



Interim Report

1 October 2023–30 September 2024

7 November 2024

CEO David Rönnerberg

CFO Robert Berglund



Summary Q4/2024

October 2023 – September 2024

Net sales

EUR 438.4m

Growth excl. currency effects

3.9%

Like-for-like sales growth

1.1%

Own and exclusive brands

51.5%

Cash flow

EUR 39.4m

Online like-for-like growth

10.4%

of customers growth

+3.0%

Gross margin

44.1%

Adjusted EBITDA

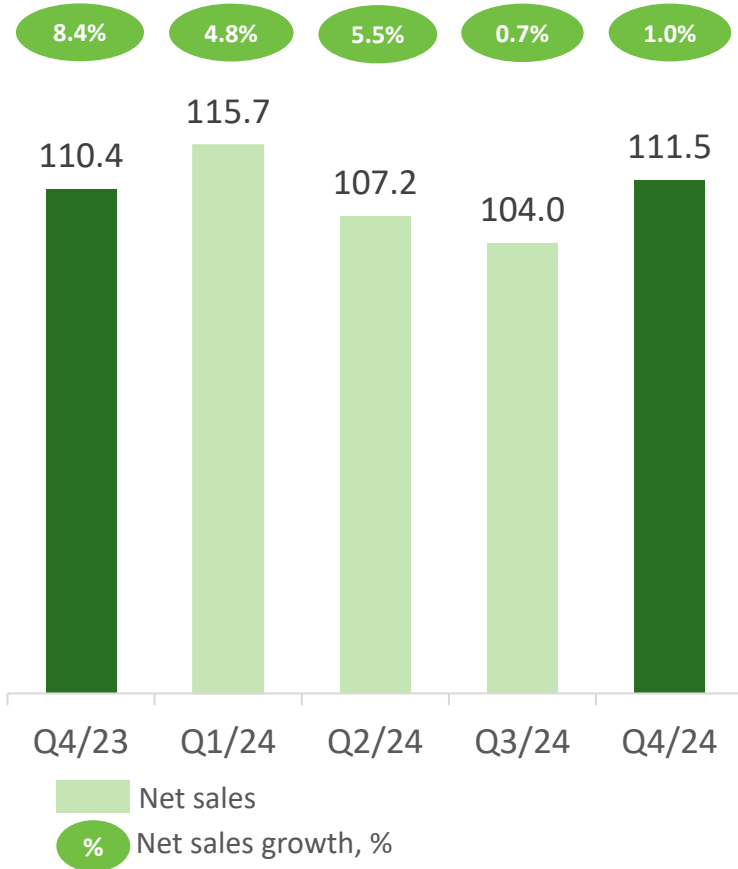
EUR 64.4m



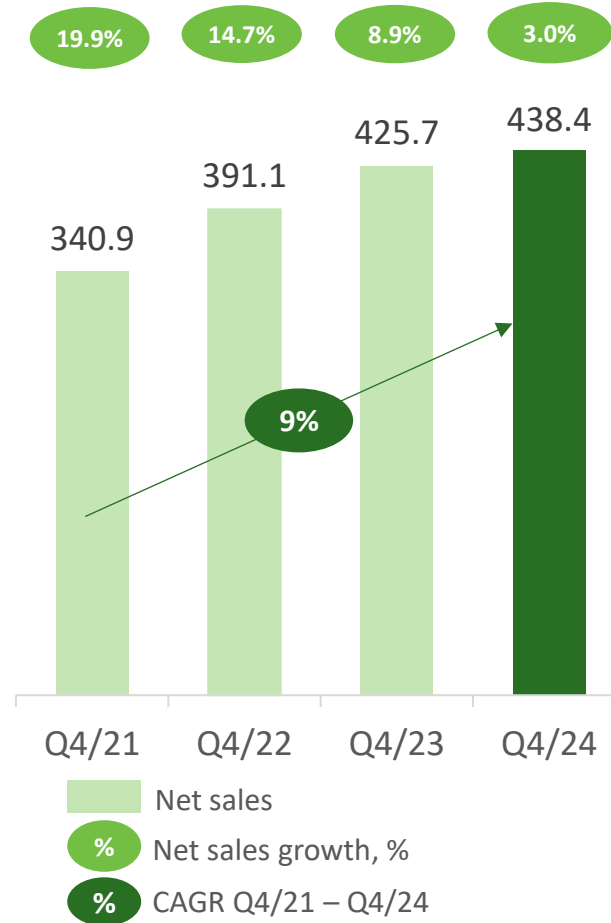
Key topics of Q4

Q4 net sales grew 1.0% to EUR 111.5 million

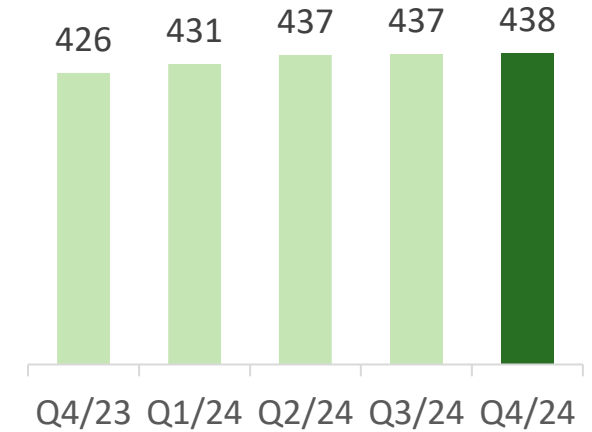
Quarterly net sales, EUR million



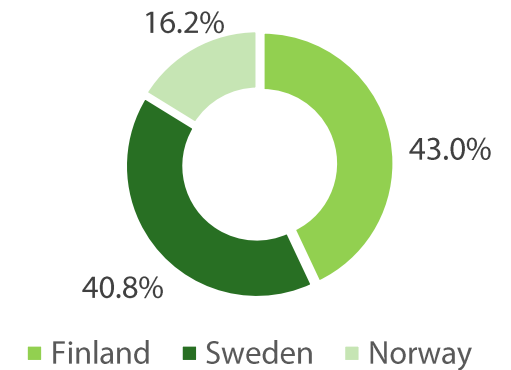
12 months net sales, EUR million



Net sales: rolling 12 months



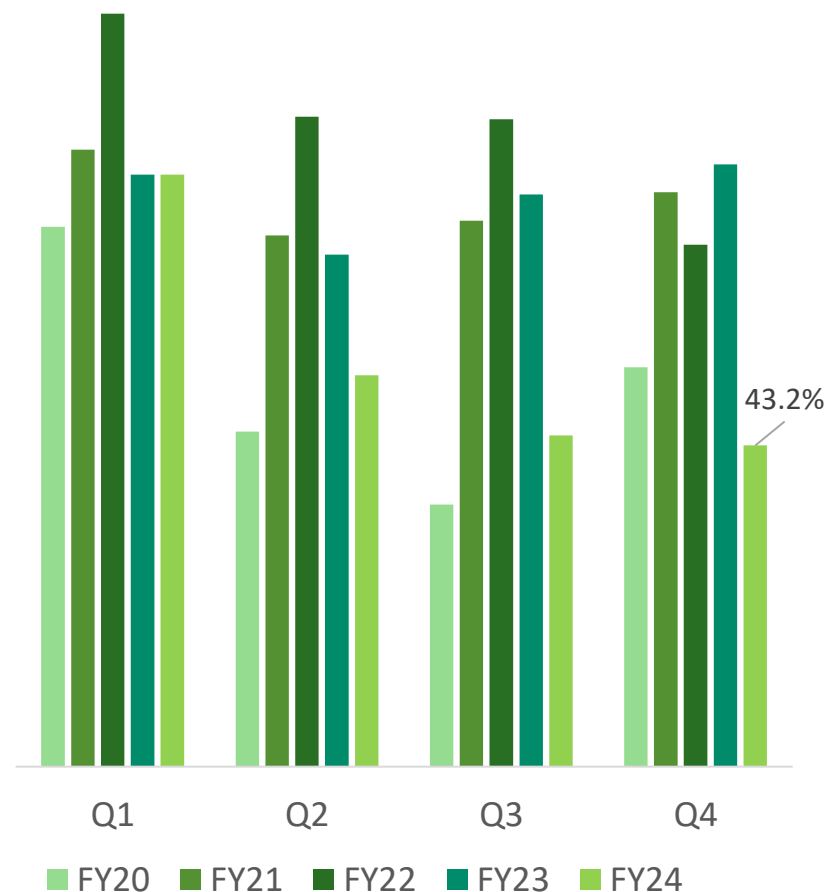
Net sales by segment in Q4/2024



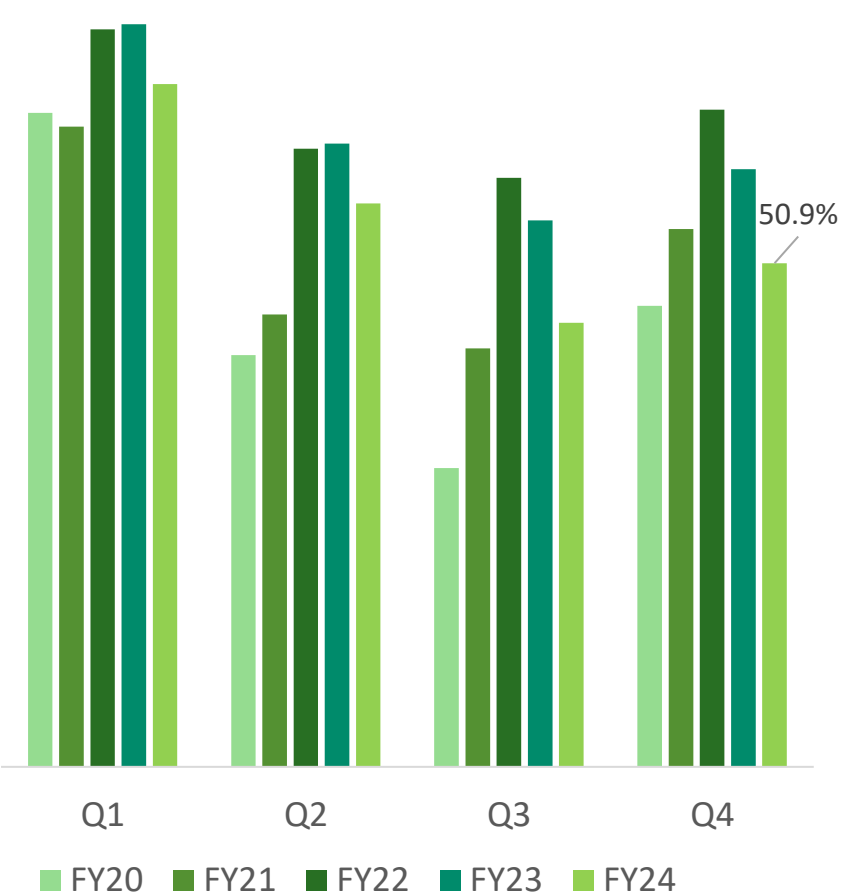
Gross margin facing temporary pressure

- Gross margin was 43.2% (46.0%).
- Gross margin was negatively affected by targeted investment in price and campaign activities and a slight decrease in the share of sales of own and exclusive brands to 50.9% (52.0%).

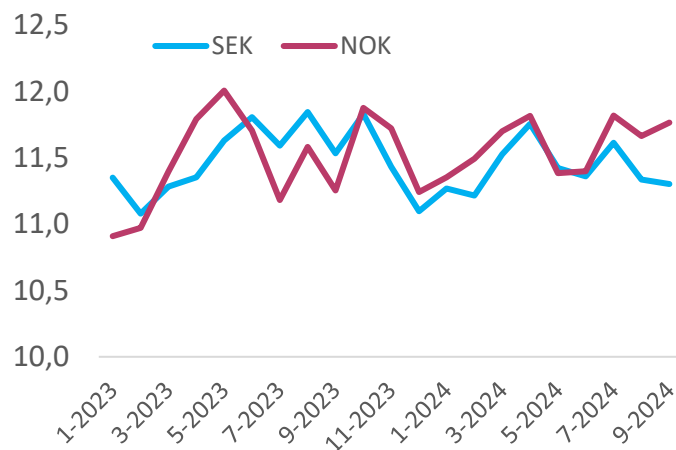
Gross margin %



O&E %



EUR/SEK and EUR/NOK exchange rates



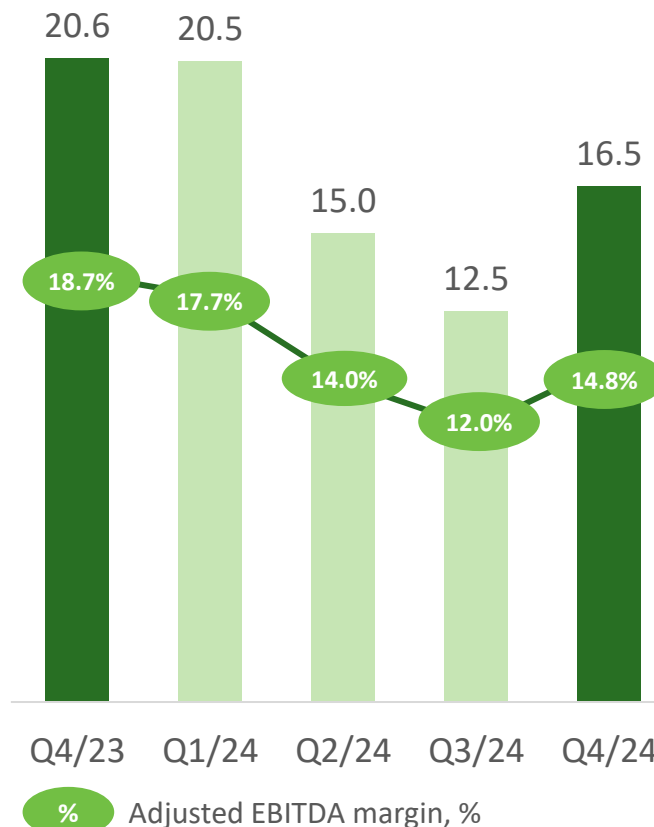
Source: ECB, monthly closing rate



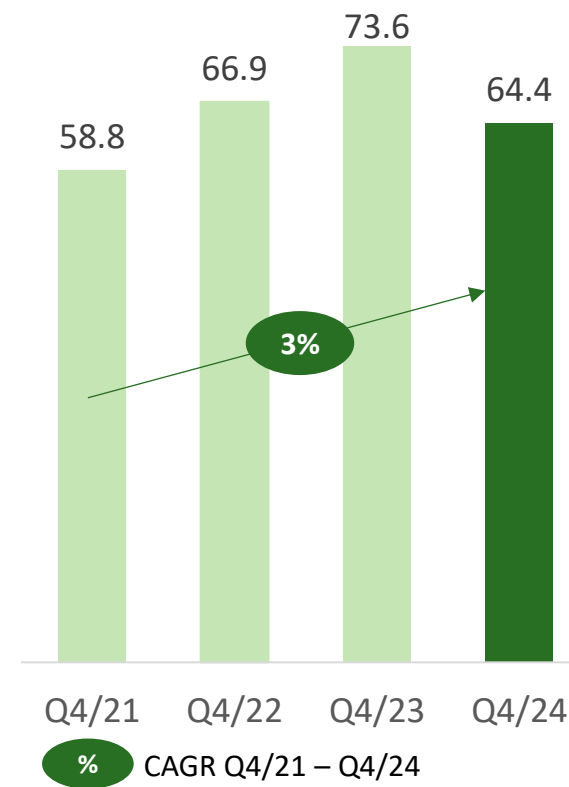
Group adjusted EBITDA decreased by 19.8% to EUR 16.5 million in Q4/24

- Group adjusted EBITDA decreased by 19.8% to EUR 16.5 (20.6) million.
- The decrease was due to continuous weak consumer climate, pressure in gross profit and inflation.
- Recent movements of the local currencies SEK and NOK had a negative impact of EUR 0.1 million on adjusted EBITDA.
- Adjusted EBITDA margin was 14.8% (18.7%).
- Adjusted Group functions cost in relation to group net sales was 8.5% (8.2%). Costs increased mainly in central warehouses and various group functions.

Quarterly adjusted EBITDA, EUR million



12 months adjusted EBITDA, EUR million



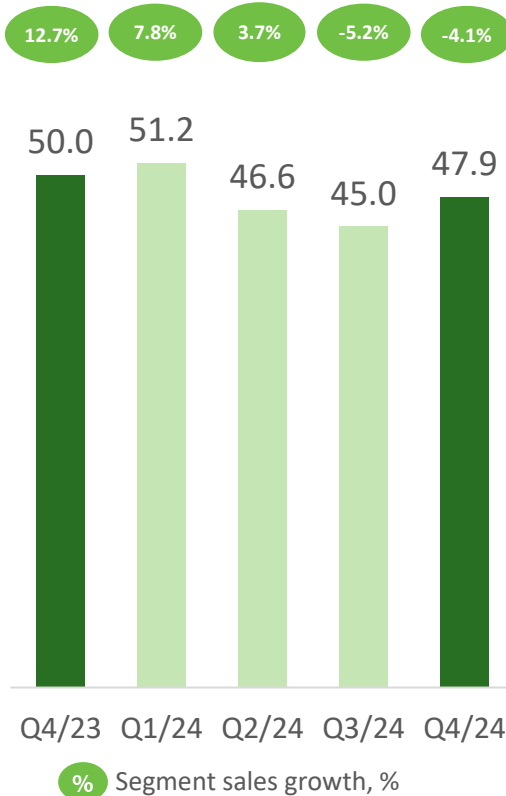


Segments

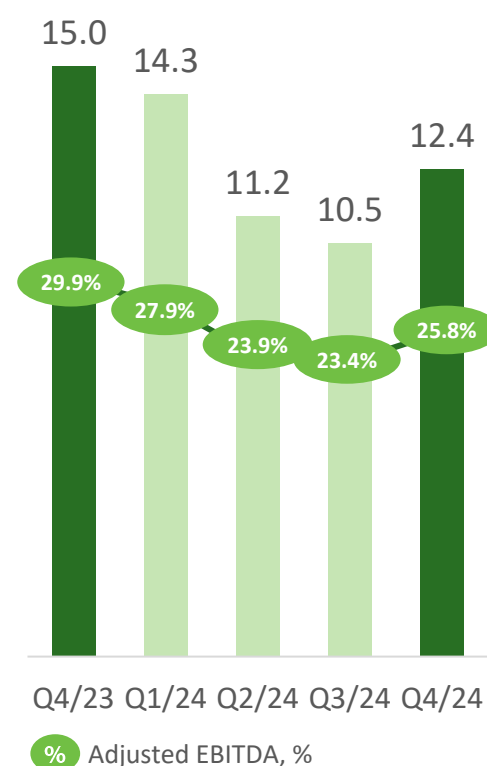
Net sales in Finland decreased by 4.1% to EUR 47.9 million in Q4/24

- Net sales in Finland decreased by 4.1% to EUR 47.9 (50.0) million.
- Sales were still negatively affected by weak consumer climate and the product recall made in November 2023.
- Like-for-like growth was -3.8%.
- Adjusted EBITDA decreased by 17.3% to EUR 12.4 (15.0) million.
- Adjusted EBITDA margin was 25.8% (29.9%).
- The decrease in profitability was due to pressure in gross margin arising from targeted investment in price and campaign activities, and weak consumer climate.
- There were no changes in the store network during Q4.

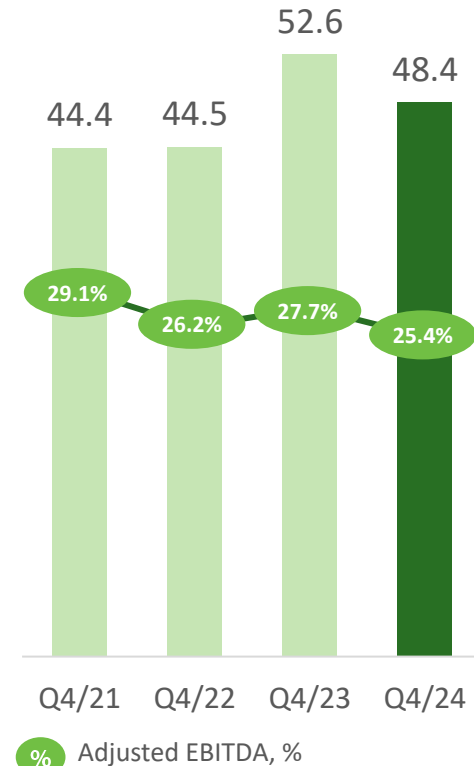
Net sales, EUR million



Quarterly adjusted EBITDA, EUR million



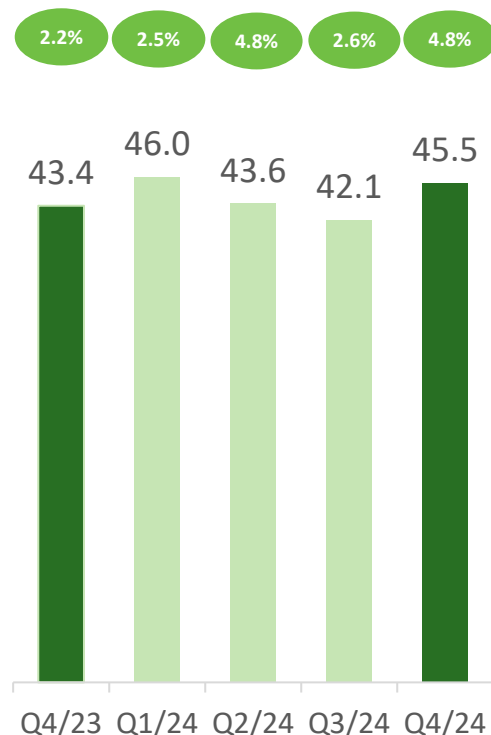
12 months adjusted EBITDA, EUR million



Net sales in Sweden increased by 4.8% to EUR 45.5 million in Q4/24

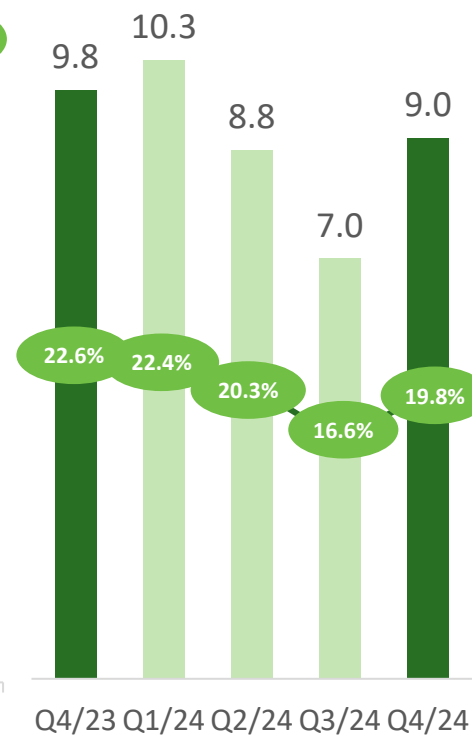
- Net sales in Sweden increased by 4.8% to EUR 45.5 (43.4) million. The growth was driven by increased number of stores opened during the last 12 months.
- The weakened SEK exchange rate decreased sales by EUR 0.3 million in Q4.
- Like-for-like growth, which is calculated in local currencies, was -0.8%.
- Adjusted EBITDA decreased by 8.5% to EUR 9.0 (9.8) million which was mainly driven by weak consumer climate combined with fixed cost base.
- Adjusted EBITDA margin decreased to 19.8% (22.6%).
- There were no changes in the store network during Q4.

Net sales, EUR million



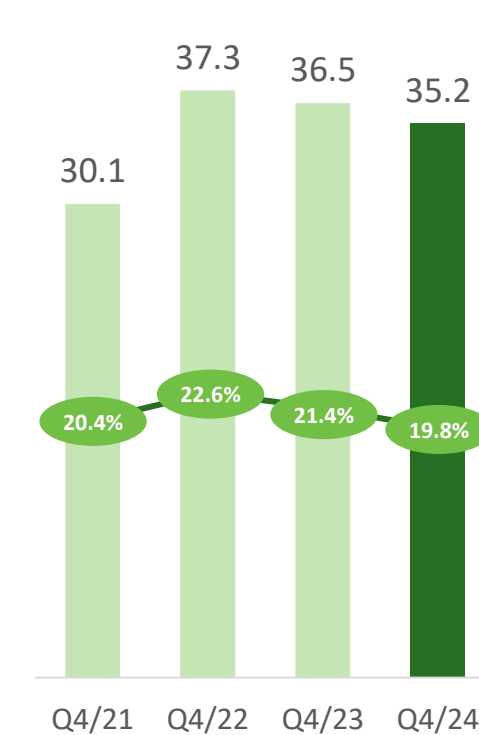
% Segment sales growth, %

Quarterly adjusted EBITDA, EUR million



% Adjusted EBITDA, %

12 months adjusted EBITDA, EUR million

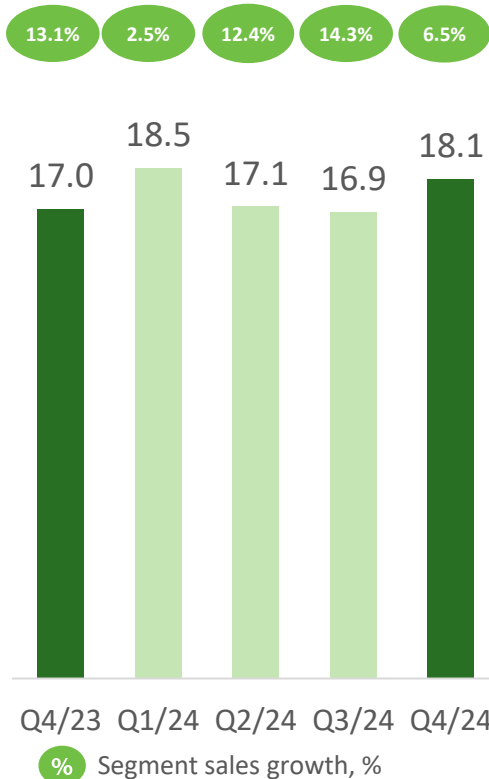


% Adjusted EBITDA, %

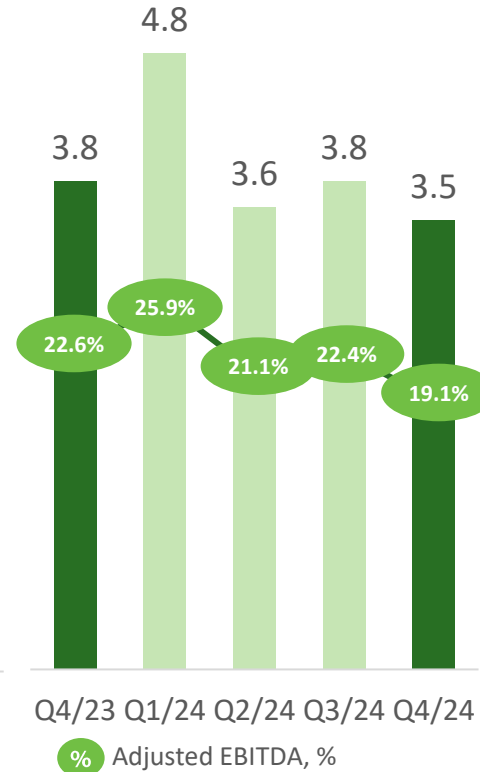
Net sales in Norway increased by 6.5% to EUR 18.1 million in Q4/24

- Net sales in Norway increased by 6.5% to EUR 18.1 (17.0) million, driven by like-for-like sales growth of 7.8% and ramp-up of the stores opened during the last twelve months.
- The NOK exchange rate in Q4 had a EUR 0.7 million negative impact on net sales.
- Adjusted EBITDA decreased by 9.8% to EUR 3.5 (3.8) million due to targeted investment in price and campaign activities.
- Adjusted EBITDA margin was 19.1% (22.6%).
- During Q4, two new directly operated stores were opened and one store closed temporarily.

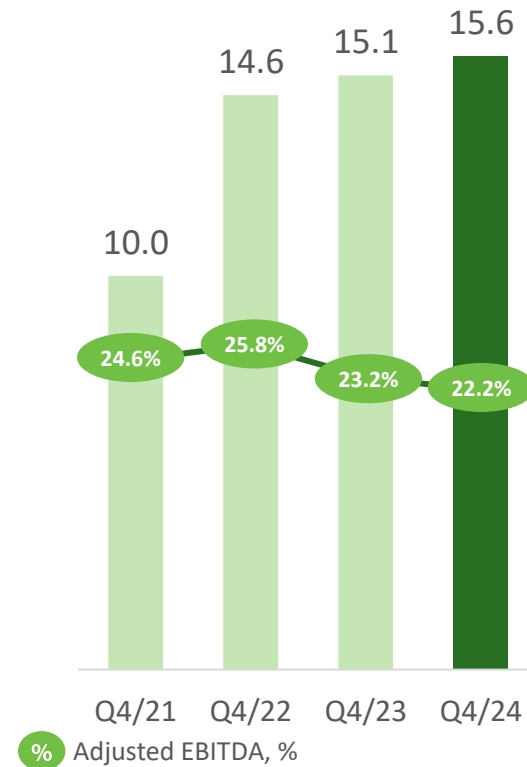
Net sales, EUR million



Quarterly adjusted EBITDA, EUR million



12 months adjusted EBITDA, EUR million



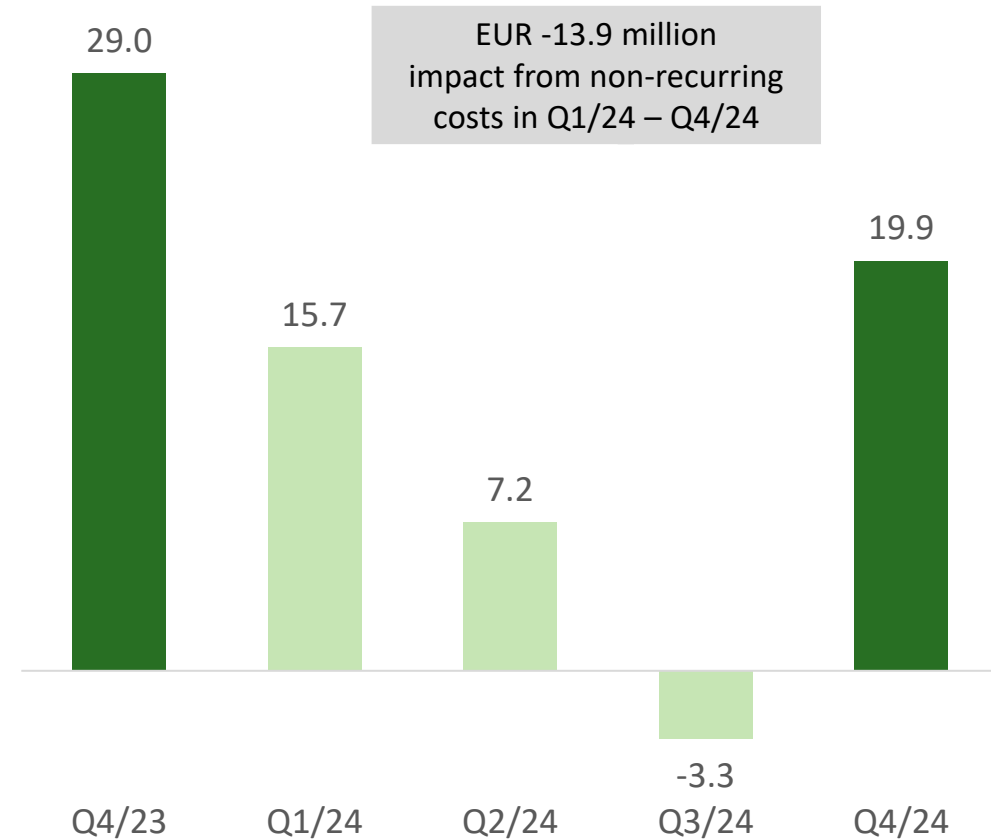


Financial position

Cash flow from operating activities totaled EUR 19.9 million in Q4/24

- In Q4, the net cash flow from operating activities totaled EUR 19.9 (29.0) million. Change in net working capital had an impact of EUR 5.0 (10.1) million to the cash flow.
- In October 2023 - September 2024, the net cash flow from operating activities totaled EUR 39.4 (79.6) million.
- Gearing at the end of the reporting period was 93.1% (30 September 2023: 83.9%).
- Net debt amounted to EUR 154.0 million (30 September 2023: EUR 137.9 million). At the end of the period:
 - interest-bearing loans and commercial papers included in net debt amounted to EUR 94.6 million (30 September 2023: EUR 79.4 million).
 - lease liabilities EUR 82.5 million (30 September 2023: EUR 79.8 million).
- Net debt in relation to LTM adjusted EBITDA was 2.4x.
- Cash and cash equivalents at the end of the period amounted to EUR 25.6 million (30 September 2023: EUR 22.0 million).
- In Q4, investments in tangible and intangible assets amounted to EUR 2.8 (2.8) million.

Cash flow from operating activities, EUR million



Financial targets

- In April, the Board of Directors decided to withdraw the company's long-term financial targets.
- With the new majority owner, Musti Group is now in a new strategic phase with need to focus on sustainable growth to create value to its pet parent customers, owners and other stakeholders.
- Updated dividend policy: The company's net profit shall be used towards financing the company's growth and investments, and the company does not expect to distribute dividends. The Board of Directors may however assess dividend distribution annually.

Summary of Q4/24

- Group net sales totaled EUR 111.5 (110.4) million, an increase of 1.0%.
- Like-for-like sales growth, which is calculated in local currencies, amounted to -0.9% (10.0%).
- Online like-for-like sales growth was 9.4% (20.7%).
- Gross margin decreased to 43.2% (46.0%) due to targeted investment in price and campaign activities and a slight decrease in the share of sales of own and exclusive brands to 50.9% (52.0%).
- Adjusted EBITDA decreased 19.8% to EUR 16.5 (20.6) million.
- Adjusted EBITDA margin decreased to 14.8% (18.7%).
- The total number of customers increased by 3.0% to 1,861 thousand (1,806 thousand on 30 September 2023).
- Net cash flow from operating activities was EUR 19.9 (29.0) million.



More information

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Financial Statements
Release for October 2023–
December 2024 will be
published on **11 February
2025.**



Thank you!
