



Fiskars Group

# Interim report Q1 2022

January–March 2022



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## STRONG START TO THE YEAR WITH SOLID MOMENTUM IN OUR MAIN MARKETS

### FIRST QUARTER 2022 IN BRIEF:

- Net sales increased by 10.1% to EUR 332.6 million (Q1 2021: 302.1)
- Comparable net sales<sup>1</sup> increased by 13.5% to EUR 332.6 million (293.0)
- EBIT decreased to EUR 41.4 million (45.9)
- Comparable<sup>2</sup> EBIT increased by 11.1% to EUR 51.8 million (46.6)
- Cash flow from operating activities before financial items and taxes decreased to EUR -55.9 million (10.7)
- Free cash flow was EUR -69.9 million (-2.8)
- Earnings per share (EPS) were EUR 0.38 (0.10)

### OUTLOOK FOR 2022 (UNCHANGED):

Fiskars expects the comparable EBIT to increase from 2021 (2021: EUR 154.2 million).

There are ongoing challenges in global supply chains, as well as raw material and energy price inflation. While the company has managed to mitigate these factors, they continue to pose a risk for 2022 performance. The company also expects that there will be volatility between the quarters due to timing differences between cost inflation and respective mitigating actions.

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

2) Items affecting comparability in EBIT include items such as restructuring costs, impairment or provisions charges and releases, integration-related costs, and gains and losses from the sale of businesses



# CEO's review

We started the year with healthy demand and solid momentum in our main markets, and we delivered our eighth consecutive quarter of net sales growth. The organic, currency neutral growth of more than 13% was especially driven by our business area Terra, although both the Vita and Crea business areas also contributed to net sales growth. Growth was profitable, with a comparable EBIT margin of 15.6%.

We continued to execute our growth strategy, with a clear focus on our four transformation levers: commercial excellence; direct-to-consumer (DTC); the U.S.; and China. We started the execution of our growth strategy in 2021, and we have already been able to deliver tangible and sustainable results based on it. Our gross margin (excl. IAC) improved to 45.6%, our DTC sales grew 14% despite some short-term lockdowns in China due to Covid-19, and we grew in the U.S. and China, with a 16% and 53% increase in net sales, respectively.

We also continued to invest in our capabilities to ensure long-term competitiveness. Our strategic spending on digital acceleration and DTC growth was approx. EUR 5 million, and we continued recruiting critical capabilities, especially in e-commerce and in our own retail.

As of February, we have seen significant challenges in global supply chains and accelerated, broad-based input cost inflation, driven both by the war in Ukraine and Covid-19-related disruptions in China.

Although visibility on longer-term developments remains limited, we believe the actions we have either taken or are taking will enable us to mitigate the negative impacts of input cost inflation this year. However, we expect there will be volatility between the quarters due to timing differences between cost inflation and respective mitigating actions.

We have been able to serve our customers and avoid any major product availability challenges, which has been a competitive advantage for us. Our focus is now on ensuring the shipments for the rest of the year.

We made some structural changes in Q1. In February, we closed the divestment of our North American watering business. This transaction was announced in December 2021.



**NATHALIE  
AHLSTRÖM**  
President & CEO



In March, we announced that we have decided to withdraw completely from the Russian market due to Russia's attack on Ukraine, which we condemn in the strongest possible terms. The exit from the Russian market will not have a significant impact on our 2022 results, and the one-time impacts of the withdrawal are included in our Q1 Items Affecting Comparability.

We also took several important steps towards our circular economy target of having the majority of our net sales from circular products and services by 2030. In Q1 2022, 5% of our net sales were generated from product ranges made from recycled materials.

Consumers and third parties acknowledged our sustainability work. In Q1 2022, we received several external awards and recognitions including our listing on CDP's 2021 Supplier Engagement Leaderboard, and a platinum level sustainability rating from Ecovadis. Also, our Fiskars brand was recognized in the Sustainable Brand Index 2022, which was published in March 2022. According to consumers, Fiskars is the most sustainable brand within the hobby and leisure category, and the 4th most sustainable brand overall in Finland.

We also made changes to our Fiskars Group leadership team to further support the implementation of our growth strategy. Charlene Patten Zappa was appointed Executive Vice President, Business Area Terra, and Anna Mindelöf was appointed Chief People Officer. Additionally, the Consumer Experience and Communications function was merged into the Business Areas and other functions to simplify the organization, accelerate business execution and improve accountability.

Although the business environment is getting more unpredictable and volatile, and not all impacts on our business can be foreseen, we continue to execute our growth strategy with confidence.

Based on the building blocks we have in place to execute our growth strategy, and the actions we are taking to mitigate current challenges in the business environment, we reiterate our full year 2022 guidance of improving comparable EBIT.

**Nathalie Ahlström**  
President & CEO



# Group key figures

EUR million	Q1 2022	Q1 2021	Change	2021
Net sales	332.6	302.1	10.1%	1,254.3
Comparable net sales <sup>1)</sup>	332.6	293.0	13.5%	1,202.4
EBIT	41.4	45.9	-9.6%	142.8
Items affecting comparability in EBIT <sup>2)</sup>	-10.3	-0.7		-11.5
Comparable EBIT	51.8	46.6	11.1%	154.2
Profit before taxes	42.6	41.9	1.7%	144.1
Profit for the period	31.4	8.1		87.5
Earnings per share, EUR <sup>3)</sup>	0.38	0.10		1.06
Equity per share, EUR	9.61	8.90		9.97
Cash flow from operating activities before financial items and taxes	-55.9	10.7		164.2
Free cash flow	-69.9	-2.8		95.3
Net debt	207.1	180.3	14.9%	145.0
Net Debt/EBITDA (LTM)	1.04	0.85	21.3%	0.71
Equity ratio, %	54%	54%		57%
Net gearing, %	26%	25%		18%
Capital expenditure	9.4	6.1	54.1%	34.4
Personnel (FTE), average	6,164	5,908	4.3%	6,081

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

2) In Q1 2022, items affecting comparability were a capital gain from the sale of the North American Watering business, asset write-downs and provisions related to the decision to withdraw from the Russian market, and provisions related to changes in the Group leadership team.

3) In Q1 2021, earnings per share includes a negative impact of EUR 0.35 per share related to a tax reassessment case from year 2014 regarding forgiven intra-company loans from 2003, where company was obliged to pay 28,3 million in additional tax, interest and punitive increases.

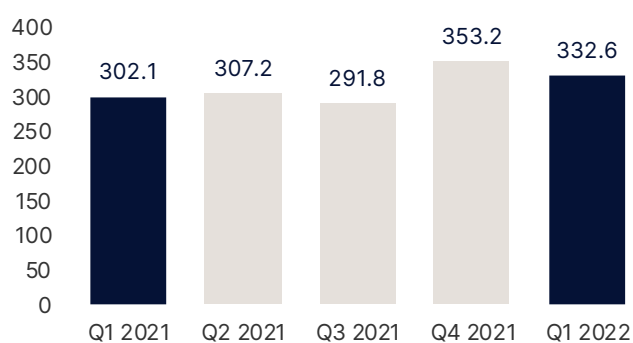


# Group performance

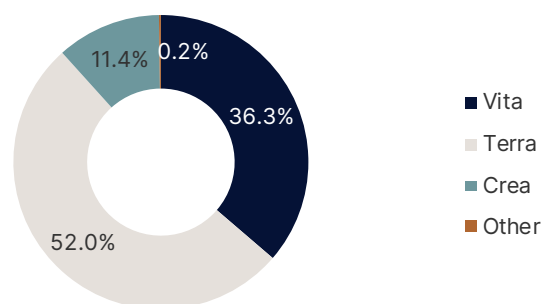
EUR million	Q1 2022	Q1 2021	Change	Comparable change*	2021
<b>Net sales</b>					
Group	332.6	302.1	10.1%	13.5%	1,254.3
Vita	120.8	108.2	11.6%	9.7%	544.6
Terra	173.1	157.1	10.2%	19.6%	535.4
Crea	38.1	35.9	6.0%	2.2%	170.6
Other	0.7	0.9	-25.4%	-25.4%	3.8
<b>Comparable EBIT</b>					
Group	51.8	46.6	11.1%		154.2
Vita	10.7	10.6	0.2%		79.2
Terra	35.5	31.2	13.5%		51.6
Crea	8.1	8.1	0.0%		36.5
Other	-2.4	-3.4	-27.4%		-13.1

\* Comparable net sales excludes the impact of exchange rates, acquisitions and divestments.

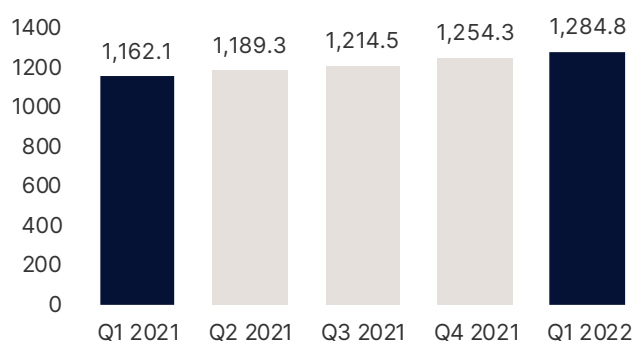
## NET SALES, EUR MILLION



## NET SALES SPLIT BY SEGMENT, JANUARY-MARCH 2022



## NET SALES LAST 12 MONTHS, EUR MILLION

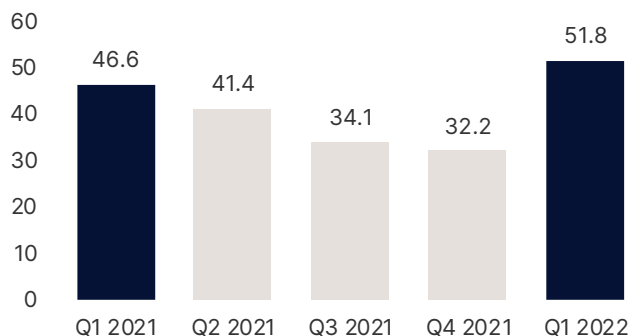


## FISKARS GROUP NET SALES IN Q1 2022

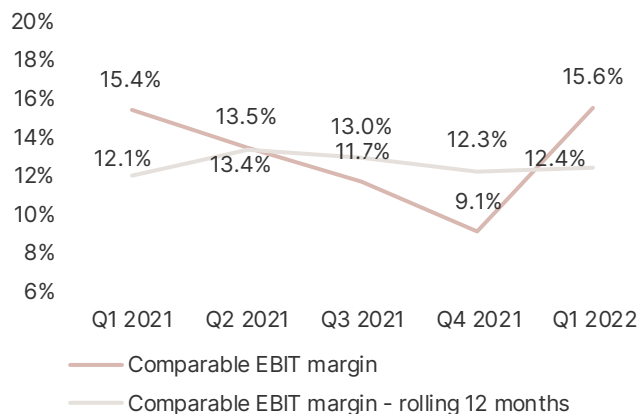
Fiskars Group's consolidated net sales increased by 10.1% to EUR 332.6 million (Q1 2021: 302.1). Comparable net sales increased by 13.5%, driven especially by Terra. Strong demand, especially in the USA and China, supported the net sales growth.



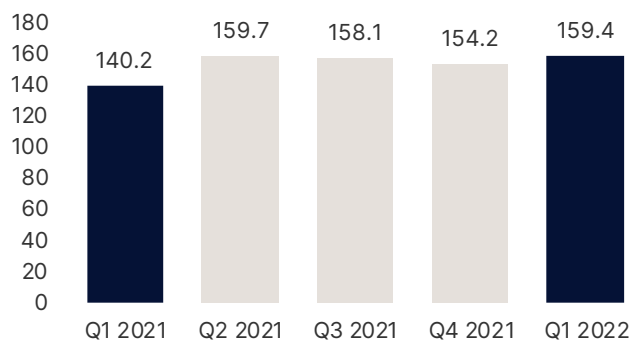
### FISKARS GROUP COMPARABLE EBIT, EUR MILLION



### FISKARS GROUP COMPARABLE EBIT MARGIN AND COMPARABLE EBIT MARGIN ROLLING 12 MONTHS



### FISKARS GROUP COMPARABLE EBIT LAST 12 MONTHS, EUR MILLION



### FISKARS GROUP COMPARABLE EBIT IN Q1 2022

Fiskars Group's comparable EBIT increased by 11.1% to EUR 51.8 million (Q1 2021: 46.6).

The comparable EBIT increased in Terra and remained on the same level in Vita and Crea.

The EBIT improvement was led by broad-based net sales growth and gross margin improvement, partly offset by a marketing and selling cost increases in Vita and Crea.



## OPERATING ENVIRONMENT IN Q1 2022

In the first quarter, demand for Fiskars Group's products was solid across all main markets and especially in the categories in which Royal Copenhagen, Wedgwood, and Fiskars (gardening) operate. Demand was strongest in the Group's key growth markets, i.e., in China and the USA.

The current geopolitical situation in Europe escalated by the Russian attack on Ukraine has led to further supply chain disruptions and increased raw material, energy and transport costs. The Group succeeded in largely mitigating these negative impacts in the first quarter, and it continues to mitigate them throughout the year.

However, the Group expects that the ongoing actions will start offsetting the input cost inflation mainly in the second half of the year.

Although the Covid-19 pandemic business impacts have mostly stabilised in Europe and the Americas, the new variant of the virus worsened the situation towards the

end of the quarter in China, especially in Shanghai. The store and distribution centre lockdowns in March did not significantly impact the first quarter results.

## Reporting segments

This interim report 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.

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 and Gerber.

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.



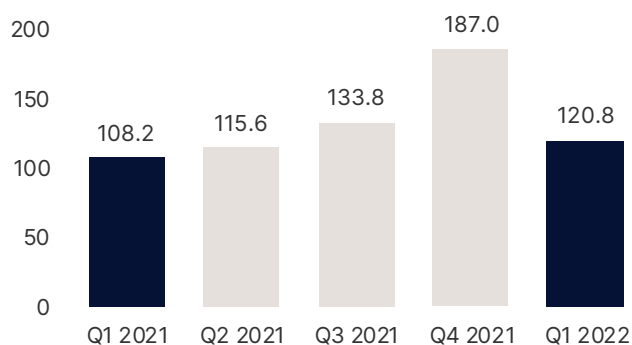


# Vita segment

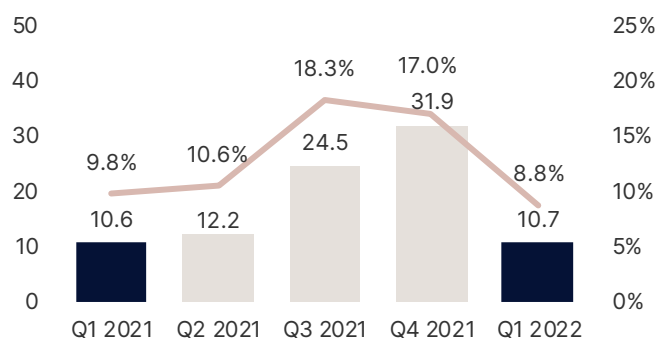
EUR million	Q1 2022	Q1 2021	Change	2021
Net sales*	120.8	108.2	11.6%	544.6
Comparable EBIT	10.7	10.6	0.2%	79.2
Capital expenditure	2.6	3.3	-20.7%	16.0

\*Using comparable exchange rates excl. acquisitions and divestments, net sales increased by 9.7% in Q1 2022.

## NET SALES, EUR MILLION



## COMPARABLE EBIT (EUR MILLION) AND COMPARABLE EBIT MARGIN



## VITA SEGMENT IN Q1 2022

Net sales growth in the Vita segment was 11.6%, to EUR 120.8 million (Q1 2021: 108.2). Comparable net sales increased by 9.7%. Net sales growth was mainly driven by the Royal Copenhagen, Wedgwood and Waterford brands.

The key growth drivers were DTC growth, especially in China and Japan. Americas and the U.K. also contributed to net sales growth. Net sales in Finland declined mainly due to the Group's decision to stop selling to certain international traders. Net sales in Sweden also declined, mainly due to poor sell out.

Net Sales in DTC channels were 42% of total Vita Net Sales (40%).

Comparable EBIT in the Vita segment was EUR 10.7 million (EUR 10.6), or 8.8% of net sales (9.8%). EBIT remained on the previous year's level as the favorable impact of higher sales volumes and an improved gross margin was used to drive the DTC acceleration programs.

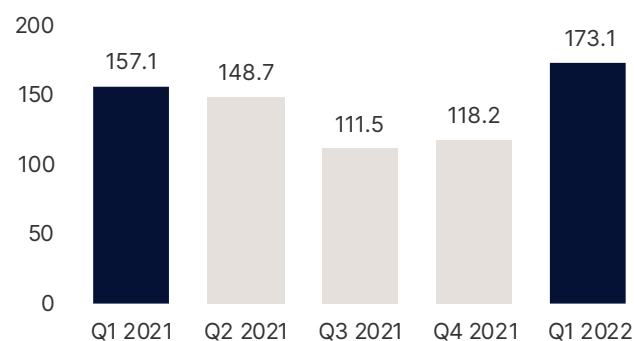


# Terra segment

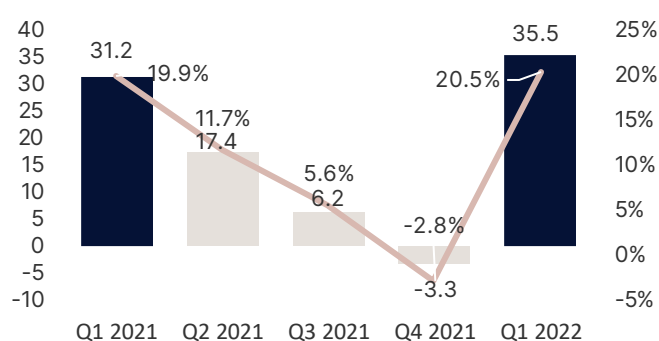
EUR million	Q1 2022	Q1 2021	Change	2021
Net sales*	173.1	157.1	10.2%	535.4
Comparable EBIT	35.5	31.2	13.5%	51.6
Capital expenditure	3.1	2.1	44.5%	12.2

\*Using comparable exchange rates excl. acquisitions and divestments, net sales increased by 19.6% in Q1 2022.

## NET SALES, EUR MILLION



## COMPARABLE EBIT (EUR MILLION) AND COMPARABLE EBIT MARGIN



## TERRA SEGMENT IN Q1 2022

Net sales in the Terra segment increased by 10.2% to EUR 173.1 million (Q1 2021: 157.1). Comparable net sales increased by 19.6%, supported by double-digit growth in Gardening and Landscaping. The North American watering business was included in the quarterly results for January. The transaction was closed on 1 February 2022.

Net sales increased in all three regions, being strongest in the Americas and Continental Europe, but the Nordics also had double-digit growth.

Comparable EBIT in the Terra segment was EUR 35.5 million (EUR 31.2), or 20.5% of net sales (19.9%). EBIT improved thanks to higher sales volumes.

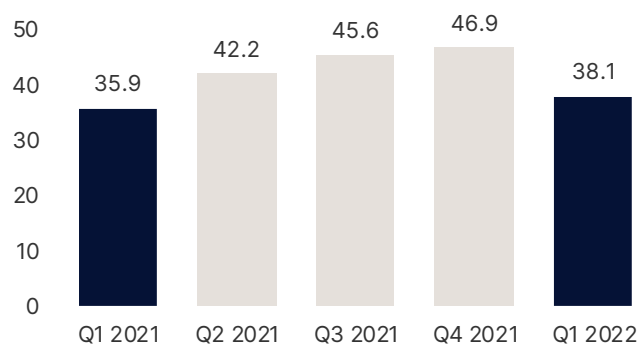


# Crea segment

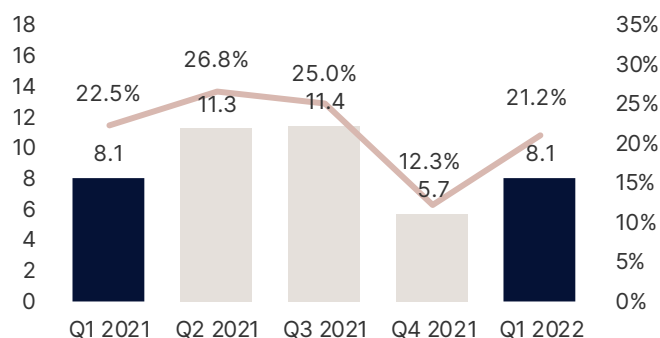
EUR million	Q1 2022	Q1 2021	Change	2021
Net sales*	38.1	35.9	6.0%	170.6
Comparable EBIT	8.1	8.1	0.0%	36.5
Capital expenditure	0.6	0.6	-1.8%	3.3

\*Using comparable exchange rates excl. acquisitions and divestments, net sales increased by 2.2% in Q1 2022.

## NET SALES, EUR MILLION



## COMPARABLE EBIT (EUR MILLION) AND COMPARABLE EBIT MARGIN



## CREA SEGMENT IN Q1 2022

Net sales in the Crea segment increased by 6.0% to EUR 38.1 million (Q1 2021: 35.9). Comparable net sales increased by 2.2% driven by the scissors category both in the Americas and in Continental Europe.

Comparable EBIT in the Crea segment was EUR 8.1 million (EUR 8.1), or 21.2% of net sales (22.5%). EBIT remained at the previous year's level as the favorable impact of higher sales volumes and an improved gross margin were fully offset by increased marketing and selling expenses.



# Consumer everyday

We launched the new Fiskars Group brand identity in early 2022. This includes our updated purpose, pioneering design to make the everyday extraordinary, which focuses on the importance and impact of good design. The new identity also includes a clear description of Fiskars Group as the global home of design-driven brands for indoor and outdoor living, as well as visual elements such as our new logo.

Our Fiskars brand's iconic orange-handled scissors celebrate their 55th anniversary in 2022, and we continue to grow the product family. In Q1, the brand expanded its recycled ReNew Collection with five new products. The ReNew line now features seven purposefully designed scissors which are made from recycled and renewable materials and are 100% recyclable.

littala also celebrates a milestone in 2022: Kaj Franck's design classic, the Teema tableware series, celebrates its 70th anniversary. littala has marked the occasion by introducing three new colors to the collection: vintage-inspired blue and brown, as well as neutral and serene linen. The marketing communications around the anniversary are part of the brand's new values-led communication platform, standing for the future generations who will continue to enjoy these timeless products.

In February, littala announced a new tableware line that will be used globally by Finnair, the Finnish network airline. The "Kuulas" tableware has been designed exclusively for Finnair by Harri Koskinen, one of Finland's best-known contemporary designers.

Royal Copenhagen launched a new service, Bespoke, which offers consumers the opportunity to personalize a selection of cups with their name or initials. Each cup is made to order, and the name or initials are hand-painted inside the cup by the talented Royal Copenhagen painters.

Gerber launched its new, seasonal Spring Collection, featuring a selection of outdoor gear designed to inspire and empower consumers who seek adventure.

The Collection campaign allows us to highlight new products as heroes, but also merchandise existing products in a new and impactful way – providing a robust assortment of products for our consumers while positioning Gerber with a broader audience. Early results are encouraging: existing products featured in the collections have seen a 125% sales increase on gerbergear.com.

## FISKARS RENEW COLLECTION



## TEEMA 70<sup>TH</sup> ANNIVERSARY



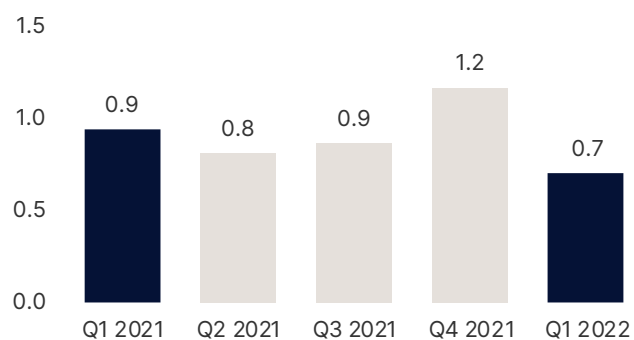
## ROYAL COPENHAGEN BESPOKE



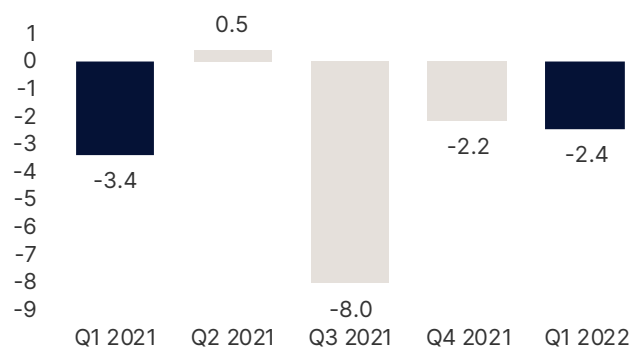
# Other segment

EUR million	Q1 2022	Q1 2021	Change	2021
Net sales	0.7	0.9	-25.4%	3.8
Comparable EBIT	-2.4	-3.4	-27.4%	-13.1
Capital expenditure	3.1	0.1		2.8

## NET SALES, EUR MILLION



## COMPARABLE EBIT (EUR MILLION)



## OTHER SEGMENT IN Q1 2022

Net sales in the Other segment amounted to EUR 0.7 million (Q1 2021: 0.9), consisting of timber sales and rental income. The comparable EBIT for the Other segment amounted to EUR -2.4 million (-3.4). The change was due to timing differences in spending.



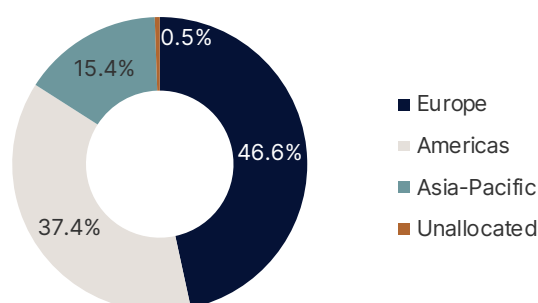
# Net sales by geography

EUR million	Q1 2022	Q1 2021	Change	Comparable change*	2021
Europe	155.0	143.9	7.8%	8.2%	592.2
Americas	124.6	119.0	4.7%	13.7%	475.9
Asia-Pacific	51.2	40.9	25.1%	22.8%	187.7
Unallocated**	1.8	-1.6			-1.4

\*Comparable net sales exclude the impact of exchange rates, acquisitions and divestments.

\*\*Geographically unallocated exchange rate differences.

## FISKARS GROUP NET SALES SPLIT BY GEOGRAPHY, JANUARY–MARCH 2022



## NET SALES IN Q1 2022

Net sales in Europe increased by 7.8% and amounted to EUR 155.0 million (Q1 2021: 143.9). Comparable net sales increased by 8.2%. Growth was driven by Continental Europe and the U.K. and Ireland, partly offset by flattish net sales development in the Nordics.

Net sales in the Americas increased by 4.7% to EUR 124.6 million (119.0). Comparable net sales increased by 13.7%, driven by the strong sell-in to customers in the Terra segment.

Net sales in Asia-Pacific increased by 25.1% to EUR 51.2 million (40.9). Comparable net sales increased by 22.8%, driven by China at 53.0% growth.



# Risks and business uncertainties

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

Political uncertainty, including trade disputes, sanctions, import restrictions and geopolitical tensions, may have a material adverse impact on the net sales and profit of Fiskars Group.

The Covid-19 pandemic has impacted consumers' lives in terms of changes in disposable income, purchasing choices and consumer behavior, for example. Continuing safety concerns around Covid-19 may negatively impact sales in the Group's physical stores.

The ongoing Covid-19-related restrictions in China, especially in Shanghai, have a negative impact on our local business due to store lockdowns, and they may have broader negative impacts on global supply chains if the restrictions continue for several months.

Global supply chains in general are impacted by various disturbances caused by the war in Ukraine and the pandemic, which may affect Fiskars Group's operations. Ongoing global logistics challenges and increases in shipping costs, as well as sudden fluctuations in the price or availability of the most important commodities, may have a negative impact on profitability.

People are at the core of Fiskars Group's strategy and are our most important asset and enabler. An inability to attract and retain talented and committed professionals in the competitive employee market may have an adverse impact on the achievement of Fiskars Group's strategic objectives. Employee engagement is promoted notably by providing opportunities for professional growth through leadership training and skills development and by committing to an inclusive culture.

For the gardening category in the Terra segment, the second quarter of the year is seasonally the most important. The back-to-school and holiday seasons are important for the sales performance of Crea during the second half of the year. For the Vita segment, the fourth

quarter of the year is the most important. Any negative developments related to product availability, demand or increased costs in manufacturing or logistics during the important seasons may significantly affect the full-year result. The seasonality of demand may differ from a typical year due to the current volatile market conditions and depending on the development of the pandemic.

Demand for some of Fiskars Group's products depends on the weather, particularly garden tools during the spring or snow tools during the winter. Unfavorable weather conditions such as a cold and rainy spring and summer and no snow in the winter can have a negative impact on the sale of these products, whereas favorable conditions can boost their sales.

Fiskars Group depends increasingly on centralized information technology systems that hold critical business information. Cyberattacks may therefore impact Fiskars Group's business and operations. The company mitigates IT-related risks by applying high-quality IT solutions and maintaining, developing, and testing their function and integrity with leading service and technology providers.

Fiskars Group operates globally, with a considerable part of the business in the U.S. and several suppliers in Asia. Protectionism, political uncertainty, geopolitical tensions, and consumer concerns about products' country of origin may impact Fiskars Group's business and operations.

With a significant part of the business in the U.S. and in other countries outside the eurozone, Fiskars Group is exposed to fluctuations in foreign currency rates. A weakening of the U.S. dollar or other currencies relative to the euro may have a material impact on the reported financial figures as a result of 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 may lead to reassessments of taxes.



## FINANCIAL ITEMS, NET RESULT AND CASH FLOW IN Q1 2022

Other financial income and expenses amounted to EUR 0.7 million (Q1 2021: -4.3, including -6.2 million of interest related to the tax dispute). Foreign exchange differences accounted for EUR 0.1 million (0.9) of financial items.

Profit before taxes was EUR 42.6 million (41.9) in the first quarter of 2022. Income taxes for the first quarter were EUR -11.2 million (-33.7, including 22.1 million related to the tax reassessment case from year 2014 regarding forgiven intra-company loans from 2003, where the company was obligated to pay 28,3 million in additional tax, interest and punitive increases). Earnings per share were EUR 0.38 (0.10, including the negative impact EUR 0.35 per share related to the tax reassessment case).

The first-quarter cash flow from operating activities before financial items and taxes amounted to EUR -55.9 million (Q1 2021: 10.7). The change was a result of the change in working capital. Cash flow from financial items and taxes amounted to EUR -4.9 (-11.8).

Cash flow from investing activities was EUR 34.8 million (-4.2), including EUR 9.4 million of capital expenditure on fixed assets and EUR 43.9 million of proceeds from sale of assets held for sale. Cash flow from financing activities was EUR 42.3 million (-26.8), including EUR 82.9 million of change in current debt, EUR -7.0 million of payments of lease liabilities, EUR -2.6 million purchase of treasury shares, and EUR -31.0 million of dividends paid. The comparison figure from Q1 2021 included EUR 3.4 million of change in current debt, EUR 0.1 million of proceeds of non-current debt, EUR -6.6 million of payments of lease liabilities and EUR -24.5 million of dividends paid.

Capital expenditure for the first quarter totaled EUR 9.4 million (6.1), related to retail, supply chain and IT investments. Depreciation, amortization and impairment were EUR 15.1 million (15.1) in the first quarter.

## BALANCE SHEET AND FINANCING IN Q1 2022

Fiskars Group's working capital totaled EUR 205.5 million (130.5) at the end of March. The equity ratio was 54% (54%), and net gearing was 26% (25%).

Cash and cash equivalents at the end of the period totaled EUR 48.4 million (31.1). Net interest-bearing debt amounted to EUR 207.1 million (180.3), of which leases classified as interest-bearing debt under IFRS 16 accounted for EUR 107.0 million (95.0).

Excluding leasing debt, short-term borrowing totaled EUR 147.9 million (65.3), and long-term borrowing EUR 0.6 million (51.1). Short-term borrowing consisted mainly of a term loan and commercial paper maturing in 2022.

In addition to outstanding loans, Fiskars Group had EUR 250 million of unutilized long-term committed credit facilities. A commercial paper program of EUR 400 million with Nordic banks was partly in use.





## RESEARCH AND DEVELOPMENT

The Group's research and development expenditure totaled EUR 5.0 million (Q1 2021: 3.7) in the first quarter of 2022, equivalent to 1.5% (1.2%) of net sales.

## PERSONNEL

The average number of full-time equivalent employees (FTE) was 6,164 (Q1 2021: 5,908) in the first quarter. At the end of the quarter, the Group employed 6,515 (6,354) employees. The divestment of the North American watering business reduced number of full-time equivalent employees by 150.

## SUSTAINABILITY

Fiskars Group is committed to generating the majority of its net sales from circular products and services by 2030. An important step on this journey was taken in March, when the Fiskars brand launched its pan care service in Finland. Instead of buying a new pan, consumers can now bring their old ceramic coated pans to our stores for recoating. The Fiskars pan care service restores the pan's best features and extends its lifespan. The pan care service was piloted in 2021, and after the successful pilot, the service is now being scaled up.

To support this same circular economy target, several Fiskars Group brands have developed various products made of recycled materials. In Q1 2022, 5% of our net sales were generated from product ranges made from recycled materials. The Group also improved recycled product mapping and added new categories to its circular economy reporting.

Fiskars Group is transforming into a carbon neutral business. We focus on reducing greenhouse gas emissions through energy efficiency measures and the use of low carbon or carbon neutral energy sources, for example. In Q1 2022, Scope 1 and 2 greenhouse gas emissions decreased by 5% compared to 2021 and by 43% compared to the 2017 base year.

Consumers and third parties have acknowledged Fiskars Group's sustainability work. In Q1 2022, we received several external awards and recognitions. In February, Fiskars Group was listed on CDP's 2021 Supplier Engagement Leaderboard. This recognition was granted for Fiskars Group's efforts to measure and reduce climate risk within the supply chain.

Also, in Q1, Fiskars Group achieved a platinum level sustainability rating from Ecovadis, which is a trusted

provider of business sustainability ratings assessing companies based on their performance in environmental issues, labor and human rights, ethics, and sustainable procurement. The platinum EcoVadis 2022 Medal places Fiskars Group among the top 1 per cent of companies assessed within its industry. Building a strong supplier network that will help Fiskars Group meet its business and sustainability requirements and expectations, as well as our company values, is important for us.

The Fiskars brand was recognized in the Sustainable Brand Index 2022, which was published in March 2022. According to consumers, Fiskars is the most sustainable brand within the hobby and leisure category, and the 4th most sustainable brand overall in Finland.

Protecting human rights is an essential part of Fiskars Group's sustainability work, and human rights management was one of our key priorities in 2021. Human rights are essential and non-negotiable for Fiskars Group. Fiskars Group condemns Russia's attack on Ukraine in the strongest possible terms. The hearts and minds of Fiskars Group employees are with those most affected by the war and the humanitarian crisis it is causing. Together with its brands, Fiskars Group has decided to make an initial donation of EUR 180,000 to support UNICEF's response in Ukraine. In addition, Fiskars Group will match donations made by its employees to UNICEF.

## CHANGES IN ORGANIZATION AND MANAGEMENT

On 18 January 2022, Fiskars Group appointed Charlene Patten Zappa as Executive Vice President, Business Area Terra, and a member of the Fiskars Group Leadership Team. Charlene started in her position on 18 January 2022 and reports to the President and CEO. James Brouillard, previously Executive Vice President, Business Area Terra, decided to leave the company.

Additionally, the Consumer Experience and Communications function was merged into the Business Areas and other functions. Consequently, Chief Consumer and Communication Officer Tina Andersson decided to leave the company.

On 31 January 2022, Fiskars Group appointed Anna Mindelöf as Chief People Officer and a member of the Fiskars Group Leadership Team, reporting to President and CEO Nathalie Ahlström. Anna Mindelöf started in her position on 1 March 2022. Niklas Lindholm, Chief People Officer, decided to leave the company.



## OTHER SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

There were no other significant events during the reporting period

## ANNUAL GENERAL MEETING 2022

The Annual General Meeting (“AGM”) of shareholders of Fiskars Corporation was held at Itämerentori 2, Helsinki, on 16 March 2022. To prevent the spread of Covid-19, the AGM was held without shareholders’ and their proxy representatives’ presence at the meeting venue. The shareholders of the company participated in the meeting and exercised their shareholders’ rights by voting in advance or through a proxy representative designated by the company. A total of 163 shareholders, representing 47.6 million shares and votes, was represented at the meeting. The AGM supported all the proposals by the Board of Directors with at least 96 per cent of the votes cast. The AGM approved the financial statements for 2021 and discharged the members of the Board and the President and CEO from liability.

The AGM decided in accordance with the proposal by the Board of Directors to pay a dividend of EUR 0.76 per share for the financial period ending on 31 December 2021. The dividend will be paid in two instalments. The ex-dividend date for the first instalment of EUR 0.38 per share will be on 17 March 2022. The first instalment will be paid to a shareholder who is registered in the shareholders’ register of the company maintained by Euroclear Finland Ltd on the dividend record date, 18 March 2022. The payment date for this instalment is 25 March 2022.

The second instalment of EUR 0.38 per share will be paid in September 2022. The second instalment will be paid to shareholders who are registered in the shareholders’ register of the company maintained by Euroclear Finland Oy on the dividend record date, which, with the payment date, will be decided by the Board of Directors at its meeting scheduled for 7 September 2022. The ex-dividend date for the second instalment would be 8 September 2022, the dividend record date for the second instalment would be 9 September 2022, and the dividend payment date 16 September 2022 at the latest.

The AGM decided to adopt the adjusted Remuneration Policy for the governing bodies.

The AGM decided that the Board of Directors will consist of eight (8) members. Albert Ehrnrooth, Paul Ehrnrooth, Louise Fromond, Jyri Luomakoski, and Ritva Sotamaa were re-elected to the Board of Directors. Julia Goldin, Carl-Martin Lindahl, and Volker Lixfeld were elected as new members of the Board of Directors. The term of the

Board members will expire at the end of the AGM in 2023.

Ernst & Young, the Authorized Public Accountants firm, was re-elected as auditor for the term that will expire at the end of the AGM in 2023. Ernst & Young has announced that the responsible auditor will be Kristina Sandin, APA. The AGM decided that the auditors’ fees would be paid according to a reasonable invoice approved by the Board of Directors.

The AGM decided to authorize the Board to decide on the acquisition of a maximum of 4,000,000 of the company’s 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 30 June 2023, and it does not cancel the corresponding authorisation granted to the Board by the AGM on 11 March 2021.

The AGM decided to authorize the Board to decide on the transfer of the company’s 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. For example, the company’s own shares held as treasury shares may be transferred 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 the company’s own shares held as treasury shares. The transfer of the company’s own shares may also be carried out in deviation from the shareholders’ pre-emptive rights to the company’s shares (directed issue). The authorization is effective until 30 June 2023 and cancels the corresponding authorization granted to the Board by the AGM on 11 March 2021.



## CONSTITUTIVE MEETING OF THE BOARD AND BOARD COMMITTEES

Convening after the AGM held on 16 March 2022, the Board of Directors elected Paul Ehrnrooth as its Chairman and Jyri Luomakoski as its Vice Chairman.

The Board decided to establish a Nomination Committee and appointed Paul Ehrnrooth (Chairman), Louise Fromond and Jyri Luomakoski as members, and Alexander Ehrnrooth as an external member to the Nomination Committee. It further decided to establish an Audit Committee and appointed Jyri Luomakoski (Chairman), Albert Ehrnrooth, Louise Fromond, and Ritva Sotamaa as the members of the Audit Committee. The Board also decided to establish a Human Resources and Compensation Committee, and appointed Paul Ehrnrooth (Chairman), Jyri Luomakoski, Carl-Martin Lindahl, and Volker Lixfeld as members of the committee.

## 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 472,858 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 first quarter was EUR 21.63 (Q1 2021: 15.38). At the end of March, the closing price was EUR 21.50 (EUR 15.86) per share, and Fiskars had a market capitalization of EUR 1,750.8 million (1,292.1). The number of shares traded on Nasdaq Helsinki and in alternative market places between January and March was 3.0 million (2.6), which represents 3.7% (3.1%) of the total number of shares. The total number of shareholders was 30,370 (28,174) at the end of March 2022.

### Flagging notifications

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

## BOARD AUTHORIZATIONS

### Purchase of the company's own shares

On 4 February 2022, the Board of Directors decided to commence acquiring the company's own shares on the basis of the authorization given by the AGM held on 11 March 2021, and that the maximum number of shares to be acquired was 200,000, corresponding to approximately 0.2% of the total number of shares.

Based on the same authorization, the Board of Directors decided on 16 March 2022 to increase the maximum number of the company's own shares to be acquired by an additional 500,000 shares, corresponding to a maximum of 0.6% of the total number of shares.

Hence, with the earlier decision, the maximum number of the company's own shares to be acquired by the company is 700,000, corresponding to a maximum of approximately 0.8% of the total number of shares. The shares will be acquired through public trading on the Nasdaq Helsinki exchange at the prevailing market price at the time of purchase. The share buyback will end by 30 June 2022 at the latest.

By 31 March 2022, the company had acquired 135,073 of its own shares for EUR 2.8 million. The average price of acquired shares was EUR 20.66 per share, the highest price being EUR 20.95 per share, and the lowest price EUR 19.04 per share.

## EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the reporting period.

## OUTLOOK FOR 2022 (UNCHANGED)

Fiskars expects the comparable EBIT to increase from 2021 (2021: EUR 154.2 million).

There are ongoing challenges in global supply chains, as well as raw material and energy price inflation. While the company has managed to mitigate these factors, they continue to pose a risk for 2022 performance. The company also expects that there will be volatility between the quarters due to timing differences between cost inflation and respective mitigating actions.

Espoo, Finland, 28 April 2022

## FISKARS CORPORATION

Board of Directors



# Consolidated income statement

EUR million	Q1 2022	Q1 2021	Change %	2021
<b>Net sales</b>	<b>332.6</b>	<b>302.1</b>	10	<b>1,254.3</b>
Cost of goods sold	-184.7	-170.2	-9	-714.6
<b>Gross profit</b>	<b>147.9</b>	<b>132.0</b>	12	<b>539.8</b>
Other operating income	5.2	0.9		4.1
Sales and marketing expenses	-67.9	-59.5	-14	-267.5
Administration expenses	-32.3	-23.7	-36	-116.9
Research and development expenses	-5.0	-3.7	-37	-15.5
Goodwill and trademark impairment	-0.0	-0.0	0	-0.0
Other operating expenses	-6.5	0.0		-1.1
<b>EBIT*</b>	<b>41.4</b>	<b>45.9</b>	<b>-10</b>	<b>142.8</b>
Change in fair value of biological assets	0.5	0.3	41	1.3
Other financial income and expenses	0.7	-4.3		-0.0
<b>Profit before taxes</b>	<b>42.6</b>	<b>41.9</b>	<b>2</b>	<b>144.1</b>
Income taxes	-11.2	-33.7	-67	-56.5
<b>Profit for the period</b>	<b>31.4</b>	<b>8.1</b>		<b>87.5</b>
Attributable to:				
Equity holders of the parent company	31.2	7.9		86.6
Non-controlling interest	0.2	0.2	-17	0.9
Earnings for equity holders of the parent company per share, euro (basic and diluted)**	0.38	0.10		1.06
* Comparable EBIT (detailed in notes)	51.8	46.6	11	154.2

\*\* EPS in Q1 2021 impacted by the negative ruling on the tax dispute (EUR 0.35 per share)

# Consolidated statement of comprehensive income

EUR million	Q1 2022	Q1 2021	2021
<b>Profit for the period</b>	<b>31.4</b>	<b>8.1</b>	<b>87.5</b>
<b>Other comprehensive income for the period</b>			
Items that may be reclassified subsequently to profit or loss:			
Translation differences	0.9	7.5	13.6
Cash flow hedges	0.0	-0.0	-0.1
Items that will not be reclassified to profit or loss:			
Defined benefit plans, actuarial gains (losses) net of tax	-0.1	0.0	0.3
Other comprehensive income for the period, net of tax	0.9	7.5	13.9
<b>Total comprehensive income for the period</b>	<b>32.3</b>	<b>15.6</b>	<b>101.4</b>
Attributable to:			
Equity holders of the parent company	32.0	15.4	100.6
Non-controlling interest	0.3	0.2	0.9
<b>Total comprehensive income for the period</b>	<b>32.3</b>	<b>15.6</b>	<b>101.4</b>

# Consolidated balance sheet

EUR million	Mar 31 2022	Mar 31 2021	Change %	2021
<b>ASSETS</b>				
<b>Non-current assets</b>				
Goodwill	220.1	216.9	1	219.1
Other intangible assets	269.8	268.9	0	270.2
Property, plant and equipment	144.4	148.9	-3	144.9
Right-of-use assets	102.0	90.4	13	106.8
Biological assets	45.9	44.5	3	45.4
Investment property	3.6	3.9	-7	3.6
Financial assets at fair value through profit or loss	34.7	27.6	26	32.0
Other investments	3.4	0.8		3.7
Deferred tax assets	25.0	26.4	-5	27.5
Other non-current assets	6.7	7.3	-8	6.9
<b>Non-current assets total</b>	<b>855.5</b>	<b>835.5</b>	<b>2</b>	<b>860.0</b>
<b>Current assets</b>				
Inventories	272.5	219.9	24	272.9
Trade receivables	251.1	220.5	14	206.3
Other current receivables	34.3	26.7	28	23.6
Income tax receivables	5.4	5.2	4	2.6
Interest-bearing receivables	0.0	0.0		0.0
Cash and cash equivalents	48.4	31.1	55	31.5
<b>Current assets total</b>	<b>611.6</b>	<b>503.4</b>	<b>21</b>	<b>537.0</b>
Assets held for sale				38.4
<b>Assets total</b>	<b>1,467.1</b>	<b>1,339.0</b>	<b>10</b>	<b>1,435.5</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity attributable to the equity holders of the parent company	782.9	725.0	8	812.1
Non-controlling interest	4.5	4.0	13	4.2
<b>Equity total</b>	<b>787.4</b>	<b>729.0</b>	<b>8</b>	<b>816.3</b>
<b>Non-current liabilities</b>				
Interest-bearing liabilities	0.6	51.1	-99	0.7
Lease liabilities	85.4	71.8	19	88.9
Deferred tax liabilities	32.0	32.5	-2	32.1
Employee defined benefit obligations	13.6	13.6	0	12.8
Provisions	3.4	3.5	-3	3.4
Other non-current liabilities	4.8	2.2	123	6.0
<b>Non-current liabilities total</b>	<b>139.8</b>	<b>174.7</b>	<b>-20</b>	<b>143.9</b>
<b>Current liabilities</b>				
Interest-bearing liabilities	147.9	65.3	127	64.4
Lease liabilities	21.6	23.2	-7	22.6
Trade payables	97.7	104.7	-7	139.3
Other current payables	249.6	226.3	10	231.2
Income tax liabilities	9.9	10.1	-3	3.2
Provisions	13.1	5.8	128	14.7
<b>Current liabilities total</b>	<b>539.8</b>	<b>435.3</b>	<b>24</b>	<b>475.4</b>
<b>Equity and liabilities total</b>	<b>1,467.1</b>	<b>1,339.0</b>	<b>10</b>	<b>1,435.5</b>



# Consolidated statement of cash flows

EUR million	Q1 2022	Q1 2021	2021
<b>Cash flow from operating activities</b>			
Profit before taxes	42.6	41.9	144.1
Adjustments for			
Depreciation, amortization and impairment	15.1	15.1	61.6
Gain/loss on sale and loss on scrap of non-current assets	-1.8	-0.7	-0.9
Other financial items	-0.7	4.4	-0.2
Change in fair value of biological assets	-0.5	-0.3	-1.3
Change in provisions and other non-cash items	-7.1	-0.5	17.7
<b>Cash flow before changes in working capital</b>	<b>47.7</b>	<b>59.8</b>	<b>221.1</b>
Changes in working capital			
Change in current assets, non-interest-bearing	-53.5	-28.2	-7.4
Change in inventories	6.0	-8.0	-96.0
Change in current liabilities, non-interest-bearing	-56.1	-12.9	46.5
<b>Cash flow from operating activities before financial items and taxes</b>	<b>-55.9</b>	<b>10.7</b>	<b>164.2</b>
Financial income received and costs paid	0.0	-3.5	-5.0
Taxes paid	-4.9	-8.4	-36.4
<b>Cash flow from operating activities (A)</b>	<b>-60.7</b>	<b>-1.1</b>	<b>122.9</b>
<b>Cash flow from investing activities</b>			
Investments in financial assets			-3.8
Capital expenditure on fixed assets	-9.4	-6.1	-34.4
Proceeds from sale of fixed assets	0.2	0.9	1.8
Proceeds from sale of assets held for sale	43.9		
Proceeds from sale of subsidiary shares	0.0	0.9	0.9
Cash flow from other investments	0.0	0.0	1.6
<b>Cash flow from investing activities (B)</b>	<b>34.8</b>	<b>-4.2</b>	<b>-33.7</b>
<b>Cash flow from financing activities</b>			
Purchase of treasury shares	-2.6		
Change in current receivables	0.0	0.0	
Proceeds from non-current debt		0.1	
Repayments from non-current debt	-0.1	0.0	-60.5
Change in current debt	82.9	3.4	12.8
Payment of lease liabilities	-7.0	-6.6	-26.4
Cash flow from other financing items		0.8	-0.0
Dividends paid	-31.0	-24.5	-49.2
<b>Cash flow from financing activities (C)</b>	<b>42.3</b>	<b>-26.8</b>	<b>-123.3</b>
<b>Change in cash and cash equivalents (A+B+C)</b>	<b>16.3</b>	<b>-32.1</b>	<b>-34.2</b>
Cash and cash equivalents at beginning of period	31.5	62.5	62.5
Translation difference	0.5	0.8	3.3
Cash and cash equivalents at end of period	48.4	31.1	31.5



# 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		
<b>Opening Balance Jan 1, 2021</b>	<b>77.5</b>	<b>-7.2</b>	<b>-4.5</b>	<b>0.1</b>	<b>-1.7</b>	<b>0.0</b>	<b>693.7</b>	<b>3.8</b>	<b>761.6</b>
Total comprehensive income for the period			7.5	0.0			7.9	0.2	15.6
Purchase and issue of treasury shares									
Share-based payments							0.6		0.6
Dividends paid							-48.9		-48.9
Other changes									
<b>Balance at Mar 31, 2021</b>	<b>77.5</b>	<b>-7.2</b>	<b>2.9</b>	<b>0.1</b>	<b>-1.7</b>	<b>0.0</b>	<b>653.4</b>	<b>4.0</b>	<b>729.0</b>
<b>Opening Balance Jan 1, 2022</b>	<b>77.5</b>	<b>-7.2</b>	<b>9.2</b>	<b>0.0</b>	<b>-1.4</b>	<b>0.0</b>	<b>733.9</b>	<b>4.2</b>	<b>816.3</b>
Total comprehensive income for the period			0.9	0.0	-0.1		31.2	0.3	32.3
Purchase and issue of treasury shares		-2.6							-2.6
Share-based payments		1.6					0.7		2.3
Dividends paid							-61.9		-61.9
Other changes			6.7				-5.6		1.1
<b>Balance at Mar 31, 2022</b>	<b>77.5</b>	<b>-8.2</b>	<b>16.7</b>	<b>0.0</b>	<b>-1.4</b>	<b>0.0</b>	<b>698.3</b>	<b>4.5</b>	<b>787.4</b>



# Notes to the interim report

## **ACCOUNTING PRINCIPLES**

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

Figures presented have been rounded and therefore the sum of individual figures might differ from the presented total figure.





# Reporting segments

EUR million	Q1 2022	Q1 2021	Change %	2021
<b>Net sales</b>				
Vita	120.8	108.2	12	544.6
Terra	173.1	157.1	10	535.4
Crea	38.1	35.9	6	170.6
Other	0.7	0.9	-25	3.8
<b>Group total</b>	<b>332.6</b>	<b>302.1</b>	<b>10</b>	<b>1,254.3</b>
EUR million	Q1 2022	Q1 2021	Change %	2021
<b>EBIT</b>				
Vita	10.4	10.1	3	69.4
Terra	27.2	31.2	-13	50.9
Crea	8.1	8.1	0	36.3
Other	-4.2	-3.5	20	-13.8
<b>Group total</b>	<b>41.4</b>	<b>45.9</b>	<b>-10</b>	<b>142.8</b>
EUR million	Q1 2022	Q1 2021	Change %	2021
<b>Depreciation, amortization and impairment</b>				
Vita	8.7	8.1	8	34.3
Terra	4.9	4.4	12	20.4
Crea	1.1	1.0	14	4.4
Other	0.4	1.7	-75	2.6
<b>Group total</b>	<b>15.1</b>	<b>15.1</b>	<b>0</b>	<b>61.6</b>
EUR million	Q1 2022	Q1 2021	Change %	2021
<b>Capital expenditure</b>				
Vita	2.6	3.3	-21	16.0
Terra	3.1	2.1	44	12.2
Crea	0.6	0.6	-2	3.3
Other	3.1	0.1		2.8
<b>Group total</b>	<b>9.4</b>	<b>6.1</b>	<b>54</b>	<b>34.4</b>

# Net sales by geography

EUR million	Q1 2022	Q1 2021	Change %	2021
<b>Net sales</b>				
Europe	155.0	143.9	8	592.2
Americas	124.6	119.0	5	475.9
Asia-Pacific	51.2	40.9	25	187.7
Unallocated	1.8	-1.6		-1.4
<b>Group total</b>	<b>332.6</b>	<b>302.1</b>	<b>10</b>	<b>1,254.3</b>



# EBIT and comparable EBIT

EUR million	Q1	Q1	Change	2021
	2022	2021	%	
<b>EBIT</b>	<b>41.4</b>	<b>45.9</b>	<b>-10</b>	<b>142.8</b>
<b>Items affecting comparability in EBIT</b>				
Gross asset write-down in Russia*)	-10.8			
Sale of Watering business	1.6			
Changes in Group Leadership Team	-1.1			
Restructuring program		0.8		7.6
Transformation program				3.9
Other adjustments to operating profit		-0.0		0.0
<b>Total items affecting comparability in EBIT</b>	<b>10.3</b>	<b>0.7</b>		<b>11.5</b>
<b>Comparable EBIT</b>	<b>51.8</b>	<b>46.6</b>	<b>11</b>	<b>154.2</b>

\* Write-down of fixed assets, inventories and receivables, further significant write-downs are not expected.

## EBIT and comparable EBIT by income statement line item

EUR million	Q1 2022			Q1 2021			2021		
	Total	IAC	Excl. IAC	Total	IAC	Excl. IAC	Total	IAC	Excl. IAC
Net sales	332.6		332.6	302.1		302.1	1,254.3		1,254.3
Cost of goods sold	-184.7	-3.7	-181.0	-170.2	-0.1	-170.1	-714.6	-3.9	-710.6
Sales and marketing expenses	-67.9	-4.0	-63.8	-59.5	-0.4	-59.1	-267.5	-5.6	-261.9
Administration expenses	-32.3	-1.6	-30.6	-23.7	-0.3	-23.5	-116.9	-1.9	-115.0
Research and development expenses	-5.0		-5.0	-3.7	0.0	-3.7	-15.5	0.0	-15.5
Goodwill and trademark impairment	0.0		0.0	0.0		0.0	0.0		0.0
Other operating income and expenses	-1.3	-0.9	-0.4	0.9	0.0	0.8	3.0	0.0	3.0
<b>EBIT</b>	<b>41.4</b>	<b>-10.3</b>	<b>51.8</b>	<b>45.9</b>	<b>-0.7</b>	<b>46.6</b>	<b>142.8</b>	<b>-11.5</b>	<b>154.2</b>



# Intangible and tangible assets

EUR million	Mar 31 2022	Mar 31 2021	Dec 31 2021
<b>Intangible assets and goodwill</b>			
Book value, Jan 1	489.3	481.9	481.9
Translation differences	1.6	5.0	8.5
Additions	2.7	2.2	13.4
Amortization and impairment	-3.6	-3.2	-14.0
Decreases and transfers	-0.2	0.0	-0.4
<b>Book value at end of period</b>	<b>489.9</b>	<b>485.9</b>	<b>489.3</b>
 <b>Tangible assets and investment property</b>			
Book value, Jan 1	148.5	153.1	153.1
Translation differences	0.3	1.6	2.7
Additions	6.7	3.8	21.2
Depreciation and impairment	-5.1	-5.7	-22.5
Decreases and transfers	-2.4	-0.2	-1.0
Transfer to assets held for sale			-5.0
<b>Book value at end of period</b>	<b>148.0</b>	<b>152.8</b>	<b>148.5</b>
 <b>Right-of-use assets</b>			
Book value, Jan 1	106.8	90.2	90.2
Translation differences	0.3	1.1	2.1
Additions	2.0	6.0	44.0
Depreciations	-6.5	-6.3	-25.1
Decreases	-0.6	-0.6	-4.3
<b>Book value at end of period</b>	<b>102.0</b>	<b>90.4</b>	<b>106.8</b>



# Contingencies and pledged assets

EUR million	Mar 31 2022	Mar 31 2021	Dec 31 2021
<b>As security for own commitments</b>			
Guarantees	6.7	10.5	6.7
Other contingencies*	2.2	2.0	2.4
<b>Contingencies and pledged assets total</b>	<b>8.9</b>	<b>12.5</b>	<b>9.1</b>

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

# Derivatives

EUR million	Mar 31 2022	Mar 31 2021	Dec 31 2021
<b>Nominal amounts of derivatives</b>			
Foreign exchange forwards and swaps	288.1	190.9	338.3
<b>Fair value of derivatives</b>			
Foreign exchange forwards and swaps	3.8	-0.4	0.6

Derivatives have been valued at market value on the reporting date.

# Net debt reconciliation

EUR million	Mar 31 2022	Mar 31 2021	Dec 31 2021
Loans from credit institutions	148.5	116.4	65.1
Lease liabilities	107.0	95.0	111.5
Cash and cash equivalents	48.4	31.1	31.5
<b>Net debt</b>	<b>207.1</b>	<b>180.3</b>	<b>145.0</b>



# 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, USD and IDR the depreciation of SEK, AUD and CAD. The following table presents the estimated annual net commercial cash flows in the most significant currencies:

EUR million	THB	USD	SEK	AUD	CAD	JPY	IDR	NOK
Operational currency position	-32.5	-29.3	23.2	20.2	13.5	13.3	-12.0	9.9
Exchange rate sensitivity of the operations*	3.3	2.9	-2.3	-2.0	-1.4	-1.3	1.2	-1.0

\*Illustrates the impact of 10% depreciation of the currency 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 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

Hierarchy level 1 includes financial assets that are publicly quoted in an active market. Level 2 includes financial assets and liabilities measured using directly observable market inputs. All interest-bearing debts and derivatives fall within this category. 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.

### Mar 31, 2022

EUR million	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss			34.7	34.7
Other investments	0.2		3.1	3.4
Derivative assets		4.0		4.0
<b>Total assets</b>	<b>0.2</b>	<b>4.0</b>	<b>37.8</b>	<b>42.0</b>
Derivative liabilities		0.3		0.3
<b>Total liabilities</b>		<b>0.3</b>		<b>0.3</b>

### Mar 31, 2021

EUR million	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss			27.6	27.6
Other investments	0.2		0.6	0.8
Derivative assets		0.4		0.4
<b>Total assets</b>	<b>0.2</b>	<b>0.4</b>	<b>28.2</b>	<b>28.7</b>
Derivative liabilities		0.8		0.8
<b>Total liabilities</b>		<b>0.8</b>		<b>0.8</b>

### Dec 31, 2021

EUR million	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss			32.0	32.0
Other investments	0.2		3.5	3.7
Derivative assets		1.0		1.0
<b>Total assets</b>	<b>0.2</b>	<b>1.0</b>	<b>35.5</b>	<b>36.7</b>
Derivative liabilities		0.5		0.5
<b>Total liabilities</b>		<b>0.5</b>		<b>0.5</b>



Financial assets at fair value through profit or loss 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.

Other investments include listed and unlisted shares as well as non-current receivables. Listed shares have been recognized at their fair value based on quotation at the end of the reporting period (level 1). Unlisted shares and other investments are measured at fair value (level 3). Fair value of unlisted shares equals acquisition value.

# Acquisitions and divestments

## **Acquisitions and divestments in 2022**

On February 1, 2022, Fiskars Corporation announced that it has completed the sale of its North American Watering Business to Lawn & Garden LLC, a holding company owned by Centre Lane Partners (CLP), a New York headquartered American private equity company. The transaction was announced on December 21, 2021.

The transaction was structured as an asset sale. The agreement covered intellectual property including the Gilmour and Nelson brands, related trademarks and patents pertaining to watering equipment commercialized in North America. Included in the transaction were the manufacturing plant in Excelsior Springs, Missouri and the warehouse operations in Independence, Missouri, as well as employees working in these two locations.

Assets directly associated with the sale were previously classified as held for sale.

## **Acquisitions and divestments in 2021**

The sale of watering assembly plant and related operations in Ningbo, China to Daye (Ningbo Daye Garden Industry Co. Ltd) was closed on January 22, 2021. The divestment did not have a significant impact on Fiskars Group's financial position or result in 2021.



# FISKARS

EST. GROUP 1649

FISKARS



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