

# Review by the President and CEO

TIINA ALAHUHTA-KASKO

# Marimekko story

IDEA

marimekko

# 70 years old lifestyle brand



Empowering people to be happy as they are and bring joy to their everyday lives through bold prints and colors.

Empowered and open-hearted urban explorers, conscious customers, who march to their own beat in life.

To be the world's most inspiring lifestyle design brand renowned for bold prints.

# Long-term growth strategy and financial targets

## Key markets Northern Europe, the Asia-Pacific region and North America

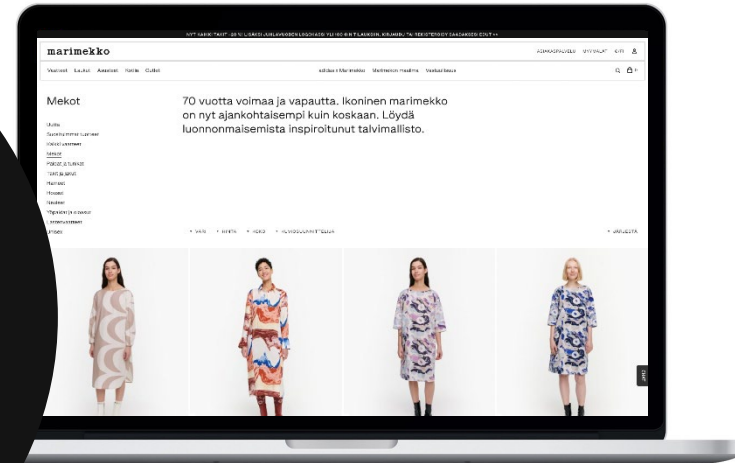




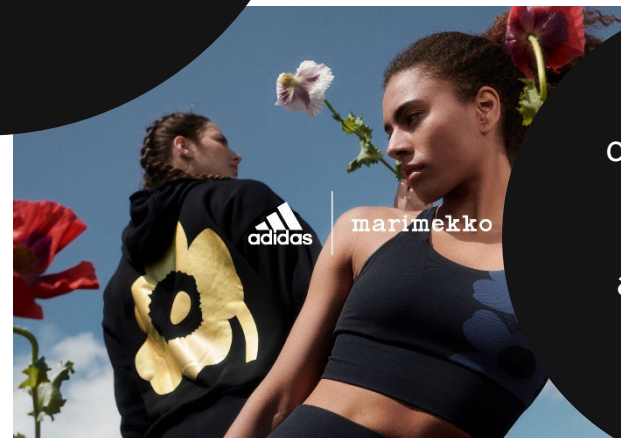
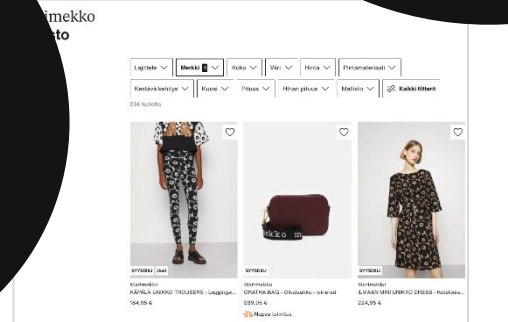
# Global brand with strong growth opportunities



**Direct-to-Consumer (DTC):**  
Marimekko online store and omnichannel retail, operated by the company or its partners, at the heart of distribution strategy

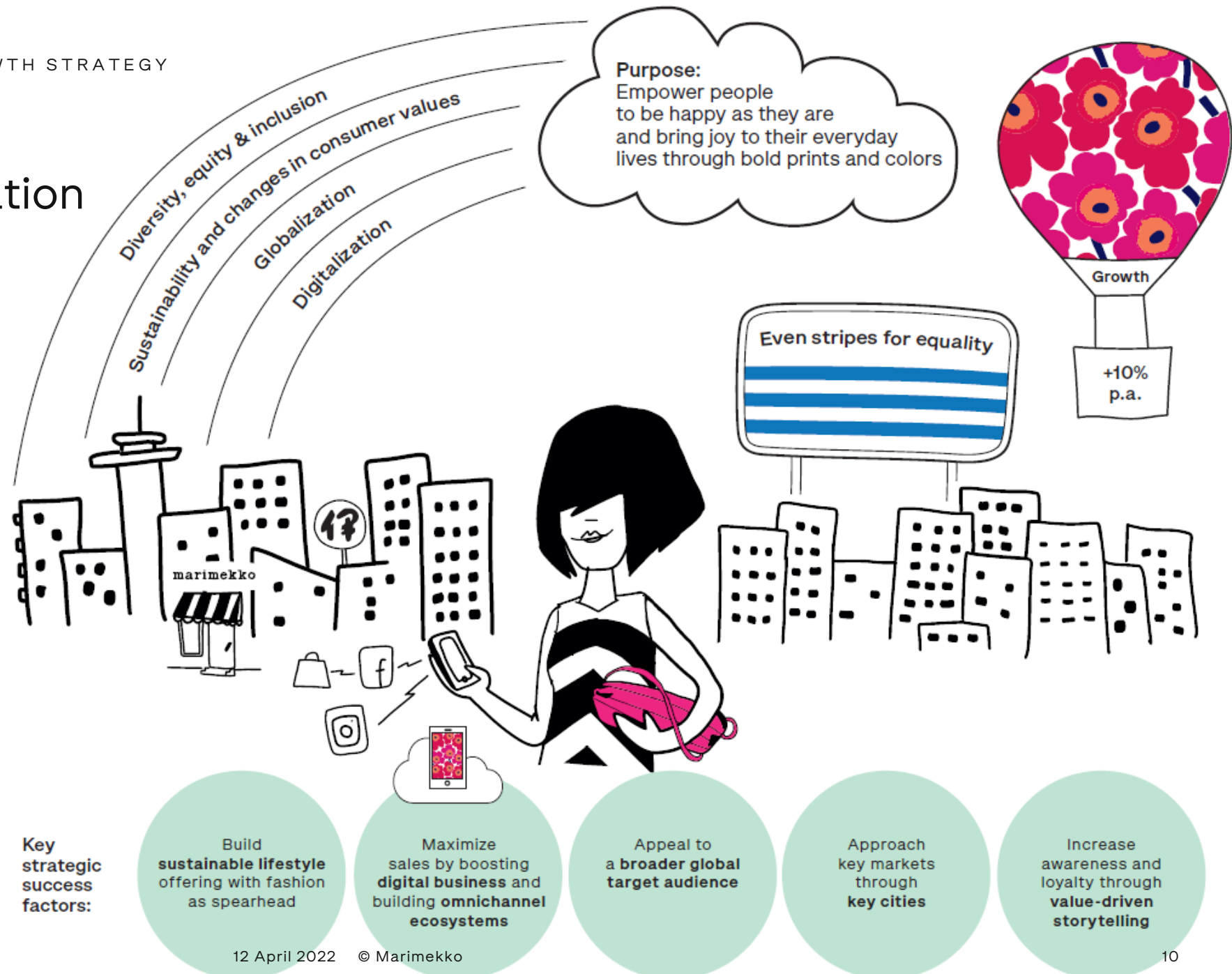


Select physical and online retailers as sales and marketing channels



Brand collaborations & licensing to build awareness and complement offering

Megatrends such as accelerating digitalization and increasing importance of sustainability present unique growth opportunities for Marimekko



# At the forefront of developing more sustainable products and practices

Our three guiding principles



Timeless design brings joy  
for generations to come



The products of  
tomorrow leave no trace



Positive change through  
fairness & equality

## Long-term financial targets

### Annual growth in net sales over 10%

2021: 23.2%                      2020: -1%

### Operating profit margin 15%

2021: 20.5%\*                      2020: 15.9%\*

### Net debt / EBITDA at year end max. 2

2021: -0.64                      2020: -0.10

### Yearly dividend, at least 50% of EPS

2021\*\*: 119.6%                      2020: 61.0%

\* Comparable operating profit margin

\*\* Proposal to the AGM; includes regular dividend of EUR 1.60 and an extraordinary dividend of EUR 2.00.



# Financials 2021

## Year 2021 the best in Marimekko history

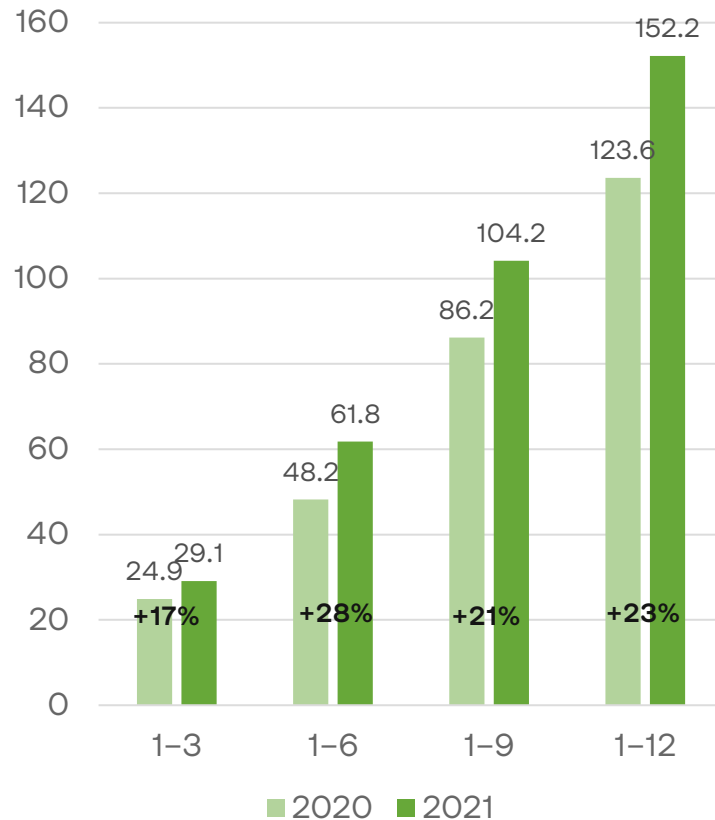
- In 2021, our net sales grew by 23% to EUR 152.2 million (123.6).  
Net sales in Finland increased by 30% and international sales grew by 14%.
- Our comparable operating profit in 2021 improved by 59% to EUR 31.2 million (19.6).  
Earnings were boosted especially by increased net sales but also improved relative sales margin.
- Our comparable operating profit margin was 20.5% (15.9).



# Net sales +23% to EUR 152.2 million (123.6)

Growth in particular from the good development of wholesale and retail sales in Finland. In addition, wholesale sales in the Asia-Pacific region and Scandinavia as well as retail sales in North America grew strongly.

Cumulative net sales, EUR million



EUR million	2021	2020	Change %
<b>Finland</b>	<b>92.3</b>	<b>71.1</b>	<b>30</b>
Scandinavia	12.7	9.9	28
EMEA	12.9	14.0	-8
North America	8.4	6.5	30
Asia-Pacific	26.0	22.1	17
<b>International sales</b>	<b>59.9</b>	<b>52.4</b>	<b>14</b>
<b>TOTAL</b>	<b>152.2</b>	<b>123.6</b>	<b>23</b>

**Marimekko net sales +23%**

- retail sales +15%
- wholesale sales +33%
- licensing income -12%

**Sales in Finland +30%**

- retail sales +17% (like-for-like +16%)
- wholesale sales +54%
- licensing income +30%

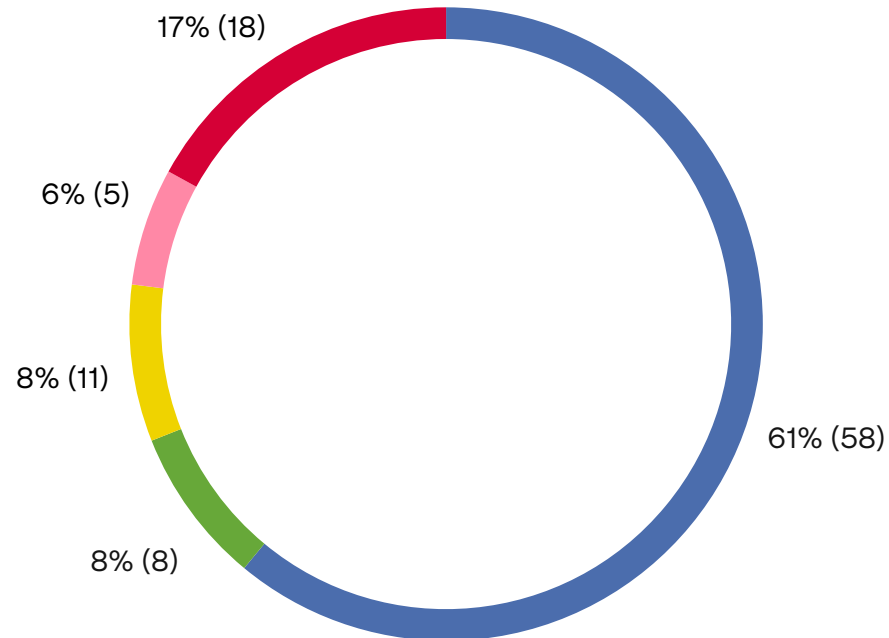
**International sales +14%**

- retail sales +10%
- wholesale sales +18%
- licensing income -14%

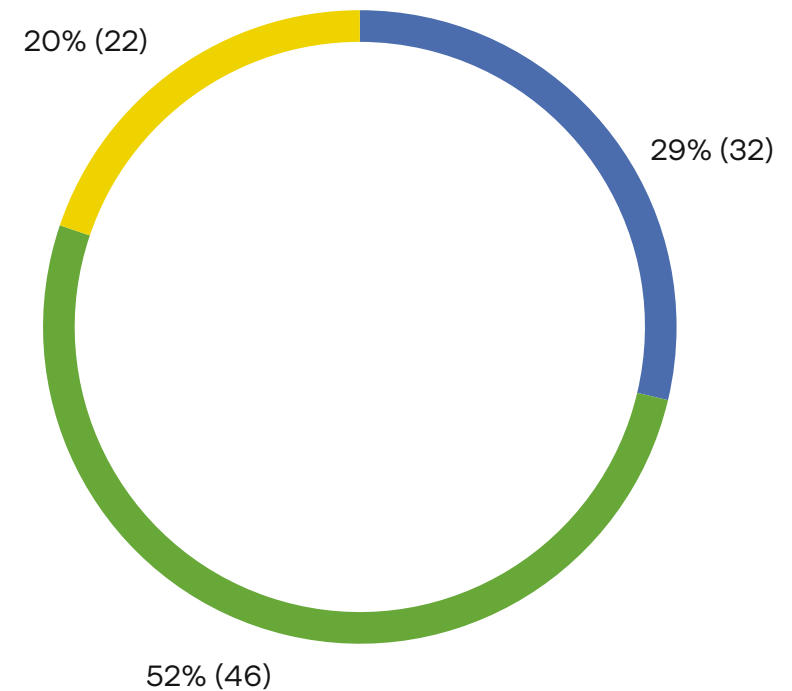
# Growth strongest for home products (+40%), also fashion (+10%) and bags & accessories (+8%) developed positively

Finland a strong home market, the Asia-Pacific region second biggest market

Net sales by market area, 1-12/2021 (1-12/2020)



Net sales by product line, 1-12/2021 (1-12/2020)

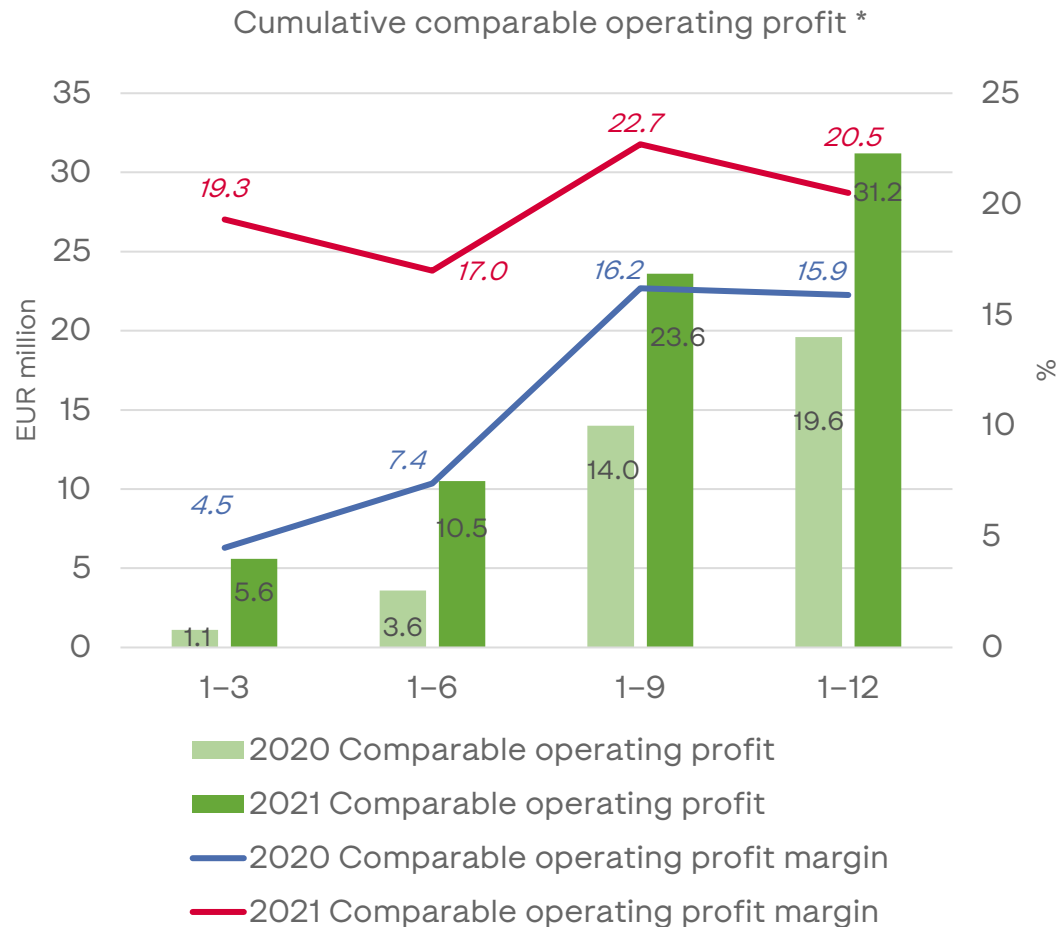


■ Finland ■ Scandinavia ■ EMEA ■ North America ■ Asia-Pacific

■ Fashion ■ Home ■ Bags & Accessories



# Historically good result, comparable operating profit increased by 59%



- Comparable operating profit EUR 31.2 million (19.6)
- No items affecting comparability, so operating profit EUR 31.2 million (18.8)
- Earnings were 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 results.

\* The quarterly figures for the review and comparable period have been restated as the accounting principle has changed following the IFRS Interpretations Committee agenda decision. Additional information is presented in the accounting principles of Financial Statements Bulletin.

## 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 the Report of the Board of Directors.

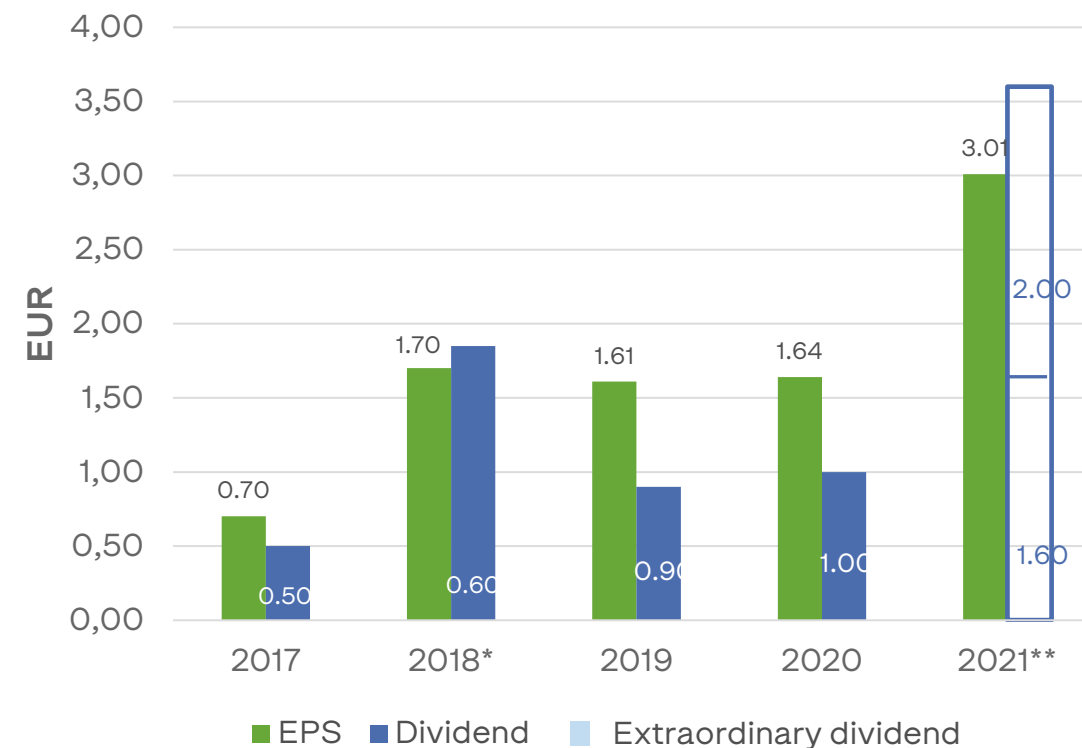


## Proposal for dividend for 2021

The parent company's distributable funds amounted to EUR 55,890,746.68; profit for the financial year was EUR 24,865,528.81.

Marimekko's Board of Directors proposes to the Annual General Meeting that a regular dividend of EUR 1.60 per share and an extraordinary dividend of EUR 2.00 per share be paid for 2021.

The Board proposes 14 April 2022 as the dividend payout record date and 25 April 2022 as the dividend payout date.



\* For 2018, a regular dividend of EUR 0.60 per share and an extraordinary dividend of EUR 1.25 per share were paid. The extraordinary dividend was paid because the sale of Marimekko's head office in spring 2018 strengthened the company's financial position.

\*\* Board's proposal to the AGM



# Key events in 2021

## Adidas x Marimekko – bringing together the art of print and performance

In spring 2021, we announced Marimekko's first-ever sports apparel collaboration, together with adidas, a global leader in the sporting goods industry. In the fall, the collaboration continued with a second limited edition collection.

The adidas x Marimekko capsule collection embraces both brands' commitment to sustainability, originality and empowerment.

In addition to increasing international awareness, brand collaborations provide Marimekko licensing income, which is part of our business model.



## New collaboration with Japanese Uniqlo

In May 2021, Marimekko and the Japanese global apparel retailer UNIQLO launched a limited edition Spring/Summer capsule collection celebrating midsummer traditions. The collection was one of UNIQLO's spearhead collaborations for 2021.

Brand collaborations offer Marimekko a unique opportunity to increase international brand awareness and thus support our core business.



## New audiences also through local brand collaborations

In October, we launched our first limited-edition collaboration products specifically for the Chinese market together with the specialty coffee chain Seesaw.

In addition to global brand partnerships, which provide wide visibility, targeted local collaborations in our main markets are an important way to introduce more and more new audiences to Marimekko.



# Celebrating Marimekko's 70th anniversary throughout the year in many ways

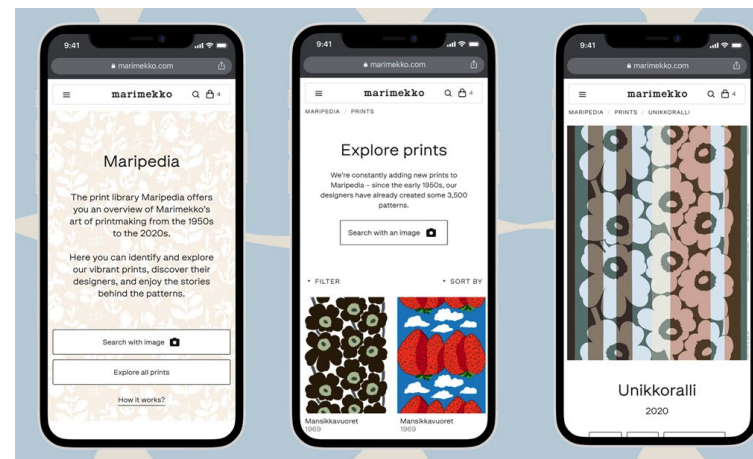
In spring 2021, we celebrated our anniversary with the world's most inclusive fashion party, an anniversary book and number of pop-up stores around the world, among others.

As inclusivity and equality are important values for Marimekko, we wanted to bring people together and continue our tradition of open fashion events.

The celebration of our 70th anniversary culminated in December in the launch of Maripedia, which opens our extensive print archive to the general public.



marimekko.party Come as you are



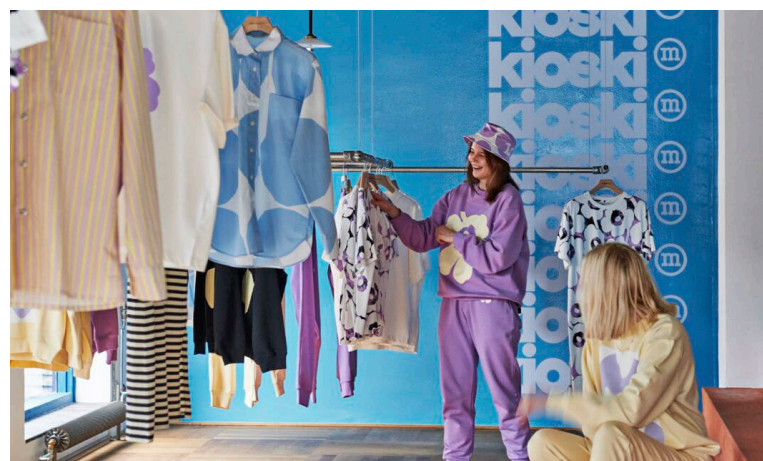
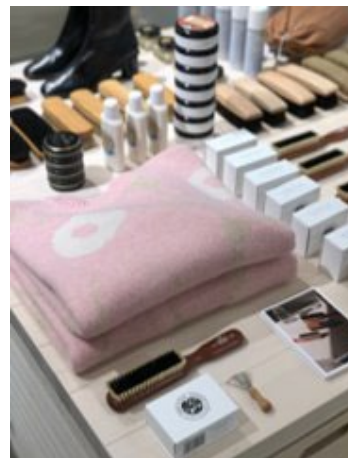


## Continuously strengthened omnichannel ecosystem

Our omnichannel store network was further strengthened, when six new Marimekko brick-and-mortar stores and two online stores were opened in the Asia-Pacific region in 2021. Furthermore, customers around the world were introduced to Marimekko in 32 pop-up stores during the year.

In spring, we launched our fully revamped online store. The importance of online sales in our business continues to grow.

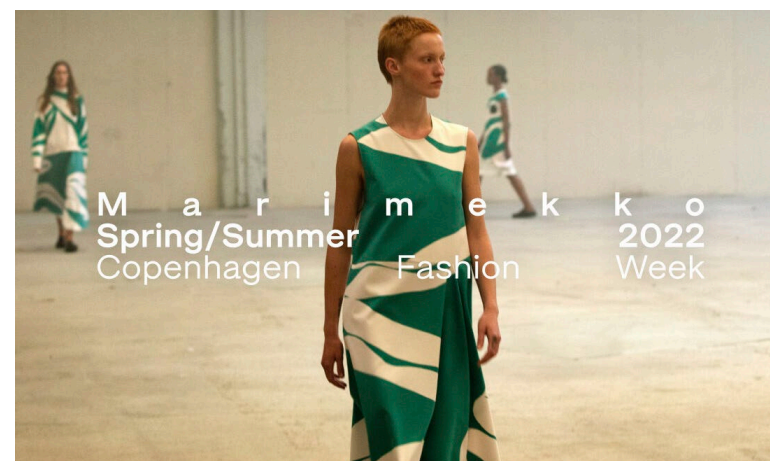
In addition to ecommerce, physical stores have an important role for consumers as inspirational and experiential meetings places centering around personal service. Creative retail concepts are an important part of omnichannel customer experience, and we believe their significance will further grow in the new, post-pandemic reality.



# Copenhagen Fashion Week

In 2021, Marimekko participated twice to Copenhagen Fashion Week. In August, we presented our debut Spring/Summer 2022 collection under the creative direction of Rebekka Bay.

Copenhagen Fashion Week's focus on sustainability makes it one of the most interesting global events in the industry and a natural opportunity for Marimekko to build international awareness.



# marimekko Pre-loved

In 2021, our sustainability work focused in increasing the proportion of more sustainable materials in our products and prolonging product lifetime, among other things.

In August, Marimekko presented a carefully curated collection of vintage Marimekko pieces. This second-hand pilot on our revamped online store, Marimekko Pre-loved, was enthusiastically received.

We want to create timeless design and future classics and, in the coming years, to offer more comprehensive services to lengthen the product lifetime as well as support our community to resell and recycle used Marimekko products.

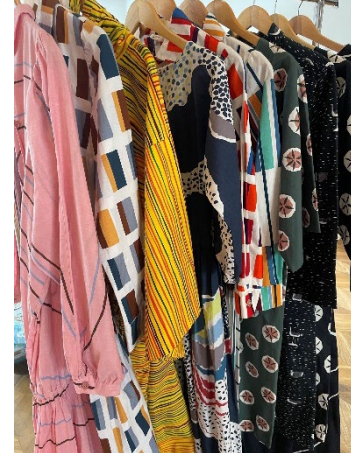


## At the forefront in promoting sustainability

Our own printing factory in Helsinki enables us to participate in various development projects and thus help to move the entire industry forward. Our first products printed using a blue dye obtained from woad plant were brought to the stores in the summer 2021.

At the end of the year, we introduced products repurposed as scented candles and piloted Marimekko Upcycled concept with Jokapoika shirts upcycled from earlier collections.

In accordance with our values, we want to be at the forefront in promoting sustainability and, through the power of our example, to move the entire industry towards a more sustainable future.





**marimekko**

70 YEARS OF THE ART OF PRINTMAKING