

## Strong finish to the year

Marimekko's fourth quarter revenue beat our estimates slightly due to strong development in Finland. The company's profitability was at considerably higher level compared to our estimates.

- Group result: net sales were slightly higher than we estimated at EUR 54.0m (EUR 52.1/52.2m Evli/cons.). As expected, Finnish wholesale sales decreased while especially domestic retail developed stronger than we estimated. In addition, international sales grew slightly faster than we had estimated.
- Adj. EBIT amounted to EUR 9.3m (EUR 8.2/8.4m Evli/cons.), reflecting a margin of 17.1%. EBIT was considerably higher than we estimated as the profitability scaled well with the increased volumes and licensing income grew 39% y/y. On the other hand, the sales margin was negatively affected by higher logistics costs.
- Finland: topline grew 3% to EUR 31.3m (Evli est. EUR 29.8m). The wholesale sales decreased less than we estimated (-11% y/y vs. Evli est. -15%) while retail sales grew at faster pace than expected (8% y/y vs. Evli est. 3%).
- Int'l: Marimekko's international sales grew 13% y/y, while we estimated growth of 11% y/y. The important APAC region grew 11% while we had estimated growth of 8%. Scandinavia continued its fast growth at 20% y/y.
- Marimekko continues to expect that the sales in Finland will be roughly at the level of last year in 2025 and international sales are estimated to grow in 2025.
- Financial guidance 2025: net sales expected to grow from the previous year, comparable EBIT margin to be some 16-19%.
- BoD proposes a regular dividend of EUR 0.40 per share (in line with our estimates) and an extraordinary dividend of EUR 0.25 per share.

Rating + Accumulate

Q4'24	Actual	Evli	Consensus*	Q4'23
<b>Net sales</b>	<b>54.0</b>	<b>52.1</b>	<b>52.2</b>	<b>50.6</b>
Finland	31.3	29.8	30.0	30.5
Int'l	22.7	22.3	22.2	20.1
<b>Adj. EBIT</b>	<b>9.3</b>	<b>8.2</b>	<b>8.4</b>	<b>8.3</b>
Adj. EBIT-margin	17.1%	15.7%	16.1%	16.4%
<b>Adj. EPS</b>	<b>0.18</b>	<b>0.16</b>	<b>0.16</b>	<b>0.15</b>

\* Consensus estimate from FactSet

<b>Share price, EUR</b> (Last trading day's closing price)	<b>12.76</b>
Target price, EUR	13.0
Latest change in recommendation	12-Feb-25
Latest report on company	12-Feb-25
Research paid by issuer:	YES
No. of shares outstanding, '000's	40 571
No. of shares fully diluted, '000's	40 571
Market cap, EURm	518
Free float, %	74.0%
Exchange rate	0.0
Reuters code	MEKKO.HE
Bloomberg code	MEKKO FH
Average daily volume, EURm	0.0
Next interim report	19-Feb-25
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+ BUY + ACCUMULATE - REDUCE - SELL

### KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2022	166.5	30.4	18.2%	10.3	0.56	15.6	2.1	11.8	2.9%	0.34
2023	174.1	31.4	18.0%	18.7	0.58	22.9	3.1	17.1	3.5%	0.37
2024E	180.7	30.5	16.9%	17.9	0.58	22.1	2.8	16.8	3.5%	0.40
2025E	192.7	34.5	17.9%	22.7	0.67	19.1	2.6	14.6	4.4%	0.44
2026E	205.6	38.0	18.5%	26.3	0.74	17.3	2.4	13.0	5.1%	0.48
Market cap, EURm	518			Gearing 2024E, %	-9.6%			CAGR EPS 2023-26, %		8.3%
Net debt 2024E, EURm	-7			Price/book 2024E	7.0			CAGR Sales 2023-26, %		5.7%
Enterprise value, EURm	511			Dividend yield 2024E, %	3.1%			ROE 2024E, %		33.5%
Total assets 2024E, EURm	132			Tax rate 2024E, %	20.8%			ROCE 2024E, %		30.3%
Goodwill 2024E, EURm	0			Equity ratio 2024E, %	56.2%			PEG, P/E 24/CAGR		1.9

All the important disclosures can be found on the last pages of this report.

**Important Disclosures**

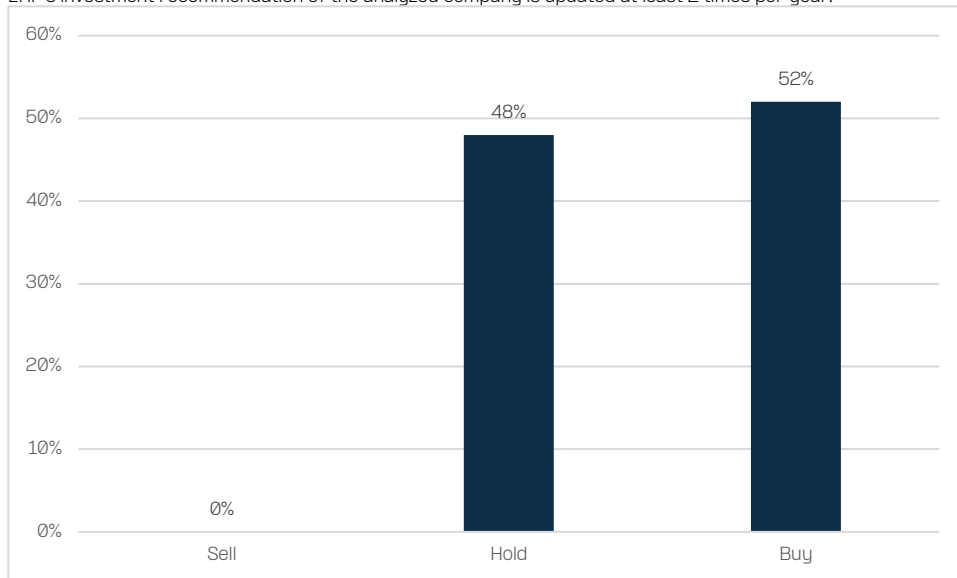
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Investment recommendations are defined as follows:

Target price compared to share price	Recommendation
< -10 %	SELL
-10 - 0 %	RECUDE
0 - (+10) %	ACCUMULATE
> 10 %	BUY

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Name(s) of the analyst(s): Atte Jortikka

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