

Duell Corporation

Nine Months and Q3 Financial Report 2024
September 2023-May 2024 (1-9)
March-May 2024 (Q3)

July 3, 2024

Magnus Miemois, CEO

Juha Lindroos, Interim CFO

Pellervo Hämäläinen, IR



Operational highlights Q3 2024

Increased own brand awareness supports Duell's growth strategy



Winter season closed with strong **AMOQ** presence in the Nordics market

Lindstrands SVEG Glove voted as Test Winner!



HALVARSSONS and **LINDSTRANDS** brand awareness gaining ground in Germany and Central Europe

Category offering expansion and new 3rd party brands important drivers



Positive trend and market recovery in **Bicycle category** with extended offering



SENA intercoms solutions off to a strong market introduction

Keeping steady speed in the year's most active quarter

Strong growth in Central Europe



Year-on-year comparison

Solid net sales
volume in high
season quarter

- Net sales in Q3 was EUR 37.9 million (37.7), resulting in an increase of 0,6%
- Net sales with comparable currencies increased by 2,7%.

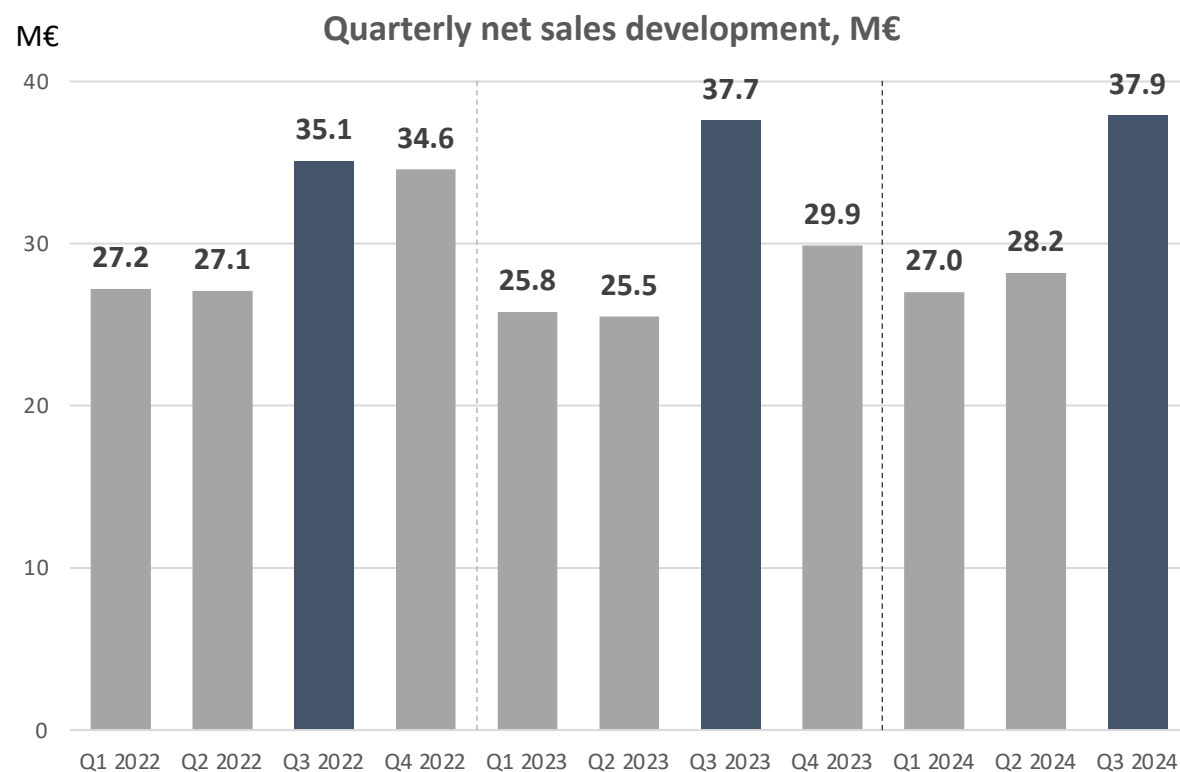
Market challenges
impacted profitability

- Adjusted EBITA amounted to EUR 3.2 million (3.8)
- Adjusted EBITA margin 8.4% (10.1%)
- Gross margin improvements eroded by
 - Higher logistics costs due to strike in Finland and Red Sea shipping challenges
 - Negative impact of FX of EUR 0.2 million

Financial position
Improved

- Net debt decreased by EUR 21.5 million
 - Rights issue and loan repayments in Q2
- Net working capital decreased by approximately EUR 4.1million
- Leverage 4.5x

Quarterly net sales development 2022-2024



PowerFactory acquisition 5/2022
TranAm acquisition 3/2023

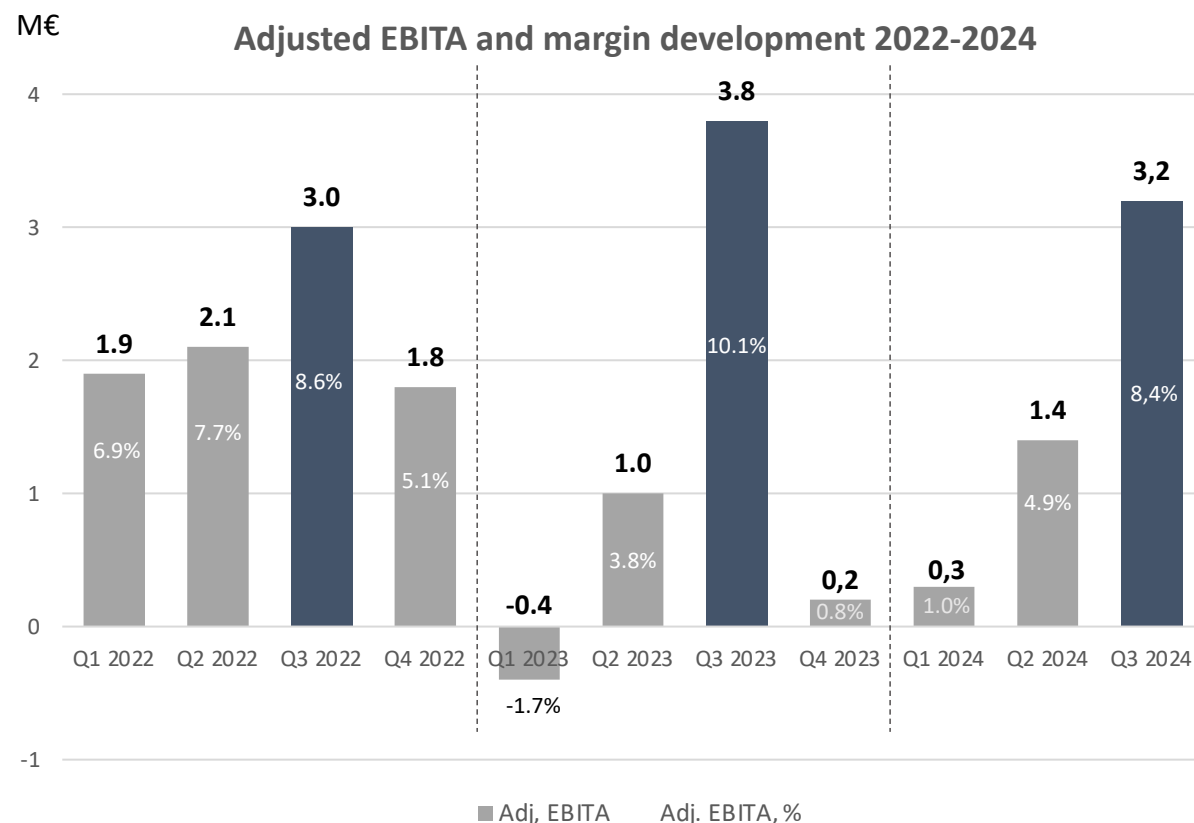
Q3

- Solid volume development in peak season quarter
 - Net sales amounted to EUR 37.9 million (37.7)
 - Net sales with comparable currencies increased by 2.7% (8.1%)
- Nordics 51.4% of net sales (59.6%)
- Rest of Europe 48.6% of net sales (40.4%)
- Own brands 16.3% (19.1%)
- Online sales 26.4% (24.4%)

Year to date

- Net Sales 93.1 million (88.9), increase of 5%

Quarterly profitability development 2022-2024



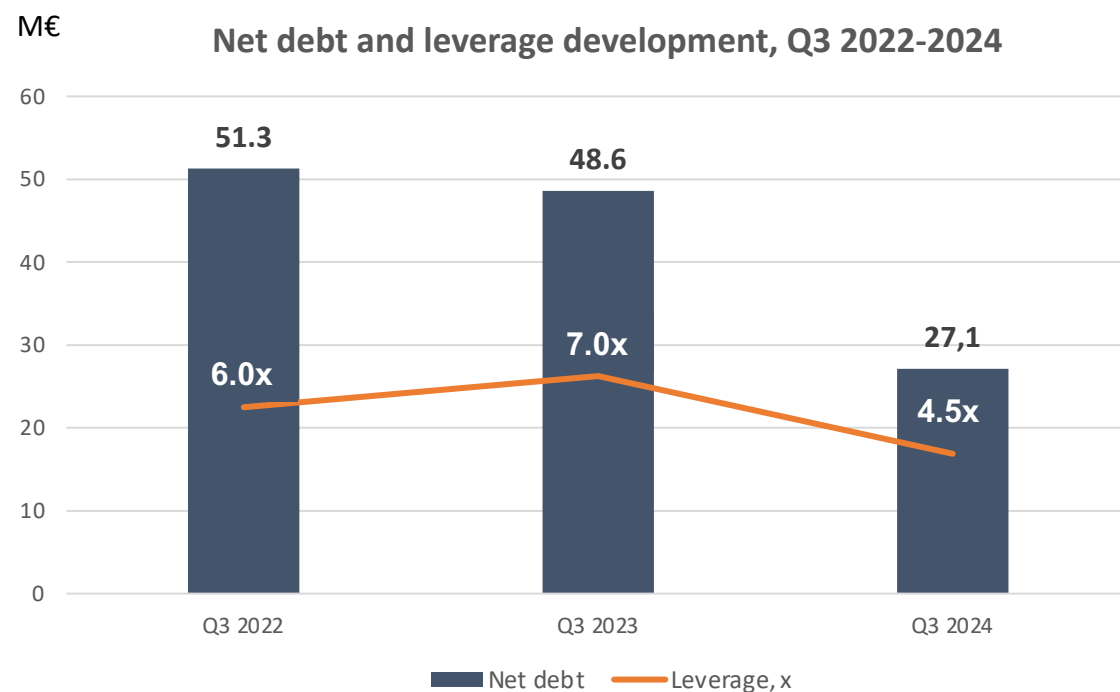
Q3

- In the third quarter adjusted EBITA amounted to EUR 3.2 million (3.8)
- Adjusted EBITA margin 8.4% (10.1%)
- Gross margin 24.9% (24.7%)
 - Margin improvements balanced out market disruption related to extra logistics costs
 - Negative impact of currency exchange rates was EUR 0.2 million

Year to date

- Adjusted EBITA 4.9 million (4.4), increase of 11%

Quarterly financial position development Q3 2022-2024



- Net debt decreased by EUR 21.5 million
- Leverage ratio 4.5x, gradually improving
- Net working capital in Q3 at EUR 57.7 million (61.7) due to seasonal profile, at a level approximately EUR 4.1 million lower compared to previous year

PowerFactory acquisition 5/2022
TranAm acquisition 3/2023

Summary of Q3 and 1-9/2024 financials

- Focus on profitability improvement and strengthening of capital structure
 - Profitability improvement programme shifted to processes
 - Management of working capital continued

Key figures and ratios EUR thousand	Q3 2024 (2/2024-5/2024)	Q3 2023 (2/2023-5/2023)	1-9 2024 (9/2023-5/2024)	1-9 2023 (9/2022-5/2023)	FY 2023 (9/2022-8/2023)
Net sales	37,904	37,673	93,073	88,967	118,832
Net sales growth, %	0.6	7.4	4.6	-0.4	-4.2
Net sales growth with comparable currencies, %	2.7	8.1	4.3	1.7	-1.0
Organic net sales growth with comparable currencies, %	2.7	-10.3	-2.6	-14.7	-15.6
Gross margin	9,453	9,301	23,015	21,794	28,344
Gross margin, %	24.9	24.7	24.7	24.5	23.9
EBITDA	3,172	3,472	2,428	4,205	4,307
Items affecting comparability, EBITDA	269	584	3,099	823	1,193
Adjusted EBITDA	3,441	4,056	5,527	5,028	5,499
Adjusted EBITDA margin, %	9.1	10.8	5.9	5.7	4.6
Adjusted EBITA	3,197	3,819	4,842	4,370	4,594
Adjusted EBITA margin, %	8.4	10.1	5.2	4.9	3.9
Adjusted operating profit	2,502	3,138	2,762	2,692	2,234
Adjusted operating profit margin, %	6.6	8.3	3.0	3.0	1.9
Earnings per share (EUR)	-0.003	0.02	-0.006	-0.04	-0.1
Investments in tangible and intangible assets excluding brand acquisitions	189	394	628	1,477	2,481
Net debt	27,086	48,585	27,086	48,585	38,248
Net working capital	57,665	61,756	57,665	61,756	49,873
Operating free cash flows	3,214	12,177	-4,345	5,793	16,392

New organisation to drive increased focus on performance

- Magnus Miemois started as CEO on 1st of June
- New organisation and Management Team in place to drive increased focus on performance
- Caj Malmsten appointed CFO, starting on 19th of August
 - Interim CFO, Juha Lindroos continues at Duell until the end of September



Focus areas and outlook for financial year 2024

Focus during Q4 2024

- Sales activities until end of summer season
- Continue stabilisation activities by focus on
 - Optimisation of net working capital and decreasing inventory levels
 - Margin improvement activities

Outlook for financial year 2024 (unchanged)

- Market uncertainty and weakness will persist in financial year 2024. Overall challenging market situation has lowered consumer confidence and demand. These factors will weaken the predictability and therefore Duell is not giving outlook for net sales for financial year 2024.
- Duell will continue its profitability improvement programme and enhance the net working capital position in financial year 2024. Duell estimates adjusted EBITA to improve from previous year's level.

Appendix - Duell in brief



A leading Nordic and European powersports aftermarket distributor

119 M€

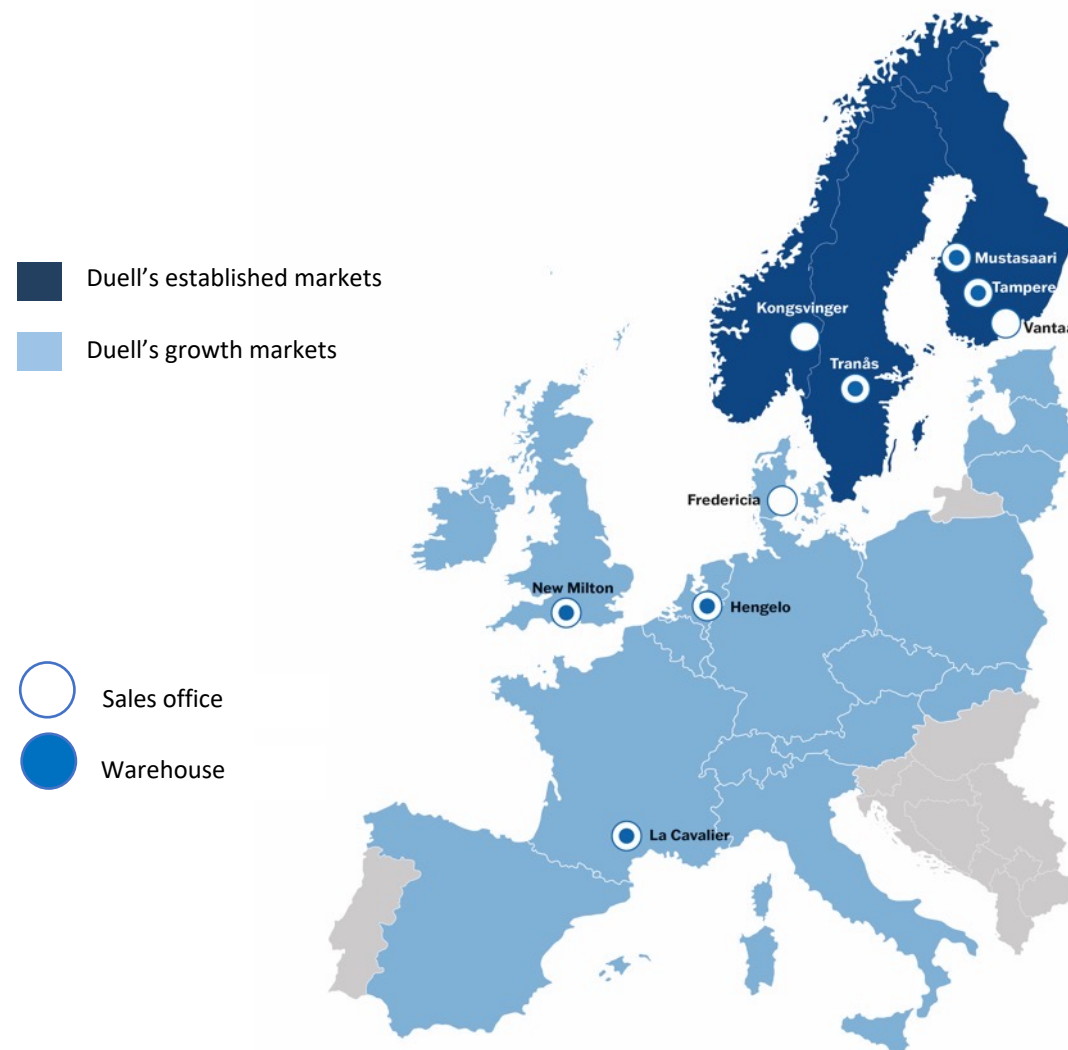
Net sales
9/2022–8/2023

3.9%

Adjusted EBITA
9/2022–8/2023

Key figures*

- 150,000 SKUs
- >550 brands
- 600 suppliers
- 8,500 active dealers
 - 4,500 in Nordics
 - 4,000 in Rest of Europe
- All Sales Channels
- >200 employees
 - 67% in Nordics
 - 33% in rest of Europe



All powersports spare parts, accessories and personal equipment from motorbikes to marine



Vision, mission, values and strategy

VISION

The preferred wholesale partner for brand owners and dealers in Europe

MISSION

To provide the most reliable distribution channel of top brands through dealers to consumers in Europe

VALUES

Passion
Trust
Partnership

STRATEGY

Geographical market expansion
Partner for online sales
Brand portfolio development



Duell's added value in the value chain



For brand owners

- Extensive dealer network
- Timely orders, local storage and credibility
- Marketing and aftersales support
- Customer insights with local market knowledge



Duell's core

- Leading broad brand portfolio
- Strong local sales presence
- Technology at heart of operations
- Logistics optimised to serve all channels and markets



For dealers

- Broad offering of leading brands from entry-level to high-end products
- Comprehensive product information
- Efficient and flexible logistics chains
- Low inventory requirements



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| Netherlands | Germany | France | United Kingdom**