



# Indoor

For Indoor, which focuses on furniture and interior decoration retail, the operating environment in 2023 was challenging. Decreasing household purchasing power and low confidence in the future led to a contraction in sales across the industry. Indoor's financial performance was moderate, as net sales and profitability remained close to the previous year's levels in spite of weaker demand.

Indoor comprises the Asko and Sotka chains and the furniture factory Insofa. Asko and Sotka have approximately 80 stores and an online store in Finland. Indoor Group closed its operations in Estonia, as announced in a release published in November 2023. The reason behind the decision was the unprofitability of the operations. Indoor Group's net sales was EUR 186.3 million (2022: EUR 192.2 million) and operating profit was EUR 1 million (2022: EUR 1 million).

## E-commerce is growing

The furniture business is characterised by price competition, which means that the chains' strong brands and clear concepts are significant competitive factors. The Asko and Sotka chains have partly different target customer groups and product ranges. Insofa supports the operations of the two chains by producing sofas, beds and mattresses that are tailored

to customers' wishes.

Asko's performance was subdued in 2023, while Sotka strengthened its market position and Insofa's production capacity was fully utilised. The furniture trade is moving partly from brick-and-mortar stores to the internet, and this was also reflected in the online stores of Asko and Sotka. Customers often use both channels when making their choices and purchases, which means that the physical retail network and online stores support each other to a significant degree.

## Internal projects in progress

Indoor made swift progress in the execution of its strategy, and a number of development and efficiency improvement measures were under way. During 2023, Indoor started to implement a new ERP system, which will be completed in the first half of 2024. At the same time, Indoor focused on increasing its

sales and marketing, strengthening its margins and developing the product selection and the Asko brand. As customer service is a key success factor in the retail trade, Indoor Group continued to maintain and improve it. It was also recognised that there was room for improvement in the workplace atmosphere, and various measures were introduced in response to this observation.

## Strong position and well-known brands

Forecasts of an upturn in the housing market fuel hopes of a slight turnaround in the furniture and home decoration trade in Finland in 2024. Indoor expects that the development measures that have been taken will produce results and support sales and profitability. Indoor's good market position, well-known brands, committed personnel and strong balance sheet provide it with an excellent starting point for 2024.



Interior design trends are changing. Consumers increasingly value sustainable production methods and ecological materials.

The Fiona ottoman is produced in Asko's own sofa factory in Lahti. The factory combines 100 years of Finnish craftsmanship, state-of-the-art technology and a passion for high-quality products.



**186.3 MEUR**

NET SALES

**1.0 MEUR**

OPERATING PROFIT

**702**

PERSONNEL