

**THE BOARD OF DIRECTORS OF RAPALA VMC CORPORATION HAS RESOLVED ON A DIRECTED ISSUE OF TREASURY SHARES TO COMPLETE THE ACQUISITION OF 49% OF DQC INTERNATIONAL CORP, OWNER OF 13 FISHING ROD AND REEL BRAND**

Rapala VMC Corporation (“Rapala” or the “Company”) announced on July 9, 2019 the acquisition of in total 49% of the share capital of the Florida-based DQC International Corp (“13 Fishing”) from the majority owner Mr. James Coble and minority shareholders Mr. Phil Feigh Chu and Mr. Yu-Wei Chang. As part of the completion of the acquisition, the Board of Directors of Rapala have today resolved on a directed issue of 225,000 Rapala treasury shares to Mr. Coble, based on an authorization granted by the Company’s Annual General Meeting held on March 29, 2018. These shares form a significant portion of the consideration paid by Rapala for the 13 Fishing shares, and Rapala therefore has a weighty financial reason for deviating from the shareholders’ pre-emptive subscription right. The subscription price for the shares was EUR 2.90 per share, which was determined on the basis of the volume weighted average price of Rapala’s shares on Nasdaq Helsinki Ltd during the period of August 1, 2019 to September 6, 2019. The subscription price was recorded in the Company’s reserve for invested unrestricted equity.

The 13 Fishing transaction will be completed upon the transfer of the 225,000 Rapala shares to Mr. Coble. Following the above-mentioned share issue, the number of treasury shares in Rapala VMC Corporation’s possession is 452,208 shares as of September 18, 2019.

Further information on the transaction is contained in stock exchange releases published on July 9 and July 10, 2019.

Rapala was assisted in this transaction by Robert W. Baird & Co Investment Banking.

**RAPALA VMC CORPORATION**

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Rapala group is the world’s leading fishing tackle company and the global market leader in fishing lures, treble hooks and fishing related knives and tools. Group has a strong global position also in other fishing categories and it is one of the leading distributors of outdoor, hunting and winter sport products in the Nordic countries. Rapala’s distribution network is largest in the industry. The main manufacturing facilities are in Finland, France, Estonia, Russia, Indonesia and the UK. Rapala group’s brand portfolio includes the leading brand in the industry, Rapala, and other global brands like VMC, Sufix, Storm, Blue Fox, Luhr Jensen, Williamson, Dynamite Baits, Mora Ice, StrikeMaster, Marttiini and Peltonen. Group, with net sales of EUR 262 million in 2018, employs some 2 700 people in 42 countries. Rapala VMC Corporation’s share is listed and traded on the Nasdaq Helsinki stock exchange since 1998.