



PIERCE GROUP AB (publ)

Interim report

January – September 2025

This is a translation of the Swedish original of Pierce Group's interim report for the period 1 January – 30 September 2025. In the event of any discrepancies between the two versions, the original Swedish version shall apply.

Continued strong growth and profitability

July – September 2025

- Net revenue increased by 17%, totalling SEK 427 (365) million.
- EBIT was SEK 7 (0) million, corresponding to an operating margin of 1.6% (-0.1%). Adjusted EBIT was SEK 11 (0) million and the adjusted operating margin was 2.7% (0.0%).
- Cash flow for the period was SEK -22 (-105) million and the cash position at the end of the period was SEK 159 (261) million.
- Earnings per share before and after dilution was SEK 0.03 (-0.03).

January – September 2025

- Net revenue increased by 15%, totalling SEK 1,352 (1,177) million.
- EBIT was SEK 18 (23) million, corresponding to an operating margin of 1.3% (2.0%). Adjusted EBIT totalled SEK 33 (24) million, and the adjusted operating margin was 2.4% (2.0%).
- Cash flow for the period was SEK -129 (35) million.
- Earnings per share before and after dilution was SEK -0.11 (0.46).

SEKm (unless stated otherwise)	Jul-Sep		Jan-Sep		Oct 2024- Sep 2025	Jan-Dec 2024
	2025	2024	2025	2024		
Net revenue	427	365	1,352	1,177	1,803	1,628
Growth (%) ¹	17%	-1%	15%	2%	16%	6%
Growth in local currencies (%) ¹	20%	1%	17%	2%	18%	6%
Gross profit	171	166	571	530	765	724
Profit after variable costs ^{1 2}	84	82	280	268	373	361
Overhead costs ¹	-61	-65	-207	-194	-283	-270
EBITDA ¹	19	17	59	74	69	84
EBIT ³	7	0	18	23	13	18
Adjusted EBITDA ^{1 5}	24	17	73	74	90	91
Adjusted EBIT^{1 3 5}	11	0	33	24	34	25
Items affecting comparability ¹	-4	0	-15	0	-21	-7
Profit/loss for the period	2	-2	-9	37	-9	36
Gross margin (%) ¹	40.1%	45.5%	42.2%	45.0%	42.5%	44.5%
Profit after variable costs (%) ¹	19.7%	22.5%	20.7%	22.8%	20.7%	22.2%
Adjusted EBITDA (%) ^{1 5}	5.5%	4.6%	5.4%	6.3%	5.0%	5.6%
Adjusted EBIT (%) ^{1 5}	2.7%	-0.0%	2.4%	2.0%	1.9%	1.5%
Cash flow for the period	-22	-105	-129	35	-97	68
Net debt (+) / Net cash (-) ⁴	-159	-261	-159	-261	-159	-297
Earnings per share before dilution (SEK)	0.03	-0.03	-0.11	0.46	-0.12	0.45
Earnings per share after dilution (SEK)	0.03	-0.03	-0.11	0.46	-0.12	0.45

¹ Alternative performance measures (APM), see „Financial overview“ <https://www.piercegroupp.com/en/reports-presentations/>.

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 EBIT includes depreciation, amortisation and impairment.

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

⁵ Adjusted measures in the current quarter, in the current year-to-date period, in the last twelve months' period and in the previous financial year exclude mainly personnel costs following the organisational restructuring.

CEO comments

We delivered another strong quarter of growth and profitability. Adjusted EBIT reached SEK 11 million, compared with SEK 0 million last year, supported by 17 percent year-over-year net revenue growth, or 20 percent in local currencies.

Our efforts to make marketing more efficient yielded clear results, improving variable costs by 2.7 percentage points as a share of sales.

Operational efficiency measures continued in Q3, including a reduction of about 10 white-collar FTEs. Since launching our Pierce 2.0 transformation in Q3 2023, we have reduced white-collar staff by over 35 percent – from 256 in Q2 2023 to 166 in Q3 2025. Sales per white-collar FTE have increased roughly 80 percent, driven by simplified processes, reduced bureaucracy, and greater team empowerment.

Overhead costs were SEK 5 million lower than last year, despite 20 percent revenue growth in local currencies. This is particularly positive given an 8 percent salary increase in Poland – representing over 40 percent of total salary costs – and SEK 6 million in non-recurring transformation expenses. These results clearly demonstrate the scalability of our business model: strong growth achieved while overheads decline.

Over the past year, we have executed a major transformation of our IT landscape, replacing nearly all core systems to eliminate legacy tech debt and strengthen scalability. In Q2, we launched our Customer Data Platform (CDP) and Product Information Management (PIM) system, and in Q3, our first site went live on the new e-commerce platform with encouraging results. Over the next two quarters, we will complete the rollout across all markets and implement our new Warehouse Management System (WMS), marking the final steps in modernizing our tech stack.

In line with accounting standards, all cloud-related system investments are expensed as incurred, totalling SEK 23 million year-to-date. With full system deployment expected by Q1 2026, transformation-related costs will taper off toward the end of 2025 and decline significantly from Q2 2026 as the tech stack becomes fully operational. At the same time, depreciation and amortization will decrease as major assets become fully depreciated by year-end 2025. Combined, these effects are expected to improve adjusted EBIT by SEK 30-40 million on an annualized basis.

The gross margin in the third quarter was 40.1 percent, 5.4 percentage points lower than last year, mainly due to obsolescence effects, which accounted for around 3 percentage points of the decline.

As the leading specialist in our industry, we made an investment in our stocked assortment at the end of last year and early this year to secure the widest and most attractive product offering on the market. The rapid inventory expansion to enhance the customer offering temporarily increased the risk of obsolescence. To address this, we made an extra SEK 13 million provision in Q3. Although the company applies an established obsolescence model, a review

identified certain inventory items that required additional write-downs beyond the model's normal parameters.

At the end of the period, we maintained a solid cash position of SEK 161 million, with an inventory level of SEK 490 million. Cash flow was SEK -22 million for the quarter, despite positive EBITDA and a reduction in inventory levels. The strong sales growth in the preceding period drove both a substantial VAT payment made after the end of the quarter and a temporary exceeding of credit limits with some of our largest suppliers, which required us to make prepayments and resulted in negative cash flow. These factors had a temporary impact on cash flow, which is expected to normalize and more closely align with the company's underlying operating performance in the coming periods.

While comprehensive industry data is lacking, we are confident that we are gaining market share. Our strategic focus on commercial fundamentals – the broadest assortment, competitive pricing, and fast, reliable deliveries – continues to drive customer growth and retention.

The growth achieved through improved commercial fundamentals will naturally moderate as we begin to compare against stronger figures from last year. To offset this effect over time, we are focusing on expanding our reach across both markets and verticals. While this transition will take time, the investments we are making now – including the localization of 12 markets currently served by our pan-European (.eu) site – will provide a strong foundation for continued growth in the years ahead.

We also see encouraging momentum in our mountain-bike and scooter/moped categories, where we are making measured investments and leveraging our platform to drive cross-sales synergies. The growth effects from this expansion will materialize gradually over time, but we expect these categories to offer meaningful growth potential from 2026 onward, scaling efficiently through our existing infrastructure and marketing engine.

By the end of Q1 2026, when we have launched our last two systems, we will have completed the Pierce 2.0 transformation – improving customer experience, streamlining operations, and returning to growth and profitability. This achievement is the result of the dedication, talent, and resilience of our teams, whose hard work continues to drive our progress and success. We now stand on a strong, scalable platform ready for the next leap in our development, which brings me to the characteristics of the European market and the opportunities that lie ahead.

The European e-commerce market for motorcycle gear and equipment is ripe for consolidation, and the benefits of scale are clear. It's not a question of if, but when and by whom this consolidation will be driven. Pierce is uniquely positioned with a pan-European platform should such consolidation come into play.

Göran Dahlin
CEO, Pierce Group AB (publ)
Stockholm, 12 November 2025



Performance measures – Group

SEKm (unless stated otherwise)	Jul-Sep		Jan-Sep		Oct 2024-	Jan-Dec
	2025	2024	2025	2024	Sep 2025	2024
Revenue measures						
Net revenue per geographical area						
Nordics	126	113	447	398	566	517
Outside the Nordics	301	251	905	779	1,237	1,111
Net revenue	427	365	1,352	1,177	1,803	1,628
Growth per geographical area						
Nordics (%) ¹	11%	-4%	12%	-1%	12%	2%
Outside the Nordics (%) ¹	20%	0%	16%	3%	17%	8%
Growth (%)¹	17%	-1%	15%	2%	16%	6%
Performance measures						
Gross margin (%) ¹	40.1%	45.5%	42.2%	45.0%	42.5%	44.5%
Profit after variable costs (%) ¹	19.7%	22.5%	20.7%	22.8%	20.7%	22.2%
Overhead costs (%) ¹	14.2%	18.0%	15.3%	16.5%	15.7%	16.6%
Adjusted EBITDA (%) ¹	5.5%	4.6%	5.4%	6.3%	5.0%	5.6%
Adjusted EBIT (%) ¹	2.7%	-0.0%	2.4%	2.0%	1.9%	1.5%
Earnings per share before dilution (SEK)	0.03	-0.03	-0.11	0.46	-0.12	0.45
Earnings per share after dilution (SEK)	0.03	-0.03	-0.11	0.46	-0.12	0.45
Other financial measures						
Cash flow for the period	-22	-105	-129	35	-97	68
Cash and cash equivalents ²	161	261	161	261	161	297
Net debt excluding IFRS 16 ^{1 2 4}	-159	-261	-159	-261	-159	-297
Net debt/EBITDA ^{1 3 4}	-2.9	-5.2	-2.9	-5.2	-2.9	-5.0
Inventory ²	490	400	490	400	490	419
Other current operating assets ^{1 2}	23	26	23	26	23	24
Other current operating liabilities ^{1 2}	-278	-299	-278	-299	-278	-344
Net working capital^{1 2}	234	127	234	127	234	99
Operating measures						
Number of orders (thousands) ¹	376	332	1,226	1,092	1,637	1,502
Average order value (AOV) (SEK) ¹	1,134	1,100	1,102	1,078	1,101	1,084
Net revenue from private brands ¹	157	137	490	464	665	639
Active customers last 12 months (thousands) ¹	1,119	1,001	1,119	1,001	1,119	1,042

¹ Alternative performance measures (APM), see „Financial overview“ <https://www.piercegroup.com/en/reports-presentations/>.

² Measures correspond to each period end.

³ Net debt refers to the alternative performance measure net debt excluding IFRS 16, and EBITDA refers to the measure adjusted EBITDA excluding IFRS 16.

⁴ 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 several own brands. Sales are conducted through locally adapted websites to serve motocross and enduro riders, customers who ride on traffic-filled roads and snowmobile riders. 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 has approximately 290 employees.

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

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

July – September 2025

Net revenue

Net revenue developed positively in the third quarter with an increase of 17 percent to SEK 427 (365) million. In local currencies the increase was 20 percent, and these increases evidence solid year-on-year growth, confirming the continued strengthening of our business. Moreover, the third quarter recorded even higher growth than the previous quarter – 17 percent compared to 15 percent.



The Company's sales within the Offroad category grew with approximately 18 percent, whereas the sales within the Onroad category grew with approximately 16 percent.

SEKm	Jul-Sep		Jan-Sep		Oct 2024-	Jan-Dec
	2025	2024	2025	2024	Sep 2025	2024
Offroad	279	236	814	717	1,114	1,017
Onroad	143	123	502	416	616	530
Other	4	5	36	44	73	81
Net revenue	427	365	1,352	1,177	1,803	1,628

Gross profit and gross margin

Gross profit amounted to SEK 171 (166) million, corresponding to a gross margin of 40.1 (45.5) percent. The increase in gross profit represents a modest but positive development, although the margin declined compared with last year. The lower margin was mainly attributable to mix effects from stronger growth in external brands, and the provision for obsolete inventory recognized during the quarter.

The company made a deliberate investment at the end of last year to significantly broaden product offering, which has been a key driver of this year's net revenue growth. While these measures have strengthened our market position and supported long-term growth, they also contributed to a provision for obsolete inventory of SEK -13 (5) million. In parallel, we have continued our efforts to optimize inventory levels and reduce overstock.

In-freight costs of SEK -17 (-14) million corresponded to 4.0 (3.9) percent of net revenue. In-freight cost ratio as a percentage of net revenue increased slightly by 0.1 percentage point compared to last year, driven by higher freight prices. Please see *Risks and factors of uncertainty* section on page 10 for further details.

Operating costs

Sales and distribution costs amounted to SEK -120 (-120) million, equivalent to 28.1 (33.0) percent of net revenue, a positive development in the ratio of 4.9 percentage points. The improvement in the cost ratio reflects solid growth in net revenue and continued cost discipline. Marketing costs decreased in absolute terms and in relation to net revenue, whereas other significant costs, such as freight costs to customers, fees to payment providers and staff expenses, were maintained on a similar level in relation to net revenue. Depreciation and amortization decreased as expected, reflecting the completion of depreciation periods for several major investments made in previous years.

Administration costs were SEK -45 (-47) million. Excluding items affecting comparability, those costs totalled SEK -42 (-47) million.

Included in the above operating costs, but excluding items affecting comparability, overhead costs totalled SEK -61 (-65) million. The ability to grow net revenue while decreasing overhead costs clearly demonstrates the scalability of our business model and improved operating leverage. During the quarter, an estimated total of SEK 6 million was spent on transformation of the IT tech stack, primarily on external consultants and costs related to operating parallel systems

during the transformation phase. The estimate does not include costs for in-house staff.

Adjusted EBIT and EBIT

EBIT totalled SEK 7 (0) million, corresponding to an operating margin of 1.6 (-0.1) percent.

Items affecting comparability totalled SEK -4 (0) million and refer to personnel costs following organisational restructuring.

Adjusted EBIT was SEK 11 (0) million, equivalent to a margin of 2.7 (0.0) percent.

Adjusted EBIT included the accelerated amortisation of trademarks to be discontinued of SEK -2 (-2) million. To boost private brand growth, the brand portfolio is being consolidated to focus investments on fewer brands. Some will be merged or discontinued, resulting in total SEK 15 million in accelerated amortisation by the second quarter of 2026.

January – September 2025

Net revenue

Net revenue increased by 15 percent to SEK 1,352 (1,177) million. In local currencies, the growth was 17 percent. The increase within the main categories Offroad and Onroad was 13 percent and 21 percent, respectively. Net revenue for the Other category (which is highly seasonal and smaller than the other two categories) declined by 18 percent.

Gross profit and gross margin

Gross profit amounted to SEK 571 (530) million, equivalent to a margin of 42.2 (45.0) percent.

The company made a deliberate investment at the end of last year to significantly broaden the product offering, which has been a key driver of this year's net revenue growth.

However, such a rapid increase naturally brings a temporary, elevated risk of obsolescence. New products are typically purchased six to nine months before sales begin, and it is therefore expected that not all SKU-level volume assumptions will prove fully accurate. With the additional obsolescence provision of SEK 13 million that we reported this quarter, reducing the gross margin by 1.0 percentage point, we have substantially reduced the risk of obsolescence in the forthcoming quarters. Inventory levels have remained relatively stable after the increase we made at the end of last year and first months of this year, reflecting our focus on strengthening the customer offering without significantly increasing total inventory levels. Consequently, we expect obsolescence costs to stabilize at a lower level as we move into the next year. In parallel, we have continued our efforts to optimize inventory levels and reduce overstock. Last year, gross profit benefited from a reversal of the provision for obsolete inventory, which had a positive effect of SEK 13 million on gross profit, and increased the gross margin by 1.1 percentage points.

In-freight costs totalled SEK -57 (-46) million, corresponding to 4.2 (3.9) percent of net revenue. In-freight cost ratio as a percentage of revenue increased by 0.3 percentage points compared to last year, driven by higher freight prices and a larger share of products sold during the period with higher in-freight costs. Please see *Risks and factors of uncertainty* section on page 10 for further details.

Operating costs

Sales and distribution costs amounted to SEK -400 (-373) million, equivalent to 29.6 (31.7) percent of net revenue, an improvement in the ratio of 2.2 percentage points. Marketing costs decreased in relation to net revenue by 0.9 percentage points, as a result of our ongoing initiatives to enhance the efficiency of performance marketing

Financial items

Financial income was SEK 1 (3) million from interest income on deposits.

Financial expenses were SEK -6 (-4) million and consisted mainly of negative effects from the revaluation of financial balance sheet items, leasing expenses and credit facility fees.

Taxes and result for the period

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

and to further strengthen our brand marketing operations. Other significant costs, such as freight costs to customers, fees to payment providers and staff expenses, were maintained on a similar level in relation to net revenue. Depreciation and amortization decreased as expected, reflecting the completion of depreciation periods for several major investments made in previous years.

Administration costs were SEK -155 (-137) million and included accelerated amortisation of trademarks to be discontinued of SEK -5 (-5) million. Excluding items affecting comparability, the administration costs totalled SEK -145 (-136) million.

Included in the above operating costs, but excluding items affecting comparability, overhead costs totalled SEK -207 (-194). During the year, an estimated total of SEK 23 million was spent on transformation of the IT tech stack, primarily in the form of external consultants and costs associated with systems that are yet to be implemented. The estimate does not include costs for in-house staff.

Adjusted EBIT and EBIT

EBIT amounted to SEK 18 (23) million, corresponding to an operating margin of 1.3% (2.0%), and was impacted by items affecting comparability totalling SEK -15 (0) million that refer to personnel costs following the organisational restructuring.

Adjusted EBIT amounted to SEK 33 (24) million, corresponding to a margin of 2.4 (2.0) percent.

Adjusted EBIT included accelerated amortisation of trademarks to be discontinued of SEK -5 (-5) million. To boost private brand growth, the brand portfolio is being consolidated to focus investments on fewer brands. Some will be merged or discontinued, resulting in total SEK 15 million in accelerated amortisation by the second quarter of 2026.

Financial items

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

Financial expenses of SEK -29 (-3) million consisted mainly of the significant negative effects from the revaluation of financial balance sheet items of SEK -13 (8) million, and of losses from the exchange rate effects of currency derivatives of SEK -10 (2) million, which provided a positive effect last year. Financial expenses also included leasing expenses and credit facility fees in both periods.

Taxes and results for the period

Tax totalled SEK 0 (-1) million and the result for the period was SEK -9 (37) million.

Comments to the Group's cash flow

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

July – September 2025

Cash flow from operating activities was SEK -16 (-96) million and EBIT increased from SEK 0 million to SEK 7 million.

Net working capital decreased slightly with SEK -24 (-108) million, reflecting the end of the high sales season. However, we remain well-prepared for the peak trading period ahead, with stock levels and pre-orders aligned to support strong sales performance during Black Month and the holiday season.

Cash flow from investments at the end of the quarter totalled SEK -1 (-2) million and comprised of the purchase of equipment for the distribution warehouse in both quarters.

Cash flow from financing activities was SEK -4 (-7) million and consisted of leasing payments and trade loans.

Cash flow for the period was SEK -22 (-105) million. Cash and cash equivalents at the end of the period totalled SEK 161 (261) million.

January – September 2025

Cash flow from operating activities turned negative at SEK -92 (62) million. The main driver of the deterioration is the increase in the outflow of net working capital of SEK -138 million, compared with an outflow of SEK -15 million last year. Despite an operating profit of SEK 18 million (23) million, the significant outflow from working capital more than offset the underlying operational cash generation. In essence, cash was absorbed by inventory accumulation and pre-season investments, temporarily weakening liquidity. However, as seasonal sales materialize and inventories are converted back to cash, operating cash flow should improve in the subsequent quarter.

Cash flow from investments totalled SEK -20 (-6) million and comprised of the purchase of equipment for the distribution warehouse and to the placement of funds for commercial deposits and guarantees.

Cash flow from financing activities was SEK -18 (-21) million and consisted of leasing payments and trade loans.

Cash flow for year to date was SEK -129 (35) million. Including exchange rate differences, which totalled SEK -7 (4) million, cash and cash equivalents at the end of the period amounted to SEK 161 (261) million.

Comments to the Group's financial position

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

Net working capital

Product availability remains a key driver of growth, customer satisfaction, and retention. As a result, Pierce continues to prioritize having a strong and accessible assortment. This focus supports the Company's position as a leading industry specialist, offering one of the most extensive and attractive product ranges at competitive prices, paired with fast and reliable delivery.

Net working capital amounted to SEK 234 (127) million, corresponding to 13.0 (8.1) percent of LTM net revenue of SEK 1,803 (1,559) million. Pierce's inventory increased by SEK 89 million, reaching SEK 490 million. The company made a deliberate investment to significantly broaden its product offering, and this expanded range has been a key driver behind the strong sales growth achieved this year. Following the high season, activity has now normalized as we move into the preparation phase for the upcoming Black Month period.

Net working capital increased in anticipation of the peak trading season, with stock levels and pre-orders strategically aligned to support strong sales performance during Black Month and the holiday period. Looking ahead, inventory levels are expected to remain relatively stable following the increase made at the end of last year and the beginning of this year, reflecting our continued focus on strengthening the customer offering without materially expanding total inventory.

Right-of-use assets and leasing liabilities

Right-of-use assets amounted to SEK 133 (40) million and leasing liabilities to SEK 132 (39) million. The increase is primarily attributable to the renewal of the lease agreement for the Group's warehouse, which, was extended for a five-year period on favourable terms. The warehouse's strategic location is beneficial to the Group's position and future operations.

Net debt / net asset and credit facility

The net cash position at the end of the period equaled SEK 159 (261) million. Cash and cash equivalents amounted to SEK 161 (261) million. Pierce has a credit facility of up to SEK 150 million which was not utilised during 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 2025, 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 660 (666) million. The SEK 6 million decrease in equity is explained primarily by the SEK 9 million loss incurred in the last twelve months, and by adding back the positive effects of the translation reserve of SEK 1 million, and by share-based compensation of SEK 2 million.

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. 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.

On 9 April 2025 a total of 1,025,000 series C shares were registered through a directed share issue to ensure delivery of performance shares to participants in the LTIP 2024/2027 performance-based share program. 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 102,500 votes they carry cannot be represented at any General Meeting.

As of 30 September 2025, the share capital consisted of 79,374,100 ordinary shares with one vote per share and 1,975,000 series C shares with one-tenth of a vote per share, totalling 81,349,100 shares and 79,571,600 votes, equivalent to a quota value of SEK 0.02.

The share price at the beginning of the year was SEK 7.3 and was SEK 11.9 on the last trading day of the period. The number of shareholders was 2,500, of which the largest were Verdane Capital (20.6%), Siba Invest AB (10.9%), Investment AB Garnen (5.3%), eQ Asset Management Oy (4.7%) and Fourth AP fund (Sw. *Fjärde AP-fonden*) (4.6%).

The Company has four ongoing long-term incentive programs – LTIP, for the 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.

LTIP 2025/2028

LTIP 2025/2028 was approved by the Annual General Shareholders' Meeting on 20 May 2025, as part of an incentive program in the form of a performance-based share program for 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 850,000 ordinary shares can be issued to the participants for a subscription price of SEK 0.00. The vesting period ends on 20 May 2028 and participants will be awarded ordinary shares in accordance with the Terms and Conditions of the LTIP 2025/2028.

Warrant program 2025/2029

Warrant program 2025/2029 was approved by the Annual General Shareholders' Meeting on 20 May 2025, as part of an incentive program in the form of a warrant program for the CEO. The program comprises 800,000 warrants, all of which were subscribed. Each warrant grants the right to subscribe to one (1) ordinary share in the Company. The warrants were subscribed at market value, calculated applying the Black & Scholes model, equivalent to SEK 1 million.

The warrants can be exercised from 1 January 2029 – 30 June 2029, at a predetermined share price of SEK 13.5. With full subscription of the warrants, the Company's share capital can increase with a maximum of SEK 16,000, based on the current quota value.

The Company has reserved the right to repurchase warrants if, amongst other circumstances, the Participant's employment with the Company is terminated.

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 55, 14 and 10 percent respectively. With regards to payments made, EUR, SEK, USD and PLN accounted for 52, 20, 13 and 9 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 293 (324). Of these, 166 (202) were white collar workers in Sweden, Poland and Spain.

Seasonal variations

As the peak of the 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 usually shows 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 limited liability company with registered offices in Stockholm, Sweden. Since 26 March 2021, the Pierce share 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 4 (5) million and was fully attributable to sales to Group companies. Financial net consisted of interest income from an intercompany loan. The net result before tax for the quarter was SEK -1 (2) million. The Parent Company's equity at the end of the period was SEK 758 (753) million.

The CEO and CFO are employed in the Parent Company.

Risks and factors of uncertainty

The Group's operations and results are influenced by various external factors. Pierce Group continues to be primarily exposed to operational risks, including competition, market developments in local markets, the quality of delivered goods, particularly from Asia, inventory and product assortment risks, IT-related risks, and dependency on key individuals and suppliers. A more detailed description of these risks and Pierce Group's risk management strategy can be found in the Annual Report for 2024.

As in previous periods, inflation and the prevailing economic climate continue to impact consumer behavior and demand, adding a layer of uncertainty to the market. Additionally, disruptions in the Red Sea region since December 2023 have caused significant challenges to global supply chains. These disruptions, including vessel diversions around Africa and capacity constraints affecting Asian exports to Europe via the Suez Canal, have resulted in delays and port congestion, further complicating global trade routes in the region and beyond. These issues are ongoing and are continuing to impact supply chain dynamics.

Further details on risks and uncertainties arising from the geopolitical situation, including the ongoing conflicts in Ukraine and the Middle East, were also provided in the Annual Report for 2024. While the direct impact on Pierce remains largely unchanged, new global trade risks have emerged. Following the latest U.S. election, shifts in trade policy have introduced uncertainty regarding global tariffs, particularly concerning key international partners. These changes could influence trade dynamics significantly. Since Pierce Group's purchasing activities are primarily concentrated in Europe and Asia, and its sales are largely focused within Europe, it is particularly affected by these developments

through increased consumer uncertainty, which has softened demand in the region. Moreover, the evolving geopolitical situation poses a potential risk to the stability of the supply chain.

We are closely monitoring these policy changes and assessing contingency strategies to mitigate any potential disruptions arising from new or adjusted tariff measures. However, it's important to note that trade flows to and from the U.S. remain a minor factor in the Group's overall operations. Despite this, the evolving trade dynamics continue to pose risks to the stability of our supply chain.

Looking ahead, the uncertainties surrounding these global trade developments may continue to affect freight prices and other related costs, including the possibility of new trade tariffs. The current outlook remains uncertain, with the risk of ongoing volatility in shipping rates. In fact, higher freight prices, which began rising in 2024, have already impacted margins and operational costs. Pierce Group is actively monitoring these developments to understand their full impact and take necessary actions to adapt to the changing market environment.

The impact of the above-mentioned uncertainties 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 negatively affect both the Company's results and financial position.

Pierce has a credit facility with one of the larger Swedish banks of up to SEK 150 million which was not utilised during 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 2025, 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 6.

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 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 11 (13) million.

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

For further information regarding related parties see Note 5.

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 EBIT margin

In the medium to long term (3-5 years), achieve an adjusted EBIT margin 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 „Financial overview“ <https://www.piercgroup.com/en/reports-presentations/>.

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.

Other

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

Upcoming financial events

20 February 2026

Year-end report January – December 2025

20 March 2026

Annual report 2025

8 May 2026

Interim report January – March 2026

12 May 2026

Annual General Meeting

21 August 2026

Interim report January – June 2026

13 November 2026

Interim report January – September 2026

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

CEO Göran Dahlin will hold a web telephone conference in English on 12 November 2025, 09:00 CET, in conjunction with the publication of the quarterly report.

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

<https://events.inderes.com/pierce-group/q3-report-2025/dial-in>

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 telephone conference.

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

<https://pierce-group.events.inderes.com/q3-report-2025>

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.piercigroup.com/en/reports-presentations/>

Contact information, Pierce

Göran Dahlin, CEO, +46 72 730 31 11

The information was submitted for publication by the above-mentioned contact individual on 12 November 2025 at 08:00 CET.

The information in this quarterly report comprises information which Pierce Group AB (publ) is obliged to disclose under the EU Market Abuse Regulation and the Securities Markets Act.

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, 12 November 2025

Göran Dahlin

CEO

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 2025 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 12, 2025

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 2024-	Jan-Dec
		2025	2024	2025	2024	Sep 2025	2024
Net revenue	3.4	427	365	1,352	1,177	1,803	1,628
Cost of goods sold		-256	-199	-781	-647	-1,037	-903
Gross profit	4	171	166	571	530	765	724
Sales and distribution costs		-120	-120	-400	-373	-541	-515
Administration costs		-45	-47	-155	-137	-215	-196
Other operating income and expenses		1	1	2	4	3	5
Operating profit	4	7	0	18	23	13	18
Financial net		-5	-1	-26	15	-17	24
Profit/loss before tax	4	2	-1	-8	38	-4	42
Income tax		0	-1	0	-1	-5	-6
Profit/loss for the period		2	-2	-9	37	-9	36
Attributable to shareholders of the parent company		2	-2	-9	37	-9	36
Earnings per share							
Earnings per share before dilution (SEK)		0.03	-0.03	-0.11	0.46	-0.12	0.45
Earnings per share after dilution (SEK)		0.03	-0.03	-0.11	0.46	-0.12	0.45
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)		79,415	79,374	79,374	79,432	79,374	79,429

Consolidated statement of comprehensive income

SEKm	Note	Jul-Sep		Jan-Sep		Oct 2024-	Jan-Dec
		2025	2024	2025	2024	Sep 2025	2024
Profit/loss for the period		2	-2	-9	37	-9	36
Items that may subsequently be reclassified to income statement							
Translation difference		-2	-1	0	1	1	3
Other comprehensive income for the period		-2	-1	0	1	1	3
Comprehensive income for the period and attributable to shareholders of the parent company		0	-3	-9	38	-8	39

Condensed consolidated statement of financial position

SEKm	Note	Sep 30 2025	Sep 30 2024	Dec 31 2024
Assets				
Non-current assets				
Intangible assets		270	286	281
Property, plant and equipment		12	14	15
Right-of-use assets		133	40	54
Financial assets	7	19	5	6
Deferred tax assets		2	7	2
Total non-current assets		436	352	358
Current assets				
Inventory		490	400	419
Other current assets	5	25	28	29
Cash and cash equivalents		161	261	297
Total current assets		676	690	745
Total assets		1,112	1,041	1,103
Equity and liabilities				
Total equity attributable to shareholders of the parent company		660	666	666
Non-current liabilities				
Leasing liabilities		99	10	25
Deferred tax liabilities		24	25	25
Provisions		0	0	0
Total non-current liabilities		123	36	50
Current liabilities				
Liabilities to credit institutions	7	2	—	—
Leasing liabilities		33	29	27
Trade payables		99	119	111
Other current liabilities	5	195	193	248
Total current liabilities		329	340	386
Total equity and liabilities		1,112	1,041	1,103

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 2024-01-01	2	814	10	-198	627
Profit/loss for the year	—	—	—	37	37
Share-based compensation	—	—	—	—	—
Other comprehensive income for the year	—	—	1	—	1
Total comprehensive income for the year	—	—	1	37	38
Transactions with shareholders					
New share issue including issue costs	—	0	—	—	0
Total	—	0	—	—	0
Closing balance 2024-09-30	2	814	11	-161	666
Opening balance 2025-01-01	2	814	12	-162	666
Profit/loss for the year	—	—	—	-9	-9
Share-based compensation	—	2	—	—	2
Other comprehensive income for the year	—	—	0	—	-0
Total comprehensive income for the year	—	2	0	-9	-7
Transactions with shareholders					
New share issue including issue costs	—	0	—	—	0
Total	—	0	—	—	0
Closing balance 2025-09-30	2	816	12	-170	660

Condensed consolidated statement of cash flow

SEKm	Note	Jul-Sep		Jan-Sep		Oct 2024- Sep 2025	Jan-Dec 2024
		2025	2024	2025	2024		
Operating activities							
Operating profit		7	-0	18	23	13	18
Adjustments for non-cash items ¹		6	12	40	52	58	69
Paid interest		-2	-1	-6	-3	-7	-4
Realised currency derivatives		-2	0	-4	2	-2	4
Received interest		0	2	1	6	3	8
Paid/received tax		-1	-1	-3	-3	-4	-4
Cash flow from operating activities before changes in net working capital		8	12	47	78	61	92
Changes in net working capital		-24	-108	-138	-15	-110	13
Cash flow from operating activities		-16	-96	-92	62	-49	105
Investing activities							
Investments in non-current assets		-1	-2	-6	-4	-8	-6
Paid/received blocked funds		0	0	-14	-2	-14	-2
Cash flow from investing activities		-1	-2	-20	-6	-22	-8
Financing activities							
Share issue costs		—	—	0	0	0	0
Issue of warrants including issue costs		1	—	1	—	1	—
Change of liabilities to credit institutions		2	—	2	—	2	—
Repayment of leasing liabilities		-7	-7	-21	-21	-28	-29
Cash flow from financing activities		-4	-7	-18	-21	-26	-29
Cash flow for the period		-22	-105	-129	35	-97	68
Cash and cash equivalents at the beginning of period		188	350	297	222	261	222
Exchange rate difference in cash and cash equivalents		-5	16	-7	4	-4	7
Cash and cash equivalents end of period		161	261	161	261	161	297

¹ Adjustments for non-cash items refer in all significance to amortisation and depreciation and changes in current short term provisions. Additionally, in all reported periods, amortisation is also affected by discontinued brands.

Condensed Parent Company statement of profit/loss

SEKm	Jul-Sep		Jan-Sep		Jan-Dec
	2025	2024	2025	2024	2024
Net revenue	4	5	16	14	20
Gross profit	4	5	16	14	20
Administration costs	-5	-6	-18	-15	-22
Operating profit	-1	-1	-2	-1	-2
Financial net	0	3	2	15	19
Profit/loss after financial items	-1	2	0	13	17
Appropriations	—	—	—	—	—
Profit/loss before tax	-1	2	0	13	17
Income tax	—	—	—	—	—
Profit/loss for the period	-1	2	0	13	17

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

Condensed Parent Company balance sheet

SEKm	Sep 30 2025	Sep 30 2024	Dec 31 2024
Assets			
Non-current assets			
Shares in group companies	565	409	409
Receivables from group companies	192	345	346
Total non-current assets	757	754	755
Current assets			
Receivables from group companies	7	3	7
Other current assets	2	1	1
Cash and cash equivalents	—	0	—
Total current assets	8	4	8
Total assets	766	759	763
Equity and liabilities			
Total equity	758	753	756
Current liabilities			
Other current liabilities	8	6	7
Total current liabilities	8	6	7
Total equity and liabilities	766	759	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.

None of the IFRS or IFRIC interpretations taking effect from January 1, 2025, have had any significant impact on the Group.

For the Group and the Parent Company, the same accounting principles, providing basis for calculations and assessments have been applied as applied in the Annual Report for 2024. For a description of the Group's applied accounting principles, see Note 1 and Note 2 in the Annual Report for 2024.

Disclosures in accordance with IAS 34.16A are shown in the financial statements and associated Notes in this information, in addition to pages 1–12 which form an integral part of this financial report.

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

Segment reporting

The company decided to discontinue segment reporting effective from the first quarter of 2025. This change reflected a more integrated approach to presenting and monitoring the Group's operations and aligns with the increasing unification of its digital presence, where distinctions between product offerings have become less relevant. As the business has continued to operate as one cohesive unit, segment reporting no longer provides meaningful information or reflects how operations are managed.

The Group operates as a single business segment. Management monitors the business as a whole and does not allocate resources or assess performance based on separate operating segments. Accordingly, no segment information is presented in these financial statements in accordance with IFRS 8 Operating Segments.

Information on future standards

None of the IFRS or IFRIC interpretations that are to come into force in 2026 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. 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. Geographical area is an important attribute when specifying revenue, and this is presented in the table below.

SEKm	Jul-Sep		Jan-Sep		Oct 2024-	Jan-Dec
	2025	2024	2025	2024	Sep 2025	2024
Sweden	58	49	195	171	250	227
Other Nordics	68	64	252	227	316	290
Outside the Nordics	301	251	905	779	1,237	1,111
Revenue Group	427	365	1,352	1,177	1,803	1,628

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 2024 Annual Report. No changes have been made to these estimations and assessments that could have a significant impact on the financial report.

Note 4 - 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, the currency derivatives are classified as level 2 in the fair value hierarchy. Depending on the market valuation

at the reporting date, the instruments are recognised as either assets or liabilities in the balance sheet.

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 -4 (-1) million and these derivatives were classified as current liabilities.

Note 5 - Related party transactions

Other related party transactions

During the current 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 11 (13) million.

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

Besides remuneration to senior executives, there were no other related party transactions in the current and previous interim periods.

See Note 29 in the Annual Report for 2024 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 9 for further information.

All transactions are based on market terms and conditions.

Warrant program

The Group has a warrant program as a part of an incentive program for the CEO. See page 9 for further information.

All transactions are based on market terms and conditions.

Note 6 - Pledged assets and contingent liabilities

SEKm	Sep 30 2025	Sep 30 2024	Dec 31 2024
To credit institutions for the Group's own liabilities and provisions			
Deposits for fulfillment of payments	3	3	3
Paid blocked funds	16	2	2
Total pledged assets	18	5	5

Pierce has a credit facility of SEK 150 million, which was not utilised by the end of the reporting period or during the financial year, while maintaining 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 10.

Pledged assets at the end of the period related to deposits paid and blocked funds. The company extended the lease agreement for the distribution centre for a further five-year term on favourable terms. As part of the renewal, the Group issued a lease bank guarantee secured by blocked funds in a bank deposit. The warehouse's strategic location continues to support the Group's market position and future operations.

Note 7 - Significant events after the end of the reporting period

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

Key financials - quarterly

SEKm (unless stated otherwise)	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025
Net revenue	373	427	345	441	369	382	356	456	365	451	401	523	427
Growth (%) ¹	3%	3%	-18%	-2%	-1%	-10%	3%	3%	-1%	18%	13%	15%	17%
Growth in local currencies (%) ¹	-0%	-3%	-22%	-7%	-9%	-15%	2%	2%	1%	19%	12%	20%	20%
Gross profit	146	161	137	186	113	171	162	201	166	195	171	229	171
Profit after variable costs ^{1 2}	60	60	54	88	34	80	82	104	82	93	76	161	84
Overhead costs ¹	-57	-71	-61	-67	-67	-72	-59	-69	-65	-76	-72	-115	-61
EBITDA ¹	-2	-19	-7	17	-33	-13	23	34	17	10	1	39	19
EBIT ³	-15	-31	-21	2	-47	-45	7	17	0	-5	-15	26	7
Adjusted EBITDA ^{1 5}	4	-11	-7	21	-32	8	23	35	17	16	4	46	24
Adjusted EBIT^{1 3 5}	-9	-23	-21	6	-47	-7	7	17	0	1	-11	32	11
Items affecting comparability ¹	-6	-8	0	-4	-1	-38	0	0	0	-6	-4	-7	-4
Profit/loss for the period	-20	-23	-11	26	-61	-49	25	14	-2	-1	-34	23	2
Gross margin (%) ¹	39.1%	37.8%	39.7%	42.1%	30.7%	44.7%	45.6%	44.1%	45.5%	43.2%	42.6%	43.7%	40.1%
Profit after variable costs (%) ¹	16.2%	14.0%	15.6%	20.0%	9.3%	20.9%	23.1%	22.7%	22.5%	20.6%	19.0%	30.7%	19.7%
Adjusted EBITDA (%) ^{1 5}	1.1%	-2.6%	-2.2%	4.7%	-8.7%	2.1%	6.5%	7.6%	4.6%	3.6%	1.1%	8.7%	5.5%
Adjusted EBIT (%) ^{1 5}	-2.4%	-5.4%	-6.2%	1.5%	-12.7%	-1.9%	2.0%	3.7%	-0.0%	0.3%	-2.7%	6.2%	2.7%
Cash flow for the period	96	16	-33	64	-1	61	57	83	-105	32	-120	13	-22
Net debt (+) / Net cash (-) ⁴	-115	-136	-105	-179	-171	-222	-278	-350	-261	-297	-175	-188	-159
Earnings per share before dilution (SEK)	-0.26	-0.29	-0.14	0.33	-0.77	-0.62	0.32	0.17	-0.03	-0.01	-0.43	0.29	0.03
Earnings per share after dilution (SEK)	-0.26	-0.29	-0.14	0.33	-0.77	-0.62	0.32	0.17	-0.03	-0.01	-0.43	0.29	0.03

¹ Alternative performance measures (APM), see „Financial overview“ <https://www.piercegroupp.com/en/reports-presentations/>.

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 EBIT includes depreciation, amortisation and impairment.

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

⁵ Adjusted measures in the current quarter, in the current year-to-date period, in the last twelve months' period and in the previous financial year exclude mainly personnel costs following changes of roles.

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.

As part of our ongoing efforts to enhance transparency and provide more meaningful insight into the performance of the Company, we have reviewed and updated the set of APMs presented alongside our IFRS financial statements. In line with regulatory guidance and best practices, we aim to present APMs that are relevant, consistent, and tailored to our stakeholders' needs, particularly in the context of our industry.

Several previously disclosed measures have been discontinued, as we concluded they provided limited incremental insight into the Company's performance or were no longer relevant.

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 available on the Company's website, <https://www.piercigroup.com/en/reports-presentations/>, under the column "Financial data".

