

**FERRETTI S.P.A.**



**FERRETTIGROUP**

**EXPLANATORY REPORT OF THE BOARD OF DIRECTORS ON THE FIRST ITEM ON THE  
AGENDA OF THE EXTRAORDINARY SHAREHOLDERS' MEETING OF FERRETTI S.P.A.,  
CONVENED FOR APRIL 22, 2024, ON SINGLE CALL**

(drafted pursuant to Article 125-*ter* of the Legislative Decree No. 58 of February 24, 1998, as subsequently amended and supplemented, and Article 84-*ter* of the Regulation adopted by Consob Resolution No. 11971 of May 14, 1999, as subsequently amended and supplemented)

Report approved by the Board of Directors of Ferretti S.p.A. at its meeting held on March 14, 2024, available at [www.ferrettigroup.com](http://www.ferrettigroup.com).

**First item on the agenda of the extraordinary shareholders' meeting of Ferretti S.p.A., convened for April 22, 2024, on single call:**

**1. Cancellation of repurchased shares without reduction of the share capital, subsequent amendment of Article 6 of the By-laws; inherent and consequent resolutions**

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Dear Shareholders,

this Report has been drafted pursuant to Article 125-ter, paragraph 1, of the Legislative Decree No. 58 of February 24, 1998, as subsequently amended and supplemented (the “TUF”), and Article 84-ter of the Regulation adopted by Consob Resolution No. 11971 of May 14, 1999, as subsequently amended and supplemented (the “**Issuers Regulations**”).

This Report has been approved by the Board of Directors of Ferretti S.p.A. (the “**Company**” or “**Ferretti**”) at its meeting held on March 14, 2024, and is made available to the public, within the terms of the law and regulations, at the Company’s registered office, on the Company’s website (www.ferrettigroup.com), as well as in any other manner required by applicable regulations.

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With reference to the first item on the agenda of the extraordinary Shareholders’ Meeting, the Board of Directors of Ferretti, in compliance with the requirements dictated by the Hong Kong regulations, wishes to submit to your attention the need to cancel, without reduction of share capital, all shares that may be repurchased pursuant to the authorization submitted for your approval under the third item on the agenda of the ordinary session (the “**Purchase Authorization**”), with delegation of the powers necessary to execute the resolution.

The effectiveness of the resolution to authorize the repurchase of shares and the effectiveness of the resolution to cancel such repurchased shares are suspensively conditioned on the clearance (including through silence-consent) by the Presidency of the Council of Ministers of Italy following the notification made by the Company pursuant to Article 1 of Law Decree No. 21/2012 and the subsequent implementing regulations set forth in Prime Minister’s Decree No. 108/2014, as well as in Article 2 of the Law Decree No. 21/2012 and the related Prime Minister’s Decree No. 179/2020 (the “**Golden Power Clearance**”).

The market will be promptly notified of the obtainment of the Golden Power Clearance.

Proposal of cancellation of repurchased shares

In compliance with the requirements dictated by the Hong Kong regulations, the cancellation concerns all of Ferretti’s shares that may be repurchased and held by the Company pursuant to the Purchase Authorization and, therefore, up to a maximum of no. 33,848,265 shares (equal to 10% of the Company’s share capital as of today) or to the different number representing in total 10% of the share capital in the event of resolution and execution of capital increases and/or reductions during the term of the Purchase Authorization.

The cancellation will be carried out without reduction of the nominal share capital: taking into account that the shares representing the Company’s share capital have no indication of nominal value, it will take place by reducing the number of existing shares and consequently increasing their accounting parity.

The cancellation – for the concrete execution of which it is proposed to grant appropriate delegation of powers to the Board of Directors and, on its behalf, to the CEO and the executive director, severally

between them and with the right to sub-delegate – may be carried out in a single solution or even with several acts in a fractioned manner, within 12 (twelve) months from the date of the shareholders' resolution of the Purchase Authorization.

The cancellation proposal is consistent with the purposes of the purchase transaction already depicted in the related explanatory report.

It should be noted that, from an accounting point of view, the cancellation of the repurchased shares will have no effect on the economic results and will not lead to changes in the total value of the net worth, although it will change its composition.

The Company will notify the market of transactions involving the cancellation of the repurchased shares in accordance with the applicable laws, including regulations, in force from time to time and will update the by-laws and notify the new composition of the share capital.

#### Amendment to Art. 6 of the By-laws

The cancellation of the repurchased shares will be followed by the amendment of Article 6 of the By-laws in the part where it indicates the number of shares into which the share capital is divided. To this end, it is proposed to grant appropriate delegation of powers to the Board of Directors, and, on its behalf, to the CEO and the executive director, severally between them, with the power to sub-delegate, so that it will update paragraph 1 of such article by reducing the number of shares indicated therein, proportionally to the shares that will actually be cancelled in execution of what has been illustrated above.

#### Information on the occurrence of the withdrawal right

The proposed amendments to the By-laws referred to in this Report do not give rise to the withdrawal right, under Article 2437 of the Italian Civil Code, to the shareholders who will not have taken part in the resolutions covered by this Report.

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Dear Shareholders,

in view of the above, we invite you to adopt the following resolution:

*“The Shareholders' Meeting of Ferretti S.p.A., convened in extraordinary session,*

- *on the assumption that today's Shareholders' Meeting in ordinary session has approved the authorization to purchase the Company's repurchased shares referred to in the resolution of the third item on the agenda;*
- *having examined and discussed the explanatory report of the Board of Directors, prepared pursuant to Article 125-ter of the Legislative Decree No. 58 of February 24, 1998, of Article 84-ter, of Consob Regulation No. 11971/99;*
- *having acknowledged the proposed resolutions;*

#### **resolves**

1. *to cancel - subject to the obtainment of the clearance (including by means of silence-consent) from the Presidency of the Council of Ministers of Italy following the notification made by the Company pursuant to Article 1 of the Law Decree No. 21/2012 and the subsequent implementing regulations set forth in Prime Minister's Decree No. 108/2014, as well as in Article 2 of the Law Decree No. 21/2012 and the related Prime Minister's Decree No. 179/2020 - the ordinary shares of Ferretti that may be acquired on the basis of today's shareholders' authorization issued in the ordinary session, for the part referring to the shares that may be*

acquired, up to a maximum of no. 33,848,265 shares (equal to 10% of the Company's share capital as of today) or to the different amount representing a total of 10% of the share capital in the event of resolution and execution of capital increases and/or reductions during the term of the aforementioned authorization, and to delegate for this purpose the powers to the Board of Directors, and, on its behalf, to the CEO and the executive director, severally between them and with the power to sub-delegate: (i) to determine the number of repurchased shares subject to cancellation in accordance with the purposes set forth in the aforementioned explanatory report of the Board of Directors, as well as (ii) to proceed, within 12 (twelve) months from the date of the shareholders' resolution of authorization, to the related cancellation in a single solution or even with several acts in a fractioned manner, according to the modalities to be decided by the Board of Directors, and to perform any act necessary or appropriate for this purpose;

2. to proceed with said cancellation without the recognition of any profit or loss in the income statement and without any effect on the Company's net worth, without prejudice to the amount of the share capital, with the consequent automatic increase in the "implied accounting parity" of the shares issued by the Company;
3. to approve as of now, following the execution of the cancellation of repurchased shares referred to in items 1 and 2 above, the amendment of Article 6.1 of the By-laws in the part relating to the number of shares into which the share capital of Ferretti S.p.A. is divided, indicating in the same paragraph the number of shares that will actually exist as a result of the execution of said cancellation, and, to this end, to delegate powers to the Board of Directors, and, on its behalf, to the CEO and the executive director, severally between them and with the power to sub-delegate, in order to amend the aforesaid provision of the By-laws by updating the number of said shares, and to carry out any necessary or appropriate act in this regard;
4. to grant the Board of Directors and, on its behalf, to the CEO and the executive director, severally between them and with the power to sub-delegate, all appropriate powers to: (i) ensure that the above resolutions are enforced in accordance with the law; (ii) accept or introduce in said resolutions any amendments or additions (that do not alter the substance of the resolutions adopted) that may be required for registration in the Companies Register or by the Authorities or that may be necessary and/or appropriate for the implementation of laws and regulations; (iii) proceed to the filing and registration, in accordance with the law, with explicit, prior declaration of approval and ratification, of the resolutions adopted".