

# ***FINANCIAL STATEMENTS BULLETIN***

**Verkkokauppa.com Oyj**  
**January – December 2024**



**VERKKO  
KAUPPA  
.COM**

**FINANCIAL STATEMENTS BULLETIN for 1 January–31 December 2024****Significant profitability improvement in a weak demand environment**

Verkkokauppa.com Oyj      FINANCIAL STATEMENTS BULLETIN      6 February 2025, 8:00 a.m. EET

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

**October–December 2024 in brief**

- Revenue declined by 6.9 percent and was EUR 140.2 million (150.6)
- Gross profit was EUR 23.3 million (23.1) or 16.6 percent of the revenue (15.3%)
- Operating result (EBIT) was EUR 3.0 million (1.8) or 2.1 percent of revenue (1.2%)
- Comparable operating result (comparable EBIT) was EUR 3.8 million (1.6) or 2.7 percent of revenue (1.1%)
- Items affecting comparability were EUR -0.8 million (0.2) relating to a reorganization
- Net result was EUR 2.6 million (1.2)
- Earnings per share were EUR 0.06 (0.03)
- Investments were EUR 0.4 million (0.2)
- Operating cash flow was EUR 21.1 million (17.8)

**January–December 2024 in brief**

- Revenue declined by 7.0 percent and was EUR 467.8 million (502.9)
- Gross profit was EUR 75.8 million (80.9) or 16.2 percent of the revenue (16.1%)
- Operating result (EBIT) was EUR 0.6 million (4.7) or 0.1 percent of revenue (0.9%)
- Comparable operating result (comparable EBIT) was EUR 1.8 million (6.1) or 0.4 percent of revenue (1.2%)
- Items affecting comparability were EUR -1.2 million (-1.4) relating to a reorganization, a release of the deferred purchase price of e-ville acquisition and an administrative fine from the Office of the Data Protection Ombudsman
- Net result was EUR -0.8 million (2.1)
- Earnings per share were EUR -0.02 (0.05)
- Investments were EUR 1.8 million (2.4)
- Operating cash flow was EUR 12.9 million (20.3)
- The Board of Directors will propose to the Annual General Meeting 2025 that no dividend be paid for the financial year 2024

KEY RATIOS	10–12/2024	10–12/2023	Change	1–12/2024	1–12/2023	Change
<b>Eur million</b>						
Revenue	140.2	150.6	-6.9 %	467.8	502.9	-7.0 %
Gross profit	23.3	23.1	0.2 MEUR	75.8	80.9	-5.1 MEUR
Gross margin, %	16.6%	15.3%	1.3 pp	16.2%	16.1%	0.1 pp
EBITDA	4.7	3.5	1.2 MEUR	7.5	11.1	-3.6 MEUR
EBITDA, %	3.3%	2.3%	1.0 pp	1.6%	2.2%	-0.6 pp
Operating result	3.0	1.8	1.2 MEUR	0.6	4.7	-4.1 MEUR
Operating margin, %	2.1%	1.2%	0.9 pp	0.1%	0.9%	-0.8 pp
Comparable operating result	3.8	1.6	2.2 MEUR	1.8	6.1	-4.3 MEUR
Comparable operating margin, %	2.7%	1.1%	1.6 pp	0.4%	1.2%	-0.8 pp
Net result	2.6	1.2	1.4 MEUR	-0.8	2.1	-2.9 MEUR
Investments	0.4	0.2	0.2 MEUR	1.8	2.4	-0.6 MEUR
Operating cash flow	21.1	17.8	3.4 MEUR	12.9	20.3	-7.4 MEUR



## MARKET OUTLOOK FOR 2025

The general market demand is expected to remain cautious in the first half of the year due to the low consumer confidence. In the second half of the year, private consumption is forecasted to slowly recover as purchasing power strengthens. The purchasing power is supported by rising income levels, slowing inflation, and lower interest rates. Competition is expected to remain tight.

## FINANCIAL GUIDANCE FOR 2025

Verkkokauppa.com expects its revenue and comparable operating result for 2025 to increase. In 2024, the company's revenue was EUR 467.8 million and comparable operating result was EUR 1.8 million.

Guidance includes uncertainties related to changes in purchasing power and consumer behavior. Verkkokauppa.com's business is seasonal and the company's revenue and operating profit depend largely on the sales in the fourth quarter.



*"Despite the challenging demand environment, the company achieved a significant improvement in profitability in the fourth quarter."*

**Panu Porkka, CEO,  
Verkkokauppa.com**

## CEO PANU PORKKA'S REVIEW

Operating environment remained challenging in the fourth quarter of the year. Consumer confidence remained low dampening the private consumption. Consumers were still cautious about purchasing discretionary products. Competition in the consumer electronics market continued to be price-driven, and there were no signs of a replacement cycle starting.

The fourth quarter revenue was 140.2 million euros (150.6 million euros), down by 7 percent from the previous year. The revenue was weighed down by weak demand, particularly in discretionary categories such as televisions, gaming, and phones. Consumers were cautious in their purchasing decisions, while the development in B2B sales was more stable. Strategically important own brands' revenue grew by 20 percent and represented 7 percent of the revenue.

Despite the weak demand environment, the company succeeded in improving profitability in the fourth quarter. Gross margin improved to 16.6 percent (15.3%). The margin was strengthened by improved purchase terms related to preparations for season sales, healthy inventory levels at the start of the fourth quarter and a successful pricing strategy. Comparable fixed costs decreased by 9 percent from the previous year. Successful cost efficiency measures lay a solid foundation for the company once the market situation improves. Comparable operating profit improved significantly to 3.8 million euros (1.6 million euros) and was 2.7 percent (1.1%) of revenue. The full year comparable operating profit was 1.8 million euros (6.1 million euros), or 0.4 percent (1.2%) of revenue.

The company's financial position provides a solid base for executing its strategy. Due to successful inventory management, the value of inventory was reduced by 18 percent compared to the previous year. Operating cash flow strengthened and was 21.1 million euros (17.8 million euros) for the quarter. This led to a strong cash position at the end of the year.

At the core of our strategy is accelerating the shift to online commerce, primarily through the fastest deliveries in the market. The fourth quarter displayed strong growth in one-hour deliveries, reaching a milestone of 100,000 cumulative deliveries. The company is Finland's sole operator able to serve 1.7 million consumers within an hour. The share of all fast deliveries of online sales continued to grow reaching 16 percent in the fourth quarter. Customer satisfaction of one-hour deliveries remained very high, NPS was 82 during the fourth quarter.



**FINANCIAL DEVELOPMENT**

**REVENUE AND PROFITABILITY**

EUR million	10–12/2024	10–12/2023	Change	1–12/2024	1–12/2023	Change
Revenue	140.2	150.6	-6.9 %	467.8	502.9	-7.0 %
Operating result	3.0	1.8	1.2 MEUR	0.6	4.7	-4.1 MEUR
Operating margin, % of revenue	2.1 %	1.2 %	0.9 pp	0.1 %	0.9 %	-0.8 pp
Items affecting comparability	-0.8	0.2	-1.0 MEUR	-1.2	-1.4	0.2 MEUR
Comparable operating result	3.8	1.6	2.2 MEUR	1.8	6.1	-4.3 MEUR
Comparable operating margin, % of revenue	2.7 %	1.1 %	1.6 pp	0.4 %	1.2 %	-0.8 pp

**Revenue distribution**

Revenue, EUR million	10–12/2024	10–12/2023	Change, %	1–12/2024	1–12/2023	Change, %
<b>Customer segments</b>						
Consumers	97.5	106.6	-8.6%	318.1	344.1	-7.6%
B2B (inc. wholesale)	39.5	40.7	-2.9%	137.7	146.7	-6.1%
Other	3.1	3.3	-4.8%	12.1	12.1	-0.7%
<b>Sales channels</b>						
Online	91.7	97.9	-6.4%	300.2	316.8	-5.2%
Offline	45.3	49.4	-8.2%	155.6	173.9	-10.5%
Other	3.1	3.3	-4.8%	12.1	12.1	-0.7%
<b>Product categories</b>						
Core categories*	118.6	127.2	-6.8%	402.6	428.6	-6.1%
Other product categories	18.4	20.1	-8.5%	53.2	62.1	-14.4%
Other	3.1	3.3	-4.8%	12.1	12.1	-0.7%
Own brands**	9.5	8.0	19.7%	31.0	26.3	17.8%
Website visits, million	22.9	25.4	-10.0%	74.3	79.8	-6.9%

\*Core categories include five main categories: IT, Entertainment, Mobile devices, SDA, and MDA.

\*\*Own brands are included in Core and other product categories accordingly.



## OCTOBER–DECEMBER 2024

### Operating environment

Although interest rates and inflation declined, the market conditions remained challenging. Private consumption was hindered by economic uncertainty, high unemployment rate and consumers' low confidence in own and Finland's economy. The purchase of discretionary products was cautious, and price competition was intense.

### Revenue

Revenue declined by 6.9 percent to EUR 140.2 million (150.6). The decline was driven by weak demand especially in discretionary categories like Televisions, Mobile Phones and Gaming while IT and Toys performed better.

Sales to consumers declined by 8.6 percent to EUR 97.5 (106.6) million, accounting for 69.6 percent (70.8%) of total revenue. The decline was influenced by the consumers' weak confidence in their own finances, which was reflected in private consumption. B2B sales declined by 2.9 percent to EUR 39.5 million (40.7), accounting for 28.2 percent (27.0%) of total. Corporate investments and hiring remained cautious, which impacted the B2B demand. Other sales were EUR 3.1 million (3.3).

Online sales declined by 6.4 percent to EUR 91.7 million (97.9), accounting for 65.4 percent (65.0%) of total revenue. The number of store visits decreased, and the store sales declined by 8.2 percent to EUR 45.3 million (49.4). Share of the store sales was 32.3 percent (32.8%) of total revenue.

Core categories' sales declined by 6.8 percent to EUR 118.6 million (127.2), accounting for 84.6 percent (84.5%) of total, whereas other product categories declined by 8.5 percent to EUR 18.4 million (20.1), accounting for 13.2 percent (13.4%) of total revenue.

Own brands' sales grew by 19.7% to EUR 9.5 million (8.0), accounting for 6.8% (5.3%) of the total. The growth came particularly from Home appliances, IT accessories, and Home and Lighting categories.

Revenue from customer financing services totaled EUR 1.9 million (1.9), including interest income, fees and commissions. Net credit losses including the change in the credit loss provision from the consumer financing were EUR 0.7 million (1.1).

### Result

Gross margin increased to 16.6 percent (15.3 %). The gross margin was strengthened by successful commercial negotiations related to preparations for seasonal sales, healthy inventory levels at the start of the fourth quarter, and a successful pricing strategy.

Personnel expenses decreased by 3.1 percent to EUR 9.6 million (9.9). Comparable personnel expenses decreased by 10.2 percent to EUR 8.9 million (9.9). Other operating expenses decreased by 5.1 percent and amounted to EUR 9.2 (9.7) million. Comparable other operating expenses decreased by 8.3 percent to EUR 9.1 million (9.9). Fixed costs totaled EUR 18.9 million (19.7), decreasing by 4.1 percent from the comparison period. Comparable fixed costs decreased by 9.2 percent to EUR 18.0 million (19.9). The cost reduction was due to the reorganization and cost management.

The company's operating result (EBIT) in October–December was EUR 3.0 million (1.8), up by EUR 1.2 million. Comparable operating result (comparable EBIT) was EUR 3.8 million (1.6), up by EUR 2.2 million from the comparison period. The improvement in results was driven by the higher gross margin and cost management.

Items affecting comparability EUR -0.8 million (0.2) were related to the reorganization.

Net result for the period was EUR 2.6 million (1.2).

Earnings per share were EUR 0.06 (0.03).



## JANUARY–DECEMBER 2024

### Operating environment

The downturn in the Finnish economy created significant uncertainty in the market situation in 2024. Higher interest rates at the beginning of the year hindered private consumption. The consumer confidence index was negative throughout the year. There was no improvement in the demand for discretionary products during the year. Price competition remained tight in the campaign-driven market.

### Revenue

Revenue declined by 7.0 percent and amounted to EUR 467.8 million (502.9). The decline was driven by weak demand especially in discretionary categories like Televisions, Mobile Phones, Gaming, Cameras and Sports, while IT and Home appliances performed better.

Sales to consumers declined by 7.6 percent to EUR 318.1 (344.1) million, accounting for 68.0 percent (68.4%) of total. The decline was impacted by consumers' weak confidence in their own finances. B2B sales declined by 6.1 percent to EUR 137.7 million (146.7), accounting for 29.4 percent (29.2%) of total. Corporate investments and hiring were cautious, which negatively impacted the B2B demand. Other sales were EUR 12.1 million (12.1).

Online sales declined by 5.2 percent to EUR 300.2 million (316.8), accounting for 64.2 percent (63.0%) of total revenue. Store visits decreased, and store sales declined by 10.5 percent to EUR 155.6 million (173.9). Share of the store sales was 33.3 percent (34.6%) of total revenue.

Core categories' revenue declined by 6.1 percent to EUR 402.6 million (428.6), accounting for 86.1 percent (85.2%) of total, whereas other product categories declined by 14.4 percent to EUR 53.2 million (62.1), accounting for 11.4 percent (12.3%) of revenue.

Own brands' sales grew by 17.8% to EUR 31.0 million (26.3), accounting for 6.6% (5.2%) of the total. The growth came particularly from Major home appliances, Sports, and IT accessories.

Revenue from customer financing services increased to EUR 7.8 million (6.8), including interest income, fees and commissions. Net credit losses including the change in the credit loss provision from consumer financing were EUR 3.0 million (3.3).

### Result

Gross margin was 16.2 percent (16.1 %). Towards the end of the financial year, the margin improved mainly due to successful commercial negotiations and pricing strategy. However, the gross margin was negatively impacted by low gross margin sales of electric bikes and active inventory measures.

Personnel expenses decreased by 2.1 percent to EUR 35.9 (36.7) million. Comparable personnel expenses decreased by 1.3 percent to EUR 35.2 million (35.7). Other operating expenses decreased by 1.7 percent and amounted to EUR 32.9 million (33.5). Comparable other operating expenses decreased by 2.1 percent to EUR 32.4 million (33.1). Fixed costs totaled EUR 68.8 million (70.2), decreasing by 1.9 percent from the comparison period. Comparable fixed costs decreased by 1.7 percent to EUR 67.6 million (68.8).

The company's operating result (EBIT) was EUR 0.6 million (4.7), it declined by EUR 4.1 million. Comparable EBIT was EUR 1.8 million (6.1), which decreased by EUR 4.3 million. The decrease was mainly due to lower sales volumes during the year.

Items affecting comparability totaled EUR -1.2 million (-1.4) and were related to the reorganization, to the release of the e-ville deferred purchase price liability and provision for the administrative fine from the Office of the Data Protection Ombudsman.

Net result for the period was EUR -0.8 (2.1) million.

Earnings per share were EUR -0.02 (0.05).



## FINANCE AND INVESTMENTS

In January–December 2024, operating cash flow totaled EUR 12.9 million (20.3). The operating cash flow before the change in working capital was EUR 7.0 million (11.3). The company's net financial expenses were EUR 2.2 million (1.7).

Investments in January–December 2024 were EUR 1.8 million (2.4) and were mainly related to the improvement of online customer experience. During the year, web discoverability and accessibility were improved. In addition, the capability for fast deliveries was developed further. In 2024, investments included capitalized wages and salaries at the amount of EUR 0.9 million (0.9).

The company renewed its financing arrangements in June 2024. At the end of December, the company had EUR 19 million in bank loans and an unutilized EUR 25 million revolving credit facility, which are valid until June 2027. The principal of the bank loan is amortized every six months.

In December 2024, the company agreed to extend the lease agreement for the Jätkäsaari real estate and land area. The extended agreement is valid until December 2032.

## PERSONNEL

At the end of December 2024, the total number of employees was 615 (677). This includes both full and part-time employees.

Verkkokauppa.com renewed and streamlined its organizational structure in 2024. The company conducted change negotiations during autumn. The personnel reductions are estimated to bring in annual savings of EUR 2.5 million in personnel costs.

## CORPORATE SUSTAINABILITY

The company updated its Sustainability Program and KPIs for monitoring progress. The program is set for 2024–2028 in accordance with the company's strategy period and is in line with the company's strategy and double materiality analysis. The four priority themes of the program are: On customers' side for circular future, Ensuring responsible operations and supply chains, Fostering well-being and success of own personnel and Maintaining exemplary business conduct.

The company's actions to build a circular economy progressed during the reporting year. The company expanded the range and availability of used and refurbished equipment to 170 items. The trade-in service, Vaihtokauppa, which promotes circular economy, was expanded to new product groups, offering customers an even wider channel to trade-in functional used electronic equipment for a refund. The after-sales service for private label products was developed and expanded to cover new product groups. In addition, the availability and speed of access to spare parts were improved. The company's return rate remained low at 0.7% (0.7).

Social sustainability by supporting the personnel affected by change negotiations, allocating resources to the boosting well-being and occupational safety, as well as promoting diversity work. In addition, the company updated its personnel policy.

Verkkokauppa.com reports in accordance with the EU Corporate Sustainability Reporting Directive in the Report of the Board of Directors. The 2024 sustainability statement will be published as part of the 2024 reporting package during week 11, 2025.



## STRATEGY

Verkkokauppa.com continues as a forerunner in the market with the vision of creating the new normal for buying and owning. The cornerstones of Verkkokauppa.com's strategy are growing the current business faster than the market, new openings, such as assortment expansion, own brand products and new markets, significant growth of the services business, and stronger profitability by continuously developing our own operations and platform.

### **Growing current business faster than the market**

The company aims to strengthen its market leadership by accelerating the online shift by making buying fast, extremely convenient and affordable. As the only operator in Finland, Verkkokauppa.com already delivers to 1.7 million consumers around the clock in one hour, every day of the week. The company continues to optimize product flows, develop the distribution network and further automate the intralogistics to enable the continued development of the fastest deliveries on the market.

### **New openings: assortment expansion, own brand products and new markets**

During the strategy period, the company plans to expand the assortment with a special focus on product areas that are optimally suited for fast deliveries and Verkkokauppa.com's platform. The company will continue pilots in new market areas also outside Finland, making versatile use of both own platform and selected partners. New operating models, automation, as well as data will enable cost-efficiency and scalability.

### **Significant growth of the services business**

Verkkokauppa.com seeks to offer consumers sustainable alternatives for buying products. The company's current customer financing service, Tili, combined with the trade-in service, provides a strong foundation for new value-added services and product openings. The company's current trade-in service and the assortment of recycled products are expanding. During the strategy period, Verkkokauppa.com will explore new subscription-based services to the market.

### **Stronger profitability by continuously developing own operations and platform**

The company leverages artificial intelligence (AI) and data to operate goods flows, to streamline operations and to provide a superior personalized customer experience. Verkkokauppa.com's own flexible platform and extensive software development expertise enable versatile utilization of leading technologies from selected partners and are the basis for the capabilities that will be built during the strategy period.

### **Verkkokauppa.com's long-term financial targets for the strategy period 2024-2028 are as follows:**

1. Annual revenue growth (CAGR) of over 5 percent, faster than the market
2. Annual operating profit margin of over 5 percent by the end of the strategy period
3. Fixed costs to less than 10 percent of revenue by the end of the strategy period
4. To pay out 60-80 percent of annual net profit in quarterly growing dividends

## LONG-TERM INCENTIVE PLANS

On 13 February 2024, The Board of Directors of Verkkokauppa.com decided on a new matching period (Performance Share Plan 2023–2027) for the CEO and the Management Team. The Plan has three matching periods covering the financial years 2023–2025, 2024–2026 and 2025–2027. The Board of Directors decides annually on the commencement of the matching period and its details. The performance criterion for the second performance period 2024–2026 is Total Share Return (TSR).

The purpose of the plan is to align the objectives of shareholders and management to increase the value of the company in the long term, to encourage management to invest personally in the company's shares, to retain the target group at the company, and to offer them a competitive incentive plan in which participants may earn shares as a reward for performance and their personal investment. For more detailed information on the share-based incentive plan, see the company's Financial Statements and Remuneration Report.





## LEGAL DISPUTES AND POSSIBLE LEGAL PROCEEDINGS

In March 2024, the company announced that the Office of the Data Protection Ombudsman had imposed an administrative fine of EUR 856,000 on Verkkokauppa.com. The penalty is based on the Data Protection Ombudsman's interpretation, according to which Verkkokauppa.com would have neglected to define a retention period for the customer data of its online store customers as required by the EU's General Data Protection Regulation. Verkkokauppa.com considers the penalty to be unjustified. The decision of the Office of the Data Protection Ombudsman is not legally binding. Verkkokauppa.com has appealed the decision to the Administrative Court, and the matter is still being processed.

The company has recognized a provision for the administrative fine in its first quarter 2024 results. The provision is reported as an item affecting comparability.

## ANNUAL GENERAL MEETING 2024

The Annual General Meeting was held as a remote meeting in Helsinki on 4 April 2024. The Annual General Meeting adopted the Annual Accounts for the financial year 2023 and decided not to pay dividend, discharged the members of the Board of Directors and the CEO from liability for the financial year 2023, approved the Remuneration Report for the company's governing bodies and authorized the Board of Directors to decide on the repurchase and issuance of Verkkokauppa.com's own shares. In addition, the Annual General Meeting approved the proposals of the Shareholders' Nomination Board concerning the election and remuneration of the Board of Directors. Following the proposal of the Board of Directors, audit firm PricewaterhouseCoopers Oy was elected as the company's auditor and assurer of sustainability reporting. Mikko Nieminen, APA, acts as the auditor with principal responsibility.

### Composition of the Board of Directors 2024

The Annual General Meeting confirmed the number of board members to be seven, and the following persons were re-elected: Robin Bade, Henrik Pankakoski, Kati Riikonen, Samuli Seppälä and Arja Talma. As new members of the Board of Directors were elected Irmeli Rytönen and Enel Sintonen.

At the constitutive meeting of the Board of Directors held after the Annual General Meeting, Arja Talma was elected Chair of the Board. The compositions of the Board committees were decided to be as follows: members of the Remuneration Committee are Arja Talma (Chair), Robin Bade and Henrik Pankakoski. Members of the Audit Committee are Enel Sintonen (Chair), Arja Talma (Vice Chair), Kati Riikonen and Irmeli Rytönen.

On 4 April 2024, Verkkokauppa.com published a stock exchange release on the decisions of the Annual General Meeting and the constitutive meeting of the Board of Directors. The release is available on the company's website.

### Dividend

The Annual General Meeting resolved that the company deviates from its dividend distribution policy to improve its equity ratio and that no dividend be distributed from the profit of the 2023 financial year.

## CORPORATE GOVERNANCE STATEMENT AND REMUNERATION REPORT

Verkkokauppa.com publishes the corporate governance statement and remuneration report for 2024 in accordance with the recommendations of the Finnish Corporate Governance Code. The documents will be available on Verkkokauppa.com's website separately from the Board of Directors' report no later than the week beginning 10 March 2025 (week 11).



## COMPOSITION OF THE SHAREHOLDERS' NOMINATION BOARD

The Shareholders' Nomination Board consists of three members which are the company's three largest shareholders or their representatives. The right to nominate members is determined based on the shareholding on the last working day of May preceding the next Annual General Meeting. The Chair of the Board of Directors is an expert member of the Nomination Board and has no voting right.

Verkkokauppa.com announced on 13 August 2024, that the following members were appointed to the Nomination Board:

- Samuli Seppälä, Founder of Verkkokauppa.com, representing himself,
- Erkkä Kohonen, Senior Portfolio Manager, nominated by Varma Mutual Pension Insurance Company and
- Karoliina Lindroos, Head of Responsible Investment, nominated by Ilmarinen Mutual Pension Insurance Company

The Chair of the Nomination Board is Erkkä Kohonen. Arja Talma, Chair of the Board of Verkkokauppa.com serves as an expert member.

The Shareholder's Nomination Board prepares proposals on the number, election and remuneration of the members of the Board to the General Meeting. The Nomination Board shall submit its proposal to the Board every year, by the last business day of February preceding the next Annual General Meeting.

## KEY EVENTS DURING THE QUARTER

On 23 October 2024, Verkkokauppa.com announced the completion of the change negotiations. As a result of the change negotiations, the number of personnel was reduced by 33 employees. In addition to this, 7 employment contracts ended during the negotiation period, which will not be filled.

## SHARE TRADING AND SHARES

Verkkokauppa.com shares (VERK) in Nasdaq Helsinki stock exchange in January–December 2024:

No. of shares traded	Share of no. of total shares, %	The total value of traded shares, EUR million	Last, EUR	High, EUR	Low, EUR	Weighted average, EUR
7,472,233	16.5%	15,111,218	1.34	2.71	1.27	2.11

## Verkkokauppa.com market capitalization and shareholders

	31 December 2024
Market capitalization (excl. own shares), EUR million	60.5
Number of shareholders (of which nominee shareholders)	18,737 (7)
Nominee registrations and direct foreign shareholders, %	10.98
Households, %	50.83
Financial and insurance corporations, %	16.06
Other Finnish investors, %	22.13

At the end of December 2024, the company's largest shareholders according to the shareholder register held by Euroclear Finland Ltd were Samuli Seppälä (29.4%), Varma Mutual Pension Insurance Company (9.6%), Ilmarinen Mutual Pension Insurance Company (4.8%), Mandatum Life Insurance Company Limited (4.7%) and Nordea Nordic Small Cap Fund (3.1%).

On 31 December 2024, the share capital was EUR 100,000 and the total number of shares in the company was 45,354,532 including 86,345 treasury shares held by the company. The treasury shares have no voting rights, and no dividend is paid on them. The treasury shares accounted for 0.19 percent of all shares. In January-



December 2024, the company transferred a total of 59,374 treasury shares as part of the remuneration of Board members.

### **Share-related authorizations**

At the end of December 2024, the Board had valid authorization to decide on the repurchase of a maximum of 4,535,453 own shares in one or several installments and to decide on a share issue of a maximum of 4,535,453 shares by one or more decisions. The proposed maximum authorized number represents ten percent of the total number of shares in the company. Authorizations are valid until the next Annual General Meeting, however, no longer than until 30 June 2025.

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/en>

## **SHORT-TERM RISKS AND BUSINESS UNCERTAINTIES**

Verkkokauppa.com's business operations involve risks and uncertainties related to its overall strategy, execution of corporate transactions and investments, sourcing operations, logistics, information technology, compliance and other operational factors. These risks can impact the company's operations, financial position or performance and may require the company to make changes to its business model.

The demand for our assortment, availability of products, and competitive environment are factors that impact Verkkokauppa.com's business. The company faces risks related to changes in both consumer and B2B customer behavior and preferences, as well as supply chain disruptions and intensified competition from other players in the market.

Verkkokauppa.com is also subject to global trade conflicts, macroeconomic and geopolitical risks that could impact its operations and financial performance. Uncertainties related to intensified geopolitical conflicts, and global macroeconomic factors such as inflation and the development of financial markets as well as changes in the employment situation can weaken the purchasing power and investment ability of consumers and corporates. The company provides financing to its customers, which involves a risk of credit losses.

The assessment of the most significant business risks and uncertainties is presented in the Report of the Board of Directors 2023.

## **EVENTS AFTER THE REPORTING PERIOD**

After the reporting period, the company made the decision to commit to the Science Based Targets (SBTi) climate initiative and reduce its greenhouse gas emissions in line with the 1.5-degree warming target of the Paris Agreement. For years, the company has systematically reduced its emissions with the aim of reducing the emissions of its own operations (scope 1 and 2) to zero by the end of 2025. With the SBTi commitment, the company will set science-based climate targets to reduce indirect emissions (scope 3) in the value chain. The commitment is also recorded in the environmental policy drawn up during the reporting year, which is publicly available on the company's website.

On 28 January 2025, Verkkokauppa.com Oyj's Shareholders' Nomination Board proposed to the Annual General Meeting, planned to be held on 8 April 2025, that the Board of Directors consists of seven members and that Robin Bade, Henrik Pankakoski, Kati Riikonen, Irmeli Rytönen, Samuli Seppälä, Enel Sintonen and Arja Talma be re-elected as Board members.

On 28 January 2025, Verkkokauppa.com published preliminary information on the 2024 results.



## FINANCIAL GUIDANCE FOR 2025

Verkkokauppa.com expects its revenue and comparable operating profit for 2025 to increase. In 2024, the company's revenue was EUR 467.8 million and comparable operating profit was EUR 1.8 million.

The guidance includes uncertainties related to changes in purchasing power and consumer behavior. Verkkokauppa.com's business is seasonal, and the company's revenue and operating profit depend largely on the sales in the fourth quarter.

## BOARD PROPOSAL FOR PROFIT DISTRIBUTION

According to the company's dividend policy, its target is to pay out 60-80 percent of annual net result in quarterly growing dividends. The company's 2024 net result was EUR -0.8 million. Thus, the Board of Directors will propose to the Annual General Meeting 2025 that no dividend be paid for the financial year 2024.

## ANNUAL GENERAL MEETING 2025

Verkkokauppa.com Oyj's Annual General Meeting 2025 is planned to be held on 8 April 2025 at 2:00 p.m. EET as a virtual-only AGM. The Board of Directors will summon the meeting separately with a stock exchange release later.

Helsinki, Finland, 6 February 2025

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

## NEWS CONFERENCES

A press conference for analysts, investors and media will be held in Finnish over a Livestream webcast on Thursday, 6 February 2025 at 10:00 a.m. (EET), in which Verkkokauppa.com's CEO Panu Porkka will present the developments in the reporting period. It is possible to participate in the press conference here: <https://verkkokauppa.videosync.fi/2024-q4>.

A press conference in English will be held over Livestream webcast on Thursday, 6 February 2025 at 11:00 a.m. (EET). It is possible to participate in the press conference here: <https://verkkokauppa.videosync.fi/2024-results>.

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>. For both press conferences, the Livestream webcast is available at [verklive.com](http://verklive.com).



## COMPANY RELEASES AND EVENTS

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

- Annual reporting package for 2024, including the Report of the Board of Directors and the Financial Statements, Corporate Governance Statement and Remuneration Report, during the week starting on 10 March (week 11) in 2025
- The Annual General Meeting is planned to be held on Tuesday 8 April 2025 at 2:00 p.m. EET as a virtual-only AGM
- Interim report for January – March 2025 on Thursday 24 April 2025
- Half-year financial report for January – June 2025 on Thursday 17 July 2025
- Interim report for January – September 2025 on Thursday 23 October 2025
- Financial statements bulletin for the year 2025 on Thursday 12 February 2026

### More information:

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**Verkkokauppa.com** is an e-commerce pioneer that stands passionately on the customer's side. Verkkokauppa.com accelerates the transition of commerce to online with Finland's fastest deliveries and ultimate convenience. The company leads the way by offering one-hour deliveries to more than 1.7 million customers, a winning assortment and probably always cheaper prices. Everyday, the company strives to find more streamlined ways to surpass its customers' expectations and to create a new norm for buying and owning.

Verkkokauppa.com was founded in 1992 and has been online since day one. The company's revenue in 2024 was EUR 468 million and it employs around 600 people. Verkkokauppa.com is listed on the Nasdaq Helsinki stock exchange.



## VERKKOKAUPPA.COM OYJ FINANCIAL STATEMENTS BULLETIN 1 January - 31 December 2024

**Group consolidated statement of comprehensive income**

EUR thousand	Note	10–12/ 2024	10–12/ 2023	1–12/ 2024	1–12/ 2023
<b>Revenue</b>	<b>1.3</b>	<b>140,151</b>	<b>150,604</b>	<b>467,829</b>	<b>502,852</b>
Other operating income		242	69	598	420
Materials and services		-116,873	-127,538	-392,057	-422,001
Employee benefit expenses		-9,641	-9,948	-35,918	-36,690
Depreciation and amortization		-1,712	-1,697	-6,919	-6,365
Other operating expenses		-9,215	-9,707	-32,923	-33,500
<b>Operating profit</b>		<b>2,950</b>	<b>1,782</b>	<b>611</b>	<b>4,716</b>
Finance income		144	212	394	331
Finance costs		-572	-570	-2,431	-2,273
<b>Result before income taxes</b>		<b>2,522</b>	<b>1,424</b>	<b>-1,426</b>	<b>2,774</b>
Income taxes		55	-250	623	-704
<b>Result for the period</b>		<b>2,578</b>	<b>1,174</b>	<b>-803</b>	<b>2,070</b>
<b>Result for the period attributable to</b>					
Equity holders of the company		2,578	1,174	-803	2,070
<b>Earnings per share calculated from the profit attributable to equity holders</b>					
Earnings per share, basic (EUR)		0.06	0.03	-0.02	0.05
Earnings per share, diluted (EUR)		0.06	0.03	-0.02	0.05

**Other comprehensive income**

EUR thousand	10–12/ 2024	10–12/ 2023	1–12/ 2024	1–12/ 2023
<b>Result for the period</b>	<b>2,578</b>	<b>1,174</b>	<b>-803</b>	<b>2,070</b>
<b>Items that may be reclassified to profit or loss</b>				
Translation differences	70	-42	62	27
<b>Items that will not be reclassified to profit or loss</b>				
<b>Comprehensive income for the period</b>	<b>2,648</b>	<b>1,133</b>	<b>-741</b>	<b>2,097</b>
<b>Comprehensive income for the period</b>				
Equity holders of the company	2,648	1,133	-741	2,097



## Consolidated Statement of financial position

EUR thousand	Note	31 Dec 2024	31 Dec 2023
<b>Non-current assets</b>			
Intangible assets		4,500	4,950
Goodwill		2,846	2,846
Property, plant and equipment		5,473	5,811
Right-of-use assets	1.5	23,864	13,349
Deferred tax assets		1,769	1,174
Trade receivables	1.6/1.7	6,618	7,824
Other non-current receivables		504	396
<b>Non-current assets, total</b>		<b>45,573</b>	<b>36,349</b>
<b>Current assets</b>			
Inventories		51,139	62,721
Trade receivables	1.6/1.7	32,551	37,292
Other receivables		3,170	2,770
Income tax receivables		9	-
Accrued income		10,061	8,256
Cash and cash equivalents	1.7	35,600	31,893
<b>Current assets, total</b>		<b>132,529</b>	<b>142,932</b>
<b>Total assets</b>		<b>178,102</b>	<b>179,281</b>
<b>Equity</b>			
Share capital		100	100
Treasury shares		-470	-786
Invested unrestricted equity fund		26,896	27,599
Translation differences		74	21
Retained earnings		2,108	-526
Result for the period		-803	2,070
<b>Total equity</b>		<b>27,905</b>	<b>28,479</b>
<b>Non-current liabilities</b>			
Lease liabilities	1.7	22,587	11,729
Deferred tax liabilities		42	74
Liabilities to credit institutions	1.7/1.8	17,000	18,750
Provisions		302	1,008
<b>Non-current liabilities, total</b>		<b>39,931</b>	<b>31,560</b>
<b>Current liabilities</b>			
Lease liabilities	1.7	3,842	4,974
Liabilities to credit institutions	1.7/1.8	2,000	2,558
Advance payments received		4,050	3,487
Trade payables	1.7	68,707	78,962





Other current liabilities	12,689	12,381
Accrued liabilities	18,951	16,847
Provisions	27	-
Income tax liabilities	-	34
<b>Current liabilities, total</b>	<b>110,266</b>	<b>119,242</b>
<b>Total liabilities</b>	<b>150,197</b>	<b>150,803</b>
<b>Total equity and liabilities</b>	<b>178,102</b>	<b>179,281</b>

**Group consolidated cash flow statement**

EUR thousand	1-12/ 2024	1-12/ 2023
<b>Cash flow from operating activities</b>		
Result before income taxes	-1,426	2,774
Depreciation and impairment	6,919	6,365
Finance income and costs	2,037	1,942
Other adjustments	-516	257
Cash flow before change in working capital	7,014	11,338
Change in working capital		
Increase(-) / decrease(+) in non-current non-interest-bearing trade receivables	1,098	-2,209
Increase (-) / decrease (+) in trade and other receivables	2,540	-7,116
Increase (-) / decrease (+) in inventories	11,582	12,046
Increase (+) / decrease (-) in current liabilities	-7,075	7,576
Cash flow before financial items and taxes	15,159	21,635
Interest paid	-1,861	-1,159
Interest received	394	331
Interest in lease liabilities	-745	-912
Income tax paid	-46	402
<b>Cash flow from operating activities</b>	<b>12,902</b>	<b>20,297</b>
<b>Cash flow from investing activities</b>		
Acquisition of subsidiaries	-	427
Purchases of property, plant and equipment	-775	-335
Purchases of intangible assets	-992	-2,041
<b>Cash flow from investing activities</b>	<b>-1,766</b>	<b>-1,949</b>
<b>Cash flow from financing activities</b>		
Lease liabilities payments	-5,149	-4,810
Proceeds from long-term loans	18,000	-
Payments of long-term loans	-17,500	-
Proceeds from short-term loans	8,000	-
Payments of short-term loans	-10,808	-2,836
<b>Cash flow from financing activities</b>	<b>-7,458</b>	<b>-7,646</b>
<b>Increase (+) / decrease (-) in cash and cash equivalents</b>	<b>3,678</b>	<b>10,702</b>
Cash and cash equivalents at beginning of reporting period	31,893	21,210
Translation differences	29	-20
Cash and cash equivalents at end of reporting period	35,600	31,893

**Group statement of changes in equity**

<b>A</b> Share capital	<b>D</b> Translation differences
<b>B</b> Treasury shares	<b>E</b> Retained earnings
<b>C</b> Invested unrestricted equity fund	<b>F</b> Total equity

EUR thousand	A	B	C	D	E	F
<b>Equity 1 Jan 2024</b>	<b>100</b>	<b>-786</b>	<b>27,599</b>	<b>0</b>	<b>1,565</b>	<b>28,479</b>
Result for the period	-	-	-	-	-803	<b>-803</b>
Transaction differences	-	-	-	-	62	<b>62</b>
<b>Comprehensive income for the period, total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-741</b>	<b>-741</b>
Transfers between items	-	-	-704	-	-	<b>-704</b>
Disposal of treasury shares -Board fees	-	316	-	-	-316	<b>0</b>
Share-based incentives	-	-	-	-	871	<b>871</b>
<b>Transactions with owners, total</b>	<b>-</b>	<b>316</b>	<b>-704</b>	<b>0</b>	<b>555</b>	<b>167</b>
<b>Equity 31 Dec 2024</b>	<b>100</b>	<b>-470</b>	<b>26,896</b>	<b>0</b>	<b>1,379</b>	<b>27,905</b>

EUR thousand	A	B	C	D	E	F
<b>Equity 1 Jan 2023</b>	<b>100</b>	<b>-1,410</b>	<b>27,472</b>	<b>0</b>	<b>308</b>	<b>26,470</b>
Result for the period	-	-	-	-	2,070	<b>2,070</b>
Transaction differences	-	-	-	-	27	<b>27</b>
<b>Comprehensive income for the period, total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,097</b>	<b>2,097</b>
Disposal of treasury shares -Board fees	-	237	127	-	-237	<b>127</b>
Share-based incentives	-	387	-	-	-602	<b>-215</b>
<b>Transactions with owners, total</b>	<b>-</b>	<b>624</b>	<b>127</b>	<b>0</b>	<b>-839</b>	<b>-88</b>
<b>Equity 31 Dec 2023</b>	<b>100</b>	<b>-786</b>	<b>27,599</b>	<b>0</b>	<b>1,565</b>	<b>28,479</b>



## Notes

### 1.1 Accounting principles applied in this Financial Statements Bulletin

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

Verkkokauppa.com Oyj's Financial Statements Bulletin for January– December 2024 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 2023, published on 28 February 2024. Verkkokauppa.com Oyj has applied the same accounting principles in the preparation of this Financial Statements Bulletin as in its Financial Statements for 2023.

Verkkokauppa.com Oyj has not adopted new accounting policies during 2024 that would have a material impact on this Financial Statements Bulletin.

The information presented in this Financial Statements Bulletin 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. All combined operating segments have similar characteristics. The main factor to the group's business model is the strong integration of online shopping and stores, common support functions serving the entire business, and the volume benefits made possible 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 around 60,000 products in 24 different main product categories that the company sells to consumers through its own online store 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, as well as the consumer financing the company offers to its customers. Revenue is accumulated geographically mainly from Finland.

Revenue from product sales is recognized when the control has been transferred. The revenue from services is recognized over time.

## Disaggregation of revenue

### Satisfaction of performance obligation

EUR thousand	10– 12/ 2024	10– 12/ 2023	1– 12/ 2024	1– 12/ 2023
At a point in time	139,054	149,316	465,910	498,607
Over time	1,097	1,287	1,919	4,244
<b>Revenue, total</b>	<b>140,151</b>	<b>150,604</b>	<b>467,829</b>	<b>502,852</b>



### Revenue by external customer location

EUR thousand	10–12/ 2024	10–12/ 2023	1–12/ 2024	1–12/ 2023
Finland	130,827	141,103	437,708	468,363
EU	9,045	8,843	28,889	29,657
Rest of the world	278	658	1,233	4,832
<b>Revenue distribution by geography, total</b>	<b>140,151</b>	<b>150,604</b>	<b>467,829</b>	<b>502,852</b>

### Income recognized from customer financing

The company presents all income from customer financing as part of revenue.

The table hereafter presents the income recognized from own financed customer financing and payment service divided into income recognized using the effective interest rate method and other income. Other income consists of other fees.

EUR thousand	10–12/ 2024	10–12/ 2023	1–12/ 2024	1–12/ 2023
Interest income recognized using effective interest rate method	1,264	1,209	4,964	4,244
Other income from company-financed customer financing	629	713	2,788	2,555
<b>Income from customer financing, total</b>	<b>1,893</b>	<b>1,922</b>	<b>7,752</b>	<b>6,799</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 the year-end and the lowest point at the end of the second quarter.

### 1.5 Right-of-use assets

EUR thousand	31 Dec 2024	31 Dec 2023
Carrying amount 1.1.	13,349	12,866
Increase/decrease due to remeasurement	14,880	4,701
Depreciation	-4,364	-4,218
<b>Carrying amount at the end of period</b>	<b>23,864</b>	<b>13,349</b>

The remeasurements made during 2024 and 2023 relate to index adjustments and renegotiated rental agreements. In December 2024, the company entered into an extension agreement for Jätkäsaari real estate and land areas. The extension agreement is valid until December 2032.



## 1.6 Trade receivables

EUR thousand	31 Dec 2024		31 Dec 2023	
	Trade receivables	Impairment	Trade receivables	Impairment
Not due	34,388	573	38,383	467
Past due 1–60 days	5,763	440	7,721	586
Past due 61–120 days	97	66	111	56
Past due over 121 days	187	187	133	124
<b>Total</b>	<b>40,435</b>	<b>1,266</b>	<b>46,348</b>	<b>1,232</b>

The company has entered into an agreement with Norion Bank AB for managing the invoice ledger and selling invoices. In accordance with the agreement, all our new B2B invoice receivables have been transferred to Norion Bank AB from the beginning of December 2024.

## 1.7 Financial assets and liabilities by measurement category

31 Dec 2024		
EUR thousand	Financial assets and liabilities at amortized cost	Carrying amount 31.12.2024
<b>Non-current financial assets (level 2)</b>		
Trade receivables and other financial receivables	7,122	7,122
<b>Non-current financial assets, total</b>	<b>7,122</b>	<b>7,122</b>
<b>Current financial assets (level 2)</b>		
Trade receivables	32,551	32,551
Cash and cash equivalents	35,600	35,600
<b>Current financial assets, total</b>	<b>68,151</b>	<b>68,151</b>
<b>Financial assets by measurement category, total</b>	<b>75,273</b>	<b>75,273</b>
<b>Non-current financial liabilities (level 2)</b>		
Lease liabilities	22,587	22,587
Liabilities to credit institutions	17,000	17,000
<b>Non-current financial liabilities, total</b>	<b>39,587</b>	<b>39,587</b>
<b>Current financial liabilities (level 2)</b>		
Lease liabilities	3,842	3,842
Liabilities to credit institutions	2,000	2,000
Interest amortization on financial loans	27	27
Trade payables	68,707	68,707
<b>Current financial liabilities, total</b>	<b>74,576</b>	<b>74,576</b>
<b>Financial liabilities by measurement category, total</b>	<b>114,162</b>	<b>114,162</b>



31 Dec 2023		
EUR thousand	Financial assets and liabilities at amortized cost	Carrying amount 31.12.2023
<b>Non-current financial assets (level 2)</b>		
Trade receivables and other financial receivables	8,220	8,220
<b>Non-current financial assets, total</b>	<b>8,220</b>	<b>8,220</b>
<b>Current financial assets (level 2)</b>		
Trade receivables	37,292	37,292
Cash and cash equivalents	31,893	31,893
<b>Current financial assets, total</b>	<b>69,185</b>	<b>69,185</b>
<b>Financial liabilities by measurement category, total</b>	<b>77,404</b>	<b>77,404</b>
<b>Non-current financial liabilities (level 2)</b>		
Lease liabilities	11,729	11,729
Loans from financial institutions	18,750	18,750
<b>Non-current financial liabilities, total</b>	<b>30,479</b>	<b>30,479</b>
<b>Current financial liabilities (level 2)</b>		
Lease liabilities	4,974	4,974
Loans from financial institutions	2,558	2,558
Interest amortization on financial loans	202	202
Trade payables	78,962	78,962
<b>Current financial liabilities, total</b>	<b>86,696</b>	<b>86,696</b>
<b>Financial liabilities by measurement category, total</b>	<b>117,174</b>	<b>117,174</b>

Level 2 includes interest-bearing liabilities.

The group has no financial assets or liabilities recognized at fair value through other comprehensive income.

## 1.8 Loans from financial institutions

At the end of December, Verkkokauppa.com had EUR 19.0 million (21.3) interest-bearing loans from financial institutions. The loans from financial institutions have variable interest rates. The interest to be paid is determined every six months based on the Euribor reference rate and the net debt/EBITDA ratio. The maturity of the loans is 3 years, from June 24, 2024. The capital of the bank loans is amortized every six months. No assets have been given as collateral for the loans. The loans are subject to covenant conditions, which are determined based on the net debt/EBITDA ratio and the net debt ratio. Activities in accordance with the loan covenant are reported to the lenders every six months, and the group's management monitors the fulfillment of the loan covenant regularly. Verkkokauppa.com has complied with the financial covenants of its loans to the credit institutions during both reported periods in the financial year. The purpose of the loans is primarily business development and the group's general financing needs. The company's net debt is primarily controlled by managing and optimizing working capital. The book values of the loans correspond to the fair values of the loans, because the loans have variable interest rates and the group's risk premium has not changed substantially.



### 1.9 Transactions with related parties

Verkkokauppa.com's related parties comprise the Board of Directors, the CEO as well as the other members of the Company's 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.

EUR thousand	31 Dec 2024	31 Dec 2023
Sales of goods and services		
To key management personnel and their related parties	77	92
Purchases of goods and services		
From key management personnel and their related parties	135	19

EUR thousand	31 Dec 2024	31 Dec 2023
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	27	5

### 1.10 Guarantees and commitments

EUR thousand	31 Dec 2024	31 Dec 2023
<b>Collateral given for own commitments</b>		
Mortgages	27,301	27,301
Guarantees	1,345	2,027
<b>Other commitments and contingent liabilities</b>	28	50

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

### 1.11 Legal disputes and possible legal proceedings

On 15 March 2024, the company announced that the Office of the Data Protection Ombudsman had imposed an administrative fine of EUR 856,000 on Verkkokauppa.com. The penalty is based on the Data Protection Ombudsman's interpretation, according to which Verkkokauppa.com would have neglected to define a retention period for the customer data of its online store customers in accordance with the EU's General Data Protection Regulation. Verkkokauppa.com considers the penalty to be unjustified. The decision of the Office of the Data Protection Ombudsman is not legally binding. Verkkokauppa.com has appealed the decision to the Administrative Court.

The company recorded a provision for the penalty payment in the first quarter of 2024, and the cost is reported as an item affecting comparability.





### 1.12 IFRS Standards not yet effective

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

### 1.13 Subsequent events

After the reporting period, the company made the decision to commit to the Science Based Targets (SBTi) climate initiative and reduce its greenhouse gas emissions in line with the 1.5-degree warming target of the Paris Agreement. For years, the company has systematically reduced its emissions with the aim of reducing the emissions of its own operations (scope 1 and 2) to zero by the end of 2025. With the SBTi commitment, the company will set science-based climate targets to reduce indirect emissions (scope 3) in the value chain. The commitment is also recorded in the environmental policy drawn up during the reporting year, which is publicly available on the company's website.

On 28 January 2025, Verkkokauppa.com Oyj's Shareholders' Nomination Board proposed to the Annual General Meeting, planned to be held on 8 April 2025, that the Board of Directors consists of seven members and that Robin Bade, Henrik Pankakoski, Kati Riikonen, Irmeli Rytönen, Samuli Seppälä, Enel Sintonen and Arja Talma be re-elected as Board members.

On 28 January 2025, Verkkokauppa.com published preliminary information on the 2024 results.

## ADDITIONAL INFORMATION

### Quarterly income statement

EUR thousand	10-12/ 2024	7-9/ 2024	4-6/ 2024	1-3/ 2024	10-12/ 2023	7-9/ 2023	4-6/ 2023	1-3/ 2023
<b>Revenue</b>	<b>140,151</b>	<b>114,186</b>	<b>105,515</b>	<b>107,978</b>	<b>150,604</b>	<b>117,447</b>	<b>112,842</b>	<b>121,960</b>
Other operating income	242	93	70	193	69	44	126	181
Materials and services	116,873	-97,631	-88,242	-89,310	127,538	-98,739	-93,994	101,729
Employee benefit expenses	-9,641	-7,957	-9,320	-9,000	-9,948	-7,523	-8,327	-10,891
Depreciation and amortization	-1,712	-1,726	-1,752	-1,729	-1,697	-1,594	-1,534	-1,54
Other operating expenses	-9,215	-6,890	-8,239	-8,578	-9,707	-7,558	-8,299	-7,937
<b>Operating result</b>	<b>2,950</b>	<b>74</b>	<b>-1,968</b>	<b>-446</b>	<b>1,782</b>	<b>2,076</b>	<b>813</b>	<b>44</b>
Finance income	144	53	69	129	212	106	6	7
Finance costs	-572	-690	-572	-597	-570	-668	-517	-519
<b>Result before income taxes</b>	<b>2,522</b>	<b>-563</b>	<b>-2,471</b>	<b>-914</b>	<b>1,424</b>	<b>1,515</b>	<b>302</b>	<b>-468</b>
Income taxes	55	234	383	-49	-250	-383	-127	56
<b>Net result for the period</b>	<b>2,578</b>	<b>-329</b>	<b>-2,088</b>	<b>-963</b>	<b>1,174</b>	<b>1,132</b>	<b>176</b>	<b>-412</b>



<b>Result for the period attributable to</b>								
Equity holders	2,578	-329	-2,088	-963	1,174	1,132	176	-412
<b>Earnings per share calculated from the profit attributable to equity holders</b>								
Earnings per share, basic (EUR)	0.06	-0.01	-0.05	-0.02	0.03	0.03	0.00	-0.01
Earnings per share, diluted (EUR)	0.06	-0.01	-0.05	-0.02	0.03	0.03	0.00	-0.01

### Alternative performance measurement

In this Financial Statements Review, Verkkokauppa.com Oyj presents key figures not accounting measures defined under IFRS and 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.

	2024					2023				
	Q1	Q2	Q3	Q4	Q1-Q4 2024	Q1	Q2	Q3	Q4	Q1-Q4 2023
Revenue, eur million	108.0	105.5	114.2	140.2	467.8	122.0	112.8	117.4	150.6	502.9
Gross profit, eur million	18.7	17.3	16.6	23.3	75.8	20.2	18.8	18.7	23.1	80.9
Gross margin-%	17.3%	16.4%	14.5%	16.6%	16.2%	16.6%	16.7%	15.9%	15.3%	16.1%
EBITDA, eur million	1.3	-0.2	1.8	4.7	7.5	1.6	2.3	3.7	3.5	11.1
EBITDA-%	1.2%	-0.2%	1.6%	3.3%	1.6%	1.3%	2.1%	3.1%	2.3%	2.2%
Operating result, eur million	-0.4	-2.0	0.1	3.0	0.6	0.0	0.8	2.1	1.8	4.7
Operating margin-%	-0.4%	-1.9%	0.1%	2.1%	0.1%	0.0%	0.7%	1.8%	1.2%	0.9%
Comparable operating result, eur million	0.5	-1.7	-0.7	3.8	1.8	1.4	1.0	2.2	1.6	6.1
Comparable operating margin-%	0.5%	-1.6%	-0.7%	2.7%	0.4%	1.1%	0.8%	1.9%	1.1%	1.2%
Net result, eur million	-1.0	-2.1	-0.3	2.6	-0.8	-0.4	0.2	1.1	1.2	2.1
Interest-bearing net debt, eur million	20.1	18.5	16.3	9.8	9.8	25.6	22.8	20.3	6.1	6.1
Investments, eur million	0.3	0.6	0.4	0.4	1.8	1.0	0.8	0.4	0.2	2.4
Equity ratio, %	16.7%	15.7%	16.3%	16.0%	16.0%	15.8%	16.5%	16.9%	16.2%	16.2%
Gearing, %	72.7%	72.2%	64.6%	35.2%	35.2%	98.2%	87.2%	74.2%	21.5%	21.5%
Personnel at the end of period*	644	694	622	615	615	720	695	640	677	677



Basic earnings per share, euros	-0.02	-0.05	-0.01	0.06	-0.02	-0.01	0.00	0.03	0.03	0.05
Diluted earnings per share, euros	-0.02	-0.05	-0.01	0.06	-0.02	-0.01	0.00	0.03	0.03	0.05
Number of issued shares, 1,000 pcs	45,355	45,355	45,355	45,355	45,355	45,355	45,355	45,355	45,355	45,355
Number of treasury shares, 1,000 pcs	133	119	104	86	86	258	171	159	146	146
Weighted average number of shares outstanding, 1,000 pcs	45,222	45,235	45,250	45,244	45,244	45,096	45,183	45,195	45,209	45,209
Diluted weighted average number of shares outstanding, 1,000 pcs	45,372	45,386	45,401	45,287	45,287	45,354	45,252	45,264	45,277	45,277

\*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 Group
<b>EBITDA</b>	Operating result + depreciation + amortization		EBITDA shows the operational profitability
<b>EBITDA, %</b>	$(\text{Operating result} + \text{depreciation} + \text{amortization}) / \text{Revenue}$	x 100	EBITDA measures the operational profitability of Verkkokauppa.com Group
<b>OPERATING RESULT</b>	Result for the period before income taxes and net finance income and costs		Operating result shows result generated by operating activities
<b>OPERATING MARGIN, %</b>	$\text{Operating result} / \text{Revenue}$	x 100	Operating margin measures the operational efficiency of Verkkokauppa.com Group
<b>ITEMS AFFECTING COMPARABILITY</b>	Material items that are not part of normal operating activities such as expenses related to 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 RESULT</b>	Comparable operating result is profit adjusted with items affecting comparability		Comparable operating result allows comparison of operating result in different periods without the impact of extraordinary items not related to normal business operations
<b>COMPARABLE OPERATING RESULT MARGIN %</b>	Comparable operating result/revenue	x 100	Comparable operating margin measures comparable operational efficiency of Verkkokauppa.com Group
<b>EQUITY RATIO, %</b>	Total equity / Balance sheet total - advance payments received		The equity ratio measures Verkkokauppa.com Group's solvency, ability to bear losses and ability to meet commitments in the long run
<b>INTEREST-BEARING NET BEDT</b>	Interest-bearing debts (lease liabilities, loans from financial institutions) - cash and cash equivalents		Interest-bearing net debt measures Verkkokauppa.com Group's indebtedness
<b>GEARING, %</b>	Interest-bearing debts (lease liabilities, loans from financial institutions) - cash and cash equivalents/ Total equity	x 100	Gearing measures the relation of equity and interest-bearing net debt of Verkkokauppa.com Group and shows the indebtedness of the company
<b>INVESTMENTS</b>	Increases in intangible assets, property, plant and equipment during the financial period		Investments provide 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>	Result for the period attributable to equity holders of the company / Weighted average number of shares outstanding		Earnings per share measures the result for the period attributable to equity holders of the Group
<b>EARNINGS PER SHARE, DILUTED</b>	Result for the period attributable to equity holders of the company / Weighted average number of shares outstanding + dilutive potential shares		

### Reconciliation of alternative key ratios

EUR million	10-12/2024	10-12/2023	1-12/2024	1-12/2023
Comparable operating result	3.8	1.6	1.8	6.1
Items affecting comparability	-0.8	0.2	-1.2	-1.4
<b>Operating result</b>	<b>3.0</b>	<b>1.8</b>	<b>0.6</b>	<b>4.7</b>

**Items affecting comparability**

<b>EUR million</b>	<b>10-12/2024</b>	<b>10-12/2023</b>	<b>1-12/2024</b>	<b>1-12/2023</b>
Release of deferred purchase price	-	0.2	0.6	-0.2
The Office of the Data Protection Ombudsman - An administrative fine and other legal fees	-0.0	-	-1.0	-
Reorganization	-0.8	-	-0.8	-1.2
<b>Items affecting comparability total</b>	<b>-0.8</b>	<b>0.2</b>	<b>-1.2</b>	<b>-1.4</b>