

# FENIX OUTDOOR INTERNATIONAL AG

## Interim condensed consolidated financial statement for the period ended 31 December 2022

### Fourth quarter 2022-10-01 – 2022-12-31

- The total income of the Group was TEUR 206 494 (TEUR: 199 620), an increase of 3,4%.
- The EBITDA of the Group was TEUR 28 585 (TEUR: 32 253).
- The operating profit of the Group was TEUR 12 545 (TEUR: 17 624).
- The profit before tax of the Group was TEUR 8 828 (TEUR: 17 085).
- The profit after tax of the Group was TEUR 6 045 (TEUR: 11 740).
- Earnings per share amounted to EUR 0,45 (EUR: 0,88).

### Period 2022-01-01 – 2022-12-31

- The total income of the Group was TEUR: 770 143 (TEUR: 658 221), an increase of 17,0%.
- The EBITDA of the Group was TEUR: 138 627 (TEUR: 135 308).
- The operating profit of the Group was TEUR 83 473 (TEUR: 83 851).
- The profit before tax of the Group was TEUR 82 773 (TEUR: 81 741).
- The profit after tax of the Group was TEUR 60 926 (TEUR: 56 661).
- Earnings per share amounted to EUR 4,57 (EUR: 4,25).

### Dividend proposal

The Board proposes an ordinary dividend of 15,00 (15,00) Swedish Kronor, “SEK”, per B-share and 1,5 (1,5) SEK per A-share.

### Holding of own shares

As per 2022-12-31 the company holds 132 337 B-shares representing 0,98 % of the capital.

### Financial information

[www.fenixoutdoor.se/investerare/rapporter](http://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 February 9 2023 at 16 00.

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

# COMMENTS BY THE EXECUTIVE CHAIRMAN

## An Interesting and challenging quarter?

We have ended another quarter of insecurity. It is no surprise that we only saw limited growth in terms of sales. I was, especially in Frilufts, doubting that sales would match last year's record numbers, given the recession and the energy prices. Therefore, I am positively surprised that we, despite the challenges, had such high sales within the Frilufts part of the business. Our sales were 203.9 (196.5) MEUR a growth of 4%. Our operating result was 12.6 (17.6) MEUR, a decrease of 28%. The result was negatively affected by extraordinary expenses of 4,4 MEUR, of which 3 MEUR relates e.g., to positions in relation to returns and reservations for vacations, 0,8 MEUR for reevaluation of a rental contract, and 0,6 MEUR for cost related to the move of warehouse operation from 3PL in Kamloops to our own operation in Calgary. We also had operational FX losses in the quarter of 1.7 MEUR. Without these we would have been in line with last year's profit and thereby one of our best Q4 ever.

In terms of sales in the Americas we continued to grow. Despite having some cancellations related to economic conditions, supply chain and strategic decisions by some of the top retail partners in North America. The growth in local currency was 24% in the quarter and 29% for the year. Despite the logistical challenges in Canada, we were able to make up for lost sales in the 3<sup>rd</sup> quarter, although at a logistic cost mentioned.

Looking at the Brands direct-to-consumer business, we showed a growth of 7% in the quarter which was predominantly driven by North America.

Our direct-to-consumer sales started out nicely in October even though a very hard competitive situation from a lot of competitors discounting to liquidate inventory, both brands and retailers. November was an unusually weak month, but in December we saw major rebound, meaning that we hit last year's record numbers almost everywhere. We did not participate in the discounting in the market in any major way, as we did not want to participate in this price eroding behavior given the possible long-term effects.

We did however have some other challenges in the quarter that negatively impacted sales, I did mention the Canadian problem. We also faced challenges in Europe, due to a change of our warehouse management system that impacted the delivery of goods in the 4<sup>th</sup> quarter, mainly in December.

## Brands

Our Brands segment had sales of 55.4 (51.1) MEUR. A growth of 8 %. The result was 4.6 MEUR down from 8.0 MEUR. The Growth was mostly driven by the American retail. The brands division has taken the

largest part of the extraordinary expenses as a lot of it was related to returns from the consumers. But it is also related to the increase we have been facing in other areas such as IT and digital projects.

### **Global Sales**

Global sales reached external net sales of 47.1 MEUR (43.1). The operating profit was 3.9 (3.9) MEUR. The European part of global sales performed reasonably well but the growth was mostly in the Americas where our operating margin is slightly lower than in Europe. Another negative effect of the profit was currency differences that effected our Asian business, in particular Taiwan and South Korea, that performed quite well from a sales perspective. We are also seeing more of a recovery in our JV in China.

### **Frilufts**

Our Frilufts operation had a good Q4 and came close to last year's record sales. Especially encouraging was the German operation that beat last year's sales. In Scandinavia we had a more varied picture: Denmark and Finland were about 5% short of last year. Sweden made a recovery compared to earlier in the year and grew 1,5% vs last year in local currency but came in short in the consolidation due to the weak SEK. Norway had nice growth in the quarter but is still not in the black numbers. The mostly digital business in the UK struggled with discounting and consumer confidence but came in well making a reasonable profit on its sales. Q4 sales in Frilufts was 101.4 (102.4) MEUR, down about 1%, excluding the effect from the weak SEK it would have been up 1%. Our operating profit in Frilufts was 6,0 MEUR (8.9). The profit was hit with the 0,8 MEUR revaluation of rental cost as well as 1,4Vas MEUR in common costs like IT. The Swedish operation increased profit in the quarter but due to the weak SEK the contribution was 0,3 MEUR lower than it would have been with the same exchange rate. This means that the full year sales in Frilufts was 347.7 (309.0) MEUR and EBIT was 5.7 (12.9) MEUR. It is also worth noting that the digital sales were generally flat or slightly down on a quarter-to-quarter basis and that brick-and-mortar stood for the growth in the markets where we grew.

### **Americas**

The Americas is becoming a larger part of our business which was confirmed in Q4. In the direct-to-consumer distribution as well as Brands/Wholesale. It seems that these markets are recovering from recession faster and are less hit by the European security situation.

### **Digital/Direct to consumer**

In Q4 our direct-to-consumer sales was 139.3 (138.4) MEUR up 1%. Our digital direct to consumer sales was 47.2 MEUR (50,0) down 6% and brick and mortar 92.1 (88.4) MEUR up 4%. This means that of our direct-to-consumer sales 34% (36%) is digital. On the year our total direct-to-consumer sales were 455.6 (400.6) MEUR up 14% of which 146.3 (149.9) MEUR, down 2% was digital and 308.3 (250.7) MEUR, up 23%, was brick and mortar. The proportion of direct-to-consumer sale that was digital was 32% (38%) vs 68% (62%) for brick and mortar.

These numbers indicate a new balance in the retail area, and it seems that the new proportions lay somewhere around 30-35% digital vs brick and mortar. Our assumption is that this level is the new base. It should however be said that there is a difference between markets as well a type of stores and retail.

This should in no way indicate that we believe that the digital transformations have stopped, rather, it creates a baseline for how we will approach our investments and cost structure going forward.

### Going forward

We are currently facing some interesting challenges. Our efficiency(cost) has been impaired by Covid and digital changes in a new environment, therefore we need to find new and more efficient ways to allocate our money. We need to transfer from a lock down environment where we have used quick and expensive fixes to solve problems. At the same time, we need get used to a more insecure environment in Europe given the political/war situation.

We are also still facing some effects and changes from the Covid lockdown, especially in terms of how we work. There have been some positive effects from people working from home. But there have also been some negative effects, especially when it comes to onboarding new people on-line, training new employees, and reestablishing our corporate culture. A meeting culture based on digital meetings has too often replaced the classical chat over a cup of coffee in the breakroom, which brought connectivity and creativity that online cannot. I strongly believe we need to encourage a return to more regular pre covid conditions for working from the office. For the health of our employees, our business, and our culture. Furthermore, facing a recession and increased interest rates we are, from the investment perspective, back to requiring higher return and a more thoughtful approach to. This, in my opinion, is more healthy long term. In the short/medium term we are facing a situation where we need to increase prices in many markets, not only because of inflation but also because of currency exchange rates. Additionally, we are, as a company, facing some major investments on the ERP systems side. We have already used our liquidity to improve our situation here. As noted, our balance sheet is healthy, and we have used it to stock up inventory. Given that large part of our collections run for multiple years, we have secured goods at old costs, thereby limiting the amount of price

increases we had in 2023 and positioning well for inflation and further supply chain disruptions. It does not mean we will be untouched by the situation, but we will hopefully limit the effects. In terms of inventory, we do not expect a decrease on a comparable level until earliest Q3 2023.

We have invested in a new logistic operation in Europe and in North America. Among other things, these investments are going towards warehouse automatization for our 140 MEUR digital business. We believe this will lower our distribution costs substantially. In addition, we are setting up a stricter system for investments as well as aiming to better control costs through new and tighter control measures. We are launching a project this year to update our ERP systems enabling us to streamline processes and lower longterm costs. We have, and are, revisiting ALL existing projects to see if they are relevant in this new more insecure environment.

From a strategic perspective we are strengthening our CSR profile and operations as we strongly believe this will be even more vital for the future.

Given our strong balance sheet we will see what is possible to do on the acquisition front, as I do expect prices will come down and believe that our structure is prepared to enable possible acquisitions to thrive.

In terms of 2023 it is hard to guess the outcome given the above-mentioned issues. The orderbook looks reasonable, but we feel there is some higher degree of insecurity in it due to the economic development as well as the political situations. I believe our American business will continue to grow in a healthy way as it will be less effected by the recession as well as the political situation. Europe in general looks good with some exceptions, for instance Sweden, where we have already had some negative effects due to the exchange rate etc. We have two markets I believe we can do better with, as challenges of 2022 are resolved, and efficiencies take effect. These are Norway and Canada.

So, our focus this year will be sales and cost control.

I also once again want to take this opportunity to thank our management, ALL employees, board, shareholders and not the least customers for their efforts and loyalty in helping us. But I once again want to specially thank our workers in the stores, warehouses, and manufacturing. These groups are seldom receiving the praise they should, but they are vital to our business, making sure that we sell and are able to deliver.

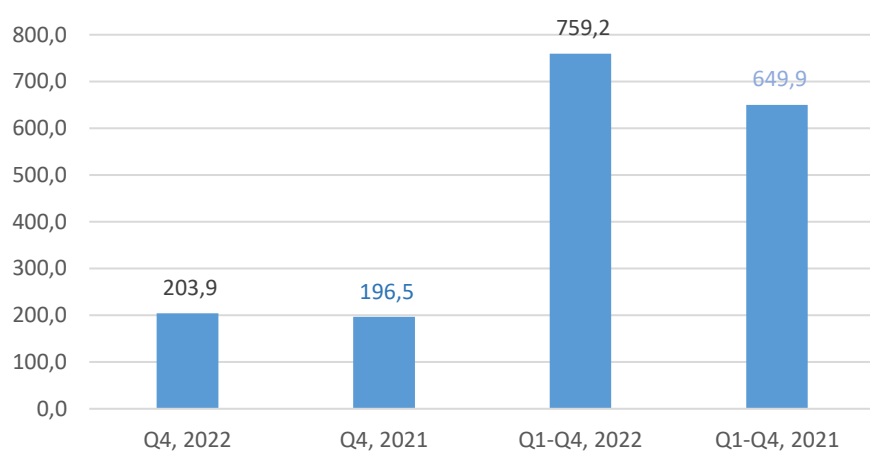
All the best

Martin Nordin, Chairman of the Board

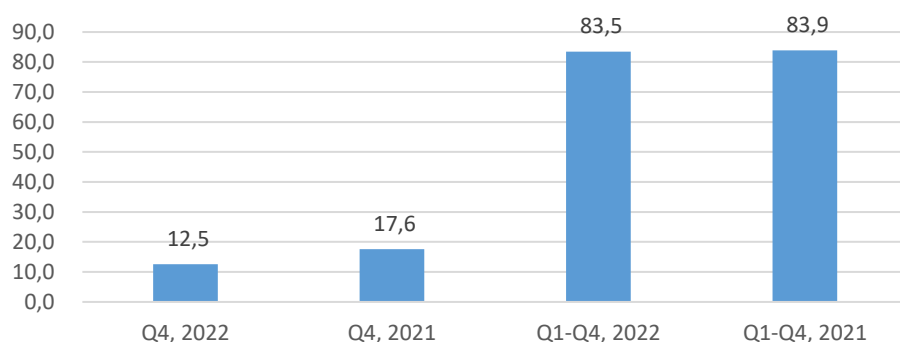
MEUR	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Net sales	203,9	196,5	759,2	649,9
EBITDA	28,6	32,2	138,6	135,3
Operating profit	12,5	17,6	83,5	83,9
Profit margin, %	6,2%	9,0%	11,0%	12,9%
Profit before tax	8,8	17,1	82,8	81,7
Net profit for the period	6,0	11,7	60,9	56,7
Earnings per share, EUR *)	0,45	0,88	4,57	4,25
Solvency rate, % *)			60,0%	57,0%

\*) 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, Primus, 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 Friluftts, the retailers Naturkompaniet AB, Partioaitta Oy, Globetrotter Ausrüstung GmbH, Frilufttsland A/S, Naturkompaniet AS and Trekitt are included.
- Global sales includes distribution companies selling more than one brand from the Fenix Outdoor group.

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

## Fourth quarter 2022-10-01 – 2022-12-31

	Brands		Friluftts		Global sales		Common		Group	
	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
External sales, MEUR	55,4	51,1	101,4	102,4	47,1	43,1			203,9	196,5
EBITDA, MEUR	9,9	10,7	13,6	17,5	4,4	4,6	0,6	-0,6	28,6	32,2
Operating profit, MEUR	4,6	8,0	6,0	8,9	3,9	3,9	-1,9	-3,1	12,5	17,6

External sales per market, MEUR	Brands		Friluftts		Global sales		Common		Total	
	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Switzerland					1,8	1,6			0,9%	0,8%
Sweden	4,6	5,2	24,4	25,9					14,2%	15,8%
Other Nordic countries	0,7	1,0	19,2	20,1	7,8	8,6			13,6%	15,1%
Germany	14,1	13,6	52,0	50,5					32,4%	32,6%
Benelux	2,8	3,4	0,1	0,1	1,7	1,5			2,3%	2,5%
Other Europe	5,9	5,0	5,7	5,8	10,6	7,8			10,9%	9,5%
Americas	26,8	22,1			16,0	12,8			21,0%	17,8%
Other World	0,5	0,8			9,2	10,8			4,8%	5,9%
<b>Total</b>	<b>55,4</b>	<b>51,1</b>	<b>101,4</b>	<b>102,4</b>	<b>47,1</b>	<b>43,1</b>	<b>0,0</b>	<b>0,0</b>	<b>100%</b>	<b>100%</b>

## Period 2022-01-01 – 2022-12-31

	Brands		Friluftts		Global sales		Common		Group	
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
External sales, MEUR	206,0	168,5	347,7	309,0	205,5	172,4			759,2	649,9
EBITDA, MEUR	72,9	63,3	35,0	41,0	33,3	29,2	-2,6	1,9	138,6	135,3
Operating profit, MEUR	58,7	52,0	6,4	12,9	31,0	26,7	-12,6	-7,7	83,5	83,9
Number of Stores	39	38	101	95	32	32			172	165
of which are franchise			2	2					2	2
Non-current assets	64,0	52,7	131,6	143,5	11,0	13,3	58,4	55,9	265,0	265,4
Cap. Expenditures	7,3	3,9	6,9	7,0	1,1	1,3	11,8	12,2	27,1	24,4

External sales per market, MEUR	Brands		Frilufts		Global sales		Common		Total	
	Jan-Dec 2022	Jan-Dec 2021	Jan-Dec 2022	Jan-Dec 2021	Jan-Dec 2022	Jan-Dec 2021	Jan-Dec 2022	Jan-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Switzerland					11,2	10,6			1,5%	1,6%
Sweden	18,3	17,6	74,7	80,3					12,3%	15,1%
Other Nordic countries	2,1	2,5	59,5	60,0	40,6	40,4			13,5%	15,8%
Germany	67,4	53,6	193,8	159,0	0,1				34,4%	32,7%
Benelux	18,4	16,2	0,4	0,3	11,6	8,9			4,0%	3,9%
Other Europe	17,3	14,8	19,3	9,4	45,4	34,8			10,8%	9,1%
Americas	79,9	61,7			55,9	41,0			17,9%	15,8%
Other World	2,6	2,1			40,7	36,7			5,7%	6,0%
<b>Total</b>	206,0	168,5	347,7	309,0	205,5	172,4	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

		2022 (2021)		2022 (2021)
External net sales	Q4	55,4 (51,1) + 8,5%	Q1-Q4	206,0 (168,5) + 22,3%
Operating profit	Q4	4,6 (8,0)	Q1-Q4	58,7 (52,0)

The increase in sales was driven by the North American market. The operating profit was hit by some 3,5 MEUR in extra ordinary costs. The stronger USD also affected the Gross margin negatively.

## Frilufts

		2022 (2021)		2022 (2021)
External net sales	Q4	101,4 (102,4) - 1,0%	Q1-Q4	347,7 (309,0) + 12,5%
Operating result	Q4	6,0 (8,9)	Q1-Q4	6,4 (12,9)

As in last year, Frilufts ended up with strong sales during December. The result was affected by the generally higher cost level, not at least for rents. The segment also had higher costs for internal services, as IT.

## Global sales

		2022 (2021)		2022 (2021)
External net sales	Q4	47,1 (43,1) + 9,4%	Q1-Q4	205,5 (172,4) + 19,2%
Operating result	Q4	3,9 (3,9)	Q1-Q4	31,0 (26,7)

The increased sales arised mainly from North America, Austria/Italy, UK and the Czech Republic.

## Common, Liquidity and financial standing

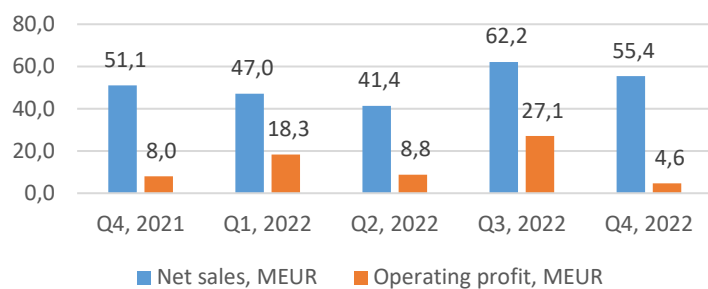
		2022 (2021)		2022 (2021)
Operating profit	Q4	-1,9 (-3,1)	Q1-Q4	-12,6 (-7,7)

The Group's financial position remains strong. Consolidated cash and cash equivalents amounted to MEUR 81,0 (MEUR: 181,9) per the end of the period. The Group's interest-bearing liabilities amounted to MEUR 27,0 (MEUR: 36,1). Lease liabilities amounted to MEUR 122,7 (MEUR: 127,9). Consolidated equity attributable to shareholders was MEUR 405,0 (MEUR: 381,4), corresponding to a solvency rate of 60,0% (57,0%).

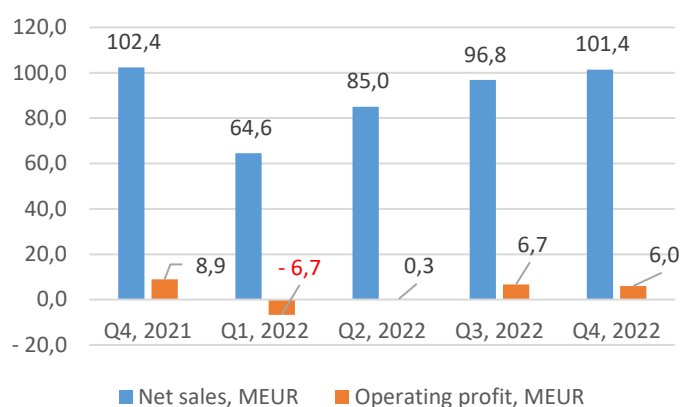
# THE OPERATION

## Net sales and operating result per segment

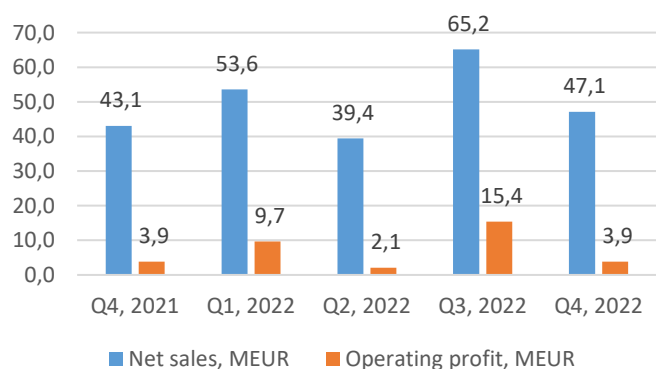
### Brands



### Friluft



### Global sales



# FINANCIAL REPORT

<b>CONSOLIDATED INCOME STATEMENT</b>	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
<b>MEUR</b>	2022	2021	2022	2021
Net sales	203,9	196,5	759,2	649,9
Other operating income	2,6	3,1	10,9	8,3
<b>Total income</b>	<b>206,5</b>	<b>199,6</b>	<b>770,1</b>	<b>658,2</b>
Cost of goods	-84,4	-81,5	-322,6	-271,0
Other external expenses	-50,2	-49,4	-163,7	-133,4
Personnel expenses	-43,2	-36,6	-145,6	-119,3
Depreciation/amortisation	-16,0	-14,6	-55,2	-51,5
Result from participations in joint ventures	-0,1	0,2	0,4	0,8
<b>Operating expenses</b>	<b>-193,9</b>	<b>-182,0</b>	<b>-686,7</b>	<b>-574,4</b>
<b>Operating profit</b>	<b>12,5</b>	<b>17,6</b>	<b>83,5</b>	<b>83,9</b>
Financial income	-2,9	0,2	2,1	0,9
Financial expenses	-0,8	-0,7	-2,8	-3,0
<b>Profit before tax</b>	<b>8,8</b>	<b>17,1</b>	<b>82,8</b>	<b>81,7</b>
Income tax	-2,8	-5,3	-21,8	-25,1
<b>Net profit for the period</b>	<b>6,0</b>	<b>11,7</b>	<b>60,9</b>	<b>56,7</b>
Net profit for the period attributable to:				
Parent Company's shareholders	5,8	11,3	60,6	56,2
Non-controlling interests	0,2	0,5	0,3	0,5
Earnings per B share, EUR	0,45	0,88	4,57	4,25
Weighted average of outstanding shares, B, thousands	10 928	10 940	10 933	10 940
Weighted average of outstanding shares, A, thousands	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.

# FINANCIAL REPORT

<b>Consolidated Statement of Comprehensive Income</b>	<b>3 months</b>		<b>12 months</b>	
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
	2022	2021	2022	2021
<b>MEUR</b>				
<b>Net profit for the period</b>	6,0	11,7	60,9	56,7
Not to be reclassified in the income statement in the future				
Remeasurements of post employment benefit obligations	0,3	0,4	0,3	0,4
Taxes	-0,1	-0,1	-0,1	-0,1
To be reclassified to the income statement in the future				
Change in translation reserve during the period	-3,5	0,1	-9,0	0,7
Hedge accounting		-0,1		
Taxes				
<b>Total other comprehensive income for the period</b>	-3,2	0,3	-8,7	1,0
<b>Total comprehensive income for the period</b>	2,8	12,0	52,3	57,7
Total comprehensive income attributable to:				
Parent Company's shareholders	2,6	11,5	52,0	57,2
Non-controlling interests	0,2	0,5	0,3	0,5

# FINANCIAL REPORT

CONSOLIDATED STATEMENT OF	31 Dec	31 Dec
FINANCIAL POSITION, MEUR	2022	2021
<b>Assets</b>		
<b>Non-current assets</b>		
Intangible fixed assets	47,1	49,7
Tangible fixed assets	79,8	74,1
Right-of-use assets	119,2	125,0
Other non-current assets	18,9	16,5
<b>Total non-current assets</b>	<b>265,0</b>	<b>265,4</b>
<b>Current assets</b>		
Inventories	246,5	152,6
Accounts receivable trade and other receivables	62,9	62,2
Prepaid expenses and accrued income	5,9	6,9
Cash and cash equivalents	81,0	181,9
	396,3	403,6
Assets held for sale (see note 9)	13,3	-
<b>Total current assets</b>	<b>409,6</b>	<b>403,6</b>
<b>Total assets</b>	<b>674,6</b>	<b>668,9</b>
<b>Equity and liabilities</b>		
Equity and reserves attributable to the Parent Company's shareholders	405,0	381,4
Non-controlling interest	-	-
<b>Total equity</b>	<b>405,0</b>	<b>381,4</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Other non-current liabilities	13,8	15,5
Lease liabilities	91,3	99,3
Interest bearing liabilities	18,0	27,0
<b>Total non-current liabilities</b>	<b>123,1</b>	<b>141,8</b>
<b>Current liabilities</b>		
Other current liabilities	72,8	76,5
Lease liabilities	31,4	28,6
Interest bearing liabilities	9,0	9,1
Accrued expenses and deferred income	31,1	31,4
	144,3	145,6
Liabilities directly associated with the assets held for sale (see note 9)	2,2	-
<b>Total current liabilities</b>	<b>146,5</b>	<b>145,6</b>
<b>Total equity and liabilities</b>	<b>674,6</b>	<b>668,9</b>

# 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
<b>01-01-2021</b>	<b>12,4</b>	<b>39,8</b>	<b>-1,3</b>	<b>-3,3</b>	<b>-10,2</b>	<b>316,3</b>	<b>353,7</b>	<b>0,1</b>	<b>353,8</b>
Net Profit for the period						56,2	56,2	0,5	56,7
Other comprehensive income for the period				0,6		0,3	0,9		0,9
Total comprehensive income for the period				0,6		56,5	57,1	0,5	57,6
Transactions with non-controlling interest						-0,5	-0,5	-0,7	-1,2
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			2,7	-0,1			2,6		2,6
<b>31-12-2021</b>	<b>12,4</b>	<b>39,8</b>	<b>1,4</b>	<b>-2,7</b>	<b>-10,2</b>	<b>340,8</b>	<b>381,5</b>	<b>0,0</b>	<b>381,4</b>
<b>01-01-2022</b>	<b>12,4</b>	<b>39,8</b>	<b>1,4</b>	<b>-2,7</b>	<b>-10,2</b>	<b>340,8</b>	<b>381,5</b>	<b>0,0</b>	<b>381,4</b>
Net Profit for the period						60,6	60,6	0,3	60,9
Other comprehensive income for the period				-8,9		0,3	-8,6	-0,1	-8,7
Total comprehensive income for the period				-8,9		60,9	52,1	0,2	52,3
Transactions with non-controlling interests **)						-1,0	-1,0	-0,2	-1,2
Share based payments***)							0,0		0,0
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			-0,7				-0,7		-0,7
<b>31-12-2022</b>	<b>12,4</b>	<b>39,8</b>	<b>0,6</b>	<b>-11,6</b>	<b>-11,2</b>	<b>375,0</b>	<b>405,0</b>	<b>0,0</b>	<b>405,0</b>

\*) As per 2022-12-31 the company owned 132 337 of own B-shares and as per 2021-12-31 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.

\*\*\*) Options program for Senior Managers has been released. The amount related to the renumeration value was negligible as per the year end closing.

# FINANCIAL REPORT

## Consolidated statement of cash flows

	Jan-Dec 2022	Jan-Dec 2021
<b>MEUR</b>		
<b>OPERATING ACTIVITIES</b>		
Net profit for the period	60,9	56,7
Income tax	21,8	25,1
Financial result net	0,7	2,1
Depreciation for right-of-use assets	33,9	31,4
Depreciation/amortisation tangible and intangible assets	21,2	20,0
Adjustment for non cash items	-5,8	0,2
Interest received	-0,2	-0,3
Interest paid	-2,8	-3,0
Income tax paid	-37,4	-14,4
<b>Cash flow from operating activities before changes in working capital</b>	92,3	117,8
Change in inventories	-105,3	2,9
Change in operating receivables	2,6	-21,7
Change in operating liabilities	3,4	19,7
<b>Cash flow from operating activities</b>	-7,0	118,7
<b>INVESTING ACTIVITIES</b>		
Purchase of intangible fixed assets	-5,6	-8,0
Purchase of tangible fixed assets	-21,5	-16,4
Sale of tangible fixed assets	0,2	0,4
Change in non-current receivables	-0,2	-0,1
Dividend from joint ventures		1,3
Acquisition of subsidiaries, net of cash acquired		-11,4
Sale of business (net of cash)		0,4
Settlement of loans		-0,6
<b>Cash flow from investing activities</b>	-27,1	-34,4
<b>FINANCING ACTIVITIES</b>		
Repaid borrowings	-8,7	-30,4
Payment of lease liabilities	-33,7	-31,6
Repayment of other long term liabilities		-1,1
Purchase of own shares	-1,0	
Dividends paid	-25,7	-31,4
<b>Cash flow from financing activities</b>	-69,1	-94,5
Change in cash and cash equivalents	-103,2	-10,4
Cash and cash equivalents at beginning of year	181,9	191,1
Effect of exchange rate differences on cash and cash equivalents	2,3	1,2
Cash and cash equivalents at period-end	81,0	181,9

# 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 2021 with the exception of new and revised standards and interpretations that become effective January 2022.

## Note 2 Right of use assets

31.12.2022, MEUR	Brands	Frilufts	Global sales	Common	Total	31.12.2021, MEUR	Brands	Frilufts	Global sales	Common	Total
Right-of use assets	29,5	86,9	1,5	1,2	119,2	Right-of use assets	22,7	98,2	2,1	1,9	125,0
Lease liabilities	-31,5	-88,6	-1,5	-1,1	-122,7	Lease liabilities	-24,6	-99,4	-2,0	-1,9	-127,8

	Brands	Frilufts	Global sales	Common	Total		Brands	Frilufts	Global sales	Common	Total
Depreciation	-10,0	-21,7	-1,1	-1,1	-33,9	Depreciation	-7,6	-21,7	-1,1	-1,1	-31,4
Interest cost	-0,7	-1,4	0,0	0,0	-2,1	Interest cost	-0,5	-1,6	0,0	0,0	-2,2

## Note 3 Exchange rates

	Average rate		Balance sheet closing rate	
	2022	2021	2022-12-31	2021-12-31
	EUR/SEK	10,6571	10,1562	11,1218
EUR/CHF	1,0006	1,0794	0,9847	1,0331
EUR/USD	1,0474	1,1808	1,0666	1,1326
CHF/SEK	10,6503	9,4094	11,2946	9,9219

## Note 4 Risks

The risk factors of the Group, presented in the last published annual report 2021, page 26, are still valid.



## Note 5 Hedge accounting

	2022-12-31	2021-12-31
<b>Market value, TEUR</b>	424	1 370
<b>FX Forwards</b>		
Purchased TUSD	21 500	47 200
Sold TEUR	19 847	40 175
Rate	1,083	1,175
Purchased TUSD	1 400	1 500
Sold TNOK	12 289	13 049
Rate	8,778	8,699

## 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	
	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
<b>External sales, MEUR</b>	55,4	51,1	101,4	102,4	47,1	43,1			203,9	196,5
<b>EBITDA, MEUR</b>	9,9	10,7	13,6	17,5	4,4	4,6	0,6	-0,6	28,6	32,2
<b>Operating profit, MEUR</b>	4,6	8,0	6,0	8,9	3,9	3,9	-1,9	-3,1	12,5	17,6

	Brands		Friluftts		Global sales		Common		Group	
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
<b>External sales, MEUR</b>	206,0	168,5	347,7	309,0	205,5	172,4			759,2	649,9
<b>EBITDA, MEUR</b>	72,9	63,3	35,0	41,0	33,3	29,2	-2,6	1,9	138,6	135,3
<b>Operating profit, MEUR</b>	58,7	52,0	6,4	12,9	31,0	26,7	-12,6	-7,7	83,5	83,9
<b>Number of Stores</b>	39	38	101	95	32	32			172	165
<b>of which are franchise</b>			2	2					2	2
<b>Non-current assets</b>	64,0	52,7	131,6	143,5	11,0	13,3	58,4	55,9	265,0	265,4
<b>Cap. Expenditures</b>	7,3	3,9	6,9	7,0	1,1	1,3	11,8	12,2	27,1	24,4

External sales per market, MEUR	Brands		Friluft		Global sales		Common		Total	
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Switzerland					11,2	10,6			11,2	10,6
Sweden	18,3	17,6	74,7	80,3					93,0	97,9
Other Nordic countries	2,1	2,5	59,5	60,0	40,6	40,4			102,2	102,9
Germany	67,4	53,6	193,8	159,0	0,1				261,3	212,6
Benelux	18,4	16,2	0,4	0,3	11,6	8,9			30,4	25,4
Other Europe	17,3	14,8	19,3	9,4	45,4	34,8			82,0	59,0
Americas	79,9	61,7			55,9	41,0			135,8	102,7
Other World	2,6	2,1			40,7	36,7			43,3	38,8
<b>Total</b>	<b>206,0</b>	<b>168,5</b>	<b>347,7</b>	<b>309,0</b>	<b>205,5</b>	<b>172,4</b>	<b>0,0</b>	<b>0,0</b>	<b>759,2</b>	<b>649,9</b>

## 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.

The periods change of option liabilities MEUR 1,0 are recognized in equity. Future changes in the options liabilities will be recognized in equity.

## Note 8 Option program to Senior managers

An option program has been released in late 2022. During the quarter 22 000 options have been granted to some defined Senior managers. The exercise price was set to SEK 845 and was equal to the market price of the shares on the day of grant. Exercise starts in November 2025. The options vest if the person is still employed on such date. If this is not met, the options lapse.

## Note 9 Events after period closing

In December 2022 Fenix Outdoor signed an agreement to divest Primus AB and its subsidiary Primus Eesti Ou to Silva Sweden AB. The closing is planned to take place in the spring of 2023. 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 and related assets and liabilities are reported as assets held for sale and liabilities directly associated with the assets held for sale.

Except the mentioned above, 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 2021.

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Zug, February 9, 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

## Calendarium

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Q1 report, April 21, 2023  
Annual General Meeting April 21, 2023