

January–September 2021

Interim Report

Sixth consecutive quarter
of net sales growth, with
Business Area Vita as the
main driver in Q3



Disclaimer

- **This presentation contains forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance. Although Fiskars Group believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of various factors.**
- **Important factors that may cause such a difference for Fiskars Group include, but are not limited to:**
 - (u) the macroeconomic development and consumer confidence in the key markets,**
 - (ii) change in the competitive climate, (iii) change in the regulatory environment and other government actions, (iv) change in interest rate and foreign exchange rate levels, and**
 - (v) internal operating factors.**
- **This presentation does not imply that Fiskars Group has undertaken to revise these forward-looking statements, beyond what is required by applicable law or applicable stock exchange regulations if and when circumstances arise that will lead to changes compared to the date when these statements were provided.**



Highlights of quarter



**SIXTH CONSEQUITIVE
QUARTER OF NET
SALES GROWTH**



**SUPPLY CHAIN
CHALLENGES
SUCCESSFULLY
MITIGATED**



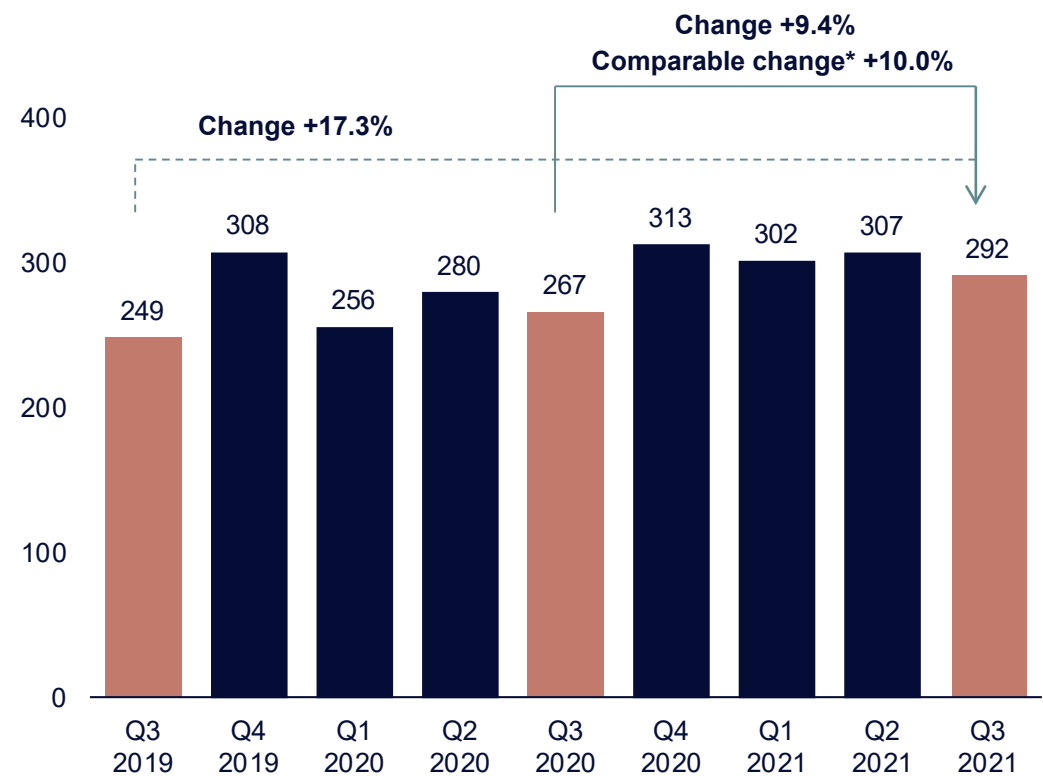
**OUTLOOK
UPGRADED ON
OCTOBER 13**



**UPDATE TO
ONGOING
PROGRAMS
PROVIDED**

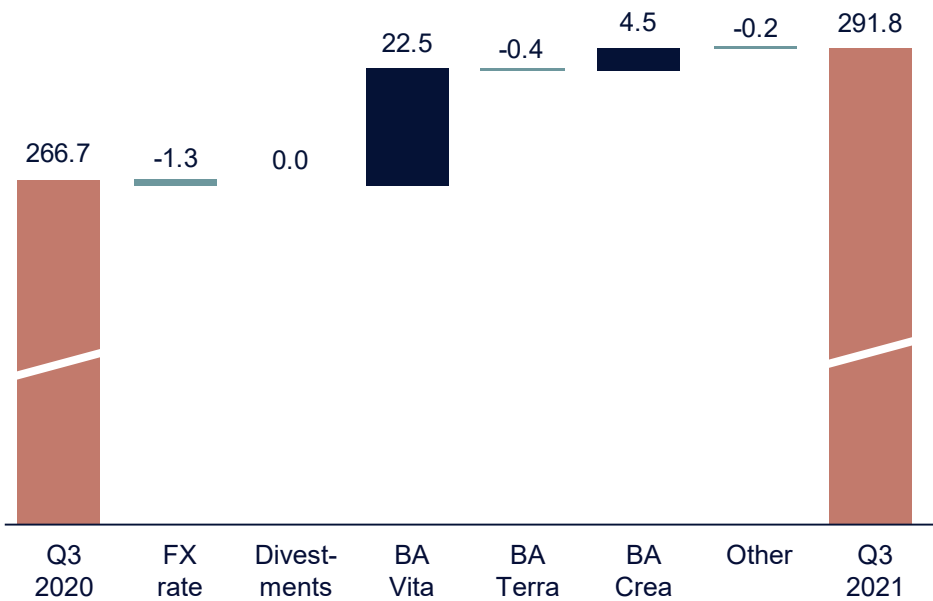
Fiskars Group comparable net sales in Q3 2021

NET SALES, EURm



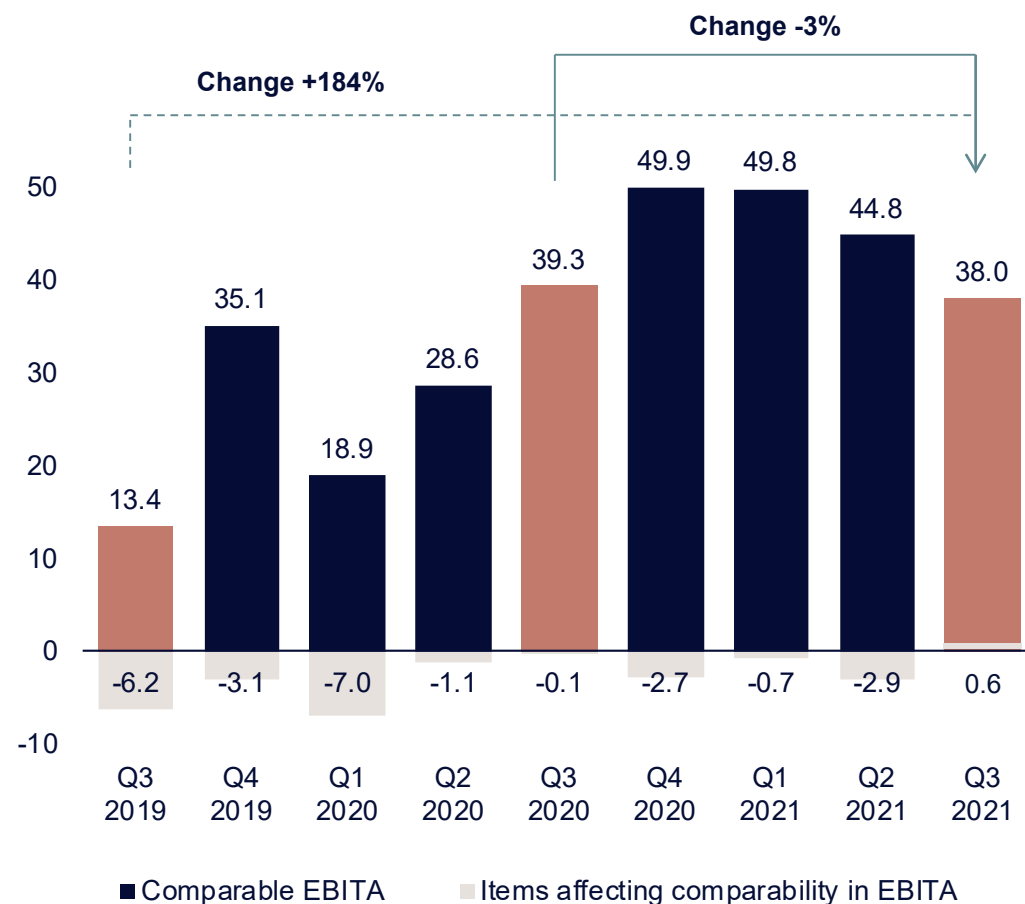
*Comparable change = currency neutral & excl. divestments

NET SALES BRIDGE, EURm



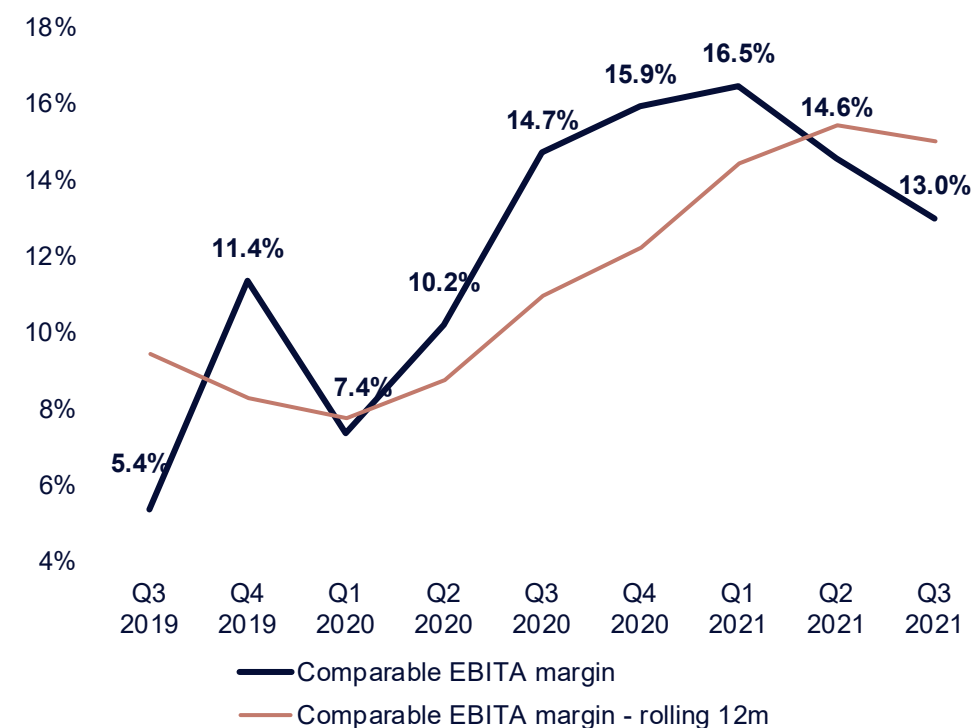
Fiskars Group comparable EBITA in Q3 2021

COMPARABLE EBITA, EURm



*Items affecting comparability in EBITA includes items such as restructuring costs, impairment or provisions charges and releases, integration-related costs, and gain and loss from the sale of businesses

COMPARABLE EBITA MARGIN



The company expects the comparable EBITA for 2021 to be in the range of EUR 160–170 million.

The seasonality of both trade and consumer demand may continue to differ from a typical year

Challenges in global supply chains. Higher prices of raw materials, energy and logistics





**Appr. 50 new positions to support
our Digital growth initiative**

Consumer experience

**Update on The Growth strategy to
be provided at Capital Markets Day
on November 9, 2021**

Moomin partnership
Moomin Day



Collaboration with U.S. crafts
retailer JOANN Fabrics to roll
out a “Fiskars Tool Shop”



Reduced waste to landfill

2030 target: to have all waste from our own manufacturing units and distribution centers recovered or recycled with zero waste going to landfill.

During the first three quarters of 2021, Fiskars Group has reduced **waste to landfill by 42% compared to 2020** and by 90% compared to the base year 2017.

Products from recycled materials

2030 target: the majority of our net sales will come from circular products and services.

For example, Iittala has a product range made from 100% recycled glass, and the collection was expanded with seven new products in the autumn of 2021.

In addition, earlier this year the Fiskars brand introduced a version of its iconic scissors, made from recycled and 100% recyclable materials.

Sales of the recycled products have grown 112% compared to 2020.



Q3 2021



Consolidated income statement

EURm	Q3 2021	Q3 2020	Change	2020
Net sales	291.8	266.7	9	1,116.2
Cost of goods sold	-169.2	-157.1	-8	-664.1
Gross profit	122.6	109.6	12	452.0
Gross profit margin	42.0%	41.1%		40.5%
Sales and marketing expenses	-58.9	-51.4	-15	-241.5
Other expenses	-29.0	-22.6	-28	-112.6
Operating profit (EBIT)	34.7	35.6	-2	98.0
Profit for the period	29.8	27.0	10	68.5
Items affecting comparability	-0.6	0.1		-11.0
Comparable EBITA	38.0	39.3		136.8
Comparable EBITA margin	13.0%	14.7%		12.3%

Gross profit margin increased

- Improved mix (Vita)
- Increased cost of raw materials, energy and logistics mostly offset by price increases

Sales, marketing and other expenses increased

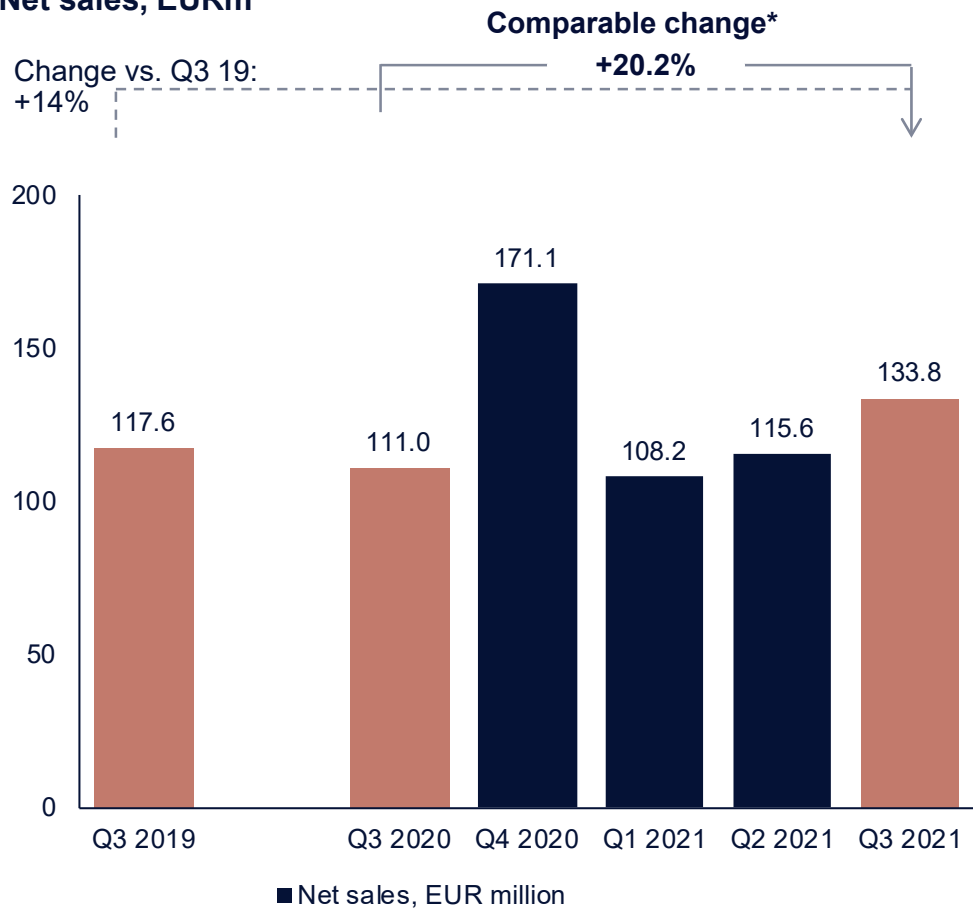
- To support investments in growth
- Last year's temporary cost savings not repeated



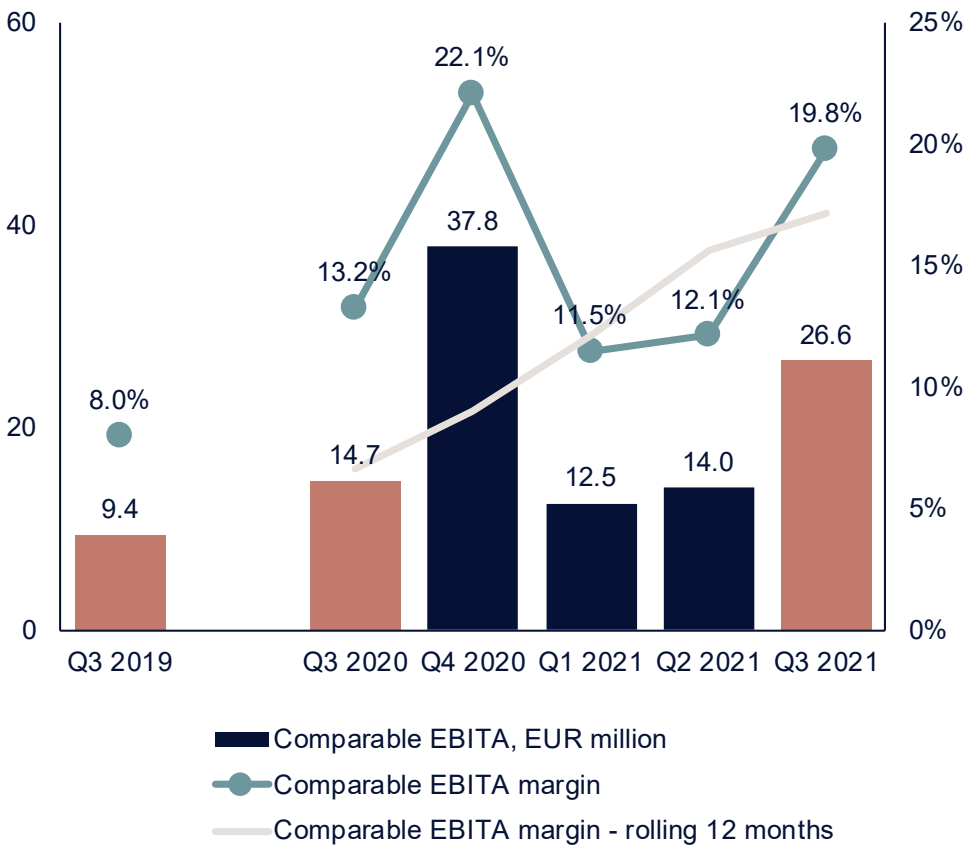


Vita in Q3 2021

Net sales, EURm



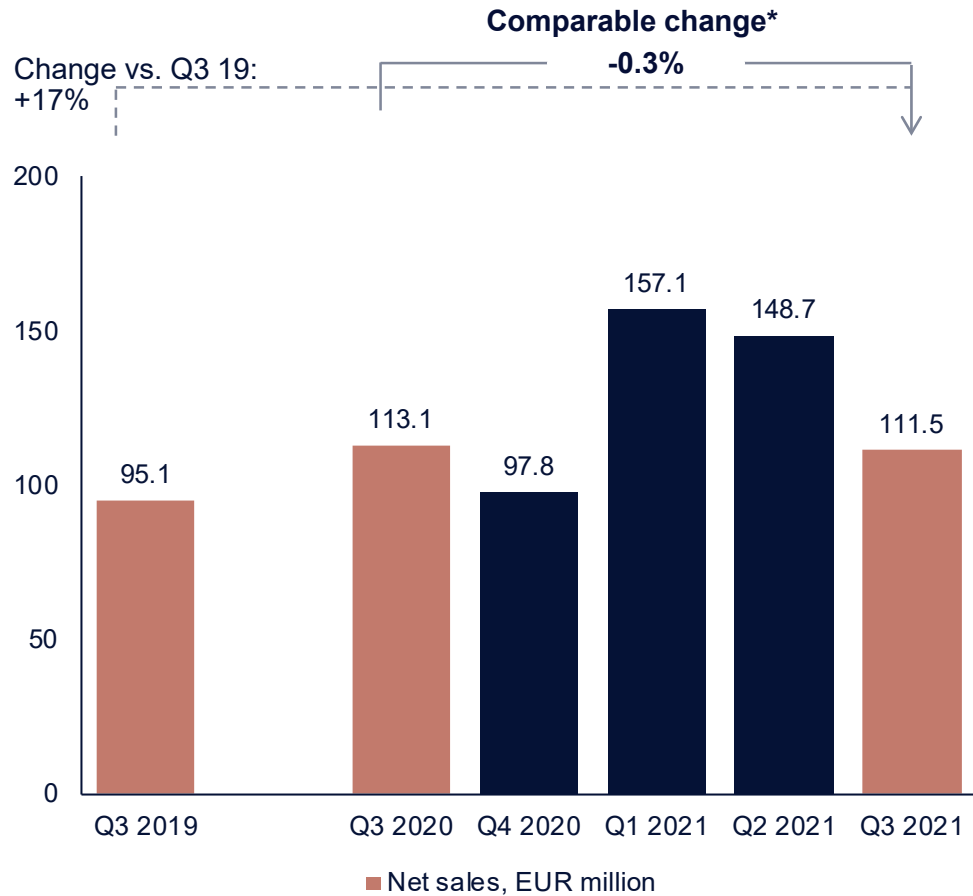
Comparable EBITA, EURm



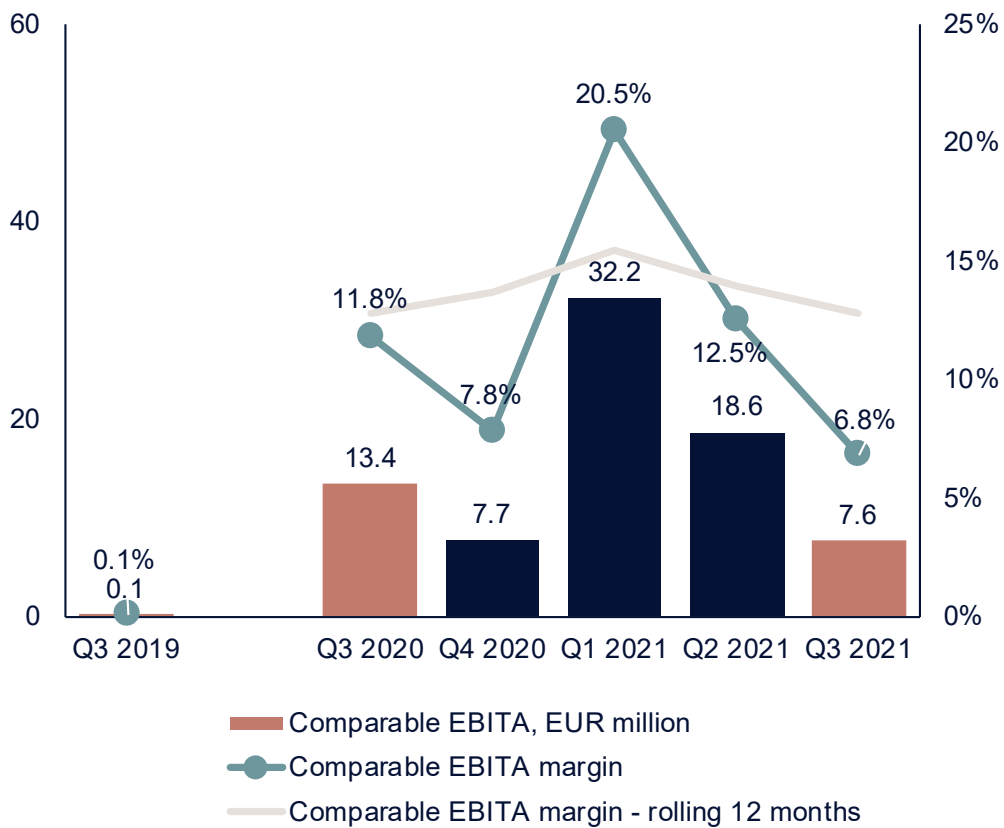


Terra in Q3 2021

Net sales, EURm



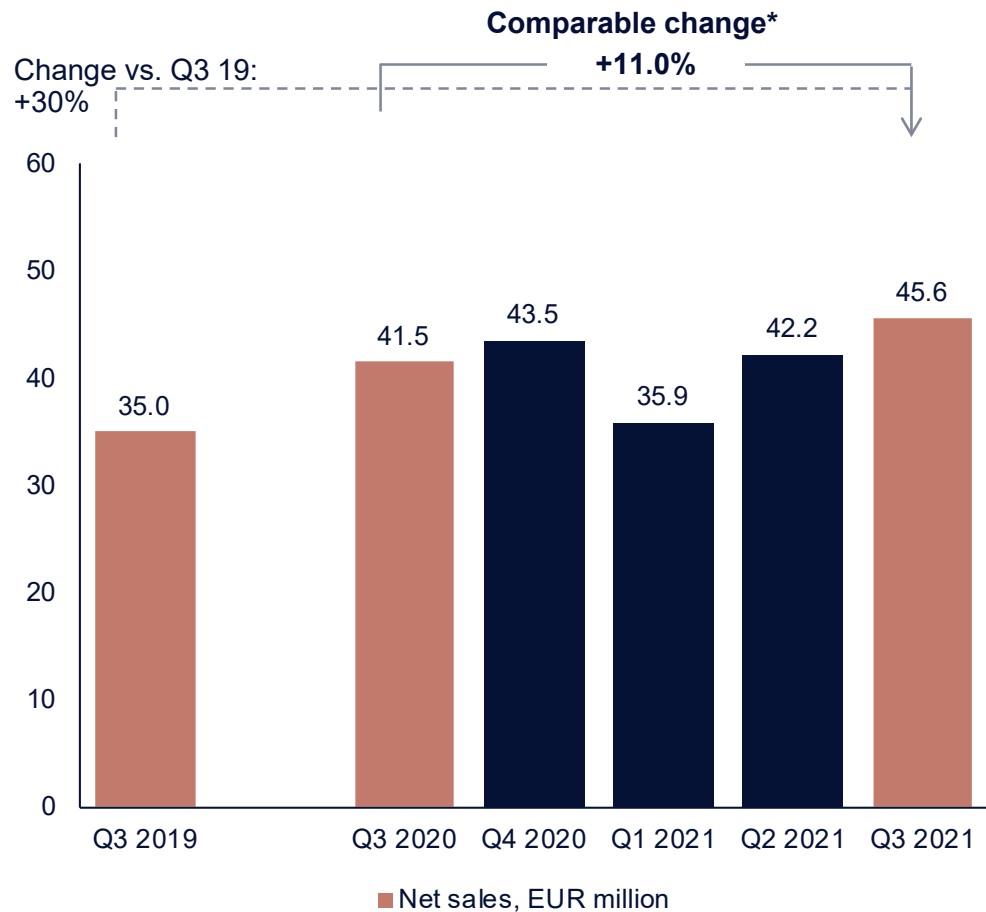
Comparable EBITA, EURm



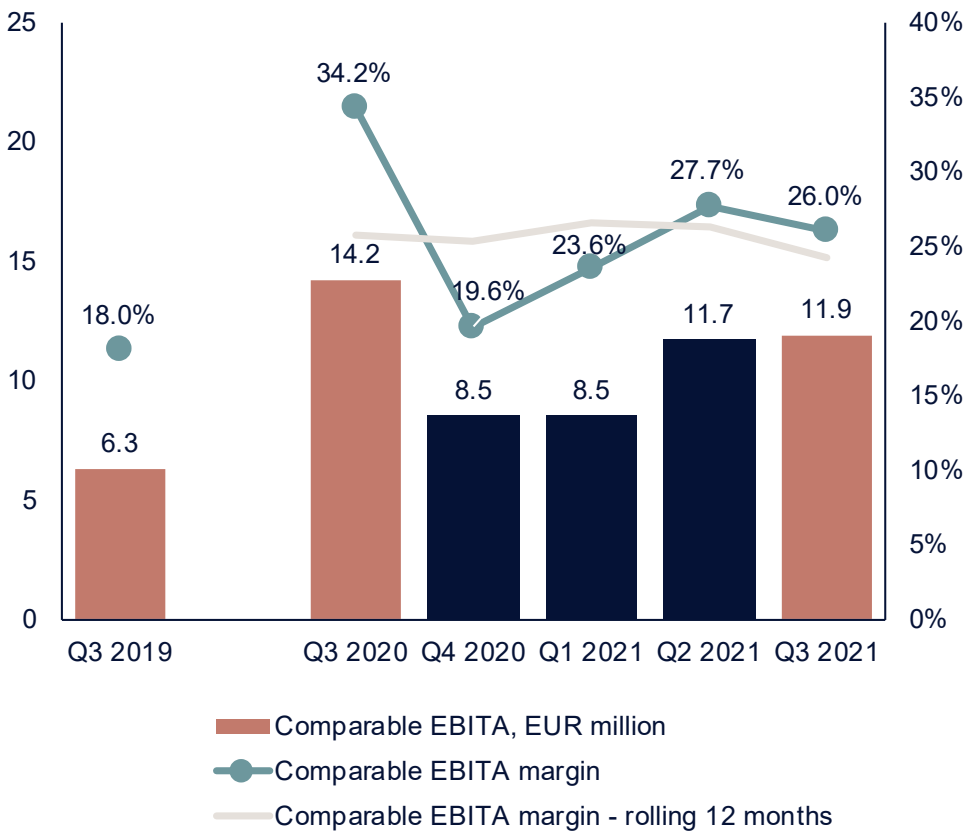


Crea in Q3 2021

Net sales, EURm



Comparable EBITA, EURm



Net sales by geography in Q3 2021

EURm	Q3 2021	Q3 2020	Change	Comparable change*
Europe	143.8	121.3	18.6%	17.8%
Americas	106.0	112.9	-6.1%	-4.5%
Asia-Pacific	42.0	35.6	18.1%	18.7%
Unallocated**	-0.1	-3.2		

*Excluding the impact of exchange rates, acquisitions and divestments

**Geographically unallocated exchange rate differences

Comparable net sales in Europe increased

- Overall strong performance in all markets.

Comparable net sales in the Americas decreased

- Weighed down by Terra and Crea, supported by Vita

Comparable net sales in Asia-Pacific increased

- Driven by most countries, China and Japan in particular
- Decreased in Australia as a result of store closures due to the pandemic



Cash Flow I Q3 Free Cash Flow 39.5 EURm, down 59 EURm vs. LY due to inventory driven NWC growth. Total liquidity remained solid.

DISTRIBUTABLE CASH FLOW (EURm)

	Q3		
	2021	2020	vs. LY
EBITDA	51.0	50.6	0.4
Change in provisions	9.5	-2.2	11.7
Non-cash adjustments	-0.3	-0.1	- 0.2
Cash Flow from operations	60.2	48.3	11.9
Change in inventories	-35.1	7.1	- 42.2
Change in current int.free assets	20.9	26.0	- 5.1
Change in current int.free liabilities	6.0	34.2	- 28.2
Change in NWC	-8.2	67.3	- 75.5
Capital Expenditure	-7.3	-8.8	1.5
Operating Cash Flow	44.7	106.8	- 62.1
Taxes paid	-5.2	-8.0	2.8
Free Cash Flow	39.5	98.8	- 59.3
Paid interest, net	-0.3	-2.5	2.2
Distributable Cash Flow	39.2	96.3	- 57.1

CHANGE IN LIQUIDITY (EURm)

	Q3		
	2021	2020	vs. LY
Cash Balance, period opening	26.0	177.4	- 151.4
Translation difference	-	-0.8	0.8
Distributable Cash Flow	39.2	96.3	- 57.1
Dividends/ share buy-backs	-24.4	-22.8	- 1.6
Change in L-T debt	-0.1	-	- 0.1
Payments of lease liabilities	-6.1	-6.0	- 0.1
Change in other S-T debt	-7.7	-77.9	70.2
Other non-operational changes	-2.5	-0.8	- 1.7
Cash Balance, period closing	24.4	165.4	- 141.0
	2021	2020	vs. LY
Total Liquidity			
Cash Balance	24.4	165.4	- 141.0
Unutilised Credit Facilities	343.0	347.0	- 4.0
Total Liquidity, period closing	367.4	512.4	- 145.0



Balance Sheet I Trade working capital up 62 EURm vs. LY.
Balance sheet continued strengthening – net debt down 78 EURm vs. LY

CAPITAL EMPLOYED (EURm)

	<u>Sep 2021</u>	<u>Sep 2020</u>	<u>Change</u>	<u>Dec 2020</u>
GW and other intangible	486.3	495.7	- 9.4	481.9
PPE and biological assets	204.6	207.5	- 2.9	205.4
Capitalised leases (ROU)	82.4	90.9	- 8.5	90.2
Non-Current Assets	773.3	794.1	- 20.8	777.5
Inventories	277.9	205.3	72.6	207.4
Trade receivables	201.9	184.4	17.5	183.7
Trade payables	- 107.2	- 79.3	- 27.9	- 100.2
Trade Working Capital	372.6	310.4	62.2	290.9
Other int-free receivables	25.4	29.6	- 4.2	30.1
Other int-free payables	- 255.4	- 221.1	- 34.3	- 236.8
Operating Capital	915.9	913.0	2.9	861.7
Net tax liabilities	- 18.3	20.1	- 38.4	19.9
Capital Employed	897.6	933.1	- 35.5	881.6

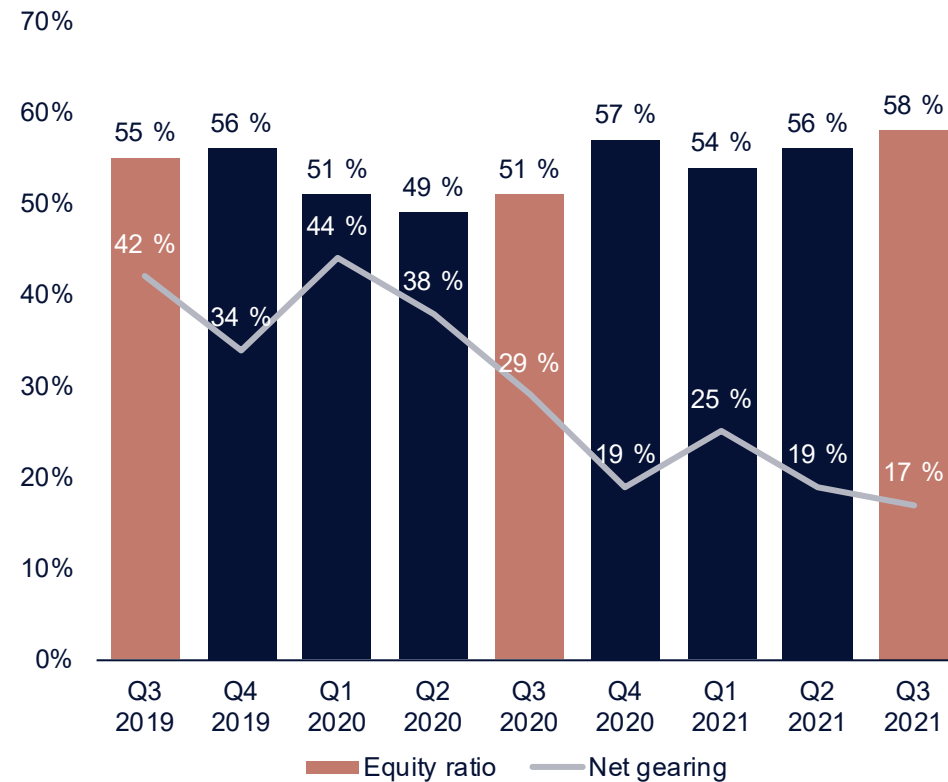
FINANCING (EURm)

	<u>Sep 2021</u>	<u>Sep 2020</u>	<u>Change</u>	<u>Dec 2020</u>
Equity	792.7	743.1	49.6	761.6
Interest-bearing debt	74.3	284.9	- 210.6	112.4
Lease liabilities	87.1	95.1	- 8.0	94.5
Cash	- 24.4	- 165.4	141.0	- 62.5
Net Debt	137.0	214.6	- 77.6	144.4
Financial assets	- 32.1	- 24.6	- 7.5	- 24.4
Financial Total	897.6	933.1	- 35.5	881.6

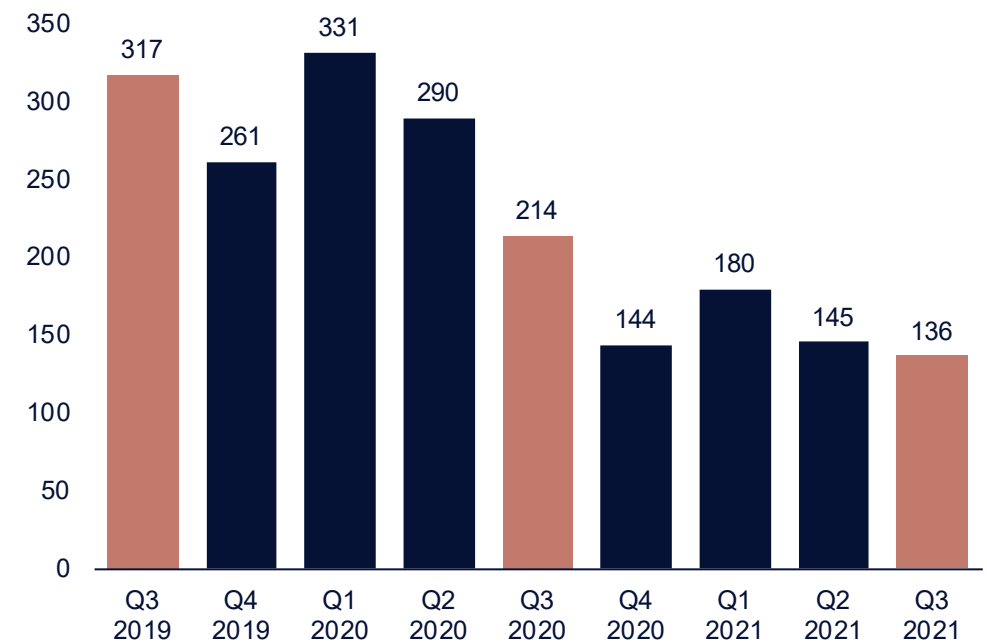


Net debt decreased significantly from the previous year's level

EQUITY RATIO AND NET GEARING



NET DEBT (EURm)



Targeted cost savings will be realized

- Transformation program app. EUR 17 million
- Restructuring program app. EUR 20 million
- The majority of the benefits are already being visible by the end of 2021

Costs will be significantly lower than originally anticipated

- **Originally anticipated to be a total of EUR 70 million**
 - Transformation program app. EUR 40 million (lowered by EUR 5 million in the Q2 2021 report)
 - Restructuring program app. EUR 30 million
- **Total costs for both programs now expected to be app. EUR 45 million**
- EUR 34.2 million in costs recorded by the end of Q3 2021



Making
the **everyday**
extraordinary