PIERCE GROUP AB (publ)

Year-end report

January – December 2025

This is a translation of the Swedish original of Pierce Group's interim report for the period 1 January – 31 December 2025. In the event of any discrepancies between the two versions, the original Swedish version shall apply.

Acceleration fuelled by a year of transformation

October – December 2025

- Net revenue increased by 3%, totalling SEK 464 (451) million. In local currencies there was growth of 7%.
- EBIT was SEK 10 (-5) million, corresponding to an operating margin of 2.2% (-1.1%). Adjusted EBIT was SEK 13 (1) million and the adjusted operating margin was 2.8% (0.3%).
- Cash flow for the period was SEK 79 (32) million and the cash position at the end of the period was SEK 235 (297) million.
- Earnings per share before and after dilution was SEK 0.10 (-0.01).

January – December 2025

- Net revenue increased by 12%, totalling SEK 1,816 (1,628) million. In local currencies there was growth of 14%.
- EBIT was SEK 28 (18) million, corresponding to an operating margin of 1.6% (1.1%). Adjusted EBIT totalled SEK 45 (25) million, and the adjusted operating margin was 2.5% (1.5%).
- Cash flow for the period was SEK -50 (68) million.
- Earnings per share before and after dilution was SEK -0.01 (0.45).

	Oct-Dec		Jan-Dec	
SEKm (unless stated otherwise)	2025	2024	2025	2024
Net revenue	**464**	**451**	**1,816**	**1,628**
Growth (%)[1]	*3%*	*18%*	*12%*	*6%*
Growth in local currencies (%)[1]	*7%*	*19%*	*14%*	*6%*
Gross profit	202	195	773	724
Profit after variable costs[1 2]	98	93	378	361
Overhead costs[1]	-75	-76	-281	-270
EBITDA[1]	21	10	80	84
EBIT[3]	10	-5	28	18
Adjusted EBITDA[1]	24	16	97	91
Adjusted EBIT[1 3]	**13**	**1**	**45**	**25**
Items affecting comparability[1]	-2	-6	-17	-7
Profit/loss for the period	8	-1	0	36
Gross margin (%)[1]	43.5%	43.2%	42.6%	44.5%
Profit after variable costs (%)[1]	21.2%	20.6%	20.8%	22.2%
Adjusted EBITDA (%)[1 5]	5.1%	3.6%	5.3%	5.6%
Adjusted EBIT (%)	2.8%	0.3%	2.5%	1.5%
Cash flow for the period	79	32	-50	68
Free cash flow[1]	87	40	-24	97
Net debt (+) / Net cash (-)[4]	-235	-297	-235	-297
Earnings per share before dilution (SEK)	0.10	-0.01	-0.01	0.45
Earnings per share after dilution (SEK)	0.10	-0.01	-0.01	0.45

[1] Alternative performance measures (APM), see „Financial overview" https://www.piercegroup.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.

Significant events during the reporting period

Fredrik Kjellgren assumed the role of CFO

On 12 November 2025 Fredrik Kjellgren assumed the role of Chief Financial Officer of Pierce Group AB.

Significant events after the end of the reporting period

New credit facility agreement

The Group has renewed the credit facility agreement with its existing banking partner, one of Sweden's largest banks, replacing the facility scheduled to expire in the first quarter of 2026.

CEO comments

We conclude 2025 with a strong fourth quarter and a significantly improved result. Adjusted EBIT increased to SEK 13 million, compared with SEK 1 million in the corresponding quarter last year.

Net revenue grew by 7 percent in local currencies during the fourth quarter, despite tougher comparables than the previous quarter, ongoing geopolitical uncertainty, and continued challenging market conditions across several major European markets. We believe we increased market share during both the quarter and the full year. This reflects our consistent focus on the core of our business: the widest and deepest assortment, high stock availability enabling superior choice and fast, reliable deliveries, high-quality product information, competitive pricing, efficient marketing, and responsive customer care.

For the full year, adjusted EBIT reached SEK 45 million, compared with SEK 25 million in 2024 (and a loss of SEK 69 million in 2023), representing an improvement of 81 percent year over year. During the year, results were impacted by SEK 29 million in transformation-related costs, primarily related to external consultants and temporary parallel license fees in connection with the implementation of our new cloud-based IT systems. In accordance with applicable accounting standards, these costs are expensed as incurred. Despite this, profitability improved significantly.

Our business is seasonal and particularly affected by weather conditions in the first quarter. The most favorable scenario for us is a warm winter in our larger European markets combined with good snow conditions in the Nordics. The first quarter of 2025 was weak, partly due to a lack of snow in the Nordics, but it is also the smallest and least significant quarter of the year. As the motorcycle season began, demand increased, and we delivered several consecutive quarters where we outgrew the market while reducing costs.

During the year, we replaced several key IT systems. Two of four core systems – our Customer Data Platform (CDP) and Product Information Management (PIM) system – have been launched. A pilot of the new e-commerce platform has been completed. The implementation of our new Warehouse Management System (WMS) and the full rollout of all systems are expected to be completed during the first half of 2026.

At year-end, we had a strong cash position of SEK 235 million and balanced inventory levels, following focused efforts to improve inventory quality and reduce working capital without compromising availability.

Pierce 2.0 was launched in the third quarter of 2023 and is our program to increase efficiency and scalability. Through this program, we have fundamentally reshaped the organization, reduced costs, and changed how we operate. Sales per white-collar FTE have increased by approximately 84 percent since launch. White-collar FTEs have been reduced by around 38 percent while the business has grown by 15 percent. This demonstrates the scalability of our business model and the structural improvements delivered through Pierce 2.0. I am proud of the focus and commitment shown by the team during this demanding period.

Looking ahead to 2026, we expect further improvement in profitability, although quarterly results will continue to be affected by seasonality and weather conditions. Transformation-related costs will decline as systems are fully deployed, which is expected to be completed during the first half of 2026. At the same time, depreciation will decrease as major assets become fully depreciated. Combined, these effects are expected to improve EBIT by SEK 30-40 million on an annualized basis after the systems are fully operational.

To drive long-term growth, we continue to improve our core business. As comparables become stronger, the growth rate driven by improvements in the existing business is expected to moderate somewhat. As our new technology platform is fully deployed, we will expand into new markets and adjacent verticals, including the localization of 12 markets currently served through our .eu site. We are also seeing encouraging momentum in our mountain bike and scooter/moped categories, where we are leveraging our platform to drive cross-sales synergies. These initiatives will take time to scale, but will be instrumental in strengthening our long-term growth.

The European e-commerce market for motorcycle gear and equipment is ripe for consolidation. The market remains fragmented and the benefits of scale are significant. Several of our major European competitors have financial owners, and the question is not if consolidation will occur, but when and by whom it will be driven. With our scalable platform and strong private label share, Pierce is well positioned to take an active role as this opportunity materializes.

Göran Dahlin

CEO, Pierce Group AB (publ)

Stockholm, 20 February 2026

Performance measures – Group

SEKm (unless stated otherwise)	Oct-Dec 2025	Oct-Dec 2024	Jan-Dec 2025	Jan-Dec 2024
Revenue measures				
Net revenue per geographical area				
Nordics	124	119	571	517
Outside the Nordics	339	332	1,244	1,111
Net revenue	**464**	**451**	**1,816**	**1,628**
Growth per geographical area				
Nordics (%)[1]	4%	11%	10%	2%
Outside the Nordics (%)[1]	2%	20%	12%	8%
Growth (%)[1]	**3%**	**18%**	**12%**	**6%**
Performance measures				
Gross margin (%)[1]	43.5%	43.2%	42.6%	44.5%
Profit after variable costs (%)[1]	21.2%	20.6%	20.8%	22.2%
Overhead costs (%)[1]	16.1%	17.0%	15.5%	16.6%
Adjusted EBITDA (%)[1]	5.1%	3.6%	5.3%	5.6%
Adjusted EBIT (%)[1]	2.8%	0.3%	2.5%	1.5%
Earnings per share before dilution (SEK)	0.10	-0.01	-0.01	0.45
Earnings per share after dilution (SEK)	0.10	-0.01	-0.01	0.45
Other financial measures				
Cash flow for the period	79	32	-50	68
Cash and cash equivalents[2]	235	297	235	297
Net debt excluding IFRS 16[1 2 4]	-235	-297	-235	-297
Net debt/EBITDA[1 3 4]	-3.8	-5.0	-3.8	-5.0
Inventory[2]	451	419	451	419
Other current operating assets[1 2]	21	24	21	24
Other current operating liabilities[1 2]	-308	-344	-308	-344
Net working capital[1 2]	**163**	**99**	**163**	**99**
Operating measures				
Number of orders (thousands)[1]	427	411	1,654	1,502
Average order value (AOV) (SEK)[1]	1,085	1,098	1,098	1,084
Net revenue from private brands[1]	164	175	654	639
Active customers last 12 months (thousands)[1]	1,133	1,042	1,133	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.


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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.

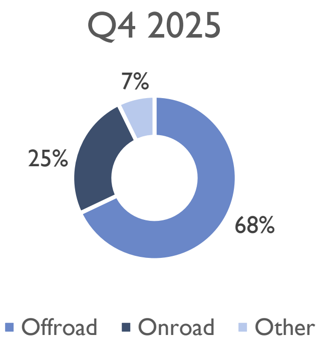
Comments to the Group's profit/loss for the period

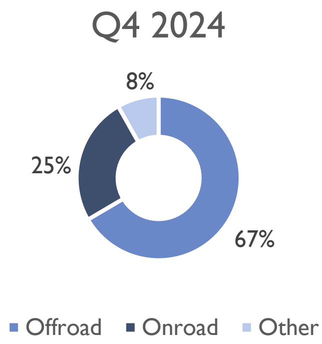
(Figures in parentheses refer to the equivalent period last year)

October – December 2025

Net revenue

Net revenue developed positively in the fourth quarter with an increase of 3 percent to SEK 464 (451) million. In local currencies the increase was 7 percent, reflecting a continued positive trend and supporting strengthening underlying business.





The Company's sales within the Offroad category grew with approximately 5 percent, whereas the sales within the Onroad category grew with approximately 1 percent.

	Oct-Dec		Jan-Dec	
SEKm	2025	2024	2025	2024
Offroad	315	300	1,129	1,017
Onroad	115	114	617	530
Other	34	37	69	81
Net revenue	**464**	**451**	**1,816**	**1,628**

Gross profit and gross margin

Gross profit amounted to SEK 202 (195) million, corresponding to a gross margin of 43.5 (43.2) percent. The modest increase in margin was primarily driven by reversal of obsolescence provision and lower in-freight costs. However, this positive effect was partially diluted by mix effect from stronger growth in external brands.

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 initially resulted in a higher provision for obsolete inventory by the end of the third quarter. Following inventory turnover above anticipated levels during Black Month and the holiday season, a portion of this provision was reversed, resulting in a net reversal of provision for obsolete inventory of SEK 8 (5) million. In parallel, we have continued our efforts to optimize inventory levels and reduce overstock.

In-freight costs of SEK -20 (-22) million corresponded to 4.3 (4.8) percent of net revenue. In-freight cost ratio as a percentage of net revenue decreased slightly by 0.5 percentage point compared to last year, driven by slightly lower overall 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 -138 (-141) million, equivalent to 29.9 (31.3) percent of net revenue, representing an improvement of 1.5 percentage points in the cost ratio. The improvement reflects solid growth in net revenue as well as measures implemented throughout the year to enhance cost efficiency. Marketing costs and staff expenses decreased in absolute terms and in relation to net revenue, whereas other significant costs, such as fees to payment providers, were maintained on a similar level in relation to net revenue. Freight costs to customers increased slightly. Depreciation and amortization decreased as expected, reflecting the completion of depreciation periods for several major investments made in previous years.

Administration costs were SEK -53 (-60) million, equivalent to 11.5 (13.2) percent of net revenue. Excluding items affecting comparability, those costs totalled SEK -51 (-56) million.

Included in the above operating costs, but excluding items affecting comparability, overhead costs totalled SEK -75 (-76) 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 7 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 10 (-5) million, corresponding to an operating margin of 2.2 (-1.1) percent.

Items affecting comparability totalled SEK -2 (-6) million and related to compensation associated with a reduction in office space at one of the company's locations, and to share-based payments. Last year items affecting comparability referred to personnel costs following role changes.

Adjusted EBIT was SEK 13 (1) million, equivalent to a margin of 2.8 (0.3) percent.

Adjusted EBIT included the accelerated amortisation of trademarks to be discontinued of SEK -1 (-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 16 million in accelerated amortisation by the second quarter of 2026.

Financial items

Financial income was SEK 3 (10) million from interest income on deposits and gains from the revaluation of currency derivatives. Last year, there was a positive effect from the revaluation of financial balance sheet items.

Financial expenses were SEK -5 (-1) million and consisted 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 (-5) million and the result for the period was SEK 8 (-1) million.

January – December 2025

Net revenue

Net revenue increased by 12 percent to SEK 1,816 (1,628) million. In local currencies, the growth was 14 percent. The increase within the main categories Offroad and Onroad was 11 percent and 17 percent, respectively. Net revenue for the Other category (which is highly seasonal and smaller than the other two categories) declined by 14 percent.

Gross profit and gross margin

Gross profit amounted to SEK 773 (724) million, equivalent to a margin of 42.6 (44.5) 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.

To address this, an additional obsolescence provision of SEK 13 million was recognized in the third quarter, reducing the gross margin by 1.0 percentage point and significantly lowering the risk of future obsolescence. Following the Black Friday campaign season, the overall obsolescence provision decreased in the current quarter, driven by extensive discounted campaigns targeting obsolete inventory.

Inventory levels have remained relatively stable since the increase at the end of last year and early this year, reflecting our focus on strengthening the customer offering without materially increasing total inventory. As a result, and supported by continued inventory optimization efforts, we expect obsolescence costs to stabilize as we move into next year.

Last year, gross profit benefited from a reversal of the provision for obsolete inventory, which had a positive effect of SEK 19 million on gross profit, and increased the gross margin by 1.2 percentage points.

In-freight costs totalled SEK -77 (-67) million, corresponding to 4.2 (4.1) percent of net revenue. In-freight cost ratio as a percentage of revenue increased by 0.1 percentage points compared to last year, driven by slightly 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 -538 (-515) million, equivalent to 29.6 (31.6) percent of net revenue, an improvement in the ratio of 2.0 percentage points. Marketing costs and staff expenses decreased relative to net revenue by 0.8 and 0.4 percentage points, respectively. This reflects disciplined cost management and continued efficiency improvements in performance marketing, as well as a focused approach to brand marketing during the year. Other significant costs, such as fees to payment providers, were maintained on a similar level in relation to net revenue. Freight costs to customers increased slightly. Depreciation and amortization decreased as expected, reflecting the completion of depreciation periods for several major investments made in previous years.

Administration costs were SEK -208 (-196) million, equivalent to 11.5 (12.1) percent of net revenue, and included accelerated amortisation of trademarks to be discontinued of SEK -6 (-7) million. Excluding items affecting comparability, the administration costs totalled SEK -196 (-192) million.

Included in the above operating costs, but excluding items affecting comparability, overhead costs totaled SEK -281 (-270) million. During the year, an estimated total of SEK 29 (10) 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 28 (18) million, corresponding to an operating margin of 1.6% (1.1%). The result was impacted by items affecting comparability of SEK -17 (-7) million, primarily related to personnel costs following the organisational restructuring, as well as share-based payments and compensation associated with a reduction in office space at one of the company's locations.

Adjusted EBIT amounted to SEK 45 (25) million, corresponding to a margin of 2.5 (1.5) percent.

Adjusted EBIT included accelerated amortisation of trademarks to be discontinued of SEK -6 (-7) 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 16 million in accelerated amortisation by the second quarter of 2026.

Financial items

Financial income totalled SEK 4 (28) million, of which SEK 4 (10) million was income from short-term bank deposits. Last year, SEK 12 million referred to exchange rate differences from 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 -33 (-5). In both periods, financial expenses comprised leasing expenses and credit facility fees. The increase was attributable to exchange rate differences from the revaluation of financial balance sheet items and to revaluation of currency derivatives, which had a positive impact in the previous year but resulted in net losses in the current period.

Taxes and results for the period

Tax totalled SEK -1 (-6) million and the result for the period was SEK 0 (36) million.

Comments to the Group's cash flow

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

October – December 2025

Cash flow from operating activities was SEK 89 (43) million, with changes in net working capital as the primary contributor. At the same time, EBIT improved from SEK -5 million to SEK 10 million.

Change in net working capital contributed positively to operating cash flow with SEK 68 (28) million. The execution during the peak trading period, including Black Month and the holiday season, contributed positively to cash flow from operations, with a corresponding improvement in changes in net working capital.

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 -8 (-8) million and consisted of leasing payments and trade loans.

Cash flow for the period was SEK 79 (32) million. Cash and cash equivalents at the end of the period totalled SEK 235 (297) million.

January – December 2025

Cash flow from operating activities amounted to SEK -3 (105) million. Cash flow from operating activities before changes in net working capital remained positive at SEK 68 (92) million. The lower operating cash flow was primarily caused by a net outflow of SEK -70 (13) million from changes in net working capital. This negative development was driven by higher inventory levels.

Cash flow from investments totalled SEK -21 (-8) million and comprised of the purchase of equipment for the distribution warehouse, to the placement of funds for commercial deposits and guarantees and also to investments in IT infrastructure.

Cash flow from financing activities was SEK -26 (-29) million and consisted of leasing payments and trade loans.

Cash flow for year to date was SEK -50 (68) million. Including exchange rate differences, which totalled SEK -12 (7) million, cash and cash equivalents at the end of the period amounted to SEK 235 (297) 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 163 (99) million, corresponding to 9.0 (6.1) percent of LTM net revenue of SEK 1,816 (1,628) million. Pierce's inventory increased by SEK 32 million, reaching SEK 451 million, reflecting the residual effects of the broader product assortment introduced ahead of the peak trading season.

Following the completion of Black Month and the holiday period, net working capital declined compared with the previous quarter, supported by strong sales execution and a normalization of activity levels. The reduction reflects a lower inventory position compared with the peak season, as well as timing effects related to receivables and settlements around year-end.

Right-of-use assets and leasing liabilities

Right-of-use assets amounted to SEK 119 (54) million and leasing liabilities to SEK 117 (52) 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 favorable 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 cash and cash equivalents and amounted to SEK 235 (297) 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 certain financial covenants regarding the Group's leverage ratio and interest coverage ratio. Covenants are reported quarterly. As of 31 December 2025, Pierce was not in breach of the covenants in accordance with the current agreements for the credit facility.

Equity

The Group's equity at the end of the period amounted to SEK 663 (666) million. The SEK 3 million decrease in equity is explained by the negative effects of the translation reserve of SEK -5 million, and by share-based compensation of SEK 3 million. The result for 2025 amounted to SEK 0 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 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 31 December 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 14.3 on the last trading day of the period. The number of shareholders was 3,139, of which the largest were Verdane Capital (20.6%), Siba Invest AB (10.9%), Investment AB Garnen (5.3%), Fourth AP fund (Sw. *Fjärde AP-fonden*) (4.6%) and Avanza Pension (4.3%).

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

Fredrik Kjellgren assumed the role of CFO

On 12 November 2025 Fredrik Kjellgren assumed the role of Chief Financial Officer of Pierce Group AB.

Significant events after the end of the reporting period

New credit facility agreement

The Group has renewed the credit facility agreement with its existing banking partner, one of Sweden's largest banks, replacing the facility scheduled to expire in the first quarter of 2026.

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 54, 14 and 10 percent respectively. With regards to payments made, EUR, SEK, USD and PLN accounted for 53, 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 285 (320). Of these, 159 (201) 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 office 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 3 (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 -7 (3) million. The Parent Company's equity at the end of the period was SEK 752 (756) 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 certain financial covenants regarding the Group's leverage ratio and interest coverage ratio. Covenants are reported quarterly. As of 31 December 2025, Pierce was not in breach of the covenants in accordance with the current agreements for the credit facility.

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 (5) 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 targets[1].

[1] The Board adopted the financial targets in May 2024.
[2] Alternative performance measures (APM), see „Financial overview" https://www.piercegroup.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.

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/EBITDA[2] not exceeding 2.0x, subject to temporary flexibility for strategic initiatives.

Dividend policy

Over the next few years, free cash flows[3] are planned to be used for the continued development[4] of the Company and thus not distributed to the shareholders.

Other

The year-end report was not subject to review by the Company's auditors.

Upcoming financial events

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 and CFO Fredrik Kjellgren will hold a web telephone conference in English on 20 February 2026, 10:00 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/q4-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/q4-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.piercegroup.com/en/reports-presentations/

Contact information, Pierce

Göran Dahlin, CEO, +46 72 730 31 11

Fredrik Kjellgren, CFO, +46 72 554 95 25

The information was submitted for publication by the above-mentioned contact individuals on 20 February 2026 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 year-end 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, 20 February 2026

Göran Dahlin

CEO

Condensed consolidated statement of profit/loss

		Oct-Dec		Jan-Dec	
SEKm (unless stated otherwise)	Note	2025	2024	2025	2024
Net revenue	**3.4**	464	451	1,816	1,628
Cost of goods sold		-262	-256	-1,043	-903
Gross profit	**4**	**202**	**195**	**773**	**724**
Sales and distribution costs		-138	-141	-538	-515
Administration costs		-53	-60	-208	-196
Other operating income and expenses		0	1	2	5
Operating profit	**4**	**10**	**-5**	**28**	**18**
Financial net		-2	9	-28	24
Profit/loss before tax	**4**	**8**	**4**	**0**	**42**
Income tax		0	-5	-1	-6
Profit/loss for the period		**8**	**-1**	**0**	**36**
Attributable to shareholders of the parent company		**8**	**-1**	**0**	**36**
Earnings per share					
Earnings per share before dilution (SEK)		0.10	-0.01	-0.01	0.45
Earnings per share after dilution (SEK)		0.10	-0.01	-0.01	0.45
Average number of shares before dilution (thousands)		79,374	79,374	79,374	79,374
Average number of shares after dilution (thousands)		79,390	79,374	79,374	79,429

Consolidated statement of comprehensive income

		Oct-Dec		Jan-Dec	
SEKm	Note	2025	2024	2025	2024
Profit/loss for the period		8	-1	0	36
Items that may subsequently be reclassified to income statement					
Translation difference		-6	2	-5	3
Other comprehensive income for the period		**-6**	**2**	**-5**	**3**
Comprehensive income for the period and attributable to shareholders of the parent company		**2**	**1**	**-6**	**39**

Condensed consolidated statement of financial position

SEKm	Note	Dec 31 2025	Dec 31 2024
Assets			
Non-current assets			
Intangible assets		268	281
Property, plant and equipment		11	15
Right-of-use assets		119	54
Financial assets		19	6
Deferred tax assets		2	2
Total non-current assets		**418**	**358**
Current assets			
Inventory		451	419
Other current assets		22	29
Cash and cash equivalents		235	297
Total current assets		**708**	**745**
Total assets		**1,126**	**1,103**
Equity and liabilities			
Total equity attributable to shareholders of the parent company		**663**	**666**
Non-current liabilities			
Leasing liabilities		87	25
Deferred tax liabilities		23	25
Provisions		1	0
Total non-current liabilities		**111**	**50**
Current liabilities			
Liabilities to credit institutions	7	0	—
Leasing liabilities		30	27
Trade payables		145	111
Other current liabilities	5	176	248
Total current liabilities		**352**	**386**
Total equity and liabilities		**1,126**	**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	—	—	—	36	36
Share-based compensation	—	1	—	—	1
Other comprehensive income for the year	—	—	3	—	3
Total comprehensive income for the year	**—**	**1**	**3**	**36**	**39**
Transactions with shareholders					
New share issue including issue costs	—	0	—	—	0
Total	**—**	**0**	**—**	**—**	**0**
Closing balance 2024-12-31	**2**	**814**	**12**	**-162**	**666**
Opening balance 2025-01-01	**2**	**814**	**12**	**-162**	**666**
Profit/loss for the year	—	—	—	0	0
Share-based compensation	—	3	—	—	3
Other comprehensive income for the year	—	—	-5	—	-5
Total comprehensive income for the year	**—**	**3**	**-5**	**0**	**-3**
Transactions with shareholders					
New share issue including issue costs	—	0	—	—	0
Total	**—**	**0**	**—**	**—**	**0**
Closing balance 2025-12-31	**2**	**817**	**7**	**-162**	**663**

Condensed consolidated statement of cash flow

		Oct-Dec		Jan-Dec	
SEKm	Note	2025	2024	2025	2024
Operating activities					
Operating profit		10	-5	28	18
Adjustments for non-cash items[1]		14	18	54	69
Paid interest		-2	-1	-7	-4
Realised currency derivatives		-2	1	-6	4
Received interest		1	2	2	8
Paid/received tax		-1	-1	-4	-4
Cash flow from operating activities before changes in net working capital		**21**	**15**	**68**	**92**
Changes in net working capital		68	28	-70	13
Cash flow from operating activities		**89**	**43**	**-3**	**105**
Investing activities					
Investments in non-current assets		-1	-3	-7	-6
Paid/received blocked funds		0	0	-14	-2
Cash flow from investing activities		**-1**	**-2**	**-21**	**-8**
Financing activities					
Share issue costs		—	—	0	0
Issue of warrants including issue costs		—	—	1	—
Change of liabilities to credit institutions		-1	—	0	—
Repayment of leasing liabilities		-7	-8	-27	-29
Cash flow from financing activities		**-8**	**-8**	**-26**	**-29**
Cash flow for the period		79	32	-50	68
Cash and cash equivalents at the beginning of period		161	261	297	222
Exchange rate difference in cash and cash equivalents		-5	3	-12	7
Cash and cash equivalents end of period		**235**	**297**	**235**	**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	Oct-Dec 2025	Oct-Dec 2024	Jan-Dec 2025	Jan-Dec 2024
Net revenue	3	5	20	20
Gross profit	**3**	**5**	**20**	**20**
Administration costs	-7	-6	-25	-22
Operating profit	**-4**	**-1**	**-6**	**-2**
Financial net	-3	4	-1	19
Profit/loss after financial items	**-7**	**3**	**-7**	**17**
Appropriations	—	—	—	—
Profit/loss before tax	**-7**	**3**	**-7**	**17**
Income tax	—	—	—	—
Profit/loss for the period	**-7**	**3**	**-7**	**17**

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

Condensed Parent Company balance sheet

SEKm	Dec 31 2025	Dec 31 2024
Assets		
Non-current assets		
Shares in group companies	565	409
Receivables from group companies	189	346
Total non-current assets	**755**	**755**
Current assets		
Receivables from group companies	5	7
Other current assets	1	1
Cash and cash equivalents	—	—
Total current assets	**6**	**8**
Total assets	**760**	**763**
Equity and liabilities		
Total equity	**752**	**756**
Current liabilities		
Liabilities to group companies	0	—
Other current liabilities	9	7
Total current liabilities	**8**	**7**
Total equity and liabilities	**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.

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 revise segment reporting and, effective from the first quarter of 2025, will no longer present three segments but instead report the business as a single segment. 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.

In 2024, the International Accounting Standards Board (IASB) issued a new accounting standard, IFRS 18 "Presentation and Disclosure in Financial Statements", that will be effective from 1 January 2027 and replace the existing IAS 1 "Presentation of Financial Statements". IFRS 18 will require companies to revise the structure of the financial statements presented in the external reports, as well as revision of the applied principles for classification of income and expenses including those arising from derivatives and insurance contracts. Pierce Group will carefully evaluate and analyse the impact of the new standard on its' accounting policies, systems and processes. The Company will implement the necessary changes to ensure compliance with the new standard well in advance of the effective date of 1 January 2027.

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 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	Oct-Dec 2025	Oct-Dec 2024	Jan-Dec 2025	Jan-Dec 2024
Sweden	61	55	256	227
Other Nordics	63	64	315	290
Outside the Nordics	339	332	1,244	1,111
Revenue Group	**464**	**451**	**1,816**	**1,628**

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 0 (2) 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 (5) million. For the full year, such purchases amounted to SEK 37 (34) million.

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

Besides the above-mentioned related party transactions and 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 three 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	Dec 31 2025	Dec 31 2024
To credit institutions for the Group's own liabilities and provisions		
Deposits for fulfillment of payments	3	3
Paid blocked funds	16	2
Total pledged assets	**18**	**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

New credit facility agreement

The Group has renewed the credit facility agreement with its existing banking partner, one of Sweden's largest banks, replacing the facility scheduled to expire in the first quarter of 2026.

Key financials - quarterly

SEKm (unless stated otherwise)	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Net revenue	**427**	**345**	**441**	**369**	**382**	**356**	**456**	**365**	**451**	**401**	**523**	**427**	**464**
Growth (%)[1]	*3%*	*-18%*	*-2%*	*-1%*	*-10%*	*3%*	*3%*	*-1%*	*18%*	*13%*	*15%*	*17%*	*3%*
Growth in local currencies (%)[1]	*-3%*	*-22%*	*-7%*	*-9%*	*-15%*	*2%*	*2%*	*1%*	*19%*	*12%*	*20%*	*20%*	*7%*
Gross profit	161	137	186	113	171	162	201	166	195	171	229	171	202
Profit after variable costs[1] [2]	60	54	88	34	80	82	104	82	93	76	161	84	98
Overhead costs[1]	-71	-61	-67	-67	-72	-59	-69	-65	-76	-72	-115	-61	-75
EBITDA[1]	-19	-7	17	-33	-13	23	34	17	10	1	39	19	21
EBIT[3]	-31	-21	2	-47	-45	7	17	0	-5	-15	26	7	10
Adjusted EBITDA[1]	-11	-7	21	-32	8	23	35	17	16	4	46	24	24
Adjusted EBIT[1] [3]	**-23**	**-21**	**6**	**-47**	**-7**	**7**	**17**	**0**	**1**	**-11**	**32**	**11**	**13**
Items affecting comparability[1]	-8	0	-4	-1	-38	0	0	0	-6	-4	-7	-4	-2
Profit/loss for the period	-23	-11	26	-61	-49	25	14	-2	-1	-34	23	2	8
Gross margin (%)[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%	43.5%
Profit after variable costs (%)[1]	14.0%	15.6%	20.0%	9.3%	20.9%	23.1%	22.7%	22.5%	20.6%	19.0%	30.7%	19.7%	21.2%
Adjusted EBITDA (%)[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%	5.1%
Adjusted EBIT (%)[1]	-5.4%	-6.2%	1.5%	-12.7%	-1.9%	2.0%	3.7%	-0.0%	0.3%	-2.7%	6.2%	2.7%	2.8%
Cash flow for the period	16	-33	64	-1	61	57	83	-105	32	-120	13	-22	79
Free cash flow[1]	23	-26	71	6	69	64	91	-98	40	-113	19	-18	87
Net debt (+) / Net cash (-)[4]	-136	-105	-179	-171	-222	-278	-350	-261	-297	-175	-188	-159	-235
Earnings per share before dilution (SEK)	-0.29	-0.14	0.33	-0.77	-0.62	0.32	0.17	-0.03	-0.01	-0.43	0.29	0.03	0.10
Earnings per share after dilution (SEK)	-0.29	-0.14	0.33	-0.77	-0.62	0.32	0.17	-0.03	-0.01	-0.43	0.29	0.03	0.10

[1] Alternative performance measures (APM), see „Financial overview" https://www.piercegroup.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.

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.piercegroup.com/en/reports-presentations/, under the column "Financial data".

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