

The background of the entire page is a repeating pattern of stylized, overlapping leaf or petal shapes. Each shape is a light cream color with a dark green outline, set against a solid dark green background. The shapes are arranged in a rhythmic, wave-like pattern that flows across the page.

marimekko

Interim Report

1-3/2022

Marimekko Corporation, Interim Report, 13 May 2022 at 8.00 a.m.

Marimekko's net sales and result continued to grow in the first quarter of 2022

The first quarter in brief

- ✦ Marimekko's net sales grew by 24 percent to EUR 36.0 million (29.1). In Finland, net sales rose by 27 percent, while international net sales grew by 20 percent.
- ✦ Net sales were boosted both by a favorable trend in wholesale and retail sales in Finland as well as the good development of international net sales with sales growing in all market areas.
- ✦ As in the comparison period, nearly all of Marimekko's own stores were open in the first quarter, and the footfall in the stores grew clearly from the comparison period, when the pandemic situation had a stronger impact on footfall.
- ✦ Operating profit improved to EUR 6.6 million (5.6). Comparable operating profit grew by 18 percent to EUR 6.6 million (5.6) and was 18.4 percent of net sales (19.3).
- ✦ Earnings were boosted especially by increased net sales. On the other hand, an increase in fixed costs as well as lower relative sales margin had a weakening impact on result.
- ✦ The Annual General Meeting decided to pay a regular dividend of EUR 1.60 per share and an extraordinary dividend of EUR 2.00 per share for 2021. The dividend was paid on 25 April 2022.
- ✦ In addition, the AGM decided on issuance of shares without payment (split) 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. The new shares were registered in the trade register on 14 April 2022 and the trading with the new shares began on 19 April 2022.

Financial guidance for 2022

The Marimekko Group's net sales for 2022 are expected to grow from the previous year (2021: EUR 152.2 million). Comparable operating profit margin is estimated to be approximately some 17–20 percent (2021: 20.5 percent). Global supply chain disruptions and generally increased material and logistics costs in particular cause volatility to the outlook for 2022.

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 Interim Report.

KEY FIGURES

(EUR million)	1-3/ 2022	1-3/ 2021	Change, %	1-12/ 2021
Net Sales	36.0	29.1	24	152.2
International sales	17.5	14.6	20	59.9
% of net sales	49	50		39
EBITDA *	9.1	8.6	6	43.1
Comparable EBITDA *	9.1	8.6	6	43.1
Operating profit *	6.6	5.6	18	31.2
Operating profit margin, % *	18.4	19.3		20.5
Comparable operating profit *	6.6	5.6	18	31.2
Comparable operating profit margin, % *	18.4	19.3		20.5
Result for the period *	5.0	4.4	14	24.4
Earnings per share, EUR *, **	0.12	0.11	14	0.60
Comparable earnings per share, EUR *, **	0.12	0.11	14	0.60
Cash flow from operating activities *	-3.1	1.5		35.9
Return on investment (ROI), % *	35.2	29.0		33.0
Equity ratio, % *	57.2	46.8		53.3
Net debt / EBITDA (rolling 12 months)	-0.31	0.08		-0.64
Gross investments *	0.1	0.4	-61	0.2
Personnel at the end of the period	409	416	-2	409
outside Finland	74	79	-6	69
Brand sales ¹	88.3	67.4	31	375.6
outside Finland	61.8	46.8	32	247.6
proportion of international sales, %	70	69		66
Number of stores	147	154	-5	152

* The quarterly figures for comparable period have been restated as the accounting principle changed in 2021 following the IFRS Interpretations Committee agenda decision. Additional information is presented in the accounting principles of this Interim Report.

** 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.

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.

¹ 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

“Marimekko’s good development continued in the first quarter of 2022. Our net sales grew and our operating profit improved.

The strong development of our business is based on the constantly growing desirability of our brand – which we develop with a long-term approach – as well as collections that appeal to our customers and the increasingly agile operating methods we have adopted over the past few years, among other factors. Our strengthened competitiveness and profitable growth are the result of excellent work done by everyone at Marimekko.



In January–March, our net sales increased by 24 percent to EUR 36.0 million (29.1). Growth was driven both by higher wholesale and retail sales in Finland as well as the positive development of international net sales, with sales growing in every market area. Our omnichannel retail sales grew by 22 percent, while wholesale sales increased by 23 percent.

Our comparable operating profit, which rose to EUR 6.6 million (5.6) in January–March, was boosted in particular by increased sales. To reinforce our long-term international growth, during the review period we invested in areas such as increasing Marimekko’s brand awareness, digital business and IT systems, as well as recruitments that support growth. As planned, this raised our fixed costs in the first quarter. In addition to our investments in growth, our costs in 2022 are also being increased by the general rise in material and logistics costs as well as the global supply chain disruptions that are still caused by the pandemic and made worse by the war in Ukraine, which touches all of us on a human level. Russia’s attack on Ukraine has deeply shocked all of us at Marimekko, and our thoughts are with the people of Ukraine. We try to help them with our small contribution.

In February, we presented our winter 2022 collection at Copenhagen Fashion Week. The collection was designed with a focus on combinability and layering. Improved combinability between seasons and the new block fits and archetype silhouettes that draw inspiration from our archives further strengthen the timelessness and sustainability of Marimekko’s design. We also took our first steps toward a value chain that is in line with the principles of the circular economy when, at the beginning of the year, we started a cooperation concerning the recycling of end-of-life textiles. Rester Oy’s recycling facility in Paimio, Finland, makes new textile fibers from the end-of-life-textiles of Marimekko’s own production, i.e. from the textile printing factory and sewing shop in Helsinki.

In March, we announced our third limited-edition collection with adidas, a global leader in the sporting goods and apparel industry. The collection, which launched in April, further increases Marimekko’s brand awareness internationally and thereby supports our international growth strategy. Furthermore, we joined forces in the Chinese market with a local lifestyle brand, the Beast, to launch a limited-edition collection of home products as well as Marimekko’s first perfume. In addition to global brand partnerships that provide us with extensive visibility, these

types of targeted local collaborations are an important way to introduce more and more new audiences to Marimekko.

In 2022, we are continuing our efforts to accelerate our long-term international growth. As our business model and strategy of profitable growth do not tie up significant amounts of capital, and because the company's financial position is strong, the Annual General Meeting held after the review period decided to distribute an extraordinary dividend in addition to the regular dividend for the financial year 2021. The AGM also resolved to carry out a share issue without payment, directed to the company's shareholders. The number of shares increased fivefold as a result of the share issue. The purpose of the share split is to enhance the liquidity of the company's shares.

After the review period, we have already announced upcoming brand collaborations with IKEA and the modern luxury brand Mansur Gabriel, for example. Marimekko is moving ahead systematically with the execution of the company's strategy of profitable growth. We are pleased that our loyal long-term customers, the many new friends of Marimekko and our growing group of shareholders have decided to join us on this inspiring journey.”

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 decreased during the first months of the year and the world economy in 2022 is now estimated to grow at a rate of slightly below four percent. The growth outlook has weakened in particular in Europe. The weakened outlook is due to Russia's attack on Ukraine, increased inflation and the coronavirus pandemic situation in China, which is affecting the reliability of global production and logistics chains.

The economic outlook for Finland continued to be on a good level during the first months of the year, but expectations for the future have now decreased clearly. In April, the confidence indicator for the retail trade decreased from the good level at the turn of the year. Sales continued to grow slightly, but sales expectations for the coming months are slowing down. The April figures for consumer confidence decreased to an almost all-time low. Estimates of the current state of personal finances were tepid and expectations for both personal and Finland's economy were pessimistic. The expectations for inflation were at an all-time high.

(Confederation of Finnish Industries EK: Business Tendency Survey, April 2022; Confidence Indicators, April 2022. Statistics Finland: Consumer Confidence, April 2022).

The working-day-adjusted turnover of Finnish retail trade in March grew by 4.2 percent on the previous year. The volume of sales was down by 1.7 percent. The cumulative working-day-adjusted turnover of retail trade in the first quarter rose by 4.3 percent and the volume of sales decreased by 0.5 percent. (Statistics Finland: Turnover of Trade, retail trade flash estimate, March 2022).

Net sales

Net sales in the first quarter

In the January-March period of 2022, the Group's net sales grew by 24 percent relative to the same period the year before and were EUR 36,044 thousand (29,103). Net sales were boosted both by a favorable trend in wholesale and retail sales in Finland as well as the good development of international net sales, with sales growing in all market areas. Net sales in Finland rose by 27 percent; international sales were up by 20 percent.

As in the comparison period, nearly all of Marimekko's own stores were open in the first quarter, and the footfall in the stores grew clearly from the comparison period, when the pandemic situation had a stronger impact on footfall. In total, retail sales in the January-March period increased by 22 percent from the comparison period as both sales in stores and online developed well. Wholesale sales continued to perform well and grew by 23 percent.

Net sales in Finland were EUR 18,498 thousand (14,534). Retail sales increased by 18 percent. Comparable retail sales grew also by 18 percent. Wholesale sales in Finland grew by 41 percent.

In the company's second-biggest market, the Asia-Pacific region, net sales increased by 10 percent to EUR 7,278 thousand (6,602). Wholesale sales in the entire region increased by 4 percent. As in the comparison period, some of the wholesale deliveries in the region for the final quarter in 2021 transferred to the first quarter of 2022. However, in Japan, the most important country to Marimekko in this market area, wholesale sales decreased by 6 percent as in the comparison period, a selection of custom-made anniversary products were sold to Japan in addition to the main collection. Retail sales in the Asia-Pacific region grew by 41 percent.

NET SALES BY MARKET AREA

(EUR 1,000)	1-3/ 2022	1-3/ 2021	Change, %	1-12/ 2021
Finland	18,498	14,534	27	92,299
International sales	17,546	14,569	20	59,927
Scandinavia	2,990	2,435	23	12,661
EMEA	5,463	4,090	34	12,895
North America	1,815	1,443	26	8,397
Asia-Pacific	7,278	6,602	10	25,974
Total	36,044	29,103	24	152,227

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 Interim Report.

Financial result

In the January-March period of 2022, the Group's operating profit grew clearly, reaching EUR 6,629 thousand (5,622). There were no items affecting comparability in the period under review, and comparable operating profit was also EUR 6,629 thousand (5,622). Earnings were boosted especially by increased net sales but also lower depreciation than in the comparison period. On the other hand, an increase in fixed costs as well as lower relative sales margin had a weakening impact on earnings.

Fixed costs in the review period were increased particularly by higher marketing expenses, investments in IT systems and digital development as well as increased employee benefit expenses following new recruitments made to strengthen the building blocks of Marimekko's international growth. In the comparison period, fixed expenses were reduced by the timing of marketing investments, among other things. The relative sales margin was weakened by increased logistics costs resulting from the general increase in transport costs as well as higher discounts than in the comparison period. In the January-March period of 2022, the discounts were increased by successful end-of-season sales as well as clearance sales at two stores following the expiration of lease. On the other hand, the relative sales margin was supported by increased licensing income.

Marketing expenses for the review period were EUR 1,715 thousand (1,040), or 5 percent of the Group's net sales (4).

The Group's depreciation amounted to EUR 2,488 thousand (3,006), representing 7 percent of net sales (10).

Operating profit margin in the January-March period of 2022 was 18.4 percent (19.3) and comparable operating profit margin was also 18.4 percent (19.3).

Net financial expenses in the review period were EUR 111 thousand (114), or 0 percent of net sales (0). Financial items include exchange rate differences amounting to EUR 167 thousand (147), of which EUR 187 thousand (263) were unrealized. The impact of lease liabilities on interest expenses was EUR -160 thousand (-191).

Result for the period under review before taxes was EUR 6,518 thousand (5,508). Net result for the period was EUR 5,044 thousand (4,427) and earnings per share were EUR 0.12 (0.11). The calculation of earnings per share 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 figure for the comparative period has been adjusted accordingly.

Balance sheet

The consolidated balance sheet total as at 31 March 2022 was EUR 119,381 thousand (106,957). Equity attributable to the equity holders of the parent company was EUR 67,292 thousand (49,349), or EUR 1.66 per share (1.22). The calculation of equity per share 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 figure for the comparative period has been adjusted accordingly.

Non-current assets at the end of the review period stood at EUR 34,996 thousand (40,659). Lease liabilities amounted to EUR 30,862 thousand (34,983), and financial liabilities were EUR 2,493 thousand (965). In addition, the Group had unused committed credit lines of EUR 14,348 thousand (16,967).

At the end of the period, net working capital was EUR 18,699 thousand (11,504). Inventories were EUR 26,504 thousand (24,031).

Cash flow and financing

In the January-March period of 2022, cash flow from operating activities was EUR -3,079 thousand (1,458), or EUR -0.08 per share (0.04). The calculation of cash flow per share takes into account the new total number of Marimekko shares following the issuance of shares without payment in accordance with the decision made by the AGM on 12 April 2022. The figures for the comparable period have been restated accordingly. Cash flow from operating activities was affected by timing: during the period under review, the company paid accounts payable, which at the turn of the year were on a higher-than-usual level. In addition, the payment schedule of income taxes differed from the comparison period and the taxes were higher. Cash flow before cash flow from financing activities was EUR -3,191 thousand (690). Dividends paid in the review period totaled EUR 8,124 thousand (6,322).

The Group's cash and cash equivalents at the end of period amounted to EUR 46,952 thousand (33,135). Improved results contributed to the increased cash and cash equivalents during the period. The amount of interest-bearing credit facilities drawn down was EUR 2,493 thousand (965). In addition, the Group had unused committed credit lines of EUR 14,348 thousand (16,967).

The Group's equity ratio at the end of the period was 57.2 percent (46.8). Gearing was -20.2 percent (5.7). The ratio of net debt to 12-month rolling EBITDA was -0.31 (0.08), i.e. well below the maximum of 2 which is the company's long-term goal.

Investments

The Group's gross investments in the January-March period of 2022 were EUR 140 thousand (355), or 0 percent of net sales (1). The investments were mainly devoted to production machinery and equipment. Gross investments do not include new lease agreements included in balance sheet (IFRS 16) in the review or comparable period.

Store network

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. The majority of Marimekko stores around the world were open in the first quarter, partly with limited hours. Some Marimekko stores in Shanghai were temporarily closed at the end of March due to the worsening coronavirus situation. During the review period, Marimekko closed one store in the United States and one in Sweden due to the expiration of the leases. In Belgium, one shop-in-shop was closed. In addition, two partner-owned stores in Japan were closed, and at the end of March, there were a total of 147 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 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 first 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 continues to report 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.

STORES AND SHOP-IN-SHOPS

	31.3.2022	31.3.2021	31.12.2021
Finland	64	65	64
Scandinavia	7	8	8
EMEA	1	2	2
North America	3	5	4
Asia-Pacific	72	74	74
Total	147	154	152

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 Interim Report.

Personnel

In the January-March period of 2022, the number of employees, expressed as full-time equivalents, averaged 406 (414). At the end of the period, the Group had 409 (416) employees, of whom 74 (79) worked outside Finland. The number of employees working outside Finland was broken down as follows: Scandinavia 24 (24), EMEA 1 (0), North America 13 (32) and the Asia-Pacific region 36 (23). The personnel at company-owned stores, expressed as full-time equivalents, totaled 181 (203) at the end of the period.

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 8,129,834. After the end of the period under review, the Annual General Meeting on 12 April 2022 decided on an issuance of shares without payment. The new shares were registered in the trade register on 14 April 2022 and the number of shares now totals 40,649,170.

Shareholdings

According to the book-entry register, Marimekko had 25,376 shareholders (19,822) at the end of March 2022. Of the shares, 18.04 percent (14.13) were owned by nominee-registered or non-Finnish holders.

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 after the end of the period under review, Marimekko holds 27,790 of its own shares, corresponding to some 0.07 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 under Investors/Share information/Shareholders.

Share trading and the company's market capitalization

In the January-March period of 2022, a total of 855,045 Marimekko shares (436,843) were traded on Nasdaq Helsinki, representing 10.52 percent (5.37) of the shares outstanding. The total value of the share turnover was EUR 60,722,203 (21,435,368). The lowest price of the share was EUR 58.50 (44.50), the highest was EUR 88.00 (54.70) and the average price was EUR 71.03 (49.07). At the end of March, the closing price of the share was EUR 76.20 (48.40).

The company's market capitalization on 31 March 2022 was EUR 619,069,831, excluding the Marimekko shares held by the company (392,515,966).

A new long-term incentive system for the management

The Board decided on 15 February 2022 to continue the share-based long-term incentives for the company's management. The new incentive system for years 2022–2026 is a performance share plan targeted to the Management Group of Marimekko, and at the beginning it encompasses nine people including the President and CEO. The objective of the new plan is to

continue aligning the interests of the management with the interests of the shareholders and to encourage the management to work on a long-term basis with the aim to increase the shareholder value. The Performance share plan 2022–2026 is composed of two earnings periods: 1 January 2022–30 June 2025 and 1 January 2023–30 June 2026. The potential reward from each earnings period is based on total shareholder return (TSR), i.e. the total yield on Marimekko Corporation's shares, including dividends, at the end of the period. The accounting treatment of the system differs from the treatment of the company's previous incentive systems. An estimate of the potential value of the possible rewards is booked evenly in employment benefit expenses during the entire run time of the plan. Details of the plan have been reported in the stock exchange release of 15 February 2022.

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 also authorized the Board to decide on the acquisition of a maximum of 100,000 of the company's own shares, in one or more instalments, to be used as a part of the company's incentive compensation program, to be transferred for other purposes or to be cancelled. The quantity represented approximately 1.2 percent of the total number of the company's shares at the time of the proposal. The shares would have been acquired with funds from the company's non-restricted equity, which means that the acquisition would have reduced funds available for distribution. The shares would have been 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 authorization was not used in the period under review or after, and the authorization ended on 12 April 2022.

Furthermore, 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. The total number of shares to be issued or transferred pursuant to the authorization could not exceed 120,000 new or treasury shares, which represented approximately 1.5 percent of the total number of the company's shares at the time of the proposal. Pursuant to the authorization, the Board could decide on a directed share issue in deviation from the shareholders' pre-emptive right for a weighty financial reason. The share issue could be subject to a charge or free. The subscription price of the new shares and the amount paid for the company's own shares would have been recorded in the company's reserve for invested non-restricted equity. The Board of Directors was authorized to decide on all of the other terms and conditions of the share issue. Based on the authorization, the Board 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 bonus system targeted at the Management Group. The authorization ended on 12 April 2022.

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 review period

Resolutions of the Annual General Meeting

Marimekko Corporation's Annual General Meeting was held on 12 April 2022 under exceptional meeting procedures. The AGM adopted the financial statements for 2021 and discharged the members of the Board of Directors and the President and CEO from liability. As proposed by the Board of Directors, the AGM decided to distribute a regular dividend of EUR 1.60 per share plus an extraordinary dividend of EUR 2.00 per share for the financial year 2021, adding up to a total of EUR 3.60 per share. The dividend was paid on 25 April 2022.

The AGM resolved that the company's Board of Directors consist of six members. Carol Chen, Mika Ihamuotila, Mikko-Heikki Inkeroinen and Tomoki Takebayashi were re-elected to the Board and Teemu Kangas-Kärki and Marianne Viikkula were elected as new members of the Board of Directors. The Board's term of office ends at the conclusion of the next AGM. In its constitutive meeting, the Board elected, from among its members, Mika Ihamuotila as Chair of the Board and Teemu Kangas-Kärki as Vice Chair of the Board. The Board also elected Teemu Kangas-Kärki as Chair and Mikko-Heikki Inkeroinen and Marianne Viikkula as members of the Audit and Remuneration Committee. All members of the committee are independent of the company and its significant shareholders.

It was decided that the remuneration of the members of the Board of Directors remain unchanged, and they will be paid an annual remuneration as follows: EUR 48,000 to the Chair, EUR 35,000 to the Vice Chair and EUR 26,000 to the other Board members. In accordance with the resolution by the AGM, approximately 40 percent of the annual remuneration of the members of the Board of Directors will be paid in Marimekko Corporation's shares acquired from the market and the rest in cash. The shares will be acquired directly on behalf of the Board members within two weeks from the release of the interim report for 1 January–31 March 2022 or if this is not possible due to insider rules, as soon as possible thereafter. The annual remuneration will be paid entirely in cash, if a Board member on the date of the AGM, 12 April 2022, held the company's shares worth more than EUR 1,000,000. It was further resolved to continue to pay a separate remuneration for committee work as follows: EUR 2,000 per meeting to the committee Chair and EUR 1,000 per meeting to members.

The AGM decided to re-elect KPMG Oy Ab, Authorized Public Accountants, as the company's auditor. Heli Tuuri, Authorized Public Accountant, acts as the auditor with principal responsibility. It was also resolved that the auditor's fee will be paid as per invoice approved by the company.

The AGM decided that in order to enhance the liquidity of the company's shares, new shares will be issued to the shareholders without payment in proportion to their holdings so that four (4) new shares are issued for each share (split). In addition, in the share issue without payment, new shares were similarly issued without payment to the company on the basis of treasury shares held by the company. In total, 32,519,336 new shares were issued. The record date of the share issue was 14 April 2022. The new shares were registered in the trade register on 14 April 2022 and the trading with the new shares began on 19 April 2022.

The AGM 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% 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 compensation program, 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 is valid until 12 October 2023, and it supersedes the authorization granted by the 2021 AGM.

Furthermore, the AGM 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% 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 is valid until 12 October 2023, and it supersedes the authorization granted by the 2021 AGM.

Changes in management

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 in order to start up his own consultancy within sporting industry, based in Bordeaux, France. His last day at Marimekko will be 2 August 2022. The search for Dan Trapp's successor has started.

Major risks and factors of uncertainty

Factors of uncertainty over the global economic trend affect the retail trade and consumer confidence in all of the company's market areas. The coronavirus pandemic has been the worst crisis experienced by the global fashion industry and specialty retail sector in decades. The development of the pandemic situation in different markets and related restrictions, in particular in China, the war in Ukraine, various political tensions, and further increased inflation following these factors impact the global economic trend as well as consumers' purchasing power and behavior. These factors can have significant impacts on Marimekko's sales, profitability, cash flow, the operational reliability and efficiency of the company's value chain.

Changes in consumer behavior and buying power, especially in Finland and Japan, which are the company's biggest single countries for business, pose considerable strategic risks to the company. Other strategic risks include risks related to changes in the company's design, product assortment and product distribution and pricing. Increased inflation increases pressure to raise prices while the uncertainty in the global economy negatively affects consumers'

buying power and behavior. Digitization in retail trade has gathered pace in the past few years and will further accelerate as a result of the coronavirus pandemic, which can have an impact on the company's distribution channel solutions and choices, sales and profitability, as well as create new revenue generation models. The importance of omnichannel business in the retail trade is emphasized. International e-commerce increases the options available to consumers and the significance of big e-commerce operators. The coronavirus pandemic has also intensified the financial difficulties of many traditional wholesale customers in the fashion sector, such as department stores and multi-brand retailers, which may have an impact on Marimekko's business and distribution channel choices. Maintaining competitiveness in a rapidly changing operating environment being revolutionized by digitization demands agility, efficiency, flexibility and the constant re-evaluation of operations. 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 also has an impact on the company's sales and profitability. In addition, the war in Ukraine and various political tensions can affect consumers' purchasing behavior as well as supply or logistics chains and consequently impact the company's sales and profitability.

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 it plays an important role in the company's growth and internationalization. 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 have increased, which may have an impact on the company's sales and profitability. Internationalization also increases the applicable regulation for company's operations in different markets.

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 value and reputation of the company. 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.

Prominent among the company's operational risks are those related to internationalization, digitization, sustainability as well as the supply 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 also be significant. The coronavirus pandemic increases operational risks related especially to taking care of the health and safety of customers and employees, securing sufficient workforce in cases of sickness caused by the pandemic, risks related to production, supply and logistics chain reliability and efficiency, inventory and product flow management as well as cybersecurity and information system reliability as the importance of e-commerce is further emphasized. The pandemic situation and related restrictions for example in China cause supply chain disruptions, resulting in delivery delays. Delays like these can, through the availability of products, impact net sales and profitability. Early commitment to product orders from subcontractors, which is typical of the industry and has been further accentuated in the pandemic situation, weakens the company's possibilities to optimize product orders and respond to rapid changes in demand especially in exceptional situations.

In normal circumstances, too, there are risks associated with information system reliability, dependability and compatibility. With digitization and internationalization, cybercrime and cyber attacks, particularly in exceptional situations, various 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. Data leakage can lead to claims for damages and reputation risks.

Operational risks related to Marimekko's supply chain are associated especially with production, procurement and logistics processes and their flexibility and efficiency, price fluctuations for raw materials and procurements as well as the availability and price of logistics. The pandemic situation and related restrictions, such as those in China, and the war in Ukraine cause even significant disruptions in production and logistics chains which may negatively impact company's sales and profitability. In addition, it is of utmost importance to safeguard the operational reliability of the company's own printing factory in all circumstances. The continued overall increased prices of raw materials and other factors of production as well as for logistics also impact Marimekko. The price of Marimekko's single most important raw material, cotton, is at historically high levels. Early commitment to product orders from subcontractors, which is typical of the industry, means that changes in material costs affect the company with a delay. Marimekko is actively working on mitigating disruptions in production and logistics chains and the negative effects of increased costs. As product distribution is expanded and operations are diversified, risks associated with inventory management also grow. Substantial nonrecurring 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 nonrecurring promotions.

Enhancing sustainability is increasingly important for competitiveness in the industry, which can have an impact on the company's sales and profitability, as versatile investments are required for the enhancement. The company primarily uses subcontractors to manufacture its products. Of the sustainability elements of manufacturing, especially social aspects related to the supply chain (including human rights, working conditions and remuneration) and environmental aspects (for example, production methods as well as raw materials and chemicals used) as well as transparent communications on these subjects are of growing significance to customers. These sustainability elements apply to Marimekko's own production and sourcing as well as licensed products. Compliance with sustainable business methods is important in maintaining customers' confidence; any failures or errors in this area will involve reputation risks. Business and reputation risks and potential claims for damages are prevented by taking care of product safety as well as through continuous quality control and sustainability work.

Climate change is expected to bring an increase in various extreme phenomena such as floods, forest and bush fires, typhoons and hurricanes. Marimekko has stores in areas in which such extreme phenomena may occur, and if they damage stores or cause momentary changes in consumers' purchasing behavior, it may result in lost sales as well as expenses. Extreme phenomena may also affect the availability of products if they cause damage to the company's suppliers' factories or hamper the logistics chain. Furthermore, climate change or extreme weather may cause droughts, soil depletion or other changes in growth conditions, which could impact the availability and price of Marimekko's most used raw material, cotton.

Among the company's financial risks, those related to the structure of sales, price trends for factors of production, changes in cost structure, changes in exchange rates (particularly the US dollar), taxation, and customers' liquidity may have an impact on the company's financial

status. The US dollar has strengthened significantly, which affects company's dollar-denominated items.

Market outlook and growth targets for 2022

The coronavirus pandemic has been the worst crisis experienced by the global fashion industry and specialty retail sector in decades, and it will impact the sector in 2022 as well. The development of the pandemic situation in different markets, political tensions, and increased inflation impact the global economic trend as well as consumers' purchasing behavior and, as a result, can have an impact on Marimekko's business. The war in Ukraine does not directly affect Marimekko's business as Marimekko's products are not manufactured or sold in Russia, Belarus or Ukraine and the company does not source raw materials from these countries. However, the war in Ukraine causes disturbances in global supply chains and contributes to the general economic situation and consumers' buying power and behavior. These factors may affect company's sales and profitability as well as operational reliability and efficiency of the company's value chain.

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 total value of nonrecurring promotional deliveries in wholesale in 2022 is estimated to be substantially lower than the year before.

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. The other Asian countries' combined share of the company's net sales is still smaller than in Japan, but operations in these countries are constantly growing. 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 clearly in 2022. The aim is to open approximately 5 to 10 new Marimekko stores and shop-in-shops in 2022, and most of the planned openings will be in Asia.

Marimekko estimates that both retail and wholesale sales will increase in 2022. Licensing income is also forecasted to be higher than in the previous year. Marimekko will continue actions to control gray exports, but these actions will have a significantly lower weakening impact on the company's sales and earnings in 2022 than in the previous year. Because of the seasonal nature of Marimekko's business, the major portion of the company's euro-denominated net sales and earnings are traditionally generated during the second half of the year. In percentage terms, net sales growth is expected to be stronger at the beginning of 2022 than in the second half of the year. In 2021, the pandemic situation had a negative impact on the footfall in Marimekko's own stores at the beginning of the year and the net sales in the second half of the year were supported, for example, by substantial nonrecurring promotional deliveries in wholesale in Finland.

The coronavirus pandemic, related restrictions and the war in Ukraine cause disruptions in global supply chains. These disruptions have resulted in delivery delays, and thus can impact Marimekko's net sales and profitability. In addition, disruptions in supply chain increase logistics costs, which have also grown overall worldwide. Furthermore, net sales and earnings essentially depend on maintaining the operational reliability and efficiency of distribution centers and logistics in the exceptional situation. Costs of raw and other materials have increased globally. Early commitment to product orders, which is typical of the fashion and design industry, means that changes in raw and other material prices affect the company with a delay. In addition, the early commitment to product orders, further emphasized in the pandemic

situation, undermines the company's ability to optimize product orders and respond to rapid fluctuations in demand, especially in exceptional situations. Marimekko is actively working on mitigating disruptions in supply chain and the negative effects of increased costs.

Marimekko continues to accelerate its long-term international growth. In 2022, it will invest especially in increasing brand awareness, in digital and omnichannel business, in developing sustainability, in recruitments supporting its growth as well as in IT systems. Fixed costs are expected to be up on the previous year. In 2021, fixed costs were still reduced by partly temporary cost savings. Marketing expenses are expected to grow (2021: EUR 7.5 million).

Marimekko is closely monitoring the impacts of the war in Ukraine and the coronavirus pandemic and will adjust its operations and plans according to the situation.

Financial guidance for 2022

The Marimekko Group's net sales for 2022 are expected to grow from the previous year (2021: EUR 152.2 million). Comparable operating profit margin is estimated to be approximately some 17–20 percent (2021: 20.5 percent). Global supply chain disruptions and generally increased material and logistics costs in particular cause volatility to the outlook for 2022.

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 Interim Report.

Financial calendar for 2022

The half-year financial report for January-June will be issued on Wednesday, 17 August 2022 at 8.00 a.m., and the interim report for January-September on Wednesday, 2 November 2022 at 8.00 a.m.

Helsinki, 12 May 2022

Marimekko Corporation
Board of Directors

The quarterly results for 2022 are unaudited. The full-year 2021 figures are based on the audited financial statements for 2021. There may be differences in totals due to rounding to the nearest thousand euros.

Accounting principles

This interim report was prepared in compliance with IAS 34. Marimekko has applied the same accounting principles in this report as were applied in its 2021 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 statement 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.

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

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)	1-3/2022	1-3/2021	1-12/2021
NET SALES	36,044	29,103	152,227
Other operating income	23	19	148
Changes in inventories of finished goods and work in progress	692	1,560	3,151
Raw materials and consumables	-14,046	-11,837	-61,484
Employee benefit expenses	-7,141	-6,582	-28,239
Depreciation and impairment *	-2,488	-3,006	-11,874
Other operating expenses *	-6,455	-3,636	-22,680
OPERATING PROFIT *	6,629	5,622	31,249
Financial income	311	271	851
Financial expenses	-421	-385	-1,403
	-111	-114	-552
RESULT BEFORE TAXES *	6,518	5,508	30,697
Income taxes *	-1,474	-1,081	-6,289
NET RESULT FOR THE PERIOD *	5,044	4,427	24,408
Distribution of net result to equity holders of the parent company	5,044	4,427	24,408
Basic and diluted earnings per share calculated on the result attributable to equity holders of the parent company, EUR *, **	0.12	0.11	0.60

* The quarterly figures for comparable period have been restated as the accounting principle changed in 2021 following the IFRS Interpretations Committee agenda decision. Additional information is presented in the accounting principles of this Interim Report.

** 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.

COMPREHENSIVE CONSOLIDATED INCOME STATEMENT

(EUR 1,000)	1-3/2022	1-3/2021	1-12/2021
NET RESULT FOR THE PERIOD *	5,044	4,427	24,408
Items that could be reclassified to profit or loss at a future point in time			
Change in translation difference	-66	-102	-108
COMPREHENSIVE RESULT FOR THE PERIOD *	4,978	4,325	24,300
Distribution of the result to equity holders of the parent company	4,978	4,325	24,300

* The quarterly figures for comparable period have been restated as the accounting principle changed in 2021 following the IFRS Interpretations Committee agenda decision. Additional information is presented in the accounting principles of this Interim Report.

CONSOLIDATED BALANCE SHEET

(EUR 1,000)	31.3.2022	31.3.2021	31.12.2021
ASSETS			
NON-CURRENT ASSETS			
Intangible assets *	422	939	487
Tangible assets	33,577	38,632	33,187
Other financial assets	505	16	533
Deferred tax assets *	492	1,072	942
	34,996	40,659	35,149
CURRENT ASSETS			
Inventories	26,504	24,031	25,983
Trade and other receivables	10,866	9,132	12,029
Current tax assets	62	-	-
Cash and cash equivalents	46,952	33,135	59,726
	84,385	66,298	97,738
ASSETS, TOTAL *	119,381	106,957	132,887

* The quarterly figures for comparable period have been restated as the accounting principle changed in 2021 following the IFRS Interpretations Committee agenda decision. Additional information is presented in the accounting principles of this Interim Report.

CONSOLIDATED BALANCE SHEET

(EUR 1,000)	31.3.2022	31.3.2021	31.12.2021
SHAREHOLDERS' EQUITY AND LIABILITIES			
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY			
Share capital	8,040	8,040	8,040
Reserve for invested non-restricted equity	1,228	1,228	1,228
Treasury shares	-87	-315	-210
Translation differences	-148	-75	-81
Retained earnings *	58,259	40,471	60,856
Shareholders' equity, total *	67,292	49,349	69,833
NON-CURRENT LIABILITIES			
Lease liabilities	22,745	25,064	21,976
	22,745	25,064	21,976
CURRENT LIABILITIES			
Trade and other payables	18,733	21,457	28,272
Current tax liabilities	-	203	2,505
Lease liabilities	8,117	9,919	8,503
Financial liabilities	2,493	965	1,798
	29,343	32,544	41,078
Liabilities, total	52,088	57,608	63,055
SHAREHOLDERS' EQUITY AND LIABILITIES, TOTAL *	119,381	106,957	132,887

* The quarterly figures for comparable period have been restated as the accounting principle changed in 2021 following the IFRS Interpretations Committee agenda decision. Additional information is presented in the accounting principles of this Interim Report.

CONSOLIDATED CASH FLOW STATEMENT

(EUR 1,000)	1-3/2022	1-3/2021	1-12/2021
CASH FLOW FROM OPERATING ACTIVITIES			
Net result for the period *	5,044	4,427	24,408
Adjustments			
Depreciation and impairments *	2,488	3,006	11,874
Financial income and expenses	111	114	552
Taxes *	1,474	1,081	6,289
Share-based payments	606	-	509
Cash flow before change in working capital	9,723	8,627	43,631
Change in working capital	-8,959	-5,304	-2,225
Increase (-) / decrease (+) in current non-interest-bearing trade receivables	1,088	-1,089	-4,152
Increase (-) / decrease (+) in inventories	-473	-1,529	-3,477
Increase (+) / decrease (-) in current non-interest-bearing liabilities	-9,574	-2,685	5,404
Cash flow from operating activities before financial items and taxes	763	3,324	41,407
Paid interest and payments on other financial expenses	-316	-379	-1,271
Interest received and payments on other financial income	53	8	31
Taxes paid	-3,579	-1,495	-4,265
CASH FLOW FROM OPERATING ACTIVITIES	-3,079	1,458	35,902

* The quarterly figures for comparable period have been restated as the accounting principle changed in 2021 following the IFRS Interpretations Committee agenda decision. Additional information is presented in the accounting principles of this Interim Report.

CONSOLIDATED CASH FLOW STATEMENT

(EUR 1,000)	1-3/2022	1-3/2021	1-12/2021
CASH FLOW FROM INVESTING ACTIVITIES			
Investments in tangible and intangible assets *	-112	-768	-910
CASH FLOW FROM INVESTING ACTIVITIES	-112	-768	-910
CASH FLOW FROM FINANCING ACTIVITIES			
Short-term loans drawn	650	204	932
Payments of lease liabilities	-2,321	-2,619	-10,247
Dividends paid	-8,124	-6,322	-7,299
CASH FLOW FROM FINANCING ACTIVITIES	-9,795	-8,737	-16,613
Change in cash and cash equivalents	-12,986	-8,048	18,378
Cash and cash equivalents at the beginning of the period	59,726	41,045	41,045
Effects of exchange rate fluctuations	212	138	303
Cash and cash equivalents at the end of the period	46,952	33,135	59,726

In addition, Marimekko has unused committed credit lines of EUR 14,348 thousand (16,967).

* The quarterly figures for comparable period have been restated as the accounting principle changed in 2021 following the IFRS Interpretations Committee agenda decision. Additional information is presented in the accounting principles of this Interim Report.

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
Comprehensive result						
Net result for the period *					4,427	4,427
Translation differences				-102		-102
Total comprehensive result for the period *				-102	4,427	4,325
Transactions with owners						
Dividends paid					-7,299	-7,299
Shareholders' equity, 31 March 2021 *	8,040	1,228	-315	-75	40,471	49,349
Shareholders' equity, 1 Jan. 2022	8,040	1,228	-210	-81	60,856	69,833
Comprehensive result						
Net result for the period					5,044	5,044
Translation differences				-66		-66
Total comprehensive result for the period				-66	5,044	4,978
Transactions with owners						
Dividends paid					-8,124	-8,124
Share-based payments			123		483	606
Shareholders' equity, 31 March 2022	8,040	1,228	-87	-148	58,259	67,292

* The quarterly figures for comparable period have been restated as the accounting principle changed in 2021 following the IFRS Interpretations Committee agenda decision. Additional information is presented in the accounting principles of this Interim Report.

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
Change in accounting principle *	-36	-	-	-
Translation differences	-34	416	218	634
Increases	387	290	4	294
Transfers between categories	160	-	-160	-160
Acquisition cost, 31 March 2021 *	11,064	58,835	29,181	88,016
Accumulated depreciation, 1 Jan. 2021	10,082	21,562	24,418	45,981
Translation differences	-34	263	213	476
Depreciation during the period *	78	2,690	238	2,928
Accumulated depreciation, 31 March 2021 *	10,126	24,515	24,869	49,385
Book value, 31 March 2021 *	938	34,320	4,312	38,632
Acquisition cost, 1 Jan. 2022	10,546	62,142	29,360	91,501
Translation differences	-17	424	151	575
Increases	39	2,612	101	2,713
Decreases	-613	-	-653	-653
Transfers between categories	-28	-	-	-
Acquisition cost, 31 March 2022	9,927	65,177	28,959	94,136
Accumulated depreciation, 1 Jan. 2022	10,060	32,664	25,650	58,314
Translation differences	-17	337	149	486
Accumulated depreciation of decreases	-613	-	-653	-653
Depreciation during the period	76	2,222	191	2,412
Accumulated depreciation, 31 March 2022	9,505	35,223	25,336	60,559
Book value, 31 March 2022	422	29,954	3,623	33,577

* The quarterly figures for comparable period have been restated as the accounting principle changed in 2021 following the IFRS Interpretations Committee agenda decision. Additional information is presented in the accounting principles of this Interim Report.

KEY FIGURES

	1-3/2022	1-3/2021	Change, %	1-12/2021
Earnings per share, EUR *, **	0.12	0.11	14	0.60
Equity per share, EUR *, **	1.66	1.22	36	1.72
Return on equity (ROE), % *	42.9	40.5		40.0
Return on investment (ROI), % *	35.2	29.0		33.0
Equity ratio, % *	57.2	46.8		53.3
Gearing, % *	-20.2	5.7		-39.3
Gross investments, EUR 1,000 *	140	355	-61	207
Gross investments, % of net sales *	0.4	1.2		0.1
Contingent liabilities, EUR 1,000	900	767	17	834
Average personnel	406	414	-2	401
Personnel at the end of the period	409	416	-2	409
Number of shares outstanding at the end of the period **	40,621,380	40,549,170		40,582,370
Average number of shares outstanding **	40,647,129	40,549,170		40,554,370

* The quarterly figures for comparable period have been restated as the accounting principle changed in 2021 following the IFRS Interpretations Committee agenda decision. Additional information is presented in the accounting principles of this Interim Report.

** 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.

NET SALES BY MARKET AREA

(EUR 1,000)	1-3/ 2022	1-3/ 2021	Change, %	1-12/ 2021
Finland	18,498	14,534	27	92,299
Retail sales	10,109	8,579	18	53,547
Wholesale sales	8,357	5,913	41	38,547
Licensing income	33	42	-21	205
Scandinavia	2,990	2,435	23	12,661
Retail sales	988	657	50	3,785
Wholesale sales	2,002	1,778	13	8,651
Licensing income	-	-		225
EMEA	5,463	4,090	34	12,895
Retail sales	625	442	41	1,906
Wholesale sales	3,469	2,681	29	9,764
Licensing income	1,368	967	42	1,225
North America	1,815	1,443	26	8,397
Retail sales	1,187	1,024	16	5,583
Wholesale sales	455	312	46	2,444
Licensing income	172	107	62	371
Asia-Pacific	7,278	6,602	10	25,974
Retail sales	1,274	906	41	4,207
Wholesale sales	5,886	5,664	4	21,305
Licensing income	117	31		462
International sales, total	17,546	14,569	20	59,927
Retail sales	4,075	3,029	35	15,481
Wholesale sales	11,813	10,435	13	42,164
Licensing income	1,658	1,105	50	2,283
Total	36,044	29,103	24	152,227
Retail sales	14,183	11,608	22	69,027
Wholesale sales	20,170	16,348	23	80,711
Licensing income	1,691	1,146	48	2,488

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

NET SALES BY PRODUCT LINE

(EUR 1,000)	1-3/2022	1-3/2021	Change, %	1-12/2021
Fashion	12,115	9,735	24	43,848
Home	15,366	12,522	23	78,677
Bags and accessories	8,563	6,846	25	29,702
Total	36,044	29,103	24	152,227

QUARTERLY TREND IN NET SALES AND EARNINGS

(EUR 1,000)	1-3/2022	10-12/2021	7-9/2021	4-6/2021
Net sales	36,044	48,066	42,363	32,695
Operating profit *	6,629	7,618	13,127	4,882
Earnings per share, EUR *, **	0.12	0.14	0.26	0.09

(EUR 1,000)	1-3/2021	10-12/2020	7-9/2020	4-6/2020
Net sales	29,103	37,358	38,011	23,327
Operating profit *	5,622	4,816	10,399	2,444
Earnings per share, EUR *, **	0.11	0.08	0.19	0.05

* The quarterly figures for comparable period have been restated as the accounting principle changed in 2021 following the IFRS Interpretations Committee agenda decision. Additional information is presented in the accounting principles of this Interim Report.

** 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

	31.3.2022	31.3.2021	31.12.2021
Finland	64	65	64
Company-owned stores	25	25	25
Company-owned outlet stores	12	12	12
Retailer-owned stores	12	13	12
Retailer-owned shop-in-shops	15	15	15
Scandinavia	7	8	8
Company-owned stores	4	5	5
Company-owned outlet stores	-	-	-
Retailer-owned stores	-	-	-
Retailer-owned shop-in-shops	3	3	3
EMEA	1	2	2
Company-owned stores	-	-	-
Company-owned outlet stores	-	-	-
Retailer-owned stores	-	-	-
Retailer-owned shop-in-shops	1	2	2
North America	3	5	4
Company-owned stores	1	3	2
Company-owned outlet stores	1	1	1
Retailer-owned stores	1	1	1
Retailer-owned shop-in-shops	-	-	-
Asia-Pacific	72	74	74
Company-owned stores	4	4	4
Company-owned outlet stores	-	-	-
Retailer-owned stores	57	59	59
Retailer-owned shop-in-shops	11	11	11
Total	147	154	152
Company-owned stores	34	37	36
Company-owned outlet stores	13	13	13
Retailer-owned stores	70	73	72
Retailer-owned shop-in-shops	30	31	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 47 at the end of March 2022 (50).

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 March

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