

Expecting a solid finish to the year

Marimekko reports its Q4 results on 15th of February. We anticipate that higher licensing revenue and increased sales from both domestic and global wholesale have sustained profitable growth.

Wholesale drives volumes, licensing supports margins

Marimekko executed its strategy according to the plan during Q3 as the company's growth was strong internationally driven by strong wholesale sales especially in APAC, NA and Scandinavia. With the higher volumes and improved gross margin, the company's adj. EBIT came in at EUR 13.1m, above our estimate of EUR 12.6m. We have made only cosmetic changes to our estimates ahead of Q4/23 report. We estimate net sales of EUR 52.9m for Q4/23 (EUR 48.4m Q4/22). For Finland, we expect retail to continue to decline while wholesale volumes are supported by the non-recurring promotional deliveries. Our estimates are similar for other Western markets, although we also expect retail growth for North America and EMEA. For APAC, we expect continued growth driven by the loose franchise store openings. In terms of profitability, we estimate EBIT of EUR 9.0m (Q4/22 EUR 6.9m) with a margin of 17.1% (14.3%) driven by increased volumes, higher licensing sales and lower logistics costs.

Outlook of key interest as domestic market remains weak

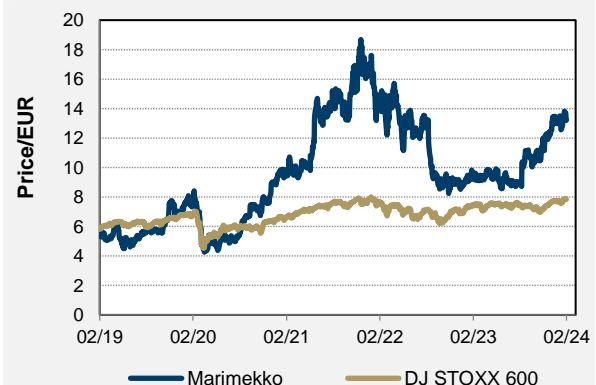
In addition to Q4 figures, our interest lies on the outlook for 2024. For the Asian market, our main interest is on the number of new stores expected to be opened in 2024. The domestic market appears rather weak still as Finnish consumer confidence remained low during Q4 2023 as spending and intentions to make large purchases were low. In addition, data from domestic Christmas sales for fashion products was weak. On a positive note, consumer confidence improved slightly in January.

Pricing leans towards the higher end of the valuation range

Based on our estimates for 23-24E, Marimekko is priced at roughly 16-15x EV/EBIT and 22-19x P/E. We base our valuation between the company's premium and luxury good peer groups which trade at 23-24E avg. EV/EBIT of 15-13x and avg. P/E of 19-18x. While still fair, the valuation is starting to look elevated. We retain our rating at HOLD with a TP of EUR 12.0 (EUR 11.0).

Rating

■ HOLD



Share price, EUR (Last trading day's closing price) 13.22
Target price, EUR 12.0

Latest change in 11-Feb-23
Latest report on 09-Nov-23
Research paid by issuer: YES
No. of shares 40,571
No. of shares fully 40,571
Market cap, EURm 536
Free float, % 74.0
Exchange rate
Reuters code MEKKO.HE
Bloomberg code MEKKO FH
Average daily volume,
Next interim report 15-Feb-24
Web site company.marimekko.com/investors/

Analyst Atte Jortikka
E-mail atte.jortikka@evli.com
Telephone +358 400 543 725

+ BUY ■ HOLD - 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
2021	152.2	31.3	20.5%	31.2	0.60	28.3	4.4	21.2	4.5	0.72
2022	166.5	30.4	18.2%	10.3	0.56	15.6	2.1	11.8	2.9	0.34
2023E	176.4	32.4	18.3%	20.2	0.61	21.7	3.0	16.4	3.8	0.38
2024E	188.3	35.3	18.7%	33.3	0.69	19.2	2.7	14.5	6.2	0.41
2025E	198.2	37.7	19.0%	33.1	0.74	17.8	2.5	13.2	6.2	0.48
Market cap, EURm	536			Gearing 2023E, %	-7.9			CAGR EPS 2022-25, %	9.7	
Net debt 2023E, EURm	-5			Price/book 2023E	8.1			CAGR sales 2022-25, %	6.0	
Enterprise value, EURm	531			Dividend yield 2023E, %	2.9			ROE 2023E, %	40.5	
Total assets 2023E, EURm	129			Tax rate 2023E, %	20.1			ROCE 2023E, %	34.7	
Goodwill 2023E, EURm	0			Equity ratio 2023E, %	51.4			PEG, P/E 23/CAGR	2.8	

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

Table 1: Peer group overview

MARIMEKKO PEER GROUP	MCAP MEUR	EV/EBITDA			EV/EBIT			P/E			Div. yield		
		23	24	25	23	24	25	23	24	25	23	24	25
PREMIUM GOODS													
Bjorn Borg	108	10.0x	8.6x	7.8x	13.5x	10.6x	9.3x	16.2x	11.3x	10.1x	4.1%	4.3%	4.7%
HUGO BOSS	3953	7.5x	5.7x	4.9x	14.0x	10.2x	8.4x	15.7x	12.6x	10.2x	2.3%	3.0%	3.9%
Capri Holdings	4993	11.0x	10.4x	9.3x	13.6x	12.9x	11.6x	9.4x	9.3x	8.6x	0.0%	0.0%	0.0%
Ralph Lauren	8930	10.8x	10.1x	9.2x	13.8x	12.8x	11.4x	16.0x	14.1x	12.2x	2.1%	2.2%	2.3%
PVH	6641	9.0x	8.4x	7.9x	12.0x	11.1x	10.3x	11.6x	10.1x	9.1x	0.1%	0.1%	0.1%
Guess	1134	8.3x	8.1x	7.9x	10.4x	10.2x	10.0x	8.4x	7.9x	7.2x		5.2%	5.3%
VF	5535	12.2x	10.7x	9.4x	16.5x	14.6x	12.5x	11.2x	11.5x	9.3x	6.7%	2.9%	2.1%
Peer Group Average	45529	9.8x	8.9x	8.1x	13.4x	11.8x	10.5x	12.6x	11.0x	9.5x	2.6%	2.5%	2.6%
Peer Group Median	6028	10.0x	8.6x	7.9x	13.6x	11.1x	10.3x	11.6x	11.3x	9.3x	2.2%	2.9%	2.3%
Marimekko (Evli est.)	482	12.8x	11.4x	10.5x	16.4x	14.5x	13.2x	21.7x	19.2x	17.8x	2.9%	3.1%	3.6%

Marimekko prem./disc. to peer median
Source FactSet, Evli Research

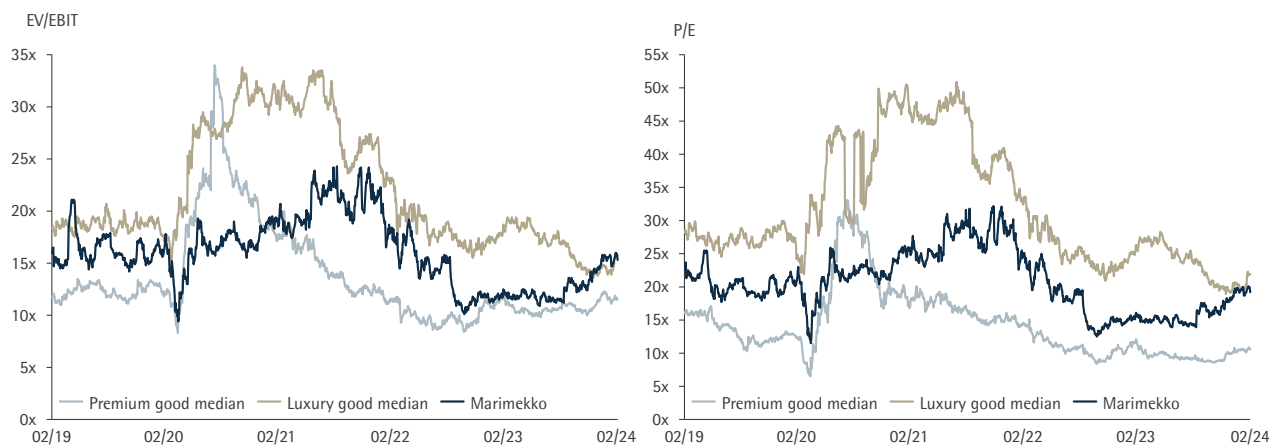
28% 32% 32% 21% 31% 28% 87% 69% 91% 29% 8% 56%

MARIMEKKO PEER GROUP	MCAP MEUR	EV/EBITDA			EV/EBIT			P/E			Div. yield		
		23	24	25	23	24	25	23	24	25	23	24	25
LUXURY GOODS													
Brunello Cucinelli	6521	19.9x	19.2x	17.3x	35.7x	33.9x	30.3x	56.6x	49.2x	43.4x	0.9%	1.0%	1.2%
Burberry Group	5410	7.4x	7.1x	6.6x	12.7x	12.6x	11.4x	14.0x	15.0x	13.5x	4.2%	4.2%	4.6%
Hermes International	213050	31.4x	30.4x	27.3x	35.1x	34.1x	30.4x	52.7x	48.4x	43.6x	0.7%	0.8%	0.9%
LVMH Moet Hennessy Louis Vuitton	391161	14.0x	14.2x	13.1x	17.4x	17.6x	16.1x	25.9x	24.1x	22.0x	1.7%	1.8%	2.0%
Moncler	15706	13.3x	13.0x	11.7x	17.6x	17.0x	15.2x	26.3x	24.5x	21.9x	1.8%	1.9%	2.1%
Prada	14740	9.0x	9.0x	8.3x	15.0x	14.8x	13.2x	22.6x	20.4x	18.2x	2.6%	2.8%	3.2%
Salvatore Ferragamo	1980							82.6x	67.6x	37.7x	0.9%	1.1%	1.6%
Kering	47472	9.1x	8.7x	7.9x	12.1x	11.7x	10.3x	15.3x	15.1x	13.2x	3.3%	3.4%	3.7%
Canada Goose Holdings	1126	8.3x	7.8x	7.7x	14.2x	13.1x	12.1x	17.4x	16.2x	14.0x	0.0%	0.0%	0.0%
Peer Group Average	45529	14.0x	13.7x	12.5x	20.0x	19.4x	17.4x	34.8x	31.2x	25.3x	1.8%	1.9%	2.1%
Peer Group Median	6028	11.2x	11.0x	10.0x	16.2x	15.9x	14.2x	25.9x	24.1x	21.9x	1.7%	1.8%	2.0%
Marimekko (Evli est.)	482	12.8x	11.4x	10.5x	16.4x	14.5x	13.2x	21.7x	19.2x	17.8x	2.9%	3.1%	3.6%

Marimekko prem./disc. to peer median
Source FactSet, Evli Research

14% 4% 5% 1% -9% -7% -16% -21% -19% 73% 73% 84%

Figure 1: Marimekko vs. peer group FWD EV/EBIT (lhs) & P/E (rhs), 2/2019 – 2/2024



VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC
Current share price	13.22 PV of Free Cash Flow	310 Long-term growth, %	2.0 Risk-free interest rate, %
DCF share value	18.66 PV of Horizon value	473 WACC, %	7.5 Market risk premium, %
Share price potential, %	41.2 Unconsolidated equity	0 Spread, %	0.5 Debt risk premium, %
Maximum value	20.5 Marketable securities	39 Minimum WACC, %	7.0 Equity beta coefficient
Minimum value	17.1 Debt - dividend	-34 Maximum WACC, %	8.0 Target debt ratio, %
Horizon value, %	60.4 Value of stock	769 Nr of shares, Mn	40.6 Effective tax rate, %

DCF valuation, EURm	2022	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	Horizon
Net sales	167	176	188	198	208	219	229	236	243	251	256	261
<i>Sales growth, %</i>	<i>9.4</i>	<i>6.0</i>	<i>6.7</i>	<i>5.3</i>	<i>5.0</i>	<i>5.0</i>	<i>5.0</i>	<i>3.0</i>	<i>3.0</i>	<i>3.0</i>	<i>2.0</i>	<i>2.0</i>
Operating income (EBIT)	30	32	35	38	39	40	42	44	45	46	47	48
<i>Operating income margin, %</i>	<i>18.2</i>	<i>18.3</i>	<i>18.7</i>	<i>19.0</i>	<i>18.5</i>	<i>18.5</i>	<i>18.5</i>	<i>18.5</i>	<i>18.5</i>	<i>18.5</i>	<i>18.5</i>	<i>18.5</i>
+ Depreciation+amort.	10	9	10	10	10	11	11	12	12	13	13	
EBITDA	40	41	45	47	49	51	54	56	57	59	60	
- Paid taxes	-7	-5	-7	-8	-8	-8	-8	-9	-9	-9	-9	
- Change in NWC	-11	-4	6	5	-1	-1	-1	0	0	-1	0	
<i>NWC / Sales, %</i>	<i>12.6</i>	<i>14.0</i>	<i>10.0</i>	<i>7.0</i>	<i>7.0</i>	<i>7.0</i>	<i>7.0</i>	<i>7.0</i>	<i>7.0</i>	<i>7.0</i>	<i>7.0</i>	
+ Change in other liabs	0	0	0	0	0	0	0	0	0	0	0	
- Operative CAPEX	-1	-1	-2	-2	-2	-2	-2	-2	-2	-2	-2	
<i>opCAPEX / Sales, %</i>	<i>5.9</i>	<i>6.6</i>	<i>5.5</i>	<i>6.0</i>	<i>5.9</i>	<i>5.9</i>	<i>5.9</i>	<i>5.7</i>	<i>5.7</i>	<i>5.7</i>	<i>5.5</i>	
- Acquisitions	0	0	0	0	0	0	0	0	0	0	0	
+ Divestments	0	0	0	0	0	0	0	0	0	0	0	
- Other items	-1	0	0	0	0	0	0	0	0	0	0	
= FCFF	20	32	42	43	39	41	43	45	46	47	49	901
= Discounted FCFF		32	40	38	31	31	30	29	28	27	26	473
= DFCF min WACC		32	40	38	32	31	31	30	29	28	27	543
= DFCF max WACC		32	39	37	31	30	29	28	27	26	25	416

INTERIM FIGURES

EVLI ESTIMATES, EURm	2022Q1	2022Q2	2022Q3	2022Q4	2022	2023Q1	2023Q2	2023Q3	2023Q4E	2023E	2024E	2025E
Net sales	36.0	38.0	44.1	48.4	166.5	35.3	40.3	47.9	52.9	176.4	188.3	198.2
EBITDA	9.1	8.1	13.6	9.3	40.1	6.1	8.8	15.2	11.2	41.3	45.0	47.5
<i>EBITDA margin (%)</i>	<i>25.3</i>	<i>21.4</i>	<i>30.8</i>	<i>19.2</i>	<i>24.1</i>	<i>17.4</i>	<i>21.9</i>	<i>31.7</i>	<i>21.2</i>	<i>23.4</i>	<i>23.9</i>	<i>24.0</i>
EBIT	6.6	5.7	11.1	6.9	30.4	3.8	6.6	12.9	9.0	32.4	35.3	37.7
<i>EBIT margin (%)</i>	<i>18.4</i>	<i>15.0</i>	<i>25.2</i>	<i>14.3</i>	<i>18.2</i>	<i>10.8</i>	<i>16.4</i>	<i>27.0</i>	<i>17.1</i>	<i>18.3</i>	<i>18.7</i>	<i>19.0</i>
Net financial items	-0.1	0.3	0.2	-1.4	-1.1	-0.8	-0.5	0.0	-0.1	-1.5	-0.3	0.0
Pre-tax profit	6.5	6.0	11.3	5.5	29.3	3.0	6.1	12.9	9.0	30.9	35.0	37.6
Tax	-1.5	-1.2	-2.4	-1.3	-6.4	-0.5	-1.3	-2.5	-1.8	-6.2	-7.0	-7.5
<i>Tax rate (%)</i>	<i>22.6</i>	<i>20.0</i>	<i>21.4</i>	<i>24.4</i>	<i>22.0</i>	<i>18.5</i>	<i>21.6</i>	<i>19.8</i>	<i>20.0</i>	<i>20.1</i>	<i>20.0</i>	<i>20.0</i>
Net profit	5.0	4.8	8.9	4.2	22.9	2.4	4.8	10.3	7.2	24.7	28.0	30.1
EPS	0.12	0.12	0.22	0.10	0.56	0.06	0.12	0.25	0.18	0.61	0.69	0.74
EPS adjusted (diluted no. of shares)	0.12	0.12	0.22	0.10	0.56	0.06	0.12	0.25	0.18	0.61	0.69	0.74
Dividend per share	0.00	0.00	0.00	0.00	0.34	0.00	0.00	0.00	0.00	0.38	0.41	0.48
SALES, EURm												
Finland	18.5	23.0	26.7	30.1	98.2	18.0	22.2	28.2	31.9	100.4	102.1	106.2
Scandinavia	3.0	3.0	3.5	4.5	14.0	3.5	3.0	4.3	5.1	15.9	17.0	18.1
EMEA	5.5	3.2	3.7	3.7	16.0	3.8	3.8	3.6	3.8	15.0	17.5	18.7
North America	1.8	2.0	1.9	2.3	8.0	1.6	2.6	2.5	3.1	9.8	10.6	11.3
Asia Pacific	7.3	6.8	8.3	7.9	30.3	8.4	8.8	9.2	9.0	35.4	41.1	44.0
Total	36.0	38.0	44.1	48.4	166.5	35.3	40.3	47.9	52.9	176.4	188.3	198.2
SALES GROWTH, Y/Y %												
<i>Finland</i>	<i>27.3</i>	<i>25.2</i>	<i>-7.3</i>	<i>-1.9</i>	<i>6.4</i>	<i>-2.7</i>	<i>-3.5</i>	<i>5.7</i>	<i>6.3</i>	<i>2.2</i>	<i>1.7</i>	<i>4.0</i>
<i>Scandinavia</i>	<i>22.8</i>	<i>3.7</i>	<i>21.0</i>	<i>0.5</i>	<i>10.2</i>	<i>15.6</i>	<i>0.9</i>	<i>23.8</i>	<i>13.9</i>	<i>14.0</i>	<i>6.8</i>	<i>6.5</i>
<i>EMEA</i>	<i>33.5</i>	<i>7.1</i>	<i>36.3</i>	<i>17.5</i>	<i>24.2</i>	<i>-30.6</i>	<i>18.7</i>	<i>-3.5</i>	<i>4.3</i>	<i>-6.6</i>	<i>17.2</i>	<i>6.5</i>
<i>North America</i>	<i>25.7</i>	<i>-10.2</i>	<i>-8.4</i>	<i>-13.8</i>	<i>-4.8</i>	<i>-10.6</i>	<i>28.5</i>	<i>35.7</i>	<i>33.6</i>	<i>22.8</i>	<i>8.0</i>	<i>6.5</i>
<i>Asia Pacific</i>	<i>10.2</i>	<i>9.0</i>	<i>40.1</i>	<i>10.0</i>	<i>16.7</i>	<i>15.6</i>	<i>28.5</i>	<i>11.0</i>	<i>13.7</i>	<i>16.7</i>	<i>16.2</i>	<i>7.0</i>
Total	23.8	16.2	4.0	0.7	9.4	-2.1	6.1	8.6	9.4	6.0	6.7	5.3
EBIT, EURm												
Finland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	20.2
Scandinavia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.4
EMEA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.5
North America	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.1
Asia Pacific	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8.4
Group (EBIT only)	6.6	5.7	11.1	6.9	30.4	3.8	6.6	12.9	9.0	32.4	35.3	0.0
Total	6.6	5.7	11.1	6.9	30.4	3.8	6.6	12.9	9.0	32.4	35.3	37.7
EBIT margin, %												
<i>Finland</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>19.0</i>
<i>Scandinavia</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>19.0</i>
<i>EMEA</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>19.0</i>
<i>North America</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>19.0</i>
<i>Asia Pacific</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>19.0</i>
Total	18.4	15.0	25.2	14.3	18.2	10.8	16.4	27.0	17.1	18.3	18.7	19.0

INCOME STATEMENT, EURm	2018	2019	2020	2021	2022	2023E	2024E	2025E
Sales	111.9	125.4	123.6	152.2	166.5	176.4	188.3	198.2
<i>Sales growth (%)</i>	<i>9.3</i>	<i>12.1</i>	<i>-1.5</i>	<i>23.2</i>	<i>9.4</i>	<i>6.0</i>	<i>6.7</i>	<i>5.3</i>
EBITDA	14.6	29.7	31.3	43.3	40.1	41.3	45.0	47.5
<i>EBITDA margin (%)</i>	<i>13.1</i>	<i>23.7</i>	<i>25.4</i>	<i>28.5</i>	<i>24.1</i>	<i>23.4</i>	<i>23.9</i>	<i>24.0</i>
Depreciation	-2.4	-12.6	-12.6	-12.1	-9.8	-9.0	-9.7	-9.8
EBITA	12.2	17.1	18.8	31.3	30.4	32.4	35.3	37.7
Goodwill amortization / writedown	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	12.2	17.1	18.8	31.3	30.4	32.4	35.3	37.7
<i>EBIT margin (%)</i>	<i>10.9</i>	<i>13.6</i>	<i>15.2</i>	<i>20.5</i>	<i>18.2</i>	<i>18.3</i>	<i>18.7</i>	<i>19.0</i>
Reported EBIT	12.2	17.1	18.0	31.3	30.4	32.4	35.3	37.7
<i>EBIT margin (reported) (%)</i>	<i>10.9</i>	<i>13.6</i>	<i>14.5</i>	<i>20.5</i>	<i>18.2</i>	<i>18.3</i>	<i>18.7</i>	<i>19.0</i>
Net financials	-0.2	-1.0	-1.8	-0.4	-1.1	-1.5	-0.3	0.0
Pre-tax profit	12.1	16.1	17.0	30.8	29.3	30.9	35.0	37.6
Taxes	-3.9	-3.1	-3.7	-6.4	-6.4	-6.2	-7.0	-7.5
Minority shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit	8.2	13.0	12.5	24.4	22.9	24.7	28.0	30.1
Cash NRIs	0.0	0.0	-0.8	0.0	0.0	0.0	0.0	0.0
Non-cash NRIs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
BALANCE SHEET, EURm								
Assets								
Fixed assets	5	5	5	5	6	6	7	7
Goodwill	0	0	0	0	0	0	0	0
Right of use assets	37	36	37	29	30	32	32	34
Inventory	22	23	22	26	34	35	36	36
Receivables	7	7	8	12	12	16	13	14
Liquid funds	23	26	41	60	33	39	57	74
Total assets	94	97	114	133	115	129	145	165
Liabilities								
Shareholder's equity	40	39	52	69	55	66	79	92
Minority interest	0	0	0	0	0	0	0	0
Convertibles	0	0	0	0	0	0	0	0
Lease liabilities	37	36	37	30	32	32	32	34
Deferred taxes	1	2	1	3	0	3	3	3
Interest bearing debt	0	2	2	2	2	2	2	1
Non-interest bearing current liabilities	16	18	22	28	25	26	30	36
Other interest-free debt	0	0	0	0	0	0	0	0
Total liabilities	94	97	114	133	115	129	145	165
CASH FLOW, EURm								
+ EBITDA	15	30	31	43	40	41	45	47
- Net financial items	0	-1	-2	18	-27	-1	0	0
- Taxes	-3	-3	-6	-4	-6	-4	-7	-8
- Increase in Net Working Capital	2	3	3	-2	-11	-4	6	5
+/- Other	0	0	0	-19	24	0	0	0
= Cash flow from operations	12	29	27	36	20	32	44	45
- Capex	-1	-11	-14	-5	-10	-12	-10	-12
- Acquisitions	0	0	0	0	0	0	0	0
+ Divestments	11	0	0	0	0	0	0	0
= Free cash flow	22	18	14	31	10	20	33	33
+/- New issues/buybacks	5	1	8	1	-8	0	0	0
- Paid dividend	-4	-15	-7	-8	-29	-14	-15	-17
+/- Other	-6	-1	0	-5	0	0	0	1
Change in cash	17	3	15	19	-27	6	18	17

KEY FIGURES	2019	2020	2021	2022	2023E	2024E	2025E
M-cap	291	369	691	356	536	536	536
Net debt (excl. convertibles)	12	-2	-27	1	-5	-23	-39
Enterprise value	303	368	664	357	531	513	497
Sales	125	124	152	167	176	188	198
EBITDA	30	31	43	40	41	45	47
EBIT	17	19	31	30	32	35	38
Pre-tax	16	17	31	29	31	35	38
Earnings	13	13	24	23	25	28	30
Equity book value (excl. minorities)	39	52	69	55	66	79	92
Valuation multiples							
EV/sales	2.4	3.0	4.4	2.1	3.0	2.7	2.5
EV/EBITDA	10.2	11.7	15.3	8.9	12.8	11.4	10.5
EV/EBITA	17.7	19.6	21.2	11.8	16.4	14.5	13.2
EV/EBIT	17.7	19.6	21.2	11.8	16.4	14.5	13.2
EV/OCF	10.5	13.4	18.5	17.7	16.7	11.8	11.1
EV/FCFF	10.7	14.2	18.8	17.9	16.8	12.2	11.5
P/FCFE	82.4	135.3	110.9	34.6	26.6	16.1	16.2
P/E	22.3	27.8	28.3	15.6	21.7	19.2	17.8
P/B	7.5	7.1	10.0	6.4	8.1	6.8	5.8
Target EV/EBITDA	0.0	0.0	0.0	0.0	11.6	10.3	9.4
Target EV/EBIT	0.0	0.0	0.0	0.0	14.9	13.1	11.9
Target EV/FCF	0.0	0.0	0.0	0.0	23.9	13.9	13.5
Target P/B	0.0	0.0	0.0	0.0	7.3	6.2	5.3
Target P/E	0.0	0.0	0.0	0.0	19.7	17.4	16.2
Per share measures							
Number of shares	40,649	40,549	40,549	40,621	40,571	40,571	40,571
Number of shares (diluted)	40,649	40,549	40,549	40,621	40,571	40,571	40,571
EPS	0.32	0.33	0.60	0.56	0.61	0.69	0.74
Operating cash flow per share	0.71	0.68	0.89	0.50	0.79	1.07	1.11
Free cash flow per share	0.43	0.34	0.77	0.25	0.50	0.82	0.82
Book value per share	0.96	1.29	1.71	1.36	1.64	1.95	2.28
Dividend per share	0.18	0.20	0.72	0.34	0.38	0.41	0.48
Dividend payout ratio, %	56.1	60.9	119.6	60.4	62.5	60.0	65.0
Dividend yield, %	2.5	2.2	4.2	3.9	2.9	3.1	3.6
FCF yield, %	6.1	3.7	4.5	2.9	3.8	6.2	6.2
Efficiency measures							
ROE	33.1	29.2	40.1	36.6	40.5	38.5	35.1
ROCE	22.7	22.9	33.0	32.4	34.7	33.9	32.3
Financial ratios							
Inventories as % of sales	18.0	18.2	17.1	20.3	20.0	19.0	18.0
Receivables as % of sales	5.3	6.6	7.9	7.2	9.0	7.0	7.0
Non-interest bearing liabilities as % of sales	14.2	17.9	18.6	14.9	15.0	16.0	18.0
NWC/sales, %	9.1	6.8	6.4	12.6	14.0	10.0	7.0
Operative CAPEX/sales, %	9.0	11.2	3.1	5.9	6.6	5.5	6.0
CAPEX/sales (incl. acquisitions), %	9.0	11.2	3.1	5.9	6.6	5.5	6.0
FCFF/EBITDA	1.0	0.8	0.8	0.5	0.8	0.9	0.9
Net debt/EBITDA, book-weighted	0.4	-0.1	-0.6	0.0	-0.1	-0.5	-0.8
Debt/equity, market-weighted	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Equity ratio, book-weighted	40.1	45.7	52.2	48.4	51.4	54.4	55.9
Gearing, %	30.7	-3.2	-38.9	2.3	-7.9	-29.2	-42.6

COMPANY DESCRIPTION: Marimekko is a Finnish lifestyle design house founded in 1951. The company is known for its original prints and colors. The company's product categories consist of high-quality clothing, bags and accessories as well as home décor items. Marimekko's products are sold in about 40 different countries, Finland and Asia being the largest market areas. The company has approximately 150 stores worldwide.

INVESTMENT CASE: Marimekko has a strong and unique brand which is enjoying great popularity in Finland and increasingly abroad. The company's growth strategy relies on international expansion and attracting a broader audience, which should support growth and through improved volumes margin improvement. E-commerce and brand collaborations offer further margin expansion potential.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Powerbank Ventures Oy	5,088,500	67.270	12.5%
Varma Mutual Pension Insurance Company	1,929,600	25.509	4.8%
Ilmarinen Mutual Pension Insurance Company	1,926,940	25.474	4.7%
Ehnrooth Sophia	1,651,885	21.838	4.1%
Nordea Nordic Small Cap Fund	999,425	13.212	2.5%
Evli Finnish Small Cap Fund	869,121	11.490	2.1%
Oy Talcom Ab	505,000	6.676	1.2%
Oy Etra Invest Ab	500,000	6.610	1.2%
Alahuhta Matti	423,650	5.601	1.0%
Veritas Pension Insurance Company Ltd.	375,000	4.958	0.9%
Ten largest	14,269,121	188.638	35%
Residual	26,302,259	347.716	65%
Total	40,571,380	536.354	100%

EARNINGS CALENDAR

February 15, 2024	FY 2023 Results
May 15, 2024	Q1 report
August 15, 2024	Q2 report
November 07, 2024	Q3 report

OTHER EVENTS**COMPANY MISCELLANEOUS**

CEO: Tiina Alahuhta-Kasko	Puusepänkatu 4, 00880 Helsinki, Finland
CFO: Elina Anckar	Tel: +358 9 75 871
IR: Anna Tuominen	

DEFINITIONS

P/E	$\frac{\text{Price per share}}{\text{Earnings per share}}$	EPS	$\frac{\text{Profit before extraord. items and taxes} - \text{income taxes} + \text{minority interest}}{\text{Number of shares}}$
P/BV	$\frac{\text{Price per share}}{\text{Shareholders' equity} + \text{taxed provisions per share}}$	DPS	Dividend for the financial period per share
Market cap	Price per share * Number of shares	OCF (Operating cash flow)	EBITDA – Net financial items – Taxes – Increase in working capital – Cash NRIs ± Other adjustments
EV (Enterprise value)	Market cap + net debt + minority interest at market value – share of associated companies at market value	FCF (Free cash flow)	Operating cash flow – operative CAPEX – acquisitions + divestments
EV/Sales	$\frac{\text{Enterprise value}}{\text{Sales}}$	FCF yield, %	$\frac{\text{Free cash flow}}{\text{Market cap}}$
EV/EBITDA	$\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$	Operative CAPEX/sales	$\frac{\text{Capital expenditure} - \text{divestments} - \text{acquisitions}}{\text{Sales}}$
EV/EBIT	$\frac{\text{Enterprise value}}{\text{Operating profit}}$	Net working capital	Current assets – current liabilities
Net debt	Interest bearing debt – financial assets	Capital employed/Share	$\frac{\text{Total assets} - \text{non-interest bearing debt}}{\text{Number of shares}}$
Total assets	Balance sheet total	Gearing	$\frac{\text{Net debt}}{\text{Equity}}$
Div yield, %	$\frac{\text{Dividend per share}}{\text{Price per share}}$	Debt/Equity, %	$\frac{\text{Interest bearing debt}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}$
Payout ratio, %	$\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes} - \text{income taxes} + \text{minority interest}}$	Equity ratio, %	$\frac{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}{\text{Total assets} - \text{interest-free loans}}$
ROCE, %	$\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other financial costs}}{\text{Balance sheet total} - \text{non-interest bearing debt (average)}}$	CAGR, %	Cumulative annual growth rate = Average growth per year

<p>ROE, %</p> $\frac{\text{Profit before extraordinary items and taxes - income taxes}}{\text{Shareholder's equity + minority interest + taxed provisions (average)}}$	
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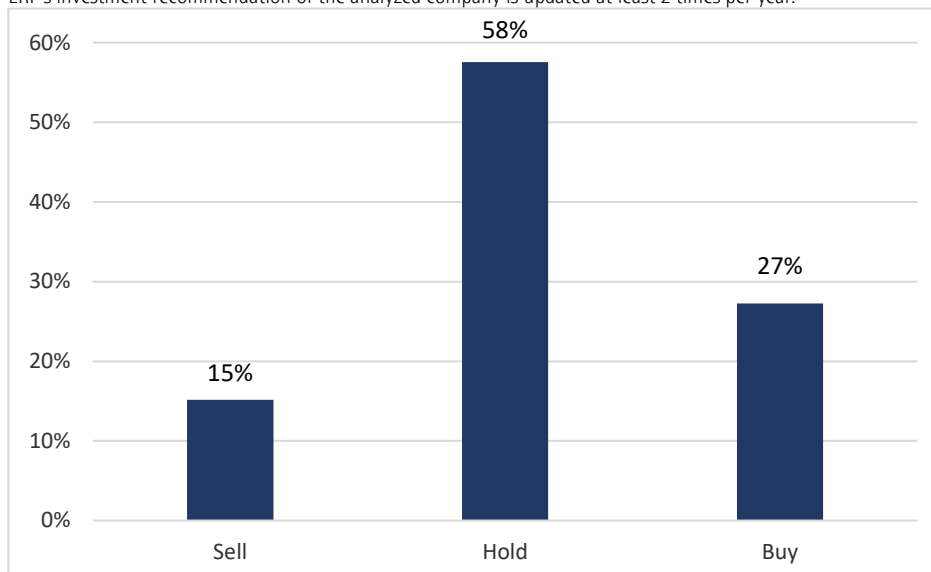
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

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

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Contact information**SALES, TRADING AND RESEARCH****Equity, ETF and Derivatives Sales**

Joachim Dannberg +358 9 4766 9123
Ari Laine +358 9 4766 9115
Kimmo Lijja +358 9 4766 9130

Trading

Lauri Vehkaluoto (Head) +358 9 4766 9120
Pasi Väisänen +358 9 4766 9120
Antti Kässi +358 9 4766 9120
Miika Ronkanen +358 9 4766 9120

Structured Investments

Heikki Savijoki +358 9 4766 9726
Aki Lakkisto +358 9 4766 9123

Equity Research

Atte Jortikka +358 40 054 3725
Joonas Ilvonen +358 44 430 9071
Jerker Salokivi +358 9 4766 9149

Evli Investment Solutions

Johannes Asuja +358 9 4766 9205

EVLI

EVLI PLC

Aleksanterinkatu 19 A
P.O. Box 1081
FIN-00101 Helsinki, FINLAND
Phone +358 9 476 690
Internet www.evli.com
E-mail firstname.lastname@evli.com

EVLI PLC,

STOCKHOLMSFILIAL
Regeringsgatan 67 P.O. Box 16354
SE-103 26 Stockholm
Sverige
stockholm@evli.com
Tel +46 (0)8 407 8000