

Orthex Corporation
INTERIM REPORT

January–March 2026



orthex
GROUP

Novelty SmartStore™ Essence Stack

ORTHEX CORPORATION: INTERIM REPORT JANUARY-MARCH 2026

Strong sales growth outside the Nordics, improved profitability

JANUARY–MARCH 2026

- Invoiced sales amounted to EUR 22.5 million (21.8)
- Net sales increased by 2.7% to EUR 21.6 million (21.0)
- Adjusted EBITDA was EUR 3.4 million (2.9)
- Adjusted EBITA was EUR 2.1 million (1.7), representing 9.6% of net sales (8.2)
- Net cash flows from operating activities were EUR 3.5 million (4.7)
- Net debt / Adjusted EBITDA was 1.0x (1.2x)
- Earnings per share, basic was EUR 0.08 (0.07)
- As a result of the rise in oil prices caused by the Hormuz Strait crisis, raw material prices began to increase in March but has not yet had an impact on the company's profitability.

The figures in brackets refer to the corresponding period in the previous year unless stated otherwise. The figures are unaudited.



GastroMax™ baking products

ALEXANDER ROSENLEW, CEO:

In the first quarter, Orthex's net sales increased by 2.7% to EUR 21.6 million compared with Q1 last year (21.0). In constant currencies, net sales decreased by 0.4% and amounted to EUR 21.6 million (21.6). The reported net sales growth was mainly driven by increased sales of storage products outside the Nordics, and the exchange rates in the Nordics had a positive impact on the net sales.

Invoiced sales in the Nordics decreased by 1.1% to EUR 17.1 million despite the positive exchange rate effect (17.3). Consumers in Finland and Sweden remained cautious in their purchasing behaviour. Invoiced sales in the Rest of Europe increased strongly by 16.2% to EUR 5.0 million (4.3), with expanded distribution in major European retail chains being the main driver of growth. Our strategy to grow with major retailers and the systematic local efforts showed good progress with increased distribution and enlarged shelf presence in France, Switzerland and Germany. Thanks to our consistent and persistent activities, there is a growing interest in our high-quality SmartStore™ storage solutions both among retailers and consumers on our main European markets. Invoiced sales in the Rest of the World increased to EUR 0.3 million (0.1).



Storage is our largest product category across all geographies. The positive sales development in the Rest of Europe was clearly visible in the Storage category, where invoiced sales increased by 8.5% to EUR 15.8 million (14.5) compared with Q1 last year. Invoiced sales of Kitchen products decreased by 6.8% to EUR 3.8 million (4.1), mainly due to slower demand in the Nordics. The Home & Garden category also declined for the same reasons, with Q1 invoiced sales amounting to EUR 2.9 million (3.2).

Orthex's profitability improved in the first quarter, with adjusted EBITA increasing by EUR 0.4 million to EUR 2.1 million (1.7). The adjusted EBITA margin improved to 9.6% (8.2%). Cash flow amounted to EUR 3.5 million (4.7). The net debt to adjusted EBITDA ratio declined further to a healthy 1.0 (1.2) at the end of the period.

Raw material prices still had a positive impact on Q1 profitability, but towards the end of the period, the war in the Middle East triggered a rapid increase in raw material prices and added uncertainty to raw material availability. This has not yet had a negative effect on profitability as fluctuations in raw material prices affect the company with some delay. The effect of the higher raw material costs will be visible from Q2 onwards and we have urgently initiated price increases to mitigate the impact. The implementation will gradually offset rising costs. Orthex has long relationships and contracts with raw material suppliers that help to ensure raw material availability. Our ambition to grow with major European retailers remains unchanged, and we continue to do our utmost to ensure uninterrupted supply to our partners.

The Ambiente fair in Frankfurt, held in February, was one of the commercial highlights of the quarter. Our customers showed strong interest in our novelties, and the recently launched SmartStore™ Module storage solution was awarded the “Winner” distinction at the German Design Awards 2026, presented in connection with the fair.

From March to May, Orthex is piloting reusable, deposit-based take-away food containers and a return system in collaboration with the K Group, the S Group and several other partners in Finland. During the pilot, customers in four stores have the option to choose a reusable container instead of a disposable one for their takeaway meals. Orthex is supplying 10,000 reusable Kiertis containers for the trial. If successful, this pilot could open new business opportunities for Orthex.

As the industry faces increasingly turbulent conditions, I would like to thank our personnel, partners and suppliers for their strong commitment, flexibility and swift reactions in managing these fast-changing and unpredictable circumstances. I would especially like to thank our commercial teams for many interesting new products and for the strong efforts in increasing our distribution and presence in retailers and stores across Europe.



SmartStore™ Module storage solution

KEY FIGURES

EUR million	1-3/2026	1-3/2025	Change	2025
Invoiced sales	22.5	21.8	3.1%	89.6
Net sales	21.6	21.0	2.7%	87.2
Gross margin	6.2	5.8	6.6%	25.0
Gross margin, %	28.8%	27.7%		28.7%
EBITDA	3.4	2.9	14.9%	14.7
EBITDA margin, %	15.6%	14.0%		16.8%
Adjusted EBITDA	3.4	2.9	14.9%	14.7
Adjusted EBITDA margin, %	15.6%	14.0%		16.9%
EBITA	2.1	1.7	21.0%	9.8
EBITA margin, %	9.6%	8.2%		11.2%
Adjusted EBITA	2.1	1.7	21.0%	9.8
Adjusted EBITA margin, %	9.6%	8.2%		11.3%
Operating profit	2.1	1.7	21.0%	9.8
Operating profit margin, %	9.6%	8.2%		11.2%
Net cash flows from operating activities	3.5	4.7	-24.5%	12.3
Net debt / Adjusted EBITDA	1.0x	1.2x		1.1x
Adjusted return on capital employed (ROCE), %	6.1%	5.1%		28.6%
Equity ratio, %	49.1%	44.2%		46.8%
Earnings per share, basic (EUR)	0.08	0.07	4.9%	0.38
FTEs	279	283	-1.5%	287

LONG-TERM FINANCIAL TARGETS

As long-term financial targets the company has adopted to an average annual organic Net sales growth to exceed 5 per cent at the Group level and to exceed 10 per cent outside the Nordics (growth in local currencies), adjusted EBITA margin (adjusted for items affecting comparability) to exceed 18 per cent over time and net debt to adjusted EBITDA ratio (leverage) to stay below 2.5x. Leverage may temporarily exceed the target range (for example, in conjunction with acquisitions).

The company aims to distribute a stable and over time increasing dividend with a pay-out of at least 50 per cent of net profit, in total, on a biannual basis.

Orthex does not publish a short-term outlook.

MARKET OVERVIEW

Industry segment

Orthex is a leading Nordic houseware company specialising in durable household products – primarily rigid plastic storage (boxes, baskets, sorting solutions), kitchenware, and selected home and garden items (e.g., flowerpots and bins). Orthex operates in the Nordics and in the rest of Europe with customers in more than 40 countries.

Industry context

The European household goods market remains resilient, supported by long-term trends in home organisation, sustainability, and e-commerce adoption. Demand for durable storage solutions and kitchenware continues to grow steadily, driven by urbanisation and lifestyle changes. According to Mordor Intelligence¹, European home organisers and storage market is expected to grow at a CAGR of over 4% between 2025 and 2030. As per 6Wresearch², European kitchenware market is projected to grow at a CAGR of 5% between 2025 and 2031.

Regulatory landscape

Regulatory developments, including the EU Packaging and Packaging Waste Regulation (PPWR) and the Single-Use Plastics Directive (SUPD), are accelerating the transition toward circular materials and design-for-recycling standards. These changes create both compliance requirements and opportunities for differentiation. Steered by regulatory changes, retailers and consumers increasingly favour products with verified sustainability credentials, reinforcing the strategic importance of durability and recycled and bio-based materials.

Market trends

Demand for products made from recycled and renewable materials is accelerating and Orthex's portfolio of novelties reflects this trend. A key feature of Orthex sustainability approach is the quality and durability of the products that ensures a long product lifecycle. Orthex sees that continued consumer focus on decluttering and space optimization (smaller apartments, hybrid work) supports growth in modular storage systems, stackable sorting solutions and food containers. Orthex is well placed to leverage these trends through its modular product systems, strong brand portfolio, and proactive sustainability strategy, storage category growth led by versatile, timeless and design-consistent ranges.

Competitive landscape

Orthex designs, produces and sells household products mainly in Europe, where the competition for these products is fragmented. Competitive dynamics remain intense, with pan-European brands and private-label offerings exerting price pressure. Inasmuch as Orthex benefits from local presence and fairly high brand recognition in the Nordics, its brand and products are still less known in other European markets.

Orthex's competitive environment varies between product categories, but in general, the companies operating in the Nordics are smaller than Orthex measured by net sales and have a narrower product assortment and geographical footprint than Orthex. Key Nordic competitors include Plast1 and Nordiska Plast, both smaller and less diversified than Orthex. In the European market outside of the Nordics, Orthex's competitors bear more resemblance to Orthex in terms of size, assortment and positioning, with Keter, Sundis, Iris and Rotho being the most comparable

competitors. The kitchen utensils market is even more fragmented and more exposed to international competition due to lower shipping costs. Competitors include Keter, Sistema, Nordiska Plast, Mepal, and Joseph Joseph.

Customer segments

Orthex's seeks to be the preferred value-creating partner for its customers who are mainly large retail chains. We divide our retail customers into four categories: grocery retailers, DIY stores, specialty retailers, and discount retailers. In addition, our customers include e-commerce platforms. Almost without exception, the aforementioned retail chains also operate their own online stores. Our customers also include various operators within the HoReCa and industrial sector. No single Orthex customer accounts for more than 10% of the company's net sales. Consumers are customers of our customers and end-users of our products. Among consumers, Orthex's main target group are sustainability-conscious households and buyers who appreciate premium quality and durability.

Market conditions

Global economic uncertainties and geopolitical tensions continue to influence consumer confidence, purchasing power, and purchasing behaviour, which may consequently affect Orthex's business performance. In light of the prevailing cautious consumption environment, many retailers are actively managing their inventory levels. Orthex's product portfolio is characterized by relatively low price points and addresses practical needs. Accordingly, the company anticipates that its categories will be less susceptible to shifts in consumer spending patterns compared to higher-priced discretionary goods. Orthex remains committed to closely monitoring market developments and implementing measures to navigate evolving conditions with efficiency and resilience.

¹⁾ [Europe Home Organizers & Storage Market Size & Share Analysis - Industry Research Report - Growth Trends](#)

²⁾ [Prominent companies in Europe Kitchenware Market with Size](#)



SmartStore™ Bedroller 60L

NET SALES AND PROFITABILITY

Net sales and invoiced sales

January–March 2026

In January–March, the Group’s net sales increased by 2.7% to EUR 21.6 million (21.0). The exchange rate of the Swedish krona had a positive impact on the net sales. The decrease in constant currency net sales was 0.4% compared to January–March 2025. Consolidated invoiced sales amounted to EUR 22.5 million (21.8).

The sales growth is mainly due to increased sale of storage products outside the Nordic countries.

Development by geography

Invoiced sales by geography

January–March 2026

EUR million	1-3/2026	1-3/2025	Change	2025
Nordics	17.1	17.3	-1.1%	68.9
Rest of Europe	5.0	4.3	16.2%	20.2
Rest of the world	0.3	0.1	115.2%	0.6
Total	22.5	21.8	3.1%	89.6

Orthex’s core market area by geography is the Nordics, where the Group’s invoiced sales in January–March decreased to EUR 17.1 million (17.3). Invoiced sales in the Rest of Europe increased to EUR 5.0 million (4.3). In the Rest of the world, invoiced sales amounted to EUR 0.3 million (0.1).

Sales in the Nordic countries decreased despite the positive exchange rate impact as deliveries for the early 2026 campaigns were smaller than the deliveries in the comparison period. In the Rest of Europe, sales grew by 16.2%. Expanded distribution in major European retail chains was the main driver of the growth.

Orthex’s products are sold in more than 40 countries, and export to non-Nordic countries accounted for 23.8% (20.5) of the Group’s invoiced sales during the review period.

Development by product category

Invoiced sales by product category

January–March 2026

EUR million	1-3/2026	1-3/2025	Change	2025
Storage	15.8	14.5	8.5%	61.9
Kitchen	3.8	4.1	-6.8%	17.7
Home & Garden	2.9	3.2	-9.0%	10.0
Total	22.5	21.8	3.1%	89.6

Orthex's largest category is Storage with invoiced sales increasing to EUR 15.8 million (14.5) during January–March. Products in the Storage category play a key role in Orthex's expansion in Europe. The positive sales development outside the Nordics impacted the Storage category invoiced sales which increased by 8.5% compared to the same period in the previous year.

The Group's invoiced sales in the Kitchen category decreased to EUR 3.8 million (4.1) in January–March mainly due to slower demand in the Nordics.

Invoiced sales in the Home & Garden category amounted to EUR 2.9 million (3.2).

Profitability

January–March 2026

EBITA for January–March was EUR 2.1 million (1.7). Adjusted EBITA totalled EUR 2.1 million (1.7), and the adjusted EBITA margin increased to 9.6% (8.2). Lower raw material prices had a positive impact on profitability. Orthex's operating profit was EUR 2.1 million (1.7). The operating profit did not include items affecting comparability.

Orthex's financial income and expenses during the quarter consisted of EUR 0.4 million net financial expenses (0.1). The increase in net financial expenses is due to the negative exchange rate change of internal loans.

Profit before taxes was EUR 1.7 million (1.6) and profit for the period was EUR 1.4 million (1.3).

FINANCIAL POSITION AND CASH FLOW

At the end of March, the balance sheet totalled EUR 84.6 million (87.7) of which equity accounted for EUR 41.5 million (38.8).

The Group's net debt was EUR 14.6 million (16.8) at the end of March. Non-current interest-bearing liabilities were EUR 23.0 million (26.7) and Orthex's total interest-bearing liabilities were EUR 27.9 million (31.3). Interest-bearing liabilities include loans from credit institutions, pension liabilities, and lease liabilities.

During the period January-March 2026, the Group's net cash flows from operating activities were EUR 3.5 million (4.7) and cash conversion was 52.5% (75.8). Interest paid totalled EUR 0.1 million (0.1). Cash and cash equivalents at the end of the review period amounted to EUR 13.3 million (14.5).

At the end of the review period, net debt to adjusted EBITDA ratio was 1.0x (1.2x). Orthex's long-term target is to keep the Net debt to Adjusted EBITDA ratio below 2.5x.

At the end of the review period, the Group's Equity ratio was 49.1% (44.2). Adjusted return on capital employed (ROCE) was 6.1% (5.1) and return on equity (ROE) 3.3% (3.5).

INVESTMENTS, RESEARCH, AND PRODUCT DEVELOPMENT

Orthex's investments in January-March amounted to EUR 1.6 million (0.7) and were related to moulds for new products and capacity increases. The high investment level compared to the previous year is due to the timing of investments.

Orthex invests in product development on a continuous basis and launches new products twice a year. In addition, Orthex invests in research and is involved in research projects focusing on developing recycled and renewable plastics and promoting a circular economy for plastics.

Since 2023, Orthex is participating in a large cooperation project of seven years to promote the circular economy of plastics. Orthex's goal is to find new potential, environmentally friendly plastic raw materials, test raw materials in production and as finished products, and then bring new products to the market.

Orthex is also involved in the Reusify project that started in 2024. Focusing on reducing single-use packaging, Reusify project explores how packaging reuse systems could function. Orthex goal in this project is to find solutions for replacing the single-use products with reusable food storage and delivery boxes in professional kitchens and to offer consumers reusable take-away containers instead of single-use plastic ones in grocery stores, hotels, cafes and restaurants. The project is now in its pilot phase that started at the beginning of March. More information on the project's pilot phase is available under the Sustainability section of this report.

These investments in research and product development support Orthex's target to increase the use of recycled and renewable raw materials. Research and product development expenses have not been capitalized.

SHARES AND SHAREHOLDERS

Orthex's shares are listed on Nasdaq Helsinki.

The company's registered share capital is EUR 80,000.00 and at the end of the review period, the company held 17,758,854 fully paid shares. Orthex has one series of shares, and each share entitles to one vote in the company's general meeting. There are no voting restrictions associated with the shares. Trading volume during the review period was EUR 4.6 million (4.4) and 985,338 shares (858,525). The highest price of the share was EUR 4.99 (5.44) and the lowest was EUR 4.34 (5.00). The closing price of the share at the end of March was EUR 4.79 (5.10). On 31 March 2026, the market value of the share capital stood at EUR 85.1 (90.6) million. The company did not have any treasury shares at the end of the review period.

The number of registered shareholders at the end of the review period was 13,358 (14,323) including nominee registers. At the end of the period, the ten largest registered shareholders possessed a total of 54.8% (53.1) of Orthex's shares and votes.

On 25 March 2026, Orthex announced that the holdings of Handelsbanken Nordiska Småbolag managed by Handelsbanken Fonder AB of the shares and votes in Orthex had fallen below the threshold of 5% on 20 March 2026. The stock exchange releases on notifications of changes in holdings (flaggings) are available on the corporate website at [Media - Orthex Group](#).

During the review period, the Board of Directors had an authorisation to issue a total maximum of 1,600,000 shares and special rights entitling to shares. The Board of Directors also had an authorisation to decide on the acquisition of a maximum of 175,000 of the company's own shares. The Board of Directors did not exercise these authorisations.

Share-related authorisations granted to the Board of Directors by the 2026 general meeting are reported under the events after the review period.

GROUP STRUCTURE

There were no changes in the Group structure during the review period.

SUSTAINABILITY

Sustainability is a core element in implementing Orthex's growth strategy and key objectives as we strive to be the storage category leader in Europe and the benchmark for quality, practicality and sustainability in every home. Sustainability is a key factor in all decision making at Orthex and a significant driver of our development and investment agenda. For example, a prerequisite for all new product investments is that the material should be either recycled or renewable. Orthex does not make single-use products. On the contrary, Orthex's products are made for long-term use and are fully recyclable in all our markets at the end of their life cycle.

Orthex aims to be the industry benchmark in sustainability by offering timelessly designed, high-quality, safe, and long-lasting products and reducing its relative carbon footprint by increasing the share of recycled and renewable raw materials.

Orthex has identified priority sustainability topics in environmental, social and governance (ESG) aspects. For each topic, the company has set key performance indicators and targets. Further information on Orthex's sustainability agenda is available on the corporate website at [Sustainability - Orthex Group](#) and in the Annual and Sustainability Report 2025 which was published in March and is available at [Reports & presentations - Orthex Group](#).

Highlights of the Sustainability Report 2025

In 2025, Orthex continued to implement its sustainability strategy systematically and made progress across all key focus areas.

Energy efficiency continued improving, with energy consumption per kilogram of product decreasing by remarkable 12.4% compared to the 2020 average. All Orthex factories use EPD-certified renewable hydropower electricity.

The sickness absence rate decreased for the first time below the target level of five percent and was 4.9% (2024: 5.2%), and the Lost Time Injury Frequency (LTIF) improved to an excellent 5.6 (2024: 10.5). Employee engagement continued to strengthen, with the Engagement Index rising to 83 (2024: 81). Customer satisfaction rate also improved and was 4.15 on a scale of 1–5 (2023: 4.08).

Orthex relative carbon footprint, which eliminates the impact of business growth or decline, decreased to 1.9kgCO₂ eq./kg (2024: 2.0). Due to lower production volumes, total emissions also decreased to 29,933 tCO₂e (2024: 30,775). The share of recycled and renewable raw materials used in production increased to 17.9% (2024: 16.6%). In recognition of its sustainability performance, Orthex's EcoVadis rating improved from Bronze to Silver level, placing the company globally among the top 10% of companies assessed by EcoVadis annually.

During the year, Orthex updated its sustainability strategy for 2026–2028 based on the double materiality assessment conducted in the spring of 2025. As a part of the strategy update, the company replaced its previous carbon neutrality target with a broader ambition: minimise impact on the planet. The company aims to achieve this target and to reduce its emissions with various actions: by increasing the share of recycled and renewable raw materials, improving energy efficiency, using renewable energy, promoting circular economy, and cooperating with partners across the value chain.

Sustainability actions in January–March 2026

Orthex active sustainability work continued during the start of the year.

This spring, Orthex is testing reusable, deposit-based take-away food containers and their return system in collaboration with the K Group, the S Group and several other partners. During the pilot, customers in four stores have the option to choose a reusable container instead of a disposable one for their take-away meals. The Kiertis pilot is driven by the EU Packaging and Packaging Waste Regulation, which aims, among other things, to promote the reuse of packaging.

The unique Kiertis joint pilot examines how the circulation of reusable, deposit-based containers works in practice. The pilot assesses whether reusable containers appeal to customers, whether the return system is cost-effective and what environmental impacts the system has. The pilot is part of the Business Finland funded Reusify project, a joint initiative led by VTT Technical Research Centre of Finland Ltd. and the University of Vaasa together with companies and research organisations. Orthex has participated in this project since 2024.

Orthex is supplying 10,000 reusable Kiertis containers for the trial. They feature a transparent lid specially designed for reuse, allowing price labels to be easily removed. The dark purple container is made from bio-based polypropylene, a material also used in similar food storage containers. It is designed to withstand repeated use and washing cycles. How the trial operates in practice is elaborated in further detail in the press release issued by the company in March. The release is available on the corporate website at [Orthex Press Releases & Media - Orthex Group](#).

Recognitions

Orthex's recent novelty, SmartStore™ Module storage solution was recognized as Winner at the German Design Awards 2026 in February. The SmartStore™ Module containers are made from recycled plastic and provide an easy access to the contents with its open front. The containers can be stacked into a practical, space-saving tower.

Audits

In February, the Lohja factory underwent an annual ISCC audit and its ISCC PLUS certificate was renewed. However, Orthex has decided to reduce the application of the mass balance approach in the manufacturing of its products as the method is still difficult for consumers to understand. Instead, in many of its products, the company has shifted to using completely recycled or renewable raw materials, which also supports Orthex's goal to increase the share of recycled and renewable raw materials in its production.

Reporting requirements

Since the company was exempt from the CSRD requirements due to its size, it is closely monitoring the progress of the regulation on sustainability reporting and the potential impacts on the company's reporting obligations.

Investments in novelties

Orthex invests in product development on a continuous basis and launches new products twice a year. During the first three months of 2026, we have launched the storage solution SmartStore™ Essence Stack. The Essence Stack baskets are stackable and made from recycled plastic in Sweden.

Research investments

Orthex is involved in research projects focusing on developing recycled and renewable plastics and promoting a circular economy for plastics, because the supply of high-quality recycled materials suitable for different purposes is still weak.

As a part of the seven-year PlastLIFE SIP-EU collaborative project, Orthex is working to identify and test new environmentally friendly plastic raw materials, aiming to bring pioneering products to market.

Focusing on reducing single-use packaging, Reusify project explores how packaging reuse systems could function. Orthex goal in this project is to find solutions for replacing the single-use products with reusable food storage and delivery boxes in professional kitchens and to offer consumers reusable take-away containers instead of single-use plastic ones in grocery stores, hotels, cafes and restaurants. As described above, this project is now in its pilot phase that started at the beginning of March.

These significant investments in research support Orthex's target to increase the use of recycled and renewable raw materials. Information on the research projects is also provided in the company's Annual and Sustainability Report 2025 available at [Reports & presentations - Orthex Group](#).

Commitments

Global Compact

In May 2025, Orthex joined UN Global Compact. The UN Global Compact is a voluntary United Nations initiative launched in 2000 to encourage businesses worldwide to adopt sustainable and socially responsible practices. It is based on Ten Principles in the areas of human rights, labour, environment, and anti-corruption. By joining, companies commit to aligning their strategies and operations with these principles and reporting annually on their progress.

Circular Economy Green Deal

Orthex announced in December 2024 that it has joined the Circular Economy Green Deal. The objectives of this deal include curbing the consumption of non-renewable natural resources and doubling the circular economy rate of resources and materials in Finland by 2035. Orthex's commitment relates to action areas "Increasing the value of recycled materials and bio-based raw materials in production" and "Expanding the availability of circular economy products in the market". Orthex aims to replace in its production virgin and fossil raw materials with recycled and renewable raw materials and to introduce new plastic products made from recycled or renewable materials to the market.

SBTi

The Science-Based Targets initiative (SBTi) has approved Orthex's near-term science-based emissions reduction target in 2022. This means that Orthex's climate targets are aligned with the target to keep global warming below 1.5°C in accordance with the Paris Agreement.

SHORT-TERM RISKS AND UNCERTAINTIES

Plastic polymers are the largest group of raw materials purchased by Orthex, and the prices are typically negotiated annually. Fluctuations in raw material prices and supply disruptions may have a negative effect on profitability. The Group is not hedged against fluctuations in raw material prices but can better manage risks by tying prices to the plastic polymer supply chain. There is less volatility in the prices of recycled and renewable materials and merchandise. However, there

may be shortage on the market because of higher demand, and this can lead to higher prices also in recycled and renewable materials.

The risks related to Orthex's supply chain are associated especially with production, procurement and logistics processes and their reliability, flexibility and efficiency, sustainability as well as fluctuations in the prices of raw materials and other factors of production. For example, increasing tariffs, other trade and geopolitical tensions, cyber security incidents and possible epidemics and pandemics as well as other uncertainties in the global economy may cause even significant disruptions in production and logistics chains that may have a negative impact on the company's sales, profitability and cash flow.

Extreme weather events and natural disasters pose a risk to the reliability and efficiency of Orthex's supply chain. Climate change increases the likelihood of extreme weather events and natural disasters, such as floods, forest and wildfires, and storms. Heatwaves, drought, challenges in water availability, soil degradation, and other changes driven by climate change may also affect the availability and price of products used to produce Orthex's raw materials. Extreme weather events and natural disasters can further affect raw material availability if they cause damage to the facilities of the company's supplier partners or disrupt logistics chains. Extreme weather events may also disrupt Orthex factory and warehouse operations.

Cost inflation, interest rate levels, and geopolitical tensions impact the global economic trend as well as the development of consumers' purchasing behaviour and, as a result, can have an impact on Orthex's business. Russia's war against Ukraine or the crises in the Middle East do not directly affect Orthex's business as Orthex does not sell products in the crisis areas or source raw materials directly from these areas. However, geopolitical tensions cause disturbances in global supply chains and contribute to the general economic situation and consumers' purchasing power and behaviour. These factors may affect the company's sales and profitability as well as operational reliability and efficiency. Some of the electricity contracts have been purchased at fixed prices due to the strong volatility of market electricity.

Difficulties in maintaining and updating IT infrastructure, deficiencies in IT systems, and external cyberattacks related to IT systems may have an adverse effect on Orthex. Orthex uses information technology infrastructure, applications and software products that cover essential aspects of its business, such as production, inventory management, logistics, human resources, finances, and other administrative systems. Orthex's IT systems and infrastructure may be vulnerable to cybersecurity risks, including cyberattacks, direct or indirect, such as computer viruses and worms, phishing attacks, and penetrating or bypassing security measures in order to gain unauthorised access to Orthex's information networks and systems. Exploitation of possible weaknesses in Orthex's security controls could disrupt its business and cause leakage of sensitive information, theft of intellectual property and damage to Orthex's reputation. Orthex has a cyber security insurance policy to mitigate the impact of data security incidents.

Thanks to its own production, Orthex can control the quality of its products and the health and environmental aspects of production and products. Although Orthex has several quality control measures in place, there can be no assurances that such measures will always be adequate to detect potential product quality defects. Any significant quality issue may require a considerable amount of management resources. Responding to detected or suspected quality issues, for

example, by proactively adjusting production processes or by switching the materials or components used, usually gives rise to costs that may be significant. Product quality issues or product recalls may also harm Orthex's reputation and lead to loss of customers. Materialisation of the aforementioned risks may have a material adverse effect on Orthex's business, results of operations, financial position, and reputation.

As Orthex's production largely relies on its own production facilities, events that would cause significant disruptions in or the suspension of Orthex's production facilities could materially affect Orthex's ability to deliver its products to its customers in a timely manner. Significant disruptions or interruptions in production and operations would adversely affect Orthex business and operating profit.

Orthex has operations in several countries, so the company is exposed to transaction and translation risk. The Group is typically not hedged against currency risk, except for certain purchases under the Kökskungen™ brand. Fluctuations in exchange rates have had and may continue to have a material adverse effect on Orthex's results of operations.

Further information on the company's risk management principles and on the main strategic, operative, and financial risks is included in the Board of Directors' report for the year 2025. The main principles of Orthex's financial risk management are described in the notes to the consolidated financial statements. The company's Annual and Sustainability Report, which includes the Board of Directors' report and the consolidated financial statements with notes for the year 2025, is available on the corporate website at [Reports & presentations - Orthex Group](#).

EVENTS AFTER THE REVIEW PERIOD

Orthex Corporation's Annual General Meeting was held on 14 April 2026 at the company's headquarters in Espoo, Finland. All the proposals made to the Annual General Meeting were approved.

Adoption of the financial statements, discharge of liability and distribution of dividend

The general meeting adopted the financial statements and discharged the members of the Board of Directors and the CEO from liability for the financial year 2025.

The general meeting resolved that for the financial year 2025, shareholders will be paid a dividend of EUR 0.23 per share totalling approximately EUR 4.1 million in two instalments. The first instalment of the dividend amounting to EUR 0.12 per share was paid on 23 April 2026. The second instalment of the dividend amounting to EUR 0.11 per share will be paid in October 2026 to a shareholder who is registered in the company's shareholder register held by Euroclear Finland Oy on the record date of the second instalment of the dividend payment 1 October 2026. The second instalment of the dividend will be paid on 8 October 2026.

The remuneration report for governing bodies

The general meeting approved the 2025 remuneration report for governing bodies.

Remuneration of the members of the Board of Directors

The general meeting resolved that the remuneration of the members of the Board of Directors remain the same and that the Chair of the Board of Directors be paid a monthly fee of EUR 4,000 and other members of the Board of Directors a monthly fee of EUR 2,000. The general meeting further resolved that the Board members will be paid meeting fees so that a meeting fee of EUR 250 is paid for a meeting held in the Board member's country of residence or as a remote meeting, and a meeting fee of EUR 500 for a meeting held elsewhere than in the Board member's country of residence. The general meeting also resolved that should the Board of Directors decide to establish Board committees, the members of such committees be paid meeting fees in the same manner as meeting fees are paid for the Board meetings and that reasonable travel and other expenses related to the Board work will be reimbursed in accordance with the company's travel rules.

Members of the Board of Directors

The general meeting resolved to elect six members to the Board. **Sanna Suvanto-Harsaae**, **Markus Hellström**, **Anette Rosengren** and **Tuomas Yrjölä** were re-elected to the Board and **David Miller** and **Sari Somerkallio** elected as new members to the Board for a term of office ending at the end of the 2027 Annual General Meeting. Background information on the members of the Board of Directors is available on the corporate website at [Board of Directors - Orthex Group](#). At the constitutive meeting of the Board of Directors held on 14 April 2026, **Sanna Suvanto-Harsaae** was re-elected to chair the Board.

Auditor and auditor remuneration

Ernst & Young Oy, a firm of Authorised Public Accountants, was re-elected the company's auditor with Authorised Public Accountant **Mikko Ryttilahti** continuing as the signing audit partner. The remuneration of the auditor was resolved to be paid according to an invoice approved by the company.

Authorising the Board of Directors to decide on acquisition of the company's own shares

The general meeting authorised the Board of Directors to decide on acquisition of the company's own shares. Pursuant to the authorisation, the Board of Directors is authorised to decide on the acquisition of a maximum of 175,000 shares in the company corresponding to approximately 1.0 percent of all the company shares. Pursuant to the authorisation, the Board of Directors may decide to acquire the shares only with the company's unrestricted equity. The Board of Directors was authorised to decide on all other terms and conditions related to the acquisition of own shares. The authorisation will be valid until 30 June 2027.

Authorising the Board of Directors to decide on the issuance of shares and special rights entitling to shares

The general meeting authorised the Board of Directors to decide on issuing new shares and conveying treasury shares and granting options and other special rights referred to in Chapter 10, Section 1 of the Limited Liability Companies Act. A total maximum of 1,600,000 shares may be issued or treasury shares conveyed in one or several instalments (including shares that can be issued based on the special rights) corresponding to approximately 9 per cent of all the shares in the company.

New shares may be issued, and treasury shares conveyed to the company's shareholders in proportion to their existing shareholdings in the company, or in deviation from the shareholders' pre-emptive right, through a directed share issue if there is a weighty financial reason for it from the company's point of view. New shares may be issued also without payment to the company itself.

The subscription price of the new shares and the consideration payable for the treasury shares shall be recorded in the invested unrestricted equity fund. The Board of Directors was authorised to decide on all other terms and conditions related to the issuance of new shares, conveyance of treasury shares or issuance of special rights entitling to shares. The authorisations will be valid until 30 June 2027.

FINANCIAL RELEASES IN 2026

Orthex will publish its financial reports in 2026 as follows:

18 August 2026: Half-year financial report January–June 2026

5 November 2026: Interim report January–September 2026

Espoo, 6 May 2026

ORTHEX CORPORATION
Board of Directors

Additional information:

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Saara Mäkelä, CFO, +358 (0)40 083 8782

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The results presentation will be held on 7 May 2026 at 11.00 a.m. EEST as a webcast meeting.

Webcast meeting

Access meeting online [here](#).

Q&A

Questions to the management can be sent through the meeting chat.

Presentation material and webcast recording

The presentation material will be shared in the online meeting, and it can be downloaded on Orthex's website at [Reports & presentations - Orthex Group](#). A recording of the event will be available later at the same address.

Distribution:

Nasdaq Helsinki Ltd

Main media

<https://investors.orthexgroup.com/>

ORTHEX INTERIM REPORT JANUARY–MARCH 2026

Consolidated statement of comprehensive income

EUR thousand	1-3/2026	1-3/2025	2025
Net sales	21,551	20,975	87 212
Cost of sales	-15,351	-15,159	-62 203
Gross Margin	6,200	5,816	25 009
Other operating income	6	10	97
Selling and marketing expenses	-2,655	-2,702	-9 834
Administrative expenses	-1,476	-1,408	-5 489
Operating profit	2,076	1,716	9 782
Financial income and expenses	-372	-88	-1 186
Profit before taxes	1,704	1,629	8 596
Income taxes	-341	-329	-1 819
Profit for the period	1,363	1,300	6 777
Profit for the period attributable to:			
Equity holders of the parent	1,363	1,300	6 777
Earnings per share, basic (and diluted), EUR	0.08	0.07	0.38
Other comprehensive income, net of tax			
Items that may be reclassified subsequently to profit or loss:			
Translation differences	-220	1,647	1 636
Items that will not be reclassified to profit or loss:			
Remeasurement gains/(losses) on defined benefit plans	-	-	52
Other comprehensive income for the period, net of tax	-220	1,647	1 688
Total comprehensive income for the period	1,143	2,946	8 465
Total comprehensive income attributable to:			
Equity holders of the parent	1,143	2,946	8 465

Consolidated statement of financial position

EUR thousand	31 Mar 2026	31 Mar 2025	31 Dec 2025
Assets			
Non-current assets			
Intangible assets	22,527	22,675	22,718
Property, plant, and equipment	15,306	15,389	15,058
Right-of-use assets	6,624	7,001	7,113
Other non-current assets	105	104	105
Deferred tax assets	691	748	665
Total non-current assets	45,252	45,917	45,659
Current assets			
Inventories	11,170	13,172	12,051
Trade and other receivables	14,083	13,601	16,024
Derivative financial instruments	2	-	-
Income tax receivables	805	537	773
Cash and cash equivalents	13,270	14,504	11,817
Total current assets	39,330	41,814	40,665
Total assets	84,582	87,731	86,324
Equity and liabilities			
Equity attributable to the equity holders of the parent company			
Share capital	80	80	80
Invested unrestricted equity fund	7,851	7,851	7,851
Retained earnings	33,566	30,581	32,203
Translation differences	32	263	253
Total equity	41,529	38,775	40,386
Non-current liabilities			
Loans from credit institutions	13,413	16,399	13,401
Lease liabilities	5,761	6,439	6,211
Pension liabilities	3,863	3,849	3,907
Deferred tax liabilities	716	781	718
Total non-current liabilities	23,753	27,468	24,236
Current liabilities			
Loans from credit institutions	3,000	3,000	3,000
Lease liabilities	1,871	1,587	1,923
Trade and other payables	13,429	15,798	15,203
Derivative financial instruments	-	104	25
Income tax liabilities	999	999	1,551
Total current liabilities	19,300	21,488	21,701
Total liabilities	43,053	48,956	45,938
Total equity and liabilities	84,582	87,731	86,324

Consolidated statement of changes in equity

Equity attributable to the equity holders of the parent company					
EUR thousand	Share capital	Invested unrestricted equity fund	Retained earnings	Translation differences	Total equity
As at 1 Jan 2026	80	7,851	32,203	253	40,386
Profit for the period			1,363		1,363
Translation differences				-220	-220
Total comprehensive income			1,363	-220	1,143
At 31 Mar 2026	80	7,851	33,566	32	41,529
As at 1 Jan 2025	80	7,851	29,281	-1,384	35,828
Profit for the period			1,300		1,300
Translation differences				1,647	1,647
Total comprehensive income			1,300	1,647	2,946
At 31 Mar 2025	80	7,851	30,581	263	38,775
As at 1 Jan 2025	80	7,851	29,281	-1,384	35,828
Profit for the period			6,777		6,777
Translation differences				1,636	1,636
Remeasurement gains/(losses) on defined benefit plan			52		52
Total comprehensive income			6,829	1,636	8,465
Dividends			-3,907		-3,907
At 31 Dec 2025	80	7,851	32,203	253	40,386

Consolidated statement of cash flows

EUR thousand	1-3/2026	1-3/2025	2025
Cash flows from operating activities			
Profit before taxes	1,704	1,629	8,596
Adjustments:			
Depreciation, amortisation, and impairment	1,288	1,210	4,888
Financial income and expenses	372	88	1,186
Other adjustments	150	321	755
Cash flows before changes in working capital	3,513	3,247	15,425
Changes in working capital			
Decrease (+) / increase (-) in trade and other receivables	1,939	4,365	1,941
Decrease (+) / increase (-) in inventories	881	-681	440
Decrease (-) / increase (+) in trade and other payables	-1,739	-1,654	-2,562
Cash flows from operating activities before financial items and taxes	4,594	5,277	15,245
Interests paid	-115	-113	-1,255
Income taxes paid	-955	-495	-1,652
Net cash flows from operating activities	3,524	4,668	12,338
Cash flows from investing activities			
Investments in tangible and intangible assets	-1,598	-708	-2,659
Net cash flows from investing activities	-1,598	-708	-2,659
Cash flows from financing activities			
Dividends paid	-	-	-3,907
Repayment of lease liabilities	-500	-373	-1,695
Repayment of short-term borrowings	-	-	-3,000
Net cash flows from financing activities	-500	-373	-8,602
Net change in cash and cash equivalents	1,426	3,589	1,076
Net foreign exchange differences	27	453	278
Cash and cash equivalents at the beginning of the period	11,817	10,463	10,463
Cash and cash equivalents at the end of the period	13,270	14,504	11,817

NOTES TO THE INTERIM REPORT

Basis of preparation

Orthex's interim report has been prepared in accordance with the IAS 34 Interim Reports standard. In the interim report, the same preparation principles have been applied as in the consolidated financial statements.

Orthex's Board of Directors has approved this interim report at its meeting on 6 May 2026. The figures in the interim report are rounded, so the total sum of the individual figures may differ from the total figure presented. The figures are unaudited.

Accounting estimates and management judgements made in preparation of the interim information

The preparation of the interim information requires management to make accounting estimates and judgements as well as assumptions that affect the application of the preparation principles and the accounting estimates on assets, liabilities, income, and expenses. Actual results may differ from previously made estimates and judgements. Estimates and judgements are reviewed regularly. Changes in estimates are presented in the period during which the change occurs if the change only affects one period. If it affects both the period under review and following periods, the changes are presented in the period under review and following periods.

The significant management judgements and accounting estimates concerning key uncertainty factors in connection with the preparation of this interim information are identical to those applied to the consolidated financial statements for 2025.

Related party transactions

Transactions with related parties are made on an arm's length basis.

Orthex did not have any related party transactions during the review period.

Property, plant and equipment, Intangible assets, and Right-of-use assets

EUR thousand	Intangible asset	Goodwill	Property, plant, and equipment	Right-of- use assets	Total
Acquisition cost at 1 Jan 2026	893	22,718	78,928	16,287	118,827
Additions			1,618	57	1,675
Disposals			-1	-	-1
Transfers			-486	-	-486
Translation differences		-192	-82	-59	-332
Acquisition cost at 31 Mar 2026	893	22,527	79,977	16,285	119,682
Accumulated depreciation, amortisation, and impairment at 1 Jan 2026	893	-	63,870	9,174	73,937
Depreciation and amortisation			801	487	1,288
Accumulated depreciation, amortisation and impairment at 31 Mar 2026	893		64,670	9,661	75,225
Carrying amount at 1 Jan 2026	0	22,718	15,059	7,113	44,890
Carrying amount at 31 Mar 2026	0	22,527	15,307	6,624	44,457
Acquisition cost at 1 Jan 2025	1,218	21,758	75,854	14,172	113,003
Additions			2,843	367	3,210
Disposals			-1	-	-1
Transfers			-2,151	-	-2,151
Translation differences		916	354	317	1,588
Acquisition cost at 31 Mar 2025	1,218	22,675	76,899	14,856	115,648
Accumulated depreciation, amortisation, and impairment at 1 Jan 2025	1,218	-	60,729	7,426	69,373
Depreciation and amortisation			781	429	1,210
Accumulated depreciation, amortisation, and impairment at 31 Mar 2025	1,218	-	61,509	7,855	70,583
Carrying amount at 1 Jan 2025	0	21,758	15,125	6,746	43,629
Carrying amount at 31 Mar 2025	0	22,675	15,389	7,001	45,066

Fair value of financial assets and liabilities

Financial assets			
EUR thousand	31 Mar 2026	31 Mar 2025	31 Dec 2025
Level 2			
Assets measured at fair value			
Derivative financial instruments:			
Foreign exchange forward contracts and interest hedging	2	-	-
Total	2	-	-

Financial liabilities			
EUR thousand	31 Mar 2026	31 Mar 2025	31 Dec 2025
Level 2			
Liabilities measured at fair value			
Derivative financial instruments:			
Foreign exchange forward contracts and interest hedging	-	104	25
Total	-	104	25

The derivatives have been presented in the table above. The carrying amounts of other financial assets and liabilities in the balance sheet equal their fair value at the reporting date.

Commitments

EUR thousand	31 Mar 2026	31 Mar 2025	31 Dec 2025
Guarantees and mortgages given on own behalf:			
Enterprise mortgages	49,087	49,095	49,098
Property mortgages	10,192	10,192	10,192
Other guarantees	149	111	151
Total	59,429	59,399	59,441

APPENDIX:

Key Performance Indicators

EUR thousand	1-3/2026	1-3/2025	2025
Net sales	21,551	20,975	87,212
Net sales change, %	2.7%	-4.7%	-2.8%
Constant currency net sales change, %	-0.4%	-4.8%	-4.7%
Invoiced sales	22,477	21,808	89,644
Invoiced sales change, %	3.1%	-4.9%	-2.9%
Gross Margin	6,200	5,816	25,009
Gross Margin, %	28.8%	27.7%	28.7%
EBITDA	3,364	2,927	14,670
EBITDA margin, %	15.6%	14.0%	16.8%
EBITA	2,076	1,716	9,782
EBITA margin, %	9.6%	8.2%	11.2%
Operating profit	2,076	1,716	9,782
Operating profit margin, %	9.6%	8.2%	11.2%
Items affecting comparability	-	-	41
Adjusted Gross Margin	6,200	5,816	25,009
Adjusted Gross Margin, %	28.8%	27.7%	28.7%
Adjusted EBITDA	3,364	2,927	14,711
Adjusted EBITDA margin, %	15.6%	14.0%	16.9%
Adjusted EBITA	2,076	1,716	9,823
Adjusted EBITA margin, %	9.6%	8.2%	11.3%
Adjusted operating profit	2,076	1,716	9,823
Adjusted operating profit margin, %	9.6%	8.2%	11.3%
Earnings per share, basic (and diluted), EUR	0.08	0.07	0.38
FTEs	279	283	287
Personnel expenses	5,125	4,835	19,199
Key cash flows indicators			
Net cash flows from operating activities	3,524	4,668	12,338
Operating free cash flows	1,766	2,219	12,052
Cash conversion, %	52.5%	75.8%	81.9%
Investments in tangible and intangible assets	-1,598	-708	-2,659
Financial position key figures			
Net debt	14,639	16,771	16,624
Net debt / adjusted EBITDA last 12 months	1.0x	1.2x	1.1x
Net working capital	11,824	10,975	12,872
Capital employed excluding goodwill	33,641	32,871	34,292
Return on capital employed (ROCE), %	6.1%	5.1%	28.5%
Adjusted return on capital employed (ROCE), %	6.1%	5.1%	28.6%
Equity ratio, %	49.1%	44.2%	46.8%
Return on equity, %	3.3%	3.5%	17.8%

Reconciliation of APMs

EUR thousand	1-3/2026	1-3/2025	2025
Net sales growth, %			
Net sales	21,551	20,975	87,212
Net sales growth, %	2.7%	-4.7%	-2.8%
Constant currency Net sales growth, %			
Net sales	21,551	20,975	87,212
FX rate adjustment	-	663	-
Constant currency Net sales	21,551	21,638	87,212
Constant currency Net sales growth, %	-0.4%	-4.8%	-4.7%
Invoiced sales			
Net sales	21,551	20,975	87,212
Discounts and bonuses	1,112	989	4,079
Other sales and refunds	-186	-156	-1,647
Invoiced sales	22,477	21,808	89,644
Invoiced sales growth, %	3.1%	-4.9%	-2.9%
Gross Margin			
Net sales	21,551	20,975	87,212
Cost of sales	-15,351	-15,159	-62,203
Gross Margin	6,200	5,816	25,009
Gross Margin, %	28.8%	27.7%	28.7%
EBITDA			
Operating profit	2,076	1,716	9,782
Depreciation, amortisation, and impairment	1,288	1,210	4,888
EBITDA	3,364	2,927	14,670
EBITDA margin, %	15.6%	14.0%	16.8%
EBITA			
Operating profit	2,076	1,716	9,782
Amortisation and impairment	-	-	-
EBITA	2,076	1,716	9,782
EBITA margin, %	9.6%	8.2%	11.2%
Operating profit			
Operating profit	2,076	1,716	9,782
Operating profit margin, %	9.6%	8.2%	11.2%
Items affecting comparability / adjustments (EBITDA)			
Restructuring related expenses	-	-	41
Items affecting comparability / adjustments (EBITDA)	-	-	41

EUR thousand	1-3/2026	1-3/2025	2025
Adjusted Gross Margin			
Gross Margin	6,200	5,816	25,009
Adjusted Gross Margin	6,200	5,816	25,009
Adjusted Gross Margin, %	28.8%	27.7%	28.7%
Adjusted EBITDA			
Operating profit	2,076	1,716	9,782
Depreciation, amortisation, and impairment	1,288	1,210	4,888
Adjustments (EBITDA)	-	-	41
Adj. EBITDA	3,364	2,927	14,711
Adj. EBITDA margin, %	15.6%	14.0%	16.9%
Adjusted EBITA			
Operating profit	2,076	1,716	9,782
Amortisation and impairment	-	-	-
Adjustments (EBITA)	-	-	41
Adj. EBITA	2,076	1,716	9,823
Adj. EBITA margin, %	9.6%	8.2%	11.3%
Adjusted operating profit			
Operating profit	2,076	1,716	9,782
Adjustments	-	-	41
Adj. operating profit	2,076	1,716	9,823
Adj. operating profit margin, %	9.6%	8.2%	11.3%
Earnings per share, basic (and diluted), EUR			
Profit for the period	1,363	1,300	6,777
Average number of shares	17,759	17,759	17,759
Earnings per share, basic (and diluted), EUR	0.08	0.07	0.38
Operating free cash flows			
Adj. EBITDA	3,364	2,927	14,711
Investments in tangible and intangible assets	-1,598	-708	-2,659
Operating free cash flows	1,766	2,219	12,052
Cash conversion, %			
Operating free cash flows	1,766	2,219	12,052
Adj. EBITDA	3,364	2,927	14,711
Cash conversion, %	52.5%	75.8%	81.9%
Net debt			
Total interest-bearing liabilities	27,909	31,274	28,441
Cash and cash equivalents	-13,270	-14,504	-11,817
Net debt	14,639	16,771	16,624
Net debt/ Adj. EBITDA			
Net debt	14,639	16,771	16,624
Adj. EBITDA, 12 months	15,148	13,750	14,711
Net debt/ Adj. EBITDA	1.0x	1.2x	1.1x

EUR thousand	1-3/2026	1-3/2025	2025
Net working capital			
Inventories	11,170	13,172	12,051
Trade and other receivables	14,083	13,601	16,024
Trade and other payables	-13,429	-15,798	-15,203
Net working capital	11,824	10,975	12,872
Capital employed excluding goodwill			
Total Equity	41,529	38,775	40,386
Net debt	14,639	16,771	16,624
Goodwill	-22,527	-22,675	-22,718
Capital employed excluding goodwill	33,641	32,871	34,292
Return on capital employed (ROCE), %			
Operating profit	2,076	1,716	9,782
Average capital employed excluding goodwill	33,967	33,614	34,324
Return on capital employed (ROCE), %	6.1%	5.1%	28.5%
Adjusted return on capital employed (ROCE), %			
Adjusted operating profit	2,076	1,716	9,823
Average capital employed excluding goodwill	33,967	33,614	34,324
Adjusted return on capital employed (ROCE), %	6.1%	5.1%	28.6%
Equity ratio, %			
Total equity	41,529	38,775	40,386
Total assets	84,582	87,731	86,324
Equity ratio, %	49.1%	44.2%	46.8%
Return on equity, %			
Profit for the period	1,363	1,300	6,777
Total equity (average for the first and last day of the period)	40,958	37,301	38,107
Return on equity, %	3.3%	3.5%	17.8%

Orthex presents alternative performance measures as additional information to financial measures presented in the consolidated income statement, consolidated balance sheet and consolidated statement of cash flows prepared in accordance with IFRS. In Orthex's view, alternative performance measures provide significant additional information on Orthex's results of operations, financial position and cash flows to management, investors, analysts, and other stakeholders.

Alternative performance measures should not be viewed in isolation or as a substitute to the financial measures defined in the IFRS, nor are they defined or named in the IFRS. All companies do not calculate alternative performance measures in a uniform way, and therefore Orthex's alternative performance measures may not be comparable with similarly named measures presented by other companies.

Calculation of key figures

Key Performance Indicators	Formula
Constant currency net sales change, %	Net sales change calculated by using previous year's revenue translated at average foreign exchange rates for the current year
Invoiced sales	Product sales to resale customers excluding off invoice discounts, customer bonuses, and cash discounts
Invoiced sales change, %	Change in invoiced sales
Gross margin	Net sales less Cost of sales
Gross margin, %	Gross margin / Net sales
EBITDA	Operating profit before depreciation, amortisation, and impairment
EBITDA margin, %	EBITDA / Net sales
EBITA	Operating profit before amortisation and impairment
EBITA margin, %	EBITA / Net sales
Operating profit	Operating profit
Operating profit margin, %	Operating profit / Net sales
Items affecting comparability	Material items outside ordinary course of business including restructuring costs, net gains or losses from sale of business operations or other non-current assets, strategic development projects, external advisory costs related to capital reorganisation, impairment charges on non-current assets incurred in connection with restructurings, compensation for damages, and transaction costs related to business acquisitions
Adjusted gross margin	Gross margin excluding items affecting comparability
Adjusted gross margin, %	Adjusted gross margin / Net sales
Adjusted EBITDA	EBITDA excluding items affecting comparability
Adjusted EBITDA margin, %	Adjusted EBITDA / Net sales
Adjusted EBITA	EBITA excluding items affecting comparability
Adjusted EBITA margin, %	Adjusted EBITA / Net sales
Adjusted operating profit	Operating profit excluding items affecting comparability
Adjusted operating profit margin, %	Adjusted operating profit / Net sales
Earnings per share, basic (and diluted), EUR	Profit for the period attributable to the owners of the parent divided by weighted average number of shares outstanding
FTEs	Full-Time Equivalent
Personnel expenses	Total personnel expenses during the period

Key cash flows indicators	Formula
Net cash flows from operating activities	Net cash from operating activities as presented in the consolidated statement of cash flows
Operating free cash flows	Adjusted EBITDA less investments in tangible and intangible assets
Cash conversion, %	Operating free cash flows / Adjusted EBITDA
Investments in tangible and intangible assets	Investments in tangible and intangible assets as presented in the consolidated statement of cash flows

Financial position key figures	Formula
Net debt	Current and non-current interest-bearing liabilities less cash and cash equivalents
Net debt / adjusted EBITDA last 12 months	Net debt / Adjusted EBITDA
Net working capital	Inventories, trade, and other receivables less trade and other payables
Capital employed excluding goodwill	Total equity and net debt and less goodwill
Return on capital employed (ROCE), %	Operating profit / Average capital employed excluding goodwill
Adjusted return on capital employed (ROCE), %	Adjusted operating profit / Average capital employed excluding goodwill
Equity ratio, %	Total equity / Total assets
Return on equity, %	Result for the period / Total equity (average for the first and last day of the period)



Orthex^M Bins

ORTHEX IN BRIEF

Orthex is a European houseware company with a mission to create long-lasting solutions for an organised and enjoyable home. Orthex creates, produces, and markets high-quality, functional and safe products to make consumers' everyday life easier. Orthex's offering is based on deep consumer insights, appealing and creative concepts and leading brands. Orthex's products cover multifunctional assortment of storage boxes, kitchen products, and products for home and garden. Orthex markets and sells its products under three main consumer brands: SmartStore™, GastroMax™, and Orthex™. In addition, it sells kitchen products under the Kökskungen™ brand.

Orthex has more than 100 years of experience in the design, production, and marketing of household products, and it has customers in more than 40 countries. Orthex's geographic markets include the Nordics, the Rest of Europe, and the Rest of the world. Orthex is headquartered in Espoo, Finland, and it currently has eight local sales organisations located in the Nordics, Germany, France, the United Kingdom, and the Benelux. Orthex's production facilities are located in Tingsryd and Gnosjö, Sweden, and in Lohja, Finland. In addition, Orthex has centralised warehousing in Sweden and Finland in connection with its Tingsryd and Lohja production facilities as well as an outsourced warehouse in Überherrn, Germany.

Orthex aims to be the industry benchmark in sustainability. Orthex's high-quality products are made for long-term use and are recyclable in all our markets. We are actively increasing the share of recycled and renewable raw materials in our products. At the same time, we continuously strive to reduce our emissions and to minimise our impact on the planet.



SmartStore™ Classic storage boxes



Orthex™ Eden self-watering pot

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Orthex Corporation
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