



**marimekko**

**Financial Statements Bulletin**

**2022**

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Marimekko's net sales in the fourth quarter reached last year's level and operating profit margin was at a good level despite the very strong comparison period and a challenging market situation

#### The fourth quarter in brief

- Marimekko's net sales grew by 1 percent to EUR 48.4 million (48.1). Net sales were boosted, in particular, by increased retail sales in Finland but also growing international wholesale sales. On the other hand, net sales were weakened by a decrease in wholesale sales in Finland.
- Net sales in Finland decreased by 2 percent when weakened general consumer demand lowered domestic wholesale sales. In addition, wholesale sales in Finland were partly decreased by lower non-recurring promotional deliveries than in the comparison period. International sales were up by 5 percent.
- Operating profit was EUR 6.8 million (7.6). Operating profit included EUR 0.1 million of items affecting comparability. Comparable operating profit totaled EUR 6.9 million (7.6) and was 14.3 percent of net sales (15.8).
- Operating profit was weakened especially by an increase in fixed costs but also lower relative sales margin. On the other hand, operating profit was supported by lower depreciation than in the comparison period.

#### Year 2022 in brief

- Net sales grew by 9 percent to EUR 166.5 million (152.2). Both a favorable trend in retail sales in Finland and growing international sales boosted net sales. On the other hand, net sales were weakened by a decrease in Finnish wholesale sales. The decrease was mainly due to significantly lower non-recurring promotional deliveries than in the comparable year. Net sales in Finland grew by 6 percent; international sales were up by 14 percent.
- Operating profit was EUR 30.2 million (31.2). Operating profit included EUR 0.1 million of items affecting comparability and comparable operating profit totaled EUR 30.4 million (31.2) and was 18.2 percent of net sales (20.5). Operating profit was mainly weakened by an increase in fixed costs but also lower relative sales margin. On the other hand, operating profit was particularly supported by increased net sales but also by lower depreciation than in the comparable year.

**Board's proposal for dividend**

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.34 will be paid for 2022, with 17 April 2023 as the dividend payout record date and 24 April 2023 as the dividend payout date.

**Financial guidance for 2023**

The Marimekko Group's net sales for 2023 are expected to grow from the previous year (2022: EUR 166.5 million). Comparable operating profit margin is estimated to be approximately some 16–19 percent (2022: 18.2 percent). Development of consumer confidence and purchasing power, global supply chain disruptions and the general inflation development, in particular, cause volatility to the outlook for 2023.

Uncertainties related to the development of net sales and result are described in more detail in the Major risks and factors of uncertainty section of this Financial Statements Bulletin.

## KEY FIGURES

(EUR million)	10-12/ 2022	10-12/ 2021	Change, %	1-12/ 2022	1-12/ 2021	Change, %
Net sales	48.4	48.1	1	166.5	152.2	9
International sales	18.4	17.4	5	68.3	59.9	14
% of net sales	38	36		41	39	
EBITDA	9.2	10.6	-13	39.9	43.1	-8
Comparable EBITDA	9.3	10.6	-12	40.0	43.1	-7
Operating profit	6.8	7.6	-11	30.2	31.2	-3
Operating profit margin, %	14.0	15.8		18.2	20.5	
Comparable operating profit	6.9	7.6	-9	30.4	31.2	-3
Comparable operating profit margin, %	14.3	15.8		18.2	20.5	
Result for the period	4.0	5.9	-31	22.7	24.4	-7
Earnings per share, EUR *	0.10	0.14	-31	0.56	0.60	-7
Comparable earnings per share, EUR *	0.10	0.14	-29	0.56	0.60	-7
Cash flow from operating activities	11.7	17.8	-34	20.1	35.9	-44
Return on investment (ROI), %				31.5	33.0	
Equity ratio, %				49.2	53.3	
Net debt / EBITDA (rolling 12 months)				0.03	-0.64	
Gross investments	0.2	0.0		1.0	0.2	
Personnel at the end of the period				459	409	12
outside Finland				76	69	10
Brand sales <sup>1</sup>	83.7	128.3	-35	382.3	375.6	2
outside Finland	45.4	85.5	-47	251.9	247.6	2
proportion of international sales, %	54	67		66	66	
Number of stores				153	152	1

\* Per-share key figures have been calculated and the figures for the comparison period have been restated using the new total number of shares following the issuance of shares without payment (share split), in accordance with the decision made by the AGM on 12 April 2022.

The change percentages in the table were calculated on exact figures before the amounts were rounded to millions of euros. The figure for comparable earnings per share takes account of similar items as comparable operating profit; tax effect included. Reconciliation of alternative key figures to IFRS and management's discretion regarding items affecting comparability are presented in the table section of this Financial Statements Bulletin.

<sup>1</sup> Brand sales are given as an alternative non-IFRS key figure, representing the reach of the Marimekko brand through different distribution channels. An unofficial estimate of sales of Marimekko products at consumer prices, brand sales are calculated by adding together the company's own retail net sales and the estimated retail value of Marimekko products sold by other retailers. The estimated retail value is based on the company's realized wholesale sales and licensing income. Brand sales do not include VAT, and the key figure is not audited. At the beginning of 2021, the coefficients used to calculate brand sales were adjusted, and the figures for the comparison year have been restated accordingly. Some licensees provide exact retail figures, in which case these figures are used in reporting brand sales. For other licensing agreements, Marimekko's own retail coefficients for different markets are used.

**TIINA ALAHUHTA-KASKO**

President and CEO

“Despite the very strong comparison period and a challenging market situation, our net sales in the fourth quarter reached last year's level and our operating profit margin remained at a good level.



Our net sales in the last quarter of 2022 were up by one percent, despite an already record strong comparative period. The net sales were EUR 48.4 million (48.1), with especially retail sales in Finland but also international wholesale sales developing well. The market situation became more challenging in the fourth quarter especially in Finland, where nevertheless the good performance of retail sales reflects our brand's appeal. Globally, our omnichannel retail sales grew by 13 percent. While international wholesale sales grew clearly, total wholesale sales declined by 10 percent, as weakened general consumer demand and lower non-recurring promotional deliveries than in the comparison period reduced domestic wholesale sales. The decline in wholesale sales weakened the net sales in Finland by two percent. Our international net sales increased by five percent.

Comparable operating profit in the fourth quarter totaled EUR 6.9 (7.6) million and was 14.3 percent of net sales (15.8). As expected, our operating profit in the period under review was particularly impacted by higher fixed costs, such as higher store personnel costs that enabled retail sales growth as well as investments in marketing and digital development.

In the last quarter of the year, we continued to strengthen our international store network, as even in the digitalized world, stores play an important role not only as distribution channels but also as the hearts of brand culture that build awareness, deepen the customer experience and support sales also in other channels. We opened a new, experiential store in New York in SoHo, an area known as one of the city's most central shopping districts and an epicenter of international fashion and design brands. North America is one of Marimekko's key markets, and we approach these markets through key cities. New York is one of the most important cities in the global fashion industry, having a wider impact for building brand awareness and positioning extending also to Europe and Asia. New Marimekko stores were also opened in Shenzhen, Mainland China and Bangkok, Thailand, and an online store launched in Hong Kong. In addition, pop-up stores delighted customers in Hangzhou, Mainland China and Montreal, Canada as well as Taichung, Taiwan.

In the full-year 2022, our net sales increased by nine percent to EUR 166.5 million (152.2). Our net sales in Finland grew by six percent, while international sales increased by 14 percent. During the year, we invested in the building blocks for our long-term international growth, which was reflected in increased personnel, IT and marketing expenses, for example. Comparable operating profit totaled EUR 30.4 (31.2) million and was 18.2 percent of net sales (20.5).

General cost inflation and rising interest rates, the energy crisis, global supply chain disruptions and a decline in consumer confidence particularly in Finland have increased uncertainties in the operating environment. Despite the challenges, in 2022 we took bold and productive steps in executing our growth strategy in order to bring joy and empower even more people around the world with our prints and colors. For our successful results, I would like to extend my heartfelt thanks to all Marimekko people and our partners around the world: as a team, we have been agile in finding solutions to changing situations while, at the same time, persevering to develop and renew Marimekko.

Thanks to our sharpened creative vision, the desirability of our brand and our collection has been further strengthened, and our lifestyle assortment with different price points continues to serve customers also in a more price-sensitive environment. Interest in Marimekko is growing internationally, and the impressive limited-edition brand collaboration collections launched during the year with brands such as adidas have brought Marimekko to the awareness and reach of more and more people. We are determined to improve the sustainability of our products and our practices, and our commitment to the Science Based Targets initiative further raises our ambition level. Our inspiring stores and creative retail concepts have expanded the Marimekko phenomenon in our key markets, especially in Asia. In addition, our continuous work to reinforce our digital and omnichannel business is reflected in our competitiveness, and we are embarking on exploring more widely the opportunities that data and technology bring to boost our efficiency and customer experience.

Over the past few years, we have found the ingredients for a recipe for success in speaking to a wider global audience in a meaningful way that is forward-looking while true to the original Marimekko DNA. In our strategy period 2023–2027, which started at the beginning of this year, we will focus on scaling our business and growth, especially in international markets, by building on and reinforcing this success recipe. At Marimekko, we believe that the winning brands and companies of the future will be determined in challenging market conditions. As a profitable company, we have the possibility to make investments required for long-term growth despite a weaker macroeconomic climate. We will decisively continue to build Marimekko's future by challenging the fashion and design industry with empowering optimism, art of printmaking and timeless and long-lasting design."

## Revised long-term financial goals and strategy period 2023–2027

Marimekko Board of Directors decided on 6 September 2022 on new long-term financial goals for the company, raising the targets for net sales development and comparable operating profit margin. The new long-term financial goals are as follows:

- annual growth in net sales 15% (earlier: over 10%)
- comparable operating profit margin 20% (earlier: 15%)
- ratio of net debt to EBITDA at year end max. 2 (unchanged)
- the intention is to pay a yearly dividend; percentage of earnings per share allocated to dividends at least 50% (unchanged)

The previous financial goals were set in November 2018, and the company exceeded them at the end of 2021. At the same time, the Board set the direction and five strategic success factors for Marimekko's next strategy period of 2023–2027, during which the company will focus on scaling its business and growth especially in international markets. These five strategic success factors are:

S: Determined sustainability efforts strongly support Marimekko's long-term success

C: Sharpened creative vision to speak to a wider global audience

A: Accelerating growth in Asia

L: Love for Marimekko life

E: End-to-end digitality to boost omnichannel growth and efficiency

Marimekko elaborated on the strategic direction in the stock exchange releases published on 6 September 2022 and at the company's Capital Markets Day on 14 September 2022.

## Operating environment

The following outlook information is based on materials published by the Confederation of Finnish Industries EK and Statistics Finland.

The growth estimates for the world economy have slightly improved but great uncertainties still remain, and recession is very likely in significant part of the world economy in 2023. The world economy in 2023 is estimated to grow at a rate of some 1.7 percent, while the growth for Euro area is expected to be zero. New guidelines in China regarding the coronavirus pandemic situation as well as lower energy prices are expected to bring relief to the world economy whereas general inflation, increasing interest rates and Russia's war against Ukraine have a weakening impact on expectations.

The economic outlook for Finland has continued to recede. While expectations for the future have slightly improved, they continue to be weak. The confidence indicator for the retail trade strengthened in January 2023 but is still below the long-term average. Sales were almost at the same level as last fall, but sales expectations for the coming months are pessimistic. Inventories decreased but continue to be clearly above the usual level. Consumer confidence increased slightly from the gloomy figures of the fall. Estimates of the current state of personal finances as well as expectations for the future of both personal finances and for Finland's economy continued to be at a very low level and clearly weaker than the year before. Estimates for inflation as well as the expectations for its future development slightly decreased from the all-time high at the end of fall.

(Confederation of Finnish Industries EK: Business Tendency Survey, January 2023; Confidence Indicators, January 2023. Statistics Finland: Consumer Confidence, January 2023).

The working-day-adjusted turnover of Finnish retail trade in December grew by 2.4 percent on the previous year. The volume of sales was down by 6.1 percent. The cumulative working-day-adjusted turnover of retail trade in the January-December period rose by 3.7 percent but the volume of sales decreased by 3.6 percent. (Statistics Finland: Turnover of Trade, retail trade flash estimate, December 2022).

## Net sales

### Net sales in the fourth quarter

Despite the very strong comparison period and a challenging market environment, the Group's net sales grew by 1 percent in the October-December period of 2022 relative to the same period the year before and were EUR 48,413 thousand (48,066). Net sales were boosted, in particular, by increased retail sales in Finland but also growing international wholesale sales. On the other hand, net sales were lowered by a decrease in Finnish wholesale sales resulting from weakened general consumer demand but also by lower non-recurring promotional deliveries. As a result, net sales in Finland decreased by 2 percent. International sales were up by 5 percent.

All of Marimekko's own stores were open in the last quarter of the year, and the footfall in the stores continued to grow from the comparison period, when a few of the own stores were still temporarily closed due to the pandemic situation. Retail sales in the fourth quarter increased by 13 percent as both sales in stores and online developed well. Wholesale sales in total decreased by 10 percent, as wholesale sales in Finland were lower than in the same period the year before.

Net sales in Finland were EUR 30,051 thousand (30,622). Retail sales increased by 19 percent. Comparable retail sales in Finland grew by 16 percent. Weakened general consumer demand in Finland affected wholesale sales, which were 30 percent lower than the very strong comparison period. The decrease in domestic wholesale sales was partly also due to lower non-recurring promotional deliveries than in the same period the year before.

In the company's second-biggest market, the Asia-Pacific region, net sales increased by 10 percent to EUR 7,905 thousand (7,188) as both retail and wholesale sales in the region increased. Wholesale sales in the market area grew by 3 percent from the very strong comparison period. In 2021, some of the wholesale deliveries in the fourth quarter transferred to the first quarter of 2022. On the other hand, the growth of wholesale sales in October-December period of 2022 was partly slowed down by a different kind of weighting of wholesale deliveries compared to the previous year. Wholesale sales in Japan, the most important country to Marimekko in this region, grew by 11 percent. Retail sales in the Asia-Pacific Region increased by 36 percent. In the comparison period, Marimekko's own stores in Australia were temporarily closed for some time due to the pandemic situation.

### Net sales in 2022

In 2022, the Group's net sales grew by 9 percent to EUR 166,515 thousand (152,227). Net sales were boosted by both a favorable trend in retail sales in Finland and growing international sales. On the other hand, net sales were weakened by decreased wholesale sales in Finland due particularly to significantly lower non-recurring promotional deliveries than in the comparable year. Net sales in Finland grew by 6 percent; international sales were up by 14 percent.

Marimekko's own stores were mainly open normally in 2022 and the footfall in the stores increased significantly from the comparable year. Omnichannel retail sales in total grew by 19 percent when both retail and online sales developed well. Wholesale sales were on the previous year's level and licensing income grew by 19 percent.

Net sales in Finland were EUR 98,237 thousand (92,299). Retail sales increased by 21 percent and comparable retail sales grew by 17 percent. Wholesale sales in Finland decreased by 13 percent mainly due to significantly lower non-recurring promotional deliveries than in the comparable year.

In the Asia-Pacific region, net sales increased by 17 percent and were EUR 30,309 thousand (25,974). Wholesale sales in the region grew by 10 percent and in Japan by 5 percent. In 2021, some of the wholesale deliveries in the fourth quarter were transferred to the first quarter of 2022. Retail sales in the Asia-Pacific Region increased by 57 percent as own stores were not temporarily closed during the year due to the pandemic situation like in the previous year.

#### NET SALES BY MARKET AREA

(EUR 1,000)	10-12/ 2022	10-12/ 2021	Change, %	1-12/ 2022	1-12/ 2021	Change, %
Finland	<b>30,051</b>	30,622	-2	<b>98,237</b>	92,299	6
International sales	<b>18,362</b>	17,444	5	<b>68,278</b>	59,927	14
Scandinavia	4,473	4,449	1	13,956	12,661	10
EMEA	3,673	3,125	18	16,014	12,895	24
North America	2,311	2,682	-14	7,999	8,397	-5
Asia-Pacific	7,905	7,188	10	30,309	25,974	17
Total	<b>48,413</b>	48,066	1	<b>166,515</b>	152,227	9

All figures in the table have been individually rounded to thousands of euros, so there may be rounding differences in the totals. A more comprehensive table with breakdown into retail sales, wholesale sales and licensing income by market area can be found in the table section of this Financial Statements Bulletin.

## Financial result

In the October-December period of 2022, the Group's operating profit totaled EUR 6,799 thousand (7,618). Operating profit included EUR 146 thousand of items affecting the comparability. Comparable operating profit was EUR 6,945 thousand (7,618). In the fourth quarter, operating profit was weakened especially by an increase in fixed costs but also lower relative sales margin. On the other hand, lower depreciation than in the comparison period supported operating profit.

Fixed costs in the last quarter of the year were increased particularly by increased personnel costs in the stores that enabled retail sales growth as well as investments in marketing and digital development. The relative sales margin was mainly weakened by higher discounts and lower licensing income than in the comparison period. On the other hand, the relative sales margin was supported by good margins per product and a higher share of retail sales of total net sales relative to the same period the year before.

In 2022, the Group's operating profit totaled EUR 30,236 thousand (31,249). Operating profit included EUR 146 thousand of items affecting the comparability. Comparable operating profit was EUR 30,382 thousand (31,249). Operating profit was mainly weakened by an increase in fixed costs but also lower relative sales margin. On the other hand, especially increased net sales but also lower depreciation than in the comparable year supported operating profit.

Fixed costs in 2022 grew particularly due to investments made to strengthen the building blocks of Marimekko's international growth, which increased personnel, IT and marketing costs, among others. The relative sales margin was weakened by higher discounts than in the comparable year as well as increased logistics costs resulting from the general increase in transport costs. The discounts were increased by successful season sales also at the end of the year as well as clearance sales at three stores following the expiration of leases. On the other hand, the relative sales margin was supported by good margins per product, increased licensing income, and a larger share of retail sales of total net sales relative to the previous year.

Marketing expenses for the year 2022 were EUR 9,245 thousand (7,521), or 6 percent of the Group's net sales (5).

The Group's depreciation amounted to EUR 9,651 thousand (11,874), representing 6 percent of net sales (8). The lower depreciation is related to leases recognized as right-of-use assets under IFRS 16, for which depreciation has decreased as some stores have been closed in 2021 and 2022 and terms of leases have been renegotiated.

In 2022, operating profit margin was 18.2 percent (20.5) and comparable operating profit margin was also 18.2 percent (20.5). In the last quarter of the year, operating profit margin was 14.0 percent (15.8) and comparable operating profit margin 14.3 percent (15.8).

Net financial items in 2022 were EUR -1,097 thousand (-552), or 1 percent of net sales (0). Financial items include exchange rate differences amounting to EUR -75 thousand (270), of which EUR -73 thousand (513) were unrealized. The impact of lease liabilities on interest expenses was EUR -720 thousand (-694).

The Group's result before taxes for 2022 was EUR 29,139 thousand (30,697). Net result for the period was EUR 22,708 thousand (24,408) and earnings per share were EUR 0.56 (0.60). The calculation of per-share key figures takes into account the new total number of Marimekko shares after the share issue without payment in accordance with the decision of the AGM on 12 April 2022. The figures for the comparable year have been adjusted accordingly.

## Balance sheet

The consolidated balance sheet total as at 31 December 2022 was EUR 114,587 thousand (132,887). Equity attributable to the equity holders of the parent company was EUR 55,425 thousand (69,833), or EUR 1.37 per share (1.72).

Non-current assets at the end of the financial year stood at EUR 36,108 thousand (35,149). Lease liabilities amounted to EUR 31,824 thousand (30,480), and financial liabilities were EUR 2,169 thousand (1,798). In addition, the Group had unused committed credit lines of EUR 14,591 thousand (14,982).

At the end of the year, net working capital was EUR 20,557 thousand (7,235). Inventories were EUR 33,784 thousand (25,983). The inventories were increased in part by the contingency

planning for the demand of the continuing collection in the event of possible supply chain disruptions.

## Cash flow and financing

In the October-December period of 2022, cash flow from operating activities was EUR 11,739 thousand (17,785), or EUR 0.29 per share (0.44). Cash flow before cash flow from financing activities was EUR 11,550 thousand (18,219).

In 2022, cash flow from operating activities was EUR 20,141 thousand (35,902), or EUR 0.50 per share (0.88). Cash flow from operating activities was negatively affected by the higher inventories as well as the different timing of deliveries of goods and related accounts payable than in the comparable year. In addition, the payment schedule of income taxes differed from the comparable year and the taxes were higher. Cash flow before cash flow from financing activities was EUR 19,142 thousand (34,992).

The Group's cash and cash equivalents at the end of year amounted to EUR 32,711 thousand (59,726). In particular, the payment of an extraordinary dividend in spring 2022 decreased the Group's cash and cash equivalents. In total, dividends paid in 2022 amounted to EUR 37,372 thousand (7,299). Return on investment was 31.5 percent (33.0). The amount of interest-bearing credit facilities drawn down was EUR 2,127 thousand (1,798). In addition, the Group had unused committed credit lines of EUR 14,591 thousand (14,982).

As the general economic uncertainty continues, Marimekko took after the end of the financial year in January 2023 additional short-term revolving credit facilities, which include covenants, totaling EUR 16,000 thousand.

The Group's equity ratio at the end of the period was 49.2 percent (53.3). Gearing was 2.2 percent (-39.3). The ratio of net debt to 12-month rolling EBITDA was 0.03 (-0.64), i.e. well below the company's long-term goal, with the goal being a maximum of 2.

## Investments

The Group's gross investments in 2022 were EUR 999 thousand (207), or 1 percent of net sales (0). The investments were mainly devoted to revamping the company headquarter building, production equipment as well as building store premises. Gross investments do not include new lease agreements included in balance sheet (IFRS 16) in the review or comparable year.

## Research and development

Marimekko's product design and development costs arise from the design of collections and collaborations on new, more sustainable materials and manufacturing methods. Design costs are recorded in expenses.

## Store network

Omnichannel retail sales, operated by the company itself or its partners, represents the core of Marimekko's distribution strategy. It is complemented with select, and increasingly online, retailers to gain scale and access to new customers. Even in the digitalized business, physical stores play an important role not only as a distribution channel but also as the hearts of brand culture, supporting, in addition, sales online and in other channels.

Good store locations that cater to its target audience are essential for Marimekko. The operations and efficiency of the store network are continuously assessed and developed. During the fourth quarter of 2022, new Marimekko stores were opened in New York, United States, in Shenzhen, Mainland China and in Bangkok, Thailand. A Marimekko online store was launched in Hong Kong. At the end of December, there were a total of 153 Marimekko stores and shop-in-shops worldwide, and at the end of the review period all Marimekko stores around the world were open with normal business hours. The stores' net sales in each market are primarily generated from sales to local customers, although sales to tourists make up a significant portion of the sales of certain central stores especially during holiday seasons.

E-commerce plays an important role in Marimekko's omnichannel retail. Online sales developed well in the last quarter of the year. The company's own and partner-operated Marimekko webstores reach customers in as many as 35 countries. In addition, Marimekko also has distribution through other online channels.

Digital service solutions are constantly increasing the integration of e-commerce and in-store retailing. For this reason, Marimekko reports its own e-commerce net sales as part of retail sales and sales through other online channels as part of wholesale sales.

In order to accelerate its long-term international growth, Marimekko continues to invest in its digital and omnichannel business. The importance of online sales in the company's business will grow even more, and the shift to digital sales channels among customers will influence Marimekko's distribution channel choices in the future.

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#### STORES AND SHOP-IN-SHOPS

	31.12.2022	31.12.2021
Finland	64	64
Scandinavia	8	8
EMEA	1	2
North America	3	4
Asia-Pacific	77	74
<b>Total</b>	<b>153</b>	<b>152</b>

A more comprehensive table with breakdown into the company's own retail stores, retailer-owned Marimekko stores and shop-in-shops can be found in the table section of this Financial Statements Bulletin.

## Sustainability

Marimekko's operations and design philosophy have always been based on a sustainable approach: Marimekko wants to offer its customers timeless, functional and durable products that bring them long-lasting joy and that they will not want to throw away. Determined sustainability efforts support the company's long-term success and sustainability has been defined as one of the five strategic success factors during the strategy period of 2023–2027. The company's sustainability strategy from 2021 to 2025 is built on three guiding principles as well as related ambitious targets and a roadmap for the entire value chain: timeless design brings joy for generations to come, the products of tomorrow leave no trace, and positive change through fairness and equality. In 2022, the company's activities included, for example, work to promote innovations and business models, which are in line with the principles of the

circular economy, as well as work to further increase the share of more sustainable materials in its products.

Marimekko issues a statement of non-financial information for 2022 separately from the report of the Board of Directors in week 12 at the latest. The statement will be available at Marimekko's website [company.marimekko.com](http://company.marimekko.com). Marimekko reports in greater detail on its sustainability work and on issues of the environment, health and safety in a separate sustainability review published annually. The review can be read on the company's website. The next review will be published in the second quarter of 2023.

## Personnel

In 2022, the number of employees, expressed as full-time equivalents, averaged 434 (401). At the end of the year, the Group had 459 (409) employees, of whom 76 (69) worked outside Finland. The number of employees working outside Finland was broken down as follows: Scandinavia 24 (21), EMEA 1 (1), North America 16 (13) and the Asia-Pacific region 35 (34). The personnel at company-owned stores, expressed as full-time equivalents, totaled 218 (193) at the end of the period. In the comparable year, there were still temporary layoffs in the retail organization related to the pandemic situation.

## Changes in management

The following changes in the company's management took place in 2022. On 2 May 2022, Marimekko informed that the Chief Sales Officer and member of the Marimekko Management Group Dan Trapp will resign from his role due to personal reasons on 2 August 2022. In June, Marimekko informed about changing its sales leadership structure so that going forward, the company's sales leadership in the Management Group is divided into two geographical regions, Region West (Finland, Scandinavia, EMEA and North America) and Region East (the Asia-Pacific region). On 14 September 2022, Noora Laurila started as Senior Vice President, Sales, Region West and a member of the Management Group of Marimekko.

At the end of the year 2022, the company's Management Group comprised Tiina Alahuhta-Kasko as Chair and Elina Anckar (Chief Financial Officer), Rebekka Bay (Creative Director), Tina Broman (Chief Supply Chain and Product Officer), Kari Härkönen (Chief Digital Officer), Noora Laurila (Senior Vice President, Sales, Region West), Sanna-Kaisa Niikko (Chief Marketing Officer), Tanya Strohmayer (Chief People Officer), and Riika Wikberg (Chief Business Development Officer) as members.

## Corporate governance statement

The corporate governance statement for 2022 will be issued separately from the report of the Board of Directors in week 12 at the latest. It will be available on the company's website.

## Resolutions of the Annual General Meeting

The resolutions of Marimekko Corporation's Annual General Meeting 2022 have been reported in the stock exchange release of 12 April 2022 and in the interim report of 13 May 2022.

## Shares and shareholders

### Share capital and number of shares

At the end of the year, the company's fully paid-up share capital, as recorded in the Trade Register, amounted to EUR 8,040,000 and the number of shares totaled 40,649,170. The numbers of shares grew after the AGM on 12 April 2022 decided, that in order to enhance the liquidity of the company's shares, new shares were issued to the shareholders without payment in proportion to their holdings so that four (4) new shares were issued for each share (so called split). The new shares were registered in the trade register on 14 April 2022 and trading with the new shares began on 19 April 2022.

### Shareholdings

According to the book-entry register, Marimekko had 36,616 shareholders (23,323) at the end of December 2022. Of the shares, 15.15 percent (17.41) were owned by nominee-registered or non-Finnish holders.

At the beginning of the year, Marimekko held 13,360 own shares. On 15 February 2022, the Board of Directors decided to transfer a total of 7,802 Marimekko shares held by the company as a part of the latter instalment of the long-term incentive system targeted at the Management Group. After the transfer, Marimekko held 5,558 of its own shares, corresponding to some 0.07 percent of the total number of the company's shares. Following the issuance of shares without payment in April, Marimekko correspondingly held 27,790 of its own shares. On 14 November 2022, Marimekko Corporation's Board of Directors decided to start acquiring the company's own shares based on the authorization granted by the Annual General Meeting held on 12 April 2022. Marimekko acquired 50,000 own shares through the public trading on Nasdaq Helsinki during the time period from 16 November 2022 to 22 November 2022. The average price per share was approximately EUR 9.05 and the total amount paid for the shares acquired was EUR 452,721.80. At the end of the year, Marimekko held 77,790 of its own shares, corresponding to approximately 0.19 percent of the total number of the company's shares. Marimekko shares held by the company carry no voting rights and no entitlement to dividends.

Monthly updated information on the largest shareholders can be found on the company's website at [company.marimekko.com](http://company.marimekko.com) under Investors/Share information/Shareholders.

### Share trading and the company's market capitalization

In 2022, a total of 14,263,348 Marimekko shares (11,145,915) were traded on Nasdaq Helsinki, representing 35.09 percent (27.42) of the shares outstanding. Share trading data takes into account the new shares issued without payment following the decision of the AGM on 12 April 2022. The total value of the share turnover was EUR 171,076,384 (153,719,602). The lowest price of the share was EUR 8.14 (8.90), the highest was EUR 17.60 (18.84) and the average price was EUR 12.04 (13.79). At the end of December, the closing price of the share was EUR 8.76 (16.94).

The company's market capitalization on 31 December 2022 was EUR 355,405,289, excluding the Marimekko shares held by the company (687,465,348).

### Authorizations

The Annual General Meeting on 14 April 2021 authorized the Board of Directors to decide on the payment of a maximum dividend of EUR 1.00 per share in one or several instalments at a later stage. On 15 February 2022, the Board made use of the authorization and decided that a

dividend of EUR 1.00 per share be paid for 2020 in one instalment. The dividend record date was 17 February 2022, and the dividend payout date was 24 February 2022.

The AGM on 14 April 2021 authorized the Board to decide on the issuance of new shares and the transfer of the company's own shares in one or more instalments. Based on the authorization, the Board of Directors decided on 15 February 2022 to transfer 7,802 Marimekko shares held by the company as a part of the latter instalment of the long-term incentive system targeted at the Management Group. The authorization ended on 12 April 2022.

The AGM on 12 April 2022 authorized the Board of Directors to decide on the acquisition of a maximum of 150,000 of the company's own shares, in one or more instalments. The number of shares takes into account the effects of the share issue without payment as decided by the AGM. The maximum number of shares represents approximately 0.4 percent of the total number of the company's shares. The shares can be acquired with funds from the company's non-restricted equity, which means that the acquisition will reduce funds available for distribution. The shares can be acquired otherwise than in proportion to the shareholdings of the shareholders through public trading on Nasdaq Helsinki Ltd at the market price prevailing at the time of acquisition and in accordance with the rules and regulations of Nasdaq Helsinki Ltd. The shares can be acquired to be used as a part of the company's incentive compensation program, to be transferred for other purposes or to be canceled. The Board of Directors is authorized to decide on all of the other terms and conditions of the acquisition of the shares. On 14 November 2022, Marimekko Corporation's Board of Directors decided to acquire 50,000 of the company's own shares based on this authorization. The acquisitions of Marimekko's own shares were completed on 22 November 2022. The authorization is valid until 12 October 2023 and based on it, additional 100,000 own shares can be acquired.

Furthermore, the AGM on 12 April 2022 authorized the Board of Directors to decide on the issuance of new shares and the transfer of the company's own shares in one or more instalments. The total number of shares to be issued or transferred pursuant to the authorization may not exceed 250,000 new or treasury shares. The number of shares takes into account the effects of the share issue without payment as decided by the AGM. The number of shares represents approximately 0.6 percent of the total number of the company's shares. Pursuant to the authorization, the Board may decide on a directed share issue in deviation from the shareholders' pre-emptive rights for a weighty financial reason, such as the company's incentive compensation plan, personnel share issue, developing the company's capital structure, using the shares as consideration in possible company acquisitions or carrying out other business transactions. The share issue may be subject to a charge or free. A directed share issue can be free of charge only if there is a particularly weighty financial reason for the company and taking into account the interests of all of the company's shareholders. The subscription price of the new shares and the amount paid for the company's own shares would be recorded in the company's reserve for invested non-restricted equity. The Board of Directors is authorized to decide on all of the other terms and conditions of the share issue. The authorization was not used in 2022. The authorization is valid until 12 October 2023.

At the end of the review period, the Board of Directors had no valid authorizations to issue convertible bonds or bonds with warrants.

## Events after the end of the financial year

### Changes in management

After the end of the financial year, the Board of Directors of Marimekko appointed Natacha Defrance Senior Vice President, Sales, Region East and a member of the Management Group of Marimekko. Previously she has worked in the position of Head of Market Area, Greater China, South Korea and South East Asia. At the same time, General Counsel Essi Weseri was appointed member of the Management Group of Marimekko. They will both start in their new roles on 16 February 2023 and report to President and CEO Tiina Alahuhta-Kasko. After these appointments, the Management Group comprises 11 members including the President and CEO.

### Long-term incentive system for the management

After the end of the financial year, the Board of Directors decided on the targets and potential rewards of the second earnings period of the on-going long-term incentive system for the management. At the same time, the Board also decided to expand the incentive system targeted to the Management Group so that the first earnings period now also encompasses 11 people including the President and CEO. The decisions have been reported in more detail in the stock exchange release on 16 February 2023.

## Major risks and factors of uncertainty

Marimekko's business exposes the company to various risks. The risks and uncertainties presented below have the potential to substantially weaken Marimekko's business conditions, sales, financial performance and position. Marimekko's risk management practices are described in the Corporate Governance Statement.

### The economic and political operating environment

The uncertainties related to the general development of the global economy, such as the risk of an economic recession, and geopolitical tensions influence consumer confidence, purchasing power and behavior in all of Marimekko's market areas. Declining consumer confidence and purchasing power may have a significant unfavorable impact on Marimekko's sales and profitability. This risk is emphasized in Finland and Japan, which are the company's biggest single countries for business.

Geopolitical tensions can also affect Marimekko's production and logistics chains and operating possibilities in certain countries. Geopolitical tensions may lead to military action, trade disputes, economic sanctions as well as export and import restrictions that can affect the reliability and efficiency of the company's value chain. Russia's war against Ukraine has not directly affected Marimekko's business, but the war continues to cause disruptions in global supply chains and contributes to the development of the global economy and the purchasing power and behavior of consumers.

Sudden market movements, development of inflation, changes in the price development of production factors, in exchange rates (particularly the US dollar) and in the company's taxation, as well as rising interest rates may affect Marimekko's financial position.

The coronavirus pandemic has been the worst crisis experienced by the global fashion industry and specialty retail sector in decades, and its economic and societal consequences may continue to slow the recovery of the global economy and affect the demand for Marimekko's products, employee health as well as the reliability and efficiency of the company's value chain.

Marimekko is also exposed to labor market disputes. Strikes and other labor market disturbances may have a negative impact on the company's business.

Marimekko continuously monitors the development of the economic and political operating environment, takes various scenarios into account in the management of the company's business, and adapts its operations as necessary.

### **The retail environment, customers and partners**

The company's growth in the longer term is based primarily on omnichannel retail: on increasing e-commerce, on partner-led retail in Asia, as well as on enhancing the sales per square meter of existing stores in the company's main market areas. In addition, the company expands its distribution through physical and digital wholesale channels appropriate for the Marimekko brand. The Asia-Pacific region is Marimekko's second-biggest market, and especially Asia plays an important role in the company's international growth.

The importance of omnichannel business in the retail trade has been emphasized over the past few years. International e-commerce has increased the options available to consumers and the significance of big e-commerce operators. The pandemic has also accelerated the digitization of retail and intensified the financial difficulties of some traditional wholesale customers in the fashion sector, such as department stores and multi-brand retailers. Structural changes in the retail environment may have an impact on Marimekko's distribution channel decisions, the prioritization of different distribution channels, sales and profitability. The structural changes can also lead to the creation of new revenue models. Risks related to the sales structure may have an impact on the company's financial position. Maintaining competitiveness in a rapidly changing operating environment being revolutionized by digitization demands agility, efficiency, flexibility and constant re-evaluation of operations from the company.

Major partnership choices, partnering contracts and other collaboration agreements involve considerable risks. Store lease agreements in Finland and abroad also contain risks. With the company's internationalization and the growing interest in its brand, risks related to gray exports may increase, which may have an impact on the company's sales and profitability. In addition, risks related to changes in the company's cost structure as well as the liquidity of customers and partners may have an impact on the company's financial position.

Other significant risks include risks related to changes in the company's design, product assortment and product distribution and pricing. Increased inflation creates pressure to raise prices while the uncertainties in the global economy and the operating environment negatively affect consumers' purchasing power and behavior. The company's ability to design, develop and commercialize new products that meet consumers' expectations while ensuring effective, quickly reacting and sustainable production, sourcing and logistics has an impact on the company's sales and profitability.

### **Supply chain**

The risks related to Marimekko's supply chain are associated especially with production, procurement and logistics processes and their reliability, flexibility and efficiency, price fluctuations of raw materials and other production factors as well as the availability and price of logistics. The pandemic situation, particularly in China, where restrictions have only recently been lifted, and Russia's war against Ukraine may cause even significant disruptions in production and logistics chains, which may have a negative impact on the company's sales, profitability and cash flow. It is of utmost importance to safeguard the operational reliability of the company's own printing factory in all circumstances.

Higher costs of raw materials, energy and other production factors may affect Marimekko's sales and profitability. Early commitment to product orders from supplier partners, which is typical of the industry, means that changes in costs affect the company with a delay. These early commitments have been further emphasized by the pandemic situation, undermining the company's ability to optimize product orders and respond to rapid changes in demand and consumer behavior, which also increases risks related to inventory management.

In addition to supply chain disruptions and even earlier commitment to product orders, risks related to inventory and product flow management increase as product distribution is expanded and operations are diversified, which may have a weakening impact on the company's cash flow. Substantial non-recurring wholesale promotions can increase risks related to procurement, transport and inventory management, especially in exceptional circumstances. Any delays or disturbances in supply, or fluctuations in the quality of products, may have a harmful impact on business including also on substantial non-recurring wholesale promotions. The risk of supply chain disruptions is also increased by cyber threats, pandemic-related shutdowns, geopolitical tensions and other uncertainties related to the global economy. Marimekko works actively to mitigate the negative impacts of disruptions in production and logistics chains and increased costs, and to enhance inventory management.

### **Sustainability**

Enhancing sustainability is increasingly important for competitiveness in Marimekko's industry, which can have an impact on the company's sales and profitability, as versatile investments are required for the enhancement. The most significant risks and opportunities with regard to Marimekko's sustainability targets are related to changes in consumer behavior as well as possible new legislation that may affect the company's products and value chain. The company's ability to anticipate changes, react to them and develop more sustainable products plays a key role in the company's competitiveness.

Compliance with responsible business practices and legislation is important in maintaining the trust of customers and other stakeholders; any failures or errors in this area will involve reputation, financial liability and business risks. Marimekko primarily uses supplier partners to manufacture its products. Of the sustainability elements of manufacturing, especially social aspects related to the supply chain (e.g. human rights, working conditions and remuneration) and environmental aspects (e.g. production methods and raw materials and chemicals used) as well as transparent communications on these issues in compliance with continuously increasing legislation is of growing significance to customers. These sustainability topics apply to Marimekko's sourcing and own production as well as licensed products.

### **The environment and climate change**

Climate change increases the likelihood of extreme weather phenomena and natural disasters, such as floods, forest and bush fires and storms. Extreme weather phenomena and natural disasters pose a risk to the operational reliability and efficiency of Marimekko's value chain. Climate change-related heatwaves, drought, water shortages, soil depletion and other changes may, in turn, affect the availability and price of the raw materials used in Marimekko's products, such as cotton. Extreme weather phenomena and natural disasters may also affect the availability of products if they cause damage to the company's partner suppliers' factories or hamper the logistics chains. In addition, Marimekko has stores and offices in areas where extreme weather phenomena or natural disasters may occur, and if they damage stores or offices or cause momentary changes in consumer behavior, it may result in lost sales as well as expenses.

Risks related to climate change are managed by, for example, increasing the share of materials with lower emission intensity and water consumption in Marimekko's collections, exploring new more sustainable material and production method innovations, as well as diversifying the company's operations in general.

### **Compliance**

Compliance with applicable legislation, regulations and responsible business practices, as well as product safety and quality, are essential for Marimekko. Potential allegations, failures or mistakes can lead to, for example, reputation and business risks for the company, fines, claims for damages, or criminal charges. Internationalization increases the regulations applicable to the company's operations and elevates the risk of potential allegations, failures and mistakes. Risks are prevented by focusing on sustainability and compliance work as well as by ensuring product safety and continuous quality control.

### **Intellectual property rights**

Intellectual property rights play a vital role in the company's success, and the company's ability to manage and protect these rights may have an impact on the company's business, value and reputation. Agreements with freelance designers and fees paid to designers based on these agreements are also an essential part of the management of intellectual property rights. As the company grows and internationalizes, the risks related to intellectual property rights, in particular to its most renowned prints, may increase.

### **Information security risks**

There are risks associated with information system reliability, dependability and compatibility. With digitization, internationalization and Russia's war, cybercrime and cyber-attacks as well as various other risks related to cybersecurity and personal data protection have also increased. DoS attacks, malfunctions in data communications or for example, in the company's own online store, may disrupt business or result in lost sales. Personal data breaches can lead to claims for damages, fines and reputation risks.

### **Personnel and competence**

Potential new serious coronavirus infection waves may increase risks related to taking care of the health and safety of employees and securing sufficient workforce in cases of sickness caused by the pandemic. Possible pandemic-related restrictions may impact Marimekko's sales, profitability and cash flow as well as the reliability and efficiency of the company's production and logistics chain.

As Marimekko is a small company, risks related to securing the necessary talent for international growth as well as risks related to key personnel can be significant. Marimekko's competence development efforts include focusing on training for the management and supervisors, succession planning and performance management. These measures support a performance-oriented, diverse and inclusive culture.

## **Market outlook and growth targets for 2023**

The uncertainties related to the general development of the global economy, such as the risk of an economic recession, general cost inflation, increasing interest rates and energy crisis as well as geopolitical tensions influence consumer confidence, purchasing power and behavior and, as a result, can have an impact on Marimekko's business in 2023, especially in the important domestic market Finland. The pandemic situation, particularly in China, where

restrictions have only recently been lifted, and Russia's war against Ukraine may cause even significant disruptions in production and logistics chains, which may result in delivery delays and increased costs and thus have a negative impact on the company's sales, profitability and cash flow.

Finland, Marimekko's important domestic market, traditionally represents about half of the company's net sales. Sales in Finland are expected to grow on the previous year. The Finnish wholesale sales in 2023 will be positively affected by non-recurring promotional deliveries, the total value of which is estimated to be substantially higher than the year before. A vast majority of the deliveries will take place in the second half of the year.

The Asia-Pacific region is Marimekko's second-largest market and it plays a significant part in the company's international growth. Japan is clearly the most important country in this region to Marimekko and already has a very comprehensive network of Marimekko stores. All brick-and-mortar Marimekko stores and most online stores in Asia are partner-owned. Net sales in the Asia-Pacific region are expected to increase in 2023, as are total international sales. The aim is to open approximately 5 to 10 new Marimekko stores and shop-in-shops in 2023, and most of the planned openings will be in Asia.

Because of the seasonal nature of Marimekko's business, the major portion of the company's euro-denominated net sales and operating result are traditionally generated during the second half of the year. In 2023, Marimekko's net sales are expected to grow. However, net sales in the first quarter of the year are estimated to be lower than in the comparison period following the weaker outlook at the beginning of the year for the wholesale sales in Finland, as well as lower licensing income. Furthermore, net sales in the first quarter of 2022 were boosted by some of the wholesale deliveries in the Asia-Pacific region in fourth quarter of 2021 being transferred to the first quarter of 2022. For the full year 2023, licensing income is forecasted to be below the record level of 2022.

The general cost inflation continues to also affect Marimekko in 2023. Marimekko's early commitment to product orders from supplier partners, which is typical of the industry, means that changes in costs affect the company with a delay. These early commitments have been further emphasized by the pandemic situation, undermining the company's ability to optimize product orders and respond to rapid changes in demand and consumer behavior, which also increases risks related to inventory management. The domestic non-recurring promotional deliveries also raise inventory risks. Marimekko works actively to mitigate the negative impacts of disruptions in production and logistics chains as well as increased costs, and to enhance inventory management.

Marimekko develops its business with a long-term view and aims to scale its growth especially in international markets during the strategy period of 2023–2027. In 2023, fixed costs are expected to be up on the previous year. Marketing expenses are expected to grow (2022: EUR 9.2 million).

Marimekko is closely monitoring the general economic situation, the development of consumer confidence and purchasing power, as well as the impacts of Russia's war against Ukraine and the coronavirus pandemic and will adjust its operations and plans according to the circumstances.

## Financial guidance for 2023

The Marimekko Group's net sales for 2023 are expected to grow from the previous year (2022: EUR 166.5 million). Comparable operating profit margin is estimated to be approximately some 16–19 percent (2022: 18.2 percent). Development of consumer confidence and purchasing power, global supply chain disruptions and the general inflation development, in particular, cause volatility to the outlook for 2023.

Uncertainties related to the development of net sales and result are described in more detail in the Major risks and factors of uncertainty section of this Financial Statements Bulletin.

## The Board of Directors' proposal for dividends

On 31 December 2022, the parent company's distributable funds amounted to EUR 49,039,655.34; profit for the financial year was EUR 22,850,050.77. The Board of Directors will propose to the Annual General Meeting that a dividend of EUR 0.34 per share be paid for 2022.

The Board will propose 17 April 2023 as the dividend payout record date and 24 April 2023 as the dividend payout date. A regular dividend of EUR 0.32 per share and an extraordinary dividend of EUR 0.40 per share was paid for 2021.

## Financial calendar for 2023

The Financial Statements 2022 will be published in week 12, at the latest. The interim reports and the half-year financial report for 2023 will be issued as follows: January-March on Tuesday, 16 May 2023 at 8.00 a.m., January-June on Thursday, 17 August 2023 at 8.00 a.m., and January-September on Wednesday, 8 November 2023 at 8.00 a.m.

The Annual General Meeting 2023 is scheduled to be held on Thursday, 13 April 2023 at 2.00 p.m.

Helsinki, 15 February 2023

**Marimekko Corporation**  
Board of Directors

The quarterly results for 2022 are unaudited. The full-year 2022 figures are based on the audited financial statements for 2022. There may be differences in totals due to rounding to the nearest thousand euros.

## Accounting principles

This financial statements bulletin was prepared in compliance with IAS 34. Marimekko has applied the same accounting principles in this report as were applied in its 2022 financial statements.

IFRS Interpretations Committee published in April 2021 their final agenda decision on the accounting of configuration and customization costs in a cloud computing arrangement (IAS 38 Intangible Assets). Based on the agenda decision, Marimekko changed in connection with its financial statements for 2021 its accounting principle related to costs in cloud computing arrangements. The change was done retroactively both for 2021 and 2020. This change in accounting principle increased Marimekko's fixed costs and correspondingly lowered gross investments and depreciation. The amount booked for financial year 2021, a total of EUR 1 million, has been retroactively booked to quarters as presented below. The effects of the change are presented in more detail in the accounting principles for financial statements in 2021.

### IMPACT OF THE ADJUSTMENT BY QUARTER

(EUR 1,000)	10-12/ 2021	7-9/ 2021	4-6/ 2021	1-3/ 2021	2021
Other operating expenses	-369	-206	-678	-36	-1,289
Depreciation and impairments	86	79	59	33	257
Impact on operating profit for the review period	-283	-127	-619	-3	-1,031
Taxes	57	25	124	1	206
Impact on result for the review period	-226	-102	-495	-2	-825

Furthermore, Marimekko has applied an amendment to IFRS 16, published by the IASB in 2020, regarding the treatment of rent concessions and the amendment to IFRS 16 published in 2021, which extended the period of application of the relief. The Group has applied the practical expedient stipulated by the amendment to not treat rent concessions granted due to the coronavirus pandemic as changes in leases under IFRS 16. Leases that only involved a rent exemption were treated as negative variable rents in the income statement. The period of application for the amendment ended on 30 June 2022.

## Appendices

Consolidated income statement and comprehensive consolidated income statement

Consolidated balance sheet

Consolidated cash flow statement

Consolidated statement of changes in shareholders' equity

Intangible and tangible assets

Key figures

Reconciliation of alternative key figures to IFRS

Net sales by market area

Net sales by product line

Quarterly trend in net sales and earnings

Stores and shop-in-shops

Formulas for key figures

**CONSOLIDATED INCOME STATEMENT**

(EUR 1,000)	10-12/2022	10-12/2021	1-12/2022	1-12/2021
<b>NET SALES</b>	<b>48,413</b>	48,066	<b>166,515</b>	152,227
Other operating income	29	60	108	148
Changes in inventories of finished goods and work in progress	-565	-2,103	7,721	3,151
Raw materials and consumables	-19,529	-18,152	-72,115	-61,484
Employee benefit expenses	-9,139	-8,732	-30,846	-28,239
Depreciation and impairment	-2,366	-2,952	-9,651	-11,874
Other operating expenses	-10,044	-8,568	-31,497	-22,680
<b>OPERATING PROFIT</b>	<b>6,799</b>	7,618	<b>30,236</b>	31,249
Financial income	-427	373	1,241	851
Financial expenses	-954	-421	-2,339	-1,403
	-1,426	-48	-1,097	-552
<b>RESULT BEFORE TAXES</b>	<b>5,373</b>	7,570	<b>29,139</b>	30,697
Income taxes	-1,344	-1,708	-6,430	-6,289
<b>NET RESULT FOR THE PERIOD</b>	<b>4,028</b>	5,862	<b>22,708</b>	24,408
Distribution of net result to equity holders of the parent company	4,028	5,862	22,708	24,408
Basic and diluted earnings per share calculated on the result attributable to equity holders of the parent company, EUR *	0.10	0.14	0.56	0.60

**COMPREHENSIVE CONSOLIDATED INCOME STATEMENT**

(EUR 1,000)	10-12/2022	10-12/2021	1-12/2022	1-12/2021
<b>NET RESULT FOR THE PERIOD</b>	<b>4,028</b>	5,862	<b>22,708</b>	24,408
Items that could be reclassified to profit or loss at a future point in time				
Change in translation difference	174	44	-40	-108
<b>COMPREHENSIVE RESULT FOR THE PERIOD</b>	<b>4,203</b>	5,905	<b>22,668</b>	24,300
Distribution of the result to equity holders of the parent company	4,203	5,905	22,668	24,300

\* Per-share key figures have been calculated and the figures for the comparable period have been restated using the new total number of shares following the issuance of shares without payment (share split), in accordance with the decision made by the AGM on 12 April 2022.

**CONSOLIDATED BALANCE SHEET**

(EUR 1,000)	31.12.2022	31.12.2021
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Intangible assets	288	487
Tangible assets	34,560	33,187
Other financial assets	512	533
Deferred tax assets	748	942
	<b>36,108</b>	35,149
<b>CURRENT ASSETS</b>		
Inventories	33,784	25,983
Trade and other receivables	11,983	12,029
Cash and cash equivalents	32,711	59,726
	<b>78,479</b>	97,738
<b>ASSETS, TOTAL</b>	<b>114,587</b>	132,887

**CONSOLIDATED BALANCE SHEET**

(EUR 1,000)	31.12.2022	31.12.2021
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY</b>		
Share capital	8,040	8,040
Reserve for invested non-restricted equity	1,228	1,228
Treasury shares	-541	-210
Translation differences	-122	-81
Retained earnings	46,820	60,856
Shareholders' equity, total	55,425	69,833
<b>NON-CURRENT LIABILITIES</b>		
Lease liabilities	25,277	21,976
	25,277	21,976
<b>CURRENT LIABILITIES</b>		
Trade and other payables	24,752	28,272
Current tax liabilities	416	2,505
Lease liabilities	6,547	8,503
Financial liabilities	2,169	1,798
	33,885	41,078
Liabilities, total	59,162	63,055
<b>SHAREHOLDERS' EQUITY AND LIABILITIES, TOTAL</b>	<b>114,587</b>	<b>132,887</b>

**CONSOLIDATED CASH FLOW STATEMENT**

(EUR 1,000)	1-12/2022	1-12/2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net result for the period	22,708	24,408
Adjustments		
Depreciation and impairments	9,651	11,874
Financial income and expenses	1,097	552
Taxes	6,430	6,289
Share-based payments	750	509
Cash flow before change in working capital	40,636	43,631
Change in working capital		
Increase (-) / decrease (+) in current non-interest-bearing trade receivables	49	-4,152
Increase (-) / decrease (+) in inventories	-7,809	-3,477
Increase (+) / decrease (-) in current non-interest-bearing liabilities	-3,452	5,404
Cash flow from operating activities before financial items and taxes	29,424	41,407
Paid interest and payments on other financial expenses	-1,130	-1,271
Interest received and payments on other financial income	166	31
Taxes paid	-8,319	-4,265
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>20,141</b>	<b>35,902</b>

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**CONSOLIDATED CASH FLOW STATEMENT**

(EUR 1,000)	1-12/2022	1-12/2021
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Investments in tangible and intangible assets	-999	-910
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-999</b>	<b>-910</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Short-term loans drawn	1,049	932
Short-term loans repaid	-665	-
Acquisition of treasury shares	-454	-
Payments of lease liabilities	-8,485	-10,247
Dividends paid	-37,372	-7,299
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>-45,927</b>	<b>-16,613</b>
<b>Change in cash and cash equivalents</b>	<b>-26,784</b>	<b>18,378</b>
Cash and cash equivalents at the beginning of the period	59,726	41,045
Effects of exchange rate fluctuations	-230	303
Cash and cash equivalents at the end of the period	32,711	59,726

In addition, Marimekko has unused committed credit lines of EUR 14,591 thousand (14,982).

**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

(EUR 1,000)	Equity attributable to equity holders of the parent company					
	Share capital	Reserve for invested non-restricted equity	Treasury shares	Translation differences	Retained earnings	Shareholders' equity, total
Shareholders' equity, 1 Jan. 2021	8,040	1,228	-315	26	43,343	52,323
<b>Comprehensive result</b>						
Net result for the period					24,408	24,408
Translation differences				-108		-108
Total comprehensive result for the period				-108	24,408	24,300
<b>Transactions with owners</b>						
Dividends paid					-7,299	-7,299
Share-based payments			104		404	509
Shareholders' equity, 31 Dec. 2021	8,040	1,228	-210	-81	60,856	69,833
Shareholders' equity, 1 Jan. 2022	8,040	1,228	-210	-81	60,856	69,833
<b>Comprehensive result</b>						
Net result for the period					22,708	22,708
Translation differences				-40		-40
Total comprehensive result for the period				-40	22,708	22,668
<b>Transactions with owners</b>						
Dividends paid					-37,372	-37,372
Share-based payments			123		627	750
Acquisition of own shares			-454			-454
<b>Shareholders' equity, 31 Dec. 2022</b>	<b>8,040</b>	<b>1,228</b>	<b>-541</b>	<b>-122</b>	<b>46,820</b>	<b>55,425</b>

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**INTANGIBLE AND TANGIBLE ASSETS**

(EUR 1,000)	Intangible assets		Tangible assets	
		Right-of-use assets	Other	Total
Acquisition cost, 1 Jan. 2021	10,586	58,129	29,120	87,249
Translation differences	-34	586	346	932
Increases	638	3,426	54	3,480
Depreciations	-319	-	-	-
Transfers between categories	-325	-	-160	-160
Acquisition cost, 31 Dec. 2021	10,546	62,142	29,360	91,501
Accumulated depreciation, 1 Jan. 2021	10,082	21,562	24,418	45,981
Translation differences	-34	447	344	791
Depreciation during the period	-319	-	-	-
Katsauskauden poistot	331	10,655	887	11,542
Accumulated depreciation, 31 Dec. 2021	10,060	32,664	25,650	58,314
Book value, 31 Dec. 2021	487	29,477	3,710	33,187
Acquisition cost, 1 Jan. 2022	10,546	62,142	29,360	91,501
Translation differences	-114	68	186	253
Increases	715	9,885	940	10,825
Decreases	-604	-	-4,073	-4,073
Transfers between categories	-657	-	-	-
Acquisition cost, 31 Dec. 2022	9,887	72,094	26,412	98,507
Accumulated depreciation, 1 Jan. 2022	10,060	32,664	25,650	58,314
Translation differences	-114	123	189	312
Accumulated depreciation of decreases	-604	-	-4,073	-4,073
Depreciation during the period	258	8,691	701	9,393
Accumulated depreciation, 31 Dec. 2022	9,600	41,479	22,467	63,946
<b>Book value, 31 Dec. 2022</b>	<b>288</b>	<b>30,615</b>	<b>3,945</b>	<b>34,560</b>

## KEY FIGURES

	1-12/2022	1-12/2021	Change, %
Earnings per share, EUR *	0.56	0.60	-7
Equity per share, EUR *	1.37	1.72	-21
Return on equity (ROE), %	36.3	40.0	
Return on investment (ROI), %	31.5	33.0	
Equity ratio, %	49.2	53.3	
Gearing, %	2.2	-39.3	
Gross investments, EUR 1,000	999	207	
Gross investments, % of net sales	0.6	0.1	
Contingent liabilities, EUR 1,000	846	834	1
Average personnel	434	401	8
Personnel at the end of the period	459	409	12
Number of shares outstanding at the end of the period *	40,571,380	40,582,370	
Average number of shares outstanding *	40,623,999	40,554,370	

\* Per-share key figures have been calculated and the figures for the comparable period have been restated using the new total number of shares following the issuance of shares without payment (share split), in accordance with the decision made by the AGM on 12 April 2022.

## RECONCILIATION OF ALTERNATIVE KEY FIGURES TO IFRS

(EUR million)	10-12/ 2022	10-12/ 2021	1-12/ 2022	1-12/ 2021
Items affecting comparability				
Employee benefit expenses	-0.1	-	-0.1	-
Items affecting comparability in operating profit	-0.1	-	-0.1	-
EBITDA				
Employee benefit expenses	0.1	-	0.1	-
Comparable EBITDA	9.3	10.6	40.0	43.1
Operating profit				
Employee benefit expenses	0.1	-	0.1	-
Comparable operating profit	6.9	7.6	30.4	31.2
Net sales				
Operating profit margin, %	14.0	15.8	18.2	20.5
Comparable operating profit margin, %	14.3	15.8	18.2	20.5

Items affecting comparability are exceptional transactions that are not related to the company's regular business operations, such as costs associated with employee benefits. The Group's management exercises its discretion when making decisions regarding the classification of items affecting comparability.

## NET SALES BY MARKET AREA

(EUR 1,000)	10-12/ 2022	10-12/ 2021	Change, %	1-12/ 2022	1-12/ 2021	Change, %
<b>Finland</b>	<b>30,051</b>	30,622	-2	<b>98,237</b>	92,299	6
Retail sales	20,995	17,684	19	64,559	53,547	21
Wholesale sales	9,003	12,859	-30	33,491	38,547	-13
Licensing income	53	80	-33	187	205	-9
<b>Scandinavia</b>	<b>4,473</b>	4,449	1	<b>13,956</b>	12,661	10
Retail sales	1,239	1,463	-15	4,157	3,785	10
Wholesale sales	3,234	2,761	17	9,799	8,651	13
Licensing income	-	225		-	225	
<b>EMEA</b>	<b>3,673</b>	3,125	18	<b>16,014</b>	12,895	24
Retail sales	792	692	14	2,492	1,906	31
Wholesale sales	2,760	2,337	18	11,603	9,764	19
Licensing income	121	96	26	1,919	1,225	57
<b>North America</b>	<b>2,311</b>	2,682	-14	<b>7,999</b>	8,397	-5
Retail sales	1,294	1,976	-34	4,621	5,583	-17
Wholesale sales	916	623	47	2,761	2,444	13
Licensing income	101	83	21	617	371	66
<b>Asia-Pacific</b>	<b>7,905</b>	7,188	10	<b>30,309</b>	25,974	17
Retail sales	2,307	1,699	36	6,619	4,207	57
Wholesale sales	5,569	5,409	3	23,455	21,305	10
Licensing income	29	80	-63	234	462	-49
<b>International sales, total</b>	<b>18,362</b>	17,444	5	<b>68,278</b>	59,927	14
Retail sales	5,632	5,830	-3	17,890	15,481	16
Wholesale sales	12,479	11,130	12	47,618	42,164	13
Licensing income	251	484	-48	2,770	2,283	21
<b>Total</b>	<b>48,413</b>	48,066	1	<b>166,515</b>	152,227	9
Retail sales	26,627	23,513	13	82,448	69,027	19
Wholesale sales	21,482	23,989	-10	81,109	80,711	0
Licensing income	304	564	-46	2,957	2,488	19

Wholesale net sales are recognized according to the geographical location of the wholesale customer.

**NET SALES BY PRODUCT LINE**

(EUR 1,000)	10-12/2022	10-12/2021	Change, %	1-12/2022	1-12/2021	Change, %
Fashion	12,275	11,045	11	50,525	43,848	15
Home	26,117	28,831	-9	78,273	78,677	-1
Bags and accessories	10,021	8,191	22	37,717	29,702	27
<b>Total</b>	<b>48,413</b>	48,066	1	<b>166 515</b>	152,227	9

**QUARTERLY TREND IN NET SALES AND EARNINGS**

(EUR 1,000)	10-12/2022	7-9/2022	4-6/2022	1-3/2022
Net sales	48,413	44,077	37,981	36,044
Operating profit	6,799	11,118	5,690	6,629
Earnings per share, EUR *	0.10	0.22	0.12	0.12

(EUR 1,000)	10-12/2021	7-9/2021	4-6/2021	1-3/2021
Net sales	48,066	42,363	32,695	29,103
Operating profit	7,618	13,127	4,882	5,622
Earnings per share, EUR *	0.14	0.26	0.09	0.11

\* Per-share key figures have been calculated and the figures for the comparable period have been restated using the new total number of shares following the issuance of shares without payment (share split), in accordance with the decision made by the AGM on 12 April 2022.

## STORES AND SHOP-IN-SHOPS

	31.12.2022	31.12.2021
<b>Finland</b>	<b>64</b>	64
Company-owned stores	25	25
Company-owned outlet stores	12	12
Retailer-owned stores	12	12
Retailer-owned shop-in-shops	15	15
<b>Scandinavia</b>	<b>8</b>	8
Company-owned stores	5	5
Company-owned outlet stores	-	-
Retailer-owned stores	-	-
Retailer-owned shop-in-shops	3	3
<b>EMEA</b>	<b>1</b>	2
Company-owned stores	-	-
Company-owned outlet stores	-	-
Retailer-owned stores	-	-
Retailer-owned shop-in-shops	1	2
<b>North America</b>	<b>3</b>	4
Company-owned stores	1	2
Company-owned outlet stores	1	1
Retailer-owned stores	1	1
Retailer-owned shop-in-shops	-	-
<b>Asia-Pacific</b>	<b>77</b>	74
Company-owned stores	4	4
Company-owned outlet stores	-	-
Retailer-owned stores	62	59
Retailer-owned shop-in-shops	11	11
<b>Total</b>	<b>153</b>	152
Company-owned stores	35	36
Company-owned outlet stores	13	13
Retailer-owned stores	75	72
Retailer-owned shop-in-shops	30	31

Includes the company's own retail stores, retailer-owned Marimekko stores and shop-in-shops with an area exceeding 30 sqm. The company's own retail stores numbered 48 at the end of December 2022 (49).

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**FORMULAS FOR KEY FIGURES**

Comparable EBITDA, EUR:

Operating result - depreciation - impairments - items affecting comparability

Comparable operating result, EUR:

Operating result - items affecting comparability in operating result

Comparable operating result margin, %:

(Operating result - items affecting comparability in operating result) x 100 / Net sales

Earnings per share (EPS), EUR:

(Profit before taxes - income taxes) / Adjusted number of shares (average for the period under review)

Comparable earnings per share (EPS), EUR:

(Comparable profit before taxes - income taxes on comparable profit) / Adjusted number of shares (average for the period under review)

Equity per share, EUR:

Shareholders' equity / Number of shares, 31 December

Return on equity (ROE), %:

Rolling 12 months (Profit before taxes - income taxes) x 100 / Shareholders' equity (average)

Return on investment (ROI), %:

Rolling 12 months (Profit before taxes + interest and other financial expenses) x 100 / Balance sheet total - non-interest-bearing liabilities (average)

Equity ratio, %:

Shareholders' equity x 100 / (Balance sheet total - advances received)

Gearing, %:

Interest-bearing net debt x 100 / Shareholders' equity

Net working capital, EUR:

Inventories + trade and other receivables + current tax assets - tax liabilities - current provisions - trade and other payables

Net debt / EBITDA:

Interest-bearing net debt / Comparable rolling 12-month EBITDA