

OUR ENVIRONMENT



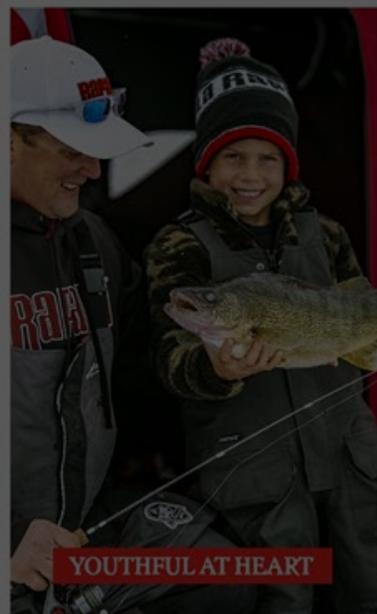
PROUD OF OUR HERITAGE



PASSIONATE ANGLERS



PROGRESSIVE



YOUTHFUL AT HEART



COMMITTED TO QUALITY

RAPALA VMC CORPORATION



ONLY THE BEST



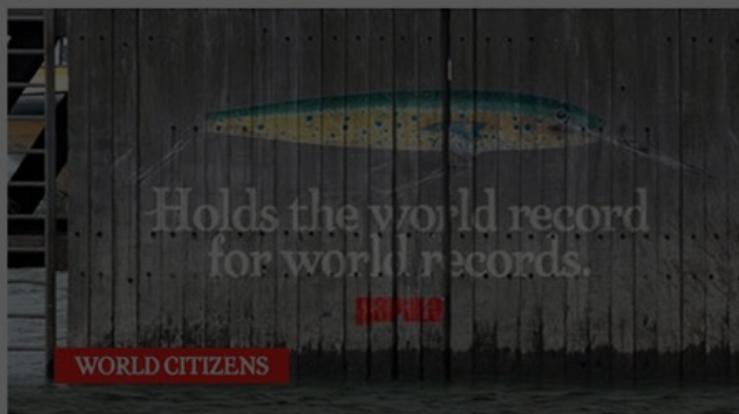
INCLUSION



DO IT OUR WAY



PREMIUM PERFORMANCE



WORLD CITIZENS



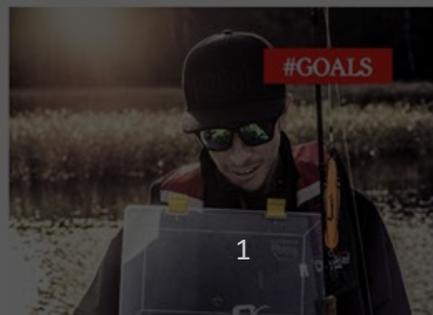
DEMANDING



Rapala® VMC



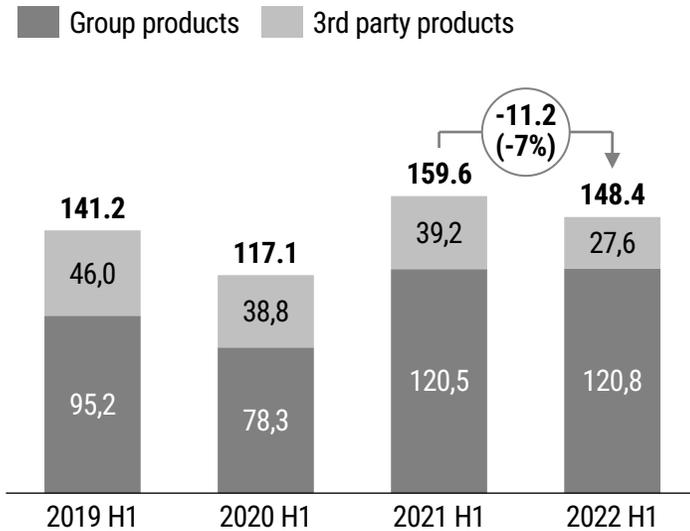
110% AUTHENTIC



#GOALS

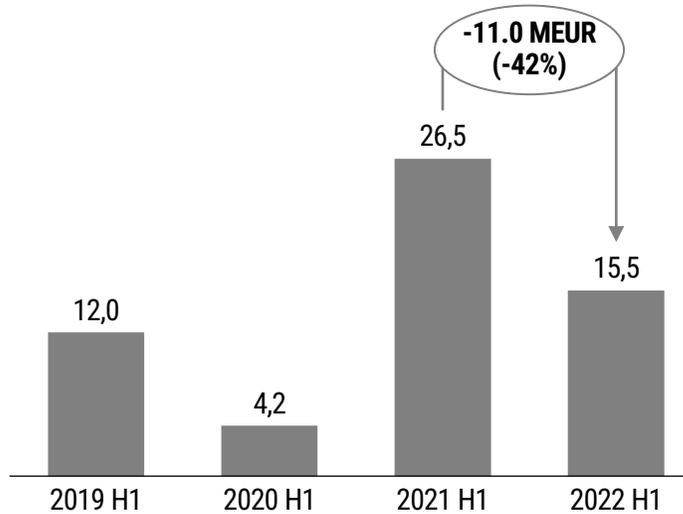
Sales and profitability down from last year in a tough market environment – strong implementation of ONE RAPALA VMC strategy continued

Net sales (MEUR)



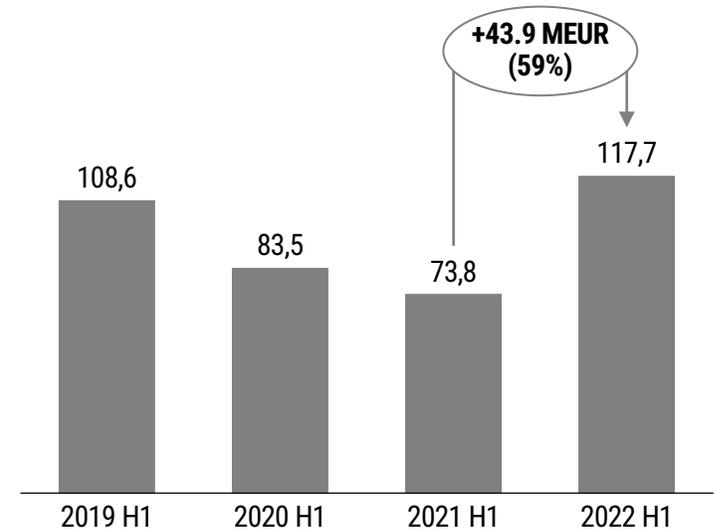
- FX comparable change: -12% (-19.7 MEUR)
- Group Products sales decreased 7.0 MEUR from 2021 using comparable FX rates, covering 81% of total sales (75% in 2021)
- Ukrainian crisis, cold and late spring in the Northern hemisphere, and post-covid market normalization driving factors behind the sales decrease

Comparable operating profit (MEUR)



- The decreased profitability was affected by decline in sales in the normalized market environment
- Current macroeconomic environment with high inflation puts pressure on sales and profitability
- More favorable product mix and successful launch of Okuma distribution helped to offset part of the decline
- Compared to the pre-covid figures of 2019, the comparable operating profit was 3.6 MEUR higher

Inventory value (MEUR)



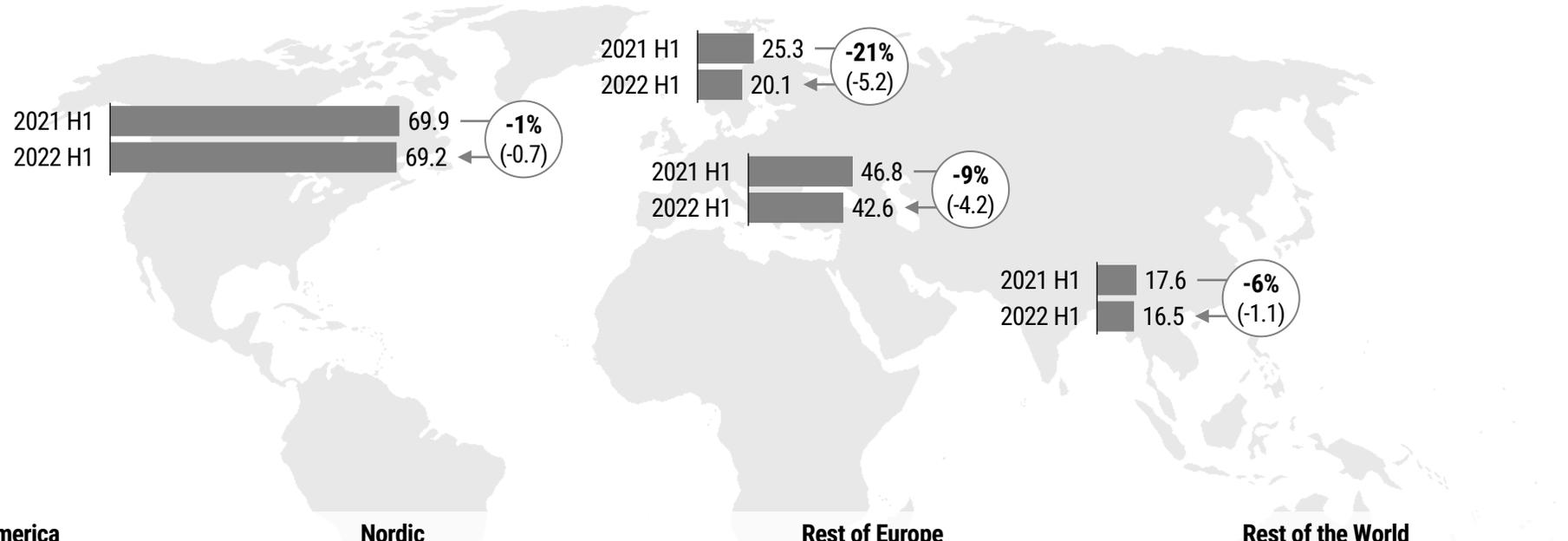
- FX comparable change: +50% (+39.0 MEUR)
- The cold and late spring in the Northern hemisphere as well as faster post-covid market normalization affected negatively inventory levels
- The increase in inventory was further amplified by the worldwide supply chain and logistical disruption
- Strong actions are ongoing to keep the inventory long-term on the right level with centralized S&OP decisions making and cutting the number of SKUs considerably

Full year outlook updated on April 28, 2022

- The Group expects **2022 full year comparable operating profit** (excluding mark-to-market valuations of operative currency derivatives and other items affecting comparability) **to be below the previous year**
- Higher than normal uncertainties and risks around the sales and profitability of the second half of the year in 2022.
- General macroeconomic environment and current high inflation impacts both consumers and retailers, which puts a strong pressure on the Group's profitability.
- General destocking and overall cautiousness at retail level impacts their purchases in all categories, even to some extent in categories where underlying consumer demand could be better.
- High inflation and especially high gas prices impact consumers and their demand on fishing tackle, which could be amplified by the general and broader shift of consumer spending from goods to services in the normalization of market conditions post-covid.



Trading conditions slowed from the comparison period and resulted in decline in sales



North America

- FX comparable change: -10% (-7.9 MEUR)
- The delayed spring, post-covid market normalization and inflation / high gas prices impacted the North America market
- Retailers destocking in the US

Nordic

- FX comparable change: -20% (-5.1 MEUR)
- Strategic focus on Group Products and the successful launch of Okuma distribution helped to maintain sales of continuing business close to last year's level despite the delayed spring
- Based on our strategy, sales of Third Party products decreased

Rest of Europe

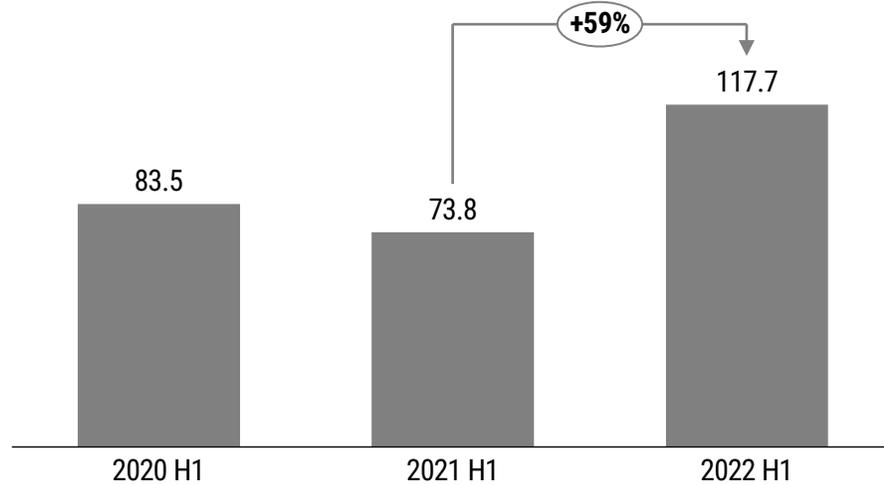
- FX comparable change: -11% (-5.1 MEUR)
- The Ukrainian crisis, delayed spring, and strategic termination of certain Third Party distributions had a negative impact on sales
- Decline was partially offset by the very strong start of the Okuma distribution

Rest of the World

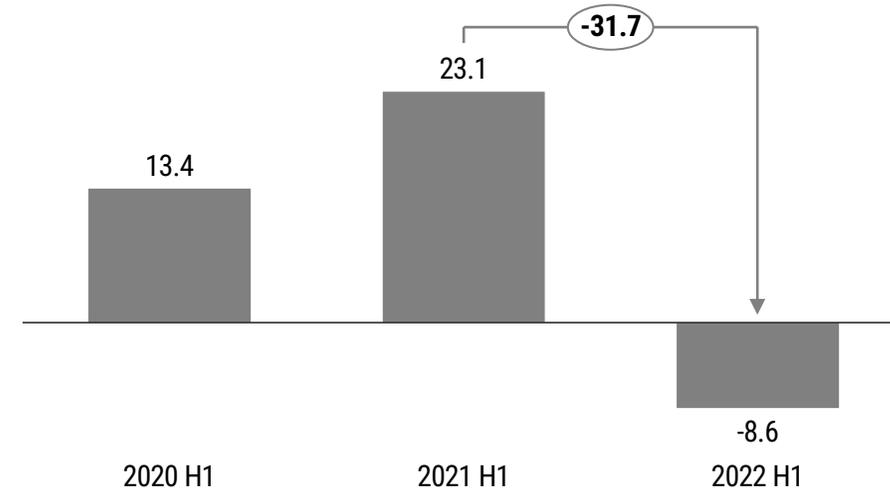
- FX comparable change: -9% (-1.6 MEUR)
- Market demand remained fairly solid
- The increased focus on Group Products kept the sales of this category close to last year's level.

Strong actions are ongoing to have the inventory long-term on the right level. Cash flow from operations negatively affected by the slowed trading conditions and increased inventories

Inventory (MEUR)



Cash flow from operations (MEUR)

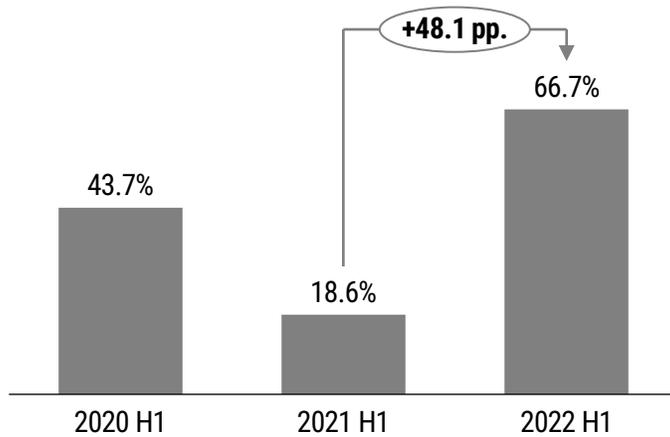


- End of June 2022 inventory was 117.7 MEUR
 - Cold and late spring in the Northern hemisphere as well as faster post-covid market normalization affected inventory levels negatively
 - Increase in inventory was further amplified by the worldwide supply chain and logistical disruption
 - Strong actions ongoing to have the inventory long-term on the right level with centralized S&OP decisions making and cutting both the number of SKUs and brands considerably

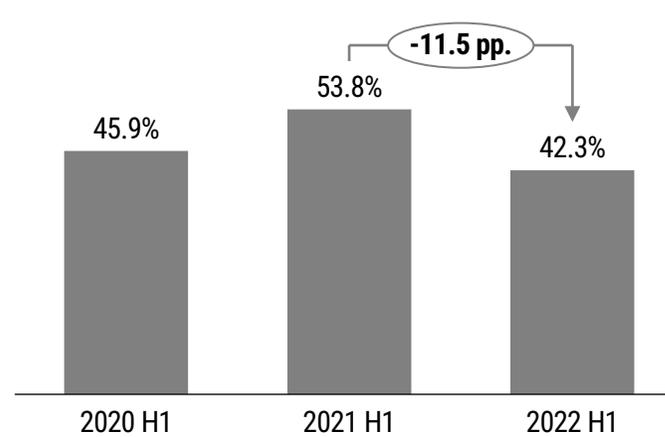
- Cash flow from operations -8.6 MEUR
 - Decreased cash flow was driven by the slowed trading conditions, and by the increase in inventory.

Net interest bearing debt increased from prior year

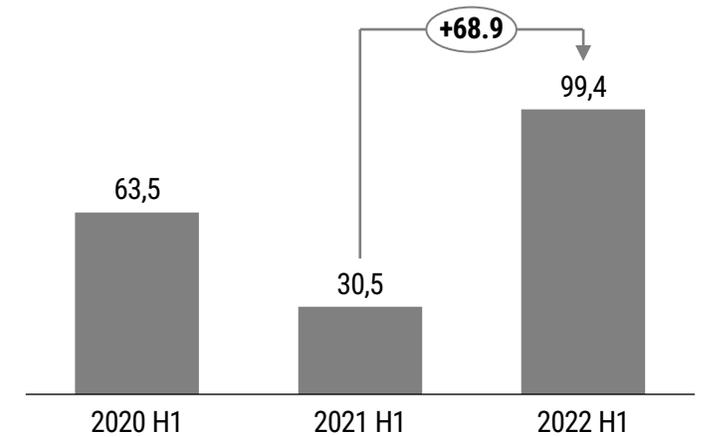
Gearing (%)



Equity ratio (%)



Net interest-bearing debt (MEUR)



- Liquidity position of the Group was good
 - Undrawn committed long-term credit facilities amounted to 40.4 MEUR at the end of the period
 - Gearing ratio increased and equity-to-assets ratio came down, but Group’s cash position remains strong, and cash and cash equivalents amount 25.2 MEUR on June 30, 2022

- The Group fulfils all the requirements of the lenders and expects to do this also in the future

APPENDIX

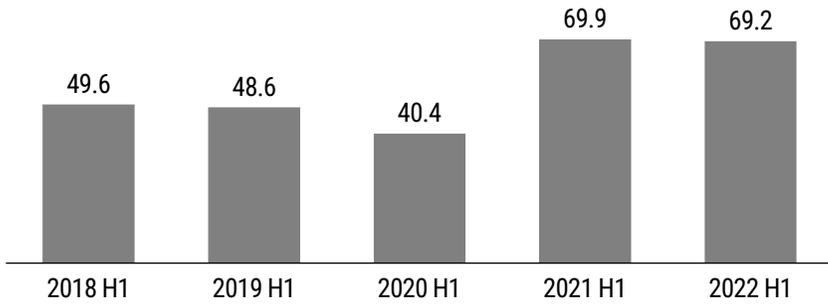
Rapala[®]
VMC

KEY FIGURES

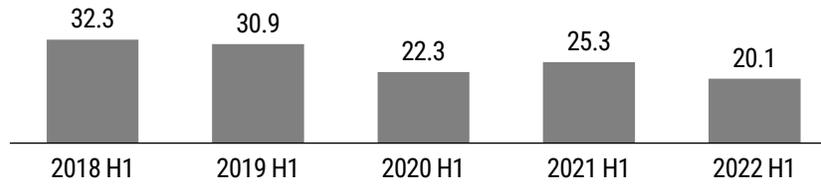
MEUR	2022 H1	2021 H1
Net sales	148.4	159.6
Operating profit	13.6	26.3
Operating profit, % of net sales	9.2 %	16.5 %
Comparable operating profit	15.5	26.5
Comparable operating profit, % of net sales	10.5 %	16.6 %
Net profit for the period	8.7	18.1
EPS (basic), EUR	0.22	0.43
Cash flow from operations	-8.6	23.1
Net interest-bearing debt	99.4	30.5
ROCE, %	11.9 %	27.5 %
Gearing, %	66.7 %	18.6 %
Equity to assets, %	42.3 %	53.8 %

GEOGRAPHICAL NET SALES

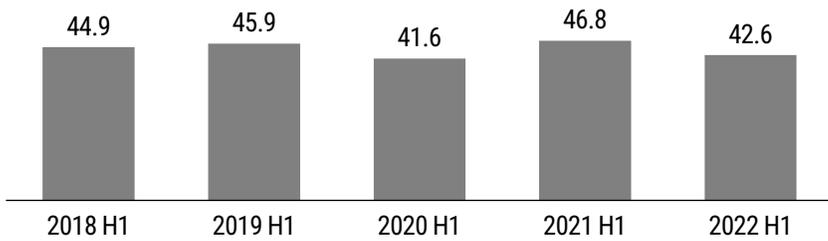
North America (MEUR)



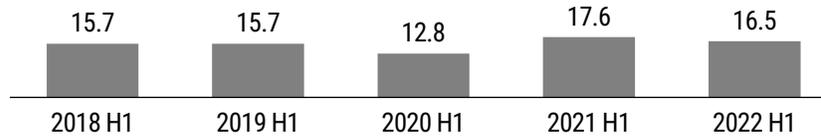
Nordic (MEUR)



Rest of Europe (MEUR)



Rest of the World (MEUR)



PROFIT AND LOSS STATEMENT

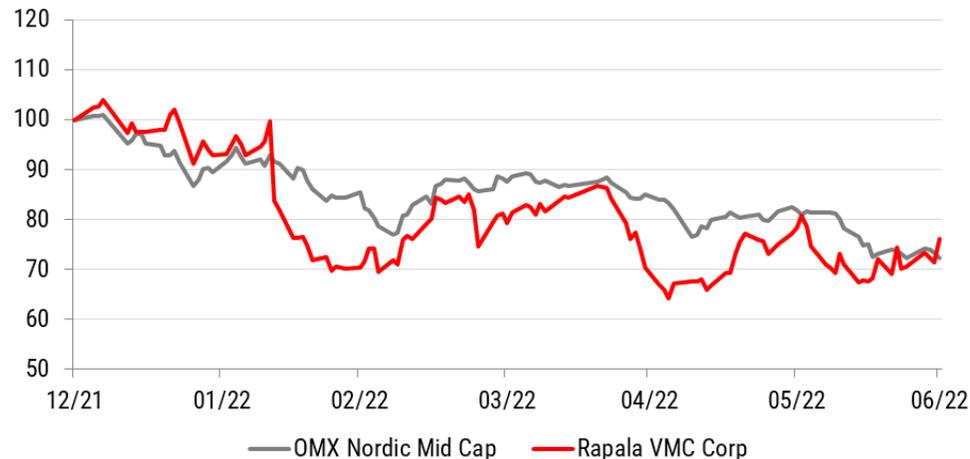
MEUR	2022 H1	2021 H1
Net sales	148.4	159.6
Other operating income	0.3	0.3
Materials and services	63.9	68.4
Personnel expenses	37.4	35.9
Other costs and expenses	27.3	24.5
Share of results in associates and joint ventures	-0.7	0.2
EBITDA	19.4	31.3
Depreciation, amortization and impairments	5.8	5.0
OPERATING PROFIT (EBIT)	13.6	26.3
Financial income and expenses	1.1	1.4
PROFIT BEFORE TAXES	12.5	24.9
Income taxes	3.9	6.9
NET PROFIT FOR THE PERIOD	8.7	18.1

BALANCE SHEET

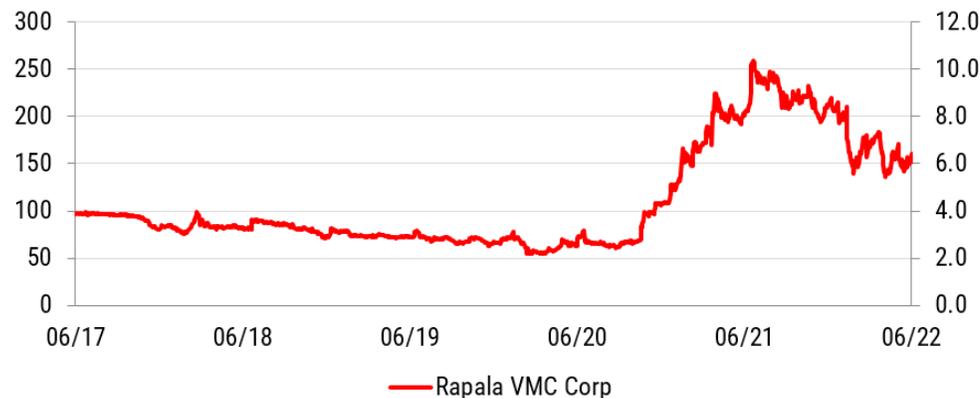
MEUR	2022 H1	2021 H1
ASSETS		
Non-current assets		
Intangible assets	84.0	79.0
Property, plant and equipment	27.0	23.6
Right-of-use asset	15.9	10.2
Non-current assets		
Interest-bearing	8.3	7.2
Non-interest-bearing	15.1	11.5
	150.4	131.7
Current assets		
Inventories	117.7	73.8
Current assets		
Interest-bearing	-	-
Non-interest-bearing	59.7	60.3
Cash and cash equivalents	25.2	39.3
	202.6	173.5
TOTAL ASSETS	353.0	305.1
EQUITY AND LIABILITIES		
Equity		
Equity attributable to the equity holders of the company	149.0	132.4
Non-controlling interests	-	6.4
Hybrid bond	-	25.0
	149.0	163.9
Non-current liabilities		
Interest-bearing	41.9	50.7
Non-interest-bearing	12.5	10.2
Lease liabilities	12.0	7.2
	66.3	68.1
Current liabilities		
Interest-bearing	74.7	15.3
Non-interest-bearing	58.6	53.9
Lease liabilities	4.4	3.9
	137.7	73.2
TOTAL EQUITY AND LIABILITIES	353.0	305.1

SHARES AND SHAREHOLDERS

Share Price Index Performance



Share Price Development, 2017-2022



SHARE RELATED DATA (6/2022)

Market capitalization	258.1 MEUR
12-month high / low	10.95 / 5.50 EUR
All-time high / low	10.95 / 2.15 EUR

MAJOR SHAREHOLDERS (6/2022)

% OF TOTAL

Viellard Migeon & Cie	39.0 %
Nordea Funds	13.3 %
The State Pension Fund	3.3 %
Shimano Singapore Private Limited	2.3 %
Aktia Funds	1.1 %
eQ Nordic Small Cap	0.9 %
Ilmarinen Mutual Pension Insurance	0.7 %
Coble James Jay	0.6 %
Elo Mutual Pension Insurance	0.4 %
Atavus Oy	0.4 %
Own shares	0.3 %