



**Reima Group**  
**Result report 1 January - 31 December 2025**

**Unaudited**



Reima is a 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 is the largest sales channel for Reima and digital sales accounted for 64% of total sales in 2025.

## **Accounting principles**

Reima applies IFRS accounting principles in its accounting. Reima has applied the same accounting principles in this report as were applied in its financial statements for 2024. The full-year 2024 figures are based on the audited financial statements for 2024 which are available on company's web page ([company.reima.com](http://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.

## **Group financial performance**

### **Revenue**

#### ***October-December 2025***

In the fourth quarter, which is typically Reima's largest quarter in terms of DTC sales, revenue increased by 7% to EUR 30.6 million. The increase in revenue was driven by strong performance in North American DTC sales, where Reima's own digital channel continued to perform well and grew 48%, compared to 2024, or 63% in local currency. Additionally, the postponed European wholesale deliveries from third quarter were delivered in fourth quarter. European DTC sales were negatively impacted by unusually warm weather and soft consumer confidence, especially in the Nordic countries, in the fourth quarter.

#### ***January-December 2025***

The Group's revenue increased 2% compared to 2024 and amounted to EUR 86.0 million. The full-year revenue was impacted by the operational challenges experienced by Reima's third party logistics partner in Europe, but despite the delivery challenges in Europe, sales to wholesale customers grew by 4% to EUR 41.5 million. In DTC channel, the warm weather and weak consumer confidence in Europe in Q4 reduced demand for winter products, which led to a small 1% increase in DTC sales compared to 2024. In North America, Reima's own digital channel grew by 31%, or 40% in local currency, compared to 2024.

### **Profitability**

#### ***October- December 2025***

In the fourth quarter Reima's gross profit increased to EUR 14.7 million from EUR 13.3 million in 2024. Gross margin increased to 47.8% from 46.6% in 2024. Increase was driven mainly by operational efficiency improvements and pricing actions. Adjusted EBITDA increased to EUR 6.6 million (EUR 5.0 million), driven by an improvement in gross margin % and lower operating expenses. The operational challenges experienced by Reima's third-party logistics partner in Europe impacted negatively on Reima's revenue and profitability, due to cancelled orders and limited

availability of products, and created significant one-off costs in the fourth quarter. Reima has worked extensively with the logistics partner to reduce risks of similar disruptions in the future.

## **January-December 2025**

During January-December Reima's gross profit increased to EUR 37.5 million from EUR 35.1 million in 2024 and gross margin increased to 43.6% from 41.7% in 2024. Increase was driven mainly by operational efficiency and pricing actions. Adjusted EBITDA increased from previous year and amounted to 6.0 million (EUR 4.6 million), driven by increased net sales and higher gross margin %. The operational challenges experienced by Reima's third-party logistics partner in Europe impacted negatively on Reima's revenue and profitability, due to cancelled orders and limited availability of products, and created significant one-off costs. Reima has worked extensively with the logistics partner to reduce risks of similar disruptions in the future.

## **Balance sheet**

The consolidated balance sheet total was EUR 115.4 million (EUR 103.2 million) at the end of December 2025.

Cash and cash equivalents totaled EUR 15.4 million (EUR 2.7 million) at the end of December 2025. Inventory balance at the end of December was at EUR 19.3 million (EUR 19.0 million), up 1%, due to unusually warm weather which impacted DTC demand in Europe in the fourth quarter.

## **Cash flow and financing**

Cash flow before change in net working capital was EUR 9.3 million (EUR -1.2 million), driven by improved profitability. After change in net working capital and finance items, the cash flow from operating activities was EUR 0.6 million (EUR -0.6 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 December 2025, senior net debt (as defined in the bond terms) was EUR 14.1 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 2.0 million in January-December 2025, down from EUR 4.9 million in 2024. As Reima has made significant digital and IT related investments in the past years, there were no material investments in 2025.

## Significant events during the reporting period

The majority owner of the Reima Group changed in April 2025. The new ownership group consists of Reima's Chair of the Board Elina Björklund as well as Swedish fashion and activewear brand experts and investors Anders Ullstrand and Jonas Meerits. After the new ownership and new financing were confirmed, the previous main owner waived a management fee receivable which was EUR 5.3 million at the end of financial year 2024.

In June 2025 Reima signed an updated financing agreement, issued a three-year 25 MEUR bond which will mature on 10 June 2028, and concurrently repaid credit limits and revolving credit facilities.

The increased US tariffs did not have a significant negative impact on the profitability of Reima's North American operations in 2025. Reima is following the situation closely and has implemented operational and commercial actions, including selected price increases, to offset the increased tariff costs in the second half of 2025.

Reima is also 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 2025, Reima closed two stores in Finland, one in Sweden and seven in China. In total Reima had 29 own retail stores at the end of 2025 (39 stores) and 37 franchise partner stores (37 stores). At the same time, Reima has opened new digital marketplaces in the United States and in Europe.

## Personnel

In 2025 the number of personnel, expressed as full-time equivalents, averaged 285 (310 in 2024) and at the end of the year Reima had 261 employees (315). Change in the number of personnel at the end of the year was driven by closed stores in China and Europe.

## 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.

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 guarantee 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.

Product sustainability means that the product is safe, durable, and made from more sustainable materials. Reima has a specified list of preferred materials that have been selected for their environmental benefits in the supply chain. To underline the significance of climate action, Reima was the first Finnish apparel company to commit to the Science Based Targets initiative (SBTi), and the company's targets were approved in the beginning of 2023.

## Key financial data

	1 Oct - 31 Dec	1 Oct - 31 Dec	1 Jan - 31 Dec	1 Jan - 31 Dec	Last twelve months
EUR thousands	2025	2024	2025	2024	
Revenue	30 645	28 581	86 011	84 127	86 011
Gross profit	14 652	13 331	37 523	35 052	37 523
Gross margin, %	47.8 %	46.6 %	43.6 %	41.7 %	43.6 %
EBITDA	4 853	3 128	3 454	1 860	3 454
Adj. EBITDA	6 555	4 995	5 997	4 569	5 997
Net debt to adj. EBITDA <sup>1</sup>					3.2

### Calculation of net debt<sup>1</sup> 31 Dec 2025

#### EUR thousands

Senior secured bond	24 381
Factoring credit	130
Other senior debt	0
Leasing debt	5 032
Cash and cash equivalents	-15 414
<b>Net interest bearing debt</b>	<b>14 129</b>

<sup>1</sup>As defined in the bond terms

## Reconciliation of alternative performance measures to IFRS

EBITDA and adjusted EBITDA	1 Oct - 31 Dec	1 Oct - 31 Dec	1 Jan - 31 Dec	1 Jan - 31 Dec
EUR thousands	2025	2024	2025	2024
<b>Operating result</b>	<b>3 242</b>	<b>1 658</b>	<b>2 842</b>	<b>-3 716</b>
Depreciation & amortization	1 611	1 290	5 832	4 841
Other non-cash adjustment	0	181	-5 220	735
<b>EBITDA</b>	<b>4 853</b>	<b>3 128</b>	<b>3 454</b>	<b>1 860</b>
One-off items	1702	1867	2544	2 708
<b>Adjusted EBITDA</b>	<b>6 555</b>	<b>4 995</b>	<b>5 997</b>	<b>4 569</b>

## Disaggregation of revenue

	1 Oct - 31 Dec 2025		1 Oct - 31 Dec 2024		1 Jan - 31 Dec 2025		1 Jan - 31 Dec 2024	
EUR thousands								
Wholesale	10 319	34 %	9 950	35 %	42 925	50 %	41 466	49 %
Direct-to-consumer	20 325	66 %	18 632	65 %	43 085	50 %	42 661	51 %
<b>Total</b>	<b>30 645</b>	<b>100 %</b>	<b>28 581</b>	<b>100 %</b>	<b>86 011</b>	<b>100 %</b>	<b>84 127</b>	<b>100 %</b>

## Quarterly information

	1 Oct - 31 Dec	1 Jul - 30 Sep	1 Apr - 30 Jun	1 Jan - 31 Mar	1 Oct - 31 Dec	1 Jul - 30 Sep
EUR thousands	2025	2025	2025	2025	2024	2024
Revenue	30 645	29 159	9 734	16 473	28 581	30 248
Gross profit	14 652	13 147	3 630	6 094	13 331	13 091
Gross margin, %	47.8 %	45.1 %	37.3 %	37.0 %	46.6 %	43.3 %
EBITDA	4 853	5 572	-4 432	-2 539	3 128	5 194
Adj. EBITDA	6 555	5 674	-4 089	-2 143	4 995	5 326

## CONSOLIDATED INCOME STATEMENT

EUR thousands	1 Oct - 31 Dec 2025	1 Oct - 31 Dec 2024	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Revenue	30 645	28 581	86 011	84 127
Materials and services	(15 993)	(15 250)	(48 487)	(49 075)
<b>Gross profit</b>	<b>14 652</b>	<b>13 331</b>	<b>37 523</b>	<b>35 052</b>
Other operating income	5 238	17	5 293	177
Personnel expenses	(3 382)	(3 466)	(15 145)	(14 068)
Other operating expenses	(11 654)	(6 935)	(18 998)	(20 035)
Depreciation, amortisation and impairment losses	(1 611)	(1 290)	(5 832)	(4 841)
<b>Operating result</b>	<b>3 242</b>	<b>1 658</b>	<b>2 842</b>	<b>(3 716)</b>
Finance income	963	798	614	1 617
Finance expenses	(2 272)	(3 786)	(11 269)	(13 395)
<b>Net finance expenses</b>	<b>(1 309)</b>	<b>(2 988)</b>	<b>(10 655)</b>	<b>(11 777)</b>
<b>Profit (Loss) before tax</b>	<b>1 932</b>	<b>(1 330)</b>	<b>(7 813)</b>	<b>(15 493)</b>
Tax expense	(292)	(413)	(538)	(123)
<b>Profit (Loss) for the financial year</b>	<b>1 640</b>	<b>(1 744)</b>	<b>(8 351)</b>	<b>(15 616)</b>
<b>Profit (Loss) for the financial year attributable to</b>				
Owners of the parent company	1 640	(1 744)	(8 351)	(15 616)

## CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

<b>Profit (Loss) for the financial year</b>	<b>1 640</b>	<b>(1 744)</b>	<b>(8 351)</b>	<b>(15 616)</b>
<b>Other comprehensive income</b>				
Items that may be subsequently reclassified to profit or loss				
Foreign currency translation difference	1 251	(1 394)	1 335	(631)
Cash flow hedging	(381)	(133)	341	(158)
<b>Total other comprehensive income for the financial year</b>	<b>871</b>	<b>(1 527)</b>	<b>1 676</b>	<b>(789)</b>
<b>Total comprehensive income for the financial year</b>	<b>2 511</b>	<b>(3 271)</b>	<b>(6 675)</b>	<b>(16 405)</b>
<b>Total comprehensive income attributable to</b>				
Owners of the parent company	2 511	(3 271)	(6 675)	(16 405)

## CONSOLIDATED BALANCE SHEET

EUR thousands	31 Dec 2025	31 Dec 2024
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible assets	5 060	6 119
Goodwill	50 900	50 900
Intangible assets and goodwill	55 960	57 019
Tangible assets	759	915
Right-of-use assets	4 952	5 068
<b>Total non-current assets</b>	<b>61 671</b>	<b>63 002</b>
<b>Current assets</b>		
Inventories	19 320	18 974
Trade and other receivables	16 839	16 389
Deferred tax assets	2 137	2 113
Cash and cash equivalents	15 414	2 718
<b>Total current assets</b>	<b>53 710</b>	<b>40 194</b>
<b>Total assets</b>	<b>115 381</b>	<b>103 196</b>
<b>EQUITY</b>		
Share capital	5	5
Reserve for invested non-restricted equity	101 346	101 346
Translation differences	1 107	(228)
Cash flow hedge reserve	(364)	(23)
Retained earnings	(136 636)	(128 285)
<b>Total equity<sup>1</sup></b>	<b>(34 541)</b>	<b>(27 184)</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Bond	24 381	0
Subordinated loans	93 170	911
Lease liabilities	3 505	3 508
Other financial and other non-current liabilities	3 376	3 164
Deferred tax liabilities	2 572	2 369
<b>Total non-current liabilities</b>	<b>127 004</b>	<b>9 953</b>
<b>Current liabilities</b>		
Borrowings from financial institutions	130	92 550
Lease liabilities	1 527	1 415
Trade and other payables	21 260	26 462
Liabilities related to assets held for sale	0	0
<b>Total current liabilities</b>	<b>22 917</b>	<b>120 426</b>
<b>Total liabilities</b>	<b>149 922</b>	<b>130 379</b>
<b>Total equity and liabilities</b>	<b>115 381</b>	<b>103 196</b>

<sup>1</sup>The presentation of retained earnings and translation difference has been corrected to agree with opening IFRS balance during the financial year 2025.

## CONSOLIDATED CASH FLOW STATEMENT

EUR thousands	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
<b>Cash flows from operating activities</b>		
Profit (Loss) before tax for the financial year	(7 813)	(15 493)
Adjustments:		
Depreciation, amortization and impairment losses	5 832	4 841
Finance income and finance expenses	10 655	11 777
Other adjustments <sup>1</sup>	595	(2 355)
Cash flows before change in net working capital	9 269	(1 230)
Change in net working capital:		
Change in trade and other receivables (increase (-) / decrease (+))	(45)	(2 896)
Change in inventories (increase (-) / decrease (+))	(369)	5 841
Change in trade and other payables (increase (+) / decrease (-))	(5 405)	(1 017)
Cash flows before finance items	3 450	699
Interest paid and other financial items	(2 525)	(1 483)
Interest received	3	-
Income taxes paid	(363)	212
<b>Net cash from operating activities (A)</b>	<b>565</b>	<b>(573)</b>
<b>Cash flows from investing activities</b>		
Acquisition of intangible and tangible assets	(2 325)	(4 907)
Proceeds from sale of property, plant and equipment	-	13
<b>Net cash used in investing activities (B)</b>	<b>(2 325)</b>	<b>(4 893)</b>
<b>Cash flows from financing activities<sup>2</sup></b>		
Proceeds from current loans and borrowings	-	12 774
Repayment of current loans and borrowings	(10 041)	(5 079)
Proceeds from non-current loans and borrowings	27 000	1 143
Repayment of lease liabilities	(2 507)	(2 617)
<b>Net cash from financing activities (C)</b>	<b>15 452</b>	<b>6 222</b>
<b>Net cash from (used in) operating, investing and financing activities (A+B+C)</b>	<b>12 692</b>	<b>(756)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>12 692</b>	<b>(756)</b>
Cash and cash equivalents at 1 January	2 718	1 942
Effect of fluctuations in exchange rate on cash held	5	20
<b>Cash and cash equivalents at reporting end</b>	<b>15 414</b>	<b>2 718</b>

<sup>1</sup> Includes exchange rate differences and non-cash items, among others.

<sup>2</sup> Financing activities include recourse factoring credit liabilities