

# ALTUS CAPITAL LIMITED

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*To the Independent Board Committee*

2 April 2026

**Ferretti S.p.A.**

31/F, Tower Two, Times Square

1 Matheson Street

Causeway Bay

Hong Kong

Dear Sir/Madam,

**VOLUNTARY CONDITIONAL PARTIAL PUBLIC TENDER OFFER  
LAUNCHED BY  
KKCG MARITIME TO ACQUIRE UP TO 52,132,861 SHARES OF  
FERRETTI S.P.A. (STOCK CODE: 09638.HK; EXM: YACHT),  
REPRESENTING 15.4% OF THE COMPANY'S SHARE CAPITAL**

**INTRODUCTION**

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee in respect of the Offer, details of which are set out in the "Letter from the Board" contained in the Response Document Supplement of the Company dated 2 April 2026. Terms used in this letter shall have the same meanings as those defined in the Response Document Supplement and the Original Response Document unless the context requires otherwise.

On 19 January 2026, the Offeror announced a voluntary conditional partial public tender offer to acquire up to 52,132,861 Shares, representing 15.4% of the Company's subscribed and paid-in share capital, at the Consideration of Euro3.50 for each Share tendered and purchased by KKCG.

On 26 March 2026, the Offeror published the Offer Document Supplement whereby it increased the Consideration to Euro3.90 (equivalent to approximately HKD35.35) per Share. Save for the increase of the Consideration, all other terms of the Offer as set out in the Original Offer Document remain unchanged.

As at the date of the Offer Document Supplement, the Offeror held, directly, 49,030,027 Shares, representing 14.5% of the Company's subscribed and paid-in share capital. In the event of full acceptance of the Offer, the Offeror and parties acting in concert with it will in aggregate hold 101,206,314 Shares, representing 29.9% of the Company's subscribed and paid-up share capital.

### **The Offer**

KKCG Maritime has launched a voluntary conditional partial public tender offer on the following terms:

For each Share	Euro3.90 (for illustrative purposes only, equivalent to approximately HKD35.35, based on the Revised Reference Exchange Rate) ( <i>cum dividend</i> ) in cash
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The Revised Consideration will be paid in Euro to all Shareholders who accept the Offer.

The Revised Consideration is intended to be on a "cum dividend" basis and has therefore been determined on the assumption that the Company will not approve or implement any ordinary or extraordinary distribution of dividends drawn from profits or reserves prior to the Payment Date. Accordingly, if the Company approves or implements any ordinary or extraordinary distribution of dividends drawn from profits or reserves prior to the Payment Date, the Revised Consideration will be automatically reduced by the per-Share amount of any ordinary and/or extraordinary dividend, drawn from profits or reserves, or any other distribution resolved upon by the competent corporate bodies of the Company prior to the Payment Date.

Any reduction will only apply to those Shares which are the subject of the Offer in respect of which KKCG Maritime will not be entitled to the relevant dividend or other distribution. On 31 March 2026, the Board proposed a final dividend payout of Euro0.11 per Share for the year ended 31 December 2025, which is subject to the approval of the Shareholders at the annual general meeting to be held on 14 May 2026. Upon approval by the Shareholders, the final dividend will be payable on 17 June 2026.

The Revised Consideration is net of KKCG Maritime's share of any stamp duties, commissions and fees, which remain the responsibility of KKCG Maritime. The substitute tax on capital gains, where due, will be borne by those who accept the Offer.

If the Offer is completed, payment of the Revised Consideration, and the transfer of ownership of the tendered Shares to KKCG Maritime (or the relevant portion thereof, as the case may be), will take place on the earlier of the 5th (fifth) Trading Day and the 7th (seventh) HK Business Day following the Closing Date, i.e., subject to any extensions of the Acceptance Period that may occur in accordance with applicable laws and regulations and with the consent of the Executive, on 20 April 2026 (i.e., the Payment Date).

Subject to the fulfilment or (if capable of being waived) waiver of the Conditions, if the number of the Shares tendered to the Offer exceeds 52,132,861 (i.e., the Maximum Number), the pro-rata method, as described in Section J of the Original Offer Document, will be applied to the tendered Shares, by virtue of which KKCG Maritime will purchase from all Adherents the same proportion of the Shares tendered by them to the Offer.

The Shares to be acquired under the Offer shall be fully paid and shall be acquired free from restrictions and encumbrances of any kind and nature — real, mandatory and/or personal — as well as freely transferrable to KKCG Maritime and with all the rights (including voting rights) attaching to them on the Payment Date (i.e., regular entitlement or *godimento regolare*).

The Offer does not concern any financial instruments other than the Shares (including convertible financial instruments).

The Offer is launched exclusively in Italy and Hong Kong, since the Shares are listed on Euronext Milan and on the HK Stock Exchange. In Hong Kong, in accordance with the requirements of Hong Kong law, the Offer is made by Somerley, in its capacity as financial adviser to, and on behalf of, KKCG Maritime.

#### **THE INDEPENDENT BOARD COMMITTEE**

The Independent Board Committee comprising all the non-executive Directors, namely Mr. Hao Qinggui, Mr. Piero Ferrari, Ms. Jiang Lan (Lansi) and Mr. Jin Zhao, and all the independent non-executive Directors, namely Mr. Patrick Sun, Mr. Stefano Domenicali and Ms. Zhu Yi, has been established to consider and advise the Independent Shareholders as to whether the Offer is fair and reasonable and as to the acceptance of the Offer, after taking into account the recommendation of the Independent Financial Adviser.

## **THE INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee has approved our appointment as the Independent Financial Adviser to the Independent Board Committee. Our role is to give an independent opinion to the Independent Board Committee as to whether the Offer is fair and reasonable (having considered all relevant factors in totality) and as to the acceptance of the Offer.

We (i) are not associated or connected, financially or otherwise, with the Company or the Offeror, their respective controlling shareholders or any parties acting, or presumed to be acting, in concert with any of them; and (ii) apart from acting as the independent financial adviser to the Independent Board Committee in relation to the Offer, details of which are set out in the Original Response Document dated 12 March 2026, have not acted as an independent financial adviser or financial adviser in relation to any transactions of the Company or the Offeror, their respective controlling shareholders or any parties acting in concert with any of them in the last two years prior to the date of the Response Document Supplement.

Pursuant to Rule 2.6 of the HK Takeovers Code, and given that (i) remuneration for our engagement to opine on the Offer is at market level and not conditional upon the outcome of the Offer; (ii) no arrangement exists whereby we shall receive any fees or benefits from the Company (other than our said remuneration) or the Offeror, their respective controlling shareholders or any parties acting in concert with any of them; and (iii) our engagement is on normal commercial terms and is approved by the Independent Board Committee, we are independent of the Company and the Offeror, their respective controlling shareholders or any parties acting in concert with any of them and can act as the Independent Financial Adviser to the Independent Board Committee in respect of the Offer.

## **BASIS OF OUR ADVICE**

In formulating our opinion, we have reviewed, amongst others, (i) the 2024 Annual Financial Report; (ii) the 2025 Interim Financial Report; (iii) the 2025 Annual Financial Results Announcement; (iv) the Original Offer Document and Offer Document Supplement; and (v) other information contained or referred to in the Original Response Document and Response Document Supplement.

We have also relied on the statements, information, opinions and representations contained or referred to in the Original Response Document and Response Document Supplement and/or provided to us by the Company, the Directors and the management of the Group (collectively the “**Management**”). We have assumed that all the statements, information, opinions and representations for matters relating to the Group contained or referred to in the Original Response Document and Response Document Supplement and/or provided to us were reasonably made after

due and careful enquiry and were true, accurate and complete at the time they were made and continued to be so as at the date of the Revised Latest Practicable Date. The Company will notify the Shareholders of any material changes to the information contained or referred to in the Original Response Document and Response Document Supplement as soon as possible in accordance with Rule 9.1 of the HK Takeovers Code. The Shareholders will also be informed as soon as possible when there is any material changes to the information contained or referred to herein as well as changes to our opinion, if any, after the Revised Latest Practicable Date.

We have no reason to believe that any statements, information, opinions or representations relied on by us in forming our opinion is untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render the statements, information, opinions or representations provided to us to be untrue, inaccurate or misleading. We have assumed that all the statements, information, opinions and representations for matters relating to the Group contained or referred to in the Response Document and/or provided to us by the Company and the Management have been reasonably made after due and careful enquiry. We consider that we have been provided with and have reviewed sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have relied on such statements, information, opinions and representations and have not conducted any independent investigation into the business, financial conditions and affairs or future prospects of the Group.

We have not considered the taxation implications on Shareholders arising from the acceptance or non-acceptance of the Offer, if any, and therefore we will not accept responsibility for any tax effect or liability that may potentially be incurred by the Shareholders as a result of the Offer. In particular, Shareholders who are subject to Hong Kong or overseas taxation on dealings in securities are urged to seek their own professional advisers to tax matters.

## **PRINCIPAL FACTORS AND REASONS CONSIDERED**

In arriving at our advice for the Offer, we have considered the following principal factors and reasons:

### **1. The nature of the Offer**

We wish to highlight that the Offer is a partial offer instead of a full offer. The size of the Offer represents (i) about 15.4% of the Company's total issued Shares as at the Revised Latest Practicable Date; and (ii) about 18.0% of the Company's total issued Shares less the Offeror's own holding of 49,030,027 Shares which are excluded from the Offer. The Offeror stated in the Original Offer Document and re-affirmed in the Offer Document Supplement that it does not intend to launch a full public tender offer aimed at delisting.

The Offer's acceptance allocation is on a pro-rata basis up to a maximum of 52,132,861 Shares. In other words, if all Independent Shareholders accept the Offer by tendering all their respective Shares, after the pro-rata acceptance allocation, Independent Shareholders would have sold about 18.0% of their respective shareholdings while remaining to hold a substantial percentage of about 82.0% of their shareholdings.

Whilst Independent Shareholders are not offered a full exit, if the Offer is successful, it will result in an increase in shareholding of a significant Shareholder, being KKCG Group, alongside the current Controlling Shareholder, FIH. As discussed in the section headed "3. Effects of the Offer on the shareholding structure of the Company and governance", under Scenario 2 where FIH does not accept the Offer but other Independent Shareholders accept the Offer to the extent that the Offer is accepted in full, shareholdings of FIH and KKCG Group will be 39.5% and 29.9% respectively, which are quite similar level. We will analyse the implications of this from the perspective of Independent Shareholders.

## **2. Background information of the Group**

The Group, one of Italy's oldest luxury yacht builders, has a portfolio of brands and is supported by manufacturing capabilities. Since its founding in 1968, the Group has been acquiring and integrating yacht brands and production facilities.

Currently, the Group holds seven brands (i.e. Riva, Wally, Ferretti Yachts, Pershing, Itama, CRN, and Custom Line). The Group designs, produces, and delivers luxury composite yachts, made-to-measure vessels, and superyachts ranging from 8 to 95 meters, alongside tailored ancillary services.

The Group's other businesses include (i) yacht brokerage, chartering and management; (ii) after-sales and refitting; (iii) global brand extension lounges; (iv) custom nautical interior furnishings; and (v) manufacturing and sale of coastal patrol vessel; and (vi) manufacturing and sale of Wally sailing yachts. This integrated offering aims to cover the entire yachting customer journey, from purchase to ancillary services.

Through research and development investment, the Group targets to enhance its product portfolio, launching new models in composite and made-to-measure yachts while capitalising on interest in superyachts.

## **3. Effects of the Offer on the shareholding structure of the Company and governance**

As at the Revised Latest Practicable Date, the Company had 338,482,654 Shares in issue and the total number of Shares under the Offer is 52,132,861 Shares.

Assuming there will be no change in the issued share capital of the Company between the Revised Latest Practicable Date and the close of the Offer and that the Offeror and Independent Shareholders have not acquired or disposed of their Shares during this period, and noting that FIH has publicly announced that it will not support the Offer, the following table illustrates the potential effects of the Offer on the shareholding structure of the Company based on the scenarios that:

- (i) Scenario 1 — the Offer is entirely not successful where no Independent Shareholder accepts the Offer at all; and
- (ii) Scenario 2 — the Offer is entirely successful where FIH does not accept the Offer but other Independent Shareholders accept the Offer to the extent that the entire 52,132,861 Shares under the Offer are accepted in full. We have simulated Scenario 2 as FIH has confirmed through a press statement that it does not support, and has no intention to accept, the Offer.

	<i>Current/Scenario 1 — no Shareholders accept the Offer</i>		<i>Scenario 2 — FIH does not accept the Offer, other Shareholders accept all the 52,132,861 Shares under the Offer in full</i>	
		<i>%</i>		<i>%</i>
FIH	133,805,907	39.53%	133,805,907	39.53%
KKCG Group	49,030,027	14.49%	101,162,888	29.89%
Person acting in concert with KKCG (Mrs. Katarína Kohlmayer)	43,426	0.01%	43,426	0.01%
Public & other Shareholders	155,603,294	45.97%	103,470,433	30.57%
<b>Total</b>	<b>338,482,654</b>	<b>100.0%</b>	<b>338,482,654</b>	<b>100.0%</b>

As shown above, under Scenario 1 where the Offer is entirely not successful, there will be no change in the shareholding structure of the Company. Under Scenario 2, KKCG Group will achieve shareholding of 29.9%, FIH will maintain its 39.5% shareholding while other Independent Shareholders' shareholding percentage will reduce to 30.6%. Notwithstanding the scenarios illustrated above, we wish to highlight that as the Offer is not conditional upon any minimum

acceptance threshold, KKCG Group will accept any number of Shares tendered by Independent Shareholders up to 52,132,861 Shares. Hence, KKCG Group may eventually have a shareholding of between 14.5% and 29.9% depending on acceptance level.

*Our observations*

Under Scenario 2 after the close of the Offer, FIH will have shareholding of 39.5% and KKCG Group will have 29.9%. No Shareholder will have absolute majority shareholding of more than 50% in the Company. We are of the view that the existence of two Shareholders with significant shareholdings — one having “above controlling but non-majority” shareholding and the other having “just below controlling” shareholdings (with “control” as defined under the HK Takeovers Code) can have implications on the Company which are further analysed below in the section headed “3.1 Implications of having two Shareholders with significant shareholdings at “control” or “just below control” level”.

***3.1. Implications of having two Shareholders with significant shareholdings at “control” or “just below control level***

Our assessment of the potential implications for the Independent Shareholders focuses on corporate governance, strategic direction, and shareholder value. A primary consideration for Shareholders (other than FIH and KKCG Group) arising from an Offer which is fully accepted is the prospective alteration of the Company’s shareholding structure.

Under Scenario 2 above, completion of the Offer would result in two Shareholders possessing comparable significant levels of equity shareholding in the Company.

As elaborated below, while KKCG Group with its current 14.5% shareholding already has the right and capacity to submit its ‘slate and requisite shareholders’ meeting to remove and appoint Directors; its increased shareholding of 29.9% if the Offer is fully accepted would substantially enhance KKCG Group’s chance of obtaining the highest vote for its slate or passing resolution(s) on Director removal or appointment.

In this respect, KKCG Group has stated in the Original Offer Document and re-affirmed in the Offer Document Supplement its intention to appoint Directors to the Board and be involved in the further development and growth of the Company, both organically and inorganically. A duopoly of significant shareholding of FIH and KKCG Group, but short of any one of them possessing majority shareholding, has the potential to introduce significant uncertainty on the Company’s long-term business strategy and operational management. For example, governance stability may be compromised if FIH and KKCG Group have conflicting visions for the Company, resulting in boardroom stalemates and unclear management directions.

In this respect, we wish to highlight that KKCG Group has stated in the Original Offer Document and re-affirmed in the Offer Document Supplement that it intends to submit a majority slate. Meanwhile, FIH has also stated by means of a press release of its intention to exercise control over the Company pursuant to Article 93 of the CFA and to nominate a majority of the members of the Board. KKCG Maritime has not yet selected the candidates to be included in its aforesaid slate and has not engaged in any discussions with any of the Directors aimed at their potential inclusion in such slate. Similarly, FIH has not disclosed the candidates to be included in its majority slate. In other words, it is possible that there will be total change, partial change or no change to the Board after the mandatory renewal of the Board scheduled for at its annual general meeting on 14 May 2026. These may include change(s) of Directors, and in turn the consequent possible changes of Chief Executive Officer, executive Directors, non-executive Directors and independent non-executive Directors, as well as the management team members. It is possible that the slate adopted and/or the first candidate of the slate achieving the second-highest number of votes may include some or all current Directors. In such instances, there may be partial or no change to the Board. We also note that the Letter from the Board states that although the removal of directors is uncommon for listed companies in Italy, where a director is removed without just cause, such director may be entitled to seek damages, which may expose the Company to potential liability.

In addition, such contests and potential impact are relevant not only to the potential changes in the composition of the Board and the Management at the annual general meeting on 14 May 2026, but also potentially in future. This is because the party who had lost the slate voting may continue to exercise its shareholder's rights to make requisition to convene shareholders' meetings to appoint and/or remove Director(s) pursuant to the provisions under the Company's by-laws proposing changes to the Board and/or the Management<sup>(Note)</sup>, while continuing to acquire further voting rights in compliance with relevant laws, rules and regulations in Hong Kong and Italy, while also soliciting supports from other Shareholders. This instability is a significant risk. Our evaluation of the Offer's benefit to Shareholders (excluding FIH and KKCG Group) depends on several key but currently uncertain factors.

Paramount among these will be the KKCG Group's plan for the Company, including its proposed strategic initiatives and capital commitment. Independent Shareholders must evaluate KKCG Group's abilities in post-Offer integration and its operational experience within the luxury yacht industry sector. The value proposition of the Offer is inextricably linked to the KKCG Group's capacity to enhance the Company's performance and governance.

At the same time, the response of FIH, being the existing Controlling Shareholder, to what may be perceived as a hostile move by KKCG Group is a decisive variable. FIH's strategic plans, whether to consolidate its own position and engage in a protracted contests for influence and control of the Board, continuation with the Group's strategic plans or instigating alternative corporate actions, will shape future outcome.

*Note:* Pursuant to Article 14.2 of the Company's by-laws, a shareholders' meeting to remove and appoint a director may be called when requested by shareholders representing at least 5% of the Company's issued share capital. Pursuant to Article 2383, paragraph 3 of the Italian Civil Code, directors may be removed by shareholders' meeting at any time, provided that the removed director is entitled to claim damages if the removal occurs without just cause. Pursuant to Article 19.12 of the Company's by-laws, "in the event that it is not necessary to appoint all the members of the board of directors, the shareholders' meeting shall resolve with the majorities provided by law, without observing the procedure set forth above (i.e., the slates' procedure) and in any case in such a way as to ensure the presence of the minimum number of independent directors required by regulations in force as well as the compliance with regulations in force on gender balance".

For the reasons above, we have examined KKCG Group's reasons for the Offer and its next course of action as well as FIH's plan for the Company. We have also discussed with the Board the current progress of the Company's strategic pillars for future development as disclosed in its financial reports.

Having two Shareholders with those respective levels of shareholding as described above can for example, potentially improve corporate governance and lower risk of entrenchment. On the flip side, it may cause operational paralysis and strategic distraction. The pros and cons must be weighed.

To reiterate in this case, while faced with the prospect of material changes to their investments in the Company, Independent Shareholders do not have the option to entirely exit from their investments under the Offer. Independent Shareholders may potentially be able to sell only a portion of their shareholdings under the Offer. In other words, after the Offer completes, Independent Shareholders may still hold a substantial portion of their current shareholding in the Company. It is therefore imperative for Independent Shareholders to consider the possible outcome and future development of the Company. We are of the view that the ultimate fairness and reasonableness of the Offer to Independent Shareholders cannot be determined in isolation. It is contingent upon a clear resolution of the future strategic and governance framework, the demonstrated value-creation capabilities of KKCG Group relative to FIH and the current Management, and the resolution of the dynamics between FIH and KKCG Group.

### **3.2. Offeror's rationale vs FIH's stance**

#### *3.2.1 The Group's current and future development*

Based on our discussion with the Board on the future development and plan of the Group, we were informed that the Group has been progressing with its future plans and development in accordance with the strategic pillars as disclosed in its financial reports.

Firstly, the Group has been updating, enhancing and expanding its product offering and product mix where overall from 2023 to 2025, the Group had introduced 20 models in the composite yacht segment, five in the made-to-measure segment, two in the superyacht segment and three in the sail range segment. The Group has also announced future launches across these segments including Riva Caravelle 42m, Custom Line Saetta 128 and the Custom Line Navetta 35, representing both range extensions and re-styling interventions on existing models.

In terms of investments in innovation, technologies, and products with reduced environmental impact, the Group had invested over Euro110 million between 2023 and 2025. The Management highlighted that under its business plan for year 2023-2027, the Group envisages to make total investments of Euro190 million in this area. Meanwhile, the Board informed that implementation of its other strategic pillars is also ongoing.

#### *Our observations*

The Group has been developing its businesses according to its stated plans under the current Management. Based on our public searches, we are not aware of any complaints or grievances raised by any Shareholders on the Company's operational and financial performance in recent years. The Board has also confirmed the same to us. Among the current members of the Board, several executive and non-executive Directors are involved and experienced in the luxury yacht and ship building industry, being (i) Mr. Alberto Galassi who is the Chief Executive Officer of the Company since May 2014; (ii) Mr. Tan Ning, an executive Director who has held various key functions in the Group since 2012; (iii) Mr. Piero Ferrari, a non-executive Director, who is also the chairman of the Group's product strategy committee; and (iv) Mr. Hao Qinggui, the Chairman and a non-executive Director, who has held various functions of the Company since June 2024, including as its general counsel and joint company secretary.

We have also conducted public searches on news and media reports on the Company and noted the following:

- (i) In June 2025, Bloomberg News, a major global news agency providing coverage on business, finance and politics, reported that in April 2024, Mr. Xu Xinyu, an ex-Director of the Company, discovered that he was being followed and found surveillance devices in the Company's office premises, leading to criminal cases being filed by Mr. Xu and the Company with prosecutors in Milan. Bloomberg News reported in March 2026 that prosecutor has asked for dismissal of this case due to a lack of evidence.
- (ii) In the same article, Bloomberg News also reported that the incident above occurred amid tensions between the Management and Weichai Group (which wholly owns FIH) over a share buyback program which was withdrawn after triggering scrutiny from the Italian government under its "golden power" rule.
- (iii) In October 2025, Bloomberg News further reported that Weichai Group is having disputes with the Management and that the Company's chief executive officer, Mr. Alberto Galassi, is sidelining Directors who are connected to Weichai Group to tighten his grip over the Company. Bloomberg News, citing an internal Weichai Group document it sighted, reported that Weichai Group is deeply concerned about the Company's asset security and operational quality, but it is not clear what Weichai Group plans to do about it.

We have consulted with the Board regarding the aforementioned news reports. With respect to item (i) the Board confirmed that the Company has lodged relevant complaints to prosecutors. With respect to item (ii), we noted that in April 2024 the Company announced the withdrawal of the resolutions to approve the general mandate to repurchase Shares and cancellation of the repurchased Shares, citing more time is required to prepare for specific matters involved, including an assessment of the legal and regulatory requirements pursuant to the laws and regulations in Hong Kong and Italy. With respect to item (iii), the Board did not respond to such speculations.

It is not apparent to us whether or the extent of the above negative media reports have had on the Company as, from a business and financial performance perspective, the Group's revenue and order book have continued to grow. We believe these reports may have had an adverse impact on the price of Shares as they painted a picture of uncertainty on the Group's governance, management, as well as potential government interventions in its businesses as a strategic company in Italy.

### *3.2.2 Background of the Offeror and its reasons for the Offer*

According to the Original Offer Document, the KKCG Group is active in investments and innovation, operating a diverse range of companies. The KKCG Group employs over 16,000 people in 41 countries across its portfolio companies. In addition to the maritime business, the KKCG Group operates a diversified portfolio of investments businesses, including international gaming, global IT services, traditional and renewable energy and innovative real estate development, each managed through leading subsidiaries active across multiple jurisdictions and organized in four pillar sectors, being entertainment, energy, technology and real estate. Key businesses of the KKCG Group include Allwyn, Aricoma, Avenga, MND Group, KKCG Real Estate and KKCG Maritime.

Based on KKCG Group's website, (i) Allwyn is a lottery-driven entertainment platform; (ii) MND Group engages in exploration, oil and gas production and renewable energy; (iii) Aricoma is an information and communication technology company; (iv) Avenga is an information technology company. Under its diversified ventures, KKCG Group makes strategic investments in areas such as artificial intelligence, Web3, and biotechnology through partnerships with various venture capital managers.

KKCG Maritime is a corporate platform dedicated to maritime business within the KKCG Group. According to the Original Offer Document, KKCG Maritime is actively exploring acquisition opportunities in the maritime sector with a view to further expanding and strengthening its maritime investment portfolio. Its activities include business development initiatives, participation in acquisition processes, market research and the evaluation of potential investment targets. According to the Original Offer Document, KKCG Maritime has no employee and as at 31 December 2025, KKCG Maritime's equity was approximately Euro78.5 million and it recorded net profit of approximately Euro0.5 million for its financial year ended 31 December 2025.

According to the Original Offer Document, KKCG Group's founder and chairman is Karel Komárek, a Czech entrepreneur, investor and philanthropist. Mr. Komárek has a 30-year track record in establishing and developing businesses across sectors including entertainment, energy, real estate and technology. He is a long-term supporter of the Company and was an anchor investor during the Company's initial listing on Euronext Milan in 2023 as well as being a customer of the Group over many years. Mr. Komárek's activities also extend to community development, urban revitalisation and culture and arts education, through the Karel Komárek Family Foundation, established together with his wife.

The board of directors of KKCG Maritime, composed of Mr. Michal Tománek, as chairman, who also serves as deputy chief investment officer of the KKCG Group, and Mr. Kamil Zeman, executive director for Maritime Investments, is actively involved in the management and exercises managerial responsibilities in relation to KKCG Maritime and its activities. The member of the supervisory board is Mrs. Katarina Kohlmayer, who holds the position of chief financial officer of the KKCG Group. According to KKCG Maritime's website, below are extracts of their background:

1. Mr. Michal Tomanek

Mr. Tomanek, a director of KKCG Maritime, is KKCG Group's investment director and deputy chief investment officer in charge of identifying and developing technology investments in Europe, the U.S., and Israel. He oversees Aricoma, Avenga, Springtide Ventures and Jazz Venture Partners venture capital funds.

Prior to joining KKCG Group, he served in consulting and management positions in Prague and London, working for companies such as Penta Investments, Central Europe Trust, and Erste Bank. Michal is a graduate of the University of Economics in Prague and holds an MBA from the London Business School.

2. Mr. Kamil Zeman

Mr. Zeman is an executive director of KKCG Maritime. He is responsible for identifying and developing new investment opportunities across maritime and adjacent segments. Prior to joining KKCG Group, he worked in investment banking at J.P. Morgan in London and New York and held corporate finance and management roles at Amazon and in the venture capital industry. Kamil is a graduate of the University of Warwick with a degree in Accounting and Finance.

3. Mrs. Katarina Kohlmayer

Mrs. Katarína Kohlmayer oversees financial flows, banking relationships and financing, M&A and stock exchange transactions and all facets of controlling, accounting and ESG within the KKCG Group.

Prior to joining KKCG, she served as Managing Director with Morgan Stanley and VTB Capital. During her professional career, she has specialized in M&A and debt and equity capital markets transactions in Central and Eastern Europe. An alumna of the University of Economics in Bratislava, Katarína also holds an MBA from Harvard Business School.

For more detailed information on KKCG Group, please refer to the Original Offer Document.

According to the Original Offer Document and re-affirmed in the Offer Document Supplement, the Offer reflects KKCG's intention to increase its shareholding in the Company from the current 14.5% to 29.9%. Thereafter, KKCG intends to exercise its rights as a significant Shareholder at the next annual general meeting of the Company on, among other matters, the approval of the financial statements as of and for the year ended 31 December 2025 and the appointment of Directors to the Board. It plans to submit a list of candidates which it proposes to be appointed as Directors (i.e. a slate). The slate is intended to comprise the maximum number of candidates that may be appointed (i.e. majority slate), including one or more executive directors. KKCG Maritime has not yet selected the candidates to be included in its aforesaid slate and has not engaged in any discussions with any of the Directors aimed at their potential inclusion in such slate.

KKCG Maritime believes that, through its representation on the Board and its management team's experience and proven investment track record, it may contribute to the further development and growth of the Company in the context of current global sector dynamics, both organically (through the Company's iconic brands) and inorganically (through mergers and acquisitions). KKCG Maritime also noted there is room for expansion for the Group's strategic defence sector in Europe. It believes a more efficient governance structure with a Board comprising individuals of high credibility and accomplished backgrounds would enable faster and effective response to business opportunities without impacting Ferretti's business operational continuity or scope of activities.

Upon completion and in the event of a successful Offer, KKCG Maritime intends that the Company will continue its existing business and the employment of employees will continue without material changes. It has not developed any asset management programmes or business plans concerning the Company nor any investments to be implemented or the related form of financing. KKCG Maritime also has not taken any decision regarding potential transactions.

In terms of corporate governance improvements, KKCG Maritime stated in the Original Offer Document and re-affirmed in the Offer Document Supplement that it will consider whether, in view of future renewals of the corporate bodies, to propose an amendment to the rules of the by-laws governing the appointment of the Board, aimed at ensuring broader participation of minority Shareholders in the Board. For example, KKCG Maritime reserves the right to consider proposing by-law amendments intended to allow the appointment of three Directors from so-called minority slates, using the quotient system to provide for broader shareholder representation on the Board through proportional mechanisms.

*Our observations*

We understand from the Board that KKCG Group has not had any involvement in the Group's operations and has not contributed to the Group's businesses other than that Mr. Komárek is a customer. According to the Original Offer Document and as informed by the Board, KKCG Group had on several occasions in the past proposed to the Company that it be represented on the Board, but it was not pursued.

Based on the Original Offer Document's descriptions that KKCG Group operates a diverse portfolio of businesses and companies in over 40 countries with more than 16,000 employees, such a scale of operation supports KKCG Group's assertions that it has the experience and investment track record to contribute to the development and growth of the Company both organically and inorganically. As KKCG Group is not a public company, we are not able to independently verify the information about the scale and financial performance of these portfolio companies, as well as KKCG Group's shareholdings, operational and strategic involvements in these companies.

Specifically, save for information about KKCG Maritime's investment in the Company and its launch of the Offer, there is no information on KKCG Maritime's other businesses or investments, particularly those within the ship building and luxury yacht industries. Meanwhile, KKCG Group's other portfolio companies appear not to be related to the luxury yacht industry.

The background information of the key personnel of KKCG Maritime mentioned above shows extensive experience in forming, investing, and operating businesses, but their experience in the luxury yacht industry is not mentioned and it is not apparent to us how it may assist in the Company's business operations and future strategic development.

From its investment portfolio, we believe KKCG Group has extensive experience as an investor in high-growth platforms and has been active in merger and acquisition activities. For example, we noticed that Avenga was acquired by KKCG Group in early 2024 from two private equity firms, and we also noted the recent announcement of a merger of Allwyn with an Athens-listed company using rather complex transaction structures. KKCG Group also has been active in making investments in partnership with venture capital investment managers. Based on these, KKCG Group appears conversant with complex investments situations and financial structuring. With this, KKCG and Mr. Komárek's investment background offers a potential avenue for supporting the Group's future deal-making efforts.

Based on its intention to submit a majority slate, the strategic intent of KKCG Maritime is to appoint Directors who can assist the Company to grow organically through internal business expansions or inorganically through mergers and acquisitions. It is however stated that KKCG Maritime has not yet selected the candidates to be included in its aforesaid slate and has not engaged in any discussions with any of the Directors aimed at their potential inclusion in such slate. At this moment, KKCG Maritime has not developed any asset management programmes or business plans concerning the Company nor any investments to be implemented or the related form of financing. KKCG Maritime also has not taken any decision regarding potential transactions. In the absence of such information, it is therefore unclear as to the extent to which KKCG Group may be able to assist as an active operator and foster growth of the Group.

### *3.2.3 Background of FIH and statements made by FIH on the Offer*

FIH has confirmed through a press statement that it does not support, and has no intention to accept, the Offer. FIH reaffirms its strong confidence in the Group's long-term strategy, industrial fundamentals, and growth prospects; and reiterated its commitment to supporting the sustainable development of the Company, using its voting rights to maintain the Company's stability, ensuring continuity in its operations and governance, and enhancing long-term value for all Shareholders.

FIH declared that it exercises control over the Company pursuant to Article 93 of the CFA and intends to nominate a majority of the members of Board of Directors. FIH stated that its investment in the Company is long-term and strategic in nature and that it has been increasing its shareholding from time to time. It plans to continue doing so subject to compliance with relevant rules and regulations. In this respect, FIH is bound by the "Creeping Rule" under the HK Takeovers Code which limits it from acquiring more than 2% shareholding in the Company within any 12-month period, unless a general offer is made.

### *Our observations*

We have conducted independent research on the development of the Group since the Weichai Group acquired the Company in 2012 and noted that the Company was in financial distress at the time and Weichai Group initiated a major strategic reorganisation of the Group after the said acquisition. Besides the financial rehabilitation which saw substantial increment in revenue and the Group returning to profitability, Weichai Group initiated corporate actions including the dual listing of the Company on the HK Stock Exchange and the Euronext Milan in 2022 and 2023 respectively. The Board informed that FIH has also consistently exercised its rights as Shareholders, working with and entrusting the current Management in running the Group's business and implementing its strategies. The Board also informed that (i) Mr.

Alberto Galassi, Mr. Piero Ferrari, Mr. Stefano Domenicali, Mr. Patrick Sun and Ms. Jiang Lan were appointed by the Shareholders' meeting held on 18 May 2023, soon before the Company's listing on Euronext Milan, designated by, and with the favourable vote of, FIH; (ii) Mr. Hao Qinggui and Mr. Tan Ning were appointed by co-optation (i.e. a procedure under Italian law allowing a board of directors to appoint new directors to fill vacancies that arise between shareholders' meetings) by the Board on 28 February 2025 and such appointments were confirmed by the Shareholders' meeting held on 13 May 2025, with the favourable vote of FIH; (iii) Ms. Zhu Yi was appointed by co-optation by the Board on 19 February 2024 and such appointment was confirmed by the Shareholders' meeting held on 22 April 2024, with the favourable vote of FIH; and (iv) Mr. Jin Zhao was appointed by co-optation by the Board on 29 August 2025. Notwithstanding this, we note that as at the Revised Latest Practicable Date, FIH has not disclosed the candidates to be included in its majority slate.

Based on public information, Weichai Group is a conglomerate which owns businesses in a wide range of industries (such as powertrain system, commercial vehicle, agricultural equipment, marine mobility and energy and power solutions), including controlling stakes in five listed companies and being the largest single shareholder in two others. Besides its involvement in the Company, its track record in value enhancements and turnarounds of businesses include Kion Group AG in Germany, Power Solutions International Inc. in the US and Boudouin in France.

#### *Our analysis*

To analyse the fairness and reasonableness of the Offer from the perspective of KKCG Group's rationale and its plans for the Group as compared with FIH's stated plans while taking into consideration the Group's recent and future developments, we have weighed and considered the following:

- (i) There is a proven turnaround of the Company's business and financial performance since FIH took control over the Company, working with the Management and entrusting the running of the Group's business to the Management. We understand from the Board that KKCG Group has not been involved in or contributed to the Group in the past. The potential influence of KKCG Group on the Company is uncertain given the lack of clarity of its track record in the luxury yacht business and plans for the Company.
- (ii) The Group's immediate business focus is to execute its strategic pillars of growth which require operational knowledge of shipbuilding, design, and luxury branding while the Management also stated that the Group may embark on acquisitions of

luxury yacht companies and brands in 2026. In this respect, Mr. Komárek and KKCG Group's strengths as a financial investor with its investment portfolio and deal-making experience may be useful to the possible acquisition activities.

- (iii) Both FIH and KKCG view their shareholdings in the Company as long-term investments.
- (iv) Based on experience of its key personnel, KKCG's potential influence could result in the Board being more skilled in finance, general management and deal-making. On the one hand this may result in a more comprehensively skilled Board, on the other hand it may create a risk of strategic drift or conflict with those Management which are industrial and business operation focused.

Having considered the above, we are of the view that, on balance, KKCG Group's influence as a financial investor, while beneficial to some aspects such as merger and acquisition activities, may potentially introduce strategic and operational risks to the Group's proven operational framework, without a clear path to adding value.

Our view is formed on the fundamental distinction between KKCG Group and FIH, where FIH as a Controlling Shareholder is a proven, long-term industrial operator in the luxury yacht sector, while KKCG Group is a financial investor with a diversified portfolio but no apparent experience in this luxury yacht industry. In the context of the Offer, which is a partial tender offer that leaves most Independent Shareholders' shareholdings in the Company in place after the Offer, this factor weighs against accepting the Offer. This contrasts with a full general offer which allows Independent Shareholders the choices of (i) remaining as Shareholders if they are in concurrence with KKCG Group's stance on the Company; and (ii) a full or partial exit at the Independent Shareholders' absolute discretion.

#### **4. Financial information of the Group**

Set out below are the summarised consolidated income statements of the Group for the years ended 31 December 2023 ("FY2023"), 2024 ("FY2024") and 2025 ("FY2025") as extracted from the 2024 Annual Report and 2025 Annual Financial Results Announcement respectively.

### *Summary of consolidated income statement*

*(in thousands Euro)*

	<b>For the year ended 31 December</b>		
	<b>2023</b>	<b>2024</b>	<b>2025</b>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
<b>Net Revenue</b>	1,134,484	1,240,346	1,280,556
<b>EBITDA</b>	162,719	189,853	202,597
Depreciations and amortisation	(63,167)	(66,451)	(71,762)
Financial income, financial expenses, financial exchange gains/(loss)	4,470	2,975	(2,101)
<b>Profit before tax</b>	104,022	126,377	128,733
Income tax	(20,519)	(38,217)	(38,630)
<b>Profit attributable to Shareholders of the Company</b>	83,048	87,918	90,007
<b>Earnings per share attributable to Shareholders of the Company (<i>Basic and diluted</i>)</b>	0.25	0.26	0.27
<b>Dividend for the year/period</b>	0.097	0.10	0.11

### *FY2023 compared to FY2024*

#### *Net Revenue*

The Group's net revenue rose by approximately 9.3%, from Euro1,134.5 million in FY2023 to Euro1,240.3 million in FY2024. This growth was primarily driven by higher sales across several segments, including a Euro66.9 million increase in composite yachts and a Euro31.0 million rise in superyachts. Revenue from pre-owned boats also contributed positively, increasing by Euro43.5 million. These gains were partially offset by a Euro33.1 million decline in made-to-measure yachts and a Euro2.5 million decrease in revenue from other businesses. In terms of volume, the Group delivered 224 new vessels in FY2024, up from 212 in the prior year.

The table below shows the breakdown of net revenue by production type and order intake by segment:

<i>(in millions Euro)</i>	FY2023		FY2024	
	Net Revenue	Order intake	Net Revenue	Order intake
<b>New Yachts</b>				
<i>(i) Composite yachts</i>	491.8	527.2	558.7	432.4
<i>(ii) Made-to-measure yachts</i>	440.3	423.0	407.2	408.0
<i>(iii) Superyachts</i>	117.6	149.5	148.6	294.9
<i>(iv) Other businesses</i>	61.3	20.7	58.8	4.0
<b>Pre-owned</b>	23.5	—	67.0	—
<b>Total</b>	<u>1,134.5</u>	<u>1,120.4</u>	<u>1,240.3</u>	<u>1,139.3</u>

The Group's net revenue from new yachts rose by approximately 5.6%, from around Euro1,111.0 million in FY2023 to Euro1,173.3 million in FY2024, supported by a order backlog built throughout 2023 and 2024. As of 31 December 2024, the backlog reached an all-time high of Euro1,663.9 million, reflecting an increase of approximately 11.6% compared to Euro1,491.27 million as of 31 December 2023. This growth was primarily driven by orders secured in the latter part of FY2024.

As shown in the table above, annual order intake contributed to the Group's revenue streams across its segments.

- (i) Composite Yachts remained the largest contributor to the Group's revenue, generating Euro558.7 million, or 47.6% of total new yacht revenue. This represents a 13.6% year-on-year growth, largely driven by the order intake secured in late 2023 that materialised throughout 2024.
- (ii) Made-to-Measure Yachts recorded revenue of Euro407.2 million, accounting for 34.7% of the total, representing a 7.5% decrease from the previous year.
- (iii) Superyachts continued its double-digit growth, with revenue increasing by 26.4% to Euro148.6 million . This segment's performance is underpinned by a significant surge in order intake, which nearly doubled from Euro149.5 million in FY2023 to Euro294.9 million in FY2024.

(iv) Other Businesses contributed Euro58.8 million to revenue, representing 5.0% of the total new yacht sales in FY2024.

#### *EBITDA*

EBITDA represents 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 amortisation, and income tax expense, and less financial income and income tax benefit.

The Group's EBITDA rose from Euro162.7 million in FY2023 to Euro189.9 million in FY2024, with margins increasing from 14.3% to 15.3% of net revenue. The increase in EBITDA was primarily due to the increase in the Group's net revenue as mentioned above.

#### *Profit before tax*

Driven by an expansion in operational scale that enhanced the Group's net revenue, profit for the year rose by Euro22.4 million, or approximately 21.5%, from Euro104.0 million in FY2023 to Euro126.4 million in FY2024. The notable variance compared to the aforementioned EBITDA is primarily attributable to annual depreciation and amortisation charges, resulting from the Group's substantial holdings in property, plant and equipment (as further detailed below). As at 31 December 2023 and 2024, the Group's property, plant and equipment totaled Euro382.3 million and Euro460.9 million respectively, accounting for 45.5% of net asset value as at 31 December 2023 and 51.3% as at 31 December 2024.

#### *Profit attributable to Shareholders and earnings per share*

Profit attributable to shareholders increased by Euro4.9 million, or 5.9%, rising from Euro83.0 million in FY2023 to Euro87.9 million in FY2024. This growth was primarily driven by the same factors that contributed to the increase in net revenue, as previously discussed, including the backlog and order intake throughout FY2024. As a result, earnings per share amounted to Euro0.25 in FY2023 and Euro0.26 in FY2024.

#### *Dividend*

The Board recommended a full year dividend of Euro0.097 and Euro0.10 per Share for FY2023 and FY2024 respectively in view of the Group's operational and financial performance.

## *FY2024 compared to FY2025*

### *Net Revenue*

Net revenue for the Group increased by approximately 3.2%, from Euro1,240.3 million in FY2024 to Euro1,280.6 million in FY2025. This increase was primarily attributable to higher sales of made-to-measure yachts (up Euro76.8 million), superyachts (up Euro41.7 million), and other business activities (up Euro2.2 million), which together outweighed declines in composite yacht sales (down Euro62.3 million) and pre-owned boat revenue (down Euro18.1 million). The Group delivered 225 new vessels in FY2025, marginally up from 224 in FY2024.

The table below shows the breakdown of net revenue by production type and order intake by segment:

<i>(in millions Euro)</i>	<b>FY2024</b>		<b>FY2025</b>	
	<b>Net Revenue</b>	<b>Order intake</b>	<b>Net Revenue</b>	<b>Order intake</b>
<b>New Yachts</b>				
<i>(i) Composite yachts</i>	548.1	425.9	485.8	458.4
<i>(ii) Made-to-measure yachts</i>	417.8	414.6	494.6	608.1
<i>(iii) Superyachts</i>	148.6	294.9	190.3	66.1
<i>(iv) Other businesses</i>	58.8	4.0	61.0	4.1
<b>Pre-owned</b>	67.0	—	48.9	—
<b>Total</b>	1,240.3	1,139.3	1,280.6	1,136.6

The Group's net revenue from new yachts increased by approximately 5.0%, from Euro1,173.3 million in FY2024 to Euro1,231.7 million in FY2025. This performance was due to a stable order backlog, with the main contribution coming from made-to-measure and super yachts which in aggregate, contributed to approximately 83.6% of the Group's overall backlog as at 31 December 2025.

As at 31 December 2025, the order backlog amounted to Euro1,715.7 million, representing a 3.1% increase compared to Euro1,663.9 million as at 31 December 2024.

(i) Composite Yachts

The Group's net revenue from composite yacht sales amounted to Euro485.8 million in FY2025, representing an 11.4% decrease compared to the previous year. Orders for models exceeding 80 feet accounted for over 50% of this segment's orders. Order intake for composite yachts totaled Euro458.4 million in FY2025, or approximately 40.3% of total Group order intake, compared to Euro425.9 million, or 37.4%, in FY2024. The order intake of this segment recorded a year-on-year increase of 7.6%, with a 30.4% rise in the fourth quarter of FY2025 relative to the same period in FY2024.

(ii) Made-to-Measure Yachts

In FY2025, net revenue from the Group's made-to-measure yacht segment amounted to Euro494.6 million, representing approximately 40.2% of total new yacht net revenue, compared to Euro417.8 million, or 35.6%, in FY2024. Order intake for this segment totaled Euro608.1 million during FY2025, up from Euro414.6 million in FY2024.

(iii) Superyachts

From Euro148.6 million for FY2024, the Group's net revenue from super yacht sales increased by 28.1% to Euro190.3 million in FY2025, while order intake in this segment amounted to Euro66.1 million in FY2025, accounting for approximately 5.8% of the Group's total order intake (2024: Euro294.9 million, or approximately 25.9% of total order intake). The composition of orders shifted during this period, with two branded super yachts ordered in FY2025 compared to a mix of two bespoke and three branded super yachts in FY2024.

(iv) Other Businesses

The Group's other businesses segment recorded a slight increase in net revenue, from approximately Euro58.8 million for FY2024, to approximately Euro61.0 million in FY2025. Order intake for this segment accounted for approximately 0.4% of total order intake in both FY2024 and FY2025.

*EBITDA*

The Group's EBITDA increased from Euro189.9 million in FY2024 to Euro202.6 million in FY2025 primarily due to the aforementioned increase in net revenue of new yachts. The EBITDA/net revenue of new yachts margin remained relatively stable at approximately 16.5% for FY2025 and 16.2% for FY2024.

### *Profit before tax*

Consistent with the trends observed in FY2023 and FY2024, the variance between profit before tax and the previously mentioned EBITDA is mainly due to depreciation and amortization charges. These charges stem from the Group's significant holdings in property, plant and equipment, which are discussed in further detail below.

While EBITDA increased from FY2024 to FY2025, the corresponding increment in profit before tax was less substantial, from approximately Euro126.4 million in FY2024 to Euro128.7 million in FY2025. The narrower increase reflected an Euro5.3 million, or 8.0%, rise in depreciation and amortization, which amounted to Euro71.8 million in FY2025 compared with Euro66.5 million in FY2024, driven by investments in production facilities and product development.

### *Profit attributable to Shareholders and earnings per share*

As a result of the above, profit attributable to Shareholders increased from Euro87.9 million in FY2024 to Euro90.0 million in FY2025. Consequently, earnings per Share also increased from Euro0.26 for FY2024 to Euro0.27 for FY2025.

Summary of statement of financial position:

<i>(in thousands Euro)</i>	<b>As at 31 December</b>		
	<b>2023</b>	<b>2024</b>	<b>2025</b>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
<b>Current assets</b>	<b>930,247</b>	<b>912,322</b>	<b>941,880</b>
— <i>Cash and cash equivalents</i>	314,109	155,744	159,920
— <i>Contract assets</i>	166,846	196,719	227,024
— <i>Inventories</i>	337,732	443,594	442,405
<b>Non-current assets</b>	<b>672,002</b>	<b>749,122</b>	<b>777,959</b>
— <i>Property, plant and equipment</i>	382,346	460,860	484,818
— <i>Intangible assets</i>	276,652	280,449	285,368
<b>Current liabilities</b>	<b>720,037</b>	<b>701,713</b>	<b>708,210</b>
— <i>Trade and other payables</i>	443,585	477,751	478,892
— <i>Contract liabilities</i>	195,091	151,809	128,415
— <i>Bank and other borrowings</i>	11,253	10,534	34,254

<i>(in thousands Euro)</i>	<b>As at 31 December</b>		
	<b>2023</b>	<b>2024</b>	<b>2025</b>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
<b>Non-current liabilities</b>	<b>42,532</b>	<b>61,495</b>	<b>72,101</b>
— <i>Bank and other borrowings</i>	21,616	21,934	19,527
<b>Net assets</b>	<b>839,680</b>	<b>898,236</b>	<b>938,928</b>

### ***31 December 2023 compared to 31 December 2024***

#### *Cash and cash equivalents*

The decrease in cash and cash equivalents from Euro314.1 million as at 31 December 2023 to Euro155.7 million as at 31 December 2024 was primarily attributable to (i) funds deployed for vessel production, resulting in an increase in inventories as at 31 December 2024 (as further elaborated below); (ii) capital expenditure for purchases of property, plant and equipment and intangible assets (as elaborated below); and (iii) dividends paid during the year, as aforementioned.

#### *Contract assets*

Contract assets represent the amount receivable from customers for contracts that were completed as of the end of the reporting period, presented net of any related contract liabilities. The Group's contract assets rose by Euro29.9 million, or 17.9%, to Euro196.7 million as of 31 December 2024, up from Euro166.8 million at the end of the prior year. This increase was primarily driven by higher production volumes.

#### *Inventories*

The Group's inventories consisted of: (i) raw materials and components; (ii) work in progress and semi-finished goods; (iii) new boats; and (iv) used boats. Work in progress and semi-finished goods included boats not covered by customer orders as of year-end. New boats refer to completed units that remained unsold at the close of the financial year.

As at 31 December 2024, total inventories increased to Euro443.6 million, compared to Euro337.7 million as at 31 December 2023. This increase was mainly due to a higher availability of finished units ready for sale, particularly targeting the North America, Central America and South America markets. In 2024, these regions experienced a delay in order placement relative to the seasonality in the composite segment.

### *Property, plant and equipment*

In line with the Group's business strategy to expand its product offering, the Group continued to invest in property, plant and equipment to enhance its production capabilities.

As a result, property, plant and equipment represented a substantial portion of the Group's net assets, accounting for 45.5% and 51.3% as at 31 December 2023 and 2024 respectively. The net book value increased from Euro382.3 million as at 31 December 2023 to Euro460.9 million as at 31 December 2024, primarily due to capital expenditures of Euro132.4 million incurred during the financial year.

### *Intangible assets*

Intangible assets mainly represented the value of trademarks that the Group held. The increase in balance from Euro276.7 million as at 31 December 2023 to Euro280.5 million as at 31 December 2024 was mainly due to additions made during FY2024.

### *Trade and other payables*

In line with the growth of the Group's business, procurement activities increased during the year. This resulted in a corresponding rise in trade and other payables, which formed part of current liabilities. The balance increased by Euro34.2 million, or 7.7%, from Euro443.6 million as at 31 December 2023 to Euro477.8 million as at 31 December 2024.

### *Contract liabilities*

Contract liabilities represented obligations to transfer goods or services to customers for which consideration has already been received. These amounts were paid under standard sales conditions for orders not yet fulfilled. Specifically, this line item comprised two elements: advances received where the corresponding order had not yet commenced, and the portion of progress payments that exceeded the value of work performed up to the reporting date. The Group reported a balance of Euro151.8 million in contract liabilities as of 31 December 2024, reflecting a reduction of Euro43.3 million (22.2%) compared to the Euro195.1 million recorded on 31 December 2023.

### *Bank and other borrowings*

The Group's total bank and other borrowings remained relatively stable, decreasing marginally from Euro32.9 million as of 31 December 2023 to Euro32.5 million as of 31 December 2024. The Group maintained a low leverage profile, with a gearing ratio of 3.7%

as at 31 December 2024 (compared to 4.0% at the end of 2023). This ratio, calculated as total indebtedness divided by total equity, decreased primarily due to the net profit generated during the year (partially offset by dividends paid) alongside the slight reduction in total debt.

### ***31 December 2024 compared to 31 December 2025***

#### *Cash and cash equivalents*

The increase in cash and cash equivalents from Euro155.7 million as at 31 December 2024 to Euro159.9 million as at 31 December 2025 was primarily due to the combined effect of (i) cash flows generated from operating activities of Euro168.8 million; (ii) expenditure for purchases of property, plant and equipment and intangible assets of Euro96.6 million; and (iii) dividends of Euro33.8 million paid during the period.

#### *Contract assets*

As at 31 December 2025, the Group's contract assets amounted to Euro227.0 million, an increase of Euro30.3 million from Euro196.7 million at the end of 2024. The increase was primarily due to higher production volumes.

#### *Inventories*

The Group's inventories remained relatively stable at approximately Euro443.6 million and Euro442.4 million as at 31 December 2024 and 2025 respectively.

#### *Property, plant and equipment*

During FY2025, the Group continued to invest in property, plant and equipment to enhance its production capabilities. Net book value increased from Euro460.9 million as at 31 December 2024 to Euro484.8 million as at 31 December 2025.

#### *Intangible assets*

The increase in balance from Euro280.5 million as at 31 December 2024 to Euro285.4 million as at 31 December 2025 was mainly due to additions of intellectual property rights, which comprised costs from Group projects.

### *Trade and other payables*

The Group's trade and other payables remained relatively stable at approximately Euro477.8 million and Euro478.9 million as at 31 December 2024 and 2025 respectively.

### *Contract liabilities*

The Group's contract liabilities slightly decreased from Euro151.8 million as of 31 December 2024 to the Euro128.4 million as at 31 December 2025.

### *Bank and other borrowings*

As at 31 December 2025, the Group's total bank and other borrowings amounted to approximately Euro53.8 million, compared to Euro32.5 million as at 31 December 2024. Correspondingly, the gearing ratio increased slightly to around 5.7% from 3.7% at the end of 2024. This increase was primarily attributable to additional indebtedness arising from the recognition of right-of-use assets.

### ***Our observations***

We are of the view that the Group maintained stable financial fundamentals and a conservative capital structure. Total borrowings remained stable at approximately Euro32.5 million as at 31 December 2024, resulting in a gearing ratio of 3.7% (down from 4.0% as at 31 December 2023). This ratio increased slightly to 5.7% by the end of 2025, reflecting the Group's sustained financial position, with minimal debt burden.

In FY2024, net revenue rose by 9.3% to Euro1.24 billion, driven by higher sales across composite yachts (increase of Euro67 million) and superyachts (increase Euro31 million). This growth translated into a 16.7% increase in EBITDA to Euro189.9 million, with margins enhancing from 14.3% to 15.3%. Profit before tax increased by 21.5% to Euro126.4 million. In FY2025, net revenue further increased to approximately Euro1.35 billion, while EBITDA margin improved to 16.5%. Such profit margin reflects the results of the Group's business strategies.

In terms of the Group's expected performance, it is partially based on the Group's order book. As of 31 December 2024, the backlog amounted to Euro1.66 billion, representing an 11.6% increase year-over-year, which was primarily due to order intakes, particularly substantial orders in the superyachts segment of Euro294.9 million. The backlog slightly increased to Euro1.72 billion as of 31 December 2025.

## 5. Outlook of the luxury yacht industry

For our independent research on the luxury yacht industry, we have among others referred to a report by Boat International Media Limited, a publication company which is regarded as global authority in superyachting through its unique environment and unrivalled access to the industry. Its publications' findings are regarded among industry players and frequently quoted in media news and reports. It also organises prestigious and exclusive superyacht events and provides digital media services and data to owners and professionals in the industry.

According to the "Global Order Book 2026" published by Boat International Media Limited, the superyacht (those over 24 meters) industry's post-pandemic corrections continued in 2025 and overall number of orders for superyacht in 2026 is expected to decrease by about 4% from 2025 or by 9% from the all-time high in 2023. It however highlighted that while the number of orders declines, the combined gross tonnage of all yacht units is expected to increase. In other words, a lower number of orders is balanced by the higher size of each order. This implies a drop in number of small-series yachts while there will be a rebound in custom and semi-custom projects with each project becoming larger.

Superyacht Times, an authoritative and leading source in the superyacht industry for its accurate market intelligence, and comprehensive database tracking over 14,000 vessels, issued a publication titled "The State of Yachting 2025" which reported that new yacht (those over 30 meter) sales had generally remained weak in recent years, but the pace of decline has slowed down, recovering to the pre-boom years of 2019 and 2020, suggesting the market may be about to rebound and enter a new cycle. Meanwhile, new yacht sales did not drop in every segment where for example, the segment of yachts between 40 and 50 meters traded up for second consecutive years, while sales of those between 50 and 60 meters remained stable. Sales of those between 60 and 80 meters halved but the segment of larger yachts over 80 meters were particularly strong where sales almost doubled in 2024 compared with 2023. The publication also indicated that the Asia Pacific market, with its growing number of ultra-wealthy individuals, appears to be untapped where only 7% of superyacht fleet over 30 meters is owned in Asia. This coincided with a recent report of the launch of an independent yacht brand and the setting up of yacht manufacturing base in PRC by a well-known Chinese entrepreneur, with investments of about US\$700 million.

### *Our observations*

In summary, the overall outlook of luxury yacht industry appears challenging in the past few years, saddled by industry corrections, geopolitical and tariff uncertainties. The Group's made-to-measure and superyacht segments which focus on larger yachts from 28 meters to those of 100 meters should be comparatively shielded from this near-term post-pandemic industry correction which has adversely impacted small-series yachts. The Group's recent financial performance and order books, as mentioned under the paragraph headed "4. Financial information of the Group" above, are consistent with this industry development and trends.

During FY2025, as disclosed in the 2025 Annual Financial Results Announcement, order intake and net revenue derived from the Middle East and Africa segment accounted for approximately 23.4% and 29.1% of the Group's total order intake and net revenue respectively. The geopolitical and economic uncertainties caused by the war in Middle East that broke out recently have hence, caused delays in both order intake and boat deliveries scheduled for the Middle East. The future impact on order intakes and deliveries is likely dependent on the intensity and duration of the war and its potential effects on the global economies. That being said, we understand from the Board that not all boats classified under the Middle East segment are necessarily delivered to or used within the Middle East region. The same applies to the Group's other geographical segments (the region where an order is taken may not always be the region where the boat is ultimately delivered). Against this backdrop, there also seems to be possible shifts of focus for the Group in untapped regions such as Asia Pacific where in 2024 and 2025, the Group only generated less than 5% of its revenue from.

## 6. The Revised Consideration

### 6.1 Revised Consideration comparison

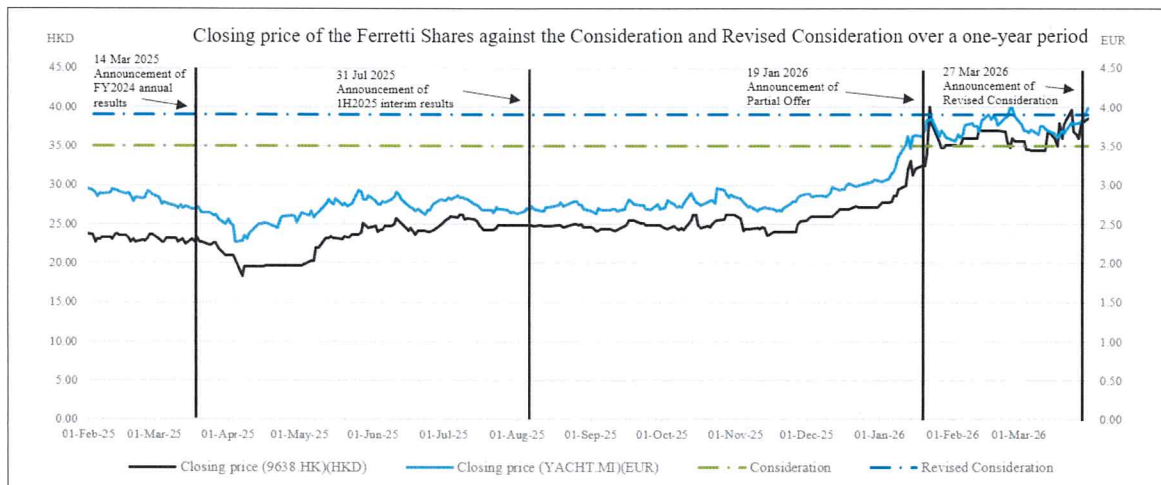
The Revised Consideration per Share represents:

Date/Period	HK Stock Exchange		Euronext Milan	
	Closing price		Closing price	
	<i>HKD</i>	<i>Premium/ (Discount)</i>	<i>Euro</i>	<i>Premium/ (Discount)</i>
Revised Latest Practicable				
Date	38.50	(8.2%)	3.990	(2.3%)
Last Trading Day	32.10	10.1%	3.642	7.1%
<i>Average closing price:</i>				
30 consecutive days up to and including the Last Trading Day	27.81	27.1%	2.861	36.3%
90 days up to and including the Last Trading Day	25.81	37.0%	2.867	36.0%
180 days up to and including the Last Trading Day	25.04	41.2%	2.803	39.1%
240 days up to and including the Last Trading Day	24.30	45.5%	2.772	40.7%

- a premium of approximately 40.8% over the audited consolidated equity attributable to the Shareholders of approximately Euro2.77 per Share as of 31 December 2025, calculated based on the audited consolidated equity attributable to the Shareholders of approximately Euro939,276,000 as of 31 December 2025 and 338,482,654 Shares in issue as of the Revised Latest Practicable Date.

## 6.2 Analysis of historical Share price movement

The chart below illustrates the historical closing prices of the Shares as quoted on the HK Stock Exchange and Euronext Milan over the period from 17 January 2025 (i.e. 12 months prior to the Last Trading Day) to the Last Trading Day (“**Pre-Announcement Period**”), and subsequently up to and including the Revised Latest Practicable Date (“**Revised Post-Announcement Period**”, collectively the “**Revised Review Period**”). We consider this timeframe captures relevant market movements and investor sentiment in response to the Group’s financial performance, outlook, and major developments, and provides us with an appropriate basis for comparing the closing prices of the Shares against the Revised Consideration.



Source: Website of HK Stock Exchange, Bloomberg

During the Revised Review Period, the highest and lowest closing prices of the Shares were as follows:

	HK Stock Exchange			Euronext Milan		
	Date	Closing price		Date	Closing price	
		HKD	Euro (Note)		Euro	HKD (Note)
Maximum	22 January 2026	40.00	4.41	26 February 2026	3.992	36.18
Minimum	7 April 2025	18.30	2.02	4 April 2025	2.265	20.53
Average		26.16	2.89		2.944	26.68

*Note:* Calculated using Revised Reference Exchange Rate (i.e. HKD9.0637 = 1 Euro).

The Revised Consideration of Euro3.90 (cum dividend) per Share (for illustration purposes only, equivalent to HKD35.35) represents a premium of approximately 35.1% and 32.5% over the average closing prices on the HK Stock Exchange and Euronext Milan during the Revised Review Period.

During the Revised Review Period:

- On the HK Stock Exchange, the Revised Consideration exceeded all closing prices up to 21 January 2026. From 22 January 2026 up to and including the Revised Latest Practicable Date, the Shares traded at around the same level or above the Revised Consideration, between a low of HKD34.40 (on 10, 11, 12 March 2026) to a high of HKD40.00 (on 22 January 2026).
- On the Euronext Milan, the Revised Consideration exceeded all closing prices of the Shares up to and including the Revised Latest Practicable Date, apart from 16, 25, 26 February, and 30 March 2026, where the Shares traded at Euro3.902, Euro3.990, Euro3.992, and Euro3.990 respectively.

*Pre-Announcement Period*

On the HK Stock Exchange

At the beginning of the Revised Review Period (i.e. 17 January 2025), the Share prices closed at HKD22.60 and traded within HKD22.45 to HKD23.85 up to the Company published its final results announcement for the year ended 31 December 2024 on 14 March 2025. The price subsequently fell to the lowest at HKD18.30 per Share on 7 April 2025. The Board is not aware of any reason leading to such volatility in the Share price. It then gradually rebounded, trading from HKD19.50 on 8 April 2025 to HKD27.16 on 31 December 2025 and further rose to HKD32.10 on the Last Trading Day. The Revised Consideration exceeded the Share prices on the HK Stock Exchange throughout the entire Pre-Announcement Period.

On Euronext Milan

On 17 January 2025, the Share prices closed at Euro2.895 and traded between Euro2.705 and Euro2.990 up to the date when the Company published its final results announcement for the year ended 31 December 2024 on 14 March 2025. The price of Shares fell to Euro2.265 on 4 April 2025 before recovering and traded between Euro2.284 on 7 April 2025 and Euro3.074 on 30 December 2025 and further rose to Euro3.642 on the Last Trading Day. The Revised Consideration exceeded the Share prices on the Euronext Milan throughout the entire Pre-Announcement Period.

*Revised Post-Announcement Period*

On the HK Stock Exchange

Following the publication of the Announcement by the Offeror on 19 January 2026, the Share price closed at HKD32.50 per Share on 19 January 2026 and peaked at HKD40.00 on 22 January 2026. After the Revised Consideration was announced on 27 March 2026, Share price closed at HKD38.50 as at the Revised Latest Practicable Date, which continues to be higher than the Revised Consideration.

In particular, between 11 March 2026, being the latest practicable date of the Original Response Document (the “**Original Latest Practicable Date**”), and the Revised Latest Practicable Date (i.e. 30 March 2026), the Share price traded between HKD34.40 and HKD39.60, at an average of HKD36.70. After that, on 31 March 2026, the Share price closed at HKD40.08.

## Dealings on Euronext Milan

Similarly, following the publication of the Announcement by the Offeror on 19 January 2026, the Share price closed at Euro3.620 per Share on 19 January 2026 and reached a high of Euro3.992 per Share on 26 February 2026. Apart from four days (i.e. 16, 25, 26 February, and 30 March 2026), the Share price on the Euronext Milan generally traded at a discount to the Revised Consideration. As at the Revised Latest Practicable Date, the Share price closed above the Revised Consideration at Euro3.990.

In particular, between the Original Latest Practicable Date and the Revised Latest Practicable Date, the Share price traded between Euro3.608 and Euro3.990, at an average of Euro3.745. After that, on 31 March 2026, the Share price continued to close above the Revised Consideration at Euro3.990.

## *Our Observations*

We noted that during the Revised Post-Announcement Period, a number of Shareholders had on their own accord announced their acquisitions of stakes in the Company. For example, Reuters News, a global news agency, reported (i) on 20 January 2026 that a Kuwaiti businessman had acquired a 3%-stake in the Company; and (ii) on 12 March 2026 that Biglari Holdings, an investment company in the United States of America, had acquired a 3.4%-stake in the Company. Through public filings, we also noticed that FIH had during the Revised Post-Announcement Period acquired about 3.24 million Shares or 0.89% of total issued Shares. We are of the view that the higher level of closing prices of Shares around and during the Revised Post-Announcement Period may be underpinned by (i) the acquisition of Shares by the entities mentioned above and other buying interests; (ii) the presence of the Offer and expectations of events which may be triggered by the Offer although we are not in a position to ascertain what events these could be.

Taking into account that the Revised Consideration (i) exceeded the Share closing prices throughout most of the Revised Review Period; (ii) was higher than the prices during the Pre-Announcement Period across both stock exchanges; and (iii) reflects a premium over the average closing prices of Shares during the Revised Review Period, the Revised Consideration per Share is competitively priced when measured against historical trading price trends of the Shares. At the same time, the market Share price as at the Revised Latest Practicable Date had exceeded the Revised Consideration in both the HK Stock Exchange and Euronext Milan. There has also been evidence of buying interest from institutional or sophisticated investors in the past few months which may or may not be sustainable. Our recommendation on whether to accept the Offer or not, considering all key factors involved, is detailed in the paragraph headed "Recommendation".

### 6.3 Historical trading liquidity of the Shares

We have set out in the table below a summary of the average daily trading volume of the Shares each month during the Revised Review Period and the respective percentage of the average daily trading volume as compared to the total number of issued Shares (i.e. 338,482,654 Shares) and those held by the Independent Shareholders (i.e. 289,409,201 Shares) as at the Revised Latest Practicable Date.

Month	Number of trading days (9638.HK)	Number of trading days (YACHT.MI)	Combined average daily trading volume of Shares per trading day during the month	Combined average daily volume as a percentage of the total issued Shares as at the Revised Latest Practicable Date	Combined average daily volume as a percentage of total number of Shares held by Independent Shareholders as at the Revised Latest Practicable Date
January 2025 (from 17 January 2025)	8	11	614,036	0.18%	0.21%
February 2025	20	20	495,445	0.15%	0.17%
March 2025	21	21	538,113	0.16%	0.19%
April 2025	19	20	528,056	0.16%	0.18%
May 2025	20	21	667,009	0.20%	0.23%
June 2025	21	21	566,257	0.17%	0.20%
July 2025	22	23	304,992	0.09%	0.11%
August 2025	21	20	265,906	0.08%	0.09%
September 2025	22	22	434,640	0.13%	0.15%
October 2025	20	23	981,032	0.29%	0.34%
November 2025	20	20	429,556	0.13%	0.15%
December 2025	21	19	527,558	0.16%	0.18%
January 2026 (up to the Last Trading Day)	11	11	1,642,001	0.49%	0.57%
January 2026 (from 19 January 2026)	10	10	1,462,004	0.43%	0.51%
February 2026	17	20	815,384	0.24%	0.28%
March 2026 (up to the Revised Latest Practicable Date)	21	21	612,446	0.18%	0.21%

Month	Number of trading days (9638.HK)	Number of trading days (YACHT.MI)	Combined average daily trading volume of Shares per trading day during the month	Combined average daily volume as a percentage of the total issued Shares as at the Revised Latest Practicable Date	Combined average daily volume as a percentage of total number of Shares held by Independent Shareholders as at the Revised Latest Practicable Date
Total trading days during the Revised Review Period	294	303			
Mean			622,448	0.18%	0.22%
Max			1,556,288	0.46%	0.54%
Min			265,906	0.08%	0.09%

Source: Websites of HK Stock Exchange, Bloomberg and Euronext Milan

During the Revised Review Period, trading liquidity was generally modest. Based on the combined monthly average daily trading volume on both the HK Stock Exchange and Euronext Milan, the percentage of Shares traded relative to the total issued Shares ranged from 0.08% to 0.46%, with an overall average of 0.18%. When considered against the total number of Shares held by Independent Shareholders, the corresponding percentages ranged from 0.09% to 0.54%, averaging 0.22%. This indicates that liquidity was generally limited, particularly for Shareholders with sizeable positions.

During the Pre-Announcement Period, brief spikes were observed in October 2025 and between 2 and 16 January 2026 when the combined average daily trading volume for the month reached 0.29% and 0.49% of total issued Shares respectively. When considered against the total number of Shares held by Independent Shareholders, the corresponding percentages were 0.34% and 0.57% respectively. We observed that during the above periods (i) an investor, being the Kuwaiti businessman mentioned above, may had acquired Shares which formed his purported 3% shareholding in the Company; and (ii) FIH had increased its shareholding in the Company through market purchases of Shares based on its public disclosure of interest filing on 30 December 2025 that its shareholding had reached 38.02%, compared with the 37.54% as at 30 June 2025 as disclosed in the 2025 Interim Financial

Report. Save for the above, the Board is not aware of any reasons that could have led to such increased trading activities. Outside the abovementioned periods, trading activity was generally subdued.

Following the publication of the Announcement, the combined average daily trading volume between 19 and 30 January 2026 amounted to 0.43% of total issued Shares and 0.51% of the Shares held by Independent Shareholders. However, this trading activity level did not persist. In March 2026, up to the Revised Latest Practicable Date, including the announcement of the Revised Consideration on 27 March 2026, trading activity declined to 0.18% of total issued Shares and 0.21% of the Shares held by Independent Shareholders, respectively, suggesting that the post-Announcement increase in trading activity was temporary rather than structural. We noted that during the Revised Post-Announcement Period, FIH had acquired 3.24 million Shares which represented less than 10% of the total number of Shares traded during the Revised Post-Announcement Period.

#### *Our observations*

Based on the above, trading liquidity of the Shares was generally low throughout the Revised Review Period. Average daily turnover was modest, which may have limited the ability of Shareholders, particularly those holding larger positions, to dispose of Shares in the open market without depressing the market price. Although trading volume increased following the publication of the Announcement, this increase was short lived, with liquidity quickly reverting to lower levels. The combined monthly average daily trading volume fell from approximately 0.46% (January 2026) to 0.18% (March 2026, up to Revised Latest Practicable Date) of total issued Shares, underscoring the absence of sustained liquidity improvement.

The Offer provides an opportunity for Independent Shareholders to realise part of their investments in the Shares at a fixed price, removing the uncertainty of lack of market trading liquidity for Independent Shareholders who wish to sell Shares in the market.

That being said, given the Offer's partial nature and pro-rata allocation method, Independent Shareholders would likely be able to tender only a limited portion of their holdings (for example, around 18% if all Independent Shareholders participate or about 34% if all Independent Shareholders (save for FIH) participate) while retaining a substantial residual position after the Offer closes. This remaining shareholding would be exposed to a reduced public float, which is likely to result in diminished trading liquidity and could exert downward pressure on the Share price in the event of any sizeable subsequent disposals. Consequently, while the Offer provides price certainty for a portion of the shareholding, the liquidity and price dislocation risks associated with the remaining shareholding that will be

retained negate the attractiveness of the Offer. Our recommendation on whether to accept the Offer or not, considering all key factors involved, is detailed in the paragraph headed “Recommendation”.

## 7. Market comparable Analysis

To assess the fairness and reasonableness of the Revised Consideration, we have identified listed companies engaging in similar businesses (particularly those involved in the global industry and shipbuilding of luxury yachts) of the Group (the “**Yacht Comparable Companies**”).

### *Selection Criteria*

In selecting the Yacht Comparable Companies, our selection criteria focused on companies that are (i) listed on the HK Stock Exchange or Euronext Milan (including Euronext STAR Milan) where the Company has its listings; and (ii) engaged in the global industry and production of luxury yachts as one of their business segments.

Based on our research on the luxury yacht industry, the major players with similar type (i.e. motor yachts), size of yachts, branding portfolio and global geographical focus are primarily private companies (such as Azimut Benetti Group, Sunseeker International Limited and Princess Yachts Limited).

We also noted The Italian Sea Group S.p.A. (“**Italian Sea**”), a global luxury yachting operator listed on the Euronext STAR Milan that constructs and refits motor and sailing yachts encompassing a collection of brands in the superyacht and megayacht market. Regarding Italian Sea, we observed that it first announced on 18 February 2026 the identification of budget overruns affecting a majority of its projects in progress which adversely affected its cash position. This has necessitated Italian Sea to obtain a Euro25 million shareholder loan from its majority shareholder. Italian Sea then further announced on 16 March 2026 that it has filed an application for the appointment of an independent expert for the purposes of initiating the negotiated settlement procedure governed by Articles 12 et seq. of Legislative Decree No. 14 of 12 January 2019. The negotiated settlement procedure is a legal framework designed to safeguard business continuity and facilitate the restructuring of companies experiencing economic and financial imbalance, through a structured dialogue with principal creditors and stakeholders, assisted by an independent expert. Following these announcements, the share price of Italian Sea had drastically dropped from over Euro4.00 per share in mid-February 2026 to less than Euro1.00 per share level as at the Revised Latest Practicable Date. Given Italian Sea’s recent unique development, we are of the view that Italian Sea is not suitable for this comparable company analysis.

There are also companies listed on other stock exchanges which have certain similarities in business to that of the Company (such as Beneteau SA which is involved in production of sail boats, motor boats, yachts and catamarans, and is listed on Euronext Paris; Ocean Alexander Co., Ltd which is involved in production of luxury yachts, and is listed on the Taiwan Stock Exchange; Malibu Boats Inc which involved in production of powerboats, and is listed on NASDAQ; and MasterCraft Boat Holdings, Inc. which is involved in production of recreational powerboats and is listed on NASDAQ). We are however of the view that differences among stock exchanges such as ease of access for international investors, information asymmetry, composition of retail and institutional investors renders them not suitable comparable companies for the purpose of assessing the fairness and reasonableness of the Revised Consideration from valuation point of view.

### *Valuation Metrics*

The Company's financial performance has been generally stable and consistently profitable in the past few years. As the luxury yacht industry is capital intensive and driven by acquisition activities, we are of the view that the ratio of enterprise value ("EV") over earnings before interests, tax, depreciation and amortisation ("EBITDA") ("**EV/EBITDA Ratio**") is the suitable valuation metric that can measure and compare the Company and the Yacht Comparable Companies' operational earnings ability on a debt-neutral valuation basis. This is consistent with our observations from various analyst and research reports issued by financial institutions on the shipbuilding and luxury yacht industry.

### *Selection Outcome*

Based on the above selection criteria and excluding Italian Sea, we identified two Yacht Comparable Companies, being Sanlorenzo S.p.A ("**Sanlorenzo**") and Fincantieri S.p.A ("**Fincantieri**"). Sanlorenzo designs, manufactures, and markets yachts and superyachts, producing approximately 50 vessels per year, with each one customized. Sanlorenzo generates revenue from new yacht sales, pre-owned boat sales, and maintenance and other services. Fincantieri is a global shipbuilding company which constructs and converts cruise, yacht, military, and offshore vessels. In 2025, over 70% of Fincantieri's revenue was generated from the shipbuilding of cruise and naval vessels. The above is exhaustive based on our research using public information.

Independent Shareholders should note that despite the aforesaid criteria, the business and scale of operations of the Group may not be the same as those of Yacht Comparable Companies. While we do not conduct in-depth investigation into their business and operations for this market comparable analysis purposes, we note that, for example, of the two Yacht Comparables Companies above, Sanlorenzo has closer resemblance to the Company in terms

of products and target yacht types, scale of operations and revenue levels, as well as customer segments despite also differences in terms of Sanlorenzo being more focused on one major brand with geographical targets in Europe and US while the Group's products span seven brands and targets Europe, US and Middle East, and to a lesser extent Asia Pacific markets. Meanwhile, Fincantieri is a shipbuilding conglomerate which is engaged in cruise ship, naval and defense vessel segments with luxury yacht being a comparatively small segment.

Stock code	Company name	Market capitalisation (Euro million)	Enterprise value (Euro million)	EBITDA (Euro million)	EV/EBITDA Ratio times
SL.MI	Sanlorenzo	1,097.8 <sup>(1)</sup>	1,079.4 <sup>(3)</sup>	180.6 <sup>(6)</sup>	6.0
FCT.MI	Fincantieri	4,660.4 <sup>(1)</sup>	6,533.4 <sup>(4)</sup>	681.0 <sup>(7)</sup>	9.6
9638.HK YACHT.MI	The Company	1,320.1 <sup>(2)</sup>	1,209.1 <sup>(5)</sup>	202.6 <sup>(8)</sup>	6.0

Source: Bloomberg, HK Stock Exchange and Euronext Milan

Notes:

1. The market capitalisation of Sanlorenzo and Fincantieri are based on the respective closing prices and total number of issued shares as at the Revised Latest Practicable Date.
2. The market capitalisation of the Company is based on the Revised Consideration multiplied by the total number of issued shares as at the Revised Latest Practicable Date.
3. The enterprise value of Sanlorenzo is calculated taking into account its latest published information as at the Revised Latest Practicable Date, being the financial position information as at 31 December 2025.
4. The enterprise value of Fincantieri is calculated taking into account its latest published information as at the Revised Latest Practicable Date, being the financial position information as at 31 December 2025.
5. The enterprise value of the Company is calculated taking into account its latest published information as at the Revised Latest Practicable Date, being the financial position information as at 31 December 2025.
6. The EBITDA of Sanlorenzo is extracted from the latest available information, being the financial information published for the year ended 31 December 2025.
7. The EBITDA of Fincantieri is extracted from the latest available information, being the financial information published for the year ended 31 December 2025.
8. The EBITDA of the Company is extracted from the latest available information, being the financial information published for the year ended 31 December 2025.

As shown in the table above, the Revised Consideration implies an EV/EBITDA Ratio of 6.0 times on the Company's valuation. In comparison, EV/EBITDA Ratios of Sanlorenzo and Fincantieri as at the Revised Latest Practicable Date were 6.0 times and 9.6 times respectively.

The EV/EBITDA valuation metric shows that valuation of the Company as implied by the Revised Consideration is comparable to Sanlorenzo which has close resemblance to the Company, while lower than Fincantieri. We are of the opinion that this renders the Revised Consideration neutral from a comparable company analysis perspective.

#### *Supplementary market comparable analysis as reference*

To provide a more comprehensive analysis and additional reference, and cognizant of the fact that the Company is recognised predominantly for its portfolio of leading global luxury brands in the yacht industry, we have also conducted market comparable analysis against luxury brand companies (the "**Luxury Comparable Companies**"). We noted that analyst and research reports issued by financial institutions on the Company frequently quote luxury companies as its close peer group. Such comparison is also consistent with global luxury indices such as S&P Global Luxury Index which are closely monitored by investment communities, and which constituents are made up of leading brands in various luxury fashion and accessories, automobile, hospitality and travel industries. On this basis, we believe that Luxury Comparable Companies can provide meaningful insights into the relative value of the Shares as implied by the Revised Consideration.

#### *Selection Criteria*

In selecting the Luxury Comparable Companies, our selection criteria focused on companies that (i) are listed on the HK Stock Exchange or Euronext Milan (including Euronext STAR Milan) where the Company has its listings; and (ii) owns portfolio of Italian luxury brands spanning sports cars, fashion, jewellery and watches. We have cross-checked our selection outcome against analyst and research reports issued by financial institutions on the Company and found that they are similarly identified in these reports. Based on this, we are of the view that the selection outcome below is fair and representative of the Luxury Comparable Companies.

#### *Selection Outcome*

Based on the above selection criteria, we identified five Luxury Comparable Companies, being (i) Ferrari N.V. ("**Ferrari**"); (ii) Prada S.p.A ("**Prada**"); (iii) Moncler S.p.A ("**Moncler**"); (iv) Salvatore Ferragamo S.p.A ("**Ferragamo**"); and (v) Brunello Cucinelli

S.p.A (“Cucinelli”). Again, Independent Shareholders should note that the business, products and scale of operations of the Group may not be the same as those of Luxury Comparable Companies. Besides being brands for different products, they may vary in terms of pricing power, business model or geographical focus. We do not conduct in-depth investigation into their business and operations for this market comparable analysis purposes.

Stock code	Company name	Market capitalisation (Euro million)	Enterprise value (Euro million)	EBITDA (Euro million)	EV/ EBITDA Ratio times
RACE.MI	Ferrari	50,615.8 <sup>(1)</sup>	52,040.1 <sup>(3)</sup>	2,771.7 <sup>(9)</sup>	18.8
1913.HK	Prada	10,400.0 <sup>(1)</sup>	13,984.1 <sup>(4)</sup>	2,138.7 <sup>(10)</sup>	6.5
MONC.MI	Moncler	13,976.6 <sup>(1)</sup>	13,878.8 <sup>(5)</sup>	1,033.1 <sup>(11)</sup>	13.4
SFER.MI	Ferragamo	1,165.5 <sup>(1)</sup>	1,648.2 <sup>(6)</sup>	165.7 <sup>(12)</sup>	9.9
BC.MI	Cucinelli	4,992.6 <sup>(1)</sup>	5,991.5 <sup>(7)</sup>	408.4 <sup>(13)</sup>	14.7
9638.HK YACHT.MI	The Company	1,320.1 <sup>(2)</sup>	1,209.1 <sup>(8)</sup>	202.6 <sup>(14)</sup>	6.0

Source: Bloomberg, HK Stock Exchange and Euronext Milan

Notes:

1. The market capitalisation of Ferrari, Prada, Moncler, Ferragamo and Cucinelli are based on the respective closing prices and total number of issued shares as at the Revised Latest Practicable Date.
2. The market capitalisation of the Company is based on the Revised Consideration multiplied by the total number of issued shares as at the Revised Latest Practicable Date.
3. The enterprise value of Ferrari is calculated taking into account its latest published information as at the Revised Latest Practicable Date, being the financial position information as at 31 December 2025.
4. The enterprise value of Prada is calculated taking into account its latest published information as at the Revised Latest Practicable Date, being the financial position information as at 31 December 2025.
5. The enterprise value of Moncler is calculated taking into account its latest published information as at the Revised Latest Practicable Date, being the financial position information as at 31 December 2025.
6. The enterprise value of Ferragamo is calculated taking into account its latest published information as at the Revised Latest Practicable Date, being the financial position information as at 31 December 2025.

7. The enterprise value of Cucinelli is calculated taking into account its latest published information as at the Revised Latest Practicable Date, being the financial position information as at 31 December 2025.
8. The enterprise value of the Company is calculated taking into account its latest published information as at the Revised Latest Practicable Date, being the financial position information as at 31 December 2025.
9. The EBITDA of Ferrari is extracted from the latest available information, being the financial information published for the year ended 31 December 2025.
10. The EBITDA of Prada is extracted from the latest available information, being the financial information published for the year ended 31 December 2025.
11. The EBITDA of Moncler is extracted from the latest available information, being the financial information published for the year ended 31 December 2025.
12. The EBITDA of Ferragamo is extracted from the latest available information, being the financial information published for the year ended 31 December 2025.
13. The EBITDA of Cucinelli is extracted from the latest available information, being the financial information published for the year ended 31 December 2025.
14. The EBITDA of the Company is extracted from the latest available information, being the financial information published for the year ended 31 December 2025.

As shown in the table above, EV/EBITDA Ratios of the Luxury Comparable Companies as at the Revised Latest Practicable Date ranged from 6.5 times to 18.8 times, all of which are higher than the EV/EBITDA Ratio of the Company as implied by the Revised Consideration.

*Our observations*

From the adopted valuation metric of EV/EBITDA Ratio, the Revised Consideration is neutral from the Yacht Comparable Companies analysis, and this is corroborated by observations from the Luxury Comparable Companies.

We therefore conclude that the attractiveness of the Revised Consideration is not compelling from the perspective of this analysis.

## RECOMMENDATION

In summary, we have considered the following factors and observations in arriving at our conclusion and recommendation in relation to the Offer:

- (1) the Revised Consideration per Share is competitively priced from the perspective of historical market price trends. The market closing price of Shares as at the Revised Latest Practicable Date had exceeded the Revised Consideration in both the HK Stock Exchange and Euronext Milan. There had been buying interests in the market from institutional or sophisticated investors including FIH in the past few months which may or may not be sustainable;
- (2) the valuation of the Company as implied by the Revised Consideration is neutral relative to the Yacht Comparable Company which has closest resemblance but is lower than others, rendering the attractiveness of the Revised Consideration not compelling from comparable company analysis perspective;
- (3) while the Offer provides price certainty for a portion of the shareholding, the liquidity and price dislocation risks associated with the remaining shareholding that will be retained negate the overall attractiveness of the Offer;
- (4) KKCG Group can increase its stake materially to a level where it can potentially exert significant influence over the Company's strategic direction and introduce changes to the business directions of the Group without it offering Independent Shareholders an opportunity to fully exit their investments in the Company;
- (5) both FIH and KKCG Group have stated their intention to submit majority slates and given their duopoly of significant shareholdings with one having "above controlling but non-majority" shareholding and the other having "just below controlling" level, there is high uncertainty of which slate will be adopted depending on the voting preference of other Shareholders, and it may entail change(s) of Directors, and in turn the consequent possible changes of Chief Executive Officer, executive Directors, non-executive Directors and independent non-executive Directors, as well as the management team members. Such uncertainty may also continue in future if the party who had lost the slate voting continues to requisite for appointment and/or removal of Directors as explained above;
- (6) the Company has delivered satisfactory operating and financial performance over the years, consistently securing order intakes while maintaining a net cash financial position, with the support of FIH and Weichai Group. KKCG Group had not been


involved in the Group's operations and hence, no demonstrable contribution to the Group in the past. There is no foreseeable significant positive contribution from KKCG Group nor evident need for significant changes to the Company that would justify Independent Shareholders accepting only a partial exit;

- (7) KKCG Group has not provided clear, credible and luxury yacht industry-specific plans that would mitigate the above uncertainties; and
- (8) from a financial investment realisation perspective, accepting the Offer potentially allows for realisation of only about one-third of shareholding if all Independent Shareholders (save for FIH) accept the Offer, and the remaining two-third shareholding remains financially exposed. Accepting the Offer for a limited amount of partial exit means subjecting their remaining substantial portion of shareholding to governance uncertainties while also facing the potential of reduced trading liquidity given a potentially smaller public float after the Offer.

Having weighed the above factors and observations, we are of the view that the Offer (including the Revised Consideration which we are of the view that its attractiveness is not compelling) and KKCG Group's plan do not provide a sufficiently compelling reason for Independent Shareholders to endure governance uncertainties, nor does it provide a comprehensive exit opportunity for Independent Shareholders. Hence, the Offer is, on balance, not attractive and **is not fair and not reasonable** so far as the Independent Shareholders are concerned and accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders **not to accept** the Offer.

**Independent Shareholders who intend to accept the Offer should closely monitor the market price and liquidity of the Shares during the Offer Period. Having regard their own circumstances and investment objectives, they may consider selling their Shares on the open market instead of accepting the Offer, if the net proceeds from the sale of such Shares would be higher than the amount receivable under the Offer. Selling the Shares on the open market may allow for a quicker realisation of cash compared to the settlement process under the Offer.**

Yours faithfully,  
For and on behalf of  
**Altus Capital Limited**

  
**Sean Pey Chang**  
*Responsible Officer*

  
**Leo Tam**  
*Responsible Officer*

*Mr. Sean Pey Chang (“**Mr. Chang**”) is a Responsible Officer of Altus Capital Limited licensed to carry on Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO and permitted to undertake work as a sponsor. He is also a Responsible Officer of Altus Investments Limited licensed to carry on Type 1 (dealing in securities) regulated activity under the SFO. Mr. Chang has over 25 years of experience in banking, corporate finance advisory and investment management. In particular, he has participated in sponsorship work for initial public offerings and acted as financial adviser or independent financial adviser in various corporate finance advisory transactions.*

*Mr. Leo Tam (“**Mr. Tam**”) is a Responsible Officer of Altus Capital Limited licensed to carry on Type 6 (advising on corporate finance) regulated activity under the SFO and permitted to undertake work as a sponsor. He has over ten years of experience in corporate finance and advisory in Hong Kong, in particular, he has participated in sponsorship work for initial public offerings and acted as financial adviser or independent financial adviser in various corporate finance advisory transactions. Mr. Tam is a certified public accountant of the Hong Kong Institute of Certified Public Accountants.*