



Il futuro ha i nostri colori. Da 100 anni.

# Q1 2020 FILA Group Results



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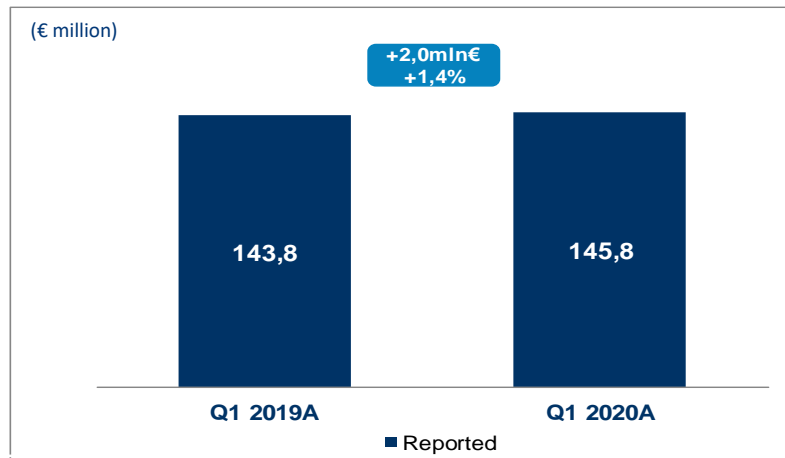
# Q1 2020 Highlights

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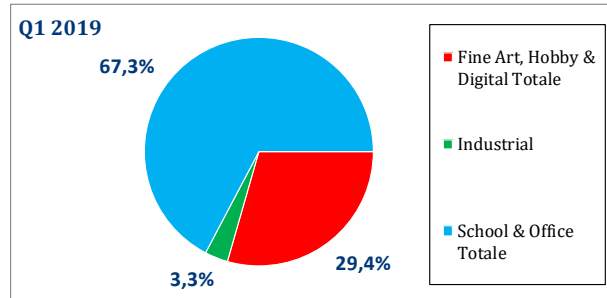
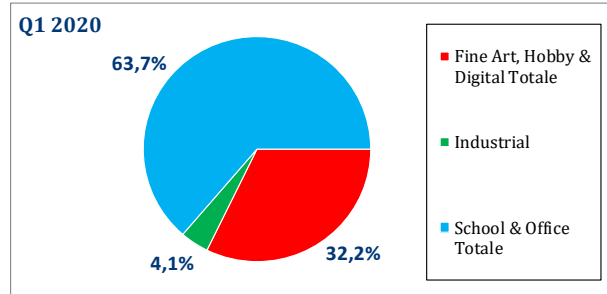
- Core Business Revenues of 145,8mln €, +1,4% compared to Q1 2019 Results (+1,8% of organic growth excluding FX and M&A effects driven from North America growth);
- Adjusted EBITDA (IFRS 16 excluded) of 16,8mln €, -8,7% compared to Q1 2019 Results (-9,7% of organic growth excluding FX and M&A effects) mainly due to inefficiencies in sales and production related to the COVID-19;
- Adjusted Net Profit (IFRS 16 excluded) of -0,2mln € (+3,6mln € in Q1 2019), mainly affected by higher financial costs related to negative FX effect;
- Net Bank Debt decrease of 9,8mln € in the last twelve months, notwithstanding the cash out for Arches acquisition of 43,6mln € and related consultancy fees and other closing expense for 3mln € => Net Bank Debt decrease in last twelve months of 56,4mln € excluding Arches Acquisition cash out;
- Free Cash Flow to Equity -37,4mln €, including consultancy fees and other closing expense for 3mln € and slightly better than in Q1 2019 (-35,2mln €);
- Net Financial Position at -584,6mln € as at March 31, 2020, including IFRS16 effect; negative variation compared to December 2019 value (- 498,2mln €) due to Arches M&A cash out and business seasonality impact.

# Q1 2020 Core Business Sales

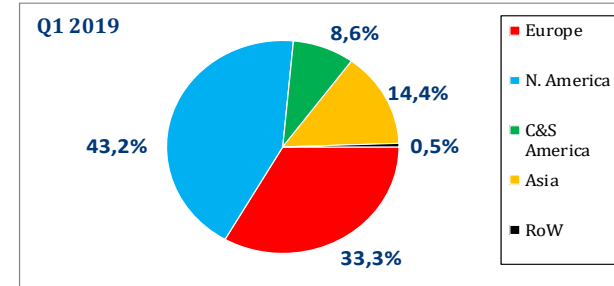
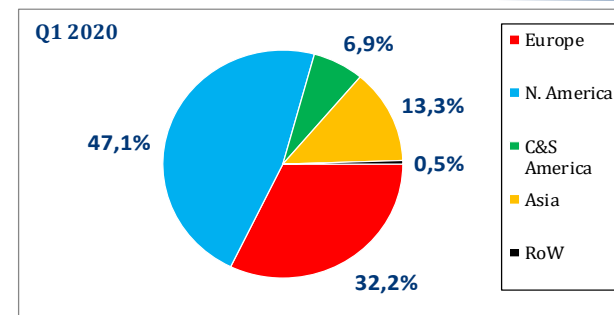


- Core Business Sales of 145,8mln €, +1,4% compared to Q1 2019 Results;
- Organic Growth +2,5mln € (+1,8%), FX and M&A effects excluded, of which:
  - By Geographic Area: North America +6,7mln € (+11,2%) partially offset by Europe -1,7mln € (-3,5%), Asia -1,3mln € (-6,4%), Centre & South America -1,2mln € (-9,3%), Other Countries flat;
  - By Product line: Fine Art, Hobby & Digital +4,7mln € (+11,3%), Industrial +0,5mln € (+10,3%) partially offset by School & Office -2,7mln € (-2,8%).
- M&A effects related to Arches acquisition in March 2020 and Superior business sold in October 2019.

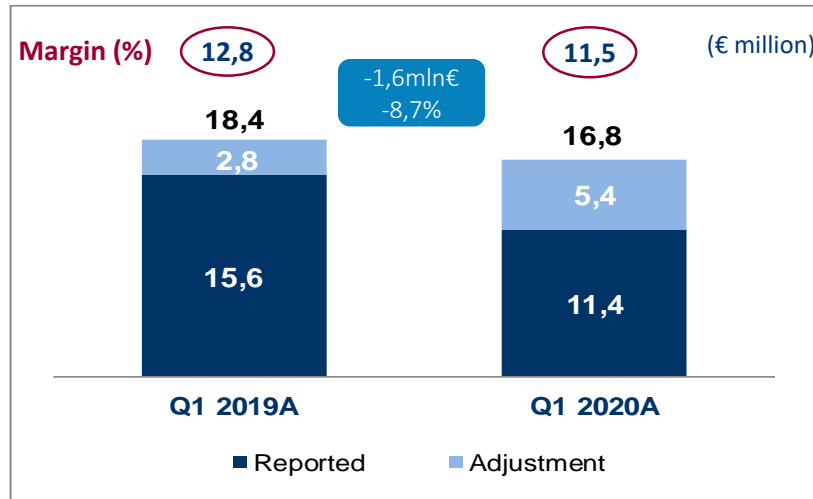
## SALES BY PRODUCT LINE



## SALES BY GEOGRAPHICAL AREA

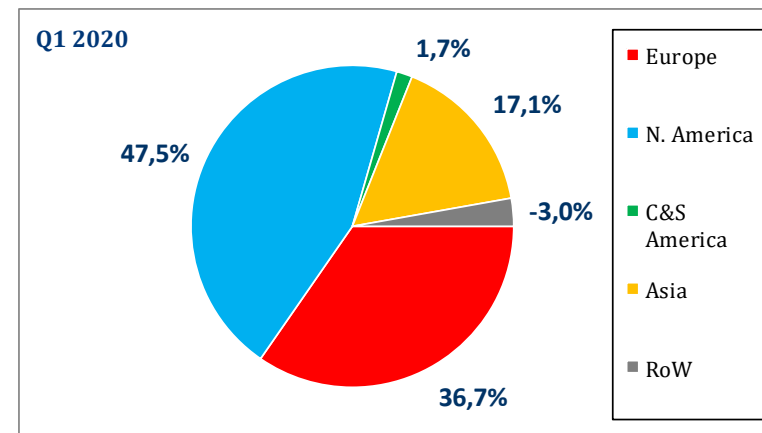
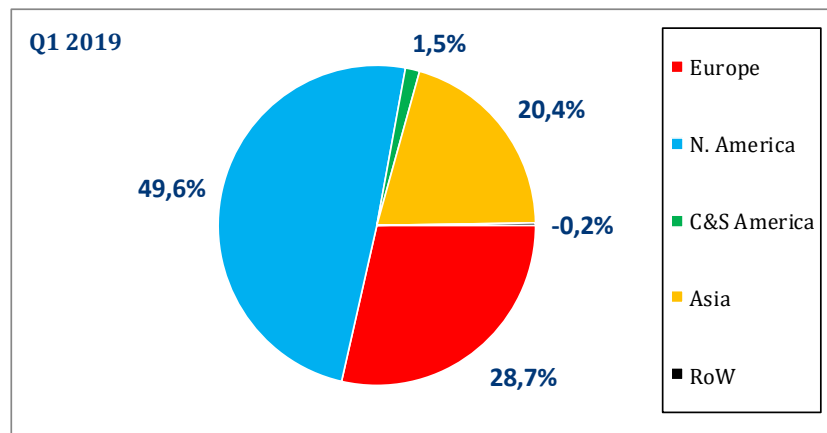


# Q1 2020 EBITDA Adjusted (Excluded IFRS 16)

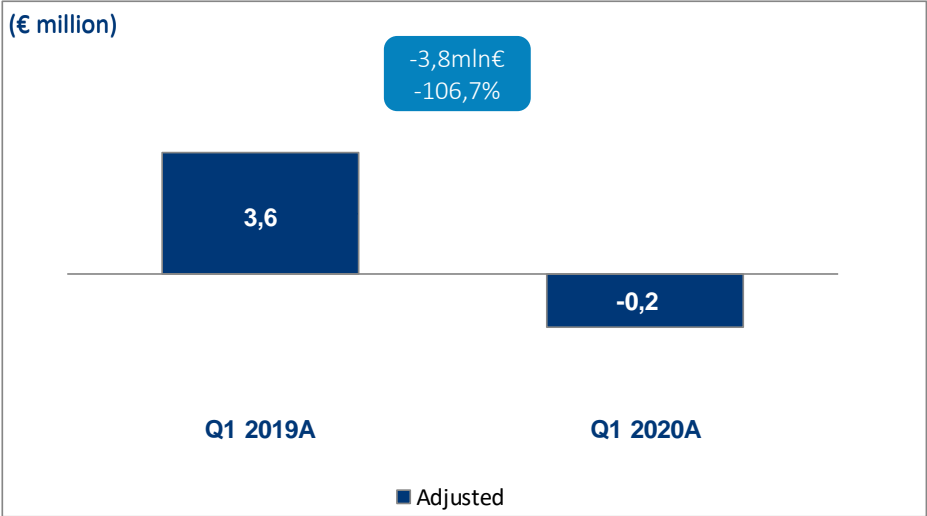


- Adjusted EBITDA of 16,8mIn €, -8,7% compared to Q1 2019 Results;
- Organic variation -1,7mIn € (-9,7%), FX and M&A effects excluded;
- 5,4mIn € of extraordinary costs in Q1 2020, mainly related to Fila Arches acquisition and 2,8mIn € of extraordinary costs in Q1 2019 mainly for reorganization costs;
- M&A effects related to Arches acquisition in March 2020 and Superior business sold in October 2019.

## ADJUSTED EBITDA BY GEOGRAPHICAL AREA



# Q1 2020 Net Income Adjusted (Excluded IFRS 16)



- Adjusted Net Income of -0,2mln €, -106,7% compared to Q1 2019. Results mainly affected by higher financial costs related to negative FX effect;
- The adjustment of the Group Result in Q1 2020 for 5,4mln € mainly refers to extraordinary operating costs for Arches acquisition, net of taxes effects;
- The adjustment of the Group Result in Q1 2019 for 2,2mln € mainly refers to group reorganization costs, net of taxes effects.

Data in millions of euros; for precise data refer to 3M FILA financial report

# Q1 2020 Net Financial Position



(€ million)

	Q1 2019A	2019A	Q1 2020A
Net Cash and Cash Equivalents	26,7	85,6	91,4
Financial Liabilities	(523,0)	(489,1)	(577,9)
<b>Net Bank Debt</b>	<b>(496,3)</b>	<b>(403,5)</b>	<b>(486,5)</b>
Amortized cost	7,2	5,6	7,8
Financial Receivables	0,8	1,1	1,1
Mark to Market Hedging	(9,6)	(13,6)	(22,8)
<b>NFP excluded IFRS 16</b>	<b>(497,9)</b>	<b>(410,4)</b>	<b>(500,4)</b>
IFRS 16	(80,4)	(87,8)	(84,2)
<b>NFP included IFRS 16</b>	<b>(578,3)</b>	<b>(498,2)</b>	<b>(584,6)</b>

- **Net Bank Debt decrease of 9,8mln €** in the last twelve months, notwithstanding the cash out for Arches acquisition of 43,6mln € and related consultancy fees and other closing expense for 3mln € => **Net Bank Debt decrease in last twelve months of 56,4mln € excluding Arches Acquisition cash out.**
- **Q1 2020 Net Financial Position increase of 86,4mln €, below main variations:**
  - M&A Arches acquisition price for 43,6mln €;
  - Free Cash Flow to Equity negative for 37,4mln € (34,4mln € excluding consultancy fees and other closing expense for 3mln €).

# Q1 2020 Cash Flow Statement



(€ million)		Q1 2019A	Q1 2020A
<b>CASH FLOW</b>			
<b>EXCLUDED IFRS 16</b>	<b>EBIT</b>	<b>8,1</b>	<b>2,9</b>
	Adjustments for non monetary costs	7,1	8,6
	Adjustments for taxes	(1,3)	(1,3)
	<b>Cash-flow from operating activities before changes in NWC</b>	<b>13,9</b>	<b>10,1</b>
	Changes in net working capital	(39,7)	(41,7)
	<b>Operating cash-flow</b>	<b>(25,8)</b>	<b>(31,6)</b>
	Investments in tangible and intangible assets	(3,7)	(3,7)
	<b>Free Cash Flow</b>	<b>(29,5)</b>	<b>(35,2)</b>
	Net financial expenses	(6,1)	(5,7)
	Other changes	(0,9)	1,4
	IFRS 16 Impact	1,4	2,0
	<b>Free Cash Flow to Equity</b>	<b>(35,2)</b>	<b>(37,4) *</b>
	Capital increase/reimbursement/dividends	-	-
	Adjustment mark to market hedging	(4,5)	(9,2)
Effect of FX rate movements	(4,1)	3,4	
IFRS 16 Net Financial Position	(81,8)	0,4	
M&A - Arches acquisition	-	(43,6)	
<b>Changes in Net Financial Position</b>	<b>(125,5)</b>	<b>(86,4)</b>	

\*Including cash out of 3,0mln € for consultancy fees and other closing expense related to Arches acquisition.





# Appendix



# Q1 2020 Income Statement Reported



(€ million)	Q1 2019A	% on Sales	Q1 2020A	% on Sales
<b>PROFIT &amp; LOSS</b>				
Core Business Sales	143,8		145,8	
Other revenues	1,7		3,1	
<b>Total revenues</b>	<b>145,5</b>		<b>148,9</b>	<b>0,0%</b>
Cost for Raw Materials and Supplies net Increase(decrease) inventory	(60,3)	(41,9%)	(64,9)	(44,5%)
Costs for Services and Use of Third-Party Assets	(29,9)	(20,8%)	(30,1)	(20,7%)
Personnel Costs	(34,9)	(24,2%)	(35,3)	(24,2%)
Other Operating Costs	(1,9)	(1,3%)	(3,8)	(2,6%)
<b>Total operating costs</b>	<b>(127,0)</b>	<b>(88,3%)</b>	<b>(134,0)</b>	<b>(91,9%)</b>
<b>EBITDA</b>	<b>18,5</b>	<b>12,9%</b>	<b>14,9</b>	<b>10,2%</b>
Depreciation and Amortization	(9,8)	(6,8%)	(10,6)	(7,3%)
Write-Downs	(0,4)	(0,3%)	(0,6)	(0,4%)
<b>EBIT</b>	<b>8,3</b>	<b>5,8%</b>	<b>3,7</b>	<b>2,5%</b>
Financial income/expenses	(5,9)	(4,1%)	(8,6)	(5,9%)
Income/expenses from associates at equity method	0,0	0,0%	0,0	0,0%
<b>PBT</b>	<b>2,4</b>	<b>1,7%</b>	<b>(4,9)</b>	<b>(3,4%)</b>
Taxes	(1,3)	(0,9%)	(1,0)	(0,7%)
<b>Net profit (loss) of continuing operating activities</b>	<b>1,1</b>	<b>0,8%</b>	<b>(5,9)</b>	<b>(4,1%)</b>
Net profit (loss) of discontinued operating activities	-	0,0%	-	0,0%
<b>Total net profit (loss) of the period</b>	<b>1,1</b>	<b>0,8%</b>	<b>(5,9)</b>	<b>(4,1%)</b>
Total net profit (loss) attributable to non controlling interests	0,6	0,4%	0,1	0,1%
<b>Fila Group's total net profit (loss) of the period</b>	<b>0,5</b>	<b>0,3%</b>	<b>(6,0)</b>	<b>(4,1%)</b>

# Q1 2020 Income Statement Adjusted



(€ million)

	Q1 2019A	% on Sales	Q1 2020A	% on Sales
<b>P&amp;L ADJUSTMENTS</b>				
REPORTED CORE BUSINESS SALES	143,8		145,8	
Total Adjustments	-		-	
<b>ADJUSTED CORE BUSINESS SALES</b>	<b>143,8</b>		<b>145,8</b>	
REPORTED EBITDA	18,5	12,9%	14,9	10,2%
IFRS 16 Impact	(2,9)		(3,5)	
Total Adjustments	2,8		5,4	
<b>ADJUSTED EBITDA EXCLUDED IFRS 16</b>	<b>18,4</b>	<b>12,8%</b>	<b>16,8</b>	<b>11,5%</b>
REPORTED FILA GROUP NET PROFIT	0,5	0,3%	(6,0)	-4,1%
Total Adjustments	2,2		5,4	
<b>ADJUSTED FILA GROUP NET PROFIT</b>	<b>2,7</b>	<b>1,9%</b>	<b>(0,6)</b>	<b>(0,4%)</b>
IFRS 16 Impact	(0,9)		(0,4)	
<b>ADJUSTED FILA GROUP NET PROFIT EXCLUDED IFRS 16</b>	<b>3,6</b>	<b>2,5%</b>	<b>(0,2)</b>	<b>(0,2%)</b>

# Q1 2020 Balance Sheet Reported

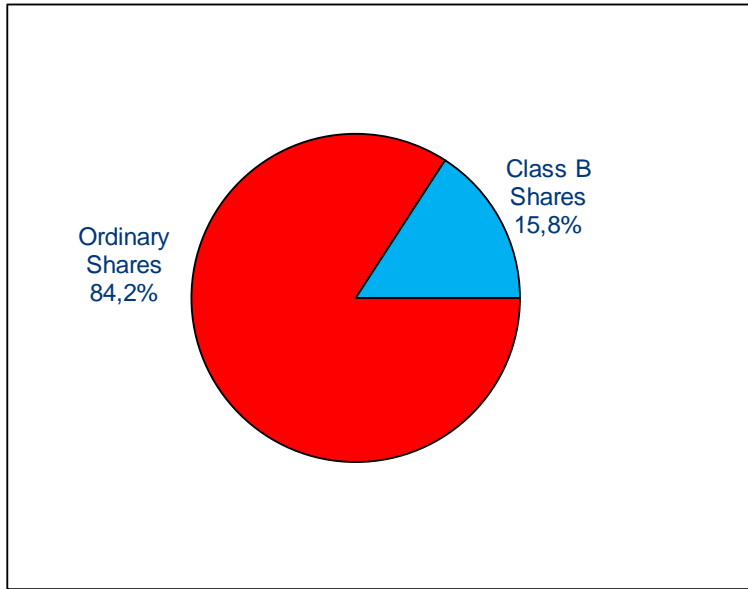


(€ million)	2019A	Q1 2020A
<b>BALANCE SHEET</b>		
Intangible assets	430,6	473,2
Tangible Assets	186,0	181,6
Financial Fixed Assets	3,7	3,5
<b>Fixed Assets</b>	<b>620,3</b>	<b>658,3</b>
<b>Other Non Current Assets/Liabilities</b>	<b>18,3</b>	<b>17,8</b>
<b>Trade Working Capital</b>	<b>291,1</b>	<b>323,8</b>
Other Current Assets and Liabilities	3,8	3,8
<b>Net Working Capital</b>	<b>294,9</b>	<b>327,6</b>
<b>Provisions &amp; Funds</b>	<b>(78,0)</b>	<b>(82,3)</b>
<b>NET CAPITAL EMPLOYED</b>	<b>855,5</b>	<b>921,5</b>
Shareholders equity	(357,3)	(336,9)
Net Financial Position	(498,2)	(584,6)
<b>TOTAL NET SOURCES</b>	<b>(855,5)</b>	<b>(921,5)</b>

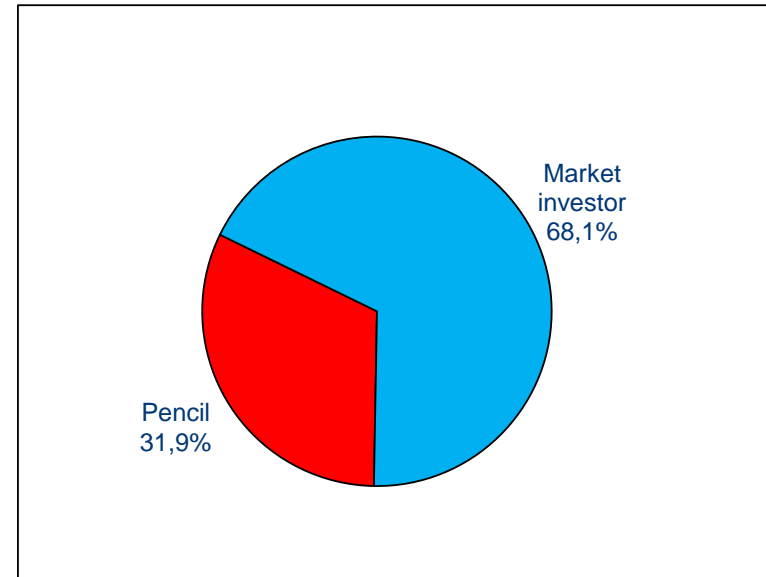
# FILA Shareholders



## Total shares \*



## Ordinary shares only



\*Total shares 51.004.952 of which : Ordinary shares 42.923.096; Class B shares 8.801.856 (enjoy three votes each in accordance with Article 127-sexies of Legislative Decree No. 58/1998).

*Last update April 2020*

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