

# Investor presentation

February-March 2022

FISKARS  
♦  
GROUP



# Content



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





Our purpose:

# Making the everyday extraordinary

Fiskars Group is a  
global lifestyle company  
with a unique portfolio of  
much-loved brands





## Strong brand portfolio

**FISKARS®**



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



**iittala**

 **GERBER®**



**MOOMIN**  
by ARABIA



**WEDGWOOD**  
ENGLAND 1759



**WATERFORD**  
IRELAND 1783

**ARABIA**  
1873



**Gilmour**



**HACKMAN®**



  
**ROGASKA**

**ROYAL ALBERT**  
ENGLAND 1904




















**ROYAL DOULTON**  
LONDON 1815



  
**Rörstrand**



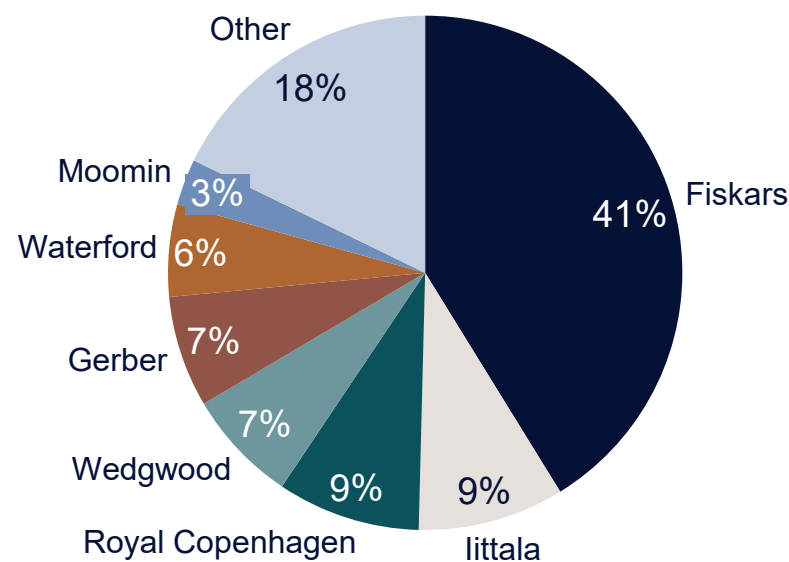
Business Areas and key categories

BUSINESS AREAS & KEY CATEGORIES	<div><b>VITA</b></div>  <div></div> <div>Tableware    Drinkware    Interior</div>	<div><b>TERRA</b></div>  <div></div> <div>Gardening    Outdoor    Watering</div>	<div><b>CREA</b></div>  <div></div> <div>Scissors &amp; creating    Cooking</div>
	<div> WATERFORD    WEDGWOOD MOOMIN <small>by ARABIA</small></div>	<div></div>	<div></div>
BA SHARE OF NET SALES	44%	43%	14%

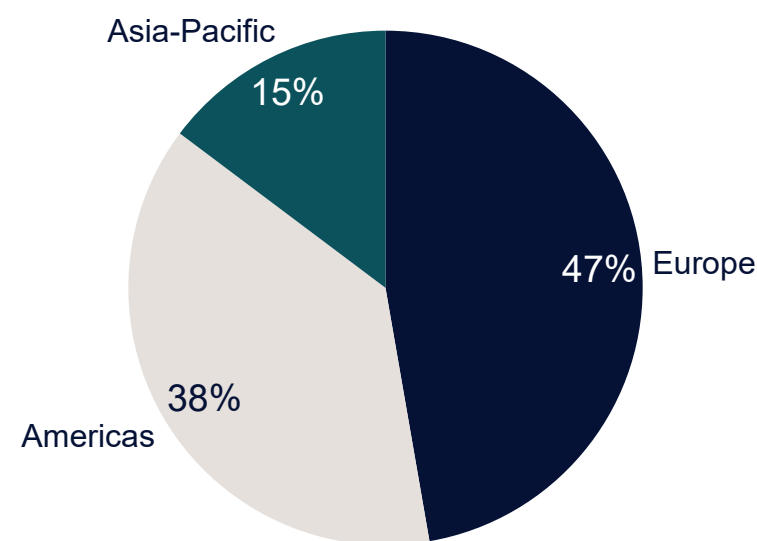


# Fiskars the largest brand – 2021 sales splits

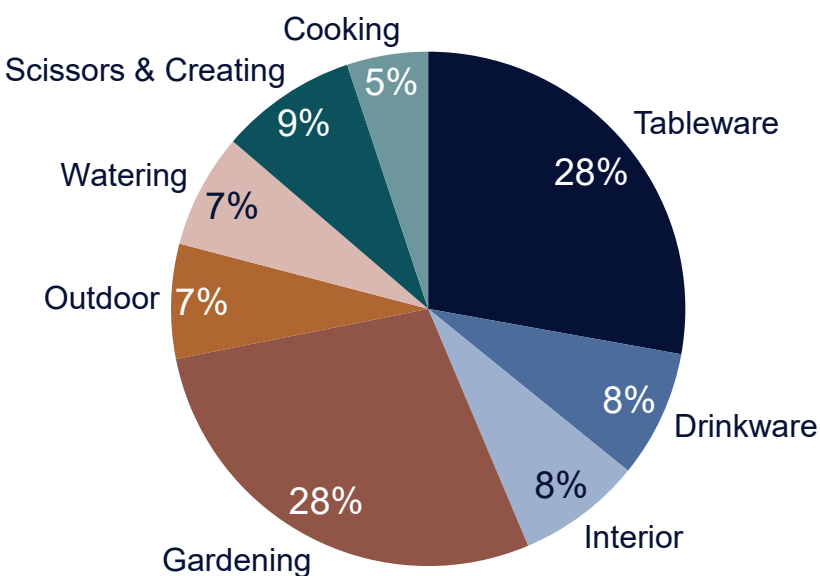
SALES SPLIT BY BRAND



SALES SPLIT BY GEOGRAPHY



SALES SPLIT BY CATEGORY



## Our global presence

EMPLOYEES **>6,000**

PRESENCE IN **30** COUNTRIES

BRANDS AVAILABLE IN MORE  
THAN **100** COUNTRIES

MORE THAN **360** STORES





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## Value Creation - Growth strategy addresses all value creation levers



## The Growth Strategy – clear strategic focus and transformation levers





We focus on winning brands, enabled through clear roles across our portfolio

WINNING  
BRANDS

WINNING  
BRANDS

FISKARS®

  
ROYAL COPENHAGEN  
PURVEYOR TO HER MAJESTY THE QUEEN OF DENMARK

iittala

 GERBER®

MOOMIN  
by ARABIA

TURNAROUND  
BRANDS

WEDGWOOD  
ENGLAND 1759

WATERFORD  
SINCE 1783

ROYAL ALBERT  
ENGLAND 1904

ROYAL DOULTON  
LONDON 1815



## Driving Fiskars as our #1 brand

WINNING  
BRANDS

- Global brand with strong recognition
- Strong historical performance
  - >40% of Fiskars Group net sales LTM
  - 7% comp. net sales CAGR 2017-LTM
- Further room to utilize brand stretch and surround the consumer
  - Product portfolio across key markets
  - Clothing range well received and visible globally
- Pioneering design, Red Dot awards, e.g. Team 2020



reddot winner  
2018 2020 2021

*\*LTM referring to the period Q4 2020 – Q3 2021*





We are building winning brands through new ways of thinking

WINNING  
BRANDS

## Case Moomin

- Story telling translated into collectibles
- Currently net sales over EUR 30 million
- Fiskars Group minority shareholder in Rights & Brands since Sept '21
- Strategic partnership enables global growth beyond our Nordic stronghold



## Strengthening our DTC to address the needs of the modern consumer

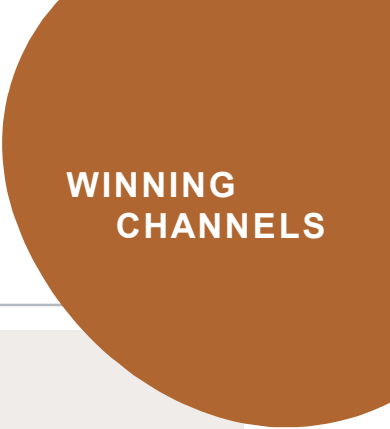
### WINNING CHANNELS

- Win in the channel shift; focus on growing in the direct channel, incl. eCom and own stores
- Invest significantly in digital organization and capabilities
- Optimize store presence, incl. new store openings in China

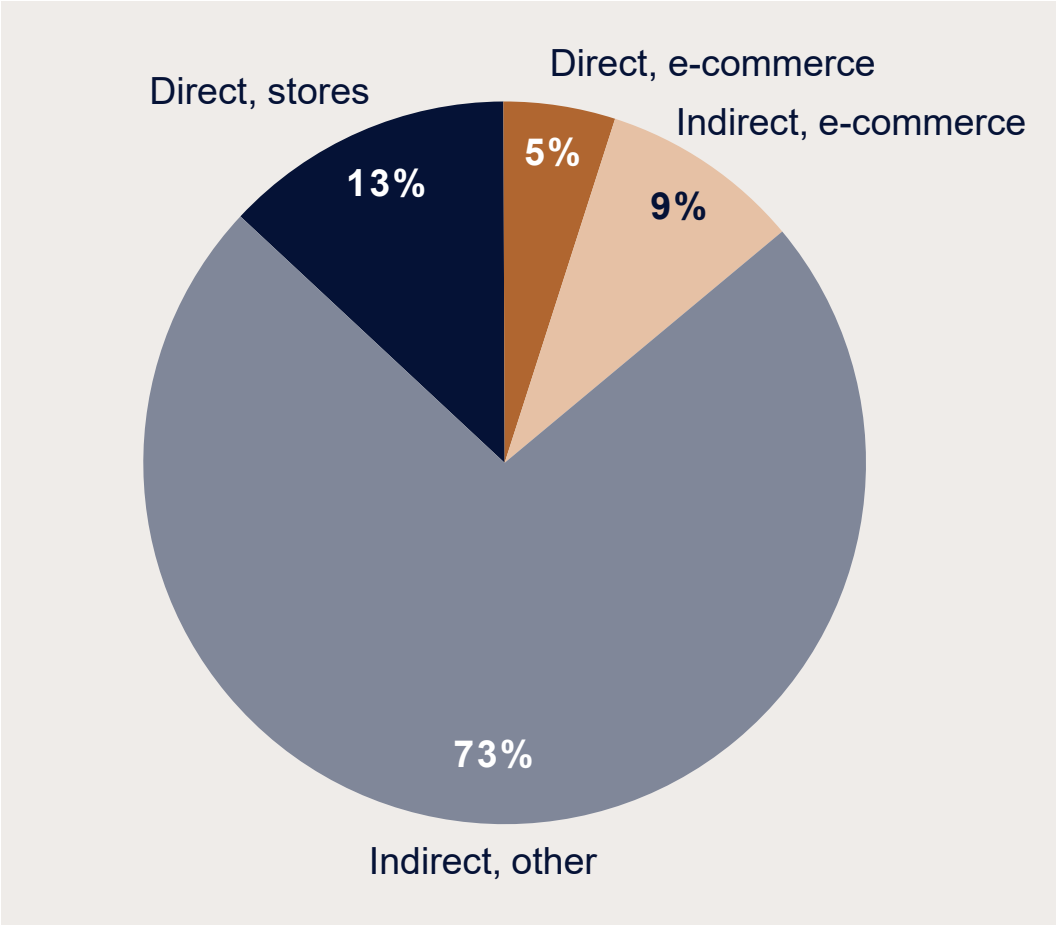




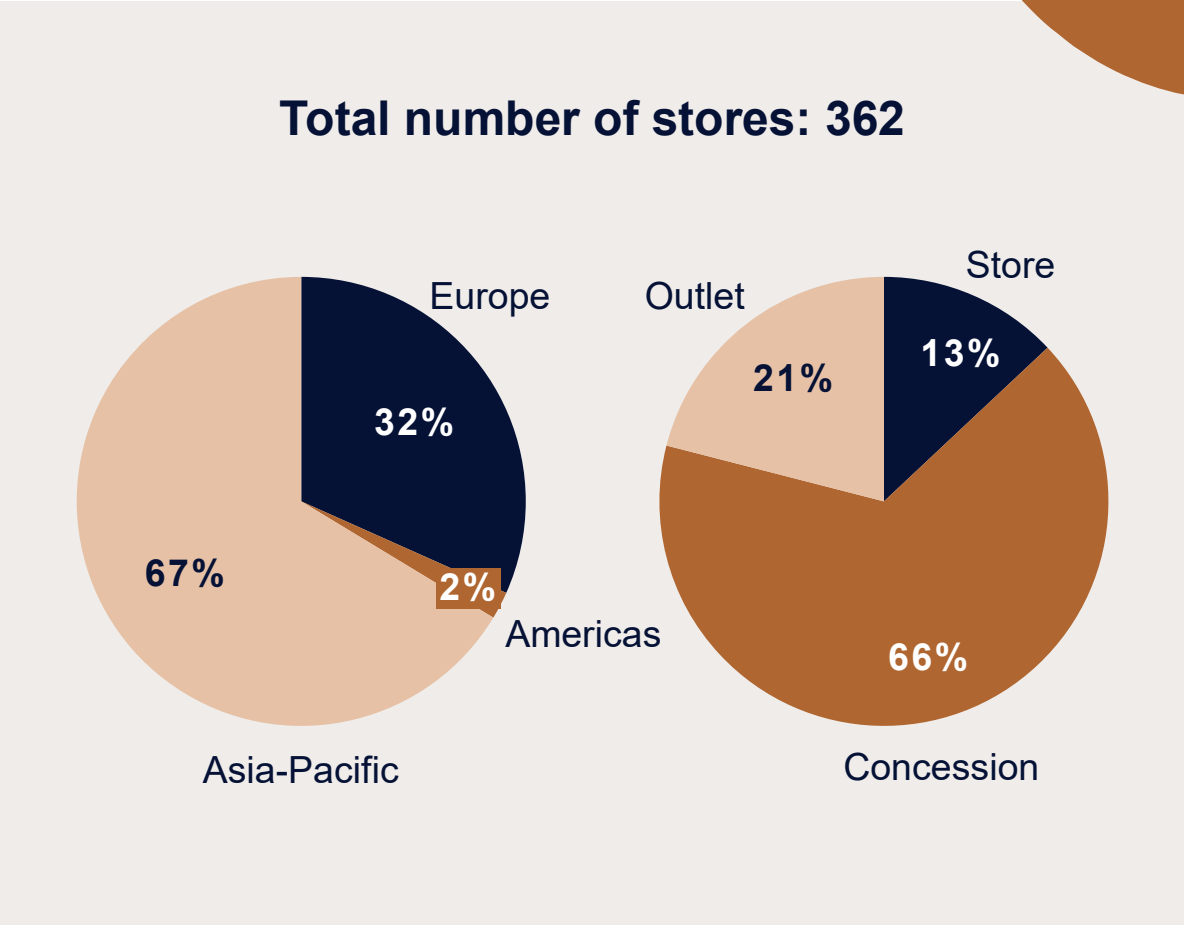
The direct channel (DTC) increasingly important



GROUP NET SALES BY CHANNEL (LTM\*)



NUMBER OF STORES



Commercial excellence drives our performance improvement across all channels

WINNING  
CHANNELS

## Our Commercial Excellence, examples

- Win with the Winners
- Value-based pricing
- In-store and online excellence
- Distribution and product coverage



U.S. continues to deliver a majority of our growth

WINNING  
COUNTRIES

- Favorable market dynamics
  - Demand driver for branded consumer products
- Strong platform with scale in place
  - Fiskars leading gardening brand
  - Strong presence at key big-box retailers and e-tailers
- Further improvement in sight
  - Fiskars product portfolio not fully utilized
  - Gerber with untapped potential
  - Vita turnaround well underway



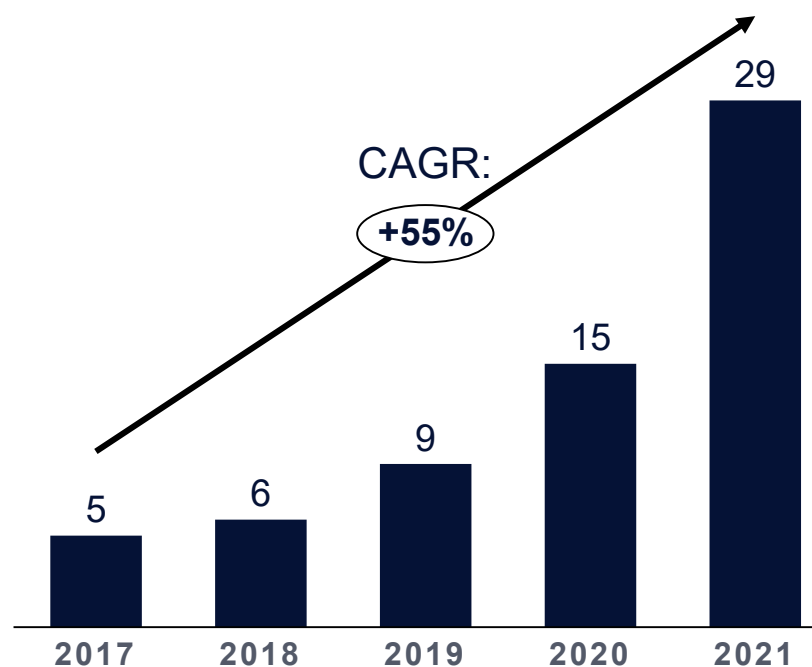


We have a strong start in China with significant growth opportunities ahead

WINNING  
COUNTRIES

- Strong market demand
- Solid foundation, impressive track-record
  - Capable local team in place
  - >50% net sales CAGR during past 4 years
  - 40% of LTM\* net sales through direct e-comm
  - Growth driven by Wedgwood, #1 in its category
- Strong net sales growth continues
  - Continued leadership with Wedgwood
  - Further opportunity from other brands in our portfolio (Royal Copenhagen leveraged only since 2021)

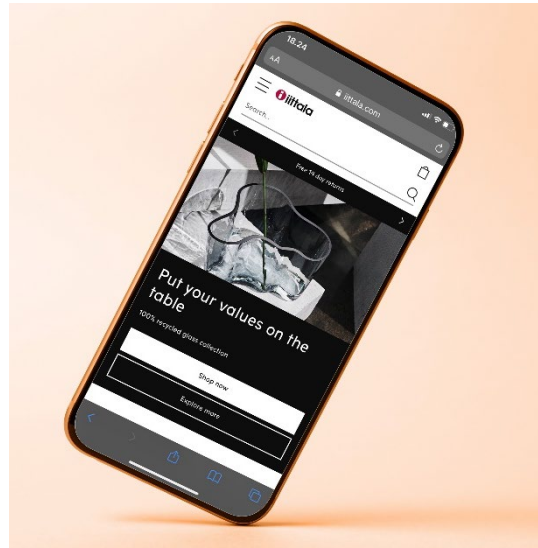
NET SALES IN CHINA (EURm)



## Our enablers for the future



**PEOPLE**



**DIGITAL**



**INNOVATION  
& DESIGN**



**SUSTAINABILITY**



We have clear sustainability priorities to drive real impact





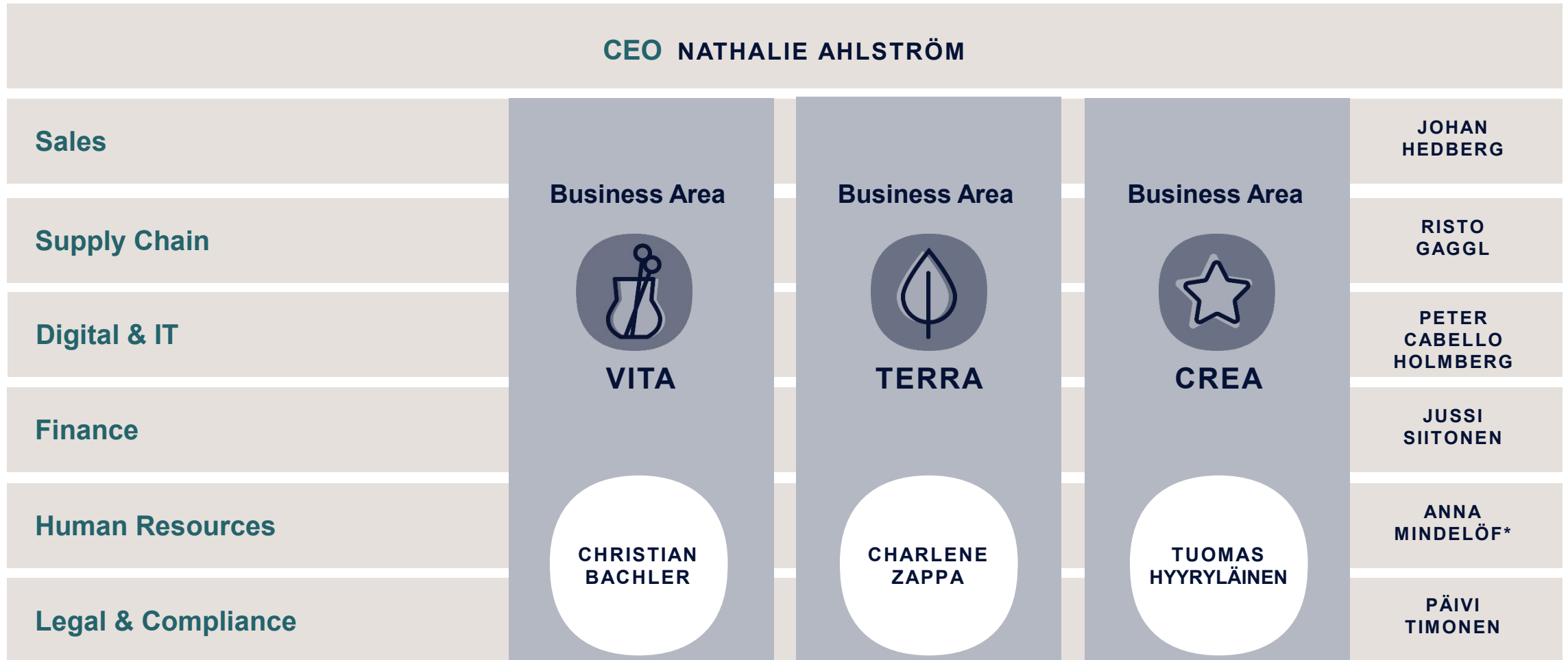
**Fiskars Group commits to climate action by joining the UN Business Ambition for 1.5°C and setting science-based targets**

**Fiskars Group's science-based targets are:**

1. Fiskars Group commits to reduce greenhouse gas emissions from own operations (scope 1 and 2) **60%** by 2030 from a 2017 base year.
2. Fiskars Group commits to reduce greenhouse gas emissions from upstream transportation and distribution (scope 3) **30%** by 2030 from a 2018 base year.
3. Fiskars Group commits that **60%** of its suppliers by spend covering purchased goods and services, will have science-based targets by 2024

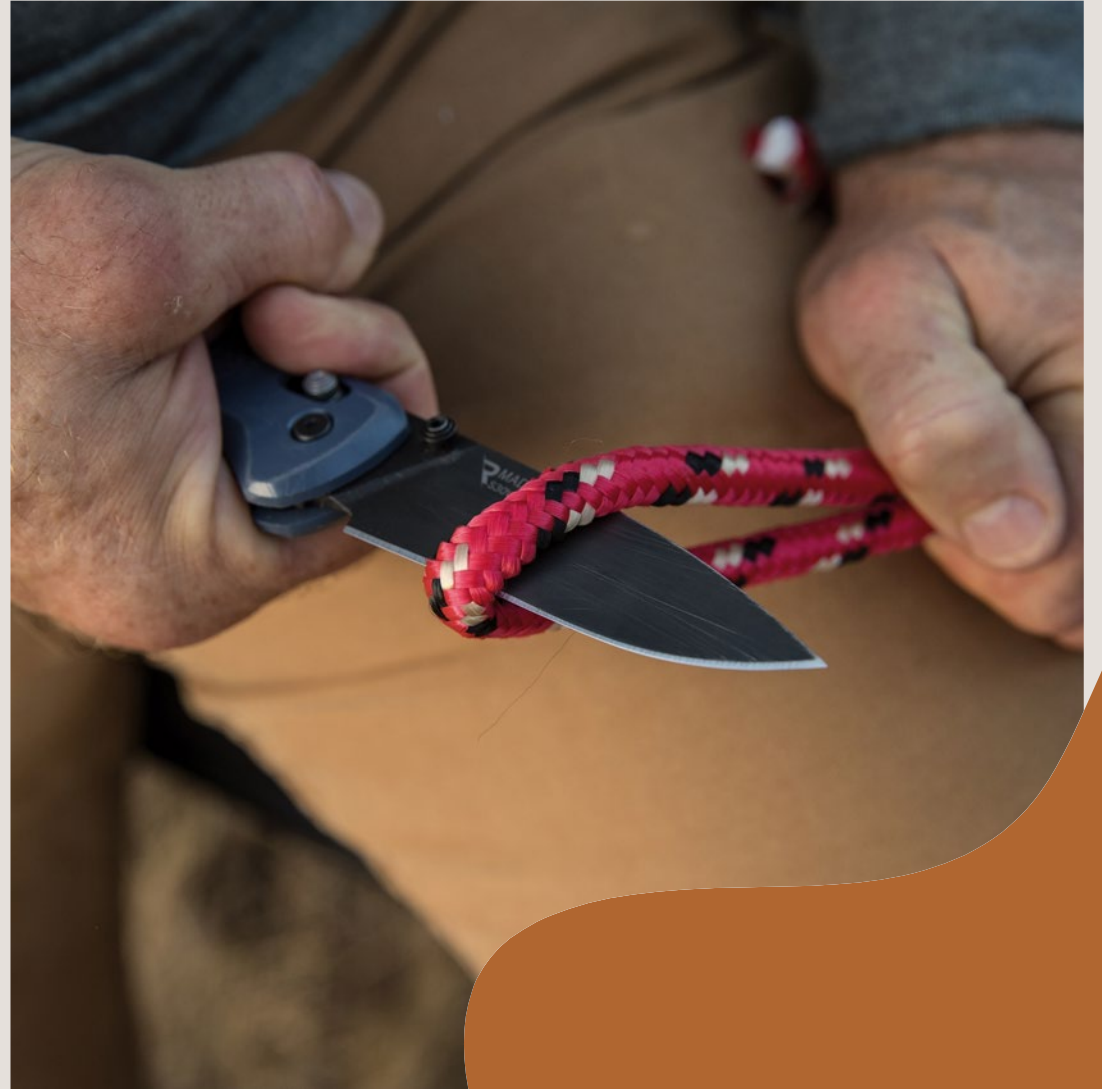


## Organizational structure



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## KEY CATEGORIES



Tableware



Drinkware



Interior

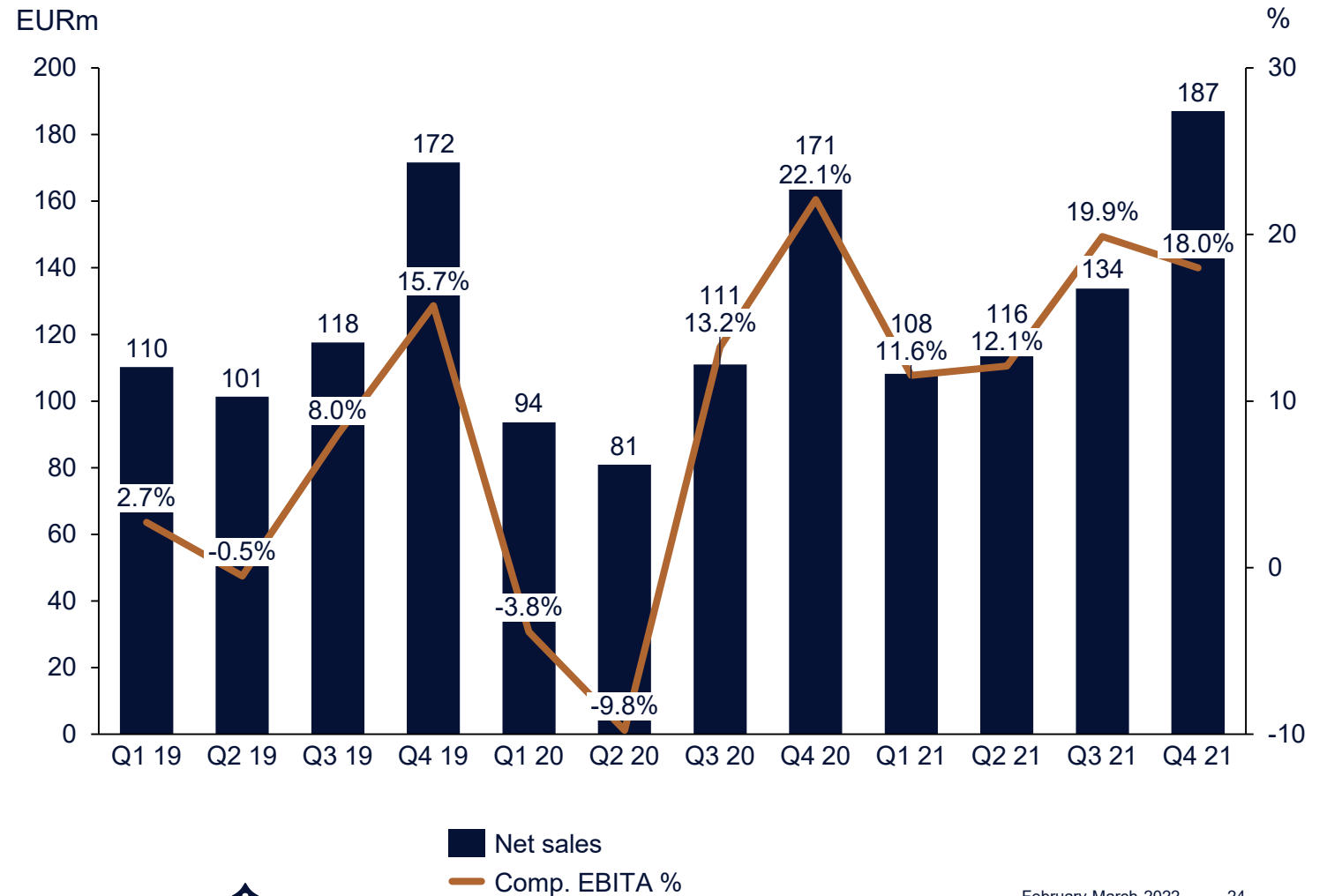
## KEY BRANDS

**iittala**

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

**WATERFORD** **WEDGWOOD**  
ENGLAND 1759

## NET SALES AND COMPARABLE EBITA MARGIN





### KEY MARKETS

---

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

### DISTRIBUTION CHANNELS

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**Retailers;  
stores &  
e-comm**

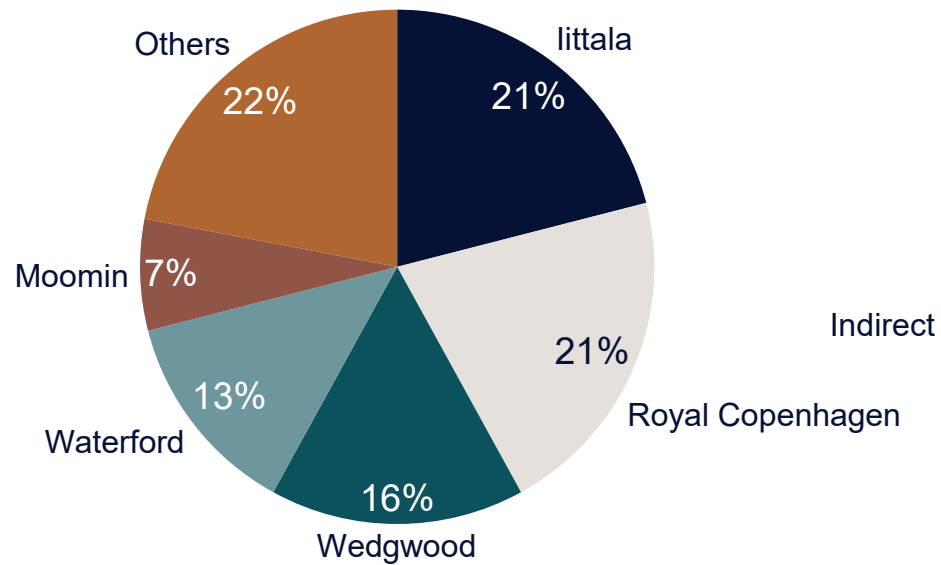
**Direct  
consumer sales;  
stores & e-comm**

**BtoB**

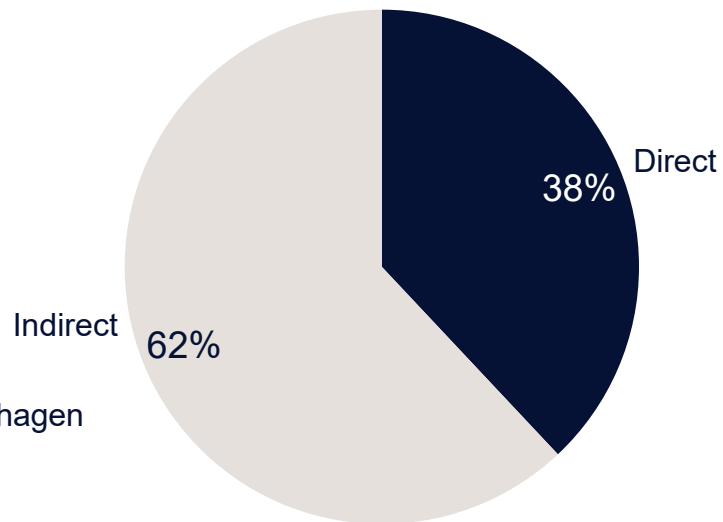




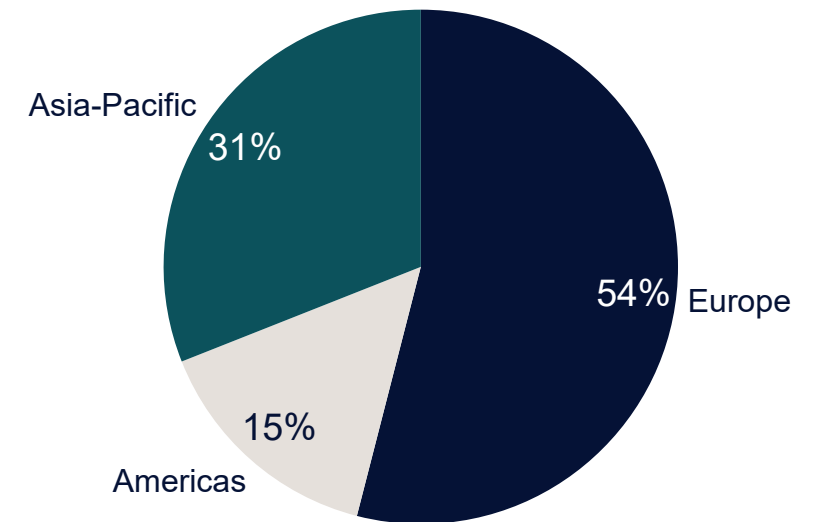
## SALES SPLIT BY BRAND



## SALES SPLIT BY CHANNEL



## SALES SPLIT BY GEOGRAPHY







## KEY CATEGORIES



Gardening



Outdoor



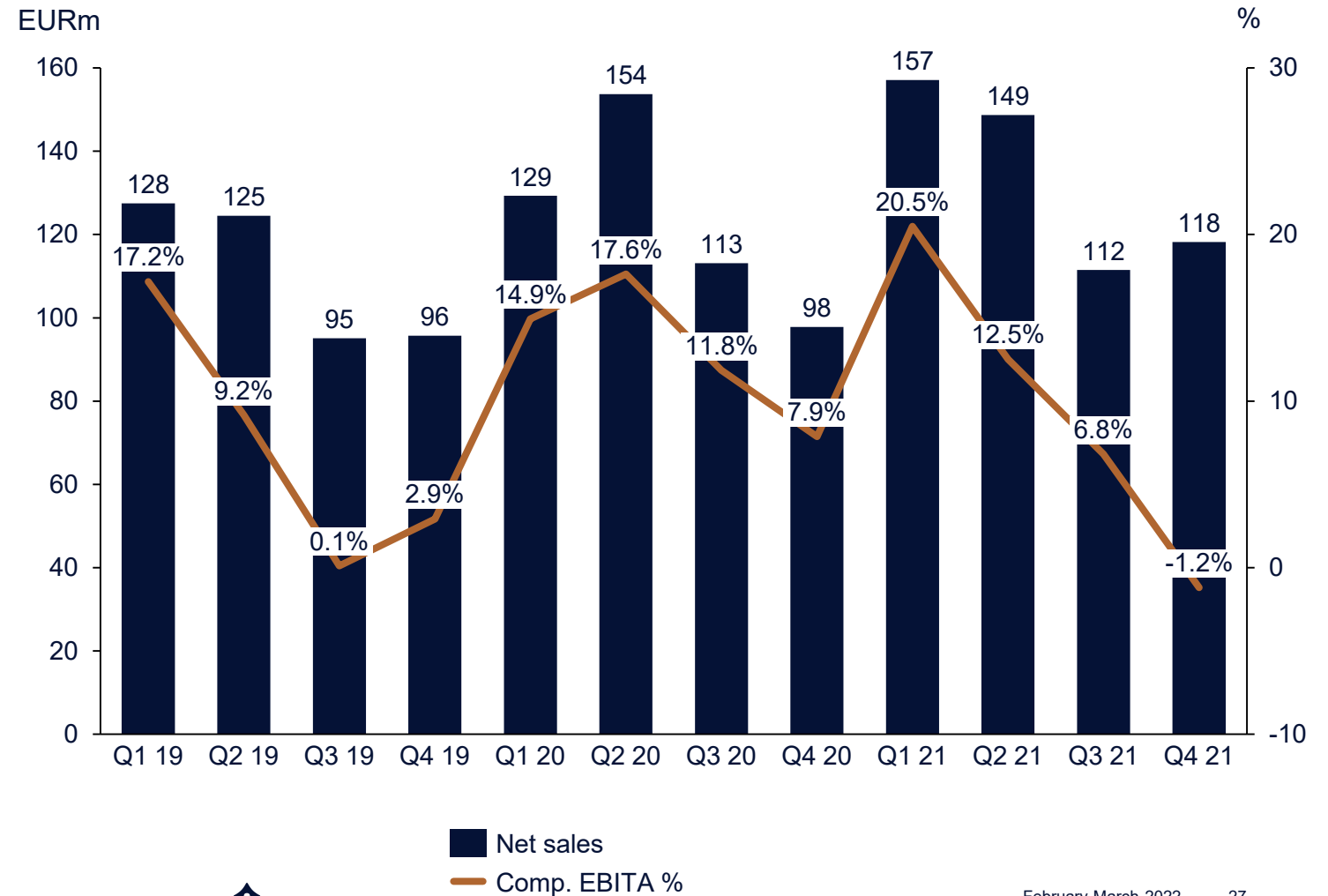
Watering

## KEY BRANDS

**FISKARS®**

**GERBER®**

## NET SALES AND COMPARABLE EBITA MARGIN





### KEY MARKETS

---

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

### DISTRIBUTION CHANNELS

---

**Retailers;  
stores &  
e-comm**

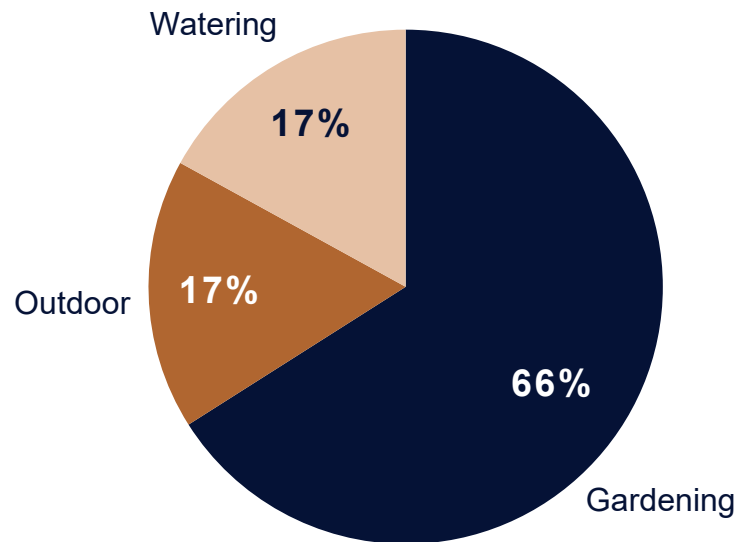
**BtoB**

**Direct  
consumer sales;  
stores & e-comm**

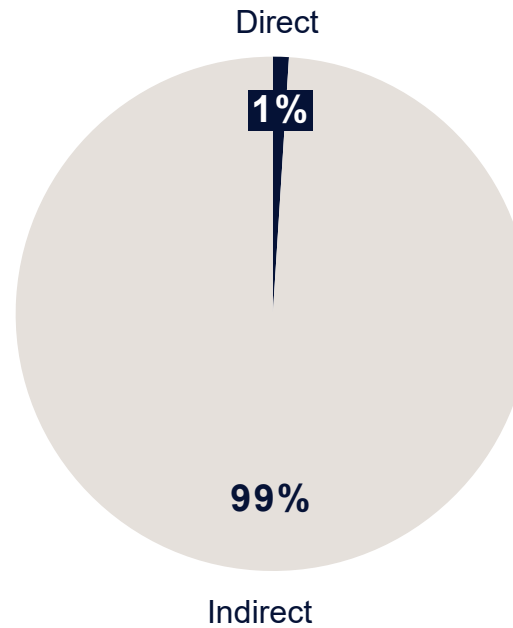




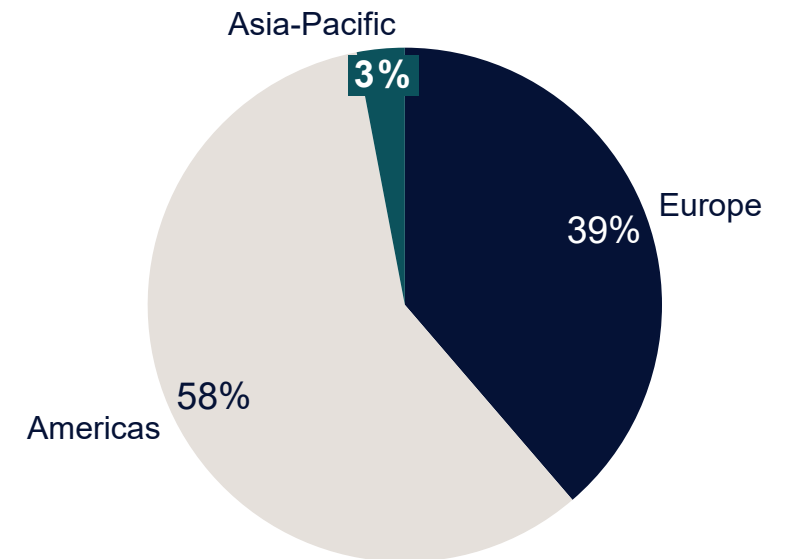
### SALES SPLIT BY CATEGORY



### SALES SPLIT BY CHANNEL



### SALES SPLIT BY GEOGRAPHY







## KEY CATEGORIES



Scissors  
& creating

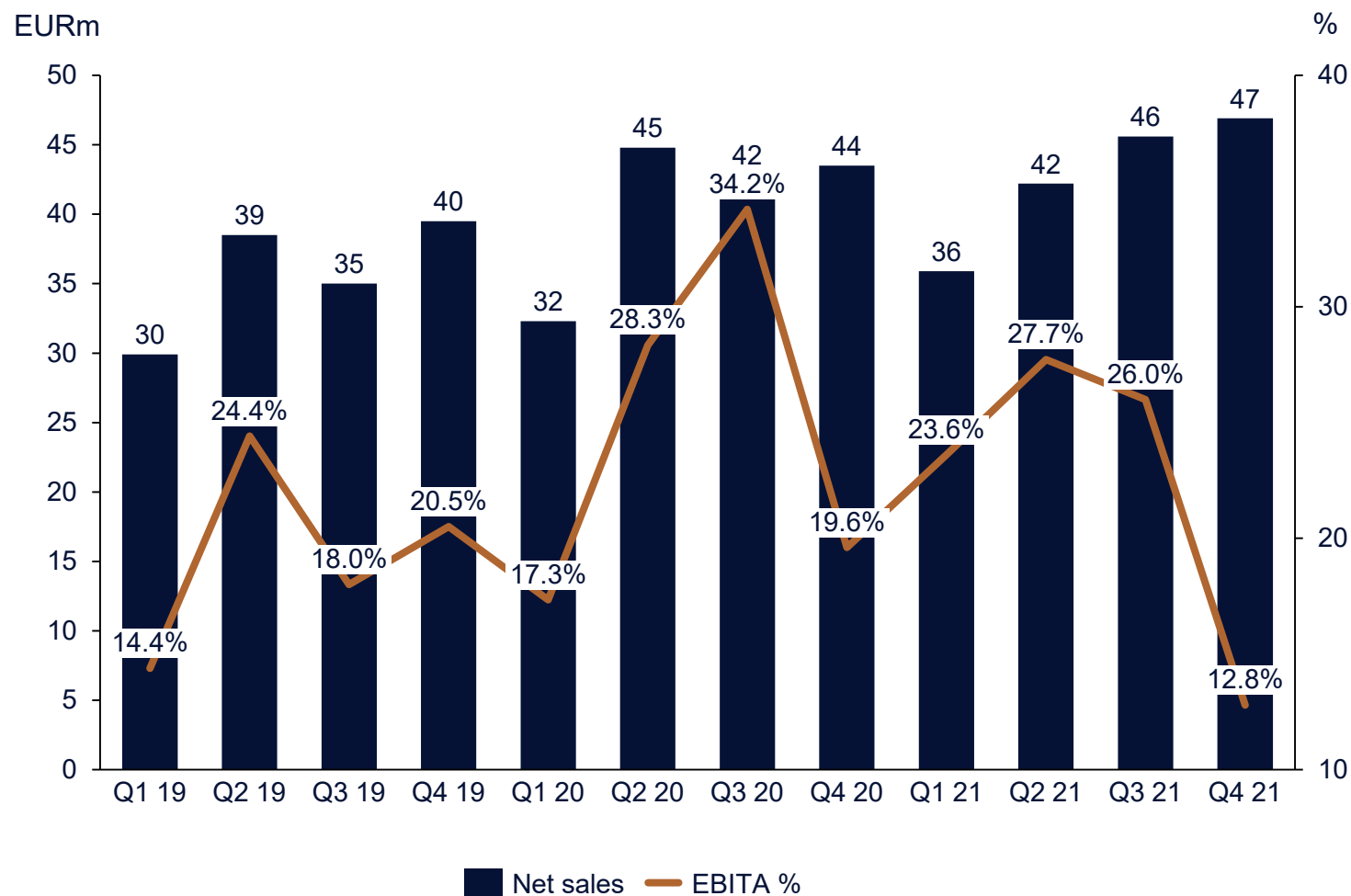


Cooking

## KEY BRANDS

**FISKARS®**

## NET SALES AND COMPARABLE EBITA MARGIN





### KEY MARKETS

---

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

### DISTRIBUTION CHANNELS

---

**Retailers;  
stores &  
e-comm**

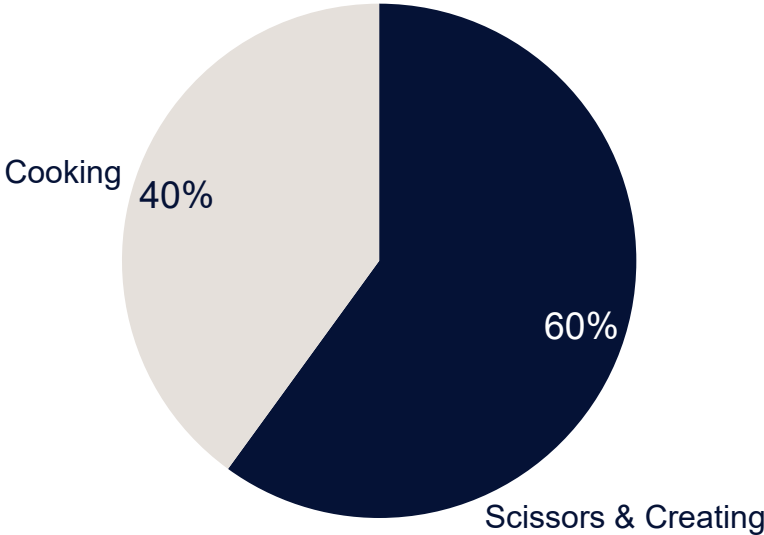
**Direct  
consumer sales;  
stores & e-comm**

**BtoB**

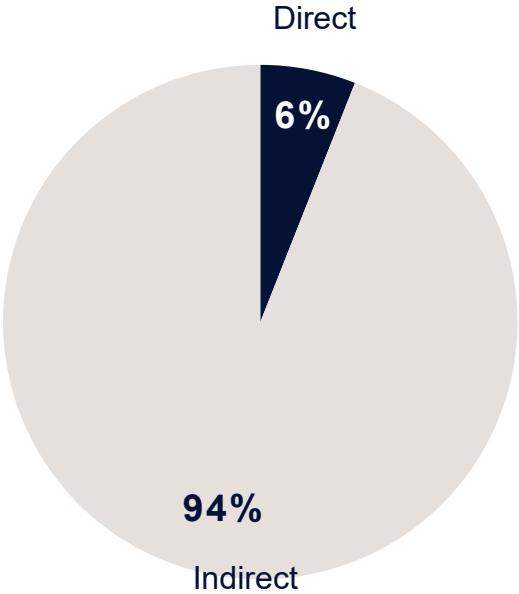




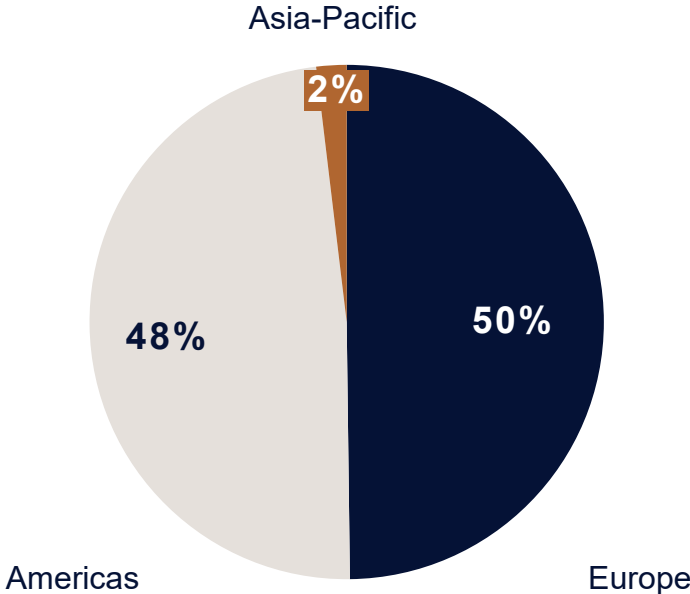
SALES SPLIT BY CATEGORY



SALES SPLIT BY CHANNEL



SALES SPLIT BY GEOGRAPHY





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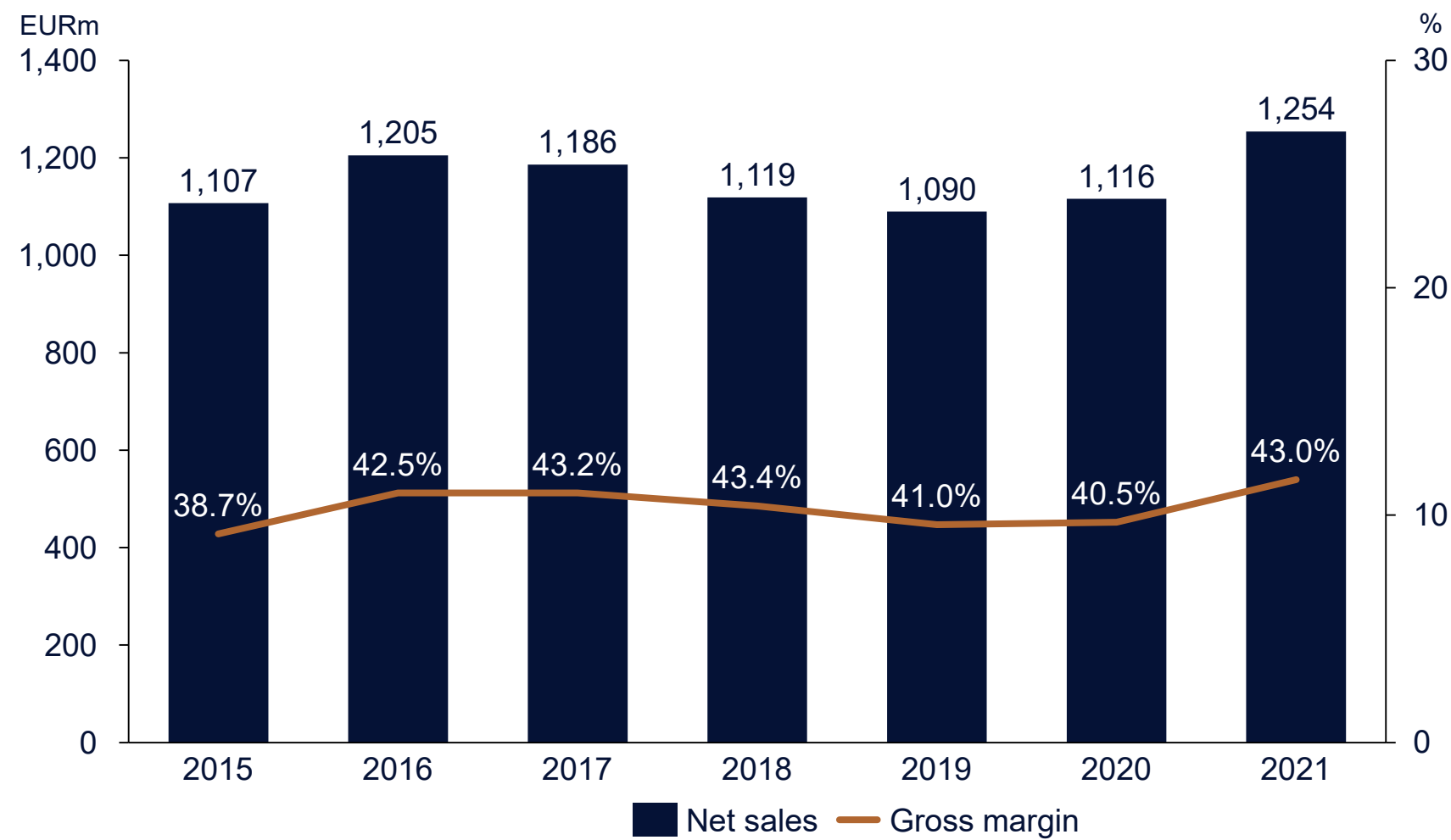


## Long-term financial targets – issued on Nov 8, 2021

KPI	TARGET
NET SALES	Organic, FX neutral growth: approximately 5 % (mid-single digit)
PROFIT	EBIT margin (excl. IAC): approximately 15 % (mid-teen) by the end of 2025
CASH FLOW CONVERSION	Free Cash Flow / Net Profit $\geq$ 80%
NET DEBT / EBITDA	Net Debt / LTM EBITDA $\leq$ 2.5X
DIVIDEND (unchanged)	Aim to distribute a stable, over time increasing dividend, to be paid biannually

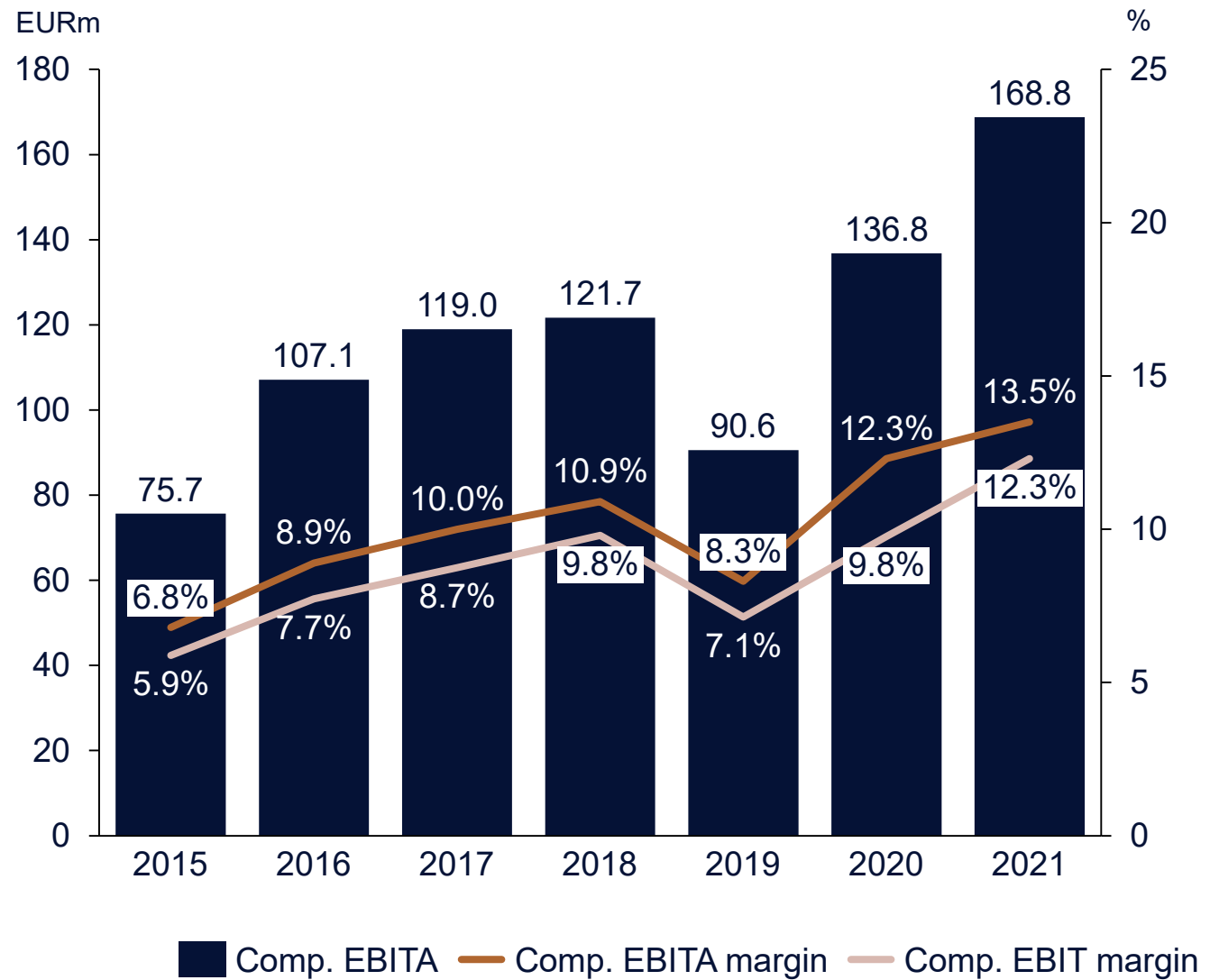


Group net sales and profitability development



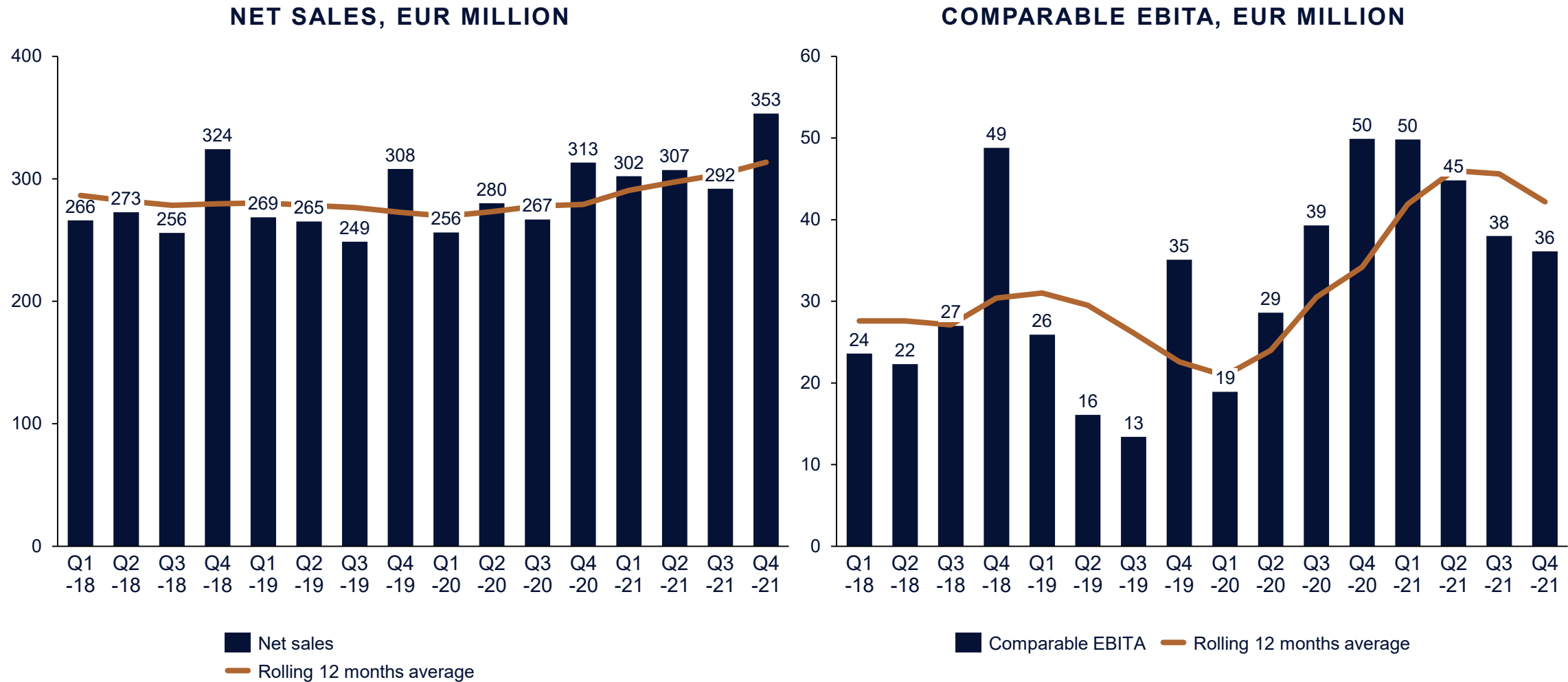


## Profitability has improved

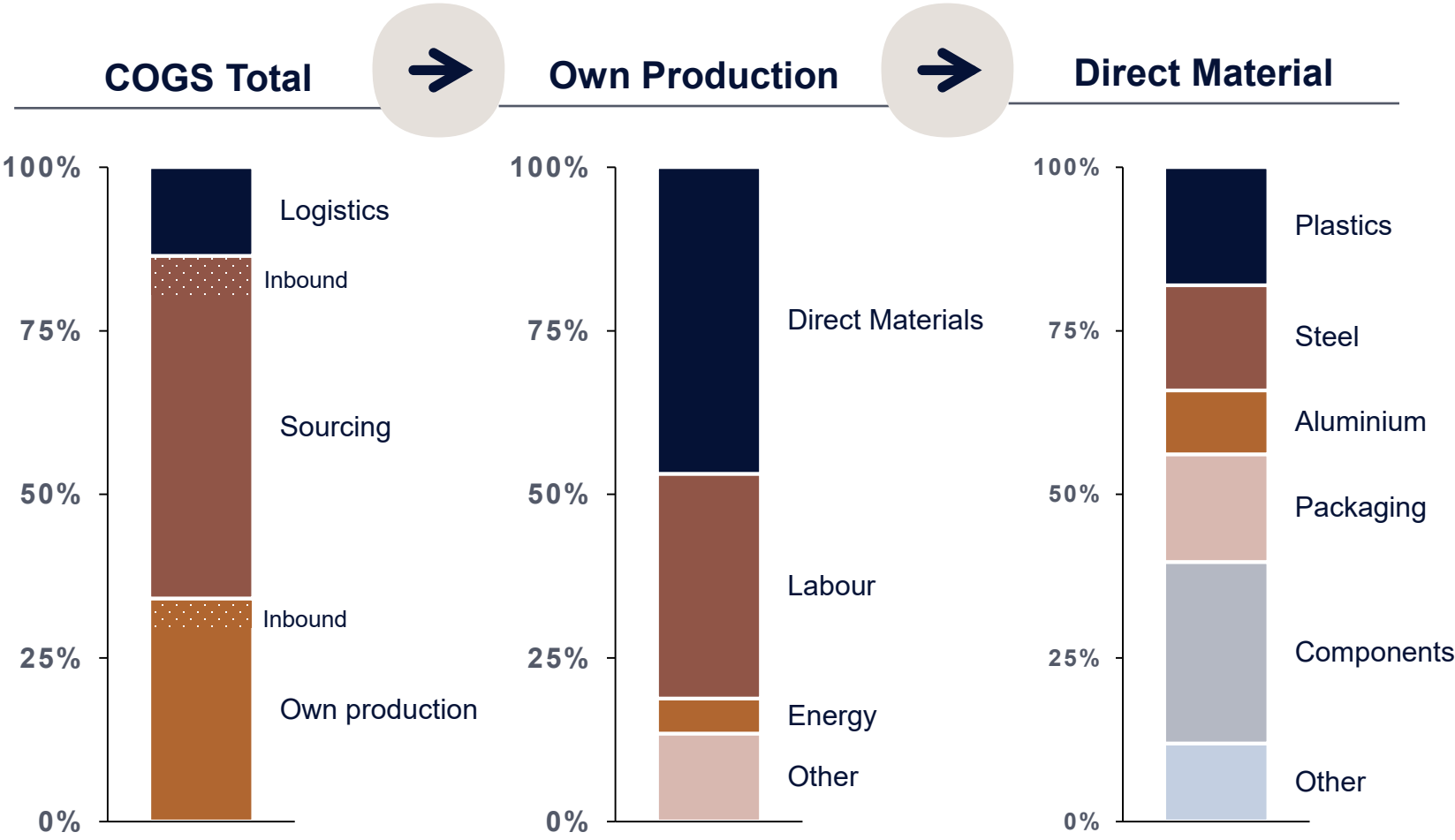




Quarterly development – last 3 years

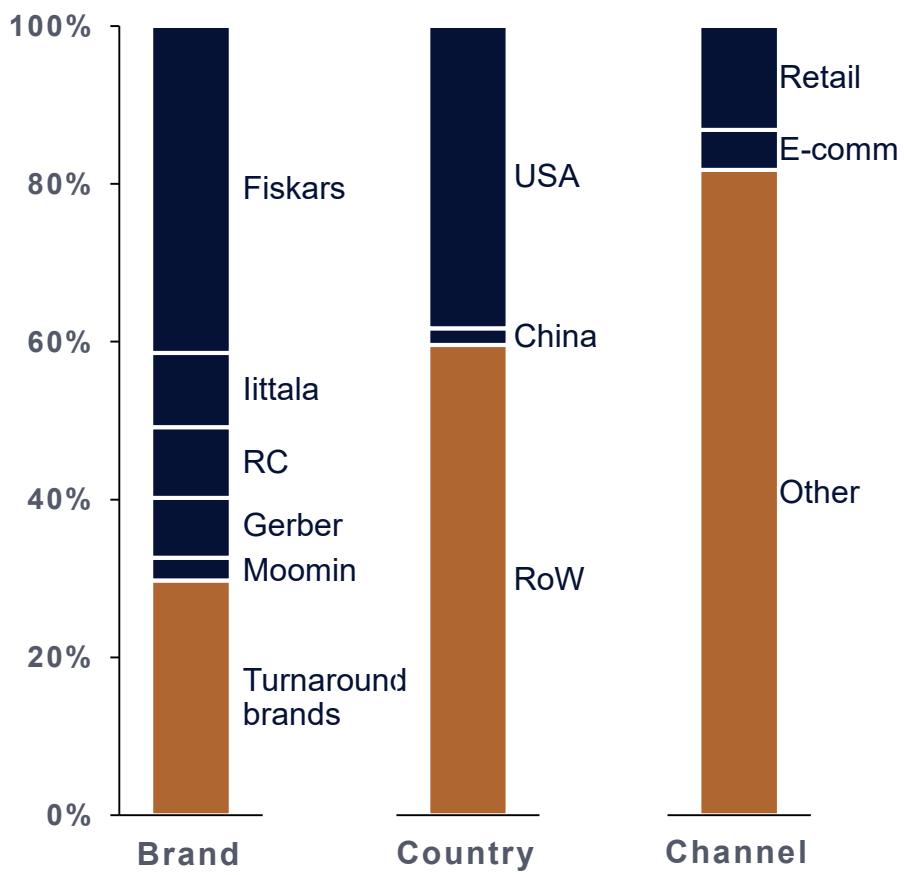


# Cost of Goods Sold

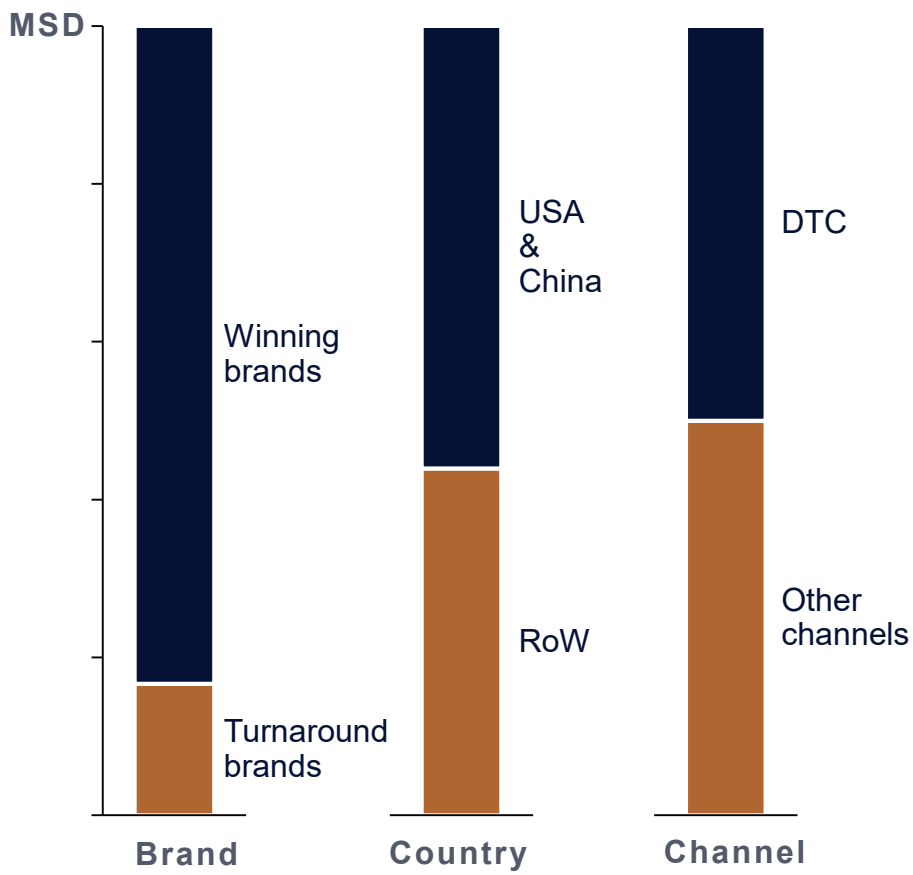


# Net sales growth avenues





LTM\* NET SALES BY WINNING BRANDS, COUNTRIES AND CHANNELS



AND THEIR CONTRIBUTION TO THE MSD GROWTH TARGET



## Future P&L structure – emphasis on increasing Gross Margin

	<b>AVERAGE 2016–19</b>	<b>FY 2020</b>	<b>LTM* SEP'21</b>		<b>2025 TARGET</b>
<b>GROSS MARGIN</b>	42.9%	40.5%	42.8%		46–47%
<b>MARKETING</b>	4.4%	3.3%	3.6%		4–5%
<b>SG&amp;A</b>	30.3%	27.3%	26.0%		27–28%
<b>EBIT**</b>	8.4%	9.8%	13.0%		Mid-teen

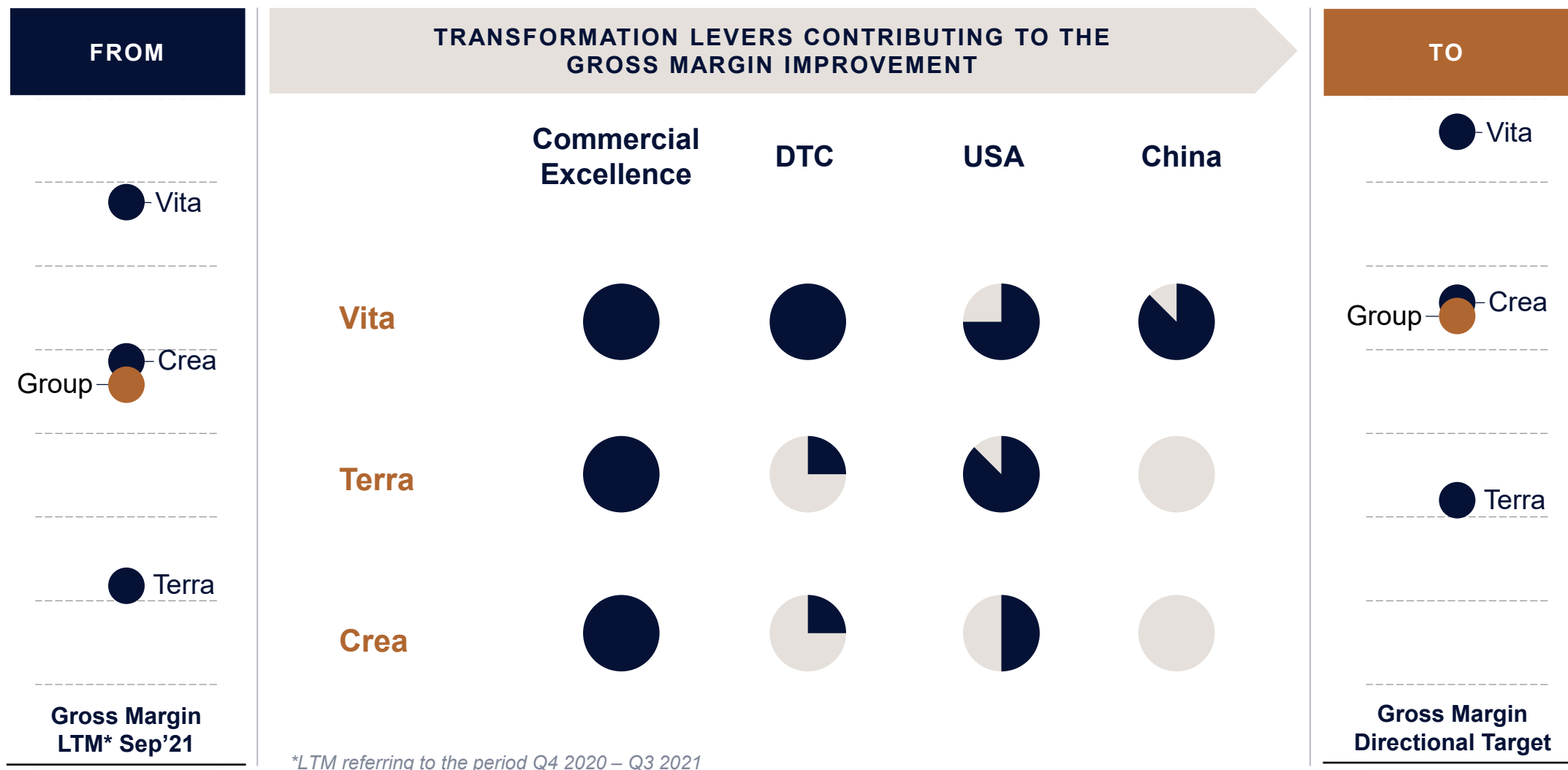
\*LTM referring to the period Q4 2020 – Q3 2021

\*\*Excl. Items Affecting Comparability



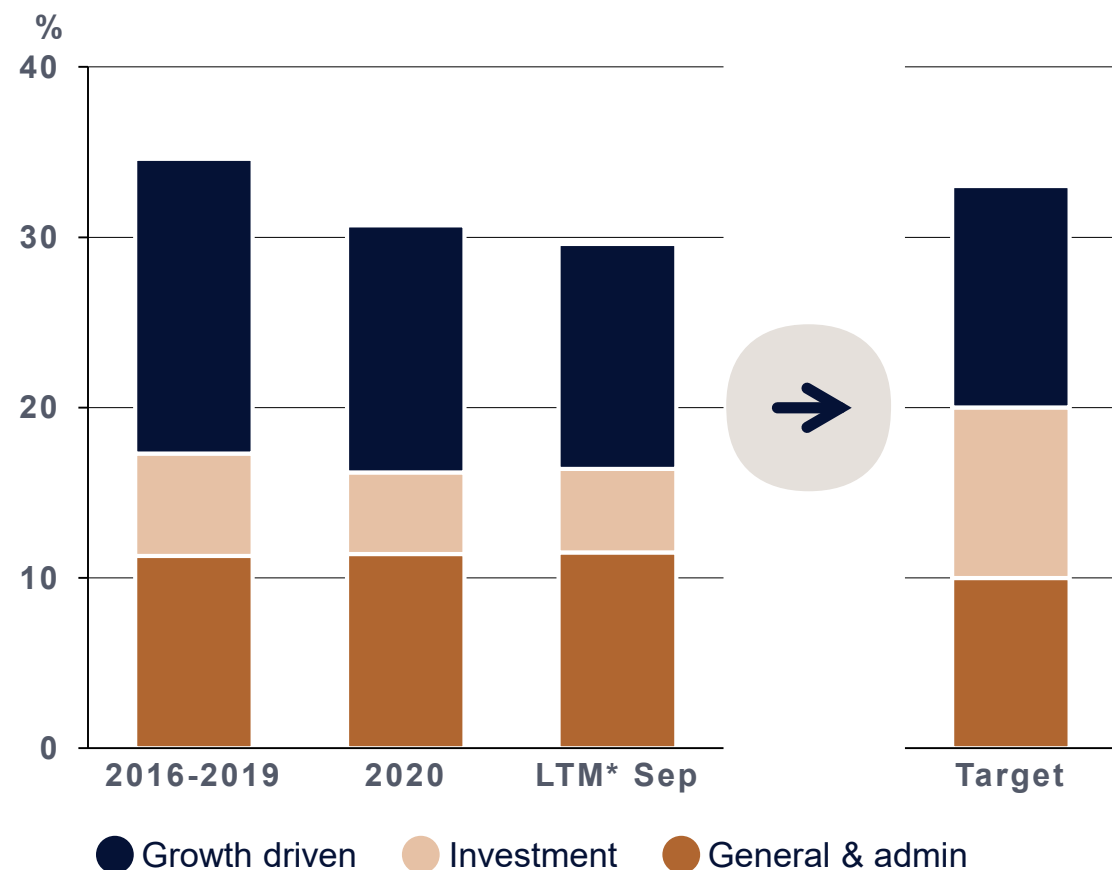


## Transformation levers contributing to the Gross Margin improvement



Investments in growth building blocks are funded thru fluidity and Gross Profit improvement

## OPEX COMPONENTS (% OF NET SALES)



## OPEX LOGIC

### Growth driven

- Sales expenses (incl. DTC)
- Expected to follow topline growth
- Sales expenses growth driven by DTC mitigated thru efficiency improvements in other channels

### Investment



- Commercial excellence, product development, product marketing and e-comm/digital
- Expected to grow faster than topline, driven especially by Digital

### General & admin

- Corporate functions
- Expected to grow slower than topline
- Managing growth thru fluidity

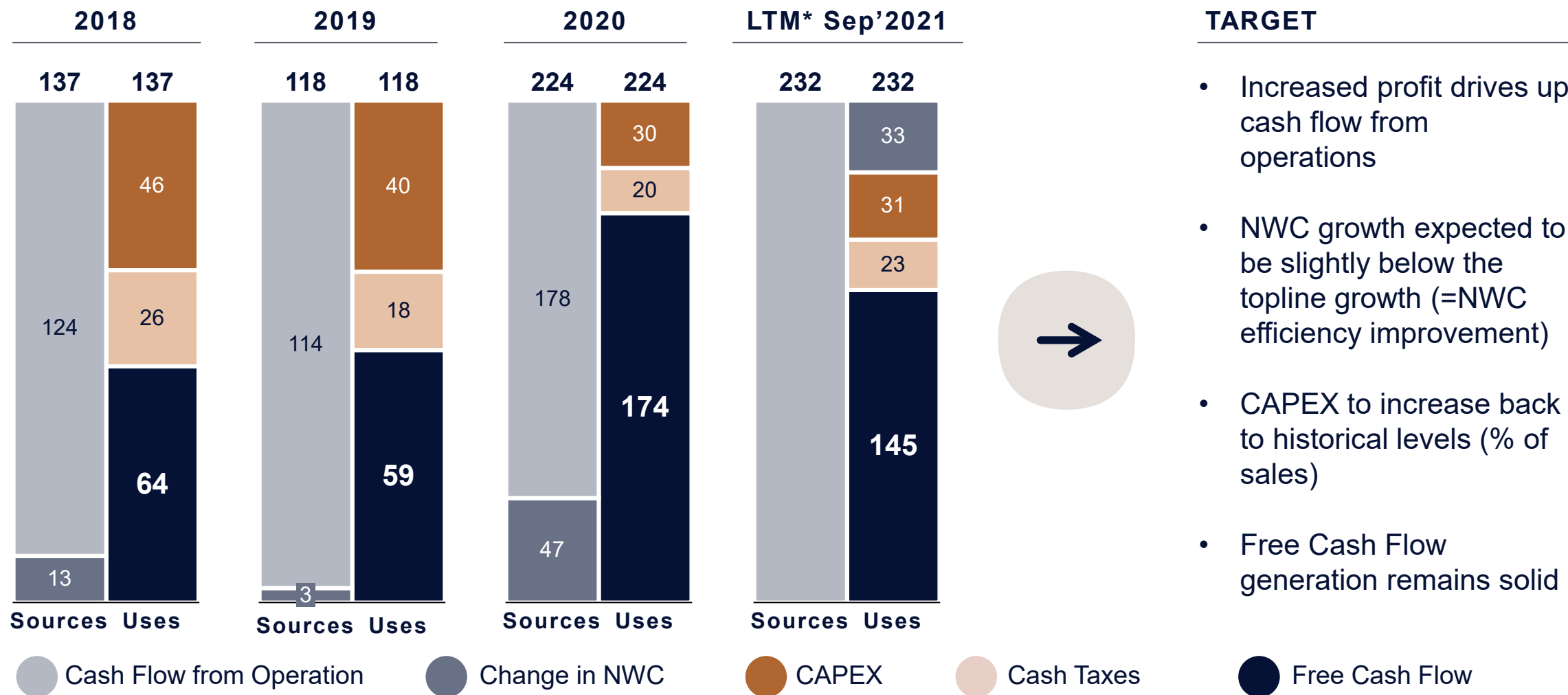


## OPEX Investments - Enabling sustainable growth from 2022 onwards

			
<b>TARGET</b>	<b>SUSTAINABLE, PROFITABLE GROWTH FROM Q1-22 ONWARDS</b>	<b>ACCELERATE GROWTH</b>	<b>ENABLE GROWTH, DRIVE EFFICIENCY</b>
<b>IMPACT</b>	<ul style="list-style-type: none"> <li>• Stable, sustainable Net Sales growth</li> <li>• Gross Margin improvement</li> </ul>	<ul style="list-style-type: none"> <li>• Growth acceleration</li> <li>• Gross Margin improvement thru channel mix change</li> </ul>	<ul style="list-style-type: none"> <li>• Enabling growth especially in DTC</li> </ul>
<b>INVESTMENT</b>	<ul style="list-style-type: none"> <li>• OPEX light: investments mainly in capabilities and in-store excellence improvements</li> </ul>	<ul style="list-style-type: none"> <li>• OPEX investments in platforms to ensure repeatable growth model</li> </ul>	<ul style="list-style-type: none"> <li>• OPEX investments in digital platforms and capabilities</li> </ul>
<b>TIMING</b>	<ul style="list-style-type: none"> <li>• Q4/2021 onwards</li> </ul>	<ul style="list-style-type: none"> <li>• First building repeatable model, then driving scale and efficiency</li> </ul>	<ul style="list-style-type: none"> <li>• Q4/2021 onwards</li> </ul>



## Free Cash Flow remains solid

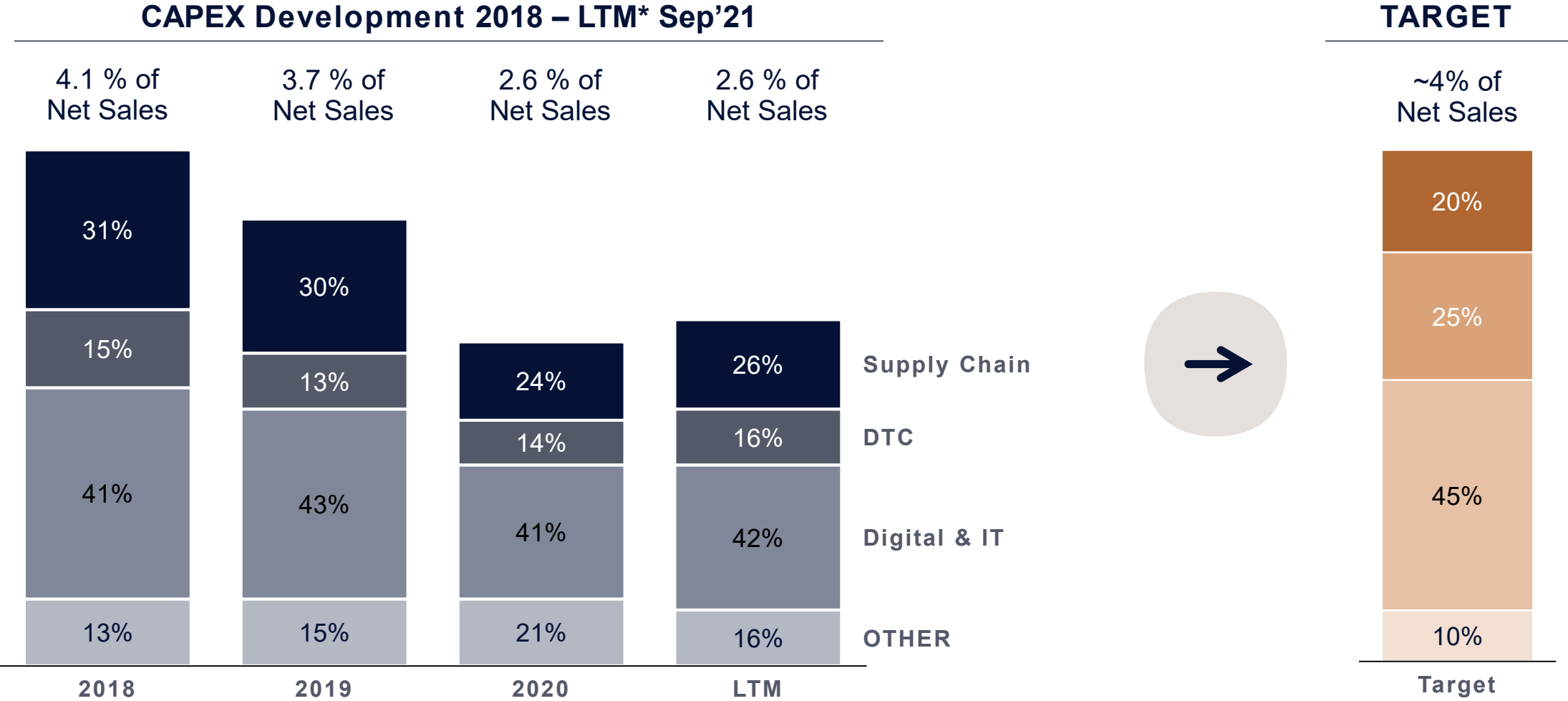


\*LTM referring to the period Q4 2020 – Q3 2021



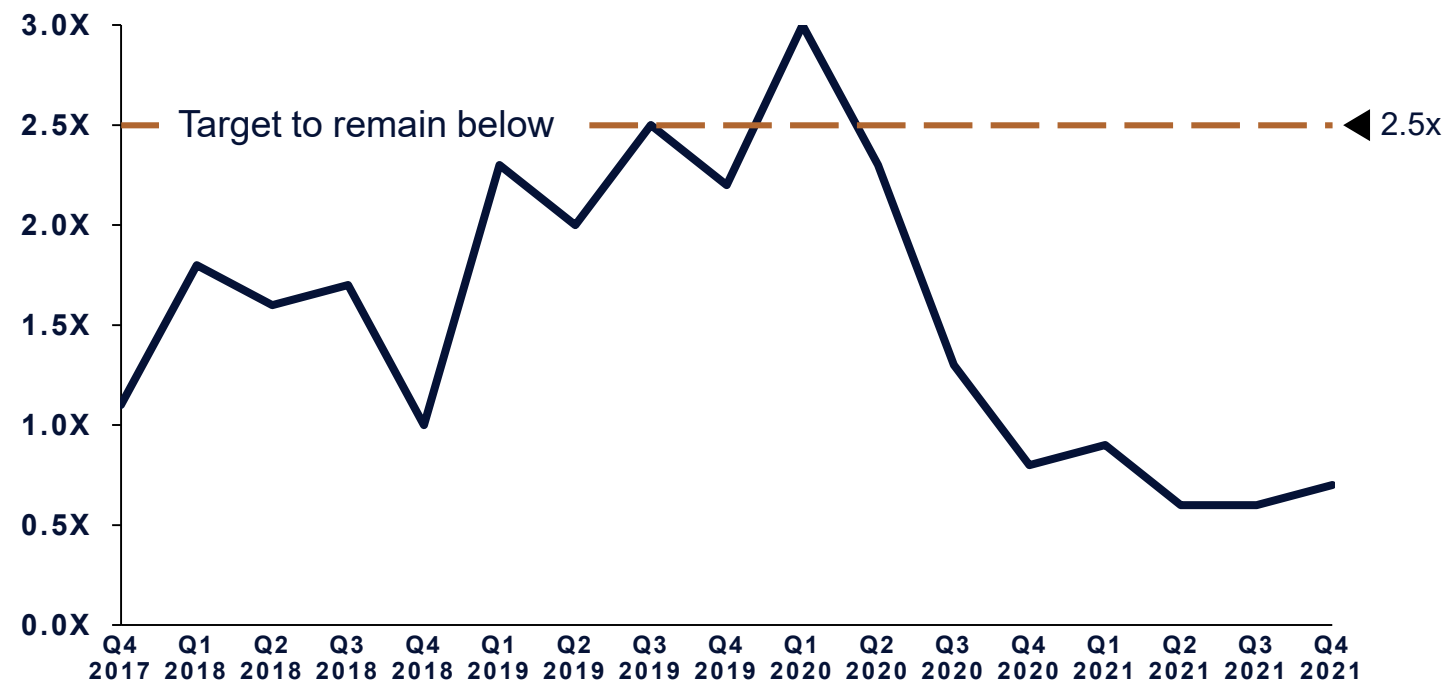


Fund allocation follows the strategic acceleration – DTC and Digital share of CAPEX to increase

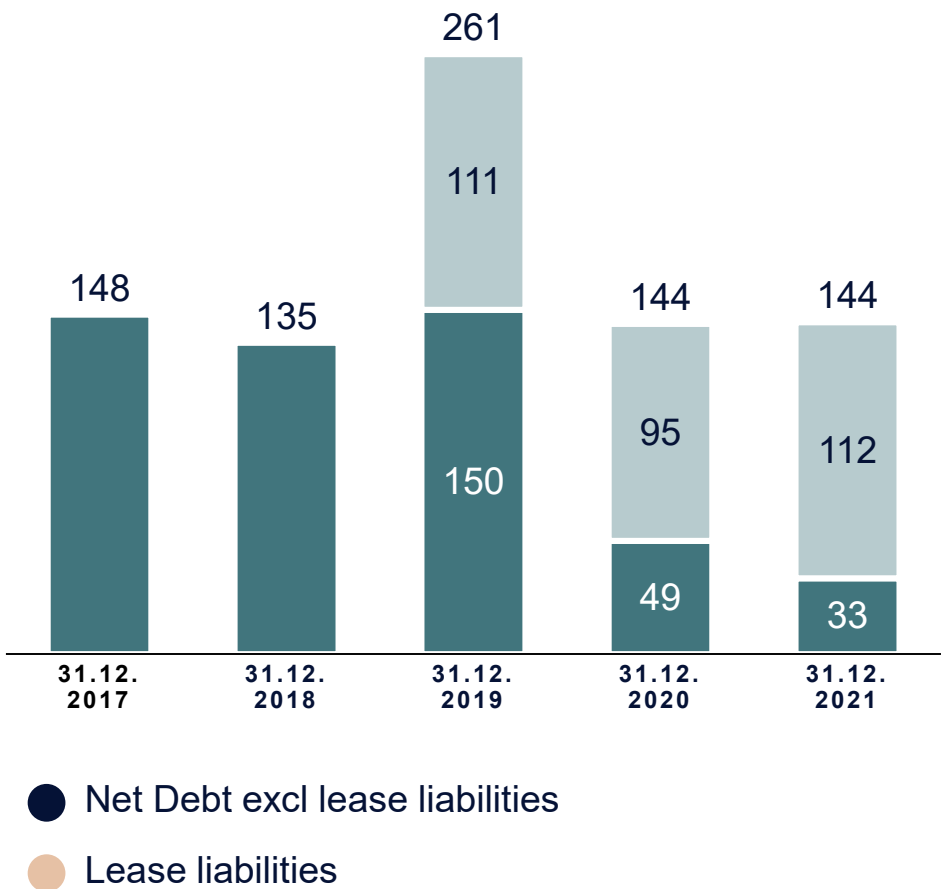


# Strong balance sheet enables growth

NET DEBT / LTM EBITDA Q4/2017 – Q4/2021

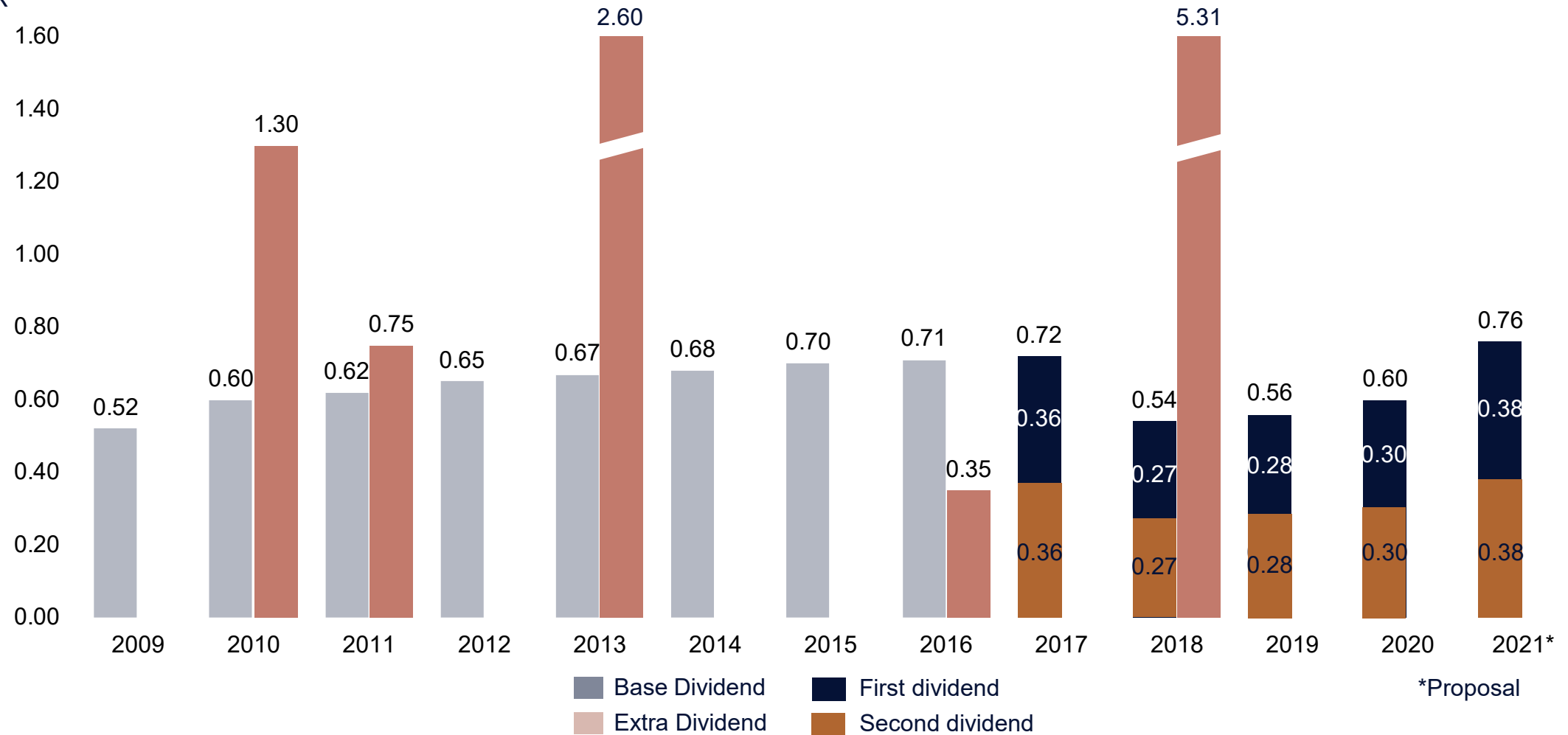


NET DEBT 2017 – 2021

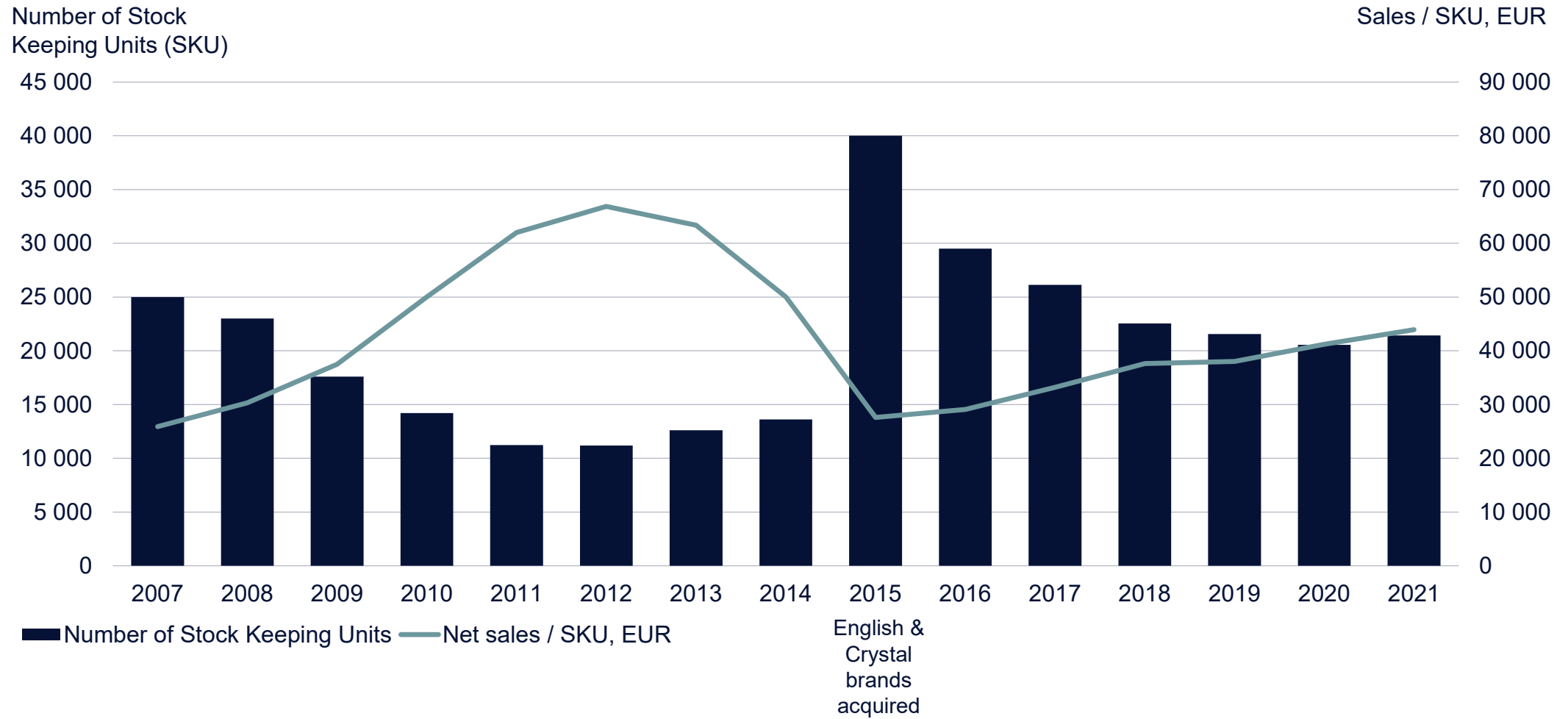


# Clear growth in dividend for FY 2021

**Dividend per share (DPS) history 2009–2021**  
EUR



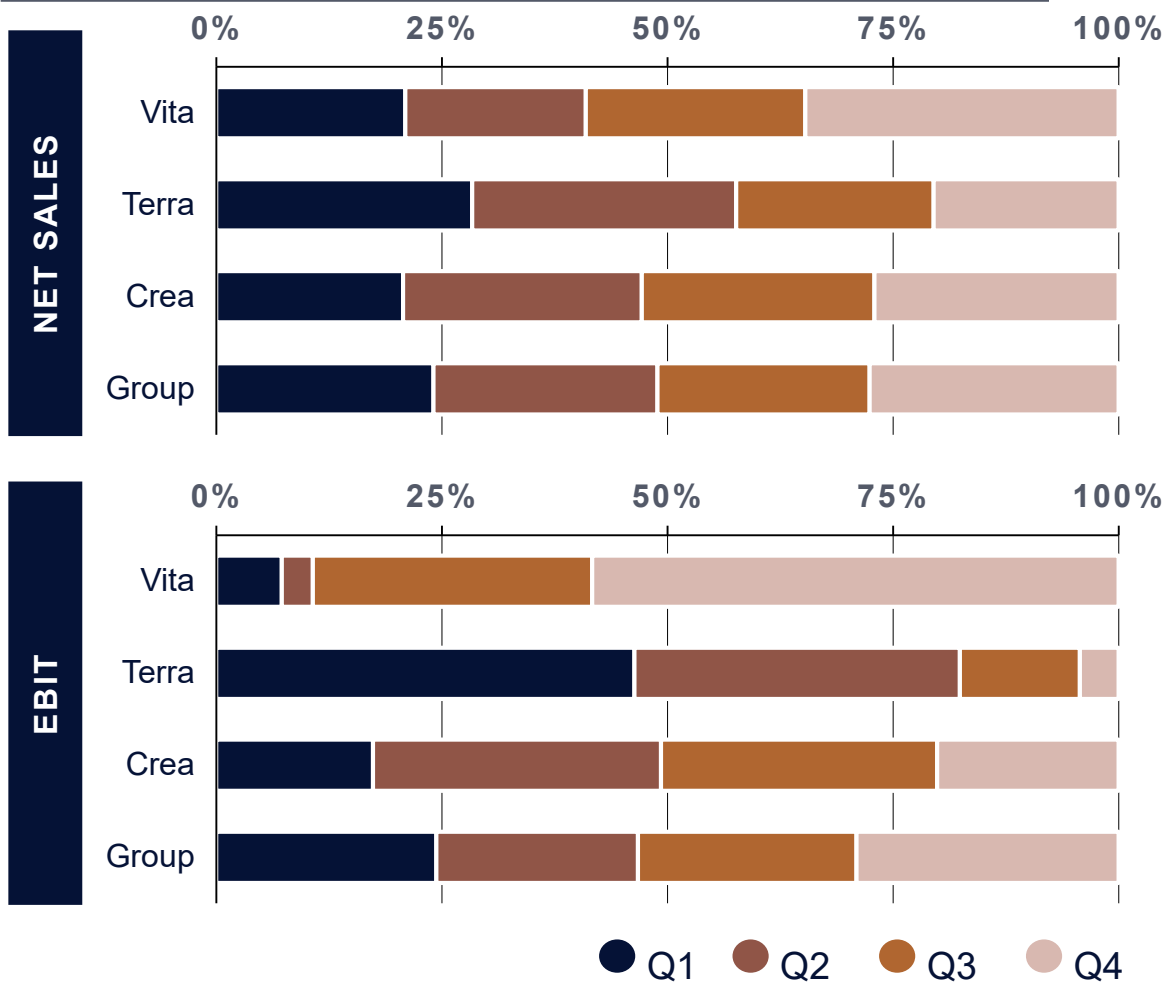
## Net sales / SKU continued to increase





## Group seasonality balanced by portfolio

### NET SALES AND EBIT – QUARTERLY SPLIT



### SEASONAL FEATURES BY BUSINESS AREA

#### Vita

- Highest season in year-end holiday period
- Seasonal pre-orders approx. one-third of the business; the rest from replenishment and DTC
- Order in-take some 2-3 months in advance

#### Terra

- Highest season in spring/summer
- Seasonal pre-orders approx. half of the business both in Europe and USA with replenishment making the rest.
- Order in-take 4-7 months in advance and shipping 1-2 months in advance in Europe; 3-5 months and 2-3 months in USA, respectively.

#### Crea

- Highest season in Back-to-School (BTS) and year-end holiday period (Cooking)
- Majority of BTS pre-ordered 2-3 quarters in advance
- Cooking order in-take some 2-3 months in advance, replenishments based on demand



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## Largest shareholders as of January 31, 2022

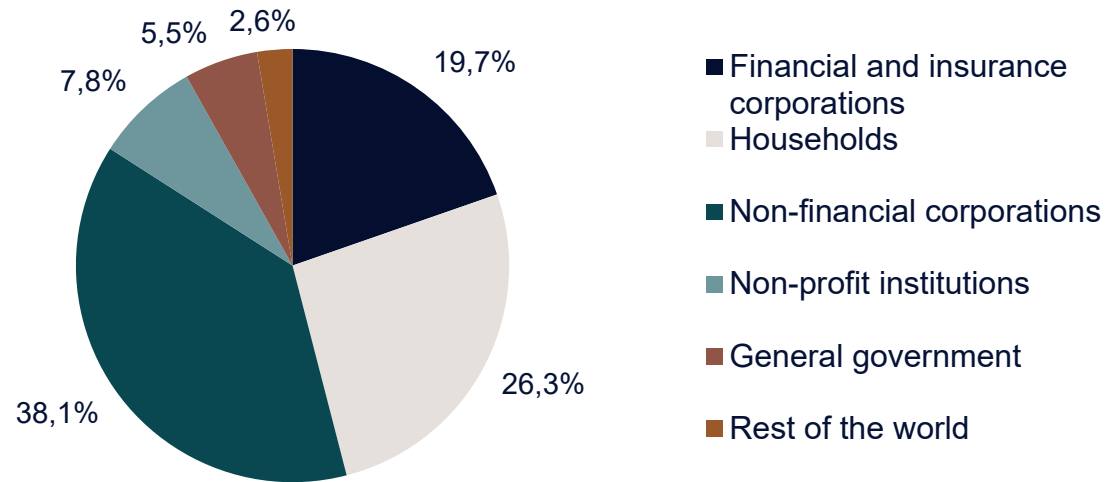
#	Shareholder name	Number of shares	% of shares and votes
1	Virala Oy Ab	12,650,000	15.45
2	Turret Oy Ab	10,885,961	13.29
3	Holdix Oy Ab	10,165,537	12.41
4	Bergsrådinna Sophie von Julins Foundation	2,556,000	3.12
5	Oy Julius Tallberg Ab	2,554,350	3.12
6	Gripenberg Gerda Margareta Lindsay Dödsbo	1,982,000	2.42
7	Ilmarinen Mutual Pension Insurance Company	1,747,400	2.13
8	Varma Mutual Pension Insurance Company	1,719,326	2.10
9	von Julin Sofia Margareta dödsbo	1,560,000	1.91
10	Ehrnrooth, Albert	855,372	1.04
<b>10 largest shareholders, total</b>		<b>46,675,946</b>	<b>56.99</b>
Other shareholders		35,229,296	43.01
<b>Total</b>		<b>81,905,242</b>	<b>100.00</b>

Data supplied by Investis





## Shareholder structure as of January 31, 2022



Sector	Number of shares	% of shares and votes
Financial and insurance corporations	14,662,210	17.9%
Households	26,982,446	32.9%
Non-financial corporations	28,389,401	34.7%
Non-profit institutions	5,815,899	7.1%
General government	4,102,117	5.0%
Rest of the world	1,953,169	2.4%
<b>Total</b>	<b>81,905,242</b>	<b>100.0%</b>
<i>Of which nominee registered</i>	<i>3,938,222</i>	<i>4.81%</i>

Data supplied by Investis



## Fiskars Group Leadership Team



**NATHALIE AHLSTRÖM**

President & CEO



**JUSSI SIITONEN**

Chief Financial Officer,  
deputy to the CEO



**CHRISTIAN BACHLER**

Executive Vice President,  
BA Vita



**CHARLENE ZAPPA**

Executive Vice President,  
BA Terra



**RISTO GAGGL**

Chief Supply Chain Officer



**JOHAN HEDBERG**

Chief Sales Officer



**PETER CABELLO  
HOLMBERG**

Chief Digital Officer



**TUOMAS HYYRYLÄINEN**

Executive Vice President,  
BA Crea



**ANNA MINDELÖF\***

Chief People Officer



**PÄIVI TIMONEN**

Chief Legal Officer



## Board of Directors



**PAUL  
EHRNROOTH**

Chairman



**JYRI  
LUOMAKOSKI**

Vice Chairman



**ALBERT  
EHRNROOTH**



**LOUISE  
FROMOND**



**INKA  
MERO**



**FABIAN  
MÅNSSON**



**PETER  
SJÖLANDER**



**RITVA  
SOTAMAA**





## Calculation of financial indicators

INDICATOR	DEFINITION
EBITDA	EBIT + depreciation and amortization
Free Cash Flow	EBITDA + change in provisions + non-cash adjustments – capital expenditure +/- change in inventories, trade receivables and trade payables – cash taxes
Cash conversion	Free cash flow / net income for the period
Capital employed	Non-current assets + trade working capital + Other interest-free receivables and payables +/- net tax liabilities
Capital turnover	Net sales / Capital employed
ROCE	Capital turnover * EBIT margin



## Disclaimer

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

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

(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 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.



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