

**F.I.L.A. – FABBRICA ITALIANA LAPIS ED AFFINI S.P.A**



**ILLUSTRATIVE REPORT OF THE BOARD OF DIRECTORS ON POINT 2 OF THE AGENDA OF THE  
SHAREHOLDERS' MEETING OF F.I.L.A. - FABBRICA ITALIANA LAPIS ED AFFINI S.P.A., IN  
EXTRAORDINARY SESSION, CALLED FOR APRIL 27, 2021 IN SINGLE CALL**

(drawn up in accordance with Article 2441, paragraph 4, last sentence, of the Civil Code, Article 125-*ter* of Legislative Decree No. 58 of February 24, 1998 and Articles 72, paragraph 1-*bis* and 84-*ter* of the Regulation adopted with Consob Motion No. 11971 of May 14, 1999 and in compliance with Annex 3A to the same Consob regulation)

Report approved by the Board of Directors of F.I.L.A. – Fabbrica Italiana Lapis ed Affini S.p.A. at the meeting of March 16, 2021 and available on the website [www.filagroup.it](http://www.filagroup.it)

**Point 2 on the Agenda of the Shareholders' Meeting of F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A., in extraordinary session, called for April 27, 2021 in single call:**

**“Granting of the power to the Board of Directors, pursuant to Article 2443 of the Civil Code, for a period of five years from the date of the Shareholders' Meeting resolution granting the power, to increase the paid-in share capital, in one or more tranches, with the exclusion of pre-emption rights, pursuant to Article 2441, paragraph 4, second sentence, of the Civil Code; consequent amendment of Article 5 of the By-Laws; resolutions thereon. “**

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Dear Shareholders,

you have been called for April 27, 2021 for the Shareholders' Meeting of F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A. ("**Fila**" or the "**Company**") to resolve, in extraordinary session, on the proposal to grant the Board of Directors, pursuant to Article 2443 of the Civil Code, the power, for a period of 5 years from the date of the shareholders' resolution granting such power, to increase the share capital for cash and in divisible form and also in several tranches, with the exclusion of option rights, pursuant to and in accordance with Article 2441, paragraph 4, second sentence, of the Civil Code (the "**Power**"), according to the terms and conditions better described below.

The purpose of this report (the "**Report**") is to explain the reasons justifying the proposal to grant the Power to Fila's Board of Directors and the exclusion of the option right, the criteria adopted to determine the issue price of the new ordinary Fila shares, as well as the consequent amendments to the Company's By-Laws (the "By-Laws"), in accordance with the provisions of Article 2441, paragraph 4, last sentence, of the Civil Code, Article 125-*ter* of Legislative Decree No. 58 of February 24, 1998 (the "CFA") and Articles 72, paragraph 1-*bis*, and 84-*ter* of the regulation adopted with CONSOB Resolution No. 11971 of May 14, 1999 (the "**Issuers'** Regulations"), as well as in compliance with Annex 3A to the Issuers' Regulations.

The Board of Directors of the Company, during the meeting held on March 16, 2021, approved this Report, which was then made available to the public in accordance with the terms and procedures set out by law and regulations; the Report was therefore filed at the registered office in Pero (MI), via XXV Aprile, no. 5, and published on the Company's website, at the address "[www.filagroup.it](http://www.filagroup.it)" Governance - Corporate documents - Meetings" section, as well as at the authorised storage mechanism "eMarketStorage", at the address "[www.emarketstorage.com](http://www.emarketstorage.com)".

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## 1 SUBJECT AND EXTENT OF POWER

Pursuant to Article 2443 of the Civil Code, the By-Laws - also through an amendment thereto - may grant the Directors the power to increase the share capital, on one or more occasions, up to a specified amount and for a maximum period of 5 years from the date of the resolution on the amendment, also by excluding or limiting the pre-emption right pursuant to Article 2441, paragraph 4, second sentence, of the Civil Code. Article 6.2 of the By-Laws expressly provides for this option<sup>1</sup>.

On the other hand, Article 2441, paragraph 4, second sentence, of the Civil Code only allows companies with shares listed on regulated markets or traded on multilateral trading systems to exclude shareholders' pre-emption rights on newly issued ordinary shares up to a limit of 10% of the pre-existing share capital, where envisaged in the By-Laws and provided that the issue price corresponds to the market value of the shares and this is confirmed in a report by an audit firm or an auditor. Article 6.3 of the By-Laws expressly provides for this option<sup>2</sup>.

In view of the above and for the reasons and objectives as further described below in this Report, it is proposed to confer to the Board of Directors of Fila the Power, or rather the faculty, pursuant to Article 2443 of the Civil Code, to be exercised within a period of 5 years from the date of the Shareholders' Meeting resolution conferring such power, to increase the share capital, on one or more occasions, for consideration, on a divisible basis, pursuant to Article 2439, paragraph 2 of the Civil Code, with exclusion of the option right pursuant to Article 2441, paragraph 4, second sentence of the Civil Code, by means of the issuance, in one or more tranches, of a maximum of 5,104,004 ordinary Fila shares, identical in nature to the shares already in circulation at the date of issuance, without par value and with regular dividend rights, or - if lower - the issuance of a number of ordinary shares which, at each date of the execution of the power (and considering any other new Fila ordinary shares issued in execution of the power), represent 10% of the total number of Fila shares (ordinary or special) at the same date.

It is also proposed to grant Fila's Board of Directors the power to establish, on a case-by-case basis, the number of new Fila ordinary shares to be issued as part of the share capital increase referred to in the Proxy (the "**New Shares**") and the date on which they will become effective, as well as the unit issue price of the New Shares (including the allocation between implicit accounting parity and share premium), in compliance with the provisions of Article 2441, paragraph 4, second sentence, of the Civil Code.

The New Shares will be offered for subscription to Italian and foreign institutional and/or qualified investors, or to the Company's strategic and/or industrial partners, in a total number of less than 150 and, therefore, exempt from the preparation and publication of a prospectus.

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<sup>1</sup> Pursuant to Article 6.2 of the By-Laws, "*The Shareholders' Meeting may grant the Board of Directors the power to increase the share capital on one or more occasions, up to a specified amount and for a maximum period of five years from the date of the resolution [...]*"

<sup>2</sup> Pursuant to Article 6.3 of the By-Laws "*The option right for shareholders on newly issued ordinary shares may be excluded, in accordance with Article 2441, paragraph 4, second sentence of the Civil Code, within the limits of 10% of pre-existing share capital, provided that the issue price corresponds to the market value of the shares and this is confirmed in a report by an audit firm or an auditor.*"

## **2 JUSTIFICATION FOR POWER AND CRITERIA FOR ITS EXERCISE. RATIONALE FOR THE EXCLUSION OF THE OPTION RIGHT**

In spite of the macroeconomic scenario and the global crisis linked to the COVID-19 pandemic, the Company and the Group it heads (the "**Fila Group**") intend to continue to resolutely pursue their strategy of strengthening and sustainable growth on the domestic and international markets, with the aim of creating ever greater value for their Shareholders. Continuing from its past success, the growth strategy of the Company and, in general, of the Fila Group may be pursued both through internal and external lines, including through acquisitions.

In order to support the process of strengthening and growth, as well as the consequent objectives of creating sustainable value for its Shareholders, Fila's Board of Directors believes it is appropriate for the Company to be able to have access, quickly and flexibly, to the financial resources necessary to seize, as quickly as possible, the opportunities offered by the market. Moreover, the resources obtained through the possible exercise of the Power can be used to meet the financial needs that may arise in the period following the date of the shareholders' resolution granting the Power.

The granting of the Power would also allow Fila's Board of Directors to determine with greater flexibility the characteristics of the share capital increase as a whole, both in terms of size and with reference to the economic conditions, defining these conditions in light of the market scenario existing at the time of exercising the Power and in line with the best practices for similar transactions, in compliance with the limits and criteria provided for by law. In particular, in a context characterised by the high volatility of the financial markets and by persisting uncertainties, the Power in question would make it possible to limit the risk of possible negative impacts of this scenario on the strategies pursued by the Fila Group and would allow the Company to take advantage of the best market conditions for the implementation of corporate transactions, thanks to the greater speed and flexibility allowed by the Power instrument compared to the timeframes and methods of Shareholders' Meeting resolutions.

With regard to the exclusion of pre-emption rights, the possibility of offering newly issued shares to third parties would make it possible, on the one hand, to carry out corporate transactions with strategic and/or industrial partners and, on the other hand, to expand the shareholding structure with particular reference to primary institutional and/or qualified investors, both Italian and foreign, interested in a stable and long-term investment in Fila. This would also result in an increase in the free float, ensuring not only greater liquidity of Fila shares but also greater visibility and better positioning of the Company on the market.

## **3 CRITERIA FOR DETERMINING THE ISSUE PRICE OF THE NEW SHARES**

Fila's Board of Directors shall have the power to establish, from time to time, the issue price (including any share premium) of the New Shares within the limits and in accordance with Article 2441, paragraph 4, second sentence, of the Civil Code. Therefore, the issue price of the New Shares must correspond to the market value of Fila ordinary shares and this must be confirmed in a specific report by a statutory auditor or auditing firm.

Upon each exercise of the Power, these reports will be submitted to the Board of Directors of Fila and - together with the Board of Directors' Report pursuant to Article 72, paragraphs 1 and 6, of the Issuers'

Regulation - will be made available to the public according to the methods and within the terms set out by the legal and regulatory provisions in force and applicable at the time.

#### **4 DURATION OF THE POWER AND EXERCISE PERIOD**

It is proposed to establish that the duration of the Power is equal to the maximum term provided for by law, i.e. 5 (five) years starting from the date of the Shareholders' Meeting resolution granting the Power, and to establish that it can be exercised more than once. Therefore, if approved by the Shareholders' Meeting, the Power must, in any case, be exercised by April 27, 2026, after which it will automatically lapse.

Subject to the above, the timing of the exercise of the Power, pursuant to Article 2443 of the Civil Code, as well as the terms and conditions of any issues will depend on the actual opportunities that will arise as well as on the market and will be promptly notified to the market pursuant to the legal and regulatory provisions in force and applicable at the time, as soon as they are determined by the Board of Directors of the Company.

#### **5 AMENDMENT OF ARTICLE 5 OF THE BY-LAWS**

In the event that the Shareholders approve the granting of the Power, the following amendments will be made to the text of Article 5 of the By-Laws, highlighting the newly inserted words in bold type.

Existing Text	Proposed text
Article 5 - Share capital and shares	Article 5 - Share capital and shares
5.1. The share capital amounts to Euro 46,967,523.68 and is divided into 51,040,048 shares, of which 42,958,192 Ordinary shares and 8,081,856 Special Class B shares (“B Shares”), all without par value.	[Unchanged]
The Extraordinary Shareholders’ Meeting of October 9, 2013, among other matters, approved the increase of the divisible paid-in share capital, for a maximum total amount including share premium of Euro 7,788,750, to be reserved for the exercise of 750,000 F.I.L.A. S.p.A. Sponsor Warrants, in accordance with the terms and conditions established by the regulation approved by the Extraordinary Shareholders’ Meeting at the same meeting (as amended by the Board of Directors on January 15, 2015 in accordance with Article 6.2 of the same regulation), through the issuance of a maximum of 750,000 ordinary shares without nominal value at a price of Euro 10,385; the deadline as per Art. 2439 of the Civil Code, the rights and the effectiveness of this last increase shall be regulated by the relevant motion.	[Unchanged]
“The Extraordinary Shareholders’ Meeting of October 11, 2018 approved a divisible paid-in share capital increase for a maximum Euro 1,809,665.44, including any share premium and at a unitary subscription price equal to Euro	[Unchanged]

<p>10.48, to be executed by and not beyond December 31, 2025, to facilitate exercise of the warrants assigned to managers employed by the subsidiary Pacon Holding Company, and therefore with exclusion of the pre-emption right as per Article 2441, paragraph 8 of the Civil Code, through the issue of 172,678 ordinary shares.</p>	<p>On March 27, 2021, the Extraordinary Shareholders' Meeting granted the Board of Directors, pursuant to Article 2443 of the Civil Code and for a period of 5 (five) years from the date of the resolution, the power to increase the share capital, on one or more occasions, for consideration, on a divisible basis, pursuant to Article 2439, paragraph 2 of the Civil Code, with exclusion of the option right pursuant to Article 2441, paragraph 4, second sentence of the Civil Code, by means of the issuance, in one or more tranches, of a maximum of 5,104,004 ordinary Fila shares, identical in nature to the shares already in circulation at the date of issuance, without par value and with regular dividend rights, or - if lower - the issuance of a number of ordinary shares which, at each date of the execution of the power (and considering any other Fila ordinary shares issued in execution of the same power) will represent 10% (ten per cent) of the total number of shares outstanding (ordinary and special) at that date.</p> <p>For the purposes of the exercise of the powers set out above, the Board of Directors is also granted full powers: (a) to set, for each tranche, the number, unit price of issue (including any share premium) and the rights date of the new ordinary Fila shares issued with the share capital increase pursuant to the present Power (the "New Shares"), within the limits pursuant to Article 2441, paragraph 4, second period and/or Article 2438 and/or Article 2346, paragraph 5, of the Civil Code; (b) to set the end of the subscription period for the Company's new ordinary shares; and (c) to execute the above delegated authority and powers, including, for example, those required to make the amendments to the by-laws that are necessary and consequential from time to time.";</p>
<p>5.2. The ordinary shares, Class B shares and the warrants are subject to dematerialisation in accordance</p>	<p>[Unchanged]</p>

<p>with Articles 83-bis and subsequent of Legislative Decree No. 58/1998.</p>	
<p>5.3. The assignment of profits and/or retained earnings to employees of the company or the subsidiaries, through the issue of shares in accordance with the first paragraph of Article 2349 of the Civil Code is permitted.</p> <p>The Directors are granted the powers for five years from April 18, 2019 to increase the share capital in service of implementing the “2019-2021 Performance Shares Plan” for a maximum amount of Euro 458,049.00 (to be fully allocated to the share capital) with the issue of a maximum 497,879 ordinary FILA shares, without indication of nominal value, with the same features as those in circulation and normal rights, through the assignment of a corresponding maximum amount of profits and/or retained earnings from the latest financial statements approved in accordance with Article 2349 of the Civil Code, at the same terms, conditions and means established by the Plan.</p>	<p>[Unchanged]</p>
<p>5.4. The ordinary shares are to bearer, indivisible, freely transferable and confer to the owners equal rights. In particular, each ordinary share attributes the right to one vote at the Ordinary and Extraordinary Shareholders’ Meeting of the company, as well as additional equity and administrative rights pursuant to the By-Laws and statutory law.</p>	<p>[Unchanged]</p>
<p>5.5. Class B shares have the same rights as ordinary shares, except exclusively for the following:</p> <ul style="list-style-type: none"> <li>(a) every Class B share has the right to three votes in accordance with Article 127-sexies of Legislative Decree No. 58/1998 at all shareholders’ meetings of the Company, in compliance with any limits established by law;</li> <li>(b) they are automatically converted into ordinary shares at the ratio of one ordinary share for every Class B share (without the need for approval at a Special Class B Shareholders’ Meeting, nor by the shareholders of the Company) in the event of (i) sale to parties who are not already owners of Class B shares, except in the case where the transferee is a holding company, controlled by or subject to common control with the transferor and, on the understanding that, in this case, if the transferee loses the status of a holding company, controlled</li> </ul>	<p>[Unchanged]</p>



<p>by or subject to common control with the transferor, all the Class B shares of the holder will be automatically converted into ordinary shares at the ratio of one ordinary share for every Class B share and (ii) change of control of the person holding the Class B shares, where the holding company means the party who, under applicable law, is obliged to provide information about major holdings (the "Ultimate Parent") and this, except for cases where this change of control takes place (1) not by inter vivos transaction; or (2) inter vivos in favour of parties who are successors in title of the Ultimate Parent and/or in favour of a Company or other entities directly or indirectly controlled by the Ultimate Parent or its direct successors in title or where they themselves are the beneficiaries, specifying that the change from exclusive control to joint control with third parties acting jointly with the Ultimate Parent will not constitute a change in control for the purposes of this section 5.6 (b);</p> <p>(c) They may be converted, in whole or in part, or in one or more tranches, into ordinary shares at the simple request of the holder, to be sent to the Chairman of the Board of Directors of the Company and in copy to the Chairman of the Board of Statutory Auditors, and always on the basis of one ordinary share for every Class B share.</p> <p>Conversion is to be confirmed by the Board of Directors through a motion passed by statutory majority. In the event that the Board of Directors fails to do so, the conversion is to be confirmed by the Board of Statutory Auditors through a motion passed by a majority of those present.</p> <p>Ordinary shares may not be converted into B Shares.</p>	
<p>5.6. The Company may decide to issue Class B shares to a limited extent in cases of (a) a share capital increase in accordance with Art. 2442 of the Civil Code, i.e. by means of new contributions without exclusion or limitation of option rights, in any case in combination with ordinary shares in accordance with the following art. 5.9; and (b) a merger or spin-off.</p>	<p>[Unchanged]</p>
<p>5.7. In the event of a share capital increase to be undertaken through the issue of ordinary shares, all shareholders will have the right to subscribe to the newly-issued ordinary shares (unless the option right is</p>	<p>[Unchanged]</p>

<p>excluded in accordance with law or there is no entitlement) in proportion and in relation to the shares - including ordinary shares or Class B shares – held at the moment of share capital increase. In such cases, the approval of the relevant resolution by a Special Class B Shareholder’s Meeting is excluded in accordance with Art. 2376 of the Civil Code.</p>	
<p>5.8. In the event of a share capital increase through the issue of ordinary or B Shares: (i) the number of the ordinary and B Shares to be issued must be proportional to the number of ordinary and B Shares of the share capital at the date of the relative resolution; and (ii) the ordinary and B Shares to be issued must be offered to each shareholder in relation to and in proportion to, respectively, the ordinary and B Shares held at the date of the share capital increase, noting that the B Shares may only be subscribed by shareholders already holders of B Shares; in the absence of subscription of the newly issued B Shares by the shareholders of the B Shares, the B Shares will automatically convert into ordinary shares based on one share for every B Share and will be offered to the other shareholders in accordance with applicable legal provisions.</p>	<p>[Unchanged]</p>
<p>5.9. Where the Company participates in a merger by incorporation as the incorporating company or in a merger, the holders of the B Shares will have the right to receive, within the share swap ratio, shares with the same characteristics - in relation to the multi-voting rights – as the B Shares, in accordance with applicable legal provisions.</p>	<p>[Unchanged]</p>

## **6 EVALUATION OF THE RIGHT OF WITHDRAWAL**

The amendments to the By-Laws illustrated in paragraph 5 of this Report do not give rise to the right of withdrawal of shareholders who did not take part in the resolution, since none of the cases provided for in Article 2437 of the Civil Code or in other current and applicable legal or regulatory provisions or By-Laws apply.

## **7 ECONOMIC AND FINANCIAL EFFECTS OF THE TRANSACTION, EFFECTS ON THE UNIT VALUE OF THE SHARES AND DILUTION**

Upon execution of the Power, the Board of Directors of Fila will provide adequate information to the market regarding the economic and financial effects of the transaction, as well as the effects on the unit value of the shares and the dilution resulting from the transaction.

As of the date of this Report, Fila is controlled pursuant to Article 2359, paragraph 1, No. 1, of the Civil Code by Pencil S.p.A. ("**Pencil**"), a company in turn controlled by Massimo Candela. In particular, Pencil owns 13,694,563 Fila ordinary shares (each of which, pursuant to Article 5.4 of the By-Laws, assigns 1 vote) and 8,081,856 multiple-vote "B shares" (each of which, pursuant to Article 5.5(i) of the By-Laws, assigns 3 votes) and, therefore, holds a total of 56.5% of the voting rights that can be exercised at the Shareholders' Meeting.

In the event that the Power is fully exercised, resulting in the issue of up to 5,104,004 new Fila ordinary shares, Pencil will continue to control Fila pursuant to Article 2359, paragraph 1, No. 1, of the Civil Code by holding 51.6% of the total voting rights even assuming that:

- (i) the 18,249 "Pacon Manager Warrants"<sup>(3)</sup> in circulation at the date of this Report are fully exercised, with the consequent issue of a maximum of 18,249 new ordinary Fila shares;
- (ii) the 690,000 "F.I.L.A. S.p.A. Sponsor Warrants" <sup>(4)</sup> in circulation at the date of this Report are fully exercised, with the consequent issue of a maximum of 690,000 new ordinary Fila shares; and
- (iii) the authorization, granted by the Shareholders' Meeting of April 18, 2019 to the Board of Directors, to increase the share capital free of charge, pursuant to Article 2349 of the Civil Code, for a maximum amount of Euro 458,049.00 (to be charged in full to share capital) to service the Company's financial instrument-based incentive plan pursuant to Article 114-*bis* of the CFA approved by the Shareholders' Meeting of April 18, 2019 and called the "2019-2021 Performance Shares Plan", with the consequent issue of 497,879 new Fila ordinary shares, is fully executed.

## **8 MOTION PROPOSAL TO THE SHAREHOLDERS' MEETING IN EXTRAORDINARY SESSION**

Considering that stated above, the Board of Directors submits the following proposal for your approval:

*"The Shareholders' Meeting of F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A. in extraordinary session,*

- *having reviewed the illustrative report of the Board of Directors, drawn up in accordance with Article 2441, paragraph 4, last sentence, of the Civil Code, Article 125-ter of Legislative Decree No. 58 of February 24, 1998 and Articles 72 paragraph 1-bis and 84-ter of the Regulation adopted with Consob Motion No. 11971 of May 14, 1999 and in compliance with Annex 3A to the same Consob regulation, published in accordance with law;*
- *having noted the declaration of the Board of Statutory Auditors that Fila's current fully subscribed and paid-up share capital amounts to Euro 46,876,271.68, divided into 51,040,048 shares, of which 42,958,192 are ordinary shares and 8,081,856 are special class B shares, all with no indication of par value;*

### ***resolves***

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<sup>(3)</sup> The "Pacon Manager Warrants" entitle their respective holders to receive 1 new Fila ordinary share for each warrant exercised.

<sup>(4)</sup> The "F.I.L.A. S.p.A. Sponsor Warrants " entitle their respective holders to receive 1 new Fila ordinary share for each warrant exercised.

1. *to grant to the Board of Directors, pursuant to Article 2443 of the Civil Code and for a period of 5 (five) years from the date of this resolution, the power to increase the share capital, on one or more occasions, for consideration, on a divisible basis, pursuant to Article 2439, paragraph 2 of the Civil Code, with exclusion of the option right pursuant to Article 2441, paragraph 4, second sentence of the Civil Code, by means of the issuance, in one or more tranches, of a maximum of 5,104,004 ordinary Fila shares, identical in nature to the shares already in circulation at the date of issuance, without par value and with regular dividend rights, or - if lower - the issuance of a number of ordinary shares which, at each date of the execution of the power (and considering any other Fila ordinary shares issued in execution of the same power) will represent 10% (ten per cent) of the total number of shares outstanding (ordinary and special) at that date.*
  
2. *to grant, for the purposes of exercising the above delegation of powers, the Board of Directors of Fila all powers to:*
  - a. *fix, for each single tranche, the number, the unit issue price (including any share premium) and the entitlement date of the newly issued Fila ordinary shares, in compliance with the limits set out in Article 2441, paragraph 4, second sentence and/or Article 2438 and/or Article 2346, paragraph 5 of the Civil Code;*
  - b. *establish the time period for the subscription of the newly issued ordinary Fila shares; and*
  - c. *execute the delegation of authority and powers set forth in (a) and (b) above, including, without limitation, those necessary to make any consequential and necessary amendments to the By-Laws from time to time;*
  
3. *accordingly, to amend Article 5 of the By-Laws of Fila through the introduction of a new concluding paragraph to paragraph one, as follows: “On March 27, 2021, the Extraordinary Shareholders’ Meeting granted the Board of Directors, pursuant to Article 2443 of the Civil Code and for a period of 5 (five) years from the date of the resolution, the power to increase the share capital, on one or more occasions, for consideration, on a divisible basis, pursuant to Article 2439, paragraph 2 of the Civil Code, with exclusion of the option right pursuant to Article 2441, paragraph 4, second sentence of the Civil Code, by means of the issuance, in one or more tranches, of a maximum of 5,104,004 ordinary Fila shares, identical in nature to the shares already in circulation at the date of issuance, without par value and with regular dividend rights, or - if lower - the issuance of a number of ordinary shares which, at each date of the execution of the power (and considering any other Fila ordinary shares issued in execution of the same power) will represent 10% (ten per cent) of the total number of shares outstanding (ordinary and special) at that date.*

*For the purposes of the exercise of the powers set out above, the Board of Directors is also granted full powers: (a) to set, for each tranche, the number, unit price of issue (including any share premium) and the rights date of the new ordinary Fila shares issued with the share capital increase pursuant to the present Power (the “New Shares”), within the limits pursuant to Article 2441, paragraph 4, second period and/or Article 2438 and/or Article 2346, paragraph 5, of the Civil Code; (b) to set the end of the subscription period for the Company’s new ordinary shares; and (c) to execute the above delegated authority and powers, including, for example, those required to make the amendments to the by-laws that are necessary and consequential from time to time.”;*

4. *to grant the Board of Directors, and on its behalf the Chairman of the Board of Directors and the pro tempore Chief Executive Officer, severally and not jointly, with the right to sub-delegate to third parties, the widest possible powers necessary and/or appropriate, without any exclusion, (a) to execute what has been previously resolved and to exercise the powers that are the subject of the previous resolution; (b) to make, from time to time, any changes to Article 5 (five) of the By-Laws that are consequent to the resolutions, to the execution and completion of the delegated capital*

*increase; and (c) to introduce in these resolutions any amendments, changes or additions that may be necessary or otherwise required by the competent authorities, including at the time of registration with the Companies' Register, for these purposes providing for all the fulfilments and formalities (including publicity) necessary, preliminary, instrumental, connected with the implementation of the resolutions and the implementation of the delegated capital increase.”*

\* \* \*

Pero, March 16, 2021

On behalf of the Board of Directors

The Chairman

(Giovanni Gorno Tempini)