

## Issuance of new shares without payment

Yesterday, the AGM approved the BoD's dividend proposal and decided on a share split with a ratio of 5:1. With our estimates intact, we update our target price to EUR 15.8 (79) and retain HOLD-rating.

- The AGM approved the Board of Directors' proposal to distribute a regular dividend of EUR 1.60 per share plus an extraordinary dividend of EUR 2.00 per share to be paid for the financial year 2021.
- At the same time, the AGM decided that new shares will be issued to the shareholders without payment in proportion to their holdings so that four new shares are issued for each share. In total, 32,519,336 new shares will be issued, increasing Marimekko's total number of shares from 8.1m to 40.6m.
- Split has no effect on Marimekko's fair value and hence we have made no changes to our estimates. We update our target price to EUR 15.8 (79) and retain HOLD-rating.
- Marimekko publishes its Q1 result on 13 May 2022.

Rating	HOLD
Share price, EUR (Last trading day's closing price)	14.64
Target price, EUR	15.8
Latest change in recommendation	16-Feb-22
Latest report on company	16-Feb-22
Research paid by	YES
No. of shares	40,621
No. of shares fully	40,621
Market cap, EURm	595
Free float, %	73.7
Exchange rate	0.000
Reuters code	MEKKO.HE
Bloomberg code	MEKKO FH
Average daily volume,	0.0
Next interim report	13-May-22
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BUY HOLD SELL

### PRE-REPORT KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2020	123.6	18.8	15.2%	13.6	0.33	27.8	3.0	19.6	3.7	0.20
2021	152.2	31.3	20.5%	31.2	0.60	28.3	4.4	21.2	4.5	0.72
2022E	167.9	32.4	19.3%	12.3	0.63	23.3	3.5	18.0	2.1	0.35
2023E	182.9	34.4	18.8%	20.9	0.64	22.9	3.2	16.8	3.5	0.35
2024E	197.0	35.5	18.0%	20.5	0.67	21.8	2.9	16.1	3.5	0.44
Market cap, EURm	595		BV per share 2022E, EUR		-15.4		CAGR EPS 2021-24, %		3.7	
Net debt 2022E, EURm	-10		Price/book 2022E		9.0		CAGR sales 2021-24, %		9.0	
Enterprise value, EURm	585		Dividend yield 2022E, %		2.4		ROE 2022E, %		37.8	
Total assets 2022E, EURm	147		Tax rate 2022E, %		20.0		ROCE 2022E, %		30.8	
Goodwill 2022E, EURm	0		Equity ratio 2022E, %		44.7		PEG, P/E 22/CAGR		6.1	

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

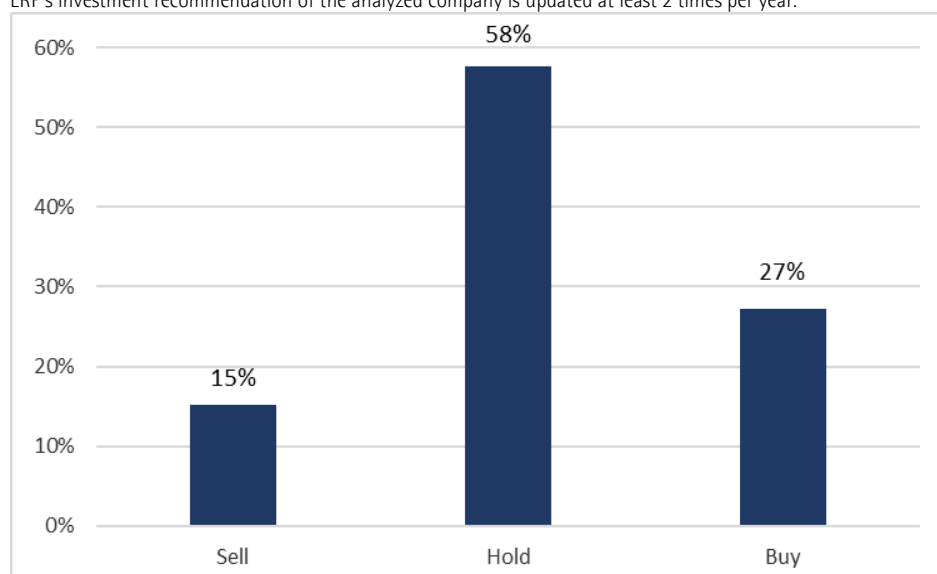
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Investment recommendations are defined as follows:

Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

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The graph above shows the distribution of ERP's recommendations of companies under coverage in 11th of May 2020. If recommendation is not given, it is not mentioned here.

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

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