

Orthex Corporation

# HALF-YEAR FINANCIAL REPORT

January–June 2025



orthex  
GROUP

Novelties SmartStore™ Compact Sort Clear

## ORTHEX CORPORATION: HALF-YEAR FINANCIAL REPORT JANUARY–JUNE 2025

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

#### 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.*



*SmartStore™ Compact*



## 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.



*GastroMax™ Garlic Press*

## 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

## 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.

## MARKET OVERVIEW

Orthex operates in the storage, kitchenware, and home and garden products market, which has historically been stable and resilient throughout different economic cycles. The market for household products in Europe is fragmented. Although the market is competitive, fragmentation lowers the threshold to increase market share and find attractive niches.

The major megatrends supporting Orthex's business include urbanisation and the related increase in the number of households and decrease in living space per household. More people live in single-person households and family sizes are decreasing. According to Eurostat<sup>1)</sup>, the number of single-person households in the EU increased by 16.9% between 2015 and 2024 while the total overall number of households in the EU increased by 5.8%. Small spaces drive demand for functional storage solutions and household products that allow efficient use of the living space. Despite households being inhabited by fewer people, the need for necessities, such as home storage, food storage and kitchen utensils, remains nearly the same per household.

Consumption patterns supporting Orthex's business are mainly related to how people spend their time at home. One of these is the interest in cooking at home, which continues trending as a healthy, and less expensive way of eating. As per 6Wresearch<sup>2)</sup>, European kitchenware market is projected to grow at a CAGR of 5% between 2025 and 2031.

Consumers are increasingly concerned about climate change and biodiversity loss and want to do their part in the fight against them by buying sustainable products, avoiding food waste, and sorting and recycling their waste. Tightening legislation also supports this development. However, only a few households have enough pre-installed waste recycling and sorting solutions, which creates a demand for these and for sorting and recycling solutions that can also function as interior design elements. According to Mordor Intelligence<sup>3)</sup>, European home organisers and storage market is expected to grow at a CAGR of over 4% between 2025 and 2030.

Another consumption pattern supporting Orthex's business is the demand for houseplants and interest in gardening. Houseplants bring fresh air, colour, and cosiness into homes. Their use as design elements is becoming commonplace, particularly in dense urban areas that have limited green spaces. In addition, there is increasing popularity for gardening herbs, plants, and vegetables indoors and outdoors. These trends are driving demand for plant care products.

The uncertainties related to the general development of the global economy and geopolitical tensions influence consumer confidence, purchasing power and behaviour and, as a result, can have an impact on Orthex's business. As a result of the prevailing consumption uncertainty, many retailers are carefully monitoring their inventory levels. Orthex product price points are relatively low, and the products are bought to solve real needs. Therefore, Orthex believes that its product categories will be less affected by careful consumer purchasing behaviour than other, more expensive consumer goods categories. Orthex will follow the market trends and will strive to navigate through changing conditions as efficiently as possible.

<sup>1)</sup> [Household composition statistics - Statistics Explained - Eurostat](#)

<sup>2)</sup> [Prominent companies in Europe Kitchenware Market with Size](#)

<sup>3)</sup> [Europe Home Organizers & Storage Market Size & Share Analysis - Industry Research Report - Growth Trends](#)

## NET SALES AND PROFITABILITY

### Net sales and invoiced sales

#### Invoiced sales by geography

EUR million	4-6/2025	4-6/2024	Change	1-6/2025	1-6/2024	Change	1-12/2024
Nordics	15.9	17.2	-7.6%	33.2	34.7	-4.3%	71.1
Rest of Europe	5.1	4.2	22.1%	9.5	9.5	-0.7%	20.3
Rest of the world	0.2	0.2	1.2%	0.4	0.3	23.3%	0.9
<b>Total</b>	<b>21.2</b>	<b>21.6</b>	<b>-1.7%</b>	<b>43.1</b>	<b>44.6</b>	<b>-3.4%</b>	<b>92.3</b>

#### Invoiced sales by product category

EUR million	4-6/2025	4-6/2024	Change	1-6/2025	1-6/2024	Change	1-12/2024
Storage	13.5	13.4	1.0%	28.1	29.0	-3.3%	63.6
Kitchen	4.4	4.7	-8.0%	8.5	9.5	-10.5%	19.3
Home & Garden	3.3	3.5	-3.8%	6.5	6.0	7.6%	9.4
<b>Total</b>	<b>21.2</b>	<b>21.6</b>	<b>-1.7%</b>	<b>43.1</b>	<b>44.6</b>	<b>-3.4%</b>	<b>92.3</b>

#### April-June 2025

The Group's net sales decreased in the second quarter by 2.3% and was 20.5 million EUR (21.0). The Group's invoiced sales were 21.2 million EUR (21.6). The decrease in constant currency net sales was 5.1% compared to April-June 2024.

#### January-June 2025

In January-June, the Group's net sales decreased by 3.5% to EUR 41.5 million (43.0). Invoiced sales amounted to EUR 43.1 million (44.6). The decrease in constant currency net sales was 4.9% compared to January-June 2024.

In the Nordics, some customers have been cautious in their buying patterns due to weaker consumer demand. Strikes also impacted the company's business performance negatively in Finland during the first quarter.

### Development by geography

#### April-June 2025

Orthex's core market area by geography is the Nordics, where the Group's invoiced sales in April-June decreased to EUR 15.9 million (17.2). Invoiced sales in the Rest of Europe increased to EUR 5.1 million (4.2). In the Rest of the world, invoiced sales amounted to EUR 0.2 million (0.2).



Improving distribution, successful new product launches and effective in-store campaigns resulted in a strong sales growth of 22.1% in the Rest of Europe. The decline in the Nordics came from a few customers, relating to timing of campaigns and slower sell-out.

### **January–June 2025**

In the Nordics, the Group's invoiced sales in January–June decreased to EUR 33.2 million (34.7). Invoiced sales in the Rest of Europe amounted to EUR 9.5 million (9.5). In the Rest of the world, invoiced sales increased to EUR 0.4 million (0.3).

In the Nordics, the sales were affected by some key customers buying smaller campaign volumes compared to the previous year.

Orthex's products are sold in more than 40 countries, and export to non-Nordic countries accounted for 22.8% (22.0) of the Group's invoiced sales during the period.

## **Development by product category**

### **April–June 2025**

Orthex's largest category is Storage with invoiced sales totalling EUR 13.5 million (13.4) during April–June. Products in the Storage category play a key role in Orthex's expansion in Europe. The positive sales development in the Rest of Europe supported the Storage category's invoiced sales growth.

The Group's invoiced sales in the Kitchen category decreased in April–June to EUR 4.4 million (4.7).

Invoiced sales in the Home & Garden category declined to EUR 3.3 million (3.5).

### **January–June 2025**

Invoiced sales in the Storage category totalled EUR 28.1 million (29.0) during January–June. The decline in the Storage category sales is due to cautious buying patterns and slower campaign sell-out in a few Nordic customers. The Storage category's overall sales decreased by 3.3% compared to the same period in the previous year.

The Group's invoiced sales in the Kitchen category decreased in January–June to EUR 8.5 million (9.5). Sales of Kitchen category decreased by 10.5% due to cautious buying patterns of the Nordic customers.

Driven by higher flowerpot sales in the first quarter, invoiced sales in the Home & Garden category increased to EUR 6.5 million (6.0).



## Profitability

### April–June 2025

EBITA for April–June was EUR 1.7 million (1.6). Adjusted EBITA increased to EUR 1.7 million (1.6), and the adjusted EBITA margin increased to 8.4% (7.4). Orthex's operating profit was EUR 1.7 million (1.5). The operating profit did not include items affecting comparability in the review period or the comparison period.

Orthex's financial income and expenses during the review period consisted of EUR 0.6 million net expenses (0.4). The increase in net financial expenses is mainly due to the negative impact of exchange rates related to the Group's internal financing arrangements.

### January–June 2025

EBITA in January–June was EUR 3.4 million (4.3). Adjusted EBITA was EUR 3.4 million (4.3). The adjusted EBITA margin weakened to 8.3% (10.0). Orthex's operating profit was EUR 3.4 million (4.3). The operating profit did not include items affecting comparability.

The lower sales had the biggest negative effect on the profitability due to less fixed cost coverage both in terms of the operations and organisation set-up in relation to net sales.

Orthex's financial income and expenses during the review period consisted of EUR 0.6 million net expenses (1.0). The decrease in net financial expenses is mainly due to the positive impact of exchange rates related to the Group's internal financing arrangements.

Profit before taxes was EUR 2.8 million (3.3) and profit for the period was EUR 2.2 million (2.5).

## FINANCIAL POSITION AND CASH FLOW

At the end of June, the balance sheet totalled EUR 82.0 million (81.8) of which equity accounted for EUR 35.0 million (32.6).

The Group's net debt was EUR 20.0 million (23.1) at the end of June. Non-current interest-bearing liabilities were EUR 24.6 million (27.6) and Orthex's total interest-bearing liabilities were EUR 29.1 million (32.0). Interest-bearing liabilities include loans from credit institutions, pension liabilities, and lease liabilities.

During the period January–June 2025, the Group's net cash flows from operating activities were EUR 3.9 million (3.7) and cash conversion was 81.1% (69.8). Interest paid during the period totalled EUR 0.7 million (0.9). Cash and cash equivalents amounted to EUR 9.1 million (8.8) at the end June.

At the end of the period, net debt to adjusted EBITDA ratio was 1.4x (1.6x). Orthex's long-term target is to keep the Net debt to Adjusted EBITDA ratio below 2.5x.

At the end of the period, the Group's Equity ratio was 42.6% (39.8). Adjusted return on capital employed (ROCE) was 10.2% (12.6) and return on equity (ROE) 6.2% (7.4).

## INVESTMENTS, RESEARCH, AND PRODUCT DEVELOPMENT

Orthex's investments in January–June 2025 amounted to EUR 1.1 million (2.0) and were related to moulds for new products and capacity increases.

Orthex is involved in three large research projects for the development of recycled and renewable plastics. Orthex is researching in collaboration with Fortum and other partners whether recycled plastic could be used in products suitable for food contact. 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 and aims to reduce single-use packaging.

These investments in research 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 period was EUR 8.0 million (6.2) and 1,588,194 shares (981,663). The highest price of the share was EUR 5.44 (7.30) and the lowest was EUR 4.40 (5.39). The closing price of the share at the end of June was EUR 4.53 (7.22). At the end of the review period, the market value of the share capital stood at EUR 80.4 (128.2) million. The company did not have any treasury shares at the end of the period.

The number of registered shareholders at the end of the review period was 14,147 (15,134) including nominee registers. At the end of the period, the ten largest registered shareholders possessed a total of 53.2% (51.2) of Orthex's shares and votes.

The stock exchange releases on notifications of changes in holdings (flaggings) are available on the corporate website at [Media - Orthex Group](#). Orthex did not receive any flagging notifications during the review period.

During the review period, the Board of Directors was authorised to issue a total maximum of 1,600,000 shares and special rights entitling to shares. The Board of Directors also had on authorisation to decide on the acquisition of a maximum of 175,000 of the company's own shares.

The Board of Directors did not use these authorisations during the review period. The authorisations are valid until 30 June 2026.

## GROUP STRUCTURE

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

## GOVERNANCE

Orthex Corporation's Annual General Meeting was held in Espoo on 29 April 2025. 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 2024. The general meeting also approved the 2024 remuneration report for governing bodies.

The general meeting approved the Board of Directors' proposal to pay a dividend of EUR 0.22 per share. The dividend will be paid in two instalments. The first instalment of EUR 0.11 per share was paid on 9 May 2025. The second instalment of EUR 0.11 per share will be paid on 8 October 2025.

The general meeting resolved to elect five members to the Board. **Sanna Suvanto-Harsaae**, **Markus Hellström**, **Jyrki Mäki-Kala** and **Anette Rosengren** were re-elected to the Board and **Tuomas Yrjölä** elected as a new member to the Board for a term of office ending at the end of the next Annual General Meeting. **Sanna Suvanto-Harsaae** continues to chair the Board. The general meeting resolved that the monthly remuneration of the members of the Board of Directors remains 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 members of the Board of Directors be paid meeting fees.

Ernst & Young Oy, a firm of Authorised Public Accountants, was re-elected the company's auditor with Authorised Public Accountant **Mikko Rytilahti** continuing as the signing audit partner. Ernst & Young Oy, Authorised Sustainability Audit Firm, was elected the company's sustainability reporting assurer.

The general meeting authorised the Board of Directors to issue or convey a total maximum of 1,600,000 shares or special rights entitling to shares in one or several issues. The Board of Directors was also authorised to decide on the acquisition of a maximum of 175,000 company shares. The authorisations will be valid until 30 June 2026.

More detailed information about the decisions of the general meeting can be found in the AGM documents, which are available on the corporate website at [Annual General Meeting 2025 - Orthex Group](#).

## SUSTAINABILITY

Sustainability is a core element in implementing Orthex's growth strategy and key objectives as we strive to be the number one brand in storage products in Europe, and to strengthen our position as a leading houseware company in the Nordics. 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 forerunner in sustainability by offering timelessly designed, high-quality, safe, and long-lasting products and reducing its carbon footprint by increasing the share of recycled and renewable raw materials.

Orthex has identified priority sustainability topics in environmental, social and governance (ESG) areas. For each topic, the company has defined key performance indicators and targets. Further information on Orthex's sustainability work is available on the corporate website at [Sustainability - Orthex Group](#) and in the Annual and Sustainability Report 2024 which is available at [Reports & presentations - Orthex Group](#).

### **Sustainability actions in January–June 2025**

During the first half of the year, Orthex continued its active sustainability work.

#### *Materiality assessment*

Orthex conducted a sustainability materiality assessment with key stakeholders (customers, employees, shareholders, suppliers and consumers) during the spring. The assessment was conducted in accordance with the Corporate Sustainability Reporting Directive (CSRD) following the principles of double materiality assessment and the ESG structure. The materiality survey received over 300 responses and the results were supplemented with interviews with selected customers, investors, and suppliers. The assessment results are used to ensure that our sustainability strategy focuses on material sustainability topics. The previous materiality assessment was conducted in 2022.

#### *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.

#### *Audits*

In March, the Lohja factory underwent an annual ISCC audit and its ISCC PLUS certificate was renewed. A similar audit was conducted in May at the Gnosjö factory and its ISCC PLUS certificate was also renewed. Usage of ISCC PLUS certified renewable raw materials produced by applying the mass balance approach support Orthex's target to increase the share of sustainable raw materials in production.

#### *Investments in novelties*



Orthex invests in novelties on a continuous basis. During the first half of 2025, we have launched several novelties, all of which include renewable raw materials allocated to the products by applying the mass balance approach. These products include storage containers SmartStore™ Compact Access and SmartStore™ Compact Square as well as organisers SmartStore™ Compact Sort.

#### *Reporting requirements*

Orthex continued its preparations for the entry into force of the CSRD during the period as explained above. 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. We are closely monitoring the progress of the regulatory changes and their potential impacts on the company's reporting obligations.

### **Research investments**

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

Together with Fortum and other partners in the Borealis SPIRIT program, Orthex is investigating whether recycled plastic can be used in products suitable for food contact, expanding possibilities to use recycled plastic.

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.

These significant investments in research support Orthex's target to increase the use of recycled and renewable raw materials.

### **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.

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 crisis in the Middle East do not directly affect Orthex's business as Orthex does not sell products to Russia, Belarus, Ukraine, or Israel or source raw materials from these countries. 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. The Group has hedged part of its interest-bearing liabilities against rising interest rates with interest derivatives. In addition, some of the electricity contracts have been purchased at fixed prices due to the strong volatility of market electricity.

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 large 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 2024. 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 2024, is available on the corporate website at [Reports & presentations - Orthex Group](#).

## EVENTS AFTER THE REVIEW PERIOD

On 18 August 2025, Orthex announced that the combined holdings of the investment funds managed by Aktia Fund Management Company Ltd – namely, Investment Fund Aktia Capital and Special Investment Fund Aktia Micro Markka ("Aktia Funds") – had exceeded the five (5) percent threshold of all shares and voting rights in Orthex as of 15 August 2025 and amounts to 5.38%.

## FINANCIAL RELEASES IN 2025

Orthex will publish its financial reports in 2025 as follows:

13 November 2025: Interim report January–September 2025

Espoo, 20 August 2025

ORTHEX CORPORATION  
Board of Directors

### **Additional information:**

Alexander Rosenlew, CEO, +358 (0)40 500 3826  
Saara Mäkelä, CFO, +358 (0)40 083 8782

### **Contacts:**

Analysts and investors: Saara Mäkelä, CFO, +358 (0)40 083 8782  
Media: Hanna Kukkonen, CMSO, +358 (0)40 053 8886

The results presentation will be held on 21 August 2025 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 HALF-YEAR FINANCIAL REPORT JANUARY–JUNE 2025

### Consolidated statement of comprehensive income

EUR thousand	4-6/2025	4-6/2024	1-6/2025	1-6/2024	1-12/2024
<b>Net sales</b>	<b>20,546</b>	<b>21,021</b>	<b>41,521</b>	<b>43,028</b>	<b>89,734</b>
Cost of sales	-14,768	-15,347	-29,927	-30,666	-64,030
<b>Gross Margin</b>	<b>5,777</b>	<b>5,674</b>	<b>11,594</b>	<b>12,361</b>	<b>25,704</b>
Other operating income	8	5	17	13	19
Selling and marketing expenses	-2,568	-2,593	-5,270	-5,143	-9,982
Administrative expenses	-1,497	-1,537	-2,905	-2,923	-5,907
<b>Operating profit</b>	<b>1,719</b>	<b>1,550</b>	<b>3,436</b>	<b>4,309</b>	<b>9,833</b>
Financial income and expenses	-559	-361	-647	-1,047	-2,066
<b>Profit before taxes</b>	<b>1,161</b>	<b>1,189</b>	<b>2,789</b>	<b>3,261</b>	<b>7,768</b>
Income taxes	-263	-258	-592	-768	-1,658
<b>Profit for the period</b>	<b>897</b>	<b>931</b>	<b>2,197</b>	<b>2,493</b>	<b>6,110</b>
<b>Profit for the period attributable to:</b>					
Equity holders of the parent	897	931	2,197	2,493	6,110
<b>Earnings per share, basic (and diluted), EUR</b>	<b>0.05</b>	<b>0.05</b>	<b>0.12</b>	<b>0.14</b>	<b>0.34</b>
<b>Other comprehensive income, net of tax</b>					
<b>Items that may be reclassified subsequently to profit or loss:</b>					
Translation differences	-803	448	844	-649	-948
<b>Items that will not be reclassified to profit or loss:</b>					
Remeasurement gains/(losses) on defined benefit plans	-	-	-	-	-40
<b>Other comprehensive income for the period, net of tax</b>	<b>-803</b>	<b>448</b>	<b>844</b>	<b>-649</b>	<b>-988</b>
<b>Total comprehensive income for the period</b>	<b>95</b>	<b>1,379</b>	<b>3,041</b>	<b>1,845</b>	<b>5,121</b>
<b>Total comprehensive income attributable to:</b>					
Equity holders of the parent	95	1,379	3,041	1,845	5,121

## Consolidated statement of financial position

EUR thousand	30 June 2025	30 June 2024	31 Dec 2024
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	22,258	21,906	21,758
Property, plant, and equipment	14,659	14,493	15,125
Right-of-use assets	6,482	6,571	6,746
Other non-current assets	105	104	104
Deferred tax assets	750	667	701
<b>Total non-current assets</b>	<b>44,254</b>	<b>43,740</b>	<b>44,435</b>
<b>Current assets</b>			
Inventories	13,793	13,392	12,491
Trade and other receivables	14,779	15,791	17,960
Derivative financial instruments	-	55	6
Income tax receivables	53	-	202
Cash and cash equivalents	9,112	8,821	10,463
<b>Total current assets</b>	<b>37,737</b>	<b>38,058</b>	<b>41,123</b>
<b>Total assets</b>	<b>81,991</b>	<b>81,799</b>	<b>85,557</b>
<b>Equity and liabilities</b>			
<b>Equity attributable to the equity holders of the parent company</b>			
Share capital	80	80	80
Invested unrestricted equity fund	7,851	7,851	7,851
Retained earnings	27,571	25,705	29,281
Translation differences	-540	-1,084	-1,384
<b>Total equity</b>	<b>34,962</b>	<b>32,551</b>	<b>35,828</b>
<b>Non-current liabilities</b>			
Loans from credit institutions	14,908	17,904	16,391
Lease liabilities	5,965	6,128	6,242
Pension liabilities	3,756	3,565	3,644
Deferred tax liabilities	771	793	782
<b>Total non-current liabilities</b>	<b>25,399</b>	<b>28,390</b>	<b>27,058</b>
<b>Current liabilities</b>			
Loans from credit institutions	3,000	3,000	3,000
Lease liabilities	1,519	1,367	1,473
Trade and other payables	16,636	15,994	17,362
Derivative financial instruments	85	11	52
Income tax liabilities	390	485	783
<b>Total current liabilities</b>	<b>21,630</b>	<b>20,857</b>	<b>22,670</b>
<b>Total liabilities</b>	<b>47,029</b>	<b>49,247</b>	<b>49,729</b>
<b>Total equity and liabilities</b>	<b>81,991</b>	<b>81,799</b>	<b>85,557</b>

## 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
<b>As at 1 Jan 2025</b>	<b>80</b>	<b>7,851</b>	<b>29,281</b>	<b>-1,384</b>	<b>35,828</b>
Profit for the period			2,197		2,197
Translation differences				844	844
<b>Total comprehensive income</b>			<b>2,197</b>	<b>844</b>	<b>3,041</b>
Dividends			-3,907		-3,907
<b>At 30 June 2025</b>	<b>80</b>	<b>7,851</b>	<b>27,571</b>	<b>-540</b>	<b>34,962</b>
<b>As at 1 Jan 2024</b>	<b>80</b>	<b>7,851</b>	<b>26,941</b>	<b>-436</b>	<b>34,436</b>
Profit for the period			2,493		2,493
Translation differences				-649	-649
<b>Total comprehensive income</b>			<b>2,493</b>	<b>-649</b>	<b>1,845</b>
Dividends			-3,729		-3,729
<b>At 30 June 2024</b>	<b>80</b>	<b>7,851</b>	<b>25,705</b>	<b>-1,084</b>	<b>32,551</b>
<b>As at 1 Jan 2024</b>	<b>80</b>	<b>7,851</b>	<b>26,941</b>	<b>-436</b>	<b>34,436</b>
Profit for the period			6,110		6,110
Translation differences				-948	-948
Remeasurement gains/(losses) on defined benefit plan			-40		-40
<b>Total comprehensive income</b>			<b>6,069</b>	<b>-948</b>	<b>5,121</b>
Dividends			-3,729		-3,729
<b>At 31 Dec 2024</b>	<b>80</b>	<b>7,851</b>	<b>29,281</b>	<b>-1,384</b>	<b>35,828</b>

## Consolidated statement of cash flows

EUR thousand	1-6/2025	1-6/2024	1-12/2024
<b>Cash flows from operating activities</b>			
Profit before taxes	2,839	3,261	7,768
Adjustments:			
Depreciation, amortisation, and impairment	2,413	2,151	4,423
Financial income and expenses	647	1,047	2,066
Other adjustments	138	-26	-269
<b>Cash flows before changes in working capital</b>	<b>6,037</b>	<b>6,435</b>	<b>13,988</b>
<b>Changes in working capital</b>			
Decrease (+) / increase (-) in trade and other receivables	3,186	2,024	-97
Decrease (+) / increase (-) in inventories	-1,301	-1,304	-404
Decrease (-) / increase (+) in trade and other payables	-2,521	-1,557	1,915
<b>Cash flows from operating activities before financial items and taxes</b>	<b>5,401</b>	<b>5,597</b>	<b>15,402</b>
Interests paid	-651	-926	-1,781
Income taxes paid	-891	-985	-1,815
<b>Net cash flows from operating activities</b>	<b>3,859</b>	<b>3,686</b>	<b>11,805</b>
<b>Cash flows from investing activities</b>			
Investments in tangible and intangible assets	-1,107	-1,950	-4,255
<b>Net cash flows from investing activities</b>	<b>-1,107</b>	<b>-1,950</b>	<b>-4,255</b>
<b>Cash flows from financing activities</b>			
Dividends paid	-1,953	-1,953	-3,729
Repayment of lease liabilities	-808	-772	-1,601
Repayment of short-term borrowings	-1,500	-1,500	-3,000
<b>Net cash flows from financing activities</b>	<b>-4,261</b>	<b>-4,226</b>	<b>-8,330</b>
Net change in cash and cash equivalents	-1,510	-2,491	-779
Net foreign exchange differences	159	-256	-326
Cash and cash equivalents at the beginning of the period	10,463	11,568	11,568
<b>Cash and cash equivalents at the end of the period</b>	<b>9,112</b>	<b>8,821</b>	<b>10,463</b>



## NOTES TO THE GROUP'S HALF-YEAR FINANCIAL REPORT

### Basis of preparation

Orthex's half-year financial report has been prepared in accordance with the IAS 34 Interim Financial Reporting standard. In the half-year financial report, the same preparation principles have been applied as in the consolidated financial statements.

Orthex's Board of Directors has approved this half-year financial report at its meeting on 20 August 2025. The figures in the half-year financial 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 half-year information

The preparation of the half-year 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 half-year information are identical to those applied to the consolidated financial statements for 2024.

## 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 reporting 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
<b>Acquisition cost at 1 Jan 2025</b>	<b>1,218</b>	<b>21,758</b>	<b>75,854</b>	<b>14,172</b>	<b>113,003</b>
Additions			4,573	400	4,973
Disposals			-25	-	-25
Transfers			-3,644	-	-3,644
Translation differences		499	201	177	877
<b>Acquisition cost at 30 June 2025</b>	<b>1,218</b>	<b>22,258</b>	<b>76,959</b>	<b>14,749</b>	<b>115,184</b>
<b>Accumulated depreciation, amortisation, and impairment at 1 Jan 2025</b>	<b>1,218</b>	<b>-</b>	<b>60,729</b>	<b>7,426</b>	<b>69,373</b>
Depreciation and amortisation	-		1,571	840	2,411
<b>Accumulated depreciation, amortisation and impairment at 30 June 2025</b>	<b>1,218</b>	<b>-</b>	<b>62,300</b>	<b>8,266</b>	<b>71,784</b>
<b>Carrying amount at 1 Jan 2025</b>	<b>0</b>	<b>21,758</b>	<b>15,125</b>	<b>6,746</b>	<b>43,628</b>
<b>Carrying amount at 30 June 2025</b>	<b>0</b>	<b>22,258</b>	<b>14,659</b>	<b>6,482</b>	<b>43,400</b>
<b>Acquisition cost at 1 Jan 2024</b>	<b>1,218</b>	<b>22,292</b>	<b>71,949</b>	<b>12,737</b>	<b>108,197</b>
Additions			2,041	536	2,577
Transfers			-8		-8
Translation differences		-390	-153	-149	-692
<b>Acquisition cost at 30 June 2024</b>	<b>1,218</b>	<b>21,901</b>	<b>73,830</b>	<b>13,124</b>	<b>110,074</b>
<b>Accumulated depreciation, amortisation, and impairment at 1 Jan 2024</b>	<b>1,207</b>		<b>58,006</b>	<b>5,739</b>	<b>64,952</b>
Depreciation and amortisation	7		1,330	815	2,152
<b>Accumulated depreciation, amortisation, and impairment at 30 June 2024</b>	<b>1,213</b>		<b>59,336</b>	<b>6,554</b>	<b>67,103</b>
<b>Carrying amount at 1 Jan 2024</b>	<b>12</b>	<b>22,292</b>	<b>13,942</b>	<b>6,999</b>	<b>43,244</b>
<b>Carrying amount at 30 June 2024</b>	<b>5</b>	<b>21,901</b>	<b>14,493</b>	<b>6,571</b>	<b>42,970</b>

## Fair value of financial assets and liabilities

### Financial assets

EUR thousand	30 June 2025	30 June 2024	31 Dec 2024
<b>Level 2</b>			
<b>Assets measured at fair value</b>			
<b>Derivative financial instruments:</b>			
Foreign exchange forward contracts and interest hedging	-	55	6
<b>Total</b>	-	55	6

### Financial liabilities

EUR thousand	30 June 2025	30 June 2024	31 Dec 2024
<b>Level 2</b>			
<b>Liabilities measured at fair value</b>			
<b>Derivative financial instruments:</b>			
Foreign exchange forward contracts and interest hedging	85	11	52
<b>Total</b>	85	11	52

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.

## Commitments

EUR thousand	30 June 2025	30 June 2024	31 Dec 2024
<b>Guarantees and mortgages given on own behalf:</b>			
Enterprise mortgages	49,071	50,019	49,042
Property mortgages	10,192	10,192	10,192
Other guarantees	108	100	105
<b>Total</b>	<b>59,372</b>	<b>60,312</b>	<b>59,340</b>

## APPENDIX:

### Key Performance Indicators

EUR thousand	4-6/2025	4-6/2024	1-6/2025	1-6/2024	1-12/2024
Net sales	20,546	21,021	41,521	43,028	89,734
Net sales growth, %	-2.3%	4.3%	-3.5%	5.9%	4.4%
Constant currency net sales growth, %	-5.1%	4.4%	-4.9%	6.3%	4.3%
Invoiced sales	21,244	21,619	43,053	44,551	92,291
Invoiced sales growth, %	-1.7%	5.0%	-3.4%	6.5%	4.9%
Gross Margin	5,777	5,674	11,594	12,361	25,704
Gross Margin, %	28.1%	27.0%	27.9%	28.7%	28.6%
EBITDA	2,922	2,638	5,848	6,460	14,257
EBITDA margin, %	14.2%	12.5%	14.1%	15.0%	15.9%
EBITA	1,719	1,553	3,436	4,315	9,845
EBITA margin, %	8.4%	7.4%	8.3%	10.0%	11.0%
Operating profit	1,719	1,550	3,436	4,309	9,833
Operating profit margin, %	8.4%	7.4%	8.3%	10.0%	11.0%
Items affecting comparability	-	-	-	-	389
Adjusted Gross Margin	5,777	5,674	11,594	12,361	25,704
Adjusted Gross Margin, %	28.1%	27.0%	27.9%	28.7%	28.6%
Adjusted EBITDA	2,922	2,638	5,848	6,460	14,645
Adjusted EBITDA margin, %	14.2%	12.5%	14.1%	15.0%	16.3%
Adjusted EBITA	1,719	1,553	3,436	4,315	10,234
Adjusted EBITA margin, %	8.4%	7.4%	8.3%	10.0%	11.4%
Adjusted operating profit	1,719	1,550	3,436	4,309	10,222
Adjusted operating profit margin, %	8.4%	7.4%	8.3%	10.0%	11.4%
Earnings per share, basic (and diluted), EUR	0.05	0.05	0.12	0.14	0.34
FTEs	285	294	287	291	288
Personnel expenses	5,171	5,047	10,005	9,906	19,017
<b>Key cash flows indicators</b>					
Net cash flows from operating activities	-809	-386	3,859	3,685	11,805
Operating free cash flows	2,522	1,731	4,741	4,510	10,391
Cash conversion, %	86.3%	65.6%	81.1%	69.8%	70.9%
Investments in tangible and intangible assets	-400	-906	-1,107	-1,950	-4,255
<b>Financial position key figures</b>					
Net debt	20,035	23,143	20,035	23,143	20,286
Net debt / adjusted EBITDA last 12 months	1.4x	1.6x	1.4x	1.6x	1.4x
Net working capital	11,936	13,188	11,936	13,188	13,090
Capital employed excluding goodwill	32,739	33,793	32,739	33,793	34,356
Return on capital employed (ROCE), %	5.2%	4.7%	10.2%	12.6%	28.6%
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%
Return on equity, %	2.4%	2.8%	6.2%	7.4%	17.4%



## Reconciliation of APMs

EUR thousand	4-6/2025	4-6/2024	1-6/2025	1-6/2024	1-12/2024
<b>Net sales growth, %</b>					
Net sales	20,546	21,021	41,521	43,028	89,734
<b>Net sales growth, %</b>	<b>-2.3%</b>	<b>4.3%</b>	<b>-3.5%</b>	<b>5.9%</b>	<b>4.4%</b>
<b>Constant currency Net sales growth, %</b>					
Net sales	20,546	21,021	41,521	43,028	89,734
FX rate adjustment	-	623	-	654	-
Constant currency Net sales	20,546	21,644	41,521	43,681	89,734
<b>Constant currency Net sales growth, %</b>	<b>-5.1%</b>	<b>4.4%</b>	<b>-4.9%</b>	<b>6.3%</b>	<b>4.3%</b>
<b>Invoiced sales</b>					
Net sales	20,546	21,021	41,521	43,028	89,734
Discounts and bonuses	1,038	916	2,026	1,938	4,004
Other sales and refunds	-339	-318	-494	-415	-1,447
<b>Invoiced sales</b>	<b>21,244</b>	<b>21,619</b>	<b>43,053</b>	<b>44,551</b>	<b>92,291</b>
Invoiced sales growth, %	-1.7%	5.0%	-3.4%	6.5%	4.9%
<b>Gross Margin</b>					
Net sales	20,546	21,021	41,521	43,028	89,734
Cost of sales	-14,768	-15,347	-29,927	-30,666	-64,030
<b>Gross Margin</b>	<b>5,777</b>	<b>5,674</b>	<b>11,594</b>	<b>12,361</b>	<b>25,704</b>
Gross Margin, %	28.1%	27.0%	27.9%	28.7%	28.6%
<b>EBITDA</b>					
Operating profit	1,719	1,550	3,436	4,309	9,833
Depreciation, amortisation, and impairment	1,202	1,088	2,413	2,151	4,423
<b>EBITDA</b>	<b>2,922</b>	<b>2,638</b>	<b>5,848</b>	<b>6,460</b>	<b>14,257</b>
EBITDA margin, %	14.2%	12.5%	14.1%	15.0%	15.9%
<b>EBITA</b>					
Operating profit	1,719	1,550	3,436	4,309	9,833
Amortisation and impairment	-	3	-	7	12
<b>EBITA</b>	<b>1,719</b>	<b>1,553</b>	<b>3,436</b>	<b>4,315</b>	<b>9,845</b>
EBITA margin, %	8.4%	7.4%	8.3%	10.0%	11.0%
<b>Operating profit</b>					
<b>Operating profit</b>	<b>1,719</b>	<b>1,550</b>	<b>3,436</b>	<b>4,309</b>	<b>9,833</b>
Operating profit margin, %	8.4%	7.4%	8.3%	10.0%	11.0%
<b>Items affecting comparability / adjustments (EBITDA)</b>					
Restructuring related expenses	-	-	-	-	182
Tax audit 2022	-	-	-	-	207
<b>Items affecting comparability / adjustments (EBITDA)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>389</b>

EUR thousand	4-6/2025	4-6/2024	1-6/2025	1-6/2024	1-12/2024
<b>Adjusted Gross Margin</b>					
Gross Margin	5,777	5,674	11,594	12,361	25,704
<b>Adjusted Gross Margin</b>	<b>5,777</b>	<b>5,674</b>	<b>11,594</b>	<b>12,361</b>	<b>25,704</b>
Adjusted Gross Margin, %	28.1%	27.0%	27.9%	28.7%	28.6%
<b>Adjusted EBITDA</b>					
Operating profit	1,719	1,550	3,436	4,309	9,833
Depreciation, amortisation, and impairment	1,202	1,088	2,413	2,151	4,423
Adjustments (EBITDA)	-	-	-	-	389
<b>Adj. EBITDA</b>	<b>2,922</b>	<b>2,638</b>	<b>5,848</b>	<b>6,460</b>	<b>14,645</b>
Adj. EBITDA margin, %	14.2%	12.5%	14.1%	15.0%	16.3%
<b>Adjusted EBITA</b>					
Operating profit	1,719	1,550	3,436	4,309	9,833
Amortisation and impairment	-	3	-	7	12
Adjustments (EBITA)	-	-	-	-	389
<b>Adj. EBITA</b>	<b>1,719</b>	<b>1,553</b>	<b>3,436</b>	<b>4,315</b>	<b>10,234</b>
Adj. EBITA margin, %	8.4%	7.4%	8.3%	10.0%	11.4%
<b>Adjusted operating profit</b>					
Operating profit	1,719	1,550	3,436	4,309	9,833
Adjustments	-	-	-	-	389
<b>Adj. operating profit</b>	<b>1,719</b>	<b>1,550</b>	<b>3,436</b>	<b>4,309</b>	<b>10,222</b>
Adj. operating profit margin, %	8.4%	7.4%	8.3%	10.0%	11.4%
<b>Earnings per share, basic (and diluted), EUR</b>					
Profit for the period	897	931	2,197	2,493	6,110
Average number of shares	17,759	17,759	17,759	17,759	17,759
<b>Earnings per share, basic (and diluted), EUR</b>	<b>0.05</b>	<b>0.05</b>	<b>0.12</b>	<b>0.14</b>	<b>0.34</b>
<b>Operating free cash flows</b>					
Adj. EBITDA	2,922	2,638	5,848	6,460	14,645
Investments in tangible and intangible assets	-400	-906	-1,107	-1,950	-4,255
<b>Operating free cash flows</b>	<b>2,522</b>	<b>1,731</b>	<b>4,741</b>	<b>4,510</b>	<b>10,391</b>
<b>Cash conversion, %</b>					
Operating free cash flows	2,522	1,731	4,741	4,510	10,391
Adj. EBITDA	2,922	2,638	5,848	6,460	14,645
<b>Cash conversion, %</b>	<b>86.3%</b>	<b>65.6%</b>	<b>81.1%</b>	<b>69.8%</b>	<b>70.9%</b>
<b>Net debt</b>					
Total interest-bearing liabilities	29,147	31,964	29,147	31,964	30,749
Cash and cash equivalents	-9,112	-8,821	-9,112	-8,821	-10,463
<b>Net debt</b>	<b>20,035</b>	<b>23,143</b>	<b>20,035</b>	<b>23,143</b>	<b>20,286</b>
<b>Net debt/ Adj. EBITDA</b>					
Net debt	20,035	23,143	20,035	23,143	20,286
Adj. EBITDA, 12 months	14,034	14,891	14,034	14,891	14,645
<b>Net debt/ Adj. EBITDA</b>	<b>1.4x</b>	<b>1.6x</b>	<b>1.4x</b>	<b>1.6x</b>	<b>1.4x</b>

EUR thousand	4-6/2025	4-6/2024	1-6/2025	1-6/2024	1-12/2024
<b>Net working capital</b>					
Inventories	13,793	13,392	13,793	13,392	12,491
Trade and other receivables	14,779	15,791	14,779	15,791	17,960
Trade and other payables	-16,636	-15,994	-16,636	-15,994	-17,362
<b>Net working capital</b>	<b>11,936</b>	<b>13,188</b>	<b>11,936</b>	<b>13,188</b>	<b>13,090</b>
<b>Capital employed excluding goodwill</b>					
Total Equity	34,962	32,551	34,962	32,551	35,828
Net debt	20,035	23,143	20,035	23,143	20,286
Goodwill	-22,258	-21,901	-22,258	-21,901	-21,758
<b>Capital employed excluding goodwill</b>	<b>32,739</b>	<b>33,793</b>	<b>32,739</b>	<b>33,793</b>	<b>34,356</b>
<b>Return on capital employed (ROCE), %</b>					
Operating profit	1,719	1,550	3,436	4,309	9,833
Average capital employed excluding goodwill	32,805	33,233	33,548	34,128	34,409
<b>Return on capital employed (ROCE), %</b>	<b>5.2%</b>	<b>4.7%</b>	<b>10.2%</b>	<b>12.6%</b>	<b>28.6%</b>
<b>Adjusted return on capital employed (ROCE), %</b>					
Adjusted operating profit	1,719	1,550	3,436	4,309	10,222
Average capital employed excluding goodwill	32,805	33,233	33,548	34,128	34,409
<b>Adjusted return on capital employed (ROCE), %</b>	<b>5.2%</b>	<b>4.7%</b>	<b>10.2%</b>	<b>12.6%</b>	<b>29.7%</b>
<b>Equity ratio, %</b>					
Total Equity	34,962	32,551	34,962	32,551	35,828
Total assets	81,991	81,799	81,991	81,799	85,557
<b>Equity ratio, %</b>	<b>42.6%</b>	<b>39.8%</b>	<b>42.6%</b>	<b>39.8%</b>	<b>41.9%</b>
<b>Return on equity, %</b>					
Profit for the period	897	931	2,197	2,493	6,110
Total equity (average for the first and last day of the period)	36,868	33,727	35,395	33,494	35,132
<b>Return on equity, %</b>	<b>2.4%</b>	<b>2.8%</b>	<b>6.2%</b>	<b>7.4%</b>	<b>17.4%</b>

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 growth, %	Net sales growth 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 growth, %	Increase 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 Equivalents
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)



*SmartStore™ Classic storage boxes*



## ORTHEX IN BRIEF

Orthex is a leading Nordic houseware company. Orthex designs, produces, markets, and sells household products with a mission to make consumers' everyday life easier: Orthex strives to create functional, long lasting, and sustainable high-quality household products. 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 approximately 800 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 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.



*Orthex™ potty*



*SmartStore™ Collect Stack-it sorting bin*

**orthex**  
GROUP

**Orthex Corporation**  
[www.investors.orthexgroup.com](http://www.investors.orthexgroup.com)