

# Investor presentation

August 2020

FISKARS  
♦  
GROUP



- **Fiskars Group in brief**
- **Business Areas**
- **Financials**
- **Appendices**

# Fiskars Group in brief





Our purpose:

Making  
the **everyday**  
**extraordinary**



## Strong brand portfolio

FISKARS® ♦ GERBER® ♦ Gilmour

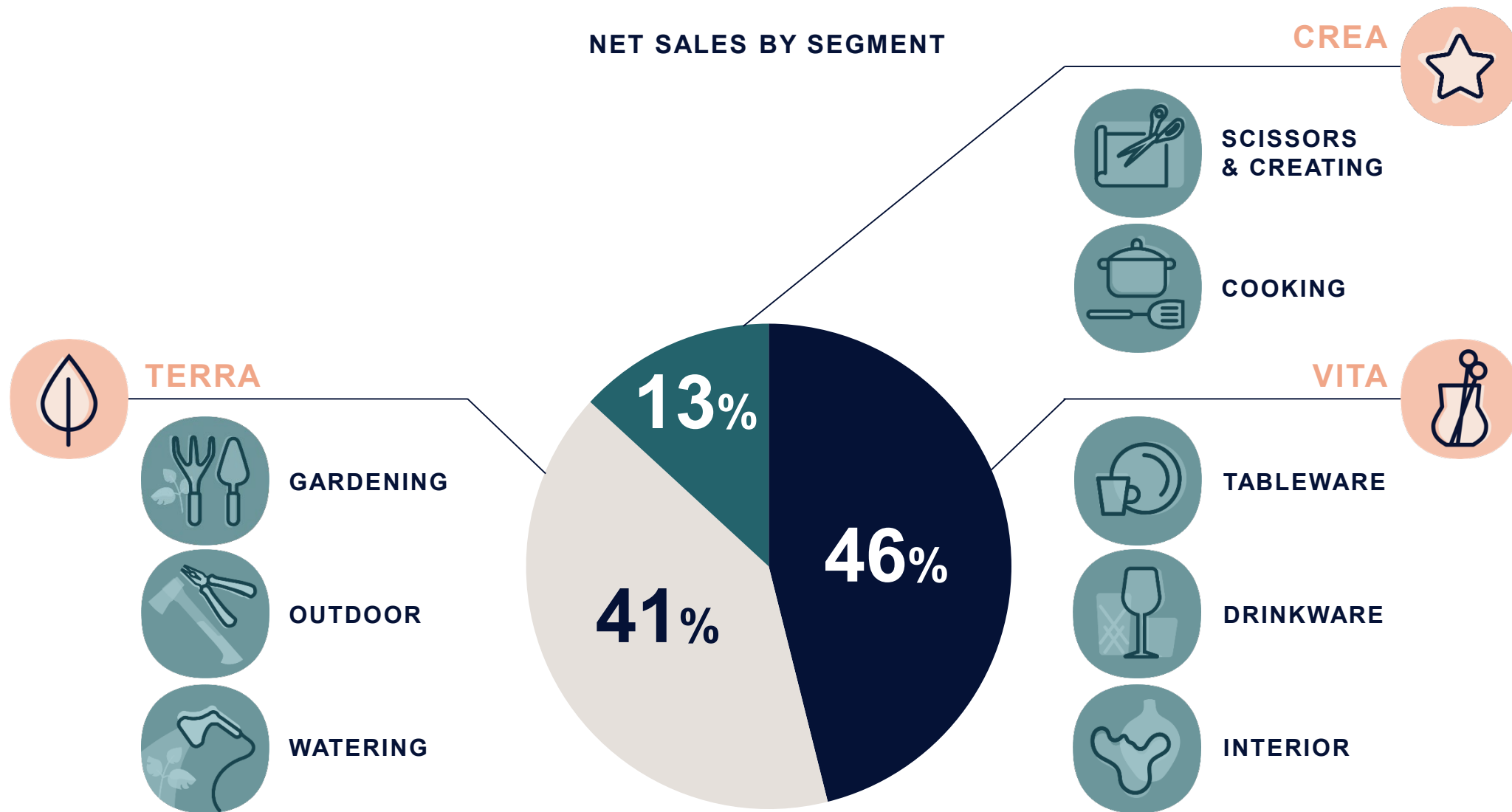
iittala® ♦ ROYAL COPENHAGEN  
PURVEYOR TO HER MAJESTY THE QUEEN OF DENMARK ♦ ARABIA  
1873 ♦ Rörstrand

WATERFORD ♦ WEDGWOOD  
ENGLAND 1759 ♦ ROYAL ALBERT  
ENGLAND 1904 ♦ ROYAL DOULTON  
LONDON



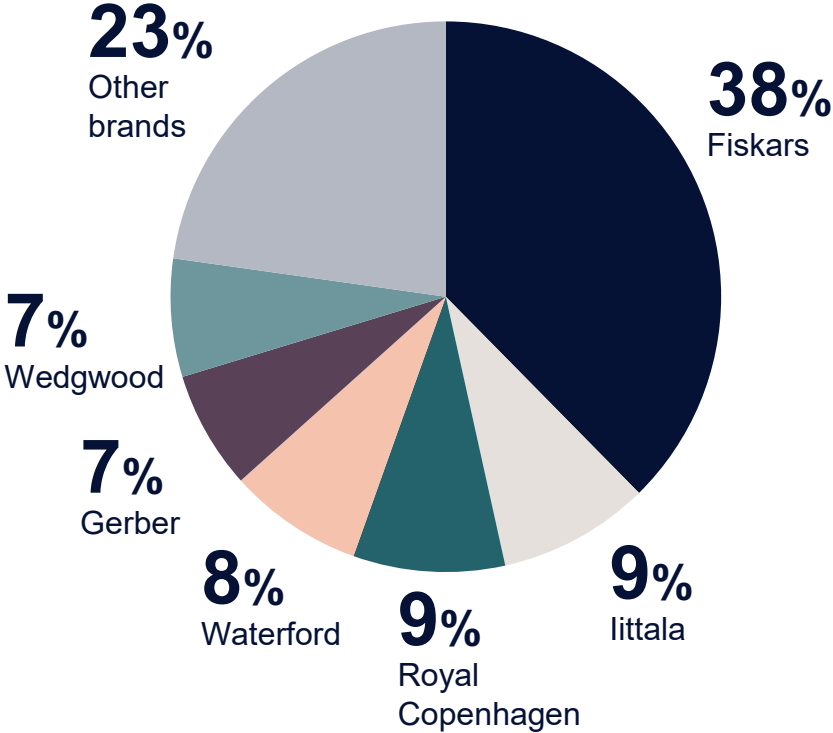


## Key categories in 2019

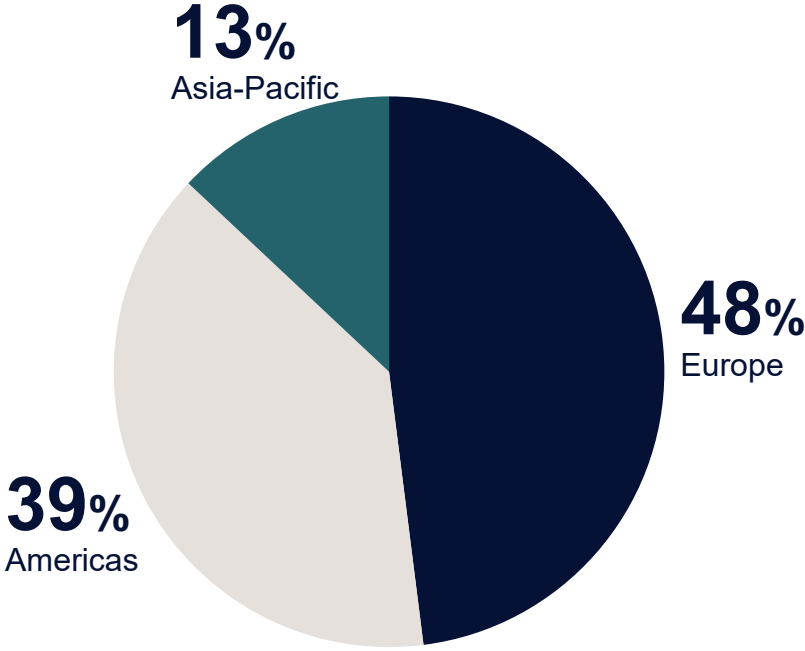


Net sales in 2019

NET SALES SPLIT BY BRAND



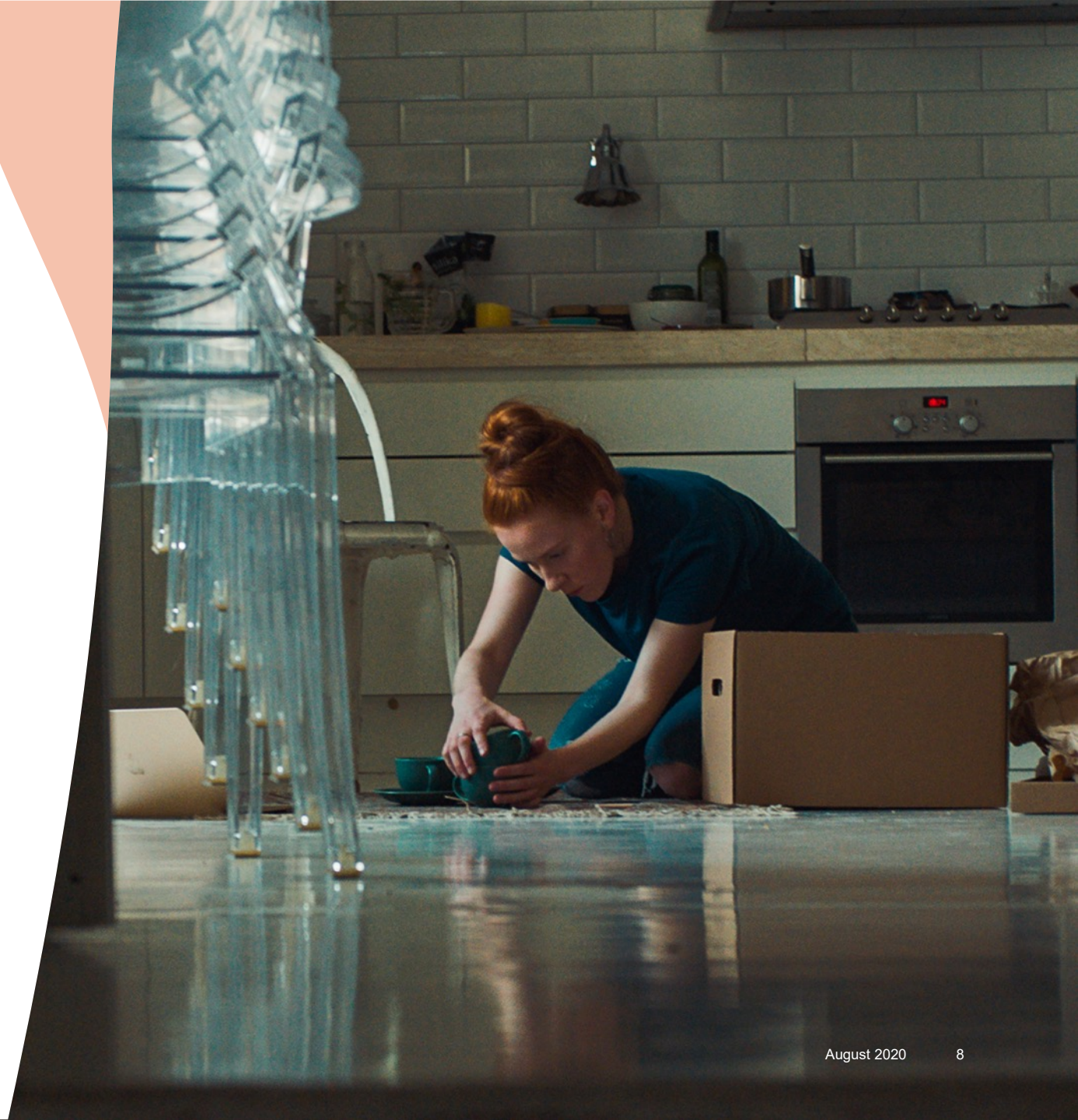
NET SALES SPLIT BY GEOGRAPHY



## Main markets for the key international brands

	Americas	Europe	Asia-Pacific
Fiskars	◆	◆	
Gerber	◆		
Iittala		◆	◆
Royal Copenhagen	◆	◆	◆
Wedgwood	◆	◆	◆
Waterford	◆	◆	◆

Based on net sales split in 2019





## Our global presence

EMPLOYEES **7,000**

PRESENCE IN **30** COUNTRIES

BRANDS AVAILABLE IN MORE  
THAN **100** COUNTRIES

MORE THAN **350** STORES



# Strategic priorities

## GROWING BUSINESS



## INSPIRING PEOPLE



## EXCITING CONSUMERS



## IMPROVING PERFORMANCE



Sharpening  
focus on:

Development  
of digital  
capabilities

Vita  
Transformation



## Our sustainability commitments



### **CIRCULAR PRODUCTS AND SERVICES**

- Design for sustainability
- Create zero waste
- Explore service models



### **CARBON NEUTRAL BUSINESS**

- Improve our energy efficiency
- Invest in renewable energy sources
- Reduce emissions from value chain



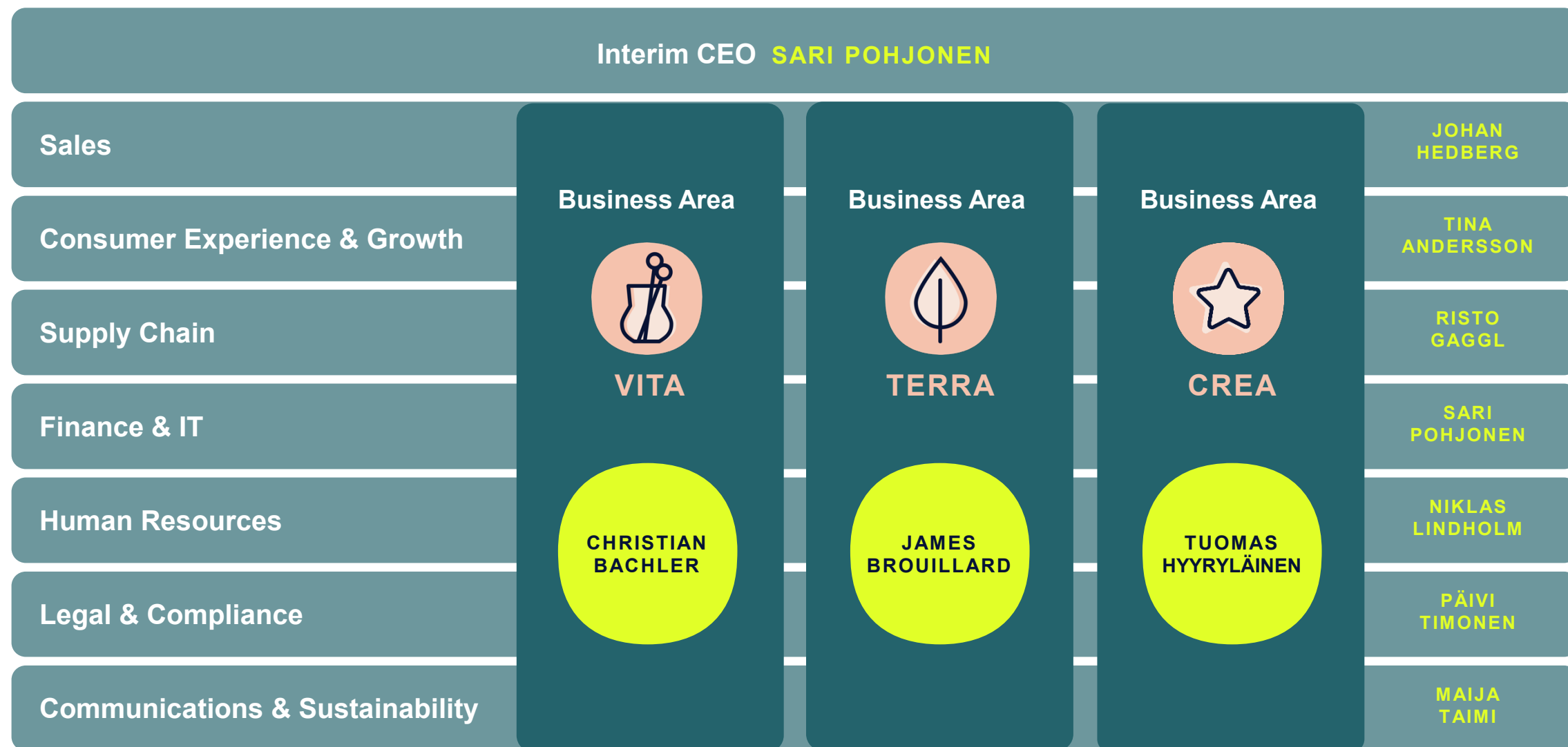
### **POSITIVE IMPACT**

- Inspire people through leadership
- Champion safety, diversity and inclusion
- Create positive societal impact





## Organizational structure



## Update on programs

### Transformation program

Focusing on:

- The Vita business, to improve its profitability
- Actions in retail, distribution and supply network as well as organizational structure

### Targeted annual cost savings app. EUR 17 million

- Subject to the full implementation of the program
- Targeted cost savings are expected to be achieved gradually, and the majority of the savings are expected to materialize after the program is completed (end of 2021)

Costs of the program app. EUR 40 million in 2018–2021

By the end of Q2 2020, EUR 20.2 million of costs had been booked

### Restructuring program

Focusing on:

- Synergies and efficiencies in our selling and administrative spending
- Evaluating our entire supply and distribution network for efficiency improvements

### Targeted annual cost savings app. EUR 20 million

- Subject to the full implementation of the program
- Targeted cost savings are expected to be achieved gradually, and the majority of the savings are expected to materialize after the program is completed (end of 2021)

Costs of the program app. EUR 30 million in 2019–2021

By the end of Q2 2020, EUR 8.1 million of costs had been booked



# Business Areas







## Business Area Vita

### KEY CATEGORIES



Tableware



Drinkware



Interior

### KEY BRANDS

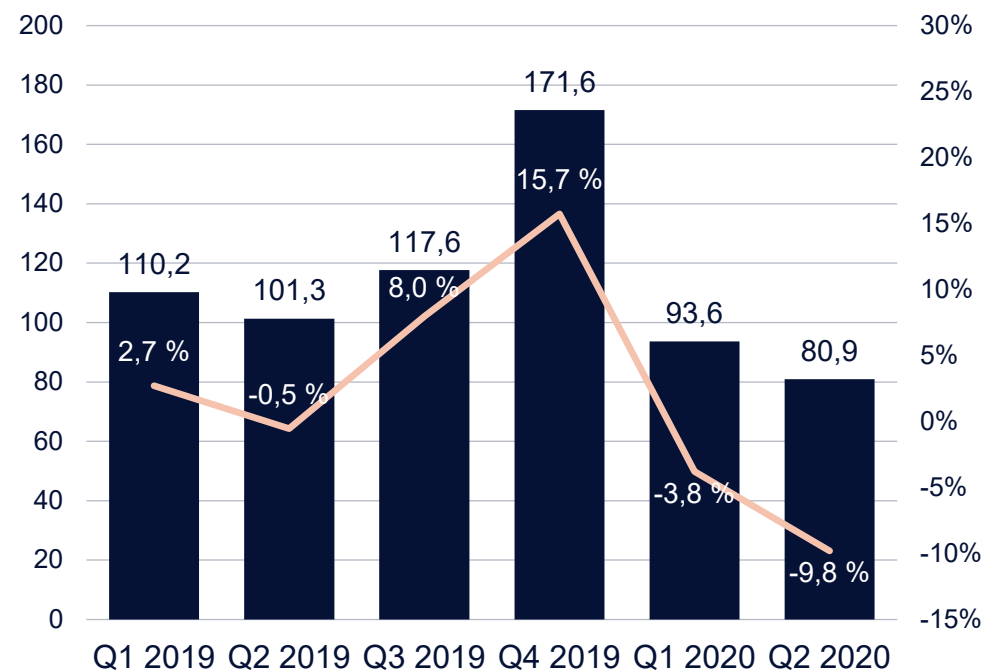
**iittala**

**ROYAL COPENHAGEN**  
PURVEYOR TO HER MAJESTY THE QUEEN OF DENMARK

**WATERFORD**

**WEDGWOOD**  
ENGLAND 1759

### NET SALES AND COMPARABLE EBITA MARGIN





## KEY MARKETS

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- **Nordics**
- **UK**
- **U.S.**
- **Japan**

## DISTRIBUTION CHANNELS

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**Wholesale  
Stores &  
e-comm**

**Direct  
consumer sales  
Stores, E-comm**

**Hospitality**

**BtoB**





## Business Area Terra

### KEY CATEGORIES



**Gardening**



**Outdoor**



**Watering**

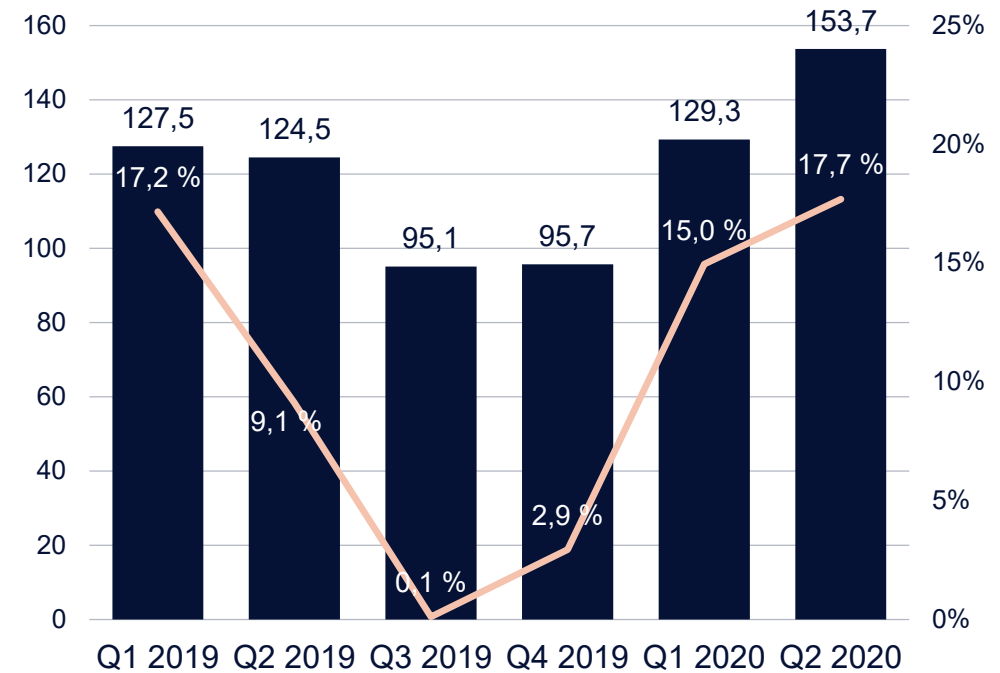
### KEY BRANDS

**FISKARS®**

**Gilmour**



### NET SALES AND COMPARABLE EBITA MARGIN







#### KEY MARKETS

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- **U.S.**
- **North & Central Europe**

#### DISTRIBUTION CHANNELS

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**Wholesale  
Stores &  
e-comm**

**BtoB**

**Direct  
consumer sales  
Stores, E-comm**





# Business Area Crea



## KEY CATEGORIES



Scissors  
& creating

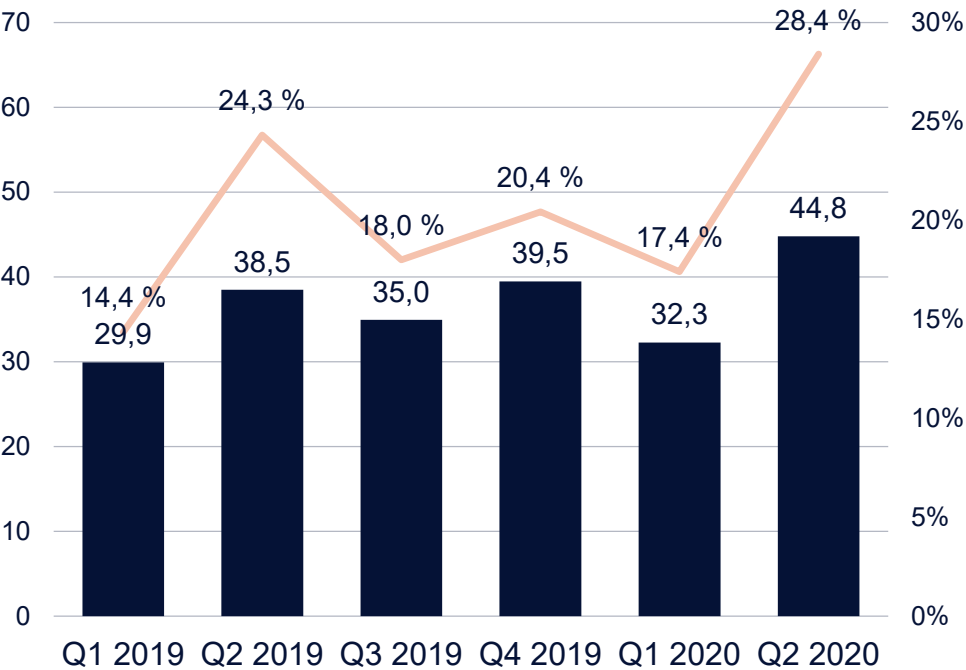


Cooking

## KEY BRANDS

FISKARS®

## NET SALES AND COMPARABLE EBITA MARGIN





## KEY MARKETS

- **U.S.**
- **North & Central Europe**

## DISTRIBUTION CHANNELS

**Wholesale  
Stores &  
e-comm**

**Direct  
consumer sales  
Stores, E-comm**

**BtoB**





Rolled out in all own Iittala stores in Finland in 2019

Scaling ongoing

Assessing expansion to other countries



vintage

## Brands with own e-commerce

iittala®



  
**ROYAL COPENHAGEN**  
PURVEYOR TO HER MAJESTY THE QUEEN OF DENMARK



**ROYAL DOULTON**  
LONDON

**WATERFORD**

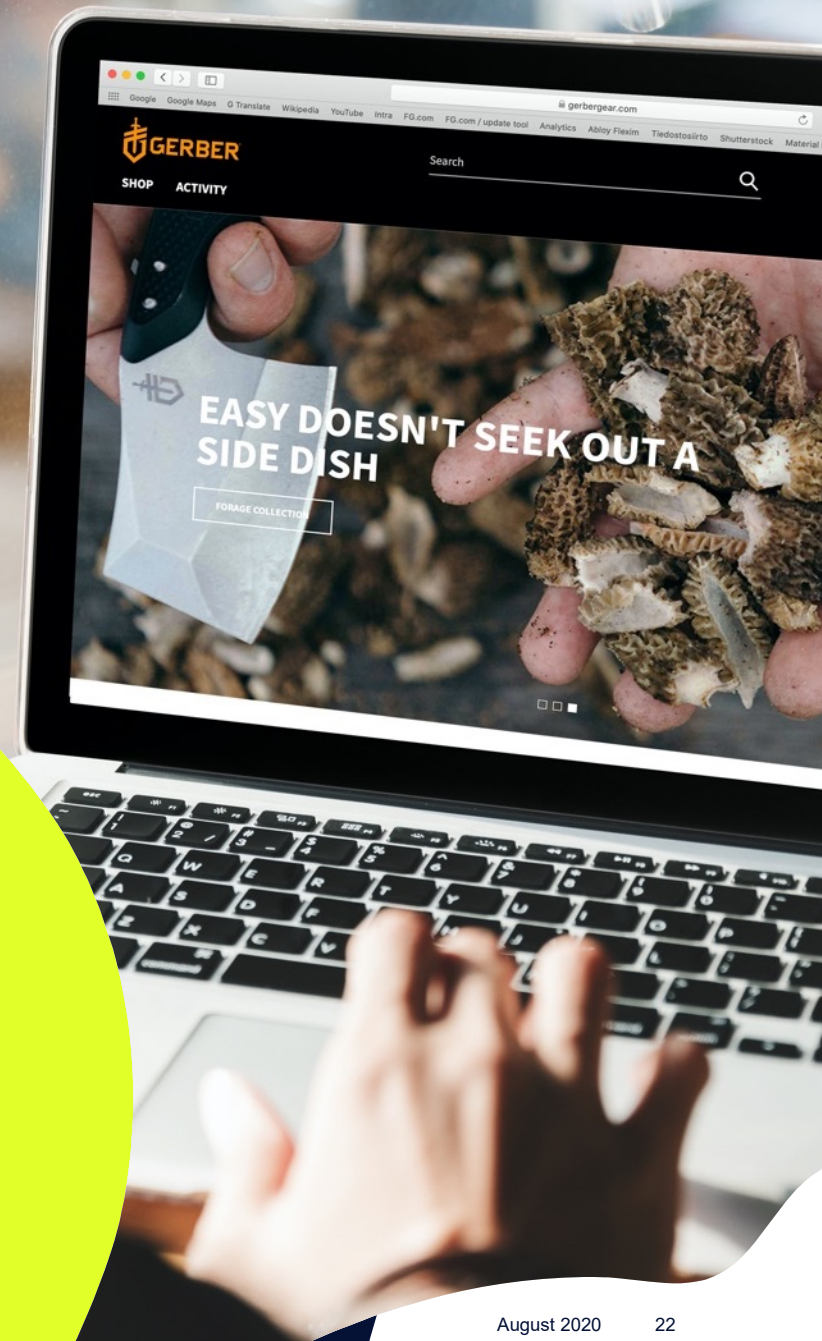


**WEDGWOOD**  
ENGLAND 1759

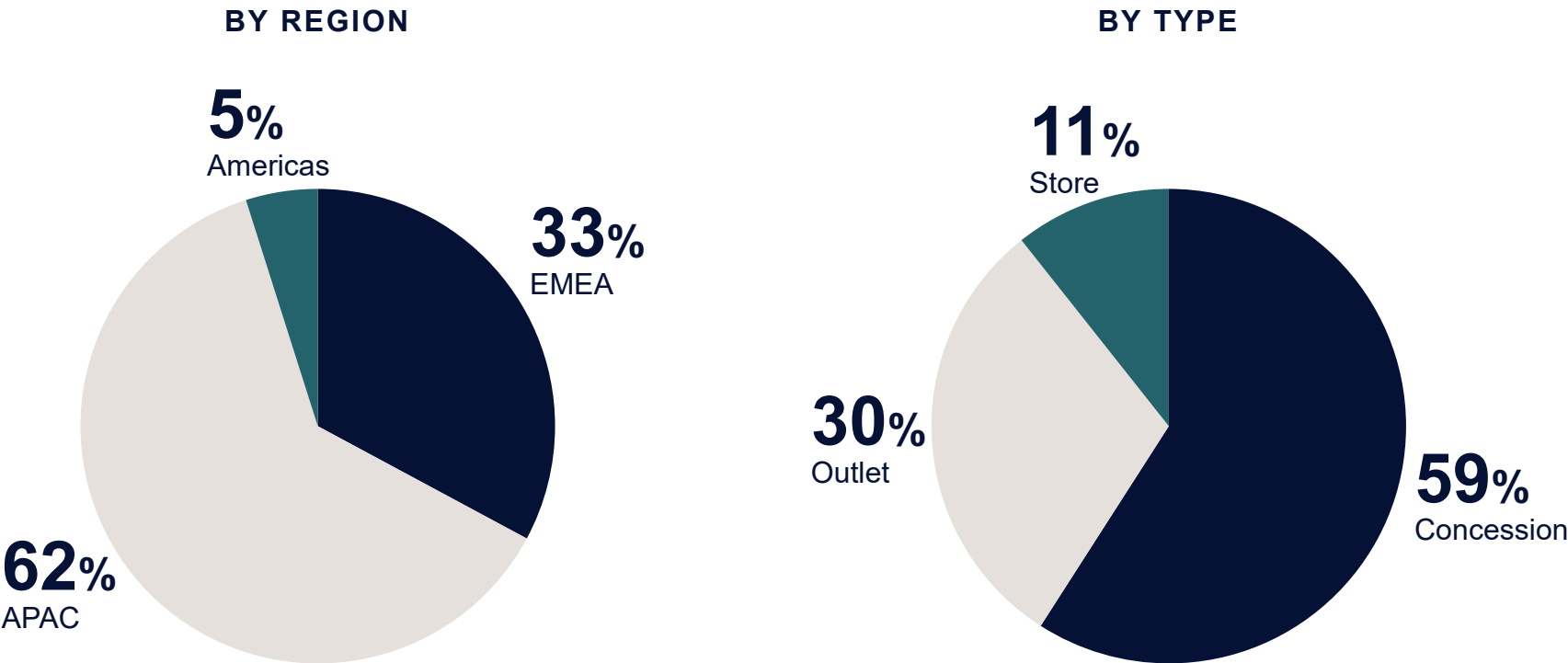
**FISKARS®**



 **GERBER**



A total of 347 own stores at the end of 2018



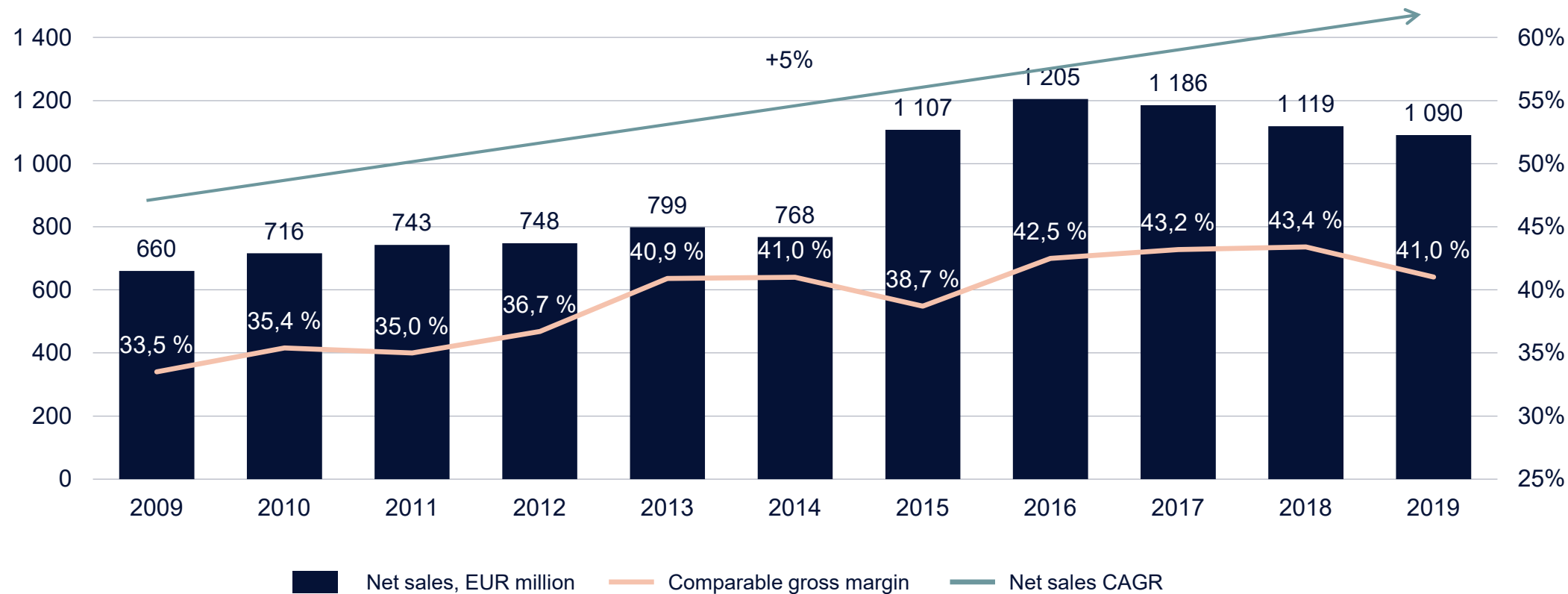


# Financials





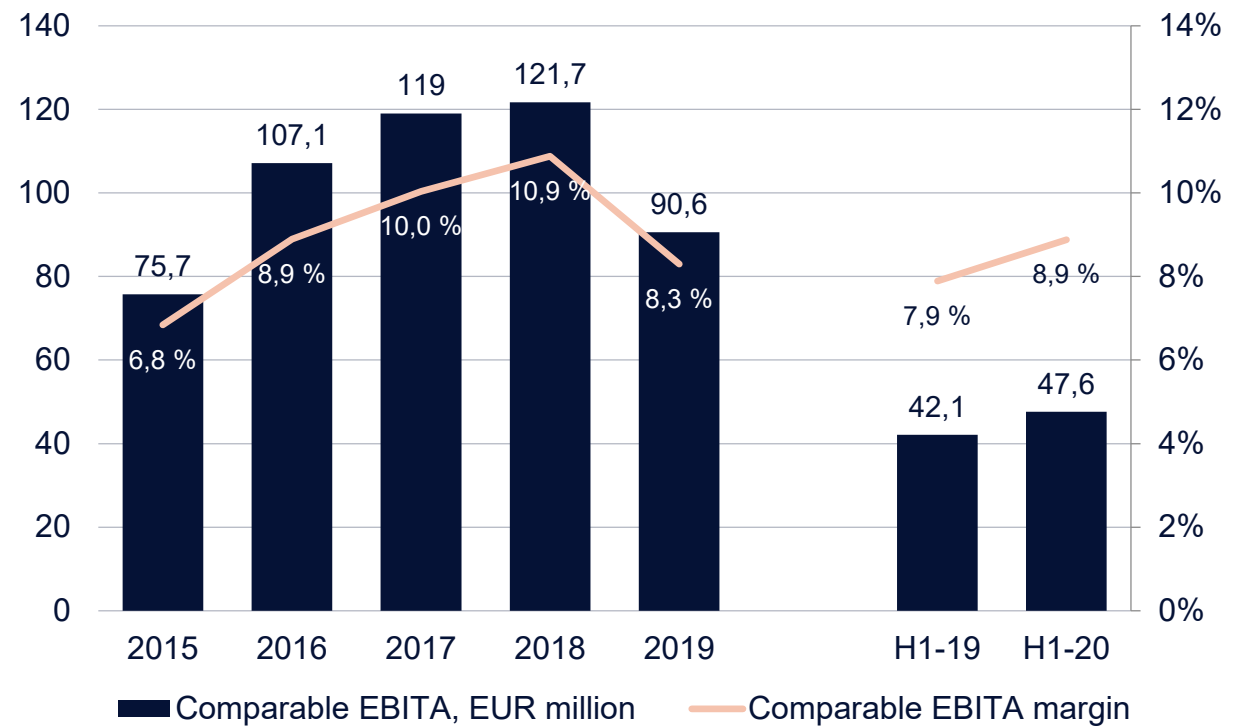
## Group net sales and profitability development





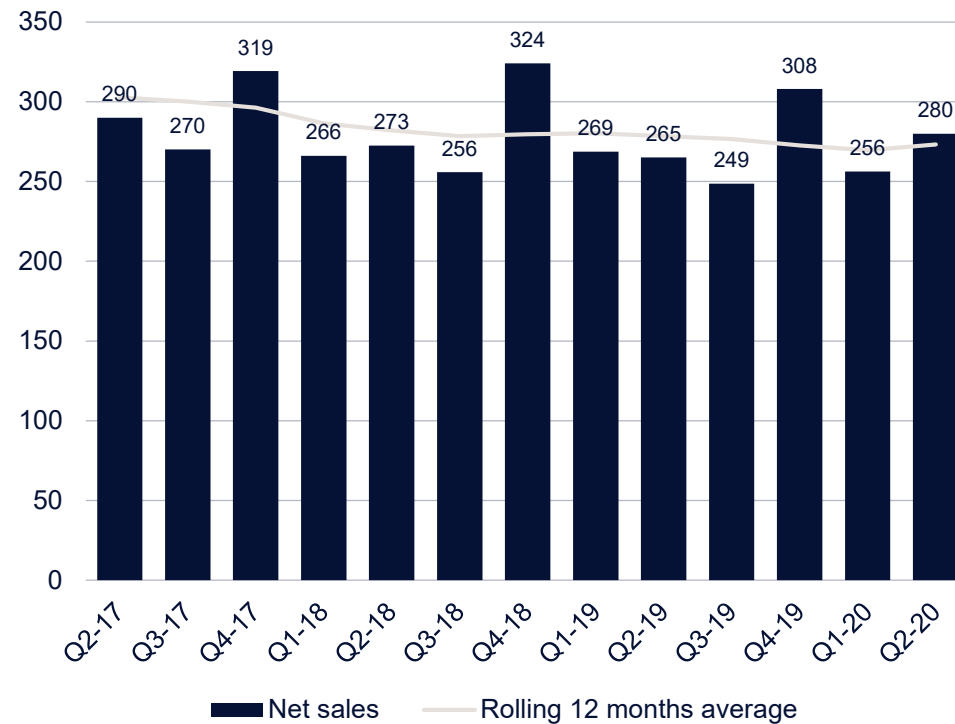
Long-term target to reach a reported EBITA margin of 12%

### COMPARABLE EBITA

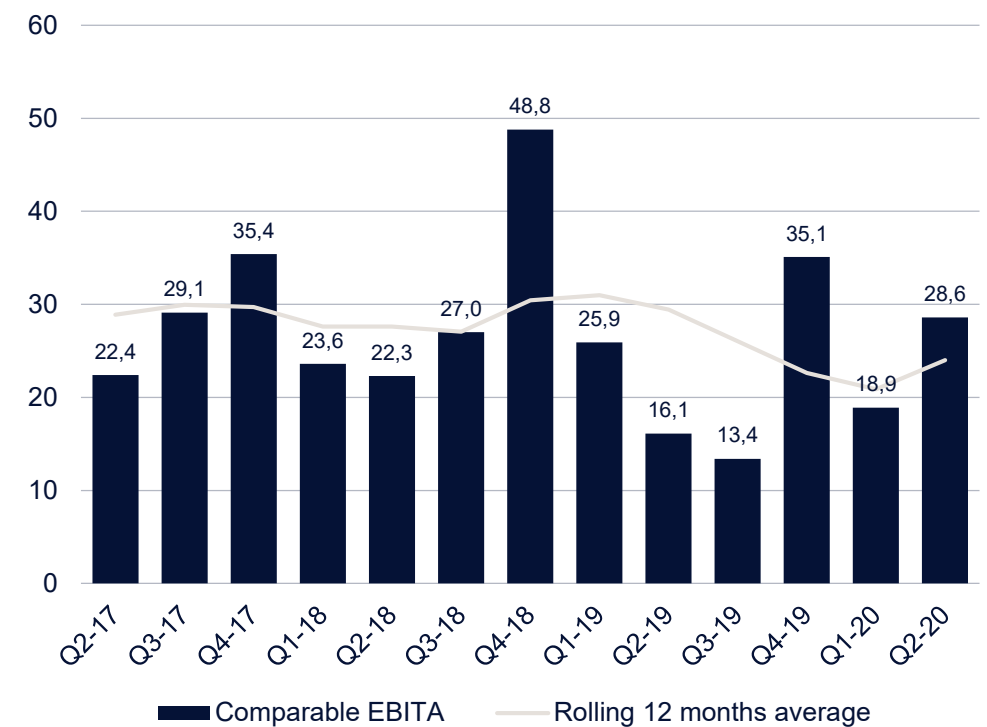


## Quarterly development – last 3 years

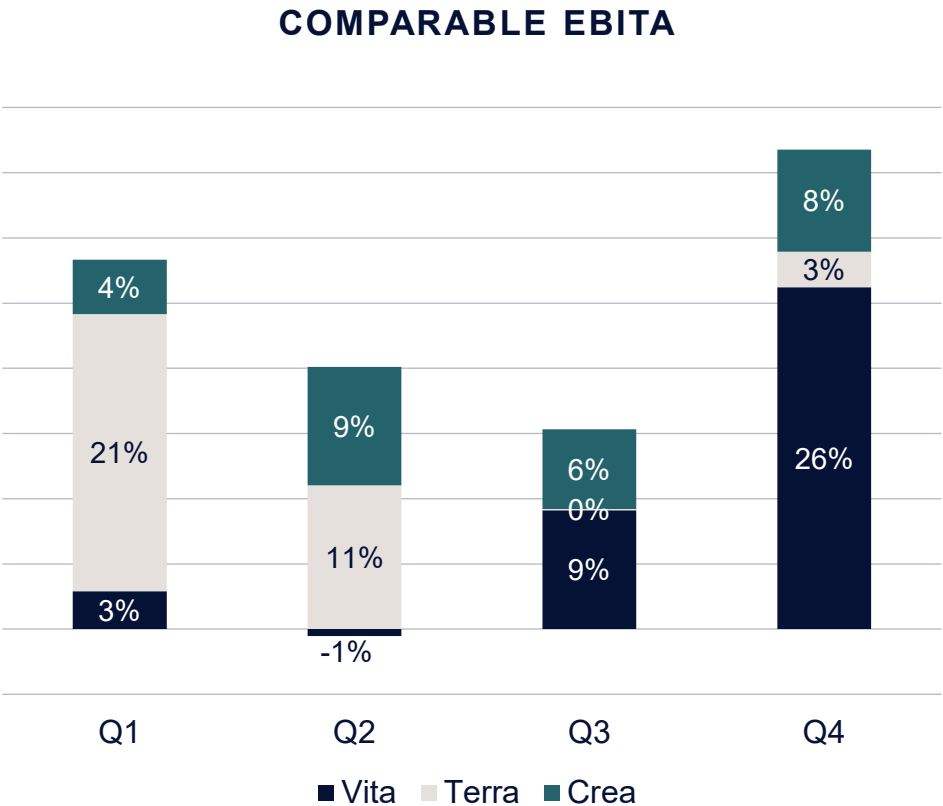
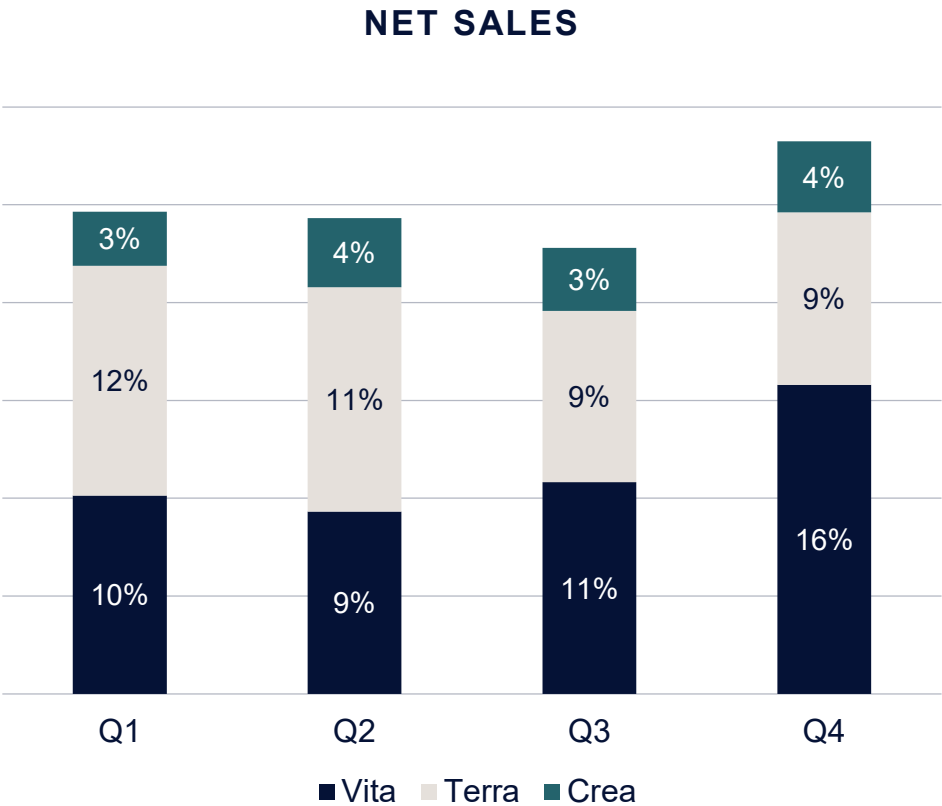
### NET SALES, EUR MILLION



### COMPARABLE EBITA, EUR MILLION



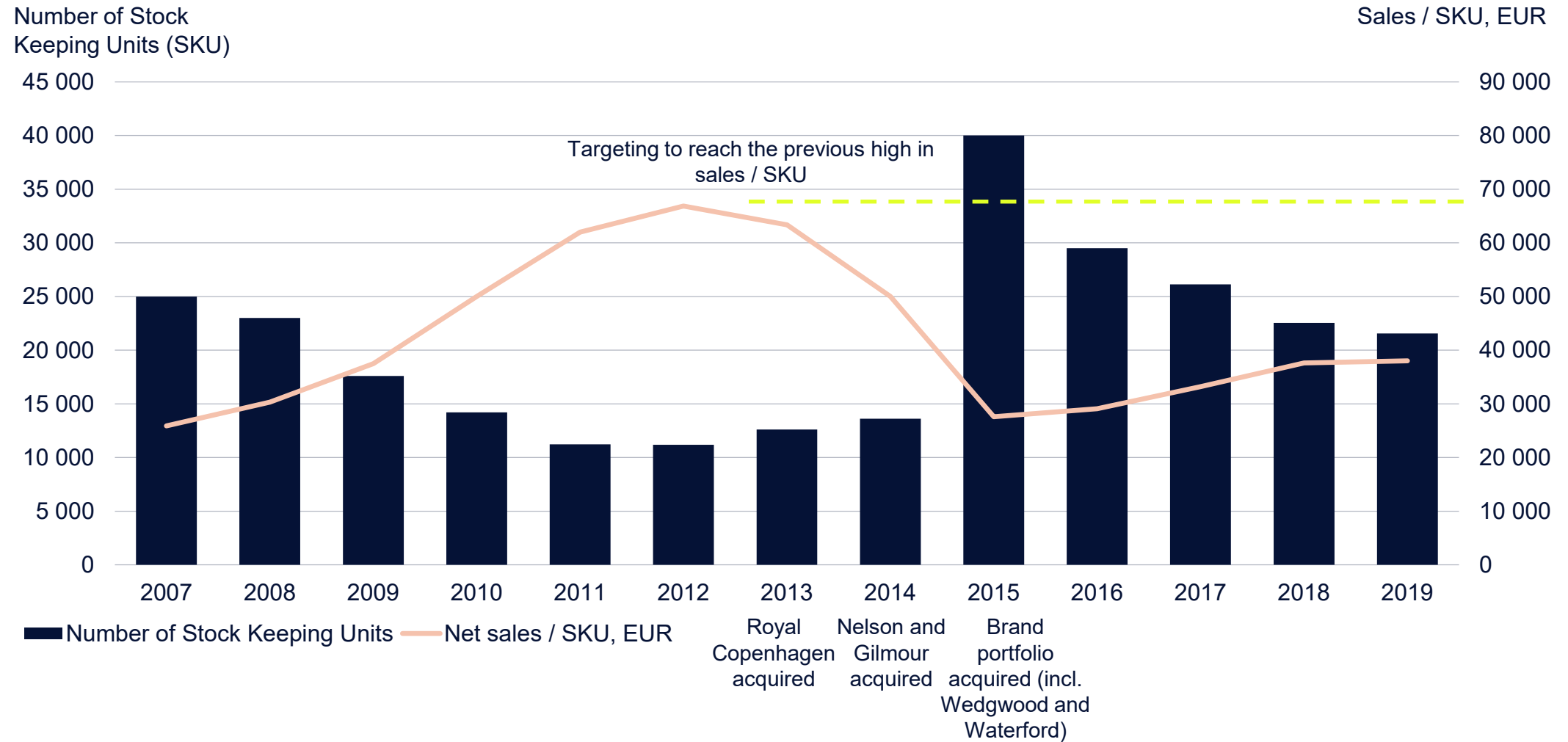
# Seasonalities creating balanced income profile



Seasonal distribution by quarter and business area in 2019. Percentages as share of total full year group figures



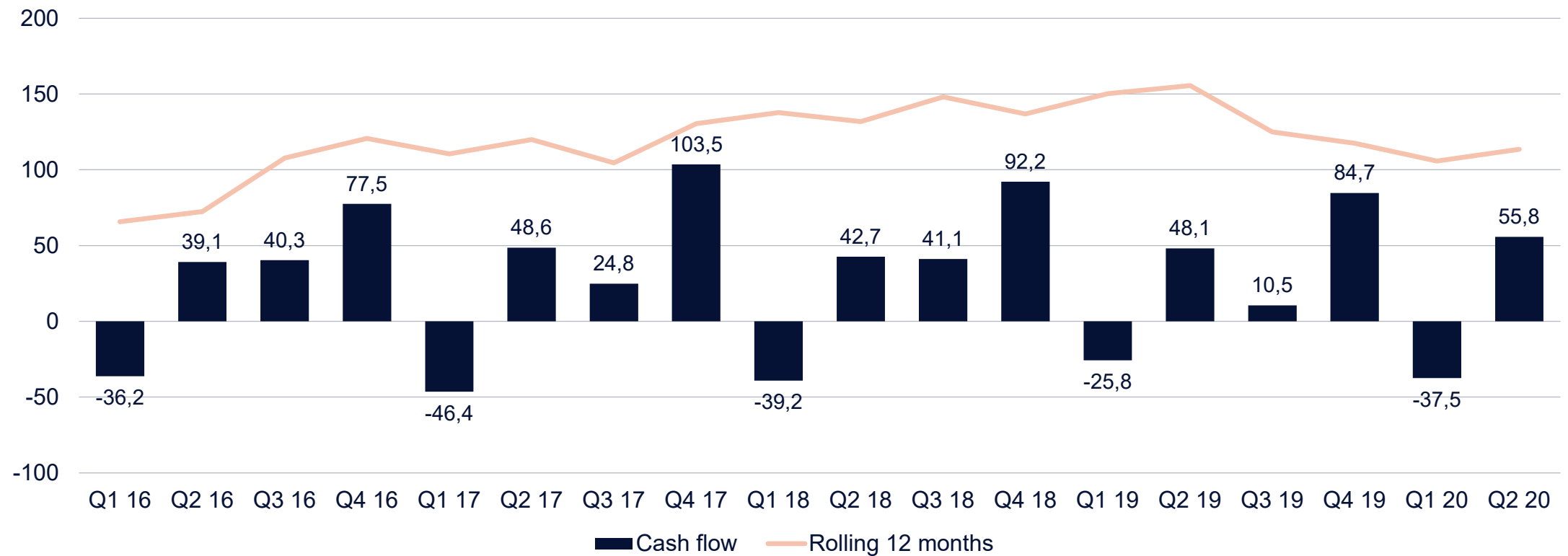
# SKU reduction ongoing with potential remaining





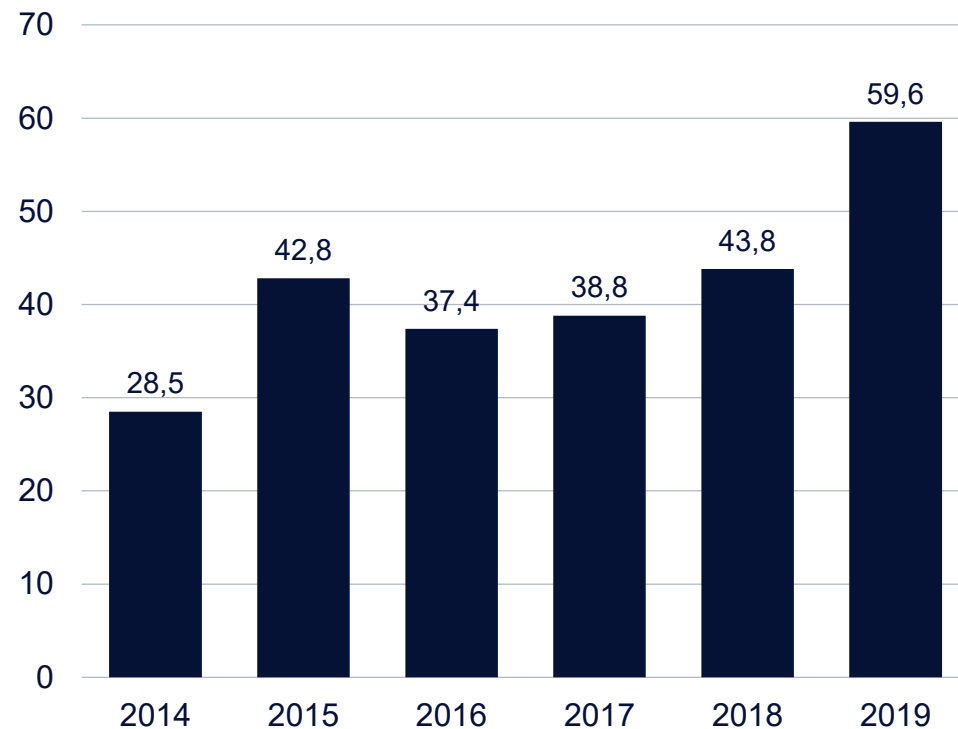
# Cash flow

Cash flow from operating activities before financial items and taxes EUR million



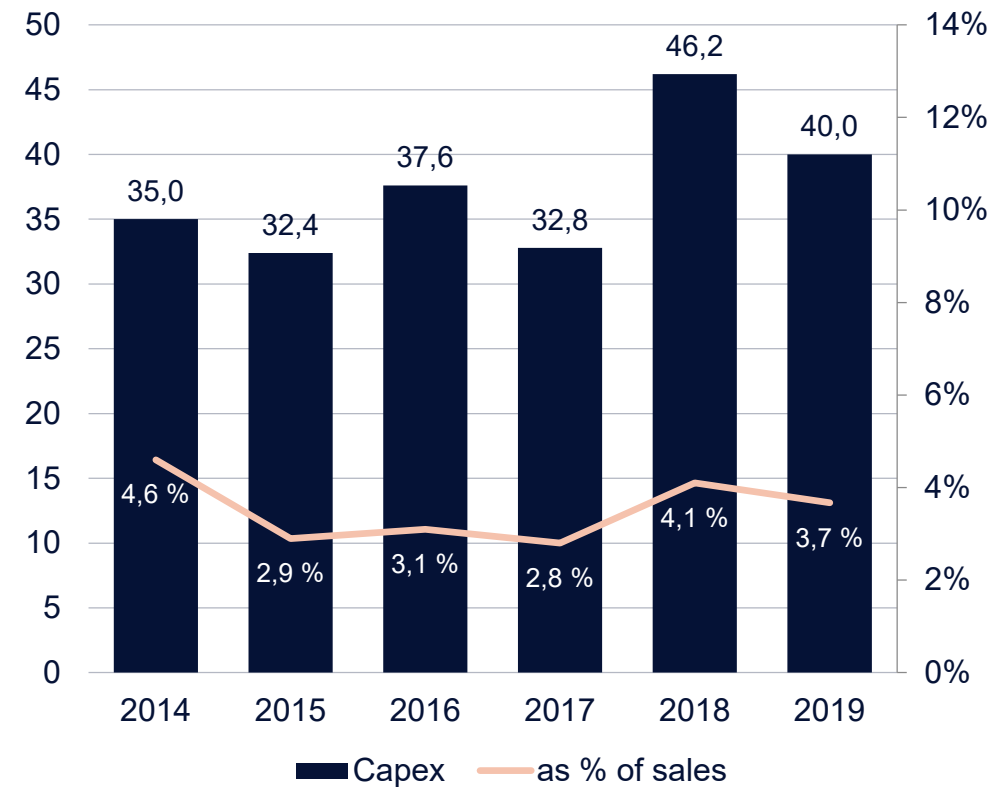
## Capital expenditure

**DEPRECIATION, AMORTIZATION  
AND IMPAIRMENT, EUR MILLION**



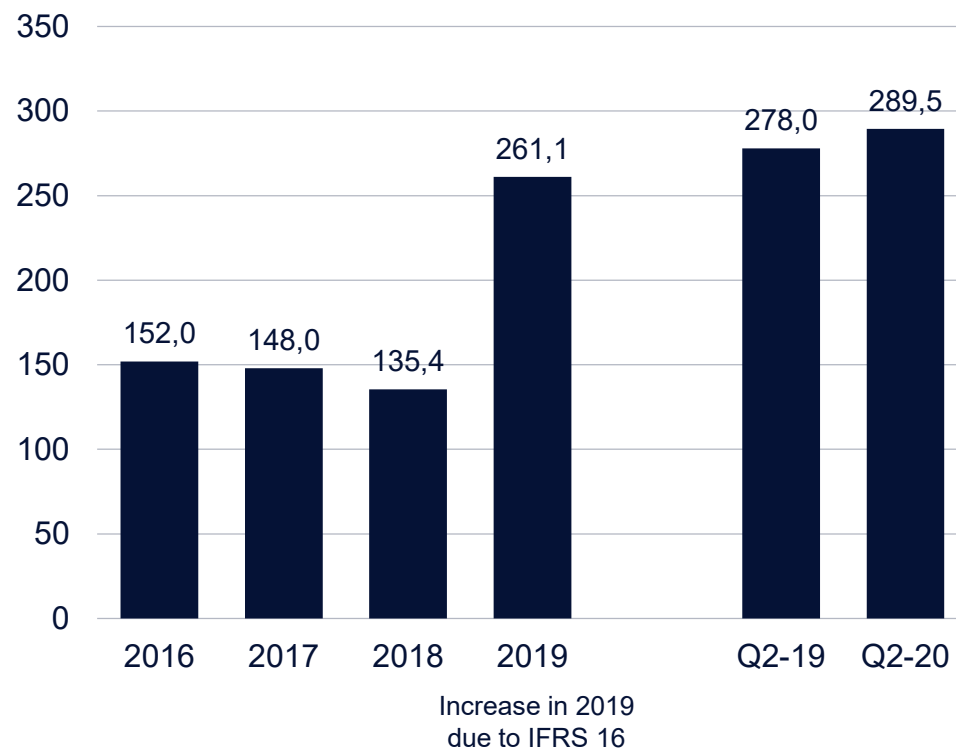
*Depreciation increased  
as a result of IFRS 16*

**CAPEX, EUR MILLION**

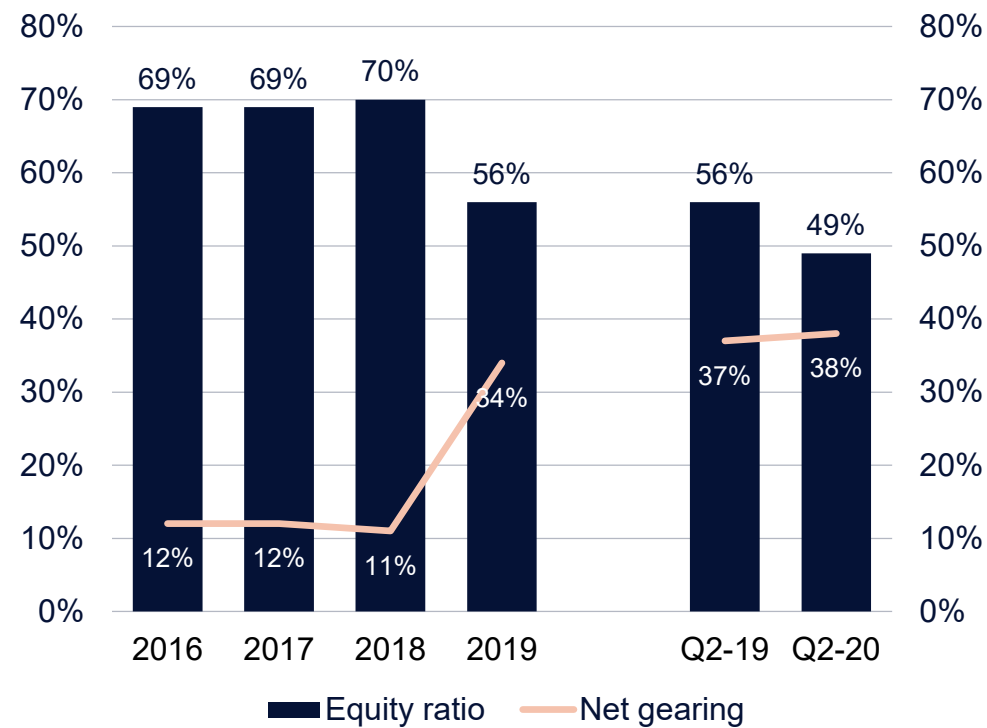


## Solid balance sheet

### NET DEBT, EUR MILLION



### NET GEARING AND EQUITY RATIO



IFRS 16-impact visible in figures from Q1 2019 and Wärtsilä share distribution in Q2 2019



## Long-term financial targets



### GROWTH

The average annual net sales growth to exceed 5%, through a combination of organic growth and targeted acquisitions



### PROFITABILITY

EBITA margin to reach 12%



### CAPITAL STRUCTURE

Net gearing\* below 100%



### DIVIDEND

Fiskars aims to distribute a stable, over time increasing dividend, to be paid biannually

2019

-2.5% YoY  
-3.9% YoY (comparable)

6.7%  
8.3% (comparable)

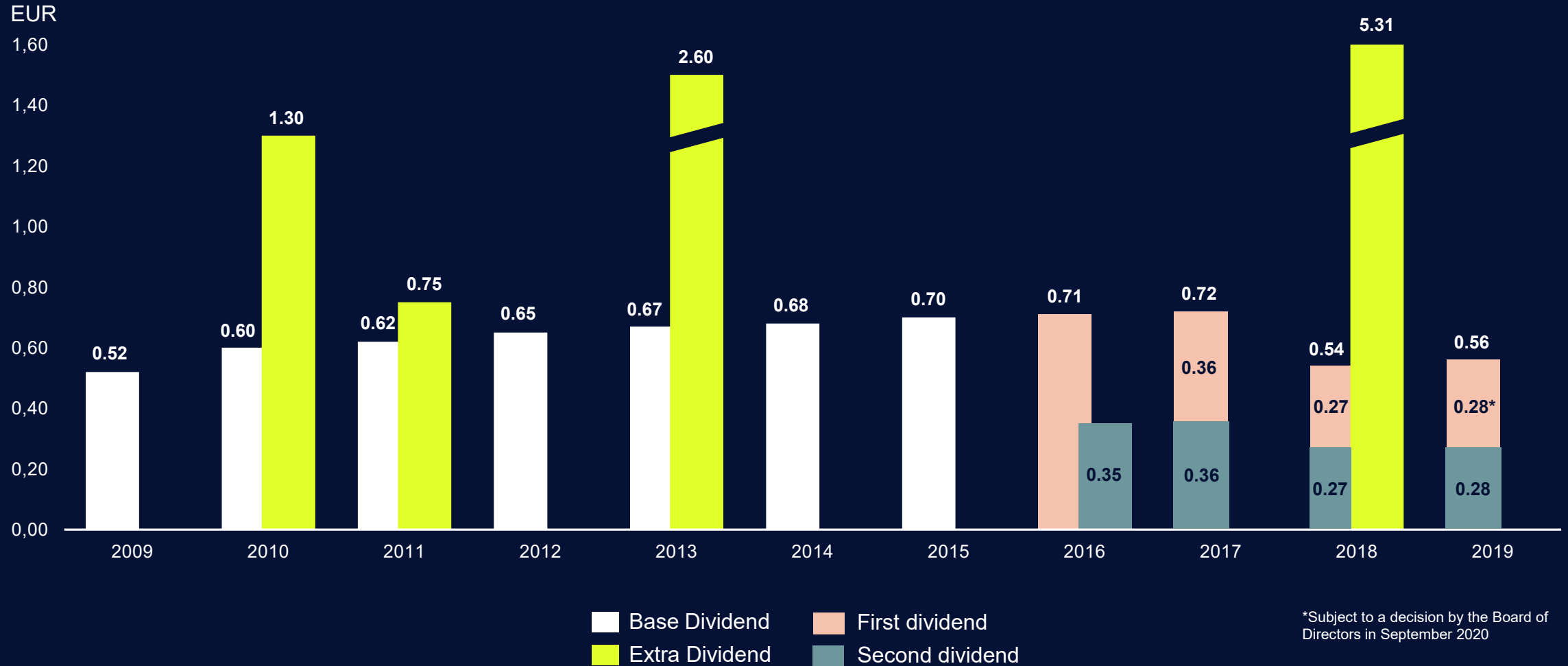
34%

EUR 0.56 per share, paid in two installments of 0.28 each

\*\*Net gearing ratio is the ratio of interest-bearing debt, less interest-bearing receivables and cash and bank equivalents, divided by total equity

# Wärtsilä share distribution changed the baseline for dividend growth

## Dividend per share (DPS) history 2009–2019



\*Subject to a decision by the Board of Directors in September 2020





# Appendices



## Largest shareholders as of July 31, 2020

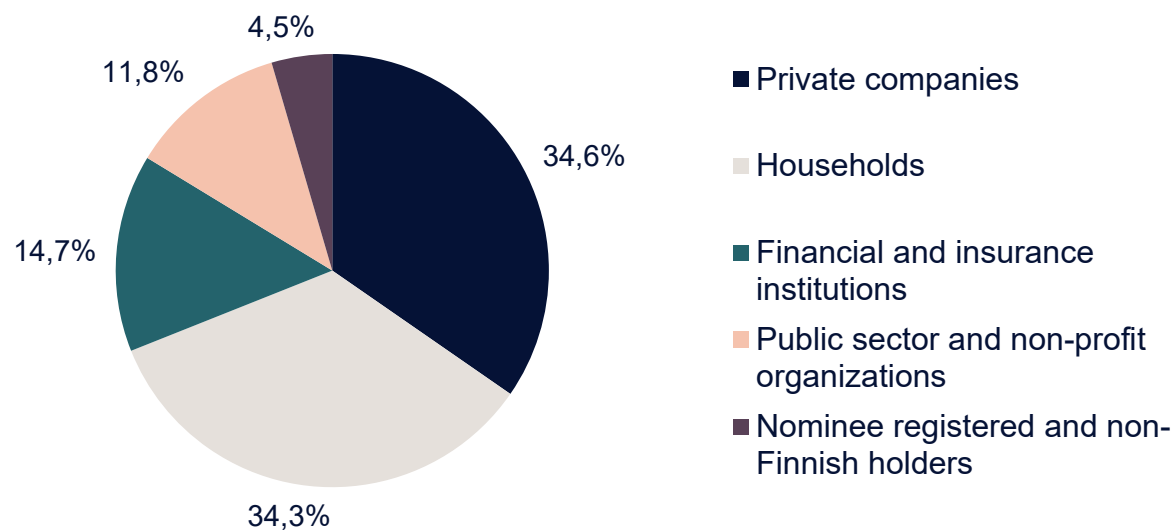
#	Shareholder name	Number of shares	% of shares and votes
1	Virala Oy Ab	12,650,000	15.44
2	Turret Oy Ab	10,930,961	13.35
3	Holdix Oy Ab	10,165,537	12.41
4	Bergsrådinnan Sophie von Julins Foundation	2,556,000	3.12
5	Oy Julius Tallberg Ab	2,554,350	3.12
6	Gripenberg Gerda Margareta Lindsay Dödsbo	1,982,000	2.42
7	Ilmarinen Mutual Pension Insurance Company	1,855,442	2.27
8	Varma Mutual Pension Insurance Company	1,719,326	2.10
9	von Julin Sofia Margareta dödsbo	1,560,000	1.90
10	Wrede Anna	928,684	1.13
<b>10 largest shareholders, total</b>		<b>46,902,300</b>	<b>57.26</b>
Other shareholders		35,002,942	42.74
<b>Total</b>		<b>81,905,242</b>	<b>100.00</b>

Data supplied by Euroland





## Shareholder structure as of July 31, 2020



Sector	Number of shareholders	% of total shareholders	Number of shares	% of shares and votes
Private companies	674	2.7%	28,374,713	34.6%
Households	24,340	95.8%	28,109,253	34.3%
Financial and insurance institutions	37	0.1%	12,075,261	14.7%
Public sector and non-profit organizations	224	0.9%	9,641,266	11.8%
Nominee registered and non-Finnish holders	133	0.5%	3,704,749	4.5%
<b>Total</b>			<b>81,905,242</b>	<b>100.00</b>

Data supplied by Euroland



## Fiskars Group Leadership Team



**SARI POHJONEN**

Interim CEO &  
Chief Financial Officer



**TINA ANDERSSON**

Chief Consumer Officer



**CHRISTIAN BACHLER**

Executive Vice President,  
BA Vita



**JAMES BROUILLARD**

Executive Vice President,  
BA Terra



**RISTO GAGGL**

Chief Supply Chain Officer



**JOHAN HEDBERG**

Chief Sales Officer



**TUOMAS HYYRYLÄINEN**

Executive Vice President,  
BA Crea



**NIKLAS LINDHOLM**

Chief People Officer



**MAIJA TAIMI**

Chief Communications  
Officer



**PÄIVI TIMONEN**

Chief Legal Officer





## Board of Directors



**PAUL  
EHRNROOTH**

Chairman



**JYRI  
LUOMAKOSKI**

Vice Chairman



**NATHALIE  
AHLSTRÖM**



**ALBERT  
EHRNROOTH**



**LOUISE  
FROMOND**



**INKA  
MERO**



**FABIAN  
MÅNSSON**



**PETER  
SJÖLANDER**



**RITVA  
SOTAMAA**





## 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 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 include, but are not limited to: (i) 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 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.

# **Making the everyday extraordinary**

