



PIERCE GROUP AB (publ)

Interim report

January – September 2024

Transformation continues

July – September 2024

- Net revenue decreased by 1%, totalling SEK 365 (369) million. In local currencies there was growth of 1%.
- Operating profit (EBIT) amounted to SEK 0 (-47) million, corresponding to an operating margin of -0.1% (-12.8%). Adjusted operating profit (EBIT) was SEK 0 (-47) million, and the adjusted operating margin was 0.0% (-12.7%).
- Cash flow for the period was SEK -105 (-1) million and the cash position at the end of the period was SEK 261 (171) million.
- Earnings per share before and after dilution was SEK -0.03 (-0.77).

January – September 2024

- Net revenue increased by 2%, totalling SEK 1,177 (1,154) million. In local currencies growth was also 2%.
- Operating profit (EBIT) was SEK 23 (-66) million, corresponding to an operating margin of 2.0% (-5.7%). Adjusted operating profit (EBIT) totalled SEK 24 (-61) million, and the adjusted operating margin was 2.0% (-5.3%).
- Cash flow for the period was SEK 35 (30) million.
- Earnings per share before and after dilution was SEK 0.46 (-0.59).

SEKm (unless stated otherwise)	Jul-Sep		Jan-Sep		Oct 2023-	Jan-Dec
	2024	2023	2024	2023	Sep 2024	2023
Net revenue	365	369	1,177	1,154	1,559	1,537
Growth (%) ¹	-1%	-1%	2%	-7%	-1%	-8%
Growth in local currencies (%) ¹	1%	-9%	2%	-12%	-3%	-13%
Gross profit	166	113	530	436	701	607
Profit after variable costs ^{1 2}	82	34	268	176	348	256
Overhead costs ¹	-65	-67	-194	-195	-265	-267
EBITDA ¹	17	-33	74	-24	61	-36
Operating profit (EBIT) ³	0	-47	23	-66	-21	-111
Adjusted EBITDA ^{1 5}	17	-32	74	-19	82	-11
Adjusted operating profit (EBIT)^{1 3 5}	0	-47	24	-61	17	-85
Items affecting comparability ¹	0	-1	0	-5	-38	-26
Profit/loss for the period	-2	-61	37	-47	-13	-96
Gross margin (%) ¹	45.5%	30.7%	45.0%	37.8%	44.9%	39.5%
Profit after variable costs (%) ¹	22.5%	9.3%	22.8%	15.3%	22.3%	16.7%
Adjusted EBITDA (%) ^{1 5}	4.6%	-8.7%	6.3%	-1.6%	5.3%	-0.7%
Adjusted operating margin (EBIT) (%) ^{1 5}	-0.0%	-12.7%	2.0%	-5.3%	1.1%	-5.6%
Cash flow for the period	-105	-1	35	30	96	91
Net debt (+) / Net cash (-) ⁴	-261	-171	-261	-171	-261	-222
Earnings per share before dilution (SEK)	-0.03	-0.77	0.46	-0.59	-0.16	-1.21
Earnings per share after dilution (SEK)	-0.03	-0.77	0.46	-0.59	-0.16	-1.21

¹ Alternative performance measures (APM), see pages 23-25 for definitions and purpose of these measurements.

² Variable costs refers, in addition to cost of goods sold, to variable sales and distribution costs. These include direct marketing costs as well as other direct costs and correlates essentially with net revenue.

Other direct costs mainly consist of freight, invoicing and packaging.

³ Operating profit (EBIT) includes depreciation and amortisation. Amortisation attributable to business acquisitions¹ were SEK 23 million during the last twelve months¹ period and SEK 18 million in the last year, which in both periods included SEK 17 million impairment of goodwill excluded in the adjusted measure.

⁴ Net debt refers to the alternative performance measure net debt excluding IFRS 16.

⁵ Adjusted measures in third quarter last year, last interim period and the last year exclude, among others, costs borne for transitions to a permanent CEO.

Adjusted measures in the last twelve months¹ period and the last year exclude, among others, costs of organisational downsizing. Additionally, adjusted operating profit (EBIT) excludes cost of impairment of goodwill of SEK 17 million during those periods.

CEO comments

The consumer sentiment weakened in the end of the second quarter and remained on a weak level throughout the third quarter. Our EBIT improved slightly versus last year. We reached a break-even EBIT for the quarter to compare with last year's EBIT of SEK -3 million, excluding the extraordinary SEK 44 million increase in the provision for slow moving inventory last year. Revenues increased slightly in local currencies but declined in SEK to SEK 365 million, from SEK 369 million the previous year. Year to date growth remains positive at 2 percent.

Our gross margin improved to 45.5 percent, up from 42.8 percent, excluding the extraordinary increase in the provision for slow moving inventory last year. The improvement was supported by increased prices, lower in-freight costs and obsolescence.

We are satisfied that the efficiency program implemented during the fourth quarter of 2023 is delivering according to plan. Our overhead costs decreased to SEK 65 million, compared to SEK 67 million the previous year, despite the underlying inflation, and investments in the modernization of our IT infrastructure as part of our transformation journey.

At the end of the third quarter, our cash position stood at SEK 261 million, a significant increase from SEK 171 million the previous year. However, we anticipate that seasonal fluctuations, an expanded offering of our private label products, and initiatives to ensure product availability and delivery precision in line with our strategy will require higher inventory levels moving forward.

Our vision is to become the unquestionable leading e-tailer of the European market for gear, accessories, and parts for motorcycle riding. To realise this vision, which we call Pierce 2.0, we have identified seven strategic pillars that guide our efforts.

- Achieve uncontested leadership in the Offroad segment and drive profitable growth in the Onroad segment
- Attain the highest customer loyalty in the industry
- Develop a simple and effective go-to-market strategy
- Be the best in the industry in pricing and procurement
- Establish market-leading "value-for-money" own brands
- Build a modern and scalable IT platform
- A lean and agile organization

An outstanding shopping experience is fundamental to attain the highest customer loyalty in the industry. We are dedicated to improve every step of the customer journey. This includes offering

the largest and most attractive product range with speedy and precise deliveries.

During the quarter we have made one of the largest improvements ever in our stocked assortment, where we have increased the number of stocked articles with close to 50%. This gives considerably better delivery precision and shorter delivery times to our customers. We now have the largest stocked range in Europe within our industry, and we plan to continue improving this to ensure the best possible shopping experience.

Another important milestone during the quarter was the launch of our first ever loyalty program, which was done in our 24MX store. Our focus is now on growing the membership base through onboarding activities such as member weekends with exclusive offers and the chance to win a new motocross.

The complete change of our tech stack is progressing. We are implementing state-of-the-art, modular, and cloud-based systems. These exhaustive changes take time, and we expect the project to continue throughout 2025.

The outlook remains highly uncertain. We maintain our full focus on our business, on what we can control, and we remain determined to realize our vision and achieve our strategic goals.

Göran Dahlin



CEO, Pierce Group AB (publ)

Stockholm, 15 November 2024



Performance measures – Group

SEKm (unless stated otherwise)	Jul-Sep		Jan-Sep		Oct 2023-	Jan-Dec
	2024	2023	2024	2023	Sep 2024	2023
Revenue measures						
Net revenue per geographical area						
Nordics	113	118	398	401	505	508
Outside the Nordics	251	251	779	753	1,054	1,029
Net revenue	365	369	1,177	1,154	1,559	1,537
Growth per geographical area						
Nordics (%) ¹	-4%	-5%	-1%	-10%	-3%	-10%
Outside the Nordics (%) ¹	0%	1%	3%	-5%	-0%	-7%
Growth (%)¹	-1%	-1%	2%	-7%	-1%	-8%
Performance measures						
Gross margin (%) ¹	45.5%	30.7%	45.0%	37.8%	44.9%	39.5%
Profit after variable costs (%) ¹	22.5%	9.3%	22.8%	15.3%	22.3%	16.7%
Overhead costs (%) ¹	18.0%	18.1%	16.5%	16.9%	17.0%	17.4%
Adjusted EBITDA (%) ¹	4.6%	-8.7%	6.3%	-1.6%	5.3%	-0.7%
Adjusted operating margin (EBIT) (%) ¹	-0.0%	-12.7%	2.0%	-5.3%	1.1%	-5.6%
Earnings per share before dilution (SEK)	-0.03	-0.77	0.46	-0.59	-0.16	-1.21
Earnings per share after dilution (SEK)	-0.03	-0.77	0.46	-0.59	-0.16	-1.21
Cash flow and other financial measures						
Operating profit (EBIT)	0	-47	23	-66	-21	-111
Investments	-2	-2	-4	-5	-6	-8
Operating profit (EBIT) minus investments	-2	-49	20	-71	-28	-118
Changes in net working capital	-108	1	-15	35	55	105
Other non-cash items ^{1, 2}	4	45	29	63	57	91
Operating cash flow¹	-106	-3	33	27	85	78
Paid/received blocked funds	—	—	-2	0	-2	0
Other cash flow ^{1, 3}	1	2	4	3	14	13
Cash flow for the period	-105	-1	35	30	96	91
Cash and cash equivalents ⁴	261	171	261	171	261	222
Net debt excluding IFRS 16 ^{1, 4, 6}	-261	-171	-261	-171	-261	-222
Net debt/EBITDA ^{1, 5}	-5.2	2.9	-5.2	2.9	-5.2	5.2
Inventory ⁴	400	377	400	377	400	344
Other current operating assets ^{1, 4}	26	20	26	20	26	14
Other current operating liabilities ^{1, 4}	-299	-219	-299	-219	-299	-251
Net working capital^{1, 4}	127	179	127	179	127	107
Operating measures						
Number of orders (thousands) ¹	332	332	1,092	1,115	1,433	1,456
Average order value (AOV) (SEK) ¹	1,100	1,110	1,078	1,036	1,088	1,055
Net revenue from private brands ¹	137	148	464	480	624	640
Active customers last 12 months (thousands) ¹	1,001	1,070	1,001	1,070	1,001	1,021

¹ Alternative performance measures (APM), see pages 23-25 for definitions and purpose of these measurements.

² Other non-cash items refer, in all significance, to amortisation and depreciation, excluding depreciation of right-of-use assets, and changes in current short term provisions. Amortisation in the last twelve months' periods and in the last year was affected by goodwill impairment and amortisation of discontinued brands of total SEK 21 million and SEK 18 million, respectively. Additionally, the same periods show adjustments for non-cash items that included a provision for slow moving inventory of SEK 44 million.

³ Other cash flow mainly regards paid/received tax, paid financial net and new share issues and issue of warrants excluding paid issue costs.

⁴ Measures correspond to each period end.

⁵ Net debt refers to the alternative performance measure net debt excluding IFRS 16, and EBITDA refers to the measure adjusted EBITDA excluding IFRS 16.

⁶ Positive values refer to net debt, whereas negative values refer to net asset. The net debt/EBITDA ratio is positive due to the combination of both negative net debt and EBITDA.



Pierce – Riders in eCommerce

Pierce is a leading e-commerce Company that sells motorcycle and snowmobile gear, parts and accessories to riders across Europe. The Company has a unique and wide range of products, which includes a significant range of own brands. Sales are conducted through locally adapted websites that are divided in three segments: Offroad, Onroad, and Other. Offroad targets motocross and enduro riders through the website 24MX while Onroad targets customers who ride on traffic-filled roads through the website XLMOTO. The Other segment primarily targets snowmobile riders through the website Sledstore. Pierce is a European Company with headquarters in Stockholm, a centralised warehouse in Szczecin, where it also has an office with IT, Finance and Marketing expert teams, and a customer care function in Barcelona. The Company employs approximately 320 people.

Comments to the Group's profit/loss for the period

(Figures in parentheses refer to the equivalent period last year)

July – September 2024

Net revenue

Net revenue decreased by 1 percent to SEK 365 (369) million. In local currencies there was an increase of 1 percent. Net revenue for the Offroad and Onroad segments decreased by 1 percent and 0 respectively. Net revenue for the Other segment (which is highly seasonal and smaller than the other two segments) declined by 16 percent. The decrease is partly explained by the closure of Pierce's physical store in Stockholm at the end of 2023.

Gross profit and gross margin

Gross profit amounted to SEK 166 (113) million, equivalent to a gross margin of 45.5 (30.7) percent.

Last year, gross profit and gross margin were negatively affected by an extraordinary increase in a provision for slow moving inventory. The Company made the decision to revise some of the base assumptions of its provision for slow moving inventory as a response to the market conditions. This resulted in an increased provision of SEK 44 million, i.e. 12.0 percent of net revenue. If the effect of the extraordinary provision was excluded, gross profit would have amounted to SEK 158 million, and gross margin would have been 42.8 percent. Excluding the impact of the provision for slow moving inventory last year, there is a positive development of 2.7 percentage points, achieved by increased prices to customers, reduced in-freight costs and a reversal of the obsolescence provision.

Shipping costs for purchase of goods of SEK -14 (-16) million correspond to 3.9 (4.4) percent of revenue. The ratio of shipping costs as a percentage of revenue decreased by 0.5 percentage points versus the same quarter last year. Ongoing disruptions within the Red Sea region since December 2023 (among other geopolitical factors) combined with other uncertainties such as the US economy and election as well as the general geopolitical climate may have a material impact in the coming quarters on freight prices. While the current outlook is uncertain, there is a risk that shipping rates will continue to be volatile and (on average for the Company, like its competitors) higher. Please see *Risks and factors of uncertainty* section on page 12 for further details.

Operating costs

Sales and distribution costs amounted to SEK -120 (-115) million, equivalent to 33.0 (31.1) percent of net revenue, a downturn in ratio of -1.9 percentage points. Lower personnel costs partially offset an increase in marketing costs, freight costs to customers and amortisation expenses.

Administration costs were SEK -47 (-45) million, which included accelerated amortisation of trademarks to be discontinued.

Out of the above, Overhead costs were SEK -65 (-67) million. The outcome from the operational efficiency program undertaken in the

fourth quarter of 2023 was in line with expectations. The savings from the program mitigated underlying cost increases, mainly from the prevailing inflationary trends. Additionally, the tech stack modernisation work entailed increased costs in the quarter, besides normal cost fluctuations.

Adjusted EBIT and EBIT

Adjusted operating profit (EBIT) was SEK 0 (-47) million, equivalent to a margin of 0.0 (-12.7) percent.

Items affecting comparability totalled SEK 0 (-1) million.

Operating profit (EBIT) totalled SEK 0 (-47) million.

Financial items

Financial income was SEK 3 (2) million from interest income on deposits.

Financial expenses were SEK -4 (-15) million and included a negative effect from the revaluation of financial balance sheet items of SEK -3 (-12) million, leasing expenses, losses from the revaluation of currency derivatives and credit facility fees.

Taxes and result for the period

Tax totalled SEK -1 (0) million and the result for the period was SEK -2 (-61) million.

January – September 2024

Net revenue

Net revenue increased by 2 percent to SEK 1,177 (1,154) million. In local currencies, the growth was 2 percent. Increase within the main segments Offroad and Onroad was 3 percent and 2 percent, respectively. Net revenue for the Other segment (which is highly seasonal and smaller than the other two segments) declined by 16 percent. The decrease is partly explained by the closure of Pierce's physical store in Stockholm at the end of 2023.

Gross profit and gross margin

Gross profit amounted to SEK 530 (436) million, equivalent to a margin of 45.0 (37.8) percent.

Last year, gross profit and gross margin were negatively affected by an extraordinary increase in a provision for slow moving inventory. The Company made the decision to revise some of the base assumptions of its provision for slow moving inventory as a response to the market conditions. This resulted in an increased provision of SEK 44 million, i.e. 3.8 percent of net revenue. If the effect of the extraordinary provision was excluded, gross profit would have amounted to SEK 480 million, and gross margin would have been 41.6 percent. Excluding the impact of the provision for slow moving inventory last year, there is a positive development of 3.4 percentage points in gross margin, achieved by increased prices to customers, reduced in-freight costs and a reversal of the obsolescence provision.

Our focus on slow moving stock over the last few quarters successfully resulted in a positive effect on gross profit of SEK 13 million (1.1 percent of net revenue), primarily due to reversal of obsolescence provision.

Shipping costs for purchase of goods totalled SEK -46 (-57) million. The reduction improved the ratio of shipping costs to net revenue by 1.0 percentage points, although this is not considered a permanent improvement. Ongoing disruptions within the Red Sea region since December 2023 (among other geopolitical factors) combined with other uncertainties such as the US economy and election as well as the general geopolitical climate may have a material impact in the coming quarters on freight prices. While the current outlook is uncertain, there is a risk that shipping rates will continue to be volatile and (on average for the Company, like its competitors) higher. Please see *Risks and factors of uncertainty* section on page 12 for further details.

Operating costs

Sales and distribution costs amounted to SEK -373 (-368) million, equivalent to 31.7 (31.9) percent of net revenue, an improvement in ratio of 0.2 percentage points. Lower variable costs, mainly for

personnel costs, partially offset increased costs for the warehouse, located in Poland, freight costs to customers and amortisation expenses.

Administration costs were SEK -137 (-135) million. Excluding items affecting comparability, these costs totalled SEK -136 (-130) million.

Out of the above, Overhead costs were SEK -194 (-195). The outcome from the operational efficiency program undertaken in the fourth quarter of 2023 was in line with expectations. The savings from the program mitigated increases, mainly from prevailing inflationary trends. Costs associated with the tech stack modernisation also impacted the Overhead costs together with normal cost fluctuations.

Adjusted EBIT and EBIT

Adjusted operating profit (EBIT) amounted to SEK 24 (-61) million, equivalent to a margin of 2.0 (-5.3) percent. The increase in gross margin was impacted positively by a reversal of the obsolescence provision.

Operating profit (EBIT) amounted to SEK 23 (-66) million and was impacted by items affecting comparability totalling SEK 0 (-5) million. Last year these were related to a transition to a permanent CEO and to advisory costs connected with setting up a performance-based share program.

Operating profit was affected negatively by exchange rate fluctuations compared with the same period 2023. The Company utilised currency derivatives to reduce risks related to these fluctuations, and the effect from these currency derivatives was SEK 2 (7) million and is reported as a financial item.

Financial items

Financial income totalled SEK 18 (24) million, of which SEK 8 (15) million referred to exchange rate differences related to the revaluation of financial balance sheet items, and SEK 2 (7) million was attributable to gains from exchange rate effects from currency derivatives, and lastly SEK 8 (3) million was income from short-term bank deposits.

Financial expenses of SEK -3 (-5) million in both periods consisted of leasing expenses and credit facility fees.

Taxes and results for the period

Tax totalled SEK -1 (0) million and the result for the period was SEK 37 (-47) million.

Comments to the Group's cash flow

(Figures in parentheses refer to the equivalent period last year)

July – September 2024

Cash flow from operating activities was SEK -96 (7) million, driven primarily by changes in net working capital which amounted to SEK -108 (1) million. Last year, we implemented measures to optimize inventory levels, focusing on reducing overstock while carefully managing our cash flow. This year, in line with our strategy, we have not only purchased to ensure availability for Black Month, but also increased our assortment to widen our offering and to ensure product availability and faster deliveries.

Cash flow from investments at the end of the quarter totalled SEK -2 (-2) million and referred to the purchase of equipment for the distribution warehouse, while in the same reporting period in 2023 this figure was mainly related to investments in IT systems.

Cash flow from financing activities was SEK -7 (-7) million and consisted of leasing payments in both periods.

Cash flow for the period was SEK -105 (-1) million and cash equivalents at the end of the period totalled SEK 261 (171) million.

Comments to the Group's financial position

(Figures in parentheses refer to the equivalent period last year)

Net working capital

Net working capital at the end of the period was SEK 127 (179) million. Compared to the same period last year, net working capital benefited from a higher balance of accounts payables, largely due to purchases made to ensure availability for Black Month, but also increased purchases to broaden our customer offering in general and increasing the width of stocked products to ensure product availability and faster deliveries.

Right-of-use assets and leasing liabilities

Right-of-use assets amounted to SEK 40 (60) million. The change was a result of depreciation for the period. Leasing liabilities amounted to SEK 39 (63) million.

Net debt / net asset and credit facility

The net cash position at the end of the period equaled cash and cash equivalents and amounted to SEK 261 (171) million. Pierce has a credit

January – September 2024

Cash flow from operating activities was SEK 62 (55) million, and it consisted of operating profit of SEK 23 (-66) million, non cash flow items affecting operating profit of SEK 52 (86) million and changes in net working capital of SEK -15 (35) million.

Cash flow from investments totalled SEK -6 (-5) million and referred to the purchase of equipment for the distribution warehouse, and last year mainly to investments in IT systems.

Cash flow from financing activities was SEK -21 (-21) million and consisted solely of leasing payments in the current period.

Cash flow for year to date was SEK 35 (30) million. Including exchange rate differences, which totalled SEK 4 (5) million, cash and cash equivalents at the end of the period amounted to SEK 261 (171) million.

facility of up to SEK 150 million that had not been utilised at the end of the period. The credit facility is subject to, amongst other things, certain financial covenants regarding the Group's leverage ratio and interest coverage ratio. As of 30 September 2024, Pierce was not in breach of the covenants in accordance with the current agreements for the credit facility. Covenants are reported quarterly.

Equity

The Group's equity at the end of the period amounted to SEK 666 (677) million. The SEK 12 million decrease in equity is explained primarily by the losses incurred in the last twelve month period, of SEK 13 million, and by adding back of the positive effect of the translation reserve of SEK 1 million.

Development per segment

(Figures in parentheses refer to the equivalent period last year)

Pierce's operations are, in all essential aspects, carried out in Europe and primarily within the segments Offroad and Onroad. Offroad refers to sales to motocross and enduro riders, and these products are sold under the store brand 24MX. Onroad refers to sales to motorcycle riders primarily using high roads, and the products are sold under the store brand XLMOTO. Within Offroad, Pierce has significantly larger market shares compared to Onroad. The Company's addressable market within Onroad is significantly larger and more exposed to competition compared to Offroad. Pierce's sales consist of gear, parts and accessories. Pierce has one additional smaller segment, Other, which primarily focuses on sales to snowmobile riders in the Nordics and is naturally highly seasonal and e.g. dependent on snowfall. The Other segment also previously included sales made through Pierce's physical store in Stockholm, at which operations were discontinued at the end of 2023.

Overall summary

SEKm	Jul-Sep		Jan-Sep		Oct 2023- Sep 2024	Jan-Dec 2023
	2024	2023	2024	2023		
Offroad	236	238	717	694	975	952
Onroad	123	124	416	408	503	496
Other	5	6	44	52	81	89
Net revenue	365	369	1,177	1,154	1,559	1,537
Offroad	112	76	340	273	460	393
Onroad	50	36	168	144	202	178
Other	2	2	21	20	37	37
Intra-group costs ¹	2	-1	1	-1	1	-1
Gross profit	166	113	530	436	701	607
Offroad	61	28	186	127	247	188
Onroad	19	6	71	45	81	55
Other	1	0	10	6	18	14
Intra-group costs ¹	2	-1	1	-1	1	-1
Profit after variable costs^{2 3}	82	34	268	176	348	256

¹ Intra-group costs, consist of exchange rate revaluation of net working capital items which are not divided between segments. These amounted in Q4 2023 SEK 0 (2) million, Q1 2024 SEK 0 (0) million, Q2 2024 SEK -1 (0) million and Q3 2024 SEK 2 (-1) million.

² Alternative performance measures (APM), see pages 23-25 for definitions and purpose of these measurements.

³ Variable costs refers, in addition to cost of goods sold, to variable sales and distribution costs. These include direct marketing costs as well as other direct costs and correlates essentially with net revenue.

Other direct costs mainly consist of freight, invoicing and packaging.

For more information about the segment, see Note 4.

Offroad 24MX

SEKm (unless stated otherwise)	Jul-Sep		Jan-Sep		Oct 2023- Sep 2024	Jan-Dec 2023
	2024	2023	2024	2023		
Net revenue	236	238	717	694	975	952
Growth (%) ¹	-1%	3%	3%	-3%	0%	-5%
Gross profit	112	76	340	273	460	393
Gross margin (%) ¹	47.3%	31.9%	47.4%	39.4%	47.1%	41.3%
Profit after variable costs ^{1 2}	61	28	186	127	247	188
Profit after variable costs (%) ¹	25.8%	11.9%	26.0%	18.3%	25.4%	19.8%
Number of orders (thousands) ¹	210	207	655	644	880	868
Average order value (AOV) (SEK) ¹	1,126	1,149	1,095	1,078	1,109	1,096
Active customers last 12 months (thousands) ¹	597	609	597	609	597	585

¹ Alternative performance measures (APM), see pages 23-25 for definitions and purpose of these measurements.

² Variable costs refers, in addition to cost of goods sold, to variable sales and distribution costs. These include direct marketing costs as well as other direct costs and correlates essentially with net revenue.

Other direct costs mainly consist of freight, invoicing and packaging.

For more information about the segment, see Note 4.

July – September 2024

Net revenue decreased by 1 percent to SEK 236 (238) million. In local currencies net revenue improved by 1 percent. Net revenue in the Nordics decreased by 6 percent, 5 percent in local currencies. Net revenue outside the Nordics increased by 1 percent, and by 3 percent in local currencies.

Profit after variable costs amounted to SEK 61 (28) million, which was equivalent to a margin of 25.8 (11.9) percent. Last year, profit after variable costs was affected negatively by an extraordinary provision for slow moving inventory. If the effect of the provision was excluded, profit after variable costs in the comparison period would have amounted to SEK 59 million, and margin would have increased to 24.6 percent.

January – September 2024

Net revenue increased by 3 percent, totalling SEK 717 (694) million. In local currencies the increase was 3 percent. Net revenue in the Nordics decreased by 2 percent and outside the Nordics it increased by 5 percent. In local currencies, net revenue in the Nordics decreased by 2 percent and increased by 4 percent outside the Nordics.

Profit after variable costs amounted to SEK 186 (127) million, equivalent to a margin of 26.0 (18.3) percent. Last year, profit after variable costs was affected negatively by an extraordinary provision for slow moving inventory. If the effect of the provision was excluded, profit after variable costs would have amounted to SEK 157 million, and margin would have increased to 22.7 percent.

The improvement in margins during the period primarily resulted from higher customer prices and reduced overall expenses in variable costs.

SEKm (unless stated otherwise)	Jul-Sep		Jan-Sep		Oct 2023-	Jan-Dec
	2024	2023	2024	2023	Sep 2024	2023
Net revenue	123	124	416	408	503	496
Growth (%) ¹	-0%	-5%	2%	-12%	-2%	-13%
Gross profit	50	36	168	144	202	178
Gross margin (%) ¹	40.8%	29.2%	40.5%	35.2%	40.2%	35.9%
Profit after variable costs ^{1 2}	19	6	71	45	81	55
Profit after variable costs (%) ¹	15.1%	5.0%	17.0%	11.0%	16.1%	11.2%
Number of orders (thousands) ¹	117	120	396	425	483	511
Average order value (AOV) (SEK) ¹	1,049	1,028	1,049	961	1,042	969
Active customers last 12 months (thousands) ¹	350	401	350	401	350	378

¹ Alternative performance measures (APM), see pages 23-25 for definitions and purpose of these measurements.

² Variable costs refers, in addition to cost of goods sold, to variable sales and distribution costs. These include direct marketing costs as well as other direct costs and correlates essentially with net revenue.

Other direct costs mainly consist of freight, invoicing and packaging.

For more information about the segment, see Note 4.

July – September 2024

Net revenue decreased by 0 percent to SEK 123 (124) million. In local currencies net revenue increased by 1 percent. The increase in the Nordics was 0 and outside the Nordics it decreased by 1 percent. In local currencies the change was 2 and 0 percent respectively.

Profit after variable costs, SEK 19 (6) million, was equivalent to a margin of 15.1 (5.0) percent. Last year, profit after variable costs was affected negatively by an extraordinary provision for slow moving inventory. If the effect of the provision was excluded, profit after variable costs in the comparison period would have amounted to SEK 19 million, and margin would have increased to 15.5 percent.

January – September 2024

Net revenue increased by 2 percent, totalling SEK 416 (408) million. The increase in local currencies was approximately 1 percent. The increase in the Nordics amounted to 4 percent and outside the Nordics it decreased by 1 percent. In local currencies the change was 5 and -2 percent, respectively.

Profit after variable costs amounted to SEK 71 (45) million, equivalent to a margin of 17.0 (11.0) percent. Last year, profit after variable costs was affected negatively by an extraordinary provision for slow moving inventory. If the effect of the provision was excluded, profit after variable costs would have amounted to SEK 58 million, and margin would have increased to 14.2 percent. The improvement in margins during the period primarily resulted from higher customer prices and reduced overall expenses in variable costs.

Other sledstore

SEKm (unless stated otherwise)	Jul-Sep		Jan-Sep		Oct 2023-	Jan-Dec
	2024	2023	2024	2023	Sep 2024	2023
Net revenue	5	6	44	52	81	89
Growth (%) ¹	-16%	-29%	-16%	-20%	-9%	-13%
Gross profit	2	2	21	20	37	37
Gross margin (%) ¹	40.7%	24.4%	47.1%	38.2%	46.1%	41.1%
Profit after variable costs ^{1 2}	1	0	10	6	18	14
Profit after variable costs (%) ¹	15.1%	6.3%	22.8%	10.8%	22.1%	15.2%
Number of orders (thousands) ¹	5	4	40	45	71	77
Average order value (AOV) (SEK) ¹	1,192	1,545	1,096	1,138	1,141	1,162
Active customers last 12 months (thousands) ¹	54	60	54	60	54	58

¹ Alternative performance measures (APM), see pages 23-25 for definitions and purpose of these measurements.

² Variable costs refers, in addition to cost of goods sold, to variable sales and distribution costs. These include direct marketing costs as well as other direct costs and correlates essentially with net revenue.

Other direct costs mainly consist of freight, invoicing and packaging.

For more information about the segment, see Note 4.

July – September 2024

Net revenue decreased by 16 percent to SEK 5 (6) million. In local currencies the decrease was 15 percent. The decrease is partly explained by the closure of Pierce's physical store in Stockholm at the end of 2023.

Profit after variable costs, SEK 1 (0) million, was equivalent to a margin of 15.1 (6.3) percent. The activity was low because the winter season for snowmobiles had not yet commenced. Last year, profit after variable costs was affected negatively by an extraordinary provision for slow moving inventory. If the effect of the provision was excluded, profit after variable costs in the comparison period would have amounted to SEK 1 million, and margin would have increased to 22.4 percent.

January – September 2024

Net revenue decreased by 16 percent to SEK 44 (52) million. In local currencies the decrease was 14 percent. The decrease is partly explained by the closure of Pierce's physical store in Stockholm at the end of 2023.

Profit after variable costs amounted to SEK 10 (6) million, equivalent to a margin of 22.8 (10.8) percent. Last year, profit after variable costs was affected negatively by an extraordinary provision for slow moving inventory. If the effect of the provision was excluded, profit after variable costs would have amounted to SEK 7 million, and margin would have increased to 12.9 percent. The improvement in margins during the period primarily resulted from higher customer prices and reduced overall expenses in variable costs.

The Pierce Share

The Pierce share is listed on the Nasdaq Stockholm Small Cap and trades under the ticker symbol PIERCE and ISIN code SE0015658364.

On 14 March 2024 a total of 950,000 series C shares were registered through a directed share issue to ensure the delivery of performance shares to participants in LTIP 2023/2026 performance-based share program. The series C shares carry one-tenth of a vote per share and do not entitle the holder to dividends. As the Company holds all issued series C shares in treasury, the 95,000 votes they carry cannot be represented at any General Meeting.

As of 30 September 2024, the share capital consisted of 79,374,100 ordinary shares with one vote per share and 950,000 series C shares with one-tenth of a vote per share, totalling 80,324,100 shares and 79,469,100 votes, equivalent to a quota value of SEK 0.02.

The share price at the beginning of the year was SEK 6.5 and was SEK 7.7 on the last trading day of the period. The number of shareholders was 1,519, of which the largest were Verdane Capital (29.5%), Procuritas (25.1%), Fourth AP fund (Sw. *Fjärde AP-fonden*) (6.0%), Eric Thysell (5.1%) and Adrigo Asset Management (4.2%).

The Company has two ongoing long-term incentive programs – LTIP, for CEO, Group Management and key employees. See the additional information provided below.

LTIP 2023/2026

LTIP 2023/2026 was approved by the Annual General Shareholders' Meeting on 16 May 2023, as part of an incentive program in the form of a performance-based share program for the CEO, Group Management and key employees. The program is accounted for in accordance with IFRS 2 which stipulates that the right to receive performance shares shall be expensed as a personnel cost over the vesting period. Provided that specific targets are met, a maximum of 950,000 ordinary shares can be issued to the participants for a subscription price of SEK 0.00. The vesting period ends on 16 May 2026 and participants will be awarded ordinary shares in accordance with the Terms and Conditions of the LTIP 2023/2026.

LTIP 2024/2027

LTIP 2024/2027 was approved by the Annual General Shareholders' Meeting on 17 May 2024, as part of an incentive program in the form of a performance-based share program for the CEO, Group Management and key employees. The program is accounted for in accordance with IFRS 2 which stipulates that the right to receive performance shares shall be expensed as a personnel cost over the vesting period. Provided that specific targets are met, a maximum of 1,025,000 ordinary shares can be issued to the participants for a subscription price of SEK 0.00. The vesting period ends on 17 May 2027 and participants will be awarded ordinary shares in accordance with the Terms and Conditions of the LTIP 2024/2027.

Significant events during the reporting period

No significant events took place during the reporting period.

Significant events after the end of the reporting period

No significant events took place after the end of the reporting period.

Impact of currency effects

In all material aspects, net revenue and the sum of total costs and investments are equivalent to payments received and payments made. Payments received during the last 12-month period in EUR, SEK and NOK accounted for 56, 14 and 10 percent respectively. With regards to payments made, EUR, SEK, USD and PLN accounted for 48, 24, 13 and 10 percent respectively. In order to reduce exposure to effects on earnings and cash flow due to exchange rate fluctuations, the Group utilised currency derivatives for certain currencies, including EUR, PLN and USD.

Furthermore, operating assets and operating liabilities in foreign currency are revalued at the end of each month. This revaluation refers primarily to operating liabilities including trade payables. Exchange rate fluctuations arising from revaluations of operating balance sheet items are reported net, primarily as a part of the cost of goods sold.

If leasing agreements have been signed in a currency other than the functional currency of each Group company, the leasing liability is revalued at each month-end close. These revaluation effects, as well as the revaluation of financial balance sheet items, are reported in financial net.

Employees

The average number of employees during the quarter amounted to 324 (398). Of these, 109 (132) worked at the distribution warehouse in Poland and 202 (257) were white collar workers in Sweden, Poland and Spain.

Excluding customer services personnel and certain production staff, the number of white-collar workers was 155 (199).

Seasonal variations

As the peak of the Offroad and Onroad motorcycle season occurs in the second quarter, this time of the year generates the highest net revenue level of about 30 percent of total sales. The fourth quarter however, usually presents the second highest level of net revenue, due to "Black week" and Christmas sales, while the first quarter has the lowest impact on total net revenue, slightly exceeding 20 percent of total sales.

Parent Company

Pierce Group AB (publ), Corp. ID Number 556967-4392, is the Parent Company in the Pierce Group, and is a public company with registered offices in Stockholm, Sweden. Since 26 March 2021, Pierce Group AB (publ) is listed on the Nasdaq Stockholm Small Cap.

The object of the Parent Company's business is to own and manage real property and movable property and directly or indirectly, through subsidiaries, carry out sales of equipment, accessories, and spare parts for motorcycles and other vehicles, and carry out other operations consistent therewith.

During the quarter, net revenue totalled SEK 5 (6) million and was fully attributable to sales to Group companies. Financial net consisted of interest income from an intercompany loan. Net result before tax for the quarter was SEK 2 (7) million.

The Parent Company's equity at the end of the period was SEK 753 (754) million.

The CEO and CFO are employed in the Parent Company.

Risks and factors of uncertainty

The Group's operations and results are affected by a number of external factors. The Pierce Group is primarily exposed to operational risks which are largely comprised of competition and market developments in local markets, quality of delivered goods mainly from Asia, inventory and product assortment risks, IT-related risks, and dependency on key individuals. A more detailed description of risks and risk management can be found in Pierce's Annual Report for 2023.

As in previous periods, inflation and the prevailing economic climate affect consumer behavior and demand and continue to be factors of uncertainty.

On 24 February 2022, the conflict between Russia and Ukraine started and has continued since. On 7 October 2023, an armed conflict between Israel and Hamas-led Palestinian militant groups has been taking place chiefly in and around the Gaza Strip. The conflict has also spread locally and impacted some neighboring countries as well as the Red Sea area.

The general geo-political instability and the specifically mentioned conflicts might imply a major impact on prices, exchange rates, import and export restrictions, availability of raw materials and goods and resources where Russia, Belarus and/or Ukraine as well as Israel and other countries in the Middle East are involved.

The Pierce Group has no material direct operations in any of the directly involved countries which implies that the direct impact of the events is assessed as low. However, the indirect effects can prove to be significant depending on the manner in which the situation develops and the duration of the conflict. The primary effect thus far is the impact on customer demand in general in Europe as well as on shipping through the Red Sea. Since the beginning of the Ukraine conflict, the decrease in demand has had a negative effect on Pierce's sales.

Ongoing disruptions within the Red Sea region since December 2023 are causing global supply chain challenges, necessitating vessel diversions around Africa and exacerbating capacity constraints. Asian exports, particularly to Europe via the Suez Canal, and Oceania networks are significantly affected by port congestion and delays, influencing global trade routes beyond the Red Sea region. These matters and other uncertainties such as the US election may have a great impact in the coming quarters on freight prices. In-freight shipping market rates have generally been higher in 2024 vs end 2023. They have also been more volatile, also considering normal seasonality. While the current outlook is uncertain, there is a risk that shipping rates will continue to be volatile and (on average for the Company, like its competitors) higher. In consequence, the Company is taking active measures to reduce the potential impact on margins. However, it is possible that higher average freight costs may increase the cost of goods sold and constrain margin growth, to the extent that these costs cannot be passed on or other measures do not succeed. Changes in freight prices typically have an effect on cash and working capital as the goods purchased are inbound, the impact on profit and loss however materializes as the product is sold.

Also, like many competitors and suppliers in the market in which the Company operates, Pierce is heavily dependent (both directly and

indirectly) on suppliers in China. Depending on how the geopolitical situation develops, it may become more difficult and/or costly to obtain a consistent supply of products from this market.

Furthermore, the impact on the financial and foreign exchange markets could have a negative effect on Pierce.

Financial risks include e.g., currency risks (see previous page), interest rate risks and the risk of not being able to obtain sufficient financing. E-commerce is characterised, amongst other things, by a sharp increase in sales during certain campaign periods. If Pierce's sales do not develop in line with the Group's expectations during these periods, this may affect both the result and financial position negatively.

Pierce has a credit facility with one of the larger Swedish banks of up to SEK 150 million that had not been utilised at the end of the period. The credit facility is subject to, amongst other things, certain financial covenants regarding the Group's leverage ratio and interest coverage ratio. As of 30 September 2024, Pierce was not in breach of the covenants in accordance with the current agreements for the credit facility. Covenants are reported quarterly.

For further information, see Note 7.

Pierce performs impairment testing for assets applying a discount rate considering the risk-free interest level. There is a risk that the risk-free interest level will increase and, as a result, the discount rate used to calculate asset values will also increase, something that could lead to the recognition of impairment of assets.

Related party transactions

During the current interim period Pierce purchased goods (for resale in its ordinary business) from O'Neal Europe GmbH & Co. KG, a company controlled by Pierce Group AB Board Member Thomas Schwarz, for a price of SEK 13 (10) million. Transactions with this supplier were performed on commercial market terms.

For further information regarding related parties see Note 6.

Medium to long term financial targets

Pierce's Board of Directors has adopted the following medium to long term financial targets¹.

Net revenue growth

In the medium to long term (3-5 years), organically outgrow the European online market for motorcycle gear, accessories and parts.

Adjusted operating margin (EBIT)

In the medium to long term (3-5 years), achieve an adjusted operating margin (EBIT) of 5-8 percent.

Capital structure

Net debt/EBITDA² not exceeding 2.0x, subject to temporary flexibility for strategic initiatives.

Dividend policy

Over the next few years, free cash flows³ are planned to be used for the continued development⁴ of the Company and thus not distributed to the shareholders.

¹ The Board adopted the financial targets in May 2024.

² Alternative performance measures (APM), see pages 23-25 for definitions and purpose of these measurements.

³ Free cash flow refers to cash flow from operating activities and operations and investment activities.

⁴ Development of the company refers to e.g., investments in IT-hardware, IT-development, expansion of distribution warehouses, marketing, customer acquisition and business and asset acquisitions.

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Other

This report has been reviewed by the Company's auditors.

Upcoming financial events

21 February 2025

Year-end report January – December 2024

21 March 2025

Annual report 2024

15 May 2025

Interim report January – March 2025

20 May 2025

Annual General Meeting

Telephone and web conference in conjunction with the publication of quarterly report

CEO Göran Dahlin and CFO Fredrik Idestrom will hold a web telephone conference in English on 15 November 2024, 9.00 am CET, in conjunction with the publication of the quarterly report.

To participate via telephone conference, please register via the link below.

<https://conference.financialhearings.com/teleconference/?id=50048919>.

After registration, you will be provided with a telephone number and a conference ID to access the telephone conference. You can ask questions verbally via the telephone conference.

The presentation and conference can be followed via the following web link:

<https://ir.financialhearings.com/pierce-group-q3-report-2024>.

The presentation material will be available prior to the start of the conference on Pierce Group's website via the following web link:

<https://www.piercgroup.com/en/reports-presentations/>

Contact information, Pierce

Göran Dahlin, CEO, +46 72 730 31 11

Fredrik Idestrom, CFO, +46 76 546 49 80

The information was submitted for publication by the above mentioned contact individuals on 15 November 2024 at 08:00 CET.

Signatures

The undersigned hereby confirm that the interim report provides a true and fair view of the Parent Company's and Group's operations, financial position and results, and that it describes the significant risks and uncertainties to which the Parent Company and the companies included in the Group are exposed.

Stockholm, 15 November 2024

Göran Dahlin

CEO

Q3/2024

Auditor's report on review of interim financial information in summary (interim report) prepared in accordance with IAS 34 and Chapter 9 of the Swedish Annual Accounts Act (1995:1554)

To the board of Pierce Group AB (publ), corporation number 556967-4392

Introduction

We have reviewed the condensed consolidated interim financial information in summary (interim report) of Pierce Group AB (publ) as of 30 September 2024 and the nine-month period then ended. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards.

The procedures performed in a review do not enable us to obtain assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim report is not, in all material respects, prepared in accordance with IAS 34 and the Swedish Annual Accounts Act for the Group and the Swedish Annual Accounts Act for the Parent company.

Stockholm November 15, 2024

Grant Thornton Sweden AB

Mia Rutenius
Authorized Public Accountant
Auditor in-charge

Ida Sparrfeldt
Authorized Public Accountant

Condensed consolidated statement of profit/loss

SEKm (unless stated otherwise)	Note	Jul-Sep		Jan-Sep		Oct 2023-	Jan-Dec
		2024	2023	2024	2023	Sep 2024	2023
Net revenue	3.4	365	369	1,177	1,154	1,559	1,537
Cost of goods sold		-199	-255	-647	-718	-859	-930
Gross profit	4	166	113	530	436	701	607
Sales and distribution costs		-120	-115	-373	-368	-511	-505
Administration costs		-47	-45	-137	-135	-213	-212
Other operating income and expenses		1	-1	4	1	2	-1
Operating profit	4	0	-47	23	-66	-21	-111
Financial net		-1	-14	15	20	8	13
Profit/loss before tax	4	-1	-61	38	-47	-13	-98
Tax		-1	—	-1	0	1	2
Profit/loss for the period		-2	-61	37	-47	-13	-96
Attributable to shareholders of the parent company		-2	-61	37	-47	-13	-96
Earnings per share							
Earnings per share before dilution (SEK)		-0.03	-0.77	0.46	-0.59	-0.16	-1.21
Earnings per share after dilution (SEK)		-0.03	-0.77	0.46	-0.59	-0.16	-1.21
Average number of shares before dilution (thousands)		79,374	79,374	79,374	79,374	79,374	79,374
Average number of shares after dilution (thousands)		79,374	79,374	79,507	79,374	79,374	79,374

Consolidated statement of comprehensive income

SEKm	Note	Jul-Sep		Jan-Sep		Oct 2023-	Jan-Dec
		2024	2023	2024	2023	Sep 2024	2023
Profit/loss for the period		-2	-61	37	-47	-13	-96
Items that may subsequently be reclassified to income							
Translation difference		-1	0	1	5	1	5
Other comprehensive income for the period		-1	0	1	5	1	5
Comprehensive income for the period and attributable to shareholders of the parent company		-3	-62	38	-41	-12	-91

Condensed consolidated statement of financial position

SEKm	Note	Sep 30 2024	Sep 30 2023	Dec 31 2023
Assets				
Non-current assets				
Intangible assets		286	335	310
Property, plant and equipment		14	13	15
Right-of-use assets		40	60	53
Financial assets	7	5	3	3
Deferred tax assets		7	5	8
Total non-current assets		352	417	389
Current assets				
Inventory		400	377	344
Other current assets	5	28	30	15
Cash and cash equivalents		261	171	222
Total current assets		690	578	582
Total assets		1,041	995	970
Equity and liabilities				
Total equity attributable to shareholders of the parent company				
		666	677	627
Non-current liabilities				
Leasing liabilities		10	31	24
Deferred tax liabilities		25	27	26
Provisions		0	0	0
Total non-current liabilities		36	58	51
Current liabilities				
Leasing liabilities		29	32	30
Trade payables		119	68	81
Other current liabilities	5	193	160	181
Total current liabilities		340	259	292
Total equity and liabilities		1,041	995	970

Condensed consolidated statement of changes in equity

SEKm	Share capital	Other capital contributions	Translation reserve	Retained earnings including profit/loss for the year	Total equity attributable to shareholders of the Parent Company
Opening balance 2023-01-01	2	814	5	-101	719
Profit/loss for the year	—	—	—	-47	-47
Share-based compensation	—	0	—	—	0
Other comprehensive income for the year	—	—	2	4	5
Total comprehensive income for the year	—	0	2	-43	-41
Closing balance 2023-09-30	2	814	7	-144	677
Opening balance 2024-01-01	2	814	5	-193	627
Profit/loss for the year	—	—	—	37	37
Share-based compensation	—	0	—	—	0
Other comprehensive income for the year	—	—	-2	4	1
Total comprehensive income for the year	—	0	-2	40	38
Transactions with shareholders					
New share issue including issue costs	—	0	—	—	0
Total	—	0	—	—	0
Closing balance 2024-09-30	2	814	3	-152	666

Condensed consolidated statement of cash flow

SEKm	Note	Jul-Sep		Jan-Sep		Oct 2023-	Jan-Dec
		2024	2023	2024	2023	Sep 2024	2023
Operating activities							
Operating profit		0	-47	23	-66	-21	-111
Adjustments for non-cash items ¹		12	53	52	86	88	122
Paid interest		-1	-1	-3	-4	-4	-5
Realised currency derivatives		0	1	2	5	6	9
Received interest		2	1	6	1	7	3
Paid/received tax		-1	-1	-3	-2	3	3
Cash flow from operating activities before changes in net working capital		12	6	78	21	78	21
Changes in net working capital		-108	1	-15	35	55	105
Cash flow from operating activities		-96	7	62	55	134	127
Investing activities							
Investments in non-current assets		-2	-2	-4	-5	-6	-8
Paid/received blocked funds		—	—	-2	0	-2	0
Cash flow from investing activities		-2	-2	-6	-5	-9	-8
Financing activities							
Share issue costs		—	—	0	—	0	—
Repayment of leasing liabilities		-7	-7	-21	-21	-29	-28
Cash flow from financing activities		-7	-7	-21	-21	-29	-28
Cash flow for the period		-105	-1	35	30	96	91
Cash and cash equivalents at the beginning of period		350	179	222	136	171	136
Exchange rate difference in cash and cash equivalents		16	-7	4	5	-6	-4
Cash and cash equivalents end of period		261	171	261	171	261	222

¹ Adjustments for non-cash items refer in all significance to amortisation and depreciation and changes in current short term provisions. During third quarter last year, last interim period and last year the item was affected by a provision for slow moving inventory of SEK 44 million. Additionally, last twelve months' period and last year adjustments for non-cash items included a goodwill impairment of SEK 17 million.

Condensed Parent Company statement of profit/loss

SEKm	Jul-Sep		Jan-Sep		Jan-Dec
	2024	2023	2024	2023	2023
Net revenue	5	6	14	16	21
Gross profit	5	6	14	16	21
Administration costs	-6	-5	-15	-19	-25
Operating profit	-1	0	-1	-3	-5
Financial net	3	6	15	18	24
Profit/loss after financial items	2	7	13	15	19
Appropriations	—	—	—	—	-19
Profit/loss before tax	2	7	13	15	0
Tax	—	—	—	—	—
Profit/loss for the period	2	7	13	15	0

Profit/loss for the period equals comprehensive income for the period.

Condensed Parent Company balance sheet

SEKm	Sep 30 2024	Sep 30 2023	Dec 31 2023
Assets			
Non-current assets			
Shares in group companies	409	379	409
Receivables from group companies	345	374	350
Total non-current assets	754	753	759
Current assets			
Receivables from group companies	1	2	—
Other current assets	1	1	1
Cash and cash equivalents	2	4	4
Total current assets	4	7	5
Total assets	759	760	763
Equity and liabilities			
Total equity	753	754	739
Current liabilities			
Liabilities to group companies	—	—	16
Other current liabilities	6	6	9
Total current liabilities	6	6	24
Total equity and liabilities	759	760	763

Note 1 - Accounting principles

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU. The Group's Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting and the applicable parts of the Swedish Annual Accounts Act.

The Interim Report for the Parent Company has been prepared in accordance with Chapter 9 of the Annual Accounts Act, Interim reports, and RFR 2 Accounting for legal entities.

For the Group and the Parent Company, the same accounting principles, basis for calculations and assessments have been applied as applied in the Annual Report for 2023. For a description of the Group's applied accounting principles, see Note 1 and Note 2 in the Annual Report for 2023.

Disclosures in accordance with IAS 34.16A are shown in the financial statements and associated Notes in this information, in addition to pages 1–13 which form an integral part of this interim report.

All amounts in this report are stated in millions of Swedish kronor (SEKm) unless stated otherwise. Rounding variances may occur.

Information on future standards

A few standards and interpretations have been updated since January 1, 2024. These have had no impact on the preparation of these financial statements. None of the IFRS or IFRIC interpretations that are yet to come into force are expected to have any significant impact on the Group.

Note 3 – Revenue

The Group's revenue consists of the sale of goods via the Group's websites and, until the end of 2023, a physical store (reported among other revenues under the Segment "Other, Sweden"). Revenue is reported at a given point in time due to the fact that the conditions for control being transferred over time are not met. In addition to the segments, geographical area is also an important attribute when specifying revenue, and this is presented in the table below.

SEKm	Jul-Sep		Jan-Sep		Oct 2023- Sep 2024	Jan-Dec 2023
	2024	2023	2024	2023		
Sweden	26	26	71	71	91	91
Other Nordics	26	29	73	78	96	100
Outside the Nordics	185	183	572	546	788	761
Revenue Offroad	236	238	717	694	975	952
Sweden	21	21	79	76	88	86
Other Nordics	35	35	131	125	149	142
Outside the Nordics	67	68	206	207	266	268
Revenue Onroad	123	124	416	408	503	496
Sweden	3	4	21	28	42	49
Other Nordics	3	2	22	24	39	40
Outside the Nordics	—	—	—	—	—	—
Revenue Other	5	6	44	52	81	89
Sweden	49	52	171	175	222	225
Other Nordics	64	66	227	226	283	283
Outside the Nordics	251	251	779	753	1,054	1,029
Revenue Group	365	369	1,177	1,154	1,559	1,537

Note 2 - Estimations and assessments

The preparation of the Interim Report requires that the Company's management make assessments and estimates, as well as assumptions that affect the application of the accounting principles and the reported amounts of assets, liabilities, income and expenses. The actual outcome may differ from these estimates. Changes in estimates are recognised in the period in which the change occurs, if the change affected only that period, or in the period in which the change is made and future periods if the change affects both the current period and future periods.

Important estimations and assessments can be found in Note 2 in the 2023 Annual Report. No changes have been made to these estimations and assessments that could have a significant impact on the interim report.

Note 4 - Segment reporting

SEKm	Jul-Sep		Jan-Sep		Oct 2023-	Jan-Dec
	2024	2023	2024	2023	Sep 2024	2023
Offroad	236	238	717	694	975	952
Onroad	123	124	416	408	503	496
Other	5	6	44	52	81	89
Net revenue	365	369	1,177	1,154	1,559	1,537
Offroad	112	76	340	273	460	393
Onroad	50	36	168	144	202	178
Other	2	2	21	20	37	37
Intra-group costs	2	-1	1	-1	1	-1
Gross profit	166	113	530	436	701	607
Offroad	-51	-48	-153	-146	-212	-205
Onroad	-32	-30	-98	-99	-121	-122
Other	-1	-1	-11	-14	-19	-23
Variable sales and distribution costs¹	-84	-79	-262	-260	-353	-351
Offroad	61	28	186	127	247	188
Onroad	19	6	71	45	81	55
Other	1	0	10	6	18	14
Intra-group costs	2	-1	1	-1	1	-1
Profit after variable costs^{1 2}	82	34	268	176	348	256
Other expenses in the operation ^{1 3}	-82	-82	-245	-243	-369	-367
Operating profit	0	-47	23	-66	-21	-111
Financial net ³	-1	-14	15	20	8	13
Pre-tax income	-1	-61	38	-47	-13	-98

¹ Alternative performance measures (APM), see pages 23-25 for definitions and purpose of these measurements.

² Variable costs refers, in addition to cost of goods sold, to variable sales and distribution costs. These include direct marketing costs as well as other direct costs and correlates essentially with net revenue.

Other direct costs mainly consist of freight, invoicing and packaging.

³ Other expenses in the operation and financial net regards intra-group costs.

Pierce sells motorcycle and snowmobile gear, parts and accessories.

The operating segments into which the Group's operations are divided are:

- **Offroad:** sales to motocross and enduro riders under the 24MX brand.
- **Onroad:** sales to customers who ride motorcycles on high roads. Sales are under the XLMOTO brand.
- **Other:** sales to snowmobile riders under the Sledstore brand and sales via a physical store in Stockholm.

▪ **Intra-group transactions:**

- Intra-group transactions included under Gross profit and Profit after variable costs refer to the revaluation of net working capital items, mainly included in cost of goods sold. These items are not allocated to segments.
- Intra-group costs, after Profit after variable costs, refers to expenses for group-wide functions, such as central administration, which are not allocated to segments.

No information is provided on segment assets or liabilities as no separate segmentation is performed in reporting the consolidated financial position.

Note 5 - Financial instruments, fair value

Currency derivatives are the only instruments reported at fair value through profit/loss. Other financial instruments are valued at amortised cost in the statement of financial position, and the reported values corresponded in all material respects with the fair value.

In accordance with IFRS 13, last year the asset regarding the currency derivatives was attributable to level 2 in the fair value hierarchy.

The valuation of currency derivatives is based on official market data for exchange rates. At the end of the period, the fair value amounted to SEK -1 (1) million and these derivatives have been classified as current liabilities.

Note 6 - Related party transactions

Other related party transactions

During the current interim period Pierce purchased goods (for resale in its ordinary business) from O'Neal Europe GmbH & Co. KG, a company controlled by Pierce Group AB Board Member Thomas Schwarz, for SEK 13 (10) million. Thomas Schwarz is a Board Member since June 2022, therefore O'Neal Europe GmbH & Co. KG was recognised as a related party since the second quarter 2022.

All transactions with this supplier were performed on commercial market terms.

There were no other related party transactions in the current and previous interim periods.

See Note 29 in the Annual Report for 2023 for more information.

Performance-based share program

The Group has two performance-based share programs as a part of an incentive program for certain senior executives and key employees in the Group. See page 11 for further information.

All transactions are based on market terms and conditions.

Note 7 - Pledged assets and contingent liabilities

SEKm	Sep 30 2024	Sep 30 2023	Dec 31 2023
To credit institutions for the Group's own liabilities and provisions			
Deposits for fulfillment of payments	3	3	3
Paid blocked funds	2	—	—
Total pledged assets	5	3	3

¹ Utilised credit facility refers to utilised overdraft, which does not include obtained loan or capitalised loan and interest expenses.

In conjunction with the listing, the previous financing structure was replaced by a SEK 300 million credit facility, which was first reduced during the second quarter of 2022 to SEK 200 million in connection with new share issue. During the second quarter of 2023 the credit facility was further reduced by agreement to SEK 150 million. At the end of the interim period Pierce had not utilised the credit facility, holding a positive cash position. There is a guarantee granted for the

credit facility to credit institutions provided by the Parent Company, Pierce Group AB, for the liabilities of its subsidiary, Pierce AB.

The credit facility includes certain financial covenants. See more information under the "Risks and factors of uncertainty" section, page 12.

Pledged assets at the end of the quarter referred to deposits paid.

Note 8 - Significant events after the end of the reporting period

No significant events took place after the end of the reporting period.

Alternative Performance Measures

Financial measures not defined in accordance with IFRS

Pierce applies financial measurements in its interim reports which are not defined in accordance with IFRS. The Company believes that these measurements provide valuable supplementary information to investors and the Company's management. As not all companies calculate Alternative Performance Measures in the same manner, these measures are not always comparable with measures used by other companies. These financial measurements should, therefore, not be seen to comprise a replacement for measures defined according to IFRS. Following a review of the alternative performance measures in the first quarter of 2024, the Company updated the definition of "Items affecting comparability" while also reclassifying an impairment of goodwill recognised in 2023 as an item affecting comparability. These changes were made to improve period-to-period comparability, with a focus on better describing operational measures for Pierce.

Definitions

The interim report contains financial performance measures in accordance with the applied framework for financial reporting, which is based on IFRS. In addition, there are other performance measures and indicators which are used as a supplement to the financial information. These performance measures are applied to provide the Group's stakeholders with financial information for the purpose of analysing the Group's operations and goals. The various performance measures applied which are not defined according to IFRS are described below.

Financial Performance Measures – Group

Performance measure	Definition	Purpose
Adjusted EBITDA	EBITDA, excluding items affecting comparability.	This measure is used to measure the profit from the ongoing operations, excluding items affecting comparability, amortisation, depreciation and impairment.
Adjusted EBITDA (%)	Adjusted EBITDA in relation to net revenue.	The performance measure is used to assess the profitability generated by the ongoing operations, excluding items affecting comparability, amortisation, depreciation and impairment.
Adjusted EBITDA excluding IFRS 16	Operating profit (EBIT) excluding depreciation, amortisation and items affecting comparability, less rental costs for leasing agreements reported in the statement of financial position. Rental costs essentially correspond to depreciation on right-of-use assets and interest expenses on leasing liabilities.	The measure aims to measure the profit generated by the ongoing operations, including expenses for office rent but excluding items affecting comparability, amortisation, depreciation and impairment.
Adjusted operating margin (EBIT) (%)	Adjusted operating profit (EBIT) in relation to net revenue.	The performance measure is used to monitor the Company's profitability generated by the operating activities, including depreciation and amortisation, but excluding items affecting comparability.
Adjusted operating profit (EBIT)	Operating profit (EBIT) excluding items affecting comparability.	This measure is used to measure the profit generated by the ongoing operations, including amortisation, depreciation, and impairment, but excluding items affecting comparability.
Amortisation related to business acquisitions	Amortisation less amortisation excluding business acquisitions.	The purpose is to measure the performance measure's impact on operating profit (EBIT).
EBITDA	Operating profit (EBIT), excluding amortisation, depreciation, and impairment.	The measure is used to measure the profit generated by ongoing operations before amortisation, depreciation and impairment.
CAGR	Compound annual growth rate in percent over a given period. The formula to calculate CAGR is: $(\text{ending value}/\text{starting value})^{1/(\text{number of years between the ending value and starting value})} - 1$.	The measure shows the Company's growth over time.
Gross margin (%)	Gross profit in relation to net revenue.	This measure is used to measure profitability after deduction of cost of goods sold.
Growth (%)	Net revenue for the period compared with net revenue during the corresponding period last year.	This performance measure makes it possible to analyse the Group's and the segments' growth in net revenue.

Performance measure	Definition	Purpose
Growth in local currencies (%)	Change in net revenue, adjusted for exchange rate changes and business acquisitions, in comparison with the corresponding period last year.	This measure enables follow-up of the development of net revenue excluding exchange rate effects and business acquisitions.
Growth per geographical area (%)	Net revenue for the period for a geographical area compared to net revenue for the same geographical area during the corresponding period last year.	This measure makes it possible to analyse net revenue growth for the Group specified according to geographical area.
Items affecting comparability	<p>Items affecting comparability refers to material transactions lacking a clear connection to the ordinary operations, and which are not expected to occur regularly.</p> <p>These transactions include, for instance, advisory and integration costs in conjunction with business acquisitions, advisory and directly attributable costs in conjunction with essential restructuring or efficiency programs/projects, significant impairments or non-recurring value adjustments of assets, and share-based payments costs including related taxes (recognised under IFRS 2 and settled via issuing of shares).</p>	This measure is excluded in calculating adjusted measures which are used to monitor the Company's underlying earnings trend over time.
Net debt/EBITDA	Net debt excluding IFRS 16 in relation to adjusted EBITDA excluding IFRS, during the last twelve months.	This measure is used to measure the debt/equity ratio and to follow up on Pierce's financial targets on capital structure.
Net debt excluding IFRS 16	<p>Liabilities to credit institutions, decreased by cash and cash equivalents at the end of the period.</p> <p>Pierce's assessment of the Groups' actual net debt corresponds to liabilities to credit institutions, and that is why leasing liabilities are excluded.</p>	This measure is used to monitor the indebtedness, financial flexibility, and capital structure.
Net working capital	Inventory and other operating assets less other operating liabilities.	This measure is used to analyse the Company's short-term tied up capital.
Net working capital (%)	Net working capital in relation to net revenue.	This measure is a measure of how efficiently working capital is managed.
Operating cash flow	Cash flow from the ongoing operations, excluding paid interest, realised currency derivatives and tax paid/received, with deduction for investments in non-current assets, repayment of leasing liabilities and interest expenses on leasing liabilities.	This measure shows the underlying cash flow generated from the operating activities.
Other cash flow	Cash flow from financing activities, excluding net changes in loans and repayment of leasing liabilities, less realised currency derivatives, and tax paid/received as well as interest, less interest expenses on leasing liabilities.	This measure is used, together with operating cash flow, received/paid blocked funds and net changes in loans, to calculate the cash flow for the period.
Other non-cash items	Non-cash items less repayment of leasing liabilities and interest expenses on leasing liabilities.	This measure excludes other non-cash flow impacting items and is used to calculate the operating cash flow.
Other operating costs	Overhead costs, amortisation, depreciation, impairment and items affecting comparability.	This measure shows the costs for intra-Group functions such as central administration costs which are not distributed over segments.
Overhead costs	<p>Operating costs, excluding variable sales and distribution costs, amortisation, depreciation, impairment and items affecting comparability.</p> <p>Operating costs refer to sales and distribution costs, administration costs, and other operating revenue and costs.</p>	Costs that are not allocated to segments, but which each segment contributes to cover. These costs are largely fixed and semi-fixed. The measure is used to calculate the scalability of this part of the cost mass, see overhead costs (%) below for more information.
Overhead costs (%)	Overhead costs in relation to net revenue.	This measure shows the scalability of the Company's semi-fixed and fixed cost structure.
Profit after variable costs	Gross profit less variable sales and distribution costs.	The measure is used to measure contribution after all variable costs.

Performance measure	Definition	Purpose
Profit after variable costs (%)	Profit after variable costs in relation to net revenue.	This measure is used to illustrate profitability after deduction of all variable costs.
Variable sales and distribution costs	Sales and distribution costs less non-variable sales and distribution costs. Variable sales and distribution costs refer to direct marketing costs and other direct costs. Other direct costs essentially include costs for shipping to end customer, invoicing and packaging.	This measure is monitored at Group and segment level in order to calculate results after variable costs.

Operating performance measures – Group

Performance measure	Definition	Purpose
Active customers during the last 12 months	Number of customers making purchases on at least one occasion during the last 12 months in one of the online stores. One customer can be counted several times if they make purchases in different stores or use different personal identifiers.	This measure is primarily relevant at segment level and illustrates the number of individual customers choosing to order goods on several occasions, which shows the Company's capability to attract customers.
Average order value (AOV)	Net revenue for the period divided by number of orders.	This measure is used as an indicator of revenue generation per customer.
Net revenue from private brands	Net revenue for the period less net revenue for the period from external brands and net revenue not attributable to brands such as revenue from freight and accrued income.	Interesting to follow over time as these products are unique and can often be sold at attractive prices and at a relatively high gross margin.
Number of orders	Number of orders handled during the period.	This measure is used to measure customer activity generating sales.

Reconciliation of Alternative Performance Measures from statement of profit/loss

SEKm (unless stated otherwise)	Jul-Sep		Jan-Sep		Oct 2023-	Jan-Dec
	2024	2023	2024	2023	Sep 2024	2023
Gross profit	166	113	530	436	701	607
Variable sales and distribution costs	-84	-79	-262	-260	-353	-351
Profit after variable costs	82	34	268	176	348	256
Operating profit (EBIT)	0	-47	23	-66	-21	-111
Reversal of depreciation and amortisation	17	15	50	43	66	58
Reversal of items affecting comparability below EBITDA	—	—	—	—	17	17
EBITDA	17	-33	74	-24	61	-36
Reversal of items affecting comparability	0	1	0	5	21	26
Adjusted EBITDA	17	-32	74	-19	82	-11
Operating profit (EBIT), past twelve months	-21	-97	-21	-97	-21	-111
Reversal of depreciation and amortisation, past twelve months	66	54	66	54	66	58
Reversal of items affecting comparability, past twelve months	21	13	21	13	21	26
Reversal of items affecting comparability below EBITDA, past twelve months	17	—	17	—	17	17
Rental costs, past twelve months, regarding leasing agreements reported in the statement of financial position ¹	-31	-29	-31	-29	-31	-32
Adjusted EBITDA excluding IFRS 16	51	-59	51	-59	51	-42
¹ Refers in all significance to depreciation of right-of-use assets and interest expenses on leasing liabilities.						
Operating profit (EBIT)	0	-47	23	-66	-21	-111
Reversal of items affecting comparability	0	1	0	5	38	42
Adjusted operating profit (EBIT)	0	-47	24	-61	17	-69
Sales and distribution costs	-120	-115	-373	-368	-511	-505
Reversal of non-variable sales and distribution costs	37	36	112	109	158	155
Variable sales and distribution costs	-84	-79	-262	-260	-353	-351
Sales and distribution costs	-120	-115	-373	-368	-511	-505
Administration costs	-47	-45	-137	-135	-213	-212
Other operating income and expenses	1	-1	4	1	2	-1
Operating costs	-166	-161	-506	-502	-722	-718
Reversal of variable sales and distribution costs	84	79	262	260	353	351
Other expenses in the operation	-82	-82	-245	-243	-369	-367
Reversal of depreciation and amortisation	17	15	50	43	66	58
Reversal of items affecting comparability	0	1	0	5	21	26
Reversal of items affecting comparability below EBITDA	—	—	—	—	17	17
Overhead costs	-65	-67	-194	-195	-265	-267
Amortisation	-8	-6	-25	-18	-32	-25
Reversal of amortisation excluding business acquisitions	7	6	20	17	9	7
Amortisation related to business acquisitions	-2	0	-5	0	-23	-18
Restructuring expenses	0	0	0	-4	-21	-25
Share-based payments	0	0	0	-1	0	-1
Share-based payments (social costs)	0	0	0	0	0	0
Other	—	0	—	0	—	0
Items affecting comparability	0	-1	0	-5	-21	-26
Goodwill amortisation	—	—	—	—	-17	-17
Items affecting comparability below EBITDA	—	—	—	—	-17	-17

Reconciliation of Alternative Performance Measures from statement of financial position

SEKm (unless stated otherwise)	Jul-Sep		Jan-Sep		Oct 2023-	Jan-Dec
	2024	2023	2024	2023	Sep 2024	2023
Inventory	400	377	400	377	400	344
Other current assets	28	30	28	30	28	15
Current tax receivables	-2	-9	-2	-9	-2	-1
Current investments	—	-1	—	-1	—	—
Other current operating assets	26	20	26	20	26	14
Trade payables	-119	-68	-119	-68	-119	-81
Other current liabilities	-193	-160	-193	-160	-193	-181
Reversal of:						
Current tax liabilities	3	3	3	3	3	2
Current provisions	9	6	9	6	9	8
Other current operating liabilities	-299	-219	-299	-219	-299	-251
Net working capital	127	179	127	179	127	107
Cash and cash equivalents	-261	-171	-261	-171	-261	-222
Net debt excluding IFRS 16¹	-261	-171	-261	-171	-261	-222
Net debt excluding IFRS 16 (A) ¹	-261	-171	-261	-171	-261	-222
Adjusted EBITDA excluding IFRS 16, past twelve months (B)	51	-59	51	-59	51	-42
Net debt/EBITDA (A) / (B)	-5.2	2.9	-5.2	2.9	-5.2	5.2

¹ Positive values refer to net debt, whereas negative values refer to net asset

Reconciliation of Alternative Performance Measures from statement of cash flow

SEKm (unless stated otherwise)	Jul-Sep		Jan-Sep		Oct 2023-	Jan-Dec
	2024	2023	2024	2023	Sep 2024	2023
Cash flow from operating activities	-96	7	62	55	134	127
Investments in non-current assets	-2	-2	-4	-5	-6	-8
Repayment of leasing liabilities	-7	-7	-21	-21	-29	-28
Interest expenses on leasing liabilities	0	-1	-2	-2	-2	-3
Reversal of:						
Paid interest	1	1	3	4	4	5
Realised currency derivatives	0	-1	-2	-5	-6	-9
Received interest	-2	-1	-6	-1	-7	-3
Paid/received tax	1	1	3	2	-3	-3
Operating cash flow	-106	-3	33	27	85	78
Adjustments for non-cash items ¹	12	53	52	86	88	122
Repayment of leasing liabilities	-7	-7	-21	-21	-29	-28
Interest expenses on leasing liabilities	0	-1	-2	-2	-2	-3
Other non-cash items	4	45	29	63	57	91
Cash flow from financing activities	-7	-7	-21	-21	-29	-28
Paid interest	-1	-1	-3	-4	-4	-5
Realised currency derivatives	0	1	2	5	6	9
Received interest	2	1	6	1	7	3
Paid/received tax	-1	-1	-3	-2	3	3
Reversal of:						
Interest expenses on leasing liabilities	0	1	2	2	2	3
Repayment of leasing liabilities	7	7	21	21	29	28
Other cash flow	1	2	4	3	14	13

¹ Adjustments for non-cash items refer in all significance to amortisation and depreciation and changes in current short term provisions. During third quarter last year, last interim period and last year the item was affected by a provision for slow moving inventory of SEK 44 million. Additionally, last twelve months' period and last year adjustments for non-cash items included a goodwill impairment of SEK 17 million.

Reconciliation of other Alternative Performance Measures

SEKm (unless stated otherwise)	Jul-Sep		Jan-Sep		Oct 2023-	Jan-Dec
	2024	2023	2024	2023	Sep 2024	2023
Net revenue (A)	365	369	1,177	1,154	1,559	1,537
Number of orders (thousands) (B)	332	332	1,092	1,115	1,433	1,456
Average order value (AOV) (SEK) (A) / ((B) / 1,000)	1,100	1,110	1,078	1,036	1,088	1,055
Net revenue	365	369	1,177	1,154	1,559	1,537
Reversal of net revenue from external brands	-205	-190	-669	-616	-871	-818
Non-branded net revenue	-23	-30	-44	-58	-64	-78
Net revenues from private brands	137	148	464	480	624	640

Reconciliation of Alternative Performance Measures concerning growth

SEKm (unless stated otherwise)	Jul-Sep		Jan-Sep		Oct 2023-	Jan-Dec
	2024	2023	2024	2023	Sep 2024	2023
Net revenue for the period (A)	365	369	1,177	1,154	1,559	1,537
Net revenue for the period previous year (B)	369	373	1,154	1,243	1,581	1,670
Growth (%) (A) / (B) -1	-1%	-1%	2%	-7%	-1%	-8%
Net revenue for the period in local currencies ¹ (A)	372	341	1,173	1,089	1,535	1,453
Net revenue for the period previous year (B)	369	373	1,154	1,243	1,581	1,670
Growth in local currencies (%) (A) / (B) -1	1%	-9%	2%	-12%	-3%	-13%
<small>¹ Net revenue for both the period and the period last year in local currencies, converted to SEK using previous year's exchange rates.</small>						
Net revenue Nordics for the period (A)	113	118	398	401	505	508
Net revenue Nordics for the period previous year (B)	118	124	401	447	522	567
Growth Nordics (%) (A)/(B) -1	-4%	-5%	-1%	-10%	-3%	-10%
Net revenue outside the Nordics for the period (A)	251	251	779	753	1,054	1,029
Net revenue outside the Nordics for the period previous year (B)	251	249	753	796	1,060	1,103
Growth outside the Nordics (%) (A) / (B) -1	0%	1%	3%	-5%	-0%	-7%
Net revenue (A)	365	369	1,177	1,154	1,559	1,537
Net revenue, 2 years ago (B)	373	361	1,243	1,181	1,656	1,594
Number of years calculated (C)	2	2	2	2	2	2
CAGR (%) ((A) / (B)) ^ (1 / (C)) -1	-1%	1%	-3%	-1%	-3%	-2%

