

THIS IS TRANSLATION

**Duell Corporation**

**FINANCIAL STATEMENTS AND  
BOARD OF DIRECTORS' REPORT  
1.9.2023-31.8.2024**

**Duell Corporation**

Business ID: 2929424-1

Registered office: Mustasaari, Finland

**Financial statements and Board of Director's report for period 1.9.2023-31.8.2024**

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## BOARD OF DIRECTOR'S REPORT

### General

Duell Corporation (Duell) is an import and wholesale company based in Mustasaari, Finland, established in 1983. Duell imports, manufactures, and sells products through an extensive distribution network in Europe covering approximately 8,500 dealers. The range of products includes around 150,000 items under more than 500 brands. The assortment covers spare parts and accessories for Motorcycling, Bicycling, ATVs/UTVs, Snowmobiling, Marine and Garden/Forest categories. Logistics centres are in Finland, Sweden, Netherlands, France, and the UK. Duell's net sales in 2024 was EUR 125 million and it employs over 200 people. Duell's shares are listed on the Nasdaq First North Growth Market Finland marketplace.

Duell Corporation (2929424-1) owns the entire share capital of Duell Bike-Center Oy and offers administrative services to the companies belonging to the Duell Group.

Oy Duell Bike-Center Ab owns 100% of the shares in Duell AB in Sweden, Duell AS in Norway, Duell UK Ltd in the UK, Duell GmbH in Germany, Duell SAS in France, and Duell TMV B.V. in the Netherlands. In addition, Oy Duell Bike-Center Ab indirectly holds all the shares in Tecno Globe SAS, a subsidiary of Duell SAS in France and TranAm (New Milton) Ltd. TranAm (New Milton) Ltd in turn owns all the shares in TranAm Ltd, UK. Duell Corporation, together with the above companies, form the Duell Group. During period 2022-2023 PowerFactory Nordic Oy Ab merged with Oy Duell Bike-Center Ab.

### Financial performance and position

Duell's net sales increased 4.9% to EUR 124.7 million (118.8). The increase was attributable to progress with Duell's growth strategy in Central Europe. Comparable net sales growth was 0.3%.

Net sales from Nordics amounted to 53% (59%), the Central Europe market area amounted to 47% (41%) of Duell's net sales. The decrease in Nordics was due to suppressed market demand, particularly in the marine category. At the same time, the company was able to increase its market share in Central Europe and achieved growth throughout the financial year.

The share of online channel sales of total net sales amounted to 26.0% (24.7%). The increase was attributable to dealer network increasingly adopting multi-channel service models towards consumers.

The share of own brand sales of the total net sales amounted to 18.0% (21.8%). The decrease in the Nordics was caused by consumer switching to lower priced products.

Duell's EBITA increased to EUR 3.6 million (3.4). Adjusted EBITA increased by 34% to EUR 6.2 million (4.6). Adjusted EBITA margin increased to 5.0% (3.9%). The increase was primarily attributable to gross margin improvements and efficient cost control.

Duell's consolidated balance sheet total on August 31, 2024, was EUR 93.9 million (95.5). The amount of consolidated goodwill in the balance sheet was EUR 19.1 million (21.3).

Duell's equity ratio was 55% (38.6%) on August 31, 2024, and the Group's return on equity was -5.9% (-8.2%). The equity ratio increased due to rights issue and decrease of net debt.

Duell's net cash flow from operating activities in FY 2024 was EUR -0.9 million (+14.4), a decrease of EUR 15.3 million.

Duell's net debt was EUR 19.6 million on August 31, 2024, (38.2). Duell's net debt to adjusted EBITDA ratio for the last 12 months was 2.8x (6.9x).

GROUP (m€)	1.9.2023- 31.8.2024	1.9.2022- 31.8.2023	1.9.2021- 31.8.2022
Net sales	124.7	118.8	124.0
Operating profit	0.8	1.0	4.9
Operating profit -%	0.7 %	0.9 %	4.0 %
Return to equity -%*	-5.9 %	-8.2 %	9.1 %
Equity-to-asset ratio	55 %	38.6 %	33.4 %

*\*) In the calculation of Return to equity -%, the net result includes Group contribution, and it is divided with equity on average.*

PARENT COMPANY (m€)	1.9.2023- 31.8.2024	1.9.2022- 31.8.2023	1.9.2021- 31.8.2022
Net sales	1.1	0.7	0.6
Operating profit	-2.8	-0.5	-2.3
Operating profit -%	-247.7 %	-73.3 %	-410.1 %
Equity-to-asset ratio	76.7 %	68.7 %	58.6 %

### Changes in accounting policies

Duell has changed its accounting principles related to inventory valuation and overdue receivables. The reason for this change is to harmonise and simplify the policies in the group and adopt commonly applied practices in wholesale distribution business. Inventory valuation is done according to inventory aging, applying set write down profiles. The principles related to provisions for bad debt have been tightened and provisions made at given overdue thresholds. This change impacts both income statement and balance sheet positions, as detailed in the below table.

Income statement impact	MEUR	Impact on equity	MEUR
Impact on gross margin (inventory)	0.4	Inventory and receivables	-3.2
Impact on EBITDA (receivables)	0.3	valuation impact	
<b>Net impact, income statement</b>	<b>0.8</b>	<b>Net impact, equity</b>	<b>-3.2</b>

### Events during and after the financial period

Duell announced on October 9, 2023, that it is considering a rights offering, which would be up to approximately EUR 20 million. The Extraordinary General Meeting held on 30th of November authorised the Board of Directors to resolve on a share issue and the terms and conditions of its fully guaranteed rights offering of approximately EUR 20.2 million.

The rights offering took place between December 7, 2023-December 21, 2023, which was oversubscribed. The total number of shares increased from 30,545,474 shares to 1,038,546,116 shares. Duell received gross proceeds of approximately EUR 20.2 million and net proceeds of approximately EUR 17.7 million from the share issue. Trading in the new shares started on January 3, 2024.

Duell paid out the final instalment of the purchase price relating to the acquisition of Tran-Am Ltd (approximately GBP 4.9 million) on December 28, 2023.

Magnus Miemois started as COO and Deputy CEO on January 1, 2024. The plan was for Magnus Miemois to become Duell's CEO during 2024. In connection with this change, the current CEO Jarkko Ämmälä will become Duell's Commercial Director.

Duell announced on June 1, 2024, that it will renew its organisation and the Management Team as of June 1, 2024, with the goal of investing in growth, developing strategic partnerships, and improving efficiency. As part of the change Magnus Miemois was appointed CEO on June 1, 2024.

Duell announced on June 10, 2024, that Caj Malmsten had been appointed as the company's Chief Financial Officer (CFO) and a member of the Management Team, effective August 19, 2024.

Duell announced on August 1, 2024, the commencement of a share buyback program. The repurchased shares will be used for a new share-based

incentive program aimed at key personnel within the Duell Group. The maximum number of shares to be repurchased is 6,760,000, which corresponds to approximately 0.7 percent of the total number of the company's shares. The maximum amount to be used for the purchase of shares is EUR 300,000. The buyback program was completed on October 15, 2024, and after the program Duell owned 6,760,000 shares in total.

Duell announced on August 28, 2024, that the Board of Directors decided to establish a new share-based incentive scheme for key personnel of the Group. The share-based incentive scheme for 2025–2029 consists of three earning periods, covering the financial years 2025–2027, 2026–2028, and 2027–2029. The Board of Directors will decide annually on the commencement and details of each earning period.

Duell announced the commencement of change negotiations on October 9, 2024, with the aim of streamlining operations by adjusting activities and roles to the current market situation. The efficiency measures affecting all 220 employees of the Group aim to achieve annual cost savings of approximately EUR 1 million, mainly impacting the financial year 2025. The estimated need for workforce reductions within the Duell Group is up to 20 positions, of which a maximum of 9 positions are in Finland.

Duell announced on October 9, 2024, that the Board of Directors of Duell will propose to the Annual General Meeting that the meeting resolves on a reverse stock split, i.e., reducing the number of shares. The Board proposes that the reverse split be executed by issuing new shares to the company free of charge and redeeming the company's shares without compensation, in such a way that, after these measures, every 200 existing shares would correspond to one (1) share of the company. The current total number of company shares is 1,038,546,116.

Duell completed its share buy-back programme on 15 October 2024. The buybacks started on 5 August 2024. Under the buy-back programme, the company acquired 6,760,000 shares at an average price of EUR 0.0369. The repurchased shares will be used for a new share-based incentive plan for key employees of the Duell Group. After the buybacks, the company holds a total of 6,760,000 shares, which corresponds to approximately 0.7% of the total number of 1,038,546,116 shares in Duell.

## Employees

On August 31, 2024, Duell had a total of 212 employees and the parent company 2 employees.

GROUP	1.9.2023- 31.8.2024	1.9.2022- 31.8.2023	1.9.2021- 31.8.2022
Average number of employees	215	218	193
Wages and salaries (m€)	-10.7	-9.9	-8.8

Duell has established a short-term incentive scheme for the personnel where the incentive bonus is connected to the achievement of financial and operational targets. The objectives of the incentive scheme is to engage the participants and motivate them to improve performance that supports Duell's growth and competitiveness.

## Research and development

The Group continually develops and tests new products under its own trademarks and develops its own internal processes. Research and development expenses are recognised as expenses in the Income statement.

## Risks

Duell's main risks relate to macroeconomic effects that may reduce demand for products, incorrect demand forecasting and related purchases and inventory level management, suppliers' distribution channel decisions, credit and foreign exchange risks, and changes in the competitive situation.

Geographical expansion and entry into new markets involves various risks that may adversely affect Duell's business and growth, such as the competitive situation in the new markets, challenges in establishing new suppliers and customer relationships, lack of local brand recognition and failure to hire skilled personnel

As part of the company's normal management process, the Board of Directors continuously monitors the impact of these risks on the company and the implementation of measures to prevent or correct them.

## Sustainability

Duell continued to define and develop its corporate responsibility framework to comply with the regulations imposed on listed companies. During 2024 Duell confirmed and published Group's Code of Conduct, implemented a Whistleblowing channel, and focused on defining the EU taxonomy. Duell will continue the sustainability work in 2025 to prepare the company for its obligation to fulfil the CSRD reporting in 2026.

## Shares

At the end of the review period, the company's fully paid-up share capital, as recorded in the Trade Register, amounted to EUR 80,000 and the number of shares totalled 1,038,546,116 (30,545,474). The rights offering took place between December 7, 2023-December 21, 2023, which was oversubscribed. The total number of shares increased from 30,545,474 shares to 1,038,546,116 shares. Duell received gross proceeds of approximately EUR 20.2 million and net proceeds of approximately EUR 17.7 million from the share issue. Trading in the new shares started on January 3, 2024.

## Financing and structuring arrangements

On August 1, 2024, Duell announced the commencement of a share buyback program, based on the authorisation granted by the general meeting on December 5, 2023. The repurchased shares will be used for a new share-based incentive program aimed at key personnel within the Duell Group. The maximum number of shares to be repurchased is 6,760,000, which corresponds to approximately 0.7 percent of the total number of the company's shares. The maximum amount to be used for the purchase of shares is EUR 300,000.

Duell's annual general meeting decided to propose on a reverse share split to Annual General Meeting, reducing the number of shares. The board of directors proposes that the reverse split be executed by issuing new shares to the company free of charge and redeeming the company's shares without compensation in such a way that, after these measures, every 200 existing shares would correspond to one (1) share of the company. The current total number of company shares is 1,038,546,116.

## Board of Directors, CEO and Auditor

The Board of Directors: Anna Hyvönen (Chair), Kim Ignatius, Niko Morkkila and Anu Ora. Magnus Miemois is the CEO. The company's auditor is KPMG Oy Ab and Mari Kaasalainen, CPA is the auditor in charge.

## The Board's proposal of the distributable funds

The Board of Directors proposes that the company's loss for the financial year of EUR -2,648,179 is transferred to Retained Earnings and that no dividend will be distributed.

	Group 01.09.2023	Group 01.09.2022	Parent company 01.09.2023	Parent company 01.09.2022
Currency: EURO	- 31.8.2024	- 31.8.2023	- 31.8.2024	- 31.8.2023
<b>NET SALES</b>	<b>124 651 685</b>	<b>118 832 204</b>	<b>1 126 313</b>	<b>708 902</b>
Other operating income	272 572	221 009	0	0
Materials and services				
Materials and consumables				
Purchases during the financial period	-83 278 671	-81 350 659	0	0
Change in inventories, increase (-) or decrease (+)	-4 501 326	-2 886 184	0	0
External services	-6 532 864	-6 251 452	0	0
Materials and services, total	-94 312 861	-90 488 295	0	0
Personnel expenses				
Wages and salaries	-10 707 089	-9 922 214	-547 693	-503 380
Other personnel expenses				
Pension expenses	-1 123 556	-1 267 969	-59 309	-60 995
Other social expenses	-1 436 471	-1 569 357	-16 205	-3 584
Personnel expenses, total	-13 267 116	-12 759 540	-623 207	-567 960
Depreciation according to plan	-3 722 101	-3 265 499	0	0
Other operating expenses	-12 780 160	-11 498 817	-3 292 982	-660 542
<b>OPERATING PROFIT (-LOSS)</b>	<b>842 019</b>	<b>1 041 062</b>	<b>-2 789 876</b>	<b>-519 599</b>
Financial income and expenses				
Other Interest and other financial income				
from Group companies	0		1 569 125	610 927
from others	1 629 965	1 613 862	-272 140	740 171
Interest and other financial expenses				
from Group companies	0	0	-60 590	-2 574
from others	-4 138 373	-5 044 345	-837 749	-640 041
Financial income and expenses, total	-2 508 408	-3 430 483	398 646	708 483
<b>PROFIT (-LOSS) BEFORE APPROPRIATIONS AND TAXES</b>	<b>-1 666 389</b>	<b>-2 389 421</b>	<b>-2 391 230</b>	<b>188 884</b>
Income taxes				
Taxes for the financial period	-676 144	-500 522	-247 958	0
Changes in deferred taxes	-283 003	62 535	-8 990	0
Income taxes, total	-959 147	-437 987	-256 949	0
<b>PROFIT (-LOSS) FOR THE FINANCIAL YEAR</b>	<b>-2 625 536</b>	<b>-2 827 408</b>	<b>-2 648 179</b>	<b>188 884</b>

Currency: EURO	Group 31.08.2024	Group 31.08.2023	Parent company 31.08.2024	Parent company 31.08.2023
<b>ASSETS</b>				
<b>FIXED ASSETS</b>				
Intangible assets				
Intangible rights	208 452	418 587	0	0
Other intangible assets	1 022 598	758 071	0	0
Assets under construction	1 735 439	1 826 249	12 672	0
Goodwill	19 138 183	21 345 323	0	0
	<u>22 104 672</u>	<u>24 348 230</u>	<u>12 672</u>	<u>0</u>
Tangible assets				
Machinery and equipment	694 580	848 313	0	0
Investments				
Holdings within companies in the same group	0	0	20 889 340	20 889 340
Receivables in companies in the same	0	0	39 000 000	23 000 000
<b>NON -CURRENT ASSETS, TOTAL</b>	<b>22 799 252</b>	<b>25 196 543</b>	<b>59 902 012</b>	<b>43 889 340</b>
<b>CURRENT ASSETS</b>				
Current assets				
Inventories, Finished products / Goods	43 291 009	49 502 932	0	0
Advance payments	1 707 579	945 207	0	0
	<u>44 998 588</u>	<u>50 448 139</u>	<u>0</u>	<u>0</u>
Receivables				
Non-current				
Other non-current receivables	165 049	158 558	0	0
Current				
Trade receivables	14 445 084	15 757 656	0	91 271
Loan receivables	2 000	2 800	0	13 613
Other current receivables	1 000 367	544 309	0	0
Pre-paid expenses and accrued income	1 224 278	988 467	4 550 139	2 538 582
	<u>16 671 729</u>	<u>17 293 232</u>	<u>4 550 139</u>	<u>2 643 466</u>
Cash and cash equivalents	9 287 916	2 386 197	0	0
<b>CURRENT ASSETS, TOTAL</b>	<b>71 123 282</b>	<b>70 286 126</b>	<b>4 550 139</b>	<b>2 643 466</b>
<b>ASSETS, TOTAL</b>	<b>93 922 534</b>	<b>95 482 669</b>	<b>64 452 150</b>	<b>46 532 806</b>

Currency: EURO	Group 31.08.2024	Group 31.08.2023	Parent company 31.08.2024	Parent company 31.08.2023
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
Capital and reserves				
Share capital	80 000	80 000	80 000	80 000
Other reserves				
Reserve for invested unrestricted equity	52 979 760	32 887 037	52 979 760	32 887 037
Retained earnings	1 213 779	6 743 289	-983 486	-1 172 370
Profit (-loss) for the financial year	-2 625 536	-2 827 408	-2 648 179	188 884
<b>EQUITY, TOTAL</b>	<b>51 648 003</b>	<b>36 882 918</b>	<b>49 428 094</b>	<b>31 983 551</b>
<b>LIABILITIES</b>				
Non-current				
Loans from financial institutions	25 552 474	32 148 045	10 464 974	11 345 545
Deferred tax liabilities	18 626	17 448	0	0
Other liabilities	76 296	96 872	0	0
	25 647 396	32 262 365	10 464 974	11 345 545
Current				
Loans from financial institutions	3 298 000	2 198 000	4 191 152	1 183 000
Trade payables	7 601 228	12 073 417	24 997	1 322 552
Other current liabilities	2 720 116	9 144 812	149 861	73 721
Accrued expenses and deferred income	3 007 790	2 921 156	193 071	624 437
	16 627 134	26 337 385	4 559 081	3 203 709
<b>LIABILITIES, TOTAL</b>	<b>42 274 530</b>	<b>58 599 750</b>	<b>15 024 055</b>	<b>14 549 255</b>
<b>EQUITY AND LIABILITIES, TOTAL</b>	<b>93 922 534</b>	<b>95 482 669</b>	<b>64 452 150</b>	<b>46 532 806</b>

Currency: EURO	Group 31.08.2024	Group 31.08.2023	Parent company 31.08.2024	Parent company 31.08.2023
<b><i>Cash flow from operating activities</i></b>				
Operating profit (-loss)	842 018	1 041 061	-2 789 876	-519 599
Depreciation according to plan	936 397	905 102	0	0
Goodwill amortization	2 785 704	2 360 397	0	0
Other income and expenses not associated with payment	-1 077 476	233 782	0	27 505
Changes in working capital	-1 369 113	13 373 640	-1 974 711	-342 856
Financial expenses and income	-2 671 775	-2 973 137	-870 051	-597 504
Income taxes	-357 957	-549 029	-256 949	0
<b>Net cash flow from operating activities</b>	<b>-912 202</b>	<b>14 391 816</b>	<b>-5 891 587</b>	<b>-1 432 454</b>
<b><i>Cash flow from investing activities</i></b>				
Investments of intangible and tangible assets	-745 772	-2 481 062	-12 672	0
Loans granted to group companies	0	0	-16 000 000	-7 000 000
Repayment of loans from Group companies	0	0	0	0
Acquired shares in subsidiaries	-5 718 467	-6 939 150	0	0
<b>Net cash flow from investing activities</b>	<b>-6 464 239</b>	<b>-9 420 211</b>	<b>-16 012 672</b>	<b>-7 000 000</b>
<b><i>Cash flow from financing activities</i></b>				
Withdrawals of long-term loans	0	0	-1 183 000	0
Repayment of non-current debt	-5 798 000	-2 669 000	0	-1 436 500
Loans from group companies	0	0	2 994 538	14 425
Credit limit change	-601 128	-10 886 114	0	0
Group contribution	0	0	0	1 200 000
Share issue	20 092 723	8 654 530	20 092 722	8 654 530
<b>Net cash flow from financing activities</b>	<b>13 693 595</b>	<b>-4 900 584</b>	<b>21 904 260</b>	<b>8 432 455</b>
Unrealized exchange and currency translation differences	584 567	-1 751 140	0	0
<b>Cash and cash equivalents at the beginning of the financial year</b>	<b>2 386 197</b>	<b>4 066 316</b>	<b>0</b>	<b>0</b>
Changes in cash and cash equivalents	6 901 719	-1 680 119	0	0
<b>Cash and cash equivalents at the end of the financial year</b>	<b>9 287 916</b>	<b>2 386 197</b>	<b>0</b>	<b>0</b>

## Duell Corporation NOTES

### ACCOUNTING AND VALUATION PRINCIPLES

#### General about the Group

The Duell Group comprises the parent company Duell Corporation as well as Oy Duell Bike-Center Ab (registered office: Mustasaari, Finland), Duell AB (registered office: Tranås, Sweden), Duell AS (registered office: Kongsvinger, Norway), Duell UK Ltd (registered office: Coalville, Great Britain), Duell TMV B.V. (registered office: Veghel, the Netherlands), Duell GmbH (registered office: Meppen, Germany), Duell SAS (registered office: Montpellier, France), Tecno Globe SAS (registered office: Montpellier, France), Tran-Am (New Milton) Ltd (registered office: New Milton, Great Britain) and Tran-Am Ltd (registered office: New Milton, Great Britain). The consolidated financial statements are combined with the parent company's financial statements and are available at the head office at Kauppatie 19, 65610 Mustasaari, Finland.

#### Scope of consolidated financial statements

In addition to Duell Corporation, the consolidated financial statements cover the subsidiaries in which the Group exercises control. Control is constituted when the Group holds more than half of the voting power in the subsidiary or otherwise exercises control. Control refers to the right to determine a company's financial and business policies in order to derive benefit from its operations.

#### Going concern

The financial statements have been prepared on the basis of the going concern principle. The covenants on Duell's financial institutions loans relate to the share of net debt in EBITDA (Leverage) and the share of net debt of equity (Gearing). The covenants are reviewed on a quarterly basis. According to the financing agreement, in the event of a breach of the covenants, the bank has the right to terminate the loans and demand repayment. The conditions for the covenants were met at financial year-end.

The conditions for the covenants were met at the financial year-end. The review points of covenants are quarterly (30.11.2024, 28.2.2025, 31.5.2025, 31.8.2025).

#### Elimination of ownership within the Group

Intra-group ownership has been eliminated using the acquisition cost method.

#### Business transactions within the Group

All business transactions within the Group, internal receivables and liabilities, unrealised profits, and internal distribution of profit are eliminated in the consolidated financial statements.

#### Deferred taxes

Deferred taxes are calculated from temporary differences between the carrying amount and the taxable amount, and are presented separately in the consolidated financial statements.

#### Items in foreign currency

Business transactions denominated in foreign currencies are recognised in euro according to the exchange rate prevailing on the transaction date. Receivables and liabilities denominated in foreign currencies are translated into euro using the exchange rates of the balance sheet date. Exchange rate gains and losses arising from such transactions, receivables and liabilities are recognised in the income statement.

Income and expense items in the income statements and balance sheets denominated in foreign currencies of Group companies are translated into euros using the exchange rates confirmed by the European Central Bank. Items on the income statements are translated using the average exchange rates and items on the balance sheets using the exchange rates of the end date of the reporting period. The income statements of Group companies outside the Eurozone are translated into euro using the average exchange rates of the reporting period and the balance sheets using the exchange rates of the end date of the reporting period. Different exchange rates result in a translation difference, which is recognised under equity, likewise the translation differences due to the elimination of the acquisition cost related to subsidiaries outside the Eurozone.

#### Valuation of fixed assets

Intangible assets are mainly composed of trademarks and other long-term expenditure. Tangible fixed assets are mainly composed of machinery and equipment. Tangible fixed assets are recognised at the original acquisition cost less depreciation according to plan and, when applicable, impairment.

Depreciation according to plan is based on the estimated useful lives of the assets.

#### Applied rules for depreciation

##### Intangible assets

Goodwill	linear depreciation in 10 years
Other intangible expenditure	linear depreciation in 3 years
Trademarks	linear depreciation in 5 years

##### Tangible assets

Machinery and equipment	25 % depreciation of residual value
Vehicles	25 % depreciation of residual value

#### Inventories and trade receivables

Inventories are recognised according to the weighted average cost principle, at the lower of their acquisition cost or net realisable value or reacquisition cost.

The value of inventories only includes variable expenses.

The principles of the valuation of inventories has been changed during the fiscal year. Inventory valuation is based on latest goods receipt date and different depreciation profiles for different types of goods, based on technical merit.

Bad debt provision are for overdue receivables, 50 % after 60 days overdue and 100% after 90 days overdue.

#### Research and development expenditure

Research and development costs are recognized as an annual expense in the income statement.

**Related party transactions, Parent company**

**Related party** transactions between the Group companies during the financial year were as follows:

	2024	2023
Sales of services	1 123 790	704 266
Financial income	1 569 125	610 927
Financial expense	60 590	2 574
Group contribution	0	0

Related party granted loan transactions, Parent company

	2024	2023
Group loan	16 000 000	7 000 000

Related party received loan transactions, Parent company

	2024	2023
Convertible bonds	0	0

Total amount of the group loans was 39 000 000 €. The loan period is 5 years. The interest for the loans granted before 1.1.2023 is 3,15% and 5,5% for the loans granted after 1.1.2023.

**Events during the financial year**

Duell announced on October 9, 2023, that it is considering a rights offering, which would be up to approximately EUR 20 million. The Extraordinary General Meeting held on 30th of November authorised the Board of Directors to resolve on a share issue and the terms and conditions of its fully guaranteed rights offering of approximately EUR 20.2 million.

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Duell announced on June 1, 2024, that it will renew its organisation and the Management Team as of June 1, 2024, with the goal of investing in growth, developing strategic partnerships, and improving efficiency. As part of the change Magnus Miemois was appointed CEO on June 1, 2024.

Duell announced on June 10, 2024, that Caj Malmsten had been appointed as the company's Chief Financial Officer (CFO) and a member of the Management Team, effective August 19, 2024. The interim CFO, Juha Lindroos, continued to serve Duell until the end of September 2024.

Duell announced on August 1, 2024, the commencement of a share buyback program, based on the authorisation granted by the general meeting on December 5, 2023. The repurchased shares will be used for a new share-based incentive program aimed at key personnel within the Duell Group. The maximum number of shares to be repurchased is 6,760,000, which corresponds to approximately 0.7 percent of the total number of the company's shares. The maximum amount to be used for the purchase of shares is EUR 300,000. The buyback program was completed on October 15, 2024, and after the program Duell owned 6,760,000 shares in total.

Duell announced on August 28, 2024, that the Board of Directors decided to establish a new share-based incentive scheme for key personnel of the Group. The share-based incentive scheme for 2025–2029 consists of three earning periods, covering the financial years 2025–2027, 2026–2028, and 2027–2029. The Board of Directors will decide annually on the commencement and details of each earning period.

**Events after the financial year**

Duell announced the commencement of change negotiations on October 9, 2024, with the aim of streamlining operations by adjusting activities and roles to the current market situation. The efficiency measures affecting all 220 employees of the Group aim to achieve annual cost savings of approximately EUR 1 million, mainly impacting the financial year 2025. The estimated need for workforce reductions within the Duell Group is up to 20 positions, of which a maximum of 9 positions are in Finland.

Duell announced on October 9, 2024, that the Board of Directors of Duell will propose to the Annual General Meeting that the meeting resolves on a reverse stock split, i.e., reducing the number of shares. The Board proposes that the reverse split be executed by issuing new shares to the company free of charge and redeeming the company's shares without compensation, in such a way that, after these measures, every 200 existing shares would correspond to one (1) share of the company. The current total number of company shares is 1,038,546,116.

**NOTES TO THE INCOME STATEMENT**

<b>Net sales split</b>	<b>Group</b>	<b>Group</b>	<b>Parent</b>	<b>Parent</b>
	<b>2024</b>	<b>2023</b>	<b>company</b>	<b>company</b>
	<b>31.08.2024</b>	<b>31.08.2023</b>	<b>31.08.2024</b>	<b>31.08.2023</b>
Domestic	34 654 795	37 387 500	525 556	708 902
Other Europe	68 453 367	79 648 433	600 757	0
Other	21 543 523	1 796 271	0	0
	<b>124 651 685</b>	<b>118 832 204</b>	<b>1 126 313</b>	<b>708 902</b>

The Group's net sales consists of the sale of equipment, supplies and spare parts for motorcycles, snowmobiles, mopeds, ATVs and bicycles. In addition, the range also includes watersports and marine accessories. The net sales of the Group's parent company Duell Corporation consists of administrative services charges to Group companies.

	<b>Group</b>	<b>Group</b>	<b>Parent</b>	<b>Parent</b>
	<b>31.08.2024</b>	<b>31.08.2023</b>	<b>company</b>	<b>company</b>
	<b>31.08.2024</b>	<b>31.08.2023</b>	<b>31.08.2024</b>	<b>31.08.2023</b>
Average number of employees during the financial year	215	218	2	2
Number of employees at the end of reporting period	215	212	3	2

**Notes regarding the personnel and governance bodies**

Board of Directors' and Managing director's salaries and remuneration	357 945	394 778	357 945	394 778
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**Loans to related parties in the Parent company or in the Group**

The Group companies have not granted loans to related parties.

**Depreciation and impairment**

	<b>Group</b>	<b>Group</b>	<b>Parent</b>	<b>Parent</b>
	<b>31.08.2024</b>	<b>31.08.2023</b>	<b>company</b>	<b>company</b>
	<b>31.08.2024</b>	<b>31.08.2023</b>	<b>31.08.2024</b>	<b>31.08.2023</b>
Depreciation of tangible assets	-273 117	-332 116	0	0
Depreciation of intangible assets	-3 448 984	-2 933 383	0	0
<b>Depreciation, total</b>	<b>-3 722 101</b>	<b>-3 265 499</b>	<b>0</b>	<b>0</b>

**Financial income and expenses**

	<b>Group</b>	<b>Group</b>	<b>Parent</b>	<b>Parent</b>
	<b>31.08.2024</b>	<b>31.08.2023</b>	<b>company</b>	<b>company</b>
	<b>31.08.2024</b>	<b>31.08.2023</b>	<b>31.08.2024</b>	<b>31.08.2023</b>
Interest income				
from Group companies	0	0	1 569 125	610 927
from others	34 908	25 015	22 282	3 703
Other financial income	1 595 058	1 588 848	-294 423	736 468
Interest and other financial expenses	-4 138 373	-5 044 345	-898 339	-642 615
<b>Financial items, total</b>	<b>-2 508 407</b>	<b>-3 430 482</b>	<b>398 646</b>	<b>708 483</b>

**Auditor's fees**

	<b>Group</b>	<b>Group</b>	<b>Parent</b>	<b>Parent</b>
	<b>31.08.2024</b>	<b>31.08.2023</b>	<b>company</b>	<b>company</b>
	<b>31.08.2024</b>	<b>31.08.2023</b>	<b>31.08.2024</b>	<b>31.08.2023</b>
Audit firm				
Audit	207 395	129 641	40 671	21 359
Other services	275 788	41 585	175 226	0
<b>Total</b>	<b>483 183</b>	<b>171 226</b>	<b>215 897</b>	<b>21 359</b>

**NOTES TO BALANCE SHEET**

**Intangible and tangible assets**

Group	Intangible assets				Tangible assets		
	Intangible rights	Other intangible assets	Assets under construction	Goodwill	Total	Machinery and equipment	Total
Acquisition cost on 1 Sep	2 075 097	1 847 912	1 826 249	27 271 508	33 020 766	2 580 905	2 580 905
Additions	13 385	592 843	278 190	434 123	1 318 541	276 106	276 106
Decreases	-76 216	0	-369 000	0	-445 216	-83 017	-83 017
Group companies assets at acquisition	0	63 324	0	0	63 324	205 062	205 062
Currency translation difference	141 383	-55 424		151 406	237 365	-195 324	-195 324
Adjustments			0		0		0
<b>Acquisition cost on 31 Aug</b>	<b>2 153 649</b>	<b>2 448 654</b>	<b>1 735 439</b>	<b>27 857 037</b>	<b>34 194 780</b>	<b>2 783 732</b>	<b>2 783 732</b>
Accumulated depreciation on 1 Sep	-1 656 509	-1 089 841	0	-5 926 183	-8 672 533	-1 732 592	-1 732 592
Depreciation during financial year	-327 064	-336 216	0	-2 792 671	-3 455 951	-273 117	-273 117
Group companies accumulated depreciation at acquisition	0	0	0	0	0	-145 766	-145 766
Accumulated depreciation at decreased as	38377	0	0	0	38 377	58 313	58 313
Currency translation difference					0		0
Adjustments					0		0
<b>Accumulated depreciation on 31 Aug</b>	<b>-1 945 196</b>	<b>-1 426 057</b>	<b>0</b>	<b>-8 718 854</b>	<b>-12 090 107</b>	<b>-2 093 162</b>	<b>-2 093 162</b>
<b>Carrying amount on 31 Aug</b>	<b>208 452</b>	<b>1 022 597</b>	<b>1 735 439</b>	<b>19 138 181</b>	<b>22 104 671</b>	<b>690 569</b>	<b>690 570</b>

**Parent Company**

**Investments in subsidiaries**

Acquisition cost on 1 Sep	20 889 340
Additions	0
Decreases	0
<b>Acquisition cost on 31 Aug</b>	<b>20 889 340</b>

**Subsidiaries**

Company	Registered office	Group Ownership
Oy Duell Bike-Center Ab	Mustasaari	100 %
Duell AB	Tranås	100 %
Duell AS	Kongsvinger	100 %
Duell UK Ltd	Coalville	100 %
Tran-Am (New Milton) Ltd	New Milton	100 %
Tran-Am Ltd	New Milton	100 %
Duell TMV B.V.	Veghel	100 %
Duell GmbH	Meppen	100 %
Duell SAS	Montpellier	100 %
Tecno Globe SAS	Montpellier	100 %

Duell Corporation  
THIS IS TRANSLATION

	<b>Group</b>	<b>Group</b>	<b>Parent</b>	<b>Parent</b>
	<b>31.08.2024</b>	<b>31.08.2023</b>	<b>Company</b>	<b>Company</b>
			<b>31.08.2024</b>	<b>31.08.2023</b>
<b>Receivables</b>				
Other non-current receivables	152 377	158 558	0	0
Advance payments	12 672		12 672	
	<b>Group</b>	<b>Group</b>	<b>Parent</b>	<b>Parent</b>
	<b>31.08.2024</b>	<b>31.08.2023</b>	<b>Company</b>	<b>Company</b>
			<b>31.08.2024</b>	<b>31.08.2023</b>
<b>Non-current receivables</b>				
Loan receivables from Group companies	0	0	39 000 000	23 000 000
	<b>Group</b>	<b>Group</b>	<b>Parent</b>	<b>Parent</b>
	<b>31.08.2024</b>	<b>31.08.2023</b>	<b>Company</b>	<b>Company</b>
			<b>31.08.2024</b>	<b>31.08.2023</b>
<b>Current receivables</b>				
Trade receivables	14 445 084	15 757 656	0	91 271
<b>Receivables from Group companies</b>				
Pre-paid expenses and accrued income	0	0	4 412 067	2 428 982
Interest receivables	0	0	3 293 841	1 724 716
Group contribution from Group company	0	0	0	0
Other pre-paid expenses and accrued income	0	0	1 118 226	704 266
<b>Other current receivables</b>				
Other current receivables	1 002 367	547 109	138 071	123 213
Pre-paid expenses and accrued income	1 224 278	988 467	0	0
	<b>16 671 729</b>	<b>17 293 232</b>	<b>43 550 138</b>	<b>25 643 466</b>

Equity	Group		Parent	Parent
	31.08.2024	31.08.2023	Company 31.08.2024	Company 31.08.2023
Share capital on 1 Sep	80 000	80 000	80 000	80 000
Increase of share capital	0	0	0	0
<b>Share capital on 31 Aug</b>	<b>80 000</b>	<b>80 000</b>	<b>80 000</b>	<b>80 000</b>
Reserve for invested unrestricted equity on 1 Sep	32 887 037	24 232 507	32 887 037	24 232 507
Share issue	20 160 013	8 654 530	20 092 722	8 654 530
Purchase of own shares*)	-67 291			
<b>Reserve for invested unrestricted equity on 31 Aug</b>	<b>52 979 759</b>	<b>32 887 037</b>	<b>52 979 760</b>	<b>32 887 037</b>
Retained earnings on 1 Sep	3 915 881	7 540 773	-983 486	-1 172 370
Adjustment to retained earnings		0	0	0
Changes in accounting principles	-3 186 275			
Other	62 629			
Currency translation differences	421 544	-797 484	0	0
<b>Retained earnings on 31 Aug</b>	<b>1 213 779</b>	<b>6 743 289</b>	<b>-983 486</b>	<b>-1 172 370</b>
Profit (loss) for the period	-2 625 536	-2 827 408	-2 648 179	188 884
<b>Equity, total</b>	<b>51 648 003</b>	<b>36 882 918</b>	<b>49 428 094</b>	<b>31 983 551</b>

\*) Duell completed its share buy-back programme on 15 October 2024. The buybacks started on the 5th of August 2024. Under the buy-back programme, the company acquired 6,760,000 shares at an average price of EUR 0.0369. The shares were repurchased in public trading on the First North Growth Market Finland marketplace operated by Nasdaq Helsinki Ltd at the market price at the time of acquisition. The repurchased shares will be used for a new share-based incentive plan for key employees of the Duell Group. After the buybacks, the company holds a total of 6,760,000 shares, which corresponds to approximately 0.7% of the total number of 1,038,546,116 shares in Duell Corporation.

Duell has changed the accounting principles related to inventory obsolescence and overdue trade receivables.

Distributable funds on 31 Aug	Parent	Parent
	Company 31.08.2024	Company 31.08.2023
Reserve for invested unrestricted equity	52 979 760	32 887 037
Retained earnings	-983 486	-1 172 370
Profit (loss) for the period	-2 648 179	188 884
<b>Total distributable funds at 31 Aug</b>	<b>49 348 094</b>	<b>31 903 551</b>

#### The Board's proposal of the distributable funds

The Board proposes that the company's loss of EUR 2,648,179 is transferred to Retained Earnings and that no dividend will be distributed.

#### Shares in the Parent company

Each share entitles the holder to one vote at the Annual General Meeting. 31.08.2024  
1 038 546 116 kpl  
All shares have equal rights to dividends and company assets.

At the end of the financial year one share of the company was valued at 0,0355 EUR and the company's market value was 36 868 387 EUR.

Non-current liabilities	Group		Parent	Parent
	31.08.2024	31.08.2023	Company 31.08.2024	Company 31.08.2023
Loans from financial institutions	25 552 474	32 148 045	10 464 974	11 345 545
Convertible bond loans	0	0	0	0
Other non-current debt	76 296	96 872	0	0
Deferred tax liabilities	18 626	17 448	0	0
<b>Non-current liabilities, total</b>	<b>25 647 396</b>	<b>32 262 365</b>	<b>10 464 974</b>	<b>11 345 545</b>

Deferred tax liability consists of adjustments to the acquisition calculations.

Current liabilities	Group		Parent	Parent
	31.08.2024	31.08.2023	Company 31.08.2024	Company 31.08.2023
Loans from financial institutions	3 298 000	2 198 000	4 191 152	1 183 000
Trade payables	7 601 228	12 073 417	24 997	1 322 552
Other current liabilities	2 720 116	9 144 812	149 861	73 721
Accrued expenses and deferred income	3 007 790	2 921 156	193 071	624 437
Wages and salaries	1 356 752	1 269 789	65 529	37 444
Interest expenses	182 074	222 429	31 363	33 365
Other accrued expenses and deferred income	1 468 964	1 428 938	96 180	553 628
<b>Total</b>	<b>16 627 134</b>	<b>26 337 385</b>	<b>4 559 081</b>	<b>3 203 709</b>

**Collaterals and off-balance sheet commitments**

	<b>Group</b>	<b>Group</b>	<b>Parent</b>	<b>Parent</b>
	<b>31.08.2024</b>	<b>31.08.2023</b>	<b>company</b>	<b>Company</b>
			<b>31.08.2024</b>	<b>31.08.2023</b>
<b>Loans and other liabilities pledged with collaterals</b>				
Loans from financial institutions	28 850 474	34 346 045	11 647 974	12 528 545
Credit limits	21 000 000	21 000 000	0	0
whereof used	0	0	0	0
Import letter of credit	500 000	500 000	0	0
whereof used	0	0	0	0
Other collaterals	618 000	600 000	0	0
whereof used	294 198	305 177	0	0
<b>Given Collaterals</b>				
Corporate mortgage	120 640 000	120 640 000	60 320 000	60 320 000
Subsidiary shares	0	0	20 889 340	20 889 340

	<b>Group</b>	<b>Group</b>	<b>Parent</b>	<b>Parent</b>
	<b>31.08.2024</b>	<b>31.08.2023</b>	<b>company</b>	<b>Company</b>
			<b>31.08.2024</b>	<b>31.08.2023</b>
<b>Rental commitments</b>				
Current rental commitments	2 577 258	2 163 635	0	0
Non-current rental commitments	9 291 693	8 455 744	0	0
<b>Total</b>	<b>11 868 951</b>	<b>10 619 379</b>	<b>0</b>	<b>0</b>

	<b>Group</b>	<b>Group</b>	<b>Parent</b>	<b>Parent</b>
	<b>31.08.2024</b>	<b>31.08.2023</b>	<b>company</b>	<b>Company</b>
			<b>31.08.2024</b>	<b>31.08.2023</b>
<b>Lease commitments</b>				
Current Lease commitments	231 952	326 300	0	11 430
Non-current Lease commitments	300 600	280 305	0	0
<b>Total</b>	<b>532 552</b>	<b>606 605</b>	<b>0</b>	<b>11 430</b>

Rental commitments relate to leases for premises and lease commitments relate to rental of machinery and equipment.

**Derivatives**

Fair value of interest hedging	0	34 163	0	34 163
Target value of interest hedging	0	4 391 731	0	4 391 731
Fair value of currency hedging	0	69 519	0	0
Target value of currency hedging	0	2 835 432	0	0

Concerning year 2023, the currency hedge relates to the hedging of the foreign currency payment of the deferred purchase price of a subsidiary acquired during the financial year. The fair value effect was not recognised in the consolidated income statement. The interest rate hedge applied by the parent company was also not recognised in the income statement.

**Signatures for the financial statements and the report of the Board of Directors**

24.10.2024

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Anna Hyvönen  
Chairman of the Board

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Kim Ignatius  
Board member

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Anu Ora  
Board member

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Niko Mokka  
Board member

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Magnus Miemois  
Managing director

**Auditor's note**

A report on the audit performed has been issued today.

\_\_\_\_.\_\_\_\_.2024

KPMG Oy Ab

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Mari Kaasalainen, KHT

**List of accounting books and materials**

Journal: printout  
General ledger: printout  
Payroll accounting: printouts  
Financial statements: bound  
Balance sheet specifications: bound