

FISKARS
EST. GROUP 1649

♦ Half-year Financial Report 2024

ANOTHER SOLID QUARTER IN CHALLENGING MARKET
CONDITIONS – ACCELERATING EFFICIENCY IMPROVEMENTS



JANUARY-JUNE 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

ANOTHER SOLID
QUARTER IN A
CHALLENGING
MARKET:

ALL-TIME HIGH

- GM% DRIVEN
BY VITA
- Q2 FREE CASH
FLOW

DELIVERING
SAVINGS FROM
COMPLETED
EFFICIENCY
PROGRAMS

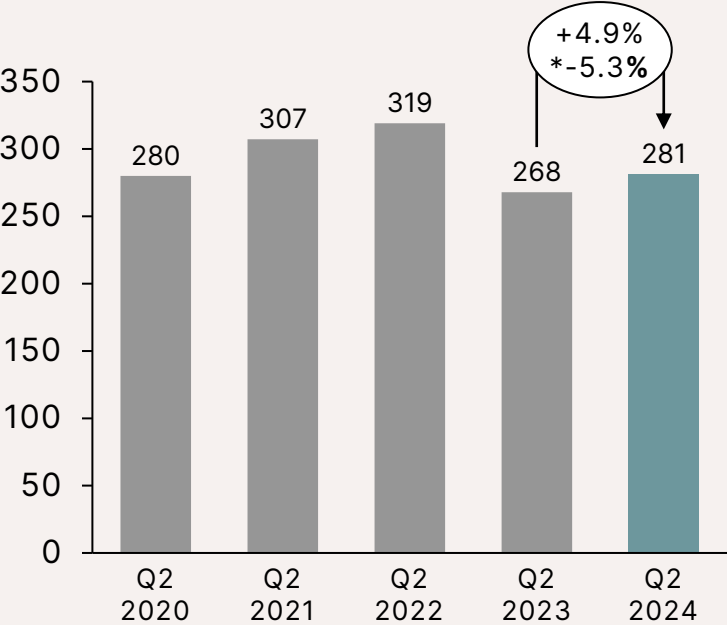
SIMPLIFIED WAY
OF OPERATING
ENABLES FURTHER
IMPROVEMENTS

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

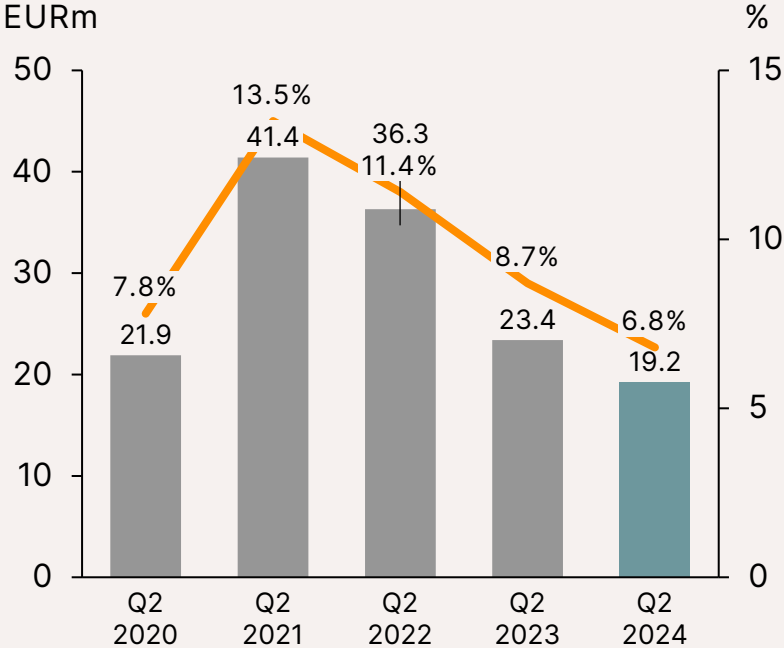
GEORG JENSEN
INTEGRATION
NEARLY
COMPLETED –
ON TRACK WITH
EUR 18 MILLION
COST SYNERGIES

Q2 2024 Group key figures

REPORTED NET SALES, EURm



COMPARABLE EBIT (EURm) AND
COMPARABLE EBIT MARGIN, %



GROSS MARGIN
%

49.1

Q2/2023: 46.8

FREE CASH FLOW
EURm

49.3

Q2/2023: 41.6

COMPARABLE EPS
EUR

0.10

Q2/2023: 0.17

CASH EARNINGS
PER SHARE
EUR

0.69

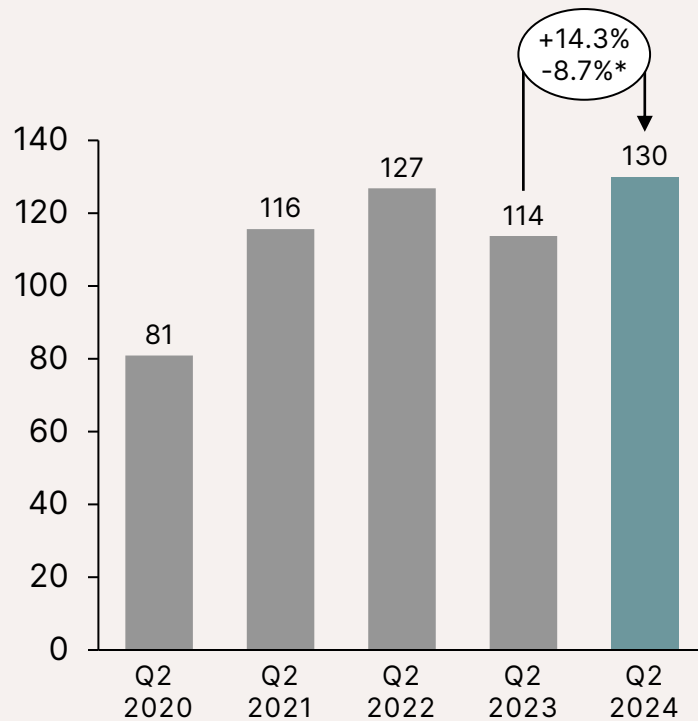
Q2/2023: 0.57

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



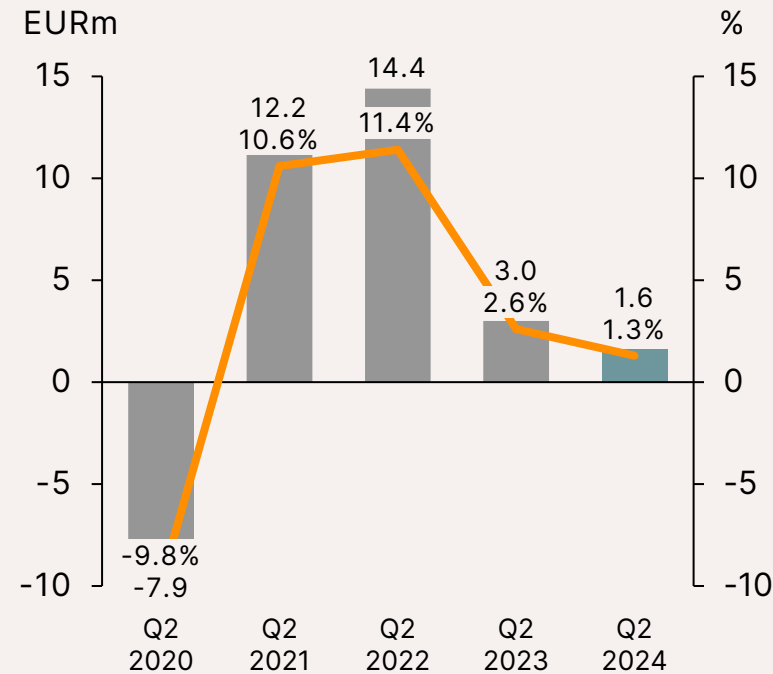
BA Vita Q2: All-time high gross margin, improving both organically and driven by Georg Jensen

REPORTED NET SALES, EURm



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

COMPARABLE EBIT (EURm) AND COMPARABLE EBIT MARGIN, %

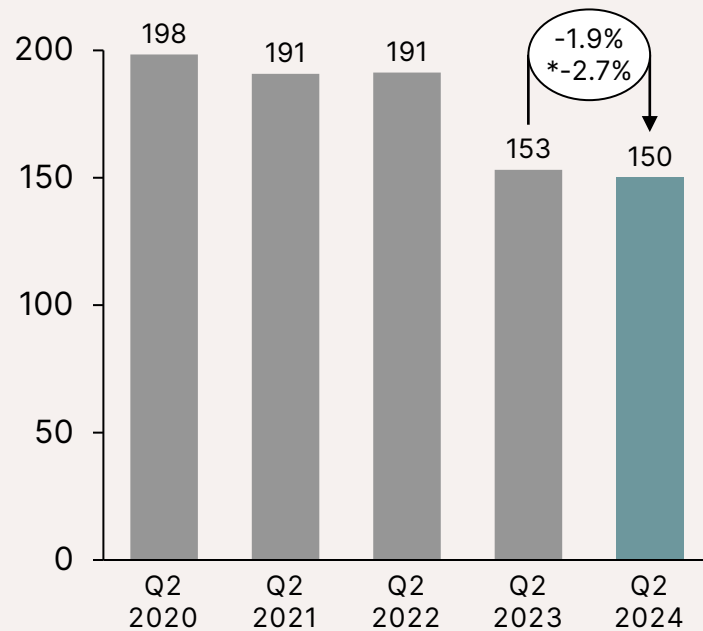


- Reported net sales increased through the acquisition of Georg Jensen
- Comparable net sales decreased in a challenging market
 - Growth in China and Sweden as well as with the Moomin Arabia brand
- EBIT declined due to lower volumes
 - Partially offset by all-time high gross margin
 - Georg Jensen's EBIT contribution highly accretive

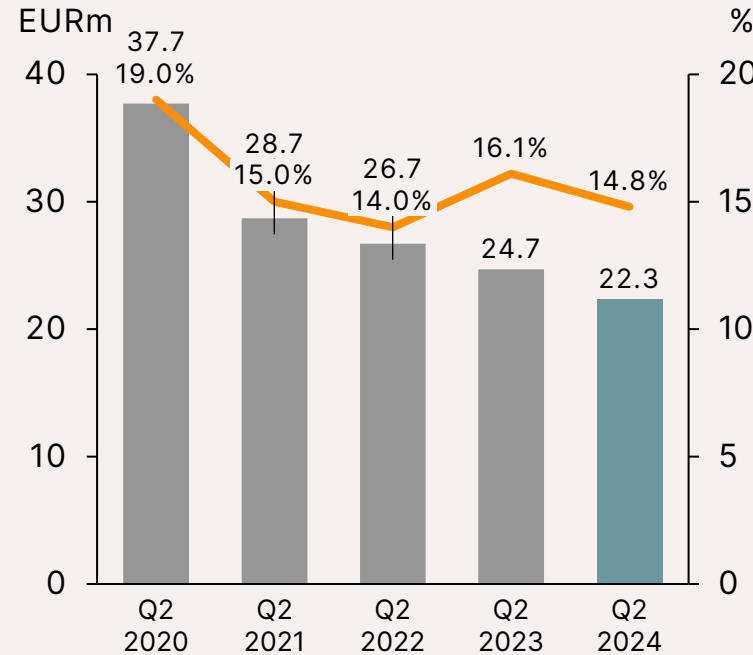


BA Fiskars Q2: Softness in sell-out partially offset by strong spring season in the Nordics and Gerber's good growth

REPORTED NET SALES, EURm



COMPARABLE EBIT (EURm) AND COMPARABLE EBIT MARGIN, %

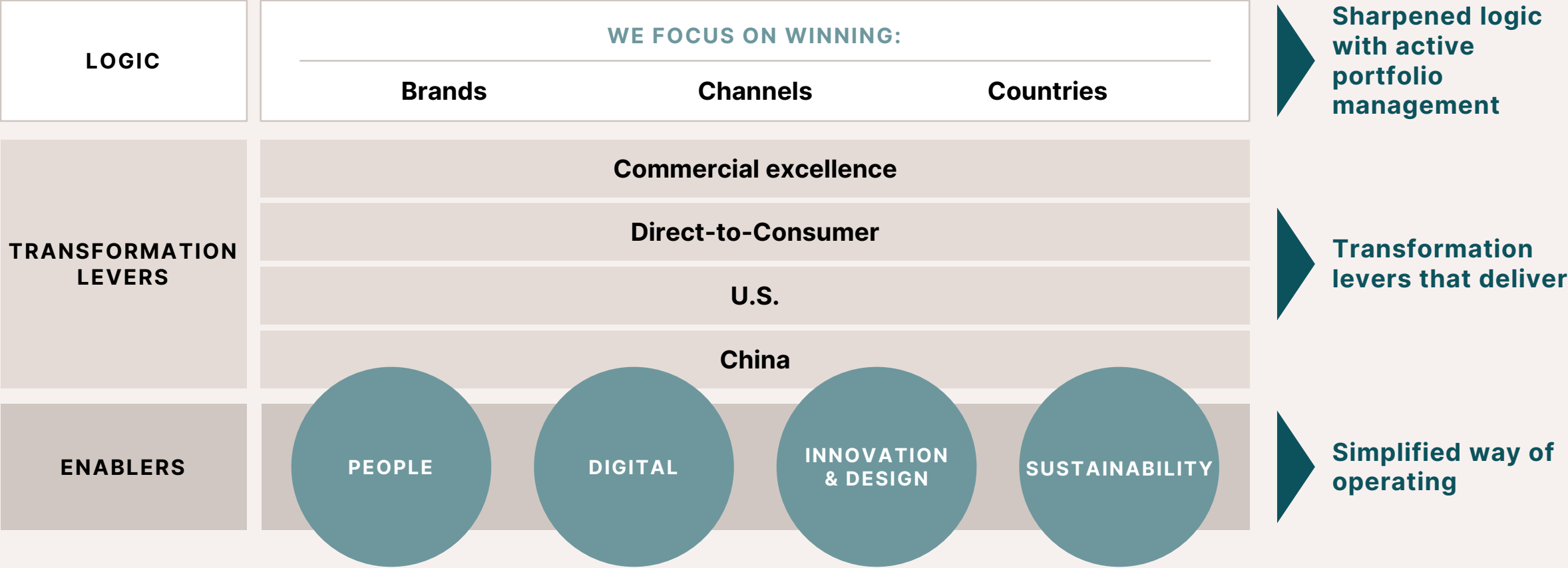


- Comparable net sales decreased due to both the U.S. and Continental Europe
 - In the Nordics, spring season was strong
 - Gerber grew driven by recent listings and category expansion
- The impact from decline in volumes partially offset by prudent cost management

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



Our clear Growth Strategy sets the framework for the choices we make



Transformation levers are making our foundation stronger for future growth

Q2 2024

1-6/2024

**Commercial
excellence**

- Gross margin +230 bps and all-time high at 49.1%
- Gross margin +210 bps

**Direct to
consumer**

- Comparable DTC -5%: e-commerce -9%, own retail network -2%
- Comparable DTC -3%: e-commerce stable, own retail network -4%
- DTC share of net sales 25% and 51% in BA Vita
- DTC share of net sales 24% and 51% in BA Vita

U.S.

- Comparable net sales -3%
- Comparable net sales -4%

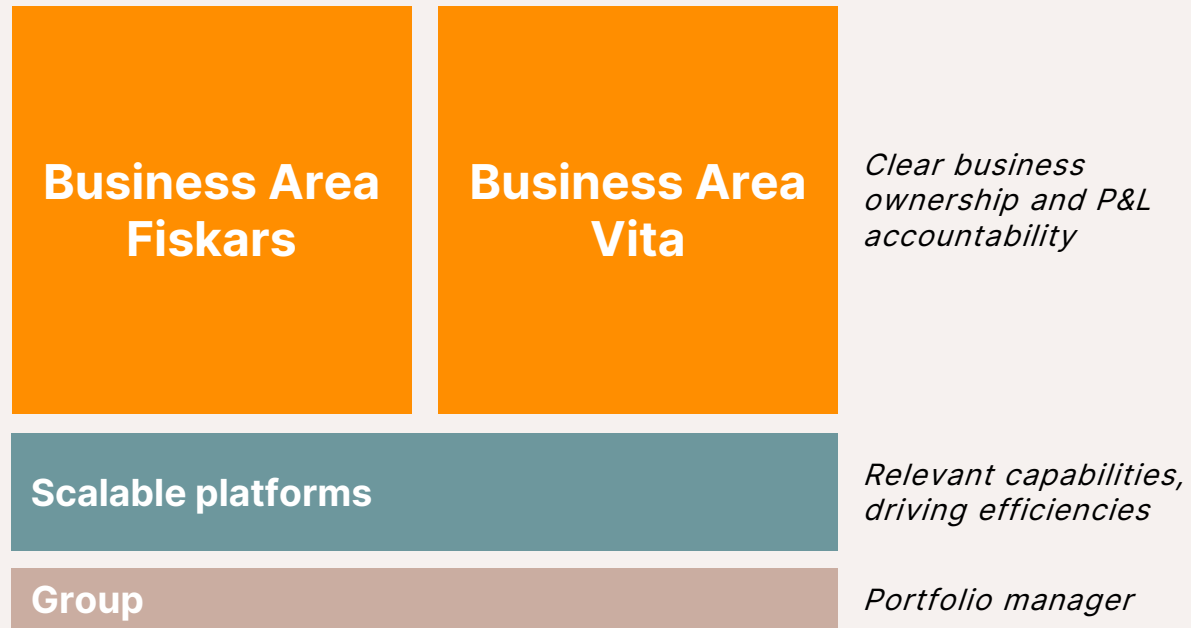
China

- Comparable net sales +5%, despite tough market conditions
- Comparable net sales +10%



We are rigorously driving forward a simplified way of operating, “brands-first” approach, and accelerating efficiency improvements

OUR CURRENT OPERATIONAL SETUP



KEY PRINCIPLE: SYSTEMATIC IMPROVEMENT

- Evolving structure to fit our strategy, organization maturity and business realities
- Improving cost efficiency and focused growth

RECENT TRANSFORMATION EXAMPLES:

Key drivers

- New leadership and capabilities – systematic improvement mindset in place
- Sales incorporated into the Business Areas for further dedication
- Strategic, efficiency enhancing programs (latest 4/2024)
- Increasingly unique needs of the BAs

Outcome

- Significant efficiency improvements (both SG&A and COGS)
- Further BA dedication within Supply Chain
- Enabling speed & agility and further cost efficiency improvements



Georg Jensen integration is nearly completed and synergy realization on track

Acquisition rationale – supports our Growth Strategy and its transformation levers

- ✓ Big brand: moves the needle
- ✓ High-end positioning: luxury brand
- ✓ Category expansion: lifestyle brand
- ✓ DTC led

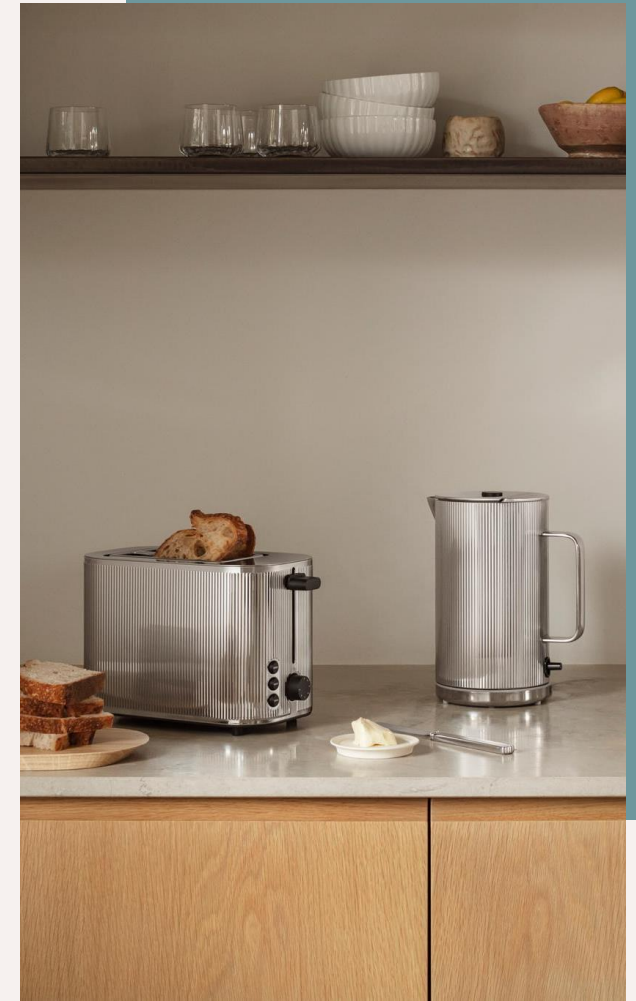
All significant operations such as sales and sourcing fully integrated – only IT integration ongoing

Anticipating EUR 18 million in cost synergies

- Majority expected to realize by the end of 2025
- Leading to EV/EBITDA of 4,7x*

On-track with synergy realization

- 75% in implementation thanks to our systematic and disciplined M&A playbook
- Net 10% FTE reduction in H1 2024



*net of integration costs

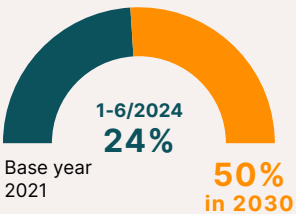
JULY 18, 2024



Excellent progress in the circularity and inclusion experience

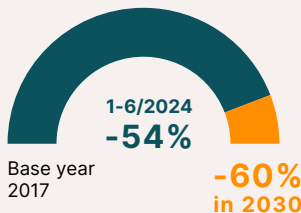
ESG targets

ENVIRONMENTAL



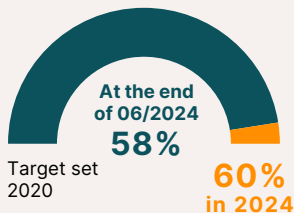
Net sales from circular products and services

1-6/2023: 8%



Emissions from own operations (Scope 1 & 2)

1-6/2023: -53%



% suppliers by spend have science-based targets

31.3.2024: 49%

SOCIAL



Zero harm with zero LTAF (Lost time accident frequency)

1-6/2023: 5.0



Measured in connection to the employee engagement survey. Latest survey done for all employees in Q2

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

Nov 2023: 70

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 target score is updated every six months with the latest data and might change depending on how the global benchmark develops.



Other highlights



Moomin Arabia expands offering and DTC – 8 brand stores opened H1 '24



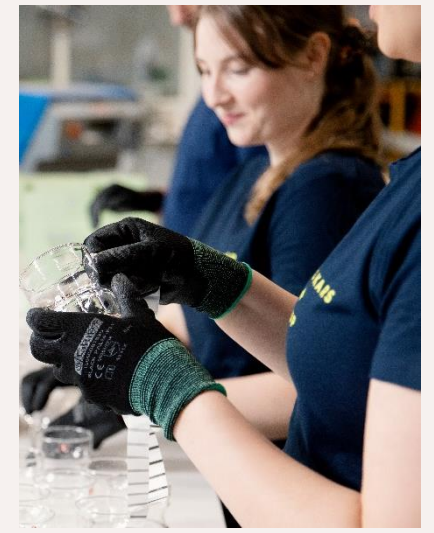
Gerber delivers growth driven by distribution expansion and strong Camp Cook launch



littala – clearly increased consumer engagement, e.g. +9% new Mylittala memberships vs. LY



Wedgwood collaboration by Dame Magdalene Odundo at exhibition sponsored by luxury brand Loewe



MyFiskars – already over 10% of employees are shareholders



Guidance for 2024 (unchanged)

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

Assumptions and actions behind the guidance

- The operating environment expected to remain challenging and impact demand
- Wage inflation to remain elevated
- + Savings from the completed efficiency programs expected to support EBIT
- + Further cost efficiency improvements from simplified way of operating

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.



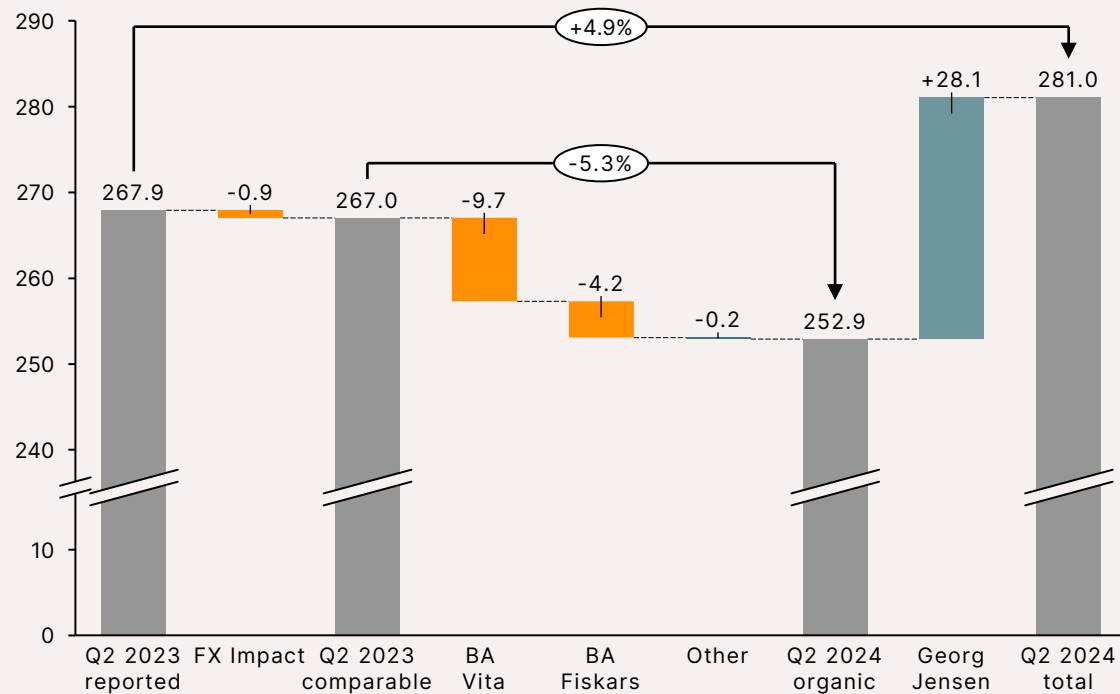
◆ Q2 2024 Financials



JULY 18, 2024

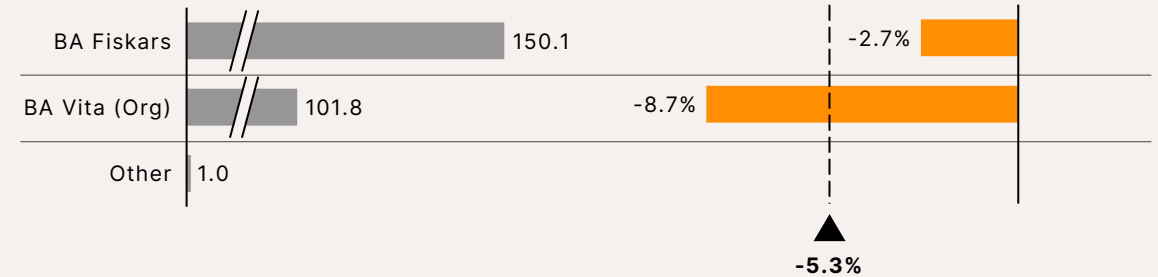
Q2 reported net sales increased through the acquisition of Georg Jensen, comparable net sales declined in a challenging market

Q2 2024 NET SALES BRIDGE, EURm

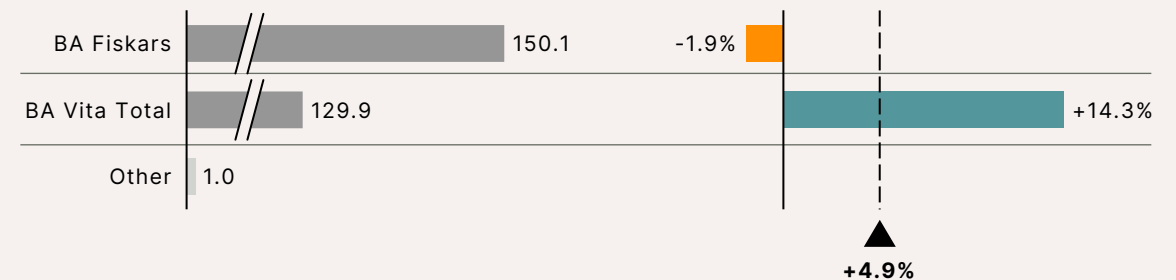


*Comparable net sales exclude the impact of exchange rates, acquisitions and divestments

Q2 2024 COMPARABLE NET SALES BY BUSINESS AREA, EURm

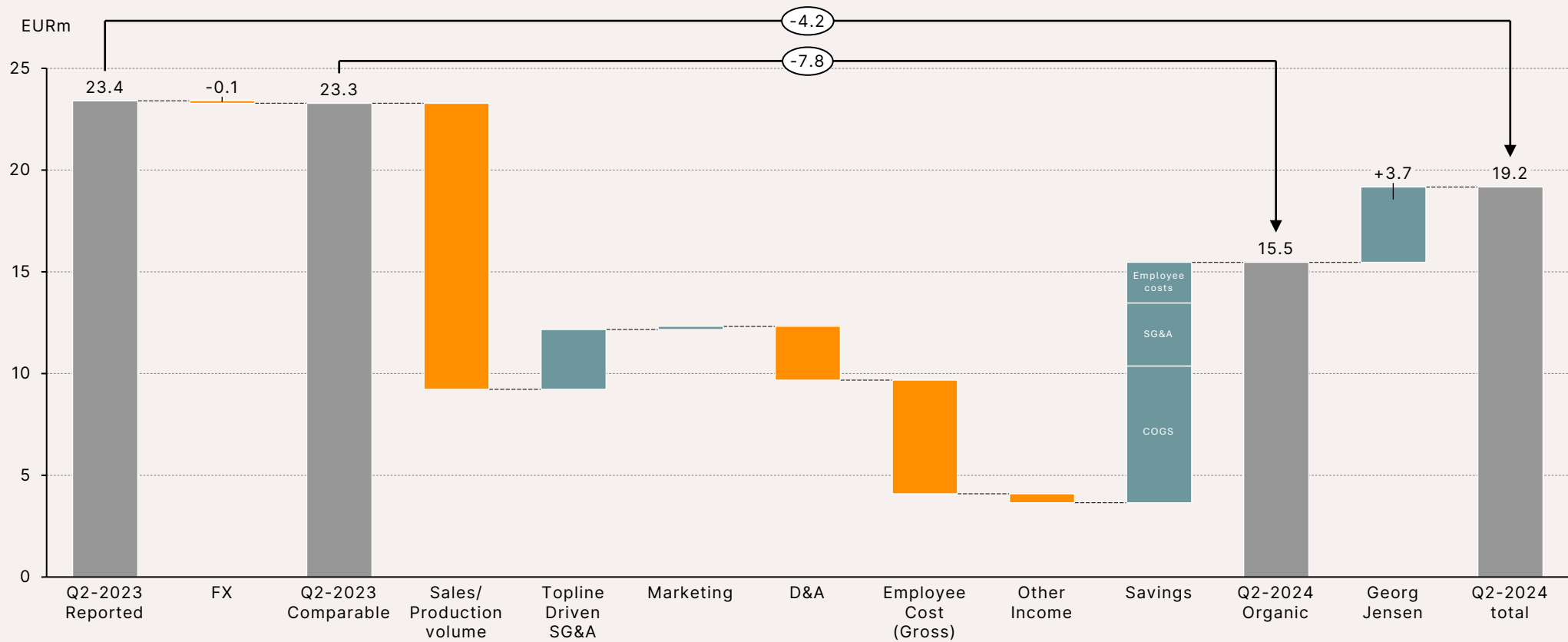


Q2 2024 REPORTED NET SALES BY BUSINESS AREA, EURm



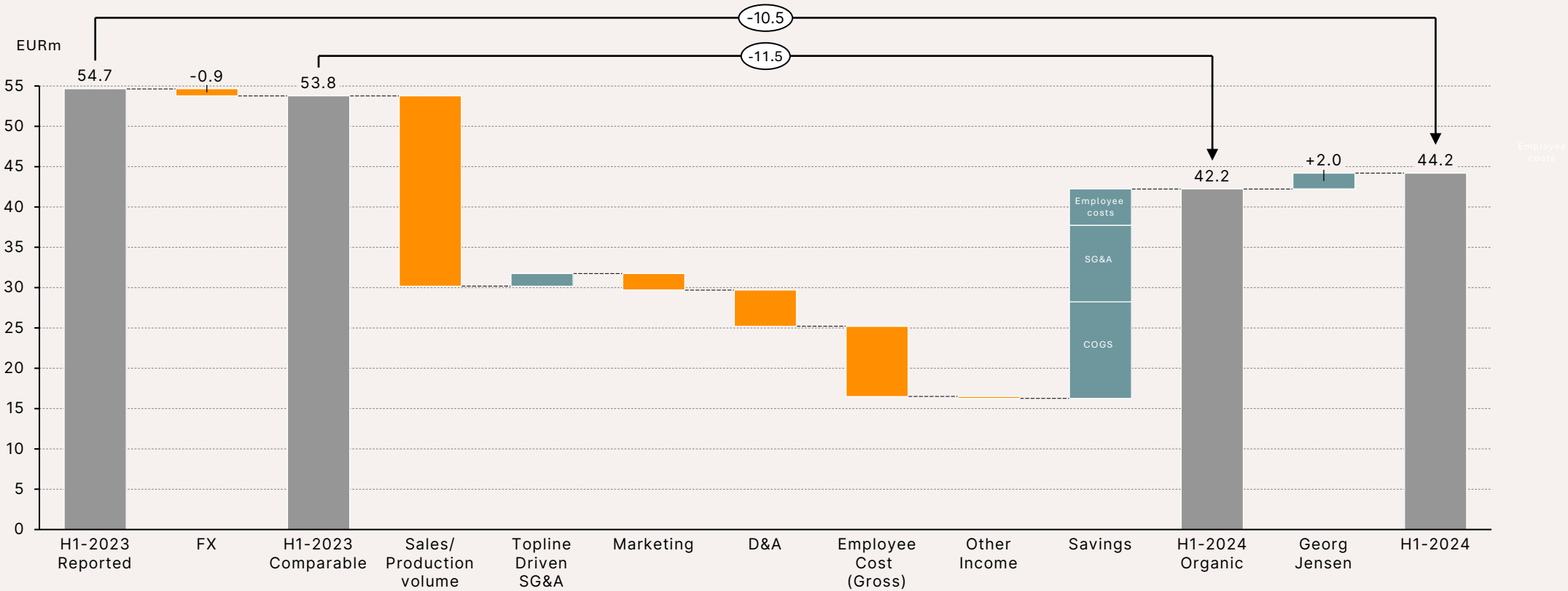
Q2 EBIT EUR -4.2m (EUR -7.8m excl. Georg Jensen) from previous year – savings partially offset the negative volume impact

Q2 2024 EBIT EXCL. IAC BRIDGE, EURm



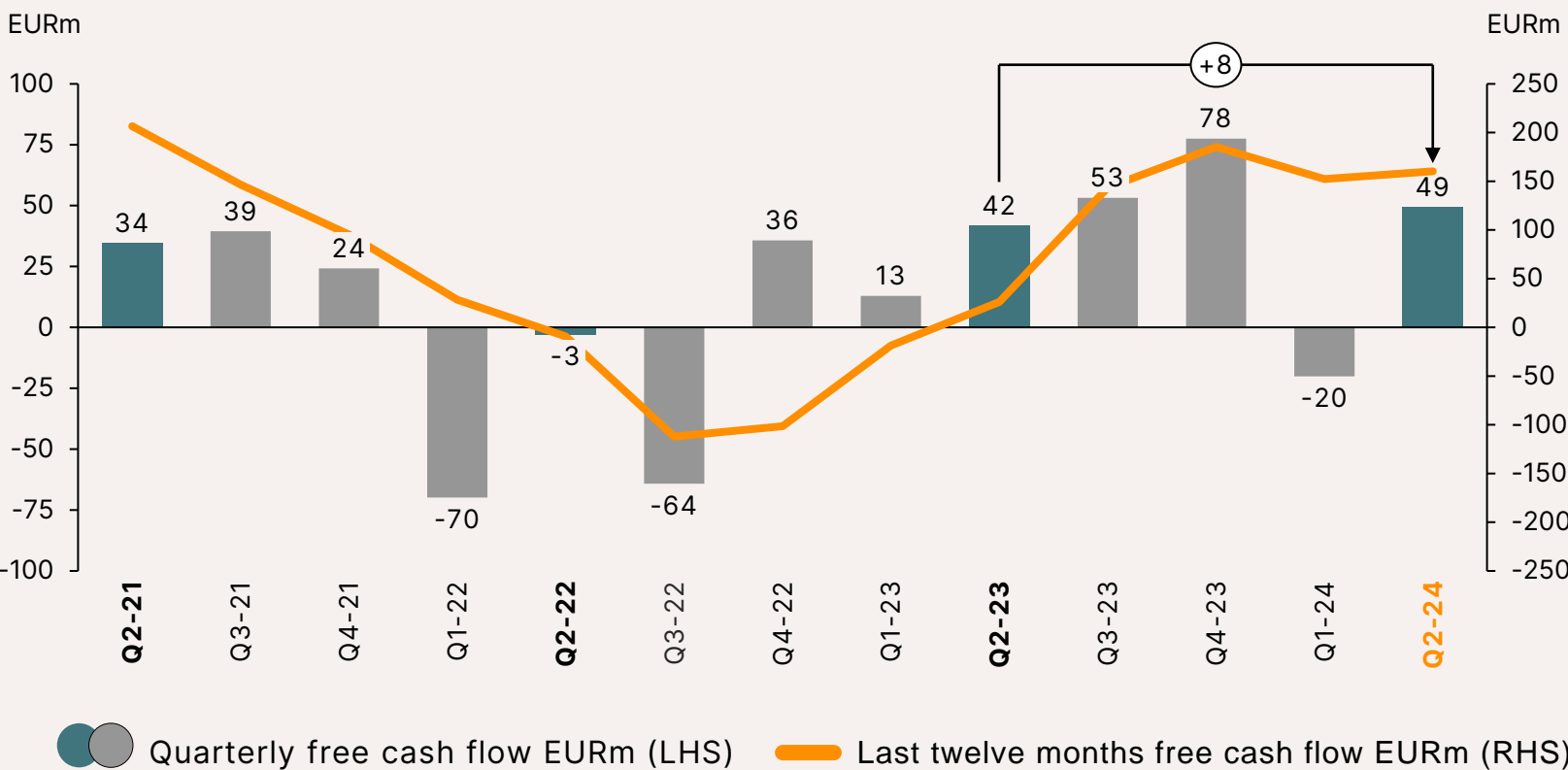
H1 EBIT EUR -10.4m (EUR -11.5m excl. Georg Jensen) from previous year – savings offset the negative volume impact

H1 2024 EBIT EXCL. IAC BRIDGE, EURm



All-Time-High Q2 Free cash flow driven by Net Working Capital Reduction

QUARTERLY FREE CASH FLOW, EURm



Q2 FREE CASH FLOW, EURm

	Q2-24	vs. LY
EBITDA	21.5	-15.6
Change in provisions	-2.6	-16.2
Non-cash adjustments	-0.0	+0.1
Cash Flow from operations	18.8	-31.7
Change in inventories	1.1	-36.5
Change in trade rec's	14.2	+24.6
Change in trade Pbl's	30.0	+44.1
Change in TWC	45.3	+32.2
Change in in other int.free items	0.4	+8.0
Change in NWC	45.7	+40.1
CAPEX (net)	-12.9	-2.8
Operating Cash Flow	51.6	+5.6
Taxes paid	-2.2	+2.0
Free Cash Flow	49.3	+7.7



Asset efficiency decreased temporarily due to the Georg Jensen acquisition

CAPITAL EMPLOYED EURm

	June-24	Jun-23	Dec-23
GW and other intangible	596	502	592
PPE and biological assets	216	196	214
Capitalised leases (ROU)	142	127	143
Non-Current Assets	953	825	950
Inventories	343	312	364
Trade receivables	183	177	177
Trade payables	-119	-60	-102
Trade Working Capital	408	428	439
Other int-free receivables	58	57	64
Other int-free payables	-220	-212	-210
Operating Capital	1,199	1,098	1,244
Net tax liabilities	-3	-8	-14
Capital Employed	1,197	1,091	1,229

FINANCING, EURm

	June-24	Jun-23	Dec-23
Equity	758	789	824
Interest-bearing debt	414	251	423
Lease liabilities	150	133	151
Cash	-86	-42	-127
Net Debt	478	342	447
Financial assets	-39	-41	-41
Financing Total	1,197	1,091	1,229

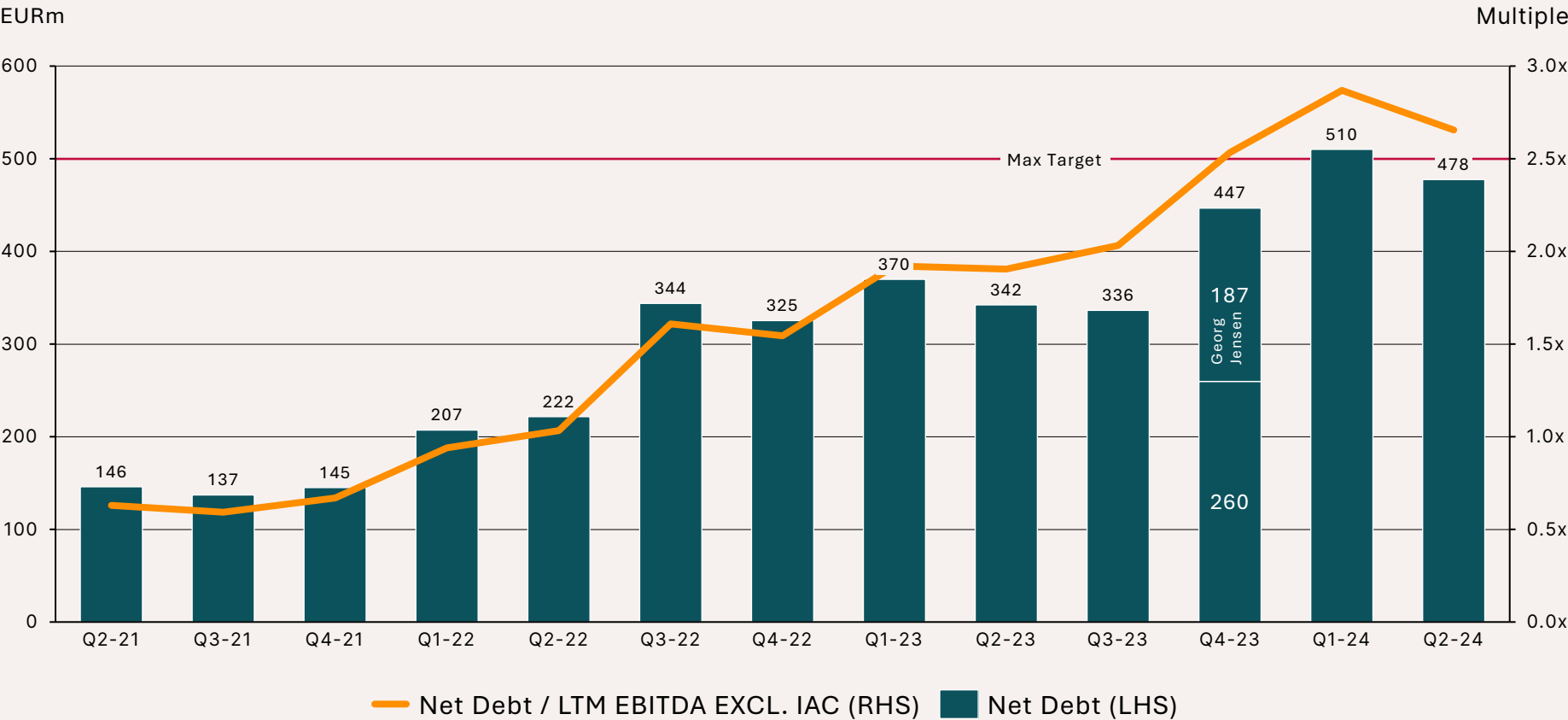
BALANCE SHEET KPIs

	June-24	Jun-23	Dec-23
Comparable EBIT margin (LTM)	8.7%	10.3%	9.4%
Capital turnover (average)	0.99	1.40	1.00
ROCE % (LTM)	8.5%	14.5%	9.8%
Cash conversion (LTM)	239%	40%	231%
Net debt / LTM EBITDA (excl IAC)	2.70	1.94	2.54
Net debt / equity	63%	43%	54%



Net Debt gradually declining post Georg Jensen acquisition - Net Debt/ LTM EBITDA (excl. IAC) down to 2.7x

NET DEBT (EURm) AND NET DEBT / LTM EBITDA (EXCL IAC)



- Net Debt / EBITDA is expected to decline towards the end of the year, provided the historical trends continue.
- EBITDA is seasonally higher in H2; Georg Jensen further increasing the year-end bias
- Free Cash Flow is seasonally stronger in H2, partially offset by Q3 cash dividends of EUR 33m.



Challenging operating environment reflected in progress in sales and EBIT targets

FINANCIAL TARGETS TRACKING

KPI	TARGET	2021	2022	2023	LTM Q2 2024	LAST 3 YEARS
NET SALES	Organic, FX neutral Mid-Single-Digit growth	✓ +14.2%	✗ +1.7%	✗ -9.7%	✗ -5.8%	✗ CAGR. -2.0%
EBIT	Mid-teen EBIT margin (excl. IAC) by end of 2025	✓ 12.3%	≈ 12.1%	✗ 9.8%	✗ 8.7%	≈ 10.4%
CASH FLOW	Free Cash Flow / Net Profit ≥ 80%	✓ 109%	✗ Neg.	✓ 231%	✓ 239%	≈ 66%
BALANCE SHEET	Net Debt / LTM EBITDA (excl. IAC) ≤ 2.5X	✓ 0.7X	✓ 1.5X	✓ 2.5X	≈ 2.7X	✓ 1.7X





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♦ *Thank
you!*





Appendix

Consolidated Q2 and H1 Key Figures

Q2 AND H1 2024 P&L KEY FIGURES, EURm

	Q2		H1	
	2024	2023	2024	2023
Net sales	281.0	267.9	564.0	542.8
Comparable gross profit	137.9	125.4	274.6	253.0
Sales and marketing	-81.2	-69.3	-155.8	-130.0
Research and development	-4.9	-4.8	-9.6	-10.3
General admin	-32.9	-28.2	-65.8	-58.9
Other income/expenses, net	0.3	0.4	0.9	1.0
Comparable EBIT	19.2	23.4	44.2	54.7
Items affecting comparability	-18.9	-1.2	-37.6	-3.5
EBIT	0.3	22.2	6.7	51.2
Profit for the period	-6.0	12.6	-3.6	33.1
Comparable Gross Margin	49.1%	46.8%	48.7%	46.6%
Comparable EBIT Margin	6.8%	8.7%	7.8%	10.1%

Q2 AND H1 2024 PER SHARE KEY FIGURES, EUR

	Q2		H1	
	2024	2023	2024	2023
Comparable Earnings per Share	0.10	0.17	0.35	0.44
Earnings per Share	-0.08	0.16	-0.05	0.41
Cash Earnings per Share	0.69	0.57	0.52	0.82



Q2 and H1 Cash flow and change in cash

Q2 AND H1 CASH FLOW VS. LY, EURm

	Q2-24	vs. LY	H1-24	vs. LY
EBITDA	21.5	-15.6	47.9	-33.2
Change in provisions	-2.6	-16.2	-12.7	-16.3
Non-cash adjustments	-0.0	+0.1	-0.2	-0.1
Cash Flow from operations	18.8	-31.7	35.0	-49.6
Change in inventories	1.1	-36.5	32.6	-23.4
Change in trade rec's	14.2	+24.6	-5.0	+19.8
Change in trade Pbl's	30.0	+44.1	16.0	+39.2
Change in TWC	45.3	+32.2	43.6	+35.5
Change in in other int.free items	0.4	+8.0	-19.6	-5.2
Change in NWC	45.7	+40.1	24.0	+30.3
CAPEX (net)	-12.9	-2.8	-23.7	-3.5
Operating Cash Flow	51.6	+5.6	35.3	-22.8
Taxes paid	-2.2	+2.0	-6.0	-2.6
Free Cash Flow	49.3	+7.7	29.2	-25.4

Q2 AND H1 CHANGE IN CASH VS. LY, EURm

	Q2-24	vs. LY	H1-24	vs. LY
Cash Balance period opening	53.7	-22.6	127.3	+11.5
Translation difference	1.1	+1.6	0.9	+1.8
Free Cash Flow	49.3	+7.7	29.2	-25.4
Dividends/ share buy-backs	-0.1	+0.0	-33.2	-0.8
Financial Items, net	-5.4	-0.7	-9.2	-2.8
M&A and Divestments	-	-	-	-0.2
Change in L-T debt	-0.1	-0.0	-0.2	+0.1
Payments of lease liabilities	-10.2	-3.1	-20.3	-6.6
Change in other S-T debt	-2.4	+61.8	-11.0	+66.0
Other non-operational changes	0.3	-0.3	2.7	+0.8
Cash Balance, period closing	86.3	+44.3	86.3	+44.3



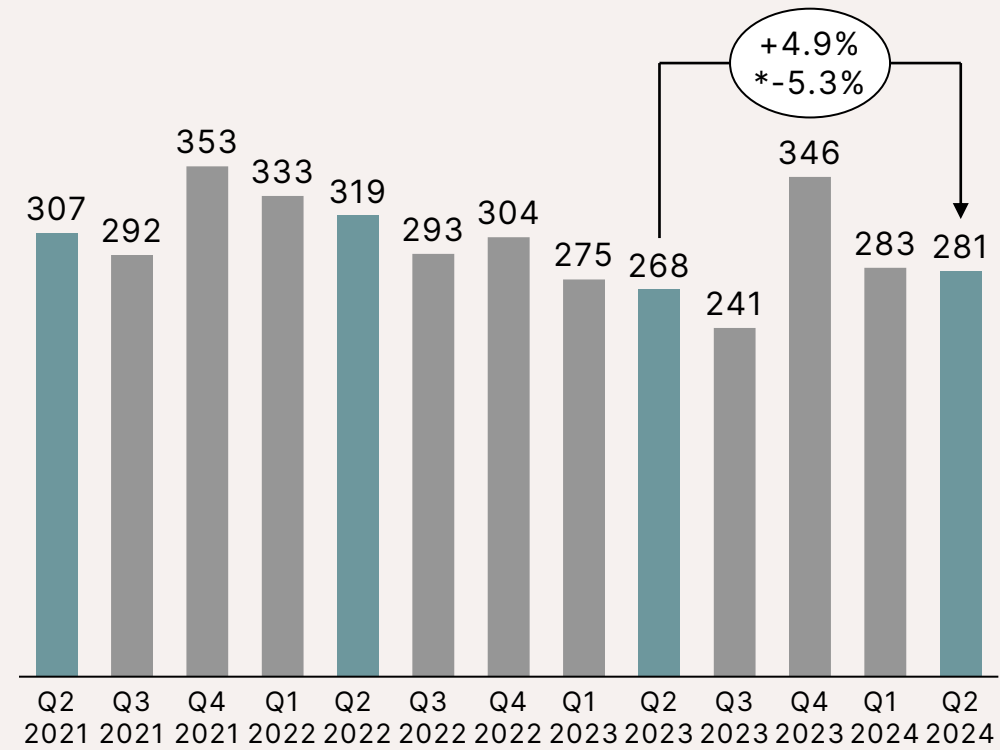
Georg Jensen Purchase Price Allocation (“PPA”) breakdown

PPA	EURm	P&L Impacts of PPA (EURm)						Comment
Purchase Price, Equity (A)	124.7							
Net Assets at Book Value	45.4	Q4-23	Q2-24	H1-24	Q3-24	Q4-24	FY-25 =>	
Fair Value adjs - Brand (trademark)	+ 61.0	-	-	-	-	-	-	
Fair Value adjs - Customer relationships	+ 20.0	- 0.3	- 0.3	- 0.5	- 0.3	- 0.3	- 1.0	Included in normal operational results
Fair Value adjs - Fixed Assets	+ 3.5	- 0.0	- 0.0	- 0.1	- 0.0	- 0.0	- 0.2	Included in normal operational results
Fair Value adjs - Inventory	+ 54.8	- 13.7	- 13.7	- 27.4	- 13.7	-	-	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	- 28.0	- 14.0	- 0.3	- 1.2	
Goodwill (A-B)	- 25.4	+ 25.4	-	-	-	-	-	Reported as Items Affecting Comparability
EBIT impact		+ 11.4	- 14.0	- 28.0	- 14.0	- 0.3	- 1.2	
Of which reported in IAC		+ 11.7	- 13.7	- 27.4	- 13.7	-	-	
Of which reported in operative result		- 0.3	- 0.3	- 0.6	- 0.3	- 0.3	- 1.2	



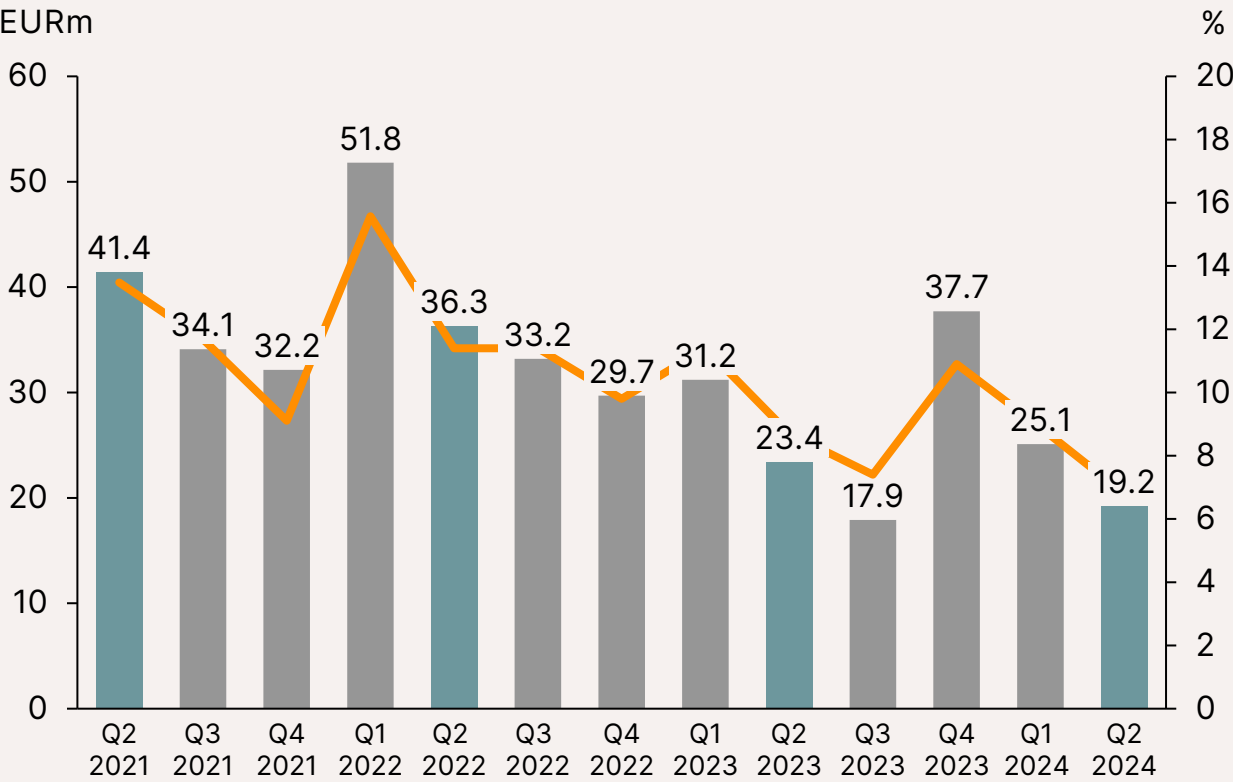
Fiskars Group's quarterly development – last 3 years

NET SALES, EURm



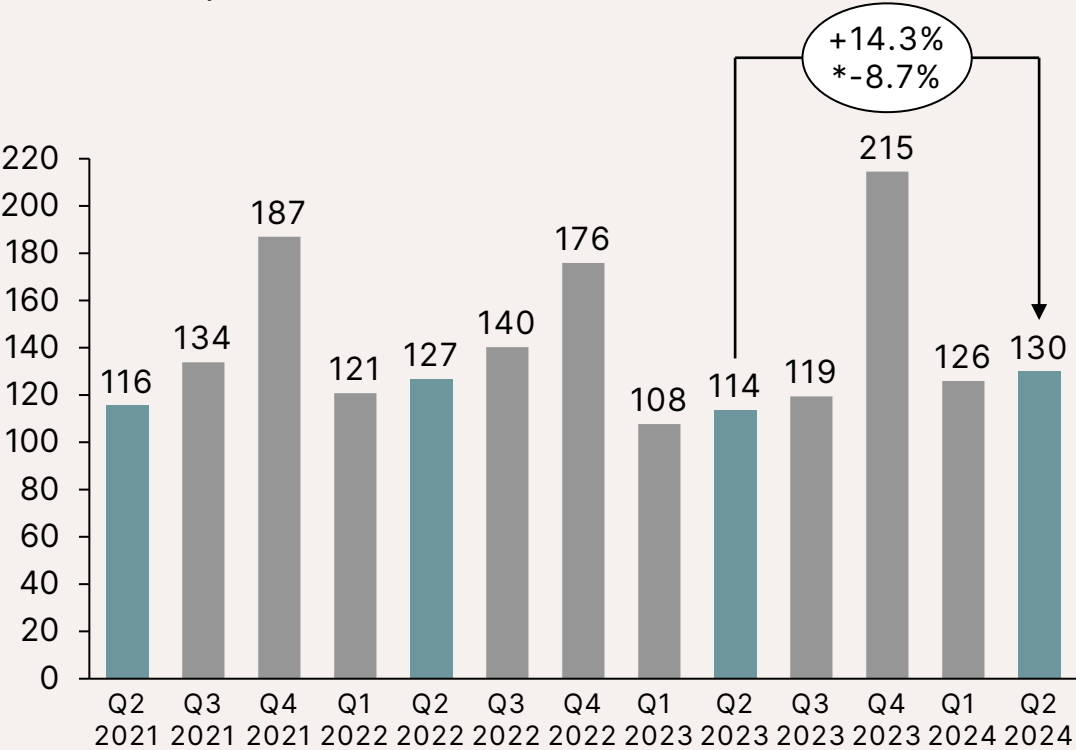
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COMPARABLE EBIT (EURm) AND EBIT MARGIN, %

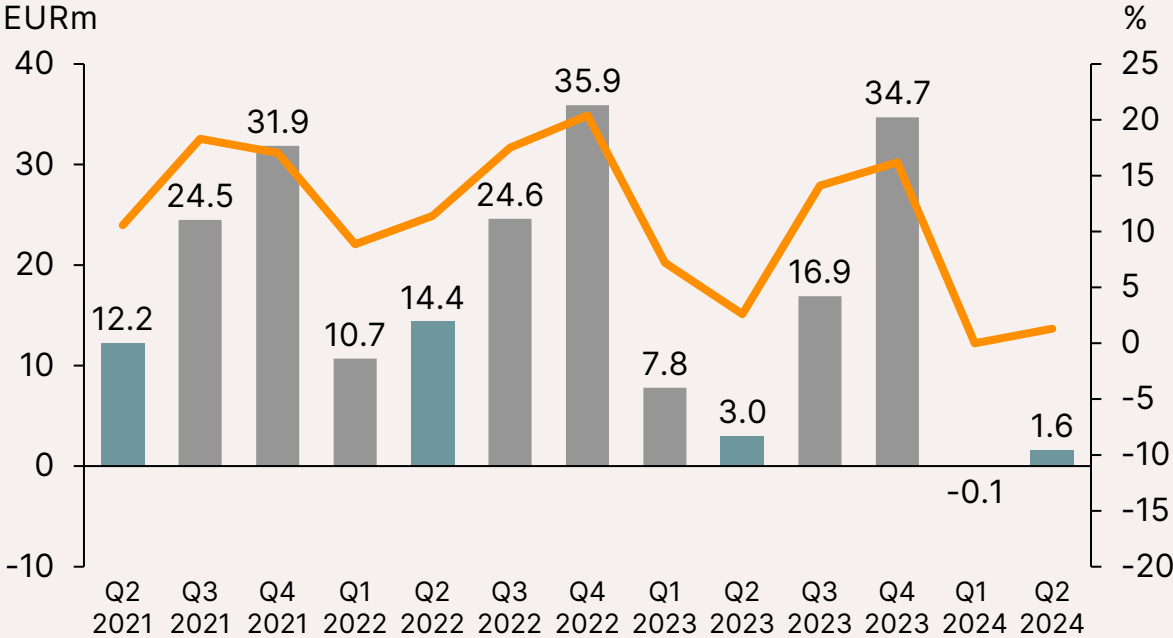


BA Vita's quarterly development – last 3 years

NET SALES, EURm



COMPARABLE EBIT (EURm) AND EBIT MARGIN, %

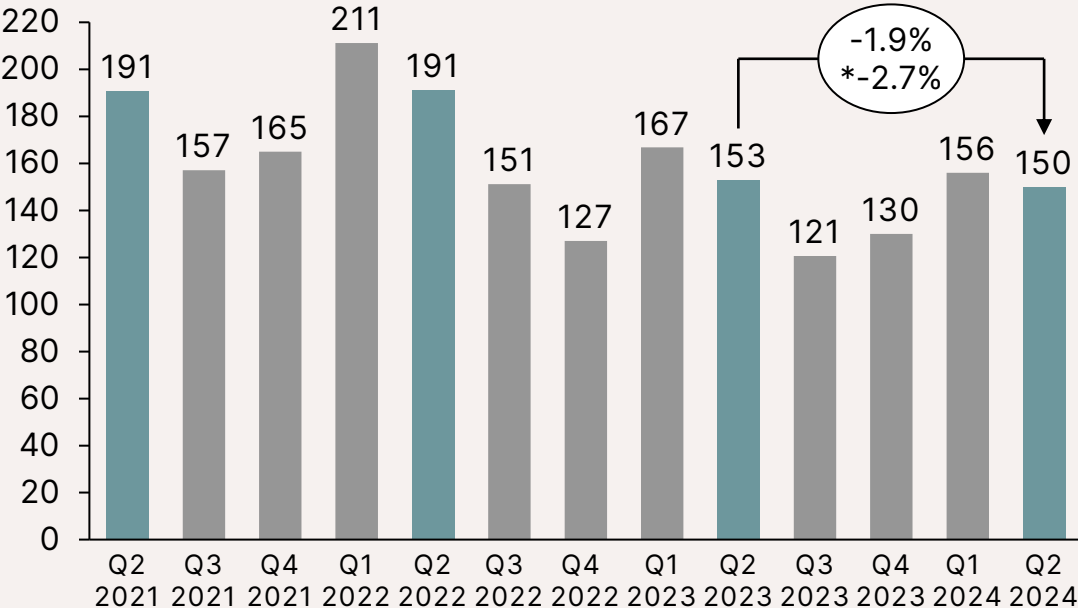


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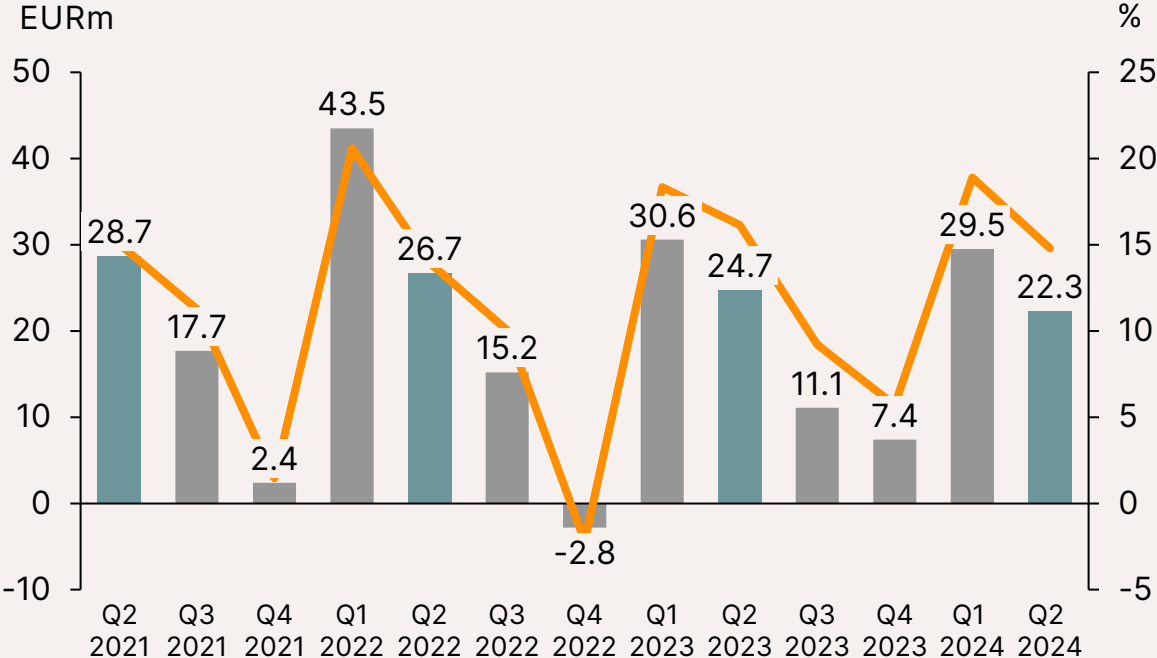


BA Fiskars' quarterly development – last 3 years

NET SALES, EURm



COMPARABLE EBIT (EURm) AND EBIT MARGIN, %



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