



Il futuro ha i nostri colori. Da 100 anni.

9M 2021 FILA Group Results



Disclaimer

This document has been prepared by F.I.L.A. S.p.A. (“F.I.L.A.” or the “Company”), for information purposes only, exclusively with the aim of assisting you to understand and assess F.I.L.A.’s activities. Statements contained in this presentation, particularly regarding any possible or assumed future performance of the F.I.L.A. Group, are or may be forward-looking statements based on F.I.L.A.’s current expectations and projections about future events. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond F.I.L.A.’s control. These risks, uncertainties and factors may cause F.I.L.A.’s actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statements (and from past results, performances or achievements). Forward-looking statements are not guarantees of future performance. Consequently, F.I.L.A. and its management can give no assurance regarding the future accuracy of the estimates of future performance set forth in this document or the actual occurrence of the expected developments. The data and information contained in this document are subject to changes and integrations. Although F.I.L.A. reserves the right to make such changes and integrations when it deems necessary or appropriate, F.I.L.A. assumes no affirmative obligation to update, change or integrate this document, except as and to the extent required by law. Any reference to the past performance of the F.I.L.A. Group shall not be taken as an indication of future performance. In addition, this presentation includes certain “Adjusted” financial and operating indicators and non-IFRS measures, which have been adjusted to reflect extraordinary events, non-recurring and/or non-monetary transactions and/or activities that are not directly related to the Group’s ordinary business. These measures are not indicative of our historical operating results, nor are they meant to be predictive of future results. These measures are used by F.I.L.A.’s management to monitor the underlying performance of the business and the operations. Since not all companies calculate these measures in an identical manner, F.I.L.A.’s presentation may not be consistent with similar measures used by other companies. Such “Adjusted” information has been included to facilitate the comparison of financial information among different financial periods; however, it should be noted that such information is not recognized as a measure of financial performance or liquidity under IFRS and/or does not constitute an indication of the historical performance of the Company or the Group. Therefore, investors should not place undue reliance on such data and information. The information contained in this document does not constitute or form any part of, and should not be construed as, any offer, invitation or recommendation to purchase, sell or subscribe for any securities in any jurisdiction and neither the issue of the information nor anything contained herein shall form the basis of or be relied upon in connection with, or act as any inducement to enter into, any investment activity. This document does not purport to contain all of the information that may be required to evaluate any investment in the Company or any of its securities and should not be relied upon to form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever. This presentation is intended to present background information on F.I.L.A., its business and the industry in which it operates and is not intended to provide complete disclosure upon which an investment decision could be made. The merit and suitability of investment in F.I.L.A. should be independently evaluated and determined by investors. Analyses in this presentation are not, and do not purport to be, appraisals of the assets, stock or business of F.I.L.A., and do not form any publicity material relating to the securities. Any person considering an investment in F.I.L.A. is advised to obtain independent advice as to the legal, tax, accounting, regulatory, financial, credit and other related advice prior to making an investment.

By attending this presentation, you agree to be bound by the foregoing terms.

9M 2021 Highlights



- Adjusted Core Business Sales of 496,5 mln €, +5,3% (+25,2mln €) on the same period of the previous year (471,3mln € in 9M 2020); +8,9% at comparable FX rates (+42,0mln €). School&Office +12,2%, Fine Art +2,3% and Industrial +10,4% vs 9M 2020.
- Adjusted EBITDA, excluding IFRS 16 impact, of 91,0mln €, +16,6% (+12,9mln €) on the same period of the previous year (78,0mln € in 9M 2020); +19,1% at comparable FX rates (+14,9mln €), mainly related to Europe and North America performance;
- Adjusted EBITDA margin at 18,3% (16,6% in 9M 2020) due to better operating margin related to the growth in School&Office sales in Europe and North America, Fine Art growth, better Sale Price/Mix and good operating cost management compared to 9M 2020;
- COVID-19 impacts on India and Mexico Sales (+11,1mln € vs 9M 2020 but -36,2mln € vs 9M 2019) and EBITDA (-0,3mln € vs 9M 2020 and -8,0 mln € vs 9M 2019), including FX rates effects;
- Adjusted Net Result of 39,7mln € with a strong improvement respect to 21,5mln € in 9M 2020 (+84,8%);
- Net Bank Debt of 389,4mln € (396,1mln € as at 31 December 2020 and 470,3mln € as at 30 September 2020) with a decrease in last twelve months of 80,9mln €, including negative FX effect of approx. -2,7mln €;
- “Free Cash Flow to Equity” at +21,4mln €, better than 9m 2020 (-38,0mln €) for EBIT growth and NWC improvement.

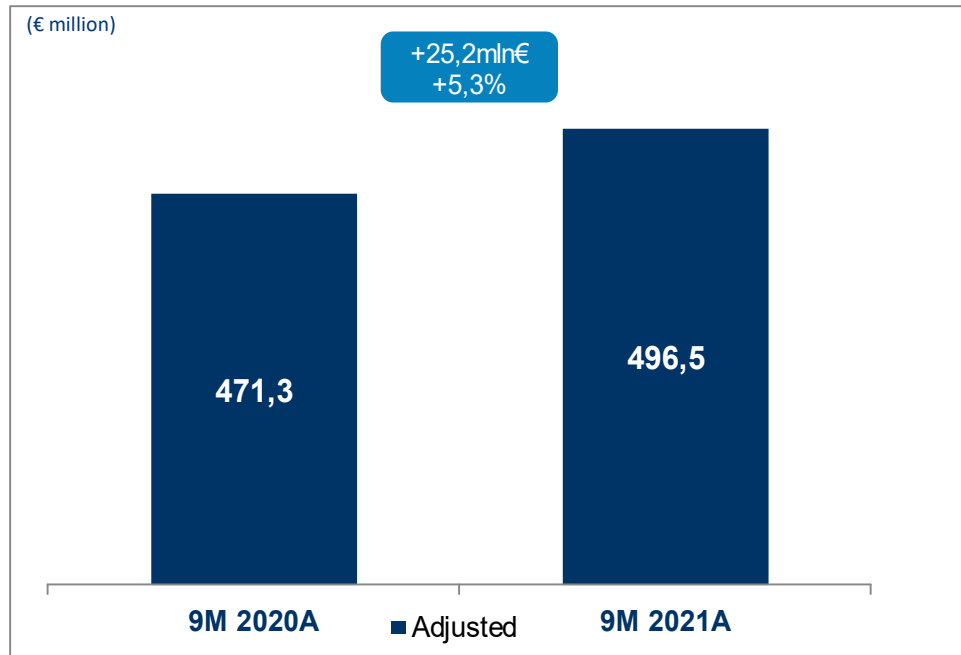
9M 2021 Highlights



For a better analysis of 9M 2021 results, hereunder the comparison of the last three years, considering the Covid 19 impacts on 9M 2020 and 9M 2021 (FX effects included).

(€ million)	9M 2019A	9M 2020A	9M 2021A
Core Business Sales Adjusted	535,9	471,3	496,5
Ebitda Adjusted (excluded IFRS16)	88,2	78,1	91,0
<i>Ebitda Margin %</i>	16,5%	16,6%	18,3%

9M 2021 Core Business Sales



- **Adjusted Core Business Sales of 496,5mln €, +5,3% on the same period of the previous year; +8,9% (+42,0mln €) at comparable FX rates of which:**
 - By Geographic Area: Europe +23,0mln € (+14,4%), Centre & South America +10,3mln € (+47,4%), Asia +8,1mln € (+21,3%), Other Countries +0,5mln € (+23,3%), North America +0,1mln € (+0,03%);
 - By Product line: School & Office +36,8mln € (+12,2%), Fine Art, Hobby & Digital +3,5mln € (+2,3%), Industrial +1,7mln € (+10,4%).
 - **0,2mln € adjustment in 9M 2021** due to customer claims for Covid-19; **0,2mln € adjustment in 9M 2020** mainly due to customer claims for Covid-19.

F.I.L.A. - Arches S.A.S. consolidated in FY 2020 since the month of March.

(€ million)

	9M 2019A	9M 2020A	9M 2021A
Dixon (Mexico)	34,5	12,1	18,4
DOMS Industries PVT Ltd (India)	53,6	28,7	33,5
Total 3rd Parties Sales	88,1	40,8	51,9

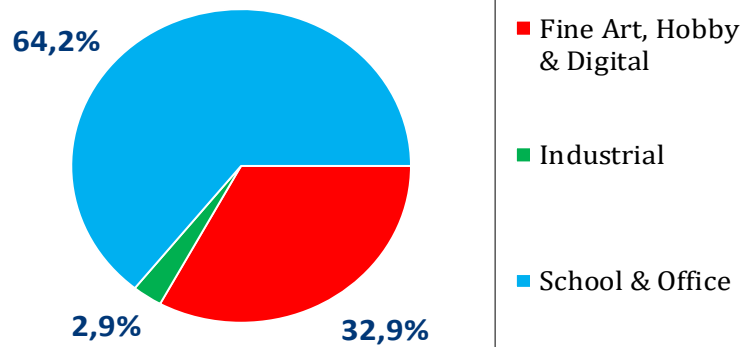
Data in millions of euros; for precise data refer to 9M FILA financial report

9M 2021 Core Business Sales

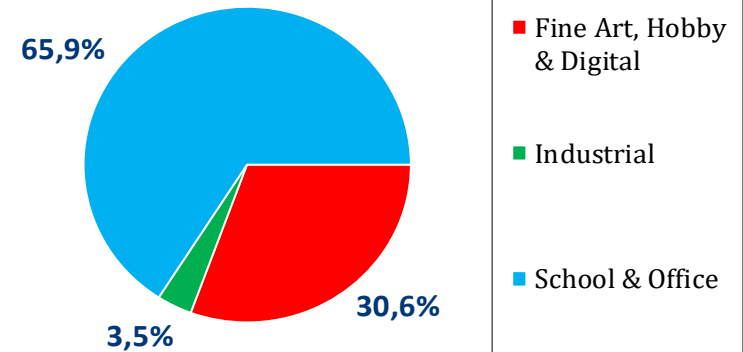


SALES BY PRODUCT LINE

9M 2020A

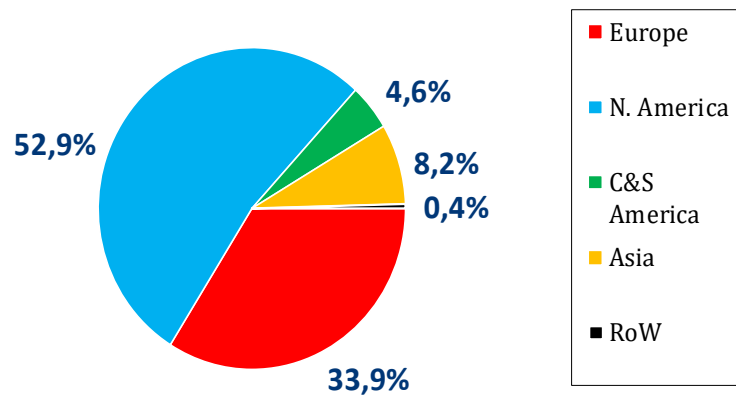


9M 2021A

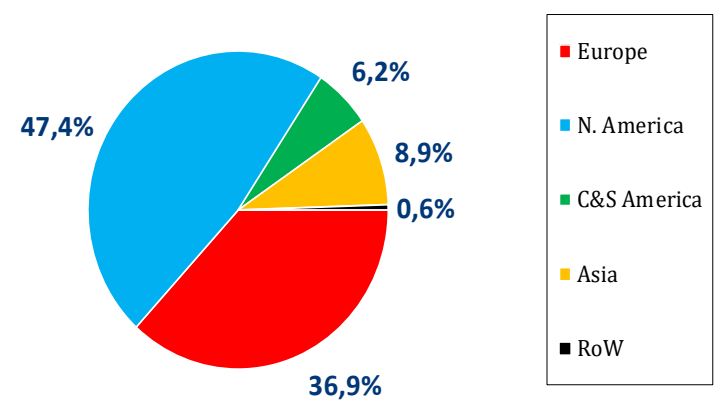


SALES BY GEOGRAPHICAL AREA

9M 2020A



9M 2021A



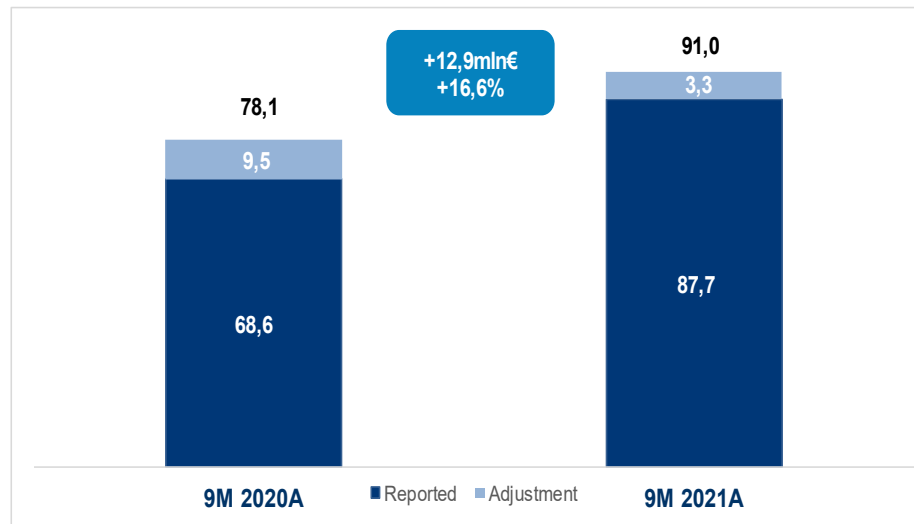
9M 2021 EBITDA Adjusted (Excluded IFRS 16)

Margin (%)

16,6%

18,3%

(€ million)

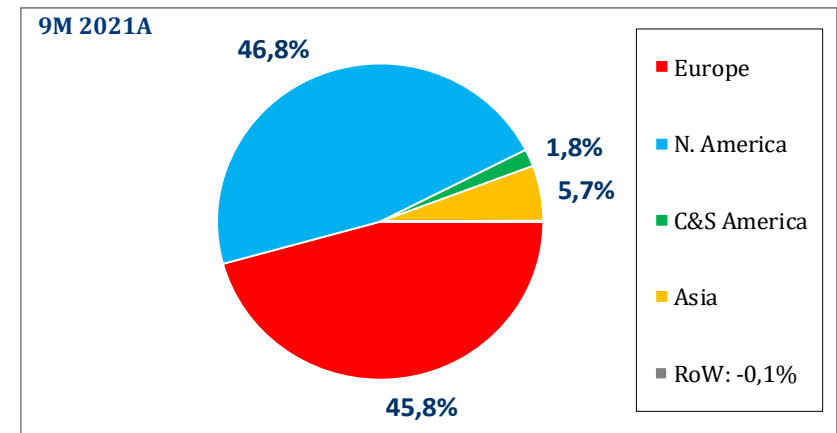
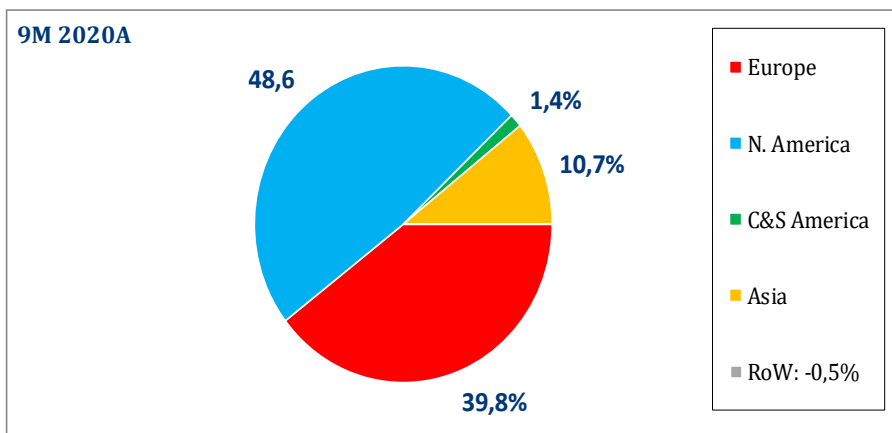


- Adjusted EBITDA, excluding IFRS 16 impact, of 91,0mIn €, +16,6% on the same period of the previous year; +19,1% (+14,9mIn €) at comparable FX rates;
- 3,3mIn € of extraordinary costs in 9M 2021 mainly related to Fila Group reorganization - restructuring costs and consultancy fees (1,6mIn €), COVID-19 pandemic (1,1mIn €), and Shares-Based Premium (0,6mIn €); 9,5mIn € of extraordinary costs in 9M 2020 mainly due to FILA Arches acquisition and reorganization costs.

F.I.L.A.- Arches S.A.S. consolidated in FY 2020 since the month of March.

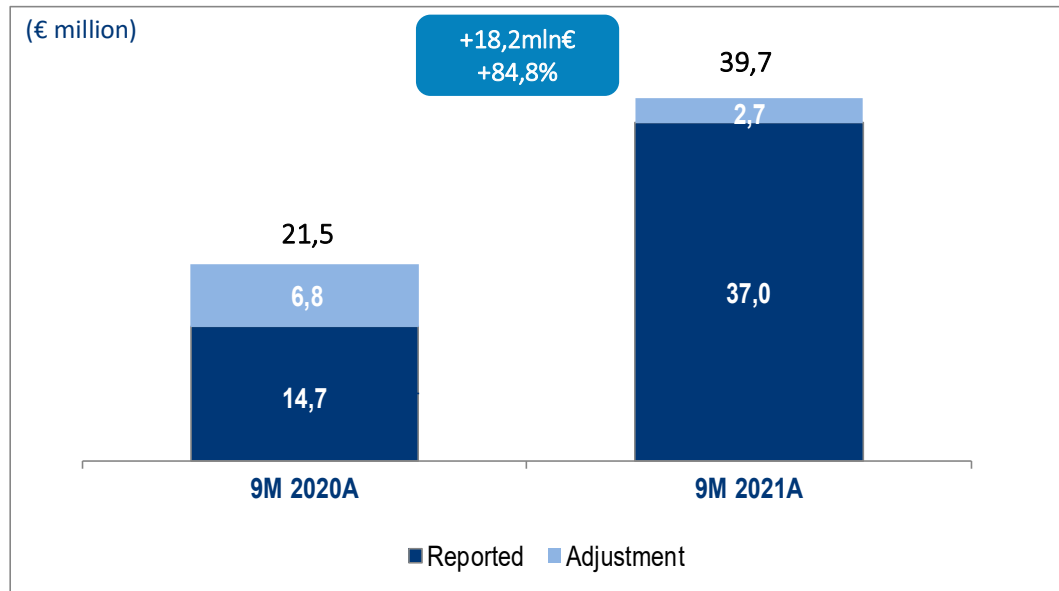
(€ million)	9M 2019A	9M 2020A	9M 2021A
Dixon (Mexico)	5,1	1,4	0,9
DOMS Industries PVT Ltd (India)	6,6	2,6	2,8
EBITDA Adjusted	11,7	4,0	3,7

ADJUSTED EBITDA BY GEOGRAPHICAL AREA



Data in millions of euros; for precise data refer to 9M FILA financial report

9M 2021 Net Income Adjusted (Excluded IFRS 16)



- Adjusted Net Income of 39,7m€ €, +84,8% (+18,2m€) on 9M 2020 due to the improvement of the Operating and Financial Results;
- The adjustment of the Group Results in 9M 2021 for 2,7m€ € mainly refers to reorganization - restructuring costs and extraordinary operating costs for COVID-19 pandemic impact, net of taxes effects;
- The adjustment of the Group Result in 9M 2020 for 6,8m€ € mainly refers to extraordinary operating costs for Arches acquisition and COVID-19 pandemic impact, net of taxes effects.

9M 2021 Net Bank Debt and NFP



(€ million)

	9M 2020A	FY 2020	9M 2021A
Cash and Cash Equivalents	79,4	116,3	102,2
Financial Liabilities	(549,6)	(512,4)	(491,6)
Net Bank Debt	(470,3)	(396,1)	(389,4)
Amortized cost	7,0	6,2	4,5
Financial Receivables	0,1	0,1	0,1
NFP for Covenants	(463,1)	(389,8)	(384,9)
Mark to Market Hedging	(20,8)	(18,8)	(13,5)
IFRS 16	(85,1)	(84,9)	(87,5)
NFP included IFRS 16 and Financial Instruments	(569,0)	(493,5)	(485,8)

- Net Bank Debt decrease of **80,9mln €** in the last twelve months, **83,6mln €** excluding negative FX effect of approx. -2,7mln €;
- 9M 2021A Net Financial Position decrease of **7,7mln €** compared to FY2020 (please refer to page 10 for details).

	9M 2020A	9M 2021A
Trade Working Capital	341,6	320,9
Sales Reported Rolling	617,9	632,6
Trade Working Capital/Sales Reported Rolling	55,3%	50,7%

9M 2021 Cash Flow Statement



(€ million)

		9M 2020A	9M 2021A
CASH FLOW			
EXCLUDED IFRS 16	EBIT	43,7	65,2
	Adjustments for non monetary costs	25,6	24,2
	Adjustments for taxes	(5,5)	(5,5)
	Cash-flow from operating activities before changes in NWC	63,8	83,9
	Changes in net working capital	(73,8)	(41,9)
	Operating cash-flow	(10,0)	41,9
	Investments in tangible and intangible assets	(7,5)	(7,3)
	Free Cash Flow	(17,5)	34,6
	Net financial expenses	(16,0)	(14,4)
	Other changes	(4,5)	1,1
	Free Cash Flow to Equity	(38,0)	21,4
	Capital increase/reimbursement/dividends	(0,3)	(7,0)
	Adjustment mark to market hedging	(7,2)	5,3
	Effect of FX rate movements*	15,5	(9,4)
	IFRS 16 Net Financial Position	2,7	(2,6)
M&A - Acquisition: 2020 Arches	(43,6)	-	
Changes in Net Financial Position	(70,8)	7,7	

* Related to Net Bank Debt



Appendix



9M 2021 Income Statement Reported



(€ million)	9M 2020A	% on Sales	9M 2021A	% on Sales
PROFIT & LOSS				
Core Business Sales	471,1		496,3	
Other revenues	6,8		4,7	
Total revenues	477,9		501,0	
Cost for Raw Materials and Supplies net Increase(decrease) inventory	(215,8)	(45,8%)	(223,9)	(45,1%)
Costs for Services and Use of Third-Party Assets	(79,4)	(16,9%)	(74,3)	(15,0%)
Personnel Costs	(98,2)	(20,8%)	(100,3)	(20,2%)
Other Operating Costs	(6,0)	(1,3%)	(3,7)	(0,7%)
Total operating costs	(399,4)	(84,8%)	(402,2)	(81,0%)
EBITDA	78,5	16,7%	98,8	19,9%
Depreciation and Amortization	(31,4)	(6,7%)	(30,3) *	(6,1%)
Write-Downs	(1,5)	(0,3%)	(0,5)	(0,1%)
EBIT	45,6	9,7%	68,0	13,7%
Financial income/expenses	(27,7)	(5,9%)	(18,3)	(3,6%)
Income/expenses from associates at equity method	(0,0)	(0,0%)	0,2	0,0%
PBT	17,8	3,8%	49,9	10,1%
Taxes	(5,5)	(1,2%)	(13,0)	(2,6%)
Total net profit (loss) of the period	12,3	2,6%	36,8	7,4%
Total net profit (loss) attributable to non controlling interests	(0,5)	(0,1%)	0,9	0,2%
Fila Group's total net profit (loss) of the period	12,8	2,7%	36,0	7,2%

* Of which: Tangible Assets 11,3mln €; IFRS 16 Tangible Assets 8,3mln €; Intangible Assets 10,7mln € (PPA 8,5mln €)

9M 2021 Income Statement Adjusted



(€ million)

	9M 2020A	% on Sales	9M 2021A	% on Sales
P&L ADJUSTMENTS				
REPORTED CORE BUSINESS SALES	471,1		496,3	
Total Adjustments	0,2		0,2	
ADJUSTED CORE BUSINESS SALES	471,3		496,5	
REPORTED EBITDA	78,5	<u>16,7%</u>	98,8	<u>19,9%</u>
IFRS 16 Impact	(9,9)		(11,1)	
Total Adjustments	9,5		3,3	
ADJUSTED EBITDA EXCLUDED IFRS 16	78,1	<u>16,6%</u>	91,0	<u>18,3%</u>
REPORTED FILA GROUP NET PROFIT	12,8	<u>2,7%</u>	36,0	<u>7,2%</u>
IFRS 16 Impact	1,9		1,0	
Total Adjustments	6,8		2,7	
ADJUSTED FILA GROUP NET PROFIT EXCLUDED IFRS 16	21,5	<u>4,6%</u>	39,7	<u>8,0%</u>

Data in millions of euros for precise data refer to 9M FILA financial report

9M 2021 Balance Sheet Reported



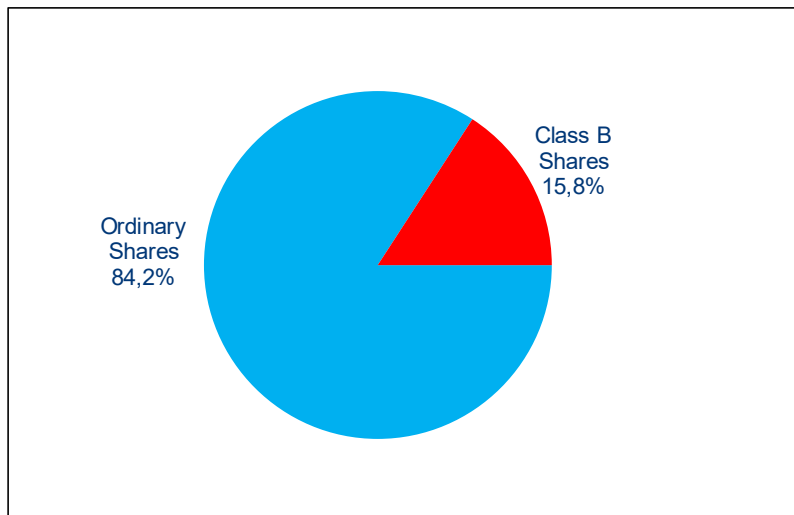
(€ million)

	2020A	9M 2021A
BALANCE SHEET		
Intangible assets	436,0	442,1
Tangible Assets	171,5	169,4
Financial Fixed Assets	3,7	3,9
Fixed Assets	611,2	615,4
Other Non Current Assets/Liabilities	20,2	18,2
Trade Working Capital	271,7	320,9
Other Current Assets and Liabilities	4,9	(2,5)
Net Working Capital	276,6	318,3
Provisions & Funds	(83,3)	(81,5)
NET CAPITAL EMPLOYED	824,7	870,4
Shareholders equity	(331,3)	(384,6)
Net Financial Position	(493,5)	(485,8)
TOTAL NET SOURCES	(824,7)	(870,4)

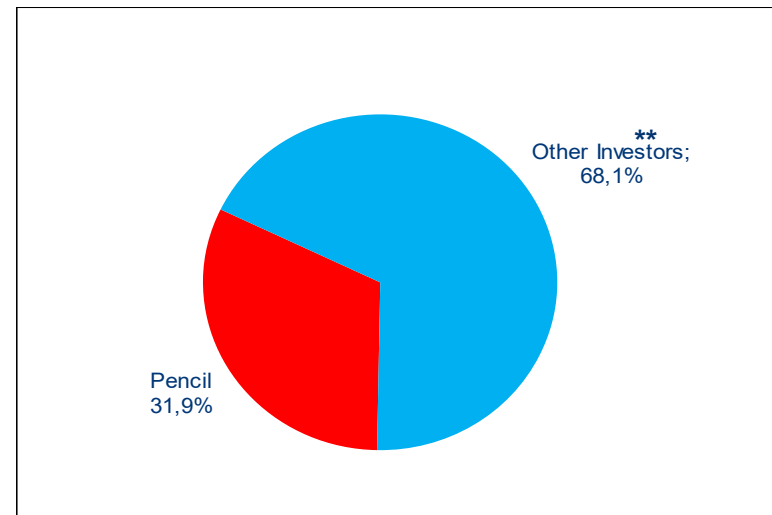
FILA Shareholders



Total shares *



Ordinary shares only



*Total shares 51.058.297 of which : Ordinary shares 42.976.441 (of which own shares 51.500); Class B shares 8.081.856 (enjoy three votes each in accordance with Article 127-sexies of Legislative Decree No. 58/1998).

**Of which own shares 51.500.

Investor Relations F.I.L.A.

Stefano De Rosa CFO/IR Officer – Francesca Cocco IR

ir@fila.it

(+39) 02 38105206