

A background image showing three runners (two men and one woman) running on a bridge with a metal railing. The image is semi-transparent and serves as a backdrop for the text. The runners are wearing athletic gear, including FILA-branded items.

FILA Holdings Corp.

WINNING TOGETHER

Q2 2024 Earnings Release

www.filaholdings.com

Disclaimer

The financial information and statements included in the following presentation are unaudited and are presented here today solely for the purpose of helping investors better understand the current status of FILA Holdings Corporation and its subsidiaries. Part of the presentation is subject to change during the financial audit by an external independent auditor.

Also, the information described in this document contains “forward-looking statements”, and such forward-looking statements are made based on management’s current expectations, beliefs, plans, and assumptions based on information currently available to the management. These forward-looking statements relate to future events and address our expected future business condition and financial performance, and often contain words such as target, forecast, prospective, proceed, plan, strategy. Moreover, forward-looking statements contain risks and uncertainties, do not guarantee future performance, and are subject to change. 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.

The financial information included in this document is in accordance with Korean IFRS.

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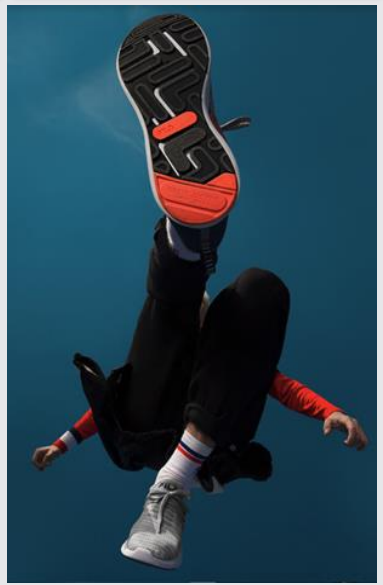



**Company
Overview**

FILA is a ‘ **PREMIUM LIFESTYLE SPORTS BRAND** ’

“ ITALIAN HERITAGE ”

“ TENNIS & OTHERS ”

Key Brand Value

ITALIAN	ATHLETIC AESTHETICS	VIBRANT	SOPHISTICATED	CONFIDENT	CHALLENGING
					



“FILA’s 113-year Heritage in the History of Sports”

FILA has been and will be there through all the moments of sweat and honor



1911 - FILA is founded by the Fila brothers in Biella, Italy

1973 - Initiated sports marketing by sponsoring the legendary tennis player Björn Borg
- Penetrated the luxury sports industry, including tennis, ski, golf, and yachting

1991 - Established FILA Korea



2005 - FILA Korea became an independent entity apart from FILA Global through management buyout(MBO)

2007 - Became the global headquarter by acquiring the entire global FILA business through leveraged buyout(LBO)

2010 - Listed FILA Korea Ltd. on the Korea Stock Exchange (KS 081660)



2011 - Acquired Acushnet Holdings Corp., owner of global top golf brands such as Titleist and FootJoy etc.

2016 - Acushnet was listed on the New York Stock Exchange (GOLF) and FILA became a controlling shareholder of Acushnet Holdings Corp.

2018 - Signature footwear ‘Disruptor 2’ crowned ‘The Shoe of the Year 2018’
- First time participated in the Milan Fashion Week (2019 S/S collection)

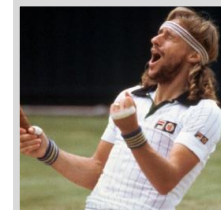
2020 - FILA Korea Ltd. changed its name to FILA Holdings Corp. and established a new subsidiary, FILA Korea, via a vertical demerger to enhance transparency of corporate governance
- Published the first FILA Sustainability Report

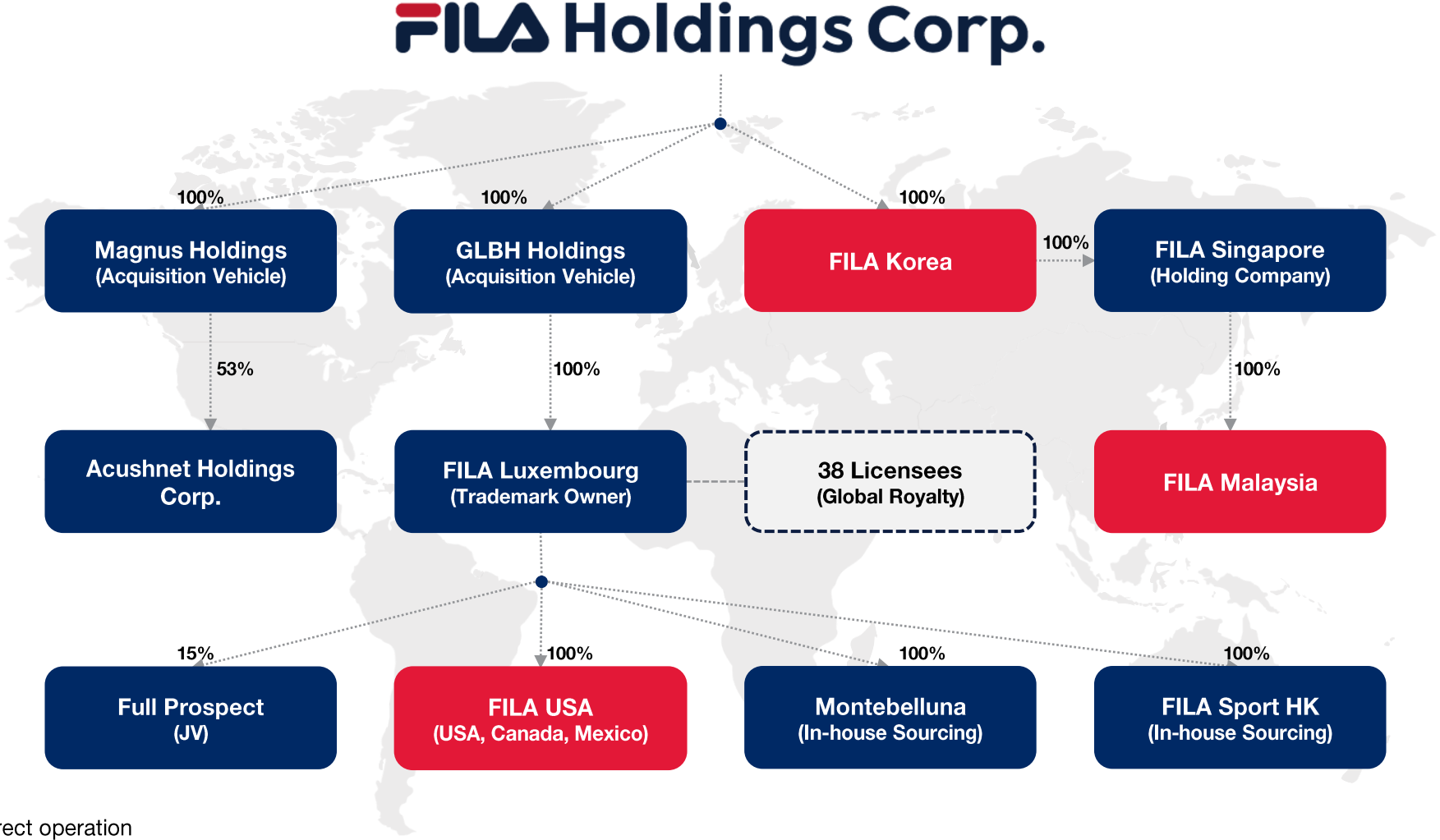


2021 - Held a virtual runway show at the Milan Fashion Week – 110th Anniversary Collection
- Became a signatory of UN Global Compact (UNGC)

2022 - Announced FILA 5-year strategic plan ‘WINNING TOGETHER’

2024 - Todd Klein, CEO of FILA USA, has been appointed as the Global Brand President of FILA





* The above organizational structure selectively presents the key subsidiaries as of June. 30th, 2024.

FILA



Acushnet



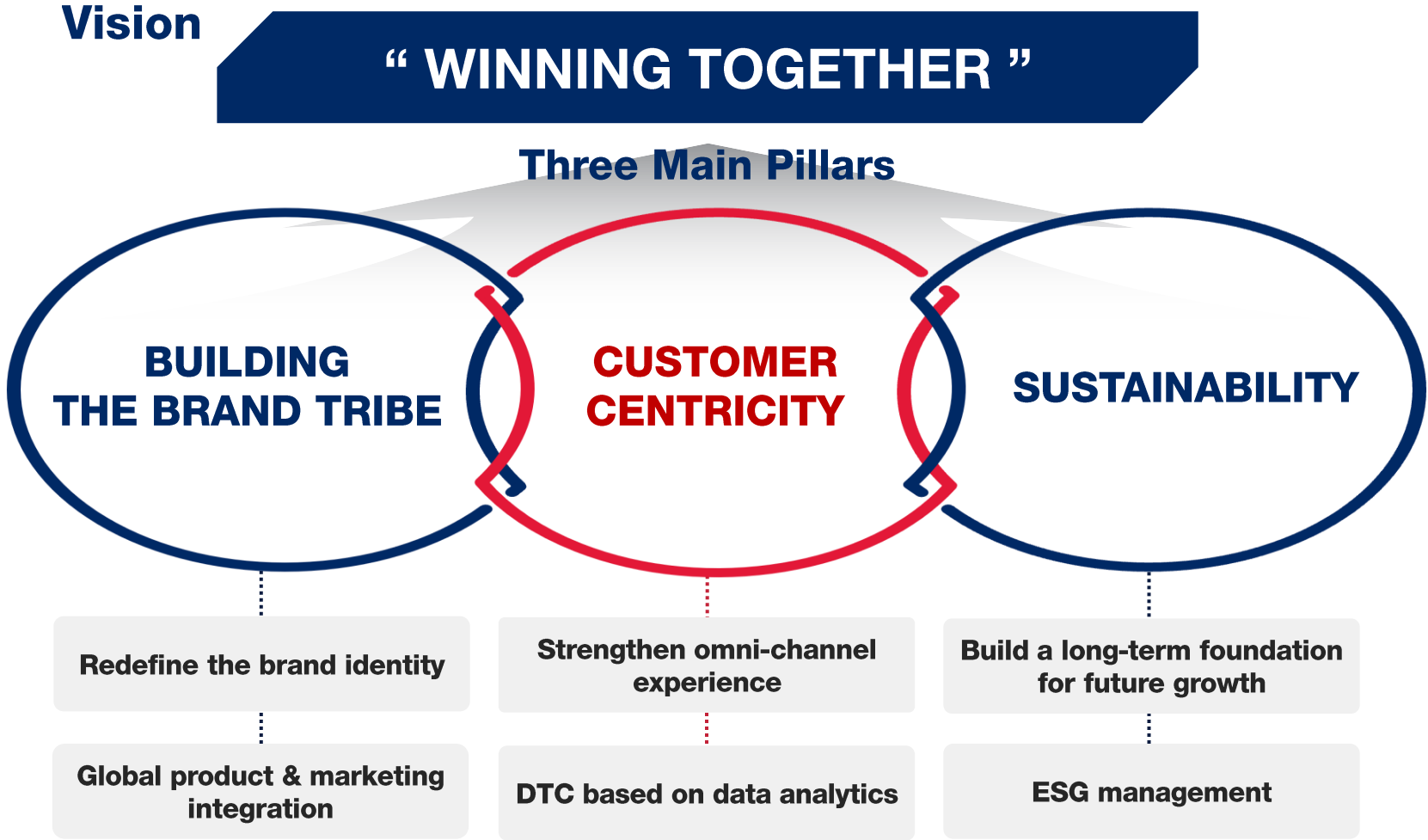


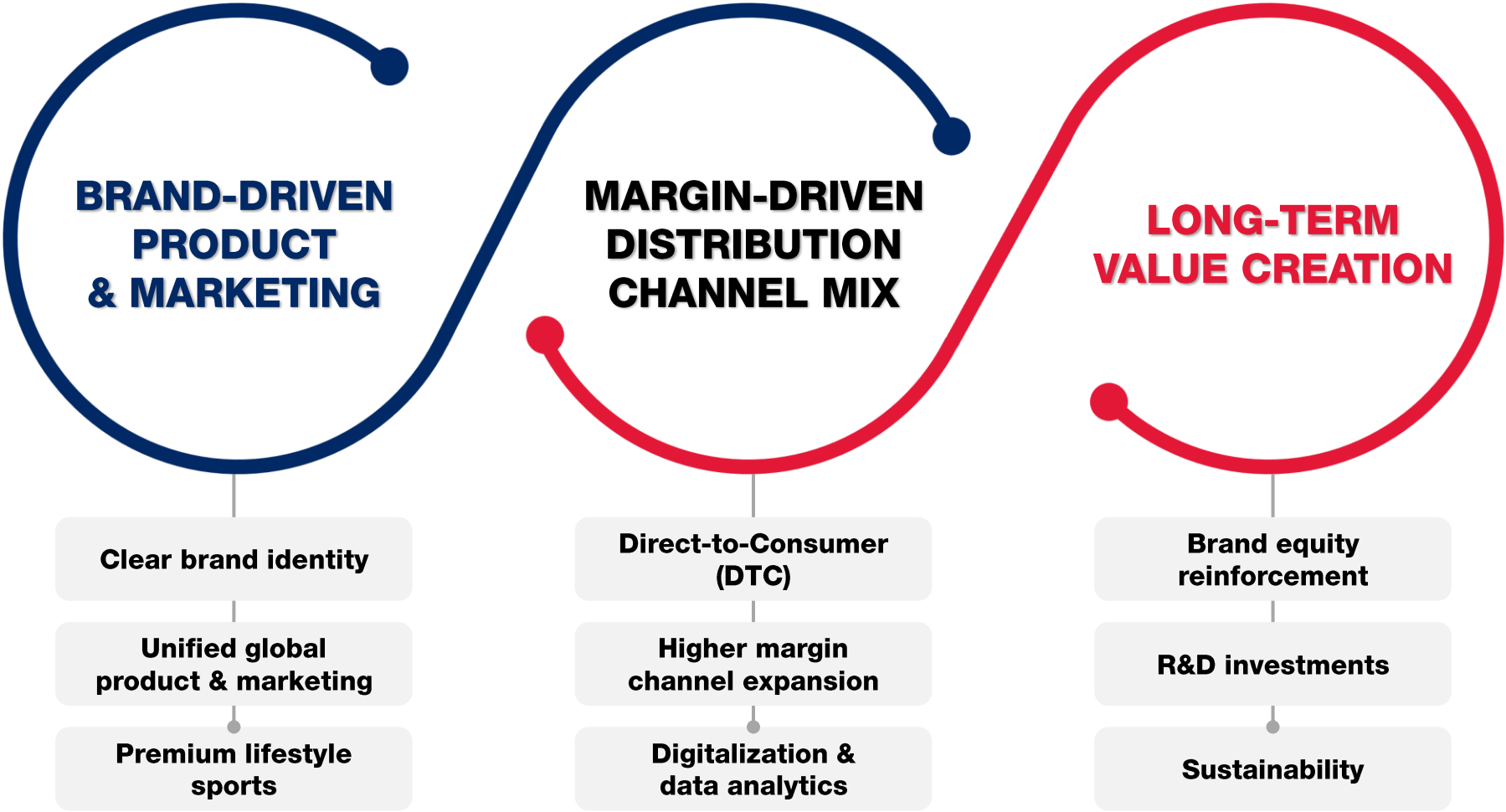
* as of June. 30th, 2024



02

**Brand
Strategy**





CORE SPORTS



TENNIS



RUNNING/TRAINING



OUTDOOR



SPORTS STYLE

CORE PRODUCTS



- **International and diverse**
- **Fashion and pop culture**

- **Fashion trend-leading**
- **Purchasing and economic power**

- **Passion with personal style**
- **Influenced by social media, pop culture & friends**

Consolidated Revenue

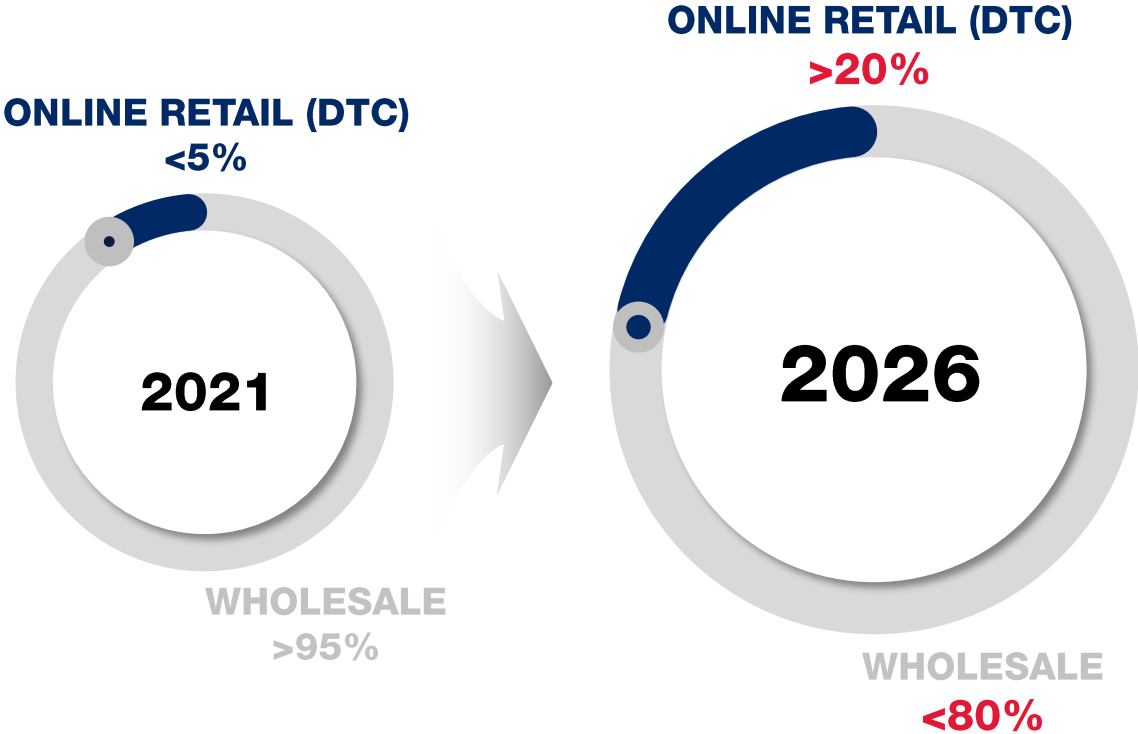
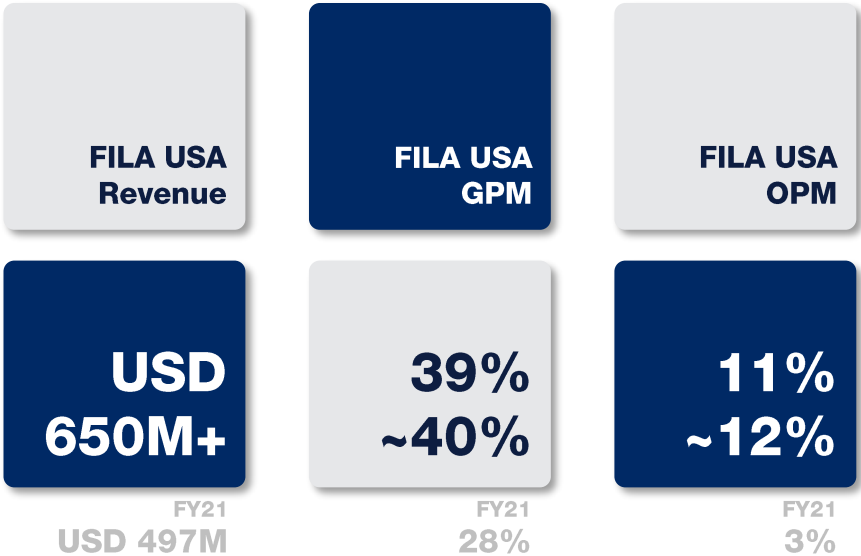
KRW 4.4T+

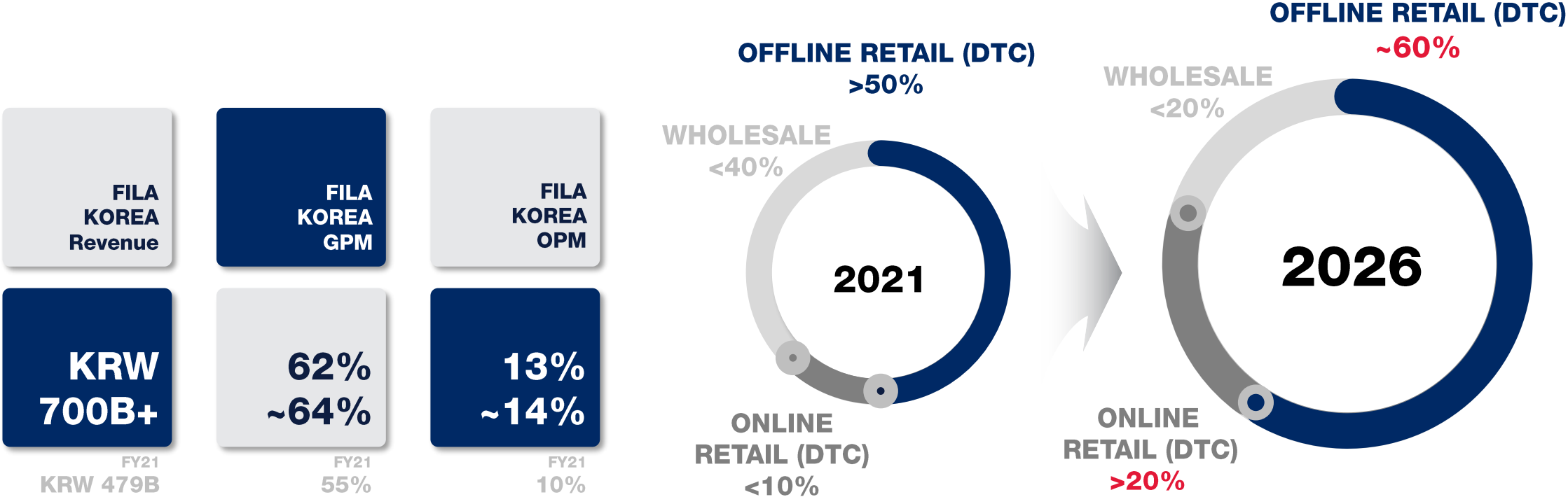
FY21
KRW 3.8T

Consolidated OPM

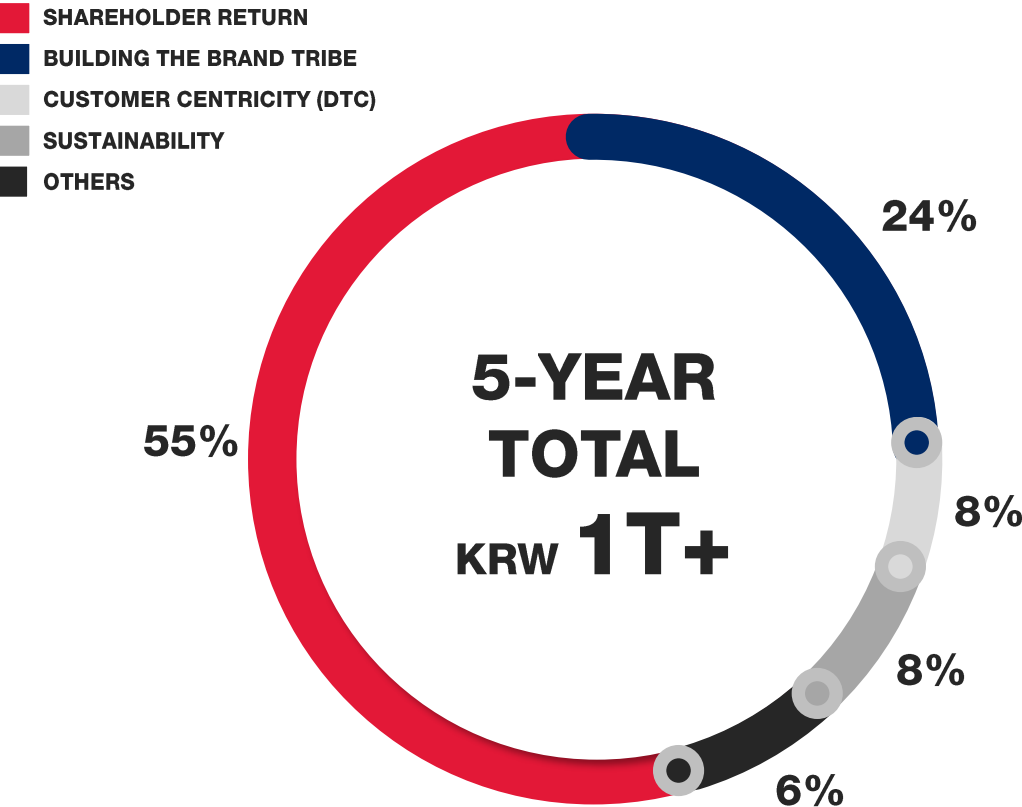
15%~16%

FY21
13%





* This page represents the operational targets of FILA Korea excluding design service fee income.



5-YEAR TOTAL SHAREHOLDER RETURN UP TO KRW 600B

TOTAL SHAREHOLDER RETURN*% in 2026 UP TO 50%

	FY 2023	FY 2022
DIVIDEND PER SHARE	KRW 1,090	KRW 1,580
TOTAL DIVIDEND PAYOUT	KRW 66B	KRW 95B
PAYOUT RATIO**	153.8%	27.6%
DIVIDEND YIELD	2.8%	4.6%

* Total shareholder return divided by profit attributable to owners of the company

** Calculated based on the profit attributable to owners of the company



Environmental
ACTIONS FOR THE PLANET



Social
CREATING SOCIAL IMPACT



Governance
SOUND GOVERNANCE

5 Themes



Product Circularity



Supply Chain
Transparency



Climate Action



Caring for People



Business
Commitment

Achievements



Dow Jones
Sustainability Indexes

The first Korean fashion co.
included in S&P DJSI



TASK FORCE ON
CLIMATE-RELATED
FINANCIAL
DISCLOSURES

The first Korean fashion company to adhere
the declaration by the TCFD in 2022



United Nations
Global Compact

Joined in 2021



ESG ratings

Korea ESG
Research Institute

Korea

B+

Sustainvest

A

KCGS

A

Sustaianalytics

Global

LOW RISK

LSEG ESG

69/100

CDP

**Climate change
Water security
disclosure**



03

**Earnings
Release**



- Korea's largest tennis festival **2024 WHITE OPEN SEOUL** - Visitors more than **DOUBLED**. Inclusive event planning with the introduction of wheelchair tennis, considering one of FILA group's CSR themes **DIVERSITY**.
- Ongoing release of **KEY FOOTWEAR PRODUCTS - ECHAPPE WAS SOLD OUT** on our website immediately after its launch in March, **TRIPLING TRAFFIC** upon restocking in May and achieving the **RANKING #1** on Musinsa. Summer season **PEITO SANDAL WAS SOLD OUT AS WELL**, with our website sales in Q2 **YoY +18%**.
- Sustainability report '**YOUR FILA IMPACT**' - significant achievements including the expansion of circular economy initiatives (Environment), enhancement of supply chain transparency (Social), and strengthening of the shareholder return (Governance).
- **TITLEIST GOLF BALLS** maintain a solid position - **72% GLOBAL TOUR MARKET SHARE**, 25 PGA Tour winners using Titleist golf balls. Pro V1 demand remains high, with the solid launch of new products AVX, Tour Soft, and TruFeel.

Upcoming highlights in Q3

- Global brand campaign **BELLISSIMO CAMPAIGN & CASA FILA COLLECTION** were unveiled to re-introduce FILA, reset brand perception, and reignite brand love.
- FILA-sponsored athlete **BARBORA KREJCIKOVA** wins the women's singles final at one of the four major tennis tournaments, securing her **12TH GRAND SLAM TITLE**.
- **TITLEIST** to launch new club model **WW GT METALS**, which has been the most played driver at recent events on both the PGA and DP World Tours. FootJoy to launch a new athletic inspired golf shoe **QUANTUM**.

Operational Highlights in Q2 2024



2024 White Open Seoul



Operational Highlights in Q2 2024

YOUR FILA IMPACT

FILA INTEGRATED REPORT 2023 VOLUME 5

Sustainability report highlighting FILA's journey
embracing the values of sports and beauty

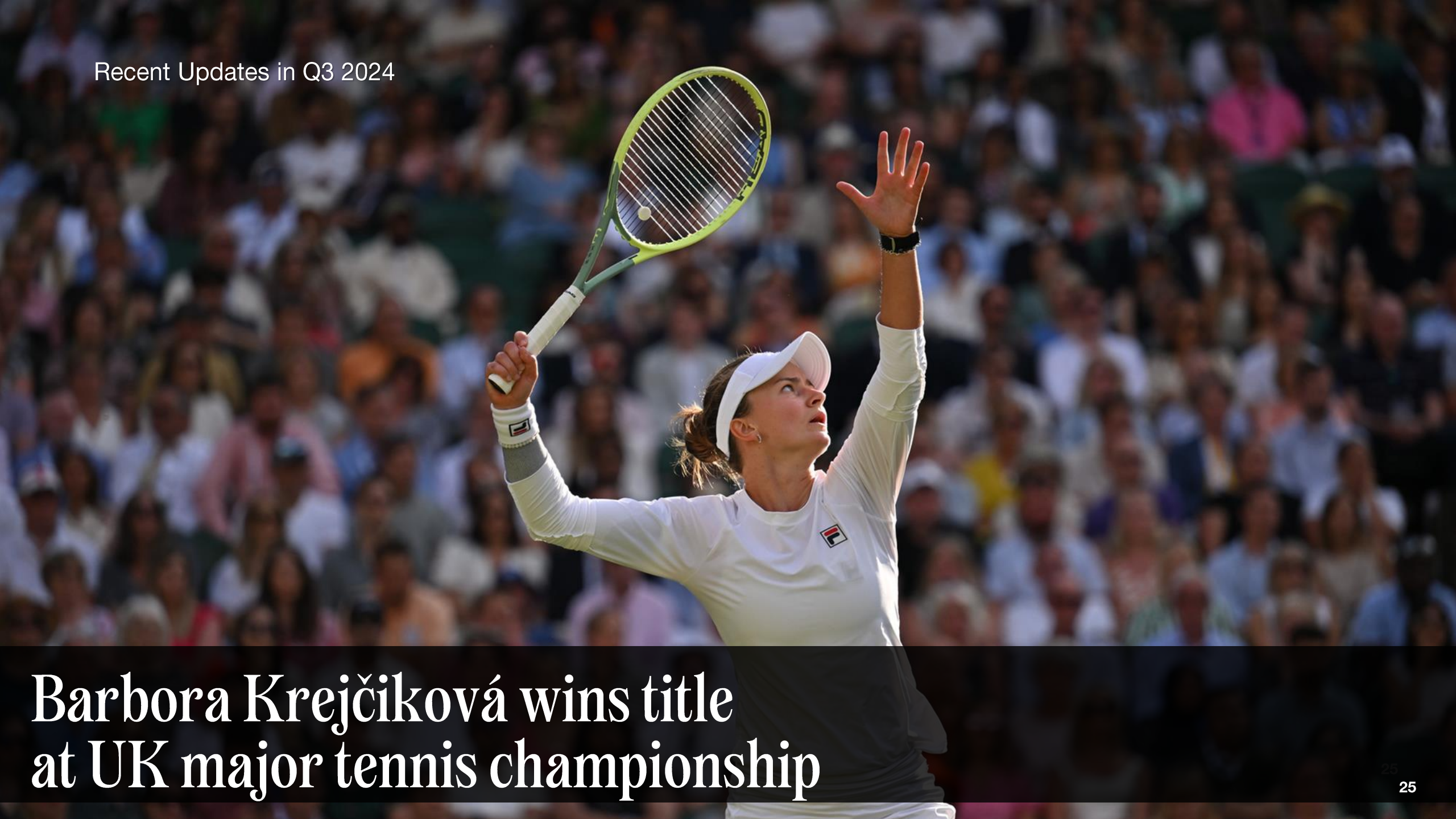
PLAY TO WIN



WIN AT PLAY

Bellissimo

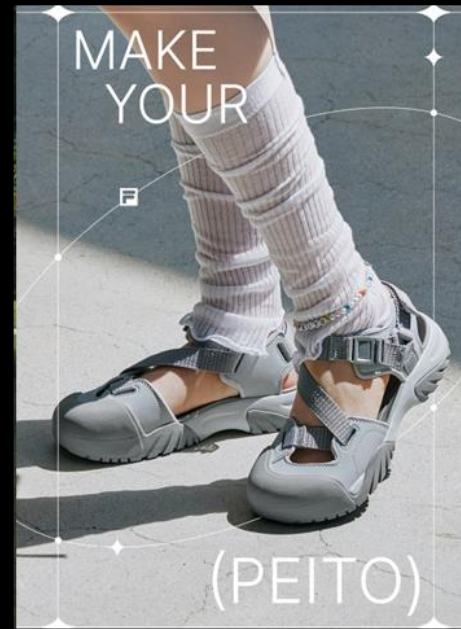
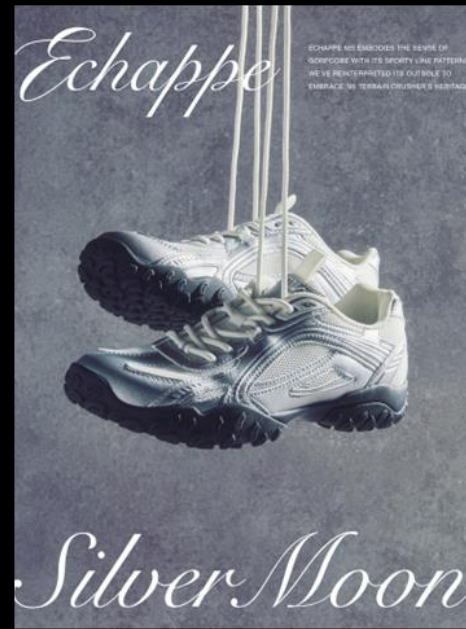
Recent Updates in Q3 2024



Barbora Krejčíková wins title
at UK major tennis championship



24 Summer New releases



CASA FILA



Consolidated Earnings

(KRW mn)	Three months ended in June 30		YoY	C/C	Six months ended in June 30		YoY	C/C
	Q2 24	Q2 23			1H 24	1H 23		
Revenue	1,175,289	1,147,006	2.5%	(1.3%)	2,357,912	2,255,605	4.5%	0.7%
FILA	235,517	240,995	(1.4%)	(3.5%)	480,189	474,176	1.3%	(0.8%)
Acushnet	937,773	906,010	3.5%	(0.7%)	1,877,723	1,781,429	5.4%	1.1%
Gross Profit	623,156	534,986	16.5%	12.2%	1,238,881	1,091,883	13.5%	9.3%
GPM%	53.0%	46.6%	6.4%p	6.4%p	52.5%	48.4%	4.1%p	4.1%p
SG&A	483,009	443,043	9.0%	5.3%	935,476	839,561	11.4%	7.7%
Operating profit	140,147	91,943	52.4%	45.4%	303,406	252,322	20.2%	14.9%
OPM%	11.9%	8.0%	3.9%p	3.8%p	12.9%	11.2%	1.7%p	1.6%p
FILA	(2,705)	(46,211)	N/A	N/A	3,264	(42,117)	N/A	N/A
Acushnet	142,852	138,154	3.4%	(0.8%)	300,142	294,439	1.9%	(2.2%)
Net Income	100,434	37,197	170.0%	159.0%	223,763	155,453	43.9%	38.1%

Note) 2023.2Q avg. USD/KRW = 1,314.68, 2024.2Q avg. USD/KRW = 1,370.91

- **Revenue KRW 1,175bn YoY +2.5%**
 - **(FILA)** Impacted by ongoing market competitiveness in the U.S. market, offset by strong brand performance in China and the success of key products in Korea.
 - **(Acushnet)** Supported by strong brand momentum and higher sales of Titleist golf balls and favorable F/X rates.
 - avg. USD/KRW 1,370.91 YoY +4.3%
- **Operating profit KRW 140bn YoY +52.4%**
 - **(FILA)** The absence of one-time costs in Q2 '23 in FILA U.S.A. was offset by losses from FILA U.S.A with strong U.S. dollar against the Korean Won.
 - **(Acushnet)** benefited by continued strong brand momentum, lower manufacturing costs for Titleist golf balls, and favorable F/X.

(KRW mn)	Three months ended in June 30		YoY	C/C	Six months ended in June 30		YoY	C/C
	Q2 24	Q2 23			1H 24	1H 23		
Revenue	76,323	91,530	(16.6%)	(20.4%)	162,225	168,298	(3.6%)	(7.5%)
Gross Profit	7,418	(43,784)	N/A	N/A	29,804	(39,299)	N/A	N/A
GPM%	9.7%	(47.8%)	N/A	N/A	18.4%	(23.4%)	N/A	N/A
SG&A	36,598	33,293	9.9%	5.5%	69,729	65,758	6.0%	1.8%
Operating profit	(29,180)	(77,077)	N/A	N/A	(39,925)	(105,057)	N/A	N/A
OPM%	(38.2%)	(84.2%)	N/A	N/A	(24.6%)	(62.4%)	N/A	N/A
Net Income	(32,804)	(79,199)	N/A	N/A	(46,102)	(109,290)	N/A	N/A

- **Revenue KRW 76bn YoY -16.6%**
 - Mainly due to the competitive market environment in the sports fashion category caused by excessive discounting. The focus is shifting towards margin improvement and brand-centric strategies to enhance brand equity.
- **Gross profit KRW 7bn (Turned Profit)**
 - Margin turned to profit due to absence of one-time costs in Q2 '23 (Inventory reserve approx. USD 24M), and improved promotional activities.
- **Operating loss KRW 29bn**
 - Primarily driven by a decrease in sales and gross profit, partially offset by ongoing SG&A expense control.
 - The strong U.S. dollar against the Korean won further exacerbated the negative impact on U.S. earnings.

Note) Consolidated financials of FILA U.S.A. Inc., FILA Canada, ULC, and Alife Holdings, LLC.

(KRW mn)	Three months ended in June 30		YoY	Six months ended in June 30		YoY
	Q2 24	Q2 23		1H 24	1H 23	
Revenue	95,047	94,528	0.5%	181,048	191,533	(5.5%)
FILA Korea (excl. DSF)	75,292	77,238	(2.5%)	143,289	157,176	(8.8%)
Design Service Fee Income (DSF)	19,755	17,290	14.3%	37,760	34,358	9.9%
Gross Profit	62,752	59,044	6.3%	116,274	116,947	(0.6%)
GPM%	66.0%	65.5%	3.6%p	64.2%	61.1%	3.1%p
SG&A	43,643	44,548	(2.0%)	84,895	85,301	(0.5%)
Operating profit	19,109	14,497	31.8%	31,379	31,646	(0.8%)
OPM%	20.1%	15.3%	4.8%p	17.3%	16.5%	0.8%p
FILA Korea (excl. DSF)	(645)	(2,793)	N/A	(6,380)	(2,711)	N/A
OPM%	(0.9%)	(3.6%)	N/A	(4.5%)	(1.7%)	N/A
Net Income	18,244	11,852	53.9%	28,342	24,134	17.4%

- **Revenue KRW 95bn YoY +0.5%**
 - Positive market response to the consistent execution of the ‘5-year strategy’. Successfully launched key footwear items INTERUN and ECHAPPE, with online retail sales YoY +18%, alongside overall increase in ASPs and sell-through.
 - Outperformed design service fee income.
- **Gross profit KRW 63bn YoY +6.3%**
 - Mainly driven by an increase in Direct-To-Consumer sales contribution(sales mix improvement), less promotional activities on key footwear products, and increased DSF income.
- **Operating profit KRW 19bn YoY +31.8%**
 - Significant improvement due to overall sales mix improvement and SG&A expense control.

(KRW mn)	Three months ended in June 30		YoY	C/C	Six months ended in June 30		YoY	C/C
	Q2 24	Q2 23			1H 24	1H 23		
Asia	5,339	5,554	(3.9%)	(7.8%)	11,119	11,737	(5.3%)	(9.1%)
North America	900	1,196	(24.7%)	(28.2%)	2,062	2,374	(13.2%)	(16.7%)
South America	2,031	2,295	(11.5%)	(15.1%)	3,781	4,242	(10.9%)	(14.5%)
EMEA	8,352	10,121	(17.5%)	(20.9%)	15,773	19,022	(17.1%)	(20.4%)
Category	830	808	2.8%	(1.3%)	1,621	1,640	(1.2%)	(5.2%)
Total (adj.)	17,452	19,974	(12.6%)	(16.2%)	34,354	39,015	(11.9%)	(15.5%)

- **Asia KRW 5.3bn YoY -3.9%**
 - As Japanese licensee strategically taking a conservative approach as it is reorganizing business and investing in core categories(footwear/apparel) in '25.
- **North America KRW 0.9bn YoY -24.7%**
 - Mainly due to high inflation and soft consumer spending.
- **South America KRW 2.0bn YoY -11.5%**
 - Due to economic volatility, hyperinflation, and currency devaluation in overall region.
- **EMEA KRW 8.3bn YoY -17.5%**
 - Adj. EMEA YoY -8.6% excluding one-time sales in Q2 '23. Impacted due to changes in consumer sentiment stemming from prolonged war and inflationary pressures, while key markets, Germany and the UK, sales increased.

(USD K)	Three months ended in June 30		YoY	Six months ended in June 30		YoY
	Q2 24	Q2 23		1H 24	1H 23	
Revenue	683,867	689,363	(0.8%)	1,391,421	1,375,653	1.1%
Gross Profit	371,754	368,523	0.9%	749,693	734,223	2.1%
GPM%	54.4%	53.5%	0.9%p	53.9%	53.4%	0.5%p
Operating Profit	106,023	106,490	(0.4%)	227,404	231,390	(1.7%)
OPM%	15.5%	15.4%	0.1%p	16.3%	16.8%	(0.5%p)
Net Income	70,164	74,364	(5.6%)	154,723	167,983	(7.9%)
Adj. EBITDA	131,013	132,065	(0.8%)	284,704	278,847	2.1%

Note) US-GAAP Basis

- **Revenue USD 684mn YoY -0.8%**
 - Currency neutral sales YoY +0.6%, supported by brand momentum and higher sales of Titleist golf balls.
- **Gross Profit USD 372mn YoY +0.9%**
 - Primarily due to increased sales and lower manufacturing costs for Titleist golf balls, higher ASPs for Titleist golf gear, and a favorable product mix shift for FootJoy golf wear.
- **Operating Profit USD 106mn YoY -0.4%**
 - Primarily due to administrative expenses, which were largely offset by decreased advertising and promotional expenses.

Annual growth targets(YoY%)	Current Outlook (Aug. 14 th)	Previous Outlook (May. 14 th)
Consolidated revenue	-5% ~ +5%	-5% ~ +5%
FILA USA	-5% ~ +5%	-5% ~ +5%
FILA Korea (excl. DSF)	0% ~ +10%	0% ~ +10%
Global Royalty	-20% ~ -10%	-20% ~ -10%
Acushnet Holdings Corp.	+3.9% at the mid-point	+3.9% at the mid-point
Consolidated operating profit	+30% ~ +40%	+30% ~ +40%
FILA USA	Operating loss 60B ~ 40B	Operating loss 60B ~ 40B
FILA Korea (excl. DSF)	Operating loss 15B ~5B	Operating loss 15B ~5B
Acushnet Holdings Corp. adj. EBITDA	+5.0% at the mid-point	+5.0% at the mid-point

- Reaffirming consolidated and individual segment's earnings outlook, reflecting 1H results, views on macroeconomics, and business projections for the whole year.
- Both FILA USA and FILA Korea(excl. DSF) will keep focusing on enhancing brand equity and improving profitability.
- Acushnet's outlook for FY2024 was publicly disclosed on August 6th.

Note1) The guidance provided is based on Korean Won and the Korean International Financial Reporting Standards (K-IFRS) except for Acushnet Holdings Corp. based on US Dollar.

Note2) Currency exchange rate of USD/KRW is 1,305.41 in 2023 (2023. 1. 1. ~ 2023. 12. 31.), and 1,280.00 in 2024 (2024. 1. 1. ~ 2024. 12. 31.).

Consolidated Statements of Comprehensive Income (K-IFRS)

(KRW mn)	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24
Revenue	1,147,006	990,192	760,830	1,182,623	1,175,289
Cost of sales	612,020	500,392	372,290	566,897	552,133
Gross profit	534,986	489,800	388,540	615,725	623,156
Selling and administrative expenses	443,043	397,236	429,932	452,466	483,009
Operating profit	91,943	92,563	(41,392)	163,259	140,147
Other income	2,836	1,968	109	951	945
Other expenses	3,796	3,680	4,071	1,062	853
Financial income	9,755	17,975	2,127	20,200	14,642
Financial costs	30,911	33,545	26,613	37,825	39,740
Share of net profit of associates accounted for using the equity method	16,629	12,307	18,576	17,291	13,539
Profit before income tax	86,456	87,588	(51,264)	162,814	128,679
Income tax expense	49,259	29,846	8,875	39,485	28,245
Net profit	37,197	57,743	(60,139)	123,330	100,434
Other comprehensive income	(2,485)	52,886	(37,240)	83,699	42,735
Total comprehensive income	34,711	110,629	(97,399)	207,029	143,168
Profit attributable to Owners of the Controlling Company	(7,340)	26,329	(38,218)	72,088	56,001
Earnings per share (KRW)	(122)	438	(636)	1,200	1,676

Consolidated Statements of Financial Position (K-IFRS)

(KRW mn)	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24
Total assets	5,179,808	5,083,609	4,980,150	5,399,866	5,344,824
Current assets	2,445,505	2,281,544	2,241,653	2,547,603	2,511,690
Cash and cash equivalents	463,282	463,234	585,614	588,192	620,494
Trade and other receivables	762,937	636,003	456,203	842,144	809,026
Inventories	1,040,307	1,000,476	1,045,388	955,232	870,078
Other current assets	178,980	181,831	154,448	162,035	212,092
Non-current assets	2,734,302	2,802,066	2,738,497	2,852,263	2,833,134
Property and equipment	579,333	597,078	600,992	678,434	707,377
Intangible assets	1,820,123	1,852,759	1,777,538	1,841,572	1,885,876
Other non-current assets	334,847	352,229	359,968	332,257	239,881
Total liabilities	2,493,127	2,371,162	2,426,231	2,751,124	2,615,457
Current liabilities	1,195,482	1,615,440	1,161,274	1,217,192	1,179,787
Trade and other payables	462,506	500,313	504,323	535,264	532,724
Borrowings and bonds	507,259	920,285	442,847	441,838	431,685
Other current liabilities	225,717	194,842	214,104	240,090	215,378
Non-current liabilities	1,297,645	755,722	1,264,957	1,533,932	1,435,669
Borrowings and bonds	841,830	285,347	864,303	1,120,028	1,009,350
Other non-current liabilities	455,816	470,375	400,654	413,904	426,319
Total equity	2,686,680	2,712,447	2,553,919	2,648,742	2,729,367