



Fiskars Group Half-year financial report 2023

JANUARY-JUNE 2023



Half-year financial report January-June 2023

SALES AND EBIT DECLINED IN A CHALLENGING OPERATING ENVIRONMENT, FOCUS ON CASH FLOW DELIVERED RESULTS

APRIL-JUNE 2023 IN BRIEF

- Comparable net sales¹ decreased by 12.7% to EUR 267.9 million (Q2 2022: 306.7). Reported net sales decreased by 16.0% to EUR 267.9 million (319.1)
- Comparable EBIT² decreased to EUR 23.4 million (36.3), or 8.7% (11.4%) of net sales. EBIT decreased to EUR 22.2 million (39.5)
- Cash flow from operating activities before financial items and taxes increased to EUR 56.1 million (16.0)
- Free cash flow increased to EUR 41.6 million (-3.1)
- Earnings per share (EPS) were EUR 0.16 (0.41)

JANUARY-JUNE 2023 IN BRIEF

- Comparable net sales¹ decreased by 13.1% to EUR 542.8 million (Q1-Q2 2022: 624.3). Reported net sales decreased by 16.7% to EUR 542.8 million (651.7)
- Comparable EBIT² decreased to EUR 54.7 million (88.1), or 10.1% (13.5%) of net sales. EBIT decreased to EUR 51.2 million (80.9)
- Cash flow from operating activities before financial items and taxes increased to EUR 78.2 million (-39.9)
- Free cash flow increased to EUR 54.5 million (-73.0)
- Earnings per share (EPS) were EUR 0.41 (0.79)

GUIDANCE FOR 2023 (UPDATED ON JULY 5, 2023)

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

ASSUMPTIONS BEHIND THE GUIDANCE

The market environment remains volatile, and there is limited visibility. Fiskars expects that low consumer confidence in the company's main markets, together with retailers' emphasis on inventory management, will negatively affect demand and sales in the second half of the year.

Fiskars has announced targeted organizational changes, which are expected to result in savings supporting the company's EBIT from the second half onward.

Whilst the company remains focused on prudent cost management, it also continues to invest in key strategic building blocks.

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



Nathalie Ahlström
President and CEO

“Although the near-term market conditions remain challenging, I am confident that our Growth Strategy and the actions we have been taking will continue to bear fruit.”

In line with our expectations, challenging market conditions and a weak demand environment continued to affect our business in the second quarter, resulting in a significant drop in volumes. Consequently, our comparable net sales declined by 13% and comparable EBIT declined to EUR 23 million. While we cannot be pleased with this development, we did see a clear improvement in our gross margin, which will be a positive engine once volumes recover. Another highlight was business area Crea's all-time high second quarter profit, demonstrating the importance and power of our broad-based portfolio. Additionally, our free cash flow improved significantly as a result of our continued actions to adjust supply volumes.

We are not currently seeing meaningful signs of improving market conditions in the second half of the year. Low consumer confidence in our main markets, as well as retailers' focus on inventory management, will affect demand and sales more negatively than previously anticipated. As a result, we lowered our guidance for the full year 2023 in the beginning of July. We now expect comparable EBIT to be in the range of EUR 120-130 million in 2023. Savings from previously announced organizational changes are expected to support EBIT in the second half, and we also remain focused on prudent cost management.

In this environment, having a crystal-clear Growth Strategy is more essential than ever, and it sets the framework for the choices we make. We continue to invest in the key strategic building blocks to ensure our long-term competitiveness. Looking at the first half of the year, we saw good progress in three of the strategy's transformation levers: commercial excellence; direct-to-consumer (DTC); and China. Our like-for-like gross margin, which is our key performance indicator for commercial excellence, increased by 160 basis points in January-June. DTC sales increased by 6%, amounting to 21% of the Group's sales, with good development in several key markets. In China, sales increased by 30%, with strong sales growth since February. In the U.S., which is the fourth transformation lever, our net sales decreased by 18% in January-June as retailers' focus on inventory management continued to affect demand.

In terms of sustainability, we set our fifth ESG target measuring our employees' inclusion experience. We want to build an inclusive, fair, and open working environment, in which everyone feels heard, and their uniqueness is celebrated. The target is to be within the global top 10% of high-performing companies in terms of inclusion experience. We still have work to do to reach our target, but we are on the right track.

In June, we started the first enrollment period for Fiskars Group's employee share savings plan "MyFiskars", which was launched earlier this year. The aim of MyFiskars is to offer employees the opportunity to acquire and own Fiskars shares, thereby creating a stronger culture of ownership and entrepreneurship, as well as to further strengthen our employees' long-term commitment to the company. It is great to see that already close to 13% of all our employees globally and 30% of office employees have signed up in the first enrollment period. I warmly welcome our new shareholders.

Our brands had some exciting launches during the quarter. Moomin Arabia introduced a new product category by entering to home with bedroom and bathroom textiles. Wedgwood launched its new creative vision, which connects the heritage of the brand to the innovative thinking of its founder Josiah Wedgwood. The creative vision is all about pushing boundaries with design and being an innovator in the tableware category.

In the second half of the year, we will focus on profit and cash protection. Although the near-term market conditions remain challenging, I am confident that our Growth Strategy and the actions we have been taking will continue to bear fruit.

Nathalie Ahlström
President & CEO

Group key figures

EUR million (unless otherwise noted)	Q2 2023	Q2 2022	Change	Q1-Q2 2023	Q1-Q2 2022	Change	2022
Net sales	267.9	319.1	-16.0%	542.8	651.7	-16.7%	1,248.4
Comparable net sales ¹⁾	267.9	306.7	-12.7%	542.8	624.3	-13.1%	1,248.4
EBIT	22.2	39.5	-43.7%	51.2	80.9	-36.8%	134.7
Items affecting comparability in EBIT ²⁾	1.2	-3.2		3.5	7.2	-50.7%	16.3
Comparable EBIT ³⁾	23.4	36.3	-35.5%	54.7	88.1	-37.9%	151.0
Comparable EBIT margin	8.7%	11.4%		10.1%	13.5%		12.1%
Profit before taxes	16.6	39.3	-57.8%	42.9	81.9	-47.6%	124.1
Profit for the period	12.6	33.5	-62.4%	33.1	64.9	-49.0%	99.1
Earnings per share, EUR	0.16	0.41	-62.0%	0.41	0.79	-48.6%	1.21
Equity per share, EUR				9.71	10.04	-3.2%	10.32
Cash flow from operating activities before financial items and taxes	56.1	16.0		78.2	-39.9		-24.9
Free cash flow	41.6	-3.1		54.5	-73.0		-100.7
Net debt				342.2	221.7	54.4%	325.3
Net Debt/EBITDA (LTM), ratio				2.08	1.11	88.2%	1.66
Equity ratio, %				53%	52%		53%
Net gearing, %				43%	27%		39%
Capital expenditure	10.2	13.5	-24.3%	20.3	22.9	-11.3%	48.1
Personnel (FTE), average	5,945	6,335	-6.1%	5,985	6,250	-4.2%	6,273

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

2) In Q2 2023, items affecting comparability were mainly related to organizational changes.

3) EBIT excluding items affecting comparability. Comparable EBIT is not adjusted to exclude the full impact of acquisitions/divestments/disposals.

Performance by reporting segments

EUR million	Q2 2023	Q2 2022	Change	Comparable change*	Q1-Q2 2023	Q1-Q2 2022	Change	Comparable change*	2022
Net sales									
Group	267.9	319.1	-16.0%	-12.7%	542.8	651.7	-16.7%	-13.1%	1,248.4
Vita	113.7	126.8	-10.3%	-6.4%	221.4	247.5	-10.6%	-7.7%	563.7
Terra	105.9	139.4	-24.0%	-20.3%	235.4	312.5	-24.7%	-19.7%	507.4
Crea	47.1	51.9	-9.3%	-8.1%	84.4	90.0	-6.2%	-5.8%	173.4
Other	1.1	0.9			1.6	1.6			3.9
Comparable EBIT**									
Group	23.4	36.3	-35.5%		54.7	88.1	-37.9%		151.0
Vita	3.0	14.4	-79.3%		10.8	25.1	-57.1%		85.6
Terra	11.8	15.0	-20.9%		34.7	50.4	-31.3%		48.4
Crea	12.8	11.7	9.6%		20.7	19.8	4.5%		34.3
Other	-4.2	-4.8			-11.4	-7.2			-17.2

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

** EBIT excluding items affecting comparability. In Q2 2023, items affecting comparability were mainly related to organizational changes. Comparable EBIT is not adjusted to exclude the full impact of acquisitions/divestments/disposals.

Group performance

FISKARS GROUP NET SALES IN APRIL-JUNE 2023

Fiskars Group's comparable consolidated net sales decreased by 12.7% to EUR 267.9 million (Q2 2022: 306.7). Reported net sales decreased by 16.0%.

Low consumer confidence and retailer customers' focus on inventory management continued to affect demand. Comparable net sales decreased in Europe and in the Americas, whereas sales in Asia-Pacific increased slightly driven by China.

In terms of business areas, especially sales in Terra decreased, with clearly lower shipments in the gardening season than in the comparison period due to retailers' focus on inventory management and the cold spring.

Fiskars Group's DTC sales continued to develop positively and increased by 8% driven by strong growth in e-commerce and stable development in the company's own retail network.

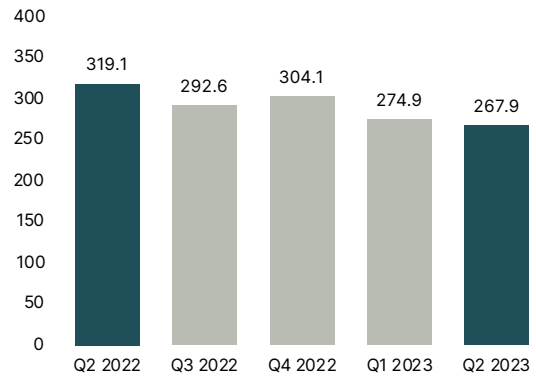
FISKARS GROUP NET SALES IN JANUARY-JUNE 2023

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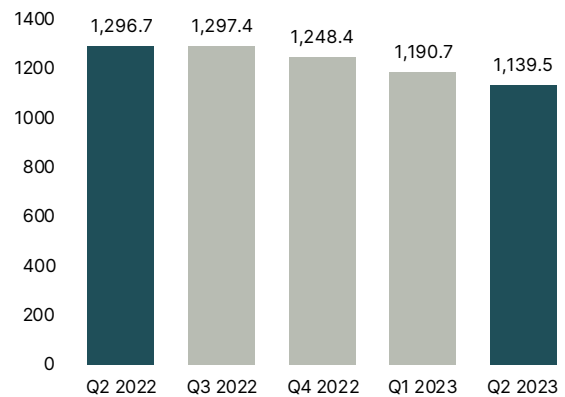
Sales decreased in all business areas and geographical segments, as low consumer confidence and retailer customers' focus on inventory management continued to affect demand. Especially sales in Terra decreased, with clearly lower shipments in the gardening season than in the comparison period due to retailers' focus on inventory management and the cold spring.

Fiskars Group's DTC sales developed positively and increased by 6% driven by strong growth in e-commerce and stable development in the company's own retail network.

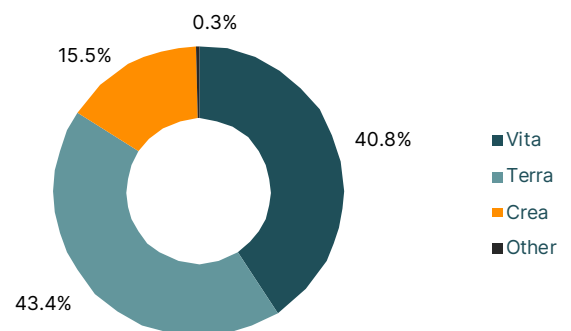
FISKARS GROUP NET SALES, EUR MILLION



FISKARS GROUP NET SALES LAST 12 MONTHS, EUR MILLION



FISKARS GROUP NET SALES SPLIT BY SEGMENT IN JANUARY-JUNE 2023

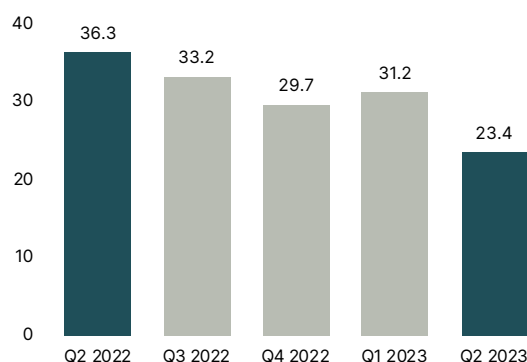


FISKARS GROUP COMPARABLE EBIT IN APRIL-JUNE 2023

Fiskars Group's comparable EBIT was EUR 23.4 million (Q2 2022: 36.3), or 8.7% (11.4%) of net sales. Comparable EBIT decreased in Vita and Terra and increased in Crea.

Comparable EBIT decreased primarily due to significantly lower volumes. The negative impact from volumes was partially mitigated by a clear improvement in gross margin.

FISKARS GROUP COMPARABLE EBIT, EUR MILLION

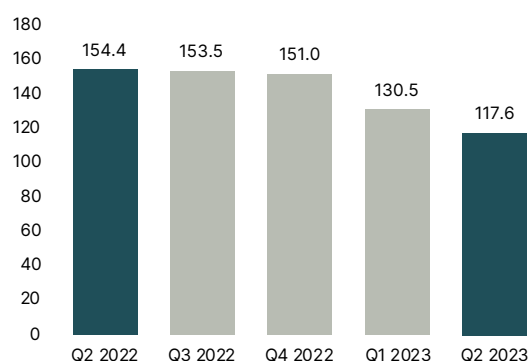


FISKARS GROUP COMPARABLE EBIT IN JANUARY-JUNE 2023

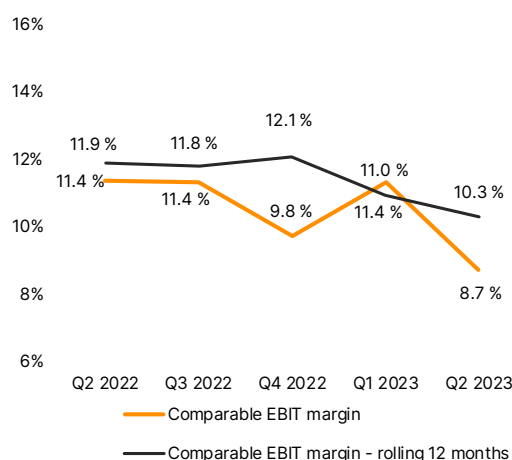
Fiskars Group's comparable EBIT was EUR 54.7 million (Q1-Q2 2022: 88.1), or 10.1% (13.5%) of net sales. Comparable EBIT decreased in Vita and Terra and increased in Crea.

Comparable EBIT decreased primarily due to significantly lower volumes. The negative impact from volumes was partially mitigated by an improvement in gross margin.

FISKARS GROUP COMPARABLE EBIT LAST 12 MONTHS, EUR MILLION



FISKARS GROUP COMPARABLE EBIT MARGIN



FINANCIAL ITEMS, CASH FLOW AND FINANCIAL POSITION

FINANCIAL ITEMS

EUR million	Q2 2023	Q2 2022	Q1-Q2 2023	Q1-Q2 2022	2022
Financial income and expenses	-7.1	-0.7	-10.8	-0.1	-11.7
Foreign exchange difference	-3.3	3.7	-3.1	3.8	-1.1
Net interest expenses from funding, currency hedging and leasing liabilities	-4.8	-1.1	-9.3	-2.0	-7.4

During the second quarter, financial income and expenses amounted to EUR -7.1 million (Q2 2022: -0.7). Foreign exchange differences accounted for EUR -3.3 million (3.7) of financial items. Net interest expenses from funding, currency hedging and leasing liabilities amounted to EUR -4.8 million (-1.1) and were impacted by the higher net debt level and higher interest rates.

During the first half of the year, financial income and expenses amounted to EUR -10.8 million (Q1-Q2 2022: -0.1). Foreign exchange differences accounted for EUR -3.1 million (3.8) of financial items. Net interest expenses from funding, currency hedging and leasing liabilities amounted to EUR -9.3 million (-2.0) and were impacted by the higher net debt level and higher interest rates.

CASH FLOW AND FINANCIAL POSITION

EUR million (unless otherwise noted)	Q2 2023	Q2 2022	Q1-Q2 2023	Q1-Q2 2022	2022
Free cash flow	41.6	-3.1	54.5	-73.0	-100.7
Cash flow from operating activities before financial items and taxes	56.1	16.0	78.2	-39.9	-24.9
Cash flow from investing activities	-9.9	-8.9	-19.7	25.9	-7.8
Cash flow from financing activities	-71.0	26.9	-121.6	69.2	149.8
Change in cash and cash equivalents	-33.8	20.9	-72.9	37.7	80.5
Net working capital			284.8	242.2	337.2
Capital expenditure	10.2	13.5	20.3	22.9	48.1
Net debt			342.2	221.7	325.3
Net debt/EBITDA LTM, ratio			2.08	1.11	1.66
Net gearing, %			43%	27%	39%
Equity ratio, %			53%	52%	53%

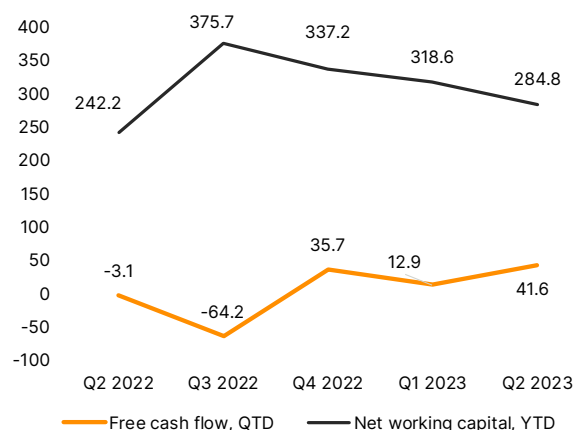
Cash flow from operating activities before financial items and taxes in Q2 2023 increased to EUR 56.1 million (Q2 2022: 16.0) and increased to EUR 78.2 million (-39.9) in Q1-Q2 2023. The cash flow was positively impacted by the decrease of inventories of EUR 37.7 million (-89.8) in the quarter and EUR 56.0 million (-83.7) during the first half of the year.

Capital expenditure totaled EUR 10.2 million (13.5) in Q2 2023 and EUR 20.3 million (22.9) in Q1-Q2 2023. The investments were mainly related to IT and supply chain.

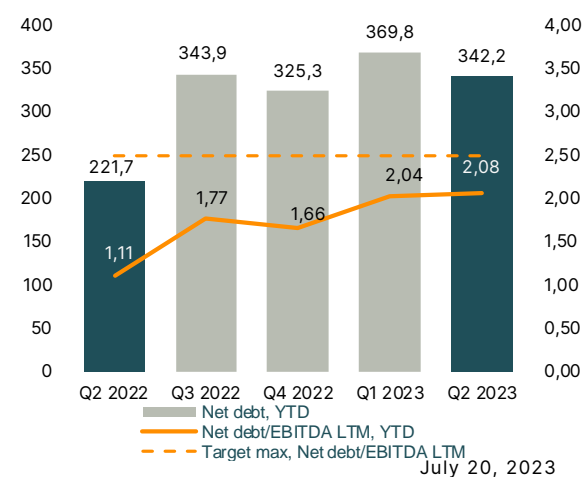
Excluding lease liabilities, short-term borrowing totaled EUR 120.6 million (190.4), and long-term borrowing EUR 130.3 million (0.5). Short-term borrowing consisted of commercial paper maturing in 2023 and an account overdraft. Long-term borrowing included bilateral loans from financial institutions. Lease liabilities increased EUR 28.8 million to EUR 133.3 million (104.5) of which long-term lease liabilities were EUR 109.9 million (82.7) and short-term lease liabilities EUR 23.4 million (21.8). The lease liabilities increased due to the renewal of the US distribution center lease agreement.

Fiskars Group had EUR 250.0 million (250.0) of long-term committed credit facilities and uncommitted overdraft facilities of EUR 47.0 million (48.6). A commercial paper program of EUR 400 million was available with Nordic banks. The long-term committed credit facilities were not in use (0.0). Of the commercial paper program, EUR 119.0 million (140.0) was in use.

FISKARS GROUP NET WORKING CAPITAL AND FREE CASH FLOW



FISKARS GROUP NET DEBT AND NET DEBT/EBITDA



OPERATING ENVIRONMENT IN JANUARY-JUNE 2023

The high costs of living affected consumer sentiment and demand negatively in many regions. In the U.S., consumer confidence improved in the second quarter, but consumer spending was tilted toward categories other than discretionary goods.

Retailers' inventories continued to be at an elevated level, affecting demand in this customer segment.

The spring was cold, though the weather improved slightly in the latter part of the season. The unfavorable weather affected demand for gardening products.

Demand in China has continued to be strong since February.

Reporting segments

This half-year financial 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.

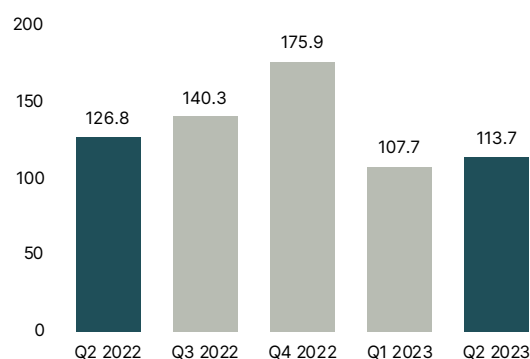
The Other segment contains the Group's investment portfolio, the real estate unit, corporate headquarters and shared services.

Vita segment

EUR million	Q2 2023	Q2 2022	Change	Q1-Q2 2023	Q1-Q2 2022	Change	2022
Net sales*	113.7	126.8	-10.3%	221.4	247.5	-10.6%	563.7
Comparable EBIT	3.0	14.4	-79.3%	10.8	25.1	-57.1%	85.6
Capital expenditure	5.0	6.4	-21.6%	9.6	9.0	7.0%	20.9

*Using comparable exchange rates excl. acquisitions and divestments, net sales decreased by 6.4% in Q2 2023 and decreased by 7.7% in Q1-Q2 2023.

VITA SEGMENT'S NET SALES, EUR MILLION



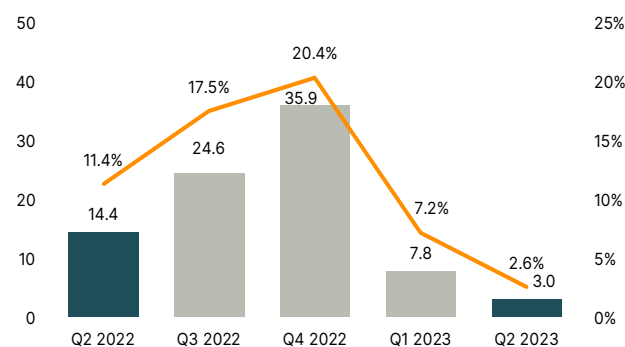
VITA SEGMENT IN APRIL-JUNE 2023

Net sales in the Vita segment decreased by 10.3% to EUR 113.7 million (Q2 2022: 126.8). Comparable net sales decreased by 6.4% due to lower demand in the retailer customer segment and the execution of Fiskars Group's channel strategy. Own e-commerce continued to develop positively, driven especially by China and the Wedgwood brand.

Net sales in DTC channels were 48% (42%) of total Vita net sales.

Comparable EBIT in the Vita segment declined to EUR 3.0 million (14.4), or 2.6% of net sales (11.4%) due to lower sales volumes and a decline in gross margin as a result of capacity downtime. In addition, customer credit losses were recorded in the U.S. Whilst Vita remained focused on prudent cost management, investments in key strategic building blocks continued.

VITA SEGMENT'S COMPARABLE EBIT (EUR MILLION) AND COMPARABLE EBIT MARGIN



VITA SEGMENT IN JANUARY-JUNE 2023

Net sales in the Vita segment decreased by 10.6% to EUR 221.4 million (Q1-Q2 2022: 247.5). Comparable net sales decreased by 7.7% due to lower demand in the retailer customer segment and the execution of Fiskars Group's channel strategy. Vita's own e-commerce developed positively, driven by several key markets. Wedgwood and Moomin Arabia were the best performing brands.

Net sales in DTC channels were 48% (42%) of total Vita net sales.

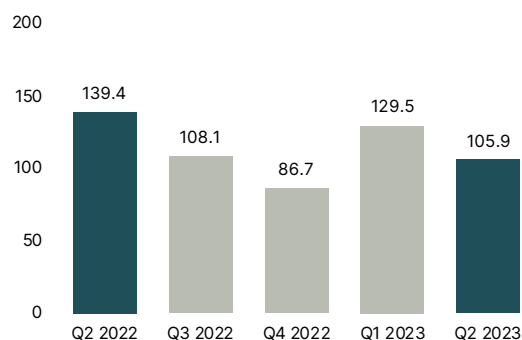
Comparable EBIT in the Vita segment declined to EUR 10.8 million (25.1), or 4.9% of net sales (10.1%), due to lower sales volumes and a decline in gross margin as a result of capacity downtime.

Terra segment

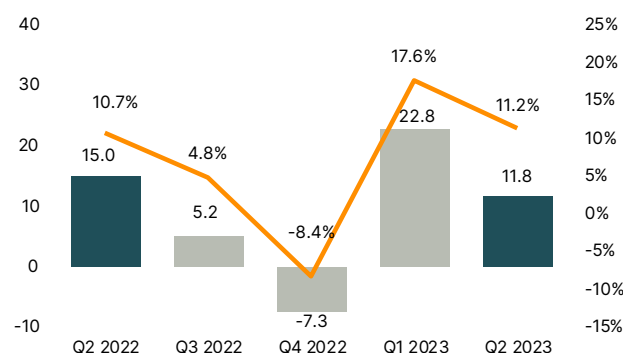
EUR million	Q2 2023	Q2 2022	Change	Q1-Q2 2023	Q1-Q2 2022	Change	2022
Net sales*	105.9	139.4	-24.0%	235.4	312.5	-24.7%	507.4
Comparable EBIT	11.8	15.0	-20.9%	34.7	50.4	-31.3%	48.4
Capital expenditure	3.2	4.1	-23.2%	6.8	7.2	-5.4%	17.5

*Using comparable exchange rates excl. acquisitions and divestments, net sales decreased by 20.3% in Q2 2023 and decreased by 19.7% in Q1-Q2 2023.

TERRA SEGMENT'S NET SALES, EUR MILLION



TERRA SEGMENT'S COMPARABLE EBIT (EUR MILLION) AND COMPARABLE EBIT MARGIN



TERRA SEGMENT IN APRIL-JUNE 2023

Net sales in the Terra segment decreased by 24.0% to EUR 105.9 million (Q2 2022: 139.4). Comparable net sales decreased by 20.3%.

Net sales decreased, as shipments in the gardening season were clearly lower than in the comparison period in both the U.S. and Europe. This was due to retailers' focus on inventory management and the cold spring.

Comparable EBIT in the Terra segment declined to EUR 11.8 million (15.0), or 11.2% of net sales (10.7%). Significantly lower volumes were the main reason for the decline in EBIT. The impact from the decline in sales volumes was partially mitigated by an improved gross margin and prudent cost management.

TERRA SEGMENT IN JANUARY-JUNE 2023

Net sales in the Terra segment decreased by 24.7% to EUR 235.4 million (Q1-Q2 2022: 312.5). The figures from the comparison period include the North American Watering business in January 2022, as it was divested on February 1, 2022. Comparable net sales decreased by 19.7%.

Net sales decreased, as shipments in the gardening season were clearly lower than in the comparison period in both the U.S. and Europe. This was due to retailers' focus on inventory management and the cold spring.

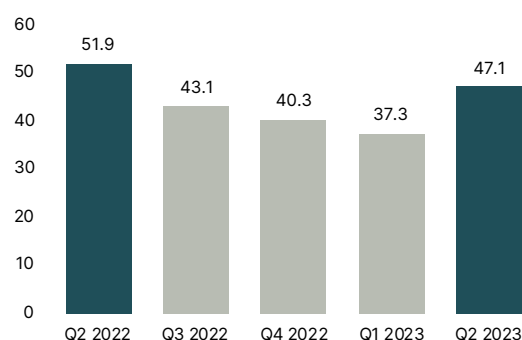
Comparable EBIT in the Terra segment declined to EUR 34.7 million (50.4), or 14.7% of net sales (16.1%). Significantly lower volumes were the main reason for the decline in EBIT. The impact from the decline in sales volumes was partially mitigated by an improved gross margin and prudent cost management.

Crea segment

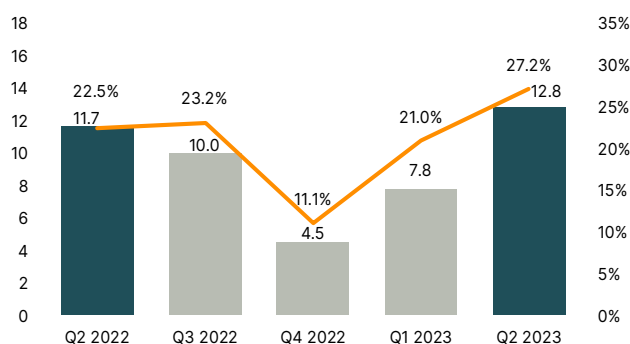
EUR million	Q2 2023	Q2 2022	Change	Q1-Q2 2023	Q1-Q2 2022	Change	2022
Net sales*	47.1	51.9	-9.3%	84.4	90.0	-6.2%	173.4
Comparable EBIT	12.8	11.7	9.6%	20.7	19.8	4.5%	34.3
Capital expenditure	0.7	1.1	-35.4%	1.6	1.7	-5.7%	4.0

*Using comparable exchange rates excl. acquisitions and divestments, net sales decreased by 8.1% in Q2 2023 and decreased by 5.8% in Q1-Q2 2023.

CREA SEGMENT'S NET SALES, EUR MILLION



CREA SEGMENT'S COMPARABLE EBIT (EUR MILLION) AND COMPARABLE EBIT MARGIN



CREA SEGMENT IN APRIL-JUNE 2023

Net sales in the Crea segment decreased by 9.3% to EUR 47.1 million (Q2 2022: 51.9). Comparable net sales decreased by 8.1% due especially to sales decreasing in Europe. In the U.S., sales were rather stable, driven by the back-to-school season in the Scissors category, as well as timing of shipments.

Despite lower volumes, comparable EBIT in the Crea segment increased to EUR 12.8 million (11.7), or 27.2% of net sales (22.5%), with an improved gross margin and prudent cost management.

CREA SEGMENT IN JANUARY-JUNE 2023

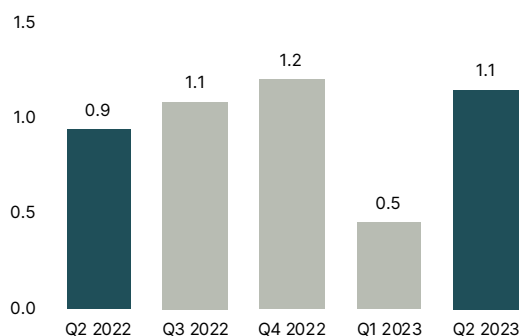
Net sales in the Crea segment decreased by 6.2% to EUR 84.4 million (Q1-Q2 2022: 90.0). Comparable net sales decreased by 5.8% due to sales decreasing in Europe. In the U.S., the Scissors category was supported by the back-to-school season in the second quarter, and the Creating category benefited from timing of shipments.

Despite lower volumes comparable EBIT in the Crea segment increased to EUR 20.7 million (19.8), or 24.5% of net sales (22.0%), with an improved gross margin and prudent cost management.

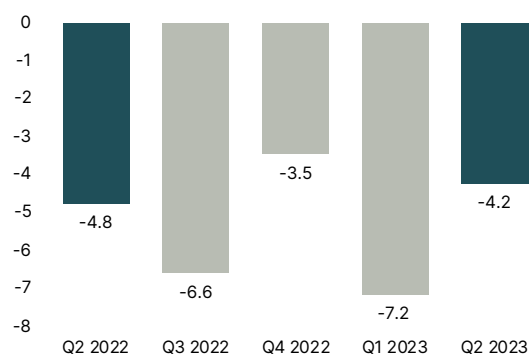
Other segment

EUR million	Q2 2023	Q2 2022	Q1-Q2 2023	Q1-Q2 2022	2022
Net sales	1.1	0.9	1.6	1.6	3.9
Comparable EBIT	-4.2	-4.8	-11.4	-7.2	-17.2
Capital expenditure	1.3	1.9	2.0	5.0	5.9

OTHER SEGMENT'S NET SALES, EUR MILLION



OTHER SEGMENT'S COMPARABLE EBIT, EUR MILLION



OTHER SEGMENT IN APRIL-JUNE 2023

Net sales in the Other segment amounted to EUR 1.1 million (Q2 2022: 0.9), consisting of timber sales and rental income. The comparable EBIT for the Other segment was EUR -4.2 million (-4.8).

OTHER SEGMENT IN JANUARY-JUNE 2023

Net sales in the Other segment amounted to EUR 1.6 million (Q1-Q2 2022: 1.6), consisting of timber sales and rental income. The comparable EBIT for the Other segment declined to EUR -11.4 million (-7.2) due to some unallocated development expenses related to the strategic programs.

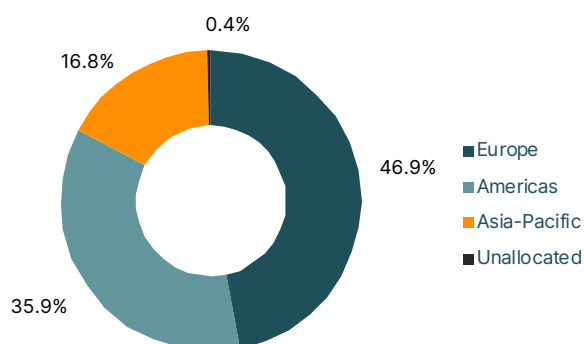
Net sales by geography

EUR million	Q2 2023	Q2 2022	Change	Comparable change*	Q1-Q2 2023	Q1-Q2 2022	Change	Comparable change*	2022
Europe	120.9	145.1	-16.7%	-12.3%	254.5	300.2	-15.2%	-11.0%	596.0
Americas	99.7	119.0	-16.2%	-15.4%	194.7	243.6	-20.0%	-17.5%	432.0
Asia-Pacific	45.2	48.2	-6.4%	1.6%	91.2	99.4	-8.2%	-2.5%	209.4
Unallocated**	2.2	6.7			2.3	8.5			11.1

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

**Geographically unallocated exchange rate differences.

FISKARS GROUP'S NET SALES SPLIT BY GEOGRAPHY, JANUARY-JUNE 2023



NET SALES BY GEOGRAPHY IN APRIL-JUNE 2023

Net sales in Europe decreased by 16.7%, amounting to EUR 120.9 million (Q2 2022: 145.1). Comparable net sales decreased by 12.3%. Sales in Europe decreased across the board, apart from Denmark, where sales were rather stable.

Net sales in the Americas decreased by 16.2% to EUR 99.7 million (119.0). Comparable net sales decreased by 15.4%, due especially to clearly lower shipments in the Terra segment during the gardening season.

Net sales in Asia-Pacific decreased by 6.4% to EUR 45.2 million (48.2). Comparable net sales increased by 1.6%, driven by China, where sales grew by 50%.

NET SALES BY GEOGRAPHY IN JANUARY-JUNE 2023

Net sales in Europe decreased by 15.2%, amounting to EUR 254.5 million (Q1-Q2 2022: 300.2). Comparable net sales decreased by 11.0%. Sales in Europe decreased across the board, apart from the important home market Finland, where sales were rather stable.

Net sales in the Americas decreased by 20.0% to EUR 194.7 million (243.6). Comparable net sales decreased by 17.5% due especially to clearly lower shipments in the Terra segment during the gardening season.

Net sales in Asia-Pacific decreased by 8.2% to EUR 91.2 million (99.4). Comparable net sales decreased by 2.5%. In China, comparable net sales grew by 30%, with strong growth since February. In the beginning of the year, sales were impacted by the spread of the Covid-19 pandemic and the timing of the Chinese New Year.

Consumer everyday

During the second quarter, **Moomin Arabia** entered a new product category of home textiles, with bedroom and bathroom textiles the first items. Moomin Arabia Home textiles “Mooments of Coziness” will be available in August 2023. Related to the annual Moomin Day in August, the brand is launching two Moomin’s Day mugs: Sea Breeze and the exclusive Sea Breeze Platinum edition, which was only available to buy through a special raffle in June. The Platinum mug was made especially to celebrate Arabia’s long heritage in its 150th anniversary year. The Sea Breeze Platinum raffle was successful; 5,000 unique mugs were sold through it at moominarabia.com.

Royal Copenhagen initiated the expansion of colors by launching Coral Fluted Half Lace and Coral Lace, which received a very positive reaction from consumers. The color Blue has been a key element of the Royal Copenhagen brand identity since 1775. The goal of color expansion was to refresh existing customers’ view of Royal Copenhagen and attract new customers by using the brand’s traditional assets, Blue Fluted Patterns and Lace Platform in a new way.

The Fiskars brand collaborated with Camper, one of the world’s leading footwear design companies, to create

an all-season clog for indoor and outdoor use. The clogs come in a pack with the Fiskars foldable scissors. The limited-edition clog is made primarily from vegan materials and features padded recycled neoprene uppers.

Wedgwood introduced its North Star Creative vision, which connects the heritage of the brand to the innovative thinking of its founder Josiah Wedgwood. At the vision’s launch event in London, three artists showcased their digital version of the traditional Portland Vase, and the event’s guests were gifted a unique Portland Vase NFT. During the quarter, Wedgwood also introduced its first collaboration under the new vision when Charles Jeffrey LOVERBOY decorated the brand’s iconic Jasperware collection pieces with paint splash and hand-drawn techniques, creating a limited-edition collection of one-of-a-kind works of art.

Iittala launched a completely new glass color in the Kastehelmi series designed by Oiva Toikka: the elegant calluna color, inspired by Nordic heather. In addition, a new soft, summery and fresh Rose shade was introduced to the Teema series designed by Kaj Franck.

MOOMIN ARABIA TEXTILES LAUNCH



ROYAL COPENHAGEN IN COLORS



WEDGWOOD'S NEW CREATIVE VISION AND COLLABORATION WITH CHARLES JEFFREY LOVERBOY



STRATEGY AND FINANCIAL TARGETS

Fiskars Group's Growth Strategy, launched in November 2021, outlines the fewer, bigger, and bolder strategic choices that will put Fiskars Group on a healthy path of organic growth and profitability improvement.

Fiskars Group focuses on winning brands, winning channels, and winning countries.

- **Winning brands:** We concentrate our efforts into driving our winning brands. This is enabled through clear portfolio roles where each brand occupies a clearly defined position based on current need and potential.
- **Winning channels:** We continue to build momentum in our direct-to-consumer channel, while also investing in the relationships with key wholesale partners.
- **Winning countries:** We focus on countries with high growth potential and strong existing presence.

The strategy has four transformation levers, which are **commercial excellence; direct to consumer (DTC); the U.S.; and China**. These levers are expected to transform Fiskars Group across brands, channels and countries. The four growth enablers for the strategy are people; digital; innovation & design; and sustainability. These enablers are at the core of Fiskars Group, and they are all critical for executing the Growth Strategy.

Strategy execution is discussed quarterly in Fiskars Group's financial reports through progress in the transformation levers. Looking at the first half of the year, the company saw good progress in three of the transformation levers of the strategy: commercial excellence, direct-to-consumer (DTC), and China. The company's like-for-like gross margin, which is the key performance indicator for commercial excellence, increased by 160 basis points. DTC sales increased by 6%, amounting to 21% of the Group's sales, with good development in several key markets. In China, sales increased by 30%, with strong sales growth since February. In the U.S., which is the fourth transformation lever, net sales decreased by 18% in January-June, as retailers' focus on inventory management continued to affect demand.

Sustainability highlights are included in the report in their own section.

Fiskars Group has four financial targets, which were updated in connection with the 2021 strategy launch. These targets and the Group's progress in them during the reporting period can be found in the following table.

Progress in financial targets:

KPI	Target	Last 12 months
Net sales	Annual, FX neutral organic Mid-Single-Digit Growth	-6.3%
EBIT	Mid-Teen EBIT margin (excl. IAC) by the end of 2025	10.3%
Cash flow	Free Cash Flow / Net Profit $\geq 80\%$	40%
Balance sheet	Net Debt / LTM EBITDA $\leq 2.5X$	2.08

SUSTAINABILITY

Fiskars Group's ESG strategy has two commitments that guide all its actions: Pioneering design against throwaway culture; and Making the everyday extraordinary. These commitments and five key ESG targets, described below, guide the company's path to sustainable growth.

Sustainability target: the majority of Fiskars Group's net sales comes from circular products and services by 2030

Fiskars Group has integrated circularity into its innovation processes, new business development, and material choices, and the company is looking for new opportunities to keep the products and materials in circulation instead of discarding them.

In January-June, approximately 8% of the Group's net sales were generated from circular products and services. In Sweden, Fiskars Group expanded its Vintage service and piloted a collaboration with the online marketplace Tradera in the second quarter. Vintage service buys and resells secondhand Iittala, Arabia, and Rörstrand tableware. Through the collaboration, selected products are listed in Tradera's marketplace, making it easy for consumers to buy them online. The sales generated through the collaboration are not yet included in the reported percentage.

Sustainability target: greenhouse gas emissions from own operations (Scope 1 and 2) reduced by 60% from a 2017 base year by 2030

Fiskars Group's target is to reduce its climate emissions by increasing operational efficiency and investing in renewable energy. During the first half of the year, Scope 1 and 2 greenhouse gas emissions decreased by 17% compared to 1-6/2022 and by 53% compared to the base year 2017. The share of renewable electricity usage has increased from 80% in 1-6/2022 to 85% in 1-6/2023. The consumption of electricity and natural gas has also decreased at the company's factories, reducing emissions.

Sustainability target: 60% of Fiskars Group's suppliers by spend covering purchased goods and services will have science-based targets by 2024

Fiskars Group is committed to reducing emissions along its value chain and supporting its suppliers in setting science-based targets. The target is that 60% of its suppliers by spend providing purchased goods and services will have science-based targets by 2024. By the end of the second quarter, 42% (31.12.2022: 25%) of the company's raw material, component, and finished goods suppliers by spend had set science-based targets. During the first half of the year, the company continued to support its suppliers, by organizing workshops and training sessions for its suppliers and by educating internal sourcing teams, for example.

Sustainability target: Zero Lost Time Accident Frequency (LTAF) by 2030

A safe workplace is a key priority for Fiskars Group. In April, Fiskars Group introduced a weekly LTA review board. With this initiative, the company is raising awareness of accidents and their root causes and sharing the lessons learned to improve the safety culture. The target for 2030 is to have zero harm with zero Lost Time Accident Frequency (LTAF), including contractors.

During the first half of the year, LTAF (the number of accidents causing injury resulting in an absence of at least one workday per million hours worked) increased by 5% to 5.0 (1-12/2022: 4.8). The number of accidents decreased compared to January-June 2022. The LTAF figure increased, as furloughs reduced working hours during the reporting period.

Sustainability target: Inclusion Experience within the top 10% of global high-performing companies

Fiskars Group's goal is to build an inclusive, fair, and open working environment, in which everyone feels heard, and their uniqueness is celebrated. During the second quarter, the Fiskars Group Board of Directors approved the fifth key ESG target.

The fifth target measures the company's employees' inclusion experience. Fiskars Group's target is to be within the global top 10% of high-performing companies in terms of Inclusion Experience. Currently, the global external benchmark score for Inclusion Experience is 80 (the score is updated every six months with the latest data and may change, depending on how the global benchmark develops). The inclusion experience is measured as part of the employee engagement survey, and the latest survey for office employees was done in May 2023. Based on this survey, the company has set a baseline score of 72 for office employees. The next employee engagement survey is scheduled for October 2023.

In June, Fiskars Group celebrated Pride Month with internal activities. The activities focused on allyship and

how to show support for the community by making sure everyone can bring their true authentic selves to work and be met with openness, dignity, and respect. During the month, the company's Pride network organized info sessions about allyship, and the theme was also present in internal communications globally.

Stakeholder relations

Fiskars Group attended the 2023 annual United Nations High Level Political Forum on Sustainable Development (HLPF) in July. The forum assessed progress in implementing the 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals (SDGs). Fiskars Group was part of the official Finnish delegation, and at the forum, the company held Finland's speech related to the ninth SDG goal, which encompasses three important aspects of sustainable development: infrastructure; industrialization; and innovation.

RESEARCH AND DEVELOPMENT

The Group's research and development expenditure was EUR 4.8 million (Q2 2022: 5.2) in the second quarter of 2023, equivalent to 1.8% (1.6%) of net sales.

During the first half of the year, research and development expenses totaled EUR 10.4 million (Q1-Q2 2022: 10.2), equivalent to 1.9% (1.6%) of net sales.

PERSONNEL

The average number of full-time equivalent employees (FTE) was 5,945 (Q2 2022: 6,335) in the second quarter. At the end of the quarter, the Group employed 6,306 (6,752) employees.

CHANGES IN MANAGEMENT

In January-June, Fiskars Group announced the following changes in its Leadership Team.

On March 27, 2023 Fiskars Group appointed Aamir Shaukat Chief Supply Chain Officer and a member of the Fiskars Group Leadership Team. Aamir started in his position in July 2023, and reports to President and CEO Nathalie Ahlström.

On April 27, 2023, Fiskars Group announced that Tuomas Hyyryläinen, Executive Vice President for Business Area (BA) Crea and member of the Fiskars Group Leadership Team, had decided to leave Fiskars Group to take on a new challenge outside the company. Jesper Blomster, previously Vice President, Business Finance, BA Crea, took on the leadership of the Crea organization on an interim basis as of June 1, 2023. Jesper reports directly to President and CEO Nathalie Ahlström but is not a member of the Fiskars Group Leadership Team.

ORGANIZATIONAL CHANGES AND FACTORY FURLOUGHS

On January 23, 2023, Fiskars Group announced that it was planning targeted organizational changes to accelerate strategy execution. The changes were mainly related to the organizational structure of its three Business Areas – Vita, Terra and Crea.

The organizational changes were completed in the second quarter. The goal of these changes was to further drive end-to-end accountability in the business areas and to enhance their focus on brands and consumers. The company also made changes in its sales organizations in the Americas and in Europe to reflect the renewed structures in the business areas and to ensure it has the right set-up to drive the company's continued transformation. These changes together resulted in a reduction of approximately 100 roles globally.

The organizational changes and efficiency improvements are estimated to result in total annual cost savings of approximately EUR 30 million, of which approximately half are expected to be realized in the second half of 2023. One-off costs related to the planned organizational changes amount to a total of approximately EUR 5 million. These costs are recorded as items affecting comparability (IAC) in 2023.

In addition to the above organizational changes, Fiskars Group is temporarily adjusting capacity in some of its factories due to the high level of inventories. The company is implementing furloughs of a maximum of 90 calendar days during 2023 in its factories in Billnäs, Sorsakoski and Iittala in Finland.

Furthermore, the company reorganized and optimized its retail network in Finland during the second quarter. As a result, three stores were closed.

RESOLUTIONS OF THE ANNUAL GENERAL MEETING 2023

The Annual General Meeting of shareholders of Fiskars Corporation was held at the Helsinki Exhibition & Convention Centre, the Conference Center Siipi (visiting address: Rautatieäisenkatu 3, Helsinki, Finland), on March 15, 2023.

The Annual General Meeting approved the financial statements for 2022 and discharged the members of the Board and the President and CEO from the liability.

The use of profit shown on the balance sheet and the payment of dividend

The Annual General Meeting decided in accordance with the proposal of the Board of Directors to pay dividend of EUR 0.80 per share for the financial period that ended on December 31, 2022. The dividend will be paid in two instalments. The ex-dividend date for the first instalment of EUR 0.40 per share was on March 16,

2023. The first instalment was paid to a shareholder, who was registered in the shareholders' register of the company maintained by Euroclear Finland Ltd. on the dividend record date March 17, 2023. The payment date for this instalment was March 24, 2023.

The second instalment of EUR 0.40 per share will be paid in September 2023. The second instalment shall be paid to a shareholder who is registered in the shareholders' register of the company maintained by Euroclear Finland Oy on the dividend record date, which, together with the payment date, shall be decided by the Board of Directors in its meeting scheduled for September 7, 2023. The dividend is intended to be paid during the week commencing on September 18, 2023.

Remuneration report for governing bodies

The Annual General Meeting decided to adopt the Remuneration Report for the governing bodies.

Election and remuneration of the Board of Directors

The Annual General Meeting decided that the Board of Directors shall consist of eight (8) members. Albert Ehrnrooth, Paul Ehrnrooth, Louise Fromond, Julia Goldin, Carl-Martin Lindahl, Volker Lixfeld, Jyri Luomakoski, and Ritva Sotamaa were re-elected to the Board of Directors. The term of the Board members will expire at the end of the Annual General Meeting in 2024.

The Annual General Meeting decided that the annual fees of the members of the Board of Directors shall be EUR 70,000, the annual fees of the Vice Chair EUR 105,000 and the annual fees of the Chair EUR 140,000.

In addition, for the Board and Committee meetings other than the meetings of the Audit Committee, the Board/Committee members shall be paid EUR 750 for meetings requiring travel within one (1) country and EUR 2,000 for meetings requiring international travel. The Chairs of the Board of Directors and said Committees shall be paid a fee of EUR 1,500 per meeting requiring travel within one (1) country and EUR 2,000 for meetings requiring international travel.

For the meetings of the Audit Committee, the Committee members shall be paid a fee of EUR 1,000 for meetings requiring travel within one (1) country and EUR 2,250 for meetings requiring international travel. The Chair of the Audit Committee shall be paid a fee of EUR 2,500 per meeting.

For Board/Committee meetings held per capsulam or as teleconference, it was decided that the Chairs of the Board of Directors as well as said Committees be paid a fee per meeting that does not differ from meeting fees otherwise payable to them and the Board/Committee members be paid a fee of EUR 750 per meeting.

Further the members of the Board of Directors are reimbursed for their travel and other expenses incurred due to their activities in the interest of the company.

Election and remunerations of the auditor

Ernst & Young, Authorized Public Accountants firm, was re-elected as auditor for the term that will expire at the end of the Annual General Meeting in 2024. Ernst & Young has announced that the responsible auditor will be Kristina Sandin, APA. The Annual General Meeting decided that the auditors' fees shall be paid according to a reasonable invoice approved by the Board of Directors.

Board authorizations

Authorizing the Board of Directors to decide on the repurchase and/or the acceptance as pledge of the company's own shares

The Annual General Meeting decided to authorize the Board of Directors to decide on the repurchase of the company's own shares and/or the acceptance as pledge of the company's own shares. The maximum number of shares to be repurchased and/or accepted as pledge is 4,000,000. Acquisitions of own shares may be made in one or several instalments and by 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 time 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 as well as otherwise for further transfer, retention or cancellation.

The Board of Directors is authorized to decide on all other terms and conditions regarding the acquisition and/or pledge 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 June 30, 2024 and it canceled the authorization to decide on the repurchase of the company's own shares granted to the Board of Directors by the Annual General Meeting on March 16, 2022.

Authorizing the Board of Directors to decide on the transfer of the company's own shares held as treasury shares (share issue)

The Annual General Meeting decided to authorize the Board of Directors to decide on the transfer of a total maximum of 4,000,000 own shares held as treasury shares (share issue), in one or several instalments, either against or without consideration.

The company's own shares held as treasury shares may be transferred for example 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 own shares held as treasury shares. The transfer of 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 June 30, 2024, and it canceled the corresponding authorization granted to the Board of Directors by the Annual General Meeting on March 16, 2022.

Amendment of the Articles of Association

The Annual General Meeting Decided in accordance with the proposal of the Board of Directors to amend the Article 7 of the Articles of Association such that, if the Board of Directors so decide, shareholders may exercise their full decision-making power during a General Meeting using a remote connection and technical means as a so-called hybrid meeting.

Furthermore, the amendments permit the convening of a General Meeting in Espoo or completely without a physical venue, as a so-called remote meeting.

In its amended form, said provision of the Articles of Association reads as follows:

"7 § Shareholders' Meetings (General Meetings) can be held in Raasepori, Helsinki or Espoo.

The Board of Directors may decide that participation in the General Meeting is also permitted such that a shareholder exercises their full decision-making power during the General Meeting using a remote connection and technical means.

The Board of Directors may also decide to convene a General Meeting without a physical venue such that the shareholders exercise their full decision-making power in real time using a remote connection and technical means during the General Meeting.

Notices to Shareholders' Meetings shall be published on the company's website and in another manner possibly decided by the Board of Directors."

It was decided that the Articles of Association remain unchanged in other respects.

The decision is based on the changes to Chapter 5 of the Finnish Companies Act, including the possibility to arrange remote general meetings. The legislative changes are based on the premise that shareholder rights shall not be compromised, and that all participating shareholders are able to exercise their full shareholder rights, including the right to present questions and to vote, in real time during the general meeting, irrespective of the chosen general meeting format. The possibility to organise remote general meetings enables the company to be prepared for rapidly changing conditions in the company's operating environment and society in general, due to for example pandemics. It is important for the company to have means to offer its shareholders the possibility to

exercise their shareholder rights and resolve on any matters presented to a general meeting under any circumstances. In addition, Espoo is added as an alternative host city for General Meetings due to the company headquarters moving to Keilaniemi, Espoo, in early 2022.

CONSTITUTIVE MEETING OF THE BOARD AND BOARD COMMITTEES

Convening after the Annual General Meeting held on March 15, 2023, the Board of Directors elected Paul Ehrnrooth as its Chair and Jyri Luomakoski as the Vice Chair. The Board decided to establish a Nomination Committee and appointed Paul Ehrnrooth (Chair) and Louise Fromond as the members and Alexander Ehrnrooth as an external member to the Nomination Committee and further decided to establish an Audit Committee and appointed Jyri Luomakoski (Chair), Albert Ehrnrooth, Louise Fromond and Ritva Sotamaa as the members of the Audit Committee and a Human Resources and Compensation Committee and appointed Paul Ehrnrooth (Chair), Jyri Luomakoski, Carl-Martin Lindahl and Volker Lixfeld, as the members of the committee.

SHARES AND SHAREHOLDERS

Share capital and shares

Fiskars Corporation has one share series (FSKRS). All shares carry one vote and equal rights. The number of shares in the Corporation totals 81,000,000. Fiskars Corporation held 183,148 of its own shares at the end of the quarter. The share capital remained unchanged, at EUR 77,510,200.

Market capitalization and trading

Fiskars shares are traded in the Large Cap segment of Nasdaq Helsinki.

Trading on Nasdaq Helsinki

	1-6/2023	1-6/2022	1-12/2022
Trading volume, shares	2,444,628	4,417,163	8,498,168
Turnover, EUR	39,819,475	91,861,220	158,088,300
Highest price, EUR	18.44	24.45	24.45
Lowest price, EUR	13.62	17.76	14.04
Closing price, EUR	15.48	17.94	15.38
Volume-weighted average price, EUR	16.29	20.80	18.61

Fiskars shares are also traded in alternative marketplaces. In January-June, the number of shares

traded on Nasdaq Helsinki and in alternative marketplaces together was 3.2 million (4.8), which represents 3.9% (5.9%) of the total number of shares.

At the end of June, Fiskars had a market capitalization of EUR 1,251.1 million (1,454.8). The total number of shareholders was 33,687 (30,979) at the end of June.

Flagging notifications

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

Share-based plans

The aim of the share-based plans is to support the implementation of the company's strategy and drive profitable growth and to align the objectives of employees with the shareholders to increase the value of the company. Furthermore, the goal is to increase commitment to the company by offering a competitive incentive program.

Performance Share Plan and Restricted Share Plan

On December 10, 2020, the Board of Directors decided on new share-based Long-term Incentive Plans, Performance Share Plan and Restricted Share Plan for the Fiskars Group Leadership Team and other key employees. The Performance Share Plan has performance criteria and targets, whereas the Restricted Share Plan is used as a retention tool.

The plans consist of annually commencing share plans, each with a three-year performance or restriction period. The Board of Directors will decide the commencement of each plan separately. On February 7, 2023, the Board approved the launch of new periods for 2023–2025 within the Performance Share Plan and Restricted Share Plan. For the 2023–2025 period, the Performance Share Plan has a maximum of 60 participants, and the performance targets are related to the company's absolute total shareholder return, cumulative comparable EBIT, and advancing circular products and services. The 2023–2025 Restricted Share Plan has a maximum of 30 participants and no performance targets.

Further information about the ongoing periods in these share-based incentive plans and terms applied to the plans have been published in stock exchange releases on December 10, 2020, February 4, 2022, and February 7, 2023.

On February 7, 2023 the Board of Directors also decided on a directed share issue without consideration based on Fiskars' Performance Share Plan for 2018–2022 to pay the share rewards for the 2020–2022 performance period. Information about the launch and the terms and conditions of the incentive plan has been published in a stock exchange release on February 7, 2018. In the share issue, 87,361 treasury shares were issued without consideration to the key personnel participating in the 2020–2022

performance period, in accordance with the terms and conditions of the Performance Share Plan 2018–2022. The decision on the share issue was based on the authorization granted to the Board of Directors by Fiskars Corporation's Annual General Meeting of Shareholders, held on March 16, 2022.

Ownership plan for the management

On February 7, 2023, Fiskars Group announced that the Board of Directors had decided to launch an Ownership Plan 2023 directed at the company's President and CEO, the Fiskars Group Leadership Team and certain key employees determined by the Board.

In the Plan, the target group is given an opportunity to receive free matching shares for their personal investment in Fiskars shares. The rewards based on the Plan will be paid after the end of the three-year matching period in 2026.

On February 7, 2023, it was also announced that the Board had decided on a directed share issue against payment, in which a maximum of 190,000 treasury shares held by the company are offered for subscription by the target group of the Plan, in deviation from the shareholders' pre-emptive right. The company has a weighty financial reason for the deviation from the shareholders' pre-emptive right, as the purpose of the share issue is to encourage the target group to acquire and own the company's shares as a part of the Plan. The announced subscription period ended on March 3, 2023.

On March 10, 2023, the Board approved the subscriptions for shares made in the directed share issue. A total of 156,401 treasury shares were subscribed for in the directed share issue. The subscription price was EUR 16.56 per share, equal to the trade volume weighted average price of Fiskars share on Nasdaq Helsinki Ltd during the period between January 1, 2023 and January 31, 2023. The total share subscription price was EUR 2,590,000.56. The share subscription price was credited to the company's reserve for invested unrestricted equity.

As part of the Plan, the Board resolved to offer to partly finance on an arm's length basis the subscriptions of the company's shares by providing interest-bearing loans to the Plan participants. The aggregate amount of finance provided by the company was EUR 1,206,274.00.

"MyFiskars" employee share savings plan

On March 15, 2023, Fiskars Group announced that the Board of Directors had decided to establish an employee share savings plan, "MyFiskars", for the employees of Fiskars Group.

MyFiskars consists of annually commencing plan periods, each comprising a 12-month savings period and a holding period. The employees are offered the opportunity to voluntarily save a proportion of their

monthly salary and to invest this in Fiskars shares. The savings will be used to acquire Fiskars shares for the participating employees quarterly after the publication dates of the company's interim reports. As a reward for their commitment, Fiskars grants the participating employees a gross reward of one free matching share for every two savings shares acquired. The matching shares will be granted if the participating employee remains employed at Fiskars Group at the end of the plan period, and if they have kept the shares they have acquired with their savings until this date.

The first enrollment period for the plan started in the second quarter of 2023. In total, close to 13% of all employees globally and 30% of office employees signed up during the quarter.

The first savings period commenced on July 1, 2023 and ends on June 30, 2024. The holding period begins at the first acquisition of savings shares and ends on June 30, 2026.

The maximum number of matching shares (gross before taxes) for the first plan period is approximately 120,500. The final number of matching shares depends on the employees' participation and savings rate in the plan, and the fulfilment of the prerequisites for receiving matching shares, as well as the number of shares acquired from the market with savings.

SHORT-TERM RISKS AND BUSINESS UNCERTAINTIES

Fiskars Group's business, net sales and financial performance may be affected by several internal and external uncertainties. Fiskars Group has presented the overall business risks and risk management more broadly in its Annual Report and on the company's website at www.fiskarsgroup.com/investors. These risks still apply. The most significant updates to risks and business uncertainties since the publication of the Annual Report are related to the general economic and geopolitical situation, seasonality and IT system risks.

Low consumer confidence in many markets due to broad-based inflation and high interest rates, as well as the elevated inventory levels of the Group's retailer customers, have impacted demand for the Group's products in the last few quarters. If these trends persist for longer than anticipated, it may negatively impact full-year net sales and financial performance more than previously expected.

The back-to-school and holiday seasons are important for the sales performance of Business Area Crea during the second half of the year. For Business Area Vita, 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 Group's full-year net sales and profit.

As the company continues to invest in key strategic building blocks, especially direct-to-consumer and digital, risks related to major system implementations such as business disruptions, conflicting or missing data, budget overspend, and the delay of the project may negatively affect the Group's business.

Geopolitical risks such as the continuing war in Ukraine may result in further trade sanctions and impact supply chains and market demand, which can have an adverse impact on the net sales and profit of the Group.

An escalation of the recent challenges in the banking sector could impact the availability and pricing of Fiskars Group's short-term funding.

STOCK EXCHANGE RELEASES DURING THE REPORTING PERIOD

In addition to the releases below, the company has announced acquisitions of its own shares.

Date	Release	Date	Release
13.1.2023	Inside information: Fiskars Corporation publishes preliminary key figures for Q4 and full year 2022 – comparable EBIT in 2022 in line with outlook	10.3.2023	Directed share issue related to the Fiskars Ownership Plan 2023 for the company's management and transfer of the company's own shares
20.1.2023	Proposals of the Nomination Committee of the Board of Directors to Fiskars' Annual General Meeting 2023	14.3.2023	Notification of management's transactions – Ahlström
23.1.2023	Inside information: Fiskars plans targeted organizational changes to accelerate strategy execution	14.3.2023	Notification of management's transactions – Siitonen
7.2.2023	Fiskars Financial Statement Release 2022	15.3.2023	The Board of Directors of Fiskars Corporation launches an employee share savings plan
7.2.2023	Notice to Fiskars Corporation's Annual General Meeting	15.3.2023	Resolutions of Fiskars Corporation's Annual General Meeting 2023
7.2.2023	Fiskars Corporation's directed share issue without consideration based on the Performance Share Plan 2018–2022	27.3.2023	Change in the Fiskars Group Leadership Team
7.2.2023	New periods to start within the share-based long-term incentive programs of Fiskars Group	31.3.2023	Transfer of the company's own shares
7.2.2023	Fiskars is launching a new ownership plan for the company's management and planning an employee share savings plan	20.4.2023	Change in Fiskars Group's official languages as of 2024
13.2.2023	Update to the notice to Fiskars Corporation Annual General Meeting	27.4.2023	Fiskars Interim Report for January–March 2023
21.2.2023	Fiskars Annual Report 2022 published	27.4.2023	Change in the Fiskars Group Leadership Team
2.3.2023	Transfer of the company's own shares		
3.3.2023	Notification of management's transactions – Ahlström	8.6.2023	Fiskars to continue acquiring the company's own shares

EVENTS AFTER THE REPORTING PERIOD

July 5, 2023: Guidance for 2023 lowered

On July 5th, 2023, the company lowered its guidance for 2023, as the volatility in the market environment continues and demand for the company's products is expected to be weaker than previously anticipated in the second half of the year. The company now expects comparable EBIT in 2023 to be in the range of EUR 120-130 million.

Previously, the company expected comparable EBIT to be slightly below the 2022 level (2022: EUR 151.0 million).

GUIDANCE FOR 2023 (UPDATED ON JULY 5, 2023)

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

ASSUMPTIONS BEHIND THE GUIDANCE

The market environment remains volatile, and there is limited visibility. Fiskars expects that low consumer confidence in the company's main markets, together with retailers' emphasis on inventory management, will negatively affect demand and sales in the second half of the year.

Fiskars has announced targeted organizational changes, which are expected to result in savings supporting the company's EBIT from the second half onward.

Whilst the company remains focused on prudent cost management, it also continues to invest in key strategic building blocks.

Espoo, Finland, July 19, 2023

FISKARS CORPORATION

Board of Directors

Consolidated income statement

EUR million	Q2 2023	Q2 2022	Change	Q1-Q2 2023	Q1-Q2 2022	Change	2022
Net sales	267.9	319.1	-16.0%	542.8	651.7	-16.7%	1,248.4
Cost of goods sold	-142.5	-178.9	-20.3%	-289.8	-363.6	-20.3%	-692.5
Gross profit	125.4	140.2	-10.6%	252.9	288.1	-12.2%	555.9
Other operating income	0.7	7.0	-89.8%	1.3	12.2	-89.7%	5.6
Sales and marketing expenses	-70.3	-71.2	-1.3%	-132.9	-139.1	-4.5%	-276.1
Administration expenses	-28.4	-29.2	-2.8%	-59.3	-61.5	-3.5%	-120.9
Research and development expenses	-4.8	-5.2	-7.7%	-10.4	-10.2	1.7%	-20.8
Other operating expenses	-0.4	-2.1	-78.8%	-0.5	-8.6	-94.3%	-8.9
EBIT*	22.2	39.5	-43.7%	51.2	80.9	-36.8%	134.7
Change in fair value of biological assets	1.5	0.6		2.6	1.1		1.1
Financial income and expenses	-7.1	-0.7		-10.8	-0.1		-11.7
Profit before taxes	16.6	39.3	-57.8%	42.9	81.9	-47.6%	124.1
Income taxes	-4.0	-5.8	-30.9%	-9.8	-17.0	-42.2%	-25.0
Profit for the period	12.6	33.5	-62.4%	33.1	64.9	-49.0%	99.1
Attributable to:							
Equity holders of the parent company	12.6	33.4	-62.1%	32.9	64.6	-49.1%	98.2
Non-controlling interest	-0.0	0.1		0.3	0.3	-19.2%	0.9
Earnings for equity holders of the parent company per share, euro (basic and diluted)	0.16	0.41	-62.0%	0.41	0.79	-48.6%	1.21
* Comparable EBIT (detailed in notes)	23.4	36.3	-35.5%	54.7	88.1	-37.9%	151.0

Consolidated statement of comprehensive income

EUR million	Q2 2023	Q2 2022	Q1-Q2 2023	Q1-Q2 2022	2022
Profit for the period	12.6	33.5	33.1	64.9	99.1
Other comprehensive income for the period					
Items that may be reclassified subsequently to profit or loss:					
Translation differences	-3.0	16.9	-7.4	17.9	3.6
Cash flow hedges	0.8	0.0	0.6	0.0	0.1
Items that will not be reclassified to profit or loss:					
Defined benefit plans, actuarial gains (losses) net of tax	0.0	-0.1	0.2	-0.2	1.3
Other comprehensive income for the period, net of tax	-2.3	16.8	-6.6	17.7	5.1
Total comprehensive income for the period	10.3	50.3	26.6	82.7	104.2
Attributable to:					
Equity holders of the parent company	10.5	50.2	26.5	82.2	103.2
Non-controlling interest	-0.2	0.2	0.1	0.4	1.0
Total comprehensive income for the period	10.3	50.3	26.6	82.7	104.2

Consolidated balance sheet

EUR million	Jun 30 2023	Jun 30 2022	Change	2022
ASSETS				
Non-current assets				
Goodwill	220.9	223.5	-1.2%	221.2
Other intangible assets	281.0	273.6	2.7%	278.6
Property, plant and equipment	147.0	148.6	-1.1%	146.3
Right-of-use assets	126.9	99.3	27.9%	110.6
Biological assets	49.0	46.4	5.5%	46.5
Investment property	5.5	3.5	56.5%	5.8
Financial assets at fair value through profit or loss	30.4	32.3	-6.0%	29.0
Other investments	3.5	3.8	-8.4%	3.5
Deferred tax assets	28.1	26.9	4.5%	31.9*
Other non-current assets	7.0	6.8	3.1%	6.4
Non-current assets total	899.3	864.7	4.0%	879.7
Current assets				
Inventories	311.7	368.7	-15.5%	364.7
Trade receivables	176.5	225.1	-21.6%	170.5
Other current receivables	48.3	47.1	2.7%	48.8
Income tax receivables	4.1	2.8	48.0%	7.2
Interest-bearing receivables	1.4	0.0		1.7
Cash and cash equivalents	42.0	73.7	-43.0%	115.8
Current assets total	584.1	717.5	-18.6%	708.6
Assets total	1,483.4	1,582.2	-6.2%	1,588.3
EQUITY AND LIABILITIES				
Equity				
Equity attributable to the equity holders of the parent company	785.0	814.0	-3.6%	819.8*
Non-controlling interest	4.1	3.6	13.8%	4.1
Equity total	789.1	817.6	-3.5%	823.9
Non-current liabilities				
Interest-bearing liabilities	130.3	0.5		130.4
Lease liabilities	109.9	82.7	33.0%	92.9
Deferred tax liabilities	34.5	34.6	-0.5%	34.5
Employee defined benefit obligations	11.0	14.2	-22.9%	10.8
Provisions	2.2	3.4	-34.4%	2.4
Other non-current liabilities	3.4	4.0	-15.7%	4.0
Non-current liabilities total	291.2	139.4	108.9%	275.1
Current liabilities				
Interest-bearing liabilities	120.6	190.4	-36.6%	195.2
Lease liabilities	23.4	21.8	7.0%	22.5
Trade payables	59.9	155.0	-61.3%	83.9*
Other current payables	192.1	241.3	-20.4%	180.9
Income tax liabilities	2.1	5.2	-59.8%	2.1
Provisions	4.9	11.4	-57.1%	4.8
Current liabilities total	403.1	625.2	-35.5%	489.3
Equity and liabilities total	1,483.4	1,582.2	-6.2%	1,588.3

*Opening balance restated, details in equity statement.

Consolidated statement of cash flows

EUR million	Q2 2023	Q2 2022	Q1-Q2 2023	Q1-Q2 2022	2022
Cash flow from operating activities					
Profit before taxes	16.6	39.3	42.9	81.9	124.1
Adjustments for					
Depreciation, amortization and impairment	14.9	14.7	29.9	29.8	59.4
Gain/loss on sale and loss on scrap of non-current assets	-0.2	1.4	-0.1	-0.4	0.6
Other financial items	7.1	0.8	10.8	0.1	12.3
Change in fair value of biological assets	-1.5	-0.6	-2.6	-1.1	-1.1
Change in provisions and other non-cash items	13.6	-7.7	3.6	-14.8	-11.2
Cash flow before changes in working capital	50.5	47.9	84.6	95.6	184.0
Changes in working capital					
Change in current assets, non-interest-bearing	-11.8	19.2	-21.5	-34.3	14.9
Change in inventories	37.7	-89.8	56.0	-83.7	-89.7
Change in current liabilities, non-interest-bearing	-20.3	38.7	-40.9	-17.4	-134.1
Cash flow from operating activities before financial items and taxes	56.1	16.0	78.2	-39.9	-24.9
Financial income received and costs paid	-4.6	-7.0	-6.3	-6.5	-7.4
Taxes paid	-4.3	-6.2	-3.4	-11.0	-29.2
Cash flow from operating activities (A)	47.2	2.9	68.4	-57.4	-61.4
Cash flow from investing activities					
Investments in financial assets		-0.2		-0.2	-0.4
Capital expenditure on fixed assets	-10.2	-13.5	-20.3	-22.9	-48.1
Proceeds from sale of fixed assets	0.1	0.6	0.3	0.8	1.5
Proceeds from sale of assets held for sale				43.9	43.9
Disposal of subsidiary, net of cash disposed of					-9.2
Other dividends received	0.1	0.2	0.1	0.2	0.2
Cash flow from other investments	0.0	4.1	0.1	4.1	4.3
Cash flow from investing activities (B)	-9.9	-8.9	-19.7	25.9	-7.8
Cash flow from financing activities					
Purchase of treasury shares	-0.1	-6.4	-0.1	-9.0	-18.0
Change in current receivables	0.2	0.0	0.3	-0.0	-1.7
Proceeds from non-current debt	-0.0		0.1		130.1
Repayments of non-current debt	-0.1	-0.1	-0.3	-0.2	-0.3
Change in current debt	-64.2	41.0	-77.0	123.9	129.3
Payment of lease liabilities	-7.0	-6.5	-13.7	-13.5	-26.5
Cash flow from other financing items	0.3		1.4		
Dividends paid	0.0	-1.0	-32.3	-32.0	-62.9
Cash flow from financing activities (C)	-71.0	26.9	-121.6	69.2	149.8
Change in cash and cash equivalents (A+B+C)	-33.8	20.9	-72.9	37.7	80.5
Cash and cash equivalents at beginning of period	76.3	48.4	115.8	31.5	31.5
Translation difference	-0.6	4.4	-0.9	4.5	3.7
Cash and cash equivalents at end of period	42.0	73.7	42.0	73.7	115.8

Condensed consolidated statement of changes in 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	Retained earnings		
Opening Balance Jan 1, 2022	77.5	-7.2	9.2	0.0	-1.4	733.9	4.2	816.3
Total comprehensive income for the period			17.8	0.0	-0.2	64.6	0.4	82.7
Purchase and issue of treasury shares		-9.0						-9.0
Share-based payments		1.6				-3.1		-1.4
Dividends						-61.9	-1.0	-62.9
Other changes			4.2			-12.1		-7.9
Balance at Jun 30, 2022	77.5	-14.6	31.1	0.0	-1.6	721.5	3.6	817.6
Opening Balance Jan 1, 2023	77.5	-6.7	18.1	0.1	-0.1	742.7	4.1	835.6
Correction relating to prior periods*						-11.8		-11.8
Opening Balance Jan 1, 2023	77.5	-6.7	18.1	0.1	-0.1	730.9	4.1	823.9
Total comprehensive income for the period			-7.2	0.6	0.2	32.9	0.1	26.6
Purchase and issue of treasury shares		2.5				0.1		2.6
Share-based payments		1.6				-0.9		0.6
Dividends						-64.6		-64.6
Other changes						0.1		0.1
Balance at Jun 30, 2023	77.5	-2.7	10.9	0.7	0.1	698.4	4.1	789.1

*Correction to previous years according to IAS 8.43 and 8.44, adjustment related to inventory purchases in the US market. Additionally, 1.1.2023 Trade payables balance has been adjusted by an increase of 14.7 MEUR and Deferred tax assets by 2.9 MEUR.

Notes to the Half-year financial report

ACCOUNTING PRINCIPLES

This unaudited Half-year financial 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 the sum of individual figures may therefore differ from the presented total figure.



Reporting segments

EUR million	Q2 2023	Q2 2022	Change	Q1-Q2 2023	Q1-Q2 2022	Change	2022
Net sales							
Vita	113.7	126.8	-10.3%	221.4	247.5	-10.6%	563.7
Terra	105.9	139.4	-24.0%	235.4	312.5	-24.7%	507.4
Crea	47.1	51.9	-9.3%	84.4	90.0	-6.2%	173.4
Other	1.1	0.9		1.6	1.6		3.9
Group total	267.9	319.1	-16.0%	542.8	651.7	-16.7%	1,248.4
EUR million	Q2 2023	Q2 2022	Change	Q1-Q2 2023	Q1-Q2 2022	Change	2022
EBIT							
Vita	2.6	14.4	-82.2%	9.0	24.8	-63.7%	85.5
Terra	11.2	18.1	-38.1%	33.2	45.4	-26.8%	34.1
Crea	12.8	11.7	9.6%	20.5	19.7	3.6%	34.2
Other	-4.4	-4.8		-11.5	-9.0		-19.1
Group total	22.2	39.5	-43.7%	51.2	80.9	-36.8%	134.7
EUR million	Q2 2023	Q2 2022	Change	Q1-Q2 2023	Q1-Q2 2022	Change	2022
Depreciation, amortization and impairment							
Vita	8.0	8.3	-3.5%	16.5	17.1	-3.3%	33.6
Terra	4.8	4.7	2.2%	9.6	9.6	0.1%	19.0
Crea	0.9	1.0	-6.9%	1.8	2.1	-13.1%	4.1
Other	1.0	0.6	71.0%	2.0	1.0	97.1%	2.7
Group total	14.9	14.7	1.2%	29.9	29.8	0.5%	59.4
EUR million	Q2 2023	Q2 2022	Change	Q1-Q2 2023	Q1-Q2 2022	Change	2022
Capital expenditure							
Vita	5.0	6.4	-21.6%	9.6	9.0	7.0%	20.9
Terra	3.2	4.1	-23.2%	6.8	7.2	-5.4%	17.5
Crea	0.7	1.1	-35.4%	1.6	1.7	-5.7%	4.0
Other	1.3	1.9		2.0	5.0		5.9
Group total	10.2	13.5	-24.3%	20.3	22.9	-11.3%	48.1

Net sales by geography

EUR million	Q2 2023	Q2 2022	Change	Q1-Q2 2023	Q1-Q2 2022	Change	2022
Net sales							
Europe	120.9	145.1	-16.7%	254.5	300.2	-15.2%	596.0
Americas	99.7	119.0	-16.2%	194.7	243.6	-20.0%	432.0
Asia-Pacific	45.2	48.2	-6.4%	91.2	99.4	-8.2%	209.4
Unallocated	2.2	6.7		2.3	8.5		11.1
Group total	267.9	319.1	-16.0%	542.8	651.7	-16.7%	1,248.4

EBIT and Comparable EBIT

EUR million	Q2 2023	Q2 2022	Change	Q1-Q2 2023	Q1-Q2 2022	Change	2022
EBIT	22.2	39.5	-43.7%	51.2	80.9	-36.8%	134.7
Items affecting comparability in EBIT							
Sale of subsidiary in Russia		-3.6			7.2		11.9
Sale of Watering business	0.0	0.4		0.1	-1.1		3.3
Changes in Group Leadership Team					1.1		1.1
Organizational changes	1.2			3.4			
Total items affecting comparability in EBIT	1.2	-3.2		3.5	7.2	-50.7%	16.3
Comparable EBIT	23.4	36.3	-35.5%	54.7	88.1	-37.9%	151.0

EBIT and Comparable EBIT by income statement line item

EUR million	Q2 2023			Q2 2022		
	Total	Items affecting comparability	Excl. Items affecting comparability	Total	Items affecting comparability	Excl. Items affecting comparability
Net sales	267.9		267.9	319.1		319.1
Cost of goods sold	-142.5		-142.5	-178.9	-1.7	-180.6
Sales and marketing expenses	-70.3	0.9	-69.3	-71.2	0.0	-71.3
Administration expenses	-28.4	0.1	-28.2	-29.2		-29.2
Research and development expenses	-4.8		-4.8	-5.2		-5.2
Other operating income and expenses	0.3	0.1	0.4	4.9	-1.4	3.5
EBIT	22.2	1.2	23.4	39.5	-3.2	36.3

EUR million	Q1-Q2 2023			Q1-Q2 2022		
	Total	Items affecting comparability	Excl. Items affecting comparability	Total	Items affecting comparability	Excl. Items affecting comparability
Net sales	542.8		542.8	651.7		651.7
Cost of goods sold	-289.8	0.1	-289.8	-363.6	2.0	-361.6
Sales and marketing expenses	-132.9	2.8	-130.0	-139.1	4.0	-135.1
Administration expenses	-59.3	0.3	-58.9	-61.5	1.6	-59.8
Research and development expenses	-10.4	0.1	-10.4	-10.2		-10.2
Other operating income and expenses	0.8	0.2	1.0	3.6	-0.5	3.1
EBIT	51.2	3.5	54.7	80.9	7.2	88.1

EUR million	2022		
	Total	Items affecting comparability	Excl. Items affecting comparability
Net sales	1,248.4		1,248.4
Cost of goods sold	-692.5	4.2	-688.3
Sales and marketing expenses	-276.1	0.9	-275.2
Administration expenses	-120.9	1.7	-119.2
Research and development expenses	-20.8		-20.8
Other operating income and expenses	-3.3	9.5	6.2
EBIT	134.7	16.3	151.0

Intangible and tangible assets

EUR million	Jun 30 2023	Jun 30 2022	Dec 31 2022
Intangible assets and goodwill			
Book value, Jan 1	499.8	489.3	489.3
Translation differences	-1.1	7.5	4.2
Additions	9.6	7.5	20.3
Amortization and impairment	-6.4	-7.0	-13.8
Decreases and transfers	-0.2	-0.2	-0.2
Book value at end of period	501.9	497.2	499.8
 Tangible assets and investment property			
Book value, Jan 1	152.0	148.5	148.5
Translation differences	-0.3	3.1	0.5
Additions	10.4	15.4	27.8
Depreciation and impairment	-10.2	-10.4	-20.7
Decreases and transfers	0.5	-4.5	-4.0
Book value at end of period	152.5	152.1	152.0
 Right-of-use assets			
Book value, Jan 1	110.6	106.8	106.8
Translation differences	-1.5	1.6	0.5
Additions	36.7	4.5	28.9
Depreciations	-13.2	-12.6	-24.3
Decreases	-5.6	-1.1	-1.3
Book value at end of period	126.9	99.3	110.6

Contingencies and pledged assets

EUR million	Jun 30 2023	Jun 30 2022	Dec 31 2022
As security for own commitments			
Guarantees	5.1	6.9	6.0
Other contingencies*	1.7	2.6	3.0
Contingencies and pledged assets total	6.8	9.6	9.1

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

Derivatives

EUR million	Jun 30 2023	Jun 30 2022	Dec 31 2022
Nominal amounts of derivatives			
Derivatives, hedge accounting not applied:			
Foreign exchange forwards and swaps	312.6	306.2	306.2
Derivatives, hedge accounting applied:			
Interest rate swaps	75.0		50.0
Fair value of derivatives			
Derivatives, hedge accounting not applied:			
Foreign exchange forwards and swaps	-0.3	-2.7	3.1
Derivatives, hedge accounting applied:			
Interest rate swaps	0.7		0.1

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

Net debt reconciliation

EUR million	Jun 30 2023	Jun 30 2022	Dec 31 2022
Loans from credit institutions	250.9	190.9	325.6
Lease liabilities	133.3	104.5	115.5
Cash and cash equivalents	-42.0	-73.7	-115.8
Net debt	342.2	221.7	325.3

Exchange rate sensitivity of the operations

The most significant transaction risks are related to the appreciation of USD, THB and IDR, and 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	USD	THB	SEK	AUD	CAD	IDR	JPY	NOK
Operational currency position	-31.7	-31.2	20.3	18.3	17.6	-13.4	12.7	10.3
Exchange rate sensitivity of the operations*	3.2	3.1	-2.0	-1.8	-1.8	1.3	-1.3	-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 using 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.

Jun 30, 2023

EUR million	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss			30.4	30.4
Other investments			3.5	3.5
Derivative assets		2.3		2.3
Total assets		2.3	33.9	36.1
Derivative liabilities		1.8		1.8
Total liabilities		1.8		1.8

Jun 30, 2022

EUR million	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss			32.3	32.3
Other investments			3.5	3.5
Derivative assets		0.5		0.5
Total assets		0.5	35.8	36.3
Derivative liabilities		3.1		3.1
Total liabilities		3.1		3.1

Dec 31, 2022

EUR million	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss			29.0	29.0
Other investments			3.5	3.5
Derivative assets		4.5		4.5
Total assets		4.5	32.5	37.0
Derivative liabilities		1.4		1.4
Total liabilities		1.4		1.4

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 unlisted shares as well as non-current receivables. 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 2023

There were no acquisitions or divestments in the first half of 2023.

Acquisitions and divestments in 2022

Sale of subsidiary in Russia

On March 7, 2022, Fiskars Group announced that it had decided to withdraw completely from the Russian market due to Russia's attack on Ukraine. The sale of the subsidiary was completed in August 2022.

The company has operated locally mainly through its Fiskars brand and employed approximately 70 people in Moscow and in the St. Petersburg area. The net sales of the Russian business in 2021 were approximately 1% of the company's global net sales. The exit from the Russian market did not have a significant impact on the company's financial position or result in 2022. The one-time impact of the withdrawal is included in Items Affecting Comparability.

Sale of North American Watering business

On February 1, 2022, Fiskars Corporation announced that it had 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 the employees working in these two locations.

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

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