

FISKARS
EST. GROUP 1649

◆
Interim Report
Q1 2024

SOLID PERFORMANCE IN A CHALLENGING
OPERATING ENVIRONMENT



JANUARY-MARCH 2024

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.



Highlights

SOLID
PERFORMANCE
IN A CHALLENGING
MARKET:

COMPARABLE NET
SALES -6%,
REPORTED NET
SALES+3%

TRANSFORMATION
CONTINUED
TO DELIVER:

GM%
E-COM
CHINA



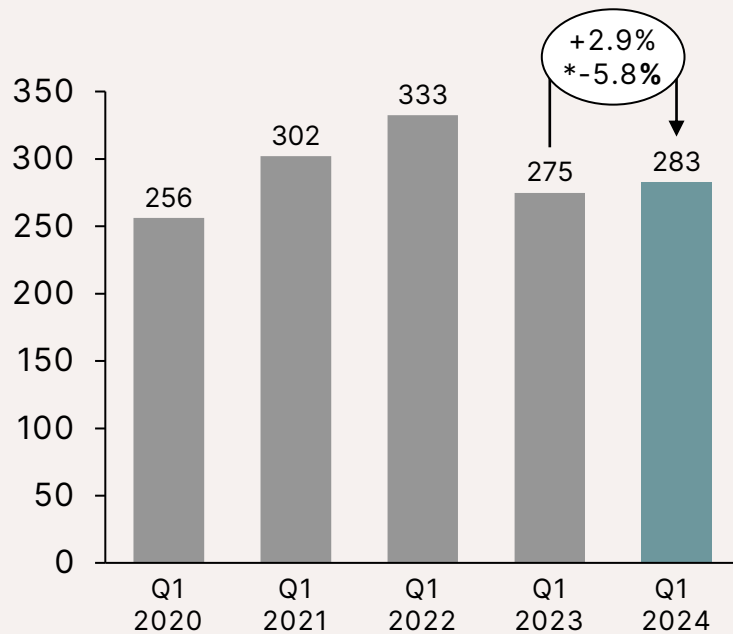
INVESTMENTS
AND CHANGES
PLANNED IN GLASS
PRODUCTION TO
BETTER CATER FOR
PREMIUM AND
LUXURY PRODUCTS

GUIDANCE FOR
2024 INTACT:
COMPARABLE EBIT
EXPECTED TO BE
SLIGHTLY ABOVE
THE 2023 LEVEL

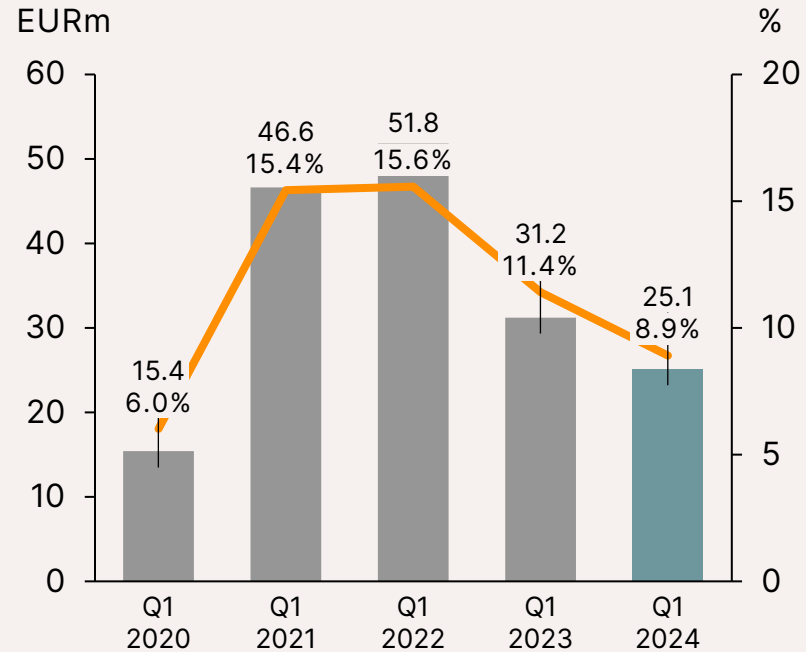


Q1 2024 Group key figures

REPORTED NET SALES, EURm



COMPARABLE EBIT (EURm) AND COMPARABLE EBIT MARGIN, %



GROSS MARGIN %

48.3

Q1/2023: 46.4

FREE CASH FLOW EURm

-20.1

Q1/2023: 12.9

COMPARABLE EPS EUR

0.19

Q1/2023: 0.27

CASH EARNINGS PER SHARE EUR

-0.17

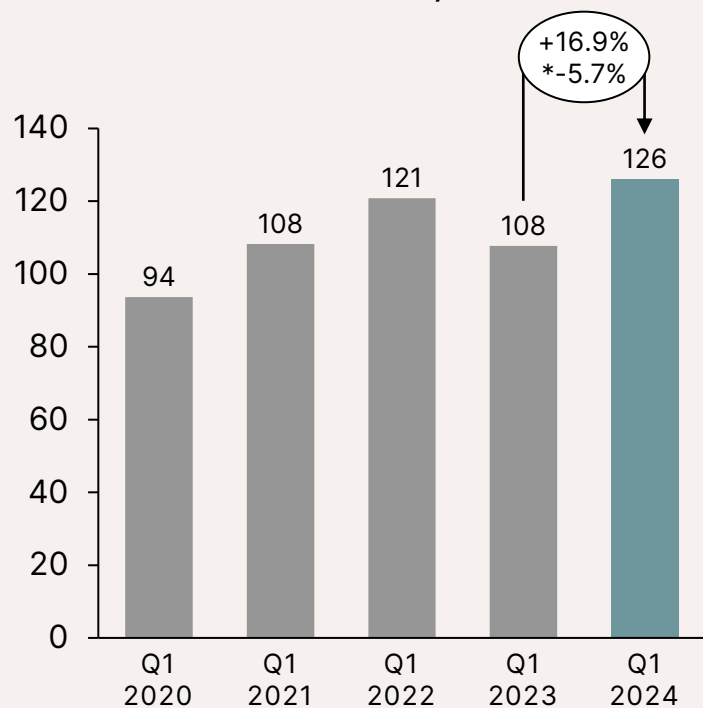
Q1/2023: 0.25

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

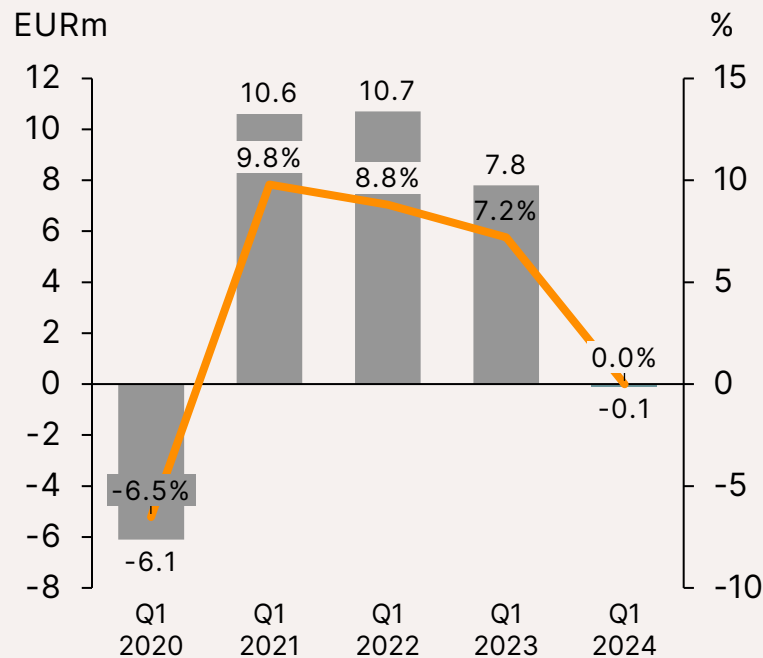


BA Vita Q1: Reported net sales increased as a result of the Georg Jensen acquisition, profitability burdened by lower volumes

REPORTED NET SALES, EURm



COMPARABLE EBIT (EURm) AND COMPARABLE EBIT MARGIN, %



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

- Reported net sales increased through the acquisition of Georg Jensen
- Comparable net sales decreased due to low consumer confidence
 - E-com continued to develop positively
- Adjusting glass making production capacity to lower volumes is challenging, burdening profitability



Investments and changes planned in glass production to better cater for premium and luxury products

- Elevating the Group profile more towards premium and luxury – focus on pioneering design and craftsmanship
- Planning for changes at the Rogaska and Iittala glass factories
 - Investing EUR 15 million in 2024-2026 to modernize the Rogaska glass factory
 - Previously announced Iittala investments on-going
- Planned changes also aim at optimizing production capacity



Waterford Lismore collection

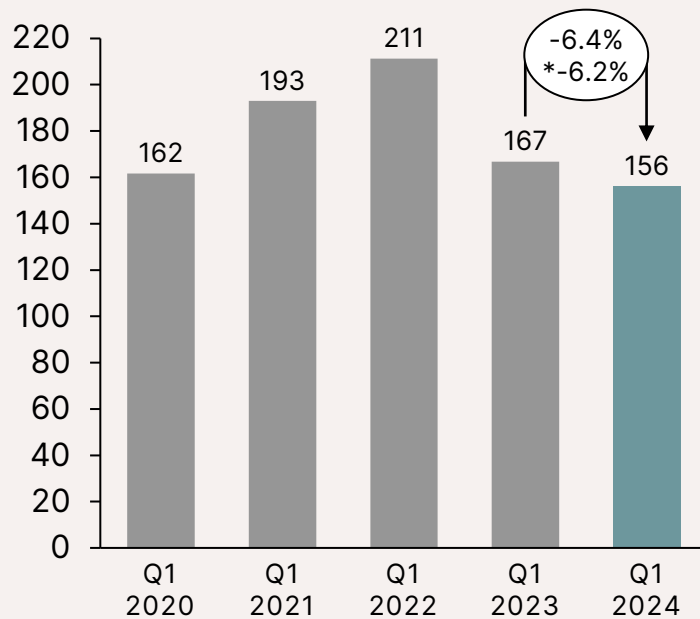


Iittala Play collection

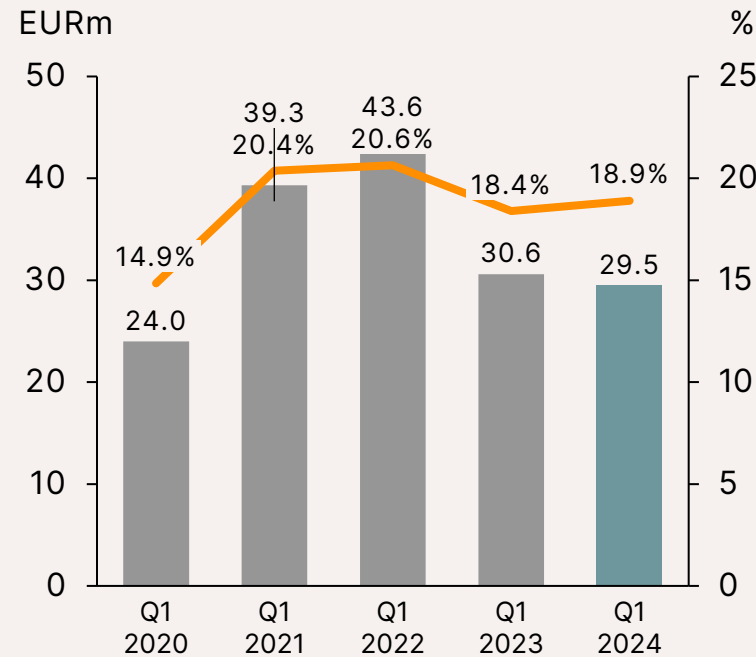


BA Fiskars Q1: Strong profitability despite a decline in net sales

REPORTED NET SALES, EURm



COMPARABLE EBIT (EURm) AND COMPARABLE EBIT MARGIN, %

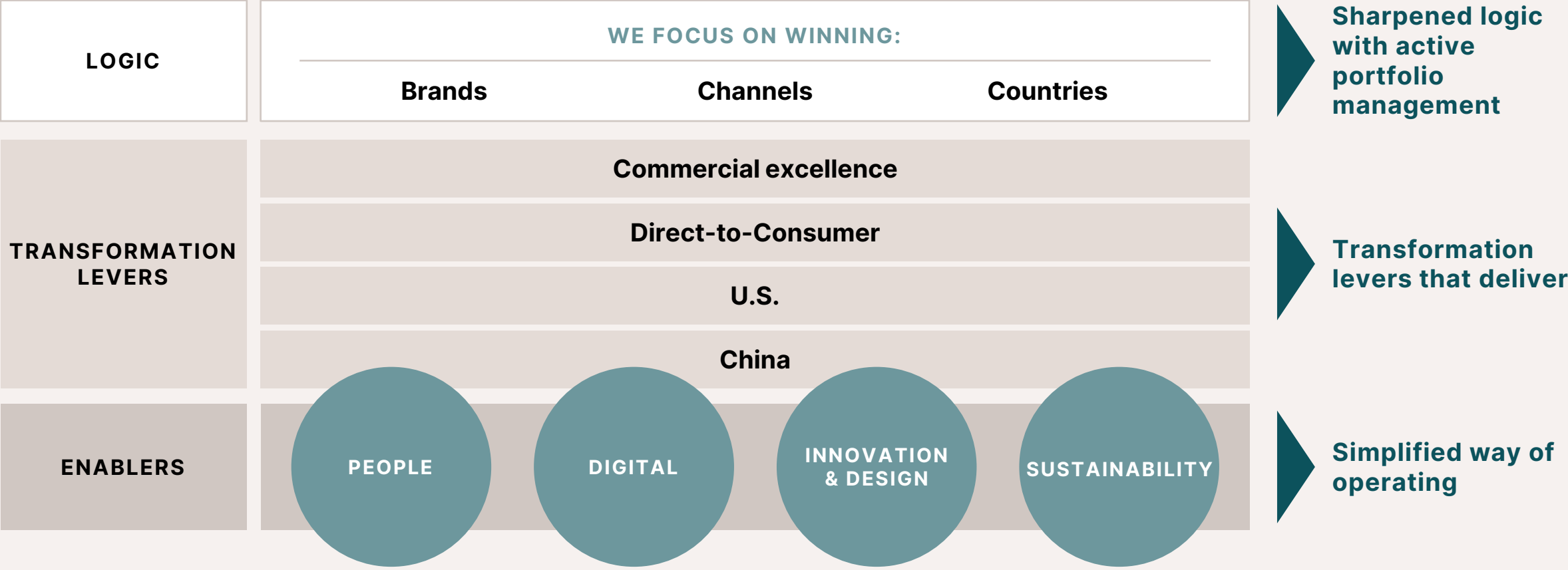


- Comparable net sales decreased due to slow sell-out and retailers' cautiousness in taking inventories
 - Growth in the Outdoor category driven by new launches and listings
- Stable EBIT, strong margin - decline in volumes offset by a higher gross margin and prudent cost management

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



Our clear Growth Strategy sets the framework for the choices we make – we are increasingly value-driven



3/4 of transformation levers delivering

Q1 2024

Commercial excellence

- Gross margin +185 bps demonstrating the power of the brands
-

Direct to consumer

- Comparable DTC stable: e-commerce +12%, own retail network -6% mainly due to store closures
 - DTC share of net sales 24% and >50% in BA Vita
-

U.S.

- Comparable net sales -5%, as retailers' cautiousness in taking inventories continued to affect demand
-

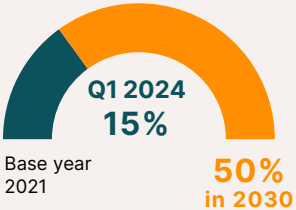
China

- Comparable net sales +15%, thanks to our scalable model



We continued making good progress in our ESG targets

ENVIRONMENTAL



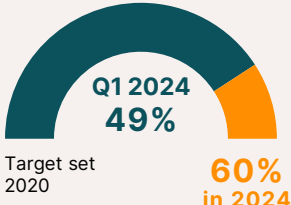
Net sales from circular products and services

1-3/2023: 9%



Emissions from own operations (Scope 1 & 2)

1-3/2023: -47%



% suppliers by spend have science-based targets

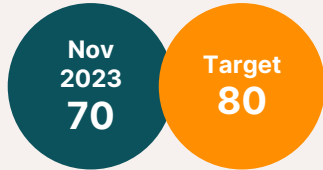
31.12.2023: 45%

SOCIAL



Zero harm with zero LTAF (Lost time accident frequency)

1-3/2023: 7.2



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

May 2023: 72

Measured in connection to the employee engagement survey. Latest survey done in Q4*

The Group 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. *The score is updated every six months with the latest data and might change depending on how the global benchmark develops. Georg Jensen employees not yet included in this target.



Fiskars Group sets a long-term net-zero target

Our plan is to reduce climate emissions to net zero by 2049, which also marks the Group's 400th anniversary year.



Other highlights



Surrounding consumers in new ways – Gerber expanded to camp cooking category and Fiskars launched an urban gardening range



The Fiskars brand won two Red Dot 'Best of the Best' Product Design Awards



Over 2/3 of cookware SKUs PFAS-free – All by the end of this year



Reinforcing ownership culture through MyFiskars – Second plan period 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 in 2024
- 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. During this period, the development of Business Area Vita's volumes plays a significant role.



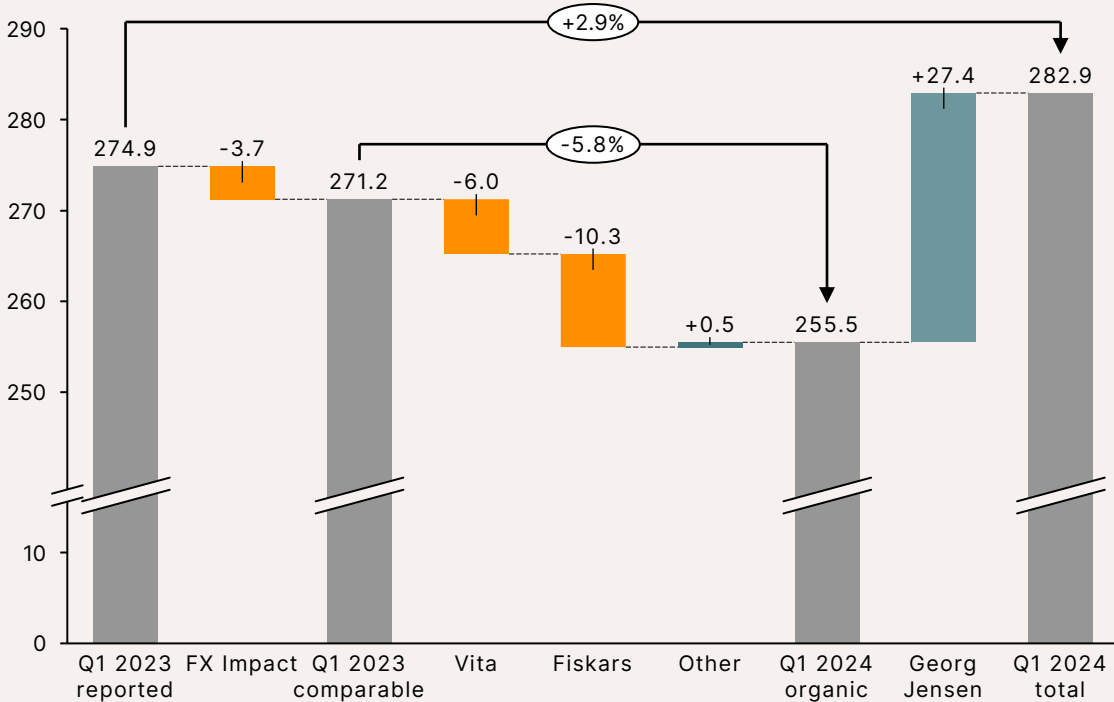
◆ Q1 2024 Financials



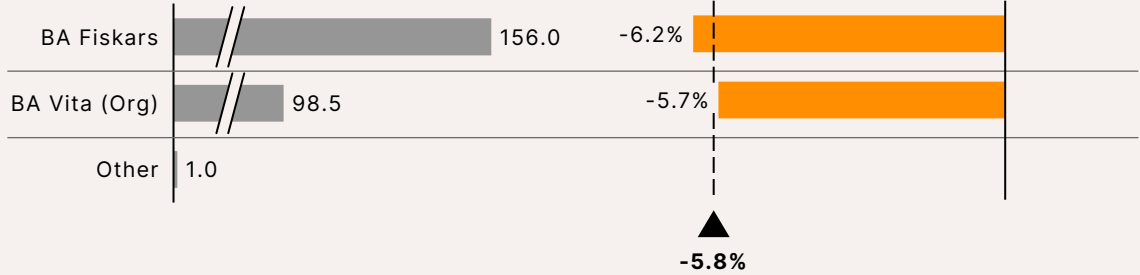
APRIL 25, 2024

Q1 reported net sales increased, comparable net sales declined in a challenging market

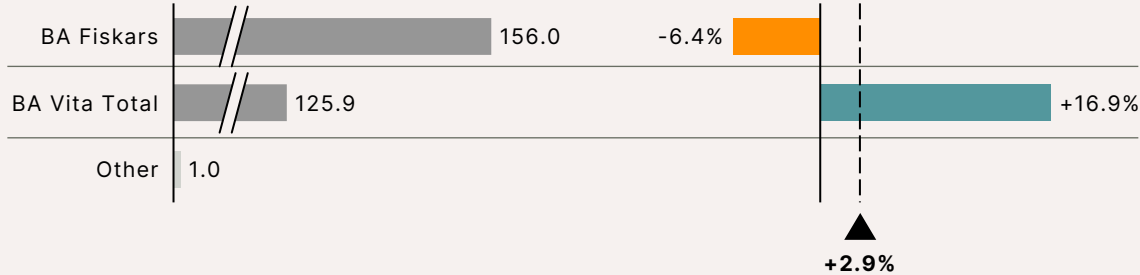
Q1 2024 NET SALES BRIDGE, EURm



Q1 2024 COMPARABLE NET SALES BY BUSINESS AREA, EURm



Q1 2024 REPORTED NET SALES BY BUSINESS AREA, EURm

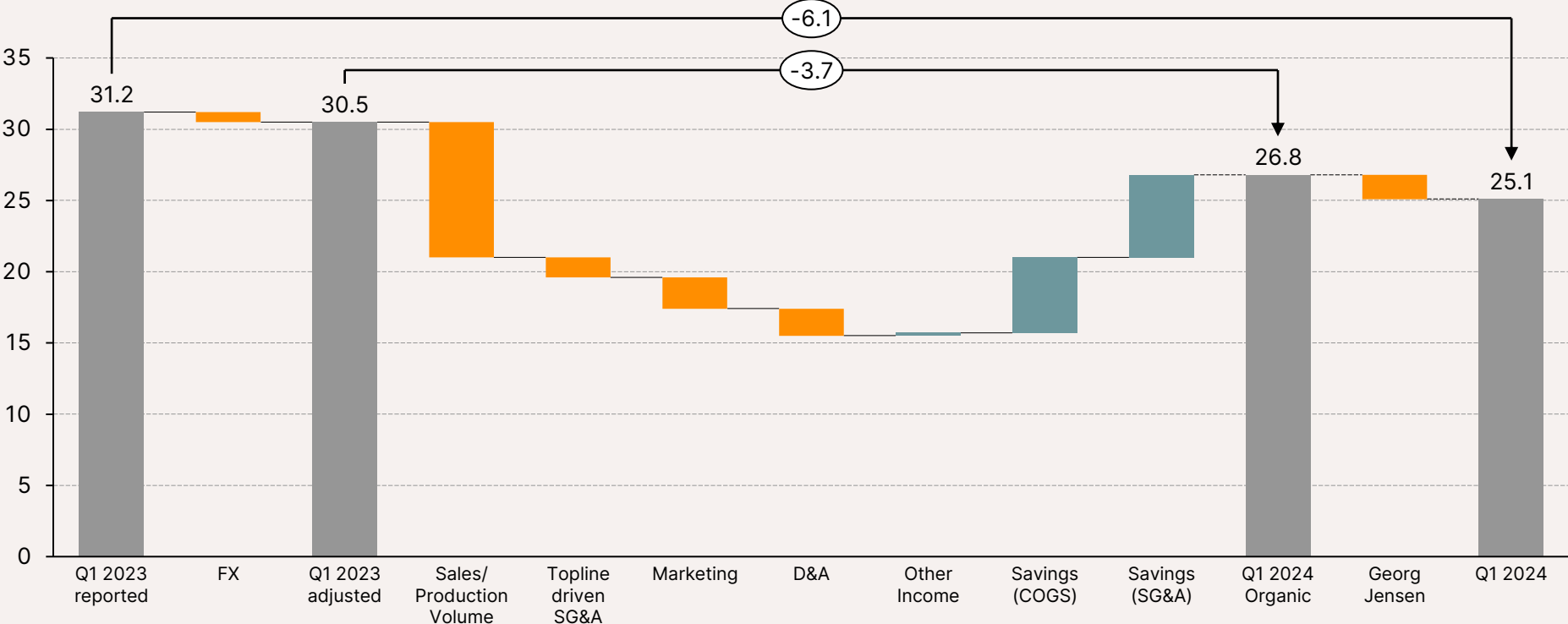


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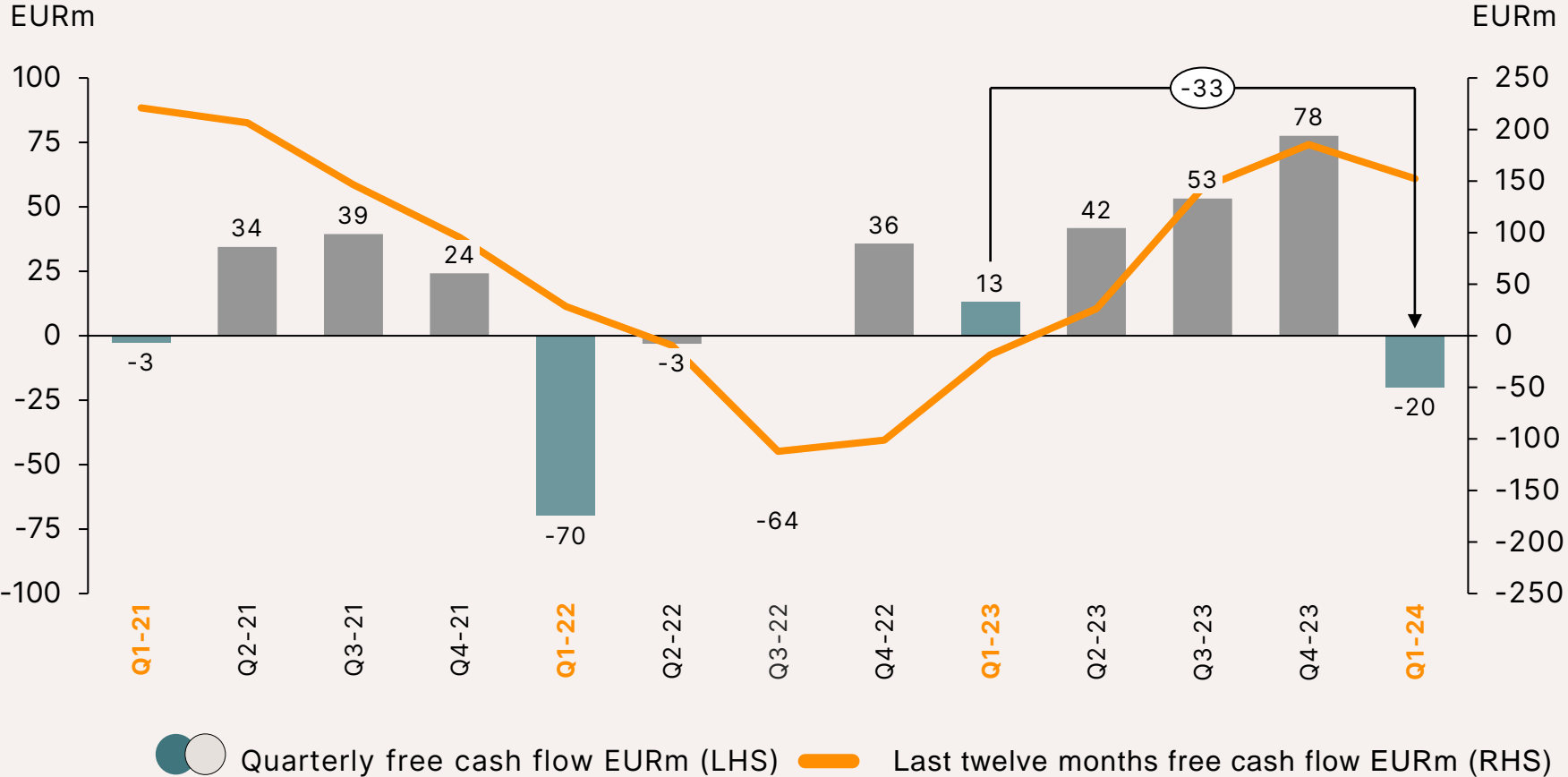


Q1 EBIT declined due to lower volumes – partially offset by a higher gross margin and savings from organizational changes

Q1 2024 EBIT BRIDGE BY COMPONENTS, EURm



Q1 Free cash flow declined, following its historical quarterly pattern – inventory reduction continued



Free cash flow

-33

EURm compared to Q1 2023



Georg Jensen acquisition has intensified the quarterly pattern – negative impact in Q1, biased to Q4



Asset efficiency decreased temporarily due to the Georg Jensen acquisition

CAPITAL EMPLOYED EURm

	Mar-24	Change	Dec-23
GW and other intangible	595	3	592
PPE and biological assets	214	-1	214
Capitalised leases (ROU)	141	-2	143
Non-Current Assets	950	0	950
Inventories	341	-23	364
Trade receivables	196	19	177
Trade payables	-88	14	-102
Trade Working Capital	450	10	439
Other int-free receivables	56	-7	63
Other int-free payables	-217	-7	-210
Operating Capital	1,238	-4	1,242
Net tax liabilities	-10	3	-13
Capital Employed	1,228	-1	1,229

FINANCING, EURm

	Mar-24	Change	Dec-23
Equity	759	-64	824
Interest-bearing debt	415	-8	423
Lease liabilities	149	-2	151
Cash	-54	74	-127
Net Debt	510	63	447
Financial assets	-41	-0	-41
Financing Total	1,228	-1	1,229

BALANCE SHEET KPIs

	Mar-24	Change	Dec-23
Net Debt / Equity (%)	67.2%	+ 12.9%p	54.2%
Net Debt / EBITDA (x)	2.9X	0.4X	2.5X
Capital Turnover (X)	0.98X	1.42%	0.97X
LTM EBIT Margin (%)	9.1%	- 0.6%p	9.8%
ROCE (%)	9.0%	- 0.5%p	9.4%



Challenging operating environment reflected in progress in sales and EBIT targets

FINANCIAL TARGETS TRACKING

KPI	TARGET	2021	2022	2023	LTM Q1 2024	LAST 3 YEARS
NET SALES	Organic, FX neutral Mid-Single-Digit growth	✓ +14.2%	✗ +1.7%	✗ -9.7%	✗ -7.8%	✗ CAGR. -0.3%
EBIT	Mid-teen EBIT margin (excl. IAC) by end of 2025	✓ 12.3%	≈ 12.1%	✗ 9.8%	≈ 9.1%	≈ 10.9%
CASH FLOW	Free Cash Flow / Net Profit ≥ 80%	✓ 109%	✗ Neg.	✓ 231%	✓ 208%	≈ 56%
BALANCE SHEET	Net Debt / LTM EBITDA ≤ 2.5X	✓ 0.7X	✓ 1.5X	✓ 2.5X	≈ 2.9X	✓ 1.5X



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**QUALITY
SINCE 1649**

◆ *Thank
you!*





Appendix

Consolidated Q1 Key Figures

Q1 P&L KEY FIGURES, EURm

	Q1	
	2024	2023
Net sales	282.9	274.9
Comparable gross profit	136.6	127.6
Sales and marketing	-74.6	-60.7
Research and development	-4.7	-5.6
General admin	-32.9	-30.7
Other income/expenses, net	0.6	0.6
Comparable EBIT	25.1	31.2
Items affecting comparability	-18.7	-2.3
EBIT	6.4	28.9
Profit for the period	2.4	20.5
Comparable Gross Margin	48.3%	46.4%
Comparable EBIT Margin	8.9%	11.4%

Q1 PER SHARE KEY FIGURES, EUR

	Q1	
	2024	2023
Comparable Earnings per Share	0.19	0.27
Earnings per Share	0.03	0.25
Cash Earnings per Share	-0.17	0.25



Q1 Cash flow and change in cash

Q1 Cash Flow vs. LY (EURm)

	Q1	
	2024	vs. LY
EBITDA	27	-17
Non-cash adjustments	-11	-1
Cash Flow from operations	16	-18
Change in inventories	31	+13
Change in trade rec's	-19	-5
Change in trade Pbl's	-14	-5
Change in TWC	-2	+3
Change in in other int.free items	-20	-13
Change in NWC	-22	-10
CAPEX (net)	-11	-1
Operating Cash Flow	-16	-28
Taxes paid	-4	-5
Free Cash Flow	-20	-33

Q1 Change in Cash vs. LY (EURm)

	Q1	
	2024	vs. LY
Cash Balance period opening	127	+12
Translation difference	-0	+0
Free cash flow	-20	-33
Dividends/ share buy-backs	-33	-1
Financial Items, net	-4	-2
M&A and Divestments	-	-
Change in L-T debt	-0	+0
Payments of lease liabilities	-10	-3
Change in other S-T debt	-9	+4
Other non-operational changes	2	+1
Cash Balance, period closing	54	-22



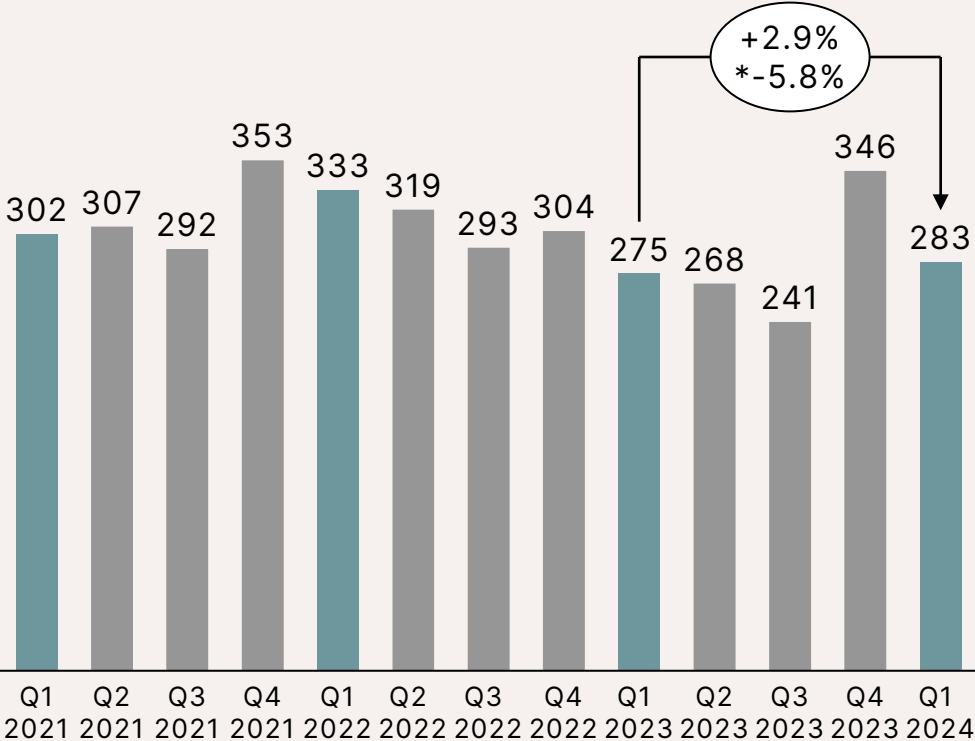
Georg Jensen Purchase Price Allocation (“PPA”) breakdown

PPA	EURm	P&L Impacts of PPA (EURm)					Comment
		Q4-23	Q1-24	YTD 9/24	Q4-24	FY-25 =>	
Purchase Price, Equity (A)	124.7						
Net Assets at Book Value	45.4						
Fair Value adjs - Brand (trademark)	+ 61.0	-	-	-	-	-	
Fair Value adjs - Customer relationships	+ 20.0	- 0.3	- 0.3	- 0.8	- 0.3	- 1.0	Included in normal operational results
Fair Value adjs - Fixed Assets	+ 3.5	- 0.0	- 0.0	- 0.1	- 0.0	- 0.2	Included in normal operational results
Fair Value adjs - Inventory	+ 54.8	- 13.7	- 13.7	- 41.1	-	-	Reported as Items Affecting Comparability
Fair Value adjs - Other	- 3.8	-	-	-	-	-	
Deferred Tax Impact	- 30.8	-	-	-	-	-	
Net Assets at Fair Value (B)	150.1	- 14.0	- 14.0	- 42.0	- 0.3	- 1.2	
Goodwill (A-B)	- 25.4	+ 25.4	-	-	-	-	Reported as Items Affecting Comparability
EBIT impact		+ 11.4	- 14.0	- 42.0	- 0.3	- 1.2	
Of which reported in IAC		+ 11.7	- 13.7	- 41.1	-	-	
Of which reported in operative result		- 0.3	- 0.3	- 0.9	- 0.3	- 1.2	

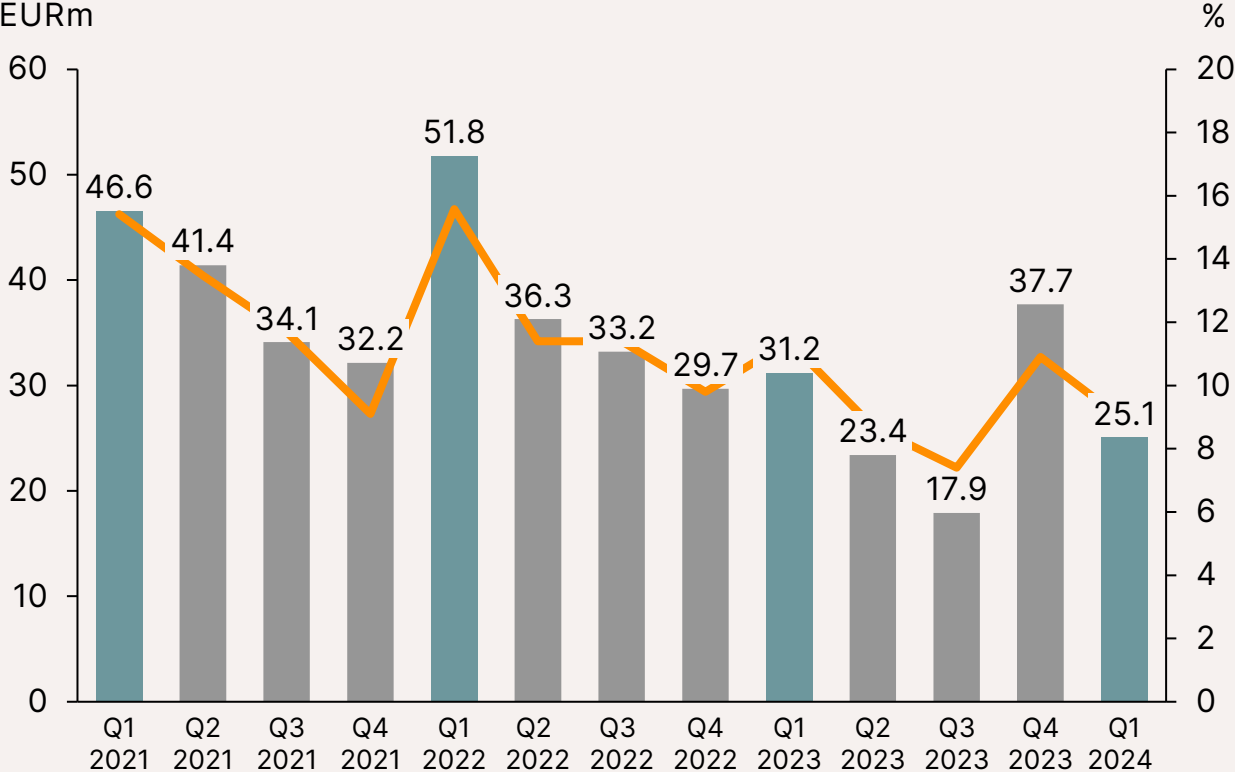


Fiskars Group's quarterly development – last 3 years

NET SALES, EURm



COMPARABLE EBIT (EURm) AND EBIT MARGIN, %

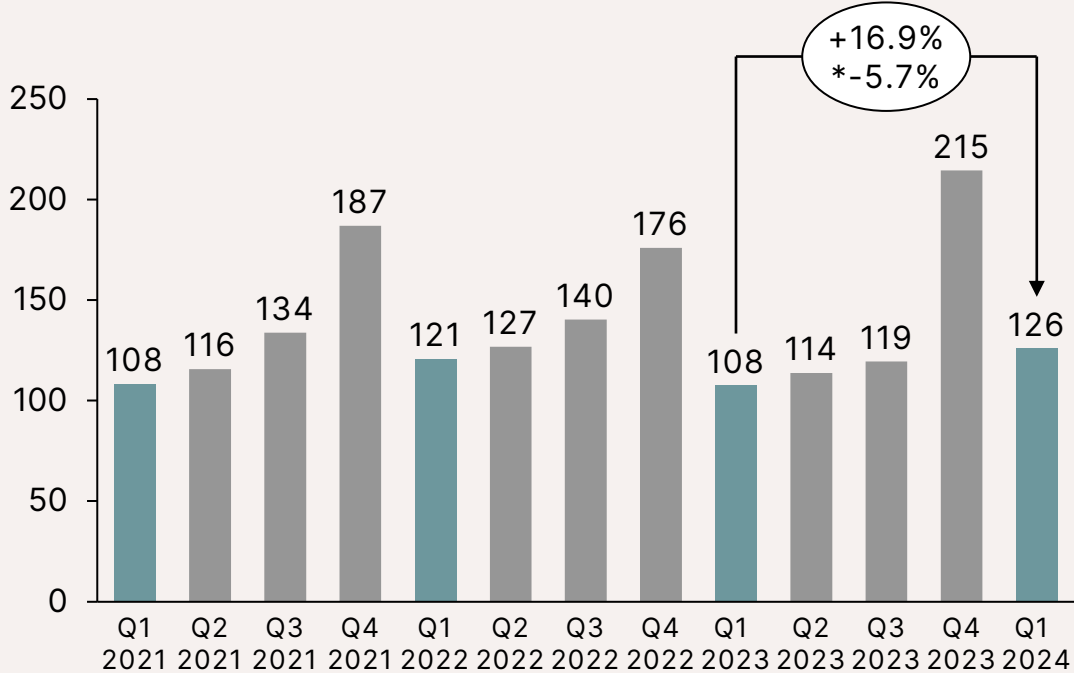


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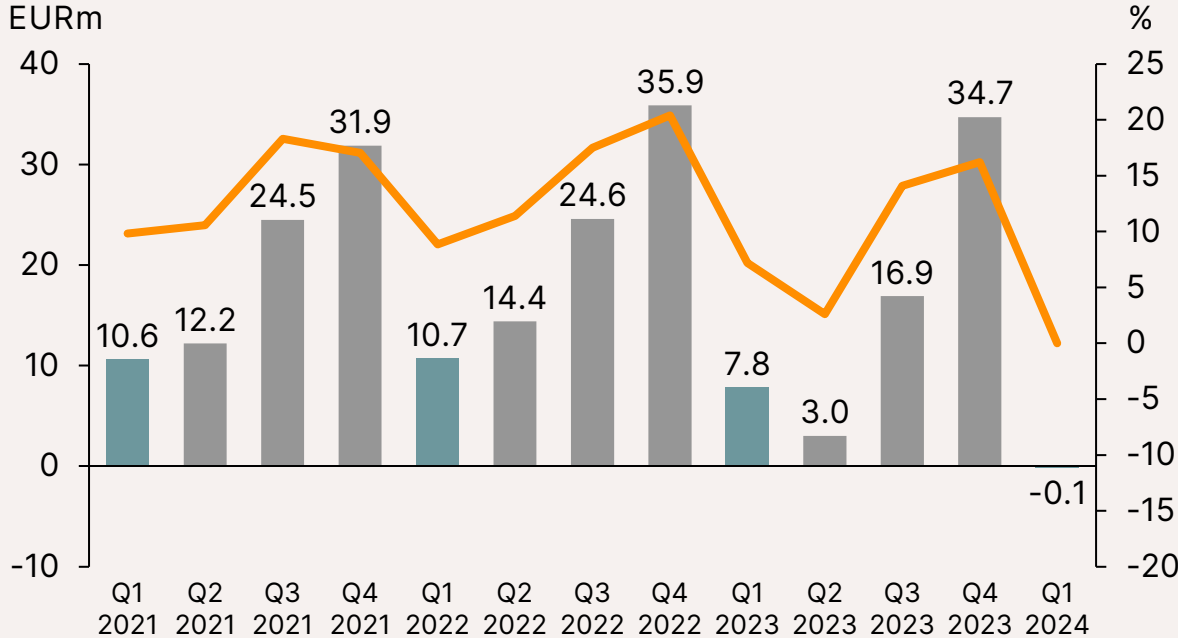


BA Vita's quarterly development – last 3 years

NET SALES, EURm



COMPARABLE EBIT (EURm) AND EBIT MARGIN, %

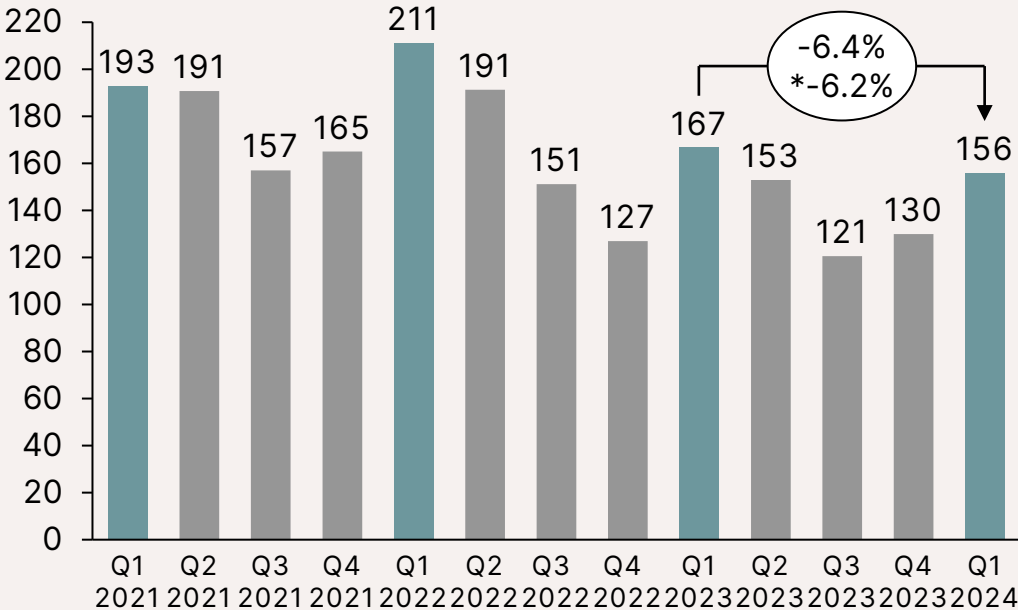


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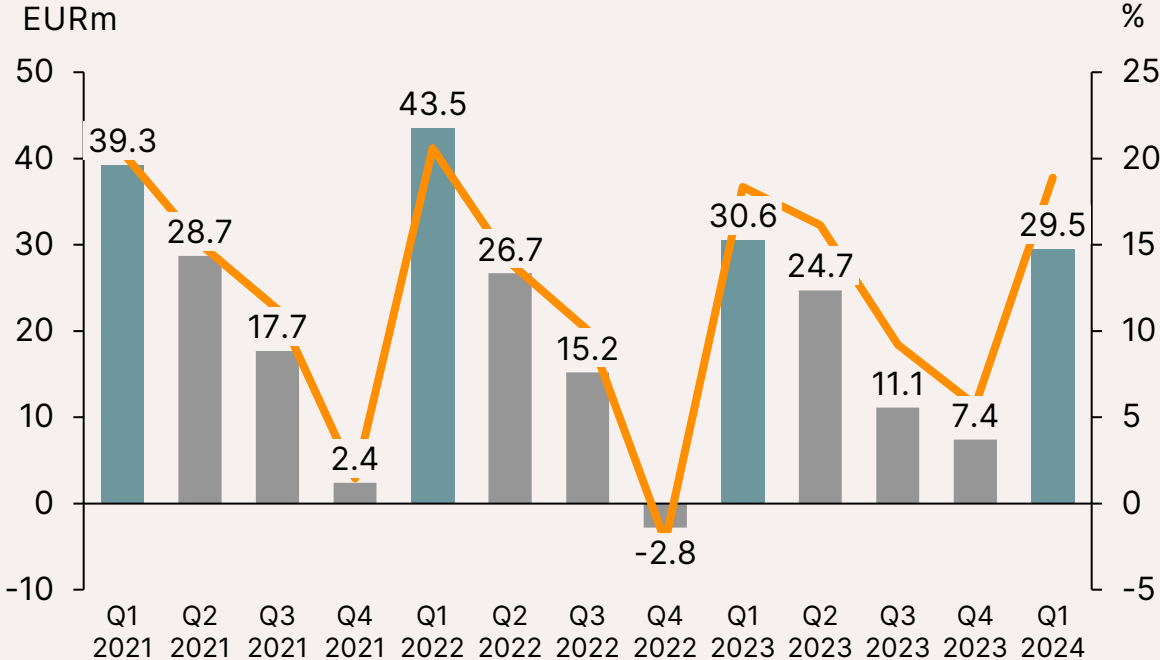


BA Fiskars' quarterly development – last 3 years

NET SALES, EURm



COMPARABLE EBIT (EURm) AND EBIT MARGIN, %



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

