

FENIX OUTDOOR INTERNATIONAL AG

Interim condensed consolidated financial statement for the period ended 30 June 2023

Second quarter 2023-04-01 – 2023-06-30

- The total income of the Group was TEUR 154,661 (TEUR: 165,356), a decrease of 6.5%.
- The EBITDA of the Group was TEUR 13,515 (TEUR: 24,420).
- The operating profit of the Group was TEUR 149 (TEUR: 9,647).
- The profit before tax of the Group was TEUR 3,114 (TEUR: 11,706).
- The profit after tax of the Group was TEUR 479 (TEUR: 9,188).

Earnings per share amounted to EUR 0.05 (EUR: 0.58).

• Period 2023-01-01 – 2023-06-30

- The total income of the Group was TEUR: 337,165 (TEUR: 329,723), an increase of 2.3%.
- The EBITDA of the Group was TEUR: 44,535 (TEUR: 52,886).
- The operating profit of the Group was TEUR 17,018 (TEUR: 26,958).
- The profit before tax of the Group was TEUR 19,168 (TEUR: 29,284).
- The profit after tax of the Group was TEUR 11,049 (TEUR: 21,843).
- Earnings per share amounted to EUR 0.83 (EUR: 1.47).

Events after period closing:

No significant events after period close are noted.

Holding of own shares

As per 2023-06-30 the company holds 132,337 B-shares representing 0.98 % of the capital.

Financial information

www.fenixoutdoor.se/investerare/rapporter

The 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 July 21 2023 at 15:00

Contact person Martin Nordin, Executive Chairman +41 797 99 27 58

COMMENTS BY THE EXECUTIVE CHAIRMAN

A disappointing but not surprising quarter.

The second quarter proved very challenging. The retailers faced a situation where many had a very large inventory, which limited their ability to refill their inventory as they needed to free up capital. The industry also faced a situation where several retailers were forced to close their doors. Many retailers have focused on selling their current inventory and some even went so far as not purchasing for restocking at all for their shops. This put an unusual pressure on the outdoor retail. This meant that my prediction was right. There was a substantial price pressure in the market. A very warm spring and a post covid “travel boom” also put increased pressure on trading. Therefore, we were negatively affected to a higher degree than we anticipated, in Europe in particular. Our Brands and Global sales business had the most negative effects. Despite North America performing reasonably well, our wholesale business came in below last year’s sales. The Frilufts group did however show slight growth.

Our direct-to-consumer business, a part of the Brands segment, also grew with 6.3%, predominantly Fjällräven sales. Another interesting observation is that the sales of Fjällräven in the Frilufts group grew with 10% on a year-on-year basis. This confirms that the decrease of sales in the wholesale business was primarily due to the large inventory levels in retail. This does not mean that there has not been a permanent settling in the outdoor business in general as certain product groups within the Frilufts group were struggling like hardware, tents, sleeping bags and heavy hiking boots in general. This affected Hanwag sales negatively. The external sales of Primus AB are, after the closing of the deal in April, eliminated in this and last year figures.

Net sales for the quarter ended at 152.7 MEUR vs last year 162,7, a decrease of 6.1%. Primarily driven by the high inventory in the retail and lower reorders in Europe. In terms of the split of consumer sales between digital and brick and mortar the changes are relatively small, and no conclusions can be drawn. The figures of the Chinese JV indicates a recovery and showed a significant growth a good profitability indicating a positive trend like when the rest of the world opening after Covid.

The second quarter is historically our most sensitive one from a profitability due to us being dependent upon reorders and the retail business of Frilufts has not started yet. This means that we are very sensitive for volume. The lacking contribution from decreasing volume in wholesale business could not be made up by the increase in margin from increasing direct to consumer sales, meaning a disappointing operative result of 0.1 MEUR (9.6) MEUR. We also had higher costs of 1.3 MEUR in logistics due to the large inventory and higher property taxes in Colorado.

Brands

The Brands segment shows decreased sales of 9.2%. The decrease was driven by a lack of reorders in predominantly Europe. The direct-to-consumer business shows continued growth both in shops and digital sales. The growth in direct to consumer is driven by Fjällräven.

Global Sales

Overall Global Sales decreased sales from 39.5 MEUR to 32.1 MEUR, which is a decrease of 18.7%. The European part of Global Sales showed decrease of 28.0%. Even though Asia slowed down a bit South Korea and Taiwan grew in local currencies. The result is down to -1.0 from +2.1 MEUR last year.

Frilufts

Sales in the Frilufts operation showed a reasonable development given the circumstances, growing 0.9% from 85.0 to 85.8 MEUR. Sweden performed well in local currency and Germany as well, Finland on the other hand struggled a bit more. The warm weather situation also created a very volatile situation. In terms of result, it was negatively affected by increased rents as well as other inflationary driven costs. The Norwegian business is showing good improvement but still has few steps left to become profitable.

North America

The North American did show growth, but there is also an inventory problem in the industry as well as a recession fear affecting us negatively. We are still facing challenges in terms of recruiting and a more costly environment due to low unemployment. In terms of Canada, we are seeing a proportionally higher growth than the US as we have improved our service levels and mitigated some logistical problems.

Digital/Channel development from a Group perspective

Our brick-and-mortar sales increased from 75.2 to 76.5 MEUR, +1.7%. Our digital sales increased to 19% from 28.5 MEUR to 33.8 MEUR This in our opinion means we are back to a pre covid situation. However due to the decrease in wholesale the proportion of our sale direct to consumer increase to 71.9% from 62.5%. We however think this is a temporary change due to the special circumstances. As I have already mentioned, this has proven correct.

Q3 sales

In terms of our expectations for Q3, it looks reasonable due to a solid order book in Brands and Global sales. However, given what we just experienced during Q2 as well as the possibilities of a recession and the current warm weather situation I refrain from making any predictions.

Going forward

We are now back in a reasonable supply chain and transports that are more reliable and less expensive. We are however still facing several challenges. Inventory, which even though not bad, is tying up capital. We are working on adjusting it downwards. I believe we will see the first effects already after Q3, though we would see it already at the end of Q2, we unexpectedly received our winter deliveries 4 weeks early due to a more efficient supply chain. I earlier stated that I believed that we would be back in a reasonable inventory level during first half of 2024. I still believe this, but there is a risk given the possible negative impacts in Q3 it might take a bit longer. The last quarter as well as the effects of covid made our fixed cost base quite a bit higher, so we must reinforce cost consciousness overall. We are right now scrutinizing our different costs to enable us to become more efficient. One obvious focus is our logistic operation. We are speeding up the implementation of our operations in Ludwigslust. I believe this measure alone will create savings up to 4 MEUR annually. We have already implemented a more rigid process for investing based on, among other things, the higher interest rates as well as requiring quicker returns on investments. We are thoroughly examining all our rental contracts especially retail and we have already been able negotiate savings of 0.5 MEUR on one location. We have implemented lights off at night (except what is legally require off course) for our shops in Germany.

Given that we are entering into an ERP system change this fall we are postponing some investments to align it with that process.

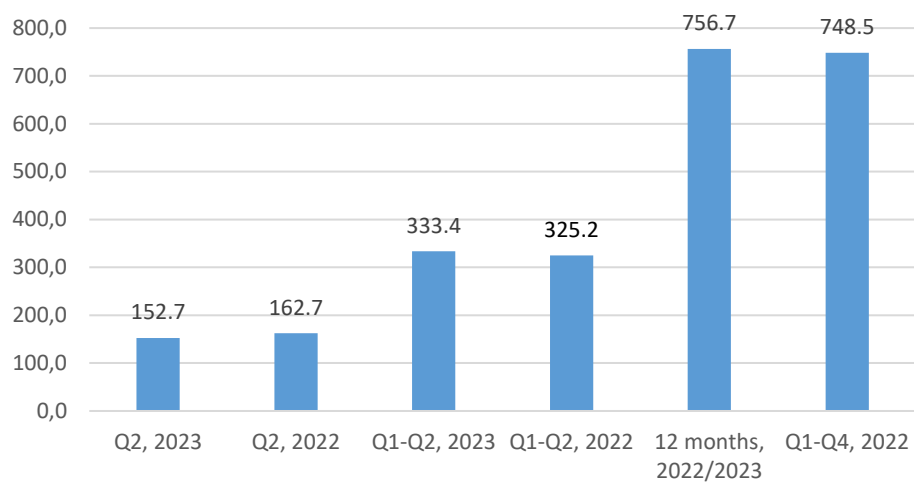
All the best

Martin Nordin, Chairman of the Board

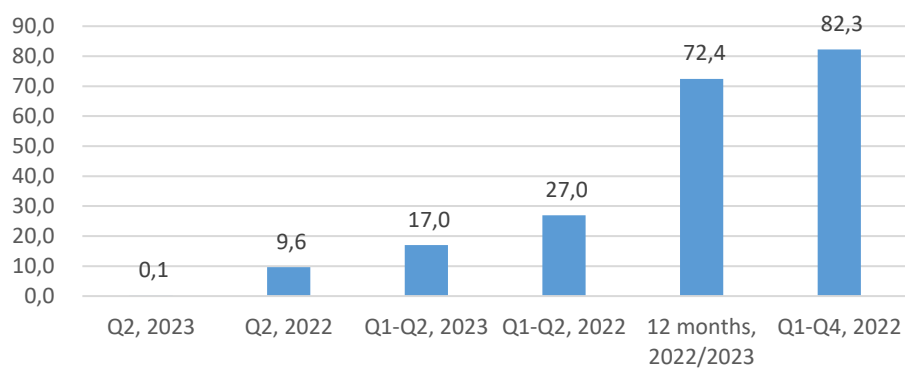
MEUR	Apr-Jun 2023	Apr-Jun 2022	Jan-jun 2023	Jan-jun 2022	July/June 2022/2023	Jan-Dec 2022
Net sales	152,7	162,7	333,4	325,2	756,7	748,5
EBITDA	13,5	22,6	44,5	52,9	129,1	137,3
Operating profit	0,1	9,6	17,0	27,0	72,4	82,3
Profit margin, %	0,1%	5,9%	5,1%	8,3%	9,6%	11,0%
Profit before tax	3,1	11,7	19,2	29,3	71,3	81,3
Net profit for the period	0,6	9,2	11,0	21,8	50,3	60,9
Earnings per share, EUR *)	0,05	0,69	0,83	1,64	3,77	4,57
Solvency rate, % *)			57,2%	59,9%		60,0%

*) Earnings per share are calculated on outstanding shares. Solvency rate are calculated as Equity as a percent of total assets.

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, Hanwag and Royal Robbins. It also includes Brand Retail/DTC(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, Frilufttsland A/S, Naturkompaniet AS and Trekitt are included.
- Global sales include 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, IT and Logistics.

Second quarter 2023-04-01 – 2023-06-30

	Brands		Friluftts		Global sales		Common		Group	
	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
External sales, MEUR	34.6	38.2	85.8	85.0	32.1	39.5	0.1		152.7	162.7
EBITDA, MEUR	6.1	10.9	6.4	7.2	-0.2	2.6	1.2	1.8	13.5	22.5
Operating profit, MEUR	2.6	7.9	-1.0	0.3	-1.0	2.1	-0.7	-0.8	0,1	9.6

External sales per market, MEUR	Brands		Friluftts		Global sales		Common		Total	
	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Switzerland	0.1				1.9	1.9			1.3%	1.2%
Sweden	0.7	2.5	15.5	16.3					10.6%	12.2%
Other Nordic countries	0.8	0.5	12.8	13.7	5.4	8.1			12.4%	13.4%
Germany	10.2	12.4	53.6	51.0	0.0	0.0	0.2		41.9%	39.1%
Benelux	2.9	3.5	0.1	0.1	2.2	2.9			3.4%	3.9%
Other Europe	3.2	2.8	3.8	3.9	5.5	6.9			8.2%	8.3%
Americas	16.4	16.3			9.5	9.8			17.0%	15.7%
Other World	0.3	0.3			7.6	9.9			5.2%	6.3%
Total	34.6	38.2	85.8	85.0	32.1	39.5	0.2	0.0	100%	100%

Period 2023-01-01 – 2023-06-30

	Brands		Friluftts		Global sales		Common		Group	
	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
External sales, MEUR	88.4	82.4	153.9	149.6	90.8	93.1	0.3		333.4	325.1
EBITDA, MEUR	26.9	31.7	5.4	7.5	12.6	12.9	-0.3	0.8	44.5	52.9
Operating profit, MEUR	20.2	25.8	-9.6	-6.4	11.3	11.8	-4.9	-4.3	17.0	27.0
Number of Stores	43	38	102	100	36	33			181	171
of which are franchise			2	2					2	2
Non-current assets	57.4	51.3	126.7	136.2	11.5	11.9	68.2	57.0	263.8	256.4
Cap. Expenditures	2.6	3.2	2.6	4.2	0.7	0.6	6.7	5.2	12.6	13.2

External sales per market, MEUR	Brands		Frilufts		Global sales		Common		Total	
	Jan-Jun 2023	Jan-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Jun 2023	Jan-Jun 2022
Switzerland	0.1				5.9	5.5			1.8%	1.7%
Sweden	4.4	5.4	28.2	29.6					9.8%	10.8%
Other Nordic countries	1.2	0.9	24.2	24.5	15.1	18.8			12.1%	13.6%
Germany	30.8	29.2	93.2	86.6			0.4		37.3%	35.6%
Benelux	8.9	8.4	0.2	0.2	7.1	6.9			4.9%	4.8%
Other Europe	8.2	6.0	8.1	8.7	21.1	18.4			11.2%	10.2%
Americas	34.0	32.0			21.8	20.7			16.7%	16.2%
Other World	0.8	0.5			19.8	22.8			6.2%	7.2%
Total	88.4	82.4	153.9	149.6	90.8	93.1	0.4	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

		2023 (2022)		2023 (2022)
External net sales	Q2	34.6 (38.2) – 9.2%	Q1-Q2	88.4 (82.4) + 7.3%
Operating profit	Q2	2.6 (7.9)	Q1-Q2	20.2 (25.8)

The Brands segment shows decreased sales of 9.2%. The decrease is driven by a lack of reorders predominantly in Europe. The consumer business shows continued growth. The external sales by the divested company, Primus AB, is eliminated both in this year and last year figures. The result is affected by higher costs for logistics.

Frilufts

		2023 (2022)		2023 (2022)
External net sales	Q2	85.8 (85.0) + 0.9%	Q1-Q2	153.9 (149.6) + 2.9%
Operating result	Q2	-1.0 (0.3)	Q1-Q2	-9.6 (-6.4)

The overall warm and dry Q2 limits the sales. The Frilufts group were struggling with products like hardware, tents, sleeping bags and heavy hiking boots in general. Higher rents and higher costs for personnel explains the slightly lower result for the quarter.

Global sales

		2023 (2022)		2023 (2021)
External net sales	Q2	32.1 (39.5) – 18.7%	Q1-Q2	90.8 (93.1) – 2,5%
Operating result	Q2	-1.0 (2.1)	Q1-Q2	11.3 (11.8)

Global sales is, as Brands, hurt by lack of re orders, but also by early deliveries in Q1. Stable figures on year to date level.

Common, Liquidity and financial standing

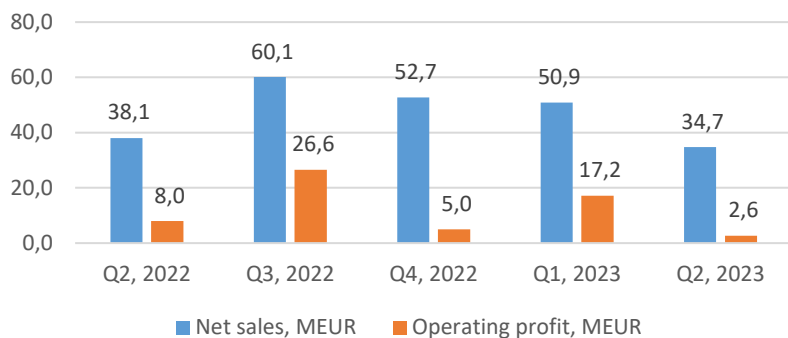
		2023 (2022)		2023 (2022)
Operating profit	Q2	-0.7 (-0.8)	Q1-Q2	-4.9 (-4.3)

The Group's financial position remains strong, even though some higher borrowing to finance the larger inventory. Consolidated cash and cash equivalents amounted to MEUR 35.8 (MEUR: 86.8) per the end of the period. The Group's interest-bearing liabilities amounted to MEUR 77.5 (MEUR: 31.6). Lease liabilities amounted to MEUR 116.2 (MEUR: 116.3). Consolidated equity attributable to shareholders was MEUR 387.6 (MEUR: 373.8), corresponding to a solvency rate of 57.2% (59.9%).

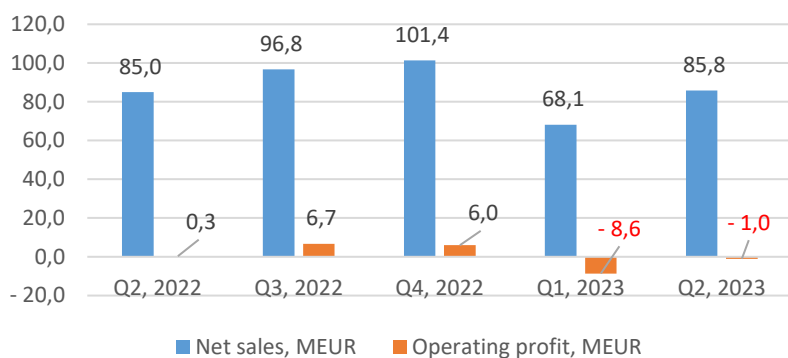
THE OPERATION

Net sales and operating result per segment

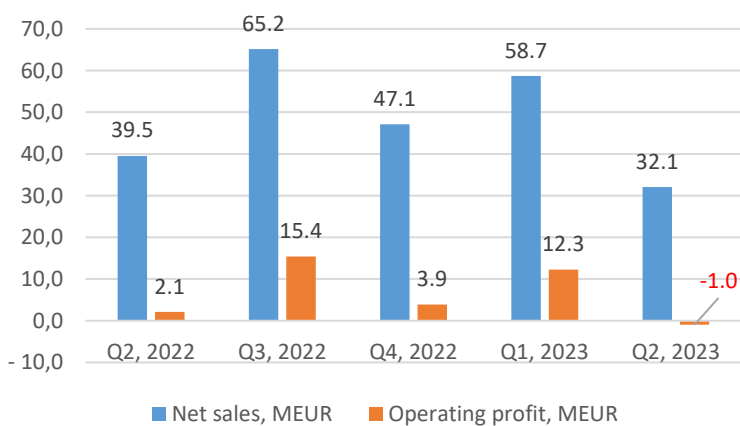
Brands



Frilufts



Global sales



FINANCIAL REPORT

CONSOLIDATED INCOME STATEMENT MEUR	3 months		6 months		12 months	
	Apr- June	Apr- June	Jan-June	Jan-June	July-june	Jan-Dec
	2023	2022	2023	2022	2022/2023	2022
Net sales	152.7	162.7	333.4	325.2	756.7	748.5
Other operating income	1.9	2.7	3.7	4.6	10.0	10.8
Total income	154.7	165.4	337.2	329.7	766.8	759.3
Cost of goods	-62.8	-67.7	-140.9	-138.6	-319.6	-317.3
Other external expenses	-41.0	-40.4	-77.5	-71.3	-168.5	-162.3
Personnel expenses	-37.7	-34.6	-74.9	-67.1	-150.8	-143.0
Depreciation/amortisation	-13.4	-12.9	-27.5	-25.9	-56.7	-55.1
Result from participations in joint ventures	0.4	0.0	0.7	0.1	1.0	0.4
Operating expenses	-154.5	-155.7	-320.1	-302.7	-694.5	-677.1
Operating profit	0.1	9.6	17.0	27.0	72.4	82.3
Financial income	3.2	2.9	4.1	3.9	2.2	2.0
Financial expenses	-0.3	-0.8	-1.9	-1.6	-3.3	-3.0
Profit before tax	3.1	11.7	19.2	29.3	71.3	81.3
Income tax	-1.8	-3.3	-7.6	-8.6	-20.4	-21.4
Result from continuing operations	1.3	8.4	11.6	20.7	50.9	59.9
Result from discontinued operation	-0.7	-0.7	-0.5	1.1	-0.5	1.1
Net profit for the period	0.6	9.2	11.0	21.8	50.3	60.9
Net profit for the period attributable to:						
Parent Company's shareholders	0.5	9.0	11.0	21.7	48.8	60,6
Non-controlling interests	0.1	0.2	0.1	0.2	1.5	0.3
* Earnings per share before tax	0.23	0.88	1.40	2.20	5.34	6.10
Earnings per B share, EUR	0.05	0.69	0.83	1.64	3.77	4.57
Weighted average of outstanding shares, B, thousands	10,928	10,934	10,928	10,937	10,940	10,933
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 + 24 000 000/10 A-shares, as A-shares only qualify to a tenth of the dividend compared to B-shares. The Parent company holds 132 337 B-shares, where 66 000 are reserved for granted options to leading executives

Consolidated Statement of	3 months		6 months		12 months	
	Apr- June	Apr- June	Jan-June	Jan-June	July-june	Jan-Dec
Comprehensive Income	2023	2022	2023	2022	2022/2023	2022
MEUR						
Net profit for the period	0.6	9.2	11.0	21.8	50.3	60.9
Not to be reclassified in the income statement in the future						
Remeasurements of post employment benefit obligations					0.4	0.3
Taxes					-0.1	-0.1
To be reclassified to the income statement in the future						
Change in translation reserve during the period	-4.6	-3.9	-10.1	-4.5	-4.2	-9.0
Hedge accounting	0.5		-0.2		1.9	4.0
Taxes	-0.1				-0.3	-0.9
Total other comprehensive income for the period	-4.2	-3.9	-10.3	-4.5	-2.3	-5.6
Total comprehensive income for the period	-3.6	5.3	0.8	17.4	48.1	55.4
Total comprehensive income attributable to:						
Parent Company's shareholders	-3.7	5.1	0.7	17.2	46.6	55.2
Non-controlling interests	0.1	0.2	0.1	0.2	1.5	0.2

FINANCIAL REPORT

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, MEUR	30 Jun 2023	30 Jun 2022	31 Dec 2022
Assets			
Non-current assets			
Intangible fixed assets	45.9	48.3	47.1
Tangible fixed assets	82.0	77.5	79.8
Right-of-use assets	112.6	113.3	119.2
Other non-current assets	23.3	17.3	18.9
Total non-current assets	263.8	256.4	265.0
Current assets			
Inventories	302.7	211.2	246.5
Accounts receivable trade and other receivables	67.8	61.8	62.9
Prepaid expenses and accrued income	7.5	8.2	5.9
Cash and cash equivalents	35.8	86.8	81.0
Total current assets excl. Current assets held for sale	413.8	368.0	396.3
Assets held for sale	-	-	13.3
Total current assets	413.8	368.0	409.6
Total assets	677.6	624.4	674.6
Equity and liabilities			
Equity and reserves attributable to the Parent Company's shareholders	387.6	373.8	405.0
Non-controlling interest	-	-	-
Total equity	387.6	373.8	405.0
Liabilities			
Non-current liabilities			
Other non-current liabilities	12.7	16.3	13.8
Lease liabilities	85.2	86.8	91.3
Interest bearing liabilities	13.5	22.5	18.0
Total non-current liabilities	111.4	125.6	123.1
Current liabilities			
Other current liabilities	55.3	60.9	72.8
Lease liabilities	31.0	29.5	31.4
Interest bearing liabilities	64.0	9.1	9.0
Accrued expenses and deferred income	28.2	25.5	31.1
Current liabilities excl. liabilities directly associated with assets held for sale	178.5	125.0	144.2
Liabilities directly associated with assets held for sale	-	-	2.2
Total current liabilities	178.6	125.0	146.5
Total Liabilities	290.0	250.6	269.6
Total equity and liabilities	677.6	624.4	674.6

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
01-01-2022	12.4	39.8	1.4	-2.7	-10.2	340.8	381.5		381.5
Net Profit for the period						21.7	21.7	0.2	21.8
Other comprehensive income for the period				-4.5			-4.5	-	-4.5
Total comprehensive income for the period				-4.5		21.7	17.1	0.2	17.3
Transactions with non-controlling interest						-0.1	-0.1	-0.1	-0.2
Purchase of own shares					-0.8		-0.8		-0.8
Dividends resolved at Annual General Meeting						-25.7	-25.7		-25.7
Transfer of cash flow hedge reserve to inventories			1.8				1.8	-	1.8
30-06-2022	12.4	39.8	3.1	-7.3	-11.0	336.7	373.7	-	373.8

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
01-01-2023	12.4	39.8	0.6	-11.6	-11.2	375.0	405.0	0.0	405.0
Net Profit for the period						11.0	11.0	0.1	11.0
Other comprehensive income for the period			-0.2	-10.1			-10.2	-0.1	-10.3
Total comprehensive income for the period			-0.2	-10.1		11.0	0.8	-0.1	0.7
Transactions with non-controlling interest						-0.2	-0.2	0.1	-0.1
Dividends resolved at Annual General Meeting						-17.9	-17.9		-17.9
Transfer of cash flow hedge reserve to inventories			-0.2				-0.2		-0.2
30-06-2023	12.4	39.8	0.3	-21.7	-11.2	368.0	387.6	-	387.6

*) As per 2023-06-30 the company owned 132,337 of own B-shares and as per 2022-06-30 the company owned 129,122 of own B-shares.

FINANCIAL REPORT

Consolidated statement of cash flows	6 months		12 months
	Jan-Jun	Jan-Jun	Jan - Dec
	2023	2022	2022
MEUR			
OPERATING ACTIVITIES			
Net profit for the period	11.0	21.8	60.9
Income tax	7.6	9.0	21.8
Financial result net	-2.1	-2.7	0.7
Depreciation for right-of-use assets	16.9	15.7	33.9
Depreciation/amortisation tangible and intangible assets	10.6	10.3	21.2
Adjustment for non cash items	-9.2	-3.4	-5.8
Interest received	0.4	-0.8	-0.2
Interest paid	-1.9	-1.3	-2.8
Income tax paid	-16.0	-23.2	-37.4
Cash flow from operating activities before changes in working capital	17.3	25.4	92.4
Change in inventories	-54.5	-58.6	-105.3
Change in operating receivables	-4.5	5.9	2.6
Change in operating liabilities	-14.7	-11.9	3.4
Cash flow from operating activities	-56.4	-39.2	-6.9
INVESTING ACTIVITIES			
Purchase of intangible fixed assets	-0.7	-3.0	-5.6
Purchase of tangible fixed assets	-10.7	-10.2	-21.5
Sale of intangible fixed assets		0.2	
Sale of tangible fixed assets	0.2		0.2
Change in non-current receivables			-0.2
Acquisition of subsidiaries, net of cash acquired	-1.7		
Sale of business (net of cash)	5.3		
Cash flow from investing activities	-7.6	-13.0	-27.0
FINANCING ACTIVITIES			
Increase in borrowings	55.0	-4.5	
Repaid borrowings	-4.3	-16.6	-8.7
Payment of lease liabilities	-17.6		-33.7
Purchase of own shares		-0.8	-1.0
Dividends paid	-17.9	-25.7	-25.7
Cash flow from financing activities	15.2	-47.6	-69.2
Change in cash and cash equivalents	-48.8	-99.8	-103.2
Cash and cash equivalents at beginning of year	81.0	181.9	181.9
Effect of exchange rate differences on cash and cash equivalents	3.6	4.7	2.3
Cash and cash equivalents at period-end	35.8	86.8	81.0

Note 4 Risks

The risk factors of the Group, presented in the last published annual report 2022, page 26, are still valid.

Note 5 Hedge accounting

	2023-06-30	2022-06-30	2022-12-31
Market value, TEUR	158	3 572	381
FX Forwards			
Purchased TUSD	40 000	54 100	21 500
Sold TEUR	36 334	48 289	19 847
Rate	1,100	1,120	1,083
Purchased TUSD		2 800	1 400
Sold TNOK		24 584	12 289
Rate		8,780	8,778

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.

Second quarter 2023-04-01 – 2023-06-30

	Brands		Friluftts		Global sales		Common		Group	
	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
External sales, MEUR	34.6	38.2	85.8	85.0	32.1	39.5	0.1		152.7	162.7
EBITDA, MEUR	6.1	10.9	6.4	7.2	-0.2	2.6	1.2	1.8	13.5	22.5
Operating profit, MEUR	2.6	7.9	-1.0	0.3	-1.0	2.1	-0.7	-0.8	0,1	9.6

	Brands		Friluft		Global sales		Common		Group	
	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
External sales, MEUR	88.4	82.4	153.9	149.6	90.8	93.1	0.3		333.4	325.1
EBITDA, MEUR	26.9	31.7	5.4	7.5	12.6	12.9	-0.3	0.8	44.5	52.9
Operating profit, MEUR	20.2	25.8	-9.6	-6.4	11.3	11.8	-4.9	-4.3	17.0	27.0
Number of Stores	43	38	102	100	36	33			181	171
of which are franchise			2	2					2	2
Non-current assets	57.4	51.3	126.7	136.2	11.5	11.9	68.2	57.0	263.8	256.4
Cap. Expenditures	2.6	3.2	2.6	4.2	0.7	0.6	6.7	5.2	12.6	13.2

External sales per market, MEUR	Brands		Friluft		Global sales		Common		Total	
	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Switzerland	0.1				5.9	5.5			6.0	5.5
Sweden	4.4	5.4	28.2	29.6					32.6	35.0
Other Nordic countries	1.2	0.9	24.2	24.5	15.1	18.8			40.5	44.2
Germany	30.8	29.2	93.2	86.6			0.4		124.4	115.8
Benelux	8.9	8.4	0.2	0.2	7.1	6.9			16.2	15.5
Other Europe	8.2	6.0	8.1	8.7	21.1	18.4			37.4	33.1
Americas	34.0	32.0			21.8	20.7			55.8	52.7
Other World	0.8	0.5			19.8	22.8			20.6	23.3
Total	88.4	82.4	153.9	149.6	90.8	93.1	0.4	0.0	333.4	325.1

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 started on 30 June 2022 and ends 30 June 2027. The present value of the redemption amount is recognized as a short-term liability for the amount of MEUR 2.6 and the non-controlling interests are derecognized. The position is 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 0.6 and the non-controlling interests are derecognized. The position is valued at each quarter closing.

Future changes in the options liabilities will be recognized in equity.

Note 8 Discontinued/Sale of business

In December 2022 Fenix Outdoor signed an agreement to divest Primus AB and its subsidiary Primus Eesti Ou to Silva Sweden AB. Fenix Outdoor will, during a transition period, continue to sell Primus in certain markets, through our Global Sales organization, the products will also continue to be an obvious part of Frilufts Retail Europe's product assortment.

The divest of Primus AB and its subsidiary Primus Eesti Ou that was signed in December will have no significant effect on Fenix Outdoor's consolidated income statements. The divestment is classified as discontinued operations and are reported in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations". The group's report over comprehensive income for comparison periods has been recalculated accordingly same principles. The result for the business has been excluded from the individual lines in the consolidated income statement and is instead reported net under the line Result from discontinued operation, which is specified in summary below. The consolidated cash flow statements include complete cash flows. The same principle has been applied to the report on the group's comprehensive income.

The final part of the closing will be set during quarter three 2023 and has been calculated to a sales price of MEUR 7.1 whereof MEUR 5.3 are paid in net of cash and MEUR 6.1 will be paid according to a payment plan the coming four years.

Result from discontinued operation	3 months		6 months		12 months	
	Apr-June	Apr-June	Jan-June	Jan-June	July-June	Jan-Dec
	2023	2022	2023	2022	2022/2023	2022
Total income	0.6	3.3	2.9	6.0	7.6	10.8
Total operational cost	-0.9	-2.5	-2.7	-4.9	-7.4	-9.5
Operational result	-0.2	0.7	0.2	1.2	0.3	1.3
Profit before tax	-0.2	1.0	0.1	1.5	0.1	1.6
Income tax	0.0	-0.2	-0.2	-0.4	-0.3	-0.5
Result before result from sale	-0.3	0.7	-0.1	1.1	-0.2	1.1
Result from sale av business incl foreign currency translation reserve	-0.4		-0.4		-0.4	
Result for the period	-0.7	0.7	-0.5	1.1	-0.5	1.1

Note 9 Acquisition of Exist

In June 2023 Naturkompaniet AS, a subsidiary within the Fenix Outdoor Group, acquired the Norwegian online operator Exist Internet AS and its two subsidiaries Fjellshop AS and Fjellshop Tromsø AS, running two stores, one in Lillehammer and one in Tromsø. The consideration amounted to MEUR 2.0 and net cash acquired of MEUR 0.3 resulted in a cash outflow of MEUR 1.7. The acquisition resulted in a preliminary goodwill position of MEUR 1.1 and is not expected to be tax deductible. The acquisition has a limited effect on the total financial figures of the Group.

Note 10 Transactions with related parties

There have been no major changes in relations to transactions with related parties compared to 2022.

Note 11 Events after period closing

No significant events after period close are noted.

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Zug, July 21, 2023

The President and the Board of Directors 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

Martin Nordin
Chairman

Susanne Nordin

Mats Olsson

Ulf Gustafsson

Rolf Schmid

Sebastian von Wallwitz

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This interim report is not audited by the Auditors of the Group.

Calendarium

Q3 report, October 31, 2023