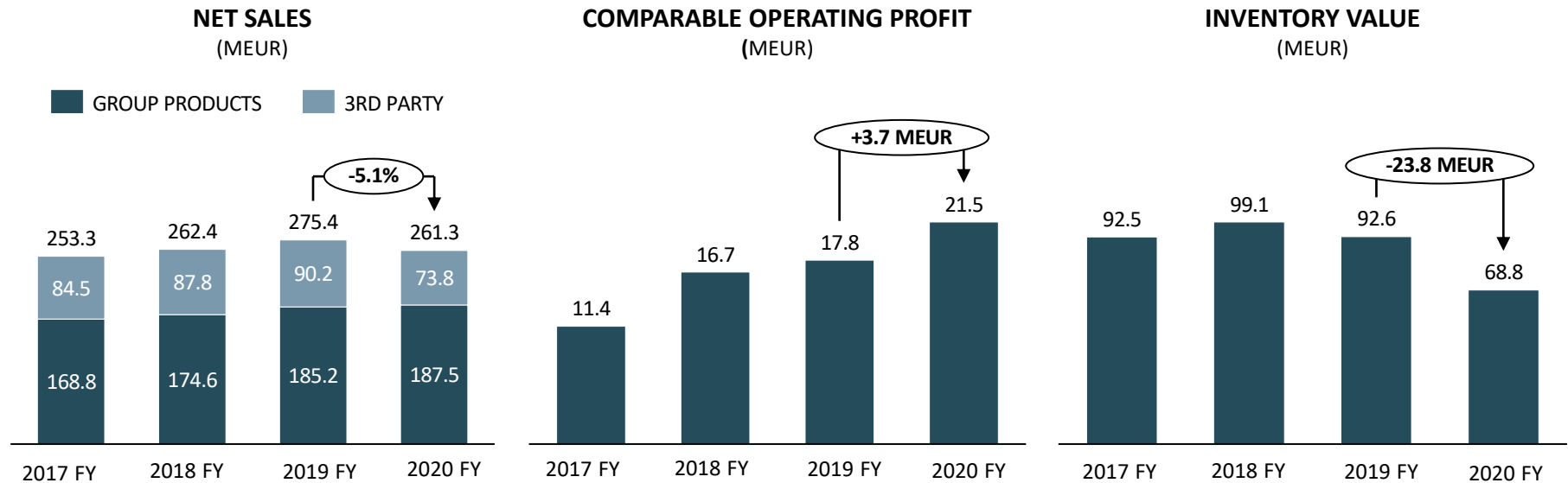




RAPALA VMC CORPORATION FULL YEAR 2020

February 10, 2021

COMPARABLE OPERATING PROFIT GREW FROM LAST YEAR; SUCCESSFUL AND FORCEFUL ACTIONS LED TO SIGNIFICANT REDUCTION IN INVENTORIES

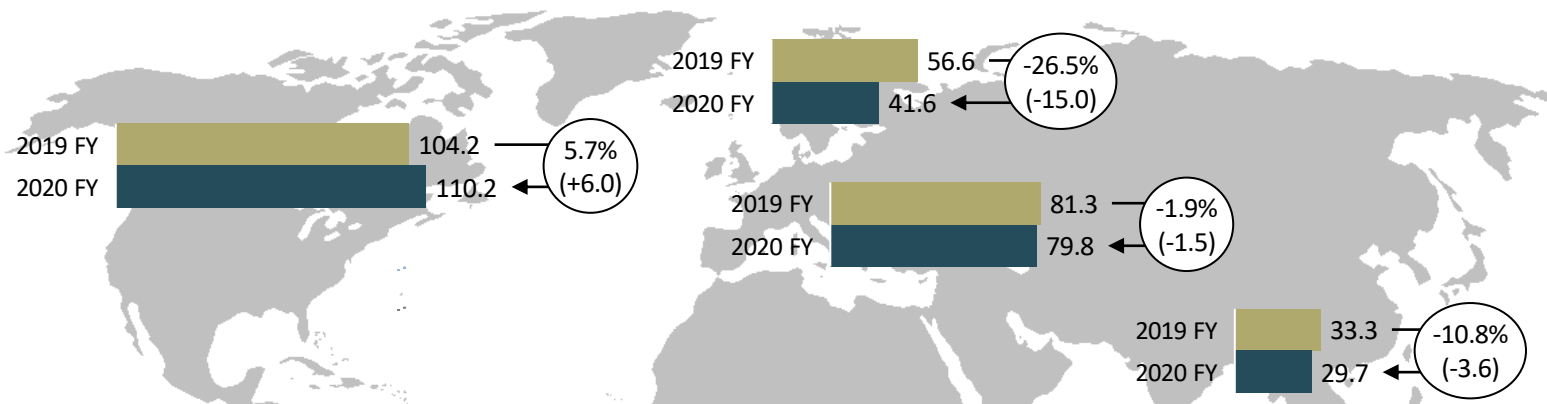


- FX comparable change: -2.5% (-6.7 MEUR)
- Group Products sales grew from 2019 by 4% using comparable FX rates
- Termination of Shimano distribution in non-JV countries as well as termination of certain other Third Party distribution agreements decreased total net sales from 2019

- FX comparable change: +24.8% (+4.3 MEUR)
- The increased profitability was driven by improved gross margin as the share of higher margin Group Products sales of total sales increased and decrease in operating expenses

- FX comparable change: -22.4% (-19.8 MEUR)
- Low year-end inventory value driven by tight control in inventory and centralized purchase quota allocations

SALES GROWTH IN NORTH AMERICA



NORTH AMERICA

- FX comparable change: +8.1% (+8.3 MEUR)
- Solid growth driven by rapid ramp-up from June onwards

NORDIC

- FX comparable change: -26.1% (-14.7 MEUR)
- Negative sales impact from the termination of Shimano and certain other Third Party distribution agreements. In addition, poor winter conditions reduced the winter sport sales in first quarter
- Sales grew in Group fishing products from the comparison period

REST OF EUROPE

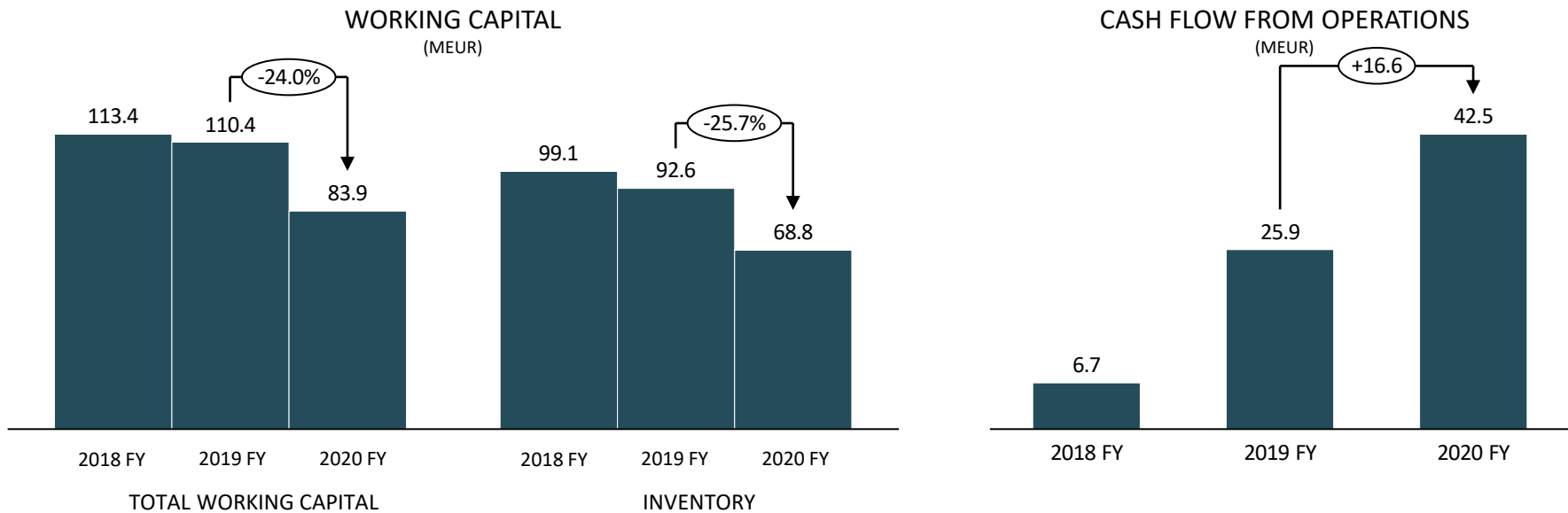
- FX comparable change: +0.7% (+0.5 MEUR)
- Group Product sales grew, but the termination of Shimano distribution kept the total sales figures on 2019 level

REST OF THE WORLD

- FX comparable change: -2.6% (-0.8 MEUR)
- Sales heavily hit by the pandemic on the first half. On the second half sales began to recover, but the recovery was slower than in other markets and did not reach the full sales figures of the comparison period
- The termination of Shimano distribution also had a negative impact on the sales

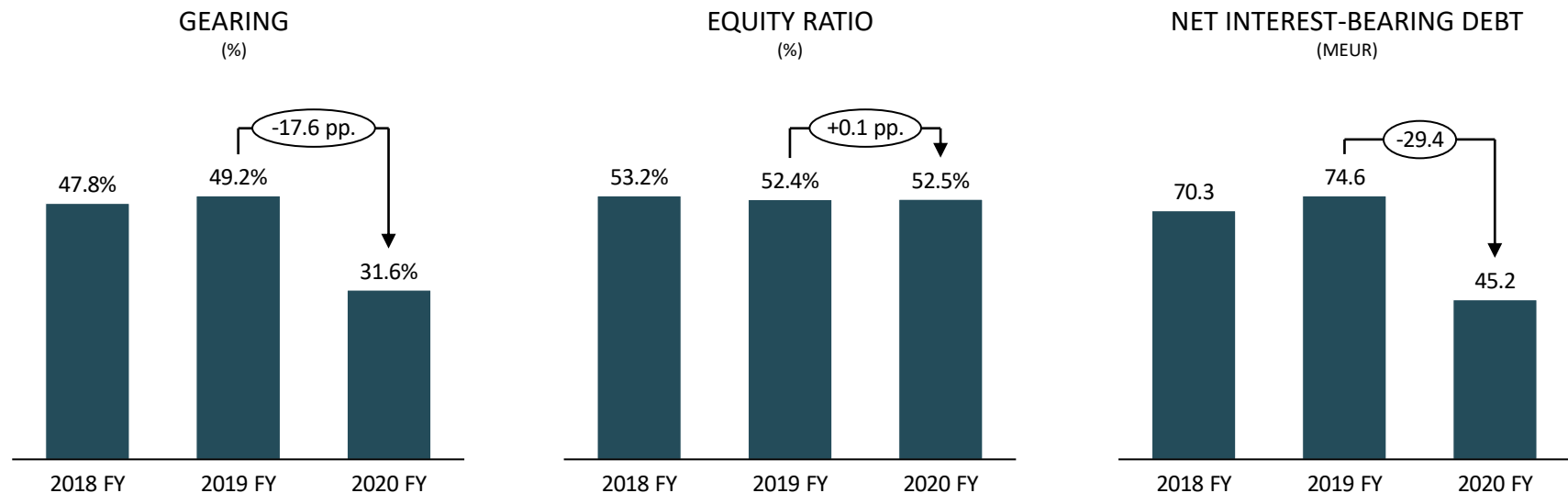
CASH FLOW AND WORKING CAPITAL

- Total working capital was 83.9
 - Inventories decreased by 23.8 MEUR and was driven by tight control in inventory and centralized purchase quota allocations
- Cash flow from operations at a high level of 42.5 MEUR
 - A key driver for the record cash flow was the positive development of working capital
 - Successful implementation and execution of the COVID-19 mitigation plan



FINANCIAL POSITION

- Liquidity position of the Group was good. Undrawn committed long-term credit facilities amounted to 10.0 MEUR. Gearing ratio decreased significantly and equity-to-assets ratio improved slightly from last year.
- The financial covenants include limits on the amount of indebtedness, available liquidity, EBITDA as well as gearing ratio. The Group is currently compliant with all financial covenants and expects to comply with all requirements set in the financing agreements also in the future



SHORT-TERM OUTLOOK AND GUIDANCE

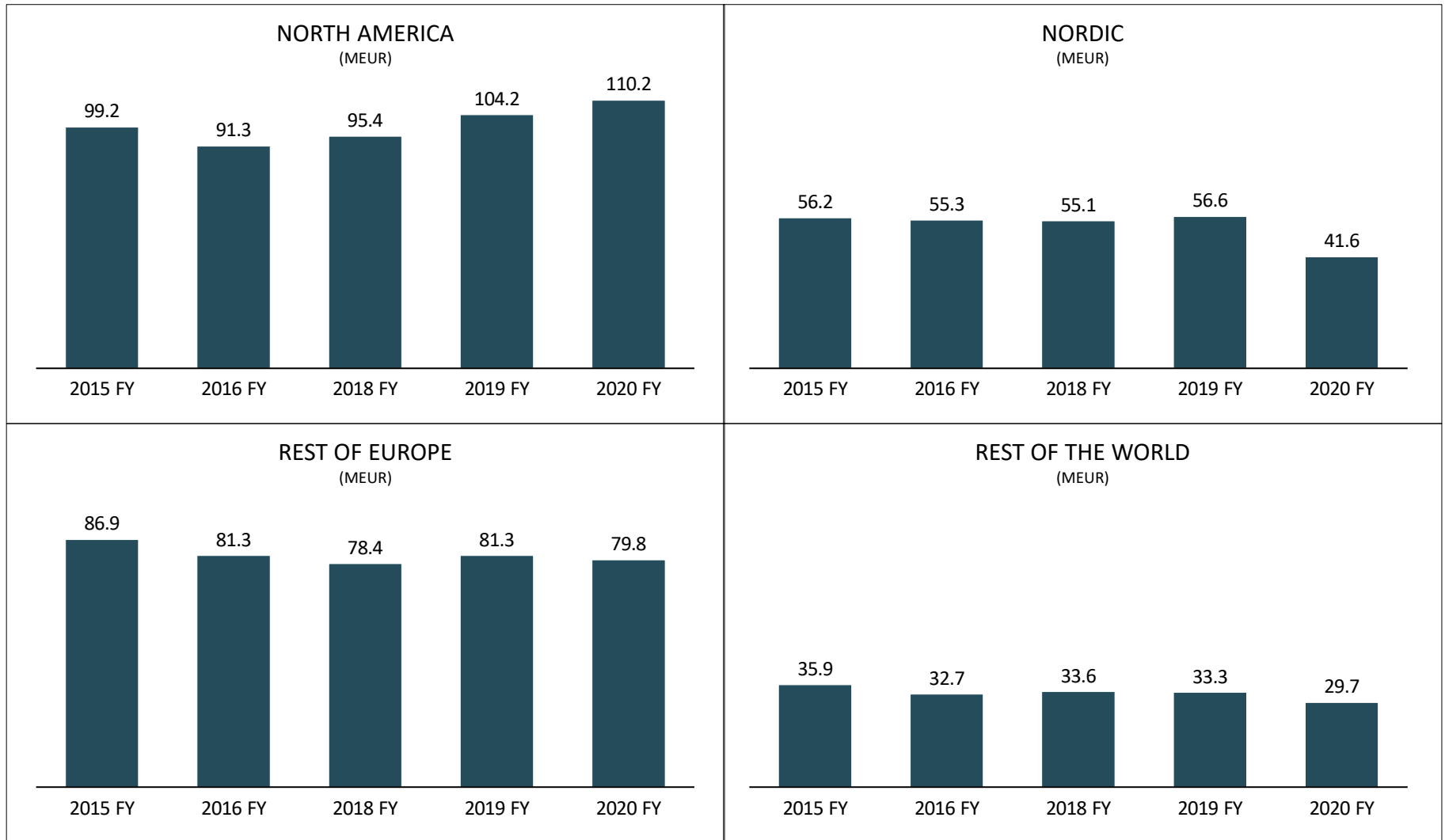
- General market outlook for fishing products in North America and Europe is positive and end-consumer demand for recreational fishing products is currently on a good level in the Group's key markets. In Europe, exit of Shimano business and termination of certain other Third Party Products businesses decreases net sales and affects consequently market visibility for 2021 for the region. Net sales for these businesses, which the Group will exit, were in the range of 30 MEUR in 2020. Additionally, the ongoing negotiations with Shimano to end the joint ownership of distribution companies in Russia, Kazakhstan, Czech, Belarus, Hungary, Romania and Croatia might have impacts on the business performance for these countries also in the Group Products segment.
- The Group's supply chain, including own factories and subcontractors, is currently working robustly and fulfilling customer orders. However, uncertainties caused by the COVID-19 pandemic continue to impact and increase risks for the Group. The pandemic can impact the operating environment of the Group in various ways, including lockdowns, store closures, social distancing rules and overall change in consumer confidence. In addition, weather changes may affect the sales of the Group
- **The Group expects 2021 full year comparable operating profit** (excluding mark-to-market valuations of operative currency derivatives and other items affecting comparability) **to be in line or above from the previous year**

APPENDICES

KEY FIGURES

MEUR	2020 FY	2019 FY
Net sales	261.3	275.4
Operating profit	10.7	13.4
Operating profit, % of net sales	4.1 %	4.9 %
Comparable operating profit	21.5	17.8
Comparable operating profit, % of net sales	8.2 %	6.5 %
Net profit for the period	3.4	4.1
EPS (basic), EUR	0.04	0.10
Cash flow from operations	42.5	25.9
Net interest-bearing debt	45.2	74.6
ROCE, %	5.2 %	6.0 %
Gearing, %	31.6 %	49.2 %
Equity to assets, %	52.5 %	52.4 %

GEOGRAPHICAL NET SALES



PROFIT AND LOSS STATEMENT

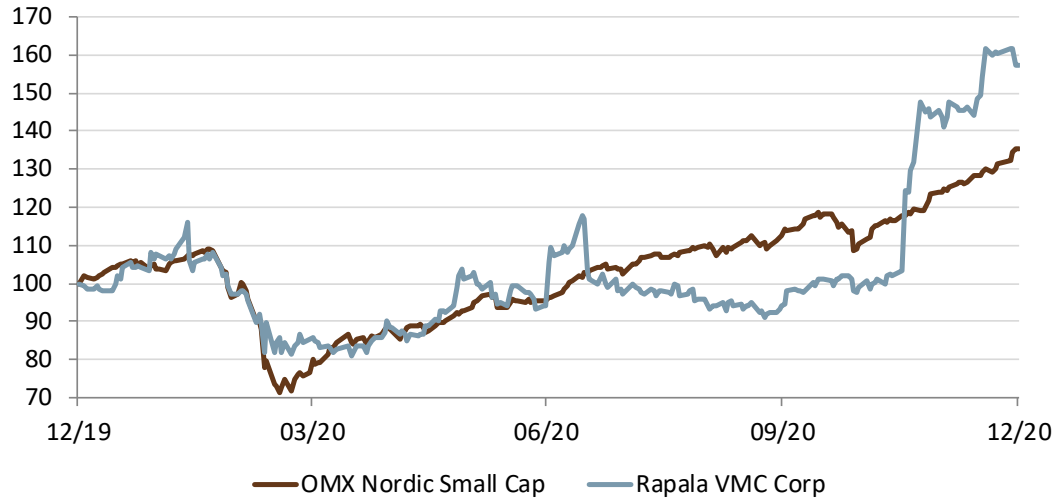
MEUR	2020 FY	2019 FY
Net sales	261.3	275.4
Other operating income	1.6	2.2
Materials and services	125.4	131.2
Personnel expenses	69.4	71.6
Other costs and expenses	41.0	48.6
Share of results in associates and joint ventures	-0.8	-0.2
EBITDA	26.2	26.0
Depreciation, amortization and impairments	15.5	12.6
OPERATING PROFIT (EBIT)	10.7	13.4
Financial income and expenses	4.2	3.6
PROFIT BEFORE TAXES	6.6	9.8
Income taxes	3.2	5.8
NET PROFIT FOR THE PERIOD	3.4	4.1

BALANCE SHEET

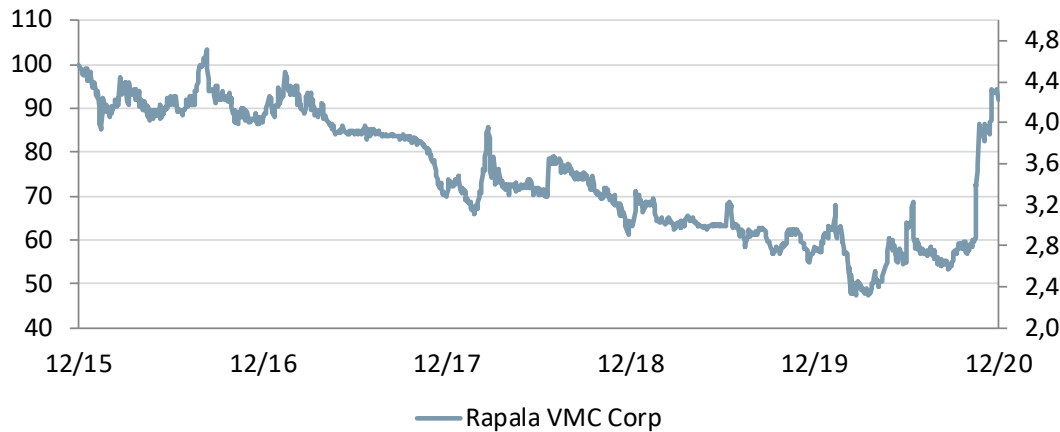
MEUR	2020 FY	2019 FY
ASSETS		
Non-current assets		
Intangible assets	71.2	75.5
Property, plant and equipment	22.6	26.9
Right-of-use asset	10.4	13.3
Non-current assets		
Interest-bearing	7.2	7.8
Non-interest-bearing	11.7	9.2
	123.1	132.8
Current assets		
Inventories	68.8	92.6
Current assets		
Interest-bearing	-	-
Non-interest-bearing	53.0	51.8
Cash and cash equivalents	27.9	12.3
	149.8	156.7
TOTAL ASSETS	272.9	289.5
EQUITY AND LIABILITIES		
Equity		
Equity attributable to the equity holders of the company	112.8	121.9
Non-controlling interests	5.2	4.6
Hybrid bond	25.0	25.0
	143.0	151.6
Non-current liabilities		
Interest-bearing	52.7	46.0
Non-interest-bearing	8.7	8.5
Lease liabilities	8.0	9.0
	69.4	63.5
Current liabilities		
Interest-bearing	15.1	35.3
Non-interest-bearing	41.0	34.7
Lease liabilities	4.5	4.4
	60.5	74.4
TOTAL EQUITY AND LIABILITIES	272.9	289.5

SHARES AND SHAREHOLDERS

Share Price Index Performance



Share Price Development, 2016-2020



SHARE RELATED DATA (12/2020)

Market capitalization	168.1 MEUR
12-month high / low	4.58 / 2.15 EUR
All-time high / low	8.40 / 2.15 EUR

MAJOR SHAREHOLDERS (12/2020)

	% OF TOTAL
Viellard Migeon & Cie	38.5 %
Sofina S.A.	19.2 %
Nordea Funds	12.3 %
The State Pension Fund	3.3 %
Shimano Singapore Private Limited	2.3 %
Taaleritehdas Funds	1.5 %
Ilmarinen Mutual Pension Insurance	0.7 %
Coble James Jay	0.6 %
Elo Mutual Pension Insurance	0.4 %
Säästöpankki Funds	0.3 %
Own shares	1.2 %

RAPALA VMC CORP.