

# SANLORENZO

## PRELIMINARY RESULTS FOR 2019 SHOW GROWTH REVENUES +39% EBITDA +73%

### POSITIVE PERFORMANCE FROM ALL GROUP DIVISIONS, EXPORT REVENUES ON THE UP TARGETS SET IN THE IPO PHASE CONFIRMED

- **Net Revenues from the sale of new yachts (Net Revenues New Yachts)<sup>1</sup> at €455.9 million: +39.3% compared to 2018**
- **Adjusted EBITDA<sup>2</sup> at €66.0 million: +73.4% compared to €38.1 million in 2018**
- **Adjusted EBITDA margin of 14.5% of Net Revenues New Yachts compared to 11.6% in 2018**
- **Net financial position of €9.1 million compared to €75.4 million in 2018**
- **Investments totalling €51.4 million compared to €46.3 million in 2018**
- **Backlog<sup>3</sup> at 31 January 2020 of €482.9 million**
- **The proposal to adopt the stock option plan has been approved**

**Ameglia (SP), 12 February 2020** – The Board of Directors of Sanlorenzo S.p.A. (“**Sanlorenzo**” or the “**Company**”), which met today in Turin, examined the preliminary consolidated results for the 2019 financial year and approved the proposal for the adoption of the stock option plan for 2020.

**Massimo Perotti, Executive Chairman of the Company**, declared:

*“We are extremely pleased with the preliminary results that have been examined today, confirming the achievement of the targets indicated in the IPO phase, with results at the high end of the forecasts. All the Group divisions recorded a positive trend, with a significant increase in export sales as set out in the strategies. In the first few weeks of the current year, good performance in terms of sales has been confirmed, with an order book reaching €483 million at 31 January, ensuring we have important visibility for 2020 and 2021.”*

### PRELIMINARY CONSOLIDATED RESULTS FOR 2019

**Net Revenues New Yachts** in 2019 amounted to €455.9 million, an increase of 39.3% compared to €327.3 million in 2018.

In particular, the **Yacht Division** generated Net Revenues New Yachts of €289.9 million, 63.6% of the total, up 41.0% compared to 2018. The **Superyacht Division** recorded an increase in Net Revenues New Yachts of 47.3%, going from €101.9 million in 2018 to €150.0 million in 2019 (32.9% of the total). The results of the **Bluegame Business Unit** were also positive, with €16.0 million of Net Revenues New Yachts, up 172.0% compared to 2018 and 3.5% of the total net revenues.

In terms of geographical areas<sup>4</sup>, Europe recorded Net Revenues New Yachts of €279.6 million (€60.0 million of which generated in Italy), with an incidence of 61.3% on the total, a significant increase of 48.7% compared to 2018, benefiting from a particularly lively market dynamic. The APAC area recorded Net Revenues New

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<sup>1</sup> Net Revenues New Yachts are calculated as the algebraic sum of revenues deriving from contracts with customers relating to new yachts, net of the related commission. According to IFRS, the sale price of new yachts and therefore also the calculation of the related revenues reflects the difference between the value contractually attributed to the used boats used in exchange and their relative fair value.

<sup>2</sup> Adjusted EBITDA is calculated by adding amortisation to the operating result, adjusted by the non-recurring items which, for the 2019 financial year, refer only to the IPO costs.

<sup>3</sup> The 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 financial year or for delivery in subsequent financial 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 financial year in question until the delivery date. The backlog relating to yachts delivered during the financial year is conventionally cleared on 31 December.

<sup>4</sup> Based on the nationality of the end customer.

Yachts of €73.0 million, an increase of 26.8% compared to 2018 and 16.0% of the total. The Americas recorded Net Revenues New Yachts of €71.7 million, an increase of 11.9% with an incidence of 15.7% on the total. Significant growth in the Middle East and Africa area, with Net Revenues New Yachts up 80.3% reaching €31.6 million (6.9% of the total).

**Adjusted EBITDA** in 2019 reached €66.0 million, up 73.4% compared to €38.1 million in 2018, with a margin of 14.5% on Net Revenues New Yachts (11.6% in 2018). **EBITDA**<sup>5</sup> for 2019, including non-recurring items worth €6.1 million entirely related to the costs of the IPO, amounted to €60.0 million, up 74.2% compared to €34.4 million in 2018.

**Investments** made in 2019 amount to €51.4 million compared to €46.3 million at 31 December 2018, €15.2 million of which dedicated to product development and the creation of models and moulds and €29.6 million linked to the production capacity increase programme launched in 2017.

In particular, the expansion project for the Ameglia production site in the D2 area came to an end following the completion of the construction of two industrial buildings and one block dedicated to offices and the logistics warehouse, for a total investment of €11.9 million in 2019. During the fourth quarter, Sanlorenzo also acquired ownership of the two industrial buildings located in Viareggio previously occupied by virtue of a lease for approximately €9.5 million and continued the expansion of La Spezia site for approximately €6.1 million.

**Net financial position** at 31 December 2019 is €9.1 million compared to pro forma net financial position<sup>6</sup> at 31 December 2018 of €75.4 million, thanks to the proceeds deriving from the share capital increase linked to the IPO, of which €49.1 million was used to repay medium/long-term loans.

The **backlog** at 31 December 2019 amounts to €444.3 million (€900.2 million gross of production advances valued as revenue during the financial year), of which €327.8 million refers to 2020 and €116.5 million refers to subsequent financial years. The backlog at 31 December 2019 shows an increase of 10.4% compared to the end of 2018.

The backlog recorded further growth at 31 January 2020, reaching €482.9 million, of which €359.5 million for 2020 and €123.4 million for subsequent financial years.

The draft financial statements and consolidated financial statements at 31 December 2019 will be examined and approved by the Board of Directors at the meeting scheduled for 13 March 2020.

## **STOCK OPTION PLAN 2020**

The Board of Directors also approved today the proposal to adopt the stock option plan for 2020 (the "**2020 Plan**") addressed to the executive directors and key employees of Sanlorenzo and its subsidiaries.

Over three years, the 2020 Plan envisages the free assignment of options which, subject to the achievement of predetermined results, give the beneficiaries the right to subscribe for Sanlorenzo shares with a ratio of one share for each option exercised at an exercise price equal to the placement price of the Company's shares on the Mercato Telematico Azionario, with a three-year vesting period.

The 2020 Plan will be supported by a specific capital increase, issuing new shares equal to approximately 2.5% of the share capital resulting from the capital increase itself.

The adoption of the 2020 Plan constitutes a useful tool in aligning management interests with the pursuit of the priority objective of creating value for shareholders over a medium/long-term period, rewarding the loyalty of beneficiaries and promoting a sense of belonging to the Group for key resources.

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<sup>5</sup> The EBITDA is calculated by adding amortisation to the operating result.

<sup>6</sup> Including the effects of the merger with the parent company WindCo.

The proposal to adopt the 2020 Plan will be submitted for the approval of the Company's ordinary shareholders' meeting scheduled for 21 April. On the same date, the extraordinary shareholders' meeting will be called to deliberate the capital increase relating to the 2020 Plan.

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The executive in charge of preparing the corporate accounting documents, Attilio Bruzzese, declares that pursuant to and for the purposes of article 154-bis, paragraph 2 of Italian Legislative Decree no. 58 of 1998, the information contained in this press release corresponds to company documents, ledgers and accounting records. The preliminary data contained in this press release have not been audited.

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## **Sanlorenzo S.p.A.**

Sanlorenzo is a leading global brand in terms of number of yachts over 30 meters long. It is the only player in the luxury yachting industry to compete in different segments with a single brand, manufacturing "made to measure" yachts and superyachts customized for each client, characterized by a distinctive and timeless design.

The production is divided into three divisions:

- Yacht Division – composite 24-38 meters yachts
- Superyacht Division – 40-68 meters aluminum and steel superyachts
- Bluegame Division – 13-21 meters sport utility yachts in composite

Sanlorenzo's manufacturing activities are carried out through four shipyards located in La Spezia (SP), Ameglia (SP), Viareggio (LU) and Massa (MS), synergistically and strategically located in the proximity.

The Group employs approximately 480 people. In addition, the Group cooperates with a network of 1,500 qualified artisan companies and leverages on an international distribution network and a widespread service network for customers worldwide.

[www.sanlorenzoyacht.com](http://www.sanlorenzoyacht.com)

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