Fiskars Group at SEB Small and Mid Cap Day

NATHALIE AHLSTRÖM, PRESIDENT AND CEO

SEPTEMBER 19, 2024

Pioneering design to make the everyday extraordinary – global home of design-driven brands for indoor and outdoor living

FISKARS

ROYAL COPENHAGEN
BY APPOINTMENT TO THE ROYAL DANISH COURT

GEORG JENSEN

WEDGWOOD
MADE IN ENGLAND JW
1759

WATERFORD
IRELAND 1783

IITTALA
1881

MOOMIN
ARABIA
FINLAND

GERBER

ROYAL DOULTON
LONDON 1815

ROYAL ALBERT
ENGLAND 1904

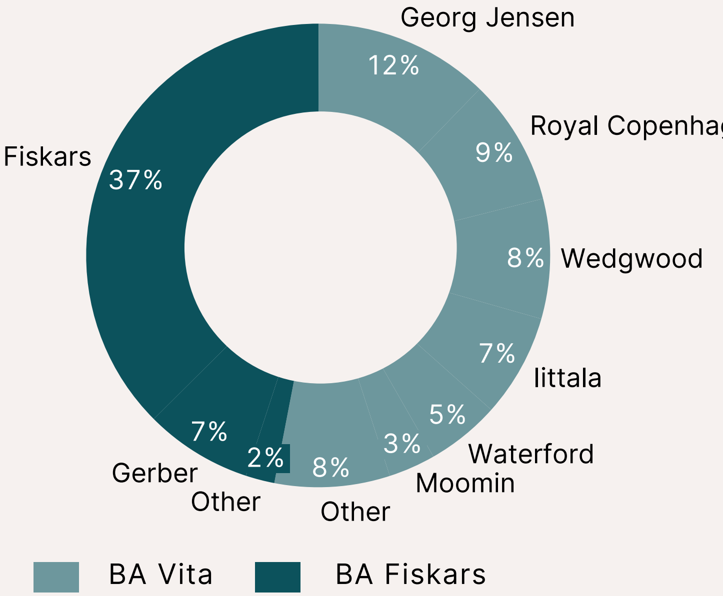
ROGASKA

ARABIA
1873

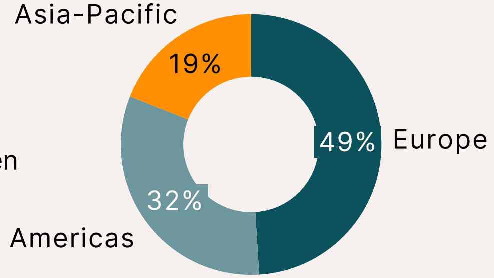
HACKMAN

Rörstrand

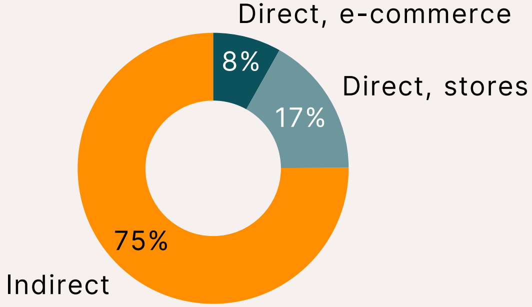
SALES SPLIT BY BRAND* AND BUSINESS AREA (BA)



SALES SPLIT BY GEOGRAPHY



SALES SPLIT BY CHANNEL



Note: 2023 full-year figures.
*Georg Jensen figures included as if it was acquired on January 1, 2023.

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In the final leg of our transformation journey

2021 — 2025

Several strongholds to build on

- Pioneering design
- Comprehensive portfolio of brands
- >1/3 of net sales from luxury
- Global scale & teams
- Sustainability at our core

Transforming the company amidst a tough operating environment

- Managing tough market conditions; protecting profitability and cash
  - Continuously improving GM%: +690 bps LTM Q2 2024 vs. 2020
  - Managing cost through strategic, efficiency enhancing programs: net of 500 roles reduced LTM Q2 2024
  - Prudent cash flow management: last five years average CEPS EUR 1.42 (vs. average dividend of EUR 0.70)

We are becoming sharper

- Sharpened logic with active portfolio management
- Simplified way of operating
- Strategy and financial targets remain unchanged

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Long-term market dynamics are attractive

POWERFUL BRANDS THAT SURROUND THE CONSUMER

50% of consumers globally willing to spend extra for brand image[1]

IMPORTANCE OF DIRECT-TO-CONSUMER

Integral to buyer's journey – storytelling, experience and connection with brand

LUXURY IS ATTRACTIVE LONG-TERM

6-8% CAGR forecast for the global personal luxury market[2]

SUSTAINABILITY IS KEY

58% of consumers feel they can make a difference through their choices[3]

Sources: 1: Statista, 2023; 2: BCG, 2023, 3: Euromonitor, 2022

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The transformation continues...

LOGIC	WE FOCUS ON WINNING: Brands, Channels, Countries
TRANSFORMATION LEVERS	Commercial excellence
	Direct-to-Consumer
	U.S.
	China
ENABLERS	PEOPLE · DIGITAL · INNOVATION & DESIGN · SUSTAINABILITY

Transformation levers making our foundation stronger

Sharpened portfolio logic – clear roles for each brand

Evolving our operating model towards BA independence

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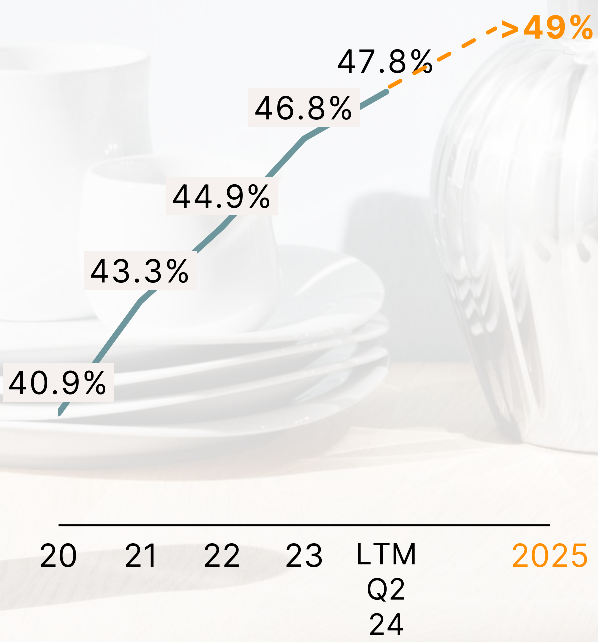
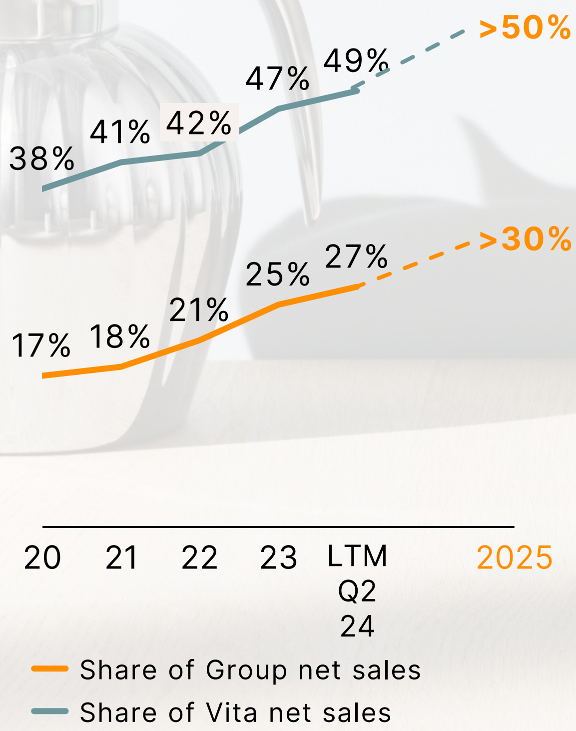
...and is laying the foundation for stronger future growth

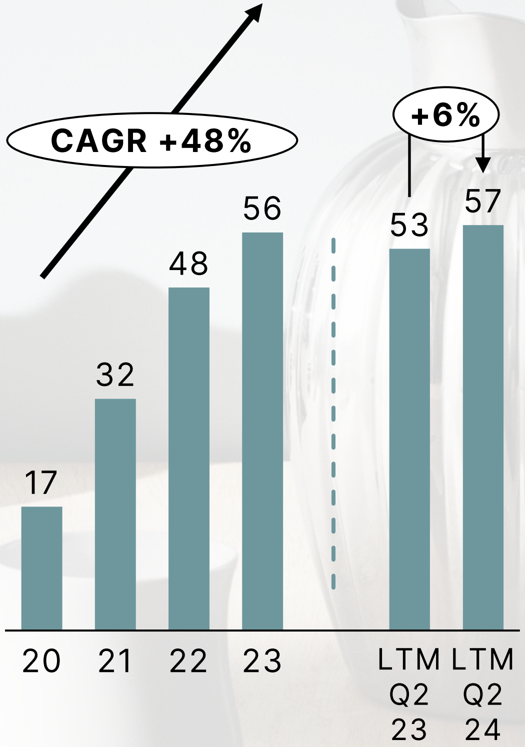
GROSS MARGIN HAS IMPROVED CLEARLY



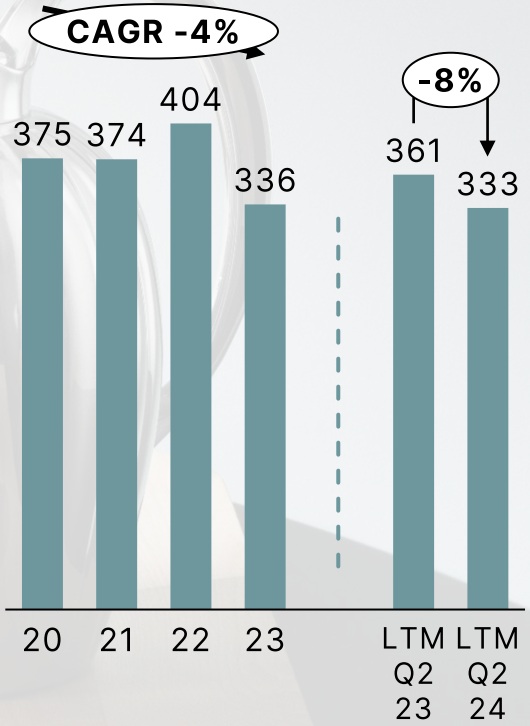
SHARE OF DTC SALES HAS GROWN STEADILY



CHINA NET SALES HAVE MORE THAN TRIPLED FROM 2020
EURm



U.S. NET SALES DECLINED IN 2023*
EURm



*Net sales in 2020-2022 excluding US Watering business, which was divested in February 2022.

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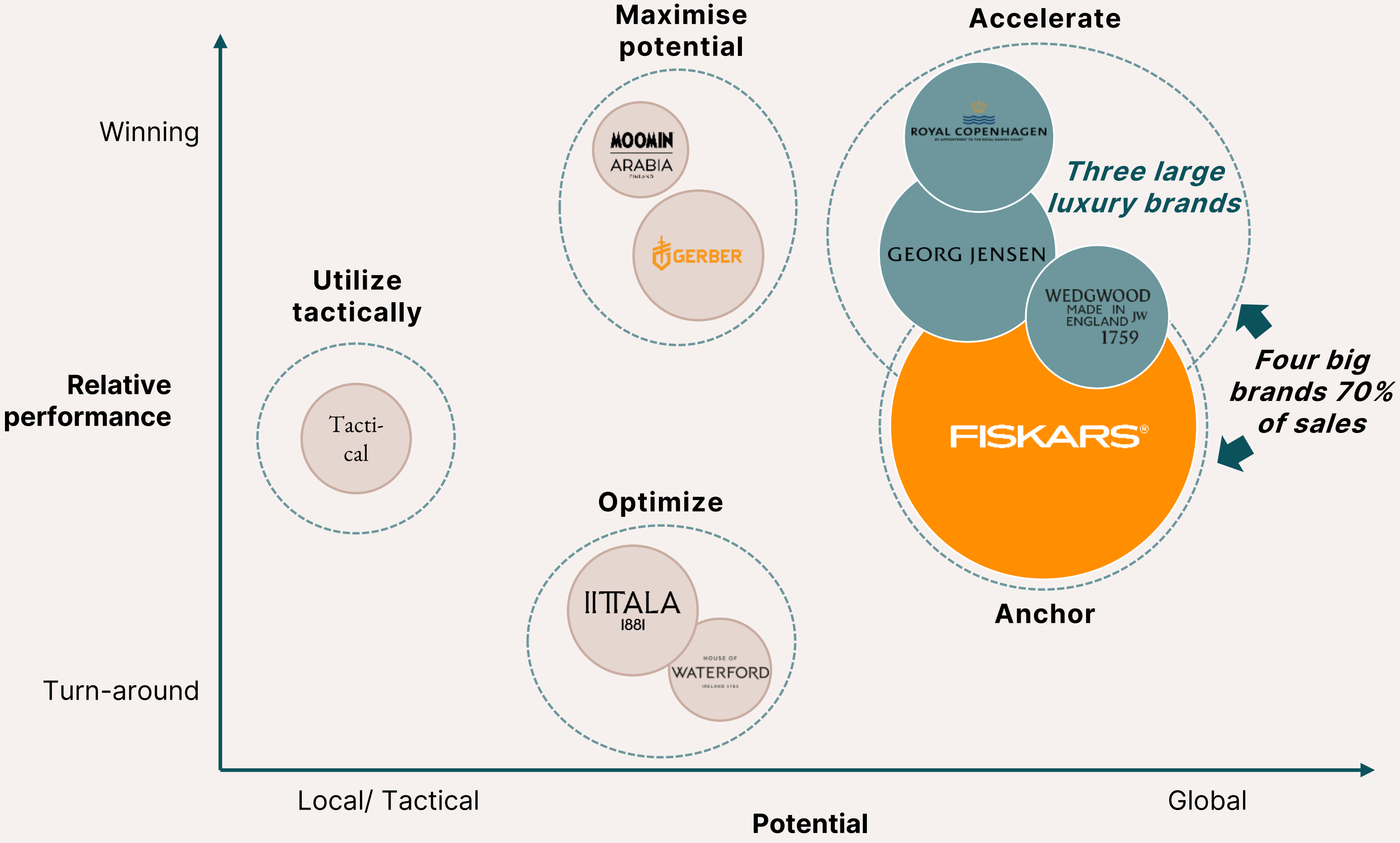
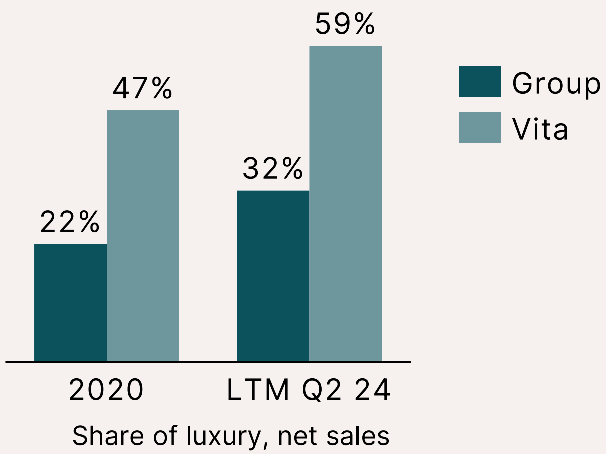
Sharpened portfolio logic – clear roles for each brand



INVESTMENTS AND RESOURCES ALLOCATED TO ENHANCE VALUE CREATION :

- Make the big brands bigger
- Surround the consumer through category expansion
- Command high-end positioning*
- Expand DTC*

INCREASED SHARE OF LUXURY IN OUR PORTFOLIO



The size of the bubble demonstrates the size of the brand in terms of net sales
Tactical brands: Arabia, Rörstrand, Royal Doulton, Royal Albert

*Strategic for BA Vita

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Reshaping our portfolio inorganically: Systematic & disciplined approach to M&A – *case Georg Jensen*

Fiskars Group M&A playbook

Case Georg Jensen

Identify & Acquire

- Confirmed strategic fit, category expansion into jewellery
- No surprises post-closing
- Complementary capabilities & cultures

Attractive valuation

EV/EBITDA 4.7x with cost synergies, net of integration costs.
Negative transaction goodwill

Integrate

- Performance in line with business case
- Great reception by key customers
- Business as usual since July 2024

On-track with synergy realization

Out of **EUR 18m** cost synergies, **~75%** in implementation.
Net 10% FTE reduction in H1 2024

Operate

- Strategy building on complementary strengths
- Streamlined structure with improved clarity
- New key talent and leadership

Business in better shape

Solid foundation for growth and operational improvement established through active ownership

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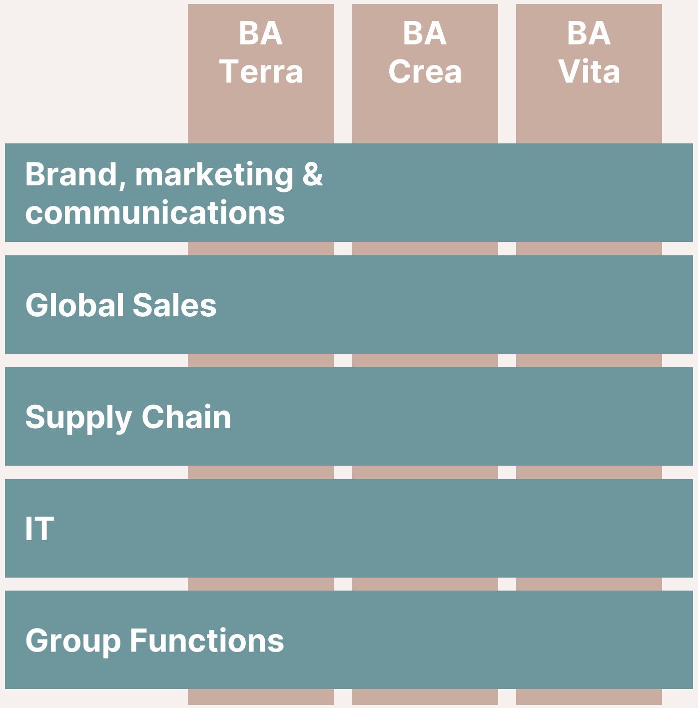
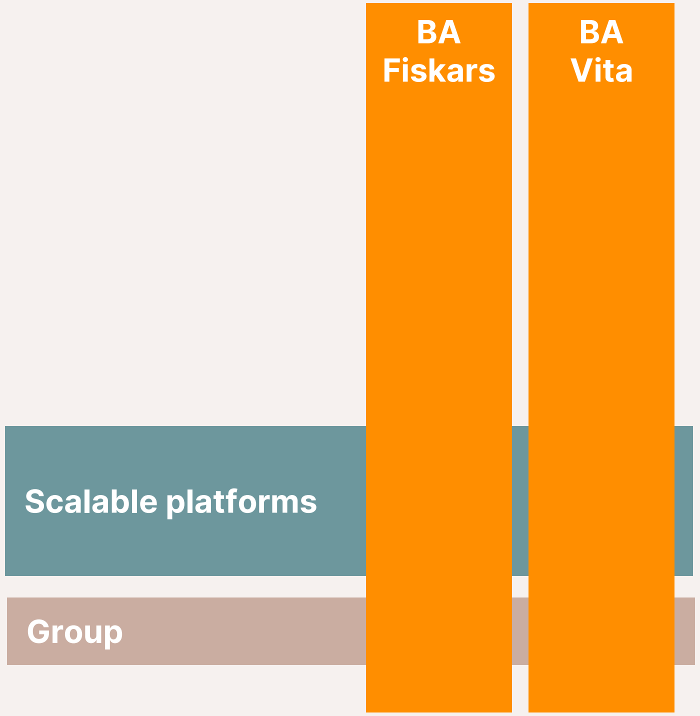
Evolving our way of operating towards Business Area independence for increased speed and impact

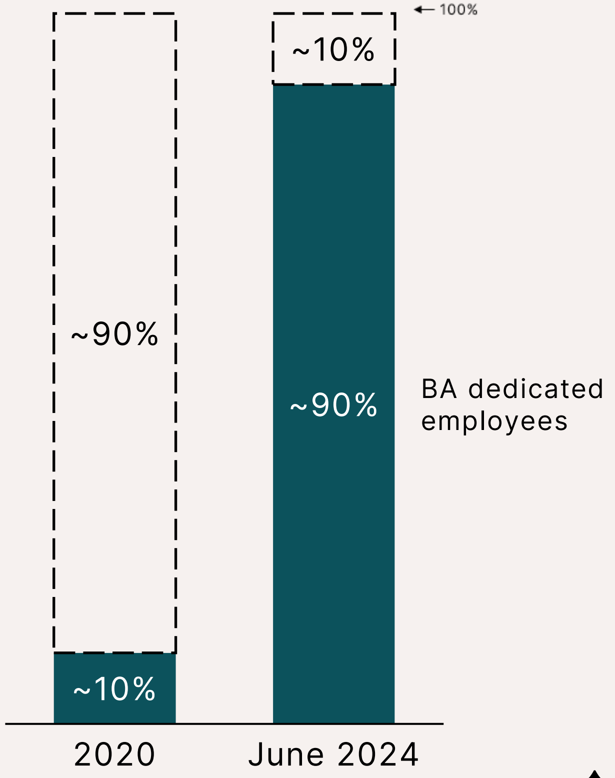
2020:
BAs as product owner, part of Group-wide matrix organization



TODAY:
BAs as business owner, P&L accountable



BA DEDICATED EMPLOYEES:



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Growth fundamentals put in place one by one – *case Moomin Arabia*

Clear building blocks for growth…

- **Category expansion** – Surrounding the consumer with home textiles – In 2020, only ceramics → today approx. **20%** textiles
- **Channel expansion** – Expanding DTC with **8** new brand stores this year
- **Country expansion** – Amplifying footprint with key partners, such as Barnes & Noble in the U.S. – Share of international sales over **50%** today

… combined with dedicated, independent team delivering with speed

→ **Fully end-to-end accountable brand to maximize potential**

+11% CAGR
2020-2023

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Strong ESG track record and commitment is key for growth

ENVIRONMENTAL

Net sales from circular products and services

1-6/2024: **24%**
Base year 2021
50% in 2030

1-6/2023: 8%

Emissions from own operations (Scope 1 & 2)

1-6/2024: **-54%**
Base year 2017
-60% in 2030

1-6/2023: -53%

Emissions from transportation and distribution (Scope 3)

2023: **-46%***
Base year 2018
-30% in 2030

2022: -15%

% suppliers by spend have science-based targets

At the end of 06/2024: **58%**
Target set 2020
60% in 2024

31.3.2024: 49%

SOCIAL

Zero harm with zero LTAF (Lost time accident frequency)

1-6/2024: **2.8**
Target: **0**

1-6/2023: 5.0

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

May 2024: **77**
Target: **81**

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

Nov 2023: 70

PLATINUM Top 1% ecovadis Sustainability Rating MAY 2024

*Decrease mostly due to lower sales and production volumes. Target 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.

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Thank you!

Key messages

- We are in the final leg of transformation
- Our profile is increasingly attractive
- We evolve our operating model for speed & impact
- Our growth fundamentals are starting to deliver

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QUALITY
SINCE 1649
FISKARS X18

Appendix

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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.

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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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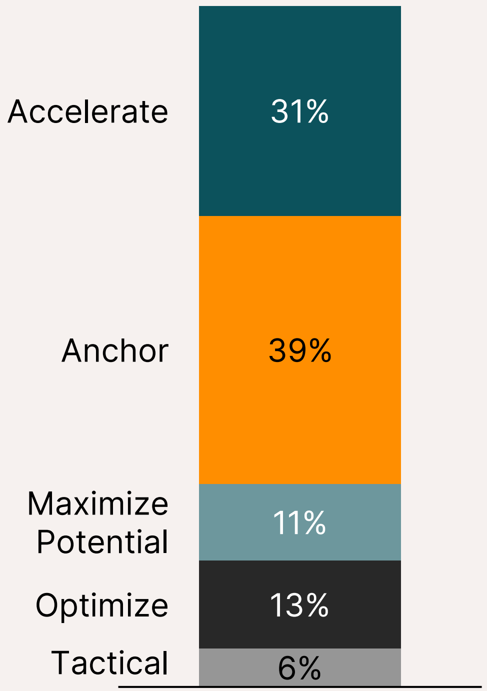
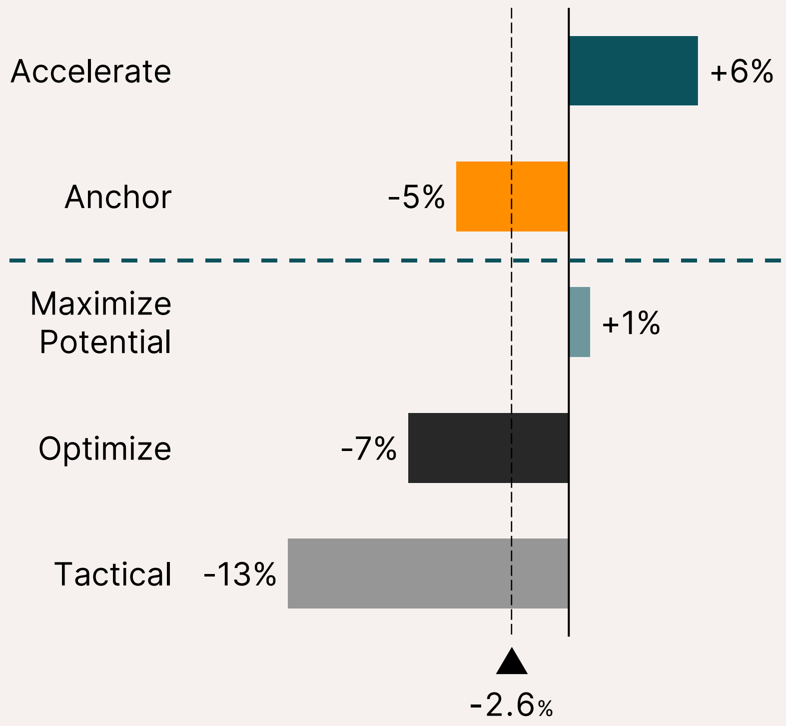
Net sales: Four brands (70% of net sales) are expected to deliver solid growth in the next two years

NET SALES, FY 2023*



ANNUAL GROWTH LAST 2YRS



GROWTH RATIONALE FOR THE NEXT 2YRS

- Over-invest to grow DTC first, across key cities & categories
- Unlock Fiskars brand potential - and focus
- Self-funded growth
- Profit first to step-up performance
- Complement brand portfolio locally

Accelerate: Royal Copenhagen, Wedgwood, Georg Jensen | Anchor: Fiskars | Maximize Potential: Moomin Arabia, Gerber | Optimize: Iittala, Waterford | Tactical: Royal Albert, Royal Doulton, Rörstrand, Arabia

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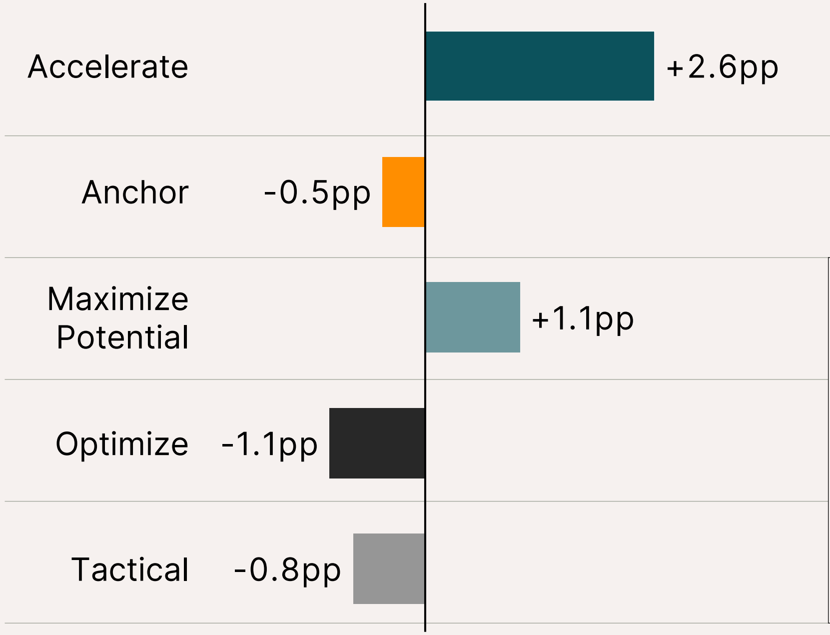
*) pro-forma: includes Georg Jensen Net Sales for full year 2023 (consolidated into Fiskars group from 1.10.2023 onwards)

Profitability: Further gross margin improvement through investments in growth drivers and supply chain efficiency gains

GM CONTRIBUTION (PP), LAST 2YRS



ENHANCED GROSS MARGIN DRIVERS

- DTC driven channel mix change
- Towards luxury (higher price points)

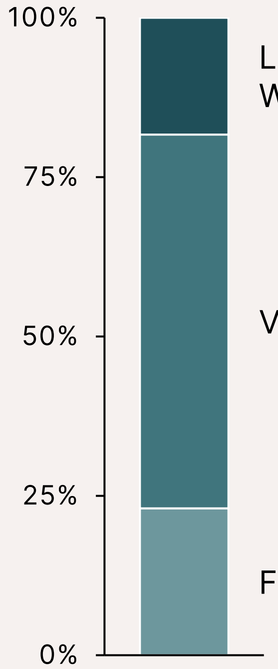
- ComEx (US Focus)
- Supply chain efficiency improvement

- Supply chain efficiency improvement

- Enhanced brand positioning

- Complete selective distribution

COST OF GOODS POTENTIAL FOR GROSS MARGIN IMPROVEMENT



Logistics & Warehousing
- Warehouse footprint vs. strategic channel mix change
- Logistic cost inflation stabilizing

Variable
- Improving capacity utilization
- Ongoing efficiency improvement
- Procurement
- Material and energy cost inflation stabilizing

Fixed
- Ongoing efficiency improvement

Accelerate: Royal Copenhagen, Wedgwood, Georg Jensen | Anchor: Fiskars | Maximize Potential: Moomin Arabia, Gerber | Optimize: Iittala, Waterford | Tactical: Royal Albert, Royal Doulton, Rörstrand, Arabia

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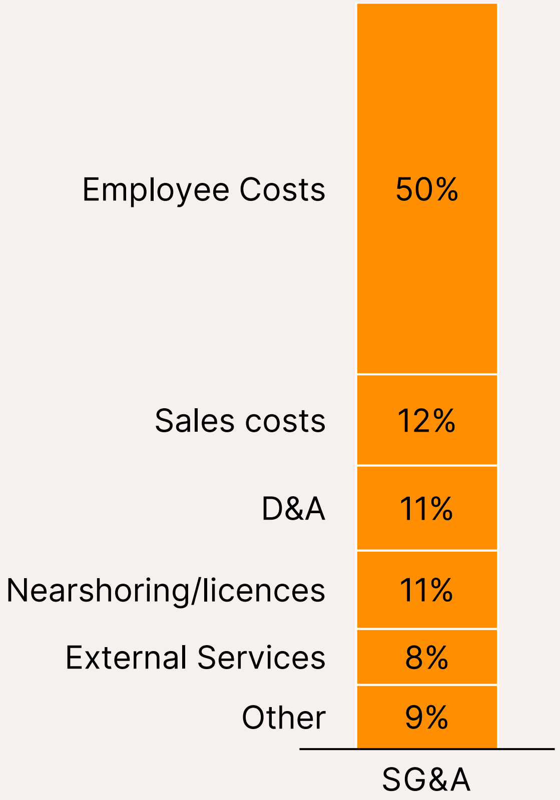
Profitability: Further SG&A leverage through the ongoing programs

SG&A STRUCTURE 2023 (%)



ONGOING PROGRAMS

Program	Target and main levers	Related one-offs	Status
January 2023	• Savings of EUR 30m, half of which in H2 2023. • Net reduction of 100 roles, termination of external services, renegotiations of supply contracts • Positive impacts mainly in SG&A, partially also in COGS	• EUR 6m • Fully recorded in YTD September-23 results • Reported as Items Affecting Comparability	• 100 roles reduced • External services reduced • Savings partially offset by inflation, especially in people costs
September 2023	• Savings of EUR 25m, the majority of which in 2024 • Net reduction of 400 roles through organization delayering especially in supply chain • Positive impacts mainly in COGS, partially also in SG&A	• EUR 5m • EUR 2m recorded in Q3-23 results. The remaining EUR 3m in Q4-23. • Reported as Items Affecting Comparability	• Consultations completed in Q4 2023 • 400 roles reduced

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Growth investments' share of CAPEX allocation will increase

- CAPEX 4-5% of Net Sales (earlier approx. 4%)
- Growth investments' share in Retail, Supply Chain and Digital will increase

		COMMENT	NEXT 2YRS	FISKARS	VITA
Retail	7%	• 60% Expansion • 40% Renovation/maintenance	↑	◔	●
Functions	12%		↓		
Product Development	12%		→	●	●
Supply Chain	27%	• 55% Replacement • 45% Development (Capacity expansion, efficiency improvement)	↑	●	●
Digital & IT	41%	• 40% Enabling sales growth and business performance improvement • 60% Simplification, continuity and cyber security	→	◑	●

Last 2yrs average: EUR 49m (4.2% of net sales)

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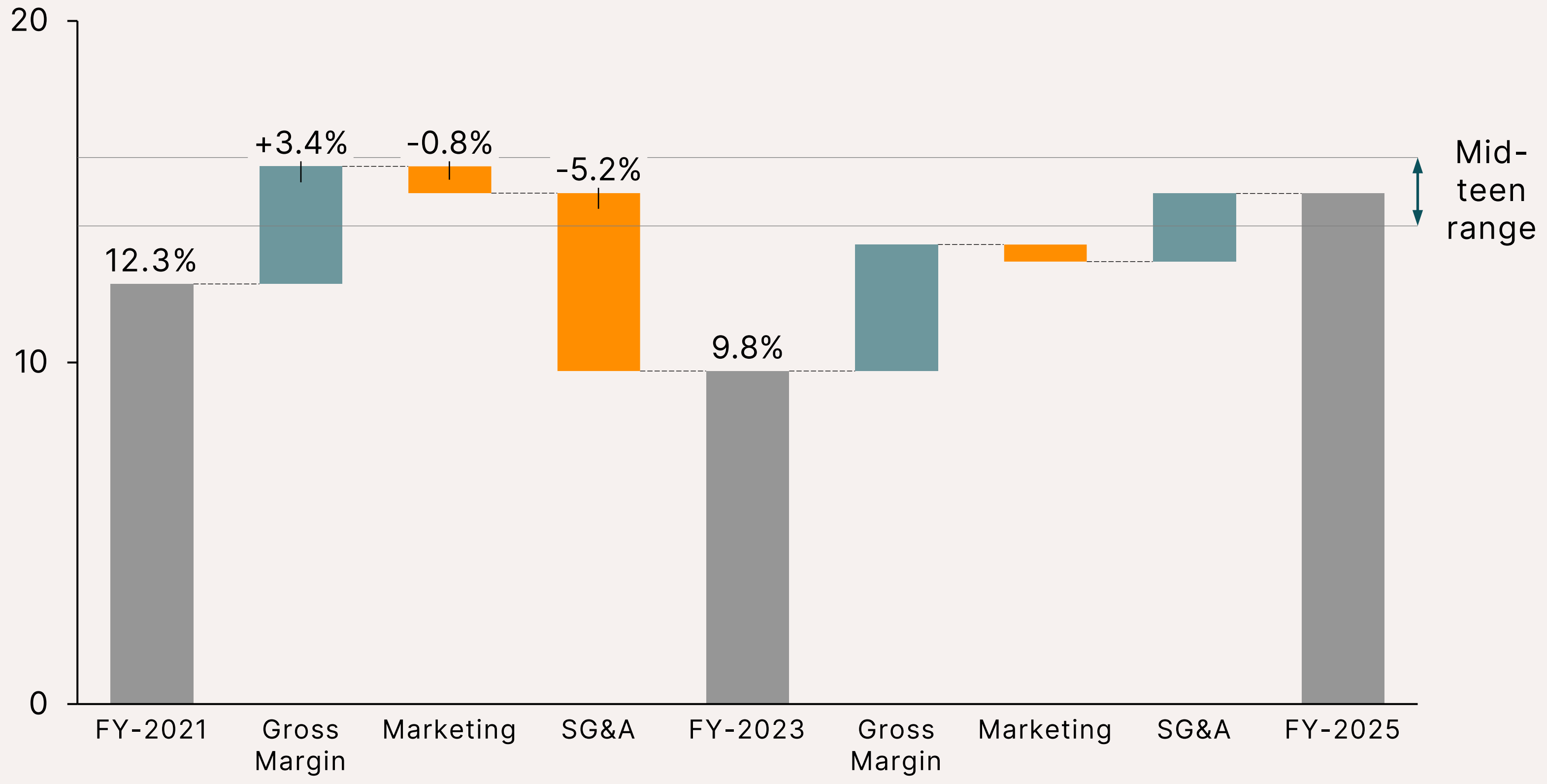
Towards mid-teen EBIT% – balanced improvement boosted through gross margin & announced cost efficiency programs

- Gross margin improvement expected to continue supported by the Georg Jensen acquisition

- SG&A efficiency mainly through the ongoing efficiency programs

EBIT MARGIN BRIDGE 2021-2023-2025 (%)



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Free cash flow (FCF) and net debt

231%

92% (L3yrs)

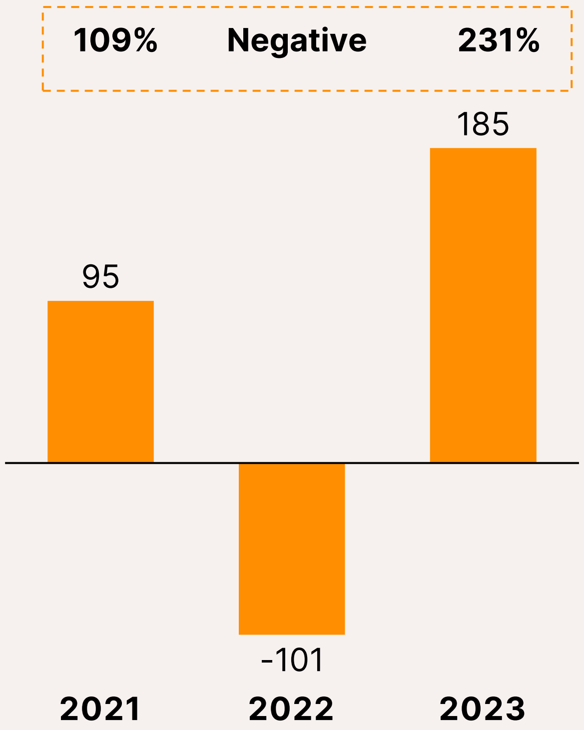
Cash conversion rate

2.5X

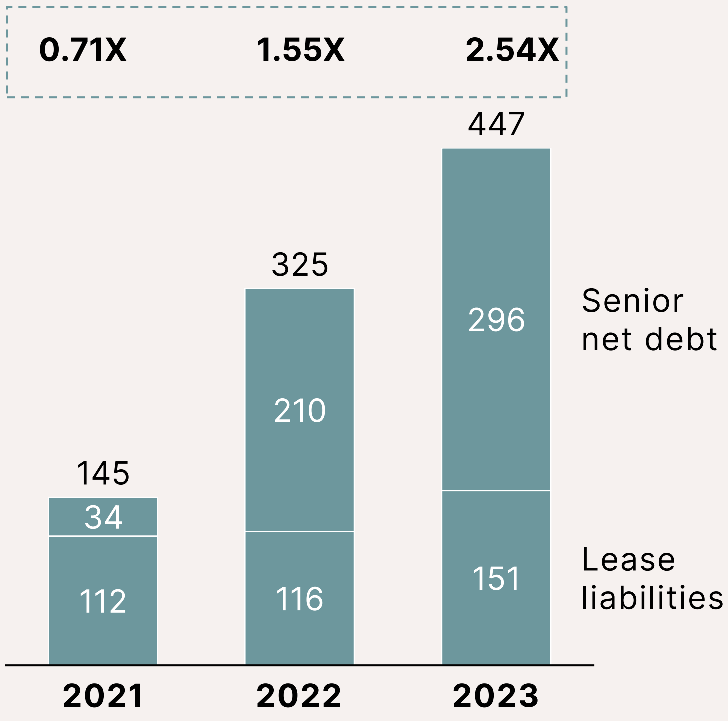
1.3X (L3yrs)

Net debt / LTM EBITDA (excl. IAC)

FY FREE CASH FLOW, EURM AND FREE CASH FLOW / LTM NET PROFIT (EXCL. IAC)



NET DEBT, EURM (31.12.) AND NET DEBT / LTM EBITDA (EXCL. IAC)



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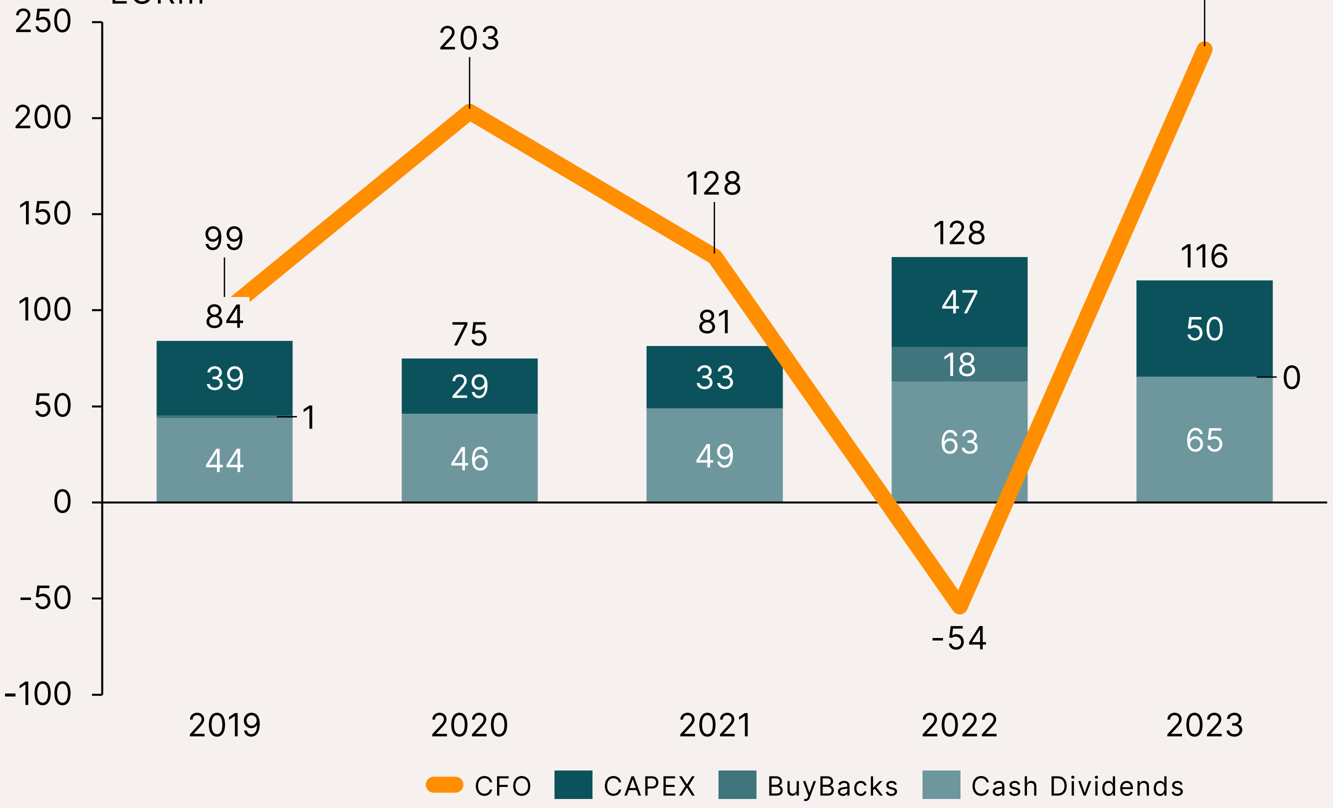
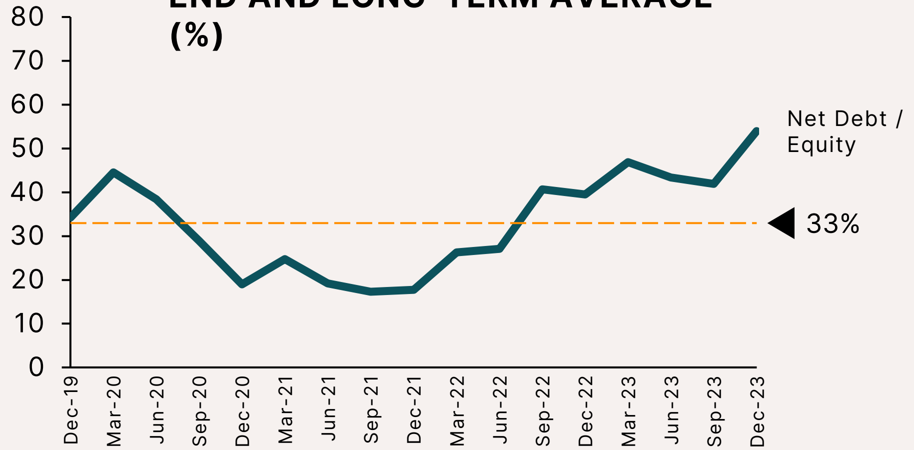
Strong balance sheet has enabled steady investments and increasing shareholder returns despite recent cash flow volatility

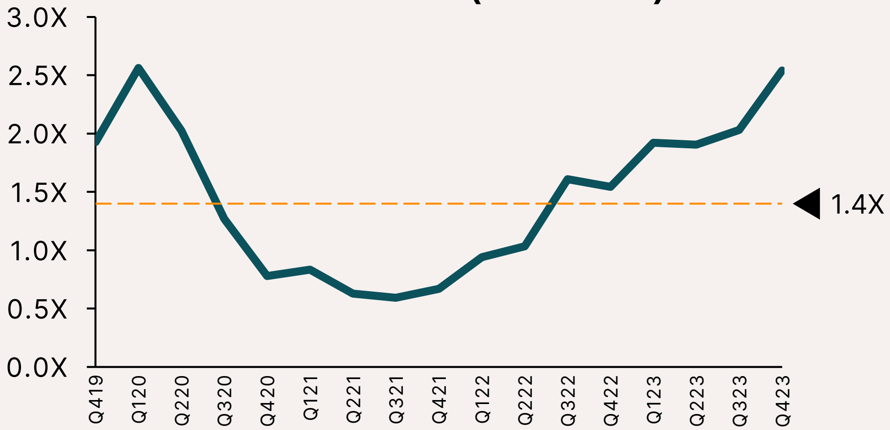
CASH FLOW FROM OPERATIONS (CFO), CAPEX AND CASH RETURNS TO SHAREHOLDERS
EURm



NET DEBT / EQUITY AT QUARTER-END AND LONG-TERM AVERAGE (%)



NET DEBT / EBITDA (LTM) AND LONG-TERM AVERAGE (MULTIPLE)



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Principles for capital allocation prioritization

	2024	2025
Deleverage balance sheet back to the target level	Priority	Maintain
Secure funding for **organic growth** investment	Maintain	Maintain
Ensure stable, **sustainably increasing** cash dividend	Priority	Priority
Maintain **financial flexibility** for future M&A	Maintain	Maintain

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Solid history of returns to shareholders: a foundation for resilient and sustainably growing dividends

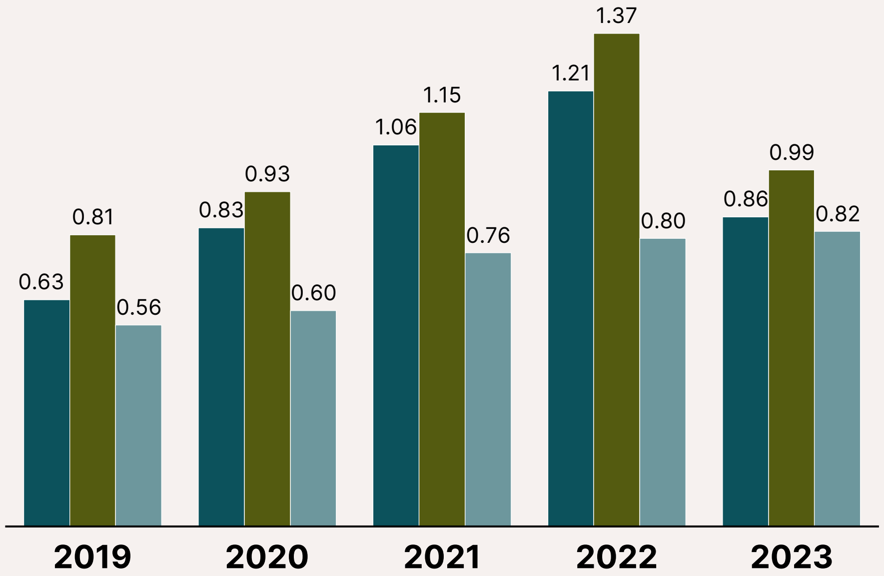
10.0%
Dividend CAGR 2019-2023

67%
Payout Ratio on EPS excl. IAC 2019-2023

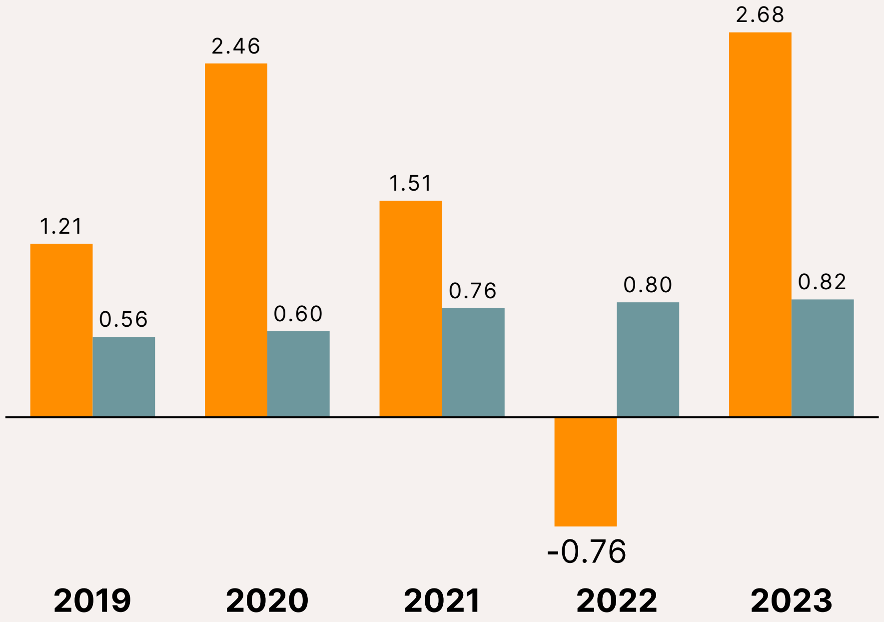
50%
Payout Ratio on CEPS 2019-2023

EUR 294m
Dividends (EUR 274m) and share buybacks (EUR 20m) 2019 –2023

EPS, EPS excl IAC and DPS 2019-2023



EPS, EPS excl IAC and DPS 2019-2023



EPS EPS (excl.IAC) CEPS DPS

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Q2 2024

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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:

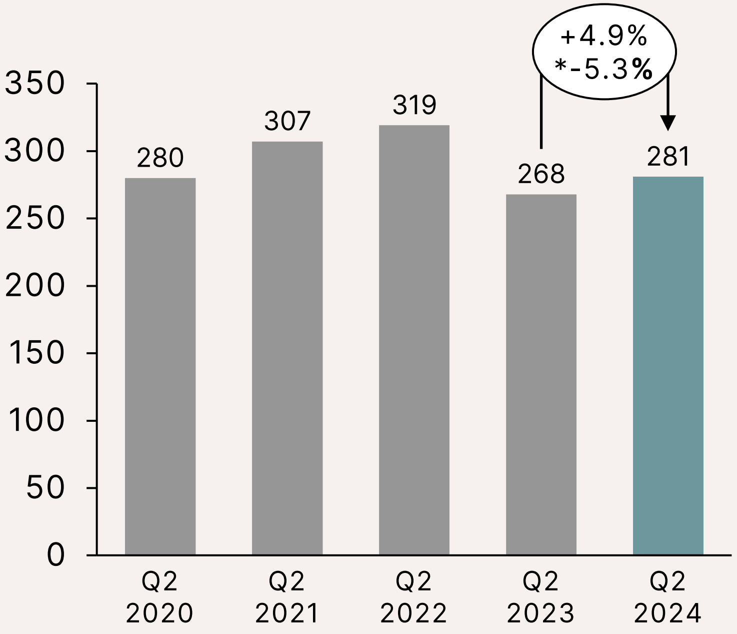
COMPARABLE EBIT EXPECTED TO BE SLIGHTLY ABOVE THE 2023 LEVEL

GEORG JENSEN INTEGRATION NEARLY COMPLETED –

ON TRACK WITH EUR 18 MILLION COST SYNERGIES

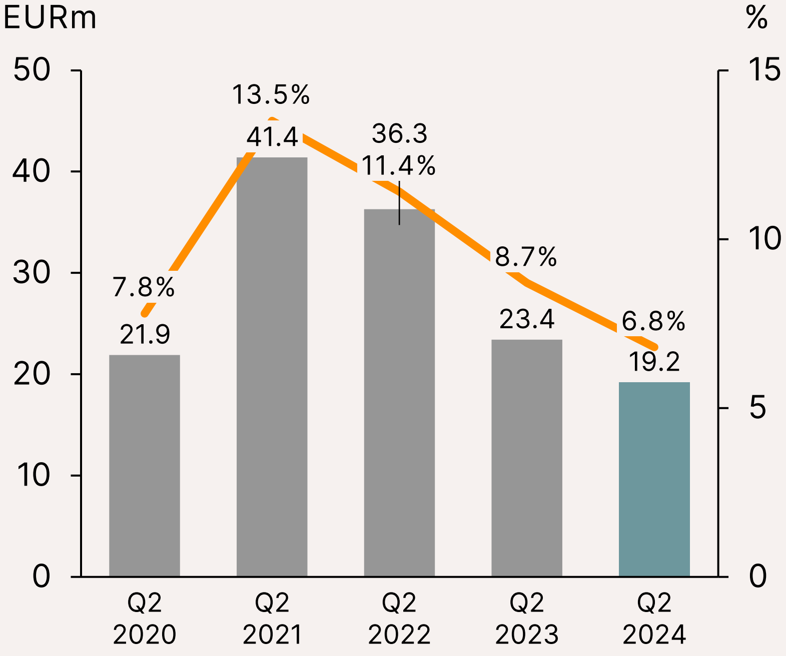
Q2 2024 Group key figures

REPORTED NET SALES, EURm



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

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

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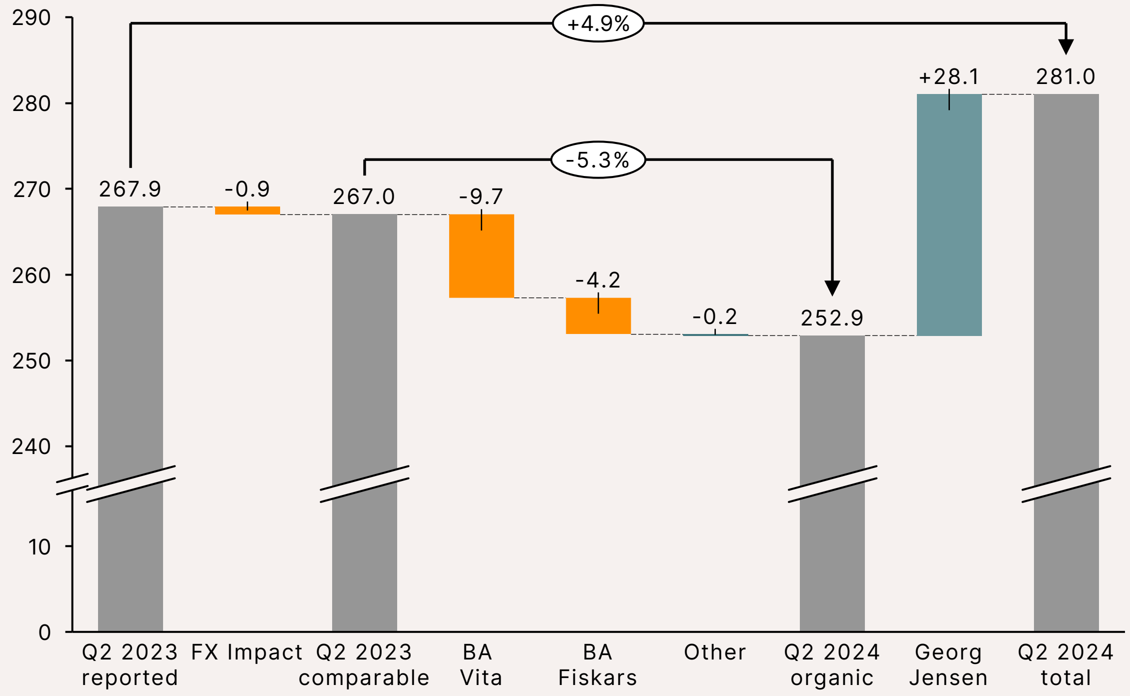
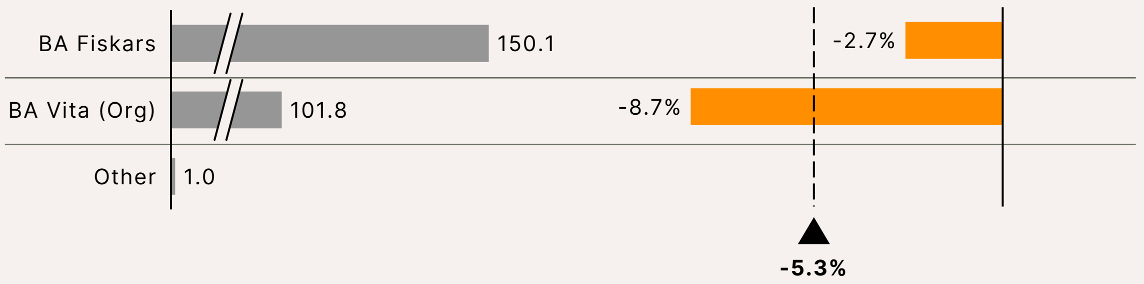
Q2 reported net sales increased through the acquisition of Georg Jensen, comparable net sales declined in a challenging market

Q2 2024 NET SALES BRIDGE, EURm

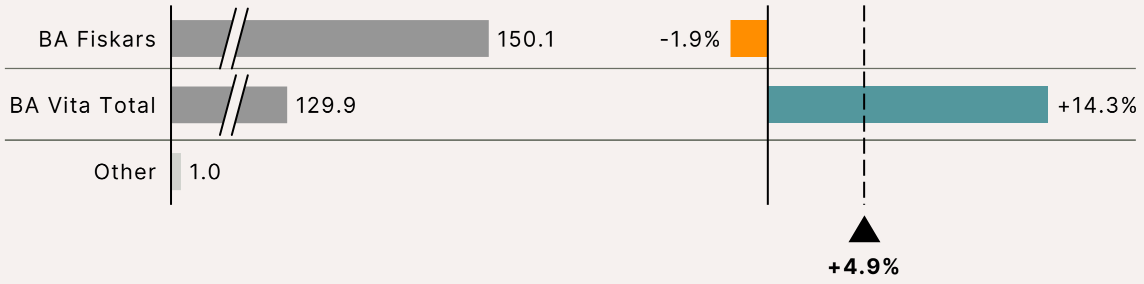


*Comparable net sales exclude the impact of exchange rates, acquisitions and divestments

Q2 2024 COMPARABLE NET SALES BY BUSINESS AREA, EURm



Q2 2024 REPORTED NET SALES BY BUSINESS AREA, EURm



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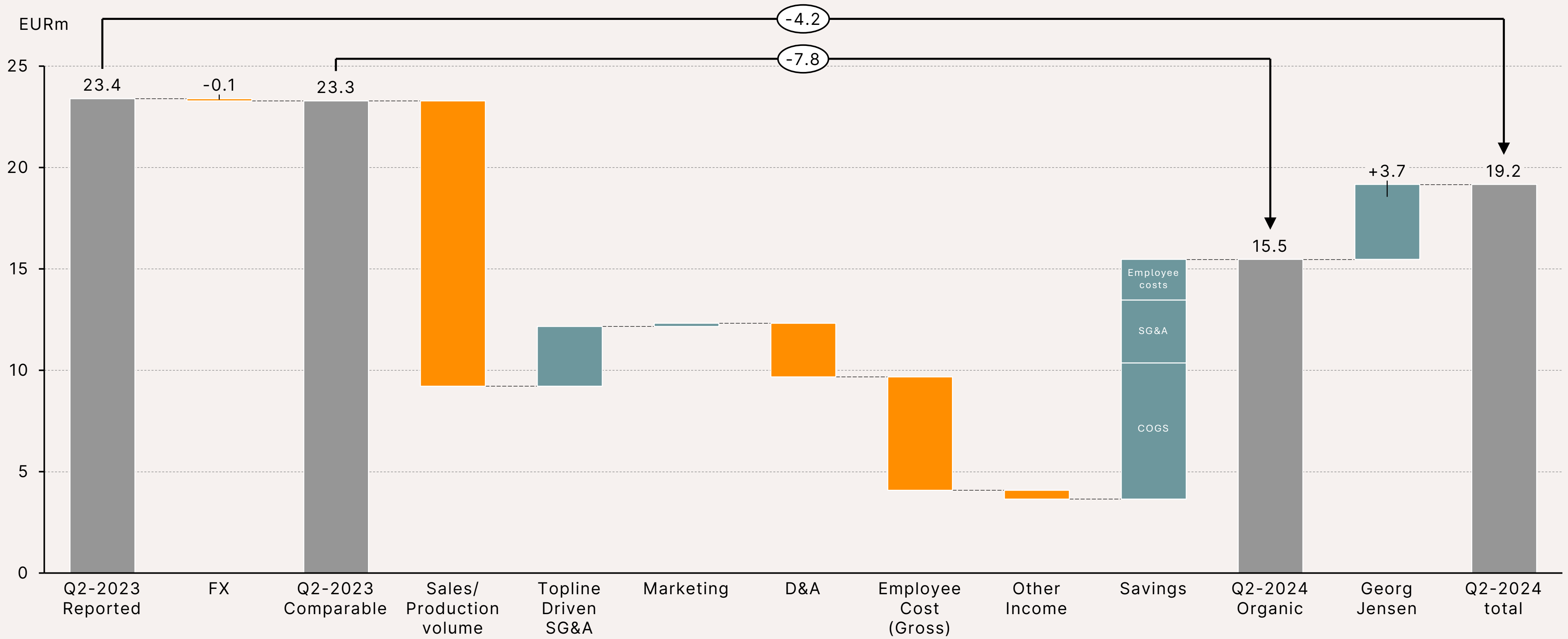
Q2 EBIT EUR -4.2m (EUR -7.8m excl. Georg Jensen) from previous year – savings partially offset the negative volume impact

Q2 2024 EBIT EXCL. IAC BRIDGE, EURm



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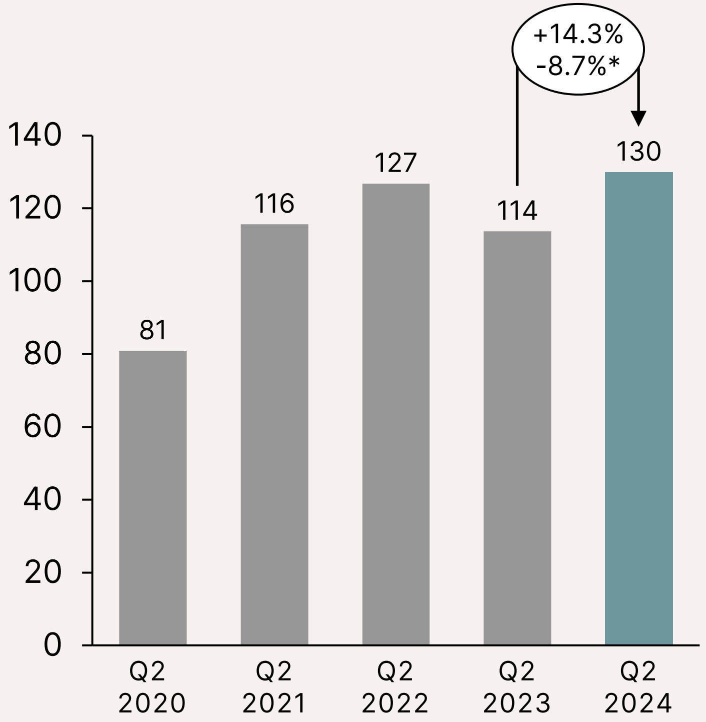
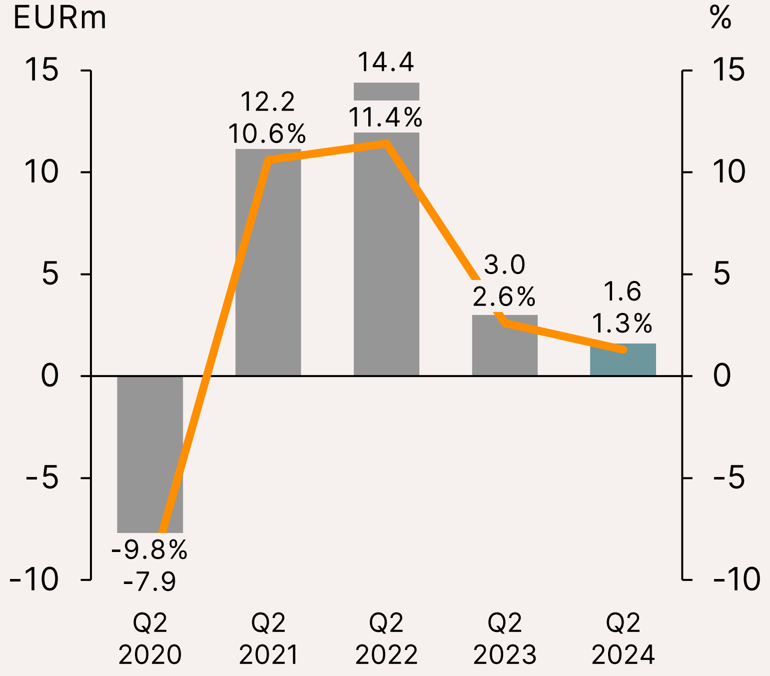
BA Vita Q2: All-time high gross margin, improving both organically and driven by Georg Jensen

REPORTED NET SALES, EURm



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

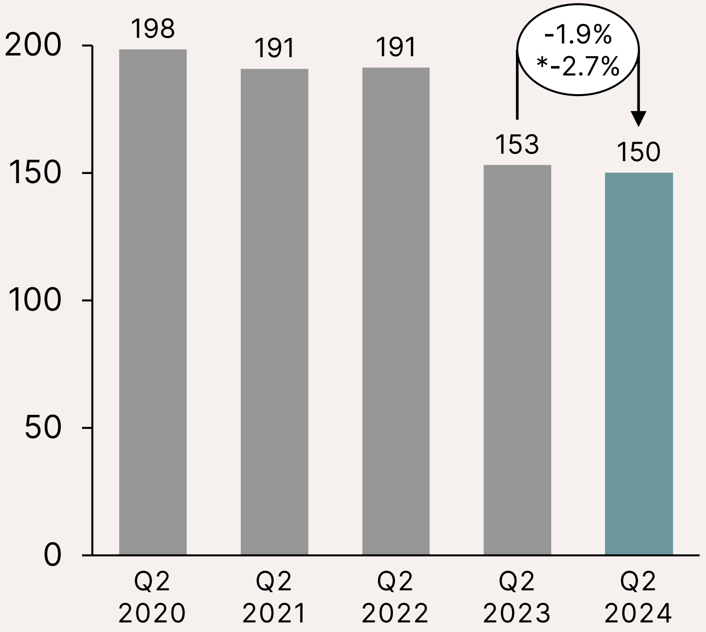
COMPARABLE EBIT (EURm) AND COMPARABLE EBIT MARGIN, %



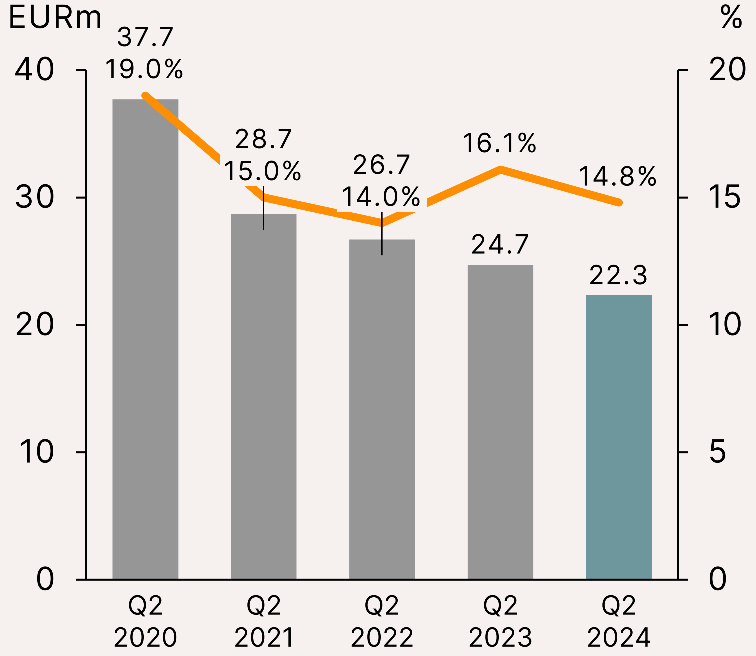
- Reported net sales increased through the acquisition of Georg Jensen
- Comparable net sales decreased in a challenging market
    - Growth in China and Sweden as well as with the Moomin Arabia brand
- EBIT declined due to lower volumes
    - Partially offset by all-time high gross margin
    - Georg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

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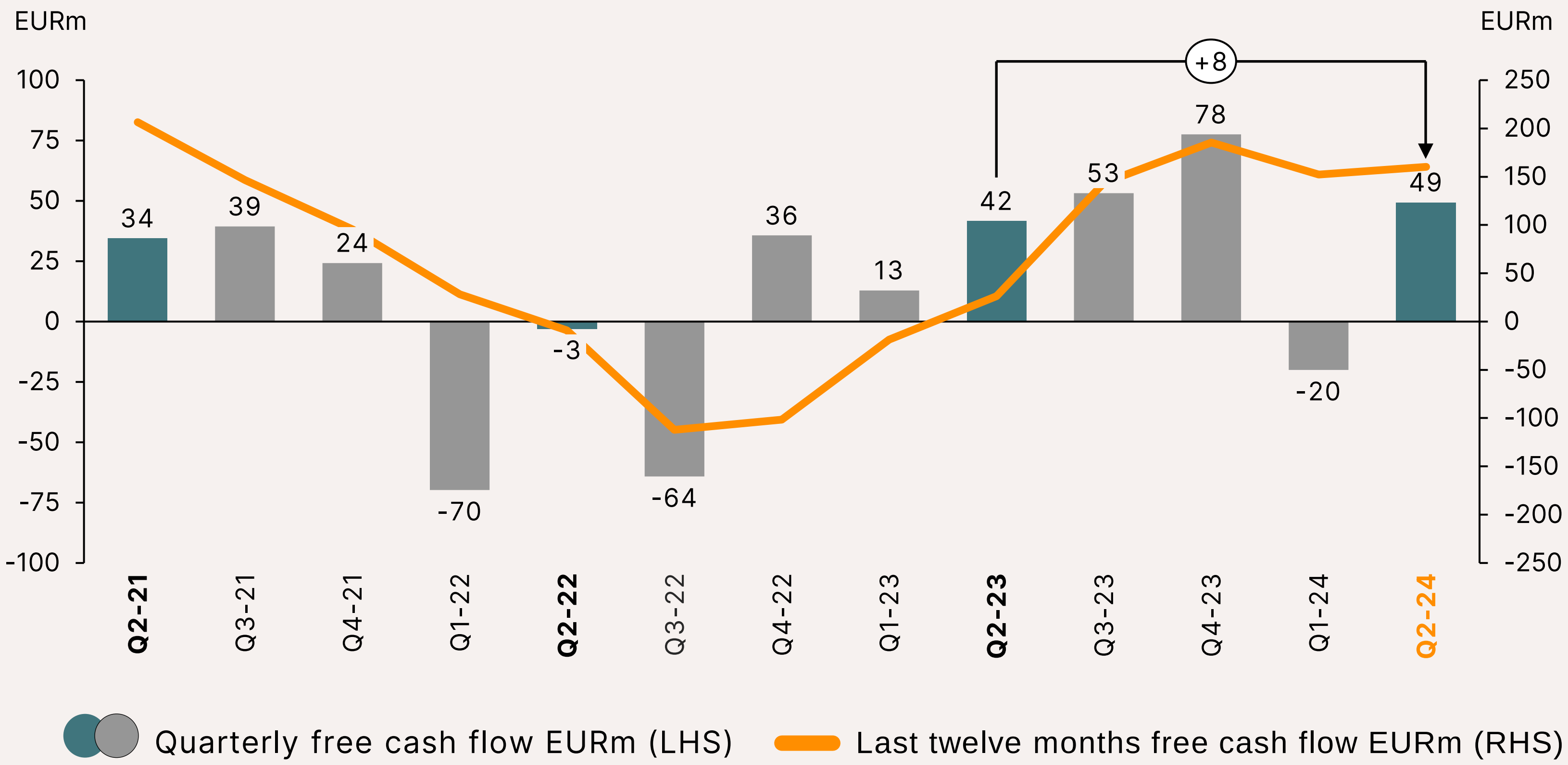
All-Time-High Q2 Free cash flow driven by Net Working Capital Reduction

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**

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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%

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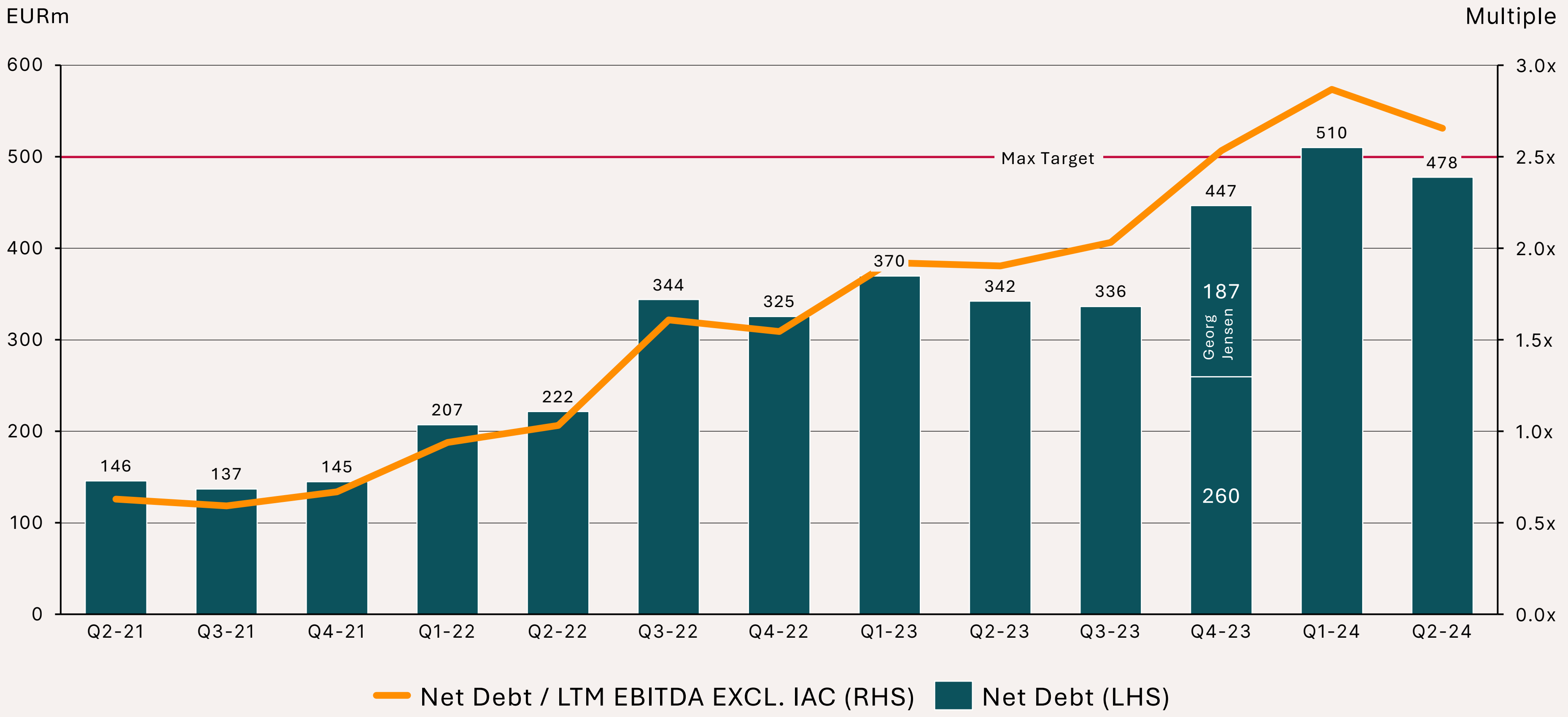
Net Debt gradually declining post Georg Jensen acquisition - Net Debt/ LTM EBITDA (excl. IAC) down to 2.7x

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.

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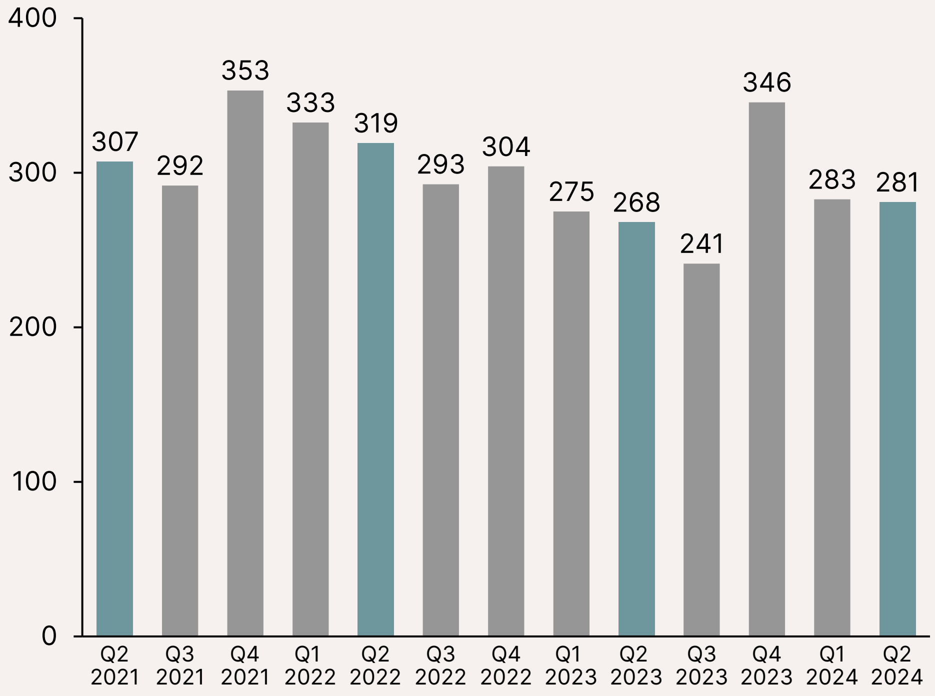
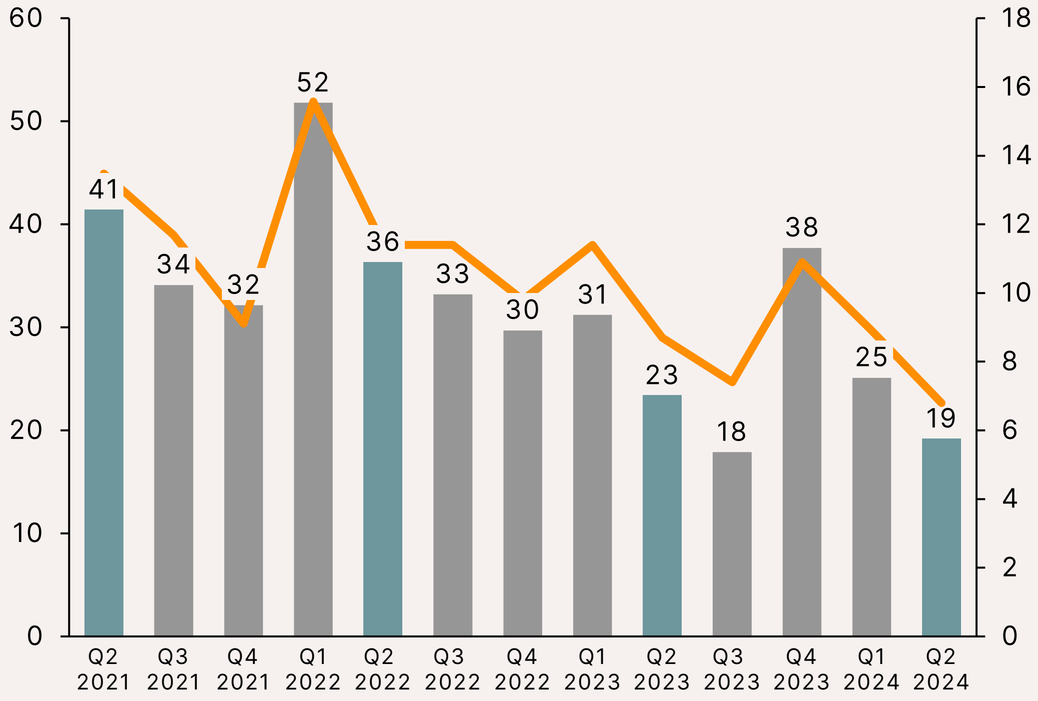
Quarterly development – last 3 years

NET SALES, EUR MILLION



COMPARABLE EBIT (EUR MILLION) AND EBIT MARGIN (%)



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