

INTERIM REPORT

January – March 2024

15 May 2024
Alexander Rosenlew, CEO
Saara Mäkelä, CFO
Hanna Kukkonen, CMSO

Content

1. Introduction to Orthex
2. January-March 2024 in brief
3. Strategy
4. Financials
5. Q&A



A leading Nordic houseware company with strong brands and sustainable products



8 sales offices



>40 customer countries



3 factories (incl. warehouses)



>90% own brands



~300 employees (FTE)



Sustainability focus



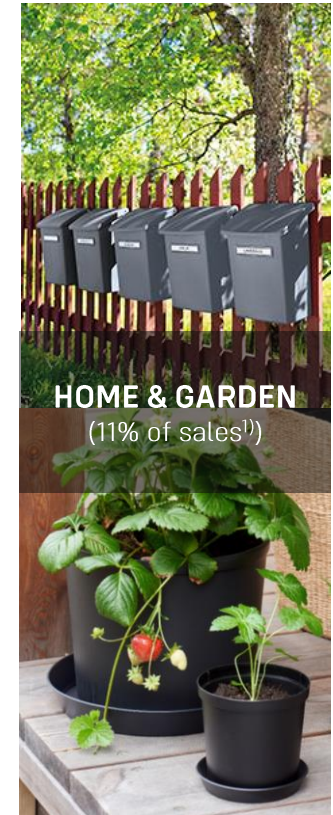
GastroMax™
by orthex™

orthex™

- Local sales organisations
- Factories
- Warehouses



Mission to make everyday life easier



Functional and award-winning design



Long-lasting high-quality products



Forerunner in sustainability²⁾



~10% of sales from new launches

• 1) Invoiced sales split by product category Q1/2024
2) No single-use plastics

JANUARY-MARCH 2024 IN BRIEF

Interim report January – March 2024



Q1 2024: Strong profitability and sales

Net sales and Invoiced sales

- Net sales increased by 7.5% to EUR 22.0 million (20.5)
 - Constant currency net sales growth was 8.3%.
- Invoiced sales increased by 8.1% and totalled EUR 22.9 million (21.2)

Adjusted EBITA

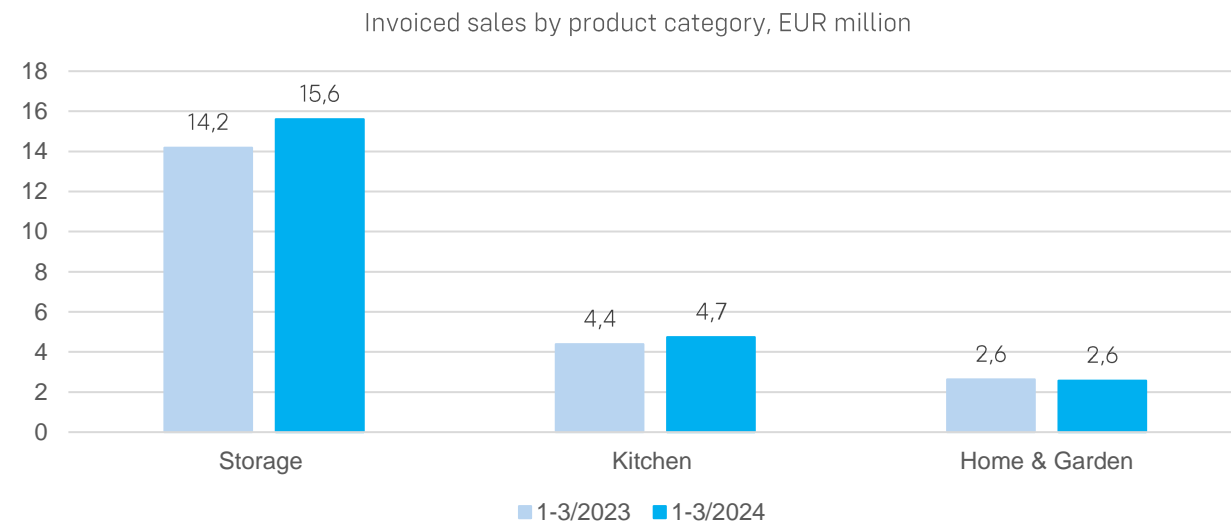
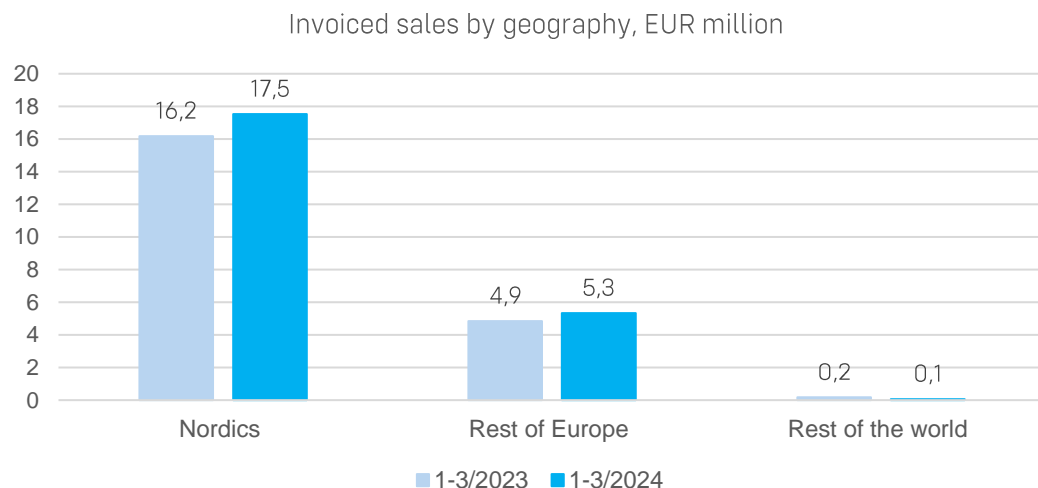
- Adjusted EBITA was EUR 2.8 million (2.4)
- Adjusted EBITA margin was 12.6% (11.7)

Cash flows

- Net cash flows from operating activities were EUR 4.1 million (2.5)



Invoiced sales by geography & product category



- Orthex's invoiced sales growth in the Nordics was 8.4% and sales were EUR 17.5 million (16.2)
- Invoiced sales growth in the Rest of Europe was 9.9% and sales were EUR 5.3 million (4.9)

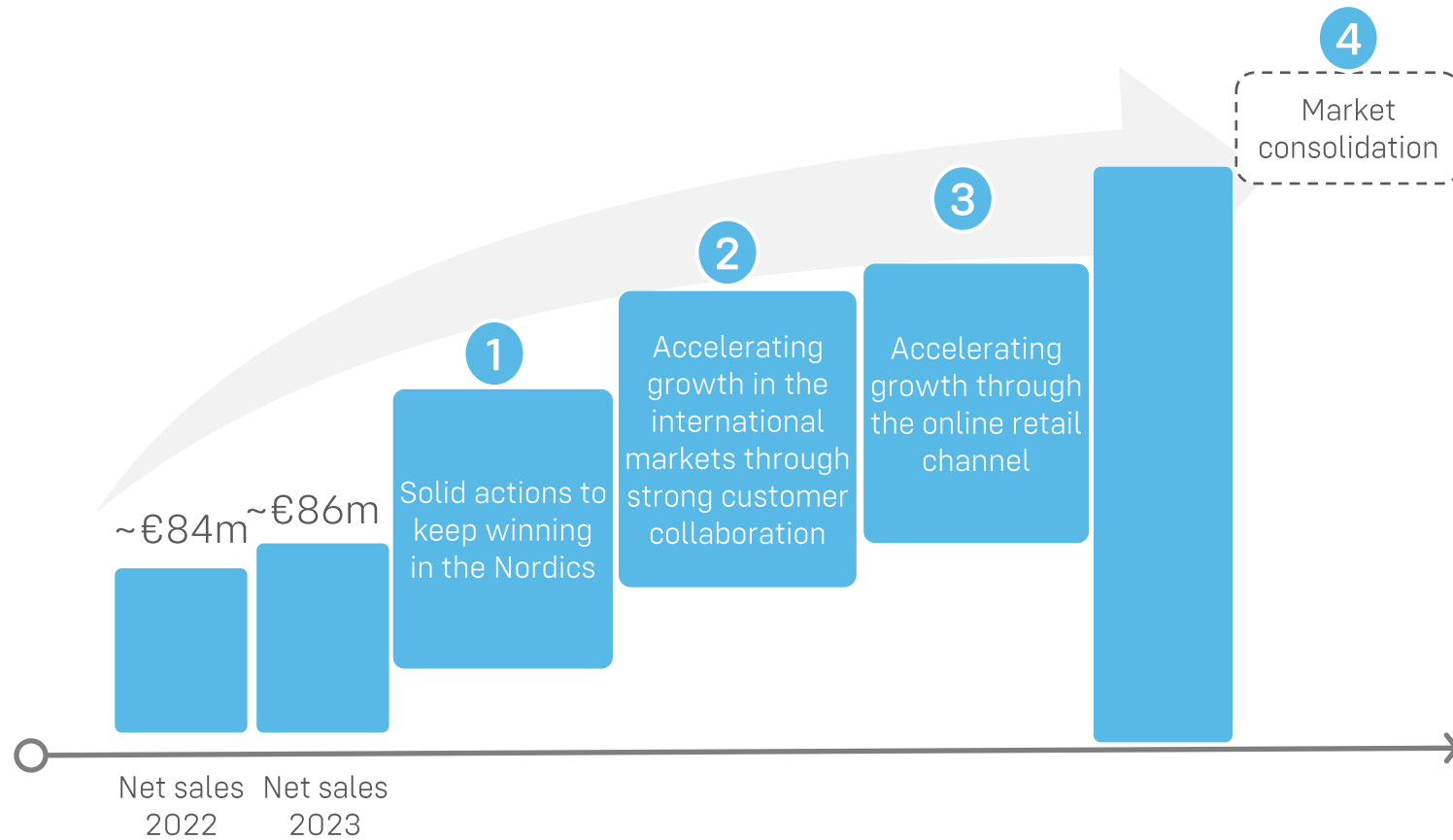
- Invoiced sales in the largest category Storage increased to EUR 15.6 million (14.2)
- Invoiced sales in the Kitchen category increased to EUR 4.7 million (4.4), which was mainly due to normalising demand among existing Nordic customers
- Invoiced sales in the new Home & Garden reporting category were EUR 2.6 million (2.6)



STRATEGY

Interim report January-March 2024

Clear growth strategy to deliver objectives



#1 storage brand in Europe

A leading houseware company in the Nordics



Clear category strategy focusing on storage



Showing the way in sustainability



Maintain a high innovation rate



Showing the way
in sustainability

Sustainability news during Q1

Annual and Sustainability Report 2023

- Orthex Annual and Sustainability Report 2023 published on the corporate website in March.

Recognitions

- The new SmartStore™ Collect Biowaste was awarded with “Winner” at the German Design Awards 2024 for excellent product design.
- Orthex was ranked in 6th place among the Nasdaq Helsinki small-cap companies in the Nordic Business Diversity Index.
- Orthex reached the highest Leadership level with the top score A- in Climate Disclosure Project’s (CDP) global climate reporting for the first time.

ISCC PLUS certificate

- Orthex’s Lohja factory was audited and the ISCC PLUS certificate was renewed.
- Usage of ISCC PLUS certified renewable raw materials produced by applying the mass balance approach support Orthex’s long-term carbon neutrality target, and the target to increase the share of sustainable raw materials in production.



Strategy in Action - Maintain a high innovation rate



Maintain a high innovation rate



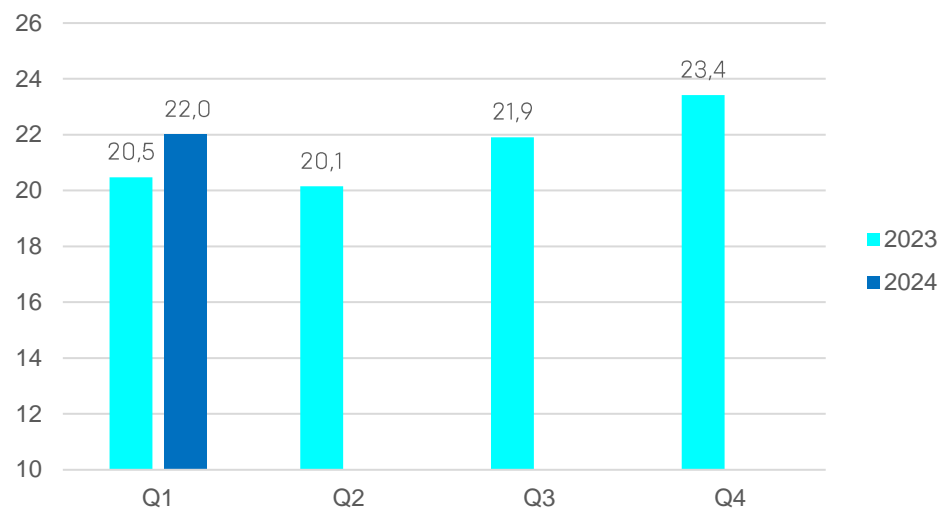
FINANCIALS

Interim report January– March 2024



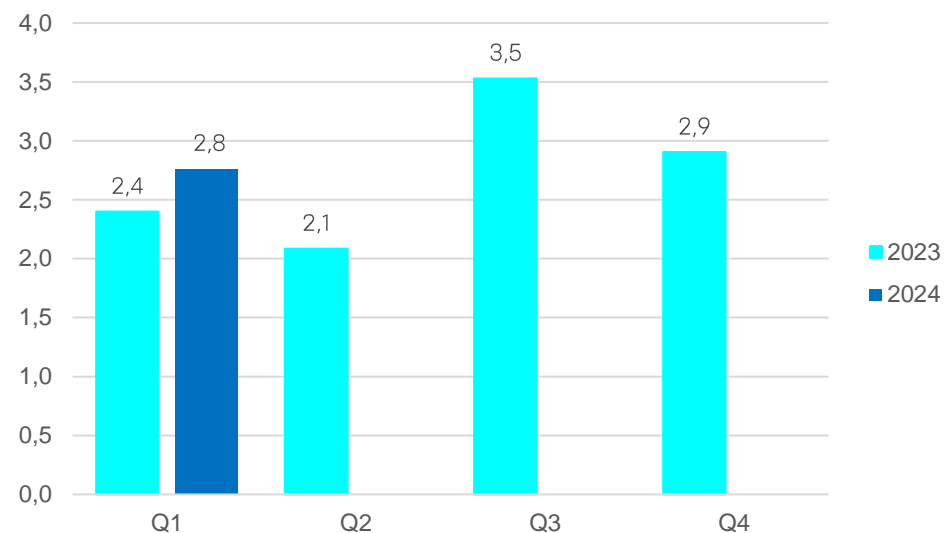
Net sales and profitability

Net sales quarterly, EUR million



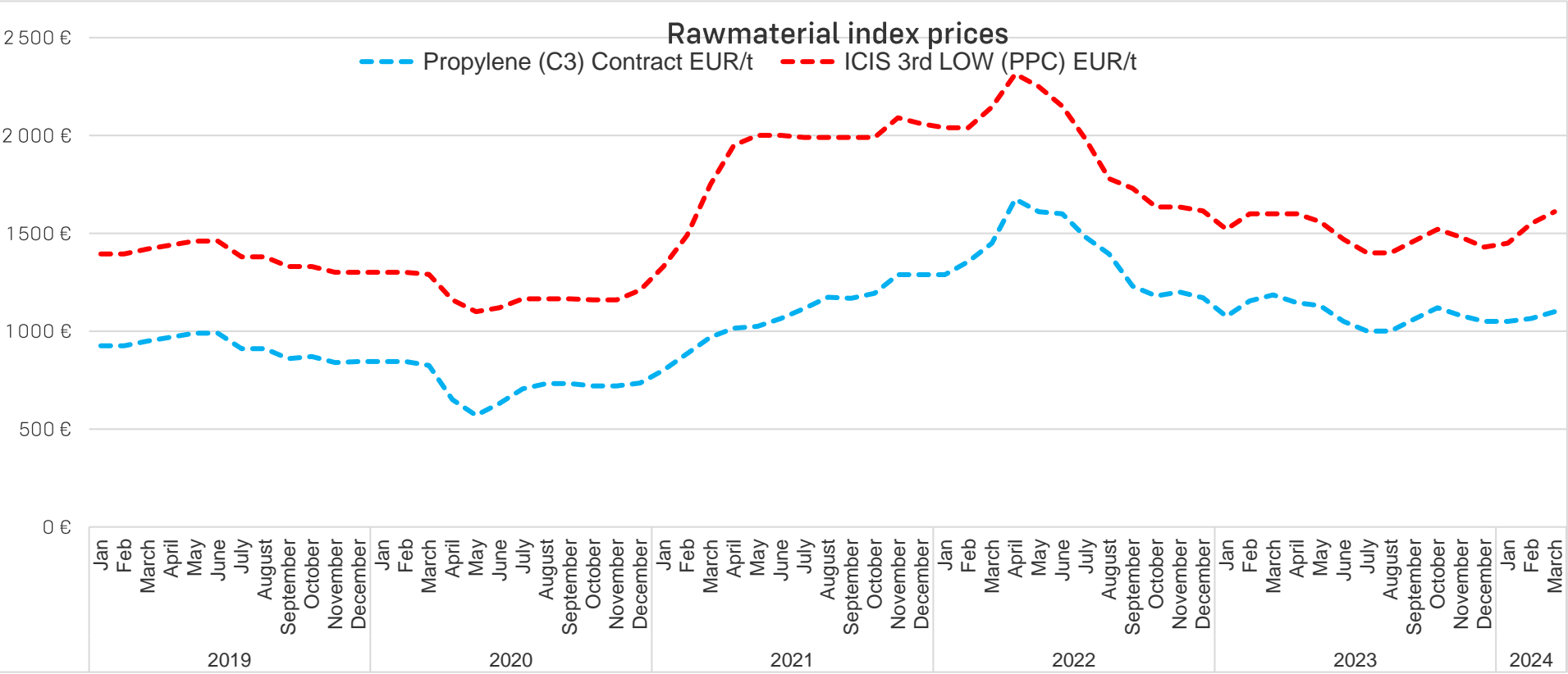
- In Q1 2024, the Group's Net sales increased by 7.5% to EUR 22.0 million (20.5)
- The increase in Constant currency net sales was 8.3% compared to the first quarter of 2023.
- A result of successful commercial strategy implementation

Adjusted EBITA quarterly, EUR million



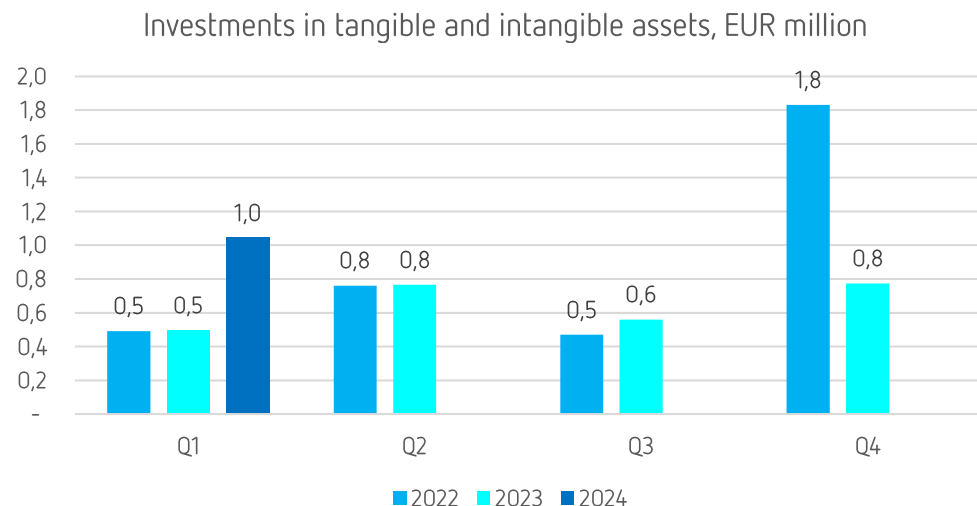
- Adjusted EBITA increased to EUR 2.8 million (2.4). The adjusted EBITA margin increased to 12.6% (11.7)
- Gross margin increased 3.9 percentage points from 26.5% to 30.4%
- Increased fixed costs mainly due to strengthening the commercial organisation and demand activation. In administrative costs the comparison last year was exceptionally low.

Development of raw material price indexes

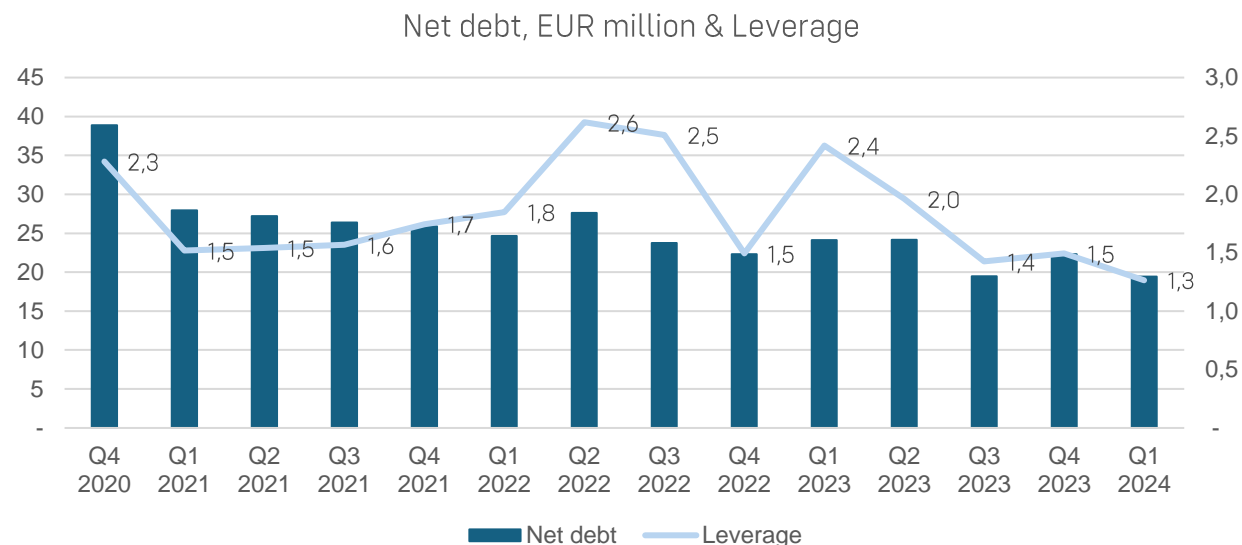


- Normal fluctuation in index prices during the 1st quarter
- Tension in the Middle East affecting the market
- Overall low demand in Europe keeping polymer prices on rather stable level

Investments & net debt



- Orthex's investments during the first quarter of 2024 amounted to EUR 1.0 million and were mainly related to moulds for new products
- Investments 1,0 M€ were partly affected by timing the completion of the investments made in 2023 to the start of the year



- At the end of the reporting period, the Group's net debt was EUR 19.4 million (24.1)
- The non-current interest-bearing liabilities were EUR 29.0 million (31.6) and Orthex's total interest-bearing liabilities were EUR 33.3 million (35.9) on 31 March 2024
- Leverage was 1.3x at the end of the period

Long-term financial targets

	Target	Description	Latest reported
SALES GROWTH	Total growth of >5% Outside Nordics >10%	<i>"An over time annual organic net sales growth to exceed 5 per cent on a Group level, and 10 per cent outside the Nordic region"</i>	8.1% total 7.2% outside Nordics
PROFITABILITY	18%	<i>"Improving EBITA margin (adjusted for items affecting comparability) exceeding 18 per cent over time"</i>	12.6%
LEVERAGE	<2.5x	<i>"Net debt to adj. EBITDA below 2.5x. Leverage may temporarily exceed the target, for example, in conjunction with acquisitions"</i>	1.3x
PAY-OUT RATIO	>50%	<i>"To distribute a stable and over time increasing dividend with a pay-out of at least 50% of net profit on a bi-annual basis"</i>	54.1% EUR 0.21 per share

SUMMARY



GOOD START OF THE YEAR

BUILDING THE GROWTH BASE

Q&A

www.investors.orthexgroup.com



Key Figures

Key Performance Indicators

EUR million	1-3/2024	1-3/2023	Change	2023
Invoiced sales	22,9	21,2	8,1%	88,0
Net sales	22,0	20,5	7,5%	85,9
Gross margin	6,7	5,4	23,4%	24,3
Gross margin, %	30,4%	26,5%		28,3%
EBITDA	3,8	3,4	14,1%	14,9
EBITDA margin, %	17,4%	16,4%		17,3%
Adjusted EBITDA	3,8	3,4	12,2%	14,9
Adjusted EBITDA margin, %	17,4%	16,6%		17,4%
EBITA	2,8	2,3	17,8%	10,9
EBITA margin, %	12,6%	11,5%		12,6%
Adjusted EBITA	2,8	2,4	15,1%	10,9
Adjusted EBITA margin, %	12,6%	11,7%		12,7%
Operating profit	2,8	2,3	19,3%	10,8
Operating profit margin, %	12,5%	11,3%		12,5%
Net cash flows from operating activities	4,1	2,5	62,3%	10,2
Net debt / Adjusted EBITDA	1,3	2,4		1,5
Adjusted return on capital employed (ROCE), %	8,2%	7,2%		31,8%
Equity ratio, %	41,0%	37,6%		40,2%
Earnings per share, basic (EUR)	0,09	0,07	18,5%	0,39
FTEs	287	281	2,1%	281

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Practical is Beautiful