

PERIODIC  
FINANCIAL  
INFORMATION

AS AT 30 SEPTEMBER 2023

**SANLORENZO**



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# SANLORENZO GROUP

## CORPORATE DATA

### SANLORENZO S.P.A.

Share capital as at 30 September 2023: €34,906,858, fully paid-in<sup>1</sup>

Tax code and registration number at the Chamber of Commerce 00142240464

VAT 01109160117

Registered office in via Armezzone 3, 19031 Ameglia (SP)

www.sanlorenzoyacht.com

## CORPORATE BODIES

<b>BOARD OF DIRECTORS<sup>2</sup></b>	Massimo Perotti	Chairman and Chief Executive Officer
	Carla Demaria	Executive Director
	Ferruccio Rossi	Executive Director
	Paolo Olivieri	Director and Deputy Chair
	Cecilia Maria Perotti	Director
	Silvia Merlo	Director
	Licia Mattioli	Independent Director and Lead Independent Director
	Leonardo Luca Etro	Independent Director
	Francesca Culasso	Independent Director
	Marco Francesco Mazzù	Independent Director
<b>CONTROL, RISKS AND SUSTAINABILITY COMMITTEE</b>	Leonardo Luca Etro	Chair
	Silvia Merlo	
	Francesca Culasso	
<b>REMUNERATION COMMITTEE<sup>3</sup></b>	Leonardo Luca Etro	Chair
	Silvia Merlo	
	Francesca Culasso	
<b>NOMINATION COMMITTEE<sup>4</sup></b>	Licia Mattioli	Chair
	Paolo Olivieri	
	Marco Francesco Mazzù	

<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 September 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. As at 30 September 2023, this capital increase had been partially subscribed for a total of no. 406,858 shares.

<sup>2</sup> Appointed by the Ordinary Shareholders' Meeting on 28 April 2022; it will remain in office until the date of the Shareholders' Meeting called to approve the separate financial statements as at 31 December 2024. Following the resolution of the Ordinary Shareholders' Meeting held on 27 April 2023, the number of members of the Board of Directors was reduced from twelve to ten, confirming the current Directors and therefore not proceeding with the replacement of Marco Viti, who resigned in 2022, and Pietro Gussalli Beretta, who resigned as at 27 April 2023.

<sup>3</sup> The composition was changed on 17 April 2023 with immediate effect.

<sup>4</sup> The composition was changed on 17 April 2023 with effect as at 27 April 2023.

<b>RELATED PARTY</b>	Licia Mattioli	Chair
<b>TRANSACTIONS COMMITTEE<sup>5</sup></b>	Leonardo Luca Etro Francesca Culasso	
<b>BOARD OF STATUTORY AUDITORS<sup>6</sup></b>	Enrico Fossa Andrea Caretti Margherita Spainì Luca Trabattoni Maria Cristina Ramenzoni	Chair and Statutory Auditor Standing Statutory Auditor Standing Statutory Auditor Alternate Statutory Auditor Alternate Statutory Auditor
<b>AUDITING FIRM<sup>7</sup></b>	BDO Italia S.p.A.	
<b>MANAGER CHARGED WITH PREPARING THE COMPANY'S FINANCIAL REPORTS</b>	Attilio Bruzzese	

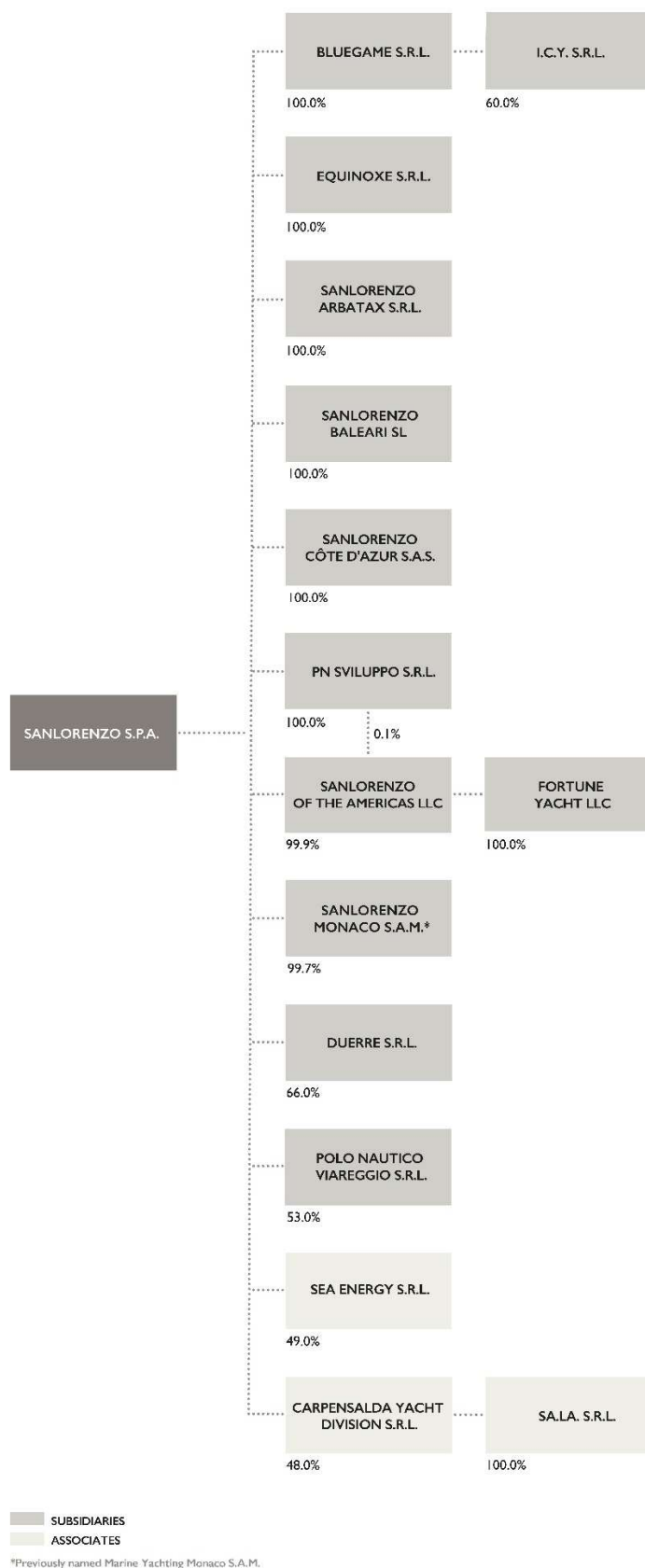
<sup>5</sup> The composition was changed on 17 April 2023 with immediate effect.

<sup>6</sup> Appointed by the Ordinary Shareholders' Meeting on 28 April 2022; it will remain in office until the date of the Shareholders' Meeting called to approve the separate financial statements as at 31 December 2024.

<sup>7</sup> Appointed by the Ordinary Shareholders' Meeting on 23 November 2019 for nine financial years from 2019 to 2027.

# GROUP STRUCTURE

## COMPANY ORGANISATION CHART AS AT 30 SEPTEMBER 2023



## COMPOSITION OF THE GROUP AS AT 30 SEPTEMBER 2023

Company name	Registered office
Sanlorenzo S.p.A. – Parent Company	Ameglia (SP) – Italy
<b>Subsidiaries</b>	
Bluegame S.r.l.	Ameglia (SP) – Italy
Equinoxe S.r.l.	Turin (TO) – Italy
Sanlorenzo Arbatax S.r.l.	Ameglia (SP) – Italy
PN Sviluppo S.r.l.	Viareggio (LU) – Italy
Duerre S.r.l.	Vicopisano (PI) – Italy
I.C.Y. S.r.l.	Adro (BS) – Italy
Polo Nautico Viareggio S.r.l. <sup>8</sup>	Viareggio (LU) – Italia
Sanlorenzo Baleari SL	Puerto Portals, Mallorca – Spain
Sanlorenzo Côte d'Azur S.A.S. <sup>9</sup>	Cannes – France
Sanlorenzo Monaco S.A.M. <sup>10</sup>	Monte-Carlo – Principality of Monaco
Sanlorenzo of the Americas LLC	Fort Lauderdale (FL) – USA
Fortune Yacht LLC	Fort Lauderdale (FL) – USA
<b>Associates</b>	
Sea Energy S.r.l.	Viareggio (LU) – Italy
Carpensalda Yacht Division S.r.l.	Pisa (PI) – Italy
Sa.La. S.r.l.	Viareggio (LU) – Italy

<sup>8</sup> On 3 July 2023, Sanlorenzo S.p.A. acquired a 0.51% stake in Polo Nautico Viareggio S.r.l. from VSS S.r.l. For more details, please refer to the “Significant events occurring during the quarter” section.

<sup>9</sup> On 11 July 2023, Sanlorenzo S.p.A. consolidated its presence in the French market with the incorporation of the company “Sanlorenzo Côte d'Azur S.A.S.”, wholly-owned by Sanlorenzo S.p.A. For more details, please refer to the “Significant events occurring during the quarter” section.

<sup>10</sup> Previously named Marine Yachting Monaco S.A.M.





# REPORT ON OPERATIONS

## INTRODUCTION

This periodic financial information as at 30 September 2023 (hereinafter "Periodic Financial Information as at 30 September 2023") was approved by the Board of Directors of the Company on 9 November 2023 and has not been audited, as it is not required by current regulations. Sanlorenzo S.p.A., as company listed on Euronext STAR Milan segment of the Italian Stock Exchange, is subject to the provisions of Article 2.2.3 of the Stock Exchange Regulations. On the basis of such regulations, the Company has prepared the Periodic Financial Information as at 30 September 2023, which it makes available to the public.

This report on operations must be read together with the condensed consolidated financial statements and the related notes.

## GROUP ACTIVITIES

The Group is a global operator leader in the luxury yachting industry, specialised in the design, production and sale of made-to-measure yachts, superyachts and sport utility yachts, which are fitted out and customised according to the needs and desires of exclusive customers.

Sanlorenzo's long tradition in yacht production began in 1958 with the construction of luxury flybridge motor-yachts from wood, leading up to its first composite yacht model in 1985. With the arrival of Massimo Perotti in 2005, Sanlorenzo started developing on the global markets, experiencing an extraordinary growth and the listing on the STAR segment of the Italian Stock Exchange in 2019. Thanks to a clear entrepreneurial vision combined with forty-year experience in yachting, Massimo Perotti, keeping faith with the identity and heritage of the brand, proposes a new way of living the sea and introduces new and highly innovative solutions that have profoundly changed the yachting world.

Today, Group activities are divided into three business units:

- the Yacht Division – dedicated to the design, manufacturing and marketing of composite yachts between 24 and 38 metres long, under the Sanlorenzo brand;
- the Superyacht Division – dedicated to the design, manufacturing and marketing of superyachts in aluminium and steel between 40 and 73 metres long, under the Sanlorenzo brand;
- the Bluegame Division – dedicated to the design, manufacturing and marketing of composite sport utility yachts between 13 and 23 metres long, under the Bluegame brand.

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

The Group also offers an exclusive range of services dedicated only to Sanlorenzo and Bluegame customers, including training at the Sanlorenzo Academy for crew members, as well as maintenance, restyling and refitting, in addition to charter services offered through the newly acquired company Equinox S.r.l.

The strength of the brand is the result of the Group's ability to create yachts that stand out for their iconic and timeless design and that represent the result of the customer-focused customisation process, coupled with an increasing focus on sustainability, with the introduction of innovations and technologies aimed at reducing the environmental impact of yachts towards neutrality, also thanks to strategic agreements with the world's largest players in the field of energy and propulsion.

The high level of the design and innovation of the yachts that characterise the Group's activities has been widely recognised by sector operators, yacht owners and the specialised press which, over the years, have awarded the Group's products many awards and recognitions. More recently, in September 2023, the new SX100 of the Yacht Division, world premiered at the Cannes Yachting Festival, was awarded as "Best Innovation" at the World Yacht Trophies and in the "Superyacht over 24m LH" category for the unprecedented layout at the Design Innovation

Award. Furthermore, at the Cannes Yachting Festival in September, Bluegame entered the multi-hull segment with the first BGM75, awarded in the "Multi-hull" category at the World Yacht Trophies, and unveiled the "chase boat" designed for the 37th edition of the prestigious America's Cup in 2024, the BGH-HSV ("Hydrogen Support Vessel"), receiving the "Innovation Award" of the Design Innovation Award.

The "Fondazione Sanlorenzo" plays a fundamental role in the responsible development that the Company pursues as key objective. In harmony with the human values, work culture and corporate social responsibility that shape Sanlorenzo's history, Fondazione Sanlorenzo aims to improve the economic and social conditions of the community, favouring opportunities for life, study and work. The main activities include granting scholarships to young students and promoting and supporting projects that contribute to the economic, socio-cultural and environmental development of the smaller Italian islands.



# 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 the relevant financial position. The Group believes that the financial information reported below 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, calculated in compliance with the Guidelines on Alternative Performance Indicators issued by ESMA/2015/1415 and adopted by Consob in its communication no. 92543 of 3 December 2015, refer solely to the performance of the period forming the object of this financial report and the periods being compared and not to the Group's expected performance.

The following table shows the definitions of the APIs relevant to the Group and the relative items in the financial statements adopted.

<b>BACKLOG</b>	It 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 period, 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 related to the revenues acquired during the year is conventionally cleared on 31 December.
<b>NET REVENUES NEW YACHTS</b>	They are calculated as the algebraic sum of revenues from contracts with customers relating to the sale of new yachts (accounted for over time with the "cost-to-cost" method) and pre-owned yachts, net of selling expenses related to commissions and trade-in costs of pre-owned boats.
<b>EBITDA</b>	It is the Operating result (EBIT) before amortisation/depreciation.
<b>EBITDA MARGIN</b>	Indicates the ratio of EBITDA to Net Revenues New Yachts;
<b>ADJUSTED EBITDA</b>	It is the Operating result (EBIT) before amortisation/depreciation adjusted for non-recurring items.
<b>ADJUSTED EBITDA MARGIN</b>	It is the ratio of Adjusted EBITDA to Net Revenues New Yachts.
<b>NET FIXED CAPITAL</b>	It is calculated as the sum of goodwill, intangible assets, property, plant and equipment and net deferred tax assets, net of the corresponding non-current provisions.
<b>NET WORKING CAPITAL</b>	It is 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.
<b>NET TRADE WORKING CAPITAL</b>	It is calculated as the sum of trade receivables, contract assets and inventories, net of trade payables and contract liabilities.
<b>NET INVESTED CAPITAL</b>	It is calculated as the sum of net fixed capital and net working capital.
<b>INVESTMENTS</b>	They refer to increases in property, plant and equipment and intangible assets, net of the carrying amount of related disposals.

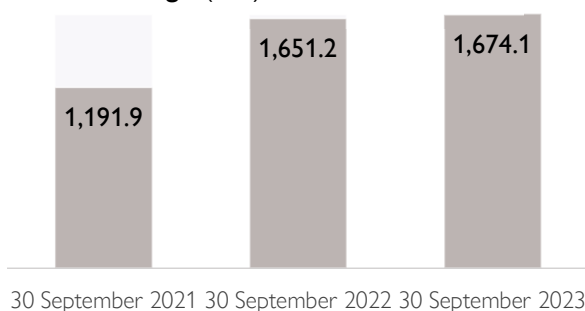
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**NET FINANCIAL POSITION** It is calculated on the basis of guidelines issued by ESMA and reported in ESMA document 32-382-1138 of 4 March 2021 (Consob Warning Notice no. 5/21 for Consob Communication DEM/6064293, 28 July 2006), as the sum of liquidity (including cash equivalents and other current financial assets), net of current and non-current financial liabilities, including the fair value of hedging derivatives. If positive, it indicates a net cash position.

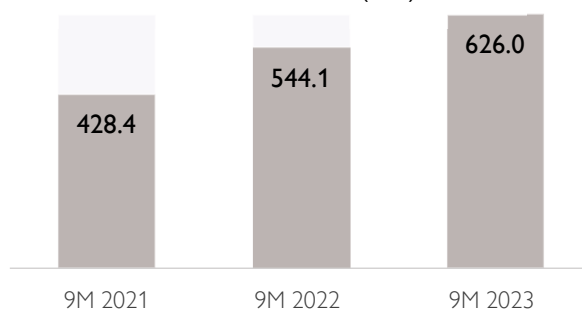
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# FINANCIAL HIGHLIGHTS<sup>11</sup>

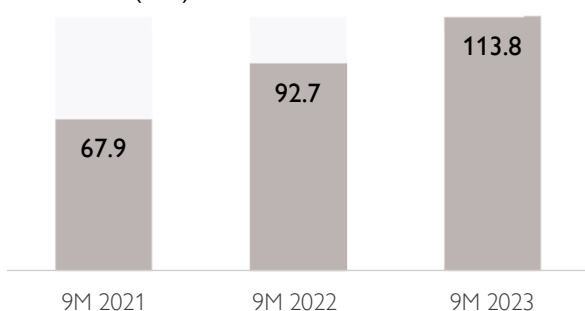
Gross backlog / (€m)



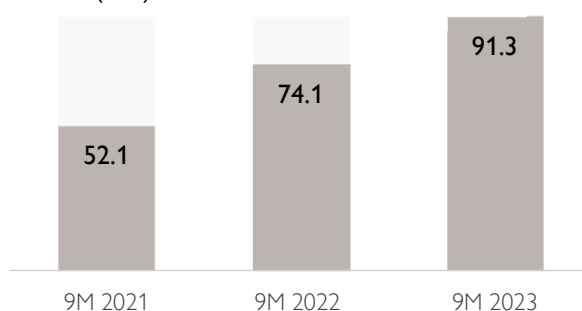
Net Revenues New Yachts / (€m)



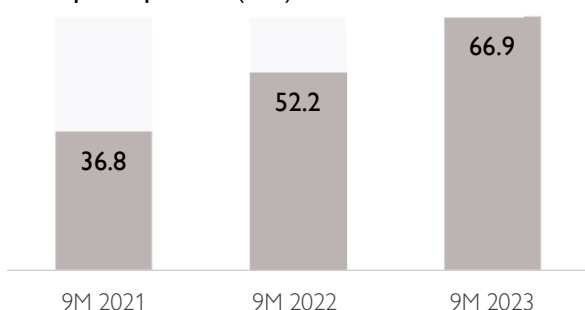
EBITDA / (€m)



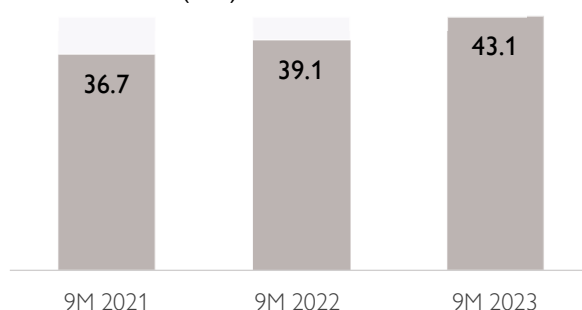
EBIT / (€m)



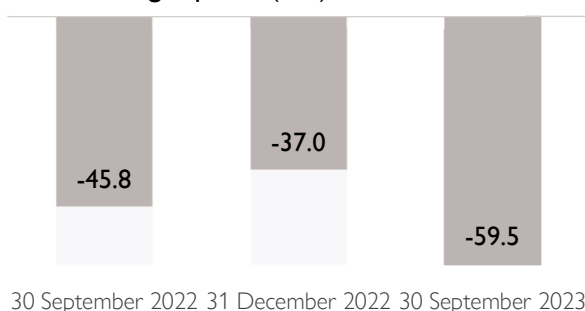
Group net profit / (€m)



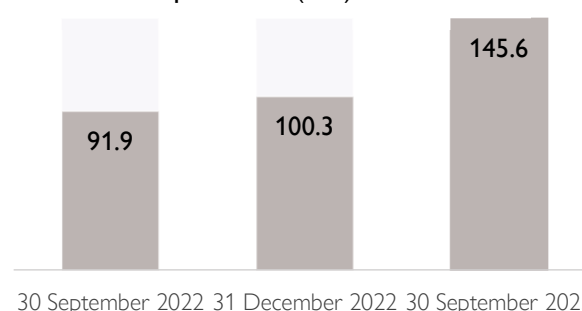
Investments / (€m)



Net working capital / (€m)



Net financial position / (€m)



<sup>11</sup> For a description of the methods of calculating the indicators presented, please refer to the following paragraph "Main alternative performance indicators".

# BACKLOG PERFORMANCE

(€'000)	30 September		Change	
	2023	2022	2023 vs. 2022	2023 vs. 2022%
<b>Gross backlog</b>	<b>1,674,097</b>	<b>1,651,224</b>	<b>22,873</b>	<b>+1.4%</b>
of which current year	819,185	724,187	94,998	+13.1%
of which subsequent years	854,912	927,037	(72,125)	-7.8%
Net Revenues New Yachts for the period	625,990	544,058	81,932	+15.1%
<b>Net backlog</b>	<b>1,048,107</b>	<b>1,107,166</b>	<b>(59,059)</b>	<b>-5.3%</b>
of which current year	193,195	180,129	13,066	+7.3%
of which subsequent years	854,912	927,037	(72,125)	-7.8%

Gross backlog as at 30 September 2023 amounted to €1,674,097 thousand, compared to €1,651,224 thousand as at 30 September 2022, up by €22,873 compared to the first nine months of 2022.

Net backlog as at 30 September 2023 was equal to €1,048,107 thousand, showing a ratio of 1.3 times revenues in the last 12 months, which is higher than the average of 1.20 times recorded in the last 4 years over the same period.

The visibility of revenues expected in 2023, with a backlog of €819,185 thousand, and in subsequent years, with a total backlog of €854,912 thousand, continues to be significant, fostered by the overall extension of delivery dates, planned until 2026 for the Yacht Division and 2027 for the Superyacht Division. For Bluegame, deliveries go up to 2025, an extremely high level for companies operating in this market segment.

(€'000)	Backlog			
	1 January <sup>12</sup>	31 March	30 June	30 September
<b>Backlog 2023</b>	<b>1,069,619</b>	<b>1,239,731</b>	<b>1,421,081</b>	<b>1,674,097</b>
of which current year	617,394	696,478	745,978	819,185
of which subsequent years	452,225	543,253	675,103	854,912
<b>Backlog 2022</b>	<b>915,632</b>	<b>1,178,029</b>	<b>1,402,774</b>	<b>1,651,224</b>
of which current year	544,060	628,110	671,272	724,187
of which subsequent years	371,572	549,919	731,502	927,037

(€'000)	Change (order intake)			
	Q1	Q2	Q3	Total 9M
<b>Order intake 2023</b>	<b>170,112</b>	<b>181,350</b>	<b>253,016</b>	<b>604,478</b>
of which current year	79,084	49,500	73,207	201,791
of which subsequent years	91,028	131,850	179,809	402,687
<b>Order intake 2022</b>	<b>262,397</b>	<b>224,745</b>	<b>248,450</b>	<b>735,592</b>
of which current year	84,050	43,162	52,915	180,127
of which subsequent years	178,347	181,583	195,535	555,465

Order intake for the first nine months of 2023 amounted to €604,478 thousand, a natural normalisation compared to the value of €735,592 thousand in the first nine months of 2022, partly due to (i) a return to the historical growth trend, (ii) longer waiting times for yacht delivery, given the growing order backlog, and (iii) a slowdown in demand from the Americas, due to the uncertain macroeconomic scenario and high interest rates. The trend in order intake in the third quarter of 2023, amounting to €253,016 thousand, showed an increase in the order collection compared to €248,450 thousand in the same period of the previous year.

<sup>12</sup> Opening the reference year with net backlog as at 31 December of the previous year.

Extremely positive has been the outcome of the three boat shows held in September (Cannes Yachting Festival, Genoa International Boat Show and Monaco Yacht Show), which recorded a strong turnout of mainly European customers and great success of the new SX100 of the Yacht Division and the multi-hull BGM75 of Bluegame, both world premiered at the Cannes Yachting Festival.

Also this year, the three events have seen the closing of numerous commercial negotiations and many others are still in progress. This positive trend was also confirmed during the Fort Lauderdale International Boat Show in late October, where the 44Alloy of the Superyacht Division was exhibited for the first time, along with six yachts and two Bluegame.

# CONSOLIDATED ECONOMIC RESULTS

## RECLASSIFIED INCOME STATEMENT

(€'000)	Nine months ended 30 September				Change	
	2023	% Net Revenues New Yachts	2022	% Net Revenues New Yachts	2023 vs. 2022	2023 vs. 2022%
<b>Net Revenues New Yachts</b>	<b>625,990</b>	<b>100.0%</b>	<b>544,058</b>	<b>100.0%</b>	<b>81,932</b>	<b>+15.1%</b>
Revenues from maintenance and other services	8,628	1.4%	7,291	1.3%	1,337	+18.3%
Other income	8,810	1.4%	3,640	0.7%	5,170	+142.0%
Operating costs	(529,402)	(84.6)%	(461,887)	(84.9)%	(67,515)	+14.6%
<b>Adjusted EBITDA</b>	<b>114,026</b>	<b>18.2%</b>	<b>93,102</b>	<b>17.1%</b>	<b>20,924</b>	<b>+22.5%</b>
Non-recurring costs	(269)	-	(421)	(0.1)%	152	-36.1%
<b>EBITDA</b>	<b>113,757</b>	<b>18.2%</b>	<b>92,681</b>	<b>17.0%</b>	<b>21,076</b>	<b>+22.7%</b>
Amortisation/depreciation	(22,431)	(3.6)%	(18,583)	(3.4)%	(3,848)	+20.7%
<b>EBIT</b>	<b>91,326</b>	<b>14.6%</b>	<b>74,098</b>	<b>13.6%</b>	<b>17,228</b>	<b>+23.3%</b>
Net financial expense	2,800	0.4%	(407)	(0.1)%	3,207	-788.0%
Adjustments to financial assets	(64)	-	(294)	-	230	-78.2%
<b>Pre-tax profit</b>	<b>94,062</b>	<b>15.0%</b>	<b>73,397</b>	<b>13.5%</b>	<b>20,665</b>	<b>+28.2%</b>
Income taxes	(27,218)	(4.3)%	(20,666)	(3.8)%	(6,552)	+31.7%
<b>Net profit</b>	<b>66,844</b>	<b>10.7%</b>	<b>52,731</b>	<b>9.7%</b>	<b>14,113</b>	<b>+26.8%</b>
Net (profit)/loss attributable to non-controlling interests	95	-	(490)	(0.1)%	585	-119.4%
<b>Group net profit</b>	<b>66,939</b>	<b>10.7%</b>	<b>52,241</b>	<b>9.6%</b>	<b>14,698</b>	<b>+28.1%</b>

## NET REVENUES NEW YACHTS

(€'000)	Nine months ended 30 September		Change	
	2023	2022	2023 vs. 2022	2023 vs. 2022%
Revenues from the sale of boats	660,766	580,975	79,791	+13.7%
Selling expenses	(34,776)	(36,917)	2,141	-5.8%
<b>Net Revenues New Yachts</b>	<b>625,990</b>	<b>544,058</b>	<b>81,932</b>	<b>+15.1%</b>

Net Revenues New Yachts in the first nine months of 2023 were equal to €625,990 thousand, up by 15.1% compared to €544,058 thousand recorded in the same period of 2022, driven by excellent double-digit growth, in line with the 2023-2025 Business Plan.

These strong results continue to benefit from a favourable mix linked to growth in the average size of yachts in each business unit and the increase in average sale prices, as well as a positive, albeit reduced, volume effect compared to the previous period.



## Net Revenues New Yachts by division

(€'000)	Nine months ended 30 September				Change	
	2023	% of total	2022	% of total	2023 vs. 2022	2023 vs. 2022%
Yacht Division	387,518	61.9%	353,569	65.0%	33,949	+9.6%
Superyacht Division	171,572	27.4%	138,347	25.4%	33,225	+24.0%
Bluegame Division	66,900	10.7%	52,142	9.6%	14,758	+28.3%
<b>Net Revenues New Yachts</b>	<b>625,990</b>	<b>100.0%</b>	<b>544,058</b>	<b>100.0%</b>	<b>81,932</b>	<b>+15.1%</b>

The Yacht Division generated Net Revenues New Yachts of €387,518 thousand, accounting for 61.9% of the total, up by 9.6% compared to the first nine months of 2022. In percentage terms, the asymmetrical model of the SL line and the SP line recorded particularly strong growth rates.

The Superyacht Division generated Net Revenues New Yachts of €171,572 thousand, accounting for 27.4% of the total, up by 24.0% compared to the first nine months of 2022. Excellent results are driven by the Alloy line, the new X-Space and the Steel line.

The Bluegame Division generated Net Revenues New Yachts of €66,900 thousand, accounting for 10.7% of the total, up by 28.3% compared to the first nine months of 2022. This performance has been also achieved thanks to a significant favourable mix effect, the results of the first sales of BGM75, presented at the last Cannes Yachting Festival, the first full year of operation of the BG54 line, the range's best seller.

## Net Revenues New Yachts by geographical area

(€'000)	Nine months ended 30 September				Change	
	2023	% of total	2022	% of total	2023 vs. 2022	2023 vs. 2022%
Europe	435,842	69.6%	309,905	57.0%	125,937	+40.6%
Americas	72,271	11.6%	133,924	24.6%	(61,653)	-46.0%
APAC	62,891	10.0%	76,288	14.0%	(13,397)	-17.6%
MEA	54,986	8.8%	23,941	4.4%	31,045	+129.7%
<b>Net Revenues New Yachts</b>	<b>625,990</b>	<b>100.0%</b>	<b>544,058</b>	<b>100.0%</b>	<b>81,932</b>	<b>+15.1%</b>

Europe again remained the number-one market, recording Net Revenues New Yachts of €435,842 thousand (of which €87,224 thousand generated in Italy), accounting for 69.6% of the total, up 40.6% compared to the first nine months of 2022.

The Americas area recorded Net Revenues New Yachts of €72,271 thousand, accounting for 11.6% of the total, down by 46.0% compared to the first nine months of 2022, partly as a result of high interest rates which have a significant impact on the US market, where consumers typically rely on credit.

The APAC area recorded Net Revenues New Yachts of €62,891 thousand, accounting for 10.0% of the total, down by 17.6% compared to the first nine months of 2022.

The MEA area recorded Net Revenues New Yachts of €54,986 thousand, accounting for 8.8% of the total, marking significant growth of 129.7% compared to the first nine months of 2022.

## OPERATING RESULTS

(€'000)	Nine months ended 30 September				Change	
	2023		2022		2023 vs. 2022	2023 vs. 2022%
	€	% Net Revenues New Yachts	€	% Net Revenues New Yachts		
<b>EBIT</b>	<b>91,326</b>	<b>14.6%</b>	<b>74,098</b>	<b>13.6%</b>	<b>17,228</b>	<b>+23.3%</b>
+ Amortisation/depreciation	22,431	3.6%	18,583	3.4%	3,848	+20.7%
<b>EBITDA</b>	<b>113,757</b>	<b>18.2%</b>	<b>92,681</b>	<b>17.0%</b>	<b>21,076</b>	<b>+22.7%</b>
+ Non-recurring costs	269	-	421	0.1%	(152)	-36.1%
<b>Adjusted EBITDA</b>	<b>114,026</b>	<b>18.2%</b>	<b>93,102</b>	<b>17.1%</b>	<b>20,924</b>	<b>+22.5%</b>

EBIT amounted to €91,326 thousand, up by 23.3% compared to the first nine months of 2022. The margin on Net Revenues New Yachts is equal to 14.6%, up by 100 basis points compared to 13.6% in the first nine months of 2022.

Amortisation/depreciation, equal to €22,431 thousand, rose by 20.7% compared to the first nine months of 2022, as a result of the coming on stream of major investments made to develop new products and to increase production capacity.

EBITDA stood at €113,757 thousand, up by 22.7% compared to the first nine months of 2022. The margin on Net Revenues New Yachts is equal to 18.2%, up by 120 basis points compared to 17.0% in the same period of 2022.

EBITDA adjusted for non-recurring components of €269 thousand, consisting primarily of non-monetary costs for the 2020 Stock Option Plan, was equal to €114,026 thousand, up by 22.5% compared to the first nine months of 2022. The margin on Net Revenues New Yachts is equal to 18.2%, up by 110 basis points compared to 17.1% in the same period of 2022.

The steady increase in operating profitability is related to the change in product mix in favour of larger yachts in each division and the progressive and reasonable increase in average selling prices. The impact of the increase in raw material prices relating to the current inflationary scenario is more than controlled and down, as well as more than offset by the increase in sales prices. The procurement of materials and processes is managed by diversifying suppliers and favouring multi-year contracts with pre-established prices, also thanks to the optimisation of production planning resulting from the large order backlog and the verticalisation strategy in key supply chains undertaken as at 2022.

The increase in EBITDA margins was substantially translated to the operating margin level, despite the significant investments made during 2022 to support the growth strategy.

## NET PROFIT

(€'000)	Nine months ended 30 September				Change	
	2023	% Net Revenues New Yachts	2022	% Net Revenues New Yachts	2023 vs. 2022	2022 vs. 2022%
<b>EBIT</b>	<b>91,326</b>	<b>14.6%</b>	<b>74,098</b>	<b>13.6%</b>	<b>17,228</b>	<b>+23.3%</b>
Net financial expense	2,800	0.4%	(407)	(0.1)%	3,207	-788.0%
Adjustments to financial assets	(64)	-	(294)	-	230	-78.2%
<b>Pre-tax profit</b>	<b>94,062</b>	<b>15.0%</b>	<b>73,397</b>	<b>13.5%</b>	<b>20,665</b>	<b>+28.2%</b>
Income taxes	(27,218)	(4.3)%	(20,666)	(3.8)%	(6,552)	+31.7%
<b>Net profit</b>	<b>66,844</b>	<b>10.7%</b>	<b>52,731</b>	<b>9.7%</b>	<b>14,113</b>	<b>+26.8%</b>
Net (profit)/loss attributable to non-controlling interests	95	-	(490)	(0.1)%	585	-119.4%
<b>Group net profit</b>	<b>66,939</b>	<b>10.7%</b>	<b>52,241</b>	<b>9.6%</b>	<b>14,698</b>	<b>+28.1%</b>

Net financial income amounted to €2,800 thousand and consisted of €4,334 thousand in income mostly deriving from investment of available cash and €1,534 thousand in charges mainly arising from outstanding loans. The improved result of the financial area is due on one hand to the proactive management of liquidity in a more favourable market environment than in the first nine months of 2022 and, on the other hand, to the virtuous management of the cost of debt, which allows the Group to benefit from better economic conditions compared to current rates.

Pre-tax profit for the period was €94,062 thousand, up by €20,665 thousand compared to the first nine months of 2022. The margin on Net Revenues New Yachts reached 15.0%, compared to 13.5% in the first nine months of 2022.

Income taxes, calculated as management's best estimate, were equal to €27,218 thousand, compared to €20,666 thousand in the first nine months of 2022. Income taxes for the period were equal to 28.9% of the pre-tax result. Group net profit for the period was €66,939 thousand, up significantly by €14,698 thousand compared to €52,241 thousand in the first nine months of 2022. The margin on Net Revenues New Yachts reached 10.7%, up by 110 basis points compared to 9.6% in the same period of 2022.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## BALANCE SHEET RECLASSIFIED ACCORDING TO SOURCES AND USES

(€'000)	30 September	31 December	30 September	Change	
	2023	2022	2022	30 September 2023 vs. 31 December 2022	30 September 2023 vs. 30 September 2022
<b>USES</b>					
Net fixed capital	244,676	226,708	211,841	17,968	32,835
Net working capital	(59,500)	(36,964)	(45,759)	(22,536)	(13,741)
<b>Net invested capital</b>	<b>185,176</b>	<b>189,744</b>	<b>166,082</b>	<b>(4,568)</b>	<b>19,094</b>
<b>SOURCES</b>					
Equity	330,762	290,081	257,979	40,681	72,783
(Net financial position)	(145,586)	(100,337)	(91,897)	(45,249)	(53,689)
<b>Total sources</b>	<b>185,176</b>	<b>189,744</b>	<b>166,082</b>	<b>(4,568)</b>	<b>19,094</b>

## NET FIXED CAPITAL AND INVESTMENTS

### Net fixed capital

(€'000)	30 September	31 December	30 September	Change	
	2023	2022	2022	30 September 2023 vs. 31 December 2022	30 September 2023 vs. 30 September 2022
Goodwill	15,987	10,756	8,872	5,231	7,115
Other intangible assets	51,532	51,374	46,998	158	4,534
Property, plant and equipment	173,619	158,710	153,602	14,909	20,017
Equity investments and other non-current assets	9,386	11,426	11,500	(2,040)	(2,114)
Net deferred tax assets	7,250	5,495	5,597	1,755	1,653
Non-current employee benefits	(2,524)	(1,109)	(1,258)	(1,415)	(1,266)
Non-current provisions for risks and charges	(10,574)	(9,944)	(13,470)	(630)	2,896
<b>Net fixed capital</b>	<b>244,676</b>	<b>226,708</b>	<b>211,841</b>	<b>17,968</b>	<b>32,835</b>

Net fixed capital as at 30 September 2023 amounted to €244,676 thousand, up by €17,968 thousand compared to the end of 2022 and €32,835 thousand compared to 30 September 2022, as a result of industrial and product development investments made during the period.

## Investments

(€'000)	Nine months ended 30 September		Change	
	2023	2022	2023 vs. 2022	2023 vs. 2022%
Land and buildings	9,712	7,503	2,209	+29.4%
Industrial equipment	4,517	3,799	718	+18.9%
Plant and equipment	1,609	2,323	(714)	-30.7%
Other assets	2,255	5,684	(3,429)	-60.3%
Fixed assets in progress	1,806	2,755	(949)	-34.4%
<b>Total changes in property, plant and equipment</b>	<b>19,899</b>	<b>22,064</b>	<b>(2,165)</b>	<b>-9.8%</b>
Concessions, licences, trademarks and similar rights	878	1,155	(277)	-24.0%
Other fixed assets	-	-	-	-
Development costs	3,763	3,950	(187)	-4.7%
Intangible assets in progress	1,481	1,562	(81)	-5.2%
<b>Total changes in intangible assets</b>	<b>6,122</b>	<b>6,667</b>	<b>(545)</b>	<b>-8.2%</b>
<b>Total investments on a like-for-like basis</b>	<b>26,021</b>	<b>28,731</b>	<b>(2,710)</b>	<b>-9.4%</b>
Changes in the scope of consolidation	17,120	10,353	6,767	+65.4%
<b>Net investments in the period</b>	<b>43,141</b>	<b>39,084</b>	<b>4,057</b>	<b>+10.4%</b>

On a like-for-like basis, investments in the first nine months of 2023 amounted to €26,021 thousand, down by 9.4% compared to the same period of the previous year, and are more than 85% to expansion investments in terms of i) research and development of new models and ranges and ii) the increase in production capacity to support growth. Including the effect of the inclusion of Duerre S.r.l. in the scope of consolidation, investments in the first nine months of 2023 amounted to €43,141 thousand.

The following table shows the breakdown of investments by destination.

(€'000)	Nine months ended 30 September		Change	
	2023	2022	2023 vs. 2022	2023 vs. 2022%
R&D, product development and production of models and moulds	8,913	10,271	(1,358)	-13.2%
Increase in production capacity	13,331	14,019	(688)	-4.9%
Recurring industrial investments for equipment and facilities	2,000	2,454	(454)	-18.5%
Other investments	1,777	1,987	(210)	-10.6%
<b>Total investments on a like-for-like basis</b>	<b>26,021</b>	<b>28,731</b>	<b>(2,710)</b>	<b>-9.4%</b>
R&D, product development and production of models and moulds	-	-	-	-
Increase in production capacity	17,120	10,353	6,767	+65.4%
Recurring industrial investments for equipment and facilities	-	-	-	-
Other investments	-	-	-	-
<b>Total changes in the scope of consolidation</b>	<b>17,120</b>	<b>10,353</b>	<b>6,767</b>	<b>+65.4%</b>
R&D, product development and production of models and moulds	8,913	10,271	(1,358)	-13.2%
Increase in production capacity	30,451	24,372	6,079	+24.9%
Recurring industrial investments for equipment and facilities	2,000	2,454	(454)	-18.5%
Other investments	1,777	1,987	(210)	-10.6%
<b>Net investments in the period</b>	<b>43,141</b>	<b>39,084</b>	<b>4,057</b>	<b>+10.4%</b>

## NET WORKING CAPITAL

(€'000)	30 September	31 December	30 September	Change	
	2023	2022	2022	30 September 2023 vs. 31 December 2022	30 September 2023 vs. 30 September 2022
Inventories	74,060	53,444	62,459	20,616	11,601
Trade receivables	29,764	21,784	14,074	7,980	15,690
Contract assets	136,747	168,635	134,784	(31,888)	1,963
Trade payables	(171,323)	(155,979)	(117,197)	(15,344)	(54,126)
Contract liabilities	(126,319)	(132,369)	(154,907)	6,050	28,588
Other current assets	55,014	60,388	64,470	(5,374)	(9,456)
Current provisions for risks and charges	(6,918)	(8,039)	(5,721)	1,121	(1,197)
Other current liabilities	(50,525)	(44,828)	(43,721)	(5,697)	(6,804)
<b>Net working capital</b>	<b>(59,500)</b>	<b>(36,964)</b>	<b>(45,759)</b>	<b>(22,536)</b>	<b>(13,741)</b>

Net working capital as at 30 September 2023 was a negative for €59,500 thousand, against €(36,964) thousand as at 31 December 2022, down by €22,536 thousand. Net working capital as at 30 September 2023 was down by €13,741 thousand compared to €(45,759) thousand as at 30 September 2022.

(€'000)	30 September	31 December	30 September	Change	
	2023	2022	2022	30 September 2023 vs. 31 December 2022	30 September 2023 vs. 30 September 2022
Inventories	74,060	53,444	62,459	20,616	11,601
Trade receivables	29,764	21,784	14,074	7,980	15,690
Contract assets	136,747	168,635	134,784	(31,888)	1,963
Trade payables	(171,323)	(155,979)	(117,197)	(15,344)	(54,126)
Contract liabilities	(126,319)	(132,369)	(154,907)	6,050	28,588
<b>Net trade working capital</b>	<b>(57,071)</b>	<b>(44,485)</b>	<b>(60,787)</b>	<b>(12,586)</b>	<b>3,716</b>

Net trade working capital as at 30 September 2023 was equal to €(57,071) thousand, compared to €(44,485) thousand as at 31 December 2022 and to €(60,787) thousand as at 30 September 2022.

The trend in net working capital was positively influenced by the cash generation linked to the ability to confirm the milestones of the contractual advances of works in progress and deliveries of finished products.

(€'000)	30 September	31 December	30 September	Change	
	2023	2022	2022	30 September 2023 vs. 31 December 2022	30 September 2023 vs. 30 September 2022
Raw materials and consumables	14,413	10,968	11,443	3,445	2,970
Work in progress and semi-finished products	40,099	34,254	36,877	5,845	3,222
Finished products	19,548	8,222	14,139	11,326	5,409
<b>Inventories</b>	<b>74,060</b>	<b>53,444</b>	<b>62,459</b>	<b>20,616</b>	<b>11,601</b>

Inventories as at 30 September 2023 were equal to €74,060 thousand, up by €20,616 thousand compared to 31 December 2022 and to €11,601 thousand compared to 30 September 2022.

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 2022 and 30 September 2023, amounting to €5,845 thousand, reflects the progressive increase in the backlog.

Inventories of finished products as at 30 September 2023 were equal to €19,548 thousand, up by €11,326 thousand compared to 31 December 2022.

## NET FINANCIAL POSITION

(€'000)	30 September	31 December	30 September	Change	
	2023	2022	2022	30 September 2023 vs. 31 December 2022	30 September 2023 vs. 30 September 2022
A Cash	201,506	146,317	155,737	55,189	45,769
B Cash equivalents	-	-	-	-	-
C Other current financial assets	42,835	55,459	48,905	(12,624)	(6,070)
<b>D Liquidity (A + B + C)</b>	<b>244,341</b>	<b>201,776</b>	<b>204,642</b>	<b>42,565</b>	<b>39,699</b>
E Current financial debt	(39,983)	(28,307)	(27,426)	(11,676)	(12,557)
F Current portion of non-current financial debt	(19,338)	(23,873)	(27,579)	4,535	8,241
<b>G Current financial indebtedness (E + F)</b>	<b>(59,321)</b>	<b>(52,180)</b>	<b>(55,005)</b>	<b>(7,141)</b>	<b>(4,316)</b>
<b>H Net current financial indebtedness (G + D)</b>	<b>185,020</b>	<b>149,596</b>	<b>149,637</b>	<b>35,424</b>	<b>35,383</b>
I Non-current financial debt	(39,434)	(49,259)	(57,740)	9,825	18,306
J Debt instruments	-	-	-	-	-
K Non-current trade and other payables	-	-	-	-	-
<b>L Non-current financial indebtedness (I + J + K)</b>	<b>(39,434)</b>	<b>(49,259)</b>	<b>(57,740)</b>	<b>9,825</b>	<b>18,306</b>
<b>M Total financial indebtedness (H+L)</b>	<b>145,586</b>	<b>100,337</b>	<b>91,897</b>	<b>45,249</b>	<b>53,689</b>

Net financial position of the Group as at 30 September 2023 shows a net cash equal to €145,586 thousand, even considering the payment of dividends for €22,869 thousand and share buy-back for €3,096 thousand, compared to a net cash equal to €100,337 thousand as at 31 December 2022 and of €91,897 thousand as at 30 September 2022.

This progressive improvement is linked to a free cash flow of €75,646 thousand in the first nine months of 2023, mainly driven by a steady increase in the EBITDA margin and the ability to deliver and comply with planned contractual progress.

Cash and cash equivalents as at 30 September 2023 amounted to €201,506 thousand, up by €55,189 thousand compared to 31 December 2022 and up by €45,769 thousand compared to 30 September 2022.

Other current financial assets amounted to €42,835 thousand and referred to excess liquidity investments for €40,505 thousand.

The Group also had bank credit lines to meet its liquidity needs of €147,244 thousand<sup>13</sup>, of which €131,077 thousand remained undrawn.

Among financial liabilities, lease liabilities included pursuant IFRS 16 totalled €9,355 thousand, of which €6,084 thousand non-current and €3,271 current.

<sup>13</sup> Not including lines of credit for reverse factoring and confirming.

## Reclassified consolidated statement of cash flows

(€'000)	30 September 2023	30 September 2022	Change
EBITDA	113,757	92,681	21,076
Taxes paid	(22,831)	(8,985)	(13,846)
Changes in inventories	(20,616)	5,810	(26,426)
Change in net contract assets and liabilities	25,838	34,369	(8,531)
Change in trade receivables and advances to suppliers	(11,984)	(908)	(11,076)
Change in trade payables	15,344	(2,928)	18,272
Change in provisions and other assets and liabilities	8,823	7,418	1,405
<b>Operating cash flow</b>	<b>108,331</b>	<b>127,457</b>	<b>(19,126)</b>
Change in non-current assets (investments)	(26,021)	(28,731)	2,710
Business acquisitions and other changes	(6,664)	(17,138)	10,474
<b>Free cash flow</b>	<b>75,646</b>	<b>81,588</b>	<b>(5,942)</b>
Interest and financial charges	(1,534)	(503)	(1,031)
Other cash flows and changes in equity	(28,863)	(28,194)	(669)
<b>Change in net financial position</b>	<b>45,249</b>	<b>52,891</b>	<b>(7,642)</b>
Net financial position at the beginning of the period	100,337	39,006	61,331
Net financial position at the end of the period	145,586	91,897	53,689

## EQUITY

(€'000)	30 September 2023	31 December 2022
Share capital	34,907	34,784
Reserves	228,134	179,593
Group profit	66,939	74,154
<b>Group equity</b>	<b>329,980</b>	<b>288,531</b>
Equity attributable to non-controlling interests	782	1,550
<b>Equity</b>	<b>330,762</b>	<b>290,081</b>

The Parent Company's share capital as at 30 September 2023 amounts to €34,906,858, fully paid-in, and is composed of no. 34,906,858 ordinary shares. Share capital increased by 122,769 shares compared to 31 December 2022, due to the subscription of the capital increase to service the 2020 Stock Option Plan. The share capital, again as a result of the 2020 Stock Option Plan, increased further after the end of the nine-month period and, as at 31 October 2023, consisted of no. 34,919,560 ordinary shares.

On 21 April 2020, the Extraordinary Shareholders' Meeting of Sanlorenzo had in fact 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 number of 884,615 ordinary shares destined exclusively and irrevocably to service the 2020 Stock Option Plan. As at 30 September 2023, this capital increase has been partially subscribed for no. 406,858 shares (no. 419,560 shares as at 31 October 2023).

On 2 September 2022, the Company launched the share buy-back program based on the authorisation resolution from the Ordinary Shareholders' Meeting of 28 April 2022. As at 30 September 2023, the Company held no. 208,760 treasury shares, equal to 0.598% of the subscribed and paid-in share capital. As a result of the purchase of no. 6,168 shares after the end of the nine-month period, the Company holds no. 214,928 treasury shares as at the date of approval of this Periodic Financial Information. In accordance with the terms of the above resolution, the share buy-back program ended on 28 October 2023.



# HUMAN RESOURCES

	30 September 2023		31 December 2022		Change	
	Units	% of total	Units	% of total	2023 vs. 2022	2023 vs. 2022%
Sanlorenzo S.p.A.	690	70.6%	636	83.2%	54	+8.5%
Bluegame S.r.l.	68	7.1%	56	7.3%	12	+21.4%
Polo Nautico Viareggio S.r.l.	15	1.5%	18	2.4%	(3)	-16.7%
I.C.Y. S.r.l.	37	3.8%	35	4.6%	2	+5.7%
Sanlorenzo Baleari SL	2	0.2%	2	0.3%	-	-
Sanlorenzo of the Americas LLC	12	1.2%	11	1.4%	1	+9.1%
Sanlorenzo Arbatax S.r.l.	3	0.3%	-	-	3	n.a.
Duerre S.r.l.	144	14.7%	-	-	144	+100.0%
Equinoxe S.r.l.	6	0.6%	5	0.7%	1	+20.0%
Equinoxe Yachts International S.r.l.	-	-	1	0.1%	(1)	-100.0%
<b>Group employees</b>	<b>977</b>	<b>100%</b>	<b>764</b>	<b>100%</b>	<b>213</b>	<b>+27.9%</b>

As at 30 September 2023, the Group employed a total of 977 employees, of which 70.6% at the Parent Company, up by 213 individuals or 27.9% compared to 31 December 2022. The increase recorded during the period is primarily due to the acquisition of control of the company Duerre S.r.l., whose number of employees shown in the comparative figures as at 31 December 2022 was zero, as, at that date, the company was not controlled by the Group.

	30 September 2023		31 December 2022		Change	
	Units	% of total	Units	% of total	2023 vs. 2022	2023 vs. 2022%
Managers	36	3.7%	35	4.6%	1	+2.9%
White collars	683	69.9%	608	79.6%	75	+12.3%
Blue collars	258	26.4%	121	15.8%	137	+113.2%
<b>Group employees</b>	<b>977</b>	<b>100%</b>	<b>764</b>	<b>100%</b>	<b>213</b>	<b>+27.9%</b>

At category level, blue collar workers recorded a bigger increase during the period, with an increase of 137 staff members compared to 31 December 2022.

	30 September 2023		31 December 2022		Change	
	Units	% of total	Units	% of total	2023 vs. 2022	2023 vs. 2022%
Italy	963	98.6%	751	98.3%	212	+28.2%
Rest of Europe	2	0.2%	2	0.3%	-	-
United States	12	1.2%	11	1.4%	1	+9.1%
<b>Group employees</b>	<b>977</b>	<b>100%</b>	<b>764</b>	<b>100%</b>	<b>213</b>	<b>+27.9%</b>

The distribution by geographic area sees the largest number of employees employed in Italy, equal to 98.6% of the Group's total at 30 June 2023.

# MAIN RISKS AND UNCERTAINTIES TO WHICH THE GROUP IS EXPOSED

The Group's activities are exposed to a series of risks and uncertainties that may affect its financial position, results of operations and cash flows, summarily presented below.

For more details on the risks to which the Group is exposed, reference should be made to the Annual Financial Report as at 31 December 2022 and the Half-Yearly Financial Report as at 30 June 2023, 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 shipyards 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 2 September 2022, the Company launched the share buy-back program based on the authorisation resolution from the Ordinary Shareholders' Meeting of 28 April 2022. As at 30 September 2023, the Company held no. 208,760 treasury shares, equal to 0.598% of the subscribed and paid-in share capital. As a result of the purchase of no. 6,168 shares after the end of the nine-month period, the Company holds no. 214,928 treasury shares as at the date of approval of this Periodic Financial Information. In accordance with the terms of the above resolution, the share buy-back program ended on 28 October 2023.

# SIGNIFICANT EVENTS OCCURRING DURING THE QUARTER

## Acquisition of a stake in Polo Nautico Viareggio S.r.l. from VSS S.r.l.

On 3 July 2023, Sanlorenzo S.p.A. acquired a 0.51% stake in Polo Nautico Viareggio S.r.l. from VSS S.r.l. for €7,500. The shareholding thus reaches 53.0% of the share capital.

## Sanlorenzo Arbatax S.r.l. – Real estate acquisition located in Tortolì

On 7 July 2023, the Court of Lanusei ordered the transfer to Sanlorenzo Arbatax S.r.l. of an industrial building, owned by Arbatax Cantieri Nautici S.r.l. in liquidation, located in Tortolì, within the area "ZES Sardinia", with an assignment price of €4,577 thousand. This acquisition will allow Sanlorenzo Arbatax S.r.l. and the Sanlorenzo Group to develop their production capacity mainly with reference to the Yacht Division.

As a result of this transaction, Sanlorenzo Arbatax S.r.l. recognised a capital gain of €1.0 million, deriving from the difference between the aforementioned assignment price and the price paid of €3.6 million.

## Incorporation of the company “Sanlorenzo Côte d'Azur S.A.S.”

On 11 July 2023, Sanlorenzo S.p.A. consolidated its presence in the French market with the incorporation of the company “Sanlorenzo Côte d'Azur S.A.S.”, wholly-owned by Sanlorenzo S.p.A.

The new company will be active in the distribution and selling of the Group's products and services in the French Riviera, a key market in the international yachting scene. The opening of the subsidiary in France confirms Sanlorenzo's distribution strategy announced in the 2023-2025 Business Plan, which calls for a direct presence in key strategic markets, with the opening of monobrand offices, to ensure a strong and close-knit relationship with Sanlorenzo's customers.

## Agreement between Bluegame and K-Challenge LAB (Orient Express Racing Team)

Before the start of the Cannes Yachting Festival, during the press conference on 11 September 2023, Sanlorenzo S.p.A. announced the signing of the agreement between Bluegame and K-Challenge LAB, the owner of the French Orient Express Racing Team, challenger of the 37th edition of the prestigious America's Cup in 2024, for the design and construction of a chase boat, the BGH-HSV ("Hydrogen Support Vessel"), equipped with foils and exclusively hydrogen propulsion that will be able to fly over the water at 50 knots and zero emissions.

This will be the second chase boat in addition to the one for the American Magic team of the New York Yacht Club announced last year, an undoubted recognition of Bluegame's technological credibility and of the leadership of the Sanlorenzo Group in the path towards increasingly sustainable yachting.

## Opening of new the offices of Sanlorenzo Monaco S.A.M. (formerly Marine Yachting Monaco S.A.M.)

The Monegasque company expands with the opening of the new headquarters "Villa Portofino", inaugurated on 26 September 2023, located close to the marina, in an exclusive environment perfectly aligned with the positioning of the *Maison* Sanlorenzo.

The new offices include a "Digital Storytelling Lounge", an innovative area dedicated to Sanlorenzo and Bluegame customers that, through a new product communication, allows to live an immersive experience in the selection and design of on-board spaces.

## Certification from Lloyd's Register for the fuel cell system

During the Monaco Yacht Show in late September, Lloyd's Register awarded Sanlorenzo the approval certification for the fuel cell system and the type "C" containment tank designed by the shipyard together with Siemens Energy. First on the market, this innovative and revolutionary solution will see the light on summer 2024 with the new 50Steel line. The methanol fuel cell system will allow the vessel to generate electricity for on-board *hotellerie* services, with the engines and generators switched off, significantly extending the time spent at anchor and manoeuvring without consuming diesel fuel.

Lloyd's Register has indeed supported Sanlorenzo in validating the project: the prestigious certification awarded validates the compliance of the methanol fuel cell system with internationally recognised environmental standards, consolidating its credibility on the market.

## SIGNIFICANT EVENTS AFTER THE CLOSE OF THE PERIOD

### Score improvement in the S&P Corporate Sustainability Assessment

On 2 October 2023, Sanlorenzo S.p.A. announced the score improvement in the S&P Corporate Sustainability Assessment from 26 in 2022 to 31 in 2023. Sanlorenzo is positioned in the 84th percentile, in the top 16% of the associated industry (LEG: Leisure Equipment & Products and Consumer Electronics). All the areas covered by the assessment (Governance, Environment and Social) obtained higher scores than the previous year analysis.

The Company remains committed to transparent and accurate sustainability reporting practices, and welcomes the results of the ESG assessments, taking them as a reference for further improvement.



# BUSINESS OUTLOOK

Sanlorenzo continues the solid performance in its core markets, particularly in Europe and, although with a lower weight in the mix, in the MEA region, which more than compensate a slowdown in the Americas, where the positive sentiment on the pipeline of new negotiations has not yet translated into revenues.

The backlog remains at record levels and, not less importantly, high quality (91% of it is sold to final clients) allowing for a high level of visibility on top line and marginality trend in the next quarters, with wide benefits in terms of future planning even in a context of overall macroeconomic and geopolitical uncertainty.

The global luxury yachting sector, even more so for the top-end positioned brands in the segment equal or above 30 metres in length, continues to benefit from the growth of Ultra High Net Worth Individuals (UHNWIs), with a net worth above USD/50 million. The penetration rate of yachting into the target addressable market – i.e. the UHNWI population – is below 3%, indicating wide room for expected growth in the future.

According to the Credit Suisse Global Wealth Report 2022, the 2021-2026 CAGR of the number of UHNWI globally is forecasted at 7.8%. In a market where the growth in the number of yachts in-build is on average lower than the growth in number of the UHNWIs, the upper segments of the sector keep benefiting from a potential demand higher than supply.

The Covid-19 pandemic has accelerated a structural shift in mentality among the UHNWIs and the way they balance their life, and yachting well responds to the new post-pandemic lifestyles.

The recent technologic evolution with Starlink, which enables fast satellite connectivity on-board, even in the middle of the ocean or by the most remote islands, has created the “Work-from-Yacht” phenomenon. The average time spent on-board is consequently significantly extended, allowing to increase the appeal of yachting among the younger ultra-wealthy ones which are still working managing their business and their assets.

As a proof of this new trend, by analysing our customer base it emerges an increase in the average time spent on board per season from 60 to 120 days and a significant decrease in average age of Sanlorenzo Superyacht buyers, from 56 years-old (2016-2020 average) to 49 years-old (2021-2022 average), paired with a doubling in days spent on the yacht (from 60 days a year to 120 days a year). This trend, if confirmed, will be the enabling factor behind the rising of a new generation and typology of yachtsmen to welcome to the Sanlorenzo Club of highly loyal customers.

These new ways of living the yacht have already been integrated in the new product lines and models presented at the European boat shows in September 2023, as well as in those in pipeline until 2025, always loyal to the tradition that distinguishes the Group. In particular, the new BGM line, with its spacious internal volumes and evident sustainability features in terms of fuel consumption, has been developed bearing in mind the younger generations.

Overall, Sanlorenzo continues to benefit from a robust trend in its core markets and from the competitive advantages resulting from its peculiar business model: high-end brand positioning, with a limited number of units exclusively in the 24-75 metres segment, rigorously made-to-measure, distributed directly and through a highly selected number of brand representatives, always at the forefront of innovation and sustainable R&D.

All these are essential pillars to guarantee the long-term preservation of the virtuous tailwinds experienced until today.

## A responsible path

### Green-Tech solutions for a shift in yachting paradigm

According to the latest release of the “SYBAss Economic Report 2023”, up to 75% of potential buyers is interested in making its yacht more environmentally friendly.

The combined pressure from customers, increasingly attentive to sustainability, and from an increasingly restrictive regulatory framework, in terms of maritime emissions, led Sanlorenzo to firmly believe that the implementation of a long-term, serious strategy on luxury yachting sustainability is no longer an option.

In light of the exclusive collaboration started already in 2021 with Siemens Energy, Superyachts above 40 metres in length will face the integration of fuel cell systems running on green hydrogen, continuously reformed on-board from green methanol, to generate the electricity to power the yacht *hotellerie* services.

The first installation is expected on a Superyacht 50Steel, whose delivery is planned for 2024, with the fuel cell system just being certified by Lloyd's Register in late September 2023.

The chosen fuel of the future for vessels above 40 metres is green methanol, produced by combining green hydrogen that stores energy from renewable sources with CO<sub>2</sub> captured from the atmosphere with carbon capture systems. The quantity of CO<sub>2</sub> released in the atmosphere in the combustion process is therefore equal to the quantity of CO<sub>2</sub> captured from the environment to produce methanol, allowing a circular system and full carbon neutral.

By analysing the propulsion technologies on-board the cargo ships currently on order, it is evident that methanol is rapidly emerging as the main alternative fuel for shipping. In fact, although its weight on the total cargo ships order book is 3.4%, against 83.8% of conventional fossil fuels and 10.4% of LNG (Liquified Natural Gas), when looking at the orders signed during 2023, the weight of methanol rises to 11.0%, against 78.0% of conventional fuels and 8.0% of LNG<sup>14</sup>. Thus, based on the sole orders of this year, methanol can already be considered as the main alternative shipping fuel, as well as the fastest growing one.

The segment of the yachts below 24 metres in length sees Bluegame engaged in the design and construction of the first chase boat with propulsion fed exclusively with hydrogen fuel cells and using foils, to reach 50 knots of speed up to 180 miles with zero emissions. This BGH-HSV model will debut alongside American Magic, challenger in the 37th edition of the prestigious America's Cup in 2024 co-sponsored by the New York Yacht Club, as well as alongside the French team Orient Express Racing Team, with which an agreement was reached right before the Cannes Yachting Festival.

Capitalising on the experience in this extremely complex project, today the highest possible expression of sustainable technology on board a boat, Bluegame is developing the multi-hull model BGM65HH (hydrogen-hybrid), which will enable 80 miles of zero-emission cruising.

## Sustainable and profitable growth

After an above-average growth for the two years post-Covid, with rates over 25%, Sanlorenzo consolidates the turnover, returning to an organic low double-digit growth rate in 2023, and a sustainable high single-digit for 2024-2025.

Focused on the constant increase in margins, the Company can rely on a unique business model closer to luxury than to boating, and a savvy investment policy that ultimately translates into a high return on investment and a consistent cash generation capacity.

As a result, Sanlorenzo today boasts an extremely solid balance sheet, with more than €145 million of net cash financial position as of 30 September 2023, which will allow to seize acquisition opportunities that will come to the market, which could add to the planned organic growth.

Possible external development guidelines considered by the Management are:

- i) vertical integration: upstream, to keep securing the growth of key parts of the supply chain along with the Group's growth strategy; downstream, to manage directly final clients and to internalise the retail margin in highly strategic geographic areas in the long-term (i.e. Simpson Marine in the APAC region);
- ii) acquisition of infrastructures for refit services, only marginal as of today, a highly profitable business, a-cyclical, and synergic with Sanlorenzo's customer base;
- iii) acquisition of niche brands with top-end positioning on market segments not overlapping with those covered today by Sanlorenzo, with synergies in terms of technologies and geographic distribution.

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<sup>14</sup> Norwegian Hydrogen.

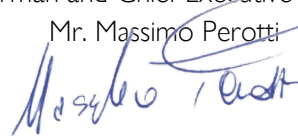
## Guidance for 2023

In light of the soundness of the order backlog – 91% of which is sold to final clients – while constantly monitoring the evolution of the general environment, the Company confirms 2023 guidance<sup>15</sup> that was revised upward upon approval of the Half-Yearly Financial Report on 3 August 2023. In particular, the 2023 backlog share as at 30 September 2023 covers about 98% of the average new guidance range referred to Net Revenues New Yachts for 2023.

(€ million and margin in % of Net Revenues New Yachts)	2021 Actual	2022 Actual	2023 Guidance	2023 vs. 2022 <sup>16</sup> Change
Net Revenues New Yachts	585.9	740.7	830-850	13.4%
EBITDA <sup>17</sup>	95.5	130.2	155-160	21.0%
EBITDA margin	16.3%	17.6%	18.6%-18.8%	+110 bps
Group net profit	51.0	74.2	86-89	17.9%
Investments	49.2	50.0	48-50	-
<i>Incidence % on Net Revenues New Yachts</i>	8.4%	6.8%	5.8%	-100 bps
Net financial position	39.0	100.3	135-145	+40m

Ameglia, 9 November 2023

On behalf of the Board of Directors  
Chairman and Chief Executive Officer  
Mr. Massimo Perotti



<sup>15</sup> On a like-for-like basis and excluding potential extraordinary transactions.

<sup>16</sup> Calculated on the average of the guidance interval.

<sup>17</sup> The figures from 2019 to 2022 referred to Adjusted EBITDA, which differed from reported EBITDA by less than 0.5%.





SANLORENZO S.P.A.

Periodic Financial Information as at 30 September 2023

# CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2023

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€'000)	30 September 2023	31 December 2022
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	173,619	158,710
Goodwill	15,987	10,756
Other intangible assets	51,532	51,374
Equity investments and other non-current assets	9,386	11,426
<i>of which equity investments measured using the equity method</i>	<i>6,651</i>	<i>7,241</i>
Net deferred tax assets	7,250	5,495
<b>Total non-current assets</b>	<b>257,774</b>	<b>237,761</b>
<b>Current assets</b>		
Inventories	74,060	53,444
Contract assets	136,747	168,635
Other financial assets, including derivatives	42,835	55,459
Trade receivables	29,764	21,784
Other current assets	55,014	60,388
Cash and cash equivalents	201,506	146,317
<b>Total current assets</b>	<b>539,926</b>	<b>506,027</b>
<b>TOTAL ASSETS</b>	<b>797,700</b>	<b>743,788</b>

(€'000)

30 September 2023 31 December 2022

## EQUITY AND LIABILITIES

### EQUITY

Share capital	34,907	34,784
Share premium	83,262	81,236
Other reserves	144,872	98,357
Profit/(loss) for the period	66,939	74,154
<b>Equity attributable to the owners of the Parent Company</b>	<b>329,980</b>	<b>288,531</b>
Equity attributable to non-controlling interests	782	1,550
<b>TOTAL EQUITY</b>	<b>330,762</b>	<b>290,081</b>

### Non-current liabilities

Non-current financial liabilities	39,434	49,259
Non-current employee benefits	2,524	1,109
Non-current provisions for risks and charges	10,574	9,944
<b>Total non-current liabilities</b>	<b>52,532</b>	<b>60,312</b>

### Current liabilities

Current financial liabilities, including derivatives	59,321	52,180
Current provisions for risks and charges	6,918	8,039
Trade payables	171,323	155,979
Contract liabilities	126,319	132,369
Other current liabilities	35,867	31,859
Other current tax liabilities	168	3,021
Net current tax liabilities	14,490	9,948
<b>Total current liabilities</b>	<b>414,406</b>	<b>393,395</b>

### TOTAL LIABILITIES

466,938 453,707

### TOTAL EQUITY AND LIABILITIES

797,700 743,788

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

(€'000)	30 September 2023	30 September 2022
Revenues	669,394	588,266
Selling expenses	(34,776)	(36,917)
<b>Net revenues</b>	<b>634,618</b>	<b>551,349</b>
Other income	8,810	3,640
<b>TOTAL NET REVENUE AND INCOME</b>	<b>643,428</b>	<b>554,989</b>
Increases in internal work	1,497	1,394
Costs for raw materials, consumables and finished products	(193,771)	(180,961)
Outsourcing	(215,090)	(181,971)
Change in inventories of work in progress, semi-finished and finished products	6,543	5,067
Other service costs	(56,323)	(47,171)
Personnel expenses	(47,955)	(39,561)
Other operating costs	(4,046)	(4,569)
Accruals to provisions for risks and charges	(20,526)	(14,536)
<b>Total operating costs</b>	<b>(529,671)</b>	<b>(462,308)</b>
<b>OPERATING RESULT BEFORE AMORTISATION AND DEPRECIATION</b>	<b>113,757</b>	<b>92,681</b>
Amortisation, depreciation and impairment losses of fixed assets	(22,431)	(18,583)
<b>OPERATING RESULT</b>	<b>91,326</b>	<b>74,098</b>
Financial income	4,334	96
Financial expense	(1,534)	(503)
<b>Net financial income/(expense)</b>	<b>2,800</b>	<b>(407)</b>
Income/(expenses) from equity investments	122	(2)
Adjustments to financial assets	(186)	(292)
<b>PRE-TAX PROFIT</b>	<b>94,062</b>	<b>73,397</b>
Income taxes	(27,218)	(20,666)
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>66,844</b>	<b>52,731</b>
<b>Attributable to:</b>		
Shareholders of the Parent Company	66,939	52,241
Non-controlling interests	(95)	490

(€'000)

30 September 2023 30 September 2022

## OTHER COMPREHENSIVE INCOME

### Other comprehensive income that will not be subsequently reclassified to net profit

Actuarial change in accruals for employee benefits	24	-
Income taxes relating to actuarial changes in provisions for employee benefits	(7)	-
<b>Total</b>	<b>17</b>	<b>-</b>

### Other comprehensive income which will be subsequently reclassified to net profit

Changes in the cash flow hedge reserve	(1,887)	(1,860)
Income taxes related to changes in the cash flow hedge reserve	453	446
Change in the translation reserve	(26)	494
<b>Total</b>	<b>(1,460)</b>	<b>(920)</b>

**Total other comprehensive income for the year, net of tax effect** (1,443) (920)

**COMPREHENSIVE NET PROFIT FOR THE PERIOD** 65,401 51,811

### Attributable to:

Shareholders of the Parent Company	65,496	51,321
Non-controlling interests	(95)	490

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(€'000)	Share capital	Share premium	Other reserves	Profit for the period	Equity attributable to the shareholders of the Parent Company	Equity attributable to non-controlling interest	Total equity
<b>Value as at 31 December 2021</b>	<b>34,539</b>	<b>77,197</b>	<b>66,295</b>	<b>51,007</b>	<b>229,038</b>	<b>103</b>	<b>229,141</b>
Allocation of profit for the year	-	-	51,007	(51,007)	-	-	-
Dividends distributed	-	-	(20,346)	-	(20,346)	-	(20,346)
Share buy-back	-	-	(2,029)	-	(2,029)	-	(2,029)
Stock option exercise	185	3,044	(277)	-	2,952	-	2,952
Other changes	-	-	(4,507)	-	(4,507)	957	(3,550)
Profit for the period	-	-	-	52,241	52,241	490	52,731
Other comprehensive income	-	-	(920)	-	(920)	-	(920)
<b>Value as at 30 September 2022</b>	<b>34,724</b>	<b>80,241</b>	<b>89,223</b>	<b>52,241</b>	<b>256,429</b>	<b>1,550</b>	<b>257,979</b>
<b>Value as at 31 December 2022</b>	<b>34,784</b>	<b>81,236</b>	<b>98,357</b>	<b>74,154</b>	<b>288,531</b>	<b>1,550</b>	<b>290,081</b>
Allocation of profit for the year	-	-	74,154	(74,154)	-	-	-
Dividends distributed	-	-	(22,869)	-	(22,869)	-	(22,869)
Share buy-back	-	-	(3,096)	-	(3,096)	-	(3,096)
Stock option exercise	123	2,026	(184)	-	1,965	-	1,965
Other changes	-	-	(47)	-	(47)	(673)	(720)
Profit for the period	-	-	-	66,939	66,939	(95)	66,844
Other comprehensive income	-	-	(1,443)	-	(1,443)	-	(1,443)
<b>Value as at 30 September 2023</b>	<b>34,907</b>	<b>83,262</b>	<b>144,872</b>	<b>66,939</b>	<b>329,980</b>	<b>782</b>	<b>330,762</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

(€'000)	30 September 2023	30 September 2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the period	66,844	52,731
<b>Adjustments for:</b>		
Depreciation of property, plant and equipment	16,455	13,685
Amortisation of intangible assets	5,976	4,898
Impairment of intangible assets	-	-
Adjustments to financial assets (other equity investments)	64	294
Net financial expense/(income)	(2,800)	407
Gain on sale of property, plant and equipment	(1,035)	(206)
Impairment losses on trade receivables	-	-
Income taxes	27,218	20,666
<b>Changes in:</b>		
Inventories	(20,616)	5,810
Contract assets	31,888	(17,590)
Trade receivables	(7,980)	4,236
Other current assets	5,374	(10,133)
Trade payables	15,344	(2,928)
Contract liabilities	(6,050)	51,959
Other current liabilities	(443)	6,036
Accruals for risks and charges and employee benefits	923	6,577
<b>Cash flow generated/(absorbed) by operating activities</b>	<b>131,162</b>	<b>136,442</b>
Income taxes paid	(22,831)	(8,985)
<b>Net cash flow generated/(absorbed) by operating activities</b>	<b>108,331</b>	<b>127,457</b>
<b>CASH FLOWS FROM INVESTMENT ACTIVITIES</b>		
Interest received	4,334	96
Proceeds from sale of property, plant and equipment	212	61
Proceeds from disposal of intangible assets	-	-
Change in other equity investments and other non-current assets	5,887	(4,002)
Acquisition of subsidiaries, associates or business units	(19,797)	(17,593)
Acquisition of property, plant and equipment	(19,899)	(22,064)
Purchase of intangible assets	(6,122)	(6,667)
<b>Net cash flow generated/(absorbed) by investment activities</b>	<b>(35,385)</b>	<b>(50,169)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Financial interests and expense paid	(1,534)	(503)
Proceeds from the issue of share capital	2,149	3,229
Proceeds from loans/bank advances	17,215	5,191
Repayment of loans/bank advances	(26,250)	(18,958)
Changes in other financial assets and liabilities including derivatives	17,466	(28,037)
New financial leases	2,428	3,550
Repayment of financial leases	(919)	(172)
Assumption of new loans	-	-
Other changes in equity	(2,347)	(4,748)
Share buy-back	(3,096)	(2,029)
Dividends paid	(22,869)	(20,346)
<b>Net cash flow generated/(absorbed) by financing activities</b>	<b>(17,757)</b>	<b>(62,823)</b>

(€'000)	30 September 2023	30 September 2022
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>55,189</b>	<b>14,465</b>
Cash and cash equivalents at the beginning of the period	146,317	141,272
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>201,506</b>	<b>155,737</b>





# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## BASIS OF PREPARATION

### INTRODUCTION

This Periodic Financial Information as at 30 September 2023 was approved by the Board of Directors of the Company on 9 November 2023 and has not been audited, as it is not required by current regulations.

Sanlorenzo S.p.A., as a company listed on Euronext STAR Milan segment of the Italian Stock Exchange, 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 30 September 2023, which it makes available to the public.

### BASIS OF PREPARATION

The Periodic Financial Information as at 30 September 2023 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 30 September 2023, 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 30 September 2023 are consistent with those used for the preparation of the consolidated financial statements as at 31 December 2022 and as at 30 June 2023 to which reference should be made for more details.

The Periodic Financial Information as at 30 September 2023 has been prepared on the basis of the accounting positions of the Parent Company and its subsidiaries and associates, adjusted accordingly to ensure they conform to the IFRS.

The Periodic Financial Information as at 30 September 2023 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 30 September 2023.

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 2022 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 30 September 2022.

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 30 September 2023 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 30 September 2023 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 30 September 2023 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 2022 and as at 30 June 2023 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 relating to the period ending 31 December 2022 and 30 June 2023.

## **CONSOLIDATION CRITERIA**

The Periodic Financial Information as at 30 September 2023 includes, by applying the "line-by-line" consolidation method, the interim financial statements as at 30 September 2023 of the Parent Company and 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, in the same time, 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 30 September 2023 are the same as those adopted and reported in the consolidated financial statements as at 31 December 2022.

## SUMMARY OF ACCOUNTING STANDARDS APPLIED

In the preparation of this Periodic Financial Information as at 30 September 2023, the same accounting principles and preparation criteria were applied as those used in the preparation of the consolidated financial statements as at 31 December 2022, to which reference should be made.

### IMPAIRMENT TESTING

At the date of condensed interim financial statements, the Group assessed, on the basis of information from external and internal sources, whether there were indications of impairment of the assets.

For this analysis, reference was made to the results achieved as at 30 September 2023, which are consistent and in line with the assumptions and data used for the preparation of the plans approved for the verification of the recoverability of the net invested capital, carried out at the time of approval of the Annual Financial Report as at 31 December 2022.

Therefore, there were no indicators of impairment that required an impairment testing as at 30 September 2023 on the value of goodwill, trademarks and other tangible and intangible assets allocated to the identified Cash Generating Unit.

## 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 30 September 2023 does not include all information on risk management. There were no changes with reference to the consolidated financial statements as at 31 December 2022 and as 30 June 2023 regarding the risks to which the Group is exposed and their management.

# COMPOSITION OF THE GROUP

## SUBSIDIARIES

The Periodic Financial Information as at 30 September 2023 was prepared on the basis of the accounting positions of the Parent Company and its subsidiaries, adjusted accordingly to ensure they conform to the IFRS.

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 consolidation criteria adopted in the preparation of the condensed consolidated half-yearly financial statements are the same as those adopted in the last annual financial statements.

The Periodic Financial Information as at 30 September 2023 includes Sanlorenzo S.p.A. (Parent Company), ten companies directly controlled by Sanlorenzo S.p.A. and two indirectly controlled companies.

The following table provides information, as at 30 September 2023, concerning the name, registered office, currency, share capital and percentage of ownership held directly and indirectly by the Parent Company.

Company name	Registered office	Currency	Share capital (currency unit)	Percentage of ownership	
				Direct	Indirect
Bluegame S.r.l.	Ameglia (SP) – Italy	Euro	100,000	100.0%	-
I.C.Y. S.r.l.	Adro (BS) – Italy	Euro	100,000	-	60.0%
Equinoxe S.r.l.	Turin (TO) – Italy	Euro	184,536	100.0%	-
Sanlorenzo Arbatax S.r.l.	Ameglia (SP) – Italy	Euro	10,000	100.0%	-
PN Sviluppo S.r.l.	Viareggio (LU) – Italy	Euro	40,000	100.0%	-
Duerre S.r.l.	Vicopisano (PI) – Italy	Euro	1,000,000	66.0%	-
Polo Nautico Viareggio S.r.l.	Viareggio (LU) – Italy	Euro	667,400	53.0%	-
Sanlorenzo Baleari SL	Puerto Portals, Mallorca – Spain	Euro	500,000	100.0%	-
Sanlorenzo Côte d'Azur S.A.S.	Cannes – France	Euro	1,000	100.0%	-
Sanlorenzo Monaco S.A.M.	Monte-Carlo – Principality of Monaco	Euro	150,000	99.7%	-
Sanlorenzo of the Americas LLC	Fort Lauderdale (FL) – USA	USD	2,000,000	99.9%	0.1%
Fortune Yacht LLC	Fort Lauderdale (FL) – USA	USD	1,000	-	100%

## ASSOCIATES

As at 30 September 2023, the Parent Company holds the following equity investments in associates, which are reported in the financial statements drawn up according to the equity method.

Company name	Registered office	Currency	Share capital (currency unit)	Percentage of ownership	
				Direct	Direct
Sea Energy S.r.l.	Viareggio (LU) – Italy	Euro	25,000	49.00%	-
Carpensalda Yacht Division S.r.l.	Pisa (PI) – Italy	Euro	8,000,000	48.00%	-
Sa.La. S.r.l. (through Carpensalda Yacht Division S.r.l.)	Viareggio (LU) – Italia	Euro	50,000	-	48.00%

Ameglia, 9 November 2023

On behalf of the Board of Directors  
Chairman 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 30 September 2023 corresponds to the documented results, books and accounting records.

Ameglia, 9 November 2023

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

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