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Commissioned research: Fiskars – Back to organic growth - adjusted EBIT largely in line with expectations

Marketing material commissioned by Fiskars

Fiskars Q1 adjusted EBIT of EUR 26.8m came 1% above Modular Finance consensus expectations. Net sales were up 3% y/y to EUR 292m and came 3% above consensus. On comparable basis, sales were up 2% y/y (we had modelled -1%). Comparable direct-to-consumer sales were up 9% y/y driven by both e-commerce and offline channels. Comparable gross margin was 47.5%, down 80bp y/y driven by Fiskars BA. Both business areas beat consensus on EBIT while Other costs were above expectations. Q1 operating cash flow was EUR -2m (EUR -6m a year ago). Fiskars maintained its guidance for 2025 and expects adjusted EBIT to improve from EUR 111.4m in 2024. Consensus has been expecting EUR 123m adjusted EBIT, a 10% increase in 2025E. Initially, despite positive organic growth and supportive comments around tariffs, we expect consensus to make only minor EBIT adjustments on the back of the Q1 report.

Q1 DEVIATION TABLE

	Actual	NDA est.	Deviation		Consensus	Deviation		Actual		Actual	
EURm	Q1 2025	Q1 2025E	vs. actual		Q1 2025E	vs. actual		Q4 2024	q/q	Q1 2024	y/y
Sales	**292**	**283**	**8**	**3%**	**282**	**10**	**3%**	**337**	**-13%**	**283**	**3%**
Gross profit	138	137	0.9	1%				163	-15%	123	12%
Gross margin	**47.3%**	**48.4%**		**-1.1pp**				**48.3%**	**-0.9pp**	**43.4%**	**3.9pp**
Adj. EBIT	**26.8**	**26.0**	**0.8**	**3%**	**26.6**	**0.2**	**1%**	**42.9**	**-38%**	**25**	**7%**
Adj. EBIT margin	9.2%	9.2%		0.0pp	9.4%		-0.2pp	12.7%	-3.5pp	8.9%	0.3pp
EBIT	(4.6)	(5.0)	0.4	-7%	(3.4)	-1.2	36%	30.9	-115%	6	-172%
EBIT margin	-1.6%	-1.7%			-1.2%		-0.4pp	9.2%	-10.7pp	2.3%	-3.8pp
PTP	(16.1)	(7.5)	-8.6	116%	-	-16.1	#DIV/0!	26.9	-160%	4	-547%
Adj EPS, EUR	0.15	0.31	-0.16	-52%	0.22	-0.07	-33%	0.60	-75%	0.26	-42%
Business areas	**Actual**	**NDA est.**						**Q4 2024**	**q/q**	**Q1 2024**	**y/y**
Sales											
Vita	127	127	0	0%	125	2	2%	210	-40%	126	1%
Fiskars	164	156	8	5%	156	8	5%	126	30%	156	5%
Other	1	1	0	20%	1	0	14%	1	-8%	1	20%
TOTAL	292	283	8	3%	282	10	3%	337	-13%	283	3%
Adj. EBIT											
Vita	1.3	1.0	0.3	26%	0.2	1.2	767%	33.3	-96%	-0.1	-1400%
Fiskars	30.6	29.0	1.6	5%	29.9	0.7	2%	11.9	157%	29.5	4%
Other	-5.1	-4.0	-1.1	28%	-3.5	-1.6	46%	-2.3	122%	-4.3	19%
TOTAL	26.8	26.0	0.8	3%	26.6	0.2	1%	42.9	-38%	25.1	7%
Adj. EBIT margin											
Vita	1.0%	0.8%		0.2pp	0.1%		0.9pp	16%	-14.8pp	0%	1.1pp
Fiskars	18.7%	18.7%		0.1pp	19.2%		-0.5pp	9%	9.3pp	19%	-0.2pp
TOTAL	9.2%	9.2%		0.0pp	9.4%		-0.2pp	13%	-3.5pp	9%	0.3pp

Source: Company data, Modular Finance and Nordea estimates

Q1 EBIT largely in line with expectations - organic growth back to positive figures

- Q1 net sales were EUR 292m, up 3% y/y (+2% y/y on comparable basis), 3% above Modular Finance consensus expectations.
- Q1 adjusted EBIT was 26.8m, up 7% y/y and 1% above consensus at EUR 26.6m. There were EUR -31.4m of

items affecting comparability (mainly related to write-down of legacy IT) while consensus anticipated EUR -30m. We note that business areas came 6% above expectatation while Other missed estiamates. Hence, we view mix as slightly positive.

- Q1 gross margin of 47.3% came 1.1pp below our expectation. On comparable basis, gross margin was down 80bp y/y to 47.5%.
- Q1 operating cash flow of EUR -2m (EUR -6m a year ago) while free cash flow was EUR -17m (EUR -20m a year ago).
- Net debt/LTM EBITDA was 2.9x up from 2.55x at the end of 2024, above the targeted level of below 2.5x.

Both operating business areas above expectations

- Vita BA net sales were EUR 127m, 2% above consensus expectations. Comparable sales incresed 1% y/y (we had anticipated 0%). Direct-to-consumer sales accounted for 54% of sales (51% a year ago). Adjusted EBIT was 1.3m, above consensus forecast of EUR EUR 0.2m. Vita BA gross margin improved 90bp y/y to 56.3%.
- Fiskars BA net sales were EUR 164m, 5% above consensus expectations. On comparable basis, sales increased 3% y/y (we had anticipated -2%), mainly due to distribution gains in the US. The company notes continued growth in Germany while sales increased also in Finland. Adjusted EBIT of EUR 30.6m came 2% above consensus expectation of EUR 29.9m. Increased sales supported EBIT. Fiskars BA gross margin declined by 160bp y/y to 40.7% due to high base effect.
- Other segment came below expectations with EUR -5.1m versus consensus of EUR -4m.

Guidance intact - proactive measures due to tariffs

- Fiskars maintains its guidance intact and expects adjusted EBIT to improve in 2025 (EUR 111.4m in 2024). Prior to the Q1, Modular Finance consensus was expecting EUR 123m adjusted EBIT (+10%) in 2025 while we have anticipated EUR 120m. The company is updating its assumptions behind the guidance and expects to be able to largely mitigate tariff impacts through pricing and improving productivity.

Initially, we expect consensus to make only minor revision to its underlying estimates. However, positive organic growth and sales mix in Q1, and comments around tariffs could be viewed slightly positively, we believe

A webcast on the first quarter results will be held on at 11:00 p.m. (EEST). It will be held in English and can be followed at Q1 Fiskars webcast

SUMMARY TABLE - KEY FIGURES

EURm	2022	2023	2024	2025E	2026E	2027E
Total revenue	1,248	1,130	1,157	1,171	1,236	1,283
EBITDA (adj)	210.4	176.4	193.9	195.2	221.3	235.6
EBIT (adj)	151.0	110.4	111.4	120.3	148.0	160.6
EBIT (adj) margin	12.1%	9.77%	9.63%	10.3%	12.0%	12.5%
EPS (adj. EUR)	1.40	1.01	1.25	1.16	1.35	1.46
EPS (adj) growth	16.8%	-28.2%	24.3%	-6.87%	15.5%	8.41%
DPS (ord. EUR)	0.80	0.82	0.84	0.86	0.88	0.92
EV/Sales	1.27	1.68	1.48	1.37	1.27	1.21
EV/EBIT (adj)	10.5	17.2	15.3	13.4	10.6	9.66
P/E (adj)	11.0	17.7	11.9	12.2	10.5	9.70
P/BV	1.51	1.76	1.53	1.47	1.40	1.33
Divident yield (ord)	5.20%	4.60%	5.62%	6.07%	6.21%	6.50%
FCF Yield bef A&D, lease adj	-10.8%	7.47%	2.30%	8.90%	9.03%	8.17%
Net debt	323.5	446.6	493.8	455.9	421.0	397.5
Net debt/EBITDA	1.67	2.71	4.13	2.48	1.92	1.69
ROIC after tax	11.0%	6.99%	6.72%	7.34%	9.20%	9.88%

Source: Company data and Nordea estimates

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