

PERIODIC  
FINANCIAL  
INFORMATION

AS AT 31 MARCH 2021

**SANLORENZO**

# CONTENTS

<b>SANLORENZO GROUP</b> .....	<b>2</b>
Corporate data.....	2
Corporate bodies.....	2
Group structure.....	4
<b>REPORT ON OPERATIONS</b> .....	<b>5</b>
Introduction.....	5
Group activities.....	5
Financial highlights.....	6
Main alternative performance indicators.....	7
Backlog performance.....	8
Consolidated results.....	9
Consolidated statement of financial position .....	13
Human resources.....	18
Main risks and uncertainties to which the Group is exposed.....	18
Other information.....	19
Significant events occurring during the quarter .....	20
Significant events after the close of the period.....	20
Business outlook.....	21
<b>CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH 2021</b> .....	<b>22</b>
Condensed consolidated statement of financial position .....	22
Condensed consolidated statement of profit and loss and other comprehensive income.....	24
Condensed consolidated statement of changes in equity.....	26
Condensed consolidated statement of cash flows.....	27
<b>NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS</b> .....	<b>29</b>
Basis of preparation.....	29
Information on risks and financial instruments.....	31
Composition of the Group.....	31
<b>DECLARATION OF THE MANAGER CHARGED WITH PREPARING THE COMPANY'S FINANCIAL REPORTS PURSUANT TO ARTICLE 154-BIS, PARAGRAPH 2, OF ITALIAN LEGISLATIVE DECREE NO. 58 OF 24 FEBRUARY 1998</b> .....	<b>33</b>

# SANLORENZO GROUP

## CORPORATE DATA

Sanlorenzo S.p.A.

Share Capital €34,500,000 fully paid-in<sup>1</sup>

Tax code and registration number in the Register of Companies of Riviera di Liguria - Imperia La Spezia Savona  
00142240464

Registered office in via Armezzone 3, Ameglia (SP)

Secondary offices:

- viale San Bartolomeo 362, La Spezia;
- via Marina di Levante, Viareggio (LU);
- via Salvatori 56/58, Viareggio (LU);
- via Dorsale 13, Massa.

www.sanlorenzoyacht.com

## CORPORATE BODIES

<b>Board of Directors<sup>2</sup></b>	Massimo Perotti	Chairman and Chief Executive Officer
	Marco Viti	Managing Director
	Carla Demaria	Managing Director
	Paolo Olivieri	Director and Deputy Chairperson
	Cecilia Maria Perotti	Director
	Pietro Gussalli Beretta	Independent Director and Lead Independent Director
	Silvia Merlo	Independent Director
	Licia Mattioli	Independent Director
	Leonardo Luca Etro	Independent Director
<b>Control, Risk and Sustainability Committee</b>	Leonardo Luca Etro	Chairperson
	Silvia Merlo	
	Cecilia Maria Perotti	
<b>Remuneration Committee</b>	Silvia Merlo	Chairperson
	Paolo Olivieri	
	Leonardo Luca Etro	

---

<sup>1</sup> On 21 April 2020, the Extraordinary Shareholders' Meeting approved a divisible share capital increase, excluding option rights, pursuant to Article 2441, paragraph 8 of the Italian Civil Code, of a maximum nominal value of €884,615, to be executed no later than 30 June 2029, through the issue of a maximum of 884,615 ordinary shares destined exclusively and irrevocably to service the 2020 Stock Option Plan, approved by the Ordinary Shareholders' Meeting on the same occasion. This capital increase has not yet been subscribed, even partially.

<sup>2</sup> Appointed by the Ordinary Shareholders' Meeting on 24 June 2019 and supplemented on 24 October 2019; will remain in office until the date of the shareholders' meeting called to approve the separate financial statements as at 31 December 2021.

Nomination Committee	Pietro Gussalli Beretta Licia Mattioli Paolo Olivieri	Chairperson
Related-Party Transactions Committee	Licia Mattioli Silvia Merlo Pietro Gussalli Beretta	Chairperson
Board of Statutory Auditors <sup>3</sup>	Andrea Caretti Margherita Spaini Roberto Marrani Luca Trabattoni Marina Scandurra	Chairperson Standing Auditor Standing Auditor Alternate Auditor Alternate Auditor
Independent Auditing Firm <sup>4</sup>	BDO Italia S.p.A.	
Manager charged with preparing the company's financial reports	Attilio Bruzzese	

---

<sup>3</sup> Appointed by the Ordinary Shareholders' Meeting on 24 October 2019; will remain in office until the date of the shareholders' meeting called to approve the separate financial statements as at 31 December 2021.

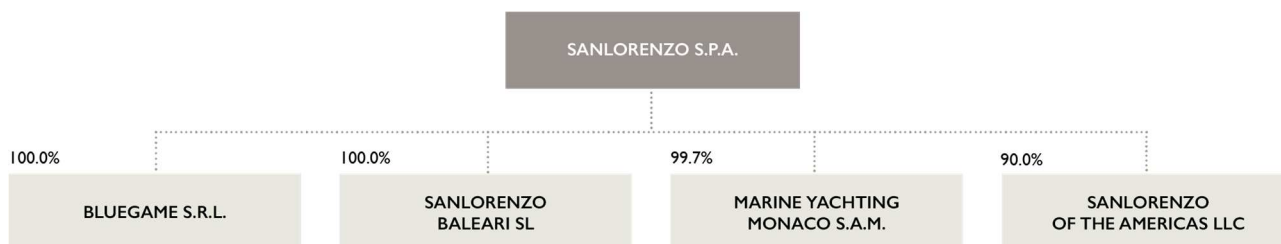
<sup>4</sup> Appointed by the Ordinary Shareholders' Meeting on 23 November 2019 for nine financial years from 2019 to 2027.

## GROUP STRUCTURE

The consolidated financial statements of Sanlorenzo Group as at 31 March 2021 include Sanlorenzo S.p.A. (Parent Company) and four direct subsidiaries of Sanlorenzo S.p.A. (Bluegame S.r.l., Marine Yachting Monaco S.A.M., Sanlorenzo Baleari SL and Sanlorenzo of the Americas LLC).

For more details, please refer to the note "Composition of the Group" in this report.

### Corporate organisational chart of the Group as at 31 March 2021



### Composition of the Group as at 31 March 2021

Company name	Registered office
Sanlorenzo S.p.A.	Ameglia (SP) – Italy
Bluegame S.r.l.	Ameglia (SP) – Italy
Sanlorenzo of the Americas LLC	Fort Lauderdale (FL) – USA
Sanlorenzo Baleari SL	Puerto Portals, Mallorca – Spain
Marine Yachting Monaco S.A.M.	Principality of Monaco

# REPORT ON OPERATIONS

## INTRODUCTION

This periodic financial information as at 31 March 2021 (hereinafter "Periodic Financial Information as at 31 March 2021") was approved by the Board of Directors of the Company on 4 May 2021 and has not been audited, as it is not required by current regulations.

Sanlorenzo S.p.A., as a company listed on the STAR segment of the Mercato Telematico Azionario (the screen-based market of the Italian Stock Exchange) organised and managed by Borsa Italiana, is subject to the provisions of Article 2.2.3 of the Stock Exchange Regulations. On the basis of these regulations, the Company has prepared the Periodic Financial Information as at 31 March 2021, which it makes available to the public.

This Report on operations should be read together with the Condensed consolidated financial statements and the related Notes, which are an integral part of the Periodic Financial Information as at 31 March 2021.

## GROUP ACTIVITIES

The Group is a global operator specialised in the design, production and sale of custom-made yachts, superyachts and sport utility yachts, which are fitted out and customised according to the requests and desires of an exclusive clientele.

The Group is also active in offering services dedicated to customers, including training at the Sanlorenzo Academy of the crew members, as well as maintenance, restyling and refitting of the Sanlorenzo yachts.

Sanlorenzo is the only company in the sector operating under a single brand, both in the market for yachts between 24 and 38 metres in length, where it has operated since its foundation in 1958, and in the market for metal superyachts of more than 40 metres in length.

The uniqueness of the product, the constant innovation of yacht design, in respect of Sanlorenzo's tradition, customer loyalty, collaborations with world-renowned designers, communication and the connection with art and culture saw the Group solidify its foothold in the luxury yachting market, which recognises Sanlorenzo brand as a symbol of excellence and exclusivity.

The business model is based on the construction of a limited number of yachts per year, taking care of every detail and availing of the collaboration of a chain of more than 1,500 highly qualified craft companies, mostly located in the Alto Tirreno nautical district, with whom the Group has long-established relations.

Also thanks to the operational execution delegated to highly experienced and skilled craft companies, the Group can focus on the higher value-added phases, connected with direct interaction with the customer and targeted at creating new innovative and sustainable products, brand development and quality control.

Group activities are divided into three divisions:

- Yacht Division, dedicated to the design, manufacturing and marketing of composite yachts between 24 and 38 metres in length, under the Sanlorenzo brand;
- Superyacht Division, dedicated to the design, manufacturing and marketing of superyachts in aluminium and steel between 40 and 68 metres in length, under the Sanlorenzo brand;
- Bluegame Division, dedicated to the design, manufacturing and marketing of composite sport utility yachts between 13 and 22 metres in length, under the Bluegame brand.

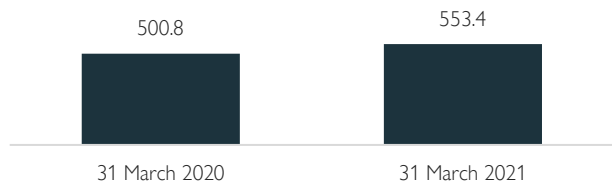
The Group sells yachts both directly (through Sanlorenzo or other Group companies or intermediaries) and through brand representatives, each of which operates in one or more assigned regional zones.

Sanlorenzo's production is carried out in four production sites located in La Spezia, Ameglia (SP), Viareggio (LU) and Massa. The sites operate within a 50km radius, within the nautical district sandwiched between the Apuan Alps and the Tyrrhenian Sea, between the northern Tuscan coast and the eastern Ligurian coast.

# FINANCIAL HIGHLIGHTS<sup>5</sup>

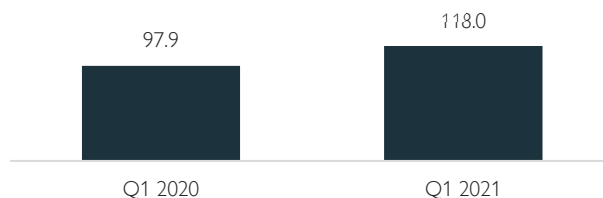
## GROSS BACKLOG

(in € million)



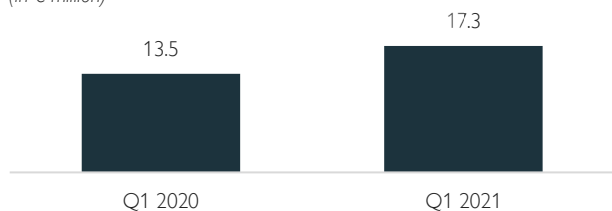
## NET REVENUES NEW YACHTS

(in € million)



## ADJUSTED EBITDA

(in € million)



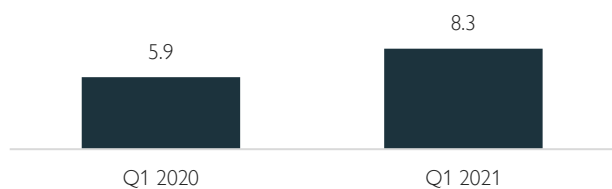
## EBIT

(in € million)



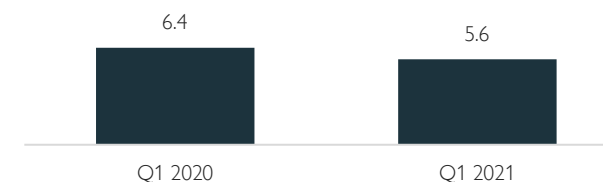
## GROUP NET PROFIT

(in € million)



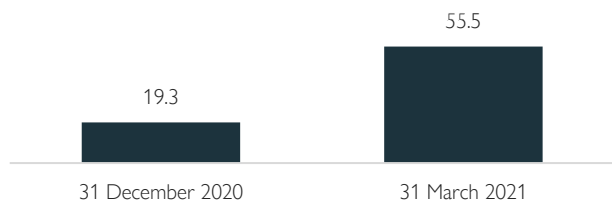
## INVESTMENTS

(in € million)



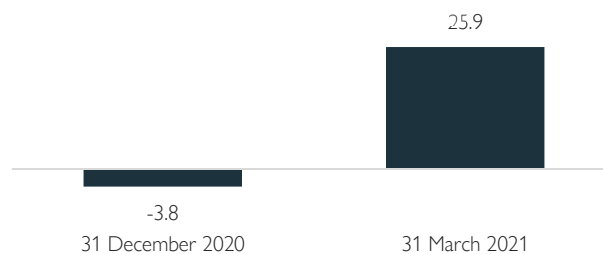
## NET WORKING CAPITAL

(in € million)



## NET FINANCIAL POSITION

(in € million)



<sup>5</sup> For a description of the methods of calculating the indicators presented, please refer to the following paragraphs "Backlog performance" and "Main alternative performance indicators".

## MAIN ALTERNATIVE PERFORMANCE INDICATORS

In order to allow a better evaluation of its operating performance, Sanlorenzo Group uses some alternative performance indicators.

The indicators represented are not identified as accounting measures by the IFRS and, therefore, must not be considered alternative measures to those provided by the financial statements for assessing the Group's economic performance and financial position. The Group believes that said financial information is an important additional parameter for evaluating its performance, allowing its economic and financial performance to be monitored in more detail. Since these financial data do not constitute measures that can be determined through the reference accounting standards for the preparation of the consolidated financial statements, the method applied for the associated calculation may not be consistent with the one adopted by other groups and, therefore these data may not be comparable with those presented by said groups.

These alternative performance indicators, determined in compliance with the Guidelines on Alternative Performance Indicators issued by ESMA/2015/1415 and adopted by Consob by means of communication no. 92543 of 3 December 2015, refer solely to the performance of the period forming the subject of this financial report and the periods being compared and not to the Group's expected performance.

The alternative performance indicators used in this financial report are outlined below:

- **Backlog:** is calculated as the sum of the value of the 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 year in question until the delivery date. The backlog relating to yachts delivered during the year is conventionally cleared on 31 December;
- **Value of production:** indicates the algebraic sum of the revenues from contracts with customers net of the relative commissions, the change in inventories of work in progress, semi-finished and finished products, other income and capitalised costs of own work;
- **Net Revenues New Yachts:** calculated as the algebraic sum of revenues from contracts with customers relating to new yachts net of commissions. Based on the IFRS, the sale price of the new yachts and, therefore, also the calculation of the associated revenues includes the difference between the value attributed contractually to the pre-owned boats subject to exchange and their relative fair value;
- **EBITDA:** represented by the Operating profit/loss (EBIT) before amortisation/depreciation;
- **EBITDA margin:** the ratio between EBITDA and Net Revenues New Yachts;
- **Adjusted EBITDA:** represented by the Operating profit/loss (EBIT) before amortisation/depreciation adjusted for non-recurring items;
- **Adjusted EBITDA margin:** the ratio between Adjusted EBITDA and Net Revenues New Yachts;
- **Net fixed capital:** calculated as the sum of goodwill, intangible assets with a definite useful life, property, plant and equipment and net deferred tax assets;
- **Net working capital:** calculated as the sum of trade receivables, contract assets, inventories and other current assets, net of trade payables, contract liabilities, provisions for current risks and charges and other current liabilities;
- **Net trade working capital:** calculated as the sum of trade receivables, contract assets and inventories, net of trade payables and contract liabilities;
- **Net invested capital:** calculated as the sum of net fixed capital and net working capital;
- **Investments:** increases in property, plant and equipment and intangible assets with a definite useful life;
- **Net financial position:** calculated as the sum of current and non-current bank debt and other current and non-current financial liabilities including the fair value (if negative) of derivative instruments, net of cash and cash equivalents and other current financial assets, including the fair value (if positive) of hedging derivatives.



## BACKLOG PERFORMANCE

(€'000)	As at 31 March		Change	
	2021	2020	2021 vs. 2020	2021 vs. 2020%
<b>Gross backlog</b>	<b>553,411</b>	<b>500,781</b>	<b>52,630</b>	<b>+10.5%</b>
<i>Of which current year</i>	409,899	360,230	49,669	+13.8%
<i>Of which subsequent years</i>	143,512	140,551	2,961	+2.1%
Net Revenues New Yachts for the period	118,011	97,945	20,066	+20.5%
<b>Net backlog</b>	<b>435,400</b>	<b>402,836</b>	<b>32,564</b>	<b>+8.1%</b>
<i>Of which current year</i>	291,888	262,285	29,603	+11.3%
<i>Of which subsequent years</i>	143,512	140,551	2,961	+2.1%

The gross backlog as at 31 March 2021 amounted to €553,411 thousand, compared to €500,781 thousand as at 31 March 2020 and €408,761 thousand as at 31 December 2020. The growth compared to the first quarter of 2020 amounts to €52,630 thousand.

The order intake in the first quarter of 2021, amounting to €144,650 thousand, is related to a strong acceleration of the market which took hold in the final few months of 2020 and which gradually concerned all Group segments, in particular the Yacht Division.

The growth in the order portfolio was fostered by recently introduced models like the SX112 and the BGX60 unveiled at the Genoa Boat Show in October 2020, and new products that will be launched in 2021, which were extremely well received even before their presentation to the market.

The Superyacht Division also registered a good recovery, thanks to the conclusion of some negotiations launched at the end of 2020.

The amount of the gross backlog relating to the current year amounts to €409,899 thousand, providing significant visibility on the coverage of expected revenues for the current year.

# CONSOLIDATED RESULTS

## Reclassified income statement

(€'000)	Three months ended 31 March				Change	
	2021	% Net Revenues New Yachts	2020	% Net Revenues New Yachts	2021 vs. 2020	2021 vs. 2020%
<b>Net Revenues New Yachts</b>	<b>118,011</b>	<b>100.0%</b>	<b>97,945</b>	<b>100.0%</b>	<b>20,066</b>	<b>+20.5%</b>
Net revenues from pre-owned boats, maintenance and other services	22,074	18.7%	208	0.2%	21,866	+10,512.5%
Other income	895	0.8%	1,133	1.2%	(238)	-21.0%
Operating costs	(123,671)	(104.8)%	(85,807)	(87.6)%	(37,864)	+44.1%
<b>Adjusted EBITDA</b>	<b>17,309</b>	<b>14.7%</b>	<b>13,479</b>	<b>13.8%</b>	<b>3,830</b>	<b>+28.4%</b>
Non-recurring costs	(252)	(0.2)%	(135)	(0.1)%	(117)	+86.7%
<b>EBITDA</b>	<b>17,057</b>	<b>14.5%</b>	<b>13,344</b>	<b>13.6%</b>	<b>3,713</b>	<b>+27.8%</b>
Depreciation and amortisation	(5,024)	(4.3)%	(4,500)	(4.6)%	(524)	+11.6%
<b>EBIT</b>	<b>12,033</b>	<b>10.2%</b>	<b>8,844</b>	<b>9.0%</b>	<b>3,189</b>	<b>+36.1%</b>
Net financial expense	(209)	(0.2)%	(570)	(0.6)%	361	-63.3%
Adjustments to financial assets	4	0.0%	29	0.0%	(25)	-86.2%
<b>Pre-tax profit</b>	<b>11,828</b>	<b>10.0%</b>	<b>8,303</b>	<b>8.5%</b>	<b>3,525</b>	<b>+42.5%</b>
Income taxes	(3,586)	(3.0)%	(2,526)	(2.6)%	(1,060)	+42.0%
<b>Net profit</b>	<b>8,242</b>	<b>7.0%</b>	<b>5,777</b>	<b>5.9%</b>	<b>2,465</b>	<b>+42.7%</b>
Net (profit)/loss attributable to non-controlling interests	18	0.0%	154	0.2%	(136)	-88.3%
<b>Group net profit</b>	<b>8,260</b>	<b>7.0%</b>	<b>5,931</b>	<b>6.1%</b>	<b>2,329</b>	<b>+39.3%</b>

## Value of production

(€'000)	Three months ended 31 March		Change	
	2021	2020	2021 vs. 2020	2021 vs. 2020%
Revenues	143,505	103,675	39,830	+38.4%
Commissions	(3,420)	(5,522)	2,102	-38.1%
Change in inventories of work in progress, semi-finished and finished products	(1,718)	10,697	(12,415)	-116.1%
Other income	895	1,133	(238)	-21.0%
Capitalised costs for own work	484	365	119	+32.6%
<b>Value of production</b>	<b>139,746</b>	<b>110,348</b>	<b>29,398</b>	<b>+26.6%</b>

The value of production as at 31 March 2021 amounted to €139,746 thousand, marking an increase of 26.6% compared to the same period in 2020, mainly due to the growth in revenues, which concerned both new yachts and pre-owned boats.

## Net Revenues New Yachts

(€'000)	Three months ended 31 March		Change	
	2021	2020	2021 vs. 2020	2021 vs. 2020%
Revenue from contracts with customers (New Yachts)	121,196	103,467	17,729	+17.1%
Commissions (New Yachts)	(3,185)	(5,522)	2,337	-42.3%
<b>Net Revenues New Yachts</b>	<b>118,011</b>	<b>97,945</b>	<b>20,066</b>	<b>+20.5%</b>

Net Revenues New Yachts in the first quarter of 2021 amounted to €118,011 thousand, an increase of 20.5% compared to €97,945 thousand in the same period of 2020. Net Revenues New Yachts rose in all Group divisions, driven by the excellent performance registered in APAC and the Americas. These results are influenced by the high-end positioning of the brand and by a product mix with an increased incidence of larger yachts for the Yacht and Bluegame divisions, in a context of market expansion.

## Net Revenues New Yachts by division

(€'000)	Three months ended 31 March				Change	
	2021	% of total	2020	% of total	2021 vs. 2020	2021 vs. 2020%
Yacht Division	79,072	67.0%	64,152	65.5%	14,920	+23.3%
Superyacht Division	29,765	25.2%	27,047	27.6%	2,718	+10.0%
Bluegame Division	9,174	7.8%	6,746	6.9%	2,428	+36.0%
<b>Net Revenues New Yachts</b>	<b>118,011</b>	<b>100.0%</b>	<b>97,945</b>	<b>100.0%</b>	<b>20,066</b>	<b>+20.5%</b>

The Yacht Division generated Net Revenues New Yachts of €79,072 thousand, accounting for 67.0% of the total, registering an increase of 23.3% compared to the first quarter of 2020. Excellent sales results were reported by all product ranges, and, in particular, the SX line, with the recently introduced SX112, and the SD line, with the two new SD96 and SD118 models.

The Superyacht Division generated Net Revenues New Yachts of €29,765 thousand, equal to 25.2% of the total, up by 10.0% compared to the first quarter of 2020.

The Bluegame Division generated Net Revenues New Yachts of €9,174 thousand, accounting for 7.8% of the total and up by 36.0% compared to the first quarter of 2020, thanks to the excellent sales results of the new BGX line, with the introduction of the second model BGX60, launched in 2020.

## Net Revenues New Yachts by geographical area

(€'000)	Three months ended 31 March				Change	
	2021	% of total	2020	% of total	2021 vs. 2020	2021 vs. 2020%
Europe	59,771	50.7%	59,882	61.1%	(111)	-0.2%
APAC	25,984	22.0%	14,229	14.5%	11,755	+82.6%
Americas	24,450	20.7%	15,184	15.5%	9,266	+61.0%
Middle East and Africa	7,806	6.6%	8,650	8.8%	(844)	-9.8%
<b>Net Revenues New Yachts</b>	<b>118,011</b>	<b>100.0%</b>	<b>97,945</b>	<b>100.0%</b>	<b>20,066</b>	<b>+20.5%</b>

Europe recorded Net Revenues New Yachts of €59,771 thousand (of which €15,525 thousand generated in Italy), accounting for 50.7% of the total, essentially stable compared to the first quarter of 2020.

The APAC area recorded Net Revenues New Yachts of €25,984 thousand, accounting for 22.0% of the total, up by 82.6% compared to the first quarter of 2020.

The Americas recorded Net Revenues New Yachts of €24,450 thousand, accounting for 20.7% of the total, up by 61.0% compared to 2020.

The increase in revenues in APAC and in the Americas, strategic markets for the Group's growth, continued with a strong acceleration in sales in these areas which started in the second half of 2020.

The Middle East and Africa area registered Net Revenues New Yachts of €7,806 thousand, accounting for 6.6% of the total, a slight decline compared to the first quarter of 2020.

## Operating results

(€'000)	Three months ended 31 March				Change	
	2021	% Net Revenues New Yachts	2020	% Net Revenues New Yachts	2021 vs. 2020	2021 vs. 2020%
<b>EBIT</b>	<b>12,033</b>	<b>10.2%</b>	<b>8,844</b>	<b>9.0%</b>	<b>3,189</b>	<b>+36.1%</b>
+ Amortisation/depreciation	5,024	4.3%	4,500	4.6%	524	+11.6%
<b>EBITDA</b>	<b>17,057</b>	<b>14.5%</b>	<b>13,344</b>	<b>13.6%</b>	<b>3,713</b>	<b>+27.8%</b>
+ Non-recurring costs <sup>6</sup>	252	0.2%	135	0.1%	117	+86.7%
<b>Adjusted EBITDA</b>	<b>17,309</b>	<b>14.7%</b>	<b>13,479</b>	<b>13.8%</b>	<b>3,830</b>	<b>+28.4%</b>

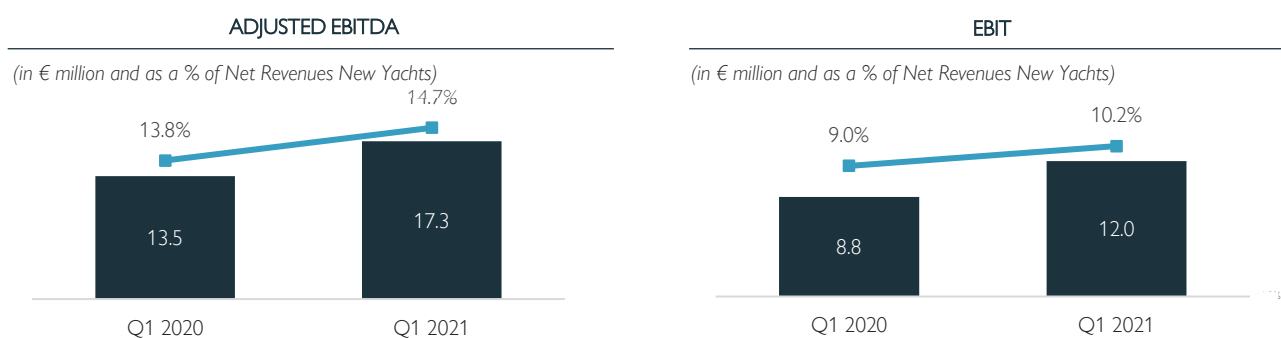
EBIT amounted to €12,033 thousand, an increase of 36.1% compared to the first quarter of 2020, accounting for 10.2% of Net Revenues New Yachts.

Amortisation/depreciation, amounting to €5,024 thousand, rose by 11.6% compared to the first quarter of 2020, due to the coming on stream of the major investments in the development of new products and for the increase in production capacity.

EBITDA stood at €17,057 thousand, marking an increase of 27.8% compared to the first quarter of 2020, with a margin on Net Revenues New Yachts of 14.5%.

EBITDA adjusted for non-recurring components of €252 thousand, represented by the non-monetary costs of the 2020 Stock Option Plan and the expenses incurred for COVID-19, amounted to €17,309 thousand, up by 28.4% compared to the first quarter of 2020 and with a margin on Net Revenues New Yachts of 14.7%, compared to 13.8% in the same period of 2020.

The significant and constant increase in the operating profits is tied to the efficiencies generated by the gradual ramp-up of production capacity as a result of the significant investments in previous years, and the subsequent greater absorption of fixed costs. The margins also benefit from the change of product mix in favour of larger yachts.



<sup>6</sup> Non-recurring items are primarily linked to the portion of non-monetary costs for stock incentive plans attributable to the period and expenses incurred for COVID-19.

## Net profit

(€'000)	Three months ended 31 March				Change	
	2021	% Net Revenues New Yachts	2020	% Net Revenues New Yachts	2021 vs. 2020	2021 vs. 2020%
<b>EBIT</b>	<b>12,033</b>	<b>10.2%</b>	<b>8,844</b>	<b>9.0%</b>	<b>3,189</b>	<b>+36.1%</b>
Net financial expense	(209)	(0.2)%	(570)	(0.6)%	361	-63.3%
Adjustments to financial assets	4	0.0%	29	0.0%	(25)	-86.2%
<b>Pre-tax profit</b>	<b>11,828</b>	<b>10.0%</b>	<b>8,303</b>	<b>8.5%</b>	<b>3,525</b>	<b>+42.5%</b>
Income taxes	(3,586)	(3.0)%	(2,526)	(2.6)%	(1,060)	+42.0%
<b>Net profit</b>	<b>8,242</b>	<b>7.0%</b>	<b>5,777</b>	<b>5.9%</b>	<b>2,465</b>	<b>+42.7%</b>
Net (profit)/loss attributable to non-controlling interests	18	0.0%	154	0.2%	(136)	-88.3%
<b>Group net profit</b>	<b>8,260</b>	<b>7.0%</b>	<b>5,931</b>	<b>6.1%</b>	<b>2,329</b>	<b>+39.3%</b>

Net financial expense totalled €209 thousand, down by 63.3% compared to the first quarter of the previous year, due to the reduction in debt and the improved conditions applied to the Group by financial institutions and, to a lesser extent, thanks to foreign exchange gains.

The pre-tax profit for the period amounts to €11,828 thousand, an increase of €3,525 thousand compared to €8,303 thousand in the first quarter of 2020. The percentage incidence on Net Revenues New Yachts reached 10.0%, compared to 8.5% in the first quarter of 2020.

Income taxes, recognised based on the best estimate by the company management, totalled €3,586 thousand, compared to €2,526 thousand in the first quarter of 2020. Income taxes for the period represent 30.3% of the pre-tax profit.

Group net profit for the period amounted to €8,260 thousand, up by 39.3% compared to €5,931 thousand in the first quarter of 2020. The incidence on Net Revenues New Yachts increased from 6.1% in the first quarter of 2020 to 7.0% in the same period of 2021.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## Balance sheet reclassified according to sources and uses

(€'000)	31 March	31 December	Change	
	2021	2020	2021 vs. 2020	2021 vs. 2020%
<b>USES</b>				
Net fixed capital	166,149	162,308	3,841	+2.4%
Net working capital	55,471	19,254	36,217	+188.1%
<b>Net invested capital</b>	<b>221,620</b>	<b>181,562</b>	<b>40,058</b>	<b>+22.1%</b>
<b>SOURCES</b>				
Net financial position	25,878	(3,829)	29,707	-775.8%
Equity	195,742	185,391	10,351	+5.6%
<b>Total sources</b>	<b>221,620</b>	<b>181,562</b>	<b>40,058</b>	<b>+22.1%</b>

## Net fixed capital and investments

### Net fixed capital

(€'000)	31 March		31 December		Change	
	2021	% of total assets	2020	% of total assets	2021 vs. 2020	2021 vs. 2020%
Goodwill	8,667	1.8%	8,667	1.7%	-	-
Intangible assets with a finite useful life	41,227	8.4%	36,434	7.3%	4,793	+13.2%
Property, plant and equipment	111,801	22.7%	112,491	22.4%	(690)	-0.6%
Equity investments and other non-current assets	416	0.1%	412	0.1%	4	+1.0%
Net deferred tax assets	6,193	1.3%	6,538	1.3%	(345)	-5.3%
Non-current employee benefits	(899)	(0.2)%	(845)	(0.2)%	(54)	+6.4%
Non-current provisions for risks and charges	(1,256)	(0.3)%	(1,389)	(0.3)%	133	-9.6%
<b>Net fixed capital</b>	<b>166,149</b>	<b>33.7%</b>	<b>162,308</b>	<b>32.3%</b>	<b>3,841</b>	<b>+2.4%</b>

Net fixed capital as at 31 March 2021 amounted to €166,149 thousand, an increase of €3,841 thousand compared to the close of 2020, mainly due to the investments in the development of the new models made during the period. The incidence on total assets as at 31 March 2021 came to 33.7%, compared to 32.3% at the close of the previous year.

## Investments

(€'000)	31 March		Change	
	2021	2020	2021 vs. 2020	2021 vs. 2020%
Land and buildings	384	264	120	+45.5%
Industrial equipment	1,302	1,856	(554)	-29.8%
Plant and equipment	491	542	(51)	-9.4%
Other assets	1,126	625	501	+80.2%
Fixed assets in progress	259	1,423	(1,164)	-81.8%
<b>Total increases in property, plant and equipment</b>	<b>3,562</b>	<b>4,710</b>	<b>(1,148)</b>	<b>-24.4%</b>
Concessions, licences, trademarks and similar rights	48	37	11	+29.7%
Other assets	-	-	-	-
Development costs	1,069	844	225	+26.7%
Fixed assets in progress	962	839	123	+14.7%
<b>Total increases in intangible assets with a definite useful life</b>	<b>2,079</b>	<b>1,720</b>	<b>359</b>	<b>+20.9%</b>
<b>Investments in the year</b>	<b>5,641</b>	<b>6,430</b>	<b>(789)</b>	<b>-12.3%</b>

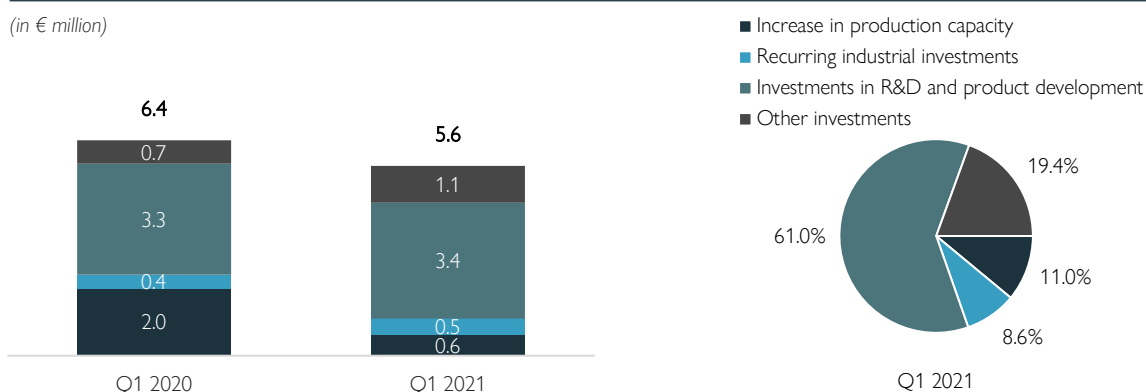
The investments made in the first quarter of 2021 amounted to €5,641 thousand, compared to €6,430 thousand in the same period of 2020, of which:

- €3,440 thousand for investments for product development and the creation of models and moulds;
- €621 thousand connected to the programme to increase production capacity launched in 2017;
- €484 thousand linked to recurring industrial investments (equipment and plant);
- €1,096 thousand relating to other investments.

In particular, investments in research and development for the creation of new products rose by 4.8% compared to the first quarter of 2020, in line with the strategy to expand the product ranges and introduce innovations and technologies geared heavily towards sustainability principles.

### BREAKDOWN OF INVESTMENTS BY NATURE

(in € million)



## Net working capital

(€'000)	31 March 2021	31 December 2020	31 March 2020	Change	
				31 March 2021 vs. 31 December 2020	31 March 2021 vs. 31 March 2020
Inventories	83,627	82,214	79,541	1,413	4,086
Trade receivables	19,113	17,233	23,465	1,880	(4,352)
Contract assets	122,033	112,938	98,790	9,095	23,243
Trade payables	(108,108)	(137,238)	(122,070)	29,130	13,962
Contract liabilities	(51,156)	(46,156)	(23,115)	(5,000)	(28,041)
Other current assets	34,196	30,434	44,182	3,762	(9,986)
Current provisions for risks and charges	(12,421)	(12,679)	(10,271)	258	(2,150)
Other current liabilities	(31,813)	(27,492)	(23,872)	(4,321)	(7,941)
<b>Net working capital</b>	<b>55,471</b>	<b>19,254</b>	<b>66,650</b>	<b>36,217</b>	<b>(11,179)</b>

Net working capital as at 31 March 2021 came to €55,471 thousand, compared to €19,254 thousand as at 31 December 2020, highlighting an increase of €36,217 thousand. Net working capital fell by €11,179 thousand as at 31 March 2021, when compared to €66,650 thousand as at 31 March 2020.

The table below shows details of net trade working capital.

(€'000)	31 March 2021	31 December 2020	31 March 2020	Change	
				31 March 2021 vs. 31 December 2020	31 March 2021 vs. 31 March 2020
Inventories	83,627	82,214	79,541	1,413	4,086
Trade receivables	19,113	17,233	23,465	1,880	(4,352)
Contract assets	122,033	112,938	98,790	9,095	23,243
Trade payables	(108,108)	(137,238)	(122,070)	29,130	13,962
Contract liabilities	(51,156)	(46,156)	(23,115)	(5,000)	(28,041)
<b>Net trade working capital</b>	<b>65,509</b>	<b>28,991</b>	<b>56,611</b>	<b>36,518</b>	<b>8,898</b>

Net trade working capital as at 31 March 2021 came to €65,509 thousand, compared to €28,991 thousand as at 31 December 2020 and €56,611 thousand as at 31 March 2020.

The performance of net working capital is consistent with trends relating to sector seasonality, also in consideration of the concentration of yacht deliveries in the summer months, and the growth in business volumes.

The table below shows the breakdown of inventories.

(€'000)	31 March 2021	31 December 2020	31 March 2020	Change	
				31 March 2021 vs. 31 December 2020	31 March 2021 vs. 31 March 2020
Raw materials and consumables	6,810	6,121	6,881	689	(71)
Work in progress and semi-finished products	47,175	45,123	37,514	2,052	9,661
Finished products	29,642	30,970	35,146	(1,328)	(5,504)
<b>Inventories</b>	<b>83,627</b>	<b>82,214</b>	<b>79,541</b>	<b>1,413</b>	<b>4,086</b>

Inventories as at 31 March 2021 were €83,627 thousand, an increase of €1,413 thousand compared to 31 December 2020 and €4,086 thousand compared to 31 March 2020.

Work in progress and semi-finished products refer to those orders whose contract with the customer has not yet been finalised at the close of the period. The increase recorded between 31 December 2020 and 31 March 2021, amounting to €2,052 thousand, is due to the fact that the Group is bringing forward the production of semi-finished products in anticipation of an increase in the backlog.



Inventories of finished products amounted to €29,642 thousand as at 31 March 2021, a decrease of €1,328 thousand compared to 31 December 2020. Inventories of pre-owned yachts include yachts already sold at the close of the period for delivery in subsequent months for a value of €18,788 thousand.

## Net financial position

(€'000)	31 March 2021	31 December 2020	31 March 2020	Change	
				31 March 2021 vs. 31 December 2020	31 March 2021 vs. 31 March 2020
A Cash and cash equivalents	(65,665)	(94,359)	(63,341)	28,694	(2,324)
B Other cash flows	-	-	-	-	-
C Securities held for trading	-	-	-	-	-
<b>D Cash</b>	<b>(65,665)</b>	<b>(94,359)</b>	<b>(63,341)</b>	<b>28,694</b>	<b>(2,324)</b>
<b>E Current financial receivables</b>	<b>(1)</b>	<b>(647)</b>	<b>(160)</b>	<b>646</b>	<b>159</b>
F Current bank payables	6,616	218	55,046	6,398	(48,430)
G Current portion of debt	26,225	25,572	17,428	653	8,797
H Other current financial payables	2,628	2,642	1,777	(14)	851
<b>I Current financial debt (F + G + H)</b>	<b>35,469</b>	<b>28,432</b>	<b>74,251</b>	<b>7,037</b>	<b>(38,782)</b>
<b>J Net current financial debt (I + E + D)</b>	<b>(30,197)</b>	<b>(66,574)</b>	<b>10,750</b>	<b>36,377</b>	<b>(40,947)</b>
K Non-current bank payables	53,869	57,932	48,243	(4,063)	5,626
L Bonds issued	-	-	-	-	-
M Other non-current payables	2,206	4,813	1,719	(2,607)	487
<b>N Non-current financial debt (K + L + M)</b>	<b>56,075</b>	<b>62,745</b>	<b>49,962</b>	<b>(6,670)</b>	<b>6,113</b>
<b>O Net financial position (J + N)</b>	<b>25,878</b>	<b>(3,829)</b>	<b>60,712</b>	<b>29,707</b>	<b>(34,834)</b>

The Group's net financial position as at 31 March 2021 came to €25,878 thousand, compared to a net cash position of €3,829 thousand as at 31 December 2020, and a net debt position of €60,712 thousand as at 31 March 2020. The net financial position showed a decrease of €34,834 thousand compared to the same period in the previous year, related primarily to the notable reduction in current financial debt.

Cash and cash equivalents as at 31 March 2021 amounted to €65,665 thousand, a decrease of €28,694 thousand compared to 31 December 2020, and an increase of €2,324 thousand compared to 31 March 2020.

The evolution of net financial position in the first quarter of 2021 is consistent with sector dynamics. The concentration of the collection of orders and deliveries in specific periods of the year, against the constant flow of payments to suppliers and contractors, has an impact on liquidity, normally higher between April and July and less so in the initial months of the year, the period in which short-term financial debt is higher as a result of the lower flow of collections. The Group therefore performs careful planning and has significant credit facilities, whose use is planned on the basis of financial requirements. As at 31 March 2021, the Group has bank credit facilities to meet liquidity requirements of €139,179 thousand<sup>7</sup>, of which €128,947 thousand unused, in addition to cash of €66,665 thousand.

<sup>7</sup> Not including lines of credit for reverse factoring and confirming.

## Reclassified consolidated statement of cash flows

(€'000)	31 March 2021	31 March 2020
EBITDA	17,057	13,344
Taxes paid	-	(79)
Changes in inventories	(1,413)	(17,230)
Change in net contract assets and liabilities	(4,095)	(7,228)
Change in trade receivables and payments on account to suppliers	(101)	(4,476)
Change in trade payables	(29,131)	(30,119)
Change in provisions and other assets and liabilities	(4,801)	1,432
<b>Operating cash flow</b>	<b>(22,484)</b>	<b>(44,356)</b>
Change in non-current fixed assets (investments)	(5,641)	(6,430)
Business acquisitions and other changes	656	-
<b>Free cash flow</b>	<b>(27,469)</b>	<b>(50,786)</b>
Interest and financial charges	(272)	(541)
Other changes in equity	(1,966)	(322)
<b>Change in net financial position</b>	<b>(29,707)</b>	<b>(51,649)</b>
Net financial position at the beginning of the period	(3,829)	9,063
Net financial position at the end of the period	25,878	60,712

## Equity

(€'000)	31 March 2021	31 December 2020
Share Capital	34,500	34,500
Reserves	153,371	116,738
Group profit	8,260	34,508
<b>Group equity</b>	<b>196,131</b>	<b>185,746</b>
Equity attributable to non-controlling interests	(389)	(355)
<b>Equity</b>	<b>195,742</b>	<b>185,391</b>

The Parent company's share capital as at 31 March 2021 amounted to €34,500 thousand, fully paid-in, and is composed of 34,500,000 ordinary shares, unchanged compared to 31 December 2020.

On 21 April 2020, the Extraordinary Shareholders' Meeting of Sanlorenzo S.p.A. approved a divisible share capital increase, excluding option rights, pursuant to Article 2441, paragraph 8 of the Italian Civil Code, of a maximum nominal value of €884,615, to be executed no later than 30 June 2029, through the issue of a maximum of 884,615 ordinary Sanlorenzo shares destined exclusively and irrevocably to service the 2020 Stock Option Plan. This capital increase has not yet been subscribed, even partially.

On 24 September 2020, the Company launched the treasury share purchase programme based on the authorisation resolution approved by the Ordinary Shareholders' Meeting of 31 August 2020. As a result of the share purchases since the programme launch, as at 31 March 2021, the Company held 58,666 treasury shares, unchanged with respect to 31 December 2020 and equal to 0.170% of the subscribed and paid-in share capital.

## HUMAN RESOURCES

	31 March 2021		31 December 2020		Change	
	Units	% of total	Units	% of total	2021 vs. 2020	2021 vs. 2020%
Sanlorenzo S.p.A.	507	92.7%	476	92.8%	31	+6.5%
Bluegame S.r.l.	29	5.3%	26	5.1%	3	+11.5%
Sanlorenzo of the Americas LLC	10	1.8%	10	1.9%	-	-
Sanlorenzo Baleari SL	1	0.2%	1	0.2%	-	-
Marine Yachting Monaco S.A.M.	-	-	-	-	-	-
<b>Group employees</b>	<b>547</b>	<b>100.0%</b>	<b>513</b>	<b>100.0%</b>	<b>34</b>	<b>+6.6%</b>

As at 31 March 2021, Sanlorenzo Group employed a total of 547 employees, of which 92.7% at the Parent Company, an increase of 6.6% compared to 31 December 2020.

	31 March 2021		31 December 2020		Change	
	Units	% of total	Units	% of total	2021 vs. 2020	2021 vs. 2020%
Managers	34	6.2%	32	6.2%	2	+6.3%
White collars	420	76.8%	392	76.5%	28	+7.1%
Blue collars	93	17.0%	89	17.3%	4	+4.5%
<b>Group employees</b>	<b>547</b>	<b>100.0%</b>	<b>513</b>	<b>100.0%</b>	<b>34</b>	<b>+6.6%</b>

At category level, white collar workers recorded a bigger increase during the period, with an increase of 28 staff members compared to 31 December 2020.

	31 March 2021		31 December 2020		Change	
	Units	% of total	Units	% of total	2021 vs. 2020	2021 vs. 2020%
Managers	536	98.0%	502	97.9%	34	+6.8%
White collars	1	0.2%	1	0.2%	-	-
Blue collars	10	1.8%	10	1.9%	-	-
<b>Group employees</b>	<b>547</b>	<b>100.0%</b>	<b>513</b>	<b>100.0%</b>	<b>34</b>	<b>+6.6%</b>

The distribution by geographic area sees the largest number of employees employed in Italy, equal to 98.0% of the Group's total as at 31 March 2021.

## MAIN RISKS AND UNCERTAINTIES TO WHICH THE GROUP IS EXPOSED

The Group's activities are exposed to a series of risks and uncertainties that could influence its financial position, results of operations and cash flows, which are summarised below.

For more details on the risks to which the Group is exposed, please refer to the Annual Financial Report as at 31 December 2020, as there have been no changes compared to what was described therein concerning the risks to which the Group is exposed and how they are handled by management.

## Market and operating risks

The Group is exposed to risks linked to the general or specific macroeconomic scenario of the sector in which it conducts business, operational risks connected to relations with suppliers, contractors and brand representatives, uncertainties linked to extraordinary events that may trigger interruptions in the activities of production facilities and risks related to the evolution of the reference regulatory framework.

## Financial risks

The Group is exposed to credit risk, deriving from commercial transactions, liquidity risk and risks linked to disputes and tax assessments. Furthermore, the Group is exposed to fluctuations in interest rates on its variable rate debt instruments and fluctuations in exchange rates, primarily on sales of yachts in US dollars, and hedges such exposures with derivative instruments.

## OTHER INFORMATION

The Company is not subject to management and coordination activities pursuant to Articles 2497 et seq. of the Italian Civil Code, in consideration of the fact that the presumption set forth in Article 2497-sexies of the Italian Civil Code does not apply.

On 24 September 2020, the Company launched the treasury share purchase programme based on the authorisation resolution from the Ordinary Shareholders' Meeting of 31 August 2020. As a result of the share purchases since the programme launch, as at 31 March 2021, the Company held 58,666 treasury shares, unchanged with respect to 31 December 2020 and equal to 0.170% of the subscribed and paid-in share capital.

## SIGNIFICANT EVENTS OCCURRING DURING THE QUARTER

### Perini Navi

On 15 February 2021, Ferretti Group and Sanlorenzo announced their intention to create a NewCo based on an equal joint venture, in order to present an offer to acquire Perini Navi, declared bankrupt by the Court of Lucca on 29 January 2021. The company was established on 28 April 2021.

Through the NewCo, Ferretti Group and Sanlorenzo expressed an interest in formulating an offer that provides for the acquisition of the Italian trademarks, assets and activities of Perini Navi, including, if necessary, based on the prior rental of the business unit.

## SIGNIFICANT EVENTS AFTER THE CLOSE OF THE PERIOD

### Extraordinary Shareholders' Meeting of Bluegame S.r.l.

The Shareholders' Meeting of Bluegame S.r.l. was held on 19 April 2021 which, at the extraordinary session, transferred the company's registered office from Viareggio (LU) to Ameglia (SP). As a result of the increase in the volumes of the BGX line and considering the growth forecasts also connected with the development of the BGM range, Bluegame started to carry out some production activities at the Sanlorenzo in Ameglia sites, based on a contract for the provision of services and the lease of spaces signed with the Parent Company.

### Ordinary Shareholders' Meeting of Sanlorenzo S.p.A.

On 21 April 2021, the Ordinary Shareholders' Meeting of Sanlorenzo was held on first call. Considering the persistence of the health emergency, participation in the Shareholders' Meeting was permitted exclusively through the designated shareholders' representative.

The Company's Shareholders' Meeting passed the following resolutions:

- approval of the financial statements as at 31 December 2020 and the proposal for the allocation of profit which made provision, inter alia, for the distribution of a dividend of €0.30 per share, paid on 28 April 2021;
- approval of the first section of the Remuneration Report relating to the remuneration policy and resolved in a favourable sense on the second section.

## BUSINESS OUTLOOK

In a growing market environment, whose dynamics are being consolidated over the months, Sanlorenzo continues to benefit from the unique characteristics of its business model: strength and high-end positioning of the brand, emphasized by the close liaison with art and design, yachts always at the forefront of innovation, built in limited quantities and strictly made to measure, addressed to a sophisticated and loyal clientele, distribution restricted to a selected number of Brand Representatives and a flexible cost structure.

The strategy to expand the product ranges is sound and highly structured, providing both the presentation of new models, which will be five at the Cannes Boat Show on September 2021, and the launch of three new lines in 2022 – SP (“Smart Performance”), X-Space and BGM (“Bluegame Multi-hull”) – characterized by novel cross-segment features, and highly sustainable. These are the principles that are also guiding Research and Development activities, currently focused on Diesel-Electric yachts and the evaluation of the nautical application of Fuel Cells.

The Group also continues in the programme to increase operating margins, promoted by the efficiencies generated by the progressive implementation of the new production capacity and by the gradual increase in the prices of new orders thanks to the commercial positioning of the Company.

Group’s backlog as at 30 April 2021 amounted to €632,143 thousand, marking further growth of €78,732 thousand compared to 31 March 2021. The share relating to 2021, amounting to €457,014 thousand, offers significant visibility on Net Revenues New Yachts for the current year.

In light of all of the above, through constantly monitoring the evolution of the general context, the Company considers its expectations of double-digit growth for the main figures in 2021 to be well-founded, and makes the guidance for the current year public<sup>8</sup>.

*(in millions of Euro, unless indicated otherwise)*

	Actual		Guidance
	2019	2020	2021
Net Revenues New Yachts	455.9	457.7	530 - 540
Adjusted EBITDA	66.0	70.6	86 - 88
Adjusted EBITDA margin (in % of Net Revenues New Yachts)	14.5%	15.4%	16.2% - 16.3%
Group net profit	27.0	34.5	43 - 44
Investments	51.4	30.8	42 - 44
Net financial position	9.1	(3.8)	(14) - (16)

Ameglia, 4 May 2021

For the Board of Directors  
Chairperson and Chief Executive Officer

Mr Massimo Perotti



<sup>8</sup> In the absence of material impacts arising from additional restrictions related to the COVID-19 pandemic and excluding the contribution from potential extraordinary operations.

# CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH 2021

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€'000)	31 March 2021	31 December 2020
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	111,801	112,491
Goodwill	8,667	8,667
Intangible assets with a finite useful life	41,227	36,434
Equity investments and other non-current assets	416	412
Net deferred tax assets	6,193	6,538
<b>Total non-current assets</b>	<b>168,304</b>	<b>164,542</b>
<b>Current assets</b>		
Inventories	83,627	82,214
Contract assets	122,033	112,938
Other financial assets, including derivatives	1	647
Trade receivables	19,113	17,233
Other current assets	34,196	30,434
Cash and cash equivalents	65,665	94,359
<b>Total current assets</b>	<b>324,635</b>	<b>337,825</b>
<b>TOTAL ASSETS</b>	<b>492,939</b>	<b>502,367</b>





# CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

(€'000)	31 March 2021	31 March 2020
Revenues	143,505	103,675
Commissions	(3,420)	(5,522)
<b>Net revenues</b>	<b>140,085</b>	<b>98,153</b>
Other income	895	1,133
<b>Total net revenue and income</b>	<b>140,980</b>	<b>99,286</b>
Increases in internal work	484	365
Raw materials, consumables and finished products	(54,802)	(35,565)
Outsourcing	(46,590)	(39,898)
Change in work in progress, semi-finished and finished products	(1,718)	10,697
Other service costs	(8,227)	(9,746)
Personnel expenses	(10,858)	(9,628)
Other operating costs	(978)	(822)
Accruals to provisions for risks and charges	(1,234)	(1,345)
<b>Total operating costs</b>	<b>(123,923)</b>	<b>(85,942)</b>
<b>Operating profit before amortisation and depreciation</b>	<b>17,057</b>	<b>13,344</b>
Amortisation, depreciation and impairment losses	(5,024)	(4,500)
<b>Operating profit</b>	<b>12,033</b>	<b>8,844</b>
Financial income	(63)	-
Financial expense	(272)	(570)
<b>Net financial expense</b>	<b>(209)</b>	<b>(570)</b>
Share of profit/(loss) of equity-accounted investees, net of tax	-	-
Adjustments to financial assets	4	29
<b>Pre-tax profit</b>	<b>11,828</b>	<b>8,303</b>
Income taxes	(3,586)	(2,526)
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>8,242</b>	<b>5,777</b>
<b>Attributable to:</b>		
Owners of the parent company	8,260	5,931
Non-controlling interests	(18)	(154)

<i>(€'000)</i>	31 March 2021	31 March 2020
<b>Other comprehensive income</b>		
<b>Other comprehensive income that will not be subsequently reclassified to net profit</b>		
Actuarial change in provisions for employee benefits	-	-
Income taxes relating to actuarial changes in provisions for employee benefits	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Other comprehensive income which will be subsequently reclassified to net profit</b>		
Changes in the cash flow hedge reserve	(1,370)	(60)
Income taxes related to changes in the cash flow hedge reserve	382	17
Change in the translation reserve	-	-
<b>Total</b>	<b>(988)</b>	<b>(43)</b>
<b>Other comprehensive income for the year, net of tax effect</b>	<b>(988)</b>	<b>(43)</b>
<b>COMPREHENSIVE NET INCOME FOR THE PERIOD</b>	<b>7,254</b>	<b>5,734</b>
<b>Attributable to:</b>		
Owners of the parent company	7,272	5,888
Non-controlling interests	(18)	(154)
<hr/>		
<i>(in €)</i>	31 March 2021	31 March 2020
Net profit for the period attributable to the owners of the parent company	8,259,953	5,930,634
Average number of shares	34,500,000	34,500,000
<b>Earnings per share</b>	<b>0.24</b>	<b>0.17</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(€'000)	Share capital	Share premium	Total other reserves	Profit for the period	Equity attributable to the owners of the parent company	Equity attributable to non-controlling interests	Total equity
<b>Value as at 31 December 2020</b>	<b>34,500</b>	<b>76,549</b>	<b>40,189</b>	<b>34,508</b>	<b>185,746</b>	<b>(355)</b>	<b>185,391</b>
Allocation of profit for the period	-	-	33,997	(34,508)	(511)	-	(511)
Effect of cash flow hedge reserve	-	-	(1,370)	-	(1,370)	-	(1,370)
Other changes	-	-	4,006	-	4,006	(16)	3,990
Profit for the period	-	-	-	8,260	8,260	(18)	8,242
<b>Value as at 31 March 2021</b>	<b>34,500</b>	<b>76,549</b>	<b>76,822</b>	<b>8,260</b>	<b>196,131</b>	<b>(389)</b>	<b>195,742</b>

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(€'000)	31 March 2021	31 March 2020
<b>Cash flows from operating activities</b>		
Profit for the period	8,242	5,777
<b>Adjustments for:</b>		
Depreciation	3,668	3,058
Amortisation	1,356	1,442
Impairment losses on intangible assets and goodwill	-	-
Impairment losses on financial assets (other equity investments)	(4)	29
Net financial expense	209	570
Gain on sale of property, plant and equipment	(4)	(6)
Impairment losses on trade receivables	-	-
Income taxes	3,586	2,526
<b>Changes in:</b>		
Inventories	(1,413)	(17,230)
Contract assets	(9,095)	(19,875)
Trade receivables	(1,880)	(3,196)
Other current assets	(3,762)	1,823
Trade payables	(29,131)	(30,119)
Contract liabilities	5,000	12,648
Other current liabilities	1,080	(2,666)
Provisions for risks and charges and employee benefits	(336)	979
<b>Cash flows generated by operating activities</b>	<b>(22,484)</b>	<b>(44,298)</b>
Taxes paid	-	(79)
<b>Net cash flows from operating activities</b>	<b>(22,484)</b>	<b>(44,377)</b>
<b>Cash flows from investing activities</b>		
Interest received	(63)	-
Proceeds from sale of property, plant and equipment	-	52
Proceeds from disposal of intangible assets	-	-
Change in other equity investments and other non-current assets	593	(11)
Acquisition of subsidiaries or business units, net of cash acquired	-	-
Acquisition of property, plant and equipment	(3,562)	(4,710)
Acquisition of intangible assets with a finite useful life	(2,079)	(1,720)
<b>Net cash flows used in investing activities</b>	<b>(4,985)</b>	<b>(6,389)</b>

(€'000)	31 March 2021	31 March 2020
<b>Cash flows from financing activities</b>		
Financial income and expense paid	(272)	(570)
Proceeds from the issue of share capital	-	-
New loans	9,089	54,736
Repayment of loans	(6,029)	(6,390)
Changes in other financial assets and liabilities including derivatives	1,709	6,633
New finance leases	762	-
Repayment of finance leases	(4,518)	(175)
Assumption of new loans	-	-
Other changes in equity	(1,966)	(313)
Purchase of treasury shares	-	-
Dividends paid	-	-
<b>Net cash flows from/(used in) financing activities</b>	<b>(1,225)</b>	<b>53,921</b>
<b>Net change in cash and cash equivalents</b>	<b>(28,694)</b>	<b>3,155</b>
Cash and cash equivalents at the beginning of the period	94,359	60,186
<b>Cash and cash equivalents at the end of the period</b>	<b>65,665</b>	<b>63,341</b>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## BASIS OF PREPARATION

### Introduction

This periodic financial information as at 31 March 2021 (hereinafter "Periodic Financial Information as at 31 March 2021") was approved by the Board of Directors of the Company on 4 May 2021 and has not been audited, as it is not required by current regulations.

Sanlorenzo S.p.A., as a company listed on the STAR segment of the Mercato Telematico Azionario (the screen-based market of the Italian Stock Exchange) organised and managed by Borsa Italiana, is subject to the provisions of Article 2.2.3 of the Stock Exchange Regulations. On the basis of these regulations, the Company has prepared the Periodic Financial Information as at 31 March 2021, which it makes available to the public.

### Basis of preparation

The Periodic Financial Information as at 31 March 2021 has been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board and endorsed by the European Union, including all interpretations of the International Financial Reporting Interpretations Committee (IFRIC), previously known as the Standing Interpretations Committee (SIC).

For the purposes of preparing Periodic Financial Information as at 31 March 2021, the provisions of IAS 34 ("Interim Financial Reporting"), relating to infra-annual financial reporting, were not adopted, given that the Group applies this standard to half-yearly financial reports and not to quarterly reports.

The accounting principles and criteria adopted for the preparation of the Periodic Financial Information as at 31 March 2021 are consistent with those used for the preparation of the consolidated financial statements as at 31 December 2020 to which reference should be made for more details.

The Periodic Financial Information as at 31 March 2021 has been prepared on the basis of the accounting positions of the Parent Company and its subsidiaries, adjusted accordingly to ensure they conform to the IFRS.

The Periodic Financial Information as at 31 March 2021 includes the consolidated statement of the financial position, consolidated statement of profit and loss and the other comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the period from 1 January to 31 March 2021.

For comparative purposes, the financial statements present a comparison with the statement of financial position data in the consolidated financial statements as at 31 December 2020 and with the data in the consolidated statement of profit or loss and other comprehensive income, and the consolidated statement of cash flows, as at 31 March 2020.

As regards the statement of financial position, the presentation format adopted provides for a distinction between current and non-current assets and liabilities, according to paragraphs 60 et seq. of IAS 1.

The presentation of the consolidated income statement adopts a classification of costs based on the type of expense.

The consolidated statement of cash flows was prepared based on the indirect method and is presented in compliance with IAS 7, classifying the financial flows between operating, investment and financing activities.

## Basis of measurement

The Periodic Financial Information as at 31 March 2021 was prepared using the historical cost method, with the exception of derivative financial instruments, which were recognised at fair value as required by IFRS 9 - "Financial Instruments", and on a going concern basis. The Directors, in fact, have checked that there are no material uncertainties (as defined in IAS 1.25) in relation to the going-concern assumption.

## Functional and presentation currency

The Periodic Financial Information as at 31 March 2021 is presented in Euro, the functional currency of the Parent Company. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

## Use of judgements and estimates

The preparation of the Periodic Financial Information as at 31 March 2021 in application of the IAS/IFRS requires the Directors to apply accounting standards that may sometimes be affected by complex and subjective judgements and estimates, based on past experience and assumptions deemed reasonable and realistic in the circumstances.

The application of these estimates and assumptions affects the reporting amounts in the financial statements, such as the statement of financial position, the statement of profit and loss and other comprehensive income, the statement of cash flows and the disclosures included herein.

Reference should be made to the consolidated financial statements as at 31 December 2020 in relation to the main areas requiring the use of judgements and estimates, specifying that there are no changes in the main sources of uncertainty of estimates compared to those reported in the consolidated financial statements as at 31 December 2020.

## Consolidation criteria

The Periodic Financial Information as at 31 March 2021 includes the interim financial statements as at 31 March 2021 of the Parent Company and those of the Italian and foreign subsidiaries specifically prepared.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The consolidation criteria adopted in the preparation of this Periodic Financial Information as at 31 March 2021 are the same as those adopted and reported in the consolidated financial statements as at 31 December 2020.

## Summary of accounting standards applied

In the preparation of this Periodic Financial Information as at 31 March 2021, the same accounting principles and preparation criteria were applied as those used in the preparation of the consolidated financial statements as at 31 December 2020, to which reference should be made.

## Impairment testing

The Company decided to perform the impairment test on goodwill and on development expenditure at the end of each year.

For the preparation of the Periodic Financial Information as at 31 March 2021, the Company assessed, on the basis of information from external and internal sources, whether there were indications of impairment of assets. At Group level, the existence of indicators of impairment was assessed as required by paragraph 12 of IAS 36. In assessing the results as at 31 March 2021, the Company considered that there were no trigger events and it was not necessary to carry out impairment testing; these trends will be carefully monitored in the coming months in order to promptly identify elements that may determine the need to carry out the aforementioned tests.

## INFORMATION ON RISKS AND FINANCIAL INSTRUMENTS

The Group's activities are exposed to a series of risks and uncertainties that could influence its financial position, results of operations and cash flows. In particular, the Group is exposed to credit risk, arising from commercial transactions, liquidity risk, risks arising from changes in the regulatory framework and risks connected with litigation and tax assessments. Furthermore, the Group is exposed to fluctuations in interest rates on its variable rate debt instruments and fluctuations in exchange rates, primarily on sales of yachts in US dollars, and hedges such exposures with derivative instruments.

The Periodic Financial Information as at 31 March 2021 does not include all information on risk management. There were no changes with reference to the consolidated financial statements as at 31 December 2020 regarding the risks to which the Group is exposed and their management.

## COMPOSITION OF THE GROUP

### Subsidiaries

The Periodic Financial Information as at 31 March 2021 includes Sanlorenzo S.p.A. (Parent Company) and four direct subsidiaries of Sanlorenzo S.p.A. (Bluegame S.r.l., Marine Yachting Monaco S.A.M., Sanlorenzo Baleari SL and Sanlorenzo of the Americas LLC).

The following table summarises information, as at 31 March 2021, concerning the name and registered office of all subsidiaries, as well as Sanlorenzo Group's direct or indirect holding in their share capital.

In particular, by means of the resolution of the Extraordinary Shareholders' Meeting on 19 April 2021, the company Bluegame S.r.l. moved its registered office from via Marina di Levante 12, Viareggio (LU) to via Armezzone 3, Ameglia (SP).

Company name	Registered office	Currency	Capital (currency unit)	Holding	
				Direct	Indirect
Bluegame S.r.l.	Ameglia (SP) – Italy	Euro	100,000	100.0%	-
Sanlorenzo of the Americas LLC	Fort Lauderdale (FL) – USA	US Dollars	2,000,000	90.0%	-
Sanlorenzo Baleari SL	Puerto Portals, Mallorca – Spain	Euro	500,000	51.0%	-
Marine Yachting Monaco S.A.M.	Principality of Monaco	Euro	150,000	99.7%	-

It should be noted that the companies controlled indirectly by the Parent Company also include Fortune Yacht LLC, wholly-owned by Sanlorenzo of the Americas LLC. This company, dedicated to brokerage services for the American market and currently inactive, will resume activities from the second quarter of 2021.



## Associated companies

The Parent Company also holds a stake of 49.81% in the associated company Polo Nautico Viareggio S.r.l. - a limited liability consortium ("Polo Nautico"), which manages, for consortium companies, a yard of around 7,000 square metres on the sea front complete with mooring quays and the relevant accessories, equipment and services in Viareggio. This equity investment in Polo Nautico is booked in the Company's financial statements with the equity method.

Ameglia, 4 May 2021

For the Board of Directors  
Chairperson and Chief Executive Officer

Mr Massimo Perotti



# DECLARATION OF THE MANAGER CHARGED WITH PREPARING THE COMPANY'S FINANCIAL REPORTS PURSUANT TO ARTICLE 154-BIS, PARAGRAPH 2, OF ITALIAN LEGISLATIVE DECREE NO. 58 OF 24 FEBRUARY 1998

The undersigned Attilio Bruzzese, Chief Financial Officer of the Sanlorenzo Group, in his capacity as Manager charged with preparing the company's financial reports, declares that the Periodic Financial Information as at 31 March 2021 corresponds to the documented results, books and accounting records.

Ameglia, 4 May 2021

Attilio Bruzzese  
Manager charged with preparing  
the company's financial reports

Sanlorenzo S.p.A.  
Headquarters  
Cantieri Navali di Ameglia  
Via Armezzone, 3  
19031 Ameglia (Sp), Italy  
t +39 0187 6181

Executive Offices  
Cantieri Navali di La Spezia  
Viale San Bartolomeo, 362  
19126 La Spezia (Sp), Italy  
t +39 0187 545700

Cantieri Navali di Viareggio  
Via Luigi Salvatori, 58  
55049 Viareggio (Lu), Italy  
t +39 0584 38071

[www.sanlorenzoyacht.com](http://www.sanlorenzoyacht.com)  
[investor:relations@sanlorenzoyacht.com](mailto:investor:relations@sanlorenzoyacht.com)