

THE BOARD OF DIRECTORS OF RAPALA VMC CORPORATION DECIDED ON SHARE-BASED INCENTIVE PLANS

The Board of Directors of Rapala VMC Corporation has decided to establish two new share-based incentive plans. The aim of the plans is to align the objectives of the shareholders and the plan participants for increasing the value of the company in the long-term, to retain the participants at the company and to offer them competitive incentive schemes that are based on earning and accumulating shares.

Matching Share Plan 2021–2023 for the President and CEO

The President and CEO's Matching Share Plan 2021–2023 consists of one matching period, covering the financial years of 2021–2023. In the plan, the President and CEO (**CEO**) is given an opportunity to receive matching shares for his personal investment in Rapala VMC Corporation shares. The reward based on the plan will be paid after the end of the matching period.

The reward will be paid partly in Rapala VMC Corporation shares and partly in cash. The cash proportion of the reward is intended for covering taxes and tax-related expenses arising from the reward to the CEO. In general, no reward is paid if the CEO's director contract terminates before the reward payment. The reward to be paid on the basis of the CEO plan correspond to the value of a maximum total of 28 800 Rapala VMC Corporation shares, including also the proportion to be paid in cash.

Performance Share Plan 2021—2023 for Key Employees

The key employees' Performance Share Plan 2021—2023 includes one three-year performance period, covering the financial years 2021—2023. The potential reward from the performance period will be based on the Group's financial performance criteria, which will be measured during the financial year 2023 and the Company's share price criterion which will be measured during 2023. The financial performance criteria for the performance period are the Group Product Sales in 2023, the Group's Comparable Earnings before Interest and Taxes (comparable EBIT) in 2023 and the Group's Average Working Capital Ratio in 2023.

The rewards to be paid on the basis of the key employee plan correspond to the value of an approximate maximum total of 800 000 Rapala VMC Corporation shares including also the proportion to be paid in cash. The potential rewards from the performance period 2021—2023 will be paid partly in the Company's shares and partly in cash in 2024. The cash proportion is intended to cover taxes and tax-related costs arising from the reward to the participant. In general, no reward will be paid, if a participant's employment or service terminates before the reward payment.

The key employee's Performance Share Plan is directed to approximately 19 individuals, including the President and CEO and other members of the Executive Committee of the Group.

Helsinki 25 March 2021

RAPALA VMC CORPORATION

Board of Directors

For further information:

Olli Aho, Investor Relations, tel. +358 9 7562 540

Distribution: Nasdaq Helsinki and main media

About Rapala VMC Corporation

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 Rapala's distribution network is largest in the fishing 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, Peltonen and 13 Fishing outside of the USA as well as Okuma in Europe and Russia. Group, with net sales of EUR 261 million in 2020, employs some 2 100 people in 42 countries. Rapala VMC Corporation's share is listed and traded on the Nasdaq Helsinki stock exchange since 1998.