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**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**

### **APPROVAL BY CONSOB AND PUBLICATION OF THE PROSPECTUS RELATING TO THE ADMISSION TO LISTING AND TRADING OF THE COMPANY'S SHARES ON THE EURONEXT MILAN**

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 announcements of the Company dated May 28, 2023 and June 20, 2023 (collectively, the “**Announcements**”) in relation to, among other things, 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 Announcements.

## **APPROVAL BY CONSOB AND PUBLICATION OF THE ITALIAN PROSPECTUS**

The Company wishes to inform Shareholders and potential investors that the Italian Prospectus relating to the admission to the listing and trading of the Shares on Euronext Milan has been approved by Consob today. The Italian Prospectus has been published pursuant to applicable regulations and is available at the Company’s registered office as well as on the website of the Company.

Attached hereto as Schedule 1 is the selected unaudited financial information for the three months ended March 31, 2023 extracted from the Italian Prospectus for Shareholders and potential investors’ reference. Shareholders and potential investors may refer to the Italian Prospectus for further information.

The Company has also filed an application for admission to trading of the Shares on Euronext Milan, after having received from Borsa Italiana the notice of admission to listing of the Shares on Euronext Milan on June 20, 2023. Further announcements will be made by the Company as and when appropriate.

The full text of the press release in respect of the approval by Consob and publication of the Italian Prospectus can be found on the Company’s website.

**Shareholders and potential investors of the Company should be aware that there is no assurance that the Potential Dual Listing will finally materialize 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 21, 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.*

## Schedule 1

### 1. CAPITALIZATION AND INDEBTEDNESS

The tables below set out the Group's consolidated capitalization and indebtedness as of March 31, 2023.

#### Capitalization

	<b>As of March 31, 2023</b> <i>(€ thousand)</i>
<b>Total current debt (including current portion of non-current debt)</b>	<b><u>12,835</u></b>
Guaranteed	—
Secured	189
Unguaranteed/Unsecured	12,646
<b>Total non-current debt (excluding current portion of non-current debt)</b>	<b><u>23,325</u></b>
Guaranteed	—
Secured	1,527
Unguaranteed/Unsecured	21,798
<b>Shareholders' equity</b>	<b><u>795,025</u></b>
Share capital	338,483
Other reserves <sup>(1)</sup>	<u>456,542</u>
<b>Total</b>	<b><u>831,185</u></b>

(1) Other reserves include retained earnings and the profit for the period.

## Indebtedness

The table below sets out the Group's indebtedness as of March 31, 2023.

	<b>As of March 31, 2023</b> <i>(€ thousand)</i>
A. Cash	101,435
B. Cash equivalents	160,000
C. Other current financial assets	75,283
<b>D. Liquidity (A + B + C)</b>	<b><u>336,719</u></b>
E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt) <sup>(1)</sup>	3,210
F. Current portion of non-current financial debt <sup>(2)</sup>	9,625
<b>G. Current financial indebtedness (E + F)</b>	<b><u>12,835</u></b>
<b>H. Net current financial indebtedness (G – D)</b>	<b><u>(323,884)</u></b>
I. Non-current financial debt (excluding current portion and debt instruments) <sup>(3)</sup>	23,325
J. Debt Instruments	0
K. Non-current trade and other payables	0
<b>L. Non-current financial indebtedness (I + J + K)</b>	<b><u>23,325</u></b>
<b>M. Total financial indebtedness (H + L)</b>	<b><u>(300,559)</u></b>

(1) Includes liabilities associated to short term financing to Group's companies and accrued interest payables.

(2) Includes liabilities related to leases equal to €9.0 million.

(3) Includes liabilities related to leases equal to €18.7 million.

There has been no material change in the Group's capitalization or indebtedness since March 31, 2023.

## 2. SELECTED FINANCIAL AND OTHER INFORMATION

The following tables set forth the Group's selected consolidated income statement, selected consolidated statement of financial position and selected consolidated statement of cash flows and other financial data as of the dates and for the periods indicated. The selected consolidated financial information as at and for the three-month period ended March 31, 2023, and 2022 has been derived from the financial statements.

## Consolidated income statement

The following table sets forth selected information from the Group's consolidated income statement for the three-month periods ended March 31, 2023, and March 31, 2022:

	<b>Three-month period ended</b>	
	<b>March 31,</b>	
	<b>(unaudited)</b>	
	<b>2023</b>	<b>2022</b>
	<i>(€ thousand)</i>	
Revenue	290,811	262,969
Commissions and other costs related to revenue	(10,503)	(6,542)
<b>Net revenue</b>	<b><u>280,308</u></b>	<b><u>256,427</u></b>
Change in inventories of work-in-process, semi-finished and finished goods	20,160	(1,692)
Cost capitalized	7,528	7,267
Other income	4,365	1,675
Raw materials and consumables used	(147,751)	(130,777)
Contractors costs	(43,797)	(34,215)
Costs for trade shows, events and advertising	(7,139)	(5,160)
Other service costs	(26,558)	(27,265)
Rentals and leases	(1,585)	(1,374)
Personnel costs	(31,761)	(28,838)
Other operating expenses	(1,852)	(3,048)
Provisions and impairment	(11,907)	(6,872)
Depreciation and amortization	(16,016)	(13,555)
Share of loss of a joint venture	—	(9)
Financial income	2,844	4
Financial expenses	(802)	(1,103)
Foreign exchange gains/(losses)	(94)	293
<b>Profit before tax</b>	<b><u>25,942</u></b>	<b><u>11,757</u></b>
Income tax	(7,386)	1,360
<b>Profit for the year/period</b>	<b><u>18,557</u></b>	<b><u>13,117</u></b>
Attributable to:		
Shareholders of the Company	18,519	13,151
Non-controlling interests	38	(34)

## Consolidated statement of the financial position

The following table sets forth certain information from the Group's consolidated statement of financial position as of March 31, 2023:

	<b>As of March 31, 2023 (unaudited) (€ thousand)</b>
<b>Current assets</b>	
Cash and cash equivalents	261,435
Trade and other receivables	66,806
Contract assets	138,974
Inventories	221,549
Advances on inventories	41,105
Other current financial assets	75,283
Income tax recoverable	1,616
	<hr/>
<b>Total current assets</b>	<b><u><u>806,768</u></u></b>
<b>Non-current assets</b>	
Property, plant and equipment	348,975
Intangible assets	263,331
Other non-current assets	4,396
Deferred tax assets	11,805
	<hr/>
<b>Total non-current assets</b>	<b><u>628,507</u></b>
<b>Total assets</b>	<b><u><u>1,435,275</u></u></b>
<b>Current liabilities</b>	
Minority Shareholder's loan	1,000
Bank and other borrowings	11,835
Provisions (current)	46,875
Trade and other payables (current)	349,660
Contract liabilities	178,677
Income tax payable (current)	4,508
	<hr/>
<b>Total current liabilities</b>	<b><u><u>592,555</u></u></b>

**As of**  
**March 31, 2023**  
**(unaudited)**  
*(€ thousand)*

**Non-current liabilities**

Bank and other borrowings	23,325
Provisions	16,004
Non-current employee benefits	7,410
Non-current trade and other payables	956
<b>Total non-current liabilities</b>	<b>47,695</b>

**Total liabilities** **640,250**

**Share capital and reserves**

Share capital	338,483
Reserves	456,120

Equity attributable to shareholder of the Company **794,603**

Non-controlling interest 422

**Total equity** **795,025**

**Total liabilities and equity** **1,435,275**

## Consolidated statement of cash flows

The following table sets forth certain information from the Group's consolidated statement of cash flow for the three-month periods ended March 31, 2023 and March 31, 2022:

	<b>Three-month period ended</b>	
	<b>March 31,</b>	
	<b>(unaudited)</b>	
	<b>2023</b>	<b>2022</b>
	<i>(€ thousand)</i>	
Operating profit before changes in working capital	51,058	27,780
Operating profit after changes in working capital	(1,980)	53,791
Income tax paid	—	—
	<hr/>	<hr/>
<b>Net cash generated from operating activities</b>	(1,980)	53,792
<b>Net cash used in investing activities</b>	(44,699)	(15,418)
<b>Net cash generated from/(used in) financing activities</b>	(7,574)	210,386
	<hr/>	<hr/>
Net (decrease)/increase in cash and cash equivalents	(54,254)	248,759
Cash and cash equivalents at the beginning of the period	317,759	173,010
Effect of foreign exchange rate changes, net	(2,070)	1,454
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the period</b>	<b><u>261,435</u></b>	<b><u>423,223</u></b>

### Non-IFRS Measures and other metrics

The Non-IFRS Measures are not recognized measures of financial performance under IFRS and have not been audited or reviewed. These Non-IFRS Measures and other metrics are presented because they are used by management to monitor the performance of the business and operations. These measures also provide additional information to investors to enhance their understanding of Group's results.



**As of/for the three-month  
period ended March 31,  
(unaudited)  
2023                      2022**  
*(€ thousand, except percentages)*

EBITDA	40,071	26,087
Adjusted EBITDA	40,013	31,563
Net revenue without pre-owned	280,308	242,089
Adjusted EBITDA/net revenue without pre-owned margin	14.3%	13.0%
Net Working Capital	(62,795)	(*)
Net Financial Indebtedness	(300,559)	(*)
Net Capital Employed	494,467	(*)
Return on Equity (ROE)	(**)	(**)
Return on Total Assets (ROTA)	(**)	(**)
Cash Conversion Ratio	86.0%	81.8%

(\*) Data as of March 31, 2022 are not represented.

(\*\*) Data for interim periods are not meaningful and therefore are not represented.

The following tables set forth a reconciliation of Net revenue without pre-owned to net revenue for the periods indicated:

	<b>For the three-month period ended March 31, (unaudited) 2023                      2022</b> <i>(€ thousand)</i>	
Total net revenue	280,308	256,427
Trading of pre-owned yachts	0	14,338
Net revenue without pre-owned	280,308	242,089

The following tables set forth a reconciliation of EBITDA and Adjusted EBITDA to profit for the periods indicated:

	<b>For the three-month period ended March 31, (unaudited)</b>	
	<b>2023</b>	<b>2022</b>
	<i>(€ thousand)</i>	
Profit for the year/period	18,557	13,117
Income tax (benefit)/expense	7,387	(1,360)
Foreign financial exchange gains/(losses)	154	(324)
Financial income	802	1,103
Financial expenses	(2,844)	(4)
Depreciation and amortization	16,016	13,555
	<u>40,071</u>	<u>26,087</u>
<b>EBITDA</b>	<b>40,071</b>	<b>26,087</b>
Special Items related to EBITDA <sup>(1)</sup>	2	5,436
Foreign exchange losses	(60)	31
Share of loss of a joint venture	—	9
	<u>40,013</u>	<u>31,563</u>
<b>Adjusted EBITDA</b>	<b>40,013</b>	<b>31,563</b>
<b>Adjusted EBITDA/net revenue without pre-owned</b>	<b>14.3%</b>	<b>13.0%</b>

(1) Special Items related to EBITDA include:

	<b>For the three-month period ended March 31, (unaudited)</b>	
	<b>2023</b>	<b>2022</b>
	<i>(€ thousand)</i>	
Listing expenses	—	4,875
Management Incentive Plan	—	—
Litigations	—	—
Other (income)/expenses	2	561
	<u>2</u>	<u>5,436</u>
<b>Special Items related to EBITDA</b>	<b>2</b>	<b>5,436</b>

The following table sets forth a summary of the composition of the Net Working Capital for the periods indicated:

	<b>As of March 31, (unaudited) 2023</b> <i>(€ thousand except percentages)</i>
Trade and other receivables	66,806
Contract assets	138,974
Inventories	221,549
Advances on inventories	41,105
Income Tax recoverable (current)	1,616
Trade and other payables (current)	(349,660)
Contract liabilities	(178,677)
Income tax payable (current)	(4,508)
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<b>Net Working Capital</b>	<b><u><u>(62,795)</u></u></b>

The following table sets forth the calculation of Net Financial Indebtedness (calculated accordingly to ESMA recommendations 32–382–1138 issued on March 4, 2021) for the periods indicated:

	<b>As of March 31, (unaudited) 2023 (€ thousand)</b>
Cash	101,435
Cash and cash equivalents	160,000
Other current financial assets	<u>75,283</u>
<b>Liquidity</b>	<b><u><u>336,719</u></u></b>
Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	3,210
Current portion of non-current financial debt	<u>9,625</u>
<b>Current financial indebtedness</b>	<b><u><u>12,835</u></u></b>
<b>Net current financial indebtedness</b>	<b><u><u>(323,884)</u></u></b>
Non-current financial debt (excluding current portion and debt instruments)	23,325
Debt instruments	0
Non-current trade and other payables	<u>0</u>
<b>Non-current financial indebtedness</b>	<b><u><u>23,325</u></u></b>
<b>Total Financial Indebtedness</b>	<b><u><u>(300,559)</u></u></b>

The following table sets forth the calculation of the Net Capital Employed for the periods indicated:

	<b>As of March 31, (unaudited) 2023</b> <i>(€ thousand except percentages)</i>
Net Working Capital	(62,795)
Non-current assets	628,507
Other assets and liabilities	<u>(71,245)</u>
<b>Net Capital Employed</b>	<b><u><u>494,467</u></u></b>

The following sets forth the calculation of the Cash Conversion Ratio for the periods indicated:

	<b>For the three-month period ended March 31, (unaudited)</b> <b>2023</b> <b>2022</b> <i>(€ thousand)</i>	
Adjusted EBITDA	40,013	31,563
Maintenance Capex	<u>5,620</u>	<u>5,742</u>
<b>Cash Conversion Ratio</b>	<b><u><u>86.0%</u></u></b>	<b><u><u>81.8%</u></u></b>