

IMPORTANT NOTICE

THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE LOCATED OUTSIDE OF THE UNITED STATES.

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The Offering Circular does not constitute an offer of the securities to the public in the United Kingdom. No prospectus has been or will be approved in the United Kingdom in respect of the securities. In the United Kingdom, the Offering Circular may only be distributed to, and is directed only at (a) persons who have professional experience in matters relating to investments falling within article 19(1) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”) or (b) high net worth entities falling within article 49(2)(a) to (d) of the Order, and other persons to whom it may be lawfully communicated, falling within article 49(1) of the Order (all such persons together being referred to as “**relevant persons**”). Any person who is not a relevant person should not act or rely on this document or any of its contents.

Confirmation of your representation: In order to be eligible to view the Offering Circular or make an investment decision with respect to the Offer Shares, prospective investors must be located outside the United States. The Offering Circular is being sent to you at your request and, by accessing the Offering Circular, you shall be deemed to have represented to the Company and the Managers that:

- (1) you understand and agree to the terms set out herein;
- (2) you consent to delivery of the Offering Circular by electronic transmission;
- (3) you are permitted under applicable law and regulation to receive the Offering Circular;
- (4) you and any customers you represent are purchasing the Offer Shares in an offshore transaction (within the meaning of Regulation S under the U.S. Securities Act), and the electronic mail address that you gave us and to which this transmission has been delivered is not located in the United States, its territories and possessions, any State of the United States or the District of Columbia;
- (5) if you are located in the United Kingdom, you are (a) a relevant person and/or (b) a relevant person who is acting on behalf of (1) relevant persons in the United Kingdom and/or (2) qualified investors (as defined under Article 2 of the Prospectus Regulation (as defined in the Offering Circular)) in the European Economic Area (the “**EEA**”);
- (6) if you are located in any Member State of the EEA other than Finland (each a “**Relevant Member State**”) you are a qualified investor (as defined under Article 2 of the Prospectus Regulation) or otherwise eligible to participate in the Offering pursuant to the Offering Circular (and/or are acting on behalf of such persons); and
- (7) if you are not located in a Relevant Member State, the electronic mail address that you gave us and to which this transmission has been delivered is not located in any Relevant Member State.

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The Offering Circular has been sent to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Company, the Managers, any person who controls them or any director, officer, employee or agent of them or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Offering Circular distributed to you in electronic format and the hard copy version available to you upon request from the Company.

OFFERING CIRCULAR



Duell Corporation
Listing on the First North Growth Market of Nasdaq Helsinki Ltd
Share Issue of approximately EUR 20 million
Share Sale preliminarily of a maximum of 11,820,837 Sale Shares
Subscription Price EUR 5.16 per Offer Share

This offering circular (the “Offering Circular”) has been prepared in connection with the initial public offering of Duell Corporation (the “Company”), a public limited liability company incorporated in Finland. In the share issue, the Company aims to raise gross proceeds of approximately EUR 20 million by offering new shares in the Company (the “New Shares”) for subscription (the “Share Issue”). The Company will issue preliminarily up to 3,884,472 New Shares. In addition, Sponsor Fund IV Ky (“Sponsor Fund” or the “Principal Shareholder”) and Rite Internet Ventures Holding AB (“Rite Ventures”) and the other shareholders listed in Annex B of this Offering Circular selling Sale Shares (as defined below) in the Offering (as defined below) (the “Other Selling Shareholders” and, together with the Principal Shareholder, the “Selling Shareholders”) will offer for purchase preliminarily a maximum of 11,820,837 existing shares in the Company in aggregate (the “Sale Shares”) (the “Share Sale,” and together with the Share Issue, the “Offering”). The subscription price for the Offer Shares (as defined below) is EUR 5.16 per Offer Share (the “Subscription Price”). The subscription price in the Personnel Offering (as defined below) is 10 percent lower than the Subscription Price (i.e., EUR 4.65).

The Offering consists of (i) a public offering to private individuals and entities in Finland (the “Public Offering”), (ii) an institutional offering to institutional investors in Finland and, in accordance with applicable laws, internationally (the “Institutional Offering”) and (iii) a personnel offering to all employees in Finland and Sweden who are in a full- or part-time permanent employment relationship with Duell (as well as employees with a fixed-term employment relationship) at the start of the subscription period as well as to the members of the Board of Directors of the Company and the management team of Duell (the “Personnel”) (the “Personnel Offering”).

The Principal Shareholder and Rite Ventures are expected to grant to the Managers (as defined below) an over-allotment option, exercisable by Carnegie Investment Bank AB, Finland Branch (“Carnegie”) on behalf of the Managers as stabilizing manager (the “Stabilizing Manager”) within 30 days from commencement of trading in the shares in the Company (the “Shares”) on the Nasdaq First North Growth Market Finland maintained by Nasdaq Helsinki Ltd (“Nasdaq Helsinki”) (the “First North Growth Market”), to purchase a maximum of 2,355,796 additional Shares (the “Additional Shares”) that the Principal Shareholder and Rite Ventures will offer for sale on a *pro rata* basis solely to cover any over-allotments in connection with the Offering (the “Over-allotment Option”). Assuming that the Over-allotment Option is exercised in full and that 86,021 Shares are subscribed for in the Personnel Offering, the number of Offer Shares amount to 18,061,105. Unless the context indicates otherwise, the New Shares (including the Personnel Shares (as defined below)), the Sale Shares and the Additional Shares are together referred to herein as the “Offer Shares.”

Hartwall Capital Oy Ab (“Hartwall Capital”), certain funds managed by Sp-Fund Management Company Ltd, Ilmarinen Mutual Pension Insurance Company, certain funds managed by Svenska Handelsbanken, certain funds managed by OP Fund Management Company Ltd and certain funds managed by entities owned by Aktia Bank Plc (each separately a “Cornerstone Investor” and together, the “Cornerstone Investors”) have given subscription undertakings in relation to the Offering, under which they commit to subscribe for Offer Shares at the Subscription Price subject to certain provisions and subject to the condition that the maximum valuation of all outstanding Shares, including any gross proceeds from the Share Issue at the Subscription Price not exceeding EUR 131.3 million (excluding the impact of the discount applied to the subscription price in the Personnel Offering). The Cornerstone Investors have committed to subscribe for in the Offering a number of the Company’s shares at the Subscription Price that corresponds to the following amounts: Hartwall Capital EUR 27.0 million, certain funds managed by Sp-Fund Management Company Ltd EUR 6.5 million, Ilmarinen Mutual Pension Insurance Company EUR 5.0 million, certain funds managed by Svenska Handelsbanken EUR 4.0 million, certain funds managed by OP Fund Management Company Ltd EUR 4.0 million, and certain funds managed by entities owned by Aktia Bank Plc EUR 3.0 million. For additional information, see “Terms and Conditions of the Offering—Special Terms and Conditions Concerning the Institutional Offering—Subscription Undertakings.”

Carnegie has been appointed to act as sole global coordinator and joint bookrunner for the Offering (the “Global Coordinator”) and Skandinaviska Enskilda Banken AB (publ) Helsinki Branch (“SEB”) has been appointed to act as joint bookrunner for the Offering (together with the Global Coordinator, the “Managers”). In addition, the Company has appointed Nordnet Bank AB (“Nordnet”) as the subscription place in the Public Offering and the Personnel Offering.

The subscription period for the Public Offering will commence on November 15, 2021, at 10:00 a.m. (Finnish time) and end on or about November 22, 2021, at 4:00 p.m. (Finnish time). The subscription period for the Institutional Offering will commence on November 15, 2021, at 10:00 a.m. (Finnish time) and end on or about November 24, 2021, at 11:00 a.m. (Finnish time). The subscription period for the Personnel Offering will commence on November 15, 2021, at 10:00 a.m. (Finnish time) and end on or about November 22, 2021, at 4:00 p.m. (Finnish time). For directions for subscription and full terms and conditions of the Offering, see “Terms and Conditions of the Offering.”

Before the Offering, the Shares have not been subject to trading on a regulated market or multilateral trading facility. The Company will submit an application to Nasdaq Helsinki for the Shares to be listed on the First North Growth Market with the trading code DUELL (ISIN code: FI4000513072). Trading of the Shares on the First North Growth Market is expected to commence on or about November 25, 2021 (the “FN Listing”). Oaklins Merasco Ltd will act as the Company’s certified adviser (the “Certified Adviser”) referred to in the Nasdaq First North Growth Market Rulebook (the “First North Rulebook”).

The First North Growth Market is a registered small and medium-sized enterprise (“SME”) growth market, in accordance with the Directive on Markets in Financial Instruments (EU 2014/65) (the “Directive on Markets in Financial Instruments”) as implemented in the national legislation of Denmark, Finland and Sweden, operated by an exchange within the Nasdaq group. Issuers on the First North Growth Market are not subject to all the same rules as issuers on a regulated main market, as defined in European Union (the “EU”) legislation (as implemented in national law). Instead they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in an issuer on the First North Growth Market may therefore be higher than investing in an issuer on the main market. All issuers with shares admitted to trading on the First North Growth Market have a Certified Adviser who monitors that the rules are followed. Nasdaq Helsinki approves the application for admission to trading.

The Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or under the securities laws of any state of the United States and accordingly, may not be offered or sold, directly or indirectly, in or into the United States. The Offer Shares are being offered and sold outside the United States in compliance with Regulation S under the U.S. Securities Act (“Regulation S”). This Offering Circular may not be published or distributed in or into the United States, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa or any other jurisdiction in which it would not be permissible to make an offer of the Shares. The Offer Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into any such countries.

For certain risk factors involved in investing in the Shares, see “Risk Factors.”

Sole Global Coordinator and Joint Bookrunner



Joint Bookrunner



The date of this Offering Circular is November 12, 2021.

IMPORTANT INFORMATION

In this Offering Circular, any reference to the “**Company**” means Duell Corporation and “**Duell**” and “**Group**” mean Duell Corporation and its subsidiaries on a consolidated basis, except where it is clear from the context that the term means Duell Corporation or a particular subsidiary or business unit only. References relating to the shares and share capital of the Company or matters of corporate governance refer to the shares, share capital and corporate governance of Duell Corporation. Carnegie and SEB have been appointed to act as the Managers for the Offering.

The Company has prepared and published this Offering Circular in order to offer Shares to the public and list the Shares on the First North Growth Market. This Offering Circular has been prepared in accordance with the Finnish Securities Markets Act (746/2012, as amended, the “**Finnish Securities Markets Act**”), Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 (as amended, the “**Prospectus Regulation**”), Commission Delegated Regulation (EU) 2019/979 of March 14, 2019, supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal, and repealing Commission Delegated Regulation (EU) No 382/2014 and Commission Delegated Regulation (EU) 2016/301, as amended, Commission Delegated Regulation (EU) 2019/980 of March 14, 2019 (Annexes 1, 11 and 20), supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, as amended, and the regulations and guidelines issued by the Finnish Financial Supervisory Authority (the “**FIN-FSA**”).

This Offering Circular also contains a summary in the format required by Article 7 of the Prospectus Regulation. This Offering Circular is an English language translation of the Finnish language summary and prospectus (the “**Finnish Prospectus**”), and they contain the same information, with the exception of certain information directed at investors outside of Finland. The FIN-FSA has approved the Finnish Prospectus as the competent authority under the Prospectus Regulation. The FIN-FSA only approves the Finnish Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the FIN-FSA of the Finnish Prospectus should not be considered as an endorsement of the issuer that is the subject of the Finnish Prospectus. Investors should make their own assessment as to the suitability of investing in the securities. The record number of the FIN-FSA’s approval of the Finnish Prospectus is FIVA 68/02.05.04/2021. The English language Offering Circular has not been approved by the FIN-FSA. In the event of any discrepancies between the Finnish Prospectus and this English language Offering Circular, the Finnish Prospectus shall prevail.

Shareholders and prospective investors should rely solely on the information contained in this Offering Circular as well as on the company releases published by the Company. Neither the Company, the Selling Shareholders nor the Managers have authorized anyone to provide any information or give any statements other than those provided in this Offering Circular. Delivery of this Offering Circular shall not, under any circumstances, indicate that the information presented in this Offering Circular is correct on any day other than the date of this Offering Circular, or that there would not be any changes in the business of Duell after the date of this Offering Circular. However, if a significant new factor, material mistake or material inaccuracy, which may affect the assessment of the Offer Shares, is discovered in this Offering Circular, the Finnish Prospectus will be supplemented in accordance with the Prospectus Regulation. If the Finnish Prospectus is supplemented, the supplement and its English language translation will be published through a company release. Information given in this Offering Circular is not a guarantee or grant for future events by Duell, the Selling Shareholders or the Managers, and shall not be considered as such. Unless otherwise stated, any estimates with respect to market development relating to Duell or its industry are based upon the reasonable estimates of the Company’s management.

The validity of the Finnish Prospectus expires when the public offering of the Offer Shares ends. Responsibility to supplement the Finnish Prospectus in accordance with the Prospectus Regulation in the event of significant new factors, material mistakes or material inaccuracies does not apply when the Finnish Prospectus is no longer valid.

In a number of countries, in particular in the United States, the United Kingdom, Australia, Canada or Japan, the distribution of this Offering Circular and the offer of the Offer Shares are subject to restrictions imposed by law (such as registration, admission, qualification and other regulations). The offer to subscribe for or purchase the Offer Shares does not include persons in any jurisdiction where such an offer would be illegal. No action has been or will be taken by the Company, the Selling Shareholders or the Managers to permit the possession or distribution of this Offering Circular (or any other offering or publicity materials or application form(s) relating to the Offering) in any jurisdiction where such distribution may otherwise lead to a breach of any law or regulatory requirement.

The Offer Shares may not be offered or sold, directly or indirectly, and neither this Offering Circular nor any documents relating to the Offer Shares nor any advertisements may be distributed or published in any jurisdiction in which this would violate any laws or regulations. No action has been or will be taken by the Company, the Selling Shareholders or the Managers to permit the public offering of the Offer Shares outside Finland. The Company, the Selling Shareholders and the Managers urge that any person who receives this Offering Circular into their possession acquire adequate information of these restrictions and comply with them. Further information with regard to restrictions on offers, sales and deliveries of the Offer Shares and the distribution of this Offering Circular and other offering material relating to the Offer Shares is set out in “*Selling and Transfer Restrictions.*”

The Shares have not been, and will not be, registered under the U.S. Securities Act, or under the securities laws of any state of the United States and accordingly, may not be offered or sold, directly or indirectly, in or into the United States (as defined in Regulation S). The Shares are being offered and sold outside the United States in compliance with Regulation S. This Offering Circular may not be published or distributed in or into the United States, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa or any other jurisdiction in which it would not be permissible to make an offer of the Shares. The Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into any such countries.

Neither the Company, the Selling Shareholders nor the Managers accept any legal responsibility for persons who have obtained this Offering Circular in violation of these restrictions, irrespective of whether these persons are prospective subscribers or purchasers of the Shares.

The Company reserves the right, at its sole and absolute discretion, to reject any subscription of the Shares that the Company or its representatives believe may give rise to a breach or violation of any law, rule or regulation.

The Managers are acting exclusively for the Company and the Principal Shareholder and no one else in connection with the Offering. They will not regard any other person (whether or not a recipient of this Offering Circular) as their respective client in relation to the Offering. The Managers will not be responsible to anyone other than the Company and the Principal Shareholder for providing the protections afforded to their respective clients nor for giving advice in relation to the Offering or any transaction or arrangement referred to in this Offering Circular.

Investors must not construe the contents of this Offering Circular as legal, investment or tax advice. Each investor should consult such investor’s own counsel, accountant or business advisor as to legal, investment and tax advice and related matters pertaining to the Offering, if they deem it necessary.

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SUMMARY

Introduction

This summary should be read as an introduction to this Offering Circular. Any decision to invest in the Offer Shares should be based on consideration of this Offering Circular as a whole by the investor. An investor could lose all or part of the invested capital. Where a claim relating to the information contained in this Offering Circular is brought before a court, the plaintiff investor might, under the national legislation of the member states, have to bear the costs of translating this Offering Circular before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Offering Circular or where it does not provide, when read together with the other parts of this Offering Circular, key information in order to aid investors when considering whether to invest in the Offer Shares.

The identity and contact details of the issuer are:

Company.....	Duell Corporation
Business identity code.....	2929424-1
Legal entity identifier (“LEI code”).....	743700MVGCRZQ2CR8244
Domicile	Mustasaari, Finland
Registered office.....	Kauppatie 19, FI-65610 Mustasaari, Finland

Before the Offering, the Shares have not been subject to trading on a regulated market or multilateral trading facility. The Company will submit an application to Nasdaq Helsinki for the Shares to be listed on the First North Growth Market with the trading code DUELL (ISIN code: FI4000513072). Trading of the Shares on the First North Growth Market is expected to commence on or about November 25, 2021.

The FIN-FSA has, in its capacity as competent authority under the Prospectus Regulation, approved the Finnish Prospectus on the date of approval on November 12, 2021. The record number of the FIN-FSA’s approval of the Finnish Prospectus is FIVA 68/02.05.04/2021. The FIN-FSA’s address is P.O. Box 103, FI-00101 Helsinki, Finland, its telephone number is +358 9 183 51 and its email address is kirjaamo@finanssivalvonta.fi.

Key Information on the Issuer

Who is the Issuer of the Securities?

Duell is a Finnish public limited liability company organized under the laws of Finland and domiciled in Mustasaari, Finland. Duell was registered in the trade register maintained by the Finnish Patent and Registration Office (the “**Trade Register**”) on August 3, 2018, its business identity code is 2929424-1 and its LEI code is 743700MVGCRZQ2CR8244.

Principal Activities

Duell is a leading powersports aftermarket distributor in Finland, Sweden, Norway and Denmark (together, the “**Nordics**”) with a rapidly growing presence in the rest of Europe. Duell’s offering covers motorcycle, all-terrain vehicle (“**ATV**”), snowmobile, bicycle and marine products, including technical and spare parts and personal equipment (for example clothing and accessories), to dealers across several markets in Europe. Duell offers a broad assortment of products across all of its sales channels for four seasons through its six product categories comprising Onroad motorcycle (“**Onroad MC**”) products, Offroad motorcycle (“**Offroad MC**”) products, ATV products, Snowmobile products, Bicycle products and Marine products. Onroad MC and Offroad MC are Duell’s largest product categories, which in aggregate accounted for the majority of Duell’s net sales for the financial year ended August 31, 2021.

Duell’s goal is to distribute the world’s best known, quality powersport products at competitive prices and in a timely manner. Duell is able to offer its brand portfolio of more than 290 brands consisting of approximately 150,000 stock keeping units (“**SKUs**”) to dealers enabling a one-stop-shop approach and, in turn, provide brand owners a reach of almost 7,500 dealers as at the date of this Offering Circular. Duell offers a range of powersport technical and spare parts and personal equipment brands classified by Duell as “best brands”, such as Alpinestars, Pirelli, Airoh, Oakley, Jobe and Dunlop. In addition to best brands, Duell offers a wide range of products from more than 200 suppliers to accommodate demand for more affordable products. Duell also offers products that it procures directly from manufacturers and sells under its own brands to complement its offering.

During the past 40 years, Duell has grown from a garage start up into a leading powersports aftermarket distributor in the Nordics with a rapidly growing presence in the rest of Europe with approximately 7,500 active customers. Duell has operations in the Nordics, France, the Netherlands, the United Kingdom and Germany supplying products to more than 10 countries. Duell is headquartered in Mustasaari, Finland, where it currently also has a sales office and a warehouse. In addition, Duell has sales offices and warehouses in Tranås, Sweden, Hengelo, the Netherlands, and Le Bosc, France, as

well sales offices in Kongsvinger, Norway, Fredericia, Denmark as well as Coalville and Newbury, the United Kingdom. In addition to its organic growth, Duell's current position in the European market for powersports spare parts and personal equipment ("**Powersports Aftermarket**") within the onroad motorcycle, offroad motorcycle, ATV, snowmobile and bicycles market segments has strengthened through mergers and acquisitions ("**M&A**"), and Duell aims to actively participate in the consolidation of the fragmented European market.

For the financial year ended August 31, 2021, Duell's net sales were EUR 76,756 thousand, its operating profit was EUR 7,282 thousand and its adjusted EBITA (operating profit before amortization of consolidated goodwill) was EUR 8,044 thousand. As at August 31, 2021, Duell had a total of 168 employees, of which 46 percent were based in Finland, 22 percent in Sweden, 21 percent in France, 3 percent in Norway and 8 percent in the rest of Europe.

Major Shareholders

The following table sets forth the eight largest shareholders of the Company and their respective holdings immediately prior to the Offering:

	Before the Offering	
	Number of shares	Percent of shares and votes
Sponsor Fund.....	11,979,925	55.6
Rite Ventures.....	2,320,515	10.8
Tonida Ab.....	1,547,010	7.2
Oy 4N-Group Ab.....	1,547,010	7.2
Jarkko Ämmälä.....	1,500,000	7.0
Dennis Nylund.....	900,000	4.2
Aspen Racing Ab.....	750,000	3.5
Riitta Niemelä.....	300,000	1.4
Other shareholders.....	<u>718,065</u>	<u>3.3</u>
Total.....	<u>21,562,525</u>	<u>100.0</u>

The Company is controlled by the Principal Shareholder, which owns 55.6 percent of the outstanding Shares and the voting rights as at the date of this Offering Circular.

Chief Executive Officer and the Management Team

The following table sets forth the members of Duell's management team as at the date of this Offering Circular:

	Position	Citizenship	Year of birth
Jarkko Ämmälä.....	Chief Executive Officer	Finland	1971
Riitta Niemelä.....	Chief Financial Officer	Finland	1981
Dennis Nylund.....	Chief Operating Officer	Finland	1986
Sami Takaneva.....	Marketing and Communications Manager	Finland	1977
Joakim Vest.....	Logistics Manager	Finland	1978
Marko Viita-aho.....	IT Manager	Finland	1985
Pia Hoseus.....	HR Manager	Finland	1987

The Board of Directors

The following table sets forth the members of the Company's Board of Directors as at the date of this Offering Circular:

	Position	Citizenship	Year of birth
Sami Heikkilä.....	Chair	Finland	1971
Kim Ignatius.....	Member	Finland	1956
Anu Ora.....	Member	Finland	1973
Thomas Sandvall.....	Member	Finland	1975

The Company's Board of Directors resolved in its meeting held on November 1, 2021, to elect Kim Ignatius as the new Chair of the Board of Directors. The election of the new Chair is conditional upon the completion of the Offering and it will be effective immediately when the Shares are admitted to trading on the First North Growth Market. The shareholders of the Company resolved unanimously on November 10, 2021, that the number of the members of the Board of Directors is six and that Anna Hyvönen and Niko Mokka be elected as the new members of the Board of Directors. The resolution regarding the number of the members of the Board of Directors and the election of the new members of the Board of

Directors is conditional upon the completion of the Offering and it will be effective immediately when the Shares are admitted to trading on the First North Growth Market.

Statutory Auditor

Duell's statutory auditor is KPMG Oy Ab ("**KPMG**"), Authorized Public Accountants, with Authorized Public Accountant Mari Kaasalainen as the auditor with principal responsibility. Mari Kaasalainen is registered in the Finnish Register of Auditors pursuant to Chapter 6, Section 9 of the Finnish Auditing Act (*tilintarkastuslaki* 1141/2015, the "**Finnish Auditing Act**") maintained by the Trade Register.

Selling Shareholders

The following shareholders of the Company will sell Sale Shares in the Offering:

	<u>Business identity code</u>	<u>Applicable law / nationality</u>	<u>Country of incorporation</u>	<u>Contact details</u>
Sponsor Fund.....	2646944-8	Finland	Finland	Sponsor Fund IV Ky, Mannerheimintie 4, FI-00100 Helsinki, Finland
Rite Ventures	556783-3875	Sweden	Sweden	Artillerigatan 6, SE-114 51 Stockholm, Sweden
Tonida Ab.....	2896158-3	Finland	Finland	c/o Nils Nylund, Strandgatan 3a A 4, FI-65100 Vaasa, Finland
Oy 4N-Group Ab	2878093-4	Finland	Finland	Vattviksvägen 99, FI-65610 Mustasaari, Finland
Jarkko Ämmälä.....	–	Finland	–	c/o Duell Oyj, Kauppatie 19, FI-65610 Mustasaari, Finland
Dennis Nylund.....	–	Finland	–	c/o Duell Oyj, Kauppatie 19, FI-65610 Mustasaari, Finland
Aspen Racing Ab.....	559165-9429	Sweden	Sweden	c/o Johan Drapkin, Sisalvägen 21, SE-443 92 Lerum, Sweden
Riitta Niemelä.....	–	Finland	–	c/o Duell Oyj, Kauppatie 19, FI-65610 Mustasaari, Finland
Cruselli Oy ⁽¹⁾	2595683-4	Finland	Finland	Saukonpaadenranta 8 A 6, FI-00180 Helsinki, Finland
Cutesama Oy ⁽¹⁾	2649747-3	Finland	Finland	c/o Kaj Hägglund, Nordenskiöldinkatu 4, FI-06100 Porvoo, Finland
Joe Invest Oy ⁽¹⁾	2635623-2	Finland	Finland	Mellstenintie 11 A 2, FI-02170 Espoo, Finland
Jukivest Oy ⁽¹⁾	1635689-6	Finland	Finland	Hietaniementie 5 B, FI-02160 Espoo, Finland
MJK Investment Oy ⁽¹⁾	2011109-0	Finland	Finland	Mariankatu 15 A 27, FI-00170 Helsinki, Finland
Monetari-Invest Oy ⁽¹⁾	2078232-9	Finland	Finland	c/o Ari Jokelainen, Birger Carlstedtin kuja 3 A, FI-02230 Espoo, Finland
SMA-Konsultointi Oy ⁽¹⁾ ..	0647335-1	Finland	Finland	c/o Suutarinen, Kuninkaanniemi 10 C, FI-02160 Espoo, Finland

(1) A company controlled by a person involved in the operations of Sponsor Capital Oy.

What is the Key Financial Information Regarding the Issuer?

The selected consolidated financial information set forth below has been derived from Duell's audited consolidated financial statements as at and for the financial years ended August 31, 2021, 2020 and 2019 (the "**Audited Consolidated Financial Statements**") prepared in accordance with the Finnish Accounting Act (1336/1997, as amended), Finnish Accounting Ordinance (1339/1997, as amended) and instructions and opinions of the Finnish Accounting Board (together, the Finnish Accounting Standards ("**FAS**")).

The following table sets forth Duell's key figures as at the dates and for the financial years indicated:

	As at and for the financial year ended August 31,		
	2021	2020	2019
	(audited, unless otherwise indicated) (EUR in thousands, unless otherwise indicated)		
Consolidated income statement data			
Net sales.....	76,756	59,432	56,080
Net sales growth ⁽¹⁾ , percent.....	29.2	6.0	19.8
Operating profit	7,282	4,129	3,936
Operating profit margin ⁽¹⁾ , percent.....	9.5	6.9	7.0
Profit for the period.....	3,332	1,527	1,795
Consolidated balance sheet data			
Total assets	69,131	41,929	39,136
Total equity.....	10,520	7,121	5,772
Net debt ⁽¹⁾	(38,683)	(19,162)	(22,544)
Consolidated cash flow statement data			
Net cash flows from operating activities.....	195	4,836	2,916
Net cash flows used in investing activities.....	(16,002)	(486)	(3,162)
Net cash flows from financing activities.....	11,446	(1,250)	(525)

(1) Unaudited.

There are no qualifications in the audit reports relating to the Audited Consolidated Financial Statements.

Unaudited Pro Forma Financial Information

The Unaudited Pro Forma Financial Information (as defined below) is presented for illustrative purposes only to give effect to the Tecno Globe Acquisition (as defined below) completed on August 5, 2021, and its financing to Duell's historical financial information. The Tecno Globe Acquisition is presented in the unaudited combined pro forma income statement for the financial year ended August 31, 2021, as if the acquisition had been completed on September 1, 2020. The acquiree of Tecno Globe has been included in Duell's audited consolidated balance sheet as at August 31, 2021, thus Duell does not present combined pro forma balance sheet as at August 31, 2021. Thus, Duell does not present combined pro forma balance sheet as at August 31, 2021.

The Unaudited Pro Forma Financial Information has been presented for illustrative purpose only. The hypothetical financial results included in the Unaudited Pro Forma Financial Information may differ from Duell's actual financial results. The Unaudited Pro Forma Financial Information does not purport to project any future financial results of Duell. The Unaudited Pro Forma Financial Information does not reflect any cost savings, synergy benefits or future integration costs that are expected to be generated or may be incurred as the result of the Tecno Globe Acquisition. Adjustments have been made to the historical financial information for the preparation of the Unaudited Pro Forma Financial Information that give effect to events that are directly attributable to the Tecno Globe Acquisition and are factually supportable.

The Unaudited Pro Forma Financial Information has been compiled in accordance with the Annex 20 to the Commission Delegated Regulation (EU) 2019/980, as amended, and the accounting policies applied in Duell's consolidated financial statements for the financial year ended August 31, 2021, that has been prepared in accordance with the Finnish Accounting Standards (FAS). The acquisition of Tecno Globe has been accounted for with the acquisition method in the Duell's consolidated financial statements in accordance with FAS.

The following table sets forth Duell’s key pro forma financial information for the financial year indicated:

	For the financial year ended August 31, 2021
	(unaudited) (EUR in thousands, unless otherwise indicated)
Pro forma consolidated income statement data	
Pro forma net sales.....	101,770
Pro forma operating profit	8,989
Pro forma operating profit margin, percent.....	8.8
Pro forma profit for the period.....	3,933

What Are the Key Risks that are Specific to the Issuer?

- Duell may fail to successfully anticipate demand, manage its inventory or manage disruptions in supply, which could have an adverse effect on Duell’s profitability;
- Duell’s sales could be adversely affected by unusual weather conditions;
- Duell is subject to risks related to third-party suppliers and logistics providers that could adversely affect its business;
- Duell may not be able to ensure the quality and safety of its own brand products, which could expose it to claims and reputational risk;
- Duell’s geographical expansion involves several risks, and failure to identify suitable customers, recruit new employees and achieve estimated benefits could limit its growth and adversely affect Duell;
- Duell may fail in finding M&A targets as well as in integrating the acquired targets, and M&A transactions may also cause unpredictable risks and hidden liabilities to Duell;
- Duell may not be successful in recruiting or retaining qualified key personnel, which could delay its geographical expansion or result in loss of expertise or transfer of expertise to Duell’s competitors;
- Duell may fail to successfully implement its strategy, achieve its financial targets or successfully adapt its strategy, which could have an adverse effect on Duell’s business, financial condition and/or results of operations;
- fluctuations in foreign exchange and interest rates could have a material adverse effect on Duell; and
- Duell may not necessarily obtain financing on competitive terms or at all.

Key Information on the Securities

What Are the Main Features of the Securities?

The Shares are registered in the Finnish book-entry system maintained by Euroclear Finland Ltd (“**Euroclear Finland**”). As at the date of this Offering Circular, Duell has one share class. Each Share entitles its holder to one vote at the general meetings of shareholders of the Company and Shares carry equal rights to dividends and other distributions by the Company. The rights attached to the Shares include, among others, pre-emptive rights to subscribe for new shares in the Company, the right to participate and exercise voting power at the general meetings of shareholders of the Company, the right to dividend and distribution of other unrestricted equity, and the right to demand redemption at a fair price from a shareholder that holds shares representing more than 90 percent of all the shares and votes in the Company, as well as other rights generally available under the Finnish Limited Liability Companies Act (624/2006, as amended) (the “**Finnish Companies Act**”). The Shares are freely transferrable. The trading code of the Shares will be DUELL and the ISIN code will be FI4000513072. The Company will issue preliminarily 3,884,472 New Shares and the number of the Shares may increase preliminarily to a maximum of 25,446,997 Shares if all the New Shares preliminarily offered in the Offering are subscribed for in full, and assuming that a maximum of 86,021 Personnel Shares are offered in the Personnel Offering. Offer Shares carry rights equal to all other Shares and they will entitle their holders to dividends and other distributions of

funds (including the distribution of funds in the event of insolvency of the Company) as well as other rights related to the Shares.

Pursuant to Article 13 of the Company's articles of association, after the Shares have been admitted to public trading on a market place, including but not limited to the First North Growth Market, a person whose holdings, either alone or together with other persons in a way defined in the Company's articles of association, in the voting rights attached to all the Shares registered in the Trade Register exceed 50 percent, shall be obliged to make an offer to purchase all the other Shares issued by the Company and options which entitle the holder to new Shares from the other shareholders and holders of such options.

The Board of Directors of the Company has adopted a dividend policy pursuant to which the Company aims to distribute annually growing dividend, which is on an annual basis at least 30 percent of its reported net profit. The Board of Directors of the Company estimates annually the balance between dividends to be distributed and funds to be used for Duell's growth and based on this assessment, makes a proposal on the amount of dividends to be distributed, which may for any single year differ significantly from the target level set in the dividend policy.

Where Will the Securities Be Traded?

The Company will submit a listing application to Nasdaq Helsinki for the Shares to be listed on the First North Growth Market. Trading on the Shares on the First North Growth Market is expected to commence on or about November 25, 2021.

What Are the Key Risks that Are Specific to the Securities?

- The amount of any dividends paid by the Company in any given financial year is uncertain;
- the FN Listing will result in additional costs for the Company; the Company may fail to implement functions required from a listed company;
- the Offering may not be fully subscribed for and the Company may not raise the full amount of proceeds from the Offering;
- the Shares have not been previously subject to public trading, and, thus, the market price of the Shares may be volatile and an orderly and liquid trading market may not develop; and
- the interests of major shareholders may differ from those of other shareholders.

Key Information on the Offer of the Securities to the Public

Under which Conditions and Timetable Can I Invest in this Security?

General

In the Share Issue, the Company aims to raise gross proceeds of approximately EUR 20 million by offering up to 3,884,472 New Shares for subscription (assuming that a maximum of 86,021 New Shares are offered in the Personnel Offering). In addition, the Principal Shareholder and the Other Selling Shareholders will offer for purchase preliminarily a maximum of 11,820,837 Sale Shares.

The Offering consists of (i) a public offering to private individuals and entities in Finland (*i.e.*, the Public Offering), (ii) an institutional offering to institutional investors in Finland and, in accordance with applicable laws, internationally (*i.e.*, the Institutional Offering) and (iii) a personnel offering to the Personnel (*i.e.*, Personnel Offering). Preliminarily a maximum of 775,194 Offer Shares are offered in the Public Offering. Preliminarily a maximum of 14,844,094 Offer Shares are being offered in the Institutional Offering. Preliminarily a maximum of 86,021 New Shares (the "**Personnel Shares**") and, in the event of an oversubscription, a maximum of 215,053 additional Personnel Shares are being offered for subscription in the Personnel Offering. Depending on the demand, the Company may reallocate Offer Shares between the Public Offering, Institutional Offering and Personnel Offering in deviation from the preliminary number of shares without limitation. Notwithstanding the above, the minimum number of Offer Shares to be offered in the Public Offering will be a number that corresponds to 775,194 Offer Shares or, if the aggregate number of Offer Shares covered by subscription commitments submitted in the Public Offering is smaller than this, such aggregate number of Offer Shares as covered by subscription commitments submitted in the Public Offering.

The Offer Shares represent a maximum of approximately 62 percent of the Shares after the Share Issue assuming that the Over-allotment Option will not be exercised (approximately 71 percent assuming that the Over-allotment Option will be exercised in full), and assuming that the Selling Shareholders will sell the maximum number of Sale Shares and the Company will issue 3,884,472 New Shares.

Hartwall Capital, certain funds managed by Sp-Fund Management Company Ltd, Ilmarinen Mutual Pension Insurance Company, certain funds managed by Svenska Handelsbanken, certain funds managed by OP Fund Management Company Ltd and certain funds managed by entities owned by Aktia Bank Plc (the Cornerstone Investors) have given subscription

undertakings in relation to the Offering, under which they commit to subscribe for Offer Shares at the Subscription Price subject to certain provisions and subject to the condition that the maximum valuation of all outstanding Shares, including any gross proceeds from the Share Issue at the Subscription Price not exceeding EUR 131.3 million (excluding the impact of the discount applied to the subscription price in the Personnel Offering). The Cornerstone Investors have committed to subscribe for in the Offering a number of the Company's shares at the Subscription Price that corresponds to the following amounts: Hartwall Capital EUR 27.0 million, certain funds managed by Sp-Fund Management Company Ltd EUR 6.5 million, Ilmarinen Mutual Pension Insurance Company EUR 5.0 million, certain funds managed by Svenska Handelsbanken EUR 4.0 million, certain funds managed by OP Fund Management Company Ltd EUR 4.0 million, and certain funds managed by entities owned by Aktia Bank Plc EUR 3.0 million.

The Company and the Principal Shareholder will jointly decide on the execution of the Offering, the final number of Offer Shares and the allocation of Offer Shares on or about November 24, 2021 (the "**Completion Decision**"). The above information will be published through a company release after the Completion Decision and be available on the Company's website at investors.duell.eu and on the website of the subscription place of the Public Offering and the Personnel Offering at www.nordnet.fi no later than the business day following the Completion Decision on or about November 25, 2021.

Over-allotment Option

The Principal Shareholder and Rite Ventures are expected to grant to the Managers the Over-allotment option, exercisable by Carnegie on behalf of the Managers as Stabilizing Manager within 30 days from commencement of trading in the Shares on the First North Growth Market, to purchase a maximum of 2,355,796 Additional Shares that the Principal Shareholder and Rite Ventures will offer for sale on a *pro rata* basis solely to cover any over allotments in connection with the Offering. Assuming that the Over-allotment Option is exercised in full and that 86,021 Shares are subscribed for in the Personnel Offering, the number of Offer Shares amounts to 18,061,105.

Subscription Price and Period

The Offer Shares are being offered at the Subscription Price of EUR 5.16 per Offer Share. The subscription price in the Personnel Offering is 10 percent lower than the Subscription Price. The Subscription Price may be changed during the subscription period so that in the Public Offering the Subscription Price will be no more than the original Subscription Price of EUR 5.16 per Offer Share. Possible change would be communicated through a company release and on the internet at investors.duell.eu and www.nordnet.fi/fi/duell. If the Subscription Price is changed, the Finnish Prospectus will be supplemented and the supplement will be published through a company release.

The subscription period for the Public Offering will commence on November 15, 2021, at 10:00 a.m. (Finnish time) and end on or about November 22, 2021, at 4:00 p.m. (Finnish time). The subscription period for the Institutional Offering will commence on November 15, 2021, at 10:00 a.m. (Finnish time) and end on or about November 24, 2021, at 11:00 a.m. (Finnish time). The subscription period for the Personnel Offering will commence on November 15, 2021, at 10:00 a.m. (Finnish time) and end on or about November 22, 2021, at 4:00 p.m. (Finnish time).

The Company's Board of Directors and the Principal Shareholder are entitled to extend the subscription periods of the Public and Institutional Offerings. The Company's Board of Directors is entitled to extend the subscription period of the Personnel Offering. A possible extension of the subscription period will be communicated through a company release, which will indicate the new end date of the subscription period. The subscription periods of the Public, Institutional and Personnel Offerings will in any case end on November 30, 2021, at 4:00 p.m. (Finnish time) at the latest. The subscription periods of the Public, Institutional and Personnel Offerings can be extended independently of one another. A company release concerning the extension of a subscription period must be published no later than on the estimated final dates of the subscription periods for the Public, Institutional or Personnel Offerings stated above.

The Company's Board of Directors and the Principal Shareholder have, in the event of an oversubscription, the right to discontinue the Public Offering by joint decision at the earliest on November 19, 2021, at 4:00 p.m. (Finnish time) and discontinue the Institutional Offering by joint decision at the earliest on November 22, 2021, at 11:00 a.m. (Finnish time). In addition, the Company's Board of Directors may end the Personnel Offering at its sole discretion no earlier than November 19, 2021, at 4:00 p.m. (Finnish time). The Public, Institutional and Personnel Offerings may be discontinued or not discontinued independently of one another. A company release regarding any discontinuation will be published without delay.

Cancellation in Accordance with the Prospectus Regulation

If the Finnish Prospectus is supplemented in accordance with the Prospectus Regulation due to a significant new factor, material mistake or material inaccuracy which may affect the assessment of the Offer Shares (the "**Grounds for Supplement**"), investors who have subscribed for Offer Shares before the supplement is published shall, in accordance with the Prospectus Regulation, have the right to withdraw their subscription commitments within three (3) business days after the supplement of the Finnish Prospectus has been published. The cancellation right is further conditional on that the Grounds for Supplement have become known prior to the end of the subscription period.

The Company will announce cancellation instructions through a company release. The company release shall also announce investors' right to cancel subscriptions, the period within which subscriptions may be cancelled and more detailed instructions on cancellation. After the end of the cancellation period, the right of cancellation will lapse.

Trading in the Shares

Before the Offering, the Shares have not been subject to trading on a regulated market or multilateral trading facility. The Company will submit a listing application to Nasdaq Helsinki for the Shares to be listed on the First North Growth Market. Trading of the Shares on the First North Growth Market is expected to commence on or about November 25, 2021. The trading code of the Shares is DUELL and the ISIN code is FI4000513072.

When the trading on the First North Growth Market commences on or about November 25, 2021, not all of the Shares may necessarily have been fully transferred to the investors' book-entry accounts. If an investor wishes to sell Shares purchased or subscribed for by it in the Offering on the First North Growth Market, the investor should ensure that the number of Shares registered to its book-entry account covers the transaction in question at the time of clearing.

Fees and Expenses

The Company and the Selling Shareholders will pay the Managers a fee that is determined on the Company's part on the basis of the gross proceeds from the New Shares and on the Selling Shareholders' part from the Sale Shares (including any sales of Additional Shares based on the Over-allotment Option). In addition, the Company undertakes to reimburse the Managers for certain expenses. In connection with the Offering, the Company expects to pay approximately EUR 2.0 million in fees and expenses, and the Selling Shareholders approximately EUR 2.7 million for the Sale Shares.

Dilution of Ownership

The maximum number of New Shares preliminarily offered in the Share Issue represents 15 percent of the Shares after the completion of the Offering. In the event that existing shareholders of the Company do not subscribe for Shares in the Share Issue, their total holdings in the Company would be diluted by 15 percent, assuming that the Company will issue 3,884,472 New Shares.

Who is the Offeror and/or the Person Asking for Admission to Trading?

The Company will submit an application to Nasdaq Helsinki for the Shares to be listed on the First North Growth Market. The Company aims to raise gross proceeds of approximately EUR 20 million by offering New Shares for subscription. In addition, the Selling Shareholders will offer for purchase preliminarily a maximum of 11,820,837 Sale Shares.

Why Is this Offering Circular being Produced?

This Offering Circular has been prepared and published by Duell in order to offer Shares to the public.

Reasons for the Offering

The objective of the Offering is to position Duell for its next development phase by raising its profile and further enhancing Duell's visibility in Europe. The Offering will enable the Company to obtain access to capital markets, expand its ownership base and increase the liquidity of the Shares. Additional visibility is also expected to further increase Duell's recognition among the public and as an employer, and thus enhance Duell's competitiveness.

Use and Estimated Amounts of Proceeds

The Company aims to raise gross proceeds of approximately EUR 20 million by offering New Shares for subscription. The Company expects to use the net proceeds from the Share Issue to repay the outstanding amount of all of Duell's convertible loans granted to Duell by shareholders and certain members of the management team ("**Convertible Loans**") and their interest (EUR 5,630 thousand as at August 31, 2021) as well as to strengthen Duell's operations and support Duell's growth strategy, including potential M&A transactions in Europe.

The Selling Shareholders expect to receive gross proceeds of approximately EUR 73 million from the Share Sale (assuming that all of the Sale Shares will be sold and that the Over-allotment Option is exercised in full).

Interests Related to the Offering

The fees to be paid to the Managers are, in part, linked to the proceeds from the Offering. The Managers, as well as other entities in the same groups, may purchase and sell the Shares for their own or their customers' account prior to, during and after the Offering subject to applicable legislation and regulations. The Managers, as well as other entities in the same groups, have provided and may in the future provide to the Company investment or other banking services in accordance with their ordinary business. The Selling Shareholders will sell Sale Shares in the Offering.

Applicable Laws and Dispute Resolution

The Offering shall be governed by the laws of Finland. Any disputes arising in connection with the Offering shall be settled by the court of competent jurisdiction in Finland.

RISK FACTORS

An investment in Duell involves a number of risks, many of which are inherent in Duell's business and could be significant. Investors should carefully review the information contained in this Offering Circular, and in particular, the risk factors described below. The following description of risk factors is based on information known and assessed on the date of this Offering Circular and, therefore, is not necessarily exhaustive. Some of these factors are potential events that may or may not materialize. Should one or more of the risk factors described in this Offering Circular materialize, it could have a material adverse effect on Duell's business, financial condition and/or results of operations. Duell also faces additional risks not currently known or not currently deemed material, which could also have a material adverse effect on Duell's business, financial condition and/or results of operations. The market price of the Shares in the Company could decline due to the realization of these risks, and investors could lose part or all of their investment.

The risk factors presented herein have been divided into five categories based on their nature. These categories are:

- *risks related to Duell's business;*
- *risks related to the environment in which Duell operates;*
- *risks related to financial condition and financing;*
- *risks related to the Shares; and*
- *risks related to the Offering and the FN Listing.*

Within each category, the risk factor estimated to be the most material on the basis of an overall evaluation of the criteria set out in the Prospectus Regulation is presented first. However, the order in which the risk factors are presented after the first risk factor in each category is not intended to reflect either the relative probability or the potential impact of their materialization. The order of the categories does not represent any evaluation of the materiality of the risk factors within that category, when compared to risk factors in another category.

Risks Related to Duell's Business

Duell may fail to successfully anticipate demand, manage its inventory or manage disruptions in supply, which could have an adverse effect on Duell's profitability.

Duell is committed to offering its customers the right product at the right time and to the right place. In most cases, Duell aims to make orders available to customers overnight, which requires it to maintain significant inventory. Accordingly, operational efficiency and inventory management are key for Duell's business. If orders and inventory do not efficiently match demand at any particular time and location, either in terms of the quantity or nature of products, Duell could have higher or lower than anticipated inventory levels. If products remain unsold, Duell may be forced to reduce selling prices, resulting in lower margins and expected cash flows, or it may need to incur higher charges to store inventory or transport it to other markets within its network where there may be greater demand or increase provisions related to obsolete or slow moving inventories. Duell may also be required to write-down inventory or increase obsolescence provisions related to inventories. Conversely, if Duell fails to stock sufficient quantities of high selling products, Duell could lose sales and its reputation with customers could be adversely affected. For example, the spread of the coronavirus disease ("COVID-19") caused disruption in the production operations of several of Duell's suppliers and, thus, adverse effects on Duell's sales during the financial years ended August 31, 2020 and 2021. The decrease in Duell's net cash flows from operating activities for the financial year ended August 31, 2021, was primarily attributable to a build-up of inventory, which was temporarily increased to ensure stock availability and sales for the financial year ending on December 31, 2022 by purchasing next season's products in advance, as access to products had become more difficult and slower due to the COVID-19 pandemic. As at the date of this Offering Circular, the COVID-19 pandemic continues to cause uncertainty in the business environment in which Duell operates and it may have an adverse effect on Duell's business, financial position, and/or results of operations also during the current financial year and possibly even longer. Duell may not be successful in its purchasing operations and it may fail to anticipate and react to changing preferences. For example, fashion trends are difficult to predict, and Duell may fail in ensuring product relevance. Also unusual weather conditions may cause difficulties in inventory management (see "*—Duell's sales could be adversely affected by unusual weather conditions*" below).

Duell's locations are optimized to serve dealers in core markets, and as at the date of this Offering Circular, Duell's warehouses are located in Mustasaari, Finland, in Tranås, Sweden, in Hengelo, Netherlands as well as in Le Bosc, near Montpellier, France. All of Duell's warehouses serve all customers regardless of where they are located, and continuous optimization of the utilization of Duell's warehouses plays an essential role in serving its customers in the best possible way. For more information, see "*Business—Value Chain—Logistics*." A failure in optimizing the utilization of Duell's warehouses or in Duell's inventory management software/systems could result in customers not receiving products on time. In addition, Duell's warehouses may be damaged or destroyed or they may be closed or the equipment on the premises may be damaged due to, for example, fire, accident, natural disaster or equivalent events beyond Duell's control. Such

events or incidents could result in material inventory losses and also cause delays in Duell's deliveries and Duell not being able to fulfill its obligations to its customers.

If Duell is unable to appropriately align its inventory with demand, it may result in build-up of inventory, lower margins, increased need for working capital and lower expected cash flows and may also increase Duell's financial expenses. In addition, Duell could lose sales and its reputation with customers could be adversely affected, which could, in turn, have a material adverse effect on Duell's business, financial position, results of operations and/or future prospects.

Duell's sales could be adversely affected by unusual weather conditions.

Duell's business is impacted by weather conditions, as the vehicles used by end customers change with seasons and temperatures, and unusual weather conditions could adversely affect Duell's sales. Especially Duell's Snowmobile product category is subject to fluctuation due to seasonality and in particular, the volume of snow and the timing of first snow each winter. For example, the low snow volumes in the winter of 2020–2021 adversely affected Duell's snowmobile accessory sales, and sales are usually adversely affected in the following year as well, as dealers are likely to have leftover stock from the previous season that they have not been able to sell. In addition to unusual winter conditions, Duell's other product categories, such as the Marine product category, may be affected by poor summer conditions. Furthermore, Duell's Bicycle product category could become subject to seasonal fluctuation should the product category be expanded into Northern Europe in the future. In order to prepare for higher demand of products in different seasons, Duell needs to stock greater amounts of anticipated high selling products. Should the products remain unsold due to unusual weather conditions, such as cold summers and warm winters, Duell may be required to write-down inventory or increase obsolescence provisions related to inventories, which could have a material adverse effect on Duell's business, financial position and/or results of operations.

Duell is subject to risks related to third-party suppliers and logistics providers that could adversely affect its business.

Duell does not manufacture any of the products that it distributes and, thus, its business relies on third-party suppliers' ability to provide Duell with the products it sells. See "*Business—Duell's Business—Products and Brands—Brands.*" Duell has more than 200 different suppliers that are geographically diversified around the world, and Duell's own brand products are manufactured by third-party suppliers mainly located in Asia. The use of third-party suppliers entails a number of risks, including termination of the relationship and limited control over the quality of the products. Duell's suppliers may fail to meet delivery deadlines, provide Duell with insufficient or inadequate products or otherwise fail to comply with Duell's quality standards. See also "*—Duell may not be able to ensure the quality and safety of its own brand products, which could expose it to claims and reputational risk*" and "*—Duell's reputation may be harmed by negative publicity and it may not be able to ensure compliance with all applicable quality, safety and ethical requirements throughout its value chain*" below. Duell may be held liable for any unforeseen defects in such products requiring repair under warranty or recall, which could have a material adverse effect on Duell's business, financial position, results of operations and/or future prospects. Additionally, there can be no assurance that suppliers will replace defective products in a timely manner or provide Duell with sufficient refunds or indemnifications. Duell could experience material warranty or product liability losses in the future and incur significant costs to defend any such claims or if it is required to participate in a recall of that product if the defect or the alleged defect relates to safety. Duell may not be able to pass these liabilities onto the product supplier or otherwise defray these costs.

Duell's certain suppliers may be exposed to production disruptions and difficulties, for example as a result of closure of suppliers' facilities or critical manufacturing lines, increases in manufacturing costs or other factors that may adversely affect the quantity or quality of their production or the timeliness of their deliveries to Duell. In addition, Duell could be exposed to reputational risk if a supplier were to not comply with applicable laws and regulations in its operations or otherwise act contrary to generally accepted norms. See "*—Duell's reputation may be harmed by negative publicity and it may not be able to ensure compliance with all applicable quality, safety and ethical requirements throughout its value chain*" below. In the event that one or more of Duell's major suppliers experiences operational or financial difficulties and Duell is unable to secure alternative suppliers in a timely manner or on commercially acceptable terms, Duell may experience insufficient inventory levels, which could, in turn, result in shortages and unfilled customer orders and lost net sales, as well as adversely affect Duell's reputation. For example, the COVID-19 pandemic has caused disruption in the production operations of several of Duell's suppliers due to lockdowns, quarantines, labor shortages and supply chain interruptions, and Duell's suppliers were unable to maintain production levels to meet demand, which has caused delays in the availability of products for Duell during 2020 and 2021 causing adverse effects on Duell's sales.

Duell's success and its ability to compete in its markets is dependent on its day-to-day ability to consistently provide the right product, at the right time and to the right place. To execute this efficiently, Duell depends on third-party logistics providers for the transport of its products from its suppliers and for the distribution of its products to its customers. Use of any logistics provider is subject to risks including delays in delivery schedules or damage to cargo. Also strikes, work stoppages and inclement weather may impact such logistics providers' ability to provide delivery services that adequately meet Duell's needs. The COVID-19 pandemic has also had adverse effects on Duell's logistics. As COVID-19 pandemic

spread, problems emerged in the availability of maritime freight causing material price increases, which also resulted in delays in the delivery and availability of products as well as increased transportation costs.

Any of above-mentioned risks could result in Duell losing sales and damaging its reputation with customers, which, in turn, could materially and adversely affect Duell's business, financial position, results of operations and/or future prospects.

Duell may not be able to ensure the quality and safety of its own brand products, which could expose it to claims and reputational risk.

In addition to distributing third-party brands, Duell sells products under its own brands, which are an essential part of Duell's current business as well as its growth strategy. Duell believes that its own motorcycle clothing brands, Halvarssons, Lindstrands and Grand Canyon Bike Wear, provide it with a platform to further increase its share of wallet amongst its current customer base as well as penetrate new customer segments inside and outside core markets by introducing products that are currently not present in the market or are currently covered by other brands to which other distributors hold exclusive rights. Duell's other own brands provide an attractive quality-to-price ratio enabling new market entries and new customer segment penetration. However, Duell's own brand products expose Duell to various risks particularly relating to the quality and/or safety of such products as the responsibility for product quality and safety and product approval processes lies with Duell.

Even though Duell always aims to ensure the quality and safety of its own brand products, there can be no assurance that Duell will not become subject to product liability claims or allegations regarding the quality or safety of its products. Any claims, allegations or negative publicity related to Duell's products could weaken the strength of its own brands and harm Duell's reputation, even if such claims or allegations are unfounded. This could, in turn, reduce the demand for both Duell's own brand products as well as the third-party brand products that Duell distributes, which could adversely affect Duell's competitive position and delay or even prevent Duell from pursuing its expansion plans and achieving its growth targets.

Duell's own brand products are manufactured by third-party suppliers mainly located in Asia, which exposes Duell to third-party sourcing risks that are largely out of Duell's control. For example, any unforeseen defects in Duell's own brand products could result in a recall, which could result in significant costs if Duell is not able to pass the liabilities related to such product defects onto its manufacturers, which could have a material adverse effect on Duell's business, financial position, results of operations and/or future prospects. See also "*—Duell is subject to risks related to third-party suppliers and logistics providers that could adversely affect its business*" above and "*—Duell's reputation may be harmed by negative publicity and it may not be able to ensure compliance with all applicable quality, safety and ethical requirements throughout its value chain*" below.

Duell's geographical expansion involves several risks, and failure to identify suitable customers, recruit new employees and achieve estimated benefits could limit its growth and adversely affect Duell.

As at the date of this Offering Circular, Duell supplies products to a network of dealers located in more than 10 countries and its net sales outside the Nordics, (*i.e.*, in the rest of Europe) accounted for 18 percent of Duell's net sales for the financial year ended August 31, 2021. In accordance with its strategy, in addition to strengthening its position in the Nordics, Duell plans to focus on accelerating its growth in the markets outside the Nordics and aims to be an active player in the consolidation of the market. See "*—Duell may fail in finding M&A targets as well as in integrating the acquired targets, and M&A transactions may also cause unpredictable risks and hidden liabilities to Duell*" below.

Geographical expansion and entry into new markets involves various risks that may adversely affect Duell's business and growth, such as the competitive situation in the new markets, challenges in establishing supplier and new customer relationships, lack of local brand recognition and failure to hire skilled personnel. In addition, adverse developments in economic and political operating environment in the new markets could have an adverse effect on Duell. The success of the strategic expansion depends on Duell's ability to find suitable suppliers and dealers for offering its products and differentiate itself from other competitors. In addition, ensuring the functionality and efficiency of Duell's logistics set-up would be particularly important should Duell's business grow rapidly outside the Nordics and Estonia, Latvia and Lithuania (together, the "**Baltics**"). Geographical expansion also places new demands to Duell's management, personnel, internal guidelines and control and information systems, and requires recruitment of additional personnel. See also "*—Duell may not be successful in recruiting or retaining qualified key personnel, which could delay its geographical expansion or result in loss of expertise or transfer of expertise to Duell's competitors*" below.

Any failure in pursuing or successfully executing such geographical expansion could stall Duell's growth as its growth opportunities in the Nordics and in the Baltics in particular are more limited, which, in turn, would have a material adverse effect on Duell's business, financial condition and/or results of operations.

Duell may fail in finding M&A targets as well as in integrating the acquired targets, and M&A transactions may also cause unpredictable risks and hidden liabilities to Duell.

Duell has previously completed and may in the future complete M&A transactions, and, in accordance with its strategy, aims to actively participate in the consolidation of the fragmented European market. For example, Duell completed two strategically important acquisitions in 2021 when it acquired IGM Trading BV (Netherlands) including its wholly-owned subsidiary Grand Canyon GmbH (Germany) (together “IGM”) (the “IGM Acquisition”) and Tecno Globe SARL (currently known as Tecno Globe SAS) (“Tecno Globe”) (the “Tecno Globe Acquisition”). For further information, see “Business—Material Contracts.” M&A transactions are an important part of Duell’s strategy, as they may be the only way to enter certain new markets due to the nature of markets in certain countries. However, Duell may not necessarily find suitable M&A targets that would support its strategy or otherwise be suitable for its operations, and even if Duell does find suitable targets, it may face challenges related to the integration of the target’s business into its own business operations. For example, Duell may fail to implement appropriate data monitoring and control processes to the acquired target in a timely manner. There can be no assurance that Duell will succeed in the integration of a potential target’s business into its own business operations or achieve its strategic goals or synergies, and, thus, the potential M&A transactions may not necessarily produce the expected net sales or operating profit. Potential M&A transactions may also cause Duell unpredictable risks and hidden liabilities that Duell has not detected. The examination of potential M&A targets, execution of potential M&A transactions as well as integration of the M&A targets require considerable resources from Duell’s management, in which case the existing business of Duell may suffer. Realization of the aforementioned risks may have a material adverse effect on Duell’s business, strategy, financial condition and/or results of operations.

Duell may not be successful in recruiting or retaining qualified key personnel, which could delay its geographical expansion or result in loss of expertise or transfer of expertise to Duell’s competitors.

The success of Duell’s business and strategy depends on Duell’s ability to attract and retain key management, sales and warehouse personnel. According to Duell, it is a preferred partner to suppliers and dealers due to its online channel, broad product portfolio, customer insights and knowledge, high customer satisfaction and sales support meaning that Duell relies on skilled employees, particularly in its management, procurement and sales teams as well as warehouses. See “—Duell is subject to risks related to third-party suppliers and logistics providers that could adversely affect its business” above and “—Duell is dependent on its network of dealers and other customers and its net sales may decrease if its customers do not generate sufficient sales or if its relationships with customers deteriorate” below. The loss of management or key personnel may result in the loss of expertise or, in certain circumstances, the transfer of expertise to Duell’s competitors. In accordance with its strategy, in addition to strengthening its market position in the Nordics and the Baltics, Duell plans to focus on accelerating its growth in markets outside these regions, which imposes demands on Duell’s management and personnel. Duell’s geographical expansion also requires the recruitment of additional personnel. In addition, Duell’s involvement in M&A transactions generally exposes it to risk of employees, including management and other key employees, leaving before such projects are completed or the acquired businesses integrated to Duell’s existing business. If Duell is not successful in recruiting and retaining qualified key personnel, this may have an adverse effect on Duell’s business.

Duell may fail to successfully implement its strategy, achieve its financial targets or successfully adapt its strategy, which could have an adverse effect on Duell’s business, financial condition and/or results of operations.

The successful implementation of Duell’s strategy is depending on a number of factors, some of which are partly or fully beyond Duell’s control. For more information, see “Business—Duell’s Strategy.” Duell may fail in the implementation of its strategy or the management of strategic risks. Even if Duell is able to implement its strategy, there can be no assurance that the chosen strategy is or will be successful, in particular if the market conditions or the operating environment change. Duell may also decide to amend its strategy and/or adopt supplementary strategies in response to changes in market conditions or the operating environment, but there can be no assurance that the implementation of the changed strategy would be successful. The Board of Directors of the Company has confirmed Duell’s financial targets, which pertain to Duell’s growth, profitability and indebtedness. For information on Duell’s financial targets, see “Business—Financial Targets.” Failure in implementing or adapting Duell’s strategy or unsuccessful strategy itself may result in a failure in reaching Duell’s financial targets and have a material adverse effect on Duell’s business, financial condition and/or results of operations.

Duell is dependent on its network of dealers and other customers and its net sales may decrease if its customers do not generate sufficient sales or if its relationships with customers deteriorate.

Duell’s customer base consists of dealers that sell Duell’s products to end customers, which are mostly consumers. Duell’s net sales depend on the ability of its dealer and other customers to generate sales, and Duell’s overall success is dependent on its ability to maintain its relationships with them and further grow its dealer and other customer base. Although Duell is not dependent on any specific customer or group of customers, the loss of its major customers, if not replaced on similar terms, could have a material adverse effect on Duell’s business, financial condition and results of operations. For the financial year ended August 31, 2021, 9 percent of Duell’s net sales was generated by its largest customer, 11 percent by its top two to 10 largest customers, 28 percent by its top 11 to 100 largest customers and 52 percent by the rest of its

customers. The deterioration of Duell's dealer and other customer base or terminations or non-renewals of relationships could materially affect Duell's net sales and profitability, which could, in turn, have a material adverse effect on Duell's business, financial position, results of operations and/or future prospects.

Duell's agreements with its customers are typically framework agreements, under which deliveries to customers are made based on purchase orders. Duell's customer agreements do not include minimum purchase volume obligations and there is no assurance that the customers will continue to make purchase orders from Duell. Accordingly, customers may stop buying products from Duell without prior notice. As the framework agreements are not comprehensive and do not establish all the terms of the customer relationship, their interpretation may cause disputes and claims between the parties, which may have a material adverse effect on Duell's business and results of operations. For more information on Duell's customers, see "*Business—Value Chain—Customers.*"

The loss of customers or decreases in their purchases from Duell due to any of the foregoing or other factors, such as deterioration of customer relationships, may have a material adverse effect on Duell's business, results of operations, financial condition and/or future prospects.

Difficulties in maintaining and updating IT infrastructure, deficiencies in IT systems, and external cyber-attacks related to IT systems may have an adverse effect on Duell.

Duell uses information technology ("IT") infrastructure, applications and software products that cover essential aspects of its business, such as product information management ("PIM"), enterprise planning software ("ERP"), ordering systems, purchase and forecasting tool, online store solution, sales and purchase analytics, inventory management, logistics, human resources, finances and other administrative systems. Duell believes that IT infrastructure is essential in meeting the demands of both traditional offline dealers as well as online dealers and for example 89 percent of Duell's product orders were received electronically through self-service portals, such as business-to-business online stores and system integrations, for the financial year ended August 31, 2021, and with consumers shifting towards online channels for powersports spare parts and personal equipment product purchases. For example, in order to serve both offline and online dealers, Duell provides system integrations that enable cross-docking, dropshipping, automated processes and orders as well as checking stock availability in real time. A failure of IT systems to perform as designed or to maintain or update these systems as necessary could disrupt Duell's business operations and have a material adverse effect on its net sales and results of operations. In addition, Duell's IT systems may be damaged or they may cease to function for numerous reasons, such as ongoing IT system and IT service development projects, third-party service provider disruptions, catastrophes, power failures or major accidents, such as fires and natural disasters, and due to mistakes made by Duell's own employees. Duell is also exposed to the risk that personal data it processes could be wrongfully accessed, distributed or used, whether by employees or third parties, or otherwise lost, disclosed or processed in breach of data protection laws and regulations. Duell is subject to the General Data Protection Regulation (Regulation (EU) 2016/679) as Duell processes different types of personal data, and non-compliance with applicable data protection legislation could, among others, result in sanctions from the relevant authorities and damages having to be paid to affected registered persons. In addition, Duell's IT systems and infrastructure may be vulnerable to cybersecurity risks, including cyberattacks and cybercrimes, direct or indirect, such as computer viruses and worms, phishing attacks, and penetrating or bypassing security measures in order to gain unauthorized access to Duell's information networks and systems. For example, during the financial year ended August 31, 2020, Duell was a victim of a cybercrime as a result of which Duell incurred costs of EUR 439 thousand. Exploitation of possible weaknesses in Duell's security controls could disrupt its business and cause leakage of sensitive information, theft of intellectual property and damage to Duell's reputation.

Duell has invested and will continue to invest in its IT infrastructure, but Duell may also fail to make adequate investments or it may invest in IT systems that do not prove to be optimal or successful, which could have a material adverse effect on Duell's business, financial condition and/or results of operations.

Duell's reputation may be harmed by negative publicity and it may not be able to ensure compliance with all applicable quality, safety and ethical requirements throughout its value chain.

Duell believes that it is a trustworthy partner for its customers, earning the confidence of its customers due to its customer insights and knowledge, high customer satisfaction and sales support. Therefore, Duell's reputation is important for Duell's business and the implementation of its strategy when it competes for customers, and its reputation is especially important in the Nordics and the Baltics where Duell is relatively well-known by dealers. Duell's reputation may be harmed as a consequence of negative publicity relating to Duell's business and its own brands, its suppliers and their brands, its competitors or the end market. Negative publicity may have an adverse effect on customer behavior regardless of whether they are based in fact or relate directly to Duell or the products it distributes. For example, if employees, its customers or end customers were to publicly denigrate Duell, including on social media or otherwise, its reputation could be adversely affected. Duell's brand image may also be diminished if it fails to deliver products in a timely and efficient manner, maintain high ethical and social standards for all of its operations and activities or comply with local laws and regulations or if it experiences other adverse events that affect its brand, image or reputation.

Duell has more than 200 different suppliers that are geographically diversified around the world, and Duell's own brand products are manufactured by third-party suppliers mainly located in Asia. Duell aims to ensure that both its suppliers and the products it distributes satisfy certain quality, safety and sustainability requirements, however, Duell cannot control its third-party suppliers or their business practices and Duell's contractual remedies with respect to supplier practices are limited. Duell has no centralized quality control. Violation of, for example, local labor, anti-money laundering or bribery laws or recognized ethical or environmental standards by Duell's third-party suppliers could lead Duell to seek alternative suppliers, which could increase its costs and result in delayed delivery of its products, product shortages or other disruptions to its operations. This could also lead to liability and attract negative publicity for Duell and harm the integrity of Duell's brand.

Any direct or indirect harm to Duell's reputation or brand may have a material adverse effect on Duell's business, results of operations, financial condition and/or future prospects.

Duell's risk management and internal controls may not necessarily be able to prevent or detect negligence, mistakes or action contrary to Duell's guidelines or regulations.

Duell has adopted and introduced processes, systems and controls to ensure compliance with applicable laws and regulations, but these actions may not necessarily be sufficient to prevent or detect any deficient practices, negligence, fraud, mistakes, action contrary to Duell's guidelines or regulations and illegal activity that may be pursued not only by Duell's employees and representatives, but also by its suppliers and customers. Even though Duell's internal systems and controls seek to manage such risks, these systems and controls may not be sufficient to uncover or prevent or detect negligence, mistakes or action contrary to Duell's guidelines or regulations. For example, Duell, its suppliers or its customers could become subject to allegations of non-compliance with acceptable labor practices or applicable laws, including fraud, bribery or corruption, resulting from the sourcing of products in foreign markets. Any acts, wrongdoings or non-compliance with any laws, rules and regulations by Duell, its employees and representatives or its suppliers and customers could harm Duell's business, reputation and brand, and Duell could be required to expend significant resources in its efforts to rebuild its business, reputation and brand. If Duell fails to organize or maintain effective internal controls or to introduce the necessary, new or improved control procedures or if it experiences difficulties in their introduction, Duell may fail in the correctness of reporting or prevention of abuses. Realization of the aforementioned risks may have a material adverse effect on Duell's reputation, business, financial condition and/or results of operations.

Duell's insurance policies provide limited coverage, potentially leaving Duell uninsured against certain risks.

Duell's insurance policies include, among others, property insurance, business interruption insurance, liability insurance, legal expenses insurance, transport insurance, car insurance, occupational accident insurance and travel insurance, in amounts believed to be consistent with industry practices. However, Duell is not fully insured against all risks, and insurance against all types of risks and catastrophic events may not be available on reasonable economic terms, or at all. For example, Duell's insurance coverage does not cover sales transportation as this service is outsourced to a third party, or cybercrimes. For example, during the financial year ended August 31, 2020, Duell was a victim of a cybercrime as a result of which Duell incurred costs of EUR 439 thousand. The occurrence of an accident that causes losses in excess of limits specified under the relevant policy or is subject to material deductibles or self-insured retentions, or losses arising from events not covered by insurance policies, could have a material adverse effect on Duell's business, financial condition and/or results of operations.

Risks Related to the Environment in which Duell Operates

Duell operates in a competitive and fragmented market, and competition and consolidation may increase in the future.

Duell operates in a competitive market, facing competition from many other European distributors of powersport technical and spare parts and personal equipment that are either large international distributors, large regional distributors or small local distributors. Inasmuch as Duell benefits from its strong market position, local presence and higher brand recognition in the Nordics and in the Baltics, it is smaller in other European markets where it has a few larger competitors. For more information, see "*Industry and Market Overview—Market Structure and Competition.*"

Although the markets in which Duell operates are fragmented, Duell's competitors may consolidate, establish consortiums or aim to expand their operations in the future, which may increase competition in Duell's markets, including in the Nordics and in the Baltics. Any significant consolidation could create competitors with more financial, technical, marketing or other resources that would enable them to assign more resources to the sale of powersport technical and spare parts and personal equipment, such as clothing and accessories, than currently, which, in turn, could have an adverse effect on Duell's business and growth opportunities (see "*—Duell may fail in finding M&A targets as well as in integrating the acquired targets, and M&A transactions may also cause unpredictable risks and hidden liabilities to Duell*" above). In addition, Duell may face more intense competition in the future if competitors adopt aggressive pricing policies, expand their distribution networks or adapt more quickly to changes in customer preferences and trends. Certain of Duell's competitors may possess larger purchasing economies of scale or lower cost bases, stronger brand recognition or entrenched relationships with suppliers, any of which may give them a competitive advantage over Duell and could result in a loss of Duell's market share. In

addition, Duell's competitors may also consolidate Duell's customers by contractual arrangements or by acquiring them. Furthermore, Duell's competitors that currently purchase powersport technical and spare parts and personal equipment, such as clothing and accessories, from suppliers on a decentralized basis may consolidate their purchasing functions across their various operations, subsidiaries or owned or affiliated dealers, and their economies of scale may enable them to purchase products at prices that are lower than Duell can obtain. As a result, they may be able to offer certain products to customers at lower prices than Duell is able to.

Consolidation may also occur on other levels as the customers or suppliers of Duell could also consolidate. This could result in Duell's customers starting to compete with Duell, which could lead to a decrease in demand for Duell's products, or Duell's suppliers to strengthen their bargaining power resulting in the increase in their prices. Furthermore, Duell's suppliers could start or increase their own importing of powersport technical and spare parts and personal equipment, such as clothing and accessories, and bypassing distributors in the markets in which Duell operates. Especially a loss of market exclusivity could adversely affect Duell's business. For further information on Duell's customers and suppliers, see "*Business—Value Chain—Customers*" and "*Business—Value Chain—Purchasing and Quality Control—Suppliers and Purchasing*."

Duell also competes with emerging online resellers that are highly competitive in terms of price and convenience. Certain online operators have emerged and compete with Duell primarily on the basis of price. Such online operators, or any other new market entrants, may decide to expand their presence in the Nordics and the Baltics or in other markets where Duell currently operates, which could adversely affect Duell's business, financial position, results of operations and/or future prospects.

Furthermore, Duell may face challenges in the future in keeping up with the development of the Powersports Aftermarket and in providing an attractive product offering. Certain of Duell's competitors may be able to keep up with the development better than Duell, which may give them a competitive advantage over Duell and could result in a loss of Duell's market share. If Duell fails to stock or develop new high selling products, Duell could lose sales and its reputation with customers could be adversely affected.

Any of the above factors could reduce Duell's market share in the future, compel Duell to respond to competitive pressures by lowering prices, leading to a decrease in its net sales and profit margins that may have a material adverse effect on Duell's business, financial position, results of operations and/or future prospects.

Duell is exposed to macroeconomic and other macro trends that could reduce demand for its products.

As a European Powersports Aftermarket distributor offering motorcycle, ATV, snowmobile, bicycle and marine products, including technical and spare parts and personal equipment (for example clothing and accessories), to dealers across several markets in Europe, Duell's business is dependent on the size of total fleet and level of usage of motorcycles, boats and personal watercraft ("PWCs"), snowmobiles and ATVs in these regions as well as end customers' ability and willingness to pay for related technical and spare parts and personal equipment, such as clothing and accessories. Duell's main customers are dealers, who in return mainly depend on demand from consumers, but also from businesses as end customers. As the products that Duell distributes are generally discretionary items, the demand for such products may vary in line with the general economic conditions and other macro trends in the countries in which end customers are located as well as globally. Demand for Duell's products by end customers may be adversely affected by economic drivers, such as employment levels, salary and wage levels, the availability of consumer credit, the level of consumer debt, inflation, interest rates, tax rates and consumer confidence with respect to current and future economic conditions. For example, the number of motorcycles registered in Europe has been steadily growing, which supports the Powersports Aftermarket. While an economic downturn would likely not adversely affect demand for spare parts, which correlates to the distance driven, it is likely that motorcycle owners would postpone discretionary investments in their motorcycles, such as upgraded parts or accessories, in the event of an economic downturn. In addition, consumer purchases of clothing and other discretionary spending items generally decline during periods when disposable income is adversely affected or when there is economic uncertainty. Also environmental pressures and possible public perception of powersports could steer demand to activities perceived to be more sustainable and environmentally conscious, which could adversely affect the sales of the products that Duell distributes. Macro trends causing changes in consumer preferences affecting the popularity of powersports could have an adverse effect on the demand for Duell's products. See "*Industry and Market Overview—Market Trends and Drivers*."

Duell cannot predict the timing or duration of any economic slowdown or the timing or strength of a subsequent economic recovery, worldwide or in the markets in which it operates. Economic uncertainty globally or in Duell's core markets could decrease consumer confidence and consumer and business spending on powersport technical and spare parts and personal equipment and vehicle maintenance could lead to lower demand for Duell's products. Furthermore, economic conditions may be affected by various additional events that are beyond Duell's control, such as natural disasters and epidemics (e.g., the outbreak of COVID-19). For example, the ongoing COVID-19 pandemic has caused significant disruption in the global economy and the geographical markets in which Duell operates. The spread of COVID-19 has caused reduction in business activity and financial transactions, lockdowns, quarantines, labor shortages, supply chain interruptions and overall

economic and financial market instability. For more information on the effects of COVID-19 on Duell's business, see “—*Duell is subject to risks related to third-party suppliers and logistics providers that could adversely affect its business*” above.

Any reduced demand for Duell's products due to the factors described above could adversely affect Duell's net sales or otherwise have a material adverse effect on Duell's business, financial position, results of operations and/or future prospects.

With operations in several countries, Duell is subject to a variety of laws and regulations, and potential violations of or changes in laws and regulations could have an adverse effect on Duell.

Duell must comply with laws and regulations enacted at both the national and EU level concerning its operations in relation to matters including health, environment, safety, consumer protection and marketing, general product safety, employment, competition, company law, data protection, international trade and taxation in all countries in which Duell pursues business. For example, sales of certain products that Duell distributes are more affected by regulation than others, such as helmets in the clothing market or must-have technical and spare parts that require regular replacements, such as tires. Failure to comply with applicable laws and regulations may cause Duell financial losses, undermine Duell's business opportunities and harm Duell's reputation. Changes in laws and regulations in the markets in which Duell operates may also adversely affect demand for Duell's products. Duell's business could, for example, be adversely affected by the introduction of new laws and regulations impacting the powersports industry, which could reduce the demand for Duell's products. Regulators both on the national and EU level may introduce or consider introducing laws and regulations that may limit or even prohibit the use of motorcycles, boats and PWCs, snowmobiles and/or ATVs, for example, in certain locations, or restrict their use or manner of use in certain areas. Any such change causing a decline in the popularity of powersports could also adversely affect Duell's business. The realization of any of the aforementioned risks may have a material adverse effect on Duell's business, financial condition and/or results of operations.

Risks Related to Financial Condition and Financing

Fluctuations in foreign exchange and interest rates could have a material adverse effect on Duell.

Due to the international nature of its business, Duell is exposed to transactional and translation risks. Transactional risks arise when the trade currency of the goods and products is other than the domestic currency of the Company and its subsidiaries. Translation risks arise when the funds of the subsidiaries held in different currencies are translated into the Company's operating currency, the euro. Duell is exposed to transaction risk and translation risk related mainly to the U.S. dollar, the Swedish krona, the Norwegian krone, the Danish krone and the British pound sterling. Of Duell's net sales for the financial year ended August 31, 2021, 56 percent was generated in euros, 33 percent in Swedish kronor, 8 percent in Norwegian kroner, 2 percent in British pounds sterling and 1 percent in Danish kroner. Of Duell's costs for the financial year ended August 31, 2021, 63 percent was in euros, 23 percent in U.S. dollars, 7 percent in Swedish kronor, 3 percent in New Taiwan dollars, 2 percent in Canadian dollars and 1 percent in Danish kroner, British pound sterling and Norwegian kroner. Duell's estimates and projections concerning its future may be based on exchange rate projections that might prove incorrect. In addition, Duell does not hedge currencies, except for certain currency hedges within Tecno Globe. Exchange rate fluctuations may, thus, have a material adverse effect on Duell's financial condition and/or results of operations. For more information on the management of financial risks, please see “*Operating and Financial Review—Financial Risk Management.*”

As at August 31, 2021, Duell's interest-bearing liabilities amounted to EUR 41,497 thousand. Duell uses derivatives to hedge interest risks, but there can be no assurance that the used hedges are adequate. Increases in interest rates could have a material direct effect on the costs of available funding and Duell's existing financing costs. An increase in interest rates could, thus, have an effect on the costs of Duell's debt financing in the future. Interest rates may rise for numerous different reasons beyond Duell's control, such as policies pursued by states and central banks.

Duell may not necessarily obtain financing on competitive terms or at all.

Duell currently finances its business and investments with operational cash flows and debt financing. Sufficient cash flow is required for Duell's business and maintaining its ability to service its debt. There can be no assurance that Duell will be able to secure financing to a sufficient extent and on competitive terms to finance its business and investments. Changes in the macroeconomic environment or in the general financial markets may have an adverse effect on the availability, price and other terms of financing. In particular, future M&A transactions may require both sufficient cash flow from operations and external financing, which exposes Duell to risks related to the availability of additional financing.

For example, global financial markets have experienced in the past, and may continue to experience in the future, significant volatility and liquidity disruptions, which may adversely affect Duell's financing costs and access to financing and ultimately affect Duell's ability to finance its operations. Changes in the availability of equity and debt financing and in the terms of the financing available may have an effect on Duell's ability to invest in developing and growing its business

and making M&A transactions in the future. If Duell is not able to obtain financing on competitive terms or at all, this may have a material adverse effect on Duell's business, financial condition and/or results of operations.

Duell's tax costs could increase as a result of changes to tax laws or their application or as a result of a tax audit.

Duell's tax burden depends on certain tax laws and regulations and their application and interpretation (for example, with regard to transfer pricing rules). Changes in tax laws and regulations or their interpretation and application may increase Duell's tax costs to a significant degree, which could have an adverse effect on Duell's financial condition and/or results of operations. In addition, certain other factors may affect Duell's tax rate. For example, goodwill amortization is not tax deductible. Furthermore, Duell may at times be subject to tax audits conducted by national tax authorities. Tax audits or other auditing measures carried out by tax or other authorities, such as customs officials, could result in an imposition of additional taxes (such as income taxes, taxes at source and property, capital, transfer and value-added taxes), which could lead to an increase in Duell's tax liability.

Potential future impairment charges related to goodwill could have a material adverse effect on Duell's financial condition and results of operations.

As at August 31, 2021, the Company's consolidated balance sheet included EUR 13,516 thousand of goodwill and the Company's consolidated equity was EUR 10,520 thousand. Duell performs annual impairment tests on goodwill to identify any indication of impairment. If the estimates used in testing the impairment of goodwill change unfavorably, Duell may need to recognize impairment charges. Furthermore, as M&A transactions are part of Duell's growth strategy, material amounts of goodwill may be recorded in Duell's balance sheet in connection with such M&A transactions. If Duell is required to recognize any significant impairment charges related to goodwill in the future, depending on the amounts of the impairments, it could have a material adverse effect on Duell's financial condition and/or results of operations.

Credit losses could have an unfavorable effect on Duell's operating results.

Duell is exposed to credit and counterparty risk in its business, for example, in relation to customers and suppliers. Credit and counterparty risk refers to the risk of the counterparty being unable or unwilling to fulfill its obligation to Duell, which may result in credit loss. Credit and counterparty risk related to Duell's customers and suppliers arises from outstanding receivables or long payment terms. Duell has not recorded any significant credit losses for the financial years ended August 31, 2021, 2020 and 2019, but there can be no assurance that Duell will not be exposed to higher credit losses in the future. For example, economic downturns may adversely affect the operations of Duell's customers (see also "*Risks Related to Duell's business—Duell is exposed to macroeconomic and other macro trends that could reduce demand for its products*" above). Duell has a wide and diversified dealer network comprising both offline and online dealers, and Duell's customers could be forced to close their stores or cease their operations. Financial and operational challenges experienced by Duell's customers could affect Duell's ability to collect outstanding receivables fully, or at all.

The Pro Forma Financial Information in this Offering Circular is presented for illustrative purposes only and may differ materially from Duell's actual results of operations.

The Unaudited Pro Forma Financial Information in this Offering Circular is presented for illustrative purposes only and, according to the nature of pro formas, the Unaudited Pro Forma Financial Information addresses a hypothetical situation and is not necessarily indicative of what the financial results actually would have been had the Tecno Globe Acquisition been completed on the date indicated. The Unaudited Pro Forma Financial Information does not purport to project any future financial results of Duell. The Unaudited Pro Forma Financial Information includes pro forma adjustments and these adjustments are based on available information and certain assumptions that the management of Duell believes are reasonable under the circumstances. Adjustments have been made to the historical financial information for the preparation of the Unaudited Pro Forma Financial Information that give effect to events that are directly attributable to the Tecno Globe Acquisition and are factually supportable. The pro forma adjustments include certain adjustments, described in the notes of the Unaudited Pro Forma Financial Information, related to the alignment of the accounting policies applied in the consolidated financial statements and re-allocations related to presentation. See "*Unaudited Pro Forma Financial Information.*" If the actual impacts of the Tecno Globe Acquisition differ materially from the Unaudited Pro Forma Information presented herein, Duell may lose the trust of its investors and other interest groups.

Risks Related to the Shares

The amount of any dividends paid by the Company in any given financial year is uncertain.

The majority of Duell's assets are owned by, and Duell's external sales are generated through, the Company's subsidiaries, whereas the Company is Duell's parent company with the responsibility to manage group-level administration and treasury as well as financing operations, for example. As the Company does not generate any external sales of its own, the Company's ability to pay dividends will depend upon the level of income to be derived from the management fees from subsidiaries, group contributions, dividend payments and interest income, if any, received from its operating subsidiaries and its level of cash balances. Under the provisions of the Finnish Companies Act, the amount distributed by the Company

as dividends may not exceed the amount of distributable funds shown on its latest unconsolidated parent company audited financial statements adopted by the general meeting of shareholders. Any possible distribution of dividends in respect of a financial period depends on the Company's and its subsidiaries' results of operations, financial condition, cash flow, need for working capital, investments, future outlook, terms of its financing agreements and other factors. Under the Finnish Companies Act, the distribution of dividends is not permitted if it would jeopardize the Company's solvency. The Board of Directors of the Company has adopted a dividend policy for the Company. Notwithstanding this policy, the Company will evaluate the preconditions for the distribution of dividends annually, taking into consideration a number of factors, including Duell's capital structure, future net sales, profits, financial position, general economic and business conditions, and future prospects; the ability of the Company's subsidiaries to pay dividends or otherwise transfer funds to the Company; and such other factors as the Board of Directors of the Company may deem relevant. The amount of any dividends paid by the Company in any given financial year is, thus, uncertain and the amount of dividends to be distributed on a single year may differ significantly from the target level set in the dividend policy. Further, the dividends paid by the Company for certain financial period are not an indication of the dividends to be paid for any financial periods in the future, if any. See also "*Dividends and Dividend Policy.*"

The Shares have not been previously subject to public trading, and, thus, the market price of the Shares may be volatile and an orderly and liquid trading market may not develop.

The Shares have not previously had a public trading market, and there can be no assurance that after the FN Listing, the Shares will be actively traded or that active trading can be maintained. Therefore, the liquidity of the Shares is uncertain.

The market price of the Shares may fluctuate significantly due to a number of factors, such as realized or anticipated changes in Duell's results of operations, Duell's ability to reach its business objectives, developments in the markets Duell serves, announcements concerning innovations introduced by competitors, changes in the regulatory environment, general market conditions and other factors. In addition, international financial markets have occasionally experienced significant fluctuations in share prices and trading volumes regardless of the business development or future outlook of individual companies. These factors are mainly beyond Duell's control. Moreover, the prices of shares offered publicly for the first time have been subject to considerable price fluctuations for periods of time, which may not have corresponded to the business or financial success of the particular company issuing such shares. There can be no assurance that the market price of the Shares will not experience significant fluctuations or decline below the Subscription Price. The Subscription Price does not necessarily reflect the market price of the Shares after the FN Listing.

The interests of major shareholders may differ from those of other shareholders.

If the Offering is carried out as planned, the Principal Shareholder will hold approximately 10.1 percent of all Shares and votes of the Company immediately following the Offering (assuming that the Selling Shareholders will sell the maximum number of Sale Shares, the Over-allotment Option is exercised in full and that the Company will issue 3,884,472 New Shares). See "*Major Shareholders.*" After the Offering, the Principal Shareholder will continue to have significant ownership in the Company and it may be able to affect, among other things, the composition of the Board of Directors of the Company and the distribution of dividends. The Principal Shareholder may also have the ability to block decisions required to be made at the general meeting of the shareholders of the Company, including, among other things, the approval of the financial statements and decisions regarding changes to articles of association and certain corporate transactions, such as mergers and demergers. There can be no assurance that the interests of the Principal Shareholder will correspond with those of other shareholders of the Company.

Future share issues and sales of significant number of Shares may reduce the price of the Shares and the future share issues may dilute the share of ownership of the current shareholders.

The Company and the Selling Shareholders are expected to commit to, subject to certain exceptions, a lock-up period that will end 180 days from the FN Listing. In addition, the members of the Board of Directors of the Company and the members of the management team of Duell are expected to enter into a lock-up agreement with similar terms to that of the Company and the Selling Shareholders that will end on the date that falls 360 days from the FN Listing. Also, the Personnel participating in the Personnel Offering must agree to comply with the lock-up with similar terms to that of the Company and the Selling Shareholders that will end on the date that falls 360 days from the FN Listing. See "*Terms and Conditions of the Offering—General Terms and Conditions of the Offering—Lock-up.*" After the lock-up period, the Company may issue and other parties may sell Shares. The issuance or sale of a significant number of Shares, or an understanding that such an issuance or sale may occur in the future, could have an adverse effect on the market price of the Shares and on the Company's ability to raise funds through share issues in the future.

Due to the large percentage of Shares held by the Principal Shareholder, there can be no assurance that the Principal Shareholder will not affect trading and transaction volumes by using its decision-making power in the Company or by making decisions concerning its shareholding in the Company, which could have an adverse effect on the prevailing market price of the Shares. Further, the perception that any such large sell down by a large shareholder may occur in the future may have an adverse effect on the development of the price of the Shares. Furthermore, any possible future directed share

issue, or a rights issue where any existing shareholders decide not to exercise their subscription rights, could dilute shareholders' relative share of Shares and votes.

The Company's articles of association include provisions on the obligations to notify the Company on the change of holdings and to make a purchase offer, and non-compliance of such provisions could result in restrictions on the exercise of investors' voting rights and in the non-redemption of Shares.

The provisions of the Finnish Securities Markets Act on mandatory tender offers or notifications of major holdings do not apply to the Company even after the FN Listing. Therefore, the Company has included in its articles of association an obligation to notify the Company of a change of holdings and an obligation to make an offer to purchase Shares if certain criteria are met.

When the shareholdings or proportion of voting rights of a shareholder reach or exceed limits as specified in the Company's articles of association or decrease under these limits, the shareholder has the obligation to notify the Company of the change of holdings. The obligation to notify changes of holdings applies to both Shares and financial instruments. If a shareholder does not notify the Company of the change of holdings in accordance with the articles of association, the shareholder may not exercise its voting rights attached to the Shares held by the shareholder prior to the change of holdings until the shareholder has made the required notification.

It is possible that a shareholder gains control of the Company without the other shareholders being informed about it. In accordance with the articles of association of the Company, after the Shares have been admitted to public trading on a market place, including but not limited to the First North Growth Market, a person whose holdings, either alone or together with other persons in a way defined in the Company's articles of association, in the voting rights attached to all the Shares registered in the Trade Register exceed 50 percent, shall be obliged to make an offer to purchase all the other Shares issued by the Company and options which entitle the holder to new Shares from the other shareholders and holders of such options. Enforcement of the obligation to make a purchase offer in accordance with the articles of association of the Company will be the sole responsibility of the Board of Directors of the Company and no securities market supervisory authority is responsible for overseeing the enforcement. Therefore, it is possible that a shareholder, who would be obliged to make a purchase offer in accordance with the articles of association of the Company but who neglects this obligation, cannot be compelled to comply with provisions as efficiently as when such obligation is based on law or an administrative order. If a shareholder does not comply with the provisions of the articles of association of the Company or if the articles of association of the Company are not efficiently enforced by the Board of Directors of the Company, this could result voting rights of a shareholder, who would be obliged to make a purchase offer, being restricted as well as in the non-redemption of the Shares of other shareholders and options of option holders, thus, weakening the rights of the Company's shareholders.

A failure to comply with the above-mentioned obligations included in the articles of association of the Company could have a material adverse effect on the Company's attractiveness as an investment and on the value of the Offer Shares. For more information on the obligation to notify the change of holdings and the obligation to make an offer to purchase Shares, see "*Description of the Shares and Share Capital—Shareholder Rights—Redemption Right and Obligation to make a Purchase Offer*" and "*Description of the Shares and Share Capital—Shareholder Rights—Notification on the Change of Holdings*" as well as the articles of association of the Company included as Annex A to this Offering Circular.

Holders of nominee-registered Shares cannot necessarily exercise their voting rights.

The holders of nominee-registered Shares cannot necessarily exercise their voting rights unless their ownership has been temporarily registered under their own name in Euroclear Finland prior to the Company's general meeting of shareholders. The Company cannot give any assurances that the holders of nominee-registered Shares would receive a notice to the general meeting of shareholders in time to instruct their account operators to either temporarily register their Shares or otherwise exercise their voting rights as the actual owners wish. See "*The First North Growth Market and the Finnish Securities Markets—Finnish Book-entry Securities System*."

Certain foreign shareholders may not necessarily be able to exercise their subscription rights.

Under Finnish legislation, shareholders have specific subscription rights in proportion to their holdings when the Company issues new shares or securities entitling the subscription of new shares. Certain shareholders of the Company who reside or will reside in, or whose registered address is located in, certain countries other than Finland may not be able to exercise their subscription rights in possible future share issues, unless the Shares have been registered according to the securities legislation of the country in question or in an otherwise similar manner, or unless a derogation from the registration or other equivalent regulations provided in the applicable legislation is available. This may lead to the dilution of such shareholders' ownership in the Company. Further, if the number of shareholders who are not able to exercise their subscription rights is high and if the subscription rights of such shareholders are sold on the market, it could have an adverse effect on the price of the subscription rights. A foreign shareholder's right to have access to information concerning share issues and important transactions may also be restricted due to the legislation of the country in question. See "*Description of the Shares and Share Capital—Shareholder Rights*."

The companies listed on the First North Growth Market are subject to less extensive securities market regulation than companies listed on regulated markets, and, therefore, investing in such companies may contain more risks than investing in companies listed on regulated markets.

The First North Growth Market is a multilateral trading facility operated by Nasdaq Helsinki. The companies listed on the First North Growth Market are subject to less extensive regulation than companies listed on regulated markets and, therefore, regulation on, for example, provisions on notification of major shareholdings and mandatory public tender offers in the Finnish Securities Markets Act do not apply to securities admitted to trading on the First North Growth Market. However, the Company has included in its articles of association an obligation to notify changes in the holdings and an obligation to make a purchase offer when the holdings reach certain limits. See “—*The Company’s articles of association include provisions on the obligations to notify the Company on the change of holdings and to make a purchase offer, and non-compliance of such provisions could result in restrictions on the exercise of investors’ voting rights and in the non-redemption of Shares*” above. Due to these and other differences in regulation, the companies listed on the First North Growth Market and the rights and obligations of their shareholders differ from the rights and obligations of the companies on regulated markets and their shareholders. Investing in a company listed on the First North Growth Market may contain more significant risks than investing in a company listed on a regulated market.

Risks Related to the Offering and the FN Listing

The FN Listing will result in additional costs for the Company; the Company may fail to implement functions required from a listed company.

The Company will submit a listing application to Nasdaq Helsinki to list the Shares on the First North Growth Market. In addition to non-recurring costs, the FN Listing will result in significant ongoing administrative costs for the Company also after the FN Listing, which could have an adverse effect on Duell’s financial condition and/or results of operations. As a consequence of the FN Listing, the Company will be required to meet regulatory requirements pertaining to entities with shares admitted to trading on the First North Growth Market, in particular with respect to financial reporting, and allocate staff and resources to such purposes. Such additional costs could have a material adverse effect on Duell’s financial condition and/or results of operations.

It is possible that the implementation of the required operations and processes and the staff and resources adjustment requires more resources than planned and these tasks cannot be performed with the same level of quality as previously or that such operations will be suspended. Furthermore, Duell must assign employees and other resources for these purposes. It is also possible that Duell will fail to implement and organize the functions required from a listed company or to maintain these functions partly or entirely. If Duell fails to implement and organize the functions required from a listed company, Nasdaq Helsinki may not accept the Company’s listing application.

Tight communication schedules and dependence on data systems and key employees to carry out required operations and processes may pose challenges to the correctness of financial and other information and to the timely release of such information. If information published by the Company turns out to be incorrect, misleading or otherwise not in compliance with all applicable laws, rules and regulations, the Company may lose the trust of its investors and other interest groups and face sanctions as a result of such actions.

The Offering may not be fully subscribed for and the Company may not raise the full amount of proceeds from the Offering.

There can be no assurance that the Share Issue will be fully subscribed for and that the Company will raise the full amount of proceeds from the Offering upon the completion of the Share Issue. In such an event, Duell could be required to seek for additional sources of financing in order to execute its strategy.

The conditions for the Offering may not be fulfilled.

The Placing Agreement (as defined below) related to the Offering includes certain customary terms and conditions, including the accuracy and correctness of certain terms and conditions relating to the Company, Sponsor Fund and Rite Ventures. If one or more of the terms and conditions of the Placing Agreement are not met, the Placing Agreement may not be entered into or it may be terminated, as a result of which the Offering will not be completed. See “*Plan of Distribution*”.

Subscription commitments are irrevocable and there is no certainty of the number or the allocation of the Offer Shares.

The subscription commitments made in the Offering are binding and cannot be canceled or amended after the subscription has been made, except as described in “*Terms and Conditions of the Offering—General Terms and Conditions of the Offering—Cancellation of Commitments*”.

The Company and the Principal Shareholder will jointly decide on the execution of the Offering, the final number of Offer Shares and the allocation of Offer Shares to investors. The Company and the Principal Shareholder will decide on the procedure to be followed in the possible event of an oversubscription. See “*Terms and Conditions of the Offering—Special Terms and Conditions Concerning the Public Offering—Approval of Commitments and Allocation*”, “*Terms and Conditions of the Offering—Special Terms and Conditions Concerning the Institutional Offering—Approval of Purchase and Allocation*” and “*Terms and Conditions of the Offering—Special Terms and Conditions Concerning the Personnel Offering— Subscription Price of the Personnel Offering and the Allocation of Personnel Shares.*”

CERTAIN MATTERS

Statement Regarding Information in this Offering Circular

The Company is responsible for the information included in this Offering Circular. To the best of the Company's knowledge, the information contained in this Offering Circular is in accordance with the facts and this Offering Circular makes no omission likely to affect its import. The Selling Shareholders are responsible for the information concerning them and their shareholdings in the Company included in this Offering Circular. To the best of the Selling Shareholders' knowledge, the information contained in this Offering Circular is in accordance with the facts and this Offering Circular makes no omission likely to affect its import.

November 12, 2021

Duell Corporation

Selling Shareholders listed in Annex B

Special Cautionary Notice Regarding Forward-looking Statements

This Offering Circular contains forward-looking statements about Duell that are not historical facts, but statements about future expectations. When used in this Offering Circular, the words "aims," "anticipates," "assumes," "believes," "could," "estimates," "expects," "intends," "may," "plans," "should," "will," "would" and similar expressions as they relate to Duell or its management, identify certain of these forward-looking statements. Other forward-looking statements can be identified in the context in which the statements are made. Forward-looking statements are set forth in a number of places in this Offering Circular, including in the sections "*Summary*," "*Risk Factors*," "*Dividends and Dividend Policy*," "*Reasons for the Offering and Use of Proceeds*," "*Capitalization and Indebtedness*," "*Industry and Market Overview*," "*Business*," "*Operating and Financial Review*" and wherever this Offering Circular includes information on the future results, plans and expectations with regard to Duell, the future growth and profitability of Duell and the future general economic conditions to which Duell is exposed.

No Incorporation of Website Information

The Finnish Prospectus will be published on Duell's website at sijoittajat.duell.eu and this Offering Circular at investors.duell.eu on or about November 15, 2021.

This Offering Circular, the documents incorporated by reference as well as possible supplements to this Offering Circular that will form a part of this Offering Circular will be published on Duell's website. However, other information on Duell's website or any other website, do not form a part of this Offering Circular, and prospective investors should not rely on such information in making their decision to invest in the Offer Shares.

Presentation of Financial Information

Historical Financial Statements

The financial information included in this Offering Circular has been derived from the Audited Consolidated Financial Statements that have been incorporated by reference into this Offering Circular. Financial information and measures presented into this Offering Circular have been derived or calculated from the Audited Consolidated Financial Statements prepared in accordance with the Finnish Accounting Standards (FAS). The financial information presented in this Offering Circular has been prepared in accordance with FAS. Duell's audited consolidated financial statements as at and for the financial years ended August 31, 2021, 2020 and 2019, were prepared for the Company under its previous name, Sponbike Oy.

Duell's audited consolidated financial statements as at and for the financial years ended August 31, 2020 and 2019, have been audited by KPMG, Authorized Public Accountants, with Hans Bertell, Authorized Public Accountant, as the auditor with principal responsibility. Duell's audited consolidated financial statements as at and for the financial year ended August 31, 2021, have been audited by KPMG, Authorized Public Accountants, with Mari Kaasalainen, Authorized Public Accountant, as the auditor with principal responsibility.

Unaudited Pro Forma Financial Information

The unaudited pro forma financial information gives effect to the Tecno Globe Acquisition and its financing to Duell's historical financial statements (the "**Unaudited Pro Forma Financial Information**"). The Tecno Globe Acquisition is presented in the unaudited pro forma combined income statement for the financial year ended August 31, 2021, as if it had occurred on September 1, 2020.

The Unaudited Pro Forma Financial Information is presented for illustrative purposes only.

The hypothetical financial results included in the Unaudited Pro Forma Financial Information may differ from Duell's actual financial results. The Unaudited Pro Forma Financial Information does not purport to project any future financial results of Duell. The Unaudited Pro Forma Financial Information does not reflect any cost savings, synergy benefits or future integration costs that are expected to be generated or may be incurred as the result of the Tecno Globe Acquisition.

Adjustments have been made to the historical financial information for the preparation of the Unaudited Pro Forma Financial Information that give effect to events that are directly attributable to the Tecno Globe Acquisition and are factually supportable. The pro forma adjustments include certain adjustments, described in the notes of the Unaudited Pro Forma Financial Information, related to the alignment of the accounting policies applied in the consolidated financial statements and re-allocations related to presentation. There can be no assurance that the assumptions used in the preparation of the Unaudited Pro Forma Financial Information will prove to be correct. The Unaudited Pro Forma Financial Information has been prepared in accordance with Annex 20 of Commission Delegated Regulation (EU) 2019/979.

The Unaudited Pro Forma Financial Information does not include all information required to be included in financial statements prepared in accordance with FAS and they should be read together with the historical financial information of Duell. See also “*Unaudited Pro Forma Financial Information*” and “*Risk Factors—Risks Related to Financial Condition and Financing—The Pro Forma Financial Information in this Offering Circular is presented for illustrative purposes only and may differ materially from Duell's actual results of operations.*”

Alternative Performance Measures and Pro Forma Performance Measures

Duell presents in this Offering Circular certain performance measures of historical financial performance, financial position and cash flows, which are not accounting measures defined or specified in FAS but are alternative performance measures in accordance with the “*Alternative Performance Measures*” guidance by the European Securities and Markets Authority (together, the “**Alternative Performance Measures**”).

These Alternative Performance Measures are:

- *Constant currency net sales growth.* Constant currency net sales growth is calculated by dividing net sales for the period under review translated at average foreign exchange rates for the period under review less net sales for the preceding period translated at average foreign exchange rates for the period under review by net sales for the preceding period translated at average foreign exchange rates for the period under review.
- *Organic net sales growth.* Organic net sales growth is defined as change in net sales adjusted for acquisitions, divestments and foreign currency effects.
- *Gross margin.* Gross margin is defined as net sales less materials and services.
- *Gross margin, percent.* Gross margin, percent, is calculated by dividing gross margin by net sales.
- *EBITDA.* EBITDA is defined as operating profit before depreciation, amortization and impairment.
- *EBITDA margin.* EBITDA margin is calculated by dividing EBITDA by net sales.
- *EBITA.* EBITA is defined as operating profit before amortization of consolidated goodwill.
- *EBITA margin.* EBITA margin is calculated by dividing EBITA by net sales.
- *Operating profit margin.* Operating profit margin is calculated by dividing operating profit by net sales.
- *Items affecting comparability, EBITDA.* Items affecting comparability, EBITDA, is defined as material items outside the ordinary course of business, including restructuring costs, net gains or losses from sale of business operations or other non-current assets, strategic development projects, external advisory costs related to capital reorganization, impairment charges on non-current assets incurred in connection with restructurings, compensation for damages and transaction costs related to business acquisitions.
- *Adjusted EBITDA.* Adjusted EBITDA is defined as EBITDA less items affecting comparability.
- *Adjusted EBITDA margin.* Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by net sales.
- *Adjusted EBITA.* Adjusted EBITA is defined as EBITA less items affecting comparability.
- *Adjusted EBITA margin.* Adjusted EBITA margin is calculated by dividing adjusted EBITA by net sales.
- *Adjusted operating profit.* Adjusted operating profit is defined as operating profit less items affecting comparability.

- *Adjusted operating profit margin.* Adjusted operating profit margin is calculated by dividing adjusted operating profit by net sales.
- *Full-time equivalent employees.* Full-time equivalent employees is calculated by adding the average number of full-time employees to total hours worked by temporary and part time employees for the period divided by average working hours of a full-time employee for the period.
- *Operating free cash flows.* Operating free cash flows is defined as adjusted EBITDA less investments in tangible and intangible assets and change in working capital.
- *Cash conversion.* Cash conversion is calculated by dividing operating free cash flow by adjusted EBITDA.
- *Investments in tangible and intangible assets excluding brand acquisitions.* Investments in tangible and intangible assets excluding brand acquisitions is defined as investments in tangible and intangible assets as set forth in the consolidated cash flow statement excluding brand acquisitions.
- *Net debt.* Net debt is defined as loans from financial institutions, the Convertible Loans and other liabilities less cash and cash equivalents.
- *Net debt to adjusted EBITDA for the last 12 months.* Net debt to adjusted EBITDA for the last 12 months is calculated by dividing net debt by adjusted EBITDA.
- *Net working capital.* Net working capital is defined as inventories, short-term trade receivables, loan receivables, other short-term receivables and pre-paid expenses and accrued income less trade liabilities, deferred tax liabilities, other current liabilities and accrued expenses and deferred income.
- *Capital employed.* Capital employed is defined as total equity and net debt.
- *Capital employed excluding goodwill.* Capital employed excluding goodwill is defined as total equity and net debt less goodwill.
- *Return on capital employed (ROCE).* Return on capital employed (ROCE) is calculated by dividing operating profit by average capital employed.
- *Adjusted return on capital employed (adjusted ROCE).* Adjusted return on capital employed (adjusted ROCE) is calculated by dividing adjusted EBITA by average capital employed less goodwill.
- *Equity ratio.* Equity ratio is calculated by dividing total equity by total assets.
- *Return on equity.* Return on equity is calculated by dividing profit for the period by total equity (average for the first and last day of the period).

In addition, Duell presents as additional information in this Offering Circular certain financial performance measures as unaudited combined pro forma performance measures, which are not performance measures of historical financial performance, financial position and cash flows defined or specified in FAS (the “**Pro Forma Performance Measures**”).

These Pro Forma Performance Measures are:

- *Pro forma EBITDA.* Pro forma EBITDA is defined as pro forma operating profit before pro forma depreciation, amortization and impairment.
- *Pro forma EBITDA margin.* Pro forma EBITDA margin is calculated by dividing pro forma EBITDA by pro forma net sales.
- *Pro forma adjusted EBITDA.* Pro forma adjusted EBITDA is defined as pro forma EBITDA less items affecting comparability.
- *Pro forma adjusted EBITDA margin.* Pro forma adjusted EBITDA margin is calculated by dividing pro forma adjusted EBITDA by pro forma net sales.
- *Pro forma EBITA.* Pro forma EBITA is defined as pro forma operating profit before pro forma amortization of consolidated goodwill.
- *Pro forma EBITA margin.* Pro forma EBITA margin is calculated by dividing pro forma EBITA by pro forma net sales.

- *Pro forma adjusted EBITA.* Pro forma adjusted EBITA is defined as pro forma EBITA less items affecting comparability.
- *Pro forma adjusted EBITA margin.* Pro forma adjusted EBITA margin is calculated by dividing pro forma adjusted EBITA by pro forma net sales.
- *Pro forma operating profit.* Pro forma operating profit is defined as pro forma profit before income taxes, financial income and financial expenses.
- *Pro forma operating profit margin.* Pro forma operating profit margin is calculated by dividing pro forma operating profit by pro forma net sales.
- *Pro forma gross margin.* Pro forma gross margin is defined as pro forma net sales less pro forma materials and services.
- *Pro forma gross margin, percent.* Pro forma gross margin, percent, is calculated by dividing pro forma gross margin by pro forma net sales.

For more information on the reasons for the use of the Alternative Performance Measures and the Pro Forma Performance Measures and detailed calculation formulas of the Alternative Performance Measures, see “*Selected Consolidated Financial Information*” and “*Unaudited Pro Forma Financial Information.*”

Duell presents Alternative Performance Measures and Pro Forma Performance Measures as additional information to financial measures presented in the consolidated income statement, consolidated balance sheet and consolidated statement of cash flows prepared in accordance with FAS. In Duell’s view, the Alternative Performance Measures and the Pro Forma Performance Measures provide the management and investors, securities analysts and other parties with significant additional information related to Duell’s results of operations, financial condition or cash flows and are widely used by analysts, investors and other parties.

The Alternative Performance Measures and the Pro Forma Performance Measures should not be considered in isolation or as substitute to the measures under FAS. All companies do not calculate Alternative Performance Measures or Pro Forma Performance Measures in a uniform way, and, therefore, the Alternative Performance Measures and the Pro Forma Performance Measures presented in this Offering Circular may not be comparable with similarly named measures presented by other companies. The Alternative Performance Measures and the Pro Forma Performance Measures presented in this Offering Circular are unaudited.

Market and Industry Information

This Offering Circular contains statistics, data and other information relating to markets, market sizes, market shares and market positions and other industry data pertaining to Duell’s business and markets. Such information is based on Duell’s estimates and/or analysis of multiple sources, such as Euromonitor, Eurostat and the International Monetary Fund (the “**IMF**”) as well as a market study by Ernst & Young commissioned by Duell in the spring of 2021 (“**Third-party market study commissioned by Duell in the spring of 2021**”), and information otherwise obtained, unless otherwise indicated.

The Company confirms that third-party information has been reproduced accurately in this Offering Circular, but the Company has not verified the accuracy of such information, market data or other information on which third parties have based their studies. As far as the Company is aware and is able to ascertain from information published by these third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading. Moreover, market studies are frequently based on information and assumptions that may not be exact or appropriate, and their methodology is by nature forward-looking and speculative.

This Offering Circular also contains estimates regarding the market position of Duell that cannot be gathered from publications by market research institutions or any other independent sources. In many cases, there is no publicly available information on such data, for example from industry associations, public authorities or other organizations and institutions. The Company believes that its internal estimates of market data and information derived therefrom and included in this Offering Circular are helpful in order to give investors a better understanding of the industry in which Duell operates as well as its position within this industry. Although the Company believes that its internal market estimates are fair, they have not been reviewed or verified by any external experts and the Company cannot guarantee that a third-party expert using different methods would obtain or generate the same results.

Certain Other Information

Financial information set forth in this Offering Circular has been rounded. Accordingly, in certain instances, the sum of the numbers in a column or row may not conform exactly to the total amount given for that column or row.

All references in this Offering Circular to the “**British pound sterling**” and “**GBP**” refer to the currency of the United Kingdom of Great Britain and Northern Ireland, those to the “**Canadian dollar**” and “**CAD**” refer to the currency of Canada, those to the “**Danish krone**” and “**DKK**” refer to the currency of the Kingdom of Denmark, those to the “**euro**” and “**EUR**” refer to the currency of Economic and Monetary Union of the EU, those to the “**New Taiwan dollar**” and “**TWD**” refer to the currency of Taiwan, those to the “**Norwegian krone**” and “**NOK**” refer to the currency of the Kingdom of Norway, those to the “**Swedish krona**” and “**SEK**” refer to the currency of the Kingdom of Sweden, and those to the “**U.S. dollar**” and “**USD**” refer to the currency of the United States of America.

CERTAIN IMPORTANT DATES RELATING TO THE OFFERING

Subscription period of the Offering commences.....	November 15, 2021
In the event of oversubscription, the Public Offering and the Personnel Offering may be discontinued at the earliest.....	November 19, 2021
In the event of oversubscription, the Institutional Offering may be discontinued at the earliest.....	November 22, 2021
Subscription period of the Public Offering and the Personnel Offering ends	on or about November 22, 2021
Subscription period of the Institutional Offering ends.....	on or about November 24, 2021
Announcement of the final results of the Offering	on or about November 24, 2021
New Shares are registered in the book-entry accounts in the Public Offering and the Personnel Offering.....	on or about November 25, 2021
Trading in the Shares commences on the First North Growth Market.....	on or about November 25, 2021
The Offer Shares offered in the Institutional Offering are ready to be delivered against payment through Euroclear Finland	on or about November 29, 2021

DIVIDENDS AND DIVIDEND POLICY

The Board of Directors of the Company has adopted a dividend policy pursuant to which the Company aims to distribute annually growing dividend, which is on an annual basis at least 30 percent of its reported net profit. The Board of Directors of the Company estimates annually the balance between dividends to be distributed and funds to be used for Duell's growth and based on this assessment, makes a proposal on the amount of dividends to be distributed, which may for any single year differ significantly from the target level set in the dividend policy.

The payment of dividends, if any, by the Company and the amounts and timing thereof will depend on a number of factors, including Duell's capital structure, future net sales, profits, financial position, general economic and business conditions, and future prospects; the ability of the Company's subsidiaries to pay dividends or otherwise transfer funds to the Company; and such other factors as the Board of Directors of the Company may deem relevant.

There can be no assurance that a dividend will be declared in any given year. If a dividend is declared, there can be no assurance that the dividend amount or the dividend payout ratio will be as described above. Moreover, any dividend paid in a given year will not be indicative of any dividends to be paid in any subsequent year. If any dividend is distributed, all of the Shares will be entitled to the same dividend.

In accordance with the prevailing practice in Finland, dividends on shares in a Finnish limited liability company, if any, are generally declared once a year. Dividends may be paid and unrestricted equity may be otherwise distributed after the general meeting of shareholders has adopted the company's financial statements and resolved on the amount of dividend or other distribution of unrestricted equity based on the proposal by the Board of Directors of the company. Pursuant to the Finnish Companies Act, the payment of a dividend or other distribution of unrestricted equity may also be based on financial statements other than those for the preceding financial year, provided that such financial statements have been adopted by the general meeting of shareholders. If the company has an obligation to elect an auditor pursuant to law or its articles of association, such financial statements must be audited. The payment of a dividend or other distribution of unrestricted equity requires the approval of the majority of the votes cast at a general meeting of shareholders of the company. Pursuant to the Finnish Companies Act, the general meeting of shareholders may also authorize the Board of Directors to decide upon payment of dividends and other distribution of unrestricted equity. The amount of dividend or other distribution of unrestricted equity cannot exceed the amount resolved by the general meeting of shareholders. The amount of any dividend or other distribution of unrestricted equity is limited to the amount of distributable funds of the company stated in the financial statements upon which the decision to pay dividends or otherwise distribute unrestricted equity are based, subject to any material changes in the financial position of the company since the financial statements were prepared. Distribution of funds, whether by way of dividend or other distribution of unrestricted equity, is prohibited if it is known, or it should be known, at the time such decision is made that the company is insolvent or that such distribution would cause the company to become insolvent.

No dividend has been paid by the Company for the financial years ended August 31, 2021, 2020 and 2019. See "*Certain Matters—Presentation of Financial Information*" and "*Description of the Shares and Share Capital—Shareholder Rights—Dividends and Other Distributions of Funds*."

Dividends paid to shareholders who are non-residents of Finland will generally be subject to Finnish withholding tax. Currently, the withholding tax rate is 20 percent of the dividend paid to non-resident corporate entities and 30 percent for all other non-residents. The amount of withholding tax may be reduced pursuant to an applicable tax treaty to which Finland is a party. For a summary of certain tax consequences for shareholders, see "*Taxation*."

REASONS FOR THE OFFERING AND USE OF PROCEEDS

Reasons for the Offering and the FN Listing

The objective of the Offering is to position Duell for its next development phase by raising its profile and further enhancing Duell's visibility in Europe. The Offering will enable the Company to obtain access to capital markets, expand its ownership base and increase the liquidity of the Shares. Additional visibility is also expected to further increase Duell's recognition among the public and as an employer, and thus enhance Duell's competitiveness.

Use of Proceeds

The Company aims to raise gross proceeds of approximately EUR 20 million by offering New Shares for subscription. In connection with the Offering, the Company expects to pay approximately EUR 2.0 million in fees and expenses, resulting in net proceeds for the Company from the Share Issue of approximately EUR 18 million (assuming that all preliminarily offered New Shares are subscribed for). The Company expects to use the net proceeds from the Share Issue to repay the outstanding amount of all of Duell's Convertible Loans and their interest (in total EUR 5,630 thousand as at August 31, 2021) as well as to strengthen Duell's operations and support Duell's growth strategy, including potential M&A transactions in Europe.

The Selling Shareholders expect to receive gross proceeds of approximately EUR 73 million from the Share Sale (assuming that all of the Sale Shares will be sold and the Over-allotment Option is exercised in full). In connection with the Offering, the Selling Shareholders expect to pay approximately EUR 2.7 million in fees and expenses.

CAPITALIZATION AND INDEBTEDNESS

The following table sets forth Duell’s capitalization and indebtedness as at August 31, 2021, (i) on an actual basis and (ii) as adjusted to reflect the net proceeds of the Share Issue as if the Offering had been completed on August 31, 2021, and the items referred to in the footnotes of the table. When reading the table, investors should note that there can be no assurance that the Share Issue will be completed.

The following table should be read together with “*Selected Consolidated Financial Information*,” “*Operating and Financial Review*,” the Audited Consolidated Financial Statements incorporated by reference into this Offering Circular.

	As at August 31, 2021	
	Actual	As adjusted
	(unaudited, unless otherwise indicated)	
	(EUR in thousands)	
CAPITALIZATION		
Current debt (including current portion of non-current debt)		
Guaranteed.....	–	–
Secured	3,595	3,595
Unguaranteed / unsecured.....	–	–
Total current debt (including current portion of non-current debt)	3,595	3,595
Non-current debt (excluding current portion of non-current debt)		
Guaranteed.....	–	–
Secured	32,784	32,784
Unguaranteed / unsecured.....	5,118	0 ⁽¹⁾
Total non-current debt (excluding current portion of non-current debt)	37,902	32,784
Shareholders’ equity		
Share capital.....	3 ⁽²⁾	80 ⁽³⁾
Reserve for invested unrestricted equity	4,310 ⁽²⁾	24,233 ⁽³⁾⁽⁴⁾
Retained earnings.....	2,875 ⁽²⁾	2,875
Profit (loss) for the financial year	3,332 ⁽²⁾	1,441 ⁽⁴⁾
Total shareholders’ equity.....	10,520 ⁽²⁾	28,629
Total	52,017	65,008
NET INDEBTEDNESS		
Cash and cash equivalents	2,815 ⁽²⁾	15,603 ⁽¹⁾⁽⁴⁾
Liquidity (A)	2,815	15,603
Current financial debt (including debt instruments, but excluding current portion of non-current financial debt).....	–	–
Current portion of non-current financial debt	3,595	3,595
Current financial indebtedness (B)	3,595	3,595
Net current financial indebtedness (C=B-A)	780	(12,008)
Non-current financial debt (excluding current portion and debt instruments)	32,784	32,784
Debt instruments.....	5,118	0 ⁽¹⁾
Other non-current debt.....	147 ⁽⁵⁾	147
Non-current financial indebtedness (D)	38,049	32,931
Total financial indebtedness (C+D)	38,830	20,923

(1) The outstanding amount of the Convertible Loans and their interest will be repaid with net proceeds from the Offering. The non-current part of the Convertible Loans of EUR 5,118 thousand has been adjusted off in the adjusted capitalization. The balance sheet value of current Convertible Loans of EUR 5,118 thousand has been deducted from cash and cash equivalents.

(2) Audited.

(3) The shareholders of the Company resolved unanimously on November 1, 2021, to convert the Company into a public limited liability company and to increase the share capital with an increase from reserves to reach the threshold of EUR 80 thousand required from public limited liability companies. The share capital of the Company increased by EUR 78 thousand and the reserve for invested unrestricted equity of the Company decreased by the same amount.

(4) The Company aims to raise gross proceeds of approximately EUR 20 million from the Offering assuming that all Offer Shares are subscribed for. The gross proceeds will improve the Company’s capitalization by the increasing reserve for invested unrestricted equity as well as cash and cash equivalents of the Company by the corresponding amount. Cash and cash equivalents have been adjusted by estimated expenses of EUR 2,094 thousand related to the Offering and the FN Listing and profit (loss) for the period row has been adjusted by estimated expenses of EUR 1,891 thousand related to the Offering and the FN Listing which will be generated and recorded as expenses after the financial year ended August 31, 2021.

(5) Other non-current debt is related to the accrual of over 12 months payable personnel expenses.

The share purchase agreements entered into in connection of the IGM Acquisition and the Tecno Globe Acquisition include additional purchase price mechanisms, according to which, when the conditions are met, Duell has to pay the sellers an additional purchase price of EUR 900 thousand in total. The possible additional purchase prices will be paid from Duell’s cash reserve. For more information, see “*Business—Material Contracts*”.

TERMS AND CONDITIONS OF THE OFFERING

The term “subscription” refers in the following to the investor’s offer or commitment to subscribe for or purchase Offer Shares (as defined below) in the Offering (as defined below), and an investor may be allocated either New Shares (as defined below) or Sale Shares (as defined below). Correspondingly, “subscriber,” “subscription period,” “subscription place,” “subscription price,” “purchase offer” and “commitment” (and other corresponding terms) refer to both Share Issue (as defined below) and Share Sale (as defined below).

General Terms and Conditions of the Offering

Offering

Duell Corporation, a public limited liability company incorporated in Finland (the “**Company**”), aims to raise gross proceeds of approximately EUR 20 million by offering up to 3,884,472 new shares (the “**New Shares**”) for subscription (the “**Share Issue**”) (assuming that a maximum of 86,021 New Shares are offered in the Personnel Offering (as defined below)). In addition, Sponsor Fund IV Ky (the “**Principal Shareholder**”) and Rite Internet Ventures Holding AB (“**Rite Ventures**”) and the other shareholders listed in Annex B of the Offering Circular (as defined below) selling Sale Shares (the “**Other Selling Shareholders**,” and, together with the Principal Shareholder, the “**Selling Shareholders**”) will offer for purchase preliminarily a maximum of 11,820,837 existing shares (the “**Sale Shares**”) (the “**Share Sale**,” and together with the Share Issue, the “**Offering**”). Unless the context indicates otherwise, the New Shares (including the Personnel Shares (as defined below)), the Sale Shares and the Additional Shares (as defined below) are together referred to herein as the “**Offer Shares**.” The subscription price for the Offer Shares in the Public Offering and Institutional Offering (as defined below) is EUR 5.16 per Offer Share (the “**Subscription Price**”). In the Personnel Offering (as defined below), the Company offers preliminarily a maximum of 86,021 New Shares, and in the event of an oversubscription, a maximum of 215,053 additional Personnel Shares. The subscription price in the Personnel Offering is 10 percent lower than the Subscription Price.

The Offering consists of (i) a public offering to private individuals and entities in Finland (the “**Public Offering**”), (ii) an institutional offering to institutional investors in Finland and, in accordance with applicable laws, internationally (the “**Institutional Offering**”) and (iii) a personnel offering to the Company’s and its subsidiaries’ Personnel (as defined below) (the “**Personnel Offering**”). The Offer Shares represent preliminarily a maximum of approximately 62 percent of all the shares in the Company (the “**Shares**”) and votes vested by the Shares after the Share Issue assuming that the Over-allotment Option (as defined below) will not be exercised (approximately 71 percent assuming that the Over-allotment Option will be exercised in full), and assuming that the Selling Shareholders will sell the maximum number of Sale Shares and that the Company will issue 3,884,472 New Shares.

Offer Shares will be offered in the Institutional Offering to institutional investors outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”) (“**Regulation S**”), and otherwise in compliance with the said regulation. The Shares (including the Offer Shares) have not been, and will not be, registered under the U.S. Securities Act, or under the securities laws of any state of the United States and, accordingly, will not be offered or sold, directly or indirectly, in or into the United States (as defined in Regulation S of the U.S. Securities Act).

The terms and conditions of the Offering are comprised of the general terms and conditions of the Offering as well as the special terms and conditions of the Public Offering, Institutional Offering and Personnel Offering.

Share Issue

The shareholders of the Company resolved unanimously on November 1, 2021, to authorize the Company’s Board of Directors to decide on an issue of a maximum of 4,500,000 New Shares. Based on this authorization, the Company’s Board of Directors is expected to resolve on or about November 24, 2021, to issue the New Shares.

The number of the Shares may increase preliminarily to a maximum of 25,446,997 Shares if all of the New Shares preliminarily offered in the Offering are subscribed for in full, and assuming that a maximum of 86,021 Personnel Shares are offered in the Personnel Offering. The number of New Shares to be issued in the Share Issue would represent approximately a maximum 15 percent of the Shares and votes vested by the Shares after the Share Issue if all of the New Shares preliminarily offered in the Offering are subscribed for in full. The maximum number of the New Shares represents approximately 18 percent of the Shares prior to the Offering.

The New Shares are being offered in deviation from the shareholders’ pre-emptive subscription right in order to enable the listing of the Shares on the First North Growth Market (the “**First North Growth Market**”) maintained by Nasdaq Helsinki Ltd (“**Nasdaq Helsinki**”) (the “**FN Listing**”). The payment made to the Company for the approved New Share subscriptions will be booked in its entirety in the invested unrestricted equity fund. Therefore, the Company’s share capital will not increase in connection with the Share Issue.

Share Sale

The Selling Shareholders will offer for purchase preliminarily a maximum of 11,820,837 Sale Shares. The Sale Shares represent approximately 46 percent of the Shares after the Share Issue assuming that the Over-allotment Option will not be exercised (approximately 56 percent assuming that the Over-allotment Option will be exercised in full), and assuming that the Selling Shareholders will sell the maximum number of Sale Shares and that the Company will issue 3,884,472 New Shares.

Procedure in Undersubscription Situations

If the Offering is not subscribed for in full and the Offering is nevertheless completed, the subscriptions would be allocated firstly to New Shares, and, thereafter, to Sale Shares. In such case, the number of Sale Shares sold by each Selling Shareholder would be reduced on a *pro rata* basis according to the number of Sale Shares preliminarily offered for purchase by such Selling Shareholder.

Sole Global Coordinator, Joint Bookrunner and Subscription Place

Carnegie Investment Bank AB, Finland Branch (“**Carnegie**”) acts as sole global coordinator and joint bookrunner for the Offering (the “**Global Coordinator**”). Skandinaviska Enskilda Banken AB (publ) Helsinki Branch (“**SEB**”) acts as joint bookrunner for the Offering (together with the Global Coordinator, the “**Managers**”). In addition, the Company has appointed Nordnet Bank AB (“**Nordnet**”) to act as the subscription place in the Public Offering and the Personnel Offering.

Over-allotment Option

In connection with the Offering, the Principal Shareholder and Rite Ventures are expected to grant to the Managers an over-allotment option, exercisable by Carnegie on behalf of the Managers, to purchase a maximum of 2,355,796 additional Shares at the Subscription Price (the “**Additional Shares**”) that the Principal Shareholder and Rite Ventures will offer for sale on a *pro rata* basis solely to cover any over allotments in connection with the Offering (the “**Over-allotment Option**”). The Over-allotment Option is exercisable within 30 days from the commencement of trading in the Shares on First North Growth Market (*i.e.*, on or about the period between November 25, 2021, and December 24, 2021) (the “**Stabilization Period**”). The Additional Shares represent approximately 11 percent of the Shares and votes vested by the Shares prior to the Offering and approximately 9 percent after the Offering assuming that the Selling Shareholders will sell the maximum number of Sale Shares and that the Company will issue 3,884,472 New Shares. However, the number of Additional Shares will not in any case represent more than 15 percent of the aggregate number of New Shares and Sale Shares.

Stabilization

Carnegie, acting as stabilizing manager (the “**Stabilizing Manager**”), may, but is not obligated to, engage in measures during the Stabilization Period that stabilize, maintain or otherwise affect the price of the Shares. The Stabilizing Manager may allocate a larger number of Shares than the total number of New Shares and Sale Shares, which will create a short position. The short position will be covered if it does not exceed the number of Additional Shares. The Stabilizing Manager is entitled to close the covered short position by exercising the Over-allotment Option and/or by buying Shares on the market. In determining the acquisition method of the Shares to cover the short position, the Stabilizing Manager may consider, among other things, the market price of the Shares in relation to the Subscription Price. In connection with the Offering, the Stabilizing Manager may also bid for and purchase Shares in the market to stabilize the market price of the Shares. These measures may raise or maintain the market price of the Shares in comparison with the price levels determined independently on the market or may prevent or delay any decrease in the market price of the Shares. However, stabilization measures cannot be carried out at a price higher than the Subscription Price. The Stabilizing Manager has no obligation to carry out these measures, and it may stop any of these measures at any time. The Stabilizing Manager or the Company on behalf of the Stabilizing Manager will publish information regarding the stabilization required by legislation or other applicable regulations at the end of the Stabilization Period. The stabilization measures can be conducted on the First North Growth Market during the Stabilization Period.

Any stabilization measures will be conducted in accordance with Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (the “**Market Abuse Regulation**”) and Commission Delegated Regulation (EU) 2016/1052 supplementing the Market Abuse Regulation with regard to regulatory technical standards for the conditions applicable to buy-back programs and stabilization measures.

The Stabilizing Manager and the Principal Shareholder may enter into a stock lending agreement related to stabilization and the Over-allotment Option in connection with the FN Listing. According to the stock lending agreement, the Stabilizing Manager may borrow a number of Shares equal to the maximum number of Additional Shares to cover any possible over-allotments in connection with the Offering. To the extent that the Stabilizing Manager borrows Shares pursuant to the stock lending agreement, it must return an equal number of Shares to the Principal Shareholder. See “*Plan of Distribution.*”

Placing Agreement

The Company, the Principal Shareholder, Rite Ventures and the Managers are expected to enter into a placing agreement (the “**Placing Agreement**”) on or about November 24, 2021. Other Selling Shareholders apart from the Principal Shareholder and Rite Ventures are not parties to the Placing Agreement, but have each given separate sale commitments to the Managers in respect of the Offering. For further information, see “*Plan of Distribution*.”

Subscription Period

The subscription period for the Public Offering will commence on November 15, 2021, at 10:00 a.m. (Finnish time) and end on or about November 22, 2021, at 4:00 p.m. (Finnish time).

The subscription period for the Institutional Offering will commence on November 15, 2021, at 10:00 a.m. (Finnish time) and end on or about November 24, 2021, at 11:00 a.m. (Finnish time).

The subscription period for the Personnel Offering will commence on November 15, 2021, at 10:00 a.m. (Finnish time) and end on or about November 22, 2021, at 4:00 p.m. (Finnish time).

The Company’s Board of Directors and the Principal Shareholder are entitled to extend the subscription periods of the Public and Institutional Offerings. The Company’s Board of Directors is entitled to extend the subscription period of the Personnel Offering. A possible extension of the subscription period will be communicated through a company release, which will indicate the new end date of the subscription period. The subscription periods of the Public, Institutional and Personnel Offerings will in any case end on November 30, 2021, at 4:00 p.m. (Finnish time) at the latest. The subscription periods of the Public, Institutional and Personnel Offerings can be extended independently of one another. A company release concerning the extension of a subscription period must be published no later than on the estimated final dates of the subscription periods for the Public, Institutional or Personnel Offerings stated above.

The Company’s Board of Directors and the Principal Shareholder have, in the event of an oversubscription, the right to discontinue the Public Offering by joint decision at the earliest on November 19, 2021, at 4:00 p.m. (Finnish time) and discontinue the Institutional Offering by joint decision at the earliest on November 22, 2021, at 11:00 a.m. (Finnish time). In addition, the Company’s Board of Directors may discontinue the Personnel Offering at its sole discretion no earlier than November 19, 2021, at 4:00 p.m. (Finnish time). The Public, Institutional and Personnel Offerings may be discontinued or not discontinued independently of one another. A company release regarding any discontinuation will be published without delay.

Subscription Price

The subscription price for the Offer Shares in the Public Offering and Institutional Offering is EUR 5.16 per Offer Share.

The price per share in the Personnel Offering is 10 percent lower than the Subscription Price meaning that the Subscription Price in the Personnel Offering is EUR 4.65 per Offer Share.

The Subscription Price may be changed during the subscription period, however, so that in the Public Offering the Subscription Price will be no more than the original Subscription Price of EUR 5.16 per Offer Share and in the Personnel Offering the Subscription Price will be no more than the original Subscription Price of the Personnel Offering (as defined below). If the Subscription Price is changed, the Finnish language prospectus published by the Company in connection with the Offering (the “**Finnish Prospectus**”) will be supplemented and the supplement will be published through a company release. The possible change would also be communicated through a company release and on the internet at *investors.duell.eu* and *www.nordnet.fi*. If the Finnish Prospectus is supplemented, investors who have given their Commitments (as defined below) before the supplement or correction of the Finnish Prospectus have the right to cancel their Commitments as described in “—*Cancellation of Commitments*” below.

Conditionality, Execution and Publishing of the Offering

The Company’s Board of Directors and the Principal Shareholder will jointly decide on the execution of the Offering, the final number of Offer Shares, the Subscription Price and the allocation of Offer Shares on or about November 24, 2021 (the “**Completion Decision**”). The above information will be published through a company release after the Completion Decision and be available on the Company’s website at *investors.duell.eu* and on the website of the subscription place of the Public Offering and the Personnel Offering at *www.nordnet.fi* no later than the business day following the Completion Decision on or about November 25, 2021. The execution of the Offering is also conditional upon the signing of the Placing Agreement.

Cancellation of Commitments

A commitment to subscribe for or purchase Offer Shares in the Public Offering or subscribe for Personnel Shares in the Personnel Offering (a “**Commitment**”) cannot be amended. A Commitment may only be cancelled in the situations

provided for in the Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 (the “**Prospectus Regulation**”).

Cancellation in Accordance with the Prospectus Regulation

If the Finnish Prospectus is supplemented in accordance with the Prospectus Regulation due to a significant new factor, material mistake or material inaccuracy which may affect the assessment of the Offer Shares (the “**Grounds for Supplement**”), investors who have subscribed for Offer Shares before the supplement is published shall, in accordance with the Prospectus Regulation, have the right to withdraw their Commitments within three (3) business days after the supplement of the Finnish Prospectus has been published. The cancellation right is further conditional on that the Grounds for Supplement have become known prior to the end of the subscription period.

The Company will announce cancellation instructions through a company release. The company release shall also announce investors’ right to cancel subscriptions, the period within which subscriptions may be cancelled and more detailed instructions on cancellation. After the end of the cancellation period, the right of cancellation will lapse.

Procedure to Cancel a Commitment

The cancellation of a Commitment must be notified to the subscription place where the initial Commitment was made, within the time limit set for such cancellation. In the Public Offering and Personnel Offering, investors who have submitted their subscriptions via Nordnet must send a written cancellation request within the set time limit by email to operations.fi@nordnet.fi or deliver the cancellation to Nordnet’s office with the following exceptions: a Commitment submitted by Nordnet’s own customers via Nordnet’s online service can be cancelled via Nordnet’s online service by accepting a separate cancellation of Commitment by using Nordnet’s bank codes.

A cancellation of a Commitment applies to the entire Commitment. After the time limit set for cancellation has expired, the cancellation right is no longer valid. If the Commitment is cancelled, the subscription place refunds the sum paid for the Offer Shares to the bank account specified in the Commitment. The payment is refunded as soon as possible after the cancellation, approximately within five (5) banking days of serving the subscription place with the cancellation notice. If an investor’s bank account is in a different bank than the place of subscription, the refund will be paid to the investor’s Finnish bank account in accordance with the payment schedule of the financial institutions, approximately no later than two (2) banking days thereafter. To Nordnet’s own customers who have given their Commitments via Nordnet’s subscription place, the amount to be refunded will be paid to Nordnet cash accounts. No interest will be paid on the refunded amount.

Entry of Offer Shares into Book-entry Accounts

Investors who have submitted a Commitment must have a book-entry account with a Finnish account operator or an account operator operating in Finland, and investors must specify the details of their book-entry account in their Commitments. Subscriptions to equity savings accounts can be made through Nordnet only to an equity savings account provided by Nordnet. The Offer Shares allocated in the Public Offering and Personnel Offering are recorded in the book-entry accounts of investors who have made an approved Commitment on or about the first banking day after the Completion Decision, on or about November 25, 2021. In the Institutional Offering, investors should contact the Managers of the Offering with respect to the book-entry accounts. In the Institutional Offering, the allocated Offer Shares will be ready to be delivered against payment on or about November 29, 2021, through Euroclear Finland Ltd.

Title and Shareholder Rights

The title to the Offer Shares will be transferred when the Offer Shares are paid for, the New Shares are registered in the trade register maintained by the Finnish Patent and Registration Office and the Offer Shares are recorded in the investor’s book-entry account. Offer Shares carry rights equal to all other Shares and they will entitle their holders to dividends and other distributions of funds (including the distribution of funds in the event of insolvency of the Company) as well as other rights related to the Shares when the title has been transferred.

Transfer Tax and Other Expenses

Transfer tax will not be levied in connection with the issuance or subscription of the New Shares in Finland. Account operators charge fees in accordance with their price lists for the maintenance of the book-entry account and for safekeeping of shares. The Sale Shares are being sold in connection with commencement of trading in the Shares on the First North Growth Market, and no transfer tax is expected to be payable for these transfers in Finland. Should transfer tax be levied, the Selling Shareholders will pay the transfer tax levied on the sale of their Sale Shares.

Trading in the Shares

Before the Offering, the Shares have not been subject to trading on a regulated market or multilateral trading facility. The Company will submit a listing application to Nasdaq Helsinki for the Shares to be listed on the First North Growth Market.

Trading of the Shares on the First North Growth Market is expected to commence on or about November 25, 2021. The trading code of the Shares is DUELL and the ISIN code is FI4000513072.

When the trading on the First North Growth Market commences on or about November 25, 2021, not all of the Shares may necessarily have been fully transferred to the investors' book-entry accounts. If an investor wishes to sell Offer Shares subscribed for by it in the Offering, the investor should ensure that the number of Shares registered to its book-entry account covers the transaction in question at the time of clearing.

Right to Cancel the Offering

The Company's Board of Directors and the Principal Shareholder have the right to cancel the Offering at any time before the Completion Decision on the grounds of, for example, the market conditions, the Company's financial position or a material change in the Company's business. If the Offering is cancelled, the subscription price paid by the investors will be refunded in approximately five (5) banking days from the cancellation decision. If an investor's bank account is in a different bank than the place of subscription, the refund will be paid to a Finnish bank account in accordance with the payment schedule of the financial institutions, approximately no later than two (2) banking days thereafter. To Nordnet's own customers who gave their Commitments via Nordnet's subscription place, the refunded amount will be paid to Nordnet cash account. No interest will be paid on the refunded amount.

Lock-up

The Company and the Selling Shareholders are expected to commit during the period that will end 180 days from the FN Listing, without the prior written consent of the Managers, not to issue, offer, pledge, sell, contract to sell, sell any option rights or contract to purchase, purchase any option or contract to sell, grant any option right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Shares or any securities they hold entitling to Shares or exchangeable for or convertible into or exercisable for Shares, or enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Shares, whether any such transactions are to be settled by delivery of the Shares or other securities, in cash or otherwise. The lock-up does not apply to the measures related to the execution of the Offering.

The members of the Board of Directors of the Company and the management team of Duell (as defined below) are expected to enter into a lock-up agreement with similar terms to that of the Company and the Selling Shareholders that will end on the date that falls 360 days from the FN Listing.

According to the terms and conditions of the Personnel Offering, the personnel participating in the Personnel Offering must agree with the lock-up with similar terms to that of the Company and the Selling Shareholders that will end on the date that falls 360 days from the FN Listing.

In aggregate, the terms of lock-up agreements apply to approximately 38 percent of the Shares after the Offering without the Over-allotment Option and the possible New Shares subscribed for by the Personnel (as defined below) in the Public Offering (approximately 29 percent with the Over-allotment Option) assuming that the Selling Shareholders will sell the maximum number of Sale Shares, and that the Company will issue 3,884,472 New Shares.

Other Matters

The Board of Directors of the Company will decide on other issues and practical matters related to the Share Issue and on the practical arrangements resulting therefrom. The Company and the Principal Shareholder, together with the Managers, will decide on other issues and practical matters relating to the Share Sale.

Documents on Display

The Company's latest financial statements, annual report and the auditor's report as well as the other documents pursuant to Chapter 5, section 21 of the Finnish Limited Liability Companies Act (624/2006, as amended), are available during the subscription period at the Company's offices at Kauppatie 19, FI-65610 Mustasaari, Finland.

Applicable Law

The Offering shall be governed by the laws of Finland. Any disputes arising in connection with the Offering shall be settled by a court of competent jurisdiction in Finland.

Special Terms and Conditions Concerning the Public Offering

Overview

Preliminarily a maximum of 775,194 Offer Shares are offered in the Public Offering to private individuals and entities in Finland. Depending on the demand, the Company and Principal Shareholder may reallocate Offer Shares between the

Public Offering, Institutional Offering and Personnel Offering in deviation from the preliminary number of shares without limitation. However, the minimum number of Offer Shares to be offered in the Public Offering will be 775,194 Offer Shares or, if the aggregate number of Offer Shares covered by the Commitments submitted in the Public Offering is smaller than this, such aggregate number of Offer Shares as covered by the Commitments.

The subscription place has the right to reject a Commitment, either partially or wholly, if the Commitment does not comply with the terms and conditions herein or if it is otherwise incomplete.

Right to Participate and the Minimum and Maximum Amounts for Commitments

Investors whose domicile is in Finland and who submit their Commitments in Finland may participate in the Public Offering. Entities submitting a Commitment must have a valid legal entity identifier code (“**LEI code**”). Commitments in the Public Offering must be no less than 100 Offer Shares and no more than 20,000 Offer Shares. If an investor provides more than one Commitment in the Public Offering, the Commitments will be combined into one Commitment, which will be subject to the abovementioned maximum limit. However, Commitments given by the same investor in both the Public Offering and in the Personnel Offering will not be combined.

Places of Subscription and Submission of Commitments

The place of subscription in the Public Offering for Nordnet and other banks’ book-entry account customers is:

- Nordnet’s online service at www.nordnet.fi/fi/duell. The subscription can be made through online service with the bank codes of Nordnet, Aktia, Danske Bank, Handelsbanken, Nordea, Oma Säästöpankki, Osuuspankki, POP Bank, S-Bank, Säästöpankki as well as Ålandsbanken. In addition, when separately agreed, the subscription commitment in the Public Offering can be made at Nordnet Bank AB, Finnish Branch’s office at Yliopistonkatu 5, FI-00100 Helsinki, Finland, on weekdays from 1.00 p.m. to 5.00 p.m.

Submitting a Commitment via Nordnet’s online service requires personal bank codes. The Commitment can also be made on behalf of a corporation through Nordnet’s online service. Estates of a deceased person or persons under guardianship, who are not Nordnet’s own customers, cannot submit a subscription commitment through Nordnet’s online service, but instead they have to submit the Commitment at the office of Nordnet.

A Commitment is considered to have been made when the investor has submitted a signed commitment form to Nordnet in accordance with instructions of the place of subscription or when the investor has confirmed the Commitment with bank codes in accordance with the instructions of the place of subscription and paid for the subscription concerned by the Commitment. A Commitment submitted as a web subscription is deemed to have been made when the investor has made the Commitment in accordance with the terms and conditions of the web subscription or has confirmed the Commitment with his or her bank codes and paid for the share subscription price in accordance with the Commitment.

Commitments by or on behalf of persons under the age of 18, or otherwise under guardianship, must be made by their legal guardians. A guardian may not subscribe for Offer Shares without the permission of the local guardianship authority, as the Offer Shares are not yet subject to trading at the time of the Commitment.

Commitments may only be cancelled in the manner and situations referred to under “—*General Terms and Conditions of the Offering—Cancellation of Commitments*” above.

Payment of Offer Shares

When submitting a Commitment, the price to be paid for the Offer Shares is the Subscription Price (*i.e.*, EUR 5.16 per Offer Share) multiplied by the number of Offer Shares covered by the Commitment. If the Subscription Price is decreased, the new Subscription Price will be applied to the Commitments submitted thereafter.

The payment of a Commitment submitted via Nordnet’s online service will be charged from Nordnet’s own depository customers from their cash account in Nordnet and from other investors from a bank account in another bank when the investor confirms the Commitment with his or her bank codes.

Approval of Commitments and Allocation

The Company and the Principal Shareholder will decide on the allocation of Offer Shares in the Public Offering to investors after the Completion Decision. The Company and the Principal Shareholder will decide on the procedure to be followed in any over-demand situations. Commitments may be approved or rejected in whole or in part. In the event of an oversubscription, the Company and the Principal Shareholder aim to approve the Commitments in whole up to a limit to be decided at a later stage and, insofar that this amount is exceeded, the aim is to allocate Offer Shares in proportion to the amount of Commitments unmet. Confirmations regarding the approval of the Commitments and the allocation of Offer Shares will be sent to the investors who have submitted their Commitments in the Public Offering as soon as possible and at the latest on or about November 30, 2021. Nordnet’s own customers who have made their Commitments via Nordnet

will see their Commitments as well as the Offer Shares allocated to them on the transaction page of Nordnet's online service.

Refunding of Paid Amounts

If the Commitment is rejected or only partially approved and/or if the Subscription Price is changed and the new Subscription Price is lower than the amount paid at the time of submitting the Commitment, the excess amount paid will be refunded to the party that made the Commitment to the Finnish bank account identified in the Commitment on or about the fifth (5.) banking day after the Completion Decision, on or about December 1, 2021. To Nordnet's own customers who have given their Commitments via Nordnet's subscription place, the amount to be refunded will be paid to Nordnet cash accounts. If an investor's bank account is in a different bank than the place of subscription, the refund will be paid to a bank account in accordance with the payment schedule of the financial institutions, approximately no later than two (2) banking days thereafter. If Commitments submitted by the same investor have been combined, any refund will be paid to the same bank account from which the subscription payment was made. No interest will be paid on the refunded amount. See also "*—General Terms and Conditions of the Offering—Cancellation of Commitments—Procedure to Cancel a Commitment*" above.

Entry of Offer Shares into Book-entry Accounts

Parties submitting Commitments in the Public Offering must have a book-entry account with a Finnish account operator or an account operator operating in Finland, and the party must specify the details of its book-entry account in its Commitment. Subscriptions to equity savings accounts can be made through Nordnet only to an equity savings account provided by Nordnet. The Offer Shares allocated in the Public Offering will be recorded in the book-entry accounts of investors who have made an approved Commitment, on or about the first banking day after the Completion Decision on or about November 25, 2021.

Special Terms and Conditions Concerning the Institutional Offering

Overview

Preliminarily a maximum of 14,844,094 Offer Shares are being offered in the Institutional Offering to institutional investors through private placements in Finland and, in accordance with the applicable laws, internationally on the terms and conditions set forth herein. Depending on the demand, the Company and the Principal Shareholder may reallocate Offer Shares between the Public Offering, Institutional Offering and Personnel Offering in deviation from the preliminary number of shares without limitation. However, the minimum number of Offer Shares to be offered in the Public Offering will be 775,194 Offer Shares or, if the aggregate number of Offer Shares covered by the Commitments submitted in the Public Offering is smaller than this, such aggregate number of Offer Shares as covered by the Commitments.

Offer Shares will be offered in the Institutional Offering outside the United States in offshore transactions in compliance with the U.S. Securities Act and otherwise in compliance with said regulation. The Shares (including the Offer Shares) have not been, and will not be, registered under the U.S. Securities Act or under the securities laws of any state of the United States and, accordingly, will not be offered or sold, directly or indirectly, in or into the United States (as defined in Regulation S of the U.S. Securities Act). For more information on restrictions concerning the offering of the Offer Shares, see "*Important Information*."

The Managers have the right to reject a purchase offer of an institutional investor in the Institutional Offering (a "**Purchase Offer**"), either partially or wholly, if it does not comply with the terms and conditions herein or if it is otherwise incomplete.

Right to Participate and Place of Subscription

An investor, whose Purchase Offer is at least 20,001 Offer Shares, may participate in the Institutional Offering. Entities submitting a Purchase Offer must have a valid LEI code.

The Purchase Offers of institutional investors will be received by the Managers of the Offering.

Approval of Purchase Offers and Allocation

The Company and the Principal Shareholder will decide on the acceptance of Purchase Offers submitted in the Institutional Offering in connection with the Completion Decision. The Company and the Principal Shareholder will decide on the procedure to be followed in any over-demand situations. Purchase Offers may be approved or rejected in whole or in part. A confirmation of the approved Purchase Offers in the Institutional Offering will be provided as soon as practicable after the allocation.

Payment of Offer Shares

Institutional investors must pay for the Offer Shares corresponding to their accepted Purchase Offers in accordance with the instructions issued by the Managers on or about November 29, 2021. If necessary in connection with a Purchase Offer being made or before the approval of a Purchase Offer, the Managers have the right, provided by the duty of care set for securities intermediaries, to require that the investor provide information concerning its ability to pay for the Offer Shares corresponding to its Purchase Offer or require that the payment for the Offer Shares concerned by the Purchase Offer be made in advance. The amount to be paid in this case is the Subscription Price (*i.e.*, EUR 5.16 per Offer Share) multiplied by the number of Offer Shares covered by the Purchase Offer. If the Subscription Price is changed, the new Subscription Price will be applied to the offers submitted thereafter. Possible refunds will be made on or about on the fifth (5.) banking day following the Completion Decision, on or about December 1, 2021. No interest will be paid on the refunded amount.

Subscription Undertakings

Hartwall Capital Oy Ab (“**Hartwall Capital**”), certain funds managed by Sp-Fund Management Company Ltd, Ilmarinen Mutual Pension Insurance Company, certain funds managed by Svenska Handelsbanken, certain funds managed by OP Fund Management Company Ltd and certain funds managed by entities owned by Aktia Bank Plc (each separately a “**Cornerstone Investor**” and together, the “**Cornerstone Investors**”) have given subscription undertakings in relation to the Offering, under which they commit to subscribe for Offer Shares at the Subscription Price subject to certain provisions and subject to the condition that the maximum valuation of all outstanding Shares, including any gross proceeds from the Share Issue at the Subscription Price not exceeding EUR 131.3 million (excluding the impact of the discount applied to the subscription price in the Personnel Offering). The Cornerstone Investors have committed to subscribe for in the Offering a number of the Company’s shares at the Subscription Price that corresponds to the following amounts: Hartwall Capital EUR 27.0 million, certain funds managed by Sp-Fund Management Company Ltd EUR 6.5 million, Ilmarinen Mutual Pension Insurance Company EUR 5.0 million, certain funds managed by Svenska Handelsbanken EUR 4.0 million, certain funds managed by OP Fund Management Company Ltd EUR 4.0 million, and certain funds managed by entities owned by Aktia Bank Plc EUR 3.0 million.

The Company and Sponsor Fund have in the cornerstone undertaking agreement with Hartwall Capital agreed to contribute in affecting the election of two new members of the Board of Directors named by Hartwall Capital, the appointment of whom is conditional upon the completion of the Offering. Hartwall Capital has proposed that Anna Hyvönen and Niko Morkkila be appointed as new members of the Board of Directors. The shareholders of the Company resolved unanimously on November 10, 2021, that the number of the members of the Board of Directors is six and that Anna Hyvönen and Niko Morkkila be elected as the new members of the Board of Directors. The resolution regarding the number of the members of the Board of Directors and the election of the new members of the Board of Directors is conditional upon the completion of the Offering and it will be effective immediately when the Shares are admitted to trading on the First North Growth Market.

Special Terms and Conditions Concerning the Personnel Offering

Overview

Preliminarily a maximum of 86,021 personnel shares and, in the event of an oversubscription, a maximum of 215,053 additional personnel shares (“**Personnel Shares**”) are being offered for subscription in the Personnel Offering to all employees in Finland and Sweden who are in a full- or part-time permanent employment relationship with Duell (as well as employees with a fixed-term employment relationship) at the start of the subscription period as well as to the members of the Board of Directors of the Company and the management team of Duell (the “**Personnel**”). Depending on the demand, the Company may reallocate Offer Shares between the Public Offering, Institutional Offering and Personnel Offering in deviation from the preliminary number of shares without limitation. Notwithstanding the above, the minimum number of Offer Shares to be offered in the Public Offering will be a number that corresponds to 775,194 Offer Shares or, if the aggregate number of Offer Shares covered by the Commitments submitted in the Public Offering is smaller than this, such aggregate number of Offer Shares as covered by the Commitments submitted in the Public Offering.

Right to Participate in the Personnel Offering

The Personnel are entitled to subscribe for Personnel Shares. The right to participate in the Personnel Offering is personal and non-transferrable. Personnel entitled to participate may, however, make a subscription through an authorized representative. Personnel participating in the Personnel Offering may also participate in the Public Offering subject to its terms if they wish.

A Commitment provided in the Personnel Offering must concern a minimum of 100 Personnel Shares and a maximum of 40,000 Personnel Shares.

Personnel must agree to comply with the lock-up to participate in the Personnel Offering. In accordance with the lock-up, Personnel participating in the Personnel Offering may not, without the prior written consent of the Managers (which consent

may not be unreasonably withheld), during a period ending on the date that falls 360 days after the FN Listing, (*i.e.*, on or about November 20, 2022) sell, short sell, or otherwise directly or indirectly transfer Personnel Shares, option rights or warrants to own Personnel Shares or other securities exchangeable for or convertible into or exercisable for Personnel Shares that they may hold or have purchased in the Personnel Offering or be authorized to transfer. When making subscriptions, persons participating in the Personnel Offering accept that they will be bound without separate measures by the aforementioned lock-up period and that it will be recorded on the subscriber's book-entry account by the Company.

Subscription Price of the Personnel Offering and the Allocation of Personnel Shares

The subscription price in the Personnel Offering is 10 percent lower than the Subscription Price in the Public Offering (*i.e.*, EUR 4.65) (the "**Subscription Price of the Personnel Offering**"). When submitting a Commitment, the Subscription Price for the Personnel Offering is 10 percent lower than the Subscription Price multiplied by the number of Shares covered by the Commitment.

The Company will decide on the allocation in the Personnel Offering in connection with the Completion Decision. The Company will decide on the procedure to be followed in the event of an oversubscription. Commitments may be approved or rejected in whole or in part. In the event of an oversubscription, the Company aims to approve the Commitments in whole up to a limit to be decided at a later stage and, insofar that this amount is exceeded, the aim is to allocate Offer Shares in proportion to the amount of Commitments unmet.

Places of Subscription and Submission of Commitments

The subscription place in the Personnel Offering is Nordnet. In the Personnel Offering, Commitments will be submitted and payments will be made to the persons entitled to participate in accordance with separate instructions.

A Commitment will be considered to have been made when the investor has submitted a signed commitment form to the place of subscription in accordance with instructions of the place of subscription or has confirmed the Commitment with bank codes and paid the subscription payment of the Shares in accordance with said Commitment and undertaken to comply with the lock-up period provided for in these terms and conditions. Possible further instructions given by the subscription place must be observed when submitting the Commitment. Commitments given in the Personnel Offering are binding and cannot be altered and can only be cancelled in the manner and situations referred to in "*—General Terms and Conditions of the Offering—Cancellation of Commitments*" above.

The Company, the Managers and Nordnet have the right to reject a Commitment, either partially or wholly, if the Commitment does not comply with the terms and conditions herein or if it is otherwise incomplete.

Refunding of Paid Amounts

If a Commitment is rejected or only partially approved and/or the Subscription Price is changed and the new Subscription Price is lower than the price paid in connection with the Commitment, the amount paid or part thereof will be refunded to the party that made the Commitment to the Finnish bank account identified in the Commitment on or about the fifth (5.) banking day after the Completion Decision, on or about December 1, 2021. If an investor's bank account is in a different bank than the place of subscription, the refund will be paid to the investor's bank account in accordance with the payment schedule of the financial institutions, approximately no later than two (2) banking days thereafter. If Commitments submitted by the same entitled person have been combined, any refund will be paid to the bank account from which the subscription payment was made. No interest will be paid on the refunded amount. See also "*—General Terms and Conditions of the Offering—Cancellation of Commitments—Procedure to Cancel a Commitment*" above.

Entry of Personnel Shares into Book-entry Accounts

The parties submitting Commitments in the Personnel Offering in Finland must have a book-entry account with a Finnish account operator or with an account operator operating in Finland, and the party must specify the details of its book-entry account in its Commitment. Subscriptions to equity savings accounts can be made through Nordnet only to an equity savings account provided by Nordnet. Personnel Shares allocated and paid for in the Personnel Offering will be entered into the investors' book-entry accounts/securities accounts on or about November 25, 2021.

INDUSTRY AND MARKET OVERVIEW

In this section, Duell makes certain statements regarding markets in which it currently operates, expected growth in such markets and its competitive and market position. Such information is based on Duell's estimates and/or analyses relying on multiple sources, such as Euromonitor, Eurostat and the IMF as well as the Third-party market study commissioned by Duell in the spring of 2021. See "Certain Matters—Market and Industry Information."

Introduction

Duell is a leading Powersports Aftermarket distributor in the Nordics with a rapidly growing presence in the rest of Europe. Duell's offering covers motorcycle, ATV (all-terrain vehicle), snowmobile, bicycle and marine products, including technical and spare parts and personal equipment (for example clothing and accessories), to a large number of dealers across several markets in Europe. Duell offers a broad assortment of products across all of its sales channels for four seasons through its six product categories comprising Onroad MC products, Offroad MC products, ATV products, Snowmobile products, Bicycle products and Marine products. As a distributor, Duell operates between brand owners and dealers by sourcing from brand owners' collections and distributing them to dealers that sell the products to end customers that are mostly consumers. Duell complements its offering with own brands whose design and functions are developed in-house and the production is outsourced to manufacturers. Duell believes that the most important way to bring value to both directions of the value chain (*i.e.*, to both brand owners and dealers) is through economies of scale and quality service to both brand owners and customers. Duell is able to offer its brand portfolio of more than 290 brands consisting of approximately 150,000 SKUs to dealers – a combination of offline, hybrid and online dealers – enabling a one-stop-shop approach and, in turn, provide brand owners a reach of almost 7,500 dealers as at the date of this Offering Circular. Economies of scale is enabled by Duell's warehousing capabilities and efficient logistics operations, which allow extensive stock-keeping for brands, which simultaneously ensures timely availability of products from many brands enabling a one-stop-shop approach towards dealers.

The European Powersports Aftermarket and Duell's Main Market

Duell operates on the European Powersports Aftermarket within the onroad motorcycle, offroad motorcycle, ATV, snowmobile and marine and market segments. In addition, it also operates in Europe within the bicycle market segment. However, Duell determines its main addressable market to consist of the onroad motorcycle and offroad motorcycle components market segments in Europe. Duell's main addressable market was estimated to be worth approximately EUR 6.1 billion in 2019. It was estimated that in 2019, Duell's main addressable market in the Nordics amounted to approximately EUR 0.3 billion, and the main addressable market for the rest of Europe amounted to approximately EUR 5.8 billion. In 2019, the addressable market for onroad motorcycle and offroad motorcycle components market segments in Europe amounted to approximately EUR 5.2 billion and EUR 0.9 billion, respectively.

The ATV and snowmobile components market segments have been excluded from the scope of the main addressable market as they are clearly smaller than the motorcycle market segments on a European level. Furthermore, also Duell's marine components market segment has been excluded from the scope of the main addressable market as the market size of its components is difficult to define accurately. In addition, Duell's newly entered market for bicycle components, primarily in France, has been excluded from the scope of the main addressable market.

Size and Growth of Duell's Main Addressable Market

Between 2019 and 2025, Duell's main addressable market is estimated to grow at a compound annual growth rate ("CAGR") of approximately 2 percent. Between 2010 and 2019, the onroad motorcycle and offroad motorcycle market segments grew at a CAGR of approximately 2.3 percent and 0.9 percent, respectively, with no significant differences in market growth between the Nordics and the rest of Europe. The markets for onroad motorcycles and offroad motorcycles have historically been resilient to economic downturns. The low cyclicality of Duell's addressable market is primarily based on a large European fleet of motorcycles and on the replacement demand for spare parts and personal equipment, which in many cases are necessities for the end customer.

The onroad motorcycle market segment is Duell's largest market in both the Nordics and in the rest of Europe. The onroad motorcycle market segment in Europe is expected to grow at a CAGR of approximately 2.1 percent between 2019 and 2025.

The following table sets forth the estimated sizes and CAGRs of Duell's addressable markets for the periods indicated:

	For the year ended December 31,															CAGR	
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E	2023E	2024E	2025E	2010-2025E
	(EUR in millions)															(percent)	
Onroad motorcycle																	
Nordics	183	190	196	200	210	213	218	223	228	227	236	240	244	248	252	256	2.3
Rest of Europe	4,049	4,230	4,372	4,442	4,630	4,652	4,700	4,829	4,974	4,957	5,001	5,135	5,246	5,365	5,490	5,622	2.2
Total	4,231	4,420	4,568	4,642	4,840	4,865	4,918	5,052	5,202	5,184	5,237	5,375	5,490	5,613	5,742	5,878	2.2
Offroad motorcycle																	
Nordics	36	37	37	38	39	38	38	39	39	39	39	39	40	40	40	41	0.9
Rest of Europe	764	783	797	804	830	821	816	828	839	827	833	840	848	856	865	875	0.9
Total	800	820	834	842	869	859	854	867	878	866	872	879	888	896	905	916	0.9
Total addressable market																	
Nordics	218	227	233	238	249	251	256	262	267	266	275	279	284	288	292	297	2.1
Rest of Europe	4,813	5,013	5,169	5,246	5,460	5,473	5,516	5,657	5,813	5,784	5,834	5,975	6,094	6,221	6,355	6,497	2.0
Total	5,031	5,240	5,402	5,484	5,709	5,724	5,772	5,919	6,080	6,051	6,109	6,254	6,378	6,509	6,647	6,793	2.0

Source: Duell's estimate, which is based on several sources, as described in "Certain Matters—Market and Industry Information." Onroad motorcycle and offroad motorcycle market segment estimates are based on data from the IMF, market specialist interviews, Eurostat, BMI and Orbis.
E Estimated.

Duell's Other Market Segments

Duell estimates that the ATV, snowmobile and marine components market segments, have in the recent years, and will continue to grow at a faster rate than the onroad motorcycle and offroad motorcycle market segments. In addition, Duell estimates that the newly entered bicycle components market segment in Europe has grown, and will continue to grow, with a significantly faster rate than the onroad motorcycle and offroad motorcycle market segments.

Market Trends and Drivers

Motorcycle Fleet and Rider Base

Duell believes that the numbers of motorcycles and riders are useful indicators for assessing future market development. The Powersports Aftermarket has historically proven to be resilient to economic cyclicity and it has grown with the steadily increasing base of registered motorcycle fleet. Although after the 2008 financial crisis new motorcycle registrations decreased (source: *Third-party market study commissioned by Duell in the spring of 2021*), especially in Italy and Spain, overall ridership increased as indicated by the underlying fleet growing at a CAGR of 2.8 percent between 2007 and 2013. The resilience of the Powersports Aftermarket to cyclical downturns and highly unexpected events, such as the COVID-19 pandemic, is primarily due to the large existing motorcycle fleet and rider base primarily comprising passionate riders, whose consumption is mainly related to wear and tear of spare parts and personal equipment and who, Duell believes, are unlikely to be affected by external forces. Instead, the Powersports Aftermarket is mostly affected by macroeconomic factors.

In 2019, the motorcycle fleet in Europe amounted to approximately 21 million motorcycles, while the combined onroad motorcycle and offroad motorcycle rider base was approximately 16 million (the onroad motorcycle estimate is based on the number of registered motorcycles equal to or over 50 cubic centimeters and the number of motorcycles per rider. The offroad motorcycle estimate is based on the number of offroad motorcycles sold, the lifetime of motorcycles and the number of motorcycles per rider. The onroad motorcycle forecast is based on the country-specific growth rate of the number of motorcycles (source: *BMI*). The offroad motorcycle market is expected to grow due to increasing inflation rate and slight increase in prices (source: *Third-party market study commissioned by Duell in the spring of 2021*). Between 2019 and 2025, the rider base for onroad motorcycles is estimated to continue growing at a CAGR of approximately 1.5 percent, whereas the offroad motorcycle rider base is expected to remain relatively constant. According to the Third-party market study commissioned by Duell in the spring of 2021, the motorcycle fleet in Sweden is only slightly larger than in Finland, even with new registrations having remained significantly higher in Sweden in the last ten years. However, the markets are different as the fleet in Sweden is newer and, therefore, the need for spare parts and equipment is smaller, which explains the relatively small difference between Duell's addressable markets in Sweden and Finland. According to Duell, the ATV and snowmobile fleets in Sweden and Finland are approximately the same size.

The following table sets forth the motorcycle fleet sizes and CAGRs in Europe for the periods indicated:

	For the year ended December 31,																			CAGR	
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2000– 2019
	(in thousands)																			(percent)	
Fleet																					
Italy	3,376	3,732	4,050	4,376	4,575	4,938	5,289	5,590	5,859	6,118	6,305	6,428	6,483	6,482	6,506	6,544	6,607	6,690	6,781	6,896	3.8
Germany	3,410	3,557	3,657	3,745	3,828	3,903	3,969	4,188	3,659	3,763	3,828	3,908	3,983	4,055	4,145	4,228	4,314	4,373	4,439	4,506	1.5
Spain	1,446	1,483	1,517	1,514	1,612	1,733	2,058	2,311	2,501	2,607	2,708	2,798	2,852	2,891	2,972	3,079	3,211	3,327	3,460	3,607	4.9
United Kingdom	968	1,026	1,112	1,181	1,109	1,106	1,180	1,245	1,201	1,191	1,153	1,158	1,146	1,145	1,147	1,167	1,190	1,180	1,194	1,140	0.9
France	968	1,019	1,054	1,091	1,131	1,177	1,248	1,317	1,380	2,489	2,550	2,611	2,652	2,680	2,717	2,779	2,844	2,899	2,960	2,985	6.1
Others	1,033	1,111	1,193	1,263	1,312	1,389	1,462	1,532	1,602	1,662	1,707	1,751	1,780	1,804	1,822	1,847	1,876	1,901	1,921	1,956	3.4
Total	11,201	11,928	12,583	13,170	14,246	15,206	16,182	16,202	17,830	18,251	18,653	18,896	19,057	19,309	19,644	20,043	20,370	20,755	21,090	3.4	

Source: Duell's estimate, which is based on a Third-party market study commissioned by Duell in the spring of 2021 informed by multiple sources, including the European Association of Motorcycle Manufacturers ("ACEM"), BMI research, Eurostat, the French Government and Duell's management.

- (1) Mopeds and scooters with less than 50 cubic centimeter engines have been excluded. Any missing figures have been extrapolated from average market growth.
- (2) Others include Belgium, Netherlands, Finland, Sweden and Norway.

The following table sets forth the number of new monthly registrations in Germany, France, Italy, Spain and the United Kingdom between 2019 and 2020:

	For the year ended December 31,											
	January	February	March	April	May	June	July	August	September	October	November	December
	(in thousands)											
2019	45	57	105	97	99	98	101	58	73	65	43	34
2020	52	64	63	25	84	128	134	78	90	65	46	54

Source: The ACEM database "Registrations in the European Union" for 2019 and 2020.

In addition to a growing motorcycle fleet and rider base, Duell believes that market growth in the European Powersports Aftermarket is driven by a historically stable but increasing average spend per rider. Both onroad motorcycle and offroad motorcycle average spends per rider have grown at a CAGR of approximately 1 percent between 2010 and 2019. In 2019, the average spend for an offroad motorcycle rider (excluding dealer gross margin) was estimated to be approximately EUR 724, while the average spend for onroad motorcycle riders was approximately EUR 366. The higher spend for offroad motorcycle riders is due to recreational driving and repeat purchases from increased wear and tear. Both onroad motorcycle and offroad motorcycle spends per rider are expected to continue to grow at a CAGR of approximately 1 percent between 2019 and 2025.

The following table sets forth the development of average spend per rider for Onroad MC and Offroad MC:

	For the year ended December 31,															CAGR		
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E	2023E	2024E	2025E	2010– 2019	2019 –2025E
	(EUR)															(percent)		
Average spend⁽¹⁾																		
Onroad motorcycle.....	337	345	353	357	364	361	359	364	368	366	367	370	373	377	381	386	0.7	0.5
Offroad motorcycle.....	652	670	684	692	707	703	702	714	725	724	728	736	745	754	765	776	0.9	0.8

Source: Duell's estimate, which is based on a Third-party market study commissioned by Duell in the spring of 2021 informed by a general survey for onroad riders (n=2,969) and a survey for offroad riders (n=2,088) and the IMF.

- (1) Average spend excluding dealer gross margin. The forecast for 2020–2025 is based on country-specific inflation rates applied to the 2019 figures. E Estimated.

Structural Online Migration

Duell's main addressable market is currently undergoing a gradual shift from traditional brick-and-mortar shopping to online shopping with consumers shifting towards online channels for powersports spare parts and personal equipment product purchases. The online market for onroad motorcycle and offroad motorcycle spare parts and personal equipment in Europe is expected to grow from approximately EUR 1.0 billion in 2019 (corresponding to an online penetration of approximately 17 percent), to approximately EUR 2.1 billion (corresponding to an online penetration of approximately 30 percent) in 2025 (the figures for online penetration have been estimated from comparisons to online penetration forecast in a similar fit industry, sources: *Third-party market study commissioned by Duell in the spring of 2021, Euromonitor*). The traditional offline market for onroad motorcycle and offroad motorcycle spare parts and personal equipment in Europe is expected to decrease from EUR 5.0 billion in 2019 to EUR 4.7 billion in 2025, while the total market is expected to grow from EUR 6.1 billion in 2019 to EUR 6.8 billion in 2025. This represents a significantly higher CAGR of approximately 12 percent between 2019 and 2025 for the online market as compared to the CAGR of approximately 2 percent for the total market for the same period.

The increase in online penetration is partly driven by the market being well-suited for online shopping. The offroad motorcycle market segment in particular is characterized by products with high wear and tear meaning that a larger part of purchased items are repeat buys of similar products. Repeat purchases reduce the need for fit considerations and make the segment a better fit for online shopping. Duell also believes that motorcycle drivers are highly passionate users, meaning that drivers are more knowledgeable about their needs compared to certain other product categories sold through online

channels. Furthermore, niche products, present especially in offroad motorcycle and spare parts, might be harder to find in physical stores, which benefits online dealers.

The shift to online shopping has been accelerated due to the COVID-19 pandemic as there has been an increase in the online purchases of motorcycle spare parts and personal equipment. The acceleration in online shopping was primarily a result of stores going into lockdown and people avoiding public spaces, including stores and shopping malls during the COVID-19 pandemic. Duell believes that the online penetration is expected to be sustained after the COVID-19 pandemic due to shifting consumer behavior and the increased convenience of online shopping.

Electrification

Environmental pressures and product innovation are driving an increase in the availability of electric powersports vehicles. Interest in the electric vehicle (“EV”) market is promoted by the low noise levels and zero emissions that EVs offer, improving usability in urban areas. Furthermore, tightening emission regulations are expected to push electrification across mobility segments. In spite of this, Duell believes that fleet electrification is going to be slow as powersports vehicle usage is highly emotional, and users seek excitement – an area where electrification has limitations due to reduced noise and tuning options. Powersports vehicles also pollute less compared to other means of transport, such as cars, and, therefore, face less pressure from regulation. Duell’s view is supported by electric motorcycles remaining under 3 percent of quarterly motorcycle registrations in France, Germany, Italy, Spain and the United Kingdom between 2019 and 2020 (*source: the ACEM database: “Registrations in the European Union” for 2019 and 2020*). In the long run, Duell believes that electrification is likely to shift demand for spare parts from products needed for petrol-powered motorcycles, such as engine parts and oils, to batteries and charging cords needed for electric motorcycles. However, by adding new products and changing the product mix Duell offers, overall spend is likely to remain the same. The need for other products, such as personal equipment, tires, and brake pads, is likely to remain the same despite the transfer to EVs.

Market Structure and Competition

In Duell’s view, the European Powersports Aftermarket is defined by certain characteristics, such as high barriers to entry and a high degree of fragmentation. European distributors of powersports spare parts and personal equipment can be divided into three categories based on their geographical presence and size. Distributors also tend to have varying degrees of product segment specialization with some distributors focusing solely on motorcycle spare parts and personal equipment while others hold multiple product segments in their portfolio. In addition to distributors, third-party brands may have direct-to-consumer sales.

Duell’s competitors are, therefore, divided into the following three categories:

- *Large international distributors* include only a handful of companies in Europe that typically have strongholds in selected few geographical markets while also conducting market expansion and scaling distribution reach. Significant brand and dealer networks as well as scale benefits give a competitive edge over smaller companies. Duell considers, that Bihr NV (“**Bihr**”) and Parts Europe GmbH (“**Parts Europe**”) are examples of competitors in this category. Duell, in its own estimation, also fits into this category itself.
- *Large regional distributors* have focused on selected few markets where they have gained a significant position. However, this can mean that there is limited opportunity for home market growth left and expanding geographically is required to support growth. Depending on the size of the distributor and the market dynamics, brands might be more inclined to bypass these types of companies rather than international companies. Duell considers, for example, competitors Hostettler and PDG to fit into this category.
- *Small local distributors* include competitors with a relevant foothold in one country or a part of a country, often with less market power and a smaller brand portfolio. Distributors might even focus on just a few selected brands. Distributors in this category have the benefit of dedicating more time and effort into their brand and dealer relationships. However, larger distributors have a relatively high level of negotiating power over smaller local distributors as they are not as dependent on specific products and brands. Duell considers, for example, competitors Jopa Finance B.V. and Schumoto Beteiligungs- und Vermögensverwaltungs-Gesellschaft mbH. to fit into this category.

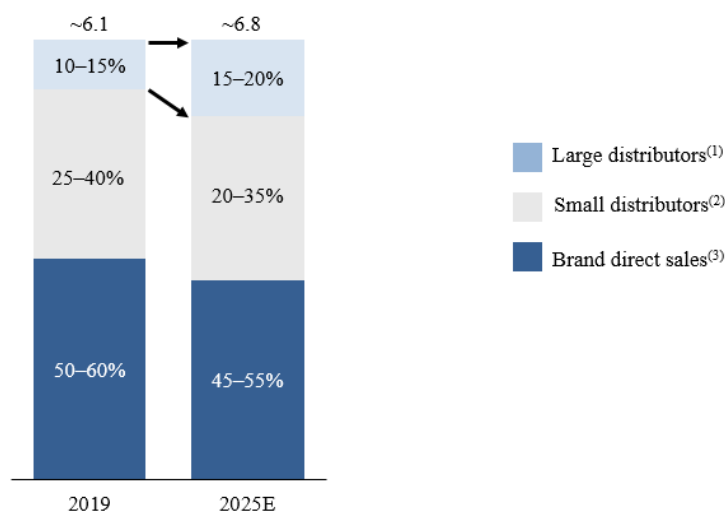
Third-party brands may also sometimes bypass distributors in favor of selling directly to dealers (a direct-to-dealer strategy). This is most common for the largest brands in large markets with very large retailer chains, such as Italy and Germany. Well-known brands may utilize direct-to-dealer sales in certain core markets while relying on distributors in smaller markets – such as the Nordics. Duell believes that the risk of more brands bypassing distributors is diminished by the fast deliveries and stock availability required by dealers as well as the limited size of brands. Overall, the market share of brands’ direct sales is estimated to experience minimal to no growth between 2019 and 2025 (*source: Third-party market study commissioned by Duell in the spring of 2021*).

Duell estimates that, in 2020, it had a market-leading position in Finland with an estimated 18 percent market share of the EUR 160 million powersports spare parts and personal equipment aftermarket and in Sweden with an estimated 11 percent of the EUR 220 million powersports spare parts and personal equipment aftermarket. In addition, Duell's market share of the EUR 100 million powersports spare parts and personal equipment market in Norway was estimated to be 7 percent (the market shares are calculated by dividing total sales by total market size, including the Onroad MC, Offroad MC, ATV, Snowmobile and Marine product categories (excluding the Marine product category in Norway). *Source: Third-party market study commissioned by Duell in the spring of 2021*). Duell estimates it had a market-leading position in the Baltics and was one of the top two largest distributors in Norway in terms of sales between May 2020 and April 2021. Due to the localized geographic strongholds both large and small distributors often have, Duell's key competitors vary on a country-by-country basis. However, Bihl and Parts Europe are present in several of the same markets as Duell, including the Nordics. In addition, many local distributors are present in most markets.

Increasing Role of Large Distributors

Duell believes that, between 2019 and 2025, the role of large distributors will increase mainly due to the scale benefits that they offer to both brands and dealers. Distributor scale enables broader dealer reach, consistent ordering, cost of sales reduction, branding and marketing support and better supplier financing, which Duell believes are key distributor selection criteria for brands. On the other hand, dealers benefit from broader brand reach, one-stop-shop simplicity, flexibility in payment terms, efficient ordering processes and local customer experiences. It is estimated that the market share of large distributors will experience above-market growth between 2019 and 2025 (*source: Third-party market study commissioned by Duell in the spring of 2021*), mostly at the expense of smaller distributors as the market consolidates. This trend will decrease the direct sales of brands, as the accessibility of products becomes better through large distributors.

The following graph sets forth the estimated market share development of large competitors:



Source: Duell's estimate, which is based on a Third-party market study commissioned by Duell in the spring of 2021.

(1) The market share of large distributors is based on the estimates of Duell's management of competitors' sales.

(2) The market share of small distributors is the remaining share after deducting the market share of large distributors and brand direct sales.

(3) Brand direct sales estimated through market specialist interviews.

E Estimated.

Barriers to Entry

In Duell's view, its main addressable market has relatively high barriers to entry. In particular, larger companies with extensive brand and dealer networks benefit from certain competitive advantages that are not easily replicated by new entrants into the market, such as scale advantages in procurement, local knowledge, the ability to carry large inventories, increased negotiation and bargaining power, economies of scale, own brand and/or private label opportunities, more competitive pricing and the possibility to negotiate exclusivity deals with brands in certain markets.

Furthermore, significant investments are required from new entrants to enter the European Powersports Aftermarket. In Duell's view, investments in infrastructure and logistics are required to build a competitive and well-functioning distribution network necessary for remaining a preferred partner for dealers. Dealers, for example, greatly value fast and efficient delivery as a key distributor selection criterion. In addition, Duell believes that further investments in technology solutions are required to support the growing online channel.

In Duell's view, relationships between brands and distributors are long-lasting. Brands typically see uncertainty in switching to a new distributor, making it difficult for newer entrants to the market to gain brands as suppliers.

Duell believes that brand owners prefer distributors with extensive omnichannel dealer networks, which is beneficial to large distributors. Duell also believes that local knowledge and local relationships with dealers are important as ways of working and product trends can vary depending on the location.

Fragmented Market

The European Powersports Aftermarket is highly fragmented with, according to Duell's estimates, seven large international distributors and a long tail of local smaller competitors. Duell estimates that the seven largest distributors, of which Duell is one, accounted for approximately 10–15 percent of the distributor market share in Europe in 2019. The long tail of small local competitors and high degree of fragmentation provide opportunities for consolidation and, therefore, a lower threshold for gaining market share.

COVID-19 Impact

The COVID-19 pandemic has primarily affected Duell through supply-demand mismatches across powersports product categories. The COVID-19 pandemic caused an initial drop in demand in the first half of 2020, but the market for new motorcycle vehicles recovered rapidly in the second half of 2020 (*source: ACEM*). Social distancing and travel restrictions increased the utilization of online channels as well as domestic tourism and outdoor activities – increasing the demand and use of powersports vehicles. Despite demand returning and surpassing 2019 levels in the second half of 2020, as seen through new registrations data, the COVID-19 pandemic caused disruption in the production operations of several of Duell's suppliers due to lockdowns, quarantines, labor shortages and supply chain interruptions, and Duell's suppliers were unable to maintain production levels to meet demand. Despite these supply-demand mismatches during the COVID-19 pandemic, Duell's net sales increased from the financial year ended August 31, 2019, to the financial year ended August 31, 2020. As at the date of this Offering Circular, the COVID-19 pandemic continues to cause uncertainty in the business environment in which Duell operates and it may have an adverse effect on Duell's business, financial position, and/or results of operations also during the current financial year and possibly even longer. In Duell's view, the COVID-19 pandemic shows no significant indications of having caused permanent long-term effects on ridership or spend.

BUSINESS

This section contains statistics, data and other information relating to markets, market sizes, market shares and market positions and other industry data pertaining to Duell's business and markets. The information is based on several sources and Duell's estimates. See "Certain Matters—Market and Industry Information."

Overview

Duell is a leading Powersports Aftermarket distributor in the Nordics with a rapidly growing presence in the rest of Europe. Duell's offering covers motorcycle, ATV (all-terrain vehicle), snowmobile, bicycle and marine products, including technical and spare parts and personal equipment (for example clothing and accessories), to dealers across several markets in Europe. Duell offers a broad assortment of products across all of its sales channels for four seasons through its six product categories comprising Onroad MC products, Offroad MC products, ATV products, Snowmobile products, Bicycle products and Marine products. Onroad MC and Offroad MC are Duell's largest product categories, which in aggregate accounted the majority of Duell's net sales the financial year ended August 31, 2021.

Duell's goal is to distribute the world's best known, quality powersport brands at competitive prices and in a timely manner. Duell is able to offer its brand portfolio of more than 290 brands consisting of approximately 150,000 SKUs to dealers enabling a one-stop-shop approach and, in turn, provide brand owners a reach of almost 7,500 dealers as at the date of this Offering Circular. Duell offers a range of powersport technical and spare parts and personal equipment brands, including brands classified by Duell as best brands, such as Alpinestars, Pirelli, Airoh, Oakley, Jobe and Dunlop. In addition to best brands, Duell offers a wide range of products from more than 200 suppliers to accommodate demand for more affordable products. Duell also offers products that it procures directly from manufacturers and sells under its own brands to complement its offering.

During the past 40 years, Duell has grown from a garage start-up into a leading Powersports Aftermarket distributor in the Nordics with a rapidly growing presence in the rest of Europe with approximately 7,500 active customers. Duell has operations in the Nordics, France, the Netherlands, the United Kingdom and Germany supplying products to more than 10 countries. Duell is headquartered in Mustasaari, Finland, where it currently also has a sales office and a warehouse. In addition, Duell has sales offices and warehouses in Tranås, Sweden, Hengelo, the Netherlands, and Le Bosc, France, as well sales offices in Kongsvinger, Norway, Fredericia, Denmark as well as Coalville and Newbury, the United Kingdom. In addition to its organic growth, Duell's current position in the European Powersports Aftermarket within the onroad motorcycle, offroad motorcycle, ATV and snowmobile market segments as well as bicycle market segment has strengthened through M&A, and Duell aims to actively participate in the consolidation of the fragmented European market.

For the financial year ended August 31, 2021, Duell's net sales were EUR 76,756 thousand, its operating profit was EUR 7,282 thousand and its adjusted EBITA was EUR 8,044 thousand. As at August 31, 2021, Duell had a total of 168 employees, of which 46 percent were based in Finland, 22 percent in Sweden, 21 percent in France, 3 percent in Norway and 8 percent in the rest of Europe.

History

The history of Oy Duell Bike-Center Ab ("**Duell Bike-Center**") dates back to 1983, when Tom Nylund and Stefan Nylund founded the company on the West Coast of Finland, which initially focused on the selling of motorcycle parts. In 1989, Motorfirman Holger Duells SE joined as a shareholder with a holding of 33 percent, and the name of the company was changed to Duell Bike-Center. Soon thereafter in 1990, the entire retail store chain was divested and Duell Bike-Center continued as a distributor for snowmobile, motorcycle and moped aftermarket parts and accessories, and started representing major brands, such as, AGV, IXS, Scott, Metzeler and Pirelli in Finland. In 2003, Tom Nylund and Stefan Nylund bought back the shares acquired by Motorfirman Holger Duells SE gaining full ownership of the company again. In 2013, the company expanded to Sweden by establishing a new company called SDBC Motor AB and, in 2014, it acquired Garage 24's motorcycle business and became an important distributor for, among others, Metzeler, Pirelli and Schubert in Sweden.

In 2018, Sponsor Fund, a Finnish private equity company, became a co-owner of Duell Bike-Center. In 2019, Duell carried out several strategic initiatives, including developing a go-to market strategy for markets outside the Nordics, focusing on the development of own brands, increasing the digitalization of operations, improving risk management and sharpening its M&A strategy. In 2019, Duell acquired its first own significant clothing brands – Halvarssons and Lindstrands – from Jofama AB that allowed Duell to enter the European market outside the Nordics and the Baltics, opened offices in the United Kingdom and Norway, launched a central European sales organization and divested its skiing business. In addition, Duell purchased part of Bihl Nordic's inventory in Sweden improving its market position in Sweden. Thereafter, Duell Bike-Center became the leading aftermarket supplier for the motorcycle, snowmobile and ATV components market segments within the Nordics and, in 2020, changed its marketing name to Duell.

In 2021, Duell completed two strategically important acquisitions. In June 2021, Duell acquired IGM, an importer and distributor of motorcycle clothing, helmets and accessories with its own dealer network in the Netherlands and, through its subsidiary, in Germany. For more information, see “—*Material Contracts—IGM Acquisition*” below.

In August 2021, Duell completed the Tecno Globe Acquisition, a French distributor of approximately 40 brands of high-tech products for motorcycles and bicycles with over 3,000 active customers in France. For more information, see “—*Material Contracts—Tecno Globe Acquisition*” below.

For the financial year ended August 31, 2021, Duell’s pro forma net sales were EUR 101,770 thousand, its pro forma adjusted EBITA was EUR 10,618 thousand and its pro forma operating profit was EUR 8,989 thousand.

Key Strengths

Duell believes that the following factors are among its key strengths and represent competitive advantages:

Duell is Well Positioned in a Large and Stable Market with Forecasted Growth

Duell’s considers its main addressable market in the Powersports Aftermarket to consist of the onroad motorcycle and offroad motorcycle components market segments in Europe. Duell’s main addressable market was estimated to be worth approximately EUR 6.1 billion in 2019. Duell’s main addressable market has historically been resilient to economic downturns and exhibited a stable growth between 2010 and 2019, with a CAGR of approximately 3 percent. According to Duell, the resilience of the Powersports Aftermarket to cyclical downturns and highly unexpected events, such as the COVID-19 pandemic, is primarily due to the large existing motorcycle fleet and rider base primarily comprising passionate riders, whose consumption is mainly related to wear and tear of spare parts and personal equipment and who are unlikely to be affected by external forces. Instead, the Powersports Aftermarket is mostly affected by macroeconomic factors. Even under the COVID-19-related turmoil, the market recovered quickly after the second half of 2020. For example, new motorcycle registrations during the third and fourth quarters of 2020 surpassed those in the respective quarters in 2019 in Europe (*source: ACEM*).

Duell’s main addressable market is currently undergoing a gradual shift from traditional brick-and-mortar shopping to online shopping, and online penetration within Duell’s main addressable market is expected to grow at a CAGR of 12 percent between 2019 and 2025 (*source: Third-party market study commissioned by Duell in the spring of 2021*). As one of Duell’s strategic priorities is being a trustworthy partner for online dealers, Duell is well-positioned to benefit from the expected growth in online shopping. Growth of online sales within the Powersports Aftermarket is driven by the selection, availability, and convenience provided by technological solutions (*source: Third-party market study commissioned by Duell in the spring of 2021*). Duell believes that it is a trustworthy partner for online dealers in the growing online business to consumer market as it is able to provide fast and accurate order processing, one-stop-shop approach in product sourcing, broad product inventory, extensive information available of more than 150,000 SKUs, dynamic and flexible deliveries, pick-up points and dropshipping availability enabled by system integrations.

The Tecno Globe Acquisition provided Duell with access to the attractive bicycle components market segment, access to over 3,000 active customers in France and further strengthened Duell’s position in the European markets, particularly in France. Duell believes that the growing demand for bicycles is driven by a number of factors, such as the prevalent focus on healthier lifestyle, the general trend of urbanization, the negative association with vehicles powered by fossil fuels, and the reluctance to use public transport due to the COVID-19 pandemic.

Duell believes that, between 2019 and 2025, the role of large distributors will increase. The estimated market share of the top seven largest distributors in Europe is forecasted to grow from 10–15 percent to 15–20 percent by 2025 (*source: Third-party market study commissioned by Duell in the spring of 2021*). Duell is one of the market consolidators, and it expects to benefit greatly from this trend. For example, significant initial investments required in infrastructure, logistics and technology solutions create relatively high barriers to entry for new entrants into the market, which, in turn, maintains a stable competitive environment (*source: Third-party market study commissioned by Duell in the spring of 2021*).

Market Leading Position in the Nordics with a Rapidly Growing Presence in the Rest of Europe

The history of Duell dates back to 1983, and it has since built strong relationships with both its suppliers and customers and developed into a leading Powersports Aftermarket distributor in the Nordics with a rapidly growing presence in the rest of Europe. Duell’s European expansion started only a few years ago in 2019 when it developed a go-to-market strategy for markets outside the Nordics. In 2019, Duell acquired its first own significant clothing brands – Halvarssons and Lindstrands – that allowed Duell to enter the European market outside the Nordics and the Baltics, opened offices in the United Kingdom and Norway, launched a central European sales organization and divested its skiing business.

Duell believes that its leading position in the Nordic Powersports Aftermarket forms a solid foundation for its operations and provides it with pricing and negotiation power with suppliers and customers as well as scale benefits. Duell has a particularly strong market presence in Finland, Sweden, and Norway. As at August 31, 2021, Duell estimated its market

share in Finland, Sweden, and Norway to be 18 percent, 11 percent and 7 percent, respectively (the market shares are calculated by dividing total sales by total market size, including the Onroad MC, Offroad MC, ATV, Snowmobile and Marine product categories (excluding the Marine product category in Norway). *Source: Third-party market study commissioned by Duell in the spring of 2021*). Finally, Duell has gained extensive understanding of market characteristics and dynamics in Northern Europe and has historically successfully entered previously unknown markets, such as Norway in 2016 and Denmark in 2020.

According to its own assessment, Duell has also entered various other European markets successfully based on the number of customers and net sales, such as the Netherlands and France. Duell believes that it is one of the few companies in Europe that are truly international players with a broad product offering and that it has an attractive potential to further grow in Europe.

Broad Portfolio of Renowned Brands

As at August 31, 2021, Duell's brand portfolio, including both third-party and own brands, consisted of 291 brands. Between September 1, 2018, and August 31, 2021, Duell's brand portfolio grew at a CAGR of 14 percent (including brands gained from the Tecno Globe Acquisition and IGM Acquisition), and Duell intends to further expand its brand coverage in accordance with its strategy.

Ordering from one distributor is typically cheaper for dealers than doing so from multiple ones. Duell believes that dealers prefer distributors that are capable of stocking and supplying a broad one-stop-shop offering of brands. Maintaining an extensive coverage of relevant brands is a competitive advantage in acquiring new customers and retaining old ones and Duell's one-stop-shop offering makes Duell an attractive partner for dealers. Duell's brand coverage is significantly wider than that of its large competitors in Europe. For the financial year ended August 31, 2021, Duell's brand portfolio covered 46 percent and 56 percent of the brands deemed relevant in the Onroad MC and Offroad MC market segments, respectively, while brand portfolios of Duell's large competitors covered 27 percent and 32 percent of the brands deemed relevant in the Onroad MC and Offroad MC market segments, respectively, for the same period (*source: Third-party market study commissioned by Duell in the spring of 2021*). This gives Duell a competitive advantage in the European Powersports Aftermarket.

Duell categorizes the brands in its portfolio into best brands, top brands, transitional brands and own brands. Duell's third-party brand portfolio includes 55 best brands, 108 top brands and 109 transitional brands. In addition to the distribution of third-party brands, Duell's offering includes 19 own brands. According to Duell, best brands are market leading brands in their own category, some of which Duell has managed to gain exclusivity. Top and traditional brands, in turn, focus more on the product and less on the brand value, and some of these top and transitional brands have the potential to be converted into own brands. Duell has registered trademarks for its products under its own brands, such as Halvarssons and Lindstrands. For the financial year ended August 31, 2021, third-party brands accounted for 79 percent of Duell's net sales with 49 percent from brands with which Duell has exclusivity in a region. Duell believes that its own brands provide Duell with a platform to further increase its share of wallet amongst its current customer base in addition to being the key in entering new markets and penetrating new customer segments inside home markets by introducing products that are currently not present in the market or are currently covered by other brands to which other distributors hold exclusive rights. Furthermore, Duell believes that its one-stop-shop approach and well-stocked unique offering and broad brand offering might lead to dealers favoring Duell over distributors that are unable to supply brands exclusively offered by Duell.

Strong Value Proposition to Brands and Dealers

As a distributor, Duell operates between brand owners and dealers by sourcing from brand owners' collections and distributing them to dealers that sell the products to end customers that are mostly consumers. Duell aims to maintain a solid infrastructural network designed to support every aspect of its operations: from purchasing and warehousing to logistics and sales. Duell's value proposition is strong to both brand owners and dealers. According to Duell, many brands and manufacturers do not have the necessary resources to distribute their products to dealers or end customers cost efficiently as it would require significant investments in sales, inventory, infrastructure and logistics, marketing, and production facilities to build a competitive and well-functioning distribution network necessary for remaining a preferred partner for dealers. Brands and manufactures benefit from Duell's scale and access to markets that they would otherwise have difficulty reaching. Duell believes that the most important way to bring value to both directions of the value chain (*i.e.*, to both brand owners and dealers) is through economies of scale and quality service to both brand owners and customers. Duell is able to offer its brand portfolio of more than 290 brands consisting of approximately 150,000 SKUs to dealers and, in turn, provide brand owners a reach of almost 7,500 dealers as at the date of this Offering Circular. Economies of scale are enabled by Duell's warehousing capabilities and efficient logistics operations, which allow extensive stock keeping for brands, which simultaneously ensures availability of products from many brands enabling a one-stop-shop approach towards dealers. Duell believes that its capabilities to order large volumes of products and carry inventory locally makes Duell a very reliable and relevant partner for brand owners. In addition, Duell also provides brands and dealers sales and aftersales support and valuable customer insights and local market knowledge.

Duell believes that it is also a valuable partner for dealers as it consolidates a highly fragmented market of suppliers. Duell's overall sales strategy is to provide dealers a broad and relevant product offering at competitive prices with a one-stop-shop approach, efficient electronic ordering process and stock availability and strategically placed warehouses that enable fast and reliable deliveries. Duell's PIM platform, which is Duell's product information management system, enables efficient partnerships with dealers as they gain efficient access to a large amount of product information, which is especially important for online dealers. In addition, Duell has capabilities to support dealers with various logistic solutions to meet the needs of their customers, such as cross-docking and dropshipping directly to consumers. These capabilities allow dealers to sell more due to good availability, whilst lowering dealers' needs for large inventories.

Duell Has a Strong and Stable Position in Key Sales Channels

Duell has a wide customer base in the Nordics and rest of Europe and, as at the date of this Offering Circular, it has approximately 7,500 active customers, which highlights the highly fragmented Powersports Aftermarket as well as Duell's strong market position. Duell's customer base consists of dealers that sell Duell's products to end customers, which are mostly consumers. Duell's customer base is diverse and highly fragmented with customers comprising offline dealers (*i.e.*, retail shops, specialty shops, repair shops and powersport manufacturers) and online dealers. Duell is not dependent on any specific customer or group of customers, which Duell believes provides it negotiation power with dealers. Of Duell's net sales for the financial year ended August 31, 2021, 20 percent was generated by ten of Duell's largest customers (9 percent by its largest customer and 11 percent by its top two largest customers in total).

Duell's value proposition to both offline and online channels has been tailored to meet different channel needs. Duell has gained experience in meeting the requirements of various sales channels via its long-standing customer relationships and strong market presence. Duell is well-positioned to serve customers operating in an online environment, and Duell's online sales have been experiencing above market growth (*source: Third-party market study commissioned by Duell in the spring of 2021*). Duell's online sales have increased by EUR 3,466 thousand for the financial year ended August 31, 2020, to EUR 6,179 thousand for the financial year ended August 31, 2021. Duell aims to be a trustworthy partner for online dealers in the growing online business-to-consumer market by providing fast and accurate order processing, one-stop-shop approach in product sourcing, extensive product information, dynamic and flexible deliveries, pick-up points and dropshipping availability enabled by system integrations. Duell's extensive information available of more than 150,000 SKUs provide dealers a possibility to make informed purchase decisions with a wide variety of options.

Duell Has Control over Critical Parts of the Value Chain

Duell believes its operational set-up enables it to maintain its leading market position in the Nordics and in the Baltics. Duell has in-house capabilities and control over purchasing, warehousing, logistics, pricing, and sales in the value chain. Duell has a diversified supplier base and a purchasing process to cater to the demand and needs of its customers. For the financial year ended August 31, 2021, 9 percent of Duell's purchases were made from its largest supplier, 35 percent from its top two to 10 largest suppliers and 56 percent from its top 11 to over 300 largest suppliers.

Duell has aimed to locate its warehouses strategically in order to serve dealers in its core markets in the best possible way. As at the date of this Offering Circular, Duell's warehouses are located in Mustasaari, Finland, Tranås, Sweden, Hengelo, the Netherlands, and Le Bosc, near Montpellier, France.

Duell maintains a comprehensive supporting technology infrastructure. Technological solutions encompass PIM, ordering systems, purchase and forecasting, online store solution, sales and purchase analytics, inventory management and other electronic data interchange related matters, such as dropshipping and order integration. Duell believes that IT infrastructure is essential in meeting the demands of both traditional offline dealers as well as online dealers. For example, 89 percent of Duell's product orders were received electronically through self-service portals, such as business-to-business online stores and system integrations, for the financial year ended August 31, 2021. According to Duell, implementation of self-service portals for dealers offers multiple advantages that are, among others, multiple language possibilities, dealer-specific price lists, order tracking, estimated time of arrival and useful implications for Duell's sales force.

Duell believes it has strong local sales teams that have contributed to its strong sales growth in recent years. As at August 31, 2021, Duell had a sales force of approximately 60 employees working in 16 countries. These countries were: Finland, Sweden, France, the United Kingdom, Norway, Denmark, the Netherlands, Ireland, Belgium, Spain, Germany, Estonia, Latvia, Lithuania, Czech Republic, and Slovakia. Duell believes that a local presence enables a deeper understanding of customers' needs in a specific market and helps with identifying new products and brands. In addition, Duell's sales team is also continuously supporting dealers by marketing efforts, such as powersports team partnerships, dealer newsletters, online marketing as well as participation in various events.

Duell believes that speed to market is a key purchase criterion to dealers as they prefer distributors that are capable of providing products in a timely manner. Duell's strategically located warehouses support efficient delivery to all markets across Europe. Duell also believes that supporting technology, such as Duell's warehouse management system, facilitates agile logistics, which is key in servicing online dealers. Optimized delivery enables deliveries within 24 hours for approximately 95 percent of the products distributed by Duell.

Track-record of Strong Organic Growth, M&A and High Profitability

Duell's believes its net sales and profitability has been growing during the period under review due to its successful implementation of its growth strategy and strong focus on being the best partner for dealers and brand owners. Duell's net sales have grown by 238 percent between October 1, 2011, and August 31, 2021 (the Company was established on August 3, 2018, thus, for the preceding period, net sales based on Duell Bike-Center's audited financial statements have been examined). Duell Bike-Center's net sales were EUR 22.7 million for the financial year ended September 30, 2012 (the first financial year was from October 1, 2011, to September 30, 2012). During this period, Duell has demonstrated a CAGR of 14.5 percent, of which 14.1 percent is attributable to organic growth. In addition, Duell's strong growth can also be illustrated in the more recent years, where Duell has delivered organic growth at a CAGR of 16 percent between September 1, 2019, and August 31, 2021. During this period, Duell has also increasingly grown its share of online sales, resulting in an online sales growth at CAGR of 39 percent.

Duell's gross margin, percent, decreased by 0.9 percentage points from 25.6 percent in for the financial year ended August 31, 2019, to 24.7 percent for the financial year ended August 31, 2021. Duell's management's indicative estimate of Duell's gross margin was 19 percent in the first quarter of the financial year ended August 31, 2021, 24 percent in the second quarter of the financial year ended August 31, 2021, 35 percent in the third quarter of the financial year ended August 31, 2021, and 22 percent in the fourth quarter of the financial year ended August 31, 2021 (the percentages are derived from the Company's quarterly management accounts and have not been audited and, thus, should be considered as indicative only). The growth in gross margin was primarily attributable to a dynamic pricing strategy by transferring increases in costs to customers and the growing share of sales of own brands as Duell's own branded products generally have higher margins than third-party branded products. In addition, Duell believes its strong value proposition and market position have benefitted from economies of scale in logistics. Duell also believes that its market position as a leading Powersports Aftermarket distributor in the Nordics with a rapidly growing presence in the rest of Europe provides it pricing and negotiation power with suppliers and customers as well as scale benefits in its purchasing operations. Duell's adjusted EBITA margin grew with on an average of 31.5 percent between September 1, 2019, and August 31, 2021. Duell's cost base is largely scalable and consists mostly of its cost of goods sold, which accounted for 75.3 percent of net sales for the financial year ended August 31, 2021. Other operating expenses for Duell include personnel and premises costs as well as external services and other expenses, which accounted for 13.7 percent of net sales for the financial year ended August 31, 2021. Duell believes to be able to finance its strategic organic and M&A expansion mainly with cash flow from operations. For further information, see "*Operating and Financial Review.*"

Skilled, Experienced and Passionate Management Team and Personnel

Duell's management team has extensive understanding of the Powersports Aftermarket as well as operational, managerial and financial experience within various other industries, including consumer, engineering and financial services. Duell's management team also has significant experience in executing acquisitions and integrating acquired businesses. Duell believes that the long experience of its management team, together with its other skilled and passionate personnel, is a key competitive advantage in the Powersports Aftermarket. Duell believes that its personnel is highly committed to Duell and the brands and dealers it serves, which can be showcased by low employee turnover and high share of powersports enthusiasts in Duell. The strong commitment, powersports background and long experience of Duell's personnel supports Duell's key strategic objectives to become the best partner for dealers and brand owners throughout Europe and strengthen its market position in the existing markets where Duell operates.

Duell's Strategy

Key Objectives and Strategic Priorities

Duell's key strategic objectives are (i) to become the best partner for dealers and brand owners throughout Europe and (ii) to strengthen its leading market position in the Nordics. Duell's key strategic priorities in achieving its objectives are as follows:

Organic and M&A Expansion to New Geographic Markets

Duell's expansion strategy is divided into four categories based on its market position and growth ambitions in the respective market. The four categories of markets are: (i) mature markets, (ii) developing markets, (iii) early stage markets and (iv) new-entry markets with no presence so far.

In mature markets, such as Finland, Sweden and the Baltics, Duell aims to increase the share of wallet of existing customers by facilitating good relationships with its customers and suppliers, optimizing order delivery and offering a wide supply of brands and products. Although Duell's current strategy focuses on its existing product categories, Duell may also consider entering new adjacent product segments, such as water sports, lawn movers, garden and forest products.

In developing markets, such as the Netherlands, France, and Norway, Duell already has a strong customer base, but believes that there is potential to capture market share by attracting new customers. In addition to acquiring new customers, Duell

plans to strengthen its relationships with existing customers and grow its share of wallet by cross-sales, (*i.e.*, adding existing group brands and product categories to its country-specific product offerings).

In early stage markets, such as Germany, the United Kingdom, Denmark and Spain, Duell's strategic focus is acquiring new customers. Although growth in such markets is mainly sought by way of organic growth, certain early stage markets may have strong local competitors. Consequently, the presence in early stage markets may be strengthened by means of M&A transactions, and such M&A transactions may significantly accelerate Duell's expected growth in such markets. Thus, Duell also focuses on preparing for strategic M&A and analyzing potential M&A targets in such early stage markets.

Duell is also continuously identifying potential new markets to expand its operations to. In new-entry markets in which Duell does not yet have presence, where dealers' presence is low or market fragmentation is high, Duell focuses on analyzing local business standards and market dynamics and eventually developing a go-to-market strategy. Experienced country managers, including its export development manager for the rest of Europe, and sales channels in neighboring markets, as well as Duell's own brand portfolio act as a platform for expansion into new markets. Potential M&A targets are, for example, often identified through meeting Duell's competitors and forming relationships with potential targets at fairs and events.

The European Powersport Aftermarket is highly fragmented and Duell believes that M&A will continue to provide opportunities to expand in its operations. Duell plans to continue to analyze and monitor the European Powersports Aftermarket and as at the date of this Offering Circular has identified at least 30 potential targets, three of which Duell is currently having preliminary discussions with. The recent IGM Acquisition and Tecno Globe Acquisition carried out by Duell demonstrate Duell's ambition for strategic expansion in Europe with attractive valuations. Based on the IGM Acquisition and the Tecno Globe Acquisition, Duell's historical average enterprise value to EBITA multiple was six. Duell believes that its proactive approach and differentiated M&A strategy attracts entrepreneurs and owners to sell targets at approximately enterprise value to EBITA multiple levels of six. However, in larger add-on M&A transactions, where net sales exceed EUR 10 million to EUR 20 million, Duell may even consider paying a slightly higher multiple if the track-record of the target company is considered impressive by Duell. Historically, Duell has financed its smaller M&A transactions mainly with cash, however, in large M&A transactions Duell may also consider a mix of debt and equity financing to incentivize sellers.

Partner for Building Online Sales

Duell's main addressable market is currently undergoing a gradual shift from traditional brick-and-mortar shopping to online shopping with consumers shifting towards online channels for powersports personal equipment and spare parts product purchases. As online dealers to some extent have different requirements than traditional offline dealers, distributors, such as Duell, have adapted their operations to meet customers' needs. Duell offers its products across all sales channels. While Duell believes that traditional offline dealers currently provide a stable base for sales, online dealers present significant growth opportunities to be leveraged in the future. Duell believes that it is a trustworthy partner for online dealers in the growing online business-to-consumer market as it is able to provide fast and accurate order processing, one-stop-shop approach in product sourcing, extensive information available of over 150,000 SKUs, dynamic and flexible deliveries, pick-up points and dropshipping availability enabled by system integrations. Duell also provides business-to-business online stores and system integrations that enable cross-docking, dropshipping, automated processes and orders as well as checking stock availability in real-time. Furthermore, Duell is continuously improving its PIM platform to increase overall transparency and seamless coverage of product information. Duell also aims to effectively support traditional offline customers in making the shift towards the online dealer space in addition to supporting traditional offline dealers by providing local service and knowledge of the market in their local language. To support these needs, Duell will continue to invest in its sales force as well as in technology as part of its growth strategy.

Brand Portfolio Development

Duell has a brand portfolio of more than 290 brands. Between September 1, 2017, and August 31, 2021, Duell increased the number of third-party and own brands in its brand portfolio by 27 percent. Duell's brand coverage is significantly wider than that of its large competitors in Europe (*source: Third-party market study commissioned by Duell in the spring of 2021*). Duell has continuously added more product categories into its portfolio and intends to continue to do so in the future. The recent Tecno Globe Acquisition demonstrates Duell's ambition to compete in new product markets. Going forward, Duell plans to continue to focus on including more brands in its product portfolio through the following brand strategy:

- *Continue to attract best brand suppliers by offering a strong value proposition.* Duell is able to offer brand owners a reach of almost 7,500 dealers in addition to providing extensive stock-keeping possibilities and strong support systems throughout the value chain.
- *Offer top and transitional brands in addition to best brands.* In addition to best brands, Duell distributes top and transitional brands that have the potential to be converted into own brands when certain volume requirements are met and Duell finds a suitable supplier, and that generally have higher margins than third-party brands. The option to convert is valuable and presents various opportunities to Duell.

- *Duell will consider acquiring own brands, of which Duell would own the intellectual property over product design. Obtaining own brands would differentiate Duell from market competitors as no other supplier or distributor would sell those brands.*

Financial Targets

The following financial targets in the medium term (from three to five years) have been adopted by the Board of Directors of the Company:

- *Growth:* net sales in the range of EUR 200–300 million by the end of 2025, achieved through a combination of clearly above 10 percent annual organic growth and acquisitions. For the financial year ending August 30, 2022
- *Profitability:* adjusted EBITA margin of at least 13 percent.
- *Leverage:* net debt to adjusted EBITDA ratio in the range of 2–3. Leverage may temporarily exceed the target range (for example, in conjunction with acquisitions).
- *Dividend policy:* annually growing dividend, which is on an annual basis at least 30 percent of reported net profit.

The following financial target in the short-term have been adopted by the Board of Directors of the Company:

- *Growth:* revenue growth of least 15 percent for the financial year ending August 31, 2022, excluding potential M&A transactions.

The statements set forth above include forward-looking statements and are not guarantees of Duell’s financial performance in the future. Duell’s actual results and financial position could differ materially from those expressed or implied by these forward-looking statements as a result of many factors, including but not limited to those described under “Certain Matters—Special Cautionary Notice Regarding Forward-looking Statements,” “Risk Factors,” and “Operating and Financial Review—Key Factors Affecting Results of Operations.” Duell cautions prospective investors not to place undue reliance on these forward-looking statements.

Duell’s CAGR of net sales excluding the impact of the Tecno Globe Acquisition was 14 percent between September 30, 2012, and August 31, 2019, and 17 percent between September 1, 2019, and August 31, 2021. Duell’s adjusted EBITA margin excluding the impact of the Tecno Globe Acquisition was 10.5 percent for the financial year ended August 31, 2021, and 8.8 percent for the financial year ended August 31, 2020. Duell’s net debt to adjusted EBITDA ratio excluding the impact of the Tecno Globe Acquisition was 4.5 (3.4 with pro forma EBITDA including the impact of the Tecno Globe Acquisition) for the financial year ended August 31, 2021 and 3.4 for the financial year ended August 31, 2020.

Duell’s Business

General

Duell is a leading Powersports Aftermarket distributor in the Nordics with a rapidly growing presence in the rest of Europe. Duell’s offering covers motorcycle, ATV, snowmobile, bicycle and marine products, including technical and spare parts and personal equipment (for example clothing and accessories), to dealers across several markets in Europe. Duell offers a broad assortment of products across all of its sales channels for four seasons through its six product categories comprising Onroad MC products, Offroad MC products, ATV products, Snowmobile products, Bicycle products and Marine products.

The following table sets forth Duell’s net sales by geography for the financial years indicated:

	For the financial year ended August 31,		
	2021	2020	2019
	(unaudited, unless otherwise indicated)		
	(EUR in thousands)		
Nordics ⁽¹⁾	63,365	51,288	46,879
Rest of Europe ⁽²⁾	13,478	7,554	6,274
Adjustments ⁽³⁾	(87)	589	2,927
Total ⁽⁴⁾	<u>76,756</u>	<u>59,432</u>	<u>56,080</u>

(1) Within the Nordics, Finland and Sweden have historically been approximately the same size in terms of net sales. Net sales in Finland and Sweden have historically been significantly higher compared to Norway and Denmark, while net sales in Norway have historically been significantly higher compared to Denmark.

(2) The majority of the net sales of the rest of Europe comprises net sales from the Baltics, Poland and the Netherlands.

(3) Adjustments include cash discounts, stock-taking impacts, foreign exchange rate differences and other accounting items. The adjustments for the financial year ended August 31, 2019, were primarily attributable to the divestment of Duell’s skiing business.

(4) Audited.

Products and Brands

Product Categories

Duell operates in the Powersports Aftermarket providing both technical and spare parts and personal equipment related to powersports of all four seasons. Duell's product offering includes a broad range of products for a variety of uses, including must-have protective gear and technical and spare parts as well as more emotion-driven products, such as tuning-products and motorcycle streetwear. Duell has a brand portfolio of over 290 and approximately 150,000 SKUs. For the financial year ended August 31, 2021, 63 percent of Duell's net sales were generated by the technical and spare parts market and 37 percent by the personal equipment market.

Duell divides its product assortment into the following six product categories:

- Onroad MC products;
- Offroad MC products;
- ATV products;
- Snowmobile products;
- Bicycle products; and
- Marine products.

Onroad MC Products

Duell's Onroad MC offering includes various technical and spare parts, such as tires, brakes, chains and other similar items needed in the maintenance of onroad motorcycles. In addition, Duell's Onroad MC product category offers motorcycle streetwear, accessories and protective gear, such as helmets and gloves.

The end customers of Duell's Onroad MC product category use motorcycles for both leisure as well as commuting, and this is reflected in the product offering. For example, Duell's own brand Halvarssons' motorcycle garments have a classic look without compromising safety, comfort and functionality, while Lindstrands' motorcycle garments have a more sporty appearance with a particular focus on technical and weather-resistant design ideal for long-distance travel. Certain technical and spare parts are sold both under the Onroad MC products category as well the Offroad MC product category. Many Onroad MC products are subject to European motorcycle safety regulations, and as such, must be CE certified. In addition to Duell's own brands, Halvarssons and Lindstrands, the most important brands in the Onroad MC product category are Alpinestars, Schubert and HJC.

Onroad MC is the spearhead product category of Duell and the Onroad MC category products are typically used to enter new markets. Hence, sales for the Onroad MC product category are substantially higher in all the regions in which Duell operates, particularly in relatively new markets, such as Norway and the rest of Europe, including Denmark, France, Germany, the Netherlands and the United Kingdom.

Offroad MC Products

Duell's Offroad MC product offering includes various technical and spare parts, such as suspension-related spare parts, engines and other similar items needed in the maintenance of Offroad motorcycles as well as clothing, boots, jackets and accessories, such as goggles and other protective gear.

Duell's Offroad MC category products are mainly used by end customers who use motorcycles for leisure and/or for competing in various motorcycle races. Accordingly, motorcycle gear offered under the Offroad MC product category, such as Airoh helmets, have a more sporty appearance with a particular focus on technical design to ensure safety and best performance. The most important brands in the Offroad MC product category are Pirelli, Dunlop and Leatt.

Due to the smaller onroad market in the Baltics, sales in the Offroad MC product category are somewhat higher in the Baltics in proportion to the overall sales in the Baltics, as compared to the other regions in which Duell operates.

ATV Products

Duell's ATV offering includes various technical and spare parts of ATVs, such as clutch, electric and engine parts, winchers, exhaust pipes, shock absorbers, farming articles and other accessories such as fuelline accessories. The most important brands in the ATV product category are local trailer manufacturer Ultratec, with which Duell has an exclusive contract, and Bronco, Camso and ITP.

Sales in the ATV product category are substantially higher in Finland and Sweden compared to the other countries in the Nordics or the rest of Europe. However, Duell considers there to be significant sales potential particularly in the northern parts of Norway.

Snowmobile Products

Duell's Snowmobile product category consists of items specialized for snowmobile usage, such as snowmobile tracks, engine parts and upgrade accessories as well as clothing and accessories, such as goggles, gloves and avalanche equipment. Personal equipment plays an essential role in the Snowmobile product category, and for the 2022 season Duell has established a new brand, Amog, that offers products, such as sunglasses. The most important brands in the Snowmobile product category are Camso, SnoX and Scott.

Duell's Snowmobile product category is subject to fluctuation due to seasonality and in particular, the volume of snow and the timing of first snow each winter. For example, the low snow volumes in the winter of 2020–2021 adversely affected Duell's snowmobile accessory sales, and sales are usually adversely affected in the following year as well, as dealers are likely to have leftover stock from the previous season that they have not been able to sell. Due to the seasonal nature of the Snowmobile product category, sales in the Snowmobile product category are typically lower in Duell's third and fourth financial quarters. However, the decreased sales during the summer months are partly offset, in turn, by the typically increased sales of Duell's Marine product category during Duell's third and fourth financial quarters.

Sales in the Snowmobile product category are mostly concentrated to Sweden and Finland. However, Duell considers there to be significant sales potential particularly in the northern parts of Norway.

Bicycle Products

With the Tecno Globe Acquisition, Duell's product assortment gained a new Bicycles product category. Duell's Bicycles product category includes electronic equipment for bicycles and e-scooters, such as bicycle global positioning system (GPS) trackers. The most important brands in the Bicycles product category are Garmin, Bryton, Sena, Citybug and Unagi.

Sales in the Bicycles product category are mainly concentrated in France due to, according to Duell, Tecno Globe's strong market position in France.

Marine Products

Duell's Marine product category includes an offering of spare parts, such as navigation systems, anchoring, steering and control cables and water sport equipment, such as jet ski parts and life jackets. The most important brands in the Marine product category are Baltic, Osculati and Jobe.

Duell's Marine product category is also subject to seasonal fluctuation and sales in the Marine product category are typically lower in Duell's first and second financial quarters. However, the decreased sales during the winter months are typically offset, in turn, by the increased sales of Duell's Snowmobile product category during Duell's first and second financial quarters.

Sales in the Marine product category are substantially higher in Finland compared to the other regions in which Duell operates.

Brands

In recent years, Duell's brand portfolio has grown steadily, and as at August 31, 2021, Duell's brand portfolio, including both third-party and own brands, consisted of 291 brands (compared to 238 brands as at August 31, 2020, 216 brands as at August 31, 2019, and 198 brands as at August 31, 2018). Duell's range of more than 290 powersport brands, including the brands gained from the Tecno Globe Acquisition and the IGM Acquisition, accommodate demand for both brands classified by Duell as best brands as well as more affordable brands. For the financial year ended August 31, 2021, Duell's brand portfolio covered 46 percent and 56 percent of the brands deemed relevant in the Onroad MC and Offroad MC market segments, respectively (*source: a third-party study through interviews with market specialists, management, and rider associations*). Duell categorizes the brands in its portfolio into best brands, top brands, transitional brands and own brands.

Duell's third-party brand portfolio includes 55 brands classified by Duell as best brands, such as Alpinestars, Pirelli, Airoh, Oakley, Jobe and Dunlop, some of which Duell has managed to gain exclusivity. Duell also offers a wide range of products from 108 top brands that are lesser-known that often provide exclusivity opportunities. Such brands include, for example, Polisport, Wiseco and Highway Hawk. In addition, Duell offers 109 transitional brands that focus more on the product and less on the brand value. For the financial year ended August 31, 2021, third-party brands accounted for 79 percent of Duell's net sales with 49 percent from brands with which Duell has exclusivity in a region.

In addition to the distribution of third-party brands, Duell's offering includes 19 own brands, including in-house and private label brands. Duell's own motorcycle garment brands Halvarssons and Lindstrands were acquired in 2019 from Jofama

AB. Halvarssons motorcycle garments have a classic design, but also aim to provide comfort and functionality. Halvarssons uses technologies, such as Outlast, TFL Cool System and Dryway to regulate temperatures in its garments and ensure that, for example, even clothing made of black leather absorb no more heat than light-colored materials. Lindstrands motorcycle garments are more technical and weather-resistant with a more sporty appearance with a particular focus on technical and weather-resistant design, which make them ideal for long-distance travel. For the financial year ended August 31, 2021, Halvarssons' and Lindstrands' brand sales amounted to EUR 5,208 thousand in total compared to EUR 2,855 thousand in total for the nine months ended August 31, 2020, illustrating a strong post-acquisition sales development. Duell believes that its own brands, particularly the Halvarssons, Lindstrands and Grand Canyon Bike Wear brands, provide Duell with a platform to further increase its share of wallet amongst its current customer base in addition to being the key in entering new markets and penetrating new customer segments inside home markets by introducing products that are currently not present in the market or are currently covered by other brands to which other distributors hold exclusive rights.

Duell's offering also includes other own brands, including Black Island, Snowpeople, Amog, SnoX, SeaX and TecX, which provide an attractive quality-to-price ratio also enabling new market entries and new customer segment penetration. Duell's own branded products generally have higher margins than third-party branded products due to, for example, large order volumes and direct purchasing from the manufacturer. Direct purchases from the manufacturer eliminate extra costs usually incurred in connection with the distribution of third-party brands. In addition, Duell's position in the Nordics and in the Baltics allows Duell to exert flexibility in setting higher prices for certain own brand products.

For the financial year ended August 31, 2021, 21 percent of Duell's net sales was generated by Duell's own brands, 19 percent for the financial year ended August 31, 2020, and 17 percent for the financial year ended August 31, 2019. Duell also estimates, that the share of its own brands will continue to grow and that they will generate more than 25 percent of net sales in the medium term. Such sales are mainly generated in the Onroad MC, Snowmobile and ATV product categories. For the financial year ended August 31, 2021, 70 percent of Duell's net sales were generated by exclusive brands, including both third-party and own brands.

Value Chain

Overview

As a distributor, Duell operates between brand owners and dealers by sourcing from brand owners' collections and distributing them to dealers that sell the products to end customers that are mostly consumers. Duell also offers products that it procures directly from manufacturers and sells under its own brands to complement its offering. Duell believes that the most important way to bring value to both directions of the value chain (*i.e.*, to both brand owners and dealers) is through economies of scale and quality service to both brand owners and customers. Duell is able to offer its brand portfolio of more than 290 brands consisting of approximately 150,000 SKUs to dealers and, in turn, provide brand owners a reach of almost 7,500 dealers as at the date of this Offering Circular. Economies of scale is enabled by Duell's warehousing capabilities and efficient logistics operations, which allow extensive stock-keeping for brands, which simultaneously ensures availability of products from many brands enabling a one-stop-shop approach towards dealers.

Purchasing and Quality Control

Suppliers and Purchasing

Duell has more than 200 different suppliers that are geographically diversified around the world, and Duell's own brand products are manufactured by third-party suppliers mainly located in Asia. The diversified approach to sourcing allows Duell to cover the full portfolio of brands and products that its customers seek, while retaining control over its relationships with suppliers and optimizing its sourcing across multiple countries. In addition to its primary suppliers, Duell strives to keep optional suppliers in place for its critical product categories to ensure smooth supply in case of any disruptions.

Duell's purchasing functions are mainly operated through its headquarters in Mustasaari, Finland, in order to achieve economies of scale within purchasing, strengthen Duell's bargaining power and simplify control of the supply chain. As at August 31, 2021, Duell had 38 employees that were responsible for the purchasing process. Duell's purchasing operations are led by category managers, who are responsible for product categories. In addition to the purchasing functions in Finland, the category managers are located in Sweden. The category managers operate independently within the centrally negotiated terms and internal budgets by utilizing Duell's inventory management systems. In addition to products purchased from third-party brands, Duell sells products under its own brands that are manufactured by third-party suppliers. Duell's product development, including, among others, market research, selection of raw materials, design, initial testing, CE certification and marketing, is carried out in-house in cooperation with external experts in different fields depending on the type of the product.

Duell has long-standing relationships with most of its suppliers. A need for new suppliers typically arises when Duell decides to expand its product selection with new brands or products or when Duell considers that a certain product or product category is not sufficiently covered in its offering. When selecting its suppliers, Duell considers the market demand, the quality and price of the products, as well as the supplier's ability to deliver products in a timely manner.

For the financial year ended August 31, 2021, 9 percent of Duell's purchases were made from its largest supplier, 36 percent from its top two to 10 largest suppliers and 56 percent from its top 11 to over 300 largest suppliers.

Quality Control and Sustainability

In terms of third-party brands, by using major, known suppliers, Duell benefits from the suppliers' existing requirements regarding quality control, sustainability, working conditions and anti-corruption. For Duell's own brand products, the responsibility for product quality and safety and product approval processes lies with Duell. For example, some of Duell's products are subject to European safety regulations, and as such must be CE certified. Manufacturers have a sole responsibility for declaring conformity with relevant safety regulations and subsequently identifying their products with a CE marking. Duell also uses third-party service providers to review and test new products. Duell's own brand products are manufactured by trusted third-party suppliers that also manufacture some of the third-party brand products included in Duell's product offering.

Duell aims to ensure that both its suppliers and the products it distributes satisfy certain quality, safety and sustainability requirements, but Duell has no centralized quality control, and the quality control in purchasing activities is based on the professional skills of Duell's purchasers, the terms and conditions of the supply agreements and the suppliers' references and other customer relationships, and on how suppliers document their activities and products and whether a supplier is a member of well-known cooperation alliances or organizations for improving ethics and sustainability.

Logistics

Logistics are essential to Duell's business and Duell has the ability to deliver more than 95 percent of its products within 24 hours. Duell is committed to offering its customers the right product at the right time and to the right place. In addition, fast and efficient deliveries enable Duell's customers, in turn, to provide fast and efficient service to their respective customers. Duell supplies products to a network of dealers located in more than 10 countries, including overnight deliveries to Finland, Sweden and parts of Norway.

Duell uses multiple external logistics service providers to execute its deliveries to its customers. Duell has aimed to locate its warehouses strategically in order to best serve dealers in its core markets. As at the date of this Offering Circular, Duell's warehouses are located in Mustasaari, Finland, measuring approximately 10,000 square meters and supplying the Onroad MC products, Offroad MC products, Snowmobile products, ATV products and Marine products particularly to the Finnish, Swedish, Estonian, Latvian, Lithuanian and Russian markets, and in Tranås, Sweden, measuring approximately 5,600 square meters and mainly supplying personal equipment to the Swedish, Norwegian, Danish, United Kingdom and other central and southern European markets in particular, where the main product category sold is Onroad MC personal equipment. Following the IGM Acquisition and the Tecno Globe Acquisition, Duell also has warehouses in Hengelo, Netherlands mostly supplying products to Central Europe as well as in Le Bosc, near Montpellier, France supplying products mainly to France. Duell is also going to expand its warehouse space by approximately 2,000 square meters in Tranås, Sweden, in February 2022. All of Duell's warehouses serve all customers regardless of where they are located, and continuous optimization of the utilization of Duell's warehouses plays an essential role in serving its customers in the best possible way. Thus, some products may only be stored in one warehouse and others in multiple or all of Duell's warehouses. Location of inventory is decided on the basis of warehouse capacity and customer locations. Factors that are taken into account when deciding on the optimal location for the products are available space, location of market demand (*i.e.*, where the products would likely be sold) and where similar or connecting products offered by Duell are located at the time.

In order to serve both offline and online dealers, Duell provides system integrations that enable dropshipping to certain qualified dealers (*i.e.*, allowing dealers to take orders from their own customers without keeping goods in stock themselves), automated processes and orders as well as checking stock availability in real-time. For example, Duell has recently introduced a purchase planning tool, which generates purchase order proposals based on historic data and sales forecasts. In addition, Duell is continuously improving its PIM platform to increase the overall transparency and coverage of product information.

Duell's logistics model aims to reduce the environmental impact of the sector by decreasing individual shipments to dealers by aggregating shipments of products from several brands. According to Duell's estimates, by aggregating the shipments of several brands, it is able to decrease the number of shipments by 10–15 percent compared to direct sales from brands. In addition, Duell has a localized warehouse strategy that enables shorter delivery distances and Duell estimates, that during the past three years it has increased the amount of package sizes it offers by over 50 percent, which has reduced Duell's use of packaging materials.

Sales

Duell's overall sales strategy is to provide dealers a broad and relevant product offering at competitive prices with a one-stop-shop approach, efficient electronic ordering process and stock availability and strategically placed warehouses that enable fast and reliable deliveries. For example, Duell provides business-to-business online stores and system integrations that enable cross-docking, dropshipping, automated processes and orders as well as checking stock availability

in real-time and is continuously improving its PIM platform to increase the overall transparency and coverage of product information that adds value to dealers by, among other things, showing compatibility of spare parts. For the financial year ended August 31, 2021, 89 percent of Duell's product orders were received electronically through self-service portals, such as business-to-business online stores and system integrations (compared to 87 percent and 83 percent for the financial years ended August 31, 2020 and 2019, respectively). In addition, Duell also provides brands and dealers sales and aftersales support. Duell also utilizes market knowledge and customer insights of its sales personnel when developing new products in order to meet the latest market trends.

Duell's sales organization is split by market with one or two sales/country managers per country with one in Finland, two in Sweden (one of whom is also responsible for Norway) and one export manager that is responsible for the rest of Europe. As at the date of this Offering Circular, Duell has 15 sales agents. As at the date of this Offering Circular, Duell's sales offices are located in Mustasaari, Finland, Tranås, Sweden, Kongsvinger, Norway, Fredericia, Denmark, Coalville and Newbury, the United Kingdom, Hengelo, the Netherlands, and Le Bosc, France. In addition, as at August 31, 2021, Duell had a sales force of approximately 60 employees working in 16 countries. Duell's sales representatives have annual sales volume targets, according to which incentives of up to one month's salary are paid, however they do not form a significant portion of Duell's sales representatives' earnings. For more information on Duell's employee incentive schemes, see "*Organization and Personnel*" below. Duell has six showrooms located in Finland, Denmark, Norway, the Netherlands, France and in the United Kingdom.

Marketing

Marketing plays an essential part in being the partner of choice for both dealers and brand owners, and Duell has full-fledged marketing operations that produce content through many channels with an emphasis on the brands it represents. Offline marketing is carried out through magazine advertising, packaging, product manuals and image production, and online marketing by way of various social media channels, such as Facebook, Instagram, YouTube and LinkedIn as well as monthly dealer news. Duell also aims to boost its website traffic and activity by using search engine optimization. In addition, Duell produces product catalogues and arranges activities, such as fairs, events and tours, competitions and utilizes sponsorships, ambassadors and influencers in its marketing.

Customers

As at August 31, 2021, Duell had approximately 7,500 active customers in total, which highlights the highly fragmented Powersports Aftermarket as well as Duell's strong market position. Of Duell's approximately 7,500 active customers as at August 31, 2021, approximately 3,900 dealers were in the Nordics and approximately 530 dealers in the rest of Europe (compared to approximately 3,430 customers in total as at August 31, 2019, of which approximately 3,200 dealers were in the Nordics and approximately 230 dealers were in the rest of Europe) and approximately 3,000 dealers were gained from the Tecno Globe Acquisition.

Duell offers its products across all of its sales channels and believes that while traditional offline dealers currently provide a stable base for sales, online dealers are rapidly growing presenting significant growth opportunities to be leveraged in the future. Duell believes that it is a trustworthy partner for online dealers in the growing online business-to-consumer market as it is able to provide fast and accurate order processing, one-stop-shop approach in product sourcing, broad product inventory, extensive information available of over 150,000 SKUs, dynamic and flexible deliveries, pick-up points and dropshipping availability enabled by system integrations. From its current strategically placed warehouses, Duell works closely with selected online dealers and offers dropshipping for these customers (*i.e.*, allowing online dealers to take orders from their own customers without keeping goods in stock themselves). Duell also aims to effectively support traditional offline customers in making the shift towards the online dealer space in addition to supporting traditional offline dealers by providing local service and knowledge of the market in their local language. While in online sales Duell has minimum impact on sales, quantity and products, offline sales enable Duell to utilize the expertise of its sales representatives who can impact the orders that are made and can emphasize the selling of existing stock. Duell's large stock and fast delivery times accommodate both online and traditional offline customers.

Duell's customer base is diverse and highly fragmented with customers comprising offline dealers (*i.e.*, retail shops, specialty shops, repair shops and powersport manufacturers) and online dealers. Duell does not sell directly to consumers. For the financial year ended August 31, 2021, approximately 74 percent of Duell's net sales was generated by traditional offline dealers, such as Nordic dealers and European dealers, and approximately 26 percent by online dealers. For the financial year ended August 31, 2021, 9 percent of Duell's net sales was generated by its largest customer, 11 percent by its top two to 10 largest customers, 28 percent by its top 11 to 100 largest customers and 52 percent by the rest of its customers.

Duell's offline sales were EUR 56,815 thousand for the financial year ended August 31, 2021, EUR 45,670 thousand for the financial year ended August 31, 2020, and EUR 45,783 thousand for the financial year ended August 31, 2019. Duell's online sales have been experiencing above-market growth. Duell's online sales were EUR 19,941 thousand for the financial

year ended August 31, 2021, EUR 13,762 thousand for the financial year ended August 31, 2020, and EUR 10,296 thousand for the financial year ended August 31, 2019.

Duell's agreements with its customers are typically framework agreements, under which deliveries to customers are made based on purchase orders. Prices under the framework agreements are subject to change and customer price lists are updated to the dealers' self-service portal on Duell's website monthly. Framework agreements with key customers are typically renewed annually. Duell also provides flexible payment terms, which is especially important to smaller dealers.

Information Technology

Duell believes that it has an efficient, integrated and scalable IT infrastructure and applications that support its business and its development covering essential aspects of both its current and future business, such as the Akeneo PIM (product information management) platform, ERP (enterprise planning software), ordering systems, purchase and forecasting tool, online store solution, sales and purchase analytics, inventory management, logistics, human resources, finances and other administrative systems. Duell believes that IT infrastructure is essential in meeting the demands of both traditional offline dealers as well as online dealers with consumers shifting towards online channels for powersports technical and spare parts and personal equipment product purchases. Duell has recently introduced a purchase planning tool, which generates purchase order proposals based on historic data and sales forecasts. In addition, Duell is currently implementing a new Leanware Warehouse Management System ("WMS") that is expected to further improve the efficiency of Duell's warehouse management, fasten product deliveries and strengthen Duell's scalable operations. Furthermore, Duell utilizes salary management solutions and financial reporting tools and protected and backed-up servers. Duell's key IT systems have been sourced from third-party service providers.

Intellectual Property Rights

Duell's registered intellectual property rights include trademarks and domain names. Duell has registered, *inter alia*, the trademarks "Duell," "Bronco" and "Halvarssons" in multiple jurisdictions. In addition, Duell has registered internet domain names, such as "duell.fi," and "duell.se." Duell believes that its registered trademarks are important for its business and Duell invests in retaining and growing the value of its brands. The holder of the majority of the intellectual property rights is Duell Bike-Center. Duell does not have any patents or designs.

Duell has also entered into a license agreement with MIPS AB, according to which Duell has the right to integrate MIPS Technology into its helmets. The purpose of the MIPS technology is to address rotational motion that may otherwise be transferred to the brain following certain impacts.

Group Legal Structure

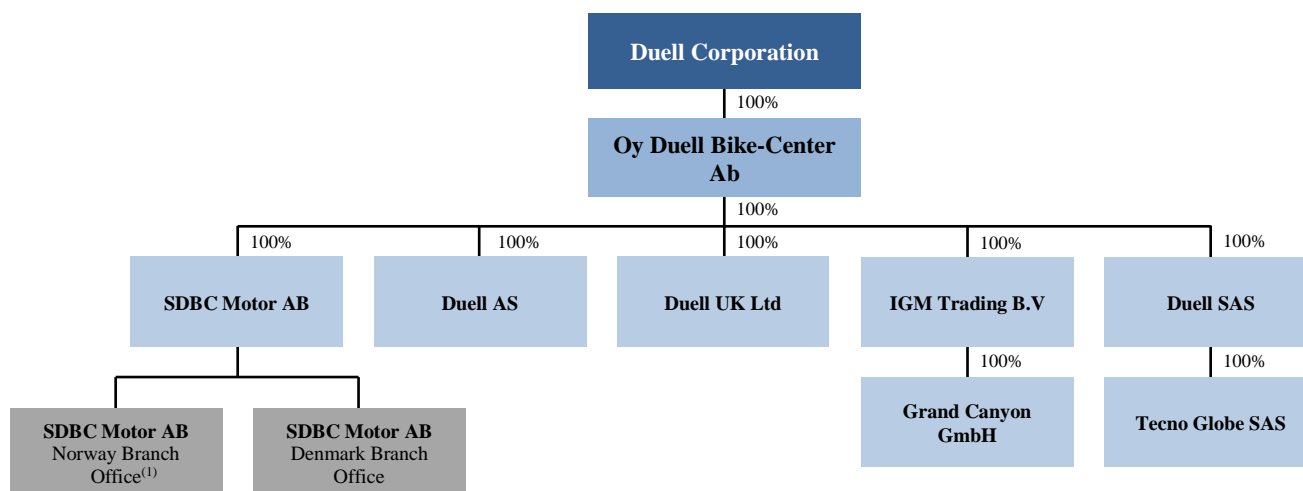
General

The name of the Company is Duell Corporation and it is domiciled in Mustasaari, Finland. Duell is a public limited company incorporated under the laws of Finland. Duell's postal address is Kauppatie 19, FI-65610 Mustasaari, Finland, and its phone number is +358 20 118 000. The Company's business identity code is 2929424-1 and its LEI code is 743700MVGCRZQ2CR8244.

According to Article 3 of the Company's articles of association, its line of business is to either directly or through its subsidiaries or affiliate companies, distribute, market and sell powersports aftermarket products. In addition, the Company may directly and/or through its subsidiaries or affiliate companies purchase, sell, own and manage real property and securities. As the parent company, the Company may attend to the organization, financing and purchases of the group and to other similar common tasks, as well as own real property and shares and carry on securities trading, corporate acquisitions and divestments, and other investment business.

Legal Structure

Duell Corporation is the Group's parent company. The following chart sets forth the Group's legal structure as at the date of this Offering Circular:



(1) As a juridical company has been established in Norway, the existing branch office will be ran down during 2022. No operations in this branch office as at the date of this Offering Circular.

Organization and Personnel

As at August 31, 2021, Duell had a total of 168 employees, of which 46 percent were based in Finland, 22 percent in Sweden, 21 percent in France, 3 percent in Norway and 8 percent in the rest of Europe. There have been no significant changes in the number of employees since August 31, 2021. The Group's personnel primarily work under permanent employment contracts.

In recent years, Duell's number of employees has grown steadily. Duell had an average of 112 full-time employees for the financial year ended August 31, 2021, an average of 93 full-time employees for the financial year ended August 31, 2020, an average of 91 full-time employees for the financial year ended August 31, 2019, an average of 75 full-time employees for the financial year ended August 31, 2018, and an average of 73 full-time employees for the financial year ended August 31, 2017. During the financial year ending on August 31, 2022, Duell estimates that its total number of employees will increase by more than 10 employees, without the impact of M&A transactions.

The following table sets forth the number of Duell's full-time equivalent employees (fixed-term and part-time employees have been converted into full-time equivalent employees by dividing working hours by the average yearly working hours) on average by function for the financial years indicated:

	For the financial year ended August 31,		
	2021	2020	2019
Sales.....	21	15	15
Warehouse and logistics	46	46	47
Products and brands.....	25	16	14
Other ⁽¹⁾	<u>20</u>	<u>16</u>	<u>15</u>
Total.....	<u>112</u>	<u>93</u>	<u>91</u>

(1) Other employees include personnel in the Finance, ICT, Business Support, Marketing and E-Commerce functions.

Duell has established an incentive scheme under which Duell's employees are awarded performance-based cash bonuses in addition to their fixed salary. The objective of the incentive scheme is to incentivize employees to stay engaged and motivate them to improve their performance. In addition, the incentive scheme aims to steer employees to work in a way that supports Duell's growth and competitiveness. Payments under the incentive scheme are discretionary and tied to Duell's profitability. The terms and objectives of the incentive scheme are determined annually by the management team of Duell.

Insurance

Duell believes that Duell and its subsidiaries maintain insurance coverage that reflects the requirements and the size of the group, business and subsidiaries concerned and is consistent with the industry practice. Duell's insurance policies include, among others, property insurance, business interruption insurance, liability insurance, legal expenses insurance, transport insurance, car insurance, occupational accident insurance and travel insurance.

Real Estate and Leases

Duell's headquarters, sales offices and warehouses are located on leased properties. The warehouses in Mustasaari, Finland, and Tranås, Sweden, are leased until December 31, 2023, after which both of the agreements are automatically extended for five years, unless the agreements are terminated 12 months before the end of the first lease term. After the next lease term of five years, the agreements will be valid until further notice. The warehouse in Hengelo, Netherlands is leased until June 1, 2023, with the possibility to extend the agreement for 12 months at a time, and the warehouse in Le Bosc, France is leased until August 4, 2033, with the earliest possible termination as of August 4, 2027.

As at the date of this Offering Circular, Duell's sales offices are located in Mustasaari, Finland, Tranås, Sweden, Kongsvinger, Norway, Fredericia, Denmark, Coalville and Newbury, the United Kingdom, Hengelo, the Netherlands, and Le Bosc, France.

Material Contracts

Except as set forth below, there are no contracts (other than contracts entered into in the ordinary course of business) to which Duell is a party that: (i) are, or may be, material to it and that have been entered into in the two financial years immediately preceding the date of this Offering Circular; or (ii) contain any obligations or entitlements that are, or may be, material to Duell as at the date of this Offering Circular.

Placing Agreement

The Company, the Principal Shareholder, Rite Ventures and the Managers are expected to enter into a placing agreement on or about November 24, 2021, in respect of the Offering (the "**Placing Agreement**"). For additional information, see "*Plan of Distribution—Placing Agreement.*"

IGM Acquisition

On June 15, 2021, Duell Bike-Center entered into a share purchase agreement with Wega Holding B.V. to acquire all the issued and outstanding shares of IGM. The share purchase agreement includes an additional purchase price mechanism tied to net sales, according to which Duell Bike-Center has to pay the sellers an additional purchase price of EUR 250 thousand in January 2022, if IGM's net sales exceeds EUR 4 million for the year ending December 31, 2021, as well as EUR 150 thousand in January 2023, if IGM's net sales exceeds EUR 4.8 million for the year ending December 31, 2022. The possible additional purchase prices will be paid from Duell's cash reserve. IGM is an importer and distributor of motorcycle clothing, helmets and accessories with its own dealer network in the Netherlands and, through its subsidiary, in Germany.

Through the IGM Acquisition, Duell further strengthened its position in Belgium, the Netherlands, Luxembourg and Germany and gained cross-selling potential and over 800 new dealers to its sales network. The IGM Acquisition also provides new growth opportunities for Duell's own brands. Although IGM's online sales penetration levels are lower compared to Duell, through the IGM Acquisition, Duell gained access to one of Europe's largest e-commerce retailers, FC-Moto GmbH & Co. KG. For the year ended December 31, 2020, IGM's net sales were EUR 3.1 million. Upon completion of the IGM Acquisition, IGM's 15 employees became employees of Duell. IGM was consolidated on June 30, 2021, and it has been reported as part of Duell as of July 1, 2021.

Tecno Globe Acquisition

On August 5, 2021, Duell SAS entered into a share purchase agreement with Fabrice Chretien and PT FFC Properties to acquire all the issued and outstanding shares of Tecno Globe. The share purchase agreement includes an additional purchase price mechanism tied to Tecno Globe's profitability for the year ending December 31, 2021, according to which Duell SAS has to pay the sellers an additional purchase price of EUR 500 thousand by the end of May 2022, if Tecno Globe's EBITA exceeds EUR 2.5 million between January 1, 2021, and December 31, 2021. The possible additional purchase prices will be paid from Duell's cash reserve. Tecno Globe is a French business-to-business distributor of approximately 40 brands of high-tech products for motorcycles and bicycles with over 3,000 active customers in France. Both of Tecno Globe's product categories (*i.e.* motorcycles and bicycle components) were similar in size in terms of net sales. Tecno Globe's sales growth in the recent years has been organic, mainly driven by growth in the bicycle component product category, although the motorcycle product category has also demonstrated stable growth. As at the date of this Offering Circular, Tecno Globe sells its products only in France. The French market is large and Duell believes that Tecno Globe's customer channels are strong, albeit its online sales penetration levels are lower than Duell's. However, in addition to providing Duell with access to some of the largest e-commerce retailers in France, the Tecno Globe Acquisition provided further upselling potential to existing customers due to Tecno Globe's limited product offering.

Through the Tecno Globe Acquisition, Duell gained a new product category, Bicycles, and further strengthened its position in the European markets, particularly in France, and gained cross-selling potential. During the financial year ending on August 31, 2022, Duell aims to start cross-selling its own brands and increasing its exposure in new attractive markets and

the growing bicycle components market segment. Duell will also aim to start creating sales synergies mainly from procurement-related cost synergies. During the financial year ending on August 31, 2023, Duell aims to start cross-selling its key bicycle brands in the Nordics, Belgium, the Netherlands and Luxembourg as well as penetrate the French markets with Duell's key brands, for example, by expanding its Onroad MC, Offroad MC and ATV product categories and its brand offering to France. Duell will also aim to reach mid to high-level sales synergies with cost synergies mainly from scale benefits and optimization of selling, general and administrative costs.

For the year ended December 31, 2020, Tecno Globe's net sales were EUR 21,391 thousand. Upon completion of the Tecno Globe Acquisition, Tecno Globe's 35 employees became employees of Duell. For the 12 months ended August 31, 2021, Tecno Globe's net sales were EUR 25,014 thousand, adjusted EBITA was EUR 2,573 thousand and gross margin was EUR 6,563 thousand. See also "*Unaudited Pro Forma Financial Information.*"

Facilities Agreement

On July 29, 2021, Duell entered into a EUR 46.4 million senior term and revolving facilities agreement with Nordea Bank Abp ("**Nordea**") (the "**Facilities Agreement**") for the purposes of financing the Tecno Globe Acquisition and the refinancing of its existing debt. For more information, see "*Operating and Financial Review—Liquidity and Capital Resources.*"

Regulation

Duell must comply with laws and regulations enacted on both national and EU level concerning its operations in relation to matters including health, safety, consumer protection and marketing, general product safety, environment, employment, competition, company law, data protection, international trade and taxation in all of the countries in which Duell pursues business. For example, sales of certain products that Duell distributes are more affected by regulation than others, such as helmets in the clothing market or must-have technical and spare parts that require regular replacements, such as tires.

Legal Proceedings

Duell has no pending governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Duell is aware) which may have, or have had, in the past 12 months, a significant effect on the Company or the financial position or profitability of the Company and/or its subsidiaries.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following tables set forth selected consolidated financial information for the Company as at and for the financial years ended August 31, 2021, 2020 and 2019. The financial information presented below has been derived from the Audited Consolidated Financial Statements prepared in accordance with the Finnish Accounting Standards (FAS). The selected financial information presented herein should be read together with “*Certain Matters—Presentation of Financial Information*,” “*Operating and Financial Review*” and the Audited Consolidated Financial Statements incorporated by reference into this Offering Circular.

	For the financial year ended August 31,		
	2021	2020	2019
	(audited)		
	(EUR in thousands)		
CONSOLIDATED INCOME STATEMENT			
Net sales.....	76,756	59,432	56,080
Other operating income.....	220	210	9
Materials and services.....	(57,781)	(44,845)	(41,741) ⁽¹⁾
Personnel expenses.....	(6,372)	(5,025)	(4,438)
Depreciation and amortization.....	(1,040)	(1,132)	(1,054)
Other operating expenses.....	<u>(4,502)</u>	<u>(4,511)</u>	<u>(4,919)⁽¹⁾</u>
Operating profit.....	7,282	4,129	3,936
Financial income and expenses.....	<u>(2,702)</u>	<u>(1,921)</u>	<u>(1,591)</u>
Profit before appropriations and taxes.....	4,580	2,208	2,345
Income taxes.....	<u>(1,248)</u>	<u>(681)</u>	<u>(550)</u>
Profit for the period.....	<u><u>3,332</u></u>	<u><u>1,527</u></u>	<u><u>1,795</u></u>

- (1) In the Company’s audited consolidated financial statement for the financial year ended August 31, 2020, discounts of EUR 1,574 thousand were reclassified from Other operating expenses to Materials and services for the financial year ended August 31, 2019. The reclassified figures are unaudited.

	As at August 31,		
	2021	2020	2019
	(audited)		
(EUR in thousands)			
CONSOLIDATED STATEMENT OF FINANCIAL POSITION			
Assets			
<i>Fixed assets</i>			
Intangible assets:			
Intangible rights	1,007	1,235	1,338
Other intangible assets	357	232	96
Goodwill	<u>13,516</u>	<u>5,551</u>	<u>6,448</u>
Total intangible assets	14,879	7,019	7,882
Tangible assets:			
Machinery and equipment	608	556	500
Investments:			
Other shares and investments	—	—	29
Total fixed assets	<u>15,487</u>	<u>7,575</u>	<u>8,411</u>
<i>Current assets</i>			
Inventories:			
Goods	34,899	20,436	15,837
Advance payments	<u>2,382</u>	<u>390</u>	<u>3,555</u>
Total inventories	37,281	20,826	19,393
Receivables:			
Long-term receivables:			
Other long-term receivables	118	43	—
Short-term receivables:			
Trade receivables	11,670	6,340	7,049
Loan receivables	—	—	142
Other short-term receivables	80	79	87
Pre-paid expenses and accrued income	<u>1,679</u>	<u>35</u>	<u>552</u>
Total receivables	13,548	6,497	7,831
Cash and cash equivalents	<u>2,815</u>	<u>7,031</u>	<u>3,502</u>
Total current assets	<u>53,643</u>	<u>34,354</u>	<u>30,725</u>
Total assets	<u>69,131</u>	<u>41,929</u>	<u>39,136</u>
Equity and liabilities			
<i>Equity</i>			
<i>Capital and reserves</i>			
Share capital	3	3	3
Other reserves:			
Reserve for invested unrestricted equity	4,310	4,310	4,310
Retained earnings	2,875	1,282	(336)
Profit for the financial year	<u>3,332</u>	<u>1,527</u>	<u>1,795</u>
Total equity	10,520	7,121	5,772
<i>Liabilities</i>			
<i>Non-current liabilities</i>			
Convertible bonds	5,118	9,348	8,540
Loans from financial institutions	32,784	11,525	12,380
Other liabilities	<u>147</u>	<u>3,445</u>	<u>3,250</u>
Total non-current liabilities	38,049	24,318	24,170
<i>Current liabilities</i>			
Loans from financial institutions	3,595	1,875	1,875
Trade liabilities	9,708	2,850	3,536
Deferred tax liabilities	63	64	64
Other current liabilities	3,283	2,742	1,352
Accrued expenses and deferred income	<u>3,913</u>	<u>2,959</u>	<u>2,367</u>
Total current liabilities	<u>20,562</u>	<u>10,489</u>	<u>9,194</u>
Total liabilities	<u>58,611</u>	<u>34,808</u>	<u>33,364</u>
Total equity and liabilities	<u>69,131</u>	<u>41,929</u>	<u>39,136</u>

	As at and for the financial year ended August 31,		
	2021	2020	2019
	(audited) (EUR in thousands)		
CONSOLIDATED STATEMENT OF CASH FLOW DATA			
Net cash flows from operating activities.....	120	4,836	2,916
Net cash flows used in investing activities.....	(15,927)	(486)	(3,162)
Net cash flows from financing activities.....	<u>11,446</u>	<u>(1,250)</u>	<u>(525)</u>
Net change in cash and cash equivalents	(4,216)	3,529	(844)
Net foreign exchange differences.....	144	429	(73)
Cash and cash equivalents as at September 1.....	<u>7,031</u>	<u>3,502</u>	<u>4,346</u>
Cash and cash equivalents as at August 31	<u><u>2,815</u></u>	<u><u>7,031</u></u>	<u><u>3,502</u></u>

	As at and for the financial year ended August 31,		
	2021	2020	2019
	(unaudited, unless otherwise indicated) (EUR in thousands, unless otherwise indicated)		

KEY FIGURES

Net sales ⁽¹⁾	76,756	59,432	56,080
Net sales growth, percent.....	29.2	6.0	19.8
Constant currency net sales growth ⁽²⁾ , percent.....	26.7	6.8	17.9
Organic net sales growth ⁽³⁾ , percent.....	24.1	9.9	15.9
Gross margin ⁽⁴⁾	18,976	14,587	14,338
Gross margin ⁽⁵⁾ , percent.....	24.7	24.5	25.6
EBITDA ⁽⁶⁾	8,322	5,261	4,989
EBITDA margin ⁽⁷⁾ , percent.....	10.8	8.9	8.9
EBITA ⁽⁸⁾	7,711	4,800	4,652
EBITA margin ⁽⁹⁾ , percent.....	10.0	8.1	8.3
Operating profit ⁽¹⁾	7,282	4,129	3,936
Operating profit margin ⁽¹⁰⁾ , percent.....	9.5	6.9	7.0
Items affecting comparability, EBITDA ⁽¹¹⁾	333	439	–
Adjusted EBITDA ⁽¹²⁾	8,655	5,700	4,989
Adjusted EBITDA margin ⁽¹³⁾ , percent.....	11.3	9.6	8.9
Adjusted EBITA ⁽¹⁴⁾	8,044	5,239	4,652
Adjusted EBITA margin ⁽¹⁵⁾ , percent.....	10.5	8.8	8.3
Adjusted operating profit ⁽¹⁶⁾	7,615	4,568	3,936
Adjusted operating profit margin ⁽¹⁷⁾ , percent.....	9.9	7.7	7.0
Full-time equivalent employees ⁽¹⁸⁾	112	93	91
Net cash flows from operating activities ⁽¹⁾	120	4,836	2,916
Operating free cash flows ⁽¹⁹⁾	2,329	5,862	2,897
Cash conversion ⁽²⁰⁾ , percent.....	26.9	102.8	58.1
Investments in tangible and intangible assets excluding brand acquisitions ⁽²¹⁾	(398)	(486)	(335)
Net debt ⁽²²⁾	(38,683)	(19,162)	(22,544)
Net debt to adjusted EBITDA for the last 12 months ⁽²³⁾ , ratio.....	4.5	3.4	4.5
Change in working capital ⁽²⁴⁾	(5,928)	647	(1,757)
Net working capital ⁽²⁵⁾	33,744	18,666	19,904
Capital employed ⁽²⁶⁾	49,202	26,284	28,316
Capital employed excluding goodwill ⁽²⁷⁾	35,687	20,732	21,868
Return on capital employed (ROCE) ⁽²⁸⁾ , percent.....	19.3	15.1	n/a
Adjusted return on capital employed (adjusted ROCE) ⁽²⁹⁾ , percent.....	28.5	24.6	n/a
Equity ratio ⁽³⁰⁾ , percent.....	15.2	17.0	14.7
Return on equity ⁽³¹⁾ , percent.....	37.8	23.7	n/a

(1) Audited.

(2) Constant currency net sales growth, percent = $\frac{\text{Net sales for the period under review translated at fixed foreign exchange rates for the period under review} - \text{Net sales for the preceding period translated at fixed foreign exchange rates for the period under review}}{\text{Net sales from the preceding period translated at fixed foreign exchange rates for the period under review}} \times 100$

Constant currency net sales growth presents the development of Duell's net sales excluding the effect of foreign exchange rate fluctuations.

(3) Organic net sales growth, percent = Change in net sales adjusted for acquisitions, divestments and foreign currency effects.

Organic net sales growth presents the development of Duell's net sales excluding the impact of M&A activities and foreign currency effects.

(4)	Gross margin	= Net sales - Materials and services Gross margin is a measure used to assess Duell's efficiency at using its labor resources and supplies in producing goods and services.
(5)	Gross margin, percent	= $\frac{\text{Gross margin}}{\text{Net sales}} \times 100$ Gross margin is a measure used to assess Duell's efficiency at using its labor resources and supplies in producing goods and services.
(6)	EBITDA	= Operating profit + Depreciation, amortization and impairment EBITDA is an internal measure used to assess Duell's performance.
(7)	EBITDA margin, percent	= $\frac{\text{EBITDA}}{\text{Net sales}} \times 100$ EBITDA margin is an internal measure used to assess Duell's performance.
(8)	EBITA	= Operating profit + Amortization of consolidated goodwill EBITA is an internal measure used to assess Duell's performance.
(9)	EBITA margin, percent	= $\frac{\text{EBITA}}{\text{Net sales}} \times 100$ EBITA margin is an internal measure used to assess Duell's performance.
(10)	Operating profit margin, percent	= $\frac{\text{Operating profit}}{\text{Net sales}} \times 100$ Operating profit margin is an internal measure used to assess Duell's performance.
(11)	Items affecting comparability, EBITDA	= Material items outside the ordinary course of business, including restructuring costs, net gains or losses from sale of business operations or other non-current assets, strategic development projects, external advisory costs related to capital reorganization, impairment charges on non-current assets incurred in connection with restructurings, compensation for damages and transaction costs related to business acquisitions. Items affecting comparability is presented in addition to operating profit and EBITDA to reflect Duell's underlying business performance and to enhance comparability between periods.
(12)	Adjusted EBITDA	= EBITDA - Items affecting comparability Adjusted EBITDA is presented in addition to gross margin, EBITDA, EBITA and operating profit to reflect Duell's underlying business performance and to enhance comparability between periods. Duell believes that these adjusted performance measures provide meaningful supplemental information by excluding items outside normal business, which reduce comparability between periods.
(13)	Adjusted EBITDA margin, percent	= $\frac{\text{Adjusted EBITDA}}{\text{Net sales}} \times 100$ Adjusted EBITDA margin is presented in addition to gross margin, EBITDA, EBITA and operating profit to reflect Duell's underlying business performance and to enhance comparability between periods. Duell believes that these adjusted performance measures provide meaningful supplemental information by excluding items outside normal business, which reduce comparability between periods.
(14)	Adjusted EBITA	= EBITA - Items affecting comparability Adjusted EBITA is presented in addition to gross margin, EBITDA, EBITA and operating profit to reflect Duell's underlying business performance and to enhance comparability between periods. Duell believes that these adjusted performance measures provide meaningful supplemental information by excluding items outside normal business, which reduce comparability between periods.
(15)	Adjusted EBITA margin, percent	= $\frac{\text{Adjusted EBITA}}{\text{Net sales}} \times 100$ Adjusted EBITA margin is presented in addition to gross margin, EBITDA, EBITA and operating profit to reflect Duell's underlying business performance and to enhance comparability between periods. Duell believes that these adjusted performance measures provide meaningful supplemental information by excluding items outside normal business, which reduce comparability between periods.
(16)	Adjusted operating profit	= Operating profit - Items affecting comparability Adjusted operating profit is presented in addition to gross margin, EBITDA, EBITA and operating profit to reflect Duell's underlying business performance and to enhance comparability between periods. Duell believes that these adjusted performance measures provide meaningful supplemental information by excluding items outside normal business, which reduce comparability between periods.

(17)	Adjusted operating profit margin, percent	=	$\frac{\text{Adjusted operating profit}}{\text{Net sales}} \times 100$	<p>Adjusted operating profit margin is presented in addition to gross margin, EBITDA, EBITA and operating profit to reflect Duell's underlying business performance and to enhance comparability between periods. Duell believes that these adjusted performance measures provide meaningful supplemental information by excluding items outside normal business, which reduce comparability between periods.</p>
(18)	Full-time equivalent employees	=	$\text{Average number of full-time employees for the period} + \frac{\text{Total hours worked by temporary and part-time employees for the period}}{\text{Average working hours of a full-time employee for the period}}$	<p>Full-time equivalent employees presents the average number of employees as full-time equivalent employees for the period.</p>
(19)	Operating free cash flows	=	<p>Adjusted EBITDA - Investments in tangible and intangible assets excluding brand acquisitions - Change in working capital</p>	<p>Operating free cash flows is an internal measure providing additional information about the cash flows Duell can generate after the investments in tangible and intangible assets and change in working capital.</p>
(20)	Cash conversion, percent	=	$\frac{\text{Operating free cash flows}}{\text{Adjusted EBITDA}} \times 100$	<p>Cash conversion represents how much cash flows Duell generates compared to its profit. The ratio indicates Duell's capacity to pay dividends and/or generate funds for acquisitions or other transactions.</p>
(21)	Investments in tangible and intangible assets excluding brand acquisitions	=	<p>Investments in tangible and intangible assets - Brand acquisition</p>	<p>Investments in tangible and intangible assets excluding brand acquisitions provides additional information on the cash flow needs of Duell's organic operations and it is used to calculate operating free cash flow.</p>
(22)	Net debt	=	<p>Loans from financial institutions + Convertible bonds + Other liabilities - Cash and cash equivalents</p>	<p>Net debt provides information on the financial stability of Duell.</p>
(23)	Net debt to adjusted EBITDA for the last 12 months, ratio	=	$\frac{\text{Net debt}}{\text{Adjusted EBITDA}}$	<p>Net debt to adjusted EBITDA for the last 12 months provides information on the financial stability of Duell. It helps to show financial risk level and it is a measure used by Duell's management to monitor the level of Duell's indebtedness.</p>
(24)	Change in working capital	=	<p>Change in current assets + Change in short-term receivables + Change in current liabilities</p>	<p>Change in working capital illustrates the change in the amount of money tied to day-to-day operations and it is used to calculate return on capital employed (ROCE).</p>
(25)	Net working capital	=	<p>Inventories + Short-term trade receivables + Loan receivables + Other short-term receivables + Pre-paid expenses and accrued income - Trade liabilities - Deferred tax liabilities - Other current liabilities - Accrued expenses and deferred income</p>	<p>Net working capital is a measure used by Duell's management to monitor the level of net working capital tied to the operations and changes therein.</p>
(26)	Capital employed	=	<p>Total equity + Net debt</p>	<p>Capital employed presents the total investment in Duell's operations and it is used to calculate return on capital employed (ROCE).</p>
(27)	Capital employed excluding goodwill	=	<p>Total equity + Net debt - Consolidated goodwill</p>	<p>Capital employed excluding goodwill presents the total investment in Duell's operations and it is used to calculate adjusted return on capital employed (adjusted ROCE).</p>
(28)	Return on capital employed (ROCE), percent	=	$\frac{\text{Operating profit}}{\text{Average capital employed}} \times 100$	<p>Return on capital employed (ROCE) is an internal measure to evaluate the return on capital employed and to analyze and compare different businesses and opportunities taking into account the capital required.</p>
(29)	Adjusted return on capital employed (adjusted ROCE), percent	=	$\frac{\text{Adjusted EBITA}}{\text{Average capital employed - Goodwill}} \times 100$	<p>Adjusted return on capital employed (adjusted ROCE) is an internal measure to evaluate the return on capital employed and to analyze and compare different businesses and opportunities taking into account the capital required.</p>

(30)	Equity ratio, percent	=	$\frac{\text{Total equity}}{\text{Total assets}} \times 100$
			Equity ratio illustrates the financial risk level and it is a measure used by Duell's management to monitor the level of Duell's capital used in its operations.
(31)	Return on equity, percent	=	$\frac{\text{Profit for the period}}{\text{Total equity (average for the first and last day of the period)}} \times 100$
			Return on equity measures the return generated on shareholders' capital invested in Duell.

Reconciliation of Alternative Performance Measures

The following table sets forth a reconciliation of the Alternative Performance Measures as at the dates and for the financial years indicated:

	As at and for the financial year ended August 31,		
	2021	2020	2019
	(unaudited, unless otherwise indicated) (EUR in thousands, unless otherwise indicated)		
Net sales growth, percent			
Net sales ⁽¹⁾	76,756	59,432	56,080
Net sales growth, percent.....	29.2	6.0	n/a
Constant currency net sales growth, percent			
Net sales ⁽¹⁾	76,756	59,432	56,080
Foreign exchange rate adjustment.....	(297)	916	438
Constant currency net sales.....	<u>76,459</u>	<u>60,347</u>	<u>56,517</u>
Constant currency net sales growth, percent.....	26.7	6.8	17.9
Gross margin			
Net sales ⁽¹⁾	76,756	59,432	56,080
Materials and services.....	(57,781) ⁽¹⁾	(44,845) ⁽¹⁾	(41,741) ⁽²⁾
Gross margin.....	<u>18,976</u>	<u>14,587</u>	<u>14,338</u>
Gross margin, percent.....	24.7	24.5	25.6
EBITDA			
Operating profit ⁽¹⁾	7,282	4,129	3,936
Depreciation, amortization and impairment.....	<u>1,040</u>	<u>1,132</u>	<u>1,054</u>
EBITDA.....	<u>8,322</u>	<u>5,261</u>	<u>4,989</u>
EBITDA margin, percent.....	10.8	8.9	8.9
EBITA			
Operating profit ⁽¹⁾	7,282	4,129	3,936
Amortization of consolidated goodwill.....	<u>430</u>	<u>671</u>	<u>716</u>
EBITA.....	<u>7,711</u>	<u>4,800</u>	<u>4,652</u>
EBITA margin, percent.....	10.0	8.1	8.3
Operating profit			
Operating profit ⁽¹⁾	7,282	4,129	3,936
Operating profit margin, percent.....	9.5	6.9	7.0
Items affecting comparability, EBITDA			
Restructuring-related expenses.....	-	-	-
Cybercrime-related expenses.....	-	439	-
FN Listing-related expenses.....	<u>333</u>	-	-
Items affecting comparability, EBITDA.....	<u>333</u>	<u>439</u>	<u>-</u>
Adjusted EBITDA			
Operating profit ⁽¹⁾	7,282	4,129	3,936
Depreciation, amortizations and impairment.....	1,040	1,132	1,054
Items affecting comparability, EBITDA.....	<u>333</u>	<u>439</u>	<u>-</u>
Adjusted EBITDA.....	<u>8,655</u>	<u>5,700</u>	<u>4,989</u>
Adjusted EBITDA margin, percent.....	11.3	9.6	8.9
Adjusted EBITA			
Operating profit ⁽¹⁾	7,282	4,129	3,936
Amortization of consolidated goodwill.....	430	671	716
Items affecting comparability, EBITA.....	<u>333</u>	<u>439</u>	<u>-</u>
Adjusted EBITA.....	<u>8,044</u>	<u>5,239</u>	<u>4,652</u>
Adjusted EBITA margin, percent.....	10.5	8.8	8.3

	As at and for the financial year ended August 31,		
	2021	2020	2019
	(unaudited, unless otherwise indicated) (EUR in thousands, unless otherwise indicated)		
Adjusted operating profit			
Operating profit ⁽¹⁾	7,282	4,129	3,936
Items affecting comparability, EBITDA	333	439	–
Adjusted operating profit	<u>7,615</u>	<u>4,568</u>	<u>3,936</u>
Adjusted operating profit margin, percent	9.9	7.7	7.0
Operating free cash flows			
Adjusted EBITDA	8,655	5,700	4,989
Investments in tangible and intangible assets excluding brand acquisitions	(398)	(486)	(335)
Change in working capital	<u>(5,928)</u>	<u>647</u>	<u>(1,757)</u>
Operating free cash flows	<u>2,329</u>	<u>5,862</u>	<u>2,897</u>
Cash conversion, percent			
Operating free cash flows	2,329	5,862	2,897
Adjusted EBITDA	8,655	5,700	4,989
Cash conversion, percent	26.9	102.8	58.1
Investments in tangible and intangible assets excluding brand acquisitions			
Investments in tangible and intangible assets	(398)	(486)	(1,627)
Brand acquisitions	–	–	1,292
Investments in tangible and intangible assets excluding brand acquisitions	<u>(398)</u>	<u>(486)</u>	<u>(335)</u>
Net debt			
Loans from financial institutions ⁽¹⁾	(36,379)	(13,400)	(14,255)
Convertible bonds ⁽¹⁾	(5,118)	(9,348)	(8,540)
Other liabilities ⁽¹⁾	0	(3,445)	(3,250)
Cash and cash equivalents ⁽¹⁾	<u>2,815</u>	<u>7,031</u>	<u>3,502</u>
Net debt	<u>(38,683)</u>	<u>(19,162)</u>	<u>(22,544)</u>
Net debt to adjusted EBITDA for the last 12 months, ratio			
Net debt	(38,683)	(19,162)	(22,544)
Adjusted EBITDA	8,655	5,700	4,989
Net debt to adjusted EBITDA for the last 12 months, ratio	4.5	3.4	4.5
Change in working capital			
Change in current assets	(6,169)	(1,433)	(3,513)
Change in short-term receivables	(3,146)	1,633	(264)
Change in current liabilities	<u>3,388</u>	<u>447</u>	<u>2,019</u>
Change in working capital	<u>(5,928)</u>	<u>647</u>	<u>(1,757)</u>
Net working capital			
Inventories	37,281	20,826	19,393
Short-term trade receivables	11,670	6,340	7,049
Loan receivables	–	–	142
Other short-term receivables	80	79	87
Pre-paid expenses and accrued income	1,679	35	552
Trade liabilities	(9,708)	(2,850)	(3,536)
Deferred tax liabilities	(63)	(64)	(64)
Other current liabilities	(3,283)	(2,742)	(1,352)
Accrued expenses and deferred income	<u>(3,913)</u>	<u>(2,959)</u>	<u>(2,367)</u>
Net working capital	<u>33,744</u>	<u>18,666</u>	<u>19,904</u>
Capital employed			
Total equity	10,520	7,121	5,772
Net debt	<u>38,683</u>	<u>19,162</u>	<u>22,544</u>
Capital employed	<u>49,202</u>	<u>26,284</u>	<u>28,316</u>
Capital employed excluding goodwill			
Total equity ⁽¹⁾	10,520	7,121	5,772
Net debt	38,683	19,162	22,544
Consolidated goodwill ⁽¹⁾	<u>(13,516)</u>	<u>(5,551)</u>	<u>(6,448)</u>
Capital employed excluding goodwill	<u>35,687</u>	<u>20,732</u>	<u>21,868</u>
Return on capital employed (ROCE), percent			
Operating profit ⁽¹⁾	7,282	4,129	3,936
Average capital employed	37,743	27,300	n/a
Return on capital employed (ROCE), percent	19.3	15.1	n/a

	As at and for the financial year ended August 31,		
	2021	2020	2019
	(unaudited, unless otherwise indicated) (EUR in thousands, unless otherwise indicated)		
Adjusted return on capital employed (adjusted ROCE), percent			
Adjusted EBITA	8,044	5,239	4,652
Average capital employed excluding goodwill	28,210	21,300	n/a
Adjusted return on capital employed (adjusted ROCE), percent	28.5	24.6	n/a
Equity ratio, percent			
Total equity ⁽¹⁾	10,520	7,121	5,772
Total assets ⁽¹⁾	69,131	41,929	39,136
Equity ratio, percent	15.2	17.0	14.7
Return on equity, percent			
Profit for the period ⁽¹⁾	3,332	1,527	1,795
Total equity (average for the first and last day of the period)	8,820	6,447	n/a
Return on equity, percent	37.8	23.7	n/a

(1) Audited.

(2) In the Company's audited consolidated financial statement for the financial year ended August 31, 2020, discounts of EUR 1,574 thousand were reclassified from Other operating expenses to Materials and services for the financial year ended August 31, 2019. The reclassified figures are unaudited.

For additional information on Alternative Performance Measures, see "*Certain Matters—Presentation of Financial Information.*"

UNAUDITED PRO FORMA FINANCIAL INFORMATION

Basis of Compilation

General

The following table contains unaudited combined pro forma financial information (the “**Unaudited Pro Forma Financial Information**”) for the financial year ended August 31, 2021. The Unaudited Pro Forma Financial Information is presented for illustrative purposes only to give effect to the acquisition of Tecno Globe SAS (“**Tecno Globe**” and the “**Tecno Globe Acquisition**”) completed on August 5, 2021 and its financing to Duell’s historical financial information. The Tecno Globe Acquisition is presented in the unaudited combined pro forma income statement for the financial year ended August 31, 2021 as if the acquisition had been completed on September 1, 2020. The acquiree of Tecno Globe has been included in Duell’s audited consolidated balance sheet as at August 31, 2021. Thus, Duell does not present combined pro forma balance sheet as at August 31, 2021.

The Unaudited Pro Forma Financial Information is presented for illustrative purpose only. The hypothetical financial results included in the Unaudited Pro Forma Financial Information may differ from Duell’s actual financial results. The Unaudited Pro Forma Financial Information does not purport to project any future financial results of Duell. The Unaudited Pro Forma Financial Information does not reflect any cost savings, synergy benefits or future integration costs that are expected to be generated or may be incurred as the result of the Tecno Globe Acquisition.

The Unaudited Pro Forma Financial Information has been compiled in accordance with the Annex 20 to the Commission Delegated Regulation (EU) 2019/980, as amended, and the accounting policies applied in Duell’s consolidated financial statements for the financial year ended August 31, 2021 that has been prepared in accordance with the Finnish Accounting Standards (FAS). The Tecno Globe Acquisition has been accounted for with the acquisition method in the Duell’s consolidated financial statements in accordance with FAS.

Basis of Preparation

The Unaudited Pro Forma Financial Information includes pro forma adjustments and these adjustments are based on available information and certain assumptions that the management of Duell believes are reasonable under the circumstances. The Unaudited Pro Forma Financial Information is presented for illustrative purpose only and, according to the nature of pro formas, the Unaudited Pro Forma Financial Information addresses a hypothetical situation and is not necessarily indicative of what the financial results actually would have been had the Tecno Globe Acquisition been completed on the date indicated.

Adjustments have been made to the historical financial information for the preparation of the Unaudited Pro Forma Financial Information that give effect to events that are directly attributable to the Tecno Globe Acquisition and are factually supportable. The pro forma adjustments include certain adjustments, described in the notes of the Unaudited Pro Forma Financial Information, related to the alignment of the accounting policies applied in the consolidated financial statements and re-allocations related to presentation.

All amounts in the Unaudited Pro Forma Financial Information are presented in thousands of euros unless otherwise indicated and are rounded. Accordingly, in certain instances, the sum of the figures in a column or a row in tables may not conform exactly to the total figure given for that column or row.

Historical Financial Information

The Unaudited Pro Forma Financial Information has been derived from the following financial information:

- Duell’s audited consolidated financial statements for the financial year ended August 31, 2021 that are incorporated by reference into this Offering Circular;
- Unaudited historical management report for financial information for the period of September 1–December 31, 2020 of Tecno Globe, provided by the seller of Tecno Globe;
- Tecno Globe’s audited financial statements for the period of January 1–August 31, 2021 prepared according to French Accounting Standards.

Other Minor Acquisitions

Duell completed the acquisition of IGM Trading B.V. and its fully owned subsidiary Grand Canyon GmbH (together “**IGM**”) on June 15, 2021. For more information about the acquisition, see “*Business—Material Contracts—IGM Acquisition*”. As the acquisition of IGM had no material impact on the financial results of Duell, the Unaudited Pro Forma Financial Information does not contain the pro forma effect of the acquisition of IGM as if the acquisition had taken place as at September 1, 2020.

Other Considerations

Independent auditor's assurance report on the compilation of the pro forma financial information included in this Offering Circular is attached to this Offering Circular as Annex C.

Unaudited Combined Pro Forma Income Statement for the Financial Year Ended August 31, 2021

	For the financial year ended August 31, 2021				Duell pro forma
	Duell historical (audited)	Tecno Globe reclassified (note 1)	Alignment of accounting policies (note 2) (unaudited)	Pro forma adjustments (note 3)	
Net sales	76,756	25,014	–	–	101,770
Other operating income	220	76	–	–	296
Materials and services	(57,781)	(18,450)	–	–	(76,231)
Personnel expenses	(6,372)	(2,640)	(27)	–	(9,039)
Depreciation and amortization	(1,040)	(60)	–	(866)	(1,966)
Other operating expenses	(4,502)	(1,319)	(20)	–	(5,841)
Operating profit	7,282	2,621	(47)	(866)	8,989
Financial income and expenses	(2,702)	(26)	–	(425)	(3,153)
Profit before appropriations and taxes	4,580	2,594	(47)	(1,291)	5,836
Income taxes	(1,248)	(753)	13	85	(1,903)
Profit for the period	<u>3,332</u>	<u>1,842</u>	<u>(35)</u>	<u>(1,206)</u>	<u>3,933</u>

Notes to the Unaudited Pro Forma Financial Information

The following adjustments will have a continuing impact on the Company's results, unless otherwise indicated. The notes to the Unaudited Pro Forma Financial Information are unaudited.

Note 1 – Reclassifications Related to Presentation

The historical income statement information of Tecno Globe has been derived from the unaudited historical management report for financial information for the period of September 1–December 31, 2020, provided by the seller, and the financial statements for the period of January 1–August 31, 2021 prepared according to French Accounting Standards. Presentation of Tecno Globe's historical income statements both in the financial statements and the management report differs from the presentation of the income statement in Duell's consolidated financial statements prepared according to FAS. Certain items have been reclassified to align Tecno Globe's income statement items with the presentation applied by Duell. The reclassifications have no impact on financial results.

	Note	September 1–December 31, 2020			January 1–August 31, 2021			For the financial year ended August 31, 2021
		Tecno Globe historical	Reclassifications	Tecno Globe reclassified	Tecno Globe historical	Reclassifications	Tecno Globe reclassified	Tecno Globe reclassified
			(unaudited)		(audited)	(unaudited)		
		(EUR in thousands)						
Net sales	1a	7,646	–	7,646	17,382	(15)	17,368	25,014
Other operating income	1g, 1i	–	31	31	–	45	45	76
Operating grants	1i	12	(12)	–	9	(9)	–	–
Reversals of amortization and provisions and transfer of charges	1b	82	(82)	–	27	(27)	–	–
Other income	1i	19	(19)	–	11	(11)	–	–
Materials and services	1b, 1c, 1d, 1e, 1f	(5,280)	(325)	(5,605)	(11,961)	(884)	(12,845)	(18,450)
Personnel expenses	1b	(824)	9	(815)	(1,842)	17	(1,825)	(2,640)
Depreciation and amortization	1h	(26)	–	(26)	(14)	(20)	(34)	(60)
Write-off of current assets	1c	–	–	–	(102)	102	–	–
Other operating expenses	1b, 1c, 1d, 1e, 1f, 1h, 1j	–	(405)	(405)	–	(914)	(914)	(1,319)
Other purchases and external expenses	1d	(708)	708	–	(1,527)	1,527	–	–
Other taxes and payments	1e	(92)	92	–	(202)	202	–	–
Other expenses	1j	(3)	3	–	(13)	13	–	–
Operating profit		827	–	827	1,767	27	1,794	2,621
Financial income and expenses	1a, 1f	(9)	–	(9)	10	(27)	(17)	(26)
Profit before appropriations and taxes		817	–	817	1,777	–	1,777	2,594
Extraordinary income	1g	–	–	–	26	(26)	–	–
Extraordinary expenses	1h	–	–	–	(26)	26	–	–
Income taxes		(229)	–	(229)	(524)	–	(524)	(753)
Profit for the period		<u>589</u>	–	<u>589</u>	<u>1,253</u>	–	<u>1,253</u>	<u>1,842</u>

- (1a) Sales related discounts of EUR 15 thousand in the period of January 1–August 31, 2021 have been reclassified from Financial income and expenses to Net sales.
- (1b) From Reversals of amortization and provisions and transfer of charges (i) compensation for sick leave wages and offset account of fringe benefits of EUR 9 thousand in the period of September 1–December 31, 2020 and EUR 17 thousand in the period of January 1–August 31, 2021 have been transferred to Personnel expenses and (ii) reversal of impairments of EUR 23 thousand in the period of September 1–December 31, 2020 and EUR 10 thousand in the period of January 1–August 31, 2021 have been transferred to Materials and services and (iii) accruals in previous periods of EUR 49 thousand in the period of September 1–December 31, 2020 have been transferred to Other operating expenses.
- (1c) From Write-off of current assets an impairment of inventories of EUR 95 thousand in the period of January 1–August 31, 2021 has been transferred to Materials and services and an impairment of trade receivables of EUR 7 thousand in the period of January 1–August 31, 2021 has been transferred to Other operating expenses.
- (1d) From Other purchases and external expenses freight costs of EUR 108 thousand in the period of September 1–December 31, 2020 and EUR 226 thousand in the period of January 1–August 31, 2021 and subcontracting expenses of EUR 198 thousand in the period of September 1–December 31, 2020 and EUR 508 thousand in the period of January 1–August 31, 2021 have been transferred to Materials and services, as well as EUR 401 thousand in the period of September 1–December 31, 2020 and EUR 792 thousand in the period of January 1–August 31, 2021 have been transferred to Other operating expenses.
- (1e) From Other taxes and payments import duties of EUR 42 thousand in the period of September 1–December 31, 2020 and EUR 105 thousand in the period of January 1–August 31, 2021 have been transferred to Materials and services and EUR 50 thousand in the period of September 1–December 31, 2020 and EUR 96 thousand in the period of January 1–August 31, 2021 have been transferred to Other operating expenses.
- (1f) From Financial income and expenses annual rebates received of EUR 113 thousand, and costs of hedging of purchases in foreign currencies of EUR 72 thousand in the period of January 1–August 31, 2021 have been transferred to Materials and services.
- (1g) Reversals of accruals and extraordinary income of EUR 26 thousand in the period of January 1–August 31, 2021, presented in Extraordinary income, have been transferred to Other operating expenses.
- (1h) Impairment of tangible assets of EUR 20 thousand in the period of January 1–August 31, 2021, presented in Extraordinary expenses, has been transferred to Depreciation and amortization, and donations of EUR 6 thousand in the period of January 1–August 31, 2021, presented in Extraordinary expenses, has been transferred to Other operating expenses.
- (1i) Other income of EUR 19 thousand in the period of September 1–December 31, 2020 and EUR 11 thousand in the period of January 1–August 31, 2021 as well as Operating grants of EUR 12 thousand in the period of September 1–December 31, 2020 and EUR 9 thousand in the period of January 1–August 31, 2021 have been transferred to Other operating income.
- (1j) Other expenses of EUR 3 thousand in the period of September 1–December 31, 2020 and EUR 13 thousand in the period of January 1–August 31, 2021 have been transferred to Other operating expenses.

Note 2 – Alignment of Accounting Policies

- (2a) An additional non-continuing write-off of EUR 20 thousand for Trade receivables was recognized in Other operating expenses. The adjustment increased Other operating expenses by EUR 20 thousand and decreased Income taxes by EUR 5 thousand. The adjustment to Income taxes was calculated by using the imputed tax rate of 26.5 percent.
- (2b) Historically pension obligations have been presented as an off-balance sheet item by Tecno Globe. The change in the pension obligation during the financial year was recognized in Personnel expenses in the unaudited combined pro forma income statement. The adjustment increased Personnel expenses by EUR 27 thousand and decreased Income taxes by EUR 7 thousand. The adjustment to Income taxes was calculated by using the imputed tax rate of 26.5 percent.

Note 3 – Pro Forma Adjustments

- (3a) On August 5, 2021 Duell withdrew a loan to finance the Tecno Globe Acquisition. In the unaudited combined pro forma income statement the interest expenses arising from the loan to finance the Tecno Globe Acquisition have been recognized as if the loan had been withdrawn on September 1, 2020. The adjustment increased interest expenses presented under Financial income and expenses by EUR 425 thousand and decreased Income taxes by

EUR 85 thousand. The adjustment to Income taxes was calculated by using the Finnish corporate tax rate of 20.0 percent.

- (3b) The consolidated goodwill arisen from the Tecno Globe Acquisition has been amortized in the unaudited combined pro forma income statement as if the acquisition had been completed on September 1, 2020. The adjustment increased Depreciation and amortization by EUR 866 thousand. The consolidated goodwill is amortized over 10 years with the straight-line method.

Note 4 – Unaudited Additional Pro Forma Information

As additional information Duell presents certain Pro Forma Performance Measures (the “**Pro Forma Performance Measures**”) to illustrate the impact of the Tecno Globe Acquisition and the financing thereof as if the acquisition had taken place as at September 1, 2020. These Pro Forma Performance Measures are Pro forma EBITDA, Pro forma EBITDA margin, Pro forma adjusted EBITDA, Pro forma adjusted EBITDA margin, Pro forma EBITA, Pro forma EBITA margin, Pro forma adjusted EBITA, Pro forma adjusted EBITA margin, Pro forma operating profit margin, Pro forma gross margin and Pro forma gross margin, percent.

The Pro Forma Performance Measures should not be viewed in isolation or as a substitute to the financial measures determined in FAS. All companies do not calculate pro forma performance measures in a uniform way, thus the Pro Forma Performance Measures may not necessarily be comparable with similarly named measures presented by other companies.

The following table sets forth the Pro Forma Performance Measures for the financial year ended August 31, 2021:

	For the financial year ended August 31, 2021
	(unaudited) (EUR in thousands, unless otherwise indicated)
Pro Forma Performance Measures	
Pro forma EBITDA ⁽¹⁾	10,955
Pro forma EBITDA margin, percent ⁽²⁾	10.8
Pro forma adjusted EBITDA ⁽³⁾	11,288
Pro forma adjusted EBITDA margin, percent ⁽⁴⁾	11.1
Pro forma EBITA ⁽⁵⁾⁽⁶⁾	10,285
Pro forma EBITA margin, percent ⁽⁷⁾	10.1
Pro forma adjusted EBITA ⁽⁸⁾	10,618
Pro forma adjusted EBITA margin, percent ⁽⁹⁾	10.4
Pro forma operating profit.....	8,989
Pro forma operating profit margin, percent ⁽¹⁰⁾	8.8
Pro forma gross margin ⁽¹¹⁾	25,539
Pro forma gross margin, percent ⁽¹²⁾	25.1

- (1) Pro forma EBITDA = Pro forma operating profit + Pro forma depreciation and amortization
Pro forma EBITDA is an internal measure used to assess Duell’s performance.
- (2) Pro forma EBITDA margin, percent = $\frac{\text{Pro forma EBITDA}}{\text{Pro forma net sales}} \times 100$
Pro forma EBITDA margin is an internal measure used to assess Duell’s performance.
- (3) Pro forma adjusted EBITDA = Pro forma operating profit + Pro forma depreciation and amortization - Items affecting comparability
Pro forma adjusted EBITDA is an internal measure used to assess Duell’s performance.
- (4) Pro forma adjusted EBITDA margin, percent = $\frac{\text{Pro forma adjusted EBITDA}}{\text{Pro forma net sales}} \times 100$
Pro forma EBITDA margin is an internal measure used to assess Duell’s performance.
- (5) Amortization of consolidated goodwill was EUR 1,296 thousand.
- (6) Pro forma EBITA = Pro forma operating profit + Pro forma amortization of consolidated goodwill
Pro forma EBITA is an internal measure used to assess Duell’s performance.

(7)	Pro forma EBITA margin, percent	=	$\frac{\text{Pro forma EBITA}}{\text{Pro forma net sales}} \times 100$
			Pro forma EBITA margin is an internal measure used to assess Duell's performance.
(8)	Pro forma adjusted EBITA	=	Pro forma operating profit + Pro forma amortization of consolidated goodwill - Items affecting comparability
			Pro forma adjusted EBITA is an internal measure used to assess Duell's performance.
(9)	Pro forma adjusted EBITA margin, percent	=	$\frac{\text{Pro forma adjusted EBITA}}{\text{Pro forma net sales}} \times 100$
			Pro forma adjusted EBITA margin is an internal measure used to assess Duell's performance.
(10)	Pro forma operating profit margin, percent	=	$\frac{\text{Pro forma operating profit}}{\text{Pro forma net sales}} \times 100$
			Pro forma operating profit margin is an internal measure used to assess Duell's performance.
(11)	Pro forma gross margin	=	Pro forma net sales - Pro forma materials and services
			Pro forma gross margin is a measure used to assess Duell's efficiency at using its labor resources and supplies in producing goods and services.
(12)	Pro forma gross margin, percent	=	$\frac{\text{Pro forma gross margin}}{\text{Pro forma net sales}} \times 100$
			Pro forma gross margin is a measure used to assess Duell's efficiency at using its labor resources and supplies in producing goods and services.

Reconciliation of Pro Forma Performance Measures

The following table sets forth a reconciliation of the Pro Forma Performance Measures for the financial year ended August 31, 2021:

	For the financial year ended August 31, 2021 (unaudited) (EUR in thousands, unless otherwise indicated)
Pro forma gross margin	
Pro forma net sales.....	101,770
Pro forma materials and services	<u>(76,231)</u>
Pro forma gross margin.....	<u>25,539</u>
Items affecting comparability, EBITDA	
FN Listing related expenses.....	<u>333</u>
Items affecting comparability, EBITDA.....	<u>333</u>
Pro forma adjusted EBITDA	
Pro forma operating profit	8,989
Pro forma depreciation and amortization.....	1,966
Items affecting comparability, EBITDA.....	<u>333</u>
Pro forma adjusted EBITDA.....	<u>11,288</u>
Pro forma adjusted EBITA	
Pro forma operating profit	8,989
Pro forma amortization of consolidated goodwill.....	1,296
Items affecting comparability, EBITA.....	<u>333</u>
Pro forma adjusted EBITA	<u>10,618</u>

OPERATING AND FINANCIAL REVIEW

The following discussion of Duell's financial condition and results of operations should be read together with the Audited Consolidated Financial Statements and the information relating to Duell's business included elsewhere in this Offering Circular. For information on the basis of preparation of the Audited Consolidated Financial Statements, see "Certain Matters—Presentation of Financial Information."

The following discussion includes forward-looking statements that reflect the current view of Duell's management and involve inherent risks and uncertainties. Duell's actual results of operations or financial condition could differ materially from those contained in such forward-looking statements as a result of many factors discussed below and elsewhere in this Offering Circular, particularly in "Risk Factors." See "Certain Matters—Special Cautionary Notice Regarding Forward-looking Statements."

Overview

Duell is a leading Powersports Aftermarket distributor in the Nordics with a rapidly growing presence in the rest of Europe. Duell's offering covers motorcycle, ATV (all-terrain vehicle), snowmobile, bicycle and marine products, including technical and spare parts and personal equipment (for example clothing and accessories), to dealers across several markets in Europe. Duell offers a broad assortment of products across all of its sales channels for four seasons through its six product categories comprising Onroad MC products, Offroad MC products, ATV products, Snowmobile products, Bicycle products and Marine products. Onroad MC and Offroad MC are Duell's largest product categories, which in aggregate accounted for the majority of Duell's net sales for the financial year ended August 31, 2021.

Duell's goal is to distribute the world's best known, quality powersport brands at competitive prices and in a timely manner. Duell is able to offer its brand portfolio of more than 290 brands consisting of approximately 150,000 SKUs to dealers enabling a one-stop-shop approach and, in turn, provide brand owners a reach of almost 7,500 dealers as at the date of this Offering Circular. In addition to its organic growth, Duell's current position in the European Powersports Aftermarket within the onroad motorcycle, offroad motorcycle, ATV and snowmobile market segments as well as bicycle market segment has strengthened through M&A, and Duell aims to actively participate in the consolidation of the fragmented European market.

For the financial year ended August 31, 2021, Duell's net sales were EUR 76,756 thousand, its operating profit was EUR 7,282 thousand and its adjusted EBITA was EUR 8,044 thousand. As at August 31, 2021, Duell had a total of 168 employees, of which 46 percent were based in Finland, 22 percent in Sweden, 21 percent in France, 3 percent in Norway and 8 percent in the rest of Europe.

The following table sets forth Duell's net sales by geography for the financial years indicated:

	For the financial year ended August 31,		
	2021	2020	2019
	(unaudited, unless otherwise indicated)		
	(EUR in thousands)		
Nordics ⁽¹⁾	63,365	51,288	46,879
Rest of Europe ⁽²⁾	13,478	7,554	6,274
Adjustments ⁽³⁾	<u>(87)</u>	<u>589</u>	<u>2,927</u>
Total ⁽⁴⁾	<u>76,756</u>	<u>59,432</u>	<u>56,080</u>

(1) Within the Nordics, Finland and Sweden have historically been approximately the same size in terms of net sales. Net sales in Finland and Sweden have historically been significantly higher compared to Norway and Denmark, while net sales in Norway have historically been significantly higher compared to Denmark.

(2) The majority of the net sales of the rest of Europe comprises net sales from the Baltics, Poland and the Netherlands.

(3) Adjustments include cash discounts, stock-taking impacts, foreign exchange rate differences and other accounting items. The adjustments for the financial year ended August 31, 2019, were primarily attributable to the divestment of Duell's skiing business.

(4) Audited.

Key Factors Affecting Results of Operations

Overview

Duell's results of operations have been, and are expected to continue to be, affected by a number of internal and external factors, some of which are beyond Duell's control. During the periods presented in the following discussion and analysis, the following key factors have affected, and may continue to affect, Duell's results of operations:

- demand for Duell's products;
- product mix;
- cost base;

- M&A transactions;
- seasonality;
- interest costs of financing;
- currency exchange rate fluctuations; and
- goodwill.

However, Duell's past performance may not be indicative of its future results of operations and investors should also consider risks and uncertainties discussed in "*Risk Factors*" that may affect Duell's results of operations.

In addition to the factors discussed below, Duell's business has been affected by the COVID-19 pandemic. For example, the spread of the COVID-19 has caused disruption in the production operations of several of Duell's suppliers due to lockdowns, quarantines, labor shortages and supply chain interruptions, and Duell's suppliers have been unable to maintain production levels to meet demand, which has caused delays in the availability of products for Duell during 2020 and 2021. The COVID-19 pandemic has also had adverse effects on Duell's logistics. As the COVID-19 pandemic spread, problems emerged in the availability of maritime freight causing material price increases, which also resulted in delays in the delivery and availability of products as well as increased transportation costs. As at the date of this Offering Circular, the COVID-19 pandemic continues to cause uncertainty in the business environment in which Duell operates and it may have an adverse effect on Duell's business, financial position, and/or results of operations also during the current financial year and possibly even longer.

Demand for Duell's Products

Duell derives its net sales from sales of motorcycle, ATV, snowmobile, bicycle and marine products, including technical and spare parts and personal equipment, such as clothing and accessories. For the financial year ended August 31, 2021, 63 percent of Duell's net sales were generated by the technical and spare parts market and 37 percent by the personal equipment market. As a distributor, Duell operates between brand owners and dealers by sourcing from brand owners' collections and distributing them to dealers that sell the products to end customers, most of which are consumers. Duell's business is dependent on the size of total fleet and level of usage of motorcycles, boats and PWCs, snowmobiles and ATVs in these regions as well as end customers' ability and willingness to pay for related technical and spare parts and personal equipment, such as clothing and accessories. As the products that Duell distributes are generally discretionary items, the demand for such products may vary in line with the general economic conditions and other macro trends in the countries in which end customers are located as well as globally.

Duell's sales have grown constantly over the past decade. Over the periods under review, its net sales grew 6 percent between the financial year ended August 31, 2019, and the financial year ended August 31, 2020, and 29 percent between the financial year ended August 31, 2020, and the financial year ended August 31, 2021. Duell's growth in recent years has been higher than the growth of the underlying Duell's main addressable market within the European Powersports Aftermarket. The growth in Duell's net sales has been mainly attributable to gaining new brands to its brand portfolio, existing market shares as well new market entries and less on price development of the products it sells. The sales volume growth has been derived from new customer acquisition in both existing and new geographic markets and also increased sales to existing customers. Duell has also entered new markets either organically or by acquiring companies. In the Nordics and in the Baltics, Duell has fewer opportunities to add new customers than in the rest of Europe due to its established presence and broad customer base. In particular, the strong growth in Sweden and Norway was driven by increased sales to existing customers, whereas the growth in rest of Europe was mainly attributable to sales to new customers.

The main drivers for the volume growth have been, and are expected by Duell to continue to be, the attractiveness of Duell's product assortment, including the increasingly growing share of its own brands, and its ability to broaden its brand portfolio and offer a portfolio of exclusive brands as well as Duell's geographical expansion, entry into new markets and M&A transactions. Duell's European expansion started only a few years ago in 2019 when it developed a go-to-market strategy for markets outside the Nordics, and has since built strong relationships with both its suppliers and customers and developed into a leading Powersports Aftermarket distributor in the Nordics with a rapidly growing presence in the rest of Europe. Duell's product offering within the European Powersports Aftermarket includes a broad range of products for a variety of uses, including must-have protective gear and technical and spare parts as well as more emotion-driven products, such as tuning-products and motorcycle streetwear. For the financial year ended August 31, 2021, 63 percent of Duell's net sales were generated by the technical and spare parts market and 37 percent by the personal equipment market.

Ability to provide an attractive product assortment and brand portfolio is important for Duell's competitiveness. Duell believes that the most important way to bring value to both directions of the value chain (*i.e.*, to both brand owners and dealers) is through economies of scale and quality service to both brand owners and customers. Duell believes that, among others, its broad product portfolio, local sales support and one-stop-shop approach makes Duell an attractive supplier for dealers. Duell is able to offer its brand portfolio of more than 290 brands consisting of approximately 150,000 SKUs to

dealers and, in turn, provide brand owners a reach of almost 7,500 dealers as at the date of this Offering Circular. Economies of scale is enabled by Duell's warehousing capabilities and efficient logistics operations, which allow extensive stock-keeping for brands, which simultaneously ensures availability of products from many brands for dealers. In order to remain an attractive partner for dealers, Duell aims to continuously develop its product assortment and brand portfolio. Duell also believes that its warehousing capabilities, efficient logistics operations and its customer base make it a partner of choice for brand owners, which allows Duell to gain new supplier partners, thus, increasing sales.

During the financial year ended August 31, 2020, Duell expanded its presence outside the Nordics and the Baltics by establishing local sales operations in the United Kingdom and Central Europe. This has contributed to the increase of Duell's customer base and sales growth in these markets. For the financial years ended August 31, 2021, 2020 and 2019, Duell's net sales, excluding the effect of cash discounts, stock-taking impacts, foreign exchange rate differences and other accounting items, in the Nordics (including Finland, Sweden and Norway) accounted for 88 percent, 87 percent and 82 percent of Duell's net sales, respectively. For the financial years ended August 31, 2021, 2020 and 2019, Duell's net sales in the rest of Europe accounted for 12 percent, 13 percent and 18 percent of Duell's net sales, respectively. In accordance with its strategy, in addition to strengthening its position in the Nordics and the Baltics, Duell plans to focus on accelerating its growth in the markets outside the Nordics and the Baltics, especially within the Netherlands, France, Germany, the United Kingdom and Spain.

Product Mix

Duell's third-party brand portfolio includes best brands some of which Duell is the exclusive distributor in certain regions. Duell also offers a wide range of products from top brands with a different price level that often provide exclusivity opportunities. Duell's offering also includes own brands, such as the premium motorcycle clothing brands Halvarssons and Lindstrands. For the financial year ended August 31, 2021, third-party brands accounted for 79 percent of Duell's net sales with 49 percent from brands with which Duell has exclusivity in a region. For the same period, Duell's own brands accounted for approximately 21 percent of its net sales.

Duell's agreements with its customers are typically annual framework agreements under which deliveries to customers are made based on purchase orders. Prices under the framework agreements are subject to change and customer price lists are updated to the dealers' self-service portal on Duell's website monthly. During the periods under review, Duell has generally been able to maintain or increase product pricing broadly corresponding to changes in its cost base. In addition, Duell's position in the Nordics and in the Baltics allows Duell to exert flexibility in setting higher prices for certain own brand products.

Duell's own branded products generally have higher margins than third-party branded products due to, for example, large order volumes and direct purchasing from the manufacturer. Accordingly, the proportion of own branded products that Duell sells affects Duell's profitability. For example, Duell's profitability has been higher in Sweden during the periods under review as sales of Duell's own-branded products are stronger in Sweden compared to the other markets in which Duell operates. Through its own brands, Duell strives to increase its overall profitability to a certain degree as own brands provides Duell with a better control over the branding and pricing of its products.

Cost Base

For the financial year ended August 31, 2021, Duell's total cost base was EUR 68,654 thousand consisting of fixed costs, semi-variable costs and variable costs. For the financial year ended August 31, 2021, Duell's variable costs amounted to EUR 57,548 thousand consisting of cost of goods sold, external services and freight of sales, Duell's partially variable costs amounted to EUR 5,379 thousand consisting of warehousing and purchasing, and Duell's fixed costs amounted to EUR 5,728 thousand mainly consisting of sales, marketing and administrative costs as well as costs related to the FN Listing. Its operating expenses, mainly personnel and premises, are largely fixed. During the recent years, Duell has invested significantly in its fixed cost base when preparing for its expansion in Europe. In addition, Duell sees synergy potential in the fixed cost base of Tecno Globe. The majority of Duell's cost of goods sold derives from Duell's suppliers. Changes in the prices of products affect Duell's cost of goods sold and the margin achieved although Duell is usually able to transfer increases in prices to its customers.

Duell's purchasing functions are mainly operated through its headquarters in Mustasaari, Finland, in order to achieve economies of scale within purchasing and to strengthen Duell's bargaining power. During the periods under review, Duell has generally been able to maintain or increase product pricing broadly corresponding to changes in its cost base. Problems related to the availability of products can also have an adverse effect on Duell's profitability. For example, as the COVID-19 pandemic spread, problems emerged in the availability of maritime freight causing material price increases, which also resulted in delays in the delivery and availability of products as well as increased transportation costs.

which accrue interest at a variable rate consisting of a margin and a reference rate. The margin for these facilities varies based primarily on Duell's leverage (the ratio of total net debt to EBITDA). Duell expects its interest costs to decrease in the future, especially after the completion of the Offering and the repayment of the outstanding amount of its Convertible Loans. Duell's blended interest rate for borrowings from financial institutions amounted to approximately 3 percent for the financial year ended August 31, 2021. The blended interest rate is expected to decrease by approximately 1 percentage point upon renegotiating the terms after the completion of the Offering.

Currency Exchange Rate Fluctuations

As at the date of this Offering Circular, Duell supplies products to a network of dealers located in more than 10 countries, and as a result, it generates sales and incurs costs in currencies other than its reporting currency, the euro. The most important foreign currency for Duell is the Swedish krona, as Duell purchases products for its office in Sweden, which is important in terms of both logistics and warehousing and Duell also has significant sales in Sweden. A weakening of the Swedish krona against the euro generally has an adverse effect on Duell's sales; however, this effect may be partly offset by the corresponding decrease in costs. A 10 percent change in the annual average foreign exchange rates against euro would have caused a 3.0 percent change in Duell's sales in euros for the financial year ended August 31, 2021, and a 0.5 percent reverse change in costs. Duell also has significant costs in U.S. dollars (EUR 17,789 thousand for the financial year ended August 31, 2021) and limited costs in New Taiwan dollars and Canadian dollars. Of Duell's net sales for the financial year ended August 31, 2021, 56 percent was generated in euros, 33 percent in Swedish kronor, 8 percent in Norwegian kroner, 2 percent in British pounds sterling and 1 percent in Danish kroner. Of Duell's costs for the financial year ended August 31, 2021, 63 percent was in euros, 23 percent in U.S. dollars, 7 percent in Swedish kronor, 3 percent in New Taiwan dollars, 2 percent in Canadian dollars and 1 percent in Danish kroner, British pound sterling and Norwegian kroner. Duell does not hedge currencies, except for certain currency hedges within Tecno Globe.

During the periods under review, the Swedish krona has gradually weakened against the euro and, accordingly, had an adverse effect on Duell's sales. Duell expects that the share of sales generated in euros will increase as a result of its European expansion.

Goodwill

Duell's intangible assets consist primarily of goodwill. As at August 31, 2021, the Company's consolidated balance sheet included EUR 13,516 thousand of goodwill. Duell performs annual impairment tests on goodwill to identify any indication of impairment. The consolidated goodwill is amortized over 10 years with a straight-line method. Furthermore, as M&A transactions are part of Duell's growth strategy, material amounts of goodwill may be recorded in Duell's balance sheet in connection with such M&A transactions. If Duell is required to recognize any significant impairment charges related to goodwill in the future, it could adversely affect Duell's financial position and results of operations.

Recent Events

There have not been any significant changes in the financial position or performance of Duell between August 31, 2021, and the date of this Offering Circular.

Trend Information

Duell anticipates market development for the product categories it offers to continue to be favorable and demand for the products it offers to be good. In addition, Duell believes that it has attractive potential to further grow in Europe and that online dealers are rapidly growing presenting significant growth opportunities. Although Duell estimates that the COVID-19 pandemic will not cause permanent long-term effects on the Powersports Aftermarket, its potential consequences for the general economic conditions, for example, make the forecasting more uncertain.

The statements set forth above include forward-looking statements and are not guarantees of Duell's financial performance in the future. Duell's actual results and financial position could differ materially from those expressed or implied by these forward-looking statements as a result of many factors, including but not limited to those described under "Certain Matters—Special Cautionary Notice Regarding Forward-looking Statements," "Risk Factors," and "—Key Factors Affecting Results of Operations" above. Duell cautions prospective investors not to place undue reliance on these forward-looking statements.

Explanations of Key Income Statement Items

Net Sales

Net sales mainly comprise sales of goods to dealers that sell goods from Duell's brand portfolio to consumers, as well as invoiced charges (such as freight costs and additional costs for pallets and recycling fees for tires). Foreign exchange losses and gains on trade receivables are included in net sales. Duell also grants discounts that are netted against net sales.

Other Operating Income

Other operating income mainly comprises logistics and warehouse services provided to third parties. In addition, other operating income includes insurance compensations and net gains on disposals of machinery and equipment.

Materials and Services

Materials and services mainly comprise the cost of goods sold, including freight and customs costs, foreign exchange losses, gains on trade payables, received discounts and external services, including freight of sales, sales commissions from agents and bought services related to cost of goods sold.

Personnel Expenses

Personnel expenses comprise wages and salaries and comparable expenses, as well as expenses determined directly based on wage or salary levels, such as social security contributions, statutory and voluntary personal insurance contributions as well as pension expenses.

Depreciation and Amortization

Depreciation and amortization mainly comprises depreciation according to plan that is based on the estimated useful life of the underlying asset. Intangible assets mainly comprise trademarks and other long-term intangible expenditures. Tangible assets mainly comprise machinery and equipment and vehicles. Tangible fixed assets are recognized at the original acquisition cost less depreciation according to plan and, when applicable, impairment.

Other Operating Expenses

Other operating expenses comprise cost of premises, sales and marketing costs, IT costs, other personnel-related costs and outsourced administration services, as well bad debt related to trade receivables.

Financial Income and Expenses

Financial income and expenses comprise interest expenses related to debts, other finance charges and effects of foreign exchange differences on external and intercompany loans.

Income Taxes

Income taxes comprise current and deferred taxes.

Results of Operations

General

The following table sets forth certain information on Duell's consolidated income statement for the financial years indicated:

	For the financial year ended August 31,		
	2021	2020	2019
		(audited)	
		(EUR in thousands)	
Net sales.....	76,756	59,432	56,080
Other operating income.....	220	210	9
Materials and services.....	(57,781)	(44,845)	(41,741) ⁽¹⁾
Personnel expenses	(6,372)	(5,025)	(4,438)
Depreciation and amortization.....	(1,040)	(1,132)	(1,054)
Other operating expenses.....	<u>(4,502)</u>	<u>(4,511)</u>	<u>(4,919)⁽¹⁾</u>
Operating profit	7,282	4,129	3,936
Financial income and expenses.....	<u>(2,702)</u>	<u>(1,921)</u>	<u>(1,591)</u>
Profit before appropriations and taxes	4,580	2,208	2,345
Income taxes	<u>(1,248)</u>	<u>(681)</u>	<u>(550)</u>
Profit for the period.....	<u>3,332</u>	<u>1,527</u>	<u>1,795</u>

(1) In the Company's audited consolidated financial statement for the financial year ended August 31, 2020, discounts of EUR 1,574 thousand were reclassified from Other operating expenses to Materials and services for the financial year ended August 31, 2019.

Comparison of the Financial Years Ended August 31, 2021 and 2020

Net Sales

Duell's net sales for the financial year ended August 31, 2021, amounted to EUR 76,756 thousand, an increase of EUR 17,325 thousand, or 29.2 percent, as compared to EUR 59,432 thousand for the financial year ended August 31, 2020. The increase was primarily attributable to organic growth in the Nordics, especially in Sweden and Norway, and organic growth in the rest of Europe. The COVID-19 pandemic had a slightly adverse effect on sales during the third quarter of the financial year ended August 31, 2020.

Other Operating Income

Duell's other operating income for the financial year ended August 31, 2021, amounted to EUR 220 thousand, an increase of EUR 10 thousand, or 4.7 percent, as compared to EUR 210 thousand for the financial year ended August 31, 2020.

Materials and Services

Duell's materials and services for the financial year ended August 31, 2021, amounted to EUR 57,781 thousand, an increase of EUR 12,936 thousand, or 28.8 percent, as compared to EUR 44,845 thousand for the financial year ended August 31, 2020. The increase was primarily attributable to the growth of sales.

Personnel Expenses

Duell's personnel expenses for the financial year ended August 31, 2021, amounted to EUR 6,372 thousand, an increase of EUR 1,347 thousand, or 26.8 percent, as compared to EUR 5,025 thousand for the financial year ended August 31, 2020. The increase was primarily attributable to the increase in full-time equivalent employees.

Depreciation and Amortization

Duell's depreciation and amortization for the financial year ended August 31, 2021, amounted to EUR 1,040 thousand, a decrease of EUR 93 thousand, or 8.2 percent, as compared to EUR 1,132 thousand for the financial year ended August 31, 2020. The decrease was primarily attributable to an adjustment in the value of goodwill.

Other Operating Expenses

Duell's other operating expenses for the financial year ended August 31, 2021, amounted to EUR 4,502 thousand, a decrease of EUR 9 thousand, or 0.2 percent, as compared to EUR 4,511 thousand for the financial year ended August 31, 2020. The decrease was primarily attributable to increased costs of external services and IT costs. In addition, other operating expenses for the financial year ended August 31, 2020, included losses related to cybercrime, which amounted to EUR 439 thousand.

Operating Profit

Duell's operating profit for the financial year ended August 31, 2021, amounted to EUR 7,282 thousand, an increase of EUR 3,153 thousand, or 76.4 percent, as compared to EUR 4,129 thousand for the financial year ended August 31, 2020. The increase was primarily attributable to higher sales volumes, Duell's pricing strategy and strong purchasing power. The increase was partly offset by losses related to cybercrime, which amounted to EUR 439 thousand, which increased other operating expenses for the financial year ended August 31, 2020.

Financial Income and Expenses

Duell's financial income and expenses for the financial year ended August 31, 2021, comprised financial expenses of EUR 2,702 thousand, an increase of EUR 781 thousand, or 40.7 percent, as compared to EUR 1,921 thousand for the financial year ended August 31, 2020. The increase was primarily attributable to increased loan management costs of financial arrangements and foreign exchange rate effects.

Income Taxes

Duell's income taxes for the financial year ended August 31, 2021, amounted to EUR 1,248 thousand, an increase of EUR 567 thousand, or 83.2 percent, as compared to EUR 681 thousand for the financial year ended August 31, 2020. The increase was attributable to an increase in profit before appropriations and taxes.

Profit for the Period

Duell's profit for the financial year ended August 31, 2021, amounted to EUR 3,332 thousand, an increase of EUR 1,805 thousand, as compared to EUR 1,527 thousand for the financial year ended August 31, 2020. The increase was primarily attributable to higher sales volumes, Duell's pricing strategy and strong purchasing power.

Comparison of the Financial Years Ended August 31, 2020 and 2019

Net Sales

Duell's net sales for the financial year ended August 31, 2020, amounted to EUR 59,432 thousand, an increase of EUR 3,352 thousand, or 6.0 percent, as compared to EUR 56,080 thousand for the financial year ended August 31, 2019. The increase was primarily attributable to even organic growth throughout the different regions, including in Finland, Sweden, Norway and the rest of Europe. The increase was partly offset by the divestment of Duell's skiing business at the end of the financial year ended August 31, 2019, which set net sales back by EUR 5,000 thousand, and the slightly adverse effect that the COVID-19 pandemic had on net sales during the third quarter of the financial year ended August 31, 2020.

Other Operating Income

Duell's other operating income for the financial year ended August 31, 2020, amounted to EUR 210 thousand, an increase of EUR 201 thousand, as compared to EUR 9 thousand for the financial year ended August 31, 2019. The increase was attributable to an invoicing agreement related to logistics and warehouse services provided by a third party.

Materials and Services

Duell's materials and services for the financial year ended August 31, 2020, amounted to EUR 44,845 thousand, an increase of EUR 3,103 thousand, or 7.4 percent, as compared to EUR 41,741 thousand for the financial year ended August 31, 2019. The increase was attributable to the growth of sales.

Personnel Expenses

Duell's personnel expenses for the financial year ended August 31, 2020, amounted to EUR 5,025 thousand, an increase of EUR 587 thousand, or 13.2 percent, as compared to EUR 4,438 thousand for the financial year ended August 31, 2019. The increase was primarily attributable to the increase of full-time equivalent employees.

Depreciation and Amortization

Duell's depreciation and amortization for the financial year ended August 31, 2020, amounted to EUR 1,132 thousand, an increase of EUR 79 thousand, or 7.5 percent, as compared to EUR 1,054 thousand for the financial year ended August 31, 2019. The increase was primarily attributable to an adjustment in the value of goodwill.

Other Operating Expenses

Duell's other operating expenses for the financial year ended August 31, 2020, amounted to EUR 4,511 thousand, a decrease of EUR 408 thousand, or 8.3 percent, as compared to EUR 4,919 thousand for the financial year ended August 31, 2019. The decrease was primarily attributable to an investment in Duell's European sales operations and losses related to cybercrime, which amounted to EUR 439 thousand.

Operating Profit

Duell's operating profit for the financial year ended August 31, 2020, amounted to EUR 4,129 thousand, an increase of EUR 192 thousand, or 4.9 percent, as compared to EUR 3,936 thousand for the financial year ended August 31, 2019. The increase was primarily attributable to higher sales volumes, Duell's pricing strategy and strong purchasing power. The increase was partly offset by losses related to cybercrime, which amounted to EUR 439 thousand.

Financial Income and Expenses

Duell's financial income and expenses for the financial year ended August 31, 2020, amounted to EUR 1,921 thousand, an increase of EUR 330 thousand, or 20.8 percent, as compared to EUR 1,591 thousand for the financial year ended August 31, 2019. The increase was primarily attributable to foreign exchange rate effects.

Income Taxes

Duell's income taxes for the financial year ended August 31, 2020, amounted to EUR 681 thousand, an increase of EUR 131 thousand, or 23.8 percent, as compared to EUR 550 thousand for the financial year ended August 31, 2019. The increase was primarily attributable to an increase in profit before appropriations and taxes.

Profit for the Period

Duell's profit for the financial year ended August 31, 2020, amounted to EUR 1,527 thousand, a decrease of EUR 269 thousand, or 15.0 percent, as compared to EUR 1,795 thousand for the financial year ended August 31, 2019. The decrease was primarily attributable to losses related to cybercrime, which amounted to EUR 439 thousand, and foreign exchange rate effects on financial income and expenses.

Liquidity and Capital Resources

Duell has historically financed its operations with cash flow from operations as well as borrowings from financial institutions and shareholders. Duell's liquidity requirements principally arise from regular operating expenses and expansion of its business in new markets (including acquisitions).

As at August 31, 2021, Duell's cash and cash equivalents amounted to EUR 2,815 thousand and total interest-bearing liabilities amounted to EUR 41,497 thousand and in addition, Duell had available EUR 4,431 thousand of undrawn revolving credit facility/additional credit under the Facilities Agreement.

Cash Flows

The following table sets forth a summary of Duell's cash flow data as at the dates and for the financial years indicated:

	As at and for the financial year ended August 31,		
	2021	2020	2019
	(audited)		
	(EUR in thousands)		
Net cash flows from operating activities.....	120	4,836	2,916
Net cash flows used in investing activities.....	(15,927)	(486)	(3,162)
Net cash flows from financing activities.....	<u>11,446</u>	<u>(1,250)</u>	<u>(525)</u>
Net change in cash and cash equivalents	(4,216)	3,529	(844)
Net foreign exchange differences.....	144	429	(73)
Cash and cash equivalents as at September 1.....	<u>7,031</u>	<u>3,502</u>	<u>4,346</u>
Cash and cash equivalents as at August 31	<u>2,815</u>	<u>7,031</u>	<u>3,502</u>

Net Cash Flows from Operating Activities

Duell's net cash flows from operating activities for the financial year ended August 31, 2021, were EUR 120 thousand, a decrease of EUR 4,716 thousand, as compared to EUR 4,836 thousand for the financial year ended August 31, 2020. The decrease in net cash flows from operating activities was primarily attributable to a build-up of inventory, which was temporarily increased to ensure stock availability and sales for the financial year ending on August 31, 2022 by purchasing next season's products in advance, as access to products had become more difficult and slower due to the COVID-19 pandemic.

Duell's net cash flows from operating activities for the financial year ended August 31, 2020, were EUR 4,836 thousand, an increase of EUR 1,920 thousand, as compared to EUR 2,916 thousand for the financial year ended August 31, 2019. The increase in net cash flows from operating activities was primarily attributable to a decrease in net working capital due to an increase in inventory levels.

Net Cash Flows Used in Investing Activities

Duell's net cash flows used in investing activities for the financial year ended August 31, 2021, were EUR 15,927 thousand, an increase of EUR 15,441 thousand, as compared to EUR 486 thousand for the financial year ended August 31, 2020. The increase in net cash flows used in investing activities was primarily attributable to the Tecno Globe Acquisition and the IGM Acquisition.

Duell's net cash flows used in investing activities for the financial year ended August 31, 2020, were EUR 486 thousand, a decrease of EUR 2,677 thousand, as compared to EUR 3,162 thousand for the financial year ended August 31, 2019. The decrease in net cash flows used in investing activities was primarily attributable to investments in the Halvarssons and Lindstrands trademarks and the impact of an earnout related to the shares of a subsidiary.

Net Cash Flows from Financing Activities

Duell's net cash flows from financing activities for the financial year ended August 31, 2021, were EUR 11,446 thousand, a change of EUR 12,696 thousand, as compared to net cash flows used in financing activities of EUR 1,250 thousand for the financial year ended August 31, 2020. The change in net cash flows from financing activities was primarily attributable to the financing of the Tecno Globe Acquisition and the refinancing of existing debt owed by members of the Group to Nordea, and the partial repayment of the Convertible Loans and the repayment of the Vendor Note.

Duell's net cash flows used in financing activities for the financial year ended August 31, 2020, were EUR 1,250 thousand, an increase of EUR 725 thousand, as compared to EUR 525 thousand for the financial year ended August 31, 2019. The increase in net cash flows used in financing activities was primarily attributable to the increased installment frequencies of Duell's existing loans.

Liabilities

The following table sets forth Duell's outstanding non-current and current liabilities as at the dates indicated:

	As at August 31,		
	2021	2020	2019
	(audited)		
	(EUR in thousands)		
Non-current liabilities			
Loans from financial institutions	32,784	11,525	12,380
Convertible bond loans	5,118	9,348	8,540
Loans from shareholders	0	3,445	3,250
Other non-current liabilities	147	–	–
Total non-current liabilities	<u>38,049</u>	<u>24,318</u>	<u>24,170</u>
Current liabilities			
Loans from financial institutions	3,595	1,875	1,875
Accounts payable	9,708	2,850	3,536
Deferred tax liabilities	63	64	64
Other current liabilities	3,283	2,742	1,352
Accrued expenses and deferred income:			
Wages and salaries	3,188	606	548
Interest expenses	40	1,211	1,132
Other accrued expenses and deferred income	685	1,142	687
Total accrued expenses and deferred income	<u>3,913</u>	<u>2,959</u>	<u>2,367</u>
Total current liabilities	<u>20,562</u>	<u>10,489</u>	<u>9,194</u>

On July 29, 2021, Duell entered into the Facilities Agreement. The Facilities Agreement provides for three facilities, two term facilities divided into four tranches in euros and one tranche in the Swedish krona in the aggregate amount of EUR 31.4 million for the purposes of financing the Tecno Globe Acquisition, refinancing debt owed by members of the Group to Nordea, and the partial repayment of Duell's Convertible Loans (partly repaid in August 2021) and the Vendor Note (repaid in August 2021), and a revolving credit facility for the purpose of financing of certain general corporate and working capital purposes of Duell and its subsidiaries in the amount of EUR 15.0 million. The maturity of the Facilities Agreement is five years.

The Facilities Agreement includes customary financial covenants. Financial covenants to be complied with after the FN Listing (and after Nordea has confirmed the fulfilment of certain conditions related to the FN Listing) are gearing ratio and leverage (the ratio of total net debt to EBITDA). The financial covenants are evaluated quarterly for the previous 12 months. After the FN Listing, Duell's gearing ratio must be less than 135 percent for each 12-month period and Duell's leverage must be less than 3.5:1 for each 12-month period.

On August 31, 2018, Duell and shareholders and certain members of the management team have agreed on a Convertible Loan granted to Duell, according to which, under certain conditions, the holder of the Convertible Loan has the right to convert the principal of the Convertible Loan to new Shares in Duell so that, for example, 1,000 new Shares in Duell would be issued against the capital of the Convertible Loan with a nominal value of EUR 1 thousand. The conversion may take place between September 1 and August 31 in accordance with the provisions of the Finnish Companies Act on share subscription and by submitting required documents to Duell's Board of Directors, after which Duell will take care of the registration of the new shares in the Trade Register. The maximum number of new Shares to be issued under the Convertible Loan is 21,350,005. The Convertible Loans have been partially repaid in August 2021 and the outstanding amount of the Convertible Loans and their interest (EUR 5,630 thousand as at August 31, 2021) will be repaid with the net proceeds from the Offering.

Working Capital Statement

Duell believes that the working capital available to it is sufficient for at least 12 months following the date of this Offering Circular.

Balance Sheet Data

The following table sets forth certain consolidated balance sheet data for Duell as at the dates indicated:

	As at August 31,		
	2021	2020	2019
	(audited)		
	(EUR in thousands)		
Assets			
Total fixed assets	15,487	7,575	8,411
Total current assets	<u>53,643</u>	<u>34,354</u>	<u>30,725</u>
Total assets	<u>69,131</u>	<u>41,929</u>	<u>39,136</u>
Equity and liabilities			
Total equity	10,520	7,121	5,772
Liabilities:			
Total non-current liabilities.....	38,049	24,318	24,170
Total current liabilities.....	<u>20,562</u>	<u>10,489</u>	<u>9,194</u>
Total liabilities	<u>58,611</u>	<u>34,808</u>	<u>33,364</u>
Total equity and liabilities	<u>69,131</u>	<u>41,929</u>	<u>39,136</u>

Assets

Duell's fixed assets mainly consist of trademarks and goodwill, while current assets mainly consist of inventory and trade receivables.

Fixed Assets

As at August 31, 2021, Duell's total fixed assets amounted to EUR 15,487 thousand, an increase of EUR 7,912 thousand, as compared to EUR 7,575 thousand as at August 31, 2020. The increase was primarily attributable to goodwill generated from the Tecno Globe Acquisition.

As at August 31, 2020, Duell's total fixed assets amounted to EUR 7,575 thousand, a decrease of EUR 836 thousand, or 9.9 percent, as compared to EUR 8,411 thousand as at August 31, 2019. The decrease was primarily attributable to an adjustment in the value of goodwill.

Current Assets

As at August 31, 2021, Duell's total current assets amounted to EUR 53,643 thousand, an increase of EUR 19,289 thousand, or 56.1 percent, as compared to EUR 34,354 thousand as at August 31, 2020. The increase was primarily attributable to a build-up of inventory, which was temporarily increased to ensure stock availability and sales for the financial year ending on August 31, 2022 by purchasing next season's products in advance, as access to products had become more difficult and slower due to the COVID-19 pandemic. In addition, the EUR 10,202 thousand increase in inventory and the EUR 2,457 thousand increase in trade receivables due to the Tecno Globe Acquisition and the IGM Acquisition contributed to the increase in Duell's total current assets.

As at August 31, 2020, Duell's total current assets amounted to EUR 34,354 thousand, an increase of EUR 3,629 thousand, or 11.8 percent, as compared to EUR 30,725 thousand as at August 31, 2019. The increase was primarily attributable to an increase in cash conversion from operations, which led to an overall increase in cash.

Equity and Liabilities

Equity

As at August 31, 2021, Duell's total equity amounted to EUR 10,520 thousand, an increase of EUR 3,398 thousand, or 47.7 percent, as compared to EUR 7,121 thousand as at August 31, 2020. The increase was primarily attributable to the transfer of the profit for the financial year ended August 31, 2021, to retained earnings and the decision not to pay dividends.

As at August 31, 2020, Duell's total equity amounted to EUR 7,121 thousand, an increase of EUR 1,350 thousand, or 23.4 percent, as compared to EUR 5,772 thousand as at August 31, 2019. The increase was primarily attributable to the transfer of the profit for the financial year ended August 31, 2020, to retained earnings and the decision not to pay dividends as well as to the impact of a EUR 367 thousand adjustment of retained earnings recorded as a result of a tax audit concerning financial years 2014–2018.

Non-current Liabilities

As at August 31, 2021, Duell's total non-current liabilities amounted to EUR 38,049 thousand, an increase of EUR 13,731 thousand, or 56.5 percent, as compared to EUR 24,318 thousand as at August 31, 2020. The increase was attributable to the financing of the Tecno Globe Acquisition and the refinancing of existing debt owed by members of the Group to Nordea, the partial repayment of the Convertible Loans and the repayment of the Vendor Note.

As at August 31, 2020, Duell's total non-current liabilities amounted to EUR 24,318 thousand, an increase of EUR 148 thousand, or 0.6 percent, as compared to EUR 24,170 thousand as at August 31, 2019. The increase was attributable to the capitalization of accrued interest on the Convertible Loans and the Vendor Note.

Current Liabilities

As at August 31, 2021, Duell's total current liabilities amounted to EUR 20,562 thousand, an increase of EUR 10,072 thousand, or 96.0 percent, as compared to EUR 10,489 thousand as at August 31, 2020. The increase was primarily attributable to a EUR 9,334 thousand increase in current liabilities resulting from the Tecno Globe Acquisition and the IGM Acquisition. An increase of EUR 2,800 thousand in trade payables due to increased purchasing related to the inventory level build-up also contributed to the increase in Duell's total current liabilities.

As at August 31, 2020, Duell's total current liabilities amounted to EUR 10,489 thousand, an increase of EUR 1,295 thousand, or 14.1 percent, as compared to EUR 9,194 thousand as at August 31, 2019. The increase was primarily attributable to increased operations that generated increases in tax debt and value added tax debt.

Off-balance-sheet Liabilities

The following table sets forth the off-balance-sheet liabilities of Duell as at the dates indicated:

	As at August 31,		
	2021	2020	2019
	(audited)		
	(EUR in thousands)		
Loans and other liabilities pledged with collaterals			
Loans to financial institutions	33,169	13,400	14,255
Credit limits	11,497	8,972	6,923
whereof used	3,210	–	–
Import letter of credit	1,500	–	–
whereof used	1,178	–	–
Other collaterals	230	73	117
whereof used	104	–	–
Mortgages			
Business mortgages	55,000	55,000	55,000
Rental commitments			
Current rental commitments	1,523	1,170	1,097
Non-current rental commitments	<u>2,612</u>	<u>1,351</u>	<u>2,810</u>
Total rental commitments	<u>4,134</u>	<u>2,521</u>	<u>3,907</u>
Leasing commitments			
Current leasing commitments	178	28	45
Non-current leasing commitments	<u>271</u>	<u>7</u>	<u>188</u>
Total leasing commitments	<u>448</u>	<u>35</u>	<u>233</u>
Derivatives			
Fair value of interest hedging	(27)	(36)	(42)
Target value of interest hedging	42,188	42,813	43,438
Fair value of currency hedging	(72)	–	–
Target value of currency hedging	8,216	–	5,050

Except for the off-balance-sheet liabilities set forth above, Duell has no off-balance-sheet entities or off-balance-sheet arrangements that are reasonably likely to have a material effect on Duell's business, financial condition, results of operations and/or cash flows.

Investments

The following table sets forth Duell's net investments for the financial years indicated:

	For the financial year ended August 31,		
	2021	2020	2019
	(audited)		
	(EUR in thousands)		
Goodwill	8,394	(225)	384
Trademarks and licenses	51	43	1,338
Other long-term expenditures	261	231	13
Machinery and equipment	<u>227</u>	<u>207</u>	<u>276</u>
Total	<u>8,933</u>	<u>256</u>	<u>2,011</u>

Duell's investments for the financial years ended August 31, 2021, 2020 and 2019, related mainly to trademarks, goodwill and other long-term expenditures related to new software.

Duell does not have any significant ongoing investments or plans for any significant new investments outside the normal business operations as at the date of this Offering Circular, but its investments are related to growth in accordance with Duell's strategy and further development of Duell, especially in technology solutions. Duell estimates the cost related to the ongoing WMS project to be approximately EUR 86 thousand. Duell does not have other unfinished IT projects. Duell will continue to make investments related to software, which are expected to be in line with Duell's historical levels of investments. Duell will finance these investments with its existing cash and cash equivalents and cash generated from operating activities.

Financial Risk Management

Duell's activities expose it to financial risks, which can be divided into market risks and other risks, such as credit risk and liquidity risk. The management of Duell's financial risks includes a combination of responsive actions that the management actively seeks to ensure sound financial operations and stability.

Significant Accounting Judgements, Estimates and Assumptions

The preparation of Duell's consolidated financial statements requires management of Duell to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying Duell's accounting policies, management has made various judgements.

Duell based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

BOARD OF DIRECTORS, MANAGEMENT AND AUDITORS

General

The Company is a public limited liability company incorporated and domiciled in Mustasaari, Finland. In its decision-making and corporate governance, the Company complies with applicable Finnish legislation, its articles of association and the Company's corporate governance policy approved by the Board of Directors of the Company. The Company follows the First North Rulebook. Duell is not obliged to comply with the Finnish Corporate Governance Code 2020 issued by the Finnish Securities Market Association ("**Corporate Governance Code**"). However, Duell aims to align its corporate governance in line with the Corporate Governance Code, excluding the reporting obligations included therein.

The governing bodies of the Company (*i.e.*, the general meeting of shareholders, the Board of Directors of the Company and the Chief Executive Officer ("**CEO**") of Duell) have the ultimate responsibility for Duell's management and its operations. The management team of Duell reports to the CEO and is responsible for the efficient management of Duell's operations.

Shareholders participate in the control and management of the Company through resolutions passed at general meetings of shareholders of the Company. General meetings of shareholders of the Company are generally convened upon notice given by the Board of Directors of the Company. In addition, general meetings of shareholders must be convened when requested in writing by an auditor of the Company or by shareholders representing at least one-tenth of all issued and outstanding Shares.

The business address of the members of the Board of Directors of the Company and the management team and the CEO of Duell is Kauppatie 19, FI-65610 Mustasaari, Finland.

Board of Directors and Management Team

Board of Directors

The tasks and responsibilities of the Board of Directors of the Company are determined on the basis of the Finnish Companies Act as well as other applicable legislation. The Board of Directors of the Company has general authority to decide and act in all matters not reserved for other corporate governing bodies by law or under the provisions of the Company's articles of association. The general task of the Board of Directors of the Company is to duly organize Duell's management and operations. In all situations, the Board of Directors of the Company must act in accordance with Duell's best interest.

The annual general meeting of shareholders of the Company elects the members of the Board of Directors. The Board of Directors elects the Chair amongst itself. A member of the Board of Directors of the Company may be removed from office at any time by a resolution passed by a general meeting of shareholders. Proposals to the annual general meeting of shareholders of the Company concerning the election of members of the Board of Directors of the Company, which have been made known to the Board of Directors of the Company prior to the annual general meeting of shareholders, will be made public if such a proposal is supported by shareholders holding a minimum of one-tenth of all the Shares and voting rights and the person being proposed has consented to such nomination.

Under the Company's articles of association, the Board of Directors of the Company is composed of a minimum of four and a maximum of eight members. The term of office of members of the Board of Directors of the Company ends at the close of the annual general meeting following their election. The Board of Directors of the Company is quorate when more than one-half of its members are present. A decision by the Board of Directors of the Company is the opinion supported by more than one-half of the members present at a meeting. In the event of a tie, the Chairman has the casting vote. The Board of Directors of the Company meets according to a predetermined schedule between six and ten times in a year and, when necessary, holds additional meetings. As at the date of this Offering Circular, Duell has no committees. The Board of Directors of the Company may consider establishing committees in the future in order to function effectively taking into account the scope and nature of Duell's operations and the operating principles of the Board of Directors.

On August 23, 2021, the extraordinary general meeting of shareholders of the Company resolved that the number of the members of the Board of Directors is four. The extraordinary general meeting of shareholders decided to elect Sami Heikkilä, Kim Ignatius, Anu Ora and Thomas Sandvall as members of the Board of Directors. Sami Heikkilä acts as the Chair of the Board of Directors. On November 1, 2021, the Board of Directors of the Company resolved to elect Kim Ignatius as the new Chair of the Board of Directors. The election of the new Chair is conditional upon the completion of the Offering and it will be effective immediately when the Shares are admitted to trading on the First North Growth Market. As at the date of this Offering Circular, the members of the Board of Directors of the Company are independent of the Company's significant shareholders, except for Sami Heikkilä and Thomas Sandvall, and of the Company.

The following table sets forth the members of the Board of Directors of the Company as at the date of this Offering Circular:

	Position	Citizenship	Year of birth
Sami Heikkilä	Chair	Finland	1971
Kim Ignatius	Member	Finland	1956
Anu Ora	Member	Finland	1973
Thomas Sandvall	Member	Finland	1975

Sami Heikkilä has been the Chair of the Board of Directors of the Company since 2018. Mr. Heikkilä has been the Chair of the Boards of Directors of Myllyn Paras Oy, Myllyn Paras Finland Oy, Myllyn Paras Pakasteet Oy and Sponmill Oy since 2018, a member of the Board of Directors of Saalro Oy since 2020, Herrmans Bike Components Ltd since 2019, Nordic Lights Ltd since 2019 and Saminvest Ltd since 2004 as well as a partner at Sponsor Capital Oy since 2004. Previously, Mr. Heikkilä was a member of the Board of Directors of Espotel Oy (currently known as Etteplan Embedded Finland Oy) between 2013 and 2016, Lehtipiste Ltd between 2013 and 2016, Spondot Oy (currently known as Tradedot Ltd) between 2013 and 2016, Sponespo Oy (currently known as Etteplan Embedded Finland Oy) between 2013 and 2016 and Sponpiste Oy (currently known as Tradedot Ltd) between 2013 and 2016. Mr. Heikkilä holds a Master's degree in Economics.

Kim Ignatius has been a member of the Board of Directors of the Company since 2021. Mr. Ignatius has been the Chair of the Board of Directors of the Directors' Institute of Finland since 2019 and the Chair of the Board of Directors and the Chair of the Audit Committee of Rovio Entertainment Corporation since 2017, the Vice Chair of the Board of Directors and Chair of the Audit Committee of University Pharmacy Ltd since 2019, a member of the Board of Directors of Pinoa Foods Oy since 2020 and a member of the Board of Directors and Audit Committee of Elisa Corporation since 2019. Previously, Mr. Ignatius was a member of the Board of Directors and Chair of the Audit and Risk Committee of Fortum Corporation between 2012 and 2020, the Chair of the Board of Directors of Royal Restaurants Ltd between 2018 and 2019, and the Chief Financial Officer/Executive Vice President of Sanoma Corporation between 2008 and 2017. Mr. Ignatius holds a degree in Economics.

Anu Ora has been a member of the Board of Directors of the Company since 2021. Ms. Ora has been the Chief Executive Officer of Örum Oy Ab since 2019 and a member of the Board of Directors of Leijona Catering Oy since 2021. Previously, Ms. Ora was a member of the Boards of Directors of Escamar Seafood Oy between 2017 and 2020, Ruokatieto Yhdistys Ry between 2016 and 2019 and Raskone Ltd between 2015 and 2018. Ms. Ora was the Vice President of Apetit Plc between 2015 and 2019. Ms. Ora holds a Master's degree in Economics.

Thomas Sandvall has been a member of the Board of Directors of the Company since 2018. Mr. Sandvall has been the Chair of the Board of Directors of Herrmans Bike Components Ltd since 2019 and Nordic Lights Ltd since 2019, and a member of the Board of Directors of StaffPoint Holding since 2017. Mr. Sandvall has been the Chief Executive Officer and the Chair of the Board of Directors of Vayavaya Oy since 2014 and a partner at Sponsor Capital Oy since 2014. Previously, Mr. Sandvall was a member of the Boards of Directors of Orthex Corporation between 2015 and 2021, Myllyn Paras Oy between 2018 and 2019 and Realia Holding Oy between 2015 and 2016, and a partner at HLP Corporate Finance Oy between 2001 and 2014. Mr. Sandvall holds a Doctor of Philosophy degree in Economics.

New Members of the Board of Directors Elected Conditionally Upon the Completion of the Offering

The shareholders of the Company resolved unanimously on November 10, 2021, that the number of the members of the Board of Directors is six and that Anna Hyvönen and Niko Mokka be elected as the new members of the Board of Directors. The resolution regarding the number of the members of the Board of Directors and the election of the new members of the Board of Directors is conditional upon the completion of the Offering and it will be effective immediately when the Shares are admitted to trading on the First North Growth Market.

The following table sets forth the members of the Board of Directors of the Company elected conditionally upon the completion of the Offering:

	Position	Citizenship	Year of birth
Anna Hyvönen	Member (conditionally elected)	Finland	1968
Niko Mokka.....	Member (conditionally elected)	Finland	1979

Anna Hyvönen has been responsible for the North American and Nordic sales and the Vianor business of Nokian Tyres plc since 2020 and has been the Chair of the Board of Directors of LeaseGreen Group Ltd since 2020 and a member of the Board of Directors of Normet Group Ltd. since 2018. Previously, Ms. Hyvönen was a member of the Board of Directors of Caverion Corporation between 2013 and 2020 and in addition, she has held various management roles at Nokian Tyres

plc between 2016 and 2020, Ramirent Plc between 2012 and 2016 and Kone Corporation between 2008 and 2012. Ms. Hyvönen holds a Licentiate degree in Technology.

Niko Mokkila has been the Managing Director of Hartwall Capital since 2019 and a member of the Boards of Directors of Konecranes Plc since 2020, Terveystalo Plc since 2020, LeaseGreen Group Ltd since 2019, Remeo Oy since 2019, Okin Capital Oy since 2009 and Alikkom Capital AB since 2009. Previously, Mr. Mokkila was a member of the Board of Directors of Realia Group Oy between 2016 and 2021. Mr. Mokkila holds a Master's degree in Economics and a Master's degree in Technology.

CEO

The CEO is responsible for Duell's operational management. The CEO prepares matters on which decisions are to be made by the Board of Directors of the Company, develops Duell's operations in line with the targets agreed with the Board of Directors of the Company, and ensures proper implementation of decisions of the Board of Directors of the Company. The CEO is also responsible for ensuring that Duell's business operations are in compliance with existing legislation and applicable regulations. The CEO chairs meetings of the management team of Duell.

Management Team

The task of the management team of Duell is the overall management of Duell's business. Members of the management team of Duell have specific authority in their individual areas of responsibility, and their duty is to develop Duell's operations in line with the targets set by the Board of Directors of the Company and the CEO of Duell. As at the date of this Offering Circular, the management team of Duell consists of seven members appointed by the Board of Directors of the Company, of whom the CEO, the Chief Financial Officer and the Chief Operating Officer are included in the executive management. The management team meets at least once a month and whenever needed.

The following table sets forth the members of the management team of Duell as at the date of this Offering Circular:

	Position	Citizenship	Year of birth
Jarkko Ämmälä.....	Chief Executive Officer	Finland	1971
Riitta Niemelä.....	Chief Financial Officer	Finland	1981
Dennis Nylund.....	Chief Operating Officer	Finland	1986
Sami Takaneva.....	Marketing and Communications Manager	Finland	1977
Joakim Vest.....	Logistics Manager	Finland	1978
Marko Viita-aho.....	IT Manager	Finland	1985
Pia Hoseus.....	HR Manager	Finland	1987

Jarkko Ämmälä has been the Chief Executive Officer and a member of the management team of Duell since 2018. Previously, Mr. Ämmälä was a Sales Director at Duell between 2010 and 2017.

Riitta Niemelä has been the Chief Financial Officer and a member of the management team of Duell since 2020. Previously, Ms. Niemelä was a Financial Controller at Oy Duell Bike-Center Ab in 2019, a Service Manager at Vaasa VIICON Oy between 2018 and 2019 and a Financial Manager at Citec Ltd between 2012 and 2018. Ms. Niemelä holds a Master's degree in Economics.

Dennis Nylund has been the Chief Operating Officer and a member of the management team of Duell since 2017. Mr. Nylund graduated from Vaasa Vocational Institute.

Sami Takaneva has been the Marketing and Communications Manager since 2019 and a member of the management team of Duell since 2021. Previously, Mr. Takaneva was a Project Manager at Creani Partners Oy between 2018 and 2019, a marketing freelancer between 2018 and 2019, an Account Manager at Taskut Communications Oy in 2018 and a Marketing Director at Netbaron Solutions Oy and a PR and Communications Manager at Hyundai Motor Finland Oy between 2013 and 2017. Mr. Takaneva holds a Bachelor of Economics and Business Administration degree in Marketing and Communications and an undergraduate degree in Design and Visual Communications.

Joakim Vest has been the Logistics Manager and a member of the management team of Duell since 2021. Mr. Vest has been a member of the management team of the Finnish Association of Purchasing and Logistics LOGY since 2021. Previously, Mr. Vest was the Chief Information Officer of Dermoshop Ltd between 2020 and 2021 and the IT & Logistics Manager and a member of the management group of Dermoshop Ltd between 2011 and 2020. Mr. Vest holds a Bachelor of Business Administration degree in Business Economics.

Marko Viita-aho has been the IT Manager since 2020 and a member of the management team of Duell since 2021. Previously, Mr. Viita-aho was an IT Systems Specialist at Wapice Ltd between 2013 and 2020. Mr. Viita-aho holds a Bachelor's degree in Data Processing.

Pia Hoseus has been the HR Manager and a member of the management team of Duell since 2021 and an HR Specialist since 2020. Previously, Ms. Hoseus was an HR Specialist at Citec Ltd between 2013 and 2020. Ms. Hoseus holds a Master's degree in Business Administration.

Information on the Members of the Board of Directors and the Management Team

As at the date of this Offering Circular, none of the members of the Board of Directors of the Company or the management team of Duell or members of the Board of Directors elected conditionally upon the completion of the Offering have, during the previous five years:

- been convicted in relation to fraudulent offences;
- held an executive position, been included in the executive management, or been a member of the administrative, management or supervisory bodies of any company or acted as a general partner with individual liability in a limited partnership at the time of bankruptcy, receivership or liquidation (excluding voluntary liquidations which have been carried out in order to dissolve the company under the Finnish Companies Act); or
- been subject to any official public incrimination and/or sanctions by any statutory or regulatory authorities (including any designated professional bodies) or been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company.

There are no family relations between the members of the Board of Directors of the Company and the management team of Duell.

Conflicts of Interest

Provisions regarding the conflicts of interest of the management of a Finnish company are set forth in the Finnish Companies Act. Pursuant to Chapter 6, Section 4 of the Finnish Companies Act, a member of the Board of Directors may not participate in the handling of a contract between himself or herself and the company, nor may he or she participate in the handling of a contract between the company and a third-party if he or she may thereby receive a material benefit that may be in contradiction with the interests of the company. This provision also applies to any other legal act, legal proceeding or other similar matter. This provision also applies to the CEO.

Unless otherwise indicated below, as at the date of this Offering Circular there are no (i) conflicts of interest between any duties to the Company of any member of the Board of Directors of the Company or the management team of Duell and their private interests and/or other duties; (ii) arrangements or understandings with major shareholders, members, suppliers or others pursuant to which any member of the Board of Directors of the Company or the management team of Duell was elected; or (iii) restrictions agreed by any member of the Board of Directors of the Company or the management team of Duell on the disposal of their holdings in the Company's securities within a certain time:

- legal and/or beneficial interest in the Shares;
- the lock-up agreement regarding the Shares described in "*Terms and Conditions of the Offering—General Terms and Conditions of the Offering—Lock-up*;"
- the related party transactions described in "*Related Party Transactions*." For more information on Convertible Loans granted by members of the management team of Duell, see "*Operating and Financial Review—Liquidity and Capital Resources*" above;
- Sami Heikkilä, a member of the Board of Directors of the Company, is a shareholder of Sponsor Partners Oy through his wholly-owned company Saminvest Oy. Thomas Sandvall, a member of the Board of Directors of the Company, is a shareholder of Sponsor Partners Oy through his wholly-owned company Vayavaya Oy. Sponsor Partners Oy is the general partner of Sponsor Fund; and
- the Selling Shareholders sell Sale Shares in the Offering.

Compensation of the Board of Directors and the Management Team

Board of Directors

The following table sets forth the remuneration paid to the members of the Board of Directors of the Company for the financial years indicated:

	For the financial year ended August 31,		
	2021	2020	2019
	(unaudited)		
	(EUR in thousands)		
Sami Heikkilä	30.0	30.0	18.0
Kim Ignatius ⁽¹⁾	0.5	–	–
Tom Nylund ⁽²⁾	19.9	20.4	12.0
Anu Ora ⁽¹⁾	0.5	–	–
Thomas Sandvall	<u>20.4</u>	<u>20.4</u>	<u>12.0</u>
Total	<u>71.3</u>	<u>70.8</u>	<u>42.0</u>

(1) Member of the Board of Directors of the Company since August 23, 2021.

(2) Member of the Board of Directors of the Company until August 23, 2021.

Starting from the FN Listing, the Chair of the Board of Directors will receive a monthly remuneration of EUR 4,000 and each member of the Board of Directors will receive a monthly remuneration of EUR 2,000.

Except as set forth above, there have been no material changes in the remuneration of the Board of Directors of the Company between August 31, 2021, and the date of this Offering Circular.

Management Team

The Board of Directors determines the remuneration paid and the basic principles of remuneration for the CEO and the other members of the management team included in the executive management. The remuneration paid to the CEO and the other members of the management team included in the executive management consists of a monthly salary and bonus. Duell has established an incentive scheme under which the members of the management team included in the executive management are awarded cash bonuses in addition to their fixed salary. The objective of the incentive scheme is to incentivize the participants to stay engaged and motivate them to improve their performance. In addition, the incentive scheme aims to steer the participants to work in a way that supports Duell's growth and competitiveness. Payments under the incentive scheme are discretionary and tied to Duell's profitability. The terms and objectives of the incentive scheme are determined annually in advance by the management team of Duell.

The following table sets forth the salaries and fees paid to the CEO of Duell for the financial years indicated:

	For the financial year ended August 31,		
	2021	2020	2019
	(unaudited)		
	(EUR in thousands)		
Salaries and fees	139.0	127.0	132.4

The following table sets forth the salaries and fees paid to the members of the management team of Duell, excluding the CEO, for the financial years indicated:

	For the financial year ended August 31,		
	2021	2020	2019
	(unaudited)		
	(EUR in thousands)		
Salaries and fees	261.0	186.2	149.1

There have been no material changes in the remuneration of the members of the management team between August 31, 2021, and the date of this Offering Circular.

Pension Benefits

Duell provides pension benefits in accordance with local statutory regulation. In addition, Duell has an active supplementary pension and insurance plan for the CEO amounting to EUR 3,000 per year. The retirement age of the CEO is 60 years.

Termination Benefits

The mutual notice period for the CEO of Duell is three months and the CEO has a working obligation during the notice period, unless Duell waives the CEO's working obligation. Should Duell waive the CEO's working obligation, the CEO is entitled to a one-off compensation corresponding to three months' pay. If Duell gives notice to the CEO, the CEO is entitled to pay for the notice period and a one-off compensation corresponding to three months' pay. The notice period for the members of the management team included in the executive management is three months in cases where notice is given by Duell and three months in cases where notice is given by a member of the management team included in the executive management of Duell. Duell has the right to waive the working obligation of other members of the management team during a notice period. The working obligation of a member of the management team included in the executive management of Duell is a maximum of three months, regardless of the party giving notice.

Management Ownership

The following table sets forth the number of Shares owned by the members of the Board of Directors of the Company and the management team of Duell as at the date of this Offering Circular:

	<u>Shares</u>
Members of the Board of Directors	
Sami Heikkilä ⁽¹⁾	79,785
Kim Ignatius	–
Anu Ora	–
Thomas Sandvall ⁽²⁾	79,785
Members of the management team	
Jarkko Ämmälä	1,500,000
Riitta Niemelä	300,000
Dennis Nylund	900,000
Sami Takaneva	–
Joakim Vest	–
Marko Viita-aho	–
Pia Hoseus	–

(1) Shares indirectly owned by Mr. Heikkilä.

(2) Shares indirectly owned by Mr. Sandvall.

Directorships/Partnerships

The members of the Board of Directors of the Company and the management team of Duell currently hold or have held the following directorships and/or have been a partner in the following partnerships in the five years prior to the date of this Offering Circular:

	<u>Current directorships/partnerships</u>	<u>Former directorships/partnerships</u>
Members of the Board of Directors		
Sami Heikkilä	Herrmans Bike Components Ltd Myllyn Paras Oy Myllyn Paras Finland Oy Myllyn Paras Pakasteet Oy Nordic Lights Ltd Saalro Oy Saminvest Ltd Sponmill Oy Sponsor Capital Oy	Espotel Oy Lehtipiste Ltd Spondot Oy Sponespo Oy Sponpiste Oy
Kim Ignatius	Directors' Institute of Finland Elisa Corporation Pinoa Foods Oy Rovio Entertainment Corporation University Pharmacy Ltd	Fortum Corporation Royal Restaurants Ltd Sanoma Corporation
Anu Ora	Leijona Catering Oy Örum Oy Ab	Apetit Plc Escamar Seafood Oy Raskone Ltd Ruokatieto Yhdistys Ry
Thomas Sandvall	Herrmans Bike Components Ltd Nordic Lights Ltd Sponsor Capital Oy StaffPoint Holding Vayavaya Oy	HLP Corporate Finance Oy Myllyn Paras Oy Orthex Corporation Realia Holding Oy

	<u>Current directorships/partnerships</u>	<u>Former directorships/partnerships</u>
Members of the management team		
Jarkko Ämmälä.....	–	–
Riitta Niemelä.....	–	Citec Ltd Vaasa VIICON Oy
Dennis Nylund.....	–	–
Sami Takaneva.....	–	Creani Partners Oy Hyundai Motor Finland Oy Taskut Communications Oy
Joakim Vest.....	The Finnish Association of Purchasing and Logistics	Dermoshop Ltd
Marko Viita-aho.....	–	Wapice Ltd
Pia Hoseus.....	–	Citec Ltd

Auditors

Duell's audited consolidated financial statements as at and for the financial years ended August 31, 2020 and 2019, have been audited by KPMG, Authorized Public Accountants, with Hans Bertell, Authorized Public Accountant, as the auditor with principal responsibility. Hans Bertell is registered in the Finnish Register of Auditors pursuant to Chapter 6, Section 9 of the Finnish Auditing Act maintained by the Trade Register. Duell's audited consolidated financial statements as at and for the financial year ended August 31, 2021, have been audited by KPMG, Authorized Public Accountants, with Mari Kaasalainen, Authorized Public Accountant, as the auditor with principal responsibility. Mari Kaasalainen is registered in the Finnish Register of Auditors pursuant to Chapter 6, Section 9 of the Finnish Auditing Act maintained by the Trade Register.

MAJOR SHAREHOLDERS

General

As at the date of this Offering Circular, the Company's share capital amounts to EUR 80,000, the total number of Shares issued and outstanding Shares is 21,562,525. As at the date of this Offering Circular, the Company does not hold any of its own Shares (treasury Shares).

The following table sets forth the eight largest shareholders of the Company and their respective holdings immediately prior to the Offering and immediately after the Offering assuming that the Selling Shareholders will sell the maximum number of Sale Shares, the Over-allotment Option is exercised in full, the shareholders presented in the table do not subscribe for Offer Shares and that the Company will issue 3,884,472 New Shares that are subscribed for in the Offering by other investors than the shareholders presented below:

	Before the Offering		After the completion of the Offering	
	Number of Shares	Share of Shares and votes (percent)	Number of Shares	Share of Shares and votes (percent)
Sponsor Fund ⁽¹⁾	11,979,925	55.6	2,578,847	10.1
Rite Ventures ⁽¹⁾	2,320,515	10.8	499,523	2.0
Tonida Ab ⁽¹⁾	1,547,010	7.2	587,863	2.3
Oy 4N-Group Ab ⁽¹⁾	1,547,010	7.2	587,863	2.3
Jarkko Ämmälä ⁽¹⁾	1,500,000	7.0	1,200,000	4.7
Dennis Nylund ⁽¹⁾	900,000	4.2	720,000	2.8
Aspen Racing Ab ⁽¹⁾	750,000	3.5	600,000	2.4
Riitta Niemelä ⁽¹⁾	300,000	1.4	240,000	0.9
Other shareholders.....	<u>718,065</u>	<u>3.3</u>	<u>18,432,901</u>	<u>72.4</u>
Total.....	<u>21,562,525</u>	<u>100.0</u>	<u>25,446,997</u>	<u>100.0</u>

(1) Will sell Shares in the Share Sale. For more information, see Annex B of this Offering Circular.

All Shares carry equal voting rights and none of the Company's shareholders have any voting rights that are different from those of the other shareholders in the Company. The Company is controlled by the Principal Shareholder, which owns 55.6 percent of the outstanding Shares and the voting rights as at the date of this Offering Circular.

The maximum number of New Shares offered in the Share Issue represents 15 percent of the Shares after the completion of the Offering. In the event that existing shareholders of the Company do not subscribe for Shares in the Share Issue, their total holdings in the Company would be diluted by 15 percent, assuming that the Company will issue 3,884,472 New Shares.

As at August 31, 2021, the Company's net asset value per Share was approximately EUR 2.4. The Subscription Price is EUR 5.16 per Offer Share.

There are no arrangements, known to the Company, the operation of which may at a subsequent date result in a change in control of the Company.

Sponsor Fund

The largest shareholder of the Company is Sponsor Fund IV Ky, a limited partnership incorporated under the laws of Finland, with registered address at Mannerheimintie 4, FI-00100 Helsinki, Finland. Sponsor Fund's general partner is Sponsor Partners Oy. The parent company of Sponsor Partners Oy is Sponsor Capital Oy.

Sponsor Fund owns 55.6 percent of the Shares and the voting rights as at the date of this Offering Circular. After the Offering, Sponsor Fund will own 2,578,847 Shares, which represents 10.1 percent of the Shares and voting rights, assuming that the Selling Shareholders will sell the maximum number of Sale Shares, the Over-allotment Option is exercised in full and that the Company will issue 3,884,472 New Shares.

RELATED PARTY TRANSACTIONS

Related parties of Duell consist of the parent company Duell Corporation, the Company's subsidiaries and the Principal Shareholder. Related parties also include Duell's key management personnel and their close family members as well as companies controlled by them. Duell's key management personnel include members of the Board of Directors of the Company, the CEO of the Company and the management team of Duell.

The following table sets forth Duell's related party transactions between its subsidiaries and shareholders for the financial years indicated:

	For the financial year ended August 31,		
	2021	2020	2019
		(audited)	
		(EUR in thousands)	
Sales of services.....	426	394	331
Financial income.....	688	253	210
Group contribution.....	1,650	1,370	1,165
Convertible Loans including accrued interest from shareholders	(5,630)	(10,283)	(9,392)
Vendor Note including accrued interest from shareholders	—	(3,652)	(3,445)
Total.....	<u>(2,867)</u>	<u>(11,872)</u>	<u>(11,087)</u>

The salaries and remuneration of the management is presented in *“Board of Directors, Management and Auditors—Compensation of the Board of Directors and the Management Team.”*

DESCRIPTION OF THE SHARES AND SHARE CAPITAL

General

The Company is a Finnish public limited liability company organized under the laws of Finland and domiciled in Mustasaari, Finland. The Company was registered in the Trade Register on August 3, 2018, its business identity code is 2929424-1 and its LEI code is 743700MVGCRZQ2CR8244. The Company's registered address Kauppatie 19, FI-65610 Mustasaari, Finland, and its telephone number is +358 20 118 000.

According to Article 3 of the Company's articles of association, its line of business is to either directly or through its subsidiaries or affiliate companies, distribute, market and sell powersports aftermarket products. In addition, the Company may directly and/or through its subsidiaries or affiliate companies purchase, sell, own and manage real property and securities. As the parent company, the Company may attend to the organization, financing and purchases of the group and to other similar common tasks, as well as own real property and shares and carry on securities trading, corporate acquisitions and divestments, and other investment business.

Shares and Share Capital

As at the date of this Offering Circular, the Company's fully paid up share capital amounts to EUR 80,000, and the total number of Shares issued is 21,562,525. The Shares have no nominal value and are issued under Finnish law. As at the date of this Offering Circular, the Company does not hold any treasury Shares. The Shares were entered into the book-entry securities system maintained by Euroclear Finland on November 9, 2021. Each Share entitles its holder to one vote at the general meetings of shareholders of the Company, and all Shares carry equal rights to dividends and other distributions by the Company (including distributions of assets in the event of the Company's liquidation). There are no voting restrictions related to the Shares. The Shares are freely transferrable.

Before the Offering, the Shares have not been subject to trading on a regulated market or multilateral trading facility. The Company will submit an application to Nasdaq Helsinki for the Shares to be listed on the First North Growth Market with the trading code DUELL (ISIN code: FI4000513072). Trading of the Shares on the First North Growth Market is expected to commence on or about November 25, 2021.

History of Share Capital

The following table sets forth a summary of the changes in the Company's share capital and the number of Shares between September 1, 2018, and the date of this Offering Circular:

	Number of issued Shares	Number of Shares after the measure	Share capital (EUR)	Registered
Directed share issue resolution on January 22, 2019 ⁽¹⁾	60,000	4,312,505	2,500	June 12, 2019
Share issue resolution and increase of share capital on November 1, 2021 ⁽²⁾	17,250,020	21,562,525	80,000	November 4, 2021

(1) Directed share issue made in deviation from the shareholders' pre-emptive subscription rights to engage a key employee of the Company by issuing 60,000 new Shares. The subscription price was EUR 1 per Share. The subscription price was recorded in full in the reserve for unrestricted equity.

(2) A share issue without consideration to the shareholders of the Company in accordance with the pre-emptive rights of shareholders. For each existing Share, four (4) new Shares were given. The number of Shares prior to the share issue without consideration was 4,312,505.

Current Authorizations

Authorization to Issue the Offer Shares

On November 1, 2021, the Board of Directors of the Company was authorized with the unanimous resolution of the shareholders of the Company to resolve upon a directed share issue with consideration. Pursuant to the authorization, up to 4,500,000 New Shares can be issued in one or several instalments in deviation from the shareholders' pre-emptive subscription right. As a part of the Offering, the Shares can be offered to the Personnel at a lower subscription price than to other investors. The authorization of the Board of Directors of the Company will remain in force until December 31, 2022.

On or about November 24, 2021, the Board of Directors of the Company is expected to resolve, pursuant to the above-mentioned authorization, to issue New Shares as set forth in "Terms and Conditions of the Offering." The Company will issue preliminarily 3,884,472 New Shares based on the above-mentioned authorization and the number of the Shares may increase to a maximum of 25,446,997 Shares, assuming that a total of 86,021 New Shares would be subscribed for in

the Personnel Offering at the discount applicable to the Personnel Shares. In addition, in the event of an oversubscription in the Personnel Offering, the Company will offer a maximum of 215,053 additional Personnel Shares.

Authorization to Issue Shares

On November 1, 2021, the Board of Directors of the Company was authorized with the unanimous resolution of the shareholders of the Company to resolve upon a share issue. Pursuant to the authorization, up to 3,000,000 new Shares can be issued in one or several instalments, however, only up to a maximum of 10 percent of the number of Shares in the Company after the Offering. Shares issued on the basis of the authorization can be offered in deviation from the shareholders' pre-emptive subscription right. The authorization of the Board of Directors of the Company will remain in force until December 31, 2022.

Shareholder Rights

Pre-emptive Rights

Pursuant to the Finnish Companies Act, shareholders of a Finnish company have a pre-emptive right, in proportion to their shareholdings, to subscribe for new shares in such company as well as for issues of stock options or convertible bonds unless the decision of the general meeting of shareholders or the Board of Directors of the company authorized by the general meeting of shareholders approving such issue provides otherwise. Pursuant to the Finnish Companies Act, a resolution that deviates from the shareholders' pre-emptive rights must be approved by at least two thirds of all votes cast and shares represented at a general meeting of shareholders. In addition, pursuant to the Finnish Companies Act, such a resolution requires that the company has a weighty financial reason to deviate from the pre-emptive rights of shareholders. Furthermore, pursuant to the Finnish Companies Act, a resolution on a share issue without payment that deviates from the shareholders' pre-emptive rights requires that there is an especially weighty financial reason both for the company and in regard to the interests of all the shareholders in the company.

Certain shareholders resident in, or with a registered address in, certain jurisdictions other than Finland may not be able to exercise pre-emptive rights in respect of their shareholdings unless a registration statement, or an equivalent thereof under the applicable laws of their respective jurisdictions, is effective or an exemption from any registration or similar requirements under the applicable laws of their respective jurisdictions is available.

General Meeting of Shareholders

Pursuant to the Finnish Companies Act, shareholders exercise their decision-making powers at general meetings of shareholders. Pursuant to the Finnish Companies Act, the annual general meeting of shareholders of a company must be held annually within six months from the end of the financial year. At the annual general meeting of shareholders, the financial statements, including the income statement, balance sheet and cash flow statement with notes thereto and consolidated financial statements, are presented to the shareholders for adoption. At the annual general meeting of shareholders, shareholders also make decisions regarding, among other things, the use of profits shown on the balance sheet, the discharge from liability of the members of the Board of Directors and the President and CEO as well as the election of the members of the Board of Directors and auditors and their respective remuneration. An extraordinary general meeting of shareholders in respect of specific matters must be convened when deemed necessary by the Board of Directors, or when requested in writing by an auditor of the company or by shareholders representing at least one tenth of all of the issued and outstanding shares in the company.

Pursuant to the articles of association of the Company, the notice convening the general meeting of shareholders must be delivered to the shareholders by publishing the notice on the Company's website or by a newspaper announcement which is published in one or more widely circulated daily newspapers chosen by the Board of Directors of the Company no earlier than three months and no later than three weeks before the general meeting, and in any case at least nine days before the record date of the general meeting of shareholders referred to in Chapter 5, Section 6 a of the Finnish Companies Act. In order to be able to attend the general meeting of shareholders, a shareholder must notify the Company at the latest on the date mentioned in the notice, which may be no earlier than ten days before the general meeting of shareholders.

In order to have the right to attend and vote at a general meeting of shareholders, a shareholder must be registered in the register of shareholders maintained by Euroclear Finland no later than eight business days prior to the relevant general meeting of shareholders. See "*The First North Growth Market and the Finnish Securities Markets—Finnish Book-entry Securities System.*" A beneficial owner wishing to attend and vote at the general meeting of shareholders should seek a temporary registration in the register of shareholders maintained by Euroclear Finland by the date announced in the notice to the general meeting of shareholders, which date must be after the record date of the general meeting of shareholders. A notification for temporary registration of a beneficial owner into the shareholder register of the company is considered a notice of attendance at the general meeting of shareholders. There are no quorum requirements for general meetings of shareholders in the Finnish Companies Act or in the articles of association of the Company.

Voting Rights

A shareholder may attend and vote at a general meeting of shareholders in person or by way of proxy representation. Each Share entitles its holder to one vote at the general meeting of shareholders. If a shareholder's shares are registered in more than one book-entry account, the shareholder has a right to use different proxy representatives for each book-entry account. At a general meeting of shareholders, resolutions are generally passed with the majority of the votes cast. However, certain resolutions, such as any deviations from shareholders' pre-emptive rights in respect of share offerings and repurchases of own shares, amendments to the articles of association and resolutions regarding mergers, demergers or liquidation of a company, require at least two thirds of the votes cast and the shares represented at the general meeting of shareholders. In addition, certain resolutions, such as amendments to the articles of association that change the respective rights of shareholders holding the same class of shares or increase the redemption rights of a company or its shareholders, require the consent of all shareholders, or where only certain shareholders are affected, the consent of all the shareholders affected by the amendment, in addition to the applicable majority requirement.

Dividends and Other Distributions of Funds

In accordance with the prevailing practice in Finland, dividends on shares in a Finnish limited liability company, if any, are generally declared once a year. Dividends may be paid and unrestricted equity may be otherwise distributed after the general meeting of shareholders has adopted the company's financial statements and resolved on the amount of dividend or other distribution of unrestricted equity based on the proposal by the Board of Directors of the company. Pursuant to the Finnish Companies Act, the payment of a dividend or other distribution of unrestricted equity may also be based on financial statements other than that for the preceding financial year, provided that such financial statements have been adopted by the general meeting of shareholders. If the company has an obligation to elect an auditor pursuant to law or its articles of association, the financial statements must be audited. The payment of a dividend or other distribution of unrestricted equity requires the approval of the majority of the votes cast at a general meeting of shareholders of the company. Pursuant to the Finnish Companies Act, the general meeting of shareholders may also authorize the Board of Directors to resolve upon payment of dividends and other distributions of unrestricted equity. The amount of dividend or other distribution of unrestricted equity cannot exceed the amount stipulated by the general meeting of shareholders.

Under the Finnish Companies Act, the equity of a company is divided into restricted and unrestricted equity. Restricted equity consists of the share capital, the fair value reserve and the revaluation reserves according to the Finnish Accounting Act (1336/1997, as amended) as well as any possible reserve fund and share premium fund formed under the previous Finnish Companies Act (734/1978, as amended) effective prior to September 1, 2006. Pursuant to the current Finnish Companies Act, a company may also distribute funds by reducing its share capital, which requires the approval of the majority of votes cast at a general meeting of shareholders of the company. A decision regarding the share capital reduction must be registered in the Trade Register within one month from the general meeting of shareholders of the company that resolved on such share capital reduction. Following the registration of the share capital reduction, a creditor hearing process may be commenced and the Trade Register will issue, upon application of the company, a notice to the creditors of the company. The reduction of the share capital may be registered if none of the creditors of the company has opposed the reduction of the share capital or the company has received a confirmatory judgment to the effect that the opposing creditors have either received payment for their receivables or a securing collateral has been placed by the company for the payments of such receivables.

The amount of any dividend or other distribution of unrestricted equity is limited to the amount of distributable funds of the company stated in the financial statements upon which the decision to pay dividends or otherwise distribute unrestricted equity are based, subject to any material changes in the financial position of the company after the financial statements have been prepared. Distribution of funds, whether by way of dividend or other distribution of unrestricted equity, is prohibited if it is known, or it should be known, at the time such decision is made that the company is insolvent or that such distribution would cause the company to become insolvent. Distributable funds include the profit for the preceding financial year, retained earnings from previous financial years and other unrestricted equity, adjusted for the loss set forth in the balance sheet, the amounts that are to be left undistributed under the articles of association of the company and certain other undistributable funds. A parent company of a consolidated group of companies may not distribute more than the amount of distributable funds shown on the parent company's latest audited and adopted financial statements. The dividend may not exceed the amount proposed or otherwise accepted by the Board of Directors, unless so requested at the general meeting of shareholders by shareholders representing at least one tenth of all of the issued and outstanding shares in the company, in which case, the dividend can be no more than the lesser of (i) at least one half of the profit for the preceding financial year less the amount to be left undistributed under the articles of association of the company (if any) and (ii) the amount of distributable funds as described above. However, in such case, the dividend cannot exceed 8 percent of the total equity of the company and the distributable amount must be adjusted for any dividends paid during the accounting period before the annual general meeting of shareholders.

Dividends and other distributions of funds are paid to shareholders or their nominees entered in the register of shareholders on the relevant record date. Such register is maintained by Euroclear Finland through the relevant book-entry account operators. Under the Finnish book-entry securities system, dividends are paid by account transfers to the accounts of the

shareholders appearing in the register. All shares in the Company carry equal rights to dividends and other distributions of funds by the Company (including distributions of assets in the event of the liquidation of the Company).

The right to dividends is forfeited three years from the payment date of the dividends, after which the funds reserved for the payment of the dividends remain in the Company.

For information relating to taxation of dividends, see “*Taxation.*”

Treasury Shares

Pursuant to the Finnish Companies Act, a company can repurchase its own shares. Resolutions regarding the repurchase of a company’s own shares must be made by the general meeting of shareholders, unless the general meeting of shareholders has authorized the Board of Directors to resolve upon share repurchases using unrestricted equity. Any such authorization may remain in effect for no more than 18 months. A public limited liability company may not, directly or indirectly, own more than 10 percent of all the shares in the company. As at the date of this Offering Circular, the Company does not hold any treasury Shares.

Transfers through the Finnish Book-entry System

Upon a sale of shares through the Finnish book-entry securities system, the relevant shares are transferred from the seller’s book-entry account to the purchaser’s book-entry account as an account transfer. For the sale, allocation data is recorded into Euroclear Finland’s Infinity 2 clearing system and, if necessary, a provision regarding the book-entry security is made to the book-entry account. The sale is registered as an advance transaction until settlement and payment, after which the purchaser is automatically registered in the register of shareholders of the relevant company. If the shares are registered in the name of a nominee and the seller’s and purchaser’s shares are deposited in the same custodial nominee account, a sale of shares does not require any entries into the Finnish book-entry securities system, unless the nominee changes or the shares are transferred from the custodial nominee account pursuant to the sale.

Redemption Right and Obligation to make a Purchase Offer

Pursuant to the Finnish Companies Act, a shareholder holding more than 90 percent of all shares and voting rights attached to the shares in a company has a right to redeem all remaining shares in such company for fair value. In addition, a minority shareholder that holds shares that may, under the Finnish Companies Act, be redeemed by a majority shareholder as described above, is entitled to demand such majority shareholder to redeem its shares.

Pursuant to Article 13 of the Company’s articles of association, after the Shares have been admitted to public trading on a market place, including but not limited to the First North Growth Market, a person whose holdings, either alone or together with other persons in a way defined in the Company’s articles of association, in the voting rights attached to all the Shares registered in the Trade Register exceed 50 percent, shall be obliged to make an offer to purchase all the other Shares issued by the Company and options which entitle the holder to new Shares from the other shareholders and holders of such options.

Notification on the Change of Holdings

Pursuant to Article 12 of the Company’s articles of association, a shareholder shall have an obligation to notify the company its holdings and proportion of voting rights when the proportion reaches or exceeds or falls below 5, 10, 15, 20, 25, 30, 50 or 90 percent or 2/3 of the total amount of voting rights or the total number of shares registered in the trade register. A shareholder shall also make a notification on the change of holdings when a shareholder has on the basis of a financial instrument the right to receive a number of shares in the company that results in reaching, exceeding or falling below any of the abovementioned thresholds. The notification shall be made regardless of if the financial instrument is exercised by physical transfer of the underlying asset or by settlement of net value. The obligation to notify shall also emerge when a shareholder’s combined holdings of the above (shareholding or voting rights and long position acquired through financial instrument) reach, exceed or fall below any of the abovementioned thresholds. Article 12 of the Company’s articles of association shall be interpreted in accordance with Chapter 9, Sections 5–8 of the Finnish Securities Markets Act.

Foreign Exchange Control

Shares in a Finnish company may be purchased by non-residents of Finland without any separate Finnish exchange control consent. Non-residents may also receive dividends without separate Finnish exchange control consent, the transfer of assets out of Finland being subject to payment by the company of withholding taxes in the absence of an applicable tax treaty preventing the levying of such taxes. Non-residents having acquired shares in a Finnish limited liability company may receive shares pursuant to a bonus issue or through participation in a rights issue without separate Finnish exchange control consent. Shares in a Finnish company may be sold in Finland by non-residents, and the proceeds of such sale may be transferred out of Finland in any convertible currency. There are no Finnish exchange control regulations restricting the sale of shares in a Finnish company by non-residents to other non-residents.

PLAN OF DISTRIBUTION

Placing Agreement

Carnegie and SEB act as the Managers of the Offering. The Company, the Principal Shareholder, Rite Ventures and the Managers are expected to enter into the Placing Agreement on or about November 24, 2021. Under the terms and conditions of the Placing Agreement, the Company undertakes to issue New Shares and the Principal Shareholder and Rite Ventures undertake to sell Sale Shares to investors procured by the Managers, and each of the Managers undertakes, subject to certain conditions, to procure subscribers for the New Shares and the Sale Shares without joint and several liability. The Placing Agreement defines the services to be provided by the Managers in connection with the Offering.

The Placing Agreement will include customary conditions that entitle the Managers to terminate the Placing Agreement in certain situations and with certain preconditions. Such situations include certain material adverse changes in the Company's business, financial position, results of operations or the Company's prospects, as well as certain changes in, among others, national or international market, political or economic conditions. Furthermore, the Company has given customary representations and warranties to the Managers related to, among others, the Company's business and compliance with laws and regulations, the Shares and the content of this Offering Circular. According to the Placing Agreement, the Company is committed to, among others, indemnify the Managers for certain costs and liabilities and to reimburse them certain costs incurred in connection with the Offering.

Other Selling Shareholders are not parties to the Placing Agreement, but have each given separate sale commitments to the Managers in respect of the Offering.

The Offering consists of (i) the Public Offering, (ii) the Institutional Offering and (iii) the Personnel Offering. In the Institutional Offering, the Offer Shares are offered for subscription to institutional investors in Finland and internationally in certain countries outside the United States in compliance with Regulation S. The Offer Shares have not been, and will not be, registered in under the U.S. Securities Act.

Over-allotment Option

In connection with the Offering, the Principal Shareholder and Rite Ventures are expected to grant to the Managers an Over-allotment Option, exercisable by Carnegie on behalf of the Managers as Stabilizing Manager, to purchase a maximum of 2,355,796 Additional Shares for the Subscription Price that the Principal Shareholder and Rite Ventures will offer for sale on a *pro rata* basis solely to cover any over allotments in connection with the Offering. The Over-allotment Option is exercisable within 30 days from the commencement of trading of the Shares on the First North Growth Market (*i.e.*, on or about the period between November 25, 2021, and December 24, 2021) (the "**Stabilization Period**"). The Additional Shares represent approximately 11 percent of the Shares and votes vested by the Shares prior to the Offering and approximately 9 percent after the Offering assuming that the Selling Shareholders will sell the maximum number of Sale Shares and that the Company will issue 3,884,472 New Shares. However, the number of Additional Shares will not in any case represent more than 15 percent of the aggregate number of New Shares and Sale Shares.

Stabilization Measures

Carnegie as the Stabilizing Manager may, but is not obligated to, engage in measures during the Stabilization Period that stabilize, maintain or otherwise affect the price of the Shares. The Stabilizing Manager may allocate a larger number of Shares than the total number of New Shares and Sale Shares, which will create a short position. The short position will be covered if it does not exceed the number of Additional Shares. The Stabilizing Manager is entitled to close the covered short position by exercising the Over-allotment Option and/or by buying Shares in the market. In determining the acquisition method of the Shares to cover the short position, the Stabilizing Manager may consider, among other things, the market price of the Shares in relation to the Subscription Price. In connection with the Offering, the Stabilizing Manager may also bid for and purchase Shares in the market to stabilize the market price of the Shares. These measures may raise or maintain the market price of the Shares in comparison with the price levels determined independently on the market or may prevent or delay any decrease in the market price of the Shares. However, stabilization measures cannot be carried out at a price higher than the Subscription Price. The Stabilizing Manager has no obligation to carry out these measures, and it may stop any of these measures at any time. The Stabilizing Manager or the Company on behalf of the Stabilizing Manager will publish information regarding the stabilization required by legislation or other applicable regulations at the end of the Stabilization Period. The stabilization measures can be conducted on the First North Growth Market during the Stabilization Period.

Any stabilization measures will be conducted in accordance with the Market Abuse Regulation and Commission Delegated Regulation (EU) 2016/1052 supplementing the Market Abuse Regulation with regard to regulatory technical standards for the conditions applicable to buy-back programs and stabilization measures.

The Stabilizing Manager and the Principal Shareholder may enter into a stock lending agreement related to stabilization and the Over-allotment Option in connection with the Offering. According to the stock lending agreement, the Stabilizing

Manager may borrow a number of Shares equal to the maximum number of Additional Shares to cover any possible over-allotments in connection with the Offering. To the extent that the Stabilizing Manager borrows Shares pursuant to the stock lending agreement, it must return an equal number of Shares to the Principal Shareholder.

Lock-up

The Company and the Selling Shareholders are expected to commit during the period that will end on 180 days from the FN Listing, without the prior written consent of the Managers, not to issue, offer, pledge, sell, contract to sell, sell any option rights or contract to purchase, purchase any option or contract to sell, concede any option right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Shares or any securities they hold or subscribe for in the Offering entitling to Shares or exchangeable for or convertible into or exercisable for Shares, or enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Shares, whether any such transactions are to be settled by delivery of the Shares or other securities, in cash or otherwise. The lock-up does not apply to the measures related to the execution of the Offering.

The members of the Board of Directors of the Company and the management team of Duell are expected to enter into a lock-up agreement with similar terms to that of the Company and the Selling Shareholders that will end on the date that falls 360 days from the FN Listing.

According to the terms and conditions of the Personnel Offering, the personnel participating in the Personnel Offering must agree with the lock-up with similar terms to that of the Company and the Selling Shareholders that will end on the date that falls 360 days from the FN Listing.

In aggregate, the terms of the lock-up agreements apply to approximately 38 percent of the Shares after the Offering without the Over-allotment Option and the possible New Shares subscribed for by the Personnel in the Public Offering (approximately 29 percent with the Over-allotment Option) assuming that the Selling Shareholders will sell the maximum number of Sale Shares, and that the Company will issue 3,884,472 New Shares.

Subscription Undertakings

The Cornerstone Investors have given subscription undertakings in relation to the Offering, under which they commit to subscribe for Offer Shares at the Subscription Price subject to certain provisions and subject to the condition that the maximum valuation of all outstanding Shares, including any gross proceeds from the Share Issue at the Subscription Price not exceeding EUR 131.3 million (excluding the impact of the discount applied to the subscription price in the Personnel Offering). The Cornerstone Investors have committed to subscribe for in the Offering a number of the Company's shares at the Subscription Price that corresponds to the following amounts: Hartwall Capital EUR 27.0 million, certain funds managed by Sp-Fund Management Company Ltd EUR 6.5 million, Ilmarinen Mutual Pension Insurance Company EUR 5.0 million, certain funds managed by Svenska Handelsbanken EUR 4.0 million, certain funds managed by OP Fund Management Company Ltd EUR 4.0 million, and certain funds managed by entities owned by Aktia Bank Plc EUR 3.0 million.

The Company and Sponsor Fund have in the cornerstone undertaking agreement with Hartwall Capital agreed to contribute in affecting the election of two new members of the Board of Directors named by Hartwall Capital, the appointment of whom is conditional upon the completion of the Offering. Hartwall Capital has proposed that Anna Hyvönen and Niko Mokkila be appointed as new members of the Board of Directors. The shareholders of the Company resolved unanimously on November 10, 2021, that the number of the members of the Board of Directors is six and that Anna Hyvönen and Niko Mokkila be elected as the new members of the Board of Directors. The resolution regarding the number of the members of the Board of Directors and the election of the new members of the Board of Directors is conditional upon the completion of the Offering and it will be effective immediately when the Shares are admitted to trading on the First North Growth Market.

Fees and Expenses

The Company and the Selling Shareholders will pay the Managers a sales fee that is determined on the Company's part on the basis of the gross proceeds from the New Shares and on the Selling Shareholders' part from the Sale Shares (including any sales of Additional Shares based on the Over-allotment Option). In addition, the Company undertakes to reimburse the Managers for certain expenses. In connection with the Offering, the Company expects to pay approximately EUR 2.0 million in fees and expenses and the Selling Shareholders approximately EUR 2.7 million for the Sale Shares.

Interests Related to the Offering

The fees to be paid to the Managers are, in part, linked to the proceeds from the Offering.

The Managers, as well as other entities in the same groups, may purchase and sell the Shares for their own or their customers' account prior to, during and after the Offering subject to applicable legislation and regulations.

The Managers, as well as other entities in the same groups, have provided and may in the future provide to the Company investment or other banking services in accordance with their ordinary business.

The Selling Shareholders will sell Sale Shares in the Offering. For more information on the Selling Shareholders, see Annex B of this Offering Circular.

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) MiFID II, (b) Articles 9 and 10 of the Commission Delegated Directive (EU) 2017/593 supplementing MiFID II, and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that they each are (i) compatible with an end target market of retail investor and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II (the “**Target Market Assessment**”), and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II. Distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements in any contractual, legal or regulatory selling restrictions in relation to the Offering.

The Target Market Assessment does not constitute (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, obtain, or take any other action concerning the Shares. Each distributor is responsible for its own Target Market Assessment in respect of the Shares and determining the appropriate distribution channels.

SELLING AND TRANSFER RESTRICTIONS

Selling Restrictions

General

No public offer is being made and no one has taken any action that would, or is intended to, permit a public offering of the Offer Shares to be made in any country or jurisdiction, other than Finland, where any such action for that purpose is required.

Accordingly, the Offer Shares may not be offered or sold, directly or indirectly, and neither this Offering Circular nor any other offering material nor advertisement in connection with the Offer Shares may be distributed or published in or from any country or jurisdiction except in compliance with applicable rules and regulations of such country or jurisdiction. It is the responsibility of any person who receives a copy of this document to satisfy himself or herself as to full observance of the laws of any relevant territory with respect to any actions he or she may take, including the obtaining of any requisite governmental or other consent or the observance of any requisite formalities and the payment of any issue, transfer or other taxes due in such territory.

United States

The Offer Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Offer Shares are only to be offered and sold outside the United States in offshore transactions in compliance with Regulation S.

European Economic Area

In relation to each member state of the European Economic Area (“EEA”) (each, a “**Member State**”), no Offer Shares have been offered or will be offered pursuant to the Offering to the public in that Member State prior to the publication of a prospectus in relation to the Offer Shares which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, all in accordance with the Prospectus Regulation, except that offers of Offer Shares may be made to the public in that Member State at any time:

- (a) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of the Managers for any such offer; or
- (c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Offer Shares shall require the Company or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to any Offer Shares in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Offer Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Offer Shares.

United Kingdom

No Offer Shares have been offered or will be offered pursuant to the Offering to the public in the United Kingdom prior to the publication of a prospectus in relation to the Offer Shares that has been approved by the Financial Conduct Authority, except that the Offer Shares may be offered to the public in the United Kingdom at any time:

- (a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Managers for any such offer; or
- (c) in any other circumstances falling within Section 86 of the Financial Services and Markets Act 2000 (the “**FSMA**”).

provided that no such offer of the Offer Shares shall require the Company or any Manager to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an “offer to the public” in relation to the Offer Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Offer Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Offer Shares and the expression

“**UK Prospectus Regulation**” means the Prospectus Regulation as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

In the United Kingdom, this Offering Circular is addressed to and directed only at parties who (i) are persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”), (ii) are persons who are high net worth entities falling within Article 49(2)(a) to (d) of the Order, or (iii) are other persons to whom this Offering Circular may otherwise lawfully be communicated (all such persons together being referred to as “**Relevant Persons**”). The Offer Shares are only available to, and any invitation, offer, or agreement to subscribe for, purchase or otherwise acquire the Offer Shares in the United Kingdom will be engaged in only with Relevant Persons. Any person who is not a Relevant Person should not act or rely on this Offering Circular or any of its contents.

Transfer Restrictions

The Offer Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Offer Shares are only to be offered and sold outside the United States in offshore transactions in compliance with Regulation S.

Each purchaser of Offer Shares will be deemed to have represented and agreed that it has received a copy of this Offering Circular and such other information as it deems necessary to make an informed investment decision and that:

- (1) the purchaser is purchasing Offer Shares in an offshore transaction meeting the requirements of Regulation S;
- (2) the purchaser has not purchased the Offer Shares as a result of any “directed selling efforts” as defined in Regulation S;
- (3) the purchaser acknowledges that the Offer Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any state of the United States, and are subject to restrictions on transfer;
- (4) the purchaser will not offer, sell, pledge, or transfer any Offer Shares, except in accordance with the U.S. Securities Act and any applicable laws of any state of the United States and any other jurisdictions; and
- (5) the Company will not recognize any offer, sale, pledge or other transfer of the shares made other than in compliance with the above-stated restrictions.

Furthermore, each purchaser in a Member State, other than, in the case of paragraph (a) below, persons receiving offers contemplated in this Offering Circular in Finland who receive any communication in respect of, or who acquire any Offer Shares under, the Offering contemplated in this Offering Circular, will be deemed to have represented and agreed that:

- (a) the purchaser is a qualified investor as defined under Article 2 of the Prospectus Regulation; and
- (b) in the case of any Offer Shares acquired by the purchaser as a financial intermediary, (i) the Offer Shares acquired by it in the Offering have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Member State other than qualified investors, as that term is defined in the Prospectus Regulation, or in circumstances in which the prior consent of the Managers has been given to the offer and resale; or (ii) where Offer Shares have been acquired by it on behalf of persons in any Member State other than qualified investors, the offer of those Offer Shares to it is not treated under the Prospectus Regulation as having been made to such persons.

THE FIRST NORTH GROWTH MARKET AND THE FINNISH SECURITIES MARKETS

The following summary is a general description of the Finnish securities markets regulations applicable to the First North Growth Market and it is based on the laws of Finland as in effect as at the date of this Offering Circular. The following summary is not exhaustive.

The First North Growth Market

The First North Growth Market is Nasdaq Helsinki's Nordic growth market, designed for small and growing companies. Companies listed on the First North Growth Market are subject to less extensive rules than companies listed on a regulated market, such as the Official List of Nasdaq Helsinki. This is intended to allow smaller companies to enjoy the benefits of being publicly traded companies without excess administrative burden. Unlike on the regulated markets, companies listed on the First North Growth Market must engage a Certified Adviser whose role is to ensure that companies comply with applicable requirements and rules.

The First North Growth Market is regulated as a multilateral trading facility as opposed to a regulated market. "Multilateral trading facility" and "regulated market" are classifications for trading venues of securities set out in the Directive on Markets in Financial Instruments. Multilateral trading facilities and the holders and issuers of securities listed on a multilateral trading facility are subject to less stringent rules than regulated markets and the holders and issuers of securities listed on a regulated market. Companies that have applied for their shares to be listed on the First North Growth Market are subject to the First North Rulebook but not the requirements for admission to trading on a regulated market. For more information, see "*—Trading on the First North Growth Market*" and "*—Regulation of the Finnish Securities Markets*" below.

Trading on the First North Growth Market

The First North Growth Market is maintained by Nasdaq Helsinki, a member of the Nasdaq group, which owns and maintains First North Growth Markets also in Stockholm, Copenhagen and Iceland. Pursuant to the First North Rulebook, the trading rules of Nasdaq Helsinki apply on the First North Growth Market as set out in further detail in the First North Rulebook (including Supplement C – Finland).

Trading in the equities market on the First North Growth Market takes place in the automated INET Nordic trading platform in which orders are matched as trades when the price, volume and other conditions match. The main trading sessions in the equities market of the First North Growth Market are pre-trading session, continuous trading session and post-trading session. The currency for trading in, and clearing of, securities on the First North Growth Market is euro, with the tick size for trading quotations depending on the share price. All price information is produced and published only in euro. Trades are normally cleared in Euroclear Finland's Infinity 2 clearing and settlement system on the second business day after the trade date (T+2) unless otherwise agreed by the parties.

Regulation of the Finnish Securities Markets

The securities market in Finland is supervised by the FIN-FSA. The primary statutes governing the Finnish securities markets are the Finnish Securities Markets Act, which contains provisions with respect to, among others, company and shareholder disclosure obligations and public tender offers, the Prospectus Regulation, which contains provisions with respect to, among others, the content and format of prospectuses and the Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (the "**Market Abuse Regulation**"), which contains regulations with respect to, among others, insider dealing, unlawful disclosure of inside information, market manipulation and public disclosure of inside information. The regulation governing the admission of securities and other financial instruments into public trading and the trading in listed financial instruments is compiled under the Act on Trading in Financial Instruments (1070/2017, as amended). The FIN-FSA may issue more detailed regulation pursuant to the Finnish Securities Markets Act and other acts. The role of the FIN-FSA is to monitor compliance with these regulations.

The Finnish Securities Markets Act and the Market Abuse Regulation specify minimum disclosure requirements for companies applying to have their securities listed on a multilateral trading facility or who offer their securities to the public in Finland. The information provided must be sufficient to enable a potential investor to make a sound evaluation of the securities being offered and the issuing company as well as of matters that may have a material effect on the value of the securities. The issuer of securities subject to trading on the First North Growth Market has an obligation to disclose any matters likely to have a significant effect on the value of the securities. The First North Rulebook also includes an obligation to regularly publish financial information concerning the company and other requirements regarding continuous disclosure obligations. Information disclosed must be kept accessible to the public. Pursuant to the Market Abuse Regulation, the issuer of a publicly traded security has the obligation to disclose any matters concerning the company that, if made public, would be likely to have a material effect on the prices of the financial instruments of the company. Insider information must be made public in a manner that enables fast access and complete, correct and timely assessment of the information by the public.

The requirements of the Finnish Securities Markets Act that are only applied on regulated markets, such as provisions relating to the flagging obligation, do not apply to securities subject to trading on the First North Growth Market. However, certain provisions of the Finnish Securities Markets Act, such as provisions relating to market abuse and certain rules on public tender offers, also apply to securities subject to trading on the First North Growth Market.

The Finnish Securities Markets Act regulates takeover bids for shares subject to public trading on a regulated market or securities entitling to such shares. The provisions concerning mandatory takeover bids do not apply on the First North Growth Market. However, the provisions concerning voluntary takeover bids apply partly to shares subject to trading in a multilateral trading facility or securities entitling to shares. For example, a person, who publicly offers to purchase shares admitted to trading in a multilateral trading facility upon the issuer's application or securities entitling to such shares, cannot place the holders of the securities subject to a takeover bid in an unequal position. The offeror must provide the holders of the target company's securities with material and sufficient information, on the basis of which the holders of the securities can make an informed assessment of the bid. The bid must be made public and notified to the holders of the securities, the organizer of a multilateral trading facility and the FIN-FSA. Before publishing the bid, the offeror must ensure that it is able to fully pay the possibly offered cash consideration and carry out all reasonable measures required to secure the implementation of any other type of consideration. The legal requirements regarding the determination of type and amount of offer consideration and provisions regarding an increasing obligation and a compensation obligation of offer consideration are applied also to a takeover bid made for shares subject to trading in a multilateral trading facility.

The provisions of the Finnish Companies Act on the redemption of minority shares are applicable to shares subject to trading on the First North Growth Market. For more information on the redemption right and obligation to purchase Shares, see *"Description of the Shares and Share Capital—Shareholder Rights—Redemption Right and Obligation to make a Purchase Offer."*

In addition to the above-mentioned applicable regulations, the Company has included in its articles of association an obligation to notify the Company on the change of holdings and proportion of voting rights and the obligation to make a purchase offer when certain conditions are met. For more information on the obligation to notify the change of holdings and the obligation to make an offer to purchase Shares, see *"Description of the Shares and Share Capital—Shareholder Rights—Redemption Right and Obligation to make a Purchase Offer"* and *"Description of the Shares and Share Capital—Shareholder Rights—Notification on the Change of Holdings."*

The Finnish Penal Code (39/1889, as amended) criminalizes the breach of disclosure requirements, the misuse of inside information, unauthorized disclosure of inside information and market manipulation. Pursuant to the Market Abuse Regulation, the Finnish Securities Markets Act and the Finnish Act on the Financial Supervisory Authority (878/2008, as amended), the FIN-FSA has the right to impose administrative sanctions to the extent the offence does not fall within the scope of the Finnish Penal Code. The FIN-FSA can, for example, issue a public warning or impose administrative fines or monetary penalties for the breach of disclosure requirements, insider register or market abuse provisions. The disciplinary board of Nasdaq Helsinki may give a warning or note or impose a disciplinary fine or order the company to be removed from the stock exchange list. Nasdaq Helsinki may also issue disciplinary sanctions for breaches of the First North Rulebook.

Finnish Book-entry Securities System

General

Any issuer established in the EU that issues or has issued transferable securities which are admitted to trading or traded on trading venues, shall arrange for such securities to be represented in book-entry form. The issuer has the right to choose the central securities depository in which its securities are recorded. The central securities depository maintains the book-entry system. Euroclear Finland acts as the central securities depository in Finland as at the date of this Offering Circular. Euroclear Finland maintains a book-entry securities register for, among others, equity and debt securities. The registered office of Euroclear Finland is Urho Kekkosen katu 5C, FI-00100, Helsinki, Finland.

Shareholders' registers must be maintained for issuers in the Finnish central securities depository. In accordance with Regulation on Central Securities Depositories (EU) No 909/2014, the central securities depositories are not obliged to offer shareholders book-entry accounts sponsored by issuers free of charge, but a central securities depository may offer such free accounts sponsored by issuers based on a voluntary business decision.

Registration

Shareholders of all companies registered in the book-entry securities system must establish a book-entry account with an account operator or register its securities through nominee registration in order to effect share entries. A Finnish shareholder may not hold his/her shares through nominee registration in the Finnish book-entry system. For shareholders who have not transferred their shares into book-entries, a joint book-entry account is opened with Euroclear Finland with the issuer as registered holder. All transfers of securities registered with the book-entry securities system are executed as computerized book-entry transfers to the extent they are executed in the book-entry securities system. The account operator confirms the

book-entry by sending a statement of book-entries made to the holder of the respective book-entry account at least four times a year. The book-entry account holders also receive an annual statement of their holdings at the end of each calendar year.

Each book-entry account is required to contain information with respect to the account holder and other holders of rights to the book-entries entered into the account as well as information on the account operator administering the book-entry account. The required information also includes the type and number of book-entries registered as well as the rights and restrictions pertaining to the account and to the book-entries registered in the account. A custodial nominee account is identified as such on the entry. Euroclear Finland and the account operators are responsible for maintaining the confidentiality of the information they receive. The company must, however, keep the shareholders' register available to anyone at the company's head office or, when the shares of the company are entered into the book-entry securities system, at the office of the central securities depository in Finland. The FIN-FSA is also entitled to certain information on the holdings of shares registered in a custodial nominee account upon request.

Each account operator is liable for errors and omissions in its registration activity, and for any breach of data protection. If an account holder has suffered a loss as a result of a faulty registration or other mistake or defect relating to the entries and the account operator has not compensated such loss, such account holder is entitled to receive compensation from the statutory registration fund of Euroclear Finland. The capital of the registration fund must be at least 0.0048 percent of the average of the total market value of the book-entries kept in the book-entry securities system during the last five years and it must not be less than EUR 20 million. The compensation to be paid to an injured party is equal to the amount of damages suffered subject to a limit of EUR 25,000 per account operator. The liability of the registration fund to pay damages in relation to each incident is limited to EUR 10 million.

Custody of Shares and Nominee Registration

A non-Finnish shareholder may appoint an account operator (or certain other Finnish or non-Finnish organization approved by the central securities depository) to act as a custodial nominee account holder on its behalf. The book-entry securities of a foreigner, foreign entity or trust may be deposited in a custodial nominee account, where the book-entry securities are registered in the name of a custodial account holder in the company's register of shareholders. A custodial nominee account must contain information on the custodial account holder instead of the beneficial owner and indicate that the account is a custodial nominee account. Book-entry securities owned by one or more beneficial owners may be registered in a custodial nominee account. In addition, the shares owned by a foreigner, foreign entity or trust may be registered in a book-entry account opened in the name of such foreigner, foreign entity or trust, but the holding may be registered in the name of a nominee in the company's register of shareholders.

A custodial nominee account holder is entitled to receive dividends on behalf of the shareholder. A nominee-registered shareholder wishing to attend and vote at the general meeting of shareholders should temporarily register the shares in their own name in the shareholders' register kept by Euroclear Finland at the latest on the date mentioned in the notice to the general meeting of shareholders, which must be after the record date of the general meeting of shareholders. Upon request by the FIN-FSA or the relevant company, a custodial nominee account holder is required to disclose the name of the beneficial owner of any shares registered in such custodial nominee's name, provided the beneficial owner is known, as well as the number of shares owned by such beneficial owner. If the name of the beneficial owner is not known, the custodial nominee account holder is required to disclose corresponding information on the representative acting on behalf of the beneficial owner and to submit a written declaration of the representative to the effect that the beneficial owner of the shares is not a Finnish natural person or legal entity.

A shareholder wishing to hold his/her shares in the book-entry securities system in his/her own name, but who does not maintain a book-entry account in Finland, is required to open a book-entry account at an account operator as well as a bank account denominated in euros in Finland.

Compensation Fund for Investors and Deposit Insurance Fund

The Finnish Act on Investment Services (747/2012, as amended) sets forth a compensation fund for investors. Under such act, investors are divided into professional and non-professional investors. The fund does not compensate any losses by professional investors. The definition of professional investor includes business enterprises and public entities, which are deemed to understand the securities markets and their associated risks. An investor may also provide notice in writing that, on the basis of his/her professional skills and experience in the securities markets, he/she is a professional investor, however, natural persons are generally presumed to be non-professional investors. Investment firms and credit institutions must belong to the compensation fund. The compensation fund safeguards payment of clear and indisputable claims of investors when an investment company or a credit institution has been declared bankrupt, is undergoing a restructuring process or is otherwise, for a reason other than temporary insolvency, not capable of paying claims within a determined period of time. For valid claims, the compensation fund will pay 90 percent of the investor's claim against each investment company or credit institution, up to a maximum of EUR 20,000. The compensation fund does not provide compensation for losses due to decreases in stock value or bad investment decisions. Accordingly, investors continue to be liable for the

consequences of their own investment decisions. According to the Finnish Act on Financial Stability Authority (1195/2014, as amended), depositary banks must belong to a deposit guarantee scheme, which is intended to safeguard payments of receivables in the depositary bank's account or receivables in the forwarding of payments that have not yet been entered into an account if the depositary bank becomes insolvent and the insolvency is not temporary. The customers of a depositary bank can be compensated by the deposit insurance fund up to a maximum of EUR 100,000. An investor's funds can be safeguarded either by the deposit insurance fund or the compensation fund, however, an investor's funds cannot be safeguarded by both funds at the same time.

TAXATION

The following summary is based on the tax laws of Finland as in effect and applied as at the date of this Offering Circular as well as on the current case law and tax practice. Any changes in tax laws, case law or tax practice may also have a retroactive effect on taxation. The following summary is not exhaustive and does not take into account or discuss the tax laws, case law or tax practice of any country other than Finland. The following summary does not address tax considerations applicable to such holders of Shares that may be subject to special tax rules relating to, among others, different restructurings of corporations, controlled foreign corporations, non-business carrying entities, income tax-exempt entities, investment funds, general or limited partnerships, or individuals holding shares through share saving accounts. Furthermore, this description does not address Finnish inheritance or gift tax consequences. In addition to the tax laws of Finland, the tax laws of the countries in which prospective investors are resident may affect the income from the Shares, and prospective investors are advised to consult professional tax advisors as to the tax implications relating to the purchase, ownership and disposition of Shares. Prospective investors, whose taxation may be impacted by the tax laws of other countries, should consult tax advisers as to the tax implications related to their individual circumstances.

Finnish Tax Considerations

The following is a description of the material Finnish income tax and transfer tax consequences that may be relevant with respect to the Offering. The description below is applicable to both Finnish resident and non-resident natural persons and limited liability companies for the purposes of Finnish domestic tax legislation relating to dividend distributions and capital gains arising from the sale of Shares.

This description is primarily based on:

- The Finnish Income Tax Act (*tuloverolaki* 1535/1992, as amended, the “**Finnish Income Tax Act**”);
- The Finnish Business Income Tax Act (*laki elinkeinotulon verottamisesta* 360/1968, as amended, the **Finnish Business Income Tax Act**”);
- The Finnish Act on the Taxation of Non-residents’ Income (*laki rajoitetusti verovelvollisen tulon verottamisesta* 627/1978, as amended);
- The Finnish Transfer Tax Act (*varainsiirtoverolaki* 931/1996, as amended); and
- The Finnish Tax Assessment Procedure Act (*verotusmenettelylaki* 1558/1995, as amended, the “**Finnish Tax Assessment Procedure Act**”).

In addition, relevant case law as well as decisions and statements made by the tax authorities in effect and available as at the date of this Offering Circular have been taken into account. Tax legislation, case law and statements given by tax authorities are subject to change, which could apply retroactively and could, therefore, affect the tax consequences described below.

General

Residents and non-residents of Finland are treated differently for tax purposes. The worldwide income of persons resident in Finland is subject to taxation in Finland. Non-residents are only taxed on income from Finland. Additionally, Finland imposes taxes on non-residents for income connected with their permanent establishments in Finland. However, tax treaties may limit the applicability of Finnish tax legislation and also the right to tax income received from Finland by a non-resident.

Generally, a natural person is deemed to be a resident in Finland if such person remains in Finland for a continuous period of more than six months or if the permanent home and abode of such person is in Finland. However, a Finnish national who has moved abroad is considered to be resident in Finland until three years have passed from the end of the year of departure unless they can demonstrate that no substantial ties between them and Finland have existed during the relevant tax year.

Earned income, including salary, is taxed at progressive rates. Currently, the capital income tax rate is 30 percent. In addition, should the amount of capital income received by a resident natural person exceed EUR 30,000 in a calendar year, the capital income tax rate is 34 percent on the amount that exceeds EUR 30,000. Corporate entities established under the laws of Finland are regarded as residents in Finland and are, therefore, subject to corporate income tax on their worldwide income. In addition, non-residents are subject to Finnish corporate income tax on their income connected with their permanent establishments situated in Finland. Currently, the corporate income tax rate is 20 percent.

Distribution of funds from a reserve for unrestricted equity (in accordance with Chapter 13, Section 1, Subsection 1 of the Finnish Companies Act) by a public listed company pursuant to Section 33a, Subsection 2 of the Income Tax Act (a “**Listed**

Company”) is taxable as dividend. Therefore, the description below addressing the tax implications of dividends is also applicable with respect to distribution of funds from a reserve for unrestricted equity.

The following is a summary of certain Finnish tax consequences relating to the purchase, ownership and disposal of Shares by Finnish resident and non-resident shareholders.

Taxation of Dividends

Resident Natural Persons

If shares owned by a natural person are not included in the business activity (*i.e.*, business income source) of such person, 85 percent of dividends paid by a Listed Company to such shareholder is taxable as capital income at the rate of 30 percent (34 percent on the amount that exceeds EUR 30,000 in a calendar year), while the remaining 15 percent is tax-exempt. Eighty-five percent of dividends paid by a Listed Company to a natural person whose underlying shares belong to the business activity of such shareholder is as a main rule taxable partly as earned income, which is taxed at progressive rates, and partly as capital income, which is taxed at a rate of 30 percent (34 percent rate on the amount that exceeds EUR 30,000 in a calendar year), and the remaining 15 percent is tax-exempt.

Distribution of dividends by a Listed Company to resident natural persons is subject to advance tax withholding. Currently, the amount of the advance tax withholding is 25.5 percent. The advance tax withheld by the distributing company is credited against the final tax payable by the shareholder for the dividend received. Resident natural persons must review, and correct, if necessary, the amount of dividend income and the advance tax withheld on their pre-completed income tax return form.

A 50 percent withholding tax is withheld on the nominee account’s dividends if the company paying the dividend or the registered custodian cannot identify the recipient of the dividend as non-resident in Finland. For more information on non-residents’ taxation, see “—*Non-residents*” below.

Finnish Limited Liability Companies

Taxation of dividends distributed by a Listed Company depends, among other things, on whether the Finnish company receiving the dividend is a Listed Company or not.

Dividends received by a Listed Company from another Listed Company are generally tax-exempt. However, in cases where the underlying shares are included in the investment assets of the shareholder, 75 percent of the dividend is taxable income while the remaining 25 percent is tax-exempt. Only financing, insurance and pension institutions may have investment assets.

Dividends received by a Finnish company that is not a Listed Company (*i.e.*, a privately held company) from a Listed Company are fully subject to corporate income tax. However, in cases where the privately held company directly owns 10 percent or more of the share capital of the Listed Company distributing the dividend, the dividend received on such shares is tax-exempt. However, if a non-listed company receives a dividend on shares of a Finnish company included in its investment assets, 75 percent of the dividend is taxable income and 25 percent is tax-exempt regardless of the ownership threshold.

Non-residents

As a general rule, non-residents of Finland are subject to Finnish withholding tax on dividends paid by a Finnish company. The withholding tax is withheld by the company distributing the dividend at the time of dividend payment and no other taxes on the dividend are payable in Finland. The withholding tax rate is 20 percent for non-resident corporate entities as income receivers and 30 percent for all other non-residents as income receivers. The withholding tax may be reduced or removed under an applicable treaty for the avoidance of double taxation (the “**Tax Treaty**”). Starting January 1, 2021, the withholding tax rate is generally 35 percent for dividends paid by a Listed Company to nominee registered shares, as described further below.

Finland has entered into Tax Treaties with several countries pursuant to which the withholding tax rate is reduced on dividends paid to persons entitled to the benefits under such Tax Treaties. For example, in the case of the treaties with the following countries, Finnish withholding tax rate regarding dividends of portfolio shares is generally reduced to the following percentages: Austria: 10 percent; Belgium: 15 percent; Canada: 15 percent; Denmark: 15 percent; France: 0 percent; Germany: 15 percent; Ireland: 0 percent; Italy: 15 percent; Japan: 15 percent; the Netherlands: 15 percent; Norway: 15 percent; Spain: 15 percent; Sweden: 15 percent; Switzerland: 10 percent; the United Kingdom: 0 percent; and the United States: 15 percent (0 percent for certain pension funds). This list is not exhaustive. A further reduction in the withholding tax rate is available under most Tax Treaties to corporate shareholders for dividend distributions on qualifying holdings (usually direct ownership of at least 10 percent or 25 percent of the share capital or votes of the distributing company). The reduced withholding rate benefit in an applicable Tax Treaty will be available if the person beneficially

entitled to the dividend has provided a valid tax card or necessary details of its nationality and identity to the company paying the dividend.

Where shares in a Finnish company are held through a nominee account, the Finnish company pays dividends to the nominee account managed by the custodian, who then delivers the dividend payment to the beneficial owner. A withholding tax of 35 percent is generally applied on dividend distributions by Listed Companies, unless custodians fulfill certain strict requirements and are willing to take over certain responsibilities (including, for example, registration with the Finnish Tax Administration (a so called authorized intermediary), identification of the beneficial owner of the dividend and collecting and submitting detailed recipient information to the Finnish Tax Administration using specific filing procedures). Furthermore, application of reduced withholding tax rates at source require that the custodian and dividend distributor are willing to assume liability of incorrectly applied withholding tax. If the custodian only registers with the Finnish Tax Administration and submits (or undertakes to submit) the detailed recipient details to the Finnish Tax Administration, a 30 percent withholding tax rate can be applied, instead of 35 percent.

Any tax withheld in excess can be reclaimed after the year of the dividend payment by submitting a refund application to the Finnish Tax Administration no later than by the end of the third calendar year following the dividend payment year. During the year of dividend payment, the refund can be processed if custodians and the dividend distributor fulfill the above-mentioned requirements laid down for actual dividend distribution. It is exceptionally also possible that any tax not withheld at source is later assessed directly to the shareholder by the Finnish Tax Administration, in case the failure to withhold tax at source is not due to negligence of the custodian or the dividend distributor.

Certain Qualifying Non-resident Corporate Entities Residing in EU Member States

Under Finnish tax laws, no withholding tax is levied on dividends paid to foreign corporate entities that reside, and are subject to corporate tax, in an EU member state as specified in Article 2 of the Parent Subsidiary Directive 2011/96/EU, as amended (the “**Parent Subsidiary Directive**”), and that directly hold at least 10 percent of the capital in the distributing Finnish company.

Certain Non-resident Corporate Entities Residing within the EEA

Dividends paid to certain non-resident corporate entities residing within the EEA may be either fully tax-exempt or taxed at a reduced withholding tax rate, depending on how the dividend would be taxed if paid to a corresponding Finnish corporate entity.

No withholding tax is levied on dividends paid by a Finnish company to a non-resident entity provided that (i) the entity receiving the dividend resides within the EEA; (ii) the Council Directive 2011/16/EU on Administrative Cooperation in the Field of Taxation and Repealing Directive 77/799/EEC (the “**Mutual Assistance Directive**”), or an agreement regarding executive assistance and exchange of information in tax matters within the EEA is applicable to the home country of the recipient of the dividend; (iii) the corporate entity receiving the dividend corresponds to a Finnish corporate entity as defined in Section 33 d, Subsection 4, of the Finnish Income Tax Act or in Section 6 a of the Finnish Business Income Tax Act; (iv) the dividend would be fully tax-exempt if paid to such corresponding Finnish company or entity (see “—*Finnish Limited Liability Companies*” above); and (v) the company receiving the dividend provides evidence (in the form of a certificate issued by the home country’s tax authorities) that the paid withholding tax could not *de facto* be fully credited in the home country pursuant to an applicable Tax Treaty.

Notwithstanding the above, dividend income is only partly tax-exempt if the shares in the distributing company belong to the investment assets of the recipient company and the recipient company is not a corporate entity defined in the Parent Subsidiary Directive holding directly at least 10 percent of the capital in the distributing company. In such situations, the current applicable withholding tax rate is 15 percent provided that (i) the company receiving the dividend is a resident in a country within the EEA; (ii) the Mutual Assistance Directive or an agreement regarding executive assistance and exchange of information in tax matters within the EEA is applicable to the home country of the recipient of the dividend; and (iii) the company receiving the dividend corresponds to a Finnish corporate entity as defined in Section 33 d, Subsection 4, of the Finnish Income Tax Act or in Section 6 a of the Finnish Business Income Tax Act. Depending on the applicable Tax Treaty, the applicable withholding tax rate can also be less than 15 percent (see “—*Non-residents*” above).

Certain Non-resident Natural Persons Residing within the EEA

Instead of being subject to withholding tax as described under “—*Non-residents*” above, dividends paid to non-resident natural persons can be, upon request by such non-resident natural person, taxed pursuant to the Finnish Tax Assessment Procedure Act (*i.e.*, taxed similarly to dividends paid to residents of Finland (see “—*Resident Natural Persons*” above)) provided, however, that (i) the person receiving the dividend is resident in a country within the EEA; (ii) the Mutual Assistance Directive, or an agreement regarding executive assistance and exchange of information in tax matters within the EEA, is applicable to the home country of the recipient of the dividend; and (iii) the recipient of the dividend provides evidence (in the form of a certificate issued by the home country’s tax authorities) that any paid withholding tax could not *de facto* be fully credited in the home country pursuant to an applicable Tax Treaty.

Capital Gains

Resident Natural Persons

A capital gain or loss arising from the sale of shares that do not belong to the business activity of the shareholder is taxable in Finland as a capital gain or deductible as a capital loss for resident natural persons. Capital gains are currently taxed at a rate of 30 percent (34 percent on the amount that exceeds EUR 30,000 in a calendar year). If the shares belong to the business activity (business income basket) of the seller, any gain arising from the sale is deemed to be business income of the seller, which will as a main rule be divided according to the Finnish Income Tax Act to be taxed as earned income at progressive tax rates and capital income at a rate of 30 percent (34 percent rate on the amount that exceeds EUR 30,000 in a calendar year).

A capital loss arising from the sale of shares that do not belong to the business activity of the shareholder is deductible from the resident natural person's capital gains arising in the same year and during the following five tax years. The portion of capital loss not deducted from the capital gains for the tax year is deductible from the amount of net capital income before any other deductions are made (among others, tax deductible interest expenses and carry forward tax losses). However, capital loss does not entitle to deficit credit under the deficit crediting system. The deductibility of losses related to securities included in the seller's business activity is determined as described under "*—Finnish Limited Liability Companies*" below.

Notwithstanding the above, capital gains arising from the sale of shares that do not belong to the business activity of the shareholder are exempt from tax provided that the proceeds of all assets sold by the resident natural person during the tax year do not, in aggregate, exceed EUR 1,000 (exclusive of proceeds from the sale of any assets that are tax-exempt pursuant to Finnish tax laws). Correspondingly, capital losses are not tax deductible if the acquisition cost of all assets sold during the tax year does not, in aggregate, exceed EUR 1,000 (exclusive of proceeds from the sale of any assets that are tax-exempt pursuant to Finnish tax laws) and also the proceeds of all assets sold by the resident natural person during the tax year do not, in aggregate, exceed EUR 1,000.

Any capital gain or loss is calculated by deducting the original acquisition cost and sales related expenses from the sales price. Alternatively, a natural person holding shares (or other assets) that are not included in the business activity of the shareholder may, instead of deducting the actual acquisition costs, choose to apply a so-called presumptive acquisition cost, which is equal to 20 percent of the sales price, or in the case of shares which have been held for at least ten years, 40 percent of the sales price. If the presumptive acquisition cost is used instead of the actual acquisition cost, any selling expenses are deemed to be included therein and cannot be deducted separately from the sales price.

Finnish Limited Liability Companies

The following applies only to Finnish limited liability companies that are taxed on the basis of the Finnish Business Income Tax Act. As a general rule, a capital gain arising from the sale of shares is taxable income of a limited liability company.

Shares may be fixed assets, current assets, investment assets, financial assets or other assets of a limited liability company. The taxation of a disposal of shares and loss of value varies according to the asset type for which the shares qualify.

The sales price of any sale of shares which belong in business assets is generally included in the taxable business income of a Finnish company. Correspondingly, the acquisition cost of shares is deductible from such company's business income upon disposal of the shares. Any capital gain or loss is calculated by deducting the original acquisition cost and sales related expenses from the sales price.

However, an exemption for capital gains on share disposals is available for Finnish companies, provided that certain strictly defined requirements are met. Under Section 6b of the Finnish Business Income Tax Act (so-called participation exemption) capital gains arising from the sale of shares that are part of the fixed assets of a selling company that is not engaged in private equity activities are not considered taxable business income and, correspondingly, capital losses incurred on the sale of such shares are not tax deductible, provided that (i) the seller has directly and continuously for at least one year owned at least 10 percent of the share capital in the company whose shares are sold and such ownership has ended at the most one year before the sale of shares; (ii) the company whose shares have been sold is not a real estate or residential housing company or a limited liability company whose activities, *de facto*, mainly consist of ownership or possession of real estate; and (iii) the company whose shares are sold is resident in Finland, in another EU member state as specified in Article 2 of the Parent Subsidiary Directive or is a company that is resident in a country with which Finland has entered into a Tax Treaty that is applicable to dividends. In addition, in Finnish case law tax exemption in share disposals has required, among others, that there is a business connection between the company disposing shares and the company whose shares are disposed of. Sales proceed is, however, taxable to the extent the difference on the sales proceed and non-tax depreciated acquisition cost relates to the tax depreciation made on the shares.

Tax deductible capital losses pertaining to the sale of shares (other shares than shares sold under the participation exemption) that are part of the fixed assets of the selling company can only be deducted from capital gains arising from the

sale of shares part of fixed assets in the same fiscal year and the subsequent five years. Capital losses pertaining to the sale of shares that are not part of fixed assets are tax deductible from taxable income in the same fiscal year and the subsequent ten years in accordance with the general rules concerning losses carried forward.

From the tax year 2020, the Finnish Business Income Tax Act has been applied in calculating the taxable income of most corporations (with certain exceptions, such as certain real estate companies, or calculating taxable agricultural income). A new asset class, other assets, was introduced to the business income basket. Other assets comprise assets, which do not have a distinct connection to the business operations of a corporation, and assets that cannot be allocated to existing asset classes (*i.e.*, fixed assets, current assets, investment assets or financial assets). Capital gains on disposals of other assets are taxable. Capital losses on disposals of shares belonging to other assets can only be offset against capital gains on disposals of other assets and can only be carried forward for the subsequent five tax years. Capital losses which have been calculated according to the Income Tax Act and have not been offset before tax year 2020, can be carried forward for five years following the tax year of disposal of the asset, and will primarily be deductible from capital gains on disposals of other assets, and secondarily from capital gains on disposal of shares or real property belonging to fixed assets.

Non-residents

Non-residents who are not generally liable for tax in Finland are usually not subject to Finnish taxes on capital gains realized on the sale of shares in a Listed Company, unless the non-resident taxpayer is deemed to have a permanent establishment in Finland for income tax purposes as referred to in the Finnish Income Tax Act and an applicable Tax Treaty, and the shares are considered to be assets of that permanent establishment or more than 50 percent of the total assets of the transferred company comprised one or more real estate properties located in Finland.

Transfer Tax

Transfer tax is not payable in connection with the issuance of new shares. There is no transfer tax payable in Finland on transfers of shares admitted to trading on the Official List of Nasdaq Helsinki or the First North Growth Market, if the transfer is made against a fixed pecuniary consideration. The transfer tax exemption also requires that an investment firm, a foreign investment firm or other party offering investment services, as defined in the Finnish Investment Services Act (747/2012, as amended), is brokering or acting as a party to the transaction, or that the transferee has been approved as a trading party in the market in which the transfer is executed. Further, if the broker or the counterparty to the transaction is not a Finnish investment firm, Finnish credit institution, or a Finnish branch or office of a foreign investment firm or credit institution, the transfer tax exemption requires that the transferee submits a transfer tax return to the Finnish Tax Administration within two months of the transfer, or that the broker submits an annual declaration regarding the transfer to the Finnish Tax Administration as set forth in the Finnish Tax Assessment Procedure Act.

Certain separately defined transfers, such as those relating to equity investments or distribution of funds, are not covered by the transfer tax exemption. Also, the exemption does not apply to transfers of shares in which the consideration consists partly or completely of employment or work.

If the transfer of the shares does not fulfill the above criteria for a tax-exempt transfer, transfer tax at the rate of 1.6 percent of the sales price is payable by the purchaser (or 2.0 percent if the company is deemed a housing company, mutual real estate company or other similar company). However, if the purchaser is neither tax resident in Finland nor a Finnish branch or office of a foreign credit institution, investment firm, fund management company or EEA alternative investment fund manager, the seller must collect the tax from the purchaser. If the broker is a Finnish stockbroker or credit institution, or a Finnish branch or office of a foreign stockbroker or credit institution, it is liable to collect the transfer tax from the purchaser and pay the tax to the state. If neither the purchaser nor the seller is tax resident in Finland or a Finnish branch or office of a foreign credit institution, investment firm, fund management company or EEA alternative investment fund manager, the transfer of shares will be exempt from Finnish transfer tax, unless shares in Finnish real estate companies are transferred. No transfer tax is collected if the amount of the tax is less than EUR 10.

LEGAL MATTERS

Certain legal matters in connection with the Offering will be passed upon for Duell by White & Case LLP. Certain legal matters in connection with the Offering will be passed upon for the Managers by Roschier, Attorneys Ltd.

DOCUMENTS ON DISPLAY

Copies of the following documents may be inspected during the period of validity of this Offering Circular at Duell's website at *investors.duell.eu*:

- the articles of association of the Company as at the date of this Offering Circular;
- the Audited Consolidated Financial Statements and the related auditor's reports; and
- this Offering Circular.

DOCUMENTS INCORPORATED BY REFERENCE INTO THIS OFFERING CIRCULAR

The following documents have been incorporated by reference into this Offering Circular according to Article 19 of the Prospectus Regulation and they form a part of the financial information of Duell. The documents incorporated by reference are available at Duell's website at *investors.duell.eu*:

- the Company's audited consolidated financial statements as at and for the financial year ended August 31, 2021, and the related independent auditor's report:
sijoittajat.duell.eu/files/documents/DuellOyjFinancialstatements2021.pdf;
- the Company's audited consolidated financial statements as at and for the financial year ended August 31, 2020, and the related independent auditor's report:
sijoittajat.duell.eu/files/documents/DuellOyjFinancialstatements2020.pdf; and
- the Company's audited consolidated financial statements as at and for the financial year ended August 31, 2019, and the related independent auditor's report:
sijoittajat.duell.eu/files/documents/DuellOyjFinancialstatements2019.pdf.

**ARTICLES OF ASSOCIATION OF THE COMPANY
(UNOFFICIAL ENGLISH TRANSLATION)**

1 § Name of the Company

The name of the company is Duell Oyj in Finnish and Duell Corporation in English.

2 § Domicile of the Company

The domicile of the company is Mustasaari, Finland.

3 § Line of Business

The line of business of the company is to, either directly or through its subsidiaries or affiliate companies, distribute, market and sell powersports aftermarket products. In addition, the company may directly and/or through its subsidiaries or affiliate companies purchase, sell, own and manage real property and securities. As the parent company, the company may attend to the organization, financing and purchases of the group and to other similar common tasks, as well as own real property and shares and carry on securities trading, corporate acquisitions and divestments, and other investment business.

4 § Accounting Period

The accounting period of the company begins on September 1 and ends on August 31.

5 § Book-entry Securities System

The company's shares belong to a book-entry securities system after the expiry of the registration period.

6 § Board of Directors

The Board of Directors of the company has a minimum of four (4) and a maximum of eight (8) members. The term of office of members of the Board of Directors ends at the close of the annual general meeting of shareholders following their election. The Board of Directors elects the Chair amongst itself.

7 § Chief Executive Officer

The company has a Chief Executive Officer who is appointed by the Board of Directors.

8 § Representation of the Company

The company is represented by the members of the Board of Directors and the Chief Executive Officer, two (2) together. The Board of Directors may also grant the right to represent the company to a member of the Board of Directors, the Chief Executive Officer and other named persons.

9 § Auditor

The auditor of the company must be an auditing firm approved by the Finnish Patent and Registration Office. The term of office of the auditor ends at the close of the annual general meeting of shareholders following the election of the auditor.

10 § Notice to the General Meeting of shareholders

The notice convening the general meeting of shareholders must be delivered to the shareholders by publishing the notice on the company's website or by a newspaper announcement which is published in one or more widely circulated daily newspapers chosen by the Board of Directors no earlier than three (3) months and no later than three (3) weeks before the meeting, and in any case at least nine (9) days before the record date of the general meeting of shareholders referred to in Chapter 5 Section 6 a of the Finnish Companies Act.

In order to be able to attend the general meeting of shareholders, a shareholder must notify the company at the latest on the date mentioned in the notice, which may be no earlier than ten (10) days before the general meeting of shareholders.

The venue for the general meeting of shareholders must be located in Helsinki or Mustasaari, Finland.

11 § Annual General Meeting of Shareholders

The annual general meeting of shareholders of the company must be held within six (6) months from the date on which the accounting period ended.

At the meeting:

the following are presented

1. the financial statements, which include the consolidated financial statements, and the report of the Board of Directors; and
2. the auditor's report;

the following are resolved upon

3. the adoption of the financial statements;
4. the use of profits shown in the balance sheet;
5. the discharge of members of the Board of Directors and the Chief Executive Officer from liability;
6. the remuneration of the members of the Board of Directors and the auditor; and
7. the number of the members of Board of Directors;

the following are elected

8. the members of the Board of Directors; and
9. the auditor.

12 § Notification on the Change of Holdings

A shareholder shall notify the company of its ownership and share of votes when the holding reaches, exceeds or falls below 5, 10, 15, 20, 25, 30, 50 or 90 percent or 2/3 of the total number of votes carried by the shares registered in the trade register or the total number of shares registered in the trade register. A shareholder shall also make a notification on the change of holdings when it has on the basis of a financial instrument the right to receive a number of shares in the company that would reach, exceed or fall below the abovementioned thresholds. The notification shall be made regardless of whether the underlying asset of the financial instrument will be settled physically or in cash. The obligation to make a notification shall also arise when a shareholder's combined holdings of the above (shareholding or voting rights and long position acquired through a financial instrument) reach, exceed or fall below the abovementioned thresholds.

This Article 12 shall be interpreted in accordance with Chapter 9 Sections 5 to 8 of the Finnish Securities Markets Act.

When calculating the holdings of the shareholder, holdings of the entities controlled by the shareholder shall also be considered as holdings of the shareholders. In addition, holdings of a third party shall be taken into account if the shareholder has the right to acquire, transfer or exercise the voting rights attached to the shares owned by the third party.

The obligation to notify the company of the change of holdings shall not apply to:

- shares acquired for the sole purpose of settlement activities for a maximum of four trading days and to custodians of securities holding shares in this capacity with the right to exercise the voting rights attached to the shares in their custody only as specifically instructed;
- holdings and voting rights in the trading book of a credit institution or an investment service provider if:
 - (a) the holdings in the trading book do not exceed 5 percent of the total number of votes or the total number of shares in the company; and
 - (b) the voting rights attached to the shares in the trading book are not exercised nor otherwise used to intervene in the management of the company;
- holdings and voting rights, which have been acquired for the purposes of stabilization in connection with an offer of securities in accordance with the EU Market Abuse Regulation ((EU) No 596/2014, as amended), if the voting rights attached to the shares are not exercised nor otherwise used to intervene in the management of the company.

The notification on the change of holdings shall be made without undue delay, however, no later than on the next trading day after the shareholder learned or should have learned of the acquisition or transfer, his/her/its possibility

of exercising voting rights or the executed transaction as a result of which his/her/its holding or share of votes has changed or will change in the manner provided above, once the transaction is completed. The shareholder need not make a notification on the change of holdings if the notification is made by the person exercising control over the shareholder.

The notification on the change of holdings shall contain the following information:

- (a) grounds for making the notification on the change of holdings;
- (b) time when holdings or share of votes reached, exceeded or fell below the abovementioned thresholds;
- (c) exact share of the shares and votes in the company held either directly or indirectly by the shareholder;
- (d) exact share of the shares and votes in the company held either directly or indirectly by the shareholder on the basis of a financial instrument;
- (e) total number of the shares concerned;
- (f) nature, maturity date, execution period and transfer method of the financial instrument;
- (g) total number of votes attached to the shares or the total number of shares in the company registered in the trade register;
- (h) full name, trade register number or equivalent corporate identifier;
- (i) entities controlled by the shareholder through which shares of the company and voting rights attached thereto are held, and full name, trade register number or equivalent corporate identifier of each such entity; and
- (j) description of the division of holdings between the shareholder and each of the entities controlled by the shareholder.

The company will publish a template form for the notification of change of holdings on its website. When a notification on the change of holdings has been made to the company or the company otherwise becomes aware of the reaching, exceeding or falling below of any of the abovementioned thresholds, the company shall, without undue delay, disclose the information of the change of holdings in the company and deliver such information to the market.

The shareholder shall make the notification on the change of holdings in Finnish or in English, at its own discretion, and the company shall disclose all information pertaining to the change of holdings without undue delay.

In the event that a shareholder fails to comply with its obligation to notify the company of changes in its holdings when the holdings reach or exceed the abovementioned thresholds, the shareholder is entitled to only exercise the share of the votes attached to the shares that the shareholder held before the change in its holdings, until the shareholder has made the required notification.

This Article 12 of the Articles of Association ceases to apply in its entirety in the event that the shares of the company are admitted to trading on a regulated market as referred to in Chapter 2, Section 5 of the Finnish Securities Markets Act. Thereafter, an obligation to notify major holdings and share of votes shall be determined in accordance with Chapter 9 of the Finnish Securities Markets Act.

13 § Obligation to Make a Tender Offer

Offer

A shareholder, whose holding increases above 50 percent of the total number of votes attached to the shares of the company registered in the trade register (offer threshold) after the shares of the company have been admitted to public trading on a market place, including Nasdaq First North Growth Market Finland, shall make an offer to purchase all the other shares and securities entitling thereto issued by the company to other shareholders and holders of such securities entitling to shares of the company issued by the company.

A shareholder's share of votes shall comprise:

- (a) shares held by the shareholder and persons acting in concert with the shareholder;

- (b) shares held together by the shareholder or by persons acting in concert with the shareholder, and a third party; and
- (c) shares, the voting rights attached to which the shareholder is entitled to use or direct under a contract or other arrangement.

When calculating the share of votes referred to in this Article 13, restrictions on the exercise of voting rights based on law or the articles of association or on another contract shall not be taken into account. Votes attached to shares held by the company or by an entity controlled by it shall not be taken into account in the total number of votes on the company. An obligation to make an offer shall not apply to entities acting as custodians of shares in the company and holdings of such entities shall not be taken into account when calculating the shareholder's share of votes.

In this Article 13, persons acting in concert shall mean natural or legal persons who, on the basis of an agreement or otherwise, cooperate with a shareholder, offeror or the company with the intention to exercise or acquire significant control in the company or to prevent the realization of an offer. Persons acting in concert shall comprise at least:

- (a) a shareholder and entities controlled by it as well as their pension foundations and pension funds;
- (b) the company and legal persons belonging to the same group and their pension foundations and pension funds; and
- (c) a shareholder and persons who are in a relationship with the shareholder in the meaning of Article 3, paragraph 1, subparagraph 26, indents a to c of the Market Abuse Regulation.

If there is one shareholder in the company whose share of votes exceed the offer threshold, the obligation to make an offer shall not arise to another shareholder until his/her/its share of votes exceed the share of votes of the first-mentioned shareholder.

If the offer threshold is exceeded solely due to measures taken by the company or another shareholder, the obligation to make an offer shall not arise until the shareholder who has exceeded the offer threshold acquires or subscribes for more shares in the company or otherwise increases his/her/its shares of votes in the company.

Consideration

The consideration paid by the offeror shall equal fair market price. Consideration may be cash, securities or shares or a combination of cash, securities and shares. The basis for determining the consideration shall be the highest of the following:

- the highest price paid for the securities subject to the offer during the six months prior to the obligation to make an offer by the offeror or by a person acting in concert with the offeror having arisen; or
- in the event that no such acquisitions have been made, the volume-weighted average trading price of the publicly traded securities subject to the offer during the three months prior to the obligation to make an offer having arisen.

If an acquisition, deemed to have influence on the consideration, is denominated in a currency other than euro, in which the shares of the company are traded, the conversion value of such currency used in such an acquisition to the trading currency shall be calculated with the official rates of the currencies set by the European Central Bank seven (7) days prior to the date on which the Board of Directors notified the shareholders of the offer.

The offeror shall treat all offerees equally and pay the same price per share to all offerees willing to sell their shares to the offeror on the basis of the offer regardless of the identity of the offeree, number of the shares held by the offeree or the time when the offeree sells its shares to the offeror.

In the event that the offeror or a person acting in concert with the offeror acquires shares in the company on better terms than have been offered to the offerees in the offer and such acquisition takes place between the date on which the obligation to make an offer arose and the date by which the offer has to be accepted, the offeror shall be obliged to amend the offer to correspond to the said acquisition. The procedure for the amendment of the offer is set forth below.

In the event that the offeror or a person acting in concert with the offeror acquires shares in the company on better terms than have been offered to the offerees in the offer (or possible amended offer), and such acquisition takes place within nine (9) months from the date by which the offer had to be accepted, the offeror shall compensate

the difference of the consideration paid to the offerees who have accepted the offer (or possible amended offer) and the consideration paid in the acquisition.

Procedure

The offeror has an obligation to make the offer in writing to the company's address addressed to the Board of Directors. A notification on the obligation to make an offer shall contain the number of shares held by the offeror and the number of shares acquired during the last twelve (12) months and consideration paid for them. A notification on an obligation to make an offer shall also contain the address of the offeror and the notification shall, at the discretion of the offeror, be made in Finnish or in English.

The Board of Directors shall notify the company's shareholders that an obligation to make an offer has arisen within 30 days of receiving a notification on the obligation to make an offer, or in the absence of such notification or where such notification fails to arrive within said period, of the date on which it otherwise became aware of the obligation to make an offer. The notification of the Board of Directors shall contain all the information of the date on which the obligation to make an offer arose, the basis for the determination of the consideration, to the extent known to the Board of Directors, and the last date for accepting the offer. The offeror shall provide the Board of Directors all the information reasonably needed for the Board of Directors to deliver its own notification to the shareholders. The notification of the Board of Directors shall be made in accordance with Article 10 concerning notices to general meetings of shareholders. An offeree who wishes to accept the offer shall do so in writing within 30 days of the notification of the Board of Directors. An acceptance notification, to be sent to the company or a party appointed by the Board of Directors, shall include the number of shares covered by the acceptance. An offeree who accepts the offer shall, simultaneously with the acceptance notification, provide the company with all the documentation necessary for carrying out the transfer of the relevant shares to the offeror against the payment of the consideration.

The offeror shall without delay notify the Board of Directors, if the offer must be amended in accordance with the abovementioned provisions and it shall provide the Board of Directors all information reasonably requested by it. In the event that the offerees have already been informed of the offer, the Board of Directors shall without delay notify the offerees of the amended offer and of a possible extension to the offer period in the manner set forth in the paragraph immediately above. Such extension shall be resolved by the Board of Directors and it shall not exceed two (2) weeks from the original date by which the offer had to be accepted in accordance with the paragraph above. Information on the new deadline shall, however, be announced at least two (2) weeks before the new deadline.

If the offer is not accepted by an offeree by the deadline as set forth in the paragraph above, the offeree shall forfeit its right to accept the offer (or possible amended offer). An offeree has the right to withdraw its acceptance by notifying the Board of Directors in writing until the purchase has taken place in accordance with the terms of the offer.

The company shall notify the offeror of the total number of acceptances of the offer immediately after the deadline set forth in the paragraph above has passed. The offeror shall, within 14 days upon receiving such notification and in accordance with instructions provided by the company, pay the consideration and complete the purchase of the shares in respect of the acceptances received.

The consideration or any part thereof that is not paid within said period, shall accrue default interest of 20 percent per annum as of the date on which the purchase should have taken place. In addition, if the offeror has failed to comply with the abovementioned provisions concerning the obligation to make an offer, default interest shall be calculated from the date on which the notification of the obligation to make an offer should have been made.

The company shall prepare all releases relating to notifications and information released to the shareholders of the company in accordance with this Article 13 in Finnish and in English.

All provisions relating to the application and interpretation of the obligation to make an offer, which are not explicitly stated in this Article 13, shall be determined by applying Chapter 11 of the Finnish Securities Markets Act.

Dispute Resolution

The Board of Directors is fully authorized to resolve on the application of this Article 13, including the application of directly or analogically applicable regulation entirely or partially. This authorization of the Board of Directors also includes any discretion vested in a relevant takeover committee, such as the assessment of whether the share of holdings referred to in this Article 13 has been reached, the authority to determine the terms of an offer as well as the consideration to be offered by the offeror to the offerees. In addition, the Board of Directors may, on

application and on special grounds, grant a permission to derogate from the obligation to make an offer and other obligations set out in this Article.

All *bona fide* resolutions or decisions or use of discretionary or decision-making power made in accordance with this Article 13 shall be final and binding, and all *bona fide* actions taken by the Board of Directors or on behalf of the Board of Directors or on the basis of authorizations granted by the Board of Directors in accordance with this Article 13, shall be final and binding on all relevant parties concerned and cannot be challenged with respect to validity or any other grounds. The Board of Directors shall not be obligated to provide reasoning for its resolutions, decisions or notifications made in accordance with this Article 13.

Should half or more of the members of the Board of Directors have a conflict of interest or otherwise be unable to resolve on matters relating to this Article 13, the Board of Directors shall appoint an independent financial adviser to undertake the role of the Board of Directors for the purposes of the resolutions related to this Article. Such advisor must have relevant experience and a background in offer-related matters. Such advisor shall in this respect have equivalent authority as those granted to the Board of Directors in this Article, unless the Board of Directors decides otherwise in connection with the appointment of the advisor, or otherwise.

This Article 13 of the Articles of Association ceases to apply in its entirety in the event that the shares of the company are admitted to trading on a regulated market as referred to in Chapter 2, Section 5 of the Finnish Securities Markets Act. Thereafter, the procedure for a public offer and an obligation to make an offer shall be determined in accordance with Chapter 11 of the Finnish Securities Markets Act.

Restriction on Number of Votes

In the event that a shareholder fails to comply with its obligation to make an offer as set out above, the shareholder is entitled to only exercise the share of votes attached to the shares it owns that do not reach or exceed the minimum offer threshold of 50 percent as defined above.

THE SELLING SHAREHOLDERS

The following table sets forth the Selling Shareholders, their position in Duell or nature of relationship with Duell, the number of Sale Shares and their business addresses:

	Position in Duell / nature of relationship with Duell	Number of Sale Shares	Contact details
Sponsor Fund	Shareholder	7,427,554	Sponsor Fund IV Ky, Mannerheimintie 4, FI-00100 Helsinki, Finland
Rite Ventures	Shareholder	1,438,720	Artillerigatan 6, SE-114 51 Stockholm, Sweden
Tonida Ab	Shareholder	959,147	c/o Nils Nylund, Strandgatan 3a A 4, FI-65100 Vaasa, Finland
Oy 4N-Group Ab	Shareholder	959,147	Vattviksvägen 99, FI-65610 Mustasaari, Finland
Jarkko Ämmälä	Shareholder	300,000	c/o Duell Oyj, Kauppatie 19, FI-65610 Mustasaari, Finland
Dennis Nylund	Shareholder	180,000	c/o Duell Oyj, Kauppatie 19, FI-65610 Mustasaari, Finland
Aspen Racing Ab	Shareholder	150,000	c/o Johan Drapkin, Sisalvägen 21, SE-443 92 Lerum, Sweden
Riitta Niemelä	Shareholder	60,000	c/o Duell Oyj, Kauppatie 19, FI-65610 Mustasaari, Finland
Cruselli Oy ⁽¹⁾	Shareholder	49,467	Saukonpaadenranta 8 A 6, FI-00180 Helsinki, Finland
Cutesama Oy ⁽¹⁾	Shareholder	49,467	c/o Kaj Hägglund, Nordenskiöldinkatu 4, FI-06100 Porvoo, Finland
Joe Invest Oy ⁽¹⁾	Shareholder	49,467	Mellstenintie 11 A 2, FI-02170 Espoo, Finland
Jukinvest Oy ⁽¹⁾	Shareholder	49,467	Hietaniementie 5 B, FI-02160 Espoo, Finland
MJK Investment Oy ⁽¹⁾	Shareholder	49,467	Mariankatu 15 A 27, FI-00170 Helsinki, Finland
Monetari-Invest Oy ⁽¹⁾	Shareholder	49,467	c/o Ari Jokelainen, Birger Carlstedtin kuja 3 A, FI-02230 Espoo, Finland
SMA-Konsultointi Oy ⁽¹⁾	Shareholder	49,467	c/o Suutarinen, Kuninkaanniemi 10 C, FI-02160 Espoo, Finland

(1) A company controlled by a person involved in the operations of Sponsor Capital Oy.

**INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE COMPILATION OF THE PRO FORMA
FINANCIAL INFORMATION INCLUDED IN THIS OFFERING CIRCULAR**



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**Independent auditor's assurance report on the compilation of pro forma financial information
included in a prospectus**

To the Board of Directors of Duell Oyj

We have completed our assurance engagement to report on the compilation of pro forma financial information of Duell Oyj ("Company" and "Issuer") prepared by the board of directors of Duell Oyj. The unaudited pro forma financial information comprises the pro forma consolidated income statement for the twelve-month period ended 31 August 2021, and related notes and key figures, and it is set out in section "Unaudited Pro Forma Financial Information" of the prospectus dated 12 November 2021 issued by the Company. The applicable basis used by the board of directors of Duell Oyj in preparing the pro forma financial information is specified in Annex 20 of Commission Delegated Regulation (EU) 2019/980 and described in the section "Unaudited Pro Forma Financial Information" of the prospectus.

The pro forma financial information has been compiled by the board of directors to illustrate the impact of the transaction described in section "Pro Forma Financial Information" of the prospectus on Duell Oyj's financial performance for the twelve-month period ended 31 August 2021, as if the transaction had taken place at 1 September 2020 for the pro forma consolidated income statement. As part of this process, information about Duell Oyj's financial performance has been extracted by the board of directors from Duell Oyj's consolidated financial statements for the period ended 31 August 2021, on which an audit report has been published.

The board of directors' responsibility for the pro forma financial information

The board of directors is responsible for compiling the pro forma financial information in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council and Commission Delegated Regulation (EU) 2019/980

The Practitioner's Independence and Quality Control

We are independent from Duell Oyj according to the ethical requirements in Finland and we have complied with other ethical requirements, which apply to the engagement conducted.

The practitioner applies International Standard on Quality Control 1 (ISQC 1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The practitioner's responsibilities

Our responsibility is to express an opinion, as required by section 3 of Annex 20 of Commission Delegated Regulation (EU) 2019/980, as to whether the pro forma financial information has been compiled, in all material respects, by the board of directors on the basis stated and whether that basis is consistent with the accounting policies applied by the issuer.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE 3420) Assurance engagements to report on the compilation of pro forma financial information, issued by the International Auditing and Assurance Standards Board. This standard requires that the practitioner plan and perform procedures to obtain reasonable assurance as to whether the pro forma financial information has been compiled by the board of directors, in all material respects, in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council and Commission Delegated Regulation (EU) 2019/980.

For the purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of the pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the company as if the event had occurred or the transaction had been undertaken at an earlier date selected for the purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis stated and that basis is consistent with the accounting policies of the issuer involves performing procedures to assess whether the basis used by the board of directors in the compilation of the pro forma financial information provides a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the basis stated has been consistently applied in the pro forma adjustments; and
- the resulting pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the practitioner's judgment, having regard to the practitioner's understanding of the nature of the company, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion,

- the pro forma financial information has been properly compiled on the basis stated on in the section "Unaudited Pro Forma Financial Information" of the prospectus dated 12 November 2021 and
- the basis stated is consistent with the accounting policies applied by Duell Oyj.

Restriction to the distribution of the report

This report has been issued solely for the purposes of including in the prospectus prepared in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council and Commission Delegated Regulation (EU) 2019/980. Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Helsinki 12 November 2021

KPMG OY AB

Mari Kaasalainen
Authorized Public Accountant, KHT

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JOINT BOOKRUNNER

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