

# FENIX OUTDOOR INTERNATIONAL AG

## Interim condensed consolidated financial statement for the period ended 30 June 2021

### Second quarter 2021-04-01 – 2021-06-30

- The total income of the Group was TEUR 130 410 (TEUR: 103 644), an increase of 25,8%.
- The EBITDA of the Group was TEUR 19 210 (TEUR: 14 751).
- The operating profit of the Group was TEUR 7 271 (TEUR: 3 774).
- The profit before tax of the Group was TEUR 5 018 (TEUR: 763).
- The profit after tax of the Group was TEUR 2 783 (TEUR: 329).
- Earnings per share amounted to EUR 0,21 (EUR: 0,02).

### Period 2021-01-01 – 2021-06-30

- The total income of the Group was TEUR: 258 534 (TEUR: 232 926), an increase of 11,0%.
- The EBITDA of the Group was TEUR: 45 329 (TEUR: 32 436).
- The operating profit of the Group was TEUR 21 801 (TEUR: 10 553).
- The profit before tax of the Group was TEUR 20 706 (TEUR: 9 701).
- The profit after tax of the Group was TEUR 12 417 (TEUR: 4 741).
- Earnings per share amounted to EUR 0,93 (EUR: 0,35).

### Events after period closing

Except for the ongoing Covid-19 uncertainty no significant events after period close are noted.

### Extra Dividend

The Board will invite to an Extra General Meeting and propose for an extra dividend of 9,00 SEK per B-Share and 0,9 SEK per A-Share.

### Repurchase of own shares

As per 2021-06-30 the company holds 119 598 B-shares representing 0,89% of capital.

This report contains information which Fenix Outdoor International AG is obliged to publish under the EU Market Abuse Regulation rules. The information was provided by the contact person stated below, for publication July 23 2021 at 08:00.

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

### Content

### Page

### Financial information

### CALENDARIUM FINANCIAL INFORMATION

Executive Chairman	2-6
The operation	8-11
Financial reports	12-16
Notes	17-20

Actual financial information is available at [www.fenixoutdoor.se](http://www.fenixoutdoor.se) under "Finansiellt"

Q3 report, October 27, 2021

# COMMENTS BY THE EXECUTIVE CHAIRMAN

## Continued recovery, but effects remain.

We have now ended our sixth quarter of our pandemic effected business and it is still unclear where we will end up. As I predicted, after Q1 the German market has been slower in recovering as well as the Benelux area. This has affected our business in a negative way for the whole quarter. Especially the delayed opening in Germany has affected us. Surprisingly enough it has affected the brands business more than our retail business. This is related to the fact that there were a lot of retail customers in the brand business that have been hurt more this year. This due to the much longer and tougher restrictions and due to their often more limited ability to compensate their brick-and-mortar business with digital business. We have to remember that last year the full closure in Germany was about six weeks and this year it ran from January until end of May. This meant a slower recovery than anticipated and given that this is our largest market it also had a significant effect on our total performance. Almost all other markets showed significant improvement, in many cases back to 2019 levels.

This means that in spite of this delayed improvement in Germany we showed significant growth in sales compared to last year. The external net sales for wholesale (Brands and Global sales) were 62,3 MEUR (43,7 MEUR) up 43%. Friluft was up 15%. Due to more brick-and-mortar shops being open we saw a return of customers to the shops in a higher degree which means that the growth of our digital sales was slower, now down to only 30%

In terms of profitability, we need to keep in mind that last year our cost base was different due to the fact that we focused much more on survival, e.g., cash flow and cost. We now have entered a more normal cost base, e.g., marketing expenditure and investments. Given the circumstances in some of our key markets, we did however increase our operating profit to 7,3 MEUR from 3,8 MEUR. Our gross margin was affected in a negative way from an increase in transport costs and from a change in product mix to products with slightly lower margins.

### Brands

Our Brands segment had sales of 31,1 MEUR compared to last year's 22,5 MEUR. Sales showed a growth, even though we saw a slower recovery in some countries due to shop closures in key markets like Germany and the Benelux. In June we did however see a stronger recovery in these markets. This has continued in July. The sales were also affected by a certain shortage of goods due to a higher-than-expected demand for items such as shoes and trousers. Profitability was affected negatively by the product mix as well as substantially

higher transportation costs. The digital direct consumer sales also still showed growth, which to some degree improved the margin and lead to increased operating profits compared to last year.

## **Global Sales**

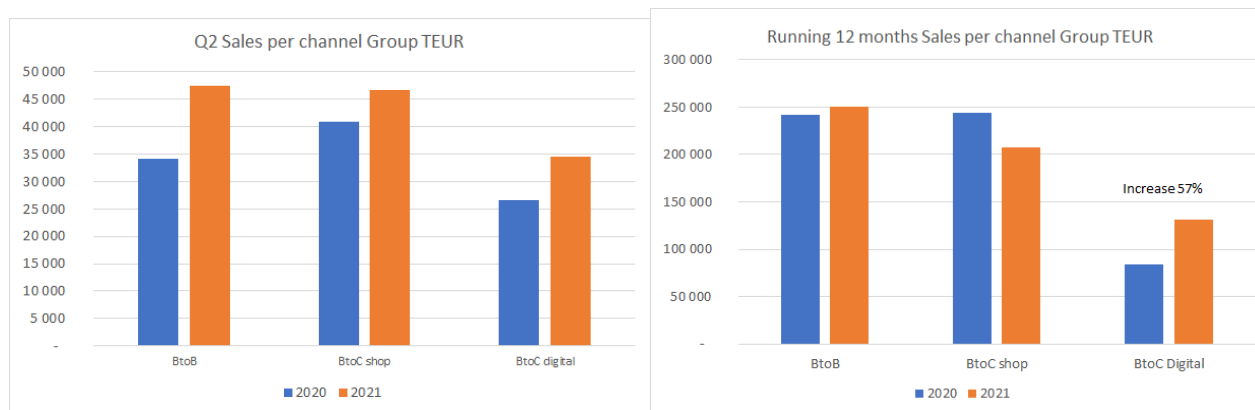
The European part of Global sales was hit by some of the same effects as Brands with sales of 20,6 MEUR (14,2 MEUR). The effects were lower as Global sales only were hit by the delayed openings in the Benelux. In total Global sales increased from 21,2 MEUR to 31,2 MEUR. The operating profit showed an increase from 1,1 MEUR to 2,6 MEUR.

## **Frilufts**

Our Frilufts operation had a reasonable recovery, but very different between markets. On the negative side we still had closures in Germany. On the positive side the Nordics continued their improvement in April and May and the opening in Germany meant that June was a record month in June sales for Frilufts, beating last year's record numbers. This in spite of the hot weather in the Nordics, which made sales slower. We also suffered from some shortage of goods from many suppliers facing transport problems. An interesting observation was that we did increase our sales in the quarter in general, but as customers got more used to go outside, we saw a migration of customers from the web back to the physical stores. This means that the growth in web sales is decreasing the closer we get to some kind of normal whereas a recovery in brick and mortar looks positive right now. Our operating profit in Frilufts was down from 1,8 MEUR to 1,1 MEUR, but we also need to keep in mind that the result was better than in 2019, which was normal. It is also to note that the digital sales showed a quarter-to-quarter growth of 26% and a running 12-month growth of 65%. In the last quarter digital sales represented 38% (35%) of total sales. On a 12-month running basis it represented 35% (22%). Brick and mortar were up 8% on the quarter, but down 16% on the running 12 months.

## **North America**

We are seeing continuing improvement in the North American operation, especially our direct-to-consumer sales are improving (shops and digital). The most positive and also promising development in the American markets is that we are almost back to 2019 sales with one very important difference. Due to schools having been closed the worst hit product group have been light backpacks, not only for kanken but for the whole market. This means that the structure of our product mix is completely different in 2021 than it was in 2019. We have seen growth in some product groups up to 200% while losing substantial sales in the light backpack segment. This means our product mix is much healthier and sustainable long term as well as a great opportunity for recovery and increased sales when the light backpack market recovers.



## Digital

Our total consumer digital business continued to grow and in Q2 it grew by 30% compared to last year. In Q2 it stood for 27% (27%) of our total sales and 43% (39%) of our direct-to-consumer sales. On a rolling 12-month basis Frilufths digitals sales amounts to an estimated 131,5 MEUR (83,7 MEUR). We do believe that we will see a monetary growth in this going forward once the markets have settled, but as a proportion of sales we initially expect a decrease as all brick-and-mortar retailers including Frilufths recover. The exception is our direct-to-consumer sales within the Brands and Global sales divisions where we expect the digital sales to continue to grow. The growth was 43% for the quarter and 39% for the running 12 months.

## Q3 sales

In terms of our expectations for Q3 I would like to mention that we do have a healthy order book in Brands and Global Sales. This means it looks promising, but we also have to consider the possibility of further Pandemic problems. We also hope, but are not counting on, a recovery in the light backpack market especially in North America, which would be a nice bonus if it happened. There are however some threats/major problems right now in the production/shipping situation from Asia. For our Brands/Global Sales divisions the current delivery situations looks OK. There is a certain risk that some delays will occur, thereby hopefully only pushing sales into early Q4. It also means we have had to pay more for transports, which could have a small effect on the gross margin. We have however decided that customer service is more important than squeezing the last cent out of the margin. We therefor believe we are in a good position compared to many competitors. For Frilufths the situation seems to be going back to normal if no further restrictions limit the operations.

## Going forward

We are always trying to reinvent ourselves. In the current situation even more so. We have already increased our investments in our digital operations and we will continue. We are also looking into how to become faster in every area of our business and one decision we have taken is that we will make a limited expansion backwards in the value chain. This means we will aim to re-enter production; we aim to either acquire or start production units closer to our main markets initially Europe and North America. We aim to enable us to manufacture 10-20% of our products ourselves in these areas. The reasons we want to do that is that:

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

We believe these reasons are valid and would make up for some of the increased production costs. We hesitate to say when we will achieve this, but our goal is ASAP. We are convinced that our business model has worked so far and especially during the pandemic, but we also have to question. Will it also work in the new normal? There are some major change projects in the works, all over the group, to enable us to become faster in a market that moves faster than ever.

We are also looking at acquisitions, but given the so called “outdoor trend” and low interest rates it has become very hard to achieve reasonable prices, especially as I believe the outdoor trend is far from as big as anticipated. Last year brought a lot of new customers to our business, the question is how many of those were a one-time wonder who went outdoor because it was the “only game in town” due to regulations and availability. We/I have seen this before when outdoor products became fashion items, one example was shortly after we acquired Naturkompaniet in Sweden and ended up with a couple of thousand Gore Tex jackets in stock as they went out of fashion overnight. We also need to contemplate how all these things play out in the new digital world. So, our preliminary view is that we will approach it in the following way:

1. Stay true to our core values.
2. Making as sustainable products as possible and improve all the time.
3. Become faster and better in everything we do.

The Board has also decided to propose an extra dividend to completely compensate our shareholders for the dividend we withheld last year. Our financial position is such that it allows us and given the low interest rates, that prices of possible acquisitions might be prohibiting and that we almost pay for having cash to the banks. I know this sounds a bit pessimistic, but I am actually not pessimistic I/we are using this to look for opportunities. I strongly believe that we are in a position to really use the possible opportunities coming out of this, but it is always a balance of caution and action that will enable us to be successful. A strong balance sheet allows us to take risks and thereby capitalize on opportunities without risking too much.

I also 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 get through (hopefully finished by now) this pandemic.

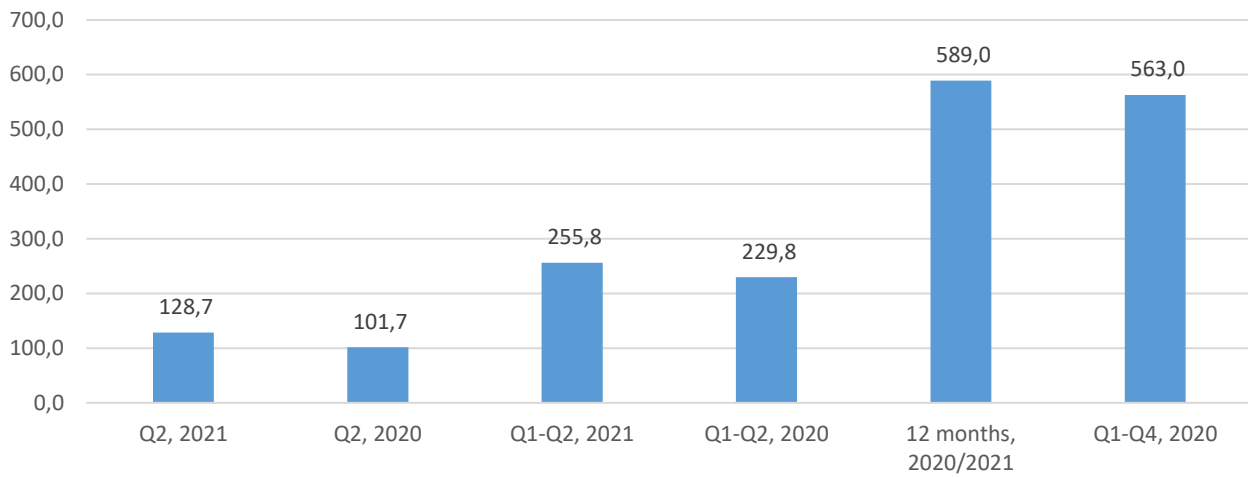
All the best

Martin Nordin

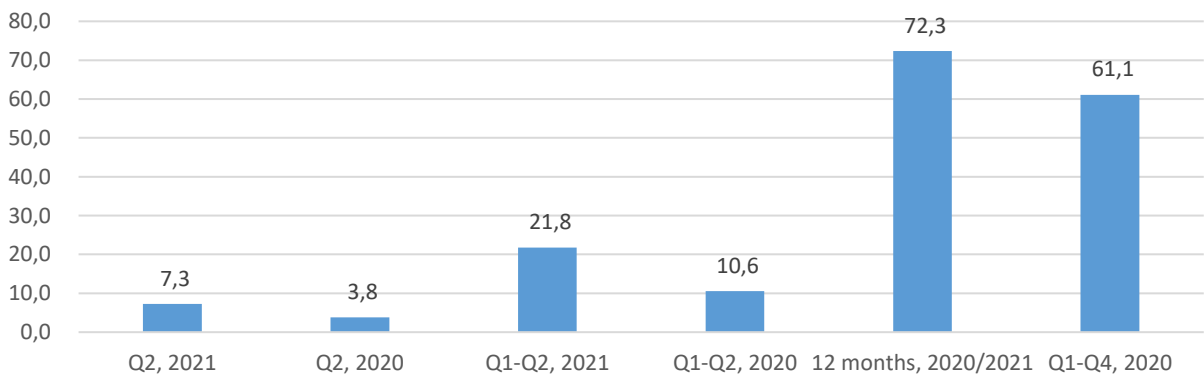
MEUR	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	July-June 2020/2021	Jan-Dec 2020
Net sales	128,7	101,7	255,8	229,8	589,0	563,0
EBITDA	19,2	14,8	45,3	32,5	122,9	110,0
Operating profit	7,3	3,8	21,8	10,6	72,3	61,1
Profit margin, %	5,6%	3,7%	8,5%	4,6%	12,3%	10,9%
Profit before tax	5,0	0,8	20,7	9,7	64,5	53,5
Net profit for the period	2,8	0,3	12,4	4,7	41,5	33,9
Earnings per share, EUR *)	0,21	0,02	0,93	0,35	3,11	2,54
Solvency rate, %			57,6%	56,1%		54,3%

\*) Earnings per share are calculated on outstanding shares.

### Net sales, MEUR



### Operating profit, MEUR



# THE OPERATION

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

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

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

## Second quarter 2021-04-01 – 2021-06-30

	Brands		Friluftts		Global sales		Common		Group	
	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
External sales, MEUR	31,1	22,5	66,5	58,0	31,2	21,2			128,7	101,7
EBITDA, MEUR	6,7	5,4	7,6	7,4	3,2	1,6	1,7	0,3	19,2	14,8
Operating profit, MEUR	4,3	2,6	1,1	1,8	2,6	1,1	-0,7	-1,8	7,3	3,8

External sales per market	Brands		Friluftts		Global sales		Common		Total	
	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Switzerland					1,8	1,8			1,4%	1,8%
Sweden	3,7	3,0	16,6	12,9					15,8%	15,6%
Other Nordic countries	0,5	0,4	12,8	10,4	7,3	6,9			16,0%	17,4%
Germany	8,8	8,3	36,1	34,4					34,9%	42,0%
Benelux	3,4	1,9	0,1	0,1	3,4	0,8			5,4%	2,8%
Other Europe	2,5	2,5	0,9	0,2	5,0	3,0			6,5%	5,6%
Americas	11,6	6,3			6,6	3,4			14,1%	9,5%
Other World	0,6	0,1			7,1	5,3			6,0%	5,3%
<b>Total</b>	<b>31,1</b>	<b>22,5</b>	<b>66,5</b>	<b>58,0</b>	<b>31,2</b>	<b>21,2</b>	<b>0,0</b>	<b>0,0</b>	<b>100%</b>	<b>100%</b>

## Period 2021-01-01 – 2021-06-30

	Brands		Friluftts		Global sales		Common		Group	
	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
External sales, MEUR	68,6	61,7	112,0	106,0	75,2	62,1			255,8	229,8
EBITDA, MEUR	24,2	23,0	6,3	1,2	12,8	9,0	2,1	-0,8	45,3	32,5
Operating profit, MEUR	19,3	17,6	-6,7	-9,6	11,6	7,8	-2,5	-5,3	21,8	10,6
Number of Stores	38	37	87	81	28	24			153	142
of which are franchise			2	1					2	1
Fixed assets	47,1	52,3	138,2	132,9	13,7	11,8	56,4	55,7	255,4	252,8
Cap. Expenditures, net	2,0	3,9	3,5	2,7	0,5	0,6	7,2	3,5	13,2	10,7



External sales per market	Brands		Friluft		Global sales		Common		Total	
	Jan-June 2021	Jan-June 2020	Jan-June 2021	Jan-June 2020	Jan-June 2021	Jan-June 2020	Jan-June 2021	Jan-June 2020	Jan-June 2021	Jan-June 2020
Switzerland	7,4	5,7	31,7	22,4	5,9	5,7			2,3%	2,5%
Sweden									15,3%	12,2%
Other Nordic countries	1,0	0,6	23,4	18,5	18,2	14,0			16,7%	14,4%
Germany	24,0	25,3	55,2	64,5					31,0%	39,1%
Benelux	7,3	6,0	0,1	0,1	5,9	3,2			5,2%	4,0%
Other Europe	5,8	6,3	1,6	0,5	14,5	13,9			8,6%	9,0%
Americas	22,3	17,3			13,9	12,0			14,2%	12,8%
Other World	0,8	0,5			16,8	13,3			6,9%	6,0%
<b>Total</b>	68,6	61,7	112,0	106,0	75,2	62,1	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 have decided to include it as an alternative key figure

# THE OPERATION

## Brands

		2021 (2020)		2021 (2020)
External net sales	Q2	31,1 (22,5) + 38,1%	Q1-Q2	68,6 (61,7) + 11,2%
Operating profit	Q2	4,3 (2,6)	Q1-Q2	19,3 (17,6)

Good growth during the quarter even though negatively affected by the close downs in Germany until May. Compared to last year Brands is back on a more normal cost base. Profitability was also affected negatively by the product mix as well as substantially higher transportation cost.

## Frilufts

		2021 (2020)		2021 (2020)
External net sales	Q2	66,5 (58,0) + 14,6%	Q1-Q2	112,0 (106,0) + 5,7%
Operating result	Q2	1,1 (1,8)	Q1-Q2	-6,7 (-9,6)

The Frilufts operation had a reasonable recovery, but very different between the markets. On the negative side closures in Germany. On the positive side the Nordics continued their improvement in April and May. The June opening in Germany meant that June become a record month for Frilufts, beating last year's sales numbers, which was the old all time high. Also Frilufts are back to a more normal cost base compared to last year.

## Global sales

		2021 (2020)		2021 (2020)
External net sales	Q2	31,2 (21,2) + 47,1%	Q1-Q2	75,2 (62,1) + 21,1%
Operating result	Q2	2,6 (1,1)	Q1-Q2	11,6 (7,8)

Good growth in most markets. Gross margin slightly effected by different product mix, as for Brands.

## Common, Liquidity and financial standing

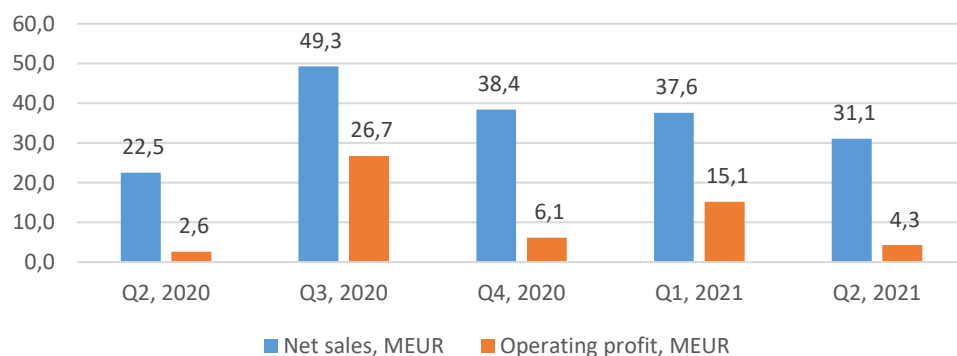
		2021 (2020)		2021 (2020)
Operating profit	Q2	-0,7 (-1,8)	Q1-Q2	-2,5 (-5,3)

The Group's financial position remains very strong. Consolidated cash and cash equivalents amounted to MEUR 133,3 (MEUR: 84,4) per the end of the period. The Group's interest-bearing liabilities amounted to MEUR 40,7 (MEUR: 22,1). Lease liabilities amounted to MEUR 125,6 (MEUR: 127,8). Consolidated equity attributable to shareholders was MEUR 347,3 (MEUR: 322,4), corresponding to a solvency rate of 57,6% (56,1%).

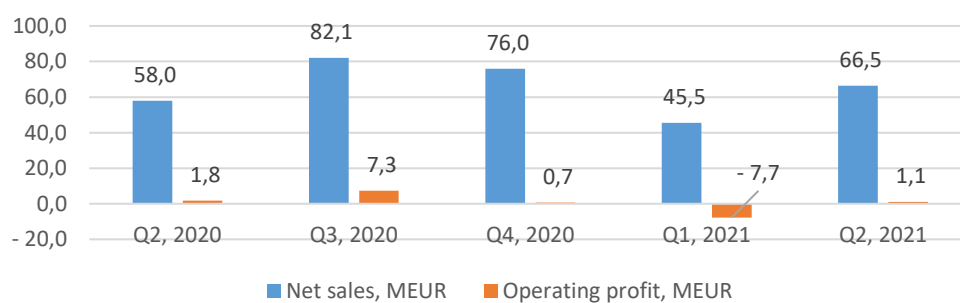
# THE OPERATION

## Net sales and operating result per segment

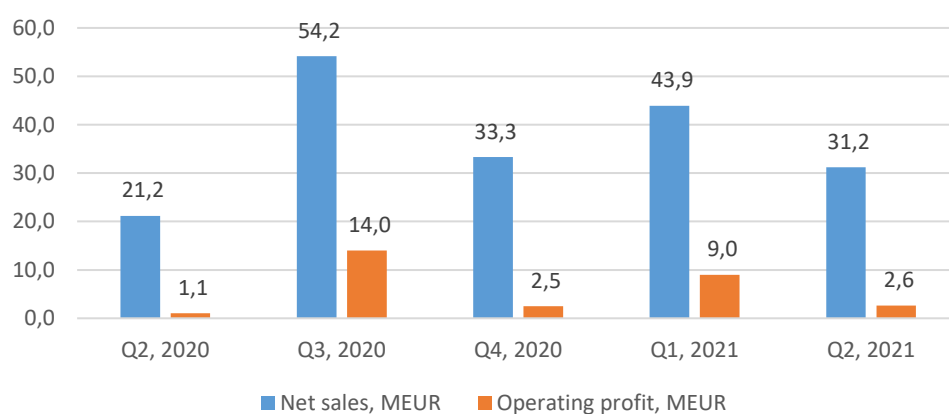
### Brands



### Friluftsliv



### Global sales



# FINANCIAL REPORT

CONSOLIDATED INCOME STATEMENT MEUR	3 months		6 months		12 months	
	Apr-June	Apr-June	Jan-June	Jan-June	Juli-June	Jan-Dec
	2021	2020	2021	2020	2020/2021	2020
Net sales	128,7	101,7	255,8	229,8	589,0	563,0
Other operating income	1,7	1,9	2,7	3,1	8,1	8,5
<b>Total income</b>	<b>130,4</b>	<b>103,6</b>	<b>258,5</b>	<b>232,9</b>	<b>597,1</b>	<b>571,5</b>
Cost of goods	-54,9	-45,7	-108,8	-100,0	-250,4	-241,6
Other external expenses	-28,4	-20,4	-50,8	-49,2	-110,8	-109,1
Personnel expenses	-27,9	-22,3	-53,9	-50,6	-112,0	-108,6
Depreciation/amortisation/impairment	-11,9	-11,0	-23,5	-21,9	-50,5	-48,9
Result from participations in associated companies	0,1	-0,1	0,5	-	0,7	0,2
Other operating expenses	-0,1	-0,3	-0,2	-0,6	-1,8	-2,4
<b>Operating expenses</b>	<b>-123,1</b>	<b>-99,8</b>	<b>-236,7</b>	<b>-222,3</b>	<b>-524,8</b>	<b>-510,4</b>
<b>Operating profit</b>	<b>7,3</b>	<b>3,8</b>	<b>21,8</b>	<b>10,6</b>	<b>72,3</b>	<b>61,1</b>
Financial income	-1,5	-2,4	0,4	0,4	0,2	0,1
Financial expenses	-0,8	-0,6	-1,5	-1,3	-8,0	-7,7
<b>Profit before tax</b>	<b>5,0</b>	<b>0,8</b>	<b>20,7</b>	<b>9,7</b>	<b>64,5</b>	<b>53,5</b>
Income tax	-2,2	-0,5	-8,3	-5,0	-23,0	-19,6
<b>Net profit/loss</b>	<b>2,8</b>	<b>0,3</b>	<b>12,4</b>	<b>4,7</b>	<b>41,5</b>	<b>33,9</b>
Net profit for the period attributable to:						
Parent Company's shareholders	2,5	0,3	12,2	4,7	41,5	33,6
Non-controlling interests	0,2	0,0	0,2	0,0	0,0	0,3
Earnings per share, EUR	0,21	0,02	0,93	0,35	3,11	2,54
Weighted average of outstanding shares, B, thousands	10 940	10 940	10 940	10 940	10 940	10 940
Weighted average of outstanding shares, A, thousands	24 000	24 000	24 000	24 000	24 000	24 000

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

Consolidated Statement of Comprehensive Income	3 months		6 months		12 months	
	Apr-June	Apr-June	Jan-June	Jan-June	Juli-June	Jan-Dec
	2021	2020	2021	2020	2020/2021	2020
<b>MEUR</b>						
<b>Net profit / loss</b>	2,8	0,3	12,4	4,7	41,5	33,9
Not to be reclassified in the income statement in the future						
Remeasurements of post employment benefit obligations					-0,2	-0,2
To be reclassified to the income statement in the future						
Change in translation reserve during the period	0,6	4,1	-0,2	-1,2	2,3	2,2
Hedge accounting	0,5				-0,1	-0,1
Taxes	-0,1					
<b>Total other comprehensive income for the period</b>	1,0	4,1	-0,2	-1,2	2,0	1,9
<b>Total comprehensive income for the period</b>	3,8	4,4	12,2	3,5	43,5	35,8
Total comprehensive income attributable to:						
Parent Company's shareholders	3,6	4,4	12,0	3,5	43,5	35,5
Non-controlling interests	0,2	0,0	0,2	0,0	0,0	0,3

# FINANCIAL REPORT

<b>CONSOLIDATED STATEMENT OF FINANCIAL POSITION, MEUR</b>	30 June 2021	30 June 2020	31 Dec 2020
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible fixed assets	39,1	39,7	38,1
Tangible fixed assets	73,4	69,6	70,6
Right-of-use assets	123,9	126,3	127,5
Other non-current assets	19,0	17,2	18,8
<b>Total non-current assets</b>	<b>255,4</b>	<b>252,8</b>	<b>255,0</b>
<b>Current assets</b>			
Inventories	152,2	177,2	153,8
Accounts receivable trade and other receivables	56,0	50,6	45,3
Prepaid expenses and accrued income	6,5	9,8	6,5
Cash and cash equivalents	133,3	84,4	191,1
<b>Total current assets</b>	<b>348,0</b>	<b>322,0</b>	<b>396,7</b>
<b>Total assets</b>	<b>603,4</b>	<b>574,8</b>	<b>651,7</b>
<b>Equity and liabilities</b>			
Equity and reserves attributable to the Parent Company's shareholders	347,3	322,4	353,7
Non-controlling interest	0,1	0,1	0,1
<b>Total equity</b>	<b>347,4</b>	<b>322,5</b>	<b>353,8</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Other non-current liabilities	17,3	15,8	16,8
Lease liabilities	98,8	101,5	102,8
Interest bearing liabilities	31,5	-	36,0
<b>Total non-current liabilities</b>	<b>147,6</b>	<b>117,3</b>	<b>155,6</b>
<b>Current liabilities</b>			
Other current liabilities	47,6	64,8	61,1
Lease liabilities	26,8	26,3	26,3
Interest bearing liabilities	9,2	22,1	30,2
Accrued expenses and deferred income	24,8	21,8	24,7
<b>Total current liabilities</b>	<b>108,4</b>	<b>135,0</b>	<b>142,3</b>
<b>Total equity and liabilities</b>	<b>603,4</b>	<b>574,8</b>	<b>651,7</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>01-01-2020</b>	<b>12,4</b>	<b>39,8</b>	<b>0,1</b>	<b>-5,5</b>	<b>-10,2</b>	<b>282,5</b>	<b>319,1</b>	<b>0,1</b>	<b>319,3</b>
Net Profit for the period						4,8	4,8	-	4,7
Other comprehensive income for the period				-1,2			-1,2	-	-1,2
Total comprehensive income for the period	-	-	-	-1,2	-	4,8	3,5	-	3,5
Transfer of cash flow hedge reserve to inventories			-0,3				-0,3	-	-0,3
<b>30-06-2020</b>	<b>12,4</b>	<b>39,8</b>	<b>-0,2</b>	<b>-6,7</b>	<b>-10,2</b>	<b>287,3</b>	<b>322,4</b>	<b>0,1</b>	<b>322,5</b>
<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						12,2	12,2	0,2	12,4
Other comprehensive income for the period				-0,2			-0,2	-	-0,2
Total comprehensive income for the period	-	-	-	-0,2	-	12,2	12,0	0,2	12,2
Transactions with non-controlling interests						0,2	0,2	-0,2	0,0
Put option, value change **)						-0,2	-0,2	-	-0,2
Dividends						-19,6	-19,6	-	-19,6
Transfer of cash flow hedge reserve to inventories			1,2				1,2	-	1,2
<b>30-06-2021</b>	<b>12,4</b>	<b>39,8</b>	<b>-0,1</b>	<b>-3,5</b>	<b>-10,2</b>	<b>308,9</b>	<b>347,3</b>	<b>0,1</b>	<b>347,4</b>

\*) As per 2021-06-30 the company owned 119 598 of own B-shares.

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

# FINANCIAL REPORT

<b>Consolidated statement of cash flows</b>	6 months		12 months
	Jan-June 2021	Jan-June 2020	Jan - Dec 2020
<b>MEUR</b>			
<b>OPERATING ACTIVITIES</b>			
Net profit for the period	12,4	4,7	33,9
Tax expense in income statement	8,3	5,0	19,6
Financial result net in income statement	1,1	0,9	7,6
Depreciation for right-of-use assets	14,0	12,9	28,0
Depreciation/amortisation tangible and intangible assets	9,6	9,0	21,3
Adjustment for non cash items	-4,1	-0,2	-1,4
Interest received	-0,2	0,4	0,2
Interest paid	-1,5	-1,3	-2,6
Income tax paid	-18,4	-8,8	-18,2
<b>Cash flow from operating activities before changes in working capital</b>	21,2	22,6	88,5
Change in inventories	1,7	-17,0	6,4
Change in operating receivables	-2,4	-0,9	7,7
Change in operating liabilities	-6,8	14,3	7,4
<b>Cash flow from operating activities</b>	13,7	19,0	110,0
<b>INVESTING ACTIVITIES</b>			
Purchase of intangible assets	-4,2	-2,8	-5,5
Purchase of tangible fixed assets	-9,0	-7,9	-15,7
Sale of tangible fixed assets		0,1	
Acquisition of subsidiaries, net of cash acquired		-0,3	-0,4
Change financial assets	-0,8	0,3	
<b>Cash flow from investing activities</b>	-14,0	-10,6	-21,5
<b>FINANCING ACTIVITIES</b>			
Borrowings			45,4
Repaid borrowings	-25,9	-0,1	-0,3
Acquisition of non-controlling interests			-0,1
Payment of lease liabilities	-13,1	-12,8	-26,1
Dividends paid	-19,6		
<b>Cash flow from financing activities</b>	-58,6	-12,9	18,9
Change in cash and cash equivalents	-58,9	-4,5	107,4
Cash and cash equivalents at beginning of year	191,1	88,9	88,9
Effect of exchange rate differences on cash and cash equivalents	1,1	0,0	-5,2
Cash and cash equivalents at period-end	133,3	84,4	191,1



# Notes to the financial report

## Note 1 Accounting principles

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

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

## Note 2 Right of use assets

The Group have decided not to treat Rent Concessions as contract modifications from beginning of year 2020. 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.

30.06.2021, MEUR	Brands	Frilufts	Global sales	Common	Total	30.06.2020, MEUR	Brands	Frilufts	Global sales	Common	Total
Right-of use assets	19,2	100,9	1,9	1,9	123,9	Right-of-use assets	24,9	96,5	2,2	2,7	126,3
Lease liabilities	-20,5	-101,5	-1,8	-1,8	-125,6	Lease liabilities	-26,2	-96,5	-2,2	-2,6	-127,6
	Brands	Frilufts	Global sales	Common	Total		Brands	Frilufts	Global sales	Common	Total
Depreciation	-3,1	-9,9	-0,4	-0,5	-14,0	Depreciation	-3,6	-8,4	-0,4	-0,4	-12,9
Interest cost	-0,3	-0,8	0,0	0,0	-1,1	Interest cost	-0,5	-0,6	0,0	0,0	-1,1

## Note 3 Exchange rates

	Average rate			Balance sheet closing rate		
	Jan - Jun 2021	Jan - Jun 2020	Jan - Dec 2020	2021-06-30	2020-06-30	2020-12-31
SEK/EUR	10,1474	10,6763	10,4815	10,1110	10,4948	10,0343
CHF/EUR	1,0969	1,0636	1,0707	1,0980	1,0651	1,0802
USD/EUR	1,2022	1,1030	1,1441	1,1884	1,1198	1,2271
SEK/CHF	9,2512	10,0378	9,7898	9,2086	9,8534	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. The costs increases for transportation remains. There are also still a risk of further pandemic challenges.

## Note 5 Hedge accounting

	2021-06-30	2020-06-30	2020-12-31
<b>Market value, TEUR</b>	-257	-583	-1 913
<b>FX Forwards</b>			
Purchased TUSD	27 200	30 500	34 700
Sold TEUR	22 926	27 194	30 087
Rate	1,186	1,122	1,153

## Note 6 Segment reporting – sales and operating result

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

	Brands		Frilufts		Global sales		Common		Group	
	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
External sales, MEUR	31,1	22,5	66,5	58,0	31,2	21,2			128,7	101,7
EBITDA, MEUR	6,7	5,4	7,6	7,4	3,2	1,6	1,7	0,3	19,2	14,8
Operating profit, MEUR	4,3	2,6	1,1	1,8	2,6	1,1	-0,7	-1,8	7,3	3,8

	Brands		Frilufts		Global sales		Common		Group	
	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
External sales, MEUR	68,6	61,7	112,0	106,0	75,2	62,1			255,8	229,8
EBITDA, MEUR	24,2	23,0	6,3	1,2	12,8	9,0	2,1	-0,8	45,3	32,5
Operating profit, MEUR	19,3	17,6	-6,7	-9,6	11,6	7,8	-2,5	-5,3	21,8	10,6
Number of Stores	38	37	87	81	28	24			153	142
of which are franchise			2	1					2	1
Fixed assets	47,1	52,3	138,2	132,9	13,7	11,8	56,4	55,7	255,4	252,8
Cap. Expenditures, net	2,0	3,9	3,5	2,7	0,5	0,6	7,2	3,5	13,2	10,7

External sales per market	Brands		Frilufts		Global sales		Common		Total	
	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Switzerland					5,9	5,7			5,9	5,7
Sweden	7,4	5,7	31,7	22,4					39,1	28,1
Other Nordic countries	1,0	0,6	23,4	18,5	18,2	14,0			42,6	33,1
Germany	24,0	25,3	55,2	64,5					79,2	89,8
Benelux	7,3	6,0	0,1	0,1	5,9	3,2			13,3	9,3
Other Europe	5,8	6,3	1,6	0,5	14,5	13,9			21,9	20,7
Americas	22,3	17,3			13,9	12,0			36,2	29,3
Other World	0,8	0,5			16,8	13,3			17,6	13,8
<b>Total</b>	<b>68,6</b>	<b>61,7</b>	<b>112,0</b>	<b>106,0</b>	<b>75,2</b>	<b>62,1</b>	<b>0,0</b>	<b>0,0</b>	<b>255,8</b>	<b>229,8</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 starts on 30 June 2022 and ends 30 June 2027. The present value of the redemption was recognized as a long-term liability for the amount of MEUR 0,9 and valued at each quarter closing.

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

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

## Note 8 Events after period closing

Except for the ongoing Covid-19 uncertainty no significant events after period close are noted.

## Note 9 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, July 23, 2021

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

**Alexander Koska**  
President

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