



# Orthex Corporation: Half-Year Financial Report January–June 2025

Orthex Corporation, Stock exchange release, 21 August 2025 at 9.00 a.m. EEST

## Q2: Strong sales growth in Europe, Nordic consumer demand still challenging

This release is a summary of Orthex Corporation's Half-Year Financial Report for the period January–June 2025. The complete report is attached to this release as a pdf-file. It is also available on Orthex's website at <http://investors.orthexgroup.com/>.

### April–June 2025

- Invoiced sales amounted to EUR 21.2 million (21.6)
- Net sales decreased by 2.3% to EUR 20.5 million (21.0)
- Adjusted EBITDA was EUR 2.9 million (2.6)
- Adjusted EBITA was EUR 1.7 million (1.6), representing 8.4% of net sales (7.4)
- Operating profit was EUR 1.7 million (1.5)
- Net cash flows from operating activities were EUR -0.8 million (-0.4)
- Earnings per share, basic was EUR 0.05 (0.05)

### January–June 2025

- Invoiced sales amounted to EUR 43.1 million (44.6)
- Net sales decreased by 3.5% to EUR 41.5 million (43.0)
- Adjusted EBITDA was EUR 5.8 million (6.5)
- Adjusted EBITA was EUR 3.4 million (4.3), representing 8.3% of net sales (10.0)
- Operating profit was EUR 3.4 million (4.3)
- Net cash flows from operating activities were EUR 3.9 million (3.7)
- Net debt / Adjusted EBITDA was 1.4 (1.6)
- Earnings per share, basic was EUR 0.12 (0.14)

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

### 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 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.

### Key figures

| EUR million                                   | 4–6/2025 | 4–6/2024 | Change  | 1–6/2025 | 1–6/2024 | Change | 1–12/2024 |
|---|----------|----------|---------|----------|----------|--------|-----------|
| Invoiced sales                                | 21.2     | 21.6     | -1.7%   | 43.1     | 44.6     | -3.4%  | 92.3      |
| Net sales                                     | 20.5     | 21.0     | -2.3%   | 41.5     | 43.0     | -3.5%  | 89.7      |
| Gross margin                                  | 5.8      | 5.7      | 1.8%    | 11.6     | 12.4     | -6.2%  | 25.7      |
| Gross margin, %                               | 28.1%    | 27.0%    |         | 27.9%    | 28.7%    |        | 28.6%     |
| EBITDA  | 2.9      | 2.6      | 10.8%   | 5.8      | 6.5      | -9.5%  | 14.3      |
| EBITDA margin, %                              | 14.2%    | 12.5%    |         | 14.1%    | 15.0%    |        | 15.9%     |
| Adjusted EBITDA                               | 2.9      | 2.6      | 10.8%   | 5.8      | 6.5      | -9.5%  | 14.6      |
| Adjusted EBITDA margin, %                     | 14.2%    | 12.5%    |         | 14.1%    | 15.0%    |        | 16.3%     |
| EBITA   | 1.7      | 1.6      | 10.7%   | 3.4      | 4.3      | -20.4% | 9.8       |
| EBITA margin, %                               | 8.4%     | 7.4%     |         | 8.3%     | 10.0%    |        | 11.0%     |
| Adjusted EBITA                                | 1.7      | 1.6      | 10.7%   | 3.4      | 4.3      | -20.4% | 10.2      |
| Adjusted EBITA margin, %                      | 8.4%     | 7.4%     |         | 8.3%     | 10.0%    |        | 11.4%     |
| Operating profit                              | 1.7      | 1.5      | 11.0%   | 3.4      | 4.3      | -20.3% | 9.8       |
| Operating profit margin, %                    | 8.4%     | 7.4%     |         | 8.3%     | 10.0%    |        | 11.0%     |
| Net cash flows from operating activities      | -0.8     | -0.4     | -109.4% | 3.9      | 3.7      | 4.7%   | 11.8      |
| Net debt / Adjusted EBITDA                    | 1.4x     | 1.6x     |         | 1.4x     | 1.6x     |        | 1.4x      |
| Adjusted return on capital employed (ROCE), % | 5.2%     | 4.7%     |         | 10.2%    | 12.6%    |        | 29.7%     |
| Equity ratio, %                               | 42.6%    | 39.8%    |         | 42.6%    | 39.8%    |        | 41.9%     |
| Earnings per share, basic (EUR)               | 0.05     | 0.05     | -3.6%   | 0.12     | 0.14     | -11.9% | 0.34      |
| FTEs  | 285      | 294      | -3.1%   | 287      | 291      | -1.3%  | 288       |

### Alexander Rosenlew, CEO:

“In the second quarter, Orthex’s net sales decreased by 2.3% to 20.5 million euros (21.0) compared to the second quarter of 2024. Constant currency net sales decreased by 5.1% to 20.5 million euros (21.6). The operating environment remained challenging due to continued low consumer confidence. Despite that we managed to achieve very strong sales growth in the Rest of Europe through improving distribution, successful new product launches and effective in-store campaigns. In the Nordics, some customers have been cautious in their buying patterns due to the challenging market.

In the first half of the year, net sales decreased by 3.5% and amounted to 41.5 million euros (43.0). During the period, credit risks continued in some of our customers, and as a precaution we restricted shipments especially in the first quarter, which had a negative sales impact on sales outside the Nordics. In the Nordics, the sales were affected by some key customers buying smaller campaign volumes compared to last year. Strikes also impacted us and the Finnish trade negatively during the first quarter.

Compared to the Q2 in the previous year, Rest of Europe showed a strong growth of 22.1% to 5.1 million euros (4.2). Invoiced sales for the second quarter in the Nordics decreased by 7.6% to 15.9 million euros (17.2). The decline in the Nordics came from a few customers, relating to timing of campaigns and slower sell-out. Our extensive pipeline of new products is showing good performance, and we are happy to see strengthening customer partnerships and increased distribution in the Rest of Europe.

Storage is the Group’s biggest product category, and it represents most of the business outside the Nordic countries. The positive sales development in the Rest of Europe supported the Storage category’s invoiced sales which increased by 1.0% to 13.5 million euros (13.4) compared to Q2 last year. Sales of the Kitchen category decreased by 8.0% to 4.4 million euros (4.7), the decrease comes from lower buying volumes in the Nordics. The main part of the Kitchen category sales is still coming from the Nordic countries. The Home & Garden category sales decreased by 3.8% to 3.3 million euros (3.5).

Orthex’s Q2 profitability increased with the adjusted EBITA margin at 8.4% (7.4%) and the adjusted EBITA at 1.7 million euros (1.6) compared to the same period last year. We managed to keep our overall costs under good control, which enabled us to protect the profit margins despite the decline in sales in the Nordics.

Cash flows in the quarter were according to our plans at -0.8 million euros (-0.4). The net debt to adjusted EBITDA ratio (leverage) was down at a healthy 1.4 (1.6) at the end of the period. This positions us well to be prepared for possible strategic investments.

Orthex conducted a sustainability materiality assessment with key stakeholders during the spring. The assessment results are used to ensure that our sustainability strategy focuses on material sustainability topics. In May 2025, Orthex joined UN Global Compact. The UN Global Compact is a United Nations initiative to encourage businesses worldwide to adopt sustainable and socially responsible practices.

During the upcoming quarters, we will be updating our commercial strategy to strengthen our commercial offering and ensure efficient targeting of key channels, key customers and key markets, with a focus on becoming a truly European company. The ambition is to accelerate healthy growth, while ensuring that our operations are optimized to serve our key markets efficiently. I want to sincerely thank all our stakeholders, partners and our dedicated personnel for the good cooperation during times which require quite some extra efforts to overcome consumer carefulness under geopolitically turbulent conditions.”

**Press conference on financial results:**

Orthex’s CEO **Alexander Rosenlew**, CFO **Saara Mäkelä** and CMSO **Hanna Kukkonen** will present the report today in a webcast starting at 11.00 a.m. EEST. The webcast can be joined through [this link](#). The webcast presentation will be held in English.

**Q&A:**

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

**Presentation material:**

The presentation material will be shared in the online meeting, and it can be downloaded in the same day on the corporate website at [Reports & presentations - Orthex Group](#).

**Recording of the event:**

After the event, a recording will be available on the corporate website at [Reports & presentations - Orthex Group](#).

**Further enquiries:**

Alexander Rosenlew, CEO, Orthex Corporation  
Tel. +358 (0)40 500 3826  
[alexander.rosenlew@orthexgroup.com](mailto:alexander.rosenlew@orthexgroup.com)

Saara Mäkelä, CFO, Orthex Corporation  
Tel. +358 (0)40 083 8782  
[saara.makela@orthexgroup.com](mailto:saara.makela@orthexgroup.com)

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**Orthex in brief**

*Orthex (ORTHEX, Nasdaq Helsinki, Finland) is a leading Nordic houseware company. Orthex offers a broad assortment of practical and durable household products with a mission to make consumers’ everyday life easier. Orthex main consumer brands are SmartStore™ in storage products, GastroMax™ in kitchenware and Orthex™ in home and garden products. Orthex aims to be the industry forerunner in sustainability by offering safe and long-lasting products and reducing its carbon footprint by increasing the share of recycled and renewable raw materials. Read more [www.orthexgroup.com](http://www.orthexgroup.com).*

*Orthex’s net sales in 2024 were 89.7 million euros. The company has customers in more than 40 countries and local sales organisations in the Nordics, Germany, France, the UK, and the Benelux.*

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