

# **SANLORENZO**

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

Registered office: Ameglia (SP), via Armezzone 3 – Share capital: Euro 34,500,000 fully paid-in  
Company Register of Riviere di Liguria – Imperia La Spezia Savona and fiscal code: 00142240464

### **Explanatory report for the first item on the agenda of the ordinary shareholders' meeting**

**Financial statements for the year ended 31 December 2020.  
Related and consequent resolutions.**

#### **LEGAL NOTICE**

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## **Explanatory report for the first item on the agenda of the ordinary shareholders' meeting**

- 1. Financial statements for the year ended 31 December 2020. Related and consequent resolutions:**
  - 1.1 Approval of the financial statements and the report on operations for the year ended 31 December 2020. Presentation of the consolidated financial statements of the Sanlorenzo Group at 31 December 2020. Presentation of the non-financial statement for fiscal year 2020;**
  - 1.2 Proposal for allocation of profit;**
  - 1.3 Restriction on the extraordinary reserve up to a maximum amount of €8,400,000 pursuant to Article 110, paragraph 8, of Italian Law Decree no. 104 of 14 August 2020, converted into law with amendments by the Italian Law no. 126 of 13 October 2020.**

For all information and detailed comments on the financial statements, please refer to the annual financial report as at 31 December 2020 (including the draft financial statements and the consolidated financial statements as at 31 December 2020, the report on operations and the attestations and reports required by law) which will be made available to the public at the registered office and published on the Company's website ([www.sanlorenzoyacht.com](http://www.sanlorenzoyacht.com), "Corporate Governance" Section) and on the eMarket Storage authorised storage mechanism ([www.emarketstorage.com](http://www.emarketstorage.com)) in accordance with the law.

For all information and detailed comments on the non-financial statement for financial year 2020, drafted in accordance with Article 4 of Italian Legislative Decree no. 254 of 30 December 2016, please refer to statement itself which will be made available to the public at the registered office and published on the Company's website ([www.sanlorenzoyacht.com](http://www.sanlorenzoyacht.com), "Corporate Governance" Section) and on the eMarket Storage authorised storage mechanism ([www.emarketstorage.com](http://www.emarketstorage.com)) in accordance with the law.

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Dear Shareholders,

we invite you to approve the Company's financial statements for the year ended 31 December 2020.

The financial year ended 31 December 2020 closed with a profit for the year of €33,997,047.

In this respect, it is recalled that the financial statements at 31 December 2020 have been examined and approved by the Board of Directors of Sanlorenzo S.p.A. in the meeting held on 16 March 2021. As disclosed on the same day, during the meeting held on 16 March 2021 the Board of Directors resolved to propose to the Ordinary Shareholders' Meeting to allocate the profit for the year, amounting to €33,997,047, as follows:

- (i) €20,147 to cover losses from previous years related to the adoption of IFRS accounting standards;
- (ii) €1,698,845 to legal reserve;
- (iii) for distribution to the Shareholders a dividend equal to €0.30 gross of withholding taxes for each share outstanding on the ex-dividend date, excluding the treasury shares held by the Company at that date, to be paid on 28 April 2021, with ex dividend date 26 April 2021, and record date (date of payment authorisation for the dividend itself, pursuant to Article 83-*terdecies* of Italian Legislative Decree no. 58 of 24 February 1998) 27 April 2021; and
- (iv) the remaining part to the extraordinary reserve.

The amount of the proposed dividend, corresponding to a pay-out of 30% of the net profit of the Group, in accordance with the provisions of the policy on the distribution of dividends approved by the Board of Directors on 9 November 2019, which provides for a distribution of dividends in an amount between 30% and 40% of the net profit of the Group for the financial years 2020 and 2021, subject to any limitations under strategic investment plans (including any potential acquisitions and business combinations), as well as to the preservation of a sound financial structure and to compliance with covenants under outstanding credit facilities.

The Board of Directors also resolved to propose to the Ordinary Shareholders' Meeting to establish a restriction on the extraordinary reserve up to a maximum amount of €8,400,000 pursuant to Article 110, paragraph 8, of Italian Law Decree no. 104 of 14 August 2020, converted into law with amendments by the Italian Law no. 126 of 13 October 2020, as a result of the re-alignment of the tax values of certain fixed assets to the higher accounting values. Such re-alignment, carried out in accordance with the tax regulation, will enable the Company to achieve a considerable tax saving spread over the depreciation period of the assets being re-aligned and given by the difference between the ordinary rate of direct taxes and the rate of the substitute tax applicable from time to time.

The resolution proposal states the amount of €8,400,000, to be considered as the maximum amount, which may be subject to possible future reductions in case of changes in applicable tax regulation and

will also progressively decrease in future financial years in relation to the depreciation charges of the assets subject to re-alignment.

In light of the foregoing, the Board of Directors submits the following proposal for resolution for your approval.

### **Proposed resolution**

*“The ordinary Shareholders' Meeting of Sanlorenzo S.p.A.*

- (i) having heard from the Board of Directors;*
- (ii) having examined the draft financial statements of Sanlorenzo S.p.A. for the year ended 31 December 2020, which post a net profit of €33,997,047, and the Report of the Board of Directors on Operations;*
- (iii) having examined the non-financial statement for fiscal year 2020;*
- (iv) having noted the report of the Board of Statutory Auditors and the report of the Independent Auditors*

*resolves*

- 1. to approve the financial statements of Sanlorenzo S.p.A. for the year ended 31 December 2020 and the Report of the Board of Directors on Operations;*
- 2. to allocate the profit for the year, totalling €33,997,047, as follows: (i) €20,147 to cover losses from previous years related to the adoption of IFRS accounting standards; (ii) €1,698,845 to legal reserve; (iii) for distribution to the Shareholders a dividend equal to €0.30 gross of withholding taxes for each share outstanding on the ex-dividend date, excluding the treasury shares held by the Company at that date, to be paid on 28 April 2021, with ex dividend date 26 April 2021, and record date (date of payment authorisation for the dividend itself, pursuant to Article 83-terdecies of Italian Legislative Decree no. 58 of 24 February 1998) 27 April 2021; and (iv) the remaining part to the extraordinary reserve;*
- 3. to restrict the extraordinary reserve up to a maximum amount of €8,400,000 pursuant to Article 110, paragraph 8, of Italian Law Decree no. 104 of 14 August 2020, converted into law with amendments by the Italian Law no. 126 of 13 October 2020;*
- 4. to confer on the Chairman of the Board of Directors Massimo Perotti the broadest powers for the fulfilment of all the activities relating to, consequent to or connected with the implementation of the resolutions referred to in points 1), 2) and 3) above, with the right to sub-delegate, including through powers of attorney.”*

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La Spezia, 22 March 2021

For the Board of Directors

The Chairman, Massimo Perotti