



# Fiskars Group Financial Statement Release

JANUARY–DECEMBER 2023



# Financial Statement Release

## January-December 2023

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

#### OCTOBER-DECEMBER 2023 IN BRIEF

- Comparable net sales<sup>1</sup> were stable at EUR 292.0 million (Q4 2022: 291.7). Reported net sales increased by 13.7% to EUR 345.8 million (304.1).
- Comparable EBIT<sup>2</sup> increased to EUR 37.7 million (29.7), or 10.9% (9.8%) of net sales. EBIT increased to EUR 34.0 million (24.4).
- Cash flow from operating activities before financial items and taxes increased to EUR 101.4 million (60.5).
- Free cash flow increased to EUR 77.5 million (35.7).
- Comparable earnings per share were EUR 0.40 (0.19). Earnings per share (EPS) were EUR 0.35 (0.14).

#### JANUARY-DECEMBER 2023 IN BRIEF

- Comparable net sales<sup>1</sup> decreased by 9.7% to EUR 1,076.0 million (Q1-Q4 2022: 1,192.2). Reported net sales decreased by 9.5% to EUR 1,129.8 million (1,248.4).
- Comparable EBIT<sup>2</sup> decreased to EUR 110.3 million (151.0), or 9.8% (12.1%) of net sales. EBIT decreased to EUR 98.9 million (134.7).
- Cash flow from operating activities before financial items and taxes increased to EUR 247.5 million (-24.9).
- Free cash flow turned clearly positive and was EUR 184.9 million (-100.7), improving by EUR 285.6 million.
- Comparable earnings per share were EUR 0.99 (1.37). Earnings per share (EPS) were EUR 0.86 (1.21).

#### PROPOSAL FOR THE DISTRIBUTION OF DIVIDEND

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.82 per share shall be paid for the financial period that ended on December 31, 2023. The dividend shall be paid in two instalments of EUR 0.41 per share each.

#### GUIDANCE FOR 2024

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

#### ASSUMPTIONS BEHIND THE GUIDANCE

The operating environment is expected to remain challenging and impact demand in 2024. Based on the company's current visibility on the market development, this applies especially to the first half of the year. The savings from the completed organizational changes are expected to support EBIT, although they will be partially offset by wage inflation.

As a result of the Georg Jensen acquisition, the Group's EBIT generation will shift even more toward the end of the year, highlighting the importance of the second half and especially of the fourth quarter.

- 1) Comparable net sales exclude the impact of exchange rates, acquisitions and divestments.
- 2) Items affecting comparability in EBIT include items such as restructuring costs, impairment or provisions charges and releases, acquisition-related costs, and gains and losses from the sale of businesses. Comparable EBIT is not adjusted to exclude the EBIT contribution of acquisitions/divestments/disposals.



# CEO's review



**Nathalie Ahlström**  
**President and CEO**

*“In 2023, we continued our transformation and bold strategic actions, such as the acquisition of Georg Jensen, despite a challenging operating environment.”*

In 2023, we continued our transformation and bold strategic actions, such as the acquisition of Georg Jensen, despite a challenging operating environment. During the year, we also delivered our all-time high free cash flow, which was driven by our systematic inventory management.

Nevertheless, low consumer confidence and retailers' focus on managing their inventories impacted demand negatively in most of our key markets, especially in the retailer customer segment. As a result, comparable net sales decreased by 10% in 2023. Comparable EBIT declined to EUR 110 million for the full year, which is a solid result considering the drop in volumes. The fourth quarter developed as we had expected, with stable comparable net sales against an easier comparison period. Comparable EBIT increased to EUR 38 million in the fourth quarter, including now also Georg Jensen.

The acquisition of the Danish luxury lifestyle brand Georg Jensen is a good example of our transformation. Georg Jensen is a great strategic fit to Fiskars Group and exemplifies the type of brand we want to accelerate; a sizeable lifestyle brand with high-end positioning and a strong presence in direct-to-consumer channels. The acquisition was completed swiftly in the beginning of October 2023 in only two weeks after signing. This allowed us to fully consolidate Georg Jensen's fourth quarter, the brand's most important quarter, to Fiskars Group. Despite the acquisition temporarily increasing our net debt, we have already returned to our leverage target level, driven by our determined cash flow management. Our focus is now on integrating the brand into Fiskars Group, which is progressing well.

During 2023, we simplified our organizational structure and strengthened the role of the Business Areas. The Group's role is to act as an active portfolio manager and to enable the Business Areas to fully focus on what matters to the consumers and employees—the brands. The implemented organizational changes included combining Business Areas Terra and Crea into one Business Area called Fiskars, and this is the first quarter we are reporting with the new structure. During the fourth quarter, we concluded consultations with employees related to the planned organizational changes we announced in September 2023. As a result, the targeted reduction of 400 roles globally was completed. After the reporting period, we announced plans to integrate sales operations into the Business Areas as a logical continuation to the earlier changes. The brands, assortment and customers of Business Area Vita differ from those of Business Area Fiskars, which is why it makes sense for the sales operations to be more specialized as well.

Looking at our strategic transformation levers, three of the four levers—commercial excellence, direct-to-consumer (DTC) and China—showed positive development in 2023. Our organic gross margin, which is our key performance indicator for commercial excellence,

increased by 100 basis points in 2023. Comparable DTC sales increased by 4%, driven by continuous growth in e-commerce. Including Georg Jensen, DTC amounted to 25% of the Group's sales. In China, comparable net sales increased by 25%. In the U.S., which is the fourth transformation lever, comparable net sales decreased by 14% during the year as retailers' focus on inventory management affected demand.

We continued to make good progress in sustainability. One of our key targets is that majority of our sales comes from circular products and services by 2030. At the end of 2023, we were already at 14%, almost tripling from previous year's 5%. We still have a lot of work to do, and we are constantly developing new solutions. To reinforce the commitment to achieving this ambition, advancing circular products and services was included as a target in the share-based incentive plan for our key employees during the year.

I would like to thank all our employees, customers and partners for the year 2023. I look forward to continuing the good collaboration in 2024, which marks the 375th year of Fiskars. Pioneering design, high quality and craftsmanship are values that have guided us throughout the centuries, and they continue to be at the heart of everything we do.

Looking at 2024, the operating environment is expected to remain challenging and impact demand. Based on the current visibility of the market development, this applies especially to the first half of the year. We are expecting comparable EBIT to be slightly above the 2023 level. The savings from the completed organizational changes are expected to support EBIT, although they will be partially offset by wage inflation. As a result of the Georg Jensen acquisition, the Group's EBIT generation will shift even more toward the end of the year, highlighting the importance of the second half and especially the fourth quarter.

I am confident that the actions taken throughout 2023 have strengthened our foundation and will support our performance going forward.

**Nathalie Ahlström**  
President & CEO

# Group key figures

EUR million (unless otherwise noted)	Q4	Q4	Change	2023	2022	Change
	2023	2022		2023	2022	
Net sales	345.8	304.1	13.7%	1,129.8	1,248.4	-9.5%
Comparable net sales <sup>1)</sup>	292.0	291.7	0.1%	1,076.0	1,192.2	-9.7%
EBIT	34.0	24.4	39.4%	98.9	134.7	-26.6%
Items affecting comparability in EBIT <sup>2)</sup>	3.7	5.3	-30.7%	11.4	16.3	-29.9%
Comparable EBIT <sup>3)</sup>	37.7	29.7	26.9%	110.3	151.0	-27.0%
Comparable EBIT margin	10.9%	9.8%		9.8%	12.1%	
EBITDA	53.9	39.2	37.6%	164.9	194.1	-15.1%
Comparable EBITDA <sup>4)</sup>	57.6	44.5	29.4%	175.8	210.3	-16.4%
Profit before taxes	25.0	14.5	72.7%	79.7	124.1	-35.7%
Profit for the period	28.0	11.4		70.0	99.1	-29.3%
Earnings per share, EUR	0.35	0.14		0.86	1.21	-28.6%
Comparable earnings per share, EUR	0.40	0.19		0.99	1.37	-27.9%
Cash earnings per share (CEPS), EUR	1.11	0.66	68.2%	2.68	-0.79	
Equity per share, EUR				10.15	10.32	-1.7%
Cash flow from operating activities before financial items and taxes	101.4	60.5	67.7%	247.5	-24.9	
Free cash flow	77.5	35.7		184.9	-100.7	
Free cash flow/comparable net profit (LTM), %				231.0%	-90.0%	
Net debt				446.7	325.3	37.3%
Net debt/comparable EBITDA (LTM), ratio				2.54	1.55	64.3%
Equity ratio, %				47%	53%	
Net gearing, %				54%	39%	
Capital expenditure	18.4	13.4	37.2%	50.8	48.1	5.5%
Personnel (FTE), average	6,714	6,250	7.4%	6,133	6,273	-2.2%

- 1) Comparable net sales exclude the impact of exchange rates, acquisitions and divestments.
- 2) In Q4 2023, items affecting comparability were mainly related to the acquisition of Georg Jensen and organizational changes.
- 3) EBIT excluding items affecting comparability. Comparable EBIT is not adjusted to exclude the EBIT contribution of acquisitions/divestments/disposals.
- 4) EBITDA excluding items affecting comparability. Comparable EBITDA is not adjusted to exclude the EBIT contribution of acquisitions/divestments/disposals.

## Performance by reporting segments

EUR million	Q4	Q4	Change	Comparable	2023	2022	Change	Comparable
	2023	2022		change*				change*
<b>Net sales</b>								
Group	345.8	304.1	13.7%	0.1%	1,129.8	1,248.4	-9.5%	-9.7%
Vita	214.5	175.9	21.9%	-4.5%	555.3	563.7	-1.5%	-7.2%
Fiskars	130.0	127.0	2.4%	6.4%	570.5	680.8	-16.2%	-12.0%
Other	1.2	1.2			4.0	3.9		
<b>Comparable EBIT**</b>								
Group	37.7	29.7	26.9%		110.3	151.0	-27.0%	
Vita	34.7	35.9	-3.6%		62.3	85.6	-27.2%	
Fiskars	7.4	-2.8			73.8	82.6	-10.7%	
Other	-4.4	-3.5			-25.8	-17.2		

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

\*\* EBIT excluding items affecting comparability. In Q4 2023, items affecting comparability were mainly related to the acquisition of Georg Jensen and organizational changes.

Comparable EBIT is not adjusted to exclude the EBIT contribution of acquisitions/divestments/disposals.

# Group performance

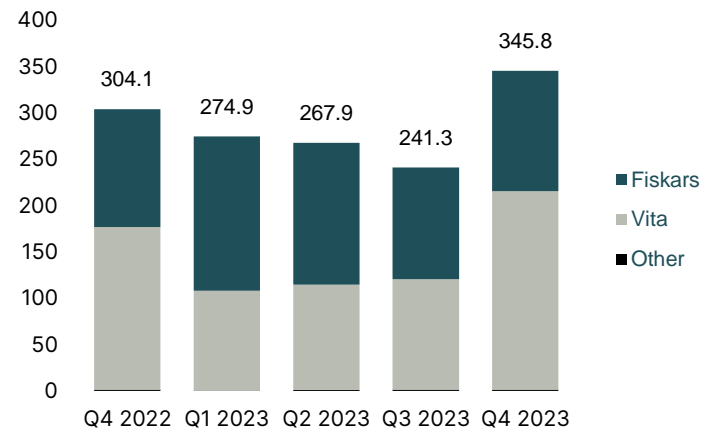
## FISKARS GROUP NET SALES IN OCTOBER-DECEMBER 2023

Fiskars Group's comparable consolidated net sales were stable at EUR 292.0 million (Q4 2022: 291.7). Reported net sales increased by 13.7%. Georg Jensen's fourth quarter sales are included in reported net sales.

Low consumer confidence and retailer customers' focus on inventory management continued to affect demand. Comparable net sales decreased in Business Area Vita, while increasing in Business Area Fiskars compared to a low comparison period last year. In terms of geographical segments, comparable net sales were relatively stable in all three segments.

Fiskars Group's comparable DTC sales were stable, with e-commerce increasing by 5%, and the company's own retail network decreasing by 3%.

## FISKARS GROUP NET SALES, EUR MILLION



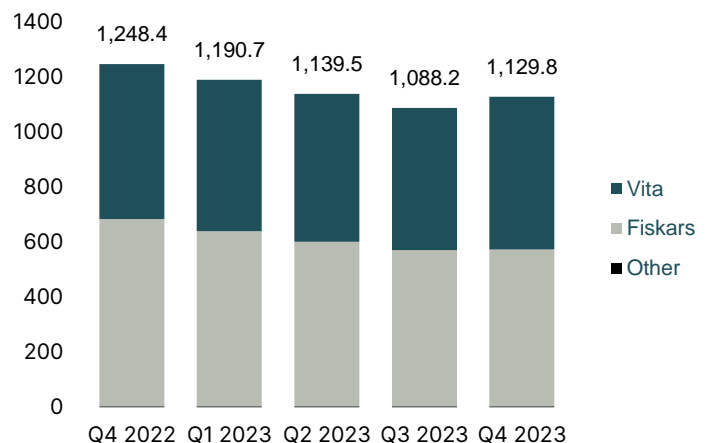
## FISKARS GROUP NET SALES IN JANUARY-DECEMBER 2023

Fiskars Group's comparable consolidated net sales decreased by 9.7% to EUR 1,076.0 million (Q1-Q4 2022: 1,192.2). Reported net sales decreased by 9.5%. Georg Jensen's fourth quarter sales are included in reported net sales.

Comparable net sales decreased in both Business Areas due to low consumer confidence and retailer customers' focus on inventory management. In terms of geographical segments, comparable net sales decreased in Europe and the Americas and were relatively stable in Asia-Pacific.

Fiskars Group's comparable DTC sales developed positively and increased by 4%. E-commerce grew by 14% and company's own retail network was stable.

## FISKARS GROUP NET SALES LAST 12 MONTHS, EUR MILLION



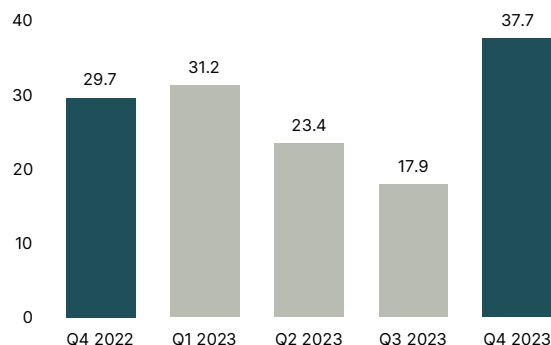
## FISKARS GROUP COMPARABLE EBIT IN OCTOBER-DECEMBER 2023

Fiskars Group's comparable EBIT was EUR 37.7 million (Q4 2022: 29.7), or 10.9% (9.8%) of net sales.

Comparable EBIT was relatively stable in Business Area Vita and increased in Business Area Fiskars. Georg Jensen's fourth quarter EBIT contribution is included in Vita's comparable EBIT.

The increase in comparable EBIT was driven by the EBIT contribution from Georg Jensen.

## FISKARS GROUP COMPARABLE EBIT, EUR MILLION



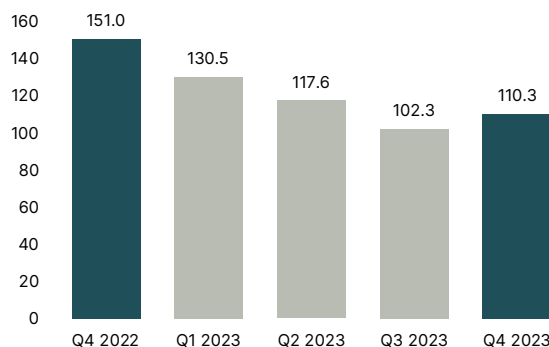
## FISKARS GROUP COMPARABLE EBIT IN JANUARY-DECEMBER 2023

Fiskars Group's comparable EBIT was EUR 110.3 million (Q1-Q4 2022: 151.0), or 9.8% (12.1%) of net sales.

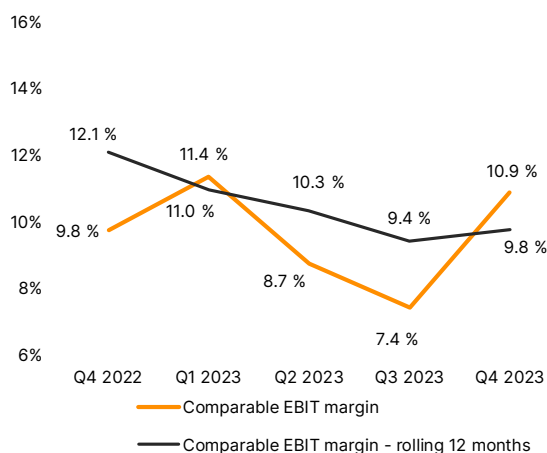
Comparable EBIT decreased in both Business area Vita and Business Area Fiskars. Georg Jensen's fourth quarter EBIT contribution is included in Vita's comparable EBIT.

Comparable EBIT declined due to lower volumes. Improved gross margin mitigated the negative impact from volumes.

## FISKARS GROUP COMPARABLE EBIT LAST 12 MONTHS, EUR MILLION



## FISKARS GROUP COMPARABLE EBIT MARGIN





## FINANCIAL ITEMS, CASH FLOW AND FINANCIAL POSITION

### FINANCIAL ITEMS

EUR million	Q4		Q4	
	2023	2022	2023	2022
Financial income and expenses	-10.0	-9.0	-24.0	-11.7
Foreign exchange difference	-1.2	-3.9	-4.8	-1.1
Net interest expenses from funding, currency hedging and leasing liabilities	-8.5	-3.5	-21.2	-7.4

During the fourth quarter, financial income and expenses amounted to EUR -10.0 million (Q4 2022: -9.0). Foreign exchange differences accounted for EUR -1.2 million (-3.9) of financial items. Net interest expenses from funding, currency hedging and leasing liabilities amounted to EUR -8.5 million (-3.5) and were impacted by a higher net debt level as a result of the Georg Jensen acquisition and higher interest rates.

In 2023, financial income and expenses amounted to EUR -24.0 million (Q1-Q4 2022: -11.7). Foreign exchange differences accounted for EUR -4.8 million (-1.1) of financial items. Net interest expenses from funding, currency hedging and leasing liabilities amounted to EUR -21.2 million (-7.4) and were impacted by a higher net debt level as a result of the Georg Jensen acquisition and higher interest rates.

### CASH FLOW AND FINANCIAL POSITION

EUR million (unless otherwise noted)	Q4		Q4	
	2023	2022	2023	2022
Free cash flow	77.5	35.7	184.9	-100.7
Cash flow from operating activities before financial items and taxes	101.4	60.5	247.5	-24.9
Cash flow from investing activities	-138.3	-13.9	-169.8	-7.8
Cash flow from financing activities	-14.3	21.8	-40.0	149.8
Change in cash and cash equivalents	-62.1	61.3	11.1	80.5
Net working capital			304.2	337.2
Capital expenditure	18.4	13.4	50.8	48.1
Net debt			446.7	325.3
Net debt/comparable EBITDA LTM, ratio			2.54	1.55
Net gearing, %			54%	39%
Equity ratio, %			47%	53%

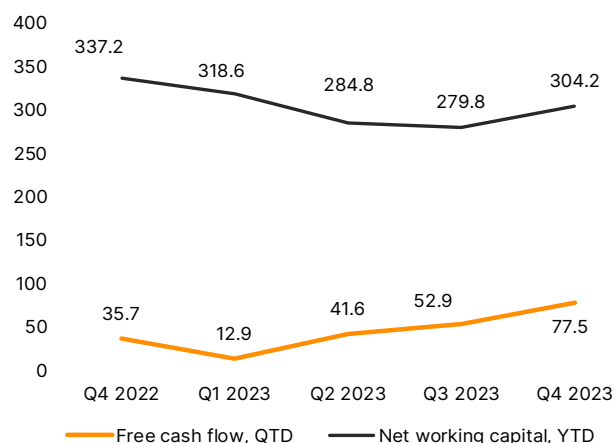
Cash flow from operating activities before financial items and taxes increased to EUR 101.4 million in Q4 2023 (Q4 2022: 60.5) and to EUR 247.5 million (-24.9) in Q1-Q4 2023. Cash flow was positively impacted by the decrease in working capital in Q4 2023. In Q1-Q4 2023, cash flow was positively impacted by the decrease of inventories of EUR 114.9 million (-89.7).

Capital expenditure totaled EUR 18.4 million (13.4) in Q4 2023 and EUR 50.8 million (48.1) in Q1-Q4 2023. The investments were mainly related to IT and the supply chain.

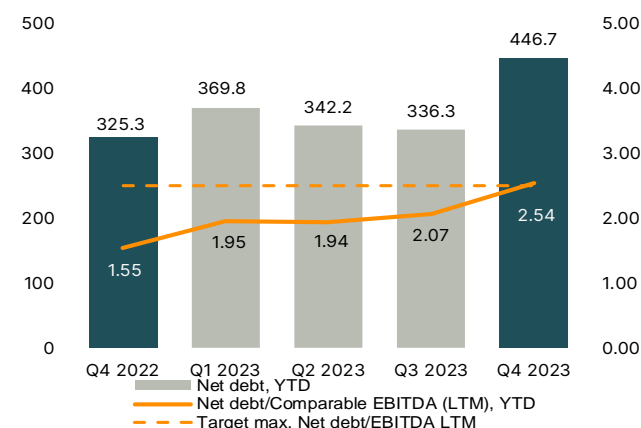
Excluding lease liabilities, short-term borrowing totaled EUR 92.5 million (195.2), and long-term borrowing EUR 330.7 million (130.4). Short-term borrowing consisted mainly of commercial paper maturing in 2024. In November, an unsecured sustainability-linked bond with the nominal amount of EUR 200 million was issued to refinance the bridge funding for the acquisition of Georg Jensen and for general corporate purposes. Long-term borrowing also included bilateral loans from financial institutions. Lease liabilities were EUR 150.8 million (115.5), of which long-term lease liabilities were EUR 117.4 million (92.9), and short-term lease liabilities EUR 33.3 million (22.5). The lease liabilities increased due to the renewal of the U.S. distribution center lease agreement and the inclusion of the Georg Jensen lease agreements.

Fiskars Group had EUR 250.0 million (250.0) of long-term committed credit facilities and uncommitted overdraft facilities of EUR 49.4 million (47.0). A commercial paper program of EUR 400.0 million was available with Nordic banks. The long-term committed credit facilities were not in use (50.0). Of the commercial paper program, EUR 92.4 million (145.6) was in use.

### FISKARS GROUP NET WORKING CAPITAL AND FREE CASH FLOW



### FISKARS GROUP NET DEBT AND NET DEBT/COMPARABLE EBITDA (LTM)





## **OPERATING ENVIRONMENT IN JANUARY-DECEMBER 2023**

The high cost of living affected consumer sentiment and demand negatively in many regions throughout the year.

The U.S. economy was resilient, although consumer spending was tilted toward categories other than discretionary goods. Retailers focused on inventory management, which affected demand in this customer segment.

Demand was strongest in China throughout the year. The spread of the Covid-19 pandemic, as well as the timing of the Chinese New Year, negatively affected demand in the beginning of the first quarter. The strong growth rate stabilized during the second half of the year.

In terms of weather conditions, the cold spring weather affected demand for gardening products during the first half of the year. At the end of the year, snowfall in the Nordics supported the demand of snow tools in the region.

## Reporting segments

This financial statement release reflects Fiskars Group's organizational structure, which features two Business Areas (BA): Vita and Fiskars. Fiskars Group's three primary reporting segments are Vita, Fiskars 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, jewelry and interior categories. It consists of brands such as Iittala, Georg Jensen, Royal Copenhagen, Moomin Arabia and Wedgwood.

BA Fiskars consists of the gardening, watering and outdoor categories, as well as the scissors and creating, and cooking categories. The brands include Fiskars and Gerber.

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

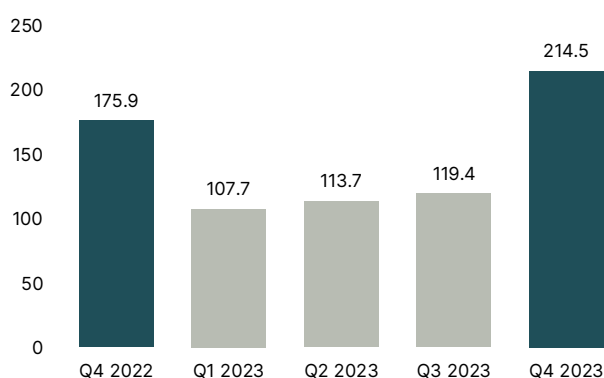
In January-September, Fiskars Group reported in four primary segments, which were Vita, Terra, Crea and Other. Business Areas Terra and Crea were combined into one Business Area called Fiskars in October.

# Vita segment

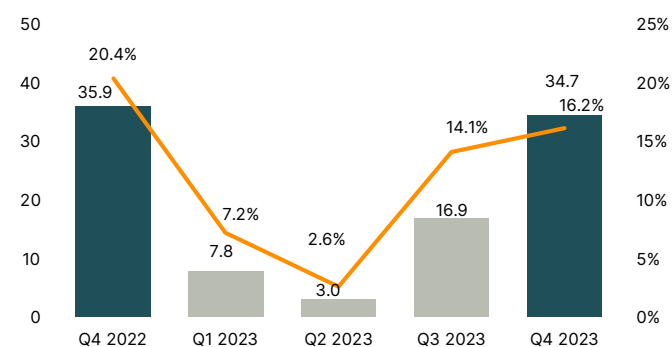
EUR million	Q4	Q4	Change	2023	2022	Change
	2023	2022				
Net sales*	214.5	175.9	21.9%	555.3	563.7	-1.5%
Comparable EBIT	34.7	35.9	-3.6%	62.3	85.6	-27.2%
Capital expenditure	10.4	6.5	60.7%	26.8	20.9	28.0%

\*Using comparable exchange rates excl. acquisitions and divestments, net sales decreased by 4.5% in Q4 2023 and decreased by 7.2% in Q1-Q4 2023.

## VITA SEGMENT'S NET SALES, EUR MILLION



## VITA SEGMENT'S COMPARABLE EBIT (EUR MILLION) AND COMPARABLE EBIT MARGIN (%)



### VITA SEGMENT IN OCTOBER-DECEMBER 2023

Net sales in the Vita segment increased by 21.9% to EUR 214.5 million (Q4 2022: 175.9), including Georg Jensen's fourth quarter sales. Comparable net sales decreased by 4.5% due to lower demand in the retailer customer segment and the continuing execution of the channel strategy. Vita's own e-commerce continued to develop positively, with growth in many markets.

Including Georg Jensen, net sales in DTC channels were 48% (46%) of total Vita net sales.

Comparable EBIT in the Vita segment was relatively stable at EUR 34.7 million (35.9), or 16.2% of net sales (20.4%). Comparable EBIT includes Georg Jensen's EBIT contribution. The underlying EBIT was impacted by lower sales volumes and a decline in gross margin.

### VITA SEGMENT IN JANUARY-DECEMBER 2023

Net sales in the Vita segment decreased by 1.5% to EUR 555.3 million (Q1-Q4 2022: 563.7), including Georg Jensen's fourth quarter sales. Comparable net sales decreased by 7.2% due to lower demand in the retailer customer segment and the continuing execution of the channel strategy. Vita's own e-commerce developed positively.

Including Georg Jensen, net sales in DTC channels were 47% (42%) of total Vita net sales.

Comparable EBIT in the Vita segment declined to EUR 62.3 million (85.6), or 11.2% of net sales (15.2%). Comparable EBIT includes Georg Jensen's EBIT contribution in the fourth quarter. EBIT declined mainly due to lower sales volumes as well as a decline in gross margin.

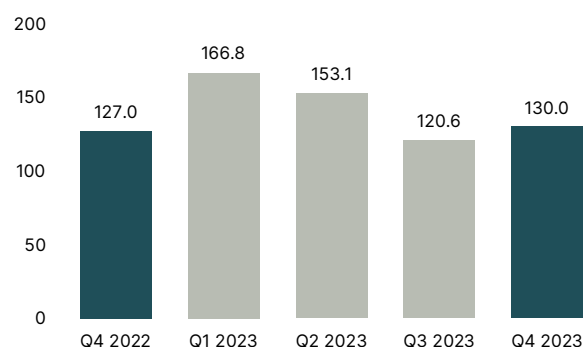


# Fiskars segment

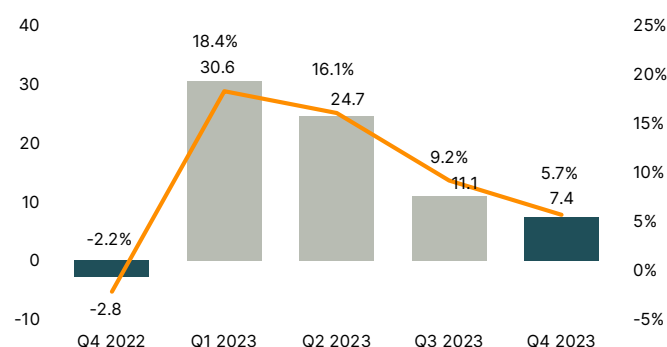
EUR million	Q4			Q4		
	2023	2022	Change	2023	2022	Change
Net sales*	130.0	127.0	2.4%	570.5	680.8	-16.2%
Comparable EBIT	7.4	-2.8		73.8	82.6	-10.7%
Capital expenditure	6.8	6.5	4.1%	20.0	21.5	-6.7%

\*Using comparable exchange rates excl. acquisitions and divestments, net sales increased by 6.4% in Q4 2023 and decreased by 12.0% in Q1-Q4 2023.

## FISKARS SEGMENT'S NET SALES, EUR MILLION



## FISKARS SEGMENT'S COMPARABLE EBIT (EUR MILLION) AND COMPARABLE EBIT MARGIN (%)



## FISKARS SEGMENT IN OCTOBER-DECEMBER 2023

Net sales in the Fiskars segment increased by 2.4% to EUR 130.0 million (Q4 2022: 127.0). Comparable net sales increased by 6.4% especially driven by the U.S., where sales decreased significantly in the comparison period. In addition, customer phasing had a positive impact in the U.S. Sales also grew in the Nordics, mainly driven by demand for snow tools. Overall, the operating environment continued to be challenging.

Comparable EBIT in the Fiskars segment increased to EUR 7.4 million (-2.8), or 5.7% of net sales (-2.2%). The improvement was driven by sales volumes, an improved gross margin and prudent cost management.

## FISKARS SEGMENT IN JANUARY-DECEMBER 2023

Net sales in the Fiskars segment decreased by 16.2% to EUR 570.5 million (Q1-Q4 2022: 680.8). The figures from the comparison period include the North American Watering business in January 2022, as it was divested on February 1, 2022. Comparable net sales decreased by 12.0%.

Net sales decreased, as low consumer confidence and retailers' focus on inventory management impacted sales negatively throughout the year. The cold spring also had a negative impact during the gardening season in the first half of the year.

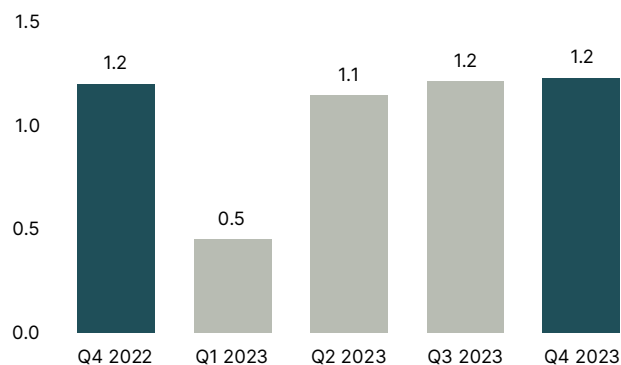
Comparable EBIT in the Fiskars segment declined to EUR 73.8 million (82.6), but the margin improved to 12.9% of net sales (12.1%). Significantly lower volumes were the main reason for the decline in EBIT. The impact of the decline in sales volumes was partially mitigated by an improved gross margin and prudent cost management.



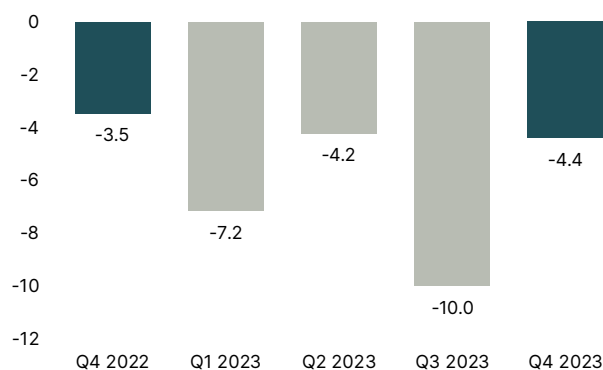
# Other segment

EUR million	Q4	Q4	2023	2022
	2023	2022		
Net sales	1.2	1.2	4.0	3.9
Comparable EBIT	-4.4	-3.5	-25.8	-17.2
Capital expenditure	1.2	0.4	4.0	5.7

## OTHER SEGMENT'S NET SALES, EUR MILLION



## OTHER SEGMENT'S COMPARABLE EBIT, EUR MILLION



## OTHER SEGMENT IN OCTOBER-DECEMBER 2023

Net sales in the Other segment amounted to EUR 1.2 million (Q4 2022: 1.2), consisting of timber sales and rental income. The comparable EBIT for the Other segment declined to EUR -4.4 million (-3.5).

## OTHER SEGMENT IN JANUARY-DECEMBER 2023

Net sales in the Other segment amounted to EUR 4.0 million (Q1-Q4 2022: 3.9), consisting of timber sales and rental income. The comparable EBIT for the Other segment declined to EUR -25.8 million (-17.2) due to some unallocated development expenses related to strategic programs.



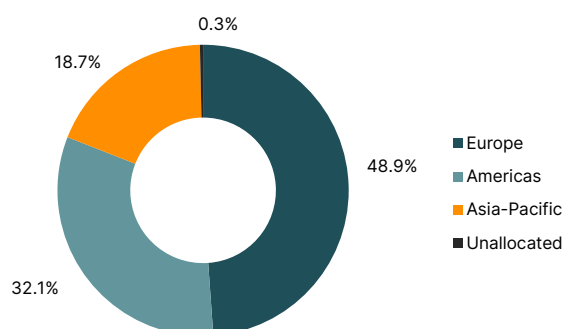
# Net sales by geography

EUR million	Q4 2023	Q4 2022	Change	Comparable change*	2023	2022	Change	Comparable change*
Europe	180.4	154.3	16.9%	-1.3%	552.2	596.0	-7.3%	-9.2%
Americas	87.1	91.9	-5.2%	-2.7%	362.4	432.0	-16.1%	-12.9%
Asia-Pacific	77.8	61.0	27.6%	2.1%	211.3	209.4	0.9%	-1.3%
Unallocated**	0.4	-3.0			3.9	11.1		
<b>Group total</b>	<b>345.8</b>	<b>304.1</b>	<b>13.7%</b>	<b>0.1%</b>	<b>1,129.8</b>	<b>1,248.4</b>	<b>-9.5%</b>	<b>-9.7%</b>

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

\*\*Geographically unallocated exchange rate differences.

## FISKARS GROUP'S NET SALES SPLIT BY GEOGRAPHY, JANUARY-DECEMBER 2023



## NET SALES BY GEOGRAPHY IN OCTOBER-DECEMBER 2023

Net sales in Europe increased by 16.9%, amounting to EUR 180.4 million (Q4 2022: 154.3). Comparable net sales decreased by 1.3%, with sales decreasing in Continental Europe and the U.K. and increasing in the Nordics.

Net sales in the Americas decreased by 5.2% to EUR 87.1 million (91.9). Comparable net sales decreased by 2.7%.

Net sales in Asia-Pacific increased by 27.6% to EUR 77.8 million (61.0). Comparable net sales increased by 2.1%, with growth in China and Korea, and a decline in Japan and Australia. In China, comparable net sales grew by 26%.

## NET SALES BY GEOGRAPHY IN JANUARY-DECEMBER 2023

Net sales in Europe decreased by 7.3%, amounting to EUR 552.2 million (Q1-Q4 2022: 596.0). Comparable net sales decreased by 9.2%. Sales in Europe decreased across the board, apart from Norway.

Net sales in the Americas decreased by 16.1% to EUR 362.4 million (432.0). Comparable net sales decreased by 12.9%.

Net sales in Asia-Pacific were stable at EUR 211.3 million (209.4). Comparable net sales decreased by 1.3%, with growth of 25% in China offsetting declines elsewhere.

# Consumer everyday

In the fourth quarter of 2023, the **Fiskars** brand pre-launched Taiten, a new premium cooking range comprising knives and cookware. The ergonomically designed and lightweight Taiten kitchen knives with a titanium blade provide control and precision for all kitchen cutting tasks. Taiten cookware products are made of 100% recycled aluminum with OPTIHEAT™ technology that protects the pans from overheating on induction.

**Fiskars** also introduced its first product to emerge from the FiskarsLAB fast-track innovation platform. The exclusive limited edition Norden Damascus Knife was designed in Fiskars Village for extraordinary home chefs looking to take their passion for skilled creative cooking to the next level.

**Wedgwood** launched a collaboration with Palace, a skateboarding and clothing brand known for its popularity within the streetwear community. The collaboration comprised a teapot, cup and saucer and plate featuring a colorful strawberry graphic pattern from Palace's archive. The design is inspired by Wedgwood's famous Wild Strawberry and Vine pattern. Palace and Wedgwood also created a skateboard featuring this print, as well as Wedgwood's iconic blue.

The fourth quarter of 2023 also marked the 60th edition of **Royal Copenhagen** Christmas Tables, an annual tradition where festive table settings are showcased at the Royal Copenhagen flagship store in Copenhagen, Denmark. The annual exhibition has become a beloved tradition, attracting thousands of visitors.

In October, **Moomin Arabia** launched a special edition mug for the 100th anniversary of Finnair. The mug, called Journey, is inspired by young Moominpappa's adventures. The special collector's item was sold out in the webstore in only 15 minutes.

The **Arabia** brand celebrated its 150th anniversary in November. Since 1873, the Arabia brand has had a strong place in Finnish homes. The brand is a pioneer of Finnish design, expressing beauty, quality and practicality.

In December, the knowledge, techniques, and skills related to handcrafted glass were added to UNESCO's Representative List of the Intangible Cultural Heritage of Humanity. Fiskars Group's brand **littala** and littala Glass Factory were closely involved in the implementation of the Finnish part of the application. The acceptance of this multinational application pays homage to the glassmaking tradition bearers and the entire Finnish glass sector.

## FISKARS TAITEN RANGE



## WEDGWOOD X PALACE COLLABORATION



## ROYAL COPENHAGEN CHRISTMAS TABLES



## STRATEGY AND FINANCIAL TARGETS

Fiskars Group's Growth Strategy, launched in November 2021, outlines the strategic choices that will put Fiskars Group on a healthy path of organic growth and profitability improvement.

Fiskars Group focuses on winning brands, winning channels, and winning countries.

- **Winning brands:** We concentrate our efforts into driving our winning brands. This is enabled through clear portfolio roles, where each brand occupies a clearly defined position based on current need and potential.
- **Winning channels:** We continue to build momentum in our direct-to-consumer channel, while also investing in relationships with key wholesale partners.
- **Winning countries:** We focus on countries with high growth potential and a strong existing presence.

The strategy has four transformation levers, which are commercial excellence; direct to consumer (DTC); the U.S.; and China. These levers are expected to transform Fiskars Group across brands, channels and countries. The four growth enablers for the strategy are people; digital; innovation & design; and sustainability. These enablers are at the core of Fiskars Group, and they are all critical for executing the Growth Strategy.

Strategy execution is discussed quarterly in Fiskars Group's financial reports through progress in the transformation levers. Looking at the full-year 2023, the company saw good progress in three of the transformation levers of the strategy: commercial excellence, direct-to-consumer (DTC), and China. The company's like-for-like gross margin, which is the key performance indicator for commercial excellence, increased by 100 basis points in 2023. Comparable DTC sales increased by 4% driven by continuous growth in e-commerce. Including Georg Jensen, DTC amounted to 25% of the Group's sales. In China, comparable net sales increased by 25%. In the U.S., which is the fourth transformation lever, comparable net sales decreased by 14% during the year as retailers' focus on inventory management affected demand.

Fiskars Group is now halfway through its strategy period and is continuing the transformation journey while increasing precision in strategy execution. The Group has sharpened its portfolio logic to further accelerate the company profile improvement and has set clear roles for each brand. For example, Fiskars Group wants to accelerate brands such as Royal Copenhagen, Wedgwood and Georg Jensen, which have high-end positioning, as well as a strong presence in direct-to-consumer channels. The Group has also taken several steps to simplify how it operates to enable teams to execute the strategy faster.

Fiskars Group has four financial targets. To ensure comparability, the company will report its cash flow and net debt/EBITDA targets excluding items affecting comparability (IAC) as of the fourth quarter of 2023. The purchase price allocation of the recent acquisition of Georg Jensen increases IACs. The targets and the Group's progress in them during the reporting period can be found in the following table.

### Progress in financial targets:

KPI	Target	Last 12 months
Net sales	Annual organic, FX neutral Mid-Single-Digit Growth	-9.7%
EBIT	Mid-Teen EBIT margin (excl. IAC) by the end of 2025	9.8%
Cash flow	Free Cash Flow / Net Profit (excl. IAC) $\geq$ 80%	231%
Balance sheet	Net Debt / LTM EBITDA (excl. IAC) $\leq$ 2.5X	2.54

Sustainability highlights are included in the report in their own section.

## ACQUISITION OF GEORG JENSEN

On September 14, 2023, Fiskars Group announced the acquisition of the renowned Danish luxury lifestyle brand Georg Jensen. Fiskars Group signed an agreement with Investcorp to buy Georg Jensen by acquiring 100% of the shares of Georg Jensen Investment APS. The Georg Jensen brand offers iconic products in the home and jewelry categories. With a 120-year heritage and a strong focus on craftsmanship, creativity and design, Georg Jensen fits Fiskars Group's luxury home brand portfolio well and extends the luxury brands' share of the Group's net sales from 25% to over one third. In 2022, Georg Jensen's net sales were EUR 158.1 million, and EBIT was EUR 14.9 million.

Annual synergies are expected to amount to approximately EUR 18 million, the majority of which are expected to be realized by the end of 2025. The integration-related costs are expected to be EUR 10 million and to be realized in 2024-2026. The transaction costs of approximately EUR 5 million have been recorded in Q4 2023 and reported as items affecting comparability.

Fiskars Group completed the acquisition of Georg Jensen on October 1, 2023. The debt-free, cash-free purchase price (enterprise value) was EUR 155 million (USD 165 million). The enterprise value of USD 165 million was converted to EUR based on a EUR/USD rate of 1.0647, which was the rate on September 22, 2023. The impacts caused by foreign exchange fluctuation were hedged. The acquisition was financed with bridge loans from two Nordic banks. The company converted the bridge financing into long-term financing by issuing sustainability-linked notes on November 9, 2023.





After the reporting period, on January 9, 2024, Fiskars Group announced that it had finalized the purchase price allocation of the Georg Jensen acquisition and recognizes negative goodwill from it. As a result, the company recorded a gain of EUR 25.4 million as items affecting comparability (IAC) in Q4 2023. The negative goodwill was generated, as the purchase price was lower than the fair value of acquired net assets. In addition to the negative goodwill, the other main items from the purchase price allocation with income statement impact were fair valuation of inventory and intangible assets.

The final price paid for net assets was EUR 125 million after post completion adjustment, based on the level of net working capital and cash and debt in the acquired business on the closing date.

Georg Jensen was consolidated to Fiskars Group's financial reporting under Business Area Vita as of October 1, 2023.

### **ISSUANCE OF SUSTAINABILITY-LINKED NOTES**

On November 9, 2023, Fiskars Group announced the issuance of senior unsecured sustainability-linked notes in the aggregate principal amount of EUR 200 million. The Notes will mature on November 16, 2028 and will initially carry a fixed annual interest of 5.125 percent. The issue date for the Notes was November 16, 2023. The Notes were issued in accordance with Fiskars Group's Sustainability-Linked Bond Framework, published on November 6, 2023.

After the reporting period, on January 10, 2024, Fiskars Group submitted an application for the Notes to be admitted to trading on the official list of Nasdaq Helsinki Ltd. Trading on the notes begun on January 12, 2024.

The net proceeds of the offering were used to refinance the bridge financing relating to the acquisition of Georg Jensen Investment ApS and for general corporate purposes.

### **SUSTAINABILITY**

Fiskars Group's ESG strategy has two commitments that guide all company actions: Pioneering design against throwaway culture; and Making the everyday extraordinary. These commitments and five key ESG targets, described below, guide the company's path to sustainable growth.

In November, Fiskars Corporation issued EUR 200 million sustainability-linked notes under the company's new Sustainability-Linked Bond Framework. The bond aligns the company's long-term financing strategy with its ESG targets.

Georg Jensen is included in sustainability figures for the fourth quarter of 2023 unless otherwise mentioned.

### **Sustainability target: the majority of Fiskars Group's net sales comes from circular products and services by 2030.**

Fiskars Group has integrated circularity into its innovation processes, new business development and material choices, and the company is looking for new opportunities to keep products and materials in circulation instead of discarding them.

In 2023, 14% of the Group's net sales were generated from circular products and services. The work on developing and mapping solutions continues, and in the fourth quarter, the Group further expanded the reporting scope of circular products and services. The figure now includes spare parts available for Fiskars brand products and the recycled silver and gold used in Georg Jensen's jewelry. Since the beginning of 2023, Georg Jensen has been using 100% recycled gold in all new products. The brand is also expanding its use of recycled silver. At the end of 2023, the rate of recycled silver in jewelry production was approximately 70%.

### **Sustainability target: greenhouse gas emissions from own operations (Scope 1 and 2) reduced by 60% from a 2017 base year by 2030.**

Fiskars Group's target is to reduce its climate emissions by increasing operational efficiency and investing in renewable energy. For example, the Group installed solar panels at its manufacturing unit in Rogaska, Slovenia in November 2023.

During 2023, Scope 1 and 2 greenhouse gas emissions decreased by 25% compared to 2022 and by 56% compared to the base year 2017. Some manufacturing units were closed for periods of time in 2023 due to furloughs, which partially impacted the reduced overall energy consumption and emissions.

The Group also has a target to reduce greenhouse gas emissions from transportation and distribution (Scope 3) by 30% from a 2018 base year by 2030.

Transportation emissions have decreased by 37% compared to 2022 and by 46% compared to the base year 2018. This means that the target set for 2030 has been surpassed. However, this decrease was mostly due to lower sales and production volumes. Therefore, the work on reducing emissions from transportation continues. Additionally, there was a noticeable decline in airfreight use due to improvements in planning and better availability of other modes of transportation. Georg Jensen's transportation and distribution emissions are not yet included in these figures.

### **Sustainability target: 60% of Fiskars Group's suppliers by spend covering purchased goods and services will have science-based targets by 2024.**

Fiskars Group is committed to reducing emissions along its value chain and supporting its suppliers in setting science-based targets. The target is that 60% of the company's suppliers by spend providing purchased



goods and services will have science-based targets by 2024. By the end of 2023, 45% (31.12.2022: 25%) of the company's raw material, component and finished goods suppliers by 2022 spend had set science-based targets. In December, Fiskars Group held training sessions for its sourcing professionals to further reinforce the understanding of the importance of suppliers' science-based targets.

#### **Sustainability target: Zero Lost Time Accident Frequency (LTAF) by 2030.**

A safe workplace is a key priority for Fiskars Group. The target for 2030 is to have zero harm with a zero Lost Time Accident Frequency (LTAF, the number of accidents causing injury resulting in an absence of at least one workday per million hours worked), including contractors. During 2023, LTAF decreased by 12% to 4.2 (1-12/2022: 4.8). The number of lost time accidents decreased by 26% compared to 2022. Throughout the year, the Group has held Risk assessment workshops and LTA Review Boards, which helped drive down the overall LTAF rate over the year.

#### **Sustainability target: Inclusion Experience within the top 10% of global high-performing companies.**

Fiskars Group's aim is to create an open, inclusive working environment where everyone can grow, make a meaningful contribution, and feel that they belong. During the fourth quarter, Fiskars Group held a company-wide webinar on how employees can become better at including diversity by thinking and working differently. The webinar was attended by approximately 700 employees. In addition, the company launched a new e-learning course, Navigating Unconscious Bias, aimed at raising awareness of the origins and impact of unconscious biases and offering practical strategies for mitigation.

In November 2023, Fiskars Group conducted an employee engagement survey for office employees. The survey also measured employees' experience of inclusion through the Inclusion Experience score. Georg Jensen employees were not yet included in this survey. Fiskars Group's target is to be within the global top 10% of high-performing companies in terms of Inclusion Experience. Currently, the global external benchmark score for Inclusion Experience is 80 (the score is updated every six months with the latest data and may change, depending on how the global benchmark develops). Based on the latest survey, Fiskars Group's Inclusion Experience score was 70 (vs. May 2023: 72).

## **RESEARCH AND DEVELOPMENT**

The Group's research and development expenditure was EUR 5.1 million (Q4 2022: 5.8) in the fourth quarter of 2023, equivalent to 1.5% (1.9%) of net sales.

In 2023, research and development expenses totaled EUR 19.8 million (Q1-Q4 2022: 20.8), equivalent to 1.8% (1.7%) of net sales.

## **PERSONNEL**

The average number of full-time equivalent employees (FTE) was 6,714 (Q4 2022: 6,250) in the fourth quarter. At the end of the quarter, the Group employed 7,162 (6,595) employees, including approximately 1,200 of Georg Jensen's employees.

## **CHANGES IN MANAGEMENT**

In 2023, Fiskars Group announced the following changes in its Leadership Team. On March 27, 2023, Fiskars Group appointed Aamir Shaukat as Chief Supply Chain Officer and a member of the Fiskars Group Leadership Team. Aamir started in his position in July 2023, and reports to President and CEO Nathalie Ahlström.

On April 27, 2023, Fiskars Group announced that Tuomas Hyyryläinen, Executive Vice President for Business Area (BA) Crea and member of the Fiskars Group Leadership Team, had decided to leave Fiskars Group to take on a new challenge outside the company. Jesper Blomster, previously Vice President, Business Finance, BA Crea, took on the leadership of the Crea organization on an interim basis as of June 1, 2023.

On September 13, 2023, Fiskars Group announced its plans to combine the Business Areas Terra and Crea into one Business Area, Fiskars. Fiskars Group announced that Charlene Zappa, Executive Vice President for Business Area Terra, would leave the company, and that Johan Hedberg, Chief Sales officer Americas and President Americas, would step out of the Leadership Team.

On September 26, 2023, Fiskars Group appointed Dr. Steffen Hahn as Executive Vice President of the new Business Area Fiskars and a member of the Fiskars Group Leadership Team. Steffen started in his position after the reporting period on January 5, 2024, and reports to President and CEO Nathalie Ahlström.

## **ORGANIZATIONAL CHANGES AND FACTORY FURLOUGHS**

### **Changes announced in January 2023**

On January 23, 2023, Fiskars Group announced that it was planning targeted organizational changes to further drive end-to-end accountability in the Business Areas and to enhance their focus on brands and consumers. The organizational changes were completed in the second quarter of 2023, and they resulted in a reduction of approximately 100 roles globally. The changes were mainly related to the Business Areas. In addition, the company made changes in its sales organizations in the Americas and in Europe.



The organizational changes and efficiency improvements announced in January 2023 were expected to result in total annual cost savings of approximately EUR 30 million, of which approximately half were expected to be realized in the second half of 2023. Whilst the changes have been completed according to plans, the first savings have been partially offset by accelerated inflation in general and administrative expenses. One-off costs related to the planned organizational changes amount to a total of approximately EUR 5 million. These costs have been recorded as items affecting comparability (IAC) in 2023.

### **Changes announced in September 2023**

On September 13, 2023, Fiskars Group announced that it was planning to simplify its organizational structure to support the continued transformation of the company and to increase efficiency. The planned changes included combining the current Business Areas Terra and Crea into one Business area, Fiskars, which would offer Fiskars- and Gerber-branded products for the gardening, outdoor, cooking, scissors and creating categories. Furthermore, the company announced plans to simplify its global supply chain organization to increase efficiency and ensure competitiveness.

Fiskars Group completed employee consultation processes related to these planned organizational changes in the fourth quarter. They resulted in a reduction of approximately 400 roles globally. Both Business Area Fiskars and the new supply chain organization are operational.

The changes are expected to result in total annual cost savings of approximately EUR 25 million, of which majority would realize during 2024. One-off costs related to the changes amounted to a total of approximately EUR 6 million, and they have been recorded as items affecting comparability (IAC) in the fourth quarter of 2023.

### **Factory furloughs and retail network optimization**

In addition to the above organizational changes, Fiskars Group temporarily adjusted capacity in some of its factories due to the high level of inventories. The company implemented furloughs of a maximum of 90 calendar days during 2023 in its factories in Billnäs, Sorsakoski and Iittala in Finland.

Furthermore, the company reorganized and optimized its retail network in Finland during the second quarter. As a result, three stores were closed.

## **RESOLUTIONS OF THE ANNUAL GENERAL MEETING 2023**

The Annual General Meeting of shareholders of Fiskars Corporation was held at the Helsinki Exhibition & Convention Centre, the Conference Center Siipi (visiting address: Rautatieläisenkatu 3, Helsinki, Finland), on March 15, 2023.

The Annual General Meeting approved the financial statements for 2022 and discharged the members of the Board and the President and CEO from the liability.

### **The use of profit shown on the balance sheet and the payment of dividend**

The Annual General Meeting decided in accordance with the proposal of the Board of Directors to pay dividend of EUR 0.80 per share for the financial period that ended on December 31, 2022. The dividend was paid in two instalments. The ex-dividend date for the first instalment of EUR 0.40 per share was on March 16, 2023. The first instalment was paid to a shareholder, who was registered in the shareholders' register of the company maintained by Euroclear Finland Ltd. on the dividend record date March 17, 2023. The payment date for this instalment was March 24, 2023.

The ex-dividend date for the second instalment of EUR 0.40 per share was on September 11, 2023. The second instalment was paid to a shareholder who was registered in the shareholders' register of the company maintained by Euroclear Finland Oy on the dividend record date September 12, 2023. The payment date for this instalment was September 19, 2023.

### **Remuneration report for governing bodies**

The Annual General Meeting decided to adopt the Remuneration Report for the governing bodies.

### **Election and remuneration of the Board of Directors**

The Annual General Meeting decided that the Board of Directors shall consist of eight (8) members. Albert Ehrnrooth, Paul Ehrnrooth, Louise Fromond, Julia Goldin, Carl-Martin Lindahl, Volker Lixfeld, Jyri Luomakoski, and Ritva Sotamaa were re-elected to the Board of Directors. The term of the Board members will expire at the end of the Annual General Meeting in 2024.

The Annual General Meeting decided that the annual fees of the members of the Board of Directors shall be EUR 70,000, the annual fees of the Vice Chair EUR 105,000 and the annual fees of the Chair EUR 140,000.

In addition, for the Board and Committee meetings other than the meetings of the Audit Committee, the Board/Committee members shall be paid EUR 750 for meetings requiring travel within one (1) country and EUR 2,000 for meetings requiring international travel.



The Chairs of the Board of Directors and said Committees shall be paid a fee of EUR 1,500 per meeting requiring travel within one (1) country and EUR 2,000 for meetings requiring international travel.

For the meetings of the Audit Committee, the Committee members shall be paid a fee of EUR 1,000 for meetings requiring travel within one (1) country and EUR 2,250 for meetings requiring international travel. The Chair of the Audit Committee shall be paid a fee of EUR 2,500 per meeting.

For Board/Committee meetings held per capsulam or as teleconference, it was decided that the Chairs of the Board of Directors as well as said Committees be paid a fee per meeting that does not differ from meeting fees otherwise payable to them and the Board/Committee members be paid a fee of EUR 750 per meeting.

Further the members of the Board of Directors are reimbursed for their travel and other expenses incurred due to their activities in the interest of the company.

#### **Election and remunerations of the auditor**

Ernst & Young, Authorized Public Accountants firm, was re-elected as auditor for the term that will expire at the end of the Annual General Meeting in 2024. Ernst & Young has announced that the responsible auditor will be Kristina Sandin, APA. The Annual General Meeting decided that the auditors' fees shall be paid according to a reasonable invoice approved by the Board of Directors.

#### **Board authorizations**

##### ***Authorizing the Board of Directors to decide on the repurchase and/or the acceptance as pledge of the company's own shares***

The Annual General Meeting decided to authorize the Board of Directors to decide on the repurchase of the company's own shares and/or the acceptance as pledge of the company's own shares. The maximum number of shares to be repurchased and/or accepted as pledge is 4,000,000. Acquisitions of own shares may be made in one or several instalments and by 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 time 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 as well as otherwise for further transfer, retention or cancellation.

The Board of Directors is authorized to decide on all other terms and conditions regarding the acquisition and/or pledge 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, 2024 and it canceled the authorization to decide on the repurchase of the company's own shares granted to the Board of Directors by the Annual General Meeting on March 16, 2022.

##### ***Authorizing the Board of Directors to decide on the transfer of the company's own shares held as treasury shares (share issue)***

The Annual General Meeting decided to authorize the Board of Directors to decide on the transfer of a total maximum of 4,000,000 own shares held as treasury shares (share issue), 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, 2024, and it canceled the corresponding authorization granted to the Board of Directors by the Annual General Meeting on March 16, 2022.

#### **Amendment of the Articles of Association**

The Annual General Meeting Decided in accordance with the proposal of the Board of Directors to amend the Article 7 of the Articles of Association such that, if the Board of Directors so decide, shareholders may exercise their full decision-making power during a General Meeting using a remote connection and technical means as a so-called hybrid meeting.

Furthermore, the amendments permit the convening of a General Meeting in Espoo or completely without a physical venue, as a so-called remote meeting.

In its amended form, said provision of the Articles of Association reads as follows:

*"7 § Shareholders' Meetings (General Meetings) can be held in Raasepori, Helsinki or Espoo.*

*The Board of Directors may decide that participation in the General Meeting is also permitted such that a shareholder exercises their full decision-making power during the General Meeting using a remote connection and technical means.*

*The Board of Directors may also decide to convene a General Meeting without a physical venue such that the shareholders exercise their full decision-making power*

*in real time using a remote connection and technical means during the General Meeting.*

*Notices to Shareholders' Meetings shall be published on the company's website and in another manner possibly decided by the Board of Directors."*

It was decided that the Articles of Association remain unchanged in other respects.

The decision is based on the changes to Chapter 5 of the Finnish Companies Act, including the possibility to arrange remote general meetings. The legislative changes are based on the premise that shareholder rights shall not be compromised, and that all participating shareholders are able to exercise their full shareholder rights, including the right to present questions and to vote, in real time during the general meeting, irrespective of the chosen general meeting format. The possibility to organize remote general meetings enables the company to be prepared for rapidly changing conditions in the company's operating environment and society in general, due to for example pandemics. It is important for the company to have means to offer its shareholders the possibility to exercise their shareholder rights and resolve on any matters presented to a general meeting under any circumstances. In addition, Espoo is added as an alternative host city for General Meetings due to the company headquarters moving to Keilaniemi, Espoo, in early 2022.

## **CONSTITUTIVE MEETING OF THE BOARD AND BOARD COMMITTEES**

Convening after the Annual General Meeting held on March 15, 2023, the Board of Directors elected Paul Ehrnrooth as its Chair and Jyri Luomakoski as the Vice Chair. The Board decided to establish a Nomination Committee and appointed Paul Ehrnrooth (Chair) and Louise Fromond 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 (Chair), 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 (Chair), Jyri Luomakoski, Carl-Martin Lindahl and Volker Lixfeld, as the members of the committee.

## **SHARES AND SHAREHOLDERS**

### **Share capital and shares**

Fiskars Corporation has one share series (FSKRS). All shares carry one vote and equal rights. The number of shares in the Corporation totals 81,000,000. Fiskars Corporation held 202,927 of its own shares at the end of the quarter. The share capital remained unchanged, at EUR 77,510,200.

## **Market capitalization and trading**

Fiskars Corporation shares are traded in the Large Cap segment of Nasdaq Helsinki.

### **Trading on Nasdaq Helsinki**

	<b>1-12/2023</b>	<b>1-12/2022</b>
Trading volume, shares	4,920,469	8,498,168
Turnover, EUR	80,351,050	158,088,300
Highest price, EUR	18.52	24.45
Lowest price, EUR	13.62	14.04
Closing price, EUR	17.86	15.38
Volume-weighted average price, EUR	16.33	18.61

Fiskars Corporation shares are also traded in alternative marketplaces. In 2023, the number of shares traded on Nasdaq Helsinki and in alternative marketplaces together was 6.0 million (9.7), which represents 7.4% (12.1%) of the total number of shares.

At the end of December, Fiskars Corporation had a market capitalization of EUR 1,443.0 million (1,239.3). The total number of shareholders was 33,776 (32,602) at the end of 2023.

### **Flagging notifications**

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

### **Share-based plans**

The aim of the share-based plans is to support the implementation of the company's strategy and drive profitable growth and to align the objectives of employees with the shareholders to increase the value of the company. Furthermore, the goal is to increase commitment to the company by offering a competitive incentive program.

### **Performance Share Plan and Restricted Share Plan**

On December 10, 2020, the Board of Directors decided on new share-based Long-term Incentive Plans, a Performance Share Plan and a Restricted Share Plan for the Fiskars Group Leadership Team and other key employees. The Performance Share Plan has performance criteria and targets, whereas the Restricted Share Plan is used as a retention tool.

The plans consist of annually commencing share plans, each with a three-year performance or restriction period. The Board of Directors will decide the commencement of each plan separately. On February 7, 2023, the Board approved the launch of new periods for 2023–2025 within the Performance Share Plan and Restricted Share Plan. For the 2023–2025 period, the



Performance Share Plan has a maximum of 60 participants, and the performance targets are related to the company's absolute total shareholder return, cumulative comparable EBIT, and advancing circular products and services. The 2023–2025 Restricted Share Plan has a maximum of 30 participants and no performance targets.

Further information about the ongoing periods in these share-based incentive plans and terms applied to the plans was published in stock exchange releases on December 10, 2020, February 4, 2022, and February 7, 2023.

On February 7, 2023, the Board of Directors also decided on a directed share issue without consideration based on Fiskars' Performance Share Plan for 2018–2022 to pay the share rewards for the 2020–2022 performance period. Information about the launch and the terms and conditions of the incentive plan was published in a stock exchange release on February 7, 2018. In the share issue, 87,361 treasury shares were issued without consideration to the key personnel participating in the 2020–2022 performance period, in accordance with the terms and conditions of the Performance Share Plan 2018–2022. The decision on the share issue was based on the authorization granted to the Board of Directors by Fiskars Corporation's Annual General Meeting of Shareholders held on March 16, 2022.

#### ***Ownership plan for the management***

On February 7, 2023, Fiskars Group announced that the Board of Directors had decided to launch an Ownership Plan 2023 directed at the company's President and CEO, the Fiskars Group Leadership Team, and certain key employees determined by the Board.

In the Plan, the target group is given an opportunity to receive free matching shares for their personal investment in Fiskars shares. The rewards based on the Plan will be paid after the end of the three-year matching period in 2026.

On February 7, 2023, it was also announced that the Board had decided on a directed share issue against payment, in which a maximum of 190,000 treasury shares held by the company are offered for subscription by the target group of the Plan, in deviation from the shareholders' pre-emptive right. The company has a weighty financial reason for the deviation from the shareholders' pre-emptive right, as the purpose of the share issue is to encourage the target group to acquire and own the company's shares as part of the Plan. The announced subscription period ended on March 3, 2023.

On March 10, 2023, the Board approved the subscriptions for shares made in the directed share issue. A total of 156,401 treasury shares was subscribed for in the directed share issue. The subscription price was EUR 16.56 per share, equal to

the trade volume weighted average price of Fiskars shares on Nasdaq Helsinki Ltd during the period between January 1, 2023 and January 31, 2023. The total share subscription price was EUR 2,590,000.56. The share subscription price was credited to the company's reserve for invested unrestricted equity.

As part of the Plan, the Board resolved to offer to partly finance on an arm's length basis the subscriptions of the company's shares by providing interest-bearing loans to the Plan participants. The aggregate amount of finance provided by the company was EUR 1,206,274.00.

#### ***"MyFiskars" employee share savings plan***

On March 15, 2023, Fiskars Group announced that the Board of Directors had decided to establish an employee share savings plan, "MyFiskars", for the employees of Fiskars Group.

MyFiskars consists of annually commencing plan periods, each comprising a 12-month savings period and a holding period. The employees are offered the opportunity to voluntarily save a proportion of their monthly salary and to invest this in Fiskars shares. The savings will be used to acquire Fiskars shares for the participating employees quarterly after the publication dates of the company's interim reports. As a reward for their commitment, Fiskars grants the participating employees a gross reward of one free matching share for every two savings shares acquired. The matching shares will be granted if the participating employee remains employed at Fiskars Group at the end of the plan period, and if they have kept the shares they have acquired with their savings until this date.

The first enrollment period for the plan was in the second quarter, and the second enrollment in the fourth quarter of 2023. In total, 13% of all employees globally, 32% of office employees and 48% of office employees in Finland had signed up after the second enrollment period.

The savings period commenced on July 1, 2023, and it will end on June 30, 2024. Those who enrolled in the second enrollment period joined this savings period on January 1, 2024. The holding period begins at the first acquisition of savings shares and ends on June 30, 2026.

The maximum number of matching shares (gross before taxes) for the first plan period 2023–2026 is approximately 120,500 (calculated at the prevalent share price when the Board of Directors announced the plan on March 15, 2023). The final number of matching shares depends on the employees' participation and savings rate in the plan and the fulfilment of the prerequisites for receiving matching shares, as well as the number of shares acquired from the market with savings.



## SHORT-TERM RISKS AND BUSINESS UNCERTAINTIES

Fiskars Group's business, net sales and financial performance may be affected by several internal and external uncertainties.

Fiskars Group has presented the overall business risks and risk management more broadly in its Annual Report and on the company's website at [www.fiskarsgroup.com/investors](http://www.fiskarsgroup.com/investors). These risks still apply. The most significant updates to risks and business uncertainties since the publication of the Annual Report are related to the general economic and geopolitical situation.

The operating environment is expected to remain challenging in 2024 and impact demand for the Group's products. If the difficult market conditions persist for longer than anticipated or worsen further, it may impact net sales and financial performance more than currently expected.

The challenging operating environment may also increase the risk for credit losses. Challenges in obtaining funding have also resulted payment delays by one of the company's trade partner and increased the risk of credit losses. Fiskars Group has paid particular attention to securing and collecting receivables. Based on the information available to date, there is no reason to believe that the Group would not be able to collect most of them. It is possible that based on later information, this view may need to be reconsidered.

Wage inflation is expected to remain elevated in 2024. If it accelerates more than anticipated, it may have a negative impact on the Group's full-year profit.

The demand for Fiskars Group's products across categories can be influenced both by seasonal variations and weather conditions.

For Business Area Fiskars, the first half of the year is important for the gardening category. The demand for garden tools can be significantly influenced by weather conditions. Unfavorable weather, i.e. a cold and rainy spring, can negatively impact the sales of these products, while favorable conditions can boost their sales. The back-to-school season during second and third quarter of the year is also important for the scissors category in Business Area Fiskars.

For Business Area Vita, the second half, in particular the fourth quarter is the most important time of the year due to the holiday season.

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 net sales and profit.

Geopolitical risks such as the continuing war in Ukraine and ongoing conflicts in the Middle East may result in further trade sanctions and impact supply chains and market demand, as well as accelerate inflation, which may have an adverse impact on the net sales and profit of the Group.

As the company continues to invest in key strategic building blocks, especially direct-to-consumer and digital, risks related to major system implementations such as business disruptions, conflicting or missing data, budget overspend, and project delays may negatively affect the Group's business.

Despite a careful due diligence process, all acquisitions and integrations of acquired businesses include risks. Acquired businesses may not perform as expected, key individuals may decide to leave the company, the costs of the integration may exceed expectations, and synergy effects may be lower than expected.

Fiskars Group is involved in a number of legal actions, claims and other proceedings. Due to the nature of these proceedings, the final outcome of these cases cannot be predicted. Taking into account the available information to date, the outcome is not expected to have a material impact on the financial position of the Group.



## STOCK EXCHANGE RELEASES DURING THE REPORTING PERIOD

In addition to the releases below, the company has announced acquisitions of its own shares.

Date	Release	Date	Release
13.1.2023	Inside information: Fiskars Corporation publishes preliminary key figures for Q4 and full year 2022 – comparable EBIT in 2022 in line with outlook	27.4.2023	Fiskars Interim Report for January-March 2023
20.1.2023	Proposals of the Nomination Committee of the Board of Directors to Fiskars' Annual General Meeting 2023	27.4.2023	Change in the Fiskars Group Leadership Team
23.1.2023	Inside information: Fiskars plans targeted organizational changes to accelerate strategy execution	8.6.2023	Fiskars to continue acquiring the company's own shares
7.2.2023	Fiskars Financial Statement Release 2022	5.7.2023	Inside information, profit warning: Fiskars lowers its guidance for 2023
7.2.2023	Notice to Fiskars Corporation's Annual General Meeting	20.7.2023	Fiskars Half-year financial report for January-June 2023
7.2.2023	Fiskars Corporation's directed share issue without consideration based on the Performance Share Plan 2018–2022	7.9.2023	Fiskars Corporation: Record date and payment date of the second dividend instalment of EUR 0.40 resolved by the Annual General Meeting 2023
7.2.2023	New periods to start within the share-based long-term incentive programs of Fiskars Group	13.9.2023	Inside information: Fiskars Group plans to simplify its organizational structure to speed up the continued transformation of the company and to increase efficiency
7.2.2023	Fiskars is launching a new ownership plan for the company's management and planning an employee share savings plan	14.9.2023	Inside information: Fiskars Group expands its portfolio of luxury brands by acquiring Georg Jensen
13.2.2023	Update to the notice to Fiskars Corporation Annual General Meeting	26.9.2023	Change in the Fiskars Group Leadership Team
21.2.2023	Fiskars Annual Report 2022 published	12.10.2023	Inside information, profit warning: Fiskars Corporation lowers its guidance for 2023 and publishes preliminary information for Q3 2023
2.3.2023	Transfer of the company's own shares	26.10.2023	Fiskars Corporation's interim report for January-September 2023
3.3.2023	Notification of management's transactions – Ahlström	26.10.2023	Inside information: Fiskars Group considers entering the debt capital markets and raising bond financing as one alternative
10.3.2023	Directed share issue related to the Fiskars Ownership Plan 2023 for the company's management and transfer of the company's own shares	26.10.2023	Fiskars Corporation: Financial reporting and Annual General Meeting in 2024
14.3.2023	Notification of management's transactions – Ahlström	31.10.2023	Fiskars Corporation – Notification of management's transactions – Ahlström
14.3.2023	Notification of management's transactions – Siitonen	31.10.2023	Fiskars Corporation - Notification of management's transactions - Siitonen
15.3.2023	The Board of Directors of Fiskars Corporation launches an employee share savings plan	1.11.2023	Fiskars Corporation – Notification of management's transactions – Ahlström
15.3.2023	Resolutions of Fiskars Corporation's Annual General Meeting 2023	1.11.2023	Fiskars Corporation - Notification of management's transactions - Siitonen
27.3.2023	Change in the Fiskars Group Leadership Team	6.11.2023	Fiskars Group considers issuance of sustainability-linked notes
31.3.2023	Transfer of the company's own shares	9.11.2023	Fiskars Group issues EUR 200 million sustainability-linked notes
20.4.2023	Change in Fiskars Group's official languages as of 2024		



## EVENTS AFTER THE REPORTING PERIOD

### **January 9, 2024: Negative goodwill recognized from Georg Jensen acquisition**

On January 9, 2024, Fiskars Group announced that it had finalized the purchase price allocation of the Georg Jensen acquisition and recognizes negative goodwill from it. As a result, the company recorded a gain of EUR 25.4 million as items affecting comparability (IAC) in Q4 2023. As the negative goodwill was recorded as IAC in other operating income, it did not impact Fiskars Group's comparable EBIT in 2023 or the company's guidance for 2023. The negative goodwill was generated as the purchase price was lower than the fair value of acquired net assets. In addition to the negative goodwill, the other main items from the purchase price allocation with income statement impact were fair valuation of inventory and intangible assets.

### **January 10, 2024: Listing application for sustainability-linked notes submitted**

On January 10, 2024, Fiskars Corporation announced that it had submitted an application for its EUR 200 million sustainability-linked notes to be admitted to trading on the list of sustainable bonds of Nasdaq Helsinki Ltd. Trading on the Notes was expected to commence on or about January 12, 2024 under the trading code "FSKRSJ512528".

Fiskars Corporation announced its decision to issue the notes on November 9, 2023. The Notes were issued on November 16, 2023.

### **January 31, 2024: Change in the Fiskars Group Leadership Team**

On January 31, 2024, Fiskars Group announced its plans to integrate sales operations into the Business Areas and terminated the Group-level position of Chief Sales Officer, Europe and APAC (excl. China). As a result of this change, Gennady Jilinski stepped out of the leadership team and left the company.

### **February 2, 2024: Proposals of the Nomination Committee of the Board of Directors to Fiskars Corporation's Annual General Meeting 2024**

The Nomination Committee of the Board of Directors proposes to the Annual General Meeting that the following individuals shall be re-elected to the Board of Directors: Albert Ehrnrooth, Paul Ehrnrooth, Louise Fromond, Julia Goldin, Carl-Martin Lindahl, Volker Lixfeld and Jyri Luomakoski. Ritva Sotamaa has informed that she will no longer be available for re-election to the Board of Directors. The Nomination Committee proposes further that the Annual General Meeting shall elect Susan Repo as a new member of the Board of Directors.

The Nomination Committee proposes that the annual fees of the members of the Board of Directors shall be EUR 70,000, the annual fee of the Vice Chairman EUR 105,000 and the annual fee of the Chairman EUR 140,000.

## **PROPOSAL FOR THE DISTRIBUTION OF DIVIDEND**

Fiskars Corporation's 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 2023, the distributable equity of the parent company was EUR 855.8 million (2022: EUR 231.9 million).

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.82 per share shall be paid for the financial period that ended on December 31, 2023. The dividend shall be paid in two instalments. The ex-dividend date for the first instalment of EUR 0.41 per share shall be on March 14, 2024. 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 15, 2024. The payment date proposed by the Board of Directors for this instalment is March 22, 2024.

The second instalment of EUR 0.41 per share shall be paid in September 2024. 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 12, 2024. The ex-dividend date for the second instalment would be September 13, 2024, the dividend record date for the second instalment would be September 16, 2024 and the dividend payment date September 23, 2024, at the latest.

On the date of this financial statement release, the number of shares entitling their holders to a dividend was 80,797,073. The proposed distribution of dividends would thus be EUR 66.3 million (EUR 64.5 million). This would leave EUR 789.5 million (EUR 167.4) 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.

## **GUIDANCE FOR 2024**

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

## **ASSUMPTIONS BEHIND THE GUIDANCE**

The operating environment is expected to remain challenging and impact demand in 2024. Based on the company's current visibility on the market development, this applies especially to the first half of the year. The savings from the completed organizational changes are expected to support EBIT, although they will be partially offset by wage inflation.

As a result of the Georg Jensen acquisition, the Group's EBIT generation will shift even more toward the end of the year, highlighting the importance of the second half and especially of the fourth quarter.

Espoo, Finland, February 7, 2024

## **FISKARS CORPORATION**

Board of Directors



# Consolidated income statement

EUR million	Q4 2023	Q4 2022	Change	2023	2022	Change
<b>Net sales</b>	<b>345.8</b>	<b>304.1</b>	<b>13.7%</b>	<b>1,129.8</b>	<b>1,248.4</b>	<b>-9.5%</b>
Cost of goods sold	-201.0	-169.5	18.6%	-618.5	-692.5	-10.7%
<b>Gross profit</b>	<b>144.8</b>	<b>134.6</b>	<b>7.6%</b>	<b>511.4</b>	<b>555.9</b>	<b>-8.0%</b>
Other operating income	26.9	-0.0		28.9	5.6	
Sales and marketing expenses	-93.3	-73.4	27.2%	-292.6	-276.1	6.0%
Administration expenses	-35.5	-31.2	13.5%	-124.5	-120.9	2.9%
Research and development expenses	-5.1	-5.8	-12.4%	-19.8	-20.8	-4.9%
Other operating expenses	-3.8	0.2		-4.5	-8.9	-50.1%
<b>EBIT*</b>	<b>34.0</b>	<b>24.4</b>	<b>39.4%</b>	<b>98.9</b>	<b>134.7</b>	<b>-26.6%</b>
Change in fair value of biological assets	1.0	-0.9		4.8	1.1	
Financial income and expenses	-10.0	-9.0	11.1%	-24.0	-11.7	
<b>Profit before taxes</b>	<b>25.0</b>	<b>14.5</b>	<b>72.7%</b>	<b>79.7</b>	<b>124.1</b>	<b>-35.7%</b>
Income taxes	3.0	-3.1		-9.7	-25.0	-61.2%
<b>Profit for the period</b>	<b>28.0</b>	<b>11.4</b>		<b>70.0</b>	<b>99.1</b>	<b>-29.3%</b>
Attributable to:						
Equity holders of the parent company	28.0	11.2		69.9	98.2	-28.9%
Non-controlling interest	-0.1	0.1		0.2	0.9	-80.1%
Earnings for equity holders of the parent company per share, EUR (basic and diluted)	0.35	0.14		0.86	1.21	-28.6%
Comparable earnings per share, EUR	0.40	0.19		0.99	1.37	-27.9%
* Comparable EBIT (detailed in notes)	37.7	29.7	26.9%	110.3	151.0	-27.0%

# Consolidated statement of comprehensive income

EUR million	Q4 2023	Q4 2022	2023	2022
<b>Profit for the period</b>	<b>28.0</b>	<b>11.4</b>	<b>70.0</b>	<b>99.1</b>
<b>Other comprehensive income for the period</b>				
Items that may be reclassified subsequently to profit or loss:				
Translation differences	-4.9	-25.1	-8.3	3.6
Cash flow hedges	-1.4	0.1	-0.7	0.1
Items that will not be reclassified to profit or loss:				
Defined benefit plans, actuarial gains (losses) net of tax	-0.2	1.6	-0.1	1.3
Other comprehensive income for the period, net of tax	-6.4	-23.3	-9.1	5.1
<b>Total comprehensive income for the period</b>	<b>21.5</b>	<b>-11.9</b>	<b>61.0</b>	<b>104.2</b>
Attributable to:				
Equity holders of the parent company	21.5	-12.1	60.9	103.2
Non-controlling interest	0.0	0.1	0.0	1.0
<b>Total comprehensive income for the period</b>	<b>21.5</b>	<b>-11.9</b>	<b>61.0</b>	<b>104.2</b>

# Consolidated balance sheet

EUR million	Dec 31 2023	Dec 31 2022	Change
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	220.1	221.2	-0.5%
Other intangible assets	371.7	278.6	33.4%
Property, plant and equipment	163.2	146.3	11.5%
Right-of-use assets	143.4	110.6	29.6%
Biological assets	51.3	46.5	10.4%
Investment property	5.3	5.8	-8.2%
Financial assets at fair value through profit or loss	30.9	29.0	6.5%
Other investments	3.5	3.5	0.0%
Deferred tax assets	28.4	31.9*	-11.0%
Other non-current assets	11.0	6.4	73.9%
<b>Non-current assets total</b>	<b>1,028.8</b>	<b>879.7</b>	<b>16.9%</b>
<b>Current assets</b>			
Inventories	364.0	364.7	-0.2%
Trade receivables	177.2	170.5	4.0%
Other current receivables	52.0	48.8	6.7%
Income tax receivables	4.2	7.2	-41.4%
Interest-bearing receivables	1.4	1.7	-21.4%
Cash and cash equivalents	127.3	115.8	9.9%
<b>Current assets total</b>	<b>726.1</b>	<b>708.6</b>	<b>2.5%</b>
<b>Assets total</b>	<b>1,754.9</b>	<b>1,588.3</b>	<b>10.5%</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity attributable to the equity holders of the parent company	819.9	819.8*	0.0%
Non-controlling interest	3.8	4.1	-6.9%
<b>Equity total</b>	<b>823.7</b>	<b>823.9</b>	<b>0.0%</b>
<b>Non-current liabilities</b>			
Interest-bearing liabilities	330.7	130.4	
Lease liabilities	117.4	92.9	26.4%
Deferred tax liabilities	38.8	34.5	12.5%
Employee defined benefit obligations	12.1	10.8	11.8%
Provisions	3.3	2.4	34.7%
Other non-current liabilities	4.1	4.0	1.6%
<b>Non-current liabilities total</b>	<b>506.4</b>	<b>275.1</b>	<b>84.1%</b>
<b>Current liabilities</b>			
Interest-bearing liabilities	92.5	195.2	-52.6%
Lease liabilities	33.3	22.5	47.9%
Trade payables	102.1	83.9*	21.7%
Other current payables	184.5	180.9	2.0%
Income tax liabilities	6.7	3.8	73.6%
Provisions	5.8	3.0	90.9%
<b>Current liabilities total</b>	<b>424.9</b>	<b>489.3</b>	<b>-13.2%</b>
<b>Equity and liabilities total</b>	<b>1,754.9</b>	<b>1,588.3</b>	<b>10.5%</b>

\*Opening balance restated, details in equity statement.

# Consolidated statement of cash flows

EUR million	Q4 2023	Q4 2022	2023	2022
<b>Cash flow from operating activities</b>				
Profit before taxes	25.0	14.5	79.7	124.1
Adjustments for				
Depreciation, amortization and impairment	19.9	14.8	66.0	59.4
Gain/loss on sale and loss on scrap of non-current assets	-0.2	0.4	-0.4	0.6
Other financial items	10.0	9.6	23.9	12.3
Change in fair value of biological assets	-1.0	0.9	-4.8	-1.1
Change in provisions and other non-cash items	-32.8	3.5	-27.9	-11.2
<b>Cash flow before changes in working capital</b>	<b>20.9</b>	<b>43.7</b>	<b>136.6</b>	<b>184.0</b>
Changes in working capital				
Change in current assets, non-interest-bearing	14.7	44.9	1.2	14.9
Change in inventories	35.8	16.1	114.9	-89.7
Change in current liabilities, non-interest-bearing	30.0	-44.2	-5.1	-134.1
<b>Cash flow from operating activities before financial items and taxes</b>	<b>101.4</b>	<b>60.5</b>	<b>247.5</b>	<b>-24.9</b>
Financial income received and costs paid	-5.4	4.0	-14.8	-7.4
Taxes paid	-5.5	-11.0	-11.9	-29.2
<b>Cash flow from operating activities (A)</b>	<b>90.5</b>	<b>53.4</b>	<b>220.8</b>	<b>-61.4</b>
<b>Cash flow from investing activities</b>				
Investments in financial assets	-0.2	-0.2	-0.2	-0.4
Capital expenditure on fixed assets	-18.4	-13.4	-50.8	-48.1
Proceeds from sale of fixed assets	0.2	-0.3	0.9	1.5
Acquired in business combinations, net of cash acquired	-121.3		-121.3	
Proceeds from sale of assets held for sale				43.9
Disposal of subsidiary, net of cash disposed of				-9.2
Other dividends received	0.3	0.0	0.5	0.2
Cash flow from other investments	1.0	0.0	1.1	4.3
<b>Cash flow from investing activities (B)</b>	<b>-138.3</b>	<b>-13.9</b>	<b>-169.8</b>	<b>-7.8</b>
<b>Cash flow from financing activities</b>				
Purchase of treasury shares	-0.3	-2.1	-0.4	-18.0
Change in current receivables	1.8	-1.7	2.2	-1.7
Proceeds from non-current debt	198.8	130.1	198.8	130.1
Repayments of non-current debt	-0.1	-0.1	-0.4	-0.3
Change in current debt	-204.5	-98.2	-145.6	129.3
Payment of lease liabilities	-9.8	-6.4	-30.8	-26.5
Cash flow from other financing items	-0.0		1.4	
Dividends paid	-0.2	0.2	-65.1	-62.9
<b>Cash flow from financing activities (C)</b>	<b>-14.3</b>	<b>21.8</b>	<b>-40.0</b>	<b>149.8</b>
<b>Change in cash and cash equivalents (A+B+C)</b>	<b>-62.1</b>	<b>61.3</b>	<b>11.1</b>	<b>80.5</b>
Cash and cash equivalents at beginning of period	188.1	54.4	115.8	31.5
Translation difference	1.2	0.1	0.4	3.7
Cash and cash equivalents at end of period	127.3	115.8	127.3	115.8

# Condensed consolidated statement of changes in 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	Retained earnings		
<b>Opening Balance Jan 1, 2022</b>	<b>77.5</b>	<b>-7.2</b>	<b>9.2</b>	<b>0.0</b>	<b>-1.4</b>	<b>733.9</b>	<b>4.2</b>	<b>816.3</b>
Total comprehensive income for the period			3.6	0.1	1.3	98.2	1.0	104.2
Purchase and issue of treasury shares		-18.0						-18.0
Share-based payments		1.8				-4.5		-2.7
Cancellation of treasury shares		16.6				-16.6		0.0
Dividends						-61.7	-1.1	-62.8
Other changes			5.4			-6.6		-1.3
<b>Balance at Dec 31, 2022</b>	<b>77.5</b>	<b>-6.7</b>	<b>18.1</b>	<b>0.1</b>	<b>-0.1</b>	<b>742.7</b>	<b>4.1</b>	<b>835.6</b>
<b>Opening Balance Jan 1, 2023</b>	<b>77.5</b>	<b>-6.7</b>	<b>18.1</b>	<b>0.1</b>	<b>-0.1</b>	<b>742.7</b>	<b>4.1</b>	<b>835.6</b>
Correction relating to prior periods*						-11.8		-11.8
<b>Opening Balance Jan 1, 2023</b>	<b>77.5</b>	<b>-6.7</b>	<b>18.1</b>	<b>0.1</b>	<b>-0.1</b>	<b>730.9</b>	<b>4.1</b>	<b>823.9</b>
Total comprehensive income for the period			-8.2	-0.7	-0.1	69.9	0.0	61.0
Purchase and issue of treasury shares		2.2				0.4		2.6
Share-based payments		1.6				0.4		2.0
Dividends						-64.6	-0.3	-65.0
Other changes						-0.8		-0.8
<b>Balance at Dec 31, 2023</b>	<b>77.5</b>	<b>-3.0</b>	<b>9.9</b>	<b>-0.6</b>	<b>-0.1</b>	<b>736.2</b>	<b>3.8</b>	<b>823.7</b>

\*Correction to previous years according to IAS 8.43 and 8.44, adjustment related to inventory purchases in the US market. Additionally, 1.1.2023 Trade payables balance has been adjusted by an increase of 14.7 MEUR and Deferred tax assets by 2.9 MEUR.





# 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 the sum of individual figures may therefore differ from the presented total figure.



# Reporting segments

EUR million	Q4 2023	Q4 2022	Change	2023	2022	Change
<b>Net sales</b>						
Vita	214.5	175.9	21.9%	555.3	563.7	-1.5%
Fiskars	130.0	127.0	2.4%	570.5	680.8	-16.2%
Other	1.2	1.2		4.0	3.9	
<b>Group total</b>	<b>345.8</b>	<b>304.1</b>	<b>13.7%</b>	<b>1,129.8</b>	<b>1,248.4</b>	<b>-9.5%</b>
<b>EBIT</b>						
Vita	38.2	36.0	6.0%	61.8	85.5	-27.7%
Fiskars	0.4	-8.2		63.3	68.3	-7.4%
Other	-4.6	-3.5		-26.2	-19.1	
<b>Group total</b>	<b>34.0</b>	<b>24.4</b>	<b>39.4%</b>	<b>98.9</b>	<b>134.7</b>	<b>-26.6%</b>
<b>Items affecting comparability in EBIT</b>						
Vita	-3.5	-0.1		0.5	0.1	
Fiskars	7.0	5.4	30.6%	10.5	14.3	-26.3%
Other	0.2	0.0		0.4	1.9	-77.6%
<b>Group total</b>	<b>3.7</b>	<b>5.3</b>	<b>-30.7%</b>	<b>11.4</b>	<b>16.3</b>	<b>-29.9%</b>
<b>Depreciation, amortization and impairment</b>						
Vita	12.3	8.0	54.6%	37.6	33.6	12.0%
Fiskars	6.3	5.6	12.4%	24.0	23.1	3.8%
Other	1.4	1.3		4.5	2.7	
<b>Group total</b>	<b>19.9</b>	<b>14.8</b>	<b>34.5%</b>	<b>66.0</b>	<b>59.4</b>	<b>11.2%</b>
<b>Capital expenditure</b>						
Vita	10.4	6.5	60.7%	26.8	20.9	28.0%
Fiskars	6.8	6.5	4.1%	20.0	21.5	-6.7%
Other	1.2	0.4		4.0	5.7	
<b>Group total</b>	<b>18.4</b>	<b>13.4</b>	<b>37.2%</b>	<b>50.8</b>	<b>48.1</b>	<b>5.5%</b>

# Net sales by geography

EUR million	Q4 2023	Q4 2022	Change	2023	2022	Change
<b>Net sales</b>						
Europe	180.4	154.3	16.9%	552.2	596.0	-7.3%
Americas	87.1	91.9	-5.2%	362.4	432.0	-16.1%
Asia-Pacific	77.8	61.0	27.6%	211.3	209.4	0.9%
Unallocated	0.4	-3.0		3.9	11.1	
<b>Group total</b>	<b>345.8</b>	<b>304.1</b>	<b>13.7%</b>	<b>1,129.8</b>	<b>1,248.4</b>	<b>-9.5%</b>

# EBIT and Comparable EBIT

EUR million	Q4			Q4		
	2023	2022	Change	2023	2022	Change
<b>EBIT</b>	<b>34.0</b>	<b>24.4</b>	<b>39.4%</b>	<b>98.9</b>	<b>134.7</b>	<b>-26.6%</b>
Depreciation and amortization	19.9	14.8	34.5%	66.0	59.4	11.2%
<b>EBITDA</b>	<b>53.9</b>	<b>39.2</b>	<b>37.6%</b>	<b>164.9</b>	<b>194.1</b>	<b>-15.1%</b>
<b>Items affecting comparability in EBIT</b>						
Organizational changes	4.7			12.3		
Georg Jensen acquisition / Inventory fair value step-up release	13.7			13.7		
Georg Jensen acquisition / Gain from negative goodwill	-25.4			-25.4		
Georg Jensen acquisition / Transaction costs	5.6			5.6		
Georg Jensen acquisition / Integration costs	1.6			1.6		
Sale of Watering business	3.5	4.3		3.6	3.3	
Sale of subsidiary in Russia		1.0			11.9	
Changes in Group Leadership Team					1.1	
<b>Total items affecting comparability in EBIT</b>	<b>3.7</b>	<b>5.3</b>	<b>-30.7%</b>	<b>11.4</b>	<b>16.3</b>	<b>-29.9%</b>
<b>Comparable EBIT</b>	<b>37.7</b>	<b>29.7</b>	<b>26.9%</b>	<b>110.3</b>	<b>151.0</b>	<b>-27.0%</b>
Depreciation and amortization, excl. IAC	19.9	14.8	34.5%	65.5	59.3	11.2%
<b>Comparable EBITDA</b>	<b>57.6</b>	<b>44.5</b>	<b>29.4%</b>	<b>175.8</b>	<b>210.3</b>	<b>-16.4%</b>

## EBIT and Comparable EBIT by income statement line item

EUR million	Q4 2023			Q4 2022		
	Total	Items affecting comparability*	Excl. Items affecting comparability	Total	Items affecting comparability*	Excl. Items affecting comparability
Net sales	345.8		345.8	304.1		304.1
Cost of goods sold	-201.0	17.0	-184.0	-169.5	4.2	-165.3
Sales and marketing expenses	-93.3	7.4	-85.9	-73.4	0.0	-73.4
Administration expenses	-35.5	1.1	-34.3	-31.2		-31.2
Research and development expenses	-5.1	0.0	-5.1	-5.8		-5.8
Other operating income and expenses	23.0	-21.9	1.2	0.2	1.1	1.3
<b>EBIT</b>	<b>34.0</b>	<b>3.7</b>	<b>37.7</b>	<b>24.4</b>	<b>5.3</b>	<b>29.7</b>

\*There were no items affecting comparability related to depreciation and amortization in Q4 2023 or Q4 2022.

EUR million	2023			2022		
	Total	Items affecting comparability*	Excl. Items affecting comparability	Total	Items affecting comparability*	Excl. Items affecting comparability
Net sales	1,129.8		1,129.8	1,248.4		1,248.4
Cost of goods sold	-618.5	17.3	-601.2	-692.5	4.2	-688.3
Sales and marketing expenses	-292.6	13.9	-278.7	-276.1	0.9	-275.2
Administration expenses	-124.5	1.8	-122.7	-120.9	1.7	-119.2
Research and development expenses	-19.8	0.1	-19.7	-20.8		-20.8
Other operating income and expenses	24.5	-21.7	2.8	-3.3	9.5	6.2
<b>EBIT</b>	<b>98.9</b>	<b>11.4</b>	<b>110.3</b>	<b>134.7</b>	<b>16.3</b>	<b>151.0</b>

\*Total items affecting comparability included EUR 0.5 million (0.1) depreciation and amortization related items in 2023.



# Intangible and tangible assets

EUR million	Dec 31 2023	Dec 31 2022
<b>Intangible assets and goodwill</b>		
Book value, Jan 1	499.8	489.3
Translation differences	-2.4	4.2
Additions	24.5	20.3
Acquired in business combinations	85.7	
Amortization and impairment	-15.1	-13.8
Decreases and transfers	-0.7	-0.2
<b>Book value at end of period</b>	<b>591.8</b>	<b>499.8</b>
<b>Tangible assets and investment property</b>		
Book value, Jan 1	152.0	148.5
Translation differences	-0.2	0.5
Additions	26.0	27.8
Acquired in business combinations	11.4	
Depreciation and impairment	-21.6	-20.7
Decreases and transfers	0.9	-4.0
<b>Book value at end of period</b>	<b>168.5</b>	<b>152.0</b>
<b>Right-of-use assets</b>		
Book value, Jan 1	110.6	106.8
Translation differences	-1.7	0.5
Additions	49.1	28.9
Acquired in business combinations	21.4	
Depreciations	-29.3	-24.3
Decreases	-6.7	-1.3
<b>Book value at end of period</b>	<b>143.4</b>	<b>110.6</b>



# Contingencies and pledged assets

EUR million	Dec 31 2023	Dec 31 2022
<b>As security for own commitments</b>		
Guarantees	4.7	6.0
Other contingencies*	1.8	3.0
<b>Contingencies and pledged assets total</b>	<b>6.5</b>	<b>9.1</b>

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

# Derivatives

EUR million	Dec 31 2023	Dec 31 2022
<b>Nominal amounts of derivatives</b>		
Derivatives, hedge accounting not applied:		
Foreign exchange forwards and swaps	338.8	306.2
Commodity derivatives	4.3	
Derivatives, hedge accounting applied:		
Interest rate swaps	165.0	50.0
<b>Fair value of derivatives</b>		
Derivatives, hedge accounting not applied:		
Foreign exchange forwards and swaps	1.3	3.1
Commodity derivatives	0.1	
Derivatives, hedge accounting applied:		
Interest rate swaps	1.2	0.1

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

Fiskars Group applies hedge accounting to interest rate swaps. Fair value change is recognized in equity through other comprehensive income (cash flow hedges) or in financial items in profit and loss (fair value hedges). Hedge accounting is not applied on commodity derivatives. Fair value changes are recognized in financial items.

# Net debt reconciliation

EUR million	Dec 31 2023	Dec 31 2022
Loans from credit institutions	222.6	325.6
Issued bonds	200.5	
Lease liabilities	150.8	115.5
Cash and cash equivalents	-127.3	-115.8
<b>Net debt</b>	<b>446.7</b>	<b>325.3</b>

# Exchange rate sensitivity of the operations

The most significant transaction risks are related to the appreciation of THB, DKK and USD and the 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	SEK	DKK	AUD	USD	JPY	NOK	CAD
Operational currency position	-35.0	31.4	-30.7	25.4	-25.3	20.7	20.1	14.0
Exchange rate sensitivity of the operations*	3.5	-3.1	3.1	-2.5	2.5	-2.1	-2.0	-1.4

\*Illustrates the impact of 10% depreciation of the currency 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 using 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

Hierarchy level 1 includes financial assets and liabilities that are publicly quoted in an active market. Level 2 includes financial assets and liabilities measured using directly observable market inputs. Other than publicly quoted 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.

### FAIR VALUE OF FINANCIAL INSTRUMENTS

Dec 31, 2023

EUR million	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss			30.9	30.9
Other investments			3.5	3.5
Derivative assets		4.9		4.9
<b>Total assets</b>		<b>4.9</b>	<b>34.3</b>	<b>39.2</b>
Derivative liabilities		2.3		2.3
<b>Total liabilities</b>		<b>2.3</b>		<b>2.3</b>

Dec 31, 2022

EUR million	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss			29.0	29.0
Other investments			3.5	3.5
Derivative assets		4.5		4.5
<b>Total assets</b>		<b>4.5</b>	<b>32.5</b>	<b>37.0</b>
Derivative liabilities		1.4		1.4
<b>Total liabilities</b>		<b>1.4</b>		<b>1.4</b>

Financial assets at fair value through profit or loss 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 unlisted shares as well as non-current receivables. 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 2023

### Acquisition of Georg Jensen

On October 1, 2023, Fiskars announced that it has completed the acquisition of renowned Danish luxury lifestyle brand Georg Jensen by acquiring 100% of the shares of Georg Jensen Investment ApS. Georg Jensen is headquartered in Copenhagen, Denmark and is present in over 10 countries. In 2022, Georg Jensen employed 1,205 employees (FTEs), net sales were EUR 158.1 million and EBIT was EUR 14.9 million.

The enterprise value of the acquisition was approximately EUR 155 million on a cash and debt free basis, and final consideration transferred after ordinary post-closing adjustments was EUR 124.7 million. The amount of consideration is final and does not carry any contingent consideration arrangements. Fiskars financed the acquisition with debt.

The acquisition supports Fiskars Group's Growth Strategy by expanding the company's luxury home brand portfolio, which already includes the iconic brands of Royal Copenhagen, Waterford and Wedgwood. Furthermore, reuniting the beloved Danish design brands Georg Jensen and Royal Copenhagen offers attractive commercial excellence opportunities. Georg Jensen's position in direct-to-consumer (DTC) channels is strong with over 50% of sales from own retail and e-commerce. In terms of markets, Fiskars Group sees potential to expand the brand's presence in China in particular. Commercial excellence, DTC and China are three of the four transformation levers in Fiskars Group's Growth strategy.

The transaction is expected to create significant cost synergies related to, for example, support functions and sourcing. The annual synergies are expected to amount approximately EUR 18 million, majority of which is expected to be realized by the end of 2025.

As a result of purchase price allocation Fiskars Group recognized a negative goodwill of EUR 25.4 million. Main items driving fair value of net assets being higher than purchase consideration were valuation of trademark and customer lists, and inventory fair value step-up for finished goods. Fiskars Group was able to acquire Georg Jensen for less than the fair value of its assets because the private equity seller wanted to exit from the Georg Jensen business.



The purchase price allocation is provisional.\* The following table summarizes the consideration paid, provisional amounts for the fair value of assets acquired and liabilities assumed as well as cash flow impact at the date of acquisition. The net assets acquired are denominated in DKK. EUR values have been translated using foreign exchange rate prevailing at the date of acquisition.

<b>EUR million</b>	<b>Oct 1, 2023</b>
<b>Non-current assets</b>	
Intangible assets	85.9
Property, plant & equipment	11.3
Right-of-use assets	21.5
Deferred tax assets	20.2
Other non-current assets	3.8
<b>Non-current assets total</b>	<b>142.7</b>
<b>Current assets</b>	
Inventories	108.5
Trade and other receivables	27.0
Cash and cash equivalents	3.3
<b>Current assets total</b>	<b>138.8</b>
<b>Assets total</b>	<b>281.5</b>
<b>Non-current liabilities</b>	
Interest-bearing liabilities	41.5
Lease liabilities	13.2
Deferred tax liabilities	32.0
Other non-current liabilities	1.5
<b>Non-current liabilities total</b>	<b>88.1</b>
<b>Current liabilities</b>	
Interest-bearing liabilities	2.6
Lease liabilities	8.2
Trade payables	11.1
Other current liabilities	21.3
<b>Current liabilities total</b>	<b>43.3</b>
<b>Liabilities total</b>	<b>131.4</b>
<b>Net assets</b>	<b>150.1</b>
Consideration transferred	124.7
<b>Bargain purchase</b>	<b>-25.4</b>
<b>Cash flows related to acquisition:</b>	
Consideration paid	124.7
Cash and cash equivalents acquired	-3.3
<b>Acquired in business combinations</b>	<b>121.3</b>

\* According to IFRS 3, adjustments to purchase price allocation are possible for a year after the closing of the acquisition, that being until September 30, 2024.

The acquired business have been consolidated into the Group financials as of October 1, 2023 onwards. From the date of acquisition, the acquired business has contributed EUR 53.8 million of revenue and EUR 22.3 million of EBIT to the Group, including EUR -13.7 million release of inventory fair value step-up as well as EUR -0.3 million of depreciation and amortization of tangible and intangible assets recognized at acquisition. In October-December, the acquired business contributed comparable EBIT of EUR 12.2 million.

If the acquisition had occurred on January 1, 2023, management estimates that the combined statement of income would show net sales of EUR 1,225.2 million and EBIT of EUR 43.5 million. These pro forma amounts include the fair value adjustments determined as at December 31, 2022 for the period of January-September 2023. Comparable EBIT for the period of January-December would have been EUR 100.6 million.

Acquisition related costs of EUR 5.6 million have been charged to Selling, general and administrative costs in the Consolidated statement of income in 2023 and presented as Items Affecting Comparability.

## **Acquisitions and divestments in 2022**

### Sale of subsidiary in Russia

On March 7, 2022, Fiskars Group announced that it had decided to withdraw completely from the Russian market due to Russia's attack on Ukraine. The sale of the subsidiary was completed in August 2022.

The company operated locally mainly through its Fiskars brand and employed approximately 70 people in Moscow and in the St. Petersburg area. The net sales of the Russian business in 2021 were approximately 1% of the company's global net sales. The exit from the Russian market did not have a significant impact on the company's financial position or result in 2022. The one-time impact of the withdrawal is included in Items Affecting Comparability.

### Sale of North American Watering business

On February 1, 2022, Fiskars Corporation announced that it had completed the sale of its North American Watering Business to Lawn & Garden LLC, a holding company owned by Centre Lane Partners (CLP), a New York headquartered American private equity company. The transaction was announced on December 21, 2021.

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. Included in the transaction were the manufacturing plant in Excelsior Springs, Missouri and the warehouse operations in Independence, Missouri, as well as the employees working in these two locations.

Assets directly associated with the sale were previously classified as held for sale.

FISKARS



BY APPOINTMENT TO  
HER MAJESTY THE QUEEN OF DENMARK

GEORG JENSEN

ESTABLISHED 1904



ROYAL COPENHAGEN

BY APPOINTMENT TO THE ROYAL DANISH COURT



WEDGWOOD  
EST. IN  
ENGLAND JW  
1759



 GERBER



MOOMIN  
ARABIA  
FINLAND



IITALA  
1881



WATERFORD  
IRELAND 1783

