
Rapala®
VMC
1st HALF 2026

H1 2026 HIGHLIGHTS

North America drove sales growth

- January-June net sales were 134.8 MEUR, up 11% with comparable currencies
- Strong North American replenishment demand (H1 +19% with comparable currencies) offset softer European market conditions, supporting overall sales performance

Profitability and cash flow driven by improved EBITDA

- Comparable operating profit was up by 4.9 MEUR to 13.5 MEUR (8.6)
- Cash flow from operations was 16.7 MEUR (6.2)

Innovation and brands drive future growth

- Healthy inventories and a robust innovation pipeline support confidence in the long-term recovery trajectory
- Brand investments will gradually increase in H2, while the Company remains cautious amid tariff uncertainty

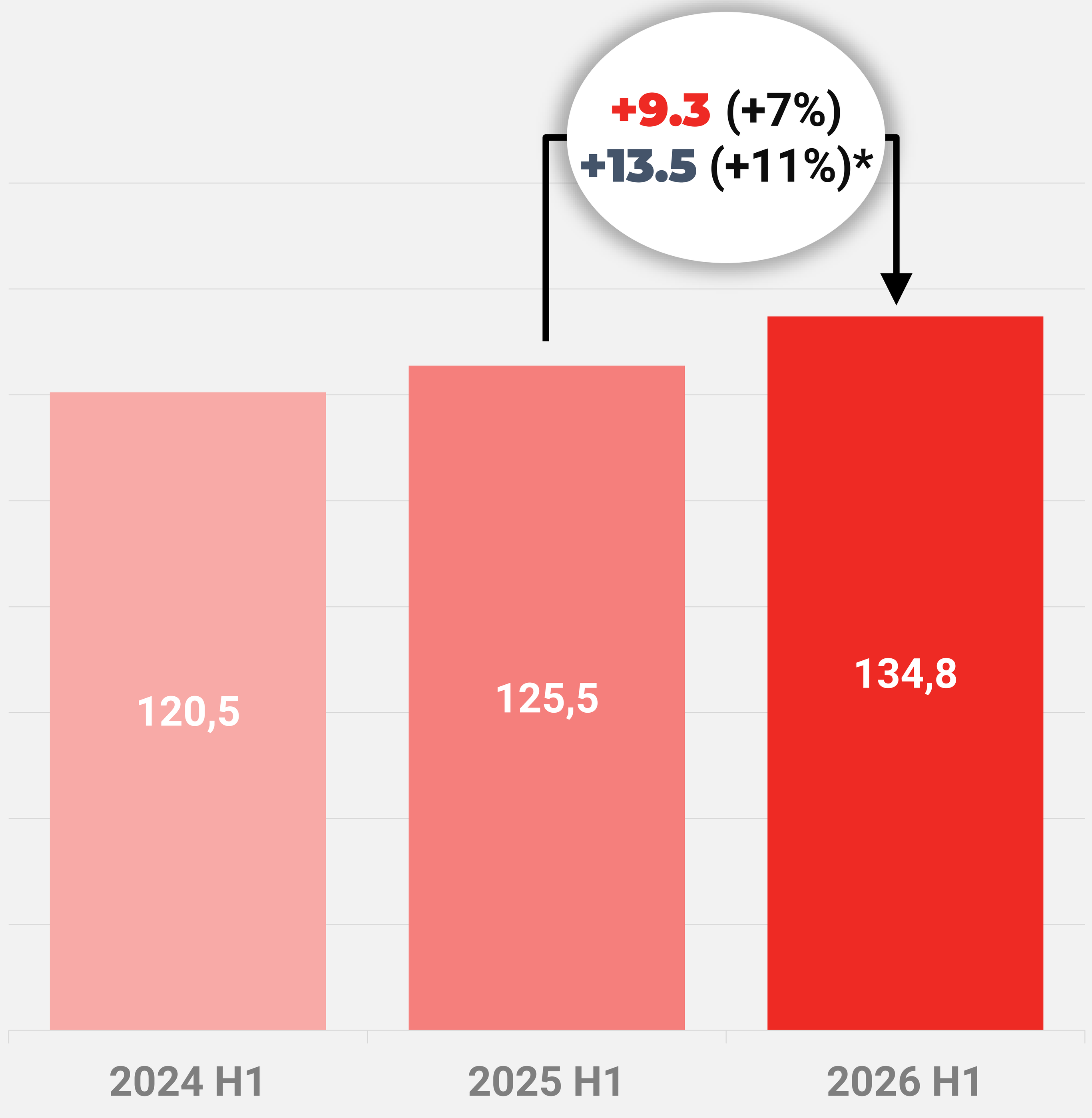
SHORT TERM **OUTLOOK**

- **Rapala VMC expects 2026 full year comparable operating profit (excluding mark-to-market valuations of operative currency derivatives and other items affecting comparability) to be in the range of 12 to 14 MEUR (2025: 8.4 MEUR).**

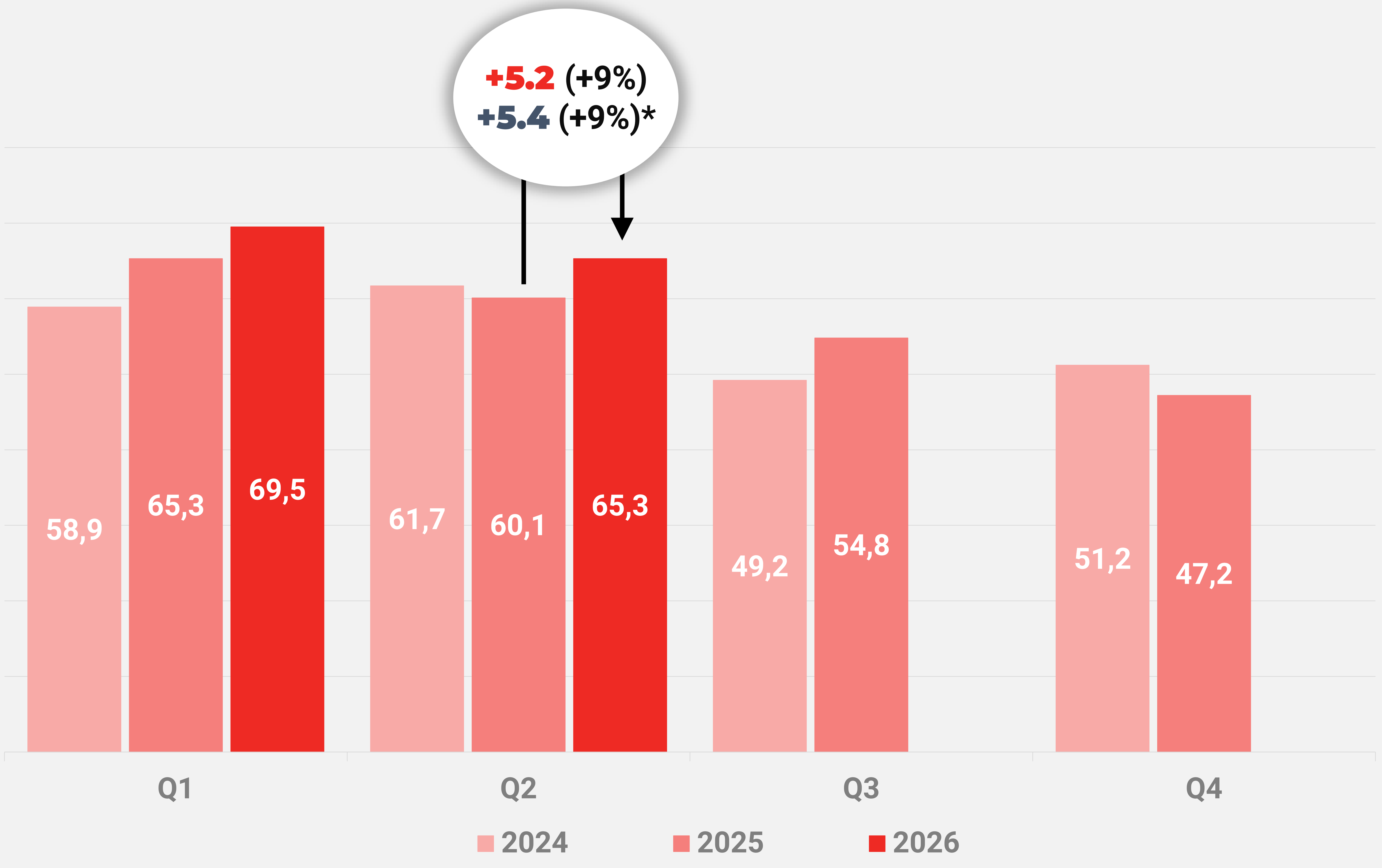
- While macroeconomic uncertainty persists amid geopolitical instability and tariff volatility, the strong first-half 2026 performance, healthy inventory levels in the winter fishing category in North America, and a robust innovation pipeline reinforce the confidence in Rapala VMC's recovery trajectory and underpin the Group’s improved full-year outlook.

Strong sales dynamics in North America

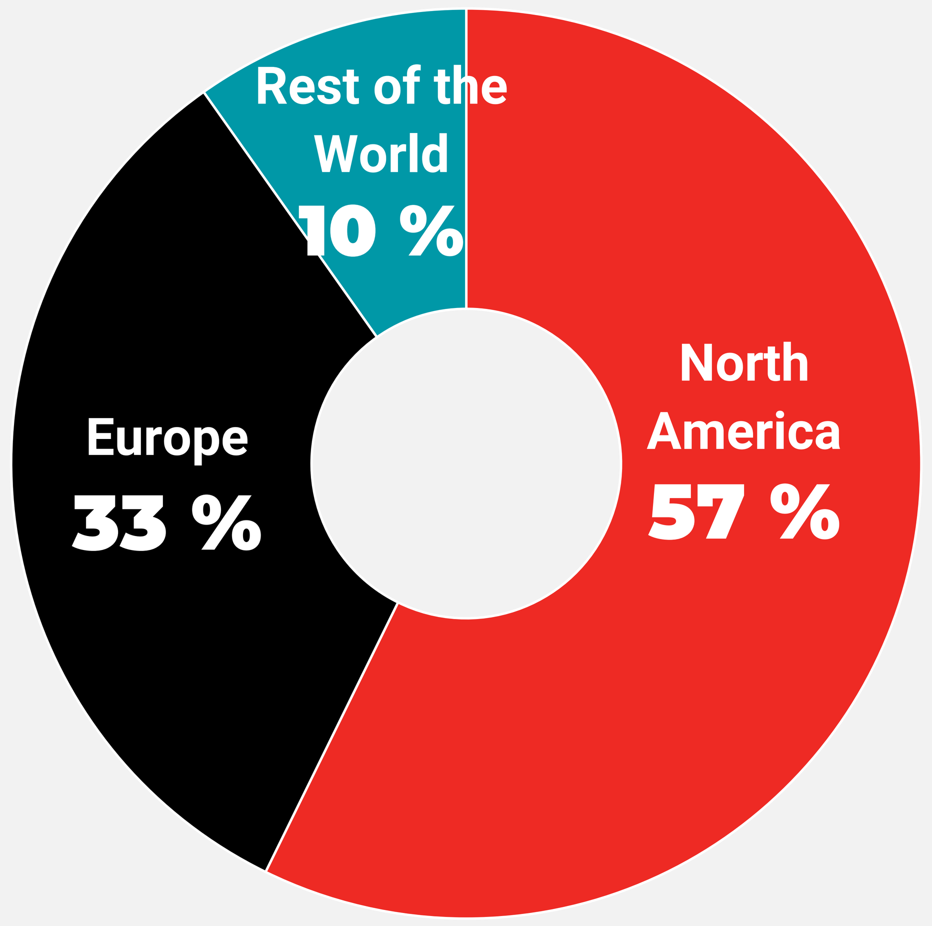
Net sales H1 (MEUR)



Net sales quarterly (MEUR)



% of Net sales

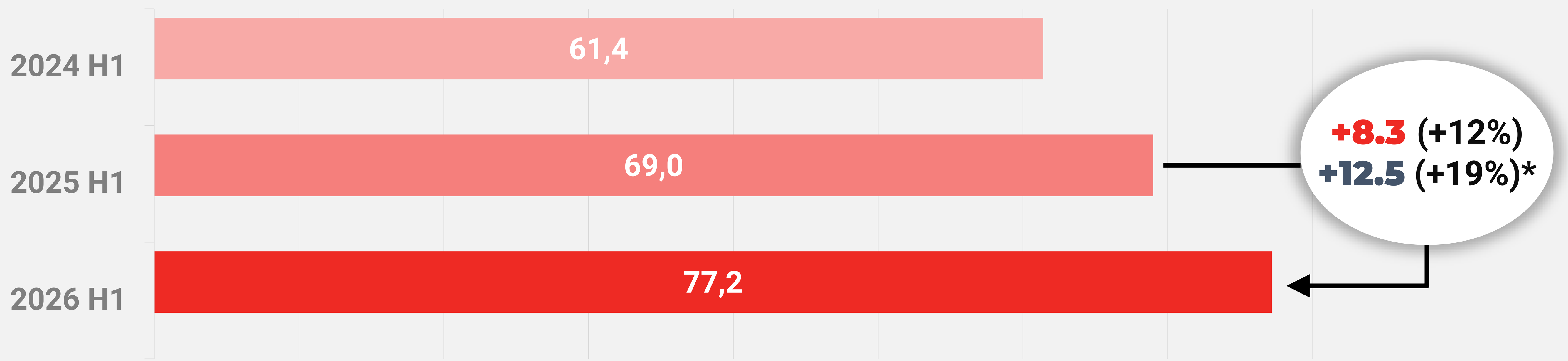


- During the first half of the year, the operating environment was affected by geopolitical instability and tariff volatility.
- Despite continued macroeconomic uncertainty, the North American market remained resilient, with consumer demand improving compared to the prior year.
- The European market remained subdued, with consumer demand further dampened by drought conditions in certain parts of Europe.

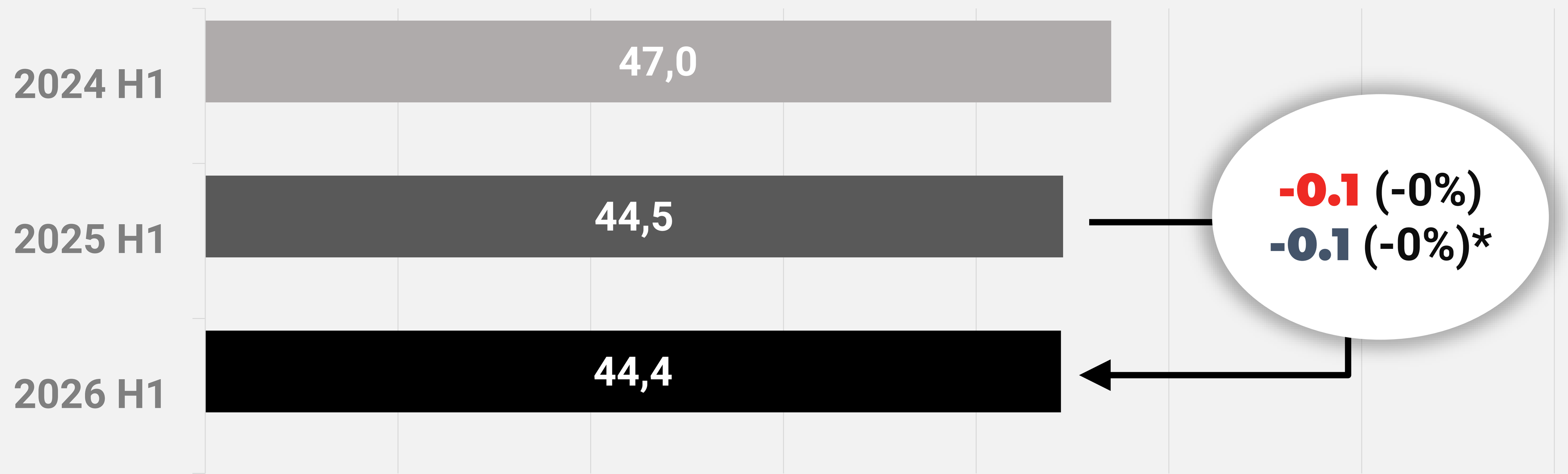
* Comparable change excludes the impact of exchange rates

Strong sales dynamics in North America

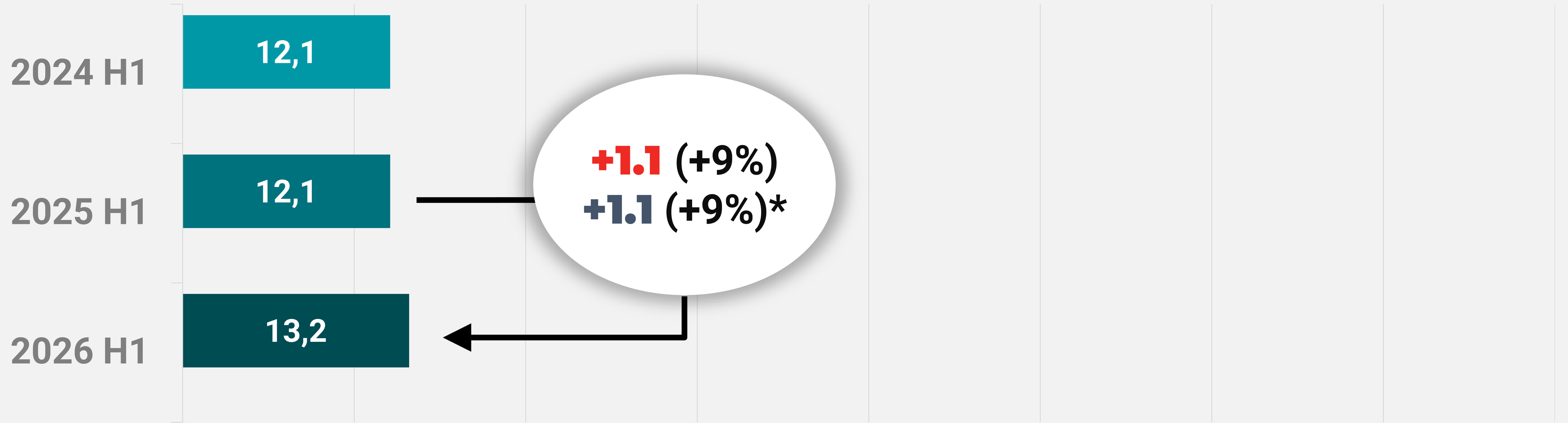
North America (MEUR)



Europe (MEUR)



Rest of the World (MEUR)



* Comparable change excludes the impact of exchange rates

North America

- Comparable Q2 sales increased by 18% and landed at 36.7 MEUR.
- Sales in the North American market remained strong in the second quarter, building on the strong performance in the first quarter.
- Second-quarter replenishment sales demonstrated healthy sell-through of the initial load-in orders shipped at the beginning of the year, as well as the success of new product introductions.
- Growth remained broad-based across all key brands, led by the flagship Rapala brand.

Europe

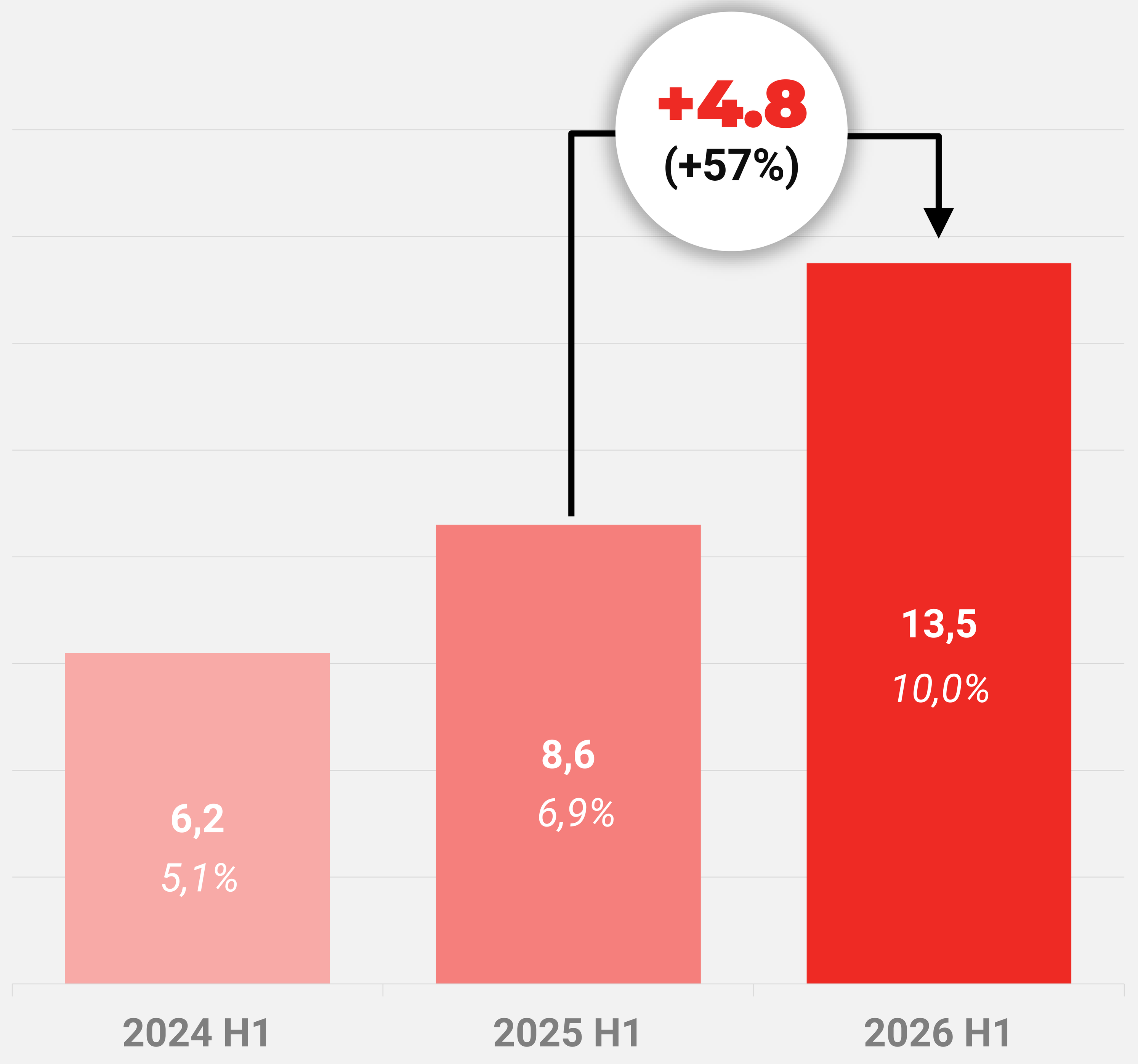
- Comparable Q2 sales decreased by 4 % and landed at 21.7 MEUR.
- The year started with an improved outlook and higher pre-season deliveries.
- However, drought and challenging weather conditions weakened consumer demand in parts of continental Europe, impacting replenishment sales in the second quarter.
- Sales of Rapala and Okuma exceeded the prior-year level, while sales declined for brands with greater exposure to the parts of continental European markets affected by adverse weather

Rest of the World

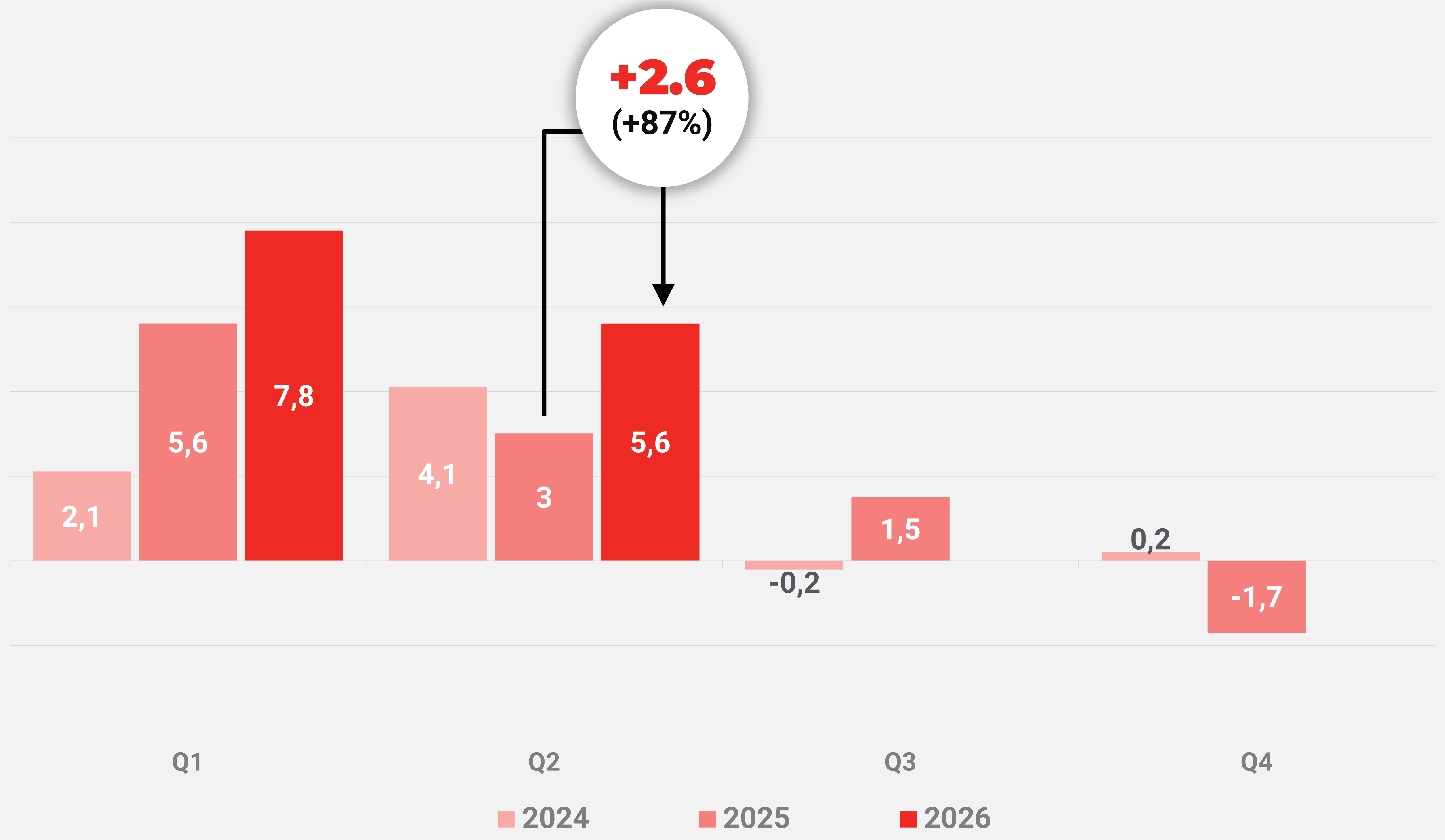
- Comparable Q2 sales increased by 11% and landed at 6.9 MEUR.
- Growth in the region was mainly driven by Latin American markets, where positive momentum continued throughout the reporting period and the new Okuma distributorship in Chile contributed incremental sales.
- Sales in Asian markets remained challenging and declined, as global trade disputes continued to weigh on consumer sentiment and discretionary spending.

Improved profitability

Comparable operating profit H1 (MEUR, *% of sales*)



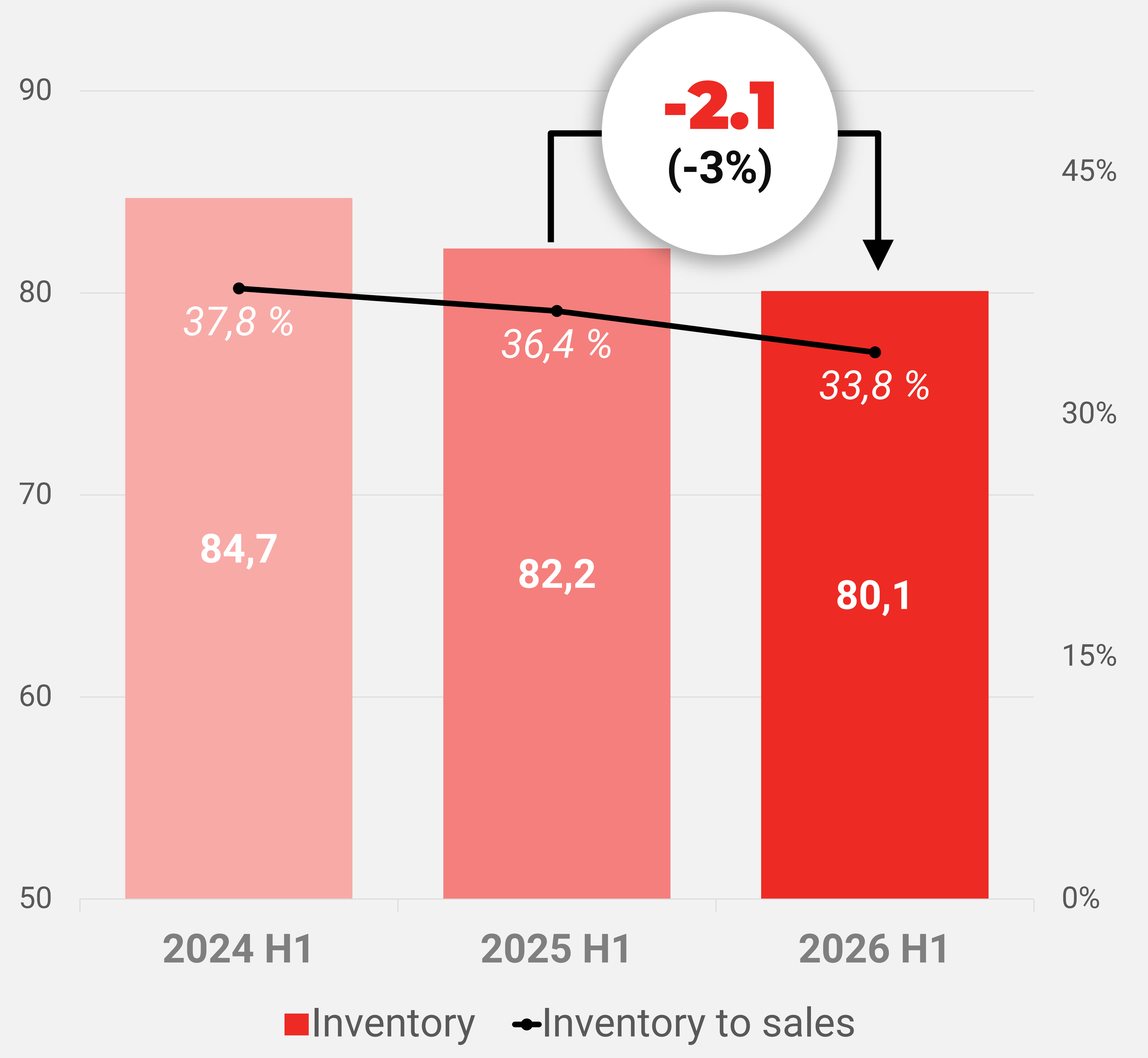
Comparable operating profit quarterly (MEUR)



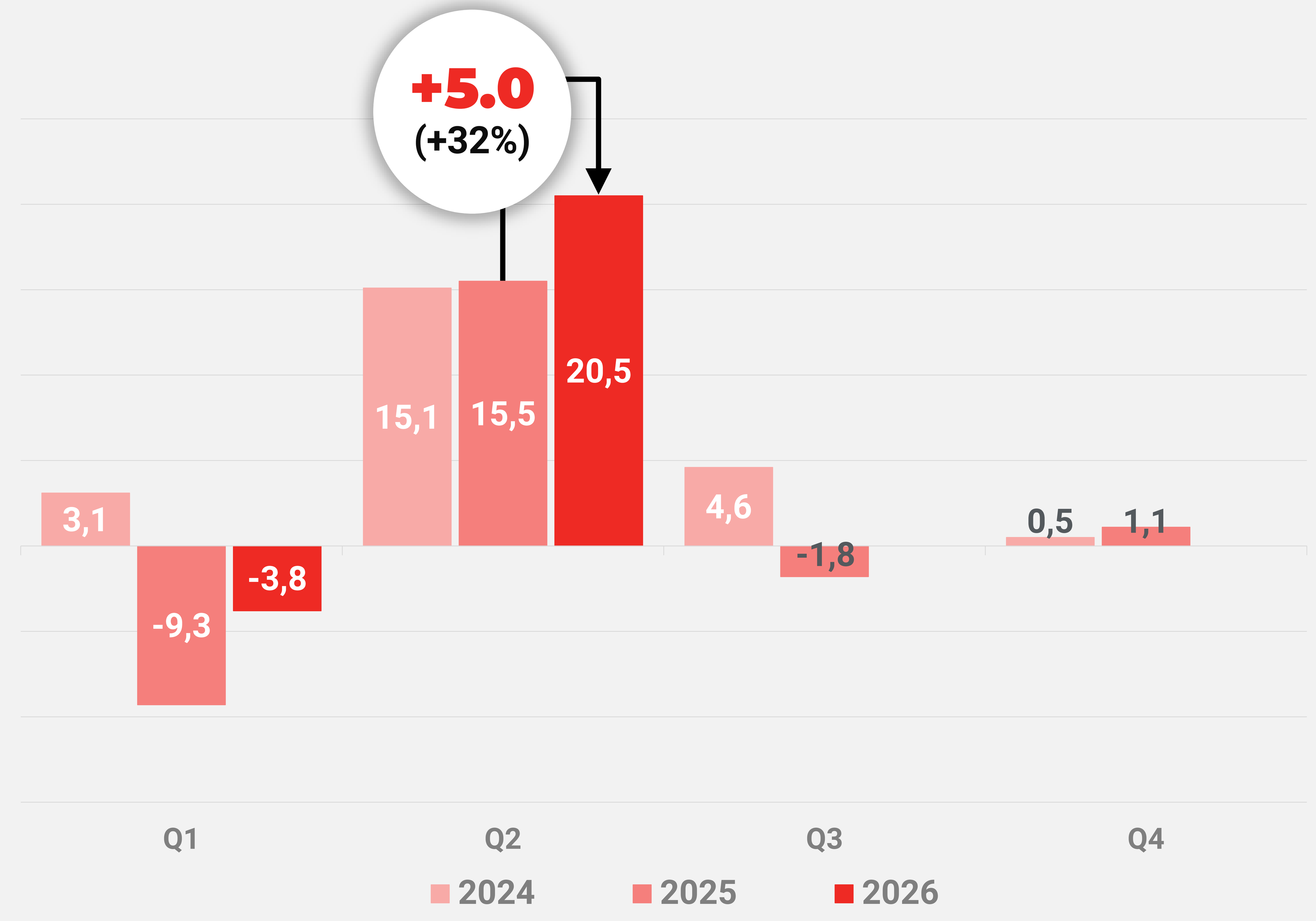
- The improved profitability was primarily driven by increased sales in the open water markets. Overall profitability also benefitted from slightly improved sales margin and from lower operating expense level.
- Reported operating profit includes a -0.1 MEUR (0.6) mark-to-market valuation of operative currency derivatives.
- Other items affecting comparability were 2.4 MEUR (-0.2). This amount includes mostly gains from the refunding of IEEPA tariffs in the US.
- Prior year's other items include the disposal of real estate in Finland, as well as a non-cash currency translation loss relating to the closure of the Russian manufacturing operation.
- Reported operating profit was 15.8 MEUR (9.1) and reported operating margin was 11.7% (7.3%).
- Net profit for the first half of the year increased by 6.2 MEUR and was 8.5 MEUR (2.2) and earnings per share (basic and diluted) was 0.19 EUR (0.02).

Cashflow remains the number one priority

Inventory (MEUR, *% of sales*)



Cash flow from operations quarterly (MEUR)



Cash flow from operations

MEUR	H1/26	H1/25	FY2025
Adjusted net profit	22.8	15.6	20.9
Net financial items & taxes	-4.3	-4.7	-9.1
CF excluding working capital	**18.5**	**11.0**	**11.8**
Change in NWC	-1.8	-4.8	-6.3
CF from operations	**16.7**	**6.2**	**5.5**

Inventory was 80.1 MEUR

- The change in obsolescence allowance decreased inventory value by 2.3 MEUR.
- Changes in translation exchange rates increased inventory value by 1.0 MEUR.
- Organic decrease in inventory was 0.8 MEUR.
- Inventory turn improved and the composition was healthy.

Cash flow from operations in H1 was 16.7 MEUR

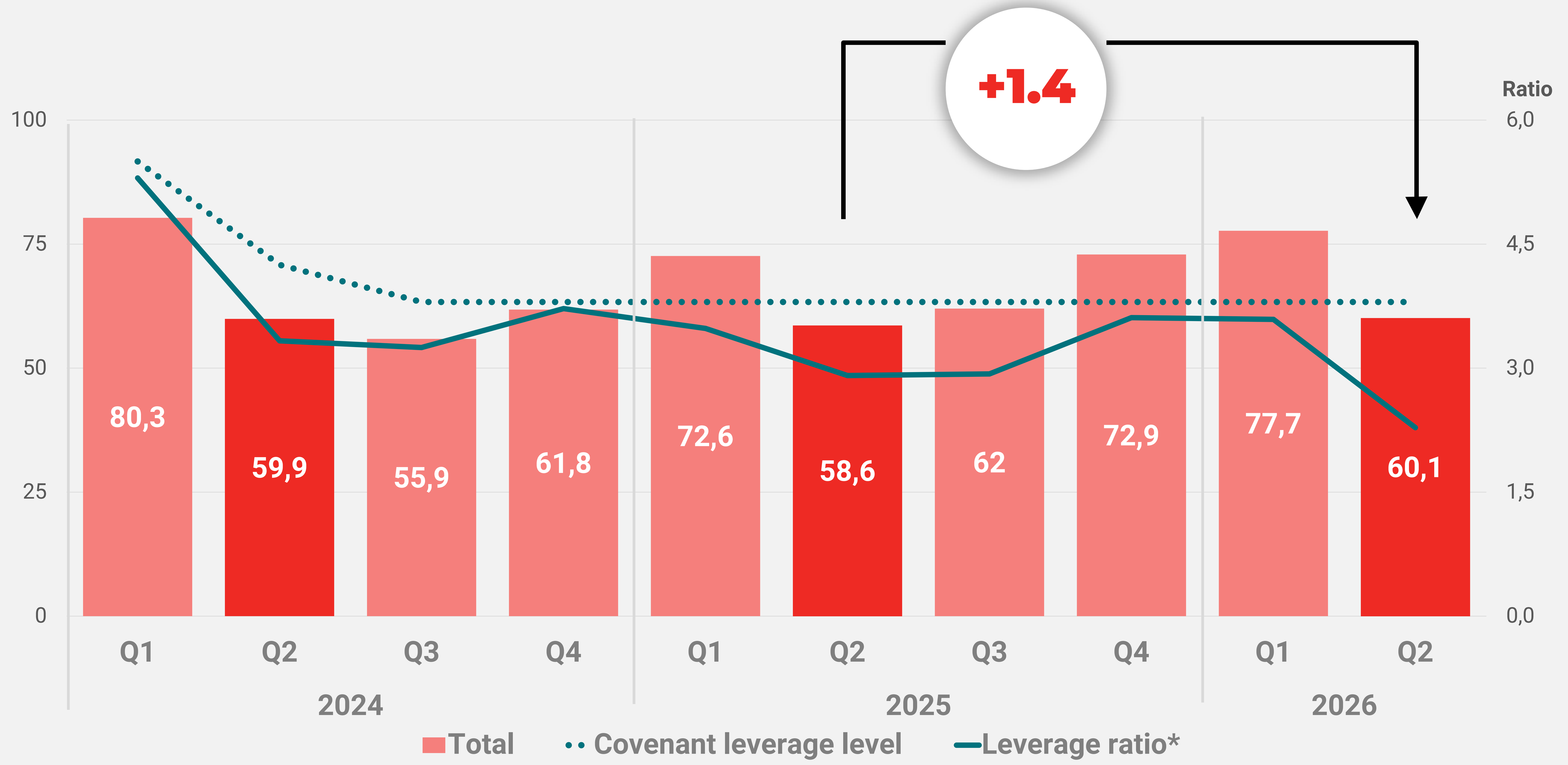
- Change in net working capital had a negative 1.8 MEUR (4.8 MEUR) impact on cash flow.
- Excluding working capital impact, cash flow from operations improved from the previous year and was 18.5 MEUR (11.0), following the relentless focus on cash generation and operational efficiencies.

Cash used in investing activities in H1 was 1.6 MEUR

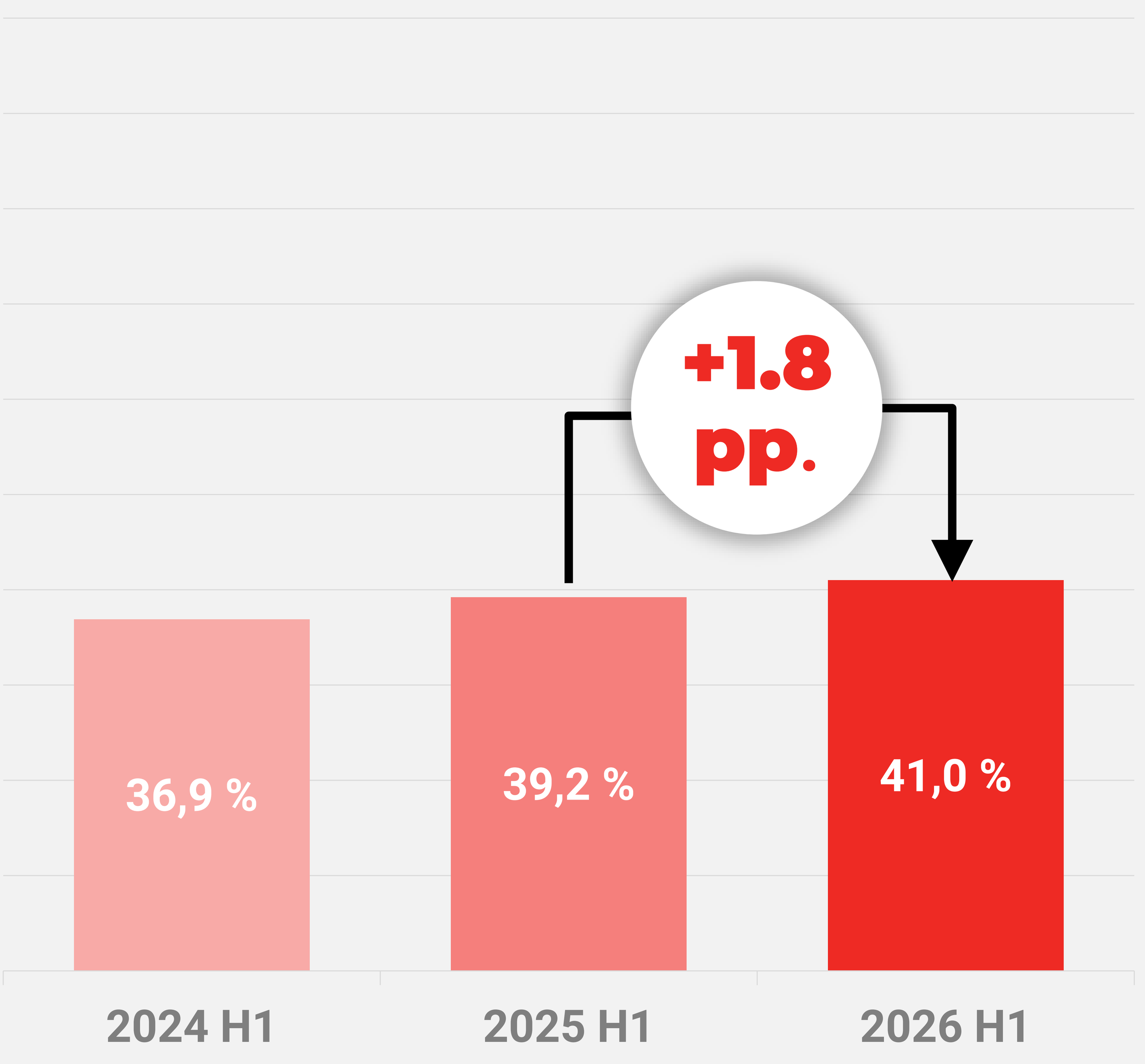
- Capital expenditure was 1.6 MEUR (1.8) and consisted mainly of maintenance of manufacturing capacity and investments in new products.
- Disposals 0.1 MEUR (1.1). Previous year disposals include sale of real estate in Finland.

De-leveraging progressing

Net interest-bearing debt quarterly (MEUR)



Gearing (%)



- Liquidity position remains good, and cash and cash equivalents amounted to 28.5 MEUR on June 30, 2026.
- Undrawn committed long-term credit facilities amounted to 21.3 MEUR.
- Gearing ratio increased due to replacing the previous 30 MEUR hybrid bond with a 25 MEUR hybrid bond in November 2025.
- The Group's covenant level has been 3.80. For periods Q3/2026 to Q4/2027 covenant level will be 3.50.
- Leverage ratio for Q1 and Q2 testing dates landed at 3.59 and 2.28.
- The Group is currently compliant with all financial covenants and expects to comply with future bank requirements as well.

*Leverage ratio calculated with certain adjustments.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