

FENIX OUTDOOR INTERNATIONAL AG

Interim condensed consolidated financial statement for the period ended 31 December 2021

Fourth quarter 2021-10-01 – 2021-12-31

- The total income of the Group was TEUR 199 620 (TEUR: 151 765), an increase of 31,5%.
- The EBITDA of the Group was TEUR 32 253 (TEUR: 20 948).
- The operating profit of the Group was TEUR 17 624 (TEUR: 5 037).
- The profit before tax of the Group was TEUR 17 085 (TEUR: 559).
- The profit after tax of the Group was TEUR 11 740 (TEUR: -3 283).
- Earnings per share amounted to EUR 0,88 (EUR: -0,23).

• Period 2021-01-01 – 2021-12-31

- The total income of the Group was TEUR: 658 221 (TEUR: 571 512), an increase of 15,2%.
- The EBITDA of the Group was TEUR: 135 308 (TEUR: 109 964).
- The operating profit of the Group was TEUR 83 851 (TEUR: 61 096).
- The profit before tax of the Group was TEUR 81 741 (TEUR: 53 503).
- The profit after tax of the Group was TEUR 56 661 (TEUR: 33 866).
- Earnings per share amounted to EUR 4,25 (EUR: 2,54).

- During the quarter the Brunton operation was divested with no significant impact on Fenix Outdoors' financial key figures.

Dividend proposal and events after period closing:

The Board proposes an ordinary dividend of 15,00 (12,00) Swedish Kronor, "SEK", per B-share and 1,5 (1,2) SEK per A-share. The Board also proposes an extra dividend of SEK 5,0 per B-share and 0,5 per A-share.

No significant events after period close are noted.

Repurchase of own shares

The company restarts its possibility to repurchase own shares, conditions as stated in press release from 2019-02-14 with the exception that no time limit is set. The total number of repurchased shares can amount to a maximum of 706 700. Shares. As per 2021-12-31 the company holds 119 598 B-shares representing 0,89% of the capital.

Financial information

www.fenixoutdoor.se/investerare/rapporter

COMMENTS BY THE EXECUTIVE CHAIRMAN

A quarter filled of good results and new Covid developments?

We now hope that we have reached a new situation after having been in the Covid Jungle for two years, but if it is over, we are facing new challenges. Q4 has been a record quarter for us as a group and our total net sales reached 196.5 MEUR (147.7) which is a growth of 33%. That is a new all-time high for the group.

Furthermore, we achieved an EBIT of 17.6 MEUR (5.1), which is also a 4th quarter all-time high. This is due to two factors; we had record sales beating both 2018 and 2019 in our Frilufts segment, and that we were able to deliver almost all the goods delayed from Q3 in the brands division. All this was driven by a consumption boom in most retail channels, as well as the weather goods giving us support with cold weather in many markets. The German business showed distinct recovery especially in the retail. Wholesale in Germany has improved as well.

The impressive recovery in North America continued, which means that we had both record Q4 and full year sales in that market. For the first time, we hit over 100 MUS\$ sales for the year, and this includes a small recovery of Kånken sales in Q4. The structure of sales has however changed, causing a decrease in the gross margin. This is due to our retail not fully recovering, despite the growth of our digital business. This is especially the case in our urban stores in for example New York. On the other hand, our wholesale to customers like REI, Nordstrom and independent shops developed extremely well and is way ahead of 2019. This development means we have a much better and sustainable distribution network, as well as a broader and safer mix of product sales in North America.

When we are reviewing the general performance in Q4, we need to keep in mind that despite all the positives, we did see a weakening in business in some areas during December due to the Omicron variant invading the world. I also must credit this great performance to the enormous effort and foresightedness of our purchase departments who took some risk in stocking up, as well as our logistic operations who planned transport from suppliers and turned around goods in record time in our warehouses. Not to forget is the people in our shops that, even though being shorthanded in many cases, were able to serve our customers well under the circumstances. In addition, we have to note that this meant extra costs for us in the areas of transport effecting our result in a negative way. Extra transportation cost during the quarter is affecting the result with about MEUR 4.0.

Brands

Our Brands segment had sales of 51.1 MEUR (38.4). A growth of 33%. This shows the effects of both the delay of deliveries from Q3 and the recovery in many markets, as well as the weather effects on sales. On the other hand, the result is only up 31%, from 6.1 MEUR to 8.0 MEUR, which is partly due to investments in larger digital projects and upgrading of IT systems, but mostly due to transport costs.

Global Sales

Global sales were supported in the same way as brands, with external net sales of 43.1 MEUR (33.3). The operating profit was 3.9 MEUR (2.5). The European part of global sales performed well with few exceptions and had the same development as Brands and Retail. Our Asian operations in Taiwan and South Korea continued doing well. However, our JV in China did not follow the same positive trend due to closures as well as the fact that the dependency on Kånken is still big in the Chinese market. We have not been able to recover the lost Kånken revenue with other product groups yet.

Frilufts

Our Frilufts operation had an amazing Q4 and hit record sales. In Scandinavia we had very fortunate weather conditions, which meant new sales records. In Germany the consumers continued the invasion of our shops. Our newly acquired digital business in the UK also performed above planned and contributed to the result as well. However, we did face some shortage of goods towards the end of the quarter in Scandinavia. The development we have observed during last quarters of customers migrating back to brick and mortar continued. The envisioned decrease of the proportion of digital sales to total sales did occur but differs between the markets. We have record Q4 sales in Frilufts at 102.4 MEUR (76.0), a growth of 35%. Our operating profit in Frilufts was 8.9 MEUR (0.7), which is a huge increase and better than in 2019 as well. This means that the full year sales in Frilufts was 309.0 MEUR (264.0) and EBIT was 12.9 MEUR (-1.6). It is also worth noting that the Digital sales showed a quarter-to-quarter increase of 6 % and a running 12-month growth of 30 %. In the last quarter Digital sales represented 29 % (36 %) of total Frilufts sales. On a 12-month running basis it represented 33 % (29 %). Brick and mortar were up 47 % on the quarter, and up 10 % on the running 12 months.

North America

As I already wrote after Q3 we saw improvements, and this continued in Q4. We ended up well above 2019. The North American operations hit sales above 100 MUS\$D, primarily driven by a general recovery, as well as

growth with some important key accounts and many smaller specialist retailers. When viewing the orderbook for 2022 we see a distinct further growth in the Americas. However, we are still waiting for our brick-and-mortar retail operations to get back to the 2019 baseline in particular City locations like Los Angeles, and New York.

Digital

Our total consumer digital business continued to grow in Q4 by 24 % compared to last year. In Q4, this year, it accounted for 25 % (27 %) of our total sales and 36% (40 %) of our direct-to-consumer sales. This is due to what we expected in the Q3 report; a move back of business from digital to brick and mortar retail, based on a need for people to get back to in-person shopping. Although, it is important to note that there is a difference between countries depending on how much the physical stores have been closed, this means that the decrease in growth in web sales as well as increase in brick-and-mortar sales was most evident in Germany. Another note is that our brand digital sales channels in Europe and North America continued to grow at an unprecedented pace. On a rolling 12-month basis our digitals sales amounts to an estimated 149.9 MEUR (108.7). We still believe that we will see a monetary growth in the digital sales going forward as we believe that digital sales will continue to outpace brick and mortar sales over time. We are however uncertain when the situation will have normalized.

Going forward

Going forward I see the development with mixed feelings. In terms of our order book for brands and global sales the picture is very bright, indicating some nice growth in 2022. In terms of the general development, I am somewhat more concerned as the core outdoor market have seen some amazing growth during Covid by adding many new users. It is however uncertain how many of these new users that can be retained and become new core users. This could indicate that the situation for our business is that certain products become fashion items used in a non-outdoor context which might come to a sudden end. This kind of market behavior is not new, as it was the case for certain categories in the past. This means there is a potential in future growth that could be countered by lack of retention of customers. With our strong profile in the premium core segment, I strongly believe that we will have a great potential, even in this scenario. We will focus on the retention of customers, as many new users will become more selective when they have been bitten by the outdoor bug. We have faced this scenario many times during the years. There is also a substantial risk for a recession, which historically has proven to support our business over the years especially in Europe.

Another challenge is the upwards pushing costs, we are in particularly facing some pressures in a couple of areas. Firstly, our IT costs are increasing due to a couple of factors; a need to upgrade systems, the

development of our digital business and increasing salaries and retention of people in this area. Secondly, due to having been acting in a crisis environment, in which salary increases have been small, there is back load of salary increases in general. This is also making it harder to retain people, especially as our industry is considered “hot”. This is a short-term problem, as these things will equal themselves out over time as it will fuel inflation, which will enable us to compensate through price increases. In terms of personnel, we are facing the working from home issue. The cost of this is unknown and might cause difficulties with our corporate culture. Building and maintaining our culture in a new environment could be a challenge, which could become a more long-term issue.

We are still facing the cost of the logistic issues in terms of transportation and believe that we probably will not reach normalization during this year. In terms of Q1 we have faced some logistical challenges. I can say that from our brands and global sales operation we have been able to at least make sure we will, as it looks right now, NOT have any major problems delivering to our retail customers within reasonable time for most of the quarter. This is due to the fact that we have received a very reasonable amount of the initial orders in our major warehouses already in early January. Depending on the development problems might arise later in Q1 and early Q2 if sell through exceeds expectation too much. I must commend our logistics team as well as our buying team to have pulled off this magic. On the retail side, supply is more insecure as we do not yet know how other external suppliers have been able to deal with this. Furthermore, the Frilufts group entered the year with a somewhat low inventory due to the great sales in Q4 2021. For the rest of the year, the fall season orderbooks looks very good in almost all markets indicating good growth. We have increased purchases and manufacturing in size and made decisions earlier to enable us to deliver in a good way at that point in time as well. This of course carries a higher inventory risk but given the nature of our business we deem this risk being minor compared to the non-delivery risk we would otherwise be facing.

Our earlier stated goals remain, and I am aware I might seem a bit pessimistic, but I believe we are positioned in a very good way to take advantage of the opportunities arising in this environment. We might even be able to find some acquisitions which are reasonably priced offering us the return that we want. The boom in the outdoor business and the low cost of capital in general has made it very hard to close any transactions.

Again, we believe that the last year has shown the advantages of our business model.

We are still looking at acquisitions and the market is very active. However, given the current ‘Outdoor Trend’ and the low interest rate, it is still somewhat hard to achieve reasonable prices.

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

thank our ‘frontline workers’ in the stores, warehouses and manufacturing. These groups have not had the opportunity to work from home during the pandemic. So once again, a big thank you to our factory workers, store staff and warehouse personnel who have all put in an enormous effort during the last years.

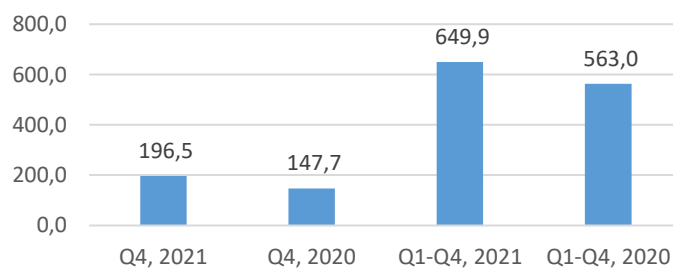
All the best

Martin Nordin, Chairman of the Board

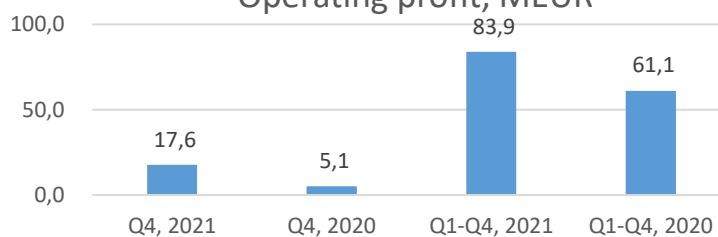
MEUR	Oct - Dec 2021	Oct - Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Net sales	196,5	147,7	649,9	563,0
EBITDA	32,3	21,0	135,3	110,1
Operating profit	17,6	5,1	83,9	61,1
Profit margin, %	9,0%	3,5%	12,9%	10,9%
Profit before tax	17,1	0,6	81,7	53,5
Net profit for the period	11,7	-3,2	56,7	33,9
Earnings per share, EUR *)	0,88	-0,23	4,25	2,54
Solvency rate, %			57,2%	54,3%

*) Earnings per share are calculated on outstanding shares.

Net sales, MEUR



Operating profit, MEUR



THE OPERATION

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

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

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

Fourth quarter 2021-10-01 – 2021-12-31

	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
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
External sales, MEUR	51,1	38,4	102,4	76,0	43,1	33,3			196,5	147,7
EBITDA, MEUR	10,7	9,0	17,5	8,5	4,6	3,1	-0,6	0,4	32,3	21,0
Operating profit, MEUR	8,0	6,1	8,9	0,7	3,9	2,5	-3,1	-4,2	17,6	5,1

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
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Switzerland					1,6	2,2			0,8%	1,5%
Sweden	5,2	3,8	25,9	20,7					15,8%	16,6%
Other Nordic countries	1,0	0,6	20,1	16,2	8,6	6,7			15,1%	15,9%
Germany	13,6	11,1	50,5	38,6					32,6%	33,6%
Benelux	3,4	2,7	0,1	0,1	1,5	1,2			2,5%	2,7%
Other Europe	5,0	5,2	5,8	0,4	7,8	6,1			9,5%	7,9%
Americas	22,1	14,8			12,8	9,2			17,8%	16,2%
Other World	0,8	0,2			10,8	7,9			5,9%	5,5%
Total	51,1	38,4	102,4	76,0	43,1	33,3	0,0	0,0	100%	100%

Period 2021-01-01 – 2021-12-31

	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
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
External sales, MEUR	168,5	149,4	309,0	264,0	172,4	149,6			649,9	563,0
EBITDA, MEUR	63,3	61,3	41,0	22,7	29,2	26,6	1,9	-0,7	135,3	110,0
Operating profit, MEUR	52,0	50,5	12,9	-1,6	26,7	24,4	-7,7	-12,1	83,9	61,1
Number of Stores	38	41	95	81	32	28			165	150
of which are franchise			2	2					2	2
Non-current assets	52,7	49,5	143,5	137,2	13,3	13,1	55,7	54,4	265,2	254,2
Cap. Expenditures	3,9	5,5	7,0	5,9	1,3	1,0	12,2	8,8	24,4	21,2

External sales per market, MEUR	Brands		Friluft		Global sales		Common		Total	
	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Switzerland					10,6	12,7			1,6%	2,3%
Sweden	17,6	14,0	80,3	64,0					15,1%	13,9%
Other Nordic countries	2,5	1,7	60,0	50,7	40,4	33,8			15,8%	15,3%
Germany	53,6	56,1	159,0	147,9					32,7%	36,2%
Benelux	16,2	14,6	0,3	0,3	8,9	5,8			3,9%	3,7%
Other Europe	14,8	17,8	9,4	1,1	34,8	34,2			9,1%	9,4%
Americas	61,7	44,4			41,0	33,8			15,8%	13,9%
Other World	2,1	0,8			36,7	29,3			6,0%	5,3%
Total	168,5	149,4	309,0	264,0	172,4	149,6	0,0	0,0	100%	100%

Fenix Outdoor's use of alternative key figures:

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

THE OPERATION

Brands

		2021 (2020)		2021 (2020)
External net sales	Q4	51,1 (38,4) + 33,0%	Q1-Q4	168,5 (149,4) + 12,8%
Operating profit	Q4	8,0 (6,1)	Q1-Q4	52,0 (50,5)

Strong sales in all core markets, with North America showing the largest growth. Also Germany recovered from last year. Gross margin and Operating profit negatively affected by high costs for freight.

Frilufts

		2021 (2020)		2021 (2020)
External net sales	Q4	102,4 (76,0) + 34,7%	Q1-Q4	309,0 (264,0) + 17,1%
Operating result	Q4	8,9 (0,7)	Q1-Q4	12,9 (-1,6)

Strong sales in all markets. Same quarter last year Germany was affected by the close down in December. The increased sales figures in combination with a strong gross margins contribute to the major increase in result.

Global sales

		2021 (2020)		2021 (2020)
External net sales	Q4	43,1 (33,3) + 29,3%	Q1-Q4	172,4 (149,6) + 15,3%
Operating result	Q4	3,9 (2,5)	Q1-Q4	26,7 (24,4)

The European part of global sales performed well with few exceptions and had the same development as Brands and Frilufts. The Asian operations in Taiwan and South Korea continued doing well.

Common, Liquidity and financial standing

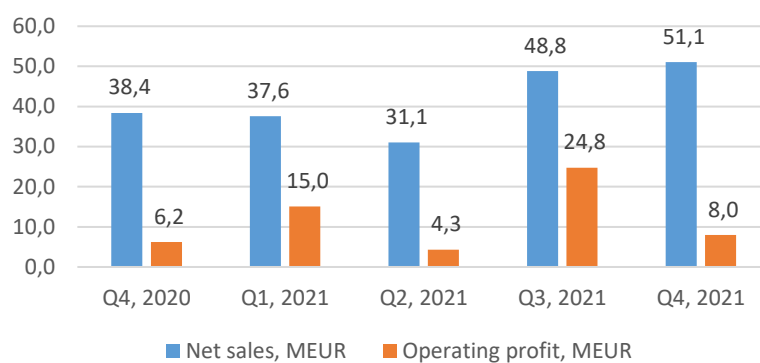
		2021 (2020)		2021 (2020)
Operating profit	Q4	-3,1 (-4,2)	Q1-Q4	-7,7 (-12,1)

The Group's financial position remains very strong. Consolidated cash and cash equivalents amounted to MEUR 181,9 (MEUR: 191,1) per the end of the period. The Group's interest-bearing liabilities amounted to MEUR 36,1 (MEUR: 66,2). Lease liabilities amounted to MEUR 127,9 (MEUR: 129,1). Consolidated equity attributable to shareholders was MEUR 381,4 (MEUR: 353,7), corresponding to a solvency rate of 57,2% (54,3%).

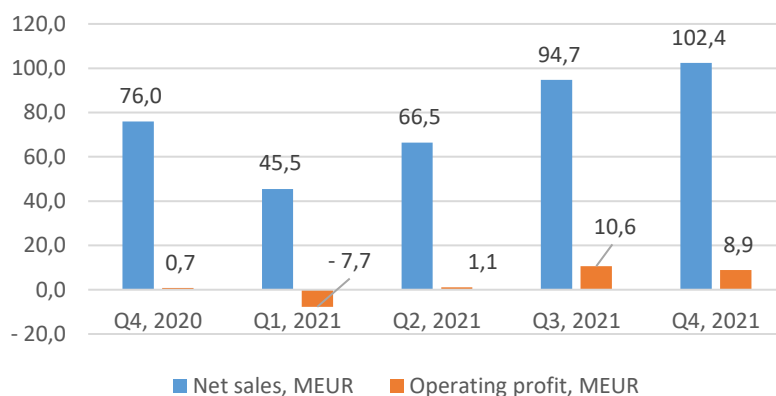
THE OPERATION

Net sales and operating result per segment

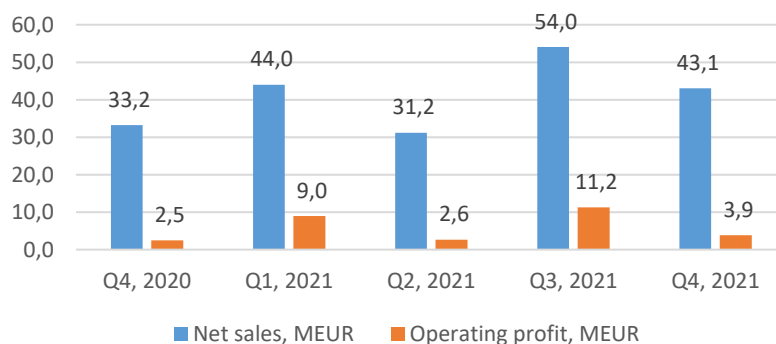
Brands



Frilufts



Global sales



FINANCIAL REPORT

CONSOLIDATED INCOME STATEMENT	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
MEUR	2021	2020	2021	2020
Net sales	196,5	147,7	649,9	563,0
Other operating income	3,1	4,0	8,3	8,5
Total income	199,6	151,7	658,2	571,5
Cost of goods	-81,5	-62,5	-271,0	-241,6
Other external expenses	-49,0	-35,9	-132,8	-109,2
Personnel expenses	-36,6	-31,1	-119,3	-108,6
Depreciation/amortisation	-14,6	-15,9	-51,5	-48,9
Result from participations in joint ventures	0,2	-0,1	0,8	0,2
Other operating expenses	-0,4	-1,1	-0,7	-2,4
Operating expenses	-182,0	-146,6	-574,4	-510,4
Operating profit	17,6	5,1	83,9	61,1
Financial income	0,2	-0,4	0,9	0,1
Financial expenses	-0,7	-4,1	-3,0	-7,7
Profit before tax	17,1	0,6	81,7	53,5
Income tax	-5,3	-3,8	-25,1	-19,6
Net profit for the period	11,7	-3,2	56,7	33,9
Net profit for the period attributable to:				
Parent Company's shareholders	11,3	-3,3	56,2	33,6
Non-controlling interests	0,5	0,1	0,5	0,3
Earnings per share after and before dilution, EUR	0,88	-0,23	4,25	2,54
Weighted average of outstanding shares, B, thousands	10 940	10 940	10 940	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

Consolidated Statement of Comprehensive Income	3 months		12 months	
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
	2021	2020	2021	2020
MEUR				
Net profit for the period	11,7	-3,2	56,7	33,9
Not to be reclassified in the income statement in the future				
Remeasurements of post employment benefit obligations	0,4	-0,2	0,4	-0,2
Taxes	-0,1		-0,1	
To be reclassified to the income statement in the future				
Change in translation reserve during the period	0,1	4,2	0,7	2,2
Hedge accounting	-0,1	-0,1		-0,1
Total other comprehensive income for the period	0,2	3,9	1,0	1,9
Total comprehensive income for the period	12,0	0,7	57,7	35,8
Total comprehensive income attributable to:				
Parent Company's shareholders	11,5	0,6	57,2	35,5
Non-controlling interests	0,5	0,1	0,5	0,3

FINANCIAL REPORT

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, MEUR	31 Dec 2021	31 Dec 2020
Assets		
Non-current assets		
Intangible fixed assets	49,6	38,1
Tangible fixed assets	74,1	70,6
Right-of-use assets	125,0	127,5
Other non-current assets	16,5	18,8
Total non-current assets	265,2	255,0
Current assets		
Inventories	152,2	153,8
Accounts receivable trade and other receivables	60,2	45,3
Prepaid expenses and accrued income	6,9	6,5
Cash and cash equivalents	181,9	191,1
Total current assets	401,2	396,7
Total assets	666,4	651,7
Equity and liabilities		
Equity and reserves attributable to the Parent Company's shareholders	381,4	353,7
Non-controlling interest	0,0	0,1
Total equity	381,4	353,8
Liabilities		
Non-current liabilities		
Other non-current liabilities	15,6	16,8
Lease liabilities	99,3	102,8
Interest bearing liabilities	27,0	36,0
Total non-current liabilities	141,9	155,6
Current liabilities		
Other current liabilities	74,4	61,1
Lease liabilities	28,6	26,3
Interest bearing liabilities	9,1	30,2
Accrued expenses and deferred income	31,0	24,7
Total current liabilities	143,1	142,3
Total equity and liabilities	666,4	651,7

FINANCIAL REPORT

Statement of changes in Equity MEUR	Share capital	Other contributed capital	Cash flow hedge reserve	Foreign currency translation reserve	Treasury shares *)	Retained earnings	Total	Non-controlling interest	Total Equity
01-01-2020	12,4	39,8	0,1	-5,5	-10,2	282,5	319,1	0,1	319,3
Net Profit for the period						33,6	33,6	0,3	33,9
Other comprehensive income for the period			-0,1	2,2		-0,2	1,9		1,9
Total comprehensive income for the period			-0,1	2,2		33,4	35,5	0,3	35,8
Transactions with non-controlling interest						0,3	0,3	-0,3	0,0
Transfer of cash flow hedge reserve to inventories			-1,2				-1,2		-1,2
31-12-2020	12,4	39,8	-1,3	-3,3	-10,2	316,3	353,7	0,1	353,8
01-01-2021	12,4	39,8	-1,3	-3,3	-10,2	316,3	353,7	0,1	353,8
Net Profit for the period						56,2	56,2	0,5	56,7
Other comprehensive income for the period				0,7		0,3	1,0		1,0
Total comprehensive income for the period				0,7		56,5	57,2	0,5	57,6
Transactions with non-controlling interests **)				-0,1		-0,5	-0,6	-0,6	-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			2,6				2,6		2,6
31-12-2021	12,4	39,8	1,3	-2,7	-10,2	340,8	381,4	0,0	381,4

*) 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.

FINANCIAL REPORT

Consolidated statement of cash flows

MEUR	Jan-Dec 2021	Jan-Dec 2020
OPERATING ACTIVITIES		
Net profit for the period	56,7	33,9
Income tax	25,1	19,6
Financial result net	2,1	7,6
Depreciation for right-of-use assets	31,4	28,0
Depreciation/amortisation tangible and intangible assets	20,0	21,3
Adjustment for non cash items	0,0	-1,4
Interest received	-0,3	0,2
Interest paid	-3,0	-2,6
Income tax paid	-14,4	-18,2
Cash flow from operating activities before changes in working capital	117,6	88,5
Change in inventories	3,3	6,4
Change in operating receivables	-19,6	7,7
Change in operating liabilities	17,2	7,4
Cash flow from operating activities	118,5	110,0
INVESTING ACTIVITIES		
Purchase of intangible fixed assets	-8,0	-5,5
Purchase of tangible fixed assets	-16,4	-15,7
Sale of tangible fixed assets	0,4	
Dividend from joint ventures	1,3	
Acquisition of subsidiaries, net of cash acquired	-11,4	-0,4
Sale of business (net of cash) *)	0,4	
Settlement of loans	-0,6	
Increase in financial assets	-0,1	
Cash flow from investing activities	-34,4	-21,5
FINANCING ACTIVITIES		
Increase in borrowings		45,4
Repaid borrowings	-30,4	-0,3
Acquisition of non-controlling interests		-0,1
Payment of lease liabilities	-31,6	-26,1
Changes other long term liabilities	-1,1	
Dividends paid	-31,4	
Cash flow from financing activities	-94,5	18,9
Change in cash and cash equivalents	-10,4	107,4
Cash and cash equivalents at beginning of year	191,1	88,9
Effect of exchange rate differences on cash and cash equivalents	1,2	-5,2
Cash and cash equivalents at period-end	181,9	191,1

*) The minor amount for sold operations represent the paid part of the divested Brunton operation.

Notes to the financial report

Note 1 Accounting principles

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

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

Note 2 Right of use assets

The Group has decided not to treat Rent Concessions as contract modifications from beginning of year 2020. During 2021 the Group has recorded MEUR 0,7 (MEUR: 2,1) of rent concessions received as a reduction of expenses in the income statement. The amount is recognized in profit or loss for the reporting period to reflect changes in lease payments that arise from rent concessions to which the lessee has applied the practical expedient in paragraph 46A of IFRS 16.

31.12.2021, MEUR	Brands	Frilufts	Global sales	Common	Total	31.12.2020, MEUR	Brands	Frilufts	Global sales	Common	Total
Right-of use assets	22,7	98,2	2,1	1,9	125,0	Right-of-use assets	22,1	101,5	1,8	2,1	127,5
Lease liabilities	-24,6	-99,4	-2,0	-1,9	-127,8	Lease liabilities	-23,3	-102,1	-1,7	-2,0	-129,1

	Brands	Frilufts	Global sales	Common	Total		Brands	Frilufts	Global sales	Common	Total
Depreciation	-7,6	-21,7	-1,1	-1,1	-31,4	Depreciation	-7,2	-19,1	-0,8	-0,9	-28,0
Interest cost	-0,5	-1,6			-2,2	Interest cost	-0,7	-1,4			-2,1

Note 3 Exchange rates

	Average rate		Balance sheet closing rate	
	2021	2020	2021	2020
SEK/EUR	10,1562	10,4815	10,2503	10,0343
CHF/EUR	1,0794	1,0707	1,0331	1,0802
USD/EUR	1,1808	1,1441	1,1326	1,2271
SEK/CHF	9,4094	9,7898	9,9219	9,2893

Note 4 Risks and Covid-19

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

Note 5 Hedge accounting

	2021-12-31	2020-12-31
Market value, TEUR	1 370	-1 913
FX Forwards		
Purchased TUSD	47 200	34 700
Sold TEUR	40 175	30 087
Rate	1,175	1,153
Purchased TUSD	1 500	-
Sold TNOK	13 049	-
Rate	8,699	-

Note 6 Segment reporting – sales and operating result

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

	Brands		Frilufits		Global sales		Common		Group	
	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
External sales, MEUR	51,1	38,4	102,4	76,0	43,1	33,3			196,5	147,7
EBITDA, MEUR	10,7	9,0	17,5	8,5	4,6	3,1	-0,6	0,4	32,3	21,0
Operating profit, MEUR	8,0	6,1	8,9	0,7	3,9	2,5	-3,1	-4,2	17,6	5,1

	Brands		Frilufits		Global sales		Common		Group	
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
External sales, MEUR	168,5	149,4	309,0	264,0	172,4	149,6			649,9	563,0
EBITDA, MEUR	63,3	61,3	41,0	22,7	29,2	26,6	1,9	-0,7	135,3	110,0
Operating profit, MEUR	52,0	50,5	12,9	-1,6	26,7	24,4	-7,7	-12,1	83,9	61,1
Number of Stores	38	41	95	81	32	28			165	150
of which are franchise			2	2					2	2
Non-current assets	52,7	49,5	143,5	137,2	13,3	13,1	55,7	54,4	265,2	254,2
Cap. Expenditures	3,9	5,5	7,0	5,9	1,3	1,0	12,2	8,8	24,4	21,2

External sales per market, MEUR	Brands		Frilufts		Global sales		Common		Total	
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Switzerland					10,6	12,7			10,6	12,7
Sweden	17,6	14,0	80,3	64,0					97,9	78,0
Other Nordic countries	2,5	1,7	60,0	50,7	40,4	33,8			102,9	86,2
Germany	53,6	56,1	159,0	147,9					212,6	204,0
Benelux	16,2	14,6	0,3	0,3	8,9	5,8			25,4	20,7
Other Europe	14,8	17,8	9,4	1,1	34,8	34,2			59,0	53,1
Americas	61,7	44,4			41,0	33,8			102,7	78,2
Other World	2,1	0,8			36,7	29,3			38,8	30,1
Total	168,5	149,4	309,0	264,0	172,4	149,6	0,0	0,0	649,9	563,0

Note 7 Outstanding options from acquisitions

From the acquisition of the Taiwanese distributor, Fenix Outdoor International AG has a right and an obligation through a put and call arrangement, where the price is based on a profit multiple, to acquire the remaining 30% of the company. The exercise period starts on 30 June 2022 and ends 30 June 2027. The present value of the redemption is recognized as a liability for the amount of MEUR 1,8 and valued at each quarter closing.

Fenix Outdoor International AG acquired 2017 Alpen International. The agreement from 2017 includes put/call arrangements for the 25% non-controlling interests, exercisable in the period between 2020 and 2029 whereof 16,8 % were exercised in June 2020. The present value of the redemption amount is recognized as a short-term liability for the amount of MEUR 0,4 and the non-controlling interests are derecognized. The position is valued at each quarter closing.

The periods change of option liabilities 1,2 MEUR are recognized in equity. Future changes in the options liabilities will be recognized in equity.

Note 8 Acquisition of Trekitt and sale of the Brunton operation

Trekitt

In August 2021, Friluft Retail Europe AB, a subsidiary of Fenix Outdoor International AG, acquired the UK outdoor retail specialist Trekitt. Trekitt provides top quality equipment and clothing for mountaineers, hill walkers, climbers and travelers. The consideration amounted to MEUR 11,8 and net cash acquired of MEUR 0,4 resulted in a cash outflow of MEUR 11,4 and settlement of loans of MEUR 0,6. The acquisition resulted in a preliminary goodwill position of MEUR 10,2 and is not expected to be tax deductible. Transaction costs amounted to MEUR 0,2 and have been recognized as expenses.

MEUR	
Tangible Fixed Assets	0,7
Right-of-use assets	0,1
<hr/> Total Fixed assets	<hr/> 0,8
Inventories	2,8
Short Term receivables	0,1
Cash and cash equivalents	0,4
<hr/> Total Current assets	<hr/> 3,4
<hr/> Total Assets	<hr/> 4,2
Loans	0,8
Lease liabilities	0,1
Other liabilities	1,7
<hr/> Total liabilities	<hr/> 2,6
<hr/> Purchased net assets	<hr/> 1,6
<hr/> Preliminary Goodwill arising on acquisition	<hr/> 10,2
<hr/>	
Payment	-11,8
Purchased cash and cash equivalents	0,4
<hr/> Cash outflow	<hr/> -11,4

Brunton Operations

Brunton Outdoor Incs' operation has included both Brunton and Primus operation. In November 2021, the Brunton operation was divested from Brunton Outdoor Inc. Brunton Outdoor Inc still runs Primus operation.

The sales price of the Brunton Operation was set close to booked value of fixed assets and inventory and had therefore no considerable effect on the result. The sales price was divided in an immediately payment of MEUR 0,4 and a long term receivable of MEUR 0,8.

Note 9 Events after period closing

No significant events after period close are noted.

Note 10 Transactions with related parties

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

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Zug, February 9, 2022

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

Calendarium

Q1 report, April 27th, 2022
Annual General Meeting April 27th, 2022

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 2022 at 15 30.

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