

A man wearing a fishing jacket and a cap is shown on the right side of the image, looking down. The entire image has a red overlay. The text 'Rapala' is in large white letters, and 'VME' is in smaller black letters below it. The text '1st HALF 2024' is in white letters at the bottom.

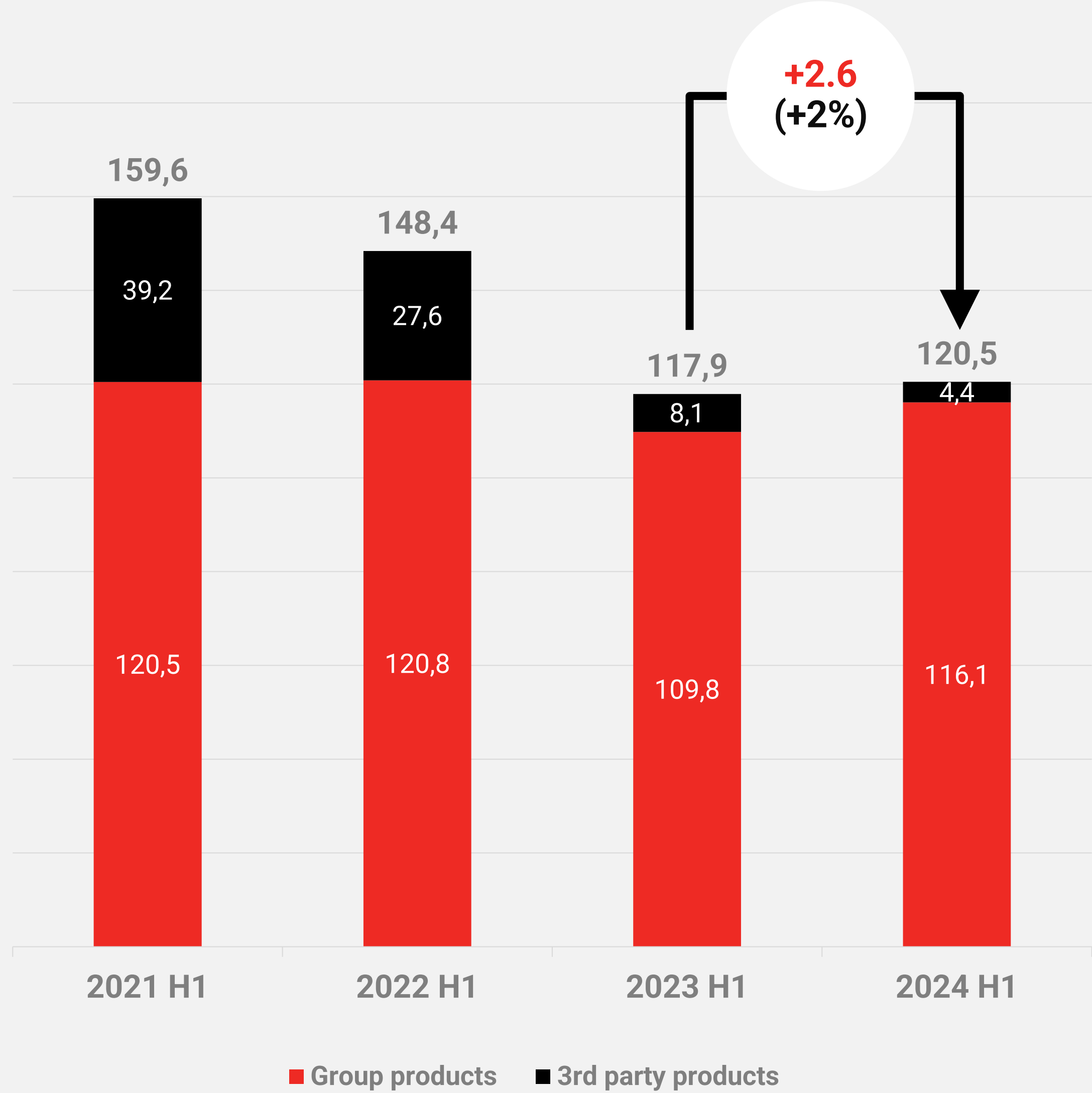
Rapala[®]

VME

1st HALF 2024

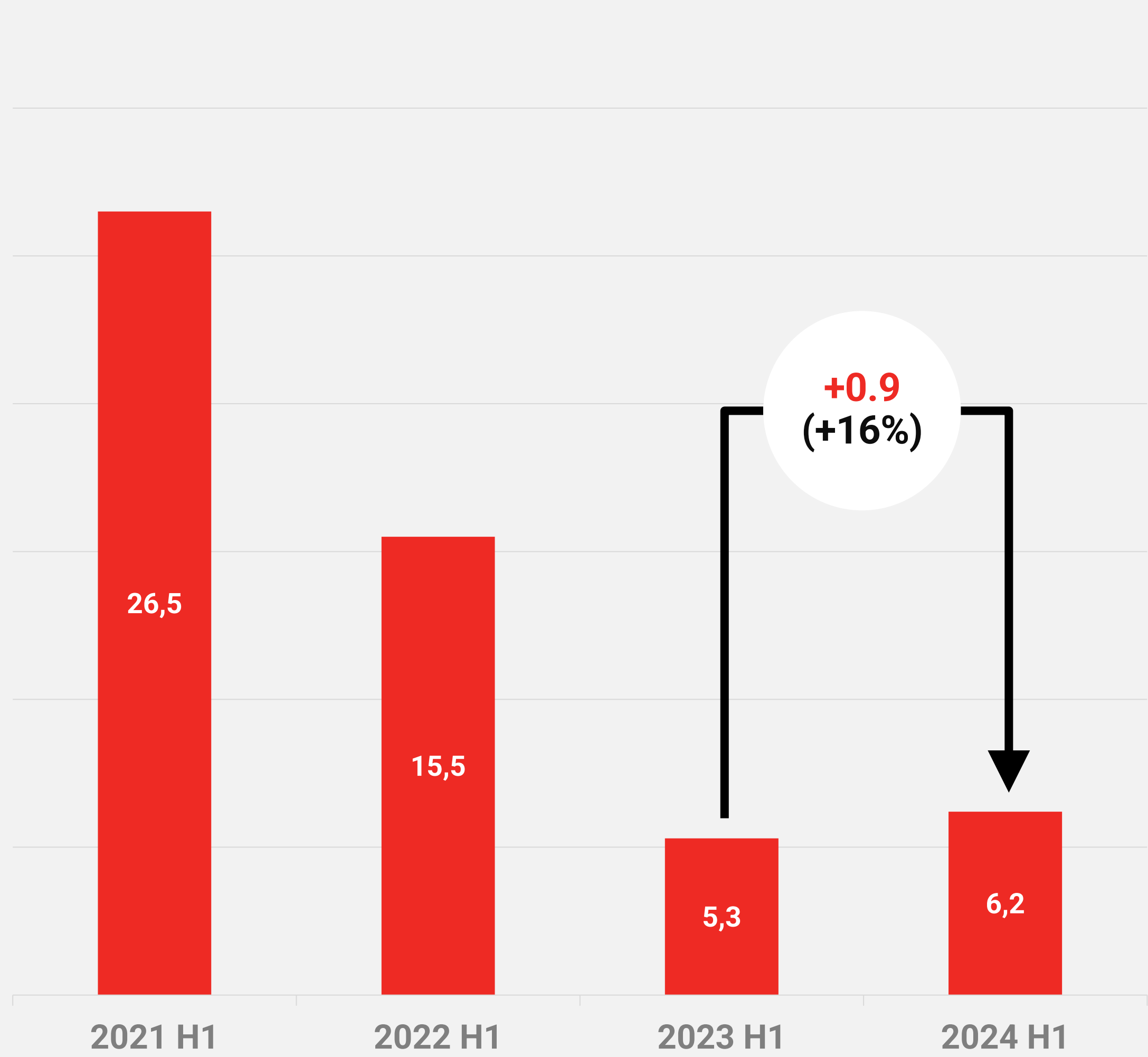
PROFITABILITY IMPROVED IN A RECOVERING MARKET

Net sales (MEUR)



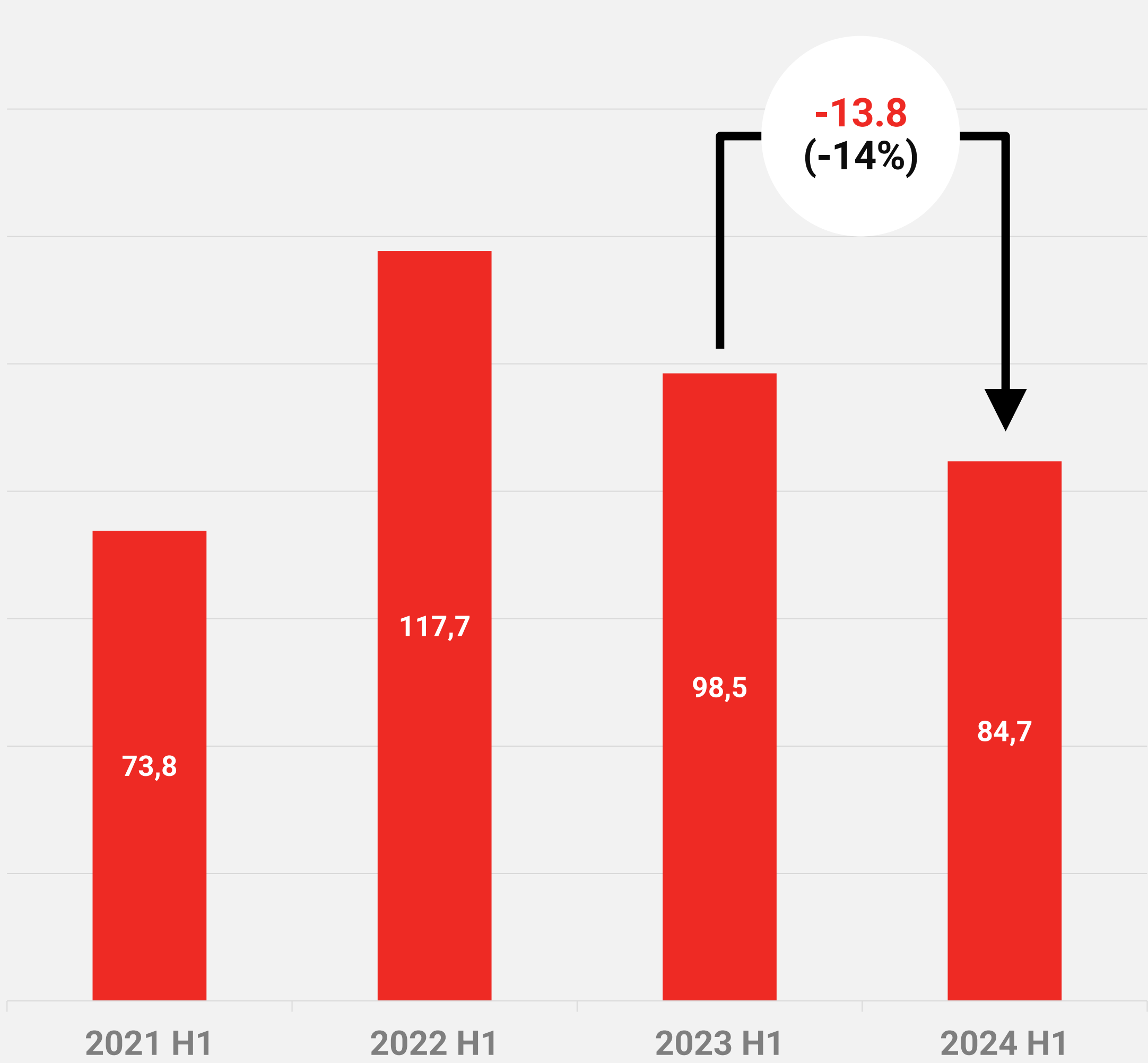
- FX comparable change: +3% (+3.9 MEUR)
- Group Products sales increased 6.3 MEUR from 2023, covering 96% of total sales (93% in 2023)
- Inflation started to ease and retail activity improved. Consumer appetite for lower cost consumables improved while higher value item sales are on a path to recovery.
- There is still cautiousness among consumers and retailers for high-ticket items but market showed improved demand towards the end of the first half of the year.
- Shift in retailers' ordering pattern from pre-orders towards in-season replenishment favored those with readily available inventory.

Comparable operating profit (MEUR)



- The improved profitability was driven by higher sales in the open water market.
- Sales margin decreased slightly but the focus on operational efficiency enabled lower operating expenses.
- The 6 MEUR savings program continued and was expanded as part of the savings was offset by inflationary cost increases.
- Among the measures was bringing decision making closer to the local markets and defining clear accountabilities. Following this, the size of the Global Management Team was reduced to eight members.

Inventory value (MEUR)



- FX comparable change: -14% (13.9 MEUR)
- The change in obsolescence allowance remained at prior year level.
- Prior year was impacted by resolving supply chain disruption and retail level destocking.
- Acquisition of DQC International increased inventory by some 3 MEUR.
- Controlled inventory reduction is taking place and manufacturing capacity was adjusted to accommodate current demand.

SHORT TERM OUTLOOK

- 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 reasonable as destocking is tapering down in most markets.
- The US economy is holding and entering into a modest growth mode. Higher value durable items have also started recovering in North America surpassing the sales growth of lower cost consumer goods.
- In Europe, first half of the year results are very encouraging despite challenging market environment. The work continues to improve profitability and efficiency.
- Pre-sales of our winter businesses for the upcoming season are somewhat behind expectations as retailers rely on in-season replenishment and supplier inventories. Unfavourable ice conditions in the North American market in the previous season left the retailers with high inventories.
- On manufacturing and supply chain side, the production transfers are concluded, and efficiencies have increased to satisfactory levels. Product and production quality has remained high despite the transfers.



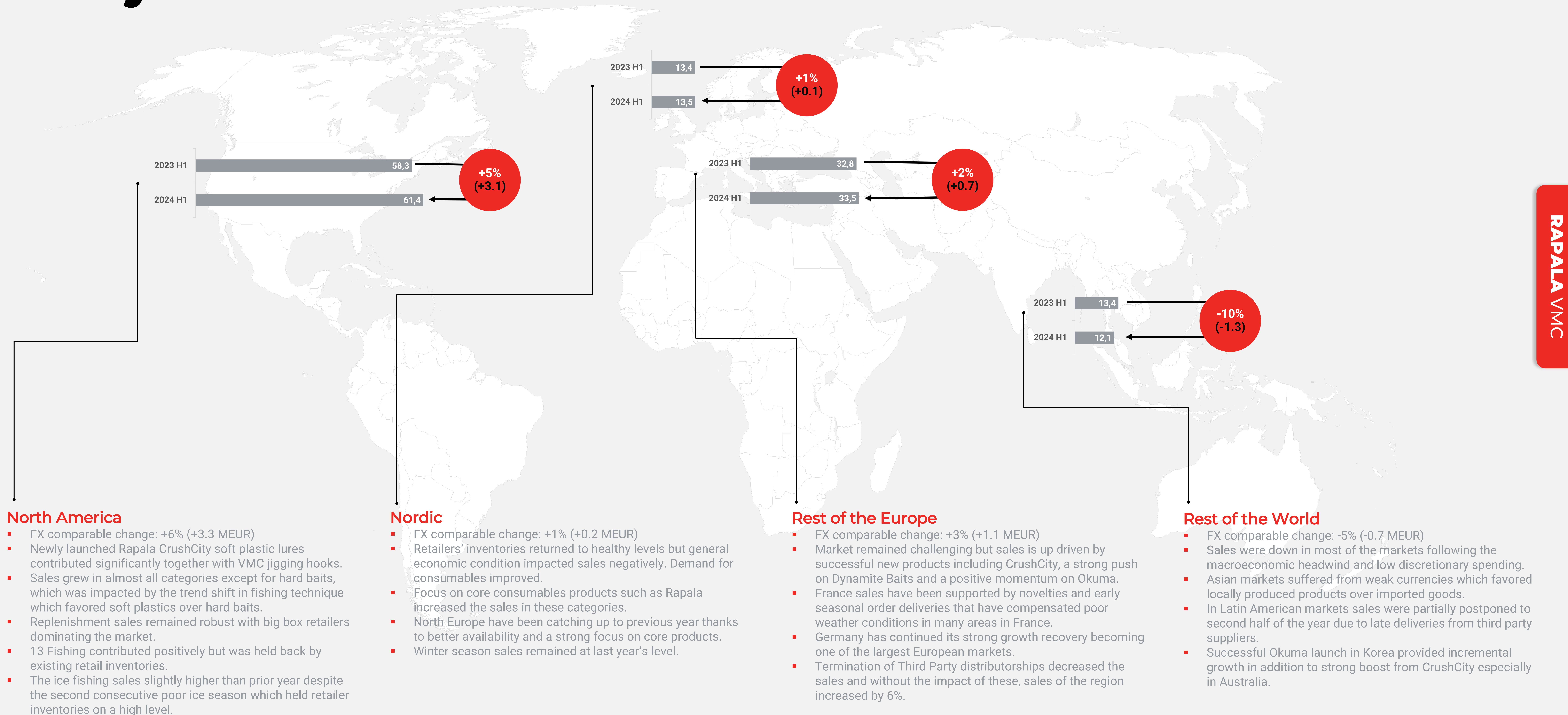
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KEY FIGURES

MEUR	2024 H1	2023 H1
Net sales	120.5	117.9
Operating profit	11.2	4.4
Operating profit, % of net sales	9.3%	3.7%
Comparable operating profit	6.2	5.3
Comparable operating profit, % of net sales	5.1%	4.5%
Net profit for the period	4.7	-1.1
EPS (basic), EUR	0.07	-0.03
Cash flow from operations	18.2	18.6
Net interest-bearing debt	59.9	98.0
ROCE, %	9.7%	3.7 %
Gearing, %	36.9%	73.4 %
Equity to assets, %	52.6%	41.7 %

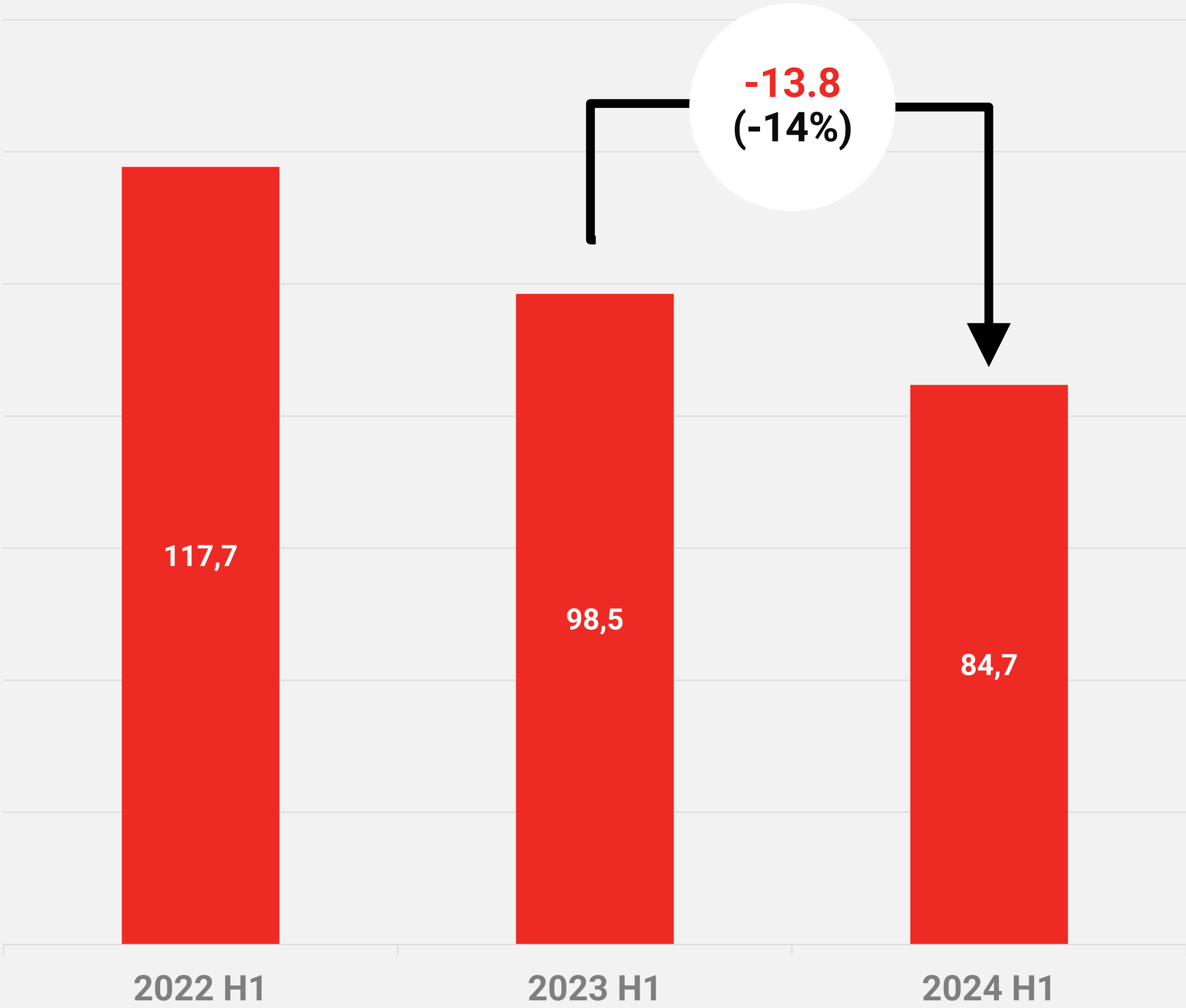


Operating environment was reasonable. Inflation started to ease and retail activity improved from prior year.



Cash flow from operations supported by net change in working capital following **strong focus on cash and working capital management.**

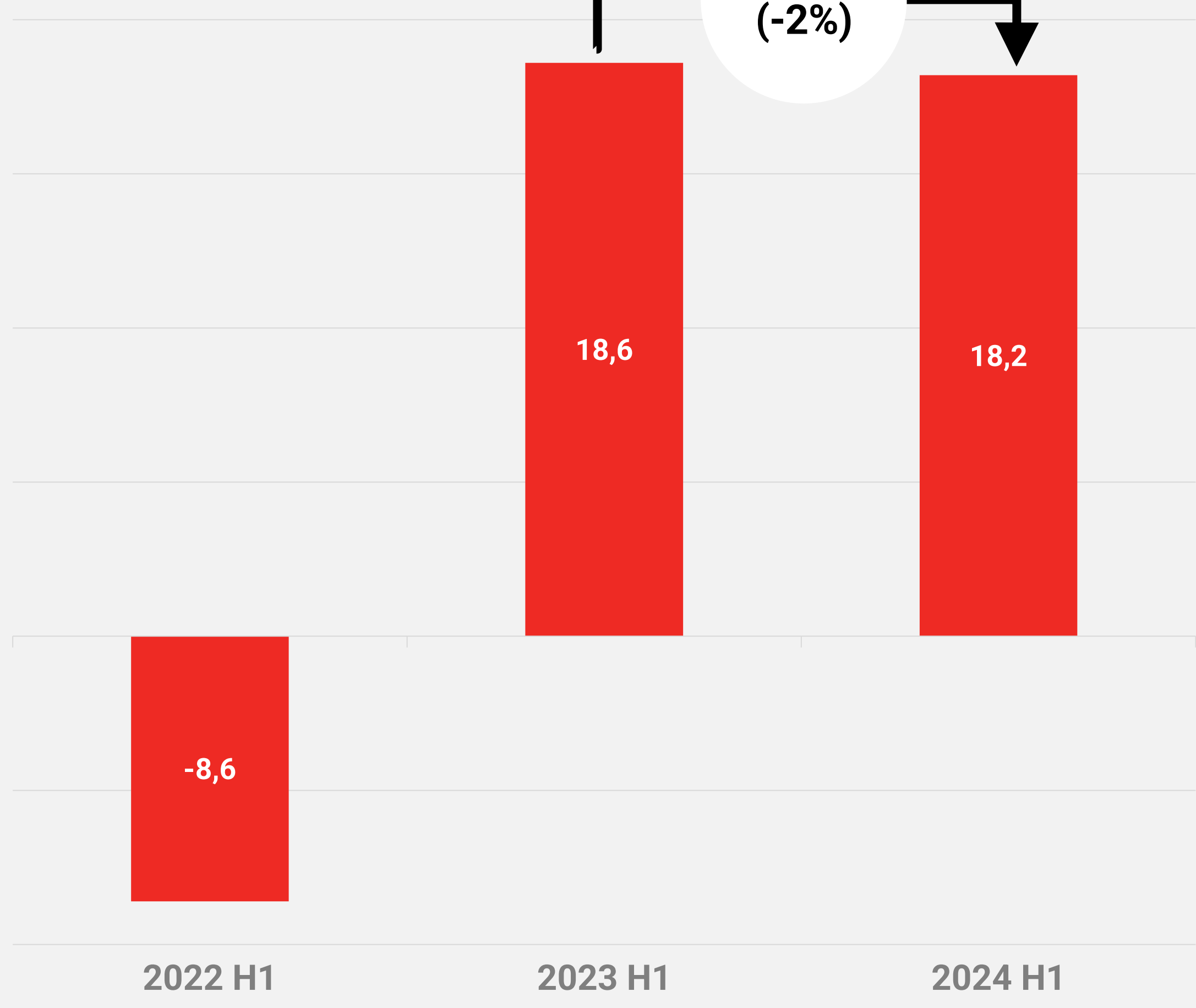
Inventory (MEUR)



End of June 2024 inventory was 84.7 MEUR

- The change in obsolescence allowance remained at prior year level.
- Prior year impacted by resolving supply chain disruption and retail level destocking.
- Acquisition of DQC International increased inventory by some 3 MEUR.
- Controlled inventory reduction is taking place and manufacturing capacity was adjusted to accommodate current demand.

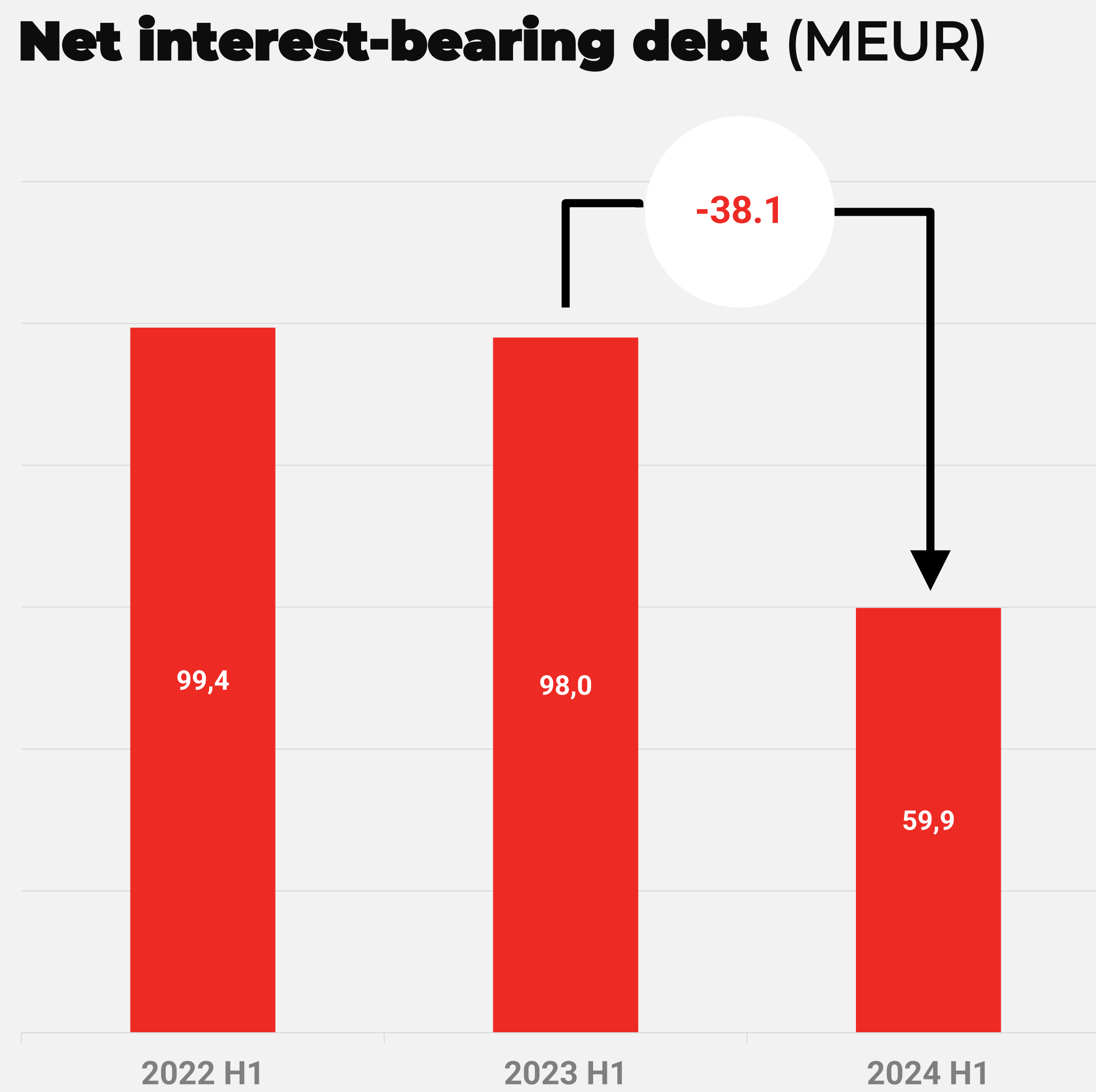
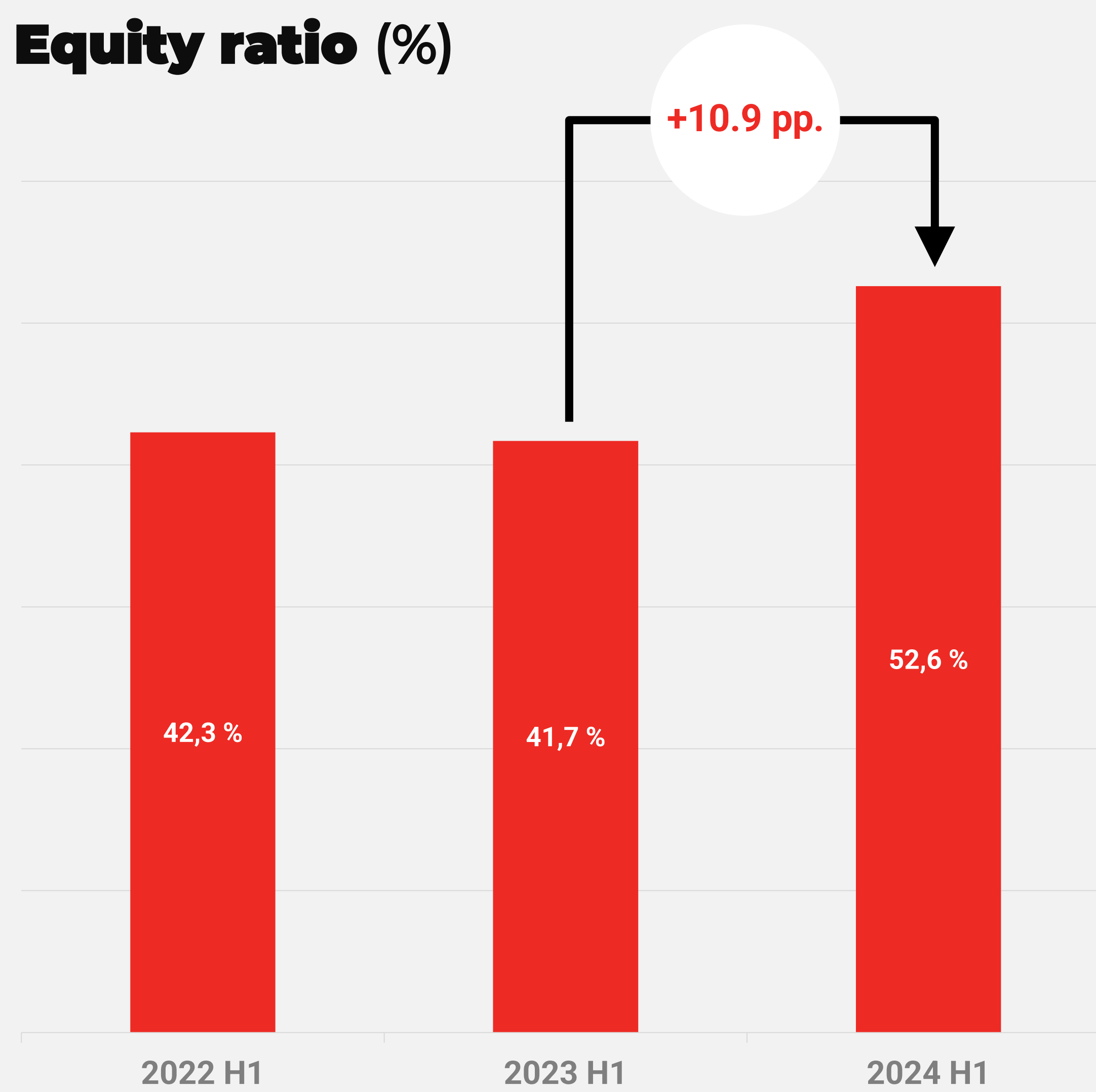
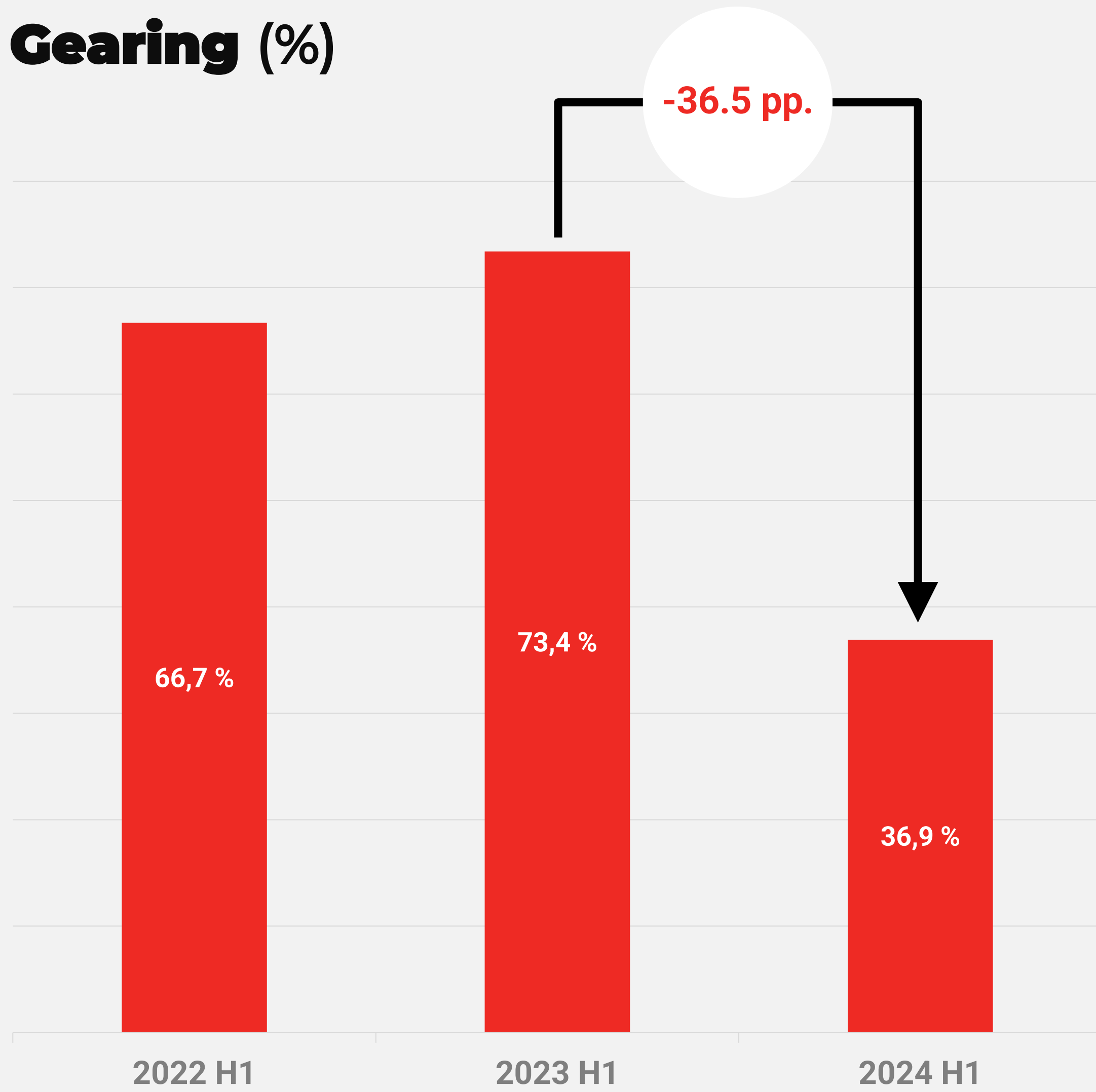
Cash flow from operations (MEUR)



Cash flow from operations was 18.2 MEUR

- Good results follow strong focus on cash and working capital management and as a result non-interest-bearing liabilities landed at a higher level.

Gearing ratio decreased and equity-to-assets ratio increased from the last year



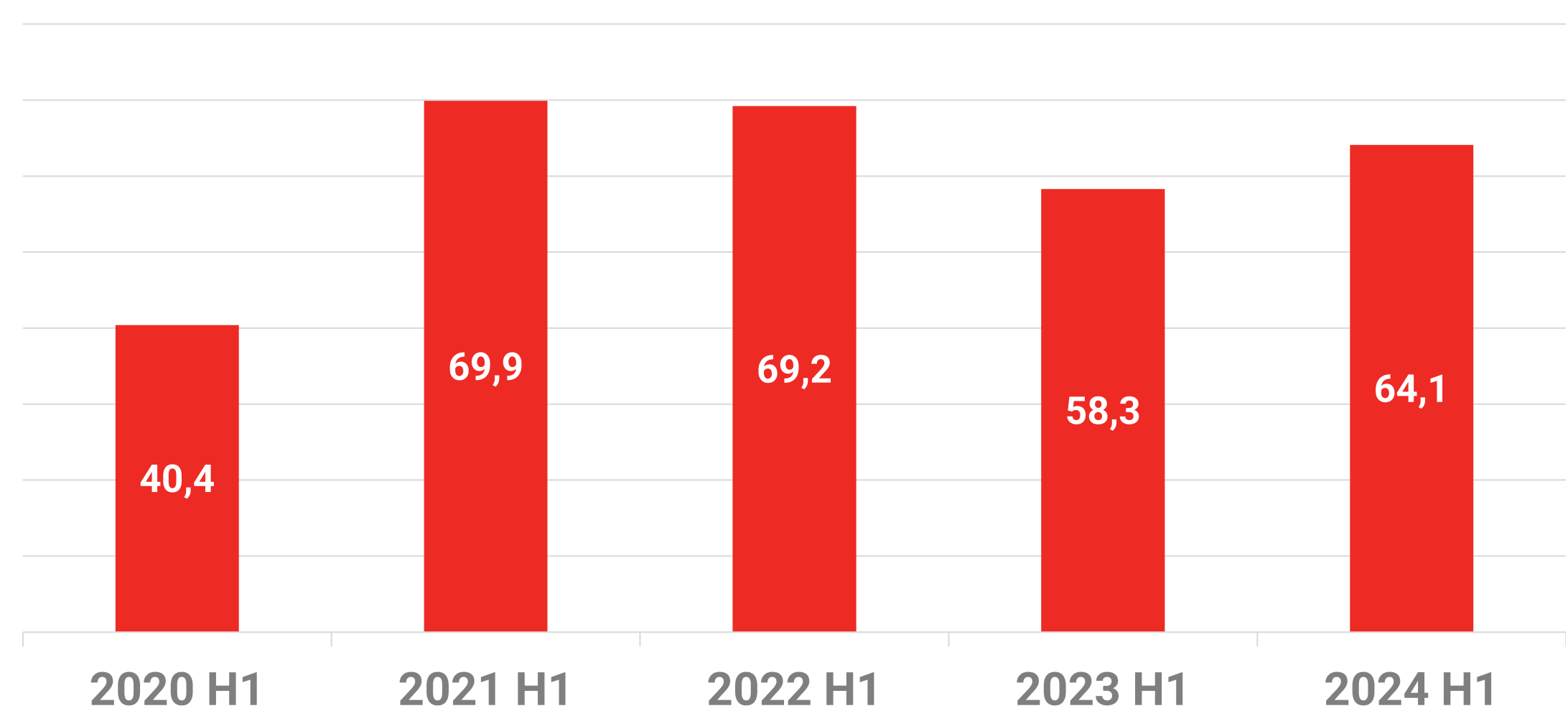
- Gearing ratio decreased and equity-to-assets ratio increased from last year following the issuance of the 30 MEUR hybrid capital bond.
- Liquidity position remains good; cash and cash equivalents amounted to 27.6 MEUR on June 30, 2024.
- Undrawn committed long-term credit facilities amounted to 41.0 MEUR at the end of the period

- Capital expenditure was kept to a lower level.
- Asset disposals decreased net debt by 8.7 MEUR (0.4) predominantly coming from the sale and leaseback of the Canadian real estate.
- The Group agreed with the lending banks to extend the term of the 106 MEUR facilities by six months, subject to two extension options.
- On Q1/2024 and Q2/2024 testing dates, net debt landed at 81.0 MEUR and 59.5 MEUR, respectively.
- Leverage ratio for the same testing dates landed at 5.30 and 3.33.
- The Group is currently compliant with all financial covenants and expects to comply with future bank requirements as well.

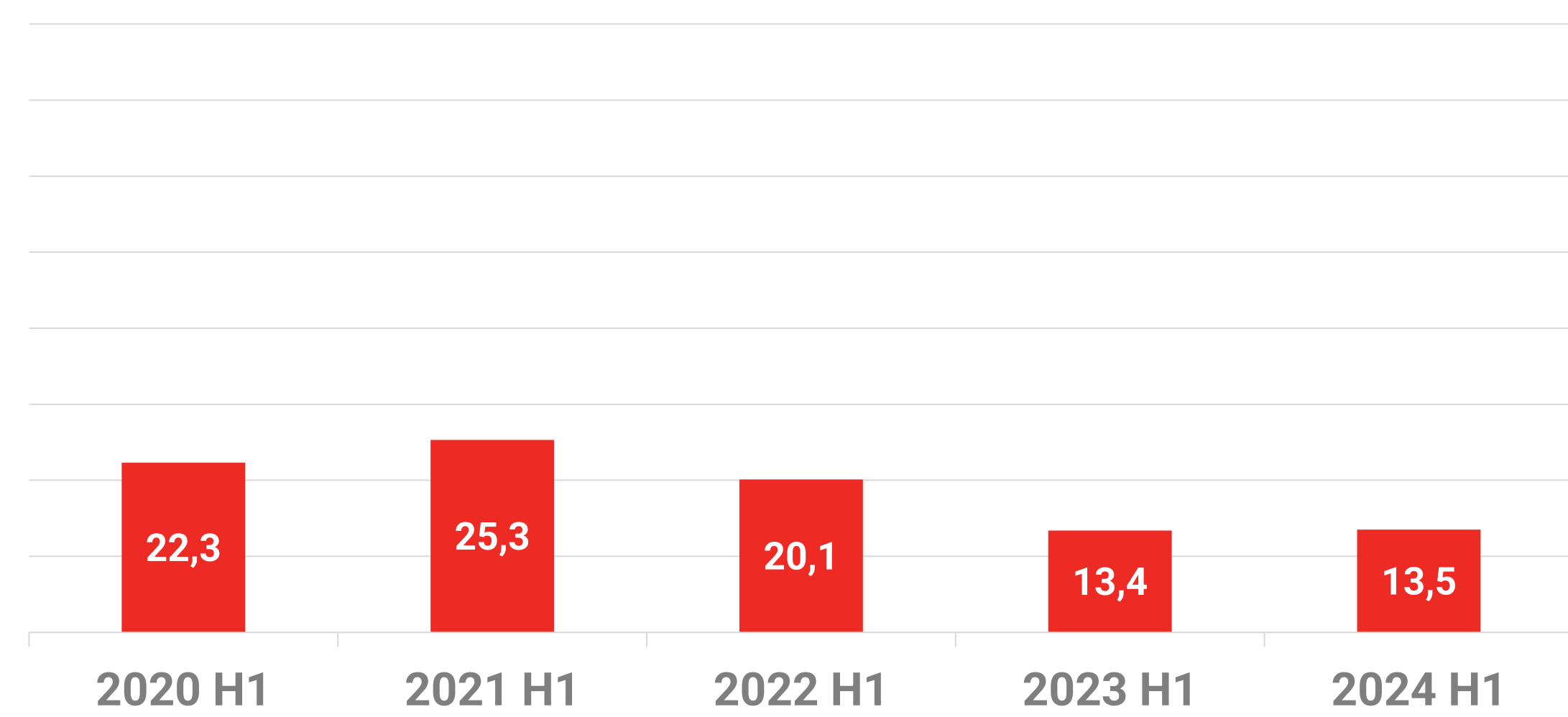
APPENDIX

GEOGRAPHICAL NET SALES

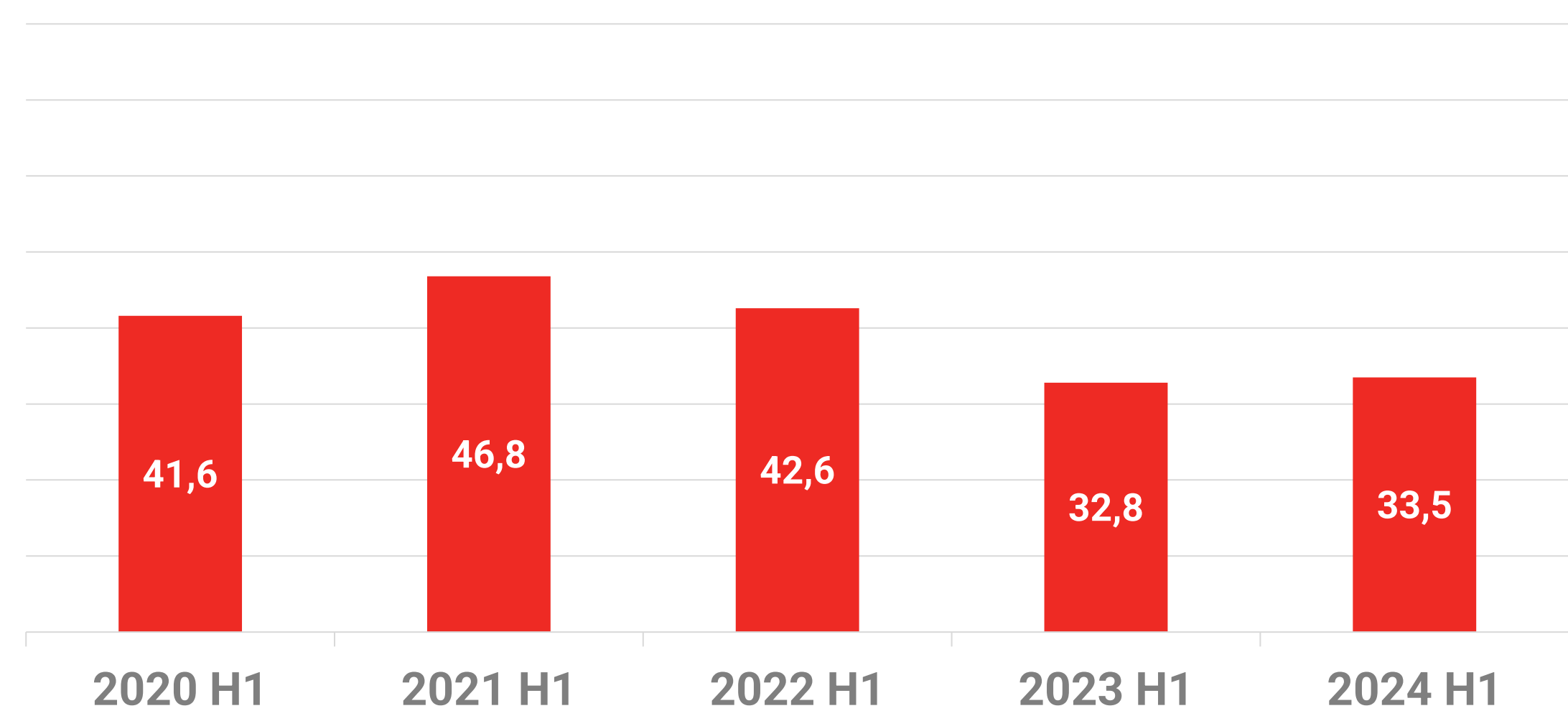
North America (MEUR)



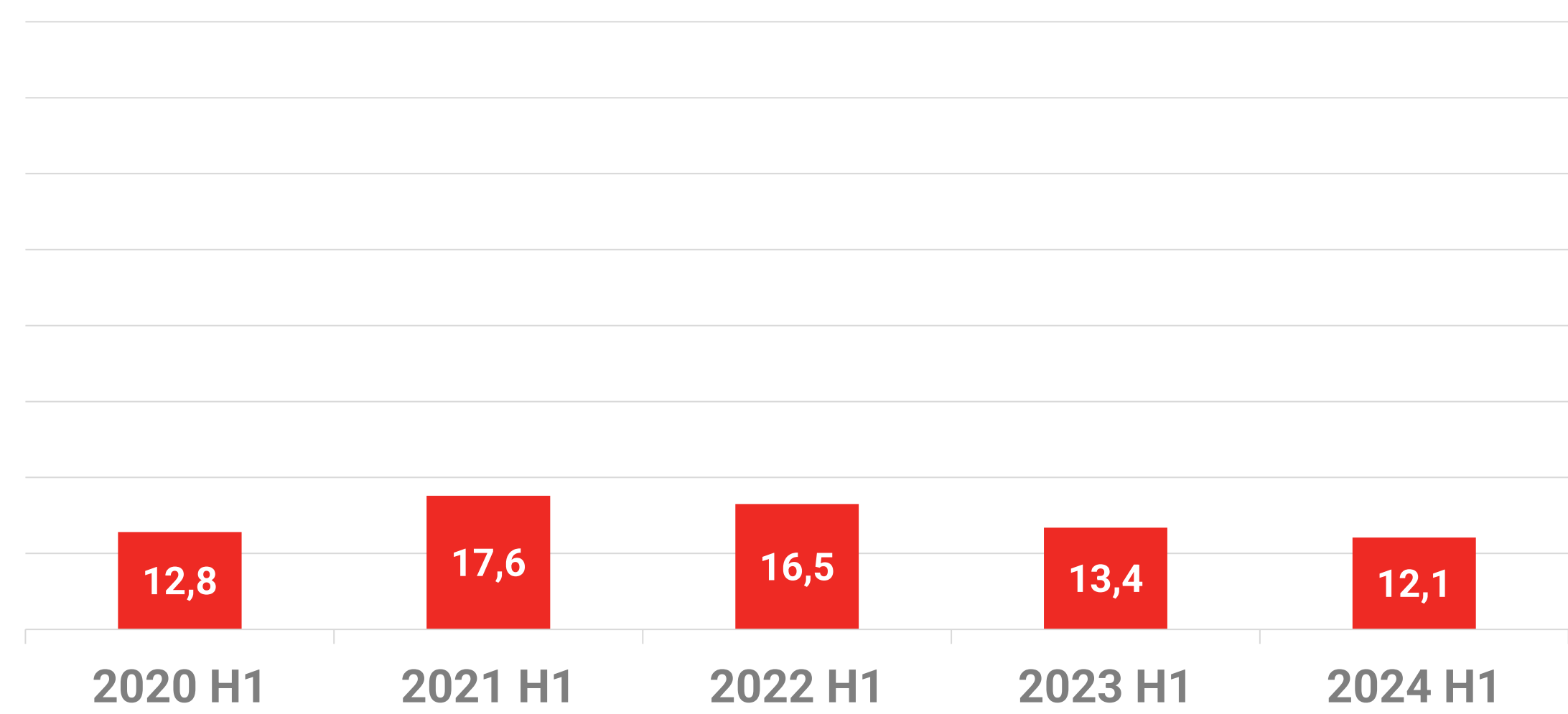
Nordic (MEUR)



Rest of Europe (MEUR)



Rest of the World (MEUR)



PROFIT AND LOSS STATEMENT

MEUR	2024 H1	2023 H1
Net sales	120.5	117.9
Other operating income	0.2	0.2
Materials and services	-52.2	-48.0
Personnel expenses	-33.8	-33.6
Other costs and expenses	-24.2	-25.1
Gain of sales of assets	6.3	-
Share of results in associates and joint ventures	0.0	-1.3
EBITDA	16.9	10.0
Depreciation. amortization and impairments	-5.7	-5.6
OPERATING PROFIT (EBIT)	11.2	4.4
Financial income and expenses	-4.3	-4.9
PROFIT BEFORE TAXES	6.9	-0.5
Income taxes	-2.2	-0.6
NET PROFIT FOR THE PERIOD	4.7	-1.1

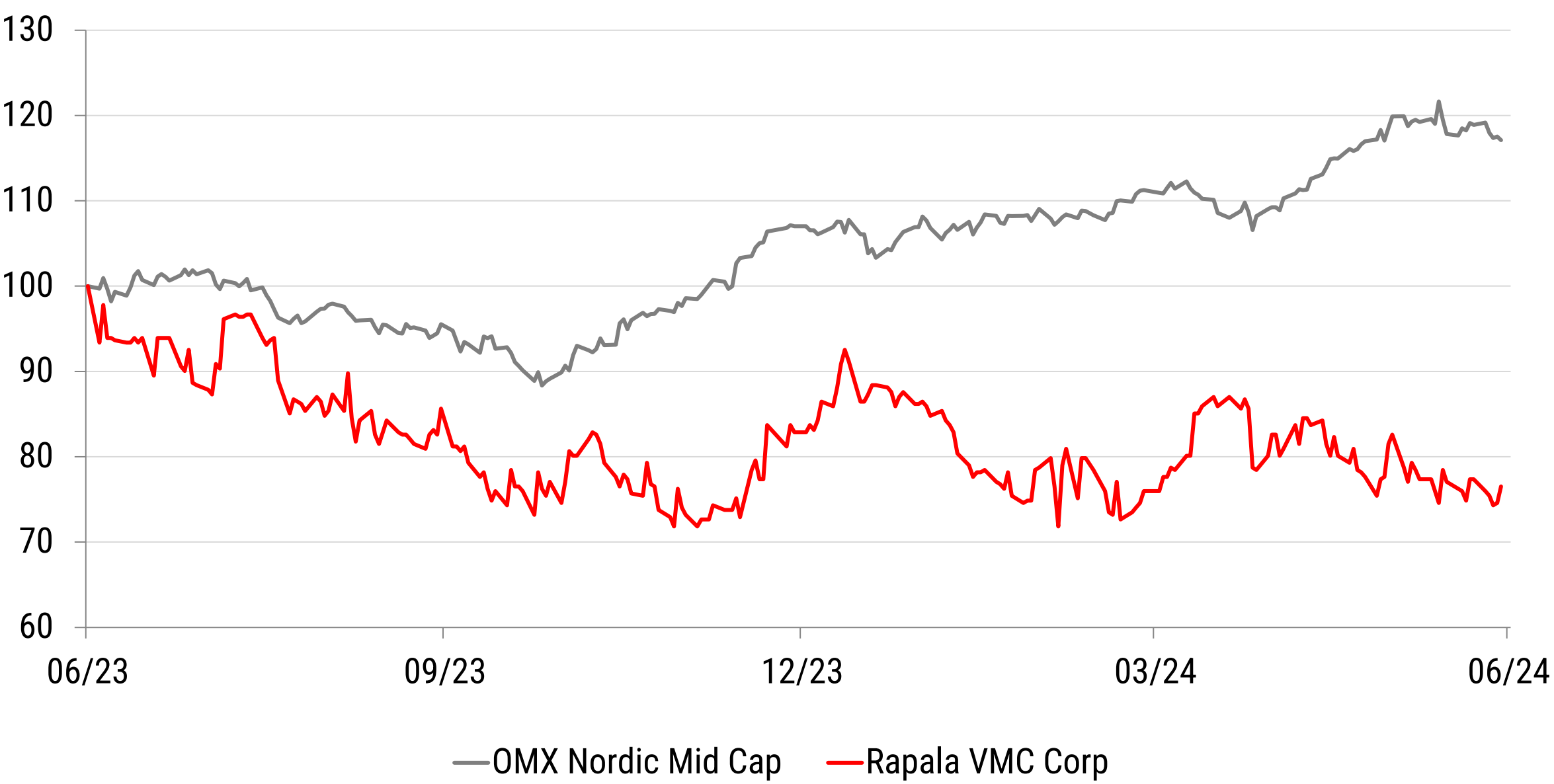
BALANCE SHEET

MEUR	2024 H1	2023 H1
ASSETS		
Non-current assets		
Intangible assets	103.3	85.9
Property plant and equipment	24.9	27.9
Right-of-use assets	12.9	15.7
Non-current assets		
Interest-bearing	0.7	14.3
Non-interest-bearing	13.2	11.3
	155.0	155.0
Current assets		
Inventories	84.7	98.5
Current assets		
Non-interest-bearing	41.9	42.2
Cash and cash equivalents	27.6	24.5
	154.3	165.3
Total assets	309.3	320.3

MEUR	2024 H1	2023 H1
Equity		
Equity attributable to the equity holders of the company	132.3	133.5
Hybrid bond	30.0	-
	162.3	133.5
Non-current liabilities		
Interest-bearing	53.3	0.5
Non-interest-bearing	11.1	10.0
Right-of-use liabilities	8.9	11.2
	73.4	21.6
Current liabilities		
Interest-bearing	20.8	120.2
Non-interest-bearing	47.6	40.1
Right-of-use liabilities	5.2	4.9
	73.6	165.2
Total equity and liabilities	309.3	320.3

SHARES AND SHAREHOLDERS

Share Price Index Performance



Share Price Development 2019-2024



SHARE RELATED DATA (6/2024)

Market capitalization	107.7 MEUR
12-month high / low	3.44 / 2.55 EUR
All-time high / low	10.95 / 2.15 EUR

MAJOR SHAREHOLDERS (6/2024)

	% OF TOTAL
Viellard Migeon & Cie	43.0 %
Nordea Funds	13.0 %
The State Pension Fund	3.3 %
Shimano Singapore Private Limited	2.3 %
Ilmarinen Mutual Pension Insurance	0.7 %
Coble James Jay	0.6 %
Aktia Funds	0.6 %
Taaleritehdas Mikro Markka Funds	0.5 %
Elo Mutual Pension Insurance	0.4 %
Overseas Cattle Company Oy Ltd	0.4 %
Own shares	0.3 %

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