Richards Group Inc. Announces 2026 First Quarter Results

Toronto, Ontario--(Newsfile Corp. - May 4, 2026) - Richards Group Inc. (TSX: RIC) (the "Company") announced today results for the quarter ended March 31, 2026.

"The first quarter of 2026 saw a few important milestones in our long-term strategic plan. We launched a series of new OEM products under the DermapenWorld brand, grew significantly across our healthcare distribution verticals, and continued packaging modernization with ecommerce fulfillment site launches and the go-live of a new CRM.

On a macro level, Q1 saw the full impact of US tariffs implemented on Liberation Day in 2025. Particularly for our packaging business, material input costs are up, freight is up, and US consumer sentiment is at its lowest level since the 1950s. Those together created a significant drop in US demand, with some knock-on effects in Canada.

Food & Beverage and Cosmetic packaging revenues were down 18% and 16% respectively, heavily driven by the US, however gross margins improved, excluding one-time prior year adjustments, under our continuing pivot to smaller customers and more profitable niche segments.

In Healthcare, our OEM growth strategy is underway with the launch of the Synergist® and Plasma Power®, former Luvo® products, under the DermapenWorld® brand. Also launched were new red light therapy mask and cap products for skin and hair rejuvenation. Extensions to the DP Dermaceutical® line round out the offering. Significant investment in marketing, travel, and personnel supported these launches and we are now monitoring for expected sales growth in future quarters.

Finally, our healthcare distribution businesses had stand-out performance, beating targets on top line growth and favorable product mix shifts. Our Pharmacy vertical led the way with significant margin improvements due to product mix, followed by aesthetic, dental, and surgical verticals all ahead of expectations. Vision care had a slightly slow start, with softer demand for capital devices and relative cost increases compressing revenue and gross margin.

As always, the Richards management team continues marching toward our 2030 strategic vision. As the work done in past years now begins to bear fruit, we are increasingly confident in our value creation path and the future of the company," commented John Glynn, Director and Trustee.

Details of the Company's results are currently available on the Company's website at www.richardsgroup.com and on SEDAR+ at www.sedarplus.ca

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About Richards Group Inc.

Founded in 1912 and headquartered in Mississauga, Ontario, Canada, Richards Group operates across two core segments, Healthcare and Packaging, serving a global customer base with market leading medical devices, supplies, and equipment, as well as a diverse offering of glass and plastic packaging solutions. Richards is the largest Canadian distributor in aesthetic, pharmacy, and vision care devices, the third largest in Canadian packaging, and is newly developing a medical device global OEM footprint. The company differentiates itself through product innovation, high touch service, and deep industry expertise. For more information, visit richardsgroup.com.

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