Reima Group

Interim report 1 January - 30 September 2026

Reima is the globally leading brand in kids' activewear. It is known for its award-winning innovation and high-quality clothing. Reima offers a 'tip-to-toe', year-around collection for active kids aged 0 to 12 years. In addition to outdoor and innerwear clothing, the offering includes a wide range of accessories, footwear as well as solutions and services for kids. Reima's products are available in about 50 countries across the world. The most important markets are the Nordic countries, Germany, China and North America. Direct-to-consumer business, especially through digital channels, is the largest sales channel for Reima.

Accounting principles

Reima applies IFRS accounting principles in its accounting. This interim report has been prepared in accordance with IFRS standards (IAS 34 Interim Financial Reporting) and should be read in conjunction with the Group's last consolidated financial statements as at and for the year ended 31 December 2025. Reima has applied the same accounting principles in this report as were applied in its financial statements for 2025, however with the addition of the standards and interpretations published by the International Accounting Standards Board (IASB) that are mandatory as of 1 January 2026. These standards did not have a significant impact on the Group in the current reporting period. Reima is currently assessing the impact the adoption of IFRS18 will have on its consolidated financial statements. This interim report does not include all the information and notes presented in the financial statements.

The full-year 2025 figures are based on the audited financial statements for 2025 which are available on company's web page (company.reima.com) and full summary of applied accounting policies is available in the annual consolidated financial statements.

This report has not been subject to audit.

Comparability of figures

The year-end 2025 figures have been updated from the 2025 unaudited interim result report that was published on Reima's website on 25 February 2026. Similarly, the Q3 2025 interim financials have been updated. The 2025 figures in this report are consistent with the audited financial statements for 2025.

This update was driven by a change in the accounting treatment of a subordinated PIK loan, which is measured under IFRS 9, following a reassessment of the renegotiated loan terms agreed in summer 2025. The fair value of the loan at the end of 2025 was EUR 66.8 million. The company recorded the effect of the change in loan terms in the 2025 income statement in the item Other financial income, totaling EUR 27.7 million and in Other financial cost, totaling EUR 4.4 million in the 2025 financial period, deferred taxes liabilities related to the bookings were EUR 4.6 million at the end of 2025.

EUR thousands	1 Jan - 30 Sep 2025 Before PIK loan changes	PIK loan changes	After PIK loan changes	1 Jan - 31 Dec 2025 Before PIK loan changes	PIK loan changes	After PIK loan changes
Net finance expenses	-9 368	25 401	16 033	-10 655	23 345	12 689
Tax expense	-246	-5 086	-5 332	-538	-4 623	-5 162
Profit (loss) for the financial year	-9 991	20 315	10 324	-8 351	18 721	10 370

EUR thousands	30 Sep 2025 Before PIK loan changes	PIK loan changes	After PIK loan changes	31 Dec 2025 Before PIK loan changes	PIK loan changes	After PIK loan changes
Total equity	-36 820	20 315	-16 505	-34 541	18 721	-15 820
Subordinated loans (excl. capital loan)	91 881	-25 401	66 480	92 259	-23 344	68 915
Deferred tax liabilities	2 558	5 086	7 644	2 572	4 623	7 195

CEO's comments

Reima continued its positive development in the third quarter of 2026, with revenue, gross profit and adjusted EBITDA all improving year-on-year. Growth in Europe and North America supported a 4% increase in revenue to EUR 30.4 million. North American direct-to-consumer sales continued to perform well, with our own e-commerce channel growing by 59% compared with 2025, or 60% in local currency.

Revenue for January to September rose by 5% year-on-year to EUR 58.2 million. Growth in Europe and North America was partly offset by lower sales in Asia. In China, we continued to reshape our own retail store network in line with our digital-first omnichannel strategy, supporting scalable, long-term profitable growth.

Quarterly profitability strengthened alongside sales. Gross profit rose to EUR 13.9 million from EUR 13.1 million a year earlier, and gross margin improved to 45.8% from 45.1%. Higher sales, stronger gross profit and our cost-saving initiatives lifted adjusted EBITDA to EUR 6.4 million from EUR 5.7 million.

Our January–September results also improved year-on-year. Gross profit increased to EUR 23.9 million from EUR 22.9 million, while adjusted EBITDA turned positive at EUR 1.2 million, compared with EUR -0.5 million a year earlier. The result remained in line with the seasonal nature of our business.

For the rest of the year, our priority is clear: delivering the Autumn & Winter season through our direct-to-consumer channels and together with our retail partners. Alongside this, we are running a global brand campaign to strengthen Reima's position as the go-to kids' outdoor brand in our key markets.

Group financial performance

Revenue

July-September 2026

In the third quarter, when Reima typically delivers winter wholesale pre-orders, revenue was at EUR 30.4 million, up 4% compared to previous year. Growth was driven by strong DTC performance in North America and partially offset by decline in Asia, as Reima continued to streamline its own retail network in China. Reima's own e-commerce channel in North America grew 59%, compared to 2025.

January-September 2026

Revenue increased 5% compared to previous year and was at EUR 58.2 million. Reima's business has an intra-year seasonal pattern with the second half revenue being typically significantly higher than the first half of the year. Growth in Europe and North America was partially offset by decline in Asia, as Reima has closed own retail stores in China. The strong performance in North American DTC sales continued, Reima's own e-commerce channel in the region grew 39%, compared to 2025.

Profitability

July-September 2026

In the third quarter Reima's gross profit increased to EUR 13.9 million from EUR 13.1 million in 2025. Gross margin increased to 45.8% from 45.1% in 2025. Adjusted EBITDA improved due to higher sales, gross profit as well as cost savings initiatives and amounted to EUR 6.4 million (EUR 5.7 million).

January-September 2026

In January-September Reima's gross profit increased to EUR 23.9 million from EUR 22.9 million in 2025. Gross margin was at similar level as in 2025 and amounted to 41.1% (41.4%). Adjusted EBITDA improved due to higher revenue and gross profit as well as cost savings initiatives and amounted to EUR 1.2 million (EUR -0.5 million). Reima's business is seasonal and adjusted EBITDA is typically clearly smaller in the first half of the year than in the second half of the year.

Balance sheet

The consolidated balance sheet total was EUR 116.5 million (EUR 116.0 million) at the end of September 2026.

Cash and cash equivalents totaled EUR 3.7 million (EUR 4.7 million) at the end of September 2026. Inventory balance at the end of September was at EUR 25.1 million (EUR 24.2 million), with the slight increase reflecting preparations for the winter season in DTC channels.

Cash flow and financing

Cash flow before change in net working capital was EUR 0.1 million (EUR 1.9 million), driven by Reima's typical business seasonality. After change in net working capital and finance items, the cash flow from operating activities was EUR -11.0 million (EUR -13.7 million). Reima's business is highly seasonal and working capital typically is lowest at the end of first quarter, increases in the second quarter and decreases in the second half when winter products are delivered from inventory to customers.

At the end of September 2026, senior net debt (as defined in the bond terms) was EUR 27.2 million (24.7 million). Under the terms of the bond issued by Reima Group's parent company, Reima Group Holding Oy, Reima is subject to maintenance covenants regarding minimum cash and net leverage. Reima is in compliance with all covenants.

Investments

Gross investments in intangible and tangible assets were EUR 1.5 million in January-September 2026 with focus on investments in digital development and up from EUR 1.0 million in 2025, mainly due to timing differences.

Personnel

In January-September 2026 the number of personnel, expressed as full-time equivalents, averaged 256 (291 in January-September of 2025) and at the end of the reporting period Reima had 223 employees as full-time equivalents (279). Change in the number of personnel was driven by closed stores in China and Europe, in-line with digital first omnichannel strategy.

Risks

The Reima Group is facing general risks, such as the overall economic climate and general uncertainty of the consumer market that might impact Group's business performance, as well as financial risks such as exchange rate development and financing risks. In the short term, Reima is also facing risks related supply chain and logistics as well as unfavorable weather conditions, especially in the last quarter of the year when majority of Reima's outerwear sales take place in DTC channels. In addition, the Group actively monitors other geopolitical risks, including the situation in the Middle East, and takes geopolitical risks into account in its operational planning.

As the purchases of the Group are mostly foreign currency-denominated, Reima faces currency risks and to mitigate this risk Reima applies a hedging policy. The biggest currency flows consist of the Chinese yuan and US dollar. Changes in customers' operations may also cause a credit loss risk to the Group. Credits and credit limits are being monitored according to internal guidelines and company mitigates the risk with export guarantees to unstable markets.

The Group's balance sheet includes a significant amount of goodwill as a result of business arrangements. Goodwill is subject to impairment risks if the business performance is not developing as planned. Inventory values may also be subject to write-down risks if realized sales materially deviate from estimated sales. The valuation of the parent company's subsidiary shares and internal receivables may include an impairment risk if the operating results of the group companies do not develop as expected.

Sustainability and environment

Reima's Leadership Team is responsible for strategic decision-making on sustainability. Reima's Innovation and Sustainability Steering Group (ISSG) oversees the corporate responsibility activities and officially approves plans and action points. Reima's latest sustainability strategy is made for years 2023-2026. The strategy has four cornerstones: sustainable products, responsible supply chain, climate action and commitment to stakeholders.

Significant events during the reporting period

Reima is constantly looking into its own retail store network and optimizing the amount and location of retail stores, as part of its digital first omnichannel strategy. During January-September 2026, Reima closed eight stores in China and one store in Finland. In total Reima had 20 own retail stores at the end of September 2026 (35 stores at the end of third quarter 2025) and 34 franchise partner stores (35 stores), reflecting the digital first omnichannel strategy.

Reima had change negotiations considering all office employees in Finland during the second quarter. The aim of these negotiations was to achieve cost savings and improve operational efficiency. The changes led to a permanent reduction of 13 positions.

Reima Group's parent company, Reima Group Holding Oy, issued senior secured callable floating rate bonds of 25 MEUR on 10 June 2025. Pursuant to the terms and conditions for the Bonds, Reima Group Holding Oy prepared a listing prospectus, which was approved by the Swedish Financial Supervisory Authority (Sw. Finansinspektionen) on 15 May 2026 and the company applied for admission to trading of the bonds on the corporate bond list of Nasdaq Stockholm. First day of trading of the bonds was 19 May 2026.

Reima closed a dormant subsidiary Bindley Ltd in China (Hong Kong) in July 2026. Closure did not have significant impact on Reima's financials.

The parent company, Reima Group Holding Oy, has capital loans in amount of 0.9 MEUR, of which 0.3 MEUR have matured during the reporting period. Under the terms of the company's bond, the repayment of capital loans is not permitted during the bond period, and the company is currently renegotiating the terms of the capital loan agreements with the lenders. At the report's publication date, capital loan agreements amounting to 0.3 MEUR remain subject to renegotiation. The company expects that all capital loan agreements will be successfully renegotiated and, accordingly, the capital loans are presented as non-current liabilities.

Significant events after the reporting period

After the reporting period, the company was served with an application for a summons filed with the Helsinki District Court concerning claims under the capital loans currently subject to negotiations. Despite the filing, the company expects that all capital loan agreements will be successfully renegotiated.

Related party disclosures

There were no significant related party transactions during the reporting period. The Group has transactions between the group companies in the ordinary course of business.

CONSOLIDATED INCOME STATEMENT

EUR thousands	1 Jul - 30 Sep 2026	1 Jul - 30 Sep 2025	1 Jan - 30 Sep 2026	1 Jan - 30 Sep 2025	1 Jan - 31 Dec 2025
Revenue	30 424	29 159	58 151	55 351	86 011
Materials and services	-16 501	-16 012	-34 274	-32 458	-48 487
Gross profit	**13 923**	**13 147**	**23 877**	**22 893**	**37 523**
Other operating income	29	23	60	5 276	5 293
Personnel expenses	-3 321	-3 371	-11 146	-11 763	-15 145
Other operating expenses	-4 533	-4 228	-12 660	-12 564	-18 998
Depreciation, amortisation and impairment losses	-1 288	-1 304	-4 007	-4 220	-5 832
Operating result	**4 809**	**4 268**	**-3 875**	**-378**	**2 842**
Finance income	189	228	1 016	27 394	28 357
Finance expenses	-3 239	-3 426	-9 426	-11 361	-15 667
Net finance expenses	**-3 050**	**-3 198**	**-8 410**	**16 033**	**12 689**
Profit (Loss) before tax	**1 759**	**1 070**	**-12 285**	**15 656**	**15 532**
Tax expense	382	-741	971	-5 332	-5 162
Profit (Loss) for the financial year	**2 141**	**329**	**-11 314**	**10 324**	**10 370**
Profit (Loss) for the financial year attributable to					
Owners of the parent company	2 141	329	-11 314	10 324	10 370

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

Profit (Loss) for the financial year	**2 141**	**329**	**-11 314**	**10 324**	**10 370**
Other comprehensive income					
Items that may be subsequently reclassified to profit or loss					
Foreign currency translation difference	-44	-12	-593	1 418	1 333
Cash flow hedging	-86	31	1 042	-1 062	-341
Total other comprehensive income for the financial year	**-131**	**19**	**449**	**356**	**992**
Total comprehensive income for the financial year	**2 010**	**348**	**-10 865**	**10 680**	**11 362**
Total comprehensive income attributable to					
Owners of the parent company	2 010	348	-10 865	10 680	11 362

CONSOLIDATED BALANCE SHEET

EUR thousands	30 Sep 2026	30 Sep 2025	31 Dec 2025
ASSETS			
Non-current assets			
Intangible assets	4 155	4 818	5 060
Goodwill	50 900	50 900	50 900
Intangible assets and goodwill	55 055	55 718	55 960
Tangible assets	566	706	759
Right-of-use assets	3 772	4 221	4 952
Deferred tax assets	2 271	0	2 137
Total non-current assets	**61 663**	**60 645**	**63 808**
Current assets			
Inventories	25 117	24 243	19 320
Trade and other receivables	25 982	24 390	16 839
Deferred tax assets	0	2 028	0
Cash and cash equivalents	3 738	4 668	15 414
Total current assets	**54 837**	**55 329**	**51 573**
Total assets	**116 500**	**115 975**	**115 381**
EQUITY			
Share capital	5	5	5
Reserve for invested non-restricted equity	101 346	101 346	101 346
Translation differences	514	1 191	1 107
Cash flow hedge reserve	679	-1 085	-364
Retained earnings	-129 229	-117 961	-117 915
Total equity	**-26 685**	**-16 505**	**-15 820**
LIABILITIES			
Non-current liabilities			
Capital loan	911	911	911
Bond	24 585	24 339	24 381
Subordinated loans	75 318	66 480	68 915
Lease liabilities	3 089	3 615	3 505
Other financial and other non-current liabilities	3 482	3 326	3 376
Deferred tax liabilities	5 807	7 644	7 195
Total non-current liabilities	**113 192**	**106 315**	**108 283**
Current liabilities			
Borrowings from financial institutions	2 586	955	130
Lease liabilities	710	422	1 527
Trade and other payables	26 697	24 787	21 260
Total current liabilities	**29 992**	**26 164**	**22 917**
Total liabilities	**143 185**	**132 479**	**131 201**
Total equity and liabilities	**116 500**	**115 975**	**115 381**

CONSOLIDATED CASH FLOW STATEMENT

EUR thousands	1 Jan - 30 Sep 2026	1 Jan - 30 Sep 2025	1 Jan - 31 Dec 2025
Cash flows from operating activities			
Profit (Loss) before tax for the financial year	-12 285	15 656	15 532
Adjustments:			
Depreciation, amortization and impairment losses	4 007	4 220	5 832
Finance income and finance expenses	8 410	-16 033	-12 689
Other adjustments[1]	-16	-1992	595
Cash flows before change in net working capital	116	1851	9 269
Change in net working capital:			
Change in trade and other receivables (increase (-) / decrease (+))	-9 524	-7 449	-45
Change in inventories (increase (-) / decrease (+))	-5 253	-5128	-369
Change in trade and other payables (increase (+) / decrease (-))	6 368	-1 899	-5 405
Cash flows before finance items	-8 293	-12 625	-2 325
Interest paid and other financial items	-2 356	-860	-2 525
Interest received	6	-	3
Income taxes paid	-309	-264	-363
Net cash from operating activities (A)	**-10 950**	**-13 749**	**565**
Cash flows from investing activities			
Acquisition of intangible and tangible assets	-1 549	-1 031	-2 325
Net cash used in investing activities (B)	**-1 549**	**-1 031**	**-2 325**
Cash flows from financing activities			
Change of current loans and borrowings[2]	2 456	816	-4
Repayment of current loans and borrowings	0	-9 109	-10 837
Proceeds from non-current loans and borrowings	0	27 000	27 000
Repayment of lease liabilities	-1 624	-1 982	-2 507
Net cash from financing activities (C)	**832**	**16 725**	**14 452**
Net cash from (used in) operating, investing and financing activities (A+B+C)	**-11 667**	**1 945**	**12 692**
Net increase (decrease) in cash and cash equivalents	**-11 667**	**1 945**	**12 692**
Cash and cash equivalents at 1 January	15 414	2 718	2 718
Effect of fluctuations in exchange rate on cash held	-7	5	5
Cash and cash equivalents at reporting end	**3 738**	**4 668**	**15 414**

[1] Includes exchange rate differences and non-cash items, among others.
[2] Includes changes in recourse factoring credit liabilities

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity attributable to owners of the parent company					
EUR thousands	Share capital	Reserve for invested non-restricted equity	Trans-lation diffe-rences	Cash flow hedge reserve	Retained earnings	Total
Balance at 1 January 2026	**5**	**101 346**	**1 107**	**-364**	**-117 915**	**-15 820**
Comprehensive income						
Profit (Loss) for the financial year	0	0	0	0	-11 314	-11 314
Other comprehensive income	0	0	-593	1 042	0	449
Total comprehensive income for the financial year	**0**	**0**	**-593**	**1 042**	**-11 314**	**-10 865**
Balance at 30 September 2026	**5**	**101 346**	**514**	**679**	**-129 229**	**-26 685**

	Equity attributable to owners of the parent company					
EUR thousands	Share capital	Reserve for invested non-restricted equity	Trans-lation diffe-rences	Cash flow hedge reserve	Retained earnings	Total
Balance at 1 January 2025	**5**	**101 346**	**-227**	**-23**	**-128 285**	**-27 184**
Comprehensive income						
Profit (Loss) for the financial year	0	0	0	0	10 324	10 324
Other comprehensive income	0	0	1 418	-1 062	0	356
Total comprehensive income for the financial year	**0**	**0**	**1 418**	**-1 062**	**10 324**	**10 680**
Balance at 30 September 2025	**5**	**101 346**	**1 191**	**-1 085**	**-117 961**	**-16 505**

Key financial data

EUR thousands	1 Jul - 30 Sep 2026	1 Jul - 30 Sep 2025	1 Jan - 30 Sep 2026	1 Jan - 30 Sep 2025	1 Jan - 31 Dec 2025	Last twelve months
Revenue	30 424	29 159	58 151	55 351	86 011	88 795
Gross profit	13 923	13 147	23 877	22 893	37 523	38 527
Gross margin %	45.8 %	45.1 %	41.1 %	41.4 %	43.6 %	43.4 %
EBITDA	6 097	5 572	131	-1 378	3 454	4 982
Adj. EBITDA	6 376	5 674	1 208	-535	5 997	7 761
Net debt to adj. EBITDA[1]					3.2	3.5

[1] Measured for full year and last twelve months

Calculation of net debt[1]	30 Sep 2026
EUR thousands	
Senior secured bond	24 585
Factoring credit	2 586
Other senior debt	0
Leasing debt	3 799
Cash and cash equivalents	-3 738
Net interest bearing debt	**27 232**

[1]As defined in the bond terms

Reconciliation of alternative performance measures to IFRS

EUR thousands	1 Jul - 30 Sep 2026	1 Jul - 30 Sep 2025	1 Jan - 30 Sep 2026	1 Jan - 30 Sep 2025	1 Jan - 31 Dec 2025
Operating result	**4 809**	**4 268**	**-3 875**	**-378**	**2 842**
Depreciation & amortisation	1 288	1 304	4 007	4 220	5 832
Other non-cash adjustment[1]	0	0	0	-5 220	-5 220
EBITDA	**6 097**	**5 572**	**131**	**-1 378**	**3 454**
One-off items	278	103	1 077	842	2 544
Adj. EBITDA	**6 376**	**5 674**	**1 208**	**-535**	**5 997**

[1] After the change in Reima's ownership structure in 2025, the previous main owner waived a management fee receivable. The management fee expense and waived receivable are excluded from EBITDA and adjusted EBITDA

Disaggregation of revenue

EUR thousands	1 Jul - 30 Sep 2026		1 Jul - 30 Sep 2025		1 Jan - 30 Sep 2026		1 Jan - 30 Sep 2025		1 Jan - 31 Dec 2025	
Wholesale	21 675	71 %	20 720	71 %	35 526	61 %	32 606	59 %	42 925	50 %
Direct-to-consumer	8 749	29 %	8 439	29 %	22 625	39 %	22 745	41 %	43 085	50 %
Total	**30 424**	**100 %**	**29 159**	**100 %**	**58 151**	**100 %**	**55 351**	**100 %**	**86 011**	**100 %**

Quarterly information

EUR thousands	1 Jul - 30 Sep 2026	1 Apr - 30 Jun 2026	1 Jan - 31 Mar 2026	1 Oct - 31 Dec 2025	1 Jul - 30 Sep 2025	Last twelve months
Revenue	30 424	11 101	16 625	30 645	29 159	88 795
Gross profit	13 923	3 942	6 010	14 652	13 147	38 527
Gross margin %	45.8 %	35.5 %	36.1 %	47.8 %	45.1 %	43.4 %
EBITDA	6 097	-3 411	-2 557	4 853	5 572	4 982
Adj. EBITDA	6 376	-2 977	-2 192	6 555	5 674	7 761

Interest bearing liabilities

EUR thousands	30 Sep 2026	30 Sep 2025	31 Dec 2025
Bond (senior)	24 585	24 339	24 381
PIK loan	75 318	66 480	68 915
Lease liabilities	3 089	3 615	3 505
Shareholder and other loan	1 893	1 737	1 787
Long -term interest bearing liabilities	**104 885**	**96 170**	**98 588**
Factoring credit	2 586	955	130
Lease liabilities	710	422	1 527
Short-term interest bearing liabilities	**3 296**	**1 377**	**1 657**
Interest bearing liabilities total	**108 181**	**97 547**	**100 246**

Derivatives

30 September 2026

EUR thousands	Notional amount	Positive fair value	Negative fair value	Fair value, net
Derivatives in hedge accounting				
FX forward and option contracts	7 462	285	-36	248
Total	**7 462**	**285**	**-36**	**248**

30 September 2025

EUR thousands	Notional amount	Positive fair value	Negative fair value	Fair value, net
Derivatives in hedge accounting				
FX forward and option contracts	21 030	86	-621	-535
Total	**21 030**	**86**	**-621**	**-535**

Hierarchy levels of fair values of financial instruments

30 September 2026	Fair value			
EUR thousands	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Foreign currency derivatives in hedge accounting	-	285	-	285
Total	**-**	**285**	**-**	**285**
Financial liabilities measured at fair value				
Foreign currency derivatives in hedge accounting	-	36	-	36
Total	-	**36**	-	**36**

30 September 2025	Fair value			
EUR thousands	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Foreign currency derivatives in hedge accounting	-	86	-	86
Total	**-**	**86**	**-**	**86**
Financial liabilities measured at fair value				
Foreign currency derivatives in hedge accounting	-	621	-	621
Total	-	**621**	-	**621**