

## PRESS RELEASE

### F.I.L.A.: SHAREHOLDERS' AGM APPROVES 2017 ANNUAL ACCOUNTS AND RENEWS CORPORATE BOARDS

- *2017 Statutory Annual Accounts approved and 2017 Consolidated Annual Accounts reviewed*
- *F.I.L.A. S.p.A. profit of Euro 6.9 million (reducing on Euro 11.4 million in 2016)*
- *Core business consolidated revenue of Euro 510.4 million (+20.8% on Euro 422.6 million as per the 2016 Consolidated Annual Accounts)*
- *Consolidated Profit of Euro 29.1 million (+3.1% on 2016)*
- *Net financial debt of Euro 239.6 million (increasing Euro 16.2 million on the end of 2016).*
- *Distribution of a dividend to shareholders totalling Euro 3,719,923 approved - therefore Euro 0.09 for each of the 41,332,477 ordinary shares currently in circulation, with payment on May 23, 2018, coupon date of May 21, 2018 and record date of May 22, 2018*
- *Favourable vote on First Section of the Remuneration Report pursuant to Article 123-ter of Legislative Decree No. 58 of February 24, 1998 ("CFA")*
- *Establishment of the number of members and appointment of the Board of Directors, establishment of the duration of office and the remuneration of the members of the Board of Directors*
- *Appointment of the Honorary Chairman*
- *Appointment of the Board of Statutory Auditors, establishment of the remuneration of the members of the Board of Statutory Auditors*

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**Pero, April 27, 2018** - The Shareholders' Meeting of F.I.L.A. – Fabbrica Italiana Lapis ed Affini S.p.A. (**F.I.L.A.** or the “**Company**”), listed on the STAR segment of the Italian Stock Exchange, met today in single call under the chairmanship of Mr. Gianni Mion.

### **2017 Annual Accounts**

The Shareholders' AGM reviewed and approved the statutory financial statements at December 31, 2017 of F.I.L.A., which report a profit of Euro 6,933,129.92.

The Meeting also reviewed the 2017 Consolidated Financial Statements, which report Core Business Revenue of Euro 510.4 million, an Adjusted Profit of Euro 29.1 million and a Net Debt of Euro 239.6 million.

### **Dividend**

The Shareholders' AGM approved:

- allocation of the profit of Euro 6,933,129.92 to retained earnings for Euro 3,213,206.99;
- distribution to Shareholders a dividend of Euro 0.09 for each of the 41,332,477 shares currently in circulation and, therefore, a total dividend of Euro 3,719,923, from the profit for the year; while it should be noted that in the case where the total number of shares of the Company currently in circulation should increase by May 21, the total amount of dividend will remain unchanged and the unitary amount will be automatically adjusted to the new number of shares.

The dividend will be paid with dividend coupon of May 21, 2018, record date of May 22, 2018 and payment date of May 23, 2018.

### **Remuneration Report pursuant to Article 123-ter of the CFA**

The Shareholders' AGM expressed a favourable vote on the First Section of the Remuneration Report in accordance with Article 123-ter of the CFA of the Consob Issuers' Regulation.

The report is also available on the company's website [www.filagroup.it](http://www.filagroup.it), Governance section.

### **Establishment of the number of members and appointment of the Board of Directors, establishment of the duration of office and the remuneration of the members of the Board of Directors**

The Shareholders' AGM set the number of Directors as nine and appointed the Board of Directors, to remain in office for three financial years (until the approval of the 2020 Annual Accounts), as:

1. Massimo Candela <sup>(1)</sup>;
2. Luca Pelosin <sup>(1)</sup>;
3. Gianni Mion <sup>(1)</sup>;
4. Annalisa Barbera <sup>(1)</sup>;
5. Francesca Prandstraller <sup>(1)\*</sup>;
6. Filippo Zabban <sup>(1)</sup>;
7. Sergio Ravagli <sup>(1)\*</sup>;
8. Paola Bonini <sup>(1)\*</sup>;
9. Gerolamo Caccia Dominioni <sup>(2)\*</sup>.

The Shareholders' AGM, in addition, established the gross annual remuneration of the Board of Directors for the duration of mandate as Euro 230,000.00.

### **Appointment of the Honorary Chairman**

The Shareholders' AGM appointed, as per Article 12 of the By-Laws, Mr. Alberto Candela as the Honorary Chairman of the company for three financial years (i.e. until the approval of the 2020 Annual Accounts).

### **Appointment of the Board of Statutory Auditors, establishment of the remuneration of the members of the Board of Statutory Auditors**

The Shareholders' AGM appointed the Board of Statutory Auditors and the Chairman of the Board of Statutory Auditors, who shall remain in office for three financial years (i.e. until the approval of the 2020 Annual Accounts), as:

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<sup>(1)</sup> Selected from the "majority slate" presented by the shareholder Pencil S.p.A., holding 60.28% of the voting share capital of F.I.L.A., obtaining 87,83% of votes at the Shareholders' AGM.

<sup>(2)</sup> Selected from the "minority slate" presented by a group of investors, holding overall 5.59% of the share capital of F.I.L.A., obtaining 12,16% of votes at the Shareholders' AGM.

(\*) Director considered independent.

### Statutory Auditors

1. Pietro Michele Villa <sup>(1)</sup>;
2. Elena Spagnol <sup>(1)</sup>;
3. Gianfranco Consorti, Chairman of the Board of Statutory Auditors <sup>(2)</sup>;

### Alternate Auditors

1. Stefano Amoroso <sup>(1)</sup>;
2. Sonia Ferrero <sup>(2)</sup>.

The Shareholders' AGM, in addition, assigned for the duration of the three-year mandate, to the Chairman of the Board of Statutory Auditors, gross annual remuneration of Euro 29,000.00 and gross annual remuneration of Euro 22,000.00 to each of the statutory auditors.

### Filing of documentation

The summary of voting and the minutes of the AGM shall be made available to the public, according to the legally established deadlines and means, at the registered office, Borsa Italiana and on the F.I.L.A. website at [www.filagroup.it](http://www.filagroup.it), Governance section, in addition to the NIS-STORAGE authorised storage mechanism.

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On conclusion of the Shareholders' AGM, the Board of Directors of F.I.L.A. met, appointing Gianni Mion as the Chairman of the Board of Directors, Massimo Candela as the Chief Executive Officer and Luca Pelosin as Executive Director.

Therefore, Massimo Candela and Luca Pelosin are executive directors, while the remaining directors are non-executive.

The Board of Directors, on the basis of the declarations made by the directors and the information available to the company, ascertained the independence as per the CFA and the Self-Governance Code of the Directors Francesca Prandstraller, Sergio Ravagli, Paola Bonini and Gerolamo Caccia Dominioni. The Board therefore noted that four of the nine may qualify as independent in accordance with the CFA and the Self-Governance Code, and appointed Gerolamo Caccia Dominioni as the Lead Independent Director.

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<sup>(2)</sup>Selected from the "minority slate" presented by a group of investors, holding overall 5.59% of the share capital of F.I.L.A., obtaining 12,16% of votes at the Shareholders' AGM.

The Board of Statutory Auditors verified the correct application of the assessment criteria and procedures adopted by the Board to evaluate the independence of its members.

The Board of Directors established the gross annual remuneration devolving to each member of the Board of Directors as Euro 15,000 for the entire duration of mandate, and the total gross annual remuneration of the Chairman of the Board of Directors as Euro 110,000.

The Board of Directors also allocated the Control and Risks Committee the functions of the Related Parties Committee, appointing as members the independent directors Caccia Dominioni (as Chairperson), Sergio Ravagli and Paola Bonini, in addition to the non-executive director Filippo Zabban. The composition of the Committee reflects the experience requirements in terms of accounting and finance and risk management required by the Self-Governance Code; in addition, the Board of Directors appointed to the Remuneration Committee the independent directors Francesca Prandstraller (as Chairperson) and Paola Bonini, in addition to the non-executive director Annalisa Barbera. The composition of the Committee reflects the experience requirements with regards to financial and Remuneration Policy matters requested by the Self-Governance Code.

The Board of Directors, finally, appointed to the Supervisory Board Mr. Massimiliano Rigo, Mr. La Rocca and Mr. Perrone.

The curriculum vitae of each director and statutory auditor, in addition to the information concerning their slate of origin, is available on the company website at [www.filagroup.it](http://www.filagroup.it), in the Governance section.

Massimo Candela holds, through the company Pencil S.p.A. (of which he possesses 64.92% of the share capital), 13,133,032 ordinary shares (37.78% of the ordinary share capital) and 6,566,508 class B shares, in total accounting for 60.28% of the company's voting share capital.

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The Executive Officer for Financial Reporting Stefano De Rosa declares, in accordance with Article 154-*bis*, paragraph 2, of the Consolidated Finance Act, that the accounting information contained in the present press release corresponds to the underlying accounting documents, records and accounting entries.

This press release is also available on the company's website at [www.filagroup.it](http://www.filagroup.it).

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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.

In November 2015, F.I.L.A. listed on the STAR segment of the Milan Stock Exchange. The company, with revenue of over Euro 510 million in 2017, 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, the German LYRA, the Mexican Lapiceria Mexicana, the Brazilian Lycin, 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 and Canson.*

*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. operates through 19 production facilities (of which 2 in Italy) and 35 subsidiaries across the globe and employs approx. 8,400.*

## **For further information**

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