

FISKARS
EST. GROUP 1649

◆ Georg Jensen
acquisition:
Expanding our
portfolio of luxury
brands

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Disclaimer

This presentation contains forward-looking statements, including, without limitation, statements regarding Fiskars' strategy, business plans and focus. The words "may," "will," "could," "would," "should," "expect," "plan," "anticipate," "intend," "believe," "estimate," "predict," "project," "potential," "continue," "target" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Any forward-looking statements in this presentation are based on management's current expectations and beliefs and are subject to a number of risks, uncertainties and important factors that may cause actual events or results to differ materially from those expressed or implied by any forward-looking statements contained in this presentation, including, without limitation, any related to Fiskars' business, operations, strategy, goals, acquisition synergies and anticipated timelines and competition from other companies. Fiskars cautions you not to place undue reliance on any forward-looking statements, which speak only as of the date they are made. Any forward-looking statements contained in this presentation represent Fiskars' views only as of the date hereof and should not be relied upon as representing its views as of any subsequent date.

This presentation also includes estimates relating to the synergy benefits expected to arise from the transaction and the combination of the business operations of Fiskars and Georg Jensen as well as the related integration costs, which have been prepared by Fiskars and are based on a number of assumptions and judgments. The assumptions relating to the estimated synergy benefits and related integration costs are inherently uncertain and are subject to a wide variety of significant business, economic, and competitive risks and uncertainties that could cause the actual synergy benefits, if any, from the transaction and the combination of the business operations and related integration costs to differ materially from the estimates in this presentation. Furthermore, there can be no certainty that the transaction will be completed in the manner and timeframe described in this presentation, or at all.



Fiskars Group acquires Georg Jensen

TRANSACTION OVERVIEW

- Enterprise value of EUR 151.5 million*
 - 9.5x EV/EBITDA** (LTM) on a stand-alone basis
 - 4.7x EV/EBITDA (LTM) with cost synergies, net of integration costs
- Financed fully with debt
- Closing expected to be in the beginning of Q4, subject to customary closing conditions

*The enterprise value is defined in USD and amounts to USD 165 million. In this presentation, it has been converted to EUR based on USD/EUR of 1.0890, and is therefore subject to change based on currency fluctuations and hedging effects.

** EV/EBITDA excluding IFRS 16 Leases standard impact.



Georg Jensen is a renowned Danish lifestyle brand

- Established in Copenhagen in 1904 by silversmith Georg Jensen
- Offers iconic and contemporary products in Home and Jewellery segments
- Strong position in direct-to-consumer channels with over 50% of sales from own retail and e-commerce
- Presence in over 10 countries
- Headquartered in Copenhagen, Denmark, ~1,200 employees

KEY FIGURES*

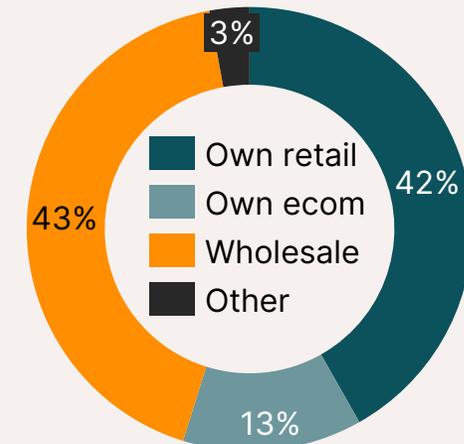
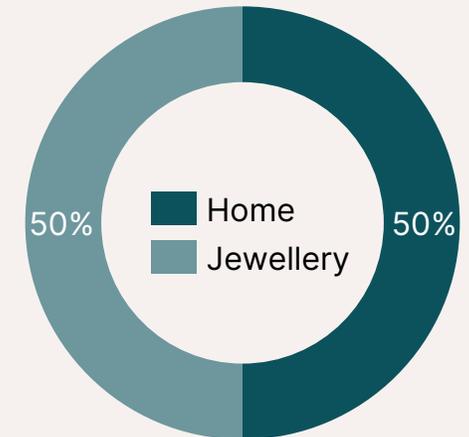
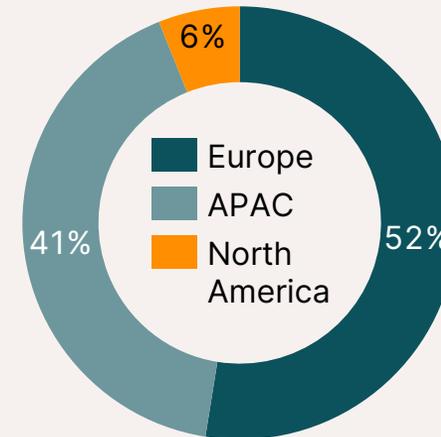
Revenue
158 MEUR

Gross margin
62%

EBITDA
31 MEUR 19%

EBIT
15 MEUR 9%

REVENUE SPLIT BY REGIONS, DIVISIONS AND CHANNELS



*As in Georg Jensen's Consolidated Financial Statements 2022, in accordance with IFRS. Converted from DKK to EUR based on average DKK/EUR rate in 2022.



The acquisition has a compelling strategic and financial rationale

Supports our **Growth Strategy**

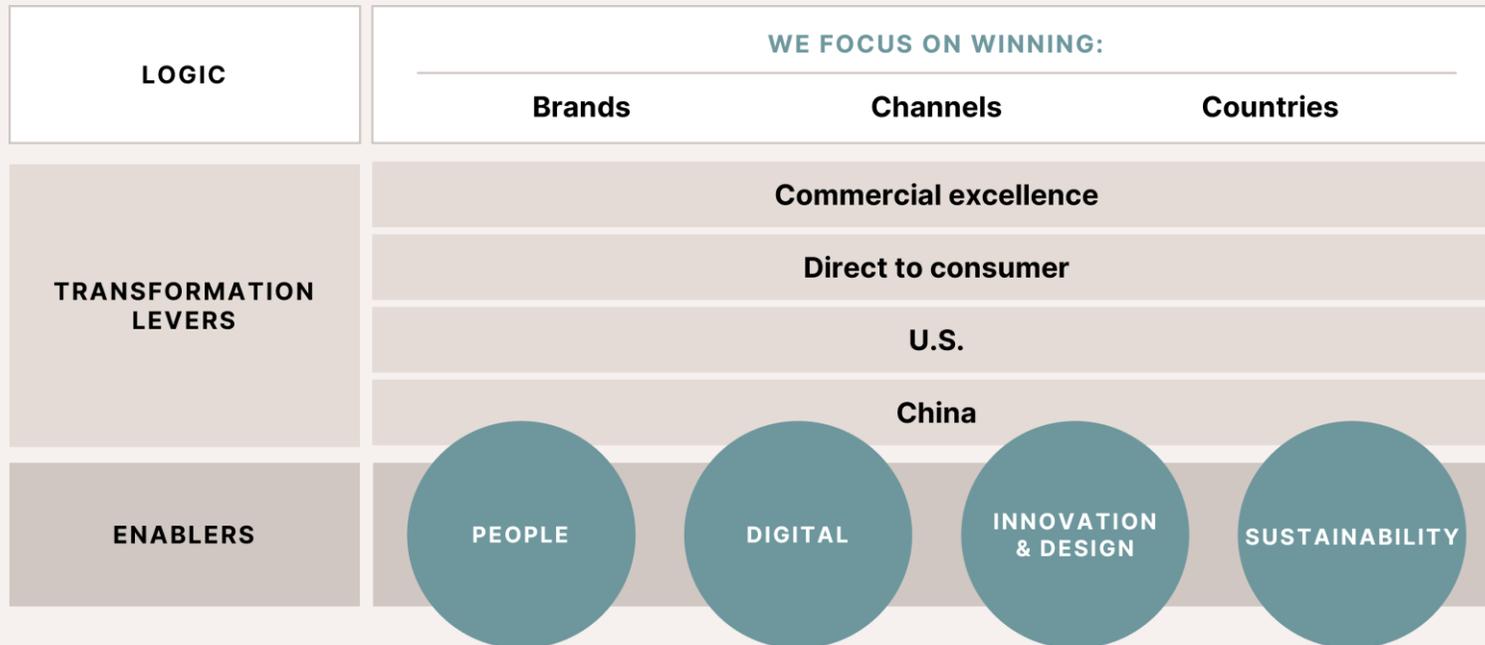
- ✓ Commercial excellence
- ✓ DTC
- ✓ China

Expands our luxury brand portfolio and strengthens our offering

Represents an **excellent cultural fit** - shared focus on design and a strong Danish heritage

Creates significant cost **synergies leading to attractive valuation** of 4.7x EV/EBITDA

Supports our Growth Strategy and its transformation levers



-  Strong brand, opportunities to elevate it further
-  Commercial excellence opportunities through our platform and Vita brand portfolio
-  Strong position in DTC, both online and offline
-  Potential to expand Georg Jensen's presence in China



Extends our luxury brand portfolio with an iconic brand

FISKARS GROUP POST-TRANSACTION (ILLUSTRATIVE)

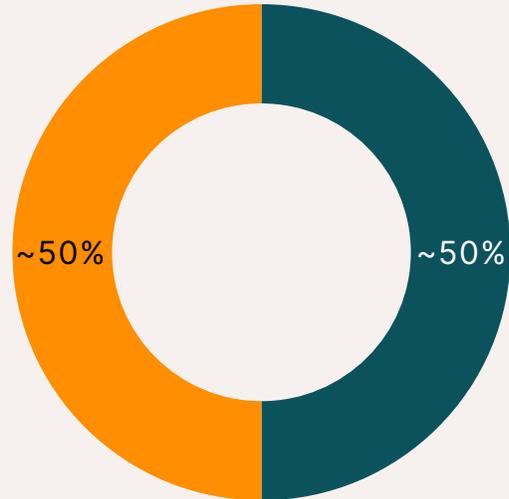
>1/3
of net sales from
luxury brands

Another
>100 MEUR
brand
in net sales

~1/4
of net sales from
DTC, 45% of
Vita sales

DTC = Direct-to-consumer. Covers own retail network and e-commerce, excludes e-tailers.

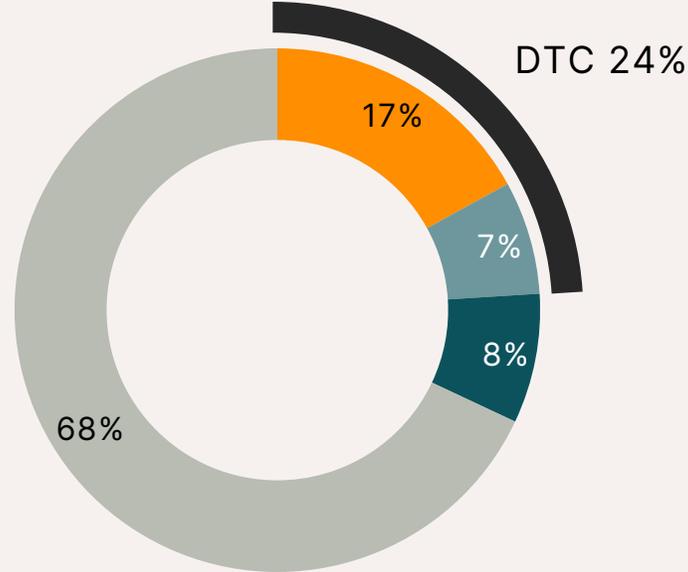
ILLUSTRATIVE BUSINESS AREA SPLIT



- Business Area Vita
- Business Area Fiskars

Fiskars Group plans to combine current business areas Terra and Crea into one Business area, Fiskars.

ILLUSTRATIVE CHANNEL MIX



- Own retail
- Own ecom
- Indirect ecom
- Indirect other





Represents an
excellent cultural fit

ICONIC BRAND

FOCUS ON CRAFTSMANSHIP
AND PIONEERING DESIGN

STRONG DANISH HERITAGE, CLOSELY
CONNECTED TO ROYAL COPENHAGEN'S
LIFESTYLE

Creates significant cost synergies leading to attractive valuation

Expected total annual cost synergies MEUR ~18

Synergies identified e.g. related to support functions and sourcing

Majority expected to be realized by the end of 2025

EV/EBITDA 9.5x on a stand-alone basis

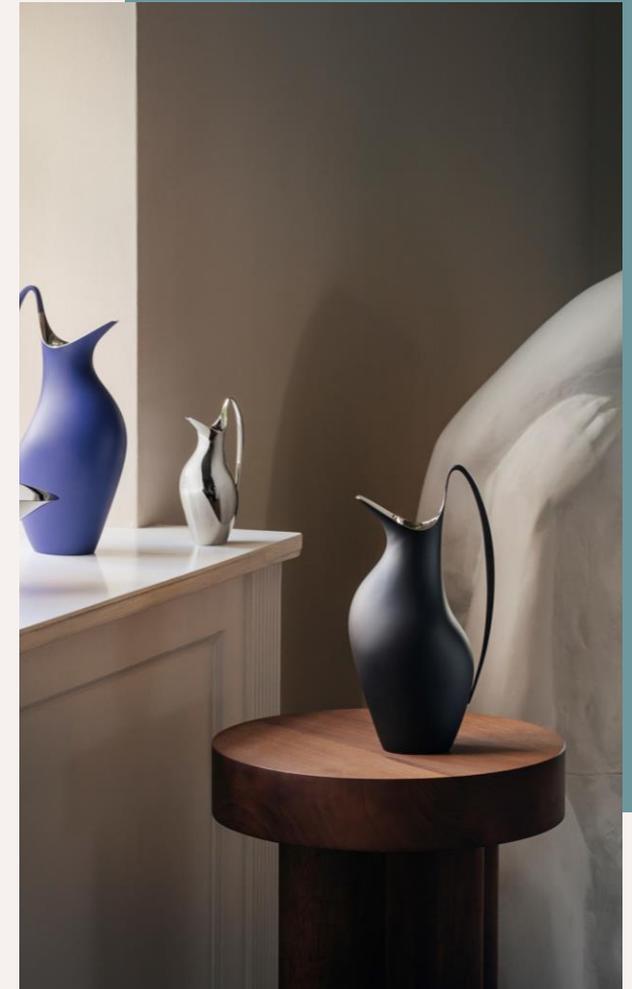
EV/EBITDA 4.7x with cost synergies, net of integration costs

Expected transaction costs MEUR ~5

To be recorded in Q4/2023 and reported as items affecting comparability

Expected integration costs MEUR ~10

To be realized in 2024-2026



Financing and Financial impacts of the transaction

Deal financing

- Transaction financed fully with debt: Agreement on a committed bridge loan facility – take-out financing will be arranged promptly upon the closing of the transaction

Financial Impacts

- Equity ratio is expected remain solid
- Due to initial expectations of the impact of the purchase price allocation, the transaction is expected to be EPS dilutive in 2023 and 2024. Excluding PPA and transaction costs, the transaction is expected to be accretive to EPS from closing onwards. In addition, the transaction is expected to have an accretive impact on free cash flow from closing onwards
- The company maintains its financial targets regarding organic net sales growth, EBIT margin, Cash Conversion and Net Debt / EBITDA

Impact on guidance for 2023

- Fiskars Group's current guidance for 2023 does not take into account the impact of the transaction
- Georg Jensen's accounting policies alignment and PPA will be finalized after the closing of the transaction
- Potential implications on guidance will be announced as soon as a reasoned estimate can be made. However, Fiskars Group anticipates its guidance to be negatively affected by the impact of the PPA



The acquisition has a compelling strategic and financial rationale

Supports our **Growth Strategy**

- ✓ Commercial excellence
- ✓ DTC
- ✓ China

Expands our luxury brand portfolio and strengthens our offering

Represents an **excellent cultural fit** - shared focus on design and a strong Danish heritage

Creates significant cost **synergies leading to attractive valuation** of 4.7x EV/EBITDA

Fiskars Group's Capital Markets Day 2023



Date: November 2, 2023 in the afternoon

Place: At Fiskars Group's headquarters in Espoo + the event will also be webcasted

An invitation with the full program and registration details will be published closer to the event date.





Thank you!
Questions?



Appendix

Transaction summary

Purchase price

- Enterprise value EUR 151.5 million
 - 9.5x EV/EBITDA on a stand-alone basis
 - 4.7x EV/EBITDA including with cost synergies, net of integration costs
-

Financing

- Financed fully with debt
 - Committed bridge financing facility
 - Planning to convert the bridge financing facility to long-term financing
-

Financial impact

- Expected annual synergies of EUR ~18 million, majority expected to be realized by the end of 2025
 - Expected transaction costs EUR 5 million, to be recorded in Q4 2023 as IAC; expected integration costs EUR 10 million, to be realized in 2024-2026
 - Equity ratio expected to remain solid
 - Due to initial expectations of the impact of the purchase price allocation, the transaction is expected to be EPS dilutive in 2023 and 2024. Excluding PPA and transaction costs, the transaction is expected to be accretive to EPS from closing onwards
 - The transaction is expected to have an accretive impact on free cash flow from closing onwards
 - Financial targets maintained regarding organic net sales growth, EBIT margin, Cash Conversion and Net Debt / EBITDA
 - Current guidance for 2023 does not take into account the impact of the transaction
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Approvals & closing

- Expected closure in the beginning of Q4 2023, subject to customary closing conditions.
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Georg Jensen's key figures

AS PUBLISHED IN GEORG JENSEN'S CONSOLIDATED FINANCIAL STATEMENTS AND INTERIM FINANCIAL REPORTS,
IN ACCORDANCE WITH IFRS

	LTM (June 2023)	1-6/2023	2022	2021
Revenue, EUR million	153.5	59.3	158.1	149.3
Gross profit, EUR million	94.1	36.0	97.8	92.8
Gross margin	61%	61%	62%	62%
EBITDA, EUR million	26.9	3.7	30.6	31.1
EBITDA margin	18%	6%	19%	21%
EBIT, EUR million	11.5	-4.1	14.9	14.6
EBIT margin	8%	-7%	9%	10%
Net debt, incl. IFRS16 leases, EUR million	-	56.3	39.9	39.4
Net debt, EUR million	-	37.4	21.0	10.6
Number of employees, FTE's	-	-	1,205	1,097
Number of stores	-	96	96	93

Figures have been converted from DKK to EUR based on average rates for each reporting period.

