

OUR ENVIRONMENT



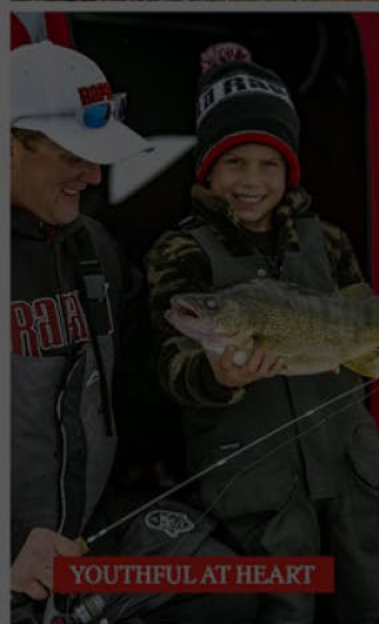
PROUD OF OUR HERITAGE



PASSIONATE ANGLERS



PROGRESSIVE



YOUTHFUL AT HEART



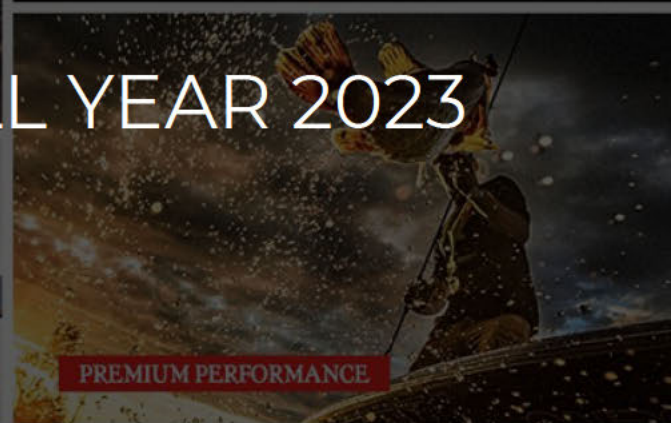
COMMITTED TO QUALITY



DO IT OUR WAY



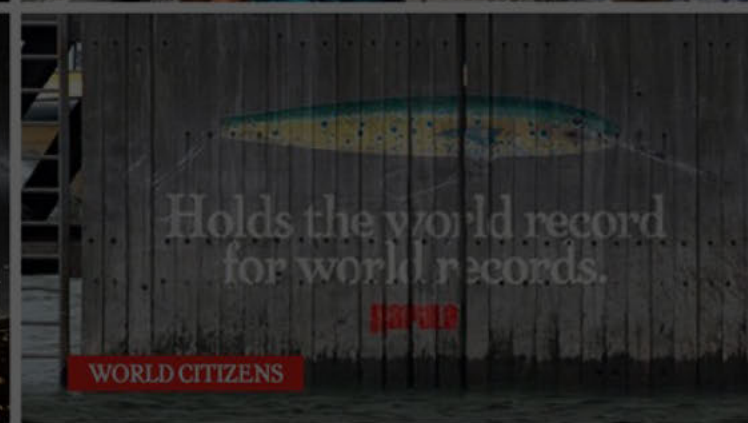
ONLY THE BEST



PREMIUM PERFORMANCE



INCLUSION



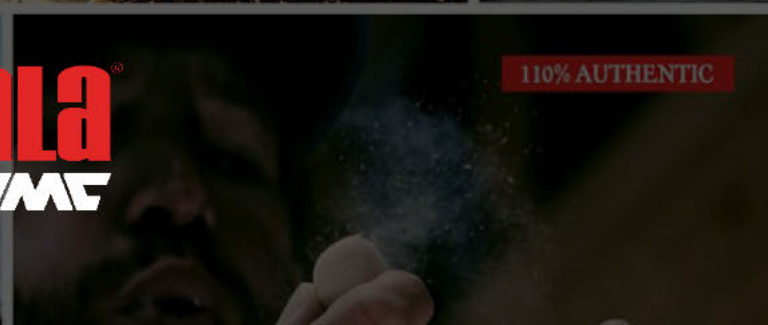
WORLD CITIZENS



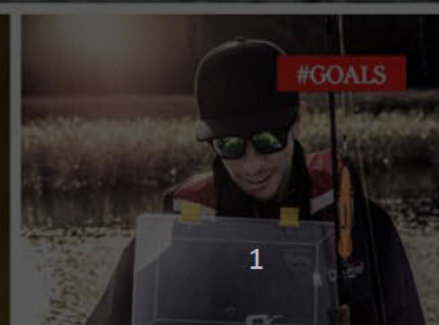
DEMANDING



Rapala  
VMC



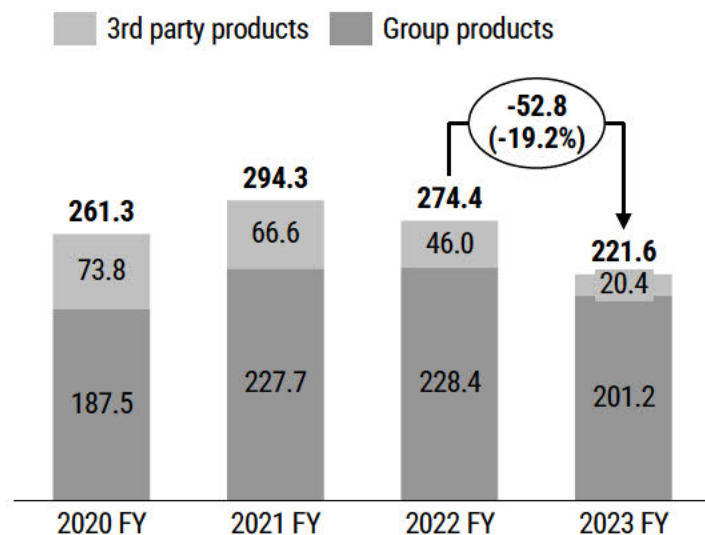
110% AUTHENTIC



#GOALS

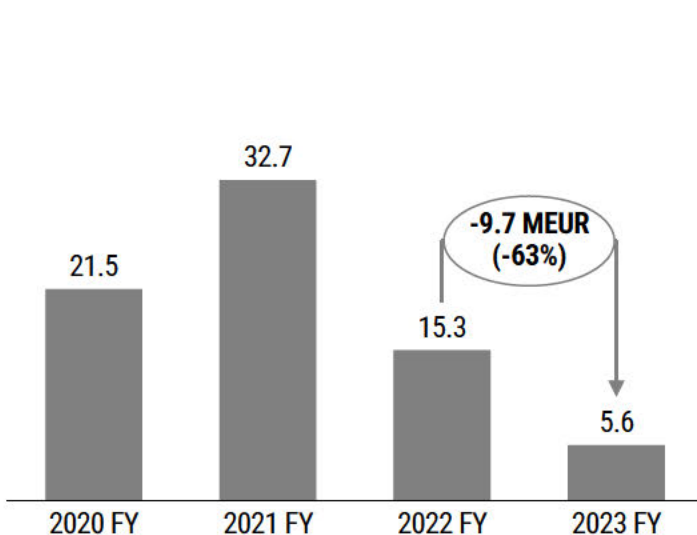
## Strong cash flow but sales and profitability down from last year in a tough market environment

Net sales (MEUR)



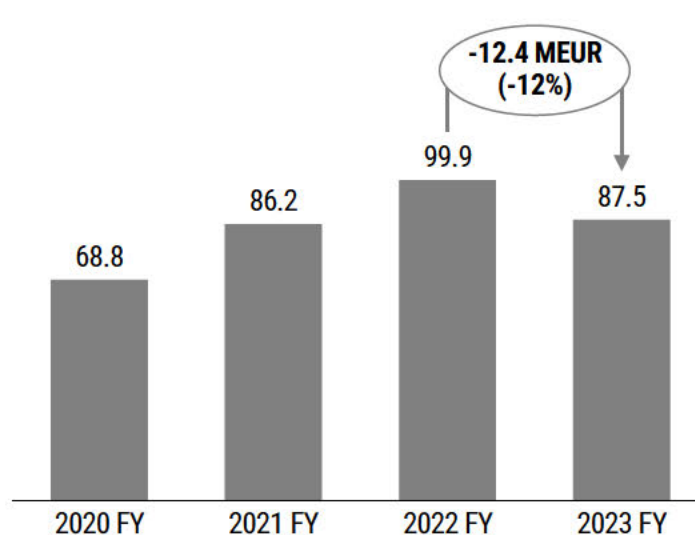
- FX comparable change: -17% (-45.5 MEUR)
- Group Products sales decreased 7% from 2022 using comparable FX rates, covering 94% of total sales (83% in 2022)
- Slow sales in H1 in most categories were a result of macroeconomic headwinds, but as the destocking started easing halfway 2023, most open water categories evidenced growing demand in the latter part of the year.

Comparable operating profit (MEUR)



- The decreased profitability was driven by lower sales in both open water fishing market and in winter businesses
- Production transfers increased costs temporarily, but this is expected to normalize in 2024
- 6 MEUR savings program is being implemented according to plan

Inventory value (MEUR)



- FX comparable change: -10% (-10.2 MEUR)
- Resolving retail level destocking and manufacturing capacity adjustments started to show results in the second half of the year and inventory decreased by 11.0 MEUR from June to December



## Short term outlook

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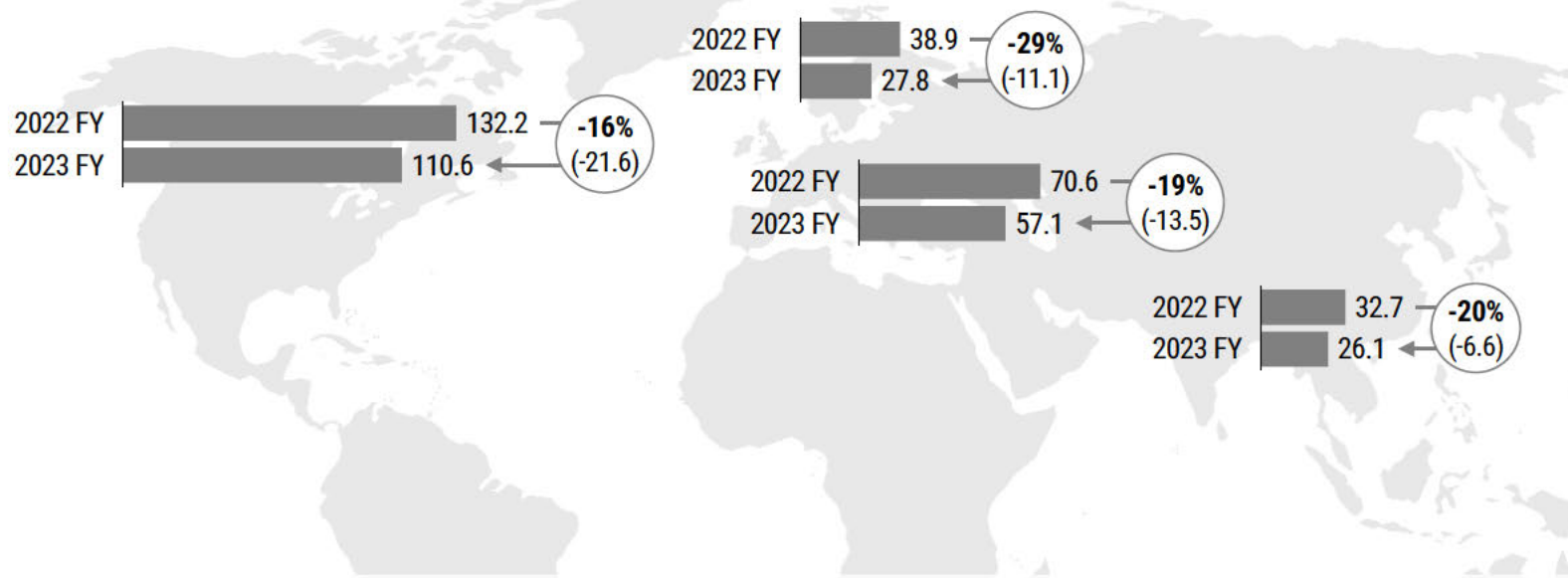
- The Group expects **2024 full year comparable operating profit** (excluding mark-to-market valuations of operative currency derivatives and other items affecting comparability) to **increase from 2023**.
- Trading outlook for 2024 is improving as evidenced by better operational performance in H2/2023.
- Retail inventories are finally returning to regular levels.
- 2024 will be the first full year of centralized manufacturing operations in Pärnu facility, while European distribution operations are engaged in improving profitability and efficiency. Also full integration of 13 Fishing products into the strong US sales network is expected to release synergies.



## KEY FIGURES

MEUR	2023 FY	2022 FY
Net sales	221,6	274,4
Operating profit	4,0	12,3
Operating profit, % of net sales	1,8 %	4,5 %
Comparable operating profit	5,6	15,3
Comparable operating profit, % of net sales	2,5 %	5,6 %
Net profit for the period	-6,9	3,7
EPS (basic), EUR	-0,19	0,10
Cash flow from operations	20,6	-12,9
Net interest-bearing debt	80,9	107,1
ROCE, %	1,6 %	5,4 %
Gearing, %	51,7 %	77,0 %
Equity to assets, %	52,5 %	41,2 %

# Operating environment remained tough due to the global economic slowdown and high inflation



## North America

- FX comparable change: -14% (-17.9 MEUR)
- Majority of the decline relates to sales of Third Party Products following a strategic decision to outsource the supply chain function of 13 Fishing products sold to DQC International (13 Fishing USA)
- Consumer demand for core products such as lures, fishing lines and accessories was resilient, while ice fishing category suffered from poor ice conditions

## Nordic

- FX comparable change: -28% (-10.6 MEUR)
- Retail destocking continued for a good part of the year but started normalizing towards the end of the year
- Poor retail sell-through in ski business impacted significantly on replenishment sales in early part of the year and had a knock-on impact to pre-season deliveries in H2.

## Rest of Europe

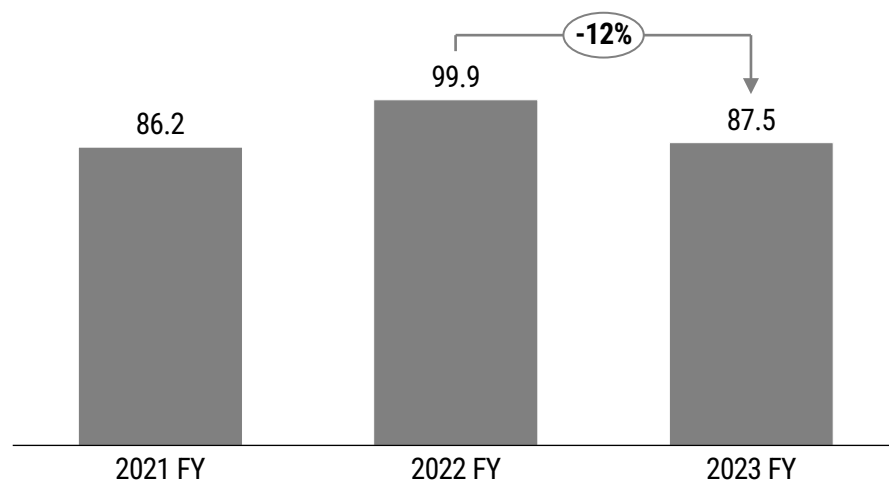
- FX comparable change: -17% (-11.3 MEUR)
- Retail destocking continued for a good part of the year but started normalizing towards the end of the year
- Hook and Okuma sales down.
- Discontinued Third Party distributorships explain 4 MEUR of the drop in sales

## Rest of the World

- FX comparable change: -18% (-5.7 MEUR)
- Consumers remained cautious throughout the year and discretionary spending remained low
- Sales decline came evenly across all categories.
- However, Australia and Brazil came out strong

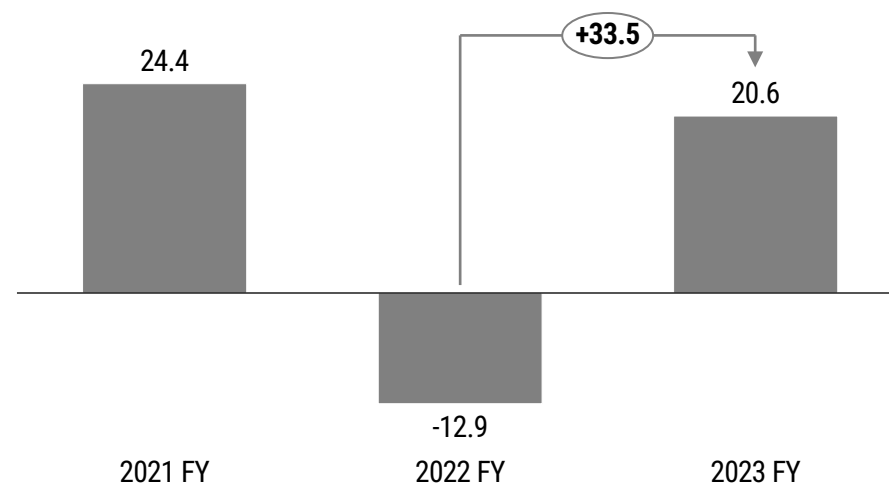
## Relentless focus on cash generation and driving down inventory levels resulted in a positive outcome

Inventory (MEUR)



- End of December 2023 inventory was 87.5 MEUR
  - The change in obsolescence allowance decreased inventory value by 0.7 MEUR and changes in translation exchange rates by 2.2. MEUR. Acquisition of DQC International increased inventory by some 3 MEUR.
  - Resolving retail level destocking and manufacturing capacity adjustments started to show results in the second half of the year – consequently, inventory decreased by 11.0 MEUR from June to December

Cash flow from operations (MEUR)

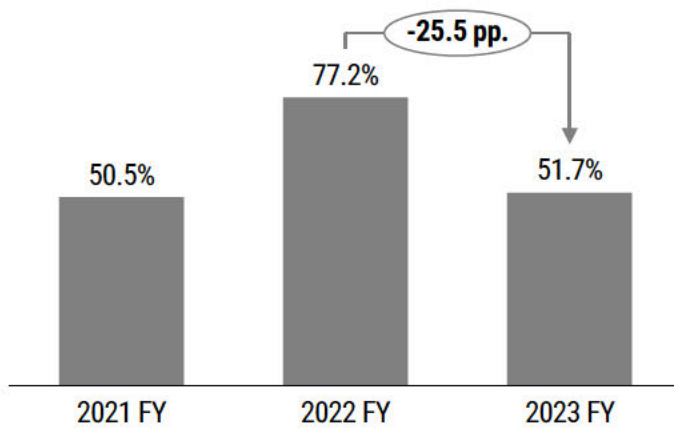


- Cash flow from operations was 20.6 MEUR
  - While profitability was lower and financial costs high, relentless focus on cash generation and driving down inventory levels resulted in a positive outcome
  - During the year, 9.9 MEUR was released from working capital, while last year 28.7 MEUR was tied in working capital

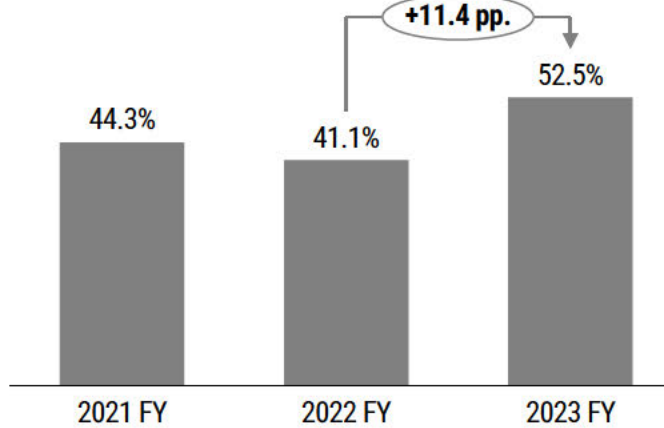


## Gearing ratio decreased and equity-to-assets ratio increased from last year following the issuance of a 30 MEUR hybrid capital bond

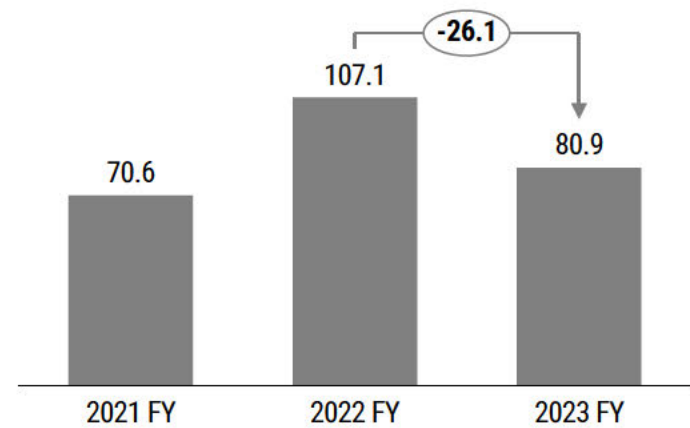
Gearing (%)



Equity ratio (%)



Net interest-bearing debt (MEUR)



- Liquidity position of the Group was good
  - Undrawn committed long-term credit facilities amounted to 35.0 MEUR at the end of the year
  - Gearing ratio decreased and equity-to-assets ratio increased following the issuance of a 30 MEUR hybrid capital bond
  - The Group's cash position remains good; cash and cash equivalents amounted 20.0 MEUR at the end of the year
- New syndicated refinancing agreement was signed on November 29.
- The Group fulfils all the requirements of the lenders and expects to do this also in the future
- Hybrid bond of 30 MEUR with 12.5% coupon interest pa. issued on November 22<sup>nd</sup>
- 106 MEUR secured term and revolving facilities signed on November 29<sup>th</sup> with decreasing steps in covenants



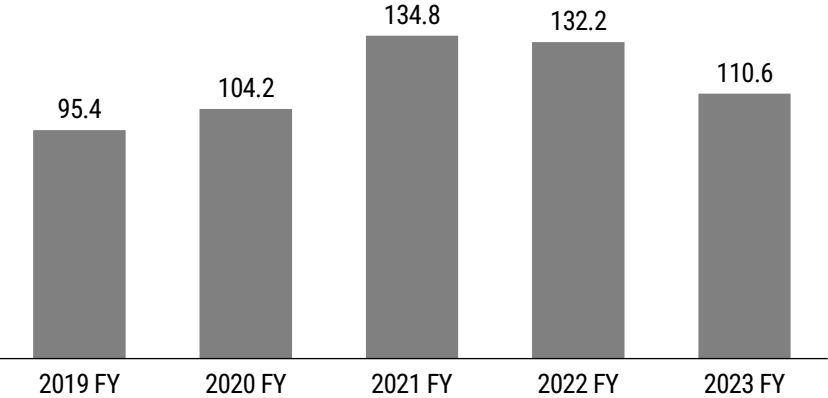
**APPENDIX**

**Rapala**  
VME

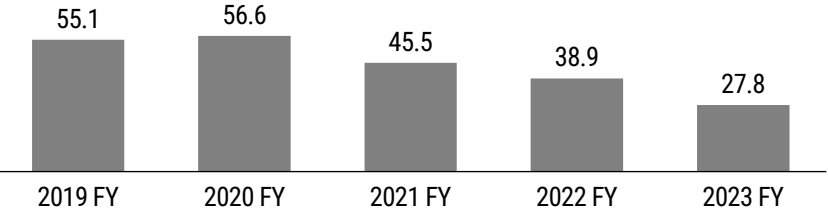


# GEOGRAPHICAL NET SALES

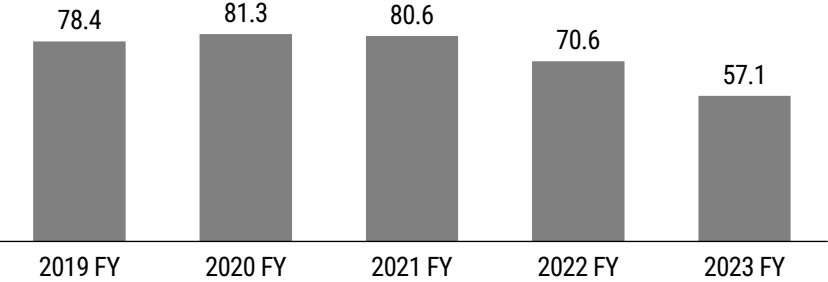
North America (MEUR)



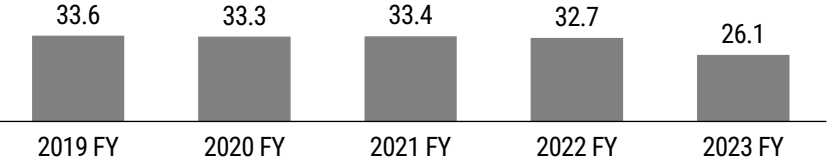
Nordic (MEUR)



Rest of Europe (MEUR)



Rest of the World (MEUR)



## PROFIT AND LOSS STATEMENT

MEUR	2023 FY	2022 FY
Net sales	221,6	274,4
Other operating income	1,0	0,4
Materials and services	96,0	125,2
Personnel expenses	61,7	71,5
Other costs and expenses	48,0	52,3
Share of results in associates and joint ventures	-1,3	-2,3
EBITDA	15,6	23,6
Depreciation, amortization and impairments	11,6	11,3
OPERATING PROFIT (EBIT)	4,0	12,3
Financial income and expenses	10,2	3,5
PROFIT BEFORE TAXES	-6,2	8,8
Income taxes	0,7	5,1
NET PROFIT FOR THE PERIOD	-6,9	3,7

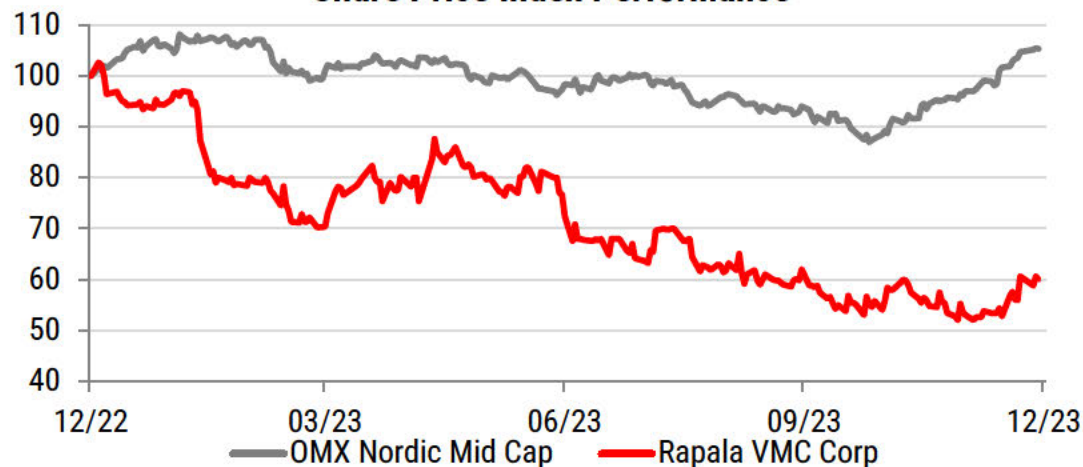


# BALANCE SHEET

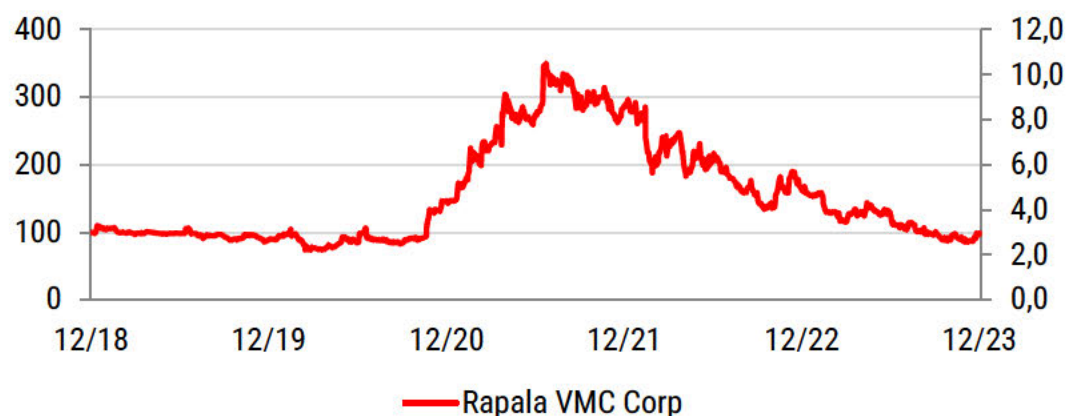
MEUR	2023 FY	2022 FY
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible assets	101,7	84,7
Property, plant and equipment	25,8	28,6
Right-of-use asset	13,5	16,0
<b>Non-current assets</b>		
Interest-bearing	0,7	11,8
Non-interest-bearing	13,2	13,1
	154,9	154,3
<b>Current assets</b>		
Inventories	87,5	99,9
<b>Current assets</b>		
Interest-bearing	-	2,8
Non-interest-bearing	36,1	52,1
Cash and cash equivalents	20,0	29,0
Assets classified as held-for-sale	1,9	
	145,6	183,9
<b>TOTAL ASSETS</b>	<b>300,4</b>	<b>338,1</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity attributable to the equity holders of the company	126,6	139,0
Non-controlling interests	0,0	0,0
Hybrid bond	30,0	-
	156,6	139,0
<b>Non-current liabilities</b>		
Interest-bearing	66,0	41,5
Non-interest-bearing	10,6	11,1
Right-of-use liabilities	9,6	11,8
	86,3	64,3
<b>Current liabilities</b>		
Interest-bearing	21,7	92,9
Non-interest-bearing	31,4	37,3
Right-of-use liabilities	4,3	4,6
	57,4	134,8
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>300,4</b>	<b>338,1</b>

## SHARES AND SHAREHOLDERS

Share Price Index Performance



Share Price Development, 2018-2022



### SHARE RELATED DATA (12/2023)

Market capitalization	117.0 MEUR
12-month high / low	5.13 / 2.60 EUR
All-time high / low	10.95 / 2.15 EUR

### MAJOR SHAREHOLDERS (12/2023)

### % OF TOTAL

Viellard Migeon & Cie	39,2 %
Nordea Funds	12,3 %
The State Pension Fund	3,3 %
Shimano Singapore Private Limited	2,3 %
Ilmarinen Mutual Pension Insurance	0,7 %
Coble James Jay	0,7 %
Aktia Funds	0,6 %
Taaleritehdas Mikro Markka Funds	0,6 %
Elo Mutual Pension Insurance	0,5 %
Overseas Cattle Company Oy Ltd	0,4 %
Own shares	0,3 %