FINANCIAL STATEMENT RELEASE FY **2022**

10.2.2023

RAPALA VMC CORPORATION'S ANNUAL ACCOUNTS 2022: SALES AND PROFITABILITY DECREASED FROM LAST YEAR IN TOUGH TRADING CONDITIONS

January-December (FY) in brief:

- Net sales were 274.4 MEUR, down 7% from previous year (294.3). Organically sales were 13% lower than last year.
- Group products sales were 228.4 MEUR, up by 0.7 MEUR from previous year. Organically Group products sales were 6% lower than last year.
- Operating profit was 12.3 MEUR (32.1).
- Comparable operating profit* was 15.3 MEUR (32.7).
- Cash flow from operations was -12.9 MEUR (24.4).
- Net profit for the period was 3.7 MEUR (19.8).
- Earnings per share was 0.10 EUR (0.45).
- Dividend proposal is 0.04 EUR per share (0.15).
- 2023 guidance: Full year comparable operating profit to decrease from the previous year as 2023 will be strongly impacted by continued destocking in the fishing category at retail level and poor winter weathers in the ongoing winter season.

July-December (H2) in brief:

- Net sales were 126.0 MEUR, down 6% from previous year (134.6). With comparable exchange rates sales were 13% lower than last year.
- Operating profit was -1.3 MEUR (5.8).
- Comparable operating profit* was -0.2 MEUR (6.2).
- Cash flow from operations was -4.4 MEUR (1.2).
- Net profit for the period was -5.0 MEUR (1.7).
- Earnings per share was -0.13 EUR (0.02).

* 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.

Chairman of the Board, President and CEO Louis d'Alançon: "The market environment and trading conditions in the fishing tackle business were very challenging in 2022. We witnessed a sharp market contraction in the post-covid world, which was aggravated by strong destocking at retail level. Additionally, colder and prolonged winter 21/22 in the northern hemisphere shortened the open water fishing season in the first half of 2022. High inflation, low consumer confidence and the war in Ukraine had further adverse impacts on business performance. As a result, our net sales decreased by 7% to 274.4 MEUR in 2022 and a reduction of comparable EBIT for the full year to 15.3 MEUR. Supply chain was impacted during the year by COVID in China as well as fluctuating freight prices. However, several inventory management initiatives were successfully executed in the second half of 2022, which resulted in 17.8 MEUR decrease in inventory from June to December and the year-end inventory was 99.9 MEUR. One of the highlights of the year was the successful launch of Okuma rods and reels in Europe, which exceeded internal sales targets for the first full year.

Execution of our strategy progressed well during the year. We have successfully centralized Northern European warehouses to the Rapala VMC campus in Pärnu, Estonia. At the same time, we have built new production capacity in Estonia as a result of ramping down the production facility in Russia. Ramping down of production in Russia will be completed during H1 2023. Warehouse operations were also consolidated in the USA from two locations to one site in Eagan, Minnesota, to drive operational efficiencies. High focus was also put on product development & innovations, and the future product pipeline is strong for the years ahead.

Market conditions are expected to stay challenging still in 2023 as a result of continued high retail inventories and lower than expected retail sales of winter products both in North America and Nordics due to adverse winter conditions this season. Additionally, the global macroeconomic situation also affects purchase behaviour at retail and consumer level. Consequently, the Group expects comparable EBIT to decrease from 2022. Despite the headwinds in 2023, we are in a strong position in the business for the future with several growth projects in all key categories and improved supply chain management capabilities."

Key figures

MEUR	**H2 2022**	H2 2021	**Change %**	**FY 2022**	FY 2021	**Change %**
Net sales	**126.0**	134.6	**-6%**	**274.4**	294.3	**-7%**
Operating profit/loss	**-1.3**	5.8	**-122%**	**12.3**	32.1	**-62%**
% of net sales	**-1.0%**	4.3%		**4.5%**	10.9%	
Comparable operating profit/loss *	**-0.2**	6.2	**-103%**	**15.3**	32.7	**-53%**
% of net sales	**-0.2%**	4.6%		**5.6%**	11.1%	
Cash flow from operations	**-4.4**	1.2	**-467%**	**-12.9**	24.4	**-153%**
Gearing %	**77.0%**	50.7%		**77.0%**	50.7%	
EPS, EUR	**-0.13**	0.02		**0.10**	0.45	**-79%**

* 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.

Market Environment

In 2022, trading conditions deteriorated from the comparison period due to the war in Ukraine, cold and late spring in the Northern hemisphere and due to the sharp post-covid market normalization. Consumer spending shifted from outdoor activities to the services sector, which impacted demand at retail level. This together with overstocking, due to long lead times in the beginning of the year, resulted in widespread destocking both at the distributor and retailer level. Additionally, high inflation and high gas prices impacted consumer discretionary spending in the Group's key markets.

Business Review January-December 2022

The Group's net sales for the year were 7% below the exceptional comparison period with reported translation exchange rates. Changes in translation exchange rates had a strong positive impact on the sales and with comparable translation exchange rates, net sales were organically down by 13% from the comparison period.

The implementation of the ONE RAPALA VMC strategy progressed throughout the year. Despite the sharp market normalization, Group Product sales landed above the pre-covid 2019 level. Strong start of the Okuma rods and reels business supported the sales in the tough market environment.

Ice fishing and winter sports season 21/22 was not yet impacted by the deteriorating macroeconomic condition and sell-through was good. Retail stocks remained at a healthy level in these categories, which converted into a strong order book for ice season 22/23.

North America

Sales in North America decreased by 2% from the comparison period with reported translation exchange rates and decreased by 12% with comparable translation exchange rates. Third Party sales included a significant portion of 13 Fishing products sold to DQC International (13 Fishing USA), which are classified as Third Party products as the Group holds a 49% share in the associated company. Excluding this, sales were down 4% with reported translation exchange rates, and down 14% with comparable translation exchange rates.

The decrease in sales was caused by the cold and delayed spring and sharp post-covid market normalization. Retailer destocking amplified the negative impact on sales. Furthermore, high inflation and high gas prices affected purchasing decisions both at retail level and amongst consumers. Destocking trend did not impact the ice fishing category as the inventory pipeline was healthy after good sell-through in the previous season. This category is predominantly based on pre-sales and the Group's strong market share in the ice fishing segment converted to a record-high deliveries towards the end of the year.

Nordic

Sales in the Nordic market decreased by 15% from the comparison period. With comparable translation exchange rates sales were down by 14%.

Strategic focus on Group Products and the successful launch of Okuma rods and reels business helped to maintain sales of continuing business above last year's level despite the delayed spring. Retailer destocking and consumer cautiousness began to hurt the sales during the latter part of the year. The third consecutive good winter season and strong pre-orders kept winter business sales on a high level. Sales of Third Party products decreased in line with the Group strategy.

Rest of Europe

Sales in the Rest of Europe market decreased by 12% from the comparison period. With comparable translation exchange rates sales were down by 15% from the previous year.

The war in Ukraine, delayed spring, and termination of certain Third Party distributions had a negative impact on sales on both halves of the year. Load-in orders in the beginning of the summer fishing season were lower than expected, and further retailer destocking on the second half of the year impacted the sales. Group Product sales were still above the comparison period thanks to the successful launch of the Okuma rods and reels business.

Rest of the World

With reported translation exchange rates, sales in the Rest of the World market decreased by 2% from the comparison period. With comparable translation exchange rates, sales decreased by 5% compared to the previous year.

Sales of Group Products remained solid throughout the year but started to slow down towards the end of the year and landed close to last year's level. Decrease in sales follows the exit of certain Third Party distribution agreements.

External Net Sales by Area

MEUR	FY 2022	FY 2021	Change %	Comparable change %
North America	**132.2**	134.8	**-2%**	**-12%**
Nordic	**38.9**	45.5	**-15%**	**-14%**
Rest of Europe	**70.6**	80.6	**-12%**	**-15%**
Rest of the World	**32.7**	33.4	**-2%**	**-5%**
Total	**274.4**	294.3	**-7%**	**-13%**

MEUR	H2 2022	H2 2021	Change %	Comparable change %
North America	**62.9**	64.9	**-3%**	**-14%**
Nordic	**18.8**	20.2	**-7%**	**-6%**
Rest of Europe	**28.0**	33.7	**-17%**	**-21%**
Rest of the World	**16.2**	15.8	**+3%**	**-2%**
Total	**126.0**	134.6	**-6%**	**-13%**

Financial Results and Profitability

Comparable (excluding mark-to-market valuations of operative currency derivatives and other items affecting comparability) operating profit decreased by 17.4 MEUR from the comparison period. Reported operating profit decreased by 19.8 MEUR from the previous year and the items affecting comparability had a negative impact of 3.0 MEUR (0.6) on reported operating profit.

Comparable operating profit margin was 5.6% (11.1) for the year. The decreased profitability compared to the previous year was driven by lower sales in the sharply normalizing open water fishing market. High inflation and freight costs put pressure on margin but the impact was mostly offset by timely price increases in all markets. Operating expenses were scrutinized throughout the year to offset the impact of decreasing sales on profitability.

Reported operating profit margin was 4.5% (10.9) for the year. Reported operating profit included impact of mark-to-market valuation of operative currency derivatives of 0.2 MEUR (-0.2). Net expenses of other items affecting comparability included in the reported operating profit were -3.2 MEUR (-0.4). These included restructuring related write-downs and impairment of the Russian production set-up, as well as expenses related to streamlining of the management structure worldwide.

Total financial (net) expenses were 3.5 MEUR (4.1) for the year. Net interest and other financing expenses were 3.6 MEUR (2.3) and (net) foreign exchange expenses were 0.0 MEUR (1.8).

Net profit for the year decreased by 16.1 MEUR and was 3.7 MEUR (19.8) and earnings per share was 0.10 EUR (0.45). In 2021 the share of non-controlling interest in net profit was 1.5 MEUR.

Key figures

MEUR	H2 2022	H2 2021	Change %	FY 2022	FY 2021	Change %
Net sales	**126.0**	134.6	**-6%**	**274.4**	294.3	**-7%**
Operating profit / loss	**-1.3**	5.8	**-122%**	**12.3**	32.1	**-62%**
Comparable operating profit/loss *	**-0.2**	6.2	**-103%**	**15.3**	32.7	**-53%**
Net profit / loss	**-5.0**	1.7	**-390%**	**3.7**	19.8	**-81%**

* 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

MEUR	H2 2022	H2 2021	Change %	FY 2022	FY 2021	Change %
Operating profit/loss	**-1.3**	5.8	**-122%**	**12.3**	32.1	**-62%**
Mark-to-market valuations of operative currency derivatives	**-0.2**	0.0		**-0.2**	0.2	
Other items affecting comparability	**1.3**	0.5		**3.2**	0.4	
Comparable operating profit/loss	**-0.2**	6.2	**-103%**	**15.3**	32.7	**-53%**

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

Segment Review

Group Products

With comparable translation exchange rates, Group Products sales decreased by 15.2 MEUR from the comparison period. Sales decrease was a result of the impact caused by the war in Ukraine, cold and late spring in the Northern hemisphere as well as the sharp post-covid market normalization. In the second half of the year, sales were further burdened by retailer destocking, high inflation, and consumer cautiousness. The drop in sales was seen in most open water fishing product categories. Strong order books in both the ice and ski businesses materialized in high deliveries in the second half of the year, which kept sales of these categories on a high level. Successful launch of Okuma rods and reels business had a positive impact on sales.

Third Party Products

With comparable translation exchange rates, Third Party Products sales were 24.1 MEUR below the comparison period. As expected, the termination of certain Third Party distribution agreements had negative impacts on sales, particularly on the Nordic, Rest of Europe and Rest of the World markets.

Net Sales by Segment

MEUR	FY 2022	FY 2021	Change %	Comparable change %
Group Products	**228.4**	227.7	**+0%**	**-6%**
Third Party Products	**46.0**	66.6	**-31%**	**-34%**
Total	**274.4**	294.3	**-7%**	**-13%**

MEUR	H2 2022	H2 2021	Change %	Comparable change %
Group Products	**107.6**	107.2	**+0%**	**-7%**
Third Party Products	**18.4**	27.4	**-33%**	**-38%**
Total	**126.0**	134.6	**-6%**	**-13%**

Comparable operating profit by Segment

MEUR	H2 2022	H2 2021	Change %	FY 2022	FY 2021	Change %
Group Products	**0.6**	7.5	**-92%**	**15.0**	29.5	**-49%**
Third Party Products	**-0.9**	-1.3	**34%**	**0.3**	3.2	**-91%**
Comparable operating profit / loss	**-0.2**	6.2	**-103%**	**15.3**	32.7	**-53%**
Items affecting comparability	**-1.1**	-0.4	**-166%**	**-3.0**	-0.6	**-410%**
Operating profit / loss	**-1.3**	5.8	**-122%**	**12.3**	32.1	**-62%**

Financial Position

Cash flow from operations was -12.9 MEUR (24.4) driven by the decreased profitability and negative impact from the net change in working capital. Compared to the previous year, the net change of working capital decreased by 25.8 MEUR and was -28.7 MEUR (-2.9) in total.

End of the year inventory in 2022 was 99.9 MEUR (86.2). The change in obsolescence allowance decreased inventory value by 1.3 MEUR, and changes in translation exchange rates decreased inventory value by 1.9 MEUR. Inventory landed on a higher level due to the supply chain disruption in the first half of the year, and due to sharp market reset and wide destocking at the retail level. Strong inventory clearance activities were successfully executed in the second half of the year, which brought the inventory down by 17.8 MEUR from June to December.

Net cash used in investing activities decreased from the comparison period amounting to 10.7 MEUR (22.7). Capital expenditure was 11.5 MEUR (14.0) and disposals 0.8 MEUR (1.6). Elevated capital expenditure includes costs related to the production transfers from Russia and from Finland to the Rapala VMC campus in Pärnu, Estonia. Comparison year capital expenditure includes the acquisition of Okuma brand and distribution in Europe and net cash used in investing activities the acquisition of East European distribution non-controlling interest shares.

Liquidity position of the Group was good. Undrawn committed long-term credit facilities amounted to 20.8 MEUR at the end of the year. Gearing ratio increased and equity-to-assets ratio decreased from last year. The Group has agreed with its lenders to temporarily change financial covenants used in its loan agreements for the periods from Q3/2022 to Q1/2023. The new financial covenants include limits on the amount of available liquidity, net debt to EBITDA and gearing ratio. The Group is currently compliant with all financial covenants and expects to comply with future bank requirements as well. The Group’s cash position remains good, and cash and cash equivalents amounted to 29.0 MEUR at December 31, 2022.

Key figures

MEUR	**H2 2022**	H2 2021	**Change %**	**FY 2022**	FY 2021	**Change %**
Cash flow from operations	**-4.4**	1.2	**-467%**	**-12.9**	24.4	**-153%**
Net interest-bearing debt at end of period	**107.1**	70.6	**+52%**	**107.1**	70.6	**+52%**
Gearing %	**77.0%**	50.7%		**77.0%**	50.7%	
Equity-to-assets ratio at end of period, %	**41.2%**	44.2%		**41.2%**	44.2%	

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

Strategy Implementation

The strategic target of the Group is to become a united Group Brand and innovation driven sport fishing powerhouse. Current strategic actions aim to utilize the full potential of the Group in the future. The core of the Group's strategy is based on six key building blocks that are all interconnected and shared around the Group in all business units. Future strategies are built upon utilizing and capitalizing the brand portfolio, manufacturing and sourcing platform, research and development knowledge, as well as the broad sales network and strong local presence around the world. The overall strategy execution progressed well during 2022 as several elements of the ONE RAPALA VMC strategy are synergistic between each other.

TEAM & CULTURE - The first strategic building block is associated with the foundation that all business units and functions strive for togetherness as a one strong winning entity. This enables the entire Group culture to become more united, collaborative, dynamic and growth oriented. New managerial changes were carried out during the year to underline that the Group continuously positions team and culture to the forefront of its strategy. With fewer management layers and agile leadership structure, the Group is well positioned in the normalized market conditions to continue strong strategy implementation.

SUSTAINABILITY - We fight together to ensure that future generations get to enjoy fishing and the great outdoors. The aim is to become the leading company in the fishing tackle industry behind concrete sustainability actions from everyone in our team to ensure that we make a real and long-lasting difference. The Group's sustainability initiatives have steadily progressed across all key product categories. As an example, the first-ever plastic-free packaging for Rapala hard bait was introduced in 2022.

CONSUMER - Focus on end-users is a critical part of the strategy. The aim is to lead the market and bring newest trends to the fishing industry by offering innovative and exciting products. The Group continues to put emphasis on improving its e-commerce to provide the best possible customer experience for the continuously growing digitally aware consumer base. During the second half of the year, the new e-commerce platform was successfully launched in Canada with USA planned to be launched in Q1/2023. The new e-commerce platform underlines the Group's ambition to become more directly connected with consumers. During the second half of 2022 the Group also continued to harmonize its product portfolio, SKU's and brands with the main target to have long-term focus on Group branded products and categories.

CUSTOMER - Relationships with key customers and winning position in local markets are emphasized with deep customer and market know-how as well as continuously investing in all sales channels. The Group has invested in premium customer service and having even stronger, fixed foothold on ground in key markets. During the second half of the year the Group continued to deliver strong result with the first full year Okuma sales in Europe.

PD & INNOVATION - R&D and PD&I functions are becoming even stronger competitive advantages for the entire Group at the same time as fishermen around the world demand new innovations to catch more fish. In order to address consumer and customer needs on a global scale, the Group has continued to restructure its

PD&I department and made new hires. The new PD&I team is ready to collaborate across other departments and functions to ensure extensive regional product relevance and long-term product planning.

OPERATIONS & FINANCE - The Group continues to invest in its operations to make a step-change in operational excellence, to improve working capital efficiency and profitability. Building an integrated business planning model with global S&OP process is developing and will strengthen capital efficiency and improve availability of key items. During the second half of the year the Group completed its Northern European logistics consolidation to the distribution centre in Estonia with all planned markets being implemented by November 2022. Furthermore, lure production capacity was transferred to Estonia as the Group was driving down its Russian production facility. The Group also continued the downscale its Russian distribution operations and successfully closed local operations in Belarus during the second half of the year.

Product Development

A continued emphasis has been placed on strengthening our Category Management structure. This focus continues into 2023 with the hiring of a new Category Director for Fishing lures global, a new Director of Product Development for North America and new Category Director for 13 Fishing International. These dynamic additions to the team bring a tremendous amount of retail, sales and product development expertise to the Group.

From a new products perspective there have been several launches. Rapala has introduced a number of exciting new products but one of the standouts by far is the Rap-V Bladed Jig, which combines elements from multiple types of lures. Other notable lure introductions include additions in the premium level “PXR” Family, as well as launches in the new X-Light Series, OTT’s Garage Tiny and two new Elite series lures. New to the Rapala Accessory range were Rapala tackle box, which has driven a lot of excitement among anglers, and a line of premium polarized sunglasses. In rod and reel category there were several Rapala, Okuma and 13 Fishing introductions. In line category, the new Sufix 91 Braid maximizes on the popular G-Core construction, providing both super slippery coating and low elasticity, and allowing for superior casting distance with a strong sink ratio.

We continue to maintain a strong focus on sustainability with a strong emphasis on producing “lead-free” Rapala Wobblers. The important and exciting transition will take place through the calendar year 2023 as new production rolls out the lead-free wobblers one-by-one.

Sustainability

The Group’s year in sustainability was successful as we advanced our sustainability work significantly on many fronts. More ecological packaging is at the core of our sustainability work, and we were able to make considerable progress on the topic by multiple brands. In the beginning of the year, Rapala introduced the first plastic-free packaging for a hard bait by launching Flash-X Dart and Flash-X Skitter lures. On the other hand, Dynamite Baits has successfully transferred to recyclable packaging for its products. In addition, VMC has introduced more ecological packaging that utilize recycled plastic and more cardboard instead of plastic. Our products are also a vital part of our sustainability work. In the beginning of November, together with WWF Finland, Marttiini launched a knife that utilizes plastic sidestreams obtained from lure production and a completely bio-based biocomposite material procured from an external manufacturer. In the beginning of the year, the carbon footprint analysis conducted for different types of lures supports our product development in designing more ecological lures in the future.

The implementation of our updated Supplier Code of Conduct has proceeded according to the original plan. This is important part of our target to extend our sustainability actions also to our supply chain. Marttiini knife production and Rapala lure manufacturing aim to reduce their carbon footprint during the upcoming years, and to achieve this target we made a significant investment by purchasing solar panels to Vääksy unit. Our Distribution Center in Pärnu also has solar panels. Dynamite Baits factory invested in solar panels in the beginning of the year to cover about 50 % of their electricity consumption. However, the unit decided to make an additional investment on the second half of the year so that the energy produced by the panels would fully cover their electricity use. On top of these actions, Dynamite Baits shifted to fully renewable electricity during the summer.

It is important for us to extend our sustainability work also outside the company. Our co-operation with Keep the Archipelago Tidy Association and Finnish Freshwater Foundation supports our target to provide clean fishing waters also for future generations. Rapala VMC Poland arranged 'I'm eco with Rapala' campaign with an aim to clean the Polish waterways. About 2 800 people attended the campaign, and the volunteers were able to pick up approximately 200 tons of garbage. We continued our co-operation with Finnish Federation for Recreational Fishing (FFRF) and the Finnish 4H Federation to support young anglers. Similar actions have also been done in, for example, Canada and USA. Like previous year, we arranged a lure recycling campaign where we collected excess lures from consumers. If needed, the lures were repaired by FFRF's local fishing organizations, after which they were donated to young anglers.

Rapala VMC is also preparing for the upcoming EU reporting requirements by starting the implementation of Tofuture system for environmental and social responsibility data collection. In addition, we have taken the new requirements into consideration by conducting a double materiality ESG analysis together with our key stakeholders and by doing internal analysis on sustainability-related business risks in our industry.

Organization and Personnel

Average number of personnel was 1 704 (1 792) for the full year and 1 636 (1 765) for the last six months. At the end of December, the number of personnel was 1 543 (1 757), decrease coming mainly from Russia.

Louis d'Alançon was appointed as President and Chief Executive Officer on November 16, 2022.

Short-term Outlook and Risks

Market outlook for 2023 continues to be challenging in the Group's key markets. Retail inventories in the overall fishing segment continue to be high and due to poor winter weathers, sales of winter business will be affected both in the Nordics and North America. The global macroeconomic situation also affects purchase behavior at retail and consumer level. Consequently, the Group expects 2023 full year comparable operating profit (excluding mark-to-market valuations of operative currency derivatives and other items affecting comparability) to decrease from 2022. Cash flow from operations is expected to be on a good level.

Short term risks and uncertainties and seasonality of the business are described in more detail in the end of this report.

Proposal for profit distribution

The Board of Directors proposes to the Annual General Meeting that a dividend of 0.04 EUR for 2022 (0.15 EUR) per share is distributed from the Group's distributable equity and remaining distributable funds are carried forward to retained earnings. At December 31, 2022 the distributable equity in Group's parent company totaled 55.9 MEUR.

There have been no material changes in the parent company's financial position since 31 December 2022, the liquidity of the parent company remains good and the proposed dividend does not risk the solvency of the company.

Financial Statements and Annual General Meeting

Financial Statements for 2022 and Corporate Governance Statement will be published in week 9 commencing on February 27, 2023. Annual General Meeting is planned to be held on March 29, 2023.

Half Year Financial Report 2023 will be published on July 14, 2023.

Helsinki, February 10, 2023

Board of Directors of Rapala VMC Corporation

For further information, please contact:

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A conference call on the financial year result will be arranged on February 10, 2023 at 1:30 p.m. Finnish time (12:30 p.m. CET). Please dial +44 (0)33 0551 0202 or +1 786 496 5601 or +358 (0)9 2319 5436 (pin code: 1915212#) five minutes before the beginning of the event. A replay facility will be available for 14 days following the teleconference. The number to dial +44 (0) 20 8196 1480 (pin code: 1915212#). Financial information and teleconference replay facility are available at www.rapalavmc.com.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

STATEMENT OF INCOME MEUR	H2 2022	H2 2021	FY 2022	FY 2021
Net sales	**126.0**	134.6	**274.4**	294.3
Other operating income	**0.2**	1.3	**0.4**	1.6
Materials and services	**61.2**	65.6	**125.2**	134.0
Employee benefit expenses	**34.1**	35.7	**71.5**	71.6
Other operating expenses	**25.0**	23.9	**52.3**	48.4
Share of results in associates and joint ventures	**-1.6**	0.0	**-2.3**	0.2
EBITDA	**4.2**	10.7	**23.6**	42.0
Depreciation, amortization and impairments	**5.5**	5.0	**11.3**	9.9
Operating profit/loss (EBIT)	**-1.3**	5.8	**12.3**	32.1
Financial income and expenses	**2.4**	2.7	**3.5**	4.1
Profit/loss before taxes	**-3.8**	3.1	**8.8**	28.0
Income taxes	**1.2**	1.4	**5.1**	8.2
Net profit/loss for the period	**-5.0**	1.7	**3.7**	19.8
Attributable to:				
Equity holders of the company	**-5.0**	1.2	**3.7**	18.2
Non-controlling interests	**-**	0.5	**-**	1.5
Earnings per share for profit attributable to the equity holders of the parent company:				
Earnings per share, EUR non-diluted	**-0.13**	0.02	**0.10**	0.45
Earnings per share, EUR diluted	**-0.13**	0.02	**0.10**	0.44

STATEMENT OF COMPREHENSIVE INCOME MEUR	H2 2022	H2 2021	FY 2022	FY 2021
Net profit/loss for the period	**-5.0**	1.7	**3.7**	19.8
Other comprehensive income, net of tax				
Change in translation differences*	**-4.8**	4.5	**2.4**	7.9
Gains and losses on net investment hedges*	**-0.7**	0.6	**-0.6**	0.5
Remeasurements of defined benefit liabilities	**0.3**	0.0	**0.3**	0.0
Total other comprehensive income, net of tax	**-5.3**	5.0	**2.1**	8.4
Total comprehensive income for the period	**-10.2**	6.7	**5.8**	28.2
Total comprehensive income attributable to:				
Equity holders of the parent company	**-10.2**	6.1	**5.8**	26.4
Non-controlling interests	**-**	0.6	**-**	1.8

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

STATEMENT OF FINANCIAL POSITION MEUR	Dec 31 2022	Dec 31 2021
ASSETS		
Non-current assets		
Intangible assets	**84.7**	80.8
Property, plant and equipment	**28.7**	24.4
Right-of-use assets	**16.0**	10.7
Non-current assets		
Interest-bearing	**11.8**	7.6
Non-interest-bearing	**13.1**	14.5
	154.3	138.0
Current assets		
Inventories	**99.9**	86.2
Current assets		
Interest-bearing	**2.8**	-
Non-interest-bearing	**52.1**	63.5
Cash and cash equivalents	**29.0**	27.8
	183.9	177.5
Total assets	**338.1**	315.5
EQUITY AND LIABILITIES		
Equity		
Equity attributable to the equity holders of the parent company	**139.0**	139.3
	139.0	139.3
Non-current liabilities		
Interest-bearing	**41.5**	51.8
Non-interest-bearing	**11.1**	10.8
Right-of-use liabilities	**11.8**	7.4
	64.3	70.1
Current liabilities		
Interest-bearing	**92.9**	43.0
Non-interest-bearing	**37.3**	59.5
Right-of-use liabilities	**4.6**	3.7
	134.8	106.2
Total equity and liabilities	**338.1**	315.5

STATEMENT OF CASH FLOWS MEUR	H2 2022	H2 2021	FY 2022	FY 2021
Net profit/loss for the period	**-5.0**	1.7	**3.7**	19.8
Adjustments to net profit / loss for the period *	**11.8**	8.8	**22.9**	16.3
Financial items and taxes paid and received	**-5.7**	-4.7	**-10.8**	-8.9
Change in working capital	**-5.4**	-4.5	**-28.7**	-2.9
Net cash generated from operating activities	**-4.4**	1.2	**-12.9**	24.4
Investments	**-6.0**	-6.8	**-11.5**	-14.0
Proceeds from sales of assets	**0.6**	0.8	**0.8**	1.6
Transactions with non-controlling interests	**-**	-10.3	**-**	-10.3
Change in interest-bearing receivables	**0.0**	0.0	**0.0**	0.2
Net cash used in investing activities	**-5.4**	-16.4	**-10.7**	-22.7
Dividends paid	**-**	-	**-5.8**	-
Net funding	**17.4**	30.4	**38.0**	25.8
Repayment of right-of-use liabilities	**-2.9**	-2.5	**-5.3**	-5.8
Hybrid bond	**-**	-26.3	**-**	-26.3
Directed issue of own shares	**-**	3.1	**-**	3.1
Purchase of own shares	**-**	-	**-0.5**	-0.7
Net cash generated from financing activities	**14.5**	4.8	**26.3**	-3.9
Change in cash and cash equivalents	**4.8**	-10.4	**2.7**	-2.2
Cash & cash equivalents at the beginning of the period	**25.2**	39.3	**27.8**	27.9
Foreign exchange rate effect	**-0.9**	-1.2	**-1.4**	2.0
Cash and cash equivalents at the end of the period	**29.0**	27.8	**29.0**	27.8

* Includes reversal of non-cash items, income taxes and financial income and expenses.

Changes in liabilities included in net funding

MEUR

Liabilities Jan 1, 2022	**94.8**
Drawdowns	228.6
Repayments	-189.3
Other changes	0.3
Liabilities Dec 31, 2022	**134.4**

Net funding	
Drawdowns and repayments from loans	39.3
Derivatives and other realized foreign exchange on financial activities	-1.4
Net funding	**38.0**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the company								
MEUR	Share capital	Share premium fund	Fund for invested non-restricted equity	Own shares	Translation differences	Retained earnings	Non-controlling interests	Hybrid bond	**Total equity**
Equity on Jan 1, 2021	**3.6**	**16.7**	**4.9**	**-4.9**	**-18.9**	**111.4**	**5.2**	**25.0**	**143.0**
Comprehensive income*	-	-	-	-	8.1	18.2	1.8	-	**28.2**
Purchase of own shares	-	-	-	-0.7	-	-	-	-	**-0.7**
Directed issue of own shares	-	-	-	3.1	-	-	-	-	**3.1**
Repayment of hybrid bond	-	-	-	-	-	-	-	-25.0	**-25.0**
Hybrid bond expenses*	-	-	-	-	-	-1.1	-	-	**-1.1**
Transactions with non-controlling interests	-	-	-	-	-	-3.3	-7.1	-	**-10.3**
Dissolvement of subsidiary	-	-	-	-	1.2	-	-	-	**1.2**
Share based payments	-	-	-	-	-	0.9	-	-	**0.9**
Other changes	-	-	-	-	-	0.0	0.0	-	**0.0**
Equity on Dec 31, 2021	**3.6**	**16.7**	**4.9**	**-2.5**	**-9.6**	**126.2**	**-**	**-**	**139.3**
Equity on Jan 1, 2022	**3.6**	**16.7**	**4.9**	**-2.5**	**-9.6**	**126.2**	**-**	**-**	**139.3**
Comprehensive income*	-	-	-	-	1.8	4.0	-	-	**5.8**
Dividends	-	-	-	-	-	-5.8			**-5.8**
Purchase of own shares	-	-	-	-0.5	-	-	-	-	**-0.5**
Share based payments	-	-	-	-	-	0.2	-	-	**0.2**
Equity on Dec 31, 2022	**3.6**	**16.7**	**4.9**	**-3.0**	**-7.8**	**124.6**	**-**	**-**	**139.0**

*For the period, 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 2022.

As required by IAS 34, the nature and effect of these changes on the accounting policies followed by the Group are disclosed below.

New and amended IFRS standards

Amended standards and interpretations did not have material effect on the Group.

The Group has taken into account in its accounting principles the IAS 38 Intangible Assets: Configuration or Customization Costs in a Cloud Computing Arrangement. The Group has paid focus on how a customer should account for the costs of configuring or customizing the supplier's application software in a SaaS arrangement. It includes guidelines when configuration and customization costs result in the recognition of an intangible asset, when expensed and when considered as a prepayment. The changes in accounting principles do not have any material impact on the Group's consolidated financial statements or disclosures for the current or previous reporting periods.

There are no future standard changes endorsed by the EU which would have material effect on the Group.

Accounting treatment of government grants (IAS 20) due to COVID-19

In 2020 the Group was granted government-backed loans for which the terms differ from market-based terms as a response to the COVID-19 pandemic. The remaining part of these loans amount to 0.9 MEUR in December 2022.

In 2022 no new material government grants have been received.

Use of estimates and rounding of figures

Complying with IFRS in preparing financial statements requires the 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 2022.

Acquisitions

There were no acquisitions in 2022.

In 2021 the Group acquired the non-controlling interest from Shimano regarding joint ownership of Rapala VMC distribution companies situated in Russia, Kazakhstan, Czech Republic, Belarus, Hungary, Romania and Croatia. The ownership acquired was 50% regarding Russia, Kazakhstan, Czech Republic and Belarus, and 33% regarding Hungary, Romania and Croatia. The acquisition was due to negotiations with Shimano Europe BV to end the distribution of Shimano branded products and joint ownership. Since the acquisition the Group has a 100% stake from the mentioned companies. The purchase price totaled 10.3 MEUR.

Key figures	H2 2022	H2 2021	FY 2022	FY 2021
EBITDA, % of net sales	**3.4%**	8.0%	**8.6%**	14.3%
Operating profit/loss, % of net sales	**-1.0%**	4.3%	**4.5%**	10.9%
Return on capital employed, %	**-1.1%**	5.7%	**5.4%**	16.1%
Capital employed at end of period, MEUR	**246.1**	209.8	**246.1**	209.8
Net interest-bearing debt at end of period, MEUR	**107.1**	70.6	**107.1**	70.6
Equity-to-assets ratio at end of period, %	**41.2%**	44.2%	**41.2%**	44.2%
Debt-to-equity ratio at end of period, %	**77.0%**	50.7%	**77.0%**	50.7%
Earnings per share, EUR, non-diluted	**-0.13**	0.02	**0.10**	0.45
Earnings per share, EUR, diluted	**-0.13**	0.02	**0.10**	0.44
Equity per share at end of period, EUR	**3.58**	3.58	**3.58**	3.58
Average personnel for the period	**1 636**	1 765	**1 704**	1 792

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

Key figures by half year MEUR	H1 2020	H2 2020	H1 2021	H2 2021	H1 2022	H2 2022
Net sales	117.1	144.2	159.6	134.6	148.4	**126.0**
EBITDA	6.8	19.4	31.3	10.7	19.4	**4.2**
Operating profit/loss (EBIT)	-0.8	11.6	26.3	5.8	13.6	**-1.3**
Profit/loss before taxes	-2.7	9.3	24.9	3.1	12.5	**-3.8**
Net profit/loss for the period	-3.8	7.2	18.1	1.7	8.7	**-5.0**

Bridge calculation of comparable operating profit

MEUR	H2 2022	H2 2021	Change %	FY 2022	FY 2021	Change %
Operating profit/loss	**-1.3**	5.8	**-122%**	**12.3**	32.1	**-61%**
Items affecting comparability						
Mark-to-market valuations of operative currency derivatives	**-0.2**	0.0		**-0.2**	0.2	
Other items affecting comparability						
Russia restructuring	**0.0**			**0.6**		
Organizational restructurings	**1.2**			**2.3**		
Other restructurings	**0.1**	0.5		**0.2**	0.4	
Comparable operating profit/loss	**-0.2**	6.2	**-103%**	**15.3**	32.7	**-53%**

Segment information

MEUR **Net sales by operating segment**	H2 2022	H2 2021	FY 2022	FY 2021
Group Products	**107.6**	107.2	**228.4**	227.7
Third Party Products	**18.4**	27.4	**46.0**	66.6
Total	**126.0**	134.6	**274.4**	294.3
Operating profit/loss by operating segment				
Group Products	**0.6**	7.5	**15.0**	29.5
Third Party Products	**-0.9**	-1.3	**0.3**	3.2
Comparable operating profit/loss	**-0.2**	6.2	**15.3**	32.7
Items affecting comparability	**-1.1**	-0.4	**-3.0**	-0.6
Operating profit/loss	**-1.3**	5.8	**12.3**	32.1

Assets by operating segment

MEUR	**Dec 31 2022**	Dec 31 2021
Group Products [1]	**272.5**	252.5
Third Party Products [2]	**22.0**	27.7
Non-interest-bearing assets total	**294.5**	280.1
Unallocated interest-bearing assets	**43.7**	35.4
Total assets	**338.1**	315.5

[1] Includes IFRS 16 right-of-use assets 15.3 MEUR (9.7). [2] Includes IFRS right-of-use assets 0.6 MEUR (1.1).

External net sales by area

MEUR	**H2 2022**	H2 2021	**FY 2022**	FY 2021
North America	**62.9**	64.9	**132.2**	134.8
Nordic	**18.8**	20.2	**38.9**	45.5
Rest of Europe	**28.0**	33.7	**70.6**	80.6
Rest of the world	**16.2**	15.8	**32.7**	33.4
Total	**126.0**	134.6	**274.4**	294.3

Commitments

MEUR	**Dec 31 2022**	Dec 31 2021
Minimum future lease payments on leases	**0.3**	0.4

Related party transactions

MEUR	Sales and other income	Purchases	Rents paid	Other expenses	Receivables	Payables
FY 2022						
DQC International Corp.	**13.8**	**1.3**	**-**	**0.0**	**16.1**	**-**
Associated company Lanimo Oü	**0.0**	**0.1**	**-**	**0.0**	**0.0**	**0.0**
Entity with significant influence over the Group*	**-**	**-**	**0.2**	**-**	**0.0**	**-**
Management	**0.0**	**-**	**0.1**	**0.0**	**0.7**	**-**
FY 2021						
DQC International Corp.	12.5	0.4	-	-	7.1	-
Associated company Lanimo Oü	0.0	0.1	-	0.0	0.0	-
Entity with significant influence over the Group*	-	-	0.2	-	0.0	-
Management	0.0	-	0.2	0.0	0.7	-

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

Intangible assets

2022 MEUR	Goodwill	Trademarks	Customer relations	Other intangible assets	Total
Acquisition cost Jan 1	48.9	31.7	4.0	8.6	**93.2**
Additions		1.7		0.8	**2.5**
Disposals		0.0		-1.0	**-1.0**
Reclassifications		0.1		0.2	**0.3**
Translation differences	1.3	0.5	0.1	0.0	**1.7**
Acquisition cost Dec 31	**50.2**	**33.9**	**4.0**	**8.7**	**96.7**
Accumulated amortization Jan 1		-0.9	-3.7	-7.8	**-12.4**
Disposals		0.0		0.9	**0.9**
Reclassifications				0.0	**0.0**
Amortization during the period			-0.1	-0.4	**-0.5**
Translation differences		0.0	0.0	0.0	**0.0**
Accumulated amortization Dec 31		**-0.9**	**-3.8**	**-7.3**	**-12.0**
Carrying value Jan 1	48.9	30.8	0.3	0.8	80.8
Carrying value Dec 31	50.2	33.0	0.2	1.3	84.7

Tangible assets

2022 MEUR	Land	Buildings and structures	Machinery and equipment	Other tangible assets	Advance payments and construction in progress	Total
Acquisition cost Jan 1	2.0	26.7	60.1	17.4	2.5	**108.6**
Additions		0.3	2.8	1.1	6.4	**10.7**
Disposals		0.0	-1.4	-1.1	-0.3	**-2.8**
Reclassifications		0.6	3.4	1.2	-5.4	**-0.3**
Translation differences	0.0	0.2	0.2	0.4	-0.2	**0.6**
Acquisition cost Dec 31	**2.0**	**27.8**	**65.1**	**19.0**	**3.0**	**117.0**
Accumulated depreciation Jan 1		-19.0	-50.6	-14.6		**-84.2**
Disposals		0.2	1.2	0.9		**2.3**
Reclassifications		0.0	0.0	0.0		**0.0**
Depreciation during the period		-0.9	-2.8	-1.2		**-4.8**
Impairments		-0.5	-0.3			**-0.9**
Translation differences		-0.1	-0.1	-0.4		**-0.6**
Accumulated depreciation Dec 31		**-20.3**	**-52.7**	**-15.3**		**-88.3**
Carrying value Jan 1	2.0	7.7	9.5	2.8	2.5	24.4
Carrying value Dec 31	2.0	7.5	12.4	3.8	3.0	28.7

Open derivatives	Dec 31, 2022		Dec 31, 2021	
MEUR	**Nominal Value**	**Fair Value**	Nominal Value	Fair Value
Non-hedge accounting derivative financial instruments				
Interest rate swaps, 1 to 5 years	**35.0**	**1.1**	25.0	0.0
Currency derivatives, less than 12 months	**18.1**	**0.1**	34.9	-0.1
Total	**53.1**	**1.1**	59.9	-0.1

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 2022.

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

	H2 2022	H2 2021	**FY 2022**	FY 2021
Included in operating profit	**0.2**	0.0	**0.2**	-0.2

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 2022**		Dec 31 2021
MEUR	**Carrying value**	**Fair value**	Carrying value	Fair value
Assets				
Available-for-sale financial assets (level 3)	**0.2**	**0.2**	0.2	0.2
Derivatives (level 2)	**1.2**	**1.2**	0.2	0.2
Total	**1.4**	**1.4**	0.4	0.4
Liabilities				
Non-current interest-bearing liabilities (excl. derivatives)	**41.5**	**41.5**	51.8	51.9
Derivatives (level 2)	**0.1**	**0.1**	0.3	0.3
Total	**41.6**	**41.6**	52.1	52.2

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

Shares and share capital

On March 23, 2022, the Annual General Meeting (AGM) updated Board's authorization on repurchase of shares. A separate stock exchange release on the decisions of the AGM was 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, 2022	Dec 31, 2021
Number of shares	**39 000 000**	39 000 000
Number of shares, average	**39 000 000**	39 000 000
Number of treasury shares	**123 891**	50 236
Number of treasury shares, %	**0.3%**	0.1%
Number of outstanding shares	**38 876 109**	38 949 764
Number of shares traded, YTD	**2 792 052**	5 217 447
Share price at the end of the period	**5.00**	8.72
Highest share price, YTD	**9.16**	10.95
Lowest share price, YTD	**4.08**	4.36
Average price of held treasury shares	**7.41**	8.59
Acquired treasury shares, YTD	**73 655**	86 043

Short term risks and uncertainties

The objective of Rapala VMC Group's risk management is to support 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 2022.

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 internal or external suppliers or unexpected changes in customer demand may lead to shortages and lost sales or excess inventories and subsequent clearance sales with lower margins. Global supply chain disruptions caused by the COVID-19 pandemic have increased the Group's supply chain risks and increased logistics costs.

The Group's credit facilities include some liquidity, profitability, net debt and equity related financial covenants, which are actively monitored. The Group has agreed with its lenders higher leverage (net debt to EBITDA) covenant for Q4/2022 and Q1/2023 due to decreased EBITDA and increased net debt. The Group expects to continue to fulfill the requirements of its lenders in 2023. Liquidity risks are under control and the Group is preparing for refinancing its long-term loans that mature to a large extent in 2024.

Increased uncertainties and downturns in the general economic climate may influence the sales of fishing tackle when retailers reduce their inventory levels and face financial challenges. Also, quick and strong increases in living expenses or sudden fluctuations in foreign exchange rates may temporarily affect consumer spending. However, the underlying consumer demand has historically proven to be fairly solid. Political tensions may have negative effects on the Group's business and geopolitical development is followed closely. As a result of the war in Ukraine, the Group is restructuring its Russian production and distribution set-up. The Group has been driving down production in Russia and transferring it to Estonia, which has progressed well. The Group has also been scaling down distribution in Russia, and risks associated with this business have increased.

The global nature of the Group's sales and operations diversifies market risks. The Group is cautiously monitoring the development both in global macro economy as well as in the various local markets it operates in. While Group's customer base is generally diversified, changes in retail landscape may have impact on purchase behaviour of customers. New distribution agreements, termination of old agreements or changes in product offering made by the principal may affect sales and profitability of Third Party Products. Cash collection and credit risk management is high on the agenda of local management and this may affect sales to some customers. Quality of the accounts receivables is monitored closely.

The COVID-19 pandemic has increased risks for the Group. The direct and indirect impacts of the pandemic or its counter measures may affect the Group's ability to operate and run its manufacturing sites or distribution centers. Furthermore, potential governmental lockdown measures in some countries may also impact the Group's clientele.

The Group's sales and profitability are impacted by the changes in foreign exchange rates and the risks are monitored actively. To fix the exchange rates of future foreign exchange denominated sales and purchases as well as financial assets and liabilities, the Group has entered into several currency 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 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 is closely monitoring market development as well as its cost structure and considering possibility and feasibility of price increases, hedging and cost rationalization.

No significant changes are identified in the Group's strategic risks or business environment with the exception of the increased geopolitical risk 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), %	$\frac{\text{Operating profit (full-year adjusted) x 100}}{\text{Capital employed (average for the period)}}$
Debt-to-equity ratio (Gearing), %	$\frac{\text{Net interest-bearing debt x 100}}{\text{Total equity}}$
Equity-to-assets ratio, %	$\frac{\text{Total equity x 100}}{\text{Total equity and liabilities - advances received}}$
Earnings per share, EUR	$\frac{\text{Net profit for the period attributable to the equity holders of the parent company - hybrid capital accrued unrecognised interests after tax}}{\text{Adjusted weighted average number of shares}}$
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 2022	H2 2021	FY 2022	FY 2021
Items affecting comparability				
Change in mark-to-market valuations of operative derivatives	**-0.2**	0.0	**-0.2**	0.2
Other items affecting comparability	**1.3**	0.5	**3.2**	0.4
Items affecting comparability	**1.1**	0.4	**3.0**	0.6
Other items affecting comparability				
Russia restructuring	**0.0**		**0.6**	
Organizational restructurings	**1.2**		**2.3**	
Other restructurings	**0.1**	0.5	**0.2**	0.4
Other items affecting comparability	**1.3**	0.5	**3.2**	0.4
Capital employed (average)				
Total equity (average for the period)	**144.0**	151.6	**139.4**	141.1
Net interest-bearing debt (average for the period)	**103.2**	50.5	**88.8**	57.9
Capital employed (average)	**247.3**	202.1	**228.2**	199.0
Return on capital employed (ROCE), %				
Operating profit/loss (full-year adjusted)	**-2.6**	11.5	**12.3**	32.1
Capital employed (average for the period)	**247.3**	202.1	**228.2**	199.0
Return on capital employed (ROCE), %	**-1.1%**	5.7%	**5.4%**	16.1%
Equity-to-assets ratio, %				
Total equity	**139.0**	139.3	**139.0**	139.3
Total shareholders' equity and liabilities	**338.1**	315.5	**338.1**	315.5
Advances received	**0.7**	0.6	**0.7**	0.6
Equity-to-assets ratio, %	**41.2%**	44.2%	**41.2%**	44.2%
Earnings per share, EUR				
Net profit for the period attributable to the equity holders of the parent company	**-5.0**	1.2	**3.7**	18.2
Hybrid capital accrued unrecognized interests after tax	**-**	-0.4	**-**	-0.9
Adjusted weighted average number of shares	**38 876 109**	38 852 182	**38 890 111**	38 731 583
Earnings per share, EUR	**-0.13**	0.02	**0.10**	0.45
Equity per share, EUR				
Equity attributable to equity holders of the parent company	**139.0**	139.3	**139.0**	139.3
Adjusted number of shares at the end of the period	**38 876 109**	38 949 764	**38 876 109**	38 949 764
Equity per share, EUR	**3.58**	3.58	**3.58**	3.58