

(Translation from the Italian original which remains the definitive version)



F.I.L.A. GROUP
INTERIM FINANCIAL REPORT
AT MARCH 31, 2024

F.I.L.A. – Fabbrica Italiana Lapis ed Affini S.p.A.

Via XXV Aprile 5 Pero (MI)

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DIRECTORS' REPORT AT MARCH 31, 2024

I - Interim Directors' Report

Corporate Bodies

Board of Directors

| | |
|------------------------------|--------------------------|
| Chairperson (*) | Giovanni Gorno Tempini |
| Honorary Chairperson | Alberto Candela |
| Chief Executive Officer (**) | Massimo Candela |
| Executive Director (**) | Luca Pelosin |
| Non-executive Director | Annalisa Matilde Barbera |
| Non-executive Director (*) | Gianna Luzzati |
| Non-executive Director (*) | Carlo Paris |
| Non-executive Director (*) | Donatella Sciuto |

(*) Independent director in accordance with Article 148 of the Consolidated Finance Act and Article 3 of the Code of Conduct.

(**) Executive Director

Control, Risks and Related Parties Committee

Gianna Luzzati
Carlo Paris
Donatella Sciuto

Remuneration Committee

Donatella Sciuto
Gianna Luzzati
Annalisa Matilde Barbera

Board of Statutory Auditors

| | |
|-------------------|----------------------|
| Chairperson | Gianfranco Consorti |
| Standing Auditor | Sonia Ferrero |
| Standing Auditor | Pietro Michele Villa |
| Alternate Auditor | Stefano Amoroso |
| Alternate Auditor | Tina Marcella Amata |

Independent Auditors

Deloitte & Touche S.p.A.

Overview of the F.I.L.A. Group

The F.I.L.A. Group (hereafter also the “Group”) operates in the creativity tools market, producing and marketing colouring, design, modelling, writing and painting objects, such as pencils, crayons, modelling clay, chalk, oil colours, acrylics, watercolours, paints and paper for the fine arts, school and leisure.

The F.I.L.A. Group at March 31, 2024 operates through 23 production facilities and 32 subsidiaries across the globe and employs approx. 3,300 people, becoming a pinnacle for creative solutions in many countries with brands such as GIOTTO, DAS, LYRA, Canson, Maimeri, Daler-Rowney Lukas, Ticonderoga, Pacon, Strathmore, Princeton and Arches.

Founded in Florence in 1920 by two noble Tuscan families, della Gherardesca and Marchesi Antinori, F.I.L.A. S.p.A. (hereafter also the “Parent”) has achieved strong international growth in the past 20 years, supported by a series of strategic acquisitions. Over the years, the Parent has acquired: (i) the Italian firm Adica Pongo in 1994, a leading producer of modelling clay for children; (ii) the Spanish firm Spanish Fila Hispania S.L. (formerly Papeleria Mediterranea S.L.) in 1997, the Group’s former exclusive distributor in Spain; (iii) the French firm Omyacolor S.A. in 2000, a leading manufacturer of modelling putties and clays; (iv) the U.S. Dixon Ticonderoga Group in 2005, a leading producer and distributor of pencils in North America, with subsidiaries operating on the Canadian, Mexican, Chinese and European markets; (v) the German LYRA Group in 2008, which allowed the Group to enter the German, Scandinavian and Eastern Asian markets; (vi) the business unit operated by Lapiceria Mexicana in 2010, one of the main local competitors in the budget coloured and graphite pencils market; and (vii) the business unit operated by Maimeri S.p.A. in 2014, a manufacturer and distributor of paints and accessories for fine arts. In addition to these operations, on the conclusion of an initiative which began with the acquisition of a significant influence in 2011, control of the Indian company DOMS Industries Pvt Ltd. was acquired in 2015 (viii). In 2016, the F.I.L.A. Group focused upon development through strategic Art&Craft sector acquisitions, seeking to become the leading market player. On February 3, 2016, F.I.L.A. S.p.A. acquired control of the Daler-Rowney Lukas Group, an illustrious brand producing and distributing materials and accessories on the arts and crafts market since 1783, with a direct presence in the United Kingdom, the Dominican Republic, Germany and the USA (ix). In September 2016, the F.I.L.A. Group acquired the entire share capital of St. Cuthberts Holding Limited and the operating company St. Cuthberts Mill Limited, a highly-renowned English paper mill, founded in 1907, located in the south-west of England and involved in the production of high quality artist’s papers (x). In October 2016, F.I.L.A. S.p.A. acquired the Canson Group, founded in 1557 by the Montgolfier family, with headquarters in Annonay in France, production facilities in France and conversion and distribution centres in Italy, France, China, Australia and Brazil. Canson products are available in over 120 countries and the brand is the most respected globally involved in the production and distribution of high added value paper for the fine arts, design, leisure and schools, but also for artists’ editions and technical and digital drawing materials (xi).

In June 2018, F.I.L.A. S.p.A., through its US subsidiary Dixon Ticonderoga Co. (U.S.A.), consolidated its role as a leading player on the US market with the acquisition of the US Group Pacon, which through brands such as Pacon, Riverside, Strathmore and Princeton, is a leader in the US schools and arts and crafts sector. Dixon Ticonderoga Co. (U.S.A.) was subsequently merged into Pacon Corporation (U.S.A.), which later changed its name to Dixon Ticonderoga Co. (U.S.A.) (xii).

On March 2, 2020, F.I.L.A.- Arches S.A.S., a French company wholly-owned by F.I.L.A. S.p.A., completed the purchase from the Ahlstrom-Munksjö Group of the fine art business unit specialised in fine art operating through the ARCHES® brand (xiii).

On February 8, 2022, the UK subsidiary Daler Rowney Ltd. acquired 100% of the UK company Creative Art Products Limited, located in Manchester (UK), which specialises in the schools segment and produces and distributes a wide range of art materials for children, both under the *Scola* brand and private label (xiv) brands. On December 20, 2023, the listing of the subsidiary DOMS Industries Limited on the National Stock Exchange of India was completed. Following the public listing, F.I.L.A. S.p.A. still remained a shareholder of the Indian company with a 30.6% interest (xv).

Key events of the reporting period

- On January 22, 2024, the Shareholders' Meeting of F.I.L.A. S.p.A. resolved: (i) the distribution of an extraordinary dividend of Euro 0.58 for each (ordinary and special) F.I.L.A. share in circulation on the coupon date (net of treasury shares in portfolio on that date); (ii) the appointment of Deloitte & Touche S.p.A. to undertake the legally-required audit for the period 2024-2032, pursuant to Legislative Decree No. 39/2010 and Regulation (EU) No. 537/2014.

With regard to the distribution of the extraordinary dividend, considering the 51,058,297 F.I.L.A. shares outstanding as of today, net of the 330,766 treasury shares held by the Company, the maximum total amount of the dividend will be Euro 29,421,967.98.

- Impacts of events related to the conflict in Ukraine and Israel

The operating and financial impacts of the conflict between Russia and Ukraine on the F.I.L.A. Group and on its Russian commercial subsidiary Fila Stationary O.O.O. are not considered significant, also in view of the fact that the revenue of the subsidiary accounts for approx. 0.1% of the Group's total. The F.I.L.A. Group does not have suppliers or production plant in the area. The Russian subsidiary has a net commercial exposure to third parties at March 31, 2024 of Euro 2.2 million, fully written-down on the basis of assessments upon their recoverability. Group management continues to monitor the recoverability of the net exposure to third parties of the Russian subsidiary.

In light of these serious events, the Group is in addition monitoring the short-term situation so as to be ready to offset the impacts of all future decisions upon the presence in Russia.

There are no F.I.L.A. Group companies in Ukraine at March 31, 2024.

For further details, reference should be made to the "Key events in the year" section of the Annual Financial Report at December 31, 2023.

A military conflict involving Israel has been ongoing since October 7, 2023.

The operating and financial impacts of the conflict on the Israeli commercial subsidiary Fila Art and Craft Ltd are not considered significant, also in view of the fact that the revenue of the subsidiary accounts for approx. 0.5% of the Group's total.

The F.I.L.A. Group does not have suppliers or production plant in the area.

The Israeli subsidiary has a net commercial exposure to third parties at March 31, 2024 of Euro 696 thousand. Group management continues to monitor the recoverability of the net exposure to third parties of the subsidiary, although currently no recoverability risks exist.

Key Financial Highlights

The F.I.L.A. Group Key Financial Highlights for Q1 2024 are reported below:

| <i>Euro thousands</i> | March 31, 2024 | % revenue | March 31, 2023 | % revenue | Change 2024 - 2023 | of which DOMS Industries Limited (3) | | |
|---|----------------|-----------|----------------|-----------|-----------------------|--|----------|---------|
| Revenue | 131,898 | 100.0% | 178,688 | 100.0% | (46,790) | -26.2% | (30,096) | -16.8% |
| Gross operating profit ⁽¹⁾ | 20,432 | 15.5% | 26,290 | 14.7% | (5,858) | -22.3% | (5,715) | -21.7% |
| Operating profit | 12,663 | 9.6% | 15,390 | 8.6% | (2,727) | -17.7% | (4,180) | -27.2% |
| Net financial expense | (3,850) | -2.9% | (10,137) | -5.7% | 6,286 | 62.0% | 24 | 0.2% |
| Total taxes | (2,357) | -1.8% | (2,365) | -1.3% | 7 | 0.3% | 980 | 41.4% |
| F.I.L.A. Group Profit attributable to the owners of the Parent | 6,178 | 4.7% | 1,255 | 0.7% | 4,923 | 392.3% | (1,620) | -129.1% |
| <i>Earnings per share (€ cents)</i> | | | | | | | | |
| | <i>basic</i> | 0.12 | 0.02 | | | | | |
| | <i>diluted</i> | 0.12 | 0.02 | | | | | |

| <i>ADJUSTED Net of Non-Recurring expenses - Euro thousands</i> | March 31, 2024 | % revenue | March 31, 2023 | % revenue | Change 2024 - 2023 | of which DOMS Industries Limited (3) | IFRS 16 effects | Adjustments for Non-Recurring expenses |
|--|----------------|-----------|----------------|-----------|-----------------------|--|--------------------|--|
| Revenue | 131,898 | 100.0% | 178,688 | 100.0% | (46,790) | -26.2% | (30,096) | -16.8% |
| Gross operating profit ⁽¹⁾ | 21,116 | 16.0% | 28,262 | 15.8% | (7,146) | -25.3% | (5,715) | -20.2% |
| Gross operating profit net of IFRS16 | 18,536 | 14.1% | 24,339 | 13.6% | (5,804) | -23.8% | (5,359) | -22.0% |
| Operating profit | 12,980 | 9.8% | 17,361 | 9.7% | (4,381) | -25.2% | (4,180) | -24.1% |
| Net financial expense | (3,850) | -2.9% | (10,137) | -5.7% | 6,286 | 62.0% | 24 | 0.2% |
| Total taxes | (2,381) | -1.8% | (2,635) | -1.5% | 254 | 9.6% | 980 | 37.2% |
| F.I.L.A. Group Profit attributable to the owners of the Parent | 6,471 | 4.9% | 2,955 | 1.7% | 3,516 | 119.0% | (1,620) | -54.8% |
| <i>Earnings per share (€ cents)</i> | | | | | | | | |
| | <i>basic</i> | 0.13 | 0.06 | | | | | |
| | <i>diluted</i> | 0.12 | 0.06 | | | | | |

| <i>Euro thousands</i> | March 31, 2024 | March 31, 2023 | Change 2024 - 2023 |
|--------------------------------------|----------------|----------------|-----------------------|
| Cash flows from operating activities | (29,659) | (31,850) | 2,191 |
| Free cash flow to equity | (40,558) | (55,462) | 14,904 |
| Net investments | (2,284) | (12,518) | 10,234 |
| % revenue | 1.7% | 7.0% | |

| <i>Euro thousands</i> | March 31, 2024 | December 31, 2023 | Change IFRS 16 2024 - 2023 effects |
|---|----------------|-------------------|---------------------------------------|
| Net capital employed | 922,212 | 877,364 | (877,364) (11,490) |
| Net Financial debt ⁽²⁾ | (363,016) | (303,412) | 303,412 10,851 |
| Net Financial debt excluding IFRS16 and MTM | (299,493) | (226,643) | (72,849) |
| Equity | (559,196) | (573,953) | 14,756 639 |

(1) The Gross Operating Margin (EBITDA) corresponds to the operating result before amortisation and depreciation and write-downs;

(2) Net financial structure indicator calculated as the aggregate of the current and non-current financial debt, net of cash and cash equivalents and current financial assets. Net financial debt as defined by Consob Notice DEM/6064293 of July 28, 2006 and Consob Attention Call No. 5/21 of April 29, 2021, excludes non-current financial assets.

(3) The data refer to the associated company DOMS Industries Limited at consolidation level. Following its listing on December 20, 2023 on the National Stock Exchange of India, the company has been deconsolidated.

2024 Adjustments:

- ▶ The adjustments to the Q1 2024 “Gross Operating Profit” concern non-recurring operating charges of Euro 0.7 million regarding the reorganisation charges for Euro 0.4 million, the portion for the period concerning the medium/long-term “2022-2026 Performance Shares” incentive plan for Euro 0.2 million Group and consultancy charges for Euro 0.1 million;
- ▶ The adjustment to the “Operating Profit” was Euro 0.3 million, relating to the above-stated effects on the “Gross Operating Profit” and to the release of the previously accrued provision for the estimated losses of the Russian subsidiary Fila Stationary O.O.O.;
- ▶ The adjustment to the Q1 2024 “Profit attributable to the owners of the parent” was Euro 0.3 million and principally concerns the above effects on the “Operating Profit”, net of the tax effect.

2023 Adjustments:

- ▶ The adjustments to the Q1 2023 “Gross Operating Profit” concern non-recurring operating charges of Euro 2.0 million regarding the reorganisation and restructuring charges for Euro 1.3 million, Group consultancy charges for Euro 0.6 million and the portion for the period concerning the medium/long-term “2022-2026 Performance Shares” incentive plan for Euro 0.1 million;
- ▶ The adjustment of the “Operating Profit” was Euro 2.0 million, resulting from the aforementioned effects on the “Gross Operating Profit”;
- ▶ The adjustment to the Q1 2023 “Profit attributable to the owners of the parent” was Euro 1.7 million and principally concerns the above effects on the “Operating Profit”, net of the tax effect.

In order to permit a more accurate assessment of the F.I.L.A. Group’s financial performance and financial position, some alternative performance measures are presented alongside the conventional financial measures pursuant to the IFRS. Such alternative performance measures are not to be considered replacements for the IFRS-compliant measures. These measures are also tools used by the Directors to identify operating trends and for decision-making upon investments, the allocation of resources and other operative decisions. Alternative performance measures are not covered by IFRS and are therefore not comparable with similar performance and disclosure measures used in the financial statements of other entities.

The alternative performance measures used are illustrated below:

Gross operating profit or EBITDA: this is calculated as profit for the reporting period, excluding the following components: (i) income taxes for the reporting period, (ii) depreciation, amortisation and impairment losses, and (iii) financial income and expense.

The F.I.L.A. Group uses this measure as an internal management target and in external presentations (for analysts and investors), as it is useful in measuring the overall operating performance of the F.I.L.A. Group and of F.I.L.A. S.p.A.

The table below presents a reconciliation of the profit for the period with the Gross Operating Profit or EBITDA:

| <i>Euro thousands</i> | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Profit attributable to non-controlling interests | 277 | 1,633 |
| Profit attributable to the owners of the parent | 6,178 | 1,255 |
| Profit for the year | 6,455 | 2,888 |
| Income taxes | 2,357 | 2,365 |
| Current taxes | 2,582 | 3,189 |
| Deferred taxes | (224) | (824) |
| Financial items | 3,850 | 10,137 |
| Financial income | (2,494) | (1,861) |
| Financial expenses | 6,344 | 12,261 |
| Share of losses of equity-accounted investees | - | (263) |
| Amortisation, depreciation and impairment losses | 7,769 | 10,900 |
| Gross operating profit | 20,432 | 26,290 |

The Group defines adjusted “Gross Operating Profit or EBITDA excluding non-recurring charges and IFRS 16” as gross operating profit or EBITDA before: (i) non-recurring expense and (ii) the application of IFRS 16.

The following is a reconciliation between Gross Operating Profit or EBITDA and Gross Operating Profit or EBITDA excluding non-recurring charges and IFRS 16:

| <i>Euro thousands</i> | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Gross operating profit | 20,432 | 26,290 |
| Non-recurring expense | 684 | 1,972 |
| Gross operating profit excluding non-recurring charges | 21,116 | 28,262 |
| IFRS 16 effect | (2,895) | (4,111) |
| Non-recurring expense IFRS 16 | 315 | 189 |
| Gross operating profit excluding non-recurring charges and IFRS16 | 18,536 | 24,339 |

Operating Profit or EBIT: this is calculated as profit for the reporting period, excluding the following components: (i) income taxes for the reporting period, and (ii) financial income and expense.

The following is a reconciliation between Gross Operating Profit or EBITDA and Operating Profit or EBIT:

| <i>Euro thousands</i> | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Gross operating profit | 20,432 | 26,290 |
| Amortisation and depreciation | (8,448) | (10,477) |
| Impairment losses on trade receivables and other assets | 741 | (398) |
| Other impairment losses | (62) | (25) |
| Operating profit | 12,663 | 15,390 |

The following is a reconciliation between Operating Profit or EBIT and Operating Profit or EBIT excluding non-recurring charges:

| <i>Euro thousands</i> | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Operating profit | 12,663 | 15,390 |
| Non-recurring expense | 317 | 1,972 |
| Operating profit excluding non-recurring charges | 12,980 | 17,361 |

Group profit for the period: profit for the period, normalised for non-controlling interest items.

The following is the reconciliation of the Group profit with the Group profit excluding non-recurring charges:

| <i>Euro thousands</i> | March 31, 2024 | March 31, 2023 |
|---|-------------------|-------------------|
| Profit for the period attributable to the owners of the parent | 6,178 | 1,255 |
| Non-recurring expense | 293 | 1,700 |
| Profit for the period attributable to the owners of the parent excluding non-recurring charges | 6,471 | 2,955 |

Net financial position (or net financial debt): this is a valid measure of the F.I.L.A. Group's financial structure. It is calculated as the aggregate of the current and non-current financial debt, net of cash and cash equivalents and of current financial assets, in accordance with Consob Communication DEM/6064293 of July 28, 2006 and Consob's call to attention No. 5/21 of April 29, 2021, excluding non-current financial assets.

The non-current financial assets of the F.I.L.A. Group at March 31, 2024 and at December 31, 2023 respectively totalled Euro 1,228 thousand and Euro 746 thousand.

For greater details, reference should be made to the "Financial overview" section.

F.I.L.A. Group's Financial Highlights

The F.I.L.A. Group Key Financial Highlights for Q1 2024 are reported below.

Adjusted financial performance

The F.I.L.A. Group reports in Q1 2024 a 25.3% contraction in the Gross Operating Profit excluding non-recurring charges over the same period of the previous year:

| <i>ADJUSTED Net of Non-Recurring expenses - Euro thousands</i> | March 31, 2024 | % revenue | March 31, 2023 | % revenue | Change 2024 - 2023 | | of which DOMS Industries Limited at consolidated level | |
|---|----------------|--------------|----------------|--------------|--------------------|----------------|--|----------------|
| Revenue | 131,898 | 100.0% | 178,688 | 100.0% | (46,790) | (26.2%) | (30,096) | (16.8%) |
| Income | 1,903 | | 2,482 | | (579) | (23.3%) | (132) | (5.3%) |
| Total revenue | 133,801 | | 181,170 | | (47,369) | (26.2%) | (30,228) | (16.7%) |
| Total operating costs | (112,686) | (85.4%) | (152,909) | (85.6%) | 40,223 | 26.3% | 24,512 | 16.0% |
| Gross operating profit | 21,116 | 16.0% | 28,262 | 15.8% | (7,146) | (25.3%) | (5,715) | (20.2%) |
| Amortisation, depreciation and impairment losses | (8,136) | (6.2%) | (10,900) | (6.1%) | 2,764 | 25.4% | 1,535 | 14.1% |
| Operating profit | 12,980 | 9.8% | 17,361 | 9.7% | (4,381) | (25.2%) | (4,180) | (24.1%) |
| Net financial expense | (3,850) | (2.9%) | (10,137) | (5.7%) | 6,286 | 62.0% | 24 | 0.2% |
| Pre-tax profit | 9,129 | 6.9% | 7,224 | 4.0% | 1,905 | 26.4% | (4,156) | (57.5%) |
| Total taxes | (2,381) | (1.8%) | (2,635) | (1.5%) | 254 | 9.6% | 980 | 37.2% |
| Profit for the year | 6,748 | 5.1% | 4,590 | 2.6% | 2,159 | 47.0% | (3,176) | (69.2%) |
| Profit for the year attributable to non-controlling interests | 277 | 0.2% | 1,634 | 0.9% | (1,357) | (83.1%) | (1,556) | (95.2%) |
| F.I.L.A. Group Profit attributable to the owners of the Parent | 6,471 | 4.9% | 2,955 | 1.7% | 3,516 | 119.0% | (1,620) | (54.8%) |

The main changes compared to Q1 2023 are illustrated below.

“Revenue” of Euro 131,898 thousand decreased by Euro 46,790 thousand on Q1 2023 (-26.2%). Net of exchange losses of Euro 5,106 thousand (mainly concerning the Argentinian Peso and the Turkish Lira, partially offset by the strengthening of the Mexican Peso), and of the revenue reported by the former Indian subsidiary DOMS Industries Limited for Q1 2023 of Euro 30,096 thousand, the organic reduction was Euro 11,588 thousand (-7.8%).

At geographical area level, this organic contraction concerned North America for Euro 15,423 thousand (-21.1% on the preceding period, with this contraction to be gradually recovered during the year with the introduction of the “SAP Extended Warehouse Management” module for the streamlining of logistics processes), and the Rest of the World for Euro 106 thousand (-10.9% on the preceding period), offset by organic growth in Central and South America for Euro 3,637 thousand (+18.9% on the preceding period), in

Europe for Euro 206 thousand (+0.4% on the preceding period) and in Asia for Euro 99 thousand (+3.3% on the preceding period).

“Income” of Euro 1,903 thousand decreased by Euro 579 thousand compared to the previous year, mainly due to the lower currency gains on commercial transactions.

“Total operating costs” in the period of Euro 112,686 thousand contracted Euro 40,223 thousand on the same period of 2023. This decrease mainly concerns the operating costs incurred in Q1 2023 by the former Indian subsidiary DOMS Industries Limited for Euro 24,512 thousand (net of Euro 3,309 thousand concerning Inter-company item eliminations), and the lower variable purchase and commercial costs due to the reduction in revenue.

The “Gross Operating Profit” amounts to Euro 21,116 thousand, decreasing Euro 7,146 thousand on the same period of 2023 (-25.3%), mainly due to the deconsolidation of the former Indian subsidiary DOMS Industries Limited for Euro 5,715 thousand. The organic margin improved from 15.1% in Q1 2023 (excluding the former Indian subsidiary DOMS Industries Limited) to 16.0% in Q1 2024.

“Amortisation, depreciation and impairment losses” decreased Euro 2,764 thousand, mainly due to the amortisation and depreciation incurred in Q1 2023 by the former Indian subsidiary DOMS Industries Limited for Euro 1,535 thousand, and the reduction of impairments and loss allowance accruals.

“Net financial expense” improved Euro 6,286 thousand, essentially due to exchange gains on financial transactions, in addition to lower net financial expense, mainly relating to the US subsidiary Dixon Ticonderoga Company and the Mexican subsidiary Grupo F.I.L.A.-Dixon, S.A. de C.V..

In accordance with IAS/IFRS (IAS28.33), the most recent available financial disclosure should be used for the equity method valuation of the investment. At the date of this Interim Financial Report, the financial statements of the Indian associate DOMS Industries Limited at March 31, 2024 have not yet been approved. The consolidated financial statements of the F.I.L.A. Group at March 31, 2024 therefore do not take into account these figures as not yet available.

Group “Taxes” amounted to Euro 2,381 thousand, slightly decreasing on the same period of the previous year.

Net of the profit attributable to “non-controlling interests”, the F.I.L.A. Group result net of non-recurring charges in Q1 2024 was a profit of Euro 6,471 thousand, compared to Euro 2,955 thousand in the previous year. The movement on the comparative period includes Euro 1,620 thousand concerning the former Indian subsidiary DOMS Industries Limited.

Business seasonality

The group’s operations are affected by the business’s seasonal nature, as reflected in the consolidated results.

The F.I.L.A. Group primarily operates in the school and office strategic business segment and the fine arts strategic business segment. Historically, the school and office strategic business segment has reported greater sales in the second and third quarters of the year than in the first and fourth quarters of the year. This is mainly due to the fact that in the Group’s main markets (i.e., North America, Mexico, India and Europe), schools reopen in the period from June to September. By contrast, the fine arts strategic business segment reports greater sales to some extent in the first, but especially in the fourth quarter, than in the second and third quarters, partially offsetting the seasonal nature of the school and office strategic business segment.

The quarterly breakdown of profit or loss shows the concentration of sales in the second and third quarters in conjunction with the “school campaign”. Specifically, significant sales are made through the traditional “school suppliers” channel in June and through the “retailers” channel in August.

Seasonality is more significant when it is viewed in relation to working capital. In fact, in the school and office strategic business segment the Group has historically invested large quantities of financial resources to meet the enormous demand for products from July to September, while only receiving payments from November.

The key highlights for Q1 2024 and 2023 are reported below.

| <i>Euro thousands</i> | 2023 | | | | 2024 |
|--|----------------------|----------------------|----------------------|------------------|----------------------|
| | First 3 mth. 2023 | First 6 mth. 2023 | First 9 mth. 2023 | FY 2023 | First 3 mth. 2024 |
| Revenue | 178,688 | 415,606 | 614,153 | 779,183 | 131,898 |
| <i>Full year portion</i> | 22.9% | 53.3% | 78.8% | 100.0% | 100.0% |
| Gross operating profit | 26,290 | 76,862 | 113,998 | 122,353 | 20,432 |
| <i>% revenue from sales and services</i> | 14.7% | 18.5% | 18.6% | 15.7% | 15.5% |
| <i>Full year portion</i> | 21.5% | 62.8% | 93.2% | 100.0% | |
| Gross operating profit excluding non-recurring charges | 28,262 | 79,880 | 119,433 | 136,066 | 21,116 |
| <i>% revenue from sales and services</i> | 15.8% | 19.2% | 19.4% | 17.5% | 16.0% |
| <i>Full year portion</i> | 20.8% | 58.7% | 87.8% | 100.0% | |
| Gross operating profit excluding non-recurring charges and IFRS | 24,339 | 72,248 | 108,020 | 121,104 | 18,536 |
| <i>% revenue from sales and services</i> | 13.6% | 17.4% | 17.6% | 15.5% | 14.1% |
| <i>Full year portion</i> | 20.1% | 59.7% | 89.2% | 100.0% | |
| Net Financial Debt | (490,413) | (488,978) | (445,787) | (303,412) | (363,016) |
| Net Financial debt excluding IFRS16 and MTM | (405,121) | (406,881) | (365,115) | (226,643) | (299,493) |

Statement of Financial Position

The statement of financial position of the F.I.L.A. Group at March 31, 2024 is reported below:

| <i>Euro thousands</i> | March 31, 2024 | December 31, 2023 | Change 2024 - 2023 |
|--|------------------|-------------------|-----------------------|
| Intangible assets | 381,423 | 378,031 | 3,392 |
| Property, plant & equipment | 110,822 | 123,325 | (12,503) |
| Biological assets | 1,247 | 1,241 | 6 |
| Financial assets | 161,631 | 161,149 | 482 |
| Net Non-Current Assets | 655,123 | 663,746 | (8,623) |
| Other Non-Current Assets/ Liabilities | 23,383 | 23,304 | 79 |
| Inventories | 291,675 | 264,375 | 27,299 |
| Trade receivables and other assets | 126,648 | 99,821 | 26,827 |
| Trade payables and other liabilities | (104,626) | (105,656) | 1,030 |
| Other current assets and liabilities | 3,396 | 4,476 | (1,080) |
| Net working capital | 317,093 | 263,016 | 54,077 |
| Provisions | (73,388) | (72,702) | (686) |
| Net invested capital | 922,212 | 877,364 | 44,848 |
| Equity | (559,196) | (573,953) | 14,756 |
| Net Financial debt excluding IFRS16 and MTM | (299,493) | (226,643) | (72,849) |
| IFRS 16 effect | (65,040) | (75,891) | 10,851 |
| Net Financial Instruments | 1,517 | (877) | 2,394 |
| Net financial debt | (363,016) | (303,412) | (59,604) |
| Net funding sources | (922,212) | (877,364) | (44,848) |

The F.I.L.A. Group's "Net Invested Capital" of Euro 922,212 thousand at March 31, 2024 was composed of "Net non-current assets" of Euro 655,123 thousand (decreasing by Euro 8,623 thousand on December 31, 2023), "Net Working Capital" of Euro 317,093 thousand (increasing by Euro 54,077 thousand on December 31, 2023) and "Other Non-Current Assets/Liabilities" of Euro 23,383 thousand (increasing by Euro 79 thousand on December 31, 2023), net of "Provisions" of Euro 73,388 thousand (Euro 72,702 thousand at December 31, 2023).

"Intangible Assets" increased on December 31, 2023 by Euro 3,392 thousand, mainly due to exchange gains in the period of Euro 5,456 thousand and net investments of Euro 1,050 thousand, principally by the parent F.I.L.A. S.p.A. (Euro 1,045 thousand) to introduce the SAP system at a number of Group companies. The increase is partially offset by amortisation in the period of Euro 3,146 thousand.

“Property, plant and equipment” decreased on December 31, 2023 by Euro 12,503 thousand, mainly due to the decrease of Euro 11,550 thousand in the “Right-of-Use” and of Euro 953 thousand in “Property, Plant and Machinery”.

The decrease in the “Right-of-use” is due to the renegotiation of the lease contracts recognised in the period of Euro 10,312 thousand, mainly by the subsidiary Grupo F.I.L.A.-Dixon, S.A. de C.V. (Mexico) for Euro 9,224 thousand and by the subsidiary Dixon Ticonderoga Company (U.S.A) for Euro 2,663 thousand. The reduction is also due to depreciation in the period of Euro 2,461 thousand, and is offset by exchange gains of Euro 1,224 thousand.

The decrease in “Property, Plant and Machinery” was mainly due to depreciation in the period of Euro 2,841 thousand. This overall movement is mainly offset by investments in the period of Euro 1,272 thousand, mainly by the parent F.I.L.A. S.p.A. for Euro 381 thousand, Dixon Ticonderoga Company (U.S.A) for Euro 371 thousand and Grupo F.I.L.A.-Dixon, S.A. de C.V. (Mexico) for Euro 337 thousand, in addition to the recognition of exchange gains of Euro 672 thousand.

“Biological Assets” increased Euro 6 thousand compared to December 31, 2023, entirely due to exchange gains. This item only includes the fair value of the plantation of the Chinese subsidiary Xinjiang F.I.L.A. - Dixon Plantation Company Ltd.

“Non-current Financial assets” increased Euro 482 thousand compared to December 31, 2023, mainly in relation to the movement in the financial receivables of the Argentinian subsidiary Fila Argentina for Euro 361 thousand, and of the Mexican subsidiary Grupo F.I.L.A.-Dixon, S.A. de C.V. for Euro 108 thousand.

The increase in “Net Working Capital” of Euro 54,077 thousand relates to the following:

- ▶ “Inventories” - increasing Euro 27,299 thousand, mainly due to the seasonality of the business which features higher stock on the approach of the schools’ campaign. The net increase in stock at the F.I.L.A. Group of Euro 22,824 thousand particularly concerns the subsidiary Dixon Ticonderoga Company (U.S.A) for Euro 17,179 thousand, the subsidiary Canson SAS (France) for Euro 3,727 thousand and the subsidiary Grupo Fila- Dixon, S.A. de C.V. (Mexico) for Euro 2,629 thousand. Exchange gains were also recorded of Euro 3,810 thousand;
- ▶ “Trade Receivables and Other Assets” - increasing Euro 26,827 thousand, mainly due to the seasonality of the F.I.L.A. Group’s business. The increase in particular concerns “Trade Receivables” for Euro 25,665 thousand, mainly relating to the Mexican subsidiary Grupo Fila- Dixon, S.A. de C.V. for Euro 9,795 thousand and the parent F.I.L.A. S.p.A. for Euro 7,832 thousand, in addition to the recognition of exchange gains of Euro 1,203 thousand;

- ▶ “Trade and Other Payables” - decreasing Euro 1,030 thousand, mainly due to the decrease in “Trade Payables” for Euro 2,238 thousand, recognised by the Mexican subsidiary Grupo Fila- Dixon, S.A. de C.V. and the US subsidiary Dixon Ticonderoga Company. Exchange losses of Euro 1,367 thousand are in addition reported.

The increase in “Provisions” on December 31, 2023 of Euro 686 thousand principally concerns the:

- ▶ Increase in “Deferred tax liabilities” of Euro 760 thousand, principally due to exchange losses of Euro 889 thousand;
- ▶ Decrease in “Provisions for Risks and Charges” of Euro 51 thousand, principally due to the utilisation of the provision of the US subsidiary Dixon Ticonderoga Company;
- ▶ Decrease in “Employee benefits” for Euro 24 thousand.

The “Equity” attributable to owners of the Parent, amounting to Euro 559,196 thousand, decreased on December 31, 2023 by Euro 14,756 thousand. Net of the profit for the period of Euro 6,455 thousand (of which a profit of Euro 277 thousand attributable to non-controlling interests), the residual movement mainly concern the dividends paid for Euro 29,451 thousand, of which F.I.L.A. S.p.A. shareholders for Euro 29,422 thousand and the non-controlling interests of the subsidiaries for Euro 29 thousand. These changes were offset by the increase in the translation reserve of Euro 5,192 thousand, the increase in the “Actuarial Gains/Losses” reserve for Euro 315 thousand and the increase of the “fair value hedge” of the derivatives (IRS’s) for Euro 2,103 thousand.

The F.I.L.A. Group “Net Financial Debt” at March 31, 2024 was Euro 363,016 thousand, increasing Euro 59,604 thousand on December 31, 2023.

For greater details, reference should be made to the Net financial debt and cash flows section.

Financial overview

The Group's net financial debt at March 31, 2024 and cash flows for the year then ended are summarised in the following table to complete the discussion about its financial position and financial performance.

For the definition of the Net Financial Debt, reference should be made to Consob's call to attention No. 5/21 of April 29, 2021, which cites the new ESMA guidelines in this regard.

The **Net Financial Debt - F.I.L.A. Group** at March 31, 2024 was Euro 363,016 thousand:

| <i>Euro thousands</i> | March 31, 2024 | December 31, 2023 | Change 2024 - 2023 |
|--|------------------|-------------------|-----------------------|
| A Cash | 183 | 206 | (23) |
| B Cash equivalents | 65,604 | 125,645 | (60,041) |
| C Other current financial assets | 3,246 | 1,162 | 2,084 |
| D Liquidity (A + B + C) | 69,033 | 127,012 | (57,979) |
| E Current bank loans and borrowings | (54,305) | (40,848) | (13,457) |
| F Current portion of non-current bank loans and borrowings | (32,012) | (32,057) | 45 |
| G Current financial debt (E + F) | (86,317) | (72,905) | (13,412) |
| H Net current financial (position) debt (G - D) | (17,284) | 54,108 | (71,392) |
| I Non-current bank loans and borrowings | (345,732) | (357,519) | 11,787 |
| J Bonds issued | - | - | - |
| K Trade payables and other non current liabilities | - | - | - |
| L Non-current financial debt (I + J + K) | (345,732) | (357,519) | 11,787 |
| M Net financial debt (H + L) | (363,016) | (303,412) | (59,604) |
| N Long term loans issued | - | - | - |
| O Net financial debt (M + N) - F.I.L.A. Group | (363,016) | (303,412) | (59,604) |

The Net Financial Debt – F.I.L.A. Group comprised the Net Financial Debt excluding IFRS16 and MTM for a debt of Euro 299,493 thousand (debt of Euro 226,643 thousand at December 31, 2023), from the application of IFRS16 for Euro 65,040 thousand and the Mark to Market Hedging for a positive Euro 1,517 thousand.

The reconciliation between the Net Financial Debt - F.I.L.A. Group and the Statement of Financial Position is reported below:

- ▶ captions "A - Cash" (Euro 183 thousand) and "B - Cash equivalents" (Euro 65,604 thousand) are included in "Cash and cash equivalents" (Euro 65,787 thousand);
- ▶ caption "C - Other current financial assets" refers to "Current financial assets" (Euro 3,246 thousand);
- ▶ caption "G - Current financial debt" relates to "Current Financial Liabilities" (amounting to Euro 86,317 thousand) and contains caption "F - Current portion of non-current financial debt" (Euro 32,012 thousand) which refers to the current portion of IFRS 16 Financial Liabilities (Euro 8,805 thousand) and to the current portion of long-term loans (for Euro 23,206 thousand);
- ▶ caption "I - Non-current bank loans and borrowings" (Euro 345,732 thousand) refers to "Non-Current Financial Liabilities" (Euro 347,249 thousand), including the long-term IFRS 16 Financial Liabilities of Euro 56,234 thousand, in addition to the financial hedge instrument (for a positive Euro 1,517 thousand), covered by "Non-Current Financial Assets".

Compared to December 31, 2023 (Euro 303,412 thousand), the Net Financial Debt at March 31, 2024 increased Euro 59,604 thousand, as outlined below in the Statement of Cash Flows:

| <i>Euro thousands</i> | March 31, 2024 | March 31, 2023 |
|--|-----------------|-----------------|
| Gross operating profit | 20,432 | 26,290 |
| Non-monetary adjustments | 48 | 1,656 |
| IFRS16 operating flow | (2,895) | (4,111) |
| Income taxes | (1,354) | (4,790) |
| Cash Flows from Operating Activities Before Changes in NWC | 16,231 | 19,046 |
| Change in NWC | (50,201) | (53,996) |
| Change in Inventories | (22,824) | (22,461) |
| Change in Trade Receivables and Other Assets | (24,122) | (29,205) |
| Change in Trade Payables and Other Liabilities | (3,040) | (2,319) |
| Change in Other Current Assets/Liabilities | (215) | (11) |
| Net Cash Flows used in Operating Activities | (33,970) | (34,950) |
| Investments in Property, Plant and Equipment and Intangible assets | (2,284) | (12,518) |
| Financial income | 278 | 119 |
| Net Cash Flows used in Investing Activities | (2,006) | (12,400) |
| Change in Equity | (29,451) | (682) |
| Financial Expense | (5,409) | (7,620) |
| Financial Expense IFRS16 | (907) | (1,482) |
| Net Cash Flows used in Financing Activities | (35,767) | (9,784) |
| Exchange differences and other variations | 1,741 | 990 |
| Total Net Cash Flows | (70,003) | (56,144) |
| Free cash flow to equity | (40,558) | (55,462) |
| Effect of exchange gains (losses) | (3,501) | 1,193 |
| Change in amortized cost | 654 | (359) |
| Mark to mark hedging adjustment | 2,394 | (1,300) |
| NFD change due to IFRS16 FTA | 10,851 | 1,356 |
| Change in Net Financial Debt - F.I.L.A. Group | (59,604) | (55,254) |

Net cash outflow in Q1 2024 from “Operating Activities” of Euro 33,970 thousand (outflow of cash in Q1 2023 of Euro 34,950 thousand) concerns:

- Inflows of Euro 16,231 thousand (Euro 19,046 thousand in Q1 2023) from “Operating profit”, based on the difference of the “Value” and the “Costs of Cash Generation” and the remaining ordinary income components, excluding financial management;
- Outflows of Euro 50,201 thousand (outflows of Euro 53,996 thousand in Q1 2023) attributable to “Working Capital movements”, primarily related to the increases in “Trade Receivables and Other Assets” and of “Inventories”, in addition to the reduction in “Trade Payables and Other Liabilities”.

“Investing activities” reported outflows of Euro 2,006 thousand (Euro 12,400 thousand in Q1 2023), mainly due to the use of cash for Euro 2,284 thousand (Euro 12,518 thousand in Q1 2023) for net tangible and intangible asset investment, particularly regarding the parent F.I.L.A. S.p.A..

“Financing activities” absorbed net cash flows of Euro 35,767 thousand (Euro 9,784 thousand absorbed in Q1 2023), concerning the dividends paid for a total of Euro 29,451 thousand (to the shareholders of F.I.L.A. S.p.A. for Euro 29,422 thousand and to the non-controlling interest shareholders of the subsidiaries for Euro 29 thousand), the interest paid on loans and credit lines granted to the Group companies of Euro 5,409 thousand, mainly the parent F.I.L.A. S.p.A., Dixon Ticonderoga Company (U.S.A.) and Grupo F.I.L.A. – Dixon, S.A. de C.V. (Mexico), in addition to interest expense due to the application of IFRS 16 of Euro 907 thousand.

“Free Cash Flow to Equity” was a negative Euro 40,588 thousand (negative Euro 55,462 thousand at March 31, 2023), and is calculated as the difference between the Total Net Cash Flow for a negative Euro 70,003 thousand (negative Euro 56,144 thousand at March 31, 2023), and the changes to Equity of Euro 29,451 thousand (Euro 682 thousand at March 31, 2023).

Excluding exchange movements regarding the translation of the Net Financial Debt in currencies other than the Euro (negative for Euro 3,501 thousand), the movement in the Net Financial Debt due to the application of IFRS 16 for a positive Euro 10,851 thousand, the Mark to Market Hedging adjustment for a positive Euro 2,394 thousand and the “Amortised cost” movement for a positive Euro 654 thousand, the Net Financial Debt of the F.I.L.A. Group therefore increased Euro 59,604 thousand (increase of Euro 55,254 thousand at March 31, 2023).

Changes in net cash and cash equivalents are detailed below:

| <i>Euro thousands</i> | March 31, 2024 | December 31, 2023 |
|--|-----------------------|--------------------------|
| Opening Cash and Cash Equivalents | 124,807 | 107,546 |
| Cash and cash equivalents | 125,851 | 111,209 |
| Current account overdrafts | (1,044) | (3,663) |
| Closing Cash and Cash Equivalents | 64,981 | 124,807 |
| Cash and cash equivalents | 65,787 | 125,851 |
| Current account overdrafts | (806) | (1,044) |

Segment reporting

In terms of segment reporting, the F.I.L.A. Group has adopted IFRS 8.

IFRS 8 requires an entity to base segment reporting on internal reporting, which is regularly reviewed by the entity's chief operating decision maker to allocate resources to the various segments and assess performance.

Geographical segments are the primary basis of analysis and of decision-making by the F.I.L.A. Group's management, therefore fully in line with the internal reporting prepared for these purposes.

In particular, the Group's business is divided into five business segments, each of which is composed of various geographical segments, i.e. (i) Europe, (ii) North America (USA and Canada), (iii) Central and South America, (iv) Asia and (v) the Rest of the World, which includes South Africa and Australia. Each of the five business segments designs, markets, purchases, manufactures and sells products under known consumer brands in demand amongst end users and used in schools, homes and workplaces. Product designs are adapted to end users' preferences in each geographical segment.

The group's products are similar in terms of quality and production, target market, margins, sales network and customers, even with reference to the different brands which the group markets. Accordingly, there is no diversification by segments in consideration of the substantial uniformity of the risks and benefits relating to the products produced by the F.I.L.A. Group.

The accounting policies applied to segment reporting are in line with those used for the preparation of the consolidated financial statements.

Business Segment Reporting of the F.I.L.A. Group aggregates companies by geographical segment on the basis of the "entity location".

For disclosure on the association between the geographical segments and F.I.L.A. group companies, reference should be made to the attachments to this report in the "List of companies included in the consolidation scope and other equity investments" section.

The segment reporting required in accordance with IFRS 8 is presented below.

Business Segments – Statement of financial position

The key statement of financial position figures for the F.I.L.A. Group by geographical area, at March 31, 2024 and December 31, 2023, are reported below:

| March 31, 2024 | Europe | North America | Central - South America | Asia | Rest of the World | Consolidation | F.I.L.A. Group |
|--------------------------------------|------------------|------------------|-------------------------|---------------|-------------------|-----------------|------------------|
| <i>Euro thousands</i> | | | | | | | |
| Intangible Assets | 132,131 | 220,454 | 1,135 | 60 | - | 27,643 | 381,423 |
| Property, plant & equipment | 60,757 | 35,855 | 11,297 | 2,511 | 402 | - | 110,822 |
| Biological Assets | - | - | - | 1,247 | - | - | 1,247 |
| Total non-current assets | 192,888 | 256,309 | 12,432 | 3,818 | 402 | 27,643 | 493,492 |
| <i>of which Infragroup</i> | (76) | | | | | | |
| Inventories | 114,255 | 130,638 | 43,678 | 13,360 | 1,573 | (11,829) | 291,675 |
| Trade receivables and Other assets | 77,321 | 29,717 | 47,338 | 9,524 | 1,188 | (38,440) | 126,648 |
| Trade payables and Other liabilities | (71,002) | (38,441) | (18,994) | (9,292) | (1,534) | 34,637 | (104,626) |
| Other Current Assets and Liabilities | 109 | 3,286 | (61) | 83 | (21) | - | 3,396 |
| Net Working Capital | 120,683 | 125,200 | 71,961 | 13,675 | 1,206 | (15,632) | 317,093 |
| <i>of which Infragroup</i> | (20,271) | 2,225 | 1,715 | (567) | 1,266 | | |
| Net Financial (Position) Debt | (150,231) | (185,490) | (36,551) | 9,566 | (5,306) | 4,996 | (363,016) |
| <i>of which Infragroup</i> | (42,564) | 30,252 | 11,726 | - | 5,582 | | |
| December 31, 2023 | | | | | | | |
| <i>Euro thousands</i> | | | | | | | |
| Intangible Assets | 131,949 | 217,114 | 1,059 | 63 | - | 27,846 | 378,031 |
| Property, plant & equipment | 60,788 | 39,123 | 20,075 | 2,878 | 461 | - | 123,325 |
| Biological Assets | - | - | - | 1,241 | - | - | 1,241 |
| Total non-current assets | 192,737 | 256,237 | 21,134 | 4,182 | 461 | 27,846 | 502,597 |
| <i>of which Infragroup</i> | (76) | | | | | | |
| Inventories | 109,173 | 110,164 | 40,750 | 13,815 | 1,648 | (11,175) | 264,375 |
| Trade Receivables and other assets | 62,867 | 24,982 | 36,937 | 7,467 | 1,246 | (33,678) | 99,821 |
| Trade payables and other liabilities | (65,494) | (36,589) | (22,710) | (8,892) | (1,495) | 29,524 | (105,656) |
| Other Current Assets and Liabilities | 337 | 4,107 | (109) | 162 | (21) | - | 4,476 |
| Net Working Capital | 106,883 | 102,664 | 54,868 | 12,552 | 1,378 | (15,329) | 263,016 |
| <i>of which Infragroup</i> | (19,149) | 538 | 2,456 | (428) | 1,254 | | |
| Net Financial (Position) Debt | (110,949) | (170,912) | (30,742) | 9,571 | (5,322) | 4,942 | (303,412) |
| <i>of which Infragroup</i> | (24,978) | 11,244 | 13,154 | - | 5,522 | | |

Business Segments – Income Statement

The income statement for the F.I.L.A. Group by geographical area for Q1 2024 and Q1 2023 is reported below:

| March 31, 2024 | Europe | North America | Central - South America | Asia | Rest of the World | Consolidation | F.I.L.A. Group |
|---|----------------|---------------|-------------------------|--------------|-------------------|----------------|----------------|
| <i>Euro thousands</i> | | | | | | | |
| Revenue | 72,145 | 59,550 | 25,335 | 8,713 | 818 | (34,663) | 131,898 |
| <i>of which Infragroup</i> | (20,501) | (2,405) | (6,028) | (5,730) | (1) | - | - |
| Gross operating profit (loss) | 7,449 | 9,040 | 3,478 | 1,159 | 2 | (696) | 20,432 |
| Operating profit (loss) | 3,317 | 6,095 | 2,826 | 765 | (56) | (284) | 12,663 |
| Net financial income (expense) | (1,013) | (2,046) | (519) | (7) | (247) | (18) | (3,850) |
| <i>of which Infragroup</i> | (610) | 301 | 194 | - | 97 | - | - |
| Profit (loss) for the year | 1,735 | 2,929 | 1,925 | 636 | (303) | (467) | 6,455 |
| Profit (loss) attributable to Non-controlling interests | 144 | 78 | - | 55 | - | - | 277 |
| Profit (loss) attributable to the owners of the Parent | 1,591 | 2,851 | 1,925 | 581 | (302) | (467) | 6,178 |
| March 31, 2023 | | | | | | | |
| <i>Euro thousands</i> | | | | | | | |
| Revenue | 73,305 | 75,726 | 26,331 | 42,644 | 972 | (40,290) | 178,688 |
| <i>of which Infragroup</i> | (21,212) | (2,495) | (7,062) | (9,521) | - | - | - |
| Gross operating profit (loss) | 7,091 | 10,138 | 3,643 | 7,145 | (28) | (1,699) | 26,290 |
| Operating profit (loss) | 2,618 | 6,589 | 2,720 | 5,149 | (89) | (1,597) | 15,390 |
| Net financial income (expense) | (3,332) | (4,221) | (1,686) | (68) | (195) | (635) | (10,137) |
| <i>of which Infragroup</i> | (289) | (347) | (74) | 14 | 61 | - | - |
| Profit (loss) for the year | (1,072) | 1,842 | 599 | 3,877 | (283) | (2,075) | 2,888 |
| Profit (loss) attributable to Non-controlling interests | (30) | 55 | - | 1,608 | - | - | 1,633 |
| Profit (loss) attributable to the owners of the Parent | (1,042) | 1,787 | 599 | 2,268 | (283) | (2,075) | 1,255 |

Business Segments – Other Information

The “Other Information”, concerning tangible and intangible fixed asset investments of Group companies by geographical area for March 31, 2024 and March 31, 2023 is reported below:

| March 31, 2024 | Europe | North America | Central - South America | Asia | Rest of the World | F.I.L.A. Group |
|-------------------------------|--------------|----------------|-------------------------|-----------|-------------------|----------------|
| <i>Euro thousands</i> | | | | | | |
| Intangible assets | 1,047 | - | 3 | - | - | 1,050 |
| Property, plant and equipment | 519 | 379 | 364 | 4 | 7 | 1,272 |
| Right-of-use assets | 1,568 | (2,663) | (9,224) | 8 | - | (10,312) |
| Net investments | 3,134 | (2,284) | (8,857) | 12 | 7 | (7,990) |

| March 31, 2023 | Europe | North America | Central - South America | Asia | Rest of the World | F.I.L.A. Group |
|-------------------------------|--------------|---------------|-------------------------|---------------|-------------------|----------------|
| <i>Euro thousands</i> | | | | | | |
| Intangible assets | 633 | - | - | - | - | 633 |
| Property, plant and equipment | 1,136 | 439 | 272 | 10,035 | 11 | 11,894 |
| Right-of-use assets | 281 | 589 | - | 16 | 236 | 1,123 |
| Net investments | 2,050 | 1,028 | 272 | 10,051 | 247 | 13,650 |

Subsequent events

There were no subsequent events other than those reported in the section “Key Events in the period”.

Outlook

We confirm that the full-year 2024 results shall be impacted by a challenging macroeconomic environment in view of the upcoming elections in Mexico, in the United States and in India.

The Group’s forecast operating growth over the coming months shall continue to be driven by strong performances in Mexico, and the ongoing recovery in Europe. The logistics software to boost productivity in the United States has been fully rolled out, resulting in slower order fulfilment in Q1 2024, with an impact on revenues. The associated “learning curve” is steadily improving, allowing for a gradual recovery during 2024. The coming months will see the F.I.L.A. Group engaged in an organisational streamlining project to support cost-cutting and to be developed over the coming years, alongside operational and process optimisation activities.

Expectations for 2024, in line with that previously announced by the company, are for cash generation in line with the last five financial years, thanks to increasingly efficient working capital management and a reduction in financial expense, in addition to an improved margin on 2023.

Treasury shares

On March 31, 2024, the Group held 330,776 treasury shares, for a total value of Euro 2,966 thousand, equal to the “Negative reserve for treasury shares in portfolio” deducted from consolidated shareholders’ equity.

It should be noted that the treasury shares currently held are largely allocated to serve the 2022-2026 Performance Shares Plan, which, in the event of reaching the related targets, calls for the assignment of a minimum number of shares (equal to approx. 165,000-170,000 shares for each of the three three-year cycles).

Accounting policies

The Interim Financial Statements of the F.I.L.A. Group at March 31, 2024, drawn up by the Board of Directors of F.I.L.A. S.p.A., were prepared in accordance with the accounting standards and methods adopted for the annual financial report, based on the historic cost principle and the going concern assumption.

II - Consolidated Financial Statements of the F.I.L.A. Group at March 31, 2024

Interim Consolidated Financial Statements

Statement of Financial Position

| <i>Euro thousands</i> | March 31, 2024 | December 31, 2023 |
|---|------------------|-------------------|
| Assets | 1,180,734 | 1,191,009 |
| Non-current assets | 680,237 | 687,245 |
| Intangible assets | 381,423 | 378,031 |
| Property, plant and equipment | 110,822 | 123,325 |
| Biological assets | 1,247 | 1,241 |
| Non-current financial assets | 2,745 | 746 |
| Equity-accounted investments | 160,377 | 160,377 |
| Other equity investments | 26 | 26 |
| Deferred tax assets | 23,553 | 23,454 |
| Other receivables | 45 | 45 |
| Current assets | 500,497 | 503,764 |
| Current financial assets | 3,246 | 1,162 |
| Current tax assets | 13,141 | 12,556 |
| Inventories | 291,675 | 264,375 |
| Trade receivables and other assets | 126,648 | 99,821 |
| Cash and cash equivalents | 65,787 | 125,851 |
| Liabilities and equity | 1,180,734 | 1,191,009 |
| Equity | 559,196 | 573,953 |
| Share capital | 46,986 | 46,986 |
| Negative reserve for treasury shares in portfolio | (2,966) | (2,966) |
| Reserves | 138,705 | 130,426 |
| Retained earnings | 366,001 | 224,775 |
| Profit for the period | 6,178 | 170,648 |
| Equity attributable to the owners of the parent | 554,904 | 569,870 |
| Equity attributable to non-controlling interests | 4,292 | 4,082 |
| Non-current liabilities | 419,974 | 429,490 |
| Non-current financial liabilities | 347,249 | 356,642 |
| Financial Instruments | - | 877 |
| Employee benefits | 10,054 | 10,078 |
| Provision for risks and charges | 893 | 895 |
| Deferred tax liabilities | 61,564 | 60,803 |
| Other liabilities | 214 | 195 |
| Current liabilities | 201,565 | 187,566 |
| Current financial liabilities | 86,317 | 72,905 |
| Current provision for risks and charges | 877 | 926 |
| Current tax liabilities | 9,745 | 8,080 |
| Trade payables and other liabilities | 104,626 | 105,656 |

Statement of Comprehensive Income

| <i>Euro thousands</i> | March 31, 2024 | March 31, 2023 |
|--|------------------|------------------|
| Revenue | 131,898 | 178,688 |
| Income | 1,903 | 2,482 |
| Total revenue | 133,801 | 181,170 |
| Raw materials, consumables, supplies and goods | (76,183) | (104,656) |
| Services and use of third party assets | (25,892) | (29,928) |
| Other costs | (1,350) | (2,481) |
| Change in raw materials, semi-finished products, work in progress and finished goods | 23,201 | 21,576 |
| Personnel expense | (33,145) | (39,392) |
| Amortisation and depreciation | (8,448) | (10,477) |
| Impairment losses on trade receivables and other assets | 740 | (398) |
| Other impairment losses | (62) | (25) |
| Total operating costs | (121,139) | (165,780) |
| Operating profit | 12,663 | 15,390 |
| Financial income | 2,494 | 1,861 |
| Financial expense | (6,344) | (12,261) |
| Share of profit of equity-accounted investments | - | 263 |
| Net financial expense | (3,850) | (10,137) |
| Pre-tax profit | 8,812 | 5,253 |
| Income taxes | (2,582) | (3,189) |
| Deferred taxes | 224 | 824 |
| Total taxes | (2,357) | (2,365) |
| Profit for the year | 6,455 | 2,888 |
| <i>Attributable to:</i> | | |
| Non-controlling interests | 277 | 1,633 |
| Owners of the parent | 6,178 | 1,255 |
| Other comprehensive income (expense) which may be reclassified subsequently to Profit or Loss | 7,295 | (3,821) |
| Net exchange gains (losses) | 5,192 | (2,534) |
| Hedging reserve | 2,397 | (1,286) |
| Taxes | (294) | - |
| Other comprehensive income (expense) which may not be reclassified subsequently to Profit or Loss | 315 | 496 |
| Net actuarial gains | 428 | 653 |
| Taxes | (113) | (157) |
| Other comprehensive income (expense), net of tax effect | 7,610 | (3,324) |
| Comprehensive income (expense) | 14,065 | (436) |
| <i>Attributable to:</i> | | |
| Non-controlling interests | 239 | 1,244 |
| Owners of the parent | 13,826 | (1,680) |
| Earnings per share: | | |
| | <i>basic</i> | 0.12 |
| | <i>diluted</i> | 0.12 |

Statement of changes in Shareholders' Equity

Statement of Changes in Equity

| | Share capital | Negative reserve for treasury shares in portfolio | Legal reserve | Share premium reserve | Actuarial reserve | Other reserves | Translation reserve | Retained earnings | Profit attributable to the owners of the parent | Equity attributable to the owners of the parent | Capital and reserves att. to non-controlling interests | Profit attributable to non-controlling interests | Equity attributable to non-controlling interests | Total equity |
|---|---------------|---|---------------|-----------------------|-------------------|----------------|---------------------|-------------------|---|---|--|--|--|--------------|
| <i>Euro thousands</i> | | | | | | | | | | | | | | |
| December 31, 2022 | 46,986 | (1,794) | 9,396 | 154,614 | (975) | (21,818) | (17,874) | 205,562 | 25,271 | 399,369 | 23,280 | 5,004 | 28,284 | 427,653 |
| Profit for the year | | | | | | | | | 170,648 | 170,648 | | 7,988 | 7,988 | 178,637 |
| Other comprehensive income (expense) | | | | | (694) | (3,831) | (695) | | | (5,220) | 4,616 | | 4,616 | (604) |
| Other changes | | (1,172) | | | | 1,669 | 10,634 | 47 | | 11,178 | (34,915) | | (34,915) | (23,737) |
| Profit for the year and gains (losses) recognised directly in equity | - | (1,172) | - | - | (694) | (2,162) | 9,939 | 47 | 170,648 | 176,606 | (30,300) | 7,988 | (22,311) | 154,295 |
| Allocation of the 2022 profit | | | | | | | | 25,271 | (25,271) | - | 5,004 | (5,004) | - | - |
| Dividends | | | | | | | | (6,105) | | (6,105) | (1,890) | | (1,890) | (7,995) |
| December 31, 2023 | 46,986 | (2,966) | 9,396 | 154,614 | (1,670) | (23,980) | (7,935) | 224,775 | 170,648 | 569,870 | (3,906) | 7,988 | 4,082 | 573,953 |
| <i>Euro thousands</i> | | | | | | | | | | | | | | |
| December 31, 2023 | 46,986 | (2,966) | 9,396 | 154,614 | (1,670) | (23,980) | (7,935) | 224,775 | 170,648 | 569,870 | (3,906) | 7,988 | 4,082 | 573,953 |
| Profit for the year | | | | | | | | | 6,178 | 6,178 | | 277 | 277 | 6,455 |
| Other comprehensive income (expense) | | | | | 315 | 2,103 | 5,230 | | | 7,648 | (38) | | (38) | 7,610 |
| Other changes | | | | | | 630 | | | | 630 | | | - | 630 |
| Profit for the year and gains (losses) recognised directly in equity | - | - | - | - | 315 | 2,733 | 5,230 | - | 6,178 | 14,456 | (38) | 277 | 239 | 14,695 |
| Allocation of the 2023 profit | | | | | | | | 170,648 | (170,648) | - | 7,988 | (7,988) | - | - |
| Dividends | | | | | | | | (29,422) | | (29,422) | (29) | | (29) | (29,451) |
| March 31, 2024 | 46,986 | (2,966) | 9,396 | 154,614 | (1,354) | (21,247) | (2,705) | 366,001 | 6,178 | 554,904 | 4,015 | 277 | 4,292 | 559,196 |

Consolidated Statement of Cash Flows

| | March 31, 2024 | March 31, 2023 |
|--|-----------------|-----------------|
| <i>Euro thousands</i> | | |
| Profit for the period | 6,455 | 2,888 |
| Non-monetary and other adjustments: | 13,786 | 25,792 |
| Amortisation and depreciation of intangible assets and property, plant and equipment | 5,987 | 7,422 |
| Amortisation and depreciation of right-of-use assets | 2,461 | 3,055 |
| Net impairment losses on intangible assets and property, plant and equipment | 62 | 25 |
| Impairment gains/losses on trade receivables and write-downs of inventories | (1,117) | 1,282 |
| Accruals for post-employment and other employee benefits | 463 | 781 |
| Net exchange losses on foreign currency trade receivables and payables | (239) | 733 |
| Net gains on the sale of intangible assets and property, plant and equipment | (39) | (9) |
| Net financial expense | 3,850 | 10,400 |
| Net gains on equity investments | - | (263) |
| Taxes | 2,358 | 2,365 |
| Addition for: | 301 | (6,535) |
| Income taxes paid | (1,354) | (4,790) |
| Net unrealised exchange gains/losses on foreign currency assets and liabilities | 1,760 | (1,133) |
| Net realised exchange gains/losses on foreign currency assets and liabilities | (105) | (612) |
| Cash flows from operating activities before changes in net working capital | 20,542 | 22,145 |
| Changes in net working capital: | (50,201) | (53,996) |
| Change in inventories | (22,824) | (22,461) |
| Change in trade receivables and other assets | (24,122) | (29,205) |
| Change in trade payables and other liabilities | (3,040) | (2,319) |
| Change in other assets and liabilities | (41) | 215 |
| Change in post-employment and other employee benefits | (174) | (226) |
| Net cash flows from operating activities | (29,659) | (31,850) |
| Net increase/decrease in intangible assets | (1,050) | (633) |
| Net increase/decrease in property, plant and equipment | (1,234) | (11,885) |
| Net increase/decrease in right-of-use assets | 10,312 | (1,123) |
| Net increase/decrease in other financial assets | (2,328) | (1,432) |
| Interest collected | 278 | 119 |
| Net cash flows used in investing activities | 5,978 | (14,954) |
| Change in equity | (29,451) | (682) |
| Financial expense | (5,409) | (7,620) |
| Interests paid on right-of-use assets | (907) | (1,482) |
| Net increase/decrease in loans and borrowings and lease liabilities | 12,572 | 15,529 |
| Net increase/decrease in right-of-use lease liabilities | (12,499) | (1,502) |
| Net cash flows from (used in) financing activities | (35,694) | 4,243 |
| Net exchange gains/losses | 5,192 | (2,534) |
| Other non-monetary changes | (5,642) | 2,814 |
| Net cash flows for the period | (59,826) | (42,281) |
| Opening cash and cash equivalents net of current account overdrafts | 124,807 | 107,546 |
| Closing cash and cash equivalents net of current account overdrafts | 64,981 | 65,265 |

- 1) *Cash and cash equivalents at March 31, 2024 totalled Euro 65,787 thousand; current account overdrafts amounted to Euro 806 thousand net of relative interest.*
- 2) *Cash and cash equivalents at December 31, 2023 totalled Euro 125,851 thousand; current account overdrafts amounted to Euro 1,044 thousand net of relative interest.*
- 3) *The cash flows are presented using the indirect method. In order to provide a more complete and accurate presentation of the individual cash flows, the effects of non-monetary items were eliminated (including the translation of statement of financial position items in currencies other than the Euro), where significant. These effects were aggregated and included in the caption "Other non-monetary changes".*

| <i>Euro thousands</i> | March 31, 2024 | December 31, 2023 |
|--|-----------------------|--------------------------|
| Opening Cash and Cash Equivalents | 124,807 | 107,546 |
| Cash and cash equivalents | 125,851 | 111,209 |
| Current account overdrafts | (1,044) | (3,663) |
| Closing Cash and Cash Equivalents | 64,981 | 124,807 |
| Cash and cash equivalents | 65,787 | 125,851 |
| Current account overdrafts | (806) | (1,044) |

Attachments

Attachment 1 - List of companies included in the consolidation scope and other equity investments

| Company | Country | Segment IFRS 8 ¹ | Year of acquisition | % Held directly (F.I.L.A. S.p.A.) | % Held indirectly | % Held F.I.L.A. Group | Held By | Recognition | Non controlling interests |
|--|--------------------|-----------------------------|---------------------|-----------------------------------|-------------------|-----------------------|---|---------------|---------------------------|
| Johann Froeseheis Lyra Bleistift-Fabrik GmbH & Co. KG | Germany | EU | 2008 | 99.53% | 0.47% | 100.00% | FILA S.p.A. Lyra Bleistift-Fabrik Verwaltungs GmbH | Line-by-Line | 0.00% |
| Lyra Bleistift-Fabrik Verwaltungs GmbH | Germany | EU | 2008 | 0.00% | 100.00% | 100.00% | Johann Froeseheis Lyra Bleistift-Fabrik GmbH & Co. KG | Line-by-Line | 0.00% |
| F.I.L.A. Nordic AB ² | Sweden | EU | 2008 | 0.00% | 50.00% | 50.00% | Johann Froeseheis Lyra Bleistift-Fabrik GmbH & Co. KG | Line-by-Line | 50.00% |
| FILA Stationary and Office Equipment Industry Ltd. Co. | Turkey | EU | 2011 | 90.00% | 0.00% | 90.00% | FILA S.p.A. | Line-by-Line | 10.00% |
| Fila Stationary O.O.O. | Russia | EU | 2013 | 90.00% | 0.00% | 90.00% | FILA S.p.A. | Line-by-Line | 10.00% |
| Industria Maimeri S.p.A. | Italy | EU | 2014 | 51.00% | 0.00% | 51.00% | FILA S.p.A. | Line-by-Line | 49.00% |
| Fila Hellas Single Member S.A. | Greece | EU | 2013 | 100.00% | 0.00% | 100.00% | FILA S.p.A. | Line-by-Line | 0.00% |
| Fila Polska Sp. Z.o.o | Poland | EU | 2015 | 51.00% | 0.00% | 51.00% | FILA S.p.A. | Line-by-Line | 49.00% |
| Dixon Tconderoga Company | U.S.A. | NA | 2005 | 100.00% | 0.00% | 100.00% | FILA S.p.A. | Line-by-Line | 0.00% |
| Dixon Canadian Holding Inc. | Canada | NA | 2005 | 0.00% | 100.00% | 100.00% | Dixon Tconderoga Company | Line-by-Line | 0.00% |
| Grupo F.I.L.A.-Dixon, S.A. de C.V. | Mexico | CSA | 2005 | 0.00% | 100.00% | 100.00% | Dixon Canadian Holding Inc. Dixon Tconderoga Company | Line-by-Line | 0.00% |
| F.I.L.A. Chile Ltda | Chile | CSA | 2000 | 0.79% | 99.21% | 100.00% | Dixon Tconderoga Company FILA S.p.A. | Line-by-Line | 0.00% |
| FILA Argentina S.A. | Argentina | CSA | 2000 | 0.00% | 100.00% | 100.00% | Dixon Tconderoga Company F.I.L.A. Chile Ltda | Line-by-Line | 0.00% |
| Beijing F.I.L.A.-Dixon Stationery Company Ltd. | China | AS | 2005 | 0.00% | 100.00% | 100.00% | Dixon Tconderoga Company | Line-by-Line | 0.00% |
| Xinjiang F.I.L.A.-Dixon Plantation Company Ltd. | China | AS | 2008 | 0.00% | 100.00% | 100.00% | Beijing F.I.L.A.-Dixon Stationery Company Ltd. | Line-by-Line | 0.00% |
| PT. Lyra Akrehx | Indonesia | AS | 2008 | 0.00% | 52.00% | 52.00% | Johann Froeseheis Lyra Bleistift-Fabrik GmbH & Co. KG | Line-by-Line | 48.00% |
| FILA Dixon Stationery (Kunshan) Co., Ltd. | China | AS | 2013 | 0.00% | 100.00% | 100.00% | Beijing F.I.L.A.-Dixon Stationery Company Ltd. | Line-by-Line | 0.00% |
| FILA SA PTY LTD | South Africa | RM | 2014 | 99.43% | 0.00% | 99.43% | FILA S.p.A. | Line-by-Line | 0.57% |
| Canson Art & Craft Xinying Co., Ltd. | China | AS | 2015 | 0.00% | 100.00% | 100.00% | Beijing F.I.L.A.-Dixon Stationery Company Ltd. | Line-by-Line | 0.00% |
| Renoir Topco Ltd | U.K. | EU | 2016 | 100.00% | 0.00% | 100.00% | FILA S.p.A. | Line-by-Line | 0.00% |
| Renoir Midco Ltd | U.K. | EU | 2016 | 0.00% | 100.00% | 100.00% | Renoir Topco Ltd | Line-by-Line | 0.00% |
| Renoir Bidco Ltd | U.K. | EU | 2016 | 0.00% | 100.00% | 100.00% | Renoir Midco Ltd | Line-by-Line | 0.00% |
| FILA Benelux SA | Belgium | EU | 2016 | 0.00% | 100.00% | 100.00% | Renoir Bidco Ltd | Line-by-Line | 0.00% |
| Daler Rowney Ltd | U.K. | EU | 2016 | 0.00% | 100.00% | 100.00% | Renoir Bidco Ltd | Line-by-Line | 0.00% |
| Daler Rowney GmbH | Germany | EU | 2016 | 0.00% | 100.00% | 100.00% | Daler Rowney Ltd | Line-by-Line | 0.00% |
| Brideshore srl | Dominican Republic | CSA | 2016 | 0.00% | 100.00% | 100.00% | Daler Rowney Ltd | Line-by-Line | 0.00% |
| St. Cuthberts Holding Limited | U.K. | EU | 2016 | 100.00% | 0.00% | 100.00% | FILA S.p.A. | Line-by-Line | 0.00% |
| St. Cuthberts Mill Limited | U.K. | EU | 2016 | 0.00% | 100.00% | 100.00% | St. Cuthberts Holding Limited | Line-by-Line | 0.00% |
| Fila Iberia S. L. | Spain | EU | 2016 | 96.77% | 0.00% | 96.77% | FILA S.p.A. | Line-by-Line | 3.23% |
| Canson SAS | France | EU | 2016 | 100.00% | 0.00% | 100.00% | FILA S.p.A. | Line-by-Line | 0.00% |
| Fila Canson Do Brasil Produtos de Artes e Escolar Ltda | Brazil | CSA | 2016 | 0.04% | 99.96% | 100.00% | Canson SAS FILA S.p.A. | Line-by-Line | 0.00% |
| Lodi 12 SAS | France | EU | 2016 | 100.00% | 0.00% | 100.00% | FILA S.p.A. | Line-by-Line | 0.00% |
| Canson Australia PTY LTD | Australia | RM | 2016 | 0.00% | 100.00% | 100.00% | Lodi 12 SAS | Line-by-Line | 0.00% |
| Canson Qingdao Paper Products Co., Ltd. | China | AS | 2016 | 0.00% | 100.00% | 100.00% | Lodi 12 SAS | Line-by-Line | 0.00% |
| FILA Art Products AG | Switzerland | EU | 2017 | 52.00% | 0.00% | 52.00% | FILA S.p.A. | Line-by-Line | 48.00% |
| FILA Art and Craft Ltd | Israel | AS | 2018 | 51.00% | 0.00% | 51.00% | FILA S.p.A. | Line-by-Line | 49.00% |
| Dixon Tconderoga ART ULC | Canada | NA | 2018 | 0.00% | 100.00% | 100.00% | Dixon Tconderoga Company Dixon Canadian Holding Inc. | Line-by-Line | 0.00% |
| Princeton Hong Kong Co. Ltd. | Hong Kong | AS | 2018 | 0.00% | 100.00% | 100.00% | Dixon Tconderoga Company | Line-by-Line | 0.00% |
| Fila Arches SAS | France | EU | 2019 | 100.00% | 0.00% | 100.00% | FILA S.p.A. | Line-by-Line | 0.00% |
| Fila Specialty Paper LLC ² | U.S.A. | NA | 2019 | 0.00% | 50.00% | 50.00% | Dixon Tconderoga Company | Line-by-Line | 50.00% |
| Creative Art Products Limited | U.K. | EU | 2022 | 0.00% | 100.00% | 100.00% | Daler Rowney Ltd | Line-by-Line | 0.00% |
| DOMS Industries Limited | India | AS | 2015 | 30.60% | 0.00% | 30.60% | Fila S.p.A. | Equity method | 69.40% |

1 - EU - Europe; NA - North America; CSA - Central South America; AS - Asia; RM - Rest of the world

2 - Although not holding more than 50% of the share capital, considered a subsidiary under IFRS10

Transactions relating to Atypical and/or Unusual Operations

In accordance with Consob Communication of July 28, 2006, during Q1 2024 the F.I.L.A. Group did not undertake any atypical and/or unusual operations as defined by this communication, whereby atypical and/or unusual transactions refer to transactions which for size/importance, nature of the counterparties, nature of the transaction, method in determining the transfer price or time period (close to the period-end) may give rise to doubts in relation to: the correctness/completeness of the information in the financial statements, conflicts of interest, the safeguarding of the company's assets and the protection of non-controlling shareholders.

The Board of Directors
THE CHAIRPERSON
MR. GIOVANNI GORNO TEMPINI

Statement of the Manager in Charge - Interim Financial Report

Strathmore

CANSON

ST CUTHBERTS MILL

PRINCETON
ARTIST BRUSH

LUKAS

ROWNEY

DALER

MAIMERI

LYRA

DAS

tratto

GIOTTO
be-be

GIOTTO



Fabbrica Italiana Lapis ed Affini

F.I.L.A. S.p.A.
Via XXV Aprile, 5
20016 Pero (Milano)

May 14, 2024

Declaration of the Executive Officer – Interim Report (ref. Article 154-bis, paragraph 2)

The undersigned Cristian Nicoletti, Executive Officer responsible for the preparation of the financial statements of F.I.L.A. S.p.A.,

declares

in accordance with paragraph 2 of Article 154bis of Legislative Decree No. 58 of February 24, 1998 that the accounting information contained in the present Interim Report at March 31, 2024 corresponds to the underlying accounting records.

The Executive Officer responsible
for the preparation of the financial statements
Cristian Nicoletti

F.I.L.A. - Fabbrica Italiana Lapis ed Affini Società per Azioni.

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