



Duell Corporation
Half-Year Financial Report
September 2021-February 2022



Strong net sales growth despite global supply headwinds

Unaudited financials presented below:

December 2021- February 2022 "Q2 2022" (comparable figures in parenthesis 12/2020-2/2021):

- Net sales increased 57% to EUR 27.1 million (EUR 17.2 million). Organic net sales growth was 12%.
- Adjusted EBITDA increased 6% to EUR 2.3 million (EUR 2.1 million) with an adjusted EBITDA margin of 8.3% (12.4%).
- Adjusted EBITA increased 5% to EUR 2.1 million (EUR 2.0 million) with an adjusted EBITA margin of 7.7% (11.5%).
- Adjusted operating profit was EUR 1.7 million (EUR 1.9 million) with a margin of 6.2% (10.7%).

September 2021-February 2022 "H1 2022" (comparable figures in parenthesis 9/2020-2/2021):

- Net sales increased 64% to EUR 54.2 million (EUR 33.0 million). Organic net sales growth was 21%.
- Adjusted EBITDA increased 26% to EUR 4.3 million (EUR 3.4 million) with an adjusted EBITDA margin of 7.9% (10.3%). EBITDA was EUR 2.2 million (EUR 3.4 million). The differences between adjusted and reported figures are explained by items affecting comparability. Items affecting comparability included EUR 2.1 million fees and expenses related to the listing of Duell Corporation.
- Adjusted EBITA increased 26% to EUR 3.9 million (EUR 3.1 million) with an adjusted EBITA margin of 7.3% (9.5%).
- Adjusted operating profit increased 11% to EUR 3.1 million (EUR 2.8 million) with a margin of 5.8% (8.5%)
- Earnings per share was EUR -0.02 at end of February 2022.

Duell Corporation submitted a listing application with Nasdaq Helsinki Ltd on November 15, 2021 to list the Company's shares on the First North Growth Market maintained by Nasdaq Helsinki. Trading in Duell's shares commenced on the First North Growth Market of Nasdaq Helsinki on November 24, 2021.

Outlook for financial year 2022 (outlook unchanged)

The market is facing uncertainty caused by COVID-19 and the Russian invasion of Ukraine which reduces predictability. Duell has been successful in mitigating the situation caused by continuous challenges to the supply chain. The actions have led to temporarily higher inventories and working capital to ensure the availability of products for the customers.

Duell expects organic net sales growth of at least 15% for the financial year ending August 31, 2022. Organic net sales growth is calculated excluding the impact of acquisitions and divestments.

CEO Jarkko Ämmälä:

Overall strong demand for our products continued in the second quarter, but at the same time the whole value chain we operate in is witnessing constraints, including longer lead times, additional logistics costs and delays in our deliveries. Despite this, we managed to reach an organic growth of 12% and including the impact of acquisitions, net sales grew by 57%.

Organic growth in the second quarter was driven by typical winter season product sales, mainly in the snowmobile and ATV product categories. The growth was solid in all Nordic countries supported by an active winter season. Net sales was negatively impacted by around EUR 2 million due to missed season sale

related deliveries. Adjusted EBITA increased by 5% to EUR 2.1 million, driven by organic net sales growth. Adversely, increased logistics costs had a negative impact on the adjusted EBITA.

Looking at the first half of our fiscal year, our growth strategy is proceeding as planned despite the uncertainty and related challenges caused by the COVID-19 pandemic. Furthermore, we are also well organized to meet the peak season in the European market, taking place during the second half of Duell's fiscal year. Marking this, we managed to close yet another important strategic acquisition in February, 2022 by acquiring Techno Motor Veghel B.V. ("TMV") in the Netherlands, enabling Duell to expand into the motocross market, especially in the Benelux region. The acquisition of TMV brought Duell hundreds of new customers and several new brands. Our growth strategy is targeting 0-3 acquisitions each fiscal year. Overall, our demand in Europe has been in line with the expectations. Our online sales is proceeding well, and we are currently implementing a new e-commerce platform to further enhance our online sales capabilities. We continue to strive for increased share of net sales through our own brands, covering several product categories.

Market visibility has weakened further, due to the Russian invasion of Ukraine. Our direct exposure to these two markets are not material as we don't have own operations nor current sales in there. It is expected that the turbulent market conditions, mainly due to the pandemic, will have impact for the rest of our ongoing fiscal year. However, I feel confident that thanks to Duell's strong market position, broad product portfolio and active mitigation actions, including improved business processes, we continue to execute growth strategy according to plan.

Key figures and ratios EUR thousand	Q2 2022	Q2 2021	H1 2022	H1 2021 (9/2021- 2/2021)	FY 2021 (9/2020- 8/2021)
	(12/2021- 2/2022)	(12/2020- 2/2021)	(9/2021- 2/2022)	0- 2/2021)	
Net sales	27,103	17,224	54,237	32,992	76,756
Net sales growth, %	57.4	32.7	64.4	18.0	29.1
Constant currency net sales growth, %	55.4	31.1	62.5	17.0	26.7
Organic net sales growth, %	11.5	25.8	21.4	11.0	24.1
EBITDA	2,236	2,088	2,207	3,359	8,322
EBITDA margin, %	8.3	12.1	4.1	10.2	10.8
Items affecting comparability, EBITDA*	21	41	2,072	41	333
Adjusted EBITDA	2,257	2,130	4,279	3,400	8,656
Adjusted EBITDA margin, %	8.3	12.4	7.9	10.3	11.3
EBITA	2,068	1,944	1,875	3,082	7,711
EBITA margin, %	7.6	11.3	3.5	9.3	10.0
Adjusted EBITA	2,089	1,985	3,947	3,123	8,044
Adjusted EBITA margin, %	7.7	11.5	7.3	9.5	10.5
Operating profit	1,648	1,810	1,064	2,776	7,282
Operating profit margin, %	6.1	10.5	2.0	8.4	9.5
Adjusted operating profit	1,669	1,851	3,136	2,817	7,615
Adjusted operating profit margin, %	6.2	10.7	5.8	8.5	9.9
Earnings per share, basic, EUR	-	-	-0.02	-	-
Earnings per share, diluted, EUR	-	-	-0.02	-	-
Number of outstanding share at the end of the period, basic	-	-	25,454,574	-	-
Number of outstanding share at the end of the period, diluted	-	-	25,454,574	-	-

Weighted average number of shares, basic	-	-	25,454,574	-	-
Weighted average number of shares, diluted	-	-	25,454,574	-	-
Investments in tangible and intangible assets excluding acquisitions	95	124	134	224	398
Net debt	37,606	24,933	37,606	24,993	38,683
Net working capital	51,222	27,196	51,222	27,196	33,744
Operating free cash flows	-5,485	1,613	-12,965	-4,089	2,329

* Items affecting comparability: IPO costs of EUR 2,072 thousand in H1 2022, M&A costs EUR 41 thousand in H1 2021, IPO costs EUR 292 thousand and M&A costs EUR 41 thousand in FY 2021.

Operational key figures	Q2 2022 (12/2021- 2/2022)	Q2 2021 (12/2020- 2/2021)	H1 2022 (9/2021- 2/2022)	H1 2021 (9/2020- 2/2021)	FY 2021 (9/2020- 8/2021)
Number of brands	343	246	343	246	291
Share of own brand sales, % of total	24.7	27.4	23.2	24.1	20.7
Share of online sales, % of total	23.6	25.8	24.7	26.4	26.1
Equity ratio, %	34.2	19.2	34.2	19.2	15.2
Full-time equivalent employees	171	104	173	103	112

Financial review September 2021 - February 2022 (comparison figures in parenthesis 9/2020-2/2021)

Net sales

Duell's net sales increased 64% to EUR 54.2 million (33.0). The increase was attributable to acquisitions done in Netherlands and France during the financial year 2021, and to a strong organic growth in both the Nordics and in the rest of Europe. Duell's organic net sales growth was 21.4%.

Net sales, EUR thousand	Q2 2022 (12/2021- 2/2022)	Q2 2021 (12/2020- 2/2021)	H1 2022 (9/2021- 2/2022)	H1 2021 (9/2020- 2/2021)	FY 2021 (9/2020- 8/2021)
Nordics	17,780	14,847	34,187	28,080	63,278
Rest of Europe	9,323	2,377	20,050	4,911	13,478
Total	27,103	17,224	54,237	32,992	76,756

Net sales from the rest of Europe amounted to 37% of Duell's net sales, compared to 15% in the comparable period. The increase was attributable to acquisitions done in Netherlands and France. The proforma net sales of Duell amounted to EUR 102.0 million, of which the share of rest of Europe for financial year ended August 31, 2021, amounted to 38% of Duell's net sales. The slight decrease from financial year ended August 31, 2021 to reported period attributes to improved market share in the Nordics.

The share of online channel sales of total net sales amounted to 24.7% (26.4%) in the first half, and to 26.1% for the financial year ended August 31, 2021. The decrease was attributable to lower share of online sales in the acquired companies.

The share of own brand sales of the total net sales amounted to 23.2% (24.1%) in the first half, and to 20.7% for the financial year ended August 31, 2021. The share of own brands sales is typically higher in the first half than in the second half of the fiscal year. The decrease compared to the fiscal year 2021 was attributable to lower share of own brand sales in the acquired companies.

Profitability

Duell's EBITA declined to EUR 1.9 million (3.1). The decrease was primarily attributable to IPO costs of EUR

2.1 million, presented as items affecting comparability. Duell's adjusted EBITA increased by 26% to EUR 3.9 million (3.1) driven by higher sales volumes. Adjusted EBITA margin declined to 7.3 % (9.5%), impacted by higher logistic costs related to deliveries and by increased personnel and other operating expenses supporting organic and inorganic growth.

Balance sheet and cash flow

Duell consolidated balance sheet total on February 28, 2022 was EUR 85.9 million (45.5). The amount of consolidated goodwill in the balance sheet was 13.9 million (4.6). The most significant balance sheet changes compared to the comparison period were the increased net working capital by EUR 24.0 million, increased net debt by EUR 12.6 million and increased goodwill by EUR 9.3 million. The increase was driven by organic growth, acquisitions and strategic decision to purchase next quarters' products in advance, as access to products has become more challenging due to the COVID-19 pandemic.

Duell has historically financed its operations with cash flow from operations as well as borrowings from financial institutions. Duell's liquidity requirements principally arise from maintaining net working capital, regular operating expenses and expansion of its business in new markets, including acquisitions. Duell's cash and cash equivalents amounted to EUR 2.8 million and total interest-bearing liabilities amounted to EUR 40.4 million on February 28, 2022.

Duell's equity ratio was 34.2% (19.2%) in February 28, 2022 and the Group's return on equity was -0.6% (4.7%). The equity ratio increased by the share issue done in the IPO, which, accordingly, reduced return on equity due to significant IPO costs.

Duell's net cash flow from operating activities in the first half was EUR -16.7 million (EUR -4.9 million), a decrease of EUR 11.8 million. The decrease in net cash flow from operating activities was primarily attributable to growth in inventory and accounts receivables. Inventories have been build-up, to ensure stock availability and sales for upcoming quarters.

Duell's net cash flow from financing activities in the first half was EUR 18.6 million (EUR 0.1 million), a change of EUR 18.5 million. The increase in net cash flow from financing activities was primarily attributable to the share issue and the usage of revolving credit facility (RCF). Correspondingly the final repayment of long-term convertible loans and the final repayment of Tecno Globe's loan to financial institution had a reducing effect on the change.

Duell's net debt was EUR 37.6 million on February 28, 2022 (EUR 38.7 million on August 31, 2021). Duell's net debt to adjusted EBITDA ratio for the last 12 months was 3.4 on February 28, 2021 (4.5 on August, 31 2021).

Investments

Duell's net cash flow used in investing activities was EUR 1.3 million (-0.1) in the first half, an increase of EUR 1.3 million. The increase was primarily attributable to the TMV acquisition. Duell continued to have low capital expenditure for maintenance.

Personnel

Duell had an average of 171 (103) full-time equivalent (FTE) employees during the period, and at the end of the review period 188 (105). When calculating the average, the part-time nature of the employment relationship has also been taken into account. Out of the personnel 135 employees are located in the Nordic countries and 53 employees in rest of Europe.

Duell's skilled and passionate personnel is a key competitive advantage in the powersports aftermarket. The personnel is highly committed to Duell, its brands and dealers, which can be showcased by low employee turnover and high share of powersports enthusiasts in Duell. The strong commitment,

powersports background and long experience of Duell's personnel supports Duell's key strategic objectives to become the best partner for dealers and brand owners throughout Europe and strengthen its market position in the existing markets where Duell operates.

Risks

The recent Russian invasion of Ukraine, may affect market conditions and have therefore indirect impact on Duell's business.

Duell is committed to offering its customers the right product at the right time and to the right place. In most cases, Duell aims to make orders available to customers overnight, which requires significant inventory. Accordingly, operational efficiency and inventory management are key for Duell's business. The current covid-19 pandemic and its impact on availability of product supply is seen as risk, however Duell has been successful in mitigating the situation. Despite this, the mitigation actions have led to longer delivery times, temporarily higher inventories and working capital.

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 supplier and new customer relationships, lack of local brand recognition and failure to hire skilled personnel.

Sustainability

Responsibility has always been an important part of our company values, and as the market leader in the industry, we want to act responsibly. Our corporate social responsibility program is based on the United Nations Agenda for Sustainable Development (Agenda 2030), from which we have selected the most important goals for our operations and partners. We are committed to respect human rights, and we work to ensure that human rights are respected throughout our operations. Our operations are conducted in an ethical and honest manner, and we do not accept any form of bribery or corruption in our own nor in our partners' operations.

Duell believes that efficient operations improve sustainability. Duell has optimized shipments, reduced packaging material and has shortened delivery distance due to warehouse localization strategy.

Shares and shareholders

IPO

In November 2021, Duell announced that it intends to launch an initial public offering and listing its Series B shares on Nasdaq Helsinki First North Growth Market Finland.

Demand in Duell's public offering was very strong from Finnish and international investors and it was oversubscribed multiple times over. The listing consisted of a share issue, and the company raised gross proceeds of approximately EUR 20 million. The total number of issued and outstanding shares in the company increased to 25,454,574. The final subscription price in the institutional and public offering was EUR 5.16 per share, resulting in a market value for the company of approximately EUR 131 million immediately after the IPO.

Trading in Duell's shares commenced on the First North Growth Market Finland marketplace maintained by Nasdaq Helsinki Ltd on November 24, 2021. Duell's trading symbol is DUELL. Duell's industry classification is Automobiles and Parts.

Shares Issued and share capital

At the end of the period under review, 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 25,454,574.

Trading in shares

The closing price of the share on the first day of trading, November 24, 2021, was EUR 6.06. On the last trading day of the financial period, February 28, 2022, the closing price of the share was EUR 6.79. The highest price quoted in the financial period was EUR 8.49 and the lowest EUR 5.67. The average closing price of the share during the financial period was EUR 7.00 and the average daily trading volume was 276,258 shares.

Duell's market capitalization on February 28, 2022 was EUR 172,836,557.

Shareholders

Duell had 2,372 shareholders on February 28, 2022. The company's 30 largest shareholders are presented on the company's investor website at www.investors.duell.eu.

Management team

Members of Duell's Management Team at the end of the half-year period were Jarkko Ämmälä (Chief Executive Officer), Riitta Niemelä (Chief Financial Officer), Dennis Nylund (Chief Operating Officer), Joakim Vest (Logistics Manager), Pia Hoseus (HR Manager), Marko Viita-Aho (IT Manager) and Sami Takaneva (Marketing and Communications Manager).

In March, 2022 Pellervo Hämäläinen was appointed Group Communications and Marketing Manager and member of Group's Management Team, responsible for Communications, Marketing and Investor relations. Sami Takaneva will continue in his current role as Marketing and Communications Manager reporting to Pellervo Hämäläinen as of March 2022.

Significant events during the reporting period

In December, 2021, Duell announced a significant distribution agreement with Michelin, one of the world's leading tire manufacturers. Through the agreement, Michelin's motorcycle and scooter tires will be available in Duell's import range in Finland, Sweden and Denmark.

In February, 2022, Duell acquired Techno Motor Veghel BV, a well-known Dutch distributor of motocross and offroad products. The transaction was important for Duell, as it enables the company to expand into the motocross market, especially in the Benelux region, but also in the rest of Europe. The acquisition will impact on Duell's net sales and has added significant new brands to its already extensive product portfolio.

Webcast for Investors and media

Duell will arrange a live webcast for investors and media in English on April 6, 2022 at 10.30 am EET. The webcast can be followed online a [link](#). A presentation will be held by CEO Jarkko Ämmälä, CFO Riitta Niemelä and IR Pellervo Hämäläinen. A recording of the event will be available later the same day at www.investors.duell.eu.

Medium term financial targets (3-5 years) (Targets unchanged)

Growth: net sales in the range of EUR 200–300 million by the end of 2025, achieved through a combination of clearly above 10 % annual organic growth and acquisitions.

Profitability: adjusted EBITA margin of at least 13%.

Leverage: net debt to adjusted EBITDA ratio in the range of 2–3. Leverage may temporarily exceed the target range (for example, in conjunction with acquisitions).

Financial reporting and Annual General Meeting in 2022

- Business report September 2021-May 2022 on July 7, 2022 at around 8.30 am (EET).
- Financial Statements Bulletin for the fiscal year 9/2021-8/2022 on November 10, 2022 at around 8.30 am (EET).
- Annual Report will be published the week starting on November 14, 2022.

The Annual General Meeting is scheduled for December 1, 2022. The Board of Directors of the company will convene the meeting.

Further information

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Financial figures of half-year financial report September 1, 2021-February 28, 2022

Basis of preparation of half-year report

The half-year report has been prepared in accordance with good accounting practice and Finnish legislation. The figures for financial year 2021 are audited, accordingly the figures for reported period in 2022 and comparable figures from previous year are unaudited. The figures have been prepared in accordance with Finnish Accounting Standards (FAS). Figures presented are rounded to the nearest thousand. Thus, in certain cases, the sum of the numbers in a column or row does not always exactly match the total presented in the column or row.

Consolidated Income statement

	2022 H1	2021 H1	2021
NET SALES	54,237	32,992	76,756
Other Operating income	138	111	220
Materials and services			
Material, supplies and goods			
Purchases during the period	-42,355	-23,177	-56,023
Change in Inventory	3,966	-65	1,966
External Services	-2,514	-1,534	-3,724
	-40,903	-24,777	-57,781
Personnel expenses			
Wages and Salaries	-4,010	-2,311	-5,080
Social security expenses			
Pension expenses	-501	-296	-647
Other social security expenses	-694	-289	-644
	-5,205	-2,896	-6,372
Depreciation and amortization	-1,142	-584	-1,040
Other Operating expenses	-6,060	-2,071	-4,502
OPERATING PROFIT	1,604	2,776	7,282

Financial income and expenses			
Other interest and financing income	539	674	934
Interest expenses and other financial expenses	-1,550	-1,697	-3,636
	-1,011	-1,022	-2,702
Profit before appropriations and taxes	53	1,753	4,580
Income Taxes	-566	-248	-1,248
Profit for the period	-513	1,506	3,332

Consolidated balance sheet

	2022 H1	2021 H1	2021
ASSETS			
NON-CURRENT ASSETS			
Immaterial rights	858	1,155	1,030
Goodwill	13,943	4,601	13,516
Other intangible assets	343	241	334
Intangible assets total	15,144	5,997	14,879
Machinery and equipment	680	533	608
Other tangible assets	148	86	118
Tangible assets total	828	618	726
Other shares and holdings	0	0	0
Investments total	0	0	0
TOTAL NON-CURRENT ASSETS	15,972	6,615	15,605
CURRENT ASSETS			
Inventory	40,559	20,873	34,899
Paid Advances	3,494	1,539	2,382
Inventories total	44,053	22,411	37,281
Trade Receivables	21,641	13,772	11,670
Other receivables	171	156	80
Prepaid expenses and accrued income	1,245	53	1,679
Total short-term receivebales	23,057	13,981	13,429
Cash at bank	2,802	2,526	2,815
TOTAL CURRENT ASSETS	69,912	38,919	53,525
TOTAL ASSETS	85,883	45,534	69,131
EQUITY			
Share Capital	80	3	3
Reserve for invested unrestricted equity	24,233	4,310	4,310
Retained earnings	5,612	2,929	2,875
Profit (loss) for the period	-513	1,506	3,332
TOTAL EQUITY	29,412	8,747	10,520
NON-CURRENT LIABILITIES			
Loans from financial institutions	37,268	12,381	32,784
Convertible Bonds	0	10,237	5,118
Vendor Loans		3,652	
Other non-interest bearing liabilities	175	0	147
TOTAL NON-CURRENT LIABILITIES	37,443	26,270	38,049
CURRENT LIABILITIES			
Loans from financial institutions	3,140	1,250	3,595
Trade Payables	8,999	5,184	9,708
Other liabilities	3,336	2,368	3,283
Accrued expenses and deferred income	3,553	1,714	3,975
TOTAL CURRENT LIABILITIES	19,029	10,517	20,562
TOTAL LIABILITIES	56,472	36,787	58,611

EQUITY AND LIABILITIES TOTAL	85,883	45,534	69,131
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Consolidated cash flow statement

	2022 H1	2021 H1	2021
Cash flows from operating activities			
EBIT	1,064	2,776	7,282
Adjustments to EBIT			
Depreciations	1,142	584	1,040
Other income and expenses, without cash impact	(656)	87	359
Change in working capital	(17,109)	(7,265)	(5,928)
Financial income/expense	(815)	(442)	(1,520)
Taxes	(351)	(632)	(1,113)
Cash flows from operating activities	(16,725)	(4,893)	120
Cash flows from investing			
Investments in intangible and tangible assets	(134)	(224)	(398)
Investments in subsidiaries	(1,126)	-	(16,095)
Earnout impact	-	283	566
Cash flows from investing	(1,260)	58	(15,927)
Cash flows from financing activities			
Issuances of long-term debt	-	-	23,400
Payments of long-term debt	(9,239)	(625)	(15,163)
Change in RCF	7,825	741	3,210
Share Issue	20,000	-	-
Cash flows from financing activities	18,586	116	11,446
Effect of exchange rate changes on cash and cash equivalents	(613)	214	144
Net increase (decrease) in cash and cash equivalents	(13)	(4,505)	(4,216)
Cash and cash equivalents at beginning of year	2,815	7,031	7,031
Cash and cash equivalents at end of year	2,802	2,526	2,815

Consolidated statement of changes in equity

	Share Capital	Reserve for invested unrestricted equity	Retained earnings excl. Translation differences	Translation differences	Retained Earnings total	Total
Equity 1.9.2021	2.5	4,310	6,025	183	6,207	10,520
Change in translation difference				-359	-359	-359
Increase Share Capital	77.5	-77,5			0	0
Share issue		20,000			0	20,000
Correction to Retained Earnings			-236		-236	-236
Profit (loss) for the period			-513		-513	-513
Equity 28.2.2022	80	24,233	5,276	-176	5,099	29,412
Equity 1.9.2020	2.5	4,310	2,693	116	2,809	7,122
Change in translation difference				67	67	67
Share issue					0	0
Profit (loss) for the period			3,332		3,332	3,332
Equity 31.8.2021	2.5	4,310	6,025	183	6,207	10,520

Off-balance sheet commitments

	2022 H1	2021
Loans and other liabilities pledged with collaterals		
Loan from financial institutions	29,373	33,169
Credit limits	12,943	11,497
whereof used	11,038	3,210
Import letter of credit	1,500	1,500
whereof used	0	1,178
Other collaterals	231	230
whereof used	99	104
The covenants for financial institutions loans relate to leverage and gearing ratio. The covenants were met at 28.2.2022.		
Given Collateral		
Corporate mortgage	120,640	55,000
Oy Duell Bike-Center Ab has provided liability for the parent company's loans, and the liability of guarantee is 16,051. Duell Oyj, the parent company, has provided security for the loans of the subsidiary Oy Duell Bike-Center Ab and the amount of the guarantee liabilities is 14,206 of which 140 relates to the undrawn portion.		
In addition, the parent company and Oy Duell Bike-Center Ab have provided security for the liabilities of its subsidiary SDBC Motor AB.		
Rental commitment		
Current rental commitments	1,522	1,523
Non-current rental commitments	7,727	2,612
Total	9,249	4,134
Lease commitment		
Current leasing commitments	330	178
Non-current leasing commitments	337	271
Total	667	448
Rental obligations relate to rental of premises and lease obligations relate to rental of machinery and equipment		
Derivatives		
Fair value of interest hedging	-11	-27
Target value of interest hedging	5,334	42,188
Fair value of currency hedging	29	-72
Target value of currency hedging	3,366	8,216
Currency hedging is applied to foreign exchange rate fluctuations of the purchases in the subsidiary acquired in the end of last the financial year.		
The hedging is done for purchases in foreign currencies during the financial reporting period. The impact of fair value has not been taken into account in the consolidated income statement. Adversely, the interest rate hedging applied by the parent company has not been taken into account in the income statement.		

Calculation of key figures

Constant currency net sales growth, %	Net sales growth calculated by using previous year's net sales translated at average foreign exchange rates for the current year
Organic net sales growth, %	Change in net sales adjusted for acquisitions, divestments and foreign currency effects.
Gross margin	Net Sales less Cost of sales
Gross margin, %	Gross Margin / Net Sales
EBITDA	Operating profit before depreciation, amortisation and impairment
EBITDA margin, %	EBITDA / Net sales

EBITA	Operating profit before amortisation and impairment
EBITA margin, %	EBITA / Net sales
Operating profit*	Operating profit
Operating profit margin, %	Operating profit / Net sales
Items affecting comparability, gross margin	Material items outside ordinary course of business including restructuring costs, net gains or losses from sale of business operations or other non-current assets, strategic development projects, external advisory costs related to capital reorganization, impairment charges on non-current assets incurred in connection with restructurings, compensation for damages and transaction costs related to business acquisitions
Items affecting comparability, EBITDA	
Adjusted EBITDA	EBITDA excluding items affecting comparability
Adjusted EBITDA margin, %	Adjusted EBITDA / Net Sales
Adjusted EBITA	EBITA excluding items affecting comparability
Adjusted EBITA margin, %	Adjusted EBITA / Net sales
Adjusted operating profit	Operating profit excluding items affecting comparability
Adjusted operating profit margin, %	Adjusted operating profit / Net Sales
Full-time equivalent employees	Average Full-Time Equivalents

Key cash flows indicators

Net cash flows from operating activities*	Net cash from operating activities as presented in the consolidated statement of cash flows
Operating free cash flows	Adjusted EBITDA less investments in tangible and intangible assets and change in net working capital
Cash conversion, %	Operating free cash flows / Adjusted EBITDA
Investments in tangible and intangible assets excluding brand acquisitions	Investments in tangible and intangible assets as presented in the consolidated statement of cash flows excluding new brand acquisitions

Share Information

Shares	Number of Shares
Earnings per share	Net Result / Number of Shares

Financial position key figures

Net debt	Current and non-current interest-bearing liabilities less cash and cash equivalents
Net debt to adjusted EBITDA for the last 12 months, ratio	Net debt / Adjusted EBITDA
Change in working capital	Change in Inventories, trade and other receivables less changes in trade and other payables
Net working capital	Inventories, trade and other receivables less trade and other payables
Capital employed	Total equity and net debt
Capital employed excluding goodwill	Total equity and net debt and less goodwill
Return on capital employed (ROCE), %	Operating profit / Average capital employed
Adjusted return on capital employed (Adjusted ROCE), %	Adjusted EBITA / Average capital employed excluding goodwill
Equity ratio, %	Total equity / Total assets
Return on equity, %	Result for the period / Total equity (average for the first and last day of the period)

Duell Corporation is an import company based in Mustasaari, Finland and established in 1983, whose imported and manufactured products are sold through an extensive distribution network in Finland, Sweden, Norway, Denmark, Estonia, Latvia, Lithuania, the Netherlands, Belgium, Germany, France, the UK, Ireland, Spain, the Czech Republic and Romania. Duell's range of imported products includes all motorcycling, snowmobiling and boating equipment, accessories and spare parts. It also includes equipment, accessories and spare parts for ATVs/UTVs, mopeds and scooters. Duell's modern logistics centres are situated at Mustasaari in Finland, Tranås in Sweden, Hengelo in the Netherlands and Montpellier in France. The Group currently employs nearly 200 people internationally. www.duell.eu