

Full sail ahead for yacht maker's trading debut

By YUAN SHENGGAO

Italian luxury yacht maker Ferretti, a key subsidiary of China's machinery developer Weichai Group, made its trading debut at the Hong Kong Exchanges and Clearing Limited on Thursday, marking a milestone in the development of both enterprises.

This initial public offering raised \$281 million for Ferretti with an offering price at HK\$22.88 (\$2.92). China International Capital Corporation Hong Kong Securities is the sole sponsor and global coordinator of the public offering and China International Capital Corporation Hong Kong Securities, BNP Paribas Securities (Asia) and Zhongtai International Securities are the joint bookrunners and joint lead managers.

According to Tan Xuguang, chairman of the board of Ferretti, as one of the oldest luxury yacht makers in the world, Ferretti has been leading global yacht development. Weichai will continue to be a determined partner of Ferretti and will work closely with them to seize global business opportunities, especially in the Asia-Pacific region.

"We will support China's marine economy and consumption upgrade to drive Ferretti toward a greater future," Tan said.

Vice-governor of Shandong Ling Wen sent congratulations to Ferretti on behalf of the Shandong government.

"We hope Ferretti could take the opportunities to maintain its innovation, creation and service capacity, and play a greater role in supporting China's economic development and consumption upgrade," Ling said.

Dedicated to luxury yacht production, Ferretti has played an important role in steering the development of the global yacht industry by acquiring and integrating leading brands and production facilities since it was established in 1968. Its seven brands — Riva, Wally, Ferretti Yachts, Pershing, Itama, CRN and Custom Line are recognized globally as symbols of luxury,

exclusivity, Italian design, quality, craftsmanship, innovation and performance. It has been focusing on designing, producing and selling luxury composite yachts, made-to-measure yachts and super yachts from eight to 95 meters, offering the full spectrum of functionalities and an increasing range of ancillary services to cater to the personalized tastes and requirements of clientele, according to the company.

According to Weichai, Ferretti is the only Italian company to hold an IPO in Hong Kong in the past 10 years.

In the face of a complex global environment, Weichai has been adjusting its strategies to support Ferretti's listing plan. Ferretti gained recognition among global investors for its stable business performance, advanced technologies and innovative products.

According to Weichai, high-quality investors including Chinese and international sovereign wealth funds, and long-term funds make up the majority of its investors. Five Chinese investors including Hainan Free Trade Port Construction and Investment Fund and Sunshine Insurance Group are key investors.

In 2012, Weichai, an industrial leader in power system development, commercial vehicles, agricultural equipment, construction machinery, smart logistics and marine transport equipment, purchased a majority stake in debt-laden Ferretti Group to tap into the luxury yacht industry.

Over the last 10 years, Weichai provided strong market and financial support to Ferretti. It also used its expertise in industrial integration, advanced manufacturing, digitalization, planning, technological development and talent to support Ferretti's expansion in the Asia-Pacific region.

In 2021, Ferretti reported a revenue of 927 million euros (\$1025 million), increasing from more than 300 million euros in 2012.

In March 2019, Tan was awarded the Leonardo International Award,



Clockwise from top: The listing ceremony of Italian luxury yacht maker Ferretti Group launches on the Hong Kong Exchanges and Clearing Limited in Jinan, Shandong province, Hong Kong and Italy on March 31. Tan Xuguang, chairman of the board of Ferretti delivers a speech during the event. Executives from Ferretti drink to success during the ceremony. PHOTOS PROVIDED TO CHINA DAILY

one of top awards in the manufacturing and commerce industry in Italy, in recognition of his outstanding contribution to economic exchanges between China and Italy.

A bright future

Ferretti, a leader in the yacht industry, is sailing toward a brighter future, thanks to promising government policies in the Chinese mainland and Hong Kong's diversified capital market structure.

In recent years, Hainan released an array of policies to boost its yacht industry growth, including being part of the central government's master plan to build Hainan into a globally influential free trade port by

the middle of the century. The development of a yachting industry lies at one of the most important agendas for Hainan province.

Those policies, implemented to ensure yachts could be made, purchased, imported and sailed in Hainan, created unprecedented opportunities for domestic and foreign investors including Ferretti in recent years.

As one of three financial centers in the world, the Hong Kong stock market, a gathering place for Chinese and foreign investors, features a diversified investment structure and outstanding fundraising capacity.

It could support Ferretti to achieve better results in the capital

market and product promotion, according to Weichai.

By taking advantage of Hong Kong's capital market, Ferretti could integrate its sales and after-sales service resources more effectively. It will form a partnership with Weichai in the Asia-Pacific in terms of financial leasing, maintenance services and customer solutions. The development of the Guangdong-Hong Kong-Macao Greater Bay Area and Hainan will further support Ferretti to create a complete industrial chain and enter into more new markets.

"The listing of Ferretti in Hong Kong marks a key milestone and unfolds a new chapter in the company's development. Looking ahead,

Ferretti will embrace new opportunities in the fast-growing luxury yachting market by leveraging its industrial leadership and unique Italian essence, fully unleashing the high potential of its world-class brands," said Alberto Galassi, chief executive officer and executive director of Ferretti.

He said: "We will enhance our strategic one-stop approach, with fundamental ancillary services such as yacht brokerage, chartering, after sales and refitting, further strengthening this growth momentum. With the aim of creating greater value for its shareholders, Ferretti will continue to deliver pure Italian luxury around the world."