2023

Financial Statements

1 January – 31 December 2023

MARTELA CORPORATION'S FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER

The January–December 2023 revenue and operating result decreased compared to previous year.

October–December 2023

- Revenue was EUR 26.4 million (27.1), representing a change of -2.8%
- Comparable operating result was EUR 1,5 million (0.2)
- Operating result was EUR 1,5 million (0.2)
- Operating profit per revenue was 5.8% (0.6%)
- The result for the period was EUR 1.2 million (0.7)
- Earnings per share amounted to EUR 0.22 (0.15)

January–December 2023

- Revenue was EUR 94.4 million (106.7), representing a change of -11.5%
- Comparable operating result was EUR -2.4 million (1.0)
- Operating result was EUR -2.4 million (2.5)
- Operating profit per revenue was -2.5% (2.3%)
- The result for the period was EUR -3.5 million (2.6)
- Earnings per share amounted to EUR -0.77 (0.57)

Outlook

Outlook for 2024

Martela anticipates its revenue to increase in full-year 2024 compared to previous year and operating result to be positive.

Key figures, EUR million

	2023	2022	Change	2023	2022	Change
	10-12	10-12	%	1-12	1-12	%
Revenue	26.4	27.1	-2.8 %	94.4	106.7	-11.5 %
Operating result	1.5	0.2	842.3 %	-2.4	2.5	
Operating result %	5.8 %	0.6 %		-2.5 %	2.3 %	
Result Before taxes	1.2	-0.1		-3.3	1.3	
Result for the period	1.0	0.7	48.3%	-3.5	2.6	
Earnings/share. EUR	0.22	0.15	46.5%	-0.77	0.57	
Return on investment %	21.1	2.6		-7.5	9.1	
Return on equity %	35.6	21.9		-31.3	20.8	
Equity ratio %				20.0	24.7	-19.1 %
Gearing %				137.2	58.6	134.3 %

Ville Taipale, CEO:

“The high inflation and increased interest rates that started last year impacted negatively also in the fourth quarter this year. Economic development in the Nordic countries was modest in 2023, which was also reflected as cautiosness in Martela's customers' purchasing decisions. However, the impact of the challenging market situation on Martela's business was clearly more moderate than in the first half of the year. Our net sales decreased slightly in the fourth quarter to EUR 26.4 million, which was 2.8% lower than in the same period last year. This achievement can be described as good in a difficult market situation. Our net sales in January-December totalled EUR 94.4 million, which was 11.5% lower than in the last year.

The Group's new orders decreased slightly in the fourth quarter compared to the corresponding period of the previous year. In the fourth quarter, orders increased in “Others” and decreased in Finland, in Sweden and in Norway.

Our comparable operating result increased clearly in the fourth quarter compared to the same period last year and was EUR 1.5 million (0.2). The strengthening of comparable operating result was mainly due to improved productivity and operational efficiency, which allowed us to compensate for the small decrease in net sales. Comparable operating result for January-December was EUR -2.4 million (1.0). The result for the full year period was burdened particularly by the low level of net sales in the first half of the year. In addition, profitability in the first half of the year has been burdened by investments in development projects, that support long-term growth.

We have reacted to the challenging market situation by adjusting our cost level during the second half of the year. The efficiency improvements have mainly been implemented through temporary lay-off procedures and other cost-saving as well as productivity improvement measures. It is unclear how long the uncertainty in the market will continue, and we must be able to adjust our cost level to the prevailing conditions also in the future. Therefore, on January 3, 2024, the we announced plans to streamline and to reorganize our operations to mitigate the adverse effects of the market situation and adjust our cost structure to the prevailing circumstances. The reorganisation also aims to improve the service experience of Martela's customers.

Major changes are underway in the ways of working and thus in working environments, which are increasing demand for Martela's products and services. The pandemic accelerated and permanently changed the meaning of the office. Companies are looking for more attractive and diverse working environments, while more and more attention is paid to home office furnishings and ergonomics.

We will continue to lead the way, in collaboration with our customers, in creating the best and more flexible work environments that improve employee experience, efficiency, innovation and lower total cost of ownership.

We respond to our customers' increased demand for flexibility with our "Workplace as a Service concept”, which we have continued to develop actively. Interest in the service model has been encouraging and we expect the service model to have a positive impact on the development of our business.

The second half of the year, and especially the Q4 results, clearly showed that with our updated strategy, we are on the right track. This strengthens our position and creates confidence in Martela's future in the current market situation. The entire personnel is committed to the determined implementation of the strategy, and it is a good to continue from the current situation.”

Market situation

Economic development in the Nordic countries was modest in 2023, which was also reflected as cautiosness in Martela's customers' purchasing decisions. Market conditions are expected to remain uncertain in 2024 due to inflation and interest rate developments, and the resulting caution. On the other hand, the upward pressure on prices caused by the war in Ukraine and challenges in the availability of raw materials have eased.

However, market uncertainty and simultaneous changes in the way of working is likely to create demand for Martela's change services. Premises will be modified to meet the needs of multi-location hybrid work and investments will be made in their attractiveness.

Revenue and operating result

Revenue and result for October–December 2023

Revenue for October–December was EUR 26.4 million (27.1) and decreased 2.8% compared to previous year. Revenue decreased in Finland by 9.9% in Norway by 41.1%. But in Sweden revenue increased by 22.7% and in other countries by 82.3% compared to previous year.

The Group's operating result in October–December was EUR 1.5 million (0.2). The strengthening of comparable operating profit was mainly due to improved operational efficiency, which allowed us to compensate for the slight decrease in net sales.

The October–December result before taxes was EUR 1.2 million (-0,1) and net result EUR 1.0 million (0.7).

Revenue and result for January–December 2023

Revenue for January–December was EUR 94.4 million (106.7) and decreased by 11.5% from previous year. Revenue decreased in Finland by 9.6%. in Sweden by 14.3%. in Norway by 7.7% and in Other countries by 21.9% compared to previous year.

The Group's operating result in January–December was EUR -2.4 million (2.5). In comparative period operating result was positively impacted by EUR 1.5 million IFRS gain on sale and leaseback agreement related to the Nummela production and logistic center. taking into account cost of sales. Comparable operating result without non-recurring items in January–December was EUR -2.4 million (1.0). The result for the full year period was burdened particularly by the low level of net sales in the first half of the year. In addition, profitability in the first half of the year has been burdened by investments in development projects.

The January–December result before taxes was EUR -3.3 million (1.3) and net result EUR -3.5 million (2.6).

Revenue by country, EUR million

	2023 10-12	2022 10-12	Change %	2023 1-12	2022 1-12	Change %
Finland	17.7	19.6	-9.9 %	67.3	74.5	-9.6 %
Sweden	3.4	2.8	22.7 %	9.6	11.2	-14.3 %
Norway	1.6	2.8	-41.1 %	7.0	7.6	-7.7 %
Other	3.6	2.0	82.3 %	10.5	13.5	-21.9 %
Revenue total	26.4	27.1	-2.8 %	94.4	106.7	-11.5 %

Income from the sale of goods	20.6	23.0	-10.6 %	77.7	91.6	-15.2 %
Income from the sale of services	5.8	4.2	38.8 %	16.7	15.1	10.8 %

Cumulative revenue includes EUR 4 287 thousand (2 228) income from sold furniture that based on the customer agreements is classified as rental income.

Financial position

The cash flow from operating activities in January–December was EUR 0.3 million (2.1).

At the end of the period, interest-bearing liabilities stood at EUR 18.2 million including EUR 16.8 million lease liabilities according to IFRS 16. At the end of the comparison period the interest-bearing liabilities stood at EUR 19.4 million including EUR 17.6 million lease liabilities according to IFRS 16. Impact of the sale and leaseback agreement in 2022 regarding the Nummela production and logistic center on lease liabilities according to IFRS 16 was at the moment of registration EUR 13.0 million. Selling price of the asset was EUR 15 million.

Net liabilities were EUR 13.1 million (8.1). At the end of the period, short-term limits of EUR 0.0 million were in use (0.0).

The gearing ratio at the end of the period was 137.2% (58.6) and the equity ratio was 20.0% (24.7).
Financial income and expenses were EUR -0.9 million (-1.1).

The balance sheet total stood at EUR 55.7 million (62.3) at the end of the period.

Capital expenditure

The Group's gross capital expenditure for January–December was EUR 2.3 million (0.9).

Personnel

The Group employed an average of 403 people (403), being at the same level as last year. The number of employees in the Group was 386 (400) at the end of the review period. Personnel costs in January–December totalled EUR 23.0 million (23.6).

Personnel on average	2023	2022	Change
by country	1-12	1-12	%
Finland	326	328	-0.6 %
Sweden	29	27	7.4 %
Norway	15	14	7.1 %
Other	33	34	-2.9 %
Total	403	403	0.0 %

Martela's offering

In line with its Lifecycle strategy Martela creates high-quality services for workplaces and learning environments along their full lifecycle. Our offering includes workplace and learning environment specification and planning, implementation and furnishing as well as continuous measurement and optimisation.

To add to the traditional way of purchasing Martela has introduced two new service models, Workplace as a Service and Learning environment as a Service. The monthly service fees can include everything from one to all of the lifecycle phases.

OTHER MATTERS

Changes in the Management Team

VP Sales and Marketing and member of the Management Team Johan Westerlund resigned and left his position at the end of January 2023. Kimmo Hakkalan was appointed VP Sales and Marketing and member of the Management Team. Hakkala started in his position on 1.2.2023. Suvi-Maarit Kario was appointed Martela Corporation's VP Human Resources and Sustainability and a member of the Management Team. Kario started in her position on 7.8 2023. Kalle Lehtonen, CFO and member of the Management Team, resigned and left his position on 24.8.2023. Henri Berg was appointed CFO and member of the Management Team. Berg started in his position on 2.10.2023. From this moment onwards Group Management Team has consisted of CEO Ville Taipale, CFO Henri Berg, VP Sales and Marketing Kimmo Hakkala, VP Operations Kalle Sulkanen, VP Human Resources and Sustainability, VP Brand & Design Kari Leino and VP Design Studio Eeva Terävä.

Shares

In January–December, a total of 1,122,349 (2,286,583) of the company's series A shares were traded on the NASDAQ OMX Helsinki exchange, corresponding to 28.3% (58.4) of the total number of series A shares.

The value of trading turnover was EUR 2.1 million (6.5), and the share price was EUR 1.28 at the end of the period (2.45). During January–December the share price was EUR 2.72 at its highest and EUR 1.22 at its lowest. At the end of December, equity per share was EUR 2.09 (3.07).

During 2023, Martela did not receive any notifications pursuant to Chapter 9, Section 5 of the Finnish Securities Markets Act.

During 2022 Martela has received one notification in accordance with the Finnish Securities Market Act Chapter 9, Section 5. On March 10, 2022, Martela Corporation has received an announcement from Isku Yhtymä Oy, according to which the total number of Martela Corporation shares owned by Isku Yhtymä Oy has increased above 10% of the shares in Martela plc, as a result of share transactions concluded on March 10, 2022.

Treasury shares

Martela did not purchase any of its own shares in January–December.

Based on the share issue authorisation granted by the Annual General Meeting held on 29 March 2023, the Board of Directors of Martela Corporation resolved on an issue of 53,881 new Class A shares to the company itself without consideration. The shares issued to the company have been used for reward payments under the company's incentive plans.

The total number of the company's shares after the share issue is 4 573 495 shares.

The new shares were registered with the Finnish Trade Register, after which the company, without delay, applied for the admission of the new shares to trading alongside the company's existing shares on the official list of Nasdaq Helsinki Ltd.

After this Martela owns a total of 1 425 Martela A shares and its holding of treasury shares amounted to 0.03% of all shares and 0.01% of all votes. Out of the shares 379 were purchased at an average price of EUR 10.65 and 1 046 were transferred from Martela Corporation's joint account to the treasury shares reserve based on the decision by AGM on June 13, 2018.

Share-based Incentive Plan

In the effective Performance-based Share Plan 2021–2023, there are three earning periods, which are 2021, 2022 and 2023. The prerequisite for participating in the new plan was that a participant acquires the company's series A shares up to the number determined by the Board of Directors. In order to implement the plan, the Board of Directors decided on a share issue against payment directed to the target group.

In the plan, the target group is given an opportunity to earn Martela Corporation series A shares based on performance and on their personal investment in Martela Corporation series A shares. The Board of Directors will decide the earning criteria and the goals for each criterion of the programme at the beginning of each earning period.

The rewards to be paid based on the plan will amount to an approximate maximum total of 718,000 Martela Corporation series A shares including also the proportion to be paid in cash.

Approximately 40 key employees, including the CEO and other Martela's Management Team members, were belonging to the target group of the share-based incentive plan at the beginning of the plan.

The rewards will be paid partly in Martela Corporation series A shares and partly in cash. The cash proportions of the rewards are intended for covering taxes and tax-related expenses arising from the rewards to the participants.

During the performance periods 2021, 2022 and 2023, the rewards were based on the Group's Earnings before Interest and Taxes (EBIT).

As part of the implementation of the Performance-based Matching Share Plan 2021—2023, the Board of Directors has resolved to grant plan participants interest-bearing loans in the maximum total amount of EUR 686,000 to finance the acquisition of the company's shares. The maximum amount of the loan is 70 per cent of the participant's investment in shares. The loans will be repaid in full on 31 December 2025, at the latest.

In 2023 total number of shares distributed based on the rewards of the programme was 53 881 and in year 2022 the number of the distributed shares were 11 657.

Based on the share issue authorization granted by the Annual General Meeting on 29.3.2023, the Board of Directors of Martela Corporation has decided to issue 53,881 new series A shares to the company itself without consideration. The shares issued by the company have been used to pay rewards according to the company's Performance-based Matching Share Plan 2021-2023, announced on March 23, 2021, for 32 key individuals, based on the earning period of 2022. After the Trade Register entry of the new shares, the number of company's shares is

A-shares 3,968,695 shares,

K-shares 604,800 shares,

All shares, total 4,573,495 shares.

The matter has been informed about in stock exchange release on April 17, 2023.

2023 Annual General Meeting

Martela Corporation's Annual General Meeting was held on Wednesday, March 29, 2023. The Meeting approved the Financial Statements, discharged the members of the Board of Directors and CEO from liability for the year of 2023 and approved remuneration report for 2023. The Annual General Meeting resolved, in accordance with the proposal of the Board of Directors, to distribute a dividend of EUR 0.10 per share.

The Annual General Meeting confirmed that the Board of Directors will consist of six members and Mr. Jan Mattsson, Mr. Eero Martela, Ms. Hanna Mattila, Ms. Katarina Mellström, Mr. Johan Mild and Ms. Anni Vepsäläinen be re-elected as members of the Board of Directors. The Annual General Meeting resolved a monthly compensation of EUR 3,700 be paid for the Chairman of the Board and EUR 1,850 for the Board Members, and an additional compensation of EUR 1,600 per year to the Board members belonging to a committee.

Authorized Public Accountant Ernst & Young Oy was re-elected as the company's auditor. The remuneration of the auditor will be paid according to the invoice that has been accepted by the Audit Committee of the company.

The Board of Directors proposal that the Company's articles of association are amended so that the domicile of the Company is changed to Espoo and that an addition is made to the articles of association concerning possible remote participation in the general meeting as an alternative or without convening a physical meeting were approved.

The Annual General Meeting authorized the Board in accordance with the proposal of the Board of Directors to decide on the repurchase of a maximum of 450,000 Company's own A shares in one or several occasions. Own shares will be repurchased in public trading maintained by Nasdaq Helsinki Ltd at the market price of the shares as per the time of repurchase or otherwise at a price formed on the market. Own shares may be repurchased when necessary as a part of the Company's salary and incentive scheme, for use in conjunction with corporate acquisitions and other business arrangements, if the Board deems this is in the interest of the shareholders in light of the company's share indicators, or if the Board deems it is an economical way of using liquid assets, or for some other similar purpose. The share repurchase authorization includes the right to repurchase shares otherwise than in proportion of the shareholdings. The authorization cancels any previous unused authorizations to repurchase the Company's own shares. This share repurchase authorization will be valid until the closing of the next Annual General Meeting, however, no longer than until 30 June 2024.

The General Meeting authorized the Board of Directors to decide upon the issuance of shares and the issuance of special rights entitling to shares as referred to in Chapter 10 Section 1 of the Companies Act in one or several tranches, either against payment or without payment. The aggregate number of shares to be issued, including the shares to be received based on special rights, cannot exceed 450 000 of the Company's A-series shares. The Board of the Directors may resolve to issue new shares or to transfer own shares possibly held by the company. The maximum amount of the authorization corresponds to approximately 10 per cent of all shares in the Company. The Board of Directors is authorized to decide on all other matters related to the issuance of shares and special rights entitling to shares, including the right to deviate from the pre-emptive right of shareholders to subscribe for shares to be issued. The authorization is proposed to be used for the purposes of paying purchase prices of corporate acquisitions, share issues and issues of option rights and other special rights entitling to shares. This authorization remains valid until the closing of the next Annual General Meeting, however, no longer than until 30 June 2024.

The Board of Directors elected by Martela Corporation's Annual General Meeting had its organizational meeting after the Annual General Meeting and elected from among its members Johan Mild as the Chairman and Katarina Mellström as the Vice Chairman of the Board.

Corporate responsibility and quality

Corporate responsibility forms an integral part of Martela's strategy and operations. We support the responsibility of our customer companies by offering sustainable solutions for the workplace throughout its entire lifecycle and by taking care of unnecessary furniture needed in a sustainable way. The company's Martela Lifecycle model covers the entire lifecycle of a workplace. The Group has an occupational health and safety (ISO 45001) management system and a quality (ISO9001) and environmental (ISO14001) management system certified by an independent certifier, which guarantee that operations are continuously improved, client expectations met, and environmental matters taken into consideration.

Further information on the corporate responsibility of the Group's operations can be found in the annually published responsibility report. Martela's Sustainability reporting includes extensive non-financial information (NFI) required by the new accounting legislation. It has been published since 2011. All reports are available on the Martela website.

Administration

Martela Corporation is a Finnish limited liability company that is governed in its decision-making and management by Finnish legislation, especially the Finnish Limited Liability Companies Act, by other regulations concerning public listed companies, and by its Articles of Association. The company complies with the NASDAQ OMX Guidelines for Insiders and the Corporate Governance Code 2020 for Finnish listed companies published by the Securities Market Association. More information on Martela's governance can be found on the company's website.

EVENTS AFTER THE END OF THE FINANCIAL YEAR

On January 3, 2024, the company announced plans to streamline and reorganize its operations to mitigate the adverse effects of the market situation and adjust its cost structure to the prevailing circumstances. The reorganisation also aims to improve the service experience of Martela's customers. The planned organisational changes and other cost-saving measures are estimated to result in annual cost savings of approximately EUR 2 million. The majority of these are expected to be realized by 2024 and the full savings targets would be achieved by 2025 At the same time, the company announced that it will continue to invest in strategic key areas such as workplace services, digitalization, circular economy, and internationalization

No other significant events requiring reporting have taken place since the January–December period.

SHORT-TERM RISKS

The principal risk regarding profit performance and liquidity development relates to the general economic uncertainty and the consequent effects on the overall demand in Martela's operating environment. The market situation continues to be negatively affected by uncertainty about the development of inflation and interest rates. Due to the project-based nature of the sector, forecasting short-term development is challenging in normal circumstances. This challenge is further accentuated by the increased economic uncertainty.

Outlook

Outlook for 2024

Martela anticipates its revenue to increase in full-year 2024 compared to previous year and operating result to be positive.

PROPOSAL OF THE BOARD OF DIRECTORS FOR DISTRIBUTION OF PROFIT

The Board of Directors proposes to the Annual General Meeting that no dividend will be distributed for 2023.

ANNUAL GENERAL MEETING

The Annual General Meeting is planned to be held on Friday 5 April 2024. The notice of the Annual General Meeting will be published in a separate release later.

TABLES

Accounting policies

Martela Corporation's consolidated financial statements have been prepared in compliance with the IAS 34 standard and the International Financial Reporting Standards (IFRS) valid on December 31, 2023. The figures in the release have been rounded and the total sum of individual figures may differ from the total presented in the release. The figures presented in this release are based on the audited financial statements 2023. This unaudited release has been issued according to IAS 34 standard. Same accounting principles have been applied in this report as in the financial statements 2022.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (EUR 1000)	2023 10-12	2022 10-12	2023 1-12	2022 1-12
Revenue	26,376	27,138	94,389	106,710
Other operating income	15	84	149	2,293
Employee Benefit expenses	-5,443	-6,148	-22,995	-23,557
Operating expenses	-17,499	-19,371	-67,150	-77,164
Depreciation and impairment	-1,925	-1,541	-6,773	-5,790
Operating profit/loss	1,525	162	-2,380	2,491
Financial income and expenses	-348	-282	-912	-1,142
Profit/loss BIfore taxes	1,177	-120	-3,292	1,349
Taxes	-179	794	-222	1,205
Profit/loss for the period	998	673	-3,514	2,554
Other comprehensive income:				
Translation differences	-64	21	-415	190
Actuarial gains and losses	45	103	45	103
Acturial gains and losses, deferred taxes	0	-22	0	-22
Other comprehensive income for the period	-19	101	-370	270
Total comprehensive income	979	775	-3,884	2,824
Basic earnings per share, eur	0,22	0,15	-0,77	0,57
Diluted earnings per share,eur	0,22	0,15	-0,77	0,57
Allocation of net profit for the period:				
To equity holders of the parent	998	673	-3,514	2,554
Allocation of total comprehensive income:				
To equity holders of the parent	979	775	-3,884	2,824

GROUP BALANCE SHEET (EUR 1000)	31/12/2023	31/12/2022
ASSETS		
Non-current assets		
Intangible assets	4,334	4,278
Tangible assets	14,408	13,312
Investments	7	7
Deferred tax assets	3,003	2,860
Non-current loan receivables	532	546
Total	22,283	21,003
Current assets		
Inventories	9,235	11,781
Receivables	19,115	18,248
Cash and cash equivalents	5,053	11,295
Total	33,403	41,324
Total assets	55,686	62,327
EQUITY AND LIABILITIES		
Equity		
Share capital	7,000	7,000
Share premium account	1,116	1,116
Reserve for invested unrestricted equity	995	995
Other reserves	-9	-9
Translation differences	-1,071	-655
Retained earnings	1,530	5,287
Treasury shares	-4	-4
Share-based incentives	0	120
Total	9,558	13,850
Non-current liabilities		
Interest-Bearing liabilities	13,776	14,678
Other non-current liabilities	306	237
Pension obligations	105	115
Total	14,187	15,030
Current liabilities		
Interest-Bearing	4,287	4,612
Non-interest Bearing	27,654	28,835
Total	31,941	33,447
Total liabilities	46,128	48,477
Equity and liabilities, total	55,686	62,327

CONSOLIDATED CASH FLOW STATEMENT	2023	2022
(EUR 1000)	1-12	1-12
Cash flows from operating activities		
Cash flows from sales	94,980	113,434
Cash flow from other operating income	144	282
Payments on operating costs	-93,128	-110,881
Net cash from operating activities before financial items and taxes	1,996	2,835
Interests paid	-793	-472
Interests received	29	23
Other financial items	-244	4
Taxes paid	-677	-319
Net cash from operating activities (A)	320	2,072
Cash flows from investing activities		
Capital expenditure on tangible and intangible assets	-2,332	-902
Proceeds from sale of tangible and intangible assets	0	11,124
Net cash used in investing activities (B)	-2,332	10,222
Cash flows from financing activities		
Proceeds from short-term loans	0	33
Repayments of short-term loans	-417	-5,000
Repayments of lease liabilities	-3,457	-2,728
Proceeds from long-term lease liabilities	0	4,000
Repayments of long-term loans	0	-1,900
Cash proceeds from issuing shares		10
Dividens paid and other profit distribution	-452	0
Net cash used in financial activities (C)	-4,326	-5,586
Change in cash and cash equivalents (A+B+C) (+ increase, - decrease)	-6,338	6,708
Cash and cash equivalents in the beginning of the period	11,295	4,926
Translation differences	96	-339
Cash and cash equivalents at the end of period	5,053	11,295

STATEMENT OF CHANGES IN EQUITY

(EUR 1000) Equity attributable to equity holders of the parent	Share capital	Share premium account	Reserve for invested unrestricted equity	Other reserves	Translation differences	Retained earnings	Treasury shares	Equity total
01/01/2022	7,000	1,116	962	-9	-846	2,665	-128	10,761
Profit/loss for the period						2,554		2,554
Translation differences					190			190
Items resulting from remeasurement of the net debt related to defined benefit plans						80		80
Other comprehensive income					190	80		270
Other comprehensive income for the period					190	2,634		2,824
Share issue			33					33
Share-based incentives						106	124	231
31/12/2022	7,000	1,116	995	-9	-655	5,406	-4	13,850
01/01/2023	7,000	1,116	995	-9	-655	5,406	-4	13,850
Profit/loss for the period						-3,514		-3,514
Translation differences					-415			-415
Items resulting from remeasurement of the net debt related to defined benefit plans						45		45
Other comprehensive income					-415	45		-370
Other comprehensive income for the period					-415	-3,469		-3,884
Share issue								0
Share-based incentives						44		44
Dividend distribution						-452		-452
31/12/2023	7,000	1,116	995	-9	-1,071	1,530	-4	9,558

CONTINGENT LIABILITIES	31/12/2023	31/12/2022
Mortgages and shares pledged	9,895	9,888
Other commitments	854	892
Rental commitments	589	527

DEVELOPMENT OF SHARE PRICE	2023 1-12	2022 1-12
Share price at the end of period, eur	1.28	2.45
Highest price, eur	2.72	3.81
Lowest price, eur	1.22	2.12
Average price, eur	1.83	2.84

KEY SHARE-RELATED FIGURES	2023 1-12	2022 1-12
Number of shares at the end of period, thousands	4 573,5	4 519,6
Basic earnings/share, EUR	-0.77	0.57
Diluted earnings/share, EUR	-0.77	0.57
Price/Earnings, P/E	-1.67	4.34
Equity/share, EUR	2.09	3.07
Dividend/share, EUR (2022 Board proposal)	0.0	0.10
Dividend/earnings per share %	0,0	17.7
Effective dividend yield %	0.0%	0.04%
Price of A-share at the end of period, EUR	1.28	2.45

KEY FIGURES/RATIOS	2023 1-12	2022 1-12
Operating profit/loss, EUR thousand	-2,380	2,491
-% in relation to revenue	-2.5	2.3
Profit/loss before taxes, EUR thousand	-3,292	1,349
-% in relation to revenue	-3,5	1.3
Profit/loss for the period, EUR thousand	-3,514	2,554
-% in relation to revenue	-3,7	2.4
Basic earnings per share, eur	-0.77	0.57
Diluted earnings per share, eur	-0.77	0.57
Equity/share, eur	2.09	3.07
Equity ratio %	20.0	24.7
Return on equity %	-31.3	20.8
Return on investment %	-7.5	9.1
Interest-bearing net-debt, EUR million	13.1	8.1
Gearing %	137.2	58.6
Capital expenditure, EUR million	2.3	0.9
-% in relation to revenue	2.4	0.8
Personnel at the end of period	386	400
Personnel on average	403	403
Revenue/employee, EUR thousand	234.2	264.8

Formulas for Calculation of Key Figures

Earnings / share	=	Profit attributable to equity holders of the parent Average share issue-adjusted number of shares
Price /earnings multiple (P/E)	=	Share issue-adjusted share price at year end Earnings / share
Equity / share, EUR	=	Equity attributable to the equity holders of the parent Share issue-adjusted number of share at year end
Dividend / share, EUR	=	Dividend for the financial year Share issue-adjusted number of share at year end
Dividend / earnings, %	=	Dividend / share x 100 Earnings / share
Effective dividend yield, %	=	Share issue-adjusted dividend / share x 100 Share issue-adjusted share price at the year end
Return on equity, %	=	Profit/loss for the financial year x 100 Equity (average during the year)
Return on investment, %	=	(Pre-tax profit/loss + interest expenses + other financial items) x 100 Balance sheet total – Non-interest-bearing liabilities (average during the year)
Equity ratio, %	=	Equity x 100 Balance sheet total – advances received
Gearing, %	=	Interest-bearing-liab. – cash, cash equiv.and liq. asset securities x 100 Equity
Personnel on average	=	Month-end average number of personnel in active employment
Interest-bearing net debt	=	Interest-bearing debt – cash and other liquid financial assets

BRIEFING

A briefing will not be held, but additional information can be asked by telephone from CEO Ville Taipale and CFO Henri Berg on Wednesday February 14, 2024 from 12 a.m. to 2 p.m. EET.

Martela Corporation
Board of Directors

Ville Taipale
CEO

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Our strategic direction is defined by our mission “Better working” and our vision “People-centric workplaces”. Martela provides people centric workplaces where the users and their wellbeing are in the core. We focus on the Nordic countries, as the Nordic countries are forerunner in hybrid working environments with common open work culture background and needs.