Excellent growth continued in second quarter

Q2/2021 Half Year Financial Report presentation
Kai Öistämö, President and CEO
Excellent growth continued in second quarter

- Strong profitability
- All-time high order book 165 MEUR
- Business outlook for 2021 net sales and operating result raised

Orders received

| 120.1 (95.9) MEUR | Net sales | 109.5 (91.4) MEUR |
| 25% | +20% |
Highlights of Q2/2021: operational excellence, recognized sustainability leadership

Operational excellence
Successfully scaling up delivery capability in challenging supply environment

European Climate Leader
Vaisala scores in top of Financial Times’ list for significant reduction of greenhouse gas emissions.

Ethiopia project go-ahead
Weather observation and forecasting system project in Ethiopia proceeds, all approvals received.

Timo Leskinen new EVP, HR
Leskinen joins Vaisala on October 1, focusing on people and leadership practices.
New innovations for a sustainable planet

1. **Affordable and Clean Energy**
   - Renewable energy
   - Reliability and cost-efficiency for wind assessment, also offshore
   - WindCube Scan Dual Lidar
   - Ready

2. **Good Health and Well-Being**
   - Continuous monitoring
   - Easy use of wireless data loggers with CO₂ measurements, improving CO₂ monitoring in life science
   - GMP251 + RFL100 data loggers

3. **Sustainable Cities and Communities**
   - Air quality
   - Identification of pollutant gases and particles in real time, putting cities in control of air quality decisions
   - AQT530
Q2/2021 orders received increased by 25% Y/Y

- Increase in both business areas
- Increase in industrial instruments, life science, meteorology and renewable energy market segments

Increase 28% in constant currencies
Q2/2021 order book increased by 14% Y/Y

- Increase in all market segments in Industrial Measurements
- Increase in renewable energy and meteorology market segments in Weather and Environment
- Order book with delivery this year increased by 12% Y/Y
Q2/2021 net sales grew by 20% Y/Y

- Growth in both business areas
- Growth in industrial instruments, life science, meteorology and renewable energy market segments

Increase 23% in constant currencies
Excellent performance continued

- Orders received increased in all market segments
- Recovery across regions, record-high order intake in Europe and Americas

Increase 46% in constant currencies
Net sales growth of 31% increased operating result

- Operating result EUR 10.5 (7.1) million, 23.7 (20.9) % of net sales
- Net sales growth strong in industrial instruments and life science market segments and good in power industry market segment
- R&D expenditure 12.2% of net sales

Increase 36% in constant currencies
Strong order growth continued

- Orders received increased in meteorology, renewable energy and aviation market segments
- Included EUR 13 million Ethiopian order

Increase 19% in constant currencies

Orders received

<table>
<thead>
<tr>
<th>Year</th>
<th>MEUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>150</td>
</tr>
<tr>
<td>2017</td>
<td>175</td>
</tr>
<tr>
<td>2018</td>
<td>200</td>
</tr>
<tr>
<td>2019</td>
<td>250</td>
</tr>
<tr>
<td>2020</td>
<td>230</td>
</tr>
<tr>
<td>Q2/21</td>
<td>260</td>
</tr>
</tbody>
</table>

+17%
Operating result improved

- Operating result EUR 1.0 (0.7) million, 1.5 (1.2) % of net sales
- Net sales grew in meteorology and renewable energy market segments
- R&D expenditure 13.2% of net sales

Increase 16% in constant currencies
H1/2021 financials
### H1/2021 operating result 9.5% of net sales

<table>
<thead>
<tr>
<th>MEUR</th>
<th>H1/2021</th>
<th>H1/2020</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>201.5</td>
<td>178.6</td>
<td>379.5</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>-90.5</td>
<td>-79.6</td>
<td>-166.6</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td><strong>110.9</strong></td>
<td><strong>99.0</strong></td>
<td><strong>212.9</strong></td>
</tr>
<tr>
<td>Operating expenses</td>
<td>-89.8</td>
<td>-84.6</td>
<td>-169.2</td>
</tr>
<tr>
<td>Other operating income and expenses</td>
<td>-2.1</td>
<td>-1.3</td>
<td>1.1</td>
</tr>
<tr>
<td><strong>Operating result</strong></td>
<td><strong>19.0</strong></td>
<td><strong>13.1</strong></td>
<td><strong>44.8</strong></td>
</tr>
<tr>
<td>Share of result in associated company</td>
<td>-</td>
<td>-</td>
<td>0.2</td>
</tr>
<tr>
<td>Financial income and expenses</td>
<td>1.0</td>
<td>1.2</td>
<td>-3.6</td>
</tr>
<tr>
<td><strong>Result before taxes</strong></td>
<td><strong>18.0</strong></td>
<td><strong>11.9</strong></td>
<td><strong>41.3</strong></td>
</tr>
<tr>
<td>Income taxes</td>
<td>-2.3</td>
<td>-2.2</td>
<td>-8.5</td>
</tr>
<tr>
<td><strong>Result for the period</strong></td>
<td><strong>15.7</strong></td>
<td><strong>9.8</strong></td>
<td><strong>32.8</strong></td>
</tr>
</tbody>
</table>

- H1/2021 net sales growth 13%
- Growth in constant currencies 16%
- Operating result increased following growth in net sales
- Gross margin at previous year’s level 55.1 (55.4) %
- EPS 0.43 (0.27) EUR
H1/2021 cash flow from operating activities 29.4 MEUR

Cash flow improvement driven by:
✓ Higher result for the period
✓ Positive impact of net working capital
✓ Lower capex level

Cash and cash equivalents:
○ End Q2/2021: 52.3 MEUR
○ End Q4/2020: 45.4 MEUR
○ End Q2/2020: 62.2 MEUR
Strong financial position

<table>
<thead>
<tr>
<th></th>
<th>MEUR</th>
<th>H1/2021</th>
<th>H1/2020</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity per share</td>
<td>5.51</td>
<td>5.10</td>
<td>5.70</td>
<td></td>
</tr>
<tr>
<td>Return on equity %</td>
<td>15.5</td>
<td>10.2</td>
<td>16.3</td>
<td></td>
</tr>
<tr>
<td>Solvency ratio %</td>
<td>54.3</td>
<td>49.5</td>
<td>59.0</td>
<td></td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>9.3</td>
<td>17.3</td>
<td>31.0</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>52.3</td>
<td>62.2</td>
<td>45.4</td>
<td></td>
</tr>
<tr>
<td>Interest-bearing liabilities</td>
<td>66.1</td>
<td>91.1</td>
<td>57.0</td>
<td></td>
</tr>
<tr>
<td>Gearing %</td>
<td>6.9</td>
<td>15.7</td>
<td>5.7</td>
<td></td>
</tr>
</tbody>
</table>
Market development and business outlook
**Market development**

Global economy is expected to continue to recover, and this may lead to worsening component availability in the second half of the year. COVID-19 and its variants may also negatively impact the global economy and its recovery.

**Growth**

- High-end industrial instruments
- Life science
- Power industry
- Renewable energy

**Recovery**

- Liquid measurements
- Meteorology, developing countries
- Aviation

**Stable**

- Meteorology, developed countries
- Ground transportation
Business outlook for 2021
Raised July 13, 2021

**Net sales**
Vaisala estimates that its full-year 2021 net sales will be in the range of **EUR 400–420 million**

**Operating result (EBIT)**
Vaisala estimates that its full-year 2021 operating result (EBIT) will be in the range of **EUR 40–50 million**
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+25%

Net sales
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+20%
Disclaimer

The forward-looking statements in this report are based on the current expectations, known factors, decisions and plans of Vaisala’s management. Although the management believes that the expectations reflected in these forward-looking statements are reasonable, there is no assurance that these expectations would prove to be correct. Therefore, the results could differ materially from those implied in the forward-looking statements, due to for example changes in the economic, market and competitive environments, regulatory or other government-related changes, or shifts in exchange rates.