

# SANLORENZO

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## SANLORENZO IPO

### CONSOB APPROVES THE PROSPECTUS CONCERNING THE ADMISSION TO LISTING ON THE MERCATO TELEMATICO AZIONARIO ONLINE STOCK MARKET FOR THE SHARES OF SANLORENZO S.P.A.

**Offering from 27 November 2019 to 5 December 2019**

**Ameglia (La Spezia), 28 November 2019.** Sanlorenzo, leading global brand in terms of number of yachts over 30 metres long ("**Sanlorenzo**" or the "**Company**" and, together with its subsidiaries, the "**Group**") announces that today, the Italian Companies and Stock Exchange Commission ("**CONSOB**") has approved the prospectus (the "**Prospectus**") relating to the admission to listing (the "**Listing**") of Sanlorenzo ordinary shares (the "**Shares**") on the Mercato Telematico Azionario online stock market ("**MTA**") on the STAR segment (if the necessary requirements are met) organized and managed by Borsa Italiana S.p.A ("**Borsa Italiana**").

On 26 November 2019, Borsa Italiana issued its authorization for admission to listing of the Shares on the MTA. Furthermore, on 27 November 2019, the Company submitted to Borsa Italiana the application for admission to trading of its Shares on the MTA.

#### **The Offering**

As previously announced on 26 November 2019, the Offering is aimed at the admission to trading of Shares on the MTA of Borsa Italiana and will comprise **up to 11,000,000 Shares**, representing **approximately 31.9% of the share capital** (post Capital Increase) of the Company.

In particular, the Offer consists of:

- (i) **up to 4,500,000 newly issued Shares** resulting from a capital increase with the exclusion of option rights (the "**Capital Increase**");
- (ii) **up to 6,500,000 Shares offered for sale by Holding Happy Life S.r.l.** (the "**Selling Shareholder**" or "**HHL**"), the Company's majority shareholder controlled by Massimo Perotti, Executive Chairman of Sanlorenzo.

The Selling Shareholder has also granted the Joint Global Coordinators an option to purchase **up to an additional 1,100,000 Shares, equal to 10% of the maximum number of Shares in the Offer.**

In the event the greenshoe option is exercised in full, the **maximum number of Shares sold in the Offer will be 12,100,000 Shares, corresponding to approximately 35.1% of the Company's share capital** (post Capital Increase).

As announced on 26 November 2019, the **indicative valuation range** of the Company's share capital prior to the Capital Increase is between **€480 million and €570 million**, equal to a **minimum price of €16.00 per Share and a maximum price of €19.00 per Share**, and corresponding to a **capitalization following the Capital Increase of between €552 million and approximately €656 million**.

The offer price of the shares will be determined according to the open price bookbuilding at the end of the Institutional Placement – and will be made public on the Company's website [www.sanlorenzoyacht.com](http://www.sanlorenzoyacht.com) – taking into account, among other things, the conditions of the domestic and international securities market and the quantity and quality of expressions of interest received from institutional investors.

The proceeds from the Capital Increase are intended to be used by the Company mainly to cover financial debt, as well as to foster and accelerate its future growth and to seize market opportunities.

### **Offering Period**

The Offer started on 27 November 2019, and will end on 5 December 2019, except in the event of an extension or early closure of the offering period which would be announced via a press release published on the Company's website [www.sanlorenzoyacht.com](http://www.sanlorenzoyacht.com).

The first trading date, currently expected to be 10 December 2019, will be confirmed by Borsa Italiana via specific notice.

The Prospectus has been filed with CONSOB and made available at the Company's registered office in Ameglia (*La Spezia*), Via Armezzone 3, as well as on the Company's website [www.sanlorenzoyacht.com](http://www.sanlorenzoyacht.com).

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In connection with the Offering, Banca IMI (Intesa Sanpaolo Group), BofA Securities and UniCredit Corporate & Investment Banking are acting as Joint Global Coordinators and Joint Bookrunners.

Banca IMI (Intesa Sanpaolo Group) is also acting as Sponsor of the admission to listing of the Shares.

Alantra is acting as Financial Advisor of the Company. Lazard is acting as Financial Advisor of the Selling Shareholder.

Musumeci, Altara, Desana e Associati Studio Legale and Latham & Watkins are acting as Italian Legal Counsel and International Legal Counsel of the Company, respectively.

White & Case is acting as Italian Legal Counsel and International Legal Counsel of the Joint Global Coordinators and Bookrunners.

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

Sanlorenzo is a leading global brand in terms of number of yachts over 30 meters long.

The shipyard manufactures "made to measure" yachts and superyachts characterized by a distinctive design and customised for each customer. This makes Sanlorenzo unique amongst global players in the luxury yachting industry.

Sanlorenzo has three business divisions:

- Yacht Division – composite 24-38 meters yachts marketed under the Sanlorenzo brand – contributing to 62.8% of 2018 full year Group’s consolidated net revenues new yachts;
- Superyacht Division – 40-68 meters aluminum and steel superyachts marketed under the Sanlorenzo brand – contributing to 31.1% of 2018 full year Group’s consolidated net revenues new yachts;
- Bluegame Division – 13-21 meters sports utility yachts in composite marketed under the Bluegame by Sanlorenzo brand – contributing to 1.8% of 2018 full year Group’s consolidated net revenues new yachts.

Sanlorenzo’s manufacturing activities are carried out through four shipyards located in La Spezia (SP), Ameglia (SP), Viareggio (LU) and Massa (MS). The sites are strategically located in proximity, thus enabling significant operational efficiencies.

Europe represents Sanlorenzo’s main end-market accounting for 57.5% of 2018 full year Group’s consolidated net revenues new yachts. Americas, APAC and MEA accounted for 19.6%, 17.6% and 5.4% of 2018 full year Group’s consolidated net revenues new yachts, respectively.

The Group employs approximately 450 people. In addition, the Group cooperates with a network of 1,500 qualified artisan companies and leverages on an international distribution network and a widespread service network for customers worldwide.

The Group’s consolidated net revenues new yachts have grown at a CAGR of 16%<sup>1</sup> between 2004 and 2018.

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

## FINANCIAL HIGHLIGHTS

<i>(in Euro millions)</i>	Historical Group's Financials				Expected
	2016	2017	2018	Q3 2019	Figures
Value of Production	291	283	355	381	493-523
Net Revenues New Yachts	222	231	327	334	430-456
EBITDA net of extraordinary items*	30	29	38	49	62-66
EBITDA Margin net of extraordinary items*	14%	13%	12%	15%	14%-15%
Group net income**	12	10	12	24	28-30
CapEx	9	18	46	44	51-55

\* 2017-18 EBITDA and EBITDA Margin figures are net of extraordinary items, equal to EUR 3.4 M and EUR 3.6 M, respectively

\*\*Does not include the non-recurring listing completion costs and the listing costs and related tax effect

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This announcement is not for publication or distribution, directly or indirectly, in or into the United States. The distribution of this announcement may be restricted by law in certain jurisdictions and persons into whose possession any document or other information

<sup>1</sup> Based on 2004 Value of Production as per the Italian GAAP and 2018 Net Revenues new Yachts as per the IFRS

referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This announcement does not contain or constitute an offer of, or the solicitation of an offer to buy, Ordinary Shares to any person in the United States, Australia, Canada or Japan or in any jurisdiction to whom or in which such offer or solicitation is unlawful. The Ordinary Shares referred to herein may not be offered or sold in the United States unless registered under the US Securities Act of 1933 (the "Securities Act") or offered in a transaction exempt from, or not subject to, the registration requirements of the Securities Act. The offer and sale of Ordinary Shares referred to herein has not been and will not be registered under the Securities Act or under the applicable securities laws of Australia, Canada or Japan. Subject to certain exceptions, the Ordinary Shares referred to herein may not be offered or sold in Australia, Canada or Japan or to, or for the account or benefit of, any national, resident or citizen of Australia, Canada or Japan. There will be no public offer of the Ordinary Shares in the United States, Australia, Canada or Japan or elsewhere.

In member states of the European Economic Area ("EEA") (each, a "Relevant Member State"), this announcement and any offer if made subsequently is directed only at persons who are "qualified investors" within the meaning of the Prospectus Regulation (Regulation (EU) 2017/1129) ("Qualified Investors"). In Italy this announcement is directed exclusively at Qualified Investors as such term is defined in Article 34-ter, paragraph 1, letter b), of CONSOB Regulation on Issuers No. 11971 of May 14, 1999, as subsequently amended and supplemented by Article 35, paragraph 1, letter d), of CONSOB Regulation on Intermediaries No. 20307 of February 15, 2018. In the United Kingdom this announcement is directed exclusively at Qualified Investors (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") or (ii) who fall within Article 49(2)(A) to (D) of the Order, and (iii) to whom it may otherwise lawfully be communicated, and any investment activity to which it relates will only be engaged in with such persons and it should not be relied on by anyone other than such persons.

This announcement may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect the Company's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group's business, results of operations, financial position, liquidity, prospects, growth or strategies. Forward-looking statements speak only as of the date they are made.

This announcement contains alternative performance indicators that are not recognized by IFRS. Different companies and analysts may calculate these non-IFRS measures differently, so making comparisons among companies on this basis should be done very carefully. These non-IFRS measures have limitations as analytical tools, are not measures of performance or financial condition under IFRS and should not be considered in isolation or construed as substitutes for operating profit or net profit as an indicator of our operations in accordance with IFRS.

Each of Issuer, Merrill Lynch International, Banca IMI S.p.A. and UniCredit Bank AG Milan Branch (the "Managers") and their respective affiliates expressly disclaims any obligation or undertaking to update, review or revise any forward looking statement contained in this announcement whether as a result of new information, future developments or otherwise.

Any purchase of Ordinary Shares in the proposed Offering should be made solely on the basis of the information contained in the final Prospectus and the Offering Circular to be issued by the Company in connection with the Offering. The information in this announcement is subject to change.

The date of admission may be influenced by things such as market conditions. There is no guarantee that admission will occur and you should not base your financial decisions on Issuer's intentions in relation to admission at this stage. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested. Persons considering making such investments should consult an authorised person specialising in advising on such investments. This announcement does not constitute a recommendation concerning the Offering. The value of shares can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of the Offering for the person concerned.

The Managers are acting exclusively for Issuer and no-one else in connection with the Offering. They will not regard any other person as their respective clients in relation to the Offering and will not be responsible to anyone other than Issuer for providing the protections afforded to their respective clients, nor for providing advice in relation to the Offering, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the Offering of the Ordinary Shares, the Managers and any of their affiliates, may take up a portion of the Ordinary Shares in the Offering as a principal position and in that capacity may retain, purchase, sell, offer to sell for their own accounts such Ordinary Shares and other securities of the Company or related investments in connection with the Offering or otherwise. Accordingly, references in the Prospectus and in the Offering Circular, once available, to the Ordinary Shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, the Managers and any of their affiliates acting in such capacity. In addition the Managers and any of their affiliates may enter into financing arrangements (including swaps, warrants or contracts for differences) with investors in connection with which the Managers and any of their affiliates may from time to time acquire, hold or dispose of Ordinary Shares. The Managers do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

None of the Managers or any of their respective affiliates or any of their respective directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for or makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Company, its subsidiaries or associated companies, whether written, oral or in

a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.

In connection with the Offering, Merrill Lynch International as stabilization manager, or any of its agents, may (but will be under no obligation to), to the extent permitted by applicable law, over-allot Ordinary Shares or effect other transactions with a view to supporting the market price of the Ordinary Shares at a higher level than that which might otherwise prevail in the open market. Merrill Lynch International is not required to enter into such transactions and such transactions may be effected on any stock market, over-the-counter market, stock exchange or otherwise and may be undertaken at any time during the period commencing on the date of the commencement of conditional dealings of the Ordinary Shares on the Mercato Telematico Azionario, organized and managed by Borsa Italiana S.p.A., and ending no later than 30 calendar days thereafter. However, there will be no obligation on Merrill Lynch International or any of its agents to effect stabilizing transactions and there is no assurance that stabilizing transactions will be undertaken. Such stabilizing measures, if commenced, may be discontinued at any time without prior notice. In no event will measures be taken to stabilize the market price of the Ordinary Shares above the offer price. Save as required by law or regulation, neither Merrill Lynch International nor any of its agents intends to disclose the extent of any over-allotments made and/or stabilization transactions conducted in relation to the Offering.

In connection with the Offering, Merrill Lynch International as stabilization manager, may, for stabilization purposes, over-allot Ordinary Shares up to a maximum of 10% of the total number of Ordinary Shares comprised in the Offering. For the purposes of allowing it to cover short positions resulting from any such over-allotments and/or from sales of Ordinary Shares effected by it during the stabilization period, Merrill Lynch International will enter into over-allotment arrangements pursuant to which Merrill Lynch International may purchase or procure purchasers for additional Ordinary Shares up to a maximum of 10% of the total number of Ordinary Shares comprised in the Offering (the "Over Allotment Shares") at the offer price. The over-allotment arrangements will be exercisable in whole or in part, upon notice by Merrill Lynch International, at any time on or before the 30th calendar day after the commencement of conditional trading of the Ordinary Shares on the Mercato Telematico Azionario, organized and managed by Borsa Italiana S.p.A. Any Over-allotment Shares made available pursuant to the over-allotment arrangements, including for all dividends and other distributions declared, made or paid on the Ordinary Shares, will be purchased on the same terms and conditions as the Ordinary Shares being issued or sold in the Offering and will form a single class for all purposes with the other Ordinary Shares.

#### **Notice to Distributors**

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that the Ordinary Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II to such target market (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the offering. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Managers will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.