



**marimekko**

Financial Statements Bulletin 2023

Marimekko Corporation, Financial Statements Bulletin, 15 February 2024 at 8.00 a.m.

## Marimekko's net sales grew and operating profit improved further in the fourth quarter

### The fourth quarter in brief

- Marimekko's net sales increased by 5 percent and totaled EUR 50.6 million (48.4). The increase in net sales was driven particularly by the growth in international sales but also by the positive development of Finnish retail sales.
- Net sales in Finland grew by 2 percent as retail sales increased. International sales grew by 10 percent as especially wholesale sales developed favorably both in the Asia-Pacific region and North America and licensing income grew.
- Operating profit was EUR 8.1 million (6.8) and comparable operating profit totaled EUR 8.3 million (6.9) equaling to 16.4 percent of net sales (14.3).
- Operating profit was boosted especially by increased net sales but also improved relative sales margin. On the other hand, an increase in fixed costs had a weakening impact on operating profit.

### Year 2023 in brief

- Company's net sales grew by 5 percent and amounted to EUR 174.1 million (166.5). Net sales were boosted in particular by increased international wholesale sales but also by the good development in Finnish retail sales.
- Marimekko's international sales in 2023 grew by 10 percent. Net sales in Finland increased by 1 percent.
- Operating profit was EUR 31.4 million (30.2) and comparable operating profit totaled EUR 32.0 million (30.4) equaling to 18.4 percent of net sales (18.2).
- Operating profit was improved especially by increased net sales. On the other hand, higher fixed costs decreased operating profit. Improved relative sales margin had a positive effect on the operating profit.

**Board's proposal for dividend**

The Board of Directors will propose to the Annual General Meeting that a dividend of EUR 0.37 will be paid for 2023, with 18 April 2024 as the dividend payout record date and 25 April 2024 as the dividend payout date.

**Financial guidance for 2024**

The Marimekko Group's net sales for 2024 are expected to grow from the previous year (2023: EUR 174.1 million). Comparable operating profit margin is estimated to be approximately some 16–19 percent (2023: 18.4 percent). Development of consumer confidence and purchasing power, particularly in Finland, global supply chain disruptions and the general inflation development cause volatility to the outlook for 2024.

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 Statement Bulletin.

## KEY FIGURES

(EUR million)	10-12/ 2023	10-12/ 2022	Change, %	1-12/ 2023	1-12/ 2022	Change, %
Net sales	<b>50.6</b>	48.4	5	<b>174.1</b>	166.5	5
International sales	<b>20.1</b>	18.4	10	<b>75.2</b>	68.3	10
% of net sales	<b>40</b>	38		<b>43</b>	41	
EBITDA	<b>10.4</b>	9.2	14	<b>40.6</b>	39.9	2
Comparable EBITDA	<b>10.6</b>	9.3	14	<b>41.2</b>	40.0	3
Operating profit	<b>8.1</b>	6.8	19	<b>31.4</b>	30.2	4
Operating profit margin, %	<b>15.9</b>	14.0		<b>18.0</b>	18.2	
Comparable operating profit	<b>8.3</b>	6.9	19	<b>32.0</b>	30.4	5
Comparable operating profit margin, %	<b>16.4</b>	14.3		<b>18.4</b>	18.2	
Result for the period	<b>6.1</b>	4.0	51	<b>23.6</b>	22.7	4
Earnings per share, EUR	<b>0.15</b>	0.10	51	<b>0.58</b>	0.56	4
Comparable earnings per share, EUR	<b>0.15</b>	0.10	51	<b>0.59</b>	0.56	6
Cash flow from operating activities	<b>21.0</b>	11.7	79	<b>29.4</b>	20.1	46
Return on capital employed (ROCE), %				<b>33.0</b>	31.5	
Equity ratio, %				<b>54.1</b>	49.2	
Net debt / EBITDA (rolling 12 months)				<b>-0.10</b>	0.03	
Gross investments	<b>0.9</b>	0.2		<b>2.0</b>	1.0	104
Personnel at the end of the period				<b>468</b>	459	2
outside Finland				<b>83</b>	76	9
Brand sales <sup>1</sup>	<b>95.9</b>	83.7	15	<b>376.7</b>	382.3	-1
outside Finland	<b>57.5</b>	45.4	27	<b>249.0</b>	251.9	-1
proportion of international sales, %	<b>60</b>	54		<b>66</b>	66	
Number of stores				<b>167</b>	154	8

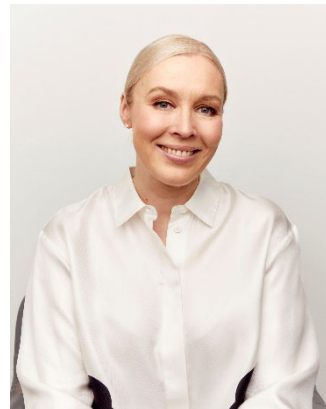
The change percentages in the table were calculated on exact figures before the amounts were rounded to millions of euros. The figure for comparable earnings per share takes account of similar items as comparable operating profit; tax effect included. Reconciliation of alternative key figures to IFRS 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. 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

“Marimekko’s net sales continued to grow, and our operating profit improved. International sales grew clearly. Our determined work to scale up our profitable growth will continue in 2024 in spite of the weaker general market situation.



Marimekko’s net sales for the fourth quarter increased by five percent and amounted to EUR 50.6 million (48.4). Net sales were boosted especially by international net sales, which increased by 10 percent. The growth of international net sales was driven particularly by the good development of wholesale sales in the Asia-Pacific region and North America, as well as increased licensing income. We also increased our net sales in Finland by two percent, which represents good performance in this challenging general market situation and highly tactical business environment. I want to take this opportunity to extend my warmest thanks to the entire Marimekko personnel as well as our partners around the world for their excellent work in 2023.

The good development of net sales improved our operating result, with our comparable operating profit rising by 19 percent in October–December to EUR 8.3 million (6.9), representing 16.4 percent of net sales (14.3). Operating profit was also increased by the improved relative sales margin. We systematically continued to make investments in growth in line with our strategy, which meant that our fixed costs increased as planned.

Our full-year net sales for 2023 grew by five percent and totaled EUR 174.1 million (166.5). International sales increased by 10 percent and net sales in Finland by 1 percent. Our comparable operating profit amounted to EUR 32.0 million (30.4) and represented 18.4 percent of net sales (18.2). Cash flow from operating activities also developed favorably, and Marimekko’s financial position remained strong.

In the fourth quarter, we continued to strengthen our position in the international markets, particularly in Asia and Scandinavia. In Malaysia, which is one of Marimekko’s three new markets entered in 2023 and operated by loose-franchise partners, two new Marimekko stores were opened in Kuala Lumpur. In Copenhagen, we opened a flagship store that represents our newest, dynamic store concept. A total of 19 new Marimekko stores or shop-in-shops were opened during the year, with 17 of them in Asia. We also completely redesigned our Stockholm flagship store in 2023. In addition to permanent retail locations, visibility to our brand was brought by 11 pop-up stores during the year, with one in Seoul and another in Hong Kong in the fourth quarter. Limited-edition brand collaboration collections with leading brands in their respective industries, such as with adidas and IKEA in 2023, also play an important role in increasing Marimekko’s international brand awareness.

During the strategy period of 2023–2027, Marimekko is focusing on scaling up its business and growth especially in the international markets. The growth of international net sales, the

development of the store network, new digital sales channels and interesting collaborations are concrete proof of the progress of our strategy in 2023. In 2024, we are celebrating the 60th anniversary of our most renowned print design, Unikko, designed by Maija Isola. Unikko will appear in, for example, special collections and various events around the world during the year. This will provide us with excellent opportunities to continue our determined efforts to introduce new audiences to Marimekko, deepen our relationship with the Marimekko community, and scale up our profitable growth despite the market situation.”

## Operating environment

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

The world economy is estimated to grow in 2024, but the growth rate will vary clearly between markets. Inflation, which has continued to slow down towards the end of 2023, remains a central factor to the global economy. The uncertainties created by the geopolitical situations in, for example, supply and logistics chains, can cause reacceleration of inflation. The world economy is expected to grow at a rate of 2.7 percent, but growth in the Euro area in 2024 is expected to be only 0.9 percent.

The economic outlook for Finland continues to be weak and the estimates regarding the current situation are now lower than during the coronavirus pandemic. Companies' expectations for the future development of the economy have increased since the fall but remain at a low level. The confidence indicator for the retail trade improved in January 2024 but was still below the long-term average and lower than in other EU countries. Retail sales have decreased further, and sales expectations for the coming months are lower than in the fall. Consumer confidence, still below the long-term average, has improved somewhat. Estimates concerning the current state of personal finances remain at a very low level but expectations for the future of personal finances have improved. Expectations for Finland's economy continue to be very weak. Estimates concerning inflation and expectations for its future development are unchanged and continue to be at a high level.

(Confederation of Finnish Industries EK: Business Tendency Survey, January 2024; Confidence Indicators, January 2024. Statistics Finland: Consumer Confidence, January 2024.)

The working-day-adjusted turnover of the Finnish retail trade increased by 2.5 percent in December compared to the previous year, but the volume of sales grew by only 0.1 percent. The cumulative working-day-adjusted turnover of the retail trade in the January-December period rose by 2.0 percent but the volume of sales decreased by 2.9 percent. (Statistics Finland: Turnover of Trade, retail trade flash estimate, December 2023.)

## Net sales

### Net sales in the fourth quarter

In the October-December period of 2023, Marimekko's net sales increased by 5 percent and totaled EUR 50,624 thousand (48,413). The increase in net sales was driven particularly by the growth in international sales but also by the positive development of Finnish retail sales. In total, international sales grew by 10 percent and net sales in Finland increased by 2 percent.

Marimekko's omnichannel retail sales grew in almost all market areas. In total, retail sales increased by 4 percent in the fourth quarter, while wholesale sales grew globally by 3 percent.

Wholesale sales developed favorably both in the Asia-Pacific Region and North America. Licensing income grew significantly from the comparison period.

The challenging general market situation and highly tactical business environment impacted both retail and wholesale sales in Finland. However, net sales in Finland increased by 2 percent and were EUR 30,504 thousand (30,051) as a result of retail sales, which grew by 3 percent in the fourth quarter of the year. There have been several changes in the store network in Finland compared to the same period in the previous year. Comparable retail sales, which excludes new or significantly renewed stores in both the review and comparison periods, increased by 1 percent. Weakened general consumer demand in Finland affected wholesale sales, which decreased by 2 percent. On the other hand, domestic wholesale sales were boosted by some of the wholesale deliveries in the first quarter of 2024 being transferred to the fourth quarter of 2023.

In the company's second-biggest market, the Asia-Pacific region, net sales increased by 14 percent to EUR 9,017 thousand (7,905), with wholesale sales and licensing income in the region growing. Wholesale sales in the market area increased by 14 percent. In Japan, the most significant country to Marimekko in this region, wholesale sales were on par with the good level of the comparison period. Retail sales in the Asia-Pacific region decreased by 5 percent.

### **Net sales in 2023**

The Group's net sales in 2023 grew by 5 percent and amounted to EUR 174,105 thousand (166,515). Net sales were boosted in particular by the growth of international wholesale sales. In addition, the good development in Finnish retail sales increased net sales. In total, international sales in 2023 grew by 10 percent and net sales in Finland by 1 percent.

Marimekko's omnichannel retail sales grew globally by 3 percent with nearly all market areas contributing to growth. Wholesale sales increased in the Asia-Pacific region, North America and Scandinavia and, in total, the Group's wholesale sales grew globally by 6 percent. In the EMEA region, actions to control gray exports weakened wholesale sales. Licensing income increased by 8 percent from the record-high level of the comparable year.

Net sales in Finland were EUR 98,914 thousand (98,237). Despite the challenging macro-economic environment, retail sales increased by 3 percent. Many changes in the Finnish store network affected the comparable retail sales, which decreased by 1 percent. In spite of a strong third quarter, the cumulative wholesale sales in Finland were 4 percent lower than in the comparable year as a result of weakened general consumer demand.

Net sales in the Asia-Pacific region increased by 17 percent to EUR 35,415 thousand (30,309). The growth was attributable, in particular, to increased wholesale sales, partly boosted by the opening of new markets but also to increased licensing income. Wholesale sales in the market area increased by 15 percent, and in Japan by 5 percent. In the comparable year, wholesale sales in the region were boosted by some of the wholesale deliveries in the fourth quarter of 2021 being transferred to the first quarter of 2022. Retail sales in the Asia-Pacific region increased by 2 percent.

**NET SALES BY MARKET AREA**

(EUR 1,000)	10-12/ 2023	10-12/ 2022	Change, %	1-12/ 2023	1-12/ 2022	Change, %
Finland	<b>30,504</b>	30,051	2	<b>98,914</b>	98,237	1
International sales	<b>20,120</b>	18,362	10	<b>75,191</b>	68,278	10
Scandinavia	4,744	4,473	6	15,557	13,956	11
EMEA	3,514	3,673	-4	14,645	16,014	-9
North America	2,845	2,311	23	9,575	7,999	20
Asia-Pacific	9,017	7,905	14	35,415	30,309	17
<b>Total</b>	<b>50,624</b>	48,413	5	<b>174,105</b>	166,515	1

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 2023, the Group's operating profit amounted to EUR 8,069 thousand (6,799). Operating profit included EUR 219 thousand (146) from items affecting comparability. Comparable operating profit was EUR 8,288 thousand (6,945). Operating profit was boosted especially by increased net sales but also improved relative sales margin. On the other hand, an increase in fixed costs had a weakening impact on operating profit.

Fixed costs in the fourth quarter of the year grew particularly due to increased marketing expenses and employee benefit costs, resulting from higher personnel costs in the stores. Relative sales margin was supported by increased licensing income and lower transport costs. On the other hand, higher discounts weakened the relative sales margin.

In 2023, the Group's operating profit totaled EUR 31,400 thousand (30,236). Operating profit included EUR 631 thousand (146) from items affecting comparability. Comparable operating profit was EUR 32,031 thousand (30,382). Operating profit was improved especially by increased net sales. On the other hand, higher fixed costs decreased operating profit. Improved relative sales margin had a positive effect on the operating profit.

Fixed costs in 2023 increased due to recruitments made to strengthen the building blocks of international growth as well as higher personnel costs in the stores. Relative sales margin was improved by increased licensing income and lower transport costs. However, higher discounts resulting from weaker general consumer demand and the tactical market environment had a weakening impact on relative sales margin.

Marketing expenses in 2023 were EUR 9,483 thousand (9,245), or 5 percent of the Group's net sales (6).



The Group's depreciation amounted to EUR 9,180 thousand (9,651), representing 5 percent of net sales (6).

In 2023, operating profit margin was 18.0 percent (18.2) and comparable operating profit margin was 18.4 percent (18.2). In the fourth quarter of the year, operating profit margin was 15.9 percent (14.0) and comparable operating profit margin was 16.4 percent (14.3).

Net financial items in 2023 were EUR -1,663 thousand (-1,097), or 1 percent of net sales (1). Financial items include exchange rate differences amounting to EUR -626 thousand (-75), of which EUR -497 thousand (-73) were unrealized. The impact of lease liabilities on interest expenses was EUR -1,020 thousand (-720).

The Group's result before taxes in 2023 was EUR 29,737 thousand (29,139). Net result for the period was EUR 23,601 thousand (22,708) and earnings per share were EUR 0.58 (0.56).

## Balance sheet

The consolidated balance sheet total as at 31 December 2023 was EUR 123,258 thousand (114,587). Equity was EUR 65,738 thousand (55,425), or EUR 1.62 per share (1.37).

Non-current assets at the end of the year stood at EUR 37,259 thousand (36,108). Lease liabilities amounted to EUR 32,294 thousand (31,824), and financial liabilities were EUR 615 thousand (2,169). In addition, the Group had unused committed credit lines of EUR 31,932 thousand (14,591).

At the end of the year, net working capital was EUR 24,345 thousand (20,557). Inventories were EUR 29,268 thousand (33,784).

## Cash flow and financing

In the October-December period of 2023, cash flow from operating activities was EUR 21,034 thousand (11,739), or EUR 0.52 per share (0.29). Cash flow before cash flow from financing activities was EUR 20,182 thousand (11,550). Cash flow before cash flow from financing activities was improved by the decrease of inventories and current non-interest-bearing trade receivables.

In 2023, cash flow from operating activities was EUR 29,427 thousand (20,141), or EUR 0.73 per share (0.50). Cash flow before cash flow from financing activities was EUR 27,402 thousand (19,142). Cash flow before cash flow from financing activities during the year was strengthened by the decrease of inventories. On the other hand, cash flow was negatively affected by higher current non-interest-bearing trade receivables than in the comparison year. Marimekko uses efficient internal credit controls, letters of credit as well as customer credit insurance in order to secure its receivables.

The Group's cash and cash equivalents at the end of the year amounted to EUR 37,044 thousand (32,711). Dividends paid in 2023 totaled EUR 13,794 thousand (37,372). Return on capital employed (ROCE) was at an excellent level, 33.0 percent (31.5). The amount of interest-bearing credit facilities drawn down was EUR 615 thousand (2,127). In addition, the Group had unused committed credit lines of EUR 31,932 thousand (14,591), as in January 2023, with the continued general economic uncertainties, Marimekko took additional short-term revolving credit facilities, which include covenants, totaling EUR 16,000 thousand.

The Group's equity ratio at the end of the financial year was 54.1 percent (49.2). Gearing was -6.3 percent (2.2). The ratio of net debt to 12-month rolling EBITDA was -0.10 (0.03), 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 2023 were EUR 2,033 thousand (999), or 1 percent of net sales (1). The investments were mainly devoted to building store and office premises as well as to digital development. New lease agreements included in balance sheet (IFRS 16) are not included in gross investments in the review or comparison period.

## Research and development

Marimekko's product design and development costs arise from the design of collections and collaborations on new 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 2023, two new Marimekko stores were opened in Kuala Lumpur and a flagship store was opened in Copenhagen. In addition to store openings, there was one pop-up store in Seoul and one in Hong Kong during the fourth quarter. One store in Taipei and another in Seoul were closed during the quarter. At the end of December, there were a total of 167 Marimekko stores and shop-in-shops worldwide. 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 at certain central stores, especially during the holiday seasons.

E-commerce plays an important role in Marimekko's omnichannel retail. Online sales continued to grow in the fourth quarter. The company's own and partner-operated Marimekko webstores reach customers in 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 further, and the shift to digital sales channels among customers will influence Marimekko's distribution channel choices in the future.

**STORES AND SHOP-IN-SHOPS**

	<b>31.12.2023</b>	31.12.2022
Finland	<b>66</b>	65
Scandinavia	<b>8</b>	8
EMEA	<b>1</b>	1
North America	<b>3</b>	3
Asia-Pacific	<b>89</b>	77
<b>Total</b>	<b>167</b>	154

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 high-quality 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 2023, the company's activities included, for example, work to increase organic and recycled materials in its collections, lengthen the product lifecycle as well as to promote innovations and business models, which are in line with the principles of the circular economy.

Marimekko issues a statement of non-financial information for 2023 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 matters 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 2024.

## Personnel

In the January-December period of 2023, the number of employees, expressed as full-time equivalents, averaged 462 (434). At the end of the year, the Group had 468 (459) employees, of whom 83 (76) worked outside Finland. The number of employees working outside Finland was broken down as follows: Scandinavia 33 (24), the EMEA region 0 (1), North America 16 (16) and the Asia-Pacific region 33 (35). The personnel at company-owned stores, expressed as full-time equivalents, totaled 226 (218) at the end of the year.

## Changes in management

The following changes in the company's management took place in 2023. On 16 February 2023, Marimekko informed that Natacha Defrance was appointed Senior Vice President of Sales in Region East and member of the Management Group and that General Counsel Essi Weseri was

appointed member of the Management Group as of 16 February 2023. The company also informed, on 2 November 2023, that it will merge its Digital Business unit and IT organization to form a holistic Technology unit and that Chief Digital Officer and member of Marimekko Management Group Kari Härkönen will step down from his position. Mikko-Heikki Inkeroinen was appointed as new Chief Technology Officer and member of the Management Group as of 29 January 2024.

At the end of the year 2023, 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), Natacha Defrance (Senior Vice President, Sales, Region East), Noora Laurila (Senior Vice President, Sales, Region West), Sanna-Kaisa Niikko (Chief Marketing Officer), Tanya Strohmayr (Chief People Officer), Riika Wikberg (Chief Business Development Officer) and Essi Weseri (General Counsel) as members.

## Corporate governance statement

The corporate governance statement for 2023 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 2023 have been reported in the stock exchange release of 13 April 2023 and in the interim report of 16 May 2023.

## Shares and shareholders

### Share capital and number of shares

At the end of the period under review, 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.

### Shareholdings

According to the book-entry register, Marimekko had 39,014 shareholders (36,616) at the end of December 2023. Of the shares, 13.68 percent (15.15) were owned by nominee-registered or non-Finnish holders.

On 31 December 2023, 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 the January-December period of 2023, a total of 9,658,017 Marimekko shares (14,263,348) were traded on Nasdaq Helsinki, representing 23.76 percent (35.09) 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 in the period under review was EUR 95,729,933 (171,076,384). The lowest price of the share was EUR 8.56 (8.14), the highest was EUR 13.60 (17.60) and the average price was EUR 9.91 (12.04). At the end of December, the closing price of the share was EUR 13.31 (8.76).

The company's market capitalization on 31 December 2023 was EUR 540,005,068, excluding the Marimekko shares held by the company (355,405,289).

### **Authorizations**

The Annual General Meeting on 13 April 2023 authorized the Board of Directors to decide on the acquisition of a maximum of 200,000 of the company's own shares in one or more instalments. The maximum number of shares represents approximately 0.5 percent of the total number of the company's shares. The shares would be acquired with funds from the company's non-restricted equity, which means that the acquisition would reduce funds available for distribution. The shares would 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 would be acquired to be used as a part of the company's incentive system, to be transferred for other purposes or to be cancelled. The Board of Directors is authorized to decide on all of the other terms and conditions of the acquisition of the shares. The authorization was not used in 2023. The authorization is valid until 13 October 2024.

Furthermore, the AGM on 13 April 2023 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 the company's own shares. 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 system, 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 during the period under review. The authorization is valid until 13 October 2024.

During the financial year, the Board of Directors had no valid authorizations to issue convertible bonds or bonds with warrants.

## **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 results 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 procurement 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. Pandemics and epidemics may also have a negative impact on Marimekko's sales, profitability and cash flow as well as the reliability and efficiency of the company's supply chain.

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

Marimekko is also exposed to labor market disputes, and 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 company's strong balance sheet and stable financial position introduce flexibility also in exceptional circumstances. Risks are also mitigated with diverse geographical presence throughout the value chain.

#### **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. In addition, the coronavirus pandemic 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 the 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 also 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 may affect consumers' purchasing power and behavior negatively. Fast reactivity and competitive pricing

are crucial in a tactical operating environment. The company's ability to design, develop and commercialize new products that meet consumers' expectations while ensuring the effectivity and quick reactions in the production, sourcing and logistics as well as an active work towards sustainability 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, fluctuations in the prices of raw materials and other factors of production as well as the availability and price of logistics. For example, geopolitical tensions (such as shipping disruptions in the Red Sea due to attacks on vessels), cyber security incidents and possible epidemics and pandemics as well as other uncertainties in the global economy may cause even significant disruptions in production and logistics chains that may have a negative impact on the company's sales, profitability and cash flow. In addition, fires, natural disasters and machine breakdowns can cause damages to supplier's factories, Marimekko's own textile printing factory or the operations of the logistics chain. Overall, it is of utmost importance to safeguard the operational reliability of the company's own printing factory in all circumstances. The availability of biogas, among other materials, is critical to the operations of the company's own printing factory. The company has a business interruption insurance for assets and business operations that covers insured risks of damage in line with the terms and conditions of the insurance.

Higher costs of raw materials, energy and other factors of production 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 partly been further emphasized by the exceptional situations, such as the Russian invasion of Ukraine and shipping disruptions on the Red Sea, 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 sales, cash flow as well as on relative profitability. Substantial non-recurring wholesale promotions can also 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, also on substantial non-recurring wholesale promotions.

Marimekko works actively to ensure functioning production and logistics chains, to avoid delays, to mitigate the negative impacts of generally 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. Risks and opportunities with regard to Marimekko's sustainability work and targets include, for example, changes in consumer behavior and in the company's product portfolio weightings, continuously evolving best practices in the industry as well as increasing regulation that may affect, for example, the company's products, communications and the value chain more broadly. The company's ability to anticipate

changes, react to them and actively advance its sustainability targets throughout the value chain plays a key role with regard to the company's competitiveness. Compliance with responsible business practices and legislation is also 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. Global supply chains in the fashion and design business are complex, which makes it challenging for companies to ensure the sustainability of the entire value chain despite active sustainability work. Regarding 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, are of growing significance to customers. These sustainability topics apply to Marimekko's sourcing and the company's own production as well as to licensed products.

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

Climate change increases the likelihood of extreme weather phenomena and natural disasters, such as floods, forest fires, wildfires 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 suppliers' factories, the company's own textile printing factory or hamper the logistics chains. In addition, Marimekko has stores and offices in areas in which 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 and exploring new material and production method innovations. Marimekko's insurance program covers insured risks of damage in line with the terms and conditions of the insurance.

### **Compliance**

Compliance with the applicable legislation, regulations and ethical 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, and system changes may disrupt business or result in lost sales. Personal data breaches can lead to claims for damages, fines and reputation risks. Marimekko manages risks with the systematic management and development of cybersecurity. In addition, the company has a cybersecurity insurance program.

**Personnel and competence**

Potential new serious coronavirus infection waves or new epidemics or pandemics may increase risks related to taking care of the health and safety of employees and securing sufficient workforce in cases of sickness.

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 training of personnel, succession planning and performance management. These measures support a performance-oriented, diverse and inclusive culture.

## Market outlook and growth targets for 2024

The uncertainties related to the development of the global economy, such as geopolitical tensions and their impact on the general economic situation and general cost inflation influence consumer confidence, purchasing power and behavior and, as a result, can have an impact on Marimekko's business in 2024, especially in the important domestic market of Finland. Different exceptional situations, such as Russia's war in Ukraine and shipping disruptions on the Red Sea, may cause even significant disruptions in production and logistics chains, and may 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 in 2024 are impacted by the weak general economy and low consumer confidence as well as the development of purchasing power and behavior. The tactical operating environment also has an impact on the business. In addition, the size and timing of non-recurring promotional deliveries in wholesale create volatility to Finnish sales estimate. Despite the weak market situation, net sales in Finland are expected to be approximately at the level of the previous year.

International sales are estimated to grow in 2024. In the strategy period 2023–2027, Marimekko will focus on Asia as the most important geographical area for international growth. In 2024, net sales in the Asia-Pacific region, Marimekko's second-largest market, are expected to increase. Japan is clearly the most significant 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. In 2024, the aim is to open approximately 10–15 new Marimekko stores and shop-in-shops, 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 2024, Marimekko's net sales are expected to grow. Net sales in the first

quarter of the year are estimated to be approximately at the level of the previous year, as wholesale sales, for example, will be partly impacted by some of the wholesale deliveries in Finland in the first quarter of 2024 being transferred to the fourth quarter of 2023.

Licensing income in 2024 is forecasted to be approximately at the previous year's record level.

Marimekko develops its business with a long-term view and aims to scale its profitable growth in the upcoming years. In 2024, fixed costs are expected to be up on the previous year. The general cost inflation continues to affect Marimekko in 2024. Personnel expenses are impacted, for example, by general pay increases in different markets. In 2024, Marimekko is celebrating the 60th anniversary of the Unikko pattern, which provides the company with a unique opportunity to grow international awareness through, for example, various events around the world. Marketing expenses are expected to increase (2023: EUR 9.5 million).

Early commitments to product orders from supplier partners, typical of the industry but partly further emphasized by the exceptional situations, undermine 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 and relative profitability. The domestic non-recurring wholesale promotional deliveries also raise inventory risks. Marimekko works actively to ensure functioning production and logistics chains, to avoid delays, to mitigate the negative impacts of generally increased costs, and to enhance inventory management.

Marimekko is closely monitoring the general economic situation, the development of consumer confidence and purchasing power and the impacts of different exceptional situations, and the company will adjust its operations and plans according to the circumstances.

## Financial guidance for 2024

The Marimekko Group's net sales for 2024 are expected to grow from the previous year (2023: EUR 174.1 million). Comparable operating profit margin is estimated to be approximately some 16–19 percent (2023: 18.4 percent). Development of consumer confidence and purchasing power, particularly in Finland, global supply chain disruptions and the general inflation development cause volatility to the outlook for 2024.

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 Statement Bulletin.

## The Board of Directors' proposal for dividends

On 31 December 2023, the parent company's distributable funds amounted to EUR 60,604,858.19; profit for the financial year was EUR 25,359,472.05. The Board of Directors will propose to the Annual General Meeting that a dividend of EUR 0.37 per share be paid for 2023.

The Board will propose 18 April 2024 as the dividend payout record date and 25 April 2024 as the dividend payout date. A dividend of EUR 0.34 per share was paid for 2022.

## Financial calendar for 2024

The Financial Statements 2023 will be published in week 12, at the latest. The interim reports and the half-year financial report for 2024 will be issued as follows: January-March on Wednesday, 15 May 2024 at 8.00 a.m., January-June on Thursday, 15 August 2024 at 8.00 a.m., and January-September on Wednesday, 6 November 2024 at 8.00 a.m.

The Annual General Meeting 2024 is planned to be held on Tuesday, 16 April 2024 at 2.00 p.m.

Helsinki, 14 February 2024

**Marimekko Corporation**  
Board of Directors

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**CONSOLIDATED INCOME STATEMENT**

(EUR 1,000)	10-12/2023	10-12/2022	1-12/2023	1-12/2022
<b>NET SALES</b>	<b>50,624</b>	48,413	<b>174,105</b>	166,515
Other operating income	15	29	91	108
Changes in inventories of finished goods and work in progress	-4,443	-565	-4,489	7,721
Raw materials and consumables	-16,602	-19,529	-63,190	-72,115
Employee benefit expenses	-9,317	-9,139	-33,512	-30,846
Depreciation and impairment	-2,338	-2,366	-9,180	-9,651
Other operating expenses	-9,869	-10,044	-32,425	-31,497
<b>OPERATING PROFIT</b>	<b>8,069</b>	6,799	<b>31,400</b>	30,236
Financial income	245	-472	393	1,241
Financial expenses	-494	-954	-2,056	-2,339
	-248	-1,426	-1,663	-1,097
<b>RESULT BEFORE TAXES</b>	<b>7,821</b>	5,373	<b>29,737</b>	29,139
Income taxes	-1,732	-1,344	-6,137	-6,430
<b>NET RESULT FOR THE PERIOD</b>	<b>6,088</b>	4,028	<b>23,601</b>	22,708
Distribution of net result to equity holders of the parent company	6,088	4,028	23,601	22,708
Basic and diluted earnings per share calculated on the result attributable to equity holders of the parent company, EUR	0.15	0.10	0.58	0.56

**COMPREHENSIVE CONSOLIDATED INCOME STATEMENT**

(EUR 1,000)	10-12/2023	10-12/2022	1-12/2023	1-12/2022
<b>NET RESULT FOR THE PERIOD</b>	<b>6,088</b>	4,028	<b>23,601</b>	22,708
Items that could be reclassified to profit or loss at a future point in time				
Change in translation difference	64	174	90	-40
<b>COMPREHENSIVE RESULT FOR THE PERIOD</b>	<b>6,153</b>	4,203	<b>23,691</b>	22,668
Distribution of the result to equity holders of the parent company	6,153	4,203	23,691	22,668

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**CONSOLIDATED BALANCE SHEET**

(EUR 1,000)

**31.12.2023**

31.12.2022

**ASSETS****NON-CURRENT ASSETS**

Intangible assets	<b>453</b>	288
Tangible assets	<b>35,100</b>	34,560
Other financial assets	<b>595</b>	512
Deferred tax assets	<b>1,110</b>	748
	<b>37,259</b>	36,108

**CURRENT ASSETS**

Inventories	<b>29,268</b>	33,784
Trade and other receivables	<b>19,688</b>	11,983
Cash and cash equivalents	<b>37,044</b>	32,711
	<b>85,999</b>	78,479

**ASSETS, TOTAL****123,258**

114,587

**CONSOLIDATED BALANCE SHEET**

(EUR 1,000)	31.12.2023	31.12.2022
<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	-541
Translation differences	-32	-122
Retained earnings	57,043	46,820
Shareholders' equity, total	65,738	55,425
<b>NON-CURRENT LIABILITIES</b>		
Lease liabilities	24,984	25,277
	24,984	25,277
<b>CURRENT LIABILITIES</b>		
Trade and other payables	24,599	24,752
Current tax liabilities	12	416
Lease liabilities	7,309	6,547
Financial liabilities	615	2,169
	32,536	33,885
Liabilities, total	57,520	59,162
<b>SHAREHOLDERS' EQUITY AND LIABILITIES, TOTAL</b>	<b>123,258</b>	<b>114,587</b>

**CONSOLIDATED CASH FLOW STATEMENT**

(EUR 1,000)	1-12/2023	1-12/2022
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net result for the period	23,601	22,708
Adjustments		
Depreciation and impairments	9,180	9,651
Financial income and expenses	1,663	1,097
Taxes	6,137	6,430
Share-based payments	417	750
Cash flow before change in working capital	40,997	40,636
Change in working capital		
Increase (-) / decrease (+) in current non-interest-bearing trade receivables	-7,690	49
Increase (-) / decrease (+) in inventories	4,449	-7,809
Increase (+) / decrease (-) in current non-interest-bearing liabilities	-101	-3,452
Cash flow from operating activities before financial items and taxes	37,655	29,424
Paid interest and payments on other financial expenses	-1,532	-1,130
Interest received and payments on other financial income	223	166
Taxes paid	-6,919	-8,319
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>29,427</b>	<b>20,141</b>



**CONSOLIDATED CASH FLOW STATEMENT**

(EUR 1,000)	1-12/2023	1-12/2022
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Investments in tangible and intangible assets	-2,025	-999
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-2,025</b>	<b>-999</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Short-term loans drawn	149	1,049
Short-term loans repaid	-1,562	-665
Acquisition of treasury shares	-	-454
Payments of lease liabilities	-7,381	-8,485
Dividends paid	-13,794	-37,372
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>-22,588</b>	<b>-45,927</b>
<b>Change in cash and cash equivalents</b>	<b>4,814</b>	<b>-26,784</b>
Cash and cash equivalents at the beginning of the period	32,711	59,726
Effects of exchange rate fluctuations	-482	-230
Cash and cash equivalents at the end of the period	37,044	32,711

In addition, Marimekko has unused committed credit lines of EUR 31,932 thousand (14,591).

**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	Share- holders' equity, total
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
Shareholders' equity, 31 Dec. 2022	8,040	1,228	-541	-122	46,820	55,425
Shareholders' equity, 1 Jan. 2023	8,040	1,228	-541	-122	46,820	55,425
<b>Comprehensive result</b>						
Net result for the period					23,601	23,601
Translation differences				90		90
Total comprehensive result for the period				90	23,601	23,691
<b>Transactions with owners</b>						
Dividends paid					-13,794	-13,794
Share-based payments					417	417
<b>Shareholders' equity, 31 Dec. 2023</b>	<b>8,040</b>	<b>1,228</b>	<b>-541</b>	<b>-32</b>	<b>57,043</b>	<b>65,738</b>

**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 2023 financial statements.

The quarterly results for 2023 are unaudited. The full-year 2023 figures are based on the audited financial statements for 2023. There may be differences in totals due to rounding to the nearest thousand euros.

Marimekko uses alternative measures (APM) and follows the related guidelines given by ESMA. Such key figures are, for example, comparable operating profit, comparable operating profit margin (%), comparable EBITDA and comparable earnings per share (EPS). The items affecting comparability are presented separately in a reconciliation of alternative key figures. The Group's management exercises its discretion when making decisions regarding the classification of the items affecting comparability. These items include, for example, restructuring costs, expenses related to ending employment contracts as well as exceptional and unexpected events. Brand sales is also presented as an alternative key figure, representing the reach of the Marimekko brand through different distribution channels.

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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. 2022	10,547	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
Book value, 31 Dec. 2022	288	30,615	3,945	34,560
Acquisition cost, 1 Jan. 2023	9,887	72,094	26,412	98,507
Translation differences	1	-587	-211	-798
Increases	1,142	7,993	1,684	9,677
Decreases	-269	-18	-1,380	-1,398
Transfers between categories	-794	-	-	-
Acquisition cost, 31 Dec. 2023	9,968	79,482	26,506	105,988
Accumulated depreciation, 1 Jan. 2023	9,600	41,479	22,467	63,946
Translation differences	1	-453	-214	-666
Accumulated depreciation of decreases	-269	-10	-1,380	-1,390
Depreciation during the period	183	8,229	768	8,998
Accumulated depreciation, 31 Dec. 2023	9,515	49,245	21,642	70,888
<b>Book value, 31 Dec. 2023</b>	<b>453</b>	<b>30,237</b>	<b>4,863</b>	<b>35,100</b>

## NET SALES BY MARKET AREA

(EUR 1,000)	10-12/ 2023	10-12/ 2022	Change, %	1-12/ 2023	1-12/ 2022	Change, %
<b>Finland</b>	<b>30,504</b>	30,051	2	<b>98,914</b>	98,237	1
Retail sales	21,624	20,995	3	66,627	64,559	3
Wholesale sales	8,836	9,003	-2	32,133	33,491	-4
Licensing income	45	53	-16	154	187	-18
<b>Scandinavia</b>	<b>4,744</b>	4,473	6	<b>15,557</b>	13,956	11
Retail sales	1,431	1,239	16	4,386	4,157	5
Wholesale sales	3,313	3,234	2	11,096	9,799	13
Licensing income	-	-		75	-	
<b>EMEA</b>	<b>3,514</b>	3,673	-4	<b>14,645</b>	16,014	-9
Retail sales	978	792	24	3,008	2,492	21
Wholesale sales	2,385	2,760	-14	10,802	11,603	-7
Licensing income	150	121	25	834	1,919	-57
<b>North America</b>	<b>2,845</b>	2,311	23	<b>9,575</b>	7,999	20
Retail sales	1,529	1,294	18	4,523	4,621	-2
Wholesale sales	1,258	916	37	4,688	2,761	70
Licensing income	58	101	-43	365	617	-41
<b>Asia-Pacific</b>	<b>9,017</b>	7,905	14	<b>35,415</b>	30,309	17
Retail sales	2,196	2,307	-5	6,775	6,619	2
Wholesale sales	6,341	5,569	14	26,883	23,455	15
Licensing income	481	29		1,758	234	
<b>International sales, total</b>	<b>20,120</b>	18,362	10	<b>75,191</b>	68,278	10
Retail sales	6,134	5,632	9	18,691	17,890	4
Wholesale sales	13,297	12,479	7	53,469	47,618	12
Licensing income	689	251	174	3,031	2,770	9
<b>Total</b>	<b>50,624</b>	48,413	5	<b>174,105</b>	166,515	5
Retail sales	27,758	26,627	4	85,318	82,448	3
Wholesale sales	22,132	21,482	3	85,602	81,109	6
Licensing income	733	304	141	3,186	2,957	8

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

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**NET SALES BY PRODUCT LINE**

(EUR 1,000)	10-12/2023	10-12/2022	Change, %	1-12/2023	1-12/2022	Change, %
Fashion	15,462	12,275	26	55,171	50,525	9
Home	23,622	26,117	-10	77,475	78,273	-1
Bags and accessories	11,540	10,021	15	41,460	37,717	10
<b>Total</b>	<b>50,624</b>	<b>48,413</b>	<b>5</b>	<b>174,105</b>	<b>166,515</b>	<b>5</b>

## Other information

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**GROUP KEY FIGURES**

	1-12/2023	1-12/2022	Muutos, %
Earnings per share, EUR	0.58	0.56	4
Equity per share, EUR	1.62	1.37	19
Return on equity (ROE), %	39.0	36.3	
Return on capital employed (ROCE), %	33.0	31.5	
Equity ratio, %	54.1	49.2	
Gearing, %	-6.3	2.2	
Gross investments, EUR 1,000	2,033	999	104
Gross investments, % of net sales	1.2	0.6	
Contingent liabilities, EUR 1,000	739	846	-13
Average personnel	462	434	6
Personnel at the end of the period	468	459	2
Number of shares outstanding at the end of the period	40,571,380	40,571,380	
Average number of shares outstanding	40,571,380	40,623,999	

## RECONCILIATION OF ALTERNATIVE KEY FIGURES TO IFRS

(EUR 1,000)	10-12/2023	10-12/2022	1-12/2023	1-12/2022
Items affecting comparability				
Employee benefit expenses	-219	-146	-631	-146
Items affecting comparability in operating profit	-219	-146	-631	-146
EBITDA				
Employee benefit expenses	219	146	631	146
Comparable EBITDA	10,627	9,311	41,211	40,033
Operating profit				
Employee benefit expenses	219	146	631	146
Comparable operating profit	8,288	6,945	32,031	30,382
Net sales				
Operating profit margin, %	15.9	14.0	18.0	18.2
Comparable operating profit margin, %	16.4	14.3	18.4	18.2

Items affecting comparability are exceptional transactions that are not related to the company's regular business operations. The Group's management exercises its discretion when making decisions regarding the classification of items affecting comparability.

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**QUARTERLY TREND IN NET SALES AND EARNINGS**

(EUR 1,000)	10-12/2023	7-9/2023	4-6/2023	1-3/2023
Net sales	50,624	47,884	40,311	35,287
Operating profit	8,069	12,927	6,602	3,802
Earnings per share, EUR	0.15	0.25	0.12	0.06

(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



## STORES AND SHOP-IN-SHOPS

	31.12.2023	31.12.2022
<b>Finland</b>	<b>66</b>	65
Company-owned stores	25	26
Company-owned outlet stores	14	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>	1
Company-owned stores	-	-
Company-owned outlet stores	-	-
Retailer-owned stores	-	-
Retailer-owned shop-in-shops	1	1
<b>North America</b>	<b>3</b>	3
Company-owned stores	1	1
Company-owned outlet stores	1	1
Retailer-owned stores	1	1
Retailer-owned shop-in-shops	-	-
<b>Asia-Pacific</b>	<b>89</b>	77
Company-owned stores	3	4
Company-owned outlet stores	-	-
Retailer-owned stores	74	62
Retailer-owned shop-in-shops	12	11
<b>Total</b>	<b>167</b>	154
Company-owned stores	34	36
Company-owned outlet stores	15	13
Retailer-owned stores	87	75
Retailer-owned shop-in-shops	31	30

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 49 at the end of December 2023 (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 capital employed (ROCE), %:

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