

2025



EXECUTIVE



REPORT

Prepared by Connor Hyatt



FERRETTIGROUP

Corporate Information

EXECUTIVE DIRECTORS

Mr. Alberto Galassi - Chief Executive Officer
Mr. Xu Xinyu (徐新玉) (resigned on February 28, 2025)
Mr. Tan Ning (譚寧) (appointed on February 28, 2025)

NON-EXECUTIVE DIRECTORS

Mr. Jiang Kui (江奎) - Chairman (appointed on August 29, 2024)
Mr. Piero Ferrari - Honorary Chairman
Ms. Jiang Lan (Lansi) (蔣嵐)
Mr. Hao Qinggui (郝慶貴) (appointed on February 28, 2025)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Stefano Domenicali
Mr. Patrick Sun (辛定華)
Ms. Zhu Yi (朱奕)

AUDIT COMMITTEE

Mr. Patrick Sun (辛定華) - Chairman
Mr. Stefano Domenicali
Ms. Jiang Lan (Lansi) (蔣嵐)
Ms. Zhu Yi (朱奕)

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

Mr. Jiang Kui (江奎) - Chairman
Mr. Alberto Galassi
Mr. Piero Ferrari
Mr. Tan Ning (譚寧)
Ms. Jiang Lan (Lansi) (蔣嵐)
Mr. Hao Qinggui (郝慶貴)
Ms. Zhu Yi (朱奕)

STRATEGIC COMMITTEE

Mr. Jiang Kui (江奎) - Chairman
Mr. Alberto Galassi
Mr. Piero Ferrari
Mr. Tan Ning (譚寧)
Mr. Hao Qinggui (郝慶貴)
Mr. Patrick Sun (辛定華)

BOARD OF STATUTORY AUDITORS

Mr. Luigi Capitani - Chairman
Ms. Giuseppina Manzo
Mr. Luca Nicodemi
Ms. Federica Marone - Alternate auditor
Ms. Tiziana Vallone - Alternate auditor

JOINT COMPANY SECRETARIES

Mr. Hao Qinggui (郝慶貴)
Ms. Wong Hoi Ting (ACG, HKACG)

SECRETARY OF THE BOARD

Mr. Hao Qinggui (郝慶貴)

AUTHORIZED REPRESENTATIVES

Mr. Alberto Galassi
Ms. Wong Hoi Ting

REGISTERED OFFICE AND HEADQUARTER OFFICE

Via Irma Bandiera 62, 47841 Cattolica (RN), Italy

AUDITOR

EY S.P.A.
Independent Registered Auditor Held by MEF
PIE Auditor under the Financial Reporting Council
Ordinance (Cap. 588)
Via Meravigli 12, 20123 Milan, Italy
Legale Pedersoli Gattai

WEBSITE

www.ferrettigroup.com

STOCK CODES

EXM: YACHT.MI
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Database & Sales Analytics Report

Driving Profitability Through Data-Driven Insights

Executive Summary

This executive report presents the results of a database modernization and sales analysis initiative at Ferretti Yachts. By consolidating fragmented sales data into a centralized MySQL system, Ferretti can now access accurate, timely insights on model profitability, dealership performance, and salesperson contribution. The analysis highlights clear opportunities to increase profit margins, optimize dealership allocation, and incentivize elite sales talent.

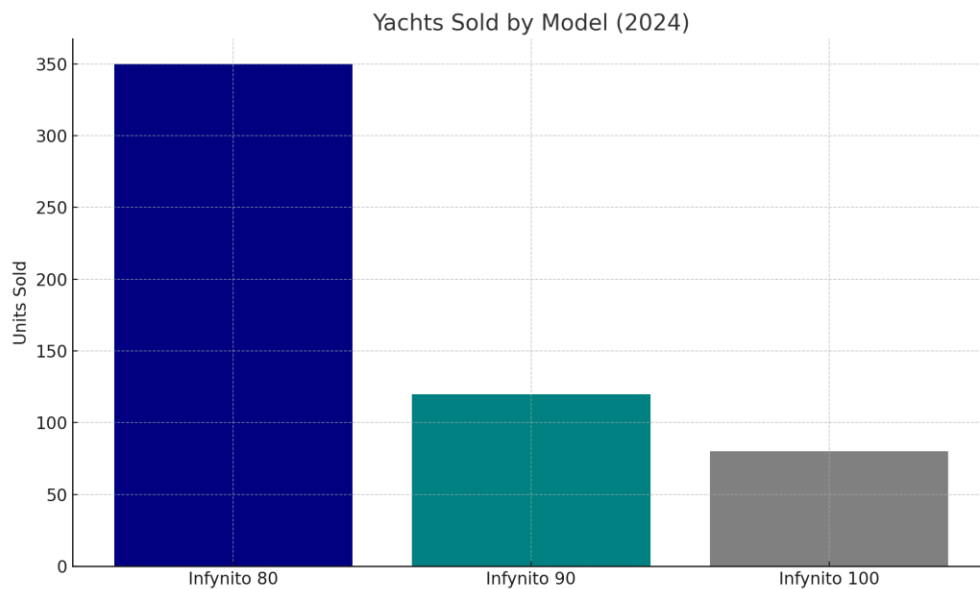
Data Infrastructure

A centralized relational database was designed to integrate yacht models, sales transactions, dealerships, and salespeople. The schema enforces referential integrity and ensures consistency across global operations. This modernized data infrastructure eliminates duplicate records and supports scalable analytics.

- Entity Relationship Diagram (ERD) – optimized to 3rd Normal Form
- Data Dictionary – standardized field names, data types, and definitions
- SQL Database – implemented in MySQL with imported 2023 sales data

Sales Analytics

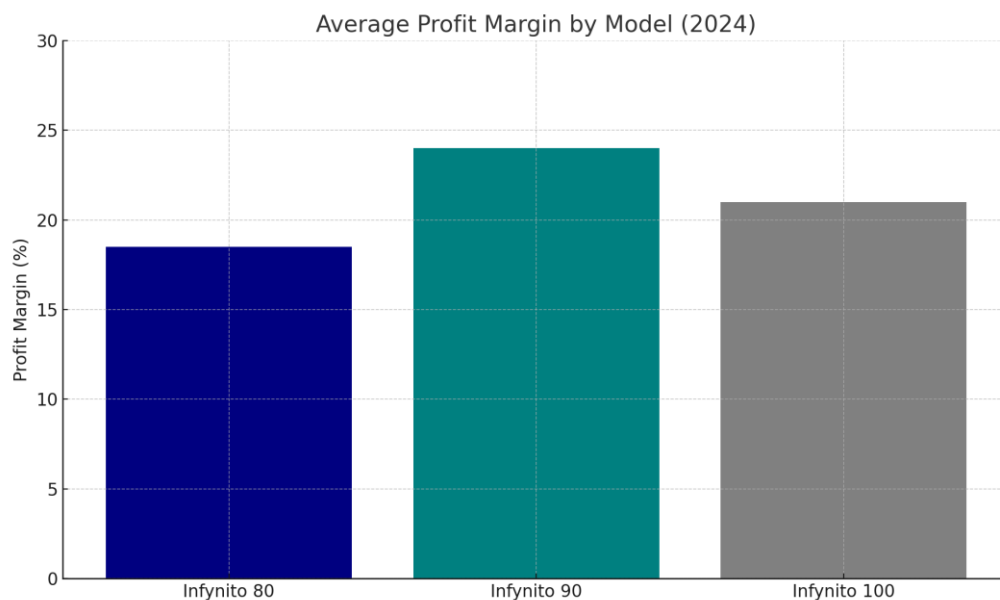
The 2024 sales data provides a clear view of Ferretti Yachts' market position, highlighting overall revenue growth, model performance, and dealership dynamics. Key trends emerge in both unit volume and profitability, offering insight into how different models and regions contribute to the company's success.



The **Infynito 80** remains Ferretti’s highest-volume seller, reinforcing its role as the core of the portfolio. Its popularity delivers stable revenues, but over-reliance on a single model also introduces concentration risk if consumer preferences shift. The **Infynito 90**, though lower in volume, generates the strongest margins, establishing itself as the profit engine. The **Infynito 100** continues to bolster brand prestige in the ultra-luxury tier, serving as a halo product that elevates the lineup.

Opportunities for Growth

- Strengthen marketing for the Infynito 80 while introducing **upgrade pathways** that nudge buyers toward the higher margin 90
- Position the Infynito 100 more prominently in luxury branding campaigns, using it to reinforce Ferretti’s premium identity across all markets

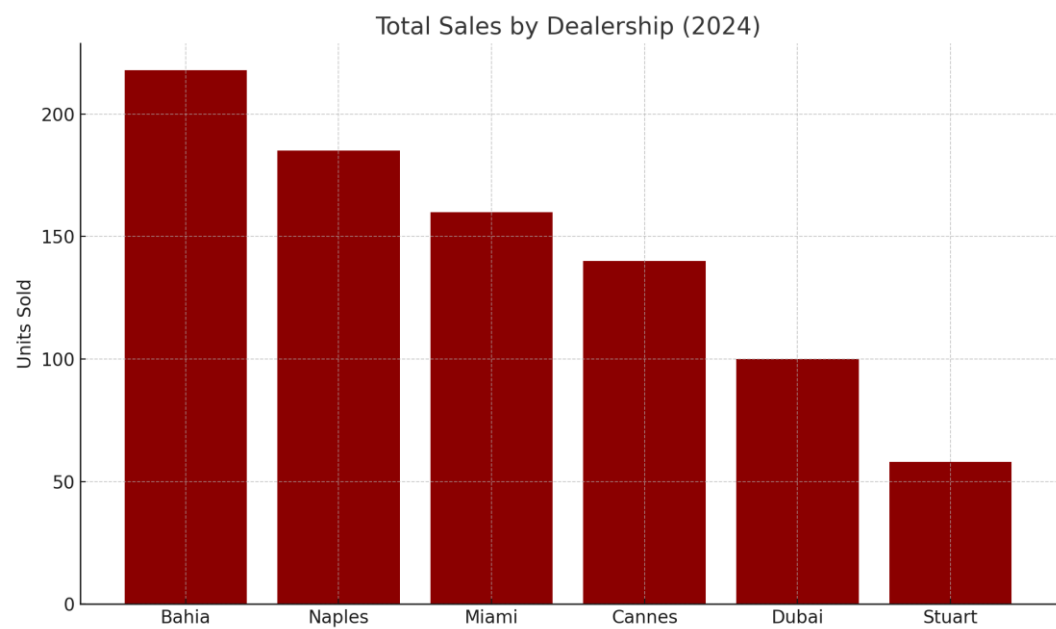


The **Infynito 90** led the lineup with the strongest margins, confirming its strategic role as Ferretti’s profit anchor. The **Infynito 100** followed closely, showing that ultra-luxury buyers remain willing to pay for exclusivity. The **Infynito 80**, while slightly lower margin, still delivered strong performance through scale, balancing volume with profitability.

Opportunities for Growth

- Train dealerships to actively **upsell buyers** from the Infynito 80 into the 90, maximizing margin gains for the organization
- Position the Infynito 100 as the **brand flagship**, leveraging its exclusivity to enhance Ferretti’s reputation and drive demand across the full product line

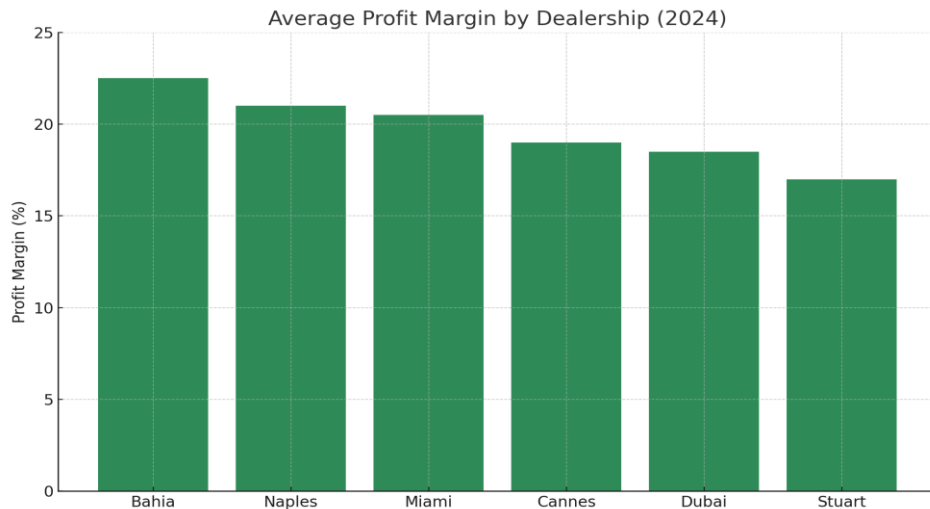
Dealership Insights



Performance varied widely across regions. **Bahia, Naples, and Miami** led in sales volume, reflecting affluent local demand and strong tourism-driven buyer pools. Their operational models, rapid turnover, and effective client engagement should be examined as best practices. **Stuart and Dubai** trailed, pointing to slower inventory movement and weaker local positioning. Cannes occupied the middle ground, signaling untapped potential if supported with targeted events and stronger brand visibility.

Strategic Takeaways

- Replicate high-performing dealership models across the network by codifying their sales and marketing playbooks
- Reallocate inventory more dynamically, ensuring fast-selling dealerships get priority access to the Infynito 80
- Deploy additional promotional budgets in underperforming regions to test strategies for improving awareness and turnover

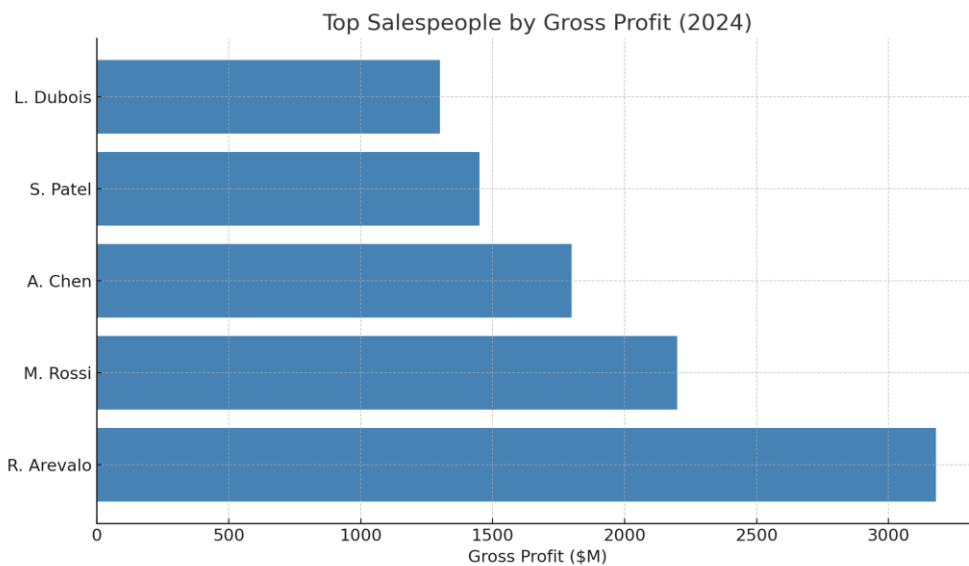


Margins reveal a different story than pure volume. **Bahia and Naples** not only sold the most but did so at the highest profitability, showing strong pricing power and customer willingness to pay premiums. **Stuart and Dubai**, however, relied more heavily on discounting, eroding margins. Cannes, though mid-level in both sales and margins, has the right market demographics to be elevated into a top performer.

Key Implications

- Standardize **value-based selling techniques** by having top dealerships lead pricing workshops.
- Pilot **tiered customer packages** in lower-margin dealerships to reduce reliance on discounts
- Monitor and adjust local pricing strategies to better align with buyer expectations without eroding profitability

Salesperson Performance



Ricardo Arevalo generated \$3.18B in gross profit during 2024, establishing a new benchmark for sales excellence at Ferretti. A formal recognition and incentive program is recommended. Consistent results across the top five reflect effective dealership training, targeted customer engagement, and the importance of experienced sales leadership

Ricardo Arevalo outperformed peers by a wide margin, generating the highest gross profit and setting a benchmark for sales excellence. **Mario Rossi and Andrew Chen** also demonstrated strong results, but the drop-off after the top three highlights uneven distribution of talent impact. Ferretti risks over-reliance on a handful of high performers, making broader skill development critical.

Leadership Priorities

- Capture and scale the methods of top performers through structured **sales training modules**
- Introduce stronger **performance incentives** to close the gap between mid-tier and top-tier sales staff
- Launch a mentorship program where top producers coach emerging talent, spreading best practices across the team

Key Strategic Recommendations

1. **Prioritize Infynito 90 Distribution** – Expand allocation of the Infynito 90 to Naples, Miami, and other top-performing dealerships where luxury demand and margins are strongest, ensuring maximum profit capture.
2. **Launch a Sales Excellence Program** – Implement a structured bonus and recognition system to reward high performers, retain top talent, and incentivize broader salesforce adoption of best practices.
3. **Adopt Dealership Performance KPIs** – Standardize dealership metrics such as inventory turnover, days on market, and margin performance to drive accountability and enable data-driven resource allocation.
4. **Integrate Customer Demographic Insights** – Capture and analyze customer income, lifestyle, and regional demographics to tailor marketing strategies, optimize campaigns, and align product positioning with demand.

Additional Data Opportunities

Future data collection should extend beyond new yacht sales to capture insights that directly inform strategic decision-making. **Pre-owned resale values** should be tracked to monitor brand equity over time, as higher resale performance strengthens Ferretti's premium positioning and customer loyalty. **Customer income and demographic segmentation** would allow for sharper targeting of high-value prospects, improving the return on marketing investments and enabling personalized campaigns.

Additionally, **logistics and after-sales data** should be more systematically captured. Transportation and delivery cost analysis would support more efficient regional inventory allocation, reducing overhead while improving availability at high-performing dealerships. Tracking **after-sales service interactions** and

warranty data would also help identify recurring quality issues and highlight upsell opportunities for service contracts and accessories.

Conclusion

The transition to a centralized database positions Ferretti Yachts to move beyond static reporting and embrace true **data-driven decision-making**. By systematically analyzing model profitability, dealership performance, and salesforce effectiveness, Ferretti can not only unlock new growth opportunities but also **optimize resource allocation, elevate customer engagement, and sharpen strategic execution**. This capability strengthens Ferretti's competitive edge and reinforces its standing as a global leader in luxury yachts, ensuring sustainable growth and long-term brand prestige.