

# 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**



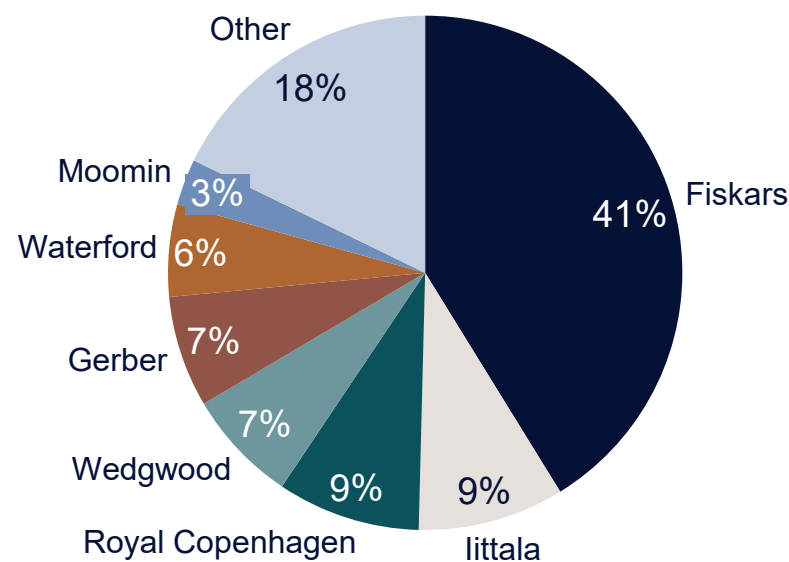
Business Areas and key categories

BUSINESS AREAS & KEY CATEGORIES	VITA			TERRA			CREA	
								
								
	Tableware	Drinkware	Interior	Gardening	Outdoor	Watering	Scissors & creating	Cooking
KEY BRANDS	 iittala			FISKARS®			FISKARS®	
	ROYAL COPENHAGEN WATERFORD WEDGWOOD			GERBER®				
	MOOMIN <small>by ARABIA</small>							
BA SHARE OF NET SALES	44%			43%			14%	

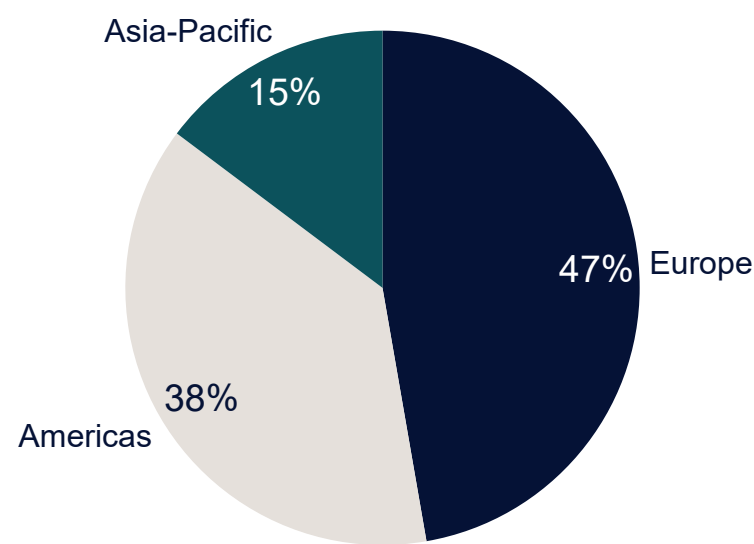


# Fiskars the largest brand – 2021 sales splits

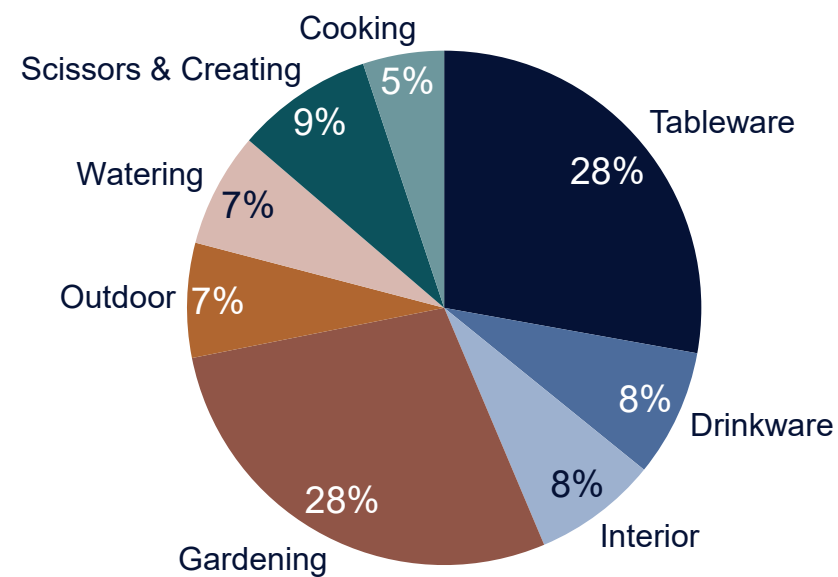
SALES SPLIT BY BRAND



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

**ROYAL ALBERT**  
ENGLAND 1904

**WATERFORD**  
SINCE 1783

**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

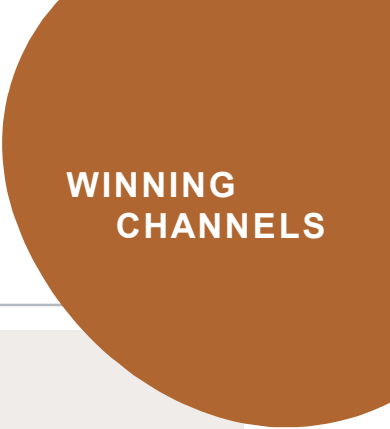
### WINNING CHANNELS

- 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

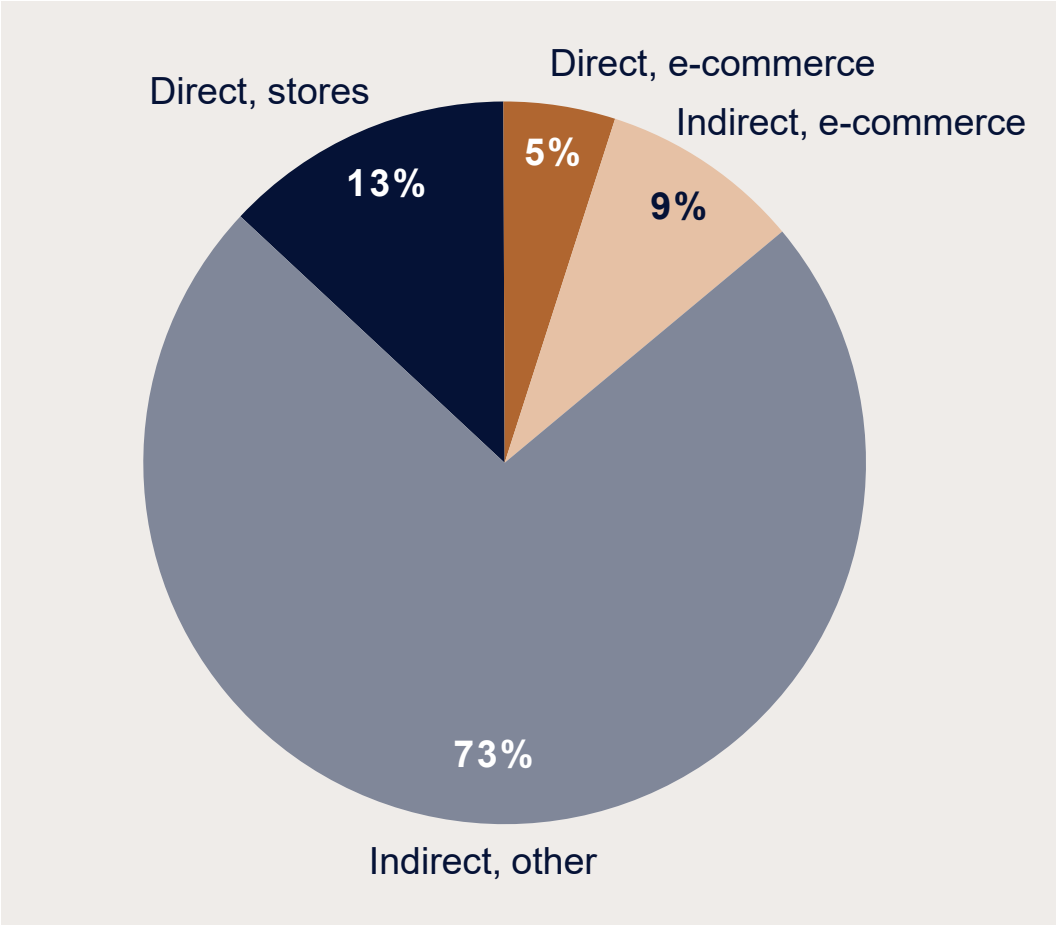




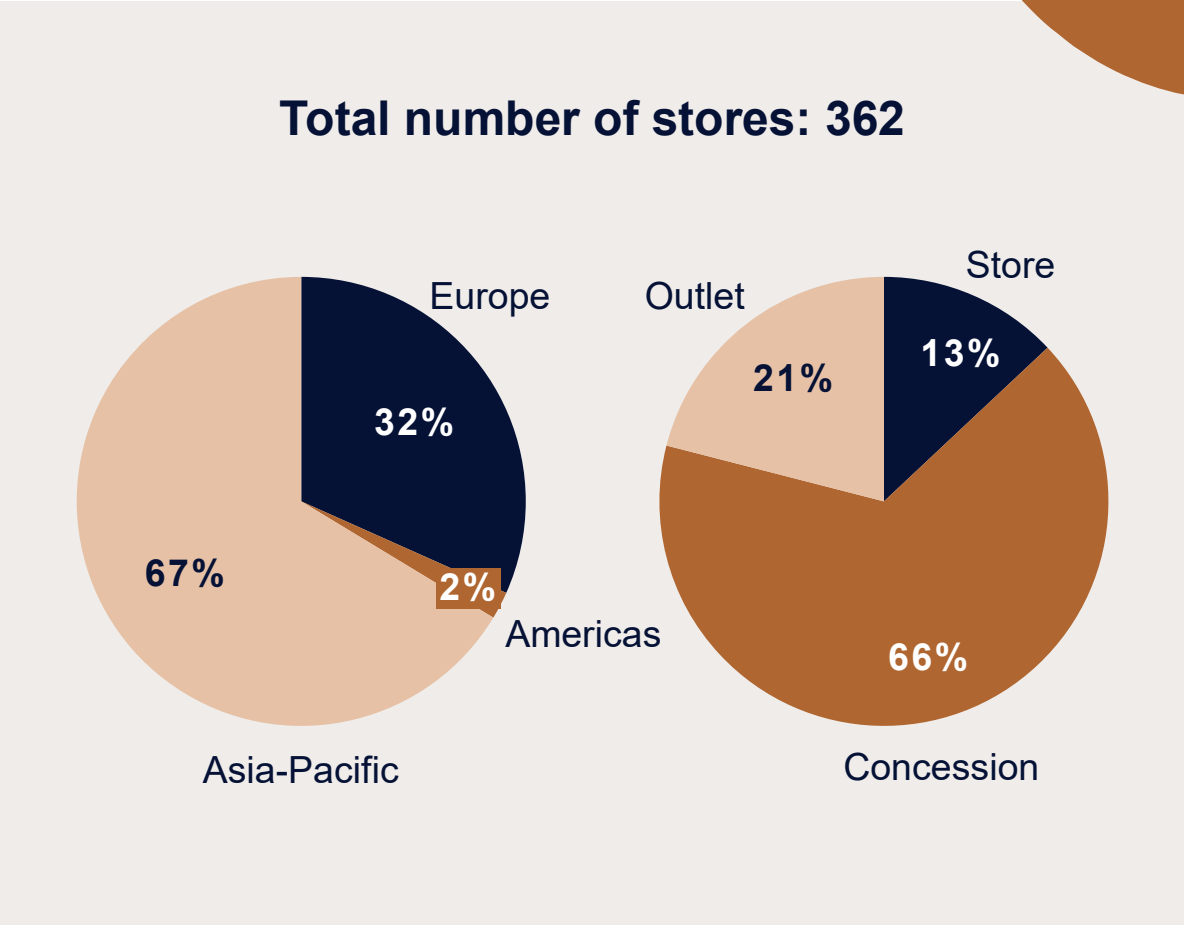
The direct channel (DTC) increasingly important



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



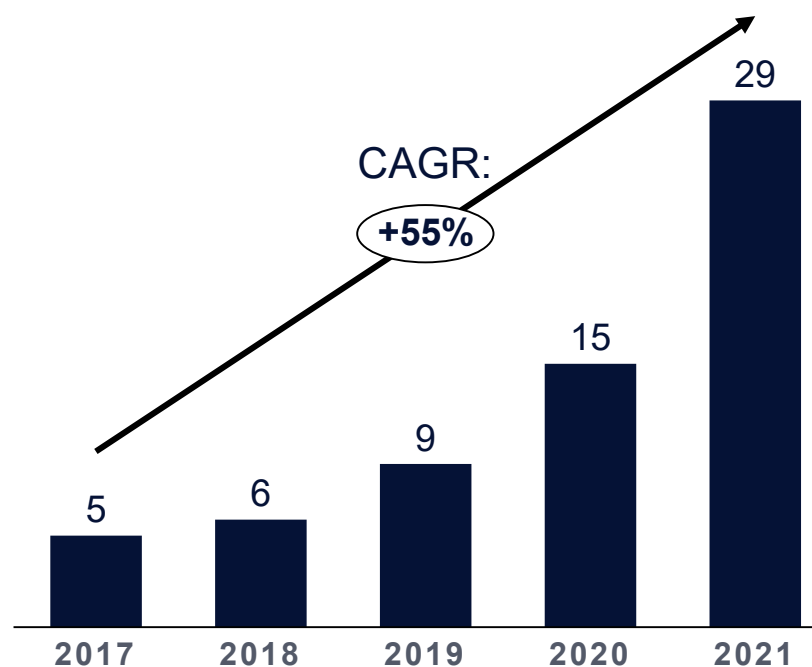


We have a strong start in China with significant growth opportunities ahead

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)

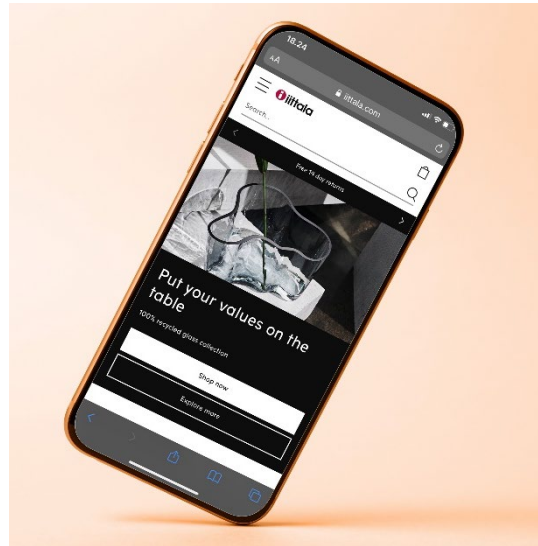
NET SALES IN CHINA (EURm)



## Our enablers for the future



**PEOPLE**



**DIGITAL**



**INNOVATION  
& DESIGN**



**SUSTAINABILITY**



We have clear sustainability priorities to drive real impact

ON A MISSION FOR THE

**lasting  
wellbeing**

OF PEOPLE AND PLANET





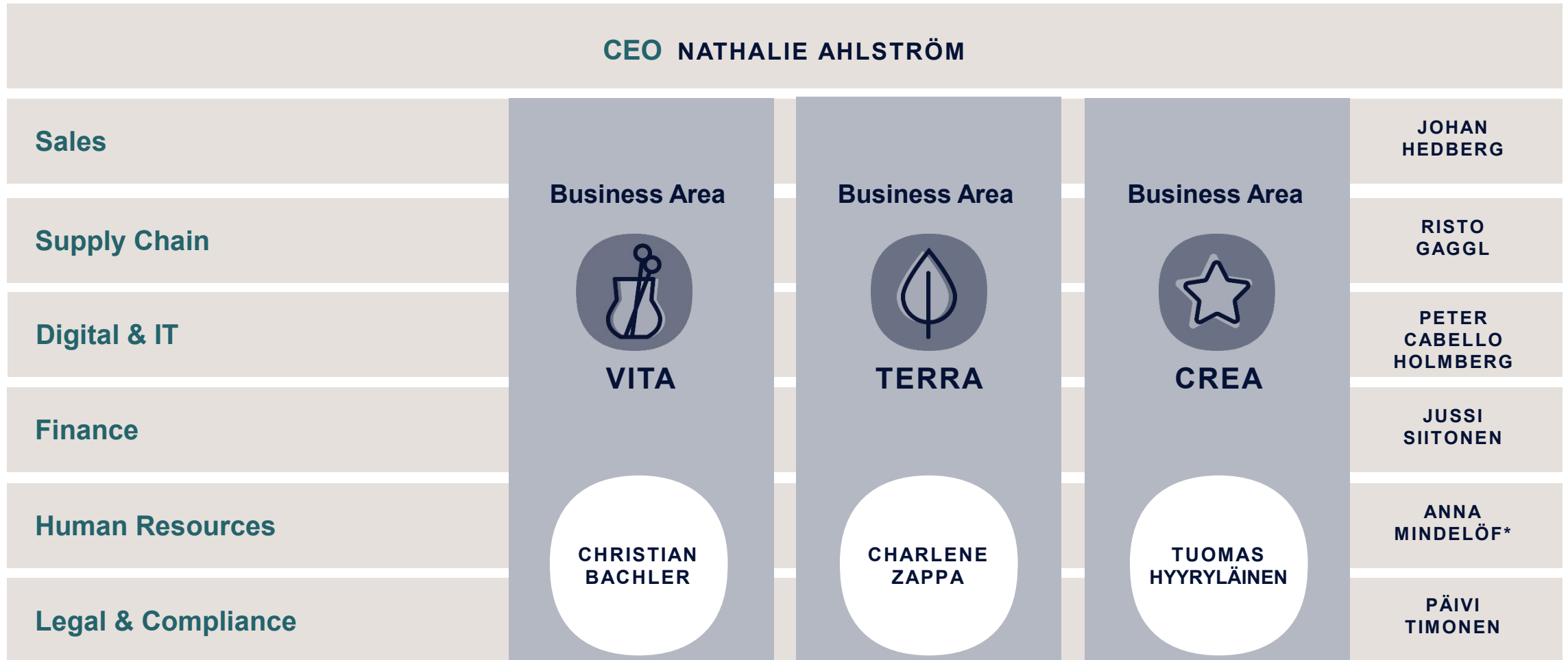
**Fiskars Group commits to climate action by joining the UN Business Ambition for 1.5°C and setting science-based targets**

**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

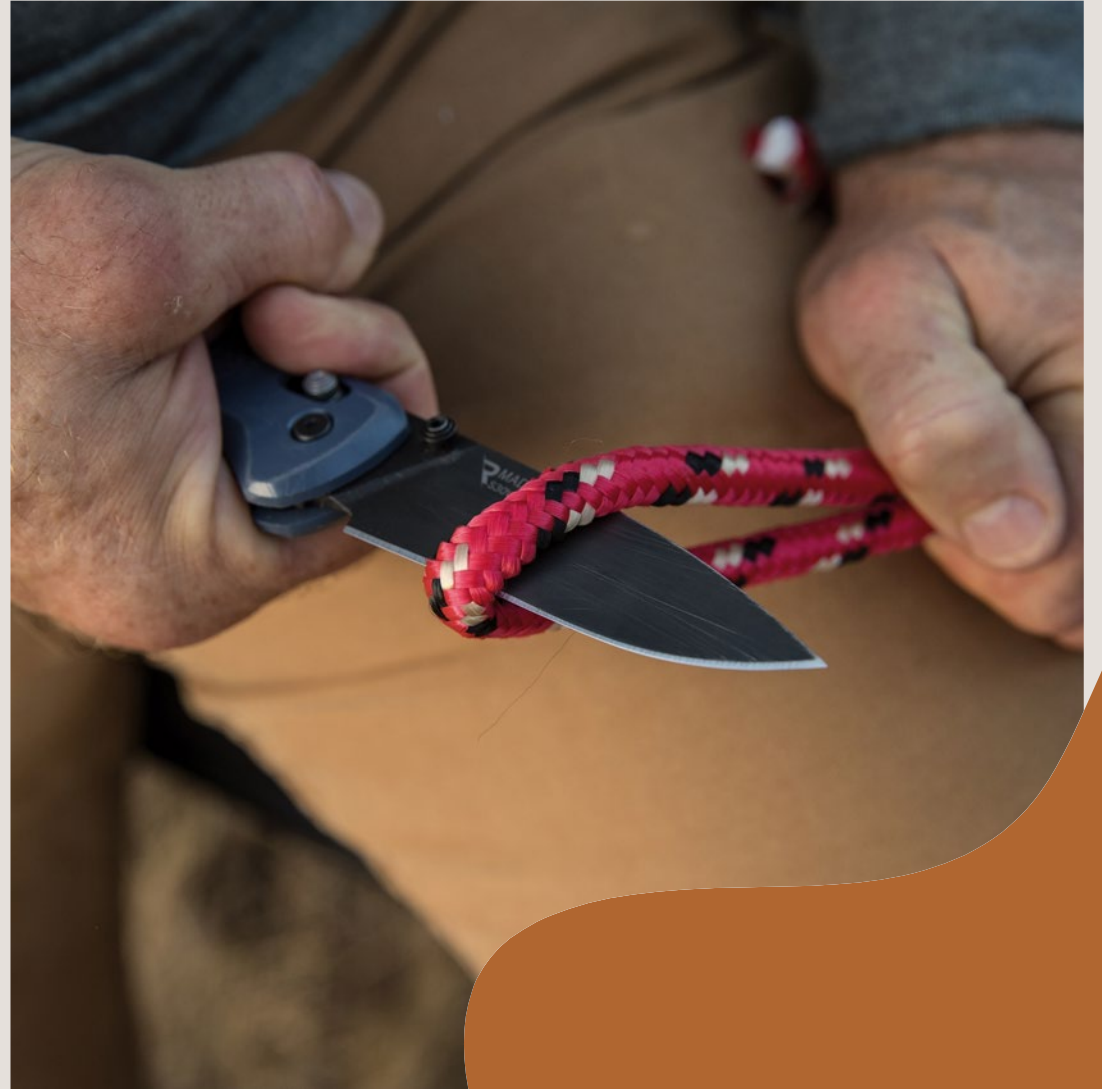


# Organizational structure



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## KEY CATEGORIES



Tableware



Drinkware



Interior

## KEY BRANDS

iittala®

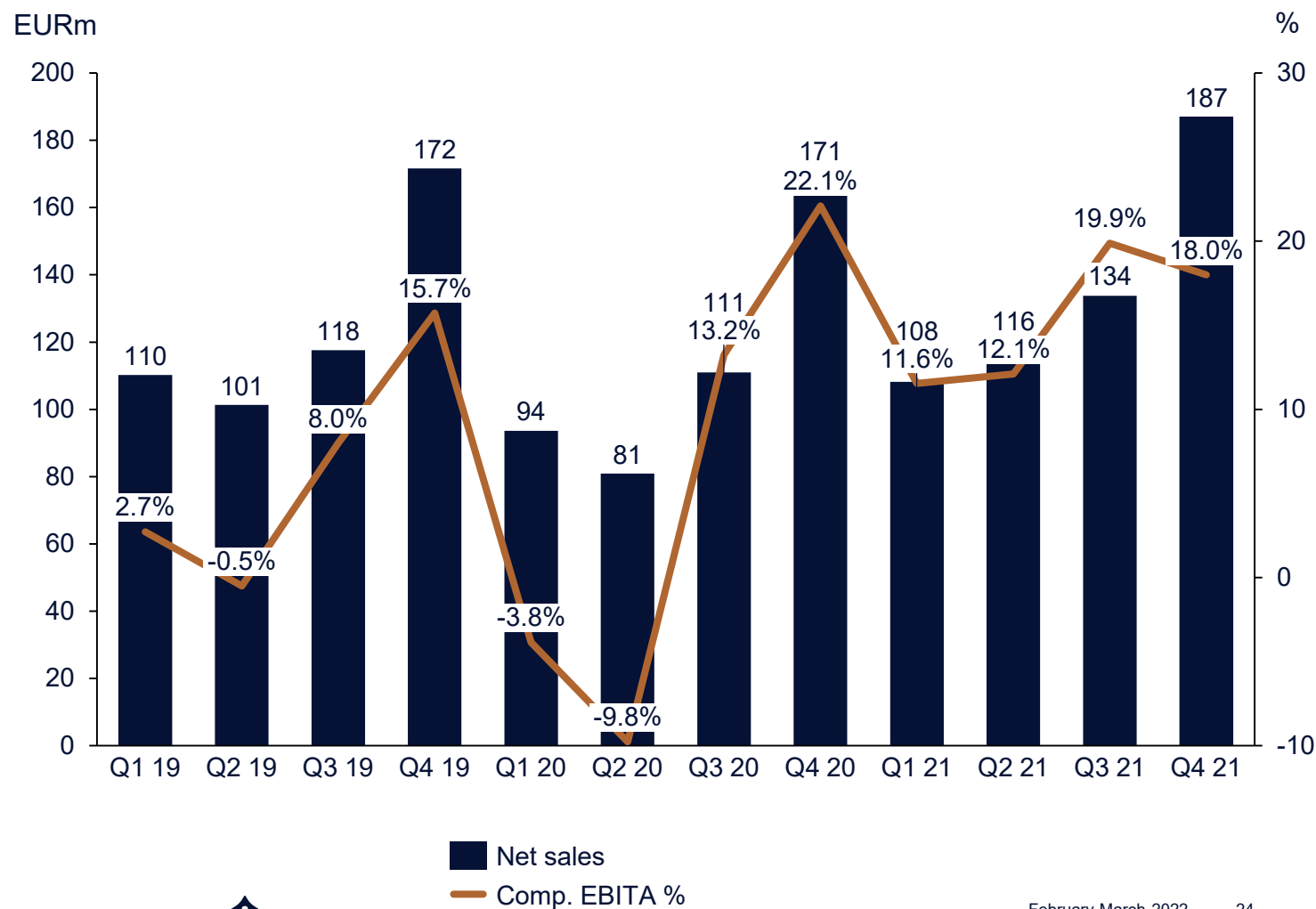


ROYAL COPENHAGEN  
PURVEYOR TO HER MAJESTY THE QUEEN OF DENMARK

WATERFORD

WEDGWOOD  
ENGLAND 1759

## NET SALES AND COMPARABLE EBITA MARGIN





### KEY MARKETS

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

### DISTRIBUTION CHANNELS

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**Retailers;  
stores &  
e-comm**

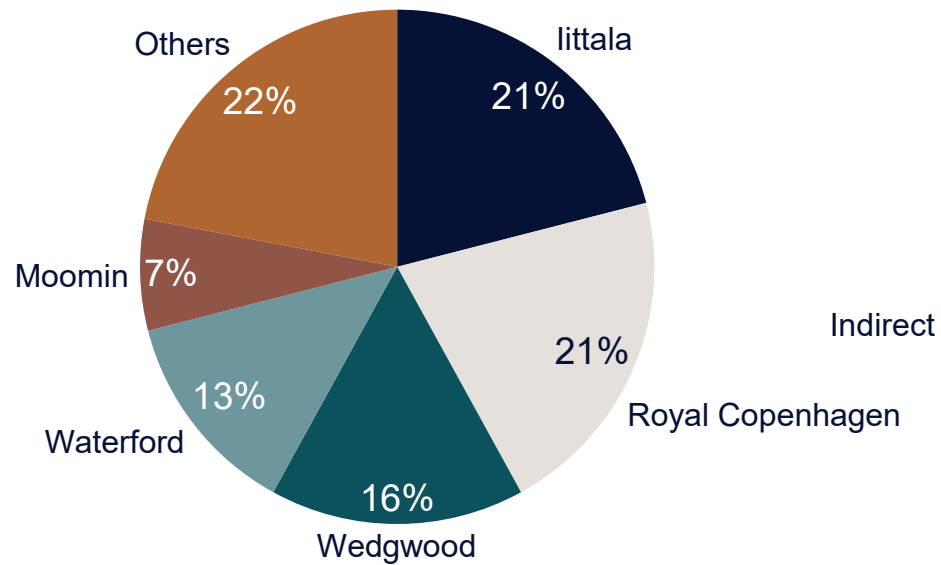
**Direct  
consumer sales;  
stores & e-comm**

**BtoB**

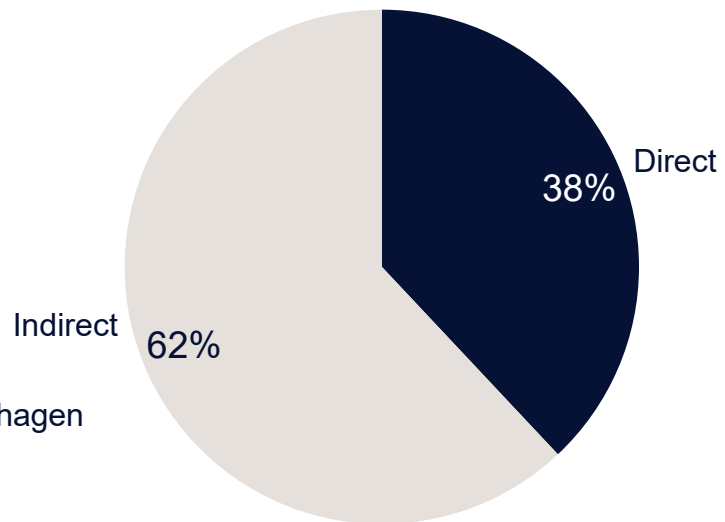




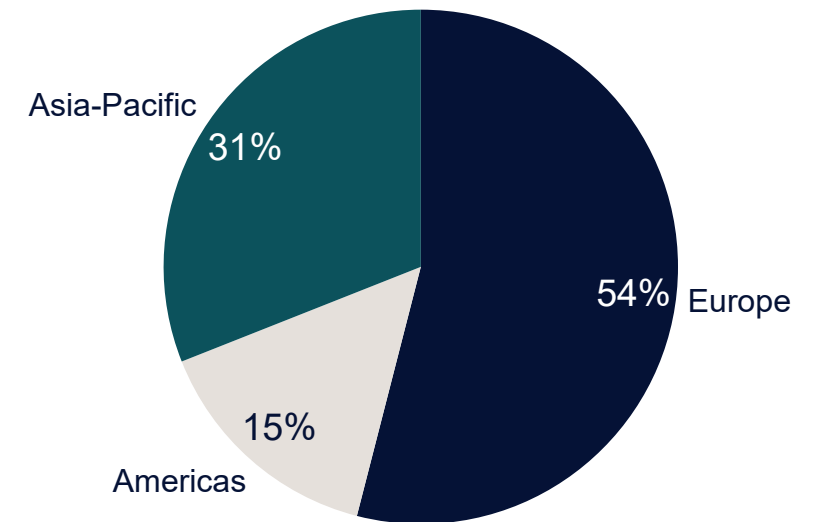
## SALES SPLIT BY BRAND



## SALES SPLIT BY CHANNEL



## SALES SPLIT BY GEOGRAPHY







## KEY CATEGORIES



Gardening



Outdoor



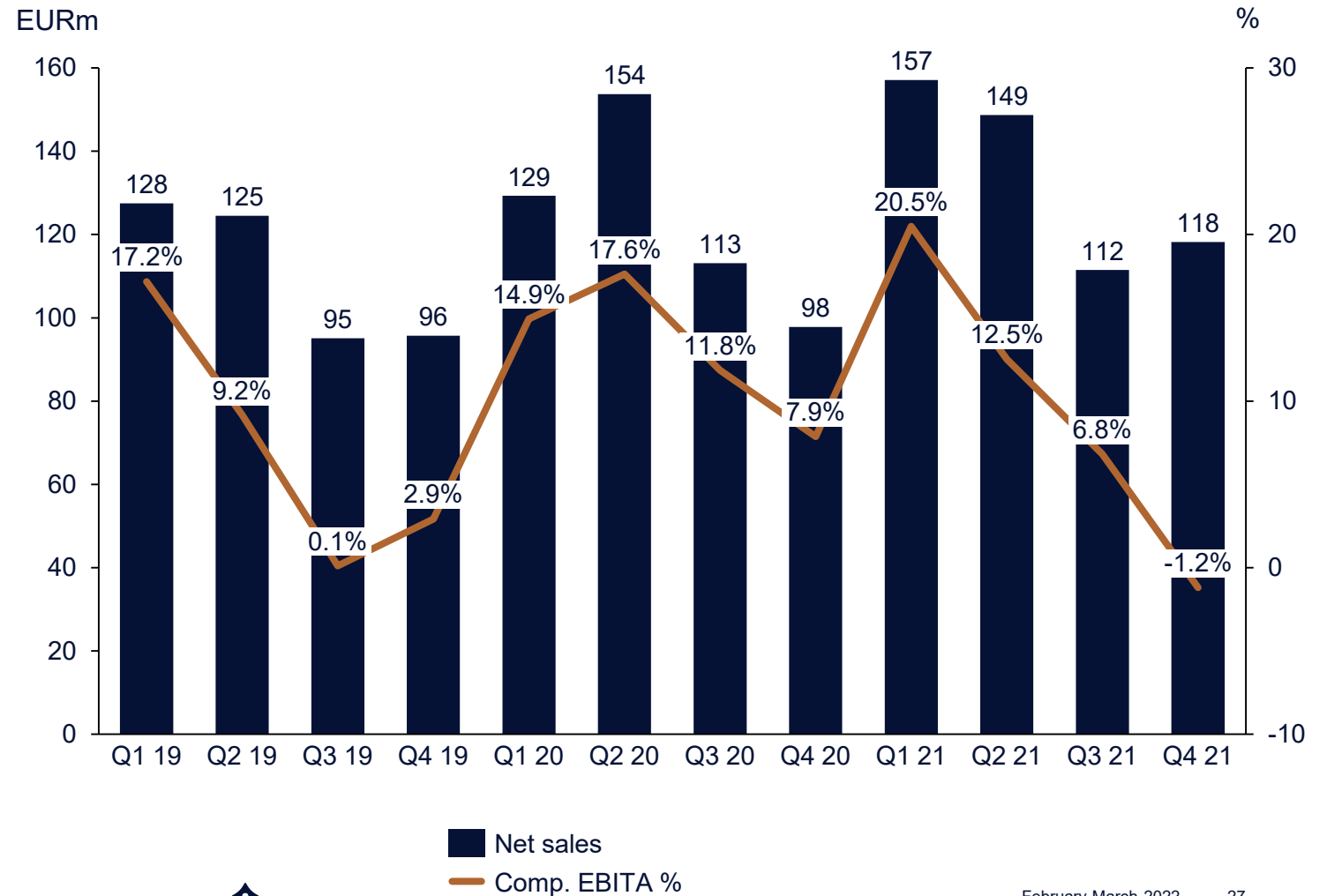
Watering

## KEY BRANDS

**FISKARS®**

**GERBER®**

## NET SALES AND COMPARABLE EBITA MARGIN





### KEY MARKETS

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

### DISTRIBUTION CHANNELS

---

**Retailers;  
stores &  
e-comm**

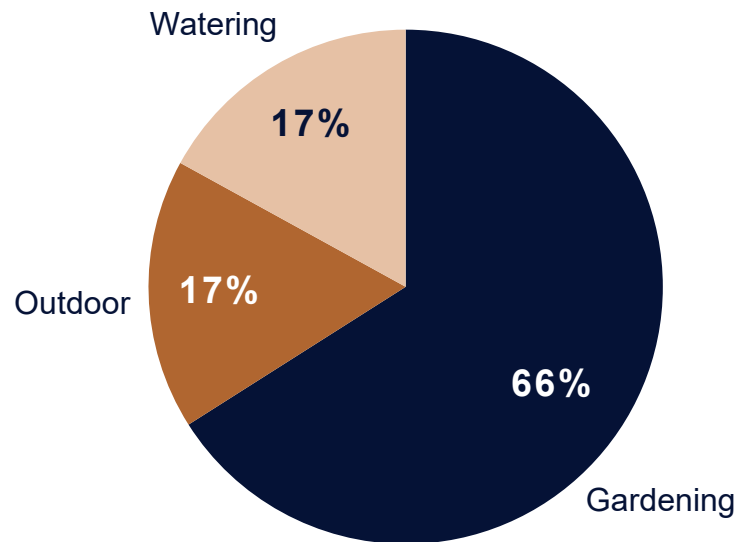
**BtoB**

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

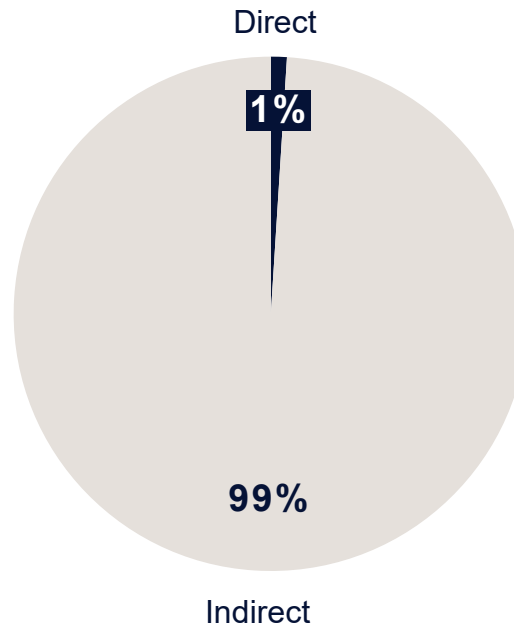




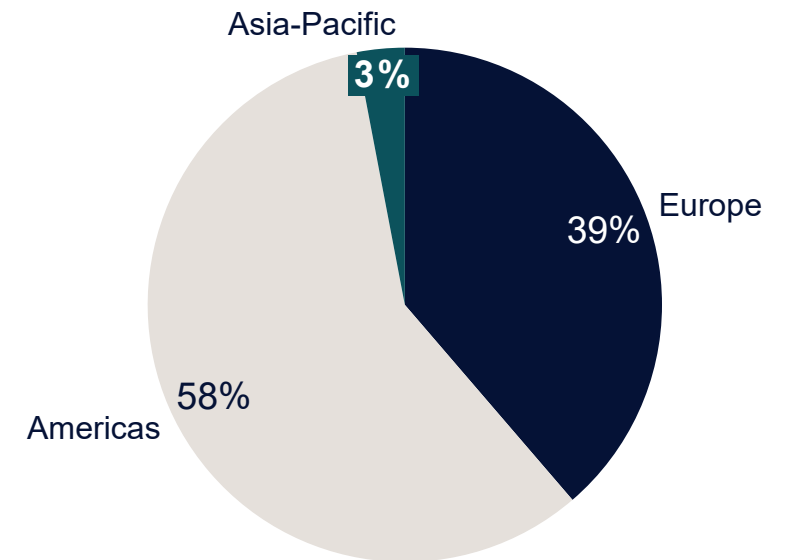
### SALES SPLIT BY CATEGORY



### SALES SPLIT BY CHANNEL



### SALES SPLIT BY GEOGRAPHY





KEY CATEGORIES



Scissors  
& creating

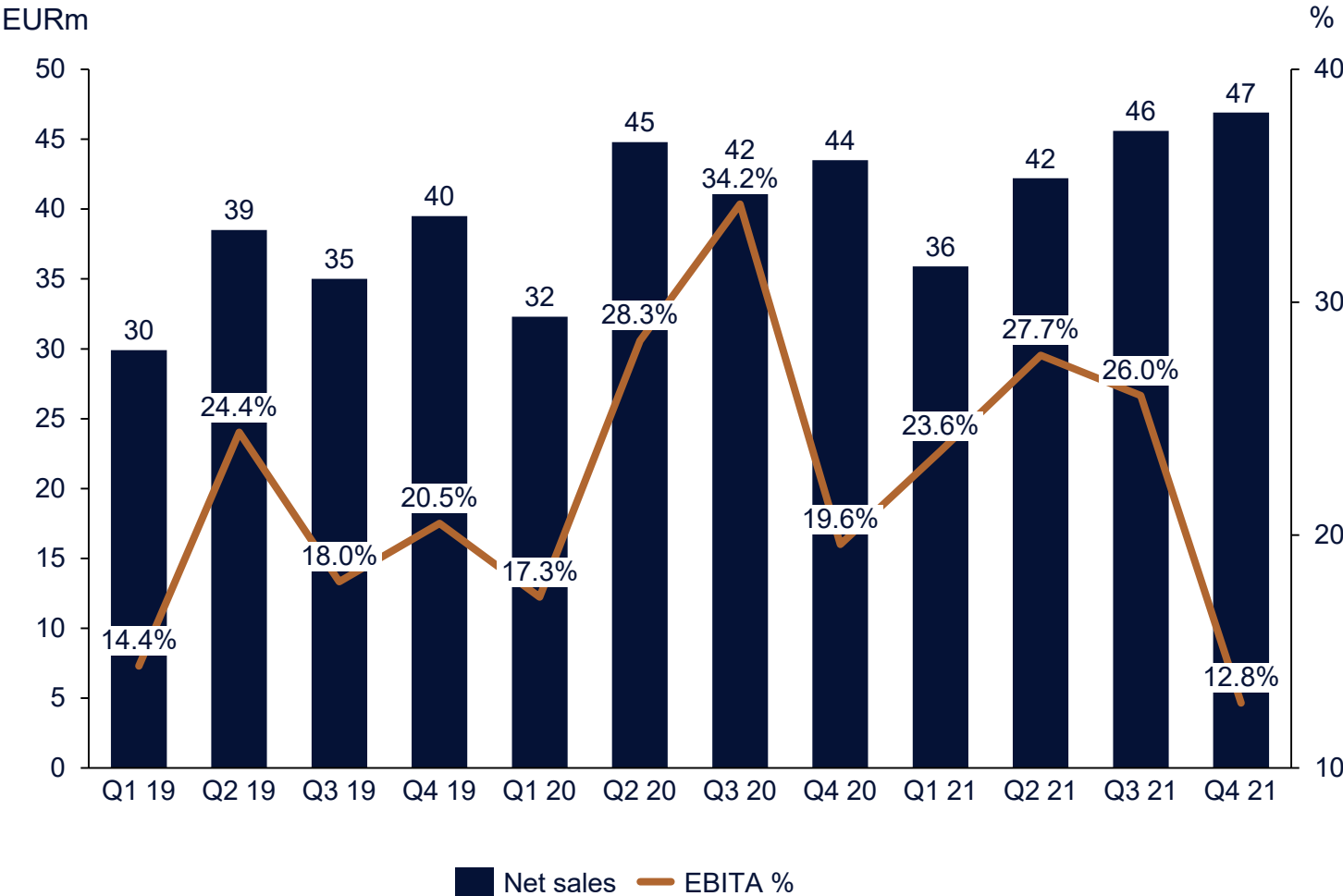


Cooking

KEY BRANDS

**FISKARS®**

NET SALES AND COMPARABLE EBITA MARGIN







### KEY MARKETS

---

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

### DISTRIBUTION CHANNELS

---

**Retailers;  
stores &  
e-comm**

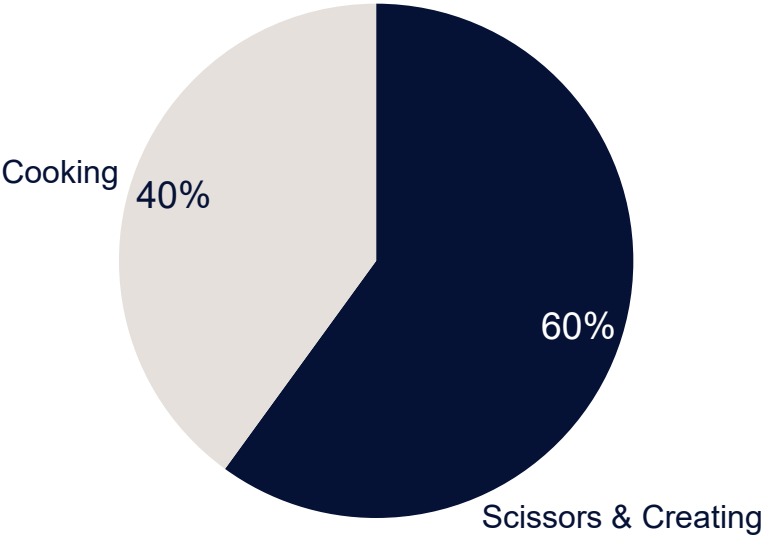
**Direct  
consumer sales;  
stores & e-comm**

**BtoB**

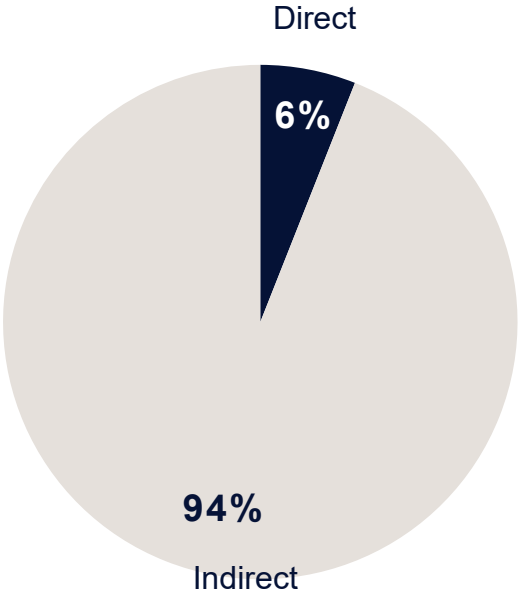




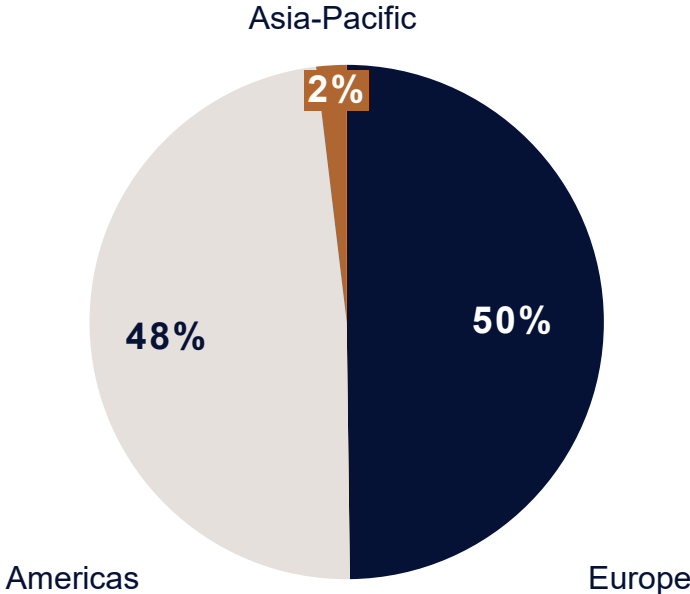
SALES SPLIT BY CATEGORY



SALES SPLIT BY CHANNEL



SALES SPLIT BY GEOGRAPHY



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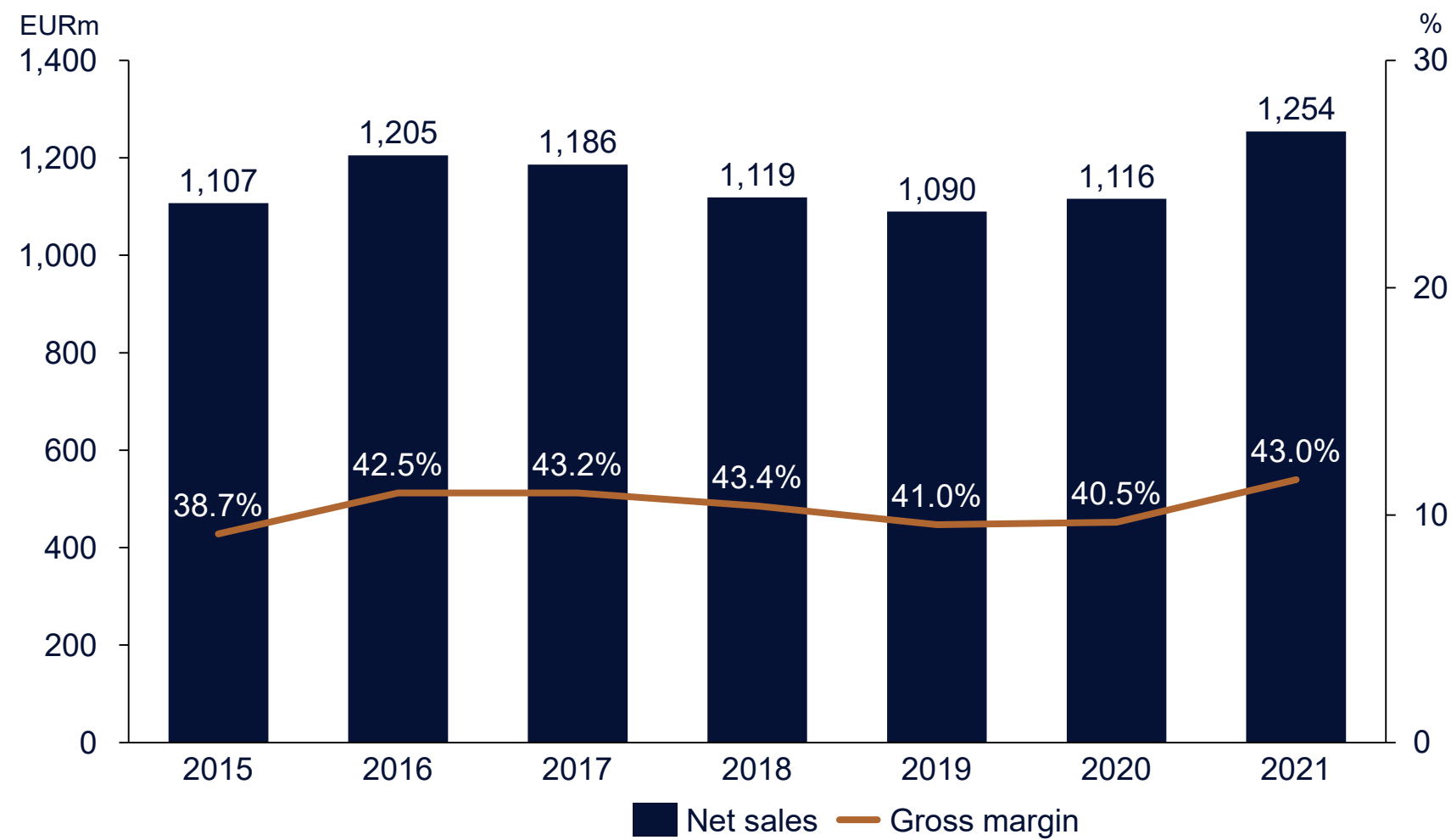
## Long-term financial targets – issued on Nov 8, 2021

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



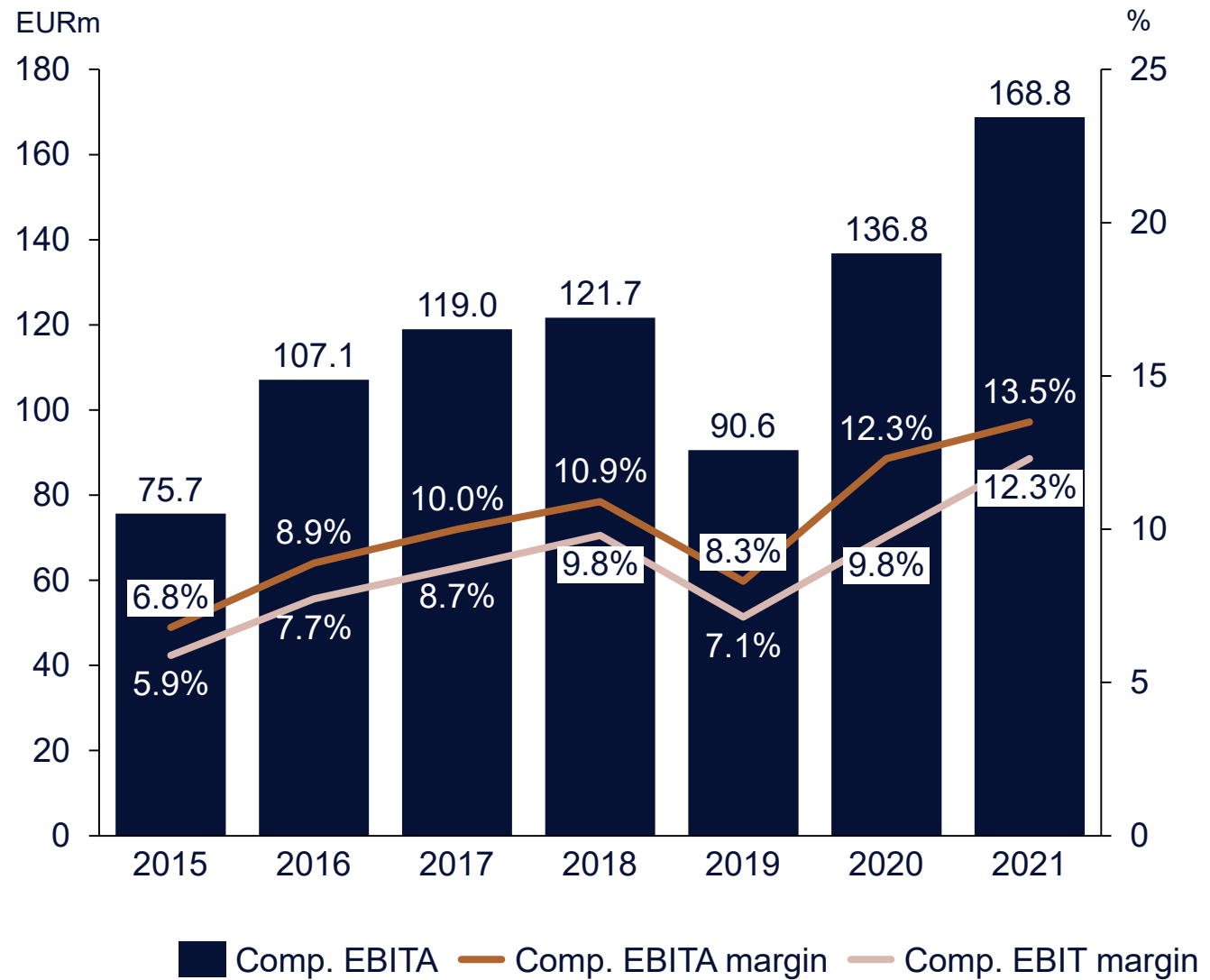


# Group net sales and profitability development

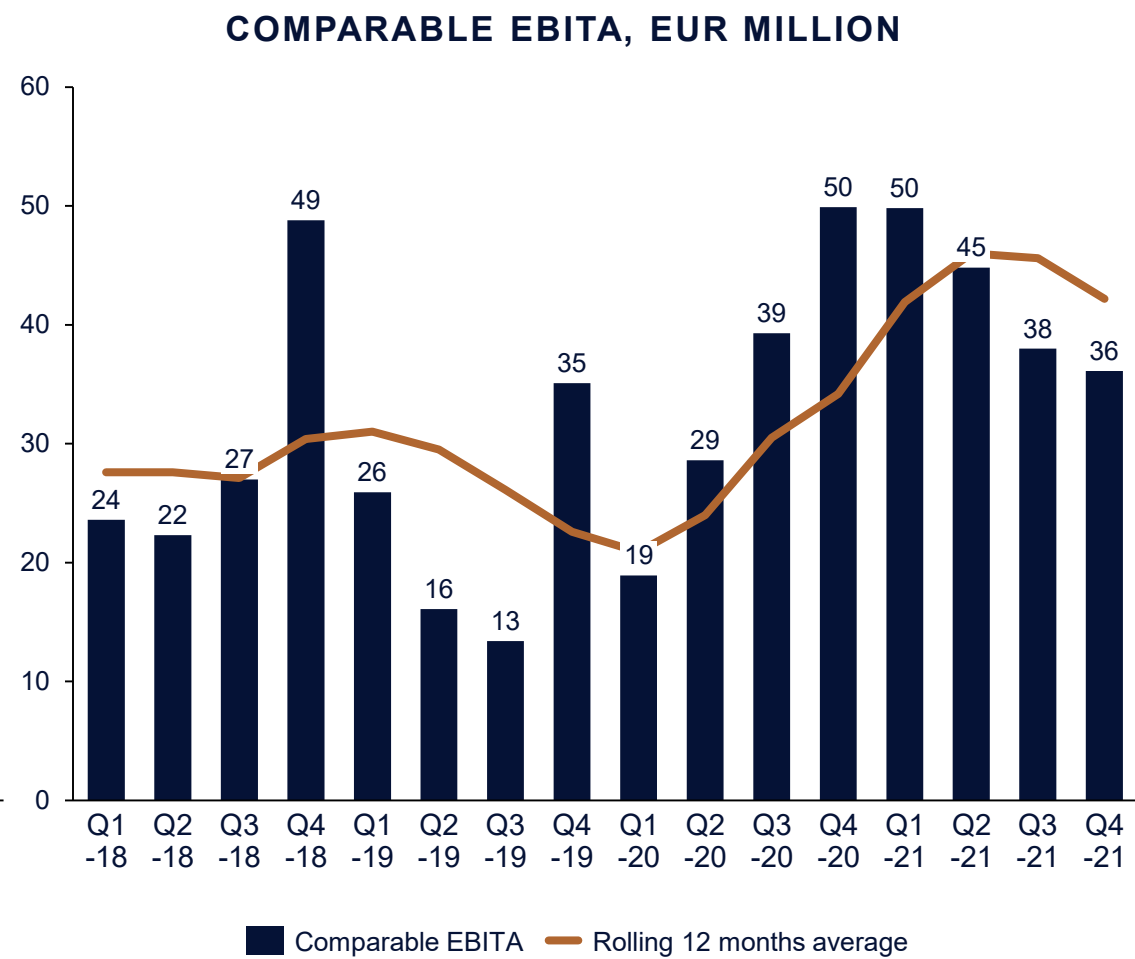
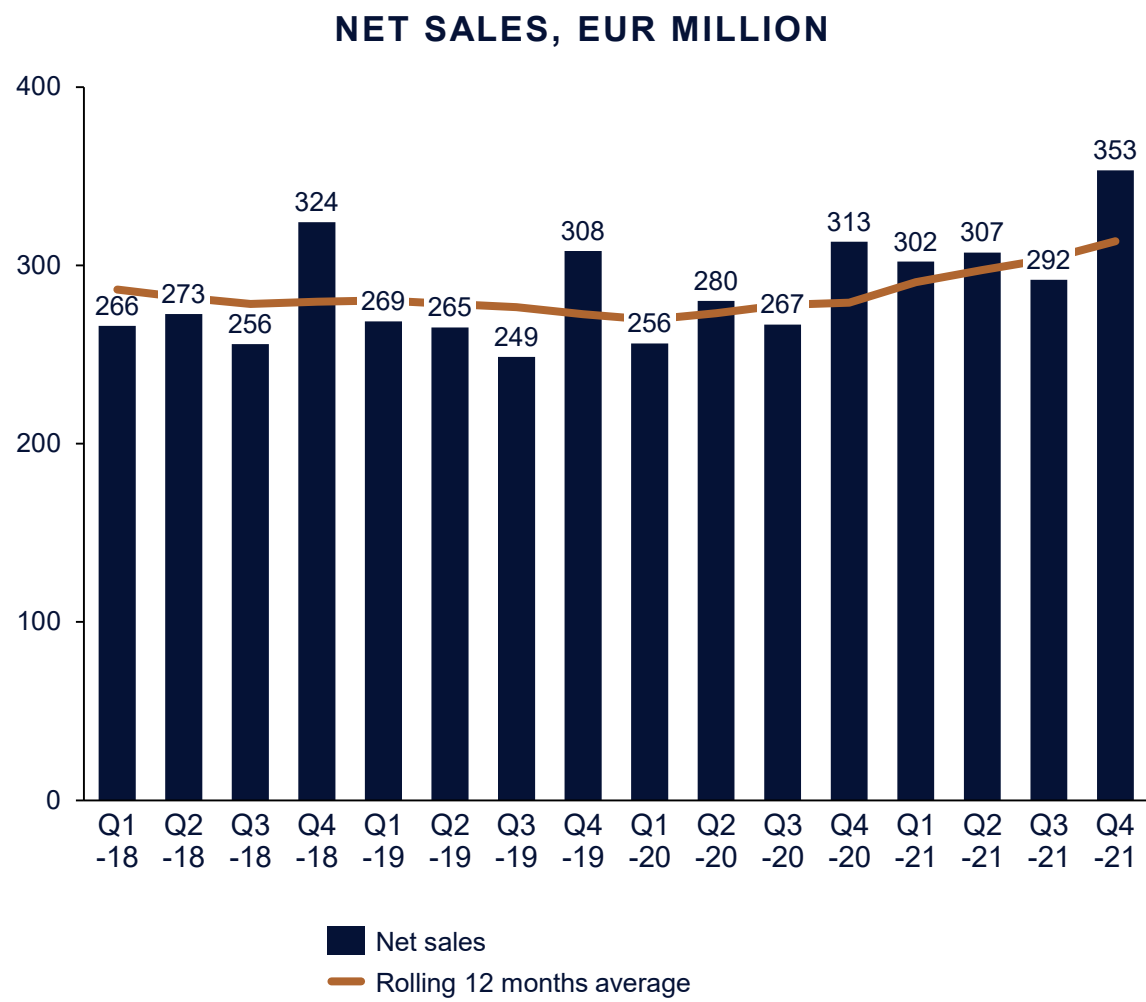




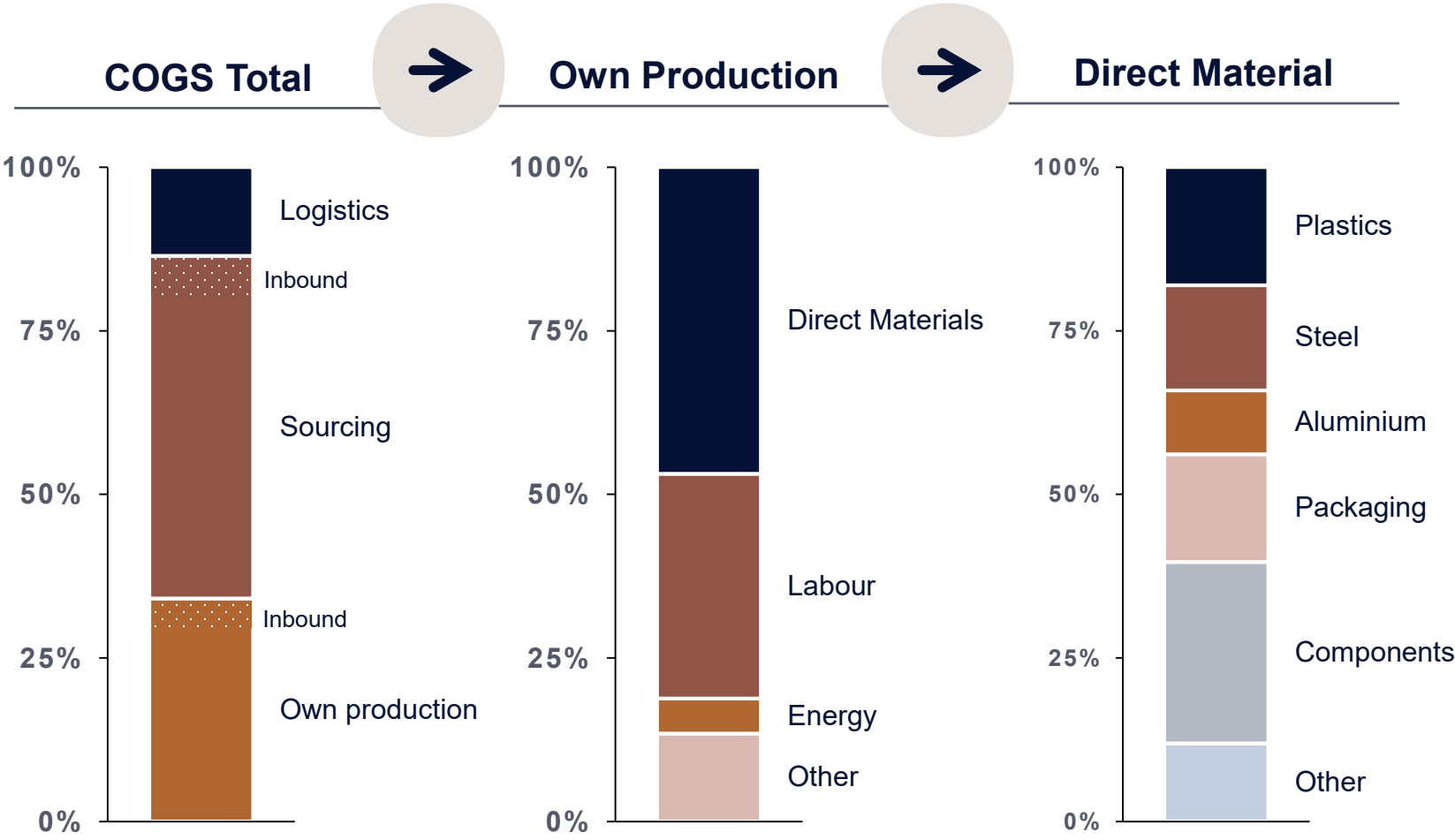
## Profitability has improved



# Quarterly development – last 3 years



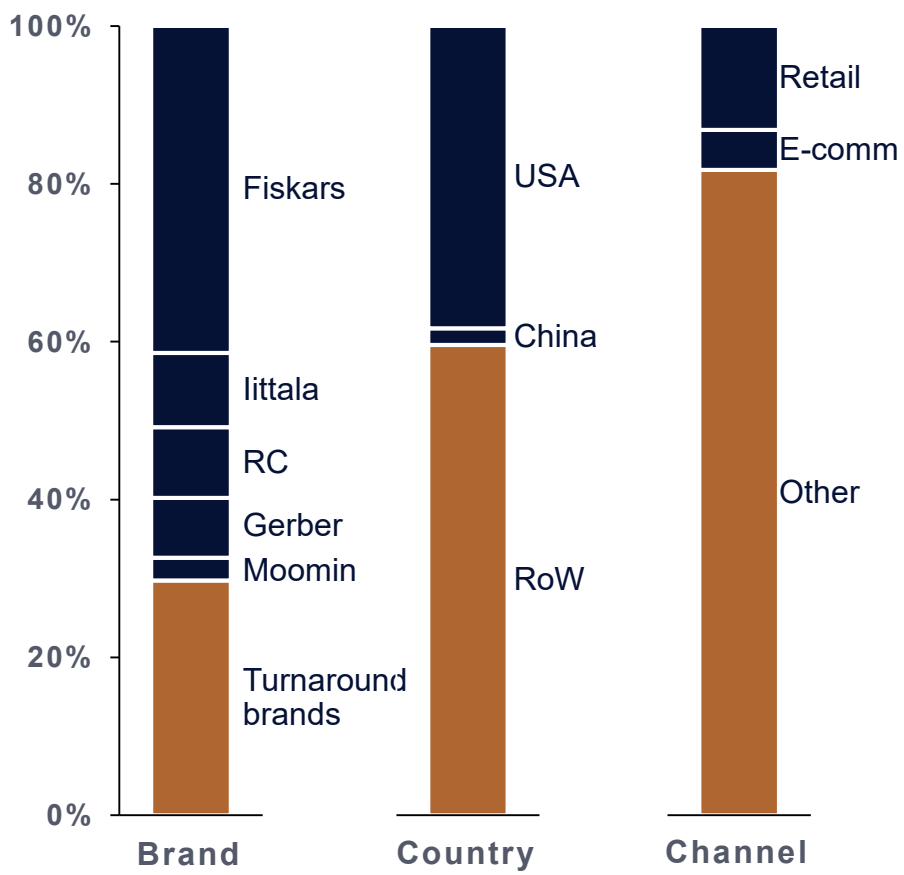
# Cost of Goods Sold



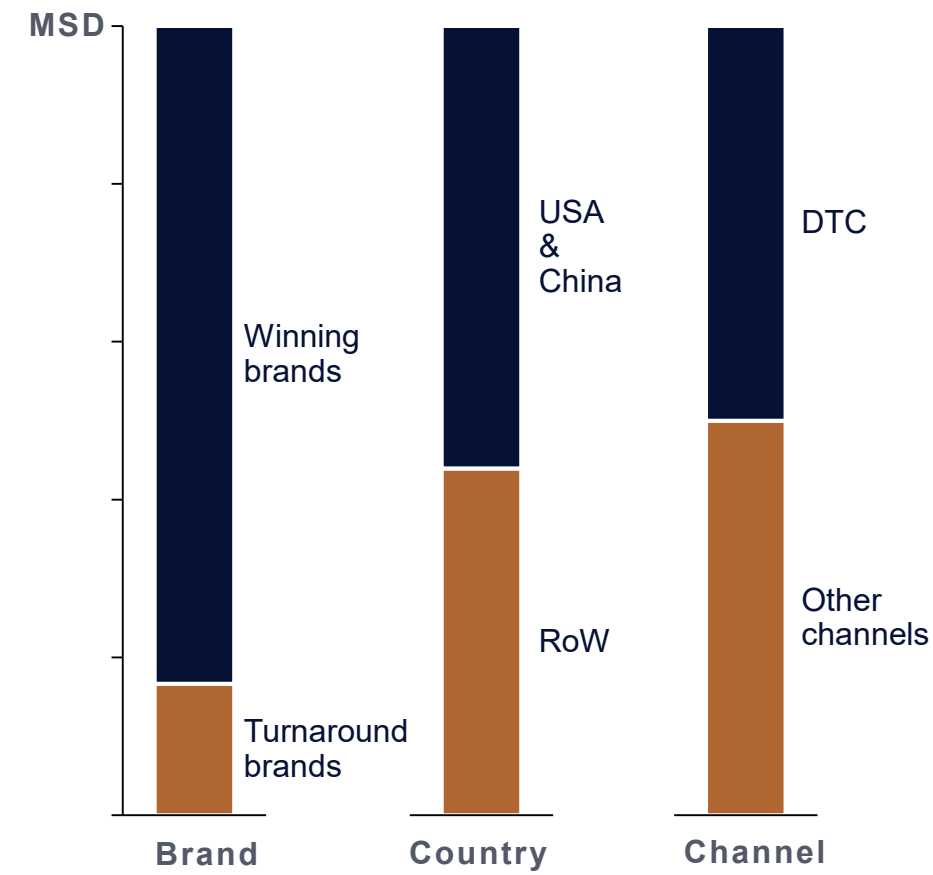


# Net sales growth avenues





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



AND THEIR CONTRIBUTION TO THE MSD GROWTH TARGET



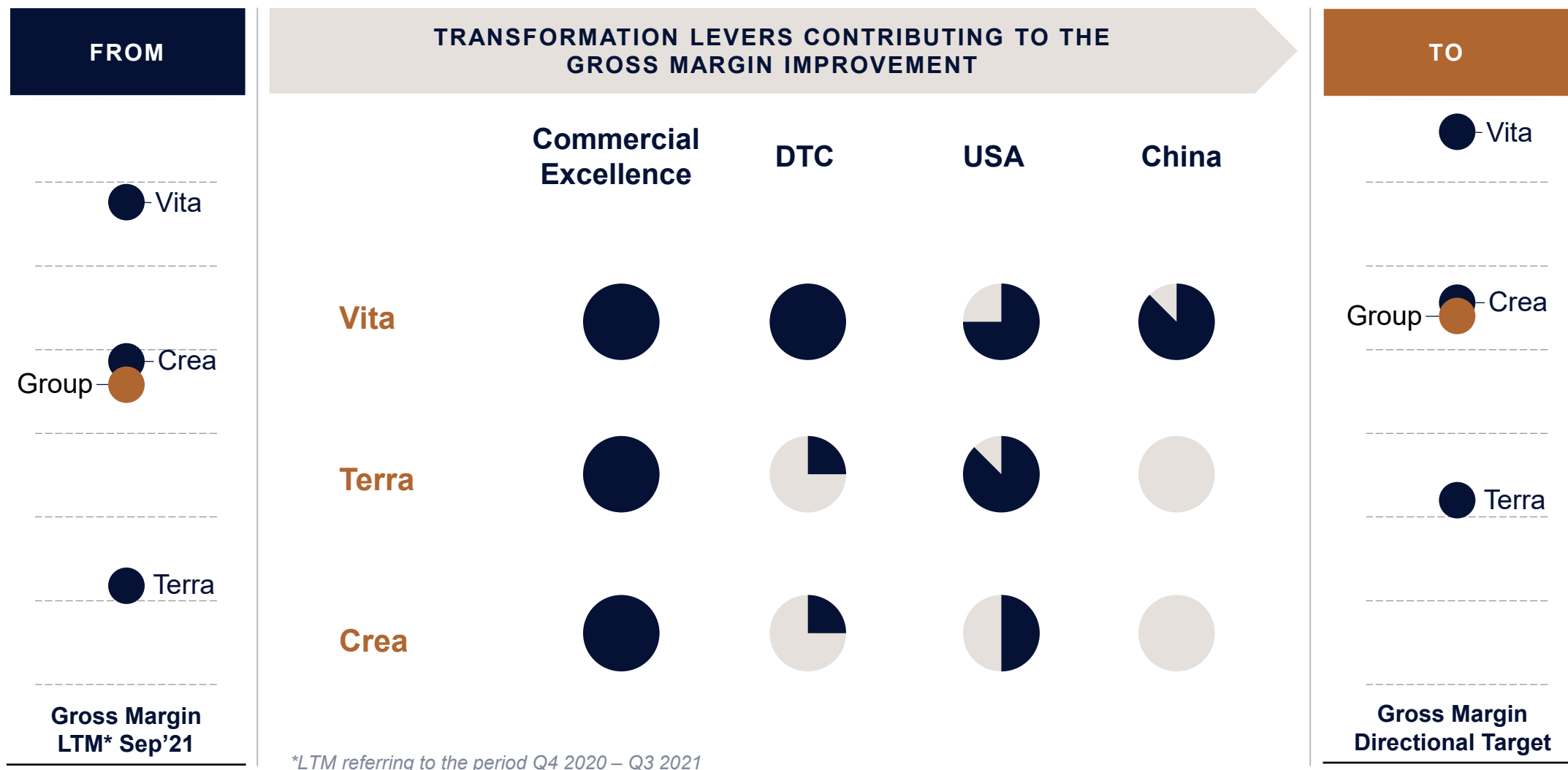
## Future P&L structure – emphasis on increasing Gross Margin

	<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

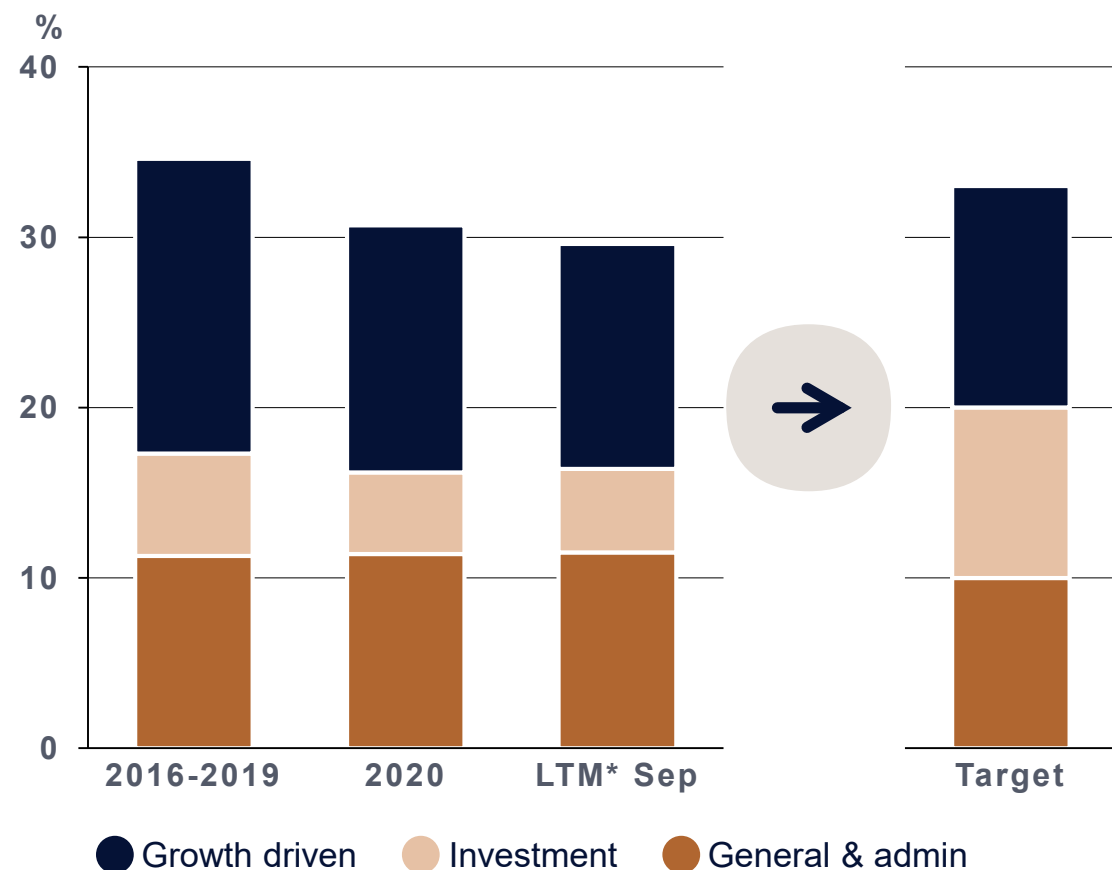


## Transformation levers contributing to the Gross Margin improvement



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



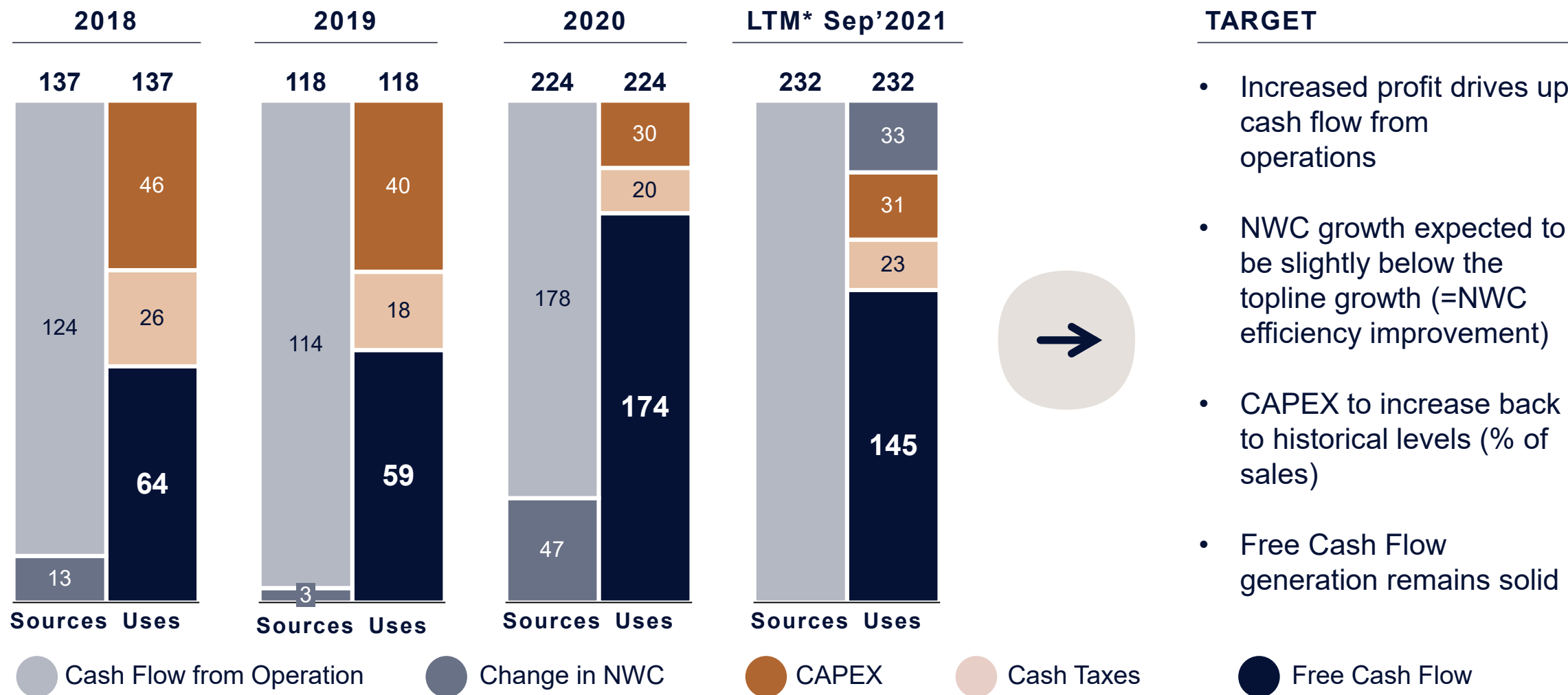


## OPEX Investments - Enabling sustainable growth from 2022 onwards

			
<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>



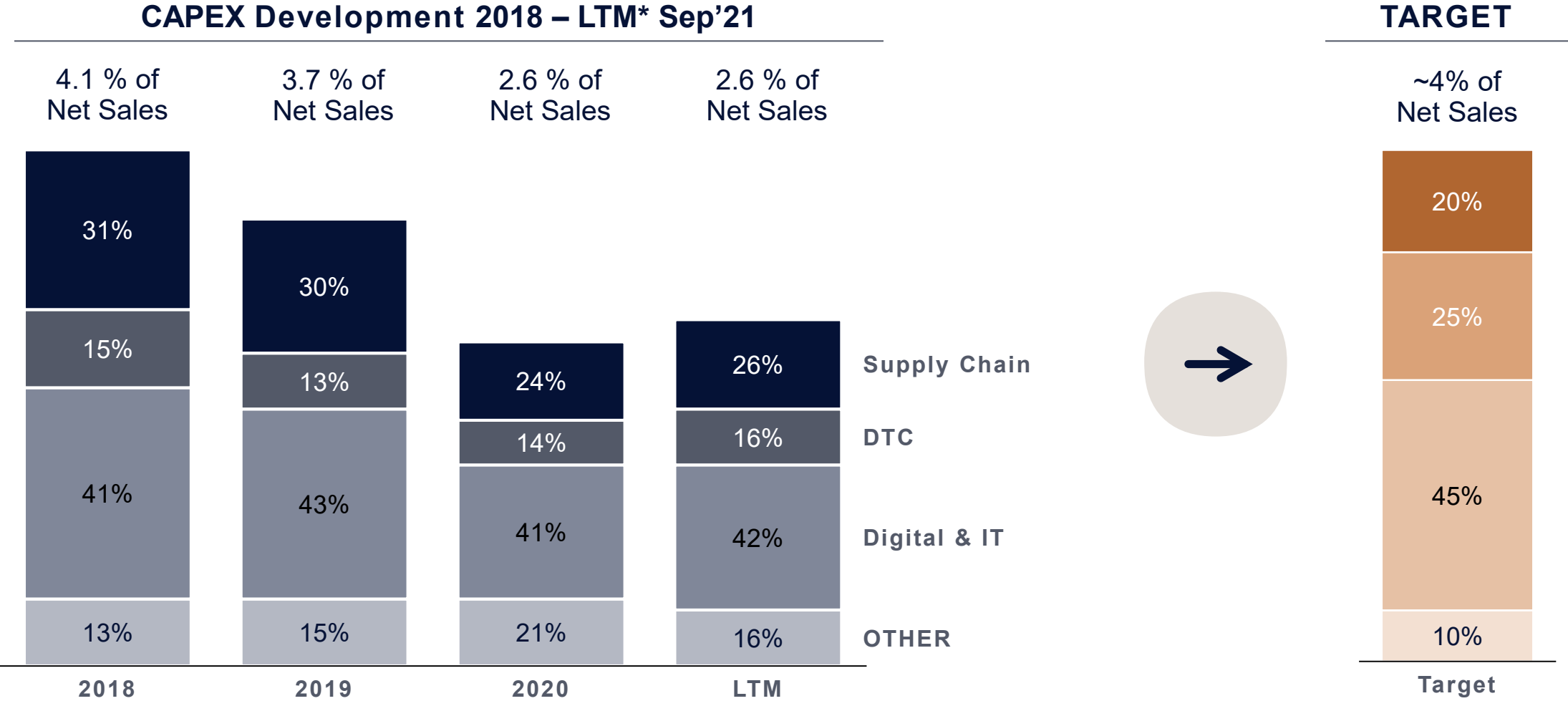
## Free Cash Flow remains solid



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

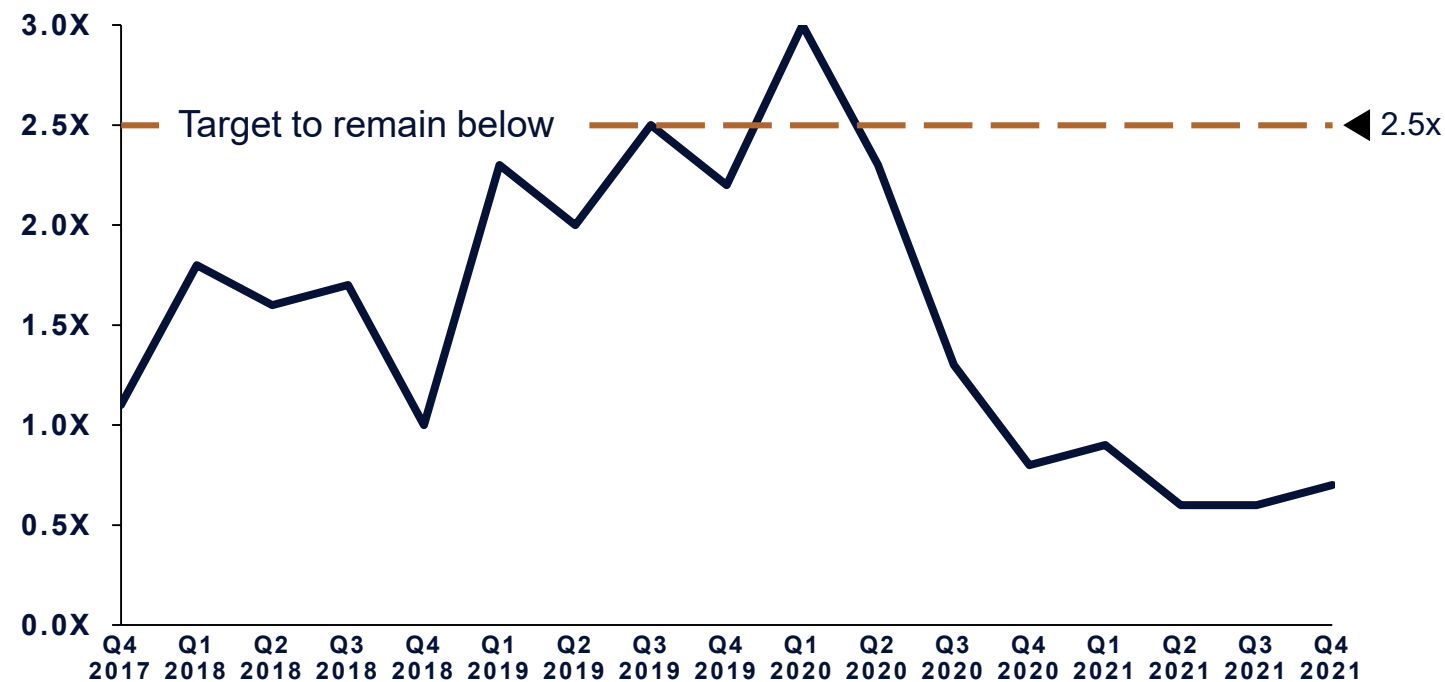


Fund allocation follows the strategic acceleration – DTC and Digital share of CAPEX to increase

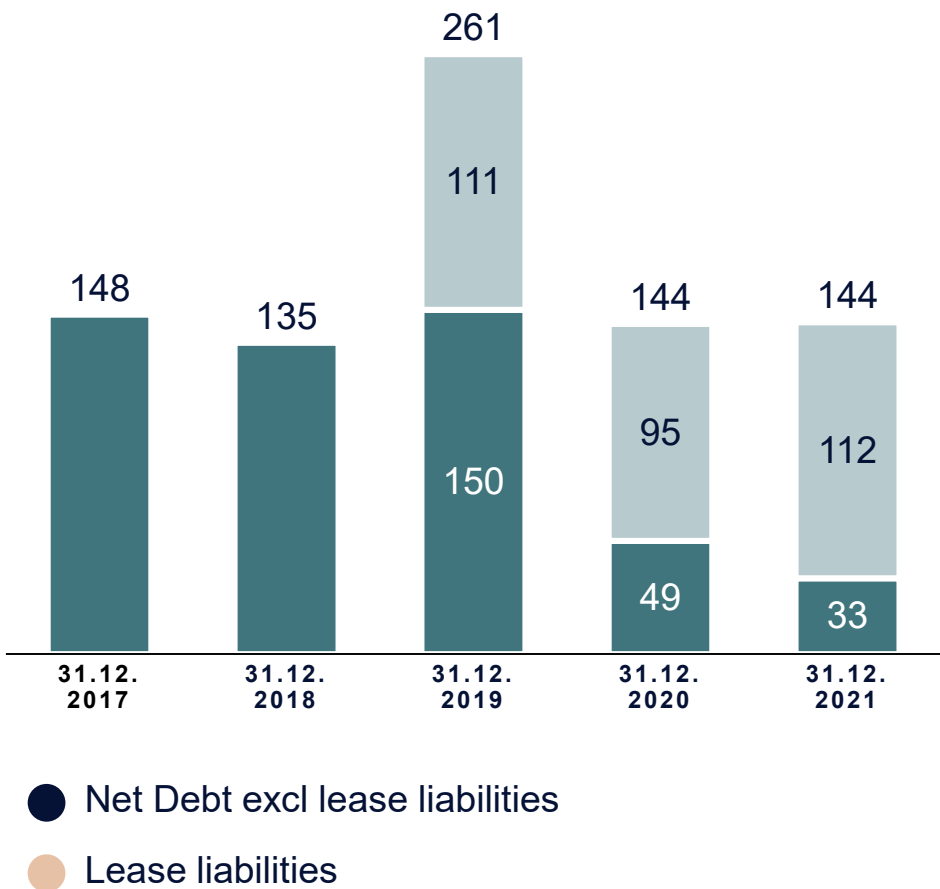


# Strong balance sheet enables growth

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

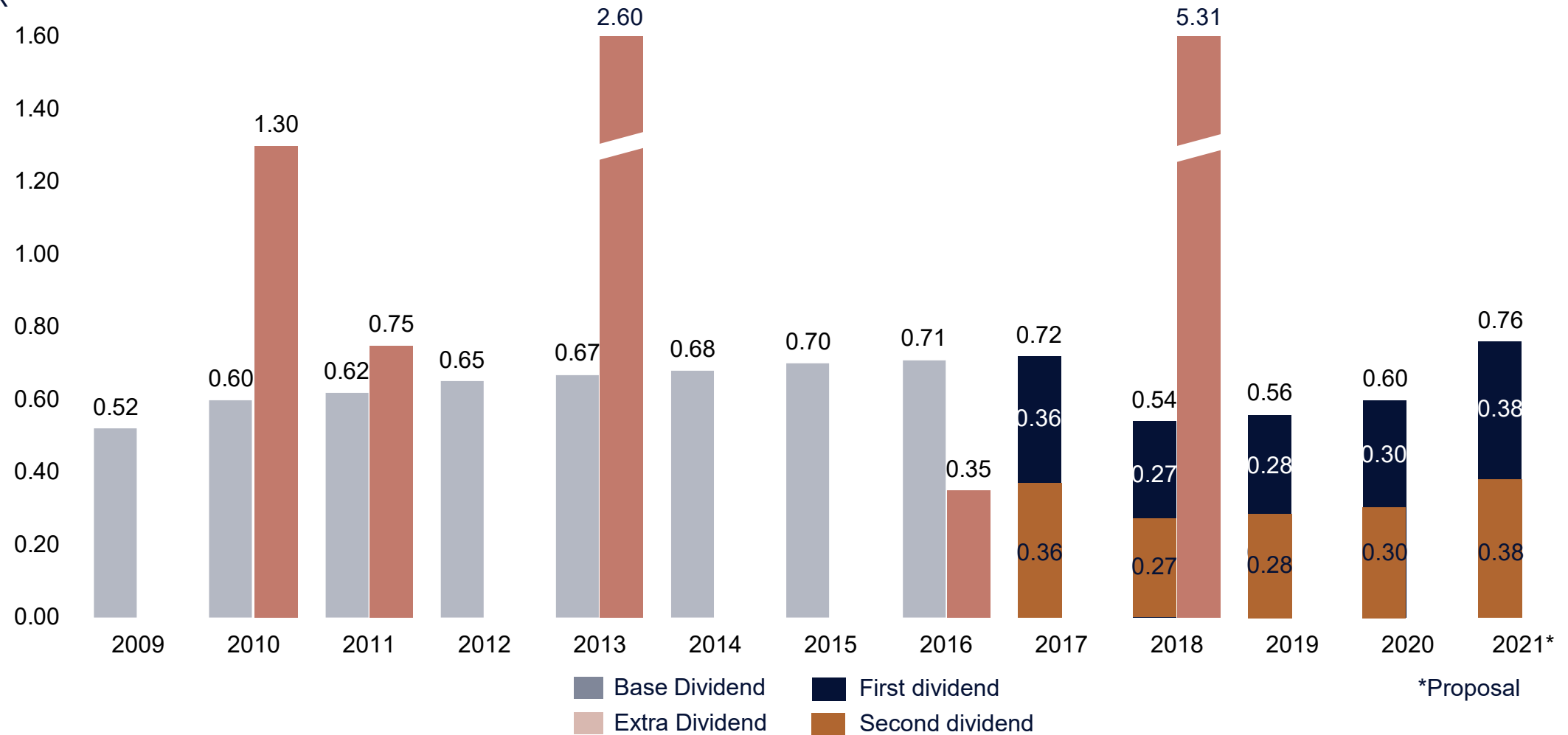


NET DEBT 2017 – 2021



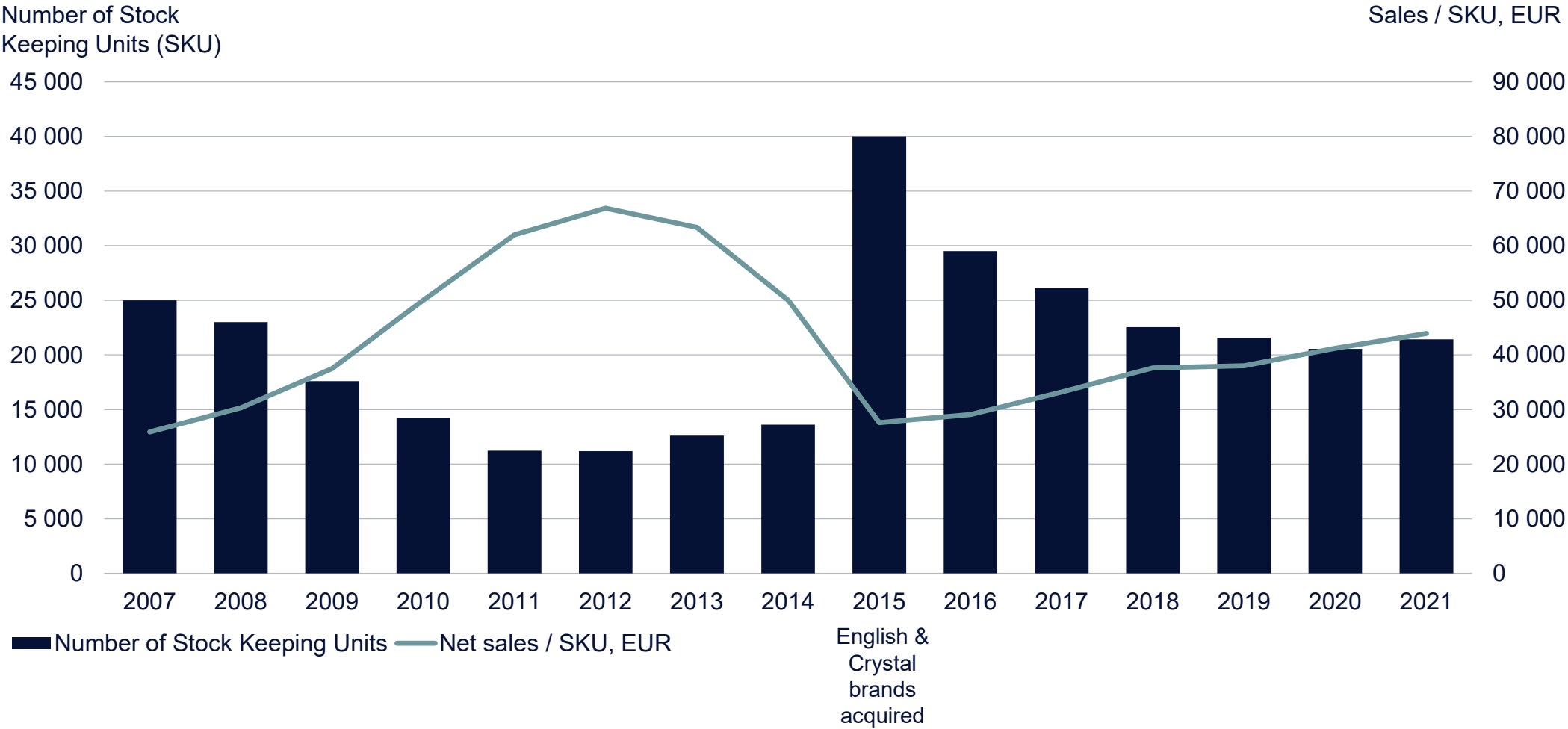
# Clear growth in dividend for FY 2021

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



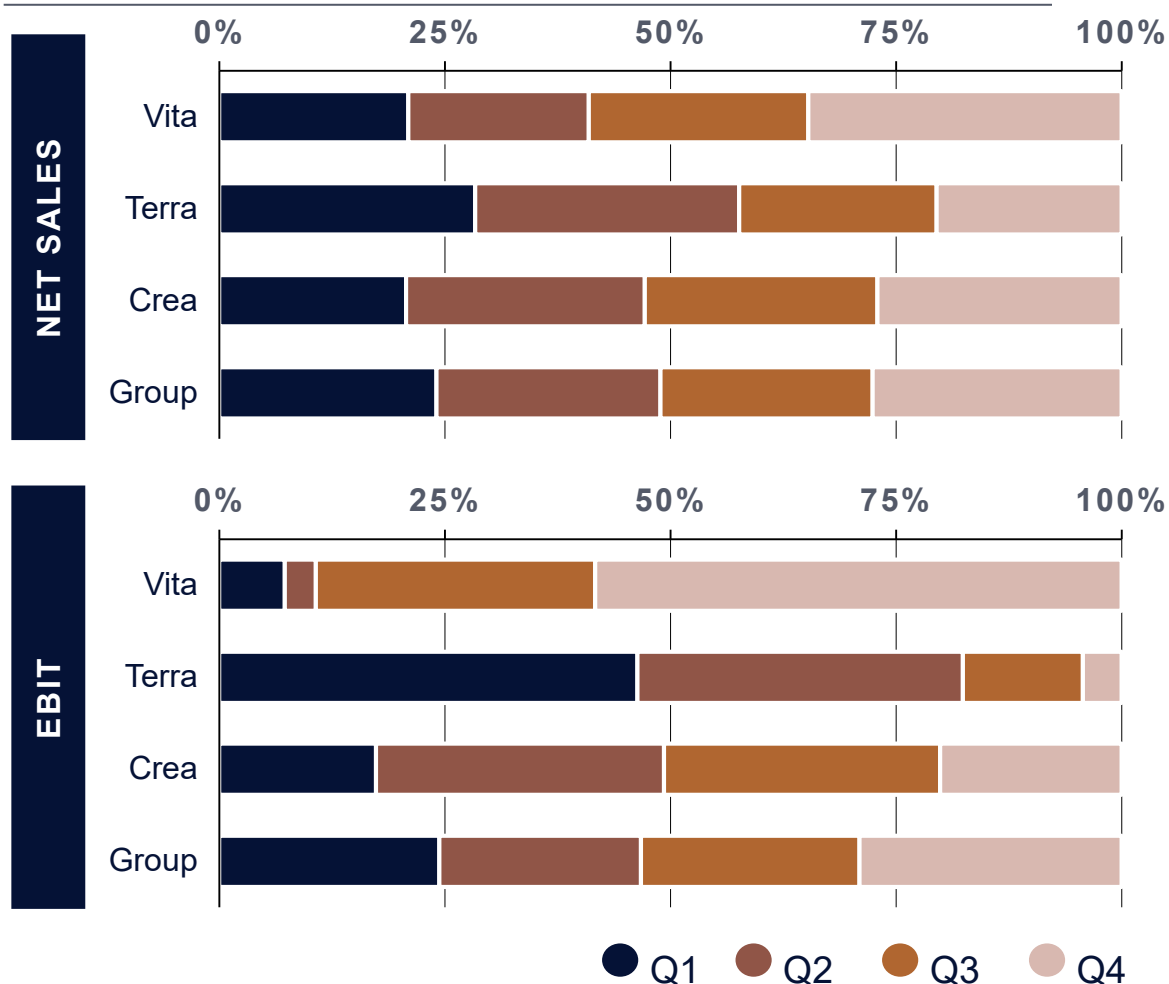


# Net sales / SKU continued to increase



## 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

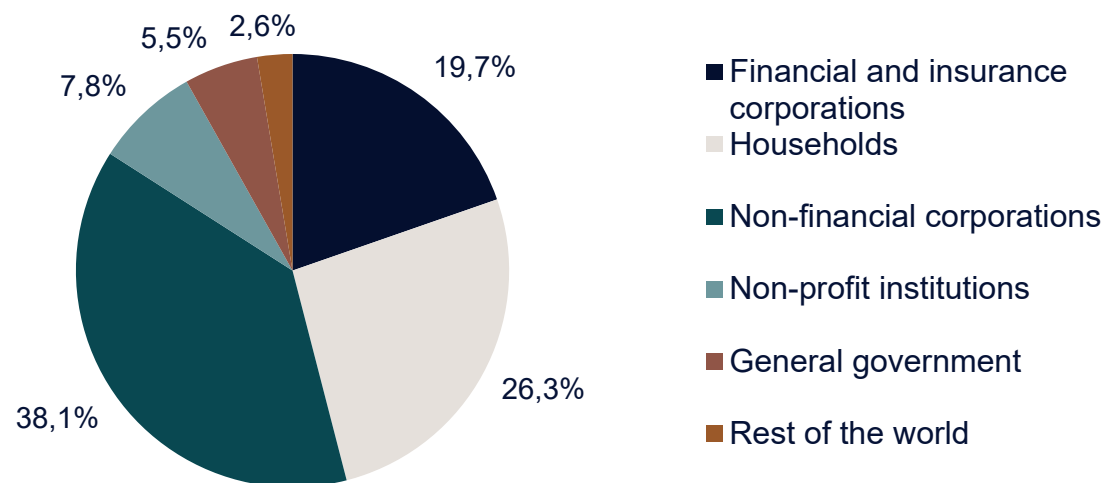
#	Shareholder name	Number of shares	% of shares and votes
1	Virala Oy Ab	12,650,000	15.45
2	Turret Oy Ab	10,885,961	13.29
3	Holdix Oy Ab	10,165,537	12.41
4	Bergsrådninnan Sophie von Julins Foundation	2,556,000	3.12
5	Oy Julius Tallberg Ab	2,554,350	3.12
6	Gripenberg Gerda Margareta Lindsay Dödsbo	1,982,000	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.

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