

PROPOSALS OF THE BOARD OF DIRECTORS TO THE ANNUAL GENERAL MEETING TO BE HELD ON 25 MARCH 2021

1. Resolution on the use of the profit shown on the balance sheet and the distribution of funds

The Board of Directors proposes that no dividend is distributed on the basis of the adopted balance sheet for the financial year 2020.

According to the temporary legislation, when a dividend less than the minimum amount of minority dividend has been proposed to the Annual General Meeting shareholders have the right to demand minority dividend pursuant to Chapter 13 Section 7 of the Finnish Limited Liability Companies Act. The minority dividend must be distributed, if a demand to this effect is made by shareholders who have at least one tenth of all shares. The amount of minority dividend is EUR 3,181,511.00 (based on the situation on the date of this notice EUR 0.08 per share), which corresponds to half of the profit for the financial period. A shareholder demanding minority dividend may vote for the minority dividend in advance voting, and no separate demand or counterproposal is required.

2. Presentation of the Remuneration Report for Governing Bodies

As shareholders can only participate in the Annual General Meeting by voting in advance, the Company's remuneration report for governing bodies for the financial year 2020, which has been published by way of a stock exchange release and has also been made available on the Company's website at www.rapalavmc.com/investors/annual-general-meeting-2021 will be deemed to have been presented to the Annual General Meeting. The resolution by the Annual General Meeting on the approval of the remuneration report is advisory.

The remuneration report is available on the Company's website at www.rapalavmc.com/investors/annual-general-meeting-2021.

3. Resolution on the remuneration of the auditor

The Board of Directors proposes that the remuneration of the auditor be paid according to the invoice approved by the Company.

4. Election of the auditor

The Board of Directors proposes that Ernst & Young Oy, Authorised Public Accountants Firm, be re-elected as the Company's auditor for a term that will continue until the end of the next Annual General Meeting.

5. Authorising the Board of Directors to resolve on the issuance of shares

The Board of Directors proposes that the Board be authorized to decide on one or several share issues and the issues of special rights entitling to shares as defined in Chapter 10, Section 1 of the Companies Act as follows. By virtue of the authorization the Board is entitled to issue up to 3,900,000 shares corresponding at present to approximately 10 per cent of all current shares. The share issue and shares granted by virtue of special rights are included in the above mentioned maximum number. The authorization can also be used for incentive arrangements for the management and key person, however, not more than 900,000 shares in total.

The share issue may either be made against payment or without payment. The authorization entitles the Board of Directors to issue the shares or special rights otherwise than in proportion to the shareholdings of the shareholders (directed share issue). The Board would be authorised to decide on all terms and conditions of share issues and the issues of special rights. The authorization covers both the issuance of new shares and the transfer of own shares. This authorization shall be effective until 25 September 2022.

6. Authorising the Board of Directors to resolve on the repurchase of the Company's own shares

The Board of Directors proposes that the Board of Directors be authorised to decide, in one or several instalments, on the repurchase of maximum of 2,000,000 of the Company's own shares. The proposed maximum number of shares corresponds to approximately 5.1 per cent of the Company's registered total number of shares at the time of the proposal.

The shares would be repurchased using the Company's invested unrestricted shareholders' equity, and thus, the repurchases will reduce funds available for distribution. The shares could be repurchased for developing the Company's capital structure, for financing or carrying out potential corporate acquisitions or other business arrangements, to be used as a part of the Company's remuneration or incentive plan or to be otherwise transferred further, retained by the Company as treasury shares, or cancelled, for example.

In accordance with the resolution of the Board of Directors, the shares could also be repurchased otherwise than in proposition to the existing shareholdings of the Company as directed repurchases at the market price of the shares quoted on the trading venues where the Company's shares are traded or at the price otherwise established on the market at the time of the repurchase.

The Board of Directors shall resolve on all other matters related to the repurchase of the Company's own shares, including on how shares will be repurchased. Among

other means, derivatives may be used in acquiring the shares. The authorisation is proposed to be effective for 18 months from the close of the Annual General Meeting i.e. until 25 September 2022. If this authorisation is accepted, it shall cancel the authorisation to repurchase the Company's shares granted to the Board of Directors by the Annual General Meeting on 26 March 2020.

Helsinki, 1 March 2021

RAPALA VMC CORPORATION

Board of Directors

PROPOSALS OF THE SHAREHOLDERS TO THE ANNUAL GENERAL MEETING TO BE HELD ON 25 MARCH 2021

1 Resolution on the remuneration of the members of the Board of Directors

Shareholders together representing approximately 38.73 per cent of the shares and votes of the company propose that the annual remuneration to the members of the Board of Directors would be as follows: EUR 80,000 for the Chairman and EUR 30,000 for other members of the Board of Directors. Board members are proposed to be paid EUR 1,000 per meeting for attendance at board and its committee meetings. Board members' remuneration will not be paid to Board members who have an employment or service contract with the company.

2 Resolution on the number of members of the Board of Directors

Shareholders together representing approximately 38.73 per cent of the shares and votes of the company propose that the proposes the number of members of the Board of Directors be resolved to be six (6).

3 Election of members of the Board of Directors

Shareholders together representing approximately 38.73 per cent of the shares and votes of the company propose to the General Meeting that the current board members Emmanuel Viellard, Jorma Kasslin, Marc Speeckaert, Julia Aubertin, Louis d'Alançon and Vesa Luhtanen are re-elected for term that will continue until the end of the next Annual General Meeting. Further information on proposed members and their independence is available on the Company's website at www.rapalavmc.com/investors/annual-general-meeting-2021.