

Strong international growth continues

Marimekko's first quarter revenue beat our estimates due to stronger than expected growth in international markets. Profitability was hit by higher discounts and lower licensing income as expected.

- Group result: net sales were higher than we estimated at EUR 39.6m (EUR 37.4/38.3m Evli/cons.). The domestic net sales were in line yet growth in international markets beat our estimates.
- Adj. EBIT amounted to EUR 4.4m (EUR 4.0/4.5m Evli/cons.), reflecting a margin of 11.1%. EBIT in absolute terms beat our estimates due to higher—than—expected volumes, on the other hand, the profitability was rather well in line with our estimates at 11.1% (Evli est. 10.8%). As expected, higher discounts and lower licensing income hit the profitability. In addition, fixed costs were higher.
- Finland: topline fell 3% y/y to EUR 18.8m (Evli est. EUR 18.8m). The wholesale sales decreased slightly more than we estimated (–24% y/y vs. Evli est. –20%) while retail sales grew in line with expectations (9% y/y vs. Evli est. 8.5%).
- Int'l: Marimekko's international sales grew 14% y/y, while we estimated growth of only 2% y/y. The important APAC region sales declined 3% while we had estimated growth of 5%. Wholesale sales in APAC missed our estimates and licensing income was non—existent while we had estimated a drop to EUR 0.5m. Europe and Scandinavia experienced strong growth, expanding by 60% and 38% year—over—year, respectively.
- Financial guidance 2025 (unchanged): net sales expected to grow from the previous year, comparable EBIT margin to be some 16–19%.

Rating

+ Accumulate

Q1'25	Actual	Evli	Consensus*	Q1'24
Net sales	39.6	37.4	38.3	37.7
Finland	18.8	18.8	18.8	19.4
Int'l	20.8	18.6	19.5	18.2
Adj. EBIT	4.4	4.0	4.5	5.2
Adj. EBIT—margin	11.1%	10.8%	11.7%	13.8%
Adj. EPS	0.08	0.08	0.08	0.10

* Consensus estimate from Bloomberg

Share price, EUR (Last trading day's closing price) **12.68**
Target price, EUR 13.0

Latest change in recommendation 07–May–25

Latest report on company 07–May–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 514

Free float, % 74.0 %

Exchange rate

Reuters code MEKKO.HE

Bloomberg code MEKKO FH

Average daily volume, EURm 0.0

Next interim report 14–May–25

Web site company.marimekko.com/en/investors/

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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
2023	174.1	31.4	18.0%	18.7	0.58	22.9	3.1	17.1	3.5%	0.37
2024	182.6	31.4	17.2%	20.2	0.60	20.2	2.6	15.4	4.1%	0.65
2025E	191.0	33.9	17.7%	22.4	0.65	19.6	2.7	15.0	4.4%	0.44
2026E	205.3	37.2	18.1%	25.2	0.72	17.6	2.4	13.5	4.9%	0.47
2027E	215.3	41.1	19.1%	30.1	0.80	15.8	2.3	11.9	5.9%	0.52
Market cap, EURm	514		Gearing 2025E, %		–7.7 %		CAGR EPS 2024–27, %		10.1 %	
Net debt 2025E, EURm	–6		Price/book 2025E		6.8		CAGR Sales 2024–27, %		5.7 %	
Enterprise value, EURm	509		Dividend yield 2025E, %		3.5 %		ROE 2025E, %		34.8 %	
Total assets 2025E, EURm	143		Tax rate 2025E, %		21.0 %		ROCE 2025E, %		30.9 %	
Goodwill 2025E, EURm	0		Equity ratio 2025E, %		52.9 %		PEG, P/E 25/CAGR		2.0	

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

Important Disclosures

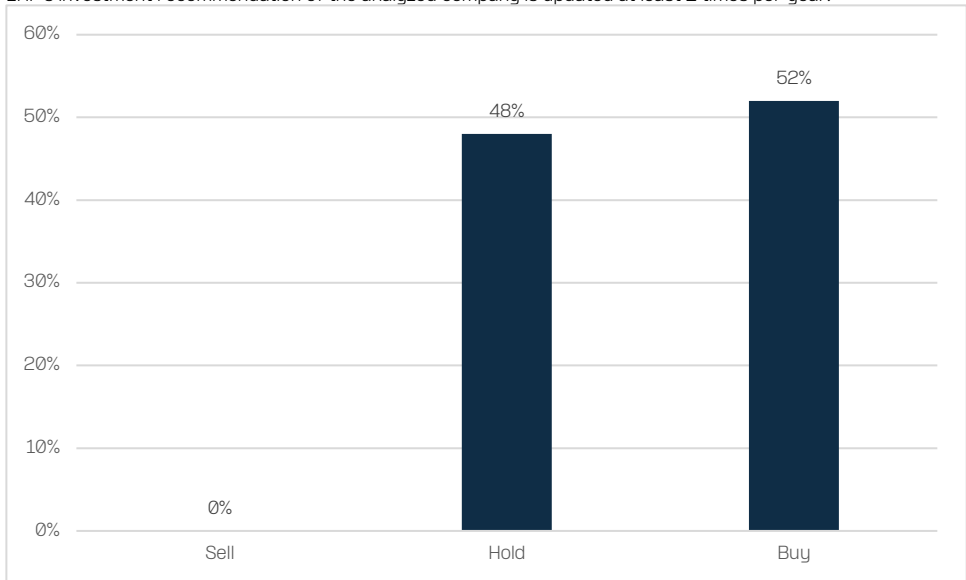
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Investment recommendations are defined as follows:

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

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

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