

FY2023 Results



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FY2023 Results

FY2023 Results are in line with the Group expectations, despite the weakness of the European economy worsened by high interest rates, persistent inflation and the Ukraine conflict

- **Adjusted Core Business Sales: 779,2mln Euro**

Group Revenues of **779,2mln Euro**; **+1,9% (+14,6mln Euro on FY2022)** and **+6,3% net of exchange rate effect (+48,3mln Euro on FY2022)**.

North America confirmed the expectations, the Mexican and Indian companies outperformed, contributing significantly to the Group's results growth, more than offsetting the European performance characterized by weak markets.

- **Adjusted EBITDA: 121,1mln Euro**

Group Adjusted EBITDA of **121,1mln Euro**, **+9,8% (+10,8mln Euro on FY2022)**, thanks to the improvement in North America, Asia and Central and South America, despite the contraction in Europe. The Adjusted EBITDA would have been approx. **125mln Euro at comparable FY2023 Budget FX**. **Adjusted EBITDA Margin was 15,5% with an improvement of 110bp on FY2022**. The increase is mainly due to the positive effect generated by price increase and cost efficiencies, despite the services costs increase to support the growth.

Data in millions of euros; for precise data refer to 12M FILA financial report

FY2023 Results

- **Adjusted Net Profit: 40,6mIn Euro**

Group Adjusted Net Profit of **40,6mIn Euro**, **-5,1% (-2,2mIn Euro on FY2022)**. This value is significantly impacted by higher **net financial expenses at 31,2mIn Euro** compared to the ones of the same period of the previous year, **of which 29,2mIn Euro mainly related to the increase in variable interest rates** and the residual part mostly linked to the negative financial exchange effects on the main currencies. The value is also impacted by an increase in taxation.

- **DOMS listing effects**

The successful completion of the DOMS listing has resulted in **Net Proceeds** of approximately **69mIn Euro** from the sale of a portion of FILA stake, while the Group remains the largest single shareholder with **30.6% of the share capital valued today approx. 308mIn Euro** (Updated Accounting Value of DOMS of 160,4mIn Euro). Of the 69mIn Euro of proceeds from the DOMS IPO, consistently with the commitments with the banks, approx. **30mIn Euro** were used for the **distribution of extraordinary dividends** in January 2024, approx. **20mIn Euro** for the **settlement of the SFA debt lines** in December 2023 and the remaining **20mIn Euro** will be used in 2024 **to improve the efficiency of the credit lines**.

Data in millions of euros; for precise data refer to 12M FILA financial report

FY2023 Results

- **Net Bank Debt**

Net Bank Debt of **229,5mln Euro (351,6mln Euro in FY2022)** with a **decrease** in the last twelve months of **51,2mln Euro**, excluding positive effect of Cash-In related to **DOMS IPO of approx. 69mln Euro** and positive IPO financial receivable effect of approx. 0,4mln Euro, to the positive effect of DOMS' NFP deconsolidation process of approx. 1,3mln Euro and to the positive FX effect of approx. 0,2mln Euro.

- **Adjusted Free Cash Flow to Equity**

The proceeds from the transaction in India and the free cash flow to equity at **60,3mln Euro (23,2mln Euro in FY2022)** will enable FILA to further reduce the **leverage ratio to approximately 1.7**, with a **Net Financial Position**, excluding IFRS 16 and Mark to Market, at **226,7mln Euro**. The increase is mainly due to higher operating cash flow generation and **lower capital absorption of 46,3mln Euro**, partially mitigated by **higher CAPEX for 13,6mln Euro**.

Data in millions of euros; for precise data refer to 12M FILA financial report

FY2023 Core Business Sales

779,2mln €
+1,9% (+14,6mln €)
(764,6mln € in FY 2022)

	FY 2022	FY 2023
Proforma, excluding DOMS (mln €)	656,1	644,9
DOMS (mln €)	108,5	134,3
<hr/>		
Total (mln €)	764,6	779,2

FY2023 Core Business Sales of 779,2mln €, +1,9% on FY2022; +48,3mln € (+6,3%) at comparable FX rates, of which:

By Geographic Area: Asia +37,9mln € (+30,9%), Central and South America +22,9mln € (+29,6%), North America +5,8mln € (+1,8%) partially offset by Europe -18,2mln € (-7,8%) and Other Countries -0,1mln € (-3,1%).

Data in millions of euros; for precise data refer to 12M FILA financial report

Sales Breakdown by Geographic area (at comparable FX)

Area



N. America



Europa



Asia

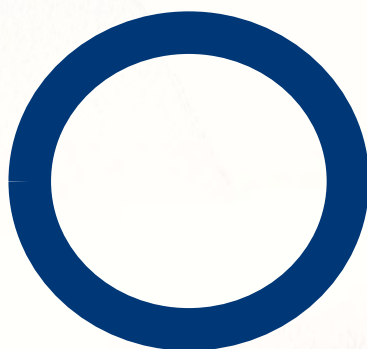


C&S America



RoW

Sales



FY 2023

41,3%

27,5%

19,0%

11,7%

0,5%

FY 2023
Proforma

49,9%

33,2%

2,2%

14,2%

0,5%

FY 2022

42,5%

30,8%

16,0%

10,2%

0,5%

FY2023 Adjusted EBITDA (Ex. IFRS 16)

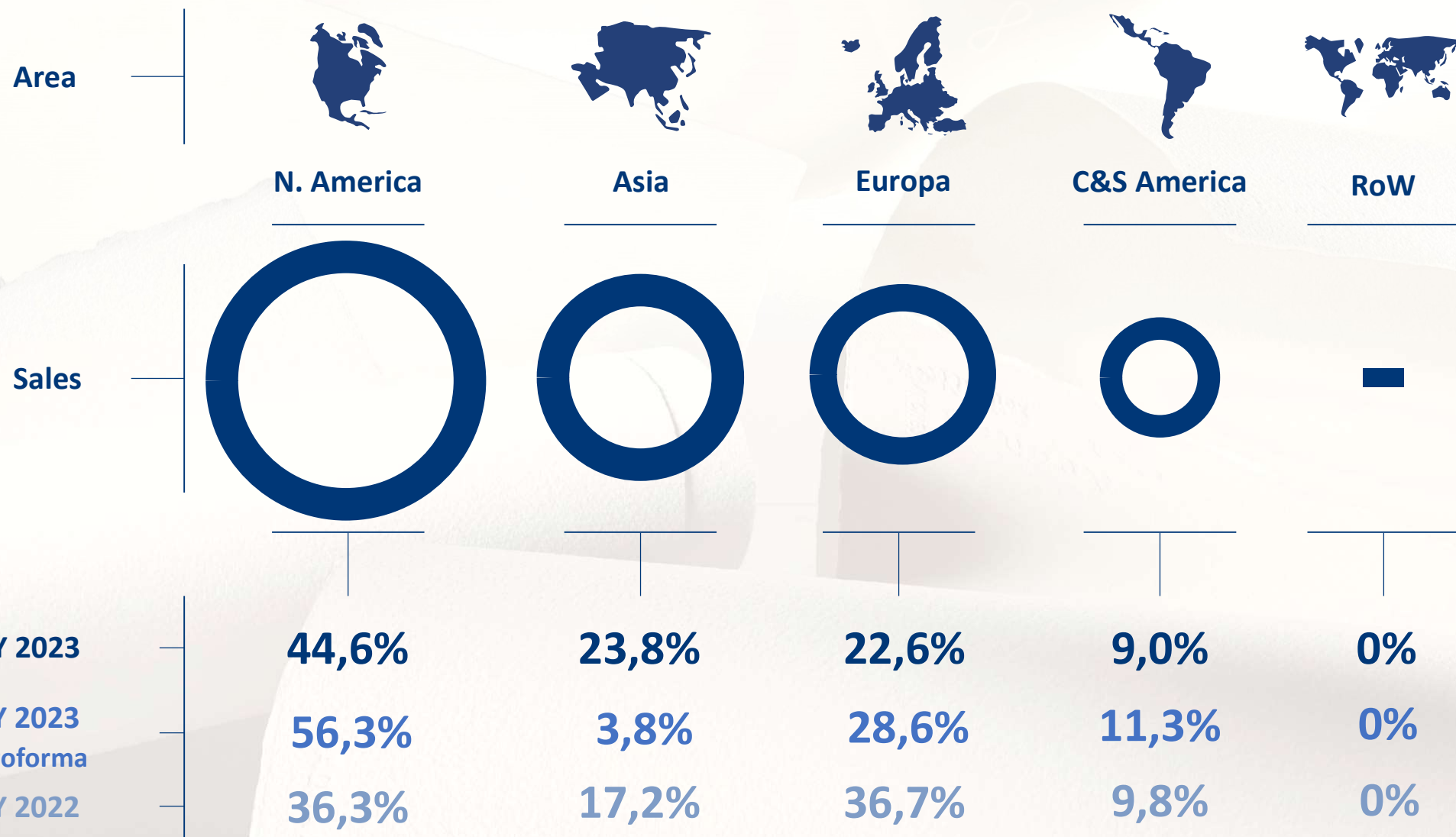
121,1mln €
+9,8% (+10,8mln €)
(110,3mln € in FY2022)

	FY2022	FY2023	
Reported (mln €)	103,5	106,5	
Adjustment (mln €)	6,8	14,6	
Total (mln €)	<u>110,3</u>	<u>121,1</u>	
Adjusted EBITDA Margin (%)	14,4%	15,5%	+110bp
Proforma, excluding DOMS			
DOMS (mln €)	15,5	25,0	
Adjusted EBITDA Proforma, excluding DOMS (mln €)	<u>94,8</u>	<u>96,1</u>	
Adjusted EBITDA Margin (%) Proforma, excluding DOMS	14,4%	14,9%	+50bp

FY2023 Adjusted EBITDA of 121,1mln €, +9,8% on FY2022; +121,8mln € (+10,4%) at comparable FX rates; 14,6mln € of extraordinary costs in FY2023 related to: FILA extraordinary consultancy cost (8,5mln €, mainly related to DOMS IPO), Group reorganization costs – restructuring costs (5,5mln € of which 0,6mln € related to Charity support in products to Ukraine and 0,6mln € related to SAP extraordinary OPEX related to Daler UK Go-Live) and Shares-Based premium (0,6mln €).

Data in millions of euros; for precise data refer to 12M FILA financial report

FY2023 Adjusted EBITDA by Geographic area



FY2023 Adjusted Net Profit (Ex. IFRS 16)

40,6mln €
-5,1% (-2,2mln €)
(42,8mln € in FY2022)

	FY2022	FY2023
Reported Net Profit (mln €)	31,9	180,5
Adjustment (mln €)	10,9	(139,9)
Total Adjusted Net Profit (mln €)	<u>42,8</u>	<u>40,6</u>

FY2023 Adjusted Net Profit of 40,6mln €, -5,1% on FY2022; FY2023 Proforma* Adjusted Net Profit of 27,4mln €.

- **The adjustment of the Net Profit in 2023A for -139,9mln €** mainly refers to IPO DOMS and related deconsolidation (-154,0mln €), consultancy fees (8,5mln €) and Group reorganization costs/restructuring costs (5,5mln €).
- **The adjustment of the Net Profit in 2022A for 10,9mln €** mainly refers to consultancy fees and Up front fees for Refinancing, Group reorganization costs/restructuring costs, Covid-19 pandemic and Shares-Based premium, net of taxes effects.

*excluding DOMS 2023Actual

Data in millions of euros; for precise data refer to 12M FILA financial report

Net Bank Debt and NFP (Excluded IFRS 16 and Mark to Market Hedging)

	2022A	2023A
Cash and Cash Equivalents	107,5	124,8
Financial Liabilities and Receivables	(459,1)	(354,3)
Net Bank Debt	(351,6)	(229,5)
Amortized cost	1,7	2,8
NFP Excl. IFRS16 and Mark to Market Hedging	(349,8)	(226,7)
Mark to Market Hedging	3,2	(0,9)
IFRS 16	(88,5)	(75,9)
NFP included IFRS 16 and Financial Instruments	(435,1)	(303,4)

- 2023A vs 2022A:**

Net Bank Debt decrease of 122,1mln €. Decrease of 51,2mln € normalized by positive **Cash-In related to DOMS IPO** of approx. 69,1mln € and to positive **IPO financial receivable effect** of approx. 0,4mln €, to the positive effect of **DOMS' NFP deconsolidation process** of approx. 1,2mln € and to the **positive FX effect** of approx. 0,2mln €.

Data in millions of euros; for precise data refer to 12M FILA financial report

Covenant Ratio

	2022A	2023A
Leverage ratio	3,1	1,7
Covenant leverage ratio - SFA	3,9	3,2

Equity Investment in DOMS vs NFP for Covenant

	2022A	2023A
Equity Investment in DOMS Book Value**	57,3	160,4
NFP Excl. IFRS16 and Mark to Market Hedging	(349,8)	(226,7)

**Stake in DOMS at Mark to Market Value of approx. 308mln € (last 30 days Market Value).

Trade Working Capital/Sales Reported

	2022A	2023A	2023A (Proforma*)
Trade Working Capital	300,1	258,5	258,5
Sales Reported	764,6	779,2	644,9
Trade Working Capital/Sales Reported	39,2%	33,2%	40,1%

*excluding DOMS 2023Actual

Data in millions of euros; for precise data refer to 12M FILA financial report

Cash Flow Statement

(€ million)

CASH FLOW

	2022A	2023A
EBIT	68,9	74,3
Adjustments for non monetary costs	36,7	38,0
Adjustments for taxes	(17,6)	(19,4)
Cash-flow from operating activities before changes in NWC	88,0	92,8
Changes in net working capital	(19,1)	27,2
Operating cash-flow	68,9	120,0
Investments in tangible and intangible assets	(16,7)	(30,3)
Free Cash Flow	52,2	89,8
Net financial expenses	(24,8)	(27,3)
Other changes	(4,2)	(2,1)
Free Cash Flow to Equity	23,2 ***	60,3
Capital increase/reimbursement/dividends	(15,2)	(9,2)
Changes in Amortized cost	(1,9)	1,1
Changes mark to market hedging	13,0	(4,1)
Effect of FX rate movements*	(14,4)	0,2
Changes in IFRS 16 Net Financial Position	(1,2)	12,6
M&A Effect 2022 (Creative Art Products Limited)	(1,4)	-
M&A Effect 2023 (Acquisition of Micro Wood Private Limited by DOMS)	-	(8,2)
NFP change of DOMS Industries Limited deconsolidated**	-	9,9
Proceeds from sale of stake in DOMS Industries Limited**	-	69,1
Changes in Net Financial Position Reported	2,1	131,7

* Related to Net Bank Debt

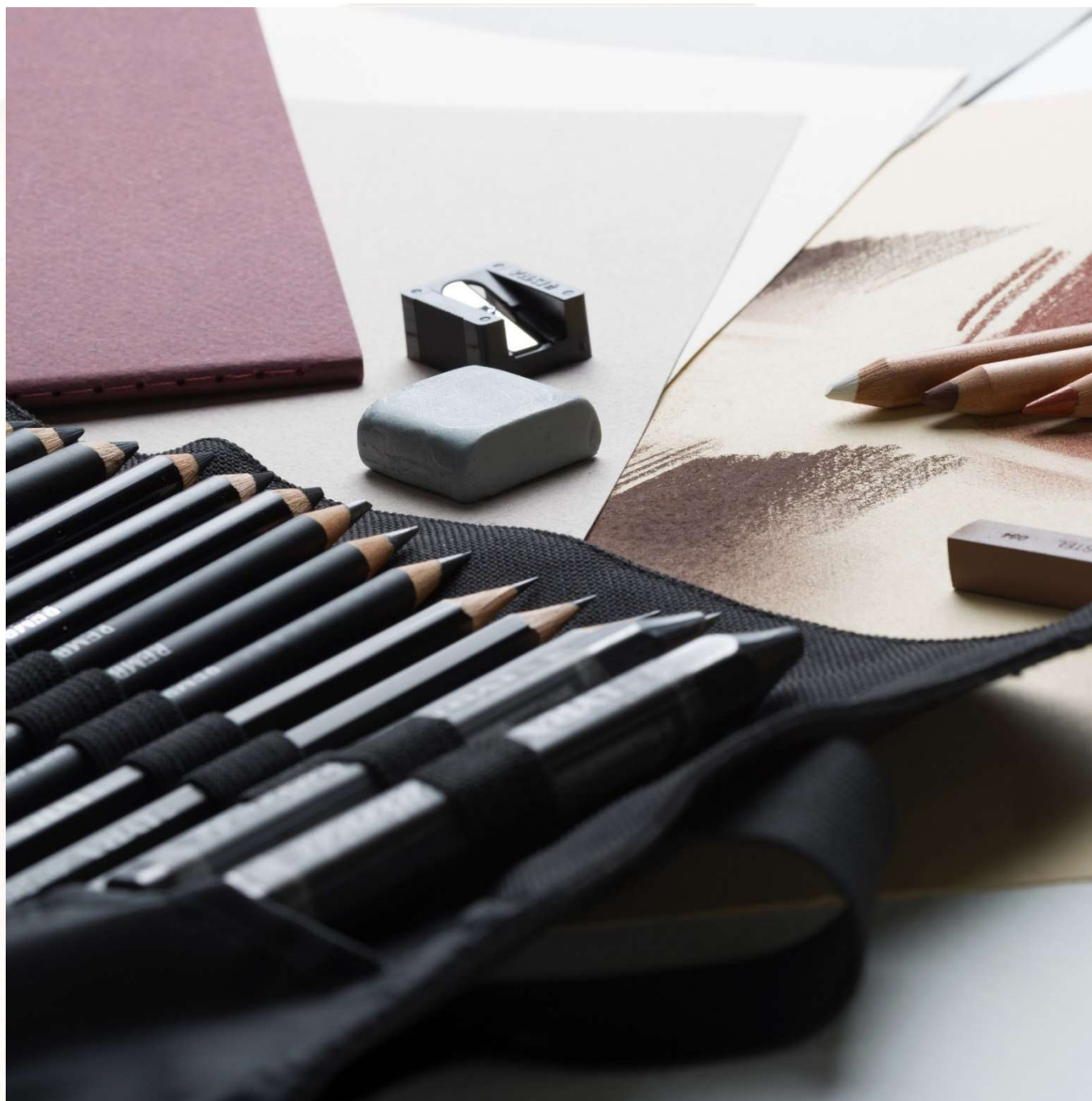
** Related to DOMS' IPO Process occurred in 2023

***Including 6,0mln € of bank and consultancy fees related to Refinancing (approx. 29,2mln € excluding the outlay)

131,7 Please refer to NFP Reported analysis at page 18

Data in millions of euros; for precise data refer to 12M FILA financial report

APPENDIX



Income Statement Reported

(€ million)		2022A	% on Sales	2023A	% on Sales
PROFIT & LOSS	Core Business Sales	764,6		779,2	
	Other revenues	10,1		8,7	
	Total revenues	774,6		787,9	
	Cost for Raw Materials and Supplies net Increase(decrease) inventory	(375,5)	(49,1%)	(368,7)	(47,3%)
	Costs for Services and Use of Third-Party Assets	(119,8)	(15,7%)	(128,4)	(16,5%)
	Personnel Costs	(152,3)	(19,9%)	(157,1)	(20,2%)
	Other Operating Costs	(7,7)	(1,0%)	(11,3)	(1,4%)
	Total operating costs	(655,4)	(85,7%)	(665,6)	(85,4%)
	EBITDA	119,2	15,6%	122,4	15,7%
	Depreciation and Amortization	(42,2)	(5,5%)	(41,9)*	(5,4%)
	Write-Downs	(4,2)	(0,6%)	(2,0)	(0,3%)
	EBIT	72,7	9,5%	78,5	10,1%
	Financial income/expenses	(34,9)	(4,6%)	(37,7)	(4,8%)
	Gain for Loss of Control	-	0,0%	167,6	21,5%
	Income/expenses from associates at equity method	0,8		0,9	
	PBT	38,6	5,1%	209,3	26,9%
	Taxes	(8,3)	(1,1%)	(30,7)	(3,9%)
	Total net profit (loss) of the period	30,3	4,0%	178,6	22,9%
	Total net profit (loss) attributable to non controlling interests	5,0	0,7%	8,0	1,0%
	Fila Group's total net profit (loss) of the period	25,3	3,3%	170,6	21,9%

*Of Which: Tangible Assets 15,8mIn €; IFRS16 Tangible Assets 11,7mIn €; Intangible Assets 14,5mIn € (PPA 11,5mIn €)

Data in millions of euros; for precise data refer to 12M FILA financial report

Income Statement Adjusted

P&L ADJUSTMENTS	(€ million)	2022A	% on Sales	2023A	% on Sales	2023A Proforma*	% on Sales
	REPORTED CORE BUSINESS SALES	764,6		779,2		644,9	
	Total Adjustments	-		-		-	
	ADJUSTED CORE BUSINESS SALES	764,6		779,2		644,9	
	REPORTED EBITDA	119,2	<u>15,6%</u>	122,4	<u>15,7%</u>	96,7	<u>15,0%</u>
	IFRS 16 Impact	(15,7)		(15,9)		(15,2)	
	Total Adjustments	6,8		14,6		14,6	
	ADJUSTED EBITDA EXCLUDED IFRS 16	110,3	<u>14,4%</u>	121,1	<u>15,5%</u>	96,1	<u>14,9%</u>
	REPORTED NET PROFIT	30,3	<u>4,0%</u>	178,6	<u>22,9%</u>	12,1	<u>1,9%</u>
	IFRS 16 Impact	1,6		1,9		1,8	
	Total Adjustments	10,9		(139,9)		13,5	
	ADJUSTED NET PROFIT EXCLUDED IFRS 16	42,8	<u>5,6%</u>	40,6	<u>5,2%</u>	27,4	<u>4,3%</u>

*excluding DOMS 2023Actual

Data in millions of euros; for precise data refer to 12M FILA financial report

Balance Sheet Reported

BALANCE SHEET	(€ million)	2022A	2023A
	Intangible assets	446,5	378,0
	Tangible Assets	166,2	123,3
	Biological Assets	1,8	1,2
	Financial Fixed Assets	4,2	161,1
	Fixed Assets	618,7	663,7
	Other Non Current Assets/Liabilities	24,0	23,3
	Trade Working Capital	300,1	258,5
	Other Current Assets and Liabilities	2,8	4,5
	Net Working Capital	302,9	263,0
	Provisions & Funds	(82,8)	(72,7)
	NET CAPITAL EMPLOYED	862,8	877,4
	Shareholders equity	(427,7)	(574,0)
	Net Financial Position	(435,1)	(303,4)
	TOTAL NET SOURCES	(862,8)	(877,4)

Data in millions of euros; for precise data refer to 12M FILA financial report

NFP Reported

	2022A	2023A
NFP Reported	(435,1)	(303,4)
Mark to Market Hedging	3,2	(0,9)
IFRS 16	(88,5)	(75,9)
NFP Excl. IFRS16 and Mark to Market Hedging	(349,8)	(226,7)

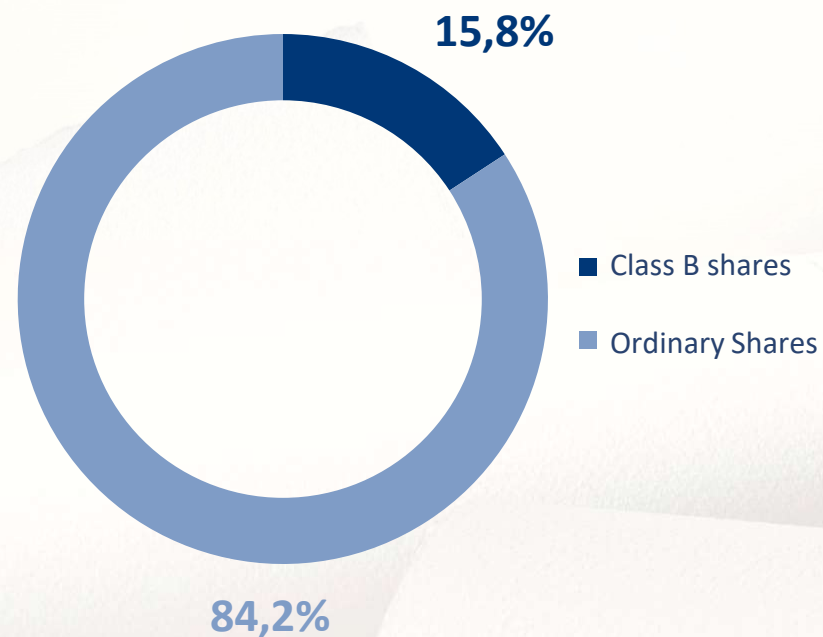
- **2023A vs 2022A:**

Net Financial Position Reported decreased of **131,7mln€** compared to FY2022.

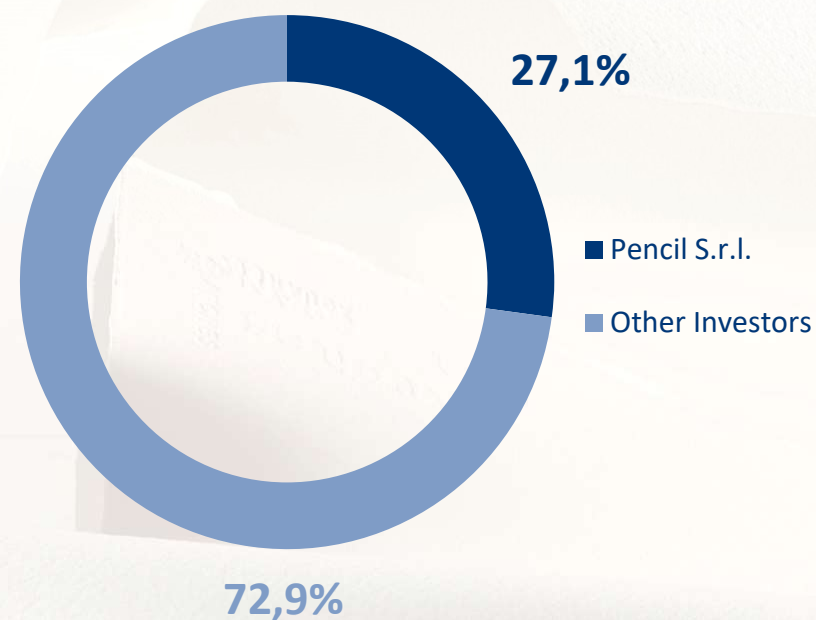
Data in millions of euros; for precise data refer to 12M FILA financial report

F.I.L.A. Shareholders

TOTAL SHARES *



ORDINARY SHARES ONLY



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

As of December 31, 2023, the Group owns n. 330,766 treasury shares.



Investor Relations F.I.L.A.

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