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Pierce Group AB (publ) aims to improve efficiency and agility and reduce costs, and begins change negotiations

In order to improve efficiency and agility, Pierce Group AB (publ) ("Pierce Group") is planning to initiate an operational efficiency program to adjust the structure of the organization. It will therefore start a process with authorities and unions as per country specific legislation and practices. This could affect approximately 50 employees, across all functions and countries where Pierce has offices, and is expected to be implemented during the fourth quarter. The ambition for the planned operating model is to generate annual profit improvement of approximately SEK 25 million, which will affect earnings already from the first quarter of 2024, while the corresponding effect on cash flow will be generated gradually during the first half of 2024. One-off costs are estimated to be approximately SEK 15 million in Q4 2023.

The goal is to implement a more team-based operating model with fewer managers and greater individual mandate and responsibility.

Göran Dahlin, CEO Pierce Group, said: "We need to become more agile to work more efficiently with shorter product life cycles and create a more attractive customer offering. To support the planned organizational simplification, we will improve our core processes through the implementation of Lean methodology across the company accompanied by an increase of digitization and automation. We believe these measures are necessary operational parts in achieving long-term profitable growth."

Pierce Group's third quarter Interim Report (Q3 2023) will be published as scheduled at 8:00 am on 17 November 2023.

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About Pierce Group

Pierce is a leading and fast-growing e-commerce company selling gear, parts and accessories to riders across all of Europe via some forty websites adapted to local markets. Pierce has two major segments, Offroad — sales to motocross and enduro riders, and Onroad — sales to street riders. Pierce also has a smaller segment, Other, which primarily focuses on snowmobile riders. With a large and unique product assortment, including several private brands, an excellent customer experience and attractive prices, Pierce is changing the motorcycle enthusiast market in Europe. Headquarters are located in Stockholm, the central warehouse is in Szczecin, Poland and the majority of our customer support services is located in Barcelona. Pierce has approximately 400 employees.

This information is information that Pierce Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person[s] set out above, at 2023-11-16 19:40 CET.

Attachments

[Pierce Group AB \(publ\) aims to improve efficiency and agility and reduce costs, and begins change negotiations](#)