

## FERRETTI SPA APPROVES THE CONSOLIDATED PERIODIC FINANCIAL INFORMATION AS OF SEPTEMBER 30, 2023

### NON-IFRS MEASURE

To supplement the Group's consolidated results which are presented in accordance with IFRS, EBITDA, adjusted EBITDA, adjusted EBITDA/net revenue without pre-owned, being non-IFRS measures, were also presented. The Group is of the view that this measure facilitates comparison of operating performance from period to period by eliminating potential impacts of certain items and believes that this measure provides useful information to understand and evaluate the Group's consolidated income statements in the same manner as they help the Group's management. However, the Group's presentation of EBITDA may not be comparable to similar terms used by other companies. The use of this measure has limitations as an analytical tool, as such, it should not be considered in isolation from, or as substitute for analysis of, the Group's results of operations or financial condition as reported under IFRS.

The Company defines (i) EBITDA as profit after tax plus financial expenses (including the result of operating foreign exchange conversion but excluding exchange rate gains/(losses) related to financial transactions), depreciation and amortization, and income tax expense, and less financial income and income tax benefit; (ii) adjusted EBITDA as EBITDA adjusted by adding back certain special items (including listing expenses, Management Incentive Plan, litigations and other minor non-recurring events); and (iii) net revenue without pre-owned as net revenue excluding revenue generated from the trading of pre-owned yachts.

**With an adjusted EBITDA margin of 15.0% and an adjusted EBITDA of €124.8 million, Ferretti Group, in the first nine months of 2023, confirms its growth path.**

**The order backlog was at approximately €1.5 billion, a 6.6% increase when compared to the first nine months of 2022.**

- **Revenue of €856.4 million, an increase of 9.8% when compared to 9M 2022.**
- **Adjusted EBITDA of €124.8 million, representing an increase of 17.7% when compared to 9M 2022 and with a margin of 15.0%, representing an increase of 100bps when compared to 9M 2022.**
- **Net profit of €61.9 million, an increase of 30.6% when compared to 9M 2022.**
- **Order intake reached €875.0 million in 9M 2023.**

- Net financial position of €288.0 million of net cash in 9M 2023
- The Group confirms its mid-term guidance

Forlì, November 7, 2023 - The Board of Directors (the “Board”) of Ferretti SpA today reviewed and approved the Consolidated Periodic Financial Information as of September 30, 2023.

**Mr. Alberto Galassi, the Group’s Chief Executive Officer, stated:** *“The positive trend in fiscal 2023 is confirmed by the financial results reported for the first three quarters of the year, and particularly by even better margins and the sustained growth of the order backlog. The huge success achieved by Ferretti Group at this season’s boat shows in the Mediterranean and Fort Lauderdale again demonstrates that our ongoing efforts are being rewarded by excellent sales results. This is one of the reasons for our focus on the Group’s shipyards, and on Ravenna in particular, in order to expand Ferretti Yachts’ new sustainable “INFYNITO” range and to increase production capacity, reacting promptly to market expectations.”*

The consolidated key financial highlights of the nine months ended 30 September 2023 follow:

EUR million	Nine months ended 30 September		
	9M 2023	9M 2022	Change 9M 2023 vs. 9M 2022
Revenue	856.4	779.8	+9.8%
Adj EBITDA	124.8	106.0	+17.7%
Net Profit	61.9	47.4	+30.6%
Net financial position	288.0	393.1	-26.7%

### Order intake, Order backlog and Revenue overview

#### Order intake

The order intake was €875.0 million in the first nine months of 2023.

### Order backlog

The order backlog was €1,471.7 million as of September 30, 2023, representing an increase of approximately 6.6% when compared to September 30, 2022 (€1,380.3 million) thanks to strong worldwide demand.

### Order backlog by segment

The table below shows the breakdown of order backlog by production type:

<i>EUR million</i>	<b>Order Backlog by Segment</b>				
	<b>9M 2023</b>	<b>% of total order backlog</b>	<b>9M 2022</b>	<b>% of total order backlog</b>	<b>Change 9M 2023 vs. 9M 2022</b>
Composite yachts	434.2	29.5%	435.4	31.5%	-0.3%
Made-to-measure yachts	556.0	37.8%	472.3	34.2%	+17.7%
Super yachts	424.7	28.9%	416.5	30.2%	+2.0%
Other businesses <sup>1</sup>	56.9	3.9%	56.2	4.1%	+1.2%
<b>Total</b>	<b>1,471.7</b>	<b>100.0%</b>	<b>1,380.3</b>	<b>100.0%</b>	<b>+6.6%</b>

**Composite yachts** accounted for €434.2 million as of September 30, 2023, equal to approximately 29.5% of the total backlog (compared to €435.4 million, equal to approximately 31.5% of the total backlog as of September 30, 2022).

**Made-to-measure yachts** reached €556.0 million as of September 30, 2023, equal to approximately 37.8% of the total backlog (from €472.3 million, equal to approximately 34.2% of the total backlog as of September 30, 2022).

**Super yachts** reached €424.7 million as of September 30, 2023, equal to approximately 28.9% of the total backlog (from €416.5 million, equal to approximately 30.2% of the total backlog as of September 30, 2022).

**Other businesses<sup>1</sup>** reached €56.9 million as of September 30, 2023, equal to approximately 3.9% of the total backlog (from €56.2 million, equal to approximately 4.1% of the total backlog as of September 30, 2022).

<sup>1</sup> Including FSD and Wally sail

## Revenue

The Group's overall revenue increased by approximately 9.8% from approximately €779.8 million in 9M 2022 to approximately €856.4 million in 9M 2023 thanks to the strong order backlog built in 2022.

## Revenue by segment

The table below shows the breakdown of revenue by production type:

<i>EUR million</i>	Revenue by Segment				
	9M 2023	% of total revenue	9M 2022	% of total revenue	Change 9M 2023 vs. 9M 2022
Composite yachts	376.6	44.0%	340.9	43.7%	+10.5%
Made-to-measure yachts	313.7	36.6%	303.7	38.9%	+3.3%
Super yachts	96.7	11.3%	72.5	9.3%	+33.4%
Other businesses <sup>2</sup>	69.3	8.1%	62.7	8.0%	+10.5%
<b>Total</b>	<b>856.4</b>	<b>100.0%</b>	<b>779.8</b>	<b>100.0%</b>	<b>+9.8%</b>

**Composite yachts** reached €376.6 million, equal to approximately 44.0% of total revenue, in 9M 2023 (from €340.9 million, equal to approximately 43.7% of total revenue, in 9M 2022).

**Made-to-measure yachts** reached €313.7 million, equal to approximately 36.6% of total revenue, in 9M 2023 (from €303.7 million, equal to approximately 38.9% of total revenue, in 9M 2022).

**Super yachts** reached €96.7 million, equal to approximately 11.3% of total revenue, in 9M 2023 (from €72.5 million, equal to approximately 9.3% of total revenue, in 9M 2022).

**Other businesses<sup>2</sup>** reached €69.3 million, equal to approximately 8.1% of total revenue, in 9M 2023 (from €62.7 million, equal to approximately 8.0% of total revenue, in 9M 2022).

## Revenue by geography

The breakdown of revenue by geographical area was as follows:

<sup>2</sup> Including ancillary activities, FSD, Wally sail and pre-owned business

<i>EUR million</i>	Revenue by Geography				Change 9M 2023 vs. 9M 2022
	9M 2023	% of total revenue	9M 2022	% of total revenue	
AMAS	229.2	26.8%	289.7	37.2%	-20.9%
EMEA	357.3	41.7%	292.8	37.5%	+22.0%
APAC	103.8	12.1%	62.1	8.0%	+67.1%
Other and Super yachts <sup>3</sup>	166.0	19.4%	135.2	17.3%	+22.8%
<b>Total</b>	<b>856.4</b>	<b>100.0%</b>	<b>779.8</b>	<b>100.0%</b>	<b>+9.8%</b>

The **AMAS** region accounted for €229.2 million, equal to approximately 26.8% of total revenue, in 9M 2023 (compared to €289.7 million, equal to approximately 37.2% of total revenue, in 9M 2022).

The **EMEA** region reached €357.3 million, equal to approximately 41.7% of total revenue, in 9M 2023 (from €292.8 million, equal to approximately 37.5% of total revenue, in 9M 2022).

The **APAC** region reached €103.8 million, equal to approximately 12.1% of total revenue, in 9M 2023 (from €62.1 million, equal to approximately 8.0% of total revenue, in 9M 2022).

**Other and Super yachts<sup>3</sup>** reached €166.0 million, equal to approximately 19.4% of total revenue, in 9M 2023 (from €135.2 million, equal to approximately 17.3% of total revenue, in 9M 2022).

### Consolidated operating and net results

#### Adj. EBITDA

The Group's adjusted EBITDA (adjusted by adding back certain special items including listing expenses, Management Incentive Plan, litigations and other minor non-recurring events) for the nine months ended September 30, 2023 amounted to approximately €124.8 million, increased by approximately 17.7% for the nine months ended September 30, 2022 which amounted to approximately €106.0 million, demonstrating the increase in profitability of our operating performance. The 15.0% margin<sup>4</sup> represents an increase of 100 basis points when compared to the 14.0% for the for the nine months ended September 30, 2022.

<sup>3</sup> Including ancillary activities, FSD, Wally sail and pre-owned business

<sup>4</sup> Calculated as Adjusted EBITDA/Net Revenue without pre-owned business

This strong performance is due to three main factors:

- **Commercial:** a longer waiting list due to the high order backlog, reflecting higher pricing power.
- **Strategic positioning:** a larger presence in the most profitable segment, such as Made-to-measure
- **Industrial:** economy of scale in purchasing and more efficient absorption of fixed costs.

### Net profit

The Group's profit for the nine months ended September 30, 2023 increased by approximately 30.6% from approximately €47.4 million for the nine months ended September 30, 2022 to approximately €61.9 million for the nine months ended September 30, 2023, The margin<sup>5</sup> of 7.4% represents an increase of 90 basis points from 6.3% for the nine months ended September 30, 2022.

### Consolidated balance sheet items overview

#### Capex

The Capex for the nine months ended September 30, 2023, was €107.4 million and it was mainly dedicated to the innovation of the product portfolio and the acquisition and putting in operation of Ravenna shipyard by year end. These activities will enhance production capacity satisfying the Group's growth.

### Consolidated net financial position

The net financial position was €288.0 million of net cash from €365.0 million of net cash as of 31 December 2022. Such result is attributable to the acceleration and further growth of the investments in the Ravenna shipyard and the increase in the inventory levels aimed at satisfying the increasing market demand.

### Significant events occurred in the first nine months of 2023

The first Capital Markets Day organized by the Group was held in Milan on March 21, 2023, where it provided medium-term guidance.

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<sup>5</sup> Calculated as Net Profit/Net Revenue without pre-owned business



The Group reached an agreement with Rosetti Marino S.p.A. to acquire the 70,000-square-meter San Vitale Shipyard in Ravenna.

On June 27, 2023, the Company successfully completed the first dual listing between Euronext Milan and the Hong Kong Stock Exchange.

## **Outlook**

The global luxury yacht industry has continued to grow solidly throughout 2022 and 2023, despite a slowdown in growth in 2022 of the VHNWI and UHNWI population. Recent estimates, however, point to an increase in the UHNWI population over the next 5 years. Once again, the global luxury yacht industry has proven to be resilient in the face of geopolitical uncertainty, underscoring its stability and strength. In this context, the Group has continued to deliver outstanding performance, consistently gaining market share and reinforcing its strategic position not only in high-value segments but also in new emerging and high-growth segments. To continue building on the expected growth trends of the global luxury yacht industry, enhancing its value proposition and strengthening its overall resilience, the Group's future plans are based on the following strategic pillars:

- The Group will enhance and expand its product offering and product mix ahead of evolving market trends and customer expectations, with the aim to consolidate its market leadership position in both Composite and Made-to-measure segments, focusing on the segments with the highest growth potential and marginality.
- The Group will continue to invest in innovation, technologies, and products with the aim of providing a more environmentally responsible yachting experience, thanks to the skillful use of more sustainable materials and processes aimed at reducing the environmental impact of the products.
- The Group will expand its Made-to-measure offering into larger alloy yachts, developing new alloy-hulled super yacht models under its iconic Riva, Wally, Pershing, and Custom Line brands.
- The Group will also broaden both its yacht brokerage, chartering and management services and its after-sales and refitting services, extend its brand extension and licensing activities and further expand into the security and patrolling market.
- Finally, the Group will keep investing in the internalization of high value-added activities to support its future growth and product portfolio expansion.

The Group's results are not subject to seasonality, except for the concentration of deliveries in the summer season in the Northern Hemisphere (May-August) and, to a lesser extent, in the summer season in the Southern Hemisphere (November-January), especially for Composite yachts.



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### **CONFERENCE CALL**

The results as of September 30, 2023 shall be presented to the financial community through a conference call to be held on November 7, 2023 at 05:45 p.m. CET, 00:45 a.m. HKT.

To attend the webcast meeting, you can register at this link: <https://streamstudio.world-television.com/1440-2720-38461/en>

The presentation of the management will be available from 05:45 p.m. CET on the website <https://www.ferrettigroup.com/en-us/Investor-relations-Milan/Information-disclosure-Milan> in the section Financial Results & Reports.

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The Executive Officer for Financial Reporting, Marco Zammarchi, declares in accordance with Article 154 bis, paragraph 2, of the Consolidated Finance Act, that the accounting information contained in this press release corresponds to the underlying accounting documents, records and accounting entries.

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This document makes use of some alternative performance indicators. The represented indicators are not identified as accounting measurements in the context of IFRS standards and, therefore, must not be viewed as alternative measurements to those included in the financial statements. The management team believes that these indicators are a significant parameter for the assessment of Ferretti Group's economic and financial performance.

The periodic financial information as of September 30, 2023, has not been audited by the Company's independent auditing firm.

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### **Ferretti Group**

Thanks to Italy's centuries-old yachting tradition, the Ferretti Group is a world leader in the design, construction and sale of luxury yachts and pleasure vessels, with a unique portfolio of prestigious and exclusive brands: Ferretti Yachts, Riva, Pershing, Itama, CRN, Custom Line and Wally. Led by Chief Executive Officer Alberto Galassi, the Ferretti Group owns and manages seven shipyards located across Italy, which combine the efficiency of industrial production with typical world-class Italian craftsmanship, reaching customers in more than 70 countries







across the world thanks to a direct presence in Europe, the United States of America and Asia and its network of approximately 60 carefully selected dealers. The Ferretti Group motor yachts, utmost expression of Made in Italy elegance and creative genius, have always stood out for their exceptional quality, cutting-edge technology, record safety and optimum performance in the sea, as well as their exclusive design and timeless appeal.

For more information: [www.ferrettigroup.com](http://www.ferrettigroup.com)

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PERSHING

Itama

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CRN

CUSTOM LINE