



Interim Report
January 1–September 30, 2021

RAUTE CORPORATION – INTERIM REPORT JANUARY 1–SEPTEMBER 30, 2021

- The Group's net sales, EUR 98.1 million (MEUR 76.1), increased 29% on the comparison period. Order intake was very high, at EUR 154 million (MEUR 49).
- Operating profit amounted to EUR -1.6 million (MEUR -2.7), up 41% on the comparison period. The result before taxes was EUR -1.2 million (MEUR -2.3).
- Earnings per share were EUR -0.31 (EUR -0.54), and diluted earnings per share EUR -0.31 (EUR -0.54).
- Net sales in the third quarter were EUR 37.9 million and operating profit was EUR 1.9 million. Order intake in the third quarter was EUR 58 million. The order book at the end of the reporting period was at a record-high EUR 150 million (MEUR 62).
- Raute's net sales are expected to grow in 2021 and operating profit to improve from 2020.

TAPANI KIISKI, PRESIDENT AND CEO: RECORD-HIGH ORDER BOOK AND POSITIVE RESULT IN THE THIRD QUARTER

Raute's market situation was good, especially in the traditional, industrialized and developed markets of Europe, North America and especially Russia, in spite of the continuing pandemic. However, in the emerging markets the pandemic is still limiting the progress of our customers' projects. In China's case, too, pandemic-related restrictions coupled with the general economic uncertainty, for instance in terms of the price and even availability of energy, are hampering the progress of our customers' and our projects alike.

We received new orders totaling more than EUR 58 million in the third quarter. New orders included production machinery and equipment worth EUR 18 and 16 million for a birch veneer and plywood mill and a plant expansion project, both for Russia. Mid-sized line orders and modernization orders were also at a good level, indicating that the markets have picked up in all sectors. Our order book is at an all-time high of EUR 150 million, so our outlook for the near future is good.

Our net sales this period were EUR 22 million higher than the same period last year. Net sales continued to grow at the same rate as in the second quarter, and we achieved a positive result as predicted. Our efforts in product development, digitalization and marketing continue and are still reflected in our result development. Our result was also weakened by a few unexpected cost items, such as a rather large expense involving the repair of an important machine tool at our Nastola plant. We are not satisfied with the level of our result.

However, the removal of travel restrictions bit by bit as vaccinations progress is creating optimism that business activities will gradually begin to normalize in the coming months. Despite the progress of vaccinations and the lessening of restrictions it has enabled, the uncertainty and inconvenience caused by the pandemic continue to a lesser degree.

The order intake for technology services was at a particularly good level thanks to modernization projects. This is yet another reason to conclude that the capacity utilization rate of our customers' production is at a good level. Our customers' desire to systematically develop the safety, quality and efficiency of their operations is also at a good level.

Many raw material, component and freight costs have risen, even to a great extent, delivery times have increased and there have even been challenges in availability due to the exceptional market changes caused by the pandemic and the stimulus measures aimed at recovering from it. The rise in prices is expected to affect the future profitability of projects for transactions that have already been concluded. This only has a minor impact on the Q3 result. Our operational organization is actively addressing these challenges together with our partners. In terms of new orders, I believe we will be able to transfer most of the cost increases to prices.

Because of the pandemic, the focus of our market will, now and going forward, be more on developed markets than we estimated before the pandemic. In the longer term, we believe that the focus of growth will again shift to the emerging markets. We will continue to invest in our stated strategic priorities, the emerging markets and the development of our technology services business and digitalization. Besides the opportunities offered by the current market situation, our strong financial position and market position and our long-standing customer relationships are important competitive advantages and enablers of this type of long-term work.

Our outlook for 2021 remains unchanged, and we expect our net sales to grow and our operating profit to improve from last year.

THIRD QUARTER OF 2021

Order intake and order book

The total order intake in the third quarter, EUR 58 million (MEUR 11), reached a very good level. The most significant new orders were for machinery and equipment for the production process of a birch plywood mill, worth approximately EUR 18 million, and machinery and equipment for the expansion of a birch plywood mill, worth roughly EUR 16 million. Both orders are for Russia. The volume of other orders was also good, at EUR 24 million. Orders that were delayed due to the market disruption caused by the global pandemic are now starting up.

Technology services accounted for EUR 21 million (MEUR 9) of the order intake. Larger modernization orders in particular grew on the comparison period.

The order book increased during the third quarter by EUR 21 million, amounting to a record EUR 150 million at the end of the period (MEUR 62).

Net sales

Third-quarter net sales amounted to EUR 37.9 million (MEUR 27.9). Technology services' share of total net sales, EUR 15 (MEUR 10), was exceptionally high, thanks to modernization projects. Technology services accounted for 39 percent (35%) of net sales.

Result and profitability

Operating profit in the third quarter was EUR 1.9 million positive (MEUR 1.3 positive) and accounted for 5.1 percent (4.8%) of net sales. The result before taxes was EUR 1.9 million positive (MEUR 1.3 positive), and earnings per share were EUR 0.33 (EUR 0.18).

RAUTE CORPORATION – INTERIM REPORT JANUARY 1–SEPTEMBER 30, 2021

BUSINESS ENVIRONMENT

Market situation in customer industries

Raute's customers in the veneer, plywood and LVL (Laminated Veneer Lumber) industries are engaged in the manufacture of wood products used in investment projects and are thus affect-

ed by fluctuations in construction, housing-related consumption, international trade, and transportation. We expect that the trend-like growth in wood construction will create demand for our customers and indirectly for Raute, strengthening our long-term growth opportunities.

In the third quarter, the situation and outlook in the global economy and the financial markets remained good, although inflationary concerns over the rising raw material and transport costs increased uncertainty at the end of the period. Vaccinations and the easing of the Covid-19 pandemic in many market areas created positive expectations, despite the continuing uncertainty, and demand remained strong. The strong rise in the prices of our customers' products leveled out and began to decline. Prices nevertheless remained at a historically good level. We expect the market situation for our customer industries to remain good.

Demand for wood products technology and technology services

As a result of the exceptional volatility in the market situation caused by the Covid-19 pandemic, many of our customers, particularly in traditional, developed markets, initially put the brakes on their investments, whereas this year they have accelerated them and cleared their investment backlog. This development was further strengthened by the strong demand for wood products. In contrast, emerging markets have not made similar progress in recovering from the pandemic. Demand for Raute's products and services has thus remained low in these markets. Demand overall has been at a good level so far this year. Mill-scale projects are also moving forward in several market areas.

Investment activity among Raute's customers has strengthened compared to last year. We consider our order intake during the reporting period to be very good. Even without the reported new capacity projects, which are more one-off in nature, the number of new orders was good.

Demand was particularly high in Russia. Demand and project planning have gained momentum. However, forecasting the realization and timing of large projects is difficult. The pandemic continued to have a major impact on the emerging markets

of Asia and South America, which were quiet. Also in China, the pandemic-related precautionary measures continue and are hampering the progress of projects, in addition to which the general economic development is slower than usual. Demand continued to be active in Europe and North America, and the order intake was at a good level.

Demand for maintenance and spare parts services remained good, which is an indication of the generally good capacity utilization rates of Raute's customers' production plants. In our estimation, without the travel restrictions related to the Covid-19 pandemic, sales of maintenance services would have been even stronger than they were.

ORDER INTAKE AND ORDER BOOK

Raute serves the wood products industry with a full-service concept that is based on technology solutions covering the customer's entire production process and services throughout their life cycle. Raute's business consists of project deliveries and technology services. Project deliveries encompass projects from individual machine or production line deliveries to deliveries of all the machines and equipment belonging to a mill's production process. Additionally, Raute's full-service concept includes comprehensive technology services ranging from spare parts deliveries to regular maintenance and equipment modernizations, as well as consulting, training, reconditioned machinery and digital services.

The improvement in the market situation was reflected in the volume of new orders Raute received. The order intake during the review period was at an extremely good level and amounted to EUR 154 million (MEUR 49). The order intake consisted of three large projects to create new capacity, two of which were entirely new mills and one involved the expansion of an existing mill, and a number of medium-sized and small single production line project deliveries and modernizations.

Of new orders, 36 percent came from Europe (32%), 32 percent from Russia (34%), 21 percent from North America (15%), 6 percent from Asia-Pacific (11%) and 5 percent from South America (8%). Sometimes even strong fluctuations in the distribution of new orders between the various market areas are typical for project-focused business.

The order intake for technology services amounted to EUR 59 million (MEUR 26), growing strongly from the comparison period, thanks especially to an increase in modernization orders.

The order book increased during the third quarter by EUR 21 million. The order book at the end of the reporting period amounted to a record EUR 150 million (MEUR 62). Most of the order book is scheduled for 2022.

COMPETITIVE POSITION

Raute's competitive position has remained unchanged and is strong. Raute's solutions help customers secure their delivery and service capabilities throughout the life cycle of the production process or a part thereof. Raute's solutions also offer the markets the most environmentally friendly production process, thanks to the efficient use of raw materials and additives and low energy consumption. In such investments, the supplier's overall expertise and extensive and diverse technology offering play a key role. The competitive edge provided by Raute plays a major role when customers select their cooperation partners. Raute's strong financial position and long-term dedication to serving selected customer industries also enhance its credibility and improve its competitive position as a company that carries out long-term investment projects.

NET SALES

Net sales for the reporting period totaled EUR 98.1 million (MEUR 76.1), up 29 percent on the comparison period.

Of the net sales during the reporting period, Russia accounted for 51 percent (50%), Europe for 23 percent (24%), North America for 14 percent (12%), South America for 6 percent (8%), and Asia-Pacific for 6 percent (6%).

RESULT AND PROFITABILITY

Operating profit during the reporting period was EUR 1.6 million negative (MEUR 2.7 negative) and accounted for -1.6 percent (-3.6%) of net sales. Operating profit grew 41 percent, mainly due to the growth in net sales. We continued with our previously announced investments in product development, marketing and digitalization.

The result before taxes for the reporting period was EUR 1.2 million negative (MEUR 2.3 negative). The result for the report-

ing period was EUR 1.3 million negative (MEUR 2.3 negative). Diluted earnings per share were EUR -0.31 (EUR -0.54).

CASH FLOW AND BALANCE SHEET

The Group's financial position remained strong. At the end of the reporting period, gearing was -26 percent (-17%) and the equity ratio was 50 percent (62%).

The Group's cash and cash equivalents amounted to EUR 18.1 million (MEUR 15.0) at the end of the reporting period. Operating cash flow was EUR 17.3 million positive (MEUR 3.8 positive). Cash flow from investment activities was EUR 5.1 million negative (MEUR 4.3 negative). Cash flow from financing activities was EUR 4.6 million negative (MEUR 6.2 negative), including dividend payments of EUR 3.4 million.

Interest-bearing liabilities amounted to EUR 8.7 million (MEUR 8.2) at the end of the reporting period. This sum consists entirely of liabilities for right-of-use assets. The increase in liabilities during the reporting period is due to fixed asset liabilities for a new mill in China.

The parent company Raute Corporation has a EUR 10 million commercial paper program, which allows the company to issue commercial papers maturing in less than one year. Raute has no commercial papers on the markets.

The parent company Raute Corporation is prepared for future working capital needs and has long-term credit facility agreements with two Nordic banks totaling EUR 20.5 million. The main covenants of the credit facilities are an equity ratio of >30% and gearing of <80%. Of the credit facilities, EUR 20.5 million remained unused at the end of the reporting period.

EVENTS DURING THE REPORTING PERIOD

Raute Corporation published stock exchange releases on the following events in 2021:

February 12, 2021: New long-term incentive plan based on performance, share value and growth established for Raute's senior management and selected key persons

May 12, 2021: Raute received orders worth approximately EUR 30 million to Lithuania

July 7, 2021: Raute received an order worth approximately EUR 16 million to Russia

August 30, 2021: Raute received orders worth approximately EUR 18 million to Russia

On June 4, 2021: Raute announced that it is moving its operations to a new location in Changzhou, China. The facility is expected to employ around 100 people and to start production in the first quarter of 2022.

On June 15, 2021, Raute joined the UN Global Compact Initiative and committed to complying with its global sustainability criteria.

RESEARCH AND DEVELOPMENT COSTS AND CAPITAL EXPENDITURE

Raute is a leading technology supplier for the plywood and LVL industries and focuses strongly on the development of increasingly efficient, productive, safe and environmentally friendly manufacturing technology and supporting measurement and machine vision applications. New opportunities provided by digitalization are also an essential part of R&D activities.

Research and development costs in the reporting period totaled EUR 3.6 million (MEUR 3.2), representing 3.7 percent of net sales (4.2%).

The Group's capital expenditure during the period came to EUR 6.3 million (MEUR 5.2) and accounted for 6.4 percent (6.9%) of net sales. Our biggest single investment was the continuation of our IT system renewal project.

PERSONNEL

At the end of the reporting period, the Group's personnel numbered 783 (749). Group companies outside Finland accounted for 32 percent (33%) of employees.

Converted to full-time employees ("effective headcount"), the average number of employees was 778 (747) during the reporting period.

The Group continued to develop the competence of its personnel and increase their commitment to the company. Approximately one percent (1%) of the payroll was invested in personnel training. Our key focal areas in HR development were training to meet the needs of the new IT system project, the im-

provement of leadership and the organization-wide strengthening of our highly responsible operating culture that strives for first-class quality. Competence-development activities were implemented through, among other things, a systematic mentor program and training organized based on identified needs. Use of the RauteACADEMY online learning environment was continued.

Occupational safety was weaker during the reporting period compared to 2020. The number of accidents leading to an absence from work amounted to 11. The LTIF figure was 11.0 (the full-year figure for 2020 was 7.9). In April, we reported that there was a tragic fatal accident at our project installation site in China.

SHARES

The number of Raute Corporation's shares at the end of the reporting period totaled 4,263,194 (4,263,194), of which 991,161 (991,161) were series K shares (ordinary share, 20 votes/share) and 3,272,033 (3,272,033) were series A shares (1 vote/share). Series K and A shares confer equal rights to dividends and company assets.

Series K shares can be converted to series A shares under the terms set out in Article 3 of the Articles of Association. If an ordinary share is transferred to a new owner who has not previously held series K shares, the new owner must notify the Board of Directors of this in writing and without delay. In this kind of situation, other holders of series K shares have the right to redeem the series K share under the terms specified in Article 4 of the Articles of Association.

Raute Corporation's series A shares are listed on Nasdaq Helsinki Ltd. The trading code is RAUTE.

The company's market capitalization at the end of the reporting period was EUR 90.8 million (MEUR 77.8), with series K shares valued at the closing price of series A shares for the reporting period, i.e. EUR 21.30 (EUR 18.25).

REMUNERATION

The Annual General Meeting approved, on March 31, 2021, the Remuneration Report for Governing Bodies proposed by the Board of Directors. The resolution is advisory.

The Group has remuneration systems in place that cover the entire personnel.

Share-based incentive plans

The Group has valid long-term share-based incentive plans based on performance.

The company decided to launch a new long-term incentive plan based on performance, share value and growth (LTI Plan 2021–2023) on February 12, 2021.

The terms and conditions of and more detailed and up-to-date information on the incentive plans are available on the company's website.

SHAREHOLDERS

The number of shareholders totaled 6,134 at the beginning of the year and 5,991 at the end of the reporting period. Series K shares were held by 55 private individuals (54) at the end of the reporting period. Nominee-registered shares accounted for 2.7 percent (2.7%) of shares. The company did not receive any flagging notifications during the reporting period.

The Board of Directors, the President and CEO as well as the Executive Board held altogether 256,059 company shares, equaling 6.0 percent (6.1%) of the company shares and 11.6 percent (11.6%) of the votes at the end of the reporting period.

CORPORATE GOVERNANCE

Raute Corporation complies with the Finnish Corporate Governance Code 2020 for listed companies issued by the Securities Market Association on September 19, 2019, except for the deviation from Recommendation 15 concerning the appointment of members to the Appointments Committee.

EXECUTIVE BOARD

Raute Group's Executive Board and the members' areas of responsibility:

Tapani Kiiski, President and CEO, Chairman – Sales
Kurt Bossuyt, Executive Vice President, Basic Services – Basic Services market

Marko Hjelt, Executive Vice President, CHRO – People excellence, safety

Mika Hyysti, Executive Vice President, CTO – Innovations, products and services, and R&D

Tarja Järvinen, Executive Vice President, CFO – Finance, ICT and other business support, sustainability

Timo Kangas, Executive Vice President, Power – Power market
Jani Roivainen, Executive Vice President, Metrix – Metrix market
Jukka Siiriäinen, Executive Vice President, Grow – Grow market
Petri Strengell, Executive Vice President, COO – Supply chain and quality.

ANNUAL GENERAL MEETING 2021

Raute Corporation's Annual General Meeting was held on March 31, 2021, as planned. More detailed information on the decisions of the Annual General Meeting can be found in the stock exchange release issued on March 31, 2021.

DISTRIBUTION OF PROFIT FOR THE 2020 FINANCIAL YEAR

The Annual General Meeting held on March 31, 2021, decided to pay a dividend of EUR 0.80 per share for the financial year 2020. The total amount of dividends is EUR 3.4 million, with series A shares accounting for EUR 2,617,626.40 and series K shares for EUR 792,928.80. The dividend payment date was April 13, 2021.

BOARD OF DIRECTORS AND BOARD COMMITTEES

At the Annual General Meeting held on March 31, 2021, Ms. Laura Raitio was elected Chair of the Board, Mr. Mika Mustakallio was elected Vice-Chair, and Mr. Joni Bask, Mr. Ari Harmaala, Mr. Pekka Suominen, and Mr. Patrick von Essen were elected as Board members. The Board of Directors' term of office will continue until the 2022 Annual General Meeting.

Based on the evaluation of independence by the Board of Directors, Chair of the Board Ms. Laura Raitio and members Mr. Joni Bask, Mr. Ari Harmaala, and Mr. Patrick von Essen are independent of the company. Vice Chair of the Board of Directors Mr. Mika Mustakallio and Board member Pekka Suominen are not estimated to be independent of the company, as they have served on the Board of Directors for more than ten years. Chair of the Board Ms. Laura Raitio and two Board members, Mr. Ari Harmaala and Mr. Patrick von Essen, are independent of major shareholders.

Raute Corporation's Board of Directors has an Appointments Committee. The Appointments Committee is chaired by Ms. Laura Raitio, and its members are Mr. Pekka Suominen and Mr. Ari Piik. Due to the company's ownership structure, it has been considered, in deviation from the recommendations, justified that a representative of a large shareholder group who is not a member of the Board of Directors is on the Appointments Committee.

The Audit Committee's tasks are handled by the Board of Directors.

BUSINESS RISKS

Risks in the near term continue to be driven by the uncertainty relating to the global economic situation and the development of the financial markets, as well as by international political instability. The most significant risks for Raute in the near term are related to delivering and managing the costs of the orders.

The restrictions imposed due to the coronavirus pandemic will continue to negatively affect Raute's future outlook, although the impacts are expected to decrease. The extent and duration of the impacts are, however, still impossible to assess.

The recent developments in the global economy leading to higher raw material, component and freight costs, as well as availability issues, increase the risks faced by Raute in terms of both delivery capabilities and cost control. We have taken action to minimize these challenges. It is also apparent that economic development will generally stabilize in the future. This will be reflected in our customers' activities and in the demand for and timing of investments.

OUTLOOK FOR 2021

Due to the strong order book, active demand and further alleviated impacts of the coronavirus pandemic, we expect Raute's net sales to increase in 2021 compared to the level of the previous year. We expect the operating profit to improve on the previous year.

CONSOLIDATED STATEMENT OF INCOME

Raute Corporation's Board of Directors has approved this Interim Report for January 1– September 30, 2021 to be published.

The figures for the financial year 2020 presented in the figures section of the Interim Report have been audited. The presented interim financial report figures have not been audited.

CONSOLIDATED STATEMENT OF INCOME

EUR 1,000	1.7.– 30.9.2021	1.7.– 30.9.2020	1.1.– 30.9.2021	1.1.– 30.9.2020	1.1.– 31.12.2020
NET SALES	37 900	27 905	98 112	76 060	114 994
Change in inventories of finished goods and work in progress	-3 787	76	-1 890	-864	3 128
Other operating income	22	50	201	116	201
Materials and services	-18 187	-14 634	-50 454	-36 858	-64 102
Employee benefits expense	-8 347	-8 334	-31 752	-29 223	-39 089
Depreciation, amortization and impairments	-1 096	-1 141	-3 179	-3 040	-4 039
Other operating expenses	-4 565	-2 594	-12 609	-8 891	-12 945
Total operating expenses	-32 196	-26 702	-97 994	-78 013	-120 175
OPERATING PROFIT	1 939	1 329	-1 570	-2 701	-1 852
% of net sales	5,1	4,8	-1,6	-3,6	-1,6
Financial income	74	5	822	640	736
Financial expenses	-72	-71	-414	-258	-421
Financial expenses, net	2	-66	407	383	315
PROFIT BEFORE TAX	1 941	1 263	-1 163	-2 318	-1 537
% of net sales	5,1	4,5	-1,2	-3,0	-1,3
Income taxes	-526	-483	-168	5	636
PROFIT FOR THE PERIOD	1 415	780	-1 331	-2 313	-901
% of net sales	3,7	2,8	-1,4	-3,0	-0,8
Profit for the period attributable to					
Equity holders of the Parent company	1 415	780	-1 331	-2 313	-901
Earnings per share for profit attributable to Equity holders of the Parent company, EUR					
Undiluted earnings per share	0,33	0,18	-0,31	-0,54	-0,21
Diluted earnings per share	0,33	0,18	-0,31	-0,54	-0,21

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR 1,000	1.7.– 30.9.2021	1.7.– 30.9.2020	1.1.– 30.9.2021	1.1.– 30.9.2020	1.1.– 31.12.2020
PROFIT FOR THE PERIOD	1 415	780	-1 331	-2 313	-901
Other comprehensive income items:					
Items that may be subsequently reclassified to profit or loss					
Changes in the fair value of financial assets at fair value through other comprehensive income	-	-	-	-	-1 355
Hedging reserve, hedge accounting	0	-120	-27	-122	-117
Exchange differences on translating foreign operations	-60	406	37	-504	-596
Income taxes related to these	0	24	0	24	272
Comprehensive income items for the period, net of tax	-60	310	10	-602	-1 796
COMPREHENSIVE PROFIT FOR THE PERIOD	1 355	1 090	-1 321	-2 916	-2 696
Comprehensive profit for the period attributable to					
Equity holders of the Parent company	1 355	1 090	-1 321	-2 916	-2 696
Shares, 1 000 pcs					
Adjusted average number of shares	4 263	4 263	4 263	4 263	4 263
Adjusted average number of shares, diluted	4 263	4 284	4 263	4 284	4 267

CONSOLIDATED BALANCE SHEET

CONSOLIDATED BALANCE SHEET

EUR 1,000	30.9.2021	30.9.2020	31.12.2020
ASSETS			
Non-current assets			
Goodwill	1 714	1 714	1 714
Other intangible assets	7 310	4 195	4 213
Property, plant and equipment	11 018	11 048	10 903
Right of use assets	6 781	6 291	5 917
Other financial assets	1 643	3 047	1 435
Accounts receivables	0	-	640
Deferred tax assets	1 638	315	1 242
Total non-current assets	30 104	26 610	26 064
Current assets			
Inventories	18 945	19 150	15 041
Accounts receivables and other receivables	43 978	18 724	33 635
Income tax receivable	12	1 433	6
Cash and cash equivalents	18 055	15 001	11 601
Total current assets	80 990	54 308	60 282
TOTAL ASSETS	111 094	80 918	86 346

CONSOLIDATED BALANCE SHEET

EUR 1,000	30.9.2021	30.9.2020	31.12.2020
EQUITY AND LIABILITIES			
Equity attributable to Equity holders of the Parent company			
Share capital	8 256	8 256	8 256
Fair value reserve and other reserves	7 160	8 565	7 188
Exchange differences	1 239	445	353
Retained earnings	20 450	25 606	25 613
Profit for the period	-1 331	-2 313	-901
Total equity	35 774	40 557	40 506
Non-current liabilities			
Deferred tax liability	275	16	-
Lease liability	5 005	4 891	4 496
Provisions	0	344	363
Total non-current liabilities	5 280	5 250	4 859
Current liabilities			
Current interest-bearing liabilities	1 740	1 869	1 857
Lease liability	1 991	1 400	1 385
Current advance payments received	40 102	15 382	18 144
Income tax liability	458	331	412
Trade payables and other liabilities	22 852	13 198	15 940
Provisions	2 897	2 931	3 244
Total current liabilities	70 040	35 111	40 982
Total liabilities	75 320	40 362	45 840
TOTAL EQUITY AND LIABILITIES	111 094	80 918	86 346

CONSOLIDATED STATEMENT OF CASH FLOWS

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR 1,000	1.1.– 30.9.2021	1.1.– 30.9.2020	1.1.– 31.12.2020
CASH FLOW FROM OPERATING ACTIVITIES			
Proceeds from customers	114 561	88 205	117 538
Other operating income	201	116	-
Payments to suppliers and employees	-97 646	-83 908	-116 217
Cash flow before financial items and taxes	17 116	4 412	1 320
Interest paid from operating activities	-131	-83	-98
Dividends received from operating activities	746	640	640
Interest received from operating activities	25	8	22
Other financing items from operating activities	-294	-238	-274
Income taxes paid from operating activities	-178	-917	434
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	17 285	3 822	2 044
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment and intangible assets	-6 320	-3 891	-4 520
Proceeds from sale of property, plant and equipment and intangible assets	1 213	147	193
Payment for acquisition of subsidiary, net of cash acquired	0	-512	-512
Proceeds from sale of investments	-	-	-
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	-5 107	-4 255	-4 838
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from current borrowings	-	1 498	1 857
Repayments of current borrowings	-	-1 500	-1 502
Increase in lease liability	-	666	-
Repayments of lease liability	-1 232	-664	-1 411
Dividends paid	-3 411	-6 182	-6 182
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	-4 642	-6 182	-7 238
NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)	7 535	-6 615	-10 032
increase (+)/decrease (-)			
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	11 601	22 360	22 361
NET CHANGE IN CASH AND CASH EQUIVALENTS	7 535	-6 615	-10 032
EFFECTS OF EXCHANGE RATE CHANGES ON CASH	-1 082	-743	-728
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	18 055	15 002	11 601
CASH AND CASH EQUIVALENTS IN THE BALANCE SHEET AT THE END OF THE PERIOD*			
Cash and cash equivalents	18 055	15 002	11 601
TOTAL	18 055	15 002	11 601

*Cash and cash equivalents comprise cash and bank receivables, which will be due within the following three months' period.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

EUR 1,000	Share capital	Invested non-restricted equity reserve	Other reserves	Exchange differences	Retained earnings	To the equity holders of the Parent company	TOTAL EQUITY
EQUITY at Jan. 1, 2021	8 256	5 711	1 476	353	24 709	40 506	40 506
Comprehensive profit for the period							
Profit for the period	-	-	-	-	-1 331	-1 331	-1 331
Other comprehensive income items:							
Hedging reserve	-	-	-27			-27	-27
Exchange differences on translating foreign operations	-	-	-	886	-850	36	36
Income taxes related to these items	-	-	-	-	-	0	0
Total comprehensive profit for the period	0	0	-27	886	-2 180	-1 321	-1 321
Transactions with equity holders							
Equity-settled share-based transactions	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-3 411	-3 411	-3 411
Total transactions with equity holders	0	0	0	0	-3 411	-3 411	-3 411
EQUITY at September 30, 2021	8 256	5 711	1 450	1 239	19 119	35 774	35 774

COMPARISON PERIOD

EUR 1,000	Share capital	Invested non-restricted equity reserve	Other reserves	Exchange differences	Retained earnings	To the equity holders of the Parent company	TOTAL EQUITY
EQUITY at Jan. 1, 2020	8 256	5 711	2 794	949	31 794	49 502	49 502
Comprehensive profit for the period							
Profit for the period	-	-	-	-	-2 313	-2 313	-2 313
Other comprehensive income items:							
Hedging reserve	-	-	-122	-	-	-122	-122
Exchange differences on translating foreign operations	-	-	-	-504	-	-504	-504
Income taxes related to these items	-	-	24	-	-	24	24
Total comprehensive profit for the period	-	-	-97	-504	-2 313	-2 916	-2 916
Transactions with equity holders							
Equity-settled share-based transactions	-	-	157	-	-	157	157
Dividends paid	-	-	-	-	-6 182	-6 182	-6 182
Total transactions with equity holders	-	-	157	-	-6 182	-6 025	-6 025
EQUITY at September 30, 2020	8 256	5 711	2 854	445	23 293	40 557	40 557

NOTES TO THE INTERIM REPORT

General information

Raute Group is a globally operating technology and service company serving the wood products industry, with core competence in selected wood products manufacturing processes. Raute's customers are companies operating in the wood products industry that manufacture veneer, plywood, LVL and sawn timber.

Raute's full-service concept is based on product life-cycle management and includes project deliveries and technology services. Raute's technology offering covers machinery and equipment for the customer's entire production process. In addition to a broad range of machines and equipment, Raute's solutions cover technology services ranging from spare parts deliveries to regular maintenance and equipment modernizations as well as consulting, training, reconditioned machinery and digital services.

Raute Group's Parent company, Raute Corporation, is a Finnish public limited liability company established in accordance with Finnish law (Business ID FI01490726). Its series A shares are quoted on Nasdaq Helsinki Ltd, under Industrials. Raute Corporation is domiciled in Lahti. The address of its registered office is Rautetie 2, FI-15550 Nastola, and its postal address is P.O. Box 69, 15551 Nastola, Finland.

All of the figures presented in the Interim Report are in thousand euro, unless otherwise stated. Due to the rounding of the figures in the tables, the sums of figures may deviate from the sum total presented in the table. Figures in parentheses refer to the corresponding figures in the comparison period.

Basis of preparation

Raute Corporation's Interim Report for January 1–September 30, 2021 has been prepared in accordance with standard IAS 34 Interim Financial Reporting.

The Interim Report does not contain full notes and other information presented in the financial statements, and therefore the Interim Report should be read in conjunction with the Financial statements published for 2020.

Raute Corporation's Interim Report for January 1–September 30, 2021 has been prepared in accordance with the International Financial Reporting Standards, IFRS, accepted for application in the European Union, including related interpretations. The Interim Report has been drawn up according to the same accounting principles as in the consolidated financial statements for 2020.

When preparing the Interim Report in compliance with International Financial Reporting Standards, the company management has made estimates and assumptions. In addition, the management has exercised its judgment in selecting and applying the accounting policies. The forward-looking estimates and assumptions have been based on management's best knowledge at the reporting date, and they comprise risks and uncertainties, therefore actual results may differ from these estimates.

In April 2021, the IFRS Interpretations Committee (IFRIC) issued its final agenda decision on the accounting treatment of configuration or customization costs in cloud computing arrangements (IAS 38 Intangible Assets). In this decision, the Committee examined whether, when applying IAS 38, the configuration and customization of software shall be recognized as an intangible asset and, if an intangible asset is not recognized, how these configuration and customization costs are to be recognized. Raute is adopting SaaS-based systems and has begun analyzing whether the agenda decision has an effect on the accounting principles applied to the deployment costs of Raute's cloud services. This analysis will be performed at the end of the year, and any possible impacts will be taken into account retroactively in the 2021 financial statements. Intangible assets include EUR 4.3 million in costs related to SaaS-based systems.

Net sales

Raute serves the wood products industry with a full-service concept based on service that encompasses the entire life cycle of the delivered equipment. Raute's business consists of project deliveries and technology services. Project deliveries encompass projects from individual machine or production line deliveries to deliveries of all the machines and equipment belonging to a mill's production process.

Additionally, Raute's full-service concept includes comprehensive technology services ranging from spare parts deliveries to regular maintenance and equipment modernizations, as well as consulting, training, reconditioned machinery and digital services. Project deliveries and modernizations related to technology services include both product and service sales, making it impossible to give a reliable presentation of the breakdown of the Group's net sales into purely product and service sales

Large mill or production line scale delivery projects can temporarily increase the share of an individual customer of the Group's net sales to more than 10 percent. At the end of the reporting period, the Group had one customer (2), whose customized share of the Group's net sales temporarily exceeded ten percent.

EUR 1,000	1.1.– 30.9.2021		1.1.– 30.9.2020		1.1.– 31.12.2020	
		%		%		%
Net sales by market area						
CIS (Russia)	50 503	51	38 060	50	63 411	55
EMEA (Europe and Africa)	22 502	23	18 063	24	25 495	22
NAM (North America)	13 367	14	9 297	12	12 339	11
LAM (South America)	5 744	6	6 025	8	7 625	7
APAC (Asia-Pacific area)	5 996	6	4 616	6	6 125	5
TOTAL	98 112	100	76 060	100	114 994	100

Finland accounted for 10 percent (6%) of net sales.

EUR 1,000	30.9.2021	30.9.2020	31.12.2020
Specification of net sales			
Performance obligations to be satisfied over time	70 329	52 686	81 966
Performance obligations to be satisfied at a point in time	27 783	23 374	33 028
TOTAL	98 112	76 060	114 994
Project revenues entered as income from performance obligations to be satisfied over time currently undelivered	124 980	111 289	118 179
Amount of performance obligations to be satisfied over time not yet entered as income (order book)	138 238	54 802	85 997
Balance sheet items of undelivered projects			
Projects in which the value by percentage of completion exceeds advance payments invoiced			
- aggregate amount of costs incurred and recognized profits less recognized losses	83 898	79 633	97 047
- advance payments received	68 891	71 141	76 066
Current customer contract assets	15 007	8 492	20 981
Projects in which advance payments invoiced exceed the value by percentage of completion			
- aggregate amount of costs incurred and recognized profits less recognized losses	42 502	33 812	25 257
- advance payments received	63 512	45 267	39 768
Current customer contract liabilities	21 010	11 455	14 511
Advance payments included in current liabilities in the balance sheet			
Current customer contract assets	21 010	11 455	14 511
Current customer contract liabilities	19 092	3 927	3 633
Total	40 102	15 382	18 144
Advance payments of the customer contracts included in inventories in the balance sheet			
Advance payments paid	3 937	3 830	1 023
Total	3 937	3 830	1 023

EUR 1,000	30.9.2021	30.9.2020	31.12.2020
Research and development costs			
Research and development costs for the period	3 371	-3 224	-4 627
Development costs recognized as an asset in the	250	272	367
Research and development costs recognized as an expense for the period	-3 621	-2 952	-4 260

EUR 1,000	30.9.2021	30.9.2020	31.12.2020
Right-of-use assets			
Book value, at the beginning of the period	5 917	6 936	6 936
Exchange rate differences	-32	-269	-327
Increases	3 111	666	666
Depreciation for the period	-2 214	-1 042	-1 382
Book value, at the end of the period	6 781	6 291	5 917

EUR 1,000	30.9.2021	30.9.2020	31.12.2020
Goowill			
Goodwill at the beginning of the period	1 714	1 035	1 035
Increases	-	679	679
Goodwill at the end of the period	1 714	1 714	1 714

EUR 1,000	30.9.2021	30.9.2020	31.12.2020
Other intangible assets			
Acquisition cost at the beginning of the period	13 410	11 229	11 229
Exchange rate differences	9	-4	10
Additions	3 500	1 990	2 084
Reclassification between items	0	0	87
Acquisition cost at the end of the period	16 919	13 216	13 410

Accumulated depreciation and amortization at the beginning of the period	-9 197	-8 574	-8 574
Exchange rate differences	-20	2	4
Reclassification between items	-	-	-87
Depreciation and amortization for the period	-392	-448	-540
Accumulated depreciation and amortization at the end of the period	-9 609	-9 021	-9 197

Book value of Other intangible assets, at the beginning of the period	4 213	2 655	2 655
Book value of Other intangible assets, at the end of the period	7 310	4 195	4 213

EUR 1,000	30.9.2021	30.9.2020	31.12.2020
Property, plant and equipment			
Acquisition cost at the beginning of the period	55 018	55 188	55 188
Exchange rate differences	607	-598	-571
Additions	2 820	1 886	2 371
Disposals	-1 231	-90	-1 885
Reclassification between items	-	4	-85
Acquisition cost at the end of the period	57 214	56 390	55 018
Accumulated depreciation and amortization at the beginning of the period	-44 087	-44 334	-44 334
Exchange rate differences	-471	541	503
Reclassification between items	-	-	1 804
Depreciation and amortization for the period	-1 518	-1 550	-2 060
Accumulated depreciation and amortization at the end of the period	-46 067	-45 343	-44 087
Book value of Property, plant and equipment, at the beginning of the period	10 931	10 854	10 854
Book value of Property, plant and equipment, at the end of the period	11 018	11 048	10 931

Financial assets and liabilities

At the end of the reporting period September 30, 2021, the fair value of the financial assets categorized at fair value hierarchy level 3 was EUR 1,387 thousand. The item includes the investments in unquoted shares which have been classified as financial assets at fair value through other comprehensive income. Derivative contracts have been classified as financial assets and liabilities at fair value through profit or loss. The fair value of these derivative contracts is based on the price available from the market data, but instruments are not traded in an active market. At the end of the period, the fair value of the derivative contracts classified as financial assets was EUR 32 thousand and the fair value of the derivative contracts classified as financial liability EUR 216 thousand. The Group's interest-bearing liabilities include a lease liability amount of EUR 6,460 due to the adoption of the standard IFRS 16 Leases, at the end of the reporting period.

EUR 1,000	30.9.2021	30.9.2020	31.12.2020
Financial liabilities			
Non-current interest-bearing liabilities			
Lease liabilities	5 005	4 891	4 496
TOTAL	5 005	4 891	4 496
Current interest-bearing liabilities			
Partial payments of financial loans	1 991	1 869	1 857
Lease liabilities	1 740	1 400	1 385
TOTAL	3 731	3 269	3 242

EUR 1,000	30.9.2021	30.9.2020	31.12.2020
Derivatives			
Nominal values of forward contracts in foreign currency			
Hedge accounting			
- Related to the hedging of net sales	2 696	319	320
Derivatives which do not meet the criteria of hedge accounting			
- Related to financing	389	769	733
- Related to the hedging of net sales	8 188	3 525	1 805
Fair values of forward contracts in foreign currency			
Hedge accounting			
- Related to the hedging of net sales	-29	1	-2
Derivatives which do not meet the criteria of hedge accounting			
- Related to financing	-4	4	-
- Related to the hedging of net sales	-151	-21	31

EUR 1,000	30.9.2021	30.9.2020	31.12.2020
Pledged assets and contingent liabilities			
Mortgage agreements on behalf of subsidiaries			
Financial loans	1 991	1 869	1 857
Other obligations	-	-	-
Other credit guarantee arrangements	1 991	1 869	1 857
Commercial bank guarantees on behalf of the Parent company and subsidiaries			
	14 383	43 856	29 752
Off-balance sheet leases			
Rental liabilities maturing within one year	78	90	106
Rental liabilities maturing in one to five years	16	40	23
Total	94	129	129

Share-based payments

The company decided to launch a new performance-based, share-value-based, long-term incentive plan, LTI Plan 2021–2023, on February 12, 2021.

Distribution of the profit for the financial year 2020

Raute Corporation's Annual General Meeting was held on March 31, 2021. The Annual General Meeting decided, according to the Board of Directors' proposal, to distribute a dividend of EUR 0.80 per share to be paid for series A and K shares, a total of EUR 3,411 thousand. The dividend payment date was April 13, 2021.

Segment information

Continuing operations of Raute Group belong to the wood products technology segment. Raute Corporation's Board of Directors is the chief operating decision maker that is responsible for assigning resources to the operating segment and assessing its result.

Due to Raute's business model, operational nature and administrative structure, the operational segment to be reported as wood products technology segment is comprised of the whole Group and the information on the segment is consistent with that of the Group. Segment reporting follows the principles of presentation of the consolidated financial statements.

EUR 1,000	30.9.2021	30.9.2020	31.12.2020
Wood products technology			
Net sales	98 112	76 060	114 994
Operating profit	-1 570	-2 701	-1 852
Assets	111 094	80 918	86 346
Liabilities	75 320	40 362	45 840
Capital expenditure	6 320	5 248	4 481

EUR 1,000	30.9.2021	%	30.9.2020	%	31.12.2020	%
Assets of the wood products technology segment by geographical location						
Finland	68 892	62	63 781	79	70 158	84
North America	31 140	28	10 229	13	8 939	10
China	8 180	18	5 131	6	5 382	4
Russia	2 096	2	1 244	2	1 312	2
South America	297	0	279	0	260	0
Other	489	0	255	0	296	0
Total	111 094	100	80 918	100	86 346	100

EUR 1,000	30.9.2021	%	30.9.2020	%	31.12.2020	%
Capital expenditure of the wood products technology segment by geographical location						
Finland	6 106	97	5 172	98	4 377	98
North America	129	2	37	1	41	1
China	68	1	33	1	52	1
Russia	10	0	2	0	4	0
South America	5	0	4	0	6	0
Other	2	0	1	0	1	0
Total	6 320	100	5 248	100	4 481	100

	30.9.2021	30.9.2020	31.12.2020
Number of personnel			
Effective, on average, persons	778	747	743
On average, persons	786	764	760
In books at the end of the period, persons	783	749	751
Personnel working abroad at the end of the period	252	246	250
Personnel working abroad, %	32,2	32,8	33,3

Pledges on behalf of the company's management

No loans have been granted to the company's management.

No pledges have been given or other commitments made on behalf of the company's management and shareholders.

Exchange rates used in the consolidation of subsidiaries

	1.1.– 30.9.2021	1.1.– 30.9.2020	1.1.– 31.12.2020
Income statement, euros			
CNY (Chinese yuan)	7,7415	7,8614	7,8708
RUB (Russian rouble)	88,6058	79,8960	82,6454
CAD (Canadian dollar)	1,4976	1,5212	1,5294
USD (US dollar)	1,1967	1,1241	1,1413
SGD (Singapore dollar)	1,6022	1,5629	1,5736
CLP (Chilean peso)	881,94	900,9233	902,5383
Balance sheet, euros			
CNY (Chinese yuan)	7,4847	7,9720	8,0225
RUB (Russian rouble)	84,3391	91,7763	91,4671
CAD (Canadian dollar)	1,475	1,5676	1,5633
USD (US dollar)	1,1579	1,1708	1,2271
SGD (Singapore dollar)	1,576	1,6035	1,6218
CLP (Chilean peso)	932,24	920,7300	870,6600

FINANCIAL DEVELOPMENT

FINANCIAL DEVELOPMENT	30.9.2021	30.9.2020	31.12.2020	SHARE-RELATED DATA	30.9.2021	30.9.2020	31.12.2020
Change in net sales, %	28,9	-32,1	-24,0	Earnings per share, (EPS), undiluted, EUR	-0,31	-0,54	-0,21
Exported portion of net sales, %	90,0	93,7	94,2	Earnings per share, (EPS), diluted, EUR	-0,31	-0,54	-0,21
Operating result, % of net sales	-1,6	-3,6	-1,6	Equity to share, EUR	8,39	9,51	9,50
Return on investment, (ROI), %	-2,2	-5,3	-2,5	Dividend per series A share, EUR	-	-	0,80
Return on equity, (ROE), %	-4,7	-6,8	-2,0	Dividend per series K share, EUR	-	-	0,80
Interest-bearing net liabilities, EUR million	-9,3	-6,8	-3,9	Dividend per profit, %	-	-	-378,5
Gearing, %	-26,0	-16,9	-9,6	Effective dividend return, %	-	-	3,5
Equity ratio, %	50,4	61,9	59,3	Price/earnings ratio (P/E ratio)	-	-	-108,10
Gross capital expenditure, EUR million	6,3	5,2	5,2	Development in share price (series A shares)			
% of net sales	6,4	6,9	4,5	Lowest share price for the period, EUR	20,90	17,40	17,40
Research and development costs, EUR million	3,6	3,2	4,6	Highest share price for the period, EUR	24,90	27,40	27,40
% of net sales	3,7	4,2	4,0	Average share price for the period, EUR	22,85	20,83	20,57
Order book, EUR million	150	62	94	Share price at the end of the period, EUR	21,30	18,25	22,70
Order intake, EUR million	154	49	119	Market value of capital stock			
				- Series K shares, EUR million*	21,11	18,1	22,4
				- Series A shares, EUR million	69,69	59,7	74,3
				Total, EUR million	90,8	77,8	96,8
				*Series K shares valued at the value of series A shares.			
				Trading of the company's shares			
				Trading of shares, pcs	442 680	461 211	680 073
				Trading of shares, EUR million	10,1	9,6	14,0
				Number of shares			
				- Series K shares, ordinary shares (20 votes/share)	991 161	991 161	991 161
				- Series A shares (1 vote/share)	3 272 033	3 272 033	3 272 033
				Total	4 263 194	4 263 194	4 263 194
				Number of shares, weighted average, 1 000 pcs	4 263	4 263	4 263
				Number of shares, diluted, 1 000 pcs	4 263	4 284	4 267
				Number of shareholders	5 991	6 005	6 134

In addition to IFRS Key ratios, Raute Group publishes some commonly used financial key ratios (alternative performance measures). Calculation of key ratios has been presented in the annual financial statements.

DEVELOPMENT OF QUARTERLY RESULTS

DEVELOPMENT OF QUARTERLY RESULTS

EUR 1,000	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Rolling 1.7.2020– 30.9.2021	Rolling 1.7.2019– 30.9.2020
NET SALES	38 934	24 759	35 453			115 318
Change in inventories of finished goods and work in progress	3 992	993	904	37 900	137 047	-656
Other operating income	85	168	11	22	286	287
Materials and services	-27 244	-12 622	-19 649	-18 187	-77 703	-57 710
Employee benefits expense	-9 866	-11 232	-12 172	-8 347	-41 617	-41 395
Depreciation, amortization and impairments	-999	-973	-1 110	-1 096	-4 178	-3 929
Other operating expenses	-4 053	-3 584	-4 455	-4 565	-16 658	-12 807
Total operating expenses	-42 162	-28 411	-37 385	-32 196	-140 155	-115 841
OPERATING PROFIT	849	-2 490	-1 018	1 939	-720	-893
% of net sales	2,2	-10,1	-2,9	5,1	-0,5	-0,8
Financial income	96	207	541	74	918	1 418
Financial expenses	-163	-167	-175	-72	-577	-316
Financial expenses, net	-67	39	366	2	340	1 101
PROFIT BEFORE TAX	782	-2 451	-651	1 941	-380	208
% of net sales	2,0	-9,9	-1,8	5,1	-0,3	0,2
Income taxes	631	-37	391	-526		-261
TOTAL PROFIT FOR THE PERIOD	1 412	-2 488	-260	1 415	79	-52
% of net sales	3,6	-10,0	-0,7	3,7	0,1	0,0
Attributable to						
Equity holders of the Parent company	1 412	-2 488	-260	1 415	79	-52
Earnings per share, EUR						
Undiluted earnings per share	0,33	-0,58	-0,06	0,33	0,02	-0,01
Diluted earnings per share	0,33	-0,58	-0,06	0,33	0,02	-0,01
Shares, 1 000 pcs						
Adjusted average number of shares	4 263	4 263	4 263	4 263	4 263	4 263
Adjusted average number of shares, diluted	4 267	4 263	4 263	4 263	4 263	4 284
	Q4 2020	Q1 2020	Q2 2021	Q3 2021	Rolling 1.7.2020– 30.9.2021	Rolling 1.7.2019– 30.9.2020
FINANCIAL DEVELOPMENT QUARTERLY						
Order intake during the period, EUR million	70	30	65	58	223	66
Order book at the end of the period, EUR million	94	98	129	150	150	62

SHAREHOLDERS

20 LARGEST SHAREHOLDERS AT SEPTEMBER 30, 2021 BY NUMBER OF SHARES

	Number of series K shares	Number of series A shares	Total number of shares	% of total shares	Total number of votes	% of voting rights
1. Sundholm Göran	-	500 000	500 000	11,7	500 000	2,2
2. Laakkonen Mikko Kalervo	-	119 919	119 919	2,8	119 919	0,5
3. Suominen Pekka	48 000	62 429	110 429	2,6	1 022 429	4,4
4. Mandatum Henkivakuutus-osakeyhtiö	-	108 120	108 120	2,5	108 120	0,5
5. Siivonen Osku Pekka	50 640	53 539	104 179	2,4	1 066 339	4,6
6. Kirmo Kaisa Marketta	55 680	48 341	104 021	2,4	1 161 941	5,0
7. Suominen Tiina Sini-Maria	48 000	52 251	100 251	2,4	1 012 251	4,4
8. Keskiaho Kaija Leena	33 600	51 116	84 716	2,0	723 116	3,1
9. Mustakallio Mika Tapani	62 100	21 170	83 270	2,0	1 263 170	5,5
10. Särkijärvi Anna Riitta	60 480	22 009	82 489	1,9	1 231 609	5,3
11. Mustakallio Kari Pauli	60 480	-	60 480	1,4	1 209 600	5,2
12. Mustakallio Marja Helena	46 740	12 547	59 287	1,4	947 347	4,1
13. Särkijärvi Anu Riitta	12 000	43 256	55 256	1,3	283 256	1,2
14. Särkijärvi Timo Juha	12 000	43 256	55 256	1,3	283 256	1,2
15. Mustakallio Ulla Sinikka	47 740	6 758	54 498	1,3	961 558	4,2
16. Suominen Jukka Matias	24 960	27 964	52 924	1,2	527 164	2,3
17. Keskinäinen työeläkevakuutusyhtiö Varma	-	51 950	51 950	1,2	51 950	0,2
18. Relander Pär-Gustaf	-	51 000	51 000	1,2	51 000	0,2
19. Suominen Jussi	48 000	-	48 000	1,1	960 000	4,2
20. Keskiaho Ilta Marjaana	24 780	19 094	43 874	1,0	514 694	2,2
Total	635 200	1 294 719	1 929 919	45,3	13 998 719	60,6

20 LARGEST SHAREHOLDERS AT SEPTEMBER 30, 2021 BY NUMBER OF VOTES

	Number of series K shares	Number of series A shares	Total number of shares	% of total shares	Total number of votes	% of voting rights
1. Mustakallio Mika Tapani	62 100	21 170	83 270	2,0	1 263 170	5,5
2. Särkijärvi Anna Riitta	60 480	22 009	82 489	1,9	1 231 609	5,3
3. Mustakallio Kari Pauli	60 480	-	60 480	1,4	1 209 600	5,2
4. Kirmo Kaisa Marketta	55 680	48 341	104 021	2,4	1 161 941	5,0
5. Siivonen Osku Pekka	50 640	53 539	104 179	2,4	1 066 339	4,6
6. Suominen Pekka	48 000	62 429	110 429	2,6	1 022 429	4,4
7. Suominen Tiina Sini-Maria	48 000	52 251	100 251	2,4	1 012 251	4,4
8. Mustakallio Ulla Sinikka	47 740	6 758	54 498	1,3	961 558	4,2
9. Suominen Jussi	48 000	-	48 000	1,1	960 000	4,2
10. Mustakallio Marja Helena	46 740	12 547	59 287	1,4	947 347	4,1
11. Keskiaho Kaija Leena	33 600	51 116	84 716	2,0	723 116	3,1
12. Mustakallio Hanna Leena	32 975	5 565	38 540	0,9	665 065	2,9
13. Mustakallio Jukka Jermias	32 975	-	32 975	0,8	659 500	2,9
14. Keskiaho Vesa Heikki	29 680	-	29 680	0,7	593 600	2,6
15. Keskiaho Juha-Pekka	27 880	5 716	33 596	0,8	563 316	2,4
16. Suominen Jukka Matias	24 960	27 964	52 924	1,2	527 164	2,3
17. Keskiaho Ilta Marjaana	24 780	19 094	43 874	1,0	514 694	2,2
18. Sundholm Göran Wilhelm	-	500 000	500 000	11,7	500 000	2,2
19. Kultanen Leea Annikka	21 595	8 031	29 626	0,7	439 931	1,9
20. Piik Ari Aarne Juhani	20 855	418	21 273	0,5	417 518	1,8
Total	777 160	896 948	1 674 108	39,3	16 440 148	71,2

MANAGEMENT'S SHAREHOLDING AND NOMINEE-REGISTERED SHARES

	Number of series K shares	Number of series A shares	Total number of shares	% of total shares	Total number of votes	% of voting rights
Management's holding at September 30, 2021						
The Board of Directors, The Group's President and CEO and Executive Board*	127 890	128 169	256 059	6,0	2 685 969	11,6
Total	127 890	128 169	256 059	6,0	2 685 969	11,6

*The figures include the holdings of their own, minor children and control entities.

Nominee-registered shares at September 30, 2021	-	115 061	115 061	2,7	115 061	0,5
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RAUTE CORPORATION
Board of Directors

BRIEFING ON OCTOBER 22, 2021, AT 2 P.M.:

A briefing will be organized for analysts, investors and the media on October 22, 2021, at 2 p.m. at Scandic Simonkentie Hotel, Tapiola cabinet, Simonkatu 9, Helsinki. The interim report will be presented by Mr. Tapani Kiiski, President and CEO, and Ms. Tarja Järvinen, CFO. The event will be recorded, and the recording can be viewed on Raute's website, raute.com, later on the same day, October 22, 2021.

FURTHER INFORMATION:

Mr. Tapani Kiiski, President and CEO, Raute Corporation, mobile phone +358 400 814 148

Ms. Tarja Järvinen, Group Vice President, Finance, CFO, Raute Corporation, mobile phone +358 40 658 3562

DISTRIBUTION:

Nasdaq Helsinki Ltd, main media, www.raute.com

RAUTE IN BRIEF:

Raute is a technology and service company that operates worldwide. Raute's customers are companies operating in the wood products industry that manufacture veneer, plywood, LVL (Laminated Veneer Lumber) and sawn timber. Its technology offering covers the entire production process for veneer, plywood and LVL and special measurement equipment for sawn timber. As a supplier of mill-scale projects, Raute is a global market leader both in the plywood and LVL industries. Additionally, Raute's full-service concept includes technology services ranging from spare parts deliveries to regular maintenance and equipment modernizations. Raute's head office is located in Lahti, Finland. The company's other production plants are located in Kajaani, Finland, the Vancouver area of Canada, the Shanghai area of China and in Pullman, Washington, USA. Raute's net sales in 2020 were EUR 115.0 million. The Group's headcount at the end of 2020 was 751. More information about the company can be found at www.raute.com.



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