



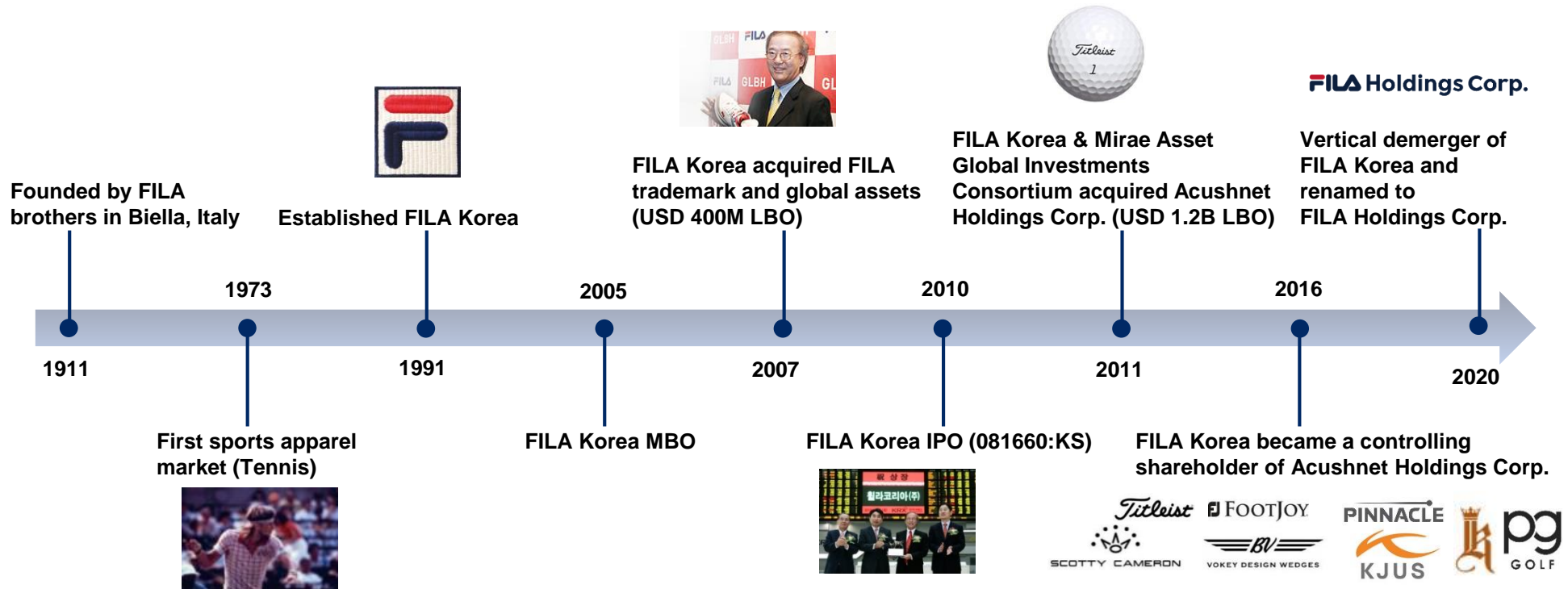
3Q 2021 Earnings Result

Nov.12th 2021

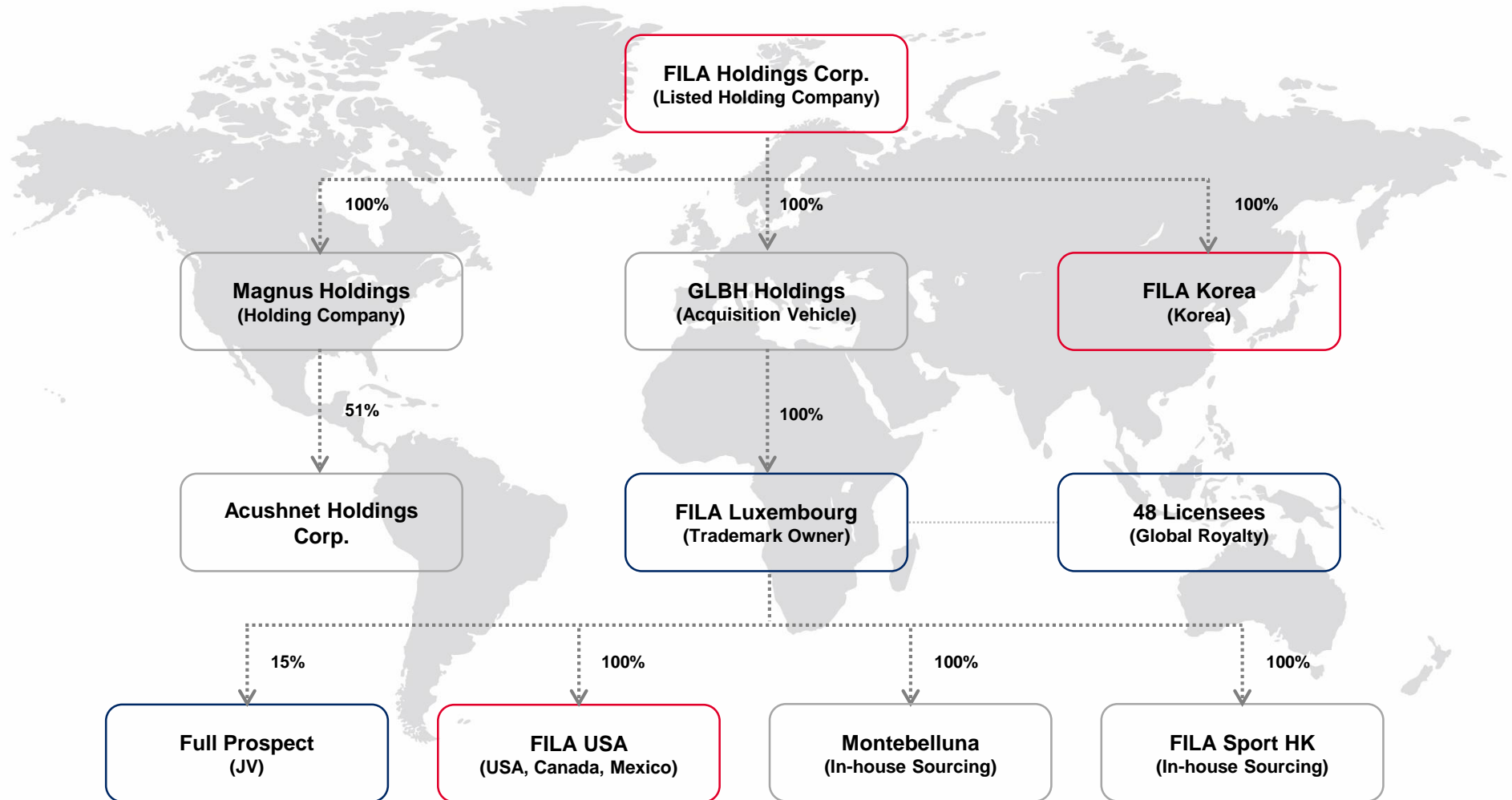
History



“Leading Authentic Sports Brand Inspired by
the Style, Elegance and Passion of our Italian Heritage”



Group Structure



FILA – A Leading Authentic Global Sports Brand



- ✓ **Expanding into upper channels of distribution in the US**
- ✓ **New product launches reflecting FILA's heritage in sports and fashion.**
- ✓ **Expanding D2C (Direct to Consumer) and E-commerce business in the US.**
- ✓ **Sponsorship with many sports players (Ash Barty, Timea Babos, Reilly Opelka, etc.) and tennis opens.**



- ✓ **Successfully established FILA® as leading high-end lifestyle casual brand in China.**
- ✓ **Collaborations with Anna Sui, Jason Wu and Ginny Hilfiger etc.**

- ✓ **Successfully restructured distribution channel.**
- ✓ **Successfully expanded into wholesale business.**
- ✓ **Strengthening E-commerce business.**
- ✓ **Cost-competitiveness through product sourcing strategy.**
- ✓ **Successful product collaborations with various brands.**
- ✓ **Direct business opportunity in Southeast Asia region.**
- ✓ **Successfully launched Licensee business incl. Keds, Zoo York, Creative Recreation.**



■ Total 48 licensees

FILA Group Business Overview

Direct

FILA Korea

- Apparel and footwear based **retail and wholesale** distributor
- Total number of stores: **470** (as of 3QE 2021) vs. **503** (as of YE 2020)
- Multi-category: FILA, FILA KIDS, FILA UNDERWEAR, FILA GOLF
- Licensee business : Keds, Zoo York, Creative Recreation

FILA USA

- **North America** (U.S.A., Canada, Mexico)
- Apparel and footwear based **retail and wholesale** distributor

Indirect

FILA Licensee

- Total **48 licensees** in Asia, North America, South America and EMEA
- Revenue and profit contribution from licensee partners that operate the FILA branded products globally

Full Prospect

- **Joint venture** (15% ownership)
- Contributes **3%** of its wholesale revenue as Design Service Fee to FILA Korea

Acushnet Holdings Corp.

- Magnus Holdings Co., Ltd., a wholly-owned subsidiary of FILA Holdings Corp. owns approximately **51%** of Acushnet Holdings Corp. as a controlling shareholder.
- Acushnet Holdings Corp. designs, develops, manufactures, and distributes golf products worldwide. The company operates through four segments: Titleist Golf Balls, Titleist Golf Clubs, Titleist Golf Gear, and FootJoy Golf Wear.
- Owned brands: **Titleist, FootJoy, Vokey, Scotty Cameron, Pinnacle, Links & Kings, PG Golf, KJUS**

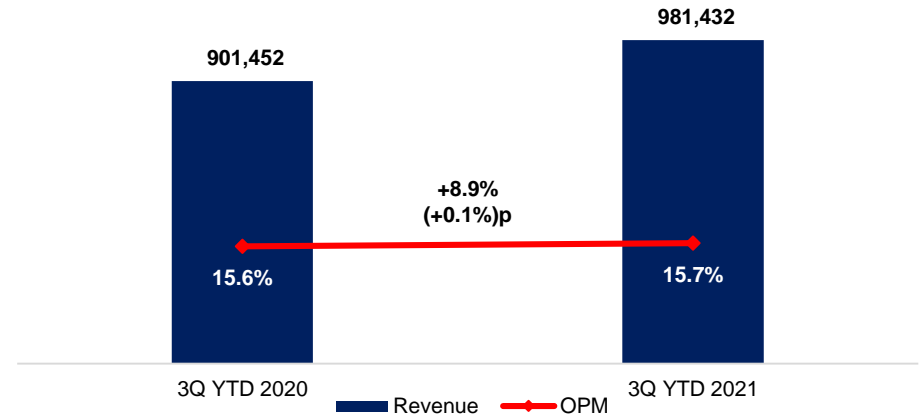
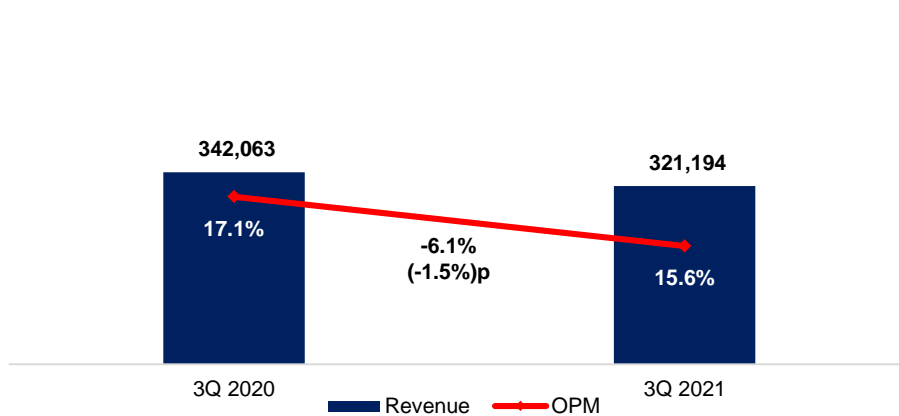
Consolidated Financial Summary

	3 months (Jul. - Sep.) ended					9 months (Jan. – Sep.) ended				
[Unit: KRW mn]	2019	2020	Variance(%)	2021	Variance(%)	2019	2020	Variance(%)	2021	Variance(%)
Revenue	866,986	917,431	5.8%	927,065	1.1%	2,660,865	2,332,343	(12.3%)	2,934,700	25.8%
Gross Profit	417,374	446,324	6.9%	453,164	1.5%	1,335,091	1,154,592	(13.5%)	1,474,132	27.7%
G.P. %	48.1%	48.6%	0.5%p	48.9%	0.3%p	50.2%	49.5%	(0.7%)p	50.2%	0.7%p
O. Profit	124,880	155,583	24.6%	110,310	(29.1%)	385,603	273,005	(29.2%)	467,665	71.3%
O.P. %	14.4%	17.0%	2.6%p	11.9%	(5.1%)p	14.5%	11.7%	(2.8%)p	15.9%	4.2%p
Net Profit	98,450	95,115	(3.4%)	75,923	(20.2%)	286,632	180,135	(37.2%)	345,874	92.0%

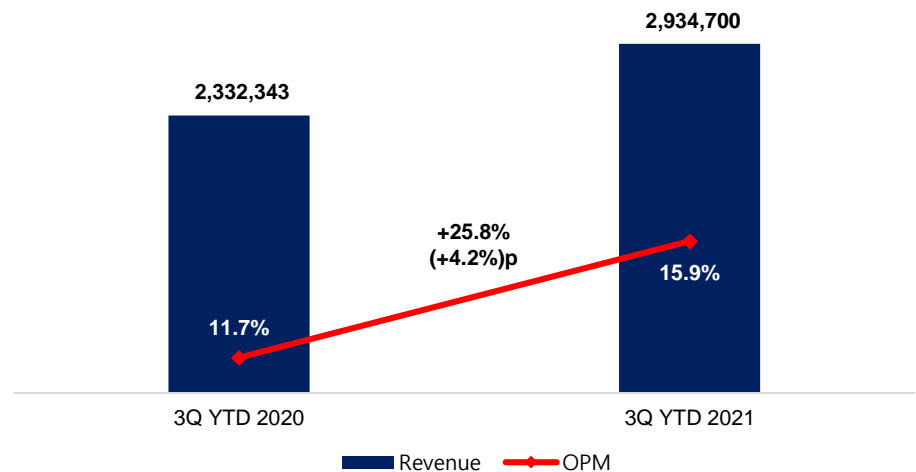
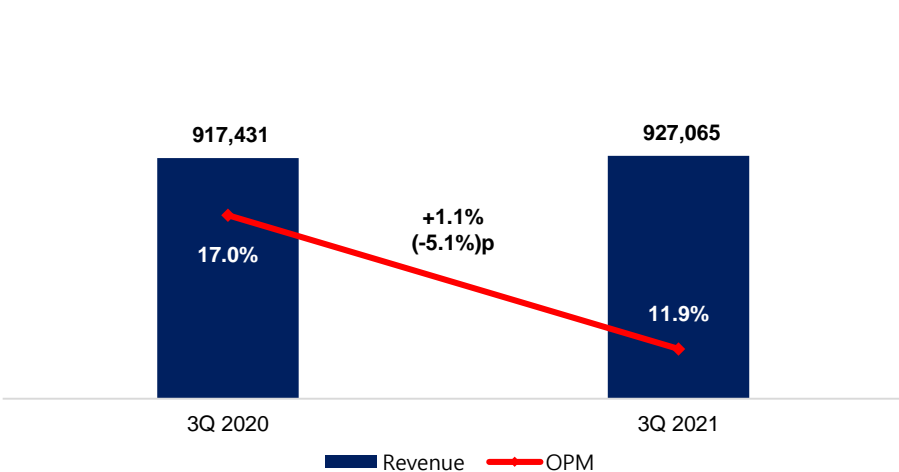
Consolidated Financial Summary (3Q 2020 vs 3Q 2021)

FILA Group (Without Acushnet)

(Unit: KRW mn)



FILA Consolidated Financial (With Acushnet)



FILA Group Business Overview

Direct

FILA Korea

- Apparel and footwear based **retail and wholesale** distributor
- Total number of stores: **470** (as of 3QE 2021) vs. **503** (as of YE 2020)
- Multi-category: FILA, FILA KIDS, FILA UNDERWEAR, FILA GOLF
- Licensee business : Keds, Zoo York, Creative Recreation

FILA USA

- **North America** (U.S.A., Canada, Mexico)
- Apparel and footwear based **retail and wholesale** distributor

Indirect

FILA Licensee

- Total **48 licensees** in Asia, North America, South America and EMEA
- Revenue and profit contribution from licensee partners that operate the FILA branded products globally

Full Prospect

- **Joint venture** (15% ownership)
- Contributes **3%** of its wholesale revenue as Design Service Fee to FILA Korea

Acushnet Holdings Corp.

- Magnus Holdings Co., Ltd., a wholly-owned subsidiary of FILA Holdings Corp. owns approximately **51%** of Acushnet Holdings Corp. as a controlling shareholder.
- Acushnet Holdings Corp. designs, develops, manufactures, and distributes golf products worldwide. The company operates through four segments: Titleist Golf Balls, Titleist Golf Clubs, Titleist Golf Gear, and FootJoy Golf Wear.
- Owned brands: **Titleist, FootJoy, Vokey, Scotty Cameron, Pinnacle, Links & Kings, PG Golf, KJUS**

FILA Korea Financial Summary

	3 months (Jul. - Sep.) ended					9 months (Jan. – Sep.) ended				
	2019	2020	Variance(%)	2021	Variance(%)	2019	2020	Variance(%)	2021	Variance(%)
[Unit: KRW mn]										
Revenue	149,823	121,737	(18.7%)	113,268	(7.0%)	449,642	392,671	(12.7%)	386,292	(1.6%)
Gross Profit	92,105	71,090	(22.8%)	66,956	(5.8%)	278,273	238,351	(14.3%)	235,718	(1.1%)
<i>G.P. %</i>	<i>61.5%</i>	<i>58.4%</i>	<i>(3.1%)p</i>	<i>59.1%</i>	<i>0.7%p</i>	<i>61.9%</i>	<i>60.7%</i>	<i>(1.2%)p</i>	<i>61.0%</i>	<i>0.3%p</i>
O. Profit	26,455	22,395	(15.3%)	19,752	(11.8%)	81,751	71,977	(12.0%)	73,400	2.0%
<i>O.P. %</i>	<i>17.7%</i>	<i>18.4%</i>	<i>0.7%p</i>	<i>17.4%</i>	<i>(1.0%)p</i>	<i>18.2%</i>	<i>18.3%</i>	<i>0.1%p</i>	<i>19.0%</i>	<i>0.7%p</i>
Net Profit	35,604	16,893	(52.6%)	13,217	(21.8%)	76,254	52,944	(30.6%)	55,232	4.3%

* DSF (Design Service Fee) from Full prospect (JV) is included

Full Prospect Design Service Fee Income Summary

	3 months (Jul. - Sep.) ended					9 months (Jan. – Sep.) ended				
	2019	2020	Variance(%)	2021	Variance(%)	2019	2020	Variance(%)	2021	Variance(%)
[Unit: USD K]										
Design Service Fee Income	6,972	8,857	27.0%	9,545	7.8%	21,680	24,699	13.9%	34,234	38.6%

The collage features nine distinct images of FILA apparel and footwear. The top row includes a woman in a black and white FILA jacket and sneakers, a pair of white and brown FILA sneakers, a woman in a red velvet FILA pajama set, a man in a tan FILA puffer jacket, and a woman in a white FILA hoodie. The middle row shows a close-up of a FILA sock, a woman in a red velvet FILA pajama set, a man in a tan FILA puffer jacket, and a woman in a white FILA hoodie. The bottom row displays a close-up of FILA sneakers, a FILA logo on a black garment, a woman in a blue FILA jacket, and a child in a pink FILA hoodie.

FILA Group Business Overview

Direct

FILA Korea

- Apparel and footwear based **retail and wholesale** distributor
- Total number of stores: **470** (as of 3QE 2021) vs. **503** (as of YE 2020)
- Multi-category: FILA, FILA KIDS, FILA UNDERWEAR, FILA GOLF
- Licensee business : Keds, Zoo York, Creative Recreation

FILA USA

- **North America** (U.S.A., Canada, Mexico)
- Apparel and footwear based **retail and wholesale** distributor

Indirect

FILA Licensee

- Total **48 licensees** in Asia, North America, South America and EMEA
- Revenue and profit contribution from licensee partners that operate the FILA branded products globally

Full Prospect

- **Joint venture** (15% ownership)
- Contributes **3%** of its wholesale revenue as Design Service Fee to FILA Korea

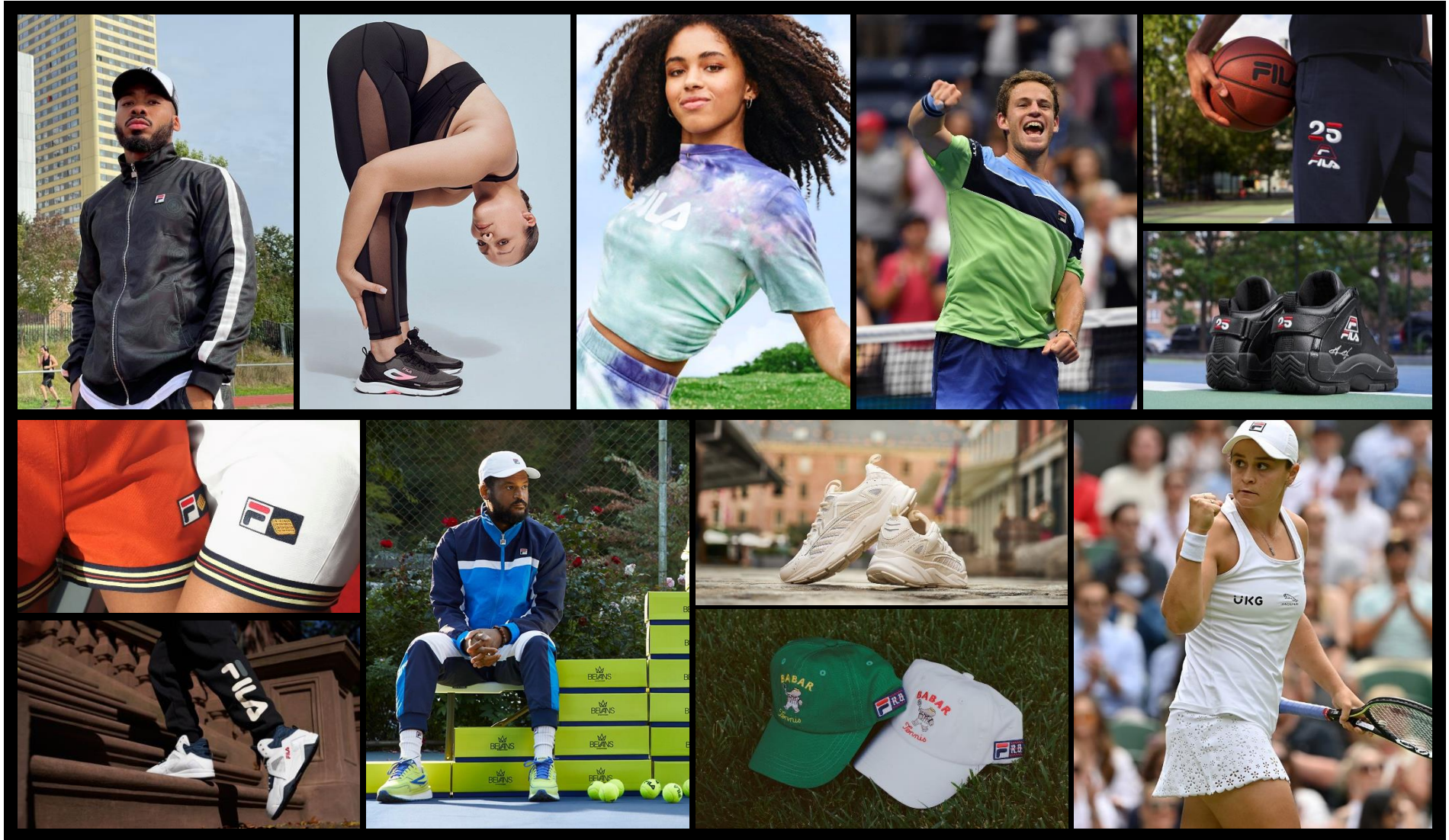
Acushnet Holdings Corp.

- Magnus Holdings Co., Ltd., a wholly-owned subsidiary of FILA Holdings Corp. owns approximately 51% of Acushnet Holdings Corp. as a controlling shareholder.
- Acushnet Holdings Corp. designs, develops, manufactures, and distributes golf products worldwide. The company operates through four segments: Titleist Golf Balls, Titleist Golf Clubs, Titleist Golf Gear, and FootJoy Golf Wear.
- Owned brands: **Titleist, FootJoy, Vokey, Scotty Cameron, Pinnacle, Links & Kings, PG Golf, KJUS**

FILA USA Consolidated Financial Summary

	3 months (Jul. - Sep.) ended					9 months (Jan. – Sep.) ended				
[Unit: USD K]	2019	2020	Variance(%)	2021	Variance(%)	2019	2020	Variance(%)	2021	Variance(%)
Revenue	147,028	134,338	(8.6%)	133,136	(0.9%)	428,612	296,940	(30.7%)	378,945	27.6%
Gross Profit	44,805	37,846	(15.5%)	40,675	7.5%	141,679	88,824	(37.3%)	106,344	19.7%
<i>G.P. %</i>	<i>30.5%</i>	<i>28.2%</i>	<i>(2.3%)p</i>	<i>30.6%</i>	<i>2.4%p</i>	<i>33.1%</i>	<i>29.9%</i>	<i>(3.1%)p</i>	<i>28.1%</i>	<i>(1.8%)p</i>
O. Profit	10,354	8,987	(13.2%)	10,115	15.0%	32,892	10,448	(68.2%)	14,945	43.0%
<i>O.P. %</i>	<i>7.0%</i>	<i>6.7%</i>	<i>(0.4%)p</i>	<i>7.6%</i>	<i>1.0%p</i>	<i>7.7%</i>	<i>3.5%</i>	<i>(4.2%)p</i>	<i>3.9%</i>	<i>0.4%p</i>
Net Profit	6,837	6,463	(5.5%)	7,679	18.8%	22,312	5,469	(75.5%)	10,056	83.9%

Product Portfolio in USA



FILA Group Business Overview

Direct

FILA Korea

- Apparel and footwear based **retail and wholesale** distributor
- Total number of stores: **470** (as of 3QE 2021) vs. **503** (as of YE 2020)
- Multi-category: FILA, FILA KIDS, FILA UNDERWEAR, FILA GOLF
- Licensee business : Keds, Zoo York, Creative Recreation

FILA USA

- **North America** (U.S.A., Canada, Mexico)
- Apparel and footwear based **retail and wholesale** distributor

Indirect

FILA Licensee

- Total **48 licensees** in Asia, North America, South America and EMEA
- Revenue and profit contribution from licensee partners that operate the FILA branded products globally

Full Prospect

- **Joint venture** (15% ownership)
- Contributes **3%** of its wholesale revenue as Design Service Fee to FILA Korea

Acushnet Holdings Corp.

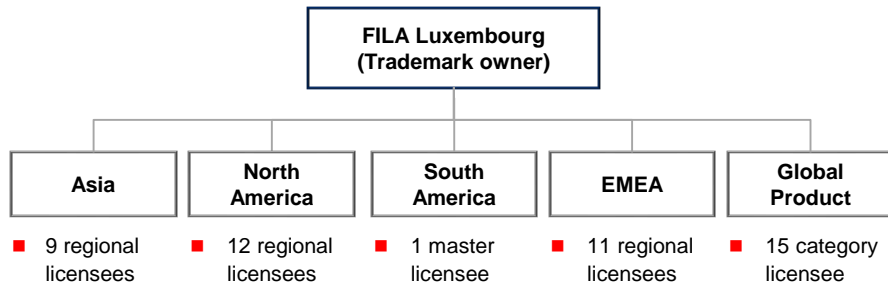
- Magnus Holdings Co., Ltd., a wholly-owned subsidiary of FILA Holdings Corp. owns approximately **51%** of Acushnet Holdings Corp. as a controlling shareholder.
- Acushnet Holdings Corp. designs, develops, manufactures, and distributes golf products worldwide. The company operates through four segments: Titleist Golf Balls, Titleist Golf Clubs, Titleist Golf Gear, and FootJoy Golf Wear.
- Owned brands: **Titleist, FootJoy, Vokey, Scotty Cameron, Pinnacle, Links & Kings, PG Golf, KJUS**

FILA Global Royalty Summary

	3 months (Jul. - Sep.) ended					9 months (Jan. – Sep.) ended				
[Unit: USD K]	2019	2020	Variance(%)	2021	Variance(%)	2019	2020	Variance(%)	2021	Variance(%)
Asia	4,335	3,297	(23.9%)	2,524	(23.5%)	13,370	10,706	(19.9%)	10,543	(1.8%)
North America	1,742	1,339	(23.1%)	1,670	24.7%	5,253	3,652	(30.5%)	5,721	56.7%
South America	488	1,166	138.9%	1,520	30.3%	2,850	2,357	(17.3%)	3,737	58.6%
EMEA	11,919	8,189	(31.3%)	7,579	(7.5%)	30,300	21,997	(27.4%)	21,005	(4.5%)
Others	443	454	2.5%	736	62.3%	1,414	1,398	(1.1%)	2,074	48.3%
Total (Int_Adj)	18,926	14,445	(23.7%)	14,028	(2.9%)	53,187	40,110	(24.6%)	43,081	7.4%

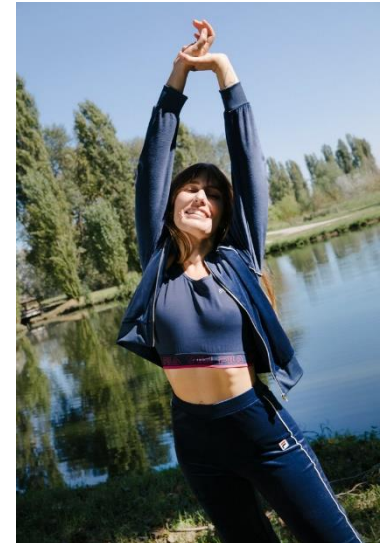
Global License Business

Global License Structure (48 licensees)



General License Conditions

- Licensing contract period is 5 ~10 years
- On average 6-7% of FILA's wholesale revenue generated from each licensee
- Each licensee has minimum guaranteed royalty (MGR) based on the forecasted revenue
- Semi-annual Global Collaboration Meetings (GCM) held to set broad, global strategic guidelines among all licensees



Consolidated Balance Sheet (K-IFRS)

Consolidated Balance Sheet (K-IFRS)

(unit: KRW mn)

	3Q 2021	YE 2020	YE 2019
Assets	4,314,739	3,758,441	3,770,249
Current Assets	2,086,587	1,686,064	1,586,810
Cash and cash equivalents	726,346	470,648	232,032
Trade and other receivables	637,073	518,469	521,047
Inventories	618,172	615,552	735,481
Other current assets	104,996	81,395	98,250
Non-current Assets	2,228,152	2,072,377	2,183,439
Property and equipment	419,850	405,236	439,052
Intangible assets	1,557,491	1,450,747	1,547,923
Other non-current assets	250,811	216,394	196,464
Liabilities	1,946,403	1,901,113	1,969,306
Current Liabilities	994,195	995,460	867,356
Trade and other payables	525,680	407,881	413,004
Borrowings	302,543	355,990	236,394
Bonds	-	-	63,568
Other current liabilities	165,972	231,589	154,389
Non-current Liabilities	952,208	905,654	1,101,950
Borrowings	425,937	507,117	611,690
Other non-current liabilities	526,271	398,537	490,259
Total Equity	2,368,336	1,857,328	1,800,944

Appendix – Financial Summary

I. FILA Korea

(unit: KRW mn)

	3 months (Jul. - Sep.) ended					9 months (Jan. – Sep.) ended				
	2019	2020	Variance(%)	2021	Variance(%)	2019	2020	Variance(%)	2021	Variance(%)
Revenue	149,823	121,737	(18.7%)	113,268	(7.0%)	449,642	392,671	(12.7%)	386,292	(1.6%)
Gross Profit	92,105	71,090	(22.8%)	66,956	(5.8%)	278,273	238,351	(14.3%)	235,718	(1.1%)
G.P. %	61.5%	58.4%	(3.1%)p	59.1%	0.7%p	61.9%	60.7%	(1.2%)p	61.0%	0.3%p
O.Profit	26,455	22,395	(15.3%)	19,752	(11.8%)	81,751	71,977	(12.0%)	73,400	2.0%
O.P. %	17.7%	18.4%	0.7%p	17.4%	(1.0%)p	18.2%	18.3%	0.1%p	19.0%	0.7%p
Net Profit	35,604	16,893	(52.6%)	13,217	(21.8%)	76,254	52,944	(30.6%)	55,232	4.3%

I-a. Full Prospect Design Service Fee Income

(unit: USD'000)

	3 months (Jul. - Sep.) ended					9 months (Jan. – Sep.) ended				
	2019	2020	Variance(%)	2021	Variance(%)	2019	2020	Variance(%)	2021	Variance(%)
Design Service Fee	6,972	8,857	27.0%	9,545	7.8%	21,680	24,699	13.9%	34,234	38.6%

◆ 3Q Revenue (YoY approx. -KRW 8.5bn, -7.0%)

- Resulted from continuing depression on market demand due to competitive and challenging market environment
- Benefitted from the increase in Design Service Fee Income from Full Prospect

◆ 3Q Operating Profit (YoY approx. -KRW 2.6bn, -11.8%)

- Resulted from increased A&P specifically for the newly launched performance products and TV commercials
- Resulted from increased fixed SG&A proportion to revenue(cost leverage effect)
- Partially offset by decreased sales commission

◆ 3Q Net Profit (YoY approx. -KRW 3.7bn, -21.8%)

- Resulted from decrease in revenue and operating profit
- Resulted from increased donation(KRW 3.2bn)

Appendix – Financial Summary

II. FILA USA Consolidated

(unit: USD'000)

	3 months (Jul. - Sep.) ended					9 months (Jan. – Sep.) ended				
	2019	2020	Variance(%)	2021	Variance(%)	2019	2020	Variance(%)	2021	Variance(%)
Revenue	147,028	134,338	(8.6%)	133,136	(0.9%)	428,612	296,940	(30.7%)	378,945	27.6%
Gross Profit	44,805	37,846	(15.5%)	40,675	7.5%	141,679	88,824	(37.3%)	106,344	19.7%
G.P. %	30.5%	28.2%	(2.3%)p	30.6%	2.4%p	33.1%	29.9%	(3.1%)p	28.1%	(1.8%)p
O.Profit	10,354	8,987	(13.2%)	10,115	15.0%	32,892	10,448	(68.2%)	14,945	43.0%
O.P. %	7.0%	6.7%	(0.4%)p	7.6%	1.0%p	7.7%	3.5%	(4.2%)p	3.9%	0.4%p
Net Profit	6,837	6,463	(5.5%)	7,679	18.8%	22,312	5,469	(75.5%)	10,056	83.9%

◆ 3Q Revenue (YoY approx. -USD 1.2M, -0.9%)

- Resulted from the shipping delay from global supply chain constraints despite strong market demand

◆ 3Q Operating Profit (YoY approx. +USD 1.1M, +15.0%)

- Benefited from the margin improvement due to increased ASP to offset the global supply chain constraints and favorable sales mix

- Partially offset by increased sales related expenses and marketing expense

III. Global Royalty

(unit: USD'000)

	3 months (Jul. - Sep.) ended					9 months (Jan. – Sep.) ended				
	2019	2020	Variance(%)	2021	Variance(%)	2019	2020	Variance(%)	2021	Variance(%)
Asia	4,335	3,297	(23.9%)	2,524	(23.5%)	13,370	10,706	(19.9%)	10,543	(1.8%)
North America	1,742	1,339	(23.1%)	1,670	24.7%	5,253	3,652	(30.5%)	5,721	56.7%
South America	488	1,166	138.9%	1,520	30.3%	2,850	2,357	(17.3%)	3,737	58.6%
EMEA	11,919	8,189	(31.3%)	7,579	(7.5%)	30,300	21,997	(27.4%)	21,005	(4.5%)
Category	443	454	2.5%	736	62.3%	1,414	1,398	(1.1%)	2,074	48.3%
Total(Int_Adj)	18,926	14,445	(23.7%)	14,028	(2.9%)	53,187	40,110	(24.6%)	43,081	7.4%

◆ 3Q Asia (YoY approx. -USD 0.7M, -23.5%)

- Resulted from decrease in revenue mainly from licensee in Japan

◆ 3Q EMEA (YoY approx. -USD 0.6M, -7.5%)

- Resulted from decrease in revenue of the licensee affected by the impact of global supply chain constraints

Appendix – Financial Summary

IV. Consolidated Financial

(unit: KRW mn)

	3 months (Jul. - Sep.) ended					9 months (Jan. – Sep.) ended				
	2019	2020	Variance(%)	2021	Variance(%)	2019	2020	Variance(%)	2021	Variance(%)
Revenue	866,986	917,431	5.8%	927,065	1.1%	2,660,865	2,332,343	(12.3%)	2,934,700	25.8%
Gross Profit	417,374	446,324	6.9%	453,164	1.5%	1,335,091	1,154,592	(13.5%)	1,474,132	27.7%
G.P. %	48.1%	48.6%	0.5%p	48.9%	0.3%p	50.2%	49.5%	(0.7%)p	50.2%	0.7%p
O.Profit	124,880	155,583	24.6%	110,310	(29.1%)	385,603	273,005	(29.2%)	467,665	71.3%
O.P. %	14.4%	17.0%	2.6%p	11.9%	(5.1%)p	14.5%	11.7%	(2.8%)p	15.9%	4.2%p
Net Profit	98,450	95,115	(3.4%)	75,923	(20.2%)	286,632	180,135	(37.2%)	345,874	92.0%

◆ 3Q Revenue (YoY approx. +KRW 9.6bn, +1.1%)

- Resulted from revenue increase from Acushnet Holdings Corp. (YoY approx. +KRW 30.5bn, +8.0%) partially offset by FILA Group (YoY approx. -KRW 20.9bn, -6.1%)

◆ 3Q Operating Profit (YoY approx. -KRW 45.3bn, -29.1%)

- Resulted from operating profit decrease from FILA Group (YoY approx. -KRW 8.4bn, -14.4%) and Acushnet Holdings Corp. (YoY approx. -KRW 36.9bn, -37.5%)

◆ 3Q Net Profit (YoY approx. -KRW 19.2bn, -20.2%)

- Resulted from net profit decrease from Acushnet Holdings Corp. (YoY approx. -KRW 28.0bn, -40.5%) partially offset by FILA Group (YoY approx. +KRW 3.8bn, +8.6%)

- Deferred tax adjustment(YoY approx. +KRW 5.0bn)

Disclaimer

This document includes information provided for the purpose of helping to understand the business, strategies, and financial situation of FILA Holdings Corporation (hereinafter referred to as “FILA”) and its group companies. It was not created to solicit investors to buy or sell FILA's stock. The uses of this document are advised to make their own investment decisions and responsibility. This document has been prepared for presentation, illustration and discussion purpose only and is not legally binding.

Investment involves risk. Past performance figures are not indicative of future performance. Please carefully read through the documents and seek independent professional advice before you make any investment decision. FILA has made every effort to ensure the accuracy of the information contained in this document. However, FILA does not guarantee the appropriateness, accuracy, usefulness or any other matter whatsoever regarding the information. Regardless of the reason, FILA assumes no responsibility, whatsoever, for any loss or damages resulting from changes, suspension or deletion of information contained on the document, or from the unauthorized alteration of said information by a third party, or for damage resulting from the downloading or the use of the data.

The information described in this document may contain forward-looking statements concerning the future performance excluding the past and present fact. These forward-looking statements contain risks and uncertainties, and do not guarantee future performance. Please note that forward-looking statements may differ from actual results depending on changes in economic status, market trends and tax and the other systems. Please note that this document may be discontinued or terminated and that the contents may be altered without advance notice. In addition, this document may not be readily accessible at certain times due to internal or external circumstances. It should be recognized in advance that FILA assumes no responsibility for any trouble, loss, or damage caused thereby.