



FERRARI GROUP PLC

FY24 RESULTS

Focused strategy execution delivers sustained growth in revenues and profitability

Ferrari Group PLC (FERGR.AS) ('the Group'), one of the global leaders in the worldwide shipment of luxury goods, today announces its financial results for the year ending 31 December 2024 (FY24), delivering a robust performance across financial metrics.

FY24 OVERVIEW

| | FY24 | FY23 | % change |
|------------------------------|-------|-------|----------|
| Revenue (€m) | 348.8 | 333.0 | 4.7% |
| Adjusted EBITDA (€m) | 92.4 | 90.0 | 3.0% |
| Adjusted EBITDA Margin (%) | 26.5 | 27.0 | -50bps |
| Net Profit (€m) | 57.3 | 56.9 | +0.7% |
| Net Financial Position* (€m) | 87.0 | 72.6 | +19.9% |

FINANCIAL HIGHLIGHTS

- **Revenues** up 4.7% to €348.8 million due to significant volume growth driven by global footprint expansion, new client wins and enhanced service offering
- Sustained strong profitability reflected in broadly stable **Adjusted EBITDA Margin** at 26.5% despite expansion projects across Australia, France and Germany and investments in ITC personnel
- Stable **capital expenditures** at €12.7 million reflects asset light business model, with investments focused on digital transformation, new warehouses and geographic expansion
- Consistent **Net Profit** for FY24 of €57.3 million, reinforcing our ability to deliver consistent value while continuing to invest in future opportunities
- **Net financial position** up 20% year-on-year to €87.0 million, driven by strong **cash generation** (86.3% cash conversion rate)
- **Proposed dividend** for FY24 of €25 million, or €0.27 per share, equivalent to a 44% payout ratio, in line and slightly exceeding our dividend policy target payout ratio of at least 40%

OPERATIONAL HIGHLIGHTS

- **Enhanced global footprint** with i) new contractual relationships in Azerbaijan, Jordan and the Maldives; ii) fully operational new offices in Australia, Botswana and the UK; iii) warehouse

(*) A positive figure indicates a net cash position

expansion completed in Germany, Netherlands, the UK, and the US; and preparations for new openings in Paris and Saudi Arabia underway

- **Notable client wins**, including in France for a watch manufacturer, and the expansion of our services for a US jewellery brand
- **Continued offering expansion with existing clients** with new European hub driving significant revenue growth, particularly in the Netherlands, and luxury brands expanding into jewellery. Expansion of services and growth in adjacent segments, such as precious metals, high-end handbags and fine art
- **Progress in digital transformation**, with the successful completion of the first wave, improved and consolidated CPM, adoption of Advanced Analytics and Business Intelligence, and advancements in cybersecurity
- **Continued investment in people to support growth**, with over 50 hires across leadership and account management globally, as well as to assist in the digital transformation
- **Successful listing on Euronext Amsterdam post year-end in February 2025**, increasing the Group's profile and brand awareness

Commenting on the results, Marco Deiana, Chief Executive Officer of Ferrari Group, said:

"I'm delighted to present our inaugural results as a listed company following our successful IPO on Euronext Amsterdam in February. We have delivered on all of our financial targets during the period with the strong execution of our strategy helping us to deliver consistent growth in revenue and high profitability levels, underpinned by robust cash flow generation and a resilient net financial position. Although we saw challenging market conditions in the luxury goods sector throughout 2024, we were able to deliver 5% growth in revenues alongside stable margins of 26.5% while continuing to heavily invest in our expanded global footprint and service offering.

Our outlook for the current year remains unchanged and, notwithstanding wider market volatility, Ferrari Group remains well positioned for future growth thanks to our focus on our growth strategy, increasing the weight and value of transported goods and growing the number of locations and routes we serve. We expect to maintain our current rate of revenue growth and stable EBITDA margin in 2025."

FY24 RESULTS OVERVIEW

Revenues increased by €15.8 million, or 4.7%, from €333.0 million in FY23 to €348.8 in FY24, primarily due to an increase in the total value of the goods transported and the total weight of transported goods, as well as the optimisation and expansion of the route network with new openings and business wins key drivers for the performance across segments.

Europe was the main growth contributor, thanks to the Group's solid positioning in the region and expansion in new locations such as the Netherlands and UK, with revenue up 6.1% to €203.4 million (FY23: €191.7m). Asia faced a slowdown on the back of weaker economic outlook with revenue down slightly by 4.6% to €58.3 million (FY23: €61.2m), despite revenue growth in Korea and Japan following recent investments. Continued positive momentum in North America and Brazil led to revenue increasing 5.0% to €47.5 million (FY23: €45.3m). Consistent growth in Rest of the World, up 13.4% to €39.5 million (FY23: €34.8m), was driven by significant demand for domestic services in the UAE and expansion into new geographies, especially in Australia and Botswana.

- **International Services** represent the Group's largest service by revenues, with revenues of €230.5 million, or 66.1% of total revenues in FY24, compared to €222.0 million, or 66.7% of total revenues in FY23, representing an increase of €8.5 million, or 3.8% year-on-year. This increase was mainly due to the growth in the average value of the goods transported as well as the number of goods shipped and the total weight of transported goods, coupled with the optimisation and expansion of the route network.
- **Domestic Services** represent the second largest service by revenues, with revenues of €57.4 million, or 16.5% of total revenues in FY24, compared to €50.8 million, or 15.2% of total revenues in FY23, representing an increase of €6.7 million, or 13.1% year-on-year. This was driven by the increase in volumes of International Services, which positively impacted domestic activity, particularly in France, Germany, Italy, the UAE and the US, as the Group's one-stop-shop service offering allows it to combine and cross-sell its different services to its customer base.
- **Warehouse & Logistics Services** represent the fourth largest service by revenues, with revenues of €22.3 million, or 6.4% of total revenues for FY24, compared to €18.4 million, or 5.5% of total revenues, for FY23, representing an increase of €3.9 million, or 21.1% year-on-year. The growth was mainly due to the Group's decision to increase its provision of warehouses and security vaults, especially in the Netherlands, in order to meet growing customer demand for secured storage facilities, to streamline supply chains and keep inventory closer to their end-customers.
- **Special and other Services** revenues were down by €3.3m year on year to €38.5 million. This was mainly driven by a combination of factors, including a shift in the mix of tailored services, private events, fairs and shows, despite a rise in hand-carry services for private events. The latter should continue this trend however it is hard to foresee how this will evolve in 2025 based on the tailored nature of the services offered.

Adjusted EBITDA increased by €2.4 million or 2.6% year-on-year, from €90.0 million in FY23 to €92.4 million in FY24, due to the increase in Group revenues. Adjusted EBITDA margin remained broadly stable at 26.5% (FY23: 27.0%) as we continued to invest in our expanded global footprint and service offering.

Costs of services increased by €2.9 million, or 2.0% year-on-year, from €142.4 million in FY23 to €145.3 million in FY24. The increase was primarily due to an increase in shipping costs of €2.7 million, which was partially offset by a decrease in legal and administrative consultancy fees of €1.6 million. Shipping costs increased due to an increase in the value of the goods being shipped and in the number of shipments provided by the Group to meet its customers' growing demand, while legal and administrative consultancy fees decreased due to listing costs amounting to €3.3 million in FY23 not being repeated in the same period in 2024. Shipping costs as a percentage of revenues decreased slightly, from 35.2% in FY23 to 34.4% in FY24 due to the Group's ability to consolidate more shipments.

Personnel costs increased by €10.1 million, or 10.4% year-on-year, from €97.3 million in FY23 to €107.4 million in FY24, due to an increase in the number of full-time employees in FY24 to accommodate the growth in the Group's operations and facilitate the digital transformation of the Group.

OUTLOOK

Looking ahead, Ferrari Group remains focused on executing its ambitious strategy aimed at growing its revenues while maximising operating efficiency, leveraging the following highly interconnected value creation drivers:

- increasing existing share of wallet across the Group's diverse customer base,
- regional expansion into emerging growth markets,
- customer base expansion targeting adjacent industries, and
- improving margins by integrating and rationalizing key costs across the Group.

Despite heightened geopolitical volatility, management expects positive momentum to continue into 2025.

Ferrari Group's "one stop shop" platform, the strength and longevity of the Group's client relationships and our ability to offer a flexible and personalised service, alongside our geographic diversity, affords the Group a high degree of resilience.

Our expectations are based on the assumptions of the luxury market, and in particular the high-value jewellery and watch segment, which includes many of the Group's customers, and on the sales trend recorded in the first months of 2025.

Subject to the above, the Company is targeting the following for the purposes of measuring operational and managerial performance on a Group-wide level.

| Financial metrics | 2025 objectives | Medium term |
|------------------------|---|--|
| Revenue growth | In line with FY24 | 6-8% |
| Adjusted EBITDA Margin | 26.5% or slightly above | 27% - 29% |
| Capital expenditure | Ordinary capex stable (excl. lease payments and new projects) | Recurring ordinary capex of c. 2% of revenues per year |

The revenue growth in the medium term is expected to originate from (i) the increasing volumes related to the growth of the Group's customers and market, and (ii) the increase in share of wallet.

In terms of capital allocation, we remain committed to our dividend policy of at least 40%, aiming to increase the dividend annually, with potential additional distributions subject to performance and market conditions

ANALYST AND INVESTOR BRIEFING

Ferrari Group will host a webcast for analysts and investors at 09:00 am UKT today, accessible via the following link:

<https://ferrari-group-fy-2024-earnings.open-exchange.net/welcome>

The Group's annual report and investor presentation are available on the investor website at <https://investors.ferrarigroup.net/>.

ABOUT FERRARI GROUP

Ferrari Group is a global leader specialising in shipping, integrated logistics and high value-added services for luxury goods, leveraging over six decades of expertise since its establishment in 1959 as a customs broker and forwarding company in Italy. Today, the London headquartered Group operates an international network over 60 countries, providing end-to-end solutions throughout the luxury goods value chain, serving as a “one-stop-shop” and trusted partner to its prestigious clientele. The Group’s far-reaching network of subsidiaries and partners ensures comprehensive and tailored services across the globe, combining extensive reach and flexibility with in-depth local knowledge, working closely with its customers to deliver bespoke solutions that seamlessly connect them with their clients, ensuring efficiency, security, and excellence at every step of the way. Ferrari Group’s long-standing customer base includes some of the world’s best known global luxury brands, high-end watchmakers, jewellery manufacturers and distributors, diamond dealers, precious stone producers, and private clients. Further information is available at: <https://investors.ferrarigroup.net/>.

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DISCLAIMER

This announcement may include statements that are, or may be deemed to be, "forward-looking statements", including its financial targets and objectives relating to the business, financial performance, results of operations, financial condition, liquidity, prospects, growth and strategies and results of Ferrari Group PLC ("the Company") and industry in which it operates. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "targets", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. No representation is made that any of these statements will come to pass. Any forward-looking statements reflect the Company's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's business, results of operations, financial position, liquidity, prospects, growth or strategies. Such risks include the failure to maintain Ferrari Group PLC's brand, image or reputation, risks associated with general developments in the broader economy and specific demand fluctuations, the risk of the Company being unable to comply with sanctions laws and laws aimed at preventing money laundering, bribery and the counter-terrorism financing, to develop and execute an effective sustainability strategy, to maintain the required level of insurance coverage, or to retain, attract and hire highly skilled personnel, and other risks described in the 2024 annual report. Forward-looking statements speak only as of the date they are made. Except as required by applicable law, each of the Company and its affiliates expressly disclaim any obligation or undertaking to update, review or revise any forward-looking statement contained in this announcement whether as a result of new information, future developments or otherwise. For the avoidance of doubt, the contents of the Company's website or any website directly or indirectly linked to the Company's website, are not incorporated by reference into, and do not form part of, this announcement.

This announcement also includes some “non-IFRS financial measures”, including Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Cash Conversion Rate, Capital Expenditure, Net Financial Indebtedness. These non-IFRS financial measures are not subject to audit or review. Neither are they defined by IFRS or any other internationally accepted accounting principles, and may not be comparable to similarly titled measures presented by other companies, nor should they be construed as an alternative to other financial measures determined in accordance with IFRS. You are cautioned not to place undue reliance on any non-IFRS financial measures and ratios included herein.

Non-IFRS measures included in this document are defined as follows:

- *Adjusted EBITDA is defined as profit before taxes excluding finance income, finance expenses, depreciation and amortisation, provision for risks, exchange (gain)/losses, results from investments accounted for using the equity method adjusted for gains and expenses, that are significant in nature and management considers not reflective of underlying operating activities (listing costs)*
- *Adjusted Cash Conversion Rate is calculated as $(\text{Adjusted EBITDA} - \text{Capex}) / \text{Adjusted EBITDA}$*
- *Net Financial Position is defined as the sum of total financial liabilities, and non-current trade and other payables, net of cash and cash equivalents and current financial assets.*

The 2024 financial information included in this press release contains only part of the 2024 financial statements which are included in the 2024 annual report and still have to be adopted by the shareholders at the upcoming annual general meeting of shareholders.

All references to industry forecasts, industry statistics, market data and market share in these materials comprise estimates compiled by analysts, competitors, industry professionals and organisations, of publicly available information or of Ferrari Group PLC's own assessment of its markets and sales. Rankings are based on revenue, unless otherwise stated.