Year of growth and excellent performance ended with strong net sales growth in Q4

Financial Statement Release
January–December 2021
Kai Öistämö, President and CEO
Year of growth and excellent performance ended with strong net sales growth in Q4

- Net sales growth strong in both business areas
- Operating result at comparison period’s level despite additional material costs related to component spot purchases
- Board’s dividend proposal EUR 0.68 (0.61)

<table>
<thead>
<tr>
<th>Orders received</th>
<th>Net sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>119.0 (111.9) MEUR</td>
<td>125.0 (106.9) MEUR</td>
</tr>
<tr>
<td>+6%</td>
<td>+17%</td>
</tr>
</tbody>
</table>
Highlights of Q4/2021: driving product and technology leadership

Strong growth in both business areas

Net sales grew mostly in industrial instruments, life science, renewable energy and meteorology market segments.

Innovation and portfolio renewal

Product portfolio renewal continued to proceed well.

Vaisala acquired AerisWeather

The acquisition (Jan/2022) accelerates growth of Vaisala’s weather and environmental data business.
Q4/2021 orders received increased by 6% Y/Y

- Orders increased in Industrial Measurements business area but decreased in Weather and Environment business area
- Increase strongest in industrial instruments, life science, and ground transportation market segments

Increase 4% in constant currencies
Q4/2021 order book increased by 16% Y/Y

- Increase in all market segments in Industrial Measurements
- Increase in ground transportation and meteorology market segments in Weather and Environment
- Order book with delivery next year (=2022) increased by 25% Y/Y
Q4/2021 net sales grew by 17% Y/Y

- Strong growth in both business areas
- Net sales grew mostly in industrial instruments, life science, renewable energy and meteorology market segments

Increase 15% in constant currencies
Excellent performance continued

- Orders received increased strongly in all market segments
- Order book EUR 32.9 (18.0) million, +83%

Increase 38% in constant currencies
Net sales growth of 26% increased operating result

- Operating result EUR 9.8 (8.3) million, 19.6 (20.8) % of net sales
- Additional material costs related to component spot purchases had a four percentage point negative impact on gross margin
- Net sales growth strong in all market segments
- R&D expenditure 11.9% of net sales
Orders received decreased by 14% Y/Y

- Orders received decreased in meteorology market segment partly due to strong comparison period and increased in ground transportation market segment

Decrease 15% in constant currencies
Operating result burdened by additional material costs and exceptional costs

- Operating result EUR 2.3 (5.2) million, 3.1 (7.8) % of net sales
- Additional material costs related to component spot purchases had a two percentage point negative impact on gross margin
- Operating result included EUR 0.9 million exceptional costs
- Net sales grew in renewable energy and meteorology market segments
- R&D expenditure 12.9% of net sales
1-12/2021 financials
### 1-12/2021 operating result 11.5% of net sales

<table>
<thead>
<tr>
<th></th>
<th>1-12/2021 (MEUR)</th>
<th>1-12/2020 (MEUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>437.9</td>
<td>379.5</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>-196.0</td>
<td>-166.6</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td><strong>241.8</strong></td>
<td><strong>212.9</strong></td>
</tr>
<tr>
<td>Operating expenses</td>
<td>-186.5</td>
<td>-169.2</td>
</tr>
<tr>
<td>Other operating income and expenses</td>
<td>-5.2</td>
<td>1.1</td>
</tr>
<tr>
<td><strong>Operating result</strong></td>
<td><strong>50.1</strong></td>
<td><strong>44.8</strong></td>
</tr>
<tr>
<td>Share of result in associated company</td>
<td>0.2</td>
<td>0.2</td>
</tr>
<tr>
<td>Financial income and expenses</td>
<td>-2.1</td>
<td>-3.6</td>
</tr>
<tr>
<td><strong>Result before taxes</strong></td>
<td><strong>48.3</strong></td>
<td><strong>41.3</strong></td>
</tr>
<tr>
<td>Income taxes</td>
<td>-8.9</td>
<td>-8.5</td>
</tr>
<tr>
<td><strong>Result for the period</strong></td>
<td><strong>39.5</strong></td>
<td><strong>32.8</strong></td>
</tr>
</tbody>
</table>

- **1-12/2021 net sales growth 15%**
  - Growth in constant currencies 17%
- **Operating result increased following growth in net sales**
  - Operating result included EUR 6.9 million exceptional costs
- Gross margin at previous year’s level 55.2 (56.1) %
  - Additional material costs related to component spot purchases had a one percentage point negative impact on gross margin
- EPS 1.08 (0.91) EUR
- Board’s dividend proposal EUR 0.68 (0.61)
Dividend development 2012–2021

*Boards’ proposal

All dividends have been adjusted to reflect increased number of shares after the share issue without payment in April 2018.
1-12/2021 cash flow from operating activities 80.0 MEUR

Cash flow from operating activities doubled from 2020

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

Cash and cash equivalents:
- End Q4/2021: 77.9 MEUR
- End Q4/2020: 45.4 MEUR

<table>
<thead>
<tr>
<th>Category</th>
<th>1-12/2021</th>
<th>1-12/2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Result for the period</td>
<td>-40.0</td>
<td>-10.0</td>
</tr>
<tr>
<td>Non-cash expenses</td>
<td>-30.0</td>
<td>-20.0</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>-10.0</td>
<td>-10.0</td>
</tr>
<tr>
<td>Financial items</td>
<td>16.6</td>
<td>35.5</td>
</tr>
<tr>
<td>Income taxes</td>
<td>-8.2</td>
<td>16.6</td>
</tr>
<tr>
<td>Investing activities</td>
<td>-19.1</td>
<td>-31.0</td>
</tr>
<tr>
<td>Financing activities</td>
<td>-20.0</td>
<td>-30.0</td>
</tr>
<tr>
<td>Change in cash</td>
<td>30.8</td>
<td>32.8</td>
</tr>
</tbody>
</table>

Financial Statement Release 2021
### Strong financial position

<table>
<thead>
<tr>
<th>MEUR</th>
<th>1-12/2021</th>
<th>1-12/2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity per share</td>
<td>6.36</td>
<td>5.70</td>
</tr>
<tr>
<td>Return on equity %</td>
<td>18.1</td>
<td>16.3</td>
</tr>
<tr>
<td>Solvency ratio %</td>
<td>57.2</td>
<td>59.0</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>19.2</td>
<td>31.0</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>77.9</td>
<td>45.4</td>
</tr>
<tr>
<td>Interest-bearing liabilities</td>
<td>50.2</td>
<td>57.0</td>
</tr>
<tr>
<td>Gearing %</td>
<td>-12.0</td>
<td>5.7</td>
</tr>
</tbody>
</table>
Market development and business outlook
Market development
Component availability remains weak and component supply constraints are expected to continue throughout 2022. Additional material costs related to spot purchases are expected to remain at high level during 2022.

Growth
High-end industrial instruments
Life science
Power industry
Liquid measurements
Renewable energy

Recovery
Aviation

Stable
Meteorology
Ground transportation
Business outlook for 2022

Net sales
Vaisala estimates that its full-year 2022 net sales will be in the range of EUR 465–495 million

Operating result (EBIT)
Vaisala estimates that its full-year 2022 operating result (EBIT) will be in the range of EUR 55–70 million
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Net sales

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VAISALA