

CALIDAGROUP

Annual Report
2021





100% Nature Relax / 100% Nature Lounge
CALIDA

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CALIDA GROUP achieves record result



TIMO SCHMIDT-EISENHART
AND HANS-KRISTIAN HOEJSGAARD

Dear Shareholders,

2021 was a record year for the CALIDA GROUP. In spite of initial limitations imposed by the corona pandemic, all our brands ended the year with double-digit sales growth. The 2021 business result is also substantially better than our pre-pandemic results and will be recorded in our company history as the greatest success to date.

The positive performance was primarily supported by our loyal customers who increasingly demanded our brands CALIDA, AUBADE and LAFUMA MOBILIER in all channels. The focused expansion of our e-commerce activities and sustainable near-shore production in particular paid off and enabled constant deliveries to our customers at all times during the pandemic. The omni-channel business model once again proved to be extremely robust and provides a solid foundation for the future growth of our Group.

E-commerce increased further by 27 percent – first steps in implementation of ACCELERATE growth strategy

The CALIDA GROUP's strategy until 2026 was presented at the first Capital Market Day in 15 years that was held in November 2021. ACCELERATE 2026 consists of four strategic initiatives to accelerate future growth: international growth should be accelerated by substantially increasing the investments in the core brands. To ensure better brand control and profitability growth, the second initiative is to increase the share of own distribution channels to 70 percent and digital sales to more than 50 percent of Group net sales by 2026. To this end, market share should be steadily expanded by the acquisition of growth brands in the underwear and lingerie market. As its fourth strategic priority, the Group wants to further expand its platform model and set up centres of expertise to unlock more synergies between the brands and accelerate the growth of the existing brands and new acquisitions.

Further progress made with portfolio transformation

The first steps in the strategy of focusing on our core segments of underwear and lingerie could be

implemented. As we signed a binding agreement with the grandson of MILLET's founder and Inspiring Sport Capital for the sale of the MILLET MOUNTAIN GROUP, we can return the business of the MILLET MOUNTAIN GROUP to the founder family. The transaction is expected to be finalised in the second quarter of 2022. We will use the proceeds in particular for acquisitions in the underwear and lingerie segments.

We took another step in the expansion of our core segment in underwear with the takeover of the sustainable German lingerie brand erlich textil. We plan to use our experience in brand development and our platforms to selectively support its next growth phase. We see great potential for synergies between erlich textil and our brands and aim to build up erlich textil as a leading brand for sustainable textiles in the DACH region in the coming years. We are delighted to have acquired a company that shares the values of the CALIDA GROUP.

Double-digit sales growth reported for core brands - CALIDA celebrates 80th brand anniversary

Accelerated international growth of the individual brands is one of the objectives of the Group's ACCELERATE strategy. In the 2021 financial year, the development of the brands was purposefully pursued further through targeted investments in marketing measures and collaboration projects with renowned designers. As a result, additional key accounts could be acquired, and the market position of the brands strengthened in Europe in particular. All brands reported double-digit sales growth and also exceeded the sales generated before the pandemic.

Sales improved substantially by 20 percent to almost CHF 300 million - EBIT margin increased to 8.1 percent

The CALIDA GROUP's business model has proven itself again in the second year of the pandemic. The Group generated sales of CHF 298 million from continuing operations, an increase of 19.2 percent adjusted for currency effects. At brand level, CALIDA contributed sales of CHF 152.7 million (+12.8 percent), followed by AUBADE with CHF 72.2 million (+28.8 percent) and LAFUMA MOBILIER with CHF 58.8 million (+27 percent).



20%

increase in sales



27%

E-commerce share of total sales



8.1%

EBIT margin



59%

Equity ratio

Thanks to the continued development of the Group's e-commerce activities, online sales rose sharply by 26.7 percent. Thus, the Group generated an impressive CHF 80.2 million or 27 percent of total sales online across all brands. The ongoing growth of the online business once again demonstrates the future potential of the digital distribution channels for the CALIDA GROUP. For years now, the CALIDA GROUP has grown more strongly than the market in this segment and has gained market share in all categories.

In spite of investments in marketing measures to promote the sustainable future development of our brands, the cost base could be controlled by way of a forward-looking expenditure policy. In 2021, the CALIDA GROUP earned an adjusted operating profit of CHF 24.3 million, up around 43 percent on the previous year. The EBIT margin of 8.1 percent is slightly above the guidance announced for 2021 and above the prior-year level of 6.8 percent. The largest contribution to operating profit came once again from CALIDA with CHF 47.5 million (+34.6 percent). AUBADE and LAFUMA MOBILIER also significantly increased their profitability with CHF 21.9 million (+47.6 percent) and CHF 18.4 million (+37.3 percent) respectively.

Free cash flow increased by some 21 percent to CHF 25.6 million and the equity ratio came in at an above-average 58.6 percent (excl. IFRS 16; previous year 63.8 percent). The CALIDA GROUP remains on a very solid financial footing, which affords us the leeway we require to achieve our ambitious strategic objectives by 2026. Our excellent position is rounded off by net liquidity of CHF 46.6 million and leaves us with sufficient scope to implement our ACCELERATE 2026 strategy, including making further acquisitions.

New attractive dividend policy – dividend payment of CHF 1.00

As presented at the CALIDA GROUP's Capital Market Day, our new dividend policy is now becoming evident for the first time. In future, we wish to distribute at least 50 percent of the normalised cash flow (2021: CHF 15.6 million) to our shareholders and steadily increase this

payment every year. In this way we can secure the long-term participation of our shareholders in our success. The remaining cash flow will be purposefully invested in profitable growth. Our shareholder-friendly dividend policy underlines our current financial stability and our positive assessment of the Group's future development. Against this background, the Board of Directors will propose to the Annual General Meeting of 14 April 2022 to increase the ordinary dividend by 25 percent to CHF 1.00 per share.

Stronger focus on sustainability thanks to acquisition and ESG reporting

With the announced acquisition of the sustainable underwear brand erlich textil, the CALIDA GROUP is strengthening its core segment of underwear as well as its commitment to sustainability and e-commerce. Like no other, the start-up with its registered office in Cologne is committed to fairness, sustainability and a positive working environment and works exclusively with organically grown, sustainable raw materials.

The values of erlich textil cover all the ESG focus areas defined by the CALIDA GROUP as part of its ACCELERATE strategy: in addition to corporate governance, our efforts to guarantee the sustainability of all corporate activities focus on products and materials, our employees, society and of course the environment. We have therefore committed by 2023 to join the UN Global Compact, to introduce the Global Reporting Initiative as our standard reporting system, to reduce our greenhouse gas emissions, to add more closed loops to our product range, and to continue to apply the strict ESG standards for our brands. Our sustainability initiatives are discussed in detail in the CALIDA GROUP's sustainability report.

Outlook for 2022: business model and growth strategy ensure a promising starting position

We are optimistic about the future. This optimism is founded on the visible signs of a new normality as well as our omni-channel business model, which has proved to be extremely robust and successful during the past two extraordinary years. Together with our clear growth strategy for the implementation of our ambitious objectives by 2026, this

creates a promising basis that we want to consistently exploit to the benefit of our employees, customers and shareholders. That is why we are confirming the organic growth rates of 4-6 percent that was communicated for 2022 at the Capital Market Day.

Our motivated and inspiring employees play a central role in the success story of the CALIDA GROUP. Through their extraordinary efforts they put our values and strategies into practice in everyday life. We would like to warmly thank them on behalf of the Board of Directors and the Executive Management. We would also like to thank our loyal customers and shareholders who for many years have provided the foundation for our successful business performance. We sincerely regret that once again we are unable to report personally on our Group to our shareholders at this year's Annual General Meeting. However, we hope to have more personal contact with you during the course of the year and look forward to our shared future.



Hans-Kristian Hoejsgaard
Chairman of the
Board of Directors



Timo Schmidt-Eisenhart
Chief Executive Officer

80 years of CALIDA, 80 years of sustainability



“Sustainability has been deeply embedded in our DNA for 80 years – and is now more important than ever. We live our values daily, authentically and with enthusiasm. And our customers feel that too, on a deeper level. Swiss quality and innovative strength, durability and uncompromising comfort were, are and remain the hallmark of our successful course, which we will continue to follow in the coming years guided by the needs of our customers.”

Alexandra Helbling
Managing Director CALIDA

For CALIDA, the 2021 financial year provided, in equal measure, a look back at 80 successful years and a look forward to an equally ambitious future for the brand. The YELLOWBRATION anniversary collection proved once again that an innovative spirit and commitment to quality remain just as relevant as in 1941. The focus on the sustainability core value was stronger than ever, as shown by the new Capsule Collections in collaboration with Viktor&Rolf and FTC Cashmere, which set new industry standards in terms of ecological as well as social responsibility. However, the commitment to sustainability was mainly demonstrated through the consistent development and implementation of innovative materials and production processes conforming to the stringent and voluntary Cradle to Cradle Certified™ standard. Among the highlights in 2021 was the first 100% compostable lace in underwear and the equally recyclable cotton qualities in the new Athleisure segment 100% NATURE RELAX world première. The entire BASICS range also posted strong growth. CALIDA uses BASICS to meet the growing demand in this segment and to consistently expand its pioneering role in terms of quality, comfort and sustainability for the younger demographic.

A high-quality, concerted marketing campaign featuring prominent out-of-home formats and print advertising as well as social media generated significant exposure, reaching and activating both loyal CALIDA customers and new target groups. An accompanying targeted digital transformation of the retail business and acceleration of e-commerce business led to another above-average increase in direct-to-consumer sales. Digital events including live streaming, video shopping and

personal, virtual advice increased direct customer contact to a comprehensive level in the new CALIDA LIVE category – including in terms of content: CALIDA was also recognised for the first time in the “e-commerce” category of the Digital Commerce Awards in 2021 for its outstanding approach to diversity. The most prominent and emotional highlights of the anniversary year included the opening of the new CALIDA Brandworld at the company’s Sursee headquarters, plus the newly conceived and more involving POS presentations and innovative pop-up stores in the offline area: the entire shopping experience was rethought to make sustainability and the corporate culture consistently and authentically tangible at all touchpoints.

Business with retail partners also achieved new milestones during the year under review. In addition to gaining new, international key accounts, the targeted expansion of the space-management partnerships also led to further optimisation of performance per square metre. In combination with the strong direct-to-consumer performance and consistent internationalisation in B2B business, this led to double-digit year-on-year growth, in spite of the ongoing COVID-19 pandemic and its associated challenges. CALIDA was notably able to secure supplies thanks to its 100% close-to-home production in Europe and even increased production volume. This growth and the associated positive earnings development are due to the sustainable and ongoing expansion of customer loyalty achieved through an extraordinarily committed team.

A black and white photograph of three women posing on a white sheet. They are wearing ribbed, long-sleeved tops and matching bottoms. The woman in the foreground is looking directly at the camera, while the two women behind her are also looking towards the camera. The background is a soft, draped white fabric.

80

Year CALIDA
Since 80 years our
products stand for
"quality in every moment"

13'000

real customer feedbacks
from a survey. 98% confirm
that CALIDA stands for
premium quality

42%

MADE IN GREEN
by OEKO-TEX certified
products with traceability

The Home Hub
CALIDA

Successful thanks to Innovations



“Collaborations between Aubade and luxury designers give us the opportunity to reinforce our creativity and audacity. Our new story with the ‘maison’ Karl Lagerfeld, has created a hype and social media buzz, gaining greater influence with a new international generation.”

Philippe Bernaud
General Manager
AUBADE

It’s been more than 60 years since AUBADE emerged as a trailblazer in the world of premium lingerie through its unique point-of-view of French seduction.

Drawing on its rich heritage of corsetry craftsmanship, the brand offers women the perfect fit and cut through designs that capture eternal style and follow trends through their creative, ever-changing lines.

The details and finishes are immaculate while the fabric choices provide greater refinement and elegance. Over the years, the brand built its reputation by using only the finest materials including Calais lace, Swiss embroidery, guipure as well as silk and satin.

Since its early beginnings, AUBADE has developed a strong and unique brand image. It continuously innovates with its products designed for elegant, feminine, and sensual women, making them look and feel beautiful.

This philosophy is a sincere declaration to women: be yourselves, make your own decisions and do what you want!

The collaboration: AUBADE X KARL LAGERFELD

KARL LAGERFELD and AUBADE have been pleased to reveal their Autumn/Winter 2021 collaboration.

The House of KARL LAGERFELD shares the iconic vision and design aesthetic of its founder, Karl Lagerfeld. The brand celebrates his colossal legacy and breathes his passion, intuition, and inexhaustible creativity into the core of its DNA. The styles bring together KARL LAGERFELD’s creative vision with AUBADE’s extensive experience in corsetry. In developing the collection, the two brands were inspired by their mutual passions for photography, elegance, irreverence, and, of course, their Parisian heritage

“What makes something fun?
The fact that I’ve never done it before.”
– Karl Lagerfeld

Acceleration of internationalisation

AUBADE has strengthened its market share internationally with a very strong relationship with B2B partners, invested in corners and people in key German department stores and focused on own Ecommerce and marketplaces.

The international development is key for the future of AUBADE to become a holistic brand.

To support the growth, AUBADE has launched marketing activities with international influencers, social medias and public relation to strengthen desirability and brand awareness and it will intensify in the coming years.

Sustainability meets elegance and seduction

2021 marked the launch of a new swimwear line entirely made out of recycled nylon which is not only sexy, soft and comfortable but also offers a more sustainable material solution. Autumn-Winter collection 2021 was also the launch in two colours and new shapes of its first eco-friendly line of lingerie Softessence, that brings together sexyness, comfort, and sustainability. Made from ultra-soft 100% recycled embroidery in a combination of tulle and embroidered thread, the velvet-y floral motif enhances comfort.

Sexy yet eco-friendly lines will increasingly become part of the brand’s offering in the years to come.



76'179

Sustainable products sold

57%

Growth in loungewear

26%

Growth in Ecommerce

Softessence
AUBADE

An extraordinary collaboration



“With the Labyrinth collection, we invite iconic French designers to add their handwriting to reinvent with us our iconic folding products”

Arnaud du Mesnil
General Manager
LAFUMA Mobilier

Goethe said with poetry “What man does not know, or has not thought of, wanders in the night through the labyrinth of the mind.” It is precisely this maze of lines and paths that inspired Jean-Paul Gaultier when designing his eponymous motif.

The French couturier, known all over the world for the originality of his clothes, has worked hand in hand for many years with LELIEVRE Paris, a famous design studio and purveyor of fine fabrics since four generations. Several collections of fabrics and wallpapers come from this collaboration, dressing walls and furniture with elegance. The latest, called Pop-Rock, mixes pop influences and landscapes from elsewhere.

It is precisely this collection that seduced our LAFUMA MOBILIER design team. When Jean-Paul Gaultier and Lelièvre Paris approached to us, we seized the opportunity of a collaboration with big names of French fashion to reimagine our iconic folding chairs. For their part, the designers of LELIEVRE knew the know-how of LAFUMA MOBILIER and the quality of our products. The meeting between these two worlds therefore happened quite naturally ... and the magic happened!

A limited edition for indoor and outdoor use

After several months of work, two chairs – a director’s chair and a lounge chair – and a XXL cushion have emerged: designed for both indoors and outdoors, they combine the high-quality steel structure developed by LAFUMA MOBILIER with a wide and comfortable seat. All elegantly dressed in a fabric designed by Jean-Paul Gaultier for Lelièvre Paris. The seats and cushion from the Labyrinth collection

have been designed for both indoor and outdoor use. The patterns with psychedelic accents were deliberately temporized by neutral tones. The only touch of light, a bronze-colored band, subtly illuminates each of the two seats.

This golden variation on the structure of the armchairs, adorned with a matt transparent varnish with a “golden bronze” effect, is a symbol of our history. Our designers have added this as a hint to vintage LAFUMA MOBILIER models produced in the 1950s.

The Labyrinth collection can be used on a terrace, balcony, in the bedroom or in the living room. The patterns of the seats and the cushion blend perfectly with the refined atmospheres, to which they bring an original contrast. Modern or Bohemian, chic or casual, the lounge chair adapts to all styles. As for the director’s chair, it is perfect around the table to invite guests, under the ceiling light in the dining room as well as under the starry sky. It is relevant to set contrasts by adding accessories with fine black lines to the decor (edge of sofa, metal candle holder, etc.), or add a touch of chosen from our permanent collections (Vogue coffee table in white metal, Melya rug, Beaulieu tray, etc.). An alternative would be to add warm decor by mixing the Labyrinth collection with African-style furniture and accessories – like Black terracotta pots, woven baskets, pampas grass, exotic wood furniture...

The Labyrinth collection was introduced at September 2021 Maison & Objet Tradeshaw in Paris, and is available on our www.lafuma-mobilier.com website.



30%

sales growth YoY
for the Privilege line
(2021 vs 2020)

33%

sales growth YoY
for the Horizon HORECA
collection (2021 vs 2020)

98%

raw materials sourced
in Europe

CALIDA GROUP at a glance

SELECTED KPIS

(IN CHF MILLION EXCEPT HEADCOUNT)

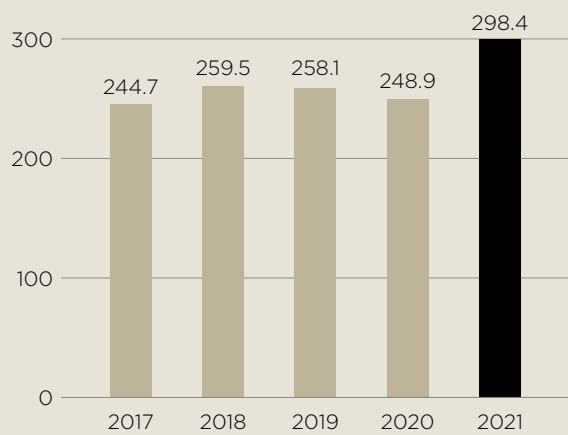
	2021	2020
Net sales²⁾	298.4	248.9
Currency adjusted growth	+19.2%	-0.6%
EBITDA adjusted^{1) 2)}	31.7	21.0
as a % of net sales	10.6%	8.4%
Operating result (EBIT) adjusted^{1) 2)}	24.3	16.9
as a % of net sales	8.1%	6.8%
Net income²⁾	15.2	9.7
as a % of net sales	5.1%	3.9%
Liquidity	46.6	45.3
Financial liabilities	0.0	0.0
Net liquidity	46.6	45.3
Normalised free cash flow¹⁾	15.6	13.9
as a % of net sales	4.0%	4.2%
Free cash flow¹⁾	25.6	21.2
as a % of net sales	6.5%	6.4%
Acquisition of group companies and associates and non-controlling interests	0.0	11.1
Shareholders' equity (including non-controlling interests)	173.6	165.0
Total assets	349.7	315.7
Equity ratio adjusted¹⁾	58.6%	63.8%
Return on equity²⁾	9.2%	5.3%
Headcount as of 31 December²⁾	2'407	2'344

¹⁾ See definition on pages 17 to 19 - Alternative performance measures

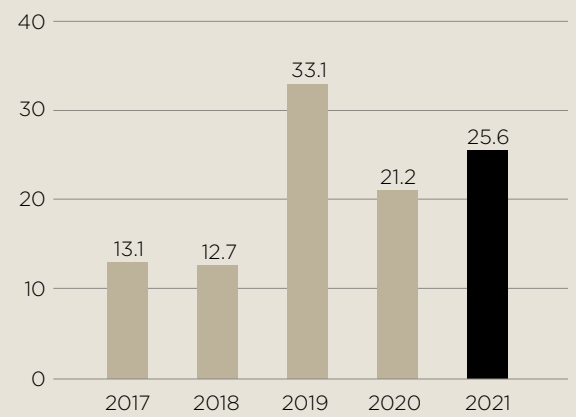
²⁾ From continuing operations

NET SALES

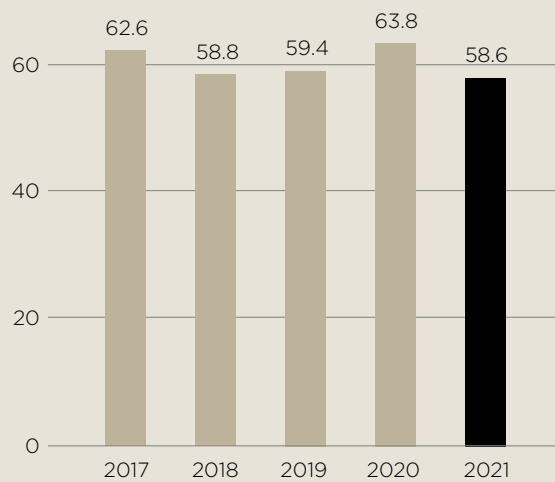
(in CHF million)

**FREE CASH FLOW**

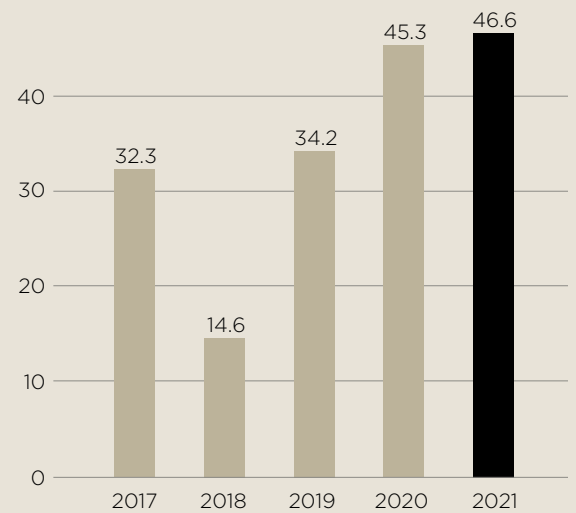
(in CHF million)

**EQUITY RATIO ADJUSTED**

(in%)

**NET LIQUIDITY**

(in CHF million)



KEY SHARE FIGURES

	2021	2020
Number of registered shares with a par value of CHF 0.10 each	8'385'037	8'257'351
Less treasury shares as of 31 December	-998	-998
Shares with dividend rights as of 31 December	8'384'039	8'256'353
Outstanding options	72'714	266'400
Nominal capital in CHF	838'504	825'735
Key figures per registered share (average number; in CHF)		
Net sales ³⁾	35.86	30.19
Adjusted operating result (EBIT) ^{2) 3)}	2.91	2.05
Net income ³⁾	1.82	1.12
Equity (book value per share)	20.92	20.08
Dividend per registered share¹⁾	1.00	1.60
Stock market prices in CHF		
Highest	55.40	38.40
Lowest	30.00	25.00
Year-end	48.60	31.90
Market capitalisation in CHF million	407.5	263.4
Price/earning ratio³⁾	26.7	28.5
Price/book value ratio	2.3	1.6
Price/sales ratio³⁾	1.4	1.1
Dividend payout ratio⁴⁾	53.7%	95.0%

¹⁾ 2021: Proposal by the Board of Directors to the Annual General Meeting

²⁾ See definition on pages 17 to 19 - Alternative performance measures

³⁾ From continuing operations

⁴⁾ As a ratio of normalized free cash flow

Alternative performance measures

The financial information contains some alternative performance measures (APMs), which are not IFRS defined accounting policies. CALIDA GROUP is of the opinion that the disclosure of adjusted EBIT provides an improved understanding of the results as it excludes elements that are either non-recurring or extraordinary. Adjusted EBIT excludes such effects (for example: effects from M&A transactions, impairments, restructuring, litigation and other non-recurring items that can vary substantially over time). Adjusted EBIT therefore enables an improved comparison of business performance over two comparable periods. Due to the non-standardised definitions, adjusted EBIT (as opposed to the IFRS key performance indicators) is not comparable with other companies.

ADJUSTED OPERATING RESULT, ADJUSTED EBITDA CONTINUING OPERATIONS (aggregated)

2021	IFRS	Impairments ¹⁾	Restructuring ²⁾	M&A transactions ³⁾	Other ⁴⁾	Adjusted
Net sales	298'445	-	-	-	-	298'445
Operating income	302'671	-	-	-	-	302'671
Operating expenses	-278'404	-	-	-	-	-278'404
Operating result (EBIT)	24'267	-	-	-	-	24'267
Depreciation/amortisation/impairment	21'621	-	-	-	-	21'621
Lease expenses	-	-	-	-	-14'147	-14'147
EBITDA	45'888	-	-	-	-14'147	31'741

2020	IFRS	Impairments ¹⁾	Restructuring ²⁾	M&A transactions ³⁾	Other ⁴⁾	Adjusted
Net sales	248'947	-	-	-	-	248'947
Operating income	254'197	-	-	-	-	254'197
Operating expenses	-239'760	2'511	-	-	-	-237'249
Operating result (EBIT)	14'437	2'511	-	-	-	16'948
Depreciation/amortisation/impairment	24'464	-2'511	-	-	-	21'953
Lease expenses	-	-	-	-	-17'888	-17'888
EBITDA	38'901	-	-	-	-17'888	21'013

¹⁾ Impairments: Impairment of financial or non-financial assets due to extraordinary circumstances or non-recurring events. See note 6 for explanations.

²⁾ Restructuring: This includes restructuring measures to improve organisational and operational processes. The EIDER brand was sold in 2020 leading to restructuring in LAFUMA GROUP (recognised under discontinued operations)

³⁾ M&A transactions: The Mergers & Acquisitions (M&A) category includes effects resulting from corporate transactions, such as mergers, acquisitions, operational transfers, externally financed acquisitions, outsourcing/insourcing, spin-offs, carve-outs or business cooperations. In 2020, CALIDA GROUP recognised a net gain on the sale of EIDER (in discontinued operations).

⁴⁾ Other: Non-recurring, extraordinary and rare events that cannot be allocated to any of the previous categories. In 2021 and 2020, there were no such events. Lease expenses are also included in this category for the EBITDA calculation.

EBITDA (ADJUSTED)

Adjusted EBITDA stands for earnings before interest, taxes, depreciation and amortisation, impairment losses and reversals of impairment losses. Adjusted EBITDA is calculated on the basis of the EBIT (in accordance with IFRS) plus amortisation, depreciation and impairment losses and reversals of impairment losses recorded in the income statement or less reversals of impairment losses on intangible assets, right-of-use assets and property, plant and equipment. Lease expenses correspond to lease payments and are deducted from amortisation, depreciation and impairment losses when calculating adjusted EBITDA in order to negate the IFRS 16 effect. In addition, non-recurring items, as outlined in the first paragraph of alternative performance measures are also factored in for adjusted EBITDA.

EQUITY RATIO

The Board of Directors evaluates the equity ratio excluding the effects of IFRS 16. The covenants in the syndicated loan agreement with the banking syndicate are likewise reported excluding the effects of IFRS 16. The adjusted equity ratio reports Group equity in proportion to total assets less lease liabilities.

	31 December 2021	31 December 2020
Equity ratio reported	49.6%	52.3%
Adjusted equity ratio – IFRS 16	58.6%	63.8%

CURRENCY ADJUSTED

This measure eliminates the effects of currency changes in comparison to the prior period. It takes account of the effects of exchange rate movements on the translation of the earnings of foreign subsidiaries in the income statement. When converting the earnings of subsidiaries, the prior-period figures are adjusted using the current exchange rate.

ORGANIC GROWTH

Revenue growth excluding the contribution to revenue from business combinations and currency effects.

E-COMMERCE GROWTH

Revenue growth from the sale of products via the CALIDA GROUP's own online shops and marketplaces.

FREE CASH FLOW

Free cash flow represents the Group's ability to manage and maintain its business, finance dividend payments, repay debts and carry out acquisitions. Free cash flow is calculated using cash flow from operating activities less cash flow from investing activities, including cash outflows for lease payments.

	2021	2020
Cash flow from operating activities	53'967	37'407
Cash flow from investing activities	-11'235	2'337
Cash outflow from leases	-17'101	-18'531
Free cash flow	25'631	21'213

NORMALISED FREE CASH FLOW

Normalised free cash flow is calculated to determine the dividend distribution including both continuing and discontinued operations that are part of the CALIDA GROUP at the end of the reporting period. Normalised free cash flow is the total of adjusted EBITDA, investments in property, plant and equipment and intangible assets, and net working capital adjustments. Net working capital is normalised at 16% of net sales and investments using an expected average volume of investments in property, plant and equipment and intangible assets.

	2021	2020
Adjusted EBITDA continuing operations	31'741	21'013
Adjusted EBITDA discontinued operations	5'869	-139
Normalised investments in property, plant and equipment and intangible assets	-12'309	-13'330
Normalised increase/decrease in net working capital	-9'721	6'323
Normalised free cash flow	15'580	13'867

Consolidated financial statements 2021 CALIDA GROUP



Group statement of financial position

AS OF 31 DECEMBER

	Notes	2021	2020
Cash and cash equivalents	1	46'601	45'344
Trade accounts receivable	2	17'713	26'270
Other current receivables	3	6'781	9'994
Current financial assets	8	98	154
Inventories	4	62'881	71'180
Right of return		387	579
Current tax assets		1'177	2'030
Prepaid expenses and accrued income		3'193	3'186
Assets classified as held for sale	19	95'247	-
Current assets		234'078	158'737
Property, plant and equipment	5	17'882	17'730
Right-of-use assets	6	55'244	71'297
Intangible assets	7	32'433	55'130
Non-current financial assets	8	4'843	6'999
Deferred tax assets	14	5'186	5'808
Non-current assets		115'588	156'964
ASSETS		349'666	315'701
Current financial liabilities	9	60	1'232
Current lease liabilities	6	11'959	16'034
Trade accounts payable	10	22'002	19'292
Other current liabilities	11	8'783	10'977
Refund liabilities		1'096	2'376
Current tax liabilities		6'906	3'038
Current provisions	13	1'822	3'158
Accrued expenses and deferred income	12	38'056	35'440
Liabilities associated with assets classified as held for sale	19	39'496	-
Current liabilities		130'180	91'547
Non-current financial liabilities	9	-	297
Non-current lease liabilities	6	31'947	40'890
Other non-current liabilities	21	5'460	9'135
Non-current provisions	13	4'372	3'880
Deferred tax liabilities	14	4'141	4'932
Non-current liabilities		45'920	59'134
Liabilities		176'100	150'681
Share capital		839	826
Treasury shares		-27	-27
Reserves		173'277	164'751
Equity held by the shareholders of CALIDA Holding AG		174'089	165'550
Non-controlling interests	16	-523	-530
Shareholders' equity	15	173'566	165'020
SHAREHOLDERS' EQUITY AND LIABILITIES		349'666	315'701

Group income statement

1 JANUARY - 31 DECEMBER

	Notes	2021 ¹⁾	2020 ¹⁾
Net sales from contracts with customers	20	298'445	248'947
Other operating income		4'226	5'250
Operating income		302'671	254'197
Cost of goods sold and third-party services		-85'213	-77'662
Personnel expenses	21	-97'487	-88'378
Other operating expenses	23	-74'083	-49'256
Depreciation and amortisation of property, plant and equipment and intangible assets	24	-7'310	-7'207
Depreciation and amortisation of right-of-use assets	6	-14'311	-17'257
Operating expenses		-278'404	-239'760
Operating result		24'267	14'437
Financial income	25	293	116
Financial expenses	25	-989	-1'284
Exchange differences	25	144	-249
Financial result, net		-552	-1'417
Net income from continuing operation, before taxes		23'715	13'020
Income taxes	14	-8'557	-3'348
Net income from continuing operations		15'158	9'672
Net income (loss) from discontinued operations, after taxes ¹⁾	19	5'093	-11'452
Net income (loss)		20'251	-1'780
attributable to:			
shareholders of CALIDA Holding AG		20'263	-1'428
non-controlling interests		-12	-352
Earnings per registered share in CHF:			
From continuing operations	26	1.82	1.12
From continuing operations diluted	26	1.82	1.12
From continuing and discontinued operations	26	2.43	-0.17
From continuing and discontinued operations diluted	26	2.43	-0.17

¹⁾ MILLET MOUNTAIN GROUP and OXBOW are reported as discontinued operations. Prior-period values adjusted.

Group statement of comprehensive income

1 JANUARY - 31 DECEMBER

	2021	2020
Net income (loss)	20'251	-1'780
Items that might be reclassified to profit and loss, after tax		
Exchange differences recognised in other comprehensive income	-8'239	-1'168
Remeasurements of cash flow hedges	2'077	-1'773
Items that cannot be reclassified to profit and loss, after tax		
Remeasurements of defined benefit plans	3'713	-971
Total other comprehensive income	-2'449	-3'912
Total comprehensive income	17'802	-5'692
attributable to:		
shareholders of CALIDA Holding AG	17'795	-5'244
non-controlling interests	7	-448

Group statement of changes in shareholders' equity

1 JANUARY - 31 DECEMBER

	Share capital	Treasury shares	Capital reserves	Retained earnings	Exchange differences	Reserves	Equity held by the shareholders of CALIDA Holding AG	Non-controlling interests	Shareholders' equity
1 January 2020	826	-536	542	209'506	-35'882	174'166	174'456	8'052	182'508
Net loss	-	-	-	-1'428	-	-1'428	-1'428	-352	-1'780
Other comprehensive income	-	-	-	-2'750	-1'066	-3'816	-3'816	-96	-3'912
Total comprehensive income	-	-	-	-4'178	-1'066	-5'244	-5'244	-448	-5'692
Acquisition of non-controlling interests	-	-	-	-1'827	-1'164	-2'991	-2'991	-8'130	-11'121
Transactions with treasury shares	-	509	-	-113	-	-113	396	-	396
Share-based payments ²⁾	-	-	298	-	-	298	298	-	298
Tax effect of share-based payments ³⁾	-	-	-14	-	-	-14	-14	-	-14
Result from hedge accounting transferred to cost of inventories	-	-	-	-1'351	-	-1'351	-1'351	-4	-1'355
31 December 2020	826	-27	826	202'037	-38'112	164'751	165'550	-530	165'020
Net income	-	-	-	20'263	-	20'263	20'263	-12	20'251
Other comprehensive income	-	-	-	5'790	-8'258	-2'468	-2'468	19	-2'449
Total comprehensive income	-	-	-	26'053	-8'258	17'795	17'795	7	17'802
Dividends	-	-	-	-13'313	-	-13'313	-13'313	-	-13'313
Capital increase ¹⁾	13	-	4'364	-	-	4'364	4'377	-	4'377
Share-based payments ²⁾	-	-	-662	-	-	-662	-662	-	-662
Tax effect of share-based payments ³⁾	-	-	268	-	-	268	268	-	268
Result from hedge accounting transferred to cost of inventories	-	-	-	74	-	74	74	-	74
31 December 2021	839	-27	4'796	214'851	-46'370	173'277	174'089	-523	173'566

¹⁾ see note 15

²⁾ see note 22

³⁾ see note 14

Group statement of cash flows

1 JANUARY - 31 DECEMBER

	Notes	2021	2020
Net income (loss)		20'251	-1'780
Adjustments for non-cash items			
- Income taxes	14	9'088	3'379
- Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	24	7'695	8'271
- Depreciation and impairment of right-of-use assets	6	15'730	20'754
- Share-based payments	22	-888	298
- Adjustment to defined benefit cost		903	679
- Profit/loss on disposal of non-current assets		107	-8'703
- Other non-cash items		-	7'322
- Financial result, net	25	913	1'844
Change in net working capital and provisions			
- Working capital adjustments		3'852	6'376
- Change in provisions		74	1'595
Taxes paid		-3'758	-2'628
Cash flow from operating activities		53'967	37'407
Interest received		3	72
Investments in property, plant and equipment ¹⁾	5	-8'028	-4'366
Investments in right-of-use assets (key money)	6	-2	-410
Investments in intangible assets	7	-3'610	-2'174
Sale of non-current assets		280	10'701
Disposal group company	19	-	-242
Increase in financial assets		-405	-1'707
Decrease in financial assets		527	463
Cash flow from investing activities		-11'235	2'337
Interest paid		-129	-587
Interest paid from lease liabilities		-622	-740
Proceeds from borrowings from banks		67'942	37'185
Repayment of borrowings from banks		-67'810	-58'843
Repayment of lease liabilities		-16'479	-17'791
Dividends	18	-13'313	-
Options exercised from share-based payment plan		4'377	-
Acquisition of non-controlling interests		-	-11'121
Acquisition of treasury shares	15	-	-27
Disposal of treasury shares	15	-	423
Cash flow from financing activities		-26'034	-51'501
Impact of exchange rate fluctuations on cash and cash equivalents		-2'040	-749
Change in cash and cash equivalents		14'658	-12'506
Cash and cash equivalents at the beginning of the year		45'344	57'850
Reclassification to discontinued operations		-13'401	-
Cash and cash equivalents at the end of the year		46'601	45'344

¹⁾ CHF 7'877 thereof relates to payments for additions in 2021 and CHF 170 for additions in 2020.



100% Nature
CALIDA

Notes to the consolidated financial statements

The figures in the notes of the consolidated financial statements are presented in thousand Swiss francs (CHF1'000) unless indicated otherwise (information on share and option prices, dividends and earnings per share are presented in CHF 1).

Business activities

CALIDA GROUP is a global player specialising in apparel with its brands CALIDA, AUBADE and LAFUMA MOBILIER. The CALIDA and AUBADE brands make the CALIDA GROUP one of the world's leading providers of high-quality underwear, nightwear and luxury lingerie. CALIDA and AUBADE apparel is sold in around 70 countries via high-end specialty retailers, upmarket department stores and our own CALIDA stores and AUBADE boutiques. The CALIDA GROUP's specialist brand for outdoor furniture is LAFUMA MOBILIER. Drawing on its rich tradition, the company develops products for style-conscious garden enthusiasts. The CALIDA GROUP is headquartered in Oberkirch (Switzerland) and has around 2'400 employees in its continuing operations.

Accounting policies

GENERAL

These consolidated financial statements of the CALIDA GROUP were prepared in accordance with International Financial Reporting Standards (IFRS). The reporting is based on the going concern assumption and the consolidated financial statements comply with Swiss law.

CHANGES IN ACCOUNTING POLICIES

The following changes, amendments and revisions to IFRS are applicable for the CALIDA GROUP from the reporting period 2021 onwards:

IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

Interest Rate Benchmark Reform - Phase 2¹⁾

IFRS 16

Recognition of COVID-19-related rent concessions after 30 June 2021, early adopted

¹⁾ No significant impact on the financial position and performance or cash flows of CALIDA GROUP.

In 2020, the IASB made an amendment to IFRS 16 Leases as a practical expedient for lessees for the accounting treatment of concessions, such as rent holidays or reductions, that have been granted directly in connection with the coronavirus pandemic. This practical expedient was originally limited in terms of time and was extended in 2021. CALIDA GROUP continues to apply this practical expedient consistently.

Other changes, amendments and revisions did not have any material impact on the financial position and performance or cash flows of the CALIDA GROUP.

PUBLISHED, BUT NOT YET APPLICABLE CHANGES, AMENDMENTS AND REVISIONS

The following published changes, amendments and revisions to IFRS, but which have not yet been applied by the CALIDA GROUP, are analysed below in respect of their effect on the annual consolidated financial statements:

IAS 37	Onerous contracts - Costs to Fulfill a Contract (to be adopted from 1 January 2022)
IAS 16	Property, Plant and Equipment - Proceeds before Intended Use (to be adopted from 1 January 2022)
IFRS 3	References to the Conceptual Framework (to be adopted from 1 January 2022)
IAS 1	Classification of Liabilities as Current or Non-Current (to be adopted from 1 January 2023)
IAS 1 and IFRS Practice Statement 2 on Materiality	Disclosure Initiative - Accounting Policies (to be adopted from 1 January 2023)
IAS 8	Definition of Accounting Estimate (to be adopted from 1 January 2023)
IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction (to be adopted from 1 January 2023)

From a current perspective, the application of these changes will not have any material impact on the financial position and performance or cash flows of the CALIDA GROUP. The CALIDA GROUP will apply the changes from the fiscal year following the date stated in the standard.

Consolidation principles

The consolidated financial statements are prepared based on the financial statements of CALIDA Holding AG and its subsidiaries as of 31 December 2021, all of which are prepared in accordance with uniform accounting principles. The consolidated financial statements of the CALIDA GROUP include all companies in which the Group holds more than 50% of voting rights, or which it controls in some other way. Newly acquired companies are consolidated from the date that control is obtained. The capital is consolidated according to the acquisition method. For each business combination, the non-controlling interest in the acquired company is measured either at fair value or at the proportionate share of the company's identifiable net assets.

In business combinations, the identifiable assets, liabilities and contingent liabilities of a subsidiary are measured at acquisition-date fair value. Any goodwill arising from acquisition is capitalised and tested on an annual basis for impairment. A bargain purchase, which arises when the fair value of the identified net assets exceeds the consideration transferred on the acquisition date, is recorded directly in the income statement.

All intercompany transactions, unrecognised profits and open positions are eliminated for consolidation purposes.

Measurement principles

FOREIGN CURRENCY TRANSLATION

The annual financial statements of foreign subsidiaries are prepared in the respective local currency, which is also the functional currency of the subsidiary in question. The conversion into Swiss francs for consolidation purposes is as follows: Statement of financial position at year-end, income statement and statement of cash flows at the average rate for the reporting year. Exchange differences resulting from this principle, as well as those arising from the translation of intercompany equity-like loans, are recorded in other comprehensive income. Once the Group loses control over a subsidiary, the cumulative currency translation differences are recycled from other comprehensive income to profit or loss. Other exchange differences, including those from foreign currency positions and transactions relating to normal business activities, are posted through the income statement.

Goodwill and fair value adjustments of assets and liabilities in connection with acquisitions of foreign subsidiaries are treated as assets and liabilities of this foreign operation and translated into Swiss francs at the rate prevailing on the reporting date.

Exchange rates at year-end:	Unit	2021	2020
EUR	1	1.0354	1.0860
USD	1	0.9137	0.8829
HUF	100	0.2800	0.2975
GBP	1	1.2332	1.2016
TND	1	0.3175	0.3295
JPY	100	0.7935	0.8552
CNY	1	0.1433	0.1352

Average exchange rates for the year:	Unit	2021	2020
EUR	1	1.0810	1.0702
USD	1	0.9142	0.9378
HUF	100	0.3015	0.3047
GBP	1	1.2575	1.2032
TND	1	0.3286	0.3343
JPY	100	0.8324	0.8787
CNY	1	0.1417	0.1360

FAIR VALUE

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value is determined based on observable market prices or on using generally accepted valuation methods such as option price models or the discounted cash flow method. Fair value is determined based on observable market prices or on using generally accepted valuation methods such as option price models or the discounted cash flow method.

Statement of financial position

FINANCIAL ASSETS

Financial assets are classified as follows:

Subsequent measurement at amortised cost

Subsequent measurement at fair value (income statement)

The majority of the CALIDA GROUP's financial assets are held to collect contractual cash flows (nominal value upon maturity and interest). This is in line with the hold to collect business model and financial assets are recognised at amortised cost less impairment losses using the expected credit loss model.

For the derecognition of an asset, IFRS 9 stipulates an approach which is based on three criteria:

transfer of cash flows in connection with the transferred asset;

transfer of substantially all of the risks and rewards of ownership of the transferred asset;

transfer of control of the transferred asset.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash in hand, bank balances, time deposits and sight funds which are held at banks or similar institutions and have an original term to maturity of less than three months. Positions are measured at nominal values.

TRADE ACCOUNTS RECEIVABLE

Trade accounts receivable are measured at the transaction price. They are subsequently measured at amortised cost applying the effective interest method less impairment losses.

Trade accounts receivable of the CALIDA GROUP primarily comprise receivables from wholesale customers (B2B). The credit risk for wholesale receivables is assessed and measured on a case-by-case basis using credit checks, long-standing business relationships with the customers according to the expected credit loss model. The CALIDA GROUP uses the simplified approach under IFRS 9.

The allowance account for receivables is carried separately and reflects the difference between the carrying amount of the receivables and the present value of the future expected cash flows from the transaction. A receivable is offset against the allowance amount only if it is no longer recoverable. Changes in the allowance account are recorded within sales and marketing expenses.

LOANS AND OTHER FINANCIAL ASSETS

Loans as well as other financial assets that are held to generate contractual cash flows and that solely represent principal or interest payments are measured at amortised cost. Initial measurement is at fair value plus transaction costs. They are subsequently measured using the effective interest method at amortised cost, less impairment using the expected credit loss model.

They are shown as current assets if they are due within twelve months after the reporting date. Otherwise they count as non-current assets.

Regular way purchases or sales of financial assets are recognised on the date the Group makes a commitment to buy or sell the asset.

Financial assets are derecognised when the rights to the cash flows have expired or if the right to receive the cash flows has been transferred and the CALIDA GROUP has substantially transferred all risks and rewards incidental to ownership.

DERIVATIVE FINANCIAL INSTRUMENTS

The CALIDA GROUP uses hedging instruments such as forward exchange contracts or currency options to hedge against the exchange rate risk from firm commitments or highly probable forecast transactions (cash flow hedge).

Derivative financial instruments are measured at fair value on the date they are entered into and then subsequently as of each reporting date. If the fair value is positive, they are recorded as an asset and if it is negative, as a liability.

All fair value changes in derivative financial instruments are recorded through profit or loss unless the criteria for hedge accounting are fulfilled. If so, the effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income, while any ineffective portion is recognised immediately in the income statement. Amounts recorded in other comprehensive income are recycled directly from shareholders' equity to the acquisition cost of the hedged goods in the period in which the hedged transaction is recorded. If the forecast transaction is no longer expected to occur, the cumulative gains or losses previously recorded in other comprehensive income are recycled to the financial result.

INVENTORIES

Inventories comprise raw materials, semi-finished and finished goods and merchandise. Inventories are measured at the lower of cost and net realisable value. Raw materials are measured at cost price using the weighted average cost method. Semi-finished and finished goods produced internally are measured at production cost and merchandise at cost price.

Production cost includes the entire cost of material, manufacturing costs and the proportionate share of fixed production overheads. Outmoded and unsaleable goods are written down to their net realisable value, i.e., the estimated selling price less the costs of completion and the costs necessary to make the sale. This is calculated using a range of coverage analyses for standard products. Seasonal effects are considered for fashion items. Unrealised profits from inter-company transactions are eliminated.

PROPERTY, PLANT AND EQUIPMENT

Land is recognised at cost. Buildings, machines, vehicles and plant facilities are recorded at cost less accumulated depreciation and impairment. Depreciation is recognised on a straight-line basis over the estimated useful lives of the assets as follows:

	Useful life in years
Buildings	5 - 40
Fixtures and fittings	5 - 12
Machinery	5 - 10
IT equipment and operating software	3 - 5
Vehicles	4 - 5
Furniture	3 - 10
Store fittings	3

Residual values, useful lives and the depreciation method used are reviewed and adjusted as necessary at year-end. Impairment losses are recorded where necessary.

Maintenance and repair costs are expensed immediately unless they increase the value of the asset.

LEASES

Most lease contracts involve assets from rights of use and lease liabilities. They are recognised at the point in time at which the lease asset is made available. Interest costs are recognised in the income statement over the term of the agreement. The right-of-use assets are depreciated on a straight-line basis over their estimated useful life or the lease term, whichever is shorter. Key money that reflects initial direct costs and is capitalised, can lead to a residual value of the asset from right of use if there is a market for this key money.

The initial recording of lease liabilities is entered at present value for the following payments:

fixed payments less subsidies to be received from the lessor

Variable lease payments that are based on an index or instalment

Amounts that are payable by the CALIDA GROUP in connection with residual value guarantees

The exercise price of a purchase option if it is reasonably certain that the CALIDA GROUP will exercise this option

Penalty payments for the termination of leases in the event that the lease is interpreted to mean that the CALIDA GROUP will exercise this option.

Lease payments are discounted using the interest rate implicit in the lease. If this interest rate cannot be determined, the incremental borrowing rate is used. The incremental borrowing rate takes into account foreign currency and the term of the agreements along with company and investment-specific risks.

The right-of-use assets are measured at purchase cost price, which includes the following components:

Amount of the lease liabilities recognized

Lease payments that were made on or before the date of inception less subsidies received from the lessor

Initial direct costs include key money for retail stores in France in particular

Restoration costs

Payments in connection with short-term or low-value leases are recognised on a straight-line basis over the term of the lease in the income statement. Short-term leases are agreements with a term of 12 months or less.

Some of the Group's leases contain options to extend or terminate. Management uses these options, for example, to maximise operational flexibility. In order to determine the lease term, management takes account of the facts and circumstances to assess the economic incentive. In order to determine the lease term, management takes account of the facts and circumstances to assess the economic incentive. The majority of the extension or termination options can only be exercised unilaterally by the CALIDA GROUP.

If a material event occurs or there is a material change in circumstances, the assessment regarding the extension or termination option is reviewed and changes are made to the lease term if necessary.

GOODWILL

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for the non-controlling interest over the net identifiable assets acquired and liabilities assumed for the CALIDA GROUP.

Goodwill is recognised as an asset with an indefinite useful life. It is not amortised but subject to an impairment test annually and whenever there are indications of possible impairment.

OTHER INTANGIBLE ASSETS

Licences, software and customer lists are recognised at cost less any accumulated amortisation and any accumulated impairment losses. They are amortised on a straight-line basis over their useful lives as follows:

	Useful life in years
Customer lists	5-10
Licences	3-5
Software	3-5

Costs for development projects or software are capitalised if they will yield measurable benefits for the entity over several years and these are under the entity's control.

TRADEMARKS

Trademarks are treated as intangible assets with an indefinite useful life provided there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity. Intangible assets with indefinite useful lives are not amortised but subject to an annual impairment test.

IMPAIRMENT OF ASSETS

Items of property, plant and equipment, right-of-use assets and intangible assets are tested for impairment at each reporting date. If there are indications of impairment, an impairment test is carried out to determine the recoverable amount of the asset. The recoverable amount is determined for the cash-generating unit to which the asset belongs if the asset

does not generate cash inflows that are largely independent of those from other assets or groups of assets. The recoverable amount is the higher of the fair value less costs to sell and the value in use. An asset is impaired when its carrying amount exceeds its recoverable amount. Goodwill and intangible assets with an indefinite useful life are tested for impairment annually and whenever there is an indication that it may be impaired.

With the exception of goodwill, assets are reviewed on each reporting date for any indications that a previously recorded impairment loss no longer exists or has decreased. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

FINANCIAL LIABILITIES

Financial liabilities are classified as follows:

Subsequent measurement at amortised cost

Subsequent measurement at fair value (income statement)

DERIVATIVE FINANCIAL INSTRUMENTS

Refer to the detailed description in the section "Financial assets".

TRADE ACCOUNTS PAYABLE

Trade accounts payable are initially recognised at fair value and subsequently at amortised cost.

OTHER FINANCIAL LIABILITIES AT AMORTISED COST

Financial liabilities primarily comprise loans from banks and current liabilities. They are initially measured at fair value, which is generally measured as the amount needed to settle the liability less transaction costs. Other financial liabilities are subsequently measured at amortised cost; any difference between the amount received (after deducting transaction costs) and the amount repayable is recorded in financial expense over the term of the liability using the effective interest method.

Any amount or portion due in the next twelve months is recognised as current liabilities. If there are provisions permitting an extension of the contractual

term, the new term is used to classify the liability as current or non-current.

PROVISIONS

Provisions are set up if the Group has a legal or constructive obligation from a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be reliably estimated.

SHARE CAPITAL

Share capital equals the nominal value of all shares outstanding.

CAPITAL RESERVES

Paid-in capital exceeding the nominal share value (less transaction costs) and allocations of share options from share-based payments are recognised in the capital reserves along with any gains or losses from the sale of treasury shares.

TREASURY SHARES

Treasury shares are measured at cost and deducted from shareholders' equity.

Income statement

NET SALES FROM CONTRACTS WITH CUSTOMERS

Net sales comprise the transaction price for sales to third parties taking into account (deduction) of any value-added tax, volume discounts, returns or other reductions. These are estimated using existing contracts and expected values.

Income is recognised when control over the goods has been transferred to the buyer (e.g., when goods are handed over in the shop or upon delivery).

In connection with customer returns, right of return and refund liabilities are recorded in the statement of financial position. These are determined based on historical data. Performance obligations from customer loyalty programs are accounted for in net sales.

EMPLOYEE BENEFITS AND OTHER DEFINED BENEFIT PLANS

The CALIDA GROUP maintains both defined contribution and defined benefit plans.

Employees in Group companies outside of Switzerland are mainly insured via state pension funds or independent savings institutions. Under these defined contribution plans, the CALIDA GROUP pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation relating to employee service in prior periods. The contributions are recognised as personnel expenses in the period in which they are made.

Pension plans in Switzerland and some in France qualify as defined benefit plans. The net defined benefit liability or asset is calculated based on actuarial valuations, which are prepared annually. The defined benefit obligation is determined using the projected unit credit method, taking into account the service rendered by employees up to the reporting date as well as assumptions as to future salary trends, employee turnover and mortality. The actuarial valuations use the most recent generational tables to consider expected mortality.

The present value of the defined benefit obligation (DBO) is compared to the fair value of the plan assets for each plan and recognised as a net defined benefit

liability or asset. The carrying amount of any asset is limited so that it does not exceed the economic benefits available to the CALIDA GROUP in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of defined benefit plans is recorded as follows:

Service cost (current and past service cost from plan amendments): through profit and loss, within personnel expenses

Net interest on the net defined benefit liability or asset: through profit and loss, within financial result

Remeasurements of the net defined benefit liability (asset) comprising actuarial gains and losses, the return on plan assets (less interest at the discount rate, which is included in net interest) as well as the effects of the asset ceiling: in other comprehensive income

SHARE-BASED PAYMENTS

Certain members of Executive Management and other executive employees receive equity-settled share-based payments. A share-based payment is measured at fair value as of the date on which it is granted using a binomial model (options) or a simulation algorithm (LTI). The amount is recorded in personnel expenses on a straight-line basis over the vesting period based on the number of equity instruments that management estimates will actually become vested.

BORROWING COSTS

Interest costs and other borrowing costs are expensed directly and only capitalised if they are directly related to the acquisition or production of a qualifying asset.

INCOME TAXES

Provisions are recognised for taxes on profits regardless of when they fall due for payment.

Deferred taxes are the result of temporary differences arising when measuring items in the financial statements according to uniform Group principles compared to measurements for tax purposes. They are calculated using the balance sheet liability method. Expected tax rates are relevant. Deferred tax assets on tax losses carried forward are only recognised if it is probable that they can be realised by offsetting against future profits.

Current and deferred tax assets and liabilities are netted if there is a legally enforceable right to do so and the income taxes were levied by the same tax authority. No deferred taxes are recognised for taxes that would be payable upon distribution of subsidiaries' profits unless the distribution is planned to take place in the foreseeable future.

Estimates and assumptions

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period, and the amount of income and expenses during the reporting period. Assets and liabilities are recognised when it is probable that any future economic benefit associated with the item will flow to or from the entity and value or cost can be measured reliably. If these estimates and assumptions – made by management to the best of their knowledge as of the reporting date – prove to differ significantly from the actual circumstances at a later point in time, the original estimates and assumptions are adjusted in the reporting period in which the circumstances changed. In the following, the key assumptions as to future developments are set out together with details of the main sources of estimation uncertainty that could trigger adjustments to assets and liabilities over the next twelve months:

COVID-19

Despite the closures of stores and points of sale in the first half of the year, sales development was highly satisfactory. Alongside the early setup and expansion of the e-commerce business, near-shore production allowed for a consistent supply to customers at all times during the pandemic.

As a result of COVID-19, in 2021 and 2020 the CALIDA GROUP reported short-time working allowances (see note 21) and rent concessions (see note 6).

INVENTORIES

Inventories are written down to reflect losses in value of unsaleable, slow-moving or defective raw materials, semi-finished and finished goods and merchandise. The allowances are determined based on assumptions as to the resaleability of the goods. Management relies on past experience but also considers trends in future sales as well as differences in the resaleability of raw materials compared to seasonal and standard articles within the product range. Write-downs on inventories of goods totalling CHF 19'581 (2020: CHF 24'862) were recorded as of 31 December 2021. Inventories were recognised at a net carrying amount of CHF 62'881 (2020 (adjusted):

CHF 71'180) as of 31 December 2021. The actual outcome may differ from the assumptions due to changes in the market conditions or economic environment. Such differences would impact the subsequent reporting period.

NET DEFINED LIABILITY OR ASSET

Pension liabilities or pension assets are measured on the basis of various assumptions about financial and demographic developments. These assumptions are reviewed annually and adjusted if necessary. Changes in assumptions, e.g., the discount rate of future salaries, or circumstances can materially impact the amount of future cost of a defined benefit plan as reported in the income statement or other comprehensive income, and the net defined benefit liability (asset) reported. As of 31 December 2021, the defined benefit liability came to CHF 5'451 (2020: CHF 9'112).

PROVISIONS

Provisions are recognised in the amount, based on best estimates, required on the reporting date to fulfil the obligation. The provisions are reviewed at the end of each reporting period. Expenses incurred may vary depending on developments in potential proceedings and may affect the subsequent reporting period. The provisions amounted to CHF 6'194 as of 31 December 2021 (2020: CHF 7'038).

DEFERRED TAX ASSETS FROM TAX LOSSES CARRIED FORWARD

Various companies of the CALIDA GROUP carry forward substantial tax losses. These lapse after seven years in Switzerland. In some other countries there is no limitation period. Deferred tax assets are recognised on tax loss carry forwards if it is probable that they can be offset against future taxable profits. If there is uncertainty as to the future development of earnings at a given Group company, no deferred tax assets are recognised. Deferred tax assets of CHF 4'521 are recognised on tax loss carry forwards as of 31 December 2021 (2020: CHF 6'001).

Scope of consolidation

SCOPE OF CONSOLIDATION AS OF 31 DECEMBER

Company ¹	Registered office	Business activities		Capital stock In local currency	Capital/vote share as a %	
					2021	2020
CALIDA AG	Oberkirch/ Sursee, Switzerland	Sales/logistics	CHF	10'000'000	100.0%	100.0%
CALIDA Austria GmbH	Vienna, Austria	Sales	EUR	100'000	100.0%	100.0%
CALIDA Belgium SPRL	Forest, Belgium	Sales	EUR	18'550	100.0%	100.0%
CALIDA Finance AG	Sursee, Switzerland	Financial services	CHF	100'000	100.0%	100.0%
CALIDA France SAS	Paris, France	Sales	EUR	16'639'200	100.0%	100.0%
CALIDA GmbH	Lörrach, Germany	Sales	EUR	102'258	100.0%	100.0%
CALIDA Handels GmbH	Lörrach, Germany	Sales	EUR	100'000	100.0%	100.0%
CALIDA Italy Srl³⁾	Bruneck, Italy	Sales	EUR	10'000	100.0%	-
CALIDA Management AG	Oberkirch, Switzerland	Management services	CHF	100'000	100.0%	100.0%
CALIDA Netherlands BV	Rotterdam, the Netherlands	Sales	EUR	18'000	100.0%	100.0%
CALIDA Ungarn Produktionsgesellschaft mbH	Rajka, Hungary	Production	HUF	477'300'000	100.0%	100.0%
AUBADE SAS	Oberkirch, Switzerland	Sales	CHF	500'000	100.0%	100.0%
AUBADE Paris SAS	Paris, France	Sales/logistics	EUR	15'754'230	100.0%	100.0%
AUBADE Denmark ApS	Hellerup, Denmark	Sales	DKK	80'000	100.0%	100.0%
AUBADE Handels GmbH	Lörrach, Germany	Sales	EUR	100'000	100.0%	100.0%
AUBADE Paris (UK) Ltd.	Hemel Hempstead, UK	Sales	GBP	100	100.0%	100.0%
AUBADE Paris & Cie SCS	Monte Carlo, Monaco	Sales	EUR	100'000	100.0%	100.0%
BELAUBADE SA	Forest, Belgium	Sales	EUR	362'000	100.0%	100.0%
Solaubade S.u.r.l	Madrid, Spain	Sales	EUR	300'000	100.0%	100.0%
Société de Lingerie Azur	Monastir, Tunisia	Production	TND	12'250'000	100.0%	100.0%
SPTF AZUR SA	Sursee, Switzerland	Holding	CHF	100'000	100.0%	100.0%
LAFUMA SAS	Annecy-le-Vieux, France	Holding	EUR	105'451'221	100.0%	100.0%
L.M.O. SRL.	Grassobbio, Italy	Sales	EUR	10'000	100.0%	100.0%
L.W.A. SA²⁾	Wavre, Belgium	Sales	EUR	-	-	100.0%
LAFPROM Tunisie	Sousse, Tunisia	Production	TND	100'000	100.0%	100.0%
LAFUMA Group GmbH	Stephanskirchen, Germany	Sales	EUR	285'000	100.0%	100.0%
LAFUMA Group SL	Barcelona, Spain	Sales	EUR	475'000	100.0%	100.0%
LAFUMA Hungaria KFT	Sarvar, Hungary	Production	HUF	51'350'000	100.0%	100.0%
LAFUMA Mobilier SAS	Anneyron, France	Production/ sales	EUR	9'262'561	100.0%	100.0%

in CHF 1'000

Company ¹⁾	Registered office	Business activities	Share capital in local currency		Capital/vote share as a %	
					2021	2020
LALLEMAND SAS	Vieux d'Izenave, France	Production/ sales	EUR	925'540	100.0%	100.0%
LAFUMA BV	Leusden, the Netherlands	Sales	EUR	113'445	100.0%	100.0%
LAFUMA America Inc.	Duluth, USA	Sales	USD	24'500	100.0%	100.0%
MILLET Mountain Group (Switzerland) Ltd.	Oberkirch, Switzerland	Sales	CHF	750'000	100.0%	100.0%
MILLET Mountain Group SAS	Annecy-le-Vieux, France	Sales	EUR	3'921'068	100.0%	100.0%
Millet Mountain Group Japan Co., Ltd.	Tokyo, Japan	Sales	JPY	10'000'000	100.0%	100.0%
Millet Mountain Group Tunisie ³⁾	Sahline, Tunisia	Production	TND	1'280'000	100.0%	-
SHERPA Logistique SAS	Saint-Rambert d'Albon, France	Logistics	EUR	373'570	100.0%	100.0%
Reich Online Solutions GmbH	Stephanskirchen, Germany	Sales	EUR	25'000	100.0%	100.0%

¹⁾ Only active companies are listed.

²⁾ Liquidated in the reporting year.

³⁾ Founded in the reporting year.

There are insignificant minority interests in some subsidiaries not listed here.



100% Nature Relax
CALIDA

Notes to the consolidated financial statements

The figures in the notes of the consolidated financial statements are presented in thousand Swiss francs (CHF 1'000) unless indicated otherwise (information on share and option prices, dividends and earnings per share are presented in CHF 1).

1. CASH AND CASH EQUIVALENTS

	2021	2020
Cash on hand and bank balances	46'601	45'344
Total	46'601	45'344

The effective interest rate for bank balances and current bank deposits was 0% (2020: 0%).

2. TRADE ACCOUNTS RECEIVABLE

	2021	2020
Trade accounts receivable from third parties	21'017	30'039
Bad debt allowances	-3'304	-3'769
Total, net	17'713	26'270

Trade accounts receivable can be broken down into not past due and past due receivables taking into account the respective terms that have been agreed with the customer. The age structure is as follows:

	2021 Gross	2021 Allowances	2021 Net	2020 Gross	2020 Allowances	2020 Net
Not past due	13'560	-319	13'241	20'293	-32	20'261
Past due by 1-60 days	4'314	-233	4'081	4'834	-280	4'554
Past due by 61-120 days	330	-200	130	1'067	-89	978
Past due by more than 120 days	2'813	-2'552	261	3'845	-3'368	477
Total	21'017	-3'304	17'713	30'039	-3'769	26'270

Allowances for trade accounts receivable are made based on individual assessment and recent experience.

	2021	2020
Bad debt allowances:		
Balance as of 1 January	-3'769	-4'718
Additions	-1'759	-1'670
Utilisation	1'083	1'176
Reversal	30	-15
Disposal of group company/reclassification to discontinued operations	1'015	1'415
Exchange differences	96	43
Balance as of 31 December	-3'304	-3'769

Currencies of relevance for trade accounts receivable:	2021	2020
CHF	628	520
EUR	14'659	21'750
JPY	1	2'110
USD	940	691
CNY	-	52
Other	1'485	1'147
Total	17'713	26'270

3. OTHER CURRENT RECEIVABLES

	2021	2020
Receivables from government authorities	4'584	5'608
Receivables from pension funds	141	13
Prepayments to suppliers	1'215	3'398
Other receivables	841	975
Total	6'781	9'994

4. INVENTORIES

	2021	2020
Raw materials	16'308	10'580
Semi-finished goods	14'310	11'236
Finished goods	32'263	49'364
Total, net	62'881	71'180

Inventories include allowances of CHF 19'581 (2020: CHF 24'862) for outmoded and obsolete goods.

5. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Machinery	Fixtures and fittings	IT equipment	Furniture and store fittings	Vehicles	Assets under construction	Total
Historical cost								
1 January 2020	43'109	16'694	25'083	5'716	32'348	961	344	124'255
Additions ¹⁾	111	707	1'022	373	836	-	1'124	4'173
Disposals	-	-224	-560	-138	-1'618	-14	-	-2'554
Reclassifications	-	20	171	54	84	-	-329	-
Disposal of group company	-	-48	-2'130	-495	-341	-8	-	-3'022
Exchange differences	-440	-708	-133	-40	-84	-23	8	-1'420
31 December 2020	42'780	16'441	23'453	5'470	31'225	916	1'147	121'432
Additions ¹⁾	2'198	1'328	324	406	2'537	149	1'136	8'078
Disposals	-1	-215	-943	-787	-3'071	-240	-2	-5'259
Reclassifications	147	418	150	39	111	34	-899	-
Reclassification to discontinued operations	-909	-345	-3'356	-608	-1'141	-112	-151	-6'622
Exchange differences	-377	-1'051	-273	-160	-1'216	-10	-36	-3'123
31 December 2021	43'838	16'576	19'355	4'360	28'445	737	1'195	114'506
Accumulated amortisation, depreciation and impairment losses								
1 January 2020	37'921	11'327	22'056	4'722	28'035	621	-	104'682
Depreciation and amortisation ¹⁾	357	1'224	1'075	578	1'899	114	-	5'247
Disposals	-	-223	-578	-138	-1'490	-12	-	-2'441
Disposal of group company	-	-48	-1'862	-490	-337	-8	-	-2'745
Exchange differences	-299	-537	-96	-34	-57	-18	-	-1'041
31 December 2020	37'979	11'743	20'595	4'638	28'050	697	-	103'702
Depreciation and amortisation ¹⁾	358	1'218	542	557	1'956	106	-	4'737
Disposals	-1	-191	-814	-775	-3'061	-216	-	-5'058
Reclassification to discontinued operations	-392	-236	-2'351	-425	-668	-77	-	-4'149
Exchange differences	-321	-816	-203	-148	-1'111	-9	-	-2'608
31 December 2021	37'623	11'718	17'769	3'847	25'166	501	-	96'624
Net carrying amount as of 31 December 2021	6'215	4'858	1'586	513	3'279	236	1'195	17'882
Net carrying amount as of 31 December 2020	4'801	4'698	2'858	832	3'175	219	1'147	17'730

¹⁾ Changes in property, plant and equipment include additions of CHF 271 (2020: CHF 911) and depreciation of CHF 363 (2020: CHF 984) from discontinued operations.

6. LEASES

RIGHT-OF-USE ASSETS	Land and buildings ¹⁾	Machinery and IT equipment	Vehicles	Total
Historical cost				
1 January 2020	104'756	506	2'282	107'544
Additions ²⁾	16'673	227	779	17'679
Disposals	-5'974	-104	-481	-6'559
Disposal of group company	-8'885	-	-315	-9'200
Exchange differences	-269	2	-1	-268
31 December 2020	106'301	631	2'264	109'196
Additions ²⁾	21'116	25	953	22'094
Disposals	-12'898	-122	-888	-13'908
Reclassification to discontinued operations	-16'578	-2	-902	-17'482
Exchange differences	-3'279	-25	-48	-3'352
31 December 2021	94'662	507	1'379	96'548
Accumulated amortisation, depreciation and impairment losses				
1 January 2020	19'342	157	826	20'325
Depreciation and amortisation ²⁾	17'194	165	884	18'243
Impairment losses	2'511	-	-	2'511
Disposals	-1'274	-105	-351	-1'730
Disposal of group company	-1'418	-	-134	-1'552
Exchange differences	96	2	4	102
31 December 2020	36'451	219	1'229	37'899
Depreciation and amortisation ²⁾	14'159	127	671	14'957
Impairment losses	773	-	-	773
Disposals	-4'798	-122	-789	-5'709
Reclassification to discontinued operations	-4'943	-1	-375	-5'319
Exchange differences	-1'261	-11	-25	-1'297
31 December 2021	40'381	212	711	41'304
Net carrying amount as of 31 December 2021	54'281	295	668	55'244
Net carrying amount as of 31 December 2020	69'850	412	1'035	71'297

¹⁾The carrying amount includes residual values for key money for retail stores for AUBADE and CALIDA of CHF 13'030 (2020: CHF 15'994, including the MILLET MOUNTAIN GROUP). Additions of key money to the amount of CHF 2 (2020: CHF 410) are included.

²⁾ The changes for right-of-use assets contain additions of CHF 2'703 (2020: CHF 3'680), disposals of CHF 1'388 net (2020: CHF 725) and depreciation of CHF 1'419 (2020: CHF 3'497) from discontinued operations.

The Group has leased various office spaces, sales floor, property, plant and equipment and vehicles. Leases are generally concluded for a period of 3 to 10 years. These agreements sometimes have options to extend the term.

in CHF 1'000

Lease liabilities break down as follows:

	2021	2020
Current lease liabilities	11'959	16'034
Non-current lease liabilities	31'947	40'890
Total	43'906	56'924

Amounts recognized in the **income statement** from continuing operations:

	Notes	2021 ¹⁾	2020 ¹⁾
Depreciation of right-of-use assets		-13'538	-14'746
Impairment of right-of-use assets		-773	-2'511
Rent concessions		239	968
Interest expenses from lease liabilities	25	-509	-586
Expenses for short-term/low-value and variable lease agreements		-2'181	-2'481
Total recognised in the income statement		-16'762	-19'356

¹⁾ MILLET MOUNTAIN GROUP and OXBOW are reported as discontinued operations. Prior-period values adjusted.

Total cash flow for leases including short-term leases, low-value assets and variable lease payments amounted to CHF19'956 in fiscal year 2021 (2020: CHF 20'360).

Obligations from unrecognised rental and lease agreements as of 31 December 2021 amount to CHF 199 (2020: CHF 120). They mainly comprise short-term leases with low-value assets.

IMPAIRMENT

Impairment tests were carried out for the stores of the CALIDA GROUP. The recoverable amount of a cash-generating unit (CGU) is derived from the value-in-use calculation. The impairment tests led to the recognition of impairment losses on right-of-use assets of CHF 773 for various CALIDA and AUBADE stores (2020: CHF 2'511). Pre-tax discount rates (WACC) of 7.5% to 7.7% were applied for these impairment tests (2020: 7.7% to 12.0%).

7. INTANGIBLE ASSETS

	Goodwill	Brands, licences and patents	Customer lists	Software	Other intangible assets	Total
Historical cost						
1 January 2020	46'219	34'403	4'984	18'460	4'223	108'289
Additions	-	32	129	968	1'045	2'174
Disposals	-	-	-	-235	-	-235
Reclassifications	-	-	-	931	-931	-
Disposal of group company	-402	-1'206	-	-575	-739	-2'922
Exchange differences	412	4	1	-27	-32	358
31 December 2020	46'229	33'233	5'114	19'522	3'566	107'664
Additions	-	125	-	2'330	257	2'712
Disposals	-	-	-	-3'662	-34	-3'696
Reclassifications	-	-	-	1'241	-1'241	-
Reclassification to discontinued operations	-10'876	-10'250	-402	-1'398	-279	-23'205
Exchange differences	-1'567	-1'019	-210	-373	-106	-3'275
31 December 2021	33'786	22'089	4'502	17'660	2'163	80'200
Accumulated amortisation and impairment losses						
1 January 2020	19'422	11'961	4'756	13'784	472	50'395
Amortisation ¹⁾	-	31	110	2'805	78	3'024
Disposals	-	-	-	-137	-	-137
Disposal of group company	-402	-147	-	-574	-	-1'123
Exchange differences	406	-	3	-16	-18	375
31 December 2020	19'426	11'845	4'869	15'862	532	52'534
Amortisation ¹⁾	-	33	118	2'759	48	2'958
Disposals	-	-	-	-3'532	-34	-3'566
Reclassification to discontinued operations	-	-424	-402	-862	-435	-2'123
Exchange differences	-920	-565	-209	-319	-23	-2'036
31 December 2021	18'506	10'889	4'376	13'908	88	47'767
Net carrying amount as of 31 December 2021	15'280	11'200	126	3'752	2'075	32'433
Net carrying amount as of 31 December 2020	26'803	21'388	245	3'660	3'034	55'130

¹⁾ Changes in intangible assets include additions of CHF 0 (2020: CHF 12) and amortisation of CHF 22 (2020: CHF 80) from discontinued operations.

GOODWILL

As of 31 December, goodwill is allocated to the cash-generating units (CGU) as follows:

	2021	2020
CALIDA	8'558	8'977
MILLET MOUNTAIN GROUP ¹⁾	-	10'776
LAFUMA MOBILIER	6'722	7'050
Total	15'280	26'803

¹⁾ The goodwill of the MILLET MOUNTAIN GROUP is classified under assets held for sale in the reporting year.

The recoverable amount of a CGU is derived from the value-in-use calculation. For these calculations, the estimated free cash flows are used based on the business plans. The planning horizon is five years. The pre-tax discount rate used to calculate the recoverable value in use of the CGUs for goodwill and brands ranges from 5.9% to 8.8% (2020: 6.4% to 10.4%). The pre-tax discount rates applied reflect the specific risks of the corresponding CGU. Cash flows beyond the planning period are projected with a growth rate of between 1.9% and 2.2% (2020: 1.6% to 2.1%), which by no means exceeds the long-term growth rate of the respective market in which the CGU is active.

The recoverable amount exceeds the carrying amounts recorded. Even if the basis data were to change significantly, no impairment of goodwill would result.

TRADEMARKS

The CALIDA GROUP owns several brands with indefinite useful lives based on their high degree of recognition and long tradition as well as the marketing strategies aimed at maintaining the position of the brands. These brands are tested for impairment annually at the level of the cash generating units (CGU), which is the respective operating segment. The main brands are LAFUMA MOBILIER (CHF 7.7 million; 2020: CHF 8.1 million) and AUBADE (CHF 3.3 million; 2020: CHF 3.4 million). The forecast increase in revenue beyond the planning period amounts to 1.9% (2020: 1.6% to 1.7%).

8. FINANCIAL ASSETS

	2021	2020
Derivative financial instruments	-	48
Other financial assets	98	106
Current financial assets	98	154
Derivative financial instruments	-	-
Other financial assets	4'843	6'999
Non-current financial assets	4'843	6'999
Total financial assets	4'941	7'153

The derivative financial instruments mainly contain hedges.

Other financial assets mainly relate to security deposits paid for rental agreements. Their terms match the terms of the respective rental agreement. In addition, other non-current financial assets from the sale of OXBOW in 2020 include a loan to Rainbow SAS, the new parent company of OXBOW. This loan was agreed with payment in kind interest (PIK) and is measured at amortised cost of CHF 1'442 (2020: CHF 1'319). As part of the sale, LAFUMA SAS acquired an investment of 18.6% in Rainbow SAS. Of the investment an amount of 171 (2020: CHF 179) is recorded as a financial instrument and has been irrevocably designated as being recognised at fair value through consolidated total comprehensive income. Consequently, changes to the fair value are recognised through consolidated total comprehensive income. An earn-out was agreed for the sale of OXBOW; this contingent consideration is due in 2025. The payment by Rainbow SAS to LAFUMA SAS in 2025 is contingent upon exceeding a certain level of EBITDA, which, as in the prior year, was set at zero.

9. FINANCIAL LIABILITIES

	2021	2020
Derivative financial instruments	60	1'232
Current financial liabilities	60	1'232
Derivative financial instruments	-	297
Non-current financial liabilities	-	297
Total financial liabilities	60	1'529

The CALIDA GROUP has the following syndicated loan facility as of the reporting date 31 December:

Debtor: CALIDA Holding AG CALIDA Finance AG CALIDA AG	Currency	Interest rate	Term	Loan volume 2021	Thereof utilised 2021	Loan volume 2020	Thereof utilised 2020
Revolving credit facility	various	SARON+margin ¹⁾	2021-2024	70'000	-	70'000	-
Total syndicated loan				70'000	-	70'000	-

¹⁾ Depending on gearing ratio

Besides other terms and conditions, the facility contains financial covenants relating to leverage (expressed as the ratio of net debt to EBITDA) and the equity ratio (equity as a percentage of total assets). There are other conditions typical for syndicated loan agreements. All covenants and other conditions were met during the 2021 and 2020 reporting years.

10. TRADE ACCOUNTS PAYABLE

	2021	2020
Trade accounts payable	22'002	19'292
Total	22'002	19'292

Trade accounts payable break down by currency as follows as of reporting date:

	2021	2020
CHF	5'079	1'473
EUR	15'857	15'064
USD	583	875
JPY	11	1'407
Other	472	473
Total	22'002	19'292

Trade accounts payable do not bear interest and are usually payable within 30 to 60 days.

11. OTHER CURRENT LIABILITIES

	2021	2020
Liabilities to government authorities	5'181	7'172
Advance payments received from customers	190	351
Liabilities to commercial agents	366	337
Other liabilities	3'046	3'117
Total	8'783	10'977

Other current liabilities do not bear interest and have an average payment term of 90 days.

12. ACCRUED EXPENSES AND DEFERRED INCOME

	2021	2020
Invoices not yet received	17'816	15'431
Accrued personnel expenses	12'079	11'268
Performance obligations from customer loyalty programs	2'512	2'150
Other accrued expenses and deferred income	5'649	6'591
Total	38'056	35'440

13. CURRENT AND NON-CURRENT PROVISIONS

	Transfer fees	Restructuring	Personnel provisions	Litigation	Other provisions	Total
1 January 2020	1'063	108	1'770	241	2'491	5'673
Additions	66	4'759	236	11	703	5'775
Utilisation	-4	-3'008	-486	-17	-520	-4'035
Reversal	-6	-	-81	-5	-52	-144
Reclassification	-	-	-	1'172	-1'172	-
Disposal of group company	-	-	-115	-3	-107	-225
Exchange differences	-1	8	-9	17	-21	-6
31 December 2020	1'118	1'867	1'315	1'416	1'322	7'038
Additions	330	-	400	547	1'533	2'810
Utilisation	-	-910	-26	-5	-330	-1'271
Reversal	-	-389	-533	-79	-437	-1'438
Reclassification to discontinued operations	-	-375	-12	-277	-49	-713
Exchange differences	-23	-6	-53	-74	-76	-232
31 December 2021	1'425	187	1'091	1'528	1'963	6'194
Current provisions 2021	475	68	16	395	868	1'822
Non-current provisions 2021	950	119	1'075	1'133	1'095	4'372
Total provisions 2021	1'425	187	1'091	1'528	1'963	6'194
Current provisions 2020	372	1'742	16	227	801	3'158
Non-current provisions 2020	746	125	1'299	1'189	521	3'880
Total provisions 2020	1'118	1'867	1'315	1'416	1'322	7'038

TRANSFER FEES

Provisions are recognised for any guaranteed transfer fees to commercial agents upon cancellation of contracts. The amount is determined based on the likelihood of occurrence and expected timing and recognised as an addition to sales commission. Transfer fees are determined based on the sales generated by the respective commercial agent. An outflow of resources for the non-current portion is expected within the next ten years.

RESTRUCTURING

At the end of 2021, restructuring costs from discontinued operations of CHF 118 (2020: CHF 1'241) were recorded in connection with the organisational restructuring following the sale of the EIDER brand. These restructuring costs include salary costs and costs for the social plan, costs for contract terminations with the trading partners, plus legal and other advisory costs. Furthermore, the provision covers the costs for the closure of the own retail stores.

PERSONNEL PROVISIONS

Personnel provisions relate to provisions for a long-term employee plan required under French law (“Participation des salariés”). The “Participation des salariés” plan is determined using a legally prescribed formula based on the local entity’s profit in the commercial accounts, reduced by a predefined equity discount.

The provision for the long-term participation plan (phantom plan, see note 22) of CHF 226 was released in the reporting year.

LITIGATION

The provisions for litigation covers risks and legal costs incurred in connection with various pending legal disputes, for example customs clearance or the termination of commercial contracts.

OTHER PROVISIONS

Other provisions cover various risks to which the Group is exposed in the course of its ordinary business activities. The provisions are generally utilised within one to three years.

14. INCOME TAXES

Deferred tax assets and liabilities relate to the following items of the statement of financial position:

	Deferred tax assets		Deferred tax liabilities	
	2021	2020	2021	2020
Receivables	181	181	-3'762	-6'199
Inventories	1'592	1'629	-1'290	-961
Property, plant and equipment	647	810	-16	-14
Leases	311	246	-389	-
Intangible assets	2	2	-4'766	-5'382
Other assets	774	1'230	-289	-57
Provisions	1'542	1'273	-85	-67
Defined benefit obligation	925	1'405	-	-
Other liabilities	1'160	1'226	-562	-447
Tax losses carried forward ¹⁾	4'521	6'001	-	-
Total deferred tax assets/(liabilities)	11'655	14'003	-11'159	-13'127
Netting	-5'600	-8'195	5'600	8'195
Total deferred tax assets/(liabilities), as disclosed in the statement of financial position	6'055	5'808	-5'559	-4'932
attributable to				
Continuing operations	5'186		-4'141	
Assets classified as held for sale (net)	869		-1'418	

¹⁾ The recognised tax loss carryforwards decreased in the reporting year, due to lower temporary taxable differences which resulted in turn in lower capitalised tax losses carried forward.

UNRECOGNISED TAX LOSS CARRYFORWARDS

Unrecognised tax loss carryforwards lapse	2021 ¹⁾	2020
in 1 year	825	574
in 2 to 5 years	458	3'667
in more than 5 years	3'310	4'291
do not lapse	42'871	63'305
Total unrecognised tax loss carryforwards	47'464	71'837

¹⁾ Exclusively continuing operations

In the prior year, unrecognised tax loss carryforwards of CHF 19'444 were attributable to discontinued operations. Tax loss carryforwards are only recognised to the extent that it is probable that future taxable profits will be available against which they can be utilised.

Tax expense recorded in the income statement	2021	2020
Current income taxes	-8'983	-4'750
Deferred income taxes	-105	1'371
Total tax expense recorded in the income statement	-9'088	-3'379
attributable to		
Continuing operations	-8'557	-3'348
Discontinued operations	-531	-32
Tax effect recorded in other comprehensive income		
Deferred income taxes from remeasurement of defined benefit plans	-462	183
Total tax effect recorded in other comprehensive income	-462	183
Tax effect recorded directly in equity		
Deferred income taxes from share-based payments	268	-14
Total tax effect recorded directly in shareholders' equity	268	-14

TAX EXPENSE ANALYSIS

The Group operates in various countries with differing tax laws and tax rates. As a result, the expected and actual tax expense each year depends on the specific country to which profits or losses can be attributed. The change in the expected tax rate (2021: 25.5%; 2020: 15.7%) mainly relates to the change in the mix of pre-tax results returned by the individual countries.

The following analysis shows the main factors explaining differences between the expected and actual tax expense (calculated using the weighted average tax rates based on the pre-tax profit or loss of each Group company).

	2021	as a %	2020	as a %
Net income from continuing operations, before taxes	23'715		13'020	
Net income from discontinued operations, before taxes	5'624		-3'518	
Net income before taxes total	29'339		9'502	
Tax expense based on expected tax rate	-7'495	25.5%	-1'494	15.7%
Effect of changes in the tax rates	288		791	
Non-deductible expenses and/or non-taxable income ²⁾	-1'568		-	
Unrecognised tax losses in the current period	-209		-670	
Utilisation of unrecognised tax loss carryforwards	3'302		1'706	
Changes in recognised tax loss carryforwards	-1'849		-2'321	
Accumulated earnings tax on account of dividend payments	-416		-409	
Other effects ¹⁾	-1'141		-982	
Actual tax expense recorded in the income statement	-9'088	31.0%	-3'379	35.6%

¹⁾ Includes CHF -531 (2020: CHF -652) from French trade tax. According to local jurisdiction, a portion of this tax is calculated based on realised value added; this portion is therefore disclosed as income tax.

²⁾ Tax effects arose as part of the reorganisation of the tax participation structure and the transfer of the LAFUMA brand.

15. SHAREHOLDERS' EQUITY - GROUP

The share capital of CALIDA Holding AG as of 31 December breaks down as follows:

	2021	2020
8'385'037 registered shares with a par value of CHF 0.10 each (2020: 8'257'351 registered shares with a par value of CHF 0.10 each), issued and fully paid in	839	826

CONDITIONAL CAPITAL

In the reporting period, a conditional capital increase of CHF 13 or 127'686 registered shares was carried out. The average strike price was CHF 34.38 per share. The sum in excess of the par value of CHF 4'364 was credited to the capital reserves following the deduction of transaction costs. There was no capital increase from conditional capital in the prior year.

The available conditional capital as of 31 December 2021 amounts to CHF 22 (2020: CHF 35). This equates to 224'963 registered shares (2020: 352'649 registered shares) with a par value of CHF 0.10 (2020: CHF 0.10) each.

TREASURY SHARES

As of the reporting date 31 December 2021, the Company holds 998 treasury shares. The following treasury share transactions took place:

	Number of options	Value CHF 1'000	Price CHF
1 January 2020	15'160	536	35.25
Additions	998	27	27.00
Disposal	-15'160	-536	27.97
31 December 2020	998	27	27.00
Additions	-	-	-
Disposal	-	-	-
31 December 2021	998	27	27.00

16. ACQUISITION OF NON-CONTROLLING INTERESTS

In the prior year, the CALIDA GROUP acquired the remaining 8.2% of LAFUMA SAS, Annecy-le-Vieux, France and since then has owned 100% of the shares.

17. SIGNIFICANT SHAREHOLDERS

The following shareholders reported that they held more than 5% (directly and/or indirectly) of CALIDA Holding AG's share capital recorded in the commercial register as of the reporting date:

	2021	2020
Shareholder group of Kellenberger family members	33.6%	34.1%
Veraison Capital AG	10.7%	14.5%
Vontobel Fonds Services AG	6.5%	6.1%
Swisscanto Fonds Services AG ¹⁾	5.0%	n/a

¹⁾ In accordance with reporting to SIX Swiss Exchange as of 17 August 2021, the 5% ownership ratio was exceeded.

18. DIVIDEND DISTRIBUTION

The Annual General Meeting on 15 April 2021 resolved to distribute a dividend of CHF 1.60 per registered share.

The Board of Directors will submit a proposal to the Annual General Meeting of CALIDA Holding AG on 14 April 2022 to distribute a dividend of CHF 1.00 per registered share.

19. DISCONTINUED OPERATIONS

MILLET MOUNTAIN GROUP

On 29 June 2021, the CALIDA GROUP announced that as part of a strategy review the Board of Directors had decided to sell the MILLET MOUNTAIN GROUP with the brands MILLET and LAFUMA, as a result of which the MILLET MOUNTAIN GROUP was recognised as a discontinued operation. On 24 December 2021, the CALIDA GROUP communicated that there was a binding purchase offer in place and on 8 February 2022 it was communicated that an agreement on the sale of the MILLET MOUNTAIN GROUP had been signed. The enterprise value was agreed at EUR 67.4 million. In order to determine the purchase price, this is adjusted for cash and cash equivalents and liabilities as of the acquisition date. Closing is planned in Q2 2022.

OXBOW

On 28 May 2020 LAFUMA SAS, a subsidiary of the CALIDA GROUP, concluded the sale of OXBOW SAS to the French company Rainbow SAS.

in CHF 1'000

	2021	2020	2020	2020
	MILLET MOUNTAIN GROUP	MILLET MOUNTAIN GROUP	OXBOW	TOTAL
	1 January - 31 December 2021	1 January - 31 December 2020	1 January - 28 May 2020	
RESULT FROM DISCONTINUED OPERATIONS				
Net sales	95'051	83'791	9'661	93'452
Operating expenses	-89'066	-87'183	-9'360	-96'543
Operating profit (loss)	5'985	-3'392	301	-3'091
Financial result, net	-361	-380	-47	-427
Net income (loss) before taxes	5'624	-3'772	254	-3'518
Taxes	-531	21	-53	-32
Net income (loss)	5'093	-3'751	201	-3'550
Loss on disposal of group companies	-	-	-7'902	-7'902
Profit/loss from the discontinued operation, after taxes	5'093	-3'751	-7'701	-11'452
Earnings per registered share in CHF from discontinued operations	0.61			-1.29
Diluted earnings per registered share in CHF from discontinued operations	0.61			-1.29

ASSETS AND EQUITY AND LIABILITIES CLASSIFIED AS HELD-FOR-SALE/DATE OF SALE

	MILLET MOUNTAIN GROUP	OXBOW
	31 December 2021	28 May 2020
Cash and cash equivalents	13'401	242
Other current assets	43'169	12'087
Other non-current assets	38'677	10'478
Total assets	95'247	22'807
Trade accounts payable	8'902	133
Other current liabilities	22'055	10'551
Other non-current liabilities	8'539	4'476
Total liabilities	39'496	15'160
Total net assets	55'751	7'647

The accumulated exchange differences recognised in shareholders' equity, which can be reclassified to the income statement, amount to CHF -8.

BREAKDOWN OF CASH OUTFLOW DUE TO COMPANY SALE

The sale of OXBOW resulted in a cash outflow of CHF 242 from cash and cash equivalents in the prior year.

	2021	2020	2020	2020
	MILLET MOUNTAIN GROUP	MILLET MOUNTAIN GROUP	OXBOW	TOTAL
	1 January - 31 December 2021	1 January - 31 December 2020	1 January - 28 May 2020	1 January - 31 December 2020
CASH FLOW FROM DISCONTINUED OPERATIONS				
Cash flow from operating activities	7'953	-11'319	592	-10'727
Cash flow from investing activities	-1'366	9'409	-2'296	7'113
Cash flow from financing activities	-2'985	-3'120	1'434	-1'686
Total cash flow	3'602	-5'030	-270	-5'300

20. NET SALES FROM CONTRACTS WITH CUSTOMERS AND SEGMENT REPORTING

As chief operating decision maker, the CALIDA GROUP Executive Management determines the business activities and monitors internal reporting to assess performance and make decisions about resources to be allocated. After the sale of OXBOW in 2020 and the reporting of the MILLET MOUNTAIN GROUP as a discontinued operation, the CALIDA GROUP now has three reportable segments, which are organised and managed in accordance with their market alignment. The prior-year figures have been restated.

SEGMENTS

The brands CALIDA, AUBADE and LAFUMA MOBILIER each form a reportable segment.

OTHER ACTIVITIES

Besides corporate functions, other activities contain some smaller activities which are not allocated to an operating segment. The operations of the multi-brand webshops www.onmyskin.de and web shops for the third-party brands are reported in other activities.

OPERATING REPORTING

The CALIDA GROUP monitors segment performance at the level of the operating profit contribution, which shows - in the presentation according to the nature of expense method - the operating profit contribution of each segment after deduction of cost of goods sold and allocated sales and marketing costs (e.g., costs of the sales organisation).

The non-allocated operating costs mainly contain costs for product development, logistics, IT, administration and management.

Net sales from continuing operations of the CALIDA GROUP from contracts with customers break down by sales as follows:

2021¹⁾	CALIDA	AUBADE	LAFUMA MOBILIER	Other activities	CALIDA GROUP
Net sales	152'712	72'177	58'813	14'743	298'445
E-commerce	46'135	12'439	6'849	14'743	80'166
Bricks-and-mortar sales channels	106'577	59'738	51'964	-	218'279
Operating contribution	47'498	21'935	18'443	3'130	91'006
Non-allocated operating costs					-66'739
Operating result					24'267
Financial result, net					-552
Net income from continuing operations, before taxes					23'715
Depreciation and amortisation of property, plant and equipment and intangible assets	-3'367	-1'164	-900	-1'879	-7'310
Depreciation of right-of-use assets	-7'876	-4'404	-489	-1'542	-14'311
thereof impairment	-461	-312	-	-	-773
Investments in property, plant and equipment and intangible assets	5'714	1'535	1'679	1'591	10'519
2020¹⁾	CALIDA	AUBADE	LAFUMA MOBILIER	Other activities	CALIDA GROUP
Net sales	135'081	55'494	45'918	12'454	248'947
E-commerce	34'406	9'816	6'577	12'454	63'253
Bricks-and-mortar sales channels	100'675	45'678	39'341	-	185'694
Operating contribution	35'284	14'861	13'428	1'579	65'152
Non-allocated operating costs					-50'715
Operating result					14'437
Financial result, net					-1'417
Net income from continuing operations, before taxes					13'020
Depreciation and amortisation of property, plant and equipment and intangible assets	-3'411	-892	-858	-2'046	-7'207
Depreciation of right-of-use assets	-9'344	-5'762	-497	-1'654	-17'257
thereof impairment	-1'289	-1'222	-	-	-2'511
Investments in property, plant and equipment and intangible assets	2'434	732	1'167	1'090	5'423

¹⁾ MILLET MOUNTAIN GROUP and OXBOW are reported as discontinued operations. Prior-period values adjusted.

In the reporting period, the CALIDA GROUP recognised impairment losses for receivables from client contracts in the continuing operations of CHF 679. These were booked against sales and marketing expenses (2020: CHF 977).

GEOGRAPHICAL REPORTING

Net sales to third parties	2021 ¹⁾	2020 ¹⁾
France	80'318	64'322
Germany	94'367	79'722
Switzerland	71'123	64'370
Other Europe	43'314	34'258
Asia	3'065	2'742
USA	5'997	3'533
Other markets	261	-
Total	298'445	248'947

¹⁾ MILLET MOUNTAIN GROUP and OXBOW are reported as discontinued operations. Prior-period values adjusted.

Net sales are broken down by region according to the customer's location.

**PROPERTY, PLANT AND EQUIPMENT,
INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS**

	2021	2020 ¹⁾
France	61'952	90'620
Germany	17'028	21'691
Switzerland	21'965	21'107
Hungary	1'869	2'510
Other markets	2'745	8'229
Total	105'559	144'157

¹⁾ Property, plant and equipment, intangible assets and right-of-use assets in the prior year contain CHF 35'644 from discontinued operations.

Property, plant and equipment, intangible assets and right-of-use assets are broken down by geographical location. Other markets are mainly countries in the rest of Europe, Asia and North Africa.

CONTRACT LIABILITIES

Performance obligations from customer loyalty programs amount to CHF 2'512 (2020: CHF 2'150) and are contained under accrued expenses and deferred income.

21. PENSION PLANS AND PERSONNEL EXPENSES

Personnel expenses for the continuing operations of the CALIDA GROUP break down as follows:

	2021 ¹⁾	2020 ¹⁾
Wages and salaries	-70'090	-65'477
Social security expenses	-14'563	-12'641
Expenses for defined benefit plans	-2'055	-2'016
Expenses for defined contribution plans	-974	-834
Share-based payments	888	-298
Other personnel expenses	-10'693	-7'112
Total	-97'487	-88'378

¹⁾ MILLET MOUNTAIN GROUP and OXBOW are reported as discontinued operations. Prior-period values adjusted..

Pension plans in Switzerland and some in France qualify as defined benefit plans. All other plans are defined contribution plans. In fiscal year 2021, CALIDA GROUP received government subsidies of CHF 3'042 (2020: CHF 3'993) for short-time work, which are deducted from personnel expenses.

SWITZERLAND

Pension funds are subject to regulatory supervision and are governed by the BVG [“Bundesgesetz über die berufliche Alters-, Hinterlassenen- und Invalidenvorsorge” (BVG): Swiss Federal Act on Occupational Retirement, Survivors' and Disability Pension Plans]. This requires pension plans to be managed by a separate and legally independent entity. The governing body of the pension plan (Employee Benefit Committee) is responsible for general management, drafting the pension fund regulations, defining the investment strategy and determining how the benefits will be funded. The Employee Benefit Committee comprises employee and employer representatives.

The beneficiaries of the plan are insured against the economic consequences of old age, disability and death. Benefits paid to the beneficiaries are governed by the pension fund regulations but minimum benefits are also prescribed by the law (BVG/LPP). The benefits paid are based on the retirement savings capital of the insured person, which is accrued through annual contributions and interest. The annual contributions are paid by the employer and employees. The amount depends on the insured salary and age of the plan participant. Upon retirement, plan participants can choose between receiving a lifetime annuity and a lump sum payment of savings capital.

The major risks of relevance for the pension fund are the investment risk, interest rate risk, invalidity risk and risk of longevity. The pension funds of the Swiss Group companies are reinsured with an insurance company. The pension fund has been bearing the investment and interest rate risk since 1 January 2019.

The reinsurance contract of the Swiss pension fund foresees that the retirees remain with the insurance, even in the case of a contract cancellation. Therefore, the CALIDA GROUP has no risks coming from the pension liabilities for the retirees and the corresponding assets.

FRANCE

Employees in France receive a lump sum retirement indemnity (“indemnité de fin de carrière”, IFC). The amount due is based on the number of years of service at the company, the salary and the rank of the retiree. Entitlement lapses if the employee leaves the company before retirement. The plan for AUBADE is funded, while the plan for LAFUMA MOBILIER is not.

The net defined benefit obligation of all defined benefit plans is presented below:

Breakdown of the pension entitlements	2021	2020
Present value of the DBO	-59'384	-61'929
Fair value of plan assets	53'933	52'817
Net defined benefit obligation	-5'451	-9'112
of which recorded in other non-current liabilities ¹⁾	-5'451	-9'112

¹⁾ A further CHF 9 (prior year: CHF 23) is attributable to other non-current liabilities not from defined benefits plans.

The net defined benefit liability developed as follows:

	2021	2020
Balance as of 1 January	-9'112	-7'378
Cost of defined benefit plans, through profit or loss	-2'107	-2'083
Income from defined benefit plans, recognised in other comprehensive income	4'176	-1'151
Employer contributions	1'045	1'054
Plan settlements	147	340
Disposal of group company	-	113
Reclassification to discontinued operations	332	-
Exchange differences	68	-7
Balance as of 31 December	-5'451	-9'112

PRESENT VALUE OF THE DBO

	2021	2020
Balance as of 1 January	61'929	61'048
Service cost	2'087	2'069
Interest expense	132	172
Employee contributions	1'038	1'053
Benefit payments	-2'103	-2'663
Plan settlements	-147	-340
Actuarial (gains)/losses	-3'110	696
Disposal of group company	-	-113
Reclassification to discontinued operations	-332	-
Exchange differences	-110	7
Balance as of 31 December	59'384	61'929
of which relating to Switzerland:		
Present value of the DBO	57'197	59'081
Active employees	81.8%	79.5%
Retirees	18.2%	20.5%
Average duration in years	16.9	18.0

PLAN ASSETS AT FAIR VALUE

	2021	2020
Balance as of 1 January	52'817	53'670
Interest income at discount rate	112	159
Employer contributions	1'045	1'054
Employee contributions	1'038	1'053
Benefit payments	-2'103	-2'663
Return on plan assets (excluding the interest income discount rate)	1'066	-455
Exchange differences	-42	-1
Balance as of 31 December	53'933	52'817

The CALIDA GROUP recognised expenses for defined benefit plans for the continuing operations within the following income statement line items in the reporting period:

	2021	2020
Service cost in personnel expenses	-2'055	-2'016
Net interest in financial expenses Total	-17	-10
Total	-2'072	-2'026

Remeasurements of the net defined benefit liability recorded in other comprehensive income break down as follows:

	2021	2020
Remeasurement of the net defined benefit liability		
- Changes in financial assumptions	1'978	-800
- Changes in demographic assumptions	512	-176
- Experience adjustments	620	280
Return on plan assets (excluding the interest income discount rate)	1'066	-455
Total remeasurements of defined benefit plans recorded in other comprehensive income, before taxes	4'176	-1'151

The following weighted actuarial assumptions were applied in determining the defined benefit obligation (DBO):

	2021	2020
Discount rate	0.4%	0.2%
Estimated future salary increases	1.0%	1.0%

SENSITIVITY

A change in these significant actuarial assumptions would have the following weighted impact on the DBO: An increase/decrease of 0.5% in the discount rate would lead to an increase/decrease of -7.9%/+9.2% (2020: -8.3%/+9.5%) in the DBO. An increase/decrease of 0.5% in the salary increase rate would lead to an increase/decrease of +0.3%/-0.3% (2020: +0.3%/-0.4%) in the DBO.

The sensitivity analysis was performed separately for each assumption and reflects changes that were reasonably possible at the reporting date. Interdependencies were not taken into account. The actual effects may differ from these estimates.

The table below provides a breakdown by investment category of the fair value of plan assets from all plans:

	2021	2020
Shares	35.6%	31.8%
Bonds	33.7%	38.0%
Property	24.1%	24.2%
Alternative investments	2.0%	2.2%
Cash and cash equivalents	4.6%	3.8%
Total	100.0%	100.0%

Shares and bonds are securities traded in an active market. The fair market value of real estate relates exclusively to indirect investments in listed securities. The pension funds do not hold any CALIDA shares and none of the Group companies have access to assets of the pension funds.

CALIDA GROUP expects to make employer contributions of CHF 1'125 for fiscal year 2022.

22. SHARE-BASED PAYMENTS

LONG-TERM INCENTIVE PLAN (LTI)

In 2020, the Board of Directors approved a new LTI, which replaces the options programme that is expiring. Members of Executive Management and other key employees participate in the LTI. The plan contains performance share units (PSU), which are issued with specific performance conditions to eligible employees and represent a potential entitlement to shares in CALIDA HOLDING AG after three years. The number of shares granted per PSU is dependent upon the following two performance conditions being met, which both reflect the incentives of the shareholders and are viewed as material for long-term value creation.

The absolute total shareholder return (aTSR) aims to directly link the LTI value upon payment with the absolute value which the company creates for its shareholders.

Cumulative earnings before interest and taxes (EBIT) represents the incentive to achieve the agreed EBIT targets.

Both performance conditions are equally weighted. The maximum conversion factor is two shares per PSU.

In the reporting year, the following PSUs were granted to eligible employees. In the prior year, no PSUs were granted due to the COVID-19 pandemic.

	2021	2020
Balance as of 1 January	-	-
Granted	23'675	-
Forfeited	-2'340	-
Balance as of 31 December	21'335	-

The fair value of a PSU is composed of the performance targets aTSR and cumulative EBIT and amounts to CHF 56.17. The fair value of the PSU part with the cumulative EBIT condition amounts to CHF 68.20. The expected achievement of targets in respect of cumulative EBIT is reassessed on each reporting date. The fair value of the PSU part with the aTSR condition amounts to CHF 44.13 and was calculated using the Monte Carlo model. CALIDA GROUP recorded personnel expenses of CHF 300 in connection with the LTI in 2021 (2020: CHF 0).

LONG-TERM VARIABLE COMPONENT OF THE CEO

With the approval of the Annual General Meeting on 9 May 2017, the shareholding programme agreed with the CEO at that time was converted from a phantom stock plan into a share-based compensation plan. The phantom stock plan and the share-based compensation plan were forfeited in fiscal year 2021. The expected residual entitlements from the phantom stock plan of CHF 226 were recognised under provisions and released accordingly through profit or loss. The share-based compensation plan was also derecognised and there was a decrease in expenses of CHF 1'052.

OPTIONS

Until financial year 2019, all options to registered shares in CALIDA Holding AG were granted as part of the performance-related variable compensation for members of Executive Management and certain executive employees. Each option is associated with the right to call one share. The options are American style. The fair value of the options is recorded in personnel expenses over the individual vesting periods. This plan was replaced by the long-term incentive plan (LTI) in 2020. However, the following entitlements remain:

31 December 2021

Term	Number of options outstanding	Exercise price in CHF	Settlement date
1 April 2016 – 31 March 2022	2'000	33.40	vested
1 April 2017 – 31 March 2022	5'000	33.80	vested
1 April 2018 – 31 March 2023	4'714	36.30	vested
1 April 2019 – 31 March 2024	61'000	31.45	1 April 2022
Total	72'714		

CALIDA GROUP recorded personnel expenses of CHF 90 in connection with stock option plans in 2021 (2020: CHF 203). No options were allocated during financial year 2021.

The table below presents the number of options, the weighted average exercise price and changes during the reporting period.

	Number of options 2021	Average exercise price in CHF 2021	Number of options 2020	Average exercise price in CHF 2020
Outstanding as of 1 January	266'400	33.95	317'101	33.95
Exercised in the reporting period ¹⁾	-127'686	34.38	-	-
Expired in the reporting period	-30'000	36.65	-18'701	35.53
Forfeited in the reporting period	-36'000	33.70	-32'000	33.88
Outstanding as of 31 December	72'714	31.98	266'400	33.95
Vested as of 31 December	11'714	34.74	154'400	34.37

¹⁾ The weighted average share price on the exercise date of options in fiscal year 2020 stood at CHF 41.17 in the reporting year (2020: no options exercised).

The exercise price of options outstanding as of the end of the reporting period was between CHF 31.45 and CHF 36.30 (2020: between CHF 31.45 and CHF 36.65), while the average term to maturity was 1.99 years (2020: 1.74 years).

23. OTHER OPERATING EXPENSES

	2021 ¹⁾	2020 ¹⁾
Sales and marketing expenses	-40'259	-31'854
General administrative expenses	-19'567	-13'099
Other expenses	-14'257	-4'303
Total	-74'083	-49'256

¹⁾ MILLET MOUNTAIN GROUP and OXBOW are reported as discontinued operations. Prior-period values adjusted.

24. AMORTISATION AND DEPRECIATION

	Notes	2021 ¹⁾	2020 ¹⁾
Depreciation and impairment of property, plant and equipment	5	-4'374	-4'263
Amortisation of intangible assets	7	-2'936	-2'944
Total		-7'310	-7'207

¹⁾ MILLET MOUNTAIN GROUP and OXBOW are reported as discontinued operations. Prior-period values adjusted.

25. FINANCIAL RESULT, NET

	2021 ¹⁾	2020 ¹⁾
Interest income from financial assets	269	116
Other financial income	24	-
Total financial income	293	116
Net interest on defined benefit plans	-17	-10
Interest expense from financial liabilities	-426	-570
Bank fees and other financial expenses	-37	-118
Interest expenses from lease liabilities	-509	-586
Total financial expenses	-989	-1'284
Net income from exchange differences	144	-249
Net income from exchange differences	144	-249
Total	-552	-1'417

¹⁾ MILLET MOUNTAIN GROUP and OXBOW are reported as discontinued operations. Prior-period values adjusted.

26. EARNINGS PER REGISTERED SHARE ATTRIBUTABLE TO SHAREHOLDERS OF CALIDA HOLDING AG

	2021	2020
Net income from continuing operations	15'170	9'249
Net income (loss)	20'263	-1'428
Number of shares as of the reporting date	8'385'037	8'257'351
Less weighted average included in capital increase/treasury shares	-61'582	-11'543
Average number of shares outstanding	8'323'455	8'245'808
Adjustment due to the theoretical derecognition of share-based compensation plans	27'119	-
Average number of shares outstanding, diluted	8'350'574	8'245'808
Earnings per registered share in CHF:		
From continuing operations	1.82	1.12
From continuing operations diluted	1.82	1.12
Total, from continuing operations and discontinued operations.	2.43	-0.17
Total, from continuing operations and discontinued operations diluted	2.43	-0.17

27. PLEDGED ASSETS

In the reporting year, pledged assets amounted to CHF 2'756 (2020: CHF 3'113).

Furthermore, the usual general terms and conditions of the financial institutions offer options for offsetting credit against open obligations.

28. TRANSACTIONS WITH RELATED PARTIES

Business relationships exist between CALIDA Holding AG and its subsidiaries as well as members of the Board of Directors and Executive Management. Other related parties are significant shareholders, companies controlled by members of the Board of Directors and the pension funds. All business transactions with related parties are carried out at arm's length.

GROUP COMPANIES

An overview of consolidated subsidiaries is provided in the section "Scope of consolidation". Transactions between CALIDA Holding AG and its subsidiaries as well as between subsidiaries of the Group were eliminated in the consolidated financial statements.

MEMBERS OF THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT	2021	2020
Short-term benefits	4'328	3'111
Post-employment benefits	361	295
Share-based payments	-910	187
Total	3'779	3'593

Remuneration (incl. social security contributions of CHF 318) is disclosed as short-term benefits. Post-employment benefits include expenses for pension plans. The amount shown for share-based payments reflects the expenses recorded and the decrease in expenses on account of forfeited instruments in the reporting period from options granted in the years 2018 to 2019 (prior year: 2017 to 2019) as well as the LTI (see note 22).

SIGNIFICANT SHAREHOLDERS

Revenue of CHF 159 (2020: CHF 143) was generated with a company controlled by a significant shareholder. No guarantees have been received or issued.

29. FINANCIAL RISK MANAGEMENT

The CALIDA GROUP is exposed to interest rate, currency, credit and liquidity risks in the course of its business operations. Limits have been set for the individual risk categories. These are monitored continuously for compliance and adjusted overall to the risk capacity of the Group. Unless otherwise stated, the information relates to continuing operations.

FINANCIAL INSTRUMENTS

Financial assets are allocated to the following categories:

	2021	2020
Cash and cash equivalents	46'601	45'344
Trade accounts receivable	17'713	26'270
Loans (current and non-current)	4'770	6'926
Other financial assets ¹⁾	841	975
Total - at amortised cost	69'925	79'515
At fair value through profit and loss (derivate financial instruments - level 2)	-	48
At fair value through OCI (Equity investment - Level 3) ²⁾	171	179
Total	70'096	79'742

¹⁾ Component of other current receivables (note 3)

²⁾ See note 8

Financial liabilities are allocated to the following categories:	2021	2020
Lease liabilities (measured according to IFRS 16)	43'906	56'924
Trade accounts payable	22'002	19'292
Other current liabilities ¹⁾	3'412	3'454
Refund liabilities	1'096	2'376
Accrued expenses and deferred income ²⁾	17'816	15'431
Total - at amortised cost	88'232	97'477
At fair value through profit or loss (derivate financial instruments - level 2)	60	1'529
Total	88'292	99'006

¹⁾ Not including liabilities to government authorities and prepayment by customers of CHF 5'371 (2020: CHF 7'523)

²⁾ Not including accrued personnel expenses, performance obligations from customer loyalty programs and other accrued expenses/deferred income of CHF 20'240 (2020: CHF 20'009)

Due to being short term, the carrying amounts of the current financial assets and liabilities are generally equal to their market value (non-discounted amounts).

The derivative financial instruments recognised are based solely on forward exchange contracts concluded with banks as counterparties (OTC) for the purpose of foreign exchange hedging and are measured at fair value. The fair value (market value) is based on observable measurement parameters, particularly the spot rates and yield curves of the respective currencies (level 2 of the fair value measurement hierarchy).

CREDIT RISK

Current bank balances are held exclusively with banks that enjoy an excellent credit rating. The risk of default is mitigated by maintaining business relationships with a number of banks and other financial institutions and by monitoring the credit risk continuously.

Trade accounts receivable are subject to active risk management. Doubtful accounts are assessed for impairment individually. Indications of possible impairment include significant financial difficulty or insolvency of the customer as well as situations where financial restructuring is probable or the customer has already defaulted.

Due to the varied customer structure, there are no generally applicable credit limits across the Group. However, customers' creditworthiness is tested systematically, taking into account the financial situation, past experience and/or other factors. The likelihood of risk concentrations in this area is limited by the fact that the Group's customer base is broad, geographically diversified and spread across divisions.

The CALIDA GROUP does not hold any specific collateral for trade accounts receivable as of year-end 2021 (2020: none). Trade accounts receivable are partly secured via credit insurance.

Management does not expect any material losses from receivables in excess of the allowances recognised. The maximum risk of default is the total carrying amount of the receivables and financial loans. Notes 2 and 8 contain disclosures on maturities of receivables and financial assets.

LIQUIDITY RISKS

The CALIDA GROUP monitors the liquidity risk through a liquidity management system designed to ensure that sufficient highly liquid reserves are available to meet liquidity requirements at anytime. This includes financing options from an appropriate amount of confirmed credit lines with various financial institutions. Rolling liquidity plans are prepared and regularly updated based on projected cash flows.

CHANGES IN NET DEBT

	Cash and cash equivalents	Current financial liabilities ¹⁾	Leases due in 1 year	Leases due after 1 year	Net debt
1 January 2020 - Net debt	57'850	-23'611	-17'812	-49'710	-33'283
Cash flow from operating activities and investing activities	39'986	-	-	-	39'986
Cash flow from financing activities	-51'501	21'658	17'791	-	-12'052
Exchange differences	-749	-15	75	218	-471
Reclassification	-	-	-17'062	17'062	-
Non-cash items	-	-	-	-12'471	-12'471
Disposal of group company	-242	1'968	974	4'011	6'711
31 December 2020 - Net debt	45'344	-	-16'034	-40'890	-11'580
Cash flow from operating activities and investing activities	42'732	-	-	-	42'732
Cash flow from financing activities	-26'034	-132	16'479	-	-9'687
Exchange differences	-2'040	132	542	1'505	139
Reclassification	-	-	-15'707	15'707	-
Non-cash items	-	-	-	-15'059	-15'059
Reclassification to discontinued operations	-13'401	-	2'761	6'790	-3'850
31 December 2021 - Net debt	46'601	-	-11'959	-31'947	2'695

¹⁾ See note 9 - Financial liabilities excluding derivative financial instruments

SYNDICATED LOAN FACILITY

CALIDA GROUP has a revolving credit facility of CHF 70 million to secure long-term financing. As of the reporting date, CHF 0 had been utilised (2020: CHF 0). In the reporting year, the reference interest rate was switched from LIBOR to SARON.

The liquidity of the continuing operations of CALIDA GROUP breaks down as follows on the reporting date:

	2021 ¹⁾	2020
Liquidity	46'601	45'344
Confirmed credit lines	94'142	96'909
Credit lines used	-	-
Total	140'743	142'253

¹⁾ Exclusively continuing operations

The table below provides a maturity analysis of cash flows from financial liabilities (principal and interest) as of the reporting date based on the contractually agreed terms to maturity.

31 December 2021	Carrying amount	Contractual payments	< 1 year	1-5 years	more than 5 years ³⁾
Lease liabilities	43'906	45'076	12'364	27'930	4'782
Trade accounts payable	22'002	22'002	22'002	-	-
Derivative financial instruments					
Cash inflows		-13'582	-13'582	-	-
Cash outflows		13'642	13'642	-	-
Net	60	60	60	-	-
Other current liabilities ¹⁾	3'412	3'412	3'412	-	-
Refund liabilities	1'096	1'096	1'096	-	-
Accrued expenses and deferred income ²⁾	17'816	17'816	17'816	-	-
31 December 2020					
Lease liabilities	56'924	61'620	17'518	36'688	7'414
Trade accounts payable	19'292	19'292	19'292	-	-
Derivative financial instruments					
Cash inflows	-	-50'903	-41'191	-9'712	-
Cash outflows	-	52'213	42'116	10'097	-
Net	1'481	1'310	925	385	-
Other current liabilities ¹⁾	3'454	3'454	3'454	-	-
Refund liabilities	2'376	2'376	2'376	-	-
Accrued expenses and deferred income ²⁾	15'431	15'431	15'431	-	-

¹⁾ Not including liabilities to government authorities and prepayments by customers of CHF 5'371 (2020: CHF 7'523)

²⁾ Not including accrued personnel expenses, performance obligations from customer loyalty programs and other accrued expenses/deferred income of CHF 20'240 (2020: CHF 20'009)

³⁾ Lease liabilities generally have a maximum term of 10 years.

INTEREST RATE RISKS

The Group's current liabilities to banks bear interest at floating rates. The CALIDA GROUP is exposed to fluctuations in market interest rates, which can affect income and shareholders' equity.

Interest-bearing liabilities with floating rates expose the Group to a cash flow risk, while changes in interest rates on fixed-rate liabilities can have a material direct impact on the income statement and shareholders' equity.

The sensitivity analysis below shows the impact of a change in interest rates on earnings before tax, assuming that all other variables remain unchanged:

Change in interest rates	Currency	2021	2020
+/- 20 basis points	EUR	+/- 5	+/- 23
+/- 15 basis points	CHF	+/- 4	+/- 5

CURRENCY RISKS

Due to CALIDA GROUP's considerable investment in operations in France and Germany, a currency risk (translation risk) is associated with the annual financial statements of the foreign Group companies which are prepared in euro and translated into Swiss francs for the purpose of the consolidated financial statements. This translation risk does not constitute a foreign currency risk as defined by IFRS and is not taken into account in the sensitivity analysis.

Currency risks are also incurred at transactional level in connection with sales or operating expenses incurred by Group companies in a currency that is not the functional currency of the operating entity. This currency risk is reduced significantly by offsetting operating income and expenses in EUR.

As part of its risk policy, the CALIDA GROUP also has the option to conclude forward exchange contracts or option contracts in order to hedge against the risks associated with exchange rate movements in the residual foreign currency exposure or when concluding specific transactions.

Had the Euro depreciated by 5.0% against the Swiss franc as of 31 December 2021, but all other parameters remained unchanged, earnings before taxes would have increased by CHF 299 (2020: increase of CHF 318). Vice versa, if it had appreciated by the same amount, the results would have decreased accordingly.

To partly hedge goods purchased in USD, CALIDA GROUP enters into forward exchange contracts in its discontinued operations. Usually, goods purchased for the next four collections are hedged, and the derivatives mature in the next 24 months.

In the reporting year, expenses from hedge accounting of CHF 74 were reclassified from equity to inventories (2020: income of CHF 1'355). There are open hedges totalling CHF -895 (2020: CHF 1'525) from discontinued operations within retained earnings.

Cash flow hedges (forward exchange contracts)	Fair value/carrying amount		Due/nominal value	
	Positive replacement value	Negative replacement value	< 1 year	1-2 years
31 December 2021 ¹⁾	602	-	18'274	3'654
31 December 2020 ¹⁾	-	1'529	22'955	9'712

¹⁾ Solely relates to discontinued operations

CAPITAL MANAGEMENT

Sufficient liquidity is available for ordinary business operations in financial year 2021 and thereafter based on the cash inflow from operating activities and confirmed credit lines which Executive Management anticipates. The Company can also issue securities if required.

Capital management at the CALIDA GROUP focuses in particular on safeguarding the Group's ability to continue as a going concern, generating an appropriate return for shareholders and optimising financial ratios while considering cost of capital. The CALIDA GROUP can adjust the dividend payout, return capital to shareholders or issue new shares to reach these targets.

The CALIDA GROUP uses the equity ratio to monitor the capital structure. The equity ratio expresses shareholders' equity as a percentage of total capital. Total capital is the amount stated in the Group statement of financial position. Excluding the effects of lease liabilities recognised under IFRS 16, it is a long-term goal of CALIDA GROUP to keep the self-financing ratio above 50%.

The equity ratio breaks down as follows as of the reporting dates:

	2021	2021 excluding IFRS 16	2020	2020 excluding IFRS 16
Shareholders' equity	173'566	173'566	165'020	165'020
Total capital	349'666	296'208 ¹⁾	315'701	258'777
Equity ratio	49.6%	58.6%	52.3%	63.8%

¹⁾ Including the deduction of lease liabilities from discontinued operations

30. SUBSEQUENT EVENTS

On 4 February 2022, CALIDA GROUP took over the sustainable underwear brand erlich textil, by acquiring 90% of the ordinary shares in Vorfreude GmbH. erlich textil, which has its registered offices in Cologne, Germany, has stood for fairness, sustainability and a positive working environment since its foundation in 2016. In 2021, the start-up had 21 employees and generated net sales of EUR 7 million. With the acquisition, CALIDA GROUP is expanding its market position within the underwear segments and is strengthening its role as a pioneer in the areas of sustainability and e-commerce.

On account of some information that is still outstanding, the final purchase price allocation has not yet been carried out. The provisional cash purchase price for the 90% of the voting rights amounted to CHF 14'188. An earn-out will fall due in 2023. The amount of these additional purchase price payments depends on the future operating earnings of the company and will amount to between CHF 0 and CHF 1'864. In addition, a put and call option was also agreed for the sale or acquisition of a further 10% of the shares, which is due at the earliest in 2025.

There were no further significant subsequent events.

The 2021 consolidated financial statements were approved by the Audit & Risk Committee on 25 February 2022 and released for publication by the Board of Directors on 28 February 2022.

The consolidated financial statements are subject to approval by the Annual General Meeting scheduled for 14 April 2022.



Aubade men X Camille Lacourt
AUBADE

Independent auditor's report

to the General Meeting of CALIDA Holding AG, Oberkirch



Ernst & Young Ltd
Maagplatz 1
P.O. Box
CH-8010 Zurich

Phone: +41 58 286 31 11
Fax: +41 58 286 30 04
www.ey.com/ch

To the General Meeting of
CALIDA Holding AG, Oberkirch

Zurich, 28 February 2022

Statutory auditor's report on the audit of the consolidated financial statements



Opinion

We have audited the consolidated financial statements of CALIDA Holding AG and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2021 and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and comply with Swiss law.



Basis for opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISAs) and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, as well as the *International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code)* and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond



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to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the consolidated financial statements.

Goodwill and intangible assets with indefinite life – valuation

Risk Goodwill and intangible assets with indefinite useful lives represent 9% of total assets and 19% of equity. Intangible assets with indefinite useful life consist of brands. Management performs an annual impairment test using a number of different assumptions. This process is significant to our audit as the process involves judgement and is complex. Goodwill as well as brand are tested for impairment at the level of the respective divisions which also represent operating segments. CALIDA Group disclosed information about the impairment test in the section “estimates and assumptions” as well as in note 7 of the consolidated financial statements.

Our audit response CALIDA Group uses assumptions in respect of future market expectations as well as economic conditions. We involved valuation specialists to assess the assumptions used and the methodology applied to determine the weighted average cost of capital. We compared the data used to external data available such as inflation rates or market growth rates. We further performed sensitivity calculations on CALIDA Group’s valuation models.

Our audit procedures did not lead to any reservations regarding the valuation of goodwill and intangible assets with indefinite useful life.



Other information in the annual report

The Board of Directors is responsible for the other information in the annual report. The other information comprises all information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements and our auditor’s reports thereon.

Our opinion on the consolidated financial statements does not cover the other information in the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information in the annual report and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibility of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable



the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.



Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISAs and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the website of EXPERTsuisse: <http://www.expertsuisse.ch/en/audit-report-for-public-companies>. This description forms part of our auditor's report.



Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and the 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

Edgar Christen

Licensed audit expert
(Auditor in charge)

Ana Dragus

Senior Manager





Financial statements 2021
CALIDA Holding AG

Statement of financial position

AS OF 31 DECEMBER	Notes	2021	2020
Cash and cash equivalents		1'447	2'111
Other current receivables			
to third parties		214	180
to investments		512	-
Current assets		2'173	2'291
Loans to investments		4'768	4'783
Investments	1.1	245'173	218'059
Non-current assets		249'941	222'842
ASSETS		252'114	225'133
Other current liabilities			
to third parties		536	114
to investments		24'390	47'268
Current tax liabilities		1'194	-
Accrued expenses and deferred income		3'135	1'104
Current liabilities		29'255	48'486
Liabilities		29'255	48'486
Share capital	1.2	839	826
Capital contribution reserves	1.4	5'946	702
General legal reserves		500	500
Retained earnings		215'601	174'646
Treasury shares	1.5	-27	-27
Shareholders' equity		222'859	176'647
SHAREHOLDERS' EQUITY AND LIABILITIES		252'114	225'133

Income statement

1 JANUARY - 31 DECEMBER

	Notes	2021	2020
Dividend income		35'499	6'891
Gain from the sale of investments		26'867	-
Other financial income		124	1'085
Income		62'490	7'976
Administrative expenses		-5'957	-3'174
Financial expenses		-1'071	-1'804
Direct taxes		-1'194	-
Expenses		-8'222	-4'978
Net income		54'268	2'998

Change in shareholders' equity

	Share capital	Capital contribution reserves	General legal reserves	Retained earnings	Treasury shares	Shareholders' equity
1 January 2019	826	7'265	500	164'598	-536	172'653
Capital increase	-	30	-	-	-	30
Dividend from capital contribution reserves	-	-6'593	-	-	-	-6'593
Net income	-	-	-	7'163	-	7'163
31 December 2019	826	702	500	171'761	-536	173'253
Transactions with treasury shares	-	-	-	-113	509	396
Net income	-	-	-	2'998	-	2'998
31 December 2020	826	702	500	174'646	-27	176'647
Capital increase	13	5'244	-	-	-	5'257
Dividends from retained earnings	-	-	-	-13'313	-	-13'313
Net income	-	-	-	54'268	-	54'268
31 December 2021	839	5'946	500	215'601	-27	222'859

Notes to the financial statements

The figures in the notes to the financial statements are presented in thousand Swiss francs (CHF 1'000) unless indicated otherwise (information on shares is presented in CHF 1).

Accounting principles

The accounting principles used to prepare these financial statements are in accordance with Swiss accounting law (32nd title of the Code of Obligations).

Recognition and measurement principles

LOANS TO INVESTMENTS

Loans granted in foreign currency are measured at the rate prevailing as of the reporting date, while unrealised losses are recognised, unrealised gains are deferred (principle of imparity).

INTEREST-BEARING LIABILITIES

Interest-bearing liabilities are measured at their nominal value. Maturities of less than one year are disclosed

as current liabilities, while those longer than one year are disclosed as non-current liabilities.

TREASURY SHARES

As of the time of acquisition, treasury shares are recognised as a deduction from shareholders' equity, measured at initial cost. The gain or loss on a sale at a later point in time is recognised in retained earnings.

NON-DISCLOSURE OF THE CASH FLOW STATEMENT AND ADDITIONAL DISCLOSURES IN THE NOTES

CALIDA Holding AG prepares consolidated financial statements in accordance with generally accepted accounting standards (IFRS). Therefore, and following the legal requirements, the Company does not present a statement of cash flows or make disclosures in the notes with regard to interest-bearing liabilities and audit fees.

1. Notes to the financial statements

1.1. EQUITY INVESTMENTS

As a parent company, CALIDA Holding AG, Oberkirch, holds the following investments directly:

Company ¹⁾	Registered office	Business activities	Share capital In local currency	Capital and voting rights	
				31.12.2021	31.12.2020
CALIDA AG	Oberkirch/Sursee, Switzerland	Sales/logistics	CHF 10'000'000	100.0%	100.0%
CALIDA Austria GmbH	Vienna, Austria	Sales	EUR 100'000	100.0%	100.0%
CALIDA Belgium SPRL	Forest, Belgium	Sales	EUR 18'550	100.0%	100.0%
CALIDA Finance AG	Sursee, Switzerland	Financial services	CHF 100'000	100.0%	100.0%
CALIDA GmbH	Lörrach, Germany	Sales	EUR 102'258	100.0%	100.0%
CALIDA Handels GmbH	Lörrach, Germany	Sales	EUR 100'000	100.0%	100.0%
CALIDA Italy Srl³⁾	Bruneck, Italy	Sales	EUR 10'000	100.0%	-
CALIDA Management AG	Oberkirch, Switzerland	Management services	CHF 100'000	100.0%	100.0%
CALIDA Netherlands BV	Rotterdam, the Netherlands	Sales	EUR 18'000	100.0%	100.0%
CALIDA Ungarn Produktionsgesellschaft mbH	Rajka, Hungary	Production	HUF 477'300'000	100.0%	100.0%
AUBADE SA	Oberkirch, Switzerland	Sales	CHF 500'000	100.0%	100.0%
AUBADE Denmark ApS	Hellerup, Denmark	Sales	DKK 80'000	100.0%	100.0%

Company ¹⁾	Registered office	Business activities	Share capital in local currency		Capital and voting rights	
					31.12.2021	31.12.2020
AUBADE Handels GmbH	Lörrach, Germany	Sales	EUR	100'000	100.0%	100.0%
SPTF AZUR SA	Sursee, Switzerland	Holding	CHF	100'000	100.0%	100.0%
LAFUMA SAS	Annecy-le-Vieux, France	Holding	EUR	105'451'221	100.0%	100.0%
Reich Online Solutions GmbH	Stephanskirchen, Germany	Sales	EUR	25'000	100.0%	100.0%

indirectly:

CALIDA France SAS	Paris, France	Sales	EUR	16'639'200	100.0%	100.0%
AUBADE Paris SAS	Paris, France	Sales/logistics	EUR	15'754'230	100.0%	100.0%
AUBADE Paris (UK) Ltd.	Hemel Hempstead, UK	Sales	GBP	100	100.0%	100.0%
AUBADE Paris & Cie SCS	Monte Carlo, Monaco	Sales	EUR	100'000	100.0%	100.0%
BELAUBADE SA	Forest, Belgium	Sales	EUR	362'000	100.0%	100.0%
Société de Lingerie Azur	Monastir, Tunisia	Production	TND	12'250'000	100.0%	100.0%
Solaubade S.u.r.l.	Madrid, Spain	Sales	EUR	300'000	100.0%	100.0%
L.M.O. SRL.	Grassobbio, Italy	Sales	EUR	10'000	100.0%	100.0%
L.W.A. SA²⁾	Wavre, Belgium	Sales	EUR	-	-	100.0%
LAFPROM Tunisie	Sousse, Tunisia	Production	TND	100'000	100.0%	100.0%
LAFUMA America Inc.	Duluth, USA	Sales	USD	24'500	100.0%	100.0%
LAFUMA BV	Leusden, the Netherlands	Sales	EUR	113'445	100.0%	100.0%
LAFUMA Group GmbH	Stephanskirchen, Germany	Sales	EUR	285'000	100.0%	100.0%
LAFUMA Group SL	Barcelona, Spain	Sales	EUR	475'000	100.0%	100.0%
LAFUMA Hungaria KFT	Sarvar, Hungary	Production	HUF	51'350'000	100.0%	100.0%
LAFUMA Mobilier SAS	Anneyron, France	Production/sales	EUR	9'262'561	100.0%	100.0%
LALLEMAND SAS	Vieux d'Izenave, France	Production/sales	EUR	925'540	100.0%	100.0%
Millet Mountain Group Japan Co., Ltd.	Tokyo, Japan	Sales	JPY	10'000'000	100.0%	100.0%
MILLET Mountain Group (Switzerland) Ltd.	Oberkirch, Switzerland	Sales	CHF	750'000	100.0%	100.0%
MILLET Mountain Group SAS	Annecy-le-Vieux, France	Sales	EUR	3'921'068	100.0%	100.0%
MILLET Mountain Group Tunisie³⁾	Sahline, Tunisia	Production	TND	1'280'000	100.0%	-
SHERPA Logistique SAS	Saint-Rambert d'Albon, France	Logistics	EUR	373'570	100.0%	100.0%

¹⁾ Only active companies are listed.

²⁾ Liquidated in the reporting year.

³⁾ Founded in the reporting year.

1.2 SHARE CAPITAL

The share capital of CHF 839 (2020: CHF 826) consists of 8'385'037 (2020: 8'257'351) registered shares outstanding with a par value of CHF 0.10 (2020: CHF 0.10). As of the reporting date, 127'686 registered shares (2020: none) were not entered in the commercial register.

1.3 CONDITIONAL CAPITAL

In the reporting year, equity capital was increased by a conditional capital increase of CHF 13 or 127'686 registered shares and a premium of CHF 5'244 from the capital increase was transferred to the capital contribution reserves. There was no exercise of conditional capital in the prior year.

The available conditional capital as of 31 December 2021 amounts to CHF 22 (2020: CHF 35). This equates to 224'963 registered shares (2020: 352'649 registered shares) with a par value of CHF 0.10 (2020: CHF 0.10) each.

1.4 CAPITAL CONTRIBUTION RESERVES

The capital contribution reserves consist of additional paid-up capital from past capital increases, reduced by past dividend distributions. The distribution from capital contribution reserves is treated for tax purposes like a repayment of share capital. The Swiss Federal Tax Administration (FTA) has acknowledged the disclosed capital contribution reserves in accordance with Art. 5 para. 1 VStG [“Bundesgesetz über die Verrechnungssteuer”]: Swiss Federal Law on Withholding Tax].

1.5 TREASURY SHARES

As of the reporting date 31 December 2021, the Company holds 998 treasury shares.

	Number of options	Value in CHF 1'000	Price CHF
1 January 2020	15'160	536	35.25
Additions	998	27	27.00
Disposal	-15'160	-536	27.97
31 December 2020	998	27	27.00
Additions	-	-	-
Disposal	-	-	-
31 December 2021	998	27	27.00

2. Further information

2.1 FULL TIME POSITIONS

CALIDA Holding AG does not have any employees (prior year: 0).

2.2 SIGNIFICANT SHAREHOLDERS

The following shareholders reported that they held more than 5% (directly and/or indirectly) of the share capital of CALIDA Holding AG recorded in the commercial register as of the reporting date.

	2021	2020
Shareholder group of Kellenberger family members	33.6%	34.1%
Veraison Capital AG	10.7%	14.5%
Vontobel Fonds Services AG	6.5%	6.1%
Swisscanto Fonds Services AG ¹⁾	5.0%	n/a

¹⁾ In accordance with reporting to SIX Swiss Exchange as of 17 August 2021, the 5% ownership ratio was exceeded.

2.3 PLEDGED ASSETS

As of 31 December 2021, there are no assets pledged as collateral. The syndicated loan agreement concluded in 2018 does not provide for any such collateral.

2.4 CONTINGENT LIABILITIES

Guarantee obligations in favour of third parties of up to CHF 70'000 (2020: CHF 70'000) have been issued for Group companies in connection with bank financing as of 31 December 2021. Claims of CHF 0 (2020: CHF 0) had been made as of the reporting date 31 December 2021. As of 31 December 2021, the Company had also issued a rent guarantee in favour of a third party for one AUBADE store (2020: one AUBADE store).

2.5 INTERESTS HELD BY MEMBERS OF THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

Number as of 31 December	Registered shares 2021	Employee stock options 2021	Performance Share Units (PSU) 2021	Total 2021	Registered shares 2020	Employee stock options 2020	Total 2020
Hans-Kristian Hoejsgaard (Chairman)	2'425	-	-	2'425	2'000	-	2'000
Percentage of voting rights	0.0%			0.0%	0.0%		0.0%
Marco Gadola (Vice Chairman)	3'000	-	-	3'000	8'299	-	8'299
Percentage of voting rights	0.0%			0.0%	0.1%		0.1%
Gregor Greber (Member)	-	-	-	-	-	-	-
Nathalie Gaveau (Member)	-	-	-	-	-	-	-
Lukas Morscher (Member)	4'000	-	-	4'000	2'000	-	2'000
Percentage of voting rights	0.0%			0.0%	0.0%		0.0%
Erich Kellenberger (Member) ³⁾	2'813'845	-	-	2'813'845	2'813'393	-	2'813'393
Percentage of voting rights	33.6%			33.6%	34.1%		34.1%
Stefan Portmann (Member)	5'059	-	-	5'059	13'400	-	13'400
Percentage of voting rights	0.1%			0.1%	0.2%		0.2%
Timo Schmidt-Eisenhart (CEO) ¹⁾	6'000	-	3'610	9'610	n/a	n/a	n/a
Percentage of voting rights	0.1%		0.0%	0.1%			
Reiner Pichler (CEO) ²⁾	n/a	n/a	n/a	n/a	4'600	-	4'600
Percentage of voting rights					0.1%		0.1%
Sacha Gerber (CFO)	1'750	-	2'340	4'090	1'500	-	1'500
Percentage of voting rights	0.0%		0.0%	0.0%	0.0%		0.0%
Daniel Gemperle (COO)	-	10'000	2'340	12'340	-	36'700	36'700
(Potential) percentage of voting rights	0.0%	0.1%	0.0%	0.1%		0.4%	0.4%
Manuela Ottiger (CHRO)	-	9'714	1'875	11'589	-	23'000	23'000
(Potential) percentage of voting rights	0.0%	0.1%	0.0%	0.1%		0.3%	0.3%
Stefan Mues (CDO) ⁴⁾	n/a	n/a	n/a	n/a	-	10'000	10'000
(Potential) percentage of voting rights						0.1%	0.1%

¹⁾ Since 12 April 2021²⁾ Until 30 September 2021³⁾ Shareholder group of Kellenberger family members.⁴⁾ The employment was terminated in 2021. The PSUs granted in 2021 have been forfeited on account of the termination of the employment relationship

2.6 PERFORMANCE SHARE UNITS (PSU) GRANTED IN THE REPORTING YEAR

As part of their compensation, members of the Executive Management received Performance Share Units (PSU), which entitle them to receive registered shares in CALIDA Holding AG after the vesting period has elapsed. In the reporting year 2021, 12'505 PSUs were granted. In the prior year, no PSUs were granted. The PSUs are valued taking into account the agreed performance indicators. Whether the registered shares are received is dependent upon vesting conditions being met (these include the performance indicators mentioned above and a continuation of the employment relationship).

	Number in 2021	Value in 2021	Number in 2020	Value in 2020
PSUs granted to the members of Executive Management	12'505	454	-	-

The PSUs granted are recognised through profit or loss in the company that is the contractual employer of the respective member of Executive Management.

2.7 SUBSEQUENT EVENTS

The financial statements were released for publication by the Board of Directors on 28 February 2022. The financial statements are subject to approval by the Annual General Meeting scheduled for 14 April 2022.

Proposal of the Board of Directors for the appropriation of retained earnings

Retained earnings	2021	2020
Carryforward from prior year	161'333	171'761
Transactions with treasury shares	-	-113
Net income	54'268	2'998
Retained earnings as of 31 December	215'601	174'646
Dividends	-8'384	-13'313
Retained earnings as of 31 December/carryforward to new account	207'217	161'333

For fiscal year 2021, the Board of Directors proposes to the Annual General Meeting of CALIDA Holding AG on 14 April 2022 to distribute a dividend of CHF 1.00 per registered share.

All shares issued as of 31 December 2021 are eligible for the dividend. The exact amount of the dividend may change slightly due to potential new shares is-

sued to employees from conditional share capital. Treasury shares held on the date of the dividend payment are not eligible for dividends. The total dividend amount payable therefore depends on the number of treasury shares held on the distribution date. Assuming the Annual General Meeting approves the dividend, payment will be made on 22 April 2022.



Independent auditor's report

to the General Meeting of CALIDA Holding AG, Oberkirch



Ernst & Young Ltd
Maagplatz 1
P.O. Box
CH-8010 Zurich

Phone: +41 58 286 31 11
Fax: +41 58 286 30 04
www.ey.com/ch

To the General Meeting of
CALIDA Holding AG, Oberkirch

Zurich, 28 February 2022

Report of the statutory auditor on the financial statements

As statutory auditor, we have audited the financial statements of CALIDA Holding AG, which comprise the balance sheet, income statement, statement of changes in shareholders' equity and notes (pages 77 to 84), for the year ended 31 December 2021.



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 2021 comply with Swiss law and the company's articles of incorporation.



Report on key audit matters based on the circular 1/2015 of the Federal Audit Oversight Authority

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.



We have fulfilled the responsibilities described in the *Auditor's responsibility* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

Valuation of investments in subsidiaries

Area of focus	CALIDA Holding AG holds investments in subsidiaries that represent 97% of the total assets on a standalone level. Total investments are material to the entity and may be subject to changes in value. Accordingly, management performs regular impairment considerations and calculations to determine the value of each single investment.
Our audit response	Our audit work for the valuation of the investments consisted of assessing management's valuation assessment as well as performing our own calculations to assess the value of each investment. Our audit procedures did not lead to any reservations regarding the valuation of investments in subsidiaries. The various investments are disclosed in note 1.1 of the separate financial statements of CALIDA Holding AG.



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 para. 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

Edgar Christen
Licensed audit expert
(Auditor in charge)

Ana Dragus
Senior Manager



Tresor Infini
AUBADE

Remuneration report 2021

CALIDA Holding AG

The figures in the remuneration report are presented in thousand Swiss francs (CHF 1'000) unless indicated otherwise (information on shares are presented in CHF 1).

Introduction

The CALIDA Holding AG's remuneration report describes the remuneration system applied and provides detailed information on the remuneration of members of the Board of Directors (BoD) and Executive Management for fiscal years 2021 and 2020. This report meets the requirements set out in point 5 of the Annex to the SIX Swiss Exchange's Directive on information relating to Corporate Governance (DCG) dated 1 September 2014 as well as the requirements of Articles 13 to 16 of the Ordinance against Excessive Compensation at Listed Joint-Stock Companies (OaEC), which entered into force on 1 January 2014.

1. Principles

The value and success of the CALIDA GROUP essentially depends on the quality and dedication of its employees. The remuneration policy is designed to recruit, motivate and retain qualified individuals for the Group. Performance-based and share-based components of remuneration are included with the aim of encouraging individuals to think and act in the interests of the shareholders.

The remuneration system is based on the following principles:

Remuneration should be fair and in line with the market

Remuneration should be linked to the Company's success

The remuneration system should align the Group's long-term strategy with shareholder and employee interests

Remuneration should be transparent

2. Remuneration regulations

The Nomination & Compensation Committee (NCC) supports the Board of Directors in fulfilling its duties with regard to defining compensation and designing option and participation plans.

APPROVAL PROCESS

Decision on:	CEO	NCC	BoD	AGM
Remuneration of Executive Management members (not including the CEO)	Proposal	Request	Decision	
Remuneration of the CEO	-	Request	Decision	
Remuneration of the BoD and its committees	-	Request	Decision	
Maximum total remuneration for Board of Directors and Executive Management	Proposal	Request		Binding vote
Remuneration report	Proposal	Approval		Consultative vote

The Annual General Meeting on 15 April 2021 reelected Hans-Kristian Hoejsgaard and Marco Gadola to the NCC.

NCC meetings generally take place prior to meetings of the Board of Directors so that requests can be defined and approved by the full Board. The members of the NCC and Board of Directors have solid knowledge and comprehensive insights into the textiles and clothing industry as well as the retail (non-food) sector. As a result, they are well placed to evaluate the Company's market position and value. Overall, the rewards package is based on responsibility, the effective scope of each function and the individual performance.

3. Remuneration system

3.1 DETERMINATION OF THE REMUNERATION FOR THE BOARD OF DIRECTORS

The members of the Board of Directors generally receive fixed compensation that does not include any performance-related components. The exact composition depends on the function and whether the individual serves on any committees of the Board of Directors:

	CHF
Chairman	150
Vice Chairman	70
Member	59
Chairman of a Committee	35
Committee Member	25

The Company can reimburse members of the Board of Directors for out-of-pocket expenses in the form of actual or lump sum expense payments permitted in accordance with tax provisions. This does not count as remuneration.

No loans or credits have been granted to current or former members of the Board of Directors.

3.2 DETERMINATION OF THE REMUNERATION FOR EXECUTIVE MANAGEMENT

On the one hand, the determination of the remuneration of the members of Executive Management is based on criteria such as function, level of responsibility and experience. On the other, it is based on the comparison of remuneration of members of Executive Management in comparable organisations, that are either publicly available or members of the NCC and the Board of Directors are aware of through their experience in similar organisations. Organisations are deemed comparable if they are similar to the CALIDA GROUP in terms of industry, structure, size, geographical operations, profitability, market capitalisation and complexity. Generally, no external advisors are consulted with regard to the structuring of remuneration.

The remuneration system for Executive Management is aligned with the Group strategy and linked to relevant KPIs as well as the share price. This allows

Executive Management's remuneration to be set in a transparent manner and a strong alignment with shareholder interests in line with the pay-for-performance philosophy of the CALIDA GROUP.

The members of Executive Management receive fixed and variable remuneration that is either paid out in cash or in the form of registered shares of CALIDA Holding AG upon achieving ambitious performance targets.

The Board of Directors as a whole has discretionary powers to define the amount based on a recommendation by the NCC, subject to approval by the shareholders. The Company's compensation policy is performance-based and in line with the market.

The Company can reimburse members of Executive Management for out-of-pocket expenses in the form of actual or lump sum expense payments permitted in accordance with tax provisions. This does not count as remuneration.

No loans or credits have been granted to current or former members of Executive Management. In addition, the maximum period of notice for members of Executive Management is limited to 12 months.

EXTERNALLY CONTRACTED MEMBER OF EXECUTIVE MANAGEMENT

The CHRO function is engaged based on a service agreement and receives monthly compensation for her activities based on a market-compliant daily rate. The agreement also provides for a variable performance-related component based on the same system applicable for other members of Executive Management. Her fees are disclosed in the line item "Fixed salary (net)".

3.3 RELATED PARTIES

No remuneration is paid to related parties, nor are loans or credits granted.

3.4 ELEMENTS OF REMUNERATION

FIXED REMUNERATION FOR THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

The components of fixed remuneration are paid out in cash.

Variable remuneration

SHORT-TERM VARIABLE REMUNERATION OF EXECUTIVE MANAGEMENT

The Executive Management receive a variable remuneration component based on short-term targets. For the CEO, that can amount to a maximum of CHF 850'000 (corresponds to 113% of the fixed salary component) and a minimum of CHF 0 (value on goal achievement: CHF 425'000; corresponds to 57% of the fixed salary component). For the other members of Executive Management, the short-term variable component comes to a maximum of about 60% of the fixed remuneration component and a minimum of 0% (share on achievement of goal: about 40%), depending on their responsibilities.

The targets for short-term variable remuneration are based on net sales, EBITDA and free cash flow. Short-term variable remuneration is paid out in cash after the end of the fiscal year.

LONG-TERM VARIABLE REMUNERATION OF THE EXECUTIVE MANAGEMENT (LONG-TERM INCENTIVE PLAN)

During fiscal year 2019, a new share-based long-term incentive plan (LTI) was developed and approved by the Board of Directors. This replaces the previous variable and long-term incentive plan. The new long-term incentive plan was introduced with the purpose of further fostering long-term value creation for the Company and being more aligned with market practice based on the following considerations:

Enabling Executive Management and other key persons to become shareholders or to increase their shareholding in CALIDA Holding AG;

Further harmonization of the long-term interests of the Executive Management and the key persons with those of the shareholders in order to continue to foster a sustainable, long-term increase in value of the CALIDA GROUP;

Positioning of the CALIDA GROUP as an attractive employer in order to attract, retain and motivate highly-qualified employees.

The individual amounts granted in Swiss franc are defined based on several factors such as the responsibility associated with the role of the participant, the requirements in terms of education, training and experience that are associated with the role, the individual performance level, the quality of the performance delivered, the success of the Company and external market considerations.

The amounts are granted in the form of performance share units (PSU), which represent a right to receive shares in the Company provided that certain performance targets are met over a performance period of three years. If the pre-defined performance targets are not met, the PSUs are not converted into registered shares, i.e., their value is forfeited.

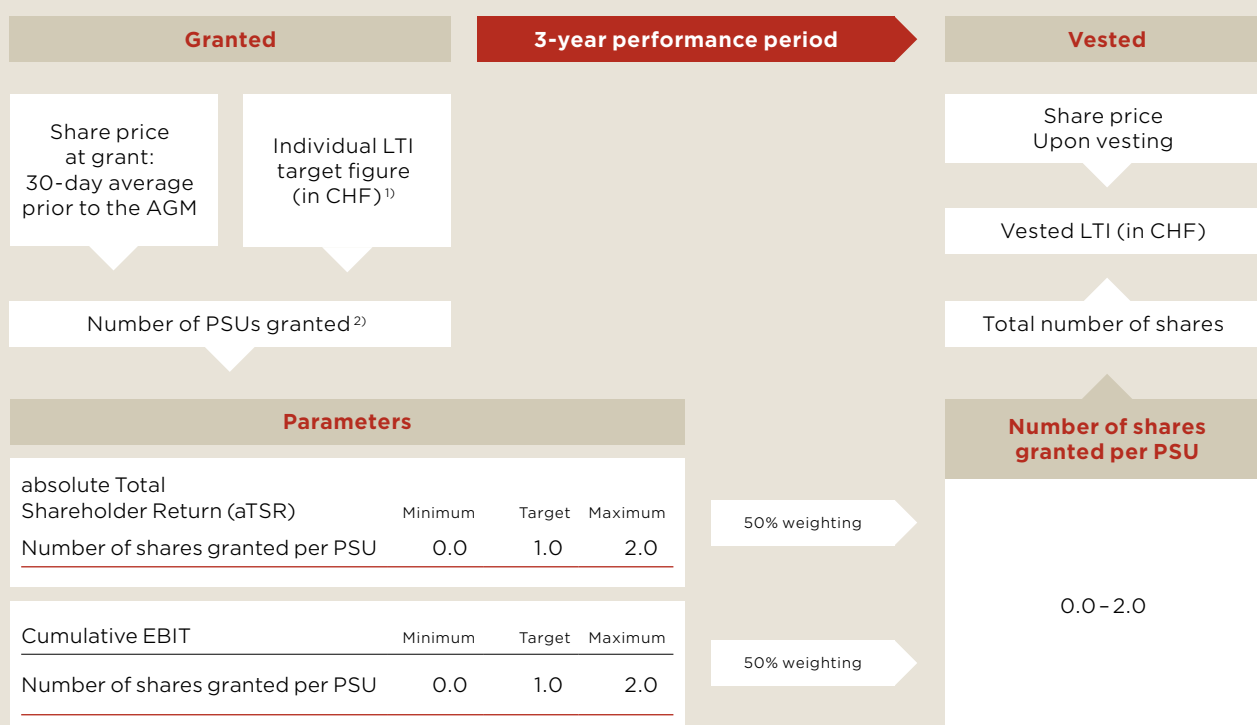
The conversion factor of the PSUs is based on the following two equally weighted parameters:

50% of the grant is linked to the absolute Total Shareholder Return (aTSR); and

50% of the grant is linked to the cumulative EBIT result.

The targets for the two parameters are approved by the Board of Directors for each grant.

CALIDA GROUP LTI scheme



¹⁾ After the proposal of the Nomination & Compensation Committee, the Board of Directors decides on the individual LTI target figure

²⁾ Sum of the individual LTI target figures divided by the share price at the time of granting (30-day average before the AGM).

PSUs were granted for the first time in the reporting year 2021. The number of PSUs granted corresponds to the individual LTI target figures divided by the share price at grant (30-day average before the AGM). In 2021, the Executive Management were granted a total of 12'505 PSUs.

Overview of performance share units

	2021
Grant date	15 April 2021
Vesting date	14 April 2024
PSU value at grant	36.31
Number of PSUs granted	12'505

Outstanding performance share units

	2021
Number as of 1 January	-
PSUs granted	12'505
PSUs vested	-
PSUs forfeited	-2'340
Number as of 31 December	10'165

Provisions relating to the forfeiture or claw back of PSUs that have been granted or vested apply in various cases and could also allow the CALIDA GROUP to claw these back if necessary.

The procedure in respect of PSUs that have not yet been utilised in the event of a change of control is governed in the respective remuneration plans.

OLD LONG-TERM, VARIABLE REMUNERATION OF THE FORMER CEO (LONG-TERM INCENTIVE PLAN)

In fiscal year 2021, the former CEO had the option under the old long term incentive plan (phantom plan) of receiving a cash bonus if the thresholds were exceeded for a sustained period of time. This entitlement has now lapsed on account of the termination of the employment relationship.

4. Disclosure of remuneration of the Board of Directors and Executive Management

(Current and former members)

The Annual General Meeting held on 17 April 2020 approved the following maximum total amounts for fiscal year 2021:

	CHF
Remuneration for the Board of Directors	900
Fixed and short-term variable remuneration for Executive Management	4'000
Long-term variable remuneration for Executive Management	1'000

Due to the change of CEO in 2021, the effective total amount of fixed and short-term variable remuneration for the Executive Management is above the maximum total amount of fixed and short-term variable remuneration approved at the Annual General Meeting 2020 for the financial year 2021. The Board of Directors has granted an additional amount of CHF 410'000 to the new CEO, taking into account Art. 28 of the Articles of Association (Additional amount in case of change in the Executive Management).

2021	Fixed remuneration		Variable remuneration		Contributions in kind	Pension expenses ²⁾	Total
			Short-term	Long-term			
	Cash (gross)	Cash (gross)	Options ¹⁾	LTI (award value of the performance share units)			
Hans-Kristian Hoejsgaard (Chairman)	175	-	-	-	-	-	175
Marco Gadola (Vice Chairman)	105	-	-	-	-	8	113
Gregor Greber	85	-	-	-	-	6	91
Nathalie Gaveau	85	-	-	-	-	-	85
Lukas Morscher	95	-	-	-	-	7	102
Erich Kellenberger	85	-	-	-	-	4	89
Stefan Portmann	95	-	-	-	-	-	95
Total Board of Directors	725	-	-	-	-	25	750
Total Executive Management ³⁾	2'187	1'594	-	454	43	654	4'932
Thereof: CEO Timo Schmidt-Eisenhart	514	602	-	131	5	202	1'454
Thereof: former CEO Reiner Pichler	536	319	-	-	7	184	1'046
Number of current members of Executive Management	5						

¹⁾ No options were issued in fiscal year 2021.

²⁾ Includes employer contributions to social security and pension contributions (BVG) for members of Executive Management.

³⁾ The employment relationship of the new CEO Timo Schmidt-Eisenhart started on 12 April 2021. That of the former CEO Reiner Pichler ended on 30 September 2021.

2020	Fixed remuneration		Variable remuneration		Contributions in kind	Pension expenses ²⁾	Total
	Short-term		Long-term				
	Cash (gross)	Cash (gross)	Options ⁵⁾	LTI (award value of the performance share units) ⁷⁾			
Hans-Kristian Hoejsgaard (Chairman) ¹⁾	154	-	-	-	-	-	154
Marco Gadola (Vice Chairman) ²⁾	125	-	-	-	-	10	135
Gregor Greber ³⁾	60	-	-	-	-	5	65
Valentin Chapero Rueda ⁴⁾	25	-	-	-	-	2	27
Nathalie Gaveau	85	-	-	-	-	-	85
Dijana Kellenberger ⁴⁾	25	-	-	-	-	2	27
Lukas Morscher	95	-	-	-	-	7	102
Erich Kellenberger ³⁾	60	-	-	-	-	3	63
Stefan Portmann	95	-	-	-	-	-	95
Total Board of Directors	724	-	-	-	-	29	753
Total Executive Management	1'767	551	-	-	40	456	2'814
Thereof: CEO Reiner Pichler	714	185	-	-	10	236	1'145
Number of current members of Executive Management	5						

¹⁾ Chairman since election by the Annual General Meeting on 17 April 2020.

²⁾ Vice Chairman since election by the Annual General Meeting on 17 April 2020.

³⁾ Since election by the Annual General Meeting on 17 April 2020.

⁴⁾ Until the Annual General Meeting on 17 April 2020.

⁵⁾ No options were issued in fiscal year 2020.

⁶⁾ Includes employer contributions to social security and pension contributions (BVG) for members of Executive Management.

⁷⁾ No granting due to the ongoing uncertainty in relation to the COVID-19 pandemic.

Independent auditor's report

on the audit of the remuneration report of CALIDA Holding AG, Oberkirch



Ernst & Young Ltd
Maagplatz 1
P.O. Box
CH-8010 Zurich

Phone: +41 58 286 31 11
Fax: +41 58 286 30 04
www.ey.com/ch

To the General Meeting of
CALIDA Holding AG, Oberkirch

Zurich, 28 February 2022

Report of the statutory auditor on the remuneration report

We have audited the remuneration report of CALIDA Holding AG for the year ended 31 December 2021. The audit was limited to the information according to articles 14–16 of the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance) contained on pages 89 to 94 of the remuneration report.



Board of Directors' responsibility

The Board of Directors is responsible for the preparation and overall fair presentation of the remuneration report in accordance with Swiss law and the Ordinance. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.



Auditor's responsibility

Our responsibility is to express an opinion on the remuneration 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 remuneration 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 remuneration 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 remuneration report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of remuneration, as well as assessing the overall presentation of the remuneration 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 remuneration report for the year ended 31 December 2021 of CALIDA Holding AG complies with Swiss law and articles 14–16 of the Ordinance.

Ernst & Young Ltd

Edgar Christen
Licensed audit expert
(Auditor in charge)

Ana Dragus
Senior Manager



100% NATURE / 100% NATURE DAISY
CALIDA

Corporate governance report 2021

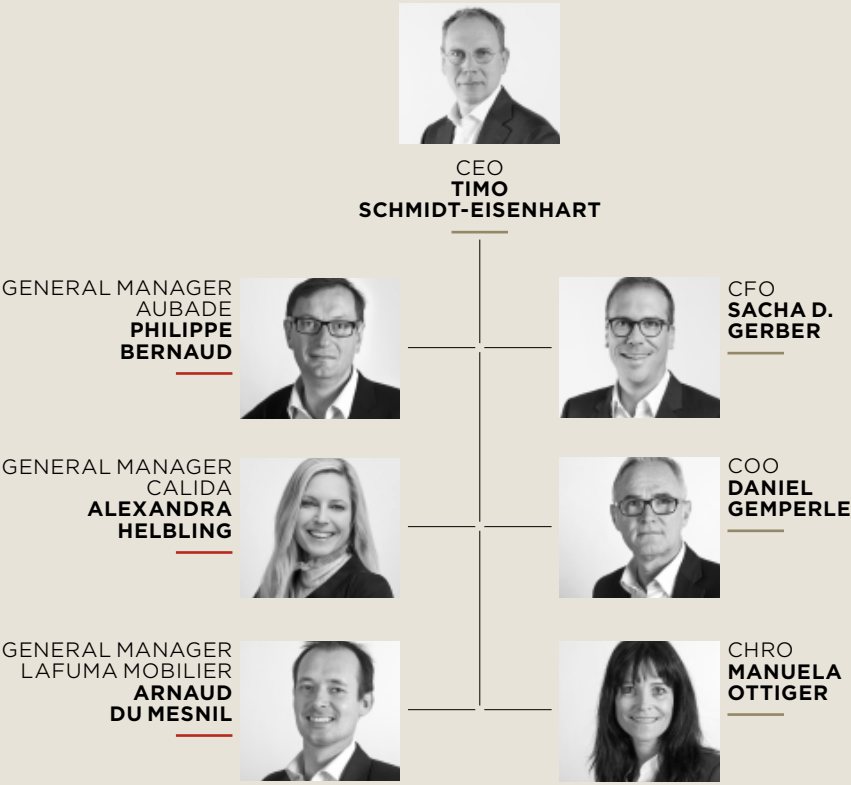
CALIDA GROUP

1. Group structure and shareholders

1.1 GROUP STRUCTURE

1.1.1 OVERVIEW OF THE GROUP'S OPERATING STRUCTURE

The chart below shows the Group's operating structure as of year-end:



Operating divisions

Group function and member of
Executive Management

1.1.2 LISTED COMPANIES IN THE CONSOLIDATED GROUP

The registered shares of CALIDA Holding AG (“the Company”), with registered offices in Oberkirch (Switzerland), are traded on the SIX Swiss Exchange (ISIN CH0126639464, ticker symbol CALN). Market capitalisation came to approximately CHF 407.5 million as of the reporting date 31 December 2021.

1.1.3 UNLISTED COMPANIES IN THE CONSOLIDATED GROUP

The annual report provides details of unlisted companies in the consolidated group in the section “Scope of consolidation” on page 36 onwards in the “Consolidated financial statements 2021 CALIDA GROUP”.

1.2 SIGNIFICANT SHAREHOLDERS

The following shareholders reported that they held more than 3% (directly and/or indirectly) of the share capital of CALIDA Holding AG recorded in the commercial register as of the reporting date 31 December 2021.

Shareholder group of Kellenberger family members	33.6%
Veraison Capital AG	10.7%
Vontobel Fonds Services AG	6.5%
Swisscanto Fondsleitung AG ¹⁾	5.0%

¹⁾ According to the reporting to SIX Swiss Exchange as of 17 August 2021, Swisscanto Fondsleitung AG holds 5.0133%.

The Company makes disclosures about significant shareholders if it receives disclosure notifications in the reporting period pursuant to Art. 120 Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (FinMIA). Parties subject to the notification requirement have to disclose shareholdings when their voting rights in CALIDA Holding AG reach, exceed or fall below the thresholds of 3, 5, 10, 15, 20, 25, 33 1/3, 50 or 66 2/3 percent.

All disclosure notifications of shareholdings in CALIDA Holding AG are available on the disclosure office’s electronic publication platform at: <https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html>

Shareholdings of the members of the Board of Directors and Executive Management are presented in detail within the relevant section on page 82 of the notes to the financial statements 2021 of CALIDA Holding AG, which form part of this annual report. The Company is not aware of any further significant shareholders in the meaning of Art. 120 FinMIA.

1.3 CROSS-SHAREHOLDINGS

There are no cross-shareholdings.

2. Capital structure

2.1 CAPITAL AS OF 31 DECEMBER 2021

The ordinary share capital of the Company amounts to approximately CHF 839k, divided into 8'385'037 registered shares with a par value of CHF 0.10 each. As of 31 December 2021, the ordinary share capital entered in the commercial register amounted to approximately CHF 826k, corresponding to 8'257'351 registered shares. The available conditional capital amounts to approximately CHF 22k. This equates to 224'963 registered shares with a par value of CHF 0.10 each

2.2 AUTHORISED AND CONDITIONAL CAPITAL IN PARTICULAR

There is no authorised capital. The conditional capital is used for participation plans for employees and members of the Board of Directors of the Company or of Group companies. A subscription right for shareholders is excluded. Options for registered shares of CALIDA Holding AG were issued in accordance with a plan prepared by the Board of Directors.

2.3 CHANGES IN CAPITAL

The statement of changes in shareholders’ equity in the financial statements 2021 of CALIDA Holding AG, which form part of this annual report, contains details of the changes in capital for the last three reporting periods in the respective section on page 78.

2.4 SHARES AND PARTICIPATION CERTIFICATES

The number of shares and their par value are shown in section 2.1 above. The Company only has one share class, meaning that the ratio of par value to voting power remains constant. Each registered share has a par value of CHF 0.10 and gives the shareholder un-

restricted entitlement to the dividend. The capital is fully paid in. The Company has not issued any participation certificates.

2.5 DIVIDEND-RIGHT CERTIFICATES

The Company has not issued any dividend-right certificates.

2.6 LIMITATIONS ON TRANSFERABILITY AND NOMINEE REGISTRATIONS

2.6.1 LIMITATIONS ON TRANSFERABILITY FOR EACH SHARE CATEGORY, ALONG WITH AN INDICATION OF STATUTORY GROUP CLAUSES, IF ANY, AND RULES FOR GRANTING EXCEPTIONS

The Articles of Incorporation do not provide for any limitations on transferability of registered shares.

2.6.2 REASONS FOR GRANTING EXCEPTIONS IN THE YEAR UNDER REVIEW

The Articles of Incorporation do not provide for any limitations on transferability of registered shares.

2.6.3 ADMISSIBILITY OF NOMINEE REGISTRATIONS, ALONG WITH AN INDICATION OF PERCENT CLAUSES, IF ANY, AND REGISTRATION CONDITIONS

The Company does not accept any nominee registrations.

2.6.4 PROCEDURE AND CONDITIONS FOR CANCELLING STATUTORY PRIVILEGES AND LIMITATIONS ON TRANSFERABILITY

There are no statutory privileges or limitations on transferability.

2.7 CONVERTIBLE BONDS AND OPTIONS

The Company has not issued any convertible bonds. For details of employee stock options, please refer to the section on share-based payments on page 61 in the consolidated financial statements 2021 of CALIDA GROUP.

3. Board of Directors

3.1 MEMBERS OF THE BOARD OF DIRECTORS (BOD)

A) NAME, NATIONALITY, EDUCATION AND PROFESSIONAL BACKGROUND

HANS-KRISTIAN HOEJSGAARD CHAIRMAN OF THE BOARD OF DIRECTORS

Nationality:	Danish
Born	1958
Joined the BoD:	13 May 2014
Term of office:	until the Annual General Meeting for fiscal year 2021
Committee	Nomination & Compensation Committee, Member
Education	Southern Denmark Business School (HD business graduate); Harvard Business School (Executive Education); INSEAD (Executive Education); The Wharton School of Business, University of Pennsylvania (Executive Education)
Professional background	CEO-Mentor at Mentore Consulting LLP, London; 2018-2019 CEO ad interim at the MCH Group AG, Basel; 2011-2017 CEO at the Oettinger Davidoff AG, Basel, 2014-2017 Board member; 2008-2009 CEO of the Timex Group B.V., New York and Chairman of the Board of Directors of Timex India; 2003-2007 CEO of Georg Jensen A/S, Copenhagen; 1998-2002 CEO of Lancaster Group (Coty), Paris; 1993-1998 Regional Managing Director, Asia Pacific, Guerlain (LVMH) Hong Kong; 1986-1993 Seagram International, Italy, Hong Kong, Thailand
Other activities and vested interests	Chairman of the Board of Directors of Bonhams (London, GB); Member of the Board of Directors of Barclays Bank (Suisse) SA

MARCO GADOLA**VICE CHAIRMAN OF THE BOARD OF DIRECTORS**

Nationality:	Swiss/French
Born	1963
Joined the BoD:	7 April 2011
Term of office:	until the Annual General Meeting for fiscal year 2021
Committee	Nomination & Compensation Committee, Chairman
Education	University of Basel (lic. rer. pol; MBA), London School of Economics (Accelerated Management Development Programme)
Professional background	March 2013 to December 2019 CEO and member of Executive Management of the Straumann Group; July 2012 to February 2013 CEO Asia Pacific of the Panalpina Group; 2008 to June 2012 CFO and member of Executive Management of the Panalpina Group; 2005 to 2008 CFO/Chief Operations Officer and member of Executive Management of the Straumann Group; 2001 to 2005 Group CFO and member of Executive Management of the HERO Group; 1992 to 2001 various positions in the Hilti Group, including in the USA, Spain and Germany
Other activities and vested interests	Chairman of the Board of Directors of DKSH Holding AG, WS Audiology, Medartis and VFS; Deputy Chairman of the Board of Directors of MCH Group; Member of the Board of Directors of Straumann Holding AG, Tally Weijl, AVAG Verwaltungs AG, FCB Holding and 1893 AG; Board member at Schweizerische Management Gesellschaft and the Swiss American Chamber of Commerce.

GREGOR GREBER

Nationality:	Switzerland
Born	1967
Joined the BoD:	17 April 2020
Term of office:	until the Annual General Meeting for fiscal year 2021
Committee	Audit & Risk Committee, Member
Education	Business Economist KSZ, Higher Management School Zurich, Bank Clerk
Professional background	2015 – 2021: Founder and Senior Partner at VERAISON Capital AG, Zurich; 2014, Founder and Executive Chairman of the Board of Directors of zRating AG, Zurich (Carve out from zCapital and sold to Inrat AG); 2008-2014 Founder, CEO and Delegate of the Board of Directors at zCapital AG, Zug; 2005–2008, Head of Corporate Finance, Member of the Management of Bank am Bellevue, Küsnacht; 2002–2005, Head of Equities Switzerland, Member of the Management at Lombard Odier, Zurich; 1999–2002, Global Head of Equities (Switzerland), Managing Director of Deutsche Bank, Zurich and before various other functions at UBS and Julius Bär
Other activities and vested interests	Since 2015 founder and Chairman of the Board of Directors of NapaWine AG (and NapaGrill), Zürich; since 2015 member of the Board of Directors of VERAISON Capital AG and VERAISON SICAV; since 2021 Member of the Board of Directors of VT5 Acquisition Company, Pfäffikon and the Invenda Group AG, Lucerne; Ambassador Swiss Start Up Group, Zürich

NATHALIE GAVEAU

Nationality:	France
Born	1975
Joined the BoD:	18 May 2018
Term of office:	until the Annual General Meeting for fiscal year 2021
Committee	Strategic Committee, Member
Education	HEC School of Management (Ecole des Hautes Etudes Commerciales), Paris
Professional background	Since December 2020 Senior Advisor at BCG Digital Ventures (September 2019 – December 2020 Managing Director Partner), London, Paris; 2010–2019 Founder and CEO SHOPCADE, France, UK and USA; 2007–2010 Interactive Business Director at Tequila, Hong Kong, London; 2003–2007 EBusiness and CRM Manager Asia Pacific at Club Med, Singapore & Hong Kong; 2000–2003 Co-founder and Managing Director at Priceminister, Paris
Other activities and vested interests	Since January 2021 President and Director of Tailwind International Acquisition Corporation; Member of the Board of Directors and Corporate Social Responsibility Committee of Coca-Cola European Partners (CCEP)

DR. LUKAS MORSCHER

Nationality:	Switzerland
Born	1963
Joined the BoD:	15 April 2019
Term of office:	until the Annual General Meeting for fiscal year 2021
Committee	Audit & Risk Committee, Chairman
Education	University of Basel (lic. rer. pol., Dr. iur.); Harvard Business School (Advanced Management Program)
Professional background	Since 1998 Attorney and since 2003 Partner at Lenz & Staehelin; 1996–1997 Attorney at Preston Gates & Ellis, in the USA; 1995–1998 Attorney at Böckli Thomann & Partner, 1993–1995 Economic Advisor at the Swiss State Secretariat for Economic Affairs (SECO)
Other activities and vested interests	Vice-Chairman of the Board of Directors of ONE.THING.LESS AG; Member of the Foundation Board of the EFORT Foundation

ERICH KELLENBERGER

Nationality:	Switzerland
Born	1948
Reappointment to the BoD:	17 April 2020 (before from 22 September 1986 until 15 April 2019 in the BoD)
Term of office:	until the Annual General Meeting for fiscal year 2021
Committee	Strategic Committee, Member
Education	Leicester Polytechnic (Textil Ing.)
Professional background	Various operational functions in the CALIDA GROUP from 1970 to 2001
Other activities and vested interests	Chairman of the Board of Directors of Blue Lemon AG, Lucerne and Board member of further unlisted companies

STEFAN PORTMANN

Nationality:	Switzerland
Born	1967
Joined the BoD:	21 April 2016
Term of office:	until the Annual General Meeting for fiscal year 2021
Committee	Strategic Committee, Chairman
Education	University of Wales (Master in Science of Marketing), University of Maryland (EMBA)
Professional background	2004-2014 Executive Management Schild AG, Lucerne; 1992-2004 Executive Management/ various management positions Herren Globus/Globus, Zurich and Spreitenbach
Other activities and vested interests	Since 2017 Member of the Board of Directors of Luzerner Kantonalbank AG, Lucerne; since 2013 Trust Board Member Pro Juventute (Vice president) and Member of the Board of Directors of five other unlisted companies

The following table provides an overview of the meetings of the members of the Board of Directors, telephone conferences and circular resolutions in 2021.

	Board of Directors ¹⁾	Strategic Committee	Audit Committee	Compensation Committee	Circular resolutions
Total	7	2	3	1	2
Average duration (in hours)	4:30	2:00	2:50	2:50	-
Participants					
Hans-Kristian Hoejsgaard (Chairman)	7	-	-	1	2
Marco Gadola (Vice Chairman)	7	-	-	1	2
Nathalie Gaveau	7	2	-	-	2
Gregor Greber	7	-	3	-	2
Lukas Morscher	7	-	3	-	2
Erich Kellenberger	7	2	-	-	2
Stefan Portmann	7	2	-	-	2

¹⁾ Including one telephone conference.

B) OPERATIONAL MANAGEMENT TASKS FOR THE ISSUER OR ONE OF THE ISSUER'S SUBSIDIARIES

None of the members of the Board of Directors has operational management duties within the Group.

C) EXECUTIVE MANAGEMENT REPRESENTATION AND SIGNIFICANT BUSINESS RELATIONSHIPS

None of the members of the Board of Directors have been represented within the Executive Management of CALIDA Holding AG or any of its subsidiaries.

The shareholder group of the Kellenberger family members, which holds 33.6% of the share capital entered in the commercial register, is represented by Erich Kellenberger on the Board of Directors of CALIDA Holding AG. CALIDA AG generated revenue of CHF 159k with Blue Lemon AG, which is controlled by Erich Kellenberger. The transactions were conducted at arm's length.

There are no other significant business relationships between the CALIDA GROUP and the non-executive members of the Board of Directors.

3.2 OTHER ACTIVITIES AND VESTED INTERESTS

The other activities and vested interests of individual members of the Board of Directors are set out in section 3.1a).

3.3 RULES IN THE ARTICLES OF INCORPORATION ON THE NUMBER OF PERMITTED ACTIVITIES PURSUANT TO ARTICLE 12 PARA. 1 POINT 1 ORDINANCE AGAINST EXCESSIVE COMPENSATION AT LISTED JOINT-STOCK COMPANIES (OAEC)

The members of the Board of Directors are limited in the number of additional activities they may assume in the supreme management or administrative bodies of other legal entities required to be registered in the commercial register or a comparable foreign register unless these companies control or are controlled by the Company. The limits are as follows:

5 mandates for listed companies, with multiple mandates for different companies within the same group counting as a single mandate; and

10 paid mandates for other legal entities, with multiple mandates for different companies within the same group counting as a single mandate; and

10 non-paid mandates (expenses do not count as "paid"), with multiple mandates for different companies within the same group counting as a single mandate.

Not in scope of these limitations are mandates assumed by a member of the Board of Directors on behalf of the Company (e.g., for joint-ventures or pension funds of this legal entity or for entities in which this legal entity holds a material (non-consolidated) interest).

3.4 ELECTION AND TERM OF OFFICE

3.4.1 PRINCIPLES OF THE ELECTION PROCEDURE

The members of the Board of Directors are elected for a term of one year. The members of the Board of Directors are elected individually. Re-election is permissible without restrictions. However, the term of office of a member of the Board of Directors ends at the Annual General Meeting for the reporting period in which the member reaches the age of 75.

3.4.2 INITIAL ELECTION AND REMAINING TERM OF OFFICE

Section 3.1 a) above shows the date of first election to office and the remaining term of office for the individual members of the Board of Directors.

3.5 INTERNAL ORGANISATIONAL STRUCTURE

3.5.1 ALLOCATION OF TASKS WITHIN THE BOARD OF DIRECTORS

Details regarding the individual members of the Board of Directors and their functions are shown in section 3.1 a). The Board of Directors is self-constituting, subject to mandatory competences of the General Meeting. It appoints a Vice Chairman and a secretary, who does not have to be a member of the Board. The term of office for the responsibilities allocated during constitution is usually identical to the term of office as a member of the Board of Directors. However, the Board has the right to terminate the assignment to a field of responsibility before expiry of this term where there is a valid reason, subject to mandatory competences of the General Meeting.

3.5.2 Members list, tasks and area of responsibility for each committee of the Board of Directors

Membership of the various committees of the Board of Directors is shown in section 3.1 a) above. The Board of Directors can at any time make use of standing or ad-hoc committees for the purpose of preparing individual resolutions and fulfilling certain control functions, or for other specific tasks. These committees are not authorised to pass resolutions. The Nomination & Compensation Committee is elected by the General Meeting for a term until the conclusion of the following ordinary General Meeting. The members of the other committees, in particular the Audit & Risk Committee and the Strategic Committee, are determined by the Board of Directors. As a rule, between two and four members of the Board of Directors sit on each committee. The Board of Directors elects the committee members on the recommendations of the Nomination & Compensation Committee, except the members of the Nomination & Compensation Committee who are elected by the Annual General Meeting. Re-election is permissible. The Board of Directors also elects the chairman of the committee.

In accordance with the organisational regulations issued by the Board of Directors, the Audit & Risk Committee has the following main duties:

Examine the design of the accounting system (applicable accounting and reporting regulations, internal and external financial reporting, liquidity and financing management, assessment of valuation and financing principles) with regard to suitability, reliability and effectiveness and, if required, submit change proposals together with the CFO and in coordination with the CEO for the attention of the Board of Directors;

Examine the annual financial statements and other financial information included in published financial statements of the Group;

Monitor and assess risks to the organisation and review risk management practices and the effectiveness and efficiency of the internal control system (ICS);

Periodically review the insurance coverage available to the Group (including D&O insurance);

Supervise business activities to monitor compliance with resolutions of the Board of Directors, internal regulations and guidelines, directives, and the relevant legal provisions, including, but not limited to, stock exchange legislation (compliance);

Review the performance, independence and fees paid to the external auditors and make a recommendation to the Board of Directors and ultimately the General Meeting regarding election;

Discuss the audit reports in detail; discuss all significant findings and recommendations of the external auditors with Executive Management and the external auditors;

Monitor implementation of the external auditors' recommendations;

Monitor the performance of and fees paid for consulting engagements with related parties;

Perform any other tasks delegated by the Board of Directors.

In accordance with the organisational regulations issued by the Board of Directors, the Nomination & Compensation Committee has the following main duties:

Manage the selection process and formulate proposals regarding new members of the Board of Directors;

Manage the selection process and formulate proposals regarding the CEO;

Examine the selection process for members of Executive Management (including interviews at the final selection stage) as well as the significant terms of their employment contracts;

Submit proposals regarding the compensation of the Board of Directors and its committees;

Examine, negotiate and submit proposals regarding the compensation paid to the CEO;

Examine and submit proposals (together with the CEO) regarding compensation to the members of Executive Management and note secondary activities of members of Executive Management;

Examine, recommend and monitor implementation of option and participation plans for members of the Board, the CEO, Executive Management and other employees;

Plan succession at top management level;

Perform any other tasks in the area of nomination and compensation delegated by the Board of Directors.

Within the scope and in accordance with the organisational regulations the Board of Directors has installed a strategic committee. This committee supports and accompanies Executive Management in pursuing the adopted strategy.

3.5.3 WORKING METHODS OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

Ordinary Board meetings are held at least four times each year. One of the meetings is a strategy meeting and a longer session is scheduled accordingly. Extraordinary meetings are held at the request of the Chairman or one of the members of the Board of Directors. They are scheduled to enable a majority of Board members to participate. When organising meetings, members who are not able to attend in person can request to participate in the discussions and resolutions by telephone, if necessary.

The Board of Directors has performed a self-assessment since fiscal year 2019. The members of Executive Management are assessed by the Board of Directors. The Board of Directors also provides mentoring to the Executive Management with the aim of acting as an experienced sounding board and coach.

The Board of Directors is quorate when at least half of its members are present at the meeting, with the exception of resolutions in connection with capital increases, for which the quorum requirement does not apply.

Resolutions may also be passed by means of video or telephone conference or electronic media unless a member requests a meeting to discuss the matter. Such requests should be expressed as early as possible.

Resolutions can also be passed by circulation, i.e., by letter, e-mail or comparable means, unless a member requests verbal discussion in a video or telephone conference or at a meeting. The Chairman of the Board of Directors is responsible for managing the process for resolutions passed by circulation. Approval of all Board members, especially those who are absent, is required to pass resolutions on agenda matters which were not formally announced in advance.

Members of the Board of Directors and Executive Management are required to leave the meeting whenever matters are discussed or decisions made which involve their own interests or those of related parties. They should arrange their business affairs to avoid conflicts of interest to the extent possible. The Board of Directors determines whether a conflict of interest exists. The relevant member of Executive Management or the Board of Directors may not take part in discussions or decisions relating to the affected agenda item and must leave the meeting but is permitted to make a personal statement before the discussion begins.

The Audit & Risk Committee meets as often as business requires but at least twice a year. The committee meets at least once each year with representatives of the external auditors. No members of Executive Management are permitted to attend such meetings. The CFO usually participates in the meetings with the exception of the aforementioned meeting. The committee can request the attendance of other members of the Board of Directors, the CEO, individual members of Executive Management or other specialists. The decision is made by the Chairman of the committee. Three meetings took place in the reporting period and in two of them the representatives of the external auditors were present.

The Nomination & Compensation Committee meets as often as business requires. The Chairman can invite members of Executive Management or third parties to the meetings. One meeting took place in the reporting period.

The Strategic Committee meets as often as business requires. The committee can request the attendance of other members of the Board of Directors, the CEO, individual members of Executive Management or other specialists. The decision is made by the Chairman of the committee. Two meetings took place in the reporting period.

The Chairman also assumes special tasks as the contact person for the CEO and Executive Management. Seven meetings, including one telephone conference, were held in the reporting period in connection with such tasks.

The meetings of the Board of Directors and its committees usually take place at the Company's registered offices or at the registered offices of its subsidiaries but can occasionally also take place at other locations. The meetings can also be held by teleconference. The members of Executive Management participate in meetings of the Board of Directors and its committees if required.

3.6 DEFINITIONS OF AREAS OF RESPONSIBILITY

The main duties of the Board of Directors consist of defining and periodically reviewing the corporate strategy, business policies and organisation of the Group; monitoring operational business and risk management; as well as periodically evaluating its own performance, that of the CEO, and together with him, that of the members of Executive Management. Operational business management is delegated to the CEO to the extent permitted by law and based on the organisational regulations issued by the Board of Directors. Operational business management encompasses all management duties which are not reserved for the Board of Directors by law, the Articles of Incorporation, the organisational regulations and, if applicable, specific Board resolutions and includes the general management of the entire Group, including, but not limited to, the subsidiaries. The non-transferable duties in the meaning of Art. 716a CO remain the domain of the Board of Directors as a whole.

The CEO is the Chairman of Executive Management, which also includes a CFO and other executives required for general management across divisions (currently in particular the COO and CHRO). The CEO is responsible for the organisation (including

representation arrangements), management and supervision of Executive Management as well as for all subordinated entities within the Group. For this purpose, he draws up an organisational chart and appropriate management regulations (including the regulation of authorities within Executive Management and lower levels of hierarchy), both of which are to be approved by the Board of Directors.

3.7 INFORMATION AND CONTROL INSTRUMENTS VIS-À-VIS EXECUTIVE MANAGEMENT

The Board of Directors has various information and control instruments vis-à-vis Executive Management. Besides the duty of the CEO to provide information in accordance with the provisions of the organisational regulations, the various committees (see section 3.5.2) also have defined tasks and reporting duties. Another instrument are the comments and findings of the statutory auditor in the course of the audit engagement. The CALIDA GROUP does not have its own internal audit function.

The organisational regulations approved by the Board of Directors require the CEO to provide information as follows:

The CEO must inform the Board of Directors of the significant events in operational business management, the implementation of resolutions passed by the Board and any other factors of significance for the Board of Directors and its decision making;

In particular, the CEO and, in his absence, his deputy or the responsible member of Executive Management, must immediately inform the Board of Directors of any events which significantly influence or could influence the business;

The CEO is responsible for ensuring that the following information is provided to the Board of Directors in a timely manner, i.e., immediately once it is available: consolidated half-year and annual financial statements and reports; consolidated monthly financial statements, including KPIs; interim reports on the business for every meeting of the Board of Directors; information on the development of the business and the market for each meeting of the Board of Directors; information tailored to the relevant level with regard to the ICS and risk management system – as needed but

at least half yearly; if necessary, additional information requested by the Board of Directors.

The Board of Directors carries out an annual assessment of the risk management system. Executive Management prepares a risk portfolio containing the risks of relevance for the entire CALIDA GROUP. The identified risks are categorised by area, i.e., environment, sales, distribution, design and development, procurement, administration, finance, organisation, IT and cyber risk, and assessed for the likelihood of occurrence and degree of impact. A risk tracking sheet is prepared each year. The Audit & Risk Committee monitors the risk assessment on behalf of the Board of Directors and reviews risk management practices. The Board of Directors also comments from a strategic perspective. More detailed information about financial risk management is provided in the 2021 financial statements of CALIDA GROUP in the “Financial risk management” section on page 65 onwards.

The organisational regulations also contain provisions entitling every member of the Board of Directors to request information on matters involving the Company from other members and from Executive Management at meetings of the Board of Directors. Beyond the scope of the meetings, every member of the Board is entitled to request information from the CEO and the CFO regarding the course of business and significant transactions.

4. Executive Management

4.1 MEMBERS OF EXECUTIVE MANAGEMENT

Name, nationality, education and professional background

TIMO SCHMIDT-EISENHART Chief Executive Officer (CEO)

Nationality:	Germany
Born	1972
Joined the EM:	12 April 2021
Education	Masters degree from the Albert-Ludwigs-Universität Freiburg, Germany
Professional background	2019 – 2021 President of Napapijri, Switzerland 2017 – 2021 President of VF EMEA Digital Platform, Switzerland 2013 – 2019 President of Timberland EMEA, Switzerland 2012 – 2013 Vice President/Managing Director of Timberland EMEA & CASA, UK 2009 – 2012 Vice President/Managing Director of THE NORTH FACE, Switzerland 2007 – 2009 Vice President Sales of EMEA THE NORTH FACE, Italy 1999 – 2007 Various management positions at Nike Inc., Netherlands and Austria

SACHA D. GERBER**Chief Financial Officer (CFO)**

Nationality:	Switzerland
Born	1975
Joined the EM:	1 September 2018
Education	Bern University of Applied Sciences (Business Economist FH), Swiss certified accounting and controlling expert, University of St. Gallen (International Executive MBA in General Management)
Professional background	2010 - 2018 member of management at Hero AG, Lenzburg, 2010-2012 CFO, 2013-2016 CFO/COO, 2016 - 2018 CFO/COO & Head of the Foodservice Business Unit 2002 - 2010 finance functions in various group entities of the SWATCH GROUP, since 2007 as CFO (member of management)

DANIEL GEMPERLE**Chief Operations Officer (COO)**

Nationality:	Switzerland
Born	1959
Joined the EM:	1 August 2011
Education	University of Applied Sciences, Clothing & Technology, Mönchengladbach, Germany (Ing. FH)
Professional background	Professional background 1999 - 2011 member of Executive Management of CALIDA AG and responsible for: production, logistics, procurement and technical development and some aspects of information technology; 2005 - 2011 additionally responsible for integration projects for AUBADE; 1988 - 1999 member of Executive Management (operations division) and the Board of Directors of a Swiss clothing company; 1984 - 1988 responsible for operations at a Swiss clothing group (retail and production)
Other activities and vested interests	Member of the Board of Directors of LU Couture AG, Lucerne; Vice Chairman of the Board of Directors of SIGVARIS Holding AG, Appenzell

MANUELA OTTIGER**Chief Human Resources Officer (CHRO)**

Nationality:	Switzerland
Born	1971
Joined the EM:	28 March 2014
Education	SIB Schweizerisches Institut für Betriebsökonomie (certified HR Manager)
Professional background	Since 2012 owner and CEO of Ottiger Consulting; 2003 - 2011 Head of HR and member of Executive Management of CALIDA AG; 1994 - 2003 Head of HR at a Swiss media group
Other activities and vested interests	Member of the Board of Directors Pilatus Bahnen AG and Verkehrsbetriebe Luzern AG

In the reporting period, Timo Schmidt-Eisenhart replaced Reiner Pichler as CEO. Stefan Mues, the former Chief Digital Officer of the CALIDA GROUP, terminated his employment contract in the reporting period and is no longer actively involved in the operations of the Group.

4.2 OTHER ACTIVITIES AND VESTED INTERESTS

These details are provided in section 4.1.

4.3 RULES IN THE ARTICLES OF INCORPORATION ON THE NUMBER OF PERMITTED ACTIVITIES PURSUANT TO ARTICLE 12 PARA. 1 POINT 1 ORDINANCE AGAINST EXCESSIVE COMPENSATION AT LISTED JOINT-STOCK COMPANIES (OaEC)

The members of Executive Management are limited in the number of additional activities they may assume in the supreme management or administrative bodies of other legal entities required to be registered in the commercial register or a comparable foreign register unless these companies control or are controlled by the Company. The limits areas follows:

1 mandate for listed companies, with multiple mandates for different companies within the same group counting as a single mandate; and

1 paid mandate for other legal entities, with multiple mandates for different companies within the same group counting as a single mandate; and

2 non-paid mandates (expenses do not count as "paid"), with multiple mandates for different companies within the same group counting as a single mandate.

Not in scope of these limitations are mandates assumed by a member of Executive Management on behalf of the Company (e.g., for joint-ventures or pension funds of this legal entity or for entities in which this legal entity holds a material (non-consolidated) interest).

Mandates or employment offers beyond the CALIDA GROUP are subject to the prior authorisation of the Board of Directors.

4.4 MANAGEMENT CONTRACTS

In 2014, Manuela Ottiger was appointed CHRO. A contractual agreement to this end was entered into with Ottiger Consulting GmbH, Lucerne, a company controlled by Manuela Ottiger. The contract provides for Manuela Ottiger to personally fulfil the function as member of Executive Management and therefore does not constitute a management contract.

5. Compensation, shareholdings and loans

5.1 CONTENT AND METHOD OF DETERMINING THE COMPENSATION AND SHAREHOLDING PROGRAMMES

For details of the content and method of determining the compensation and shareholding programmes, please refer to the 2021 remuneration report of CALIDA Holding AG (pages 89 to 94).

5.2 DISCLOSURES FROM ISSUERS SUBJECT TO THE OaEC

5.2.1 RULES IN THE ARTICLES OF INCORPORATION ON THE PRINCIPLES APPLICABLE TO PERFORMANCE-RELATED PAY AND TO THE ALLOCATION OF EQUITY SECURITIES, CONVERTIBLE RIGHTS AND OPTIONS, AS WELL AS THE ADDITIONAL AMOUNT FOR PAYMENTS TO MEMBERS OF EXECUTIVE MANAGEMENT APPOINTED AFTER THE VOTE ON PAY AT THE ANNUAL GENERAL MEETING

For details of the principles governing performance-related pay and the allocation of participation certificates, convertible rights and options, please refer to the 2021 remuneration report of CALIDA Holding AG (pages 89 to 94).

An additional amount in accordance with Art. 19 OaEC is available for members of Executive Management who are appointed after the maximum total remuneration is approved. For a new CEO or CFO, the additional amount may not exceed by more than 30% the maximum total remuneration approved by the Annual General Meeting for the former CEO/CFO for the relevant fiscal year. For any other members of Executive Management, the additional amount may not exceed by more than 30% the average total remuneration of the other members of Executive Management for the relevant fiscal year. The average total remuneration of an Executive Management member is the maximum amount approved for the members of Executive Management less the amount relating to the CEO and the CFO, divided by the number of Executive Management members (not including the CEO and CFO) on the date the amount was approved by the General Meeting.

5.2.2 RULES IN THE ARTICLES OF INCORPORATION ON LOANS, CREDIT FACILITIES AND POST-EMPLOYMENT BENEFITS FOR MEMBERS OF THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

No loans or credit facilities are granted to the members of the Board of Directors or Executive Management. Post-employment benefits are restricted to the occupational pension.

5.2.3 RULES IN THE ARTICLES OF INCORPORATION ON THE VOTE ON PAY AT THE GENERAL MEETING

The General Meeting approves total remuneration of the members of the Board of Directors and Executive Management annually, generally at the Annual General Meeting, for the fiscal year following the General Meeting. The vote of the General Meeting is binding.

The Board of Directors may submit proposals for approval by the General Meeting regarding the maximum total amounts, individual remuneration components for other periods or other matters. The Board can also present the remuneration report for the preceding fiscal year for a non-binding vote by the General Meeting.

If the General Meeting rejects the maximum total remuneration for Executive Management and/or the Board of Directors, the Board of Directors can submit amended proposals for approval by that same meeting or subsequent ordinary or extraordinary General Meetings. The amended proposals can relate to a maximum total amount or several maximum partial amounts, taking into account all relevant factors.

6. Shareholders' participation

6.1 VOTING RIGHTS RESTRICTIONS AND REPRESENTATION

6.1.1 RULES IN THE ARTICLES OF INCORPORATION ON RESTRICTIONS TO VOTING RIGHTS, ALONG WITH AN INDICATION OF GROUP CLAUSES AND RULES ON GRANTING EXCEPTIONS, AS WELL AS EXCEPTIONS ACTUALLY GRANTED DURING THE YEAR UNDER REVIEW

The Company's Articles of Incorporation do not provide for any restrictions on voting rights. They contain provisions allowing a shareholder to be represented by another shareholder with a written power of attorney. The above is subject to legal representation.

6.1.2 NOT APPLICABLE

6.1.3 REASONS FOR GRANTING EXCEPTIONS IN THE YEAR UNDER REVIEW

There are no restrictions on voting rights.

6.1.4 PROCEDURE AND CONDITIONS FOR ABOLISHING VOTING RIGHTS RESTRICTIONS LAID DOWN IN THE ARTICLES OF INCORPORATION

There are no restrictions on voting rights.

6.1.5 RULES IN THE ARTICLES OF INCORPORATION ON PARTICIPATION IN THE GENERAL MEETING

The Company's Articles of Incorporation do not contain any regulations which deviate from the legal stipulations.

6.1.6 INFORMATION ON ANY RULES WHICH MIGHT BE LAID DOWN IN THE ARTICLES OF INCORPORATION ON THE ISSUE OF INSTRUCTIONS TO THE INDEPENDENT PROXY

The Annual General Meeting elects an independent proxy, which can be a natural or a legal entity or a partnership. The term ends at the end of the next Annual General Meeting. Re-election is permissible.

The General Meeting can dismiss the independent proxy effective as of the end of the General Meeting. If the Company does not have an independent proxy, the Board of Directors appoints one for the next General Meeting.

The independent proxy must follow the voting instructions issued. If no explicit or concluding instructions are received, the independent proxy abstains from voting.

The Board of Directors can determine the requirements relating to representations and instructions. It can also define the criteria for valid instruction of the independent proxy. Furthermore, it can waive the requirement for a qualified electronic signature for electronic representations.

The Board of Directors ensures that the shareholders have the possibility to instruct the independent proxy on each of the proposals presented at the time of the convocation. It also ensures that shareholders have the possibility to issue general instructions (i) on new proposals added to the agenda (including those on rejected remuneration proposals in accordance with Art. 15 para. 3 of the Articles of Incorporation and (ii) on proposals relating to unannounced agenda items (proposal to convene an Extraordinary General Meeting or conduct a special audit).

6.2 STATUTORY QUORUMS

The Company's Articles of Incorporation do not contain any regulations which deviate from the legal stipulations. The General Meeting passes resolutions and carries out elections with the absolute majority of share votes represented, unless defined otherwise by law or the Articles of Incorporation. In the second round of election, the relative majority decides. In the event of a tie, the Chairman has the casting vote except for elections, where the result is decided by drawing lots.

6.3 CONVOCAION OF THE GENERAL MEETING OF SHAREHOLDERS

The Company's Articles of Incorporation do not contain any regulations which deviate from the legal stipulations. Shareholders recorded in the share register are invited in writing and by publication in the Swiss Official Gazette of Commerce at least 20 days prior to the meeting.

6.4 INCLUSION OF ITEMS ON THE AGENDA

Shareholders representing shares with a par value of forty seven thousand Swiss francs or 10% of the share

capital can request to add a matter to the agenda for discussion. Agenda items with proposals to the General Meeting must be submitted to the Company in writing, for the attention of the Board of Directors, at least 45 days before the date of the General Meeting.

6.5 ENTRIES IN THE SHARE REGISTER

The Company only considers shareholders as such if they are entered in the share register. Shareholders are entitled to vote at the General Meeting provided they are recorded in the share register 30 days before the date of the General Meeting. No changes are made to the share register in the 30 days leading up to or on the date of the General Meeting.

7. Changes of control

7.1 DUTY TO MAKE AN OFFER

There are no regulations in the Articles of Incorporation regarding opting out (article 125 para. 3 and 4 FinMIA) or opting up (article 135 para. 1 FinMIA).

7.2 CLAUSES ON CHANGES OF CONTROL

Options granted to the Board of Directors, Executive Management or employees can be converted immediately in the event of a change of control.

8. Auditing body

8.1 DURATION OF THE MANDATE AND TERM OF OFFICE OF THE LEAD AUDITOR

8.1.1 DATE OF ASSUMPTION OF THE EXISTING AUDITING MANDATE

Ernst & Young AG, Zurich, was first appointed as the Company's statutory auditors for one fiscal year at the Annual General Meeting for fiscal year 2006 (2 May 2007). The statutory auditors were re-elected for another year at the Annual General Meeting for fiscal year 2020.

8.1.2 DATE ON WHICH THE LEAD AUDITOR RESPONSIBLE FOR THE EXISTING AUDITING MANDATE TOOK UP OFFICE

The auditor in charge of the audit engagement took office as engagement partner for fiscal year 2021. The auditor in charge is rotated every seven years in

accordance with the maximum term allowed. The current term will expire at the Annual General Meeting for fiscal year 2028.

8.2 AUDIT FEES

Audit fees of approx. CHF 499k (allocated to the appropriate period) were payable to the statutory auditors Ernst & Young AG for the audit of the separate and consolidated financial statements 2021. The non-recurring audit related fees amount to CHF14k.

8.3 ADDITIONAL FEES

Additional fees of CHF 256k were payable to Ernst & Young AG for tax advisory and M&A services.

8.4 INFORMATIONAL INSTRUMENTS PERTAINING TO THE EXTERNAL AUDIT

The Audit & Risk Committee carries out an annual review of the performance, fees and independence of the statutory auditors. It recommends which statutory auditors should be proposed by the Board of Directors to the Annual General Meeting. The Audit & Risk Committee assesses the work and the fees of the statutory auditors based on the comprehensive reports and audit reports prepared by the auditors, as well as verbal discussions.

The Audit & Risk Committee held two meetings with representatives of the statutory auditors over the course of the reporting period.

9. Information policy

CALIDA Holding AG updates its stakeholders on the business development in annual and half-year reports. Shareholders recorded in the Company's share register can request a copy of the condensed annual report dated 31 December 2021. Requested reports are sent out with the invitation to the Annual General Meeting. An electronic version is available on our website (see below) from 4 March 2022. Shareholders can request a copy of the half-year report in summer 2022.

Annual reports, half-year reports, ad hoc news, press releases, key dates, etc. can all be found online in the "Investors" section of www.calidagroup.com. Interested parties can also sign up to receive ad hoc news electronically. Printed documents and brochures can be ordered online at www.calidagroup.com, by e-mail from investor.relations@calida.com, or from CALIDA Holding AG, Investor Relations, P.O. Box, 6210 Sursee, +41 41 925 42 42. The Company announces price-sensitive facts in accordance with regulations of the SIX Exchange Regulation.

10. Trading blackout periods

There are several general trading blackout periods for the Board of Directors and former employees in respect of trading participation rights in CALIDA Holding AG. These begin four trading days after the end of the year or half-year and last up to and including two days after the publication of the annual or half-year report. These periods can be adjusted by the Chairman of the Board of Directors in line with changing circumstances.

In addition, the Company can also impose specific trading blackout periods in certain situations.



CALIDA HOLDING AG
Bahnstrasse
CH-6208 Oberkirch
Phone +41 41 925 45 25
Fax +41 41 925 46 41
www.calidagroup.com

Postal address:
Investor relations
P.O. Box, CH-6210 Sursee
Phone +41 41 925 42 42
Fax +41 41 925 46 41
investor.relations@calida.com



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