



CALIDAGROUP

Annual Report 2022



Sensual Secrets / Favourites Cottage
CALIDA

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CALIDA GROUP again achieves record results



TIMO SCHMIDT-EISENHART
AND HANS-KRISTIAN HOEJSGAARD

Dear Shareholders,

After two years under the pandemic, business everywhere was expected to gradually return to normal. But that is not how things turned out. The worsening geopolitical scenario due to the war in Ukraine, pandemic-related supply chain constraints, consumer sentiment subdued by rising inflation, and a cooling global economy all led to a year rocked by multiple crises. In this extremely challenging environment, the CALIDA GROUP in 2022 achieved sales growth of 14.4%, adjusted for currency effects, and boosted operating profit by 14%, to CHF 27.7 million, setting a new record. At the same time, the Group successfully grew its market share in a declining market. This impressive performance was driven first and foremost by our established strong brands CALIDA, AUBADE and LAFUMA MOBILIER and their extremely loyal customer base. In addition, we are systematically tapping the potential of the newly acquired brands ERLICH TEXTIL and COSABELLA. The omni-channel business model continues to be successful and provides a solid foundation to support our future business activities.

New record result with EBIT of CHF 27.7 million

Despite all-time low consumer sentiment in some markets, Group sales were CHF 323.9 million, up 14.4% when adjusted for currency effects, with organic growth of 7.7%. The first six months saw faster sales growth than the second, when purchasing power declined sharply as inflation began to bite. At CHF 155.5 million, CALIDA's share of Group sales expanded by nearly 5.5%, adjusted for currency effects. Sales grew at currency-adjusted double-digit rates for AUBADE, to CHF 74.2 million (+10.7%), and for LAFUMA MOBILIER, to CHF 64.2 million (+16.8%). ERLICH TEXTIL generated CHF 5.5 in sales in 2022 and COSABELLA CHF 24.4 million. Reflecting the acquisition during the year under review, acquisitions contributed 6.7% of Group sales.

In line with the ACCELERATE 2026 strategy, CALIDA GROUP own online sales again registered strong growth, increasing 11.9%. Group-wide, the e-commerce share of total sales was 27.7% (prior year: 26.9%) or CHF 89.7 million. On a further bright note, the other sales channels also saw continued growth. Notably, segments like space management (+11.9%) and outlets (+8.5%) expanded at a brisk pace. Traditional retail (+5.3%) and wholesale (+6.7%) channels, too, maintained strong growth. This once again confirms the soundness and potential of our finely balanced omni-channel business model, which has consistently proven its worth in recent years and provides a solid basis for future Group business performance.

In 2022, the CALIDA GROUP generated an operating profit of CHF 27.7 million. This is an increase of 14% from a year earlier. At the same time, the EBIT margin increased to 8.6% (prior year: 8.1%). CALIDA's operating profit contribution was CHF 47 million (-1.0%). AUBADE and LAFUMA MOBILIER in particular contributed CHF 22.3 million (+9.3%) and CHF 19.7 million (+14.9%) respectively to the Group's record result. The profit contribution of COSABELLA was CHF 3.4 million.

**Acquisitions successfully integrated –
stronger focus on unlocking synergies and
driving digital transformation**

By acquiring the sustainable underwear brand ERLICH TEXTIL and the US premium lingerie brand COSABELLA in the first half of 2022, we were successful in further sharpening our focus on the core business of underwear and lingerie in line with our growth strategy, ACCELERATE 2026. Integrating the new brands was a smooth process, allowing us to concentrate exclusively on our business and on unlocking available synergies now that the necessary organisational restructuring has been completed. In the US, for example, we used the COSABELLA platform to recruit a local sales team to drive the market launch of AUBADE.



14.4%

increase in sales



28%

E-commerce share
of total sales



8.6%

EBIT margin



67.2%

Equity ratio

Another core priority for us is digital transformation and the sustainable development of the CALIDA GROUP's online business. This will allow us to go yet farther in unlocking synergies across our brands. Our new Chief Information & Digital Officer Dr Hanna Huber, who brings years of e-commerce experience to her role, has been accelerating this development since the start of this year.

Enhancements and innovations across the brand portfolio

The CALIDA GROUP brands again had multiple achievements to report in the year under review. CALIDA further optimised the sustainability of its product range. An impressive 44.8% of all CALIDA products were certified OEKO-TEX® MADE IN GREEN as of year-end 2022. Moreover, having two company-owned close-to-home production sites in Hungary and Romania will further increase the share of in-house manufacturing, which will also mean greater supply-chain transparency.

AUBADE achieved double-digit currency-adjusted sales growth in 2022 and continued developing the brand's international business. The successful financial year ended on a spectacular note with the launch of a collaboration with fashion designer Iris van Herpen.

With the start of the new NATIONALE 7 upcycling project, LAFUMA MOBILIER successfully reinvented its unique vintage folding chairs in 2022. This first collection provides the basis for forthcoming upcycling projects and further underscores the sustainability ethos of the CALIDA GROUP.

COSABELLA stood out in 2022 with double-digit online sales growth. Wholesale business declined, by contrast, as merchants first reduced high inventories remaining due to the pandemic and so were cautious about buying fresh stock. On the product side, our recent acquisition launched a new offering with its first line of lace underwear for men.

ERLICH TEXTIL in 2022 was affected by sharply lower consumer spending among its disconcerted young clientele, due in particular to the war in Ukraine and record inflation in Germany.

ERLICH TEXTIL launched community projects to support seamstresses and seamsters in Ukraine and to benefit breast cancer patients. Also in 2022, ERLICH TEXTIL successfully organised its first-ever pop-up collaboration with CALIDA in Hamburg and retail collaborations in 12 German CALIDA stores.

Strategic scope and attractive dividend thanks to financial strength

Using the proceeds from the disposal of the non-strategic business of the MILLET MOUNTAIN GROUP in the first half of 2022, we were able to further strengthen the core business of underwear and lingerie in a focused and effective manner. Combined with the targeted strategic increase of net working capital by CHF 33.8 million, this resulted in free cash flow of CHF -29.0 million (prior year: CHF 25.6 million) for the CALIDA GROUP. Investments were CHF 13.8 million, exceeding the prior-year figure (CHF 11.6 million). The equity ratio was a very sound 67.2% (excl. IFRS 16; prior year: 58.6%) with net liquidity of CHF 20 million. These financial foundations continue to provide an extremely sound basis for targeted strategic opportunities to drive the future growth of the Group.

We will maintain our attractive dividend policy enabling our shareholders to participate in the Group's successful business performance. The Board of Directors will propose a dividend of CHF 1.15 per share, a 15% increase, for shareholder approval at the Annual General Meeting on 19 April 2023. Thus, the dividend policy presented with the ACCELERATE 2026 strategy will be continued and more than 50% of the normalized free cash flow will be distributed.

Well positioned for a persistently challenging environment

The CALIDA GROUP is well positioned to continue pursuing and delivering on its growth strategy, even as market and geopolitical uncertainties remain. Inflation in particular and the attendant erosion of purchasing power will likely make themselves felt more strongly. However, our outlook remains confident, given our loyal customer base and the potential of the acquired brands combined with our tried-and-tested omni-channel business model. In 2023, we again target organic growth of 4-6%, as defined in our ACCELERATE 2026 strategy.

This optimism is rooted in our unwavering confidence in our employees. Thanks to their skills and excellent work, we are able to achieve extremely impressive results even in challenging markets. On behalf of the Board of Directors and the Executive Management, we would like to thank them most sincerely. We also wish to thank our loyal customers and our shareholders. Without their support, there would be no CALIDA GROUP success story.



Hans-Kristian Hoejsgaard
Chairman of the Board
of Directors



Timo Schmidt-Eisenhart
Chief Executive Officer

CALIDA – Quality in every moment



«Since 1941, CALIDA has been synonymous with uncompromising comfort and legendary longevity. To keep it that way, we endeavour to consistently enrich all our operations with innovations, in order to keep setting new standards in quality and sustainability.»

Alexandra Helbling
General Manager
CALIDA

The 2022 financial year was a success for CALIDA despite several negative global events. Notwithstanding the difficult operating conditions, the company was again able to achieve strong growth relative to the previous year. Growth was driven to an extent by the holistic quality approach and a consistently customer-focused product portfolio. In addition to that, the omnichannel business model again proved highly robust and successful with strong performance in both the DTC and B2B areas. Moreover, the internationalisation proceeded successfully. These positive developments underline the brand's ambitious future direction and confirm CALIDA's core values of quality and comfort.

In 2022, there was still greater focus on the brand promise "Quality in every Moment". For example, there were three customer surveys on satisfaction and needs. Over 25,000 customer responses enabled us to draw valuable conclusions and initiate the first improvements. Thanks to the launch of our CX studio and expansion of CRM, CALIDA has a loyal and growing customer base.

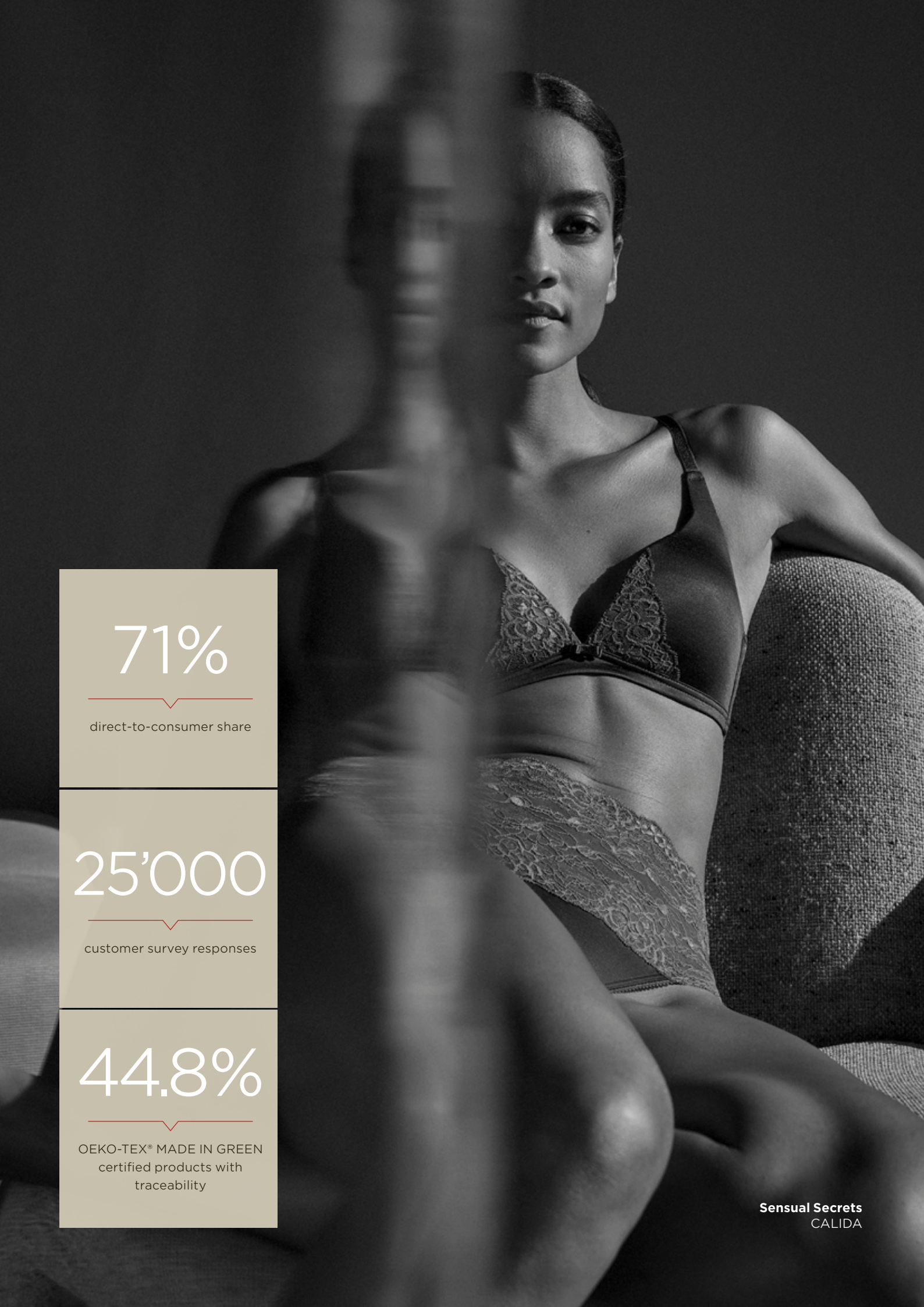
Following the turbulent pandemic years when the rapid advance in online trade emerged as a strategic priority, 2022 showed that stationary retail is staging a strong comeback. Thanks to the nonetheless strong ongoing growth in online business, CALIDA recently again increased its direct customer touchpoints. Broad-based marketing campaigns focused on core segments via out-of-home, print advertising and social media have increased the brand's visibility and helped to sustain growth in the domestic, as well as international markets.

Business with retail partners also achieved new milestones during the past financial year. Digitalisation in the B2B area was actively pursued in addition to the development of new, international

key accounts. For example, new digital sell-in tools are increasing efficiency and optimising ordering and reordering processes. The ongoing expansion of space management has additionally improved performance of existing retail partners.

CALIDA is improving supply chain quality and creating the conditions for further growth through the newly built materials storage site at the production facility in Hungary and the acquisition of a production partner in Romania. At the same time, the share of own production and transparency has increased massively in line with the sustainability strategy. Quality at CALIDA is inextricably linked with sustainability. The sustainability goals were expanded again for 2022, and our ecological and social commitment broadened. For example, the consistent development and implementation of innovative materials and product categories, such as the new Cradle to Cradle Certified® Mum collection or the additional certifications, including OEKO-TEX® MADE IN GREEN.

The positive developments are thanks to the extraordinary commitment of the CALIDA team. Employee feedback is therefore a central success factor. Current sentiment is measured by means of regular surveys. Based on input from the team, the "Golden Working Rules" were brought in to support the work-life balance and they have increased employee satisfaction further.



71%

direct-to-consumer share

25'000

customer survey responses

44.8%

OEKO-TEX® MADE IN GREEN
certified products with
traceability

Sensual Secrets
CALIDA

A refresh of the brand identity



«AUBADE lives to the beat of a changing world, explore new horizons of seduction and launches its new brand platform 'Live your desire'; With AUBADE, women will dare to express their seduction, free their desires and be themselves.»

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.

THE COLLABORATION: AUBADE x IRIS VAN HERPEN

For Autumn/Winter 2022- 2023, AUBADE invites luxury brand Iris van Herpen to create an exclusive capsule collection bringing the Dutch fashion designer's unbounded creativity into the world of exquisitely crafted French lingerie.

In a transformative meeting of minds, both houses came together around their shared passion for luxurious materials and intricate techniques, resulting in an exquisite 10-piece collection where seduction meets "savoir-faire".

Iris Van Herpen looked towards nature, exploring both its fragility and pulsating vitality, to create this unique and modern collection where swirling leaf embroideries become mystical ornaments decorating the female body.

Named "Sensory Illusion", the collaboration immerses us in a magical botanical world where the body's movements mirror those of nature.

BRAND IDENTITY

Seduction evolves, seduction is full awareness, without complex and women want to reappropriate their own body. The brand listens to the world around it and what women whisper in its ear: their demands, their expectations, their fantasies... AUBADE redefines its brand platform around the «Live your desire» concept and adapts its institutional communication to respond to the customers' expectations.

Therefore, AUBADE is taking another step forward in its communication language and offering a strong and modern branding campaign to rejuvenate the brand message and expand internationally.

Through AUBADE, women will dare to express their seduction, free their desire and be themselves.

INTERNATIONALISATION CONTINUED

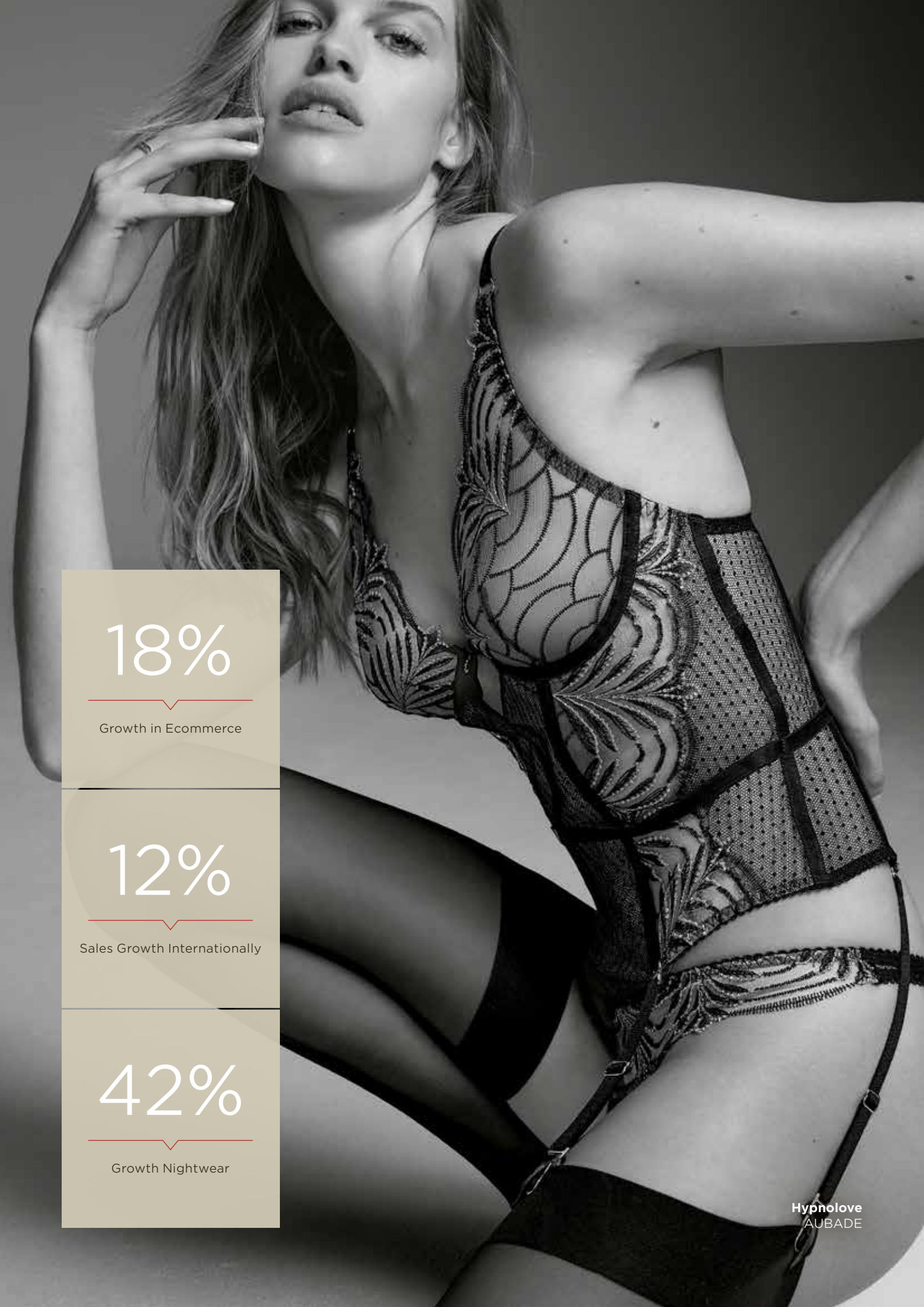
International sales, one of the key pillars of AUBADE's strategy, have shown a strong development. Based on the trust of its loyal customer, the brand continues to gain market share thanks to expansion of the existing customer base and with the opening of new points of sales, mainly in Europe and the USA.

To support the growth AUBADE has invested in international influencers and social medias campaign to strengthen desirability and brand awareness.

REINFORCE NIGHTWEAR

2022 marked an extension of nightwear with new lines, new models in silk, lace or modal and new color to mix and match with the lingerie. This offer brings together sexiness, comfort and seduction to respond to the consumers expectations.

Autumn Winter 2022 was also the launch of an exceptional nightwear line Persian Dream which combines silk with a sumptuous, ornamental Bohemian embroideries enhanced by shimmering lurex threads.



18%

Growth in Ecommerce

12%

Sales Growth Internationally

42%

Growth Nightwear

Hypnolove
AUBADE

Leveraging our history of sustainability



«NATIONALE 7 collection is an invitation to follow LAFUMA MOBILIER on the holiday road.»

Arnaud du Mesnil
General Manager
LAFUMA MOBILIER

With its new brand NATIONALE 7, LAFUMA MOBILIER is reinventing and upcycling its famous vintage chairs as contemporary seating. And while they still have their travel credentials, they now feel at home as indoor and chic seats.

What is NATIONALE 7 standing for ?

NATIONALE 7 is a very popular road name in the Drôme area where LAFUMA MOBILIER is located since its birth in 1954. It goes along the Rhône river only 10km away from the factory and offices. Since the holiday paid were granted in France in the 1930's, it is the road many French people have been taking to get away from factories to sunny moments of rest: from Paris to Menton, almost 1,000 km of tarmac crossing France, a symbol filled with nostalgia, a trip which takes us to the Riviera and other beaches of the South of France.

It's also the road which links Valérie Branchereau in the Paris region and Sandra Polianoff in Provence. The two designers meet up with LAFUMA MOBILIER, a brand close to French hearts, and specialist in outdoor furniture. The inventor of the metal framed backpack, combining metal tubing and canvas, had the idea to make comfortable furniture to go along with the first leisure times in 1954.

An upcycling project

Since its birth at that times, LAFUMA MOBILIER always committed to carefully reuse as many materials as possible to create new ones: today, eco-design remains the brand number one concern, committing to put all energy into creating indoor & outdoor furniture that is both eco-design and sustainable.

Around common values, environmental commitments, respect and freedom, LAFUMA MOBILIER and NATIONALE 7 have begun a collaboration ... like a new adventure!

The brand designer team shared the idea and concept to recreate durable, comfortable and unique chairs by revamping LAFUMA MOBILIER Bronze-Gold folding seat frames launched in the 1970s, called 'A propos collection', designed to welcome friends and relatives in small spaces. As the motto said at that time: with 'A propos' chairs, it is a pleasure to welcome without any problems!

This collaboration has started with collecting the vintage chairs all over the country, followed by upcycling and revamping them manually in the R&D office at Anneyron in the Drôme region ... on the NATIONAL 7 road naturally!

Brand tribute to Bauhaus style and Eileen Gray

This first NATIONALE 7 by LAFUMA MOBILIER collection indeed views itself as a stage on the holiday route to Roquebrune Cap Martin. It features unique chairs with the patina and aura of the past. Each of them has been dressed with one of two different motifs: the first, "Portrait", pays homage to designer Eileen Gray. The second is inspired by the colours of the Mediterranean and the setting sun and takes up the emblematic elements of the famous villa E-1027, hence its name "Villa". Two patterns and two colours, i.e. four versions were designed exclusively for 2022 Fall season!

The first NATIONALE 7 collection was introduced in September 2022 during the European Sustainability week and is available on our www.lafuma-mobilier.com website.

The background of the entire page is a black and white photograph of two chairs on a tiled floor. The chair on the left is a folding chair with a light-colored fabric featuring a pattern of stylized, overlapping faces. The chair on the right is a metal-framed chair with a dark fabric featuring a pattern of stylized, overlapping faces. The floor is made of large, light-colored square tiles. The lighting creates strong shadows on the floor.

35%

E-commerce Growth

53.2%

International share
of business End of 2022

20%

Contract business growth

A Propos
LAFUMA MOBILIER

Adding value in all aspects



«Social projects and engagement are ongoing processes at ERLICH TEXTIL, where every small step brings us closer to our big goal of creating real social and environmental impact.»

Sarah Grohé
General Manager
ERLICH TEXTIL

The ERLICH TEXTIL way to add value

Through the CALIDA GROUP acquisition in February 2022, ERLICH TEXTIL has secured its ability to continue to make a positive impact in the fashion industry with a strong partner behind them. This will allow ERLICH TEXTIL to keep growing in the direction to become one of the best known brands for sustainable textiles.

As a company that aims to have a social and ecological impact, all of erlich textil's cooperative ventures with other organizations or external people are also focused on adding value. In 2022, significant projects included a limited edition to mark Breast Cancer Awareness Month and a cooperation with the tip me organization.

Feel-good pyjamas to raise awareness on breast cancer

For several years now, one of the heartfelt themes of the strongly female-oriented company has been Breast Cancer Awareness Month every October, during which information is provided and the situation of sufferers is brought to attention. In 2022, this happened in cooperation with Male Kirking. The 29-year-old suffered paraneoplastic syndrome as a result of her own cancer, severely limiting her ability to walk, talk and see. Since then, Male has been fighting not only for her own health, but also for more awareness and education around breast cancer in general. To help sufferers, ERLICH TEXTIL therefore worked with Male to create a pair of pajamas in which people should not only be able to feel good indefinitely, but whose partial proceeds support DKMS Life. The non-profit organization uses this money to support various patient programs that can help to increase well-being and zest for life during and after an illness.

Tips for sewers –

from pilot project to evergreen

At the beginning of 2022, ERLICH TEXTIL launched a new pilot project: together with the tip me organization, customers were given the opportunity to tip the seamstresses of the textiles in the Ukrainian production facilities. Over a period of six months, customers were given the opportunity to add a payment to their shopping cart with just one simple click. With the help of tip me, these payments were collected for the duration of the project, then divided and transferred directly to the individual bank accounts of the seamstresses. To ensure that 100% of the tips were actually given to the seamstresses, ERLICH TEXTIL paid the transfer fees and expenses incurred. In these six months alone, 1'043 euros were collected. ERLICH TEXTIL itself contributed a further 2'000 euros, so that in the end the seamstresses were supported with a total of 3'043 euros – a complete success in the eyes of the company. For this reason, the tip function did not remain a pilot project, but was permanently integrated into the online store. The idea to work with tip me and the need to honor all those who are part of the supply chain already arose in the course of 2021. The direct trigger for the project was the escalation of the conflict between Russia and Ukraine in February 2022, which had been smoldering since 2014. Since parts of the underwear collection are sewn in Ukrainian production facilities, seamstresses of ERLICH TEXTIL articles also directly suffered from Putin's invasion. Currently, the money goes entirely to the people in Ukraine. In the future, however, the tip system is to be extended to seamstresses at all production sites. For the next year, the brand aims to keep up their mission to make things better in any possible way. Some of the current projects include a take-back system for worn pieces, the first undyed collection as well as the first cradle to cradle collection.



268'983

sustainable textiles sold

+48%

growth on marketplaces

+11.2%

conversion rate in
our webshop

Tanktop Lieselotte / Light Touch Panty
ERLICH TEXTIL

A year of change and transition



«We are building a global footprint as a premium heritage brand out of our American and Italian homebases. For this effort, CALIDA GROUP is the perfect family of brands for COSABELLA to have joined.»

Guido Campello
General Manager
COSABELLA

2022 has been another milestone year for COSABELLA. After 39 years as a family company, COSABELLA brand has joined the CALIDA GROUP as the first non-European brand in the company's portfolio. This marks the beginning of a new era for COSABELLA. Being part of the CALIDA GROUP will allow COSABELLA to accelerate its international growth by leveraging the existing resources and market expertise of the CALIDA GROUP and its family of brands. This will facilitate COSABELLA's market entrance in Europe and at the same time pave the way for US market entry of the CALIDA GROUP's existing brands.

This has clearly been a year of change and transition. We are happy to have jointly created an environment for organic growth for the brand and its employees. The process of such dramatic change can present challenges. Compounded with market volatility in the US, driven by negative consumer sentiment, fear of inflation, and geopolitical instability, performance suffered vs LY.

Despite these external factors, COSABELLA was able to grow online business substantially, now accounting for 62.5% of total net sales. This is due to our outstanding e-commerce capabilities and the continued focus on this channel and its customers' needs. This will also be enhanced through the launch of our new ambassador program in 2023. Customers can become an interactive part of the brand. The program will generate brand awareness and value, while also reinforcing our direct-to-consumer relationships.

Beginning in 2022, a classification opportunity in wired bras presented itself. With people returning to offices, we saw a clear shift in consumer demand for underwires. We anticipated this early on and launched our new

Never Say Never Balconette. This strategy of identifying and exploiting this opportunity has created one of our best-selling items. Expanding the underwire bra category is part of our strategy to broaden our product offering and grow the brand beyond bralettes creating a new revenue channel. COSABELLA is for every body.

COSABELLA was the first to market with a new line of lace underwear for men. This created an entirely new product category with a fabric options that feels great on the body. We see this as another step towards an inclusive product offering for you, for me, for every body.

Inclusivity has also been the major topic of our marketing campaign: COSABELLA For People, where we show the strength of our brand: inclusivity, modernity, color, and fun. The campaign has been released through on-demand streaming services as well as You tube and has been a great success for brand awareness. We will continue to focus on these core values by offering one of the most inclusive product size ranges in the market.

For 2023 we expect to continue our growth by intriguing our customers with modern, innovative, high-quality products. Create a customer centric environment designed to address wants and needs in a timely and proactive manner. Begin our European expansion. After almost a year of transition we have set the foundation for success and are ready to lift the brand to the next level. We expect our product offerings will continue to increase sales and loyalty of our customers. Our focus on brand awareness will significantly contribute to growth in both sales and customer base.



11%

growth in E-Commerce

1.Mio
USD

First Year Sales in new NSN
Balconette Bra

141'000

followers on Instagram

Never Say Never
COSABELLA

CALIDA GROUP at a glance

SELECTED KPIS

(IN CHF MILLION EXCEPT HEADCOUNT)

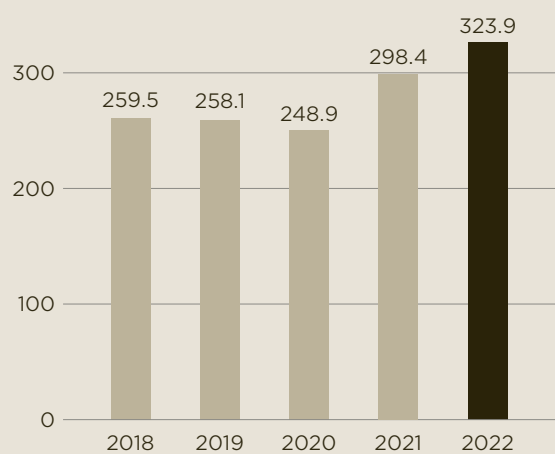
	2022	2021
Net sales²⁾	323.9	298.4
Currency adjusted growth	+14.4%	+19.2%
EBITDA adjusted^{1) 2)}	33.8	31.7
as a % of net sales	10.4%	10.6%
Operating result (EBIT) adjusted^{1) 2)}	27.7	24.3
as a % of net sales	8.6%	8.1%
Net income²⁾	21.8	15.2
as a % of net sales	6.7%	5.1%
Liquidity	26.4	46.6
Financial liabilities	-6.3	0.0
Net liquidity	20.1	46.6
Normalised free cash flow¹⁾	17.5	15.6
as a % of net sales	5.4%	4.0%
Free cash flow¹⁾	-29.0	25.6
as a % of net sales	-8.2%	6.5%
Acquisition of Group companies and associates and non-controlling interests	74.6	0.0
Shareholders' equity (including non-controlling interests)	199.0	173.6
Total assets	334.1	349.7
Equity ratio adjusted¹⁾	67.2%	58.6%
Return on equity²⁾	12.6%	9.2%
Headcount as of 31 December²⁾	2'549	2'407

¹⁾ See definition on pages 21 to 23 – Alternative performance measures

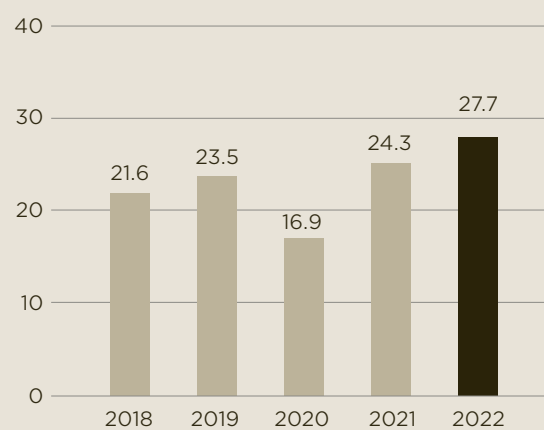
²⁾ From continuing operations

NET SALES

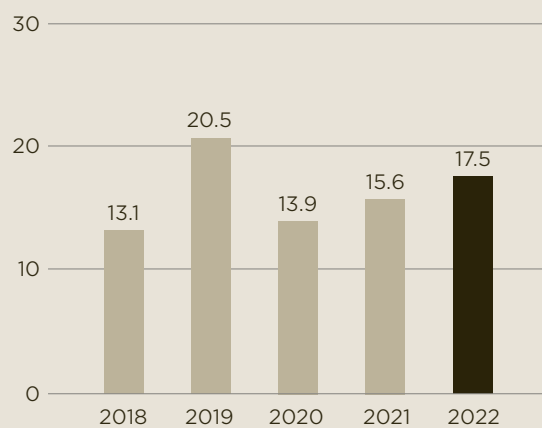
(in CHF million)

**EBIT ADJUSTED**

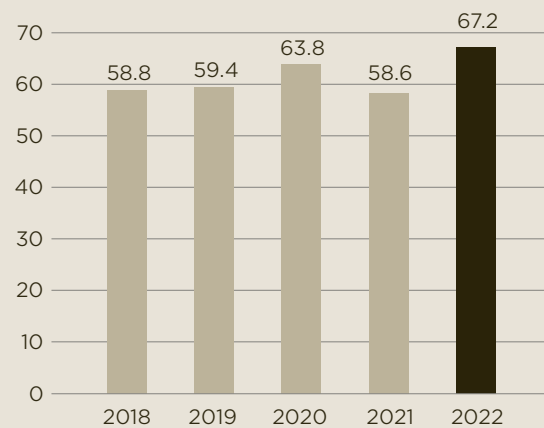
(in CHF million)

**NORMALISED
FREE CASH FLOW**

(in CHF million)

**EQUITY RATIO ADJUSTED**

(in %)



KEY SHARE FIGURES

	2022	2021
Number of registered shares with a par value of CHF 0.10 each	8'422'751	8'385'037
Less treasury shares as of 31 December	-998	-998
Shares with dividend rights as of 31 December	8'421'753	8'384'039
Outstanding options	28'000	72'714
Outstanding PSUs	42'095	21'335
Nominal capital in CHF	842'275	838'504
Key figures per registered share (average number; in CHF)		
Net sales ³⁾	38.57	35.86
Operating result (EBIT) adjusted ^{2) 3)}	3.28	2.91
Net income ³⁾	2.59	1.82
Equity (book value per share)	23.75	20.92
Dividend per registered share ¹⁾	1.15	1.00
Stock market prices in CHF		
Highest	59.00	55.40
Lowest	39.00	30.00
Year-end	47.25	48.60
Market capitalisation in CHF million	397.9	407.5
Price/earning ratio ³⁾	18.2	26.7
Price/book value ratio	2.0	2.3
Price/sales ratio ³⁾	1.2	1.4
Dividend payout ratio ⁴⁾	55.3%	53.7%

¹⁾ 2022: Proposal by the Board of Directors to the Annual General Meeting

²⁾ See definition on pages 21 to 23 – Alternative performance measures

³⁾ From continuing operations

⁴⁾ As a ratio of normalised free cash flow

Alternative performance measures

The financial information contains some alternative performance measures (APMs), which are not IFRS defined accounting policies. The 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 effects of this kind, for example from M&A transactions, impairments, restructuring, legal cases and other non-recurring items, which can vary considerably 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 EBIT should not be treated as a substitute for IFRS indicators.

ADJUSTED OPERATING RESULT, ADJUSTED EBITDA CONTINUING OPERATIONS (condensed)

2022

	IFRS	Impairment ¹⁾	Restructuring ²⁾	M&A transactions ³⁾	Other ⁴⁾	Adjusted
Net sales	323'890	-	-	-	-	323'890
Operating income	331'853	-	-	-	-	331'853
Operating expenses	-305'088	-	-	927	-	-304'161
Operating result (EBIT)	26'765	-	-	927	-	27'692
Depreciation, amortisation and impairment	18'909	-	-	-	-	18'909
Lease expenses	-	-	-	-	-12'830	-12'830
EBITDA	45'674	-	-	927	-12'830	33'771

2021

	IFRS	Impairment 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 and impairment	21'621	-	-	-	-	21'621
Lease expenses	-	-	-	-	-14'147	-14'147
EBITDA	45'888	-	-	-	-14'147	31'741

¹⁾ Impairments: Impairment of financial or non-financial assets on account of exceptional circumstances or non-recurring events. There were no significant impairments in continuing operations in 2022 or in the prior period.

²⁾ Restructuring: This includes restructuring measures to improve organisational and business processes. There was no significant restructuring in continuing operations in 2022 or in the prior period.

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. Transaction costs from completed acquisitions were recorded in 2022.

⁴⁾ Other: Non-recurring, extraordinary and rare incidents that cannot be allocated to any of the previous categories. There were no such events in 2022 or in the prior period. 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 eliminate 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 2022	31 December 2021
Equity ratio reported	59.6%	49.6%
Adjusted equity ratio – IFRS 16	67.2%	58.6%

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

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

E-COMMERCE GROWTH

Net sales 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 continuing and discontinued operations, cash flow from operating activities plus cash flow from investing activities, including cash outflows for lease payments.

	2022	2021
Cash flow from operating activities	6'183	53'967
Cash flow from investing activities	-21'441	-11'235
Cash outflow from leases	-13'776	-17'101
Free cash flow	-29'034	25'631

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.

	2022	2021
Adjusted EBITDA continuing operations	33'771	31'741
Adjusted EBITDA discontinued operations	-	5'869
Normalised investments in property, plant and equipment and intangible assets	-12'214	-12'309
Normalised increase/decrease in net working capital	-4'071	-9'721
Normalised free cash flow	17'486	15'580

Sustainability is in our DNA.

Find out more about our commitment in the 2022 Sustainability Report.

Sustainability Impacts



In 2021, CALIDA GROUP developed its sustainability matrix, which identifies the major sustainability topics and their relevance for CALIDA GROUP and its stakeholders.

In addition, in 2022 CALIDA GROUP developed a new, more detailed Environmental, Social and Governance (ESG) matrix reflecting the direct and indirect impacts on the various Sustainability Development Goals (SDGs).

In alignment with the 2030 Agenda for Sustainable Development, which was adopted in September 2015 by the member states of the United Nations, and in alignment with the corresponding 17 Sustainability Development Goals (SDGs), CALIDA GROUP identified 8 main goals, 3 sub-goals and 25 sub-targets where impacts or direct impacts can be made and where measures should be taken. Targets were identified based on impact severity and likelihood relating to CALIDA GROUP's main relevant business operations.

Goals with direct impacts:

SDG 3 Good Health and Well-Being, by ensuring human rights, the integration of balance systems, good health coverage as well as regular health trainings in own-operated business with targets 3.8 and 3.9.

SDG 5 Gender Equality, by increasing women within the workforce, through valuing unpaid special maternity conditions concepts to encourage women as early as possible in alignment with targets 5.4, 5.5 and 5.8.

SDG 6 Clean Water and Sanitation, by ensuring access to drinking water with choosing raw materials with water quality and efficient suppliers (Tier 2) in alignment with targets 6.1 and 6.3.

SDG 7 Affordable and Clean Energy, by ensuring a continuous increase in energy within own-operated business in alignment with target 7.2.



by establishing fair
payments, respect-
ion of work-life
and retirement
health and safety
businesses in alignment

g the share of
and leading posi-
d care by offering
a flexible work
men to return to work
ment with targets

mitation, by ensuring
wherever possible,
th care and improving
y together with
ment with targets

an Energy, through
the share of renewable
ated businesses in
2.



SDG 8 Decent Work and Economic Growth, by ensuring a safe working environment providing equal pay conditions for equivalent work, the elimination of forced and child labour within own-operated businesses and directly connected suppliers and subcontractors as well as due to the ongoing implementation of new, innovative materials and production innovations to upgrade economic productivity in alignment with targets 8.2, 8.4, 8.5, 8.7 and 8.9.



SDG 12 Responsible Consumption and Production, through the implementation and increased share of sustainable materials and circular economy products; sustainable production methods, a clear consumer communication on product usage and good waste and natural resources management in alignment with targets 12.1, 12.2, 12.4, 12.5, 12.7 and 12.8.



SDG 13 Climate Action, by setting a baseline in 2022 and identifying clear targets to implement a Net-Zero Standard Strategy in accordance with SBTi in 2023 in alignment with targets 13.2 and 13.3.



SDG 17 Partnership for the Goals, by enhancing investing and focusing on solid and long-term partnerships and ensuring knowledge transfer regarding new production procedures and technologies wherever possible in alignment with targets 17.5, 17.6, H and J.

Environmental Social and Governance Report 2022



Consolidated financial statements 2022 CALIDA GROUP



Group statement of financial position

AS OF 31 DECEMBER

	Notes	2022	2021
Cash and cash equivalents	1	26'365	46'601
Trade accounts receivable	2	18'890	17'713
Other current receivables	3	9'918	7'168
Current financial assets	8	2'199	98
Inventories	4	89'457	62'881
Current tax assets		479	1'177
Prepaid expenses and accrued income		3'417	3'193
Assets classified as held for sale	18	-	95'247
Current assets		150'725	234'078
Property, plant and equipment	5	22'074	17'882
Right-of-use assets	6	49'614	55'244
Intangible assets	7	102'018	32'433
Non-current financial assets	8	3'640	4'843
Deferred tax assets	14	5'996	5'186
Non-current assets		183'342	115'588
ASSETS		334'067	349'666
Current financial liabilities	9	6'516	60
Current lease liabilities	6	11'343	11'959
Trade accounts payable	10	25'105	22'002
Other current liabilities	11	13'801	9'879
Current tax liabilities		2'195	6'906
Current provisions	13	2'545	1'822
Accrued expenses and deferred income	12	32'463	38'056
Liabilities associated with assets classified as held for sale	18	-	39'496
Current liabilities		93'968	130'180
Non-current lease liabilities	6	26'810	31'947
Other non-current liabilities	20	875	5'460
Non-current provisions	13	4'035	4'372
Deferred tax liabilities	14	9'421	4'141
Non-current liabilities		41'141	45'920
Liabilities		135'109	176'100
Share capital		842	839
Treasury shares		-27	-27
Reserves		198'658	173'277
Equity held by the shareholders of CALIDA Holding AG		199'473	174'089
Non-controlling interests		-515	-523
Shareholders' equity	15	198'958	173'566
SHAREHOLDERS' EQUITY AND LIABILITIES		334'067	349'666

Group income statement

1 JANUARY – 31 DECEMBER

	Notes	2022 ¹⁾	2021 ¹⁾
Net sales from contracts with customers	19	323'890	298'445
Other operating income		7'963	4'226
Operating income		331'853	302'671
Cost of goods sold and third-party services		-93'723	-85'213
Personnel expenses	20	-107'312	-97'487
Other operating expenses	22	-85'144	-74'083
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	23	-7'284	-7'310
Depreciation and impairment of right-of-use assets	6	-11'625	-14'311
Operating expenses		-305'088	-278'404
Operating result		26'765	24'267
Financial income	24	2'342	293
Financial expenses	24	-1'063	-989
Exchange differences	24	-77	144
Financial result, net		1'202	-552
Net income from continuing operations, before taxes		27'967	23'715
Income taxes	14	-6'207	-8'557
Net income from continuing operations		21'760	15'158
Net income from discontinued operations, after taxes ¹⁾	18	15'260	5'093
Net income		37'020	20'251
attributable to:			
shareholders of CALIDA Holding AG		37'040	20'263
non-controlling interests		-20	-12
Earnings per registered share in CHF:			
From continuing operations	25	2.59	1.82
From continuing operations diluted	25	2.58	1.82
From continuing and discontinued operations	25	4.41	2.43
From continuing and discontinued operations diluted	25	4.39	2.43

¹⁾ MILLET MOUNTAIN GROUP is reported as a discontinued operation.

Group statement of comprehensive income

1 JANUARY - 31 DECEMBER

	Notes	2022	2021
Net income		37'020	20'251
Items that might be reclassified to profit and loss, after tax			
Exchange differences recognised in other comprehensive income		-11'774	-8'239
Reclassification of exchange differences to the income statement		-70	-
Remeasurements of cash flow hedges	28	1'066	2'077
Items that cannot be reclassified to profit and loss, after tax			
Remeasurements of defined benefit plans	20	4'570	3'713
Remeasurements of equity investments at fair value	8	638	-
Total other comprehensive income		-5'570	-2'449
Total comprehensive income		31'450	17'802
attributable to:			
shareholders of CALIDA Holding AG		31'442	17'795
non-controlling interests		8	7

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 2021	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
Net income	-	-	-	37'040	-	37'040	37'040	-20	37'020
Other comprehensive income	-	-	-	6'274	-11'872	-5'598	-5'598	28	-5'570
Total comprehensive income	-	-	-	43'314	-11'872	31'442	31'442	8	31'450
Dividends	-	-	-	-8'392	-	-8'392	-8'392	-	-8'392
Capital increase ¹⁾	3	-	1'202	-	-	1'202	1'205	-	1'205
Share-based payments ²⁾	-	-	683	-	-	683	683	-	683
Tax effect of share-based payments ³⁾	-	-	36	-	-	36	36	-	36
Result from hedge accounting transferred to cost of inventories	-	-	-	410	-	410	410	-	410
31 December 2022	842	-27	6'717	250'183	-58'242	198'658	199'473	-515	198'958

¹⁾ see note 15

²⁾ see note 21

³⁾ see note 14

Group statement of cash flows

1 JANUARY – 31 DECEMBER

	Notes	2022	2021
Net income from continuing operations		21'760	15'158
Adjustments for non-cash items			
Income taxes	14	6'207	8'557
- Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	23	7'284	7'310
- Depreciation and impairment of right-of-use assets	6	11'625	14'311
- Share-based payments	21	683	-662
- Adjustment to defined benefit cost		690	896
- Loss on disposal of non-current assets		14	64
- Financial result, net	24	-1'202	552
Change in net working capital and provisions			
- Working capital adjustments		-28'617	1'878
- Change in provisions		-1'644	1'642
Taxes paid		-6'241	-3'692
Cash flow from operating activities of continuing operations		10'559	46'014
Cash flow from operating activities of discontinued operations		-4'376	7'953
Cash flow from operating activities		6'183	53'967
Interest received		3	3
Investments in property, plant and equipment	5	-9'731	-7'141
Investments in right-of-use assets (key money)	6	-	-2
Investments in intangible assets	7	-2'476	-2'966
Sale of non-current assets		711	151
Net cash inflow from the disposal of Group companies	18	66'362	-
Net cash outflow from the purchase of Group companies		-74'587	-
Increase in financial assets		-196	-159
Decrease in financial assets		91	245
Cash flow from investing activities of continuing operations		-19'823	-9'869
Cash flow from investing activities of discontinued operations		-1'618	-1'366
Cash flow from investing activities		-21'441	-11'235
Interest paid		-147	-116
Interest paid from lease liabilities		-522	-509
Proceeds from borrowings from banks	28	54'381	66'711
Repayment of borrowings from banks	28	-49'880	-66'561
Repayment of lease liabilities		-12'308	-13'638
Dividends	17	-8'392	-13'313
Options exercised from share-based payment plan		1'205	4'377
Cash flow from financing activities of continuing operations		-15'663	-23'049
Cash flow from financing activities of discontinued operations		224	-2'985
Cash flow from financing activities		-15'439	-26'034
Impact of exchange rate fluctuations on cash and cash equivalents		-2'940	-2'040
Change in cash and cash equivalents		-33'637	14'658
Cash and cash equivalents at the beginning of the year continuing operations		46'601	45'344
Cash and cash equivalents at the beginning of the year discontinued operations		13'401	-
Cash and cash equivalents at the end of the period		26'365	60'002



Hypnolove
AUBADE

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).

Business activities

The CALIDA GROUP is a globally active company for premium underwear with its head office in Switzerland. It consists of the brands CALIDA, AUBADE, COSABELLA and ERLICH TEXTIL in the underwear and lingerie segment as well as the outdoor furniture brand LAFUMA MOBILIER. The CALIDA GROUP stands for high-quality products that delight consumers every day. The CALIDA GROUP is headquartered in Oberkirch (Switzerland) and has more than 2'500 employees. The registered shares of CALIDA Holding AG (CALN) are traded on SIX Swiss Exchange AG.

Accounting policies

GENERAL

These consolidated financial statements of the CALIDA GROUP were prepared in accordance with International Financial Reporting Standards (IFRS). The historical cost principle is applied, except for certain financial instruments (mainly derivatives) which are measured at fair value. 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 2022 onwards:

IAS 37	Onerous Contracts – Cost of Fulfilling a Contract
IAS 16	Property, Plant and Equipment – Proceeds before Intended Use
IFRS 3	References to the Conceptual Framework

These 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, which have not yet been applied by the CALIDA GROUP, are analysed below in respect of their effect on the consolidated financial statements:

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)
IAS 1	Classification of Liabilities as Current or Non-Current (to be adopted from 1 January 2024)
IAS 1	Non-Current Liabilities with Covenants (to be adopted from 1 January 2024)
IFRS 16	Lease Liability in a Sale and Leaseback Transaction (to be adopted from 1 January 2024)

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 2022, 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 the fair value as of the acquisition date. Any goodwill arising from acquisitions 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 TRANSLATIONS

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	2022	2021
EUR	1	0.9851	1.0354
USD	1	0.9235	0.9137
HUF	100	0.2463	0.2800
GBP	1	1.1131	1.2332
TND	1	0.2971	0.3175

Average exchange rates for the year:

	Unit	2022	2021
EUR	1	1.0041	1.0810
USD	1	0.9543	0.9142
HUF	100	0.2565	0.3015
GBP	1	1.1774	1.2575
TND	1	0.3077	0.3286

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 determined based on observable market prices or 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.

The 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 intercompany 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, which 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 recognised

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 twelve 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. Extension or termination options are only taken into account if it is reasonably certain that these will be exercised. 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	4–10
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 and PSUs from share-based payments are recognised in the capital reserves along with any gains or losses from the sale of treasury shares.

RETAINED EARNINGS

The remeasurements of the net defined benefit liability for employees, cash flow hedges and equity investments at fair value are recognised in retained earnings along with effects from the first-time application of new IFRSs.

TREASURY SHARES

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

In connection with customer returns, right of return assets (other current receivables) and refund liabilities (other current liabilities) are recorded in the statement of financial position. These are determined based on historical data. Performance obligations from customer loyalty programmes 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.

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).

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:

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 26'077 (2021: CHF 19'581) were recorded as of 31 December 2022. Inventories were recognised at a net carrying amount of CHF 89'457 (2021: CHF 62'881) as of 31 December 2022. 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 re-

ported in the income statement or other comprehensive income, and the net defined benefit liability (asset) reported. As of 31 December 2022, defined benefit liabilities came to CHF 875 (2021: CHF 5'451).

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 and affect the subsequent reporting period. The provisions amounted to CHF 6'580 as of 31 December 2022 (2021: CHF 6'194).

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 4'988 are recognised on tax loss carryforwards as of 31 December 2022 (2021: CHF 4'521).

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 % 2022	2021
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 SRL	Bruneck, Italy	Sales	EUR	10'000	100.0%	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 Romania S.R.L. ³⁾	Calan, Romania	Production	RON	100'000	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 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%
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%
SPTF AZUR SA	Sursee, Switzerland	Holding	CHF	100'000	100.0%	100.0%
LAFUMA SAS	Anneyron, France	Holding	EUR	105'451'221	100.0%	100.0%
L.M.O. SRL. ⁴⁾	Grassobbio, Italy	Sales	EUR	-	-	100.0%
LAFROM Tunisie	Sousse, Tunisia	Production	TND	100'000.00	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 ⁴⁾	Stephanskirchen, Germany	Sales	EUR	-	-	100.0%
LAFUMA Group SL ⁴⁾	Barcelona, Spain	Sales	EUR	-	-	100.0%
LAFUMA Hungaria KFT ⁴⁾	Sarvar, Hungary	Production	HUF	-	-	100.0%

Company ¹⁾	Registered office	Business activities		Capital stock In local currency	Capital/vote share as a %	
					2022	2021
LAFUMA Mobilier SAS	Anneyron, France	Production/ sales	EUR	9'262'561	100.0%	100.0%
LALLEMAND SAS	Vieux d'Izenave, France	Production/s ales	EUR	925'540	100.0%	100.0%
Millet Mountain Group Japan Co., Ltd. ⁴⁾	Tokyo, Japan	Sales	JPY	-	-	100.0%
MILLET Mountain Group (Switzerland) Ltd. ⁴⁾	Oberkirch, Switzerland	Sales	CHF	-	-	100.0%
MILLET Mountain Group SAS ⁴⁾	Annecy-le-Vieux, France	Sales	EUR	-	-	100.0%
Millet Mountain Group Tunisie ⁴⁾	Sahline, Tunisia	Production	TND	-	-	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%
Vorfreude GmbH ²⁾	Cologne, Germany	Sales	EUR	2'025'000	99.9%	-
Calida Group USA Inc. ³⁾	Delaware, USA	Holding	USD	1	100.0%	-
Luemme, LLC ²⁾	Miami, USA	Sales	USD	0	100.0%	-

¹⁾ Only active companies are listed.

²⁾ Acquired in the reporting year.

³⁾ Founded in the reporting year.

⁴⁾ Sold in the reporting year.

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

ERLICH TEXTIL

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

The consideration for the 90% of the voting rights amounted to CHF 15'560. An earn-out will fall due in 2023. At the time of the takeover, this was estimated to stand at CHF 0. The amount of the earn-out is dependent upon the operating earnings of the company.

Both the CALIDA GROUP and the non-controlling interests have an option to either buy or sell the remaining stake in Vorfreude GmbH. The CALIDA GROUP applies the anticipated acquisition method, under which a financial liability to the shareholders of the non-controlling interest is recognised, implying that the shares have already been acquired and these are therefore

presented as if they were already owned by the Group. The initial measurement of the liability is a part of the contingent purchase consideration. This is dependent upon the future operating earnings of the company and as of the time of the takeover this was estimated at CHF 1'558.

As part of the purchase price allocation, a fair market value of the net assets was identified in the amount of CHF 5'624.

This resulted in goodwill of CHF 9'936 and largely reflects the synergy effects expected from the expansion of the market position. The goodwill that is recognised is not tax deductible.

Cash and cash equivalents of CHF 183 were acquired. The fair value of the trade accounts receivable amounts to CHF 70 and consists of the gross amount of CHF 70 and an allowance of CHF 0. No contingent liabilities were recorded.

On account of missing information, the purchase price allocation that was carried out and updated as of the reporting date is provisional.

Since the time of the takeover, ERLICH TEXTIL has contributed CHF 4'821 to the net sales and CHF -2'141 to the net income of the CALIDA GROUP.

COSABELLA

On 23 May 2022, the CALIDA GROUP acquired the US premium brand for lingerie and loungewear COSABELLA by acquiring 100% of the shares in Lue-mme LLC. COSABELLA, which has its registered office in Miami, Florida, was founded in 1983 and is a family-owned company in the second generation with Italian roots. In 2021, the company had 50 employees and generated net sales of USD 29 million. With the acquisition, the CALIDA GROUP is expanding its position in its core underwear and lingerie segment and paving the way for its existing brands to enter the US market. In addition, COSABELLA harbours as yet largely unexploited potential on the European market, which is to be tapped with the assistance of the CALIDA GROUP's strong market position in the region.

The consideration for the purchase of 100% of the shares amounted to CHF 61'517. Two additional earn-outs will fall due in 2023 and 2024. At the time of the takeover, these were estimated to stand at CHF 0. The amount of the earn-out is dependent upon the future operating earnings of the company.

As part of the purchase price allocation, a fair market value of the net assets was identified in the amount of CHF 50'702.

This resulted in goodwill of CHF 10'815 and largely reflects the synergy effects expected from the expansion of the market position. The goodwill that is recognised is tax deductible.

Cash and cash equivalents of CHF 749 were acquired. The fair value of the trade accounts receivable amounts to CHF 1'117 and consists of the gross amount of CHF 1'122 and an allowance of CHF 5. No contingent liabilities were recorded.

On account of missing information, the purchase price allocation that was carried out and updated as of the reporting date is provisional.

Since the time of the takeover, COSABELLA has contributed CHF 14'173 to the net sales and CHF 699 to the net income of the CALIDA GROUP.

Had the acquisitions taken place at the beginning of the year, the net sales of the CALIDA GROUP would have stood at CHF 334'764 and the net income from continuing operations at CHF 23'109. This information is for illustrative purposes only and is not indicative of the Group's future results.

Assets and liabilities from acquisitions

	Fair value as of the acquisition date		
	ERLICH TEXTIL	COSABELLA	TOTAL
Cash and cash equivalents	183	749	932
Trade accounts receivable	70	1'117	1'187
Inventories	807	8'175	8'982
Other current assets	359	1'369	1'728
Property, plant and equipment	43	76	119
Right-of-use assets	-	611	611
Intangible assets	12'361	42'428	54'789
Other non-current assets	8	16	24
Deferred tax assets	766	-	766
Assets	14'597	54'541	69'138
Current financial liabilities	587	-	587
Current lease liabilities	-	326	326
Trade accounts payable	1'254	2'326	3'580
Current provisions	2'360	-	2'360
Other current liabilities	762	901	1'663
Non-current lease liabilities	-	286	286
Deferred tax liabilities	4'010	-	4'010
Liabilities	8'973	3'839	12'812
Acquired net assets	5'624	50'702	56'326
Goodwill	9'936	10'815	20'751
Consideration	15'560	61'517	77'077
Breakdown of cash and cash equivalents on account of the acquisition			
Acquired cash and cash equivalents	183	749	932
Payments made	-14'002	-61'517	-75'519
Net outflow of cash and cash equivalents	-13'819	-60'768	-74'587



BH Merle / String Marie
ERLICH TEXTIL

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

Cash and cash equivalents of CHF 26'365 (2021: 46'601) consist of cash on hand and bank balances.

2. TRADE ACCOUNTS RECEIVABLE

	2022	2021
Trade accounts receivable from third parties	22'383	21'017
Bad debt allowances	-3'493	-3'304
Total, net	18'890	17'713

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:

	2022 Gross	2022 Allowances	2022 Net	2021 Gross	2021 Allowances	2021 Net
Not past due	16'416	-1'041	15'375	13'560	-319	13'241
Past due by 1 - 60 days	2'315	-26	2'289	4'314	-233	4'081
Past due by 61 - 120 days	834	-71	763	330	-200	130
Past due by more than 120 days	2'818	-2'355	463	2'813	-2'552	261
Total	22'383	-3'493	18'890	21'017	-3'304	17'713

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

Bad debt allowances:	2022	2021
Balance as of 1 January	-3'304	-3'769
Additions	-870	-1'759
Utilisation	436	1'083
Reversal	132	30
Reclassification to discontinued operations	-	1'015
Exchange differences	113	96
Balance as of 31 December	-3'493	-3'304

Currencies of relevance for trade accounts receivable:	2022	2021
CHF	962	628
EUR	14'476	14'659
USD	2'013	940
Other	1'439	1'486
Total	18'890	17'713

3. OTHER CURRENT RECEIVABLES

	2022	2021
Receivables from government authorities	5'606	4'584
Receivables from pension funds	20	141
Prepayments to suppliers	1'725	1'215
Right of return assets	236	387
Other receivables	2'331	841
Total	9'918	7'168

4. INVENTORIES

	2022	2021
Raw materials	17'339	16'308
Semi-finished goods	16'459	14'310
Finished goods	55'659	32'263
Total, net	89'457	62'881

Inventories include allowances of CHF 26'077 (2021: CHF 19'581) for outmoded and unsaleable 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 2021	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
Addition of Group companies	-	-	30	-	89	-	-	119
Additions	438	2'825	511	211	1'922	58	3'773	9'738
Disposals	-19	-1'003	-24	-13	-543	-29	-	-1'631
Reclassifications	159	507	35	163	92	-	-956	-
Exchange differences	-606	-1'472	-270	-178	-1'306	-23	-120	-3'975
31 December 2022	43'810	17'433	19'637	4'543	28'699	743	3'892	118'757
Accumulated depreciation and impairment								
1 January 2021	37'979	11'743	20'595	4'638	28'050	697	-	103'702
Depreciation 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
Depreciation	403	1'254	507	338	1'620	70	-	4'192
Disposals	-3	-380	-11	-11	-503	-29	-	-937
Exchange differences	-486	-1'138	-203	-163	-1'187	-19	-	-3'196
31 December 2022	37'537	11'454	18'062	4'011	25'096	523	-	96'683
Net carrying amount as of 31 December 2022	6'273	5'979	1'575	532	3'603	220	3'892	22'074
Net carrying amount as of 31 December 2021	6'215	4'858	1'586	513	3'279	236	1'195	17'882

¹⁾ Changes in property, plant and equipment in the prior year include additions of CHF 271 and depreciation of CHF 363 from discontinued operations.

6. LEASES

RIGHT-OF-USE ASSETS

Historical cost

	Land and buildings ¹⁾	Machinery and IT equipment	Vehicles	Total
1 January 2021	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
Addition of Group companies	611	-	-	611
Additions	8'267	287	799	9'353
Disposals	-3'536	-35	-558	-4'129
Exchange differences	-3'497	-30	-58	-3'585
31 December 2022	96'507	729	1'562	98'798

Accumulated depreciation and impairment

1 January 2021	36'451	219	1'229	37'899
Depreciation 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
Depreciation	10'987	134	504	11'625
Disposals	-1'696	-35	-551	-2'282
Exchange differences	-1'423	-13	-27	-1'463
31 December 2022	48'249	298	637	49'184
Net carrying amount as of 31 December 2022	48'258	431	925	49'614
Net carrying amount as of 31 December 2021	54'281	295	668	55'244

¹⁾ The carrying amount includes residual values for key money for retail stores for AUBADE and CALIDA of CHF 12'622 (2021: CHF 13'030). Additions of key money to the amount of CHF 0 (2021: CHF 2) are included.

²⁾ The changes in right-of-use assets contain additions in the prior year of CHF 2'703, net disposals of CHF 1'388 and depreciation of CHF 1'419 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:

	2022	2021
Current lease liabilities	11'343	11'959
Non-current lease liabilities	26'810	31'947
Total	38'153	43'906

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

	Notes	2022 ¹⁾	2021 ¹⁾
Depreciation of right-of-use assets		-11'625	-13'538
Impairment of right-of-use assets		-	-773
Rent concessions		-	239
Interest expenses from lease liabilities	24	-522	-509
Expenses for short-term/low-value and variable lease agreements		-2'841	-2'181
Total recognised in the income statement		-14'988	-16'762

¹⁾ MILLET MOUNTAIN GROUP is reported as a discontinued operation.

Total cash flow for leases including short-term leases, low-value assets and variable lease payments amounted to CHF 15'671 in fiscal year 2022 (2021: CHF 19'956).

Obligations from unrecognised rental and lease agreements as of 31 December 2022 amount to CHF 521 (2021: CHF 199). These are largely short-term leases of low-value assets (excluding variable lease agreements).

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 did not lead to any impairment losses being recorded (2021: CHF 773). Pre-tax discount rates (WACC) of 7.5% to 10.5% were applied for these impairment tests (2021: 7.5% to 7.7%).

7. INTANGIBLE ASSETS

	Goodwill	Brands, licences and patents	Customer lists	Software	Other intangible assets	Total
Historical cost						
1 January 2021	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
Addition of Group companies	20'751	50'262	4'381	-	146	75'540
Additions	-	36	-	1'869	571	2'476
Reclassifications	-	-	-	749	-749	-
Exchange differences	-2'734	-3'713	-440	-412	-104	-7'403
31 December 2022	51'803	68'674	8'443	19'866	2'027	150'813
Accumulated amortisation and impairment						
1 January 2021	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
Amortisation	-	33	659	2'334	66	3'092
Exchange differences	-918	-565	-231	-335	-15	-2'064
31 December 2022	17'588	10'357	4'804	15'907	139	48'795
Net carrying amount as of 31 December 2022	34'215	58'317	3'639	3'959	1'888	102'018
Net carrying amount as of 31 December 2021	15'280	11'200	126	3'752	2'075	32'433

¹⁾ Amortisation in the prior year included CHF 22 from discontinued operations.

GOODWILL

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

	2022	2021 ¹⁾
CALIDA	8'142	8'558
LAFUMA MOBILIER	6'395	6'722
COSABELLA	10'253	-
ERLICH TEXTIL	9'425	-
Total	34'215	15'280

¹⁾ The goodwill of the MILLET MOUNTAIN GROUP was classified under assets held for sale in the prior 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 7.5% to 12.4% (2021: 5.9% to 8.8%). 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 2.3% (2021: 1.9% and 2.2%), 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. The registration of trademarks can be extended indefinitely and the Group intends to maintain its trademarks indefinitely.

These brands are tested for impairment annually at the level of the CGUs. The main brands are LAFUMA MOBILIER (CHF 7.3 million; 2021: CHF 7.7 million), AUBADE (CHF 3.1 million; 2021: CHF 3.3 million) and the new additions COSABELLA (CHF 36.8 million) and ERLICH TEXTIL (CHF 10.8 million). The forecast increase in net sales beyond the planning period amounts to 1.9% to 2.2% (2021: 1.9%).

8. FINANCIAL ASSETS

	2022	2021
Other financial assets	2'199	98
Current financial assets	2'199	98
Other financial assets	3'640	4'843
Non-current financial assets	3'640	4'843
Total financial assets	5'839	4'941

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 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 2'098 (2021: CHF 1'442). An agreement was drawn up in the fiscal year and signed at the start of 2023. The loan will be repaid in the first quarter of 2023 in the amount of CHF 2'098, resulting in financial income of CHF 514 in the fiscal year.

As part of the sale, LAFUMA SAS acquired an investment of 18.6% in Rainbow SAS. Of the investment an amount of 788 (2021: CHF 171) is recorded as a financial instrument and has been irrevocably designated as being recognised at fair value through consolidated total comprehensive income. Consequently, changes in the fair value of CHF 638 (excluding foreign currency exchange effects) are recognised through consolidated total comprehensive income. In the agreement mentioned above, it was decided to sell the investment in Rainbow SAS to the buyers for CHF 788. The sale of the investment and the payment of the sale price are scheduled for the first quarter of 2023.

An earn-out was agreed for the sale of OXBOW; this contingent consideration was due in 2025. The value of the earn-out has been stated at zero to date. The earn-out was terminated upon the above mentioned agreement coming into force.

9. FINANCIAL LIABILITIES

	2022	2021
Financial liabilities to banks	6'276	-
Derivative financial instruments	240	60
Current financial liabilities	6'516	60
Total financial liabilities	6'516	60

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 2022	Thereof utilised 2022	Loan volume 2021	Thereof utilised 2021
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 2022 and 2021 reporting years.

10. TRADE ACCOUNTS PAYABLE

	2022	2021
Trade accounts payable	25'105	22'002
Total	25'105	22'002

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

	2022	2021
CHF	4'552	5'079
EUR	16'442	15'857
USD	3'088	583
Other	1'023	483
Total	25'105	22'002

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

11. OTHER CURRENT LIABILITIES

	2022	2021
Liabilities to government authorities	7'083	5'181
Advance payments received from customers	385	190
Liabilities to commercial agents	489	366
Refund liabilities	1'584	1'096
Other liabilities	4'260	3'046
Total	13'801	9'879

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

12. ACCRUED EXPENSES AND DEFERRED INCOME

	2022	2021
Invoices not yet received	11'259	17'816
Accrued personnel expenses	12'432	12'079
Performance obligations from customer loyalty programmes	2'484	2'512
Other accrued expenses and deferred income	6'288	5'649
Total	32'463	38'056

13. CURRENT AND NON-CURRENT PROVISIONS

	Transfer fees	Restructuring	Personnel provisions	Litigation	Onerous contracts	Other provisions	Total
1 January 2022	1'425	187	1'091	1'528	-	1'963	6'194
Addition of Group companies	-	-	-	-	2'360	-	2'360
Additions	74	37	265	-	-	1'013	1'389
Utilisation	-232	-81	-157	-	-1'421	-952	-2'843
Reversal	-	-	-161	-	-	-29	-190
Exchange differences	-24	-8	-53	-74	-94	-77	-330
31 December 2022	1'243	135	985	1'454	845	1'918	6'580
Current provisions 2022	429	18	15	376	845	862	2'545
Non-current provisions 2022	814	117	970	1'078	-	1'056	4'035
Total provisions 2022	1'243	135	985	1'454	845	1'918	6'580
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

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

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.

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.

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.

ONEROUS CONTRACTS

A provision for onerous contracts related to purchase agreements with suppliers was identified during the takeover of ERLICH TEXTIL.

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. Furthermore, the provision covers the restoration obligations for the closure of the Group's own retail stores.

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	
	2022	2021	2022	2021
Receivables	7	181	-3'726	-3'762
Inventories	1'499	1'592	-1'729	-1'290
Property, plant and equipment	457	647	-52	-16
Leases	263	311	-	-389
Intangible assets	2	2	-7'465	-4'766
Other assets	762	774	-243	-289
Provisions	1'525	1'542	-85	-85
Defined benefit obligation	218	925	-	-
Other liabilities	800	1'160	-646	-562
Tax losses carried forward	4'988	4'521	-	-
Total deferred tax assets/(liabilities)	10'521	11'655	-13'946	-11'159
Netting	-4'525	-5'600	4'525	5'600
Total deferred tax assets/(liabilities), as disclosed in the statement of financial position	5'996	6'055	-9'421	-5'559
attributable to				
Continuing operations	5'996	5'186	-9'421	-4'141
Assets classified as held for sale (net)	-	869	-	-1'418

UNRECOGNISED TAX LOSS CARRYFORWARDS**Unrecognised tax loss carryforwards lapse**

	2022 ¹⁾	2021 ¹⁾
in 1 year	-	825
in 2 to 5 years	-	458
in more than 5 years	-	3'310
do not lapse	37'573	42'871
Total unrecognised tax loss carryforwards	37'573	47'464

¹⁾ Including continuing 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

	2022	2021
Current income taxes	-5'533	-8'983
Deferred income taxes	-714	-105
Total tax expense recorded in the income statement	-6'247	-9'088
attributable to		
Continuing operations	-6'207	-8'557
Discontinued operations	-40	-531

Tax effect recorded in other comprehensive income

Deferred income taxes from remeasurement of defined benefit plans	-646	-462
Total tax effect recorded in other comprehensive income	-646	-462

Tax effect recorded directly in equity

Deferred income taxes from share-based payments	36	268
Total tax effect recorded directly in shareholders' equity	36	268

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 (2022: 24.9%; 2021: 25.5%) 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).

in CHF 1'000

	2022	as a %	2021	as a %
Net income from continuing operations, before taxes	27'967		23'715	
Net income from discontinued operations, before taxes	1'444		5'624	
Net income before taxes total	29'411		29'339	
Tax expense based on expected tax rate	-7'335	24.9%	-7'495	25.5%
Effect of changes in the tax rates	-116		288	
Non-deductible expenses and/or non-taxable income ²⁾	1'183		-1'568	
Unrecognised tax losses in the current period	-2'598		-209	
Utilisation of unrecognised tax loss carryforwards	3'251		3'302	
Changes in recognised tax loss carryforwards	-47		-1'849	
Accumulated earnings tax on account of dividend payments	-168		-416	
Other effects ¹⁾	-417		-1'141	
Actual tax expense recorded in the income statement	-6'247	21.2%	-9'088	31.0%

¹⁾ Includes CHF -260 (2021: CHF -531) 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⁾ In the prior year, effects arose as part of the reorganisation of the tax participation structure and the transfer of the LAFUMA OUTDOOR brand.

15. SHAREHOLDERS' EQUITY - GROUP

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

	2022	2021
8'422'751 registered shares with a par value of CHF 0.10 each (2021: 8'385'037 registered shares with a par value of CHF 0.10 each), issued and fully paid in	842	839

CONDITIONAL CAPITAL

In the reporting period, a conditional capital increase of CHF 3 or 37'714 registered shares was carried out. The average strike price was CHF 32.06 per share. The sum in excess of the par value of CHF 1'202 was credited to the capital reserves following the deduction of transaction costs. In the prior year, 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.

The available conditional capital as of 31 December 2022 amounts to CHF 19 (2021: CHF 22). This equates to 187'249 registered shares (2021: 224'963 registered shares) with a par value of CHF 0.10 (2021: CHF 0.10) each.

TREASURY SHARES

As of the reporting date 31 December 2022, the Company holds 998 treasury shares. The following treasury share transactions took place:

	Number	Value CHF 1'000	Price in CHF
1 January 2021	998	27	27.00
Additions	-	-	-
Disposals	-	-	-
31 December 2021	998	27	27.00
Additions	-	-	-
Disposals	-	-	-
31 December 2022	998	27	27.00

16. SIGNIFICANT SHAREHOLDERS

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

	2022	2021
Shareholder group of Kellenberger family members	33.6%	33.6%
Veraison Capital AG	10.0%	10.7%
Vontobel Fonds Services AG ¹⁾	5.1%	6.5%
Swisscanto Fondsleitung AG ²⁾	5.0%	5.0%
UBP Asset Management (Europe) SA ³⁾	3.0%	n/a

¹⁾ According to the report to SIX Swiss Exchange as of 8 March 2022, Vontobel Fonds Services AG holds 5.06%.

²⁾ According to the report to SIX Swiss Exchange as of 24 June 2022, Swisscanto Fondsleitung AG holds 4.9995%.

³⁾ According to the report to SIX Swiss Exchange as of 17 November 2022, UBP Asset Management (Europe) SA holds 3.034%.

17. DIVIDEND DISTRIBUTION

The Annual General Meeting on 14 April 2022 resolved to distribute a dividend of CHF 1.00 per registered share.

The Board of Directors will submit a proposal to the Annual General Meeting of CALIDA Holding AG on 19 April 2023 to distribute a dividend of CHF 1.15 per registered share.

18. 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 OUTDOOR, as a result of which the MILLET MOUNTAIN GROUP was recognised as a discontinued operation. On 20 April 2022, the CALIDA GROUP concluded the sale to Jean-Pierre Millet and Inspiring Sport Capital.

RESULT FROM DISCONTINUED OPERATIONS

	1 January – 20 April 2022	1 January – 31 December 2021
Net sales	29'614	95'051
Operating expenses	-28'038	-89'066
Operating profit	1'576	5'985
Financial result, net	-132	-361
Net income before taxes	1'444	5'624
Taxes	-40	-531
Net income	1'404	5'093
Gain on disposal of Group companies	13'856	-
Profit from discontinued operations, after taxes	15'260	5'093
Earnings per registered share in CHF from discontinued operations	1.82	0.61
Diluted earnings per registered share in CHF from discontinued operations	1.81	0.61

The profit from discontinued operations of CHF 15'260 (2021: 5'093) is attributable in full to the shareholders of CALIDA Holding AG.

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

	20 April 2022	31 December 2021
Cash and cash equivalents	7'091	13'401
Trade accounts receivable	15'761	15'125
Inventories	25'092	24'597
Other current receivables	6'831	3'447
Current assets	54'775	56'570
Property, plant and equipment	3'718	2'872
Right-of-use assets	12'247	12'674
Intangible assets	21'140	20'465
Other non-current receivables	2'600	2'667
Non-current assets	39'705	38'677
ASSETS	94'480	95'247
Current lease liabilities	2'550	2'761
Trade accounts payable	8'341	8'902
Accrued expenses and deferred income	11'095	13'233
Other current liabilities	6'129	6'061
Current liabilities	28'115	30'957
Non-current lease liabilities	5'744	6'790
Other non-current liabilities	954	1'749
Non-current liabilities	6'698	8'539
LIABILITIES	34'813	39'496
NET ASSETS	59'667	55'751
Payments received	73'453	
Reclassification of exchange differences recorded in shareholders' equity to the income statement	70	
Gain on disposal of Group companies	13'856	
Payments received in cash	73'453	
Disposal of cash and cash equivalents	-7'091	
Net cash inflow	66'362	

19. 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 the MILLET MOUNTAIN GROUP in 2022 and the acquisition of COSABELLA, the CALIDA GROUP now has four reportable segments, which are organised and managed in accordance with their market alignment.

SEGMENTS

The brands CALIDA, AUBADE, COSABELLA 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 brand EHRLICH TEXTIL, the operations of the multi-brand webshop www.onmyskin.de and the webshop 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:

in CHF 1'000

2022 ¹⁾	CALIDA	AUBADE	COSABELLA ²⁾	LAFUMA MOBILIER	Other activities	CALIDA GROUP
Net sales	155'497	74'238	14'173	64'152	15'830	323'890
E-commerce	42'753	13'420	9'425	8'529	15'558	89'685
Bricks-and-mortar sales channels	112'744	60'818	4'748	55'623	272	234'205
Operating contribution	47'016	22'275	3'357	19'688	1'611	93'947
Non-allocated operating costs						-67'182
Operating result						26'765
Financial result, net						1'202
Net income from continuing operations, before taxes						27'967
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	-2'952	-1'008	-520	-1'080	-1'724	-7'284
Depreciation of right-of-use assets	-6'366	-3'137	-191	-462	-1'469	-11'625
thereof impairment	-	-	-	-	-	-
Investments in property, plant and equipment and intangible assets; additions from right-of-use assets	10'674	4'695	59	2'629	3'510	21'567
2021¹⁾	CALIDA	AUBADE	COSABELLA	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, amortisation and impairment 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; additions from right-of-use assets	9'320	16'901	-	1'864	1'825	29'910

¹⁾ MILLET MOUNTAIN GROUP is reported as a discontinued operation and is not included in the above figures.

²⁾ Since the acquisition date.

In the reporting period, the CALIDA GROUP recognised impairment losses for receivables from client contracts in the continuing operations of CHF 574. Those were booked against sales and marketing expenses (2021: CHF 679).

GEOGRAPHICAL REPORTING

Net sales to third parties	2022 ¹⁾	2021 ¹⁾
France	83'275	80'318
Germany	93'979	94'367
Switzerland	76'144	71'123
Other Europe	46'439	43'314
Asia	1'352	3'065
USA	20'315	5'997
Other markets	2'386	261
Total	323'890	298'445

¹⁾ MILLET MOUNTAIN GROUP is reported as a discontinued operation.

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

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

	2022	2021
France	58'499	61'952
USA	50'528	10
Germany	37'311	17'028
Switzerland	20'199	21'965
Hungary	3'385	1'869
Other markets	3'784	2'735
Total	173'706	105'559

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 2'484 (2021: CHF 2'512) and are contained under accrued expenses and deferred income.

20. PENSION PLANS AND PERSONNEL EXPENSES

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

	2022 ¹⁾	2021 ¹⁾
Wages and salaries	-77'259	-70'090
Social security expenses	-14'901	-14'563
Expenses for defined benefit plans	-1'847	-2'055
Expenses for defined contribution plans	-1'293	-974
Share-based payments	-683	888
Other personnel expenses	-11'329	-10'693
Total	-107'312	-97'487

¹⁾ MILLET MOUNTAIN GROUP is reported as a discontinued operation.

Pension plans in Switzerland and some in France qualify as defined benefit plans. All other plans are defined contribution plans. In fiscal year 2022, CALIDA GROUP received government subsidies of CHF 0 (2021: CHF 3'042) 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

	2022	2021
Present value of the DBO	-48'903	-59'384
Fair value of plan assets	52'425	53'933
Excess/shortfall	3'522	-5'451
Impact of the asset ceiling	-4'397	-
Net defined benefit obligation	-875	-5'451
of which recorded in other non-current liabilities ¹⁾	-875	-5'451

¹⁾ A further CHF 0 (2021: CHF 9) is attributable to other non-current liabilities not from defined benefit plans.

NET DEFINED BENEFIT OBLIGATION

	2022	2021
Balance as of 1 January	-5'451	-9'112
Cost of defined benefit plans, through profit or loss	-1'866	-2'107
Income from defined benefit plans, recognised in other comprehensive income	5'215	4'176
Employer contributions	1'089	1'045
Plan settlements	76	147
Reclassification to discontinued operations	-	332
Exchange differences	62	68
Balance as of 31 December	-875	-5'451

in CHF 1'000

PRESENT VALUE OF THE DBO

	2022	2021
Balance as of 1 January	59'384	61'929
Service cost	1'847	2'087
Interest expense	218	132
Employee contributions	1'037	1'038
Benefit payments	-2'994	-2'103
Plan settlements	-76	-147
Actuarial gains	-10'414	-3'110
Reclassification to discontinued operations	-	-332
Exchange differences	-99	-110
Balance as of 31 December	48'903	59'384
of which relating to Switzerland:		
Present value of the DBO	47'219	57'197
Active employees	77.8%	81.8%
Retirees	22.2%	18.2%
Average duration in years	14.1	16.9

PLAN ASSETS AT FAIR VALUE

	2022	2021
Balance as of 1 January	53'933	52'817
Interest income at discount rate	199	112
Employer contributions	1'089	1'045
Employee contributions	1'037	1'038
Benefit payments	-2'994	-2'103
Return on plan assets (excluding the interest income discount rate)	-802	1'066
Exchange differences	-37	-42
Balance as of 31 December	52'425	53'933

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

	2022	2021
Service cost in personnel expenses	-1'847	-2'055
Net interest in financial expenses Total	-19	-17
Total	-1'866	-2'072

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

	2022	2021
Remeasurement of the net defined benefit liability		
- Changes in financial assumptions	13'253	1'978
- Changes in demographic assumptions	-134	512
- Experience adjustments	-2'705	620
Return on plan assets (excluding the interest income discount rate)	-802	1'066
Impact of the asset ceiling	-4'397	-
Total remeasurements of defined benefit plans recorded in other comprehensive income, before taxes	5'215	4'176

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

	2022	2021
Discount rate	2.4%	0.4%
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 a decrease/increase of -6.7%/+7.4% (2021: decrease of -7.9%/increase of +9.2%) in the DBO. An increase/decrease of 0.5% in the salary increase rate would lead to an increase/decrease of +0.2%/-0.2% (2021: increase of +0.3%/decrease of -0.3%) 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:

	2022	2021
Shares	33.9%	35.6%
Bonds	31.8%	33.7%
Property	28.0%	24.1%
Alternative investments	2.6%	2.0%
Cash and cash equivalents	3.7%	4.6%
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 1'192 for fiscal year 2023.

21. 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. It is determined using the Monte Carlo model.

Cumulative earnings before interest and taxes (EBIT) represents the incentive to achieve the agreed EBIT targets. The expected achievement of targets in respect of cumulative EBIT is reassessed on each reporting date.

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

The following PSUs were granted to eligible employees.

	2022	2021
Balance as of 1 January	21'335	–
Granted	21'605	23'675
Forfeited	-845	-2'340
Balance as of 31 December	42'095	21'335

The CALIDA GROUP recorded personnel expenses of CHF 659 in connection with the LTI in 2022 (2021: CHF 300). At the time they were granted, the fair value of the PSUs granted in the fiscal year was CHF 1'058 (2021: CHF 926).

LONG-TERM VARIABLE COMPONENT OF THE FORMER CEO

The participation program agreed with the former CEO forfeited in fiscal year 2021. The expected residual entitlements of CHF 226 were recognised under provisions and released accordingly through profit or loss in the previous year. The share-based compensation plan was also derecognised and there was a decrease in expenses of CHF 1'052 in the previous year.

OPTIONS

Until fiscal year 2019, call options on 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 2022

Term	Number of options outstanding	Exercise price in CHF	Settlement date
1 April 2019 – 31 March 2024	28'000	31.45	01.04.22
Total	28'000		

The CALIDA GROUP recorded personnel expenses of CHF 24 in connection with stock option plans in 2022 (2021: CHF 90). No options were allocated during fiscal year 2022 (as in the prior year).

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

	Number Options 2022	Average exercise price in CHF 2022	Number Options 2021	Average exercise price in CHF 2021
Outstanding as of 1 January	72'714	31.98	266'400	33.95
Exercised in the reporting period ¹⁾	-37'714	32.06	-127'686	34.38
Expired in the reporting period	-7'000	33.69	-30'000	36.65
Forfeited in the reporting period	-	-	-36'000	33.70
Outstanding as of 31 December	28'000	31.45	72'714	31.98
Vested as of 31 December	28'000	31.45	11'714	34.74

¹⁾ The weighted average share price on the exercise date of options in the reporting year stood at CHF 47.12 in the reporting year (2021: CHF 41.17).

The exercise price of options outstanding as of the end of the reporting period was CHF 31.45 (2021: between CHF 31.45 and CHF 36.30), while the average term to maturity was 1.25 years (2021: 1.99 years).

22. OTHER OPERATING EXPENSES

	2022 ¹⁾	2021 ¹⁾
Sales and marketing expenses	-51'226	-40'259
General administrative expenses	-16'529	-19'567
Other expenses	-17'389	-14'257
Total	-85'144	-74'083

¹⁾ MILLET MOUNTAIN GROUP is reported as a discontinued operation.

23. DEPRECIATION, AMORTISATION AND IMPAIRMENT

	Notes	2022 ¹⁾	2021 ¹⁾
Depreciation and impairment of property, plant and equipment	5	-4'192	-4'374
Amortisation and impairment of intangible assets	7	-3'092	-2'936
Total		-7'284	-7'310

¹⁾ MILLET MOUNTAIN GROUP is reported as a discontinued operation.

24. FINANCIAL RESULT, NET

	2022 ¹⁾	2021 ¹⁾
Interest income from financial assets	250	269
Other financial income	2'092	24
Total financial income	2'342	293
Net interest on defined benefit plans	-19	-17
Interest expense from financial liabilities	-413	-426
Bank fees and other financial expenses	-109	-37
Interest expenses from lease liabilities	-522	-509
Total financial expenses	-1'063	-989
Net loss/income from exchange differences	-77	144
Net loss/income from exchange differences	-77	144
Total	1'202	-552

¹⁾ MILLET MOUNTAIN GROUP is reported as a discontinued operation.

The put options from the acquisition of ERLICH TEXTIL were valued at CHF 1'558 as of the acquisition date. The minority interests were diluted due to a capital increase and consequently the fair values of the put options were also diluted. As of 31 December 2022, these were valued at zero and the change is recorded in other financial income.

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

	2022	2021
Net income from continuing operations	21'780	15'170
Net income	37'040	20'263
Number of shares as of the reporting date	8'422'751	8'385'037
Less weighted average included in capital increase/treasury shares	-25'204	-61'582
Average number of shares outstanding	8'397'547	8'323'455
Adjustment due to the theoretical exercise of share-based payment plans	36'247	27'119
Average number of shares outstanding, diluted	8'433'794	8'350'574
Earnings per registered share in CHF:		
From continuing operations	2.59	1.82
From continuing operations diluted	2.58	1.82
Total, from continuing operations and discontinued operations	4.41	2.43
Total, from continuing operations and discontinued operations diluted	4.39	2.43

26. PLEDGED ASSETS

In the reporting year, pledged assets amounted to CHF 1'080 (2021: CHF 2'756).

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

27. 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 Executive Management 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

	2022	2021
Current compensation ¹⁾	3'578	4'328
Post-employment benefits ²⁾	513	361
Share-based payments	263	-910
Total	4'354	3'779

¹⁾ Remuneration for work on Board of Directors, fixed and short-term variable remuneration in cash, employee contributions to social security and other non-cash benefits

²⁾ Employer contributions to social security and pension contributions (BVG) for members of Executive Management

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 2019 (prior year: 2018 to 2019) as well as the LTI (see note 21).

SIGNIFICANT SHAREHOLDERS

Revenue of CHF 145 (2021: CHF 159) was generated with a company controlled by a significant shareholder. No guarantees have been received or issued.

28. 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 below relates to continuing operations.

FINANCIAL INSTRUMENTS

Financial assets are allocated to the following categories:

	2022	2021
Cash and cash equivalents	26'365	46'601
Trade accounts receivable	18'890	17'713
Loans (current and non-current)	5'051	4'770
Other financial assets ¹⁾	2'331	841
Total - at amortised cost	52'637	69'925
At fair value through OCI (equity instruments - level 3) ²⁾	788	171
Total	53'425	70'096

¹⁾ Component of other current receivables (note 3)

²⁾ See note 8

Financial liabilities are allocated to the following categories:	2022	2021
Financial liabilities (current and non-current)	6'276	-
Lease liabilities (measured according to IFRS 16)	38'153	43'906
Trade accounts payable	25'105	22'002
Other current liabilities ¹⁾	4'749	3'412
Accrued expenses and deferred income ²⁾	11'259	17'816
Total - at amortised cost	85'542	87'136
Financial instruments at fair value - hedging instruments (derivatives - level 2)	240	60
Total	85'782	87'196

¹⁾ Not including liabilities to government authorities, prepayments by customers and refund liabilities of CHF 9'052 (2021: CHF 6'467).

²⁾ Not including accrued personnel expenses, performance obligations from customer loyalty programs and other accrued expenses/deferred income of CHF 21'204 (2021: CHF 20'240).

Due to being short term, the carrying amounts of the current financial assets and liabilities are generally equal to their fair 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 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 2022 (2021: 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 any time. 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 2021	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	46'601	-	-11'959	-31'947	2'695
Addition of Group companies	-	-587	-326	-286	-1'199
Cash flow from operating activities and investing activities (continuing operations)	-9'264	-	-	-	-9'264
Cash inflow from the sale of cash and cash equivalents when selling Group companies	7'091	-	-	-	7'091
Cash flow from financing activities (continuing operations)	-15'663	-4'501	12'308	-	-7'856
Exchange differences (continuing operations)	-2'400	-1'188	406	1'175	-2'007
Reclassification	-	-	-11'819	11'819	-
Non-cash items	-	-	47	-7'571	-7'524
31 December 2022	26'365	-6'276	-11'343	-26'810	-18'064

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

SYNDICATED LOAN FACILITY

The CALIDA GROUP has a revolving credit facility of CHF 70 million to secure long-term financing. As of the reporting date, this had not been utilised (2021: not utilised). In the prior year, the reference interest rate was switched from LIBOR to SARON.

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

	2022	2021
Liquidity	26'365	46'601
Confirmed credit lines	98'558	94'142
Credit lines used	-6'276	-
Total	118'647	140'743

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 2022	Carrying amount	Contractual payments	< 1 year	1-5 years	more than 5 years ³⁾
Financial liabilities	6'276	6'276	6'276	-	-
Lease liabilities	38'153	39'691	11'644	23'697	4'350
Trade accounts payable	25'105	25'105	25'105	-	-
Derivative financial instruments					
Cash inflows		-69'909	-69'909	-	-
Cash outflows		70'149	70'149	-	-
Net	240	240	240	-	-
Other current liabilities ¹⁾	4'749	4'749	4'749	-	-
Accrued expenses and deferred income ²⁾	11'259	11'259	11'259	-	-

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	-	-
Accrued expenses and deferred income ²⁾	17'816	17'816	17'816	-	-

¹⁾ Not including liabilities to government authorities, prepayments by customers and refund liabilities of CHF 9'052 (2021: CHF 6'467).

²⁾ Not including accrued personnel expenses, performance obligations from customer loyalty programs and other accrued expenses/deferred income of CHF 21'204 (2021: CHF 20'240).

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	2022	2021
+/- 20 basis points	EUR	+/- 28	+/- 5
+/- 15 basis points	CHF	+/- 5	+/- 4

CURRENCY RISKS

Due to the 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 2022, but all other parameters remained unchanged, earnings before taxes would have increased by CHF 273 (2021: increase of CHF 299). Vice versa, if it had appreciated by the same amount, the results would have decreased accordingly.

To partly hedge goods purchased in EUR, the CALIDA GROUP has entered into forward exchange contracts. 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 410 were reclassified from equity to inventories (2021: expenses of CHF 74).

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 2022	–	18	525	
31 December 2021 ¹⁾	602	–	18'274	3'654

¹⁾ Solely relates to discontinued operations

CAPITAL MANAGEMENT

Sufficient liquidity is available for ordinary business operations in fiscal year 2022 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 the CALIDA GROUP to keep the self-financing ratio above 50%.

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

	2022	2022 excluding IFRS 16	2021	2021 excluding IFRS 16
Shareholders' equity	198'958	198'958	173'566	173'566
Total capital	334'067	295'914	349'666	296'208 ¹⁾
Equity ratio	59.6%	67.2%	49.6%	58.6%

¹⁾ Including the deduction of lease liabilities from the discontinued operation

29. SUBSEQUENT EVENTS

There were no significant subsequent events.

The 2022 consolidated financial statements were approved by the Audit & Risk Committee on 28 February 2023 and released for publication by the Board of Directors on the same day.

The consolidated financial statements are subject to approval by the Annual General Meeting scheduled for 19 April 2023.

Independent auditor's report

to the General Meeting of CALIDA Holding AG, Oberkirch



Statutory Auditor's Report

To the General Meeting of Calida Holding AG, Oberkirch

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 2022, the consolidated income statement, 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 consolidated financial statements (pages 27 to 78) give a true and fair view of the consolidated financial position of the Group as at 31 December 2022, 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 Standards on Auditing (SA-CH). 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, together with the requirements of the Swiss audit profession, as well as the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (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



VALUATION OF GOODWILL AND INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIFE



BUSINESS COMBINATIONS

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.



VALUATION OF GOODWILL AND INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIFE

Key Audit Matter

As of 31 December 2022, the Group reports Goodwill of CHF 34.2 million and Intangible assets with indefinite useful life (brands) of CHF 58.0 million.

Management assesses goodwill and brands with indefinite useful life for impairment on a yearly basis using a discounted cash flow model to determine the value in use of the cash-generating units (CGUs). Goodwill as well as brands are tested for impairment at the level of the respective division which also represent the operating segments. Performing the impairment test on the level of individual CGUs requires the use of a number of key assumptions and judgements, including estimated future cash flows, long-term growth rates and discount rates.

This area is significant to our audit as the process involves a high level of judgement and complexity.

Our response

Our audit procedures consisted, among others, of assessing the methodological and mathematical accuracy of the model used for the valuation and of determining the adequacy of the assumptions made for material valuation parameters. We used our own valuation specialists to support our procedures.

In particular, we performed the following:

- We obtained an understanding of the assessment performed by management and considered whether further indicators should have been assessed based on our knowledge of the business, its operating environment, current market conditions and other information obtained during the audit;
- We challenged the robustness of the key assumptions used to determine the recoverable amount, including identification of the CGUs, forecast cash flows, long-term growth rates and discount rates based on our understanding of the commercial prospects of the related CGUs and by comparing them with publicly available data, where possible;
- We performed sensitivity calculations on managements valuation models;
- We compared the carrying value and recoverable amount and assessed whether any material impairments resulted and whether they have been recognized correctly in the financial report;
- We evaluated the completeness, accuracy and relevance of the disclosures, including disclosures about sensitivities and major sources of estimation uncertainty.

For further information on valuation of goodwill and intangible assets with indefinite useful life refer to the following:

- Accounting policies page 37
- Note 7 Intangible Assets page 52



BUSINESS COMBINATIONS

Key Audit Matter

In 2022, the Group acquired a 90% participation in Vorfreude GmbH with their sustainable German lingerie brand "erlich textil" and a 100% participation in Luemme LLC with its brand "Cosabella" an US premium lingerie and loungewear brand. These are two significant acquisitions. The accounting for these acquisitions is influenced, among other things, by:

- The valuation of the assets and liabilities acquired at fair value at the date of acquisition.
- The fair value measurement of contingent payments.
- The accounting treatment of goodwill and acquisition cost resulting from the acquisitions.

These aspects involve a high level of estimation uncertainty and judgement. On these grounds, we consider these two acquisitions as a key audit matter.

Our response

Our audit procedures to assess the accounting treatment of the business combinations included, among others, the following:

- We obtained an understanding of the processes for these acquisitions, including the process of identifying intangible assets in the business combinations. Further, we inspected the purchase agreements to identify any terms of accounting significance and assess their accounting treatment;
- We performed procedures on the opening balance sheets of the acquired businesses and assessed the appropriateness of the fair values for assets, liabilities and contingent payments. With the support of our own valuation specialists, we challenged the assumptions applied by management to identify and measure the fair values of assets and liabilities;
- We re-performed management's calculation of the goodwill and assessing its recognition with respect to the Group's accounting policies;
- We assessed the presentation and disclosure of the business combinations in the consolidated financial statements.

For further information on Business combinations refer to the following:

- Scope of consolidation page 42
- Note 7 Intangible Assets page 52

Other Matter

The consolidated financial statements of Calida Holding AG for the year ended 31 December 2021 were audited by another auditor who expressed an unmodified opinion on those statements on 28 February 2022.

Other Information

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

Our opinion on the consolidated financial statements does not cover the other information 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 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.



Board of Directors' Responsibilities 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 SA-CH 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.

As part of an audit in accordance with Swiss law, ISAs and SA-CH, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.



We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 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.

KPMG AG

Thomas Affolter
Licensed Audit Expert
Auditor in Charge

Ronny Heer
Licensed Audit Expert

Lucerne, 28 February 2023

Financial statements 2022

CALIDA Holding AG



Never Say Never
COSABELLA

Statement of financial position

AS OF 31 DECEMBER

	Notes	2022	2021
Cash and cash equivalents		1'430	1'447
Other current receivables			
from third parties		258	214
from investments		1'905	512
Current assets		3'593	2'173
Loans to investments		69'415	4'768
Investments	1.1	261'167	245'173
Non-current assets		330'582	249'941
ASSETS		334'175	252'114
Interest-bearing current liabilities		6'404	-
Other current liabilities			
to third parties		308	536
to investments		76'156	24'390
Current tax liabilities		1'191	1'194
Accrued expenses and deferred income		752	3'135
Current liabilities		84'811	29'255
Liabilities		84'811	29'255
Share capital	1.2	842	839
Capital contribution reserves	1.4	7'720	5'946
General legal reserves		500	500
Retained earnings		240'329	215'601
Treasury shares	1.5	-27	-27
Shareholders' equity		249'364	222'859
SHAREHOLDERS' EQUITY AND LIABILITIES		334'175	252'114

Income statement

1 JANUARY – 31 DECEMBER

	2022	2021
Dividend income	41'251	35'499
Gain from the sale of investments	-	26'867
Other financial income	1'485	124
Other operating income	740	-
Income	43'476	62'490
Administrative expenses	-5'345	-5'957
Financial expenses	-5'011	-1'071
Direct taxes	-	-1'194
Expenses	-10'356	-8'222
Net income	33'120	54'268

Change in shareholders' equity

	Share capital	Capital contribution reserves	General legal reserves	Retained earnings	Treasury shares	Shareholders' equity
1 January 2020	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
Capital increase	3	1'774	-	-	-	1'777
Dividends from retained earnings	-	-	-	-8'392	-	-8'392
Net income	-	-	-	33'120	-	33'120
31 December 2022	842	7'720	500	240'329	-27	249'364

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 (thirty-second 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 ³⁾	Registered office	Business activities		Capital stock In local currency	Capital and voting rights	
					31.12.2022	31.12.2021
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 Srl	Bruneck, Italy	Sales	EUR	10'000	100.0%	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 Romania S.R.L. ³⁾	Calan, Romania	Production	RON	100'000	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%

Company ¹⁾	Registered office	Business activities		Capital stock In local currency	Capital and voting rights	
					31.12.2022	31.12.2021
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%
SPTF AZUR SA	Sursee, Switzerland	Holding	CHF	100'000	100.0%	100.0%
LAFUMA SAS	Anneyron, France	Holding	EUR	105'451'221	100.0%	100.0%
Reich Online Solutions GmbH	Stephanskirchen, Germany	Sales	EUR	25'000	100.0%	100.0%
Vorfreude GmbH²⁾	Cologne, Germany	Sales	EUR	2'025'000	99.9%	-
Calida Group USA Inc.³⁾	Delaware, USA	Holding	USD	1	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.⁴⁾	Grassobbio, Italy	Sales	EUR	-	-	100.0%
LAFROM 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 GmbH⁴⁾	Stephanskirchen, Germany	Sales	EUR	-	-	100.0%
LAFUMA Group SL⁴⁾	Barcelona, Spain	Sales	EUR	-	-	100.0%
LAFUMA Hungaria KFT⁴⁾	Sarvar, Hungary	Production	HUF	-	-	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.⁴⁾	Tokyo, Japan	Sales	JPY	-	-	100.0%
MILLET Mountain Group (Switzerland) Ltd.⁴⁾	Oberkirch, Switzerland	Sales	CHF	-	-	100.0%
MILLET Mountain Group SAS⁴⁾	Annecy-le-Vieux, France	Sales	EUR	-	-	100.0%
Millet Mountain Group Tunisie⁴⁾	Sahline, Tunisia	Production	TND	-	-	100.0%
SHERPA Logistique SAS	Saint-Rambert d'Albon, France	Logistics	EUR	373'570	100.0%	100.0%
Luemme, LLC²⁾	Miami, USA	Sales	USD	0	100.0%	-

¹⁾ Only active companies are listed.

²⁾ Acquired in the reporting year.

³⁾ Founded in the reporting year.

⁴⁾ Sold in the reporting year.

1.2 SHARE CAPITAL

The share capital of CHF 842 (2021: CHF 839) consists of 8'422'751 (2021: 8'385'037) registered shares outstanding with a par value of CHF 0.10 (2021: CHF 0.10). As of the reporting date, 37'714 registered shares (2021: 127'686) 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 3 (2021: CHF 13) or 37'714 (2021: 127'686) registered shares and a premium of CHF 1'774 (2021: CHF 5'244) from the capital increase was transferred to the capital contribution reserves.

The available conditional capital as of 31 December 2022 amounts to CHF 19 (2021: CHF 22). This equates to 187'249 registered shares (2021: 224'963 registered shares) with a par value of CHF 0.10 (2021: 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] in the amount of CHF 5'891 as of 31 December 2021.

1.5 TREASURY SHARES

As of the reporting date 31 December 2022, the Company holds 998 treasury shares.

	Number	Value in CHF 1'000	Price in CHF
1 January 2021	998	27	27.00
Additions	-	-	-
Disposals	-	-	-
31 December 2021	998	27	27.00
Additions	-	-	-
Disposals	-	-	-
31 December 2022	998	27	27.00

2. Further information

2.1 FULL TIME POSITIONS

CALIDA Holding AG does not have any employees (2021: 0).

2.2 SIGNIFICANT SHAREHOLDERS

The following shareholders reported that they held the following amount of the share capital of CALIDA Holding AG recorded in the commercial register as of the reporting date.

	2022	2021
Shareholder group of Kellenberger family members	33.6%	33.6%
Veraison Capital AG	10.0%	10.7%
Vontobel Fonds Services AG ¹⁾	5.1%	6.5%
Swisscanto Fondsleitung AG ²⁾	5.0%	5.0%
UBP Asset Management (Europe) SA ³⁾	3.0%	n/a

¹⁾ According to the report to SIX Swiss Exchange as of 8 March 2012, Vontobel Fonds Services AG holds 5.06%.

²⁾ According to the report to SIX Swiss Exchange as of 24 June 2022, Swisscanto Fondsleitung AG holds 4.9995%.

³⁾ According to the report to SIX Swiss Exchange as of 17 November 2022, UBP Asset Management (Europe) SA holds 3.034%.

2.3 PLEDGED ASSETS

As of 31 December 2022, 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 (2021: CHF 70'000) have been issued for Group companies in connection with bank financing as of 31 December 2022. Claims of CHF 0 (2021: CHF 0) had been made as of the reporting date 31 December 2022. As of 31 December 2022, the Company had also issued a rent guarantee in favour of a third party for one AUBADE store (2021: one AUBADE store).

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

Number as of 31 December	Registered shares 2022	Performance Share Units (PSU) ⁴⁾ 2022	Total 2022	Registered shares 2021	Employee stock options 2021	Performance Share Units (PSU) ⁴⁾ 2021	Total 2021
Hans-Kristian Hoejsgaard (Chairman)	3'425	-	3'425	2'425	-	-	2'425
Percentage of voting rights	0.0%		0.0%	0.0%			0.0%
Stefan Portmann (Vice Chairman)	5'059	-	5'059	5'059	-	-	5'059
Percentage of voting rights	0.1%		0.1%	0.1%			0.1%
Laurence Bourdon-Tracol (Member) ¹⁾	-	-	-	n/a	n/a	n/a	n/a
Percentage of voting rights							
Marco Gadola (Vice Chairman) ²⁾	n/a	n/a	n/a	3'000	-	-	3'000
Percentage of voting rights				0.0%			0.0%
Nathalie Gaveau (Member) ²⁾	n/a	n/a	n/a	-	-	-	-
Patricia Gandji (Member) ¹⁾	-	-	-	n/a	n/a	n/a	n/a
Percentage of voting rights							
Gregor Greber (Member)	-	-	-	-	-	-	-
Erich Kellenberger (Member) ³⁾	2'813'845	-	2'813'845	2'813'845	-	-	2'813'845
Percentage of voting rights	33.6%		33.6%	33.6%			33.6%
Lukas Morscher (Member)	4'000	-	4'000	4'000	-	-	4'000
Percentage of voting rights	0.0%		0.0%	0.0%			0.0%
Timo Schmidt-Eisenhart (CEO)	6'000	7'230	13'230	6'000	-	3'610	9'610
(Potential) percentage of voting rights	0.1%	0.1%	0.2%	0.1%		0.0%	0.1%
Sacha Gerber (CFO)	1'000	4'295	5'295	1'750	-	2'340	4'090
(Potential) percentage of voting rights	0.0%	0.1%	0.1%	0.0%		0.0%	0.0%
Daniel Gemperle (COO)	-	4'005	4'005	-	10'000	2'340	12'340
(Potential) percentage of voting rights		0.0%	0.0%		0.1%	0.0%	0.1%
Manuela Ottiger (CHRO)	-	3'540	3'540	-	9'714	1'875	11'589
(Potential) percentage of voting rights		0.0%	0.0%		0.1%	0.0%	0.1%

¹⁾ Since April 2022²⁾ Until April 2022³⁾ Shareholder group of Kellenberger family members⁴⁾ PSUs: Potential percentage of voting rights is based on the assumption that one share will be issued per PSU (minimum 0; maximum 2 shares per PSU).

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 2022, 8'905 PSUs were granted. In the prior year, 12'505 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 2022	Value in 2022	Number in 2021	Value in 2021
PSUs granted to the members of Executive Management	8'905	455	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 2023. The financial statements are subject to approval by the Annual General Meeting scheduled for 19 April 2023.

Proposal of the Board of Directors for the appropriation of retained earnings and capital distribution

PROPOSAL OF THE BOARD OF DIRECTORS FOR THE APPROPRIATION OF RETAINED EARNINGS

Retained earnings	2022	2021
Carryforward from prior year	207'209	161'333
Net income	33'120	54'268
Retained earnings as of 31 December	240'329	215'601
(Proposed) distribution of CHF 0.60 per registered share	-5'054	-8'392
Retained earnings as of 31 December/carryforward to new account	235'275	207'209

PROPOSAL OF THE BOARD OF DIRECTORS FOR THE APPROPRIATION OF A CAPITAL DISTRIBUTION

Capital contribution reserves	2022	2021
Carryforward from prior year	5'946	702
Capital increase	1'774	5'244
Capital contribution reserves as of 31 December	7'720	5'946
(Proposed) distribution of CHF 0.55 per registered share ¹⁾	-4'633	-
Balance after distribution	3'087	5'946

¹⁾ Distributions are exempt from Swiss withholding tax and are not subject to income tax for natural persons resident in Switzerland who hold the shares in their private assets.

The Board of Directors will submit a proposal to the Annual General Meeting of CALIDA Holding AG on 19 April 2023 to issue a dividend for fiscal year 2022 of CHF 1.15. The dividend is distributed at CHF 0.60 per registered share from retained earnings and at CHF 0.55 per registered share from capital contribution reserves.

All shares issued as of 31 December 2022 are eligible for the dividend. The exact amount of the dividend may change slightly due to potential new shares issued 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 27 April 2023.

Independent auditor's report

to the General Meeting of CALIDA Holding AG, Oberkirch



Statutory Auditor's Report

To the General Meeting of Calida Holding AG, Oberkirch

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Calida Holding AG (the Company), which comprise the balance sheet as at 31 December 2022, income statement for the year then ended, statement of changes in shareholders' equity and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 85 to 91) comply with Swiss law and the Company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession 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 financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Other Matter

The financial statements of Calida Holding AG for the year ended 31 December 2021 were audited by another auditor who expressed an unmodified opinion on those statements on 28 February 2022.

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.



Board of Directors' Responsibilities for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 and SA-CH 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 financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 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.

KPMG AG

Thomas Affolter
Licensed Audit Expert
Auditor in Charge

Ronny Heer
Licensed Audit Expert

Lucerne, 28 February 2023



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Remuneration report 2022

CALIDA GROUP

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 GROUP'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 2022 and 2021. This report meets the requirements of the SIX Swiss Exchange's Directive on Information Relating to Corporate Governance as well as the Ordinance against Excessive Compensation at Listed Joint-Stock Companies (OaEC).

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 along with other duties assigned by the Board of Directors.

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 14 April 2022 reelected Hans-Kristian Hoejsgaard and the new member Lukas Morscher 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.

The activities and vested interests of the Board of Directors and Executive Management are listed in the corporate governance report.

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	60
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.

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.

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 LOANS AND CREDITS

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

3.4 RELATED PARTIES

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

3.5 REMUNERATION TO FORMER MEMBERS OF THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

No remuneration was paid to former members of the Board of Directors or Executive Management.

3.6 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 119% of the fixed salary component) and a minimum of CHF 0 (value on goal achievement: CHF 425'000; corresponds to 60% 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. Depending on the achievement of goals, the bonus can range between 0% and 150% of the target bonus.

The targets for short-term variable remuneration are based on net sales, EBITDA and free cash flow, each of which are equally weighted. In the reporting year, target achievement was 137%. 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. The long-term incentive plan was introduced with the purpose of further fostering long-term value creation for the Company and being more closely 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. After the PSUs are converted into registered shares, they are not subject to a lock-up period.

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

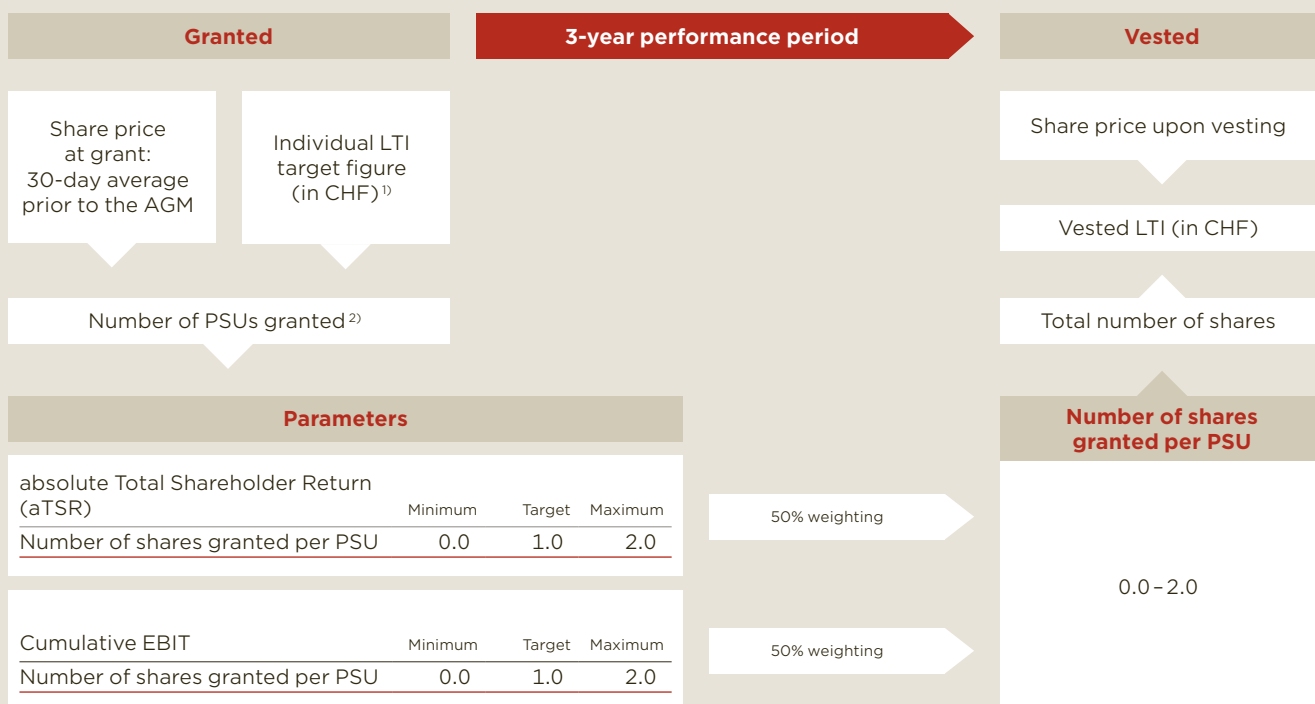
50% of the grant is linked to the absolute Total Shareholder Return (aTSR); and

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.

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 2022, the Executive Management were granted a total of 8'905 PSUs (2021: 12'505 PSUs).

CALIDA GROUP LTI scheme



¹⁾ After the proposal of the Remuneration Committee, the Board of Directors decides on the individual LTI target figure.

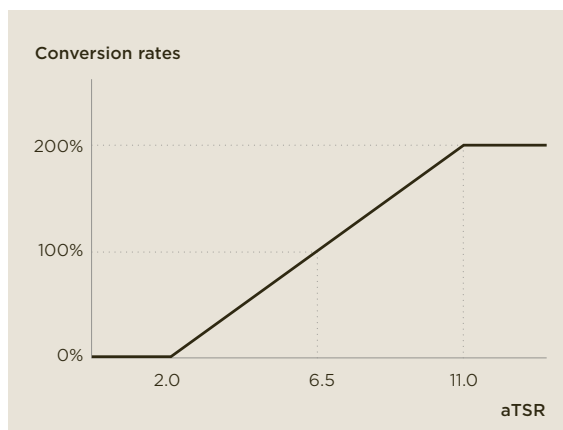
²⁾ Sum of the individual LTI target figures divided by the share price at the time of granting (30-day average before the AGM).

aTSR

Absolute Total Shareholder Return (aTSR) is calculated as the average annual growth rate of the 3-month average price before the first day of the performance period compared to the 3-month average price before the last day of the performance period.

It is assumed that the dividends paid out in the same period can be reinvested in shares in the Company at the time of the distribution.

The following conversion rates apply for the aTSR.



Cumulative EBIT

Cumulative EBIT is based on the total amount of operating earnings over the entire performance period. The target is based on business plans and is commercially sensitive meaning that disclosing this information could give a competitor an unfair advantage.

Overview of performance share units

	2022	2021
Grant date	24 April 2022	29 April 2021
Vesting date	23 April 2025	28 April 2024
Share price at grant	51.10	36.31
Number of PSUs granted	8'905	12'505

Outstanding performance share units

	2022	2021
Number as of 1 January	10'165	–
PSUs granted	8'905	12'505
PSUs vested	–	–
PSUs forfeited	–	-2'340
Number as of 31 December	19'070	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.

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

(Current and former members)

The Annual General Meeting held on 15 April 2021 approved the following maximum total amounts for fiscal year 2022:

	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

2022	Fixed remuneration		Variable remuneration		Contributions in kind	Pension expenses ¹⁾	Total
		Short-term	Long-term				
			LTI (award value of the performance share units)				
	Cash (gross)	Cash (gross)					
Hans-Kristian Hoejsgaard (Chairman)	182	–	–	–	–	182	
Stefan Portmann (Vice Chairman)	102	–	–	–	–	102	
Laurence Bourdon-Tracol (from April 2022)	68	–	–	–	5	73	
Marco Gadola (until April 2022)	30	–	–	–	2	32	
Nathalie Gaveau (until April 2022)	24	–	–	–	–	24	
Patricia Gandji (from April 2022)	60	–	–	–	5	65	
Gregor Greber	85	–	–	–	7	92	
Erich Kellenberger	85	–	–	–	5	90	
Lukas Morscher	87	–	–	–	7	94	
Total Board of Directors	723	–	–	–	31	754	
Total Executive Management	1'627	1'204	455	24	482	3'792	
Thereof: CEO Timo Schmidt-Eisenhart	714	739	185	9	268	1'915	
Number of current members of Executive Management ²⁾	4						

¹⁾ Includes employer contributions to social security and pension contributions (BVG) for members of Executive Management.

²⁾ Remuneration additionally includes the CDO up until February 2022.

2021	Fixed remuneration		Variable remuneration		Contributions in kind	Pension expenses ¹⁾	Total
			Short-term	Long-term			
	Cash (gross)	Cash (gross)	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 ²⁾	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⁾ Includes employer contributions to social security and pension contributions (BVG) for members of Executive Management.

²⁾ 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.

Independent auditor's report

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



Report of the Statutory Auditor

To the General Meeting of Calida Holding AG, Oberkirch

Report on the Audit of the Remuneration Report

Opinion

We have audited the Remuneration Report of Calida Holding AG (the Company) for the year ended 31 December 2022. The audit was limited to the information on remuneration, loans and advances pursuant to Art. 14-16 of the Ordinance against Excessive Remuneration in Listed Companies Limited by Shares (Verordnung gegen übermässige Vergütungen bei börsenkotierten Aktiengesellschaften, VegüV) in the sections «3.3 Loans and credits», «3.5 Remuneration to former members of the Board of Directors and Executive Management» and «4. Disclosure of remuneration of the Board of Directors and Executive Management» of the Remuneration Report.

In our opinion, the information on remuneration, loans and advances in the Remuneration Report complies with Swiss law and Art. 14-16 VegüV.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Remuneration Report" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, 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.

Other matter

The Compensation Report for the year ended 31 December 2021 was audited by another auditor who expressed an unmodified opinion on this Report on 28 February 2022.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the sections «3.3 Loans and credits», «3.5 Remuneration to former members of the Board of Directors and Executive Management» and «4. Disclosure of remuneration of the Board of Directors and Executive Management» in the Remuneration Report, the consolidated financial statements, the financial statements and our auditor's reports thereon.

Our opinion on the Remuneration Report does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the Remuneration Report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the Remuneration Report 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.

Board of Directors' Responsibilities for the Remuneration Report

The Board of Directors is responsible for the preparation of a Remuneration Report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a Remuneration Report that is free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's Responsibilities for the Audit of the Remuneration Report

Our objectives are to obtain reasonable assurance about whether the information on remuneration, loans and advances pursuant to Art. 14-16 VegÜV is 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 and SA-CH 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 this Remuneration Report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the Remuneration Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

KPMG AG

Thomas Affolter
Licensed Audit Expert
Auditor in Charge

Ronny Heer
Licensed Audit Expert

Lucerne, 28 February 2023



100% NATURE / 100% NATURE DAISY CALIDA

Corporate governance report 2022

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:



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 397.9 million as of the reporting date 31 December 2022.

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 42 onwards in the "CALIDA GROUP Consolidated financial statements 2022" chapter.

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 2022.

Shareholder group of Kellenberger family members	33.6%
Veraison Capital AG	10.0%
Vontobel Fonds Services AG ¹⁾	5.1%
Swisscanto Fondsleitung AG ²⁾	5.0%
UBP Asset Management (Europe) SA ³⁾	3.0%

¹⁾ According to the report to SIX Swiss Exchange as of 8 March 2012, Vontobel Fonds Services AG holds 5.06%.

²⁾ According to the report to SIX Swiss Exchange as of 24 June 2022, Swisscanto Fondsleitung AG holds 4.9995%.

³⁾ According to the report to SIX Swiss Exchange as of 17 November 2022, UBP Asset Management (Europe) SA holds 3.034%.

The Company makes disclosures about significant shareholders if it receives disclosure notifications in the reporting period pursuant to article 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 ⅓, 50 or 66 ⅔ 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>.

[com/de/resources/notifications-market-participants/significant-shareholders.html](https://www.ser-ag.com/de/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 90 of the notes to the financial statements 2022 of CALIDA Holding AG, which form part of this annual report. The Company is not aware of any further significant shareholders within the meaning of article 120 FinMIA.

1.3 CROSS-SHAREHOLDINGS

There are no cross-shareholdings.

2. Capital structure

2.1 CAPITAL AS OF 31 DECEMBER 2022

The ordinary share capital of the Company amounts to approximately CHF 842'000, divided into 8'422'751 registered shares with a par value of CHF 0.10 each. As of 31 December 2022, the ordinary share capital entered in the commercial register amounted to approximately CHF 839'000, corresponding to 8'385'037 registered shares.

The available conditional capital amounts to approximately CHF 19'000. This equates to 187'249 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 2022 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 86.

2.4 SHARES AND PARTICIPATION CERTIFICATES

The number of shares and their par value are shown in section 2.1 above. The Company has one share category.

ry. Therefore, there is a constant ratio of par value to voting power (one share, one vote principle). Each registered share has a par value of CHF 0.10 and gives the shareholder unrestricted 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 REPORTING PERIOD

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 69 onwards in the “CALIDA GROUP Consolidated financial statements 2022” chapter.

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 Independent member of the Board of Directors
Term of office	until the Annual General Meeting for fiscal year 2022
Committee	Nomination & Compensation Committee, Chairman
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 (UK); Member of the Board of Directors of Barclays Bank (Suisse) SA, Geneva

STEFAN PORTMANN**VICE CHAIRMAN OF THE BOARD OF DIRECTORS**

Nationality	Swiss
Born	1967
Joined the BoD	21 April 2016 Independent member of the Board of Directors
Term of office	until the Annual General Meeting for fiscal year 2022
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 Board of Directors of Luzerner Kantonalbank AG, Lucerne; since 2013 Foundation Board of Pro Juventute (Chairman), Zürich; and on the Board of Directors of three further non-listed companies: Piavita AG, Zürich; RP Invest AG, Zug; Stefan Portmann AG, Zürich

LAURENCE BOURDON-TRACOL

Nationality	French
Born	1972
Joined the BoD	14 April 2022 Independent member of the Board of Directors
Term of office	until the Annual General Meeting for fiscal year 2022
Committee	Audit & Risk Committee, Chair
Education	Master in Business Administration HEC Paris; Master's Degree in International Management University of Cologne
Professional background	Since 2021 Chief Financial Officer of Skyscanner, 2020 – 2021 VP Finance: global finance function at Skyscanner, 2008 – 2019 eBay Inc., Switzerland and California, various finance roles; 2004 – 2008 Xilinx, California, internal audit; 2000 – 2004 Ernst & Young, San Jose and 1995 – 2000 Ernst & Young, Paris, audit
Other activities and vested interests	Member of the Board of Directors of Gousto UK

PATRICIA GANDJI

Nationality	German
Born	1970
Joined the BoD	14 April 2022 Independent member of the Board of Directors
Term of office	until the Annual General Meeting for fiscal year 2022
Committee	Strategic Committee, member
Education	Accounting and Finance, University of Applied Sciences in Landshut, Germany
Professional background	Since 2020, Chief People Officer of Richemont; since 2017, CEO global regions at Richemont, 2007 – 2017 various leadership roles at Cartier
Other activities and vested interests	Since 2021 Member of the Board of Directors of the Creative Academy, Milan; since 2017 Member of the Board of Directors of Richemont North America, New York City; since 2017 member of the Board of Directors of Richemont Europe, Amsterdam

GREGOR GREBER

Nationality	Swiss
Born	1967
Joined the BoD	17 April 2020
Term of office	until the Annual General Meeting for fiscal year 2022
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 Ventures (Swiss Ventures Group) Group, Zürich

ERICH KELLENBERGER

Nationality	Swiss
Born	1948
Reappointment to the BoD	17 April 2020 (previously from 22 September 1986 until 15 April 2019 on the BoD)
Term of office	until the Annual General Meeting for fiscal year 2022
Committee	Strategic Committee, member
Education	Leicester Polytechnic (textile engineering)
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 companies of the Blue Lemon Group

DR. LUKAS MORSCHER

Nationality	Swiss
Born	1963
Joined the BoD	15 April 2019 Independent member of the Board of Directors
Term of office	until the Annual General Meeting for fiscal year 2022
Committee	Nomination & Compensation Committee, member
Education	University of Basel (lic. rer. pol., Dr. iur.); Harvard Business School (Advanced Management Programme)
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 Bockli 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

The following table provides an overview of the meetings of the members of the Board of Directors, telephone conferences and circular resolutions in 2022.

	Board of Directors ¹⁾	Strategic Committee	Audit & Risk Committee	Compensation Committee	Circular resolutions
Total number of meetings	8	2	3	2	-
Average duration (in hours)	4:30	2:00	2:30	2:30	-
Participants:					
Hans-Kristian Hoejsgaard (Chairman)	8	-	-	2	-
Stefan Portmann (Vice Chairman)	8	2	-	-	-
Laurence Bourdon-Tracol (from April 2022)	6	-	2	-	-
Marco Gadola (until April 2022)	2	-	-	1	-
Nathalie Gaveau (until April 2022)	2	1	-	-	-
Patricia Gandji (from April 2022)	6	1	-	-	-
Gregor Greber	8	-	3	-	-
Erich Kellenberger	8	2	-	-	-
Lukas Morscher	8	-	1	1	-

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 were represented in 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 145'000 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 Annual 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 Annual 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 Annual General Meeting for a term until the conclusion of the following ordinary Annual 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 Annual 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 take 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 a 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 conducts a self-assessment. 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, all of which were attended by representatives of the external auditors for some of the time.

The Nomination & Compensation Committee meets as often as business requires. The Chairman can invite members of Executive Management or third parties to the meetings. Two meetings 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. Eight 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 within the meaning of article 716a of the Swiss Code of Obligations (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 “CALIDA GROUP Consolidated financial statements 2022” chapter in the “Financial risk management” section on page 73 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 (EM)

Name, nationality, education and professional background

TIMO SCHMIDT-EISENHART Chief Executive Officer (CEO)

Nationality	German
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	Swiss
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 BU; 2002–2010 finance functions in various group entities of the SWATCH GROUP, from 2007 as CFO (Member of Management)

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

Nationality	Swiss
Born	1959
Joined the EM	1 August 2011
Education	University of Applied Sciences, Clothing & Technology, Mönchengladbach, Germany (Ing. FH)
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; Chairman of the Board of Directors of SIGVARIS Holding AG, Appenzell

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

Nationality	Swiss
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

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 top 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:

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 2022 remuneration report of CALIDA Holding AG (pages 97 to 102).

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 2022 remuneration report of CALIDA Holding AG (pages 97 to 102).

An additional amount in accordance with article 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 Annual 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 Annual 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 Annual General Meeting. The vote of the Annual General Meeting is binding.

The Board of Directors may submit proposals for approval by the Annual 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 Annual General Meeting.

If the Annual 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 REPORTING YEAR

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 REPORTING PERIOD

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 ANNUAL 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 Annual General Meeting can dismiss the independent proxy effective as of the end of the Annual General Meeting. If the Company does not have an independent proxy, the Board of Directors appoints one for the next Annual 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 article 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 Annual 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 Annual 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 Annual 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 Annual General Meeting provided they are recorded in the share register 30 days before the date of the Annual General Meeting. No changes are made to the share register in the 30 days leading up to or on the date of the Annual 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. Auditors

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

KPMG AG, Lucerne, was appointed for the first time as the Company's statutory auditors for the current fiscal year at the Annual General Meeting on 14 April 2022.

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 2022. 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 CHF 318 (allocated to the appropriate period) were payable to the statutory auditors KPMG AG for the audit of the separate and consolidated financial statements 2022. The non-recurring audit related fees amount to CHF 97.

8.3 ADDITIONAL FEES

Additional fees of CHF 1'115 were payable to KPMG AG for 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 three 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 2022. Requested reports are sent out with the invitation to the Annual General Meeting. An electronic version is available on our website (see below) from 3 March 2023. Shareholders can request a copy of the half-year report in summer 2023.

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@calidagroup.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 leading employees in respect of trading participation rights in CALIDA Holding AG. These begin four business days after the end of the year or half-year and last up to and including two trading 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.



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CALIDA

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