

FISKARS
◆
GROUP

Financial Statement Release

January–December 2020



This presentation contains forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance. Although Fiskars Group believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of various factors.

Important factors that may cause such a difference for Fiskars Group include, but are not limited to:

(u) the macroeconomic development and consumer confidence in the key markets, (ii) change in the competitive climate, (iii) change in the regulatory environment and other government actions, (iv) change in interest rate and foreign exchange rate levels, and (v) internal operating factors.

This presentation does not imply that Fiskars Group has undertaken to revise these forward-looking statements, beyond what is required by applicable law or applicable stock exchange regulations if and when circumstances arise that will lead to changes compared to the date when these statements were provided.



Highlights of the quarter



**NET SALES
GROWTH
CONTINUED**



**INCREASE IN
COMPARABLE
EBITA, DRIVEN BY
ALL BA'S**



**CASH
FLOW
INCREASED**



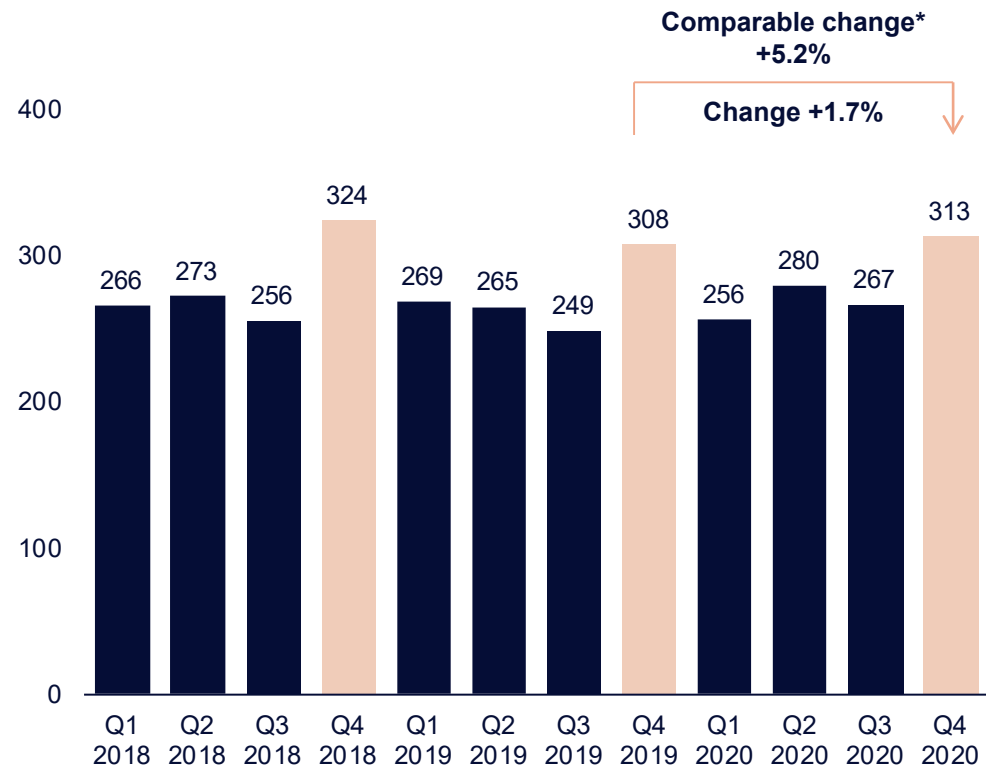
**OUTLOOK FOR 2021:
COMPARABLE EBITA IS
EXPECTED TO BE
LOWER THAN IN
2020, BUT ABOVE
EUR 110
MILLION**



**DIVIDEND
PROPOSAL OF
EUR 0.60 PER
SHARE**

Fiskars Group comparable net sales in Q4 2020

NET SALES, EUR MILLION



NET SALES BRIDGE, EUR MILLION

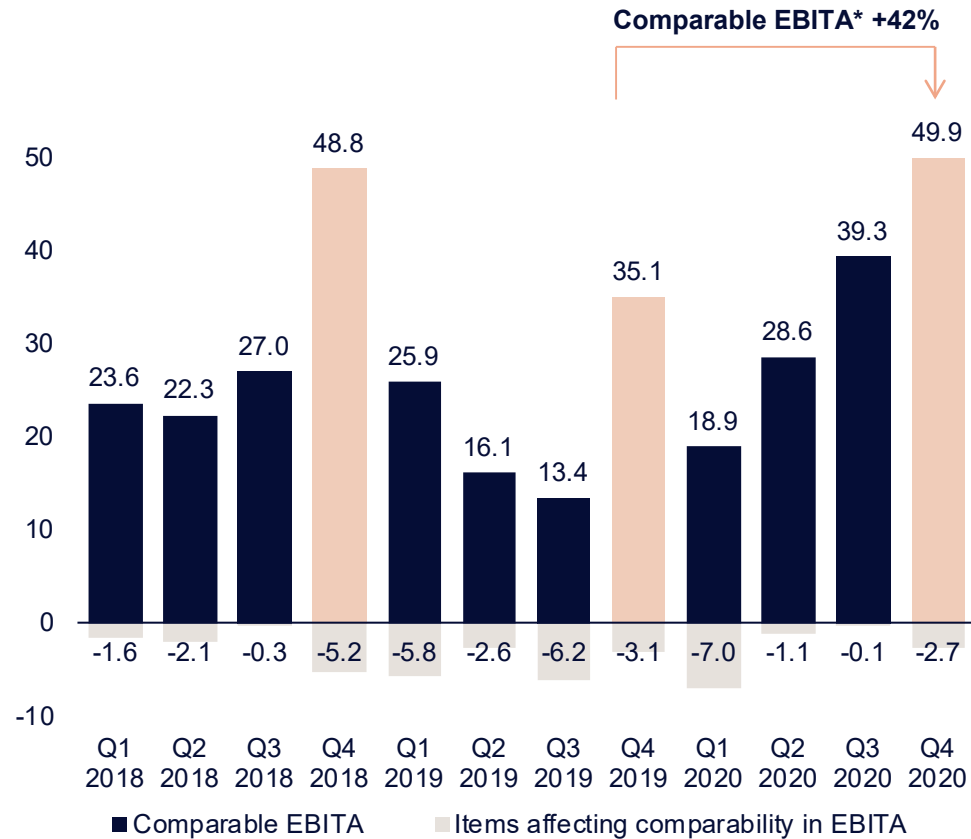


*Comparable change = currency neutral and excluding acquisitions & divestments



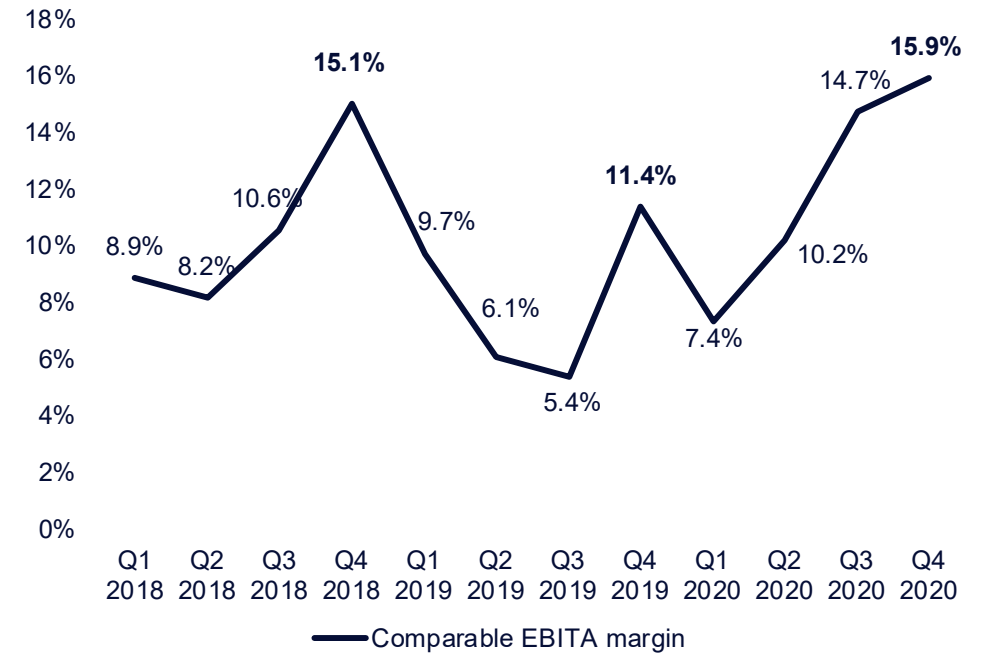
Fiskars Group comparable EBITA in Q4 2020

COMPARABLE EBITA, EUR MILLION



*Comparable change: includes items such as restructuring costs, impairment or provisions charges and releases, integration related costs, and gain and loss from the sale of businesses

COMPARABLE EBITA MARGIN



First observations



**Passionate
global team**



**Beloved brands and
iconic products**



**Growth levers:
consumer everyday culture,
digitalization and
sustainability**



Continuing to execute the strategic priorities





Transformation program, targeted annual cost savings app. EUR 17 million

- Subject to the full implementation of the program
- Targeted cost savings would 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 Q4 2020:

- EUR 22.5 million of costs had been booked

Restructuring program, targeted annual cost savings app. EUR 20 million

- Subject to the full implementation of the program
- Targeted cost savings would be achieved gradually, and the majority of the savings are expected to materialize during the program by the end of 2021

Costs of the program app. EUR 30 million in 2019–2021. By the end of Q4 2020:

- EUR 8.5 million of costs had been booked

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.



Long-term financial targets unchanged



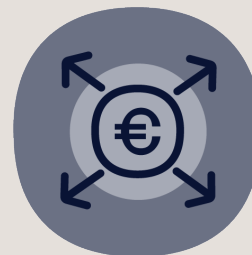
GROWTH

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



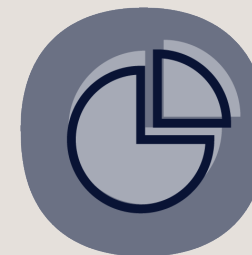
PROFITABILITY

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

2020

2.4% YoY
3.8% YoY (comparable)

11.3%
12.3% (comparable)

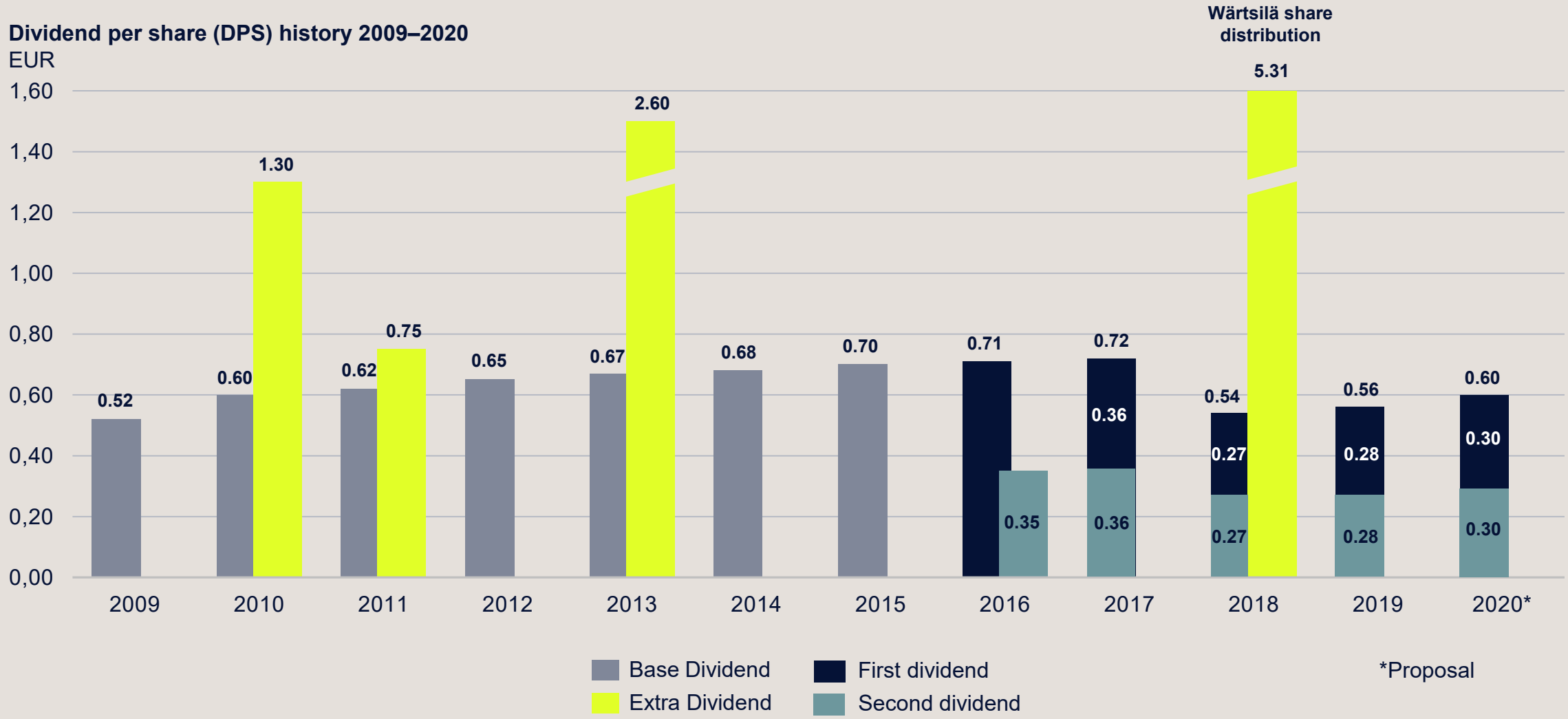
19%

Proposal: EUR 0.60 per share, paid in two installments of 0.30 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

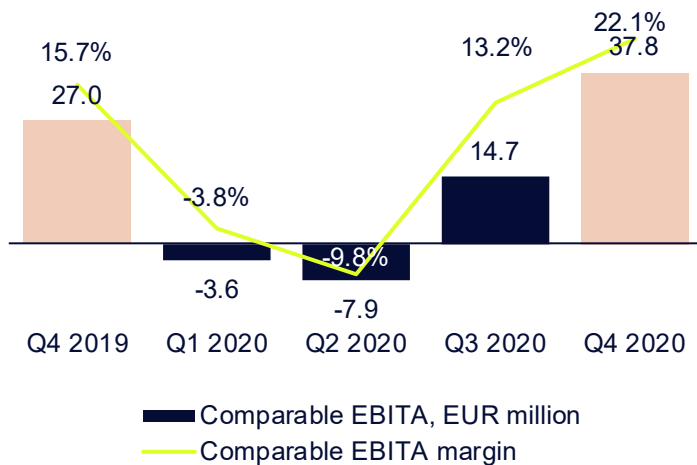
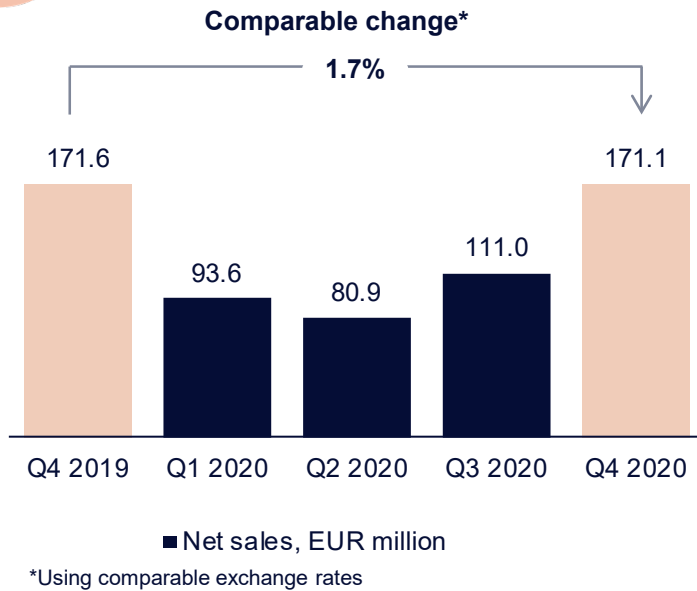


Q4





Vita in Q4 2020



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%

Comparable net sales increased

- Increased most in China
- Also supported by the business in Australia and Scandinavia
- Continued challenges in traditional channels in the Americas and the UK
- Increased in the direct channel, driven by e-commerce
- The hospitality channel continued to be severely hit by the pandemic

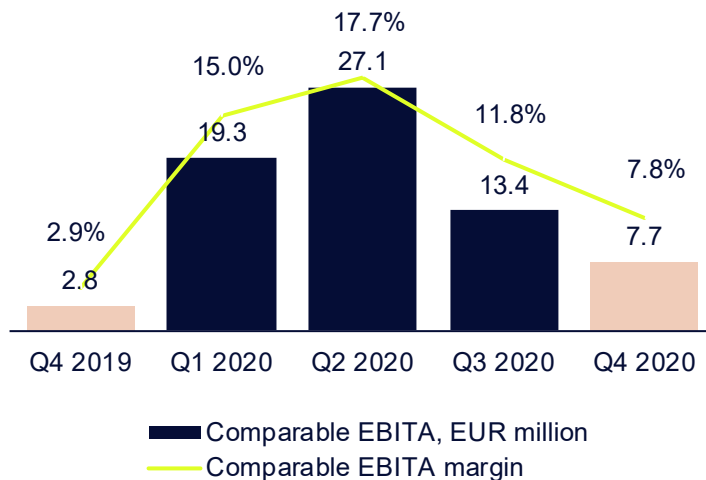
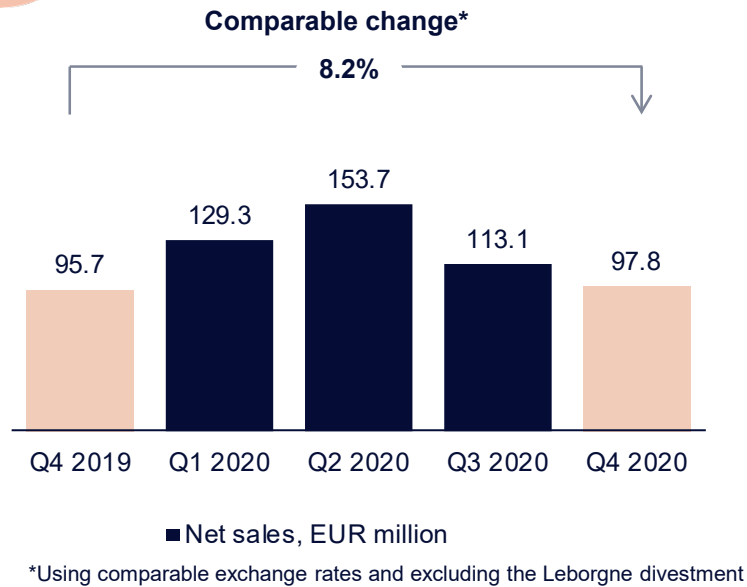
Comparable EBITA increased

- Cost-cutting measures
- Increase in gross margin





Terra in Q4 2020



EUR million	Q4 2020	Q4 2019	Change	2020	2019	Change
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%

Comparable net sales increased

- Increased in most categories and in all channels
- Strong growth in the e-commerce channel (in particular gerbergear.com)
- Increased in the indirect e-commerce channel
- Geographically growth was broad-based, driven by the Americas, Australia and Central Europe
- Increase distribution in the outdoor and fixing categories
- Decreased in the Nordics (mainly weather conditions)

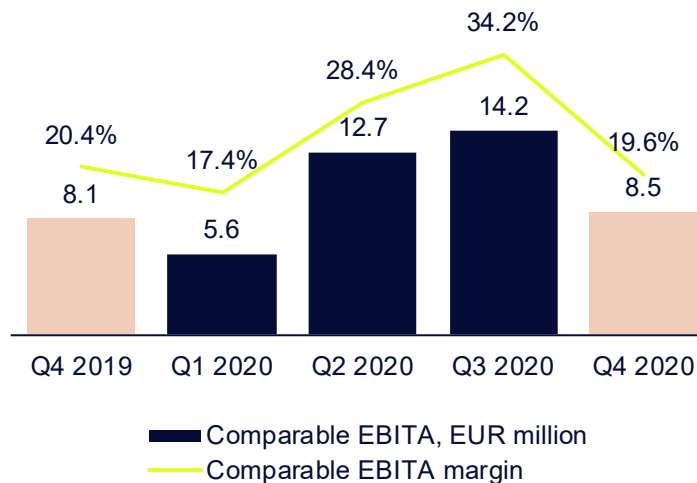
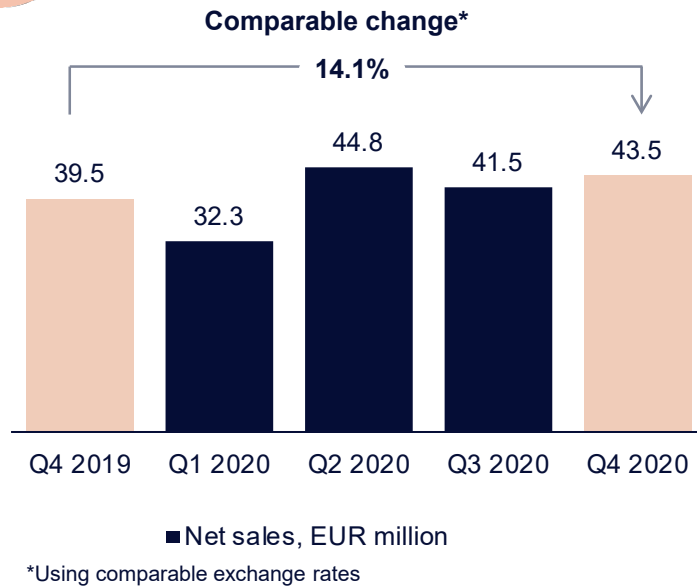
Comparable EBITA increased

- Increased sales volumes
- Cost-cutting measures





Crea in Q4 2020



EUR million	Q4 2020	Q4 2019	Change	2020	2019	Change
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%

Comparable net sales increased

- Increased in all categories
- Increased in the direct channel, driven by e-commerce
- Increased in most key markets, driven by the Americas
- In Europe, net sales increased most in Scandinavia and Central Europe
- Distribution was expanded in selected markets

Comparable EBITA increased

- Increased sales volumes
- Cost-cutting measures



Net sales by geography in Q4 2020

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

Comparable net sales in Europe remained at the previous year's level

- Weighed down by the developments in Finland and the UK

Comparable net sales in the Americas increased

- Driven by the Terra and Crea segments, while it decreased in the Vita segment

Comparable net sales in Asia-Pacific increased

- Supported by most markets
- The key drivers were Vita in China as well as all business areas in Australia



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
Gross profit margin	41.9%	43.2%		40.5%	41.0%	
Sales and marketing expenses	-63.8	-77.8	18	-241.5	-284.3	15
Amortization and impairment	-13.9	-3.5		-27.8	-12.9	
Other expenses	-20.2	-23.3		-84.8	-90.0	
Operating profit (EBIT)	33.3	28.5	17	98.0	60.1	63
Profit for the period	25.2	21.3	19	68.5	52.4	31
Items affecting comparability	-2.7	-3.1		-11.0	-17.7	
Comparable EBITA	49.9	35.1	42	136.8	90.6	51
Comparable EBITA margin	15.9%	11.4%		12.3%	8.3%	

Gross profit decreased

- Net sales growth offset by decreased margin

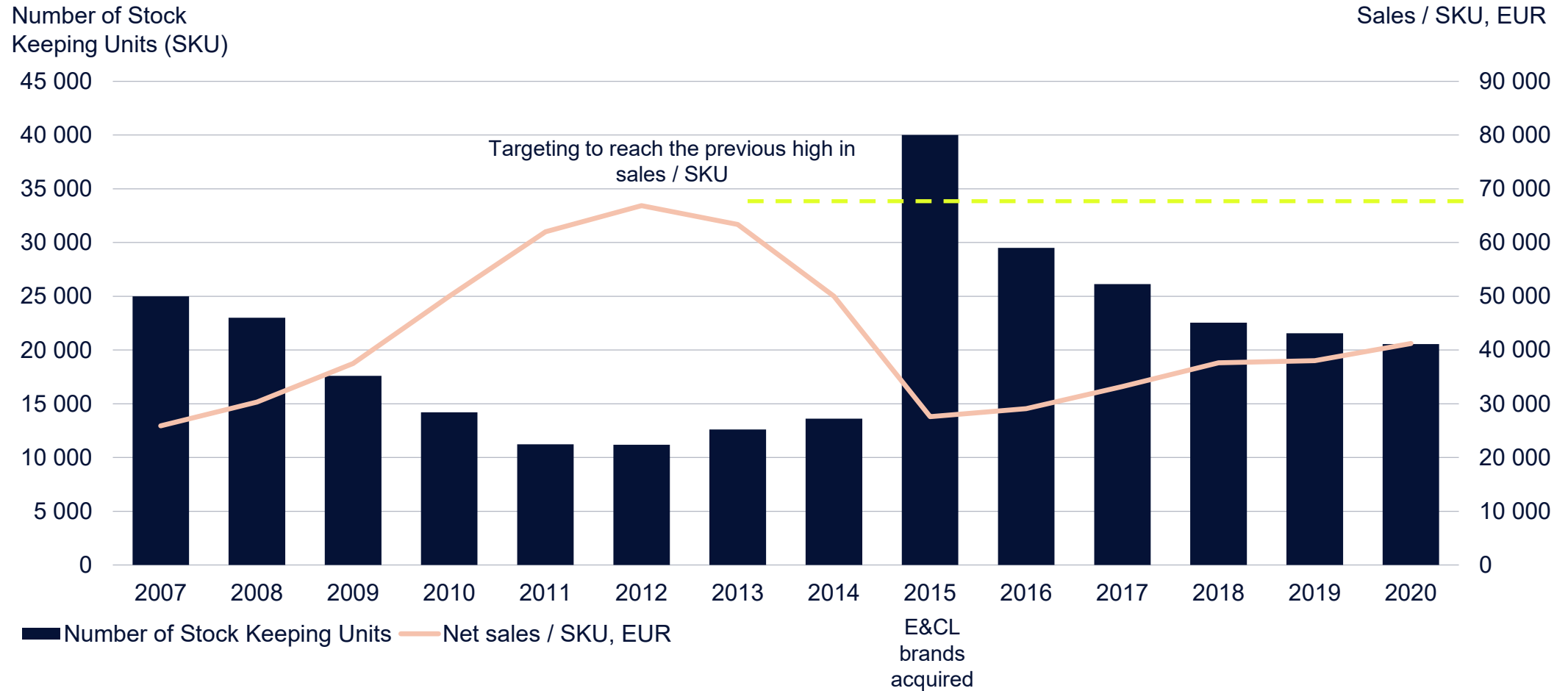
Cost-cutting still visible in SG&A items

Amortization increased in Q4 due to impairment of the Waterford trademark (10.4 million)

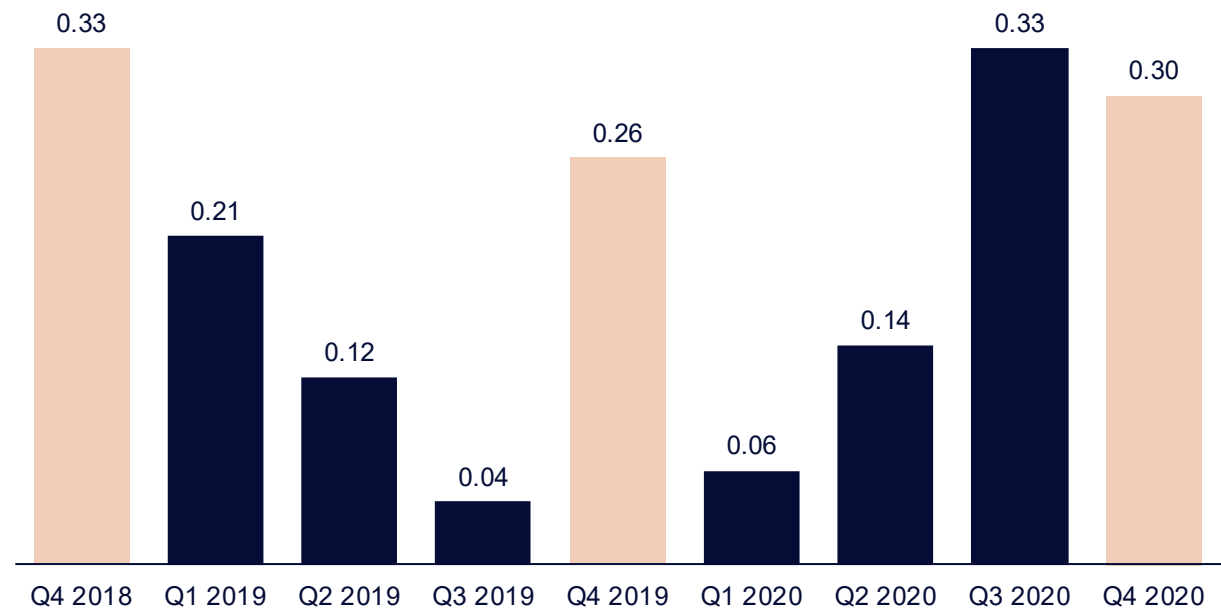
Items affecting comparability at -2.7 million, mainly from ongoing programs



SKU reduction ongoing with potential remaining



Earnings per share in Q4 2020 (EUR)

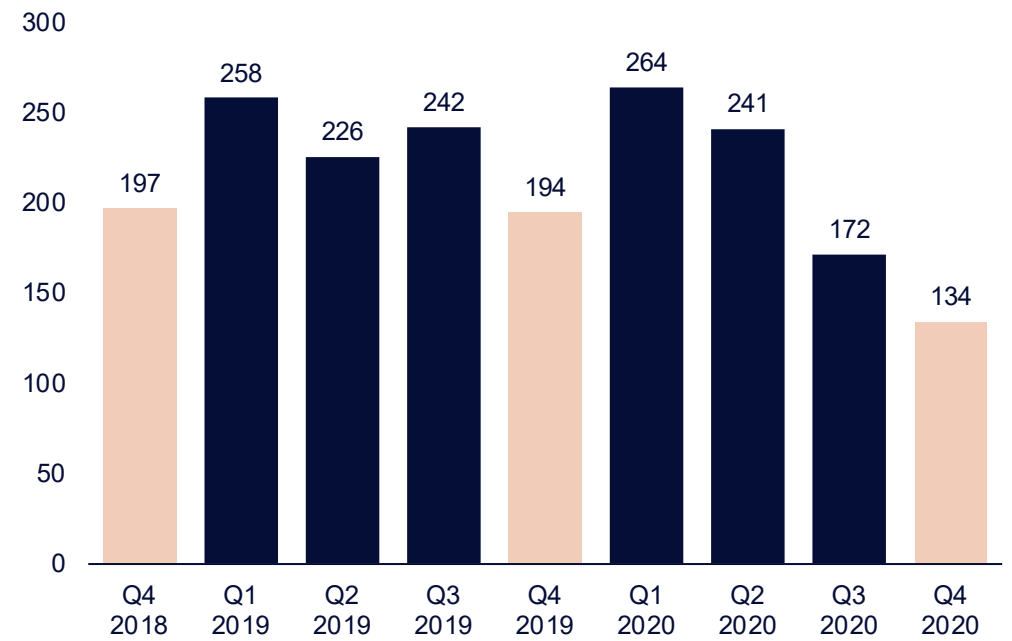


Cash flow improved from previous year's level

CASH FLOW FROM OPERATING ACTIVITIES BEFORE FINANCIAL ITEMS AND TAXES, EUR MILLION



WORKING CAPITAL, EUR MILLION



Balance sheet

EUR million	2020	2019
Goodwill and other intangible assets	481.9	508.2
Other non-current assets	347.2	382.5
Inventories	207.4	232.1
Trade and other receivables	213.8	203.2
Other current assets	29.2	28.8
Cash and cash equivalents	62.5	9.4
Total assets	1,342.0	1,364.3
Equity	761.6	764.5
Total interest-bearing liabilities	112.4	160.1
Lease liabilities	94.5	111.3
Trade and other payables	309.8	267.7
Other current & non-current liabilities	63.6	60.7
Total equity and liabilities	1,342.0	1,364.3

Impairment of Waterford part of the change in goodwill and other intangible assets

Inventories decreased

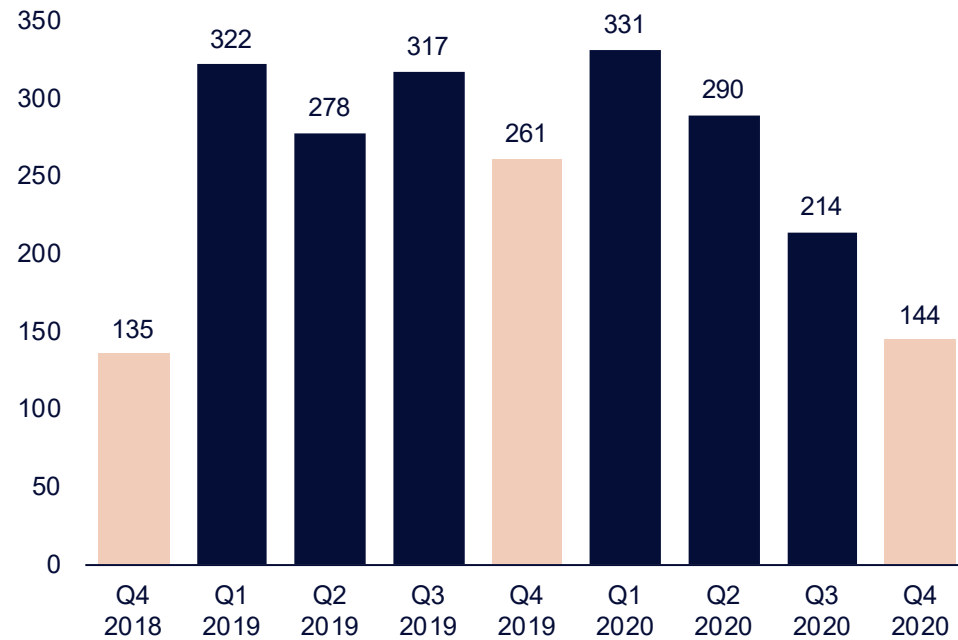
Strong cash flow visible in cash level, as well as in the decrease of interest-bearing liabilities, as some loans were repaid

Trade payables increased



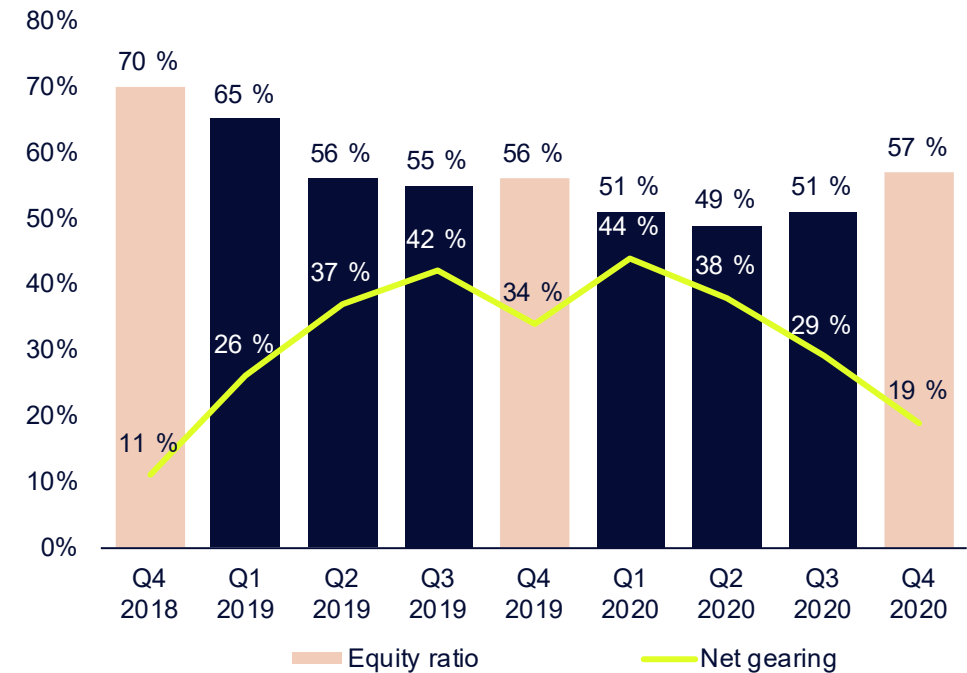
Net debt decreased

NET DEBT, EUR MILLION



The implementation of IFRS 16 impacts net debt from Q1 2019 onwards

EQUITY RATIO AND NET GEARING



The key figures are impacted by the implementation of IFRS 16 from Q1 2019 onwards and by the Wärtsilä share dividend (distributed in Q2 2019)



Q&A



Closing remarks





Making
the everyday
extraordinary