



Il futuro ha i nostri colori. Da 100 anni.

PRESS RELEASE

FILA CONTINUES TO INVEST IN INDIA IN SUPPORT OF SIGNIFICANT DOUBLE-DIGIT GROWTH OVER THE NEXT 5 YEARS HIGHER THAN THAT OF THE INDIAN MARKET ALSO EXPECTED IN DOUBLE DIGIT

Pero, January 12, 2023 - FILA continues on its growth trajectory in India, reflecting the strength of the strategic decision made in 2012 to invest in this market.

With more than 350 million children in the under-14 age category, a population of nearly 1.4 billion and more than 3.4% of GDP invested in Education, India is a key strategic market for the future growth of the Fila group, which it entered in 2013 through the company DOMS Industries Pvt Ltd, of which it has held 51% since 2015 and which it fully consolidates.

The Group has been present on this market since 2012 through the company DOMS Industries Pvt Ltd of which it first acquired 18.5% with an investment of 5.4 million Euros, when the company had a turnover of around Euro 10 million and since 2015 has increased own stake at 51%, consolidating it completely, following an investment of Euro 36 million when the company had a turnover of around Euro 42.0 million proforma (7 million euros the consolidated value for the months of November and December 2015 by FILA).

"India is today the FILA Group's second largest market, seeing double-digit CAGR since 2012, which has accelerated in recent years and with forecasted 2022 growth of approx. 50% on the pre-Covid sales figures for 2019 at over Euro 110 million, with the highest profitability figure on the Indian market".

FILA CEO Massimo Candela highlighted: *"Our goal is to continue on this path, building our presence and supporting the company's growth over the coming years, in what represents the most important country in which to do business over the next ten years. We therefore plan to double the industrial footprint in 2023 through capex of approx. Euro 15 million, supporting the expected strong double-digit annual growth over the next 5 years. Finally, we expect that the strategic contribution of this investment, characterized by extraordinary progress both organically and through any operations to support the value creation, can contribute significantly to the performance of the FILA stock on the market".*

F.I.L.A. Fabbrica Italiana Lapis ed Affini





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DOMS was founded as RR Industries in 1975 in Gujarat as a small company producing pencils for the largest national Stationery brands at that time. The current brand, DOMS, was launched by the founder's son Santosh Raveshia in 2008.

*"My father believed that for the next generation to remain involved in the company, we had to invest in our brands. We began with only three product lines: pencils, erasers and pencil sharpeners, and in just a few years we succeeded in positioning DOMS as a leading brand recognised for excellent value for money, expanding our product range and investing mainly in sales, marketing, research and development and personnel. **Santosh Raveshia, Managing Director of DOMS, underlined:** "Fila's entry into our group and its contribution in terms of experience and know-how has finally given a significant boost to the growth and value of the brand, providing us with the opportunity to increase our global presence and access the highest growth potential markets."*

DOMS today:

- One of the few companies globally capable of producing over 25 product categories in the Stationery, Office and Hobby&Craft segments, driven by a continuous focus on research and development and product innovation.
- 13 state-of-the-art production facilities serving the domestic market and the other group companies worldwide, which employ more than 7,500 people;
- Vertically integrated production that enables control and competitive advantage over a major cost item (wood) by achieving economies of scale, supply chain rationalisation and effective resource planning;
- Consolidated national distribution network with more than 100 wholesalers covering all 28 states and 8 "Unions", more than 3,500 distributors throughout India and a sales team of more than 500 reaching more than 150,000 outlets. Growing presence in the e-commerce segment
- Extensive recognition of the DOMS brand on the Indian market (30% market share in the pencil segment), established in part through a targeted branding and advertising policy;
- Significant growth of the Fine Art segment expected in the coming years.

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F.I.L.A. (Fabbrica Italiana Lapis ed Affini), founded in Florence in 1920 and managed since 1956 by the Candela family, is a highly consolidated, dynamic and innovative Italian industrial enterprise and continues to grow market share. F.I.L.A. has been listed on EXM – Euronext STAR segment of the Italian Stock Exchange since November 2015. The company, with revenue of Euro 653.5 million in 2021, has grown significantly over the last twenty years and has achieved a series of strategic acquisitions, including the Italian Adica Pongo, the US Dixon Ticonderoga Company and Pacon Group, the German LYRA, the Mexican Lapiceria Mexicana, the English Daler-Rowney Lukas and the French Canson, founded by the Montgolfier family in 1557. F.I.L.A. is an icon of Italian creativity globally through its colouring, drawing, modelling, writing and painting tools, thanks to brands such as Giotto, Tratto, Das, Didò, Pongo, Lyra, Doms, Maimeri, Daler-Rowney, Canson, Princeton, Strathmore and Arches. Since its foundation, F.I.L.A. has chosen to focus on growth through continuous innovation, both in technological and product terms, in order to enable individuals to express their ideas and talent through tools of exceptional quality. In addition, F.I.L.A. and the Group companies work together with the Institutions to support educational and cultural projects which promote creativity and expression among individuals and make culture accessible to all.

F.I.L.A. currently operates through 22 production facilities (of which two in Italy) and 35 subsidiaries across the globe and employs over 10,900.

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