CALIDA GROUP

Annual Report 2023

Nature Relax
CALIDA

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Solid operating performance despite strategic realignment with extensive corrections

Dear Shareholders,

The 2023 business year was defined by extensive financial, organisational and operational adjustments and corrections. These were prompted by underperforming M&A transactions and led to a strategic realignment at Group level, with the emphasis on "Operational Excellence". This allowed us to refocus on our successful core brands of CALIDA, AUBADE and LAFUMA MOBILIER, which continued to perform solidly last year despite challenging conditions. This came amid a noted return to more normal market conditions in the wake of the 2020-2022 pandemic years.

M&A transactions weigh on sales performance and require corrections

The disposal of our outdoor apparel brand MILLET MOUNTAIN GROUP in 2022 led to a significant decline in CALIDA GROUP sales by about CHF 400 million (2019) to CHF 304.4 million in the 2023 reporting year, which the newly acquired brands ERLICH TEXTIL and COSABELLA did not compensate. The main reason for this negative sales performance was the fundamental misjudgement of the growth potential of the newly acquired brands ERLICH TEXTIL and COSABELLA. In the year under review, this prompted valuation adjustments of CHF 20.8 million at ERLICH TEXTIL and of CHF 47.8 million at COSABELLA. An in-depth analysis of the acquired brands led to the insight that ERLICH TEXTIL offers neither the sales nor the profitability potential to support the strategic development objectives of the CALIDA GROUP, and the brand was sold as a result.

By contrast, the analysis of the US lingerie brand COSABELLA confirmed in principle the underlying strategy to tap the US market via this acquisition. Sales growth at COSABELLA remained far below expectations, however, and also revealed significant weaknesses at the operational and structural levels. In 2023, we went about addressing these weaknesses, looking to develop COSABELLA into a profitable, attractive and competitive lingerie brand in the US market, with potential for growth. This plan is realistic but will require several more years of Group financial and human resources.

Moreover, a review of the remaining business lines of the CALIDA GROUP revealed the need to restructure Reich Online Solutions, the e-commerce subsidiary acquired in 2018. The Onmyskin multi-brand e-shop run by the subsidiary operated at a loss and was discontinued with effect from year-end 2023. CALIDA GROUP DGTL (formerly Reich Online Solutions) now falls under the CALIDA brand organisation and today exclusively handles the e-commerce business of the CALIDA brand and the IT platform for AUBADE online retail operations. The costs to wind down Onmyskin were about CHF 4.4 million.

Profitable core brands as a solid basis – sales outperform prepandemic levels

Our core brands CALIDA, AUBADE and LAFUMA MOBILIER extended their strong performance in the first postpandemic business year and provide a stable foundation for the CALIDA GROUP, whose financial position is extremely solid and healthy despite the multiple adjustments. Our equity ratio is 58.4% and our net liquidity is positive.

Contrary to initial concerns, the pandemic years of 2020-2022 with lockdowns, partial closures of brick-and-mortar retail operations, global supply chain challenges, and shortages and price volatility in raw materials had a mostly positive impact on our core brands and led to above-average sales growth and profitability gains.

Of all our brands, the one to benefit the most from the pandemic was LAFUMA MOBILIER, owing to a set of very specific factors: strong demand for LAFUMA outdoor furniture during the lockdowns but also order fulfilment issues of the competition, which does virtually all its manufacturing in East Asia. The result was LAFUMA MOBILIER increasing sales by more than 50% and more than doubling profit during the pandemic years. On the downside, the same factors worked against LAFUMA in 2023, the first postpandemic year. Surplus inventories in retail, resurgent Asian competition, and consumers once again prioritising activities such as the travel they were denied during the pandemic, led to sharply lower sales and profitability at LAFUMA in the year under review.

304.4

Net sales
in mio CHF

4.0%

EBIT margin

31.9%

E-commerce share
of total sales

58.4%

Equity ratio

For the same reasons, AUBADE and CALIDA posted above-average sales and profit growth during the pandemic years, with AUBADE marginally outpacing CALIDA. Mirroring the above pattern, sales took a slight dip also at AUBADE in 2023, while ending the year slightly higher again at CALIDA.

Just how well our core brands have performed in recent years becomes clear when we compare 2023 against 2019, the last year before the pandemic: All three brands are in markedly better shape today than before COVID. CALIDA achieved net sales of CHF 157.7 million in 2023, an increase of CHF 17.7 million, or currency-adjusted 22.0%, over 2019. AUBADE sales were EUR 70.9 million, up 25.4% from 2019. Meanwhile, at EUR 48.9 million, LAFUMA MOBILIER outperformed its prepandemic sales by 18.4%. In other words, our core brands largely succeeded in maintaining the market share they gained during the pandemic. In fact, with sales up 3.8% (currency-adjusted) from the previous year, the CALIDA brand actually added market share.

This highlights that our core brands CALIDA, AUBADE and LAFUMA MOBILIER are very well positioned in the market and that – thanks to a solid product, brand and sales strategy – they meet all the prerequisites to deliver sustained growth now and in the future.

The adjusted operating profit from continuing operations (excluding one-off items and excluding ERLICH) was CHF 12.2 million in 2023 (2022: CHF 30.0 million). The EBIT margin was 4.0% (2022: 9.4%).

Despite the steep operating loss and negative free cash flow, the Board of Directors will propose a dividend of CHF 0.60 per share (2022: CHF 1.15) for shareholder approval at the Annual General Meeting (AGM) of 5 April 2024.

Changes to the Board of Directors and Executive Management

The correction to the current M&A strategy and its financial impacts also prompted a reassessment of the situation amongst the shareholders and changes to the Board of Directors and Executive Management. The anchor shareholder of the CALIDA GROUP, the founding Kellenberger family, announced during the AGM of April 2023 its decision to continue playing this role and to retain its 33.4% stake in order to ensure Group stability and continuity. The Board of Directors was reconstituted and since April 2023 has been led by Felix Sulzberger as Executive Chairman in an interim capacity following the mid-year resignation of CEO Timo Schmidt-Eisenhart. With Dave Müller, the new Chief Financial Officer was hired from within the Group, where he was the Head of Finance at the CALIDA brand for many years.

On the Board of Directors, Stefan Portmann, after eight years of service, and Laurence Bourdon-Tracol, after two years of service, will not be standing for re-election at the upcoming AGM. On behalf of the Board of Directors and Executive Management, we thank Stefan and Laurence for their commitment and valuable contributions to the steady growth and development of the Group. The Board proposes Corinna Werkle for election as a new member. She brings with her over 35 years of management experience in internationally active clothing companies in Europe, America and Asia. We look forward to her additional impulses for the successful development of our Group.

2024 is all about delivering on our "Operational Excellence" strategy. The main focus will be operational measures in all Group operations and functions. Another priority is filling critical leadership roles in Group and brand management, the CEO position being first in line. After 25 years with the CALIDA GROUP, most recently as COO, Daniel Gemperle will take his well-deserved retirement in April. We would like to thank Daniel in particular for his major contribution to growing our Group.

The challenging economic conditions, combined with strong consumer reticence and a stagnating retail market hampered by structural issues, demand superior operational flexibility and proactivity of the CALIDA GROUP and its brands. At the same time, present conditions also offer opportunities for our brands to assertively promote our attractive products and add further market share.

With our focused strategy and our skilled and loyal employees to support us, we have every confidence that the CALIDA GROUP is well prepared for the 2024 business year.

We wish to thank you for the confidence you have placed in us as our valued shareholders.

Felix Sulzberger
Executive Chairman

Focus on core brand values

"With faith, openness, authenticity, passion and excellence in its approach to people, the environment and products, CALIDA has done its utmost since 1941 to consistently include the core values of quality and comfort in all its touch points, thereby setting new standards."

Alexandra Helbling
General Manager
CALIDA

With a consistent focus on the core brand values of quality and comfort as well as the unbroken and constant commitment of all employees, CALIDA again achieved year-on-year growth in 2023 despite persistently challenging operating conditions.

Key growth factors included the optimised collection structure due to an unyielding focus on customer needs following an extensive market segmentation phase, which fully complies with the need for maximum quality, wearing comfort and functionality. In addition, the omnichannel business model again proved itself, bolstered by customer loyalty, with a strong performance in D2C and B2B space management. Above-average growth in e-commerce and investments in the successful proprietary store network (including opening the 360m² CALIDA pop-up store in central Zurich), enabled further growth in direct-to-consumer business. Moreover, the company's internationalisation with growth in space management in France and Italy as well as new partners in Dubai and a first monobrand store in Abu Dhabi proceeded successfully.

Quality was also evident in the production: the impeccable supply chain performance positively impacted the introduction of new product ranges, for example the new nightwear series DEEPSLEEPWEAR. The functional nightwear range combines the best of over 80 years of Swiss night-wear competence to provide an unequalled night's sleep whatever the climatic conditions. A DEEPSLEEPWEAR market-ing campaign plus two more broad-based campaigns focused on the Basics and Christmas core segments in the form of out-of-home, print advertising and social media also contributed to sustained growth in the domestic market, as well as in the international markets and increased the brand's visibility.

Quality at CALIDA is inextricably linked with sustainability. In 2023, there was a renewed focus on sustainability and social responsibility. This took the form of introducing new qualities and material technologies, such as the new nightwear packaging in the form of a laundry bag made from recycled and 100% reusable PET, the consistent increase in certifica-tions such as OEKO-TEX® MADE IN GREEN, the first participation in the nationwide Clean-Up Day and Pink Ribbon Charity Walk plus a sustained commitment to increased diversity. The renovation work for the new German CALIDA site in Bruckmühl, Bavaria was also aligned to the highest sustainability standards. The move to the new location also marked the full integration of the e-commerce unit CALIDA GROUP DGTL in the CALIDA organisation. The foundations were laid for further, strong growth in e-commerce and in the D2C area and additional digitalisation skills were created under the motto "One team, one mission".

The positive developments are thanks to the extraordinary commitment of the CALIDA team. Esteem, prosperity, satisfaction and the nurturing of all employees thus constitute a key success factor. In 2023, beside the internal employee campaign entitled "Quality in every moment starts with you" there was increased emphasis on feedback and leadership training, among other things.

14%

Growth in E-commerce

62’211

New registrations for the CALIDA loyalty programme

47%

OEKO-TEX® MADE IN GREEN certified products with traceability

Aubade
PARIS

An extraordinary collaboration

"AUBADE lingerie raises self confidence in women, allowing them to blossom and feel desirable."

Philippe Bernaud
General Manager
AUBADE

For more than 60 years, AUBADE's sets and necklines have been synonymous with elegance and daring. AUBADE is the embodiment of French chic and a seductive lifestyle, offering a premium experience to its customers.
Evident first and foremost in AUBADE 's collections, from one season to the next, are the precise skills inherited from 19th century corset markers, know-how which still guarantees a perfect fit and comfort at all times. There is continual creativity too with the constant search for new shapes, new materials and new colors, combined with a demand for quality and sustainability.
Like a second skin, AUBADE products fit all body shapes, intimately highlighting feminine curves, and allowing women to reclaim their bodies. In state of mind, women dare to seduce, liberate their desire and be themselves.

THE COLLABORATION: AUBADE x ELIE SAAB

For Autumn/Winter 2023-2024 AUBADE teamed up with the house of ELIE SAAB, known for creating collections of dreams. Elie Saab understands the female body and knows how to evoke a glamorous sensation. This commitment to craftsmanship and aesthetics led the brand to collaborate with AUBADE to create a collection enhancing the beauty and strength of women, day and night.
The Elie Saab symbol features here and there on the sets, contrasting with the diaphanous tulle, evoking a sensual game of transparency and opacity. With a deep understanding of female shapes, the sophisticated „French embroidery" creates a second skin of ornaments that seemingly merges into the female body.

DEVELOPMENT OF INTERNATIONALISATION

AUBADE has strengthened its development in international markets by setting up a subsidiary in the USA, recruiting its own sales force and creating a US website. The brand has also continued to open doors and invest in people and corners in key department stores in Germany and Spain, and focused on own e-commerce and marketplaces.

TRACEABILITY

Over this year AUBADE has implemented traceability, transparency and carbon impact calculation. Our team has worked hard to gather all the data needed to give to our customers the path of our products, from raw materials to point of sales. Now all of AUBADE's products have traceability and impact data accessible for all of our customers, via a link integrated on our website, or via a QR Code stitched to the products.

ATHLEISURE AS A NEW PRODUCT SEGMENT

AUBADE has unveiled its first athleisure line named "Hot Motion" in collaboration with Luz Collection, a young French brand. This line was developed by combining the joint know-how of the two brands.
With the emphasis on creativity, freedom, comfort, sexiness and eco-friendly design, this collaboration was conceived with the aim of supporting women and making them look fabulous, whatever type of sport or exercise they opt for.

22%

Growth in International e-commerce

17%

Growth in Swimwear

60%

Direct to consumer share

Amber Jungle
AUBADE

Enjoy summertime with the balcony collection!

"The BALCONY collection is an invitation to summer's joyful moments while offering the best product functionality."

Arnaud du Mesnil
General Manager
LAFUMA MOBILIER

Since 1954, LAFUMA MOBILIER is a pioneer of outdoor furniture, with a unique eco-design process involving internal R&D and production teams to develop light, foldable and comfortable products for the consumers. The first collection was designed at a time when French mainstream class started to benefit from leisure activities with the economic advancements after the Second World War. People used their cars to drive along the Nationale 7 to reach camping or beach resorts, and needed outdoor furniture compact enough to be stored in the car's back. That is when LAFUMA MOBILIER used its know-how in combining steel and canvas, both raw materials being used to produce its backpacks, to also design and produce outdoor furniture in Anneyron, where production is still located today. At that time, ecodesign mindset was driving both R&D and manufacturing process, looking for less material consumption, less weight and less impact in the production process to create the product with the best comfort added value.

Balcony collection: an innovation inherited from our brand DNA

The Balcony collection 2023 is a good example inspired by our know-how to meet the consumers' expectations for balconies. The colour products offer a smiling combination of tables and chairs designed to optimize narrow spaces and simplify the consumers' life to use and store the products. The product features are perfectly in line with the historical mindset. The chairs are very light – 3 kilograms – and ultra compact, can be folded in a very simple way, and are painted with a 100% polyester powder which is highly resistant to any UV damage. Canvas finished with reinforced stitching ensure a firm back and maximum comfort on the seated position. The metal tables are foldable with a clever system enabling them to stand on their feet, an innovation which was patented during the R&D process. There is no cross bar between the table feet, giving free space for legs, a detail not found in most competitors' products. The metal tabletop will be produced in Anneyron, further extending our local manufacturing know-how with the related workshop line to be settled next year. Main spare parts are available to allow consumers to repair the product, and all products come with a 5-year warranty of quality, reinforcing LAFUMA MOBILIER's strong focus on long lasting products.

Made in France, sold in 40 countries

The new Balcony collection is available in more than 40 countries and on the 7 brand websites. It perfectly underlines the strategic focus and key growth levers for LAFUMA MOBILIER over the past 10 years: internationalization and digitalization. First of all, ultra light and compact products fit with e-commerce logistics and international transport. Low weight, low environmental impact and easy transport meet the consumers' needs all over the world. The colorful collection inspired from garden trends – especially blue and green colors – have been well received in all our key markets, and received the GOLD design award at the German tradeshow Gardiente in summer 2023! Last but not least, the Balcony collection was showcased on 1st July 2023, at the Elysee in Paris for the "Great Exhibition of Made in France products". It is a bright start for this collection combing a strong technical heritage, a local supply chain and an international sales footprint!

36%

Growth in E-commerce

45%

International business share 2023

9

Countries with own webshops

Balcony
LAFUMA MOBILIER

COSABELLA

Gearing up for future growth

"Completing the first full year as part of the CALIDA GROUP brand portfolio, COSABELLA supported the US market entry of Calida Group's existing brands and leveraged the resources of the CALIDA GROUP to ensure an integrated and solid foundation is established for the expected growth opportunities to come."

Silvia Campello
General Manager
COSABELLA

2023 has been milestone year for COSABELLA as the brand celebrated 40 years, breathing decades of Italian heritage and innovation into the intimates and sleepwear market across the US. Completing the first full year as part of the CALIDA GROUP brand portfolio, COSABELLA continued its integration journey. At this stage a specific focus was put on leveraging the existing resources and market expertise of the CALIDA GROUP, while supporting the US market entry of Calida Group's existing brands.

It has been a year of continued change and transition for COSABELLA, as the brand received significant investment in the organizational set-up, ensuring an integrated and solid foundation is established for the expected growth opportunities to come. In this process management has put high emphasis on maintaining a trusted and valued environment to safeguard organic growth for the brand and its employees.

Externally, the challenges of market volatility, continued excess inventory positions across the landscape of US retailers, hesitant consumer sentiment and geopolitical instability hampered near-term expectations. Despite the very challenging environment, COSABELLA was able to grow its D2C business by more than 10% year over year, now accounting for 70% of total net sales. The B2B business in contrast was more affected by the challenging retail environment but stabilized towards the end of the year thanks to the relentless efforts of the sales team.

The strong performance in e-commerce was possible due to outstanding operational capabilities and the continued focus on this channel and its customers' needs. A shift to direct mail campaigns ensured higher customer acquisition and retention rates with lower spend than traditional performance marketing.

Leveraging this new channel proved essential to mitigate the continued increase in advertising costs felt globally. COSABELLA's brand ambassador program is showing promise and will remain an integral part of the brand awareness initiatives into 2024, to reinforce the direct-to-consumer relationships and continue the diversification across varied marketing initiatives. While department stores are expected to remain stagnant as they navigate a pronounced shift in consumer behavior, contemporary chain stores growth gained considerable traction as they shine bright across the wholesale channel, with promising tailwinds accelerating into 2024.

In line with the continued efforts to shift the brand towards a more premium recognition, COSABELLA was product-wise focused on elevating product price points by introducing new higher tier luxury silk collections, which proved successful in generating a new higher revenue segment of business. At the same time our expansion into wired bras complementing our extensive assortment of market leading soft bras, fuels the collection with the highest growth and most promising product revenue category. Inclusivity remains at the forefront of all COSABELLA campaigns and brand promise, showing the strength and market recognition of our brand as a leader in inclusivity, modernity, color, and fun.

For 2024, the focus of COSABELLA will be on the integration of the brand operations and supply chain to continue leveraging the extensive expertise of CALIDA GROUP in these areas. The brand will continue to innovate and excite its customers with expert fit, quality excellence and effortlessly beautiful products.

10%

Growth in E-commerce

15%

Growth in returning customers

18%

Growth in email revenue

Soire Bustier
COSABELLA

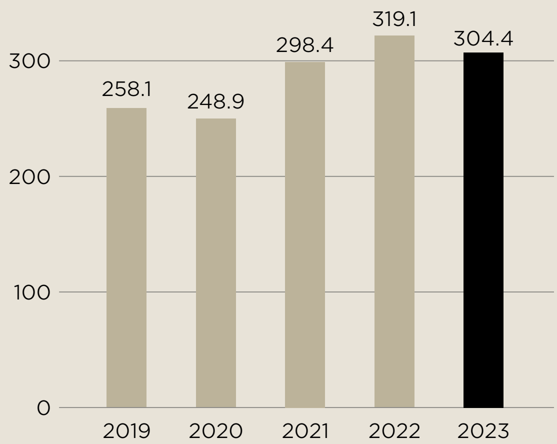
CALIDA GROUP at a glance

SELECTED KPIs
(IN CHF MILLION EXCEPT HEADCOUNT)

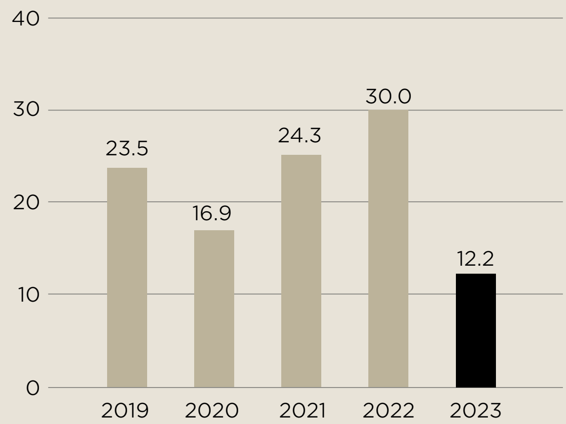
	2023	2022
Net sales [2]	**304.4**	**319.1**
Currency adjusted growth	**-1.7%**	**+12.7%**
EBITDA adjusted [1] [2]	**18.8**	**35.9**
as a % of net sales	6.2%	11.3%
Operating result (EBIT) adjusted [1] [2]	**12.2**	**30.0**
as a % of net sales	4.0%	9.4%
Net result adjusted [1] [2]	**7.0**	**23.9**
as a % of net sales	2.3%	7.5%
Liquidity	15.8	26.4
Financial liabilities	-15.5	-6.5
Net liquidity	**0.3**	**19.9**
Normalised free cash flow [1]	**11.5**	**17.5**
as a % of net sales	3.8%	5.5%
Free cash flow [1]	**-8.6**	**-29.0**
as a % of net sales	-2.8%	-8.2%
Shareholders’ equity (including non-controlling interests)	114.1	199.0
Total assets	233.7	334.1
Equity ratio adjusted [1]	**58.4%**	**67.2%**
Return on equity [2]	**-22.5%**	**13.2%**
Headcount as of 31 December [2]	**2’484**	**2’506**

[1] See definition on pages 19 to 21 – Alternative performance measures
[2] From continuing operations

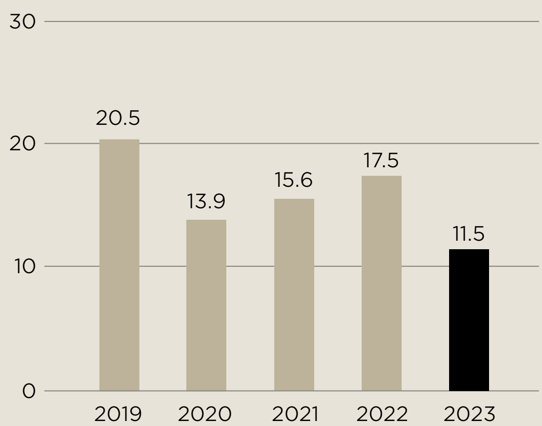
NET SALES
(in CHF million)



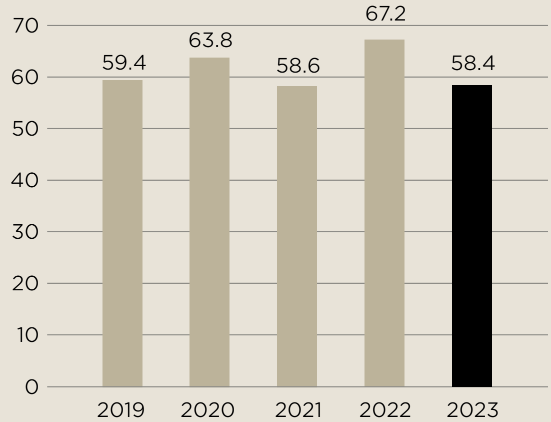
EBIT ADJUSTED
(in CHF million)



NORMALISED FREE CASH FLOW
(in CHF million)



EQUITY RATIO ADJUSTED
(in %)



KEY SHARE FIGURES

		2023	2022
Number of registered shares with a par value of CHF 0.10 each		8'441'033	8'422'751
Less treasury shares as of 31 December		-67'998	-998
Shares with dividend rights as of 31 December		8'373'035	8'421'753
Outstanding options		9'718	28'000
Outstanding PSUs		42'695	42'095
Nominal capital in CHF		**844'103**	**842'275**
Key figures per registered share (average number; in CHF)			
Net sales [3]		36.15	38.00
Operating result (EBIT) adjusted [2] [3]		1.45	3.56
Net result adjusted [2] [3]		0.83	2.84
Equity (book value per share)		13.61	23.75
Dividend per registered share [1]		**0.60**	**1.15**
Stock market prices in CHF	Highest	49.50	59.00
	Lowest	25.00	39.00
	Year-end	**29.40**	**47.25**
Market capitalisation in CHF million	**Year-end**	**246.2**	**397.9**
Price/earning ratio [3]		**-5.5**	**17.3**
Price/book value ratio		**2.2**	**2.0**
Price/sales ratio [3]		**0.8**	**1.2**
Dividend payout ratio [1] [4]		**43.7%**	**55.3%**

[1] 2023: Proposal by the Board of Directors to the Annual General Meeting
[2] See definition on pages 19 to 21 – Alternative performance measures
[3] From continuing operations
[4] As a ratio of normalised free cash flow

Alternative performance measures

The financial information includes certain alternative performance measures (APMs), which are not IFRS® Accounting Standards. 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. As there is no standard definition of adjusted EBIT, it is not comparable with other companies (unlike indicators under IFRS accounting standards). Adjusted EBIT should not be treated as a substitute for indicators under IFRS accounting standards.

ADJUSTED OPERATING RESULT, ADJUSTED NET RESULT, ADJUSTED EBITDA, CONTINUING OPERATIONS

(condensed)

	IFRS	Impairment[1]	Restructuring[2]	M&A transactions[3]	Other[4]	Adjusted
2023						
Net sales	**304'428**	**–**	**–**	**–**	**–**	**304'428**
Operating income	311'653	–	–	–	–	311'653
Operating expenses	-351'827	47'758	4'378	282	–	-299'409
Operating result (EBIT)	**-40'174**	**47'758**	**4'378**	**282**	**–**	**12'244**
Financial result, net	-1'651	–	–	–	–	-1'651
Income taxes	-2'967	-653	–	–	–	-3'620
Net result	**-44'792**	**47'105**	**4'378**	**282**	**–**	**6'973**
Operating result (EBIT)	-40'174	47'758	4'378	282	–	12'244
Depreciation, amortisation and impairment	61'827	-40'282	-2'464	–	–	19'081
Lease expenses	–	–	–	–	-12'495	-12'495
EBITDA	**21'653**	**7'476**	**1'914**	**282**	**-12'495**	**18'830**
2022						
Net sales	**319'069**	**–**	**–**	**–**	**–**	**319'069**
Operating income	327'028	–	–	–	–	327'028
Operating expenses	-297'993	–	–	927	–	-297'066
Operating profit (EBIT)	**29'035**	**–**	**–**	**927**	**–**	**29'962**
Financial result, net	-313	–	–	–	–	-313
Income taxes	-5'791	–	–	–	–	-5'791
Net result	**22'931**	**–**	**–**	**927**	**–**	**23'858**
Operating result (EBIT)	29'035	–	–	927	–	29'962
Depreciation, amortisation and impairment	18'756	–	–	–	–	18'756
Lease expenses	–	–	–	–	-12'830	-12'830
EBITDA	**47'791**	**–**	**–**	**927**	**-12'830**	**35'888**

MILLET MOUNTAIN GROUP (January 2022 to April 2022) and ERLICH TEXTIL (February 2022 to October 2023) reported as discontinued operations and not included in the figures.

1) Impairments: Impairment of financial or non-financial assets on account of exceptional circumstances or non-recurring events. In the continuing operations, impairments were recorded for Cosabella in 2023 due to business not developing as projected. There were no significant impairments in 2022.
2) Restructuring: This includes restructuring measures to improve organisational and business processes. In the continuing operations, the closure of the online shop Onmyskin resulted in the restructuring of the Calida Group DGTL. There was no significant restructuring 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. In 2023, expenses were incurred in connection with the management buy-out of Erlich Textil. Transaction costs from completed acquisitions were recorded in the prior year.
4) Other: Non-recurring, extraordinary and rare incidents that cannot be allocated to any of the previous categories. There were no such incidents in the reporting period and 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 accounting standards) plus depreciation, amortisation 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 2023	31 December 2022
Equity ratio reported	48.8%	59.6%
Adjusted equity ratio – IFRS 16	**58.4%**	**67.2%**

CURRENCY ADJUSTED

This measure eliminates the effects of currency changes in comparison to the comparative 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.

E-COMMERCE GROWTH

Currency-adjusted growth in sales from the sale of products via the online shops and marketplaces operated by the CALIDA GROUP.

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.

	2023	2022
Cash flow from operating activities	10'684	6'183
Cash flow from investing activities	-6'777	-21'441
Cash outflow from leases	-12'495	-13'776
Free cash flow	**-8'588**	**-29'034**

in CHF 1'000

NORMALISED FREE CASH FLOW

Normalised free cash flow is calculated 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.

	2023	2022
Adjusted EBITDA continuing operations	18'830	35'888
Adjusted EBITDA discontinued operations	–	-2'117
Normalised investments in property, plant and equipment and intangible assets	-9'690	-12'214
Normalised increase/decrease in net working capital	2'343	-4'071
Normalised free cash flow	**11'483**	**17'486**

Sustainability is in our DNA.
Find out more about our commitment in the 2023 Sustainability Report.

www.calidagroup.com/en/sustainability

Consolidated financial statements 2023 CALIDA GROUP

Black Light
AUBADE

in CHF 1'000

Group statement of financial position

AS OF 31 DECEMBER

	Notes	2023	2022
Cash and cash equivalents	1	15'748	26'365
Trade accounts receivable	2	16'167	18'890
Other current receivables	3	4'783	9'918
Current financial assets	8	96	2'199
Inventories	4	74'995	89'457
Current tax assets		2'989	479
Prepaid expenses and accrued income		3'656	3'417
Current assets		**118'434**	**150'725**
Property, plant and equipment	5	23'212	22'074
Right-of-use assets	6	48'269	49'614
Intangible assets	7	35'706	102'018
Non-current financial assets	8	2'665	3'640
Other non-current assets	20	333	–
Deferred tax assets	14	5'067	5'996
Non-current assets		**115'252**	**183'342**
ASSETS		**233'686**	**334'067**
Current financial liabilities	9	15'458	6'516
Current lease liabilities	6	10'479	11'343
Trade accounts payable	10	12'482	25'105
Other current liabilities	11	10'369	13'801
Current tax liabilities		733	2'195
Current provisions	13	1'572	2'545
Accrued expenses and deferred income	12	31'797	32'463
Current liabilities		**82'890**	**93'968**
Non-current lease liabilities	6	27'756	26'810
Other non-current liabilities		10	875
Non-current provisions	13	3'430	4'035
Deferred tax liabilities	14	5'544	9'421
Non-current liabilities		**36'740**	**41'141**
Liabilities		**119'630**	**135'109**
Share capital		844	842
Treasury shares		-2'122	-27
Reserves		115'851	198'658
Equity held by the shareholders of CALIDA Holding AG		**114'573**	**199'473**
Non-controlling interests		-517	-515
Shareholders' equity	15	**114'056**	**198'958**
SHAREHOLDERS' EQUITY AND LIABILITIES		**233'686**	**334'067**

Group income statement

1 JANUARY – 31 DECEMBER

	Notes	2023 [1]	2022 [1]
Net sales from contracts with customers	19	**304'428**	**319'069**
Other operating income		7'225	7'959
Operating income		**311'653**	**327'028**
Cost of goods sold		-97'693	-90'224
Personnel expenses	20	-102'394	-105'682
Other operating expenses	22	-89'913	-83'331
Depreciation and amortisation of property, plant and equipment and intangible assets	23	-7'785	-7'131
Impairment of intangible assets	23	-40'833	–
Depreciation and impairment of right-of-use assets	6	-13'209	-11'625
Operating expenses		**-351'827**	**-297'993**
Operating result		**-40'174**	**29'035**
Financial income	24	313	772
Financial expenses	24	-1'753	-1'013
Exchange differences	24	-211	-72
Financial result, net		**-1'651**	**-313**
Net result from continuing operations, before income taxes		**-41'825**	**28'722**
Income taxes	14	-2'967	-5'791
Net result from continuing operations		**-44'792**	**22'931**
Net result from discontinued operations, after taxes [1]	18	-21'707	14'089
Net result		**-66'499**	**37'020**
attributable to			
shareholders of CALIDA Holding AG		-66'497	37'040
non-controlling interests		-2	-20
Earnings per registered share in CHF			
From continuing operations	25	-5.32	2.73
From continuing operations diluted	25	-5.31	2.72
From continuing and discontinued operations	25	-7.90	4.41
From continuing and discontinued operations diluted	25	-7.88	4.39

[1] MILLET MOUNTAIN GROUP (January 2022 to April 2022) and ERLICH TEXTIL (February 2022 to October 2023) reported as discontinued operations.

in CHF 1'000

Group statement of comprehensive income

1 JANUARY – 31 DECEMBER

	Notes	2023	2022
Net result		**-66'499**	**37'020**
Items that might be reclassified to profit and loss, after tax			
Exchange differences recognised in other comprehensive income		-8'609	-11'774
Reclassification of exchange differences to the income statement		941	-70
Remeasurements of cash flow hedges	28	18	1'066
Items that cannot be reclassified to profit and loss, after tax			
Remeasurements of defined benefit plans	20	81	4'570
Remeasurements of equity investments at fair value	8	–	638
Total other comprehensive income		**-7'569**	**-5'570**
Total comprehensive income		**-74'068**	**31'450**
attributable to			
shareholders of CALIDA Holding AG		-74'066	31'442
non-controlling interests		-2	8

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 2022	**839**	**-27**	**4'796**	**214'851**	**-46'370**	**173'277**	**174'089**	**-523**	**173'566**
Net result	–	–	–	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**
Net result	–	–	–	-66'497	–	-66'497	-66'497	-2	-66'499
Other comprehensive income	–	–	–	99	-7'668	-7'569	-7'569	–	-7'569
Total comprehensive income	–	–	–	-66'398	-7'668	-74'066	-74'066	-2	-74'068
Dividends	–	–	-4'635	-5'057	–	-9'692	-9'692	–	-9'692
Capital increase [1]	2	–	572	–	–	572	574	–	574
Transactions with treasury shares	–	-2'095	–	–	–	–	-2'095	–	-2'095
Share-based payments [2]	–	–	431	–	–	431	431	–	431
Tax effect of share-based payments [3]	–	–	-52	–	–	-52	-52	–	-52
31 December 2023	**844**	**-2'122**	**3'033**	**178'728**	**-65'910**	**115'851**	**114'573**	**-517**	**114'056**

[1] see note 15
[2] see note 21
[3] see note 14

in CHF 1'000

Group statement of cash flows

1 JANUARY – 31 DECEMBER

	Notes	2023	2022
Net result from continuing operations		**-44'792**	**22'931**
Adjustments for non-cash items			
Income taxes	14	2'967	5'791
Depreciation and amortisation of property, plant and equipment and intangible assets	23	7'785	7'131
Impairment of intangible assets	23	40'833	–
Depreciation and impairment of right-of-use assets	6	13'209	11'625
Share-based payments	21	431	683
Adjustment to defined benefit cost		-1'094	690
Gain/loss on disposal of non-current assets		-12	14
Financial result, net	24	1'651	313
Change in net working capital and provisions			
Change in net working capital		3'044	-28'260
Change in provisions		-518	-224
Taxes paid		-8'549	-6'212
Cash flow from operating activities of continuing operations		**14'955**	**14'482**
Cash flow from operating activities of discontinued operations		-4'271	-8'299
Cash flow from operating activities		**10'684**	**6'183**
Interest received		156	3
Investments in property, plant and equipment	5	-7'036	-9'727
Investments in right-of-use assets (key money)	6	-471	–
Investments in intangible assets	7	-2'183	-2'476
Sale of non-current assets		98	711
Net cash inflow from the disposal of Group companies	18	-196	66'362
Net cash outflow from the purchase of Group companies		–	-74'587
Increase in financial assets		-120	-196
Decrease in financial assets		2'981	91
Cash flow from investing activities of continuing operations		**-6'771**	**-19'819**
Cash flow from investing activities of discontinued operations		-6	-1'622
Cash flow from investing activities		**-6'777**	**-21'441**
Interest paid		-894	-141
Interest paid from lease liabilities		-698	-522
Proceeds from borrowings from banks	28	81'114	47'627
Repayment of borrowings from banks	28	-71'945	-49'313
Repayment of lease liabilities	28	-11'797	-12'308
Dividends	17	-9'692	-8'392
Options exercised from share-based payment plan		574	1'205
Purchase of treasury shares	15	-2'095	–
Cash flow from financing activities from continuing operations		**-15'433**	**-21'844**
Cash flow from financing activities of discontinued operations		2'354	6'405
Cash flow from financing activities		**-13'079**	**-15'439**
Impact of exchange rate fluctuations on cash and cash equivalents		-1'445	-2'940
Change in cash and cash equivalents		**-10'617**	**-33'637**
Cash and cash equivalents at the beginning of the period		**26'365**	**60'002**
Cash and cash equivalents at the end of the period		**15'748**	**26'365**

Ambiance Bayanne
LAFUMA MOBILIER

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

These consolidated financial statements include Calida Holding AG, Oberkirch LU (Switzerland) and its subsidiaries (together referred to as the "CALIDA GROUP"). The registered shares of Calida Holding AG (CALN) are traded on SIX Swiss Exchange AG.

The CALIDA GROUP is a globally active company for premium underwear with its head office in Switzerland. It consists of the brands CALIDA, AUBADE and COSABELLA 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 has around 2'500 employees.

Accounting policies

GENERAL

These consolidated financial statements of the CALIDA GROUP were prepared in accordance with IFRS accounting standards. 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 the IFRS accounting standards are applicable for the CALIDA GROUP from the reporting period 2023 onwards:

IAS 1 and IFRS Practice Statement 2 on Materiality	Disclosure Initiative – Accounting Policies
IAS 8	Definition of Accounting Estimates
IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
IAS 12	International Tax Reform – Pillar Two Model Rules

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 changes, amendments and revisions to IFRS accounting standards that have been published but not yet applied by CALIDA GROUP are being analysed on an ongoing basis with respect to their impact on the consolidated financial statements:

IAS 1	Classification of Liabilities as Current or Non-Current (applicable from 1 January 2024)
IAS 1	Non-Current Liabilities with Covenants (applicable from 1 January 2024)
IFRS 16	Lease Liability in a Sale and Leaseback Transaction (applicable from 1 January 2024)
IAS 7 and IFRS 7	Supplier Finance Arrangements (applicable from 1 January 2024)
IAS 21	Lack Of Exchangeability (applicable from 1 January 2025)

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 2023, all of which are prepared in accordance with uniform accounting principles. The consolidated financial statements of the CALIDA GROUP include all companies in which the Group holds more than 50% of voting rights, or which it controls in some other way. Newly acquired companies are consolidated from the date that control is obtained. The capital is consolidated according to the acquisition method. For each business combination, the non-controlling interest in the acquired company is measured either at fair value or at the proportionate share of the company's identifiable net assets.

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

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

Measurement principles

FOREIGN CURRENCY 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	2023	2022
EUR	1	0.9288	0.9851
USD	1	0.8363	0.9235
HUF	100	0.2427	0.2463
GBP	1	1.0680	1.1131
TND	1	0.2735	0.2971

Average exchange rates for the year:	Unit	2023	2022
EUR	1	0.9714	1.0041
USD	1	0.8983	0.9543
HUF	100	0.2546	0.2565
GBP	1	1.1170	1.1774
TND	1	0.2895	0.3077

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 on using generally accepted valuation methods such as option price models or the discounted cash flow method.

Statement of financial position

FINANCIAL ASSETS

Financial assets are classified as follows:

- Subsequent measurement at amortised cost
- Subsequent measurement at fair value (income statement)

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

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

- transfer of cash flows in connection with the transferred asset;
- transfer of substantially all of the risks and rewards of ownership of the transferred asset;
- transfer of control of the transferred asset.

CASH AND CASH EQUIVALENTS

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

TRADE ACCOUNTS RECEIVABLE

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

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

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

LOANS AND OTHER FINANCIAL ASSETS

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

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

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

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

DERIVATIVE FINANCIAL INSTRUMENTS

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

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

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

INVENTORIES

Inventories comprise raw materials, semi-finished and finished goods and merchandise. Inventories are measured at the lower of cost and net realisable value. Raw materials are measured at cost price using the weighted average cost method. Semi-finished and finished goods produced internally are measured at production cost and merchandise at cost price. Production cost includes the entire cost of material, manufacturing costs and the proportionate share of fixed production overheads.

Outmoded and unsaleable goods are written down to their net realisable value, i.e., the estimated selling price less the costs of completion and the costs necessary to make the sale. This is calculated using a range of coverage analyses for standard products. Seasonal effects are considered for fashion items. Unrealised profits from 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 any impairment losses. 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 sufficiently certain that these these will actually 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 (CGU) 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
Retained earnings include the remeasurement of the defined benefit obligation, cash flow hedges and the fair value of equity investments as well as the effects of the first-time application of new IFRS accounting standards.

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

Income statement

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

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

In connection with customer returns, right of return assets (other current receivables) and refund liabilities (other current liabilities) are recognised 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.

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 costs 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 of inventories totalling CHF 27'408 (2022: CHF 26'077) were recorded as of 31 December 2023. Inventories were recognised at a net carrying amount of CHF 74'995 (2022: CHF 89'457) as of 31 December 2023. 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.

GOODWILL AND TRADEMARKS, LICENCES AND PATENTS
The recoverability of capitalised goodwill as well as trademarks, licences and patents is tested for impairment annually and if certain indicators are present. This requires a calculation of the value in use of a

cash-generating unit. In this regard, the projected free cash flows and pre-tax discount rates are based on assumptions that management deems to be reasonable. See note 7 for further information.

NET DEFINED LIABILITY OR ASSET

Pension liabilities or pension assets are measured on the basis of various assumptions about financial and demographic developments. These assumptions are reviewed annually and adjusted if necessary. Changes in assumptions, e.g., the discount rate of future salaries, or circumstances can materially impact the amount of future cost of a defined benefit plan as reported in the income statement or other comprehensive income, and the net defined benefit liability (asset) reported. As of 31 December 2023, the defined benefit assets amounted to CHF 319 (2022: liabilities of CHF 875).

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 5’002 as of 31 December 2023 (2022: CHF 6’580).

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 4’096 are recognised on tax loss carryforwards as of 31 December 2023 (2022: CHF 4’988).

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 % 2023	2022
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.	Calan, Romania	Production	RON	100’000	100.0%	100.0%
CALIDA Ungarn Produktionsgesellschaft mbH	Rajka, Hungary	Production	HUF	477’300’000	100.0%	100.0%
AUBADE SA	Oberkirch, Switzerland	Sales	CHF	500’000	100.0%	100.0%
AUBADE 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%
Aubade US, Inc.	Delaware, USA	Sales	USD	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%
LAFPROM Tunisie	Sousse, Tunisia	Production	TND	100’000	100.0%	100.0%
LAFUMA America Inc.	Duluth, USA	Sales	USD	24’500	100.0%	100.0%
LAFUMA BV	Leusden, the Netherlands	Sales	EUR	113’445	100.0%	100.0%
LAFUMA 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%
SHERPA Logistique SAS	Saint-Rambert d’Albon, France	Logistics	EUR	373’570	100.0%	100.0%

Company[1]	Registered office	Business activities		Capital stock In local currency	Capital/vote share as a % 2023	2022
Calida Group Digital GmbH (formerly Reich Online Solutions GmbH)	Bruckmühl, Germany	Sales	EUR	25’000	100.0%	100.0%
Vorfreude GmbH [2]	Cologne, Germany	Sales	EUR	–	–	99.9%
Calida Group USA Inc.	Delaware, USA	Holding	USD	1	100.0%	100.0%
Luemme, LLC	Miami, USA	Sales/logistics	USD	0	100.0%	100.0%

[1] Only active companies are listed.
[2] 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. As a result of a capital increase in the prior year, the minority interests were diluted and the Group then held 99.9%. 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. The provisional purchase price allocation was carried out at the beginning of 2023. There were no changes in the measurement of the amounts transferred. Due to strategy adjustments, ERLICH TEXTIL was sold again in fiscal year 2023. For more information, see note 18.

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 Luemme 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. With this acquisition, the CALIDA GROUP is expanding its position in its core underwear and lingerie segment. The provisional purchase price allocation was carried out at the beginning of 2023. There were no changes in the measurement of the amounts transferred.

Assets and liabilities from acquisitions in the prior year

	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**

Bisou Cross Halter Bodysuit
COSABELLA

Remix Lounge TimeOff
CALIDA

Notes to the consolidated financial statements

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

1. CASH AND CASH EQUIVALENTS

Cash and cash equivalents of CHF 15'748 (2022: CHF 26'365) comprise cash on hand and bank balances.

2. TRADE ACCOUNTS RECEIVABLE

	2023	2022
Trade accounts receivable from third parties	20'258	22'383
Bad debt allowances	-4'091	-3'493
Total, net	**16'167**	**18'890**

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:

	2023 Gross	2023 Allowances	2023 Net	2022 Gross	2022 Allowances	2022 Net
Not past due	13'567	-1'155	12'412	16'416	-1'041	15'375
Past due by 1 – 60 days	2'820	-487	2'333	2'315	-26	2'289
Past due by 61 – 120 days	1'422	-55	1'367	834	-71	763
Past due by more than 120 days	2'449	-2'394	55	2'818	-2'355	463
Total	**20'258**	**-4'091**	**16'167**	**22'383**	**-3'493**	**18'890**

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

Bad debt allowances:	2023	2022
Balance as of 1 January	-3'493	-3'304
Additions	-1'115	-870
Utilisation	322	436
Reversal	–	132
Exchange differences	195	113
Balance as of 31 December	**-4'091**	**-3'493**

Currencies of relevance for trade accounts receivable:	2023	2022
CHF	1’603	962
EUR	11’602	14’476
USD	1’653	2’013
Other	1’309	1’439
Total	**16’167**	**18’890**

3. OTHER CURRENT RECEIVABLES

	2023	2022
Receivables from government authorities	2’503	5’606
Receivables from pension funds	56	20
Prepayments to suppliers	738	1’725
Right of return assets	30	236
Other receivables	1’456	2’331
Total	**4’783**	**9’918**

4. INVENTORIES

	2023	2022
Raw materials	13’691	17’339
Semi-finished goods	11’567	16’459
Finished goods	49’737	55’659
Total, net	**74’995**	**89’457**

Inventories include allowances of CHF 27’408 (2022: CHF 26’077) for outmoded and unsaleable goods. In the reporting year, goods of CHF 97’693 (prior year: CHF 90’224) were recognised as cost of goods sold in the Group income statement. These include changes in the allowances of CHF 3’908 (2022: CHF 540), which were recognised as an expense.

in CHF 1'000

5. PROPERTY, PLANT AND EQUIPMENT

Historical cost	Land and buildings	Machinery	Fixtures and fittings	IT equipment	Furniture and store fittings	Vehicles	Assets under construction	Total
1 January 2022	**43'838**	**16'576**	**19'355**	**4'360**	**28'445**	**737**	**1'195**	**114'506**
Addition of Group companies	–	–	30	–	89	–	–	119
Additions [1]	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**
Additions [1]	1'105	1'645	162	933	1'234	220	1'413	6'712
Disposals	-1	-334	-55	-300	-2'117	-303	–	-3'110
Reclassifications	1'789	206	538	142	839	–	-3'514	–
Disposal of a Group company	–	–	-52	–	-69	–	–	-121
Exchange differences	-548	-1'152	-345	-175	-1'418	-17	-18	-3'673
31 December 2023	**46'155**	**17'798**	**19'885**	**5'143**	**27'168**	**643**	**1'773**	**118'565**
Accumulated depreciation and impairment								
1 January 2022	**37'623**	**11'718**	**17'769**	**3'847**	**25'166**	**501**	**–**	**96'624**
Depreciation [1]	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**
Depreciation [1]	495	1'391	453	349	1'912	79	–	4'679
Disposals	-1	-333	-14	-299	-2'039	-258	–	-2'944
Disposal of a Group company	–	–	-40	–	-59	–	–	-99
Exchange differences	-370	-866	-261	-160	-1'299	-10	–	-2'966
31 December 2023	**37'661**	**11'646**	**18'200**	**3'901**	**23'611**	**334**	**–**	**95'353**
Net carrying amount as of 31 December 2023	**8'494**	**6'152**	**1'685**	**1'242**	**3'557**	**309**	**1'773**	**23'212**
Net carrying amount as of 31 December 2022	**6'273**	**5'979**	**1'575**	**532**	**3'603**	**220**	**3'892**	**22'074**

[1] The changes in property, plant and equipment include additions of CHF 7 (2022: CHF 4) and depreciation of CHF 15 (2022: CHF 14) from discontinued operations.

6. LEASES

RIGHT-OF-USE ASSETS	Land and buildings[1]	Machinery and IT equipment	Vehicles	Total
Historical cost				
1 January 2022	**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**
Additions	16'687	–	522	17'209
Disposals	-9'227	–	-260	-9'487
Exchange differences	-4'241	-41	-85	-4'367
31 December 2023	**99'726**	**688**	**1'739**	**102'153**
Accumulated depreciation and impairment				
1 January 2022	**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**
Depreciation	11'145	147	541	11'833
Impairment losses	1'376	–	–	1'376
Disposals	-6'287	–	-255	-6'542
Exchange differences	-1'904	-23	-40	-1'967
31 December 2023	**52'579**	**422**	**883**	**53'884**
Net carrying amount as of 31 December 2023	**47'147**	**266**	**856**	**48'269**
Net carrying amount as of 31 December 2022	**48'258**	**431**	**925**	**49'614**

[1] The carrying amount includes residual values of key money for retail stores for AUBADE and CALIDA amounting to CHF 12'255 (2022: CHF 12'622). Additions of key money of CHF 471 (2022: none) were recorded.

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.

Lease liabilities break down as follows:	2023	2022
Current lease liabilities	10’479	11’343
Non-current lease liabilities	27’756	26’810
Total	**38’235**	**38’153**

Amounts recognised in the **income statement** from continuing operations:	Notes	2023 [1]	2022 [1]
Depreciation of right-of-use assets		-11’833	-11’625
Impairment of right-of-use assets		-1’376	–
Interest expenses from lease liabilities	24	-698	-522
Expenses for short-term/low-value and variable lease agreements		-3’359	-2’841
Total recognised in the income statement		**-17’266**	**-14’988**

[1] MILLET MOUNTAIN GROUP (January 2022 to April 2022) and ERLICH TEXTIL (February 2022 to October 2023) reported as discontinued operations.

Total cash flow for leases including short-term leases, low-value assets and variable lease payments amounted to CHF 15’854 in fiscal year 2023 (2022: CHF 15’671).

Obligations from rental and lease agreements that have not been recognised amounted to CHF 375 (2022: CHF 521) as of 31 December 2023. 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 CGU is derived from the value-in-use calculation. The impairment tests did not result in any impairment (2022: none). Pre-tax discount rates of 6.3% to 9.7% were applied for these impairment tests (2022: 7.5% to 10.5%).

In connection with the discontinuation of the operation of the multibrand webshop onmyskin.de, an impairment loss of CHF 1’376 was recorded on the right of use assets.

7. INTANGIBLE ASSETS

Historical cost	Goodwill	Trademarks, licences and patents	Customer lists	Software	Other intangible assets	Total
1 January 2022	**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**
Additions	–	39	–	1'282	862	2'183
Disposals	–	–	–	-17	–	-17
Reclassifications	–	–	–	711	-711	–
Disposal of a Group company	-9'164	-10'535	-862	-1	-3	-20'565
Exchange differences	-3'081	-5'016	-601	-562	-121	-9'381
31 December 2023	**39'558**	**53'162**	**6'980**	**21'279**	**2'054**	**123'033**
Accumulated amortisation and impairment						
1 January 2022	**18'506**	**10'889**	**4'376**	**13'908**	**88**	**47'767**
Amortisation [1]	–	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**
Depreciation [1]	–	29	722	2'344	99	3'194
Impairments [1]	19'302	39'341	2'363	–	551	61'557
Disposals	–	–	–	-17	–	-17
Disposal of a Group company	-9'164	-10'535	-862	-1	-1	-20'563
Exchange differences	-1'876	-2'796	-460	-453	-54	-5'639
31 December 2023	**25'850**	**36'396**	**6'567**	**17'780**	**734**	**87'327**
Net carrying amount as of 31 December 2023	**13'708**	**16'766**	**413**	**3'499**	**1'320**	**35'706**
Net carrying amount as of 31 December 2022	**34'215**	**58'317**	**3'639**	**3'959**	**1'888**	**102'018**

[1] Amortisation includes an amount of CHF 73 (2022: CHF 139) and impairment losses include an amount of CHF 20'724 (2022: none) relating to discontinued operations.

GOODWILL

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

	2023	2022
CALIDA	7'678	8'142
LAFUMA MOBILIER	6'030	6'395
COSABELLA	–	10'253
ERLICH TEXTIL	–	9'425
Total	**13'708**	**34'215**

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 of 6.3% to 10.8% (2022: 7.5% to 12.4%) was used for calculating the recoverable value in use of CGUs for goodwill and trademarks. 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 2.2% and 2.5% (2022: 1.9% and 2.3%), which does not exceed the long-term average growth rate of the respective market in which the CGU is active.

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 trademarks are tested for impairment annually at the level of the CGUs. The main trademarks are LAFUMA MOBILIER (CHF 6.9 million, 2022: CHF 7.3 million), AUBADE (CHF 2.9 million, 2022: CHF 3.1 million) and COSABELLA (CHF 6.7 million; 2022: CHF 36.8 million). The ERLICH TEXTIL trademark was recognised at CHF 10.8 million in the prior year and written off in full and disposed of from the Group with the sale in 2023. The revenue growth forecast beyond the planning period ranges between 2.2% and 2.5% (2022: 1.9% and 2.2%).

IMPAIRMENT TEST

ERLICH TEXTIL

The difficult conditions – dampened consumer sentiment due to rising interest rates, higher inflation and ongoing geopolitical uncertainty – significantly impaired the planned development of the start-up ERLICH TEXTIL, acquired in February 2022. Revenue development deteriorated, such that continuing to run the ERLICH TEXTIL brand no longer made strategic sense for the CALIDA GROUP. Intangible assets (goodwill of CHF 9’329, the trademark of CHF 10’725 and the customer base of CHF 743) were written off in full. On 26 October 2023, ERLICH TEXTIL was sold as part of a management buy-out, see note 18.

COSABELLA

COSABELLA’s business development fell short of the original business case. The more cautious reassessment of the business potential led to an adjustment of targets and thus to impairment losses of CHF 40’282, recognised under impairment of intangible assets. The carrying amounts recognised were adjusted to the recoverable amount of CHF 10’604, whereupon the goodwill was completely written down by CHF 9’973 and the brand by CHF 28’617 and the customer list by CHF 1’692.

The estimate of recoverable amount is primarily influenced by the pre-tax discount rate (10.8%), the growth rate outside the planning period (2.5%) and the forecast free cash flows. If the pre-tax discount rate is raised by 1 percentage point, a further impairment loss of CHF 1’076 must be recognised. A decrease in the growth rate outside the planning period by 1 percentage point would increase the impairment loss by CHF 1’163.

OTHER CGUs

The recoverable amount from the other CGUs exceeds the carrying amounts recorded. Even a significant change in the underlying data would not result in impairment of goodwill and other recognised carrying amounts.

8. FINANCIAL ASSETS

	2023	2022
Other financial assets	96	2'199
Current financial assets	**96**	**2'199**
Other financial assets	2'665	3'640
Non-current financial assets	**2'665**	**3'640**
Total financial assets	**2'761**	**5'839**

Other financial assets mainly relate to security deposits paid for rental agreements. Their terms match the terms of the respective rental agreement. In the prior year, other current financial assets from the sale of OXBOW in 2020 also included a loan to Rainbow SAS, the new parent company of OXBOW. This loan was concluded with deferred interest upon maturity and is measured at amortised cost of CHF 2'098. An agreement was prepared in the prior year and signed at the beginning of 2023. The loan was repaid in the amount of CHF 2'098 in the first quarter of 2023. This resulted in finance income of CHF 514 in the prior year. In 2023, there was no effect on the Group income statement.

As part of the sale, LAFUMA SAS acquired an equity interest of 18.6% in Rainbow SAS. The investment was entered into the accounts in the prior year under other non-current financial assets at a fair value of CHF 788 and irrevocably designated as being recognised at fair value through consolidated comprehensive income. Consequently, prior-year changes in the fair value of CHF 638 (excluding foreign currency exchange effects) were recognised through consolidated comprehensive income. In 2023, there was no effect on consolidated 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 selling price took place in the first quarter of 2023.

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

9. FINANCIAL LIABILITIES

	2023	2022
Financial liabilities to banks	15'458	6'276
Derivative financial instruments	0	240
Current financial liabilities	**15'458**	**6'516**
Total financial liabilities	**15'458**	**6'516**

In the reporting year, the CALIDA GROUP renewed the existing syndicated loan facility until 2028. As of the reporting date 31 December it had been utilised as follows:

Debtor: CALIDA Holding AG, CALIDA Finance AG, CALIDA AG	Currency	Interest rate	Term	Loan volume 2023	Thereof utilised 2023	Loan volume 2022	Thereof utilised 2022
Revolving credit facility	various	SARON + margin [1]	2023–2028	70'000	15'000	70'000	–
Total syndicated loan				**70'000**	**15'000**	**70'000**	**–**

[1] Depending on gearing ratio

Besides other terms and conditions, the syndicated loan contains financial covenants relating to gearing (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 2023 and 2022 reporting years.

10. TRADE ACCOUNTS PAYABLE

	2023	2022
Trade accounts payable	12'482	25'105
Total	**12'482**	**25'105**

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

	2023	2022
CHF	3'221	4'552
EUR	7'682	16'442
USD	1'204	3'088
Other	375	1'023
Total	**12'482**	**25'105**

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

11. OTHER CURRENT LIABILITIES

	2023	2022
Liabilities to government authorities	5'148	7'083
Advance payments received from customers	376	385
Liabilities to commercial agents	330	489
Refund liabilities	1'238	1'584
Other liabilities	3'277	4'260
Total	**10'369**	**13'801**

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

12. ACCRUED EXPENSES AND DEFERRED INCOME

	2023	2022
Invoices not yet received	11'059	11'259
Accrued personnel expenses	9'228	12'432
Performance obligations from customer loyalty programmes	2'687	2'484
Other accrued expenses and deferred income	8'823	6'288
Total	**31'797**	**32'463**

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**
Additions	4	300	359	–	–	519	1'182
Utilisation	-209	-18	-153	–	-845	-614	-1'839
Reversal	-5	–	-440	–	–	–	-445
Reclassification	–	-18	–	–	–	18	–
Disposal of a Group company	–	–	–	–	–	-247	-247
Exchange differences	-30	-6	-45	-83	–	-65	-229
31 December 2023	**1'003**	**393**	**706**	**1'371**	**–**	**1'529**	**5'002**
Current provisions 2023	344	300	–	354	–	574	1'572
Non-current provisions 2023	659	93	706	1'017	–	955	3'430
Total provisions 2023	**1'003**	**393**	**706**	**1'371**	**–**	**1'529**	**5'002**
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**

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 acquisition of ERLICH TEXTIL in 2022. The supplier payments were due in the reporting year and the provision was derecognised accordingly.

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	
	2023	2022	2023	2022
Receivables	35	7	-3'414	-3'726
Inventories	1'394	1'499	-2'075	-1'729
Property, plant and equipment	365	457	-189	-52
Leases	514	263	–	–
Intangible assets	175	2	-2'942	-7'465
Other assets	354	762	-229	-243
Provisions	1'107	1'525	-73	-85
Defined benefit obligation	366	218	-7	–
Other liabilities	583	800	-537	-646
Tax losses carried forward	4'096	4'988	–	–
Total deferred tax assets/liabilities	**8'989**	**10'521**	**-9'466**	**-13'946**
Netting	-3'922	-4'525	3'922	4'525
Total deferred tax assets/liabilities, as disclosed in the statement of financial position	**5'067**	**5'996**	**-5'544**	**-9'421**

UNRECOGNISED TAX LOSS CARRYFORWARDS

Unrecognised tax loss carryforwards lapse	2023	2022
in 1 year	–	–
in 2 to 5 years	–	–
in more than 5 years	1’781	–
do not lapse	28’870	37’573
Total unrecognised tax loss carryforwards	**30’651**	**37’573**

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	2023	2022
Current income taxes	-2’462	-5’533
Deferred income taxes	2’945	-714
Total tax expense recorded in the income statement	**483**	**-6’247**
attributable to		
Continuing operations	-2’967	-5’791
Discontinued operations	3’450	-456
Tax effect recorded in other comprehensive income		
Deferred income taxes from remeasurement of defined benefit plans	2	-646
Total tax effect recorded in other comprehensive income	**2**	**-646**
Tax effect recorded directly in equity		
Income taxes from share-based payments	-52	36
Total tax effect recorded directly in equity	**-52**	**36**

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 (2023: 22.2%; 2022: 24.9%) 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

	2023	as a %	2022	as a %
Net result from continuing operations, before taxes	-41'825		28'722	
Net result from discontinued operations, before taxes	-23'526		689	
Net result before taxes total	**-65'351**		**29'411**	
Tax result based on expected tax rate	14'527	22.2%	-7'335	24.9%
Change in expected tax rate	12		-116	
Non-deductible expenses and/or non-taxable income	-11'830		1'183	
Unrecognised tax losses in the current period	-2'741		-2'598	
Utilisation of unrecognised tax loss carryforwards	2'159		3'251	
Changes in recognised tax loss carryforwards	-335		-47	
Accumulated earnings tax on account of dividend payments	-107		-168	
Other effects	-1'202		-417	
Actual tax result recorded in the income statement	**483**	**0.7%**	**-6'247**	**21.2%**

15. SHAREHOLDERS' EQUITY – GROUP

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

	2023	2022
8'441'033 registered shares with a par value of CHF 0.10 each (2022: 8'422'751 registered shares with a par value of CHF 0.10 each), issued and fully paid in	**844**	**842**

CONDITIONAL CAPITAL

In the reporting year, a conditional capital increase of CHF 2 or 18'282 registered shares was carried out. The average exercise price was CHF 31.45 per share. The sum in excess of the par value of CHF 572 was credited to the capital reserves following the deduction of transaction costs. In the prior year, a conditional capital increase of CHF 3 or 37'714 registered shares was carried out. The average exercise 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.

The available conditional capital as of 31 December 2023 amounts to CHF 17 (2022: CHF 19). This equates to 168'967 registered shares (2022: 187'249 registered shares) with a par value of CHF 0.10 (2022: CHF 0.10) each.

CAPITAL BAND

The Board of Directors did not increase or decrease the capital within the capital band in the reporting year. In the prior year, there was no capital band.

TREASURY SHARES
As of the reporting date 31 December 2023, the Company holds 67'998 treasury shares. The following treasury share transactions took place:

	Number	Value CHF 1'000	Price in CHF
1 January 2022	**998**	**27**	**27.00**
Additions	–	–	–
Disposals	–	–	–
31 December 2022	**998**	**27**	**27.00**
Additions	67'000	2'095	31.18
Disposals	–	–	–
31 December 2023	**67'998**	**2'122**	**31.12**

The treasury shares were acquired in the reporting year to fulfill the PSU programme (Note 21).

16. SIGNIFICANT SHAREHOLDERS
According to the information available in the disclosure notifications pursuant to article 120 Financial Market Infrastructure Act (FinMIA) and the share register of Calida Holding AG, as of 31 December 2023, the following significant shareholders held more than 3% (directly and/or indirectly) of the share capital of Calida Holding AG entered in the commercial register.

	2023	2022
Shareholder group of Kellenberger family members	33.4%	33.6%
Veraison SICAV [1)]	10.0%	10.0%
Vontobel Fonds Services AG [2)]	5.1%	5.1%
Swisscanto Fondsleitung AG [3)]	5.0%	5.0%
UBP Asset Management (Europe) SA [4)]	3.0%	3.0%

[1)] According to the report to SIX Swiss Exchange as of 25 August 2023, Veraison SICAV holds 9.96%.
[2)] According to the report to SIX Swiss Exchange as of 8 March 2012, Vontobel Fonds Services AG holds 5.06%.
[3)] According to the report to SIX Swiss Exchange as of 24 June 2022, Swisscanto Fondsleitung AG holds 4.9995%.
[4)] 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 Board of Directors will submit a proposal to the Annual General Meeting of CALIDA Holding AG on 5 April 2024 to distribute a dividend for the reporting year of CHF 5'024 (dividend of CHF 0.60 per registered share). The total distribution amount changes if the number of shares entitled to dividends changes.

The Annual General Meeting of 19 April 2023 authorised a distribution of CHF 9'692 (dividend of CHF 1.15 per registered share).

The Annual General Meeting of 14 April 2022 authorised a distribution of CHF 8'392 (dividend of CHF 1.00 per registered share).

18. DISCONTINUED OPERATIONS

ERLICH TEXTIL

On 15 June 2023, the CALIDA GROUP announced that ERLICH TEXTIL would no longer be continued and that it would be reported as a discontinued operation. On 26 October 2023, the CALIDA GROUP completed the sale as part of a management buy-out.

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 and the MILLET MOUNTAIN GROUP is recognised accordingly 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	ERLICH TEXTIL	ERLICH TEXTIL	MILLET MOUNTAIN GROUP	TOTAL
	1 January – 26 October 2023	4 February – 31 December 2022	1 January – 20 April 2022	1 January – 31 December 2022
Net sales	2'760	4'821	29'614	34'435
Operating expenses	-26'098	-7'092	-28'038	-35'130
Operating result	**-23'338**	**-2'271**	**1'576**	**-695**
Financial result, net	-187	1'516	-132	1'384
Net result before taxes	**-23'526**	**-755**	**1'444**	**689**
Taxes	3'450	-416	-40	-456
Net result	**-20'076**	**-1'171**	**1'404**	**233**
Loss/gain on the disposal of Group companies	-1'631	–	13'856	13'856
Result from discontinued operations, after taxes	**-21'707**	**-1'171**	**15'260**	**14'089**
Earnings per registered share in CHF from discontinued operations	-2.58	-0.14	1.82	1.68
Diluted earnings per registered share in CHF from discontinued operations	-2.57	-0.14	1.81	1.67

The loss/profit from discontinued operations is attributable in full to the shareholders of CALIDA Holding AG.

ASSETS AND LIABILITIES AT THE TIME OF SALE	ERLICH TEXTIL 26 October 2023	MILLET MOUNTAIN GROUP 20 April 2022
Cash and cash equivalents	196	7’091
Trade accounts receivable	205	15’761
Inventories	753	25’092
Other current receivables	991	6’831
Current assets	**2’145**	**54’775**
Property, plant and equipment	21	3’718
Right-of-use assets	–	12’247
Intangible assets	2	21’140
Other non-current receivables	7	2’600
Non-current assets	**30**	**39’705**
ASSETS	**2’175**	**94’480**
Current lease liabilities	–	2’550
Trade accounts payable	158	8’341
Accrued expenses and deferred income	122	11’095
Provisions	247	–
Other current liabilities	958	6’129
Current liabilities	**1’485**	**28’115**
Non-current lease liabilities	–	5’744
Other non-current liabilities	–	954
Non-current liabilities	**–**	**6’698**
LIABILITIES	**1’485**	**34’813**
NET ASSETS	**690**	**59’667**
Payments received	0	73’453
Reclassification of exchange differences recognised in shareholders’ equity in the income statement	-941	70
Loss/gain on the disposal of Group companies	**-1’631**	**13’856**
Payments received in cash	0	73’453
Disposal of cash and cash equivalents	-196	-7’091
Net cash flow	**-196**	**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. The CALIDA GROUP has four reporting segments which are organised and managed independently of each other 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 operation of the multi-brand webshop www.onmyskin.de has been discontinued and 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 the following expenses:

	2023	2022
Logistics and infrastructure	-17'792	-16'974
IT	-15'351	-14'606
Product development	-5'248	-5'596
Administration and management	-24'461	-24'832
Non-recurring expenses/impairment losses	-49'748	-2'998
Total	**-112'600**	**-65'006**

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

2023 [1]	CALIDA	AUBADE	COSABELLA	LAFUMA MOBILIER	Other activities	CALIDA GROUP
Net sales	**157'701**	**68'922**	**22'584**	**47'536**	**7'685**	**304'428**
E-commerce	46'700	15'786	15'853	11'216	7'685	97'240
Bricks-and-mortar sales channels	111'001	53'136	6'731	36'320	–	207'188
Operating contribution	**44'261**	**20'233**	**307**	**9'739**	**-2'114**	**72'426**
Non-allocated operating costs						-112'600
Operating result						-40'174
Financial result, net						-1'651
Net result from continuing operations, before taxes						-41'825
Depreciation and amortisation of property, plant and equipment and intangible assets	-2'803	-1'187	-709	-1'654	-1'432	-7'785
Impairment of intangible assets	–	–	-40'282	–	-551	-40'833
Depreciation of right-of-use assets	-6'241	-3'347	-308	-1'610	-327	-11'833
Impairment of right-of-use assets	–	–	–	–	-1'376	-1'376
Investments in property, plant and equipment and intangible assets; additions from right-of-use assets	10'496	5'567	228	2'949	6'857	26'097

2022 [1]	CALIDA	AUBADE	COSABELLA[2]	LAFUMA MOBILIER	Other activities	CALIDA GROUP
Net sales	**155'497**	**74'238**	**14'173**	**64'152**	**11'009**	**319'069**
E-commerce	42'753	13'420	9'425	8'529	11'009	85'136
Bricks-and-mortar sales channels	112'744	60'818	4'748	55'623	–	233'933
Operating contribution	**47'016**	**22'275**	**3'357**	**19'688**	**1'705**	**94'041**
Non-allocated operating costs						-65'006
Operating profit						29'035
Financial result, net						-313
Net result from continuing operations, before taxes						28'722
Depreciation and amortisation of property, plant and equipment and intangible assets	-2'952	-1'008	-520	-1'080	-1'571	-7'131
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	3'506	21'563

[1] MILLET MOUNTAIN GROUP (January 2022 to April 2022) and ERLICH TEXTIL (February 2022 to October 2023; reported in the prior year under "other activities") reported as discontinued operations and not included in the figures above.
[2] Since the acquisition date on 23 May 2022.

in CHF 1'000

In the reporting period, the CALIDA GROUP recognised write-downs on receivables from contracts with customers from continuing operations of CHF 1'006 against sales and marketing expenses (2022: CHF 573).

GEOGRAPHICAL REPORTING

Net sales to third parties	2023[1]	2022[1]
France	72'909	83'273
Germany	84'228	89'806
Switzerland	75'481	76'107
Other Europe	39'640	45'830
Asia	904	1'352
USA	27'869	20'315
Other markets	3'397	2'386
Total	**304'428**	**319'069**

[1] MILLET MOUNTAIN GROUP (January 2022 to April 2022) and ERLICH TEXTIL (February 2022 to October 2023) reported as discontinued operations.

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

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

	2023	2022
France	54'385	58'499
USA	7'910	50'528
Germany	17'919	37'311
Switzerland	19'760	20'199
Hungary	3'953	3'385
Other markets	3'260	3'784
Total	**107'187**	**173'706**

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 2'687 (2022: CHF 2'484) and are contained in 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:

	2023[1]	2022[1]
Wages and salaries	-79’326	-75’876
Social security expenses	-14’188	-14’901
Expenses for defined benefit plans	-150	-1’847
Expenses for defined contribution plans	-1’036	-1’041
Share-based payments	-431	-683
Other personnel expenses	-7’263	-11’334
Total	**-102’394**	**-105’682**

[1] MILLET MOUNTAIN GROUP (January 2022 to April 2022) and ERLICH TEXTIL (February 2022 to October 2023) reported as discontinued operations.

Pension plans in Switzerland and some in France qualify as defined benefit plans. All other plans are defined contribution plans.

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 asset/obligation of all defined benefit plans is presented below:

Breakdown of the pension entitlements	2023	2022
Present value of the DBO	-50'621	-48'903
Fair value of plan assets	50'940	52'425
Excess	**319**	**3'522**
Impact of the asset ceiling	–	-4'397
Net defined benefit asset/obligation	**319**	**-875**
of which recorded in other non-current assets [1]	319	–
of which recorded in other non-current liabilities	–	-875

[1] Other non-current assets include an additional amount of CHF 14 (prior year: CHF 0), which is not attributable to the net defined benefit assets.

NET DEFINED BENEFIT ASSET/OBLIGATION

	2023	2022
Balance as of 1 January	**-875**	**-5'451**
Cost of defined benefit plans, through profit or loss	-94	-1'866
Income from defined benefit plans, recognised in other comprehensive income	79	5'215
Employer contributions	1'123	1'089
Plan settlements	35	76
Exchange differences	51	62
Balance as of 31 December	**319**	**-875**

PRESENT VALUE OF THE DBO

	2023	2022
Balance as of 1 January	**48'903**	**59'384**
Service cost	1'313	1'847
Interest expense	1'147	218
Employee contributions	1'229	1'037
Benefit payments	-3'662	-2'994
Plan settlements	-35	-76
Past service cost	-1'162	–
Actuarial gains	2'990	-10'414
Exchange differences	-102	-99
Balance as of 31 December	**50'621**	**48'903**
of which relating to Switzerland:		
Present value of the DBO	48'958	47'219
Active employees	74.4%	77.8%
Retirees	25.6%	22.2%
Average duration in years	14.8	14.1

The past service cost stems from a plan amendment. A Swiss pension fund now applies a conversion rate to the total retirement account balances of 5.2% (instead of 6.8%) for the years from 2025 onwards.

PLAN ASSETS AT FAIR VALUE

	2023	2022
Balance as of 1 January	**52'425**	**53'933**
Interest income at discount rate	1'204	199
Employer contributions	1'123	1'089
Employee contributions	1'229	1'037
Benefit payments	-3'662	-2'994
Return on plan assets (excluding the interest income discount rate)	-1'328	-802
Exchange differences	-51	-37
Balance as of 31 December	**50'940**	**52'425**

EFFECTS OF THE ASSET CEILING

	2023	2022
Effects of the asset ceiling as of 1 January	4'397	–
Change in effects of the asset ceiling	-4'397	4'397
Effects of the asset ceiling as of 31 December	**–**	**4'397**

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

	2023	2022
Service cost in personnel expenses	-150	-1'847
Net interest in the financial result	56	-19
Total	**-94**	**-1'866**

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

	2023	2022
Remeasurement of the net defined benefit liability		
– Changes in financial assumptions	-3'705	13'253
– Changes in demographic assumptions	-281	-134
– Experience adjustments	996	-2'705
Return on plan assets (excluding the interest income discount rate)	-1'328	-802
Effects of the asset ceiling	4'397	-4'397
Total remeasurements of defined benefit plans recorded in other comprehensive income, before taxes	**79**	**5'215**

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

	2023	2022
Discount rate	1.6%	2.4%
Estimated future salary increases	1.2%	1.0%

SENSITIVITY

A further 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 7.0%/7.9% (2022: decrease of 6.7%/increase of 7.4%) in the DBO. An increase/decrease of 0.5% in the salary increase would lead to an increase/decrease of 0.3%/0.3% (2022: increase of 0.2%/decrease of 0.2%) 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:

	2023	2022
Shares	33.3%	33.9%
Bonds	34.7%	31.8%
Property	27.4%	28.0%
Alternative investments	3.3%	2.6%
Cash and cash equivalents	1.3%	3.7%
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.

The CALIDA GROUP expects to make employer contributions of CHF 1'210 for fiscal year 2024.

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 or were forfeited in the course of the fiscal year.

	2023	2022
Balance as of 1 January	42’095	21’335
Granted	23’705	21’605
Forfeited	-23’105	-845
Balance as of 31 December	**42’695**	**42’095**

The CALIDA GROUP recorded personnel expenses of CHF 431 in connection with the LTI in 2023 (2022: CHF 659). At the time they were granted, the fair value of the PSUs granted in the fiscal year was CHF 888 (2022: CHF 1’058).

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 new long-term incentive plan (LTI) in 2020. As of the reporting date, the following entitlements remain:

31 December 2023

Term	Number of options outstanding	Exercise price in CHF	Settlement date
1 April 2019 – 31 March 2024	9’718	31.45	1 April 2022
Total	**9’718**		

The CALIDA GROUP no longer recorded personnel expenses in connection with the stock option plans in 2023 (2022: CHF 24). No options were granted during fiscal year 2023 (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 of options 2023	Average exercise price in CHF 2023	Number of options 2022	Average exercise price in CHF 2022
Outstanding as of 1 January	28’000	31.45	72’714	31.98
Exercised in the reporting period [1)]	-18’282	31.45	-37’714	32.06
Expired in the reporting period	–	–	-7’000	33.69
Forfeited in the reporting period	–	–	–	–
Outstanding as of 31 December	**9’718**	**31.45**	**28’000**	**31.45**
Vested as of 31 December	**9’718**	**31.45**	**28’000**	**31.45**

[1)] The weighted average share price on the exercise date of options is CHF 41.80 in the reporting year (2022: CHF 47.12).

The exercise price of options outstanding as of the end of the reporting year is CHF 31.45 (2022: CHF 31.45), while the average term to maturity is 0.25 years (2022: 1.25 years).

22. OTHER OPERATING EXPENSES

	2023[1]	2022[1]
Sales and marketing expenses	-51'921	-48'524
General administrative expenses	-13'151	-16'192
Other expenses	-24'841	-18'615
Total	**-89'913**	**-83'331**

[1] MILLET MOUNTAIN GROUP (January 2022 to April 2022) and ERLICH TEXTIL (February 2022 to October 2023) reported as discontinued operations.

23. DEPRECIATION, AMORTISATION AND IMPAIRMENT

	Note	2023[1]	2022[1]
Depreciation of property, plant and equipment	5	-4'664	-4'178
Amortisation of intangible assets	7	-3'121	-2'953
Impairment of intangible assets	7	-40'833	–
Total		**-48'618**	**-7'131**
Depreciation of right-of-use assets	6	-11'833	-11'625
Impairment of right-of-use assets	6	-1'376	–
Total		**-13'209**	**-11'625**

[1] MILLET MOUNTAIN GROUP (January 2022 to April 2022) and ERLICH TEXTIL (February 2022 to October 2023) reported as discontinued operations.

24. FINANCIAL RESULT, NET

	2023[1]	2022[1]
Interest income from financial assets	283	250
Other financial income	30	522
Total financial income	**313**	**772**
Net interest on defined benefit plans	56	-19
Interest expense from financial liabilities	-957	-363
Bank fees and other financial expenses	-154	-109
Interest expenses from lease liabilities	-698	-522
Total financial expenses	**-1'753**	**-1'013**
Net result from exchange differences	-211	-72
Net result from exchange differences	**-211**	**-72**
Total	**-1'651**	**-313**

[1] MILLET MOUNTAIN GROUP (January 2022 to April 2022) and ERLICH TEXTIL (February 2022 to October 2023) reported as discontinued operations.

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

	2023	2022
Net result from continuing operations	-44'790	22'951
Net result	-66'497	37'040
Number of shares as of the reporting date	8'441'033	8'422'751
Less weighted average included in capital increase/treasury shares	-20'545	-25'204
Average number of shares outstanding	**8'420'488**	**8'397'547**
Adjustment due to share-based payment plans	16'474	36'247
Average number of shares outstanding, diluted	**8'436'962**	**8'433'794**
Earnings per registered share in CHF:		
From continuing operations	-5.32	2.73
From continuing operations diluted	-5.31	2.72
Total, from continuing operations and discontinued operations	-7.90	4.41
Total, from continuing operations and discontinued operations diluted	-7.88	4.39

26. PLEDGED ASSETS

In the reporting year, pledged assets amounted to CHF 1'081 (2022: CHF 1'080).

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

	2023	2022
Current compensation [1]	3’394	3’578
Post-employment benefits [2]	385	513
Share-based payments	116	263
Total	**3’895**	**4’354**

[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 and reductions in expenses due to forfeited instruments recorded in the reporting year and stems from the LTI and additionally in the prior year from options granted in 2019 (see note 21).

SIGNIFICANT SHAREHOLDERS
Purchases in the amount of CHF 28 (2022: sales of CHF 145) were made by a company controlled by a significant shareholder. The Group has not received or issued any guarantees.

TREASURY SHARES
Transactions with treasury shares are disclosed in note 15.

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 relates to continuing operations.

FINANCIAL INSTRUMENTS

Financial assets are allocated to the following categories:	2023	2022
Cash and cash equivalents	15’748	26’365
Trade accounts receivable	16’167	18’890
Loans (current and non-current)	2’761	5’051
Other financial assets [1]	1’456	2’331
Total – at amortised cost	**36’132**	**52’637**
At fair value through OCI (equity instruments – level 3) [2]	–	788
Total	**36’132**	**53’425**

[1] Component of other current receivables (note 3)
[2] See note 8

Financial liabilities are allocated to the following categories:	2023	2022
Current financial liabilities	15'458	6'276
Lease liabilities (measured according to IFRS 16)	38'235	38'153
Trade accounts payable	12'482	25'105
Other current liabilities [1]	3'607	4'749
Accrued expenses and deferred income [2]	11'059	11'259
Total – at amortised cost	**80'841**	**85'542**
Financial instruments at fair value – hedging instruments (derivatives – level 2)	0	240
Total	**80'841**	**85'782**

1) Not including liabilities to government authorities, prepayments by customers and refund liabilities of CHF 6'762 (2022: CHF 9'052).
2) Not including accrued personnel expenses, performance obligations from customer loyalty programmes and other accrued expenses/deferred income of CHF 20'738 (2022: CHF 21'204).

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 have 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 2023 (2022: 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 2022 [2]	**60’002**	**–**	**-14’720**	**-38’737**	**6’545**
Addition of Group companies	–	-587	-326	-286	-1’199
Cash flow from operating and investing activities (continuing and discontinued operations)	-15’258	–	–	–	-15’258
Cash flow from financing activities (continuing and discontinued operations)	-15’439	-4’501	15’069	6’790	1’919
Exchange differences	-2’940	-1’188	406	1’175	-2’547
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**
Cash flow from operating and investing activities (continuing and discontinued operations)	3’906	–	–	–	3’906
Cash flow from financing activities (continuing and discontinued operations)	-13’079	-9’169	11’797	–	-10’451
Exchange differences	-1’444	-13	422	1’382	347
Reclassification	–	–	-11’355	11’355	–
Non-cash items	–	–	–	-13’683	-13’683
31 December 2023	**15’748**	**-15’458**	**-10’479**	**-27’756**	**-37’945**

[1] See note 9 – Financial liabilities excluding derivative financial instruments
[2] From continuing and discontinued operations

SYNDICATED LOAN FACILITY

The CALIDA GROUP has a revolving credit facility of CHF 70’000 to secure long-term financing. As of the reporting date, CHF 15’000 thereof had been utilised (2022: not utilised).

in CHF 1'000

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

	2023	2022
Liquidity	15'748	26'365
Confirmed credit lines	84'180	98'558
Credit lines used	-15'458	-6'276
Total	**84'470**	**118'647**

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 2023	Carrying amount	Contractual payments	< 1 year	1-5 years	More than 5 years[3]
Financial liabilities	15'458	15'489	15'489	–	–
Lease liabilities	38'235	42'892	11'490	25'985	5'417
Trade accounts payable	12'482	12'482	12'482	–	–
Derivative financial instruments					
Cash inflows	–	-9'474	-9'474	–	–
Cash outflows	–	9'474	9'474	–	–
Net	–	–	–	–	–
Other current liabilities [1]	3'607	3'607	3'607	–	–
Accrued expenses and deferred income [2]	11'059	11'059	11'059	–	–

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	–	–

[1] Not including liabilities to government authorities, prepayments by customers and refund liabilities of CHF 6'762 (2022: CHF 9'052).
[2] Not including accrued personnel expenses, performance obligations from customer loyalty programmes and other accrued expenses/deferred income of CHF 20'738 (2022: CHF 21'204).
[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	2023	2022
+/- 25 basis points	EUR	+/- 48	+/- 35
+/- 25 basis points	CHF	+/- 49	+/- 8
+/- 25 basis points	USD	+/- 5	+/- 3

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 accounting standards 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 2023, and all other parameters remained unchanged, net income would have decreased by CHF 115 (2022: increase of CHF 273). Vice versa, if it had appreciated by the same amount, earnings would have increased by the amount of the decrease described above.

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, no expenses from hedge accounting were reclassified from shareholder's equity to inventories (2022: expenses of CHF 410).

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 2023	–	–	–	–
31 December 2022	–	18	525	–

CAPITAL MANAGEMENT

Sufficient liquidity is available for ordinary business operations in the fiscal year 2023 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:

	2023	2023 excluding IFRS 16	2022	2022 excluding IFRS 16
Shareholders' equity	114'056	114'056	198'958	198'958
Total capital	233'686	195'451	334'067	295'914
Equity ratio	**48.8%**	**58.4%**	**59.6%**	**67.2%**

29. SUBSEQUENT EVENTS

There were no significant subsequent events.

The 2023 consolidated financial statements were approved by the Audit & Risk Committee on 20 February 2024 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 5 April 2024.

AMBIANCE POP UP XL
LAFUMA MOBILIER

Independent auditor’s report

To the Annual General Meeting of CALIDA Holding AG, Oberkirch

KPMG

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 2023, 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 25 to 77) give a true and fair view of the consolidated financial position of the Group as at 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards 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

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.

KPMG AG
Lucerne, 20 February 2024

VALUATION OF GOODWILL AND INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIFE

Key Audit Matter

As of 31 December 2023, the Group reports Goodwill of CHF 13.7 million and Intangible assets with indefinite useful life (brands) of CHF 16.8 million. The latter amount includes brands in the amount of CHF 16.5 million. In the 2023 financial year, impairment losses of CHF 19.3 million were recognized on goodwill and CHF 39.3 million on brands.

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 the impairment losses were recognized correctly in the consolidated financial statements;
- 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 32

— Note 7 Intangible Assets page 50

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 Accounting Standards 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, 20 February 2024

KPMG AG, Pilatusstrasse 41, CH-6003 Lucerne

Circular Romance
CALIDA

Financial statements 2023
CALIDA Holding AG

Boxershorts Papyrus
AUBADE

in CHF 1'000

Statement of financial position

AS OF 31 DECEMBER	Notes	2023	2022
Cash and cash equivalents		82	1'430
Other current receivables			
from third parties		160	258
from investments		1'760	1'905
Current assets		**2'002**	**3'593**
Loans to investments		23'096	69'415
Investments	1.1	245'194	261'167
Non-current assets		**268'290**	**330'582**
ASSETS		**270'292**	**334'175**
Interest-bearing current liabilities		15'000	6'404
Other current liabilities			
to third parties		23	308
from investments		14'188	76'156
Current tax liabilities		–	1'191
Accrued expenses and deferred income		961	752
Current liabilities		**30'172**	**84'811**
Liabilities		**30'172**	**84'811**
Share capital	1.2	844	842
Statutory capital reserves			
Capital contribution reserves	1.5	3'847	7'720
General legal reserves		500	500
Treasury shares	1.6	-2'122	-27
Retained earnings			
Profit carried forward		235'272	207'209
Net income		1'779	33'120
Shareholders' equity		**240'120**	**249'364**
SHAREHOLDERS' EQUITY AND LIABILITIES		**270'292**	**334'175**

Income statement

1 JANUARY – 31 DECEMBER	2023	2022
Dividend income	70'444	41'251
Other financial income	4'277	1'485
Other operating income	–	740
Income	**74'721**	**43'476**
Loss from the sale of investments	-22'835	–
Impairment of loans to investments	-37'502	–
Administrative expenses	-3'830	-5'345
Financial expenses	-8'758	-5'011
Direct taxes	-17	–
Expenses	**-72'942**	**-10'356**
Net income	**1'779**	**33'120**

Change in shareholders' equity

	Share capital	Capital contribution reserves	General legal reserves	Retained earnings	Treasury shares	Shareholders' equity
1 January 2021	**826**	**702**	**500**	**174'646**	**-27**	**176'647**
Capital increase	13	5'244	–	–	–	5'257
Dividend 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
Dividend 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**
Capital increase	2	762	–	–	–	764
Transactions with treasury shares	–	–	–	–	-2'095	-2'095
Dividend from retained earnings	–	–	–	-5'057	–	-5'057
Dividend from capital contribution reserves	–	-4'635	–	–	–	-4'635
Net income	–	–	–	1'779	–	1'779
31 December 2023	**844**	**3'847**	**500**	**237'051**	**-2'122**	**240'120**

in CHF 1'000

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 accounting standards). Therefore, and following the legal requirements, it does not present a statement of cash flows or notes with regard to interest-bearing liabilities and audit fees.

1. Notes to the financial statements

1.1. EQUITY INVESTMENTS
As a parent company, CALIDA Holding AG, Oberkirch, holds the following investments directly:

Company[1]	Registered office	Business activities		Capital stock In local currency	Capital and voting rights 31.12.2023	Capital and voting rights 31.12.2022
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.	Calan, Romania	Production	RON	100'000	100.0%	100.0%
CALIDA Ungarn Produktionsgesellschaft mbH	Rajka, Hungary	Production	HUF	477'300'000	100.0%	100.0%
AUBADE SA	Oberkirch, Switzerland	Sales	CHF	500'000	100.0%	100.0%

Company[1]	Registered office	Business activities		Capital stock In local currency	Capital and voting rights 31.12.2023	31.12.2022
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%
Calida Group Digital GmbH (formerly Reich Online Solutions GmbH)	Bruckmühl, Germany	Sales	EUR	25'000	100.0%	100.0%
Vorfreude GmbH [2]	Cologne, Germany	Sales	EUR	–	–	99.9%
Calida Group USA Inc.	Delaware, USA	Holding	USD	1	100.0%	100.0%
indirectly:						
CALIDA France SAS	Paris, France	Sales	EUR	16'639'200	100.0%	100.0%
AUBADE Paris SAS	Paris, France	Sales/logistics	EUR	15'754'230	100.0%	100.0%
AUBADE Paris (UK) Ltd.	Hemel Hempstead, UK	Sales	GBP	100	100.0%	100.0%
AUBADE Paris & Cie SCS	Monte Carlo, Monaco	Sales	EUR	100'000	100.0%	100.0%
Aubade US, Inc.	Delaware, USA	Sales	USD	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%
LAFPROM Tunisie	Sousse, Tunisia	Production	TND	100'000	100.0%	100.0%
LAFUMA America Inc.	Duluth, USA	Sales	USD	24'500	100.0%	100.0%
LAFUMA BV	Leusden, the Netherlands	Sales	EUR	113'445	100.0%	100.0%
LAFUMA 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%
SHERPA Logistique SAS	Saint-Rambert d'Albon, France	Logistics	EUR	373'570	100.0%	100.0%
Luemme, LLC	Miami, USA	Sales/logistics	USD	0	100.0%	100.0%

[1] Only active companies are listed.
[2] Sold in the reporting year.

1.2 SHARE CAPITAL

The share capital of CHF 844 (2022: CHF 842) consists of 8'441'033 (2022: 8'422'751) registered shares outstanding with a par value of CHF 0.10 (2022: CHF 0.10).

1.3 CONDITIONAL CAPITAL

In the reporting year, the share capital was increased from conditional capital by CHF 2 (2022: CHF 3) or 18'282 registered shares (2022: 37'714) and CHF 762 (2022: CHF 1'774) from the capital increase was added to the capital contribution reserves.

The available conditional capital as of 31 December 2023 amounts to CHF 17 (2022: CHF 19). This equates to 168'967 registered shares (2022: 187'249 registered shares) with a par value of CHF 0.10 (2022: CHF 0.10) each.

1.4 CAPITAL BAND

The Board of Directors did not increase or decrease the capital within the capital band in the reporting year. In the prior year, there was no capital band.

1.5 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 of CHF 5'891 in accordance with Art. 5 para. 1 VStG ["Bundesgesetz über die Verrechnungssteuer": Swiss Federal Law on Withholding Tax] as of 31 December 2021. Confirmation of the capital increases from 2022 and 2023 as well as the dividend from reserves from capital contribution reserves from 2023 are still pending.

1.6 TREASURY SHARES

As of the reporting date 31 December 2023, the Company holds 67'998 treasury shares.

	Number	Value in CHF 1'000	Price in CHF
1 January 2022	**998**	**27**	**27.00**
Additions	–	–	–
Disposals	–	–	–
31 December 2022	**998**	**27**	**27.00**
Additions	67'000	2'095	31.18
Disposals	–	–	–
31 December 2023	**67'998**	**2'122**	**31.12**

2. Further information

2.1 FULL TIME POSITIONS

CALIDA Holding AG does not have any employees (2022: 0).

2.2 SIGNIFICANT SHAREHOLDERS

According to the information available in the disclosure notifications pursuant to article 120 Financial Market Infrastructure Act (FinMIA) and the share register of Calida Holding AG, as of 31 December 2023, the following significant shareholders held more than 3% (directly and/or indirectly) of the share capital of Calida Holding AG entered in the commercial register.

	2023	2022
Shareholder group of Kellenberger family members	33.4%	33.6%
Veraison SICAV [1]	10.0%	10.0%
Vontobel Fonds Services AG [2]	5.1%	5.1%
Swisscanto Fondsleitung AG [3]	5.0%	5.0%
UBP Asset Management (Europe) SA [4]	3.0%	3.0%

[1] According to the report to SIX Swiss Exchange as of 25 August 2023, Veraison SICAV holds 9.96%.

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

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

[4] 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 2023, there are no assets pledged as collateral. The syndicated loan agreement renewed in 2023 does not provide for any such collateral.

2.4 CONTINGENT LIABILITIES

Guarantee obligations in favour of third parties of up to CHF 70'000 (2022: CHF 70'000) have been issued for Group companies in connection with bank financing as of 31 December 2023. Drawings of CHF 15'000 (2022: CHF 0) had been made as of the reporting date 31 December 2023.

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

Number as of 31 December	Registered shares 2023	Performance Share Units (PSU) 2023 [2]	Total 2023	Registered shares 2022	Performance Share Units (PSU) 2022 [2]	Total 2022
Felix Sulzberger, Chairman (from April 2023; Executive Chairman from July 2023)	–	–	–	n/a	n/a	n/a
Percentage of voting rights						
Hans-Kristian Hoejsgaard, Chairman (until April 2023)	n/a	n/a	n/a	3’425	–	3’425
Percentage of voting rights				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)	–	–	–	–	–	–
Percentage of voting rights						
Patricia Gandji (Member until July 2023)	n/a	n/a	n/a	–	–	–
Percentage of voting rights						
Gregor Greber (Member)	–	–	–	–	–	–
Percentage of voting rights						
Allan Kellenberger (Member from April 2023) [1]	2’814’845	–	2’814’845	n/a	n/a	n/a
Percentage of voting rights	33.3%		33.3%			
Erich Kellenberger (Member until April 2023) [1]	n/a	n/a	n/a	2’813’845	–	2’813’845
Percentage of voting rights				33.6%		33.6%
Lukas Morscher (Member until April 2023)	n/a	n/a	n/a	4’000	–	4’000
Percentage of voting rights				0.0%		0.0%
Thomas Stöcklin (Member from April 2023; LID from July 2023)	500	–	500	n/a	n/a	n/a
Percentage of voting rights	0.0%		0.0%			
Timo Schmidt-Eisenhart (CEO until June 2023)	n/a	n/a	n/a	6’000	7’230	13’230
(Potential) percentage of voting rights				0.1%	0.1%	0.2%

in CHF 1'000

Number as of 31 December	Registered shares 2023	Performance Share Units (PSU) 2023 [2]	Total 2023	Registered shares 2022	Performance Share Units (PSU) 2022 [2]	Total 2022
Sacha Gerber (CFO until April 2023)	**n/a**	**n/a**	**n/a**	**1'000**	**4'295**	**5'295**
(Potential) percentage of voting rights				0.0%	0.1%	0.1%
Dave Müller (CFO from July 2023)	**–**	**1'765**	**1'765**	**n/a**	**n/a**	**n/a**
(Potential) percentage of voting rights		0.0%	0.0%			
Daniel Gemperle (COO)	**–**	**5'995**	**5'995**	**–**	**4'005**	**4'005**
(Potential) percentage of voting rights		0.1%	0.1%		0.0%	0.0%
Manuela Ottiger (CHRO)	**–**	**5'530**	**5'530**	**–**	**3'540**	**3'540**
(Potential) percentage of voting rights		0.1%	0.1%		0.0%	0.0%
Hanna Huber (CIDO since January 2023)	**–**	**–**	**–**	**n/a**	**n/a**	**n/a**
(Potential) percentage of voting rights						

[1] Shareholder group of Kellenberger family members.
[2] 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 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 2023, 5'970 PSUs were granted. In the prior year, 8'905 PSUs were granted. The PSUs are valued taking into account the agreed performance indicators. The definitive receipt of the registered shares depends upon the vesting conditions being fulfilled (e.g., continued employment).

	Number in 2023	Value in 2023	Number in 2022	Value in 2022
PSUs granted to the members of Executive Management	5'970	255	8'905	455

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 20 February 2024. The financial statements are subject to approval by the Annual General Meeting scheduled for 5 April 2024.

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	2023	2022
Carryforward from prior year	235’272	207’209
Net income	1’779	33’120
Retained earnings as of 31 December	**237’051**	**240’329**
(Proposed) distribution of CHF 0.30 per registered share	–2’512	–5’057
Retained earnings as of 31 December/carryforward to new account	**234’539**	**235’272**

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

Capital contribution reserves	2023	2022
Carryforward from prior year	3’085	5’946
Capital increase	762	1’774
Capital contribution reserves as of 31 December	**3’847**	**7’720**
(Proposed) distribution of CHF 0.30 per registered share [1]	-2’512	–4’635
Balance after distribution	**1’335**	**3’085**

[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 5 April 2024 to distribute a dividend for fiscal year 2023 of CHF 0.60 per registered share. The dividend is distributed at CHF 0.30 per registered share from retained earnings and at CHF 0.30 per registered share from the capital contribution reserves.

All shares outstanding as of 31 December 2023 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 12 April 2024.

Independent auditor’s report

to the General Meeting of CALIDA Holding AG, Oberkirch

KPMG

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 2023, 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 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.

KPMG

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 and the proposed repayment of legal capital reserve comply 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, 20 February 2024

KPMG AG, Pilatusstrasse 41, CH-6003 Lucerne

Never say never
COSABELLA

Remuneration report 2023 CALIDA GROUP

The figures in the remuneration report are presented in thousand Swiss francs (CHF 1'000) unless indicated otherwise (information on share prices is 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 2023 and 2022. This report meets the requirements of the Code of Obligations (CO) with respect to remuneration at companies listed on a stock exchange and the SIX Swiss Exchange's Directive on Information Relating to Corporate Governance.

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 inline 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 (AGM) on 19 April 2023 elected Felix Sulzberger and Stefan Portmann to the NCC. After the former CEO Timo Schmidt-Eisenhart stepped down, Felix Sulzberger was appointed Executive Chairman of the Board of Directors. Because of this, Thomas Stöcklin was appointed Lead Independent Director. Thomas Stöcklin took part in the meetings of the NCC from 1 July 2023.

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 DEFINITION 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/ Lead Independent Director	35
Committee Member	25

The Board of Directors plans, subject to internal constitution, to adjust the compensation for fiscal year 2024:

	CHF
Chairman	150
Vice Chairman	70
Member	50
Chairman of a Committee/ Lead Independent Director	15
Committee Member	10

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 DEFINITION OF THE REMUNERATION FOR EXECUTIVE MANAGEMENT

The determination of the remuneration of Executive Management members is based on criteria such as function, level of responsibility and experience. 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 notice period for members of Executive Management is limited to a maximum of 12 months.

EXTERNALLY CONTRACTED MEMBER OF EXECUTIVE MANAGEMENT

The CHRO function and, as of 1 December 2023, the COO, are engaged based on a service agreement and receive monthly compensation for their 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. Their 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.

in CHF 1'000

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 and Executive Management. Members who left during the fiscal year are deemed to be current members.

3.6 ELEMENTS OF REMUNERATION

Fixed remuneration for the Board of Directors and Executive Management

The components of fixed remuneration are disbursed in cash.

Variable remuneration

SHORT-TERM VARIABLE REMUNERATION OF EXECUTIVE MANAGEMENT

Members of Executive Management receive a variable remuneration component based on short-term targets. For the former CEO, this could amount to a maximum of CHF 850'000 (119% of the fixed remuneration components) and a minimum of CHF 0 (on target achievement: CHF 425'000 or 60% of the fixed remuneration components). The new Executive Chairman of the Board of Directors does not receive any short-term variable remuneration. For the other members of Executive Management, the short-term variable components amount to a maximum of approximately 60% of the fixed remuneration components and a minimum of 0%, depending on their level of responsibility (on target achievement: around 40%). Depending on target achievement, the bonus can amount to between 0% and 150% of the target bonus.

The targets for the short-term variable remuneration are based on the net sales, EBITDA and free cash flow with equal weighting. In the reporting year, target achievement amounted to 0%. Due to the contractual arrangements that have been made, variable remuneration was nevertheless granted in the current year. Short-term variable remuneration is paid out in cash after the end of the fiscal year.

SPECIAL BONUS FOR EXECUTIVE MANAGEMENT

Special bonuses of CHF 90'000 in total were granted due to the change in strategy, restructuring and the change in Executive Management with the departure of the CEO and CFO.

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

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 harmonisation of the long-term interests of 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.

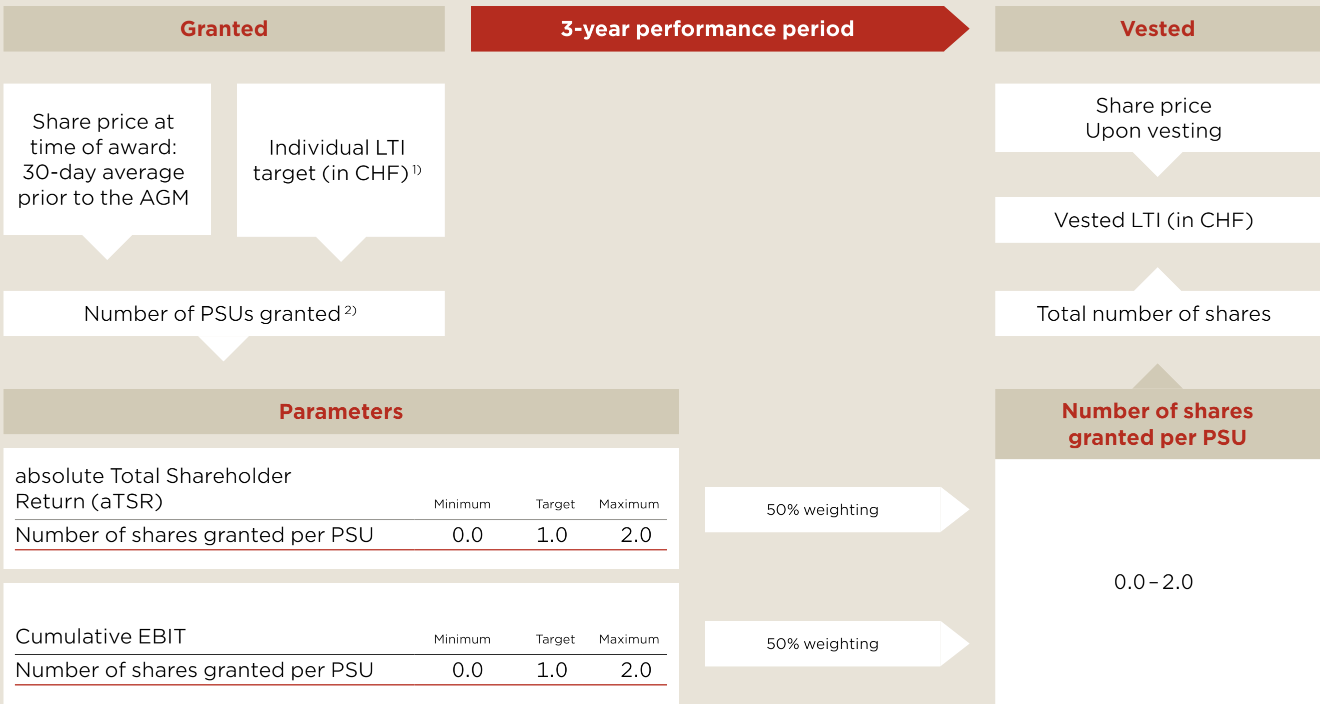
The individual amounts granted in Swiss franc are defined based on several factors such as the responsibility associated with the role of the participant, the requirements in terms of education, training and experience that are associated with the role, the individual performance level, the quality of 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. Once the PSUs are converted into registered shares, they have no holding 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.

CALIDA GROUP LTI scheme



[1)] After the proposal of the Nomination & Compensation Committee, the Board of Directors decides on the individual LTI target figure.
[2)] Sum of the individual LTI target figures divided by the share price at the time of granting (30-day average before the AGM).

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

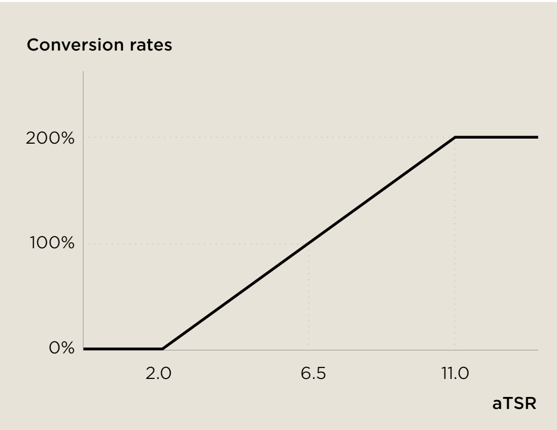
The number of PSUs granted corresponds to the individual LTI target figures divided by the share price at grant (30-day average before the AGM). Executive Management members were granted a total of 5'970 PSUs in 2023 (2022: 8'905 PSUs).

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

	2023	2022
Date of granting	29 April 2023	24 April 2022
Date of vesting	28 April 2026	23 April 2025
Share price at date of granting	42.77	51.10
Number of PSUs granted	5'970	8'905

Outstanding performance share units

	2023	2022
Number as of 1 January	19'070	10'165
PSUs granted	5'970	8'905
PSUs vested	–	–
PSUs forfeited	-13'515	–
Number as of 31 December	11'525	19'070

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. In the event of voluntary termination of the employment relationship, the PSUs that cannot be exercised at the time of the termination of the employment relationship expire immediately without any compensation. In the event of the termination of the employment relationship for severe misconduct, all allocated and outstanding PSUs expire immediately without any compensation.

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.

Interests held by members of the Board of Directors and Executive Management

Participation rights and PSUs of the Board of Directors and the Executive Management are disclosed on page 90.

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

(current members and members who left during the fiscal year)

The Annual General Meeting held on 14 April 2022 approved the following maximum total amounts for fiscal year 2023:

	CHF
Remuneration for the Board of Directors	900
Fixed and short-term variable remuneration for Executive Management	4’500
Long-term variable remuneration for Executive Management	1’000

2023	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)			
Felix Sulzberger, Chairman (from April 2023)	129	–	–	–	8	137
Hans-Kristian Hoejsgaard, Chairman (until April 2023)	56	–	–	–	–	56
Stefan Portmann, Vice-Chairman	98	–	–	–	–	98
Laurence Bourdon-Tracol	95	–	–	–	7	102
Patricia Gandji (until July 2023)	42	–	–	–	3	45
Gregor Greber	85	–	–	–	6	91
Allan Kellenberger (from April 2023)	42	–	–	–	3	45
Erich Kellenberger (until April 2023)	26	–	–	–	1	27
Lukas Morscher (until April 2023)	26	–	–	–	2	28
Eric Sibbern (from April 2023 to September 2023)	26	–	–	–	2	28
Thomas Stöcklin (from April 2023, LID from July 2023)	77	–	–	–	6	83
Total Board of Directors	**702**	**–**	**–**	**–**	**38**	**740**
Total Executive Management [2]	**2’314**	**343**	**255**	**35**	**347**	**3’294**
Thereof: former CEO Timo Schmidt-Eisenhart	893	106	–	4	151	1’154
Thereof: Executive Chairman of the Board of Directors Felix Sulzberger (from July 2023)	257	–	–	–	18	275
Number of current Executive Management members	5					

[1] Includes employer contributions to social security and pension contributions (BVG) for members of Executive Management.
[2] The remuneration includes the following former Executive Management members:
- Timo Schmidt-Eisenhart (CEO until June 2023) The remuneration is disclosed as a whole and covers the period from 1 January 2023 to 31 March 2024.
- Sacha Gerber (CFO until April 2023)
- Hans Hess (interim CFO from April to June 2023)

The remuneration includes the following new Executive Management members who joined during the year:
- Dave Müller (CFO from July 2023)
- Felix Sulzberger (Executive Chairman of the Board of Directors from July 2023)

in CHF 1'000

2022	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)	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 Executive Management members [2]	4					

[1] Includes employer contributions to social security and pension contributions (BVG) for members of Executive Management.
[2] Remuneration also includes the CDO until February 2022.

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CALIDA

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 2023. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO), sections «3.3 Loans and credits», «3.4 Related parties», «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» on pages 97 to 103 of the Remuneration Report.

In our opinion, the information pursuant to Art. 734a-734f CO in the accompanying Remuneration Report complies 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 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 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 tables «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 stand-alone 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 pursuant to Art. 734a-734f CO 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 judgement 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, 20 February 2024

KPMG AG, Pilatusstrasse 41, CH-6003 Lucerne

SPHYNX ALLURE
LAFUMA MOBILIER

Corporate Governance Report 2023
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:

General Manager

Group function & member of Executive Management

1.1.2 LISTED COMPANIES IN THE CONSOLIDATED GROUP
The registered shares of CALIDA Holding AG ("the Company"), with registered offices in Oberkirch (Switzerland), are traded on the SIX Swiss Exchange (ISIN CH0126639464, ticker symbol CALN). Market capitalisation came to approx. CHF 246.2 million as of the reporting date 31 December 2023.

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 40f. in the "CALIDA GROUP Consolidated financial statements 2023".

1.2 SIGNIFICANT SHAREHOLDERS
According to the information available in the disclosure notifications pursuant to article 120 Financial Market Infrastructure Act (FinMIA) and the share register of Calida Holding AG, as of 31 December 2023, the following significant shareholders held more than 3% (directly and/or indirectly) of the share capital of Calida Holding AG entered in the commercial register.

	2023	2022
Shareholder group of Kellenberger family members	33.4%	33.6%
Veraison SICAV [1]	10.0%	10.0%
Vontobel Fonds Services AG [2]	5.1%	5.1%
Swisscanto Fondsleitung AG [3]	5.0%	5.0%
UBP Asset Management (Europe) SA [4]	3.0%	3.0%

[1] According to the report to SIX Swiss Exchange as of 25 August 2023, Veraison SICAV holds 9.96%.

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

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

[4] 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 Financial Market Infrastructure Act (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%.

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

Shareholdings of the members of the Board of Directors and Executive Management are presented in detail within the relevant section on page 90f. of the CALIDA Holding AG annual financial statements 2023, 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 2023
The ordinary share capital of the Company amounts to approx. CHF 844k, divided into 8'441'033 registered shares with a par value of CHF 0.10 each. The ordinary share capital entered in the commercial register was approx. CHF 842k as of 31 December 2023, corresponding to 8'422'751 registered shares.

The available conditional capital amounts to approx. CHF 17k. This equates to 168'967 registered shares with a par value of CHF 0.10 each.

As of the reporting date, the capital band ranged between approximately CHF 800k, divided into 8'001'614 registered shares (lower limit) and approximately CHF 908k, divided into 9'077'777 registered shares (upper limit). Following the registration of newly created shares, the capital band ranged between approximately CHF 802k, divided into 8'019'896 registered shares (lower limit) and approximately CHF 910k, divided into 9'096'059 registered shares (upper limit). The capital band can also be reduced by lowering the par value to a minimum of CHF 0.095 (rounded) per registered share or by way of a combination of a cancellation and a reduction of the par value.

2.2 CAPITAL BAND AND CONDITIONAL CAPITAL IN PARTICULAR

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 are issued in accordance with a plan prepared by the Board of Directors.

The Board of Directors is authorised to increase or reduce share capital once or multiple times by any amount until 19 April 2028 or until the capital band lapses, if earlier. In the event of a capital increase within the range of the capital band, the Board of Directors defines the number of shares, the issue price, the contribution type, the timing of share issue, the conditions for exercise of subscription rights and the start of the entitlement to the dividend. The trade of subscription rights can be restricted or excluded. The Board of Directors can allow subscription rights to expire or place them and the shares for which subscription rights were granted but not exercised at market conditions or use them otherwise in the interest of the Company. The shareholder's subscription rights can be limited or cancelled for good cause. The acquisition of new shares and every subsequent transfer of the shares are subject to the entry restrictions under article 4 of the Articles of Incorporation (www.calidagroup.com/en/investors/#corporate-governance).

2.3 CHANGES IN CAPITAL

The statement of changes in shareholders' equity in the CALIDA Holding AG annual financial statements 2023, 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. 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 YEAR

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 in the consolidated financial statements 2023 of the CALIDA GROUP, which form part of this annual report.

3. Board of Directors

3.1 MEMBERS OF THE BOARD OF DIRECTORS (BOD)
The 36th Annual General Meeting of Calida Holding AG on 19 April 2023 appointed Felix Sulzberger (Chairman), Allan Kellenberger, Thomas Stöcklin and Eric Sibbern to the Board of Directors. Additionally, the previously independent members Laurence Bourdon-Tracol, Patricia Gandji, Gregor Greber and Stefan Portmann were re-elected.

Erich Kellenberger, longstanding member of the Board of Directors and former CEO as well as representative of the founding family, did not stand for reelection as a result of the passing of the baton within the family. Similarly, Hans-Kristian Hoejsgaard, with his nine years of experience (thereof three as the Chairman), and Lukas Morscher, with four years experience, decided to not stand for reelection.

In the reporting year, Patricia Gandji, an independent member of the Board of Directors of the CALIDA GROUP since the Annual General Meeting 2022, stepped down with immediate effect on 25 July 2023 for personal reasons. Eric Sibbern, the representative of Veraison Capital on the Board of Directors of the CALIDA GROUP since the Annual General Meeting 2023, decided to step down from his position as a member of Board of Directors with immediate effect on 11 September 2023 following the successful completion of the strategy review, in order to focus on his operational tasks at Veraison Capital.

FELIX SULZBERGER
CHAIRMAN OF THE BOARD OF DIRECTORS, INTERIM EXECUTIVE CHAIRMAN

Nationality	Swiss
Born	1951
Joined the BoD	19 April 2023 | Independent Board member
Term of office	until the Annual General Meeting for fiscal year 2023
Committee	Nomination & Compensation Committee, Chairman
Education	University of Graz, Austria (Mag. rer.soc.oec.)
Professional background	2001 – 2016 Chief Executive Officer of the CALIDA GROUP; 1986 – 2001 General Manager and President Europe at three leading multinational companies in the sports and clothing sector; 1976 – 1986 International marketing and sales roles in the tobacco and food segments of a multinational company
Other activities and vested interests	Member of the Board of Directors of Holy Fashion Group/Strellson AG, Kreuzlingen; member of the Board of Directors of Schlossberg/Boller Winkler AG, Turbenthal; Chairman of the Advisory Board of Finatem Private Equity, Frankfurt a. M. (Germany)

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 2023
Education	University of Wales (Master of Science in Marketing), University of Maryland (EMBA)
Professional background	2004 – 2014 Executive Management Schild AG, Lucerne; 1992 – 2004 Executive Management/ various management positions Herren Globus/Globus, Zurich and Spreitenbach
Other activities and vested interests	Since 2017 Member of the Board of Directors of Luzerner Kantonalbank AG, Lucerne; since 2013 Trust Board Member Pro Juventute (Chairman) and Member of the Board of Directors of three other unlisted companies: Piavita AG, Zurich; Invest AG, Zug; Stefan Portmann AG, Zurich

THOMAS STÖCKLIN

LEAD INDEPENDENT DIRECTOR

Nationality	Swiss
Born	1970
Joined the BoD	19 April 2023 | Independent Board member
Term of office	until the Annual General Meeting for fiscal year 2023
Committee	Audit & Risk Committee, member
Education	University of Applied Sciences and Arts (Business Economist FH), Swiss Academy of Accounting, Zurich (Swiss Certified Accountant)
Professional background	Since 2018 Chief Financial Officer of Manor AG, Basel; 2011 – 2018 Chief Financial Officer of CALIDA GROUP; 2005 – 2010 Group Controller of CALIDA GROUP and subsequently Head of Finance of the CALIDA brand; 2001 – 2005 Audit Manager and from 2002 to 2005 Assistant to the Head of Audit Switzerland at a global audit and advisory firm; 1997 – 2001 Audit assistant at a global audit and advisory firm; 1985 – 1997 Various positions at a major Swiss bank in Lucerne and Lausanne
Other activities and vested interests	Member of the Board of Directors of Raiffeisenbank Adligenswil-Udligenswil-Meggen, Adligenswil; Member of the Board of the CFO Forum Schweiz, Risch

LAURENCE BOURDON-TRACOL

Nationality	Swiss
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 2023
Committee	Audit & Risk Committee, Chair
Education	Master's degree' in Business Administration HEC Paris; Master's degree in International Management University of Cologne
Professional background	Since 2021 Chief Financial Officer Skyscanner; 2020 – 2021 VP Finance, global finance function Skyscanner; 2008 – 2019 eBay Inc., Switzerland and California, various finance functions; 2004 – 2008 Xilinx, California, internal audit; 2000 – 2004 Ernst & Young, San Jose (CA, USA), external audit; 1995 – 2000 Ernst & Young, Paris, external audit
Other activities and vested interests	Member of the Board of Directors of Gousto UK

GREGOR GREBER

Nationality	Swiss
Born	1967
Joined the BoD	17 April 2020 | Independent member of the Board of Directors
Term of office	until the Annual General Meeting for fiscal year 2023
Committee	Audit & Risk Committee, member
Education	Business Economist KSZ, Higher Management School Zurich, Bank Clerk
Professional background	Since 2021 independent entrepreneur, investor and independent member of the Board of Directors; 2015 – 2021: Founder and Senior Partner of VERAISON Capital AG, Zürich; 2014 Founder and Executive Chairman of the Board of Directors of zRating AG, Zurich (Carve out from zCapital and sold to Inrate 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 that 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), Zurich; since 2021 Member of the Board of Directors and initiator of VT5 Acquisition Company, Pfäffikon and Invenda Group AG, Alpnach. In line with its purpose, SPAC VT5 was merged into the R+S Group as a listed company in December 2023. Gregor Greber is a member of the Board of Directors and the ARC at this company.

ALLAN KELLENBERGER

Nationality	Swiss
Born	1982
Joined the BoD	19 April 2023
Term of office	until the Annual General Meeting for fiscal year 2023
Education	SDA Bocconi School of Management, Italy (Master's degree in Fashion, Experience and Design Management); University of Geneva (Master of Arts in Political Science)
Professional background	Since 2011 development of his own real estate portfolio; 2017 – 2019; Various positions at Lafuma Group/Millet Mountain Group in Annecy (France) and Tokyo (Japan); 2009 – 2011 Hotel Development Consultant at von Düring Management (Lucerne); 2007 – 2009; Various functions at Tally Weijl (Basel, Paris, Warsaw, Shanghai)

MEMBERS OF THE BOARD OF DIRECTORS WHO LEFT DURING THE REPORTING YEAR

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
Left the BoD	19 April 2023
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 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

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)
Left the BoD	19 April 2023
Term of office	until the Annual General Meeting for fiscal year 2022
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; also member of the Board of Directors of other companies in 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
Left the BoD	19 April 2023
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 Böckli Thomann & Partner, 1993–1995 Economic Advisor at the Swiss State Secretariat for Economic Affairs (SECO)
Other activities and vested interests	Vice Chairman of the Board of Directors of ONE.THING.LESS AG; Member of the Board of Trustees of the EFORT Foundation

PATRICIA GANDJI

Nationality	German
Born	1970
Joined the BoD	14 April 2022 | Independent member of the Board of Directors
Left the BoD	25 July 2023
Term of office	until the Annual General Meeting for fiscal year 2022
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 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

ERIC SIBBERN

Nationality	Swiss
Born	1979
Joined the BoD	19 April 2022
Left the BoD	11 September 2023
Education	Master’s degree in law from the University of Zurich; admitted to the bar in 2010; Master’s degree in banking and finance from the University of St. Gallen
Professional background	Since 2017 Senior Partner and Managing Partner of VERAISON Capital AG, Zurich; 2016 – 2017 Director – Corporate Development (M&A) at Credit Suisse, Zurich; 2010 – 2016 Attorney at Law at Homburger AG in Zurich, during this period from 2013 – 2014 Foreign Associate Kirkland & Ellis LLP in New York (USA)

Felix Sulzberger has served as interim Executive Chairman of the Board of Directors since 1 July 2023. None of the other non-executive members of the Board of Directors have operational management duties within the Group or were Executive Management members of CALIDA Holding AG or one of its subsidiaries.

The shareholder group of the Kellenberger family members, which holds 33.4% of the share capital entered in the commercial register, is represented by Allan Kellenberger on the Board of Directors of CALIDA Holding AG. In the reporting year, CALIDA AG repurchased goods in the amount of CHF 28'000 from Blue Lemon AG, which is controlled by Erich Kellenberger. The transactions were conducted at arm's length.

There are no 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 3.1.

3.3. NUMBER OF PERMITTED ACTIVITIES

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.

Mandates in different legal entities that are under common control or have the same beneficial owner are considered one mandate and are therefore not counted more than once, and mandates in companies in which the Company holds a direct or indirect interest are not counted. Investees and affiliated management or portfolio companies are considered one mandate and are therefore not counted more than once.

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 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. 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.

Since 1 July 2023, the Group has had an Executive Chairman of the Board of Directors, who assumed the executive role on an interim basis until a new CEO is appointed. Various measures ensure that the influence of the Board of Directors and Executive Management is balanced. Of the two established committees, the Chairman of the Board of Directors does not sit on the Audit & Risk Committee. The Board of Directors also plans to submit a proposal increasing the number of NCC members to three at the upcoming Annual General Meeting. The Lead Independent Director concept was also implemented. The Lead Independent Director advises the Board of Directors on all matters relating to topics, problems and potential conflicts between other members of the Board of Directors and the Executive Chairman of the Board of Directors as well as between the members of the Group's Executive Management and the Executive Chairman of the Board of Directors. Additionally, they ensure that Executive Management has direct access to the Board of Directors in the event of differences of opinion between Executive Management and the Executive Chairman of the Board of Directors on important and time-critical issues. This not only ensures that the influence of the Board of Directors and Group's Executive Management is balanced, but also safeguards the interests of the shareholders.

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. 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 Audit & Risk Committee members are appointed by the Board of Directors. The Strategic Committee was dissolved in the reporting year, instead the full Board of Directors supports Executive Management in pursuing the defined strategy. 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 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.

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/virtually, 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 Executive Management members 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 Board of Directors held 12 meetings in the reporting year in order to perform its duties.

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 year and the representatives of the external auditors were present at all of them.

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 year.

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.

The following table provides an overview of the meetings and circular resolutions of the Board of Directors in 2023.

	Board of Directors	Strategic Committee	Audit & Risk Committee	Compensation Committee	Circular resolutions
Total number of meetings	**12**	**0**	**3**	**2**	**2**
Average duration (in hours)	**4:30**	**–**	**2:30**	**2:30**	**–**
Participants:					
Felix Sulzberger, Chairman (since April 2023)	6	–	2	2	–
Hans-Kristian Hoejsgaard, Chairman (until April 2023)	6	–	–	–	–
Stefan Portmann, Vice-Chairman	12	–	–	2	–
Laurence Bourdon-Tracol	12	–	3	–	–
Patricia Gandji (until July 2023)	6	–	–	–	–
Gregor Greber	12	–	3	–	–
Allan Kellenberger (since April 2023)	6	–	–	–	–
Erich Kellenberger (until April 2023)	6	–	–	–	–
Lukas Morscher (until April 2023)	6	–	–	–	–
Eric Sibbern (from April 2023 to September 2023)	4	–	–	–	–
Thomas Stöcklin (from April 2023, LID from July 2023)	6	–	2	1	–

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, CHRO and CIDO). 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, they create an organisational chart that must be approved by the Board of Directors.

Since 1 July 2023, the Group has had an Executive Chairman of the Board of Directors, who assumed the executive role on an interim basis.

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 cybersecurity and climate, and assessed for the likelihood of occurrence and 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 2023 financial statements of the CALIDA GROUP in the “Financial risk management” section on page 72ff.

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

As of 1 January 2023 in this reporting year, Hanna Huber became an Executive Management member as CIDO (Chief Information & Digital Officer).

Timo Schmidt-Eisenhart, former CEO, and Sacha D. Gerber, former CFO, left the Group on 30 June and 19 April 2023 respectively. Felix Sulzberger, as the interim Executive Chairman of the Board of Directors, and Dave Müller, as CFO, filled the vacancies as of 1 July 2023.

Daniel Gemperle (COO) will retire on 31 March 2024 and Hanna Huber (CIDO) will leave the Group on 31 March 2024.

FELIX SULZBERGER

Chairman of the Board of Directors, interim in an executive position

Nationality	Swiss
Born	1951
Joined the EM	1 July 2023
Education	University of Graz, Austria (Mag. rer.soc.oec.)
Professional background	2001 – 2016 Chief Executive Officer of the CALIDA GROUP 1986 – 2001 General Manager and President Europe at three leading multinational companies in the sports and clothing sector 1976 – 1986 International marketing and sales roles in the tobacco and food segments of a multinational company
Other activities and vested interests	Member of the Board of Directors of Holy Fashion Group/Strellson AG, Kreuzlingen; member of the Board of Directors of Schlossberg/Boller Winkler AG, Turbenthal; Chairman of the Advisory Board of Finatem Private Equity, Frankfurt a. M. (Germany)

DAVE MÜLLER

Chief Financial Officer (CFO)

Nationality	Swiss
Born	1980
Joined the EM	1 July 2023
Education	Business Economist FH, Swiss certified accounting and controlling expert
Professional background	2019 – 2023 Director of Finance, Executive Management member, CALIDA AG, Sursee 2015 – 2018 Head of Controlling and Consolidation, CALIDA AG, Sursee 2013 – 2014 Business & Financial Controller, CALIDA AG, Sursee 2011 – 2013 Senior Accountant, Volcom International GmbH, Cham (PPR Group) 2007 – 2011 Senior Accountant, Ernst & Young, Aarau (Accounting Services)

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; Owner of GBC Gemperle Business Consulting GmbH

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

HANNA HUBER
Chief Information & Digital Officer (CIDO)

Nationality	German
Born	1979
Joined the EM	1 January 2023
Education	Freie Universität Berlin, PhD in Media and Communication Studies; University of the Arts Berlin, electronic business graduate
Professional background	2019 – 2022 Group VP Technology Strategy & Governance, Otto Group 2012 – 2019 Various management positions, ultimately Director Technology Operations, Zalando SE, Berlin 2007 – 2012 Various positions, ultimately Chief Operating Officer, complexium GmbH, Berlin
Other activities and vested interests	Trustee of Euro-FH (University of Applied Sciences) Europäische Fernhochschule Hamburg; Advisory board of DEMOS E-Partizipation GmbH

MEMBERS OF THE EXECUTIVE MANAGEMENT WHO LEFT DURING THE REPORTING YEAR

TIMO SCHMIDT-EISENHART
Chief Executive Officer (CEO)

Nationality	German
Born	1972
Joined the EM	12 April 2021
Left EM	30 June 2023
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., the Netherlands and Austria

SACHA D. GERBER
Chief Financial Officer (CFO)

Nationality	Swiss
Born	1975
Joined the EM	1 September 2018
Left EM	19 April 2023
Education	Bern University of Applied Sciences (Business Economist FH), Swiss certified accounting and controlling expert, University of St. Gallen (International Executive MBA degree 2019)
Professional background	2010 – 2018 Member of management at Hero AG, Lenzburg, 2010 to 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)

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

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:

- One mandate for listed companies, with multiple mandates for different companies within the same group counting as a single mandate; and
- One paid mandate for other legal entities, with multiple mandates for different companies within the same group counting as a single mandate; and
- Two 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. The same applies to Daniel Gemperle, who has performed his duties since 1 December 2023 through a contractual relationship with GBC Gemperle Business Consulting GmbH.

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 2023 remuneration report of CALIDA Holding AG (pages 97 to 103).

5.2 DISCLOSURES FROM ISSUERS SUBJECT TO ARTICLES 620 TO 762 CODE OF OBLIGATIONS (CO)

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 2023 remuneration report of CALIDA Holding AG (pages 97 to 103).

An additional amount in accordance with article 735a CO 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 ANNUAL 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 of Directors also presents the remuneration report for the prior 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 YEAR

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 investigation and election of a statutory auditor).

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 majority of share votes represented, not including abstentions and invalid votes, unless defined otherwise by law or the Articles of Incorporation. The provisions of the law to the contrary, in particular article 704 (1) and (2) CO, and the Articles of Incorporation remain reserved.

6.3 CONVOCATION OF THE ANNUAL 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 by post or email and by publication in the Swiss Official Gazette of Commerce at least 20 days prior to the Annual General Meeting.

6.4 INCLUSION OF ITEMS ON THE AGENDA

Shareholders representing 0.5% of the share capital or votes can add a matter to the agenda for discussion. Agenda items with proposals for the Annual General Meeting must be submitted in writing at least 45 days before 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 and PSUs (performance share units) 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 first appointed as the Company's statutory auditors at the Annual General Meeting for fiscal year 2022 (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 applicable maximum term and the current term will expire at the Annual General Meeting for fiscal year 2028.

8.2 AUDIT FEES

Audit fees of approx. CHF 406’000 (allocated to the appropriate period) were payable to the statutory auditors KPMG AG for the audit of the separate and consolidated financial statements 2023. The non-recurring audit related fees amount to CHF 10’000.

8.3 ADDITIONAL FEES

There were no additional fees paid to KPMG AG in the reporting year.

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. The annual report as of 31 December 2023 is available on our website (see below) from 23 February 2024. The half-year report will be published in summer 2024.

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. The head office address is CALIDA Holding AG, Investor Relations, P.O. Box 6210, Sursee, +41 419254242, Email: investor.relations@calidagroup.com. The Company announces price-sensitive facts in accordance with regulations of the SIX Exchange Regulation.

10. Trading blackout periods

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

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

DSW WARMING
CALIDA

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

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