

# ◆ Financial Statement Release 2023

ALL-TIME HIGH CASH FLOW DESPITE A YEAR OF CHALLENGING  
MARKET CONDITIONS - SALES AND EBIT DECLINED



JANUARY–DECEMBER 2023

# Disclaimer

This presentation contains forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance. Although Fiskars Group believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of various factors.

Important factors that may cause such a difference for Fiskars Group include, but are not limited to:

(i) the macroeconomic development and consumer confidence in the key markets, (ii) change in the competitive climate, (iii) change in the regulatory environment and other government actions, (iv) change in interest rates and foreign exchange rate levels, and (v) internal operating factors.

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



A person wearing a bright blue winter jacket and black gloves is shoveling a large pile of snow. The shovel is black with a silver handle, and a large cloud of snow is being tossed into the air. The background is a snowy landscape with some bare trees and a fence in the distance.

# Highlights of Q4 and FY 2023

2023 CASH FLOW  
ALL-TIME HIGH –  
SALES AND EBIT  
DECLINED

Q4 AS EXPECTED  
WITH STABLE  
COMPARABLE  
NET SALES

TRANSFORMATION  
DELIVERING:  
COMEX, DTC, CHINA

GEORG JENSEN  
INTEGRATION  
PROCEEDING WELL

THE BOARD  
PROPOSES AN  
INCREASING  
DIVIDEND:

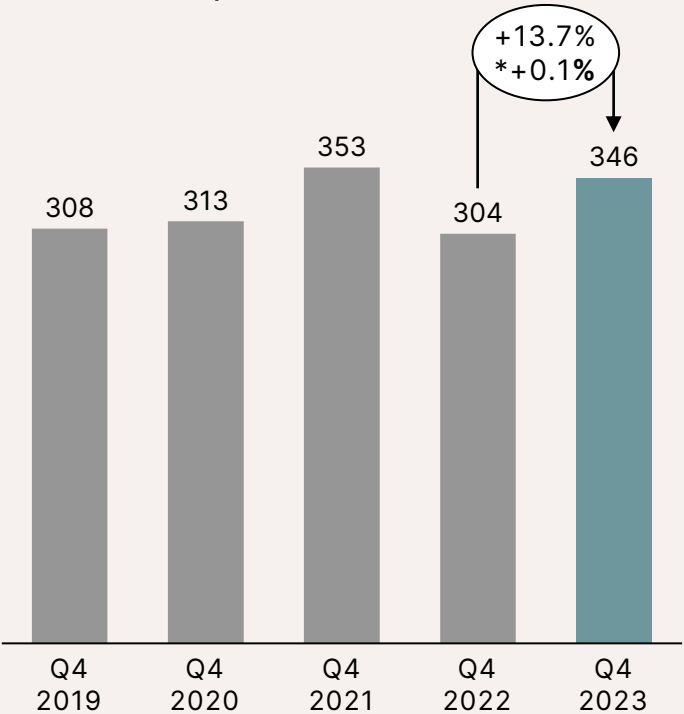
EUR 0.82 PER  
SHARE

GUIDANCE FOR  
2024:

COMPARABLE EBIT  
EXPECTED TO BE  
SLIGHTLY ABOVE  
THE 2023 LEVEL

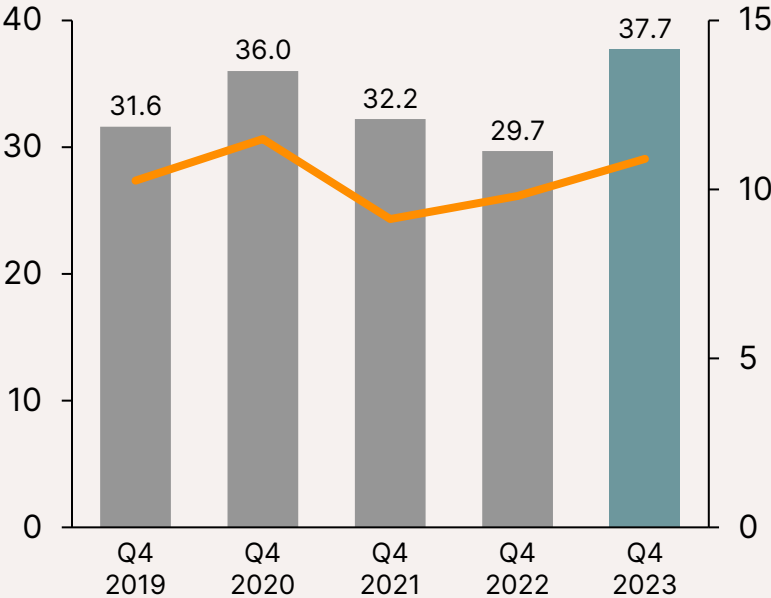
# Q4 2023 Group key figures

## NET SALES, EURm



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

## COMPARABLE EBIT (EURm) AND EBIT MARGIN (%)



## GROSS MARGIN %

46.8

Q4/2022: 45.6

## FREE CASH FLOW EURm

77.5

Q4/2022: 35.7

## COMPARABLE EPS EUR

0.40

Q4/2022: 0.19

## CASH EARNINGS PER SHARE EUR

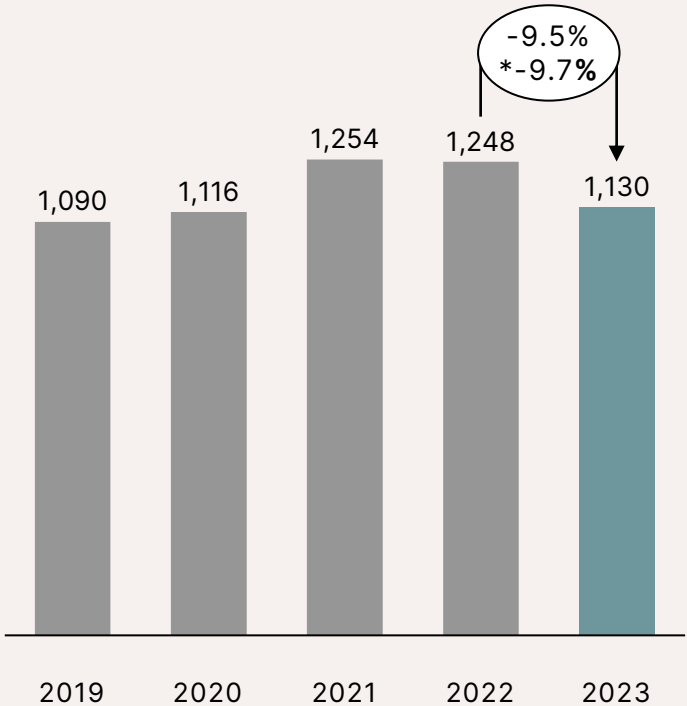
1.11

Q4/2022: 0.66



# FY 2023 Group key figures

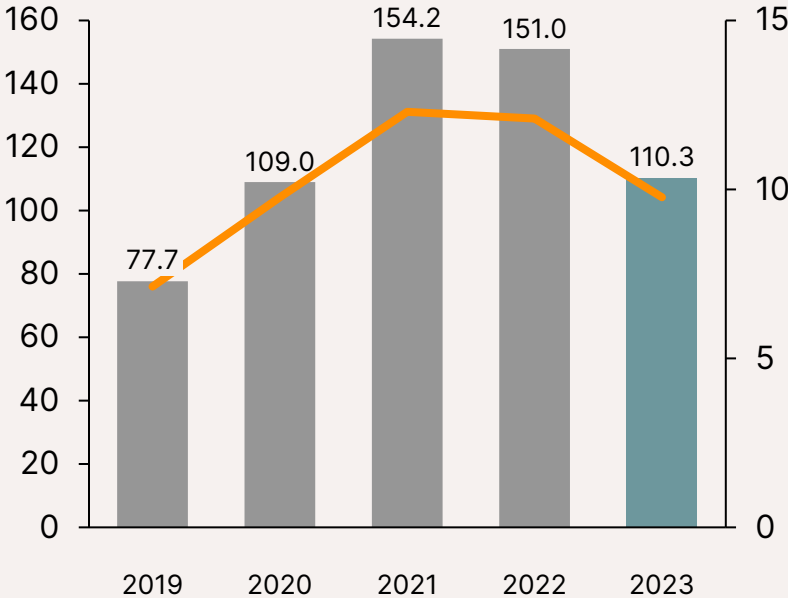
## NET SALES, EURm



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

FEBRUARY 8, 2024

## COMPARABLE EBIT (EURm) AND EBIT MARGIN (%)



## GROSS MARGIN %

46.8

2022: 44.9

## FREE CASH FLOW EURm

184.9

2022: -100.7

## COMPARABLE EPS EUR

0.99

2022: 1.37

## CASH EARNINGS PER SHARE EUR

2.68

2022: -0.79



# Strong cash position enables an increasing dividend: Board's proposal EUR 0.82 per share

2.5%\*

Dividend growth  
2022-2023

4.6%\*

Dividend yield

83%\*

Payout Ratio on EPS excl. IAC

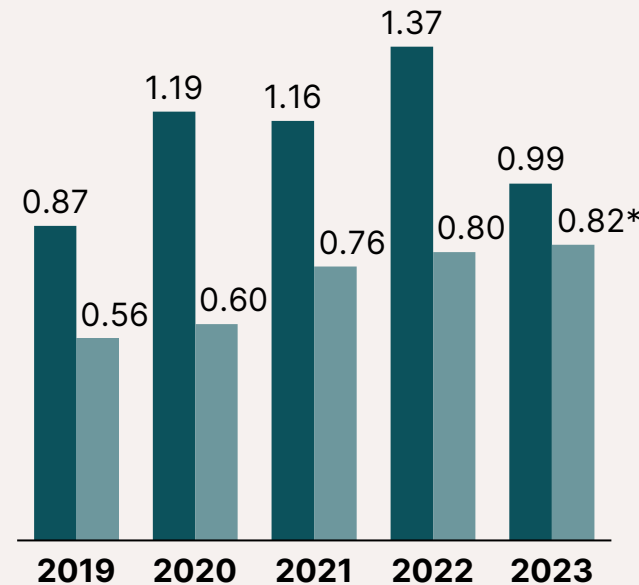
31%\*

Payout Ratio on CEPS

\*Based on Board's proposal

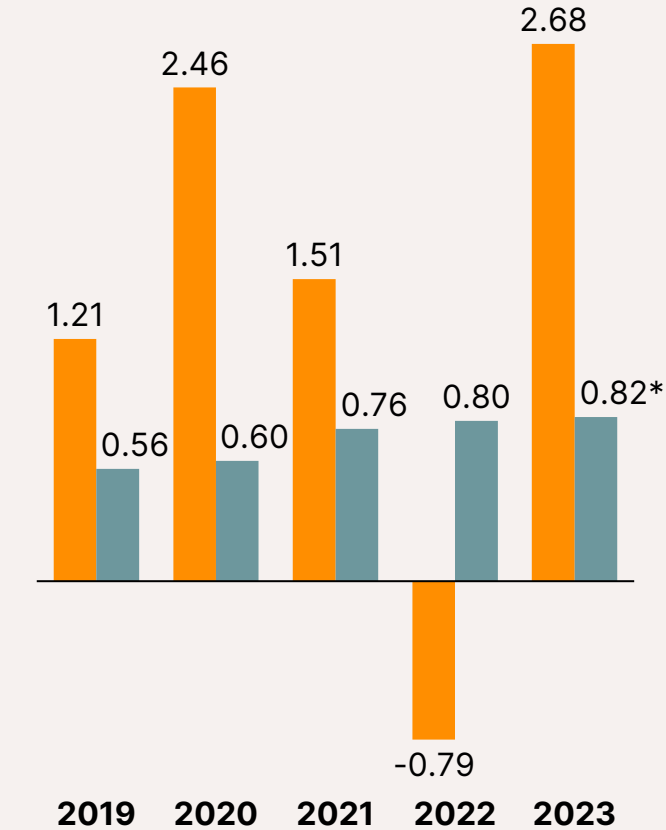
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EPS (EXCL IAC) AND DPS 2019-2023  
EUR



● EPS ● CEPS ● DPS

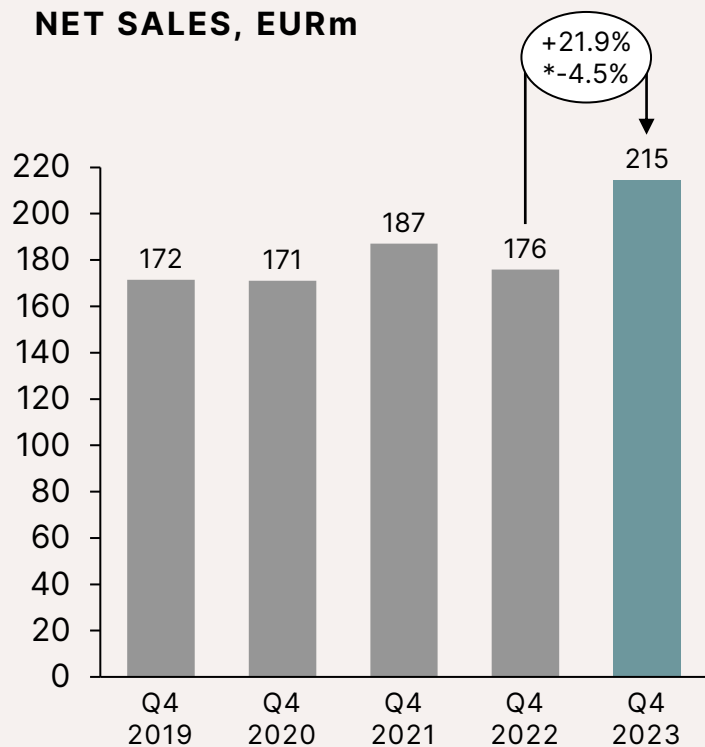
CEPS AND DPS 2019-2023  
EUR



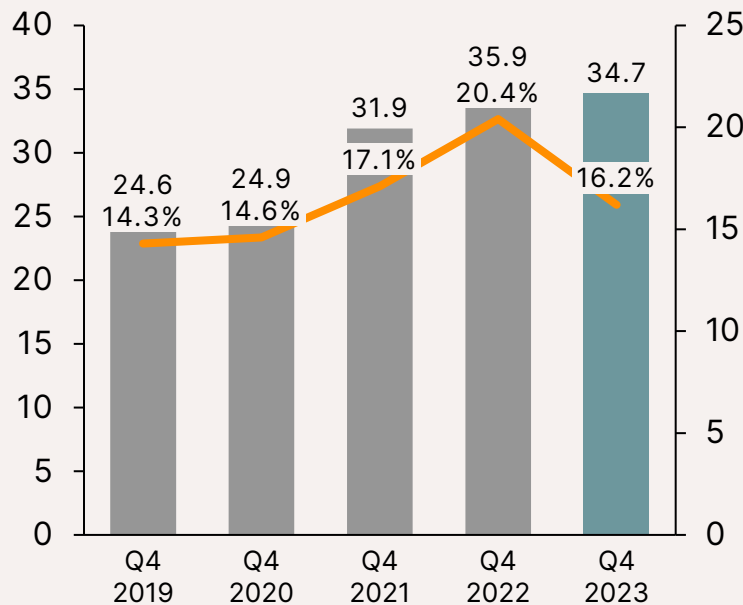


# BA Vita Q4: Own e-commerce continued to develop positively, overall comparable net sales decreased

**NET SALES, EURm**



**COMPARABLE EBIT (EURm) AND  
COMPARABLE EBIT MARGIN, %**



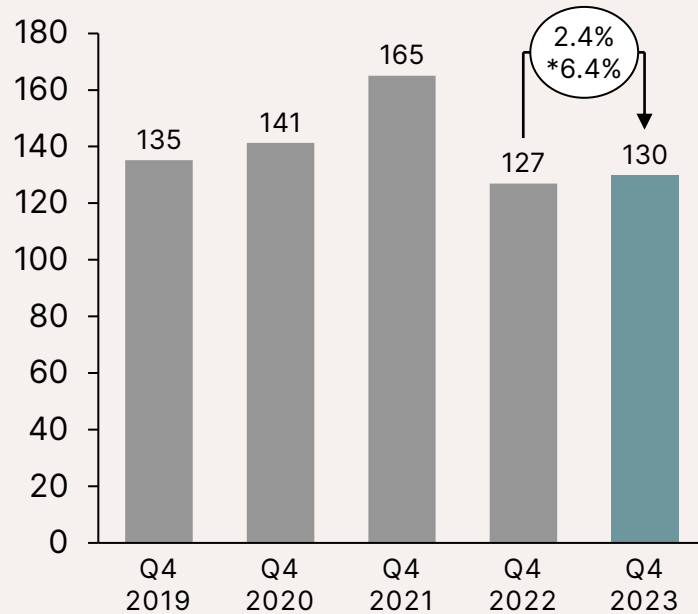
- Comparable net sales decreased due to lower demand in the retailer customer segment and the continuing execution of channel strategy
- E-commerce continued to develop positively, with growth in many markets
- Strong growth in China, 26%
- Net sales increased including Georg Jensen's Q4

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

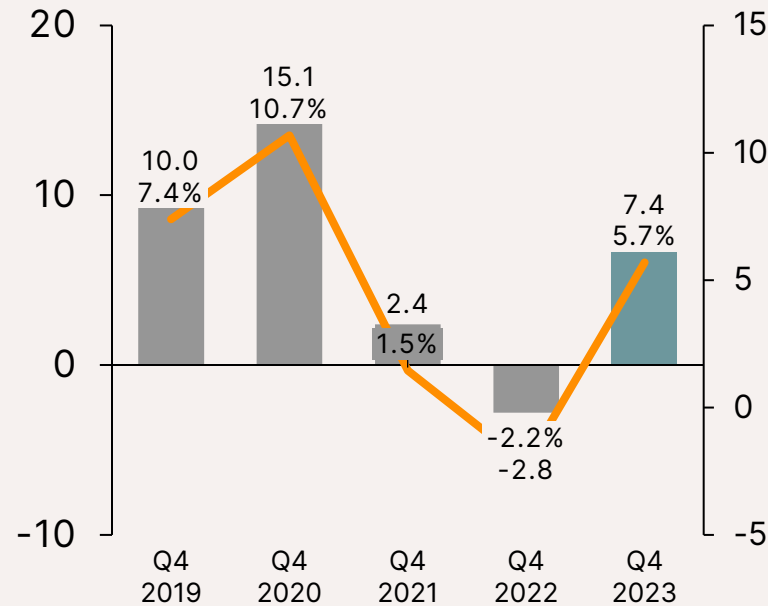


# BA Fiskars Q4: Net sales increased against soft comparison period, boost from customer phasing & snow

**NET SALES, EURm**



**COMPARABLE EBIT (EURm) AND  
COMPARABLE EBIT MARGIN, %**



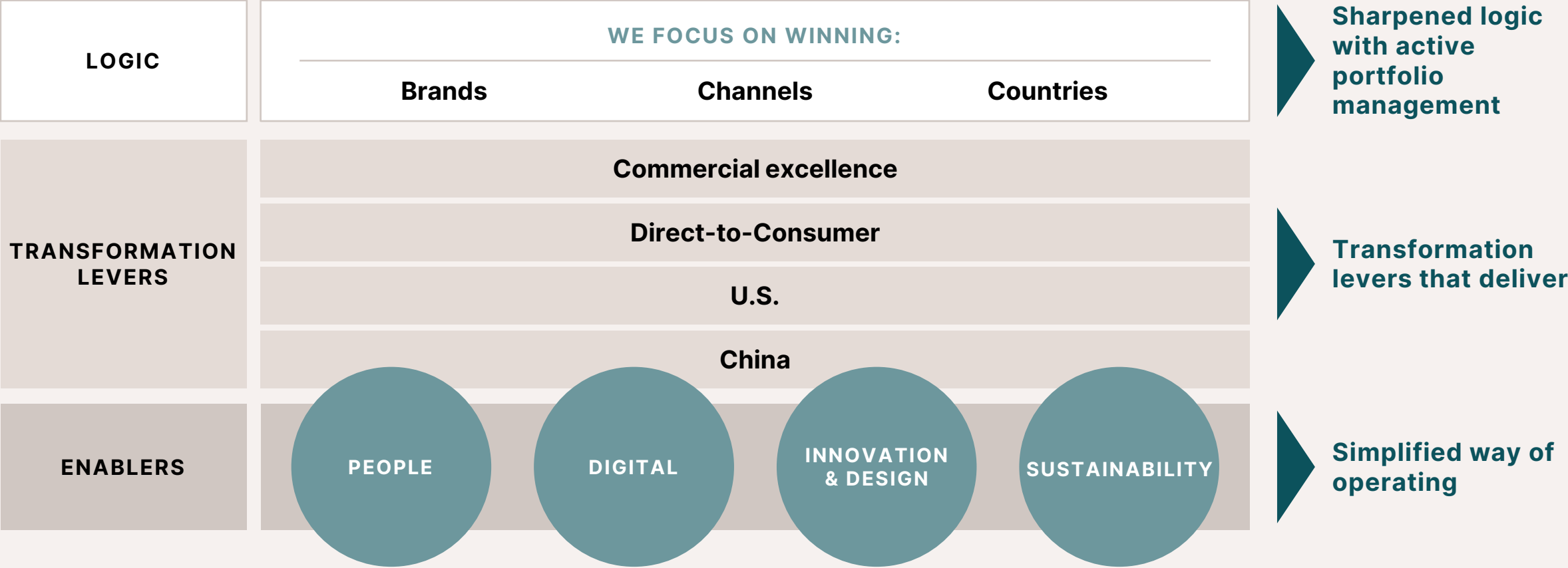
- Net sales increased driven by the U.S., where a softer comparison period and customer phasing had a positive impact
- Demand for snow tools increased sales in the Nordics
- Improvement in EBIT was driven by sales volumes, an improved gross margin and prudent cost management

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





# Our Growth Strategy – we are becoming sharper and increasingly value driven



# 3/4 of transformation levers delivering

**Q4 2023**

**1-12/2023**

## **Commercial excellence**

- Gross margin +120 bps demonstrating power of the brands
- Gross margin +190 bps

## **Direct to consumer**

- Comparable DTC stable: e-commerce +5%, own retail network -3%
- Share of net sales 32%, incl. Georg Jensen
- Comparable DTC+4% growth: e-commerce +14%, own retail network stable
- Share of net sales 25%, incl. Georg Jensen

## **U.S.**

- Net sales -4%
- Net sales -14%

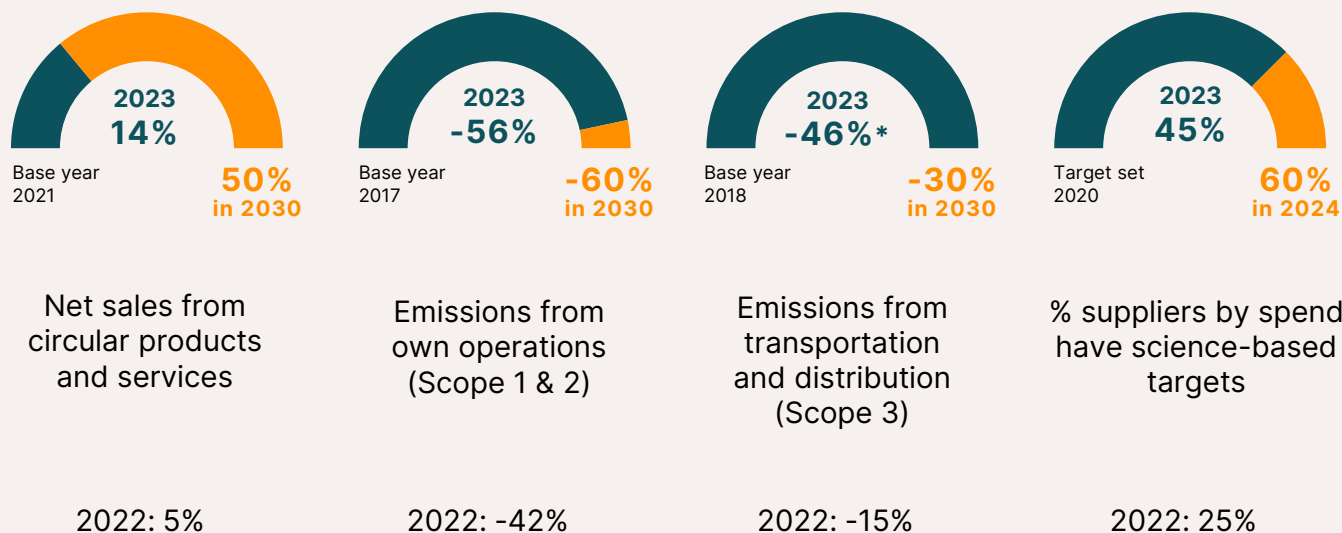
## **China**

- Net sales +26%, local management excelling in a softer economic environment
- Net sales +25%

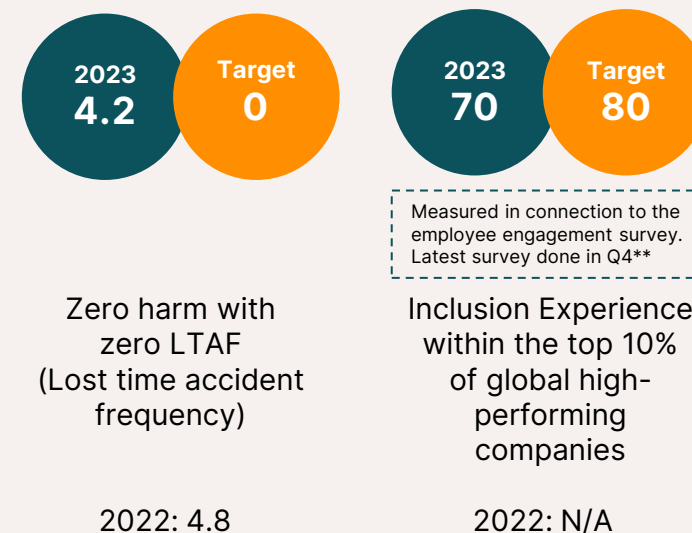


# Continued good progress in our ESG strategy

## ENVIRONMENTAL



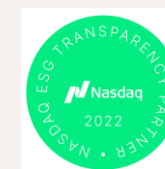
## SOCIAL



Note: Georg Jensen figures are included in all targets except for Scope 3 emissions and the Inclusion Experience score

\*Decrease mostly due to lower sales and production volumes

\*\*The score is updated every six months with the latest data and might change depending on how the global benchmark develops

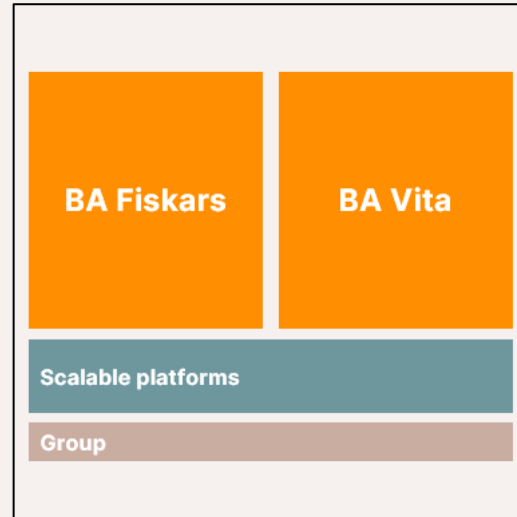


# Other highlights of the fourth quarter



**Georg Jensen acquisition** completed and Q4 fully consolidated

Sustainability-linked bond issued



**Strong BAs with true P&L ownership**

New Fiskars BA and supply chain organization operational → related organizational changes completed in full



13% of all employees and 32% of office employees have signed up to **My Fiskars** after the second enrolment



The first product from **FiskarsLAB** fast-track innovation platform launched



# Guidance for 2024

Fiskars Corporation expects comparable EBIT to be slightly above the 2023 level (2023: EUR 110.3 million).

## Assumptions behind the guidance

- The operating environment is expected to remain challenging and impact demand, especially in the first half
- Wage inflation to remain elevated
- + Savings from the completed organizational changes are expected to support EBIT

The acquisition of Georg Jensen is shifting the Group's EBIT generation even more toward the end of the year



# ♦ Q4 2023 Financials

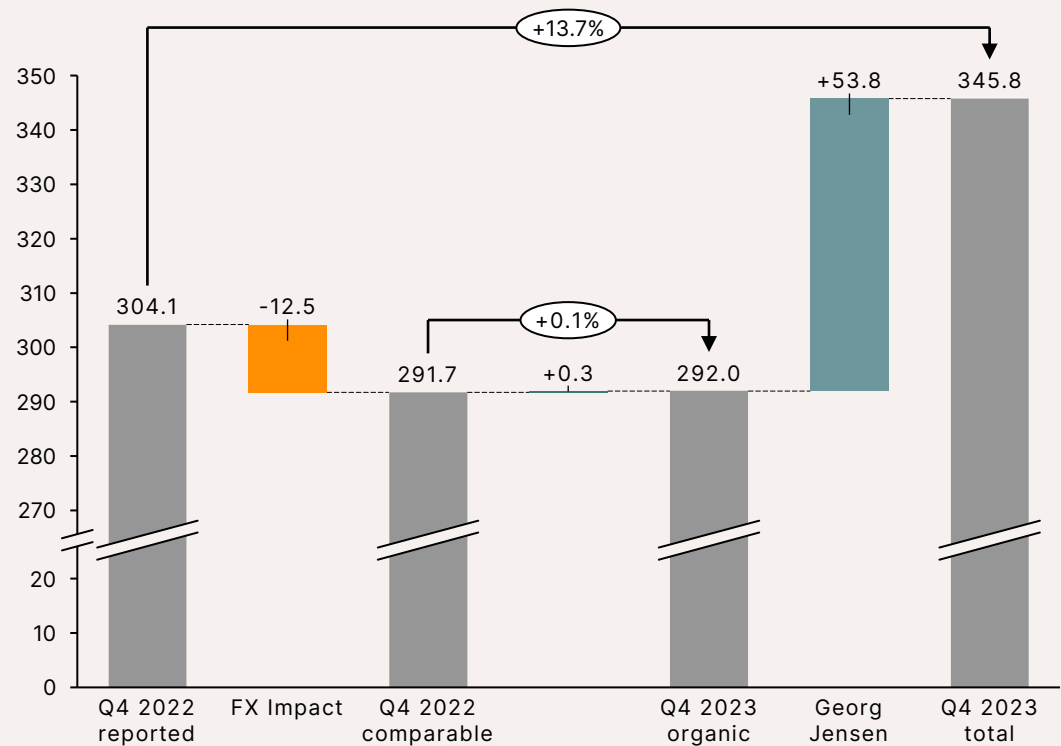


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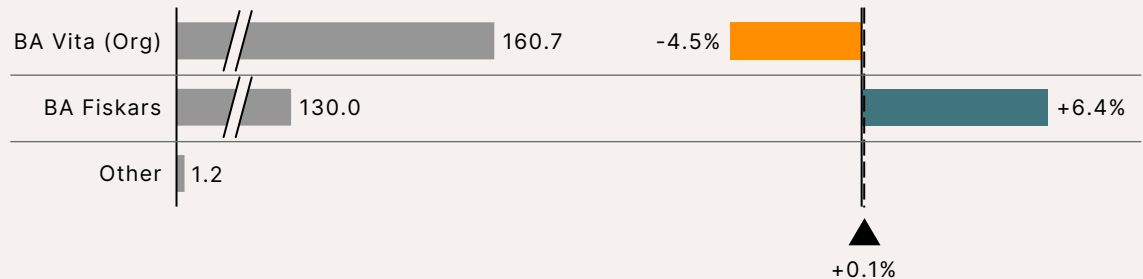
# Q4 Comparable net sales stable compared to a low comparison period, BA Fiskars' sales increased

Q4 2023 NET SALES BRIDGE, EURm

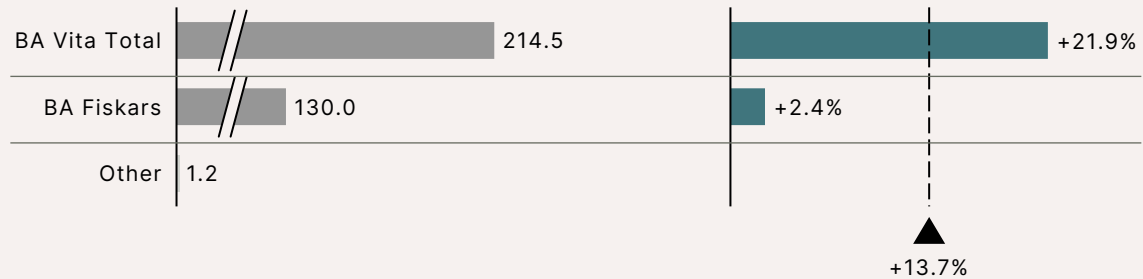


\*Comparable net sales exclude the impact of exchange rates, acquisitions and divestments

Q4 2023 COMPARABLE NET SALES BY BUSINESS AREA, EURm

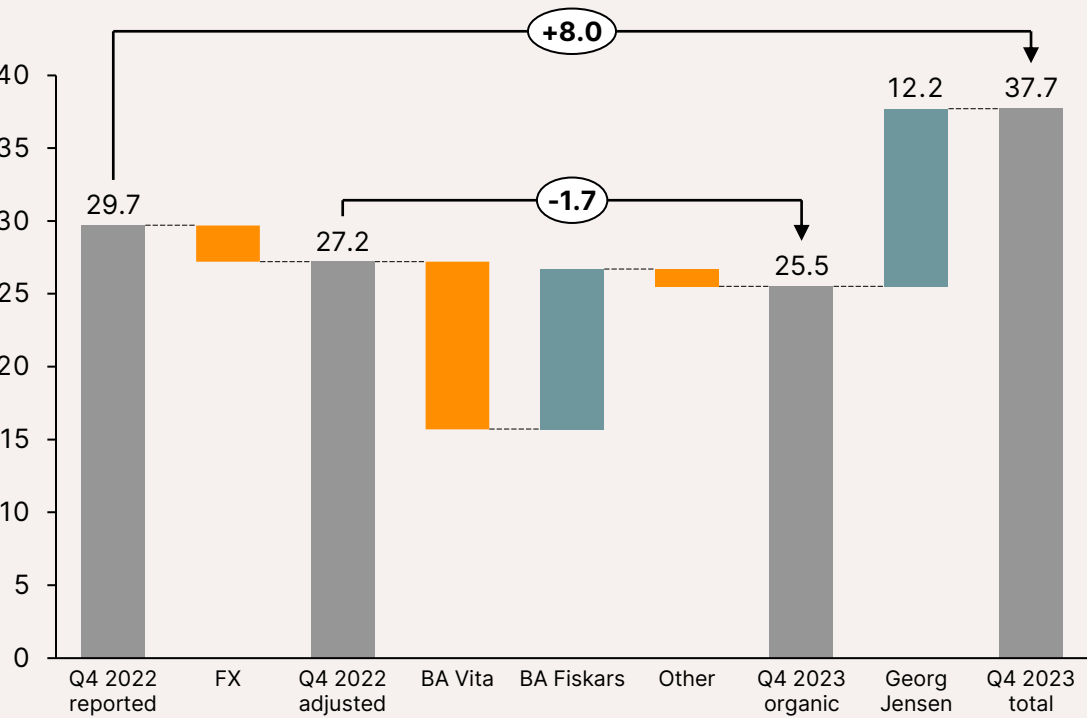


Q4 2023 REPORTED NET SALES BY BUSINESS AREA, EURm

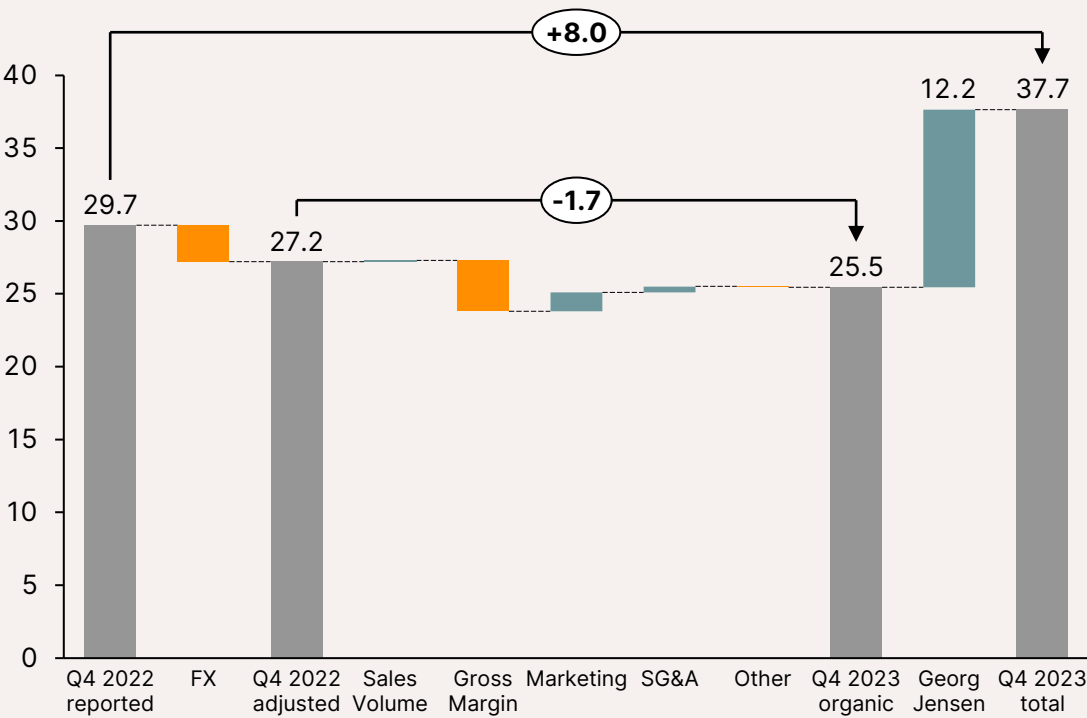


# Q4 EBIT increased driven by EBIT contribution from Georg Jensen, BA Fiskars' EBIT also improved

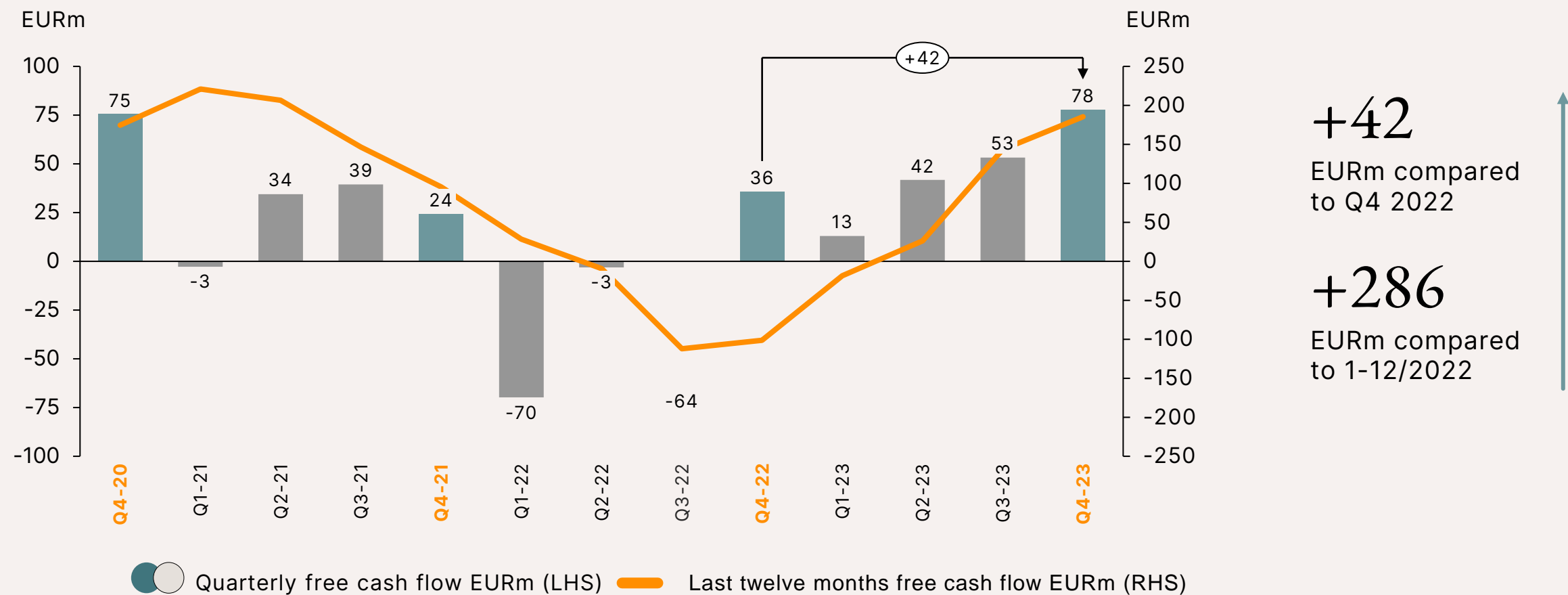
Q4 2023 EBIT BRIDGE BY BUSINESS AREAS, EURm



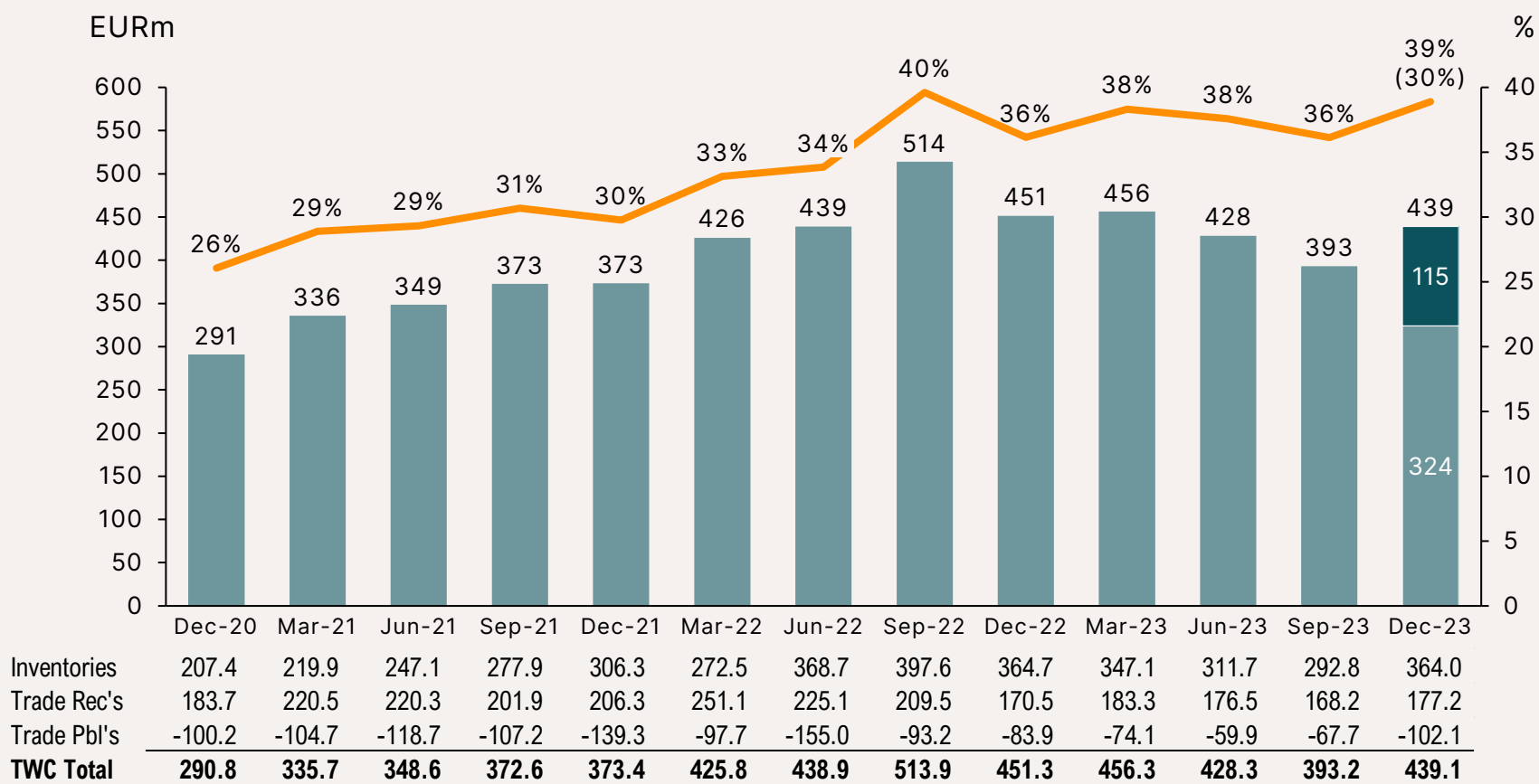
Q4 2023 EBIT BRIDGE BY COMPONENTS, EURm



# Q4 Cash flow continued to improve, full-year free cash flow all-time high



# Continued reduction in Trade Working Capital driven by inventories



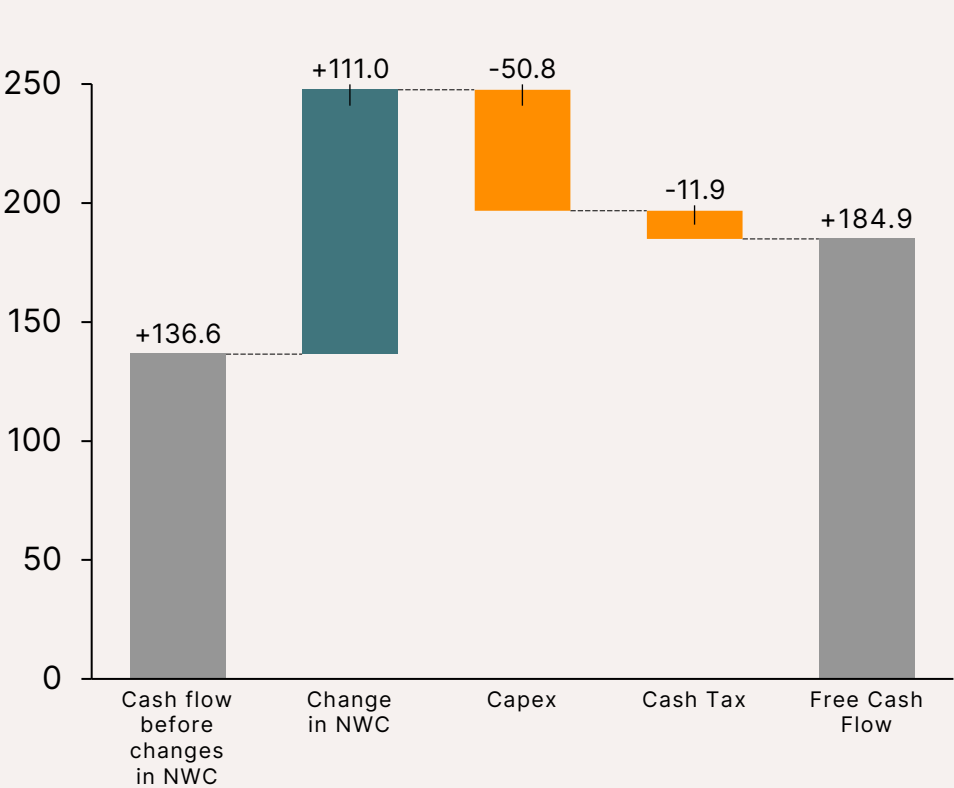
-12  
EURm compared  
to 31.12.2022

-127  
EURm compared  
to 31.12.2022  
excluding Georg  
Jensen

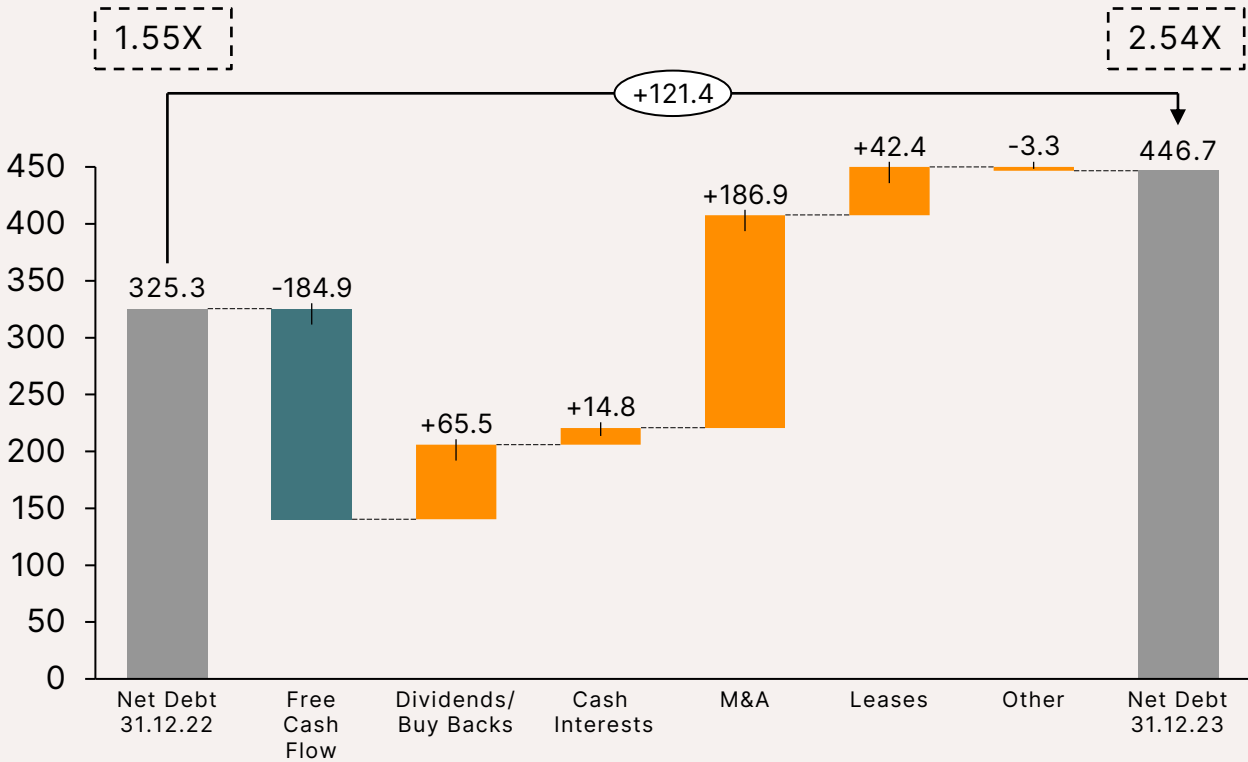


# Acquisition impact on leverage offset by strong free cash flow, target leverage achieved well in advance of the original schedule

FULL-YEAR FREE CASH FLOW, EURm



CHANGE IN NET DEBT, EURm AND NET DEBT / LTM EBITDA (EXCL. IAC)



# Organic capital employed down EUR 88 million – asset efficiency decreased temporarily due to the Georg Jensen acquisition

## Capital Employed (EURm)

	Dec-22	GJ Impact	Organic	Dec-23
GW and other intangible	499.8	85.9	6.1	591.8
PPE and biological assets	192.8	11.3	10.5	214.5
Capitalised leases (ROU)	110.6	21.5	11.3	143.4
<b>Non-Current Assets</b>	<b>803.2</b>	<b>118.6</b>	<b>27.9</b>	<b>949.7</b>
Inventories	364.7	108.5	-109.2	364.0
Trade receivables	170.5	17.6	-10.8	177.2
Trade payables	-83.9	-11.1	-7.1	-102.1
<b>Trade Working Capital</b>	<b>451.3</b>	<b>114.9</b>	<b>-127.0</b>	<b>439.1</b>
Other int-free receivables	55.1	9.5	-1.5	63.1
Other int-free payables	-201.2	-21.9	13.3	-209.8
<b>Operating Capital</b>	<b>1,108.4</b>	<b>221.1</b>	<b>-87.3</b>	<b>1,242.1</b>
Net tax liabilities	0.7	-12.6	-1.0	-12.8
<b>Capital Employed</b>	<b>1,109.1</b>	<b>208.5</b>	<b>-88.3</b>	<b>1,229.3</b>

## Financing (EURm)

	Dec-22	GJ Impact	Organic	Dec-23
<b>Equity</b>	<b>823.8</b>	<b>25.4</b>	<b>-25.6</b>	<b>823.7</b>
Interest-bearing debt	325.6	168.8	-71.2	423.1
Lease liabilities	115.5	21.5	13.8	150.8
Cash	-115.8	-3.3	-8.2	-127.3
<b>Net Debt</b>	<b>325.3</b>	<b>187.0</b>	<b>-65.6</b>	<b>446.7</b>
Financial assets	-40.0	-3.8	2.9	-41.0
<b>Financing Total</b>	<b>1,109.1</b>	<b>208.5</b>	<b>-88.3</b>	<b>1,229.3</b>

## Balance Sheet KPIs (EURm)

	Dec-22	Dec-23
Net Debt / Equity (%)	39.5%	54.2%
Net Debt / EBITDA (x)	1.5X	2.5X
Capital Turnover (X)	1.23X	0.97X
EBIT Margin (%)	12.1%	9.8%
ROCE (%)	14.9%	9.4%





# Focus on cash flow has delivered, challenging operating environment reflected in progress in sales and EBIT

## FINANCIAL TARGETS TRACKING

KPI	TARGET	2020	2021	2022	2023	LAST 3 YEARS
NET SALES	Organic, FX neutral Mid-Single-Digit growth	≈ +3.4%	✓ +14.2%	✗ +1.7%	✗ -9.7%	✗ CAGR +1.4%
EBIT	Mid-teen EBIT margin (excl. IAC) by end of 2025	✗ 9.8%	✓ 12.3%	≈ 12.1%	✗ 9.8%	≈ 11.0%
CASH FLOW	Free Cash Flow / Net Profit ≥ 80%	✓ 255%	✓ 109%	✗ Neg.	✓ 231%	✓ 92%
BALANCE SHEET	Net Debt / LTM EBITDA ≤ 2.5X	✓ 0.8X	✓ 0.7X	✓ 1.5X	✓ 2.5X	✓ 1.3X



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◆ *Thank  
you!*





# Appendix

# Consolidated Q4 and FY-23 Key Figures

## Q4 and FY P&L KEY FIGURES, EURm

	Q4		Full Year	
	2023	2022	2023	2022
<b>Net sales</b>	<b>345.8</b>	<b>304.1</b>	<b>1,129.8</b>	<b>1,248.4</b>
<b>Comparable gross profit</b>	<b>161.8</b>	<b>138.8</b>	<b>528.6</b>	<b>560.1</b>
Sales and marketing	-85.9	-73.4	-278.7	-275.2
Research and development	-5.1	-5.8	-19.7	-20.8
General admin	-34.3	-31.2	-122.7	-119.2
Other income/expenses, net	1.2	1.3	2.8	6.2
<b>Comparable EBIT</b>	<b>37.7</b>	<b>29.7</b>	<b>110.3</b>	<b>151.0</b>
Items affecting comparability	-3.7	-5.3	-11.4	-16.3
<b>EBIT</b>	<b>34.0</b>	<b>24.4</b>	<b>98.9</b>	<b>134.7</b>
Profit for the period	28.0	11.4	70.0	99.1
Comparable Gross Margin	46.8%	45.6%	46.8%	44.9%
Comparable EBIT Margin	10.9%	9.8%	9.8%	12.1%

## Q4 and FY PER SHARE KEY FIGURES, EUR

	Q4		Full Year	
	2023	2022	2023	2022
Comparable Earnings per Share	0.40	0.19	0.99	1.37
Earnings per Share	0.35	0.14	0.86	1.21
Cash Earnings per Share	1.11	0.66	2.68	-0.79
Equity per Share			10.15	10.32
Dividend per Share			0.82 <sup>1</sup>	0.80

1) Board's proposal





# Q4 and FY-23 Cash flow

## Q4 and FY Cash Flow vs. LY (EURm)

	Q4		FY	
	2023	vs. LY	2023	vs. LY
<b>EBITDA</b>	54	+ 15	165	- 29
Non-cash adjustments	-33	- 38	-28	- 18
<b>Cash Flow from operations</b>	<b>21</b>	<b>- 23</b>	<b>137</b>	<b>- 47</b>
Change in inventories	36	+ 20	115	+ 205
Change in trade rec's	10	- 22	-5	- 47
Change in trade Pbl's	23	+ 47	8	+ 79
<b>Change in TWC</b>	<b>69</b>	<b>+ 45</b>	<b>118</b>	<b>+ 236</b>
Change in in other int.free items	11	+ 19	-7	+ 84
<b>Change in NWC</b>	<b>81</b>	<b>+ 64</b>	<b>111</b>	<b>+ 320</b>
CAPEX (net)	-18	- 4	-50	- 4
<b>Operating Cash Flow</b>	<b>83</b>	<b>+ 37</b>	<b>197</b>	<b>+ 269</b>
Taxes paid	-6	+ 6	-12	+ 17
<b>Free Cash Flow</b>	<b>78</b>	<b>+ 42</b>	<b>185</b>	<b>+ 286</b>

## Q4 and FY Change in Cash vs. LY (EURm)

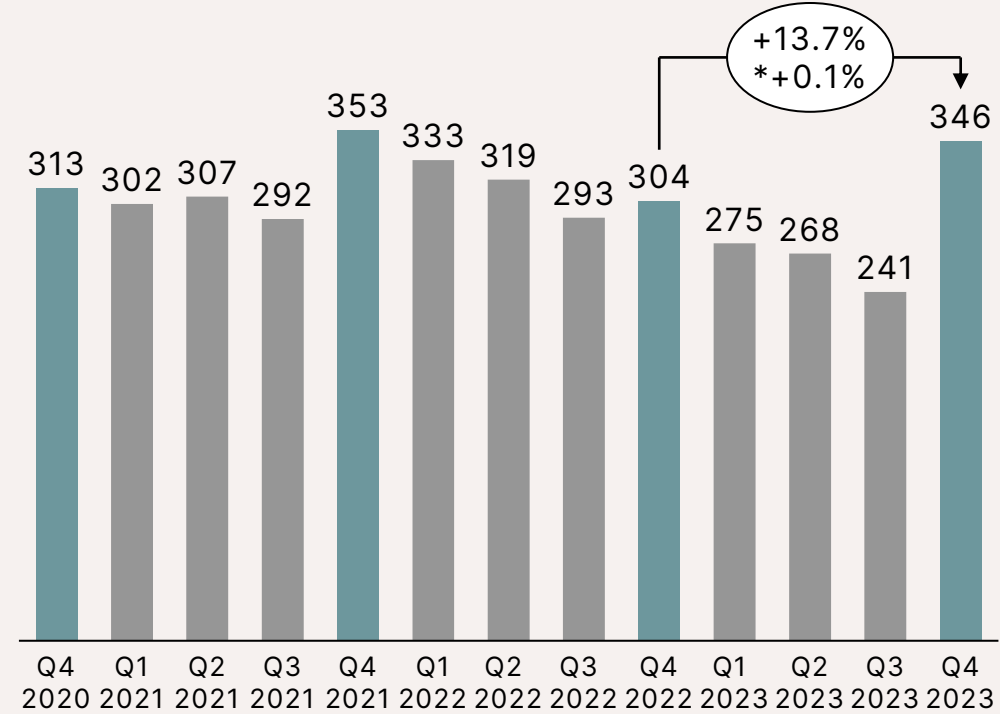
	Q4		FY	
	2023	vs. LY	2023	vs. LY
<b>Cash Balance period opening</b>	<b>188</b>	<b>+ 134</b>	<b>116</b>	<b>+ 84</b>
Translation difference	1	+ 1	0	- 4
Free cash flow	78	+ 42	185	+ 286
Dividends/ share buy-backs	-0	+ 1	-66	+ 15
Financial Items, net	-5	- 9	-15	- 7
M&A and Divestments	-121	- 121	-121	- 156
Change in L-T debt	199	+ 69	198	+ 69
Payments of lease liabilities	-10	- 3	-31	- 4
Change in other S-T debt	-204	- 106	-146	- 275
Other non-operational changes	3	+ 5	5	+ 3
<b>Cash Balance, period closing</b>	<b>127</b>	<b>+ 12</b>	<b>127</b>	<b>+ 12</b>



# Fiskars Group's quarterly development

## – last 3 years

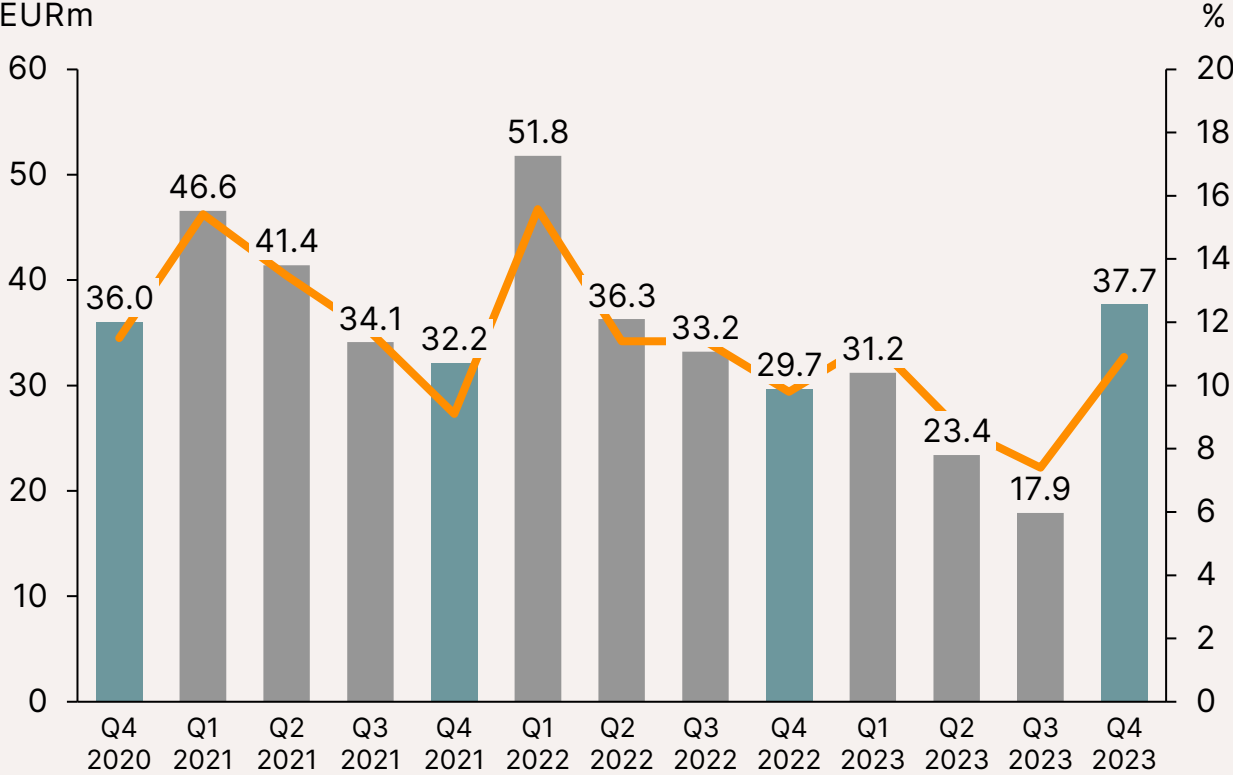
NET SALES, EURm



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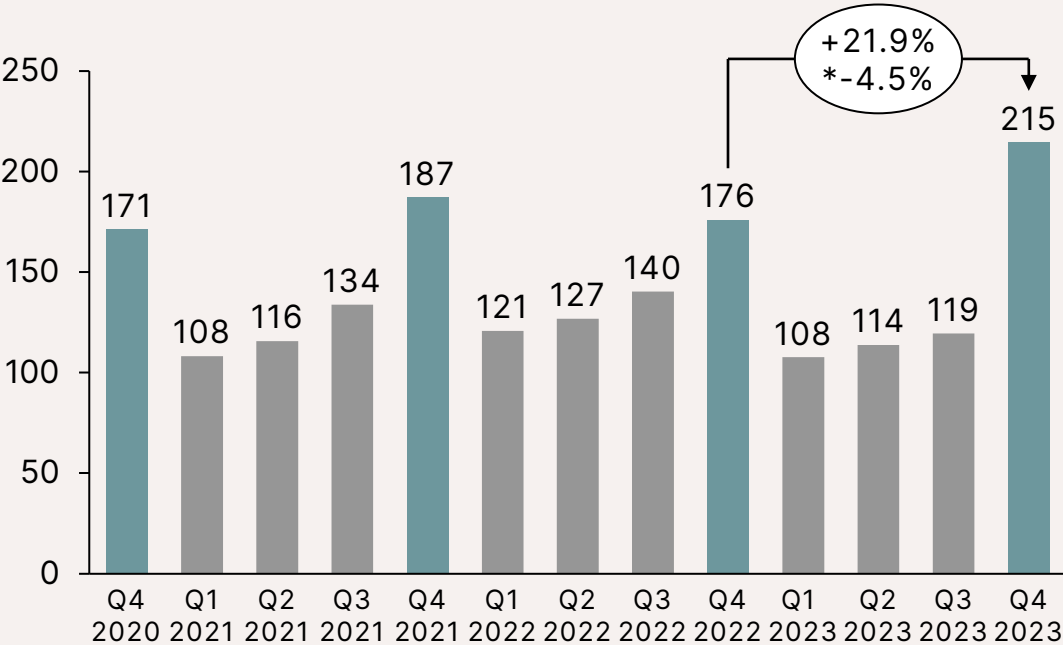
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COMPARABLE EBIT (EURm) AND EBIT MARGIN, %

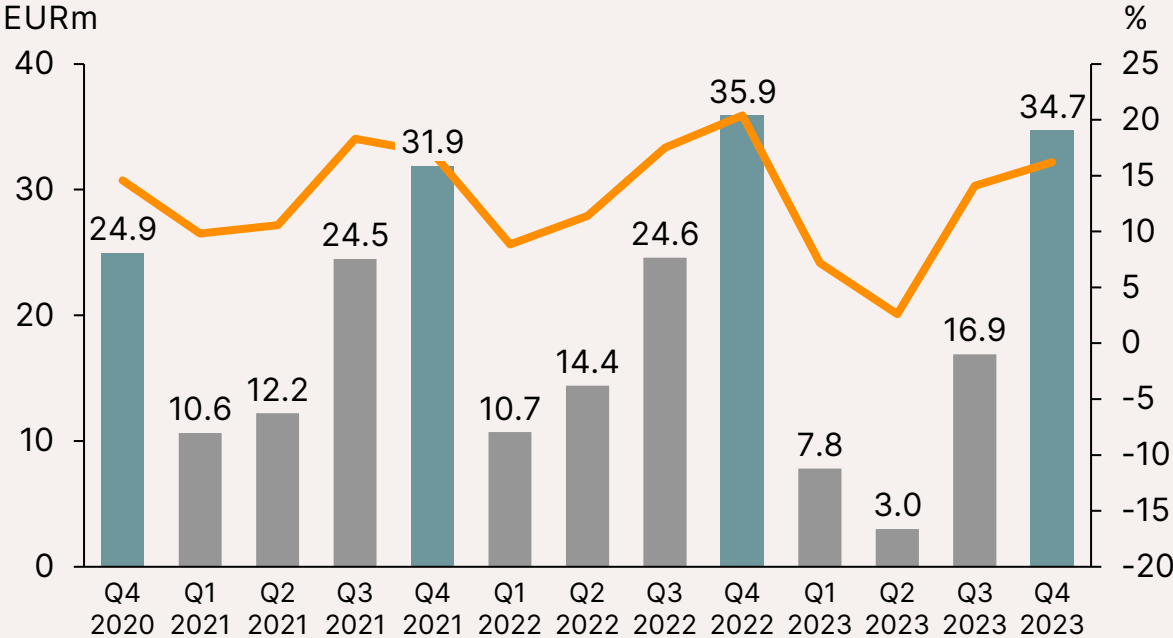


# BA Vita's quarterly development – last 3 years

NET SALES, EURm



COMPARABLE EBIT (EURm) AND EBIT MARGIN, %

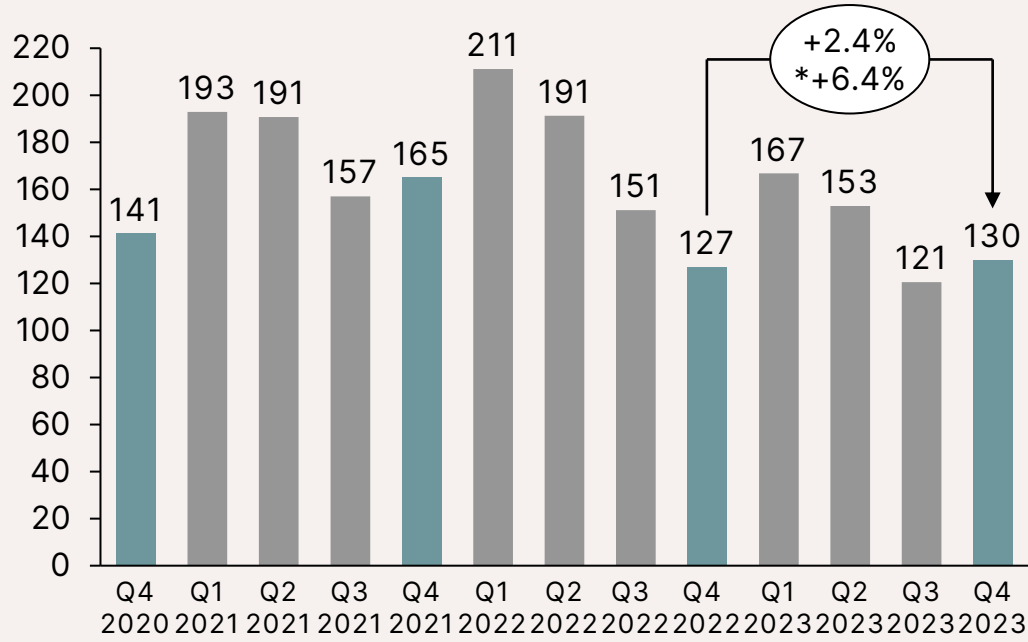


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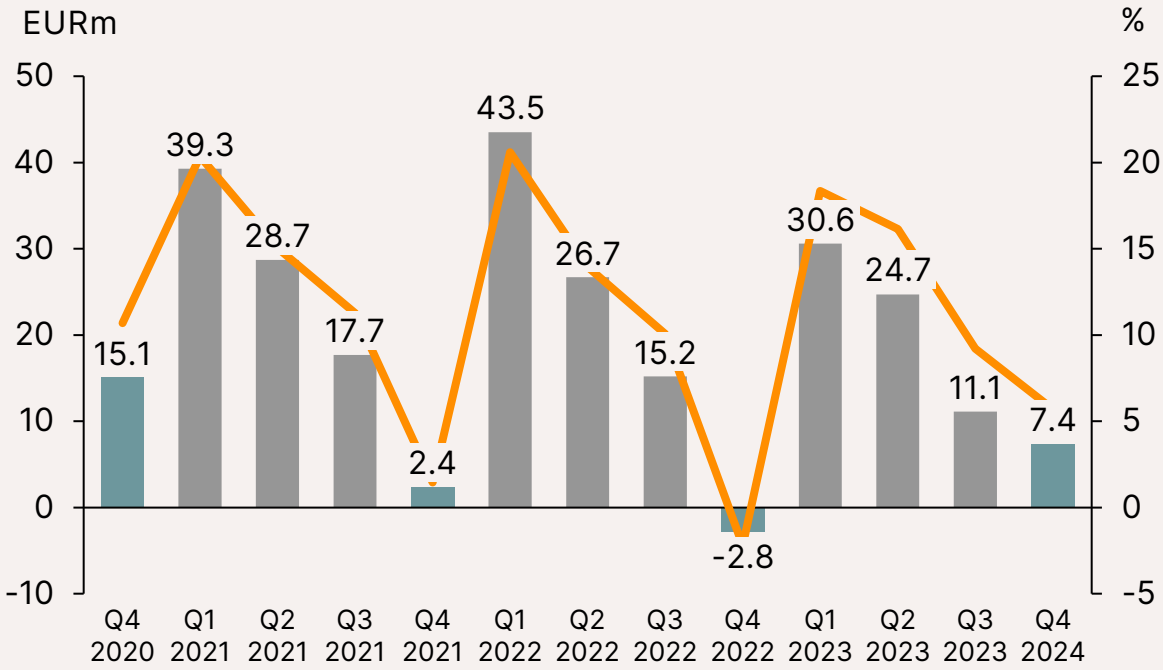


# BA Fiskars' quarterly development – last 3 years

NET SALES, EURm



COMPARABLE EBIT (EURm) AND EBIT MARGIN, %



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



# Georg Jensen Purchase Price Allocation (“PPA”) breakdown

PPA	EURm	P&L Impacts of PPA (EURm)				Comment
<b>Purchase Price, Equity (A)</b>	<b>124.7</b>					
<b>Net Assets at Book Value</b>	<b>45.4</b>	<b>Q4-23</b>	<b>YTD 9/24</b>	<b>Q4-24</b>	<b>FY-25 =&gt;</b>	
Fair Value adjs - Brand (trademark)	+ 61.0	-	-	-	-	
Fair Value adjs - Customer relationships	+ 20.0	- 0.3	- 0.8	- 0.3	- 1.0	Included in normal operational results
Fair Value adjs - Fixed Assets	+ 3.5	- 0.0	- 0.1	- 0.0	- 0.2	
Fair Value adjs - Inventory	+ 54.8	- 13.7	- 41.1	-		Reported as Items Affecting Comparability
Fair Value adjs - Other	- 3.8	-		-	-	
Deferred Tax Impact	- 30.8	-		-	-	
<b>Net Assets at Fair Value (B)</b>	<b>150.1</b>	<b>- 14.0</b>	<b>- 42.0</b>	<b>- 0.3</b>	<b>- 1.2</b>	
<b>Goodwill (A-B)</b>	<b>- 25.4</b>	+ 25.4	-	-	-	Reported as Items Affecting Comparability
<b>EBIT impact</b>		<b>+ 11.4</b>	<b>- 42.0</b>	<b>- 0.3</b>	<b>- 1.2</b>	
Of which reported in IAC		+ 11.7	- 41.1	-	-	
Of which reported in operative result		- 0.3	- 0.9	- 0.3	- 1.2	

