

INTERIM REPORT

January–March 2025

15 May 2025

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A leading Nordic houseware company with strong brands and sustainable products



8 sales organisations



>40 customer countries



3 factories (incl. warehouses)



>90% own brands



~300 employees (FTE)



Sustainability focus



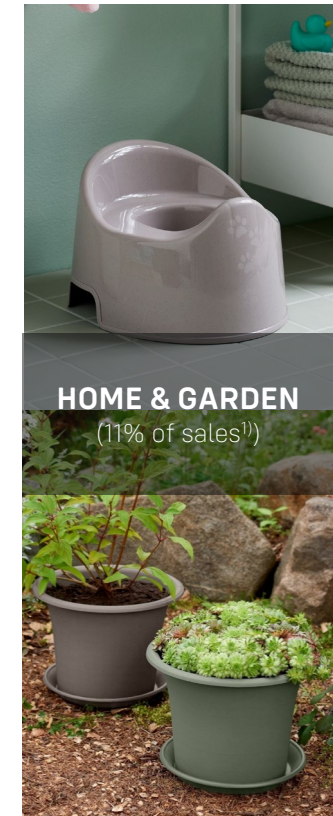
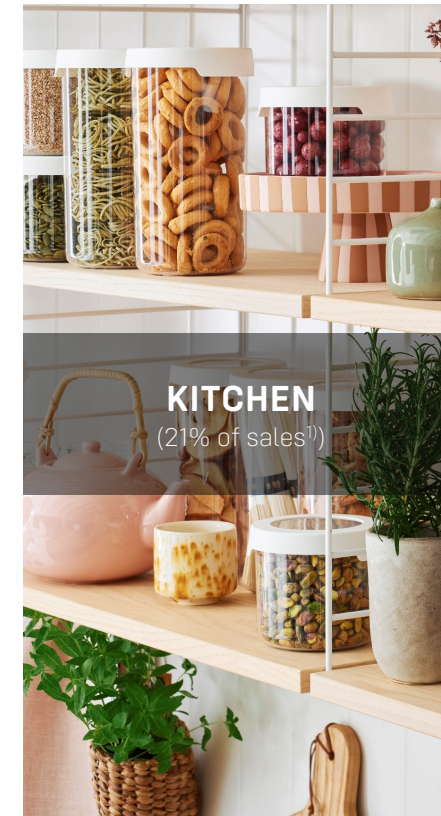
GastroMax™
by orthex™

orthex™

- Local sales organisations
- Factories
- Warehouses



Mission to make everyday life easier



Functional and award-winning design



Forerunner in sustainability



Long-lasting high-quality products



~10% of sales from new launches

¹⁾ Invoiced sales split by product category (LTM)

JANUARY–MARCH 2025 IN BRIEF

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CEO comments on Q1 2025

Lower sales and profitability in uncertain market conditions

Tough business climate continued during the first months of the year

- The growing geopolitical and macroeconomic challenges resulted in very low consumer confidence across all our markets and influenced our first quarter performance.
- Tight fixed cost control not enough to protect the profit margins with the decline in sales.
- The outcome is weaker than our ambitions, thus the focus is on sharpening our efforts and improving our result despite the reality we operate in.
- A healthy cash flow and a strong balance sheet give us room to invest in future growth.



Q1 2025: Negative consumer sentiment affected sales and profitability

Net sales and Invoiced sales

- Net sales decreased by 4.7% to EUR 21.0 million (22.0)
- Invoiced sales decreased by 4.9% to EUR 21.8 million (22.9)
- Negative consumer sentiment affected retail customers' purchasing volumes across Europe

Adjusted EBITA

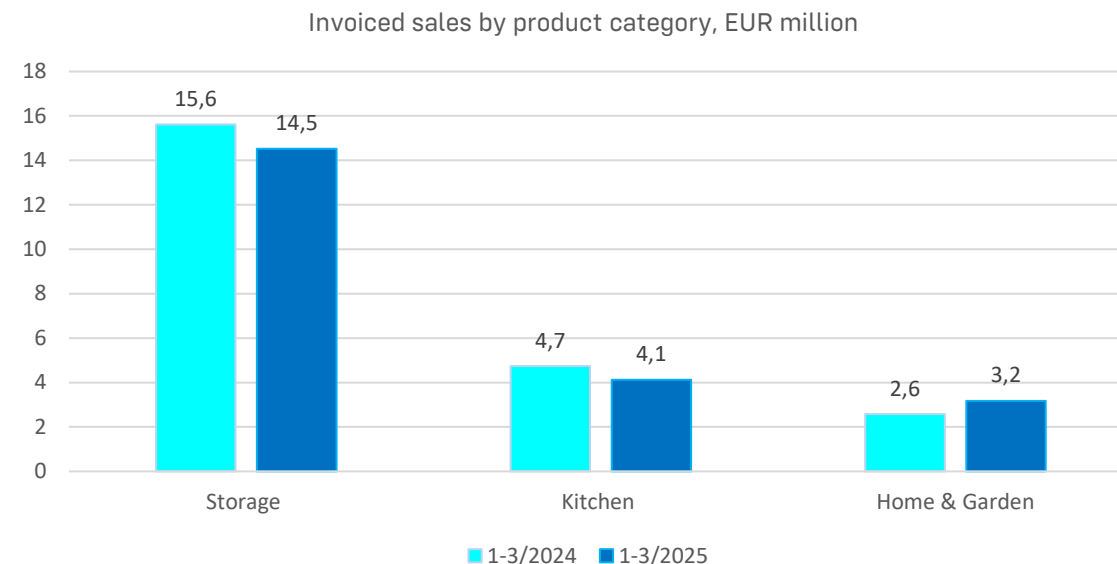
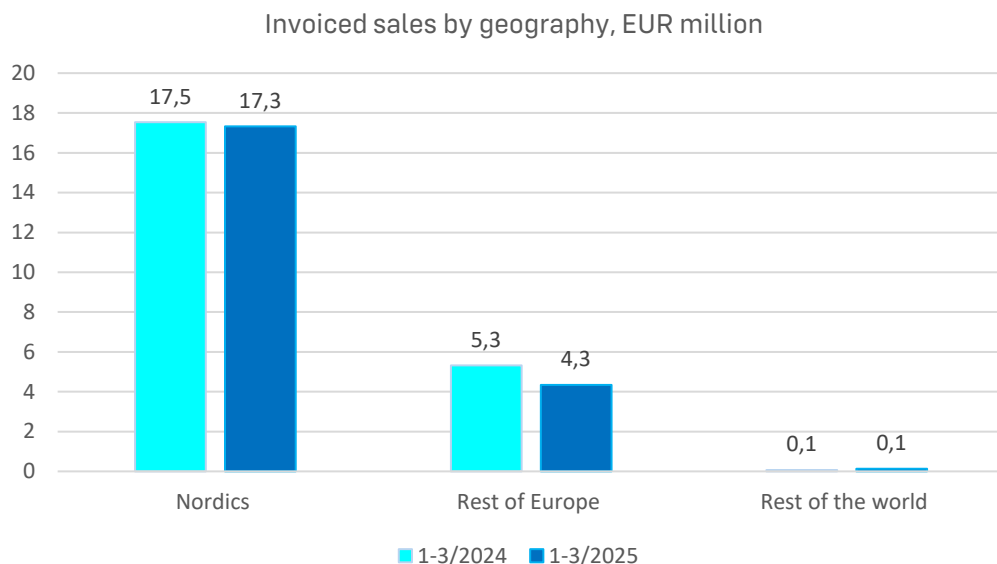
- Adjusted EBITA was EUR 1.7 million (2.8)
- Adjusted EBITA margin was 8.2% (12.6)

Cash flows

- Strong net cash flows from operating activities of EUR 4.7 million (4.1)



Invoiced sales by geography & product category



- Orthex's invoiced sales in the Nordics were EUR 17.3 million (17.5)
 - In the Nordics, strikes hit us and the Finnish trade and we missed a week of overall efficient operations and two weeks of goods delivery to Finnish customers.
- The Rest of Europe delivered invoiced sales decrease of 18.6% and EUR 4.3 million in sales (5.3).
 - Increased risk for credit losses continued, and as a precaution, shipments to some of our customers were restricted.
 - Strong push to grow compensating business

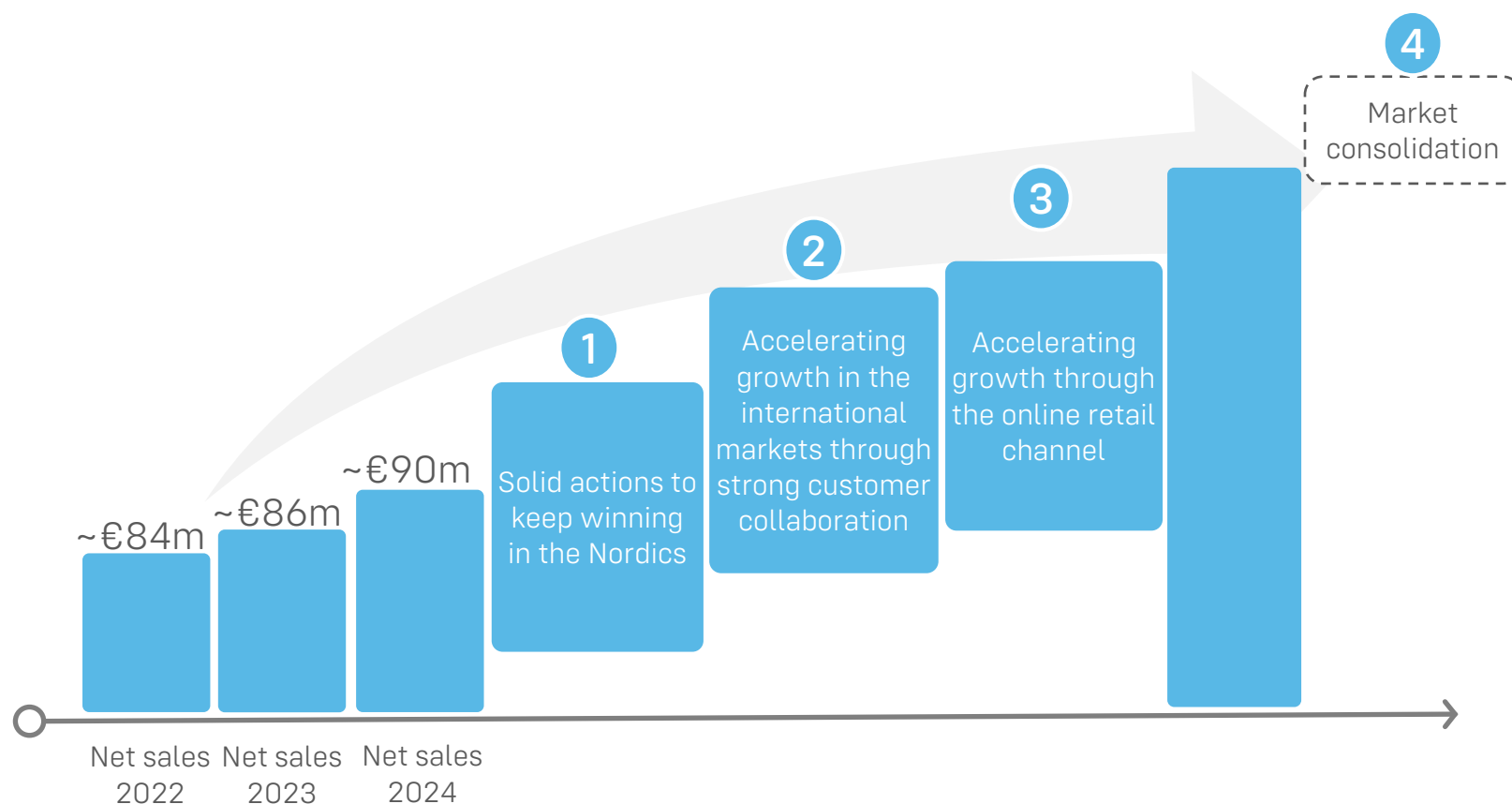
- Invoiced sales in the largest category Storage decreased by 7.0% to EUR 14.5 million (15.6) - the negative sales development in the Rest of Europe is visible in the Storage category sales
- Invoiced sales in the Kitchen category decreased to EUR 4.1 million (4.7) and were mostly affected by strikes that hit the business and production in the Nordics.
- Driven by growing flowerpot sales, invoiced sales in the Home & Garden category increased to EUR 3.2 million (2.6)

STRATEGY

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Clear growth strategy to deliver objectives



Clear category strategy focusing on storage




Showing the way in sustainability



Maintain a high innovation rate

Growth through strong in-store visibility – Celebrating SmartStore™ Classic: 30 years of storing memories

 Clear category strategy
focusing on storage



Ambiente fair in Frankfurt





Showing the way
in sustainability

Sustainability news during Q1

Recognitions

- In January, Orthex was ranked in **7th place** among the Nasdaq Helsinki small-cap companies in the **Nordic Business Diversity Index** examining the diversity of senior leadership in Nordic listed companies.

Reporting

- Orthex Annual and Sustainability report 2024 was published in March
- Orthex continued its preparations for the entry into force of the Corporate Sustainability Reporting Directive (CSRD). The new reporting requirements were expected to apply to the company starting from the beginning of 2025. However, changes to these reporting requirements have been proposed within the EU, which may result in the company being exempt from these requirements due to its size.

Investments in novelties

- We launched several novelties, all of which include renewable raw materials.
- The new products are storage containers **SmartStore™ Compact Access** and **SmartStore™ Compact Square** as well as organisers **SmartStore™ Compact Sort**.
- SmartStore™ Compact Access was awarded with the “**Winner**” at the **German Design Awards 2025**



Maintain a high innovation rate

Strategy in Action - Maintain a high innovation rate

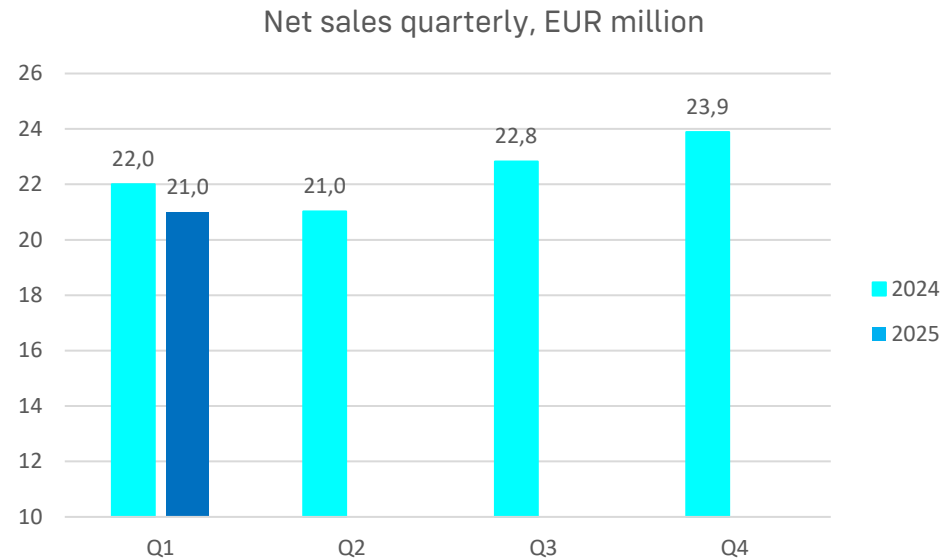


FINANCIALS

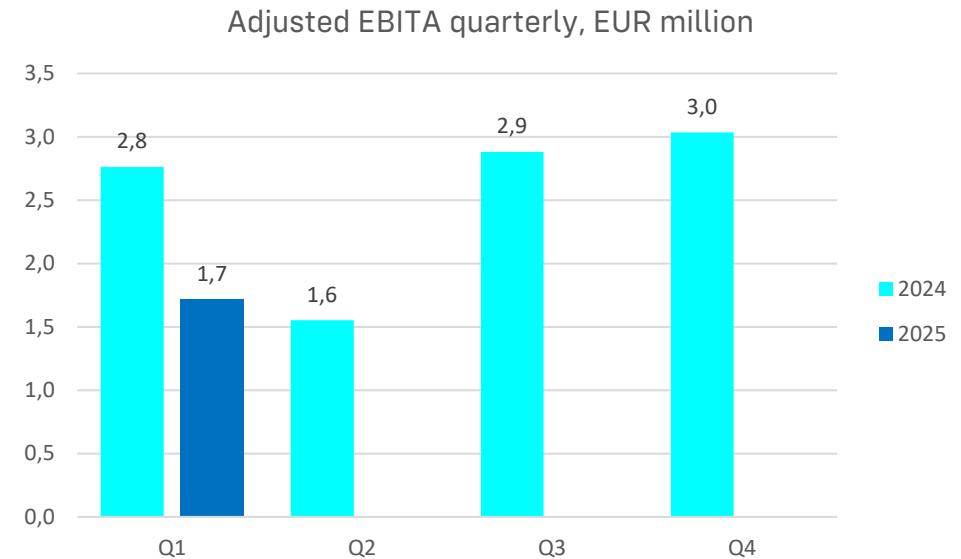
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Net sales and profitability

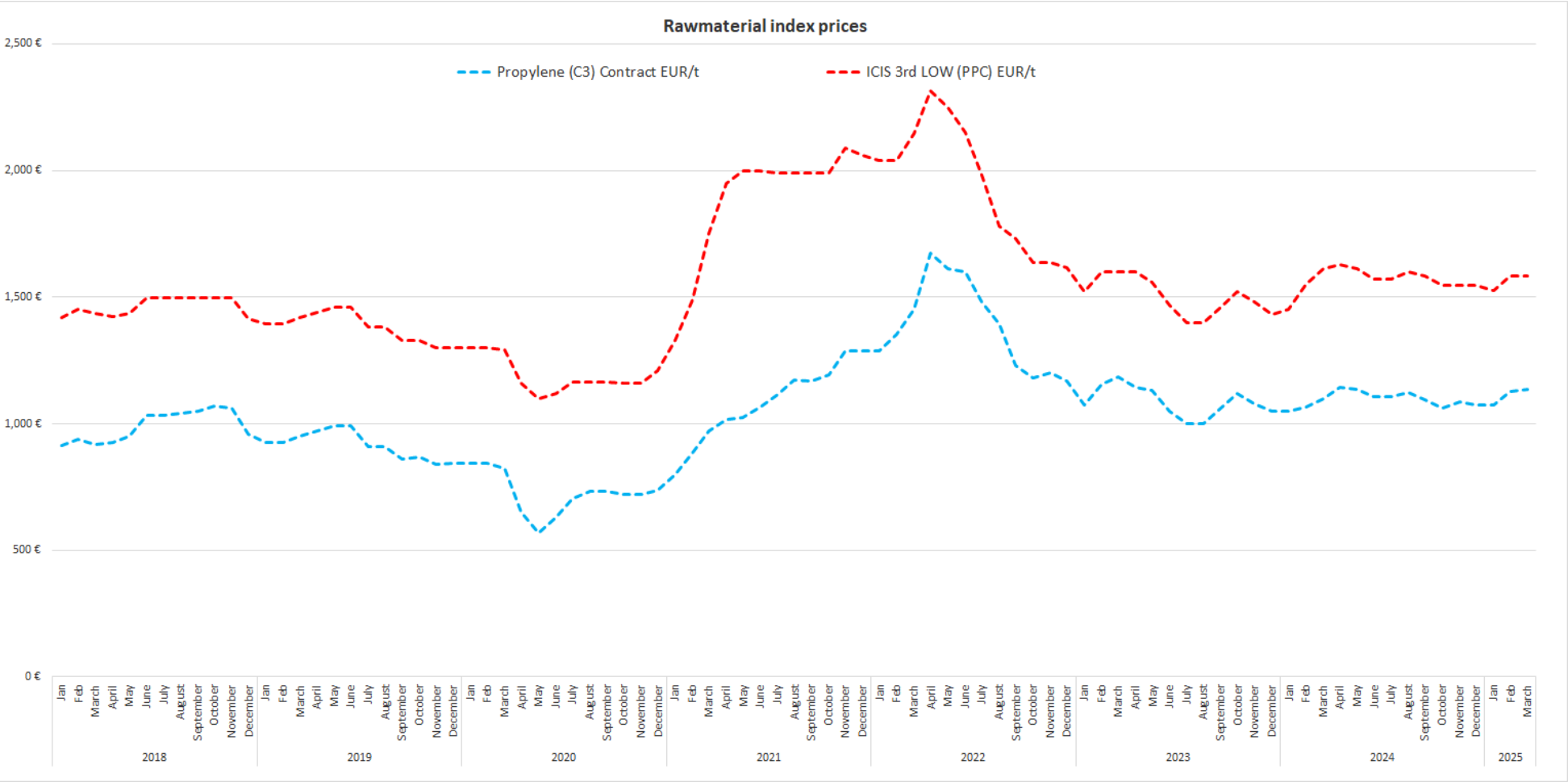


- In Q1 2025, the Group's Net sales decreased by 4.7% to EUR 21.0 million (22.0)
- The decrease in Constant currency net sales was 4.8% compared to the first quarter of 2024
- Increased consumer uncertainty contributed to the decline in net sales



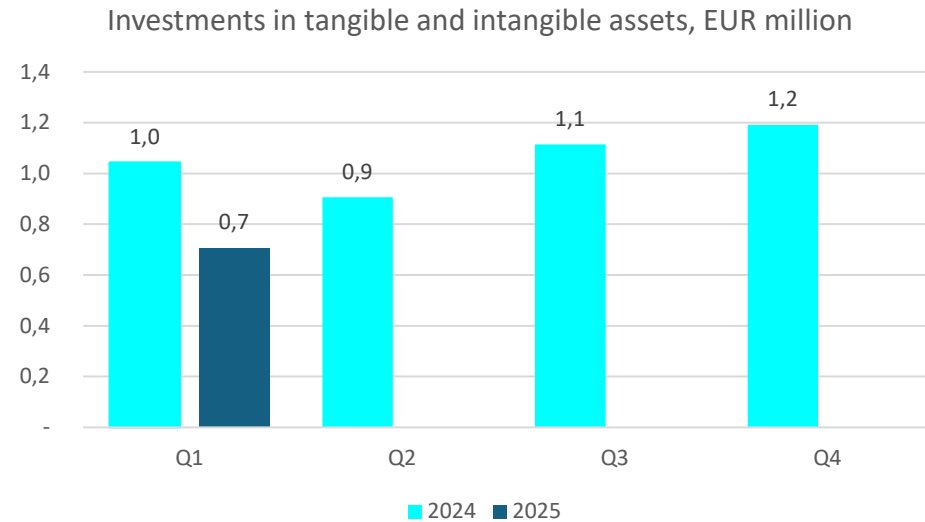
- Adjusted EBITA decreased to EUR 1.7 million (2.8). The adjusted EBITA margin decreased to 8.2% (12.6)
- Gross margin decreased 2.7 percentage points from 30.4% to 27.7%
- Less fixed cost and operations fixed costs coverage due to decreased Net Sales

Development of raw material price indexes

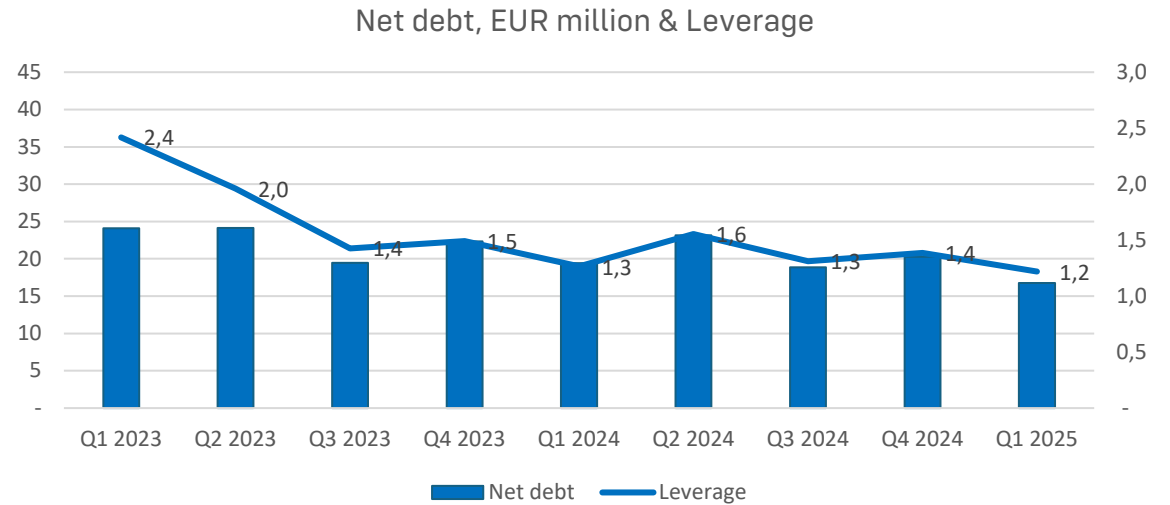


- Normal fluctuation in index prices during Q1
- The cost inflation in Europe increased the price pressure on raw material manufacturers
- European raw material suppliers are balancing their capacity to defend prices
- Geopolitical uncertainty might affect import and prices – Import to Europe increasing

Investments & net debt



- Orthex's investments during the first quarter of 2025 amounted to EUR 0.7 million and were related to moulds for new products and some capacity increases
- 2025 investments mainly related to novelties



- At the end of the review period, the Group's net debt was EUR 16.8 million (19.4)
- The non-current interest-bearing liabilities were EUR 26.7 million (29.0) and Orthex's total interest-bearing liabilities were EUR 31.3 million (33.3) on 31 March 2025
- Leverage was at healthy 1.2x at the end of the period

Long-term financial targets

| | Target | Description | Latest reported |
|---------------|---|---|--|
| SALES GROWTH | Total growth of >5% Outside Nordics >10% | "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" | -4.7% total -17.2% outside Nordics* |
| PROFITABILITY | 18% | "Improving EBITA margin (adjusted for items affecting comparability) exceeding 18 per cent over time" | 8.2% |
| LEVERAGE | <2.5x | "Net debt to adj. EBITDA below 2.5x. Leverage may temporarily exceed the target, for example, in conjunction with acquisitions" | 1.2x |
| PAY-OUT RATIO | >50% | "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" | 63.9% EUR 0.22 per share |

Reporting dates 2025

Orthex will publish its financial reports in 2025 as follows:

- 21 August 2025: Half-year financial report January–June 2025
- 13 November 2025: Interim report January–September 2025



SUMMARY



FULL FOCUS ON SALES GROWTH

NEGATIVE CONSUMER SENTIMENT

Q&A

www.investors.orthexgroup.com



Key Figures

Key Performance Indicators

| EUR million | 1-3/2025 | 1-3/2024 | Change | 2024 |
|---|----------|----------|--------|-------|
| Invoiced sales | 21.8 | 22.9 | -4.9% | 92.3 |
| Net sales | 21.0 | 22.0 | -4.7% | 89.7 |
| Gross margin | 5.8 | 6.7 | -13.0% | 25.7 |
| Gross margin, % | 27.7% | 30.4% | | 28.6% |
| EBITDA | 2.9 | 3.8 | -23.4% | 14.3 |
| EBITDA margin, % | 14.0% | 17.4% | | 15.9% |
| Adjusted EBITDA | 2.9 | 3.8 | -23.4% | 14.6 |
| Adjusted EBITDA margin, % | 14.0% | 17.4% | | 16.3% |
| EBITA | 1.7 | 2.8 | -37.9% | 9.8 |
| EBITA margin, % | 8.2% | 12.6% | | 11.0% |
| Adjusted EBITA | 1.7 | 2.8 | -37.9% | 10.2 |
| Adjusted EBITA margin, % | 8.2% | 12.6% | | 11.4% |
| Operating profit | 1.7 | 2.8 | -37.8% | 9.8 |
| Operating profit margin, % | 8.2% | 12.5% | | 11.0% |
| Net cash flows from operating activities | 4.7 | 4.1 | 14.6% | 11.8 |
| Net debt / Adjusted EBITDA | 1.2 | 1.3 | | 1.4 |
| Adjusted return on capital employed (ROCE), % | 5.1% | 8.2% | | 29.7% |
| Equity ratio, % | 44.2% | 41.0% | | 41.9% |
| Earnings per share, basic (EUR) | 0.07 | 0.09 | -16.8% | 0.34 |
| FTEs | 283 | 287 | -1.3% | 288 |

orthexTM

Practical is Beautiful