

# FENIX OUTDOOR INTERNATIONAL AG

## Interim condensed consolidated financial statement for the period ended 30 June 2020

### Second quarter 2020-04-01 – 2020-06-30

- The total income of the Group was TEUR 103 644 (133 461), a decrease of 22,3%.
- The EBITDA of the Group was TEUR 14 751 (22 445).
- The operating profit of the Group was TEUR 3 774 (11 541).
- The profit before tax of the Group was TEUR 763 (11 200).
- The profit after tax of the Group was TEUR 329 (7 562).
- Earnings per share amounted to EUR 0,02 (0,56).

### Period 2020-01-01 – 2020-06-30

- The total income of the Group was TEUR 232 926 (271 690), an decrease of 14,3%.
- The EBITDA of the Group was TEUR 32 436 (51 206).
- The operating profit of the Group was TEUR 10 553 (30 893).
- The profit before tax of the Group was TEUR 9 701 (31 919).
- The profit after tax of the Group was TEUR 4 741 (23 860).
- Earnings per share amounted to EUR 0,35 (1,77).

### Events after period closing and effect of Covid19

Except for the ongoing Covid19 effects no significant events after period closing are noted. The group is not presenting any forecast for the rest of the year. The situation is still unpredictable from many perspectives and any coming/continued “lock down” of markets will also affect sales locally. The group sees no risk for delayed deliveries of incoming Fall/Winter 2020 goods. For more information please read the “Chairman comments” in page 2.

### Repurchase of own shares

As per 2020-06-30 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 21 at 08 30, 2020.

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

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### Financial information

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

### CALENDARIUM FINANCIAL INFORMATION

Q3 report, October 29th, 2020

# COMMENTS BY THE CEO

## Halftime in the Covid-19 war

Q2 has been better than expected.

We entered Q2 with great caution and concern, with closed stores and a digital business that ended Q1 in a gloom. We started seeing a small retail recovery already in April through great increases in web sales, making up for quite a bit of lost sales in our brick and mortar stores. In May the improvement continued and was also supported by improved brick and mortar sales. Later in the month some markets like Germany and Scandinavia started showing some hope in Brands and Global sales as well. June turned in to a great sign of recovery for the European markets in general, in all our businesses. This meant that for June alone we showed **sales, in total, at last year's numbers and even like for like growth in some markets. It has been very evident** that our business model has been a real strength for us in a crisis like this and our management and employees have really stepped up and performed beyond the call of duty. I WANT TO TAKE THIS OPPORTUNITY TO THANK EVERYBODY FOR THEIR EFFORTS, UNDERSTANDING AND HARD WORK.

This quarter in my mind shows one of the best relative results we have ever shown given the circumstances. I am now so grateful for us having a bi annual process in which we update our emergency plan for crisis situations like this, which enabled us to, after adjustments to the specific situation, execute it directly in mid-March. This plan was based on assumptions that we would lose MEUR 16 in the quarter. We are actually delivering an EBIT of MEUR 3,7 instead, while losing MEUR 30 of sales and maintaining our investment in IT and digital business. From a cash position we are well ahead of the game. We have MEUR 84 in Cash available and a net cash position of MEUR 62, which is far higher than the plan made in March and better than 12 months ago. This has been achieved through our crisis plan, keeping costs and expenses under control focusing on sales channels actually open and recovering during the Covid 19 crisis.

Regions/Countries.

As we have already stated the recovery have been driven by Europe, with some exceptions like the hardly hit UK. Our Asia/Pacific business has performed really good. South Korea and Taiwan businesses are performing better than last year and the distribution business has shown a good performance. China is however slower in recovering and we do not expect our JV in China to contribute any profit to the group this year. The only region that is lagging in recovery is North America which is more worrisome, but we are seeing improvements. It is slower and later and given the current Covid 19 situation there it is still a cause for concern and the only country we are still having shops closed in, is in the US..I want to point out the North American team has done a great job, meaning that even though they did not reach the sales targets in our emergency plan they still were able to deliver a much better operative result than the emergency plan.

Digital.

One thing that has been and is key for us is the development of our digital business. The combined direct to consumer digital sales shows a growth of 79% in the quarter. Digital sales stood for 40% (LY 20%) of our direct consumer sales during the quarter, compared to last year 20%. Digital consumer sales stood for 26% (LY 11%) of the group's total sales up from 11% last year. We strongly believe that this has been at least a partial permanent shift which means a need to redesign part of our operations and that there is a need to increase the investment in skills, competencies as well in the organization.

What are we doing now?

We are cautiously bringing back personnel to our shops to maintain service in our retail store, as well as keeping them safe. We are partially and with great caution on a need basis opening our offices for work. We are continuing our strict cost control, but also have changed and will be changing some of our operations to better fit the "new normal". We have decided to restart our warehouse expansion in Ludwigslust, as this will enable us to centralize the distribution to consumers in this warehouse which is semi-automated to better handle the increased volumes, thereby supporting our digital business better. We are keeping a close eye on the Covid 19 development in our different markets, especially the North American development. We have

adjusted our purchasing and planning to enable us to minimize inventory risk and support our margin going into 2021.

The rest of the year and beyond.

We are not expecting that this is the end of the Covid 19 crisis. We do expect that the rest of the year will be hard. Uncertainties about the Covid 19 in the US is a major concern, as is the president election in the same country. There are also risks in the rest of the world concerning a second wave. Another concern is the general economy, what effects the crisis will have had and how long and when a real recovery will start. So far, the recovery has supported the hypothesis that our industry does have a countercyclical element to it, but if this carries into fall and beyond, we do not know yet. Another cause for concern is the development in the China US relationship as well the Hong Kong situation and the effect it will have on the supply chain.

What we do think we know is the following: Our business model is robust so far, the combination of brands and retail is good. There is a permanent shift from brick and mortar to digital and that this means a major shift in the development curve. Shops in traditionally AAA locations like Soho in New York, Munich and central Stockholm etc. where tourism and thereby wider exposure due to heavy traffic will need at least 24 months to recover, if ever. Indoor malls are also a cause for concern. This means that we have a couple of tasks to work on and invest in. Firstly, we will continue the expansion of our digital organization to capitalize on the shift as well as adjusting our brick and mortar operation to support this. We also need to renegotiate the rent at all relevant brick and mortar locations to save operational costs especially in the central locations and be opportunistic and close those shops that do not meet the new criteria, as we believe we are not alone in seeing this. We have already been able to achieve this in some key locations globally. Based on the Covid experience so far, we are assessing our supply chain risk aiming to lower the risk and making it more flexible as well as improving our CSR control even further.

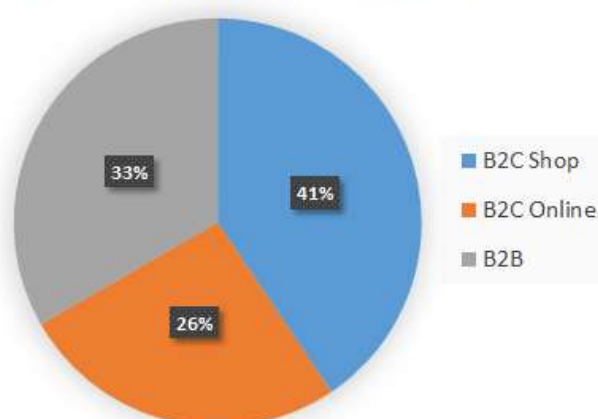
As always, we are continuing to look for opportunities in these troubled times.

Martin Nordin, Chairman

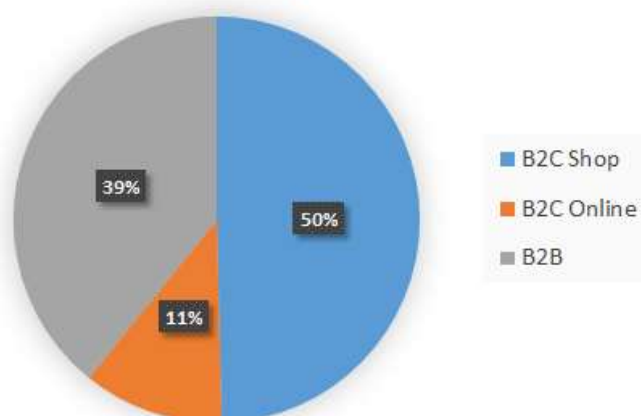
MEUR	Apr-Jun 2020	Apr-Jun 2019	Jan-Jun 2020	Jan-Jun 2019	May-Jun 2019/2020	Jan-Dec 2019
Net sales	101,7	132,0	229,8	268,1	568,8	607,1
EBITDA	14,8	22,5	32,5	51,2	109,3	128,0
Operating profit	3,8	11,6	10,6	30,9	64,6	84,9
Profit margin, %	3,7%	8,8%	4,6%	11,5%	11,4%	14,0%
Profit before tax	0,8	11,2	9,7	31,9	62,1	84,4
Net profit for the period	0,3	7,5	4,7	23,8	42,1	61,3
Earnings per share, EUR *)	0,02	0,56	0,35	1,77	3,13	4,57
Solvency rate, %			56,1%	57,8%		57,6%

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

Portion of sales per channel 2020 Q2



Portion of sales per channel 2019 Q2



# THE OPERATION

## Brands

		2020 (2019)		2020 (2019)
External net sales	Q2	22,5 (32,4) - 30,5%	Q1-Q2	61,7 (72,9) - 15,4%
Operating profit	Q2	2,6 (8,0)	Q1-Q2	17,6 (27,2)

The major part of sales drop is related to lower sales in North America, suffering longer from close down effects than the Northern Europe. The loss in profit has been limited by the cost saving program established for Q2.

## Frilufts

		2020 (2019)		2020 (2019)
External net sales	Q2	58,0 (67,6) - 14,3%	Q1-Q2	106,0 (123,1) - 13,9%
Operating profit	Q2	1,8 (0,6)	Q1-Q2	-9,6 (-3,8)

The loss in sales is limited to Germany. The Nordic retailers have been able to keep sales on LY year levels. The result is on same level as last year as a positive effect from the cost saving program, included governmental support for short term work, mainly in Germany.

## Global sales

		2020 (2019)		2020 (2019)
External net sales	Q2	21,2 (31,7) - 33,2%	Q1-Q2	62,1 (71,6) - 13,3%
Operating profit	Q2	1,1 (3,2)	Q1-Q2	7,8 (10,1)

Major drop in sales in North America and some “long time lock down” countries in Europe as UK. The loss in profit has been limited by the cost saving program established for Q2.

## Common, Liquidity and financial standing

		2020 (2019)		2020 (2019)
Operating profit	Q2	-1,8 (-0,1)	Q1-Q2	-5,3 (-2,6)

The higher loss for “Common services” is related to higher elimination of internal profit in stock and some major projects related to the streamline of different processes within the group. The Group's financial position remains strong. Consolidated cash and cash equivalents amounted to MEUR 84,4 (48,9). The Group's interest-bearing liabilities amounted to MEUR 22,1 (25,6). Lease liabilities amounted to MEUR 127,8 (97,2). Consolidated equity attributable to shareholders was MEUR 322,4 (281,4), corresponding to an solvency rate of 56,1% (57,8%).

# THE OPERATION

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

- Brands includes the brands Fjällräven, Tierra, Primus, Hanwag, Royal Robbins and Brunton. It also includes Brandretail (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.

	Brands		Friluftts		Global sales		Common		Group	
	Apr-June	Apr-June	Apr-June	Apr-June	Apr-June	Apr-June	Apr-June	Apr-June	Apr-June	Apr-June
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
External sales, MEUR	22,5	32,4	58,0	67,6	21,2	31,7		0,3	101,7	132,0
EBITDA, MEUR	5,4	10,3	7,4	6,6	1,6	4,0	0,3	1,6	14,8	22,5
Operating profit, MEUR	2,6	8,0	1,8	0,6	1,1	3,2	-1,8	-0,1	3,8	11,6

	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
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
External sales, MEUR	61,7	72,9	106,0	123,1	62,1	71,6		0,5	229,8	268,1
EBITDA, MEUR	23,0	31,9	1,2	7,8	9,0	11,5	-0,8		32,5	51,2
Operating profit, MEUR	17,6	27,2	-9,6	-3,8	7,8	10,1	-5,3	-2,6	10,6	30,9
Number of Stores	37	37	81	80	24	24			142	141
of which are franchise			1	3					1	3
Fixed assets	52,3	42,0	132,9	116,3	11,8	13,3	55,7	51,3	252,8	222,9
Cap. Expenditures, net	3,9	2,4	2,7	6,4	0,6	0,6	3,5	4,9	10,7	14,3

External sales per market	Brands		Friluftts		Global sales		Common		Total	
	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Switzerland					5,7	5,2			2,5%	1,9%
Sweden	5,7	4,9	22,4	23,4					12,2%	10,6%
Other Nordic countries	0,6	0,6	18,5	20,1	14,0	14,8			14,4%	13,2%
Germany	25,3	28,1	64,5	79,3				0,5	39,1%	40,2%
Benelux	6,0	7,2	0,1	0,1	3,2	5,0			4,0%	4,6%
Other Europe	6,3	7,2	0,5	0,2	13,9	18,0			9,0%	9,5%
Americas	17,3	23,6			12,0	16,3			12,8%	14,9%
Other World	0,5	1,3			13,3	12,3			6,0%	5,1%
<b>Total</b>	61,7	72,9	106,0	123,1	62,1	71,6	0,0	0,5	100%	100%

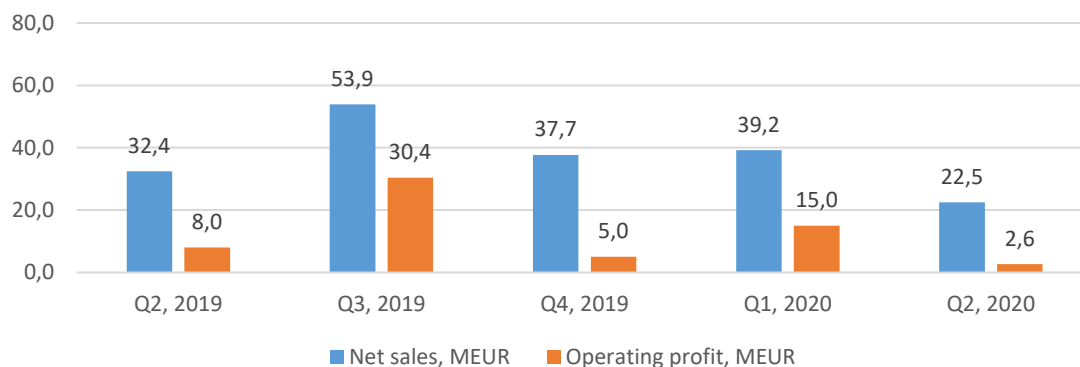
Fenix Outdoor's use of alternative key figures:

Fenix Outdoor provides a number of key figures in the summary on the front page of the interim report. The Group defines and calculates earnings before interest, tax, depreciation and amortization (EBITDA) as the operating profit (EBIT) excluding depreciation and write-downs of tangible, intangible assets and Right-of-use assets. As EBITDA is affected by IFRS16 the Group have decided to include it as an alternative key figure.

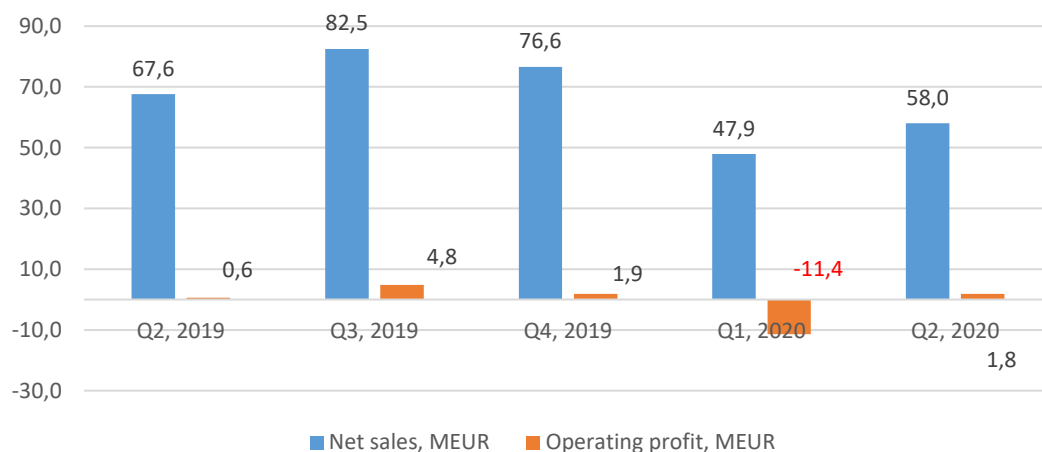
# THE OPERATION

## Net sales and operating result per segment

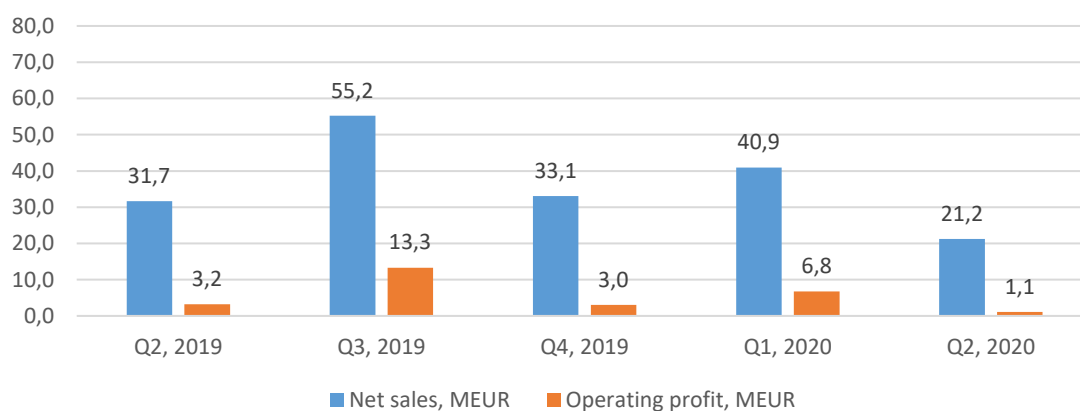
### Brands



### Friluftts



### Global sales





# FINANCIAL REPORT

CONSOLIDATED INCOME STATEMENT MEUR	3 months		6 months		12 months	
	Apr-Jun	Apr-Jun	Jan-June	Jan-June	Juli-June	Jan-Dec
	2020	2019	2020	2019	2019/2020	2019
Net sales	101,7	132,0	229,8	268,1	568,8	607,1
Other operating income	1,9	1,5	3,1	3,6	8,8	9,3
<b>Total income</b>	<b>103,6</b>	<b>133,5</b>	<b>232,9</b>	<b>271,7</b>	<b>577,6</b>	<b>616,4</b>
Cost of goods	-45,7	-54,7	-100,0	-112,1	-239,3	-251,4
Other external expenses	-20,4	-27,9	-49,2	-54,1	-115,9	-120,8
Personnel expenses	-22,3	-28,1	-50,6	-54,5	-112,4	-116,3
Depreciation/amortisation	-11,0	-10,9	-21,9	-20,3	-44,7	-43,1
Result from participations in associated companies	-0,1	0,3	-	0,9	0,5	1,4
Other operating expenses	-0,3	-0,6	-0,6	-0,7	-1,2	-1,3
<b>Operating expenses</b>	<b>-99,8</b>	<b>-121,9</b>	<b>-222,3</b>	<b>-240,8</b>	<b>-513,0</b>	<b>-531,5</b>
<b>Operating profit</b>	<b>3,8</b>	<b>11,6</b>	<b>10,6</b>	<b>30,9</b>	<b>64,6</b>	<b>84,9</b>
Financial income <sup>1)</sup>	-2,4	0,2	0,4	2,3	2,2	2,7
Financial expenses	-0,6	-0,6	-1,3	-1,3	-4,7	-3,3
<b>Profit before tax</b>	<b>0,8</b>	<b>11,2</b>	<b>9,7</b>	<b>31,9</b>	<b>62,1</b>	<b>84,4</b>
Income tax	-0,5	-3,7	-5,0	-8,1	-20,0	-23,1
<b>Net profit</b>	<b>0,3</b>	<b>7,5</b>	<b>4,7</b>	<b>23,8</b>	<b>42,1</b>	<b>61,3</b>
Net profit for the period attributable to:						
Parent Company's shareholders	0,3	7,5	4,7	23,8	42,1	61,2
Non-controlling interests	0,0	0,0	0,0	0,0	0,0	0,1
Earnings per share, EUR	0,02	0,56	0,35	1,77	3,13	4,57
Weighted average of outstanding shares, B, thousands	10 940	11 060	10 940	11 060	11 060	10 977
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.

<sup>1)</sup> incl exchange rate differences in financial positions.

# FINANCIAL REPORT

<b>Consolidated Statement of Comprehensive Income</b> <b>MEUR</b>	<b>3 months</b>		<b>6 months</b>		<b>12 months</b>	
	Apr-Jun 2020	Apr-Jun 2019	Jan-June 2020	Jan-June 2019	Juli-June 2019/2020	Jan-Dec 2019
<b>Net profit</b>	0,3	7,5	4,7	23,8	42,1	61,3
Not to be reclassified in the income statement in the future						
Remeasurements of post employment benefit obligations					-0,2	-0,2
Taxes					0,1	0,1
To be reclassified to the income statement in the future						
Change in translation reserve during the period	4,1	-1,6	-1,2	-1,9	-0,3	-1,0
Hedge accounting				-0,1	-0,1	-0,2
Taxes						
<b>Total other comprehensive income for the period</b>	4,1	-1,6	-1,2	-2,0	-0,5	-1,3
<b>Total comprehensive income for the period</b>	4,4	5,9	3,5	21,7	41,6	60,0
Total comprehensive income attributable to:						
Parent Company's shareholders	4,4	5,9	3,5	21,7	41,6	59,9
Non-controlling interests	0,0	0,0	0,0	0,0	0,0	0,1

# FINANCIAL REPORT

<b>CONSOLIDATED STATEMENT OF FINANCIAL POSITION, MEUR</b>	30 June 2020	30 June 2019	31 Dec 2019
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible fixed assets	39,7	38,7	40,8
Tangible fixed assets	69,6	66,9	67,8
Right-of-use assets	126,3	96,6	124,7
Other non-current assets	17,2	20,7	17,1
<b>Total non-current assets</b>	<b>252,8</b>	<b>222,9</b>	<b>250,4</b>
<b>Current assets</b>			
Inventories	177,2	153,7	159,7
Accounts receivable trade and other receivables	50,6	54,8	46,6
Prepaid expenses and accrued income	9,8	6,8	8,8
Cash and cash equivalents	84,4	48,9	88,9
<b>Total current assets</b>	<b>322,0</b>	<b>264,2</b>	<b>304,0</b>
<b>Total assets</b>	<b>574,8</b>	<b>487,1</b>	<b>554,4</b>
<b>Equity and liabilities</b>			
Equity and reserves attributable to the Parent Company's shareholders	322,4	281,4	319,1
Non-controlling interest	0,1	0,5	0,1
<b>Total equity</b>	<b>322,5</b>	<b>281,9</b>	<b>319,3</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Other non-current liabilities	15,8	13,2	17,4
Lease liabilities	101,5	76,2	100,4
<b>Total non-current liabilities</b>	<b>117,3</b>	<b>89,4</b>	<b>117,8</b>
<b>Current liabilities</b>			
Other current liabilities	64,8	47,4	47,7
Lease liabilities	26,3	21,0	25,6
Interest bearing liabilities	22,1	25,6	22,2
Accrued expenses and deferred income	21,8	21,8	21,9
<b>Total current liabilities</b>	<b>135,0</b>	<b>115,8</b>	<b>117,4</b>
<b>Total equity and liabilities</b>	<b>574,8</b>	<b>487,1</b>	<b>554,4</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
01-01-2019	12,4	39,8	1,6	-4,4	-0,4	236,7	285,6	0,1	285,7
Net Profit for the period						23,9	23,9	-	23,9
Other comprehensive income for the period			-0,1	-1,9			-2,0	-	-2,0
Total comprehensive income for the period			-0,1	-1,9		23,9	21,8	0,0	21,8
Transactions with non-controlling interests								0,5	0,5
Purchase of own shares *)					-9,8		-9,8		-9,8
Dividend						-15,2	-15,2		-15,2
Transfer of cash flow hedge reserve to inventories			-1,1				-1,1	-	-1,1
30-06-2019	12,4	39,8	0,5	-6,4	-10,2	245,3	281,4	0,5	281,9
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						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	0,0	3,5
Transfer of cash flow hedge reserve to inventories			-0,3				-0,3	-	-0,3
30-06-2020	12,4	39,8	-0,2	-6,7	-10,2	287,3	322,4	0,1	322,5

\*) Fenix Outdoor International AG announcement by press releases dated 7 and 14 February 2019 that the company, in one or more occasions would, if possible, repurchase up to 700 000 own B-shares during the current calendar year. As per 2020-06-30 the company owned 119 598 of own B-shares.

# FINANCIAL REPORT

<b>Consolidated statement of cash flows</b>	6 months		12 months
	Jan-June	Jan-June	Jan - Dec
	2020	2019	2019
<b>MEUR</b>			
<b>OPERATING ACTIVITIES</b>			
Net profit for the period	4,7	23,9	61,3
Tax expense in income statement	5,0	8,1	23,1
Financial result net in income statement	0,9	-1,0	0,5
Depreciation for Right-of-use assets	12,9	12,5	26,3
Depreciation/amortisation tangible and intangible assets	9,0	7,8	16,8
Adjustment for non cash items	-0,2	-2,5	-2,4
Interest received	0,4	0,1	0,3
Interest paid	-1,3	-1,3	-3,3
Income tax paid	-8,8	-11,9	-21,5
	22,6	35,7	101,1
Change in inventories	-17,0	-19,0	-25,1
Change in operating receivables	-0,9	-12,2	-7,1
Change in operating liabilities	14,3	-11,0	-7,5
<b>Cash flow from operating activities</b>	19,0	-6,5	61,4
<b>INVESTING ACTIVITIES</b>			
Purchase of intangible assets	-2,8	-5,0	-10,2
Purchase of tangible fixed assets	-7,9	-9,3	-16,2
Sale of tangible fixed assets	0,1	1,1	1,1
Dividend from associated companies			1,7
Acquisition of subsidiaries, net of cash acquired <sup>1)</sup>	-0,3	0,5	0,5
Change financial assets	0,3		
<b>Cash flow from investing activities</b>	-10,6	-12,7	-23,1
<b>FINANCING ACTIVITIES</b>			
Borrowings		0,7	0,8
Repaid borrowings	-0,1	-0,1	-3,8
Payment of finance lease liabilities	-12,8	-12,0	-24,0
Purchase of own shares		-9,8	-9,8
Dividends paid		-15,2	-15,2
<b>Cash flow from financing activities</b>	-12,9	-36,4	-52,0
Change in cash and cash equivalents	-4,5	-55,6	-13,7
Cash and cash equivalents at beginning of year	88,9	101,9	101,9
Effect of exchange rate differences on cash and cash equivalents	0,0	2,6	0,7
Cash and cash equivalents at period-end	84,4	48,9	88,9

<sup>1)</sup> The minor acquisition effect accounted is related to acquisition of a franchise shop in Naturkompaniet.

# 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 2019 with the exception of new and revised standards and interpretations that become effective January 2020.

## Note 2 Right of use assets

30.06.2020, MEUR	Brands	Frilufts	Global sales	Common	Total
Right-of use assets *)	24,9	96,5	2,2	2,7	126,3
Prepayments	0,5		0,1	-0,1	0,4
<b>Total assets</b>	<b>25,4</b>	<b>96,5</b>	<b>2,3</b>	<b>2,6</b>	<b>126,8</b>
<b>Leases liabilities</b>					
Interest-bearing loans and borrowings	-26,2	-96,5	-2,2	-2,6	-127,6
Trade and other payables	-0,2				-0,2
<b>Total liabilities</b>	<b>-26,4</b>	<b>-96,6</b>	<b>-2,2</b>	<b>-2,6</b>	<b>-127,7</b>

	Brands	Frilufts	Global sales	Common	Total
Depreciation	-3,6	-8,4	-0,4	-0,4	-12,9
Interest cost	-0,5	-0,6			-1,1

\*) Whereof for options of extensions that is estimated to be renewal

	Brands	Frilufts	Global sales	Common	Total
	1,1	14,6	0,6	0,3	16,6

30.06.2019, MEUR	Brands	Frilufts	Global sales	Common	Total
Right-of use assets	16,1	78,2	2,0	0,4	96,6
Prepayments			0,2		0,2
<b>Total assets</b>	<b>16,1</b>	<b>78,4</b>	<b>2,0</b>	<b>0,4</b>	<b>96,8</b>
<b>Leases Liabilities</b>					
Interest-bearing loans and borrowings	-16,2	-78,6	-2,0	-0,4	-97,2
Trade and other payables					0,0
<b>Total liabilities</b>	<b>-16,2</b>	<b>-78,6</b>	<b>-2,0</b>	<b>-0,4</b>	<b>-97,2</b>

	Brands	Frilufts	Global sales	Common	Total
Depreciation	-2,7	-8,9	-0,8	-0,2	-12,5
Interest cost	-0,3	-0,6	0,0	0,0	-0,9

## Note 3 Risks

The risk factors of the Group are presented in the last published annual report 2019 and are still valid, page 26.

## Note 4 Hedge accounting

	2020-06-30	2019-06-30	2019-12-31
<b>Market value</b>	-583	309	-197
<b>FX Forwards</b>			
Purchased TUSD	30 500	41 500	35 500
Sold TEUR	27 194	35 809	31 494
Rate	1,122	1,159	1,127
Purchased TUSD	-	-	3 000
Sold TNOK	-	-	26 859
Rate	-	-	8,953
<b>Interest swap</b>			
Paying" long term" due 2020-03-19, TUSD	-	11 000	11 000
Getting short term 3 months, TUSD	-	11 000	11 000

## Note 5 Exchange rates

	Average rate			Balance sheet closing rate		
	Jan - Jun 2020	Jan - Jun 2019	Jan - Dec 2019	2020-06-30	2019-06-30	2019-12-31
SEK/EUR	10,6763	10,5155	10,5824	10,4948	10,5633	10,4468
CHF/EUR	1,0636	1,1279	1,1107	1,0651	1,1105	1,0854
USD/EUR	1,1030	1,1313	1,1191	1,1198	1,1379	1,1234
SEK/CHF	10,0378	9,3232	9,5278	9,8534	9,5122	9,6248

## Note 6 Segment reporting – sales and operating result

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

	Brands		Frilufits		Global sales		Common		Group	
	Apr-June	Apr-June	Apr-June	Apr-June	Apr-June	Apr-June	Apr-June	Apr-June	Apr-June	Apr-June
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
External sales, MEUR	22,5	32,4	58,0	67,6	21,2	31,7		0,3	101,7	132,0
EBITDA, MEUR	5,4	10,3	7,4	6,6	1,6	4,0	0,3	1,6	14,8	22,5
Operating profit, MEUR	2,6	8,0	1,8	0,6	1,1	3,2	-1,8	-0,1	3,8	11,6

	Brands		Frilufits		Global sales		Common		Group	
	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
External sales, MEUR	61,7	72,9	106,0	123,1	62,1	71,6		0,5	229,8	268,1
EBITDA, MEUR	23,0	31,9	1,2	7,8	9,0	11,5	-0,8		32,5	51,2
Operating profit, MEUR	17,6	27,2	-9,6	-3,8	7,8	10,1	-5,3	-2,6	10,6	30,9
Number of Stores	37	37	81	80	24	24			142	141
of which are franchise			1	3					1	3
Fixed assets	52,3	42,0	132,9	116,3	11,8	13,3	55,7	51,3	252,8	222,9
Cap. Expenditures, net	3,9	2,4	2,7	6,4	0,6	0,6	3,5	4,9	10,7	14,3

External sales per market	Brands		Frilufits		Global sales		Common		Total	
	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Switzerland					5,7	5,2			5,7	5,2
Sweden	5,7	4,9	22,4	23,4					28,1	28,3
Other Nordic countries	0,6	0,6	18,5	20,1	14,0	14,8			33,1	35,5
Germany	25,3	28,1	64,5	79,3				0,5	89,8	107,9
Benelux	6,0	7,2	0,1	0,1	3,2	5,0			9,3	12,3
Other Europe	6,3	7,2	0,5	0,2	13,9	18,0			20,7	25,4
Americas	17,3	23,6			12,0	16,3			29,3	39,9
Other World	0,5	1,3			13,3	12,3			13,8	13,6
<b>Total</b>	<b>61,7</b>	<b>72,9</b>	<b>106,0</b>	<b>123,1</b>	<b>62,1</b>	<b>71,6</b>	<b>0,0</b>	<b>0,5</b>	<b>229,8</b>	<b>268,1</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 0,5 and will be valued at each quarter closing, no adjustment was necessary at March 31, 2020.



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 long-term liability for the amount of MEUR 0,6 and the non-controlling interests are derecognized. The position will be valued at each quarter closing, no adjustment was necessary at March 31, 2020.

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

## Note 8 Events after period closing

Except for the ongoing Covid19 effects no significant events after period closing are noted. The group is not presenting any forecast for the rest of the year. The situation is still unpredictable, where any coming/continued “lock down” of a market will affect sales in that region. As it is the group sees no major risks not getting its goods for the Fall Winter 2020 sales in time.

## Note 9 Transactions with related parties

There have been no major changes in relations to transactions with related parties compared to 2019.

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Zug, July 21, 2020

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