

13 MAY 2024

SANLORENZO Q1 2024 RESULTS PRESENTATION



SANLORENZO

Sustainable Underwater Balance – SUB

Milan Design Week 2024



Q1 2024 key figures

Net Revenues New Yachts¹ / (€m)



EBITDA / (€m and % on Net Revenues New Yachts)



EBIT / (€m and % on Net Revenues New Yachts)



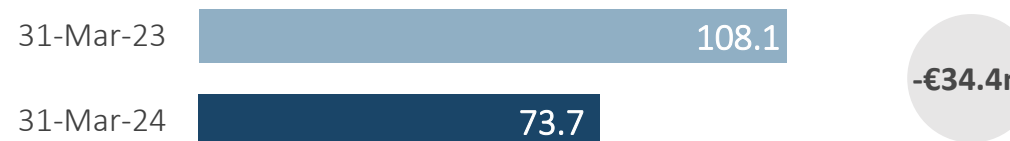
Group net profit / (€m and % on Net Revenues New Yachts)



Organic Investments² / (€m and % on Net Revenues New Yachts)



Net financial position³ / (€m)



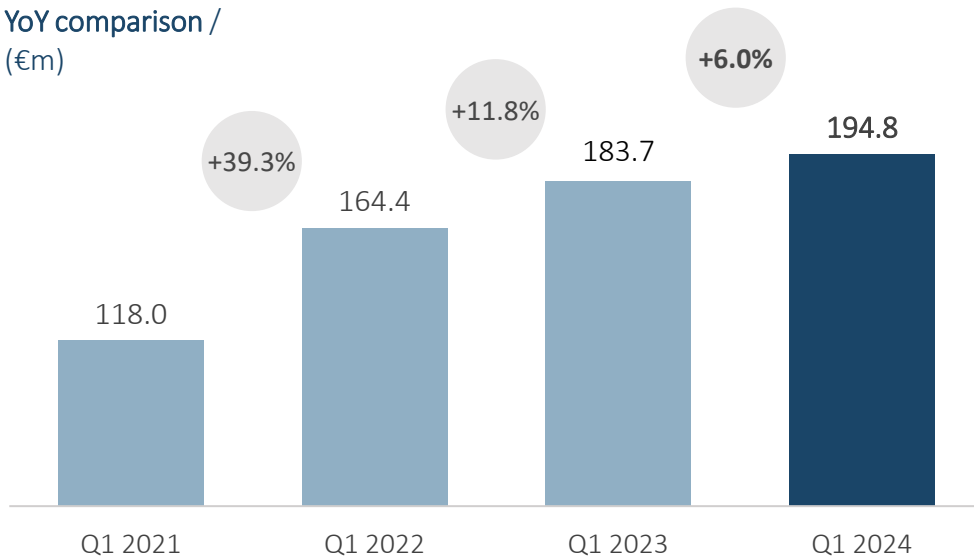
1. Calculated as the sum of revenues from contracts with customers relating to new yachts (recognised over time with the cost-to-cost method) net of commissions. In accordance with IFRS standards, revenue calculation includes the difference between the value contractually attributed to the pre-owned boats traded in and their relative fair value
2. Increases in property, plant and equipment and intangible assets with a finite useful life, net of the carrying amount of related disposals, without considering changes in consolidation perimeter. Total investments in Q1 2024 equal to €19.3m, including €12.6m from Simpson Marine Group fixed assets acquisition
3. Calculated in accordance with ESMA document 32-382-1138, 4 March 2021. A positive figure indicates a net cash position. IFRS 16 liabilities accounting for €9.4m as of 31 March 2024 and €8.7m as of 31 March 2023

Revenues growth rate in line with guidance

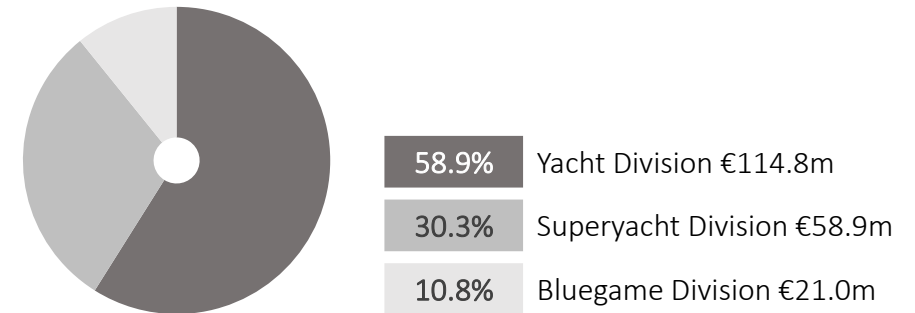
Q1 2024 Net Revenues New Yachts at €195m, +6.0% YoY.
Back to a tactful, sustainable growth rate

- Outstanding YoY performance for the Superyacht Division (+27.0%), sound trend of Bluegame Division (+5.8%) while the Yacht Division recorded a substantially stable result (-2.2%)
- APAC (+30.2%) and MEA (+25.0%) driving Q1 growth, while Europe (+0.5%) and Americas (+2.8%) posted a flattish quarter, due respectively to a tough comparison basis and signs of recovery not yet materialising into financial figures

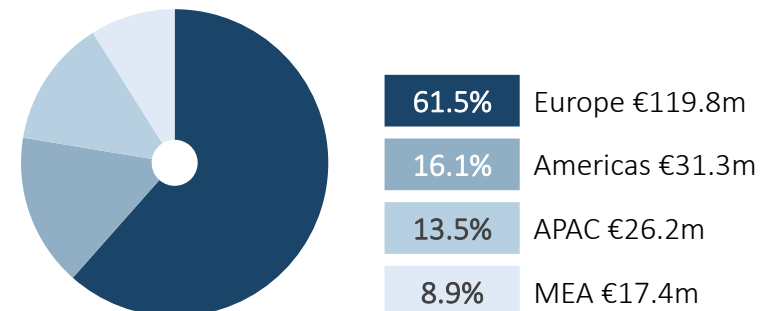
YoY comparison / (€m)



Breakdown by division



Breakdown by geography

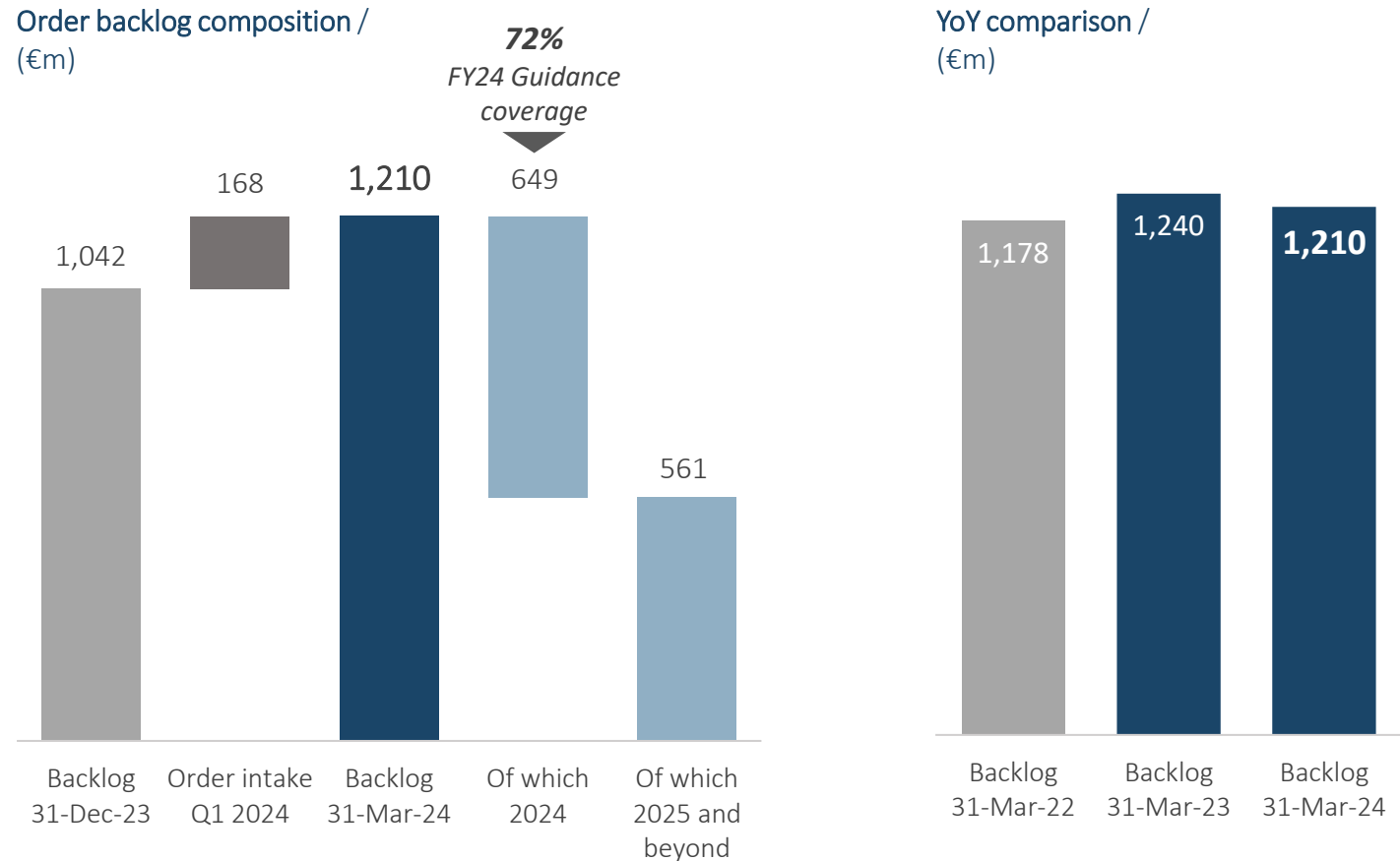


Net Revenues New Yachts are calculated as the sum of revenues from contracts with customers relating to new yachts (recognised over time with the cost-to-cost method) net of commissions. In accordance with IFRS standards, revenue calculation includes the difference between the value contractually attributed to the pre-owned boats traded in and their relative fair value.

Order intake normalising, yet backlog staying robust

Backlog above €1.2b as of end of March 2024, consolidating previous year’s record

- €168m Order Intake in Q1 2024, broadly in line with Q1 2023 (€170m)
- Confirming return to **typical industry seasonality**, in which Q3 and Q2 are the strongest quarters of the year
- Lengthy **waiting list/delivery times**, given the backlog still at record levels, representing a temporary **resistance to grow order intake further**
- 72% of FY 2024 Mid-point Guidance for Net Revenues New Yachts already covered as of March 31st, 2024

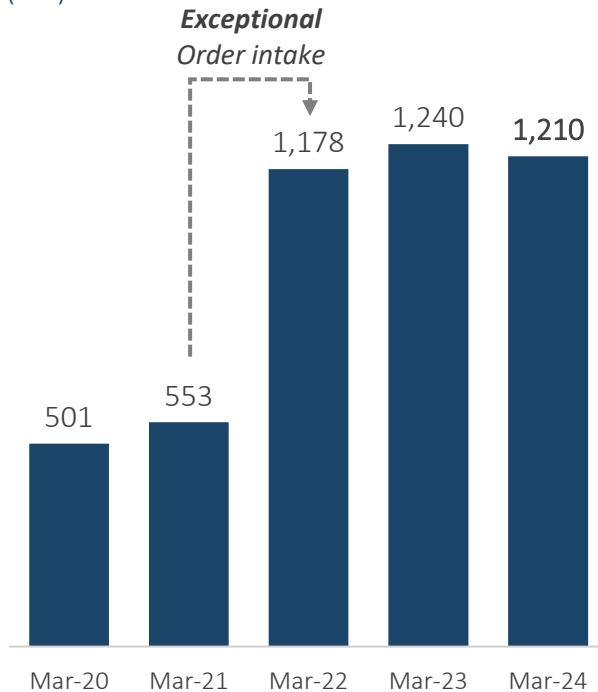


Backlog is calculated as the sum of the value of all orders and sales contracts signed with customers or brand representatives relating to yachts for delivery or delivered in the current year or for delivery in subsequent years. For each year, the value of the orders and contracts included in the backlog refers to the relative share of the residual value from 1 January of the current year until the delivery date. Backlog relating to yachts delivered during the year is conventionally cleared on 31 December.

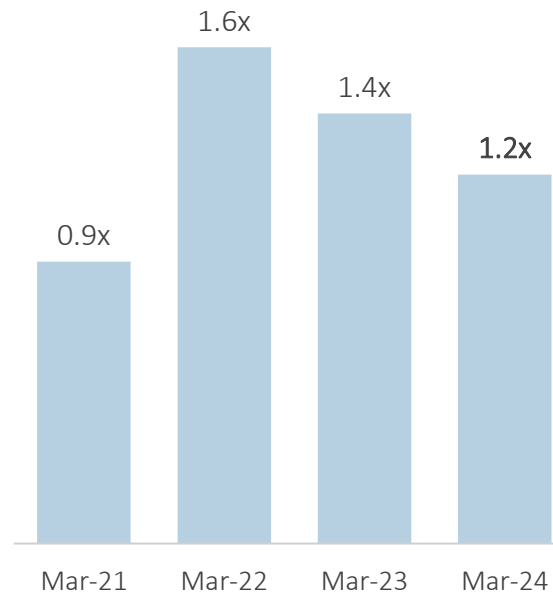
Visibility on future growth remains elevated

Net Book-to-Bill approx. 1.2x.
Share of backlog for “following year and beyond” broadly in line with historical average

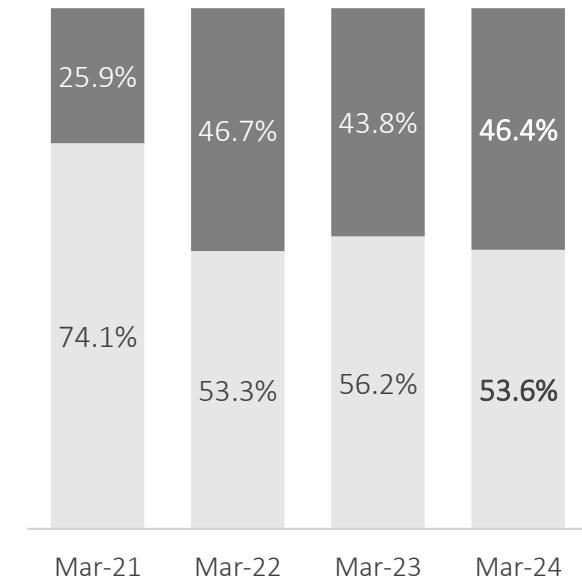
31 March backlog historical evolution / (€m)



LTM Net backlog cover / (Net Backlog/LTM Net Revenues New Yachts)



31 March backlog composition / (% of total)



■ Following year and beyond
■ Current year

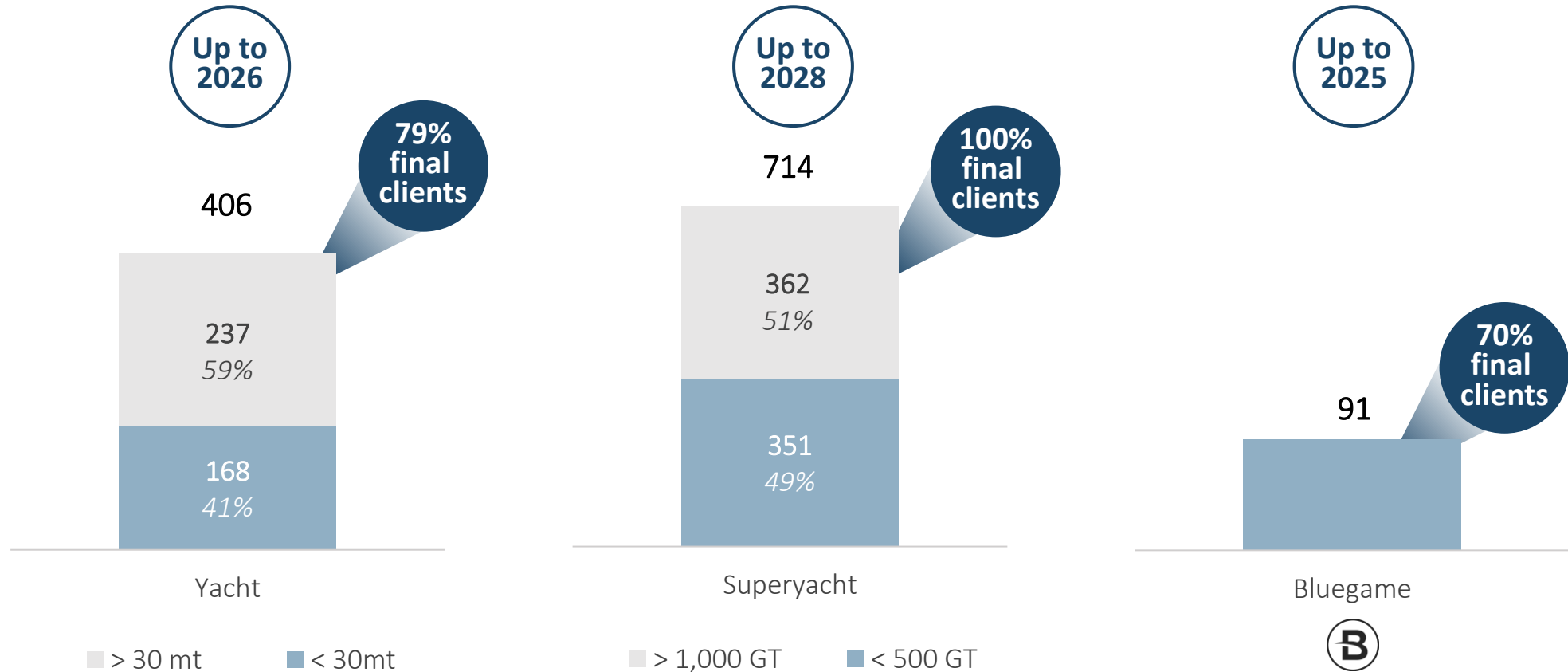
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Backlog broadly backed by final clients

88% sold to final clients, with sold deliveries up to 2028

Backlog by division /
(€m)

Timing of
scheduled
deliveries

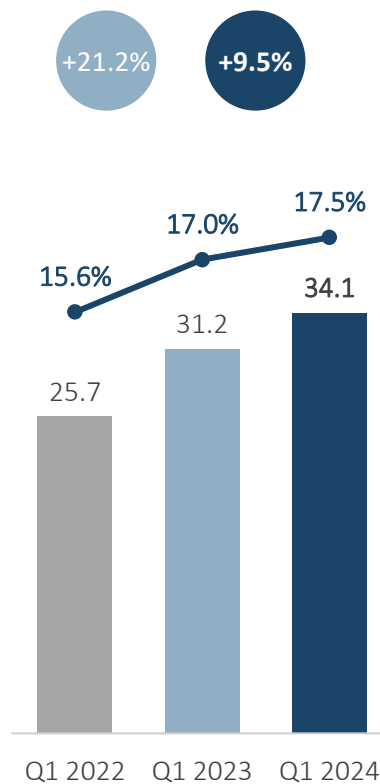


Continued robustness of profitability

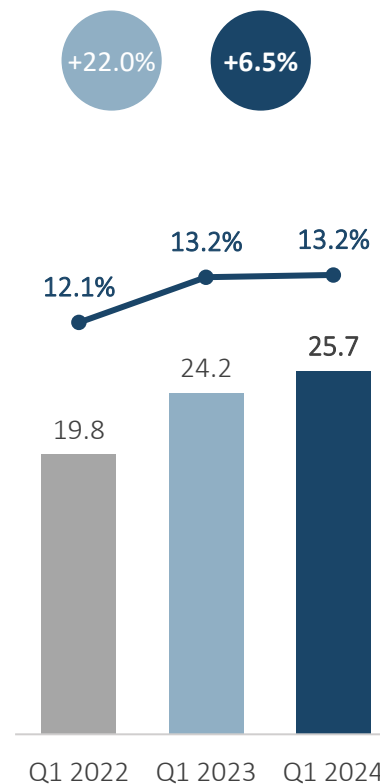
+50 bps EBITDA Margin, +70 bps Net Profit margin

- EBITDA Margin expanding further 50 bps, given the ability to keep selling and executing successful projects
- EBIT Margin flat YoY, due to significant investments in 2023, considering the contribution of M&A
- Largest margin expansion at Net Profit level, reflecting an increasingly optimised Treasury management

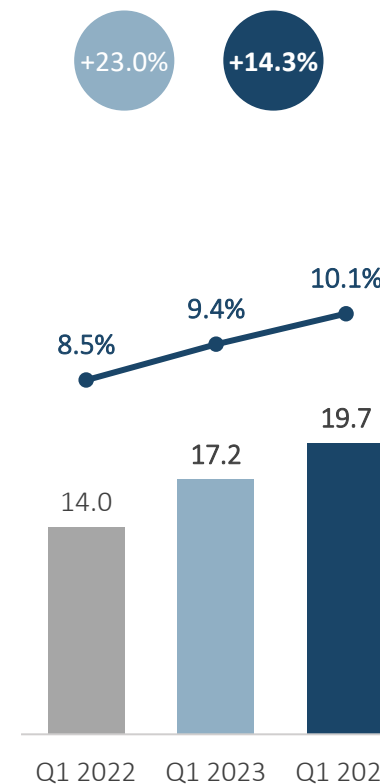
EBITDA /
(€m and margin % on Net Revenues New Yachts)



EBIT /
(€m and margin % on Net Revenues New Yachts)



Group net profit /
(€m and margin % on Net Revenues New Yachts)

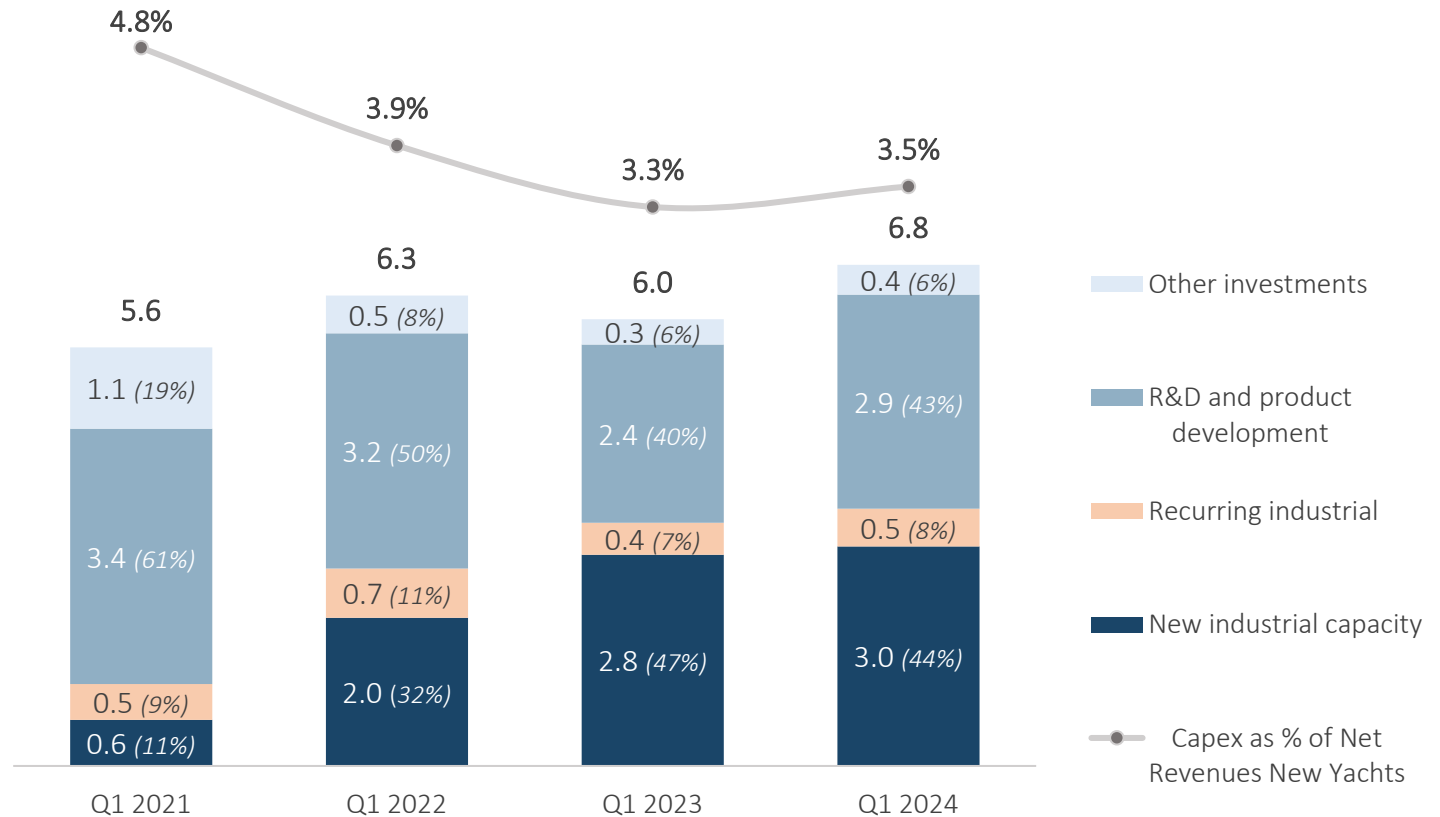


Mostly expansionary capex to sustain business development

Organic Net Capex at ca. €6.8m, of which €5.9m expansionary

- Overall net investments at €19.3m, of which €6.8m Organic Capex and €12.5m from Simpson Marine Group acquisition
- Approx. 90% of Organic Capex are expansionary:
 - Approx. €3m for new industrial capacity
 - Approx. €3m for new product development

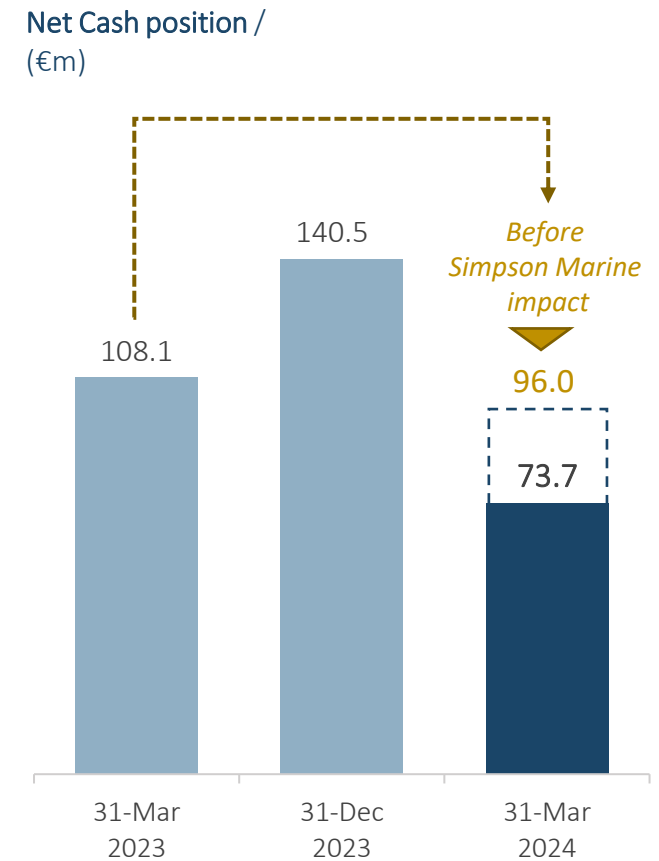
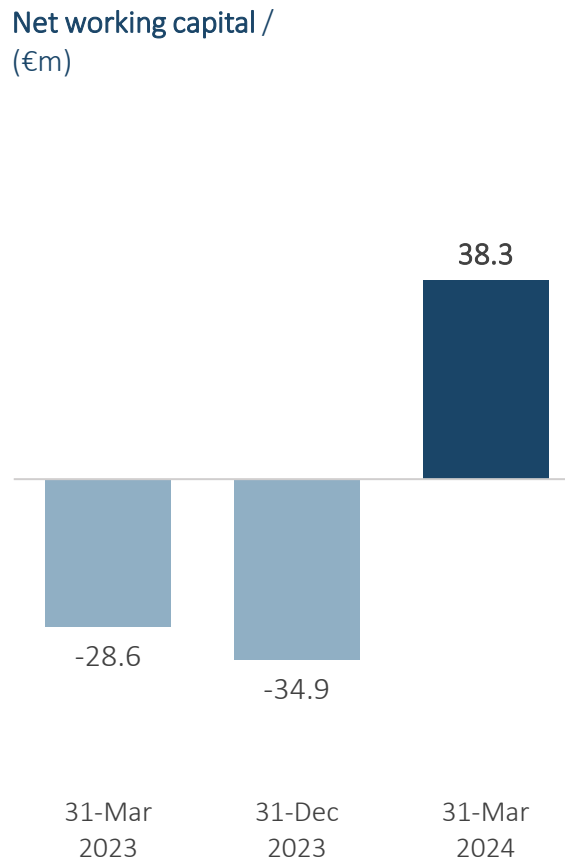
Organic Net Capex - YoY comparison / (€m and % of the total for the period)



Working Capital trend back to typical Q1 seasonality

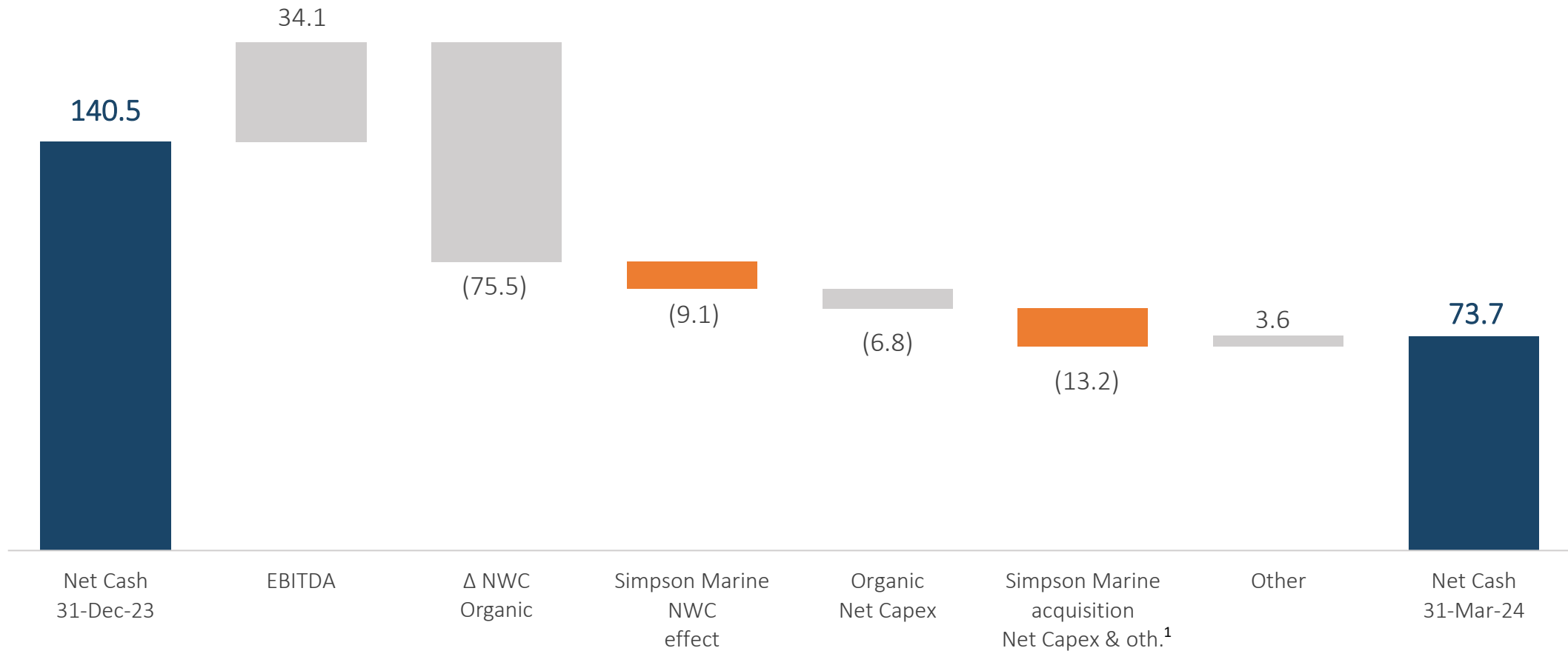
M&A and Working Capital seasonality driving temporary cash absorption in Q1

- **Net Working Capital (“NWC”) turning positive in Q1 as a consequence of normal industry seasonality:**
 - Intense yacht fitting activity as delivery season in the Med approaches, reflecting regular project NWC inversion
 - Normalising Order Intake in Q1, thus lower compensating effect from advance payments on new contracts, compared to previous post-Covid years
- USD 24.1m impact in Q1 from Simpson Marine Group acquisition, in terms of equity consideration and pre-closing dividend distribution
- €73.7m Net Cash Position as of 31 March, providing optionality value



Temporary cash absorption in Q1 for M&A and NWC seasonality

Q1 2024 NET CASH POSITION BRIDGE
(€m)



1. Of which 12.5 €m Net Capex, and 0.7 €m of other variations
Note: elaboration on Management accounts

FY 2024 Guidance reiterated

€m Margin as % of Net Revenues New Yachts	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Guidance	2025 ⁵ Outlook
Net Revenues New Yachts ¹ YOY GROWTH %	455.9	457.7 +0.4%	585.9 +28.0%	740.7 +26.4%	840.2 +13.4%	880-910 +7%	HIGH SINGLE-DIGIT Revenue CAGR '23-'25
EBITDA ² YOY GROWTH %	66.0	70.6 +7.0%	95.5 +35.3%	130.2 +36.3%	157.5 +21.5%	168-176 +9%	
EBITDA Margin ² YOY GROWTH %	14.5%	15.4% +0.9%	16.3% +0.9%	17.6% +1.3%	18.7% +1.1%	19.1%-19.3% +0.5%	≥19.5%
EBIT YOY GROWTH %	43.1	49.0 +13.7%	72.2 +47.3%	102.7 +42.2%	125.9 +22.5%	135-141 +10%	
EBIT Margin YOY GROWTH %	9.5%	10.7% +1.2%	12.4% +1.7%	13.9% +1.5%	15.0% +1.1%	15.3% - 15.5% +0.4%	
Group Net Profit YOY GROWTH %	27.0	34.5 +27.7%	51.0 +47.8%	74.2 +45.5%	92.8 +25.2%	99-101 +8%	
Capex ³ INCIDENCE ON NRNY %	51.4 11.3%	30.8 6.7%	49.2 8.4%	50.0 6.8%	44.5 5.3%	48-50 +5.5%	95-105 Cumulated '24-'25
Net Cash Position ⁴ CASH GENERATION	(9.1)	3.8 +12.9	39.0 +35.2	100.3 +61.3	140.5 +40.2	160-170 +25	185-205 100+ cash generation

Guidance based on organic Capex, excluding M&A impact

1. Calculated as the sum of revenues from the sale of new yachts (recognised over time with the cost-to-cost method) and pre-owned boats, net of commissions and trade-in costs of pre-owned boats.
2. The figures from 2019 to 2022 refer to Adjusted EBITDA; the figures from 2023 to 2025 refer to reported EBITDA, which differed from Adjusted EBITDA for less than 0.5%
3. Increases in property, plant and equipment and intangible assets, net of the carrying amount of related disposals, at constant perimeter. FY 2022 reported figure €59.0m, including the consolidation of Polo Nautico Viareggio S.r.l., I.C.Y. S.r.l. and Equinoxe S.r.l. .
4. Calculated in accordance with ESMA document 32-382-1138, 4 March 2021. A positive figure indicates a net cash position.
5. For the guidance range, annual growth is calculated on the average figure.

APPENDIX



Growth Strategy

ORGANIC

CORE BUSINESS

Net Revenues New Yachts



- ~2/3 price-mix effect
- ~1/3 volume growth
new lines and models

SERVICES



- CHARTER ↑ margin ~ capital
- REFIT ↑↑ margin ↑ capital

Synergic Commercial boost



M&A OPPORTUNITIES

SATELLITE BRANDS

Consistent positioning, sharing SL core values



- Technologic synergies
- Product development synergies
- Commercial synergies

Not in overlap

e.g. Sailing and Hydrogen / methanol



VALUE CHAIN

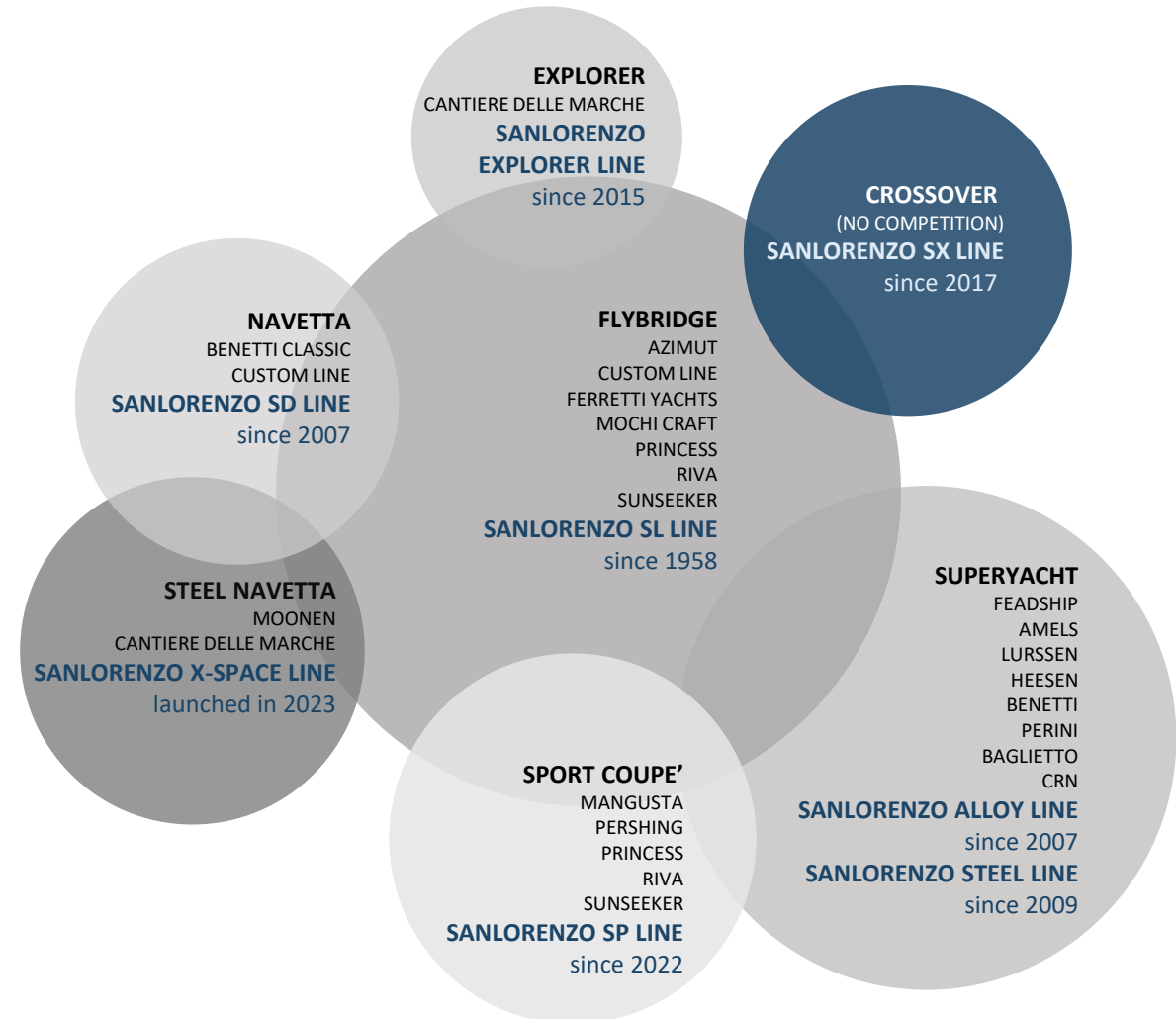
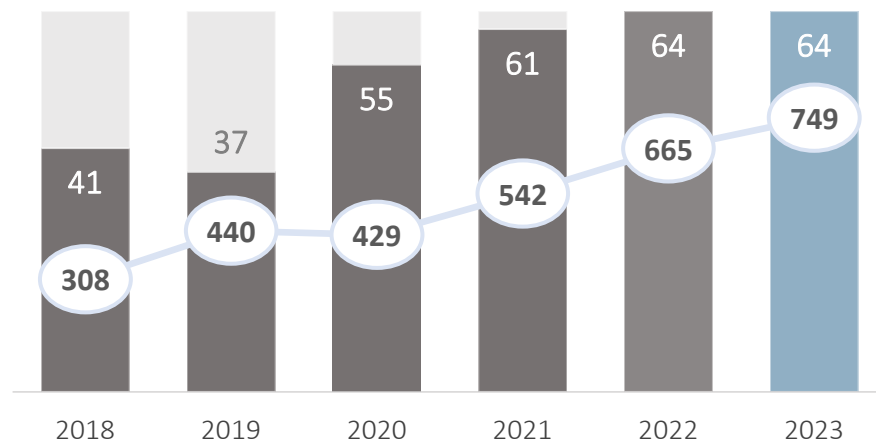


- Margin internalisation
- Securing scarce skills
- Market positioning control

Limited number of units built per year for each product line

Unique coverage of product ranges with one brand,
exclusively *haut de gamme*,
preserving supply scarcity within each range

of Sanlorenzo yachts delivered (columns)¹
and Sanlorenzo (Yacht + Superyacht) net revenues new yachts (line)



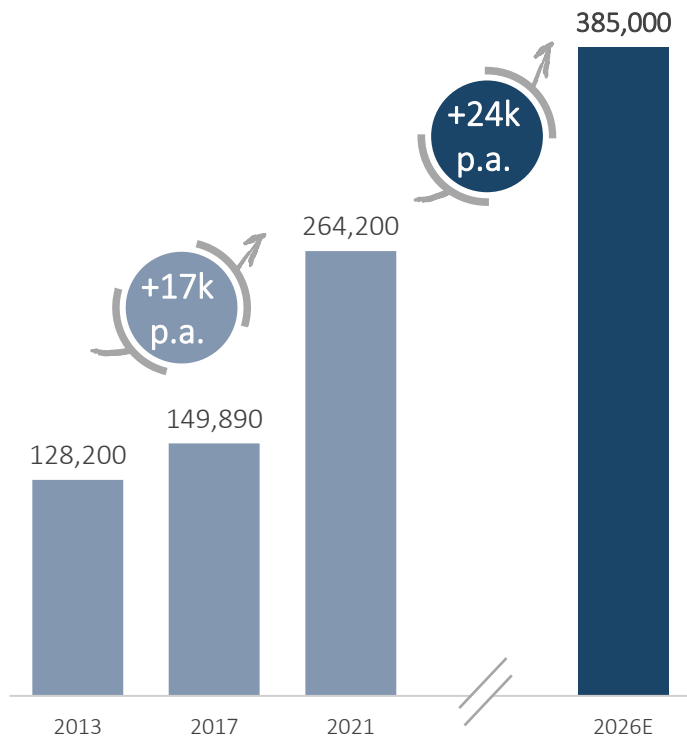
1. Including Yacht and Superyacht Divisions (respectively 56 and 8 in 2023), excluding Bluegame (36 yachts delivered in 2023).

Expanding addressable client base, in terms of size and typology

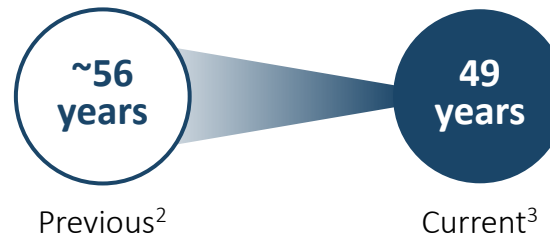
Steady increase in UHNWIs, geographic opportunities and new structural trends such as “Work-from-Yacht”, underpin yachting market long-term growth

of UHNWIs¹

Individuals with net worth above \$50m

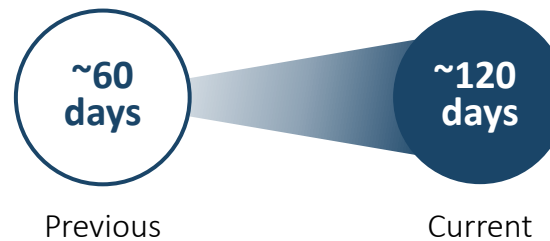


Average age of Sanlorenzo Superyacht buyers



Average days spent on board

Based on discussions with clients



New customer types

- New technologies for connectivity, significantly extending time on board, attracting new UHNWIs
- 2021-22 charters’ boom saw many clients approach yachting for the first time

ON TOP OF

“Sanlorenzo Club of connoisseurs”

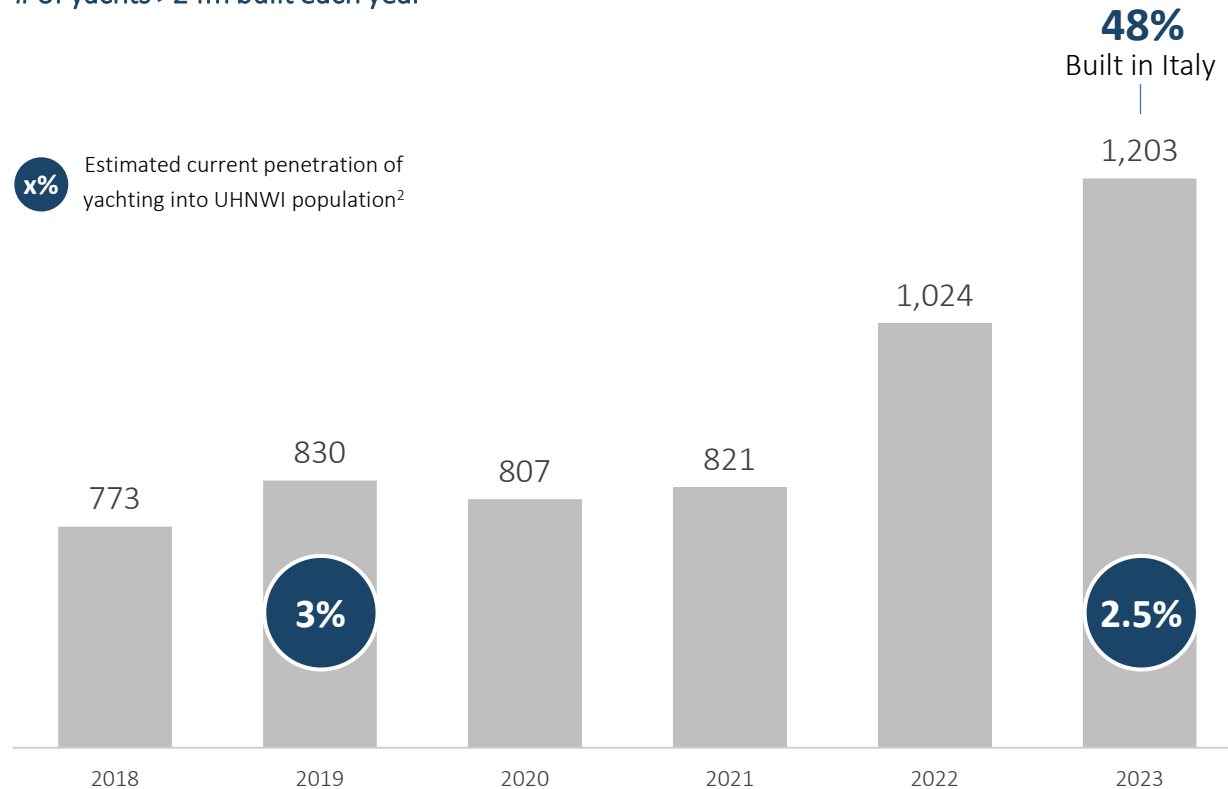
4.5 years	+76.4%
Frequency with which a Sanlorenzo repeat client changes yacht ⁴	Average value increase of latest purchase vs the previous one ⁴

1. Source: The state of the art of the global yachting market – Deloitte and Confindustria Nautica, April 2023; Deloitte Boating Market Monitor, May 2019.
 2. Based on the contracts for the sale of superyachts signed between 2016 and 2020.
 3. Based on the contracts for the sale of superyachts signed in 2021 and 2023.
 4. Based on contracts with repeat clients in the 2013-2023 timespan

Supply growth has been significant but overall constrained

Robust supply growth has still not matched the growth rate of the addressable customer base

of yachts >24m built each year¹








- Largely untapped client base, penetration rate below 3%
- Overall scarcity effect in the >24mt industry segment

1. Source: Global Order Book 2023 – BOAT International, December 2022. The Global Order Book counts all projects over 24 metres length overall on order or in build signed with a minimum 10% deposit received, on 1 September each year.
2. Source: The state of the art of the global yachting market – Deloitte and Confindustria Nautica, April 2023.

Equity investments in strategic supply chain players

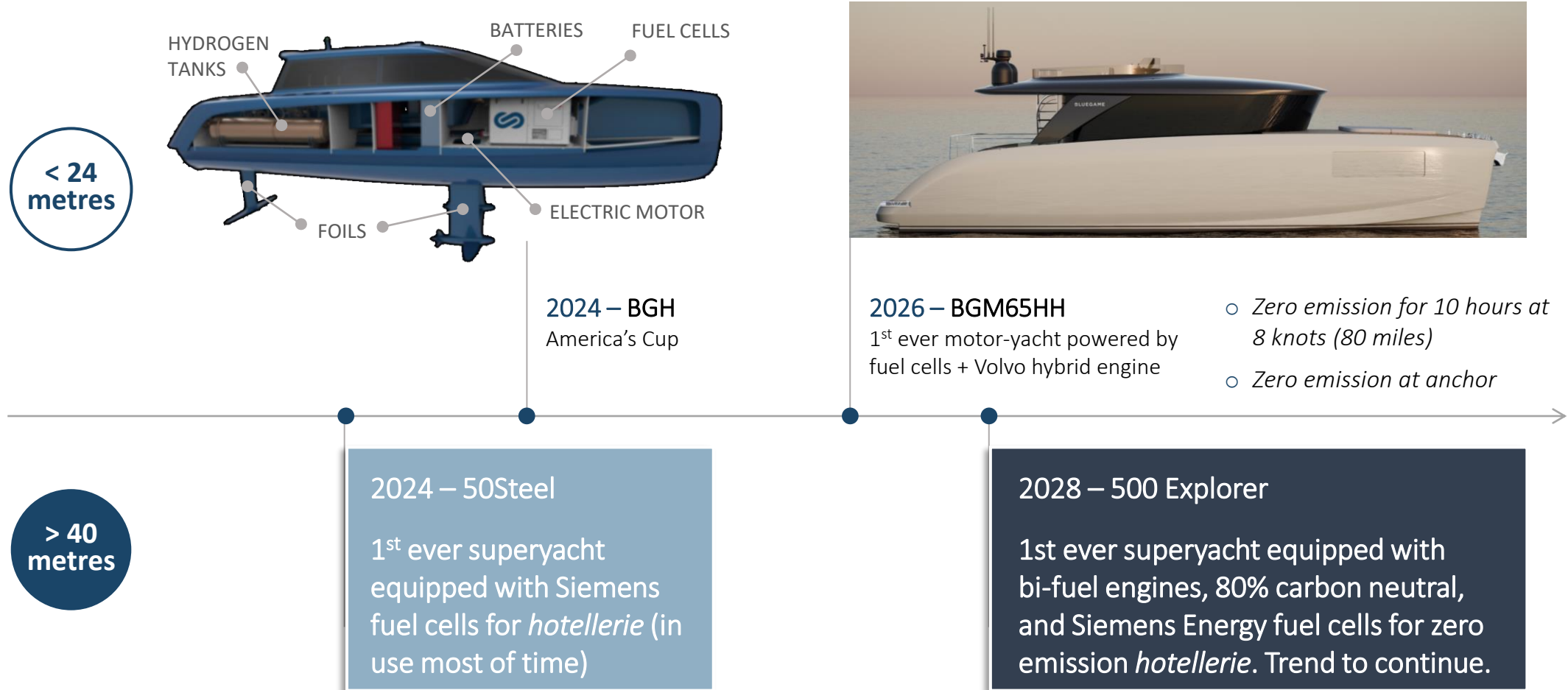
Disciplined investments in vertical integration of key manufacturing processes through partnerships and minority equity stakes in strategic suppliers

	 I.C. YACHT	 SA.LA.	 DUERRE	 SEA ENERGY YACHT ELECTRICAL SYSTEMS	 ARBATAX
<i>Activity</i>	Bluegame production	Metal carpentry	Furnishings	Electrical system	Composite parts
<i>Stake</i>	60%	48%	66%	65%	100%

- Secure procurement of key materials and making
- Add new production capacity
- Increase agility and flexibility in manufacturing processes
- Ensure direct quality control over production
- Extend Sanlorenzo's sustainable standards to the supply chain

Road to 2030 – trailblazing the green transition of yachting

Bluegame – unconstrained by the MAYA¹ principle – as “innovation feeder” to the main Sanlorenzo brand in the Road to 2030



1. Most Advanced Yet Acceptable

Reclassified consolidated income statement

(€'000)	Three months ended 31 March				Change	
	2024	% Net Revenues New Yachts	2023	% Net Revenues New Yachts	2024 vs. 2023	2024 vs. 2023%
Net Revenues New Yachts	194,776	100.0%	183,726	100.0%	11,050	6.0%
Revenues from maintenance and other services	5,485	2.8%	2,489	1.4%	2,996	n.m.
Other income	2,936	1.5%	2,549	1.4%	387	15.2%
Operating costs	(169,068)	(86.8)%	(157,508)	(85.7)%	(11,560)	7.3%
Adjusted EBITDA	34,129	17.5%	31,256	17.0%	2,873	9.2%
Non-recurring costs	-	-	(97)	0.0%	97	n.m.
EBITDA	34,129	17.5%	31,159	17.0%	2,970	9.5%
Depreciation and amortisation	(8,392)	(4.3)%	(6,984)	(3.8)%	(1,408)	20.2%
EBIT	25,737	13.2%	24,175	13.2%	1,562	6.5%
Net financial income / (expense)	1,424	0.7%	76	0.0%	1,348	n.m.
Adjustments to financial assets	101	0.1%	(294)	(0.2)%	395	n.m.
Pre-tax profit	27,262	14.0%	23,957	13.0%	3,305	13.8%
Income taxes	(7,752)	(4.0)%	(6,741)	(3.6)%	(1,011)	15.0%
Net profit	19,510	10.0%	17,216	9.4%	2,294	13.3%
Net (profit)/loss attributable to non-controlling interests	167	0.1%	(8)	(0.0)%	175	n.m.
Group net profit	19,677	10.1%	17,208	9.4%	2,469	14.3%

Reclassified consolidated balance sheet

(€'000)	31 March	31 December	31 March	Change	
	2024	2023	2023	31 March 2024 vs. 31 December 2023	31 March 2024 vs. 31 March 2023
USES					
Goodwill	22,723	17,486	10,756	5,288	12,018
Other intangible assets	61,132	55,162	51,665	6,009	9,506
Property, plant and equipment	179,480	179,820	157,453	(340)	22,027
Equity investments and other non-current assets	4,677	6,564	13,818	(1,887)	(9,141)
Net deferred tax assets	12,128	12,255	6,224	(127)	5,904
Non-current employee benefits	(2,752)	(2,491)	(1,385)	(261)	(1,367)
Non-current provision for risks and charges	(10,332)	(14,404)	(9,697)	4,073	(634)
Net fixed capital	267,056	254,392	228,834	12,755	38,313
Inventories	105,858	85,421	69,834	20,437	36,024
Trade receivables	29,342	22,522	20,406	6,820	8,936
Contract assets	231,374	185,572	180,108	45,802	51,266
Trade payables	(221,230)	(203,812)	(175,189)	(17,418)	(46,041)
Contract liabilities	(106,122)	(125,441)	(132,718)	19,319	26,596
Other current assets	72,137	59,725	65,428	12,412	6,709
Current provisions for risks and charges	(11,726)	(8,571)	(7,195)	(3,155)	(4,531)
Other current liabilities	(61,379)	(50,333)	(49,228)	(11,046)	(12,151)
Net working capital	38,254	(34,917)	(28,554)	73,171	66,780
Net invested capital	305,294	219,475	200,280	85,819	105,014
SOURCES					
Equity	379,107	359,961	308,393	19,146	70,607
(Net financial position)	(73,706)	(140,486)	(108,113)	66,780	34,407
Total sources	305,401	219,475	200,280	85,926	105,121

Net financial position and reclassified cash flow statement

(€'000)	31 March 2024	31 December 2023	31 March 2023
Cash	125,583	192,506	152,945
Cash equivalents	-	-	-
Other current financial assets	25,324	24,045	60,228
Liquidity	150,907	216,551	213,173
Current financial debt	(31,477)	(28,285)	(36,609)
Current portion of non-current financial debt	(20,575)	(18,985)	(22,223)
Current financial indebtedness	(52,052)	(47,270)	(58,832)
Net current financial indebtedness	98,855	169,281	154,341
Non-current financial debt	(25,149)	(28,795)	(46,228)
Debt instruments	-	-	-
Non-current trade and other payables	-	-	-
Non-current financial indebtedness	(25,149)	(28,795)	(46,228)
Net financial position	73,706	140,486	108,113

(€'000)	31 March 2024	31 March 2023	Change
EBITDA	34,129	31,159	2,970
Taxes paid	-	-	-
Change in inventories	(20,437)	(16,390)	(4,047)
Change in net contract assets and liabilities	(65,121)	(11,124)	(53,997)
Change in trade receivables and advances to suppliers	(17,790)	(1,569)	(16,221)
Change in trade payables	17,418	19,210	(1,792)
Change in provisions and other assets and liabilities	5,008	(6,009)	11,017
Operating cash flow	(46,793)	15,277	(62,070)
Change in non-current assets (investments)	(6,758)	(6,021)	(737)
Change in non-current assets (new perimeter)	(12,598)	(2,723)	(9,875)
Interest received	2,276	428	1,848
Other changes	1,994	4,221	(2,227)
Free cash flow	(61,879)	11,182	(73,061)
Interest and financial charges	(852)	(352)	(500)
Changes in equity	(365)	1,172	(1,537)
Dividends paid	-	(76)	76
Change in LT funds and other cash flows	(3,684)	(4,150)	466
Change in net financial position	(66,780)	7,776	(74,556)
Net financial position at the beginning of the period	140,486	100,337	40,149
Net financial position at the end of the period	73,706	108,113	(34,407)



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