

RIDERS IN  E-COMMERCE

# PIERCE

## Interim Report

Q1 2026

May 8<sup>th</sup> 2026



sledstore



## Today's Presenters



**Göran Dahlin**  
CEO



**Fredrik Kjellgren**  
CFO

# Agenda

## 1. Pierce in Brief

2. Financial update
3. Looking forward
4. Q&A



# Pierce Group



**Europe's #1 Online Destination  
for Motorcycle Gear & Equipment**

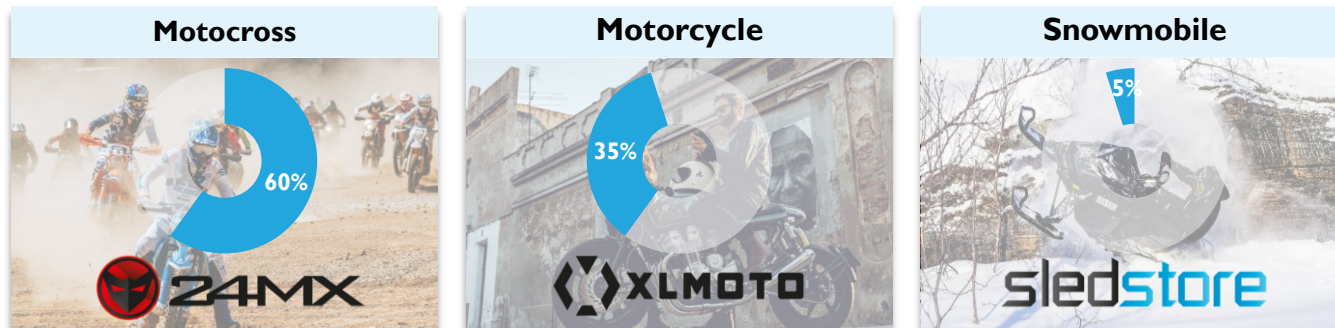
# Everything you need when you ride a motorcycle, except the motorcycle

Comprehensive offering across three outlets

## Company description

- **Founded in 2008**, Pierce is a **leading** European e-commerce platform for motorcycle and snowmobile gear, parts and accessories, operating the online stores 24MX, XLMOTO and Sledstore
- The company serves passionate riders through locally adapted websites in **19 European countries**, as well as dedicated sites for the rest of Europe and global customers
- With a broad and differentiated product assortment, including several private brands, Pierce delivers a strong customer experience at attractive price points
- The company is actively reshaping the European motorcycle retail market through scale, digital reach and brand-led differentiation
- Pierce is headquartered in Stockholm and listed on Nasdaq since 2021, with a central distribution warehouse in Szczecin, Poland, and customer support operations primarily based in Barcelona

## Store overview, net revenue 2025 %



## Financial overview



## Key facts

**>1.1 million** customers  
LTM

**Poland**  
Central warehouse

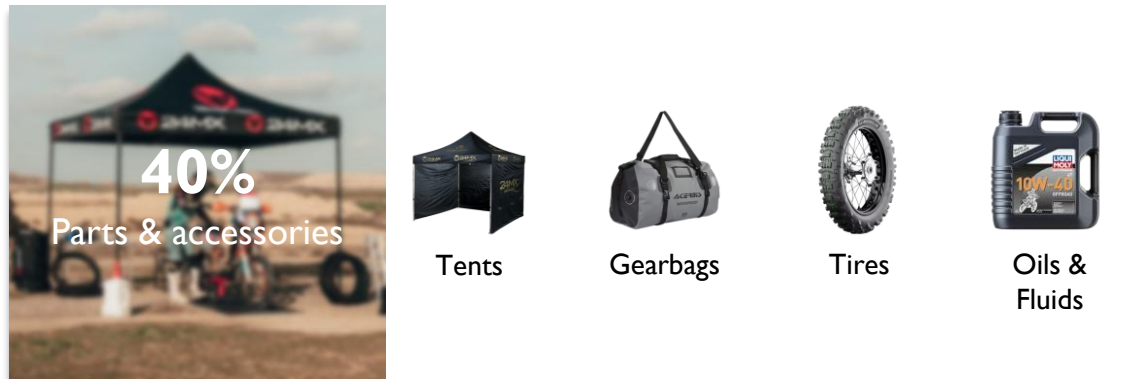
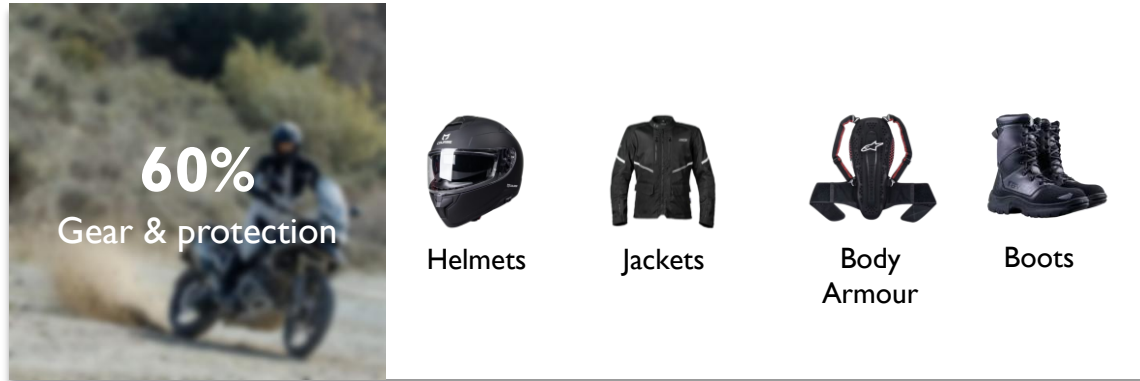
**>200,000**  
Products in offering

**280**  
Employees

# Broad product catalogue with deep European reach

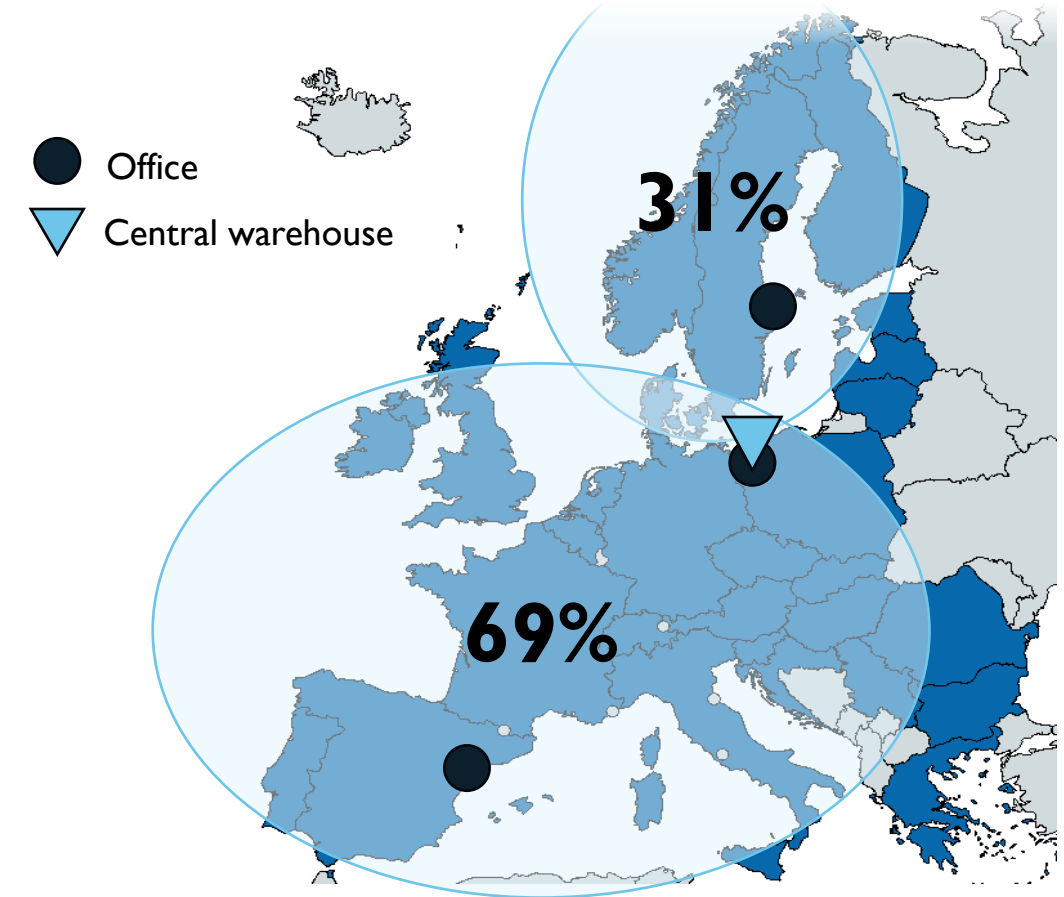
Serving riders across Europe through a diversified, category-leading offering

## Broad product offering

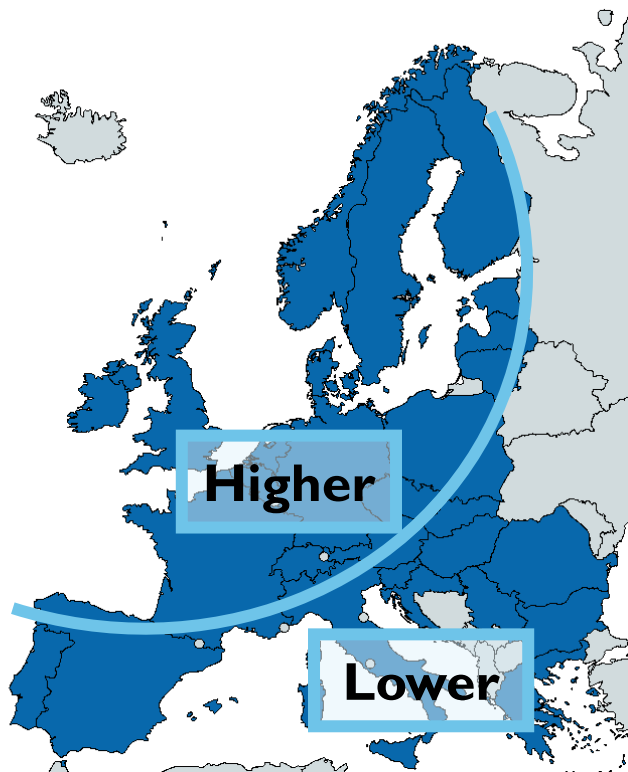


35% private brand  
65% external brands

## Net revenue by geography 2025, (%)



## E-commerce penetration



### Offroad



### Onroad



## Underlying growth

Niche well suited for e-commerce

Superior Selection & Availability

Increasing base of motorcycle riders (electrification will further drive this)



# BEST IN CLASS

Supply chain and Logistics setup

**>37,000 m<sup>2</sup>**  
Space

Stock levels  
**>60,000 SKUs**

**Agile**  
Set up and cross dock

Pick & pack within  
**24 hours**

**>20,000**  
Orders per day

**Own long distance haulers**

# FRAGMENTED LANDSCAPE

## Competitive landscape

Leading online retailers in Europe	
General / diversified online and marketplaces	
Leading European omni channel retailers	
Brick-and-mortar	
Direct-to-consumer	

## Direct Competitors

Player	Home	Go-to-market <sup>1</sup>	Ownership	Comment
Pierce	Nordics	Online	Listed	<u>Nordic Champion. Pan European leader in offroad</u>
FC-Moto	DE	Online	Private	<u>DE champion online, onroad</u>
Motoblouz	FR	Online	<b>Financial</b>	<u>FR champion online, onroad</u>
Sportsbikeshop	UK	Omni	<b>Financial</b>	<u>UK champion onroad</u>
Motocard	ES	Omni	<b>Financial</b>	<u>ES champion, onroad</u>
Motea	DE	Online	Private	PB Parts & Accessories onroad
Polo	DE	Omni	Financial, Part of Polo Group	Offline leader with online presence.
Louis	DE	Omni	<b>Financial</b>	Offline leader with online presence

Notes: (1) Assessed primary go-to-market



# PIERCE 2.0 – Transformation

## Actions

- Since its start in 2008, Pierce was fast growing and profitable, but post-COVID it faced declining demand, margin pressure, and losses (SEK -69m EBIT in 2023)
- New management in Q2 2023
- Launched Pierce 2.0 in Q3 2023 with two priorities: get back to profitability and get back to growth
- Simplified the structure by introducing a new operating model with specialist teams, clear accountability, and strong customer focus, improving speed and execution
- Simplified private label portfolio to focus investments and improve performance – reduced from 7 to 3 core brands by migrating products into core brands
- Cleaned up inventory – SEK 44m write-down of obsolete and slow-moving stock
- Modernizing the tech platform – replacing four core systems (incl. WMS and e-commerce) to enable scalability, improve functionality, and increase stability and security

## Results

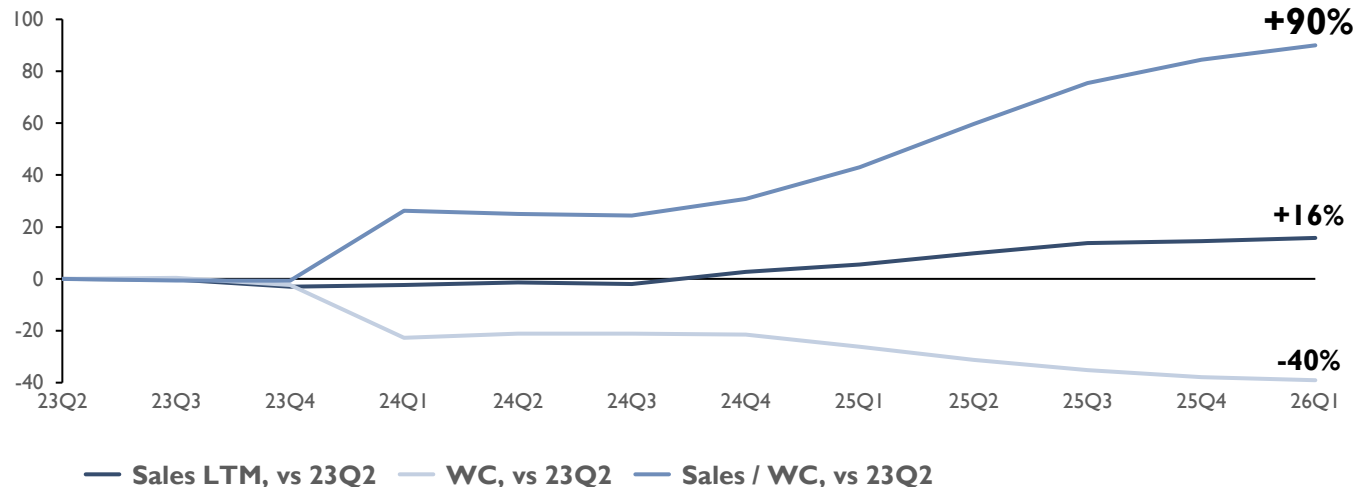
- Adjusted EBIT SEK 25m (2024) → SEK 45m (2025) → SEK 59m LTM
- SEK 59m LTM achieved despite SEK 26m temporary transformation costs related to the new tech stack, which will reduce in the short term
- 16% sales growth since program start and 40% reduction in white-collar headcount => +90% sales per employee
- Also improved underlying quality: larger customer base, improved customer satisfaction retention, and significantly higher employee net promoter score

## Future

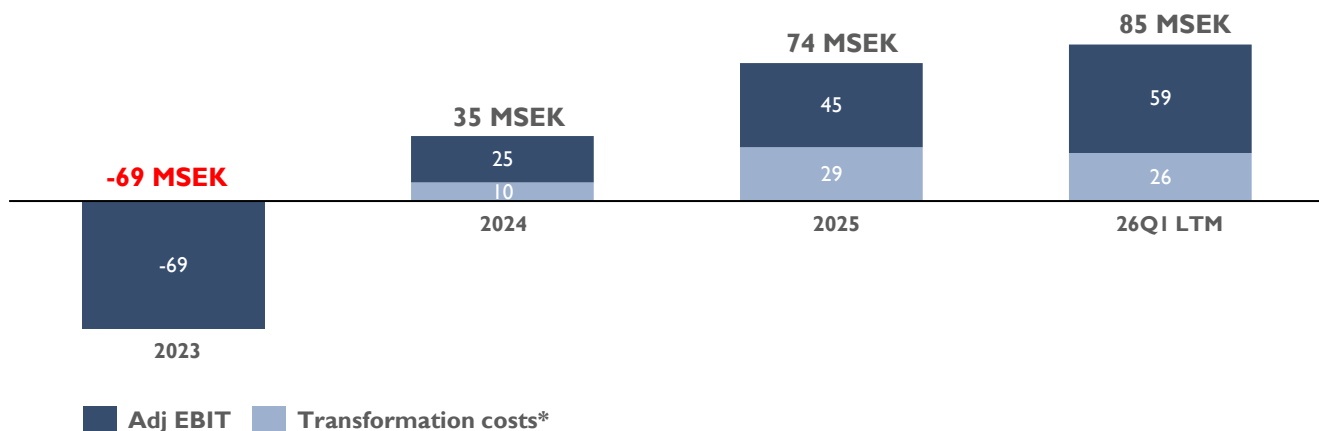
- Now entering the next phase – with a stronger platform and cost base, ready to scale
- Expanding into new markets and verticals
- Actively looking at consolidation opportunities



## Productivity Pierce 2.0



## Adj. EBIT without transformation costs



\* **NB:** Transformation costs will not reach zero, given the continuous evolution of our IT landscape. That said, the changes made in Pierce 2.0 are foundational, and costs are expected to decrease materially once the remaining systems are fully deployed.

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# Q1 SUMMARY

## Strong improvement in Adjusted EBIT

- Q1 2026 adjusted EBIT: SEK 2m, from -11m YoY, despite SEK 6m in temporary transformation costs. LTM adjusted EBIT: SEK 59m, despite SEK 26m in transformation costs.

## Continued growth despite cold weather in Europe and challenging macro environment

- Q1 growth: +5% YoY (+10% FX-neutral), driven by improved stock availability and strong marketing. LTM growth +14% FX-neutral.
- Weather impact in Nordics was positive (Sledstore) while Europe was negative (coldest Jan-Feb in 16 years Europe, bad for core MC category). March weather improvement supported demand.
- Challenging macro environment with high geopolitical instability.
- Against this backdrop we think we continue to take market share

## Stable contribution margin

- Contribution margin stable YoY supported by improved marketing efficiency. Gross margin -1.3pp but higher competitiveness gives better conversion & lower marketing spend. Continued focus on absolute contribution profit growth while maintaining gross margin healthy levels.

## Improved cost efficiency

- Lower OpEx despite growth and transformation. OpEx: 16.4% of sales (-1.5pp YoY). Driven by efficiencies from Pierce 2.0.
- SEK 6m negative impact from transformation costs in Q1. Related to our new IT-stack, will phase out. Gradual EBIT benefit from lower transformation costs & D&A.
- Part of SEK 30–40m EBIT improvement already realized. Further ~SEK 20–30m annualized step-up expected, triggered by completion of remaining IT systems

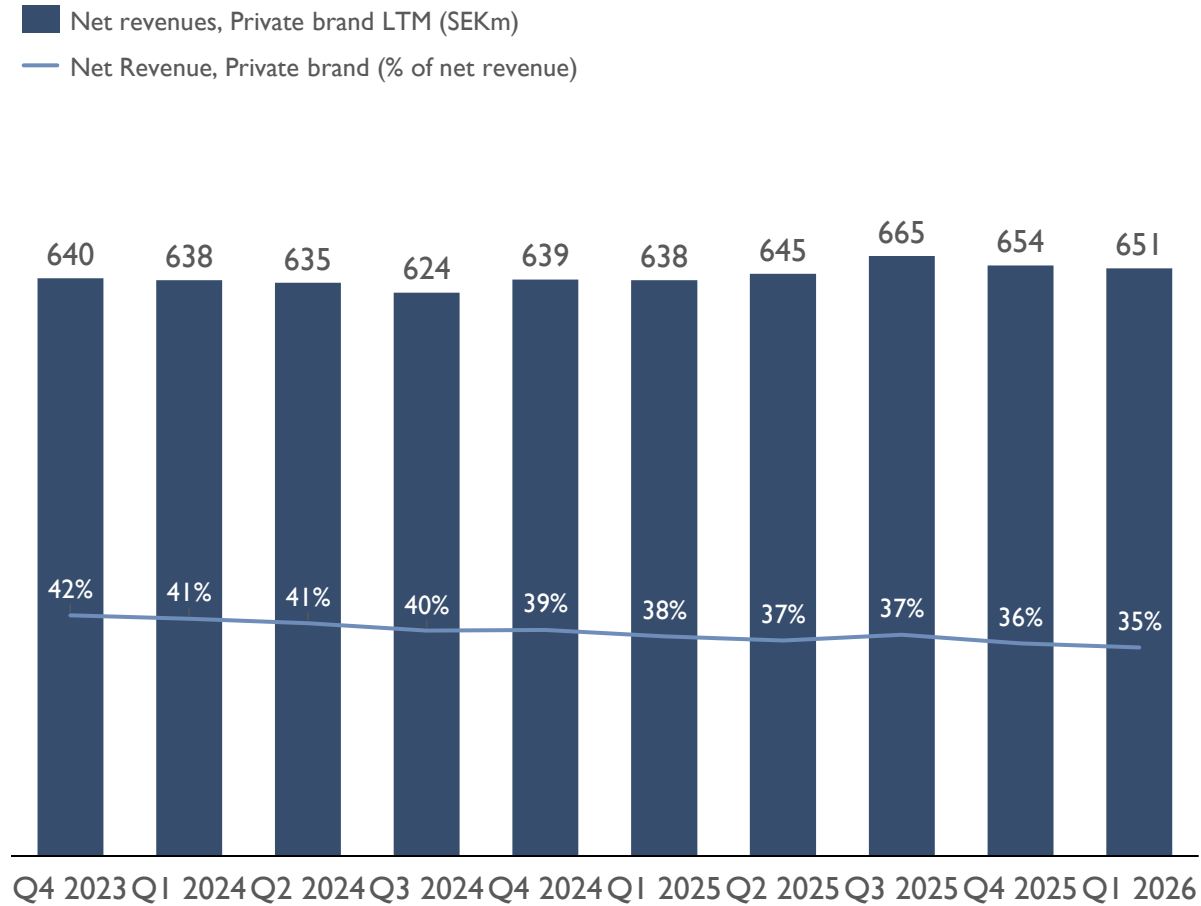
## Solid cash position

- Cash SEK 273m, plus SEK 150m credit facility
- Inventory similar levels YoY. Expected to remain stable to support growth.
- Positive cash flow of SEK 36m.

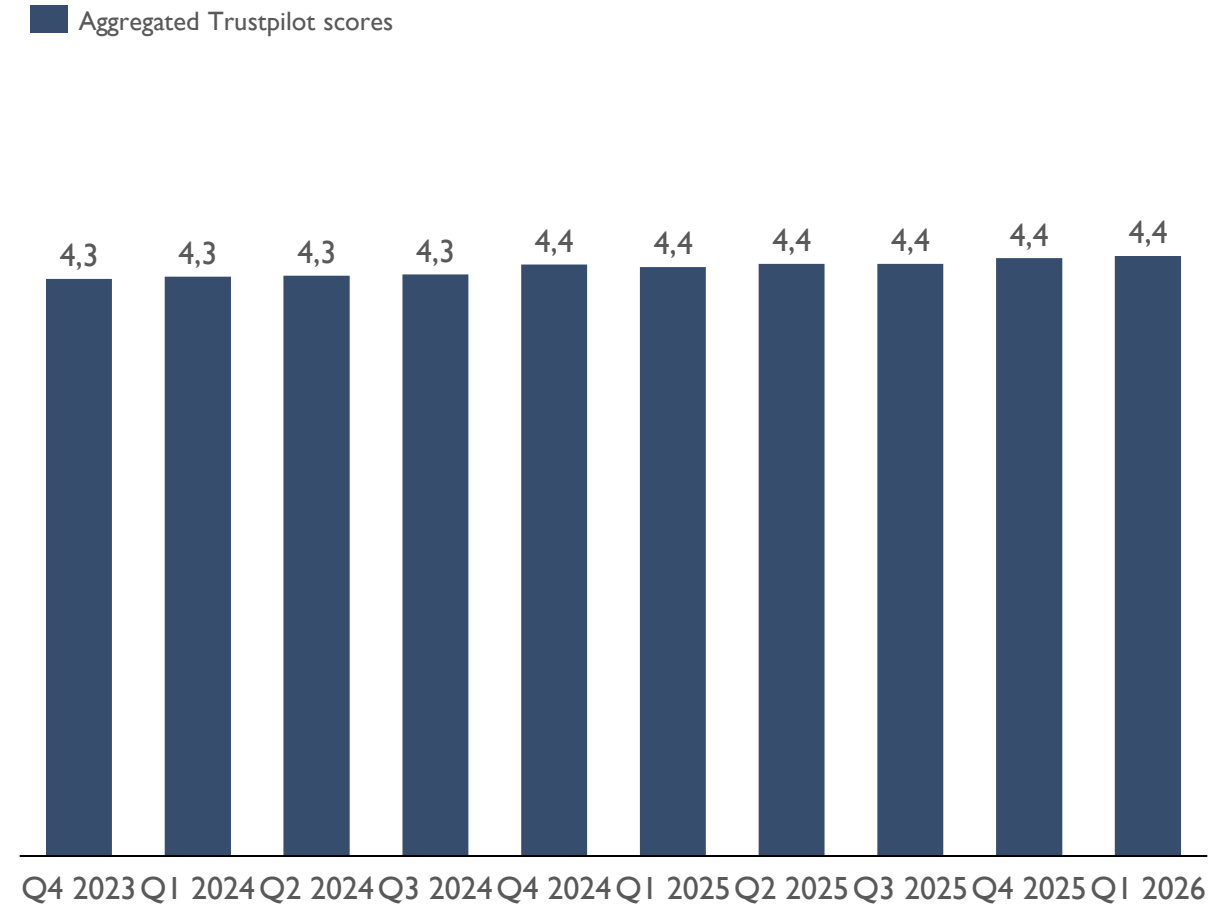
SEKm	Q1 2026	Q1 2025	Q1 2026 LTM
<b>Net Revenue</b>	<b>421</b>	<b>401</b>	<b>1,835</b>
<i>Growth, Year over Year %</i>	5%	13%	10%
Gross Profit	174	171	775
<i>Gross Margin %</i>	41.3%	42.6%	42.3%
Variable Costs	-93	-95	-393
<i>Variable costs %</i>	22.2%	23.6%	21.4%
Profit after variable costs	80	76	382
<i>Profit after variable costs %</i>	19.1%	19.0%	20.8%
Overhead costs	-69	-72	-278
<i>Overhead costs %</i>	16.4%	17.9%	15.2%
<b>Adjusted EBITDA</b>	<b>11</b>	<b>4</b>	<b>104</b>
<i>Adjusted EBITDA %</i>	2.7%	1.1%	5.7%
Depr. & Amort.	-9	-15	-46
<i>Depr. &amp; Amort. %</i>	2.2%	3.8%	2.5%
<b>Adjusted EBIT</b>	<b>2</b>	<b>-11</b>	<b>59</b>
<i>Adjusted EBIT %</i>	0.5%	-2.7%	3.2%
Inventory	485	490	485
Cash	273	175	273
Cash Flow	36	-120	107

# KPI HIGHLIGHTS LTM

Share of private brand sales declined slightly over the year due to exceptionally strong growth of external brand sales



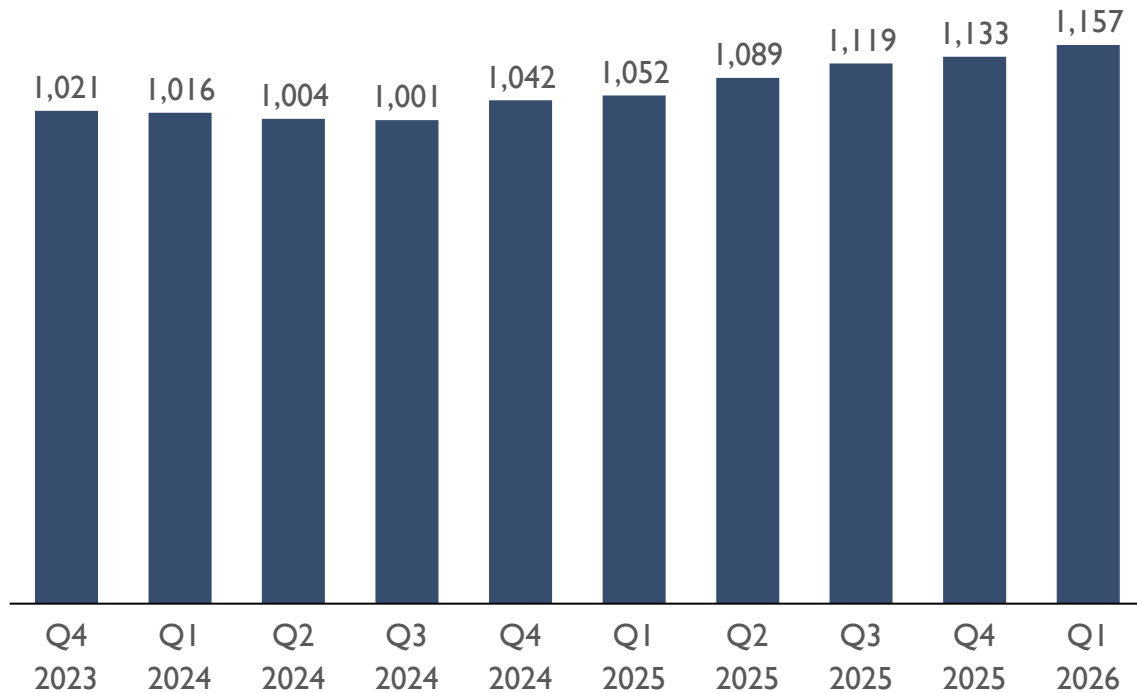
Trustpilot score stable at high level: 4.4/5.0



# KPI HIGHLIGHTS LTM (CONTINUED)

Active customer base steadily increasing

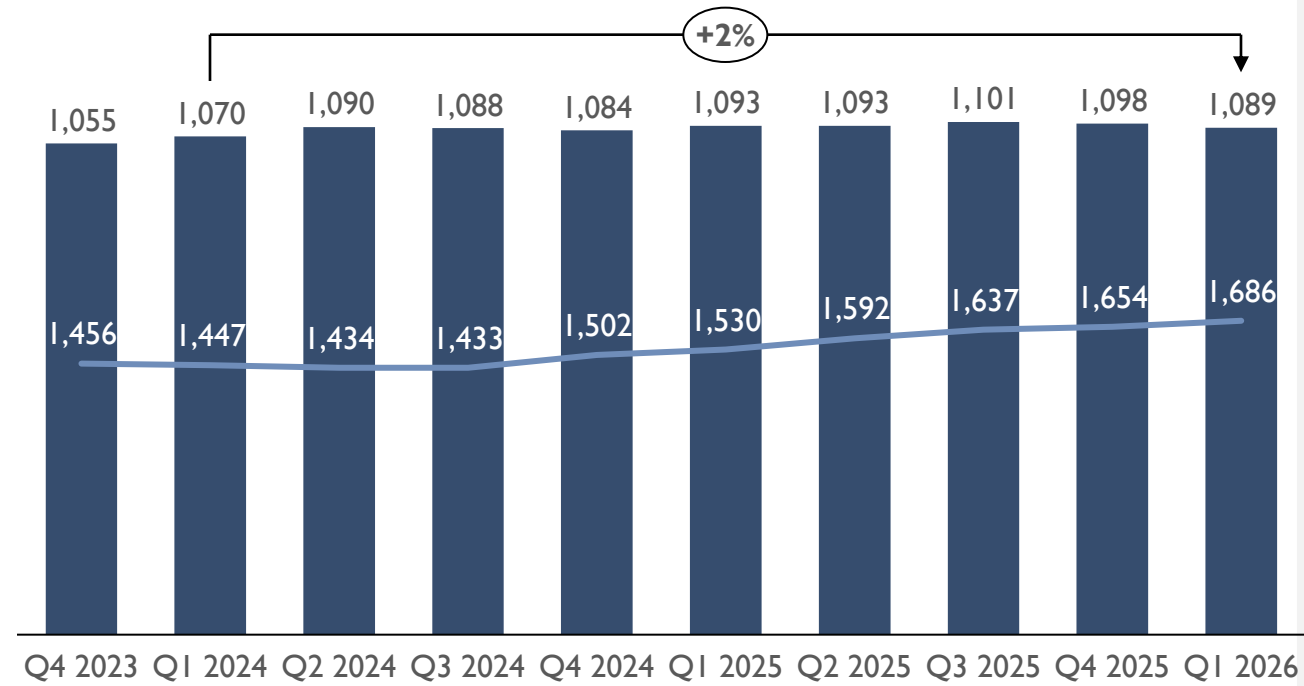
Active customers LTM (000), end of period



AOV quite stable YoY

Average order value LTM (SEK)

Number of orders LTM (000)



# MARGIN DEVELOPMENT

## Gross margin and contribution margin development

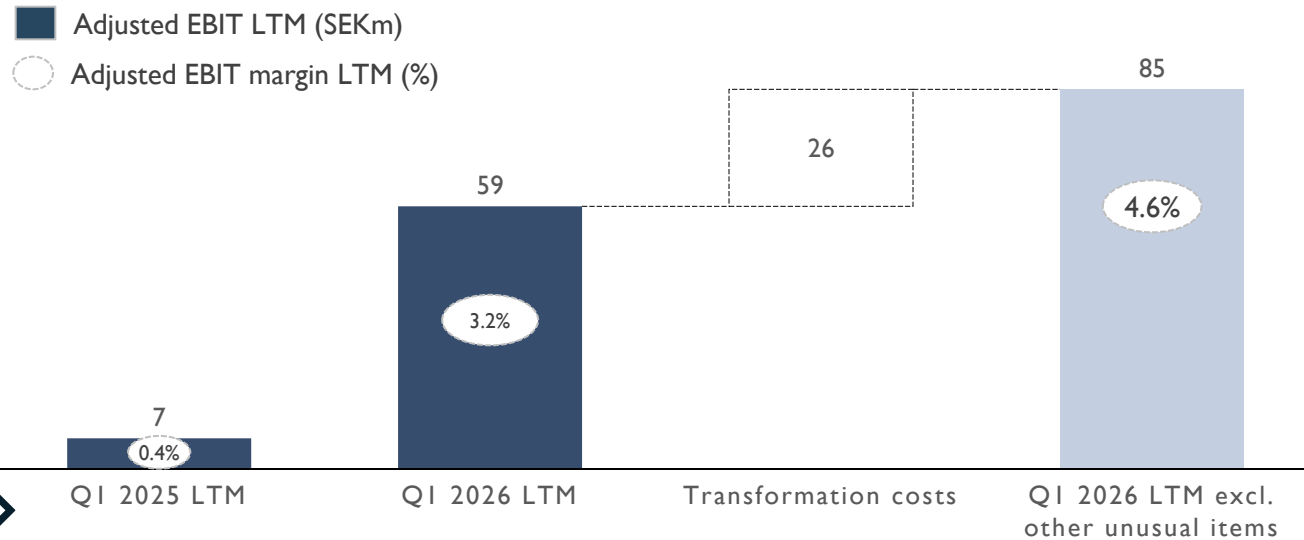
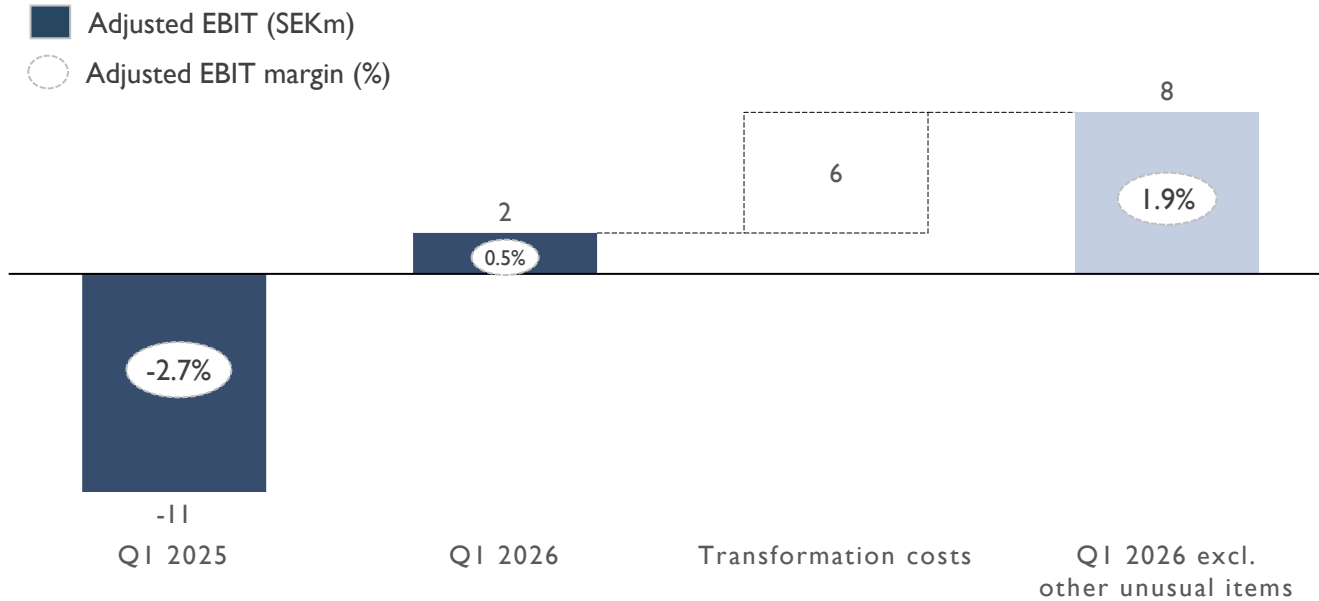
SEKm	Q1 2026	Q1 2025	Q1 2026 LTM
Gross Profit	174	171	775
Gross Margin %	41.3%	42.6%	42.3%
Profit after variable costs	80	76	382
Profit after variable costs %	19.1%	19.0%	20.8%

- Gross profit and Profit after variable costs increased year-over-year despite the head wind from FX
- Profit after variable costs % (contribution margin) remained stable compared to last year
- Pricing and marketing efficiency are closely interlinked, with increased competitiveness typically driving higher conversion and reducing the need for performance marketing spend, making contribution margin a more representative measure of underlying performance.
- We continue to prioritize contribution profit growth in absolute terms, while ensuring margins as a percentage of sales remain at healthy levels.



# ADJUSTED EBIT

## Adjusted EBIT vs last year, excluding unusual items



### Adjusted EBIT Impact – Q1 2026

- Transformation costs, of 6 SEKm, were not included in “Items Affecting Comparability,” impacted Adj. EBIT in Q1 2026.
- Excluding these costs, Adj. EBIT would have been approx. 8 SEKm for Q1 2026.

### Transformation Costs

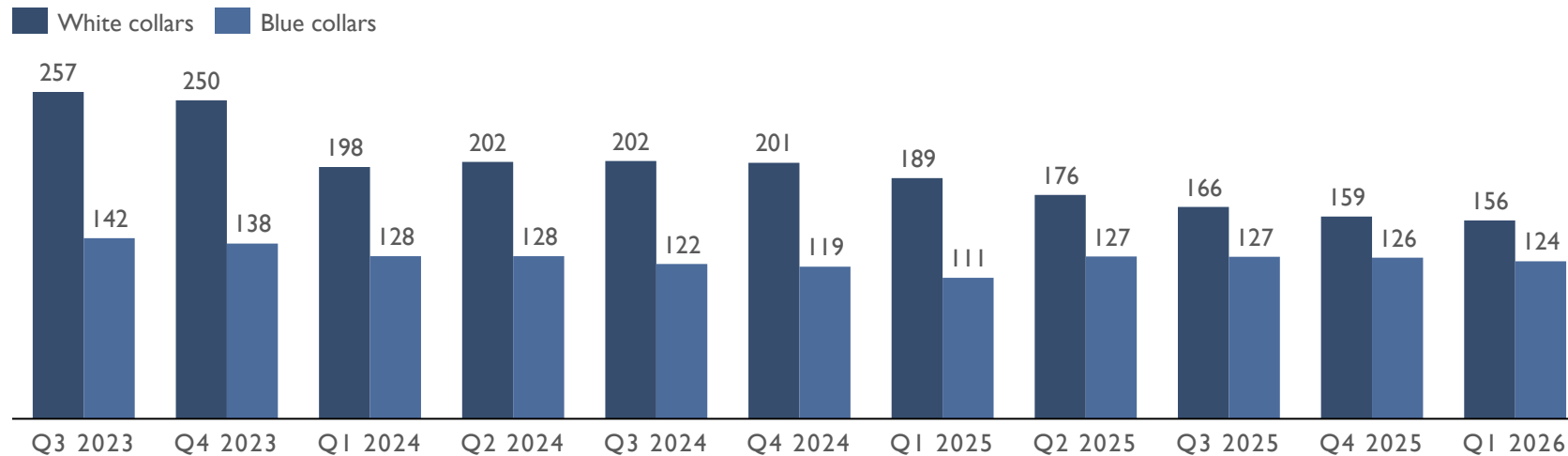
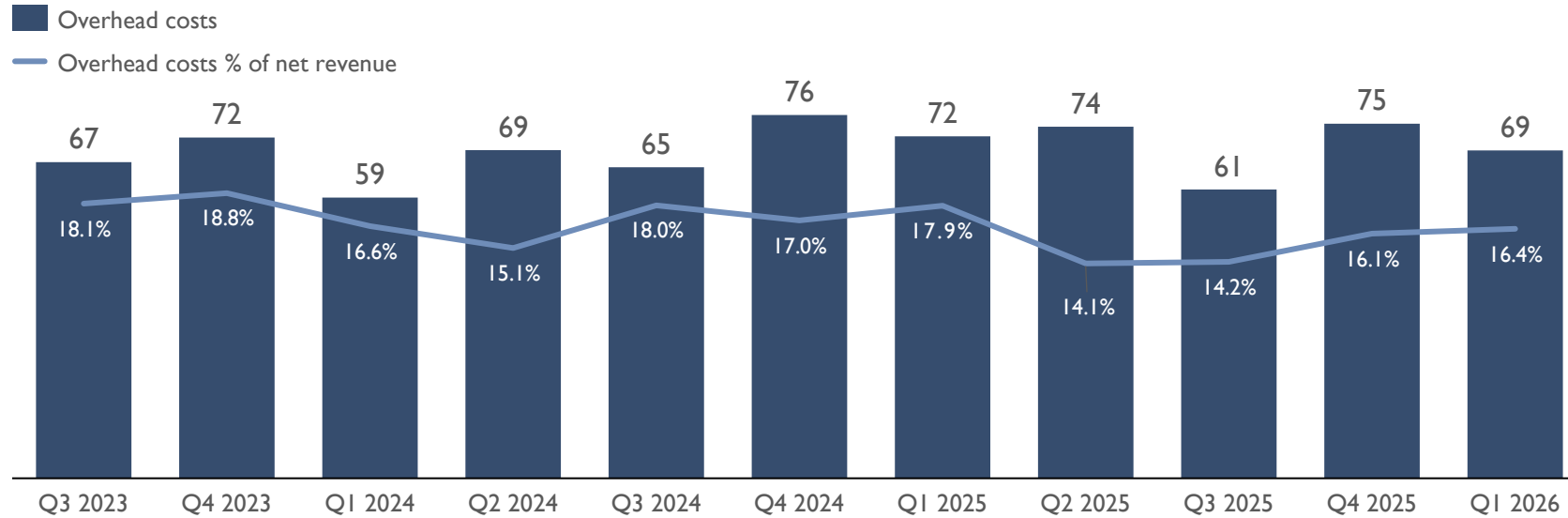
- Transformation costs relate to the implementation of new SaaS systems, which cannot be capitalized.
- These primarily consist of overlapping license fees and external consultant expenses linked to our transformation program.

### Outlook

- We expect transformation costs to decline significantly once our new technology stack is fully implemented during H1 2026.



# OVERHEAD COSTS DEVELOPMENT

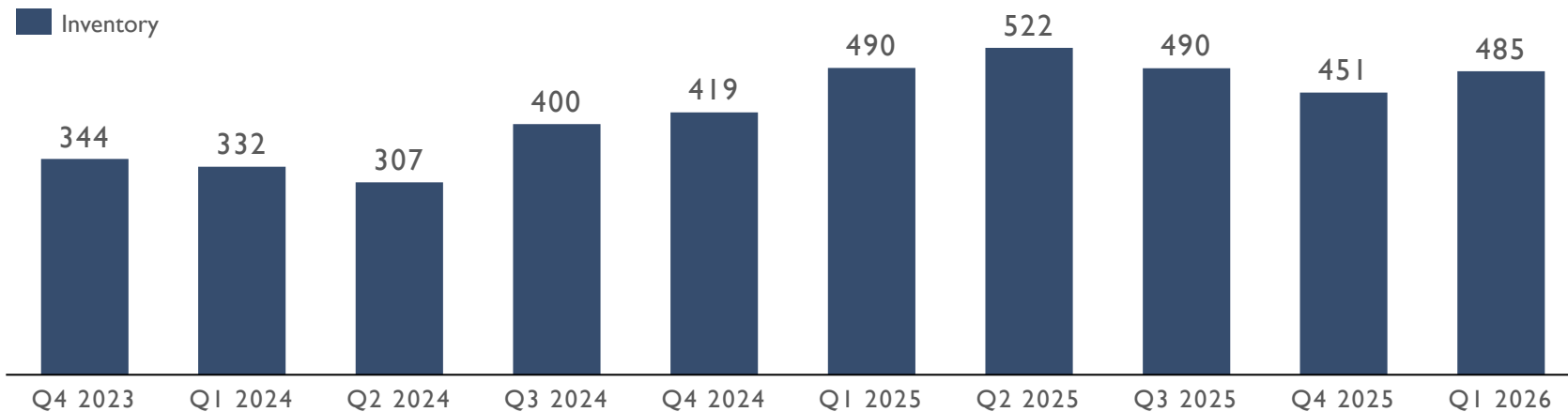
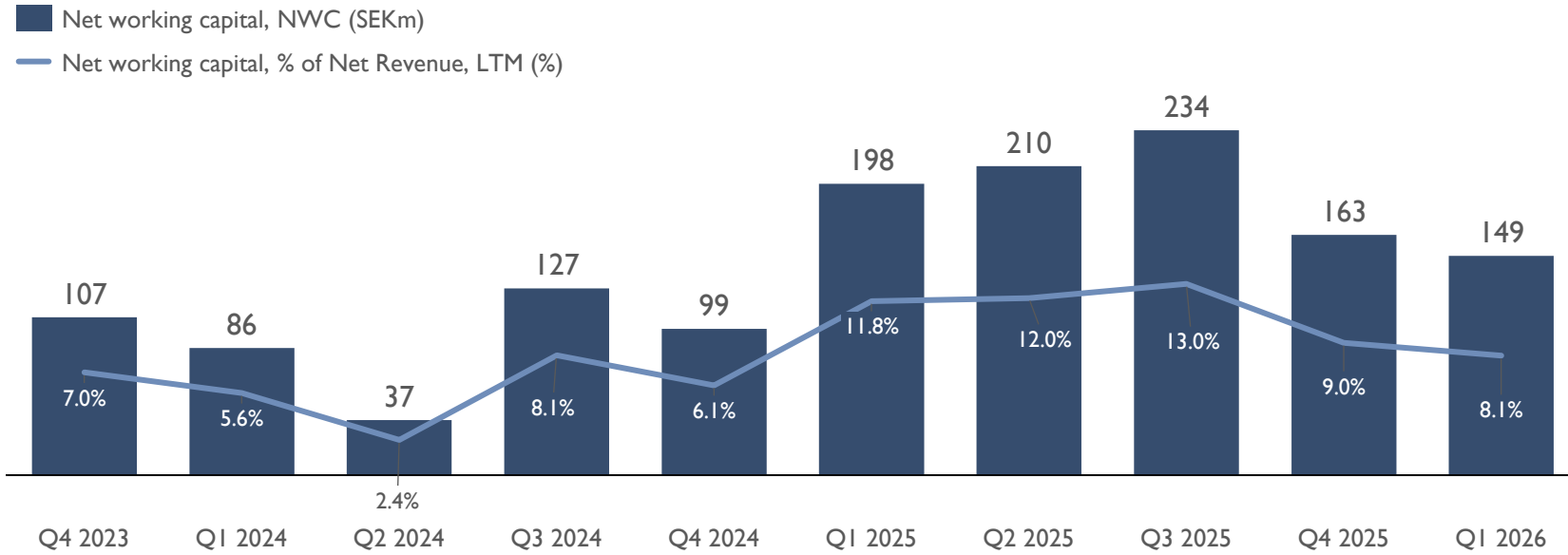


- OpEx decreased slightly YoY
- 2026 Q1 has been impacted by transformation costs of 6 SEKm mainly related to our tech stack upgrade. Costs deriving from third party consultants (developers, project leaders etc.) and licensing costs on parallel systems.
- Since the start of our transformation, we have right-sized the company by reducing our white-collar workforce by 40%, from 256 in Q2 2023 to 156 in Q1 2026, while growing net revenue by 10% in local currency.
- Sales per white-collar FTE has thus increased by approx. 90%.
- This has been achieved by simplifying processes, reducing bureaucracy, and empowering our teams.



# NET WORKING CAPITAL DEVELOPMENT

NWC improved while inventory levels remained fairly stable



- Net working capital (NWC) has during the fall 2024 and beginning of 2025 increased from an extra-ordinary low point in Q2 2024, as a result of work to improve assortment and product availability
- Our targets is to improve availability and improve customer experience even further without increasing inventory levels significantly by continuously improving our purchasing methodology



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# Outlook & Growth Drivers

## ENHANCE 2023-

**Pierce 2.0** transformation

**Enhanced fundamentals:** customer experience, streamlining operations and improve scalability

Has delivered strong growth and profitability improvements

Completion targeted **by first half year 2026** (final two systems live)

Negative **cost gearing is tapering down already and** comes to an end during Q3/Q4 2026, yielding another 20-30 MSEK EBIT on annualized basis

Growth from stronger fundamentals will moderate as we face tougher comparables

## EXPAND 2026-

Focus on **expanding reach** across **markets** and **verticals** to sustain momentum

**Localisation of 9 more markets** (4 done) from our pan-European site to drive long-term growth

Gain momentum in **MTB and scooter/moped** categories

Gradual build-up with **measured investments** and **cross-sales synergies**

Will take **time to scale** but will be **important contributor** to long term growth

## WORKING DIRECTION: CONSOLIDATE

European motorcycle e-commerce remains **fragmented and ripe for consolidation**

Scale advantages strong on a **tech-enabled platform**

The **largest, only pan-European, and only listed** player

**Pierce is uniquely positioned to take part in market consolidation**

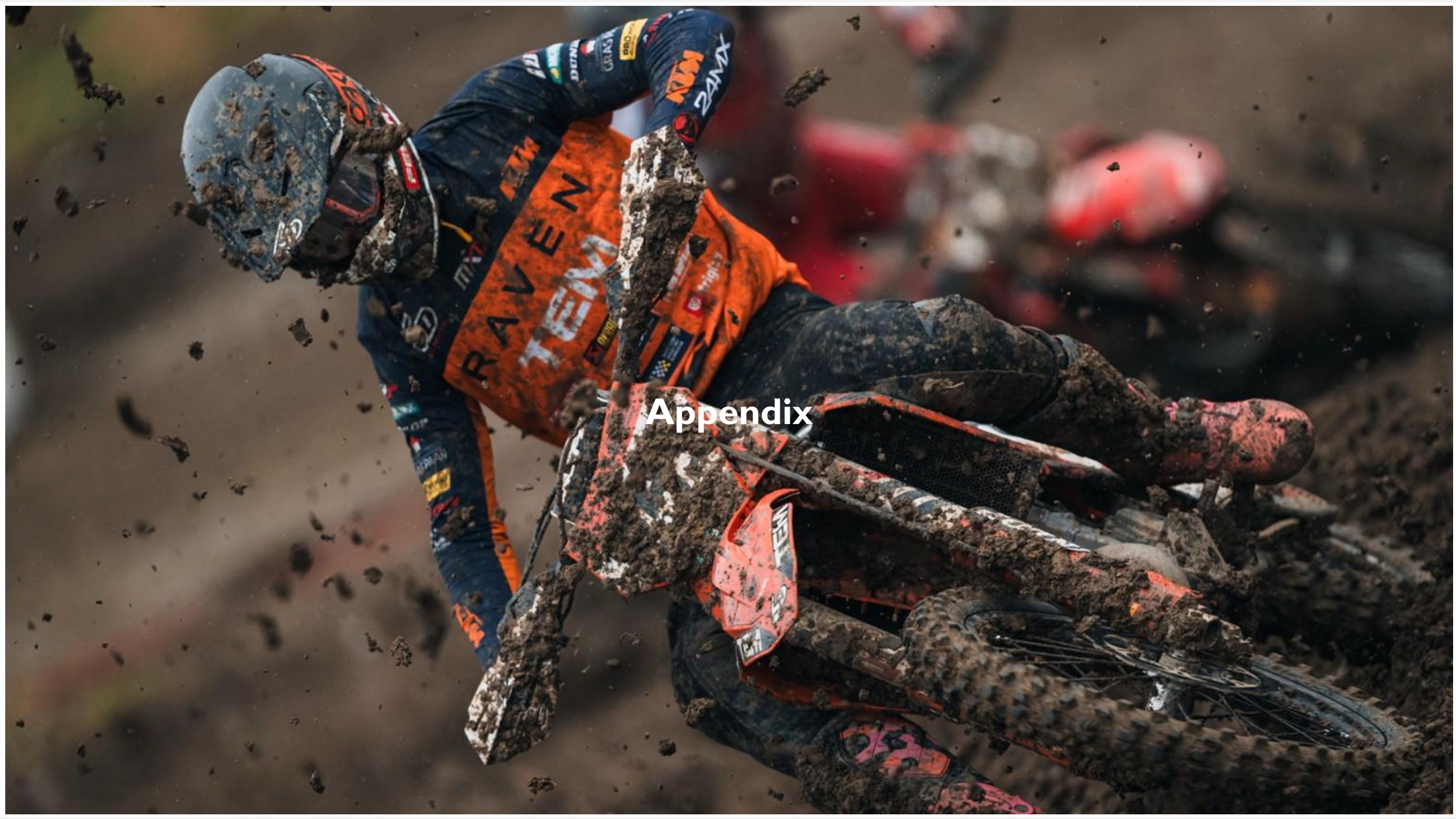


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Appendix

# CONSOLIDATED FINANCIAL INFORMATION

SEKm (unless stated otherwise)	2024	2025 Q1	2026 LTM
<b>Net Revenue</b>	<b>1,628</b>	<b>1,816</b>	<b>1,835</b>
<i>Growth (y/y) (%)</i>	6%	12%	10%
<i>Growth in local currencies (y/y) (%)</i>	6%	14%	14%
<i>Growth in private brand sales (y/y) (%)</i>	0%	2%	2%
<b>Gross Profit</b>	<b>724</b>	<b>773</b>	<b>775</b>
<i>Gross margin (%)</i>	44.5%	42.6%	42.3%
Variable sales- and distribution costs	-363	-394	-393
<i>Variable sales- and distribution costs (%)</i>	-22.3%	-21.7%	-21.4%
<b>Profit after variable costs</b>	<b>361</b>	<b>378</b>	<b>382</b>
<i>Profit after variable costs (%)</i>	22.2%	20.8%	20.8%
Overhead costs	-270	-281	-278
<i>Overhead costs (%)</i>	-16.6%	-15.5%	-15.2%
<b>Adjusted EBITDA</b>	<b>91</b>	<b>97</b>	<b>104</b>
<i>Adjusted EBITDA margin (%)</i>	5.6%	5.3%	5.7%
Depreciation, amortisation and impairment	-66	-52	-46
<i>D&amp;A (% of net revenue)</i>	-4.0%	-2.8%	-2.5%
<b>Adjusted EBIT</b>	<b>25</b>	<b>45</b>	<b>59</b>
<i>Adjusted EBIT margin (%)</i>	1.5%	2.5%	3.2%
Items affecting comparability (IAC)	-7	-17	-20
<i>IAC (% of net revenue)</i>	-0.4%	-0.9%	-1.1%



# QUARTERLY CONSOLIDATED FINANCIAL INFORMATION

SEKm (unless stated otherwise)	2024					2025					2026	
	Q1	Q2	Q3	Q4	FY24	Q1	Q2	Q3	Q4	FY25	Q1	Q1 LTM
<b>Net Revenue</b>	356	456	365	451	1,628	401	523	427	464	1,816	421	1,835
Growth (yly) (%)	3%	3%	-1%	18%	6%	13%	15%	17%	3%	12%	5%	10%
Growth in local currencies (yly) (%)	2%	2%	1%	19%	6%	12%	20%	20%	7%	14%	10%	14%
Growth in private brand sales (yly) (%)	-2%	-2%	-7%	9%	0%	-1%	4%	15%	-6%	2%	-2%	2%
<b>Gross Profit<sup>1</sup></b>	<b>162</b>	<b>201</b>	<b>166</b>	<b>195</b>	<b>724</b>	<b>171</b>	<b>229</b>	<b>171</b>	<b>202</b>	<b>773</b>	<b>174</b>	<b>775</b>
Gross margin (%)	45.6%	44.1%	45.5%	43.2%	44.5%	42.6%	43.7%	40.1%	43.5%	42.6%	41.3%	42.3%
Variable sales- and distribution costs	-80	-98	-84	-102	-363	-95	-109	-87	-104	-394	-93	-393
Variable sales- and distribution costs (%)	-22.5%	-21.4%	-23.0%	-22.5%	-22.3%	-23.6%	-20.9%	-20.3%	-22.3%	-21.7%	-22.2%	-21.4%
<b>Profit after variable costs</b>	<b>82</b>	<b>104</b>	<b>82</b>	<b>93</b>	<b>361</b>	<b>76</b>	<b>120</b>	<b>84</b>	<b>98</b>	<b>378</b>	<b>80</b>	<b>382</b>
Profit after variable costs (%)	23.1%	22.7%	22.5%	20.6%	22.2%	19.0%	22.8%	19.7%	21.2%	20.8%	19.1%	20.8%
Overhead costs	-59	-69	-65	-76	-270	-72	-74	-61	-75	-281	-69	-278
Overhead costs (%)	-16.6%	-15.1%	-18.0%	-17.0%	-16.6%	-17.9%	-14.1%	-14.2%	-16.1%	-15.5%	-16.4%	-15.2%
<b>Adjusted EBITDA</b>	<b>23</b>	<b>35</b>	<b>17</b>	<b>16</b>	<b>91</b>	<b>4</b>	<b>46</b>	<b>24</b>	<b>24</b>	<b>97</b>	<b>11</b>	<b>104</b>
Adjusted EBITDA margin (%)	6.5%	7.6%	4.6%	3.6%	5.6%	1.1%	8.7%	5.5%	5.1%	5.3%	2.7%	5.7%
Depreciation, amortisation and impairment	-16	-18	-17	-15	-66	-15	-13	-12	-11	-52	-9	-46
D&A (% of net revenue)	-4.4%	-3.9%	-4.6%	-3.4%	-4.0%	-3.8%	-2.6%	-2.9%	-2.3%	-2.8%	-2.2%	-2.5%
<b>Adjusted EBIT</b>	<b>7</b>	<b>17</b>	<b>0</b>	<b>1</b>	<b>25</b>	<b>-11</b>	<b>32</b>	<b>11</b>	<b>13</b>	<b>45</b>	<b>2</b>	<b>59</b>
Adjusted EBIT margin (%)	2.0%	3.7%	-0.0%	0.3%	1.5%	-2.7%	6.2%	2.7%	2.8%	2.5%	0.5%	3.2%
Items affecting comparability (IAC)	0	-0	-0	-6	-7	-4	-7	-4	-2	-17	-6	-20
IAC (% of net revenue)	-0.0%	-0.0%	-0.0%	1.4%	-0.4%	-0.9%	-1.3%	-1.0%	-0.5%	-0.9%	-1.5%	-1.1%
<sup>1</sup> Revaluation of working capital items	-1	-1	2	-3	0	1	3	-1	-1	-1	0	0
Number of orders (000)	344	416	332	411	1,502	372	477	376	427	1,654	404	1,686
Average order value (AOV) (SEK)	1,034	1,097	1,100	1,098	1,084	1,078	1,096	1,134	1,085	1,098	1,040	1,089
Net revenue from private brands	142	185	137	175	639	141	191	157	164	654	138	651
Active customers, LTM (000)	1,016	1,004	1,001	1,042	1,042	1,052	1,089	1,119	1,133	1,133	1,157	1,157

1) Exchange rate revaluation of working capital items are included in cost of goods sold.



# QUARTERLY CONSOLIDATED NET WORKING CAPITAL

SEKm (unless stated otherwise)	2024		2025			2026
	Q4	Q1	Q2	Q3	Q4	Q1
Physical stock	301	385	422	422	388	398
Goods in transit	118	105	100	68	62	86
Inventory	419	490	522	490	451	485
Working capital assets	24	35	31	23	21	27
Working capital liabilities	-344	-327	-343	-279	-310	-362
<b>Net working capital</b>	<b>99</b>	<b>198</b>	<b>210</b>	<b>234</b>	<b>163</b>	<b>149</b>
As % of net revenue LTM	6.1%	11.8%	12.0%	13.0%	9.0%	8.1%
Stock turnover <sup>1</sup>	2.2x	1.9x	1.9x	2.1x	2.3x	2.2x
Inventory % of net revenue LTM	25.7%	29.3%	30.0%	27.2%	24.8%	26.4%

1) Defined as cost of goods sold LTM divided by end of quarter inventory.



# CONDENSED CONSOLIDATED STATEMENT OF PROFIT/LOSS

SEKm	Jan-Mar		Apr 2025-	Jan-Dec
	2026	2025	Mar 2026	2025
Net revenue	421	401	1,835	1,816
Cost of goods sold	-247	-230	-1,060	-1,043
<b>Gross profit</b>	<b>174</b>	<b>171</b>	<b>775</b>	<b>773</b>
Sales and distribution costs	-124	-132	-530	-538
Administration costs	-54	-53	-210	-208
Other operating income- and expenses	1	-1	4	2
<b>Operating profit</b>	<b>-4</b>	<b>-15</b>	<b>39</b>	<b>28</b>
Financial net	-2	-19	-11	-28
<b>Profit/loss before tax</b>	<b>-6</b>	<b>-33</b>	<b>28</b>	<b>0</b>
Tax	-1	-1	0	-1
<b>Profit/loss for the period</b>	<b>-6</b>	<b>-34</b>	<b>27</b>	<b>-0</b>



# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SEKm	31 Mar 2026	31 Mar 2025	31 Dec 2025
Intangible assets	267	276	268
Property, plant and equipment	10	14	11
Right-of-use assets	98	151	119
Financial assets	6	5	19
Deferred tax assets	2	1	2
<b>Total non-current assets</b>	<b>383</b>	<b>447</b>	<b>418</b>
Inventory	485	490	451
Other current assets	28	37	22
Cash and cash equivalents	273	175	235
<b>Total current assets</b>	<b>785</b>	<b>702</b>	<b>708</b>
<b>Total assets</b>	<b>1,168</b>	<b>1,149</b>	<b>1,126</b>
<b>Total equity</b>	<b>660</b>	<b>630</b>	<b>663</b>
Leasing liabilities	71	113	87
Deferred tax liabilities	23	24	23
Provisions	1	0	1
<b>Total non-current liabilities</b>	<b>95</b>	<b>138</b>	<b>111</b>
Leasing liabilities	27	33	30
Trade payables	112	61	145
Other current liabilities	273	288	176
<b>Total current liabilities</b>	<b>413</b>	<b>382</b>	<b>352</b>
<b>Total equity and liabilities</b>	<b>1,168</b>	<b>1,149</b>	<b>1,126</b>



# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

SEKm	NOTE	Jan-Mar		Apr 2025-	Jan-Dec
		2026	2025	Mar 2026	2025
Operating profit	A	-4	-15	39	28
Adjustments for non-cash items	B	9	22	41	54
Paid interest		-3	-2	-8	-7
Received interest		1	1	2	2
Realised currency derivatives		-2	1	-8	-6
Paid/received tax		-1	-2	-3	-4
<b>Cash flow from operating activities before changes in net working capital</b>		<b>1</b>	<b>5</b>	<b>63</b>	<b>68</b>
Changes in net working capital	C	28	-115	73	-70
<b>Cash flow from operating activities</b>		<b>29</b>	<b>-110</b>	<b>135</b>	<b>-3</b>
<b>Investing activities</b>					
Investments in non-current assets	D	-1	-3	-5	-7
Paid/received blocked funds		13	0	-0	-14
<b>Cash flow from investing activities</b>		<b>13</b>	<b>-3</b>	<b>-5</b>	<b>-21</b>
<b>Financing activities</b>					
Share issue costs		-	-	0	0
Issue of warrants including issue costs		-	-	1	1
Change in utilised credit facility		-	-	-	-
Repayment of liabilities to credit institutions <sup>1</sup>		1	-	1	0
Repayment of leasing liabilities	E	-6	-7	-26	-27
<b>Cash flow from financing activities</b>		<b>-5</b>	<b>-7</b>	<b>-24</b>	<b>-26</b>
<b>Cash flow for the period</b>		<b>36</b>	<b>-120</b>	<b>107</b>	<b>-50</b>
Cash and cash equivalents at the beginning of period		235	297	175	297
Exchange rate difference		1	-1	-9	-12
<b>Cash and cash equivalents end of period</b>		<b>273</b>	<b>175</b>	<b>273</b>	<b>235</b>
<b>Operating cash flow before IFRS 16 interest</b>	<b>A+B+C+D+E</b>	<b>26</b>	<b>-118</b>	<b>121</b>	<b>-22</b>
Interest IFRS 16		-1	-1	-6	-6
<b>Operating cash flow</b>		<b>25</b>	<b>-119</b>	<b>116</b>	<b>-28</b>

1) Including capitalised interest expenses.



# RECONCILIATION OF ADJUSTED FINANCIALS

SEKm	Jan-Mar		Apr 2025-	Jan-Dec
	2026	2025	Mar 2026	2025
Net revenue	421	401	1,835	1,816
Cost of goods sold	-247	-230	-1,060	-1,043
Variable sales- and distribution costs	-93	-95	-393	-394
Other costs <sup>1</sup>	-84	-91	-344	-350
<b>EBIT</b>	<b>-4</b>	<b>-15</b>	<b>39</b>	<b>28</b>

## Reconciliation of adj. EBIT and adj. EBITDA

<b>EBIT</b>	-4	-15	39	28
IAC related to:				
IPO-costs	-	-	-	-
Restructuring expenses	-	0	0	0
Share-based payments	-1	0	-3	-2
Share-based payments (social costs)	0	0	-1	-1
Goodwill impairment	-	-	-	-
Other costs (XO)	-5	-3	-16	-14
<b>Adjusted EBIT</b>	<b>2</b>	<b>-11</b>	<b>59</b>	<b>45</b>
<b>Adjusted EBIT margin (%)</b>	<b>0.5%</b>	<b>-2.7%</b>	<b>3.2%</b>	<b>2.5%</b>
Depreciation	-8	-9	-34	-36
Amortisation	-2	-6	-11	-16
Goodwill impairment	-	-	-	-
<i>(of which PPA amortisations included in adjusted EBIT)</i>	-1	-2	-6	-6
<b>Adjusted EBITDA</b>	<b>11</b>	<b>4</b>	<b>104</b>	<b>97</b>
<b>Adjusted EBITDA margin (%)</b>	<b>2.7%</b>	<b>1.1%</b>	<b>5.7%</b>	<b>5.3%</b>

1) Other costs mainly consist of non-variable sales- and distribution costs, administration costs and other operating expenses/income.



# Pierce Group's mid to long term financial targets

## Financial targets

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- **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%.
- **Capital structure:** Net debt/ EBITDA \* not exceeding 2.0x, subject to temporary flexibility for strategic initiatives.
- **Dividend policy:** Over the next few years, the Company plans to use free cashflows\*\* for continued development\*\*\* and does not intend to pay dividends to shareholders.

\* Net debt in relation to last twelve month adjusted EBITDA, excluding IFRS 16 effects.

\*\* Free cashflow refers to cashflow from ongoing operations and investment activities.

\*\*\* Development means investments in, for instance, IT-hardware, IT-development, expansion of distribution warehouse, marketing, customer acquisitions, business acquisitions and acquisitions of net assets.



RIDERS IN  E-COMMERCE

# PIERCE



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