FERRETTIGROUP

Ferretti S.p.A.

(Incorporated under the laws of Italy as a joint-stock company with limited liability)

(Stock Code: 09638)

INSIDE INFORMATION ANNOUNCEMENT

ADMISSION TO LISTING OF THE COMPANY'S SHARES ON THE EURONEXT MILAN APPROVED BY BORSA ITALIANA

This announcement is made by Ferretti S.p.A. (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

Reference is made to (i) the circular of the Company dated April 26, 2023 (the "**Circular**"); and (ii) the announcement of the Company dated May 28, 2023 (the "**Announcement**") in relation to, among other things, the Company's decision to proceed with the Potential Dual Listing. Unless otherwise defined in this announcement, capitalized terms used herein shall have the same meanings as those defined in the Circular and the Announcement.

ADMISSION TO LISTING APPROVED BY BORSA ITALIANA AND COMMENCEMENT OF OFFER PERIOD

The Company wishes to inform Shareholders and potential investors that on June 20, 2023, Borsa Italiana has approved the admission to listing of the Shares on Euronext Milan. Following the admission to listing, the Company also filed a request for admission to trading of the Shares on Euronext Milan.

The offer period is expected to commence on June 21, 2023 and will end on June 22, 2023, subject to extension or early termination, which shall be further announced by the Company. The commencement of trading of the Shares on the Euronext Milan is expected to be on June 27, 2023, subject to obtaining the necessary authorizations from Consob and Borsa Italiana, including approval of the Italian Prospectus and admission to trading of the Shares on Euronext Milan. The Italian Prospectus shall be published pursuant to applicable regulations and will be made available at the Company's registered office as well as on its website. Further announcements in respect of the regulatory approvals will be made as and when appropriate.

As at the date of this announcement, the Selling Shareholder is interested in approximately 63.75% of the issued Shares. It is confirmed that the Offering will comprise solely of existing Shares for a maximum number equivalent to approximately 26.1% of the Shares (before exercise of the over-allotment option) held and offered by the Selling Shareholder. Furthermore, the Selling Shareholder has granted an over-allotment option, pursuant to which the stabilization manager, on behalf of the joint global coordinators and joint bookrunners of the Offering, may have an option to purchase additional Shares equivalent to approximately 10.0% of the total number of Shares offered in the Offering. Subject to full exercise of the over-allotment option, the total number of Shares to be offered in the Offering will amount to approximately 28.7% of the total issued Shares.

In addition, it is also expected that the Company and the Selling Shareholder will enter into a 90-day lock-up arrangement with the joint bookrunners and joint global coordinators (collectively, the "**Managers**") of the Offering, which is in line with the market practice and is subject to customary exceptions and waiver by the Managers.

The Offering will be reserved exclusively to qualified investors in the member states of the European Economic Area and in the United Kingdom and foreign institutional investors outside the United States of America in reliance upon Regulation S of the United States Securities Act of 1933, as subsequently amended (the "**Securities Act**"), and, in the United States of America, only to qualified institutional buyers as defined in, and in reliance of, Rule 144A of the Securities Act, excluding those countries in which the offering is not permitted in the absence of authorization from competent authorities, in accordance with applicable laws or by way of exemption to such provision. No offer to the general public in Italy and/or any other country is envisaged.

The full text of the press release in respect of Borsa Italiana's approval of admission to listing of the Shares on the Euronext Milan can be located on the Company's website.

TRADING OF SHARES, FEES AND TAX IMPLICATIONS

In light of the Potential Dual Listing, all of the Shares shall be centralized and registered in a book-entry form in the accounts of the Monte Titoli participants through which Shareholders shall hold the dematerialized Shares and Monte Titoli shall hold the central register recording the entries of all the Monte Titoli Participants.

Shareholders are reminded that notwithstanding being dually listed on both the Stock Exchange and the Euronext Milan upon completion of the Potential Dual Listing, where a Shareholder whose Shares that are currently under the custody of HKSCC (the "**CCASS Shares**") wishes to trade his/her/its Shares on the Euronext Milan, the Shares must first be repositioned to his/her/its stock account maintained with an Italian Intermediary, and vice versa. For details on the cross border repositioning, please refer to the Circular.

Stock maintenance fees for Foreign Securities

Upon completion of the Potential Dual Listing, the CCASS Shares will also need to be held by HKSCC in the account of a Monte Titoli participant. This would also result in additional settlement processes if the CCASS Shares are repositioned or transacted on Euronext Milan in the future. As a result of the legal requirement under Italian laws and by virtue of how the CCASS Shares shall be held upon completion of the Potential Dual Listing, the CCASS Shares shall be treated as Foreign Securities (as defined under the General Rules of CCASS and the CCASS Operational Procedures) in CCASS.

Shareholders and potential investors are reminded that Foreign Securities are subject to stock maintenance fee, which is higher than the current stock custody fee applicable to the CCASS Shares. Stock maintenance fee is payable by CCASS participants, which may be passed on to holders of the CCASS Shares. For details, please refer to Section 21 of CCASS Operational Procedures.

Hong Kong Stamp Duty

Upon completion of the Potential Dual Listing, where a Shareholder does not reposition his/her/its Shares to the Euronext Milan and remains to have the Shares in CCASS to be traded on the Stock Exchange, Hong Kong stamp duty, currently charged at the ad valorem rate of 0.13% on the higher of the consideration for or the market value of the Shares, **will continue to be applicable** so long as such transfer entails a change in beneficial ownership. It will be payable by the purchaser on every purchase and by the seller on every sale of the Hong Kong securities, including the Shares (in other words, a total of 0.26% is currently payable on a typical sale and purchase transaction involving the Shares) that are traded on the Stock Exchange. In addition, a fixed duty of HK$5.00 is currently payable on any instrument of transfer of Shares. Where one of the parties is a resident outside Hong Kong and does not pay the ad valorem duty due by it, the duty not paid will be assessed on the instrument of transfer (if any) and will be payable by the transferee.

Shareholders are reminded that if they wish to trade their Shares (currently admitted into CCASS and traded on the Stock Exchange) on the Euronext Milan, such Shares must be repositioned into his/her/its stock account maintained with an Italian Intermediary. Such withdrawal from CCASS will be regarded as a cross-border transfer. Where the transfer does not trigger a change of beneficial ownership, there will be no need for contract notes or the payment of ad valorem stamp duty in Hong Kong.

Italian Tax

Upon completion of the Potential Dual Listing, dividends paid by the Company to non-Italian resident Shareholders (who do not carry on business in Italy through a permanent establishment situated therein) **will continue to be subject to a 26% final withholding tax** as a general rule (which will be withheld by the Company upon payment of dividend). In this case, the Shareholders are not required to file the income tax return in Italy.

If a Shareholder wishes to reposition his/her/its Shares from CCASS for trading on the Euronext Milan, additional Italian tax implications may be applicable. For details, please refer to the tax booklet published on the Company's website as set out in the announcement of the Company dated April 29, 2022. Shareholders are also recommended to consult their independent advisors with respect to tax implications.

Financial Transaction Tax

Upon completion of the Potential Dual Listing, the transfer of the ownership of the Shares, wherever executed and regardless of the residence of the parties involved in the transaction, **will continue to be** subject to Financial Transaction Tax (**"FTT"**). The tax rates are equal to 0.10% for transfers of shares on exchange and 0.20% for all other taxable transfers. Based on the specific FTT regulations, on the assumption that the Stock Exchange is considered a regulated stock market for FTT purposes, the transfer of Shares should be subject to 0.10% FTT tax rate. The FTT is due by the persons to which the ownership of shares (including the beneficial ownership) is transferred. Generally, the payment of FTT is executed by financial intermediary involved in the transaction. The persons obliged to pay the FTT shall annually comply with the tax return obligations for the transactions. It follows that, if no financial intermediary is involved, the ultimate purchaser is bound for filing such tax return. For details, please refer to the tax booklet published on the Company's website as set out in announcement of the Company dated April 29, 2022.

Shareholders and potential investors are recommended to consult their independent advisors with respect to tax implications. Shareholders and potential investors of the Company should also be aware that there is no assurance that the Potential Dual Listing will finally materialise or as to the timing. Shareholders and potential investors of the Company should therefore exercise caution when dealing in or investing in the securities of the Company.

By order of the Board
Ferretti S.p.A.
Mr. Alberto Galassi
Executive Director and Chief Executive Officer

Hong Kong, June 20, 2023

As at the date of this announcement, the Board comprises Mr. Alberto Galassi as executive director; Mr. Tan Xuguang, Mr. Piero Ferrari, Mr. Xu Xinyu Mr. Li Xinghao and Ms. Jiang Lan (Lansi) as non-executive directors; and Mr. Hua Fengmao, Mr. Stefano Domenicali and Mr. Patrick Sun as independent non-executive directors.