

FISKARS
EST. GROUP 1649

◆ Investor
presentation

UPDATED JULY 5, 2023



Content



Fiskars Group in brief

Strategy

Business Areas

Financials

Q1 2023

Appendices



OUR PURPOSE

♦ *Pioneering
design to make
the everyday
extraordinary*

THE GLOBAL HOME OF DESIGN-DRIVEN
BRANDS FOR INDOOR AND OUTDOOR
LIVING



Strong brand portfolio

FIKARS
EST. GROUP 1649



FIKARS




ROYAL COPENHAGEN
PURVEYOR TO HER MAJESTY THE QUEEN OF DENMARK



iittala

 **GERBER**



MOOMIN
ARABIA
FINLAND



WEDGWOOD
ENGLAND 1759



WATERFORD
IRELAND 1783

ARABIA
1873



-HACKMAN-




ROGASKA



ROYAL ALBERT
ENGLAND 1904

ROYAL DOULTON
LONDON 1815




Rörstrand



◆ Fiskars Group key figures 2022

Net sales
EUR million

1,248.4

Earnings per share
EUR

1.21

Personnel
Dec 31, 2022

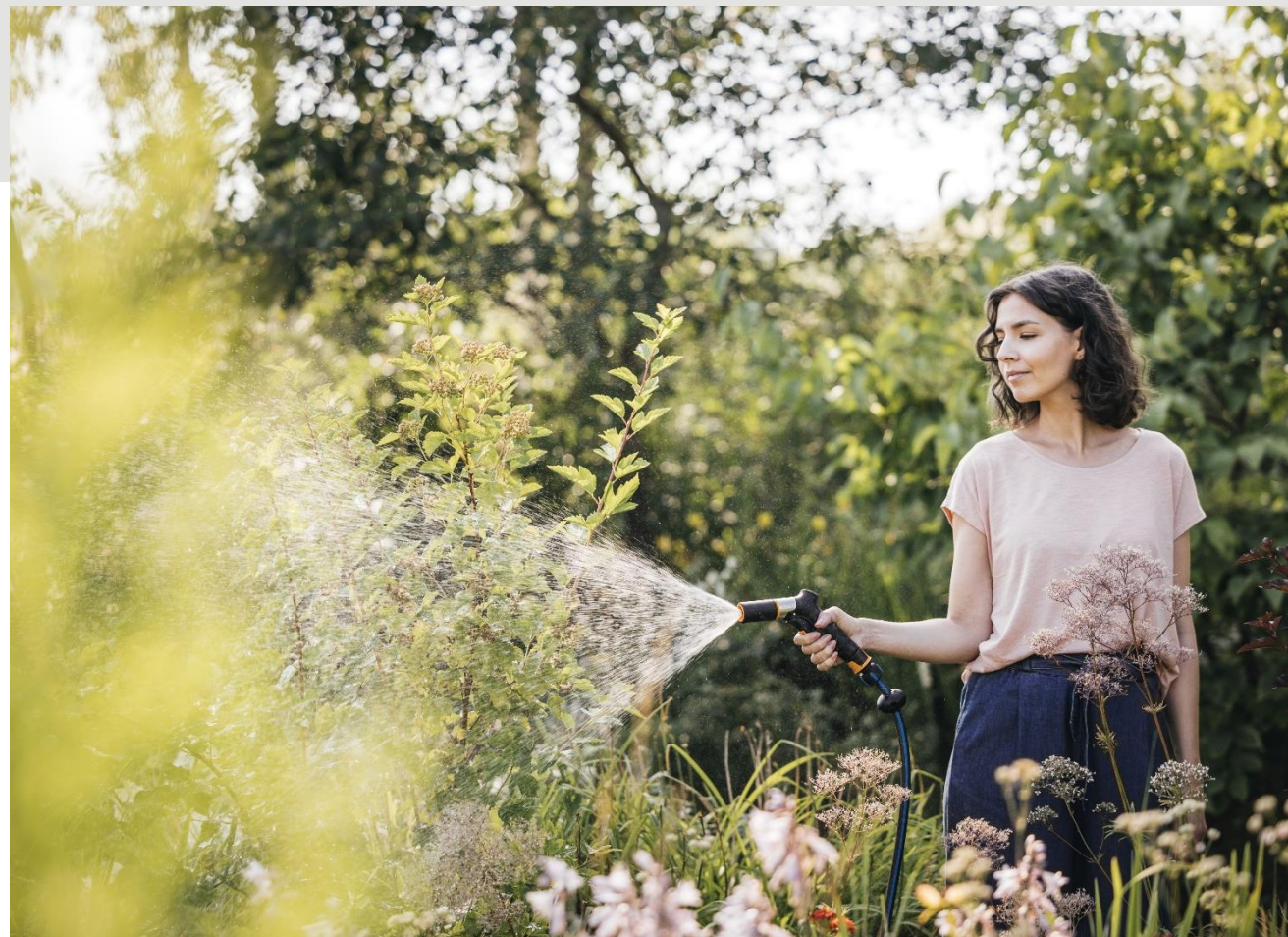
6,595

Comparable EBIT
EUR million

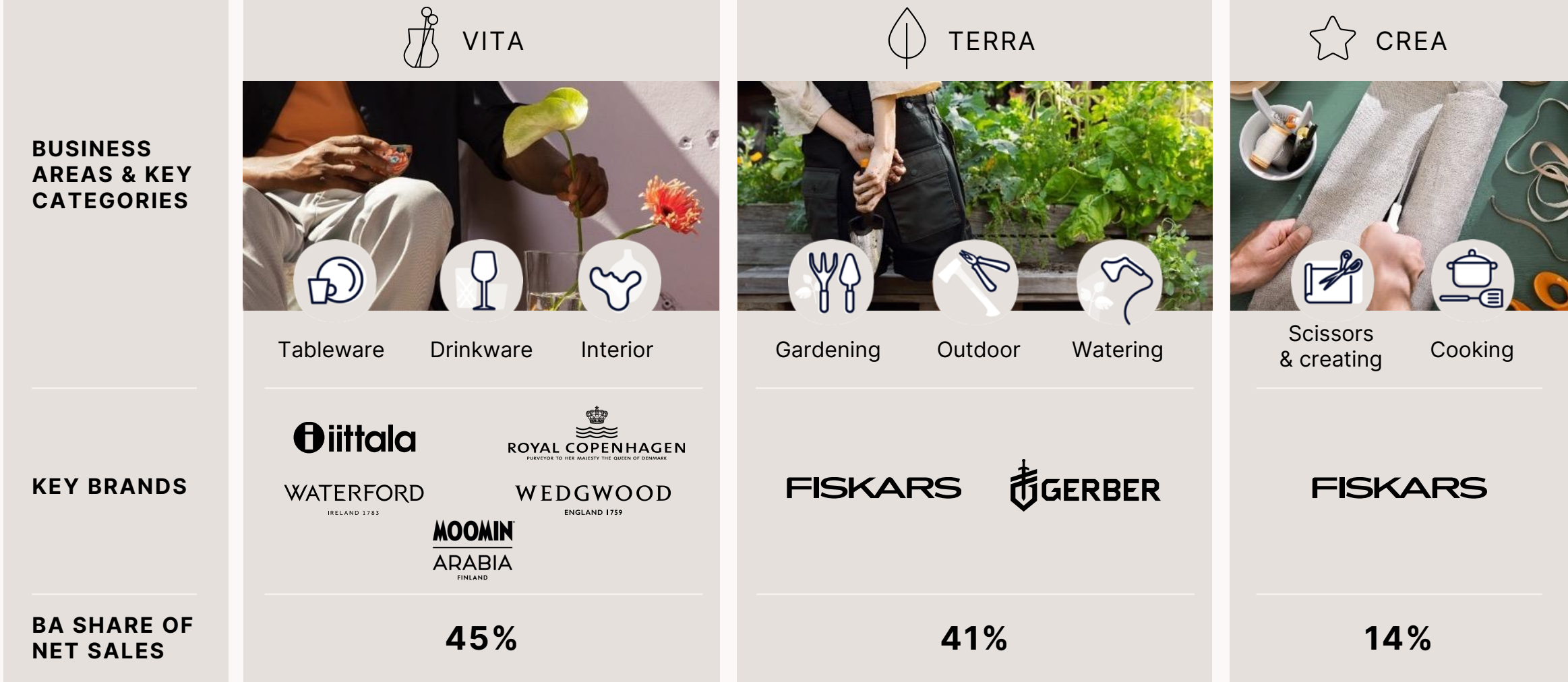
151.0

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

-24.9

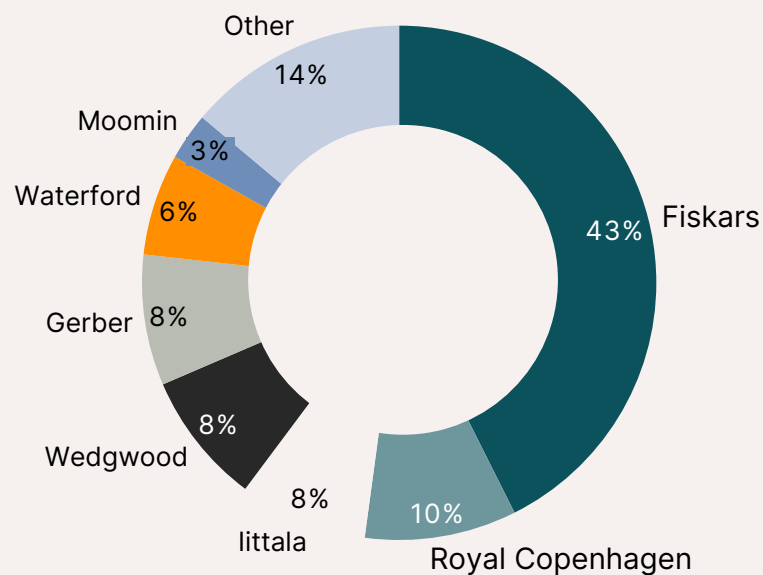


Business Areas and key categories

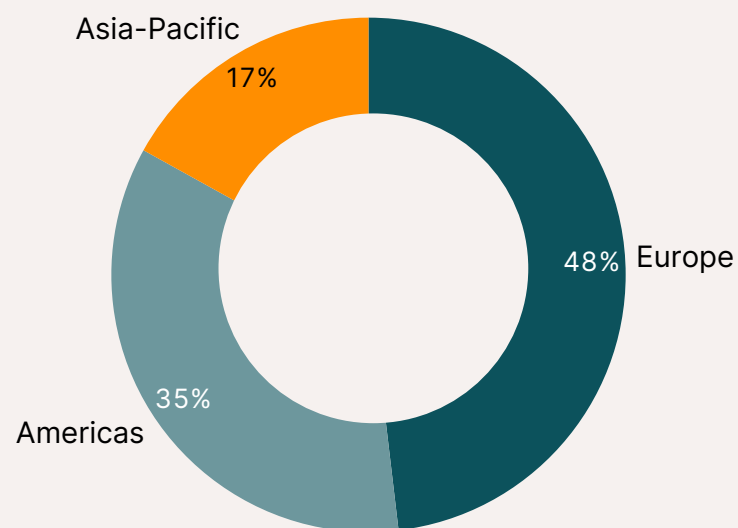


Fiskars is the largest brand – 2022 sales splits

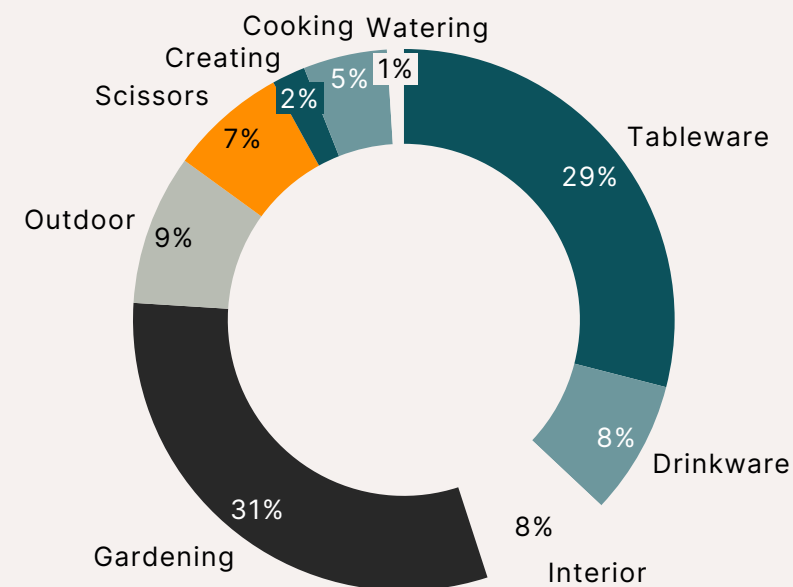
SALES SPLIT BY BRAND



SALES SPLIT BY GEOGRAPHY



SALES SPLIT BY CATEGORY



Our global presence



Our brands are present in over
100 countries

We have ~**350** own stores

Close to **7,000** employees
globally

11 own manufacturing units



Content



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Strategy

Business Areas

Financials

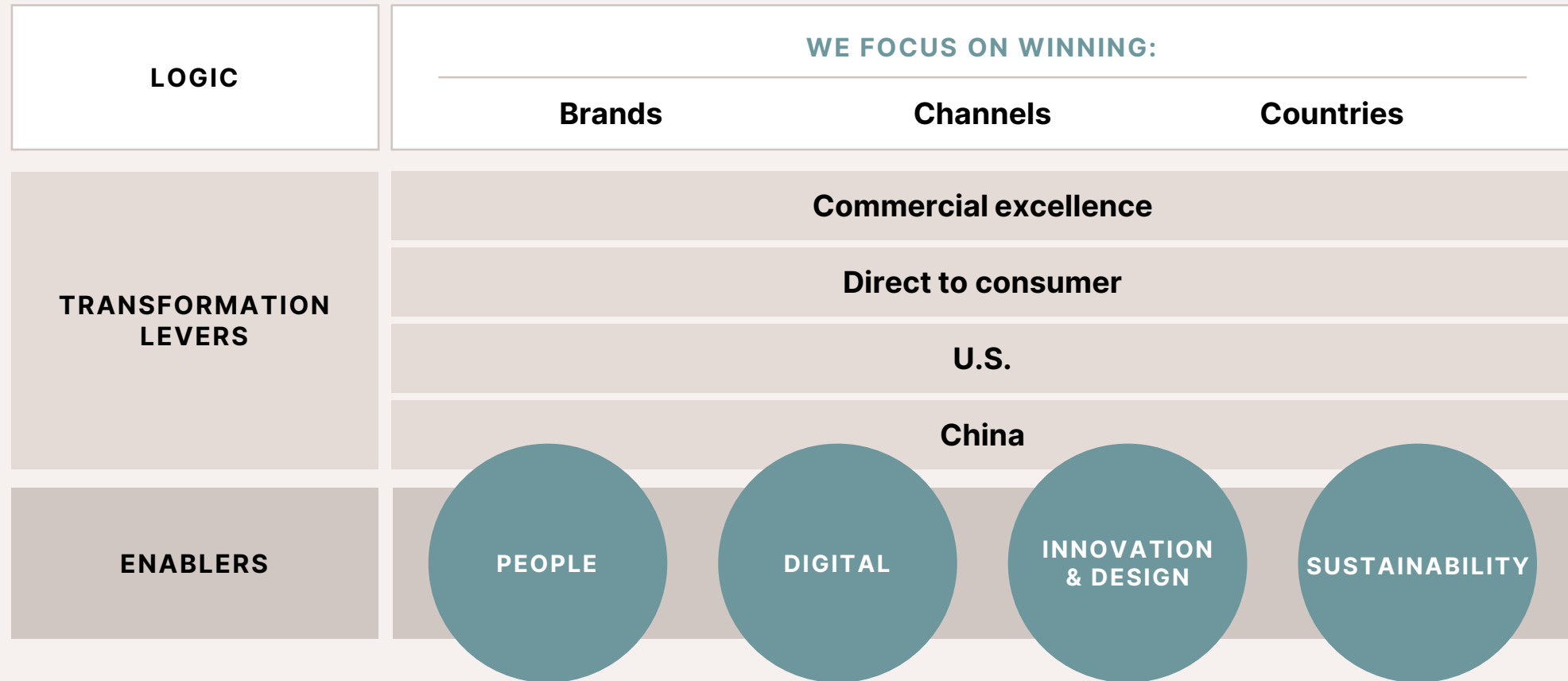
Q1 2023

Appendices



The Growth Strategy

- clear strategic focus and transformation levers



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

WINNING BRANDS

FISKARS


ROYAL COPENHAGEN
PURVEYOR TO HER MAJESTY THE QUEEN OF DENMARK

iittala

 **GERBER**

MOOMIN

ARABIA
FINLAND

WEDGWOOD
ENGLAND 1759

TURNAROUND BRANDS

WATERFORD
IRELAND 1783

ROYAL ALBERT
ENGLAND 1904

ROYAL DOULTON
LONDON 1815



Driving Fiskars as our #1 brand

Global brand with strong recognition

Strong historical performance

- >40% of Fiskars Group net sales
- Approx. 7% comp. net sales CAGR 2017

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



We are building winning brands through new ways of thinking

Case Moomin

- Story telling translated into collectibles
- Currently net sales close to EUR 40 million
- Fiskars Group minority shareholder in Rights & Brands since Sept '21

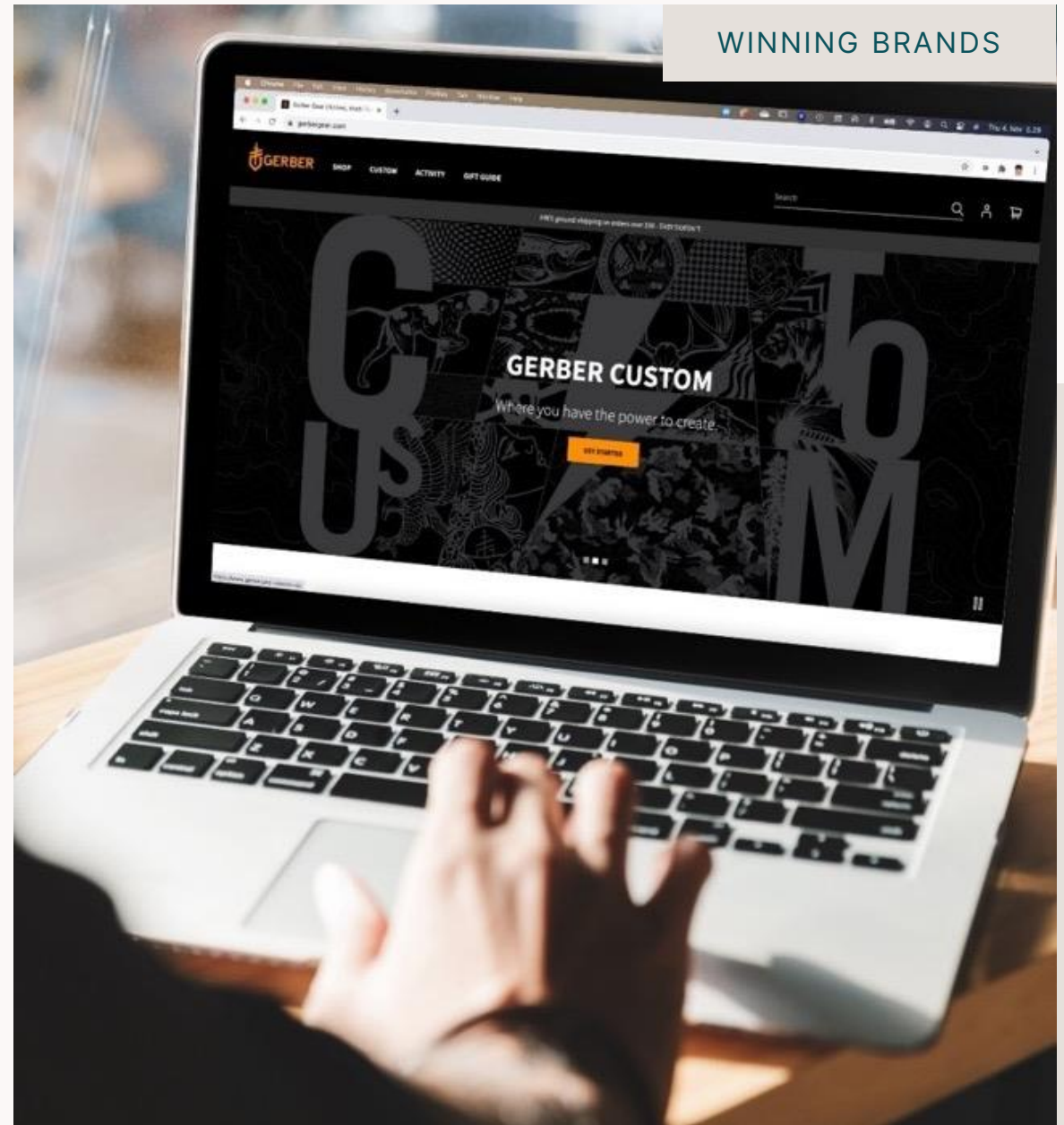
Strategic partnership enables global growth beyond our Nordic stronghold

WINNING BRANDS



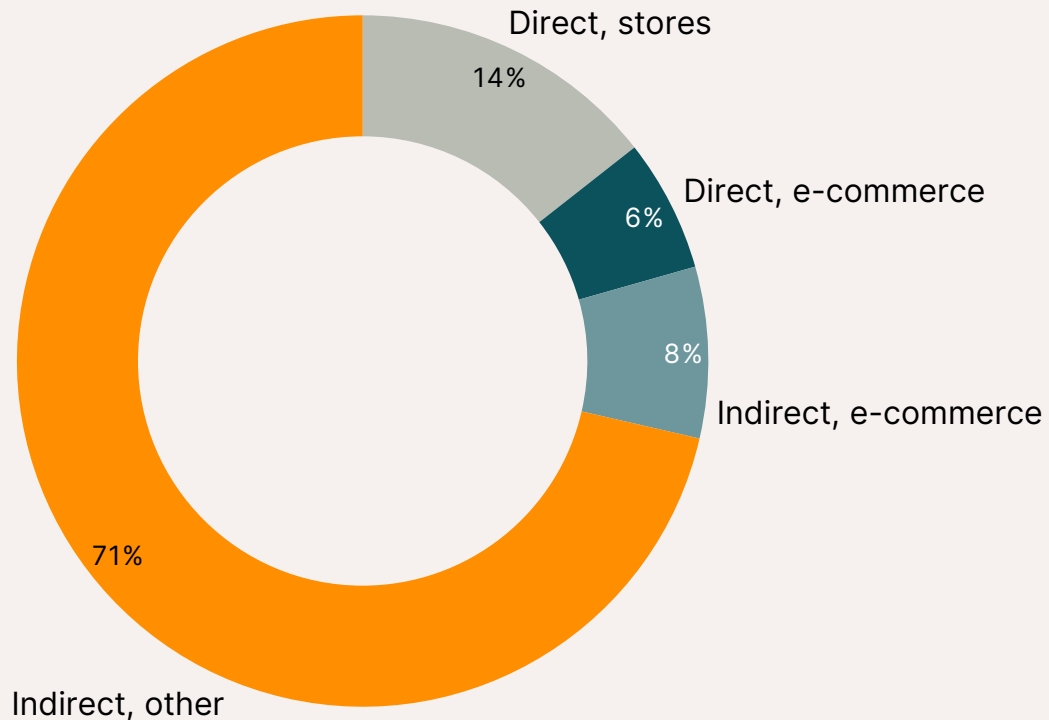
Strengthening our DTC to address the needs of the modern consumer

- 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



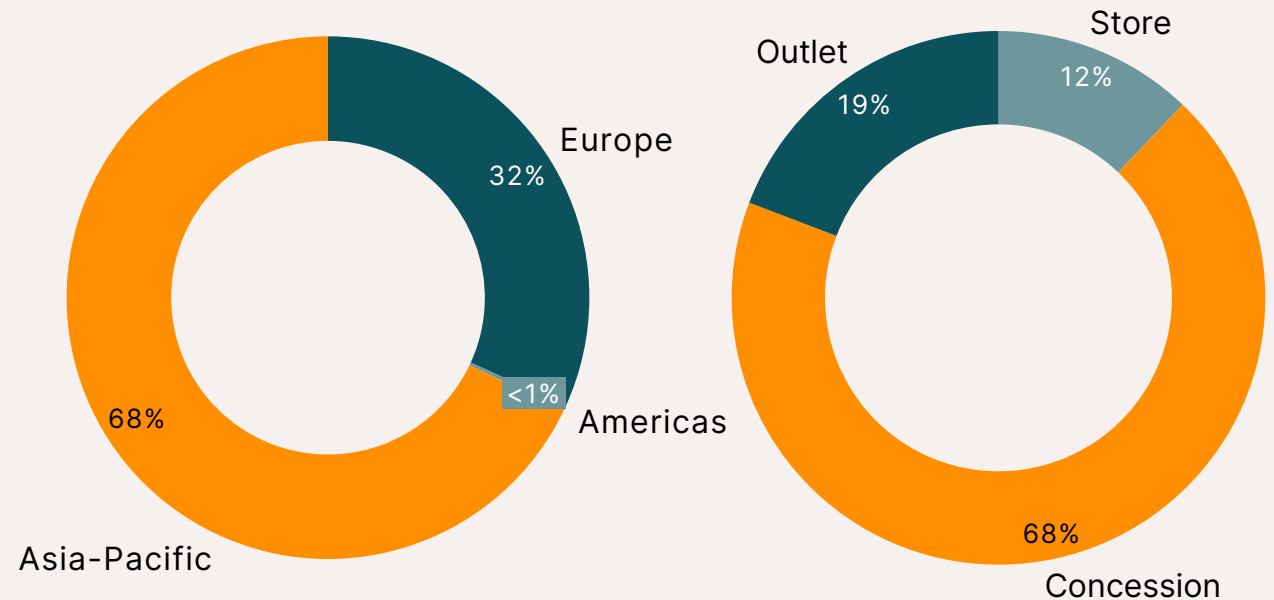
The direct channel (DTC) increasingly important – already 21% of group net sales

GROUP NET SALES BY CHANNEL IN 2022



NUMBER OF STORES IN 2022

TOTAL NUMBER OF STORES: ~350



Commercial excellence drives our performance improvement across all channels

Our Commercial Excellence, examples

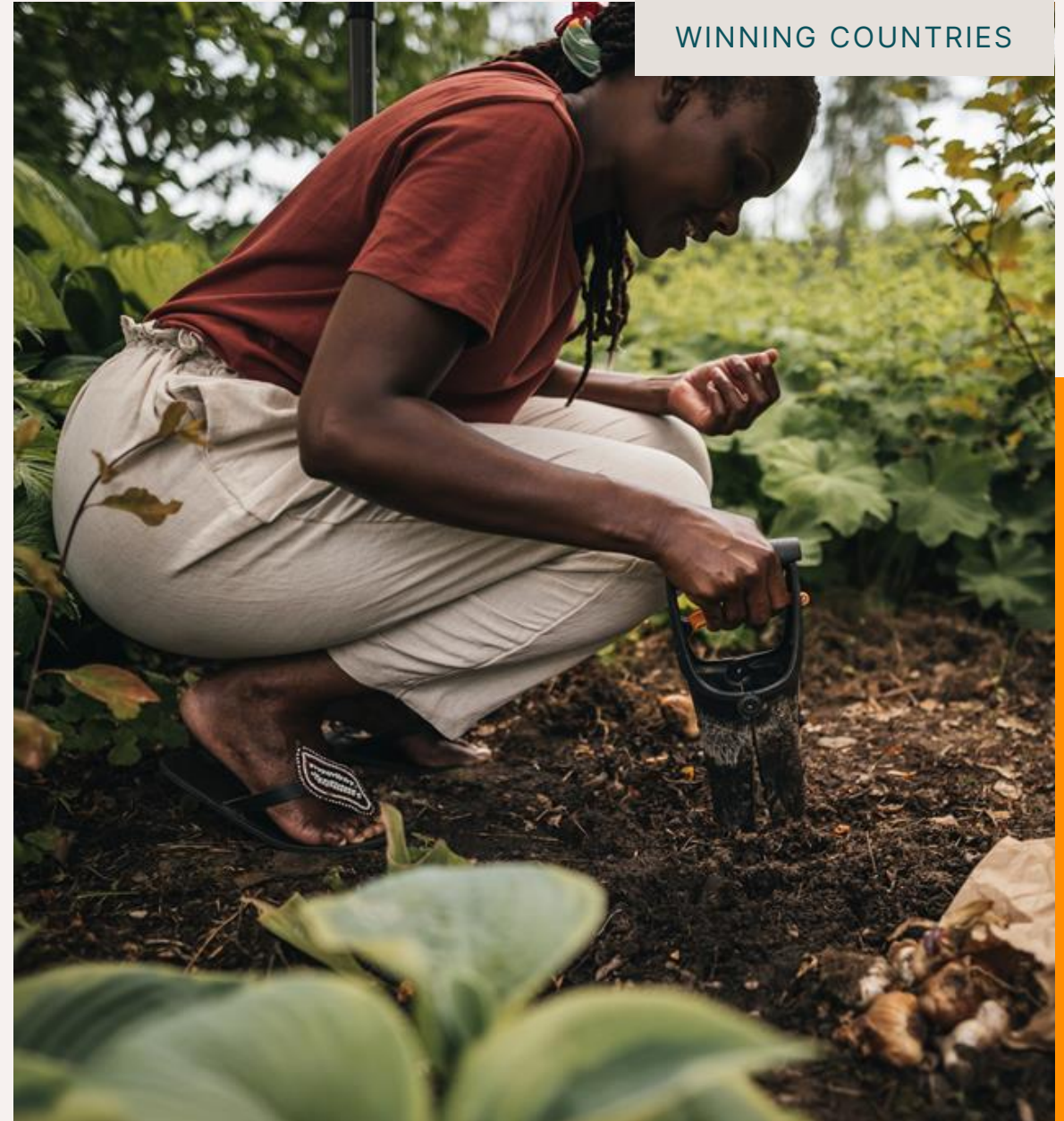
- Win with the Winners
- Value-based pricing
- In-store and online excellence
- Distribution and product coverage



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

- 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

WINNING COUNTRIES

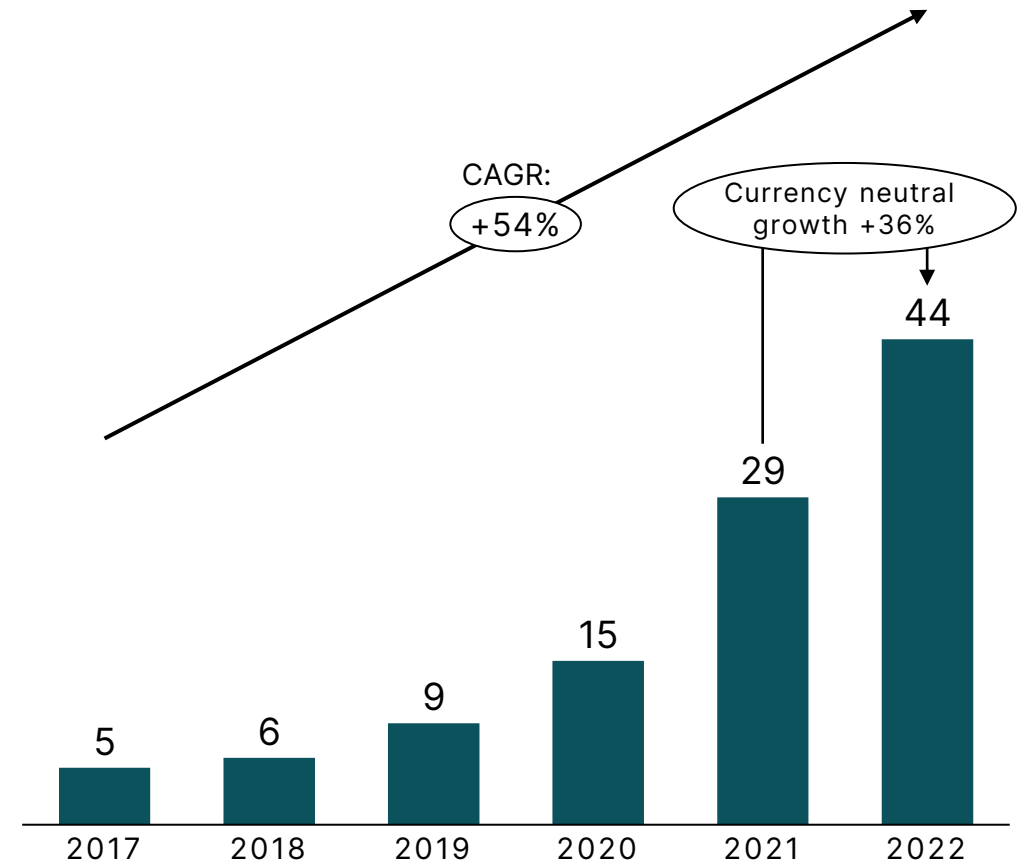


We have a strong start in China with significant growth opportunities ahead

- Strong market demand
- Solid foundation, impressive track-record
 - Capable local team in place
 - >50% net sales CAGR during past few years
 - 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)

WINNING COUNTRIES



3/4 of transformation levers are delivering results

	Q1 2023	FY 2022
Commercial excellence	<ul style="list-style-type: none"> Gross margin +90 bps (-20 bps organically) driven by successful actions to mitigate cost inflation 	<ul style="list-style-type: none"> Cost increases compensated by mitigation actions, gross margin +160 bps (+60 bps organically)
Direct to consumer	<ul style="list-style-type: none"> DTC: 4% growth; and 20% of net sales E-commerce +12%; physical retail +1% 	<ul style="list-style-type: none"> DTC+8% growth; and 21% of net sales E-commerce +17%; physical retail +4%
U.S.	<ul style="list-style-type: none"> Net sales -21% Decline especially due to Terra: shipments at the start of the gardening season were clearly lower due to retailer's high inventories, cold start to the spring also impacted 	<ul style="list-style-type: none"> Net sales -4% Demand weakened in H2 after a strong start to the year
China	<ul style="list-style-type: none"> Net sales +14% Negative effect from Covid-19 pandemic and the timing of the Chinese New Year in the beginning of the quarter, strong growth after that 	<ul style="list-style-type: none"> Net sales +36% despite Covid-19 disruptions in several quarters

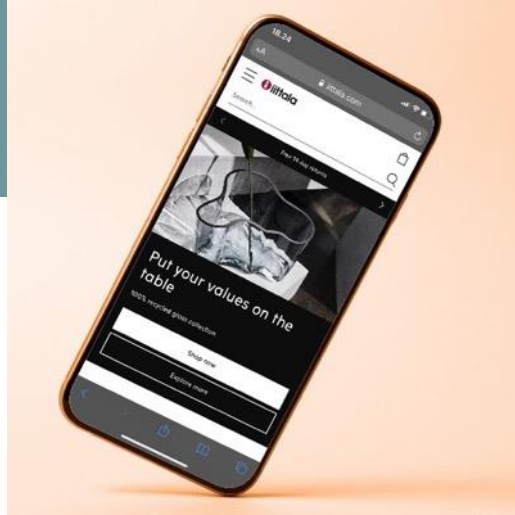


Our enablers for the future



PEOPLE

We are committed to building an inclusive culture. We want to ensure that we have the right people capabilities, the right organization and efficient ways of working to achieve our ambitious goals and create value.



DIGITAL

We want to be data-driven, and are investing significantly in our digital organization and capabilities.



INNOVATION & DESIGN

We are known for our design, and want to develop bold new initiatives and growth opportunities that enrich people's lives.



SUSTAINABILITY

We are on a mission for the lasting wellbeing of people and the planet.



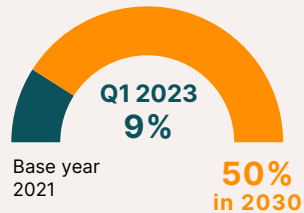
We are making good progress in our ESG targets

Environmental: Pioneering design against throwaway culture

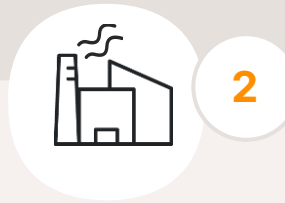


1

Circular economy



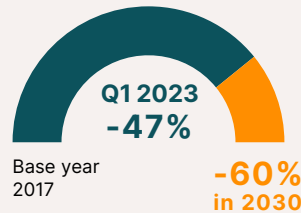
A majority of our net sales comes from circular products and services by 2030



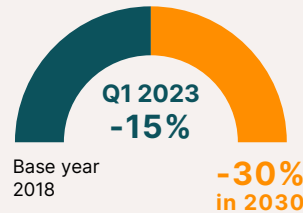
2

Our own emissions

GHG (greenhouse gas) emissions



from own operations (Scope 1 and 2) reduced by 60% by 2030

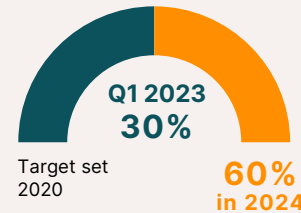


from transportation and distribution (Scope 3) reduced by 30% by 2030



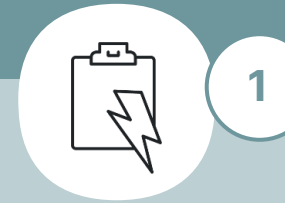
3

Our suppliers' emissions



60% of our suppliers by spend covering purchased goods and services will have science-based targets by 2024

Social: Making the everyday extraordinary

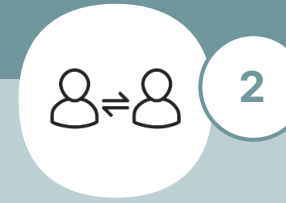


1

Safe workplace



Zero harm with zero LTAF (Lost time accident frequency) by 2030



2

Inclusive workplace

Enhancing diversity, equity, and inclusion

Measured by an index (to be set during 2023)



Concrete actions towards our sustainability targets



Approximately EUR 10 million energy efficiency investment in our Iittala factory in Finland

- Natural gas powered furnaces replaced with electricity-powered furnaces
- With this investment, Fiskars Group's annual direct carbon dioxide emissions (Scope 1) will be reduced by 26% by the end of 2026

Content



Fiskars Group in brief
Strategy

Business Areas

Financials
Q1 2023
Appendices





BA Vita

KEY CATEGORIES



Tableware



Drinkware



Interior

KEY BRANDS

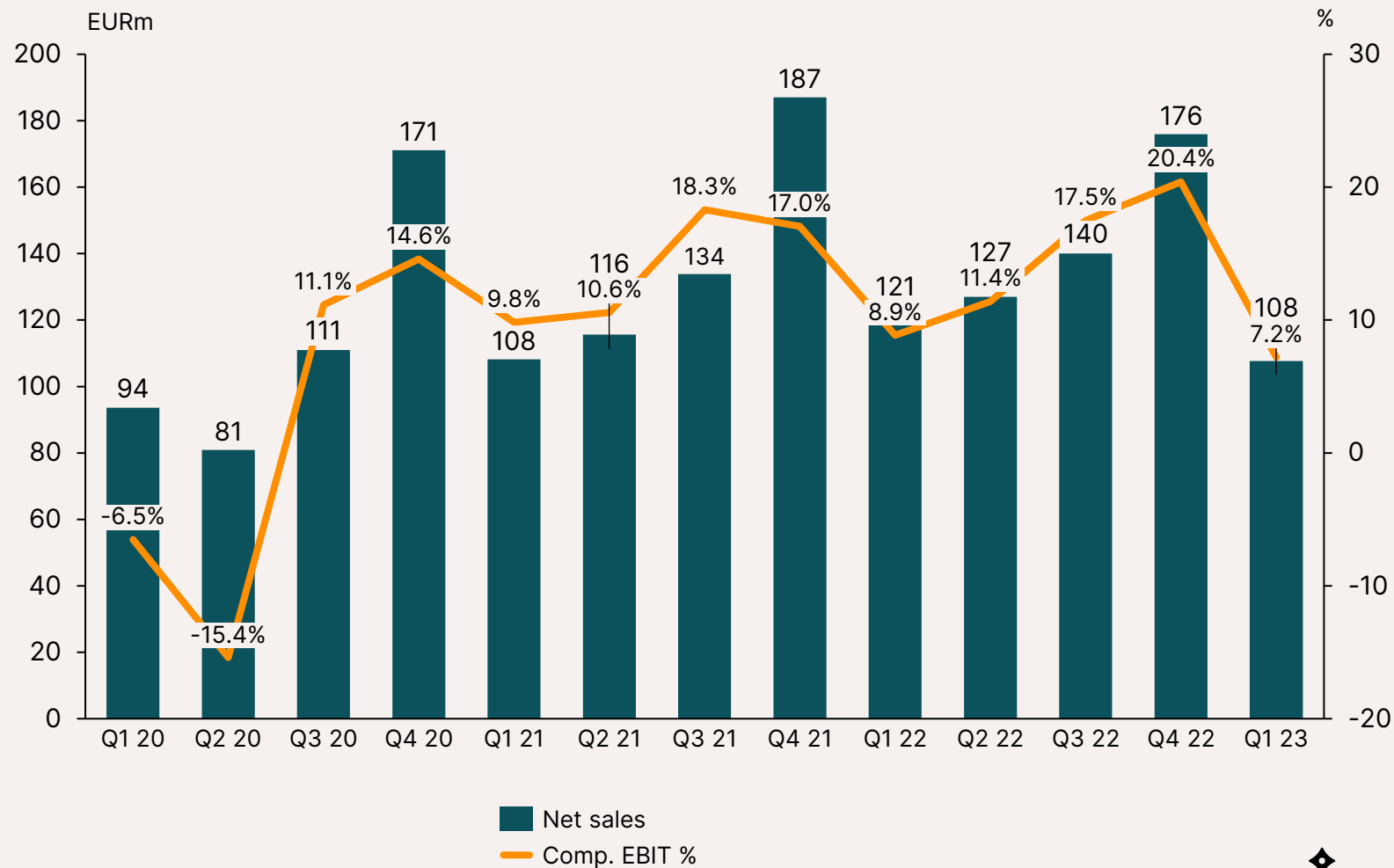
iittala

WATERFORD
IRELAND 1783

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WEDGWOOD
ENGLAND 1759

NET SALES AND COMPARABLE EBIT MARGIN





BA Vita – Markets and channels

KEY MARKETS

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

DISTRIBUTION CHANNELS

Retailers;
Stores &
e-comm

Direct
consumer
sales;
stores &
e-comm

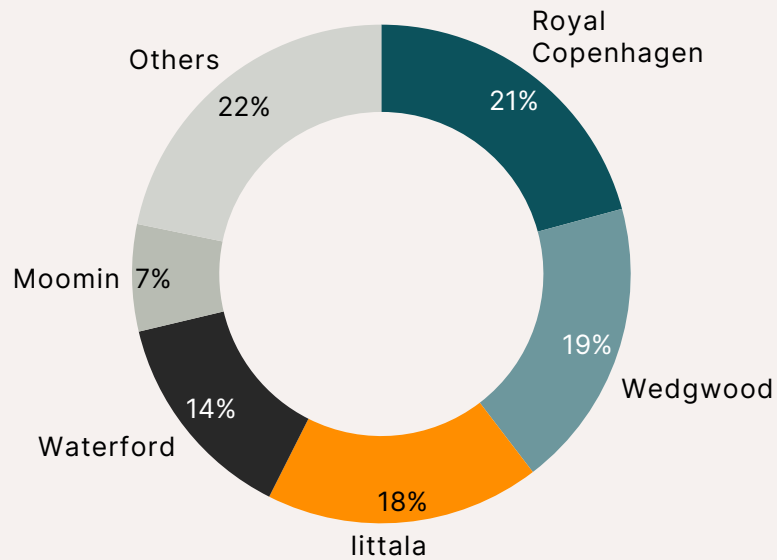
BtoB



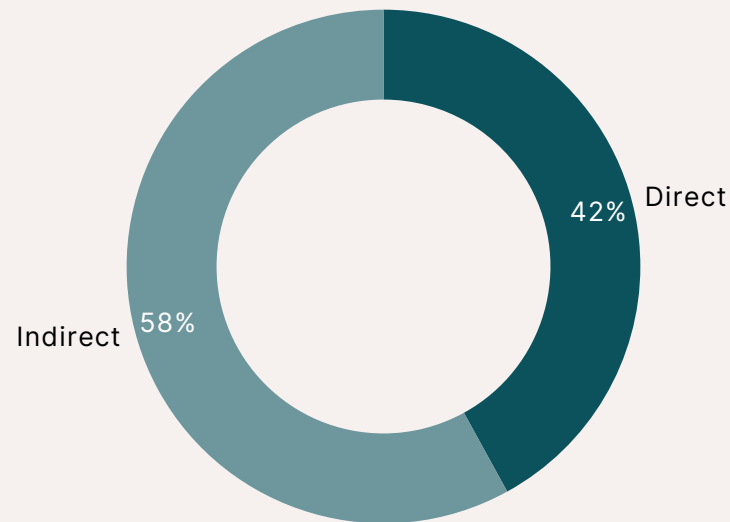


BA Vita – net sales splits (2022)

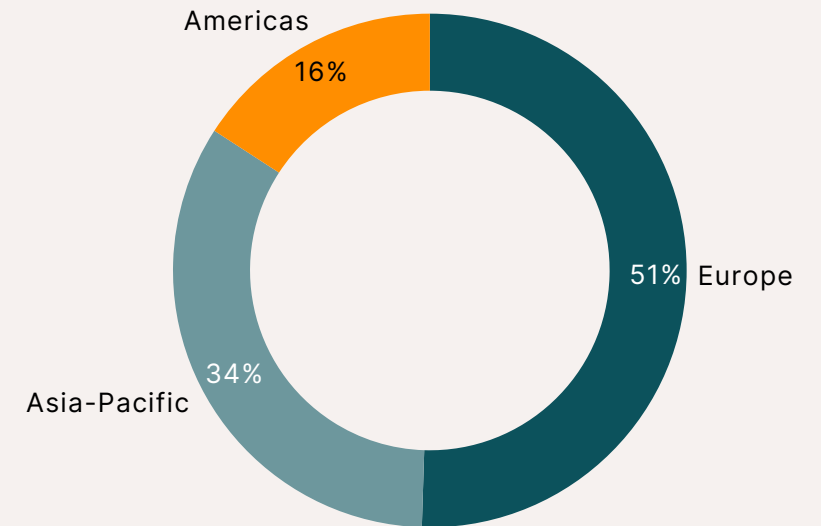
SALES SPLIT BY BRAND



SALES SPLIT BY CHANNEL



SALES SPLIT BY GEOGRAPHY



KEY CATEGORIES



Gardening



Outdoor



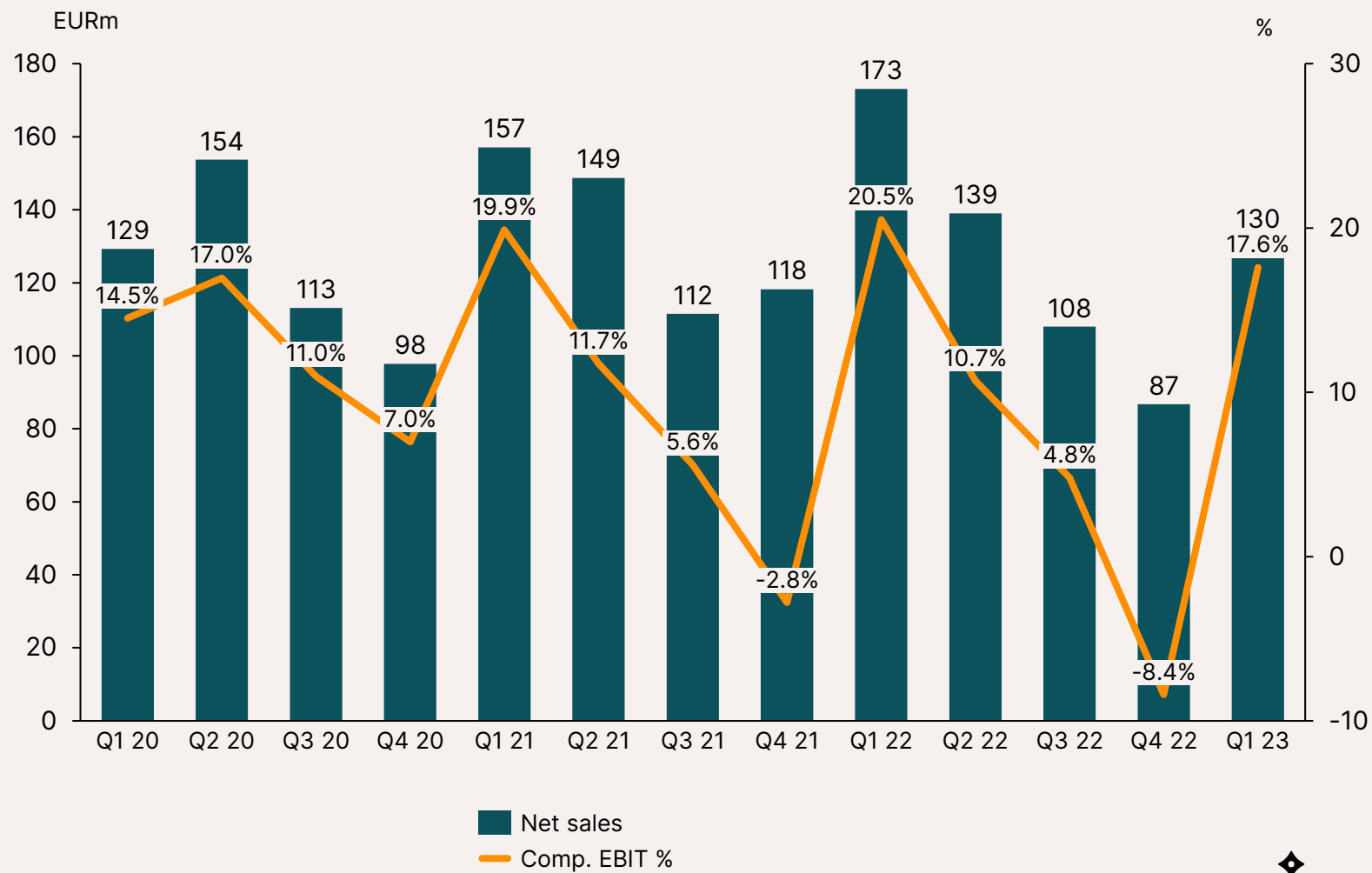
Watering

KEY BRANDS

FISKARS



NET SALES AND COMPARABLE EBIT MARGIN



BA Terra – Markets and channels

KEY MARKETS

- U.S.
- North & Central Europe

DISTRIBUTION CHANNELS

Retailers;
Stores &
e-comm

BtoB

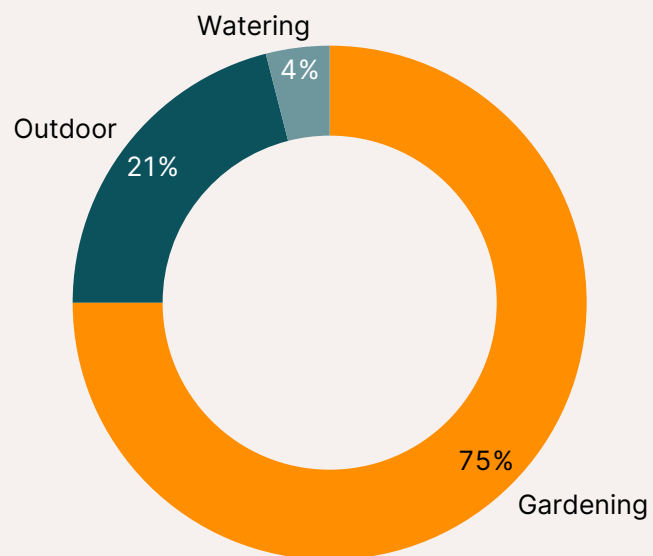
Direct
consumer
sales; stores
& e-comm



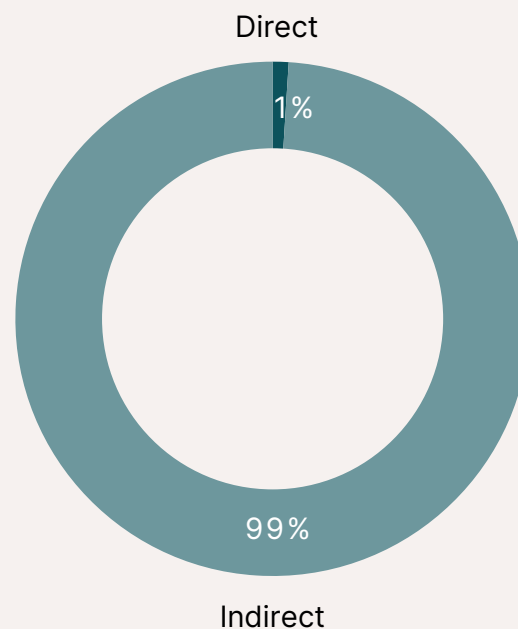


BA Terra – net sales splits (2022)

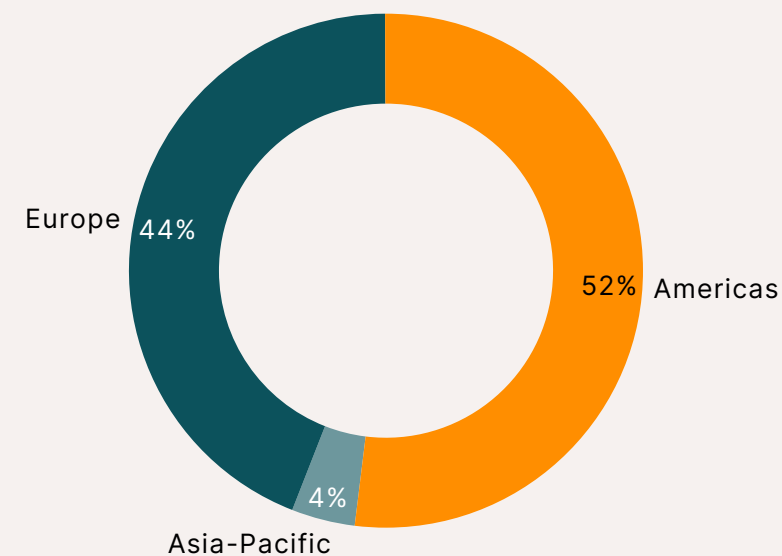
SALES SPLIT BY CATEGORY



SALES SPLIT BY CHANNEL



SALES SPLIT BY GEOGRAPHY



KEY CATEGORIES



Scissors
& creating

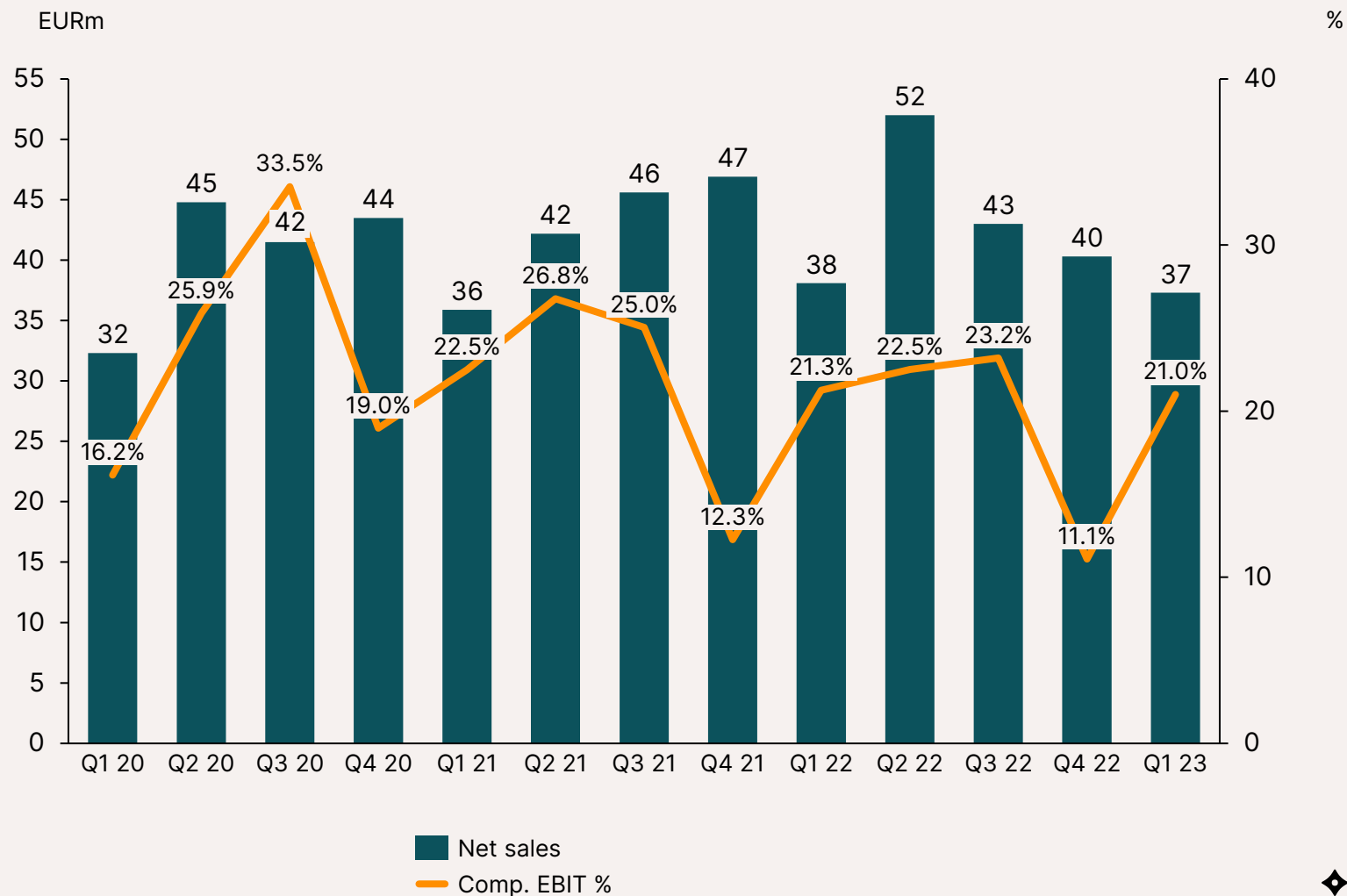


Cooking

KEY BRANDS

FISKARS

NET SALES AND COMPARABLE EBIT MARGIN





BA Crea – Markets and channels

KEY MARKETS

- U.S.
- North & Central Europe

DISTRIBUTION CHANNELS

Retailers;
Stores &
e-comm

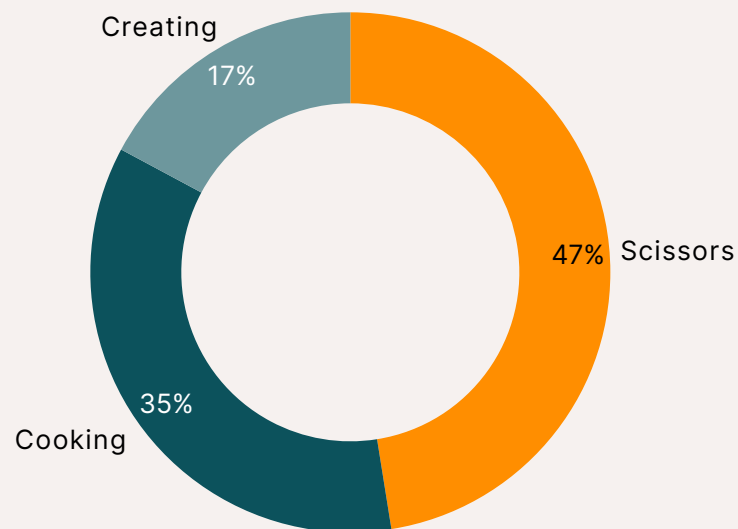
Direct
consumer
sales; stores
& e-comm

BtoB

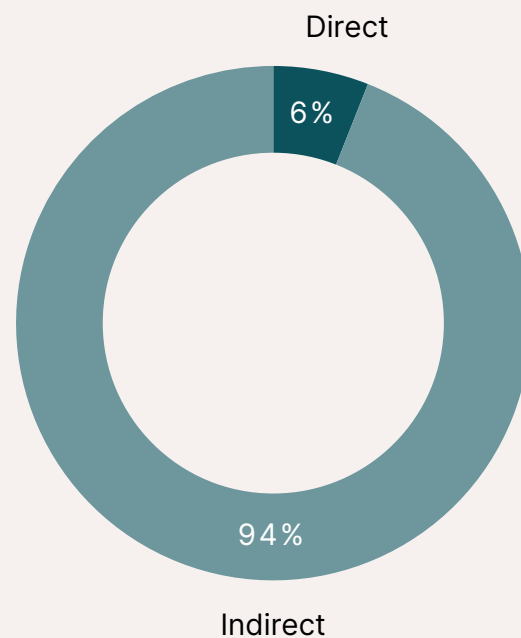


☆ BA Crea – net sales splits (2022)

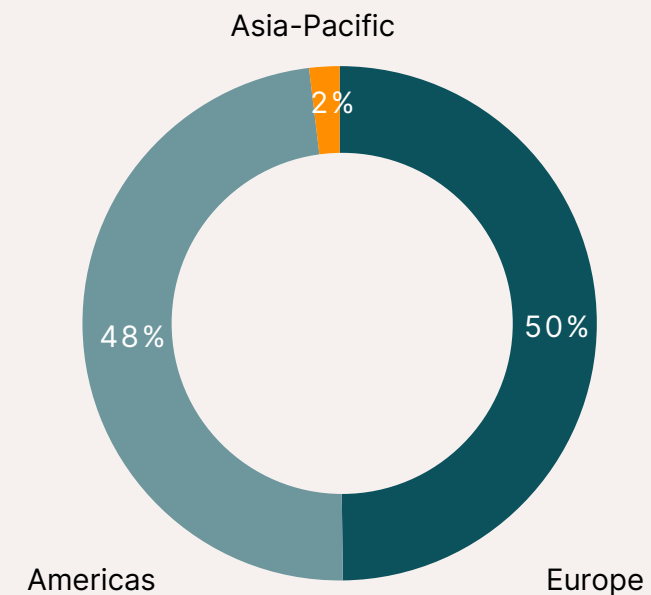
SALES SPLIT BY CATEGORY



SALES SPLIT BY CHANNEL

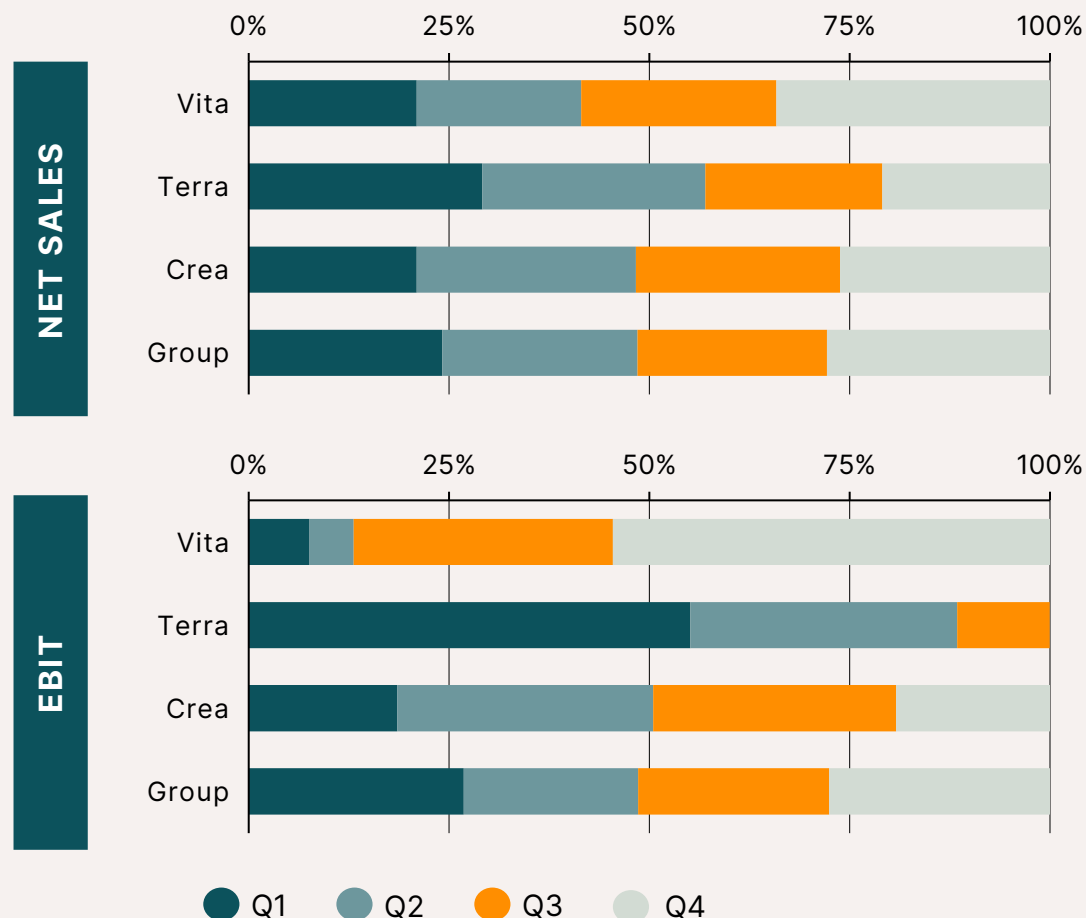


SALES SPLIT BY GEOGRAPHY



Seasonality is balanced by portfolio

Net Sales and EBIT – Quarterly Split (2019-2022)



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



Content



Fiskars Group in brief

Strategy

Business Areas

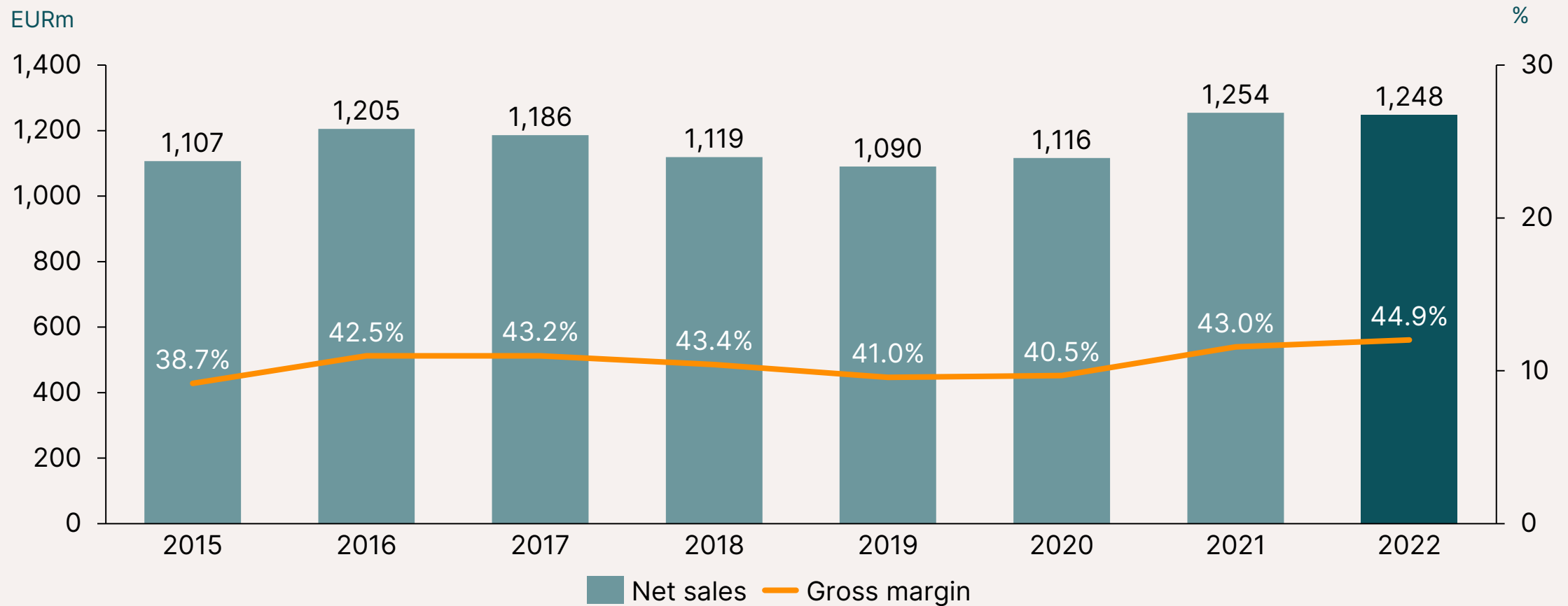
Financials

Q1 2023

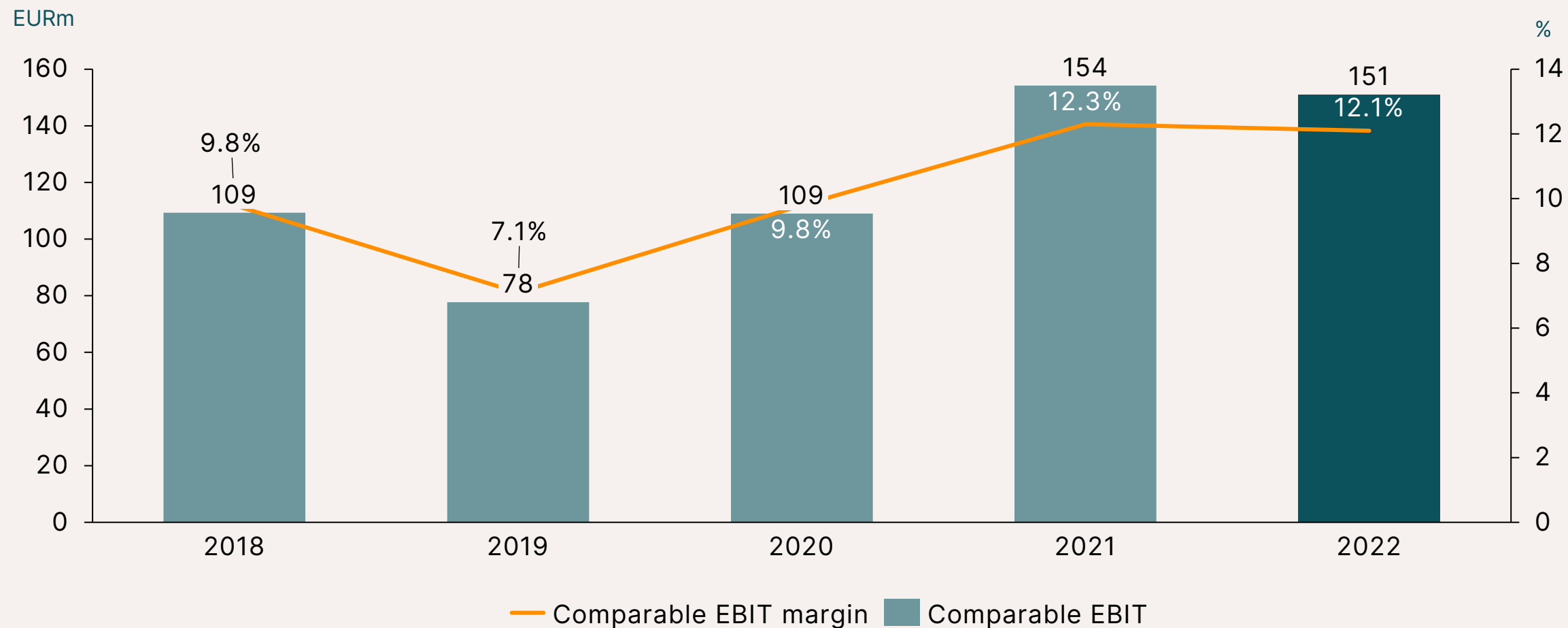
Appendices



Group net sales and gross margin development

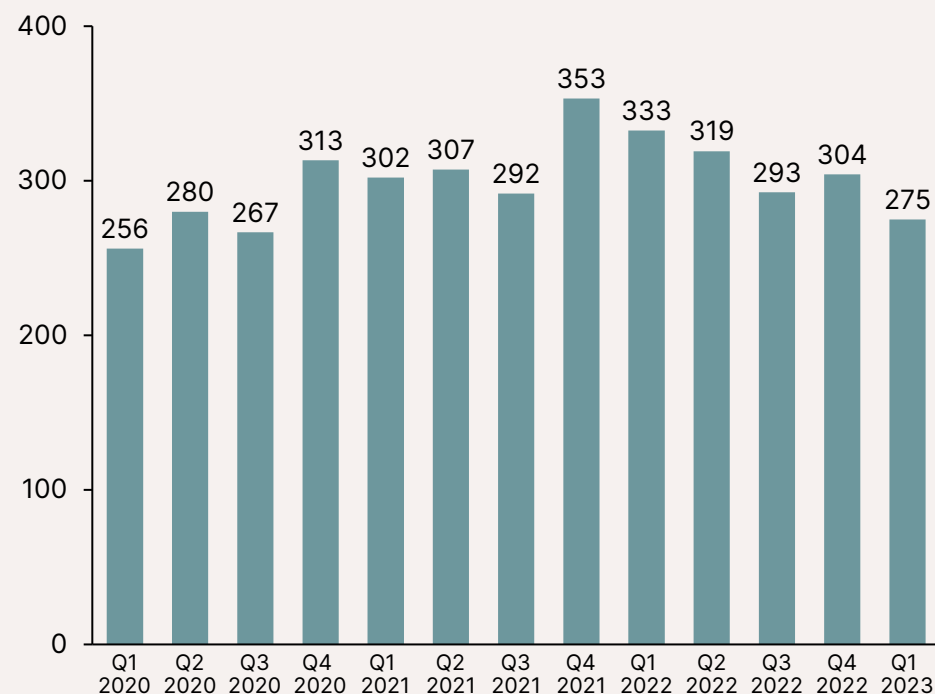


Profitability has improved

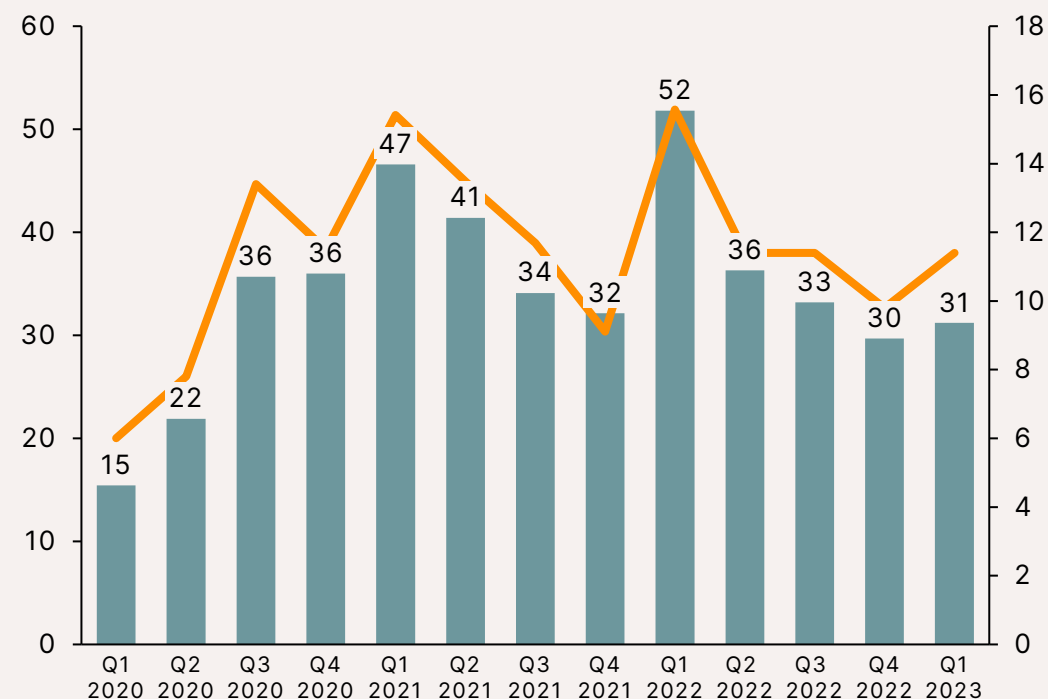


Quarterly development – last 3 years

NET SALES, EUR MILLION



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



Challenging operating environment is reflected in the progress towards our financial targets

FINANCIAL TARGETS TRACKING

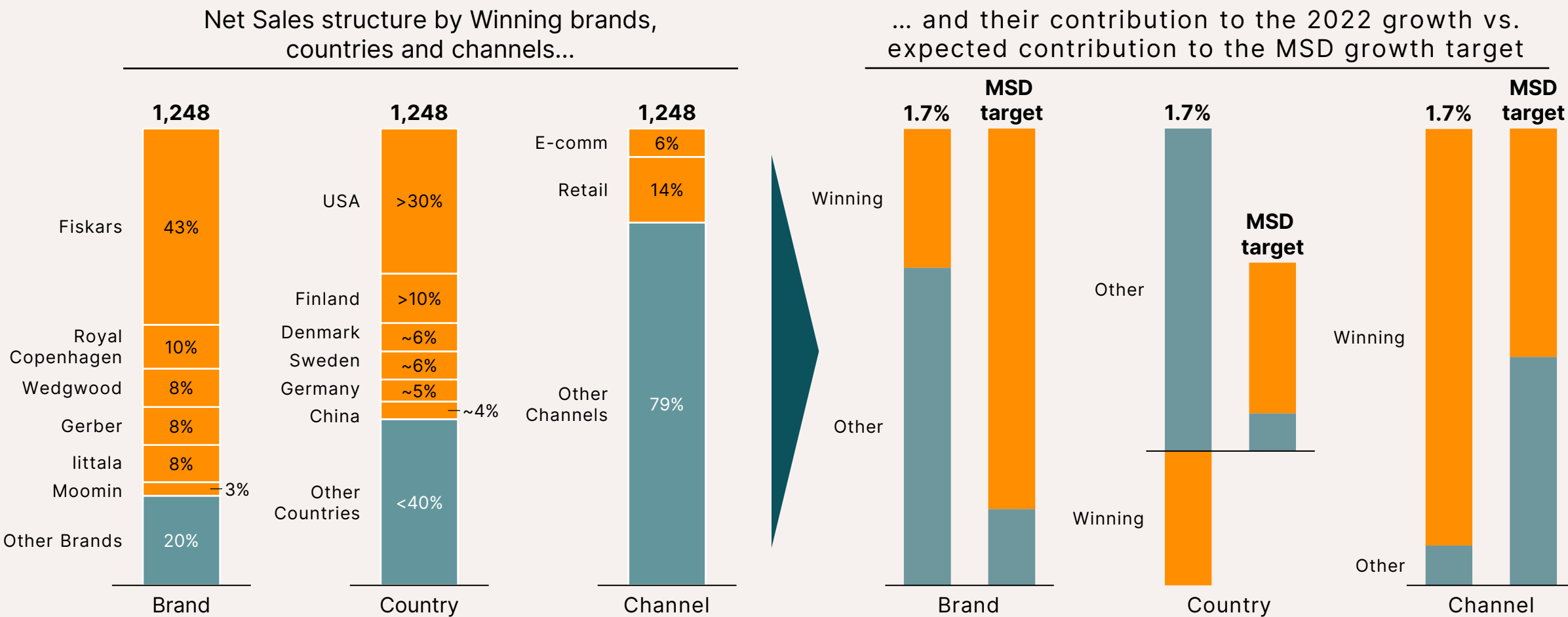
KPI	TARGET		FY 2021		FY 2022		LTM MARCH 2023
NET SALES	Organic, FX neutral Mid-Single-Digit growth	✓	14.2%	✗	1.7%	✗	-4.7%
EBIT	Mid-teen EBIT margin (excl. IAC) by end of 2025	✓	12.3%	≈	12.1%	✗	11.0%
CASH FLOW	Free Cash Flow / Net Profit \geq 80%	✓	109%	✗	Neg.	✗	Neg.
BALANCE SHEET	Net Debt / LTM EBITDA \leq 2.5X	✓	0.7X	✓	1.7X	✓	2.04X



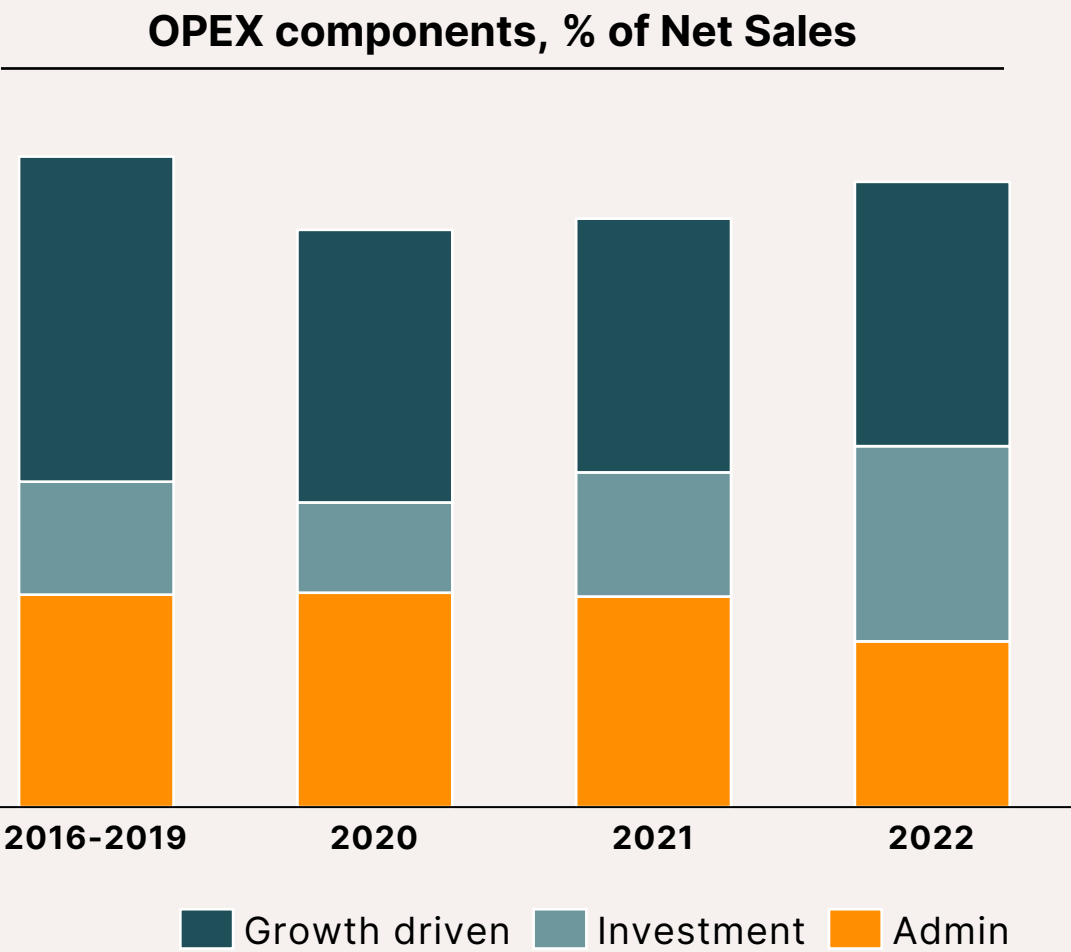
The Growth Strategy addresses all value creation levers



Net Sales | Winning brands, countries and channels share of Net Sales and contribution to Net Sales growth



OPEX | Investments in growth building blocks are funded through fluidity and Gross Profit improvement

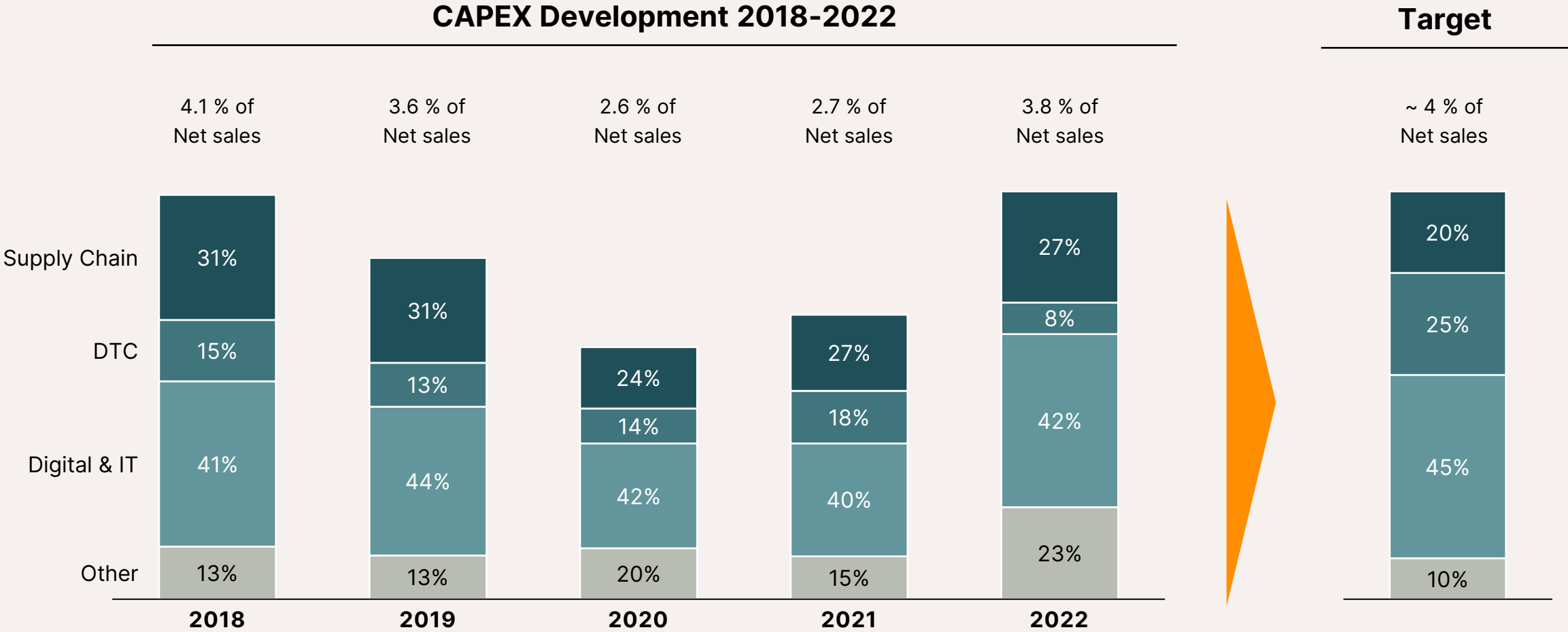


OPEX Logic

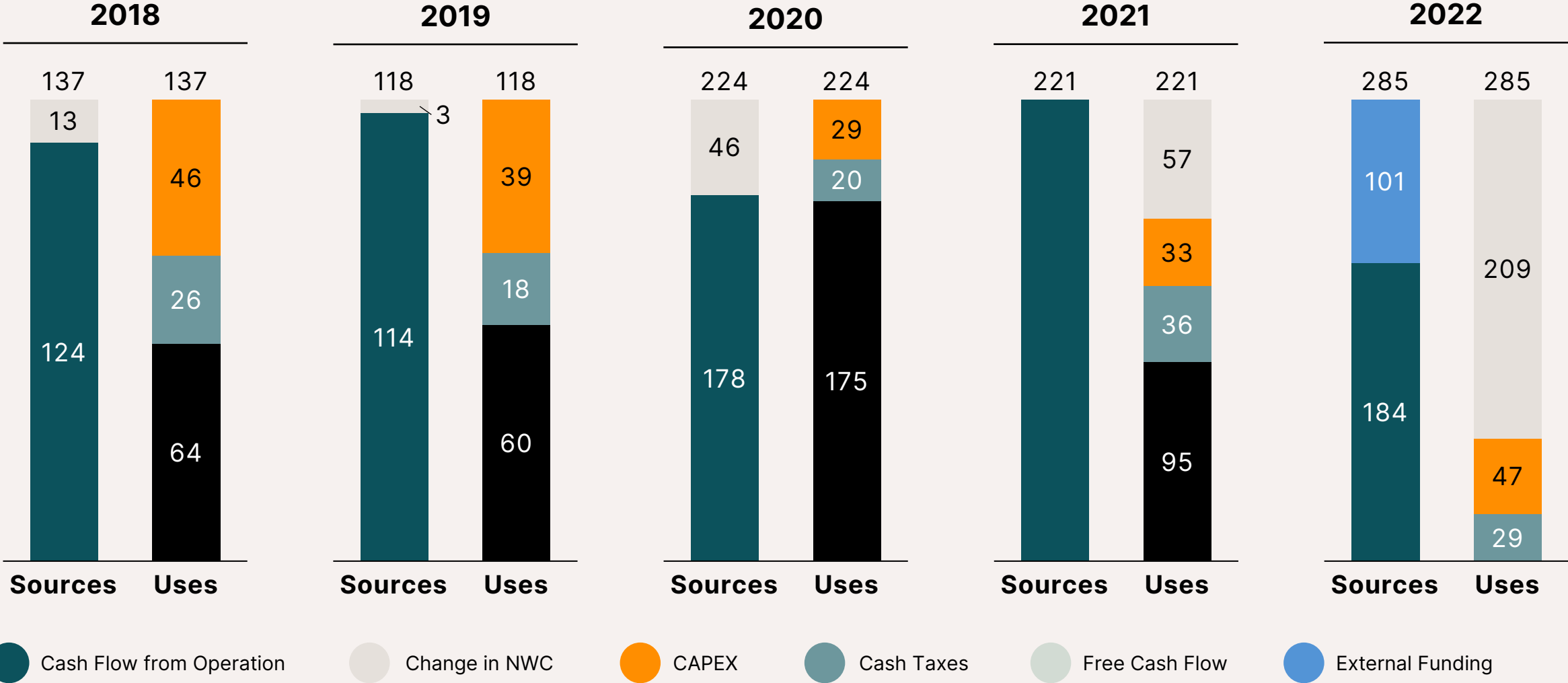
GROWTH DRIVEN	<ul style="list-style-type: none">Sales expenses (incl. DTC)Expected to follow topline growthSales expenses growth driven by DTC mitigated thru efficiency improvements in other channels
INVESTMENT	<ul style="list-style-type: none">Commercial excellence, product development, product marketing and e-comm/digitalExpected to grow faster than topline, driven especially by Digital
GENERAL & ADMIN	<ul style="list-style-type: none">Corporate functionsExpected to grow slower than toplineManaging growth thru fluidity



Capital Expenditure | Fund allocation follows the strategic acceleration – DTC and Digital share to increase

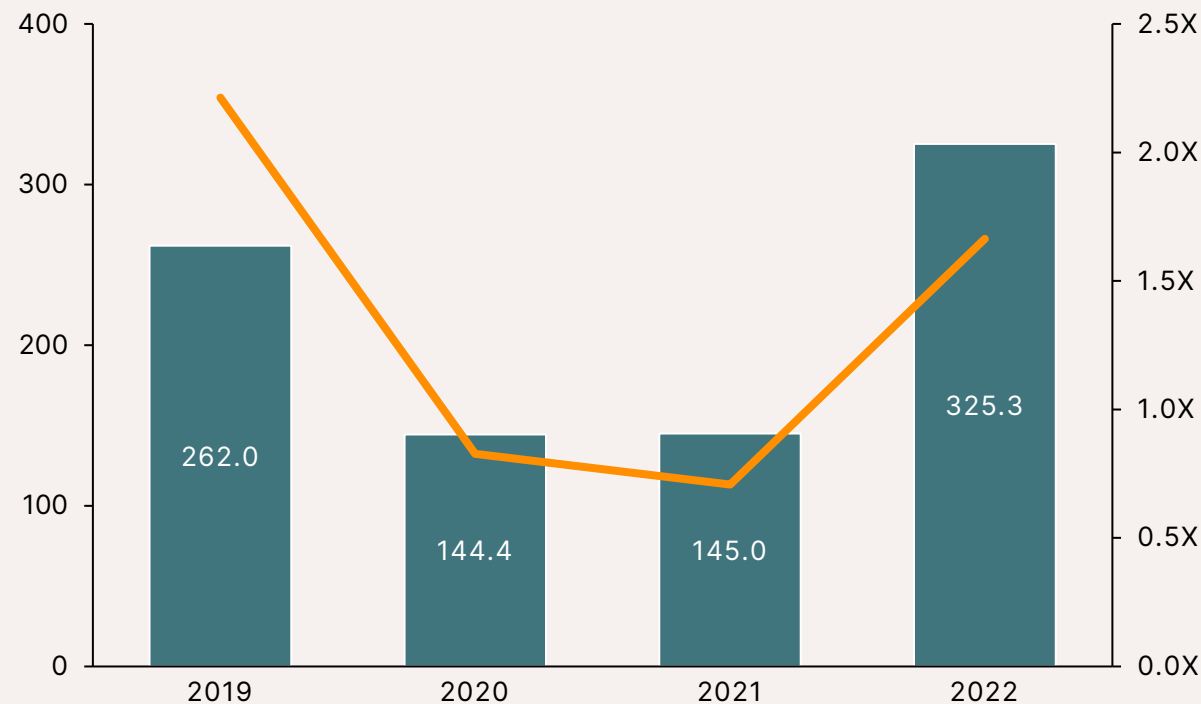


Free Cash Flow | Sources and Uses

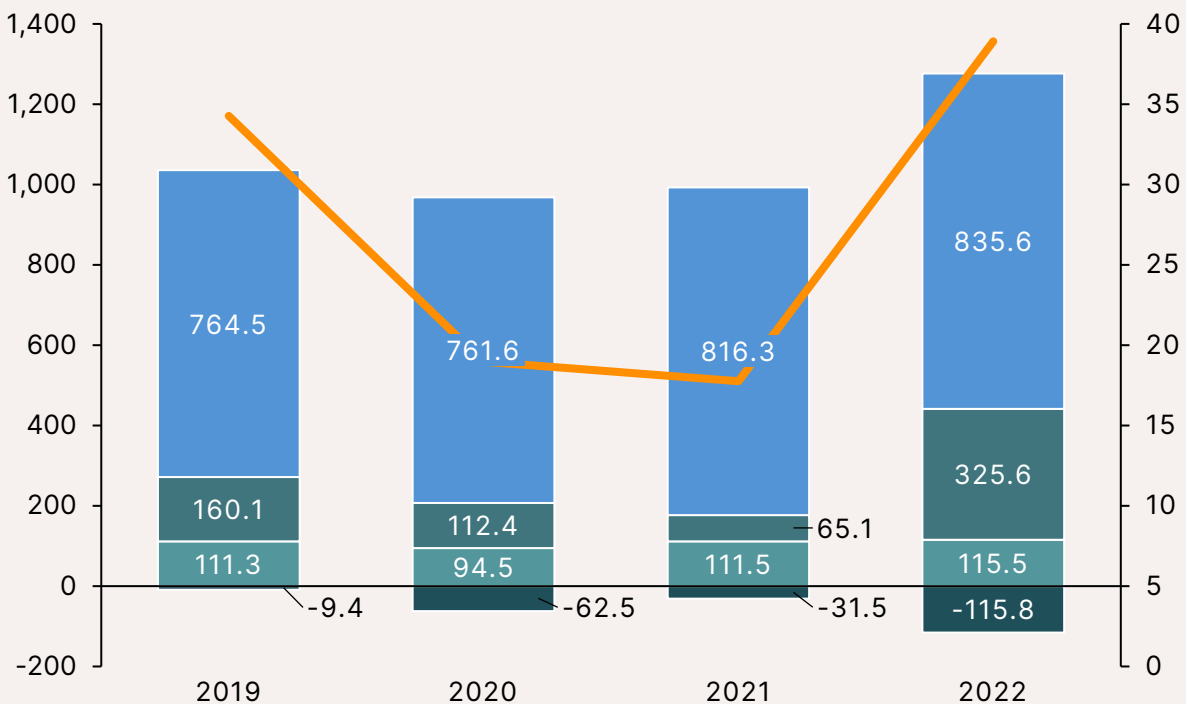


Balance Sheet Structure | Balance Sheet remains strong

Net Debt (EURm), Net Debt / EBITDA



Capital Structure (EURm), Net Debt / Equity (%)



Equity Interest-Bearing Debt Lease Liabilities Cash

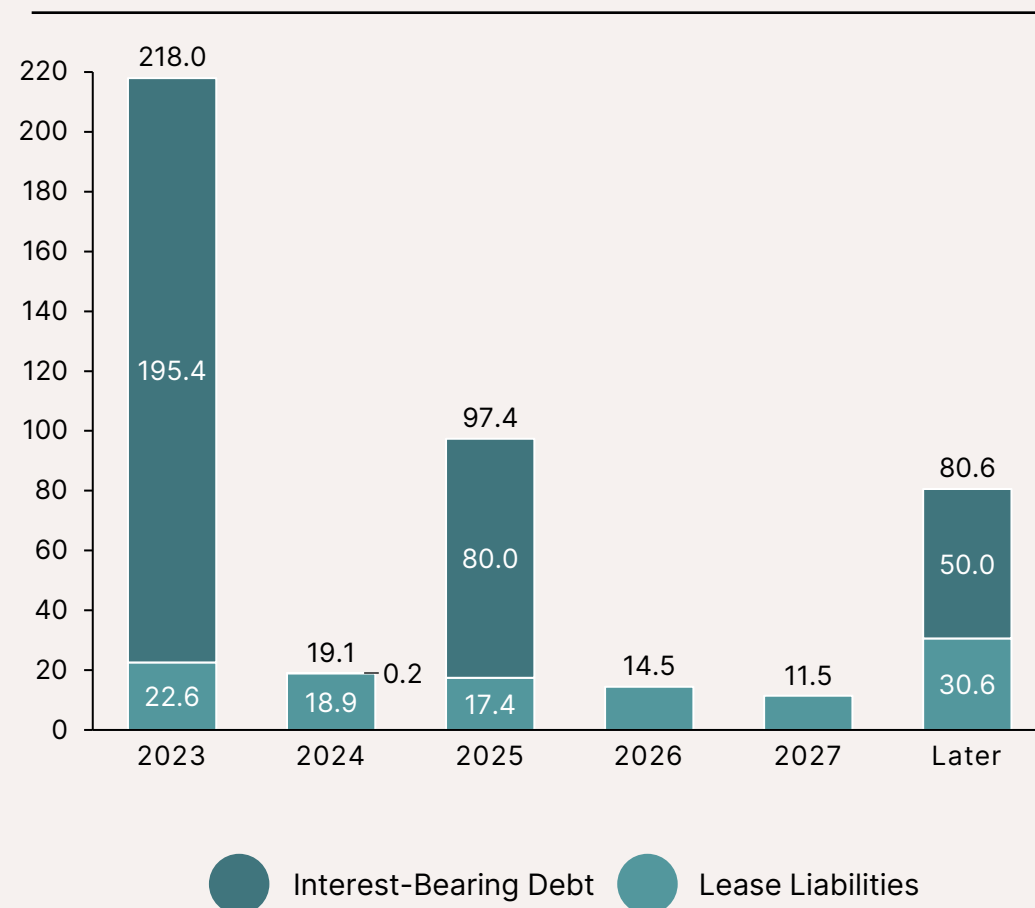


Financing | Interest expenses increased mainly due to higher leverage. Average interest rate 2.9%

Financial Items (EURm)

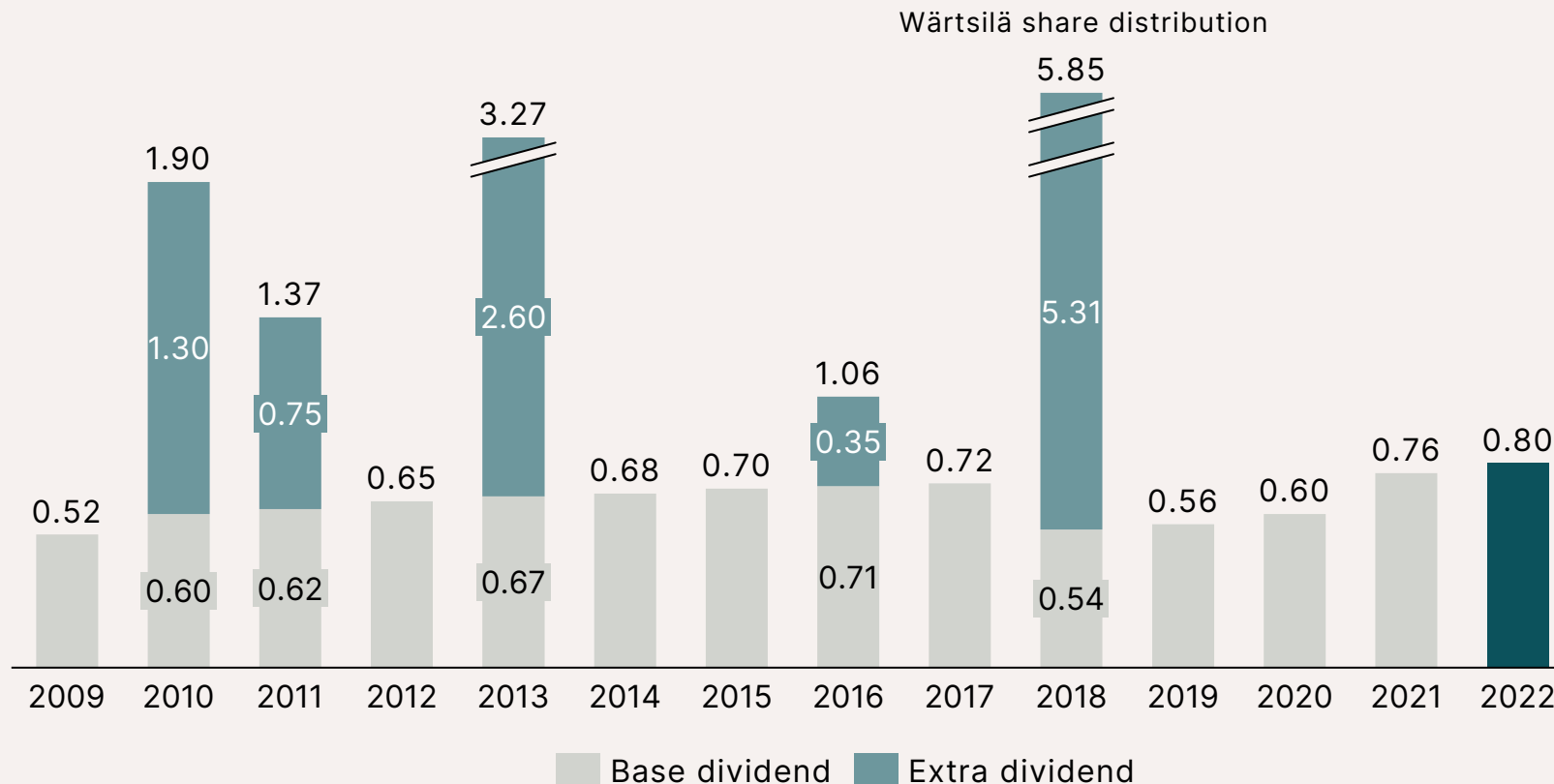
	2018	2019	2020	2021	2022
Dividends	15.0	7.8	-	-	0.3
Interest income	-	-	-	-	2.8
FV change of investments	3.4	3.8	-	6.4	-
FX gains - hedges	0.3	-	-	3.7	1.4
FX gains - other	-	1.6	-	0.6	0.6
Financial Income total	18.7	13.2	-	10.6	5.1
Interest expenses on debt	-3.6	-1.4	-2.9	-1.5	-8.1
Interest costs on lease liability	-	-2.8	-2.4	-1.9	-2.1
Other interest expenses	-	-0.4	-	-6.2	-
FV change of investments					-1.3
FX losses - hedges	-1.1	-3.7	-1.8	-	-
FX losses - other	-3.7	-	-0.6	-0.2	-2.5
Other financial expenses	-1.0	-1.5	-1.2	-0.8	-2.8
Financial Expenses Total	-9.4	-9.8	-8.9	-10.6	-16.8
Financial Items, net	9.4	3.4	-8.9	-	-11.7

Debt Maturity Profile (EURm)



Aiming to distribute a stable, over time increasing dividend

DIVIDEND PER SHARE, EUR



DIVIDEND IN 2022:

- **Payout ratio:** 66%*
(2021: 71.5%)
- **Dividend yield:** 5.2%*
(3.3%)
- **Dividend growth:** 5.3%*



Content



Fiskars Group in brief

Strategy

Business Areas

Financials

Q1 2023

Appendices





Highlights of Q1 2023

FOCUS ON
CASH FLOW
AND PROFIT
PROTECTION
DELIVERED
RESULTS

SALES DECLINED
DUE TO LOW
CONSUMER
CONFIDENCE AND
RETAILERS' HIGH
INVENTORIES,
ESPECIALLY IN
THE U.S.

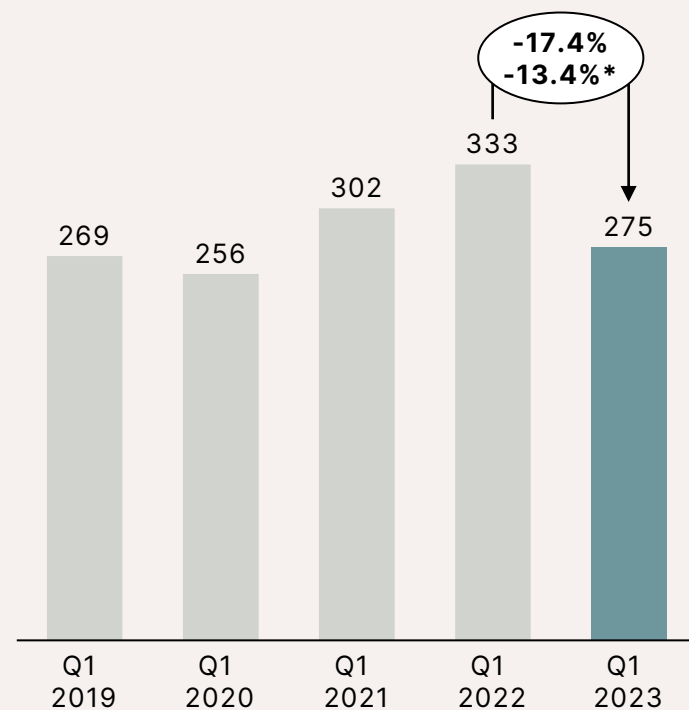
DTC OUTGREW
OTHER CHANNELS
– STRATEGIC
FOCUS PAYS OFF

2023 GUIDANCE
REITERATED:

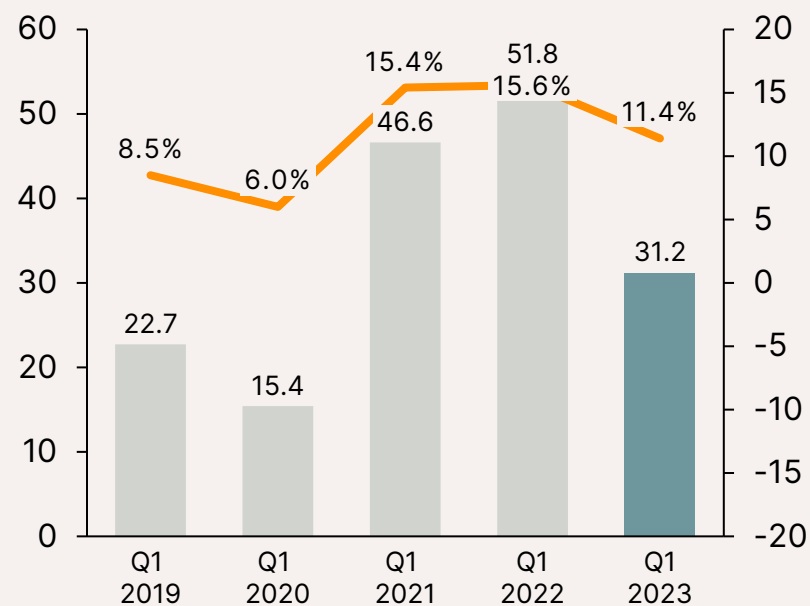
COMPARABLE
EBIT EXPECTED
TO BE SLIGHTLY
BELOW THE 2022
LEVEL

Q1 2023 Group key figures

NET SALES, EUR MILLION



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



GROSS MARGIN %

46.4 ↔
Q1/2022: 45.6, like-for-like 46.6

FREE CASH FLOW EUR MILLION

12.9 ↑
Q1/2022: -69.9

EARNINGS PER SHARE EUR

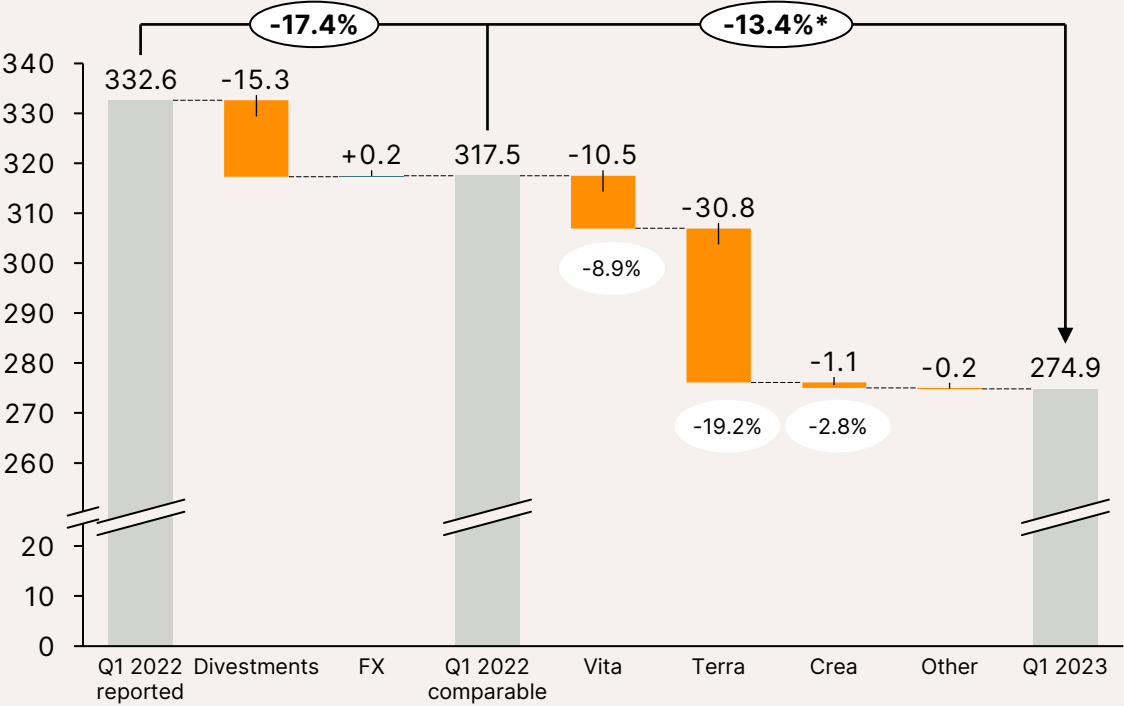
0.25 ↓
Q1 2022: 0.38

*Comparable change = currency neutral & excl. divestments

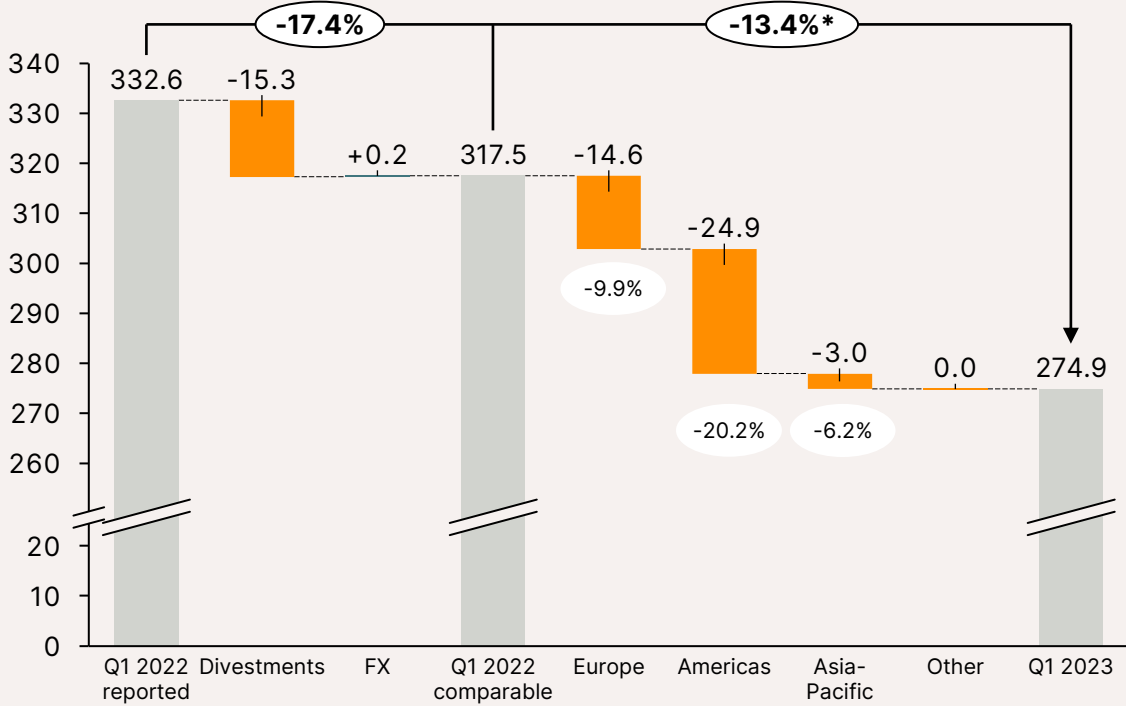


Q1 2023 Net sales decline driven by the U.S. and Terra

Q1 2023 NET SALES BRIDGE BY BUSINESS AREAS, EUR MILLION



Q1 2023 NET SALES BRIDGE BY GEOGRAPHICAL AREAS, EUR MILLION

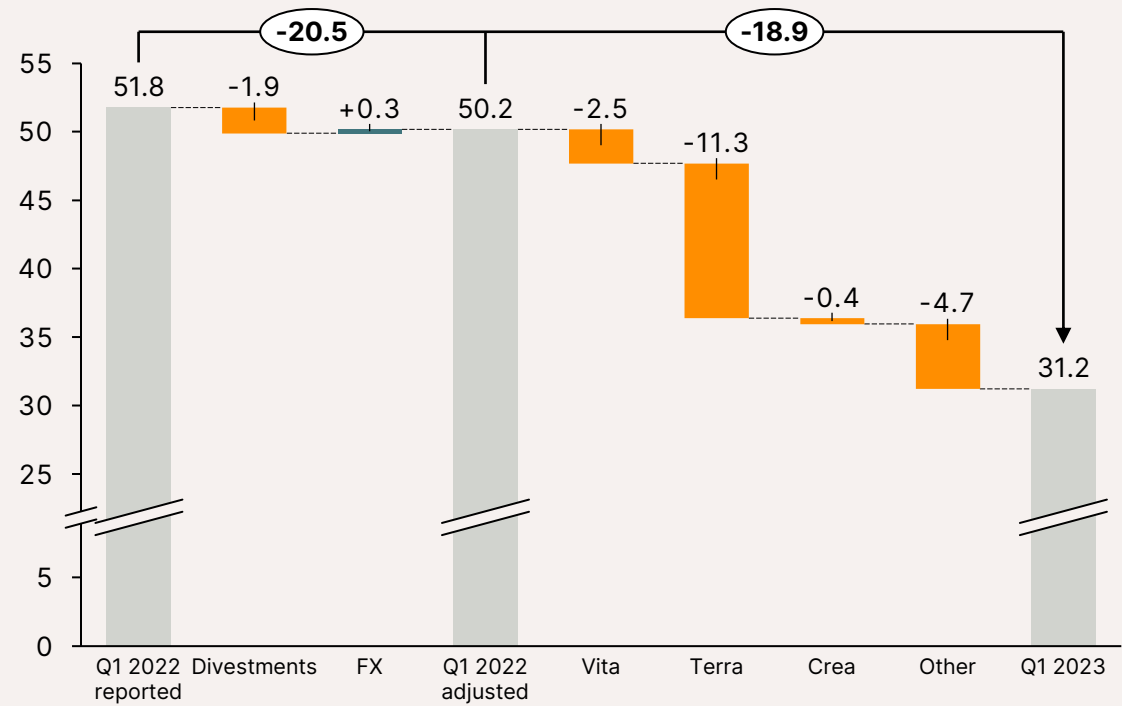


*Comparable change = currency neutral & excl. divestments

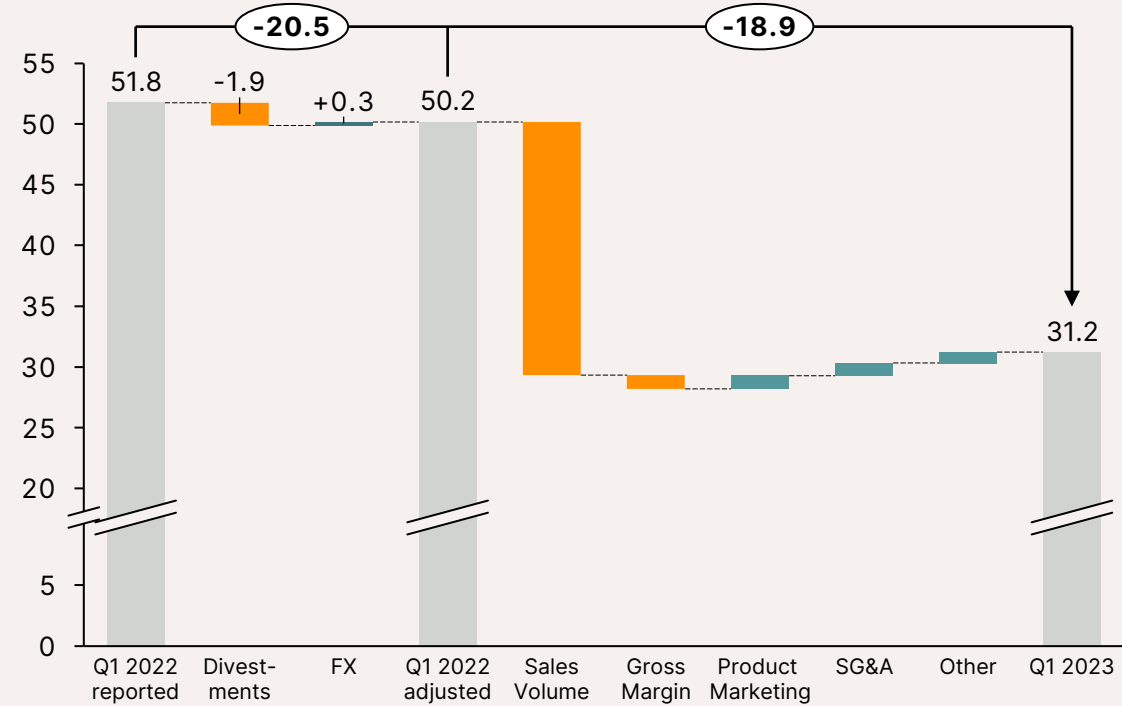


Q1 2023 Comparable EBIT declined due to volumes, like-for-like gross margin stable

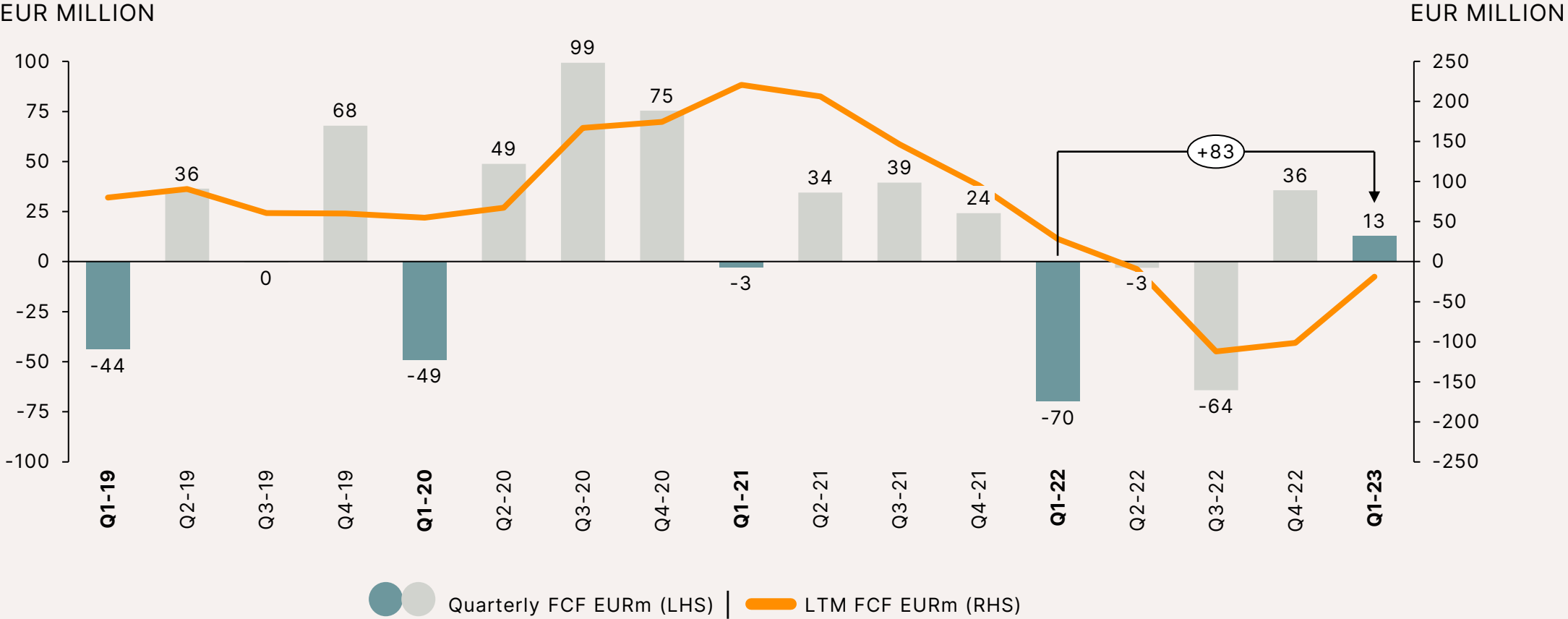
Q1 2023 EBIT BRIDGE BY BUSINESS AREAS,
EUR MILLION



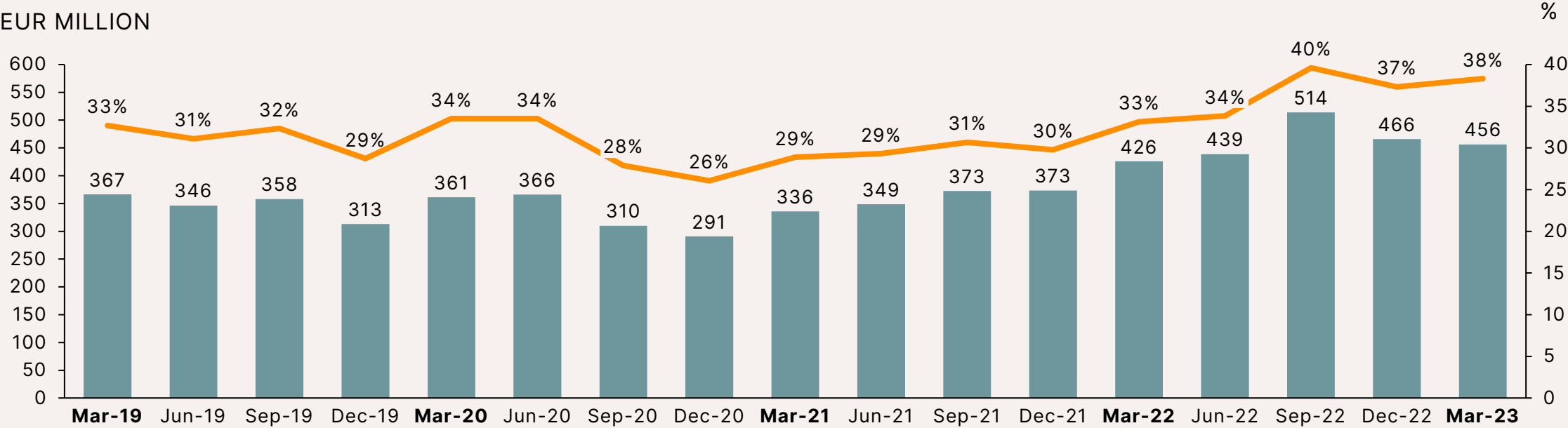
Q1 2023 EBIT BRIDGE BY COMPONENTS,
EUR MILLION



Q1 2023 Cash flow improved significantly driven by actions taken to decrease inventories



Trade working capital reduced by EUR 10 million vs. year-end driven by Terra inventories



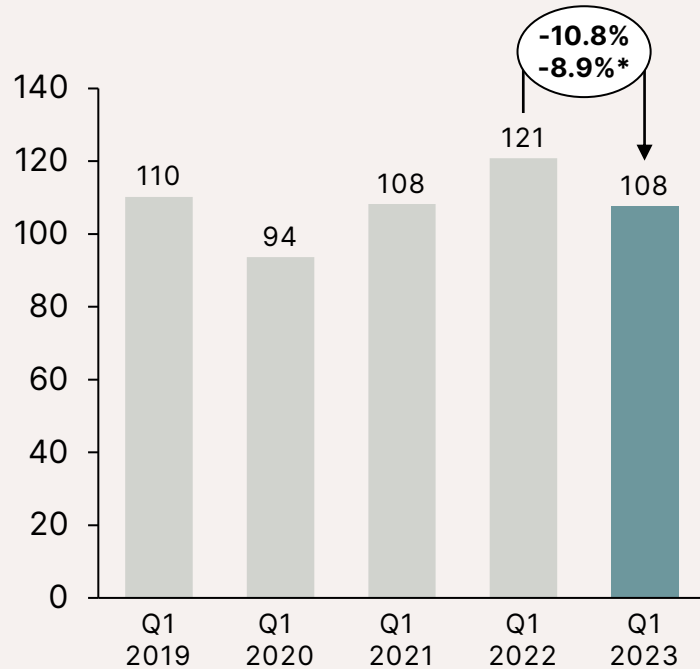
Inventories	234.2	240.9	246.5	232.1	241.1	214.6	205.3	207.4	219.9	247.1	277.9	306.3	272.5	368.7	397.6	364.7	347.1
Trade Rec's	197.0	173.9	164.0	177.4	186.3	221.6	184.4	183.7	220.5	220.3	201.9	206.3	251.1	225.1	209.5	170.5	183.3
Trade Pbl's	-64.7	-68.6	-52.6	-96.3	-66.2	-69.9	-79.7	-100.2	-104.7	-118.7	-107.2	-139.3	-97.7	-155.0	-93.2	-69.2	-74.1
TWC Total	366.5	346.2	357.9	313.3	361.3	366.2	309.9	290.8	335.7	348.6	372.6	373.4	425.8	438.9	513.9	466.0	456.3

TWC EURm (LHS) | TWC, % of Sales (RHS)

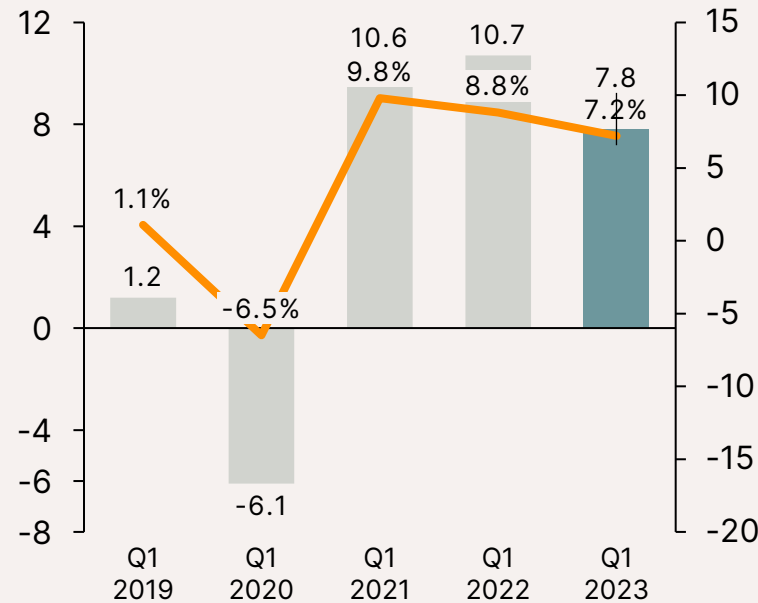


Vita Q1 2023: Sales decreased in the retailer channel, own e-commerce continued to develop positively

NET SALES, EUR MILLION



COMPARABLE EBIT (EUR MILLION) AND
COMPARABLE EBIT MARGIN, %



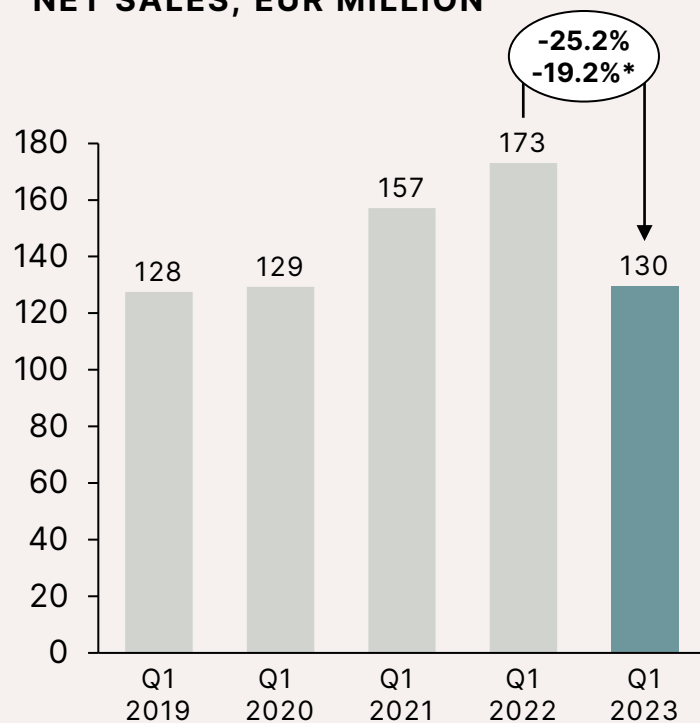
- E-commerce developed positively in several key markets
- Moomin by Arabia was the best performing brand

*Comparable change = currency neutral & excl. divestments

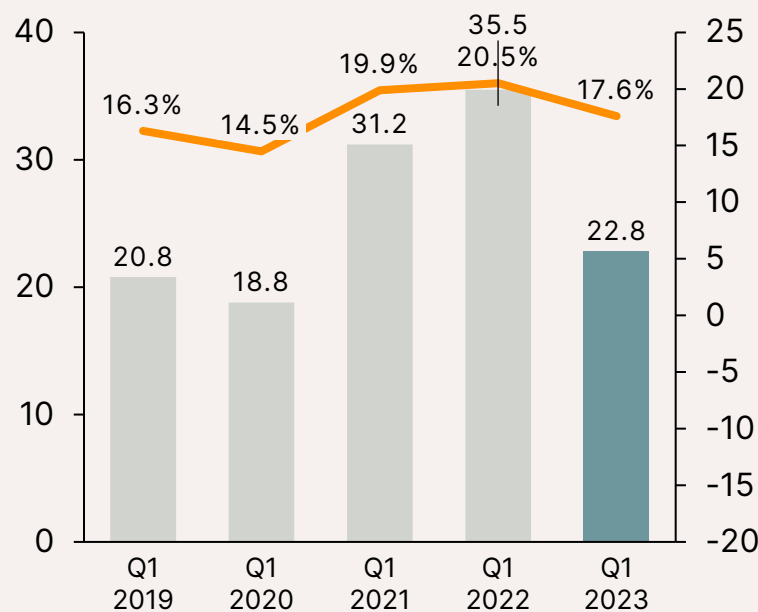


Terra Q1 2023: Clearly lower shipments at the start of the gardening season

NET SALES, EUR MILLION



COMPARABLE EBIT (EUR MILLION) AND COMPARABLE EBIT MARGIN, %



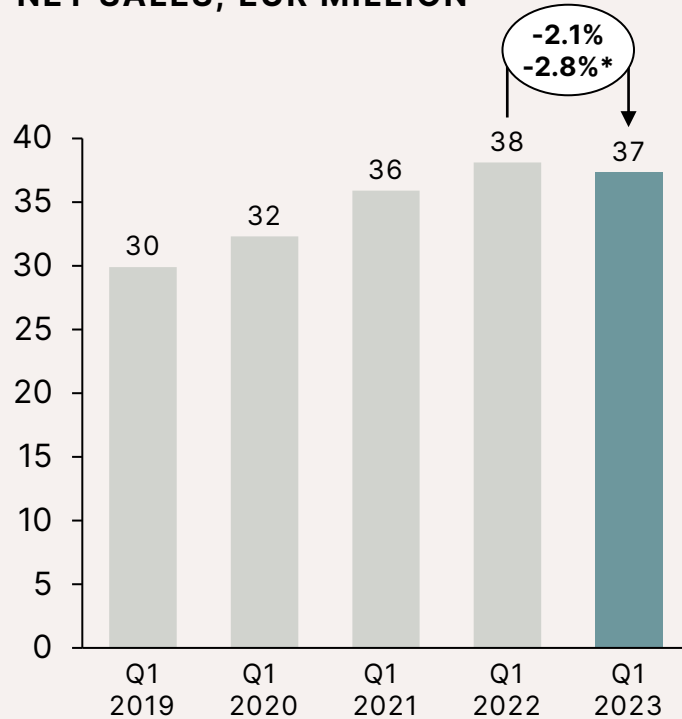
- Clearly lower shipments at the start of the gardening season due to inventories
- Cold start to the spring in both U.S. and Europe also impacted

*Comparable change = currency neutral & excl. divestments

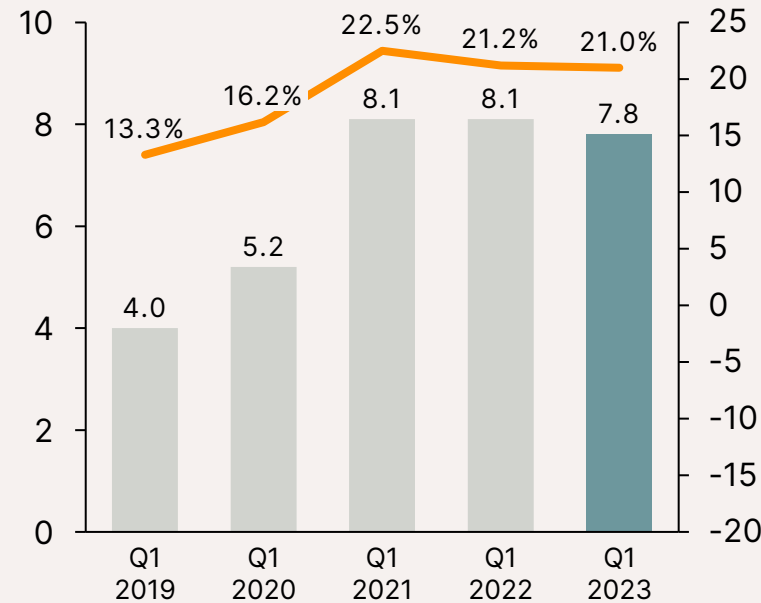


Crea Q1 2023: Rather stable development supported by timing of shipments in the U.S.

NET SALES, EUR MILLION



COMPARABLE EBIT (EUR MILLION) AND
COMPARABLE EBIT MARGIN, %



- In the U.S., the Creating category was supported by timing of shipments
- In Europe, performance varied country by country, but overall sales declined

*Comparable change = currency neutral & excl. divestments



Guidance for 2023

(updated July 5, 2023)

Fiskars expects comparable EBIT to be in the range of 120-130 (2022: EUR 151.0 million).

Assumptions behind the guidance

- expected continued volatility of the market environment and weaker demand
- investments into key strategic building blocks
- + savings from the targeted organizational changes from H2 onwards and prudent cost management



Content



Fiskars Group in brief

Strategy

Business Areas

Financials

Q1 2023

Appendices



Largest shareholders as of April 30, 2023

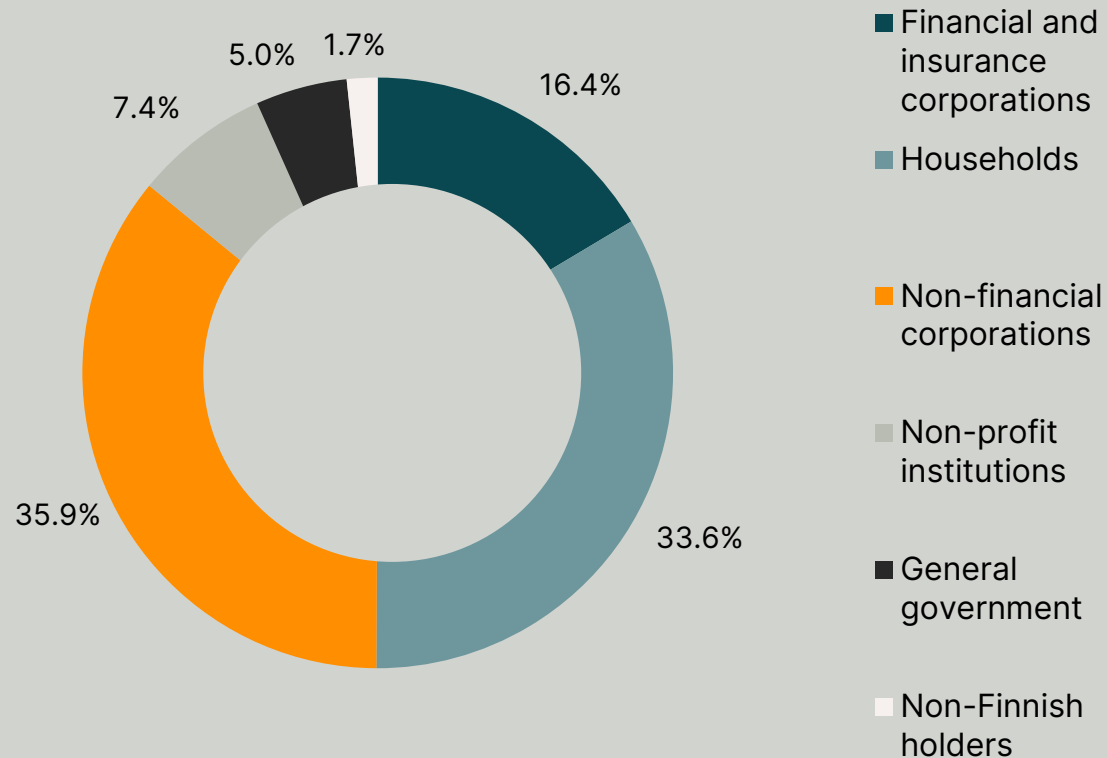
#	SHAREHOLDER NAME	NUMBER OF SHARES	% OF SHARES AND VOTES
1	Virala Oy Ab	12,740,000	15.73
2	Turret Oy Ab	11,430,961	14.11
3	Holdix Oy Ab	10,165,537	12.55
4	Sophie Von Julins Stiftelse	2,556,000	3.16
5	Julius Tallberg Corp.	2,554,350	3.15
6	Gripenberg Gerda Margareta Lindsay Db	1,982,000	2.45
7	Varma Mutual Pension Insurance Company	1,659,326	2.05
8	Ilmarinen Mutual Pension Insurance Company	1,594,155	1.97
9	The estate of Greta Von Julin	1,560,000	1.93
10	Ehrnrooth Albert Carl Göran	855,372	1.06
	10 largest shareholders, total	47,097,701	58.15
	Other shareholders	33,902,299	41.85
	Total	81,000,000	100.00



DATA SUPPLIED BY INVESTIS



Shareholder structure as of April, 2023



DATA SUPPLIED BY INVESTIS



Leadership Team



Nathalie Ahlström
CEO
Employed 2020



Jussi Siitonen
CFO
Employed 2021



Christian Bachler
Executive Vice President,
Business Area Vita,
Employed 2010



Charlene Zappa
Executive Vice President,
Business Area Terra
Employed 2022



Bengt Erlandsson
Chief Supply Chain Officer
(Interim)
Employed 2022



Johan Hedberg
Chief Sales Officer,
Americas and President
Americas
Employed 2019



Peter Cabello Holmberg
Chief Digital Officer
Employed 2021



Anna Mindelöf
Chief People Officer
Employed 2022



Gennady Jilinski
Chief Sales Officer, Europe
and APAC (excl. China)
Employed 2022



Board of Directors



PAUL EHNRROOTH



JYRI LUOMAKOSKI



ALBERT EHNRROOTH



LOUISE FROMOND



JULIA GOLDIN



CARL-MARTIN LINDAHL



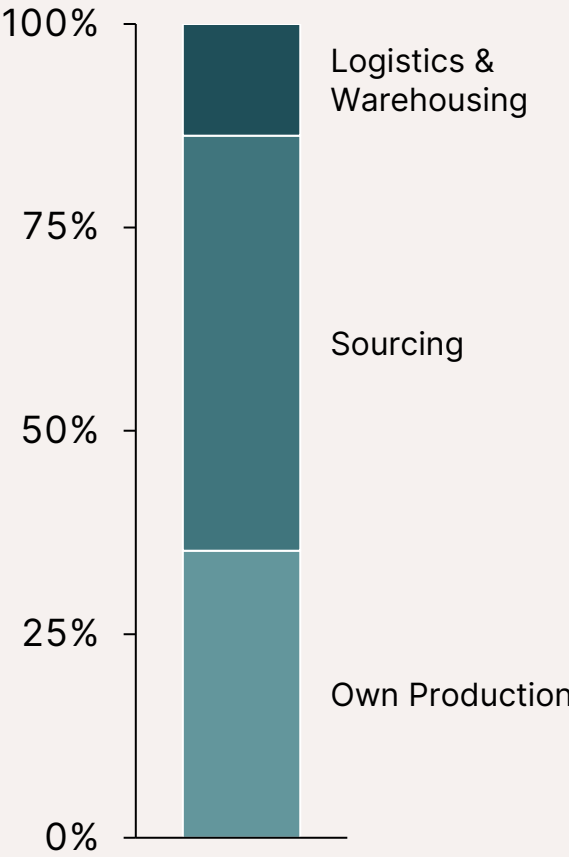
VOLKER LIXFELD



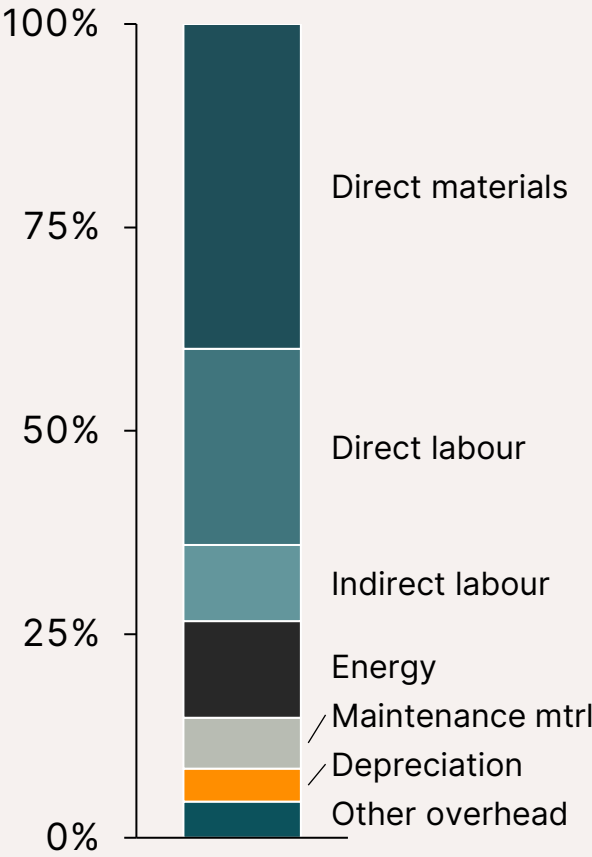
RITVA SOTAMAA

Cost of Goods

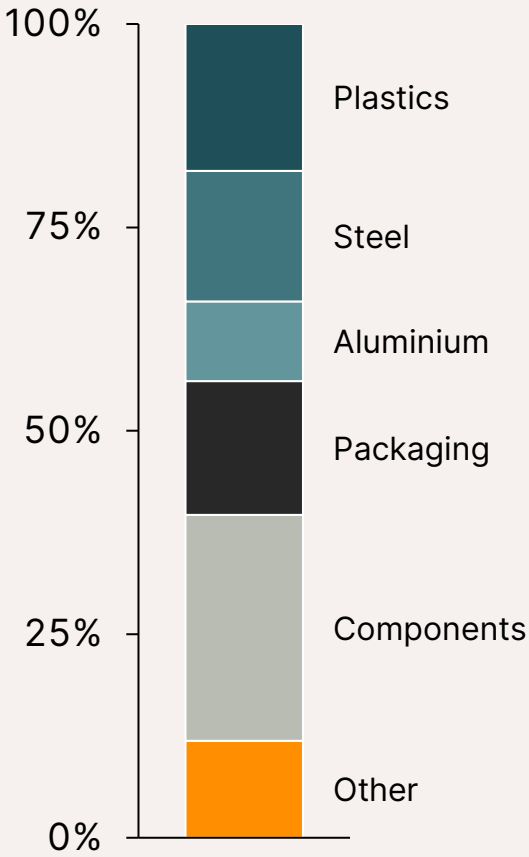
COGS TOTAL



OWN PRODUCTION



DIRECT MATERIALS



Calculation of financial indicators

INDICATOR	DEFINITION
EBIT	Operating profit
Comparable EBIT	Operating profit (EBIT) +/- items affecting comparability
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: (u) the macroeconomic development and consumer confidence in the key markets, (ii) change in the competitive climate, (iii) change in the regulatory environment and other government actions, (iv) change in interest rate and foreign exchange rate levels, and (v) internal operating factors.

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





Thank
you!