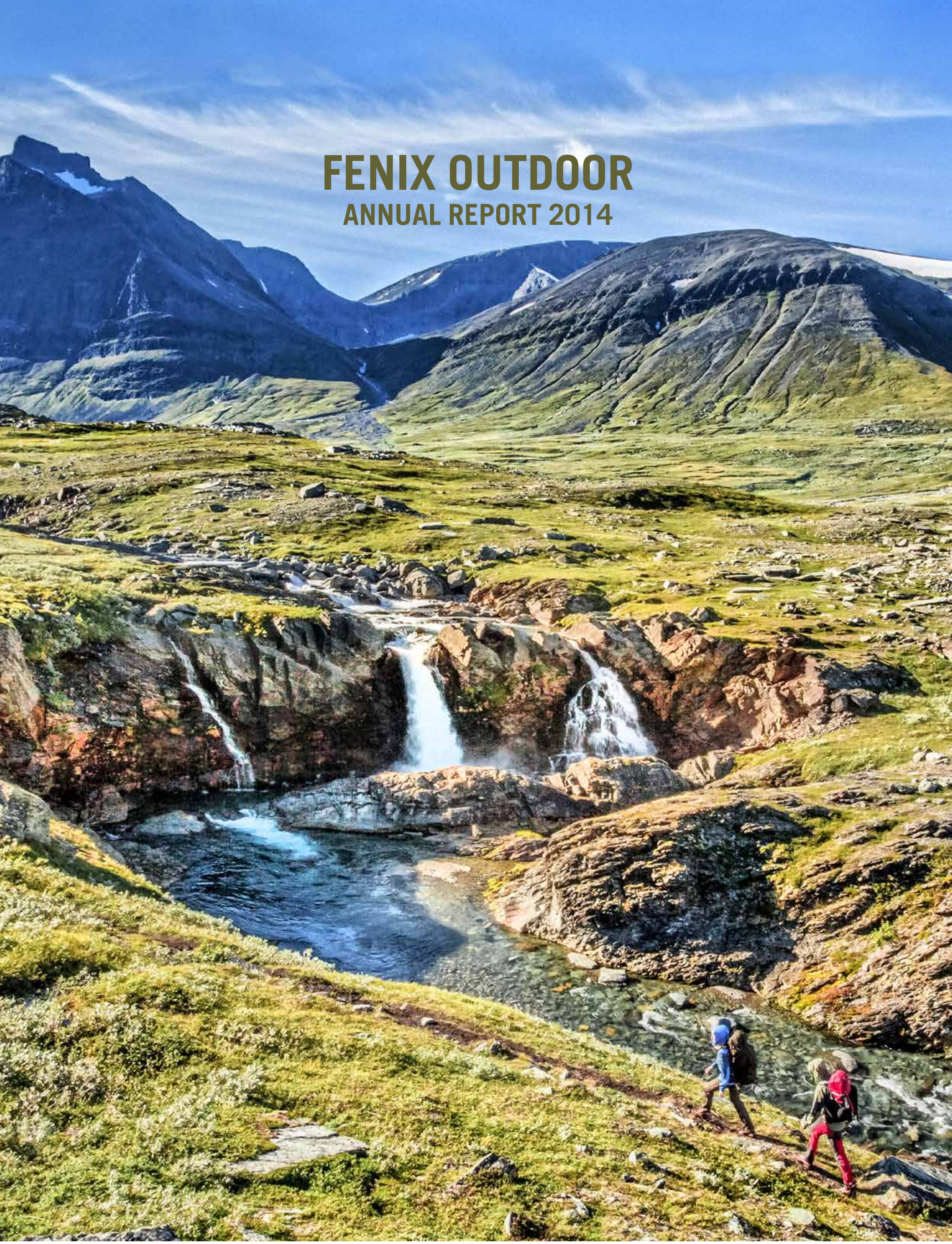
FENIX OUTDOOR

ANNUAL REPORT 2014



FJÄLL RÄVEN · TIERRA · PRIMUS · hanwag SINCE 1921 · BRUNTON · NATUR KOMPANIET · PARTIOAITTA · Globetrotter.de Ausrüstung

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OPERATIONS

ANNUAL REPORT

The Annual General Meeting of the shareholders of Fenix Outdoor International AG will be held at 1 pm on Tuesday, May 5th 2015, at Röntgenvägen 2, Solna.

The announcement regarding the Annual General Meeting will be issued through the Official Swedish Gazette (Post och Inrikes Tidningar) and by publication on the Company's website www.fenixoutdoor.com. The fact that notification has been issued is announced in Svenska Dagbladet and Örnsköldsviks Allehanda. Shareholders who wish to attend the Annual General Meeting must notify the Company of their intention no later than 4 p.m. on Wednesday, April 29, 2015, at the following address: Fenix Outdoor International AGM, Box 209, SE-891 25 Örnsköldsvik, Sweden. The Company can also be notified by e-mail at info@fenixoutdoor.se. Notification must include the shareholder's name, address, personal identity number/corporate identity number, phone number (daytime) and the number of shares he or she holds. Shareholders who, through a bank or another trustee, have trustee-registered shares must re-register the shares in their own names to be entitled to participate in the Annual General Meeting. To ensure that this registration is entered in the shareholder register on Tuesday, April 28, 2015, shareholders must request that their trustees conduct such registration well in advance of this date. The re-registration may be temporary.

The Board of Directors proposes a dividend of 4,00 SEK per B-share (4.00) and a dividend of 0,4 SEK per A-share for 2014. The Board of Directors proposes record date for payment of the dividend, May 7, 2015. Payment date for the dividend will earliest be May 12, 2015.

THE YEAR 2014 IN BRIEF

- **Consolidated Operating Income amounted to TEUR 240 992 (215 201), an increase of 12%.**
- **Group Operating Profit, including one-time costs for the redomiciliation of parent company, approximately TEUR 800, amounted to TEUR 33 590 (29 928), an increase of 12%.**
- **Consolidated result before tax amounted to TEUR 37 317 (29 928), an increase of 25%**
- **Consolidated profit after tax amounted to TEUR 26 377 (22 255), an increase of 19%.**
- **Earnings per share after tax amounted to EUR 1.99 (1.68).**
- **As of August 19, a new issue of shares of approximately TEUR 9 800 was made, where the funds are intended to be used for ongoing compulsory acquisition of the outstanding shares of Fenix Outdoor AB.**
- **The Board proposes a dividend of SEK 4.00 (4.00) per Class B share and SEK 0,40 cents per Class A share.**

SIGNIFICANT EVENTS DURING 2014

To redomicile the former Fenix Outdoor parent company from Sweden to Switzerland, the main owner of Fenix Outdoor AB (the previous listed parent company) and Fenix Outdoor International AG (formerly known as Nidron Holding AG), announced a public share offer without bid premium to the other shareholders of Fenix Outdoor AB in May 2014. The redomiciliation took place in June 26th 2014. In order to recognize the best possible comparable data, consolidated accounts have been presented so as if Fenix Outdoor International AG has completed the redomicilation since January 1, 2014. Comparative financial information reflects Fenix Outdoor AB Group accordingly.

Late in 2014, the Fenix group expanded its Retail segment. In the beginning of 2014 Fenix Outdoor AB acquired 20% in the German retailer Globetrotter. At the end of the year, all shares in Globetrotter were acquired by a subsidiary of Fenix Outdoor International AG, Frilufts Retail Europe AB, "Frilufts". The acquisition was made through a contribution in kind where Fenix contributed its shares in Naturkompaniet AB and Partioaitta Oy and the owners of Globetrotter GmbH contributed their shares for new shares in Frilufts. From 31 December 2014, the Fenix group holds and consolidates 60% of the Frilufts subgroup.

SEGMENT DATA

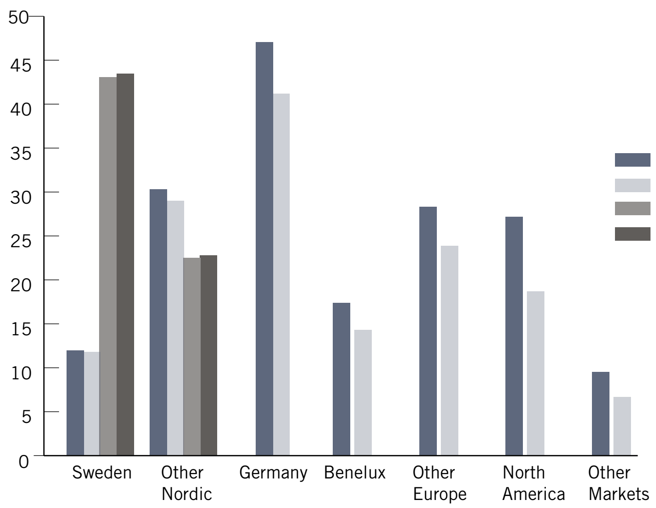
Brands

The net sales in the Brands segment increased to MEUR 171.7 (145.6), representing an increase of 18%. Germany continues to be the single largest market, but markets outside Europe are growing at the fastest rates. Fjällräven was the brand contributing most to the increased sales. The Brand segment continued its establishment of brand stores in the US and in the beginning of 2015 ten stores were up and running. In Europe one flagship store in Oslo was established.

Operating profit for the year was MEUR 38,6 (30,0).

Retail

The net sales in the Retail segment remained stable MEUR 65,6 (66,3), despite a downturn in the Finnish economy hitting the Partioaitta operations. Naturkompaniet showed a growth in local currency. Operating profit for the year was MEUR 1,7 (4,2). The Retail segment result was affected by a slightly lower gross margin and higher costs for IT infrastructure and marketing.



CEO REPORT

Several-year overview, MEUR	2014	2013	2012	2011	2010
Net sales	237,3	211,9	195,9	170,0	140,5
Operating profit	33,6	29,9	26,6	26,0	26,5
Profit margin, %	14,2	14,1	13,3	15,3	17,9
Profit after financial items	37,3	29,9	26,0	26,1	25,1
Net profit for the year	26,4	22,3	17,9	18,6	17,8
Earnings per share, EUR	1,99	1,68	1,35	1,40	1,34
Equity/assets ratio, %	42,6	77,3	74,8	72,2	68,9
Dividend per B-share, EUR	0,42 *)	0,45	0,47	0,34	0,33
Average number of FTE employees	906	766	696	646	420

*) Proposed dividend

CHALLENGING YEAR 2014

2014 was a record year for Fenix Outdoor. With a growth of 12 percent we achieved sales of 237,3 MEUR, which is a new record for the Group. Most of the operative units within brands showed increased sales in the local currencies as well as in Euro. The operating result increased 12 percent to 33,6 MEUR, which is also a record for the Group. The result and sales are encouraging as they have been achieved in spite of some operative units showing significant losses and weak sales during Q4 due to warm weather in Europe. On December 31, 2014 the group's net liquidity/debt ratio was 0,68. The liquidity/debt ratio has been negatively affected by the creation of the retail group, Frilufts Retail AB, and the acquisition of Globetrotter, which has a substantially higher level of debt than the rest of the Group. There has also been an increase in inventory due to the warm fall and the recession in Finland, which has also limited the performance of the retail division.

DEVELOPMENT WITHIN OUR BUSINESS SEGMENTS

The Group's main brand, Fjällräven, has continued its good performance during 2014. Most markets have developed positively. The North American market has continued its strong performance, and has, for the first time, delivered a profit in 2014. During the year, new Fjällräven stores have opened in Vancouver, Burlington, Jackson Hole and Banff, and in 2015 another store has been opened in Chicago. The sales have been strong in most markets and I believe that the preorder in 2014 looks positive and better than the market as a whole, despite weak Q4 sales.

Hanwag has shown significant improvement in 2014. Sales have developed positively in local currencies, and the set targets have been achieved. The adjustments made to production have been implemented as planned and have led to a much better delivery performance. The inventory levels are also more in line with expectations, but unbalances in inventory levels have affected the ability to deliver.

Primus has shown some significant improvement, particularly in product development, control of the product range control and strategic focus. In spite of these changes, it was able to defend its sales and profitability very well, except in the North American market where errors in planning of incoming goods led to substantial loss in sales compared to targets. In 2014, Primus has retained its role as a dominant player in the outdoor kitchen segment.

Brunton had yet another difficult year in 2014. The sales have not developed according to plan and the costs have remained too high. This has led to limitations in the development of the new segment and focus ”Portable Power”. The navigation segment is, however, performing on a stable level. On a positive note, the inventory levels have decreased and will decrease even further during the upcoming year.

Tierra continues to struggle in 2014, as sales and earnings have still not achieved the desired levels. 2014 did not give the lift we had hoped for. The warm weather in the Nordic countries further complicated the situation, negatively affecting sales. As Tierra has a strategic importance for the Fenix Group, we will continue to work to improve the brands performance. We are, however, continuously evaluating the situation.

FRILUFTS AB

During December 2014, we created one of Europe's largest outdoor retail groups with estimated sales of 300 MEUR on a consolidated basis. This was done by merging Naturkompaniet and Partioaitta with Globetrotter Gmbh, Germany's largest specialist outdoor retailer and creating the new Frilufts AB group. Fenix has a majority stake of 60 percent in Frilufts AB, the remaining 40 percent is held by Globetrotters earlier shareholders. In March 2014, we started the process leading to Frilufts creation, by acquiring a first direct stake of 20 percent in Globetrotter through a capital contribution.

Naturkompaniet had limited growth in 2014. The result was satisfactory given the plan which estimated a result lower than the previous year due to investments in a new website and the new omni-channel concept. The sales were also hurt by the warm weather in Q4. Partioatta, the Finnish retail chain, was hurt by the Russian crisis, because of lower Russian tourism, and the negative impacts in general on the Finnish economy. There was also a negative effect on the result due to increased IT costs and investments. We believe that we have retained our position on the Finnish and Swedish markets. Globetrotter did perform according to our expectations, but did not achieve their targets due to a number of reasons. These include the liquidity crisis within the company did have a negative effect on sales during Q4 and a cost savings program was introduced, which included a number of one-time expenses during the first half of the year. In spite of that, the chain retained its position as the largest German specialized outdoor retailer in our segment.

Our joint venture in China developed positively. Although, the growth is still not what we had wished for, we have an established position on the market. The growth in the outdoor market in China has slowed down slightly. We believe this is a healthy sign, that the market will start growing again shortly and we are in a good position to capitalize on this.

The North American market's positive trend continued during 2014, mainly through the growth of Fjällräven. 2014 was the year that the distribution business turned a corner and showed profit for the first time. We expect this development to continue. For 2015 we will move into a new office and warehouse location, with a large distribution center as we have outgrown the old one. I think that North America, over the next few years, will be one of our largest markets, which is strengthened by a very positive preorder situation for 2015.

CONTINUATION OF ENVIRONMENTAL AWARENESS AND COMPLIANCE

We continue to focus on our environmental and ethical work. We have received a lot of international interest and appreciation for our CSR work, especially our approach to how to integrating it into the business. The Group's CSR department is working according to plans created. The Group's investment in more sustainable products continues. We continue to publish a yearly sustainability report alongside our annual report in which our progress in this area is described. In the next year, we are focusing even more on our internal projects and processes and have reinforced our CSR department with one more person.

FUTURE CHALLENGES

Fenix Outdoor is one of the leading companies in the outdoor industry in Europe. The Group's strategy regarding product and brand mix in combination with a retail strategy for the rapid flow of information has proven to work well. In recent years, however, the competitive situation, especially in retail, has changed and it will continue to change. Therefore, we must continuously evaluate our strategies. The Group in 2014 did one major strategic transaction and even though we will continually keep an eye out for future acquisitions, we believe that our activity in this area will be lower in the next couple of years. We will focus on consolidating the current activities. We are also currently active in expansion phases in North America and in the consolidation of Frilufts AB, which means we have plenty to do.

The trainee program has proven to be successful. One trainee has reached the position of running her own business unit. The third graduating class will be entering their new positions shortly and we welcome them into the organization and their new roles. The national spread is fantastic and, although most trainees now speak Swedish, the Swedish are of the minority group.

OUTLOOK FOR 2015

2015 will be a challenging year. We are facing the integration process within Frilufts AB and we are managing the North American expansion. Furthermore, the change in the exchange rate, e.g. the stronger dollar, will put pressure on margins in the European business. The warm fall and winter is a possible problem, especially in regards to the financial effect on our customers with increased inventory levels. The Groups new strategic plan ”Fenix 2020” was successfully launched in 2014 and is now a part of our work process.

The retail environment continues to change. A concern is that some of the new players' business models seem to initially rely on discount pricing to gain market share and then become profitable later. This puts pressure on the retailers and long term also on the suppliers. The long term effect of this on the industry is unclear. In spite of the challenges, I am confident that we as group is well-placed in the market and I believe in continued long term success.

Zug March 2015

Martin Nordin
Chief Executive Officer

FENIX OUTDOOR GROUP

BUSINESS

The Fenix Outdoor Group's business was originally based on the development and sales of the products from Fjällräven, one of the groups brands. The Parent Company, after the redomicilistation of Parent Company in June 2014 is Fenix Outdoor International AG, based in Baar, Switzerland. The company is listed on Nasdaq OMX, Stockholm Mid Cap.

In 2001, the group acquired the retail chains Naturkompaniet and Friluftsbolaget, now merged under the name Naturkompaniet. Additionally, the brand Tierra, which develops and sells innovative, high-tech garments for outdoor activities, was acquired. In 2002, Fenix acquired the brand Primus, a world leading developer and producer of camping stoves and accessories. In September 2004, the German footwear brand Hanwag was acquired.

The brand portfolio expanded during 2009 with the acquisition of Brunton, which develops and sells compasses, portable energy and other outdoor equipment. In 2011, the retail division was also expanded with the acquisition of the Finnish retail chain Partioaitta.

In the end of 2014, the Fenix group expanded its Retail segment. Already in the beginning of 2014 Fenix acquired 20% in the German retailer Globetrotter. In the end of the year, all shares in Globetrotter were acquired by Frilufts Retail Europe AB, "Frilufts", through a contribution in kind by the owners of Globetrotter. Per the yearend Fenix holds 60% of the Frilufts.

BUSINESS IDEA AND GOALS

Fenix Outdoor is an international outdoor group with the mission to develop and market high quality outdoor products to customers with high expectations through a select retail network emphasizing service and professionalism.

GOAL

• Be a global leader in the development and sale of equipment and clothes for an active outdoor life.

FINANCIAL GOAL

• Achieve an annual growth of at least 10 percent aligned with the company's long-term plan.

• Achieve a long-term profit before tax of at least 10 percent.

STRATEGIES

Fenix Outdoor Group will achieve its goals through:

• Continued expansion within the business area Brands through organic growth and acquisitions.

• Organic growth based on a strong global retail network with strong brands.

Owning a retail network increases control of the value chain through close contact with the end consumer, which enables faster actions in response to trends and changing consumer demands. The retail stores also showcase the brands' assortments.

Important dates in Fenix history

1950
The wooden frame. 14 year old Åke Nordin created his own wooden frame for a mountain tour. The Sami people are impressed and start placing orders.

1960
Fjällräven. Åke starts Fjällräven and launches the revolutionizing backpack frames in aluminum.

1964
Tent Revolution. Fjällräven launches thermal tents that become a sensation. The first condensation-free tent allows people to camp dry and warm.

1968
The Greenland Jacket and G-1000. The industry is introduced to a durable and versatile new fabric.

1978
Kånken. Launched to protect school children's' backs. 2008 the Kånken becomes the world's first climate compensated backpack.

1983
The company is listed on the OTC list of the Stockholm Stock Exchange.

2001
Fjällräven acquires Tierra AB, Friluftsbolaget AB and Naturkompaniet AB.

BRAND STRATEGY, MARKETING AND SPONSORING

The group works actively to protect and develop its brands, which are described in more detail on page 9. Brand management includes active brand protection through legal activities to preserve and strengthen the brands. Activities to strengthen the brands include the hiking event, Fjällräven Classic, Fjällräven Polar expedition and Hanwag's 24 hours in Bavaria. Tierra's brand strengthening includes the Arctic Ultra event and its sponsorship of Annelie Pompe.

Since 1986, Fjällräven is appointed by his majesty the king of Sweden and, according to a TNS-SIFO survey ”Super brands” Fjällräven is one of Sweden's strongest brands.

INNOVATION AND PRODUCT DEVELOPMENT

Åke Nordin's invention of the framed backpack was the beginning of Fjällräven and Fenix Outdoor. The group has since continued developing products for an active outdoor life based on the customer's needs. An example of this is Primus stove development. Primus's OmniFuel™ camping stove can be used with almost any type of fuel and the stove systems with Primus Eta Technology has an efficiency of 80%, which halves fuel consumption compared to other camping stoves. The Fjällräven Thermo™ tent was the first tent made out of synthetic fabric and the double weave principle. Fjällräven was the first in the world to utilize this innovation.

The Fjällräven Kånken® backpack is one of the world's bestselling backpacks. The backpack was developed to fit two A4 binders and a seat cover. Other innovations include G-1000® fabric, Silhuett® sleeping bag, Gyro® backpack and the ”Ice grip” sole from Hanwag.

In 1894, D.W. Brunton created the Pocket Transit. This product is used by outdoor enthusiastic individuals as well as geologists, foresters, and other professionals.

ORGANIZATION AND EMPLOYEES

The Fenix Outdoor group's organization aims to achieve economies of scale within administration and centrally coordinate the activities within its business units. This entails realizing synergies through central core functions and shared warehousing in two central warehouses in the Netherlands and Colorado. It also means coordinating marketing and investment activities to support operations throughout the group.

Brands

The business area Brands develops, produces, markets and sells equipment for an active outdoor life through its own brands Fjällräven, Tierra, Primus, Hanwag and Brunton.

Frilufts Retail Europe

The business area Retail includes Naturkompaniet, Partioaitta and Globetrotter which sell products for outdoor, leisure and travel. Naturkompaniet has 32 stores throughout Sweden of which 5 are franchise stores. Partioaitta has 14 stores in Finland and Globetrotter has 14 stores in Germany. Since December 2014, Frilufts Retail Europe AB owns the three retail chains and operates as a daughter company to Fenix Outdoor.

EMPLOYEES

The average number of FTE employees in the Fenix Outdoor Group totals 906 in 2014, an increase of 140 persons since last year. The Group's companies have flat, decentralized organizations characterized by quick decision-making.

2002

The Fjällräven group changes name to Fenix Outdoor and Primus AB is acquired.

2004

Hanwag is acquired.

SINCE 1921

2008

Sales company is established in China.

2009

Acquisition of the UK distributor, Rosker ltd and the brand Brunton.

2011

The distribution companies in Switzerland and the U.S. are acquired. The Finnish retail chain Partioaitta Oy is acquired.

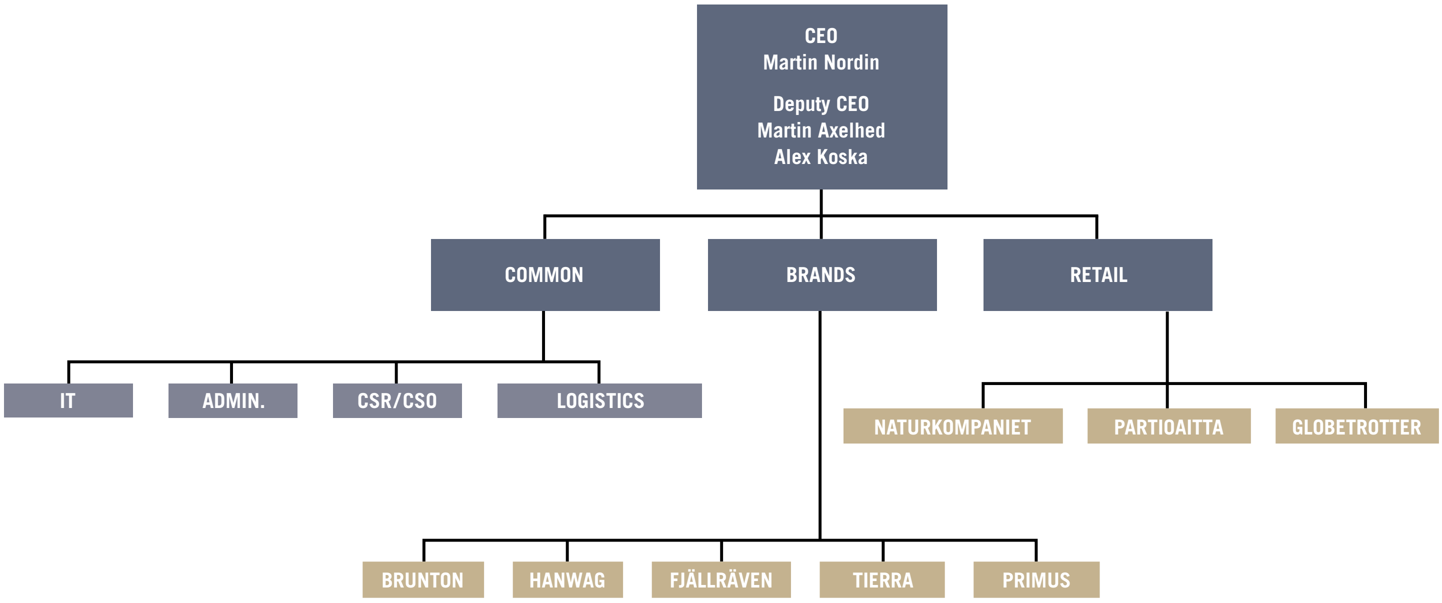
2013

Brands open flagship stores in New York and Amsterdam. Death of Fjällräven founder Åke Nordin, at the age of 77.

2014

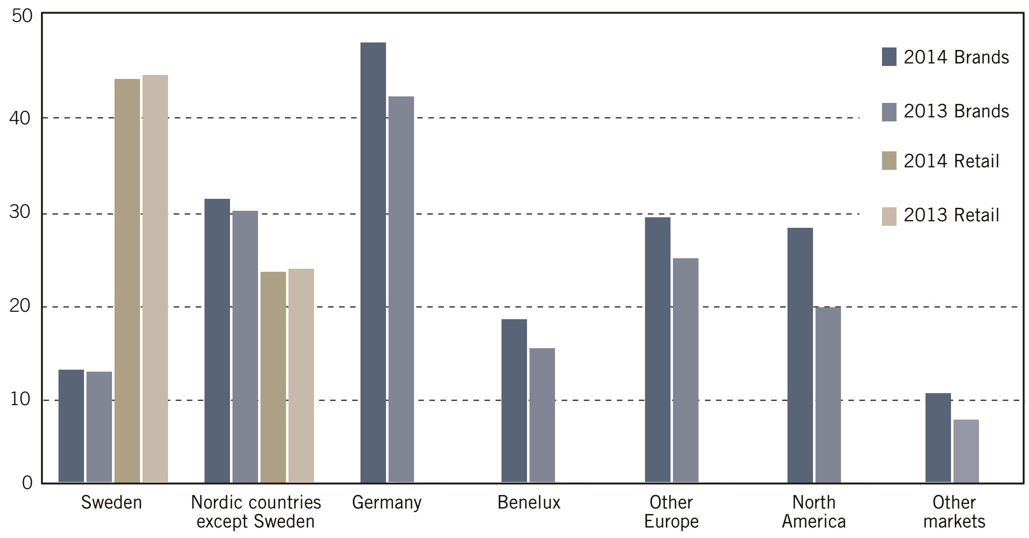
Naturkompaniet and Partioaitta form an alliance with Globetrotter Ausrustung GmbH, Germany's largest outdoor retailer. The three retail chains are consolidated in a separate company, Frilufts Retail Europe AB.

ORGANIZATIONAL STRUCTURE



The group is divided into two business areas, Brands and Retail. These segments are supported by a corporate entity responsible for the accounting, finance, IT, CSR and logistics.

SALES PER MARKET, MEUR



SEGMENT BRANDS

FJÄLLRÄVEN

Products: Backpacks, tents, sleeping bags, and outdoor apparel.	**Customers:** Outdoor enthusiastic indviduals and professional users.	**Production:** Asia and Europe.
	Main Market: Europe, North America, and Asia.	**Distribution:** Products are mainly sold through wholly owned distribution companies to external and internal outdoor retailers.

TIERRA

Products: Sweaters, jackets, trousers.	**Customers:** People who spend time outdoors. Professionals and general outdoor enthusiasts.	**Production:** Hungary, Ukraine, Portugal, and a small part in China and Vietnam.
	Main Market: Sweden, Finland, Denmark and Norway.	**Distribution:** Products are mainly sold through wholly owned distribution companies to external and internal outdoor retailers.

PRIMUS

Products: Camping stoves, lanterns and cooking accessories.	**Customers:** People who spend time outdoors. Professionals and general outdoor enthusiasts.	**Production:** Estonia, Asia.
	Main Market: About 70 countries around the world. Sweden, Germany and the United States are the largest markets.	**Distribution:** Products are mainly sold through wholly owned distribution companies to external and internal outdoor retailers.

HANWAG

Products: Boots and shoes.	**Customers:** Outdoor enthusiasts, hunters, military, fishers and campers.	**Production:** Germany and Croatia.
SINCE 1921	**Main Market:** Europe, Asia, North America.	**Distribution:** Products are mainly sold through wholly owned distribution companies to external and internal outdoor retailers.

BRUNTON

Products: Compasses and portable power.	**Customers:** Outdoor enthusiasts, hunters, military, foresters and other professionals.	**Production:** USA, Asia.
	Main Market: North America and Europe.	**Distribution:** Products are mainly sold through wholly owned distribution companies to external and internal outdoor retailers.

SEGMENT FRILUFTS RETAIL EUROPE AB

NATURKOMPANIET, PARTIOAITTA AND GLOBETROTTER

Products: Complete range of equipment for outdoor activities and travel from the world's leading brands.	**Customers:** Persons of all ages that have an interest in spending time outdoors and value high quality products that enhance the outdoor experience.	**Distribution:** Naturkompaniet, Partioaitta and Globetrotter distribute through 32 stores in Sweden, 14 stores in Finland and 14 stores in Germany. Globetrotter owns 25% in Transa AG, Switzerland's largest outdoor retail specialist and is comprised of 8 stores and online sales.
	Main Market: Sweden, Finland and Germany.	

BRANDS

Business Area Brands, MEUR	2014	2013
Net sales	171,7	145,6
Operating profit	38,6	30,0
Investments	6,1	3,3
Average number of FTE employees	506	390
Net sales per geographic market:		
Sweden	12,0	11,8
Other Nordic countries	30,3	29,0
Germany	47,0	41,2
Benelux	17,4	14,3
Other Europe	28,3	23,9
North America	27,2	18,7
Other markets	9,5	6,7
Total	**171,7**	145,6

BUSINESS IDEA

The business area Brands develops, produces and sells equipment for an active outdoor life through its own brands Fjällräven, Tierra, Primus, Hanwag and Brunton.

PRODUCTS

The range includes backpacks, sleeping bags, tents, stoves, lanterns, apparel, outdoor shoes and boots, compasses, portable power. The products are high quality, durable, lightweight and classically designed. Product development adapts to the demands of the consumers and professional users. The brands are also trusted and have considerable expertise and history in product design, materiality, and production.

The Fenix philosophy is to offer optimal and functional products based on functional design. Tierra's product range is primarily focused on highly technical apparel. The Primus product range includes high-tech camping stoves that can be used with multiple types of fuel. Hanwag is one of Europe's leading manufacturers of quality boots. Fjällräven is a well-renowned brand for apparel, tents, sleeping bags, and backpacks. Brunton is focused on technical outdoor equipment including compasses, and portable power. In addition to continual development of the brands' product ranges, Fenix also focuses on investing in the brands. The products are primarily sold to external and internal outdoor retailers through wholly owned distribution companies.

FJÄLLRÄVEN

Fjällräven has a strong tradition of not following in anyone's footsteps and forging its own path. In the past year, we communicated this heritage in many ways. New innovative products, growing consumer events, major increase in online followers, stronger sales, intensified efforts in CSR and branding focusing on one unified voice make us better prepared for international competition.

ACTIVITIES 2014

Since its founding in 1960, the overall ambition of the company has been to inspire people to get outdoors and enjoy nature. It is gratifying to see how the general interest in the outdoors increases and evolves. Hectic everyday lives alongside an ever increasing presence of technology causes a longing for a slower pace, and back to basic activities such as making a fire or exploring a new path.

Fjällräven's mission is to inspire outdoor activities with great equipment for trekking by providing clothes and hardware you can rely on to stand the test of time, both in terms of design and durability. Fjällräven's equipment is produced with sustainable methods and using an ethical mindset.

Sustainability

Fjällräven has always been a sustainable company; it is in our DNA to thoroughly consider methods and materials, to preserve nature as we found it. In the past year, these efforts have intensified significantly

As a complement to traditional hardshell membranes, we have developed Eco-Shell - made entirely out of recyclable polyester, and without fluorocarbon impregnation. The Eco-Shell will be our sustainable membrane in hardshell launches for 2015 and onwards.

We have also continued the Fjällräven Down Promise. All down garments from Fjällräven contain ethically produced down, which is traceable and ensures a modern and humane production.

Also, Fjällräven continues to support and promote the project to save the Arctic Fox. Fjällräven sponsors a full-time research position at Stockholm University, targeted at finding out the best methods for preserving this endangered species. We are also introducing the opportunity for our customers to get involved as volunteers, spend time in the mountains collecting data and support the research.

Growing Markets

2014 was an exciting year with growth online through the e-commerce store, with new retail stores, and with representatives in more than 30 markets we are present in. The fastest growth is seen in North America, where stores in Jackson Hole, Banff, Vancouver and Burlington were opened during the year. The North American retail expansion continues and assures many more locations in the years to come.

The most inspiring fact is the global interest we see developing for the brand. People really appreciate our genuine ambition to make nature more accessible and enjoyable with functional, sustainable and durable gear.

One Brand, One Voice

Fjällräven is the strongest outdoor brand on the Swedish market and a growing

brand internationally. The products are inherited from generation to generation and Scandinavians have grown up alongside the brand. The heritage and DNA stems from founder Åke Nordin's conviction of always pursuing a better way to construct outdoor gear, regardless of how others do it. This has led to a unique positon on the market, where we are known as confident, competent and reliable. In order to build on these strengths, we are committed to a clear communication platform of one brand, one voice. The communication is highly recognizable on all markets and ensures associations to positive values, stories and history that we have built during the first 60 years.

We are proud of our core culture that is based on the sense that things can get better, driving continual improvements and innovations. Product development is always striving to be creating stronger, lighter, and more practical products. Products that are better fitting, better looking and more sustainable. We are manic about function, helping you find your own adventure and equipping you with gear that makes it enjoyable.

FUTURE CHALLENGES

As for any sustainable brand, even one that has embraced an ethical existence from the very beginning, the competition from newly established brands will only become stronger. As consumers are more and more demanding sustainability from all brands, the importance of conveying the story in an authentic, truthful and inspiring manner will be paramount. Luckily, Fjällräven's story comes from the very core of the brand and makes for very authentic and inspiring communication.

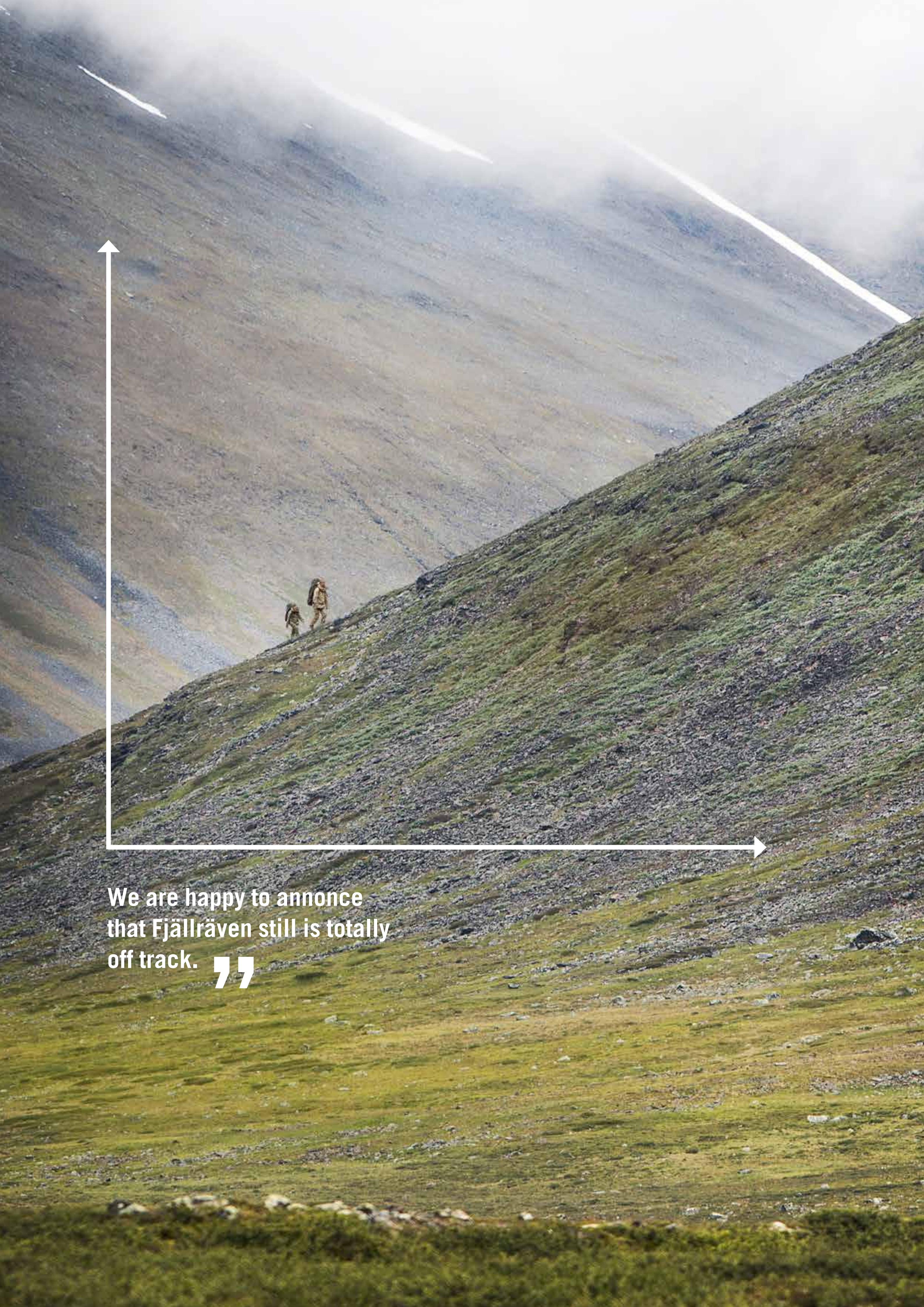
Another timeless challenge is to keep the brand constantly progressing in terms of innovating new products, being relevant and creative in communicating these to a complex consumer, and being true to our brand's essence on a global arena. A focus on one brand and one voice will become even more important than today. This requires management of the brand in the same world class manner as the innovation team manages new product launches.

PRIORITIES 2015

We have many interesting game changers lined up for 2015. For the Spring Summer15 collection one of the most interesting new comers is High Coast, a grab-and-go type of product family with jackets, anoraks, trousers and shorts in light colorful materials. High Coast is designed for spontaneous mini-excursions and summer activities.

Our intense sustainability work will continue and the Keb Eco-Shell that will be launched in Fall Winter 15 collection. We will continue to increase the amount of ecological cotton with our use of G-1000 Eco material. Also, we will compensate for all unavoidable emissions that occur during production and transport.

In the fall, we are also looking forward to launching Fjällräven Hunting, a new line of hunting apparel divided into three families to fit many hunting situations. The hunting line is based on the same qualities that people love with Fjällräven.



We are happy to annonce that Fjällräven still is totally off track.

TIERRA

Tierra was founded 1983 to make garments for climbers and outdoor people that demand the highest standard of functionality and reliability. The brand is well established in the Nordics and has, especially in Sweden, very high brand recognition in the target group.

ACTIVITIES 2014

During 2014, a retail agreement was signed with Globetrotter – the largest outdoor retail chain in Germany. Tierra will be available in all Globetrotter stores beginning in spring 2015. Tierra and Globetrotter have also signed a license agreement under which Globetrotter will develop and sell hardware (tents, sleeping bags and mattresses) under the brand Tierra. The hardware will primarily be sold on the German market, but will also be offered to Tierra's retail customers in other markets.

Tierra launched a new web site with e-commerce in October, introducing a new sales channel.

Total sales for 2014 were somewhat lower than the year before. The major reason is the short term effect of the implementation of a new strategy for Tierra. The strategy to lift the brand was created in 2013 and implementation started 2014. Part of the strategy is to work with fewer retailers who will be more involved in the building of the brand in their markets. A large difference is that Tierra, starting 2015, will sell directly to key accounts and not through the Fenix-sales companies on each market. Tierra will also not keep any own stock. The new strategy includes rationalizations in production and logistics as well as other cost savings with effect starting 2015.

Sales to Naturkompaniet increased with ten percent during 2014 compared to 2013. Sales also increased to Norway and the Netherlands. As a part of the new strategy, work with the UK and the Eastern European markets was postponed, which lead to loss of budgeted sales.

Quality, Function and Innovation

Tierra develops products with a clear focus that details and design should be driven by functionality. The brand has several times proven quality and innovation in the choice of materials and technical solutions to the extent that professional users have chosen to work in Tierra clothes. Users include the police force, rescue services, the Accident Investigation Authority and the Alpine Mountain Rescue. Tierra is always using the best available materials from wellknown suppliers such as Gore, Polartec, Pertex and Primaloft, all best in the class in their categories. The patterns of the products are designed to reduce left over material and fluorocarbon free DWR is used where possible. A large percentage of the fabrics used are Bluesign ® fabrics. The product development team, together with the test team consisting of professional mountain guides, is continuously working to evaluate existing and future technical solutions. Tierra garments have throughout the year been used in numerous expeditions, including Swedish television channel Kanal 4's success 'Det Största Äventyret' (The Greatest Adventure) on prime time Saturday nights with extreme exposure of the brand.

FUTURE CHALLENGES

The new strategy will have effects on 2015 in different ways. Costs will decrease compared to 2014, and sales will also decrease short term during the switch to working with fewer more dedicated and more involved key accounts. An important part of Tierra's success is a continued innovative product development based on the customer's need and focusing on core products. Decreased use of natural resources as a part of a sustainability program is reached by using more recycled materials and material from renewable sources.

PRIORITIES 2015

The key priority for 2015 is the launch of the brand in Germany during spring. The size of the preorder for spring summer 2015 indicates a large growth potential on this market. Tierra will also launch at the Swiss retail chain Transa's flagship store in the fall of 2015 as a first step followed by a roll out to the rest of the Transa stores during 2016.


EXPLORATION READY
SWEDISH OUTDOOR ENGINEERING
PRIMUS
BAHCO SWEDEN

PRIMUS

Primus develops, produces and sells high-tech products including outdoor/camping stoves, lanterns and accessories for outdoor activities. Primus products are sold in nearly 60 countries around the world. Primus is a very well-known brand and the company has extensive experience in producing high quality, innovative, durable and reliable products.

ACTIVITIES 2014

Primus has continued to work with its target group to structure the product range that was launched in 2013. Through well-defined product segments the aim is to have the right product and the right communication to reach each target group. Primus continues to be the outdoor brand launching the most product news and innovations, and aims to be the leader in the segment of outdoor stoves and related accessories. The Primus Winter Gas innovation, the first gas for winter use, won the prestigious “Outdoor Industry Gold Award”, awarded at the world’s largest trade fair in Germany. Furthermore, the compact Lite+ stove, that contains a range of new innovations, won the prestigious ”Best in Class” prize from Gear Institute. As part of the launch of the Winter Gas, Primus initiated collaboration with the world’s harshest and coldest ultra-marathon, the Yukon Arctic Ultra, in which contestants will be provided with Primus fuel. During the year, two new websites with e-commerce have been launched, one business-to-consumer and one business-to-business site targeting retailers. The workforce has been strengthened two persons, one responsible for web and social media and the other an experienced Sales & Export Manager who will develop new and existing markets.

FUTURE CHALLENGES

The outlook for Primus remains positive. The greatest relative growth potential continues to be in the North American market where a new sales strategy has been implemented. Also, Japan and parts of Europe are showing potential growth. Within Fenix Outdoor, the hardware companies Primus and Brunton will work more closely to benefit from each other’s expertise and sales knowledge in different markets. After a number of strategic hires, Primus stands strong and well prepared for growth with the existing organization. Primus Research and Development work continues in alignment with the developed business plan within in the three product segments for the future. In 2016, a completely new range launched for the Camping market is planned. This market is considered to be many times greater than the Outdoor market. The development of this range was carried out during 2014 and will be presented to retailers during 2015. This global launch is one of the most important and extensive in many years for the company.

PRIORITIES 2015

During 2015, finding synergies between Primus and Brunton will be an important focus. In addition, Primus focuses on confirming its position as the leading brand in outdoor stoves and accessories for expeditions and demanding users. To achieve this, an important initiative is the sale of new and improved products in the Expedition segment, which will be out on the market spring 2015.

Environmentally Friendly Cooking

Primus stoves with ETA technology are among the most environmentally friendly and fuel-efficient stoves available on the market. Thanks to a efficiency rate of almost 80%, stoves with ETA technology significantly lower the fuel consumption compared to traditional types of stoves, which often have a efficiency rate of 40%. Low fuel consumption is good for the environment and reduces our users pack weight since less full is needed. Primus gas is a carbon neutral fuel alternative due to our climate compensation. To compensate for the gas emissions of carbon dioxide and the metal canister, we invest in protection, restoration and reforestation.

Primus environmental commitment includes participation in the project Saving Mount Everest, which aims to clean up Mount Everest, which is increasingly referred to as ”the world’s highest garbage dump.” Many of the expeditions attempting to reach the summit of Mount Everest using the Primus stove and the majority also uses Primus gas cylinders. Therefore, it was natural for Primus to support the project. In the first phase, more than eight tons of trash were hauled down from the top.

Products, Sales Channels and Competitors

Primus’ assortment is divided into three segments: Expedition, Trekking and Campfire. The three segments contain similar products, but they are designed for different users tackling different environments and challenges in the outdoors. The majority of the products are manufactured by the subsidiary Primus Eesti OÜ, located in Tartu, Estonia.

Sales in Sweden and Germany are handled by Primus AB. In other Nordic countries (Norway, Finland, Denmark and Iceland), North America, Eastern Europe, the UK, Austria and China, sales are executed through the Fenix Outdoor Group’s sales organizations. In Japan Primus is distributed through a local distributor in which Primus AB is part owner. In markets not covered by Fenix Outdoor group’s sales companies, sales are made primarily through external distributors. Primus’s main competitors are the MSR, Jetboil, Coleman, Trangia, Kovea, Optimus, Snow Peak, Soto and Campingaz.

HANWAG

Hanwag was founded in 1921 by Hans Wagner in the small village of Vierkirchen outside Munich. Over the years, Hanwag has become one of the world's leading manufacturers of high quality hiking boots. In 2004, Fenix Outdoor acquired the company from, its then owner, Josef Wagner.

ACTIVITIES 2014

2014 proved another successful year for Hanwag. In March the company launched its own e-commerce store in a number of European markets. E-commerce allows Hanwag to offer its full collection to these markets and increase availability for consumers.

Hanwag has also expanded its product range for people with bunions (hallux valgus). It released a patented technique to make GORE-TEX® footwear for people affected by this problem. This is a good illustration of how the company is growing by identifying and focusing on niche markets.

In 2014, Hanwag launched a range of hiking socks – a completely new product category for the company. The socks are made from THERMOCOOL ECO fibres, which are made from recycled polyester and Schoeller EXP merino wool, using environmentally-friendly EXP processes. This is currently the only bluesign® certified anti-felting treatment for wool.

FUTURE CHALLENGES

Currently, Hanwag is focussing on three specific areas. Firstly, one of our most important challenges is to improve our ability to deliver goods – this applies to both new models and carry-over products. To continue being a strong and reliable partner to our customers, Hanwag sees another essential challenge in establishing a reliable NOS (Never Out of Stock) policy for our top-selling models. In order for Hanwag to fulfil the Fenix 2020 goals, our third big challenge is to increase focus on the export market. It is crucial for us to keep the needs of our export countries in mind.

PRIORITIES 2015

Hanwag started making alpine hiking boots over 90 years ago. 2015 is another important year in this long history of tradition. It sees the launch of the AVIOR GTX, an alpine boot with an innovative integrated gaiter. In addition, Hanwag is updating and further improving many of its alpine models. As such, the company is building on its heritage in this high-quality and prestigious footwear sector.

Hanwag is the only boot manufacturer in the world to use G-LOFT insulation fabric, manufactured by Goldeck Textil in Austria. The fabric is manufactured using a new technique that gives it an extremely good warmth-to-weight ratio and also performs well in wet conditions. These features make it an ideal insulation for winter boots.

Craftsmanship and Fit

Hanwag started as a small local manufacturer of traditional Bavarian "haferlschuhe" or working shoes with side laces. Hans Wagner was one of the first bootmakers to adopt the technique of double stitching. Later, the company started to focus more on alpine hiking. The company's high quality standards and focus on functionality have remained consistent over the years and today, 93 years later, Hanwag is one of the most respected boot manufacturers in Germany, with some of the production still taking place in Vierkirchen. Hanwag offers a wide range of footwear for everything from winter mountaineering to regular walking, for both women and men. The price bracket is relatively high, reflecting the fact that every pair of shoes is handmade and individually inspected for functionality and fit. That is why many models remain in the collection year upon year.

Hanwag's brand identity is strongly connected to function, fit and quality. Once someone tries on a pair of Hanwags in-store they rarely end up buying another brand because the fit is so fantastic.

Customers, Markets and Channels

Hanwag's customers are mostly outdoor enthusiasts, hunters, military employees and campers. About 50 percent of the company's products are exported to other European countries as well as to markets in North America and Asia. Export sales are carried out by external and internal distributors and in China via a joint venture sales company. Since 2014, the company also runs its own e-commerce site. The brand has seen a healthy increase in sales over the last few years. Its biggest competitors within its key European market are Meindl and Lowa.

Product Development

Product development is the joint work of in-house specialists together with Hanwag's ProTeam http://www.hanwag.com/proteam, which is made up of experienced alpinists and hikers. The designers and product developers are very close to the production in Vierkirchen, which makes prototype production a smooth and effective process.


BRUNTON

BRUNTON

Brunton is a leading manufacturer of outdoor equipment and is headquartered in Riverton, in the Wind River Mountains in Wyoming, USA. Brunton is well known for its innovative products for navigation, powered accessories and portable power.

ACTIVITIES 2014

In 2014 Brunton Outdoor continued to "Power Forward". The reception of our portable power products in the US and abroad was very solid and continues to grow each season. In 2014 Brunton added several key product ranges including the TruArc Global Compass product range, the AllDay GoPro extended power solution and the well received HeatSync personal heating products. These products help to round out a full outdoor product offering giving us retail density and growth opportunities.

FUTURE CHALLENGES

As we continue to execute our strategy of helping people stay outside longer, we are focused on navigation, data and information, comfort, and accessories all unified by the vision that portable power and technology can enhance the outdoor experience. We believe following the macro consumer trends of connected devices will translate into the outdoor space and propel the growth of Brunton.

PRIORITIES 2015

The priorities for Brunton in 2015 are to be supportive of the growth of the product line and new retail partners. We hope to solidify our offering in our outdoor partners domestically as well as entering more mass channel and technology retailers in the US and through international partners.

Brunton was founded in 1894, when D.W. Brunton created the Pocket Transit, a compact, precision compass, which is still used today by outdoorsmen, geologists, foresters, and other professionals.

Brunton products are designed to enhance the outdoor experience. The products are designed to withstand nature's harshest elements and tough wear and to give users the best possible outdoor experience.

The product developers at Brunton strive to produce the most durable, reliable and accurate products on the market. This is emphasized by the Brunton UProof Promise that protects the user with an industry leading warranty.

Mission

- Keep People in the Outdoors Longer
- Allow people to push further
- Allow people to experience and interact more
- Allow people to experience the outdoors more safely and more comfortably

Vision

Brunton sits at the intersection of Technology and the Outdoors. Our vision is to use technology to enhance the outdoor experience. We will provide peace of mind by offering indestructible products that allow outdoorsmen to enjoy the outdoors longer and more safely. We believe clean portable power is the unifying factor in accomplishing this vision.

New Products

All Day 2.0

Brunton's ALL DAY 2.0 is the latest evolution of Brunton's essential GOPRO® extended power supply system. 5000mAh allows up to 5x the video recording life before needing to change the battery.

LightWave

Brunton takes your outdoor experience into the future with the introduction of the revolutionary LightWave series of connected camp lighting. With the ability to remotely control lighting, sound and atmosphere at a distance via Bluetooth using the B-Sync app, Brunton's LightWave series adds a new level of convenience and excitement to your next outdoor adventure.

All Night

Built around the same patented framework as the ALL DAY 2.0, the ALL NIGHT opens up another 12 hours of action possibilities with 360 lumens of variable lighting housed in a 40m waterproof case.

FRILUFTS RETAIL EUROPE

	2014	2013
Net sales *)	65,6	66,3
Operating profit *)	1,7	4,2
Investments	0,9	0,6
Average number of FTE employees	280	259
Net sales per geographic market:		
Sweden	43,1	43,5
Other Nordic countries	22,5	22,8
Total	65,6	66,3

*) Globetrotter consolidated from 2014-12-31

Naturkompaniet AB, Partioaitta Oy and Globetrotter Ausrüstung GmbH are 100 % owned by Frilufts Retail Europe AB, ”Frilufts AB”, since December 31th, 2014. The group has 61 stores, 32 in Sweden, 15 in Finland and 14 in Germany. Each company also has its own e-commerce business. Frilufts AB is a subsidiary to Fenix Outdoor International AG, “Fenix AG”.

ACTIVITIES 2014

During 2014, Naturkompaniet was focused on implementing a new e-commerce platform. The platform is now integrated with a new ERP (Enterprise Resource Planning) system that was launched in 2013. With this implementation, Naturkompaniet is one of the first retailers in Sweden to launch a successful omnichannel concept. During the year, a store in Jönköping was closed and two new stores were opened, one in Borlänge and one in Täby Centrum (Stockholm). The store in Kristianstad was moved to a better location and the Stora Nygatan store in Gothenburg was renovated to include the Fjällräven shop-in-shop concept. Sales have been stably increasing over the year, but the extremely warm summer, and warmer than average spring and fall have impacted sales. The market continues to be very price pressed with hard competition. Naturkompaniet donated 904,112 SEK to the charity organization Min Stora Dag. The donation will be used to take kids with severe diseases out into nature.

Partioaitta has had a challenging year, when it comes to sales, due to both the financial downturn in Finland and heavily increased competition on the sports- and outdoor market. The warm fall and winter have also had an impact on the sales. Partioaitta was chosen as the most valued sports retail brand in Finland 2014. The award was based on a large consumer survey carried out by Taloustutkimus Oy. In 2014, Partioaitta has further developed crucial business areas.

The new store in Stuttgart. With an area of 4,500 m² covered by a huge glass dome, Globetrotter has created a unique retail experience.

Travel pictures taken by staff and customers are decorating the walls.

Naturkompaniet AB

Naturkompaniets oldest subsidiary, AB Scoutvaror, was founded 1931 by the Swedish Scout Organization. In 1951 the name was changed to Friluftsmagasinets Scoutvaror AB and, in 1991, the name was changed to Naturkompaniet. Today Naturkompaniet is Sweden's largest outdoor retailer with 32 stores (5 franchise) and e-commerce. Naturkompaniet sells equipment for outdoor and travel activities from the world's leading brands. The vision is to promote outdoor recreation and health by providing equipment to facilitate and enrich the outdoor life. Our appeal to our customers is: "Make every day an adventure!". Naturkompaniet is characterized by an entrepreneurial spirit, cost awareness, ambition and a passion for outdoor life. Both Naturkompaniet and Partioaitta have five key words that are very important and a focus in every aspect of the business: service, quality, knowledge, assortment and nature.

Partioaitta Oy

Partioaitta Oy was founded in 1928 by the Finnish Scouts and in English Partioaitta means Scout Shops. Partioaitta is a merger between several different scout organizations and is today Finland's largest outdoor retailer with 15 stores and e-commerce. Fenix Outdoor acquired the company in May 2011. Since the start, Partioaitta has equipped outdoor enthusiasts with equipment from the world's leading brands for all kinds of outdoor activities. Originally, Scouts made up the main customer base, but today the concept attracts customers from all age groups, all with a common desire to have an active outdoor life.

Globetrotter Ausrüstung GmbH

In 1979, two outdoor enthusiasts turned their passion into a profession, and founded Germany's first store for outdoor pursuits and expedition equipment. From the beginning they looked for the best, most functional products for outdoor life and travelling to the most far-flung parts of the world. They were uncompromising when it came to quality and functionality. Their store in the Wandsbek district in Hamburg quickly became a meeting point for ambitious globetrotters and adventurers. Globetrotter today has an extensive e-commerce business, 14 stores, approx. 1,120 employees and a turnover of nearly € 200 million. The company philosophy is to be specialists for outdoor living – not only experts, but people who "live their dreams". That is the key emotional tie between our staff and our customers.

The change of business system and web platform gives new opportunities for the future. The omnichannel project was finalized and launched in late autumn, and the company started offering this sales channel in the stores. Omnichannel offerings are fast entering retail stores, but Partioaitta is now in the forefront. In august, one new store opened in the Turku area and two stores have been remodeled according to our upgraded retail concept. 11 out of 15 stores are now remodeled.

During the fall, Globetrotter has opened up a new fantastic 4,500 square meter store in Stuttgart and acquired three stores from a competitor, Woick. Focus has been on starting up the new Frilufts AB and the integration into Fenix Outdoor International AG. There has been some time consuming organizational and logistic changes, including downsizing from two to one warehouses.

FUTURE CHALLENGES

The rapid change in consumer behavior combined with a more global and more price pressed market is both a challenge and an opportunity for the group. The new Frilufts AB will have more resources and better possibilities to be in the forefront, adapt to changes, and drive the outdoor retail market.

PRIORITIES 2015

To acquire or establish retail on new markets has been a goal for a long time. By forming the new Frilufts AB and finalizing the deal with Globetrotter we have taken a large step towards this goal by becoming one of Europe's largest outdoor retailers. During 2015, we will continue the coordination of the Frilufts group to find future possibilities and synergies. Simultaneously, each company is focusing on being the market leader in its market and continues to look for new business opportunities such as new store locations.

Partioaitta shop in downtown Helsinki.

Photo: David Holmqvist

New store opened in November in Täby Centrum, Stockholm.

ANNUAL REPORT – MANAGEMENT REPORT

The Board of Directors and Managing Director of Fenix Outdoor International AG, Corporate Identity Number CHE-206.390.054, with its registered offices in Baar, Switzerland, hereby present the annual report and consolidated financial statements for the financial year 2014. Fenix Outdoor International AG is listed on Nasdaq OMX Stockholm.

OPERATIONS

The Group is organized into two operating segments, Brands and Retail. The Brands segment develops, produces and sells equipment for an active outdoor life through the brands Fjällräven, Tierra, Primus, Hanwag and Brunton. The Retail segment, Frilufts Retail Europe, "Frilufts", operates the outdoor retail chains, Globetrotter, Naturkompaniet and Partioaitta. These two operating segments are supported by common functions for management, finance, IT, CSR/CSO and logistics.

LARGEST OWNER

The main owner of Fenix Outdoor International AG is Martin Nordin holding 53% of total voting rights and 16% of the total capital.

SIGNIFICANT EVENTS

To redomicile the former Fenix Outdoor parent company from Sweden to Switzerland, the main owner of Fenix Outdoor AB (the previous listed parent company) and Fenix Outdoor International AG (formerly known as Nidron Holding AG), announced a public share offer without bid premium to the other shareholders of Fenix Outdoor AB in May 2014. The redomiciliation took place in June 26th 2014. In order to present the best possible comparable data, consolidated accounts have been presented so as if Fenix Outdoor International AG has completed the re-domicilation since January 1, 2014. Comparative financial information reflects Fenix Outdoor AB Group accordingly.

In the end of 2014, the Fenix group expanded its Retail segment. In the beginning of 2014 Fenix Outdoor AB acquired 20% in the German retailer Globetrotter. At the end of the year, all shares in Globetrotter were acquired by a subsidiary of Fenix Outdoor International AG, Frilufts Retail Europe AB, "Frilufts". The acquisition was made through a contribution in kind where Fenix contributed its shares in Naturkompaniet AB and Partioaitta Oy and the owners of Globetrotter GmbH contributed their shares for new shares in Frilufts. From 31 December 2014, therefore, the Fenix group holds and consolidates 60% of the Frilufts subgroup.

In 2014, the Group experienced continued growth and strong results. Brands continued to establish brand stores in USA and one flagship store was established in Oslo.

SALES AND PROFIT

The Group's sales increased by 12% to MEUR 237,3 (211,9). The continued positive sales trend is primarily attributable to the current global expansion of Fjällräven. Hanwag, Primus, Brunton and Tierra developed steadily, without any major surprises.Despite a rather weak winter season in 2014 and a general weak Finnish market, Retail is reporting satisfying sales volumes.

The Group's operating profit increased to 33.6 (29.9) million. The strong sales performance, especially in Q3, and a slightly higher gross margin in Brands were the main reasons for the positive development of the operating profit.

The net sales in the Brands segment increased to 171.7 (145.6) MEUR, representing an increase of 18%. Germany continues to be the single largest market, but markets outside Europe are growing at the fastest rates. Operating profit for the year was MEUR 38,6 (30,0). The good result for Brands is presented despite negative results from the Brunton and Primus operations in North America.

The net sales in the Retail segment remained stable MEUR 65,6 (66,3). Operating profit for the year was MEUR 1,7 (4,2). The Retail segment was hit by a slightly lower gross margin and higher costs for IT infrastructure and marketing.

PROSPECTS FOR 2015

The Group expects to see continued major growth in net sales, especially in Germany, within the Retail segment, related to the consolidation of Globetrotter. The Brands segment also has good prospects for continuing its expansion in North America and in other key markets. Although the outlook is currently satisfactory, the past warm winter in Europe may affect the Brands segment's 2015 fall/winter sales in a negative way. Another source of uncertainty is the changing and increasingly competitive retail market, including the fact that the relative share of Retail, within the group, has increased significantly after the acquisition of Globetrotter.

The Group's risk exposure is limited by the fact that the Group still has a solid financial base.

EMPLOYEES

The average number of employees, as well as salaries, remuneration and social security contributions, are reported in Note 6. The Board's proposal to the Annual General Meeting regarding remuneration to senior executives is declared in the compensation report page 50–51.

LIQUIDITY AND FINANCIAL POSITION

The Group's financial position remains stable. The Group's total cash and cash equivalents totaled MEUR 41,0 (14,9) as of December 31, 2014. A result of cash contributions to and the consolidation of Globetrotter, the Group's interest-bearing liabilities increased to MEUR 60,2 (5,1) as of December 31, 2014. The Group's total equity at the end of the period was MEUR 117,9 (112,6), which corresponds to an equity/assets ratio of 42.6% (77.3).

RISK FACTORS

• **Cyclical risks** Historically, upswings and downturns in the economy have not had a significant impact on the Group's sales or earnings trend.
• **Weather-related and seasonal risks** Certain parts of the Group's product range and sales are affected by weather conditions. Portions of the winter collection, mainly available in the Nordic markets, are negatively affected by warm and late winters.
• **Trend risks** The Group does not consider itself to be a company of fashion products and views itself as only marginally affected by varying fashion trends.
• **Currency risks** The Group's net sales in different currencies are distributed as follows: SEK (23%), EUR and DKK (53%) and USD (14%) and other currencies (10%). A significant portion of the Group's purchases take place in USD, even though certain brands and Retail undertake a large share of purchases in EUR. The Company's policy is to hedge the major portion of its USD order exposure through forward contracts lasting up to a year. Even though a a significant portion of the total sales takes place in SEK, these net sales are not hedged.

Further information regarding the Group's risk management can be found in Notes 3 and 18, in the section Accounting Principles and Notes.

Sensitivity analysis operating result assuming no hedging has taken place

Factor	Change	Annual 2015 impact on income before financial items, MEUR
USD	+/- 5 percent	1,5 -/+
SEK	+/- 5 percent	0,2 +/-

The Group had outstanding fx forwards at the end of 2014, in which USD had been purchased against EUR, for a value of MUSD 33,2. The immediate effect of a 5% change in USD would, through these forwards, be neutralized by an amount of MEUR 1,3.

RESEARCH AND DEVELOPMENT

The Group does not engage in research in the traditional sense. Since its beginning, one of the Company's primary success factors has been the ability to continually develop new products and improve existing ones. This holds true for each of the Group's brands, and the work is mainly undertaken by the Company's own staff. The products are tested in both a laboratory environment and in authentic conditions through regular events, such as the Fjällräven Classic, Fjällräven Polar and Hanwag's "24-hour" in Germany.

Principles applied in the reporting of development costs and information regarding monetary amounts are presented in a separate section in Note 2, Accounting and Valuation Principles.

BRANCH OFFICES

Fjällräven's purchasing company has a branch office in Norway. This office is primarily responsible for Fjällräven's logistics in Norway and sales to Fenix Outdoor's Norwegian sales company.

INVESTMENTS

The Group's total investments, excluded the fixed asset increase arising from the consolidation of Globetrotter, totaled MEUR 8,8 (7,3). These investments are primarily attributable to upgraded ERP system within Retail and logistics, as well as investments related to new brand stores within Brands.

CORPORATE GOVERNANCE REPORT

The Company's corporate governance complies with the NASDAQ OMX listing agreement and the Swedish Code of Corporate Governance, with the exceptions stated below. The Articles of Association defines the Company's business name, operations, registered offices, number of Board members, amount of share capital, etc.

THE SWEDISH CODE OF CORPORATE GOVERNANCE

This report complies with the Swedish Code of Corporate Governance. Exceptions to the Code are explained in the relevant sections.

Annual General Meeting

The Group's highest decision-making body is the Annual General Meeting, usually taking place at the end of April or the beginning of May. The Board of Directors is elected at each Annual General Meeting andauditors are appointed. In addition, the annual financial statements are adopted and resolutions are undertaken regarding discharge from liability, the appropriation of profits and guidelines for remuneration to senior executives. Each shareholder listed in the shareholders' register on a specified date prior to the Meeting, and who has also registered to attend the Annual General Meeting, is entitled to attend the Meeting and vote for their combined ownership of shares. Shareholders may be represented by proxy.

The Nomination Committee

Fenix Outdoor International AG intends to stay from the Code's provisions regarding the Nomination Committee. The reason for doing so is that the Nordin family, along with its related companies, represents 62% of the Company nominal share value, corresponding to 86% of the votes at the Annual General Meeting, if all their shares are represented at the Meeting. In light of this concentration of shareholders, having a Nomination Committee has not been appeared necessary. Proposals regarding Chairman of the Board at the Annual General Meeting, Board elections, the appointment of the auditor and whether remuneration is to be paid to members of the Board and auditors are, thus, submitted by the Company's larger shareholders and presented in the notice of the Annual General Meeting and on the Company's website.

Duties of the Board

The Board of Fenix Outdoor International AG consists of five members elected individually at the Annual General Meeting. Information about the Board and the Managing Director can be found on the website and in the compensation report.

Since the Group redomiciliation in 2014, the Board has held five minuted meetings. At the board meeting following election, resolutions are adopted regarding the formal work plan of the Board and the Managing Director, aiming to ensure that the Board has the information required. In addition, the Board has issued written instructions regulating the allocation of responsibilities between the Board and the Managing Director.

An economic and financial report is submitted at each regular meeting. The Board convenes annually with the Company's auditors in order to review the audit and the activities undertaken during the year. As there are no special committees, except for the Remuneration Committee, within Fenix Outdoor International AG, the Board, in its entirety, addresses all matters except matters related to remuneration. The members of the remuneration committee are Sven Stork and Martin Nordin. Remuneration to members of the Board, elected at the Annual General Meeting, is determined by the Annual General Meeting according to the proposals submitted by the Company's largest shareholders.

Over the course of the year, the Board has monitored the Company's financial reporting, as well as its systems for internal control, to ensure that the operations are efficient and in line with laws and regulations, and that the financial reporting is reliable. The Board has examined and evaluated the accounting and financial reporting procedures, and has followed up and evaluated the work, qualifications and independence of the external auditors.

Risk assessment

The Board and Management work continuously with risk assessment and risk management in order to ensure that the risks to which the Company is exposed are taken care of within the framework ultimately established by the Board.

Control activities

Based on risk assessments, the Board and Management have determined a set of control activities for operational processes. Included in the control structure are such measures as the authorization hierarchy, the delegation of responsibilities and the Company management's review of financial information. The controls are to also ensure that any errors are rectified.

Information and communication

The internal dissemination of information and external communication are regulated on an overall level.

Follow-up

The internal control of financial reporting is evaluated on a continuous basis. The Board receives quarterly reports showing financial outcomes and with comments on the operations provided by the management. At each Board meeting, the financial situation is addressed. The Board takes a stand on significant areas of risk and evaluates the internal control on an annual basis.

Attendance at Board meetings Fenix Outdoor International AG, after the redomiciliation made in June 2014

Directors	Attendance, regular and inaugural meetings
Sven Stork (Chairman)	5
Ulf Gustafsson*	5
Mats Olsson	5
Anders Hedberg	5
Martin Nordin	5

INFORMATION

The Company's information to shareholders and other stakeholders is provided in the Annual Report, the interim reports, press releases and the Company's website, www.fenixoutdoor.se. Financial reports and press releases from the past few years and information regarding corporate governance are also available on the website.

NUMBER OF SHARES AND VOTES

The total number of shares in the Company is 34 850 000, of which 24 000 000 are Class A shares, nominal value 0.1 CHF/share and 10 850 000 are Class B shares, nominal value 1.0 CHF/share. The total number of votes in the Company is 34 850 000. The Company's largest shareholders are listed on the website.

OWNERSHIP STRUCTURE

Fenix Outdoor International AG had 2 847 shareholders at the end of 2014. The ownership participation of the ten largest shareholders constituted 76% of total capital. A list of the major shareholders can be found on page 53.

RESULTS AND FINANCIAL POSITION

For information regarding the Group's and the Parent Company's results and financial position, we refer to the consolidated and parent income statement, balance sheet, cash flow statement and notes in pages 27–48.

PROPOSED APPROPRIATION OF PROFITS IN PARENT

	31.12.2014 KCHF
Profit reserves at the beginning of the period	**34 083**
Net profit of the year	4 805
Profit reserves at the end of the period	**38 888**
Allocation to the general legal profit reserves	2 448
Profit to be carried forward	**36 440**

PROPOSAL FOR DISTRIBUTION OF DIVIDENDS

Capital contribution reserves	**199 697**
Capital contributions	277 859
Dividends	-6 016
Capital contribution reserves	**471 540**

SEK 4 Kronor per B-Share and SEK 0,4 Kronor per A Share calculated at CHF/SEK 8,81 (24 000 000 * 0,40 + 10 850 000 * 4,00 = SEK 53 000 000)

THE BOARD'S STATEMENT ON THE PROPOSED DIVIDEND

The Board's opinion is that the proposed dividend of SEK 0,4 per A-share and SEK 4,0 per B-share will not hinder the Company from fulfilling its short and long-term obligations, nor from making necessary investments.

Considering that the Company's operations continue to be run with profitability, the Company's equity/assets ratio is satisfactory. Liquidity in the Company is deemed to be maintainable on a similarly satisfactory level.

FIVE YEAR SUMMARY GROUP

MEUR	2014	2013	2012	2011	2010
INCOME STATEMENT					
Net sales	237,3	211,9	195,9	170,0	140,5
Depreciation, amortisation and write-downs	-5,8	-4,5	-3,9	-3,3	-2,6
Operating profit	33,6	29,9	26,6	26,0	26,5
Net financial income	3,7	0,0	-0,6	0,0	-1,4
Profit/loss after financial items	37,3	29,9	26,0	26,1	25,1
Tax	-10,9	-7,7	-8,2	-7,5	-7,4
Net profit for the year	**26,4**	**22,3**	**17,9**	**18,6**	**17,8**
BALANCE SHEET					
Fixed assets	78,5	35,4	34,6	31,5	22,3
Inventories	111,5	62,3	53,3	52,3	29,7
Accounts receivable - trade	24,9	21,1	14,4	12,9	10,3
Other current assets	20,7	11,9	13,9	10,9	5,8
Cash and cash equivalents, current investments	41,0	14,9	16,7	9,6	30,1
Total assets	**276,6**	**145,7**	**133,0**	**117,1**	**98,1**
Equity	117,9	112,6	99,1	84,6	67,6
Minority shareholdings	23,7	1,1	0,9	1,0	0,1
Provisions etc	8,3	2,7	3,1	4,2	4,0
Non-current liabilities, interest-bearing	11,1	-	-	-	4,9
Current liabilities					
Interest-bearing	49,1	5,1	5,1	5,1	0,9
Non-interest-bearing	66,5	24,1	24,8	22,3	20,6
Total equity and liabilities	**276,6**	**145,7**	**133,0**	**117,1**	**98,1**
CASH FLOW					
Cash flow from operating activities	19,1	10,9	17,8	-1,4	16,0
Investments	-23,3	-6,3	-6,3	-13,9	-3,7
Cash flow after investments	**-4,2**	**4,6**	**11,5**	**-15,2**	**12,3**
KEY RATIOS					
Growth in sales, %	12,0	8.0	11.0	15.0	19.5
Profit margin, %	14,2	14.1	13.3	15.3	17.9
Return on total assets, %	23,3	21.5	21.5	25.2	29.8
Return on equity, %	22,9	20.8	19.3	24.6	30.4
Equity/assets ratio, %	42,6	77.3	74.8	72.2	68.9
Average number of FTE employees	906	766	696	646	420
DATA PER SHARE					
Number of shares, thousands per 31/12 [1)]	34 850	13 274	13 274	13 274	13 274
Gross cash flow per B-share, EUR	2,43	2,02	1,64	1,65	1,53
Earnings per B-share, EUR	1,99	1,68	1,35	1,40	1,34
Equity per B-share, EUR	8,90	8,48	7,46	6,37	5,10
Market value 31/12, EUR	38	32	21	17	21
P/E ratio	19	20	15	12	15
Dividend per B-share [1)]	0,42	0,45	0,47	0,34	0,33

DEFINITIONS: PROFIT MARGIN: Profit/loss after financial items as a percentage of net sales. RETURN ON TOTAL ASSETS: Profit/loss after financial items plus interest expenses as a percent of average equity. RETURN ON EQUITY: Net income as a percent of average equity. EQUITY/ASSETS RATIO: Equity as a percent of total assets. GROSS CASH FLOW PER SHARE: Profit after tax plus depreciation/amortisation divided by average number of shares. EARNINGS PER SHARE: Net profit divided by average number of shares. EQUITY PER SHARE: Equity divided by average number of shares. P/E ratio: Market value at year-end divided by profit per average number of shares.

[1)] Proposed dividend (4,00 kronor per B-share and 0,40 kronor per A-share, having 10% of the nominal value versus a B-share
(A-share 0,1 CHF/share and B-share 1,0 CHF/share)

CONSOLIDATED INCOME STATEMENT

Amounts in KEUR	Note	2014	2013
Net sales	5	237 263	211 870
Other operating income	7	3 729	3 331
		240 992	**215 201**
Cost of goods sold		-104 824	-95 952
Other external expenses	8	-55 793	-47 491
Personnel expenses	6	-40 881	-36 375
Depreciation/amortisation		-5 777	-4 482
Result from participations in associated companies	9	-48	-66
Other operating expenses	7	-79	-904
Operating profit	5	**33 591**	**29 931**
Financial income	9	4 796	371
Financial expenses	9	-1 069	-375
Profit/loss before tax		**37 318**	**29 928**
Tax	10	-10 939	-7 673
Net profit for the year attributable to:	5	**26 379**	**22 255**
Parent Company's shareholders		25 786	22 105
Non-controlling interests		593	149
Earnings per share after tax attributable to the Parent Company's shareholders during the year after dilution and before dilution in EUR.		**1,99**	**1,68**
Number of outstanding shares		**34 850 000**	**13 273 731**
Proposed dividend per share (SEK) - B shares		**4,00**	**4,00**
Proposed dividend per share (SEK) - A shares		**0,40**	**4,00**

Earnings per share before and after dilution are equal, as there are no outstanding options or convertibles which would imply dilution.

OTHER COMPREHENSIVE INCOME

Amounts in KEUR	2014	2013
Net profit for the year after tax	**26 379**	**22 255**
Not to be reclassified in the income statement in the future		
Change in translation reserve during the period		1 902
		-
To be reclassified in the income statement in the future		-
Hedging transactions	2 143	-155
Taxes	-345	-
Total other comprehensive income for the year:	**1798**	**1 746**
Total comprehensive income for the year	**28 177**	**24 001**
Total comprehensive income attributable to:		
Parent Company's shareholders	27 584	23 852
Non-controlling interests	593	149

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of 31 December, Amounts in KEUR	Note	2014	2013
ASSETS			
Fixed assets			
Intangible fixed assets	11	20 812	18 439
Tangible fixed assets	12	46 393	15 501
Investments in associated companies	13	4 765	806
Deferred tax assets	10	5 751	575
Other non-current financial assets	13	100	60
Other non-current receivables	13	929	65
Total fixed assets		**78 750**	**35 446**
Current assets			
Inventories	15	111 458	62 332
Accounts receivable trade and other receivables	16	41 526	28 822
Prepaid expenses and accrued income	19	4 126	4 148
Cash equivalents	3	41 020	14 946
Total current assets		**198 130**	**110 249**
TOTAL ASSETS		**276 880**	**145 694**
EQUITY AND LIABILITIES			
EQUITY			
Equity and reserves attributable to the Parent Company's shareholders			
Share capital		11 014	2 973
Other contributed capital		24 935	7 383
Other reserves		0	-617
Retained earnings		81 952	102 840
Total equity attributable to the Parent Company’s shareholders		**117 901**	**112 579**
Non-controlling interest		23 706	1 113
Total equity		**141 607**	**113 692**
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities	10	2 431	2 279
Employee benefits	20	573	153
Other non-current provisions	21	5 540	312
Interest bearing liabilities	22	11 127	-
Total non-current liabilities		**19 671**	**2 744**
Current liabilities			
Other short term liabilities	23	51 147	14 835
Current tax liabilities		4 485	698
Interest bearing liabilities	22	49 061	5 112
Accrued expenses and deferred income	24	10 909	8 613
Total current liabilities		**115 602**	**29 258**
TOTAL EQUITY AND LIABILITIES		**276 880**	**145 694**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Other contributed capital	Retained earnings	Change in translation reserve and hedge accounting	Total	Non-controlling interest	Total Equity
Opening balance 2013-01-01	2 973	7 383	91 123	-2 407	99 072	874	99 946
Changes during 2013							
Net Profit for the year			22 105		22 105	149	22 254
Other comprehensive income for the year			-	1 747	1 747		1 747
Total comprehensive income for the year	-	-	22 105	1 747	23 852	149	24 001
Change in reporting currency			-6 628	2 407	-4 221	90	-4 131
Transactions with owners							
Dividends			-6 124		-6 124	-	-6 124
Closing balance 2013-12-31	**2 973**	**7 383**	**100 476**	**1 747**	**112 579**	**1 113**	**113 692**
(Fenix Outdoor AB group)							
Changes during 2014							
Net Profit for the year			25 786		25 786	593	26 379
Other comprehensive income for the year			-	1 798	1 798		1 798
Total comprehensive income for the year	-	-	25 786	1 798	27 584	149	28 177
Group redomilication	8 041	17 552	-45 498		-19 905		-19 905
Transactions with non-controlling interests					-	22 000	22 000
Transactions with owners							
* Dividends			-2 357		-2 357	-	-2 357
Closing balance 2014-12-31	**11 014**	**24 935**	**78 407**	**3 545**	**117 901**	**23 262**	**141 607**

* Dividends to external parties from Fenix Outdoor AB

CONSOLIDATED CASH FLOW STATEMENT

Amounts in KEUR	Note	2014	2013
OPERATING ACTIVITIES			
Net profit for the year		26 379	22 255
Tax expense in income statement		10 939	7 673
Financial net in income statement		-3 679	4
Depreciation		5 777	4 482
Adjustment for items not included in the cash flow, etc.	27	-4 676	1 253
Interest and dividends realised		434	371
Interest paid		-1 099	-374
Tax paid		-8 109	-8 490
Cash flow from operating activities before changes in working capital		**25 966**	**27 173**
Change in inventories		-14 131	-10 884
Change in operating receivables		-1 307	-7 117
Change in operating liabilities		10 404	1 742
Cash flow from operating activities		**20 932**	**10 915**
INVESTING ACTIVITIES			**-**
Purchase of intangible fixed assets	11	-3 551	-3 073
Purchase of tangible fixed assets	12	-5 228	-4 167
Sale of intangible fixed assets	11	23	0
Sale of tangible fixed assets	12	395	
Acquisition of subsidiaries, net of cash acquired	29	-16 798	-
Purchase/sales of financial assets		0	914
Cash flow from investing activities		**-23 322**	**-6 326**
FINANCING ACTIVITIES			
Borrowings		31 730	200
Dividends paid		-2 357	-6 124
Cash flow from financing activities		**29 373**	**-5 924**
Change in cash and cash equivalents		**25 146**	**-1 346**
Cash and cash equivalents at beginning of year		**14 946**	**16 556**
Effect of exchange rate differences on cash and cash equivalents		**928**	**-264**
Cash and cash equivalents at year-end	16	**41 020**	**14 946**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 GENERAL INFORMATION

BUSINESS ACTIVITY

Fenix Outdoor International AG (The Parent Company) and its subsidiaries (collectively, the Group) is a Group whose business idea is to develop and market high-quality, low-weight outdoor products through a selected retail network with a high degree of service to customers with high demands. The Group conducts development, production and sales in a large number of subsidiaries throughout Europe, Asia and the US.

The Parent Company is a Swiss Corporation (AG) with its registered offices in Lindenstrasse 14, 6340 Baar, Switzerland. Following a reorganisation in June 2014, the Parent Company became a listed company on the Nasdaq OMX Stockholm, Mid Cap.

REDOMICILATION

To redomicile the Fenix Outdoor Group from Sweden to Switzerland, the main owner of Fenix Outdoor AB (the previous listed parent company), Fenix Outdoor International AG (formerly known as Nidron Holding AG), announced a public share offer without bid premium to the other shareholders of Fenix Outdoor AB in May 2014.

In order to recognize comparable data, consolidated accounts have been presented so as if Fenix Outdoor International AG has owned all the shares of Fenix Outdoor AB since January 1, 2014. Comparative financial information reflects Fenix Outdoor AB Group, accordingly.

The Group has changed its presentation currency to EUR following of the redomiliation. Comparative information has been restated into EUR. All historical comparative data, which can be attributed to the former constellation of Fenix Outdoor AB, have been translated to EUR at historical exchange rates for the current period. The consolidation process has been treated as reorganization within the group. The reason for presenting in EUR is that EUR is the, by far, the most important currency in the group.

NOTE 2 ACCOUNTING AND VALUATION PRINCIPLES

COMPLIANCE WITH STANDARDS AND LEGISLATION

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the EU and as issued by the IASB. Accounting standards and applications introduced during the year have not impacted the Group's results or financial position.

The consolidated figures are presented in EUR. All figures, unless otherwise stated, are rounded off to the nearest thousand. Assets and liabilities are reported at historical acquisition cost, with the exception of certain financial assets and liabilities. These assets and liabilities are derivative financial instruments which are measured at fair value through profit or loss, or for which hedge accounting is applied. Intangible and tangible fixed assets are reported at acquisition cost less depreciation/amortisation and write-downs, where applicable. Fixed assets and non-current liabilities essentially consist of the amounts expected to be recovered, or paid, at a date more than twelve months after balance sheet date. Preparing the financial statements in accordance with IFRS requires management to make estimates and assumptions that impact the application of accounting principles and the reported amounts of assets, liabilities, income and expenses. These estimates and assumptions are based on historical experience and various other factors that, under current circumstances, seem reasonable. The results of these estimates and assumptions are used to assess the reported values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates and assessments. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant, are specified in Note 4.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements include the Parent Company and those subsidiaries in which the Parent Company, directly or indirectly, controls more than 50% of the voting rights, or in any other manner exercises a controlling influence. The consolidated financial statements are prepared in accordance with the principles specified in IFRS 10 Consolidated Financial Statements. Intercompany transactions and associated unrealised gains are, thus, eliminated.

BUSINESS COMBINATIONS, GOODWILL AND NON-CONTROLLING INTERESTS

Business combinations are accounted for using the acquisition method. Acquisition costs comprise the consideration paid either in cash or other assets which are measured at fair value. Transaction costs are recognized as operating expenses.

Net assets acquired comprise identifiable assets, liabilities, and contingent liabilities and are recognized at fair value. The difference between the acquisition costs and the fair value of the proportionate interest in the net assets acquired is recognized as goodwill.

Non-controlling interests are recognized in the balance sheet at their acquisition date fair value. Goodwill and changes in the fair value of the net assets are recognized in the assets and liabilities of the acquiree in its functional currency. Intangible assets and goodwill are recognized in those cash-generating units that are expected to benefit from the acquisition and/or to generate future cash flows.

If the Group gains control of an associate (business combination achieved in stages), the previously held interests are measured at fair value at the acquisition date. Any gain or loss resulting from the remeasurement is recognized in other income. Shares of the profits continue to be allocated to the non-controlling interests. When calculating cash flow from business combinations, the values of the acquired cash and cash equivalents are deducted from the purchase price paid.

Divested companies are included in the consolidated financial statements until the date of sale and/or loss of control. Companies acquired during the year are included in the consolidated financial statements from the acquisition date.

The process of taking a minority shareholder in Frilufts Retail Europe AB, by a contribution in kind of Globetrotter shares, was completed late December 2014, Fenix Outdoor International AG has decided to consolidate Globetrotter and the ownership constellation in Frilufts from December 31, 2014.

TRANSLATION OF FOREIGN CURRENCY

The functional currency of Group companies is generally the currency used in the primary economic environment in which they operate. Transactions in foreign currencies are translated at the exchange rate that applied on the transaction date. Exchange rate gains and losses resulting from such transactions or from the revaluation of foreign currency assets and liabilities at the balance sheet date are recognized in the income statement.

The financial statements of Group companies that are reported in foreign currencies are translated into EUR as follows: balance sheet at closing rates, and the income statement, statement of comprehensive income, and cash flow statement at average rates.

The change in accumulated exchange rate differences from the translation of foreign companies is reported in other comprehensive income. If the company is sold, or if part of it is sold and control is lost, the cumulative exchange differences are reclassified to the income statement.

The consolidated financial statements are presented in EUR. Historical rates are recalculated with rates as in the matrix below.

Average rate	2014	2013	Balance rate End year	2014	2013
EUR/SEK	9,130	8,670		9,480	8,930
EUR/CHF	1,212	1,228		1,203	1,227

Assets and liabilities of foreign operations are translated to EUR at the exchange rate prevailing on the balance sheet date. Income and expenses in foreign operations are translated to EUR at a average, based on monthly closing rates. Exchange rate differences arising from the translation of foreign operations are recognised directly in other comprehensive income as a translation reserve. Upon disposal of a foreign operation, the accumulated translation differences attributable to this operation, are reclassified to the consolidated income statement. Accumulated translation differences are reported as a separate component of equity.

SEGMENT REPORTING
Operating segments are reported as in the internal reporting to the Board of Directors, who is also defined as the Chief Operating Decision Maker of the Group. The Chief Operating Decision Maker is responsible for the allocation of resources and the assessment of the profit from the operating segments.

REVENUE
Revenue is measured at fair value of the amount received or receivable, excluding trade discounts, returns and VAT. The Group recognizes revenue when its amount can be measured in a reliable manner, when it is likely that future economic benefits will flow to the Group, and when sales criteria for a specific sales situation has been fulfilled respectively. The Group bases its assessment of returns on historical outcomes and considers, in its assessments, the nature of the customer and the transaction, and specific circumstances of each individual case.

Interest income is recognized as income using the effective interest method.

Dividends are recognized when the right to receive dividends is established.

INCOME TAX
Reported income tax includes tax to be paid or received regarding the current year, adjustments regarding previous years' current taxes and changes in deferred tax.

All tax assets and liabilities are measured at their nominal amount according to the tax regulations based on tax rates that have been enacted, or that have been announced and are substantially enacted. In the case of items reported in the income statement, associated tax effects are also reported in the income statement. The tax effects of items that are accounted for in other comprehensive income or directly against equity are also reported in other comprehensive income or equity, respectively.

Deferred tax is calculated according to the balance sheet method on all temporary differences arising between the reported values and the tax values of assets and liabilities. Temporary differences have primarily arisen as a result of the depreciation of properties, internal profit elimination, derivative contracts, and tax losses carried forward. Deferred tax assets relating to incurred loss carry forwards, or other future tax deductions, are reported to the extent that it is probable that the deduction can be offset against a taxable gains in future periods. Deferred tax liabilities related to temporary differences, attributable to the acquisition of subsidiaries, are not reported in Fenix Outdoor International AG's consolidated financial statements, as the Parent Company can, in all cases, control the date of reversal of the temporary differences and it is not considered probable that a reversal will take place within the foreseeable future.

INTANGIBLE FIXED ASSETS
Goodwill
Goodwill is comprised of the amount by which the acquisition value exceeds the fair value of the Group's participation in the acquired subsidiary's net assets at the time of the acquisition.

Goodwill arising from the acquisition of subsidiaries is recognized as an intangible asset. Goodwill is tested each year to assess whether there is an indication of a write-down requirement and is reported at acquisition cost, less accumulated write-downs. Goodwill is allocated to cash generating units for the purpose of testing to assess write-down requirements.

Capitalised expenditure for software
Expenses for purchased software products, developed or extensively modified for the Group, are capitalized as intangible assets if the economic benefits are likely to exceed the cost beyond one year. Capitalized expenditure for purchased software is amortized over the useful life of the software, but not exceeding four years. The amortization of capitalized expenditure for software is recognized in the income statement under Depreciation/Amortization. The straight-line metode of amortisation is used for all types of intangible assets.

Trademarks
Assets in trademarks have arisen from the acquisition of new businesses. The estimated useful life of trademark assets has been estimated at 15 years and comprises of the Brunton brand and Hanwag brand. Hanwag is a strong brand that was founded over ninety years ago. The brand is associated with high quality and good fit. The amortization is included in the section Depreciation/Amortization in the income statement.

Rental rights
Expenses for acquired rental rights are capitalized and amortized on a straight-line basis over the contractual useful life of the rental rights, normally over a maximum of five years. The amortization is included in the section Depreciation/Amortization in the income statement.

TANGIBLE FIXED ASSETS
Tangible fixed assets are reported at acquisition cost, less depreciation. Expenditure for repairs and maintenance is expensed.
Borrowing costs are expensed as incurred. Tangible fixed assets are depreciated systematically over their estimated useful lifetimes. If applicable, the residual value of the assets is taken into consideration when determining the depreciable amount. The straight-line method of depreciation is used for all types of tangible assets.

The following periods of depreciation are applied:	
Buildings	20–40 years
IT / ERP systems	4 years
Leasehold improvements	5 years
Equipment, tools, fixtures and fittings	3-20 years

For cases in which the reported value exceeds the asset's estimated recoverable amount, the asset is written down to its recoverable amount.

IMPAIMENT OF NON-FINANCIAL ASSETS
Assets that have an indefinite useful life are not amortized, but are tested annually for impairment requirements. Assets subject to depreciation and amortization are tested for any write-down requirement whenever events or changes in circumstances indicate that the reported carrying amount may not be recoverable. When the carrying amount exceeds the estimated recoverable amount, the carrying amount is written down to the recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal, and the asset's value in use. For the purpose of assessing write-down requirements, assets are grouped at the lowest level at which there are separately identifiable cash flows (cash generating units).

FINANCIAL INSTRUMENTS
Financial instruments are recognized and measured in line with IAS 39. Financial Assets reported in the balance sheet include cash and cash equivalents, accounts receivable, derivative instruments and non current financial assets. Financial Liabilities include accounts payable, borrowings and derivative instruments.

Financial instruments are initially recognized at fair value. Transaction costs are recognized on those financial instruments not subsequently measured at fair value.

A financial asset or financial liability is recognized in the balance sheet when the Company becomes party to the contractual terms. Accounts receivable are recognized when invoiced. An obligation is recognized when the counterparty has performed and there is a contractual obligation to pay, even if the invoice has not been received.

A financial asset is derecognized from the balance sheet when the either cash flows have been received, the contractual rights to the cash flows from the financial asset expire or the right to receive cash flows have been transferred. The same applies for a portion of a financial asset. A financial liability is derecognized from the balance sheet when the obligation specified in the agreement is discharged, cancelled, expired or in any other manner extinguished. This also applies for a portion of a financial liability.

Acquisitions and disposals of financial assets are reported on the transaction date, i.e. the date that the Company commits to purchase or sell an asset, excepting cases in which the Company acquires or disposes of listed securities, when settlement date accounting applies. IAS 39 classifies financial instruments into different categories. The classification depends on the purpose for which the financial instrument was acquired. Financial instruments are classified in either of the following categories:

- **Financial assets valued at fair value through profit or loss**
  This category includes derivative instruments in the form of foreign currency forward contracts that have positive market value. Any other derivative positions are reported, as before, in the income statement.

- **Available-for-sale financial assets**
  Available-for-sale financial assets are assets that are not derivatives and that have been identified as available for sale, or are not classified in any of the other categories. The assets are valued at fair-value with changes recorded th-

rough other comprehensive income. When there is objective evidence that the asset is impaired, previously recorded remeasurements in other comprehensive income are reclassified to the income statement. A significant or prolonged decline in the fair value of an investment in an equity instrument below its cost is deemed to be an objective evidence of impairment.

- **Loans and receivables**
  Loans and receivables comprise Accounts receivables and other receivables and are financial assets that are not derivatives which are not quoted in an active market. Receivables arise when the Company provides money, goods or services directly to a debtor with no intention of trading the receivable. The category also includes acquired receivables. Assets in this category are valued at amortized cost. Write-downs are recognized when there is objective evidence that a write-down requirement exists.

- **Financial liabilities valued at fair value through profit or loss**
  This category includes derivative instruments in the form of foreign currency forward contracts that have a negative market value. Fair value changes are reported in the income statement.

- **Other financial liabilities**
  Financial liabilities not held for trading purposes are valued at amortized cost using the effective interest rate method.

LEASING
When the Group, in all material aspects, has obtained the financial benefits and is exposed to the significant risks and rewards attributable to the leased object, is classified as a finance lease. Assets that are leased through finance leases are reported in the Group's balance sheet as a fixed asset and are depreciated in accordance with the principles applied for tangible fixed assets. The corresponding obligation to pay future lease expenses is reported as an interest-bearing liability. All other lease contracts are classified as operating leases. For operating leases, the lease expense is recognized on a straight-line basis over the term of the lease.

INVENTORIES
Inventories are valued, using the first-in, first-out method, at the lower of acquisition cost or net realisable value on balance sheet date. For finished goods manufactured by the Group, the acquisition cost is comprised of the direct manufacturing cost and directly attributable indirect costs. Appropriate write-downs have been made for obsolescence.

PROVISIONS
Provisions are only recorded if the group has a probable obligation (legal or constructive) to third parties as a result of a past event and if the obligation can be reliably estimated. Existing provisions are reassessed at every balance sheet date. Obligations that are related to a past event for which an outflow of economic benefits is expected and the when the amount can be reliably estimated but for which the timing cannot be reliably estimated, are reported as provisions.

PENSION COMMITMENTS
Within the Group, there are primarily defined contribution pension plans. A defined contribution pension plan is a pension plan according to which the Group pays fixed contributions to a separate legal entity and has therefore no obligation to pay further contributions. For such plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as pension costs in the period during which they arise.

The Group has only immaterial defined benefit pension plans. A defined benefit pension plan is a pension plan that states an amount for the pension benefit that an employee receives during retirement, usually based on one or several factors such as age, years of service or salary.

CONTINGENT LIABILITIES
A contingent liability is reported when there is a possible obligation that is attributable to events that have occurred and whose existence is confirmed only by one or several uncertain future events, or when there is an obligation that is not reported as a liability or provision as it is unlikely that an outflow of resources will be required.

CASH FLOW STATEMENT
The cash flow statement has been prepared using the indirect method. The reported cash flow includes only those transactions that have resulted in cash receipts or payments.
For the purposes of the cash flow statement, cash and cash equivalents comprise, in addition to cash and bank balances, current investments, which are exposed to an insignificant risk of fluctuation in value and which
– are traded on an open market at known amounts or
– have a shorter original maturity than three months.

NEW OR REVISED STANDARDS APPLIED BY THE GROUP

Standards that have been adopted as of 1 January 2014
A number of new standards and interpretations have become effective for financial year beginning 1 January 2014 and have been applied in the preparation of this financial report. The impact of these new standards can be summarized as follows:

IFRS 10 "Consolidated Financial Statements" builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The adoption of IFRS 10 did not have a material impact on the entities in scope of consolidation, nor on the statement of financial position, income statement or the notes to the financial statements.

IFRS 11 "Joint Arrangements" focuses on the rights and obligations incumbent on entities that jointly control an arrangement, rather than on the legal form of the arrangement. There are two types of joint arrangements, joint operations and joint ventures. Joint ventures are accounted for using the equity accounting method, which is already applied by the Group. The option to account for joint ventures using proportionate consolidation has been removed. The adoption of IFRS 11 did not have a material impact on the accounting for joint arrangements.

IFRS 12 "Disclosures of Interests in Other entities" includes disclosure requirements for subsidiaries, joint arrangements, associated companies and "structured entities" which have not been consolidated.

Other amendments to IFRSs had no impact on the statement of financial position, income statement or disclosures
_ Amendments to IAS 32 Offsetting Financial Assets and Financial Liabilities
_ Amendments to IAS 36 Recoverable Amount Disclosures for Non-Financial Assets
_ Amendments to IAS 39 Novation of Derivatives and Continuation of Hedge Accounting

Standards that have been early-adopted by the Group
There have been no early adoptions of standards for the Group.

New standards, amendments and interpretations that have not yet come into effect
IFRS 9 "Financial Instruments" addresses the classification, valuation and accounting of financial liabilities and assets. IFRS 9 was issued as completed version in July 2014 and replaces IAS 39 in its entirety. IFRS 9 becomes effective 1 January 2018. The Group will evaluate the effects of IFRS 9 in due course.

IFRS 15 Revenue from Contracts with customers
IFRS 15 replaces all existing revenue guidelines in IFRS and applies to all revenue arising from contracts with customers. It also provides a model for the recognition and measurement of sales of some non-financial assets including disposals of property, equipment and intangible assets.

The core principle is that an entity will recognise revenue when control (rather than significant risk and rewards of ownership) transfers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer. IFRS 15 becomes effective 1 January 2017. The Group is currently evaluating the impact of the new standard.

IFRIC 21 “Levies” provides guidance on the reporting of an obligation to pay a tax or fee which is not income tax. The interpretation sets out the criteria for the identification of an obligating event triggering an obligation to pay the tax or fee and when a liability should, therefore, be recognised. The Group is not currently exposed to any significant taxes or fees that do not comprise income tax, therefore, this interpretation has not any significant effect on the Group. IFRC 21 becomes effective 1 January 2016 for Fenix.

No other IFRS and IFRIC interpretations that have not yet come into effect are expected to have a significant effect on the Group.

NOTE 3 FINANCIAL RISK MANAGEMENT

Purpose
The Fenix Group is exposed to various financial risks, primarily comprised of inforeign exchange risk and interest rate risk. The Group’s risk management aims to minimize the potential negative effects on financial performance. Finance and risk management is handled centrally by the Parent Company’s finance function, in accordance with principles approved by the Board. The Company cash flow hedge accounting to hedge future currency flows (transaction exposure). A complete description of the effects can be found in Note 18, Hedge accounting.

Currency risk
Transaction exposure
The Group’s companies make and receive payments in different currencies and the Group is, therefore, exposed to risks with regards to exchange rate fluctuations. This risk is referred to as transaction exposure. The most significant aspect of the accounting treatment of transaction exposure is to ensure the calculation rate in EUR for the purchases that are made in USD. Company management can decide on the hedging of forecasted cash flows in foreign currency for up to 12 months into the future. Hedging is undertaken by means of holding the liquidity in the currency in question and/or through forward contracts. The most important sales currency is EUR, which accounts for approximately 50% of the Group’s net sales. The effect on profit of this exposure is described in the administration report.

Translation exposure
The Group’s profit is affected by changes in exchange rate when the foreign subsidiaries’ profit is translated into EUR. This exposure is generally not hedged. The Group’s equity is affected by changes in exchange rates when the foreign subsidiaries’ assets and liabilities are translated into EUR. This exposure is not hedged, with the exception of internal lending in USD from the treasury unit, which is, primarily, hedged externally by external borrowing in the same currency.

Interest rate risk
The Group’s financial result is affected by changes in interest rates. As per 31 December 2014, the major positions, 90%, of all loans in the Group are entered into at variable interest rates. As the short-term interest rate during recent years has been lower than the long-term interest rate, this has affected the Group’s net financial income positively. Group management continuously monitors the interest rate market in order to assess any possible changes in the fixed interest terms. An increase in the interest rate of one percentage should effect the interest cost around 500 000 Euro.

Financial and liquidity risk
The Group’s interest-bearing liabilities amounted to TEUR 60 188 (2013: TEUR 5 112) at year-end, which is approximately 21,8 (2013: 3.5) percent of the balance sheet total. Granted bank overdraft facilities are not tied to any specific currency therefore overdraft utilization only is shown as a short liability when the group reports a negative cash position in total. As per 31 December 2014, the major part, of the Group’s interest-bearing liabilities, was denominated in EUR. The maturity structure is presented in Note 22 and 17. Due to its relative low debt/equity ratio, The Group has found it acceptable, in terms of risk exposure, to use mainly short term external financing.

TEUR		Group
	2014	2013
Cash and cash equivalents	41 020	14 946
Unutilised portion of overdraft facilities	16 537	2 077
Cash and cash equivalents including bank overdraft facilities	**57 557**	**17 022**

Credit risk
Client credit risk
The Group does not have any significant concentration of credit risks. The Group has established policies to ensure that sales of products are made to clients with a suitable credit standing. The accounts receivable risk is regarded to be limited, as each separate account is relatively small and the Group’s credit policy is restrictive.

Financial credit risk
Cash and cash equivalents are deposited in major merchant banks, where the credit risk is very limited. The item is, however, exposed to certain currency risks, as around 70% of the net cash amount of EUR 41 020 is deposited in other currencies, primarily SEK, CHF, GBP, NOK, DKK and USD.

NOTE 4 SIGNIFICANT ESTIMATES AND JUDGMENTS

The preparation of financial statements in accordance with IFRS requires a number of significant judgments and accounting estimates to be made by management regarding the future that affect the reported amounts of assets and liabilities on balance sheet date. Income and expenses are also affected by the estimates. The actual outcome can differ from the estimates made. The significant estimates that have been made are presented below.

Estimates

TESTING OF GOODWILL FOR WRITE-DOWN REQUIREMENTS

The value of the Group’s goodwill is tested each year to assess whether there is an indication of an impairment. In conjunction with this assessment, usually the value in use is calculated with a discounted cash flow model. Certain assumptions required to be made in such a valuation, such as forecast of free cash flows, growth rates and discount rates have material impact on the result of the valuation. Refer also to Note 11.

WRITE-DOWN OF INVENTORY

Continuous controls are undertaken to identify and determine the amount of any obsolesce in the inventory. An individual assessment is made to the largest possible extent. In Retail, a model is used where goods are written down depending on from which season the product was purchased to inventory. In Brands, a margin analysis is made to define potential write down requirements.

USEFUL LIFE

Depreciation and amortization of tangible and intangible fixed assets are based on the expected useful life. Depending on the useful lives that are determined for an asset, the Group’s profit can be affected. For all assets, the residual value at the end of its useful life is deemed to be zero.

TAX

Current income taxes are calculated on the basis of the net profit for the fiscal year. The actual amount of income taxes due may differ from the amount that was calculated initially due to the final tax assessment being finalized several years after the end of the fiscal year. Offsetting risks are individually identified and assessed, and the corresponding provisions are recorded if necessary. Deferred tax assets are recorded on the basis of estimated future profits. The underlying forecasts cover a period of up to five years and include tax planning opportunities. Deferred tax assets are only reported to the extent it is probable that these will entail lower tax payments in the future.

Judgments

CONSOLIDATION OF GLOBETROTTER

Late in 2014 the group acquired all outstanding shares in Globetrotter Ausrustung GmbH, through a contribution in kind from the previous owners of Globetrotter. Due to the size of the total assets of this company it has a material effect on the total balance sheet of the group.The group has consolidated Globetrotter from the acquisition date. Given the complexity and size of Globetrotter the acquisition balance sheet is provisional at this stage and the Group will proceed with purchase accounting adjustments during the 12 month measurement period.

The registration of the ownership transfer was made close to year end 2014. Therefore the Board of Fenix Outdoor International AG has decided to consolidate this new unit from December 31, 2014.

NOTE 5 SEGMENT REPORTING

The Group is organised into two operating segments, Brands and Retail. The Brands segment engages in the development and marketing of the Group’s brands Fjällräven, Tierra, Primus, Hanwag and Brunton, while the Retail segment, “Frilufts Retail Europe AB” operates the outdoors retail chains Naturkompaniet AB, Partioaitta Oy and Globetrotter Ausrustung GmbH. These two operating segments are supported by Group-wide functions for management, finance, IT, CSR/CSO and logistics.

MEUR	Brands 2014	2013	Retail 2014	2013	Common 2014	2013	Group 2014	2013
Income								
External sales	171,6	145,6	65,6	66,3	-	-	237,3	211,9
Profit								
Operating profit per segment	38,6	30,0	1,7	4,2	-6,7	-4,3	33,6	29,9
Cap. Expenditures	6,1	3,3	0,9	0,6	1,8	3,2	8,8	7,0

The negative result in Common mainly comes from central costs for administration, IT, the trainee program and internal profits in inventory between the segments. In 2014 common also had costs related to the redomiliciation.

NET SALES PER GEOGRAPHIC MARKET

MEUR	2014	Group 2013
Switzerland	6,9	5,7
Sweden	55,1	55,3
Other Nordic countries	52,8	51,8
Germany	47,0	41,2
Benelux	17,4	14,3
Other Europe	21,5	18,2
North America	27,2	18,7
Other markets	9,4	6,7
Total	**237,3**	**211,9**

NOTE 6 AVERAGE NUMBER OF EMPLOYEES, SALARIES, OTHER REMUNERATION AND SOCIAL SECURITY CONTRIBUTIONS

FULL TIME AVERAGE NUMBER OF EMPLOYEES.

	2014 Number of employees	2014 Of whom men	2013 Number of employees	2013 Of whom men
Sweden	261	153	220	134
Norway	20	13	16	10
Denmark	9	6	8	4
Finland	133	61	129	64
Estonia	28	3	22	2
Germany	95	58	86	54
Austria	8	4	6	4
Holland	96	52	79	42
England	15	13	15	13
Switzerland	13	10	12	10
USA	127	64	72	36
China	101	36	101	35
Total, Group	**906**	**473**	**766**	**408**

SALARIES, OTHER REMUNERATION AND SOCIAL SECURITY CONTRIBUTIONS

	2014 Salaries and remuneration	2014 Employer's contribution (of which pension costs)	2014 Other personnel costs	2013 Salaries and remuneration	2013 Employer's contribution (of which pension costs)	2013 Other personnel costs
KEUR	32 004	8 000	877	27 327	7 568	1 480
		(1 962)			(1 834)	

For the members of the Board, remuneration of TEUR 41,1 has been paid, of which TEUR 16,4 was to the Chairman of the Board and TEUR 8,2 to every other member. For employees within the Group, there is no remuneration for Board work in subsidiaries. The salaries, remuneration and other benefits that have been paid out during 2014 to the Managing Director, Martin Nordin, and the Group's other six senior executives are specified below:

TEUR	2014 Gross salary	2014 Benefits and other remuneration	2014 Pension contributions	2013 Gross salary	2013 Benefits and other remuneration	2013 Pension contributions
CEO	426	52	27	296	60	23
Other senior executives	1 194	29	116	1 042	25	92
Total	**1 620**	**81**	143	**1 338**	**85**	**115**

The Managing Director, Martin Nordin, is entitled to a bonus based on return on total capital for the Fenix Outdoor Group (Income after financial items, plus interest expenses, as a percentage of average total assets - calculated as (Opening balance for the year + Closing balance for the year)/2.

The base is the average repo rate, set by the Swedish Central Bank, for the relevant calendar year plus 15%. The base +1% gives an extra monthly salary; the base +2% gives a further monthly salary, up to 6 monthly salaries. For 2014, Martin Nordin received a bonus of six monthly salaries, which will be paid during 2015.

For more information please see compensation report page 50.

MEMBERS OF THE BOARD AND SENIOR EXECUTIVES

	2014 Number on balance sheet date	2014 of whom men	2013 Number on balance sheet date	2013 of whom men
Group (including subsidiaries)				
CEO and other senior executives	8	7	7	7

NOTE 7 OTHER OPERATING INCOME AND EXPENSES

	2014	Group 2013
OTHER OPERATING INCOME		
Exchange rate differences	538	-
Royalties and licensing income	319	373
Franchise income	154	167
Marketing contribution	1 100	
Other	1 618	2 791
Total	**3 729**	**3 331**
OTHER OPERATING EXPENSES		
Exchange rate differences	-	-806
Other	-79	-98
Total	**-79**	**-904**

The income related to marketing contribution mainly comes from Retail marketing support from external vendors.

NOTE 8 OPERATING LEASE AGREEMENTS

The majority of the operating lease agreements below are rents for retail premises which are considered operating leases. Nominal value of agreed-upon future lease payments are distributed as follows. The lease expenses for 2014 amounted to TEUR 8 571 (7 545).

	Group 2014
Due for payment in 2015	20 021
Due for payment in 2016	17 225
Due for payment in 2017	15 418
Due for payment in 2018 or later	23 541
Total	**76 205**

	Group 2013
Due for payment in 2014	7 287
Due for payment in 2015	5 108
Due for payment in 2016	3 302
Due for payment in 2017 or later	10 874
Total	**26 571**

The major increase in lease commitments mainly comes from the consolidation of Globetrotter and the expansion of Brand stores in the US.

NOTE 9 FINANCIAL INCOME AND EXPENSES

	Group 2014	2013
FINANCIAL INCOME		
Profit/loss from participations in other companies		
Results from associated companies	-96	-66
Dividends	48	51
Total	**-48**	**-15**
Interest income		
External	170	120
Other financial income	265	120
Exchange rate differences	4 361	131
Total	**4 796**	**371**
Total financial income	**4 884**	**423**
FINANCIAL EXPENSES		
Interest expenses		
External	-707	-358
Other financial expenses	-362	-17
Total	**-1 069**	**-375**

NOTE 10 TAX

	Group 2014	2013
Current tax for the year	-11 878	-7 134
Deferred tax	939	-540
Total tax	**-10 939**	**-7 673**
Deferred tax assets		
Difference between book value and tax value of assets	0	-2
Loss carry-forwards	1 281	577
Loss carry-forwards through acquisition of subsidiary	4 470	
Reported deferred tax assets	**5 751**	**575**
Deferred tax liabilities		
Temporary differences regarding untaxed reserves	4 533	4 251
Temporary differences regarding inventories	-1 881	-1 505
Loss carry-forwards	-368	
Difference between book value and tax value of assets	147	-468
Reported deferred tax liabilities	**2 431**	**2 279**

Total unrecognized tax loss carry forwards per December 31, 2014 amounted to TEUR 1 630.

The difference between The Group's tax expenses and tax expenses based on current tax rates:		
Reported profit/loss before tax	37 318	29 928
Tax in accordance with current tax rate in major market	-8 210	-6 584
Tax effect of non-taxable income and expenses		
– Dividends	11	11
– Other	-1 270	-823
Effect of foreign tax rates	-1 470	-277
Tax on profit for the year according to the income statement	-10 939	-7 673

The current tax rate has been calculated based on the tax rate in Sweden, amounting to 22% (22%). The effective tax rate was 29,3% (25,6%) due to additional tax costs in Germany and not fully recognized tax losses carry forwards in the US.

NOTE 11 INTANGIBLE FIXED ASSETS

	Group 2014	2013
Capitalised expenditure for computer software		
Opening acquisition cost	6 475	4 496
Expenditure capitalised during the year	3 469	2 350
Sales and disposals	-	-
Reclassifications	170	-377
Translation differences	-134	6
Closing acquisition cost	9 980	6 475
Opening amortiation	-2 848	-2 001
Amortisation for the year	-1 771	-1 092
Reclassifications	13	243
Translation differences	-56	3
Closing amortiation	-4 639	-2 848
Installations in progress	843	1 066
	843	1 066
Closing balance	6 184	4 693
Brands		
Opening acquisition cost	9 029	8 750
Purchase through acquisition of subsidiary	677	-
Translation differences	58	279
Closing acquisition cost	9 764	9 029
Opening amortiation	-6 474	-5 875
Amortisation for the year	-411	-401
Translation differences	9	-198
Closing amortiation	-6 876	-6 474
Closing balance	2 888	2 555

Rental rights

Opening acquisition cost	438	438
Expenditure capitalised during the year	82	-
Translation differences	-9	-
Closing acquisition cost	511	438
Opening amortiation	-295	-240
Amortisation for the year	-32	-55
Translation differences	39	-
Closing amortiation	-288	-295
Closing balance	223	144

Goodwill

Opening acquisition cost	13 855	13 871
Translation differences	342	-16
Closing acquisition cost	14 196	13 855
Opening write-downs	-2 807	-2 807
Translation differences	128	-
Closing write-downs	-2 679	-2 807
Closing balance	11 517	11 047
Total intangible fixed assets	**20 812**	**18 439**

SPECIFICATION OF GOODWILL

	31-dec-14	Change in 2014	31-dec-13	Change in 2013	31-dec-12
Brands	6 916	470	6 446	-16	6 462
Retail	4 601	-	4 601	-	4 601
Book value	**11 517**	**470**	**11 047**	**-16**	**11 064**

Goodwill is divided between the Group's cash generating units identified per business area and trademark. In 2001 and 2002, Fenix acquired the shares in Naturkompaniet, generating total goodwill of TEUR 7 842. In line with past accounting practices, this amount was reported as goodwill for Naturkompaniet and amortised over a period of 20 years. When new accounting regulations came into effect in 2005, the goodwill was divided between Fjällräven and Naturkompaniet.

The change in goodwill for the year is attributable to translation differences.

The value of the Group's goodwill is determined annually by means of a test of any impairment requirement. As part of this assessment, the estimated value of current assets (cash generating units) is calculated by discounting future cash flows that have been estimated on the basis of an internal assessment of the coming five years, after which an unchanged cash flow is assumed. The internal assessment is based on historical income and expense trends, with adjustments made for any changes in circumstances, the competitive situation, etc., as deemed suitable by Group management. The discount rate applied is equivalent to the required return on the market. This required return is calculated using the weighted average cost of capital (WACC) according to the Capital Asset Pricing Model (CAPM). The cost of capital is converted to a required return, with consideration given to the tax rate and interest rates. The discount rates used has been reduced due to the continuing lower interest rates in the market. The rate used for 2014 is, 8% (10%). The impairment test for the year has indicated that no impairment of goodwill is necessary.

NOTE 12 TANGIBLE FIXED ASSETS

		Group
	2014	2013
Land and buildings		
Opening acquisition cost	9 915	9 039
Purchases	607	477
Purchase through acquisition of subsidiary	2 154	-
Reclassifications	-1 984	-
Translation differences	7	399
Closing acquisition cost	10 699	9 915
Opening depreciation	-2 270	-1 911
Depreciation for the year	-669	-360
Reclassifications	652	
Translation differences	12	1
Closing depreciation	-2 275	-2 270
Closing balance	8 424	7 645

		Group
	2014	2013
Cost of leasehold improvements		
Opening acquisition cost	845	565
Purchases	1 234	258
Purchase through acquisition of subsidiary	19 447	-
Sales and disposals	-163	-
Reclassifications	1 867	23
Translation differences	-13	-1
Closing acquisition cost	23 217	845
Opening depreciation	-408	-233
Depreciation for the year	-189	-176
Sales and disposals	163	-
Reclassifications	-652	-
Translation differences	-22	1
Closing depreciation	-1 108	-408
Closing balance	22 109	437
Equipment, tools, fixtures and fittings		
Opening acquisition cost	16 533	14 576
Purchases	3 391	2 174
Purchase through acquisition of subsidiary	7 496	
Sales and disposals	-2 069	-1 251
Reclassifications	71	-23
Translation differences	39	1 057
Closing acquisition cost	25 462	16 533
Opening depreciation	-9 803	-8 434
Depreciation for the year	-2 705	-2 254
Sales and disposals	1 523	647
Reclassifications	9	
Translation differences	423	237
Closing depreciation	-10 553	-9 803
Other fixtures and fittings	951	689
Closing balance	15 859	7 419
Total tangible fixed assets	**46 393**	**15 501**

NOTE 13 OTHER FINANCIAL ASSETS

KEUR	2014	Group 2013
Other financial assets		
Opening acquisition cost	60	136
Disposals		-40
Reclassified as associated companies	40	-40
Translation differences		4
Closing acquisition cost	100	60

The main investments are in Bauminvest GmbH & Co KG,, Primus Iwatani Corp and PKL Ltd, owned by Primus AB.

KEUR	2014	Group 2013
Other non-current receivables		
Endowment insurance with pension commitments	25	34
Deposits	260	31
Prepaid interest long term	644	0
Closing acquisition cost	929	65

KEUR	2014	Group 2013
Participations in associated companies		
At beginning of the year	806	829
Unrealised change in value	-160	-64
Reclassifications	-40	40
Purchase through acquisition of subsidiary	4 455	0
Translation difference	-296	0
At year-end	4 765	806

Summary of financial information for joint venture.

	Country	Equity	Income	Net loss for the year	Participating interest
Jiang Su Fenix	China	1 792	3 601	-160	50%

NOTE 14 PARTICIPATIONS IN SUBSIDIARIES

Subsidiary	Corporate Identity Number	Registered offices	Number of shares	Share of equity	Book value in Parent Company
Ronmar AG	CHE-364.759.885	Luzern	100	100%	82
Fenix Outdoor Brand Retail AG	CHE-115.678.335	Baar	100	100%	333
Fenix Outdoor R&D and CSR AG	CHE-145.043.963	Luzern	100	100%	83
Fenix Outdoor AB	556110-6310	Örnsköldsvik	13 049 826	98,3%	378 962
Fjällräven Sverige AB	556413-5548	Örnsköldsvik	100	100%	-
Fjällräven GmbH	HRB56169	München	450	100%	-
Hanwag GmbH	HRB153419	Vierkirchen	1	100%	-
Fenix Eastern Europe	HRB182742	Vierkirchen	1	100%	-
HW Media GmbH & Co. KG	HRA91095	Vierkirchen	-	100%	-
Fenix Outdoor Norge A/S	920417280	Lillehammer	100	100%	-
Fjällräven Trapper AB	556080-3362	Örnsköldsvik	6 080	100%	-
Tierra Products AB	556095-1526	Örnsköldsvik	1 010	100%	-
Fenix Outdoor Danmark ApS	25894383	Århus	1	100%	-
Fjällräven B.V.	6200850	Almere	140	100%	-
Fenix Epic B.V.	59702585	Almere	1	100%	-
Fjällräven AB	556605-9795	Örnsköldsvik	1 000	100%	-
Turima Jakt AB	556018-8392	Örnsköldsvik	800	100%	-
Friluftsbolaget Ekelund & Sagner AB	556543-0229	Örnsköldsvik	1 294 000	100%	-
Fenix Outdoor Finland Oy	1068339-4	Helsingfors	100	100%	-
Primus AB	556152-5766	Örnsköldsvik	1 000	100%	-
Primus Eesti OÜ	10848501	Tartu	1	100%	-
Fjällräven International AB	556725-7471	Örnsköldsvik	1 000	100%	-
Fjällräven International AB NUF	993 405 035	Lillehammer	-	100%	-
Fenix Outdoor Italia s.r.l	REA187336		-	100%	-
Rosker Ltd	2091967	Gosport	10 000	100%	-
Fjällräven USA Llc		NY	1	100%	-
Fjällräven USA Retail, LLC		Colorado	1	100%	-
Brunton Inc.		Riverton	1	100%	-
N.A. Gear LLC		Riverton	-	100%	-
Fenix Outdoor Import LLC		Riverton	1	100%	-
Fjällräven Canada Retail, Inc		British Columbia	1	100%	-
Tierra, LLC		Delaware	1	100%	-

Subsidiary	Corporate Identity Number	Registered offices	Number of shares	Share of equity	Book value in Parent Company
Bus Sport AG	CH-320.3.032.659-8	Buchs	72	71%	-
Fjällräven Center B.V.	34127188	Amsterdam	40	100%	-
Fenix Outdoor Austria Italy GmbH	FN387475t	Innsbruck	1	100%	-
Fenix Outdoor Mono retail AS	912 893 030	Lillehammer	100	100%	-
Jiangsu Leader Outdoor Company Limited		Yangzhou	1	90%	-
Jiangsu Leader Outdoor Technology Development Company Limited		Yangzhou	1	100%	-
Frilufts Retail Europé AB	556788-3375	Örnsköldsvik	13 250 000	60%	15 301
Naturkompaniet AB	556433-7037	Örnsköldsvik	8 835 528	100%	-
Fiskarnas Redskapshandel AB	556029-5585	Stockholm	5 000	100%	-
Naturkompaniet AS	912 893 367	Lillehammer	100	100%	-
Partioaitta Oy	0201830-0	Helsingfors	94 285	100%	-
Globetrotter GmbH	HRB23422	Hamburg	38	100%	-
Globetrotter Academie GmbH	HRB13414KI	Ascheffel	3	94%	-
					394 759

Operating companies marked in bold.

NOTE 15 INVENTORIES

	Group 2014	2013
Goods for resale	94 533	52 993
Raw materials	10 256	8 835
Advance payments to suppliers	6 669	504
Total	**111 458**	**62 332**

Write-downs have reduced the book value in the Group in an amount of TEUR 5 452 (TEUR 5 876).

NOTE 16 ACCOUNTS RECEIVABLE, OTHER RECEIVABLES

	Group 2014	2013
Accounts receivable - trade		
Not yet due	18 280	13 781
Overdue	-	-
0-30 days	2 902	4 501
31-60 days	1 681	1 900
61-90 days	832	699
More than 90 days	2 528	974
Written-down amount	-1 358	-751
Total	**24 865**	**21 104**
Tax receivables	989	972
Other receivables	15 672	6 746
Total	**41 526**	**28 822**

NOTE 17 FINANCIAL INSTRUMENTS BY CATEGORY

2014

Assets in the balance sheet	Loans and receivables	Financial assets at fair value through profit or loss	Total assets
Derivative instruments *	-	1 552	1 552
Interest-bearing non-current rec.	260	-	260
Accounts receivable	24 866	-	24 866
Interest-bearing current receivables	6 459	-	6 459
Cash and cash equivalents	41 020	-	41 020
Total	**72 605**	**1 552**	**74 157**

Liabilities in the balance sheet	Other financial liabilities	Financial liabilities at fair value through profit or loss	Total liabilities
Accounts payable - trade	25 537	-	25 537
Non-current interest bearing liabilities	11 127	-	11 127
Current interest bearing liabilities	49 061	-	49 061
Total	**85 725**	**-**	**85 725**

2013

Assets in the balance sheet	Loans and receivables	Financial assets at fair value through profit or loss	Total assets
Interest-bearing non-current receivables	34	-	34
Accounts receivable	21 104	-	21 104
Cash and cash equivalents	14 946	-	14 946
Total	**36 084**	**-**	**36 084**

Liabilities in the balance sheet	Other financial liabilities	Financial liabilities at fair value through profit or loss	Total liabilities
Derivative instruments *	-	574	574
Accounts payable - trade	7 999	-	7 999

* The derivative position is a value calculated as the difference between the forward rate and the spot rate per balance sheet date, with an addition for remaining supplementary future charges/deductions from balance sheet date until the contractual maturity date for all outstanding positions on balance sheet date, valued at level 2 basis. Level 2: Fair values determined on the basis of observable market data. The data must take account of either quoted prices in inactive markets or prices that are not quoted. Furthermore, such fair values can also be derived indirectly from prices.

NOTE 18 HEDGE ACCOUNTING

The Group hedges the major part of its committed and signed purchase orders re goods to be paid in USD. The effectiveness of completed hedges can be considered very good. The reason for the hedging being undertaken against EUR is that a major portion of the Group's sales are invoiced in EUR.The Group's primary hedging instrument is currency forwards. The derivative position is measured as the difference between the forward rate and the spot rate per the balance sheet date, with an addition for remaining supplementary future charges/deductions from balance sheet date until the contractual maturity date for all outstanding positions on balance sheet date.

The market value for the forwards, designated in the hedges, is reported directly in equity. The rates of the forwards are used when the goods are accounted into inventory. The effect is thereby transferred from equity to inventory value. The effect in the income statement is realized when the goods are sold.

The sensitivity analysis described in the administration report can, therefore, as regards a change in SEK against EUR, be seen to apply instantaneously, as this risk is not hedged. As regards the Group's exposure to a change in USD, the effects may take up 12 months to be seen, given the hedging policy described above.

		Group
	2014	2013
Net outstanding forward agreements		
Purchased TUSD	33 200	34 700
Sold TEUR	25 726	25 782
Rate	1,2905	1,3459

The market value of outstanding forward agreements per 31 Dec 2014, TEUR 1 552, is reported in full as a change in the hedging reserve under equity, as all outstanding forward agreements per 31 Dec 2014 are considered hedging positions. The total position is divided into TUSD 18 200 purchased with forward agreements maturing during the first six months of 2015 and TUSD 15 000 purchased with forward agreements maturing during the second six months of 2015.

NOTE19 PREPAID EXPENSES AND ACCRUED INCOME

		Group
	2014	2013
Advertising expenses	145	254
Accrued market contributions	506	358
Licensing income	100	139
Rental charges	1 752	1 430
Insurance premiums	86	129
Other items	1 537	1 839
Total	**4 126**	**4 148**

NOTE 20 PENSION COMMITMENTS

		Group
	2014	2013
Endowment insurance with pension- commitments	25	34
Increase due to acquisition of subsidiary	256	-
Fair value of managed assets	-823	-730
Pension commitments in funds	1 115	850
Total	**573**	**154**

Within the Group there are both defined contribution and defined benefit pension plans. For defined contribution plans and for pension plans in Alecta, the premiums referring to the year are reported as the year's expenses. The extent of defined benefit plans in the Group, Alecta excluded, is very limited.

Surplus funds attributable to defined benefit plans refer to the Group's company in Norway. The following actuarial assumptions have been applied is calculating the amount: Discount rate 4.00% (3.9%), salary increases 3.75% (3.50%), future increase in pensions 0.6 % (0.2%) and expected rate of return on managed assets 4.00% (3.90%).

NOTE 21 OTHER PROVISIONS

		Group
	2014	2013
Non-current liabilities		
Warranty provision		
Opening balance	269	162
Release of provisions during the year	-22	106
Total	**247**	**269**
Other provions		
Opening balance	43	118
Added from acquired subsidiary	4 808	-
Changes in provisions during the year	442	-75
Total	**5 293**	**43**

The warranty provision is based on commitments which had not been terminated as per balance sheet date. The calculation of the amount is based on previous experience.

NOTE 22 INTEREST-BEARING LIABILITIES

		Group
	2014	2013
Long term liabilities		
Liabilities to credit institutions	11 127	0
Total	**11 127**	**0**
Short term liabilities		
Liabilities to credit institutions	49 061	5 112
Total	**49 061**	**5 112**
Total interest-bearing liabilities	**49 061**	**5 112**

Unutilized bank overdraft facilities in the Group amount to KEUR 16 537 (KEUR 2 036).

Maturity structure for interestbearing liabilitions	2014	2013
1-5 years	8 795	-
1-12 months	51 393	5 112

The liabilities have an average fixed interest term of less than 12 months and 76% of the liabilities are in EUR.

NOTE 23 SHORT TERM LIABILITIES

	2014	Group 2013
Accounts payable trade	25 537	7 999
Advance payments from customers	1 548	1 626
Other liabilities	24 062	5 210
Total	**51 147**	**14 835**
Accounts payable not yet due	18 233	2 955
Overdue 0- 90 days	6 569	4 451
Overdue more than 90 days	735	593
Total accounts payable - trade	**25 537**	**7 999**

NOTE 24 ACCRUED EXPENSES AND DEFERRED INCOME

	2014	Group 2013
Holiday pay and salary liabilities	3 469	3 266
Accrued social security contributions	1 178	1 023
Prepaid application fees	442	-
Other items	5 820	4 325
Total	**10 909**	**8 613**

Other items consists essentially of events, bonus, commissions and outstanding invoices

NOTE 25 PLEDGED ASSETS

	2014	Group 2013
For own liabilities		
Floating charges	41 953	18 800
Property mortgages	1 065	1 165
Total	**43 018**	**19 965**

NOTE 26 CONTINGENT LIABILITIES

	2014	Group 2013
Other contingent liabilities	4 409	803
Total	**4 409**	**803**

None of the above items are expected to impact future cash flows. The Group's contingent liabilities primarily refer to guarantee commitments to customs authorities and for lease agreements.

NOTE 27 ADJUSTMENTS FOR ITEMS NOT INCLUDED IN THE CASH FLOW

	2014	Group 2013
Change in other provisions	-461	129
Dividends received	48	-
Other items not affecting cash flow	-4 263	1 124
Total	**-4 676**	**1 253**

NOTE 28 ACQUISITION OF TANGIBLE FIXED ASSETS

All investments made in the Group and the Parent Company affect cash flow. No material acquisitions have been financed through leasing or instalment plans.

NOTE 29 ACQUIRED ASSETS AND ASSUMED LIABILITIES IN ACQUIRED SUBSIDIARIES

Fenix Outdoor group has acquired new companies during the year as presented below.

In 2014, the following companies were acquired:	Country	Segment	Share
Rosker Ltd	UK	Brands	5% (up to 100%)
Globetrotter Ausrustung GmbH	Germ	Retail	100% of shares and votes
Globetrotter Akademie GmbH	Germ	Retail	94,1% of shares and votes

3 March, 2014, Fenix Group acquired 20% in Globetrotter Ausrüstung GmbH, Hamburg, for KEUR 13 000. This strategic investment was made to establish a long term strategic alliance. The formation of the alliance established the conditions necessary for collaboration in several areas ranging from purchasing to IT.

In November 2014, Fenix and Globetrotter signed an agreement that strengthened the relationship by agreeing on a further capital increase in Globetrotter of KEUR 7 000 and the intention to make Globetrotter a 100% owned subsidiary of Frilufts Retail Europe AB ('Frilufts').

Through a contribution in kind, which was completed by registering ownership in late December 2014, Globetrotter became a 100% subsidiary of Frilufts. The former owners of Globetrotter received 40% non-controlling interest in Frilufts in exchange. Fenix holds 60% of Frilufts and exercises control over Frilufts. In Frilufts not only Globetrotter is included, but also Naturkompaniet AB and Partioaitta Oy, previously owned to 100% by Fenix. Fenix Group consolidated Globetrotter from 2014-12-31 accordingly.

The fair value of the receivables of Globetrotter amounted to KEUR 4 351, the gross contractual amount of the receivables amounted to KEUR 4 351, which reflects the best estimate of receivables expected to be collected.

In connection with the transaction, transaction costs were incurred. These were expensed immediately in the Group income statement. Further, Fenix Group remeasured the previously held 20% stake in Globetrotter to its fair value. The business combination resulted in negative goodwill which was recorded as other operating income in the income statement with an offsetting effect.

Due to the closing date at year end, Globetrotter did not contribute any revenue nor net profit to the Fenix Group financial statements. Had the acquisition been performed at 1 January 2014, Globetrotter had contributed revenue in the amount of KEUR 190,3. Globetrotter would have reduced the group result in 2014.

Due to the late closing date, the purchase price allocation has not been finalized as of the date of issuing the consolidated financial statements. The implications of any subsequent remeasurements are could affect either Inventory, Tangible Fixed Assets, Intangible Fixed Assets, Deferred Tax or Financial Instruments or Contingencies.

	Brands 2014	Retail 2014	Brands 2013	Retail 2013
Intangible fixed assets	-	1 235	-	-
Tangible fixed assets	-	28 325	-	-
Financial	-	465	-	-
Investments in Associates	-	4 455	-	-
Inventories	-	34 967	-	-
Other current assets	-	11 203	-	-
Long term bank loans	-	-13 627	-	-
Defered tax assets		4 470		
Non-current liabilities	-	-5 900	-	-
Short term bank loans	-	-9 719		
Other liabilities	-	-24 715	-	-
Cash and cash equivalents in the acquired company	-	3 299	-	-
Total	**-**	**34 456**	**-**	**-**

NOTE 30 INTEREST IN SUBSIDIARIES WITH NON-CONTROLLING INTEREST

In 2014, Fenix Group established Frilufts Retail Europe Group (Frilufts) which by the end of the year combines ist existing subsidiaries Naturkompaniet AB, Partiaoitta Oy and Globetrotter Ausrüstung GmbH.

Fenix Group exercises control over Frilufts by holding a 60% interest in capital and 71% interest in voting rights [Thomas to explain]) . Frilufts has is registered offices in Örnsköldsvik.In 2014, profit attributable to non-controlling interest holders of Frilufts was zero as the non-controlling interest was only granted at year end when Globetrotter acquisition was executed. Total accumulated equity attributable to non-controlling interest amount to EUR 22 000, the majority arising from the Frilufts transaction..

Summarized financial information for Frilufts Group is as follows:

KEUR	2014
Current Assets	74 605
Non-current Assets	52 025
Current Liabilities	55 703
Non-Current Liabilities	13 627

NOTE 31 TRANSACTIONS WITH RELATED PARTIES

DISCLOSURE REGARDING RELATED PARTIES WITH CONTROLLING INFLUENCE

The majority shareholder, the Nordin family, controls approximately 86 % of the voting rights for the Company's shares. Martin Nordin, of the Nordin family, is the Managing Director and has received salary, remuneration and benefits amounting to TEUR 477,4 (356,7). Regular pension insurance premiums have been paid, amounting to a total of TEUR 26,8 (23,0). Further disclosures of remunerations to the CEO, Martin Nordin, are presented in Note 6.

PURCHASES OF GOODS AND SERVICES FROM RELATED PARTIES

		Group
	2014	2013
Purchases of services:		
DalSam Security AB*	129	115
Consilo AB	20	-

The Company engages DalSam Security AB for certain security related services. The above transactions were undertaken on commercial terms. Consilo AB is owned and conrolled by the Board member Ulf Gustafsson. All these purchases relates to Fenix Outdoor AB.

OPERATING RECEIVABLES/LIABILITIES ATTRIBUTABLE TO RELATED PARTIES

		Group
	2014	2013
Liabilities to related parties:		
DalSam Security AB	-	9
Consilo AB	-	-

The owner of Dalsam Security AB is Nidmar Invest AB, which is controlled by Susanne Nordin.

BOARD APPROVAL

The consolidated financial statements were approved for publication by the Board of Directors of Fenix Outdoor International AG on 31 March, 2015, and will be presented to Annual the General Meeting for approval on 5 May, 2015.

AUDIT REPORT CONSOLIDATED FINANCIAL STATEMENT

As statutory auditor, we have audited the consolidated financial statements of Fenix Outdoor International AG, which comprise the income statement, other comprehensive income, statement of financial position, statement of changes in equity, cash flow statement and notes (pages 27 to 42), for the year ended 31 December 2014.

BOARD OF DIRECTORS' RESPONSIBILITY

The Board of Directors is responsible for the preparation of these consolidated financial statements in accordance with IFRS and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards and International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements for the year ended 31 December 2014 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with IFRS and comply with Swiss law.

OTHER MATTER

The consolidated financial statements of Fenix Outdoor AB (the former parent company of the Group) for the year ended 31 December 2013 were audited by another statutory auditor who expressed an unmodified opinion on those consolidated financial statements on 17 April 2014.

REPORT ON OTHER LEGAL REQUIREMENTS

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Ernst & Young Ltd

Zürich 7 April 2015

Roger Müller Licensed audit expert (Auditor in charge)	Ralf Noffke Licensed audit expert

INCOME STATEMENT, PARENT COMPANY

in KCHF	2014	2013
Dividend income from investments	213 322	66 932
Interest income group loans	2 787	457
Interest income banks	15	0
Total income	**216 124**	**67 389**
Interest expenses bank loans	-58	0
Interest expenses group loans	-154	0
Interest expenses shareholder loans	0	-4
Security transfer tax	-12	-1
Change of valuation of investment	-199 792	-29 858
Realized loss on sale participations	0	-26
Currency gain	675	0
Currency loss	-9 198	-2 573
Bank charges	-3	0
Operating result	**7 582**	**34 927**
Personnel expenses	-410	0
Other external expenses	-2 058	-558
Depreciation property, plant and equipment (Car)	-4	0
Result before tax	**5 110**	**34 369**
Stamp duty	-287	0
Direct taxes	-18	-8
Net profit of the year	**4 805**	**34 361**

BALANCE SHEET, PARENT COMPANY

in KCHF

ASSETS		31.12.2014	31.12.2013
CURRENT ASSETS			
Cash at bank		8 905	6
Other receivables		8 485	16
third parties	*43*		
group companies	*8 423*		
shareholders	*19*		
Accrued income and prepaid expenses		84	457
third parties	*48*		
group companies	*36*	*0*	
TOTAL CURRENT ASSETS		**17 474**	**479**
NON-CURRENT ASSETS			
Financial assets		100 809	64 646
loans to group companies	*100 809*		
Investments in subsidiaries		474 895	200 100
Property, plant and equipment (Car)		25	0
TOTAL NON-CURRENT ASSETS		**575 729**	**264 746**
TOTAL ASSETS		**593 203**	**265 225**

in KCHF

LIABILTIES AND SHAREHOLDERS' EQUITY		31.12.2014	31.12.2013
SHORT-TERM LIABILITIES			
Trade payables		28	206
third parties	*2*		
group companies	*26*		
Short-term interest bearing liabilities		32 862	-
third parties	*14 321*		
group companies	*18 541*		
Other short-term liabilities		20	
Accrued expenses		398	362
third parties	*97*		
shareholders	*160*		
group companies	*141*		
TOTAL SHORT-TERM LIABILITIES		**33 308**	**568**
LONG-TERM LIABILITIES			
Long-term interest bearing liabilities			266
group companies			
shareholders			
Provisions for unrealised exchange gains			6
TOTAL LONG-TERM LIABILITIES			**272**
TOTAL LIABILITIES		33 308	840
SHAREHOLDERS' EQUITY			
Share capital		13 250	404
Legal capital reserves		507 555	229 696
reserves from capital contributions	*477 556*		
other capital reserves	*29 999*		
General legal profit reserves		202	-
Voluntary profit reserves		38 888	34 285
retained earnings	*34 083*		
net profit of the year	*4 805*		-
TOTAL SHAREHOLDERS' EQUITY		559 895	264 385
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**593 203**	**265 225**

APPROPRIATION OF THE AVAILABLE EARNINGS

RETAINED EARNINGS	31.12.2014	31.12.2013
Profit reserves at the beginning of the period	**34 083**	**-76**
Net profit of the year	4 805	34 361
Profit reserves at the end of the period	**38 888**	**34 285**
Allocation to the general legal profit reserves	2 448	202
Profit to be carried forward	**36 440**	**34 083**
PROPOSAL OF THE APPROPRIATION:		
Capital contribution reserves	**199 697**	**199 697**
Capital contributions	277 859	0
Dividends	-6 016	0
Capital contribution reserves	**471 540**	**199 697**

SEK 4 Kronor per B-Share and SEK 0,4 Kronor per A Share calculated at CHF/SEK 8,81

NOTES TO THE PARENT STATEMENTS

1 Accounting principles applied in the preparation of the financial statements (in KCHF)

These financial statements have been prepared in accordance with the provisions of commercial accounting as set out in the Swiss Code of Obligations (Art. 957 to 963b CO), effective since 1 January 2013. As there is a consolidated financial report in accordance with IFRS on group level the stand-alone financial statements of Fenix Outdoor International AG comprise only the following elements: Balance sheet, Income statement and Notes. All amounts are presented in '000 CHF if not otherwise stated.

1.1 INVESTMENTS
Shares in subsidiaries are reported in the Company in accordance with the cost method. Reported values are tested individually at each balance sheet date to assess whether there is an indication for impairment.

1.2 REVENUE/INCOME RECOGNITION
Total income comprises mostly of dividend income as well as interest from loans with related parties and income on financial assets. Dividends are recognised when the right to receive dividends is established. Interest income is recognised on an accrual basis. Other income is recognised on an accrual basis.

1.3 EXPENSES
Total operating expenses comprises of interest on financial liabilities, exchange rate gains/losses as well as expenses from write-down of investments. The administrative expenses mainly comprise of staff and consulting expenses. The expenses are recognised on an accrual basis.

1.4 FOREIGN CURRENCY TRANSLATION
This financial statement of the company is presented in Swiss Francs (CHF) which is the company's functional currency.

Transactions in foreign currencies during the period have been converted at the current exchange rates of the transactions using the published daily rates by the Swiss tax authorities. All monetary assets and liabilities, denominated in the foreign currencies have been translated at the exchange rates as of the balance sheet date. Any gains or losses arising from these conversions are credited or charged to the income statement. The Investments denominated in the foreign currencies are shown with the historical exchange rates ruling on the date of purchase of such investment.

2 Information Balance Sheet and Income Statement

2.1 LONG-TERM LOANS TO GROUP COMPANIES

Company	31.12.2014	31.12.2013
RONMAR AG	97 027	64 504
Globetrotter GmbH	3 008	0
Other	774	142
Total	**100 809**	**64 646**

2.2 INVESTMENTS IN SUBSIDIARIES
As of December 31, 2014 the company holds the following participations:

Participations (direct)			**31.12.2014**		**31.12.2013**	
Name	Purpose	Capital	Capital	Votes	Capital	Votes
RONMAR AG, Switzerland 1)	Holding	CHF 100 000	100%	100%	100%	100%
Svenska Nordinvestment AB, Sweden	Holding	SEK 200 000	0%	0%	75%	75%
Fenix Outdoor AB, Sweden 2)	Trading	SEK 26 547 462	78%	55%	0%	0%
Frilufts Retail Europe AB, Sweden	Holding	EUR 8 833 333	30%	36%	0%	0%
Fenix Outdoor Development and CSR AG, Switzerland 4)	Services	CHF 100 000	100%	100%	0%	0%
Fenix Outdoor Brand Retail AG, Switzerland	Dorman	CHF 100 000	100%	100%	0%	0%

Participations (indirect)
1) RONMAR AG holds also 20.71% of the capital and 44.79% of the voting rights in Fenix Outdoor AB.

2) Fenix Outdoor AB holds also 30% of the capital and 35.50% of the voting rights in Frilufts Retail Europe AB.

In 2014, Svenska Nordinvestment AB distributed all of its shares in Fenix Outdoor AB through a dividend-in-kind to Fenix Outdoor International AG and RONMAR AG. After this transaction, Svenska Nordinvestment AG was sold by Fenix Outdoor International AG.

Fenix Outdoor International AG submitted a public exchange offer to the shareholders of Fenix Outdoor AB to tender their registered shares of category B in exchange for registered shares of category B of Fenix Outdoor International AG. On 19 June 2014, 9 July 2014 and 30 July 2014 the shareholders of Fenix

Outdoor AB exchanged their shares for a value of SEK 356.50 per share. In total 5'294'757 shares of category B and 100'000 shares of category A were exchanged.
Frilufts Retail Europe AB was acquired during 2014 from Fenix Outdoor AB. Its share capital was increased by a contribution in kind.

Fenix Outdoor Development and CSR AG and Fenix Outdoor Brand Retail AG were both acquired from Fenix Outdoor AB during 2014.

For matrix showing the Company's subsidiaries as well as respective interest therein, both direct and indirect, see Consolidated financial statements Not 14.

2.3 EQUITY

During 2014 the nominal share capital and the legal capital reserves were increased by several transactions:

Amounts in CHF	Share Capital	Legal capital reserves	General legal profit reserves	Voluntary profit reserves	Total
Balance as per 31.12.2013	**404 000**	**229 696 000**	**0**	**34 284 539**	**264 384 539**
Cash contribution 30.04.14	1 792 768	2 576 541			4 369 309
Contribution in kind 30.04.14	5 378 301	7 654 993			13 033 294
Contribution in kind 19.06.14	4 783 541	227 635 184			232 418 725
Contribution in kind 09.07.14	510 575	23 606 873			24 117 448
Contribution in kind 30.07.14	100 641	4 712 867			4 813 508
Cash contribution 27.08.14	280 174	11 672 647			11 952 821
Allocation to the reserves			202 000	-202 000	0
Net profit of the year 2014				4 805 322	4 805 322
Balance as per 31.12.2014	**13 250 000**	**507 555 105**	**202 000**	**38 887 861**	**559 894 966**

2.4 FINANCIAL INCOME AND EXPENSES

In January 2014, Svenska Nordinvestment AB distributed a cash dividend in the amount of TCHF 19'852 and 870'000 shares of category A and 3'956'302 shares of category B of Fenix Outdoor AB with a value of TCHF 190'818 as a dividend in kind to Fenix Outdoor International AG. In the same transaction, a corresponding value adjustment in the amount of TCHF 199'792 of the participation in Svenska Nordinvestment AB occurred.

In May 2014, a cash dividend from Fenix Outdoor AB in the amount of TCHF 2'652 was distributed to Fenix Outdoor International AG.

The currency loss of TCHF 9'197 is mainly resulting from the loans granted to subsidiaries and group companies which are balanced at their nominal values (SEK/EUR).

2.5 OTHER EXTERNAL EXPENSES

The consulting expenses of TCHF 1'945 mainly results from advisory services relating to group restructuring.

2.6 TAXES

The stamp duty payments were related to the share capital increase transactions in April 2014 and August 2014.

2.7 OTHER INFORMATION

2.7.1 Share capital

The board of directors is authorized to, at any time until 19 June 2016, increase the share capital up to a maximum aggregate amount of CHF 634'947 through issuance of maximum 634'947 registered shares of category B with a nominal value of CHF 1 each which shall be fully paid-up.

2.8 NUMBER OF EMPLOYEES

Fenix Outdoor International AG has employed two full time employees (starting 1 September, 2014).

3 Additional disclosures in accordance with Art. 959 lit. c (Swiss Code of Obligations)

None.

4 Mandatory disclosures in accordance with 663 lit. c (Swiss Code of Obligations)

4.1 SIGNIFICANT SHAREHOLDINGS IN FENIX OUTDOOR INTERNATIONAL AG

Nordin family, along with its related companies, represents 62% of the Company nominal share value, corresponding to 86% of the votes at the Annual General Meeting. See Annual report page 53.

4.2 SHAREHOLDINGS OF MEMBERS OF THE BOARD OF DIRECTORS

Martin Nordin 18 300 000 A-shares and 272 568 B-shares.
See Annual report page 54.

4.3 SHAREHOLDINGS OF MEMBERS OF THE EXECUTIVE COMMITTEE / EXECUTIVE MEMBERS OF THE BOARD OF DIRECTORS

Senior executives beside Martin Nordin 19 950 B-shares.

BOARD APPROVAL

The financial statements of Fenix Outdoor International were approved for publication by the Board of Directors on March 31st, 2015, and will be presented to the Annual General Meeting for approval on May 5th, 2015.

AUDIT REPORT PARENT COMPANY

As statutory auditor, we have audited the financial statements of Fenix Outdoor International AG, which comprise the balance sheet, income statement and notes (pages 44 to 48), for the year ended 31 December 2014.

BOARD OF DIRECTORS' RESPONSIBILITY

The Board of Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the financial statements for the year ended 31 December 2014 comply with Swiss law and the company's articles of incorporation.

REPORT ON OTHER LEGAL REQUIREMENTS

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd

Zürich 7 April 2015

Roger Müller Licensed audit expert (Auditor in charge)	Ralf Noffke Licensed audit expert

COMPENSATION REPORT

The Compensation Report contains details of the total compensation paid to members of the Board of Directors and the Senior Executives. In accordance with the Ordinance against Excessive Compensation in Stock Exchange Listed Companies, which entered into force on January 1, 2014, the Annual General Meeting of Shareholders votes to approve the compensation of the members of the Board of Directors and the Senior Executives.

PRINCIPLES

The Board of Directors of Fenix Outdoor International AG determine guidelines for remuneration to senior executives at market terms, enabling the Company to recruit, develop and retain senior executives. The remuneration consists of fixed salary, pension and other benefits. Total remuneration is to be at market rate and competitive and is, also, to reflect the areas of responsibility of the Senior Executive and the complexity of his role. In addition to the fixed salary component, Senior Executives are also eligible to receive variable compensation, which is related to the achievement of sales and profitability targets. For Senior Executives, variable remuneration is a maximum of 50 percent of basic salary. Compensation is not to be paid in the form of stock options or other share-related incentive programs.

BASIC PRINCIPLES

The disclosed compensation of the Board of Directors and the Senior Executives comprises the compensation for the full reporting year, subject to the following additions and limitations:

- The compensation paid to new members of the Board of Directors or Senior Executives is included from the date on which the member takes over the relevant function.
- If a member transfers from the Senior Executives to the Board of Directors, or vice versa, the full compensation is taken into account and reported under the new function.
- If a member resigns from and/or steps down from the Board of Directors or the Senior Executives, the compensation paid up to the date on which the member stepped down, plus any compensation paid in the reporting year in connection with his/her former activities, is included.
- Board of Directors' fees are paid by Fenix Outdoor International AG. Senior Executives are paid by the company they are employed by.

FIXED COMPENSATION (BASIC COMPENSATION)

The basic compensation to the members of the Board of Directors, the Board Remuneration is decided by the General Annual. The basic compensation to the Senior Executives comprises an annual fixed salary, pension, and other benefits.

VARIABLE COMPENSATION

In addition to the fixed compensation, the Senior Executives are also to be eligible to receive variable compensation, which is based on sales and profitability targets. For senior executives, variable remuneration is a maximum of 50 percent of basic salary. Compensation is not to be paid in the form of stock options or other share-related incentive programs. No variable compensation is offered to the Board of Directors. The AGM is asked to vote on variable compensation retrospectively for the Senior Executive getting the highest individual compensation, the CEO, i.e, variable salary proposed by the Board of Directors to be payable for 2014 is subsequently voted on by the annual general meeting in May 2015.

RESPONSIBILITIES AND DETERMINATION PROCESS

The compensation system is confirmed by the Compensation Committee before being submitted to the Board of Directors for approval. In accordance with the usual rules, individual members of the Board of Directors are not present when decisions are made on their respective compensation awards.

MEMBERS OF THE COMPENSATION COMMITTEE

Mr Sven Stork (Chairman of the Board)
Mr Martin Nordin (CEO)

THE BOARD OF DIRECTORS

Approves, at the request of the Compensation Committee, the terms of thee ployment contract and the target compensation of the CEO and the other Senior Executives.

COMPENSATION FOR THE REPORTING YEAR

Compensation overview: Board of Directors

The compensation paid in 2014, totally EUR 41 000, of which EUR 16 400 was to the Chairman of the Board, Mr Sven Stork, and EUR 8 200 to each of Ulf Gustafsson, Anders Hedberg and Mats Olsson, was paid by the former parent company of the Group, Fenix Outdoor AB. There is no variable compensation paid to the Board of Directors.

One Director of the Board, Mr Gustafsson, received, through a company controlled by himself, Consilo AB, a consultant fee for some specific consultant work performed by himself for the Fenix Group. The remuneration paid amounted to EUR 20 635 in 2014. The proposed fee for 2015 amounts to EUR 275 000, still as a consultant fee to Consilo AB.

No Director of the Board, except Mr Martin Nordin, CEO and Director of the Board, has any shares in Fenix Outdoor International AG.

Compensation overview: Group Senior Executives

2014 TEUR	Salary and bonus	Benefits and other remuneration	Pension contributions	Total
CEO	426	52	27	505
Other senior executives	1 194	29	116	1 339
Total	**1 620**	**81**	**143**	**1 844**

2013 TEUR	Salary and bonus	Benefits and other remuneration	Pension contributions	Total
CEO	296	60	23	380
Other senior executives	1 042	25	92	1 159
Total	**1 338**	**85**	**115**	**1 539**

Highest individual compensation: Martin Nordin, CEO, total remuneration as above.

The employment contracts of the executive members of the Senior Executives were aligned to the provisions of the Ordinance against Excessive Compensation in Stock Exchange Listed Companies.

In the reporting year, no collateral or guarantees were granted to Senior Executives or the Directors of the Board.

LOANS AND CREDITS

No loans or credits were granted by Fenix Outdoor International AG or any other Group company to Senior Executives or the Directors of the Board and no such loans were outstanding as of December 31, 2014.

COMPENSATION FOR 2015

Fixed compensation

The aggregate amount of basic compensation for the Board of Directors and the Senior Executives for the financial year 2015 will be proposed to the Annual General Meeting of Shareholders in May 2015 for approval.

For 2015 the main owner will suggest for the Annual General Meeting a compensation of CHF 20 000 for the Chairman of the Board and CHF 10 000 for the other members of Board, Ulf Gustafsson, Anders Hedberg and Mats Olsson. Mr Gustafsson is also offered a consult fee as described above.

VARIABLE COMPENSATION PAID OUT 2015, RELATING TO 2014.

The aggregate amount of variable compensation for the Board of Directors and the CEO for the reporting year 2014 will be proposed to the General Meeting of Shareholders in May 2015 for retrospective approval.

No variable compensation for the Board of Directors is proposed.

The CEO is entitled to a bonus based on return on total capital for the Fenix Outdoor Group (Income after financial items, plus interest expenses, as a percentage of average total assets - calculated as (Opening balance for the year + Closing balance for the year)/2.

The base is the average repo rate, set by the Swedish Central Bank, for the relevant calendar year plus 15%. The base +1% gives an extra monthly salary; the base +2% gives a further monthly salary, up to 6 monthly salaries. For 2014, Martin Nordin is proposed to receive a bonus of six monthly salaries, which will be paid during 2015.

Average repo rate 2014 = 0.47% + 15% = 15.5%. Return on total capital 23,3%. Difference 7,8%, resulting in 6 monthly salaries as a bonus.

No person, except Mr Martin Nordin, CEO and Director of the Board, has any shares in Fenix Outdoor International AG.

Board of Directors 2014	
Sven Stork, Chairman of the Board	No shares
Martin Nordin	18 300 000 A-shares and 272 568 B-shares
Mats Olsson	No shares
Anders Hedberg	No shares
Ulf Gustafsson	No shares
Senior Executives 2014	
Martin Nordin, CEO	See above
Alex Koska, Vice President	no shares
Martin Axelhed, Vice President	10 000 B-shares
Thomas Lindberg, CFO	600 B-shares
Marcel Gerrits	no shares
Henrik Hoffman	9 350 B-shares
John Walbrecht	no shares
Susanne Nordin	no shares

AUDIT REPORT COMPENSATION REPORT

We have audited the compensation report dated 7 April 2015 of Fenix Outdoor International AG for the year ended 31 December 2014. The audit was limited to the information according to articles 14 – 16 of the Ordinance against Excessive compensation in Stock Exchange Listed Companies (Ordinance) on pages 50 – 51 of the compensation report.

RESPONSIBILITY OF THE BOARD OF DIRECTORS

The Board of Directors is responsible for the preparation and overall fair presentation of the compensation report in accordance with Swiss law and the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance). The Board of Directors is also responsible for designing the compensation system and defining individual compensation packages.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the accompanying compensation report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the compensation report complies with Swiss law and articles 14 – 16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the compensation report with regard to compensation, loans and credits in accordance with articles 14 – 16 of the Ordinance. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements in the compensation report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of compensation, as well as assessing the overall presentation of the compensation report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION

In our opinion, the compensation report for the year ended 31 December 2014 of Fenix Outdoor International AG complies with Swiss law and articles 14 – 16 of the Ordinance.

Ernst & Young Ltd

Zürich 7 April 2015

Roger Müller Licensed audit expert (Auditor in charge)	Ralf Noffke Licensed audit expert

FENIX OUTDOOR SHARE DATA

SHARE PERFORMANCE 2014

Fenix Outdoor was listed on the stock market in 1983 and is traded on Nasdaq OMX Stockholm's Mid Cap list. The shares are classified in the Personal & Household Goods sector. The symbol is FOI-B and ISIN code is CH0242214887. Based on the last price paid on December 30, 2014, which was 360,00 SEK, Fenix Outdoors market capitalization was 4.77 billion SEK (3.78).

Fenix Outdoor's share price rose 26,3 percent in 2014, while the total index, OMX Stockholm, rose 12,4 percent. The highest closing price during the year was 448,00 SEK, on May 20th, and the lowest closing price was 272,00 SEK, on February 4th.

SHARE CAPITAL

At the end of 2014, Fenix Outdoor's share capital equaled TCHF 13 250 divided among 10 850 000 B-shares with a nominal value of 1 CHF, 24 000 000 A-shares with a nominal value of 0,1 CHF. The A-shares carry 1/10 of the B-shares entitlement to the Company's profit and equity.

SHAREHOLDING STRUCTURE

The number of shareholders was 2 847 (3 284) at end of 2014. The ten largest shareholders held 74,4 percent of the capital and 90,3 percent of the votes.

DIVIDEND

For the 2014 financial year, the Board of Directors has proposed a dividend of 4,00 SEK per B-share and a dividend of 0,40 SEK per A-Share, corresponding to 24,3 percent of profit after tax. Based on the last price paid on December 30th 2014 (SEK 360,00), the proposed dividend represents a dividend yield of 1,2 percent.

Since 2010, Fenix Outdoor has paid out an average of 26,5 percent of profit after tax in yearly dividends.

FENIX OUTDOOR SHARE PRICE NASDAQ OMX, 2010–2014

ANNUAL GENERAL MEETING, FINANCIAL INFORMATION 2015

The Annual General Meeting of the shareholders of Fenix Outdoor International AG (publ) will be held at 1 pm on Tuesday, May 5th 2015, at Röntgenvägen 2, Solna.

NOTICE OF ANNUAL GENERAL MEETING

The announcement regarding the Annual General Meeting will be issued through the official Swedish Gazette (Post och Inrikes Tidningar) and by publication on the Company's website www.fenixoutdoor.com. The fact that notification has been issued is announced in Svenska Dagbladet and Örnsköldsviks Allehanda.

NOTIFICATION AND PARTICIPATION AT THE MEETING

Shareholders who wish to attend the Annual General Meeting must notify the Company of their intention no later than 4 p.m. on Wednesday, April 29, 2015, at the following address: Fenix Outdoor International AGM, Box 209, SE-891 25 Örnsköldsvik, Sweden. The Company can also be notified by e-mail at info@fenixoutdoor.se

Notification must include the shareholder's name, address, personal identity number/corporate identity number, phone number (daytime) and the number of shares he or she holds.

Shareholders who, through a bank or another trustee, have trustee-registered shares must re-register the shares in their own names to be entitled to participate in the Annual General Meeting. To ensure that this registration is entered in the shareholder register Tuesday, April 28, 2015, shareholders must request that their trustees conduct such registration well in advance of this date. The re-registration may be temporary.

PROPOSED DIVIDEND

The Board of Directors proposes a dividend of 4,00 SEK per B-share (4.00) and a dividend of 0,4 SEK per A-share for 2014.

- Final day of trading Fenix Outdoor shares, including the right to the dividend: April 28, 2015
- Record date for payment of the dividend: May 7, 2015
- Payment date for the dividend: May 12, 2015

FINANCIAL CALENDER

Interim report January–March, May 5, 2015
Interim report January–June, August 17, 2015
Interim report January–September, November 3, 2015
Year-end Report 2015, February 2016

THE MAJOR SHAREHOLDERS 2014-12-31

Shareholder	Number of A shares	Number of B shares	Percentage of capital, %	Percentage of votes, %
MARTIN NORDIN	18 300 000	272 568	15,87	53,29
LISELORE AB	1 900 000	1 703 767	14,29	10,34
HAK HOLDING LIMITED	1 900 000	1 703 737	14,29	10,34
PINKERTON HOLDING AB	1 900 000	1 623 767	13,69	10,11
PLACERINGSFOND SMÅBOLAGSFOND, NORDEN	0	783 289	5,91	2,25
SWEDBANK ROBUR SMÅBOLAGSFOND SVERIGE	0	383 952	2,90	1,10
HANDELSBANKEN FONDER AB RE JPMEL	0	283 051	2,14	0,81
FONDITA NORDIC MICRO CAP SR	0	254 000	1,92	0,73
CLIENTS ACCOUNT-DCS	0	245 266	1,85	0,70
NORDIN, ANNA	0	201 485	1,52	0,58
VON DER ESCH, STINA	0	200 000	1,51	0,57
FONDITA NORDIC SMALL CAP	0	187 000	1,41	0,54
BANQUE CARNEGIE LUXEMBOURG SA	0	158 205	1,19	0,45
CARNEGIE SMÅBOLAGSFOND	0	156 142	1,18	0,45
Total	**24 000 000**	**8 156 229**	**79,67**	**92,27**
Other shareholders	0	2 693 771	20,33	7,73
Total	**24 000 000**	**10 850 000**	**100,00**	**100,00**

BOARD OF DIRECTORS, SENIOR EXECUTIVES

SVEN STORK
Born 1940
Chairman
Member of the Board since 1989
D Sc
OTHER ASSIGNMENTS:
Member of the Board in Maweva-Holding AG
CURRENT SHAREHOLDING IN FENIX OUTDOOR: —

MATS OLSSON
Born 1948
Member of the Board since 1986
Director
OTHER ASSIGNMENTS:
Chairman in KnowIT AB,
Member of the Board in
KIAB Fastighetsutveckling AB
CURRENT SHAREHOLDING IN FENIX OUTDOOR: —

ANDERS HEDBERG
Born 1951
Member of the Board since 2010
OTHER ASSIGNMENTS: —
CURRENT SHAREHOLDING IN FENIX OUTDOOR: —

ULF GUSTAFSSON
Born 1955
Member of the Board since 2013
OTHER ASSIGNMENTS:
Blåkläder Workwear AB,
Future Danmark Aps samt Future Oy.
CURRENT SHAREHOLDING IN FENIX OUTDOOR: —

MARTIN NORDIN
Born 1962
Member of the Board since 2014, and CEO
Fenix Outdoor employee since 2002
CURRENT SHAREHOLDING IN FENIX OUTDOOR:
18 300 000 A-shares and 272 568 B-shares

MARTIN AXELHED
Born 1976
Vice President
Fenix Outdoor employee since 1997
CURRENT SHAREHOLDING IN FENIX OUTDOOR: 10 000 B-shares

THOMAS LINDBERG
Born 1963
CFO
Fenix Outdoor employee since 2008
CURRENT SHAREHOLDING IN FENIX OUTDOOR: 600 B-shares

ALEXANDER KOSKA
Born 1966
Vice President
Fenix Outdoor employee since 2007
CURRENT SHAREHOLDING IN FENIX OUTDOOR: —

Other senior executives, four people.

AUDITORS

AUDITOR IN CHARGE
Roger Müller

Licensed audit expert,
Ernst & Young Ltd
Auditor at Fenix Outdoor
International AG since 2014

AUDITOR
Ralf Noffke

Licensed audit expert,
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International AG since 2014

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