



**Duell Corporation**  
**Half-Year Financial Report**  
September 2022-February 2023



## Challenging market conditions continue

Unaudited financials presented below.

### December 2022-February 2023 "Q2 2023" (comparable figures in parenthesis 12/2021-2/2022):

- Net sales decreased 5.7% to EUR 25.5 million (EUR 27.1 million). Organic net sales decreased 17.3%. Constant currency net sales decreased 2.5%.
- Adjusted EBITDA decreased 47.1% to EUR 1.2 million (EUR 2.3 million) with an adjusted EBITDA margin of 4.7% (8.3%).
- Adjusted EBITA decreased 53.3% to EUR 1.0 million (EUR 2.1 million) with an adjusted EBITA margin of 3.8% (7.7%).
- Adjusted operating profit was EUR 0.5 million (EUR 1.7 million) with a margin of 1.9% (6.2%).

### September 2022-February 2023 "H1 2023" (comparable figures in parenthesis 9/2021-2/2022):

- Net sales decreased 5.4% to EUR 51.3 million (EUR 54.2 million). Organic net sales decreased 18.6%. Constant currency net sales decreased 3.4%.
- Adjusted EBITDA decreased 77.3% to 1.0 EUR million (EUR 4.3 million) with an adjusted EBITDA margin of 1.9% (7.9%). EBITDA was EUR 0.7 million (EUR 2.2 million). The differences between adjusted and reported figures are explained by items affecting comparability. Items affecting comparability included EUR 0.2 million expenses related to restructuring costs incurred by Duell Group.
- Adjusted EBITA decreased 86.1% to EUR 0.6 million (EUR 3.9 million) with an adjusted EBITA margin of 1.1% (7.3%).
- Adjusted operating profit decreased to EUR -0.4 million (EUR 3.1 million) with a margin of -0.9% (5.8%)
- Earnings per share for the review period was EUR -0.1.

### Outlook for financial year 2023 (unchanged)

The market continues to be uncertain. The accelerating inflation and the overall economic environment have decreased consumer confidence. These factors will reduce predictability. Duell will continue to execute its growth strategy despite uncertain market conditions.

Duell expects to have net sales growth organically and inorganically. Adjusted EBITA is expected to grow both in absolute and relative terms for the current financial year ending August 31, 2023. Organic net sales growth is calculated excluding the impact of acquisitions and divestments.

### CEO Jarkko Ämmälä:

Market conditions continued to be challenging, especially in the Nordics, due to weak winter season. Retailers further reduced their inventory levels, which negatively impacted the net sales. Despite the challenging market situation, we won new customers in the European market and the impact will be visible during the second half. I am pleased that we improved our gross margin and reduced fixed costs compared to the previous quarter. We completed the change negotiations in February and the impact of cost savings are more visible in the second half, and especially in the fourth quarter. We renewed our organisation and strengthened the Management Team with two new members, who have clear business responsibilities for Powersports and Bicycle Business. Overall, the second quarter was close to our expectations.

We entered into a new financing agreement in February for EUR 58.5 million senior term and revolving facilities amending the current agreement. It replaced the existing financing arrangement without changes to principal amounts of the outstanding term loans and available revolving facilities for working capital needs.

We continued our growth strategy by acquiring UK based TranAm, which is a leading distributor and wholesaler of premium clothing and accessories for motorcycling. The acquisition supports Duell's growth strategy, both in terms of geographical expansion and brand portfolio development. I am pleased that we can significantly strengthen our market position in the UK. It provides us with fast access to the large UK market and a strong foothold to further grow our business by also bringing our own brands to a wide range of consumers in the UK through TranAm's existing distribution channels. In addition, TranAm's acquisition is strengthening Duell's financial position.

We completed a directed share issue on March 1, raising EUR 8.7 million to finance the first instalment of 60% of the total purchase price of the acquisition. The share issue increased the total number of Duell's share by 20%. The acquisition was closed on March 8 and the second instalment for the remaining 40% of the purchase price will be paid by end of 2023.

Despite the challenging market conditions, we will continue our growth strategy, supported by the acquisition of TranAm. To strengthen our profitability and financial position, we are focusing on reducing inventory levels, optimising brand portfolio and continuing our cost-saving programme. These measures will support the achievement of the 2023 growth and profitability targets and the impact of these programs will be visible particularly in the fourth quarter.

Key figures and ratios EUR thousand	Q2 2023 (12/2022- 2/2023)	Q2 2022 (12/2021- 2/2022)	H1 2023 (9/2022- 2/2023)	H1 2022 (9/2021- 2/2022)	FY 2022 (9/2021- 8/2022)
Net sales	25,543	27,103	51,294	54,237	123,991
Net sales growth, %	-5.7	57.4	-5.4	64.4	61.5
Constant currency net sales growth, %	-2.5	55.4	-3.4	62.5	61.9
Organic net sales growth, %	-17.3	11.5	-18.6	21.4	15.7
EBITDA	1,090	2,236	733	2,207	7,383
EBITDA margin, %	4.3	8.3	1.4	4.1	6.0
Items affecting comparability, EBITDA*	103	21	239	2,072	2,074
Adjusted EBITDA	1,193	2,257	972	4,279	9,457
Adjusted EBITDA margin, %	4.7	8.3	1.9	7.9	7.6
EBITA	873	2,068	312	1,875	6,652
EBITA margin, %	3.4	7.6	0.6	3.5	5.4
Adjusted EBITA	976	2,089	550	3,947	8,726
Adjusted EBITA margin, %	3.8	7.7	1.1	7.3	7.0
Operating profit	374	1,648	-685	1,064	4,904
Operating profit margin, %	1.5	6.1	-1.3	2.0	4.0
Adjusted operating profit	478	1,669	-446	3,136	6,978
Adjusted operating profit margin, %	1.9	6.2	-0.9	5.8	5.6
Earnings per share, basic, EUR	-	-	-0.1	-0.02	0.08
Earnings per share, diluted, EUR	-	-	-0.1	-0.02	0.08
Number of outstanding shares at the end of the period, basic	-	-	25,454,574	25,454,574	25,454,574
Number of outstanding shares at the end of the period, diluted	-	-	25,454,574	25,454,574	25,454,574

Weighted average number of shares, basic	-	-	25,454,574	25,454,574	25,454,574
Weighted average number of shares, diluted	-	-	25,454,574	25,454,574	25,454,574
Investments in tangible and intangible assets excluding acquisitions	669	95	1,083	134	915
Net debt	62,785	37,606	62,785	37,606	44,571
Net working capital	66,912	51,222	66,912	51,222	57,718
Operating free cash flows	-1,412	-5,485	-6,384	-12,965	-1,818

\*) Items affecting comparability:

IPO costs of EUR 0 thousand in H1 2023 (EUR 2,072 thousand in H1 2022).

Cost saving program costs of EUR 239 thousand in H1 2023 (EUR 0 thousand in H1 2022).

Operational key figures	Q2 2023 (12/2022- 2/2023)	Q2 2022 (12/2021- 2/2022)	H1 2023 (9/2022- 2/2023)	H1 2022 (9/2021- 2/2022)	FY 2022 (9/2021- 8/2022)
Number of brands	529	343	529	343	496
Share of own brand sales, % of total	29.9	24.7	25.9	23.2	20.7
Share of online sales, % of total	25.1	23.6	23.2	24.7	25.2
Equity ratio, %	25.5	34.2	25.5	34.2	33.4
Full-time equivalent employees*	210	171	213	173	193

\*) Including seasonal employees

## Financial review September 2022 - February 2023 (comparison figures in parenthesis 9/2021-2/2022)

### Net sales

Duell's net sales decreased by 5.4% to EUR 51.3 million in H1 2023 (54.2) and organic net sales decreased by -18.6% (21.4).

Net sales, EUR thousand	Q2 2023 (12/2022- 2/2023)	Q2 2022 (12/2021- 2/2022)	H1 2023 (9/2022- 2/2023)	H1 2022 (9/2021- 2/2022)	FY 2022 (9/2021- 8/2022)
Nordics	16,313	17,780	32,318	34,187	76,362
Rest of Europe	9,230	9,323	18,976	20,050	47,629
Total	25,543	27,103	51,294	54,237	123,991

Net sales from the rest of Europe amounted to 35.0% of Duell's net sales, compared to 37.0% in the comparable period. The slight decrease was attributable to the acquisition done in Finland in May 2022, as PowerFactory Nordic Oy Ab operates in the Nordics. Additionally, the Nordic market share is normally stronger in the first two quarters due to the winter products market.

The share of online channel sales of total net sales amounted to 23.2% in H1 2023 and 24.7% in H1 2022. The decrease was attributable to lower share of online channel sales in the acquired companies.

The share of own brand sales of the total net sales amounted to 25.9% in H1 2023 and 23.2% in H1 2022.

### Profitability

Duell's EBITA declined to EUR 0.3 million (EUR 1.9 million) and adjusted EBITA decreased to EUR 0.6 million (EUR 3.9 million). Adjusted EBITA margin declined to 1.1% (7.3%). These were impacted by lower sales volumes, and by increased personnel and other operating expenses supporting organic and inorganic growth.

## Balance sheet and cash flow

Duell's consolidated balance sheet total on February 28, 2023, was EUR 116.1 million (EUR 85.9 million). The amount of consolidated goodwill in the balance sheet was EUR 22.5 million (EUR 13.9 million). The most significant balance sheet changes compared to the comparison period were the increased net working capital by EUR 15.7 million, increased net debt by EUR 25.2 million and increased goodwill by EUR 8.5 million. Increase of net working capital includes TranAm's net working capital of EUR 5.2 million and the increase of net debt includes the entire purchase price of EUR 13.8 million from the TranAm acquisition.

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 3.4 million and total interest-bearing liabilities amounted to EUR 52.6 million on February 28, 2023.

Duell's equity ratio was 25.5% (34.2%) on February 28, 2023, and the Group's return on equity was -5.8 % (-0.6%).

Duell's net cash flow from operating activities in H1 2023 was negative EUR 4.6 million (EUR 16.7 million negative), an increase of EUR 12.1 million. The increase in net cash flow from operating activities was primarily attributable to decreasing purchases as part of inventory level management and to exceptional high accounts receivables in comparative period due to significant growth in sales volumes at the time.

Duell's net cash flow from financing activities in H1 2023 was EUR 4.3 million (EUR 18.6 million), a change of EUR 14.3 million. The EUR 4.3 million comprises mainly of the usage of revolving credit facility (RCF). Similarly, the financing activities in the comparative period was comprised from increase by share issue done in November 2021 and decrease by back payment of convertible loans.

Duell's net debt was EUR 62.8 million on February 28, 2023 (EUR 37.6 million). Duell's net debt to adjusted EBITDA ratio for the last 12 months was 10.2 on February 28, 2023 (3.9 on February 28, 2022). Net debt includes the entire purchase price of EUR 13.8 million from the TranAm acquisition. The covenants for loans from financial institutions relate to the share of net debt in EBITDA (Leverage) which is tested quarterly and the share of net debt of equity (Gearing) which is tested annually. The covenants were met in the review period.

The Company has launched a net working capital optimisation project and a cost-saving program to improve profitability and financial position.

## Investments

Duell's net cash flow from investing activities in H1 2023 was EUR 0.2 million positive (EUR 1.3 million negative\*) an improvement of EUR 1.5 million. The investments were attributable to the capital expenditures mainly on new ecommerce platform, and to TranAm acquisition including the target's cash position. The purchase price of the acquisition was not paid during the reporting period.\*) Comparative period figures corrected.

## Personnel

Duell had an average of 213 (171) full-time equivalent (FTE) employees during the period, and at the end of the review period 247 (188). When calculating the average, the part-time nature of the employment relationship has also been considered. Out of the personnel 171 employees are located in the Nordic countries and 76 employees in rest of Europe.

## Risks

Market uncertainty will continue, and high inflation will weaken consumer confidence in 2023 affecting Duell's business. Geographical expansion and entry into new markets involves various risks that may adversely affect Duell's business and growth.

## Sustainability

As part of Duell's sustainability programme, the company has started a materiality analysis with stakeholders to identify areas of relevance to the company's environment and business and to set metrics to monitor future actions.

## Shares issued and share capital

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 25,454,574.

## Trading in shares

On the last trading day of the financial period, February 28, 2023, the closing price of the share was EUR 1.86. The highest price quoted in H1 2023 was EUR 2.30 and the lowest EUR 1.78. The average closing price of the share during the review period was EUR 1.98 and the average daily trading volume was 94,642 shares.

Duell's market capitalization on February 28, 2023, was EUR 47,345,508.

## Shareholders

Duell had 4,584 shareholders on February 28, 2023. The company's 100 largest shareholders are presented on the company's investor website at [https://investors.duell.eu/en/share\\_information/shareholders](https://investors.duell.eu/en/share_information/shareholders).

### 10 largest shareholders

Shareholder	Shares	% of shares
1. Hartwall Capital Oy Ab	5,232,558	20.56
2. Skandinaviska Enskilda Banken Ab (publ) Helsingin Sivukonttori*	2,601,928	10.22
3. Sponsor Capital Oy	2,578,847	10.13
4. Säästöpankki Fonder	1,359,690	5.34
5. Jarkko Ämmälä	1,200,00	4.71
6. Keskinäinen Työeläkevakuutusyhtiö Varma	1,169,199	4.59
7. Keskinäinen Työeläkevakuutusyhtiö Ilmarinen	968,992	3.81
8. Fondita Fonder	763,203	3.00
9. Dennis Nylund	720,000	2.83
10. Oy 4n-group Ab	587,863	2.31

\*) Nominee registered

## Management team

Jukka Smolander was appointed on January 9, 2023, as member of Duell's Management Team with responsibility for the Group's Bicycle Business. Erwin Van Hoof was appointed on February 2, 2023, as member of Duell's Management Team with responsibility for the Group's Powersports Business, including motorcycle, ATV, moped, snowmobile, marine and garden categories. Both positions are new in Duell.

Members of Duell's Management Team at the end of the review period were Jarkko Ämmälä

(Chief Executive Officer), Riitta Niemelä (Chief Financial Officer), Marko Viita-aho (Chief Operating Officer), Jukka Smolander (Director, Bicycle Business), Erwin Van Hoof (Director, Powersports Business), Joakim Vest (Logistics Manager), Pia Hoseus (HR Director) and Pellervo Hämäläinen (Communications and IR Manager).

### **Significant events during the reporting period**

Duell announced on February 2, 2023, that it had completed the change negotiations in Duell's Finnish companies, as a result of which the reduction of personnel was a total of 13 employees. In addition to the change negotiations in the Finnish companies, Duell realised personnel reductions in other country organisations summing to 10 employees. The personnel reduction realised in the entire Duell Group was a total of 23 people. The cost saving at the Group level for the 2023 financial year is approximately EUR 700,000 and for 2024 EUR 1.3 million.

Duell entered into a new financing agreement on February 24, 2023, including an EUR 58.5 million senior term and revolving facilities agreement amending the current financing agreement. It replaced the existing financing arrangement without changes to principal amounts of outstanding term loans and available amounts of revolving facilities for working capital needs.

Duell announced on February 27, 2023, that it has agreed to acquire the entire share capital of the UK based company Tran-Am Ltd ("TranAm") for a total purchase price of GBP 11.875 million. TranAm is a leading distributor and wholesaler of premium clothing and accessories for motorcycling. The acquisition of TranAm is part of Duell's growth strategy and supports Duell's geographical expansion and brand portfolio development. TranAm's balance sheet was consolidated to Duell Group figures on February 28, 2023.

### **Significant events after review period**

Duell announced on March 1, 2023, that it intends to carry out an issue of up to 5,090,900 new shares in a directed share issue to a limited number of institutional and other investors in deviation of the pre-emptive subscription right of the shareholders. The maximum number of shares corresponds to approximately 20 per cent of all the issued shares in Duell immediately prior to the Share Issue. The proceeds from the Share Issue will be used to finance the first instalment of the purchase price in relation to the acquisition of Tran-Am Ltd.

Duell announced on March 1, 2023, that it has successfully completed directed share issue raising EUR 8.7 million in a directed share issue to finance the Tran-Am Ltd. acquisition. The number of shares totalled 30,545,474 after the share issue.

Duell announced on March 8, 2023, that it has closed the acquisition of Tran-Am Ltd by paying the first instalment of approximately 60% of the total purchase price of GBP 11.875 million on 8 March 2023. The second instalment of approximately 40% of the purchase price, which will be financed with the company's cash reserves, will be paid by the end of 2023.

### **Webcast for investors and media**

Duell will arrange a live webcast for investors and media in English on April 5, 2023, at 09.30 am EET. The webcast can be followed online through this [link](#). A presentation will be held by CEO Jarkko Ämmälä, and IR Pellervo Hämäläinen. A recording of the event will be available later the same day at <https://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 yearly growth organically and inorganically.

Profitability: adjusted EBITA margin of at least 13% in the medium-term.

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 Meetings in 2022 and 2023

- Business reports for financial year 2023
  - o September 2022-May 2023 including third quarter: Thursday, July 6, 2023
  - o September 2022-August 2023 including fourth quarter: Thursday, November 9, 2023
- The Annual General Meeting is scheduled for December 5, 2023. The Board of Directors of the company will convene the meeting.

### Further information

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**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 8,500 dealers. The range of products includes 150,000 items under 500 brands. The assortment covers spare parts and accessories for motorcycling, bicycling, ATVs/UTVs, mopeds and scooters, snowmobiling and boating. Logistics centres are located in Finland, Sweden, Netherlands and France. Duell's net sales in 2022 was EUR 124 million and it employs over 200 people. Duell's shares were listed in November 2021 and are traded on the First North Marketplace. [www.duell.eu](http://www.duell.eu)



## Financial figures of half-year financial report September 1, 2022-February 28, 2023

### Basis of preparation of half-year report

The half-year report has been prepared in accordance with Finnish Accounting Standards (FAS), good accounting practice and Finnish legislation. The figures for half-year 2023 and 2022 are unaudited, and the figures for financial year 2022 are derived from audited financial statement. Presented figures 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

	2023 H1	2022 H1	2022
<b>NET SALES</b>	51 294	54 237	123 991
<b>Other Operating income</b>	71	138	411
<b>Materials and services</b>			
Material, supplies and goods			
Purchases during the period	-43 446	-42 355	-94 967
Change in Inventory	7 392	3 966	6 551
External Services	-2 747	-2 514	-5 969
	<b>-38 801</b>	<b>-40 903</b>	<b>-94 384</b>
<b>Personnel expenses</b>			
Wages and Salaries	-5 183	-4 010	-8 821
Social security expenses			
Pension expenses	-670	-501	-949
Other social security expenses	-821	-694	-1 470
	<b>-6 674</b>	<b>-5 205</b>	<b>-11 241</b>
<b>Depreciation and amortization</b>	-1 418	-1 142	-2 479
<b>Other Operating expenses</b>	-5 158	-6 060	-11 394
<b>OPERATING PROFIT</b>	-685	1 064	4 904
<b>Financial income and expenses</b>			
Other interest and financing income	619	539	1 078
Interest expenses and other financial expenses	-1 665	-1 550	-2 989
	<b>-1 046</b>	<b>-1 011</b>	<b>-1 911</b>
<b>Profit before appropriations and taxes</b>	<b>-1 731</b>	<b>53</b>	<b>2 993</b>
Income Taxes	-66	-566	-1 065
<b>Profit for the period</b>	<b>-1 797</b>	<b>-513</b>	<b>1 928</b>

## Consolidated Balance Sheet

	2023 H1	2022 H1	2022
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Immaterial rights	544	858	702
Goodwill	22 483	13 943	16 371
Other intangible assets	1 672	343	338
<b>Intangible assets total</b>	<b>24 698</b>	<b>15 144</b>	<b>17 411</b>
Machinery and equipment	655	680	935
Other tangible assets	255	148	450
<b>Tangible assets total</b>	<b>910</b>	<b>828</b>	<b>1 385</b>
<b>TOTAL NON-CURRENT ASSETS</b>	<b>25 608</b>	<b>15 972</b>	<b>18 797</b>
<b>CURRENT ASSETS</b>			
Inventory	57 935	40 559	47 880
Paid Advances	2 208	3 494	3 367
<b>Inventories total</b>	<b>60 143</b>	<b>44 053</b>	<b>51 246</b>
Trade Receivables	24 179	21 641	20 307
Other receivables	523	171	204
Prepaid expenses and accrued income	2 202	1 245	849
<b>Total short-term receivables</b>	<b>26 904</b>	<b>23 057</b>	<b>21 359</b>
<b>Cash at bank</b>	<b>3 401</b>	<b>2 802</b>	<b>4 066</b>
<b>TOTAL CURRENT ASSETS</b>	<b>90 448</b>	<b>69 912</b>	<b>76 672</b>
<b>TOTAL ASSETS</b>	<b>116 057</b>	<b>85 883</b>	<b>95 468</b>
<b>EQUITY</b>			
Share Capital	80	80	80
Reserve for invested unrestricted equity	24 233	24 233	24 233
Retained earnings	7 108	5 612	5 612
Profit (loss) for the period	-1 797	-513	1 928
<b>TOTAL EQUITY</b>	<b>29 623</b>	<b>29 412</b>	<b>31 853</b>
<b>NON-CURRENT LIABILITIES</b>			
Loans from financial institutions	49 499	37 268	45 498
Other non-interest bearing liabilities	112	175	93
<b>Total non-current liabilities</b>	<b>49 611</b>	<b>37 443</b>	<b>45 590</b>
<b>CURRENT LIABILITIES</b>			
Loans from financial institutions	3 140	3 140	3 140
Trade Payables	14 205	8 999	7 593
Other liabilities	16 234	3 336	3 976
Accrued expenses and deferred income	3 244	3 553	3 316
<b>Total current liabilities</b>	<b>36 822</b>	<b>19 029</b>	<b>18 025</b>
<b>TOTAL LIABILITIES</b>	<b>86 433</b>	<b>56 472</b>	<b>63 615</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>116 057</b>	<b>85 883</b>	<b>95 468</b>

## Consolidated Cash Flow Statement

CONSOLIDATED CASH FLOW STATEMENT	2023 H1	2022 H1
<b>Cash flows from operating activities</b>		
EBIT	-685	1 064
<b>Adjustments to EBIT</b>		
Depreciations	1 418	1 142
Other income and expenses, without cash impact	622	-656
Change in working capital	--4 792	-17 109
Financial income/expense	--1 145	-815
Taxes	-23	-351
<b>Cash flows from operating activities</b>	<b>-4 604</b>	<b>-16 725</b>
<b>Cash flows from investing</b>		
Investments in intangible and tangible assets	-1 083	-134
Investments in subsidiaries	1 326	-1 126
Earnout impact	-	-
<b>Cash flows from investing</b>	<b>243</b>	<b>-1 260</b>
<b>Cash flows from financing activities</b>		
Issuances of long-term debt	-	-
Payments of long-term debt	-1 570	-9 239
Change in RCF	5 841	7 825
Share Issue	-	20 000
<b>Cash flows from financing activities</b>	<b>4 271</b>	<b>18 586</b>
Effect of exchange rate changes on cash and cash equivalents	-576	-613
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>-666</b>	<b>-13</b>
Cash and cash equivalents at beginning of reievew period	4 066	2 815
<b>Cash and cash equivalents at end of review period</b>	<b>3 401</b>	<b>2 802</b>

## Consolidated Statement of Changes in Equity

	Share Capital	Reserve for invested unrestricted equity	Retained earnings excl. Translation differences	Translation differences	Retained Earnings total	Total
<b>Equity 1.9.2022</b>	<b>80</b>	<b>24 233</b>	<b>7 717</b>	<b>-176</b>	<b>7 540</b>	<b>31 853</b>
Change in translation difference				-433	-433	-433
Increase Share Capital					0	0
Share issue					0	0
Correction to Retained Earnings					0	0
Profit (loss) for the period			-1 797		-1 797	-1 797
<b>Equity 28.2.2023</b>	<b>80</b>	<b>24 233</b>	<b>5 920</b>	<b>-609</b>	<b>5 310</b>	<b>29 623</b>
<b>Equity 1.9.2021</b>	<b>2,5</b>	<b>4 310</b>	<b>6 025</b>	<b>183</b>	<b>6 207</b>	<b>10 520</b>
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
<b>Equity 28.2.2022</b>	<b>80</b>	<b>24 233</b>	<b>5 276</b>	<b>-176</b>	<b>5 099</b>	<b>29 412</b>
<b>Equity 1.9.2021</b>	<b>2,5</b>	<b>4 310</b>	<b>6 025</b>	<b>183</b>	<b>6 207</b>	<b>10 520</b>
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			1 928		1 928	1 928
<b>Equity 31.8.2022</b>	<b>80</b>	<b>24 233</b>	<b>7 717</b>	<b>-176</b>	<b>7 540</b>	<b>31 853</b>

## Collaterals and off-balance sheet commitments

	2023 H1	2022 H1
<b>Loans and other liabilities pledged with collaterals</b>		
Loan from financial institutions	52 639	29 373
Credit limits	21 000	12 943
whereof used	16 727	11 038
Import letter of credit	500	1 500
whereof used	407	0
Other collaterals	519	231
whereof used	337	99
<b>Given Collaterals</b>		
Corporate mortgage	120 640	120 640
<p>Oy Duell Bike-Center Ab has provided collateral for the loans of parent company, Duell Corporation, and the amount of guarantee is 16.900, of which 2.535 relates to the undrawn portion. Duell Corporation has provided collateral for the loans of subsidiary, Oy Duell Bike-Center Ab. The amount of the guarantee is 11.681, of which 6.196 relates to the undrawn portion.</p>		
<b>Rental commitments</b>		
Current rental commitments	2 214	1 522
Non-current rental commitments	9 511	7 727
<b>Total</b>	<b>11 725</b>	<b>9 249</b>
<b>Lease commitments</b>		
Current leasing commitments	315	330
Non-current leasing commitments	183	337
<b>Total</b>	<b>498</b>	<b>667</b>
<p>Rental obligations relate to rental of premises and lease obligations relate to rental of machinery and equipment.</p>		
<b>Derivatives</b>		
Fair value of interest hedging	39	-11
Target value of interest hedging	4 548	5 334
Fair value of currency hedging	0	29
Target value of currency hedging	0	3 366
<p>Currency hedging is not applied during financial year. Currency hedging was applied to foreign exchange rate fluctuations of the purchases in the subsidiary in financial year 2022. 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.</p>		

## 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	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
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

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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)