



Il futuro ha i nostri colori. Da 100 anni.

# H1 2020 FILA Group Results



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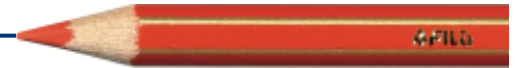
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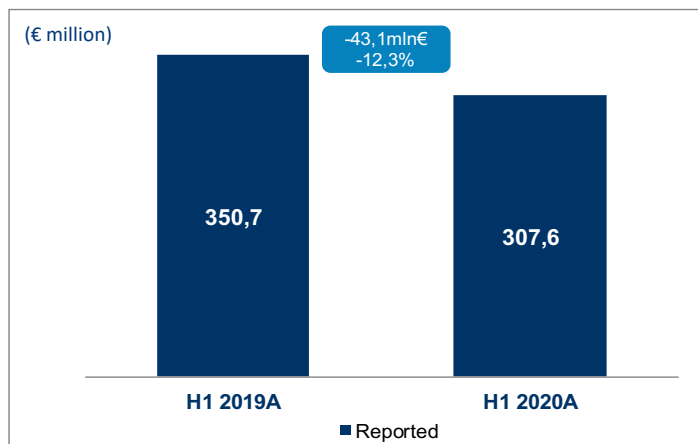
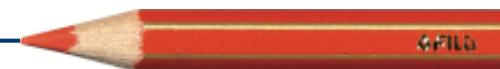
# H1 2020 Highlights

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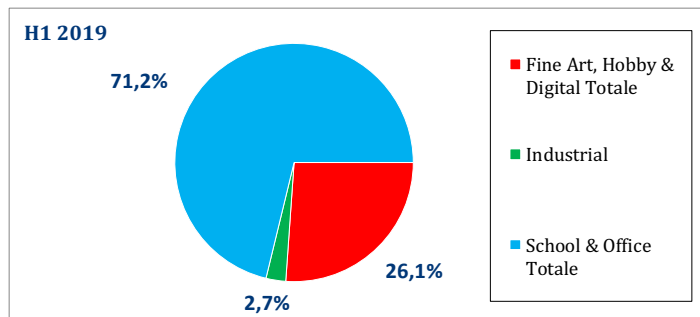
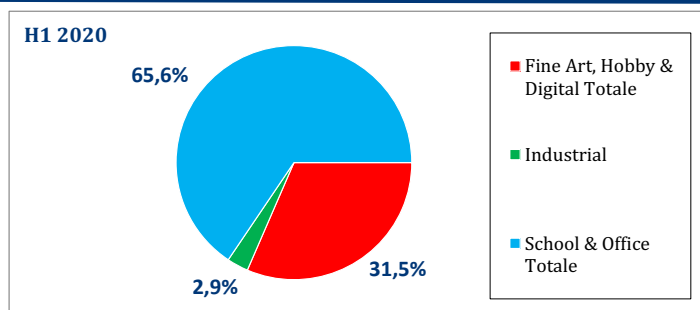
- H1 2020 Revenue of Euro 307.6 million, -12.3% on the same period of the previous year (Euro 350.7 million in H1 2019), the contraction is due to the spread of COVID-19 and the consequent lockdown;
- Adjusted EBITDA, net of IFRS 16 effects in H1 2020, of Euro 46.2 million, -20.7% on H1 2019 (Euro 58.2 million), due to the COVID-19 impact;
- Adjusted Group Net Profit, net of IFRS 16 effects, in H1 2020 of Euro 9.5 million (Euro 21.9 million in H1 2019), mainly due to lower EBITDA and higher financial expense, exclusively due to currency losses;
- Net Bank Debt decrease of Euro 14.2 million in the last 12 months, notwithstanding the cash out for ARCHES® acquisition of Euro 43.6 million and Euro 4.1 million for related consulting fees and other closing expense => Net Bank Debt decrease in last twelve months of Euro 61.9 million, excluding the total cash out sustained for the acquisition of Arches;
- “Free Cash Flow to Equity” of Euro -60.2 million, including consultancy commissions and other expenses for the acquisition of ARCHES® for Euro 4.1 million (Euro -51 million in H1 2019);
- Net Financial Position at June 30, 2020, including the IFRS 16 effect, of Euro -611.3 million (Euro -498.2 million at December 31, 2019). This increase is mainly due to the acquisition of ARCHES® for Euro 43.6 million, Mark to Market Interest Hedging increase for Euro 10,2 million and business seasonality impact.

# H1 2020 Core Business Sales

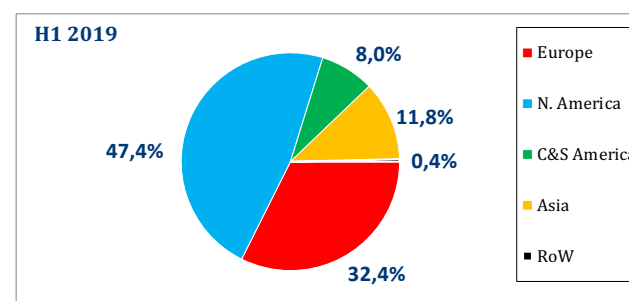
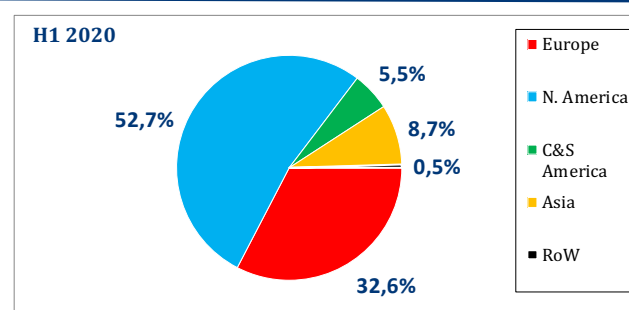


- **Core Business Sales of 307,6mln €, -43,1mln € (-12,3%) compared to H1 2019 Results;**
- **Organic contraction -40,9mln € (-11,8%),** FX and M&A effects excluded, of which:
  - By Geographic Area: Europe -14,8mln € (-13,0%), Asia -14,0mln € (-33,9%), Centre & South America -8,2mln € (-29,3%), North America -4,1mln € (-2,5%), partially offset by Other Countries +0,2mln € (+17,1%);
  - By Product line: School & Office -44,5mln € (-18,0%), Industrial -0,2mln € (-2,6%) partially offset by Fine Art, Hobby & Digital +3,8mln € (+4,2%).
- **M&A effects** related to Arches acquisition in March 2020 and Superior business sold in October 2019.

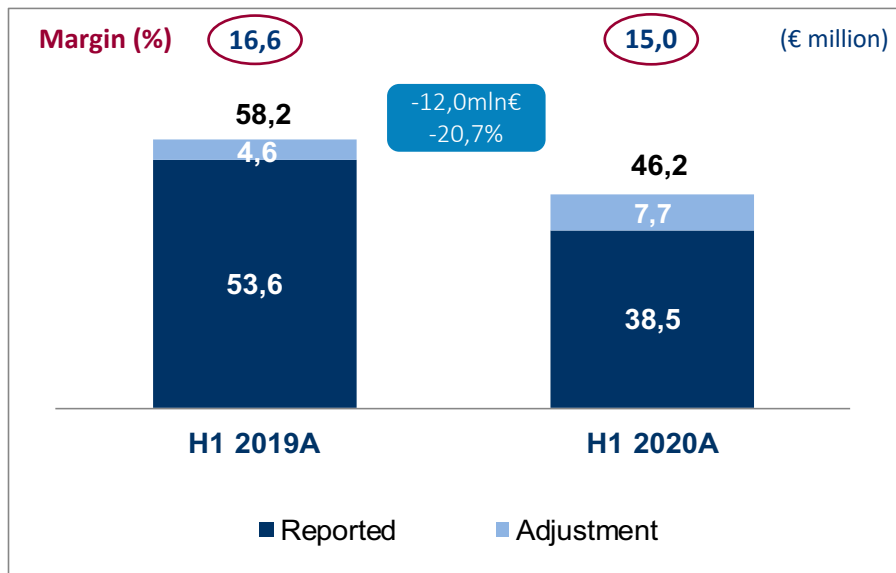
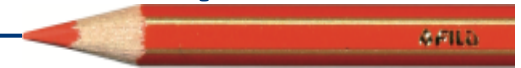
## SALES BY PRODUCT LINE



## SALES BY GEOGRAPHICAL AREA

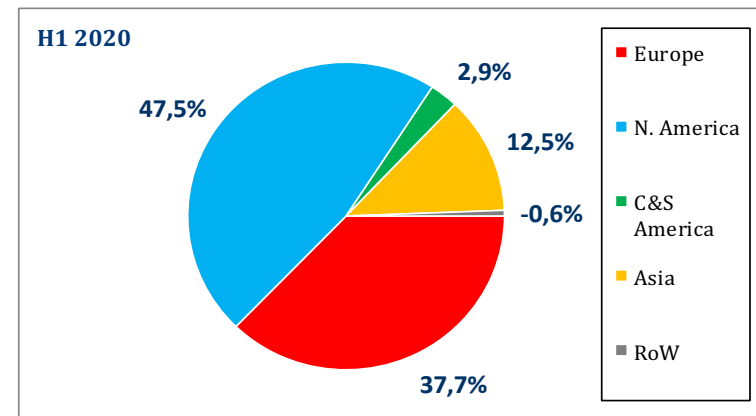
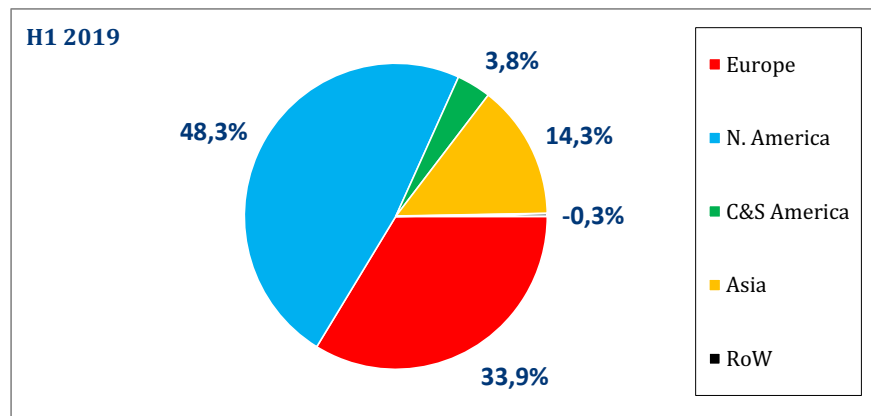


# H1 2020 EBITDA Adjusted (Excluded IFRS 16)

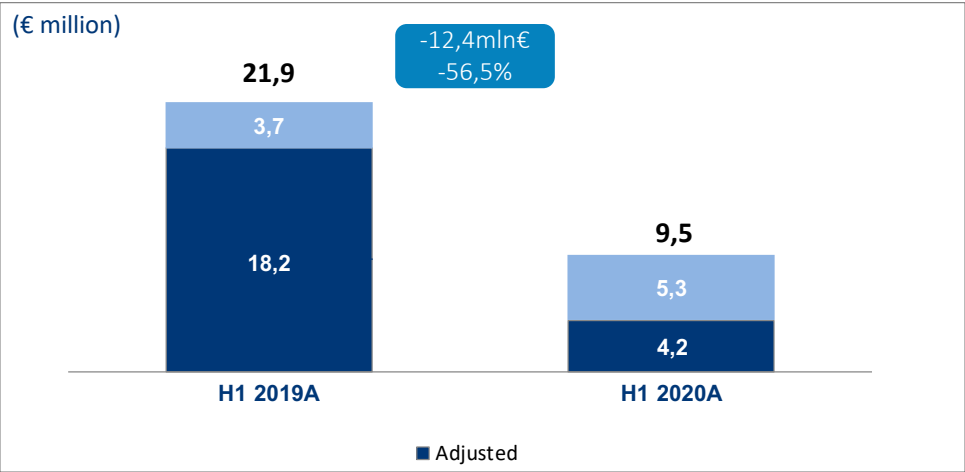
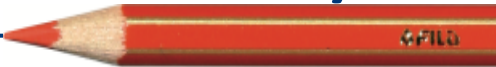


- Adjusted EBITDA of 46,2mln €, -12,0mln € (-20,7%) compared to H1 2019 Results;
- Organic variation -13,3mln € (-23,2%), FX and M&A effects excluded;
- 7,7mln € of extraordinary costs in H1 2020 related to Fila Arches acquisition (4,5mln €), COVID-19 pandemic (2,0mln €) and FILA Group reorganization costs (1,2mln €); 4,6mln € of extraordinary costs in H1 2019 mainly due to reorganization costs;
- M&A effects related to Arches acquisition in March 2020 and Superior business sold in October 2019.

## ADJUSTED EBITDA BY GEOGRAPHICAL AREA



# H1 2020 Net Income Adjusted (Excluded IFRS 16)



- Adjusted Net Income of 9,5mln €, -56,5% compared to H1 2019. Results mainly affected by higher financial costs related to negative FX effect;
- The adjustment of the Group Result in H1 2020 for 5,3mln € mainly refers to extraordinary operating costs for Arches acquisition and COVID-19 pandemic, net of taxes effects;
- The adjustment of the Group Result in H1 2019 for 3,7mln € mainly refers to group reorganization costs, net of taxes effects.

Data in millions of euros; for precise data refer to 6M FILA financial report

# H1 2020 Net Financial Position



(€ million)	H1 2019A	2019A	H1 2020A
Net Cash and Cash Equivalents	13,2	85,6	67,2
Financial Liabilities	(531,3)	(489,1)	(571,1)
<b>Net Bank Debt</b>	<b>(518,1)</b>	<b>(403,5)</b>	<b>(503,9)</b>
Amortized cost	7,1	5,6	7,6
Financial Receivables	0,8	1,1	0,3
Mark to Market Hedging	(15,8)	(13,6)	(23,8)
<b>NFP excluded IFRS 16</b>	<b>(526,0)</b>	<b>(410,4)</b>	<b>(519,9)</b>
IFRS 16	(76,4)	(87,8)	(91,4)
<b>NFP included IFRS 16</b>	<b>(602,4)</b>	<b>(498,2)</b>	<b>(611,3)</b>

- **Net Bank Debt decrease of 14,2mln €** in the last twelve months, notwithstanding the cash out for Arches acquisition of 43,6mln € and related consultancy fees and other closing expense for 4,1mln € => **Net Bank Debt decrease in last twelve months of 61,9mln € excluding Arches Acquisition cash out.**
- **H1 2020 Net Financial Position increase of 113,1mln €, below the main variations:**
  - M&A Arches acquisition price for 43,6mln €;
  - Free Cash Flow to Equity negative for 60,2mln € (56,1mln € excluding consultancy fees and other closing expense for 4,1mln €).



# H1 2020 Cash Flow Statement



(€ million)		H1 2019A	H1 2020A
<b>CASH FLOW</b>			
<b>EXCLUDED IFRS 16</b>	<b>EBIT</b>	<b>38,8</b>	<b>21,2</b>
	Adjustments for non monetary costs	15,5	17,5
	Adjustments for taxes	(3,6)	(1,4)
	<b>Cash-flow from operating activities before changes in NWC</b>	<b>50,7</b>	<b>37,3</b>
	Changes in net working capital	(81,7)	(81,6)
	<b>Operating cash-flow</b>	<b>(31,0)</b>	<b>(44,3)</b>
	Investments in tangible and intangible assets	(8,0)	(6,1)
	<b>Free Cash Flow</b>	<b>(39,0)</b>	<b>(50,4)</b>
	Net financial expenses	(13,0)	(10,9)
	Other changes	(2,1)	(2,2)
	IFRS 16 Impact	3,0	3,3
	<b>Free Cash Flow to Equity</b>	<b>(51,0)</b>	<b>(60,2)*</b>
	Capital increase/reimbursement/dividends	(4,3)	(0,3)
	Adjustment mark to market hedging	(10,7)	(10,2)
Effect of FX rate movements	(3,1)	9,9	
IFRS 16 Net Financial Position	(80,5)	(8,7)	
M&A - Arches acquisition	-	(43,6)	
<b>Changes in Net Financial Position</b>	<b>(149,6)</b>	<b>(113,1)</b>	

\*Including cash out of 4,1mln € for consultancy fees and other closing expense related to Arches acquisition.





# Appendix



# H1 2020 Income Statement Reported



(€ million)	H1 2019A	% on Sales	H1 2020A	% on Sales
<b>PROFIT &amp; LOSS</b>				
Core Business Sales	350,7		307,5	
Other revenues	3,7		6,0	
<b>Total revenues</b>	<b>354,4</b>		<b>313,5</b>	<b>0,0%</b>
Cost for Raw Materials and Supplies net Increase(decrease) inventory	(158,1)	(45,1%)	(142,9)	(46,5%)
Costs for Services and Use of Third-Party Assets	(61,2)	(17,5%)	(53,0)	(17,2%)
Personnel Costs	(71,4)	(20,3%)	(66,9)	(21,8%)
Other Operating Costs	(3,8)	(1,1%)	(5,5)	(1,8%)
<b>Total operating costs</b>	<b>(294,5)</b>	<b>(84,0%)</b>	<b>(268,3)</b>	<b>(87,3%)</b>
<b>EBITDA</b>	<b>59,9</b>	<b>17,1%</b>	<b>45,2</b>	<b>14,7%</b>
Depreciation and Amortization	(19,5)	(5,6%)	(21,6)	(7,0%)
Write-Downs	(0,8)	(0,2%)	(1,3)	(0,4%)
<b>EBIT</b>	<b>39,7</b>	<b>11,3%</b>	<b>22,3</b>	<b>7,3%</b>
Financial income/expenses	(15,3)	(4,4%)	(17,2)	(5,6%)
Income/expenses from associates at equity method	0,1	0,0%	(0,1)	(0,0%)
<b>PBT</b>	<b>24,5</b>	<b>7,0%</b>	<b>5,0</b>	<b>1,6%</b>
Taxes	(6,4)	(1,8%)	(2,9)	(0,9%)
<b>Total net profit (loss) of the period</b>	<b>18,0</b>	<b>5,1%</b>	<b>2,2</b>	<b>0,7%</b>
Total net profit (loss) attributable to non controlling interests	1,1	0,3%	(0,6)	(0,2%)
<b>Fila Group's total net profit (loss) of the period</b>	<b>17,0</b>	<b>4,8%</b>	<b>2,8</b>	<b>0,9%</b>

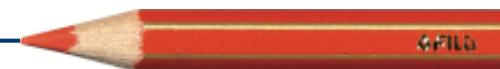
# H1 2020 Income Statement Adjusted



(€ million)

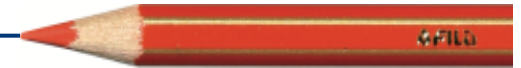
	H1 2019A	% on Sales	H1 2020A	% on Sales
<b>P&amp;L ADJUSTMENTS</b>				
REPORTED CORE BUSINESS SALES	350,7		307,5	
Total Adjustments			0,1	
<b>ADJUSTED CORE BUSINESS SALES</b>	<b>350,7</b>		<b>307,6</b>	
REPORTED EBITDA	59,9	17,1%	45,2	14,7%
IFRS 16 Impact	(6,3)		(6,7)	
Total Adjustments	4,6		7,7	
<b>ADJUSTED EBITDA EXCLUDED IFRS 16</b>	<b>58,2</b>	<b>16,6%</b>	<b>46,2</b>	<b>15,0%</b>
REPORTED FILA GROUP NET PROFIT	17,0	4,8%	2,8	0,9%
Total Adjustments	3,7		5,3	
<b>ADJUSTED FILA GROUP NET PROFIT</b>	<b>20,7</b>	<b>5,9%</b>	<b>8,1</b>	<b>2,6%</b>
IFRS 16 Impact	(1,2)		(1,4)	
<b>ADJUSTED FILA GROUP NET PROFIT EXCLUDED IFRS 16</b>	<b>21,9</b>	<b>6,2%</b>	<b>9,5</b>	<b>3,1%</b>

# H1 2020 Balance Sheet Reported

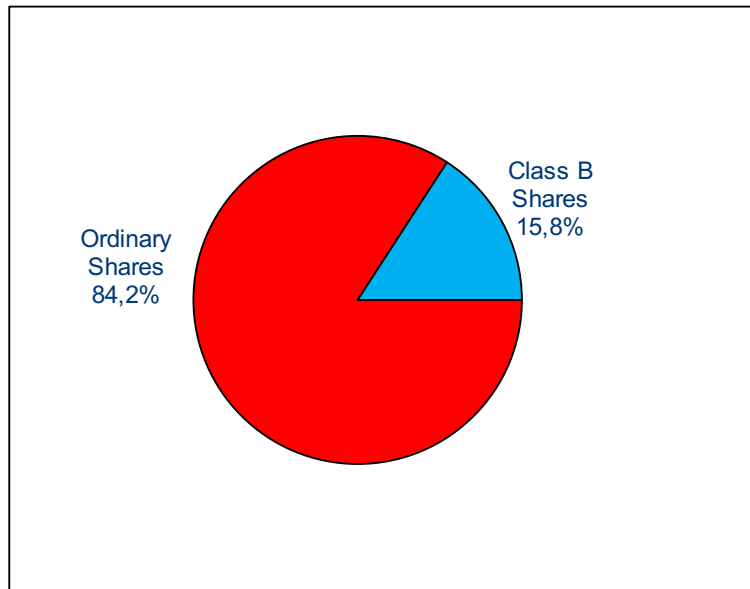


(€ million)	2019A	H1 2020A
<b>BALANCE SHEET</b>		
Intangible assets	430,6	463,1
Tangible Assets	186,0	185,2
Financial Fixed Assets	3,7	3,4
<b>Fixed Assets</b>	<b>620,3</b>	<b>651,7</b>
<b>Other Non Current Assets/Liabilities</b>	<b>18,3</b>	<b>19,0</b>
<b>Trade Working Capital</b>	<b>291,1</b>	<b>357,2</b>
Other Current Assets and Liabilities	3,8	1,0
<b>Net Working Capital</b>	<b>294,9</b>	<b>358,2</b>
<b>Provisions &amp; Funds</b>	<b>(78,0)</b>	<b>(82,3)</b>
<b>NET CAPITAL EMPLOYED</b>	<b>855,5</b>	<b>946,7</b>
Shareholders equity	(357,3)	(335,4)
Net Financial Position	(498,2)	(611,3)
<b>TOTAL NET SOURCES</b>	<b>(855,5)</b>	<b>(946,7)</b>

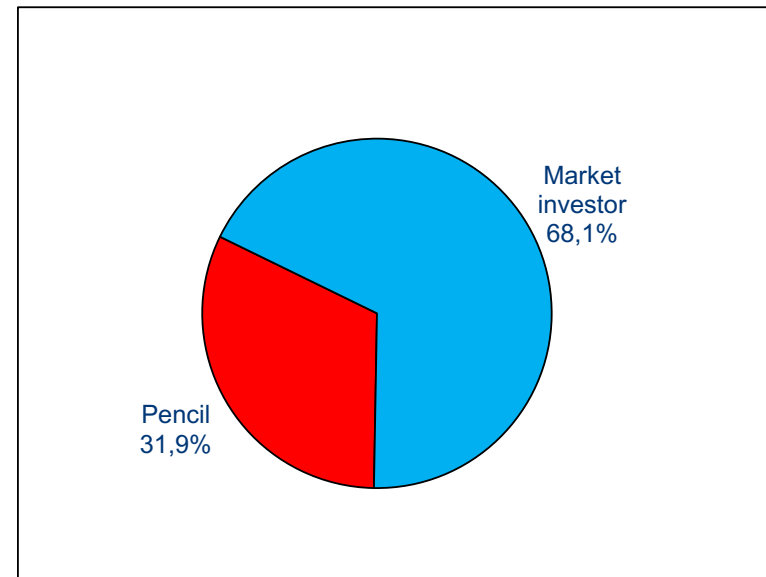
# FILA Shareholders



## Total shares \*



## Ordinary shares only



\*Total shares 51.040.048 of which : Ordinary shares 42.958.192; Class B shares 8.801.856 (enjoy three votes each in accordance with Article 127-sexies of Legislative Decree No. 58/1998).

*Last update June 2020*

**Investor Relations F.I.L.A.**

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