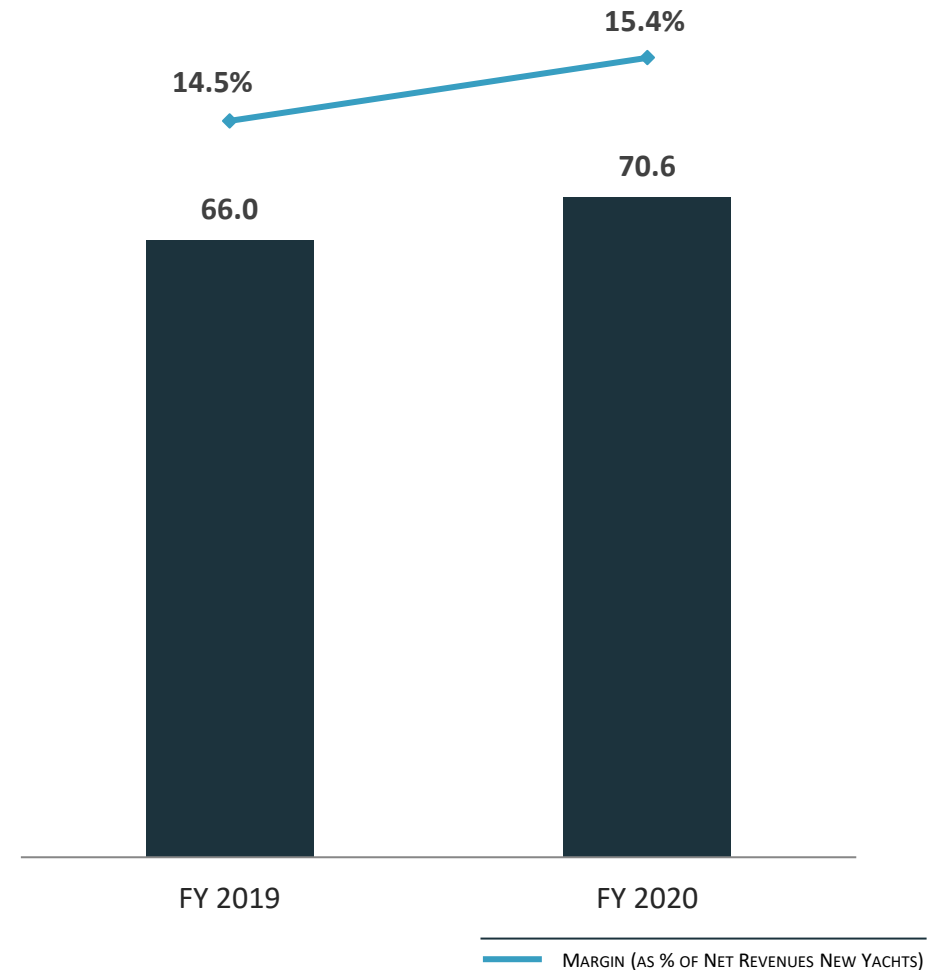
# ADJUSTED EBITDA

## COMMENTARY

- **FY 2020 ADJUSTED EBITDA<sup>1</sup> AT €70.6M: +6.5% VERSUS FY 2019, EXCEEDING OUTLOOK**
- **MARGIN ON NET REVENUES NEW YACHTS INCREASING FROM 14.5% IN 2019 TO 15.4% IN 2020 (+0.9%) NOTWITHSTANDING THE IMPACT OF COVID-19, AS A RESULT OF:**
  - STEADY SELLING PRICES AND SHIFT IN PRODUCT MIX TOWARDS LARGER YACHTS (YACHT AND BLUEGAME DIVISIONS)
  - INCREASED EFFICIENCY THANKS TO A FULLY OPERATIONAL NEW PRODUCTION CAPACITY AND HIGHER ABSORPTION OF FIXED COSTS
  - PROMPT RESTART OF INDUSTRIAL ACTIVITIES FOLLOWING THE HALT IN MARCH-APRIL LOCKDOWN AND EFFICIENT RE-ORGANISATION OF PRODUCTION IN COMPLIANCE WITH THE SAFETY AND PREVENTION PROTOCOL

## ADJUSTED EBITDA<sup>1</sup>

(€M)



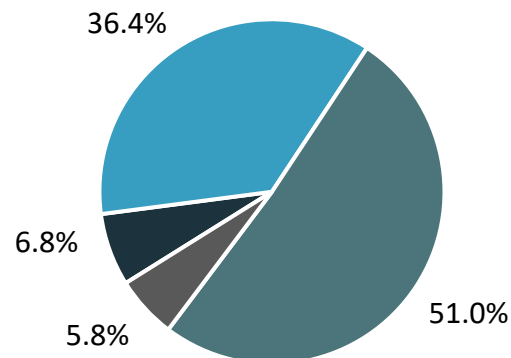
1. Defined as EBIT + D&A, excluding non recurring items. FY 2020 non recurring items of €1.4m, linked to COVID-19 related expenses and non-monetary costs of the stock incentive plans. FY 2019 non recurring items of €6.1m, entirely referred to IPO expenses.

# CAPEX

## COMMENTARY

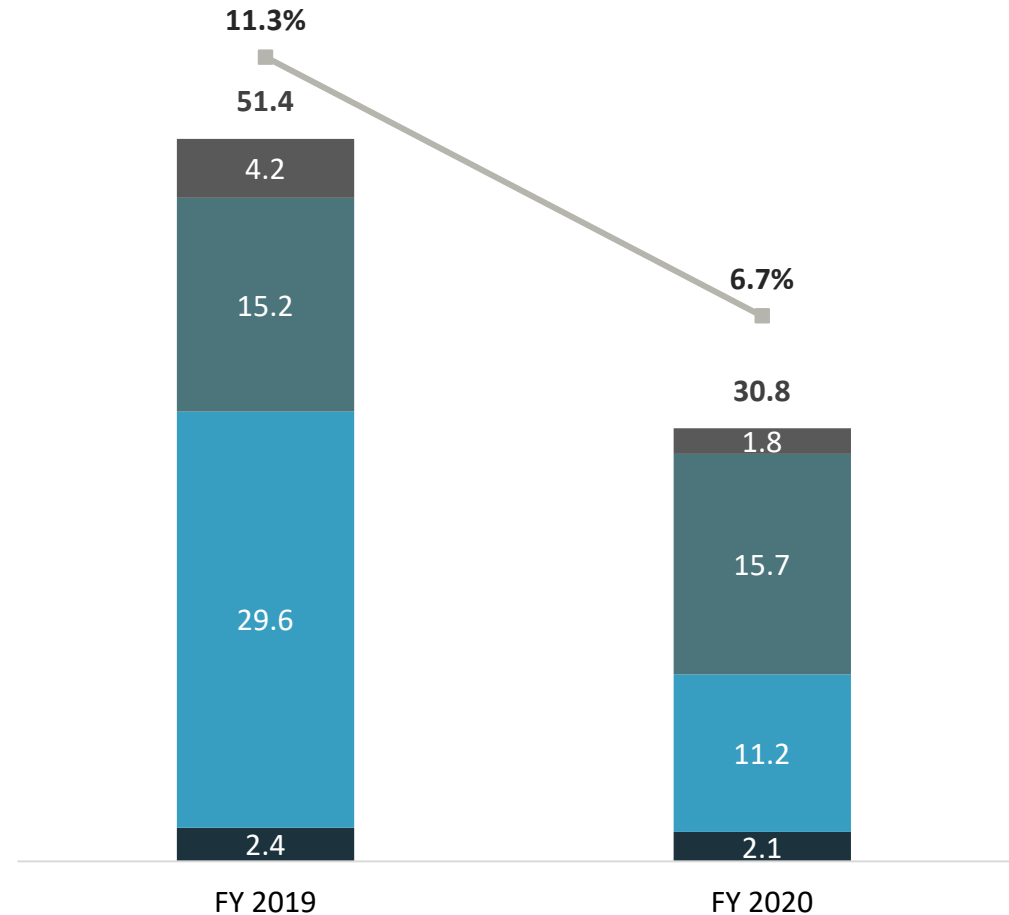
- **FY 2020 INVESTMENTS AT €30.8M**, DOWN BY 40.1% COMPARED WITH €51.4M IN 2019
- INVESTMENTS FOR ADDITIONAL PRODUCTION CAPACITY DECREASED FROM €29.6M IN 2019 TO €11.2M IN 2020 (-62.2%), WITH THE COMPLETION OF AMEGLIA SHIPYARD (D2 AREA) IN THE FIRST MONTHS OF THE YEAR AND THE ACQUISITION OF THE MASSA SHIPYARD IN DECEMBER<sup>1</sup>
- INVESTMENTS IN **R&D, SUSTAINABILITY AND PRODUCT DEVELOPMENT INCREASED** FROM €15.2M IN 2019 TO €15.7M IN 2020 (+3.3%), DESPITE THE IMPACT OF COVID-19
- **INCIDENCE OF INVESTMENTS ON NET REVENUES NEW YACHTS** DECREASING FROM 11.3% IN 2019 TO **6.7% IN 2020**

## BREAKDOWN OF 2020 CAPEX BY NATURE



## CAPEX EVOLUTION

(€M)



1. Previously occupied by virtue of a lease agreement with Immobiliare FIPA S.r.l.



# CAPEX NEW INDUSTRIAL CAPACITY

## EXPANSION OF AMEGLIA D2 SHIPYARD

### NEW D2 SHIPYARD

- **10.000 sqm** DEDICATED TO THE OUTFITTING OF YACHTS BETWEEN 76 AND 100 FEET
- **24 OUTFITTING STATIONS** IN A COMB LAYOUT
- MORE EFFICIENT LOGISTICS WITH “ISLAND TYPE” OUTFITTING STATIONS AND APPROX. **30% REDUCTION IN LEAD TIMES** THANKS TO THE ADOPTION OF THE “OPEN HULL” PROCESS
- PRODUCTION CAPACITY UP TO 45 YACHTS PER YEAR

### AMEGLIA SHIPYARD EXPANSION PROJECT – KEY FIGURES

- **TOTAL AREA** FROM 75,000 SQM TO **135,000 sqm**
- TOTAL AREA DEDICATED TO PRODUCTION FROM 15,000 SQM TO 25,000 SQM
- TOTAL AREA DEDICATED TO BUILDINGS AND OFFICES FROM 1,200 SQM TO 2,700 SQM



## ACQUISITION OF MASSA SHIPYARD

- ACQUISITION OF THE SHIPYARD IN MASSA ALREADY OCCUPIED BY VIRTUE OF A LEASE AGREEMENT WITH THE PREVIOUS OWNER IMMOBILIARE FIPA S.R.L.
- TWO BUILDINGS FOR A TOTAL OF **19,000 sqm**, ALREADY ALMOST FULLY REVAMPED
- DEDICATED TO THE LAMINATION OF FIBERGLASS AND THE PRODUCTION OF SEMI-FINISHED COMPONENTS (HULL, DECK AND SUPERSTRUCTURE) TO BE TRANSFERRED TO AMEGLIA AND VIAREGGIO FOR THE SUBSEQUENT PRODUCTION PHASES



# CAPEX

## R&D AND PRODUCT DEVELOPMENT: NEW MODELS INTRODUCED IN 2020

NEW SX112 PRESENTED AT GENOA BOAT SHOW



PROTOTYPE 44ALLOY

NEW BGX60 PRESENTED AT GENOA BOAT SHOW



PROTOTYPE 62STEEL

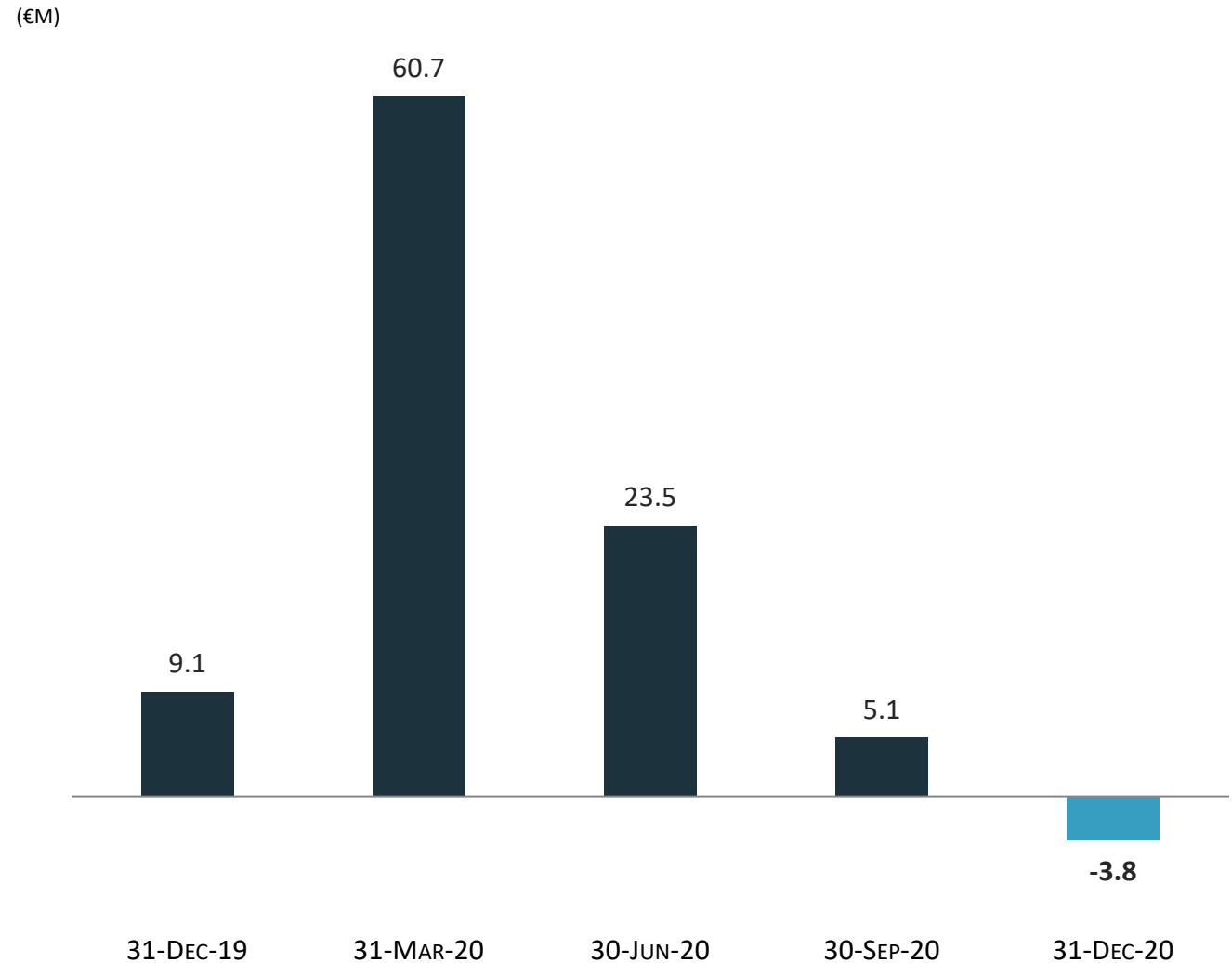


# NET FINANCIAL POSITION AND LIQUIDITY

## COMMENTARY

- **€3.8M NET CASH POSITION** AS OF 31 DECEMBER 2020
  - FROM €5.1M NET DEBT AS OF 30 SEPTEMBER 2020
  - FROM €9.1M NET DEBT AS OF 31 DECEMBER 2019 AFTER THE IPO
- EVOLUTION FROM 31 DECEMBER 2019 CONSISTENT WITH BUSINESS SEASONALITY, PROVIDING FOR STRONGER CASH GENERATION IN Q2 AND Q3
- **CASH & CASH EQUIVALENTS** AS OF 31 DECEMBER 2020 EQUAL TO **€94.4M** VS €100.9M AS OF 30 SEPTEMBER 2020
- **UNDRAWN CREDIT LINES** EQUAL TO **€132.9M<sup>1</sup>**, FURTHER INCREASED COMPARED TO 30 SEPTEMBER 2020 THANKS TO NEW AGREEMENTS WITH PRIMARY FINANCIAL INSTITUTIONS AND LOWER UTILISATION
- **TOTAL AVAILABLE CASH** (CASH ON HAND AND UNDRAWN CREDIT LINES) EQUAL TO **€227.3M**

## NET FINANCIAL POSITION



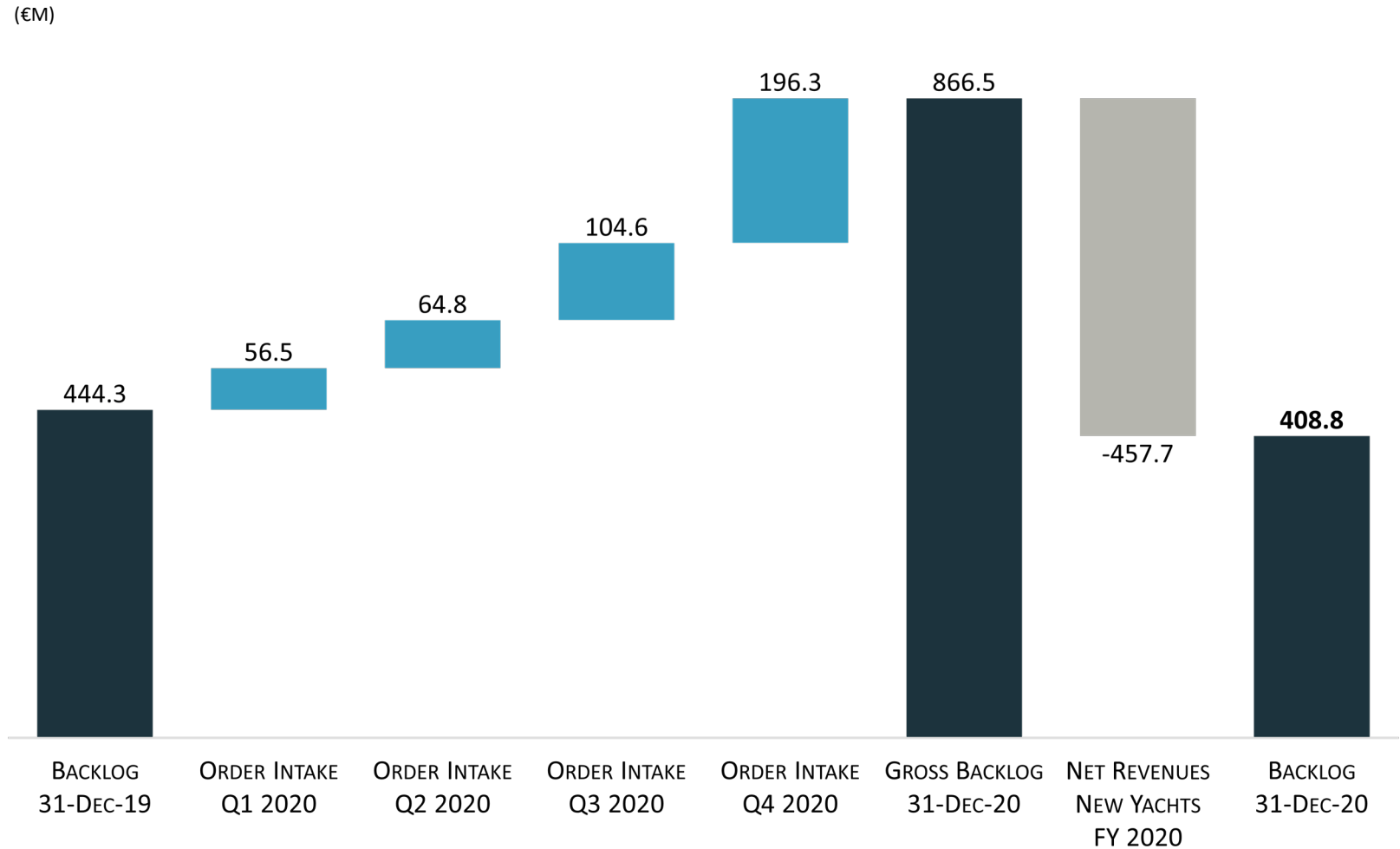
1. Excluding credit lines for reverse factoring and confirming.

# ORDER BACKLOG QUARTERLY EVOLUTION

## COMMENTARY

- GROSS BACKLOG EQUAL TO €866.5M AS OF 31 DECEMBER 2020, COMPARED TO €670.2M AS OF 30 SEPTEMBER 2020
- **STRONG ORDER INTAKE IN Q4 (€196.3M)**, THANKS TO MARKET RECOVERY AND THE EFFECTS OF THE MARKETING AND COMMERCIAL ACTIONS IN PLACE FROM SEPTEMBER
- ON A NET BASIS, EXCLUDING THE NET REVENUES FROM THE SALE OF NEW YACHTS GENERATED IN 2020, **BACKLOG AS OF 31 DECEMBER 2020 AMOUNTS TO €408.8M**

## ORDER BACKLOG EVOLUTION

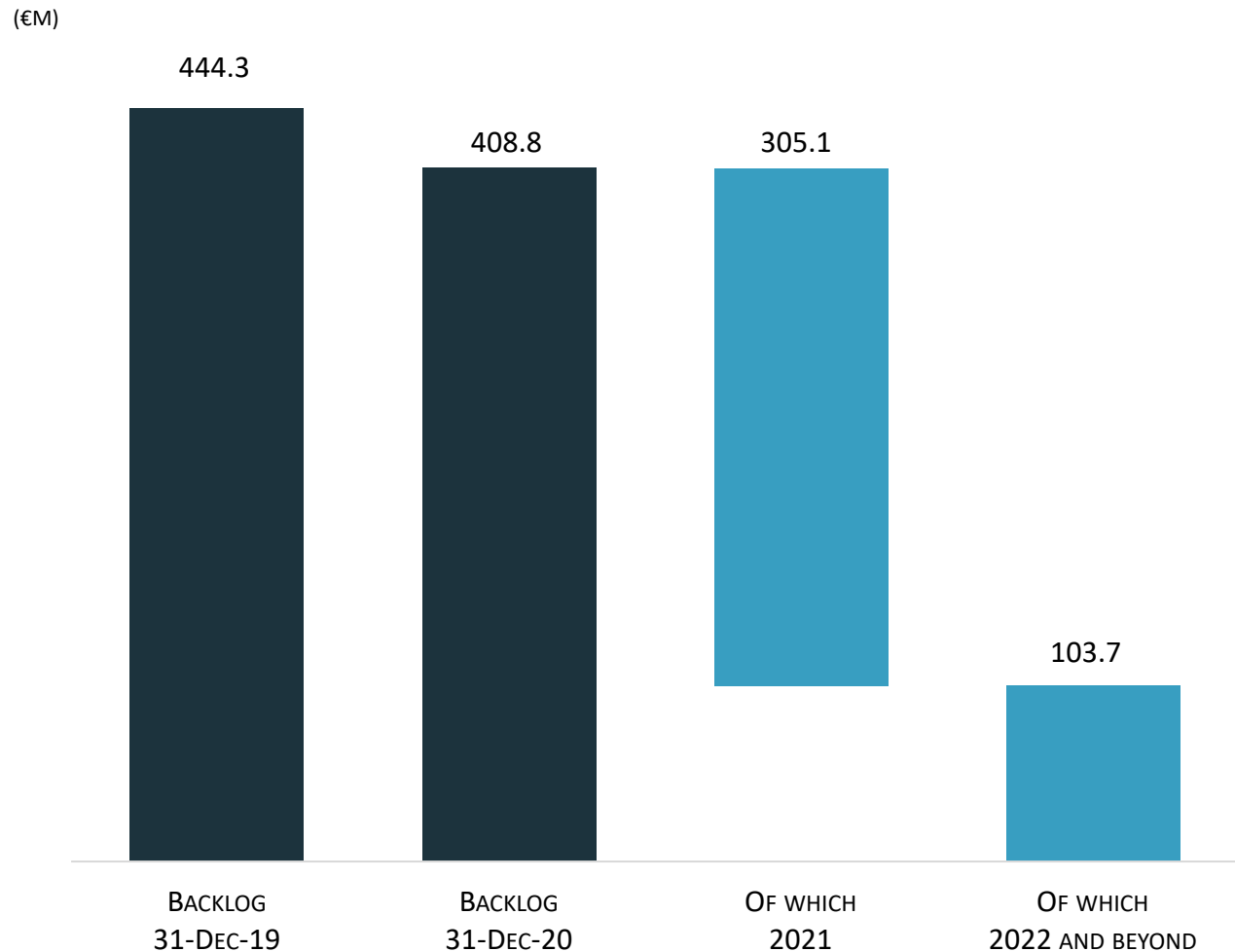


# ORDER BACKLOG COMPOSITION

## COMMENTARY

- **BACKLOG AS OF 31 DECEMBER 2020 AMOUNTS TO €408.8M**, COMPARED TO €444.3M AS OF 31 DECEMBER 2019, SHOWING **RESILIENCE** NOTWITHSTANDING THE **COVID-19** PANDEMIC AND THE RESTRICTIVE MEASURES ON TRAVEL
- **BACKLOG RESULT AFFECTED BY REDUCED SALES ACTIVITY DUE TO 45-DAY LOCKDOWN AND CANCELLATION OF BOAT SHOWS**
- **PROGRESSIVE RECOVERY OF LIMITED GAP VERSUS 31 DECEMBER 2019, THANKS TO MARKETING AND COMMERCIAL INITIATIVES IN PLACE**
- **ABOUT 94% OF BACKLOG COVERED BY FINAL CLIENTS** THANKS TO BRAND AWARENESS AND SL CUSTOMER CLUB
- **€305.1M OF THE BACKLOG REFER TO 2021<sup>1</sup>**, PROVIDING VISIBILITY ON NET REVENUES NEW YACHTS EXPECTED FOR THE YEAR

## ORDER BACKLOG COMPOSITION



1. Compared to €328.8m related to 2020 out of €444.3m total backlog as of 31 December 2019.

# MARKET UPDATE

## YACHTING INDUSTRY IS POSITIONED FOR GROWTH



### MarineMax CEO: “Many years of great things ahead”

IBI PLUS IBI Premium Content, by Tony Esposito | December 18, 2020

MarineMax CEO and president Brett McGill believes the US recreational boating industry has “many years of great things ahead” and that the Covid-19 pandemic-induced boating boom has permanently expanded the market, setting the stage for “many, many years of growth” ahead of it. But it has also hastened a change in how people buy boats.

McGill’s comments came during a live video interview hosted on the Clearwater, Florida-based mega retailer’s social media channels as part of a regular series.

2020 was a good year for the industry and MarineMax, which saw two major acquisitions – Northrop & Johnson, the yacht brokerage and management firm with 12 locations worldwide; and Skipper Bud’s, another retail chain with over 20 locations in seven states – part of what McGill describes as a strategy to service the MarineMax customer, wherever they might be.



### MarineMax tops expectations

IBI PLUS IBI Premium Content, by Craig Ritchie | January 28, 2021

US boat retail giant, MarineMax, posted both top-line and bottom-line gains which bested analysts expectations and yielded a record first quarter



Florida-based MarineMax Inc released its 2021 first quarter operating results on Thursday reporting record revenues, a 20% jump in same-store sales and record gross margins on the strength of a red-hot US boat market.

# MARKET UPDATE (CONTINUED)

## YACHTING INDUSTRY IS POSITIONED FOR GROWTH



### Garmin reports record Q4, 2020 FY on robust marine segment sales

IBI PLUS IBI Premium Content, by Craig Ritchie | February 17, 2021

Marine sector up 48% for the quarter, 29% for full fiscal year

Switzerland-based electronics manufacturer Garmin Ltd released its 2020 fourth-quarter and full-year financial results on Wednesday, marking record revenues on the strength of "robust growth" led by its marine, fitness and outdoor segments.

Garmin's marine sector led all operating divisions in revenue growth for the fourth quarter of 2020, earning net sales of \$171m for a 48% YOY increase over the \$115m in revenues reported for Q4 2019, with growth led by chartplotter sales.

Over the full fiscal year Garmin's marine business once again led all other segments in growth, earning net sales of \$657m for a 29% YOY increase from the \$509m in net sales reported for the previous year. Gains for the company's fitness and outdoor segments were reported as 26% and 23% respectively, while the firm's aviation and automotive businesses reported YOY decreases of 15% and 16% respectively.



### Brunswick CEO: Pandemic boat sale surge to carry into 2021

IBI PLUS IBI Premium Content, by Tony Esposito | December 08, 2020

The Covid-related sales spike realised by the US recreational marine industry this year should carry into 2021, according to Brunswick Corp CEO David Foulkes.



CEO David Foulkes speaking on CNBC Closing Bell

"We have incredible momentum in the industry now. We've attracted in a new demographic," Foulkes said on CNBC's 'Closing Bell', citing 2020 buyer demographic info that shows a broader ethnic diversity, more females and a slightly younger demographic entering the market.

us great momentum, not just next year but into future years," he said.

"I think that provides

# MULTIPLE LEVERS FOR PROFITABLE GROWTH FOCUS ON NEW PROJECTS

SD118 (YACHT DIVISION)



SP110 OPEN COUPE' NEW LINE (YACHT DIVISION)



X-SPACE NEW LINE (SUPERYACHT DIVISION)



BGM NEW LINE (BLUEGAME)

# BGM

*A STUNNING MOTORYACHT  
WHICH INCIDENTALLY HAS TWO HULLS.  
PLEASE BE PATIENT...*



# UPDATE ON PERINI NAVI

## SITUATION UPDATE

- PERINI NAVI DECLARED BANKRUPT ON 29 JANUARY 2021
- DEBTOR-IN-POSSESSION STATUS (ITALIAN “ESERCIZIO PROVVISORIO”) WITH NEXT COURT HEARING SCHEDULED ON 22 JUNE 2021 AND BIDDING PROCEDURE TO BE OPENED IN THE COMING MONTHS
- FENIX S.R.L. (PREVIOUS OWNER OF PERINI NAVI) FILED AN APPEAL AGAINST THE BANKRUPTCY
- SANLORENZO AND FERRETTI GROUP ANNOUNCED THE CREATION OF A 50-50 JOINT VENTURE TO TAKE OVER PERINI NAVI, ALSO PRELIMINARILY THROUGH A BUSINESS BRANCH LEASE



*“Maltese Falcon”, 88 metres yacht, first owner: Tom Perkins*

## RATIONALE BEHIND A POTENTIAL COMBINATION

- **BRAND AFFINITY**
  - SANLORENZO AND PERINI NAVI BOTH EXCEL IN PURSUING QUALITY AND DESIGN AS WELL AS MANUFACTURING KNOW-HOW
  - COMPLEMENTARY PRODUCT OFFERING (NO OVERLAP) CATERING TO THE SAME SOPHISTICATED CUSTOMER BASE
- POTENTIAL TO UNLOCK RELEVANT **INDUSTRIAL SYNERGIES**
- THE PERINI NAVI SAILING YACHTS EXPRESS THE MAXIMUM POSSIBLE **SUSTAINABILITY**, AND THE SYNERGIES REPRESENT FOR SANLORENZO A GREAT OPPORTUNITY TO ACCELERATE ITS RESPONSIBLE DEVELOPMENT PATH UNDERTAKEN WITH THE 2020 NON FINANCIAL STATEMENT

## RATIONALE BEHIND THE JOINT VENTURE WITH FERRETTI GROUP

- JOIN FORCES (MANAGEMENT CAPABILITIES AND FINANCIAL RESOURCES) OF TWO MAJOR PLAYERS IN THE YACHTING INDUSTRY TO RESCUE THE COMPANY
- FOSTER A QUICKER RECOVERY OF PRODUCTION THROUGH THE PROPOSED BUSINESS BRANCH LEASE AND MAINTAIN EMPLOYMENT LEVELS
- PAVE THE WAY TO FURTHER POTENTIAL COOPERATION INITIATIVES (I.E. R&D)

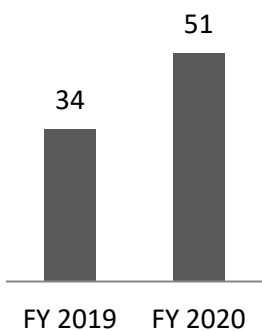
*YOUR VISION, OUR CRAFT*

APPENDIX

# YACHTS DELIVERED IN 2020

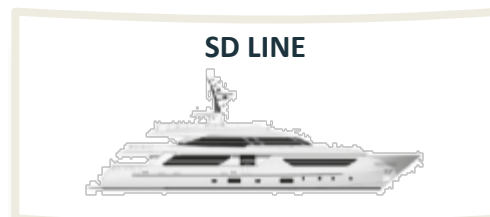
## DELIVERIES BY DIVISION

### YACHT



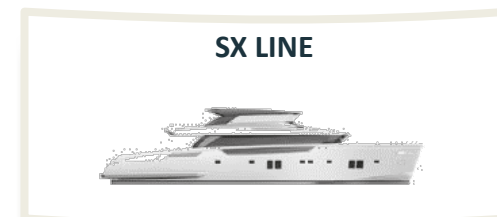
SL LINE

**Launch:** 1958  
**Type:** Planing / Flybridge  
**# Delivered in 2020:** 23 (+8 vs PY)



SD LINE

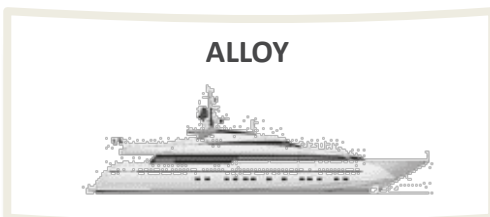
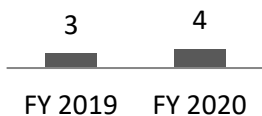
**Launch:** 2007  
**Type:** Semi Displacement  
**# Delivered in 2020:** 10 (+7 vs PY)



SX LINE

**Launch:** 2017  
**Type:** Crossover / Fast Displacement  
**# Delivered in 2020:** 18 (+2 vs PY)

### SUPERYACHT



ALLOY

**Launch:** 2007  
**Type:** Fast Displacement  
**# Delivered in 2020:** 2 (+1 vs PY)



STEEL

**Launch:** 2009  
**Type:** Displacement  
**# Delivered in 2020:** 1 (stable vs PY)



EXPLORER

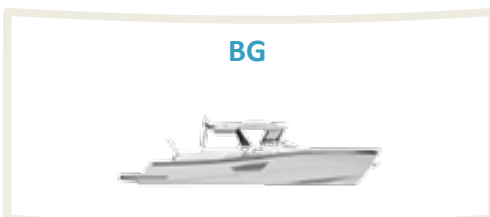
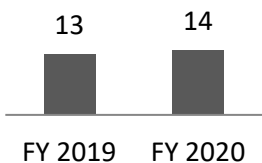
**Launch:** 2015  
**Type:** Explorer  
**# Delivered in 2020:** 1 (stable vs PY)

### TOTAL SL

37

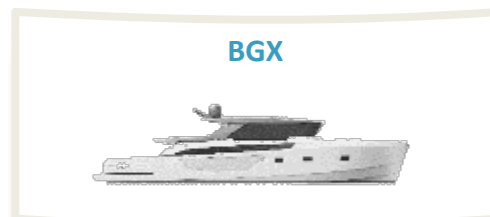
55

### BLUEGAME



BG

**Launch:** 2018  
**Type:** Tender / Chase Boat  
**# Delivered in 2020:** 11 (-1 vs PY)



BGX

**Launch:** 2019  
**Type:** Crossover / Sport Utility  
**# Delivered in 2020:** 3 (+2 vs PY)

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