

# VERKKOKAUPPA.COM OYJ INTERIM REPORT

January – March 2022





## INTERIM REPORT for 1 January – 31 March 2022

### Verkkokauppa.com's consumer sales softer than expected in the first quarter

Verkkokauppa.com Oyj – Interim Report 28 April 2022, 8:00 a.m. EEST

Unless otherwise stated, the comparison figures in brackets refer to the corresponding period in the previous year (reference period). Figures are unaudited.

#### January – March 2022 in brief

- Revenue was EUR 124.8 million (134.0)
- Gross profit was EUR 19.3 million (21.7) or 15.4% of revenue (16.2%)
- Operating profit (EBIT) was EUR 0.7 million (5.2) or 0.5% of revenue (3.9%)
- Comparable operating profit was EUR 0.9 million (5.2) or 0.7% of revenue (3.9%)
- Net profit was EUR 0.2 million (3.9)
- Earnings per share were EUR 0.00 (0.09)
- Investments were EUR 1.4 million (0.4)
- Operating cash flow was EUR -16.8 million (-9.1)
- The Annual General Meeting decided to pay a dividend of 0.060 per share, with a payment date of 4 April 2022. In addition, the AGM authorized the Board of Directors to decide at its discretion the distribution of EUR 0.061 per share be paid as the first quarterly installment, and the payment date to be 9 May 2022.

KEY RATIOS	1-3/2022	1-3/2021	Change %	1-12/2021
<b>Eur million</b>				
Revenue	124.8	134.0	-6.9%	574.5
Gross profit	19.3	21.7	-11.4%	91.2
Gross margin, %	15.4%	16.2%		15.9%
EBITDA	2.0	6.4	-69.2%	25.3
EBITDA, %	1.6%	4.8%		4.4%
Operating profit	0.7	5.2	-87.3%	20.3
Operating margin, %	0.5%	3.9%		3.5%
Comparable operating profit	0.9	5.2	-83.2%	20.3
Comparable operating margin, %	0.7%	3.9%		3.5%
Net profit	0.2	3.9	-94.9%	15.1
Investments	1.4	0.4	226.3%	4.9
Operating cash flow	-16.8	-9.1	-85.9%	6.7

#### FINANCIAL GUIDANCE FOR 2022 (updated on 23 March 2022)

The company expects revenue to be between EUR 530–590 million (in 2021 EUR 574.5 million) and comparable operating profit (comparable EBIT) to be between EUR 12-19 million (in 2021 EUR 20.3 million) in 2022.

**CEO PANU PORKKA'S REVIEW**

*" The Autostore warehouse automation investment has been completed as planned. E-ville.com acquisition was completed and the integration of new business into Verkkokauppa.com is well underway"*  
- Panu Porkka, CEO, Verkkokauppa.com

The year 2022 started in challenging conditions and was reflected in the performance of the first quarter. As the restrictions on the corona virus pandemic eased, a new crisis emerged at the end of February with Russia's invasion of Ukraine. We took the decision to close the export business to Russia. At the same time, consumer uncertainty was reflected in increasingly softer demand. As economic growth slows, inflation intensifies and cost levels rise, consumer confidence has continued to weaken sharply in March\*. In this market environment, Verkkokauppa.com's revenue for January-March decreased by 6.9 percent to EUR 124.8 million. Our strategic growth area, corporate sales, was a bright spot of the quarter and grew by 12.0 percent. Demand was good in evolving product categories such as sports equipment and toys, but demand for home electronics as a whole was subdued. Sales of Evolving product categories grew by 10.2 percent during the quarter and their share of sales was 12.4 percent. Certain product areas continued to experience availability challenges due to the worsening corona virus situation in China.

The challenging market led to a tightening of the competitive situation and pricing, which correspondingly reduced the sales margin. Together with the declining sales, this trend weakened the results (EBIT), which was EUR 0.7 million in the first quarter of the year. Logistics costs showed clear signs of increasing, and the share of low-margin sales increased. The gross margin was 15.4 percent of sales. Due to the prevailing market situation

and the halving of our export business, we lowered our full-year profit forecast in March. In addition, the shortage of components and product availability challenges are expected to continue.

The Autostore warehouse automation investment has been completed as planned and the commissioning was finalized in March. The automation will be in use at planned capacity by the end of April. Next, the warehouse project proceeds with the installation of packaging automation. E-ville.com acquisition was completed at the beginning of April, and the integration of new business into Verkkokauppa.com is well underway. As part of the continuous effort to enhance the customer experience, a new consumer customer financing product, "Tili" payment account was launched.

\*Statistics Finland Consumer Confidence Indicator 28 March 2022: [https://www.stat.fi/til/kbar/2022/03/kbar\\_2022\\_03\\_2022-03-28\\_tie\\_001\\_en.html](https://www.stat.fi/til/kbar/2022/03/kbar_2022_03_2022-03-28_tie_001_en.html)

## FINANCIAL DEVELOPMENT

### REVENUE AND PROFITABILITY

EUR million	1-3/2022	1-3/2021	Change, %	2021
Revenue	124.8	134.0	-6.9%	574.5
Operating profit	0.7	5.2	-87.3%	20.3
Operating margin, % of revenue	0.5%	3.9%		3.5%
- advisory costs related to business acquisition	0.2	0.0		0.0
Comparable operating profit	0.9	5.2	-83.2%	20.3
Comparable operating margin, % of revenue	0.7%	3.9%		3.5%

### Share of sales, %

	1-3/2022	1-3/2021	2021
<b>Customer segments</b>			
Consumer	68%	72%	72%
B2B	26%	22%	21%
Export	5%	6%	7%
<b>Sales channels</b>			
Online	63%	64%	61%
Off-line	32%	31%	32%
<b>Product categories</b>			
Core categories (CE)	87.6%	89.5 %	85.6%
Evolving categories	12.4%	10.5%	14.4%
Website visits, million	20.0	19.9	79.5

Sales include orders and deliveries in transit. On-line and off-line sales exclude export sales.

Core categories includes IT (with sub product groups like computers, peripherals, components), Entertainment (TV and video, Audio and hifi, gaming and musical instruments), Mobile devices (telecom, cameras and watches), and small & major domestic appliances. Evolving categories are new and growing in our assortment, and include sports, home and lightning, food and drink, toys, baby and family, BBQ and cooking, pets and luggage and travel.

## January-March 2022

In January-March 2022, Verkkokauppa.com's revenue declined by -6.9 percent year on year, totaling 124.8 million euros (134). Net sales decreased due to weaker-than-expected consumer demand. By contrast, corporate customer sales continued on a growth path and its net sales grew by 12.0 percent, while the customer segment was 26 percent of the company's total sales.

Core categories (CE) share of sales declined -7.9 percent and was 87.6 percent. Within the core categories Computers was a well-performing product group due to lively corporate customer sales. Sales of the Evolving categories grew 10.2 percent during the quarter, and its share of total sales was 12.4 percent. The product groups under the evolving category that sold better for consumer customers than in the comparison year, were toys, baby & family, sports equipment, and luggage.

During the first quarter, Verkkokauppa.com's online sales declined -4.8 percent following lower total sales, and the share of online sales represented 63 percent of the total sales (64%).

At the beginning of March, due to the crisis in Ukraine, the company decided to stop all sales to Russia. Due this, the export business sales decline -30.5 percent and its share of total sales was 5 percent (6%). Revenue excluding exports decreased by 6 percent in January to March.

The proceeds from consumer financing were 1.2 million euros (1.0) including both interest income and fee income.

Personnel costs increased in January-March by 10.4 percent to 10.0 million euros (9.1). During the reporting period, other operating expenses increased to 7.4 million euros (6.4). The increase in other operating expenses was mainly due to the increase in logistics and warehouse costs compared to the comparison period and the acquisition of e-ville.com.

Operating profit (EBIT) in January-March decreased 4.5 million euros, totaling 0.7 million euros (5.2), representing 0.5 percent of revenue (3.9%). The decrease in profitability was mainly due to increased logistics costs and a tightening competition in a soft market, which led to lower-margin campaign sales. Comparable operating profit was 0.9 million euros (5.2) and profit for the period 0.2 million euros (3.9).

For the first quarter, earnings per share were 0.00 euros (0.09) in January-March.

## FINANCE AND INVESTMENTS

Operating cash flow was -16.8 million euros (-9.1) in January-March 2022. Cash flow from operating activities was mainly affected by a change in working capital, mainly due to trade payables and increased inventories in preparation for supply challenges and seasonal sales for the coming summer.

Ordinary seasonal fluctuations are reflected in cash and cash equivalents, cash flow, and accounts payable, which usually reach their highest points at the end of the fourth quarter and their lowest points at the end of the second quarter.

Investments totaled EUR 1.4 million (0.4) in January–March 2022. The majority of investments were directed to the Jätkäsaari automation warehouse project. During the reporting period, the company capitalized 0.1 million euros (0.0) in salary costs.

In March, the company agreed on a EUR 25 million bank loan and a EUR 25 million credit facility. Both financing arrangements are for three years. In March, the company withdrew EUR 5 million from the credit facility and EUR 10 million from the bank loan. This arrangement replaces the company's previous financing arrangements.

## **PERSONNEL**

During the reporting period, the number of employees increased, and the total number of employees was 753 (738) at the end of March 2022. This includes both full- and part-time employees.

## **SUSTAINABILITY**

In March, Verkkokauppa.com published a report on non-financial information as its own report. The report discusses the company's sustainability work and its progress during 2021. As part of its reporting, the company presented the Sustainability Programme, in which it sets targets for its sustainability work during the strategy period 2021-2025. The program covers the entire operations of the company, and the priorities are based on materiality assessment. The implementation of the targets has been integrated throughout the organization. The progress of the targets is monitored quarterly in the Sustainability Steering Group and in the Audit Committee of the Board of Directors every six months.

The company's own greenhouse gas emissions (Scope 1 and 2) decreased by 34% from the previous year due to investments in renewable energy and amounted to 319 tonnes of CO<sub>2</sub> in 2021. Emission calculation for indirect emissions (Scope 3) of operations is ongoing.

In March, a new survey measuring the personnel's ability to work, commitment, and willingness to recommend was carried out. According to the measurement, the employees' ability to work and commitment were at a good level, willingness to recommend high and good colleagues and communality perceived as a strength.

## SHARE AND SHAREHOLDERS

Trading of Verkkokauppa.com shares on Nasdaq Helsinki Ltd began on 5 June 2020.

Verkkokauppa.com share (VERK) in Nasdaq Helsinki stock exchange in 2022:

No. of shares traded	Share of no. of total shares, %	Total value, EUR million	Last, EUR	High, EUR	Low, EUR	Average, EUR
3,736,674	8.29	22.4	4.80	7.43	4.66	5.98

### Verkkokauppa.com Market Capitalization and Shareholders

	31 March 2022
Market capitalization (excl. Own shares), EUR million	214.7
Number of shareholders	19,755
Nominee registrations and direct foreign shareholders, %	10.9
Households, %	54.4
Financial and insurance corporations, %	15.8
Other Finnish investors, %	18.9

According to Euroclear Finland shareholder register at the end of the March, the company's largest shareholders were Samuli Seppälä (35.4%), Varma Mutual Pension Insurance Company (8.6%), Mandatum Life Insurance Company Limited (5.0%), Ilmarinen Mutual Pension Insurance Company (4.8%) and Nordea Small Cap Fund (3.1%).

On 31 March 2022, the share capital was EUR 100,000 and the total number of shares in the company was 45,065,130 including 297,968 treasury shares held by the company. The treasury shares have no voting rights, and no dividend is paid to them. The treasury shares accounted for 0.66% of all shares. In January-March 2022, the company transferred a total of 25,429 treasury shares as part of the remuneration of Board members and key employees.

On 1 April 2022, the company announced a directed share issue of EUR 2 million as part of the financing of the acquisition. The number of new issued shares is 289,402. The new shares represent approximately 0.64 percent of the shares and votes in Verkkokauppa.com after the share issue. After the registration of the new shares, the total number of shares issued at Verkkokauppa.com is 45,354,532. Trading in the new shares started on Nasdaq Helsinki Ltd's official list on 8 April 2022.

### Authorizations related to shares

On 31 March 2022, the Board of Directors had valid authorization to decide on the issuance of a maximum of 4,506,513 shares by one or more decisions (Share Issue Authorization 2022). The number of shares corresponds to a maximum of ten percent of the total number of shares in the company.

More information about verkkokauppa.com's shares and shareholders and management holdings can be found on the company's investor website <https://investors.verkkokauppa.com/fi>

## FLAGGING NOTIFICATIONS

Verkkokauppa.com Oyj received on 15 March 2022, a notification in accordance with Chapter 9, Section 5 of the Finnish Securities Market Act according to which Mandatum Life Insurance Company Ltd's direct holding of Verkkokauppa.com shares and votes exceeds the five percent threshold. According to the notification, Mandatum Life Insurance Company directly held a total of 2,255,206 shares in Verkkokauppa.com on 15 March 2022, an amount that corresponds to 5.0 percent of all shares in the company.

## LONG-TERM INCENTIVE PLANS

Verkkokauppa.com has one share-based incentive plan for the CEO and members of the Management Team, the Performance Matching Share Plan 2020–2022. For more detailed information on the share-based incentive plan, see Note 1.10.

In March 2022, Verkkokauppa.com transferred the fees under the second commitment period 2019-2021 of the Matching Share Plan 2018–2020 in a directed share issue in March 2022. On 2 March 2022, a total of 20,000 of the company's own shares held by the company were transferred to seven key personnel in the share issue.

No new shares will be issued in connection with the payment of the share rewards and therefore the resolution has no diluting effect.

## ACQUISITIONS

On 9 February 2022, Verkkokauppa.com Oyj announced the acquisition of e-ville.com online store. The acquisition supports Verkkokauppa.com's strategy to strengthen and expand its assortment in own brands. The purchase price amounts to approximately EUR 5.3 million, of which EUR 3.3 million will be paid in cash and EUR 2.0 million in new shares to be issued in a directed share issue to the seller at closing. The parties have also agreed to additional purchase price installments of up to approximately EUR 6.7 million payable solely if the combined sales of own brand products exceed set target levels during 2022, 2023, and/or 2024. The total aggregate purchase price can amount to EUR 12.0 million at the maximum.

The acquisition was completed on 1 April 2022, and e-ville's business was transferred to Verkkokauppa.com. The business will be consolidated into Verkkokauppa.com's figures from the beginning of the second quarter of 2022. The acquired business is estimated to have a positive impact of EUR 5–8 million on Verkkokauppa.com's revenue in 2022.



## ANNUAL GENERAL MEETING 2022

**The Annual General Meeting of Verkkokauppa.com Oyj was held in Helsinki on 24 March 2022. The AGM:**

- Confirmed that a dividend of EUR 0.060 per share be paid for the financial period 1 January – 31 December 2021
- Authorized the Board of Directors to decide at its discretion on a dividend not exceeding EUR 0.186 per share in three installments during 2022
- Approved the Company's Remuneration Report
- Approved proposals concerning the selection and remuneration of the Board of Directors and auditor as well as the number of members of the Board of Directors
- Re-elected the following persons as members of the Board of Directors: Christoffer Häggblom, Mikko Kärkkäinen, Frida Ridderstolpe, Johan Ryding, Kai Seikku, Samuli Seppälä and Arja Talma.
- Authorized the Board of Directors to decide on a repurchase of the company's own shares and the issuance of shares.

At the Board of Directors' constitutive meeting held after the Annual General Meeting, Arja Talma was elected as Chairperson of the Board of Directors and Christoffer Häggblom as Vice Chairperson.

The compositions of the Board committees were decided and the Remuneration Committee consist of Arja Talma, Chairperson, Christoffer Häggblom, Johan Ryding, and Kai Seikku. The Audit Committee consists of Kai Seikku, Chairperson, Arja Talma, Vice Chairperson, and Christoffer Häggblom.

Verkkokauppa.com published a stock exchange release on the decisions of the Annual General Meeting on 24 March 2022. The stock exchange release is available on the company's investor pages.

## DIVIDEND

Verkkokauppa.com Oyj's Annual General Meeting resolved to distribute a dividend of EUR 0.060 per share to be paid. The record date for the dividend distribution is 28 March 2022 and the dividend payment date is 4 April 2022.

The Annual General Meeting authorized the Board of Directors to decide at its discretion on the distribution of dividend not exceeding in a total of EUR 0.186 per share. The authorization is valid until the opening of the next Annual General Meeting.

Unless the Board of Directors decides otherwise or the possible changes in the rules and regulations of the Finnish book-entry system requires otherwise, the authorization will be used to distribute dividend in three installments during the period of validity of the authorization as follows:

- The Board resolved on 27 April to pay the first dividend installment of EUR 0.061 per share with the payment date on 9 May 2022;
- the second dividend installment not exceeding EUR 0.062 per share with the payment date on 25 July 2022; and
- the third dividend installment not exceeding EUR 0.063 per share with the payment date on 7 November 2022.

The Board of Directors will make separate resolutions on the distribution of dividends based on this authorization and the company will separately publish announcements of such Board resolutions.

## OTHER EVENTS AFTER THE REPORTING PERIOD

On 1 April 2022, Verkkokauppa.com completed the e-ville.com acquisition and executed a directed share issue in connection with the transaction. Part of the purchase price was paid in cash and part of the transaction price was paid in the new shares of Verkkokauppa.com Oyj subscribed for in the directed issue. The number of new issued shares was 289,402 and they represent approximately 0.64 percent of the shares in Verkkokauppa.com. The new shares were registered with the Trade Register on 7 April 2022.

## SHORT-TERM RISKS AND BUSINESS UNCERTAINTIES

Verkkokauppa.com's risks and uncertainties reflect the operating environment and general consumer behavior, such as demand for consumer electronics, circumstances impacting export trade, the availability of products, and the competitive environment. In addition, the company's business operations involve risks and uncertainties, such as risks related to the business strategy, the execution of corporate transactions and investments, risks related to the sourcing operation and logistics, and risks related to information systems and other operational factors of the company's business. The risks and uncertainties described above may have a negative or positive impact on the company's business, financial position or performance.

Geopolitical conflicts and economic sanctions, general economic uncertainty, and consequent uncertainty about the behavior of financial markets can have a detrimental impact on Verkkokauppa.com's business and growth potential. Inflation and potentially tightening monetary policy may have an increasing impact on consumers' confidence in their own economy and, consequently, on consumer behavior. Potential impacts on Verkkokauppa.com's business may be visible throughout the product supply chain, logistics, product and service prices, and the consumption behavior of our customers.

Challenges in the efficiency of supply chains and logistics, such as the availability of products and certain components and containers, continue. On the other hand, potentially persistent availability problems are mitigated through stock optimization.

The effects of the COVID-19 pandemic and the restrictions on people's lives have eased. New virus variants or re-intensification of the pandemic could have an impact on the company's business in the short term. Prolongation of the pandemic could create uncertainty about household confidence in the economy and could have an impact on consumers' purchasing behavior.

## BUSINESS OUTLOOK

There is uncertainty about the future outlook in relation to geopolitical conflicts in the world, the crisis in Ukraine and the macroeconomics, as well as the coronavirus pandemic and beyond. The company's growth prospects for the current year are considered challenging due to changes in the operating environment. The expected slowdown in economic growth and the rise in inflation, as well as the crisis in Ukraine, have further undermined household confidence in their own economy. Due to these factors, consumer demand and business were quieter than expected at the beginning of the year. With the Crisis in Ukraine, the company made the decision to stop all sales to Russia and we do not expect that to return during this year. In addition, once pandemic related restrictions were lifted, household consumption is seen to be directed from durable goods to services such as travel. Also, it's possible, that the increased energy price and the worsening coronavirus situation in China will continue to affect the availability of components and products, as well as the operation of ports and other logistics during this year.

The company believes that it will succeed in taking advantage of the online consumer transition and increasing its market share in its chosen product categories. The company estimates that the shift of customers to online is permanent. Our strong balance sheet enables us to expand in accordance with the strategy.

**FINANCIAL GUIDANCE FOR 2022** (updated on 23 March 2022)

The company expects revenue to be between EUR 530–590 million (in 2021 EUR 574.5 million) and comparable operating profit (comparable EBIT) to be between EUR 12-19 million (in 2021 EUR 20.3 million) in 2022.

Helsinki, Finland, 28 April 2022

**Verkkokauppa.com Oyj**  
**Board of Directors**

**NEWS CONFERENCES**

A press conference for analysts, investors, and media will be held in Finnish over the Livestream webcast on Thursday, 28 April 2022 at 10:00 a.m. (EEST), in which Verkkokauppa.com's CEO Panu Porkka will present the developments in the reporting period.

A press conference in English will be held over the Livestream webcast on Thursday, 28 April 2022 at 11:00 a.m. (EEST). Questions can be sent beforehand or during the presentation via e-mail to [investors@verkkokauppa.com](mailto:investors@verkkokauppa.com).

Presentation materials for both events are available at <https://investors.verkkokauppa.com/en/presentations>. For both press conferences, the Livestream webcast is available at [www.verklive.com](http://www.verklive.com).



## COMPANY RELEASES AND EVENTS

Verkkokauppa.com will arrange events and publish its financial reports as follows:

- Half-year financial report for January – June 2022 on Thursday 14 July 2022
- Interim report for January – September 2022 on Thursday 27 October 2022
- Financial statements bulletin for the year 2022 on Thursday 9 February 2023.

### More information:

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[www.verkkokauppa.com](http://www.verkkokauppa.com)

**Verkkokauppa.com** empowers its customers to follow their passion by providing a wide product assortment of around 80,000 products. Verkkokauppa.com Oyj serves its retail and corporate customers through its webstore, megastores, 24h kiosk and network of collection points as well as fast deliveries and various services. As Finland's most popular and most visited domestic online retailer, its deliveries cover around 75 percent of the Finnish population within the next day. The Company has four megastores: in Oulu, Pirkkala, Raisio and Helsinki, where its headquarters is also located. Verkkokauppa.com employs more than 750 people and its shares are listed on the Nasdaq Helsinki stock exchange with the ticker VERK.

## VERKKOKAUPPA.COM OYJ INTERIM FINANCIAL INFORMATION 1 Jan – 31 Mar 2022

## Income statement

EUR thousand	Note	1-3/ 2022	1-3/ 2021	1-12/ 2021
<b>Revenue</b>	<b>1.3</b>	<b>124,755</b>	<b>134,034</b>	<b>574,514</b>
Other operating income		159	123	922
Materials and services		-105,497	-112,308	-483,323
Employee benefit expenses		-9,995	-9,051	-36,570
Depreciation and amortization		-1,323	-1,234	-4,983
Other operating expenses		-7,439	-6,364	-30,263
<b>Operating profit</b>		<b>660</b>	<b>5,201</b>	<b>20,296</b>
Finance income		2	1	6
Finance costs		-361	-322	-1,352
<b>Profit before income taxes</b>		<b>301</b>	<b>4,880</b>	<b>18,949</b>
Income taxes		-104	-1,029	-3,856
<b>Profit for the period</b>		<b>197</b>	<b>3,851</b>	<b>15,093</b>
<b>Profit for the period attributable to</b>				
Equity holders of the company		197	3,851	15,093
<b>Earnings per share calculated from the profit attributable to equity holders</b>				
Earnings per share, basic (EUR)		0.00	0.09	0.34
Earnings per share, diluted (EUR)		0.00	0.09	0.33

## Statement of comprehensive income

EUR thousand	1-3/ 2022	1-3/ 2021	1-12/ 2021
<b>Profit for the period</b>	<b>197</b>	<b>3,851</b>	<b>15,093</b>
<b>Items that will not be reclassified to profit or loss</b>			
Realized changes in fair values of equity investments	72	-	-
Taxes	-14	-	-
<b>Other comprehensive income after taxes, total</b>	<b>58</b>	<b>-</b>	<b>-</b>
<b>Comprehensive income for the period</b>	<b>255</b>	<b>3,851</b>	<b>15,093</b>
<b>Comprehensive income for the period</b>			
Equity holders of the company	255	3,851	15,093

## Statement of financial position

EUR thousand	Note	31 Mar 2022	31 Dec 2021
<b>Non-current assets</b>			
Intangible assets		1,637	1,364
Property, plant, and equipment		6,243	5,214
Right-of-use assets	1.5	15,530	15,776
Equity investments		-	266
Deferred tax assets		1,248	1,289
Trade receivables	1.6/1.7	3,528	3,817
Other non-current receivables		425	425
<b>Non-current assets, total</b>		<b>28,609</b>	<b>28,151</b>
<b>Current assets</b>			
Inventories		91,382	87,803
Trade receivables	1.6/1.7	22,121	23,124
Loans receivable		751	-
Other receivables		3,058	3,699
Income tax receivables		852	-
Accrued income		5,697	8,627
Cash and cash equivalents	1.7	16,652	20,917
<b>Current assets, total</b>		<b>140,513</b>	<b>144,170</b>
<b>Total assets</b>		<b>169,122</b>	<b>172,321</b>
<b>Equity</b>			
Share capital		100	100
Treasury shares		-1,515	-1,611
Invested unrestricted equity fund		25,971	25,938
Retained earnings		8,406	-3,838
Profit for the period		255	15,093
<b>Total equity</b>		<b>33,217</b>	<b>35,683</b>
<b>Non-current liabilities</b>			
Lease liabilities	1.7	15,579	16,105
Liabilities to credit institutions		10,000	-
Provisions		822	896
<b>Non-current liabilities, total</b>		<b>26,401</b>	<b>17,001</b>
<b>Current liabilities</b>			
Lease liabilities	1.7	4,227	4,034
Liabilities to credit institutions		5,000	-
Advance payments received		4,698	5,761
Trade payables	1.7	65,391	77,609
Other current liabilities		6,598	10,718
Accrued liabilities		21,851	19,778
Income tax liabilities		1,738	1,738
<b>Current liabilities, total</b>		<b>109,504</b>	<b>119,638</b>
<b>Total liabilities</b>		<b>135,906</b>	<b>136,639</b>
<b>Total equity and liabilities</b>		<b>169,122</b>	<b>172,321</b>

## Statement of cash flows

EUR thousand	1-3/ 2022	1-3/ 2021	1-12/ 2021
<b>Cash flow from operating activities</b>			
Profit before income taxes	301	4,880	18,949
Adjustments			
Depreciation and impairment	1,323	1,234	4,983
Gain on sales and losses on fixed assets and scrapping	-16	-	-
Finance income and costs	359	332	1,347
Other adjustments	-36	-43	299
Cash flow before change in working capital	1,931	6,403	25,578
Change in working capital			
Increase(-) / decrease(+) in non-current non-interest-bearing trade receivables	289	279	-615
Increase (-) / decrease (+) in trade and other receivables	3,824	3,378	-5,892
Increase (-) / decrease (+) in inventories	-3,579	-4,513	-12,419
Increase (+) / decrease (-) in current liabilities	-18,013	-13,754	4,885
Cash flow before financial items and taxes	-15,549	-8,208	11,537
Interest paid	-75	-21	-155
Interest received	2	-	5
Interest of lease liabilities	-286	-312	-1,198
Income tax paid	-929	-514	-3,521
<b>Cash flow from operating activities</b>	<b>-16,836</b>	<b>-9,055</b>	<b>6,668</b>
<b>Cash flow from investing activities</b>			
Purchases of property, plant, and equipment	-1,312	-365	-3,951
Purchases of intangible assets	-367	-68	-903
Proceeds from equity investments	266	-	-
<b>Cash flow from investing activities</b>	<b>-1,412</b>	<b>-433</b>	<b>-4,854</b>
<b>Cash flow from financing activities</b>			
Decrease (-) in lease liabilities	-1,016	-973	-3,868
Dividends paid	-	-	-20,129
Proceeds from long-term loans	10,000	-	-
Proceeds from short-term loans	5,000	-	-
<b>Cash flow from financing activities</b>	<b>13,984</b>	<b>-973</b>	<b>-23,996</b>
<b>Increase (+) / decrease (-) in cash and cash equivalents</b>	<b>-4,265</b>	<b>-10,461</b>	<b>-22,182</b>
Cash and cash equivalents at beginning of reporting period	20,917	43,099	43,099
Cash and cash equivalents at end of reporting period	16,652	32,639	20,917



## Statement of changes in equity

A Share capital	D Fair value reserve
B Treasury shares	E Retained earnings
C Invested unrestricted equity fund	F Total equity

EUR thousand	A	B	C	D	E	F
<b>Equity 1 Jan 2022</b>	<b>100</b>	<b>-1,611</b>	<b>25,938</b>	<b>0</b>	<b>11,255</b>	<b>35,683</b>
Profit for the period	-	-	-	-	197	197
Changes in fair values of equity investments	-	-	-	-	58	58
<b>Comprehensive income for the period, total</b>	-	-	-	-	<b>255</b>	<b>255</b>
Dividend distribution	-	-	-	-	-2,686	-2,686
Disposal of treasury shares -Board fees	-	21	33	-	-21	33
Share-based incentives	-	75	-	-	-143	-68
<b>Transactions with owners, total</b>	-	<b>95</b>	<b>33</b>	-	<b>-2,849</b>	<b>-2,721</b>
<b>Equity 31 Mar 2022</b>	<b>100</b>	<b>-1,515</b>	<b>25,971</b>	<b>0</b>	<b>8,661</b>	<b>33,217</b>

EUR thousand	A	B	C	D	E	F
<b>Equity 1 Jan 2021</b>	<b>100</b>	<b>-2,206</b>	<b>25,816</b>	<b>0</b>	<b>16,839</b>	<b>40,549</b>
Profit for the period	-	-	-	-	15,093	15,093
<b>Comprehensive income for the period, total</b>	-	-	-	-	<b>15,093</b>	<b>15,093</b>
Dividend distribution	-	-	-	-	-20,129	-20,129
Disposal of treasury shares -Board fees	-	535	122	-	-535	122
Share-based incentives	-	60	-	-	-13	47
<b>Transactions with owners, total</b>	-	<b>595</b>	<b>122</b>	-	<b>-20,677</b>	<b>-19,960</b>
<b>Equity 31 Dec 2021</b>	<b>100</b>	<b>-1,611</b>	<b>25,938</b>	<b>0</b>	<b>11,255</b>	<b>35,683</b>

EUR thousand	A	B	C	D	E	F
<b>Equity 1 Jan 2021</b>	<b>100</b>	<b>-2,206</b>	<b>25,816</b>	<b>0</b>	<b>16,839</b>	<b>40,549</b>
Profit for the period	-	-	-	-	3,851	3,851
<b>Comprehensive income for the period, total</b>	-	-	-	-	<b>3,851</b>	<b>3,851</b>
Dividend distribution	-	-	-	-	-12,345	-12,345
Disposal of treasury shares -Board fees	-	-	22	-	-	22
Share-based incentives	-	-	-	-	-61	-61
<b>Transactions with owners, total</b>	-	-	<b>22</b>	-	<b>-12,407</b>	<b>-12,385</b>
<b>Equity 31 Mar 2021</b>	<b>100</b>	<b>-2,206</b>	<b>25,838</b>	<b>0</b>	<b>8,283</b>	<b>32,015</b>

## Notes

### 1.1 Accounting principles applied in this Interim Financial Report

Verkkokauppa.com Oyj is a public limited company, the shares of which are quoted on the official list of Nasdaq Helsinki Ltd. The registered address of its head office is Tyynenmerenkatu 11, Helsinki.

Verkkokauppa.com Oyj's Interim Report for January–March 2022 has been prepared in line with IAS 34, 'Interim Financial Reporting' and should be read in conjunction with Verkkokauppa.com Oyj's financial statements for 2021, published on 2 March 2022. Verkkokauppa.com Oyj has applied the same accounting principles in the preparation of this Interim Financial Report as in its Financial Statements for 2021.

Verkkokauppa.com Oyj has not adopted any new accounting policies during 2022 that would have a material impact on this Interim Financial Report.

The information presented in this Financial Statements Release has not been audited. The figures are rounded, and therefore the sum of individual figures may deviate from the aggregate amount presented. All amounts in this report are presented in EUR thousands, unless otherwise stated.

### 1.2 Segment reporting

Verkkokauppa.com Oyj has one reportable segment. The management of Verkkokauppa.com Oyj has exercised judgement when it has applied the aggregation criteria to aggregate the operating segments into one reportable segment. The customers are the same across all operating segments, which offer the same goods and services in uniform conditions in one main market i.e., Finland. At the core of the company's business model is a strong integration of webstore and retail stores, common support functions serving the entire business as well as the volume benefits enabled by centralized business.

### 1.3 Revenue from contracts with customers

The revenue streams of the company consist of the sale of goods and services. There are more than 80,000 products in 26 different main product categories that the company sells to consumers through its own webstore and four retail stores in Finland. The sale of services rendered by the company includes, for example, installation and maintenance services, subscription sales and visibility sales. Revenue is accumulated geographically mainly from Finland.

Revenue from sales of products is recognized at a point in time when the control has been transferred. The revenue from services is recognized mainly over time.

## Disaggregation of revenue

### Satisfaction of performance obligations

	1-3/ 2022	1-3/ 2021	1-12/ 2021
EUR thousand			
At a point in time	123,589	133,135	569,424
Over time	1,166	899	5,090
<b>Revenue, total</b>	<b>124,755</b>	<b>134,034</b>	<b>574,514</b>

### Revenue by external customer location

EUR thousand	1-3/ 2022	1-3/ 2021	1-12/ 2021
Finland	117,704	124,459	534,954
Rest of the world	7,051	9,575	39,560
<b>Revenue by external customer location</b>	<b>124,755</b>	<b>134,034</b>	<b>574,514</b>

### Income recognized from customer financing

The company presents all income from customer financing as part of revenue in the primary financial statements.

The table below presents the income recognized from company- financed Apuraha customer financing divided into income recognized using the effective interest rate method and other income. Other income consists of other fees.

EUR thousand	1-3/ 2022	1-3/ 2021	1-12/ 2021
Interest income recognized using effective interest rate method	815	655	2,778
Other income from company-financed customer financing	413	335	1,540
<b>Income from company-financed Apuraha, total</b>	<b>1,228</b>	<b>990</b>	<b>4,318</b>

### 1.4 Seasonality of business

The nature of the business of the company includes seasonality. Ordinary seasonal fluctuations are reflected in cash and cash equivalents, cash flow and accounts payable, which usually reach the highest point at year-end and the lowest point at the end of the second quarter.

### 1.5 Right-of-use assets

EUR thousand	31 Mar 2022	31 Dec 2021
Carrying amount 1.1.	15,776	17,347
Increases	-	1,202
Increase/decrease due to remeasurement	731	1,019
Disposals	-32	-141
Depreciation	-945	-3,650
<b>Carrying amount at the end of period</b>	<b>15,530</b>	<b>15,776</b>

The remeasurements made during 2022 and 2021 relate to index adjustments and renegotiated rental agreements.

### 1.6 Trade receivables

EUR thousand	31 Mar 2022		31 Mar 2021		31 Dec 2021	
	Trade receivables	Loss allowance	Trade receivables	Loss allowance	Trade receivables	Loss allowance

Not due	21,325	203	17,337	764	22,771	229
Past due 1-60 days	4,805	332	4,203	285	4,629	280
Past due 61-120 days	119	65	123	86	135	87
Past due over 121 days	112	112	58	58	233	233
<b>Total</b>	<b>26,362</b>	<b>712</b>	<b>21,721</b>	<b>1,193</b>	<b>27,769</b>	<b>829</b>

## 1.7 Financial assets and liabilities by measurement category

31 Mar 2022	Recognized at fair value through other comprehensive income			At amortized cost	Lease liabilities	Carrying amount
EUR thousand						
<b>Non-current financial assets</b>						
Trade receivables and other financial receivables			-	3,953	-	3,953
<b>Non-current financial assets, total</b>				<b>3,953</b>		<b>3,953</b>
<b>Current financial assets</b>						
Trade receivables			-	22,121	-	22,121
Loans receivable			-	751	-	751
Cash and cash equivalents			-	16,652	-	16,652
<b>Current financial assets, total</b>				<b>39,524</b>		<b>39,524</b>
<b>Financial assets by measurement category, total</b>			<b>0</b>	<b>43,477</b>	<b>0</b>	<b>43,477</b>
<b>Non-current financial liabilities</b>						
Lease liabilities (level 2)			-	-	15,579	15,579
Liabilities to credit institutions			-	10,000	-	10,000
<b>Non-current financial liabilities, total</b>					<b>15,579</b>	<b>25,579</b>
<b>Current financial liabilities</b>						
Lease liabilities (level 2)			-	-	4,227	4,227
Liabilities to credit institutions			-	5,000	-	5,000
Trade payables			-	65,391	-	65,391
<b>Current financial liabilities, total</b>				<b>70,391</b>	<b>4,227</b>	<b>74,618</b>
<b>Financial liabilities by measurement category, total</b>				<b>80,391</b>	<b>19,806</b>	<b>100,197</b>

31 Dec 2021	Recognized at fair value through other comprehensive income			At amortized cost	Lease liabilities	Carrying amount
EUR thousand						
<b>Non-current financial assets</b>						
Equity investments (level 3)			266	-	-	266
Trade receivables and other financial receivables			-	4,241	-	4,241
<b>Non-current financial assets, total</b>			<b>266</b>	<b>4,241</b>		<b>4,508</b>
<b>Current financial assets</b>						
Trade receivables			-	23,124	-	23,124
Cash and cash equivalents			-	20,917	-	20,917
<b>Current financial assets, total</b>				<b>44,041</b>		<b>44,041</b>
<b>Financial liabilities by measurement category, total</b>			<b>266</b>	<b>48,282</b>	<b>0</b>	<b>48,549</b>
<b>Non-current financial liabilities</b>						
Lease liabilities (level 2)			-	-	16,105	16,105



<b>Non-current financial liabilities, total</b>	-	-	<b>16,105</b>	<b>16,105</b>
<b>Current financial liabilities</b>				
Lease liabilities (level 2)	-	-	4,034	4,034
Trade payables	-	77,609	-	77,609
<b>Current financial liabilities, total</b>	-	<b>77,609</b>	<b>4,034</b>	<b>81,644</b>
<b>Financial liabilities by measurement category, total</b>	<b>0</b>	<b>77,609</b>	<b>20,139</b>	<b>97,749</b>

Level 2 includes interest-bearing liabilities and derivatives and Level 3 investments in unlisted shares and funds.

## 1.8 Dividends

Dividends paid after the reporting period and year-on-year.

### 2022

For the previous year	Date of payment	Dividend per share, EUR
	4.4.2022	0.060
<b>Total dividends, EUR thousand</b>		<b>2,686</b>

### 2021

For the previous year	Date of payment	Dividend per share, EUR
	7.4.2021	0.276
	4.5.2021	0.057
	27.7.2021	0.058
	2.11.2021	0.059
<b>Total dividends, EUR thousand</b>		<b>20,129</b>

## 1.9 Transactions with related parties

Verkkokauppa.com Oyj's related parties comprise the Board of Directors, the CEO as well as the other members of the Management Team and the close members of the family of said persons as well as their controlled entities. Transactions with related parties have been carried out on usual commercial terms. One of the company's related parties is Board member Samuli Seppälä, who held 35,41% of all shares and votes in Verkkokauppa.com on 31 March 2022.

EUR thousand	31 Mar 2022	31 Dec 2021
Sales of goods and services		
To key management personnel and their related parties	10	86
Purchases of goods and services		
From key management personnel and their related parties	-	-

EUR thousand	31 Mar 2022	31 Dec 2021
Closing balances from purchases/sales of goods/services		
Trade receivables from key management personnel and their related parties	-	-
Trade payables to key management personnel and their related parties	-	-

## 1.10 Long-term incentive plans

At the end of the quarter, Verkkokauppa.com has one share-based incentive plan for the CEO and members of the Management Team, the Performance Matching Share Plan 2020–2022.

### Matching Share Plan 2018-2020

In the Matching Share Plan 2018–2020, the participant may earn a number of matching shares, determined by the Board of Directors, based on their investment in Verkkokauppa.com Oyj's shares. The Matching Share Plan has two matching periods: 2018–2020 and 2019–2021. The rewards to be paid on the basis of the matching period 2018–2020 correspond to the value of maximum total of 50,000 Verkkokauppa.com Oyj's shares, and on the basis of the matching period 2019–2021 to the value of maximum total of 45,000 Verkkokauppa.com Oyj's shares, including also the proportions to be paid in cash.

In March 2021, The Board of Directors of Verkkokauppa.com Oyj resolved on a directed share issue without consideration for the payment of share rewards in the first matching period 2018-2020 of the Matching Share Plan 2018-2020. On 2 March 2021, in the directed share issue without consideration, a total of 15,000 treasury shares held by the Company was transferred to five key employees according to the terms and conditions of the Matching Share Plan 2018-2020. Additionally, a part of the reward was paid in cash intended to cover taxes and tax-related costs arising from the reward to the participant. No new shares will be issued in connection with the payment of the share rewards and therefore the resolution will have no diluting effect.

In March 2022, Verkkokauppa.com transferred the fees under the second commitment period 2019-2021 of the Matching Share Plan 2018–2020 in a directed share issue without payment by authorization granted to the Board of Directors by the Annual General Meeting held on March 25, 2021. On 2 March 2022, a total of 20,000 of the company's own shares held by the company were transferred to seven key personnel in the share issue. No new shares were issued in connection with the payment of the share rewards and the decision therefore has no dilutive effect. This programme has now been paid in full and ended.

### Performance Matching Share plan 2020-2022

Performance Matching Share Plan 2020–2022, a person may earn a number of matching shares based on their investment in Verkkokauppa.com Oyj's shares and the Total Shareholder Return (TSR) of the share. The Performance Matching Share Plan includes one performance period, calendar years 2020–2022. The reward to be paid to participants is based on the achievement of the required TSR levels set by the Board of Directors. A maximum of three performance-based matching shares is paid for each allocated share. The prerequisite for participation and receiving of reward is that a participant allocates freely transferable company shares, held by them, in the plan, or acquires the company's shares up to the number determined by the Board of Directors. Furthermore, payment of reward is based on the participant's valid employment or service upon reward payment. As a rule, no reward will be paid if a participant's employment or service ends before the reward payment.

The target group of the plan consists of seven persons, the CEO and six members of the Management Team. In accordance with the terms of the plan each participant is entitled to get a gross number of shares. However, a net number of shares will be paid to the participant after the company has withheld and paid the value of a part of the shares to cover the employee's tax obligation. The rewards to be paid based on the plan correspond to the value of approximately 440 thousand Verkkokauppa.com Oyj shares in total (gross amount).

### 1.11 Guarantees and commitments

EUR thousand	31 Mar 2022	31 Dec 2021
<b>Collateral given for own commitments</b>		
Guarantees	3,463	3,463
<b>Other commitments and contingent liabilities</b>	9	9

Guarantees are related to rent guarantees, the comprehensive guarantee for Finnish Customs and documentary credits. Other commitments are related to off-balance residual values.

### 1.12 IFRS Standards not yet effective

There are no IFRS, IFRIC interpretations, annual improvements, or amendments to IFRS that are not yet effective that would be expected to have a material impact on the company's interim reports.

### 1.13 Subsequent events

On 1 April 2022, Verkkokauppa.com completed the e-ville.com acquisition and executed a directed share issue in connection with the transaction. Part of the purchase price was paid in cash and part of the transaction price was paid in the new shares of Verkkokauppa.com Oyj subscribed for in the directed issue. The number of new issued shares was 289,402 and they represent approximately 0.64 percent of the shares in Verkkokauppa.com. The new shares were registered with the Trade Register on 7 April 2022.

## ADDITIONAL INFORMATION

### Quarterly income statement

EUR thousand	1-3/ 2022	10-12/ 2021	7-9/ 2021	4-6/ 2021	1-3/ 2021
<b>Revenue</b>	<b>124,755</b>	<b>168,938</b>	<b>141,039</b>	<b>130,503</b>	<b>134,034</b>
Other operating income	159	148	265	386	123
Materials and services	-105,497	-142,758	-120,184	-108,074	-112,308
Employee benefit expenses	-9,995	-9,669	-8,468	-9,383	-9,051
Depreciation and amortization	-1,323	-1,264	-1,244	-1,241	-1,234
Other operating expenses	-7,439	-10,060	-6,756	-7,083	-6,364
<b>Operating profit</b>	<b>660</b>	<b>5,335</b>	<b>4,652</b>	<b>5,108</b>	<b>5,201</b>
Finance income	2	1	2	2	1
Finance costs	-361	-340	-321	-369	-322
<b>Profit before income taxes</b>	<b>301</b>	<b>4,996</b>	<b>4,333</b>	<b>4,741</b>	<b>4,880</b>
Income taxes	-104	-1,005	-868	-953	-1,029
<b>Profit for the period</b>	<b>197</b>	<b>3,990</b>	<b>3,464</b>	<b>3,788</b>	<b>3,851</b>
<b>Profit for the period attributable to</b>					
Equity holders	197	3,990	3,464	3,788	3,851
<b>Earnings per share calculated from the profit attributable to equity holders</b>					
Earnings per share, basic (EUR)	0.00	0.09	0.08	0.08	0.09
Earnings per share, diluted (EUR)	0.00	0.09	0.08	0.08	0.09

### Alternative performance measurement

In this Financial Statements Release, Verkkokauppa.com Oyj presents certain key figures that are not accounting measures defined under IFRS and therefore are considered as Alternative Performance Measures (APM). Verkkokauppa.com Oyj applies in the reporting of alternative performance measures the guidelines issued by the European Securities and Market Authority (ESMA).

Verkkokauppa.com Oyj uses alternative performance measures to reflect the underlying business performance and to enhance comparability between financial periods. The company's management believes that these key figures provide supplementing information on the income statement and financial position.

Alternative performance measures do not substitute the IFRS key ratios.



	2022					2021				
	Q1	Q2	Q3	Q4	FY 2022	Q1	Q2	Q3	Q4	FY 2021
Revenue, thousand euros	124,755				124,755	134,034	130,503	141,039	168,938	574,514
Gross profit, thousand euros	19,257				19,257	21,727	22,429	20,856	26,180	91,191
Gross margin-%	15.4%				15.4%	16.2%	17.2%	14.8%	15.5%	15.9%
EBITDA, thousand euros	1,983				1,983	6,435	6,349	5,896	6,599	25,279
EBITDA-%	1.6%				1.6%	4.8%	4.9%	4.2%	3.9%	4.4%
Operating profit, thousand euros	660				660	5,201	5,108	4,652	5,335	20,296
Operating profit-%	0.5%				0.5%	3.9%	3.9%	3.3%	3.2%	3.5%
Comparable operating profit, thousand euros	876				876	5,201	5,108	4,652	5,335	20,296
Comparable operating profit-%	0.7%				0.7%	3.9%	3.9%	3.3%	3.2%	3.5%
Profit for the period, thousand euros	197				197	3,851	3,788	3,464	3,990	15,093
Interest-bearing net debt, thousand euros	18,154				18,154	-10,710	2,385	-682	-778	-778
Investments, thousand euros	1,412				1,412	433	1,681	849	1,891	4,854
Equity ratio, %	20.2%				20.2%	20.3%	23.3%	22.4%	21.4%	21.4%
Gearing, %	54.7%				54.7%	-33.5%	7.2%	-2.0%	-2.2%	-2.2%
Personnel at the end of period*	753				753	738	801	736	825	825
Basic earnings per share, euros	0.00				0.00	0.09	0.08	0.08	0.09	0.34
Diluted earnings per share, euros	0.00				0.00	0.09	0.08	0.08	0.09	0.33
Number of issued shares, 1,000 pcs	45,065				45,065	45,065	45,065	45,065	45,065	45,065
Number of treasury shares, 1,000 pcs	298				298	336	332	328	323	323
Weighted average number of shares outstanding, 1,000 pcs	44,715				44,715	44,715	44,721	44,727	44,731	44,731
Diluted weighted average number of shares outstanding, 1,000 pcs	45,157				45,157	45,221	45,227	45,232	45,205	45,205

\*The number of personnel includes both full- and part-time employees.

**Formulas for key ratios**

KEY RATIO	DEFINITIONS		
<b>GROSS PROFIT</b>	Revenue – materials and services		Gross profit shows the profitability of the sales
<b>GROSS MARGIN, %</b>	$(\text{Revenue} - \text{materials and services}) / \text{Revenue}$	x 100	Gross margin measures the profitability of the sales of Verkkokauppa.com
<b>EBITDA</b>	Operating profit + depreciation + amortization		EBITDA shows the operational profitability
<b>EBITDA, %</b>	$(\text{Operating profit} + \text{depreciation} + \text{amortization}) / \text{Revenue}$	x 100	EBITDA measures the operational profitability of Verkkokauppa.com
<b>OPERATING PROFIT</b>	Result for the period before income taxes and net finance income and costs		Operating profit shows result generated by operating activities
<b>OPERATING MARGIN, %</b>	$\text{Operating profit} / \text{Revenue}$	x 100	Operating margin measures operational efficiency of Verkkokauppa.com
<b>ITEMS AFFECTING COMPARABILITY</b>	Material items which are not part of normal operating activities such as expenses related to possible transfer to official list of Nasdaq Helsinki, restructuring costs including workforce redundancy and other restructuring costs, impairment losses of fixed assets, gain or losses recognized from disposals of fixed assets/businesses, transaction costs related to business acquisition, compensations for damages and legal proceedings		
<b>COMPARABLE OPERATING PROFIT</b>	Comparable operating profit is profit adjusted with items affecting comparability		Comparable operating profit allows comparison of operating profit in different periods without the impact of extraordinary items not related to normal business operations
<b>COMPARABLE OPERATING PROFIT MARGIN %</b>	$\text{Comparable operating profit} / \text{revenue}$	x 100	Comparable operating margin measures comparable operational efficiency of Verkkokauppa.com

<b>EQUITY RATIO, %</b>	Total equity / Balance sheet total – advance payments received		Equity ratio measures Verkkokauppa.com’s solvency, ability to bear losses and ability to meet commitments in the long run
<b>INTEREST-BEARING NET BEDT</b>	Lease liabilities -cash and cash equivalents		Interest-bearing net debt measures Verkkokauppa.com’s indebtedness
<b>GEARING, %</b>	Lease liabilities – cash and cash equivalents/ Total equity	x 100	Gearing measures the relation of equity and interest-bearing net debt of Verkkokauppa.com and shows the indebtedness of the company
<b>INVESTMENTS</b>	Increases in intangible assets, property, plant and equipment during the financial period		Investments provides additional information regarding operating cash flow demands
<b>NET INVESTMENT</b>	Investments in intangible and tangible assets - proceeds from the sale of fixed assets. Net investments do not include non-capitalized / work in progress		
<b>EARNINGS PER SHARE, BASIC</b>	Profit for the period attributable to equity holders of the company / Weighted average number of shares outstanding		Earnings per shares measures the profit for the period attributable to equity holders of the company
<b>EARNINGS PER SHARE, DILUTED</b>	Profit for the period attributable to equity holders of the company / Weighted average number of shares outstanding + dilutive potential shares		

#### Reconciliation of alternative key ratios

<b>EUR thousand</b>	<b>1-3/ 2022</b>	<b>1-3/ 2021</b>	<b>1-12/ 2021</b>
Operating profit	660	5,201	20,296
- advisory costs related to business acquisition	216	-	-
Comparable operating profit	876	5,201	20,296