

FENIX OUTDOOR INTERNATIONAL AG

Interim condensed consolidated financial statements for the period ended 30 Sept 2023

Third quarter 2023-07-01 – 2023-09-30

- The total income of the Group was TEUR 225 846 (TEUR: 227 893), a decrease of 0,9%.
 - The EBITDA of the Group was TEUR 51 416 (TEUR: 55 943).
 - The operating profit of the Group was TEUR 37 391 (TEUR: 42 802).
 - The profit before tax of the Group was TEUR 35 828 (TEUR: 43 139).
 - The profit after tax of the Group was TEUR 27 761 (TEUR: 33 037).
- Earnings per B-share amounted to EUR 2.08 (EUR: 2.48).

• Period 2023-01-01 – 2023-09-30

- The total income of the Group was TEUR: 565 862 (TEUR: 563 649), an increase of 0,4%.
 - The EBITDA of the Group was TEUR: 96 137 (TEUR: 110 042).
 - The operating profit of the Group was TEUR 54 565 (TEUR: 70 928).
 - The profit before tax of the Group was TEUR 54 685 (TEUR: 73 945).
 - The profit after tax of the Group was TEUR 38 811 (TEUR: 54 881).
- Earnings per B-share amounted to EUR 2.91 (EUR: 4.12).

Events after period closing:

No significant events after period close are noted.

Holding of own shares

As per 2023-09-30 the company holds 132 337 B-shares representing 0.38 % of the total capital of A-shares and B-shares.

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 October 31 2023 at 14 00.

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

COMMENTS BY THE EXECUTIVE CHAIRMAN

An exceptional quarter.

The third quarter started well. In retail we saw nice growth and in Brands and wholesale the low demand in Q2, due to high inventory levels, recovered and the direct orders increased. This combined with an over expectation performance in the supply chain meant we were able to deliver our retailers earlier and more efficient than normal. Then the month of September came, with its extreme heat in Europe. As many of the products we sell in September are based on it being colder the demand both from our retail, as well as from our retail customers, our sales slowed down heavily. Our total sales ended up at 223.0 MEUR (224.2 MEUR), which was almost flat for the quarter compared from the last year.

The operating profit for the Group was 37.4 MEUR compared to 42.8 MEUR last year, which is a decrease of -12.6%. Besides the effect of the lower sales the profit in Frilufts was also negatively affected by a generally lower gross margin and price pressure due to the excess inventory in the market as well as by a 1.3 MEUR write of in inventory value within the Brands segment. The high physical inventory volumes also meant 0.6 MEUR in higher cost in or logistics operation.

Frilufts

Frilufts grew by 4% from 96.7 MEUR to 104.1 MEUR, primarily driven by Globetrotter in Germany and Naturkompaniet in Sweden. The only markets that did not grow where Finland and the UK. Besides the warm/hot weather in September we believe that sales still were negatively affected by that the consumers are travelling more. The operating profit is down to 4.4 from 6.7 MEUR due to the price pressure in the market as well as the increase in rents and salaries due to inflation.

Brands

The Brands Segment decreased sales with 4% to 59.8 MEUR from 62.2 MEUR. The decrease can be explained through that Primus is sold, meaning around 1.0 MEUR in lost sales. Furthermore, Hanwag is still facing a general downturn in the market for heavy boots, which saw great growth during Covid and generally low reorders in September due to the warm/hot weather. The Operating profit decreased from 27.1 MEUR to 19.1 MEUR. Besides the decrease in external sales the decrease is explained by lower gross margins, a

higher fixed cost base as well as higher logistic costs due to the physically high inventories. The internal sales were also lower the effects on Brands is explained under common below.

Global Sales

Global Sales decreased sales from 65.2 MEUR to 63.3 MEUR, a decrease of 2.9%.

In terms of these numbers, we are showing growth in Asia Pacific with 8%. The Chinese JV showed continued growth and is now back on 2019 numbers. Furthermore, we grew over 10% in North America despite it being a more volatile market. Canada is showing even more growth as we have been able to solve last year's supply chain and logistical problem. Global sales decrease in the quarter is due to the hot September weather in Europe, slowing down sales the last month. The operating profit decreased from 15.4 MEUR to 13.8 MEUR. Besides the decrease in sales that was also due to a slightly higher cost base. The internal effects are explained below.

North America

North America showed an ok topline growth. However due to the change of products, we are now selling a much more diversified portfolio of product. This portfolio does not have the same margin as the historical one, meaning it is affecting the gross margin negatively. In combination with a need to invest in the organization to handle that, we see a short term decrease in operational results. We have also reached a point where we are refining our retail operations, both from an operational perspective as well as from an investment. We will probably close a few shops next year at the same time as opening a few new.

Common

The lower loss in Common are explained by several components. The reservation for internal profits in stock (Sales from Brands, in some cases through Global sales to our retail network) was lower than the year before. This then meant that the profit for the period which was realized in internal margin on the inventory sell through our internal brands, partly was realized in Common instead of in Global sales or Brands. Furthermore, many of the internal services are performed in Sweden when invoiced internally. We therefore gained from the weak Swedish Krona. In some areas we have also finetuned our model of allocating internal costs.

Digital

The very volatile situation during the Covid has now stabled. At YTD level we are now on an online sales level of 18% in relation to total sales. Lower than during the peak Covid period, but well above the pre covid period.

Going forward

The effects from the warm weather in September have partially continued into October. There has however been some improvement especially on the retail side (Frilufts). Once it got colder retail sales in Sweden improved and as colder and worse the weather has been the more it has improved. In Germany it has also improved but in midlayers and lighter jackets. Based on that there is an improvement there, but the question is, is it too late? The risk is that a lot of discounting will start. There are some indications of this happening. So, I refrain from making any predictions(guess) for Q4. In my view it is likely that our industries growth during covid, which created a temporary demand in our industry. This is supported in the sales in our Frilufts segment. Such as the general higher sales of heavy hiking boots, tents, certain types of backpacks e.g., more specialized and technical items that have a lower purchase intensity. These categories have seen a significant decrease in sales. This means that expecting large industry growth right now is a bit too optimistic.

We have also seen many new digital and other players enter the market believing in this growth, but without having the core identity many focusing on price. We have put our focus on CSR believing that this is right. This means that we do not manufacture in many countries where other people do. We source materials that are recycled for instance and without PFCs. We make our products so that they will last long. We do all that because we believe it is right. We spend a lot of time and money also on controlling that the suppliers full fill our requirements (we are not perfect, and we do make mistakes). All that means we pay more for labor, material and control than many others. Given this focus we have stronger push upwards on the cost of goods sold in comparison to many of our competitors. We believe our control processes puts us in a competitive advantage when the legal requirement, we see are coming, comes in place. That if the politicians do as they do in EU for instance. What we traditionally have not done is to spend money on marketing this. We have acted too passively in this in many of our market e.g., Germany and the US. We have now started that, because it has become obvious that also we need to start playing this instrument if we want to capitalize on this advantage. So, we need to spend more money on marketing to explain to the consumers what we stand for. This means we might overspend on marketing in these markets given how marketing costs today.

Other actions going forward.

Our inventory is too high currently, as I have earlier predicted. Due to the volatility of sales this year it will take us slightly longer to adjust it all the way down to the right level. We are now, as I predicted, at a point where the inventory should decrease on a quarterly like for like basis and we have now set tougher targets for our different business units to achieve in terms of inventory levels. On the positive side we are now live with the first stage of our warehouse automatization project in Ludwigslust, Germany, and will gradually implement it over the next six to twelve months. This will save us up to 4 MEUR annually.

We currently have three different ERP systems. This means that in the changing IT environment our running cost have increased very much. We have now focused much of or resourced in the first stage changing and aligning the Global sales and Brands segments into a new ERP system. This project has already started and are expecting that this, at the end, will increase our efficiency quite substantially. We have also made some organizational changes to improve efficacy as well as adjusting our spendings in very many areas. In Friluftss we have negotiated the many rental contracts achieving approximately 2MEUR lower rents next year.

Given how the Society looks today, it is however very likely something else will come and change what is happening.

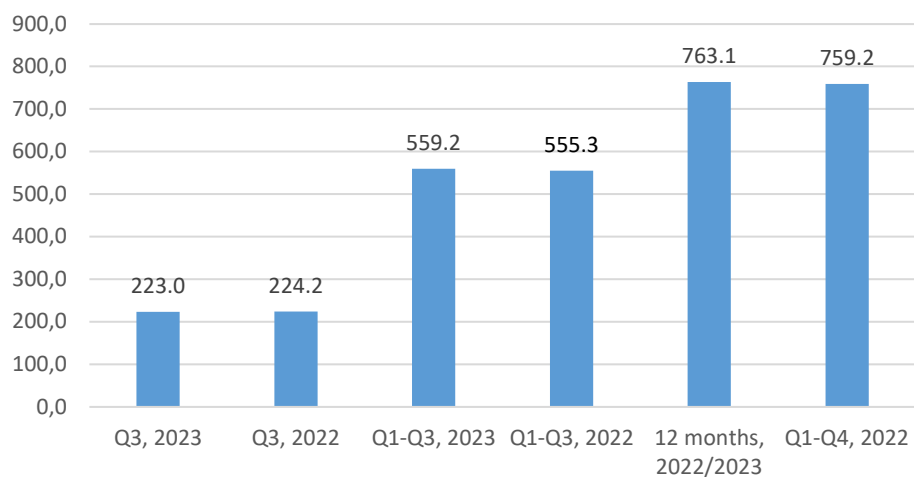
Best Regards

Martin Nordin, Chairman of the Board

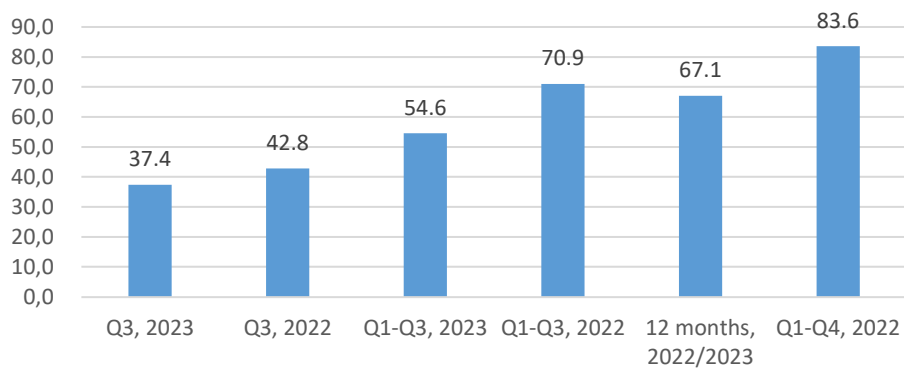
MEUR	Jul-Sept 2023	Jul- Sept 2022	Jan-Sept 2023	Jan-Sept 2022	Okt/Sept 2022/2023	Jan-Dec 2022
Net sales	223.0	224.2	559.2	555.3	763.1	759.2
EBITDA	51.4	55.9	96.1	110.1	124.7	138.7
Operating profit	37.4	42.8	54,6	70.9	67.1	83.6
Profit margin, %	16.8%	19.1%	9.8%	12.8%	8.8%	11.0%
Profit before tax	35.8	43.1	54.7	74.0	63.5	82.9
Net profit for the period	27.8	33.0	38.8	54.9	44.8	60.9
Earnings per B-share, EUR *)	2.08	2.48	2.91	4.12	3.36	4.57
Solvency rate, % *)			58.8%	60.6%		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, Frilufsts and Global sales.

- Brands includes the brands Fjällräven, Tierra, Hanwag and Royal Robbins. It also includes Brand Retail (The E-com and monobrand operations of the Brands) and distribution companies concentrated on sales of one brand.
- In Frilufsts, the retailers Naturkompaniet AB, Partioaitta Oy, Globetrotter Ausrüstung GmbH, Friluftsland A/S, Naturkompaniet AS and Trekitt Ltd 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.

Third quarter 2023-07-01 – 2023-09-30

	Brands		Frilufsts		Global sales		Common		Group	
	Jul-Sept	Jul-Sept	Jul-Sept	Jul-Sept	Jul-Sept	Jul-Sept	Jul-Sept	Jul-Sept	Jul-Sept	Jul-Sept
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
External sales, MEUR	59.8	62.2	99.7	96.8	63.3	65.2	0.1		223.0	224.2
EBITDA, MEUR	22.9	30.1	12.0	13.8	14.3	16.0	2.2	-4.0	51.4	56.0
Operating profit, MEUR	19.1	27.1	4.4	6.7	13.8	15.4	0.1	-6.4	37.4	42.8

External sales per market, MEUR	Brands		Frilufsts		Global sales		Common		Total	
	Jul-Sept	Jul-Sept	Jul-Sept	Jul-Sept	Jul-Sept	Jul-Sept	Jul-Sept	Jul-Sept	Jul-Sept	Jul-Sept
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Switzerland	0.3				3.0	3.9			1.5%	1.8%
Sweden	3.2	5.8	22.0	20.8					11.3%	11.9%
Other Nordic countries	0.5	0.5	15.8	15.7	11.9	14.1			12.7%	13.5%
Germany	20.9	21.9	56.4	55.3			0.1		34.7%	34.4%
Benelux	5.9	7.2	0.1	0.1	2.6	3.1			3.9%	4.6%
Other Europe	5.5	5.2	5.3	4.9	15.5	16.3			11.8%	11.8%
Americas	22.9	21.1			21.6	19.1			20.0%	17.9%
Other World	0.7	0.5			8.8	8.7			4.3%	4.1%
Total	59.8	62.2	99.7	96.8	63.3	65.2	0.1	0.0	100%	100%

Period 2023-01-01 – 2023-09-30

	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
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
External sales, MEUR	151.0	150.6	253.6	246.4	154.1	158.3	0.5		559.2	555.3
EBITDA, MEUR	49.9	63.0	17.4	21.4	26.9	28.8	1.9	-3.2	96.1	110.0
Operating profit, MEUR	39.4	54.0	-5.3	0.4	25.2	27.1	-4.8	-10.6	54.6	70.9
Number of Stores	46	38	103	100	36	33			185	171
of which are franchise			2	2					2	2
Non-current assets	67.1	59.3	128.6	131.1	11.6	12.0	69.8	56.9	277.1	259.3
Cap. Expenditures	4.3	5.1	3.2	4.9	0.9	0.8	10.2	7.4	18.6	18.2

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
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Switzerland	0.4				8.9	9.4			1.7%	1.7%
Sweden	8.7	13.7	50.2	50.4					10.5%	11.5%
Other Nordic countries	1.6	1.4	40.0	40.3	27.1	32.8			12.3%	13.4%
Germany	53.0	53.3	149.6	141.9			0.5		36.3%	35.2%
Benelux	14.8	15.6	0.3	0.3	9.7	9.9			4.4%	4.6%
Other Europe	13.8	11.4	13.5	13.6	36.4	34.8			11.4%	10.8%
Americas	56.9	53.1			43.4	39.8			17.9%	16.7%
Other World	1.7	2.1			28.6	31.5			5.4%	6.1%
Total	151.0	150.6	253.6	246.4	154.1	158.3	0.5	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	Q3	59.8 (62.2) - 3,9%	Q1-Q3	151.0 (150.6) + 0,3%
Operating profit	Q3	19.1 (27.1)	Q1-Q3	39.4 (54.0)

Stable sales in all major markets, even though very volatile during the quarter. The operating margin is negatively hit by higher costs vs last year, but also less internal sales. The result is also affected by lower gross margins, mainly in the North American market.

Frilufts

		2023 (2022)		2023 (2022)
External net sales	Q3	99.7 (96.8) + 3,0%	Q1-Q3	253.6 (246.4) + 2,9%
Operating result	Q3	4.4 (6.7)	Q1-Q3	-5.3 (0.4)

Slight increase in sales compared to last year. The result is mainly hit by lower gross margins and higher personnel- and rental costs compared to last years.

Global sales

		2023 (2022)		2023 (2021)
External net sales	Q3	63.3 (65.2) - 2,9%	Q1-Q3	154.1 (158.3) - 2,6%
Operating result	Q3	13.8 (15.4)	Q1-Q3	25.2 (27.1)

Americas continue to grow, but lower sales in the Nordics and the Benelux area.

Common, Liquidity and financial standing

		2023 (2022)		2023 (2022)
Operating profit	Q3	0.1 (-6.4)	Q1-Q3	-4.8 (-10.6)

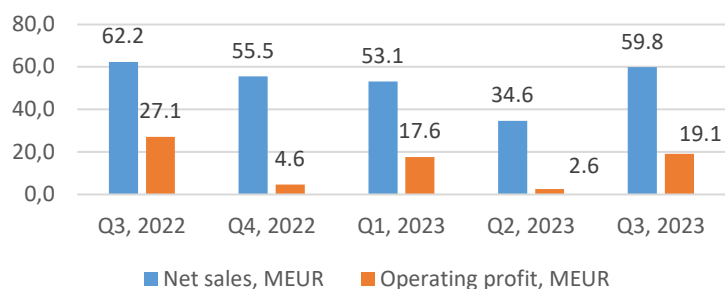
The provision for internal profit in inventories was lower. Much of the administration is carried out in Sweden and has benefited from the weakness of the Swedish krona. In some areas, we have also fine-tuned our model for allocating internal costs.

The Group's financial position remains strong. Consolidated cash and cash equivalents amounted to MEUR 41.9 (MEUR: 68.9) per the end of the period. The Group's interest-bearing liabilities amounted to MEUR 55.3 (MEUR: 29.3). Lease liabilities amounted to MEUR 122.5 (MEUR: 118.9). Consolidated equity attributable to shareholders was MEUR 419.2 (MEUR: 406.3), corresponding to a solvency rate of 58.8% (60.6%).

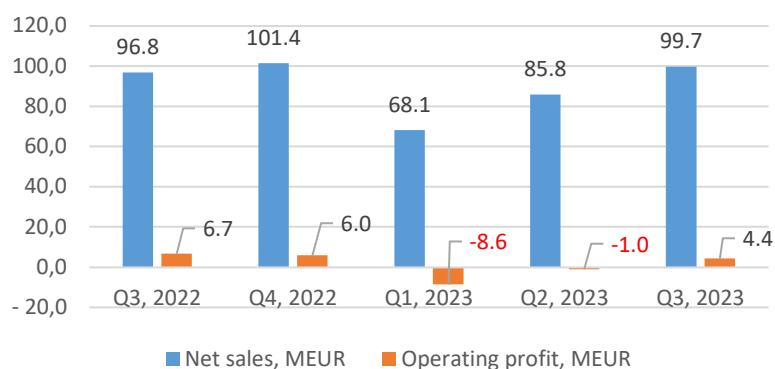
THE OPERATION

Net sales and operating result per segment

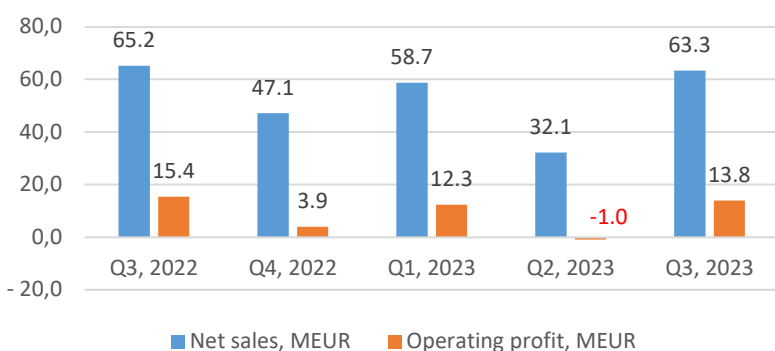
Brands



Frilufts



Global sales



FINANCIAL REPORT

CONSOLIDATED INCOME STATEMENT MEUR	*) 3 months		9 months		*) 12 months	
	Jul-Sept	Jul-Sept	Jan-Sept	Jan-Sept	Oct-Sept	Jan-Dec
	2023	2022	2023	2022	2022/2023	2022
Net sales	223.0	224.2	559.2	555.3	763.1	759.2
Other operating income	2.9	3.7	6.6	8.3	9.2	10.9
Total income	225.8	227.9	565.9	563.6	772.4	770.1
Cost of goods	-98.0	-96.7	-240.0	-238.1	-324.4	-322.6
Other external expenses	-39.4	-41.6	-117.6	-113.5	-167.8	-163.7
Personnel expenses	-37.2	-34.2	-113.0	-102.5	-156.2	-145.6
Depreciation/amortisation	-14.0	-13.1	-41.6	-39.1	-57.6	-55.2
Result from participations in joint ventures	0.2	0.4	0.8	0.5	0.7	0.4
Operating expenses	-188.5	-185.1	-511.3	-492.7	-705.3	-686.7
Operating profit	37.4	42.8	54.6	70.9	67.1	83.6
Financial income	-0.0	1.0	4.1	5.0	0.8	2.1
Financial expenses	-1.6	-0.7	-4.0	-2.0	-4.4	-2.8
Profit before tax	35.8	43.1	54.7	74.0	63.5	82.9
Income tax	-8.1	-10.1	-15.9	-19.1	-18.7	-21.8
Net profit for the period	27.8	33.0	38.8	54.9	44.8	60.9
Net profit for the period attributable to:						
Parent Company's shareholders	27.8	32.8	38.6	54.7	43.4	60.6
Non-controlling interests	0.0	0.2	0.2	0.2	1.4	0.3
Earnings per A share, EUR	0.208	0.248	0.291	0.412	0.336	0.457
Earnings per B share, EUR	2.08	2.48	2.91	4.12	3.36	4.57
Weighted average of outstanding shares, B, thousands	10 928	10 930	10 928	10 935	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. 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.

Consolidated Statement of Comprehensive Income	*) 3 months		9 months		*) 12 months	
	Jul-Sept	Jul-Sept	Jan-Sept	Jan-Sept	Oct-Sept	Jan-Dec
	2023	2022	2023	2022	2022/2023	2022
MEUR						
Net profit for the period	27.8	33.0	38.8	54.9	44.8	60.9
Not to be reclassified in the income statement in the future						
Remeasurements of post employment benefit obligations					0.3	0.3
Taxes					-0.1	-0.1
To be reclassified to the income statement in the future						
Change in translation reserve during the period	3.0	-4.8	-7.1	-5.5	-8.1	-9.0
Cash flow hedges	0.3		0.8		0.1	4.0
Taxes	-0.1		-0.2		-0.1	-0.9
Total other comprehensive income for the period	3.2	-4.8	-6.5	-5.5	-7.9	-5.6
Total comprehensive income for the period	31.0	28.2	32.3	49.4	37.0	55.3
Total comprehensive income attributable to:						
Parent Company's shareholders	31.0	28.0	32.1	49.2	35.6	55.1
Non-controlling interests	0.0	0.2	0.2	0.2	1.4	0.2

*) 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	2023	2022	2022
Assets			
Non-current assets			
Intangible fixed assets	46.0	47.4	47.1
Tangible fixed assets	83.5	78.0	79.8
Right-of-use assets	118.6	115.4	119.2
Other non-current assets	29.0	18.5	18.9
Total non-current assets	277.1	259.3	265.0
Current assets			
Inventories	288.2	237.4	246.5
Accounts receivable trade and other receivables	84.6	91.0	55.8
Tax receivables	14.0	5.8	7.1
Prepaid expenses and accrued income	6.6	8.0	5.9
Cash and cash equivalents	41.9	68.9	81.0
Total current assets excl. Current assets held for sale	435.3	411.1	396.3
Assets held for sale	-	-	13.3
Total current assets	435.3	411.1	409.6
Total assets	712.4	670.4	674.6
Equity and liabilities			
Equity and reserves attributable to the Parent Company's shareholders	419.2	406.3	405.0
Non-controlling interest	-	-	-
Total equity	419.2	406.3	405.0
Liabilities			
Non-current liabilities			
Other non-current liabilities	13.0	16.4	13.8
Lease liabilities	90.5	88.2	91.3
Interest bearing liabilities	11.3	20.3	18.0
Total non-current liabilities	114.8	124.9	123.1
Current liabilities			
Other current liabilities	70.6	76.1	72.8
Lease liabilities	32.0	30.7	31.4
Interest bearing liabilities	44.0	9.0	9.0
Accrued expenses and deferred income	31.8	23.4	31.1
Current liabilities excl. liabilities directly associated with assets held for sale	178.4	139.2	144.2
Liabilities directly associated with assets held for sale	-	-	2.2
Total current liabilities	178.5	139.2	146.5
Total liabilities	293.3	264.1	269.6
Total equity and liabilities	712.4	670.4	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	0.0	381.5
Net Profit for the period						54.7	54.7	0.2	54.9
Other comprehensive income for the period				-5.5			-5.5		-5.5
Total comprehensive income for the period				-5.5		54.7	49.2	0.2	49.4
Transactions with non-controlling interest						-0.1	-0.1	-0.2	-0.2
Purchase of own shares					-1.0		-1.0		-1.0
Dividends resolved at Annual General Meeting						-25.7	-25.7		-25.7
Transfer of cash flow hedge reserve to inventories			2.3				2.3		2.3
30-09-2022	12.4	39.8	3.7	-8.2	-11.2	369.8	406.2	0.0	406.3

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						38.6	38.6	0.2	38.8
Other comprehensive income for the period			0.7	-7.1			-6.4	-0.1	-6.5
Total comprehensive income for the period	0.0	0.0	0.7	-7.1	0.0	38.6	32.1	0.2	32.3
Transactions with non-controlling interest						-0.1	-0.1	-0.2	-0.3
Dividends resolved at Annual General Meeting						-17.7	-17.7		-17.7
Transfer of cash flow hedge reserve to inventories			-0.2				-0.2		-0.2
30-09-2023	12.4	39.8	1.1	-18.7	-11.2	395.8	419.2	0.0	419.2

*) As per 2023-09-30 the company owned 132 337 of own B-shares and as per 2022-12-31 the company owned 132 337 of own B-shares.

FINANCIAL REPORT

Consolidated statement of cash flows	9 months		12 months
	Jan-Sept	Jan-Sept	Jan - Dec
	2023	2022	2022
MEUR			
OPERATING ACTIVITIES			
Net profit for the period	38.8	54.9	60.9
Income tax	15.9	19.1	21.8
Financial result net	-0.1	-3.0	0.7
Depreciation for right-of-use assets	25.6	23.8	33.9
Depreciation/amortisation tangible and intangible assets	16.0	15.4	21.2
Adjustment for non cash items	-6.8	-5.1	-5.8
Interest received	0.6	-0.8	-0.2
Interest paid	-3.6	-2.0	-2.8
Income tax paid	-23.4	-29.7	-37.4
Cash flow from operating activities before changes in working capital	63.0	72.6	92.4
Change in inventories	-40.0	-84.8	-105.3
Change in operating receivables	-33.2	-28.3	2.6
Change in operating liabilities	0.3	-2.7	3.4
Cash flow from operating activities	-9.9	-43.2	-6.9
INVESTING ACTIVITIES			
Purchase of intangible fixed assets	-3.0	-3.9	-5.6
Purchase of tangible fixed assets	-15.6	-14.3	-21.5
Sale of intangible fixed assets		1.0	
Sale of tangible fixed assets	0.1		0.2
Change in non-current receivables	-0.2		-0.2
Acquisition of subsidiaries, net of cash acquired	-1.7		
Sale of business (net of cash disposed)	3.9		
Cash flow from investing activities	-16.5	-17.2	-27.0
FINANCING ACTIVITIES			
Increase in borrowings	55.0	-6.6	0.0
Repaid borrowings	-26.7	-25.1	-8.7
Payment of lease liabilities	-26.8		-33.7
Purchase of own shares		-1.0	-1.0
Dividends paid	-17.7	-25.7	-25.7
Cash flow from financing activities	-16.2	-58.4	-69.2
Change in cash and cash equivalents	-42.6	-118.8	-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	3.5	5.8	2.3
Cash and cash equivalents at period-end	41.9	68.9	81.0

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 2022 with the exception of new and revised standards and interpretations that became effective January 2023 which did not have an impact on these condensed consolidated interim financial statements. The Group has also applied the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes (amendment to IAS 12 income taxes).

Note 2 Right of use assets

30.09.2023, MEUR	Brands	Frilufts	Global sales	Common	Total	31.12.2022, MEUR	Brands	Frilufts	Global sales	Common	Total
Right-of use assets	32.0	84.9	1.1	0.7	118.6	Right-of-use assets	29.5	86.9	1.5	1.2	119.2
Lease liabilities	-34.1	-86.8	-1.0	-0.6	-122.5	Lease liabilities	-31.5	-88.6	-1.5	-1.1	-122.7

Jan-Sept 2023, MEUR	Brands	Frilufts	Global sales	Common	Total	Jan-Sept 2022, MEUR	Brands	Frilufts	Global sales	Common	Total
Depreciation	-6.6	-17.5	-0.9	-0.6	-25.5	Depreciation	-6.0	-16.2	-0.8	-0.8	-23.8
Interest cost	-0.6	-1.0			-1.7	Interest cost	-0.4	-1.1			-1.5

Note 3 Exchange rates

	Average rate			Balance sheet closing rate		
	Jan-Sept 2023	Jan-Sept 2022	Jan - Dec 2022	2023-09-30	2022-09-30	2022-12-31
EUR/SEK	11.4951	10.5476	10.6571	11.5325	10.8993	11.1218
EUR/CHF	0.9792	1.0053	1.0006	0.9669	0.9561	0.9847
EUR/USD	1.0815	1.0532	1.0474	1.0594	0.9748	1.0666
CHF/SEK	11.7394	10.4921	10.6503	11.9273	11.3997	11.2946

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

	2023-09-30	2022-09-30	2022-12-31
Market value, TEUR	1 001	4 315	424
FX Forwards			
Purchased TUSD	49 000	35 300	21 500
Sold TEUR	44 945	32 758	19 847
Rate	1.090	1.078	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.

Third quarter 2023-07-01 – 2023-09-30

	Brands		Friluftts		Global sales		Common		Group	
	Jul-Sept	Jul-Sept	Jul-Sept	Jul-Sept	Jul-Sept	Jul-Sept	Jul-Sept	Jul-Sept	Jul-Sept	Jul-Sept
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
External sales, MEUR	59.8	62.2	99.7	96.8	63.3	65.2	0.1		223.0	224.2
EBITDA, MEUR	22.9	30.1	12.0	13.8	14.3	16.0	2.2	-4.0	51.4	56.0
Operating profit, MEUR	19.1	27.1	4.4	6.7	13.8	15.4	0.1	-6.4	37.4	42.8

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

	Brands		Frilufts		Global sales		Common		Group	
	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
External sales, MEUR	151.0	150.6	253.6	246.4	154.1	158.3	0.5		559.2	555.3
EBITDA, MEUR	49.9	63.0	17.4	21.4	26.9	28.8	1.9	-3.2	96.1	110.0
Operating profit, MEUR	39.4	54.0	-5.3	0.4	25.2	27.1	-4.8	-10.6	54.6	70.9
Number of Stores	46	38	103	100	36	33			185	171
of which are franchise			2	2					2	2
Non-current assets	67.1	59.3	128.6	131.1	11.6	12.0	69.8	56.9	277.1	259.3
Cap. Expenditures	4.3	5.1	3.2	4.9	0.9	0.8	10.2	7.4	18.6	18.2

External sales per market, MEUR	Brands		Frilufts		Global sales		Common		Total	
	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept	Jan-Sept
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Switzerland	0.4				8.9	9.4			9.3	9.4
Sweden	8.7	13.7	50.2	50.4					58.9	64.1
Other Nordic countries	1.6	1.4	40.0	40.3	27.1	32.8			68.7	74.5
Germany	53.0	53.3	149.6	141.9			0.5		203.1	195.2
Benelux	14.8	15.6	0.3	0.3	9.7	9.9			24.8	25.8
Other Europe	13.8	11.4	13.5	13.6	36.4	34.8			63.7	59.8
Americas	56.9	53.1			43.4	39.8			100.3	92.9
Other World	1.7	2.1			28.6	31.5			30.3	33.6
Total	151.0	150.6	253.6	246.4	154.1	158.3	0.5	0.0	559.2	555.3

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 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 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 Friluft's Retail Europe's product assortment.

The divestment of Primus AB and its subsidiary Primus Eesti Ou that was signed in December had no significant effect on Fenix Outdoor's consolidated income statements. Primus AB and Primus Eesti Ou had EUR as functional currency and was consolidated as a subgroup in Fenix.

The final part of the closing was set during quarter three 2023 and has been calculated to a salesprice of MEUR 7.1. MEUR 3.9 are paid in net of cash as repayment of Group internal loans and payment of salesprice. MEUR 6.1 of the purchase price are reported as Non-current receivables (interest-bearing) as it will be paid according to a payment plan the coming three years, 1/3 of the loan are due 28.04.2025, 28.04.2026 and 28.04.2027.

	MEUR 2023-04-28	MEUR 2022-12-31
Tangible assets	0.3	0.3
Inventory	9.6	11.4
Accounts receivable trade and other receivables	3.2	1.5
Prepaid expenses and accrued income	0.7	0.1
Cash and cash equivalents	1.8	
Total assets (classified as held for sale 31.12.2022)	15.6	13.3
Other current liabilities	7.9	1.5
Accrued expenses and deferred income	0.2	0.3
Total liabilities (classified as held for sale 31.12.2022)	8.1	1.8
Net assets disposed of	7.5	11.5
Salesprice	7.1	
Loss recognised in Financial result P/L	-0.4	
Sales proceeds		
Sales price	7.1	
Part of Sales price as Non-current receivables	6.1	
Received payment for part of sales price	1.0	
Cash disposed of	-1.8	
Settlements of loans to Primus	4.7	
Cash flow from Sale of business	3.9	

Note 9 Acquisition of Exist

In June 2023 Naturkompaniet AS, a subsidiary within the Fenix Outdoor group acquired the Norwegian e-commerce site Exist Internet AS and its two subsidiaries Fjellshop AS and Fjellshop Tromso AS, including two stores, one in Lillehammer and one in Tromso. 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 provisional 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, October 31, 2023

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

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Calendarium

Q4 report, February 13, 2024

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 20, of Fenix Outdoor International AG for the period from 1 January 2023 to 30 September 2023. 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, 31 October 2023

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

Roman Ottiger
Licensed Audit Expert