



Fiskars Group Interim Report Q3 2023

JANUARY–SEPTEMBER 2023



Interim report January-September 2023

SALES AND EBIT DECLINED IN A CHALLENGING OPERATING ENVIRONMENT, CASH FLOW AND GROSS MARGIN IMPROVED

JULY-SEPTEMBER 2023 IN BRIEF

- Comparable net sales¹ decreased by 12.7% to EUR 241.3 million (Q3 2022: 276.3). Reported net sales decreased by 17.6% to EUR 241.3 million (292.6)
- Comparable EBIT² decreased to EUR 17.9 million (33.2), or 7.4% (11.4%) of net sales. EBIT decreased to EUR 13.7 million (29.4)
- Cash flow from operating activities before financial items and taxes increased to EUR 67.9 million (-45.5)
- Free cash flow turned clearly positive and was EUR 52.9 million (-64.2), improving by EUR 117.1 million
- Earnings per share (EPS) were EUR 0.11 (0.28)

JANUARY-SEPTEMBER 2023 IN BRIEF

- Comparable net sales¹ decreased by 12.9% to EUR 784.0 million (Q1-Q3 2022: 900.5). Reported net sales decreased by 17.0% to EUR 784.0 million (944.3)
- Comparable EBIT² decreased to EUR 72.6 million (121.3), or 9.3% (12.8%) of net sales. EBIT decreased to EUR 64.9 million (110.3)
- Cash flow from operating activities before financial items and taxes increased to EUR 146.1 million (-85.3)
- Free cash flow turned clearly positive and was EUR 107.4 million (-138.0), improving by EUR 245.4 million
- Earnings per share (EPS) were EUR 0.52 (1.07)

GUIDANCE FOR 2023 (UPDATED ON OCTOBER 12, 2023)

Fiskars Corporation expects comparable EBIT to be in the range of EUR 100-120 million (2022: EUR 151.0 million).

ASSUMPTIONS BEHIND THE GUIDANCE

Challenging and volatile market conditions are expected to continue in the fourth quarter, which is typically the most important season for Business Area Vita. Fiskars Corporation expects that low consumer confidence in the company's main markets, as well as retailer customers' focus on inventory management, will negatively affect demand and sales. At the same time, Georg Jensen will be consolidated to the Group in the fourth quarter, and the impact on the comparable EBIT is expected to be positive.

In January 2023, the company announced targeted organizational changes, which are expected to result in savings supporting EBIT in 2023. Whilst the changes have been completed according to plans, the savings are partially offset by accelerated inflation in general and administrative expenses. The company also announced organizational changes in September 2023, but the majority of the savings related to these changes will not be realized until 2024.

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, acquisition related costs, and gains and losses from the sale of businesses

CEO's review



Nathalie Ahlström
President and CEO

“We were able to mitigate part of the impact from lower volumes with prudent cost management, but as inflation impacted general and administrative expenses at the same time, our comparable EBIT declined to EUR 18 million.”

Challenging market conditions continued in the third quarter and affected demand negatively. As a result, volumes dropped significantly, and comparable net sales declined by 13%. We were able to mitigate part of the impact from lower volumes with prudent cost management, but as inflation impacted general and administrative expenses at the same time, our comparable EBIT declined to EUR 18 million.

Although the overall sales volume development has not been satisfactory in recent quarters, the bright spot has been our direct-to-consumer (DTC) sales. DTC sales have shown solid growth throughout the year and grew by 6% in the third quarter, especially driven by e-commerce globally. Gross margin also continued to improve, demonstrating our successful actions in commercial excellence, and cash flow increased significantly thanks to systematic inventory management.

During the third quarter, we continued to accelerate the execution of our Growth Strategy and took several leaps forward. We expanded our portfolio of luxury brands by acquiring the renowned Danish lifestyle brand Georg Jensen. As an iconic brand with a strong heritage and a focus on pioneering design, Georg Jensen is a good fit to Fiskars Group's family of brands, both strategically and culturally. We are delighted to welcome the Georg Jensen team to Fiskars Group and start working together in further elevating this renowned brand in its core markets and in China.

To further drive the continued transformation of the company and increase efficiency, we also announced that we are simplifying our organizational structure. As of October 2023, we have two Business Areas; Vita and Fiskars. Business Area Fiskars combines the previous Business Areas Terra and Crea and brings all Fiskars brand product categories into the same Business Area. This enables unlocking the full potential of our largest brand Fiskars and is in line with our Growth Strategy, which focuses on making the big brands bigger. Furthermore, the planned organizational changes included delayering some of the Group's central functions, in particular the global supply chain, to increase efficiency and ensure competitiveness. The planned changes are expected to lead to a reduction of 400 roles globally. Information sharing and consultation with employees and their representatives are progressing and are expected to be completed by the end of November. The changes are expected to lead to total annual cost savings of EUR 25 million, out of which the majority would realize during 2024.

Looking at the first nine months of the year, we saw good progress in three of the strategy's transformation levers: commercial excellence; direct-to-consumer; and China. Our like-for-like gross margin, which is our key performance indicator for commercial excellence, increased by 220 basis points in January-September. DTC sales increased by 6%,

amounting to 22% of the Group's sales. In China, sales increased by 25%. In the U.S., which is the fourth transformation lever, sales decreased by 16% in January-September as retailers' focus on inventory management continued to affect demand.

During the quarter, we were thrilled to see the Fiskars brand ranked as the most valued brand in Finland for the fifth consecutive year according to a survey by the market research company Taloustutkimus. Our brands Arabia (#4) and Iittala (#9) also made it into the top 10. In addition, Fiskars Group was ranked as the fifth most reputable company in Finland according to a survey by reputation research company T-Media. These recognitions, coupled with the constant steady growth in sales from our direct-to-consumer channels, demonstrate the power and breadth of our brand portfolio.

On October 12, 2023, we lowered our guidance and now expect comparable EBIT in 2023 to be in the range of EUR 100-120 million. Challenging and volatile market conditions are expected to continue in the fourth quarter, and low consumer confidence in our main markets, as well as retailer customers' focus on inventory management, are affecting demand and sales more negatively than previously anticipated. At the same time, we expect a positive comparable EBIT contribution from the Georg Jensen acquisition in the fourth quarter.

We remain fully focused on driving our Growth Strategy forward. With all the actions we are taking, we are transforming the company and strengthening our position for the long run.

Nathalie Ahlström
President & CEO

Group key figures

EUR million (unless otherwise noted)	Q3	Q3	Change	Q1-Q3	Q1-Q3	Change	2022
	2023	2022		2023	2022		
Net sales	241.3	292.6	-17.6%	784.0	944.3	-17.0%	1,248.4
Comparable net sales ¹⁾	241.3	276.3	-12.7%	784.0	900.5	-12.9%	1,194.0
EBIT	13.7	29.4	-53.3%	64.9	110.3	-41.2%	134.7
Items affecting comparability in EBIT ²⁾	4.2	3.8	9.9%	7.7	11.0	-29.5%	16.3
Comparable EBIT ³⁾	17.9	33.2	-46.0%	72.6	121.3	-40.2%	151.0
Comparable EBIT margin	7.4%	11.4%		9.3%	12.8%		12.1%
Profit before taxes	11.8	27.7	-57.4%	54.7	109.6	-50.1%	124.1
Profit for the period	8.9	22.8	-60.7%	42.1	87.7	-52.0%	99.1
Earnings per share, EUR	0.11	0.28	-59.9%	0.52	1.07	-51.7%	1.21
Equity per share, EUR				9.88	10.43	-5.3%	10.32
Cash flow from operating activities before financial items and taxes	67.9	-45.5		146.1	-85.3		-24.9
Free cash flow	52.9	-64.2		107.4	-138.0		-100.7
Net debt				336.3	343.9	-2.2%	325.3
Net Debt/EBITDA (LTM), ratio				2.24	1.77	26.6%	1.66
Equity ratio, %				50%	53%		53%
Net gearing, %				42%	41%		39%
Capital expenditure	12.1	11.8	2.2%	32.4	34.7	-6.7%	48.1
Personnel (FTE), average	5,846	6,344	-7.8%	5,939	6,281	-5.4%	6,273

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

2) In Q3 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	Q3	Q3	Change	Comparable	Q1-Q3	Q1-Q3	Change	Comparable	2022
	2023	2022		change*	2023	2022		change*	
Net sales									
Group	241.3	292.6	-17.6%	-12.7%	784.0	944.3	-17.0%	-12.9%	1,248.4
Vita	119.4	140.3	-14.9%	-9.7%	340.8	387.8	-12.1%	-8.4%	563.7
Terra	86.6	108.1	-19.9%	-14.9%	322.0	420.6	-23.4%	-18.5%	507.4
Crea	34.0	43.1	-21.2%	-17.3%	118.4	133.2	-11.1%	-9.4%	173.4
Other	1.2	1.1			2.8	2.7			3.9
Comparable EBIT**									
Group	17.9	33.2	-46.0%		72.6	121.3	-40.2%		151.0
Vita	16.9	24.6	-31.3%		27.6	49.7	-44.4%		85.6
Terra	2.1	5.2	-59.6%		36.8	55.7	-33.9%		48.4
Crea	8.9	10.0	-10.5%		29.6	29.8	-0.6%		34.3
Other	-10.0	-6.6			-21.4	-13.8			-17.2

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

** EBIT excluding items affecting comparability. In Q3 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 JULY-SEPTEMBER 2023

Fiskars Group's comparable consolidated net sales decreased by 12.7% to EUR 241.3 million (Q3 2022: 276.3). Reported net sales decreased by 17.6%.

Low consumer confidence and retailer customers' focus on inventory management continued to affect demand. Comparable net sales decreased in all geographies and business areas.

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

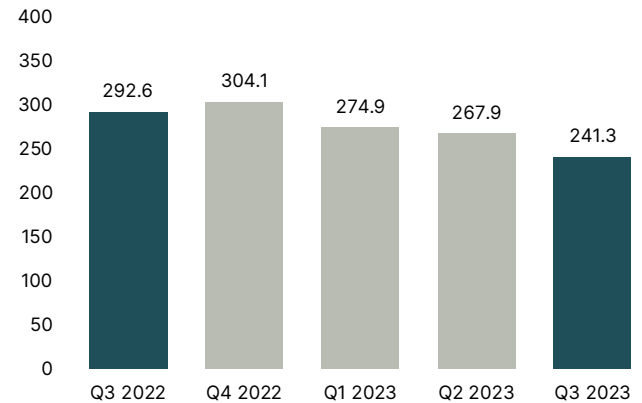
FISKARS GROUP NET SALES IN JANUARY-SEPTEMBER 2023

Fiskars Group's comparable consolidated net sales decreased by 12.9% to EUR 784.0 million (Q1-Q3 2022: 900.5). Reported net sales decreased by 17.0%.

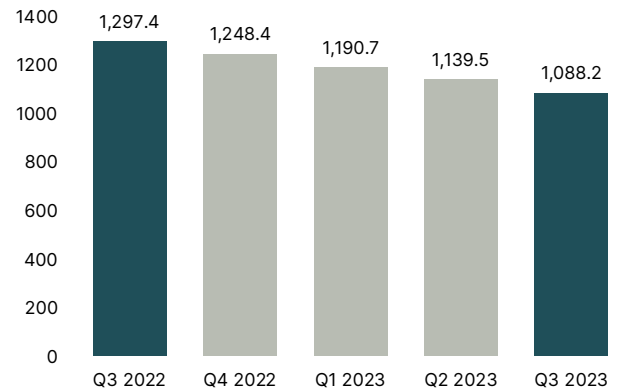
Sales decreased in all business areas and geographical segments, as low consumer confidence and retailer customers' focus on inventory management affected demand. Especially sales in Terra decreased, with clearly lower shipments in the gardening season in the first and second quarter than in the comparison 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.

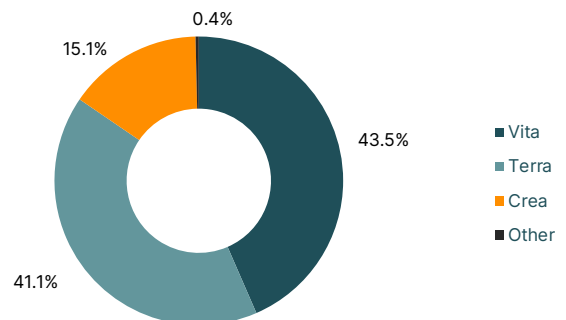
FISKARS GROUP NET SALES, EUR MILLION



FISKARS GROUP NET SALES LAST 12 MONTHS, EUR MILLION



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



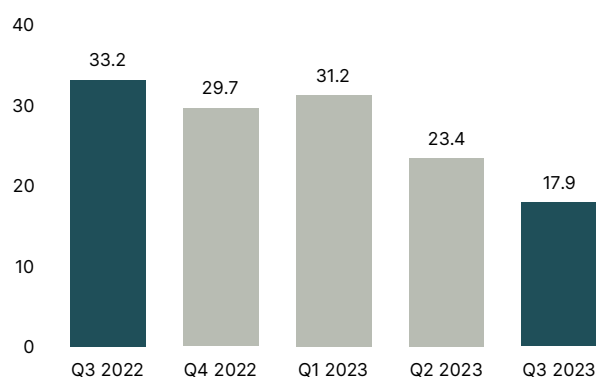
FISKARS GROUP COMPARABLE EBIT IN JULY-SEPTEMBER 2023

Fiskars Group's comparable EBIT was EUR 17.9 million (Q3 2022: 33.2), or 7.4% (11.4%) of net sales.

Comparable EBIT decreased in all business areas.

Comparable EBIT decreased primarily due to significantly lower volumes. The negative impact from volumes was partially mitigated by a clear improvement in gross margin. First savings from the organizational changes announced in January 2023 started to realize late in the quarter, whilst at the same time, general and administrative expenses were impacted by accelerated inflation.

FISKARS GROUP COMPARABLE EBIT, EUR MILLION



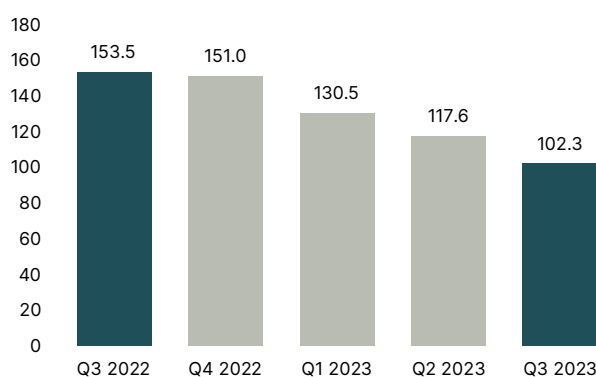
FISKARS GROUP COMPARABLE EBIT IN JANUARY-SEPTEMBER 2023

Fiskars Group's comparable EBIT was EUR 72.6 million (Q1-Q3 2022: 121.3), or 9.3% (12.8%) of net sales.

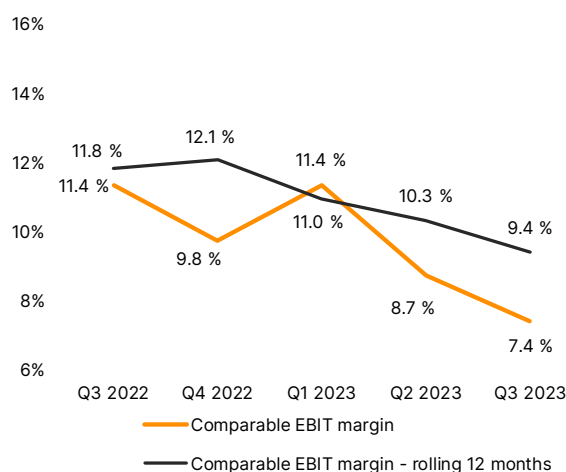
Comparable EBIT decreased in Vita and Terra and was stable in Crea.

Comparable EBIT decreased primarily due to significantly lower volumes. The negative impact from volumes was partially mitigated by a clear improvement in gross margin. First savings from the organizational changes announced in January started to realize late in the third quarter, whilst at the same time, general and administrative expenses were impacted by accelerated inflation.

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	Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022	2022
Financial income and expenses	-3.2	-2.6	-13.9	-2.7	-11.7
Foreign exchange difference	-0.5	-1.0	-3.6	2.8	-1.1
Net interest expenses from funding, currency hedging and leasing liabilities	-3.7	-1.9	-12.7	-3.9	-7.4

During the third quarter, financial income and expenses amounted to EUR -3.2 million (Q3 2022: -2.6). Foreign exchange differences accounted for EUR -0.5 million (-1.0) of financial items. Net interest expenses from funding, currency hedging and leasing liabilities amounted to EUR -3.7 million (-1.9) and were impacted by higher interest rates.

During the first nine months of the year, financial income and expenses amounted to EUR -13.9 million (Q1-Q3 2022: -2.7). Foreign exchange differences accounted for EUR -3.6 million (2.8) of financial items. Net interest expenses from funding, currency hedging and leasing liabilities amounted to EUR -12.7 million (-3.9) and were impacted by higher net debt level and higher interest rates.

CASH FLOW AND FINANCIAL POSITION

EUR million (unless otherwise noted)	Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022	2022
Free cash flow	52.9	-64.2	107.4	-138.0	-100.7
Cash flow from operating activities before financial items and taxes	67.9	-45.5	146.1	-85.3	-24.9
Cash flow from investing activities	-11.8	-19.8	-31.5	6.1	-7.8
Cash flow from financing activities	95.9	58.8	-25.7	128.0	149.8
Change in cash and cash equivalents	146.1	-18.5	73.2	19.2	80.5
Net working capital			279.8	375.7	337.2
Capital expenditure	12.1	11.8	32.4	34.7	48.1
Net debt			336.3	343.9	325.3
Net debt/EBITDA LTM, ratio			2.24	1.77	1.66
Net gearing, %			42%	41%	39%
Equity ratio, %			50%	53%	53%

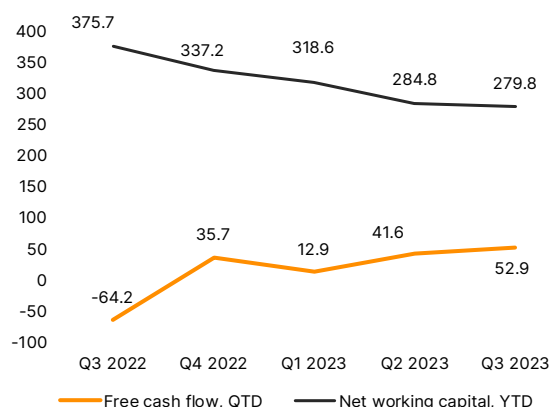
Cash flow from operating activities before financial items and taxes in Q3 2023 increased to EUR 67.9 million (Q3 2022: -45.5) and to EUR 146.1 million (-85.3) in Q1-Q3 2023. Cash flow was positively impacted by the decrease of inventories of EUR 23.0 million (-22.0) in the quarter and EUR 79.1 million (-105.7) during the first nine months of the year.

Capital expenditure totaled EUR 12.1 million (11.8) in Q3 2023 and EUR 32.4 million (34.7) in Q1-Q3 2023. The investments were mainly related to IT and supply chain.

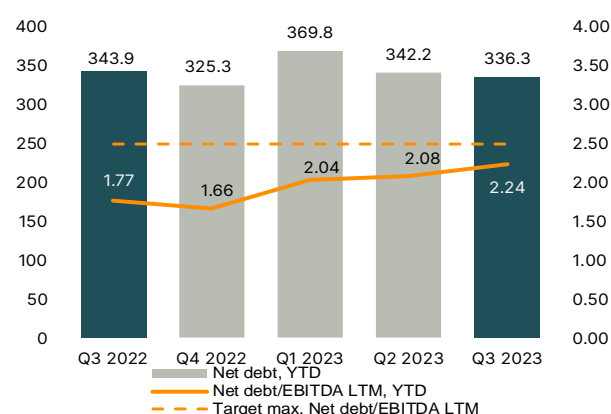
Excluding lease liabilities, short-term borrowing totaled EUR 256.1 million (295.7), and long-term borrowing EUR 130.2 million (0.4). Short-term borrowing consisted of commercial paper maturing in 2023 and 2024 and of a bridge loan to finance the acquisition of Georg Jensen. At the end of the reporting period, the financing acquired to close the acquisition of Georg Jensen appears in cash balance. Long-term borrowing included bilateral loans from financial institutions. Lease liabilities increased by EUR 35.9 million to EUR 138.1 million (102.2), of which long-term lease liabilities were EUR 112.5 million (80.5), and short-term lease liabilities EUR 25.5 million (21.7). The lease liabilities increased due to the renewal of the U.S. 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 48.4 million (50.9). A commercial paper program of EUR 400.0 million was available with Nordic banks. The long-term committed credit facilities were not in use (80.0). Of the commercial paper program, EUR 126.1 million (165.3) was in use.

FISKARS GROUP NET WORKING CAPITAL AND FREE CASH FLOW



FISKARS GROUP NET DEBT AND NET DEBT/EBITDA



OPERATING ENVIRONMENT IN JANUARY-SEPTEMBER 2023

The high costs of living affected consumer sentiment and demand negatively in many regions. The U.S. economy remained resilient, but consumer spending was tilted toward categories other than discretionary goods.

Retailers continued focusing on inventory management, affecting demand in this customer segment.

In the first half of the year, cold spring weather affected demand for gardening products.

Demand continued to be strongest in China, although the growth rate stabilized during the third quarter.

Reporting segments

This Interim financial report reflects Fiskars Group's organizational structure, which featured three Business Areas (BA): Vita, Terra and Crea. Fiskars Group's four primary reporting segments in January-September were Vita, Terra, Crea and Other. Business Areas Terra and Crea were combined into one Business Area called Fiskars after the reporting period. 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.

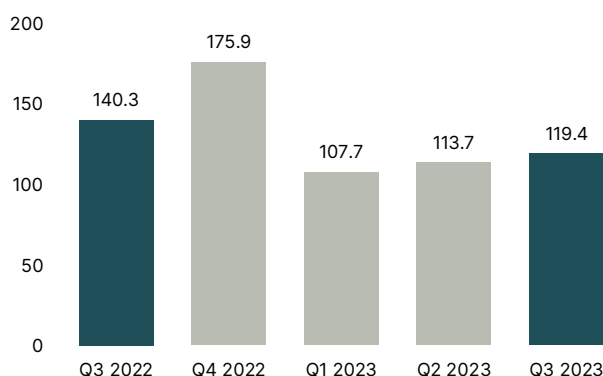
The Other segment contains the Group's investment portfolio, the real estate unit, corporate headquarters and shared services.

Vita segment

EUR million	Q3 2023	Q3 2022	Change	Q1-Q3 2023	Q1-Q3 2022	Change	2022
Net sales*	119.4	140.3	-14.9%	340.8	387.8	-12.1%	563.7
Comparable EBIT	16.9	24.6	-31.3%	27.6	49.7	-44.4%	85.6
Capital expenditure	6.8	5.5	23.7%	16.4	14.4	13.4%	20.9

*Using comparable exchange rates excl. acquisitions and divestments, net sales decreased by 9.7% in Q3 2023 and decreased by 8.4% in Q1-Q3 2023.

VITA SEGMENT'S NET SALES, EUR MILLION



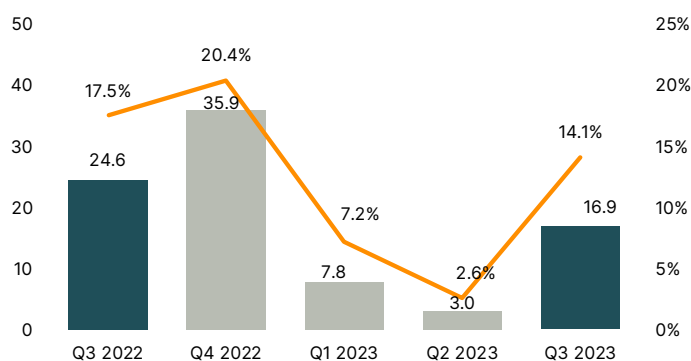
VITA SEGMENT IN JULY-SEPTEMBER 2023

Net sales in the Vita segment decreased by 14.9% to EUR 119.4 million (Q3 2022: 140.3). Comparable net sales decreased by 9.7% due to lower demand in the retailer customer segment and the execution of Fiskars Group's channel strategy. Vita's own e-commerce continued to develop positively, especially driven by the Moomin Arabia brand. Net sales of Moomin Arabia were supported by the Moomin day mug and textile launches.

Net sales in DTC channels were 45% (38%) of total Vita net sales.

Comparable EBIT in the Vita segment declined to EUR 16.9 million (24.6), or 14.1% of net sales (17.5%), due to lower sales volumes. The impact of the decline in sales volumes was partially mitigated by an improved gross margin and prudent cost management.

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



VITA SEGMENT IN JANUARY-SEPTEMBER 2023

Net sales in the Vita segment decreased by 12.1% to EUR 340.8 million (Q1-Q3 2022: 387.8). Comparable net sales decreased by 8.4% 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. Moomin Arabia and Wedgwood were the best performing brands.

Net sales in DTC channels were 47% (41%) of total Vita net sales.

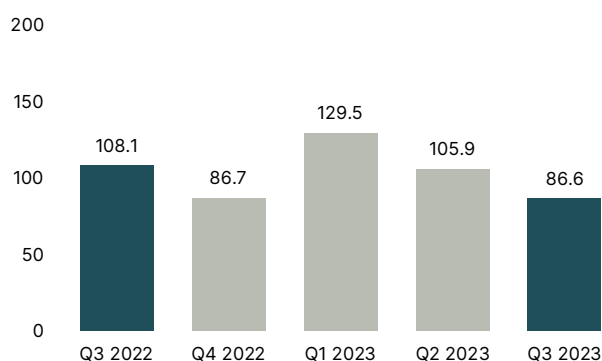
Comparable EBIT in the Vita segment declined to EUR 27.6 million (49.7), or 8.1% of net sales (12.8%), due to lower sales volumes.

Terra segment

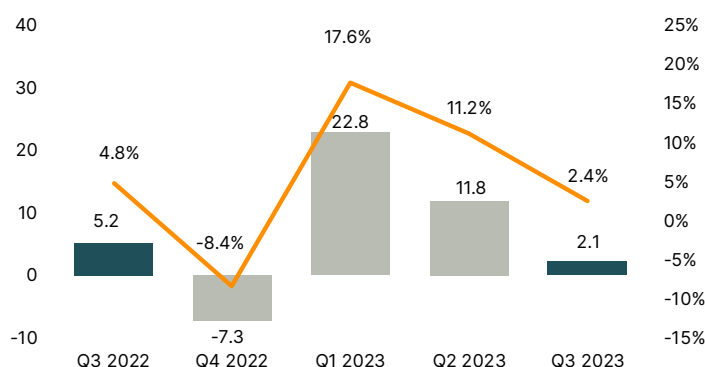
EUR million	Q3 2023	Q3 2022	Change	Q1-Q3 2023	Q1-Q3 2022	Change	2022
Net sales*	86.6	108.1	-19.9%	322.0	420.6	-23.4%	507.4
Comparable EBIT	2.1	5.2	-59.6%	36.8	55.7	-33.9%	48.4
Capital expenditure	3.9	4.9	-21.0%	10.7	12.1	-11.7%	17.5

*Using comparable exchange rates excl. acquisitions and divestments, net sales decreased by 14.9% in Q3 2023 and decreased by 18.5% in Q1-Q3 2023.

TERRA SEGMENT'S NET SALES, EUR MILLION



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



TERRA SEGMENT IN JULY-SEPTEMBER 2023

Net sales in the Terra segment decreased by 19.9% to EUR 86.6 million (Q3 2022: 108.1). Comparable net sales decreased by 14.9%, especially driven by Europe. Retailers' focus on inventory management continued to impact sales. In the U.S., Gerber's sales were supported by distribution footprint expansion.

Comparable EBIT in the Terra segment declined to EUR 2.1 million (5.2), or 2.4% of net sales (4.8%), due to lower sales volumes. The impact of the decline in sales volumes was partially mitigated by an improved gross margin and prudent cost management.

TERRA SEGMENT IN JANUARY-SEPTEMBER 2023

Net sales in the Terra segment decreased by 23.4% to EUR 322.0 million (Q1-Q3 2022: 420.6). 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 18.5%.

Net sales decreased, as retailers' focus on inventory management impacted sales negatively in both the U.S. and Europe. The cold spring also had a negative impact during the gardening season in the first half of the year.

Comparable EBIT in the Terra segment declined to EUR 36.8 million (55.7), or 11.4% of net sales (13.2%).

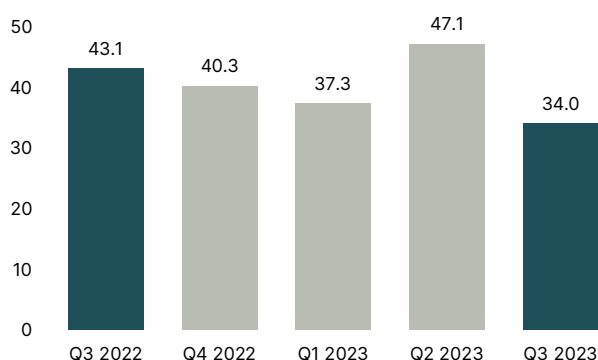
Significantly lower volumes were the main reason for the decline in EBIT. The impact of the decline in sales volumes was partially mitigated by an improved gross margin and prudent cost management.

Crea segment

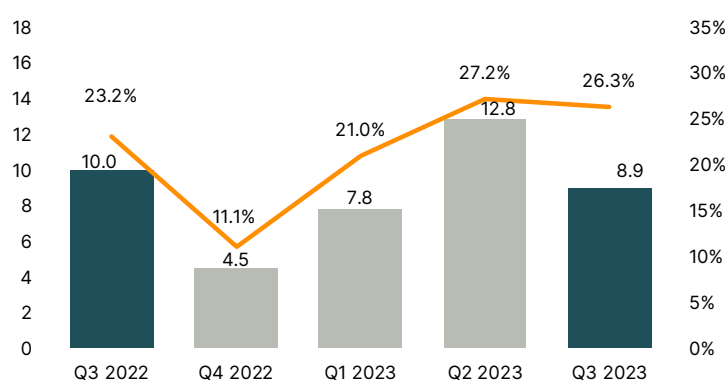
EUR million	Q3 2023	Q3 2022	Change	Q1-Q3 2023	Q1-Q3 2022	Change	2022
Net sales*	34.0	43.1	-21.2%	118.4	133.2	-11.1%	173.4
Comparable EBIT	8.9	10.0	-10.5%	29.6	29.8	-0.6%	34.3
Capital expenditure	1.0	1.2	-15.8%	2.6	2.8	-9.8%	4.0

*Using comparable exchange rates excl. acquisitions and divestments, net sales decreased by 17.3% in Q3 2023 and decreased by 9.4% in Q1-Q3 2023.

CREA SEGMENT'S NET SALES, EUR MILLION



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



CREA SEGMENT IN JULY-SEPTEMBER 2023

Net sales in the Crea segment decreased by 21.2% to EUR 34.0 million (Q3 2022: 43.1). Comparable net sales decreased by 17.3%. Sales decreased in Europe as well as in the U.S., where the timing of shipments between the second and third quarter had an impact.

Comparable EBIT in the Crea segment decreased to EUR 8.9 million (10.0), but margin improved to 26.3% of net sales (23.2%). The impact of the decline in sales volumes was partially mitigated by an improved gross margin and prudent cost management.

CREA SEGMENT IN JANUARY-SEPTEMBER 2023

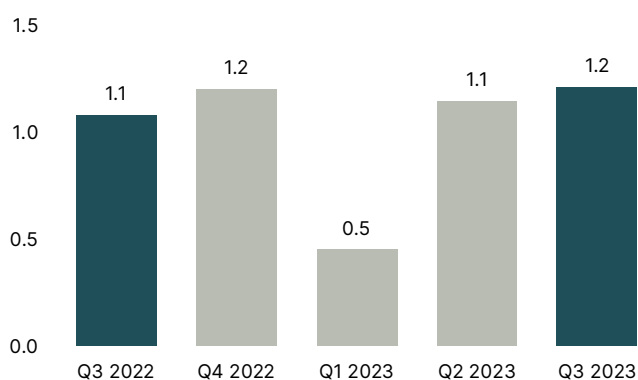
Net sales in the Crea segment decreased by 11.1% to EUR 118.4 million (Q1-Q3 2022: 133.2). Comparable net sales decreased by 9.4%, with declining sales in both Europe and the U.S. In the U.S., sales were stable in the first half of the year, e.g., supported by the back-to-school season and timing of shipments.

Despite lower volumes, comparable EBIT in the Crea segment was stable at EUR 29.6 million (29.8), or 25.0% of net sales (22.4%). Improved gross margin and prudent cost management offset the impact from lower volumes.

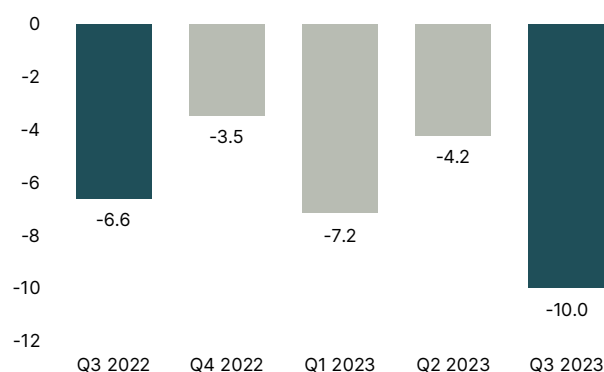
Other segment

EUR million	Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022	2022
Net sales	1.2	1.1	2.8	2.7	3.9
Comparable EBIT	-10.0	-6.6	-21.4	-13.8	-17.2
Capital expenditure	0.5	0.3	2.5	5.3	5.9

OTHER SEGMENT'S NET SALES, EUR MILLION



OTHER SEGMENT'S COMPARABLE EBIT, EUR MILLION



OTHER SEGMENT IN JULY-SEPTEMBER 2023

Net sales in the Other segment amounted to EUR 1.2 million (Q3 2022: 1.1), consisting of timber sales and rental income. The comparable EBIT for the Other segment declined to EUR -10.0 million (-6.6) due to decreased gross profit and increased unallocated development expenses related to strategic programs.

OTHER SEGMENT IN JANUARY-SEPTEMBER 2023

Net sales in the Other segment amounted to EUR 2.8 million (Q1-Q3 2022: 2.7), consisting of timber sales and rental income. The comparable EBIT for the Other segment declined to EUR -21.4 million (-13.8) due to some unallocated development expenses related to strategic programs.

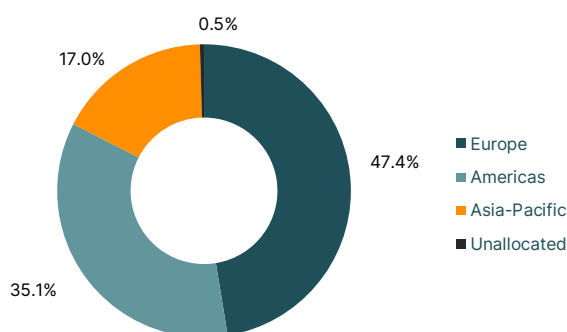
Net sales by geography

EUR million	Q3 2023	Q3 2022	Change	Comparable change*	Q1-Q3 2023	Q1-Q3 2022	Change	Comparable change*	2022
Europe	117.3	141.5	-17.1%	-14.4%	371.8	441.7	-15.8%	-12.1%	596.0
Americas	80.5	96.6	-16.7%	-10.5%	275.2	340.1	-19.1%	-15.6%	432.0
Asia-Pacific	42.2	48.9	-13.7%	-3.3%	133.5	148.4	-10.0%	-2.7%	209.4
Unallocated**	1.2	5.6			3.5	14.1			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-SEPTEMBER 2023



NET SALES BY GEOGRAPHY IN JULY-SEPTEMBER 2023

Net sales in Europe decreased by 17.1%, amounting to EUR 117.3 million (Q3 2022: 141.5). Comparable net sales decreased by 14.4%. Sales in Europe decreased across the board, apart from Norway, where sales grew.

Net sales in the Americas decreased by 16.7% to EUR 80.5 million (96.6). Comparable net sales decreased by 10.5%.

Net sales in Asia-Pacific decreased by 13.7% to EUR 42.2 million (48.9). Comparable net sales decreased by 3.3%, with growth in Japan and China, and decline in Australia. In China, comparable net sales grew by 14%.

NET SALES BY GEOGRAPHY IN JANUARY-SEPTEMBER 2023

Net sales in Europe decreased by 15.8%, amounting to EUR 371.8 million (Q1-Q3 2022: 441.7). Comparable net sales decreased by 12.1%. Sales in Europe decreased across the board.

Net sales in the Americas decreased by 19.1% to EUR 275.2 million (340.1). Comparable net sales decreased by 15.6%.

Net sales in Asia-Pacific decreased by 10.0% to EUR 133.5 million (148.4). Comparable net sales decreased by 2.7%. In China, comparable net sales grew by 25%.

Consumer everyday

During the third quarter, **Waterford** launched the LUTHER VANDROSS X WATERFORD collaboration in line with its new North Star vision. Music is a constant thread in creative work for Waterford, and this collaboration draws inspiration from the American music legend Luther Vandross. His song, *Never too much*, inspired the collection's pattern, which features a karo "kiss" cut in homage to the lyrics "*a thousand kisses from you is never too much*". The limited-edition collection features a decanter and a pair of tumblers. Only 81 pieces of each design have been handblown and cut by Master Craftsman at the Waterford factory in Ireland. The pieces are hand finished with an etched Luther Vandross signature, the collaboration logo and a single karo kiss cut on the base.

Gerber launched a new premium knife, called the Assert, designed to meet the demanding quality and environmental rigors of the outdoor consumer. Lightweight and compact in the hand, the fully customizable knife stands up to the outdoors and everyday tasks.

2023 marks the 55th anniversary of **littala's** Ultima Thule collection designed by Tapio Wirkkala. To honor this anniversary, littala expanded the Ultima Thule collection and introduced vases for the first time ever.

The vases are based on Tapio Wirkkala's design and are inspired by the original glassware collection.

The Fiskars brand collaborated with breast cancer associations in Sweden, Finland and Norway and created a pair of Pink Ribbon scissors to be sold during the Pink Ribbon Campaign in September-October 2023. The new limited edition Fiskars Pink Ribbon Scissors were also available globally. The bold pink breast pattern on the scissors handle was designed by the students of Berghs School of Communication for the Swedish Breast Cancer Association.

Furthermore, **Arabia** introduced three official Pink Ribbon products with a special pink colorway: a mug and a vase patterned with the Puutarhurit decoration by designer Armi Teva, and a mug patterned with the Krokus decoration by Esteri Tomula. Fiskars and Arabia are both donating one euro for every official Pink Ribbon item sold in Finland during the campaign.

The Fiskars brand was ranked the most valued brand in Finland for the fifth consecutive year according to a survey by the market research company Taloustutkimus. Our brands **Arabia** (#4) and **littala** (#9) also made it into the top 10.

LUTHER VANDROSS X WATERFORD COLLABORATION



GERBER "ASSERT" KNIFE



FISKARS PINK RIBBON SCISSORS



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 nine months of 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 220 basis points. DTC sales increased by 6%, amounting to 22% of the Group's sales. In China, sales increased by 25%. In the U.S., which is the fourth transformation lever, net sales decreased by 16% in January-September, 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	-12.7%
EBIT	Mid-Teen EBIT margin (excl. IAC) by the end of 2025	9.4%
Cash flow	Free Cash Flow / Net Profit $\geq 80\%$	271%
Balance sheet	Net Debt / LTM EBITDA $\leq 2.5X$	2.24

ACQUISITION OF GEORG JENSEN

On September 14, 2023, Fiskars Group announced the acquisition of the renowned Danish luxury lifestyle brand Georg Jensen. Fiskars Group signed an agreement with Investcorp to buy Georg Jensen by acquiring 100% of the shares of Georg Jensen Investment APS for the debt-free, cash-free purchase price (enterprise value) of EUR 151.5 million (USD 165 million). The enterprise value of USD 165 million was converted based on a USD/EUR rate of 1.0890 and subject to change due to currency fluctuations and hedging effects. The Georg Jensen brand offers iconic products in the home and jewellery categories. With a 120-year heritage and a strong focus on craftsmanship, creativity and design, Georg Jensen fits Fiskars Group's luxury home brand portfolio well and extends the luxury brands' share of the Group's net sales from 25% to over one third. In 2022, Georg Jensen's net sales were EUR 158.1 million and EBIT was EUR 14.9 million.

Annual synergies are expected to amount to approximately EUR 18 million, the majority of which is expected to be realized by the end of 2025. The integration-related costs are expected to be EUR 10 million and to be realized in 2024-2026. The expected transaction costs of approximately EUR 5 million will be recorded in Q4 2023 and reported as items affecting comparability.

Fiskars Group completed the acquisition of Georg Jensen after the Q3 reporting period on October 1, 2023. The debt-free, cash-free purchase price (enterprise value) was EUR 155 million (USD 165 million), subject to a post-completion adjustment based on the level of net working capital and cash and debt in the acquired business on the closing date. The enterprise value of USD 165 million was converted to EUR based on a USD/EUR of 1.0647, which was the rate on September 22, 2023. The impacts caused by foreign exchange fluctuation were hedged. The acquisition was financed with bridge loans from two Nordic banks. The company plans to convert the bridge financing into long-term financing.

Georg Jensen is consolidated to Fiskars Group's financial reporting, under Business Area Vita, as of October 1, 2023.

SUSTAINABILITY

Fiskars Group's ESG strategy has two commitments that guide all company 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 products and materials in circulation instead of discarding them.

In January-September, approximately 8% of the Group's net sales were generated from circular products and services. In July, Iittala expanded the iconic Ultima Thule collection and introduced a new Ultima Thule vase and pitcher, made of recycled glass at the Iittala Glass Factory in Finland. At the factory, waste glass is generated at different stages of the production process - for example, in the post-processing of mouthblown glass and the pouring of molten glass.

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 January-September, Scope 1 and 2 greenhouse gas emissions decreased by 19% compared to 1-9/2022 and by 53% compared to the base year 2017. Some manufacturing units were closed due to furloughs in 2023, which partially impacted the reduced overall energy consumption, and emissions.

The company also has a target to reduce greenhouse gas emissions from transportation and distribution (Scope 3) by 30% from a 2018 base year by 2030. Progress in this target is reported once a year.

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 the company's suppliers by spend providing purchased goods and services will have science-based targets by 2024. By the end of the third quarter, 46% (31.12.2022: 25%) of the company's raw material, component, and finished goods suppliers by spend had set science-based targets. The company will continue to support its suppliers by organizing info sessions and training, for example.

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

A safe workplace is a key priority for Fiskars Group. The target for 2030 is to have zero harm with a zero Lost Time Accident Frequency (LTAF), including contractors. In September, Fiskars Group held its 6th annual Safety Week under the theme "I care: Safety365", highlighting the importance of making safety a year-round commitment. This was the first year when the focus was also expanded to the safety of our environment and sustainability. During Safety Week, different Fiskars Group teams came together, learning and sharing their feedback and ultimately growing the company's safety culture.

During January-September, LTAF (the number of accidents causing injury resulting in an absence of at least one workday per million hours worked) decreased by 4% to 4.6 (1-12/2022: 4.8). The number of lost time accidents decreased by 25% compared to 1-9/2022.

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

Fiskars Group's aim is to create an open, inclusive working environment where everyone can grow, make a meaningful contribution, and feel that they belong. The company measures its employees' experience of inclusion through the Inclusion Experience score that is embedded in the employee engagement survey. Inclusion experience is measured once a year for all employees and twice a year for office employees. The 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 latest employee engagement survey for office employees was undertaken in May 2023. Based on this survey, the company has set a baseline Inclusion Experience score of 72 for office employees. The next employee engagement survey is scheduled for November 2023.

Fiskars Group also wants to enhance DEI through its brands by using diverse and inclusive visuals, as well as sharing stories through collaborations that highlight multiple perspectives and experiences. For example, the Waterford brand is committed to actively encouraging and leading cultural conversations around diversity and inclusivity. As part of Waterford's collaboration with the Luther Vandross Foundation, launched in August 2023, the brand was able to support the Foundation's ambition to provide financial assistance and educational opportunities to underrepresented communities. Bursaries given to students who attend Historically Black Colleges and Universities in the U.S. provide opportunities for talented individuals to express their creativity and entrepreneurial spirit.

RESEARCH AND DEVELOPMENT

The Group's research and development expenditure was EUR 4.3 million (Q3 2022: 4.8) in the third quarter of 2023, equivalent to 1.8% (1.6%) of net sales.

During the first nine months of the year, research and development expenses totaled EUR 14.8 million (Q1–Q3 2022: 15.1), equivalent to 1.9% (1.6%) of net sales.

PERSONNEL

The average number of full-time equivalent employees (FTE) was 5,846 (Q3 2022: 6,344) in the third quarter. At the end of the quarter, the Group employed 6,191 (6,688) employees.

CHANGES IN MANAGEMENT

In January–September, Fiskars Group announced the following changes in its Leadership Team. On March 27, 2023, Fiskars Group appointed Aamir Shaukat as 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.

On September 13, 2023, Fiskars Group announced its plans to combine the Business Areas Terra and Crea into one Business Area, Fiskars. Fiskars Group announced that Charlene Zappa, Executive Vice President for Business Area Terra, will leave the company, and that Johan Hedberg, Chief Sales officer Americas and President Americas, is stepping out of the Leadership Team, but will continue to support the Americas organization in an interim role in Business Area Vita.

On September 26, 2023, Fiskars Group appointed Dr. Steffen Hahn as Executive Vice President of the new Business Area Fiskars and a member of the Fiskars Group Leadership Team. Steffen will start in his position on January 5, 2024, and will report to President and CEO Nathalie Ahlström. In addition to her role as President and CEO, Nathalie Ahlström will serve as the head of Business Area Fiskars until Steffen starts at Fiskars Group.

ORGANIZATIONAL CHANGES AND FACTORY FURLONGHS

Changes announced in January 2023

On January 23, 2023, Fiskars Group announced that it

was planning targeted organizational changes to further drive end-to-end accountability in the Business Areas and to enhance their focus on brands and consumers. The organizational changes were completed in the second quarter of 2023, and they resulted in a reduction of approximately 100 roles globally. The changes were mainly related to the Business Areas. In addition, the company made changes in its sales organizations in the Americas and in Europe.

The organizational changes and efficiency improvements announced in January 2023 are expected 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 have been recorded as items affecting comparability (IAC) in 2023.

Changes announced in September 2023

On September 13, 2023, Fiskars Group announced that it was planning to simplify its organizational structure to support the continued transformation of the company and to increase efficiency. The planned changes included combining the current Business Areas Terra and Crea into one Business area, Fiskars, which would offer Fiskars and Gerber branded products for the gardening, outdoor, cooking, scissors and creating categories. Furthermore, the company announced plans to simplify its global supply chain organization to increase efficiency and ensure competitiveness.

The planned organizational changes were expected to lead to a net reduction of approximately 400 roles globally, the majority of which are in the global supply chain. Information sharing and consultation with employees and their representatives are progressing and are expected to be completed in the end of November. Employee negotiations related to the new business area structure were completed during September, and Business Area Fiskars was operative in October 2023.

The planned changes announced in September 2023 are expected to result in total annual cost savings of approximately EUR 25 million, of which the majority would realize during 2024. One-off costs related to the planned changes are expected to amount to a total of approximately EUR 6 million, part of which was recorded as items affecting comparability (IAC) in Q3 and the rest in Q4 2023.

Factory furloughs and retail network optimization

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 was 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 ex-dividend date for the second instalment of EUR 0.40 per share was on September 11, 2023. The second instalment was paid to a shareholder who was registered in the shareholders' register of the company maintained by Euroclear Finland Oy on the dividend record date September 12, 2023. The payment date for this instalment was September 19, 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 organize 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

	1-9/2023	1-9/2022	1-12/2022
Trading volume, shares	3,480,278	6,675,209	8,498,168
Turnover, EUR	56,982,706	130,300,226	158,088,300
Highest price, EUR	18.52	24.45	24.45
Lowest price, EUR	13.62	14.42	14.04
Closing price, EUR	17.44	14.86	15.38
Volume-weighted average price, EUR	16.37	19.53	18.61

Fiskars shares are also traded in alternative marketplaces. In January–September, the number of shares traded on Nasdaq Helsinki and in alternative marketplaces together was 4.4 million (7.5), which represents 5.4% (9.1%) of the total number of shares.

At the end of September, Fiskars had a market capitalization of EUR 1,409.4 million (1,199.2). The total number of shareholders was 33,522 (31,797) at the end of September.

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.

Low consumer confidence in many markets due to broad-based inflation and high interest rates, as well as the Group's retailer customers' focus on inventory management, 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 fourth quarter is typically the most important season for Business Area Vita and an important season also for the cooking and creating categories. Any negative developments related to product availability, demand or increased costs in manufacturing or logistics during the important season may significantly affect the Group's full-year net sales and profit.

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

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.

Despite a careful due diligence process, all acquisitions and integrations of acquired businesses include risks. Acquired business may not perform as expected, key individuals may decide to leave the company, the costs of the integration may exceed expectations, and synergy effects may be lower than expected.

Fiskars Group is involved in a number of legal actions, claims and other proceedings. Due to the nature of these proceedings, the final outcome of these cases cannot be predicted. Taking into account the available information to date, the outcome is not expected to have a material impact on the financial position of the Group.

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	27.3.2023	Change in the Fiskars Group Leadership Team
20.1.2023	Proposals of the Nomination Committee of the Board of Directors to Fiskars' Annual General Meeting 2023	31.3.2023	Transfer of the company's own shares
23.1.2023	Inside information: Fiskars plans targeted organizational changes to accelerate strategy execution	20.4.2023	Change in Fiskars Group's official languages as of 2024
7.2.2023	Fiskars Financial Statement Release 2022	27.4.2023	Fiskars Interim Report for January-March 2023
7.2.2023	Notice to Fiskars Corporation's Annual General Meeting	27.4.2023	Change in the Fiskars Group Leadership Team
7.2.2023	Fiskars Corporation's directed share issue without consideration based on the Performance Share Plan 2018–2022	8.6.2023	Fiskars to continue acquiring the company's own shares
7.2.2023	New periods to start within the share-based long-term incentive programs of Fiskars Group	5.7.2023	Inside information, profit warning: Fiskars lowers its guidance for 2023
7.2.2023	Fiskars is launching a new ownership plan for the company's management and planning an employee share savings plan	20.7.2023	Fiskars Half-year financial report for January-June 2023
13.2.2023	Update to the notice to Fiskars Corporation Annual General Meeting	7.9.2023	Fiskars Corporation: Record date and payment date of the second dividend instalment of EUR 0.40 resolved by the Annual General Meeting 2023
21.2.2023	Fiskars Annual Report 2022 published	13.9.2023	Inside information: Fiskars Group plans to simplify its organizational structure to speed up the continued transformation of the company and to increase efficiency
2.3.2023	Transfer of the company's own shares	14.9.2023	Inside information: Fiskars Group expands its portfolio of luxury brands by acquiring Georg Jensen
3.3.2023	Notification of management's transactions – Ahlström	26.9.2023	Change in the Fiskars Group Leadership Team
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		
14.3.2023	Notification of management's transactions – Ahlström		
14.3.2023	Notification of management's transactions – Siitonen		
15.3.2023	The Board of Directors of Fiskars Corporation launches an employee share savings plan		
15.3.2023	Resolutions of Fiskars Corporation's Annual General Meeting 2023		

EVENTS AFTER THE REPORTING PERIOD

October 1, 2023: Georg Jensen acquisition completed

On October 1, 2023, Fiskars Group completed the acquisition of the Danish luxury lifestyle brand Georg Jensen by acquiring 100% of the shares of Georg Jensen Investment APS. The acquisition was announced on September 14, 2023. The debt-free, cash-free purchase price (enterprise value) was EUR 155 million (USD 165 million), subject to a post-completion adjustment based on the level of net working capital and cash and debt in the acquired business on the closing date. The acquisition was financed with debt. Georg Jensen is consolidated to Fiskars Group's financial reporting as of October 1, 2023.

October 12, 2023: Guidance for 2023 lowered

On October 12, 2023, the company lowered its guidance for 2023. The guidance update was based on challenging market conditions in the second half of the year, as well as the impact from the Georg Jensen acquisition.

The company now expects comparable EBIT in 2023 to be in the range of EUR 100-120 million. Previously, the company expected comparable EBIT to be in the range of EUR 120-130 million (2022: EUR 151.0 million).

GUIDANCE FOR 2023 (UPDATED ON OCTOBER 12, 2023)

Fiskars Corporation expects comparable EBIT to be in the range of EUR 100-120 million (2022: EUR 151.0 million).

ASSUMPTIONS BEHIND THE GUIDANCE

Challenging and volatile market conditions are expected to continue in the fourth quarter, which is typically the most important season for Business Area Vita. Fiskars Corporation expects that low consumer confidence in the company's main markets, as well as retailer customers' focus on inventory management, will negatively affect demand and sales. At the same time, Georg Jensen will be consolidated to the Group in the fourth quarter, and the impact on the comparable EBIT is expected to be positive.

In January 2023, the company announced targeted organizational changes, which are expected to result in savings supporting EBIT in 2023. Whilst the changes have been completed according to plans, the savings are partially offset by accelerated inflation in general and administrative expenses. The company also announced organizational changes in September 2023, but the majority of the savings related to these changes will not be realized until 2024.

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

Espoo, Finland, October 25, 2023

FISKARS CORPORATION

Board of Directors

Consolidated income statement

EUR million	Q3 2023	Q3 2022	Change	Q1-Q3 2023	Q1-Q3 2022	Change	2022
Net sales	241.3	292.6	-17.6%	784.0	944.3	-17.0%	1,248.4
Cost of goods sold	-127.6	-159.3	-19.9%	-417.5	-522.9	-20.2%	-692.5
Gross profit	113.6	133.3	-14.7%	366.6	421.3	-13.0%	555.9
Other operating income	0.8	-6.6		2.0	5.6	-63.8%	5.6
Sales and marketing expenses	-66.5	-63.7	4.4%	-199.3	-202.8	-1.7%	-276.1
Administration expenses	-29.7	-28.2	5.4%	-89.0	-89.7	-0.7%	-120.9
Research and development expenses	-4.3	-4.8	-9.8%	-14.8	-15.1	-2.0%	-20.8
Other operating expenses	-0.1	-0.5	-74.9%	-0.6	-9.2	-93.2%	-8.9
EBIT*	13.7	29.4	-53.3%	64.9	110.3	-41.2%	134.7
Change in fair value of biological assets	1.2	0.9	39.4%	3.8	1.9	95.3%	1.1
Financial income and expenses	-3.2	-2.6	22.2%	-13.9	-2.7		-11.7
Profit before taxes	11.8	27.7	-57.4%	54.7	109.6	-50.1%	124.1
Income taxes	-2.8	-4.9	-42.1%	-12.7	-21.9	-42.2%	-25.0
Profit for the period	8.9	22.8	-60.7%	42.1	87.7	-52.0%	99.1
Attributable to:							
Equity holders of the parent company	9.0	22.4	-59.9%	41.8	87.0	-51.9%	98.2
Non-controlling interest	-0.0	0.4		0.2	0.7	-68.4%	0.9
Earnings for equity holders of the parent company per share, euro (basic and diluted)	0.11	0.28	-59.9%	0.52	1.07	-51.7%	1.21
* Comparable EBIT (detailed in notes)	17.9	33.2	-46.0%	72.6	121.3	-40.2%	151.0

Consolidated statement of comprehensive income

EUR million	Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022	2022
Profit for the period	8.9	22.8	42.1	87.7	99.1
Other comprehensive income for the period					
Items that may be reclassified subsequently to profit or loss:					
Translation differences	3.9	10.8	-3.4	28.7	3.6
Cash flow hedges	0.1	0.0	0.7	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	0.1	-0.3	1.3
Other comprehensive income for the period, net of tax	3.9	10.7	-2.6	28.4	5.1
Total comprehensive income for the period	12.9	33.5	39.4	116.1	104.2
Attributable to:					
Equity holders of the parent company	12.9	33.1	39.4	115.3	103.2
Non-controlling interest	-0.1	0.4	0.0	0.8	1.0
Total comprehensive income for the period	12.9	33.5	39.4	116.1	104.2

Consolidated balance sheet

EUR million	Sep 30 2023	Sep 30 2022	Change	2022
ASSETS				
Non-current assets				
Goodwill	222.2	226.7	-2.0%	221.2
Other intangible assets	283.7	279.0	1.7%	278.6
Property, plant and equipment	147.9	146.8	0.8%	146.3
Right-of-use assets	131.1	97.3	34.8%	110.6
Biological assets	50.3	47.3	6.2%	46.5
Investment property	5.4	5.9	-8.0%	5.8
Financial assets at fair value through profit or loss	32.5	33.2	-2.3%	29.0
Other investments	3.5	4.5	-22.9%	3.5
Deferred tax assets	29.4	27.5	6.8%	31.9*
Other non-current assets	7.0	6.6	5.8%	6.4
Non-current assets total	912.9	874.9	4.3%	879.7
Current assets				
Inventories	292.8	397.6	-26.4%	364.7
Trade receivables	168.2	209.5	-19.7%	170.5
Other current receivables	51.8	65.9	-21.4%	48.8
Income tax receivables	3.9	7.6	-49.0%	7.2
Interest-bearing receivables	1.3	0.0		1.7
Cash and cash equivalents	188.1	54.4		115.8
Current assets total	706.1	735.0	-3.9%	708.6
Assets total	1,619.0	1,609.9	0.6%	1,588.3
EQUITY AND LIABILITIES				
Equity				
Equity attributable to the equity holders of the parent company	798.6	841.9	-5.1%	819.8*
Non-controlling interest	3.8	3.9	-3.7%	4.1
Equity total	802.4	845.8	-5.1%	823.9
Non-current liabilities				
Interest-bearing liabilities	130.2	0.4		130.4
Lease liabilities	112.5	80.5	39.8%	92.9
Deferred tax liabilities	32.5	34.5	-5.8%	34.5
Employee defined benefit obligations	11.0	14.7	-25.4%	10.8
Provisions	2.4	2.7	-9.8%	2.4
Other non-current liabilities	3.6	3.9	-7.6%	4.0
Non-current liabilities total	292.3	136.7		275.1
Current liabilities				
Interest-bearing liabilities	256.1	295.7	-13.4%	195.2
Lease liabilities	25.5	21.7	17.8%	22.5
Trade payables	67.7	93.2	-27.4%	83.9*
Other current payables	162.6	203.9	-20.2%	180.9
Income tax liabilities	4.4	6.0	-26.7%	2.1
Provisions	7.9	7.0	13.7%	4.8
Current liabilities total	524.3	627.4	-16.4%	489.3
Equity and liabilities total	1,619.0	1,609.9	0.6%	1,588.3

*Opening balance restated, details in equity statement.

Consolidated statement of cash flows

EUR million	Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022	2022
Cash flow from operating activities					
Profit before taxes	11.8	27.7	54.7	109.6	124.1
Adjustments for					
Depreciation, amortization and impairment	16.1	14.8	46.1	44.6	59.4
Gain/loss on sale and loss on scrap of non-current assets	-0.1	0.6	-0.3	0.2	0.6
Other financial items	3.2	2.5	13.9	2.7	12.3
Change in fair value of biological assets	-1.2	-0.9	-3.8	-1.9	-1.1
Change in provisions and other non-cash items	1.3	0.1	4.9	-14.7	-11.2
Cash flow before changes in working capital	31.0	44.8	115.6	140.3	184.0
Changes in working capital					
Change in current assets, non-interest-bearing	8.0	4.4	-13.5	-30.0	14.9
Change in inventories	23.0	-22.0	79.1	-105.7	-89.7
Change in current liabilities, non-interest-bearing	5.8	-72.6	-35.1	-90.0	-134.1
Cash flow from operating activities before financial items and taxes	67.9	-45.5	146.1	-85.3	-24.9
Financial income received and costs paid	-3.1	-4.9	-9.4	-11.4	-7.4
Taxes paid	-2.9	-7.1	-6.4	-18.2	-29.2
Cash flow from operating activities (A)	61.9	-57.5	130.4	-114.9	-61.4
Cash flow from investing activities					
Investments in financial assets				-0.2	-0.4
Capital expenditure on fixed assets	-12.1	-11.8	-32.4	-34.7	-48.1
Proceeds from sale of fixed assets	0.3	1.0	0.7	1.8	1.5
Proceeds from sale of assets held for sale				43.9	43.9
Disposal of subsidiary, net of cash disposed of		-9.2		-9.2	-9.2
Other dividends received	0.0	0.0	0.1	0.2	0.2
Cash flow from other investments	0.0	0.2	0.1	4.3	4.3
Cash flow from investing activities (B)	-11.8	-19.8	-31.5	6.1	-7.8
Cash flow from financing activities					
Purchase of treasury shares		-6.9	-0.1	-15.9	-18.0
Change in current receivables	0.1	-0.0	0.4	-0.0	-1.7
Proceeds from non-current debt	-0.1				130.1
Repayments of non-current debt	0.0	-0.1	-0.3	-0.2	-0.3
Change in current debt	135.8	103.6	58.8	227.5	129.3
Payment of lease liabilities	-7.3	-6.6	-21.0	-20.1	-26.5
Cash flow from other financing items			1.4		
Dividends paid	-32.6	-31.2	-64.9	-63.2	-62.9
Cash flow from financing activities (C)	95.9	58.8	-25.7	128.0	149.8
Change in cash and cash equivalents (A+B+C)	146.1	-18.5	73.2	19.2	80.5
Cash and cash equivalents at beginning of period	42.0	73.7	115.8	31.5	31.5
Translation difference	0.0	-0.8	-0.9	3.6	3.7
Cash and cash equivalents at end of period	188.1	54.4	188.1	54.4	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			28.6	0.0	-0.3	87.0	0.8	116.1
Purchase and issue of treasury shares		-15.9						-15.9
Share-based payments		1.8				-2.8		-0.9
Dividends						-61.9	-1.1	-63.1
Other changes			5.4			-12.0		-6.7
Balance at Sep 30, 2022	77.5	-21.3	43.1	0.0	-1.7	744.2	3.9	845.8
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			-3.2	0.7	0.1	41.8	0.0	39.4
Purchase and issue of treasury shares		2.5				0.1		2.6
Share-based payments		1.6				-0.3		1.3
Dividends						-64.6	-0.3	-65.0
Other changes						0.2		0.2
Balance at Sep 30, 2023	77.5	-2.7	14.9	0.8	0.1	708.1	3.8	802.4

*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 interim report

ACCOUNTING PRINCIPLES

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

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

Reporting segments

EUR million	Q3 2023	Q3 2022	Change	Q1-Q3 2023	Q1-Q3 2022	Change	2022
Net sales							
Vita	119.4	140.3	-14.9%	340.8	387.8	-12.1%	563.7
Terra	86.6	108.1	-19.9%	322.0	420.6	-23.4%	507.4
Crea	34.0	43.1	-21.2%	118.4	133.2	-11.1%	173.4
Other	1.2	1.1		2.8	2.7		3.9
Group total	241.3	292.6	-17.6%	784.0	944.3	-17.0%	1,248.4
EUR million	Q3 2023	Q3 2022	Change	Q1-Q3 2023	Q1-Q3 2022	Change	2022
EBIT							
Vita	14.6	24.6	-40.6%	23.6	49.4	-52.2%	85.5
Terra	0.6	1.4	-54.4%	33.9	46.8	-27.6%	34.1
Crea	8.5	10.0	-14.6%	29.0	29.7	-2.5%	34.2
Other	-10.1	-6.6		-21.6	-15.6		-19.1
Group total	13.7	29.4	-53.3%	64.9	110.3	-41.2%	134.7
EUR million	Q3 2023	Q3 2022	Change	Q1-Q3 2023	Q1-Q3 2022	Change	2022
Depreciation, amortization and impairment							
Vita	8.8	8.5	2.9%	25.3	25.6	-1.2%	33.6
Terra	5.2	4.8	8.3%	14.8	14.4	2.8%	19.0
Crea	1.0	1.0	6.8%	2.9	3.1	-6.9%	4.1
Other	1.1	0.4		3.1	1.5		2.7
Group total	16.1	14.8	9.3%	46.1	44.6	3.4%	59.4
EUR million	Q3 2023	Q3 2022	Change	Q1-Q3 2023	Q1-Q3 2022	Change	2022
Capital expenditure							
Vita	6.8	5.5	23.7%	16.4	14.4	13.4%	20.9
Terra	3.9	4.9	-21.0%	10.7	12.1	-11.7%	17.5
Crea	1.0	1.2	-15.8%	2.6	2.8	-9.8%	4.0
Other	0.5	0.3		2.5	5.3		5.9
Group total	12.1	11.8	2.2%	32.4	34.7	-6.7%	48.1

Net sales by geography

EUR million	Q3 2023	Q3 2022	Change	Q1-Q3 2023	Q1-Q3 2022	Change	2022
Net sales							
Europe	117.3	141.5	-17.1%	371.8	441.7	-15.8%	596.0
Americas	80.5	96.6	-16.7%	275.2	340.1	-19.1%	432.0
Asia-Pacific	42.2	48.9	-13.7%	133.5	148.4	-10.0%	209.4
Unallocated	1.2	5.6		3.5	14.1		11.1
Group total	241.3	292.6	-17.6%	784.0	944.3	-17.0%	1,248.4

EBIT and Comparable EBIT

EUR million	Q3 2023	Q3 2022	Change	Q1-Q3 2023	Q1-Q3 2022	Change	2022
EBIT	13.7	29.4	-53.3%	64.9	110.3	-41.2%	134.7
Items affecting comparability in EBIT							
Sale of subsidiary in Russia		3.7			10.9		11.9
Sale of Watering business	0.0	0.2	-97.0%	0.1	-1.0		3.3
Changes in Group Leadership Team					1.1		1.1
Organizational changes	4.2			7.6			
Total items affecting comparability in EBIT	4.2	3.8	9.9%	7.7	11.0	-29.5%	16.3
Comparable EBIT	17.9	33.2	-46.0%	72.6	121.3	-40.2%	151.0

EBIT and Comparable EBIT by income statement line item

EUR million	Q3 2023			Q3 2022		
	Total	Items affecting comparability	Excl. Items affecting comparability	Total	Items affecting comparability	Excl. Items affecting comparability
Net sales	241.3		241.3	292.6		292.6
Cost of goods sold	-127.6	0.2	-127.4	-159.3	-2.0	-161.4
Sales and marketing expenses	-66.5	3.7	-62.8	-63.7	-3.1	-66.7
Administration expenses	-29.7	0.3	-29.4	-28.2	0.1	-28.2
Research and development expenses	-4.3	0.0	-4.3	-4.8		-4.8
Other operating income and expenses	0.6	0.0	0.7	-7.2	8.9	1.7
EBIT	13.7	4.2	17.9	29.4	3.8	33.2

EUR million	Q1-Q3 2023			Q1-Q3 2022		
	Total	Items affecting comparability	Excl. Items affecting comparability	Total	Items affecting comparability	Excl. Items affecting comparability
Net sales	784.0		784.0	944.3		944.3
Cost of goods sold	-417.5	0.3	-417.2	-522.9	0.0	-522.9
Sales and marketing expenses	-199.3	6.5	-192.8	-202.8	0.9	-201.9
Administration expenses	-89.0	0.7	-88.4	-89.7	1.7	-88.0
Research and development expenses	-14.8	0.1	-14.7	-15.1		-15.1
Other operating income and expenses	1.4	0.2	1.6	-3.5	8.4	4.9
EBIT	64.9	7.7	72.6	110.3	11.0	121.3

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	Sep 30 2023	Sep 30 2022	Dec 31 2022
Intangible assets and goodwill			
Book value, Jan 1	499.8	489.3	489.3
Translation differences	1.1	13.5	4.2
Additions	15.2	13.4	20.3
Amortization and impairment	-10.3	-10.3	-13.8
Decreases and transfers	-0.2	-0.3	-0.2
Book value at end of period	505.9	505.8	499.8
 Tangible assets and investment property			
Book value, Jan 1	152.0	148.5	148.5
Translation differences	-0.5	3.6	0.5
Additions	16.9	21.4	27.8
Depreciation and impairment	-15.5	-15.7	-20.7
Decreases and transfers	0.3	-5.2	-4.0
Book value at end of period	153.3	152.7	152.0
 Right-of-use assets			
Book value, Jan 1	110.6	106.8	106.8
Translation differences	-0.5	3.0	0.5
Additions	47.5	7.6	28.9
Depreciations	-20.3	-18.9	-24.3
Decreases	-6.1	-1.2	-1.3
Book value at end of period	131.1	97.3	110.6

Contingencies and pledged assets

EUR million	Sep 30 2023	Sep 30 2022	Dec 31 2022
As security for own commitments			
Guarantees	5.1	6.9	6.0
Other contingencies*	1.9	4.3	3.0
Contingencies and pledged assets total	7.0	11.1	9.1

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

Derivatives

EUR million	Sep 30 2023	Sep 30 2022	Dec 31 2022
Nominal amounts of derivatives			
Derivatives, hedge accounting not applied:			
Foreign exchange forwards and swaps	269.3	271.3	306.2
Derivatives, hedge accounting applied:			
Interest rate swaps	105.0		50.0
Fair value of derivatives			
Derivatives, hedge accounting not applied:			
Foreign exchange forwards and swaps	-2.3	-0.2	3.1
Derivatives, hedge accounting applied:			
Interest rate swaps	0.8		0.1

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

Net debt reconciliation

EUR million	Sep 30 2023	Sep 30 2022	Dec 31 2022
Loans from credit institutions	386.4	296.1	325.6
Lease liabilities	138.1	102.2	115.5
Cash and cash equivalents	-188.1	-54.4	-115.8
Net debt	336.3	343.9	325.3

Exchange rate sensitivity of the operations

The most significant transaction risks are related to the appreciation of THB, USD 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	THB	USD	SEK	AUD	CAD	JPY	IDR	NOK
Operational currency position	-31.0	-26.4	20.8	17.3	16.4	14.9	-13.2	12.3
Exchange rate sensitivity of the operations*	3.1	2.6	-2.1	-1.7	-1.6	-1.5	1.3	-1.2

*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.

Sep 30, 2023

EUR million	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss			32.5	32.5
Other investments			3.5	3.5
Derivative assets		1.3		1.3
Total assets		1.3	35.9	37.2
Derivative liabilities		2.7		2.7
Total liabilities		2.7		2.7

Sep 30, 2022

EUR million	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss			33.2	33.2
Other investments			3.5	3.5
Derivative assets		2.1		2.1
Total assets		2.1		38.7
Derivative liabilities		2.3		2.3
Total liabilities		2.3		2.3

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 has not been any acquisitions or divestments during January-September 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 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.

Subsequent events after reporting period

Acquisition of Georg Jensen

On October 1, 2023, Fiskars announced that it has completed the acquisition of the renowned Danish luxury lifestyle brand Georg Jensen by acquiring 100% of the shares of Georg Jensen Investment APS. The debt free, cash free purchase price (enterprise value) was EUR 155 million¹⁾ (USD 165 million), subject to a post completion adjustment based on the level of net working capital and cash and debt in the acquired business on the closing date.

In 2022, Georg Jensen's net sales were 158.1 million and EBIT was EUR 14.9 million²⁾. Georg Jensen is consolidated to Fiskars Group's financial reporting as of October 1, 2023.

At the date of publication of these interim financial statements, purchase price allocations and other calculations have not been finalized.

¹⁾ The enterprise value is defined in USD and amounts to USD 165 million. It has been converted to EUR based on USD/EUR of 1.0647, which was the rate on September 22, 2023. The impact caused by foreign exchange fluctuation were hedged.

²⁾ Figures converted from DKK to EUR based on average rate in 2022.

FISKARS



iittala



MOOMIN
ARABIA
FINLAND



WEDGWOOD
ENGLAND 1759



WATERFORD
IRELAND 1783

