



Fiskars Group

Financial Statement Release

January–December 2021

FINANCIAL STATEMENT RELEASE JANUARY–DECEMBER 2021

Good finish to a record-strong year

FOURTH QUARTER 2021 IN BRIEF:

- Net sales increased by 12.7% to EUR 353.2 million (Q4 2020: 313.3)
- Comparable net sales¹ increased by 10.9% to EUR 353.2 million (318.4)
- EBITA decreased by 41.2% to EUR 27.8 million (47.2)
- Comparable² EBITA decreased by 27.7% to EUR 36.1 million (49.9)
- EBIT decreased by 28.5% to EUR 23.8 million (33.3)
- Comparable² EBIT decreased by 10.7% to EUR 32.2 million (36.0)
- Cash flow from operating activities before financial items and taxes decreased to EUR 54.9 million (89.8)
- Earnings per share (EPS) were EUR 0.22 (0.30)

JANUARY-DECEMBER 2021 IN BRIEF:

- Net sales increased by 12.4% to EUR 1,254.3 million (Q1-Q4 2020: 1,116.2)
- Comparable net sales¹ increased by 14.2% to EUR 1,254.3 million (1,098.2)
- EBITA increased by 25.1% to EUR 157.4 million (125.8)
- Comparable² EBITA increased by 23.4% to EUR 168.8 million (136.8)
- EBIT increased by 45.7% to EUR 142.8 million (98.0)
- Comparable² EBIT increased by 41.5% to EUR 154.2 million (109.0)
- Cash flow from operating activities before financial items and taxes decreased to EUR 164.2 million (223.8)
- Earnings per share³ (EPS) were EUR 1.06 (0.83)

PROPOSAL FOR DISTRIBUTION OF DIVIDEND:

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.76 per share shall be paid for the financial period that ended on December 31, 2021. The dividend shall be paid in two instalments of EUR 0.38 per share each.

OUTLOOK FOR 2022:

In 2022, Fiskars expects the comparable² EBIT to increase from 2021 (2021: EUR 154.2 million).

There are ongoing challenges in global supply chains as well as raw material and energy price inflation. While the company has managed to mitigate these factors, they continue to pose a risk for 2022 performance.

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

2) Items affecting comparability in EBITA / EBIT includes items such as restructuring costs, impairment or provision charges and releases, integration-related costs, and gain and loss from the sale of businesses.

3) EPS in Q1 2021 impacted negatively by the unfavorable ruling in the tax dispute (EUR 0.35 per share).

CEO'S REVIEW

We had a strong finish to the year, as the fourth quarter marked the seventh consecutive quarter of net sales growth. Comparable EBITA increased by 23% in 2021, making it by far the strongest year in the company's history. While the full-year performance was driven by business area Vita, both Terra and Crea also performed well against an exceptionally strong comparison period.

The fourth quarter developed mostly as we expected. Our net sales growth continued, and our gross margin improved. Comparable EBITA decreased as expected due to the previously communicated increased spending to accelerate growth.

In November, we launched our growth strategy and published new long-term financial targets at our capital markets day. The updated strategy is built around winning brands, channels and countries, underlining the importance of a clear prioritization and allocation of resources. We have identified four transformation levers, all of which are expected to contribute significantly to our long-term targets. The levers are commercial excellence, direct to consumer, the U.S. and China.

Within commercial excellence, our initial actions are focused on value-based pricing as well as in-store and online excellence. In 2022, commercial excellence is the most impactful and fastest lever for improving gross margin, as it is expected to contribute to the performance of all our business areas. Our gross margin increased by 2.5 percentage points in 2021, supported by price increases and our improved commercial excellence. We have successfully mitigated supply chain constraints as well as the significant and broad-based cost inflation, and continued to do so in the fourth quarter.

Our initial actions concerning direct to consumer relate to improving our capabilities as part of the wider uplift within digital. We have invested in the digital field during the second half of the year, for example by numerous recruitments, and this increased spending to accelerate growth will continue in 2022.

Our work to grow in the U.S. and China continues. For net sales in the U.S., 2021 was somewhat challenging. Full-year net sales remained at the previous year's level, as the comparison figures from 2020 were unusually strong for BA Terra and Crea. Net sales in China continued on a strong growth path, almost doubling from 2020.

During the year, we launched our new sustainability ambition, approach and updated commitments, and are now integrating these into our daily operations.



**NATHALIE
 AHLSTRÖM**
President & CEO

CEO'S REVIEW

In 2021, we have for example reduced waste to landfill by 28% compared to 2020, and by 85% from the base year 2017. We also made good progress in developing circular products and services, the sales of which increased by 78%. While we still have much to do to reach our ambition, we are making good progress.

In late December, we announced the sale of our North American watering business. Our growth strategy builds on leveraging the strengths of the company. The Gilmour and Nelson brands included in the sale did not form the core of our portfolio, and the business has not supported our profitability. Hence, we did not believe that we were the best owners for this business.

I would like to thank our people for their hard work in these dynamic times. Not only have we been able to successfully serve consumers and customers, our financial performance has continued on a strong track.

In January 2022 we announced changes to the Group leadership team. We now have our building blocks in place when it comes to our team and strategy, and we are ready to deliver on our financial targets, including our growth ambition and profitability improvement. We are off to a good start in executing the strategy, and expect our comparable EBIT to increase in 2022.



GROUP KEY FIGURES

EUR million	Q4		Q4			
	2021	2020	Change	2021	2020	Change
Net sales	353.2	313.3	12.7%	1,254.3	1,116.2	12.4%
Comparable net sales ¹⁾	353.2	318.4	10.9%	1,254.3	1,098.2	14.2%
EBITA	27.8	47.2	-41.2%	157.4	125.8	25.1%
Items affecting comparability in EBITA ²⁾	-8.3	-2.7		-11.5	-11.0	4.1%
Comparable EBITA	36.1	49.9	-27.7%	168.8	136.8	23.4%
Operating profit (EBIT)	23.8	33.3	-28.5%	142.8	98.0	45.7%
Comparable EBIT	32.2	36.0	-10.7%	154.2	109.0	41.5%
Profit before taxes	24.1	30.4	-20.8%	144.1	89.8	60.5%
Profit for the period	18.2	25.2	-27.8%	87.5	68.5	27.9%
Earnings per share, EUR ³⁾	0.22	0.30	-27.5%	1.06	0.83	28.1%
Equity per share, EUR				9.97	9.30	
Cash flow from operating activities before financial items and taxes	54.9	89.8	-38.8%	164.2	223.8	-26.6%
Equity ratio, %				57%	57%	
Net gearing, %				18%	19%	
Capital expenditure	12.8	9.6	33.8%	34.4	30.0	14.3%
Personnel (FTE), average	6,224	5,993	3.9%	6,081	6,104	-0.4%

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

2) In Q4 2021, items affecting comparability consisted of items related to the transformation and restructuring programs.

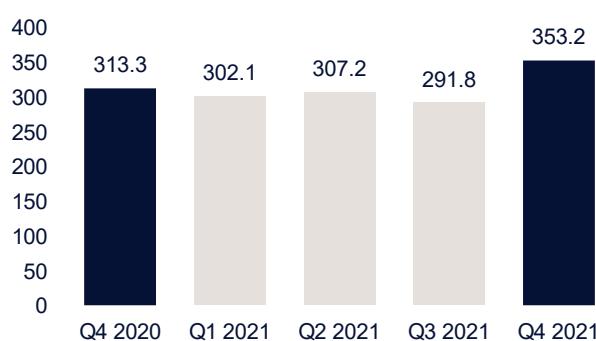
3) EPS in Q1 2021 impacted negatively by the unfavorable ruling in the tax dispute (EUR 0.35 per share).

GROUP PERFORMANCE

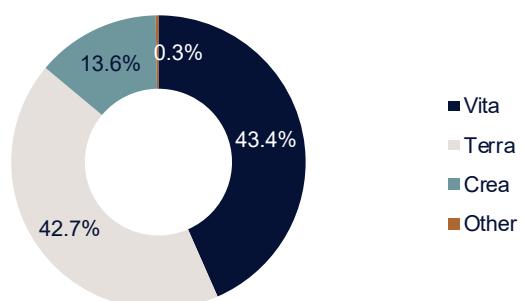
EUR million	Q4 2021	Q4 2020	Change	Comparable change*	2021	2020	Change	Comparable change*
								Net sales
Group	353.2	313.3	12.7%	10.9%	1,254.3	1,116.2	12.4%	14.2%
Vita	187.0	171.1	9.3%	7.9%	544.6	456.6	19.3%	19.3%
Terra	118.2	97.8	20.8%	18.1%	535.4	493.8	8.4%	11.6%
Crea	46.9	43.5	7.7%	5.9%	170.6	162.0	5.3%	7.7%
Other	1.2	0.9	29.6%	29.6%	3.8	3.8	1.1%	1.0%
Comparable EBITA								
Group	36.1	49.9	-27.7%		168.8	136.8	23.4%	
Vita	33.6	37.8	-11.0%		86.7	41.0	111.4%	
Terra	-1.4	7.7	-118.1%		57.0	67.5	-15.6%	
Crea	6.0	8.5	-29.7%		38.0	41.1	-7.4%	
Other	-2.1	-4.1	47.2%		-12.9	-12.8	-0.7%	

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

NET SALES, EUR MILLION



NET SALES SPLIT BY SEGMENT, JANUARY-DECEMBER 2021



FISKARS GROUP NET SALES IN Q4 2021

Fiskars Group's consolidated net sales increased by 12.7% to EUR 353.2 million (Q4 2020: 313.3). Comparable net sales increased by 10.9%. The growth was broad-based, as net sales increased in all business areas, led by Terra.

Net sales increased in all markets, with China, Japan, Continental Europe and UK & Ireland as the main contributors. Additionally, growth continued in nearly all channels.

FISKARS GROUP NET SALES IN Q1-Q4 2021

Fiskars Group's consolidated net sales increased by 12.4% to EUR 1,254.3 million (Q1-Q4 2020: 1,116.2). Comparable net sales increased by 14.2%, supported by all business areas and nearly all channels. Strong demand supported the increase in net sales.

FISKARS GROUP COMPARABLE EBITA, EUR MILLION



FISKARS GROUP COMPARABLE EBITA MARGIN



FISKARS GROUP COMPARABLE EBITA IN Q4 2021

Fiskars Group's comparable EBITA decreased by 27.7% to EUR 36.1 million (Q4 2020: 49.9). The comparable EBITA decreased in all Business Areas.

Gross margin improved, driven by a more favorable channel mix. The increased cost of raw materials, energy and logistics were mostly offset by price increases.

Group level sales, marketing and administration cost increased due to the increased spending to accelerate growth. This was the main reason for the decrease in comparable EBITA.

FISKARS GROUP COMPARABLE EBITA IN Q1-Q4 2021

Fiskars Group's comparable EBITA increased by 23.4% to EUR 168.8 million (Q1-Q4 2020: 136.8). The increase in comparable EBITA was driven by the Vita segment, whereas it decreased in Terra and Crea.

Comparable EBITA was supported by an increase in net sales, an improvement in gross margin from a more favorable product and channel mix, as well as the benefits from the ongoing programs.

At the Group level, the completed Transformation and Restructuring programs had a positive impact on profitability. At the same time, the previous year's figures were supported by temporary cost savings. Increased spending to accelerate growth had a negative impact during the second half of the year.

OPERATING ENVIRONMENT IN Q4 2021

The COVID-19 -pandemic continued to impact the operating environment and the situation varied by country. The pandemic had mostly stabilized at the beginning of the quarter, but the new variant of the virus started to change the situation towards the end of the quarter.

The number of store closures at the end of the quarter was not significant. Despite the decreased impacts of the pandemic on our retail stores compared to 2020, the importance of e-commerce and hybrid models (such as curbside pickup) is more prominent than before the pandemic.

Global supply chains have continued to come under pressure, as the pandemic is still having an impact on consumer demand and the global economy. The challenges have included a lack of sufficient logistics capacity and port congestions. This has resulted in higher logistic costs and longer delivery times. Additionally, raw material prices have risen rapidly. Energy prices in many countries were significantly higher during the second half of the year compared to the previous year's level.

The weather conditions varied by market. The cold weather in the Nordics supported demand for snow tools.

OPERATING ENVIRONMENT IN Q1-Q4 2021

The operating environment remained volatile in 2021, although less so than in 2020. The significant differences in impact at the category level decreased in 2021 from the level seen in 2020.

The number of store closures varied throughout the year. Overall, it was lower than in 2020, but with regional differences. Despite the decreased impact on brick-and-mortar stores compared to 2020, the importance of e-commerce and hybrid models (such as curbside pickup) is more prominent than before the pandemic.

Global supply chains have continued to come under pressure, as the pandemic is still having an impact on consumer demand and the global economy. The challenges have included a lack of sufficient logistics capacity and port congestions. This has resulted in higher freight costs and longer delivery times. Additionally, raw material prices have risen rapidly. Energy prices in many countries were significantly higher during the second half of the year compared to the previous year's level.

REPORTING SEGMENTS

This financial statement release reflects Fiskars Group's organizational structure, which features three Business Areas (BA): Vita, Terra and Crea. Fiskars Group's four primary reporting segments are Vita, Terra, Crea and Other. 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 littala, 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.

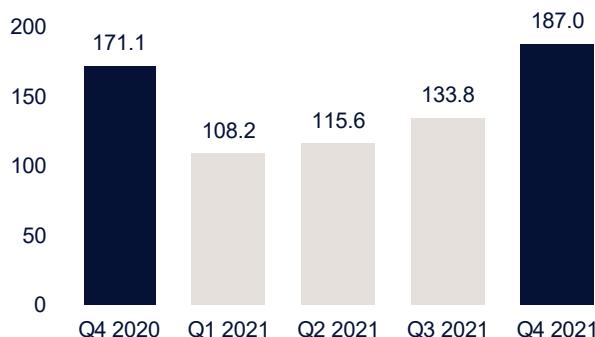
The Other segment contains the Group's investment portfolio, the real estate unit, corporate headquarters and shared services.

VITA SEGMENT

EUR million	Q4			Q4		
	2021	2020	Change	2021	2020	Change
Net sales*	187.0	171.1	9.3%	544.6	456.6	19.3%
Comparable EBITA	33.6	37.8	-11.0%	86.7	41.0	111.4%
Capital expenditure	5.2	5.6	-7.2%	16.0	16.3	-1.8%

*Using comparable exchange rates, net sales increased by 7.9% in Q4 2021 and by 19.3% in Q1-Q4 2021.

NET SALES, EUR MILLION



COMPARABLE EBITA (EUR MILLION) AND COMPARABLE EBITA MARGIN



VITA SEGMENT IN Q4 2021

Net sales in the Vita segment increased by 9.3% to EUR 187.0 million (Q4 2020: 171.1). Comparable net sales increased by 7.9%.

Net sales growth was broad-based. Geographically net sales increased in all markets, driven by China, Japan, UK & Ireland and the Americas. In terms of channels, growth was driven by the direct channel, both e-commerce as well as brand stores. Net sales increased for all key brands.

Comparable EBITA in the Vita segment decreased during the quarter to EUR 33.6 million (37.8). The comparable EBITA was negatively impacted by the increased spending to accelerate growth. On the other hand, several factors supported profitability, including increased sales volumes and an improved gross margin through channel mix and pricing. The profitability for the English & Crystal brands has improved.

VITA SEGMENT IN Q1-Q4 2021

Net sales in the Vita segment increased by 19.3% to EUR 544.6 million (Q1-Q4 2020: 456.6). Comparable net sales increased by 19.3%, rebounding from a difficult first half of 2020, when the pandemic had a more significant negative impact on the financial performance.

Net sales increased for most of the brands and in nearly all important markets. Growth was strongest in China, the Americas and the Nordics. On a channel level, net sales increased most in e-commerce, both direct and indirect. The entire direct channel posted growth figures, even though temporary store closures still had a negative impact on net sales.

Comparable EBITA in the Vita segment increased to EUR 86.7 million (41.0). The comparable EBITA was supported by a number of factors. Sales volumes increased, pricing improved and the channel mix was more favorable, driven by a higher share of the direct channel. The profitability for the English & Crystal brands has improved. The positive impact from the completed programs has increasingly supported profitability. At the same time, the previous year's figures were supported by temporary cost savings. Increased spending to accelerate growth had a negative impact on comparable EBITA.

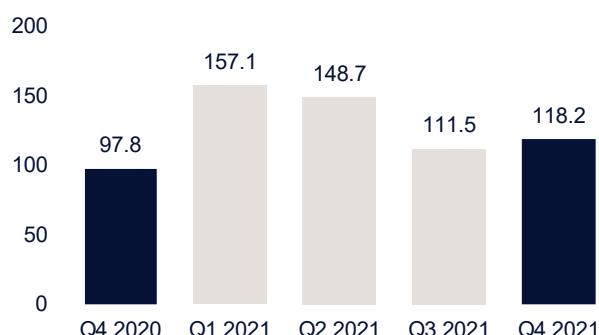
TERRA SEGMENT

EUR million

	Q4			Q4		
	2021	2020	Change	2021	2020	Change
Net sales*	118.2	97.8	20.8%	535.4	493.8	8.4%
Comparable EBITA	-1.4	7.7	-118.1%	57.0	67.5	-15.6%
Capital expenditure	4.3	2.8	50.6%	12.2	9.9	23.8%

*Using comparable exchange rates, net sales increased by 18.1% in Q4 2021 and by 11.6% in Q1-Q4 2021.

NET SALES (EUR MILLION)



COMPARABLE EBITA (EUR MILLION) AND COMPARABLE EBITA MARGIN



TERRA SEGMENT IN Q4 2021

Net sales in the Terra segment increased by 20.8% to EUR 118.2 million (Q4 2020: 97.8). Comparable net sales increased by 18.1%.

Net sales increased in most markets, with the Americas as the main driver. Increased distribution supported growth in the Americas, whereas strong demand for snow tools supported net sales in Europe. It is worth noting that there was no substantial pulling forward of orders by trade customers from the first quarter of 2022 into the fourth quarter of 2021.

On a category level, growth was driven by the gardening category as well as by watering. On the other hand, decreased net sales in the government channel weighed on the outdoor category.

Comparable EBITA in the Terra segment decreased during the quarter to EUR -1.4 million (7.7). There was a negative impact from the increased spending to accelerate growth. Cost inflation continued, but was mitigated by price increases.

TERRA SEGMENT IN Q1-Q4 2021

Net sales in the Terra segment increased by 8.4% to EUR 535.4 million (Q1-Q4 2020: 493.8). Comparable net sales increased by 11.6%.

Net sales increased in all markets, Central Europe in particular. Additionally, all categories supported net sales growth despite a negative impact from availability challenges during the year.

Comparable EBITA in the Terra segment decreased to EUR 57.0 million (67.5). While the increase in net sales supported the comparable EBITA, higher manufacturing and logistics costs as well as increased spending to accelerate growth had a negative impact. At the same time, the previous year's figures were supported by temporary cost savings.



CREA SEGMENT

EUR million

	Q4			Q4		
	2021	2020	Change	2021	2020	Change
Net sales*	46.9	43.5	7.7%	170.6	162.0	5.3%
Comparable EBITA	6.0	8.5	-29.7%	38.0	41.1	-7.4%
Capital expenditure	1.3	0.6	103.2%	3.3	1.8	90.9%

*Using comparable exchange rates, net sales increased by 5.9% in Q4 2021 and by 7.7% in Q1-Q4 2021.

NET SALES (EUR MILLION)



COMPARABLE EBITA (EUR MILLION) AND COMPARABLE EBITA MARGIN



CREA SEGMENT IN Q4 2021

Net sales in the Crea segment increased by 7.7% to EUR 46.9 million (Q4 2020: 43.5). Comparable net sales increased by 5.9%.

Net sales growth was driven by the Nordics. On a category level, net sales increased in cooking. Sales of creating tools in the U.S. decreased, as the previous year's figures were supported by mask-making activities. Looking at channels, sales growth came from the retail channel.

Comparable EBITA in the Crea segment decreased during the quarter to EUR 6.0 million (8.5). The main driver for lower comparable EBITA was the negative impact from the increased spending to accelerate growth. Price increases have been implemented to offset higher raw material and logistics costs.

CREA SEGMENT IN Q1-Q4 2021

Net sales in the Crea segment increased by 5.3% to EUR 170.6 million (Q1-Q4 2020: 162.0). Comparable net sales increased by 7.7%.

Net sales growth was driven by the Nordics and Continental Europe. At the same time, net sales decreased in the Americas, where the comparison figures from 2020 were strong. The key driving force behind growth was the cooking category, where the expansion in Europe has proceeded well.

Comparable EBITA in the Crea segment decreased to EUR 38.0 million (41.1). While the increase in net sales and a more favorable product mix supported the comparable EBITA, higher manufacturing and logistics costs as well as increased spending to accelerate growth had a negative impact. At the same time, the previous year's figures were supported by temporary cost savings.

CONSUMER EVERYDAY

littala launched a new collection based on designer Oiva Toikka's work. The colorful product line includes both glass and ceramics products, as well as new versions of Fiskars' scissors. The products have been well received by younger consumers in particular .

In November, littala launched a pilot for an online workshop. The workshops offer consumers an easy way to discover the joy of creating something by hand and learning a new skill.

Royal Copenhagen launched a new special collection called Royal Creatures, which is only available in the brand's direct channel. The goal was to support the perception of Royal Copenhagen as a modern and sophisticated brand. The initial results from the launch have been positive, with sales outperforming targets.

Fiskars launched a campaign in Germany to accelerate the sales of premium cooking products. The campaign includes for example events, releases and interviews, to strengthen brand awareness and support sales growth.

Fiskars started to collaborate with California-based creative house Makers Mess, to offer new creative experiences to consumers who love crafting. This is the first step into the rapidly growing online learning industry. The collaboration

consists of two pilots in the U.S., The first pilot combined scissors with virtual crafting workshops in a unique bundle. The second is testing to sell a project kit, including all the essential elements for a creative project.

Gerber and Fender Guitars created a contest and giveaway featuring a one-of-a-kind custom guitar and custom knives. The aim was to increase traffic to the gerbergear.com site as well as to promote the Gerber Custom during the important gifting season. The campaign was successful in increasing traffic and improving the brand's visibility.

Oiva Toikka collection by littala



Royal Creatures by Royal Copenhagen



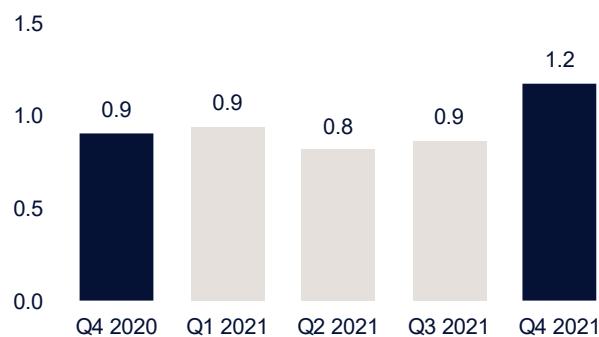
Gerber x Fender



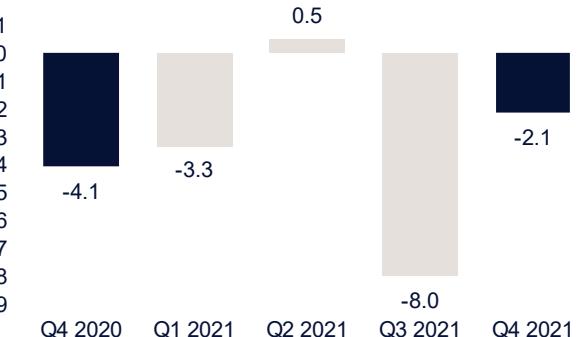
OTHER SEGMENT

EUR million	Q4			Q4		
	2021	2020	Change	2021	2020	Change
Net sales	1.2	0.9	29.6%	3.8	3.8	1.1%
Comparable EBITA	-2.1	-4.1	47.2%	-12.9	-12.8	-0.7%
Capital expenditure	2.1	0.6	280.6%	2.8	2.2	30.4%

NET SALES (EUR MILLION)



COMPARABLE EBITA (EUR MILLION)



OTHER SEGMENT IN Q4 2021

Net sales in the Other segment amounted to EUR 1.2 million (Q4 2020: 0.9), consisting of timber sales and rental income. The comparable EBITA for the Other segment amounted to EUR -2.1 million (-4.1). The change was due to timing differences in spending.

OTHER SEGMENT IN Q1-Q4 2021

Net sales in the Other segment amounted to EUR 3.8 million (Q1-Q4 2020: 3.8), consisting of timber sales and rental income. The comparable EBITA for the Other segment amounted to EUR -12.9 million (-12.8).

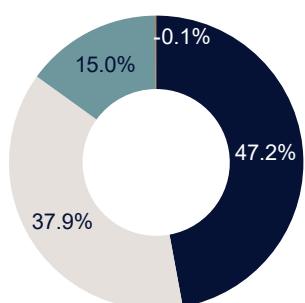
NET SALES BY GEOGRAPHY

EUR million	Q4		Comparable change*	2021	Q4		Comparable change*
	2021	2020			Change	2020	
Europe	167.9	151.5	10.8%	592.2	495.9	19.4%	18.7%
Americas	121.4	108.3	12.1%	475.9	471.6	0.9%	5.4%
Asia-Pacific	62.6	54.6	14.6%	187.7	154.1	21.8%	22.6%
Unallocated**	1.3	-1.0		-1.4		-5.4	

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

**Geographically unallocated exchange rate differences.

FISKARS GROUP NET SALES SPLIT BY GEOGRAPHY, JANUARY-DECEMBER 2021



- Europe
- Americas
- Asia-Pacific
- Unallocated

NET SALES IN Q4 2021

Net sales in Europe increased by 10.8% and amounted to EUR 167.9 million (Q4 2020: 151.5). Comparable net sales increased by 9.3%. Growth was driven by an overall strong performance in all markets.

Net sales in the Americas increased by 12.1% to EUR 121.4 million (108.3). Comparable net sales increased by 9.3%, supported by Vita and Terra. On the other hand, net sales for Crea decreased.

Net sales in Asia-Pacific increased by 14.6% to EUR 62.6 million (54.6). Comparable net sales increased by 14.1%, driven by China and Japan.

NET SALES IN Q1-Q4 2021

In Europe, net sales increased by 19.4% and amounted to EUR 592.2 million (Q1-Q4 2020: 495.9). Comparable net sales increased by 18.7%. Growth was driven by all markets, with a strong performance in the Nordics and Continental Europe.

Net sales in the Americas were close to the previous year's level, amounting to EUR 475.9 million (471.6). Comparable net sales increased by 5.4%, supported by the Vita and Terra segments.

Net sales in Asia-Pacific increased by 21.8% to EUR 187.7 million (154.1). Comparable net sales increased by 22.6%, driven by nearly all markets, China in particular.

THE IMPACT OF THE COVID-19 PANDEMIC ON FISKARS GROUP IN JANUARY-DECEMBER 2021

Market situation

The market situation has been volatile throughout the pandemic. It was most challenging in March-April 2020, after which it improved clearly, and the situation has stabilized during 2021. Throughout the pandemic there have been significant differences by category and market. Overall, consumers have shifted their focus to e-commerce channels as a result of lockdowns and store closures, which has impacted retailers as well.

In the Vita categories demand has improved during the end of 2020 and 2021. Gifting is an important part of the business, and this still has not fully recovered from the hit by social distancing and restrictions on holding meetings. Additionally, customers in the hospitality channel (i.e. hotels, cruise lines, airlines) have largely halted investments.

In the Terra and Crea categories the pandemic had a different impact. Demand has been strong, as people have spent more time at home. In particular, the gardening and watering categories have seen increased consumer interest. For Crea, the demand for scissors and sewing products increased temporarily as people have spent more time at home. The growth in demand has leveled for both Terra and Crea from the second quarter of 2021 onwards.

Temporary cost-cutting measures

At the beginning of the pandemic, proactive steps were swiftly introduced to lessen the negative impacts of COVID-19 on operations around the world. As the situation evolved during the course of 2020, a broad range of cost savings were implemented. Most of these measures were taken starting in the second quarter of 2020 and were visible in the financial performance from the second quarter onwards. In 2021, these measures have only had a minor impact on profitability.

Own stores

The company had to temporarily close stores due to the pandemic, starting in the Asia-Pacific region as early as January 2020. The closures and reopenings varied by country and even by city. The closures reached a high in April 2020, when a significant amount of the Group's stores were closed. The number of store closures has since been at a lower level. At the end of the fourth quarter of 2021, only a small number of stores were closed.

Supply chain

The pandemic has impacted most of the company's own production units. During the pandemic, some units have been temporarily closed to adjust to the decrease in demand, while others increased production volumes. In all units, new arrangements were put in place in order to meet regulations ensuring the health and wellbeing of employees. The strong demand and challenges in the global logistics chains have put pressure on the supply chain, during 2021 in particular. Despite these challenges, the company has successfully served its customers. The ability to deliver has been a competitive advantage for Fiskars Group.

Financial position

The liquidity of Fiskars Group has remained strong during 2021. Actions to secure liquidity with short term borrowing were promptly taken during the first quarter of 2020. Driven by the strong cash flow, the remainder of these loans were repaid during the second quarter of 2021.

Throughout the COVID-19 pandemic, Fiskars Group has intensely followed up on and assessed the credit risks of trade receivables. The existing bad debt provision model for expected credit losses is based on the age groups of the trade receivables. Bad debt provision increases in line with the age of the trade receivables, so as the model is followed, the increased credit risk in the form of more mature trade receivables results in a higher bad debt provision. The model is adjusted for forward-looking information. Credit losses have remained at a historically normal level during 2021.

The credit risk of trade receivables and the amount of bad debt provision was analyzed at the end of the reporting period, with the conclusion being that sufficient provisions have been made.



RISKS AND BUSINESS UNCERTAINTIES

Fiskars Group's business, net sales, and financial performance may be affected by several uncertainties. Fiskars Group has presented the overall business risks and risk management in its Annual Report and on the company's website at www.fiskarsgroup.com/investors.

The COVID-19 pandemic has profoundly impacted consumers' lives in terms of changes in, for example, disposable income, purchasing choices and consumer behavior. Continuing safety concerns around COVID-19 can negatively impact sales in the Group's physical stores. However, in the absence of an escalation of the pandemic in the company's key markets, consumer confidence may also strengthen and demand surge in some categories. In other categories, the demand can be negatively impacted if people spend less time at home, once the pandemic eases.

The global supply chains in general are impacted by various disturbances caused by the pandemic, which can affect Fiskars Group's operations. Ongoing global logistic challenges and increases in shipping costs as well as sudden fluctuations in the price or availability of the most important commodities can have a negative impact on profitability.

For the gardening category in the Terra segment, the second quarter of the year is seasonally the most important one. The back-to-school and holiday seasons are important for the sales performance of Crea during the second half of the year. For the Vita segment, the fourth quarter of the year is the most important one. Any negative developments related to product availability, demand or increased costs in manufacturing or logistics during the important seasons can significantly affect the full year result. The seasonality of demand may differ from a typical year due to the volatile market conditions at present and depending on the development of the pandemic.

Demand for some of Fiskars Group's products is dependent on the weather, particularly garden tools during the spring or snow tools during the winter. Unfavorable weather conditions such as a cold and rainy spring and summer and no snow in the winter can have a negative impact on the sale of these products, whereas favorable conditions can boost their sales.

Fiskars Group is increasingly dependent on centralized information technology systems that hold critical business

information. Therefore, cyber attacks for example may impact Fiskars Group's business and operations. The company mitigates IT related risks by applying high-quality IT solutions and by maintaining, developing and testing their function and integrity with leading service and technology providers.

Fiskars Group operates globally, with a considerable part of the business in the U.S. and with several suppliers in Asia. Growing signs of rising protectionism, political uncertainty, geopolitical tensions and consumer concerns over products' country of origin may impact Fiskars Group's business and operations.

With a significant part of the business in the U.S. and in other countries outside of the eurozone, Fiskars Group is exposed to fluctuations in foreign currency rates. A weakening of the U.S. dollar or other currencies relative to the euro may have a material impact on the reported financial figures as a result of the translation exposure. Less than 20% of Fiskars Group's commercial cash flows are exposed to fluctuations in foreign exchange rates.

Fiskars Group entities are subject to tax audits in several countries. It is possible that tax audits may lead to reassessments of taxes.



TRANSFORMATION AND RESTRUCTURING PROGRAMS

Fiskars Group has completed its two programs, the Transformation and Restructuring programs. The Transformation program was launched in October 2018, and aimed at increasing efficiency, reducing complexity and accelerating long-term strategic development in its former Living segment. The company-wide Restructuring Program was launched in December 2019, aimed at reducing costs in a wide range of areas.

Both programs were completed by the end of 2021. The Transformation program targeted annual cost savings of approximately EUR 17 million and the Restructuring program of approximately EUR 20 million. These benefits were realized, and a majority were already visible by the end of 2021.

The total costs of both programs were originally expected to be approximately EUR 70 million, consisting of EUR 40 million from the Transformation program and EUR 30 million from the Restructuring program. The total cost of both programs amounted to EUR 42.5 million, EUR 30 million for the Transformation program and EUR 12.5 million for the Restructuring program. The costs have been recorded as items affecting comparability (IAC).

FINANCIAL ITEMS, NET RESULT AND CASH FLOW IN Q4 2021

Other financial income and expenses in the fourth quarter amounted to EUR 0.1 million (Q4 2020: -3.1). Foreign exchange differences accounted for EUR 2.3 million (-2.3) of financial items.

Profit before taxes was EUR 24.1 million (30.4). Income taxes were EUR -5.9 million (-5.2). Earnings per share were EUR 0.22 (0.30).

Cash flow from operating activities before financial items and taxes amounted to EUR 54.9 million (89.8). The change was a result of the change in net working capital. Cash flow from financial items and taxes amounted to EUR -19.5 million (-7.3).

Cash flow from investing activities was EUR -12.4 million (-9.3), including EUR -12.8 million of capital expenditure on fixed assets. Cash flow from financing activities was EUR -16.8 million (-177.6), including EUR -9.8 million of change in current debt and EUR -6.6 million of payments of lease liabilities. The comparison figure from Q4 2020 included EUR -80.0 million of repayments of non-current debt, EUR -90.0 million of change in current debt and EUR -6.4 million of payments of lease liabilities.

Capital expenditure totaled EUR 12.8 million (9.6), mainly relating to retail, supply chain and IT investments. Depreciation, amortization and impairment were EUR 15.6 million (26.0, including an impairment of EUR 10.4 million of the Waterford trademark).

FINANCIAL ITEMS, NET RESULT AND CASH FLOW IN Q1-Q4 2021

In 2021, other financial income and expenses amounted to EUR -0.0 million (Q1-Q4 2020: -8.9), including EUR -6.2 million of interests related to the tax dispute. Foreign exchange differences accounted for EUR 4.2 million (-2.2) of financial items.

Profit before taxes was EUR 144.1 million (89.8). Income taxes were EUR -56.5 million (-21.3). Out of the total income taxes, EUR -22.1 million relate to the tax dispute concerning intra-group loans forgiven by the company in 2003. The Supreme Administrative Court did not grant Fiskars Corporation a leave to appeal the case in its decision of March 3, 2021, and consequently, the income tax, which was already paid in Q3 2016, was recorded as tax cost in the first quarter of 2021. Interest of EUR 6.2 million relating to the tax decision was posted as an interest expense. Earnings per share were EUR 1.06 (0.83), where the tax dispute had a negative impact of EUR 0.35 per share. More details on the tax case can be found on page 34 of this Financial statement release.

The cash flow from operating activities before financial items and taxes amounted to EUR 164.2 million (223.8). The change was a result of the increase in profit before taxes, while the change in net working capital had the opposite effect. Cash flow from financial items and taxes amounted to EUR -41.3 million (-24.6).

Cash flow from investing activities was EUR -33.7 million (-29.4), including EUR -34.4 million of capital expenditure on fixed assets. Cash flow from financing activities was EUR -123.3 million (-118.9), including EUR -60.5 million of repayments of non-current debt, EUR 12.8 million of change in current debt, EUR -49.2 million of dividends paid and EUR -26.4 million of payment of lease liabilities. The comparison figure from 2020 included EUR -80.0 million of repayments of non-current debt, EUR 40 million of proceeds of non-current debt, EUR -45.7 million dividends paid and EUR -26.4 million of lease liability payments.

Capital expenditure totaled EUR 34.4 million (30.0), mainly relating to retail, supply chain and IT investments. Depreciation, amortization and impairment amounted to EUR 61.6 million (76.1, including an impairment of EUR 10.4 million of the Waterford trademark).

BALANCE SHEET AND FINANCING IN Q4 2021

Fiskars Group's working capital totaled EUR 164.5 million (134.2) at the end of December. The equity ratio was 57% (57%) and net gearing was 18% (19%).

Cash and cash equivalents at the end of the period totaled EUR 31.5 million (62.5). Net interest-bearing debt amounted to EUR 144.4 million (143.7), of which leases classified as interest-bearing debt under IFRS 16 accounted for EUR 111.5 million (94.5).

Excluding leasing debt, short-term borrowing totaled EUR 64.4 million (61.2) and long-term borrowing EUR 0.7 million (51.2). Short-term borrowing consisted mainly of a term loan maturing in 2022.

In addition to outstanding loans, Fiskars Group had EUR 280 million (300 million) of unutilized long-term committed credit facilities and a commercial paper program of EUR 400 million with Nordic banks.

RESEARCH AND DEVELOPMENT

The Group's research and development expenditure totaled EUR 4.4 million (Q4 2020: 4.2) in the fourth quarter of 2021, equivalent to 1.2% (1.3%) of net sales. During 2021, research and development expenses totaled EUR 15.5 million (Q1–Q4 2020: 16.5), equivalent to 1.2% (1.5%) of net sales.

PERSONNEL

The average number of full-time equivalent employees (FTE) was 6,224 (Q4 2020: 5,993) in the fourth quarter. At the end of the quarter, the Group employed 6,690 (6,411) employees, of whom 1,111 (1,062) were in Finland.

SUSTAINABILITY

In 2021, Fiskars Group continued to integrate sustainability into its business practices. One of the sustainability targets is for over 50% of net sales to be generated by circular products and services by 2030. The company has expanded the product ranges made of recycled materials and, for example, the Fiskars brand has introduced new scissors to the Fiskars ReNew collection. The collection rethinks raw material by transforming waste and by-products into meticulously designed, premium scissors that are 100% recyclable. The brands' recycled material product ranges have been popular, and sales of

recycled products grew by 35% in Q4 2021 compared to 2020 and by 78% in the full year 2021.

Another key sustainability target for Fiskars Group is to have all waste from own manufacturing units and distribution centers recovered or recycled, with zero waste going to landfills. In its own operations, the company has already made significant progress toward the goal. By the end of 2021, 7 out of 21 factories and distribution centers reached the target of zero landfill waste, nine years ahead of the 2030 target. In Q4 2021, waste to landfill was reduced by 7% compared to 2020 and by 28 % in the full year 2021.

Fiskars Group is also working to reduce the greenhouse gas emissions through, for example, energy efficiency measures and the use of low carbon or carbon neutral energy sources. The target is to reduce scope 1 and 2 greenhouse gas emissions from own operations by 60% from the base year 2017. However, in Q4 2021, the scope 1 and 2 greenhouse gas emissions increased by 6% compared to 2020 and by 11% in the full year 2021. This increase is due to a significant increase in sales and thus also in production volumes. Nevertheless, the company remains fully committed to the science-based reduction targets, and overall the scope 1 and 2 emissions have declined by 38% compared to the base year 2017.

CHANGES IN ORGANIZATION AND MANAGEMENT

On February 18, 2021, Fiskars Group announced that the communications function was merged with the Consumer Experience and Growth function, led by Tina Andersson. As a result of the change, Chief Communications Officer Maija Taimi decided to leave the company.

On March 4, 2021 Fiskars Group appointed Peter Cabello Holmberg as Chief Digital Officer and a member of the Fiskars Group Leadership Team. Peter started in his position on March 15, 2021 and reports to the President and CEO.

On May 6, 2021, Fiskars Group announced the appointment of Jussi Siionen as Chief Financial Officer and deputy to the CEO. He joined Fiskars Group on August 16, 2021. The former Chief Financial Officer and deputy to the CEO, Sari Pohjonen, had decided to leave the company.



On January 18, 2022, Fiskars Group appointed Charlene Patten Zappa as Executive Vice President, Business Area Terra and a member of the Fiskars Group Leadership Team. Charlene started in her position on January 18, 2022 and reports to the President and CEO. As a result, James Brouillard, previous Executive Vice President, Business Area Terra, decided to leave the company, effective immediately.

Additionally, the Consumer Experience and Communications function is planned to be split and merged into the Business Areas and other functions. Consequently, Chief Consumer and Communication Officer Tina Andersson will be leaving the company once the process has been finalized.

On January 31, 2021, Fiskars Group appointed Anna Mindelöf as Chief People Officer and a member of the Fiskars Group Leadership Team. She will report to President and CEO Nathalie Ahlström and start in her position on March 1, 2022. Niklas Lindholm, currently Chief People Officer, has decided to leave the company, but will continue in his role until the arrival of Anna.

OTHER SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

Fiskars Group provided new long-term financial targets on November 8, 2021

The Board of Directors of Fiskars Group decided on new long-term financial targets for the next four-year period. The new financial targets replaced the previous financial targets, which were issued in February 2017 and updated in November 2018.

The new financial targets cover five areas: growth, profitability, cash flow, balance sheet and dividend:

- Annual, FX neutral organic net sales growth: approximately 5 % (mid-single digit)
- Comparable EBIT margin: approximately 15 % (mid-teen) by the end of 2025
- Cash conversion (Free Cash Flow / Net Profit): At least 80%
- Net debt / LTM (last twelve month) EBITDA: At or below 2.5x
- Dividend (unchanged): Aim to distribute a stable, over time increasing dividend, to be paid biannually

Update on the Transformation and Restructuring programs provided on October 27, 2021

On October 27, Fiskars Group provided an update on its ongoing programs, the Transformation and Restructuring

programs. Both programs were announced to be completed by the end of 2021. The expected benefits from the programs were realized, with total annual cost savings amounting to approximately EUR 37 million. A majority of these benefits were already visible by the end of 2021.

The total costs of both programs were originally estimated to be approximately EUR 70 million. Fiskars Group updated the total cost estimate of the programs to approximately EUR 45 million by the end of 2021. The costs have been recorded as items affecting comparability (IAC). The update did not have an impact on the company's outlook for 2021

Outlook for 2021 upgraded on October 13, 2021

On October 13, 2021, Fiskars upgraded its outlook for 2021. The company expects the comparable EBITA for 2021 to be in the range of EUR 160-170 million. According to the previous outlook issued on June 23, 2021, the comparable EBITA in 2021 was expected to be in the range of EUR 140-160 million.

The upgrade was based on the company's better than expected financial performance during the third quarter, in particular towards the end of the quarter. A central factor was that Fiskars has so far successfully mitigated the global supply chain challenges, which have previously been highlighted as a material risk for the full-year financial performance.

Record date and payment date of the second dividend instalment

The Board of Directors of Fiskars Corporation has on September 9, 2021, resolved in accordance with the resolution of the Annual General Meeting that the dividend payment date for the second dividend instalment of EUR 0.30 per share was to be September 20, 2021. The ex-dividend date for the dividend instalment was September 10, 2021 and the record date September 13, 2021.

Outlook upgraded on June 23, 2021

On June 23, 2021, Fiskars upgraded its outlook for 2021, as the company's financial performance in the second quarter had been better than previously expected. The company then expected the comparable EBITA for 2021 to be in the range of EUR 140-160 million.

Outlook upgraded on April 19, 2021

On April 19, 2021, Fiskars upgraded its outlook for 2021. The company then expected the comparable EBITA for 2021 to be in the range of EUR 130-145 million.



Outlook upgraded on March 24, 2021

On March 24, 2021, Fiskars upgraded its outlook for 2021. The company then expected the comparable EBITA for 2021 to be lower than in 2020, but above EUR 120 million.

Fiskars Corporation was not granted a leave to appeal in relation to the tax re-assessment case by the Supreme Administrative Court

On March 19, 2021, Fiskars Corporation announced that the Supreme Administrative Court did not grant a leave to appeal to Fiskars Corporation in relation to the decision made by the Administrative Court of Helsinki in April 2020, which relates to the tax re-assessment decision from the tax audit carried out in 2014. The decision obliged the company to pay EUR 28.3 million in additional tax, interest and punitive increases. The tax re-assessment concerns intra-group loans forgiven by the company in 2003 and their tax treatment in subsequent tax years.

Fiskars recorded the EUR 22.1 million in additional tax, EUR 6.2 million in interest and EUR 0.1 million in punitive increases as tax and interest costs during the first quarter of 2021. This did not have a cash flow effect during the first quarter of 2021, as the company paid the additional tax, interest and punitive increases during the third quarter of 2016.

CORPORATE GOVERNANCE

Fiskars Corporation is a Finnish public limited company in which duties and responsibilities are defined according to the Finnish law. Fiskars Group comprises the parent company Fiskars Corporation, and its subsidiaries. The statutory governing bodies of Fiskars Corporation are the General Meeting of Shareholders, the Board of Directors, the Managing Director (President and CEO), and the Auditor. Other Group management supports the statutory governing bodies of Fiskars Corporation. The Company's domicile is Raseborg, Finland.

Corporate governance at Fiskars Corporation is based on the Finnish Limited Liability Companies Act, the rules and regulations concerning publicly listed companies, the Company's Articles of Association, the charters of the Company's Board of Directors and its Committees, and the rules and guidelines of Nasdaq Helsinki Ltd. Fiskars Corporation is a member of the Finnish Securities Market Association and complies, with an exception concerning the Nomination Committee, with the Finnish Corporate

Governance Code approved by the Securities Market Association, which came into force on January 1, 2020 and can be reviewed at www.cgfinland.fi. In terms of the composition of the Nomination Committee, the Company has departed from the Recommendation 15 of Finnish Corporate Governance Code as explained in more detail in the Corporate Governance Statement 2021.

SHARES AND SHAREHOLDERS

Fiskars Corporation has one share series (FSKRS). All shares carry one vote and equal rights. The number of shares in the Corporation totals 81,905,242. Fiskars Corporation held 433,677 of its own shares at the end of the quarter. The share capital remained unchanged at EUR 77,510,200.

Fiskars shares are traded in the Large Cap segment of Nasdaq Helsinki. The volume weighted average share price during the fourth quarter was EUR 21.14 (Q4 2020: 13.66) and EUR 18.13 in 2021 (2020: 10.88). At the end of December, the closing price was EUR 23.00 (EUR 14.98) per share and Fiskars had a market capitalization of EUR 1,873.8 million (1220.4). The number of shares traded on Nasdaq Helsinki and in alternative market places from October to December was 1.8 million (1.8), which represents 2.2% (2.2%) of the total number of shares. In 2021, the number of shares traded was 8.0 million (11.1), which represents 9.8% (13.6%) of the total number of shares. The total number of shareholders was 30,080 (25,968) at the end of 2021.

Flagging notifications

Fiskars was not informed of any significant changes among its shareholders during the quarter.

BOARD AUTHORIZATIONS

Authorizing the Board of Directors to decide on the acquisition of the company's own shares

The AGM decided to authorize the Board to decide on the acquisition of a maximum of 4,000,000 own shares, in one or several instalments, 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 date 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 and otherwise for



further transfer, retention or cancellation. The Board of Directors is authorized to decide on all other terms and conditions regarding the acquisition 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, 2022 and cancels the corresponding authorization granted to the Board by the AGM on March 11, 2020.

Authorizing the Board of Directors to decide on the transfer of the company's own shares

The AGM decided to authorize the Board to decide on the transfer of own shares (share issue) held as treasury shares of a maximum of 4,000,000 shares, 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, 2022 and cancels the corresponding authorization granted to the Board by the AGM on March 11, 2020.

BOARD AND BOARD COMMITTEES

The Annual General Meeting decided that the Board of Directors shall consist of eight (8) members. Albert Ehrnrooth, Paul Ehrnrooth, Louise Fromond, Jyri Luomakoski, Inka Mero, Fabian Måansson, Peter Sjölander and Ritva Sotamaa were all re-elected to the Board of Directors. The term of the Board members will expire at the end of the AGM in 2022.

Convening after the Annual General Meeting held on March 11, 2021 the Board of Directors elected Paul Ehrnrooth as its Chairman and Jyri Luomakoski as the Vice Chairman. The Board decided to establish a Nomination Committee and appointed Paul Ehrnrooth (Chairman), Louise Fromond and Jyri Luomakoski 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 (Chairman), 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 (Chairman), Inka Mero, Fabian Måansson and Peter Sjölander as the members of the committee.

EVENTS AFTER THE REPORTING PERIOD

Changes in the Fiskars Group Leadership Team

On January 18, 2022, Fiskars Group appointed Charlene Patten Zappa as Executive Vice President, Business Area Terra and a member of the Fiskars Group Leadership Team. Charlene started in her position on January 18, 2022 and reports to the President and CEO. As a result, James Brouillard, previous Executive Vice President, Business Area Terra, decided to leave the company, effective immediately.

Additionally, the Consumer Experience and Communications function is planned to be split and merged into the Business Areas and other functions. Consequently, Chief Consumer and Communication Officer Tina Andersson will be leaving the company once the process has been finalized.

On January 31, 2021, Fiskars Group appointed Anna Mindelöf as Chief People Officer and a member of the Fiskars Group Leadership Team. She will report to President and CEO Nathalie Ahlström and start in her position on March 1, 2022. Niklas Lindholm, currently Chief People Officer, has decided to leave the company, but will continue in his role until the arrival of Anna.

OUTLOOK FOR 2022

In 2022, Fiskars expects the comparable EBIT to increase from 2021 (2021: EUR 154.2 million).

There are ongoing challenges in global supply chains as well as raw material and energy price inflation. While the company has managed to mitigate these factors, they continue to pose a risk for 2022 performance.



PROPOSAL FOR DISTRIBUTION OF DIVIDEND

Fiskars' aim is to distribute a stable, over time increasing dividend, to be paid biannually. According to the balance sheet of the parent company at the end of the financial period 2021, the distributable equity of the parent company was EUR 315.8 million (2020: EUR 389.4 million).

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.76 per share shall be paid for the financial period that ended on December 31, 2021. The dividend shall be paid in two instalments. The ex-dividend date for the first instalment of EUR 0.38 per share shall be on March 17, 2022. The first instalment shall be paid to a shareholder who is registered in the shareholders' register of the company maintained by Euroclear Finland Oy on the dividend record date March 18, 2022. The payment date proposed by the Board of Directors for this instalment is March 25, 2022.

The second instalment of EUR 0.38 per share shall be paid in September 2022. The second instalment shall be paid to a shareholder who is registered in the shareholders' register of the company maintained by Euroclear Finland Oy on the dividend record date, which, together with the payment date, shall be decided by the Board of Directors in its meeting scheduled for September 7, 2022. The ex-dividend date for the second instalment would then be September 8, 2022, the dividend record date September 9, 2022 and the dividend payment date September 16, 2022, at the latest.

On the date of this financial statement release, the number of shares entitling their holders to a dividend was 81,471,565. The proposed distribution of dividends would thus be EUR 61.9 million (EUR 48.9 million). This would leave EUR 253.8 million (EUR 340.5) of distributable earnings in the parent company.

No material changes have taken place in the financial position of the company since the end of the financial period. The financial standing of the company is good and, according to the Board of Directors' assessment, distributing the proposed dividend will not compromise the company's solvency.

Helsinki, Finland, February 3, 2022

FISKARS CORPORATION

Board of Directors

CONSOLIDATED INCOME STATEMENT

EUR million	Q4	Q4	Change	2021	2020	Change
	2021	2020	%			2020
Net sales	353.2	313.3	13	1,254.3	1,116.2	12
Cost of goods sold	-200.4	-182.2	-10	-714.6	-664.1	-8
Gross profit	152.8	131.1	17	539.8	452.0	19
Other operating income	0.8	5.2	-84	4.1	6.5	-37
Sales and marketing expenses	-83.0	-63.8	-30	-267.5	-241.5	-11
Administration expenses	-42.1	-24.2	-74	-116.9	-90.4	-29
Research and development expenses	-4.4	-4.2	-5	-15.5	-16.5	6
Goodwill and trademark impairment	-0.0	-10.4		-0.0	-11.4	
Other operating expenses	-0.4	-0.5	27	-1.1	-0.8	-49
Operating profit (EBIT)*	23.8	33.3	-28	142.8	98.0	46
Change in fair value of biological assets	0.2	0.3	-28	1.3	0.7	83
Other financial income and expenses	0.1	-3.1		-0.0	-8.9	
Profit before taxes	24.1	30.4	-21	144.1	89.8	60
Income taxes	-5.9	-5.2	13	-56.5	-21.3	
Profit for the period	18.2	25.2	-28	87.5	68.5	28
Attributable to:						
Equity holders of the parent company	17.9	24.7	-28	86.6	67.6	28
Non-controlling interest	0.3	0.5	-40	0.9	0.8	15
Earnings for equity holders of the parent company per share, euro (basic and diluted)**	0.22	0.30	-28	1.06	0.83	28
*Comparable EBITA (detailed in notes)	36.1	49.9	-28	168.8	136.8	23

**EPS in Q1 2021 impacted by the negative ruling on the tax dispute (EUR 0.35 per share)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	Q4	Q4	2021	2020
	2021	2020		
Profit for the period	18.2	25.2	87.5	68.5
Other comprehensive income for the period				
Items that may be reclassified subsequently to profit or loss				
Translation differences	4.4	-5.8	13.6	-25.3
Cash flow hedges	-0.1	-0.0	-0.1	0.3
Items that will not be reclassified to profit or loss				
Defined benefit plans, actuarial gains (losses) net of tax	0.5	0.1	0.3	0.2
Other comprehensive income for the period, net of tax	4.8	-5.6	13.9	-24.8
Total comprehensive income for the period	23.0	19.6	101.4	43.6
Attributable to:				
Equity holders of the parent company	22.5	19.4	100.6	43.5
Non-controlling interest	0.5	0.2	0.9	0.1

CONSOLIDATED BALANCE SHEET

EUR million	Dec 31 2021	Dec 31 2020	Change %
ASSETS			
Non-current assets			
Goodwill	219.1	213.7	3
Other intangible assets	270.2	268.2	1
Property, plant & equipment	144.9	149.2	0
Right-of-use assets	106.8	90.2	18
Biological assets	45.4	44.1	3
Investment property	3.6	4.0	-9
Financial assets at fair value through profit or loss	32.0	24.4	31
Other investments	3.7	0.8	354
Deferred tax assets	27.5	27.4	0
Other non-current assets	6.9	7.3	-5
Non-current assets total	860.0	829.1	4
Current assets			
Inventories	272.9	207.4	48
Trade and other receivables	230.0	213.8	8
Income tax receivables	2.6	29.2	-91
Interest-bearing receivables	0.0	0.0	-38
Cash and cash equivalents	31.5	62.5	-49
Current assets total	537.0	512.8	11
Assets held for sale	38.4		
Assets total	1,435.5	1,342.0	7
EQUITY AND LIABILITIES			
Equity			
Equity attributable to the equity holders of the parent company	812.1	757.8	7
Non-controlling interest	4.2	3.8	12
Equity total	816.3	761.6	7
Non-current liabilities			
Interest-bearing liabilities	0.7	51.2	-99
Lease liabilities	88.9	71.8	24
Other liabilities	6.0	4.5	33
Deferred tax liabilities	32.1	31.2	3
Pension liability	12.8	13.1	-3
Provisions	3.4	3.6	-5
Non-current liabilities total	143.9	175.4	-18
Current liabilities			
Interest-bearing liabilities	64.4	61.2	5
Lease liabilities	22.6	22.7	-1
Trade and other payables	370.4	309.8	20
Income tax liabilities	3.2	5.5	-42
Provisions	14.7	5.7	160
Current liabilities total	475.4	404.9	17
Equity and liabilities total	1,435.5	1,342.0	7

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR million	Q4	Q4	2021	2020
	2021	2020		
Cash flow from operating activities				
Profit before taxes	24.1	30.4	144.1	89.8
Adjustments for				
Depreciation, amortization and impairment	15.6	26.0	61.6	76.1
Gain/loss on sale and loss on scrap of non-current assets	-0.1	0.2	-0.9	-0.1
Other financial items	-0.5	2.9	-0.2	8.6
Change in fair value of biological assets	-0.2	-0.3	-1.3	-0.7
Change in provisions and other non-cash items	8.0	-1.1	17.7	3.9
Cash flow before changes in working capital	46.9	58.1	221.1	177.6
Changes in working capital				
Change in current assets, non-interest-bearing	0.5	-2.1	-7.4	-25.6
Change in inventories	-24.9	-3.9	-96.0	15.9
Change in current liabilities, non-interest-bearing	32.4	37.7	46.5	55.8
Cash flow from operating activities before financial items and taxes	54.9	89.8	164.2	223.8
Financial income received and costs paid	-2.5	-1.4	-5.0	-1.8
Taxes paid	-18.5	-5.4	-36.4	-20.3
Cash flow from operating activities (A)	34.0	83.0	122.9	201.6
Cash flow from investing activities				
Investments in financial assets	-0.2	-0.2	-3.8	-1.9
Capital expenditure on fixed assets	-12.8	-9.6	-34.4	-30.0
Proceeds from sale of fixed assets	0.6	0.6	1.8	1.2
Proceeds from sale of subsidiary shares		0.0	0.9	0.0
Cash flow from other investments	0.0	-0.1	1.6	1.3
Cash flow from investing activities (B)	-12.4	-9.3	-33.7	-29.4
Cash flow from financing activities				
Purchase of treasury shares				-0.3
Change in current receivables		0.0		0.0
Proceeds from non-current debt				40.0
Repayments from non-current debt		-80.0	-60.5	-80.0
Change in current debt	-9.8	-90.0	12.8	-4.6
Payment of lease liabilities	-6.6	-6.4	-26.4	-26.4
Cash flow from other financing items	-0.0	-0.9	-0.0	-1.9
Dividends paid	-0.4	-0.3	-49.2	-45.7
Cash flow from financing activities (C)	-16.8	-177.6	-123.3	-118.9
Change in cash and cash equivalent (A+B+C)	4.8	-103.9	-34.2	53.3
Cash and cash equivalent at beginning of period	24.4	165.4	62.5	9.4
Translation difference	2.4	0.9	3.3	-0.2
Cash and cash equivalent at end of period	31.5	62.5	31.5	62.5

CONSOLIDATED STATEMENT OF CHANGES IN CONSOLIDATED 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	Financial assets at FVTOCI	Retained earnings			
Opening Balance Jan 1, 2020	77.5	-7.1	20.1	-0.2	-1.9	0.0	672.5	3.6	764.5	
Total comprehensive income for the period			-24.6	0.3	0.2		67.6	0.1	43.6	
Purchase and issue of treasury shares		-0.3							-0.3	
Share-based payments							0.4		0.4	
Dividends paid							-45.7		-45.7	
Other changes		0.3					-1.2		-0.9	
Dec 31, 2020	77.5	-7.2	-4.5	0.1	-1.7	0.0	693.7	3.8	761.6	
Opening Balance Jan 1, 2021	77.5	-7.2	-4.5	0.1	-1.7	0.0	693.7	3.8	761.6	
Total comprehensive income for the period			13.7	-0.1	0.3		86.6	0.9	101.4	
Purchase and issue of treasury shares							0.0		0.0	
Share-based payments							2.4		2.4	
Dividends paid							-48.9	-0.4	-49.2	
Other changes							0.1		0.1	
Dec 31, 2021	77.5	-7.2	9.2	0.0	-1.4	0.0	733.9	4.2	816.3	

NOTES TO THE FINANCIAL STATEMENT RELEASE

ACCOUNTING PRINCIPLES

This unaudited Financial Statement Release 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 therefore the sum of individual figures might differ from the presented total figure.

REPORTING SEGMENTS

EUR million	Q4	Q4	Change	2021	2020	Change
	2021	2020	%			
Net sales						
Vita	187.0	171.1	9	544.6	456.6	19
Terra	118.2	97.8	21	535.4	493.8	8
Crea	46.9	43.5	8	170.6	162.0	5
Other	1.2	0.9	30	3.8	3.8	1
Group total	353.2	313.3	13	1,254.3	1,116.2	12
EUR million	Q4	Q4	Change	2021	2020	Change
	2021	2020	%			
Operating profit (EBIT)						
Vita	24.2	22.4	8	69.4	11.9	484
Terra	-3.9	6.7	-158	50.9	60.8	-16
Crea	5.6	8.3	-32	36.3	38.5	-6
Other	-2.2	-4.0	46	-13.8	-13.1	-5
Group total	23.8	33.3	-28	142.8	98.0	46
EUR million	Q4	Q4	Change	2021	2020	Change
	2021	2020	%			
Depreciation, amortization and impairment						
Vita	8.7	19.5	-55	34.3	50.4	-32
Terra	6.5	4.6	41	20.4	17.9	14
Crea	1.2	1.0	27	4.4	4.4	-1
Other	-0.8	0.9		2.6	3.3	-21
Group total	15.6	26.0	-40	61.6	76.1	-19
EUR million	Q4	Q4	Change	2021	2020	Change
	2021	2020	%			
Capital expenditure						
Vita	5.2	5.6	-7	16.0	16.3	-2
Terra	4.3	2.8	51	12.2	9.9	24
Crea	1.3	0.6	103	3.3	1.8	91
Other	2.1	0.6	281	2.8	2.2	30
Group total	12.8	9.6	34	34.4	30.0	14

NET SALES BY GEOGRAPHY

EUR million	Q4	Q4	Change	2021	2020	Change
	2021	2020	%			
Net sales						
Europe	167.9	151.5	11	592.2	495.9	19
Americas	121.4	108.3	12	475.9	471.6	1
Asia-Pacific	62.6	54.6	15	187.7	154.1	22
Unallocated	1.3	-1.0		-1.4	-5.4	
Group total	353.2	313.3		1,254.3	1,116.2	

OPERATING PROFIT AND COMPARABLE EBITA

EUR million	Q4		Change %	Change	
	2021	2020		2021	2020
Operating profit (EBIT)	23.8	33.3	-28	142.8	98.0
Amortization	-4.0	-13.9	72	-14.6	-27.8
EBITA	27.8	47.2	-41	157.4	125.8
Items affecting comparability in EBITA					
Restructuring Program	6.0	0.6		7.6	8.1
Transformation program	2.3	1.9	17	3.9	3.0
Leborgne divestment		0.2		0.2	
Other adjustments to operating profit	-0.1	0.0	158	0.0	-0.3
Total items affecting comparability in EBITA	8.3	2.7	209	11.5	11.0
Comparable EBITA	36.1	49.9	-28	168.8	136.8
Amortization	-4.0	-13.9	72	-14.6	-27.8
Comparable EBIT	32.2	36.0	-11	154.2	109.0
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ASSETS HELD FOR SALE

In December 21, 2021, the Fiskars announced it has signed an agreement to sell Fiskars' North American Watering business to Lawn & Garden LLC, a holding company owned by affiliates of Centre Lane Partners (CLP), a New York based private equity firm.

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. As part of the agreement, the manufacturing plant in Excelsior Springs, Missouri and the warehouse operations in Independence, Missouri, as well as employees working in these two locations, were included in the transaction. The business subject to the transaction had a net sales of approximately EUR 80 million for the twelve month period ending September 30, 2021.

The transaction was completed in January 2022. The sale does not have a significant impact on Fiskars Corporation's EBIT or financial position in 2022. Assets directly associated with the sale are classified as held for sale and presented separately in the Consolidated Balance Sheet. The carrying amounts of significant assets are as follows:

EUR million	Dec 31
	2021
Property, plant and equipment	5.0
Inventories	33.4
Assets held for sale	38.4

INTANGIBLE AND TANGIBLE ASSETS

EUR million	Dec 31 2021	Dec 31 2020
Intangible assets and goodwill		
Book value, Jan 1	481.9	508.2
Translation differences	8.5	-9.7
Additions	13.4	11.4
Amortization and impairment	-14.0	-27.7
Decreases and transfers	-0.4	-0.3
Book value at end of period	489.3	481.9
Tangible assets and investment property		
Book value, Jan 1	153.1	165.8
Translation differences	2.7	-7.3
Additions	21.2	18.4
Depreciation and impairment	-22.5	-22.8
Decreases and transfers	-1.0	-1.0
Transfer to assets held for sale	-5.0	
Book value at end of period	148.5	153.1
Right-of-use assets		
Book value, Jan 1	90.2	108.8
Translation differences	2.1	-2.9
Additions	44.0	18.7
Depreciations	-25.1	-24.7
Decreases	-4.3	-9.8
Book value at end of period	106.8	90.2

CONTINGENCIES AND PLEDGED ASSETS

EUR million	Dec 31 2021	Dec 31 2020
As security for own commitments		
Guarantees	6.7	11.5
Commitments on intangible and tangible assets	3.2	2.2
Other contingencies*	2.4	1.9
Contingencies and pledged assets total	12.3	15.5

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

DERIVATIVES

EUR million	Dec 31 2021	Dec 31 2020
Nominal amounts of derivatives		
Foreign exchange forwards and swaps	338.3	223.6
Fair value of derivatives		
Foreign exchange forwards and swaps	0.6	-0.4

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

NET DEBT RECONCILIATION

EUR million	Dec 31 2021	Dec 31 2020
Loans from credit institutions	65.1	112.4
Lease liabilities	111.5	94.5
Cash and cash equivalents	31.5	62.5
Other interest-bearing receivables	0.6	0.7
Net debt	144.4	143.7

EXCHANGE RATE SENSITIVITY OF THE OPERATIONS

Less than 20% of Fiskars Group's commercial cash flows are exposed to fluctuations in foreign exchange rates. The most significant transaction risks relate to the appreciation of THB, USD and IDR and to depreciation of SEK, AUD and JPY. The following table presents the estimated annual net commercial cash flows in the most significant currencies:

EUR million	THB	USD	SEK	AUD	JPY	CAD	IDR	NOK
Operational currency position	-31.9	-28.5	23.4	19.2	13.8	13.0	-11.9	9.6
Exchange rate sensitivity of the operations*	3.2	2.9	-2.3	-1.9	-1.4	-1.3	1.2	-1.0

*Illustrates the impact of 10% depreciation of the currency against EUR 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 through the use of 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

Dec 31, 2021

EUR million	Level 1	Level 2	Level 3	Total
Investments at fair value through profit and loss			32.0	32.0
Other investments*	0.2		3.5	3.7
Derivative assets		0.6		0.6
Total assets	0.2	0.6	35.5	36.3
Derivative liabilities		0.0		0.0
Total liabilities			0.0	0.0

Dec 31, 2020

EUR million	Level 1	Level 2	Level 3	Total
Investments at fair value through profit and loss			24.4	24.4
Other investments*	0.2		0.6	0.8
Derivative assets		0.0		0.0
Total assets	0.2	0.0	25.0	25.2
Derivative liabilities		0.4		0.4
Total liabilities			0.4	0.4

*Loan and other receivables reclassified as Other non-current assets in consolidated balance sheet

FAIR VALUE CATEGORIES

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.

Investments	FVTPL	Other		
EUR million	Level 3	Level 1	Level 3	Total
Book value, Jan 1, 2020	28.9	0.3	0.6	29.8
Additions	1.9			1.9
Decreases	-4.1			-4.1
Change in fair value	-2.3	-0.1	0.0	-2.5
Book value, Dec 31, 2020	24.4	0.2	0.6	25.2
Additions	0.3		2.9	3.2
Decreases	-1.5		-0.0	-1.5
Change in fair value	8.8	0.1	0.0	8.9
Book value, Dec 31, 2021	32.0	0.2	3.5	35.7

Investments at fair value through profit or loss (FVTPL) 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 listed and unlisted shares as well as non-current receivables. Listed shares have been recognized at their fair value based on quotation at the end of the reporting period (level 1). 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 2021

On December 21, 2021, Fiskars announced that it has signed an agreement to sell Fiskars' North American Watering business to Lawn & Garden LLC, a holding company owned by affiliates of Centre Lane Partners (CLP). The transaction was completed in February 2022. The sale does not have a significant impact on Fiskars Corporation's EBIT or financial position in 2022.

The watering assembly plant and related operations in Ningbo, China were sold to Daye (Ningbo Daye Garden Industry Co. Ltd.) on January 22, 2021. The divestment did not have a significant impact on Fiskars' financial position or result.

Acquisitions and divestments in 2020

There were no acquisitions or divestments in 2020.

OTHER SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

Fiskars Corporation was not granted a leave to appeal in relation to the tax reassessment case by the Supreme Administrative Court

On March 19, 2021, Fiskars Corporation announced that the Supreme Administrative Court did not grant a leave to appeal to Fiskars Corporation in relation to the decision made by the Administrative Court of Helsinki in April 2020, which relates to the tax reassessment decision from the tax audit carried out in 2014. The decision obliged the company to pay EUR 28.3 million in additional tax, interest and punitive increases. The tax reassessment concerns intra-group loans forgiven by the company in 2003 and their tax treatment in subsequent tax years.

Fiskars recorded the EUR 22.1 million in additional tax, EUR 6.2 million in interest and EUR 0.1 million in punitive increases as tax and interest costs during the first quarter of 2021. This did not have a cash flow effect during the first quarter of 2021, as the company paid the additional tax, interest and punitive increases during the third quarter of 2016.



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