



Fiskars Group

Financial Statement Release

January–December 2020

FISKARS
◆
GROUP

FINANCIAL STATEMENT RELEASE JANUARY– DECEMBER 2020

Strong development in an exceptional year, enabled by agility and resilience

FOURTH QUARTER 2020 IN BRIEF:

- Net sales increased by 1.7% to EUR 313.3 million (Q4 2019: 308.0)
- Comparable net sales¹ increased by 5.2% to EUR 313.3 million (297.9)
- EBITA increased by 47.5% to EUR 47.2 million (32.0)
- Comparable² EBITA increased by 42.4% to EUR 49.9 million (35.1)
- Cash flow from operating activities before financial items and taxes increased to EUR 89.8 million (84.7)
- Earnings per share (EPS) were EUR 0.30 (0.26)

JANUARY-DECEMBER 2020 IN BRIEF:

- Net sales increased by 2.4% to EUR 1,116.2 million (Q1-Q4 2019: 1,090.4)
- Comparable net sales¹ increased by 3.8% to EUR 1,116.2 million (1,075.4)
- EBITA increased by 72.4% to EUR 125.8 million (72.9)
- Comparable² EBITA increased by 50.9% to EUR 136.8 million (90.6)
- Cash flow from operating activities before financial items and taxes increased to EUR 223.8 million (117.5)
- Earnings per share (EPS) were EUR 0.83 (0.63)

PROPOSAL FOR DISTRIBUTION OF DIVIDEND

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.60 per share shall be paid for the financial period that ended on December 31, 2020. The dividend shall be paid in two instalments of EUR 0.30 per share each.

OUTLOOK FOR 2021

In 2021, comparable² EBITA is expected to be lower than in 2020, but above EUR 110 million.

Visibility continues to be low due to the COVID-19 pandemic, which is profoundly impacting consumers' lives in terms of changes in for example disposable income, purchasing choices and consumer behavior. These may bring challenges as well as opportunities for Fiskars Group. The majority of the savings in 2020 were temporary in nature and impacted for example marketing. To ensure sustainable business in the long-term, similar temporary cost savings cannot be maintained for a prolonged period of time. Furthermore, the benefits from the ongoing Restructuring and Transformation programs are expected to fully materialize in 2022. More detailed discussion on potential risks and uncertainties can be found in the Risks and business uncertainties -section of this Financial Statement Release.

1) Comparable net sales excludes the impact of exchange rates, acquisitions and divestments

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



CEO'S REVIEW

Fiskars Group's business performed exceptionally well in 2020. Net sales and comparable EBITA increased compared to the previous year, despite the challenging conditions. The strong momentum continued in the seasonally important fourth quarter.

The COVID-19 pandemic had a significant impact on our business during the year. Volatility increased due to the pandemic and visibility decreased. Fiskars Group reacted quickly and decisively to the pandemic already during Q1. Throughout the year we managed our costs and invested in our e-commerce and product availability, especially when demand increased in some of our categories, for example in gardening, scissors and crafting. Despite temporary store and factory closures as well as personnel furloughs we were able to maintain operations, serve customers and consumers and create great consumer experiences.

The pandemic had a significant negative impact on Business Area Vita throughout the year. Footfall to stores decreased, retailers reduced their stocks and gifting decreased. Despite the difficulties, progress during the fourth quarter was strong as comparable net sales increased from the previous year and comparable EBITA showed a clear increase, largely thanks to the savings measures. We are seeing pockets of positive development in BA Vita, as for example the expansion in China has proceeded well and our e-commerce channel is growing. These efforts will also continue going forward.

Both BA Terra and Crea performed very well during the year and their momentum continued into the fourth quarter, which is seasonally less important for BA Terra. In 2020, Terra gained support from favorable weather conditions, increased distribution and strong demand in gardening and fixing categories, as people stayed at home. Crea also benefitted from people staying at home and the increased distribution.

We will continue the focused execution of our strategic priorities. In 2021, we plan to complete the two on-going transformation programs, aiming at increasing simplicity and efficiency. Part of the targeted cost savings have already materialized in our results.

At the core of our business is sustainability. We are on a mission for lasting wellbeing of people and the planet, and are committed to fight against throwaway culture, act for a carbon neutral business and for increased joy for people and communities. In October, we announced our commitment to climate action and joined the UN Business Ambition for 1.5°C commitment and set science-based targets.



**NATHALIE
AHLSTRÖM**
President & CEO

CEO'S REVIEW

I thank our employees for the great results in 2020. Our entire team showed agility and resilience in the exceptional circumstances during the year and made great progress. I'm proud to be part of the team.

The health and wellbeing of our people is a key priority for the company, and we have implemented several measures to ensure healthy working conditions during the pandemic. My sincere thanks goes to all people working in stores, factories and distribution centers as well as those working remotely, allowing us to continue to serve our customers and consumers throughout the entire year.

During my first weeks as the CEO of Fiskars Group, I have seen both opportunities as well as challenges on our journey to pursue profitable growth. The COVID-19 pandemic will continue to impact our business as well as consumer behavior. Our purpose of making the everyday extraordinary will continue to guide our actions going forward.

Nathalie Ahlström
President & CEO



**NATHALIE
AHLSTRÖM**
President & CEO

GROUP KEY FIGURES

EUR million	Q4			Change		
	2020	2019		2020	2019	
Net sales	313.3	308.0	1.7%	1,116.2	1,090.4	2.4%
Comparable net sales ¹⁾	313.3	297.9	5.2%	1,116.2	1,075.4	3.8%
EBITA	47.2	32.0	47.5%	125.8	72.9	72.4%
Items affecting comparability in EBITA ²⁾	-2.7	-3.1		-11.0	-17.7	37.7%
Comparable EBITA	49.9	35.1	42.4%	136.8	90.6	50.9%
Operating profit (EBIT)	33.3	28.5	16.7%	98.0	60.1	63.1%
Profit before taxes	30.4	26.5	14.9%	89.8	63.2	41.9%
Profit for the period	25.2	21.3	18.6%	68.5	52.4	30.6%
Net change in the fair value of investment portfolio		0.0			-20.4	
Earnings/share, EUR	0.30	0.26	17.0%	0.83	0.63	30.9%
Equity per share, EUR				9.30	9.34	
Cash flow from operating activities before financial items and taxes	89.8	84.7	6.0%	223.8	117.5	90.4%
Equity ratio, %				57%	56%	
Net gearing, %				19%	34%	
Capital expenditure	9.6	12.6	-24.1%	30.0	40.0	-24.8%
Personnel (FTE), average	5,993	6,592	-9.1%	6,104	6,860	-11.0%

1) Using comparable exchange rates and excluding the Leborgne divestment.

2) In Q4 2020, items affecting comparability consisted mainly of items related to the Transformation and Restructuring programs.

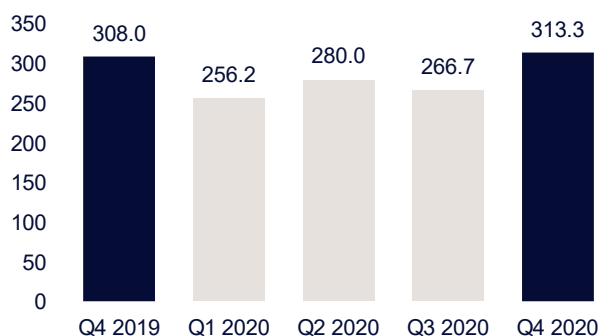


GROUP PERFORMANCE

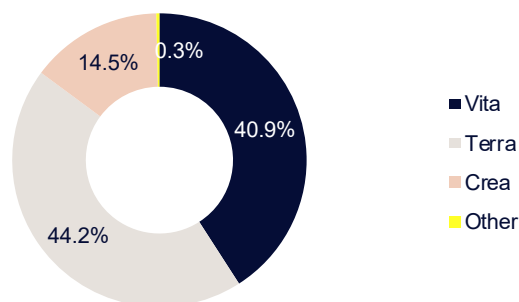
EUR million	Q4 2020	Q4 2019	Change	Comparable change*	2020	2019	Change	Comparable change*
Net sales								
Group	313.3	308.0	1.7%	5.2%	1,116.2	1,090.4	2.4%	3.8%
Vita	171.1	171.6	-0.3%	1.7%	456.6	500.8	-8.8%	-8.1%
Terra	97.8	95.7	2.2%	8.2%	493.8	442.9	11.5%	14.1%
Crea	43.5	39.5	10.2%	14.1%	162.0	142.9	13.4%	14.4%
Other	0.9	1.2	-22.6%	-22.7%	3.8	3.9	-4.1%	-4.2%
Comparable EBITA								
Group	49.9	35.1	42.4%		136.8	90.6	50.9%	
Vita	37.8	27.0	39.9%		41.0	38.8	5.5%	
Terra	7.7	2.8	172.6%		67.5	36.2	86.5%	
Crea	8.5	8.1	5.9%		41.1	28.0	46.6%	
Other	-4.1	-2.8	-43.9%		-12.8	-12.5	-3.0%	

*Using comparable exchange rates and excluding the Leborgne divestment.

NET SALES, EUR MILLION



NET SALES SPLIT BY SEGMENT, Q1-Q4 2020



FISKARS GROUP'S NET SALES IN Q4 2020

Fiskars Group's consolidated net sales increased by 1.7% to EUR 313.3 million (Q4 2019: 308.0).

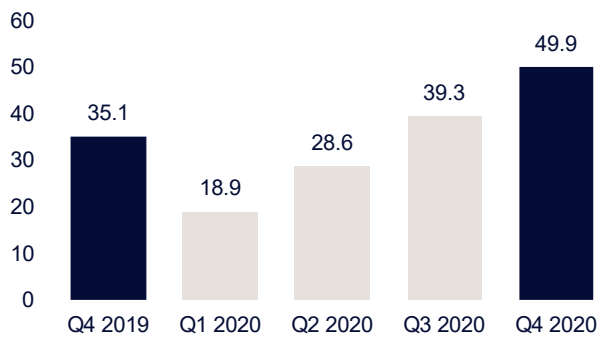
Comparable net sales increased by 5.2%, driven by all segments. In the Vita segment, the positive development in some key markets supported growth. In the Crea and Terra segments, strong demand was the main driver.

FISKARS GROUP'S NET SALES IN Q1-Q4 2020

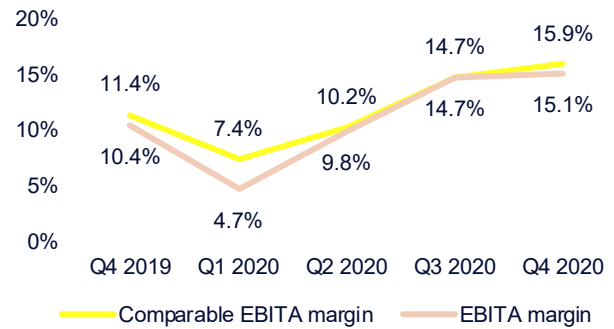
Fiskars Group's consolidated net sales increased by 2.4% to EUR 1,116.2 million (Q1-Q4 2019: 1,090.4). Comparable net sales increased by 3.8%. Comparable net sales increased in the Crea and Terra segments, driven by strong demand and increased distribution. The increase was subdued by the challenges in the Vita segment, as the COVID-19 pandemic impacted the business and comparable net sales decreased.



FISKARS GROUP'S COMPARABLE EBITA, EUR MILLION



FISKARS GROUP'S COMPARABLE EBITA MARGIN AND EBITA MARGIN



FISKARS GROUP'S COMPARABLE EBITA IN Q4 2020

Fiskars Group's comparable EBITA increased by 42% to EUR 49.9 million (Q4 2019: 35.1). The comparable EBITA increased in all Business Areas. The increase was supported by temporary cost savings as well as by the long-term efficiency actions. Temporary cost-cutting measures were related to selling, marketing, travel and administration costs. Increased sales volumes also supported profitability.

Comparable EBITA increased in the Vita segment, supported by cost-cutting measures and an increase in gross margin.

In the Terra segment, comparable EBITA increased, driven by increased sales volumes and cost-cutting measures.

In the Crea segment, comparable EBITA increased, driven by increased sales volumes and cost-cutting measures.

FISKARS GROUP'S COMPARABLE EBITA IN Q1-Q4 2020

Fiskars Group's comparable EBITA increased by 51% to EUR 136.8 million (Q1-Q4 2019: 90.6). The comparable EBITA increased in the Terra and Crea segments. The increase was supported by the significant temporary cost-cutting measures implemented from the second quarter onwards. The effects of the long-term efficiency actions in the ongoing programs were also visible, for example related to the new organizational structure, which was implemented in the beginning of the second quarter.

Comparable EBITA increased in the Vita segment. Significant cost-cutting measures supported profitability, while a decrease in sales volumes had a negative impact.

In the Terra segment, comparable EBITA increased, supported by increased sales volumes and cost-cutting measures.

In the Crea segment, comparable EBITA increased, supported by increased volumes, inventory efficiencies and cost-cutting measures, which were partly offset by a weaker product mix.



OPERATING ENVIRONMENT IN Q4 2020

The operating environment remained volatile during the fourth quarter. Most markets continued to be impacted by the pandemic. The situation worsened towards the end of the quarter in many markets, including new lockdowns and store closures. Some categories were supported by the situation, while others continued to be challenged.

Within the gardening and DIY channels, stores in most markets were kept open. Demand in these channels remained strong during the quarter, as people spent more time at home.

OPERATING ENVIRONMENT IN Q1-Q4 2020

The operating environment was volatile in 2020. While some categories were supported by the situation, others were challenged.

In some of the categories, the negative impact from the COVID-19 pandemic increased towards the end of the first quarter and continued until the end of the year. Overall, April was the most difficult month during the year. Significant challenges were faced on the markets, including decreased footfall to stores and an impact on demand. On the other hand, there was a positive effect on some categories, as people spent more time at home due to the pandemic. These categories include gardening and crafting.

The importance of e-commerce increased during the year, as brick-and-mortar stores were temporarily closed in many markets. Despite the temporarily eased pandemic situation, consumer behavior is different from the pre-pandemic period. In the retail space, many department store chains have come under renewed pressure resulting from the pandemic. Consequently, the situation has accelerated the shift from traditional players to e-commerce.

Within the gardening and DIY channels, stores in most markets were kept open. Demand in these channels was strong during the year, supported by consumers' increased interest in the gardening and watering categories, as people spent more time at home. Additionally, weather conditions during the year were mostly favorable.

REPORTING SEGMENTS

This financial statement release reflects Fiskars Group's organizational structure, which features three Business Areas (BA): Vita, Terra and Crea. Fiskars Group's four primary reporting segments are Vita, Terra, Crea and Other. In addition, Fiskars Group reports net sales for three geographical areas: Europe, Americas and Asia-Pacific. Segment financial figures for the year 2019 have been restated for the new primary reporting segments. The restated figures have not been audited.

BA Vita offers premium and luxury products for the tableware, drinkware and interior categories. It consists of brands such as Iittala, Royal Copenhagen, Waterford and Wedgwood.

BA Terra consists of the gardening, watering, and outdoor categories. The brands include Fiskars, Gerber and Gilmour.

BA Crea consists of the scissors and creating as well as the cooking categories, mainly with the Fiskars brand.

The Other segment contains the Group's investment portfolio, the real estate unit, corporate headquarters and shared services.

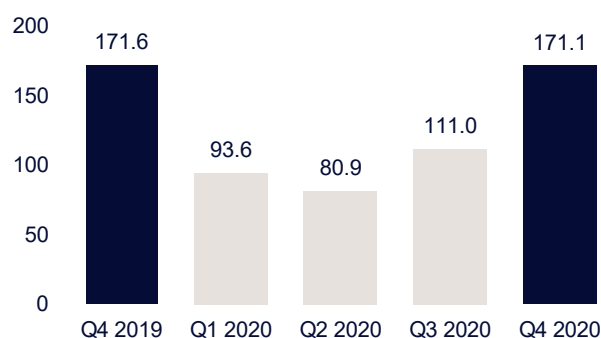


VITA SEGMENT

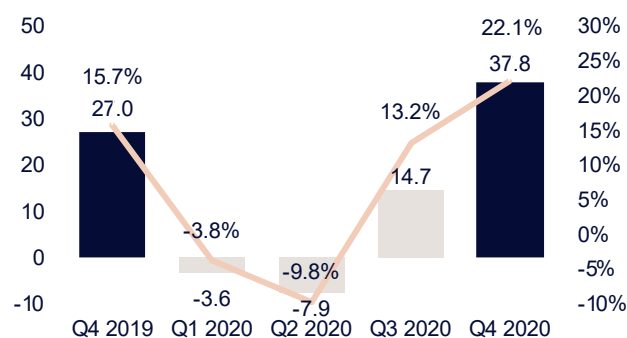
EUR million	Q4 2020	Q4 2019	Change	2020	2019	Change
Net sales*	171.1	171.6	-0.3%	456.6	500.8	-8.8%
Comparable EBITA	37.8	27.0	39.9%	41.0	38.8	5.5%
Capital expenditure	5.6	5.8	-4.5%	16.3	18.3	-11.3%

*Using comparable exchange rates, net sales increased by 1.7% in Q4 2020 and decreased by 8.1% in Q1-Q4 2020.

NET SALES, EUR MILLION



COMPARABLE EBITA (EUR MILLION) AND COMPARABLE EBITA MARGIN



VITA SEGMENT IN Q4 2020

Net sales in the Vita segment remained at the previous year's level, amounting to EUR 171.1 million (Q4 2019: 171.6). Comparable net sales increased by 1.7%, despite the ongoing challenges posed by the COVID-19 pandemic. It has continued to impact on Vita's business through a decrease in footfall to stores, retailers reducing their stocks and a decrease in gifting.

Net sales increased most in China, where the growth plan continued to proceed well. Additionally, net sales were supported by the business in Australia and Scandinavia. The positive development was overshadowed by continued challenges in traditional channels in the Americas and the UK.

Net sales increased in the direct channel, driven by e-commerce. The hospitality channel continued to be severely hit by the pandemic.

Comparable EBITA in the Vita segment increased during the quarter and amounted to EUR 37.8 million (27.0). The comparable EBITA was supported by cost-cutting measures and an increase in gross margin.

VITA SEGMENT IN Q1-Q4 2020

Net sales in the Vita segment decreased by 8.8% to EUR 456.6 million (Q1-Q4 2019: 500.8). Comparable net sales decreased by 8.1%. The COVID-19 pandemic impacted Vita's business through a decrease in footfall to stores, retailers reducing their stocks and a decrease in gifting. Gifting has been impacted by a decline in tourism and social gatherings, which are both visible in the interior category.

Despite the challenges posed by the pandemic, net sales increased in China, Continental Europe and Scandinavia. Net sales in China in particular showed a strong double-digit increase. The positive development was overshadowed by challenges in traditional channels in many of the key markets, in particular the Americas and the UK. Due to the pandemic, stores were temporarily closed in many markets and the retailers limited their replenishment orders. Net sales decreased in most channels, with the exception of e-commerce.

Comparable EBITA in the Vita segment increased during the period and amounted to EUR 41.0 million (38.8). The comparable EBITA was supported by significant cost-cutting measures. On the other hand, the decrease in net sales weighed on the profitability.



MARKETING HIGHLIGHTS IN Q4 2020

Wedgwood launched its first advertising campaign in China. The campaign, driven by social media and the digital channel, is built on the co-operation with a local celebrity, actor Li Xian. The first results from the campaign were positive, as the brand had a strong sales performance on Singles' Day (November 11). Wedgwood also launched its first products made of 100% recycled materials. The Folia Jasper Mini Pots made of Jasperware are made in the UK.

On New Year's Eve, the brand renewal of Waterford was launched at the celebration in Times Square in New York. The aim with the renewal is to re-position and revitalize the brand, and the change will be rolled out during 2021.

The Vintage service was expanded to Sweden. Previously the service has been made available in all Iittala stores in Finland and has been well received by consumers. During the fourth quarter, Vintage was made available in five stores in Sweden, where it buys and sells used products from the Rörstrand and Iittala brands.

MARKETING HIGHLIGHTS IN Q1-Q4 2020

The brand renewal of Wedgwood and Royal Doulton was completed during the first quarter of 2020. The target is to re-position the brands and to broaden their appeal to a wider audience. Additionally, the renewed e-commerce sites were launched.

Wedgwood opened a new concept store at a luxury mall in Shenzhen, China. The store is the first to trial a shopping experience that brings to life Wedgwood's brand renewal and repositioning. The retail concept will be rolled out across flagship stores in key global locations which are scheduled to open during 2021 and 2022.

Iittala's newest home collection, Kuru by Phillippe Malouin, has been recognized with a design award by Wallpaper Magazine. The Kuru collection won the magazine's Best Tinted Love Award, specifically for its vase. The collection was introduced during the first quarter of 2020.

Royal Copenhagen opened its new e-commerce site on Tmall in China in May. This is a step forward in the China expansion plan, which is being executed with the Wedgwood and Royal Copenhagen brands.

Royal Copenhagen's Blue Fluted Mega series is celebrating its 20th anniversary. The series is now Royal Copenhagen's best-selling series. To celebrate the anniversary, Mega Rose, a limited-edition version was launched.

Wedgwood and Li Xian



Waterford brand renewal

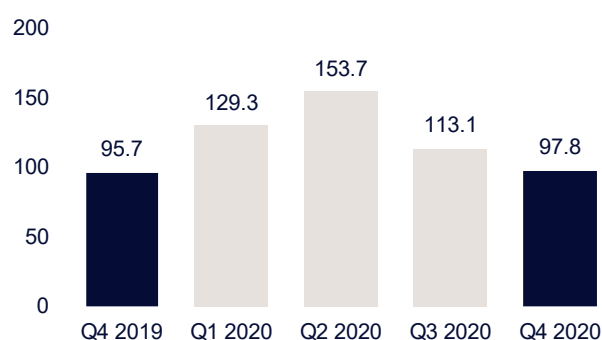


TERRA SEGMENT

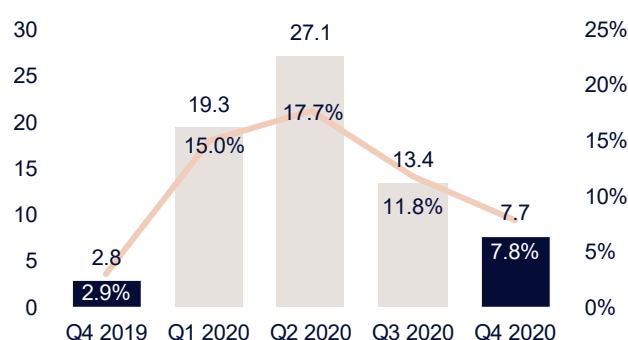
EUR million	Q4	Q4	Change	2020	2019	Change
	2020	2019				
Net sales*	97.8	95.7	2.2%	493.8	442.9	11.5%
Comparable EBITA	7.7	2.8	172.6%	67.5	36.2	86.5%
Capital expenditure	2.8	5.5	-48.5%	9.9	16.6	-40.4%

*Using comparable exchange rates and excluding the Leborgne divestment, net sales increased by 8.2% in Q4 2020 and by 14.1% in Q1-Q4 2020.

NET SALES, EUR MILLION



COMPARABLE EBITA (EUR MILLION) AND COMPARABLE EBITA MARGIN



TERRA SEGMENT IN Q4 2020

Net sales in the Terra segment increased by 2.2% to EUR 97.8 million (Q4 2019: 95.7). Comparable net sales increased by 8.2%.

Net sales increased in most categories and in all channels. In particular, the e-commerce channel posted strong growth figures. This was supported by the Outdoor category, where the Gerber Custom service continued to grow. In addition, net sales in the indirect e-commerce channel increased.

Geographically growth was broad-based, driven by the Americas, Australia and Central Europe. Demand remained strong and the segment was able to increase distribution in the outdoor and fixing categories. In the Nordics, net sales decreased. This was a result of a decrease in snow tool sales, as weather conditions in the region were unfavorable.

Comparable EBITA in the Terra segment increased during the quarter and amounted to EUR 7.7 million (2.8). Profitability was supported by increased sales volumes and cost-cutting measures.

TERRA SEGMENT IN Q1-Q4 2020

Net sales in the Terra segment increased by 11.5% to EUR 493.8 million (Q1-Q4 2019: 442.9). Comparable net sales increased by 14.1%.

Net sales growth was driven by the gardening and watering categories, both of which developed positively in the Americas and Central Europe. Demand was strong overall as people stayed at home, weather conditions were mostly favorable and distribution increased.

In the Nordics and Baltics net sales development was subdued by store closures. Several actions were taken to improve the availability of Fiskars' products, both in e-commerce and in stores.

In the outdoor category net sales increased, supported by the direct channel and increased distribution. The Gerber Custom service, which was launched in March, has been well received amongst consumers. Net sales were negatively impacted by a decline in government orders.

Comparable EBITA in the Terra segment increased during the period and amounted to EUR 67.5 million (36.2). Profitability was supported by increased sales volumes and cost-cutting measures.



MARKETING HIGHLIGHTS IN Q4 2020

Fiskars introduced a new online concept for arranging showrooms for customers. The online video and live events are replacing trade fairs, which cannot be held due to COVID-19. The digital showroom includes interactive product videos.

Gerber launched a new knife series called Reserve. It currently includes two new knife models. The exclusive Reserve series knives are made in small batches in the US. The launch is an integral part of direct to consumer revenue growth and premium knife positioning with knife enthusiasts.

Several Fiskars Group brands were featured in a new floral design show called Full Bloom on HBO Max. The brands, including Fiskars, Waterford, Wedgwood and Royal Doulton, were featured in all eight episodes that aired in Q4. Fiskars products appeared all throughout the series in various challenges and lifestyle sets, providing significant visibility.

The Fiskars by Maria Korkeila garden wear collection was featured in the US newspaper New York Times in October. The article enhanced the significant visibility that the collection has received.

MARKETING HIGHLIGHTS IN 2020

Gerber launched Gerber Custom exclusively on gerbergear.com. This enables customers to order customized knives from a wide range of blade shapes, materials, colors, illustrations and patterns. This advances the Gerber product portfolio and supports direct consumer relationships.

The Fiskars brand gained exceptional international recognition after being awarded the “Red Dot: Design Team of the Year 2020” title. This title has been given to a design team with consistently strong achievements every year since 1988. Additionally, Fiskars’ watering nozzles and wands won the “Red Dot: Best of the Best” design award.

In January, Fiskars presented its first ever garden wear collection to international press and influencers, which was designed in collaboration with designer Maria Korkeila. The launch event held at the Pitti Uomo exhibition in Italy gained significant international visibility for the collection and for the Fiskars brand. The collection will be exclusively available on fiskars.com from the spring of 2021.

Fiskars was placed among the top 10 growing brands in Germany at the “Best Brands” 2020 awards. The ranking is based on a representative empirical study by the market research institute GfK, which has evaluated business success and brand perception with more than 14,000 consumers.

Gerber Reserve



Fiskars online showroom

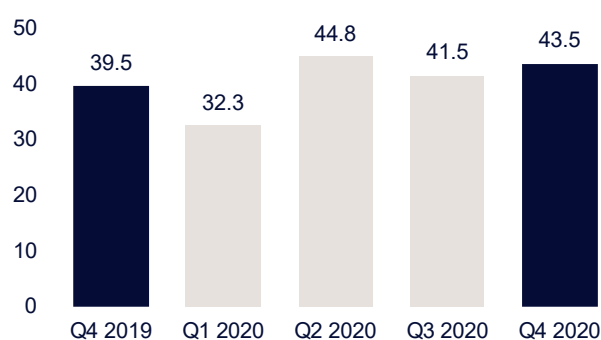


CREA SEGMENT

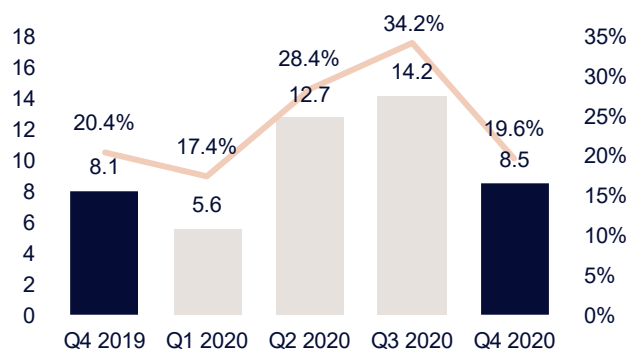
EUR million	Q4	Q4	Change	Q4	Q4	Change
	2020	2019				
Net sales*	43.5	39.5	10.2%	162.0	142.9	13.4%
Comparable EBITA	8.5	8.1	5.9%	41.1	28.0	46.6%
Capital expenditure	0.6	0.2	170.6%	1.8	0.9	87.4%

*Using comparable exchange rates, net sales increased by 14.1% in Q4 2020 and by 14.4% in Q1-Q4 2020.

NET SALES, EUR MILLION



COMPARABLE EBITA (EUR MILLION) AND COMPARABLE EBITA MARGIN



CREA SEGMENT IN Q4 2020

Net sales in the Crea segment increased by 10.2% to EUR 43.5 million (Q4 2019: 39.5). Comparable net sales increased by 14.1%, supported by all categories. Net sales in the direct channel increased, as growth in e-commerce more than offset the decrease in own stores. The decrease in own stores was a result of the COVID-19 -pandemic.

Net sales increased in most key markets. Growth was driven by the Americas, where the overall crafts trend and mask making activities continued to support demand.

In Europe, net sales increased most in Scandinavia and Central Europe. Demand remained at a good level and distribution was expanded in selected markets.

Comparable EBITA in the Crea segment increased during the quarter and amounted to EUR 8.5 million (8.1). The comparable EBITA was supported by increased sales volumes and cost-cutting measures.

CREA SEGMENT IN Q1-Q4 2020

Net sales in the Crea segment increased by 13.4% to EUR 162.0 million (Q1-Q4 2019: 142.9). Comparable net sales increased by 14.4%. Sales increased in all categories. Net sales in the direct channel decreased, as growth in e-commerce did not offset the decrease in own stores. The decrease in own stores was a result of the COVID-19 -pandemic.

The increase in net sales was mostly driven by the strong demand in the Americas. While net sales increased in Europe, there were significant differences by market. New distribution supported growth in Scandinavia and Germany, whereas there were challenges for example in Finland due to store closures.

Comparable EBITA in the Crea segment increased during the period and amounted to EUR 41.1 million (28.0). The comparable EBITA was supported by increased volumes and inventory efficiencies as well as cost-cutting measures.



MARKETING HIGHLIGHTS IN Q4 2020

Fiskars introduced a new version of its general-purpose scissors, made in Finland from recycled and 100% recyclable materials. The scissor handles are made from material that consist of recycled plastic and renewable wood fiber, while the blades are made from recycled stainless steel. The scissors were made available in stores starting January 2021 and are the first product to be unveiled from the innovative new scissor series. The range will be expanded by further products in the upcoming years.

To stay close to consumers in the US, Fiskars arranged live online classes together with Michaels Cos, an arts and crafts retailer. Michaels offered free online classes and events for consumers to learn new skills from talented makers. Fiskars hosted some of these events with selected influencers for consumers to create using Fiskars tools.

In the Nordics, Fiskars launched a joint campaign to drive sales of the Hard Face series and launch Hard Edge knives, which is an extension to the Hard Face series.

MARKETING HIGHLIGHTS IN Q1-Q4 2020

Fiskars has focused on gaining strong media coverage, including earned media and influencer coverage, particularly in the Americas. Influencers were helping consumers stay creative at home with sewing and crafting tutorials for kids and adults, driving increased brand awareness. This organic content supports Fiskars' position in these categories as a loved and trusted brand, thereby supporting the business.

In Finland, the Happiness campaign was launched for the Hard Face cooking range in February. Finland is an important market within the cooking category. Additionally, the distribution of the Fiskars Functional Form cooking products was expanded in Australia.

Iittala and Fiskars partnered with WWF Finland to support nature biodiversity in Finland. This is in line with one of the Group's sustainability commitments, which is designing circular products. During the partnership, part of the business-to-business sales of some limited edition products will be donated to WWF Finland, and the deliveries began in the autumn of 2020.

Recycled scissors



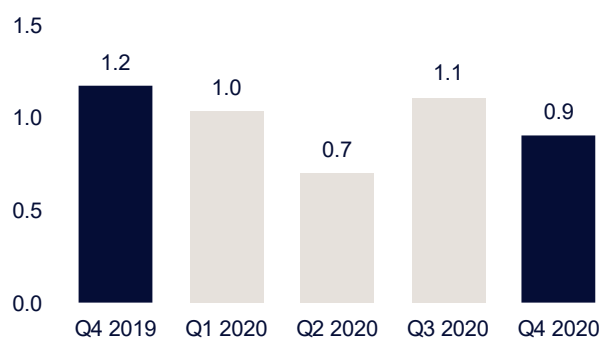
Hard Edge knives



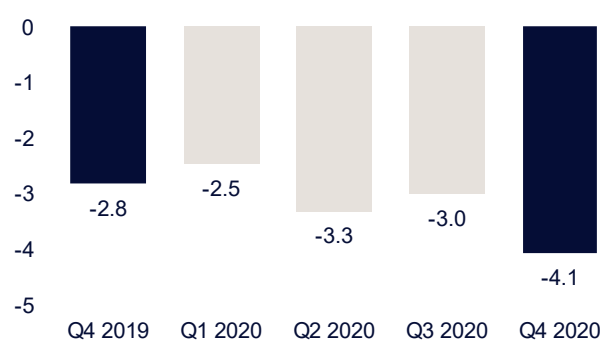
OTHER SEGMENT

EUR million	Q4 2020	Q4 2019	Change	2020	2019	Change
Net sales	0.9	1.2	-22.6%	3.8	3.9	-4.1%
Comparable EBITA	-4.1	-2.8	-43.9%	-12.8	-12.5	-3.0%
Capital expenditure	0.6	1.1	-47.2%	2.2	4.2	-48.1%

NET SALES, EUR MILLION



COMPARABLE EBITA (EUR MILLION)



OTHER SEGMENT IN Q4 2020

Net sales in the Other segment amounted to EUR 0.9 million (Q4 2019: 1.2), consisting of timber sales and rental income. The comparable EBITA for the Other segment amounted to EUR -4.1 million (-2.8).

OTHER SEGMENT IN Q1-Q4 2020

Net sales in the Other segment amounted to EUR 3.8 million (Q1-Q4 2019: 3.9), consisting of timber sales and rental income. The comparable EBITA for the Other segment amounted to EUR -12.8 million (-12.5).



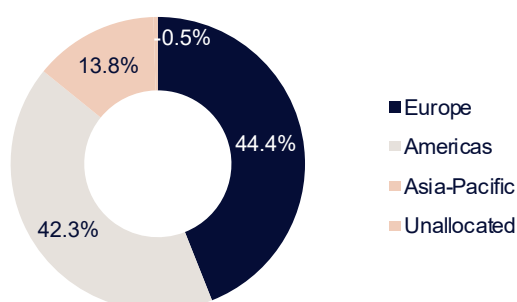
NET SALES BY GEOGRAPHY

EUR million	Q4 2020	Q4 2019	Change	Comparable change*	2020	2019	Change	Comparable change*
Europe	151.5	153.7	-1.5%	-0.3%	495.9	518.9	-4.4%	-3.6%
Americas	108.3	106.6	1.6%	9.0%	471.6	427.5	10.3%	11.8%
Asia-Pacific	54.6	47.7	14.3%	16.9%	154.1	143.6	7.3%	8.2%
Unallocated	-1.0	0.0			-5.4	0.3		

*Using comparable exchange rates and excluding the Leborgne divestment

**Geographically unallocated exchange rate differences

FISKARS GROUP'S NET SALES SPLIT BY GEOGRAPHY, Q1-Q4 2020



NET SALES IN Q4 2020

Net sales in Europe decreased by 1.5% and amounted to EUR 151.5 million (Q4 2019: 153.7). Comparable net sales remained at the previous year's level, weighed down by the developments in Finland and the UK.

Net sales in the Americas increased by 1.6% to EUR 108.3 million (106.6). Comparable net sales increased by 9.0%, driven by the Terra and Crea segments, while it decreased in the Vita segment.

Net sales in Asia-Pacific increased by 14.3% to EUR 54.6 million (47.7). Comparable net sales increased by 16.9%, supported by most markets. The key drivers were Vita in China as well as all business areas in Australia.

NET SALES IN Q1-Q4 2020

Net sales in Europe decreased by 4.4% and amounted to EUR 495.9 million (Q1-Q4 2019: 518.9). Comparable net sales decreased by 3.6%, weighed down by the Vita segment. Net sales increased in the Terra and Crea segments. Overall, Germany was one of the key growth drivers. Net sales decreased for example in Finland, the UK and Ireland as a result of the lockdowns.

Net sales in the Americas increased by 10.3% to EUR 471.6 million (427.5). Comparable net sales increased by 11.8%, driven by the Terra and Crea segments, whereas it decreased in the Vita segment.

Net sales in Asia-Pacific increased by 7.3% to EUR 154.1 million (143.6). Comparable net sales increased by 8.2%, driven by all but one market in the region, since there have been challenges in Japan. These challenges related to lockdowns and low footfall to stores, as a result of the pandemic.



THE IMPACT OF THE COVID-19 PANDEMIC ON FISKARS GROUP IN JANUARY-DECEMBER 2020

Market situation

The market situation has been highly volatile. It was most challenging in March and April, and improved towards the end of the second quarter. The second half of the year was still volatile, as some categories gained support, while others continued to be challenged. Throughout the year there have been significant differences by category and market. Overall, consumers have shifted focus to e-commerce channels due to lockdowns and store closures, which has impacted retailers as well.

In the Vita categories demand has decreased, and store closures negatively impacted the performance. March and April were the most challenging months. Gifting is an important part of the business, and it was hit by social distancing and restrictions on holding meetings. Additionally, customers in the hospitality channel (i.e. hotels, cruise lines, airlines) have largely halted investments.

In the Terra and Crea categories the pandemic had a different impact. Demand has been strong, especially in June, and continued at a good level in the second half of the year. In particular, the gardening and watering categories have seen increased consumer interest. Also, these categories have not been hit by store closures to the same extent as for Vita. For Crea, the demand for scissors and sewing products has increased as people have spent more time at home.

Temporary cost-cutting measures

At the beginning of the pandemic, proactive steps were swiftly introduced to lessen the negative impacts of COVID-19 on operations around the world. As the situation evolved during the year, a broad range of cost savings were implemented. Most of these measures were taken starting in the second quarter of the year and were visible in the financial performance from the second quarter onwards.

Own stores

The company had to temporarily close stores due to the pandemic, starting in the Asia-Pacific region as early as January. The closures and reopenings varied by country and even by city. The closures reached a high in April, when a significant amount of the Group's stores were closed. While only a few stores were closed in the fall, the

number increased clearly towards the end of the year.

Own production

The pandemic impacted most of the production units. Some were temporarily closed to adjust to the decrease in demand, while others increased production volumes. In all units, new arrangements were put in place in order to meet regulations ensuring the health and wellbeing of employees. Production continued to be impacted in a few units at the end of December, in response to the reduced demand.

Financial position

Actions to secure liquidity were promptly taken during the first quarter of the year. The cash level was increased with short-term borrowing (mainly by commercial paper issues and bilateral loans from credit institutions). Due to the strong cash flow, the majority of these loans were repaid during the second half of 2020.

Throughout the COVID-19 pandemic, Fiskars Group has intensely followed up on and assessed the credit risks of trade receivables. The existing bad debt provision model for expected credit losses is based on the age groups of the trade receivables. Bad debt provision increases in line with the age of the trade receivables, so as the model is followed, the increased credit risk in the form of more mature trade receivables results in a higher bad debt provision. The model is adjusted for forward-looking information. Credit losses have remained at a historically normal level during 2020.

Impact on financial reporting

On the basis of the impairment calculations performed in the second quarter, there has been no need for impairment of goodwill for any CGU for the period ended June 30, 2020. Based on impairment testing calculated on trademarks, the Gingher trademark has been impaired with EUR 1.0 million for the period ended June 30, 2020. Impairment tests were performed according to the annual schedule during Q4 2020.

The credit risk of trade receivables, and the amount of bad debt provision was analyzed at the end of the reporting period, with the conclusion being that sufficient provisions have been made.

FINANCIAL ITEMS, NET RESULT AND CASH FLOW IN Q4 2020

Other financial income and expenses amounted to EUR -3.1 million (Q4 2019: -1.7). Foreign exchange differences accounted for EUR -2.3 million (-2.0) of financial items.

Profit before taxes was EUR 30.4 million (26.5) in the fourth quarter of 2020. Income taxes for the fourth quarter were EUR -5.2 million (-5.2). Earnings per share were EUR 0.30 (0.26).

The fourth quarter cash flow from operating activities before financial items and taxes amounted to EUR 89.8 million (84.7). The change was mainly driven by an increase in profit before taxes. Cash flow from financial items and taxes amounted to EUR -7.3 million (-4.5).

Cash flow from investing activities was EUR -9.3 million (-10.8), including EUR -9.6 million of capital expenditure on fixed assets. Cash flow from financing activities was EUR -177.1 million (-69.1), including EUR -169.9 million change in current debt and EUR -5.8 million of lease liability payments. The comparison figure from Q4 2019 included EUR -62.3 million of change in current debt and EUR -5.8 million of lease liability payments.

Capital expenditure for the fourth quarter totaled EUR 9.6 million (12.6), mainly relating to IT solutions and replacements. Depreciation, amortization and impairment amounted to EUR 26.0 million (15.5) in the fourth quarter. This contains an impairment of the Waterford trademark by EUR 10.4 million.

FINANCIAL ITEMS, NET RESULT AND CASH FLOW IN Q1-Q4 2020

Other financial income and expenses amounted to EUR -8.9 million (Q1-Q4 2019: 3.4, including EUR 7.8 million of dividends on Wärtsilä shares). Foreign exchange differences accounted for EUR -2.2 million (-2.1) of financial items.

Profit before taxes was EUR 89.8 million (63.2) for the full year 2020. Income taxes for the full year 2020 were EUR -21.3 million (-10.8). Earnings per share were EUR 0.83 (0.63).

The cash flow from operating activities before financial items and taxes for the full year amounted to EUR 223.8 million (117.5). The change was driven working capital efficiencies, an increase in profit before taxes and by timing differences. Cash flow from financial items and taxes amounted to EUR -24.6 million (-21.0).

Cash flow from investing activities was EUR -29.4 million (-37.0), including EUR -30.0 million of capital expenditure on fixed assets. Cash flow from financing activities was EUR -116.5 million (-74.5), including EUR -84.5 million of change in current debt, EUR 39.9 million of change in non-current debt, EUR -45.7 million of dividends paid and EUR -24.0 million of lease liability payments. The comparison figure from 2019 included EUR -51.0 million of dividends paid and EUR -21.6 million of lease liability payments.

Capital expenditure for the full year totaled EUR 30.0 million (40.0), mainly relating to IT solutions and replacements. Depreciation, amortization and impairment amounted to EUR 76.1 million (59.6) for the full year. This contains impairments of the Gingher trademark by EUR 1 million and the Waterford trademark by EUR 10.4 million.



BALANCE SHEET AND FINANCING

Fiskars Group's working capital totaled EUR 134.2 million (194.4) at the end of December. The equity ratio was 57% (56%) and net gearing was 19% (34%).

Cash and cash equivalents at the end of the period totaled EUR 62.5 million (9.4). Net interest-bearing debt amounted to EUR 143.7 million (261.1), of which leases classified as interest-bearing debt under IFRS 16 accounted for EUR 94.5 million (111.3).

Excluding leasing debt, short-term borrowing totaled EUR 61.2 million (108.7) and long-term borrowing EUR 51.2 million (51.4). Short-term borrowing consisted mainly of bilateral loans from credit institutions maturing within 12 months.

In addition to outstanding loans, Fiskars Group had EUR 300 million of unutilized long-term committed credit facilities and a commercial paper program of EUR 400 million with Nordic banks.



RESTRUCTURING PROGRAM

During the first half of 2020, Fiskars Group changed its organizational structure and simplified the organization to continue to build one company with a common purpose, strategy and values.

The company also launched a company-wide Restructuring Program, announced in December 2019, aimed at reducing costs. The savings are expected to come from a wide range of areas, including the removal of overlaps in the organization, simplified processes and ways of working, and reduction of workforce. As part of the program, the company is looking for synergies and efficiencies in the selling and administrative spending. In addition, the company is evaluating the entire supply and distribution network for efficiency improvements.

The program will target annual net cost savings of approximately EUR 20 million, subject to the full implementation of the program. The targeted cost savings are expected to be achieved gradually, and the majority of the savings are expected to materialize in the Group's results during the program, which is estimated to be completed by the end of 2021.

The total costs of the program are expected to be approximately EUR 30 million by the end of 2021, of which EUR 8.5 million had been recorded by the end of December 2020. They will be recorded as items affecting comparability (IAC) and have a cash flow impact. At the same time, Fiskars Group continues investments in growth initiatives that are expected to add sustainable value in the long-term, e.g., in e-commerce and new business opportunities.

TRANSFORMATION PROGRAM

In October 2018, Fiskars Group launched a Transformation program in its former Living segment aimed at increasing efficiency, reducing complexity and accelerating long-term strategic development.

The program will target annual cost savings of approximately EUR 17 million, subject to the full implementation of the program. The targeted cost savings are expected to be achieved gradually, and the majority of the savings are expected to materialize in the Group's results after the program is completed, which is estimated to be by the end of 2021.

The total costs of the program are approximately EUR 40 million in 2018–2021, of which EUR 22.5 million had been recorded by the end of the December 2020. The costs are recorded as items affecting comparability (IAC).



RISKS AND BUSINESS

UNCERTAINTIES

Fiskars Group's business, net sales, and financial performance may be affected by several uncertainties. Fiskars Group has detailed the overall business risks and risk management in its Annual Report and on the company's website at www.fiskarsgroup.com/investors.

The COVID-19 pandemic continues to impact societies around the world and pose a risk for the full-year performance. The development of the situation varies by country, and visibility is low. Lockdowns, store closures, social distancing and other measures taken to combat the pandemic could impact the financial performance of the company as the overall consumer confidence may suffer.

The COVID-19 pandemic is profoundly impacting consumers' lives in terms of changes in for example disposable income, purchasing choices and consumer behavior. Continuing safety concerns around COVID-19 are likely to negatively impact sales in the Group's physical stores. However, in the absence of an escalation of the pandemic in the company's key markets, consumer confidence could also strengthen and demand surge.

The seasonality of the product categories plays a role. For the gardening and watering categories in the Terra segment, the second quarter of the year is seasonally the most important one. Further, back-to-school and the holiday seasons are important for the sales performance during the second half of the year. For Vita segment, the fourth quarter is the most important quarter both in terms of net sales and comparable EBITA. In the current volatile market conditions and depending on the development of the pandemic, the seasonality of both trade and consumer demand may differ from a typical year.

Demand for some of Fiskars Group's products is dependent on the weather, particularly garden tools and watering products during the spring and snow tools during the winter. Unfavorable weather conditions such as cold and rainy spring and summer and snowless winter could have a negative impact on the sale of these products whereas favorable conditions could boost their sales.

Any negative issues related to product availability, demand or increased costs from manufacturing or logistics during the important seasons for the each of the businesses could affect the full-year result significantly.

Fiskars Group operates globally with a considerable part of the business in the U.S., and with several suppliers in Asia. Growing signs of rising protectionism and country of origin consumer concerns may impact Fiskars Group's business and operations. Continuing trade tensions between the U.S. and China could have a further negative impact on Fiskars Group's business and on the comparable EBITA in 2021.

With a significant part of its business in the U.S. and in other countries outside of the euro zone, Fiskars Group is exposed to fluctuations in foreign currency rates. Weakening of the U.S. dollar or other currencies relative to the euro may have a material impact on the reported financial figures due to the translation exposure. Less than 20% of Fiskars Group's commercial cash flows are exposed to fluctuations in foreign exchange rates.

Fiskars Group entities are subject to tax audits in several countries. It is possible that tax audits lead to a reassessment of taxes. The tax reassessment claim raised by the Finnish Large Taxpayers' Office in 2016, was appealed to the Administrative Court, which maintained the decision that obligated the company to pay a total of EUR 28.3 million in additional tax, interest expenses and punitive tax increases. Fiskars Group has sought further appeal from the Supreme Administrative Court, and the process may take years. The dispute concerns intra-group loans forgiven by the company in 2003 and their tax treatment in subsequent tax years.



RESEARCH AND DEVELOPMENT

The Group's research and development expenditure in the fourth quarter of 2020 totaled EUR 4.2 million (Q4 2019: 5.2), equivalent to 1.3% (1.7%) of net sales. During 2020, research and development expenses totaled EUR 16.5 million (2019: 18.4), which is equivalent to 1.5% (1.7%) of net sales.

PERSONNEL

The average number of full-time equivalent employees (FTE) was 5,993 (Q4 2019: 6,592) in the fourth quarter. At the end of the quarter, the Group employed 6,411 (6,984) employees, of whom 1,062 (1,132) were in Finland. The main drivers behind the change were the Transformation and Restructuring programs.

CHANGES IN ORGANIZATION AND MANAGEMENT

On March 17, Chief Consumer Officer Tina Andersson started in her position. On April 8, 2020, Fiskars Group announced the appointment of James Brouillard as Executive Vice President, Business Area Terra. He started in his position on April 20, 2020. Both report to the CEO and are members of the Fiskars Group Leadership Team.

On April 21, 2020, Fiskars Group announced the resignation of President and CEO Jaana Tuominen. CFO Sari Pohjonen was appointed interim CEO. On July 10, the company announced the appointment of M.Sc. (Tech.) Nathalie Ahlström (born 1974) as President and Chief Executive Officer of Fiskars Corporation. She started in the position on November 30, 2020. At the same time, she stepped down from the Board of Directors at Fiskars, where she had been a member since March 2020.

Starting on November 30, 2020, Interim President and CEO Sari Pohjonen continued in her role as Chief Financial Officer, Deputy to the CEO and member of the Group Leadership Team.

OTHER SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

New share-based Long-term Incentive Plans for Fiskars Group's key employees

The Board of Directors of Fiskars Corporation has decided on new share-based Long-term Incentive Plans for the Fiskars Group Leadership Team and other key employees. The plans include a Performance Share Plan

and a Restricted Share Plan and they will form a part of Fiskars remuneration program for its key employees. The aim of the plans is to support the implementation of the company's strategy and drive profitable growth and to align the objectives of key employees with the shareholders to increase the value of the company.

Performance Share Plan:

The Performance Share Plan consists of annually commencing individual performance share plans, each with a three-year performance period, followed by the payment of the potential share reward. The Board of Directors will decide separately the commencement of each individual plan and their participants, the minimum, target and maximum rewards for each participant, as well as the performance criteria and related targets. The amount of the reward paid to a key employee depends on the achievement of the set targets. No reward will be paid if the targets are not met. Also, if the participant's employment or service ends before reward payment, the participant is, as a main rule, not entitled to any reward. The potential reward will be paid in the company's shares, after the deduction of the proportion that is required for covering taxes and tax-related costs due on the basis of the reward. However, the company may decide to pay the reward fully in cash.

The first 2021–2023 performance period commences as of the beginning of 2021 and the potential share reward thereunder will be paid during the first half 2024. For the first performance period, the plan has a maximum of 50 participants and the performance targets for the Plan relate to the company's absolute total shareholder return and Group EBITA.

If all maximum performance targets are reached, the reward payable in shares on the basis of the 2021–2023 performance period would amount to a total gross maximum of 600,000 shares in the company. For reference purposes only (noting that the market value of the shares will constantly change), calculated based on the volume weighted average price of Fiskars share on December 9, 2020, the estimated total value of this first plan is approximately EUR 8.7 million.

Restricted Share Plan:

The purpose of the Restricted Share Plan is to serve as a complementary long-term retention tool for individually selected key employees of Fiskars Group in specific situations. The Restricted Share Plan consists of annually commencing individual restricted share plans.



The Board of Directors will decide separately the commencement of each individual plan. Each plan comprises an overall three-year retention period during which the Company may grant fixed share rewards to individually selected key employees. The company may choose to use a shorter retention period on a case by case basis within this overall three-year period.

The granted share rewards will be paid after the retention period. No reward will be paid if the participant's employment or service ends before reward payment. The reward will be paid in the company's shares, after the deduction of the proportion that is required for covering taxes and tax-related costs due on the basis of the reward. However, the company may decide to pay the reward fully in cash.

The first plan for the years 2021–2023 commences as of the beginning of 2021 and the share rewards potentially granted thereunder will be paid latest during the first half of 2024.

The aggregate total maximum number of shares to be paid based on this first plan covering the years 2021–2023 is gross 150,000 shares. For reference purposes only (noting that the market value of the shares will constantly change), calculated based on the volume weighted average price of Fiskars share on December 9, 2020, the estimated total value of this first plan is approximately EUR 2.2 million.

Other terms:

For the first plans for the years 2021–2023, the maximum value of the reward payable to each participant based on each of the afore described plans is limited by a cap linked to Fiskars share price development. Also, members of the Fiskars Group Leadership Team participating in the long-term incentive plan are subject to a shareholding requirement and must retain at least 50% of the net shares received based on the plans until their share ownership in Fiskars corresponds to at least 100% for the President and CEO and 50% for the other Fiskars Group Leadership Team members of their annual gross base salary.

As a starting point, shares to be awarded to key employees based on Performance Share Plan or Restricted Share Plan will be paid as existing shares of the company and thus the plans are not expected to have a diluting effect on the ownership of the company's shareholders.

Record date and payment date of the second dividend instalment

The Board of Directors of Fiskars Corporation resolved on September 8, 2020, in accordance with the resolution of the Annual General Meeting, that the dividend payment date for the second dividend instalment of EUR 0.28 per share was to be September 17, 2020. The ex-dividend date for the dividend instalment was September 9, 2020 and the record date September 10, 2020.

Outlook for 2020 withdrawn on March 19, 2020, reinstated on October 13, 2020

On March 19, 2020, Fiskars Corporation withdrew its guidance on the outlook for 2020, which was issued on February 5, 2020. Due to the COVID-19 outbreak, the comparable EBITA was seen unlikely to increase in 2020. As the situation evolved rapidly, it was too early to make reasoned estimates on the potential impact. Fiskars expected to guide the outlook for the full year 2020, once a more reliable estimate on the potential impact can be made.

On October 13, Fiskars reinstated its guidance on the outlook for 2020. The company expected the comparable EBITA to increase from 2019.

Fiskars Group's new organizational structure effective

At the beginning of April, Fiskars Group's new organizational structure became effective, as the organization was simplified in line with the announcement on December 4, 2019. Following the change, the company is organized around three Business Areas, global Sales and Consumer Experience & Growth functions, as well as Supply Chain and other Global Functions. The company is targeting annual net cost savings of EUR 20 million by the end of 2021, by renewing the organizational structure and increasing efficiencies. Additionally, the financial reporting structure changed.

The new organizational design was expected to lead to a net reduction of approximately 220 employees in office roles globally. Employee consultations in Finland started on January 20, 2020 and covered altogether 476 employees in office roles. The possible reduction of employees was estimated to affect a maximum 60 employees in Finland. The changes resulted in a total net reduction of 220 positions in office roles globally, of which 31 were in Finland.

Tax decision by the Administrative Court

On April 9, 2020, Fiskars Corporation received a tax decision from the Helsinki Administrative Court, which



maintained the decision that obliged the company to pay EUR 28.3 million in additional tax, interest and punitive increases as a result of a tax audit carried out in 2014. The decision concerns intra-group loans forgiven by the company in 2003 and their tax treatment in subsequent tax years.

Fiskars Corporation considers the decision unfounded and will seek appeal further from the Supreme Administrative Court.

The reassessment decision had a negative effect of EUR 28.3 million on the cash flow during the third quarter of 2016. Fiskars Corporation has disclosed the ongoing tax appeal process in the earlier Annual Reports and Interim Reports. The company and its external advisors continue to consider the decision unfounded and do not recognize the related taxes and other costs in the income statement.

Charges pressed against a member of the Board of Directors of Fiskars Corporation in a Nokian Tyres related matter

On October 29, Fiskars announced that according to the information that Fiskars Corporation has received, the public prosecutor has decided to press charges related to suspected securities markets offences against Inka Mero, who is a member of the Board at Fiskars Corporation. Charges have been pressed against several persons. Inka Mero was a member of the Board at Nokian Tyres plc during the period referred in the charges, in 2015–2016, and is currently in this position as well. According to the information that Fiskars Corporation has received, Inka Mero denies involvement in any criminal activity.

The matter does not relate to Fiskars Corporation. The charges do not have an effect on the work of the Fiskars Board. The company monitors the progress of the proceedings and revisits the topic latest when the outcome of the proceedings has been determined.

CORPORATE GOVERNANCE

Fiskars Corporation is a Finnish public limited company in which duties and responsibilities are defined according to the Finnish law. Fiskars Group comprises the parent company Fiskars Corporation, and its subsidiaries. The statutory governing bodies of Fiskars Corporation are the General Meeting of Shareholders, the Board of Directors, the Managing Director (President and CEO), and the Auditor. Other Group management supports the statutory governing bodies of Fiskars Corporation. The Company's domicile is Raseborg, Finland.

Corporate governance at Fiskars Corporation is based on the Finnish Limited Liability Companies Act, the rules and regulations concerning publicly listed companies, the Company's Articles of Association, the charters of the Company's Board of Directors and its Committees, and the rules and guidelines of Nasdaq Helsinki Ltd. Fiskars Corporation is a member of the Finnish Securities Market Association and complies, with an exception concerning the Nomination Committee, with the Finnish Corporate Governance Code approved by the Securities Market Association, which came into force on January 1, 2020 and can be reviewed at www.cgfinland.fi. In terms of the composition of the Nomination Committee, the Company has departed from the Recommendation 15 of Finnish Corporate Governance Code as explained in more detail in the Corporate Governance Statement 2020.

SHARES AND SHAREHOLDERS

Fiskars Corporation has one share series (FSKRS). All shares carry one vote and equal rights. The number of shares in the Corporation totals 81,905,242. Fiskars Corporation held 433,677 of its own shares at the end of the quarter. The share capital remained unchanged at EUR 77,510,200.

Fiskars shares are traded in the Large Cap segment of Nasdaq Helsinki. The volume-weighted average share price during the fourth quarter was EUR 13.66 (Q4 2019: 11.42) and EUR 10.88 in 2020 (2019: 14.75). At the end of December, the closing price was EUR 14.98 (EUR 11.26) per share and Fiskars had a market capitalization of EUR 1,220.4 million (917.7). The number of shares traded on Nasdaq Helsinki and in alternative marketplaces from October to December was 1.8 million (2.0), which represents 2.2% (2.5%) of the total number of shares. In 2020, the number of shares traded was 11.1 million (9.1), which represents 13.6% (11.2%) of the total number of shares. The total number of shareholders was 25,968 (23,495) at the end of 2020.

Flagging notifications

Fiskars was not informed of any significant changes among its shareholders during the quarter.

BOARD AUTHORIZATIONS

Authorizing the Board of Directors to decide on the acquisition of the company's own shares

The Annual General Meeting decided to authorize the Board to decide on the acquisition of a maximum of 4,000,000 own shares, in one or several instalments,



using the unrestricted shareholders' equity of the company.

The company's own shares may be acquired in public trading on Nasdaq Helsinki Ltd at a price formed in public trading on the date of the acquisition. The authorization may be used to acquire shares to be used for the development of the capital structure of the company, as consideration in corporate acquisitions or industrial reorganizations and as part of the company's incentive system and otherwise for further transfer, retention or cancellation.

The Board of Directors is authorized to decide on all other terms and conditions regarding the acquisition of the company's own shares. Based on the authorization the acquisition of the company's own shares may be made otherwise than in proportion to the share ownership of the shareholders (directed acquisition).

The authorization is effective until June 30, 2021 and cancels the corresponding authorization granted to the Board by the Annual General Meeting on March 13, 2019.

Authorizing the Board of Directors to decide on the transfer of the company's own shares

The Annual General Meeting decided to authorize the Board to decide on the transfer of own shares (share issue) held as treasury shares of a maximum of 4,000,000 shares, in one or several instalments, either against or without consideration.

The company's own shares held as treasury shares may be transferred for example as consideration in corporate acquisitions or industrial reorganizations or for the development of the capital structure of the company, or as part of its incentive system.

The Board of Directors is authorized to decide on all other terms and conditions regarding the transfer of own shares held as treasury shares. The transfer of own shares may also be carried out in deviation from the shareholders' preemptive rights to the company's shares (directed issue).

The authorization is effective until June 30, 2021 and cancels the corresponding authorization granted to the Board by the Annual General Meeting on March 13, 2019.

BOARD AND BOARD COMMITTEES

The Annual General Meeting decided that the Board of Directors shall consist of nine (9) members. Paul Ehrnrooth, Louise Fromond, Jyri Luomakoski, Inka Mero, Fabian Månsson, Peter Sjölander and Ritva Sotamaa were re-elected. Nathalie Ahlström was elected as a new member. The term of the Board members will expire at the end of the Annual General Meeting in 2021. On November 30, 2020, Nathalie Ahlström assumed her duties as President and CEO of Fiskars Corporation. At the same time, she stepped down from the Board of Directors.

Convening after the Annual General Meeting held on March 11, 2020 the Board of Directors elected Paul Ehrnrooth as its Chairman and Jyri Luomakoski as the Vice Chairman. The Board decided to establish a Nomination Committee and appointed Paul Ehrnrooth (Chairman) and Fabian Månsson as the members of the Nomination Committee and Alexander Ehrnrooth as an external member to the Nomination Committee and further decided to establish an Audit Committee and appointed Jyri Luomakoski (Chairman), Nathalie Ahlström, Albert Ehrnrooth, Louise Fromond and Ritva Sotamaa as the members of the Audit Committee and a Human Resources and Compensation Committee and appointed Paul Ehrnrooth (Chairman), Inka Mero and Peter Sjölander as the members of the committee.

EVENTS AFTER THE REPORTING PERIOD

Fiskars provided preliminary information for 2020 on January 15, 2021

As the year 2020 has been highly volatile due to the COVID-19 pandemic, Fiskars Corporation provided preliminary information on figures for 2020 on January 15, 2021. The year ended in accordance with the Company's expectation. Net sales was expected to be approximately EUR 1,116 million (2019: 1,090.4), comparable EBITA approximately EUR 137 million (90.6) and operating profit (EBIT) approximately EUR 98 million (60.1). The figures were based on preliminary, unaudited information.



OUTLOOK FOR 2021

In 2021, comparable EBITA is expected to be lower than in 2020, but above EUR 110 million.

Visibility continues to be low due to the COVID-19 pandemic, which is profoundly impacting consumers' lives in terms of changes in for example disposable income, purchasing choices and consumer behavior. These may bring challenges as well as opportunities for Fiskars Group. The majority of the savings in 2020 were temporary in nature and impacted for example marketing. To ensure sustainable business in the long-term, similar temporary cost savings cannot be maintained for a prolonged period of time. Furthermore, the benefits from the ongoing Restructuring and Transformation programs are expected to fully materialize in 2022. More detailed discussion on potential risks and uncertainties can be found in the Risks and business uncertainties -section of this Financial Statement Release.

PROPOSAL FOR DISTRIBUTION OF DIVIDEND

Fiskars' aim is to distribute a stable, over time increasing dividend, to be paid biannually. According to the balance sheet of the parent company at the end of the financial period 2020, the distributable equity of the parent company was EUR 389.4 million (2019: EUR 428.6 million).

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.60 per share shall be paid for the financial period that ended on December 31, 2020. The dividend shall be paid in two instalments. The ex-dividend date for the first instalment of EUR 0.30 per share shall be on March 12, 2020. The first instalment shall be paid to a shareholder who is registered in the shareholder register of the company maintained by Euroclear Finland Oy on the dividend record date March 15, 2021. The payment date proposed by the Board of Directors for this instalment is March 22, 2021.

The second instalment of EUR 0.30 per share shall be paid in September 2021. The second instalment shall be paid to a shareholder who is registered in the shareholders' register of the company maintained by Euroclear Finland Oy on the dividend record date, which, together with the payment date, shall be decided by the Board of Directors in its meeting scheduled for September 9, 2021. The ex-dividend date for the second instalment would then be September 10, 2021, the dividend record

date September 13, 2021 and the dividend payment date September 20, 2021, at the latest.

On the date of this financial statement release, the number of shares entitling their holders to a dividend was 81,471,565. The proposed distribution of dividends would thus be EUR 48.9 million (EUR 45.7 million). This would leave EUR 340.5 million (EUR 383.0) of distributable earnings in the parent company.

No material changes have taken place in the financial position of the company since the end of the financial period. The financial standing of the company is good and, according to the Board of Directors' assessment, distributing the proposed dividend will not compromise the company's solvency.

Helsinki, Finland, February 4, 2021

FISKARS CORPORATION

Board of Directors



CONSOLIDATED INCOME STATEMENT

EUR million	Q4 2020	Q4 2019	Change %	2020	2019	Change %
Net sales	313.3	308.0	2	1,116.2	1,090.4	2
Cost of goods sold	-182.2	-174.9	-4	-664.1	-643.1	-3
Gross profit	131.1	133.1	-2	452.0	447.3	1
Other operating income	5.2	1.1	376	6.5	2.0	225
Sales and marketing expenses	-63.8	-77.8	18	-241.5	-284.3	15
Administration expenses	-24.2	-22.3	-8	-90.4	-86.2	-5
Research and development costs	-4.2	-5.2	19	-16.5	-18.4	10
Goodwill and trademark amortization and impairment	-10.4	-0.0		-11.4	-0.0	
Other operating expenses	-0.5	-0.4	-29	-0.8	-0.3	-179
Operating profit (EBIT)*	33.3	28.5	17	98.0	60.1	63
Change in fair value of biological assets	0.3	-0.4		0.7	-0.2	
Other financial income and expenses	-3.1	-1.7	-86	-8.9	3.4	
Profit before taxes	30.4	26.5	15	89.8	63.2	42
Income taxes	-5.2	-5.2	0	-21.3	-10.8	-97
Profit for the period	25.2	21.3	19	68.5	52.4	31
Attributable to:						
Equity holders of the parent company	24.7	21.2	17	67.6	51.7	31
Non-controlling interest	0.5	0.1	329	0.8	0.7	15
Earnings for equity holders of the parent company per share, euro (basic and diluted)	0.30	0.26	17	0.83	0.63	31
*Comparable EBITA (detailed in notes)	49.9	35.1	42	136.8	90.6	51

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	Q4 2020	Q4 2019	2020	2019
Profit for the period	25.2	21.3	68.5	52.4
Other comprehensive income for the period				
Items that may be reclassified subsequently to profit or loss				
Translation differences	-5.8	-10.3	-25.3	9.3
Cash flow hedges	-0.0	0.1	0.3	0.2
Items that will not be reclassified to profit or loss				
Net change of investments at fair value through comprehensive income, net of tax		0.0		-24.3
Defined benefit plan, actuarial gains (losses) net of tax	0.1	2.0	0.2	2.0
Other comprehensive income for the period net of tax total	-5.6	-8.1	-24.8	-12.9
Total comprehensive income for the period	19.6	13.1	43.6	39.5
Attributable to:				
Equity holders of the parent company	19.4	13.1	43.5	38.5
Non-controlling interest	0.2	0.1	0.1	1.0



CONSOLIDATED BALANCE SHEET

EUR million	Dec 31 2020	Dec 31 2019	Change %
ASSETS			
Non-current assets			
Goodwill	213.7	219.6	-3
Other intangible assets	268.2	288.7	-7
Property, plant & equipment	149.2	162.2	-8
Right-of-use assets	90.2	108.6	-17
Biological assets	44.1	43.4	2
Investment property	4.0	3.6	9
Financial assets			
Financial assets at fair value through profit or loss	24.4	28.9	-16
Other investments	8.1	7.9	3
Deferred tax assets	27.4	27.9	-2
Non-current assets total	829.1	890.7	-7
Current assets			
Inventories	207.4	232.1	-11
Trade and other receivables	213.8	203.2	5
Income tax receivables	29.2	28.8	1
Interest-bearing receivables	0.0	0.0	-45
Investments at fair value through other comprehensive income			
Cash and cash equivalents	62.5	9.4	566
Current assets total	512.8	473.5	8
Assets total	1,342.0	1,364.3	-2
EQUITY AND LIABILITIES			
Equity			
Equity attributable to the equity holders of the parent company	757.8	760.9	0
Non-controlling interest	3.8	3.6	4
Equity total	761.6	764.5	0
Non-current liabilities			
Interest-bearing liabilities	51.2	51.4	0
Lease liabilities	71.8	88.4	-19
Other liabilities	4.5	4.4	3
Deferred tax liabilities	31.2	32.8	-5
Pension liability	13.1	13.2	0
Provisions	3.6	4.1	-13
Non-current liabilities total	175.4	194.3	-10
Current liabilities			
Interest-bearing liabilities	61.2	108.7	-44
Lease liabilities	22.7	22.9	-1
Trade and other payables	309.8	267.7	16
Income tax liabilities	5.5	2.1	164
Provisions	5.7	4.1	37
Current liabilities total	404.9	405.5	0
Equity and liabilities total	1,342.0	1,364.3	-2



CONSOLIDATED STATEMENT OF CASH FLOWS

EUR million	Q4 2020	Q4 2019	2020	2019
Cash flow from operating activities				
Profit before taxes	30.4	26.5	89.8	63.2
Adjustments for				
Depreciation, amortization and impairment	26.0	15.5	76.1	59.6
Gain/loss on sale and loss on scrap of non-current assets	0.2	0.1	-0.1	-0.2
Other financial items	2.9	0.9	8.6	-4.0
Change in fair value of biological assets	-0.3	0.4	-0.7	0.2
Change in provisions and other non-cash items	-1.1	-3.4	3.9	-4.7
Cash flow before changes in working capital	58.1	39.9	177.6	114.1
Changes in working capital				
Change in current assets, non-interest-bearing	-2.1	-11.3	-25.6	23.0
Change in inventories	-3.9	16.7	15.9	-6.6
Change in current liabilities, non-interest-bearing	37.7	39.5	55.8	-12.9
Cash flow from operating activities before financial items and taxes	89.8	84.7	223.8	117.5
Financial income received and costs paid	-1.9	0.0	-4.2	-2.5
Taxes paid	-5.4	-4.4	-20.3	-18.4
Cash flow from operating activities (A)	82.5	80.3	199.2	96.5
Cash flow from investing activities				
Investments in financial assets	-0.2	-0.2	-1.9	-8.2
Capital expenditure on fixed assets	-9.6	-12.6	-30.0	-40.0
Proceeds from sale of fixed assets	0.6	0.2	1.2	0.9
Proceeds from sale of investments at fair value through other comprehensive income	0.0	0.1	0.0	0.5
Other dividends received	0.0	0.0	0.0	7.8
Cash flow from other investments	-0.1	1.7	1.3	1.9
Cash flow from investing activities (B)	-9.3	-10.8	-29.4	-37.0
Cash flow from financing activities				
Purchase of treasury shares		-0.4	-0.3	-1.1
Change in current receivables	0.0	0.0	0.0	0.0
Change in non-current debt	-0.1	0.2	39.9	0.8
Change in current debt	-169.9	-62.3	-84.5	-2.2
Payment of lease liabilities	-5.8	-5.8	-24.0	-21.6
Cash flow from other financing items	-0.9	-0.7	-1.9	0.7
Dividends paid	-0.3	0.0	-45.7	-51.0
Cash flow from financing activities (C)	-177.1	-69.1	-116.5	-74.5
Change in cash and cash equivalent (A+B+C)	-103.9	0.4	53.3	-15.1
Cash and cash equivalent at beginning of period	165.4	9.1	9.4	24.4
Translation difference	0.9	-0.1	-0.2	0.0
Cash and cash equivalent at end of period	62.5	9.4	62.5	9.4



CONSOLIDATED STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

EUR million	Attributable to the equity holders of the parent company							Non-controlling interest	Total
	Share capital	Treasury shares	Cumul. transl. diff.	Fair value reserve	Actuarial gains and losses	Financial assets at FVTOCI	Retained earnings		
Opening Balance Jan 1, 2019	77.5	-6.0	11.1	-0.4	-3.9	-95.0	1,223.6	2.7	1,209.7
Total comprehensive income for the period			8.9	0.2	2.0	-24.3	51.7	1.0	39.5
Purchase and issue of treasury shares		-1.1					0.5		-0.6
Dividend distribution						119.3	-603.3	-0.1	-484.1
Other changes									
Dec 31, 2019	77.5	-7.1	20.1	-0.2	-1.9	0.0	672.5	3.6	764.5
Opening Balance Jan 1, 2020	77.5	-7.1	20.1	-0.2	-1.9	0.0	672.5	3.6	764.5
Total comprehensive income for the period		0.0	-24.6	0.3	0.2	0.0	67.6	0.1	43.6
Purchase and issue of treasury shares		-0.3					0.4		0.1
Dividend distribution							-45.7	0.0	-45.7
Other changes		0.3					-1.2		-0.9
Dec 31, 2020	77.5	-7.2	-4.5	0.1	-1.7	0.0	693.7	3.8	761.6



NOTES TO THE FINANCIAL STATEMENT RELEASE

ACCOUNTING PRINCIPLES

This unaudited Financial Statement Release is prepared in accordance with IAS 34 (Interim Financial Reporting) using the same accounting policies and methods of computation as in the previous annual financial statements.

Figures presented have been rounded and therefore the sum of individual figures might differ from the presented total figure. Segment financial figures for the year 2019 have been restated for the new primary reporting segments.

GOODWILL AND INTANGIBLE ASSETS

Impairment testing for goodwill and trademarks was performed in Q2 2020 due to the changed market outlook resulting from the COVID-19 pandemic. On the basis of the impairment calculations made, there was no need for impairment of goodwill for any CGU for the period ended June 30, 2020. Based on impairment testing calculated on trademarks, the Gingher trademark has been impaired with EUR 1.0 million for the period ended June 30, 2020. After impairment, the carrying amount of the Gingher trademark amounts to EUR 2.3 million.

Impairment tests were performed according to the annual schedule during Q4 2020, and on the basis of the impairment calculations made, there has been no need for impairment of goodwill for any CGU for the period ended December 31, 2020. Cash generating units (CGUs) of Fiskars Group have been redefined in 2020 due to the organizational change to reflect the new Business Areas

Vita, Terra and Crea. Based on the impairment testing performed during Q4 2020, the Waterford trademark has been impaired by EUR 10.4 million. After impairment the carrying amount of the Waterford trademark amounts to EUR 38.1 million.

Customer relationships recognized as intangible assets in the WWRD acquisition in 2015 have been reassessed for their useful life. As a result, the amortization has been accelerated and this generated an additional one-off amortization of EUR 2.5 million in the second quarter



REPORTING SEGMENTS

EUR million	Q4 2020	Q4 2019	Change %	2020	2019	Change %
Net sales						
Vita	171.1	171.6	0	456.6	500.8	-9
Terra	97.8	95.7	2	493.8	442.9	12
Crea	43.5	39.5	10	162.0	142.9	13
Other	0.9	1.2	-23	3.8	3.9	-4
Group total	313.3	308.0	2	1,116.2	1,090.4	2

EUR million	Q4 2020	Q4 2019	Change %	2020	2019	Change %
Operating profit (EBIT)						
Vita	22.4	22.0	2	11.9	14.6	-19
Terra	6.7	1.8	269	60.8	31.9	91
Crea	8.3	7.8	5	38.5	26.7	44
Other	-4.0	-3.2	-28	-13.1	-13.2	0
Group total	33.3	28.5	17	98.0	60.1	63

EUR million	Q4 2020	Q4 2019	Change %	2020	2019	Change %
Depreciation, amortization and impairment						
Vita	19.5	9.9	97	50.4	33.1	52
Terra	4.6	4.5	3	17.9	18.4	-3
Crea	1.0	1.0	-4	4.4	3.8	15
Other	0.9	0.1	731	3.3	4.1	-19
Group total	26.0	15.5	68	76.1	59.6	28

EUR million	Q4 2020	Q4 2019	Change %	2020	2019	Change %
Capital expenditure						
Vita	5.6	5.8	-4	16.3	18.3	-11
Terra	2.8	5.5	-48	9.9	16.6	-40
Crea	0.6	0.2	171	1.8	0.9	87
Other	0.6	1.1	-47	2.2	4.2	-48
Group total	9.6	12.6	-24	30.0	40.0	-25

NET SALES BY GEOGRAPHY

EUR million	Q4 2020	Q4 2019	Change %	2020	2019	Change %
Net sales						
Europe	151.5	153.7	-1	495.9	518.9	-4
Americas	108.3	106.6	2	471.6	427.5	10
Asia-Pacific	54.6	47.7	14	154.1	143.6	7
Unallocated	-1.0	0.0		-5.4	0.3	
Group total	313.3	308.0		1,116.2	1,090.4	



OPERATING PROFIT AND COMPARABLE EBITA

EUR million	Q4	Q4	Change	2020	2019	Change
	2020	2019	%			2020
Operating profit (EBIT)	33.3	28.5	17	98.0	60.1	63
Amortization	-13.9	-3.5	-300	-27.8	-12.9	-116
EBITA	47.2	32.0	48	125.8	72.9	72
Items affecting comparability in EBITA						
Restructuring Program	0.6	0.4		8.1	0.4	
Alignment program		-0.1			-0.2	
Transformation program	1.9	2.5		3.0	17.0	
Leborgne divestment	0.2	0.2		0.2	0.8	
Other adjustments to operating profit	0.0			-0.3	-0.3	
Total items affecting comparability in EBITA	2.7	3.1	-11	11.0	17.7	-38
Comparable EBITA	49.9	35.1	42	136.8	90.6	51

INTANGIBLE AND TANGIBLE ASSETS

EUR million	Dec 31	Dec 31
	2020	2019
Intangible assets and goodwill		
Book value, Jan 1	508.2	497.9
Currency translation adjustment	-9.7	10.3
Additions	11.4	17.6
Amortization and impairment	-27.7	-12.7
Decreases and transfers	-0.3	-4.9
Book value at end of period	481.9	508.2
Tangible assets and investment property		
Book value, Jan 1	165.9	163.4
Currency translation adjustment	-7.2	4.1
Additions	18.4	23.0
Depreciation and impairment	-22.8	-23.8
Decreases and transfers	-1.1	-0.7
Book value at end of period	153.2	165.9
Investment commitments for property, plant and equipment	2.2	2.4
Right-of-use assets		
Book value, Jan 1	108.8	119.3
Currency translation adjustment	-2.9	0.6
Additions	18.7	25.2
Depreciation	-24.7	-22.9
Decreases	-9.8	-13.7
Book value at end of period	90.2	108.6



CONTINGENCIES AND PLEDGED ASSETS

EUR million	Dec 31 2020	Dec 31 2019
As security for own commitments		
Guarantees	11.5	14.7
Other contingencies*	1.9	4.3
Contingencies and pledged assets total	13.4	19.0

*Other contingencies include a commitment of USD 1.7 million to invest in private equity funds.

Tax risks

In April 2020, the Helsinki Administrative Court maintained the decision that obliged the company to pay EUR 28.3 million in additional tax, interest and punitive increases as a result of a tax audit carried out in 2014. The decision concerns intra-group loans forgiven by the company in 2003 and their tax treatment in subsequent tax years.

Fiskars Group has disclosed the ongoing tax appeal in the earlier Annual Reports and Interim Reports. Fiskars appealed against the Administrative Court's decision to the Supreme Administrative Court. The company and its external advisors continue to consider the decision unfounded and do not recognize the related taxes and other costs in the income statement.

DERIVATIVES

EUR million	Dec 31 2020	Dec 31 2019
Nominal amounts of derivatives		
Foreign exchange forwards and swaps	223.6	316.6
Interest rate swaps		50.0
Electricity forward agreements		
Fair value of derivatives		
Foreign exchange forwards and swaps	-0.4	-0.4
Interest rate swaps		-0.3
Electricity forward agreements		

Derivatives have been valued at market value.



EXCHANGE RATE SENSITIVITY OF THE OPERATIONS

Less than 20% of Fiskars Group's commercial cash flows are exposed to fluctuations in foreign exchange rates. The most significant transaction risks relate to the appreciation of THB and USD, and depreciation of SEK, AUD and JPY. The following table presents the estimated annual net commercial cash flows in the most significant currencies:

EUR million	THB	SEK	USD	AUD	JPY	IDR	GBP	CAD
Operational currency position	-32.6	20.3	-23.9	11.3	10.4	-11.1	8.0	10.2
Exchange rate sensitivity of the operations*	3.3	-2.0	2.4	-1.1	-1.0	1.1	-0.8	-1.0

*Illustrates the impact of 10% depreciation of the currency against EUR on the Group's annual profit before taxes had the cash flows not been hedged.

Most of the foreign exchange transaction risks related to the commercial cash flows are hedged primarily through the use of currency forwards and swaps. As Fiskars Group does not apply hedge accounting to these currency derivatives, both the realized and unrealized gains and losses on the derivatives are included in the income statement.

FAIR VALUE OF FINANCIAL INSTRUMENTS

Dec 31, 2020

EUR million	Level 1	Level 2	Level 3	Total
Investments at fair value through profit and loss			24.4	24.4
Investments at fair value through other comprehensive income	0.0			
Other investments	0.2		7.9	8.1
Derivative assets				
Total assets	0.2		32.2	32.4
Derivative liabilities		0.4		0.4
Total liabilities		0.4		0.4

Dec 31, 2019

EUR million	Level 1	Level 2	Level 3	Total
Investments at fair value through profit and loss			28.9	28.9
Investments at fair value through other comprehensive income				
Other investments	0.3		7.6	7.9
Derivative assets				
Total assets	0.3		36.4	36.7
Derivative liabilities		0.7		0.7
Total liabilities		0.7		0.7



FAIR VALUE CATEGORIES

Hierarchy level 1 includes financial assets that are publicly quoted in an active market. Level 3 includes financial assets and liabilities measured using non-market observable inputs. The asset classes in this category are unlisted equity investments and funds.

Investments EUR million	FVTPL		Other		Total
	Level 3	Level 1	Level 3	Level 3	
Book value, Dec 31, 2018	453.6	25.3	4.0	8.4	487.7
Additions		8.2			8.2
Decreases	-433.3	-1.7			-435.4
Change in fair value	-20.3	-2.9	-0.1	7.1	-23.7
Book value, Dec 31, 2019	0.0	28.9	0.3	7.6	36.7
Additions		1.9			1.9
Decreases		-4.1			-4.1
Change in fair value		-2.3	-0.1	0.3	-2.1
Book value, Dec 31, 2020	0.0	24.4	0.2	7.9	32.4

Investments at fair value through profit or loss (FVTPL) consist of unlisted funds. The fair value of unlisted funds is based on the market value reported by the fund (level 3) and changes are recognized in the income statement.

In June 2019 Fiskars distributed 32,614,026 of its Wärtsilä shares as an extra dividend to shareholders. Market value of the shares on the date of distribution was EUR 433.0 million and the change of the value has been reported in other comprehensive income. Fiskars Group no longer holds Wärtsilä shares.

Other financial assets comprise unlisted shares as well as non-current receivables. Unlisted shares and other investments are measured at the lower of cost and fair value (level 3).

ACQUISITIONS AND DIVESTMENTS

Acquisitions and divestments in 2020

There have been no acquisitions or divestments in 2020.

Acquisitions and divestments in 2019

Fiskars Group sold Leborgne business to MOB MONDELIN on April 1, 2019, consisting of manufacturing and sale of hand tools to construction and gardening customers in France. The transaction was structured as an asset sale and included the Leborgne brand, inventory, fixed assets and personnel working for the business.



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