

20 25

FINANCIAL
STATEMENT
RELEASE



Rapala[®]
VME

RAPALA VMC CORPORATION'S FINANCIAL STATEMENT RELEASE 2025: CONTINUOUS IMPROVEMENTS THROUGH SUCCESSFUL NEW PRODUCTS & IMPROVED OPERATIONS

January-December (FY) in brief:

- Net sales were 227.5 MEUR, up 3% from previous year (220.9). With comparable exchange rates sales were 6 % higher than last year.
- Comparable operating profit* was 8.4 MEUR (6.2). The improved profitability was primarily driven by increased sales and controlled operating expenses.
- Cash flow from operations was 5.5 MEUR (23.4).
- Net profit for the period was -4.9 EUR (0.4). Main negative impact related to non-cash foreign currency translation loss arising from discontinued manufacturing operations.
- 2026 guidance: Full year comparable operating profit* to increase from the previous year.

July-December (H2) in brief:

- Net sales were 102.0 MEUR, up 2% from previous year (100.4). With comparable exchange rates sales were 6% higher than last year.
- Comparable operating profit* was -0.2 MEUR (0.0).
- Cash flow from operations was -0.7 MEUR (5.2).
- Net profit for the period was -7.1 MEUR (-4.2).

* Excluding mark-to-market valuations of operative currency derivatives and other items affecting comparability. Other items affecting comparability include material restructuring costs, impairments, gains and losses on business combinations and disposals, insurance compensations and other non-operational items.

Rapala Group presents alternative performance measures to reflect the underlying business performance and to enhance comparability between financial periods. Alternative performance measures should not be considered in isolation as a substitute for measures of performance in accordance with IFRS. Definitions and reconciliation of key figures are presented in the financial section of the release.

President and CEO Cyrille Viellard: "Rapala VMC confirms its long term trajectory and recovery path increasing comparable operating profit by 35% at 8.4 MEUR (6.2) and improving its financing conditions in the midst of highly disrupted international trade. A big thanks to all our global team members for their dedication and commitment that have led to improve our fundamentals and embarked enthusiastically in our brand driven strategy for long term sustainable success. Cashflow from operations stands at 5.5 MEUR (23.4) impacted in the second half by inventory value increases from tariffs as well as seasonal overall larger working capital needs from stronger North American winter fishing. Cashflow remains number one priority. One time non cash reclassifications of translation adjustments following final liquidations of both Indonesian and Russian lure factories impact significantly 2025 operating profits increasing gap to 2024 which, on the other hand, benefited from one-off financial decision to sell and lease back Canadian warehouse facilities. Rapala VMC is today more focused, leaner and stronger.

Rapala VMC strategy is built on long term brand building through ownership, innovation and excellence in marketing, best in class operations and customer service as well as solid supplier partnerships. Rapala VMC will continue to streamline its operations, reduce its breakeven point and invest in innovation. Brand driven strategy implementation is going according to plan. Management teams of core brands are set up with passionate and expert team members focused on their individual market segments. Strategies have been defined and action plans are in place.

In the midst of overall market uncertainties in leisure activities following continued trade war and high intensity conflicts in Europe and the Middle East, we are operationally and strategically aligned to build a stronger business and in 2026, our efforts to improve our fundamentals gives us confidence. 2026 is an important milestone as we celebrate the 90 years of our flagship Rapala brand."

Key figures

	H2	H2	Change	FY	FY	Change
MEUR	2025	2024	%	2025	2024	%
Net sales	102.0	100.4	2%	227.5	220.9	3%
Operating profit/loss	-4.9	-2.6	-88%	4.2	8.6	-51%
% of net sales	-4.8%	-2.6%		1.9%	3.9%	
Comparable operating profit/loss *	-0.2	0.0		8.4	6.2	35%
% of net sales	-0.2%	0.0%		3.7%	2.8%	
Cash flow from operations	-0.7	5.2		5.5	23.4	-76%
Gearing %	53.5%	39.8%		53.5%	39.8%	
EPS, EUR	-0.25	-0.14	-82%	-0.23	-0.07	

* Excluding mark-to-market valuations of operative currency derivatives and other items affecting comparability. "Other items affecting comparability" include material restructuring costs, impairments, gains and losses on business combinations and disposals, insurance compensations and other non-operational items.

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Market Environment

In 2025, the operating environment remained unpredictable and varied significantly across regions. The North American market proved resilient despite tariff-related disruptions, with consumer spending and retail activity holding up throughout the year despite related price increases. In contrast, in Europe and Asia, global trade disputes weighed on consumer sentiment and spending remained subdued.

Business Review January-December 2025

The Group's net sales for the year were 3% above the comparison period with reported translation exchange rates. With comparable translation exchange rates, net sales were organically up by 6% from the comparison period.

North America

Sales in North America increased by 10% from the comparison period with reported translation exchange rates and increased by 14% with comparable translation exchange rates.

Two consecutive strong ice fishing seasons supported both early-year replenishment sales of winter products and load-in orders in the latter part of the year. Sales growth was further driven by the successful launch of the new 13 Fishing product range, the continued strong performance of CrushCity soft plastic lures together with VMC hooks and rigs, and solid momentum across all key brands.

Nordic

Sales in the Nordic market decreased by 9% from the comparison period. With comparable translation exchange rates sales were down by 9%.

Exceptionally low sales of winter sports equipment had a significant impact on the region's performance. This was primarily due to poor snow conditions in Finland during the 2024/2025 season, which led to exceptionally weak replenishment sales in the first half of the year. Combined with subdued consumer confidence, this resulted in lower shipments in the second half of the year for the 2025/2026 season.

On a positive note, earlier organizational changes in the summer fishing business delivered encouraging results. Product availability remained strong, and most key brands recorded increased sales. Although the summer season started somewhat later than usual, replenishment sales remained resilient almost until the end of the reporting period.

Rest of Europe

Sales in the Rest of Europe market decreased by 4% from the comparison period. With comparable translation exchange rates sales were down by 4% from the previous year.

Sales at the beginning of the year were negatively impacted by retailer carryover inventory from the previous season. Consumer activity remained subdued, and retailers continued to exercise extreme caution with replenishment orders. Focus remained on core brands, with the Okuma brand continuing its growth trajectory as a key highlight.

Rest of the World

With reported translation exchange rates, sales in the Rest of the World market increased by 1% from the comparison period. With comparable translation exchange rates, sales increased by 6% compared to the previous year.

Sales in the Asian markets declined as ongoing global trade disputes continued to weigh on consumer sentiment and drive foreign exchange volatility. The competitive landscape also evolved amid tariff tensions, with Asian fishing equipment manufacturers increasing their investments in domestic markets and emerging as stronger local competitors.

In contrast, Latin American markets performed well, supported by economic recovery and currency stability in key countries. Growth was partly driven by the new Okuma distributorship in Chile.

External Net Sales by Area

	FY	FY	Change	Comparable
MEUR	2025	2024	%	change %
North America	122.8	111.9	10%	14%
Nordic	23.4	25.8	-9%	-9%
Rest of Europe	56.2	58.4	-4%	-4%
Rest of the World	25.0	24.8	1%	6%
Total	227.5	220.9	3%	6%

	H2	H2	Change	Comparable
MEUR	2025	2024	%	change %
North America	53.8	50.5	7%	15%
Nordic	10.5	12.3	-15%	-15%
Rest of Europe	24.7	24.9	-1%	-2%
Rest of the World	13.0	12.7	2%	7%
Total	102.0	100.4	2%	6%

Financial Results and Profitability

Comparable (excluding mark-to-market valuations of operative currency derivatives and other items affecting comparability) operating profit increased by 2.2 MEUR from the comparison period. Reported operating profit decreased by 4.5 MEUR from the previous year and the items affecting comparability had a negative impact of 4.2 MEUR (2.4) on reported operating profit.

Comparable operating profit margin was 3.7% (2.8) for the year. The improved profitability was primarily driven by increased sales in both the winter fishing and open-water markets, and these together outweighed the low sales of the weather-sensitive winter sports business. While tariffs had a negative impact on the cost base, carefully planned price adjustments and cooperation with key vendors helped to reduce the negative impact to sales margin.

Reported operating profit margin was 1.9% (3.9) for the year. Reported operating profit included impact of mark-to-market valuation of operative currency derivatives of 0.6 MEUR (-0.7). Net loss of other items affecting comparability included in the reported operating profit were -4.8 MEUR (3.1). The majority of the amount relates to a non-cash foreign currency translation loss arising from the closure of the Batam lure manufacturing operation and the Russian manufacturing operation. These translation losses were previously recognized directly in equity and, therefore, their recycling through the income statement does not impact the capital structure ratios. The items also include a gain on the disposal of real estate in Finland. The prior-year gain relates to the sale-and-leaseback transaction of the Canadian real estate.

Total financial (net) expenses were 8.6 MEUR (8.1) for the year. Net interest and other financing expenses were 6.9 MEUR (8.8) and (net) foreign exchange expenses were 1.7 MEUR (0.7).

Net profit for the year decreased by 5.4 MEUR and was -4.9 MEUR (0.4) and earnings per share was -0.23 EUR (-0.07).

Key figures

	H2	H2	Change	FY	FY	Change
MEUR	2025	2024	%	2025	2024	%
Net sales	102.0	100.4	2%	227.5	220.9	3%
Operating profit / loss	-4.9	-2.6	-88%	4.2	8.6	-51%
Comparable operating profit/loss *	-0.2	0.0		8.4	6.2	35%
Net profit / loss	-7.1	-4.2	-68%	-4.9	0.4	

* Excluding mark-to-market valuations of operative currency derivatives and other items affecting comparability. Other items affecting comparability include material restructuring costs, impairments, gains and losses on business combinations and disposals, insurance compensations and other non-operational items.

Bridge calculation of comparable operating profit

	H2	H2	Change	FY	FY	Change
MEUR	2025	2024	%	2025	2024	%
Operating profit/loss	-4.9	-2.6	-88%	4.2	8.6	-51%
Mark-to-market valuations of operative currency derivatives	0.1	0.5	-80%	-0.6	0.7	-186%
Other items affecting comparability	4.6	1.9	142%	4.8	-3.1	-255%
Comparable operating profit/loss	-0.2	0.0		8.4	6.2	35%

More detailed bridge of comparable operating profit and definitions and reconciliation of key figures are presented in the financial section of the release.

Financial Position

Cash flow from operations decreased by 17.9 MEUR from the comparison period and was 5.5 MEUR (23.4). A significant portion of the negative impact relates to inventory, as higher tariffs were absorbed into inventory values. Excluding the working capital impact, cash flow from operations improved from the previous year and amounted to EUR 11.9 million (EUR 3.7 million). Maintaining a strong focus on cash flow remains a key priority for the Group.

End of the year inventory was 84.4 MEUR (84.2). The change in obsolescence allowance decreased inventory value by 0.1 MEUR, and changes in translation exchange rates decreased inventory value by 4.2 MEUR. Organic growth in inventory was 4.3 MEUR. Most of the increase is attributable to U.S. tariffs, which have been absorbed into inventory values.

Net cash used in investing activities was 2.7 MEUR (generated 4.6). Capital expenditure was 4.3 MEUR (4.5) and disposals 1.6 MEUR (9.2). Expenditure consisted mainly of maintenance of manufacturing capacity and investments in new products. Disposals include proceeds from the sale of real estate in Finland and disposals of ice auger manufacturing machinery. Prior year disposals include proceeds from the sale and lease back of the Canadian real estate.

Liquidity position of the Group was good. Undrawn committed long-term credit facilities amounted to 23.8 MEUR and commercial papers sold under the Group's domestic commercial paper program amounted to 15.0 MEUR (14.0) at the end of the reporting period. Gearing ratio increased and equity-to-assets ratio decreased from last year.

The Group's 91.5 MEUR senior secured term and revolving credit facilities agreement includes financial covenants based on the net debt to EBITDA ratio ("leverage ratio"), the ratio of net debt to consolidated equity and the minimum liquidity.

The financial leverage ratio covenant level for periods Q4/2025 to Q2/2026 is 3.80, for periods Q3/2026 to Q4/2027 3.50 and from Q1/2028 onwards 3.20. Covenants are regularly tested, either quarterly or on the last day of each month. The risk of breaching the covenants would trigger negotiations between the Group and lending banks to resolve the potential covenant breach, and to agree on actions to rectify the situation. In the unlikely event of unresolved covenant breach, the lending banks would have the right to call all or any part of the loans and related interest.

On Q3/2025 and Q4/2025 testing dates, the leverage ratio landed at 2.93 and 3.61. Calculation of the covenants include customary adjustments mainly related to items affecting comparability and asset disposals and therefore deviate from the reported figures elsewhere in this report. The Group is currently compliant with all financial covenants and expects to comply with future bank requirements as well. The Group's liquidity position remains good, and cash and cash equivalents amounted to 18.2 MEUR on December 31, 2025.

The Group equity includes a hybrid capital bond of 25.0 MEUR issued in November 2025. The accumulated non-recognized interest at the reporting date was 0.2 MEUR. The accrued interest of 3.8 MEUR relating to the repaid 30 MEUR hybrid capital bond was paid out in November 2025 and was recognized as a deduction from the Group's equity.

For more information on refinancing and hybrid bond, see sections 'Refinancing', 'Issuance of hybrid capital securities' and 'tendering of hybrid capital securities and clean-up call'.

Key figures

	H2	H2	Change	FY	FY	Change
MEUR	2025	2024	%	2025	2024	%
Cash flow from operations	-0.7	5.2	-113%	5.5	23.4	-76%
Net interest-bearing debt at end of period	72.9	61.8	18%	72.9	61.8	18%
Gearing %	53.5%	39.8%		53.5%	39.8%	
Equity-to-assets ratio at end of period, %	49.3%	53.0%		49.3%	53.0%	

Definitions and reconciliation of key figures are presented in the financial section of the release.

Refinancing

In December 2025, the Group agreed on the final terms of a new financing agreement for 91.5 MEUR senior secured term and revolving facilities with Nordea Bank Abp, OP Corporate Bank plc and Skandinaviska Enskilda Banken AB (publ) for the purposes of refinancing the Group's existing loan facilities with the lenders and for general corporate and working capital purposes. The term of the facilities is twenty-four (24) months from the signing of the facilities agreement relating to the refinancing, subject to an extension option of eight (8) months.

Pursuant to the key terms of the refinancing agreed upon with the lenders, the completion of the issuance of the new 25 MEUR hybrid capital bond and the completion of the tender offer of the 30 MEUR hybrid capital bond was a precondition for the refinancing. The facilities agreement relating to the refinancing was executed following the completion of aforementioned capital market transactions.

The terms of the refinancing include financial covenants based on the leverage ratio, the ratio of net debt to consolidated equity and the minimum liquidity. Financial covenants are regularly tested quarterly or monthly, as applicable.

Issuance of hybrid capital securities

On November 19, 2025, the Group announced the issuance of hybrid capital securities in the aggregate amount of 25.0 MEUR. The bond bears a fixed coupon interest of 9.0% per annum until November 27, 2028 (the "Reset Date") and, from the Reset Date, a floating interest rate as defined in the terms and conditions of the capital securities. The hybrid bond does not have a specified maturity date, but the Group is entitled to redeem the bond at their nominal amount on the Reset Date, and subsequently, on each interest payment date thereafter. The issue date for the capital securities was November 27, 2025.

The Group's largest shareholder, Viellard Migeon Et Compagnie Sa was committed to participate in the issue of the capital securities by rolling its existing holding in the 30.0 MEUR hybrid in an amount of 7.2 MEUR into the issue of the 25.0 MEUR capital securities. Due to strong interest from existing and new investors and high book oversubscription, Viellard Migeon Et Compagnie Sa participated in the issue by subscribing for the capital securities in an amount of 3.1 MEUR.

The capital securities are subordinated to the Group's other debt obligations and treated as equity in the consolidated financial statements prepared in accordance with the IFRS. The capital securities do not confer to its holders the rights of a shareholder and do not dilute the holdings of the current shareholders.

The proceeds from the issue of the capital securities were used for the refinancing of the 30.0 MEUR hybrid capital securities issued by the Group on November 29, 2023 and general corporate purposes.

Tendering of hybrid capital securities and clean-up call

On November 24th, 2025, the Group announced the final results of the invitation to tender for cash the 30.0 MEUR hybrid capital securities. The aggregate principal amount validly tendered for purchase was 28.5 MEUR.

The Group confirmed that the condition relating to the pricing of the new 25.0 MEUR capital securities were fulfilled and accepted for purchase all tenders of the 30.0 MEUR capital securities.

The purchase price of the existing capital securities was EUR 20,700 per EUR 20,000 in principal amount. Accrued and unpaid interest was paid in respect of all capital securities accepted for purchase. The settlement date for the tender offer was November 27th, 2025. All the existing capital securities purchased by the Group were cancelled.

The Group's largest shareholder, Viellard Migeon Et Compagnie Sa, participated in the tender offer by tendering its holding in the existing capital securities in the amount of 7.2 MEUR.

On November 27th, the Group announced that the remaining capital securities not purchased pursuant to the tender offer will be redeemed for 101% of the nominal value, together with accrued but unpaid interest, on December 12th, 2025.

Strategy Implementation

The strategic vision of the Group is to become a focused brand and innovation driven sport fishing market leader in selected categories globally in connection to creating outstanding experiences to global fishermen. The strategic plan was reviewed as part of the strategy update process in Autumn 2025, adapted to reflect changes in the market environment, and updated to cover the period 2026–2028.

Focus remains in strengthening the balance sheet and in continuous increase of sales of owned brands, led by the flagship Rapala brand. Transformation into a brand powerhouse continues through building and enhancing a brand and market focused organization. A brand powerhouse with best-in-class order to delivery platform will ensure our position as a preferred partner for our retail and eCom partners. Manufacturing and sourcing excellence will continue to underpin our operations and strengthen our partnerships with key suppliers. Sustainability remains a significant cornerstone in everything we do.

The key pillars for our 2026-2028 strategy:

RAPALA VMC EXCELLENCE BUSINESS MODEL – We commit to standardize our global operations in a way that increases visibility and allows our global operations to run in a synchronized manner. Connecting all core management processes is a key in exploring and grasping on to opportunities in the market. Allowing entrepreneurial spirit while maintaining focus on brand value and strong business accountability. Target setting oriented organization with routine processes is the best way to emulate a community of 1373 team members to innovate, make, source, market in the best possible way.

GROWTH AND CASH FLOW – Maximizing the use of existing assets that make us unique: Brands, sales network and retailer partnerships, product development and manufacturing. Extend flagship Rapala brand in new categories and realize distribution synergies on newest brands in the portfolio (Okuma & 13 Fishing). Be stronger where we are strong.

SAFEGUARD MANUFACTURING COMPETITIVE ADVANTAGE – We continue streamlining and improving productivity in Pärnu manufacturing facility following location changes in past years. Ensuring global competitiveness through productivity improvements and continuous maximum utilization is our focus.

FOCUS ON SUPPLY CHAIN EXCELLENCE – More than a third of our revenue comes from manufacturing partners, highlighting a key strategic strength. These partners have a long-standing track record of providing a reliable outsourced manufacturing platform, enabling us to scale efficiently, enhance flexibility, and drive sustainable growth. Their expertise plays a crucial role in our success.

We continue to harmonize ERPs and expand procurement planning tool (Anaplan) vertically and horizontally. This enables faster working capital turn and on-time deliveries to maximize sales opportunities.

MAINTAIN GLOBAL SALES FOOTPRINT – Our extended sales network differentiates us from the competition. In the short-term, focus on operational efficiency and on bringing back the entrepreneurial spirit.

PORTFOLIO MANAGEMENT – Continue proactive consolidation of brands to harmonize brand portfolio. Focus on flagship Rapala brand and evaluate business performance based on brand sales.

Product Development

The Group's innovation pipeline received global acknowledgement in key global trade shows. Countdown Magnum Elite 145 won Best New Saltwater Hardbait and Claptail 110 won Best New Freshwater Hardbait category at the world's largest industry trade show, ICAST, in the US.

These wins marked an important comeback as similar industry recognition hadn't been received in the past few years. They paved the way for great commercial success of Claptail, which is a truly innovative topwater lure and a new Rapala staple for anglers.

Other important new hardbaits included Gold Miner 30, which is a robust, yet a technical trolling lure for the walleye and zander markets. This trolling workhorse was received very well also outside of North America and found its way to zander anglers' arsenal in North Europe.

The Group also won The Best New Soft Lure category in the Australian AFTA trade show with an innovative TPE crab called Trickster. In the US the 2024 tournament wins by Jacob Wheeler and Dustin Connell continued to carry CrushCity Mooch Minnow sales also in 2025. This versatile TPE bait works perfectly for the forward-facing sonar applications.

One of the Group's key strengths is its surface coating expertise, enabling the development of new, distinctive colors each year. Some of 2025 highlights were the new color patterns launched in Super Shadow Rap Glide lures that also featured premium painted VMC hooks. The bond between Rapala and VMC brands became even stronger with the introduction of new pre-rigged pike softbaits that combine innovative soft lure designs with premium VMC rigs and Mustache action heads. The new items were equally well received by both the consumers and the dealers.

Rapala accessories had an exciting year with introductions of new packages that are reducing the use of plastic material. Additionally, the launch of new Countdown and Hydro bags continued the rejuvenation of Rapala accessories as well as positively contributed to Q4 sales in Europe.

ICAST 2024 Best in Category winner Suffix Revolve braided line has been a huge PD launch for US in 2025 with support from independent dealers as well as national big box chains. The innovative line is optimized for finesse fishing techniques by maintaining ultra-fine diameters for longer casts and a body structure that reduces wind knots. The PD team worked hand in hand with Jacob Wheeler on Revolve and it's been on all his spinning reels this tournament season.

The Group's product development pipeline remains strong and strategically aligned for the next three years. Feedback from key retail partners confirms that our new product introductions are among the most compelling in the industry, with our brands continuing to demonstrate exceptional momentum. Supported by world-class marketing efforts, our latest launches are achieving strong sell-through rates, ensuring that our core consumers continue to enjoy successful and innovative fishing experiences with our products.

Reporting of non-financial information

Information on the Group's sustainability efforts in 2025 will be published later as a part of the Annual Review 2025.

Organization and Personnel

The average number of personnel was 1 408 (1 353) for the full year and 1 404 (1 355) for the last six months. At the end of December, the number of personnel was 1 373 (1 375).

On December 17, 2024, the Board of Directors appointed Cyrille Viellard as the new President and Chief Executive Officer of Rapala VMC Corporation, effective March 7th, 2025. Former President and Chief Executive officer Lars Ollberg continued in his position until March 6, 2025, and then retired after serving the company for over 45 years in various roles.

On October 15, 2025, Travis Tuma was appointed as a member of the Global Management Team. Tuma joined Rapala VMC USA with strong industry experience in 2006 as Sales Manager. He became member of the US Senior Leadership Team in 2022 as Vice President of Sales. He will take on the role of Rapala VMC USA President effective January 1st, 2026, as current President Marcus Twidale returns to Europe to take on a new role as head of Rapala Brand and Group Strategic Brand Management. Tuma will continue to lead US sales as part of the Rapala VMC USA Senior Leadership Team.

During the year, the Group continued its journey of organizational stabilization under the leadership of the new President and CEO, following the organizational changes in prior periods. Efforts also progressed in standardizing global operations and enhancing transparency, enabling more synchronized and efficient execution across markets.

Short-term Outlook and Risks

We believe that our renewed strategy will provide added value to our customers and other stakeholders. We will continue to invest in growth and efficiency to strengthen our position as one of the leading companies in the fishing tackle market.

North American consumer demand has remained robust despite uncertainties in the global trade environment. Our actions to mitigate the tariff impact on sales and profitability have so far been successful. However, the effects of price increases on consumer behavior are difficult to predict and therefore create uncertainty. The ongoing tariff situation continues to reduce visibility and poses challenges in driving sales and maintaining profitability.

European markets have experienced slower consumer spending following the recent economic and political developments, and this trend is expected to continue in 2026. We will continue to enhance operational efficiency and scrutinize our cost base to lower the breakeven point.

Pre-sales for the upcoming 2026/2027 winter fishing season have progressed in line with expectations in the North American market. In the Nordics, the winter fishing market is expected to remain at the prior year level.

Our guidance reflects current market conditions but remains subject to potential trade-related disruptions, including tariffs and regulatory changes, which may impact demand and cost structures.

Consequently, the Group expects 2026 full year comparable operating profit (excluding mark-to-market valuations of operative currency derivatives and other items affecting comparability) to increase from 2025. Short-term risks and uncertainties and the seasonality of the business are described in more detail at the end of this report.

Proposal for profit distribution

The Board of Directors proposes to the Annual General Meeting that no dividend will be paid for 2025.

Financial Statements and Annual General Meeting

Financial Statements for 2025 and Corporate Governance Statement will be published in week 15 commencing on April 8, 2026. Annual General Meeting is planned to be held on April 29, 2026.

Helsinki, March 11, 2026

Board of Directors of Rapala VMC Corporation

For further information, please contact:

Cyrille Viellard, President and Chief Executive Officer, +358 9 7562 540

Miikka Tarna, Chief Financial Officer, +358 9 7562 540

Tuomo Leino, Investor Relations, +358 9 7562 540

An audiocast and conference call on the second half year result on March 12, 2026 at 11:00 EET.

Please join the audiocast by registering using the following link: <https://events.inderes.com/rapala/2025-results>.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

STATEMENT OF INCOME	H2	H2	FY	FY
MEUR	2025	2024	2025	2024
Net sales	102.0	100.4	227.5	220.9
Other operating income	0.2	0.2	0.3	0.3
Materials and services	46.6	45.6	101.8	97.8
Employee benefit expenses	30.6	29.8	62.7	63.6
Other operating expenses	20.0	20.9	43.2	45.1
Loss due to reclassification of translation difference on discontinued operations	4.2		4.7	
Gain on sale of assets	0.1	0.0	0.5	6.4
Share of results in associates and joint ventures	0.0	0.0	0.0	0.0
EBITDA	0.8	4.2	15.9	21.1
Depreciation, amortization and impairments	5.7	6.8	11.6	12.5
Operating profit/loss (EBIT)	-4.9	-2.6	4.2	8.6
Financial income and expenses	-3.7	-3.8	-8.6	-8.1
Profit/loss before taxes	-8.6	-6.4	-4.4	0.5
Income taxes	1.4	-2.1	-0.5	0.0
Net profit/loss for the period	-7.1	-4.2	-4.9	0.4
Attributable to:				
Equity holders of the company	-7.1	-4.2	-4.9	0.4
Earnings per share for profit attributable to the equity holders of the parent company:				
Earnings per share, EUR non-diluted	-0.25	-0.14	-0.23	-0.07
Earnings per share, EUR diluted	-0.25	-0.14	-0.23	-0.07
STATEMENT OF COMPREHENSIVE INCOME	H2	H2	FY	FY
MEUR	2025	2024	2025	2024
Net profit/loss for the period	-7.1	-4.2	-4.9	0.4
Other comprehensive income, net of tax				
Change in translation differences*	-0.4	-0.4	-8.4	1.1
Loss due to reclassification of translation difference on discontinued operations	4.2		4.7	
Gains and losses on net investment hedges*	0.4	0.1	-0.2	-0.1
Remeasurements of defined benefit liabilities	0.0	-0.1	0.0	-0.1
Total other comprehensive income, net of tax	4.2	-0.3	-3.9	1.0
Total comprehensive income for the period	-3.0	-4.6	-8.8	1.4
Total comprehensive income attributable to:				
Equity holders of the parent company	-3.0	-4.6	-8.8	1.4

*Item that may be reclassified subsequently to the statement of income

STATEMENT OF FINANCIAL POSITION

MEUR	Dec 31 2025	Dec 31 2024
ASSETS		
Non-current assets		
Intangible assets	96.4	104.3
Property, plant and equipment	20.3	22.9
Right-of-use assets	9.4	11.7
Non-current assets		
Interest-bearing	0.7	0.7
Non-interest-bearing	17.6	15.4
	144.3	155.0
Current assets		
Inventories	84.4	84.2
Current assets		
Non-interest-bearing	30.0	32.7
Cash and cash equivalents	18.2	21.7
	132.6	138.6
Total assets	276.9	293.6
EQUITY AND LIABILITIES		
Equity		
Equity attributable to the equity holders of the parent company	111.4	125.3
Hybrid bond	25.0	30.0
	136.4	155.3
Non-current liabilities		
Interest-bearing	63.5	49.4
Non-interest-bearing	10.9	11.2
Lease liabilities	5.6	7.6
	80.0	68.3
Current liabilities		
Interest-bearing	18.5	22.4
Non-interest-bearing	37.8	42.9
Lease liabilities	4.3	4.8
	60.6	70.1
Total equity and liabilities	276.9	293.6

STATEMENT OF CASH FLOWS

MEUR	H2 2025	H2 2024	FY 2025	FY 2024
Net profit/loss for the period	-7.1	-4.2	-4.9	0.4
Adjustments to net profit / loss for the period *	12.5	7.6	25.9	12.4
Financial items and taxes paid and received	-4.5	-5.3	-9.1	-9.1
Change in working capital	-1.6	7.2	-6.3	19.7
Net cash generated from operating activities	-0.7	5.2	5.5	23.4
Investments	-2.5	-1.5	-4.3	-4.2
Proceeds from sales of assets	0.5	0.5	1.6	9.2
DQC acquisition	-	-	-	-0.3
Change in interest-bearing receivables	0.0	0.0	0.0	0.0
Net cash used in investing activities	-2.0	-1.1	-2.7	4.6
Dividends paid	-	-	-	-
Net funding	9.3	-2.5	9.5	-16.2
Repayment of lease liabilities	-3.0	-2.8	-6.0	-4.9
Hybrid bond **	-10.2	-3.8	-10.2	-3.8
Purchase of own shares	-1.0	-	-1.0	-
Net cash generated from financing activities	-4.9	-9.1	-7.6	-24.8
Change in cash and cash equivalents	-7.6	-5.0	-4.9	3.2
Cash & cash equivalents at the beginning of the period	25.4	27.6	21.7	20.0
Foreign exchange rate effect	0.4	-1.0	1.4	-1.5
Cash and cash equivalents at the end of the period	18.2	21.7	18.2	21.7

* Includes reversal of non-cash items, income taxes and financial income and expenses. ** Hybrid bond interest in 2025

MEUR	Share capital	Share premium fund	Fund for invested non-restricted equity	Own shares	Translation differences	Retained earnings	Hybrid bond	Total equity
Equity on Jan 1, 2024	3.6	16.7	4.9	-3.0	-11.0	115.0	30.0	156.3
Comprehensive income*	-	-	-	-	1.0	0.4	-	1.4
Hybrid bond expenses**	-	-	-	-	-	-3.0	-	-3.0
Share based payments	-	-	-	-	-	0.1	-	0.1
Other changes	-	-	-	-	-	0.6	-	0.6
Equity on Dec 31, 2024	3.6	16.7	4.9	-3.0	-9.9	113.0	30.0	155.3
Equity on Jan 1, 2025	3.6	16.7	4.9	-3.0	-9.9	113.0	30.0	155.3
Comprehensive income*	-	-	-	-	-3.8	-5.0	-	-8.8
Purchase of own shares	-	-	-	-1.0	-	-	-	-1.0
Repayment of hybrid bond	-	-	-	-	-	-	-5.0	-5.0
Hybrid bond expenses**	-	-	-	-	-	-4.1	-	-4.1
Share based payments	-	-	-	-	-	0.0	-	0.0
Other changes	-	-	-	-	-	-0.1	-	-0.1
Equity on Dec 31, 2025	3.6	16.7	4.9	-4.0	-13.7	103.9	25.0	136.4

*For the period, net of tax

**Net of tax

NOTES TO THE STATEMENT OF INCOME AND FINANCIAL POSITION

The financial information included in this financial statement release is unaudited. This financial statement release has been prepared in accordance with IAS 34 (Interim Financial Reporting).

Apart from the changes in accounting principles stated below, the accounting principles adopted in the preparation of this report are consistent with those used in the preparation of the financial statements 2024.

Use of estimates and rounding of figures

Complying with IFRS in preparing financial statements requires management to make estimates and assumptions. Such estimates affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the amounts of revenues and expenses. Although these estimates are based on the management's best knowledge of current events and actions, actual results may differ from these estimates.

All figures in these accounts have been rounded. Consequently, the sum of individual figures can deviate from the presented sum figure. Key figures have been calculated using exact figures.

Events after the end of the full year reporting period

The Group has no knowledge of any significant events after the end of the reporting period that would have a material impact on the financial statements for January-December 2025.

ACQUISITIONS

Acquisition in 2025

There were no acquisitions in 2025.

Key figures	H2	H2	FY	FY
	2025	2024	2025	2024
EBITDA, % of net sales	0.8%	4.2%	7.0%	9.6%
Operating profit/loss, % of net sales	-4.8%	-2.6%	1.9%	3.9%
Return on capital employed, %	-4.7%	-2.4%	2.0%	3.8%
Capital employed at end of period, MEUR	209.3	217.1	209.3	217.1
Net interest-bearing debt at end of period, MEUR	72.9	61.8	72.9	61.8
Equity-to-assets ratio at end of period, %	49.3%	53.0%	49.3%	53.0%
Debt-to-equity ratio at end of period, %	53.5%	39.8%	53.5%	39.8%
Earnings per share, EUR, non-diluted	-0.25	-0.14	-0.23	-0.07
Earnings per share, EUR, diluted	-0.25	-0.14	-0.23	-0.07
Equity per share at end of period, EUR	2.92	3.22	2.92	3.22
Average personnel for the period	1 404	1 356	1 408	1 353

Definitions and reconciliation of key figures are presented at the end of the financial section.

Key figures by half year	H1		H2		H2	
	2023	2023	2024	2024	2025	2025
MEUR						
Net sales	117.9	103.7	120.5	100.4	125.5	102.0
EBITDA	10.0	5.5	16.9	4.2	15.0	0.8
Operating profit/loss (EBIT)	4.4	-0.4	11.2	-2.6	9.1	-4.9
Profit/loss before taxes	-0.5	-5.7	6.9	-6.4	4.2	-8.6
Net profit/loss for the period	-1.1	-5.8	4.7	-4.2	2.2	-7.1

Bridge calculation of comparable operating profit						
MEUR	H2 2025	H2 2024	Change %	FY 2025	FY 2024	Change %
Operating profit/loss	-4.9	-2.6	-88%	4.2	8.6	-51%
<i>Items affecting comparability</i>						
Mark-to-market valuations of operative currency derivatives	0.1	0.5		-0.6	0.7	
<i>Other items affecting comparability</i>						
Sale of real estate in Finland	0.0	0.0		-0.5	0.0	
US restructuring	0.0	0.3		0.1	0.7	
Canada sale and leaseback	0.0	0.1		0.0	-6.2	
Organizational restructurings	0.3	1.4		0.3	2.2	
Currency translation loss from closing Russian manufacturing subsidiary	0.0			0.5		
Currency translation loss from closing Indonesian manufacturing subsidiary	4.3			4.3		
Other restructurings	0.0	0.1		0.0	0.1	
Comparable operating profit/loss	-0.2	0.0	-100%	8.4	6.2	35%

External net sales by area

MEUR	H2 2025	H2 2024	FY 2025	FY 2024
North America	53.8	50.5	122.8	111.9
Nordic	10.5	12.3	23.4	25.8
Rest of Europe	24.7	24.9	56.2	58.4
Rest of the World	13.0	12.7	25.0	24.8
Total	102.0	100.4	227.5	220.9

Commitments

MEUR	Dec 31 2025	Dec 31 2024
Minimum future lease payments on leases	0.2	0.3

Related party transactions

MEUR	Sales and other income	Purchases	Rents paid	Other expenses	Receivables	Payables
FY 2025						
Associated company Lanimo Oü	0.0	0,0	-	-	-	-
Entity with significant influence over the Group*	-	-	-0.3	0.0	-	-
Management	0.0	-	-	0.0	-	-
FY 2024						
Associated company Lanimo Oü	0.0	-	-	0.0	0.0	-
Entity with significant influence over the Group*	-	-	0.0	0.0	-	-
Management	0.0	-	-0.1	0.0	0.7	-

* Lease agreement for the real estate for the consolidated operations in France and a service fee.

Intangible assets

2025

MEUR	Goodwill	Trademarks	Customer relations	Other intangible assets	Total
Acquisition cost Jan 1	66.3	36.1	2.7	9.0	114.1
Additions				0.5	0.5
Disposals		-0.3		-1.6	-1.9
Translation differences	-4.7	-2.1	-0.1	-0.5	-7.5
Acquisition cost Dec 31	61.5	33.7	2.6	7.4	105.2
Accumulated amortization Jan 1		-0.9	-2.6	-6.3	-9.8
Disposals		0.3		1.6	1.9
Amortization during the period		-0.1	-0.1	-0.5	-0.7
Impairments				-0.5	-0.5
Translation differences			0.1	0.1	0.2
Accumulated amortization Dec 31		-0.7	-2.6	-5.6	-8.9
Carrying value Jan 1	66.3	35.1	0.1	2.7	104.2
Carrying value Dec 31	61.5	33.0	0.0	1.8	96.4

Tangible assets

2025

MEUR	Land	Buildings and structures	Machinery and equipment	Other tangible assets	Advance payments and construction in progress	Total
Acquisition cost Jan 1	1.3	21.4	56.1	15.3	1.5	95.7
Additions		0.1	1.8	0.6	1.5	4.0
Disposals		-0.8	-3.5	-0.8	-0.4	-5.5
Reclassifications		0.1	1.0	0.2	-1.2	-0.0
Translation differences	-0.1	-0.5	-0.9	-0.6	-0.1	-2.2
Acquisition cost Dec 31	1.3	20.3	54.4	14.7	1.3	92.0
Accumulated depreciation Jan 1		-16.0	-44.1	-12.8		-72.8
Disposals		0.7	2.8	0.8		4.3
Depreciation during the period		-0.9	-3.0	-0.9		-4.8
Impairments					-0.1	-0.1
Reclassifications			0.1			0.1
Translation differences		0.4	0.6	0.6		1.6
Accumulated depreciation Dec 31		-15.8	-43.5	-12.4	-0.1	-71.7
Carrying value Jan 1	1.3	5.5	12.0	2.6	1.5	22.9
Carrying value Dec 31	1.3	4.6	10.9	2.3	1.2	20.3

Open derivatives	Dec 31, 2025		Dec 31, 2024	
	Nominal Value	Fair Value	Nominal Value	Fair Value
MEUR				
Non-hedge accounting derivative financial instruments				
Interest rate swaps, less than 12 months				
Interest rate swaps, 1 to 5 years	35.0	-0.5	35.0	-0.8
Currency derivatives, less than 12 months	38,4	-0.0	26.4	-0.5
Total	73,4	-0,5	61.4	-1.3

The changes in the fair values of derivatives that are designated as hedging instruments but do not qualify for hedge accounting are recognized based on their nature either in operative costs, if the hedged item is an operative transaction, or in financial income and expenses if the hedged item is a monetary transaction. Financial risks and hedging principles are described in detail in the financial statements.

Changes in unrealized mark-to-market valuations for operative foreign currency derivatives

	H2 2025	H2 2024	FY 2025	FY 2024
Included in operating profit	-0.1	-0.6	0,6	-0.7

Operative foreign currency derivatives that are marked-to-market on reporting date cause timing differences between the changes in derivatives' fair values and operative transactions. Changes in fair values for derivatives designated to hedge future cash flow but are not accounted for according to the principles of hedge accounting, impact the Group's operating profit for the accounting period. The changes in unrealized valuations include both valuations of derivatives that will realize in the future periods as well as reversal of previously accumulated value of derivatives that realized in the accounting period.

Fair values of financial instruments	Dec 31 2025		Dec 31 2024	
	Carrying value	Fair value	Carrying value	Fair value
MEUR				
Assets				
Other shares (level 3)	0.1	0.1	0.1	0.1
Derivatives (level 2)	0.1	0.1	0.1	0.1
Total	0.2	0.2	0.1	0.1
Liabilities				
Non-current interest-bearing liabilities (excl. derivatives)	63.5	63.6	49.4	49.6
Derivatives (level 2)	0.7	0.7	1.4	1.4
Total	64.1	64.2	50.8	50.9

Fair values of other financial instruments do not differ materially from their carrying value.

Shares and share capital

The Annual General Meeting (AGM) kept on May 8, 2025 approved the Board of Director's proposal that no dividend will be paid. A separate stock exchange release on the decisions of the AGM has been given, and up to date information on the Board's authorizations and other decisions of the AGM are available also on the corporate website.

Share related key figures	Dec 31 2025	Dec 31 2024
Number of shares	39 000 000	39 000 000
Number of shares, average	39 000 000	39 000 000
Number of treasury shares*	870 159	123 891
Number of treasury shares, %*	2.2%	0.3%
Number of outstanding shares	38 129 841	38 876 109
Number of shares traded, YTD	15 571 299	2 649 340
Share price at the end of the period	1.28	1.92
Highest share price, YTD	1.99	3.44
Lowest share price, YTD	1.17	1.89
Average price of held treasury shares	2.2	7.41
Acquired treasury shares, YTD*	746 268	0

*Rapala VMC Oyj has an agreement with Allshares Oy concerning the long-term share-based incentive schemes for key personnel. Pursuant to the agreement Allshares Hedging 6 Oy owns Rapala VMC Oyj's shares related to the incentive schemes until the shares are granted to employees participating in the scheme. As of 31.12.2025 Allshares Hedging 6 Oy held 746 268 shares reported as treasury shares. The legal ownership of Allshares Hedging 6 Oy is with an external service provider, but based on the agreement, Rapala VMC Oyj exercises control over the arrangement. Therefore the holding company is combined with the IFRS consolidated financial statements as a structured entity.

Short term risks and uncertainties

The objective of Rapala VMC Group's risk management is to support the implementation of the Group's strategy and execution of business targets. Group management continuously develops its risk management practices and internal controls. Detailed descriptions of the Group's strategic, operative and financial risks as well as risk management principles will be included in the Financial Statements 2025.

Due to the nature and seasonality of the fishing tackle business, weather impacts consumer demand and may have impact on the Group's sales for current and following seasons. However, the weather risk is to some extent diversified as the Group has a wide geographical footprint and sells products both for summer and winter seasons.

The biggest deliveries for peak seasons are concentrated into relatively short time periods, and hence a well-functioning supply chain is required. The uncertainties in future demand as well as the length of the Group's supply chain increases complexity in supply chain management. Delays in shipments from own manufacturing or from external manufacturing partners, or unexpected changes in customer demand may lead to shortages in deliveries and contractual penalties, lost sales or excess inventories and subsequent clearance sales with lower margins.

The current economic climate with uncertainty in the global trade environment (including tariffs) can impact the sales of fishing tackle and more over impact the profitability of the Group's operations as products are manufactured in or sourced from many different countries in Europe and Asia. Retailers reducing their inventory levels and facing financial challenges contribute to this volatility. Additionally, rapid and significant increases in living expenses or sudden fluctuations in foreign exchange rates can temporarily affect consumer spending. Nevertheless, consumer demand has historically remained relatively stable. Political tensions may have negative effects on the Group's business and geopolitical development is followed closely. As part of our strategic measures, the distribution in Russia has been scaled down.

The global nature of the Group's sales and operations diversifies market risks. Nevertheless, a significant portion of the Group's sales is generated in North America. The Group is cautiously monitoring the development both in global macro economy as well as in the various local markets it operates in. While the Group's customer base is generally diversified, the loss of one or more major customers, or changes in retail landscape may impact the sales and profitability. New distribution agreements, termination of old agreements or changes in product offering made by the principal may affect sales at short notice. Cash collection and credit risk management is high on the agenda of local management and this may affect sales to some customers. The quality of the accounts receivable is closely monitored to mitigate credit risk.

The Group's sales, profitability, and balance sheet are impacted by the changes in foreign exchange rates, and the Group has hedging agreements according to the foreign exchange risk management policy set by the Board of Directors. As the Group is not applying hedge accounting in accordance to IFRS 9, the unrealized mark-to-market valuations of operative currency hedging agreements have an impact on the Group's reported operating profit. Some of the Group's currency positions are not possible or feasible to be hedged and therefore may have impact on the Group's net result.

The Group's 91.5 MEUR senior secured credit facilities include liquidity, profitability and solvency-related financial covenants, which are actively monitored. The covenants are regularly tested, either quarterly or monthly. The Group actively monitors development in financial performance in relation to the financial covenants and expects to continue to fulfill the requirements of its lenders. Liquidity risks are under control. The term of the credit facilities is twenty-four (24) months from the signing of the facilities agreement in December 2025, subject to an extension option of eight (8) months.

No significant changes are identified in the Group's strategic risks or business environment with the exception of the increased geopolitical risk environment and uncertainties in the global trade environment.

Definitions of key figures

Operating profit before depreciation and impairments (EBITDA)	Operating profit + depreciation and impairments
Items affecting comparability	Change in mark-to-market valuations of operative currency derivatives +/- other items affecting comparability
Other items affecting comparability	Restructuring costs + impairments +/- gains and losses on business combinations and disposals - insurance compensations +/- other non-operational items
Comparable operating profit	Operating profit +/- change in mark-to-market valuations of operative currency derivatives +/- other items affecting comparability
Net interest-bearing debt	Total interest-bearing liabilities - total interest-bearing assets - cash and cash equivalents
Capital employed (average for the period)	Total equity (average for the period) + net interest-bearing debt (average for the period)
Working capital	Inventories + total non-interest-bearing assets - total non-interest-bearing liabilities
Total non-interest-bearing assets	Total assets - interest-bearing assets - intangible and tangible assets - assets classified as held-for-sale
Total non-interest-bearing liabilities	Total liabilities - interest-bearing liabilities
Return on capital employed (ROCE), %	$\frac{\text{Operating profit (full-year adjusted)} \times 100}{\text{Capital employed (average for the period)}}$
Debt-to-equity ratio (Gearing), %	$\frac{\text{Net interest-bearing debt} \times 100}{\text{Total equity}}$
Equity-to-assets ratio, %	$\frac{\text{Total equity} \times 100}{\text{Total shareholders' equity and liabilities - advances received}}$
Earnings per share, EUR	$\frac{\text{Net profit for the period attributable to the equity holders of the parent company - hybrid capital accrued unrecognized interests after tax}}{\text{Adjusted weighted average number of shares}}$
Equity per share, EUR	$\frac{\text{Equity attributable to equity holders of the parent company}}{\text{Adjusted number of shares at the end of the period}}$
Average number of personnel	Calculated as average of month end personnel amounts

Reconciliation of key figures to IFRS

	H2 2025	H2 2024	FY 2025	FY 2024
Items affecting comparability				
Change in mark-to-market valuations of operative derivatives	0.1	0.6	-0.6	0.7
Other items affecting comparability	4.6	2.1	4.8	-3.1
Items affecting comparability	4.6	2.6	4.2	-2.4
Other items affecting comparability				
Finland sale of real estate	-	-	-0.5	-
US restructuring	-	0.3	0.1	0.7
Canada real estate sale and leaseback	-	0.1	-	-6.2
Organizational restructurings	0.3	1.4	0.3	2.2
Currency translation loss from closing Russian manufacturing subsidiary	-	-	0.5	-
Currency translation loss from closing Indonesian manufacturing subsidiary	4.3	-	4.3	-
Other restructurings	0.0	0.1	0.0	0.1
Other items affecting comparability	4.6	1.9	4.8	-3.1
Capital employed (average)				
Total equity (average for the period)	142.9	158.8	145.8	155.8
Net interest-bearing debt (average for the period)	65.8	60.8	67.4	71.4
Capital employed (average)	208.7	219.6	213.2	227.1
Return on capital employed (ROCE), %				
Operating profit/loss (full-year adjusted)	-9.7	-5.2	4.2	8.6
Capital employed (average for the period)	208.7	219.6	213.2	227.1
Return on capital employed (ROCE), %	-4.7%	-2.4%	2.0%	3.8%
Equity-to-assets ratio, %				
Total equity	136.4	155.3	136.4	155.3
Total shareholders' equity and liabilities	276.9	293.6	276.9	293.6
Advances received	0.5	0.4	0.5	0.4
Equity-to-assets ratio, %	49.3%	53.0%	49.3%	53.0%
Earnings per share, EUR				
Net profit for the period attributable to the equity holders of the parent company	-7.1	-4.2	-4.9	0.4
Hybrid capital accrued unrecognized interests after tax	-2.5	-1.1	-4.0	-3.0
Adjusted weighted average number of shares	38 227 180	38 876 109	38 549 872	38 876 109
Earnings per share, EUR	-0.25	-0.14	-0.23	-0.07
Equity per share, EUR				
Equity attributable to equity holders of the parent company	111.4	125.3	111.4	125.3
Adjusted number of shares at the end of the period	38 129 841	38 876 109	38 129 841	38 876 109
Equity per share, EUR	2.92	3.22	2.92	3.22