

Fiskars Denmark A/S

Smedeland 46
2600 Glostrup

CVR no. 26 57 35 72

Annual report 2023

The annual report was presented and approved
at the Company's annual general meeting on 26
June 2024

Päivi Maarit Timonen

Chairman

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Fiskars Denmark A/S for the financial year 1 January – 31 December 2023.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters, of the results for the year and of the Company's financial position.

We recommend that the annual report be approved at the annual general meeting.

Glostrup, 26 June 2024

Executive Board:

Allan Schefte
CEO

Board of Directors:

Jussi Pekka Kaarlo Siitonen
Chairman

Päivi Maarit Timonen
Deputy Chairman

Satu Maaria Roman

Independent auditor's report

To the shareholders of Fiskars Denmark A/S

Opinion

We have audited the financial statements of Fiskars Denmark A/S for the financial year 1 January – 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

Independent auditor's report

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Aarhus, 26 June 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Kim R. Mortensen
State Authorised
Public Accountant
mne18513

Jonas Busk
State Authorised
Public Accountant
mne42771

Fiskars Denmark A/S
Annual report 2023
CVR no. 26 57 35 72

Management's review

Company details

Fiskars Denmark A/S
Smedeland 46
2600 Glostrup

CVR no.:	26 57 35 72
Date of foundation:	23 April 2002
Registered office:	Glostrup
Financial year:	1 January – 31 December

Board of Directors

Jussi Pekka Kaarlo Siitonen, Chairman
Päivi Maarit Timonen, Deputy Chairman
Satu Maria Roman

Executive Board

Allan Schefte, CEO

Auditor

EY Godkendt Revisionspartnerselskab
Dirch Passers Allé 36
2000 Frederiksberg

Management's review

Financial highlights

DKKm	2023	2022	2021	2020	2019
Key figures					
Revenue	899	928	921	849	851
Profit before financial income and expenses	262	275	270	234	228
Profit from financial income and expenses	9	24	3	4	1
Profit for the year	214	237	214	185	179
Total assets	1,415	604	753	476	782
Investment in property, plant and equipment	10	8	32	1	1
Equity	261	367	450	238	653
Ratios					
Gross margin	59%	56%	54%	53%	56%
Operating margin	29%	30%	29%	28%	27%
Return on invested capital	-117%	72%	101%	79%	57%
Current ratio	21%	248%	260%	142%	487%
Return on equity	68%	58%	62%	42%	32%
Solvency ratio	18%	61%	60%	50%	84%
Average number of full-time employees	214	200	175	170	180

The financial ratios have been calculated as follows:

Gross margin	$\frac{\text{Gross profit/loss} \times 100}{\text{Revenue}}$
Operating margin	$\frac{\text{Profit before financial income and expenses} \times 100}{\text{Revenue}}$
Return on invested capital	$\frac{\text{Profit before financial income and expenses} \times 100}{\text{Average invested capital}}$
Invested capital	Operational intangible assets and property, plant and equipment as well as net working capital
Current ratio	$\frac{\text{Current assets} \times 100}{\text{Short-term debt}}$
Return on equity	$\frac{\text{Profit after tax} \times 100}{\text{Average equity}}$
Solvency ratio	$\frac{\text{Equity ex. non-controlling interests at year end} \times 100}{\text{Total equity and liabilities at year end}}$

Management's review

Operating review

Principal activities

Fiskars Denmark A/S is part of Fiskars Group. The Company operates in two Business Areas Vita and Fiskars.

Business Area Vita offers premium and luxury products for the tableware, drinkware and interior categories. It consists of brands such as Royal Copenhagen, Moomin Arabia, Iittala, Raadvad and Rörstrand.

Business Area 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 Company mainly sells the products on the Danish market through specialist trade, own stores and e-commerce and to a lesser extent for export.

In addition, the Company has granted a license for the exploitation of its intellectual property rights, provides services to group-affiliated companies and manufactures exclusive hand-painted porcelain as Flora Danica.

The company has investments in a number of group entities and has in October 2023 acquired 100% of the shares in Georg Jensen Investment ApS.

Development in activities and financial position

The high cost of living affected consumer sentiment and demand negatively throughout the year and as a result both revenue and profit declined and ended below the expectations presented in the previous annual report indicated to be at the same level as 2022.

Revenue in the financial year decreased by 3% to DKK 899 million (2022: DKK 928 million). Revenue decreased in both Business Areas Vita and Fiskars due to low consumer confidence and retailer customers' focus on inventory management.

Profit before financial income and expenses decreased to DKK 262 million (2022: DKK 275 million) and profit for the year decreased to DKK 214 million (2022: DKK 237 million). The decline was due to lower volume and lower dividends received from group entities.

Capital resources

At the end of the year, the Company's equity amounted to DKK 261 million against DKK 367 million in the year before. The solvency ratio declined to 18% at the end of the year against 61% in the previous year, and was impacted by a higher net debt level as a result of the Georg Jensen acquisition.

Following the increased debt the ultimate parent company Fiskars Oyj Abp, Finland has provided a support letter enabling Fiskars Denmark A/S to meet its ongoing financial obligations as and when they fall due.

Particular risks

By way of consultation, the management and the board continuously assess the general and specific risks associated with the Company's activities and operations and seek to ensure that these risks are effectively managed.

Internal control systems have been established with the aim of uncovering financial risks and risks in connection with financial reporting. The basis for this is a clear organizational structure, unambiguous reporting lines, authorisation and attestation procedures and an appropriate separation of functions.

Business risks are evaluated and adjusted according to the relevance of the risks, periodically by the management and the board. The risk management of the business risks and the internal control systems are continuously developed and improved in line with the Company's development, so that these meet the requirements for a company of the nature and complexity of Fiskars Denmark A/S.

Management's review

Operating review

Operating risks

Through partnership agreements, the Company has obtained the necessary security to maintain a suitable continuous supply of raw materials, packaging and finished goods so that it is possible to service efficient operations and fulfill customer orders.

The Company is also insured to the extent necessary against the usual risks relating to assets and operational disruptions.

Currency and interest rate risks

The Company is only exposed to currency risks to a limited extent, as purchases and sales predominantly take place in DKK or EUR.

Likewise, as a result of its solvency, the Company has only limited exposure to changes in interest rate levels.

Environmental matters

The Company is subject to environmental supervision in accordance with current Danish regulations. Porcelain, which is the primary material in the production of the Company's products, is made from naturally occurring raw materials, primarily kaolin, quartz and feldspar.

The use of environmentally harmful auxiliary substances in the production process has essentially been replaced by more environmentally neutral substances. For example, when decorating porcelain, only water-based colouring is used.

Research and development activities

The Company sells a wide range of high-quality products consisting of both novelties and classic products with a long lifespan.

The supply of attractive, newly developed products requires continuous collaboration with highly experienced designers. Building brands and implementing the chosen positioning strategy requires competent marketing resources.

The production takes place in an art-industrial environment characterized by craftsmanship. The maintenance of this presupposes high competitiveness and standards, which must be ensured through ongoing modernization and efficiency. Skilled craftsmen are of vital importance and continued access to these has been a key prerequisite for development.

Goals and policies for the underrepresented gender in management

This is the statutory account of gender composition of the management, cf. the Danish Financial Statements Act. §99b. The gender composition of the Company's Board of Directors elected by the general meeting is two women and one man. The Company's other management levels, including Executive Board and direct reports, consist of three men and two women. Both Board of Directors and other management levels are regarded as having equal gender representation.

Underrepresented gender	<u>2023</u>
Board of Directors	
Members	3
% of underrepresented gender	33%
Other management levels	
Members	5
% of underrepresented gender	40%

Management's review

Operating review

Corporate social responsibility

Fiskars Denmark A/S refers to Fiskars Group's Sustainability Report 2023 for the statutory statement of social responsibility cf. Financial Statements Act §99a. The report is published by Fiskars Oyj Abp, Finland and can be found at the following link:

https://fiskarsgroup.com/wp-content/uploads/2024/02/FiskarsGroup_Sustainability_Report_2023.pdf

Statement on data ethics cf. §99d of the Financial Statements Act

Fiskars Denmark A/S does not have a separate policy for data ethics. Fiskars Denmark A/S as a part of Fiskars Group is committed conducting business in ethical and responsible manner in all respects. The work with data ethics is a natural extension of Fiskars Group's Code of Conduct. Fiskars Group's policy on data ethics is covered and defined in global Group Policies, that describe data processing principles and priorities according to which Fiskars Group manages and develops its data in ethical, responsible, secure and transparent manner, ensures compliance with mandatory requirements, and protects the confidentiality, integrity, and availability of the data and information. All Fiskars Group Policies applies to all Fiskars Group's affiliated companies and subsidiaries in operational locations (including Fiskars Denmark A/S, collectively referred to as "Fiskars Group"). Data ethics are defined in Fiskars Group Data Privacy Policy, Information and Cyber Security Policy and Artificial Intelligence Policy. Governance, implementation and enforcement in relation to each policy's subject matter is defined within the respective policy. These policies also include third party risk management aspects.

Fiskars Group's Data Privacy Policy describes the data processing and data privacy principles and priorities within Fiskars Group. The policy applies to any data processing, including collection, distribution, disclosure, storage and any other use of personal data and includes key data privacy and data processing principles. Information and Cyber Security Policy establishes the policies and core principles according to which Fiskars Group manages and develops its information and cyber security, ensures compliance with mandatory requirements, and protects the confidentiality, integrity, and availability of information. Artificial Intelligence Policy establishes guidelines for the ethical, responsible, secure and transparent use of artificial intelligence (AI) technologies within Fiskars Group. The Policy applies when Fiskars Group designs, develops, deploys, or utilizes AI systems or components within the organization and includes guiding principles (including Ethical and responsible AI).

Unusual circumstances

There were no unusual conditions of significant importance for the financial year's result.

Expected development

It is management's expectation that revenue and profit for 2024 would be at the same level as 2023. The operating environment is expected to remain challenging and impact demand also in 2024.

Financial statements 1 January – 31 December

Income statement

DKKm	Note	2023	2022
Revenue	3	899	928
Production costs		-366	-405
Gross profit		533	523
Distribution costs		-243	-222
Administrative expenses		-28	-27
Operating profit		262	274
Other operating income		0	1
Profit before financial income and expenses		262	275
Other financial income	5	23	27
Other financial expenses	6	-14	-3
Profit before tax		271	299
Tax on profit for the year	7	-57	-62
Profit for the year	8	214	237

Financial statements 1 January – 31 December

Balance sheet

DKKm	Note	2023	2022
ASSETS			
Fixed assets			
Intangible assets			
Acquired intangible assets	9	0	1
Property, plant and equipment			
Land and buildings	10	79	99
Plant and machinery		1	1
Fixtures and fittings, tools and equipment		6	8
Property, plant and equipment under construction		1	0
		87	108
Investments			
Investments in group entities	11	1.089	119
Other securities and equity investments	12	15	14
		1.104	133
Total fixed assets		1.191	242
Current assets			
Inventories			
Raw materials and consumables		1	1
Finished goods and goods for resale		26	26
		27	27
Receivables			
Trade receivables		125	144
Receivables from group entities		54	174
Corporation tax receivables		4	1
Other receivables		3	7
Deferred tax assets	13	5	5
Prepayments	14	4	3
		195	334
Cash at bank and in hand		2	1
Total current assets		224	362
TOTAL ASSETS		1.415	604

Financial statements 1 January – 31 December

Balance sheet

DKKm	Note	2023	2022
EQUITY AND LIABILITIES			
Equity			
Contributed capital	15	21	21
Retained earnings		240	26
Proposed dividends for the financial year		0	320
Total equity		261	367
Provisions			
Other provisions	16	10	8
Total provisions		10	8
Liabilities other than provisions			
Non-current liabilities other than provisions			
Lease liabilities	17	62	83
		62	83
Current liabilities other than provisions			
Trade payables		16	14
Payables to group entities		980	35
Lease liabilities		25	24
Other payables		61	73
		1.082	146
Total liabilities other than provisions		1.144	229
TOTAL EQUITY AND LIABILITIES		1.415	604

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Financial statements 1 January – 31 December

Statement of changes in equity

DKK m	Contributed capital	Retained earnings	Proposed dividend	Total
Equity at 1 January 2022	21	109	320	450
Ordinary dividend paid	0	0	-320	-320
Transferred over the profit appropriation	0	-83	320	237
Equity at 31 December 2022	21	26	320	367
Equity at 1 January 2023	21	26	320	367
Ordinary dividend paid	0	0	-320	-320
Transferred over the profit appropriation	0	214	0	214
Equity at 31 December 2023	21	240	0	261

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Fiskars Denmark A/S for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Omission of consolidated financial statements

Pursuant to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements of Fiskars Denmark A/S and group entities are included in the consolidated financial statements of Fiskars Oyj Abp, Finland.

Omission of cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The company's cash flows are included in the cash flow statement in the consolidated financial statements for Fiskars Oyj Abp.

Omission of disclosure of audit fee

Pursuant to section 86(4) and 96(3) of the Danish Financial Statements Act, no audit fee, i.e. one that is determined at the annual general meeting, has been disclosed. The Company's audit fee is included in the consolidated financial statements for Fiskars Oyj Abp.

Income statement

Revenue

The Company has chosen IFRS 15 as an interpretation contribution for the recognition of revenue. Revenue is recognised when the control over the individual identifiable delivery obligation is fulfilled towards the customer, so that the customer obtains control of the goods. Revenue is measured at the fair value of the agreed remuneration less VAT and taxes. All types of discounts are recognised in revenue. Revenue for contracts in which variable consideration is included, for example volume discounts are recognised at the most probable value of the consideration. The net revenue is only recognised when it is highly probable that changes to the estimated variable remuneration will not subsequently result in a significant part of the amount having to be reversed and thus reduce the net revenue.

Production costs

Production costs comprise costs, including product consumption, maintenance, depreciation and wages, etc., which are incurred to generate revenue for the year.

Distribution costs

Distribution costs comprise costs incurred to cover or enable the distribution of goods sold during the year and to conduct sales campaigns, etc., including costs relating to sales staff, advertising and exhibitions as well as depreciation.

Administrative expenses

Administrative expenses comprise expenses incurred during the year for management and administration of the Company, including expenses for administrative staff, management, office premises, office expenses and depreciation.

Notes

1 Accounting policies (continued)

Other operating income

Other operating income comprises items secondary to the activities of the Company, including gains on the disposal of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses comprise interest income and expense realized and unrealized capital gains and losses, as well as dividends and value adjustments of investments.

Tax on profit/loss for the year

Tax for the year comprises current tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement at the amount attributable to the profit/loss for the year and directly in equity at the amount attributable to entries directly in equity.

Balance sheet

Intangible assets

Acquired intangible assets are measured at cost less accumulated amortisation and impairment losses. Acquired intangible assets are depreciated on a straight-line basis over the estimated economic useful life, which is 7–10 years.

Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Plant and machinery	3–10 years
Fixtures and fittings, tools and equipment	3–10 years
Land and buildings	3–10 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Fixed assets under construction are recognised and measured at cost at the balance sheet date. Upon entry into service, the cost is transferred to the relevant group of property, plant and equipment.

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Notes

1 Accounting policies (continued)

Investments

Equity investments in group entities are measured at cost. In the case of any indication of impairment, an impairment test is conducted. When the cost exceeds the recoverable amount, write-down is made to this lower value.

Dividends from capital shares in subsidiaries are recognised as income in the parent company's income statement in the financial year in which the dividend is declared. To the extent that the distributed dividend exceeds the accumulated earnings after the takeover date, the dividend is recognised as a reduction of the capital share's cost price.

Leasing contracts

Leasing contracts are recognised in the balance sheet corresponding to the value of the calculated leasing obligation. The leasing obligation is measured at the present value of the leasing services, calculated using the internal interest rate cf. the leasing contract, or the company's marginal loan interest rate as a discount rate if the internal interest rate is not available. Lease assets are depreciated and written down according to the same practice as established for the Company's other fixed assets.

The Company has chosen to use the relaxations regarding leasing contracts with a short term and low value. These leasing assets are therefore not recognised in the balance sheet as assets and liabilities. The leasing obligation regarding leasing contracts with a short term and low value is disclosed in a note. The costs are thus recognised linearly in the income statement over the leasing period.

The leasing obligation is recognised in the balance sheet as a liability and is regularly adjusted by way of paid instalments. At the same time, interest is accrued on the obligation. The interest costs are expensed on an ongoing basis in the income statement.

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment as well as equity investments in group entities is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Inventories

Inventories are measured at cost. Where the net realisable value is lower than cost, inventories are written down to this lower value.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries as well as indirect production costs. Indirect production overheads comprise indirect materials and wages and salaries as well as the maintenance of depreciation of production machinery, buildings and equipment as well as factory administration and management. Borrowing costs are not included in cost.

Notes

1 Accounting policies (continued)

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables. Receivables are measured at amortised cost. Write-down is based on an individual assesment.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities measured on the planned use of the asset or settlement of the liability, respectively. However, deferred tax is not recognised on temporary differences relating to office buildings non-deductible for tax purposes and other items where temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carry-forwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Prepayments

Prepayments are recognised under current assets, and comprise prepayment of costs incurred relating to subsequent financial years.

Cash

Cash comprises cash in hand and bank deposits.

Equity

The expected dividend payment for the year is disclosed as a separate item under equity.

Provisions

Provisions are recognised when, as a result of past events, the Company has a legal or a constructive obligation, and it is probable that there may be outflow of resources embodying economic benefits to settle the obligation. Provisions are measured at value in use.

Liabilities other than provisions

Liabilities are measured at amortised cost, which essentially corresponds to net realizable value.

2 Financial resources

The company is dependent on ongoing financial support from the parent company Fiskars Oyj Abp, Finland. The parent company has provided a support letter covering the period 1 January to 31 December 2024, to enable Fiskars Denmark A/S to meet its ongoing financial obligations as and when they fall due.

Notes

3 Segment information

Activities – primary segment

DKKm	Group		
	Vita	Fiskars	Total
2023			
Revenue	761	138	899
2022			
Revenue	780	148	928

Geographical – secondary segment

DKKm	Group			
	Europe	Americas	Asia-Pacific	Total
2023				
Revenue	899	0	0	899
2022				
Revenue	925	2	1	928

4 Staff costs and incentive schemes

DKKm	2023	2022
Wages and salaries	112	112
Pensions	13	9
Other social security costs	1	1
Other staff costs	4	3
	<u>130</u>	<u>125</u>
Average number of full-time employees	<u>214</u>	<u>200</u>

Remuneration for the Company's management and board of directors is not included, in accordance with the Danish Financial Statements Act § 98b subsection 3(2), as this would result in disclosing the remuneration of the CEO as the Board members are not remunerated.

Notes

5 Financial income

DKKm	2023	2022
Dividends received from group entities	11	26
Financial income from group entities	3	1
Other financial income	9	0
	<u>23</u>	<u>27</u>

6 Financial expenses

DKKm	2023	2022
Financial expense to group entities	13	0
Other financial expenses	1	3
	<u>14</u>	<u>3</u>

7 Tax on profit for the year

DKKm	2023	2022
Current tax for the year	57	61
Deferred tax for the year	0	-1
Withholding tax	1	1
Adjustment of concerning previous years	-1	1
	<u>57</u>	<u>62</u>

8 Proposed distribution of profit

DKKm	2023	2022
Proposed dividend for the year	0	320
Retained earnings	214	-83
	<u>214</u>	<u>237</u>

Notes

9 Intangible assets

DKKm	Acquired intangible assets
Cost at 1 January 2023	4
Cost at 31 December 2023	4
Amortisation and impairment losses at 1 January 2023	-3
Amortisation for the year	-1
Amortisation and impairment losses at 31 December 2023	-4
Carrying amount at 31 December 2023	0

10 Property, plant and equipment

DKKm	Land and buildings	Plant and machinery	Fixtures and fittings, tools and equipment	Property, plant and equipment under construction	Total
Cost at 1 January 2023	198	5	50	0	253
Additions	7	0	2	1	10
Disposals	-9	0	-3	0	-12
Cost at 31 December 2023	196	5	49	1	251
Depreciation and impairment losses at 1 January 2023	-99	-4	-42	0	-145
Depreciation for the year	-24	0	-4	0	-28
Disposals	6	0	3	0	9
Depreciation and impairment losses at 31 December 2023	-117	-4	-43	0	-164
Carrying amount at 31 December 2023	79	1	6	1	87
Leasing	79	0	2	0	81

Notes

11 Investments

DKKm	Equity investments in affiliated companies
Cost at 1 January 2023	124
Additions	970
Cost at 31 December 2023	1.094
Impairment losses at 1 January 2023	-5
Impairment losses at 31 December 2023	-5
Carrying amount at 31 December 2023	1.089

Name/legal form	Registered office	Equity interest	Equity	Profit/loss for the year
			DKKm	DKKm
Subsidiaries:				
Royal Copenhagen GmbH	Germany	100%	-32	2
Fiskars Japan CO., Ltd	Japan	100%	109	13
Royal Copenhagen Korea Ltd	South Korea	100%	9	4
Fiskars Taiwan Limited	Taiwan	100%	41	4
Royal Copenhagen Thailand Ltd	Thailand	60%	73	13
Fiskars Hong Kong Ltd	Hong Kong	100%	-19	0
Georg Jensen Investment Aps	Denmark	100%	507	162
Georg Jensen A/S	Denmark	100%		
Georg Jensen NUF	Norway	100%		
Georg Jensen Retail A/S	Denmark	100%		
Georg Jensen Silver AB	Sweden	100%		
Georg Jensen GmbH	Germany	100%		
Georg Jensen Ltd.	Great Britain	100%		
Georg Jensen PTY Ltd.	Australia	100%		
Georg Jensen S.A.R.L.	France	100%		
Georg Jensen Japan Ltd.	Japan	100%		
Georg Jensen (Thailand) Co. Ltd.	Thailand	100%		
Georg Jensen Taiwan Ltd.	Taiwan	100%		
Georg Jensen Inc.	United States	100%		
Georg Jensen HK Holding Ltd.	Hong Kong	100%		
Georg Jensen China Ltd.	Hong Kong	100%		
Georg Jensen HK Ltd.	Hong Kong	100%		
Georg Jensen Beijing Trading Ltd.	China	100%		
Georg Jensen Macau Ltd.	Macau	100%		

When calculating the equity and the year's result for subsidiaries, 2022 figures are provided.

Notes

12 Other securities and equity investments

DKKm	Other securities and equity investments
Cost at 1 January 2023	14
Additions	1
Cost at 31 December 2023	15
Carrying amount at 31 December 2023	15

13 Deferred tax assets

The Company's deferred tax assets relate to intangible and tangible assets as well as provisions.

DKKm	2023	2022
Deferred tax at 1 January	5	4
Deferred tax for the year	0	1
	5	5

Management estimates that the recognised tax asset of DKK 5 million will be utilised within the coming years against future taxable income.

14 Prepayments

Prepayments of DKK 4 million (2022: DKK 3 million) comprise payments to creditors that cannot be recognised until the subsequent financial year.

15 Contributed capital

The Company's contributed capital of DKK 21 million consists of 210,000 shares with a nominal value of DKK 100. There have been no changes in the Company's contributed capital in the past 5 years. All shares rank equally.

16 Provisions

Other provisions relate to the re-establishment of leases and guarantee obligations as well as renovation of Flagshipstore in Copenhagen. All provisions are expected to fall due more than 1 year from the balance sheet date.

17 Long-term liabilities

DKKm	2023	2022
1 – 5 years	62	82
> 5 years	0	1
	62	83

Notes

18 Contractual obligations, contingencies, etc.

Contingent liabilities

The Company has issued a parent company declaration to the subsidiary Royal Copenhagen GmbH, Germany. The Company therefore guarantees Royal Copenhagen GmbH's debt to Fiskars Oyj Abp.

19 Related party disclosures

Fiskars Denmark A/S related parties comprise the following:

Control

Fiskars Europe Holding Oy Ab, Finland which owns 100% of the shares.

Significant influence

Fiskars Group Management and Board of Directors.

Related party transactions

DKKm	2023	2022
Sale of goods to affiliated companies	21	19
Sale of services to affiliated companies	89	80
Royalty income from affiliated companies	241	256
Financial income from affiliated companies	3	1
Financial expenses to affiliated companies	13	0
Dividends received from affiliated companies	11	26
Dividends paid to affiliated companies	320	320
Purchase of goods from affiliated companies	332	376
Purchase of services from affiliated companies	35	32
Receivables from affiliated companies	54	174
Payables to affiliated companies	980	35

Remuneration to the parent company's management and board appears in note 4.

Consolidated financial statements

The Company is part of the consolidated financial statements of Fiskars Oyj Abp, Finland and can be obtained at the following website:

https://fiskarsgroup.com/wp-content/uploads/2024/03/FiskarsGroup_Financial_Statements_2023.pdf

20 Events after the balance sheet date

No events occurred after the balance sheet date to this date which would influence the evaluation of this annual report.