

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



**EXPLANATORY REPORT OF THE BOARD OF DIRECTORS ON POINT 2 OF THE AGENDA OF THE ORDINARY SHAREHOLDERS' MEETING OF F.I.L.A. - FABBRICA ITALIANA LAPIS ED AFFINI S.P.A., CALLED FOR APRIL 29, 2026 IN SINGLE CALL.**

(drawn up in accordance with Article 125-*ter* of Legislative Decree No. 58 of February 24, 1998, and Article 84-*ter* of the Regulation adopted with Consob Resolution No. 11971 of May 14, 1999)

Report approved by the Board of Directors of F.I.L.A. – Fabbrica Italiana Lapis ed Affini S.p.A. at the meeting of March 23, 2026 and available on the website [www.filagroup.it](http://www.filagroup.it).

**Point 2 on the Agenda of the Ordinary Shareholders' Meeting of F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A., called for April 29, 2026 in single call:**

**2. Proposal to distribute a dividend to be taken from available reserves; resolutions thereon.**

\* \* \*

Dear Shareholders,

this Report has been prepared pursuant to Article 125-*ter*, paragraph 1 of Legislative Decree No. 58 of February 24, 1998 (the “**CFA**”) and Article 84-*ter* of the Regulation adopted with Consob Resolution No. 11971 of May 14, 1999.

This report was approved by the Board of Directors of F.I.L.A. – Fabbrica Italiana Lapis ed Affini S.p.A. (“**Fila**” or the “**Company**”) in the meeting of March 23, 2026 and is made available to the public, in accordance with applicable law and regulations, at the registered office, on the Company’s website ([www.filagroup.it](http://www.filagroup.it)) and also by the other means established by the applicable regulation.

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As regards the second point on the Shareholders' Meeting Agenda, the Board of Directors intends to submit for your approval a proposal to distribute a dividend in the total amount of Euro 12,195,381.24, from the "Retained Earnings" reserve, as further explained below.

The dividend that would derive from the partial distribution of the "Retained Earnings" reserve under the terms of the proposal outlined here, is understood to be "ordinary" for stock market purposes.

In this regard, the Board of Directors preliminarily points out that:

- the financial statements for the year ended December 31, 2025 presents Shareholders' Equity before the loss for the year amounting to Euro 325.420 million and reserves available for distribution totalling Euro 252.392 million and, specifically, a "Retained Earnings" reserve of Euro 93.811 million;
- the Board of Directors' proposed to the Shareholders' Meeting called for April 29, 2026, as point 1 on the Agenda, together with the approval of the financial statements for the year ended December 31, 2025, to cover the loss, amounting to Euro 8.229 million, through the use of the "Retained Earnings" reserve; if the Shareholders' Meeting resolves in favour of this proposal, the value of the "Retained Earnings" reserve would be reduced to Euro 85.582 million, while the total value of reserves available for distribution would be reduced to Euro 244.163 million; as such, the "Retained Earnings" reserve is sufficient for the purpose of the distribution of the dividend described in this proposal; the total value of available reserves is also adequate to cover this distribution taking into account the proposed purchase and disposal of treasury shares referred to in Point 4 on the Agenda;

- except as noted in connection with the coverage of the loss for the year, no events occurred during the first few months of the year that could have significantly reduced the "Retained Earnings" reserve and/or other available reserves;
- the Company is not in the situation referred to in Article 2433, paragraph 3 of the Civil Code.

On this basis, the following tables present the Company's shareholders' equity as reported in the financial statements at December 31, 2025; in addition, referring to the provisions of Article 2427, paragraph 7-*bis*, of the Civil Code, the relative possibility of use and availability is indicated for each item, as well as the total amount of reserves distributable to shareholders.

#### Status of distributable reserves at December 31, 2025

<b>Note 12.A ORIGIN, POSSIBLE USES AND DISTRIBUTION OF EQUITY</b>						
<i>Euro thousands</i>	<b>Equity account</b>	<b>Balance at December 31, 2025</b>	<b>Possible use</b>	<b>Available portion</b>	<b>Summary of Utilisations in Last 3 Years (2023-2025)</b>	
					<b>for loss coverage</b>	<b>for other reasons</b>
	<b>Share capital</b>	<b>46,986</b>		-	-	-
	<b>Treasury shares</b>	<b>(2,114)</b>		-	-	-
	<b>Capital Reserves:</b>					
	Legal reserve	9,397	<b>B</b>	9,397	-	-
	Share Premium Reserve	154,696	<b>A, B, C</b>	154,696	-	-
	IAS 19 reserve	(574)		-	-	-
	N.E. Reserve for Cash Flow Hedge	(624)		-	-	-
	Other reserves	23,842	<b>A, B, C</b>	3,885	-	-
	Retained Earnings	93,811	<b>A, B, C</b>	93,811	-	-
	<b>Total</b>	<b>325,420</b>		<b>261,789</b>	-	-

Key:

**A - for share capital increase**

**B - to cover losses**

**C - for distribution to shareholders**

In light of the foregoing, considering the liquidity available to the Company, which permits the distribution of a dividend without compromising its balance sheet, financial or economic equilibrium, in order to align the interests of Fila's shareholders with the objectives achieved by the Company and to share the related benefits, the Board of Directors proposes to the Shareholders' Meeting the distribution of a dividend equal to Euro 0.24 (zero point twenty-four) for each Fila share (ordinary and special) in circulation on the ex-dividend date (net of treasury shares that will be in the portfolio on the record date), to be paid from the "Retained Earnings" reserve.

Therefore, considering the 51,058,297 Fila shares outstanding as of today, less the 244,206 treasury shares held by the Company, the total amount of the proposed dividend is Euro 12,195,381.24. It remains understood that the total final amount of the Retained Earnings Reserve to be allocated to the dividend payment will be calculated based on the number of Fila shares actually outstanding on the ex-dividend date.

If approved by the Shareholders' Meeting, the dividend will be paid on May 20, 2026, with coupon number 15, ex-dividend date of May 18, 2026 and record date, pursuant to Article 83-*terdecies* of the CFA, on May 19, 2026.

\* \* \*

Given that presented and where you are in agreement with the above proposals, we invite you to adopt the following motions:

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

- *having reviewed the Explanatory Report of the Board of Directors;*
- *on the assumption that the Shareholders' Meeting will approve the financial statements for the year ending December 31, 2025 and the coverage of losses under the terms set forth in the Board of Directors' proposal on Agenda Point 1;*
- *having noted that the share capital and reserves are to be considered existing and that, based on the assumption set forth in the preceding point and also taking into account the proposed purchase and disposal of treasury shares referred to in Item 4 on the Agenda, there are available and distributable reserves, including the "Retained Earnings" reserve, to cover the distribution of dividends to the extent proposed;*
- *having noted that the Board of Statutory Auditors has confirmed the legitimacy of the proposal*

**resolves**

1. *to distribute to the shareholders, from the Retained Earnings reserve, a dividend of Euro 0.24 for each Fila share (ordinary and special) in circulation on the coupon date (net of treasury shares in portfolio on the record date indicated in point 2 of this resolution);*
2. *to stipulate that the coupon date, the date of entitlement to the payment of the dividend (record date) and the payment date, shall be May 18, May 19 and May 20, 2026, respectively;*
3. *to grant the Board of Directors and, on its behalf, the Executive Directors, severally, all the broadest powers to concretely and fully implement the above resolutions in compliance with the applicable regulations.*

Pero, March 23, 2026

The Chairperson of the Board of Directors

*(Giovanni Gorno Tempini)*