

SIGNIFICANT REVENUE GROWTH AND OPERATIONAL EFFICIENCY DROVE STRONG FINANCIAL PERFORMANCE

**Verkkokauppa.com Oyj
January-September 2025 Interim Report**

23 October 2025 | Panu Porkka, CEO



**VERKKO
KAUPPA
.COM**

Q3 2025 RESULTS

01 Operating environment

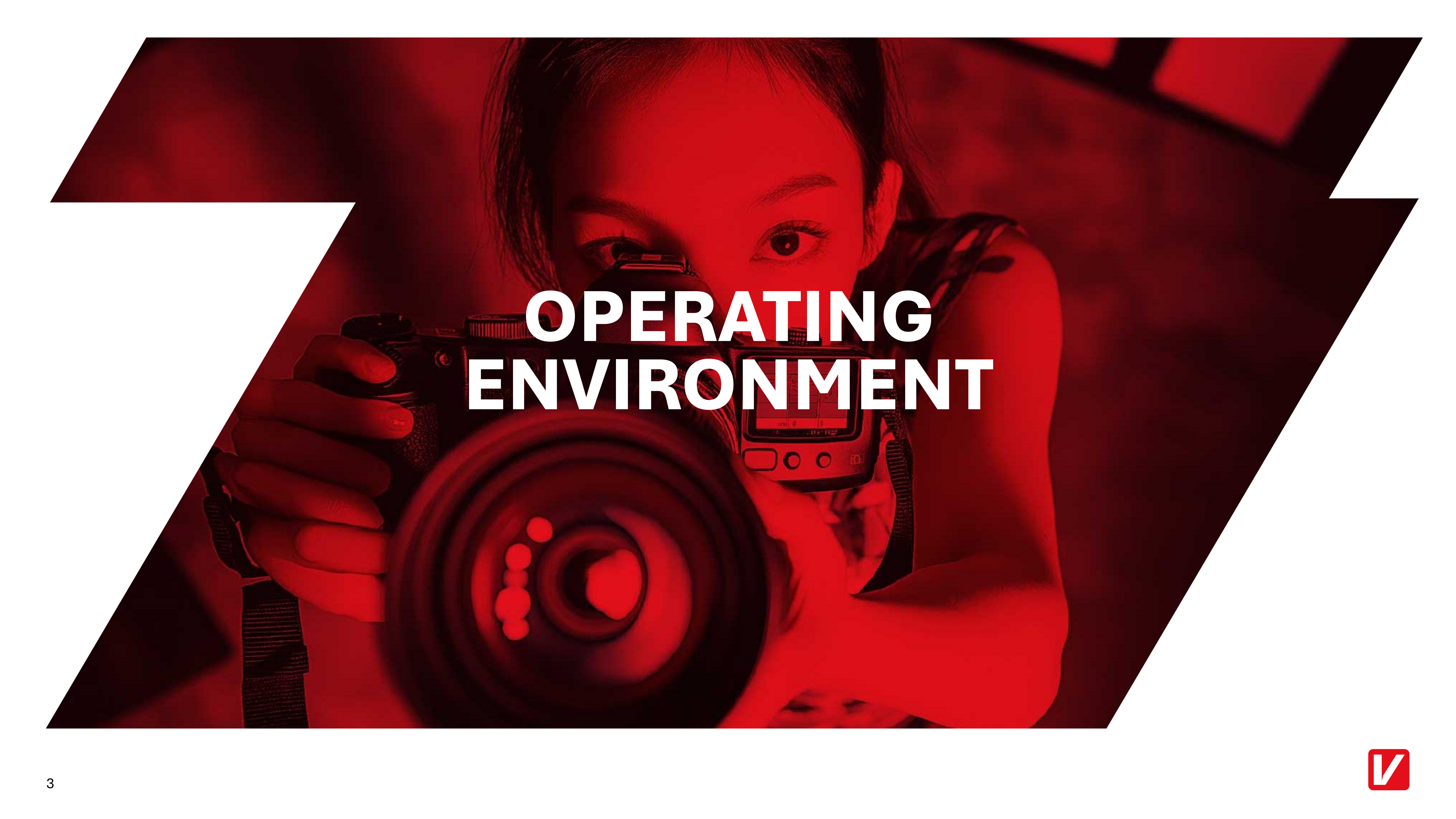
02 Q3 2025 performance

03 Strategy execution

04 Market outlook and guidance

05 Key takeaways

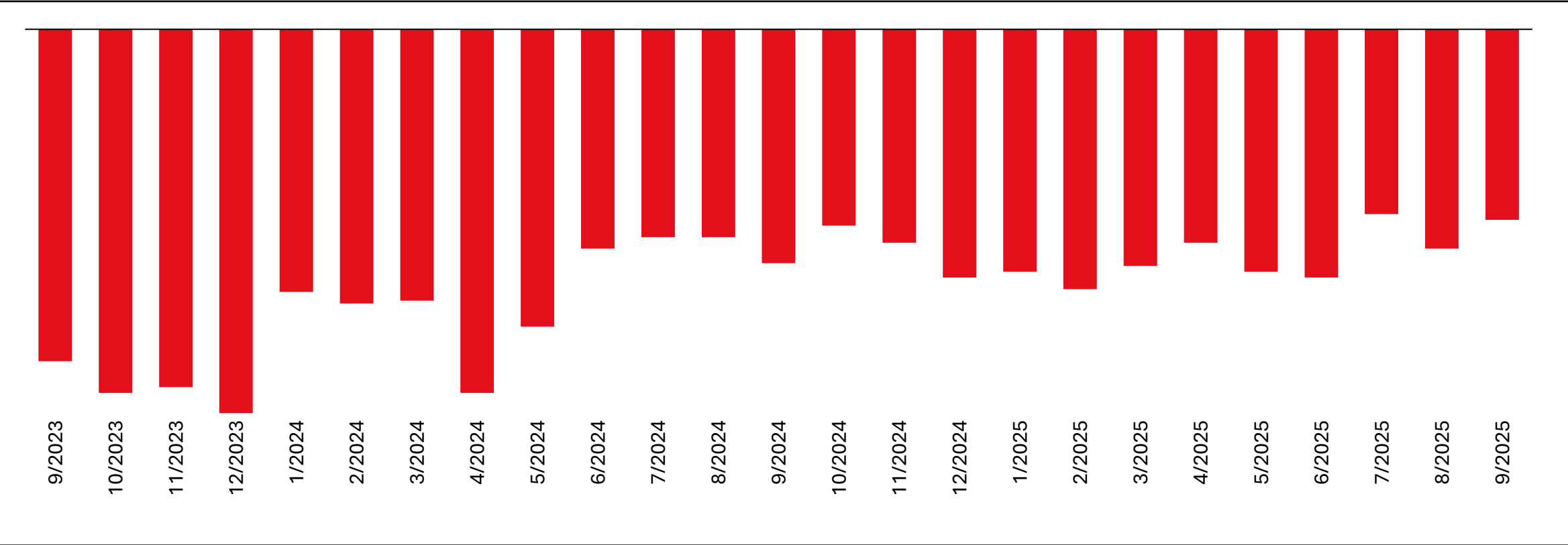


A woman is shown from the chest up, holding a professional DSLR camera with a large lens. She is looking through the viewfinder. The entire image is overlaid with a semi-transparent red filter. Large, dark red geometric shapes, resembling stylized 'Z' or 'N' characters, are positioned on the left and right sides of the frame. The text 'OPERATING ENVIRONMENT' is centered over the woman's face and the camera.

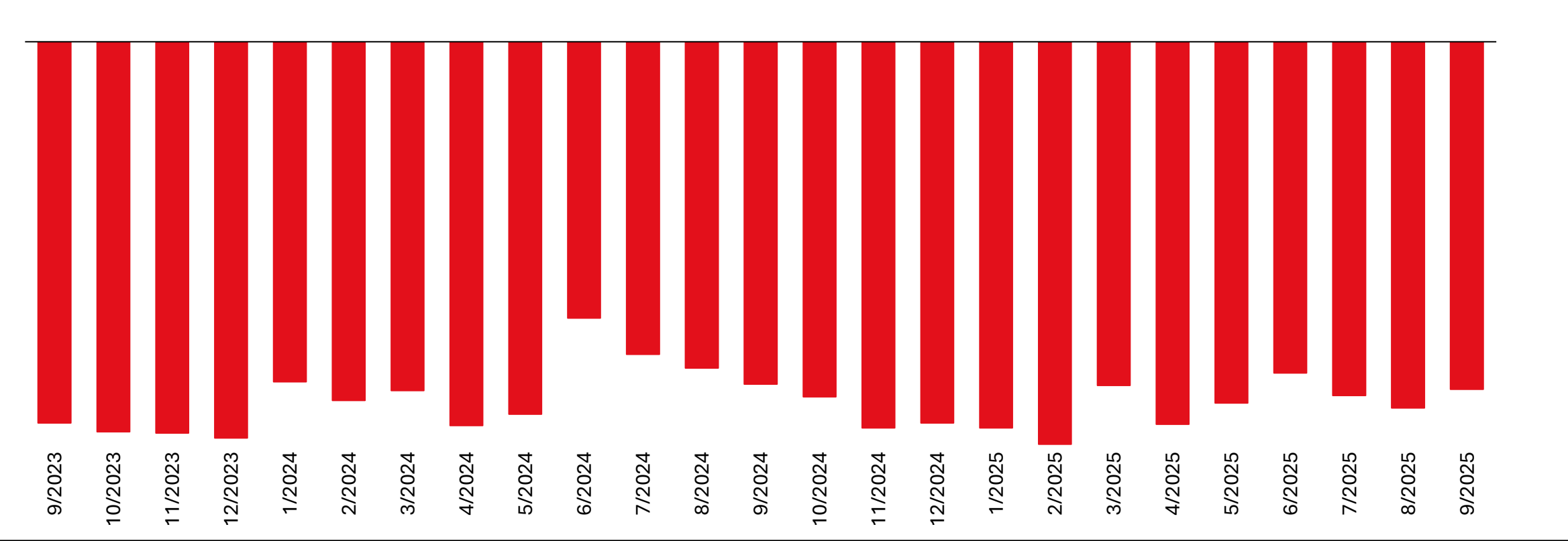
OPERATING ENVIRONMENT

CAUTIOUS CONSUMER SENTIMENT WITH GRADUAL RECOVERY IN SPECIALTY RETAIL AND CONSUMER ELECTRONICS MARKET

Consumer confidence in Finland



Consumers' expectation of unemployment development over the next 12 months



Source: Statistics Finland

Q3/2025 development

- Consumer confidence remained subdued, but early signs of recovery emerged through more positive personal financial expectations and growing intent to take loans*
- GDP outlooks have been revised downwards, and weak private consumption persists, driven by unemployment concerns and elevated savings rates
- Specialty retail returned to positive growth from the end of Q2, with full-year growth projected at approximately +1%*
- The consumer electronics market showed modest growth in Q3, driven by a continued replacement cycle, particularly in the IT category**
- Verkkokauppa.com maintained its market leadership with strong performance and further increased its market share compared to the same period last year**

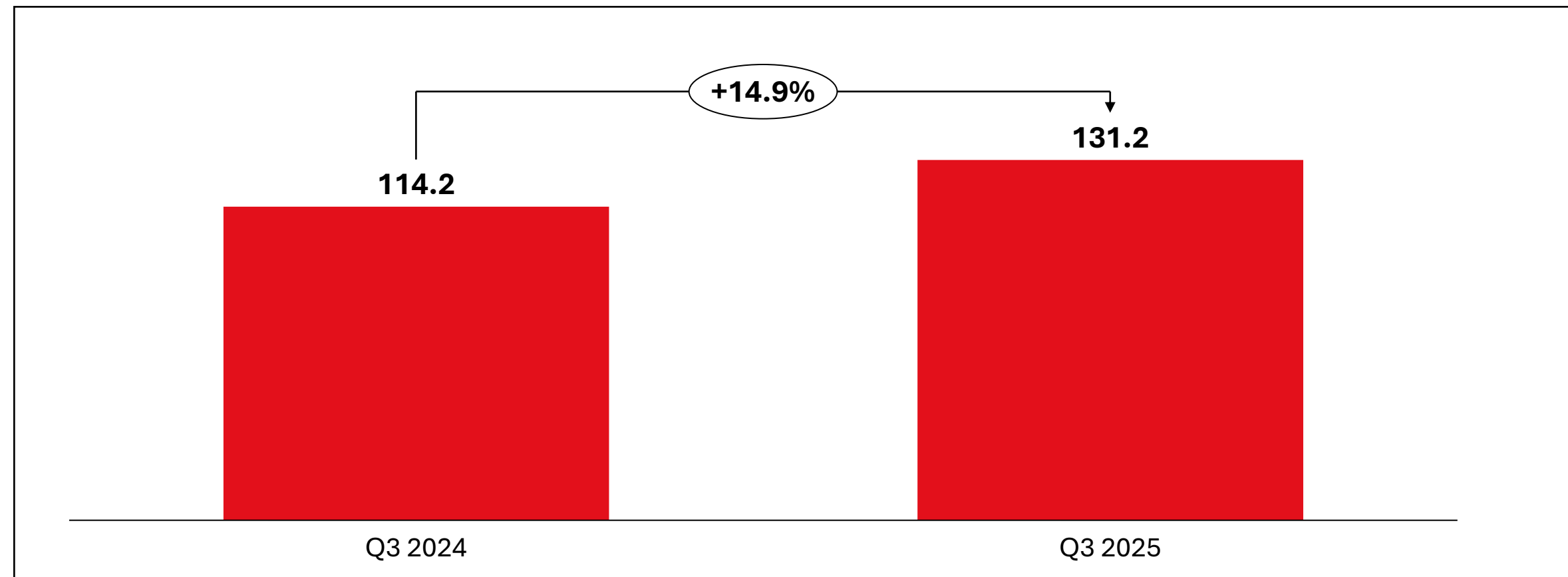
Source: *Statistics Finland, Erikoiskaupan Liitto ry **GFK, Consumer electronics in Finland Q3 (July-Sep) 2025 vs Q3 (July-Sep) 2024, excl. TV category.



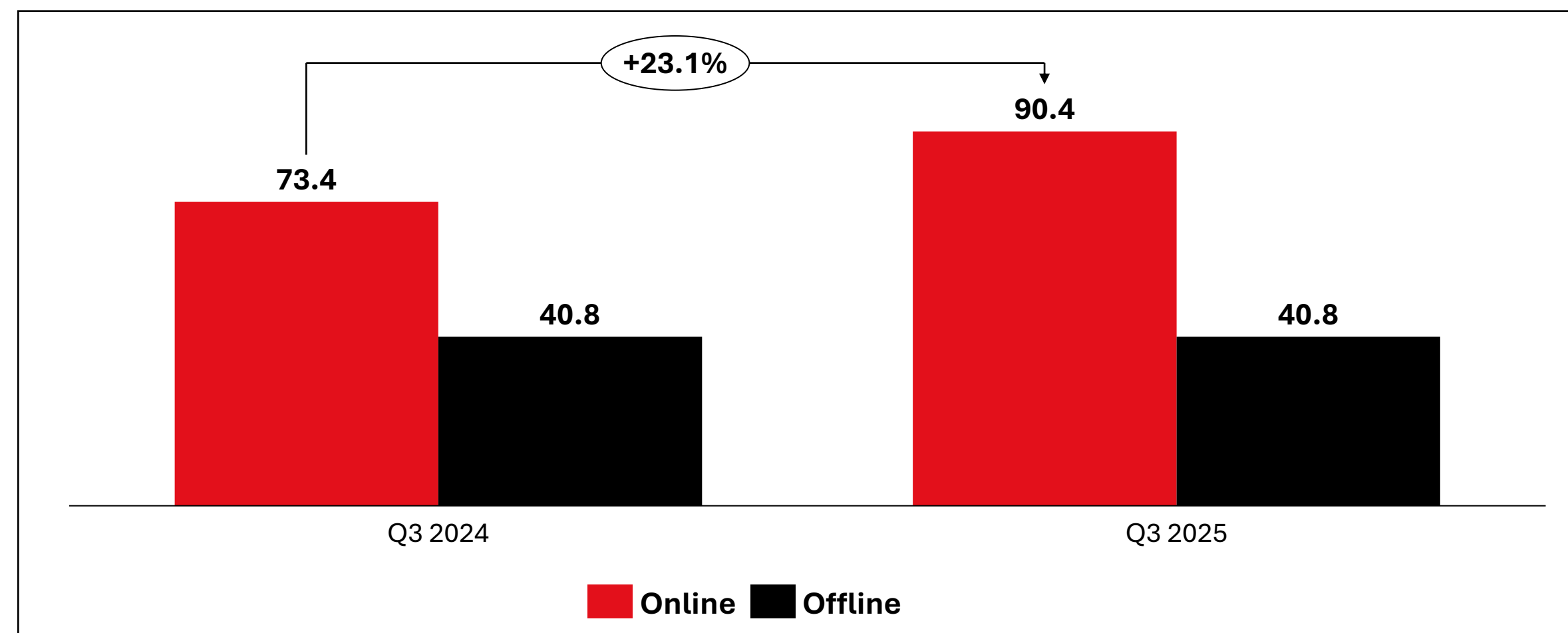
Q3 PERFORMANCE

SIGNIFICANT REVENUE GROWTH IN ALL KEY STRATEGIC AREAS

Quarterly revenue (MEUR)



Channel development (MEUR)

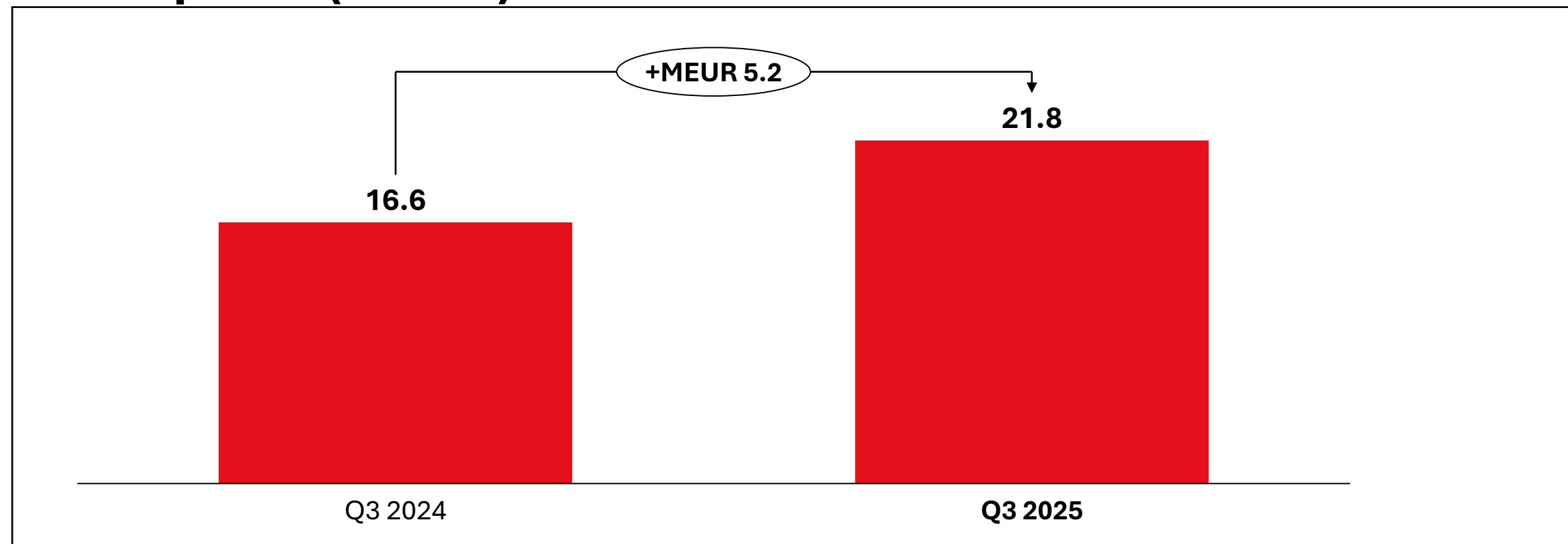


Q3/2025 development

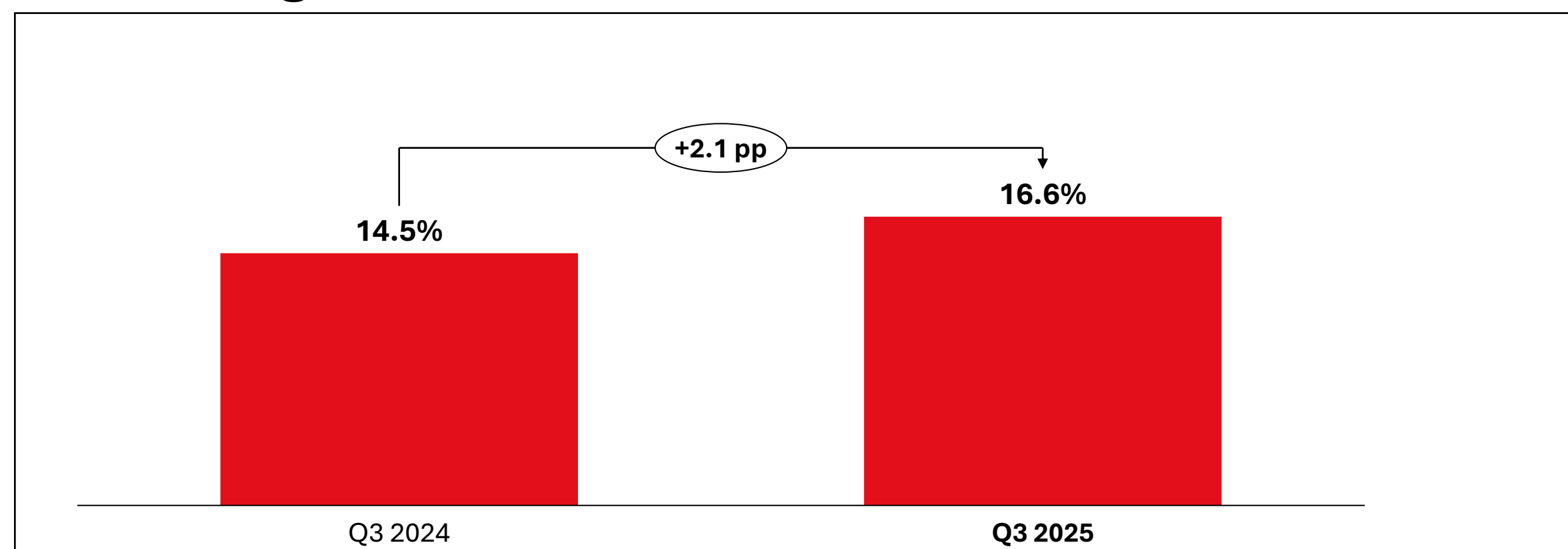
- **Strong Q3 with double-digit growth:** Revenue increased by 14.9% YoY to MEUR 131.2 (114.2), driven by broad-based strength across segments and categories
- **Key growth drivers:**
 - Accelerated online momentum: Online sales grew by 23.1% YoY, representing 68.9% of total revenue
 - Strong customer segments: Consumer sales grew by 13.7%, while B2B delivered a 17.8% increase
 - New markets sales increased by 34.5%, backed by robust sales in Central Europe and Scandinavia
 - Sales of own brands increased by 7.4%, reinforcing margin resilience
 - Strong development across almost all categories, with IT emerging as the primary driver, driven by the Windows 11 transition

GROSS PROFIT IMPROVED FOR THE FOURTH CONSECUTIVE QUARTER

Gross profit (MEUR)



Gross margin %



Q3/2025 development

- Gross profit improved for the fourth consecutive quarter, reflecting continued margin discipline and operational efficiency
- Gross profit reached MEUR 21.8 (16.6), up MEUR 5.2 YoY
- Gross margin remained solid at 16.6% (14.5%)

The gross margin was strengthened by:

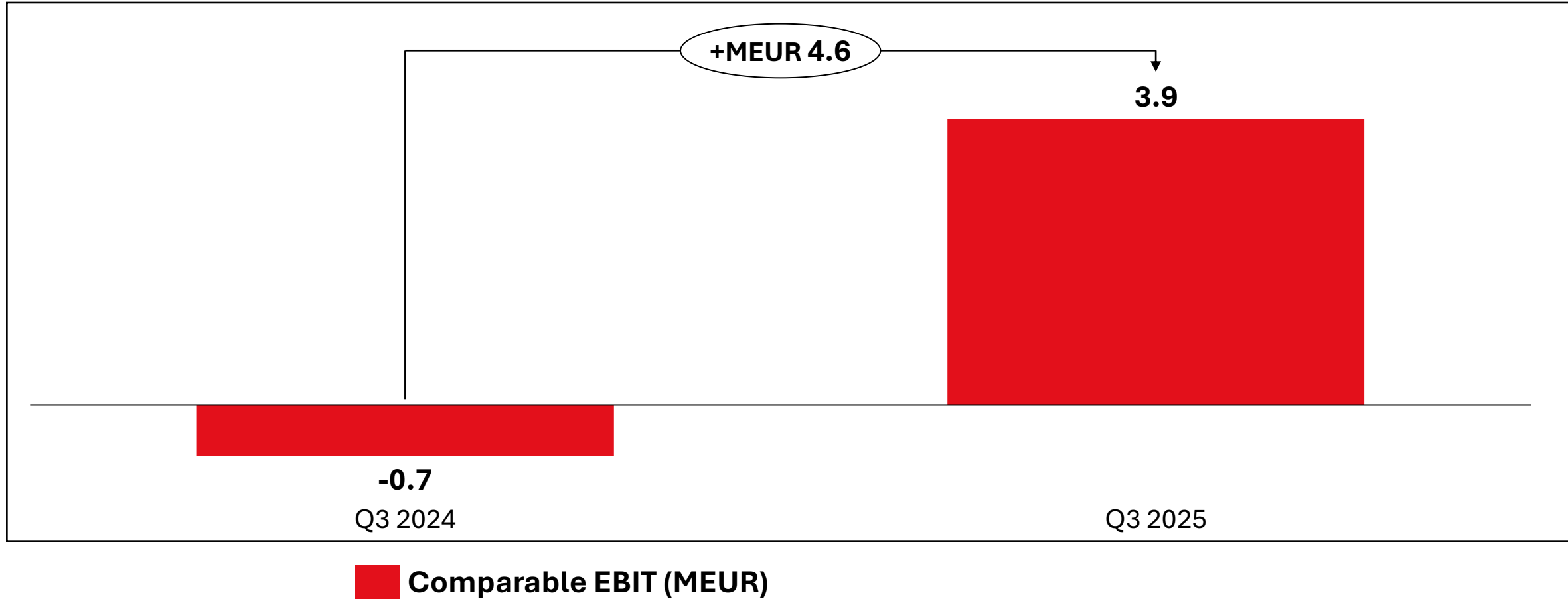
- Improved commercial terms, supporting profitability and partner alignment
- Efficient inventory turnover
- Successful assortment management, ensuring relevance and availability in key categories
- Ongoing operational excellence, with systematic improvements across core activities

CONTINUED FOCUS ON EFFICIENCY DROVE PROFITABILITY IMPROVEMENT

Key figures

EUR million	Q3/2025	Q3/2024	Change
Revenue	131.2	114.2	+14,9%
Gross profit	21.8	16.6	+5.2 meur
Personnel expenses	8.3	8.0	+4.4%
Other operating expenses	7.9	6.9	+14.8%
Comparable operating result	3.9	-0.7	+4.6 meur
Operating result	7.2	0.1	+7.1 meur
Result for the period	5.3	-0.3	+5.7 meur

Comparable operating result (MEUR)

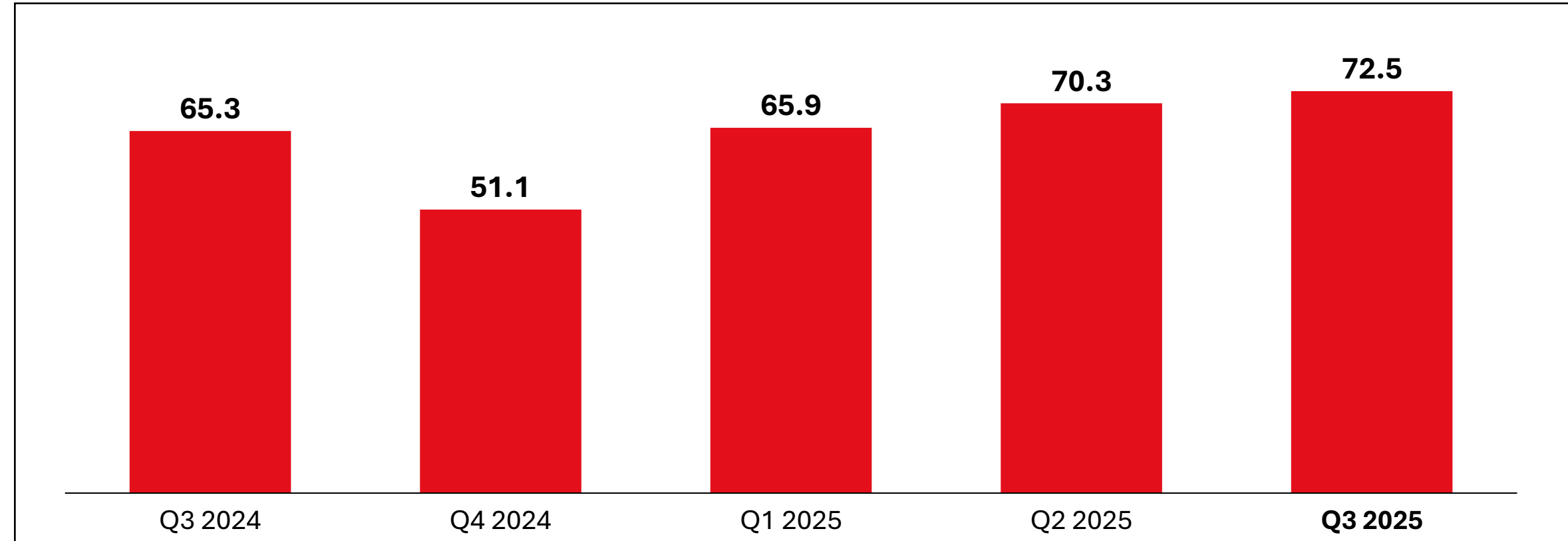


Q3/2025 development

- Profitability strengthened further, driven by significant revenue growth, solid gross margin, and continued improvement in operating efficiency
- Comparable fixed costs increased by 6.8% from the previous year, driven by volume growth and strategic marketing initiatives, in line with the company's plan
- Comparable operating result (EBIT) increased to 3.9 (-0.7) MEUR or 3.0% (-0.7%) of revenue
- Operating result improved to MEUR 7.2 (0.1), or 5.5% (0.1%) of revenue, supported by the non-recurring gain from the sale of the consumer financing business

INVENTORY OPTIMIZED TO SUPPORT GROWTH

Inventory (MEUR)



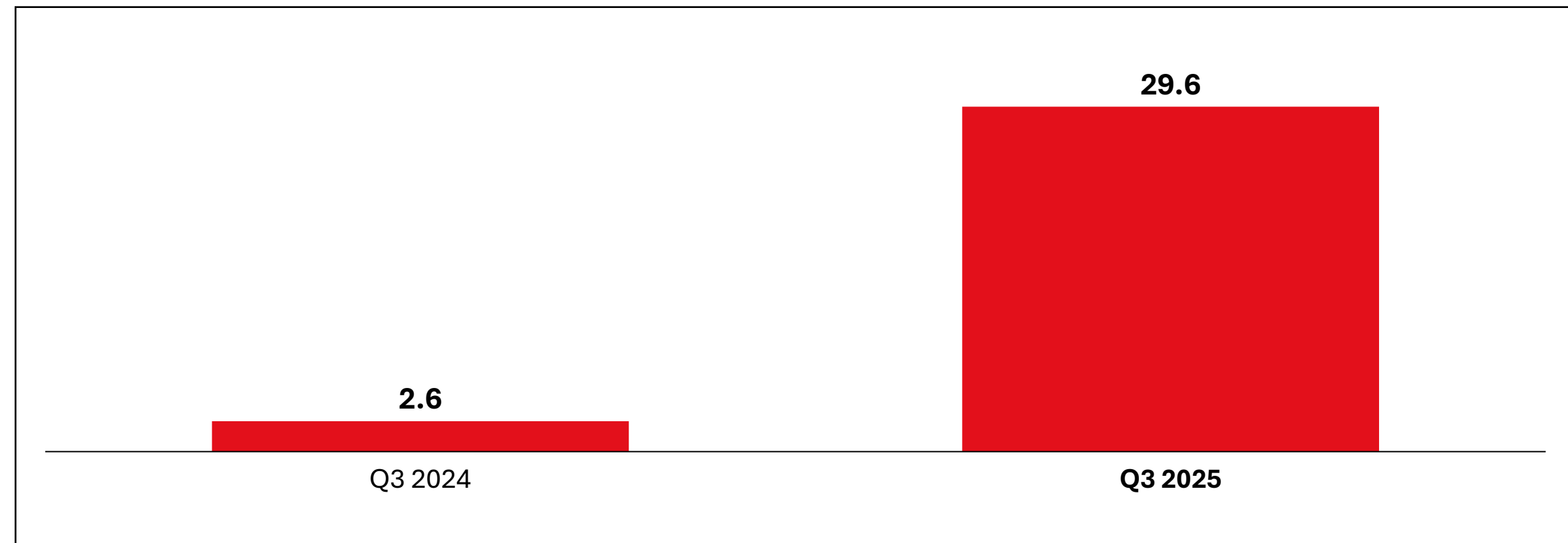
Q3/2025 development

- Inventory levels were optimized to EURM 72.5, reflecting current trading activity and the successful execution of the back-to-school campaign
- Continued focus on inventory turnover and assortment management, ensuring relevance and availability across key categories to meet customer demand

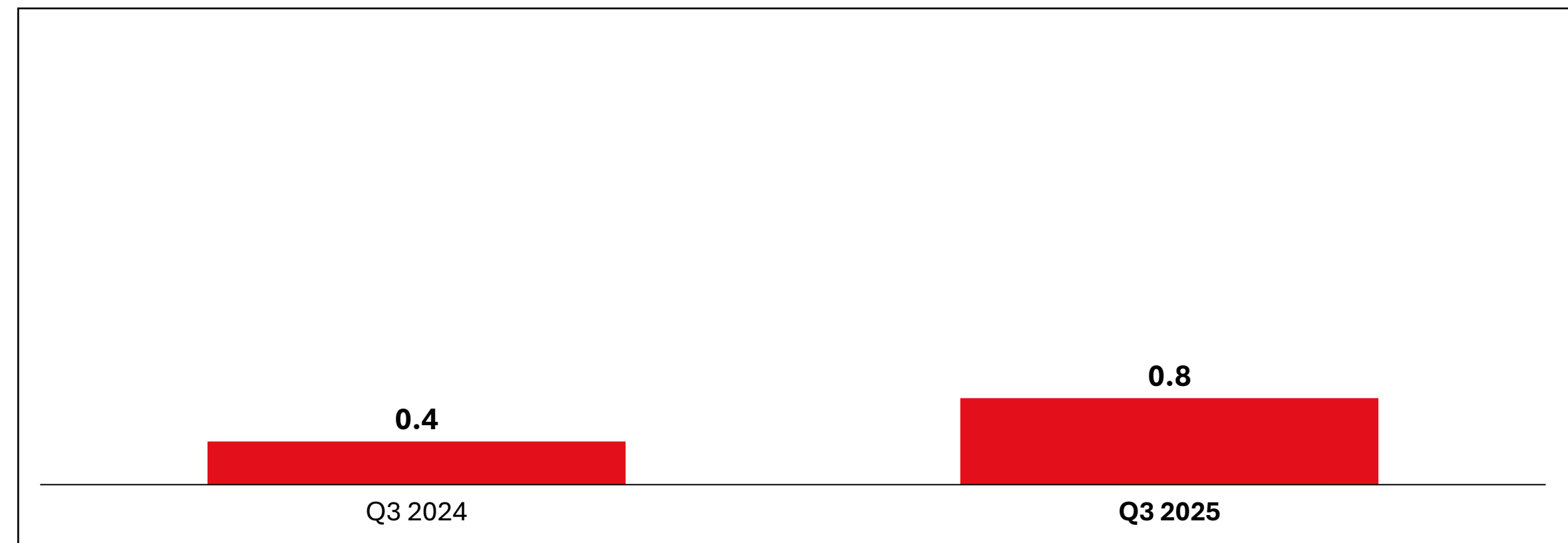


STRONG FINANCIAL POSITION – SALE OF CONSUMER FINANCING BUSINESS COMPLETED

Cash flow from operations (MEUR)



Investments (MEUR)



Q3/2025 development

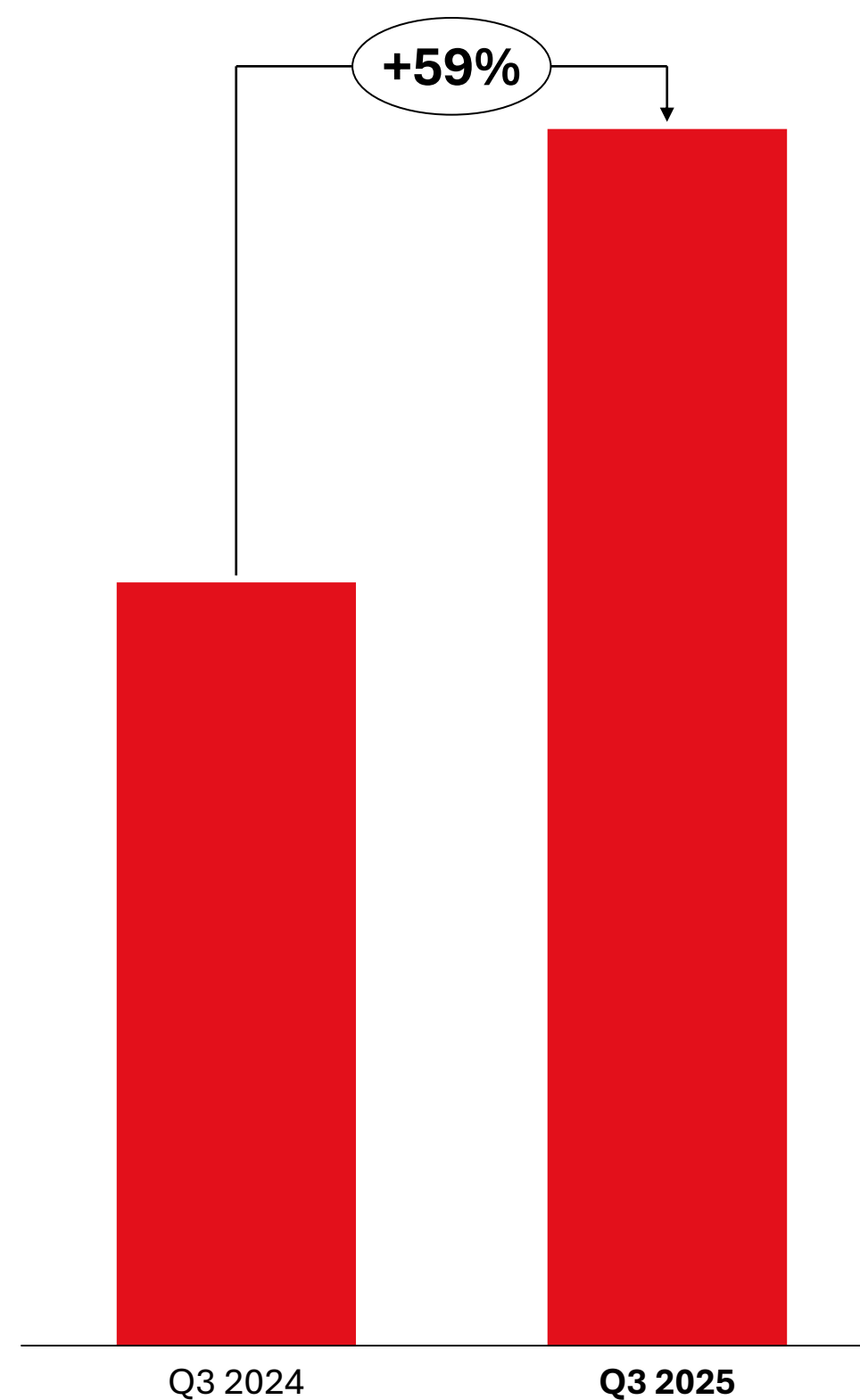
- Cash flow from operations reached MEUR 29.6 (2.6), primarily driven by the sale of the consumer financing business
- Sale of consumer financing business to Norion Bank AB and its payment solutions unit, Walley, was completed for a final purchase price of MEUR 32.6, generating a non-recurring gain of MEUR 3.2.
- Equity ratio improved to 21.1 percent (16.3%)
- Cash at hand was 43.9 MEUR (17.1) at the end of September
- Investments totaled MEUR 0.8 (0.4), focusing on IT infrastructure upgrades, operational efficiency improvements, and faster delivery capabilities.

STRATEGY EXECUTION



ONE-HOUR DELIVERIES CONTINUED TO INCREASE, COVERAGE EXPANDED TO REACH MORE CUSTOMERS

Quarterly volume of one-hour deliveries

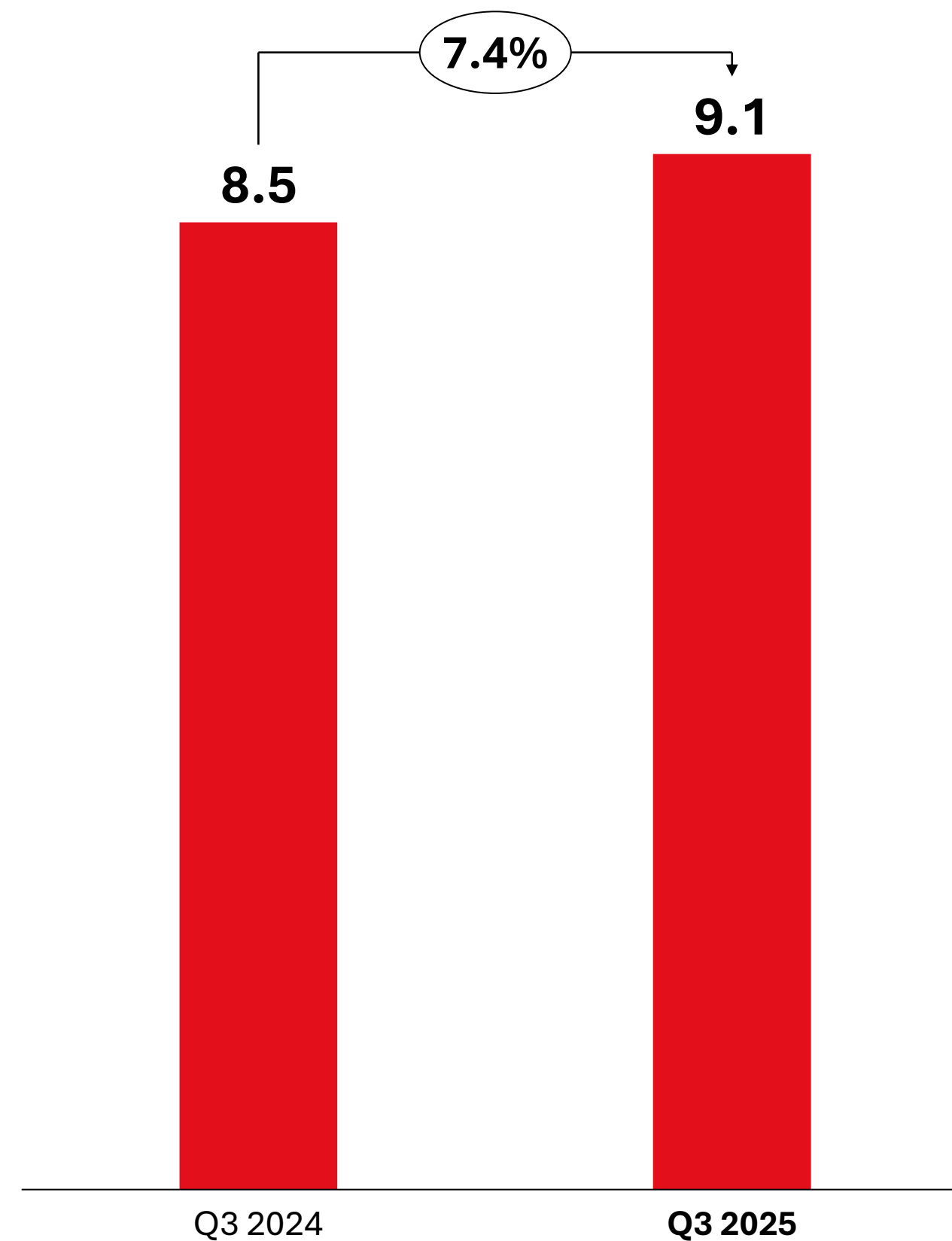


- One-hour deliveries continued to grow and were up by +59% YoY. We have now delivered more than 200 000 1-hour deliveries
- NPS for 1-hour delivery customers remained strong at 78
- During the latter part of the period, 1-hour delivery coverage was expanded by approximately 300,000 people
- The share of fast deliveries in all online orders grew to 24.5% in Q3 2025 (16.1% in Q3 2024)

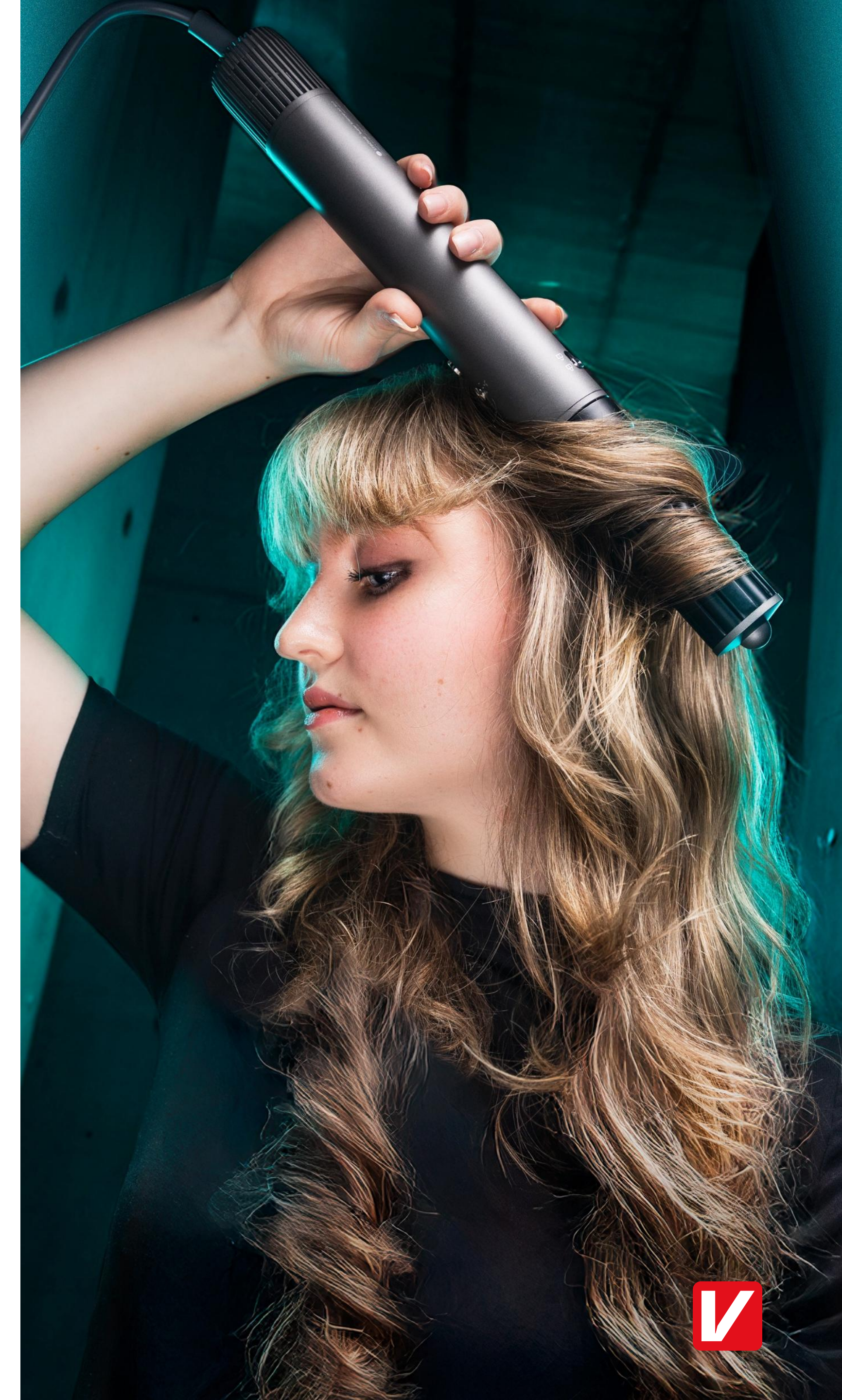


BROAD CATEGORY GROWTH REFLECTS SOLID EXECUTION IN OWN BRANDS

Revenue from own brands (MEUR)



- In line with our strategic priorities, we continue to focus on growing our own brands to support gross margin improvement
- Our target is to increase the share of own brands to 10% of revenue by the end of 2028
- In Q3, own brand sales grew by 7.4% from previous year, accounting for 6.9% (7.4%) of revenue. Growth was partially offset by the impact of heavy inventory clearance in Q3/24
- Growth was primarily driven by small domestic appliances and the IT category, with most categories showing positive development —highlighting strong execution across the portfolio



EXPANSION INTO NEW MARKETS CONTINUES TO FUEL THE COMPANY'S GROWTH

- International sales grew by +34.5% YoY
- Strong performance in Central Europe continued to be the main driver
- Sweden delivered solid performance, with Amazon gaining momentum late in the quarter driven by various commercial actions:
 - Assortment expanded to 10,000 SKUs, offering customers greater choice
 - Product content enriched and optimized for improved discoverability and conversion
 - Ströme & Blackstorm brand stores launched, strengthening own brand presence and engagement on the platform

Long-term strategy

Our international expansion strategy focuses on deepening existing partnerships while unlocking new opportunities across Europe. This partner-driven approach allows us to scale efficiently by leveraging current investments and our balance sheet, minimizing the need for significant upfront capital.



A close-up photograph of a hand holding a spiral-bound notebook. The notebook's cover and the spiral binding are illuminated with a vibrant red light, creating a strong visual theme. The background is dark, making the red elements stand out. The text 'MARKET OUTLOOK AND GUIDANCE' is centered over the image in a bold, white, sans-serif font.

MARKET OUTLOOK AND GUIDANCE



MARKET OUTLOOK

- The general market demand is expected to remain cautious during the remainder of the year due to uncertainties impacting the consumer confidence
- Despite uncertainties, the private consumption is forecasted to recover as purchasing power strengthens. Purchasing power is supported by rising income levels, slowing inflation, and lower interest rates.
- In general, competition is expected to remain tight and geopolitical environment to stay uncertain

The company believes that:

- It will be able to take advantage of the online shift of commerce and improve its market position in its chosen product categories
- The customer shift to online will be permanent, and continuously more deliveries are made as fast deliveries



GUIDANCE FOR 2025 - UNCHANGED

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.

KEY TAKEAWAYS Q3 2025

- **Strong topline growth and market share gains**
- **Profitability improved for the fourth consecutive quarter, reflecting continued operational efficiency and disciplined execution**
- **Strategy execution proceeded as planned, fast deliveries growing consistently, increase in both own brand sales and new markets revenue**
- **Sale of consumer financing business to Norion Bank AB and its payment solutions business unit Walley completed**
- **Strong Q3 overall, the company is well prepared to capture opportunities as the market rebounds**





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QUARTERLY KEY FIGURES

	2025				2024				Q1-Q4 2024
	Q1	Q2	Q3	Q1-Q3 2025	Q1	Q2	Q3	Q4	
Revenue, eur million	110.5	116.5	131.2	358.2	108.0	105.5	114.2	140.2	467.8
Gross profit, eur million	20.8	19.9	21.8	62.5	18.7	17.3	16.6	23.3	75.8
Gross margin-%	18.8%	17.1%	16.6%	17.4%	17.3%	16.4%	14.5%	16.6%	16.2%
EBITDA, eur million	4.9	3.4	8.9	17.3	1.3	-0.2	1.8	4.7	7.5
EBITDA-%	4.4%	3.0%	6.8%	4.8%	1.2%	-0.2%	1.6%	3.3%	1.6%
Operating result, eur million	3.2	1.8	7.2	12.2	-0.4	-2.0	0.1	3.0	0.6
Operating margin-%	2.9%	1.5%	5.5%	3.4%	-0.4%	-1.9%	0.1%	2.1%	0.1%
Comparable operating result, eur million	3.2	2.0	3.9	9.1	0.5	-1.7	-0.7	3.8	1.8
Comparable operating margin-%	2.9%	1.7%	3.0%	2.5%	0.5%	-1.6%	-0.7%	2.7%	0.4%
Net result, eur million	2.0	1.0	5.3	8.3	-1.0	-2.1	-0.3	2.6	-0.8
Revenue distribution by customer segment:									
Consumers eur million	73.3	79.7	92.5	245.5	73.1	72.1	81.4	99.3	325.8
B2B (incl. Wholesale), eur million	37.3	36.8	38.6	112.7	34.8	33.4	32.8	40.9	142.1
Interest-bearing net debt, eur million	24.7	26.6	-1.1	-1.1	20.1	18.5	16.3	9.8	9.8
Investments, eur million	0.3	1.1	0.8	2.2	0.3	0.6	0.4	0.4	1.8
Equity ratio, %	17.9%	18.3%	21.1%	21.1%	16.7%	15.7%	16.3%	16.0%	16.0%
Gearing, %	82.5%	86.1%	-3.0%	-3.0%	72.7%	72.2%	64.6%	35.2%	35.2%
Personnel at the end of period*	595	625	591	591	644	694	622	615	615
Basic earnings per share, euros	0.04	0.02	0.12	0.18	-0.02	-0.05	-0.01	0.06	-0.02
Diluted earnings per share, euros	0.04	0.02	0.12	0.18	-0.02	-0.05	-0.01	0.06	-0.02
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
Number of treasury shares, 1,000 pcs	86	86	49	49	133	119	104	86	86
Weighted average number of shares outstanding, 1,000 pcs	45,268	45,268	45,287	45,287	45,222	45,235	45,250	45,244	45,244
Diluted weighted average number of shares outstanding, 1,000 pcs	45,374	45,360	45,379	45,379	45,372	45,386	45,401	45,287	45,287

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



MORE INFORMATION



Upcoming Financial Events

Date	Event
12 February 2026	Financial statements bulletin for the year 2025
Week 11 2026	Annual reporting package for 2025, including the Report of the Board of Directors and the Financial Statements, Corporate Governance Statement and Remuneration Report
14 April 2026	AGM (virtual-only)
23 April 2026	Interim report for January – March 2026
16 July 2026	Half-year financial report for January – June 2026
22 October 2026	Interim report for January – September 2026
12 February 2027	Financial statements bulletin for the year 2026



Investor Relations Contacts



Jesper Blomster
Chief Financial Officer

jesper.blomster@verkkokauppa.com



Elisa Forsman
**Head of Investor Relations &
Corporate Communications**

elisa.forsman@verkkokauppa.com
+358 44 206 6094





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