

FENIX OUTDOOR INTERNATIONAL AG

Interim condensed consolidated financial statement for the period ended 30 September 2021

Third quarter 2021-07-01 – 2021-09-30

- The total income of the Group was TEUR 200 067 (TEUR: 186 821), an increase of 7,1%.
- The EBITDA of the Group was TEUR 57 726 (TEUR: 56 580).
- The operating profit of the Group was TEUR 44 426 (TEUR: 45 506).
- The profit before tax of the Group was TEUR 43 950 (TEUR: 43 243).
- The profit after tax of the Group was TEUR 32 504 (TEUR: 32 408).
- Earnings per share amounted to EUR 2,44 (EUR: 2,43).

Period 2021-01-01 – 2021-09-30

- The total income of the Group was TEUR: 458 601 (TEUR: 419 747), an increase of 9,3%.
- The EBITDA of the Group was TEUR: 103 055 (TEUR: 89 016).
- The operating profit of the Group was TEUR 66 227 (TEUR: 56 059).
- The profit before tax of the Group was TEUR 64 656 (TEUR: 52 944).
- The profit after tax of the Group was TEUR 44 921 (TEUR: 37 149).
- Earnings per share amounted to EUR 3,37 (EUR: 2,78).

Events after period closing

No significant events after period close are noted.

Repurchase of own shares

As per 2021-09-30 the company holds 119 598 B-shares representing 0,89% of capital.

This report contains information which Fenix Outdoor International AG is obliged to publish under the EU Market Abuse Regulation rules. The information was provided by the contact person stated below, for publication October 27 2021 at 15 00.

CONTACTPERSON Martin Nordin, Executive Chairman +41 797 99 27 58

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Financial information

Actual financial information is available at www.fenixoutdoor.se under "Finansiellt"

CALENDARIUM FINANCIAL INFORMATION

Q4 report, February, 2022

COMMENTS BY THE EXECUTIVE CHAIRMAN

Final stretch on night trek in the covid jungle?

Seven quarters into a pandemic effected business and we still don't really know when and how we will end up. I have to say however, that the third quarter did not have any major surprises. German business has shown some very promising signs of recovery especially on the retail sales. The recovery means that the German retail sales is matching and beating both 2018 and 2019 numbers. Furthermore, in early October the recovery meant that we on an annual basis matched sale from 2020 despite almost 5-month shop closures compared to 6 weeks 2020. Wholesale in Germany has shown slower recovery, this is in my view has two causes, one being that we despite Covid have continued a restructure of our channel strategy which we believe will build a healthier business long term another being disturbances in the supply chain, which we believe/hope will be recovered in Q4.

North America, on the other hand, has shown good signs of recovery all over, we are now matching and beating sales number from 2019. This is happening while still losing out significantly in the small backpack segment (Kånken) which still has not picked up. This means our product dependency in especially the USA has decreased substantially during Covid creating a much less risky business there. At this stage we believe that 2021 will show new record sales in North America unless the pandemic or the weather plays us any unwanted tricks.

This retail recovery, as well as the North American recovery, means that despite delays in the wholesales supply chain, we showed and overall growth of 7%, 197,6 (185,5 MEUR). We also need to note that 2020 sales were less Covid effected, and the supply chain problems had not escalated yet. The external net sales for wholesale (Brands and Global sales) were stable at 102,9 MEUR (103,4 MEUR). Frilufts was up 15,3%, from 82,1 MEUR to 94,7 MEUR. In terms of the structure of the Frilufts sales, we note that the brick-and-mortar sales have shown very promising numbers and that has been the major driver behind the growth and that the Digital growth has slowed compared to earlier quarters this year as I predicted after the last quarter. We do not believe this is a permanent state, but that it is more an adjustment back to more normal trading development as. In short, we believe this shows the strength of our multichannel model for Frilufts.

In terms of profitability, we need to keep in mind that last year we had many cost reduction/saving programs in place for safety reasons and investments in some areas was limited. This year we have a larger infrastructural cost base due to, among other things supporting our digital sales. We did however increase our gross margin, despite being hit by delays in the supply chain the sell trough of our brands through our brand

retail, such as brand stores as well as digitally increased globally. Another effect of the chaotic supply chain meant that we had an increase in transport costs in the quarter of more than 1,5 MEuro effecting our EBIT. This means our EBIT is flat at 44,4 MEUR (45,5 MEUR).

Brands

Our Brands segment had sales of 48,8 MEUR compared to last year 49,3 MEUR. Sales was flat due to the delays in the supply chain. The gross margin showed a slight increase due to more direct consumer sales. The operating profit is down slightly though due to the infrastructure investments as well as logistic costs.

Global Sales

Global sales were hit by some of the same effects as Brands with sales of 54,1 MEUR (54,1 MEUR). Furthermore, Global sales has also been hit by closures in some of the Asian markets like Taiwan. Global sales have not only been hit in terms of sales but also on gross margin due to a somewhat slower recovery in the small backpack segment as they serve some markets more dependent on that. The Operating profit therefor showed a decrease from 14,0 MEUR to 11,2 MEUR.

Frilufts

Our Frilufts operation had good a recovery overall which now also visualized in Germany on top of the continued recovery in the Nordics, we are also seeing some promising contributions from the newly acquired Trekitt in the UK. We did however face some shortage of goods in the market. The development we started to observe last quarter of customers migrating back to brick and mortar continued but envisioned slight decrease of the proportion of digital sales to total sales did not occur but was more volatile . We therefore have record Q3 sales in Frilufts at 94,7 MEUR (82,1 MEUR), a growth of 15,3%. Our operating profit in Frilufts was there for up 10,6 MEUR (7,3 MEUR), an increase of 45% which is better than in 2019 as well. It is also to note that the Digital sales showed a quarter-to-quarter growth of 15,4% and a running 12-month growth of 59,4%. In the last quarter Digital sales represented 21,0% (21,0%) of total sales. On a 12-month running basis it represented 35,0% (23,4%). Brick and mortar were up 15,2% on the quarter, but down 9,4% on the running 12 months.

North America

We are continuing to see improvement in the North American operation. The most positive and promising development in the American markets is that we are now back and above 2019 in total sales. We did however not see a recovery back to 2019 in the light backpack segment. This means that our product portfolio is now much broader and less dependent on that segment.

Digital

Our total consumer digital business continued to grow in Q3 by 26,3%% compared to last year. In Q3, this year, it stood for 16,8% (14,1%) of our total sales and 27,6% (26,4%) of our direct-to-consumer sales. On a rolling 12-month basis our digitals sales amounts to an estimated 139,2 MEUR (89,5 MEUR). We still believe that we will see a monetary growth in this going forward, but as expected we are seeing a decrease in this as a proportion of total sales as the consumer market is settling into the new normal. The exception is our direct-to-consumer sales within the Brands and Global sales segments where we expect the digital sales to continue to grow the growth was 49,3% for the quarter and 29,9% for the running 12 months.

Q4 sales

In terms of our expectations for Q4 we expect some recovery and catch up in the brands and global sales as we have more goods in stock, we have already seen some of that in October. With the reservation that we still do not know what happens with Covid we expect a normal weather dependent Q4. But the development so far seems promising.

Going forward

In terms of the first months of Q1 there are some potential problems/threats. We are still facing a challenging situation in the supply chain. In terms of logistics/transport the problems will continue. An added problem is that some of the countries we use for manufacturing has been facing challenges due to public health risks due to Covid. We have chosen not to use some new nations in the supply chain who has not acted in a safe way as they are not approved according to use according to our Fenix Way code of conduct or CSR policy as well as due to quality risks. We have instead sought other solutions we are confident shall minimize the problem without risking quality or compromising our standards too much. We are confident it will work out reasonably, but it will probably come at short term financial cost. We strongly believe this is the right way to act to maintain consumer confidence and service long terms. I also have to say that the situation has been improving in some of the problem areas in the last weeks but there is no certainty.

In line with above I want to reiterate that there is a need to reinvent ourselves and once more point out what I wrote last quarter about this as the current situation has strengthened the case for the measures I wrote then.

1. Continue investments in our digital operations and we will continue.
2. Become faster in every area of our business
3. Limited expansion backwards in the value chain.

i. Reentry into production; we aim to either acquire or start production units closer to our main markets initially Europe and North America. We aim to enable us to manufacture 10-20% of our products ourselves in these areas. The reasons we want to do that is that:

4. The pandemic has shown us how volatile our supply chain is, and we need more control over it.
5. It will enable us to better develop products closer to our markets, increasing quality.
6. It will enable us to improve our CSR profile and decrease our environmental footprint producing closer to our customers.
7. It will enable us to better serve our customers better becoming able to produce products needed, thereby increasing marginal sales

We think once more the last quarter has shown that our business model is working.

We are still looking at acquisitions, the market is very active but given the so called “outdoor trend” and low interest rate it is still somewhat hard to achieve reasonable prices.

I might sound a bit pessimistic, but I am quite positive when I see how many of our operations are developing, but I prefer talking about the challenges. Another challenge is of course the one off developing the organization where we are facing recruitment problems in certain areas with the risk of driving up costs, but I believe it is all manageable.

I also want to take this opportunity again to thank our management, employees, board, shareholders and not the least customers for their efforts and loyalty in helping us to continue get through this pandemic.

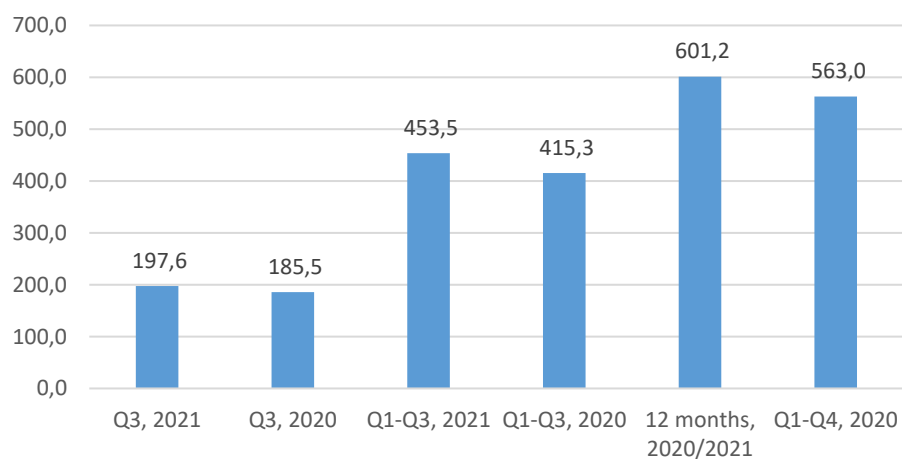
All the best

Martin Nordin, Chairman of the Board

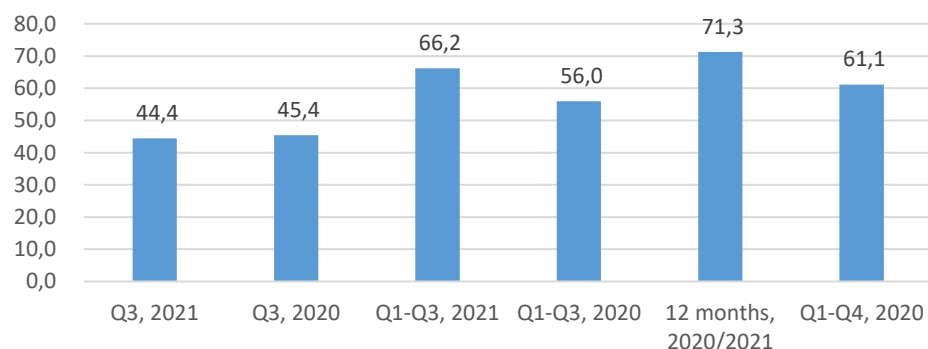
MEUR	July-Sept 2021	July - Sept 2020	Jan-Sept 2021	Jan-Sept 2020	Oct-Sept 2020/2021	Jan-Dec 2020
Net sales	197,6	185,5	453,5	415,3	601,2	563,0
EBITDA	57,7	56,5	103,1	89,0	124,0	110,0
Operating profit	44,4	45,4	66,2	56,0	71,3	61,1
Profit margin, %	22,5%	24,5%	14,6%	13,5%	11,9%	10,9%
Profit before tax	43,9	43,2	64,7	52,9	65,2	53,5
Net profit for the period	32,5	32,4	44,9	37,1	41,6	33,9
Earnings per share, EUR *)	2,44	2,43	3,37	2,78	3,12	2,54
Solvency rate, %			57,3%	57,4%		54,3%

*) Earnings per share are calculated on outstanding shares.

Net sales, MEUR



Operating profit, MEUR



THE OPERATION

The Group is organized in three business segments: Brands, Friluftts and Global sales.

- Brands includes the brands Fjällräven, Tierra, Primus, Hanwag, Royal Robbins and Brunton. It also includes Brand Retail (The E-com and monobrand operations of the Brands) and distribution companies concentrated on sales of one brand.
- In Friluftts, the retailers Naturkompaniet AB, Partioaitta Oy, Globetrotter Ausrüstung GmbH and Frilufttsland A/S are included.
- Global sales includes distribution companies selling more than one Fenix Outdoor brand.

The three business segments are supported by common functions for Management, CSR/CSO, Finance, HR, Legal, Digital Technology and Logistics.

Third quarter 2021-07-01 – 2021-09-30

	Brands		Friluftts		Global sales		Common		Group	
	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
External sales, MEUR	48,8	49,3	94,7	82,1	54,1	54,1	0,0	0,0	197,6	185,5
EBITDA, MEUR	28,3	29,3	17,2	13,0	11,8	14,6	0,4	-0,4	57,7	56,5
Operating profit, MEUR	24,7	26,8	10,6	7,3	11,2	14,0	-2,1	-2,7	44,4	45,4

External sales per market, MEUR	Brands		Friluftts		Global sales		Common		Total	
	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Switzerland					3,1	4,8			1,6%	2,6%
Sweden	4,9	4,6	22,7	20,9					14,0%	13,7%
Other Nordic countries	0,6	0,5	16,5	15,9	13,7	13,3			15,6%	16,0%
Germany	15,9	19,7	53,5	44,9					35,1%	34,8%
Benelux	5,5	5,8	0,1	0,1	1,5	1,5			3,6%	4,0%
Other Europe	4,1	6,3	1,9	0,3	12,5	14,1			9,4%	11,2%
Americas	17,3	12,3			14,3	12,4			16,0%	13,3%
Other World	0,5	0,1			9,0	8,0			4,8%	4,4%
Total	48,8	49,3	94,7	82,1	54,1	54,1	0,0	0,0	100%	100%

Period 2021-01-01 – 2021-09-30

	Brands		Friluft		Global sales		Common		Group	
	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
External sales, MEUR	117,5	111,0	206,7	188,0	129,4	116,3			453,5	415,3
EBITDA, MEUR	52,5	52,3	23,5	14,2	24,5	23,6	2,5	-1,0	103,1	89,0
Operating profit, MEUR	44,0	44,3	3,9	-2,3	22,9	21,9	-4,6	-7,9	66,2	56,0
Number of Stores	38	37	88	81	31	27			157	145
of which are franchise			1	2					1	2
Non-current assets	50,8	50,0	144,0	137,0	14,1	12,0	56,9	54,9	265,8	253,9
Cap. Expenditures	2,5	4,8	4,6	5,4	0,8	0,6	9,3	5,2	17,2	16,0

External sales per market, MEUR	Brands		Friluft		Global sales		Common		Total	
	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Switzerland	12,3	10,3	54,4	43,3	9,0	10,5			2,0%	2,5%
Sweden									14,7%	12,9%
Other Nordic countries	1,6	1,1	39,9	34,4	32,0	27,2			16,2%	15,1%
Germany	40,0	45,0	108,7	109,4					32,8%	37,2%
Benelux	12,8	11,8	0,2	0,2	7,4	4,6			4,5%	4,0%
Other Europe	9,9	12,6	3,5	0,7	27,0	28,1			8,9%	10,0%
Americas	39,6	29,6			28,2	24,5			15,0%	13,0%
Other World	1,3	0,6			25,8	21,4			6,0%	5,3%
Total	117,5	111,0	206,7	188,0	129,4	116,3	0,0	0,0	100%	100%

Fenix Outdoor's use of alternative key figures:

Fenix Outdoor provides a number of key figures in the summary on the front page of the interim report. The Group defines earnings before interest, tax, depreciation and amortization (EBITDA) as operating profit excluding depreciation and write-downs of tangible, intangible assets and Right-of-use assets. As EBITDA is affected by IFRS 16 the Group has decided to include it as an alternative key figure

THE OPERATION

Brands

		2021 (2020)		2021 (2020)
External net sales	Q3	48,8 (49,3) - 1,0%	Q1-Q3	117,5 (111,0) + 5,8%
Operating profit	Q3	24,7 (26,8)	Q1-Q3	44,0 (44,3)

Stable sales vs last year. Direct to Consumer sales, both in Europe and NA, increased. Europe wholesale hit by late deliveries of goods. Profit slightly lower than last year as the Q3 2020 result was “boosted” by the Fenix Outdoor Covid cost saving package.

Frilufts

		2021 (2020)		2021 (2020)
External net sales	Q3	94,7 (82,1) + 15,3%	Q1-Q3	206,7 (188,0) + 9,9%
Operating result	Q3	10,6 (7,3)	Q1-Q3	3,9 (-2,3)

Higher net sales supported by stronger sales in all markets. This, in combination with a higher gross margin, have impacted the Operating profit in positive way.

Global sales

		2021 (2020)		2021 (2020)
External net sales	Q3	54,1 (54,1) + 0,1%	Q1-Q3	129,4 (116,3) + 11,3%
Operating result	Q3	11,2 (14,0)	Q1-Q3	22,9 (21,9)

As for Brands, net sales slightly negatively affected by late deliveries, but still on flat level compared to last year. Operating result hit by lower gross margin, due to shift of product categories, higher costs for digitalization and costs related to trade tariffs importing goods to UK.

Common, Liquidity and financial standing

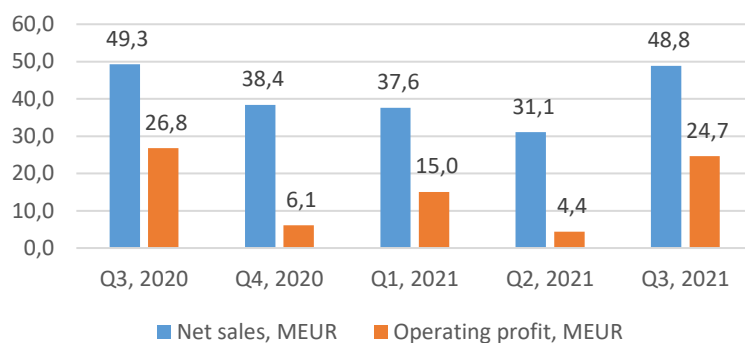
		2021 (2020)		2021 (2020)
Operating profit	Q3	-2,1 (-2,7)	Q1-Q3	-4,6 (-7,9)

The Group's financial position remains very strong. Consolidated cash and cash equivalents amounted to MEUR 123,1 (MEUR: 101,6) per the end of the period. The Group's interest-bearing liabilities amounted to MEUR 38,4 (MEUR: 21,6). Lease liabilities amounted to MEUR 128,2 (MEUR: 127,9). Consolidated equity attributable to shareholders was MEUR 369,0 (MEUR: 352,8), corresponding to a solvency rate of 57,3% (57,4%).

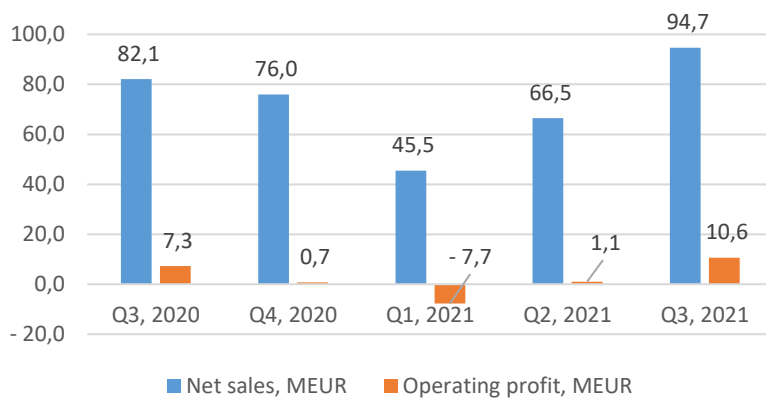
THE OPERATION

Net sales and operating result per segment

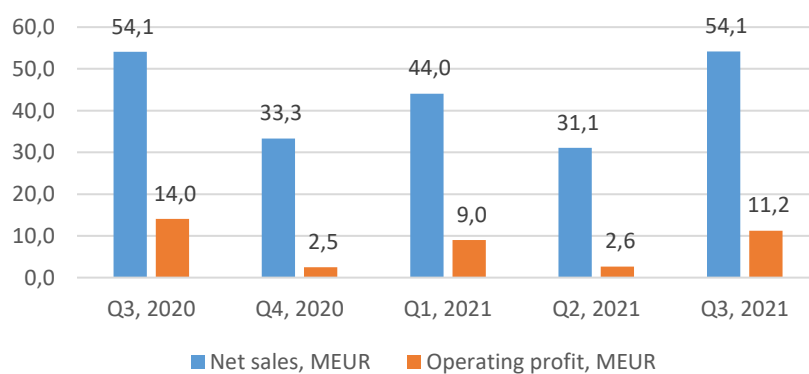
Brands



Friluftss



Global sales



FINANCIAL REPORT

CONSOLIDATED INCOME STATEMENT MEUR	3 months ^{*)}		9 months		12 months ^{*)}	
	July-Sept	July-Sept	Jan-Sept	Jan-Sept	Oct-Sept	Jan-Dec
	2021	2020	2021	2020	2020/2021	2020
Net sales	197,6	185,5	453,5	415,3	601,2	563,0
Other operating income	2,4	1,4	5,1	4,5	9,2	8,5
Total income	200,1	186,9	458,6	419,8	610,4	571,5
Cost of goods	-80,7	-79,1	-189,5	-179,1	-252,0	-241,6
Other external expenses	-33,0	-24,0	-83,8	-73,2	-119,8	-109,1
Personnel expenses	-28,7	-26,9	-82,7	-77,5	-113,8	-108,6
Depreciation/amortisation	-13,3	-11,1	-36,8	-33,0	-52,7	-48,9
Result from participations in joint ventures	0,1	0,3	0,6	0,3	0,6	0,2
Other operating expenses	-0,0	-0,7	-0,2	-1,3	-1,3	-2,4
Operating expenses	-155,6	-141,5	-392,4	-363,8	-539,1	-510,4
Operating profit	44,4	45,4	66,2	56,0	71,3	61,1
Financial income	0,3	0,1	0,7	0,5	0,4	0,1
Financial expenses	-0,7	-2,3	-2,3	-3,6	-6,4	-7,7
Profit before tax	43,9	43,2	64,7	52,9	65,2	53,5
Income tax	-11,4	-10,8	-19,7	-15,8	-23,6	-19,6
Net profit for the period	32,5	32,4	44,9	37,1	41,6	33,9
Net profit for the period attributable to:						
Parent Company's shareholders	32,2	32,4	44,6	37,1	41,6	33,6
Non-controlling interests	0,3	0,0	0,3	0,0	0,0	0,3
Earnings per share, EUR	2,44	2,43	3,37	2,78	3,12	2,54
Weighted average of outstanding shares, B, thousands	10 940	10 940	10 940	10 940	10 940	10 940
Weighted average of outstanding shares, A, thousands	24 000	24 000	24 000	24 000	24 000	24 000

Earnings per share calculated as, number of B-shares + 2 400 000 A-shares, as A-shares only qualify to a tenth of the dividend compared to B-shares. There are no outstanding options or convertibles which would result in a dilution.

*) 3 months and 12 months of historical data that are not included in auditors' review of the interim report.

FINANCIAL REPORT

Consolidated Statement of Comprehensive Income	3 months ^{*)}		9 months		12 months ^{*)}	
	July-Sept	July-Sept	Jan-Sept	Jan-Sept	Oct-Sept	Jan-Dec
	2021	2020	2021	2020	2020/2021	2020
MEUR						
Net profit for the period	32,5	32,4	44,9	37,1	41,6	33,9
Not to be reclassified in the income statement in the future						
Remeasurements of post employment benefit obligations					-0,2	-0,2
Taxes						
To be reclassified to the income statement in the future						
Change in translation reserve during the period	0,6	-1,7	0,2	-2,9	2,3	2,2
Hedge accounting	0,5		0,1		-0,1	-0,1
Taxes	-0,1					
Total other comprehensive income for the period	1,0	-1,7	0,3	-2,9	2,0	1,9
Total comprehensive income for the period	33,5	30,7	45,2	34,2	43,6	35,8
Total comprehensive income attributable to:						
Parent Company's shareholders	33,2	30,7	44,9	34,2	43,6	35,5
Non-controlling interests	0,3	0,0	0,3	0,0	0,0	0,3

*) 3 months and 12 months of historical data that are not included in auditors' review of the interim report.

FINANCIAL REPORT

CONSOLIDATED STATEMENT OF	30 Sept	30 Sept	31 Dec
FINANCIAL POSITION, MEUR	2021	2020	2020
Assets			
Non-current assets			
Intangible fixed assets	49,3	39,9	38,1
Tangible fixed assets	72,9	69,6	70,6
Right-of-use assets	126,0	126,2	127,5
Other non-current assets	17,6	18,2	18,8
Total non-current assets	265,8	253,9	255,0
Current assets			
Inventories	163,5	174,9	153,8
Accounts receivable trade and other receivables	84,5	73,8	45,3
Prepaid expenses and accrued income	7,1	10,0	6,5
Cash and cash equivalents	123,1	101,6	191,1
Total current assets	378,2	360,3	396,7
Total assets	644,0	614,2	651,7
Equity and liabilities			
Equity and reserves attributable to the Parent Company's shareholders	369,0	352,8	353,7
Non-controlling interest	0,1	0,1	0,1
Total equity	369,1	352,9	353,8
Liabilities			
Non-current liabilities			
Other non-current liabilities	16,2	16,0	16,8
Lease liabilities	101,0	101,3	102,8
Interest bearing liabilities	28,8		36,0
Total non-current liabilities	146,0	117,3	155,6
Current liabilities			
Other current liabilities	68,0	74,2	61,1
Lease liabilities	27,2	26,6	26,3
Interest bearing liabilities	9,6	21,6	30,2
Accrued expenses and deferred income	24,1	21,6	24,7
Total current liabilities	128,9	144,0	142,3
Total equity and liabilities	644,0	614,2	651,7

FINANCIAL REPORT

Statement of changes in Equity MEUR	Share capital	Other contributed capital	Cash flow hedge reserve	Foreign currency translation reserve	Treasury shares *)	Retained earnings	Total	Non-controlling interest	Total Equity
01-01-2020	12,4	39,8	0,1	-5,5	-10,2	282,5	319,1	0,1	319,3
Net Profit for the period						37,2	37,2		37,1
Other comprehensive income for the period				-2,9			-2,9		-2,9
Total comprehensive income for the period				-2,9		37,2	34,3	0,0	34,3
Transfer of cash flow hedge reserve to inventories			-0,6				-0,6		-0,6
30-09-2020	12,4	39,8	-0,6	-8,3	-10,2	319,7	352,7	0,1	352,9
01-01-2021	12,4	39,8	-1,3	-3,3	-10,2	316,3	353,7	0,1	353,8
Net Profit for the period						44,6	44,6	0,3	44,9
Other comprehensive income for the period			0,1	0,1			0,3		0,3
Total comprehensive income for the period			0,1	0,1		44,6	44,9	0,3	45,2
Transactions with non-controlling interests **)						0,1	0,1	-0,3	-0,2
Dividends resolved at Annual General Meeting						-19,6	-19,6		-19,6
Dividends resolved at Extra General Meeting						-11,8	-11,8		-11,8
Transfer of cash flow hedge reserve to inventories			1,7				1,7		1,7
30-09-2021	12,4	39,8	0,6	-3,2	-10,2	329,6	369,0	0,1	369,1

*) As per 2021-09-30 the company owned 119 598 of own B-shares.

**) Change in put option liability, Alpen International Ltd and Fenix Outdoor Taiwan Co Ltd. See also Note 7.

FINANCIAL REPORT

Consolidated statement of cash flows	9 months		12 months
	Jan-Sept 2021	Jan-Sept 2020	Jan - Dec 2020
MEUR			
OPERATING ACTIVITIES			
Net profit for the period	44,9	37,1	33,9
Tax expense	19,7	15,8	19,6
Financial result net	1,6	3,1	7,6
Depreciation for right-of-use assets	22,2	19,2	28,0
Depreciation/amortisation tangible and intangible assets	14,6	13,7	21,3
Adjustment for non cash items	-0,9	-2,4	-1,4
Interest received		0,5	0,2
Interest paid	-3,0	-1,9	-2,6
Income tax paid	-21,6	-13,5	-18,2
Cash flow from operating activities before changes in working capital	77,5	71,6	88,5
Change in inventories	-6,9	-14,7	6,4
Change in operating receivables	-31,3	-21,5	7,7
Change in operating liabilities	2,5	14,3	7,4
Cash flow from operating activities	41,8	49,7	110,0
INVESTING ACTIVITIES			
Purchase of intangible fixed assets	-5,9	-4,8	-5,5
Purchase of tangible fixed assets	-11,3	-11,2	-15,7
Sale of tangible fixed assets	0,2	0,2	
Acquisition of subsidiaries, net of cash acquired	-11,4	-0,4	-0,4
Increase in financial assets	-0,8		
Cash flow from investing activities	-29,8	-16,2	-21,5
FINANCING ACTIVITIES			
Increase in borrowings			45,4
Repaid borrowings	-28,3	-0,2	-0,3
Acquisition of non-controlling interests		-0,1	-0,1
Payment of lease liabilities	-22,0	-18,9	-26,1
Dividends paid	-31,4		
Cash flow from financing activities	-81,7	-19,2	18,9
Change in cash and cash equivalents	-69,7	14,3	107,4
Cash and cash equivalents at beginning of year	191,1	88,9	88,9
Effect of exchange rate differences on cash and cash equivalents	1,7	-1,6	-5,2
Cash and cash equivalents at period-end	123,1	101,6	191,1

Notes to the financial report

Note 1 Accounting principles

Fenix Outdoor International AG is a listed company with its registered office in Zug, Switzerland.

This quarterly report is prepared in accordance with IAS 34, Interim Financial Reporting. The accounting policies adopted are consistent with those applied in the Annual Report for the year ended 31 December 2020 with the exception of new and revised standards and interpretations that become effective January 2021.

Note 2 Right of use assets

The Group has decided not to treat Rent Concessions as contract modifications from beginning of year 2020. During the nine months to September 30, 2021 the Group has recorded MEUR 1,4 (MEUR: 1,9) of rent concessions received as a reduction of expenses in the income statement. The amount is recognized in profit or loss for the reporting period to reflect changes in lease payments that arise from rent concessions to which the lessee has applied the practical expedient in paragraph 46A of IFRS 16.

30.09.2021, MEUR	Brands	Frilufts	Global sales	Common	Total	30.09.2020, MEUR	Brands	Frilufts	Global sales	Common	Total
Right-of use assets	23,0	99,5	1,7	1,8	126,0	Right-of-use assets	22,6	99,2	1,9	2,5	126,2
Lease liabilities	-24,7	-100,3	-1,6	-1,6	-128,2	Lease liabilities	-24,1	-99,2	-1,9	-2,4	-127,7
	Brands	Frilufts	Global sales	Common	Total		Brands	Frilufts	Global sales	Common	Total
Depreciation	-5,8	-15,0	-0,6	-0,8	-22,2	Depreciation	-5,2	-12,8	-0,6	-0,6	-19,2
Interest cost	-0,4	-1,2			-1,6	Interest cost	-0,7	-0,9			-1,6

Note 3 Exchange rates

	Average rate			Balance sheet closing rate		
	Jan - Sept 2021	Jan - Sept 2020	Jan - Dec 2020	2021-09-30	2020-09-30	2020-12-31
SEK/EUR	10,1557	10,5779	10,4815	10,1683	10,5713	10,0343
CHF/EUR	1,0912	1,0684	1,0707	1,0830	1,0804	1,0802
USD/EUR	1,1935	1,1280	1,1441	1,1579	1,1708	1,2271
SEK/CHF	9,3072	9,9011	9,7898	9,3890	9,7846	9,2893

Note 4 Risks and Covid-19

The risk factors of the Group, presented in the last published annual report 2020, page 26, are still valid.

Note 5 Hedge accounting

	2021-09-30	2020-09-30	2020-12-31
Market value, TEUR	434	-1 032	-1 913
FX Forwards			
Purchased TUSD	28 200	45 150	34 700
Sold TEUR	23 844	39 479	30 087
Rate	1,183	1,144	1,153

Note 6 Segment reporting – sales and operating result

The Group is organized in three business segments: Brands, Friluftts and Global sales. Fenix Outdoor International AG reports sales and operating result for the segments Brands, Friluftts and Global Sales. The internal monitoring of the operations takes place in this segmentation. Additionally, sales are divided into geographical areas.

	Brands		Friluftts		Global sales		Common		Group	
	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
External sales, MEUR	48,8	49,3	94,7	82,1	54,1	54,1			197,6	185,5
EBITDA, MEUR	28,3	29,3	17,2	13,0	11,8	14,6	0,4	-0,4	57,7	56,5
Operating profit, MEUR	24,7	26,8	10,6	7,3	11,2	14,0	-2,1	-2,7	44,4	45,4

(3 months data are not included in auditors' review of the interim report)

	Brands		Friluftts		Global sales		Common		Group	
	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
External sales, MEUR	117,5	111,0	206,7	188,0	129,4	116,3			453,5	415,3
EBITDA, MEUR	52,5	52,3	23,5	14,2	24,5	23,6	2,5	-1,0	103,1	89,0
Operating profit, MEUR	44,0	44,3	3,9	-2,3	22,9	21,9	-4,6	-7,9	66,2	56,0
Number of Stores	38	37	88	81	31	27			157	145
of which are franchise			1	2					1	2
Non-current assets	50,8	50,0	144,0	137,0	14,1	12,0	56,9	54,9	265,8	253,9
Cap. Expenditures	2,5	4,8	4,6	5,4	0,8	0,6	9,3	5,2	17,2	16,0

External sales per market, MEUR	Brands		Friluftts		Global sales		Common		Total	
	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Switzerland					9,0	10,5			9,0	10,5
Sweden	12,3	10,3	54,4	43,3					66,7	53,6
Other Nordic countries	1,6	1,1	39,9	34,4	32,0	27,2			73,5	62,7
Germany	40,0	45,0	108,7	109,4					148,7	154,4
Benelux	12,8	11,8	0,2	0,2	7,4	4,6			20,4	16,6
Other Europe	9,9	12,6	3,5	0,7	27,0	28,1			40,4	41,4
Americas	39,6	29,6			28,2	24,5			67,8	54,1
Other World	1,3	0,6			25,8	21,4			27,1	22,0
Total	117,5	111,0	206,7	188,0	129,4	116,3	0,0	0,0	453,5	415,3

Note 7 Outstanding options from acquisitions

From the acquisition of the Taiwanese distributor, Fenix Outdoor International AG has a right and an obligation through a put and call arrangement, where the price is based on a profit multiple, to acquire the remaining 30% of the company. The exercise period starts on 30 June 2022 and ends 30 June 2027. The present value of the redemption is recognized as a liability for the amount of MEUR 0,9 and valued at each quarter closing.

Fenix Outdoor International AG acquired 2017 Alpen International. The agreement from 2017 includes put/call arrangements for the 25% non-controlling interests, exercisable in the period between 2020 and 2029 whereof 16,8 % were exercised in June 2020. The present value of the redemption amount is recognized as a short-term liability for the amount of MEUR 0,3 and the non-controlling interests are derecognized. The position is valued at each quarter closing.

The periods change of put option liabilities 0,2 MEUR are recognized in equity. Future changes in the put options liabilities will be recognized in equity.

Note 8 Acquisition of Trekitt

In August 2021, Frilufts Retail Europe AB, a subsidiary of Fenix Outdoor International AG, acquired the UK outdoor retail specialist Trekitt. Trekitt provides top quality equipment and clothing for mountaineers, hill walkers, climbers and travelers. The consideration amounted to MEUR 11,8 and net cash acquired of MEUR 0,4 resulted in a cash outflow of MEUR 11,4. Due to the recent acquisition date the fair value of assets and liabilities have only been determined provisionally. The acquisition resulted in a preliminary goodwill position of MEUR 10,2 and is not expected to be tax deductible. Transaction costs amounted to TEUR 160 and have been recognized as expenses. The acquisition has a limited effect on the total financial figures of the Group.

Note 9 Events after period closing

No significant events after period close are noted.

Note 10 Transactions with related parties

There have been no major changes in relations to transactions with related parties compared to 2020.

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Zug, October 27, 2021

The President certifies that this report gives a true and fair view of the Group's operations, position and results and describes the principal risks and uncertainties that the Company and the companies in the group are exposed to.

Alexander Koska
President

Report on the review of interim condensed consolidated financial statements

To the Board of Directors of
Fenix Outdoor International AG, Zug, org.nr CHE-206.390.054

Introduction

We have reviewed the interim condensed consolidated financial statements (consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity, consolidated statement of cash flows and notes to the financial report), pages 11 to 19, of Fenix Outdoor International AG for the period from 1 January 2021 to 30 September 2021. The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Financial Reporting Standard IAS 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with International Financial Reporting Standard IAS 34 “Interim Financial Reporting”.

Zurich, 27 October 2021

Ernst & Young Ltd
Roger Müller
Licensed Audit Expert
(Auditor in charge)

Roman Ottiger
Licensed Audit Expert