

# Duell strengthens its foothold in the UK by acquiring TranAm

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# Duell announces contemplated acquisition of TranAm

Duell has agreed to acquire **TranAm Ltd** a leading UK based distributor and wholesaler of premium clothing and accessories for motorcycling

Acquisition is part of Duell's **growth strategy** supporting geographical expansion and brand portfolio development

The purchase price of GBP 11.875 million is planned to be **financed** with a combination of new equity and Duell's cash reserves



Duell in brief

***Duell*** 

# A leading Nordic and European powersports aftermarket distributor

## Key figures 9/2021–8/2022

**124 M€ (77 M€)** Net sales  
**7.0% (10.5%)** Adjusted EBITA

## Key facts

- **150,000** SKUs
- **500** brands
- **600** suppliers
- **4,500** dealers in Nordics
- **4,000** dealers in Europe
- **220** employees

## Acquisitions

- **IGM** Netherlands June 2021
- **TECNO GLOBE** France August 2021
- **TMV** Netherlands February 2022
- **POWERFACTORY** Finland May 2022

■ Duell's established markets  
■ Duell's growth markets

○ Sales office  
● Warehouse



# All powersports accessories from motorbikes to marine

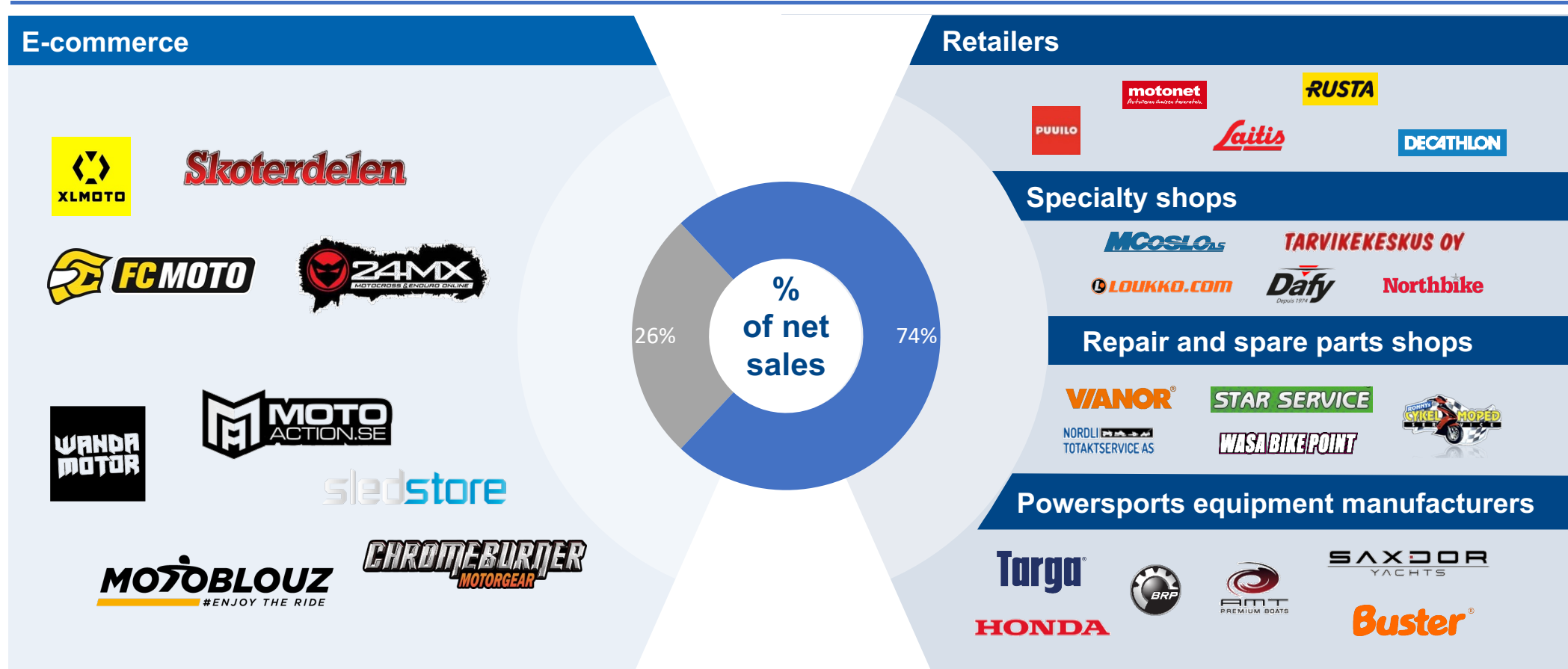


TECHNICAL AND SPARE PARTS 2/3

PERSONAL EQUIPMENT 1/3

# Strong presence in all dealer channels

Sales split by customer type



# Acquisition of TranAm





## Company background

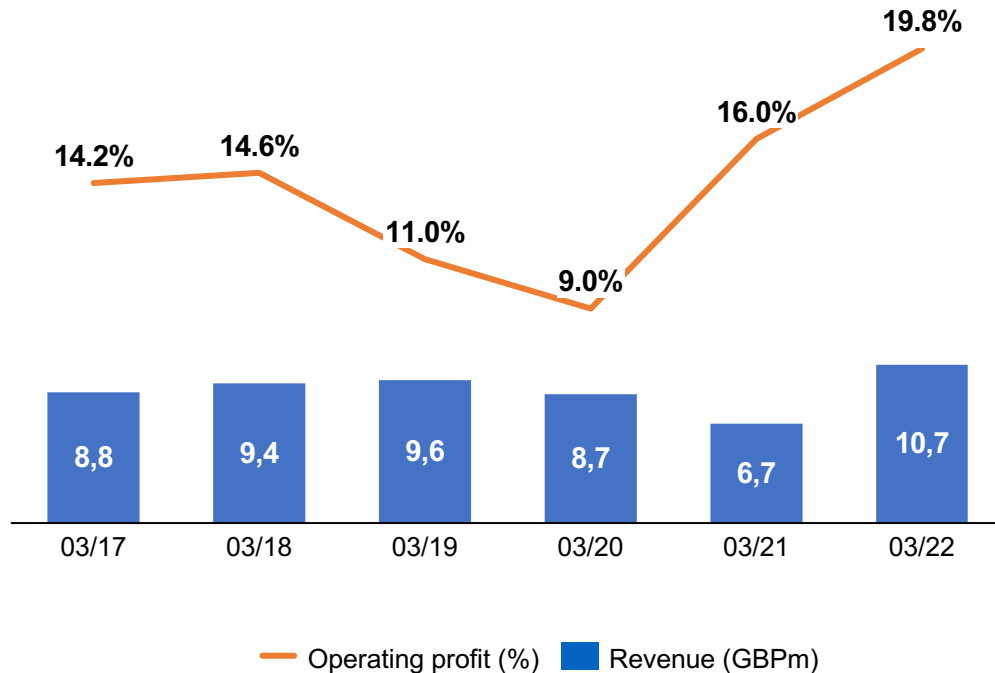
- TranAm, founded in 1976, is a UK based distributor and wholesaler of premium clothing and accessories for motorcycling, as well as for ski, snowboarding and pets
  - Motorcycle category >90% of sales
- Over 400 dealers including the largest UK retail chains and shops
- Office and warehouse in New Milton, UK
- The company currently employs 28 people
- Owned by Lloyd family

## Brand portfolio overview



# Attractive financial profile

## Key figures



## Preliminary financial impact

**EUR 12 million**

Increase in  
net sales

**EUR 2 million**

Increase  
in EBITA

**EUR 2 million**

Increase  
in cash flow

**EUR 200 thousand**

Estimated cost synergies  
within the closing

# Strategic rationale for Duell

- TranAm acquisition supports Duell's geographical expansion and brand portfolio development strategy
- Provides strong and establish platform for growth in the large UK market compared to Duell's current presence
  - Duell will reach the most important chains and shops in the UK
  - Cross-selling synergies supported by wide dealer network to facilitate sales growth of selected Duell own brands
  - Post-Brexit operational benefits to deliver products directly into and from UK warehouse for Duell
- TranAm's strong balance sheet with net cash position and high profitability strengthens Duell's financial position



# Transaction structure in brief

## Key terms

- Duell is acquiring the company with GBP 11.875 million equity value
  - Attractive valuation multiple
  - Purchase price paid in two instalments; 60% at closing and remainder by end of 2023

## Financing

- The acquisition is planned to be financed with a combination of new equity and Duell's cash reserves

## Timeline

- Initial closing of the transaction and payment of approximately 60% of the purchase price is estimated to take place in March 2023
- The final payment of approx. 40% will take place by end of 2023
- Duell's plan is to merge TranAm's operations with Duell's existing UK operations

# ***The financial outlook for 2023 and medium-term financial targets remains unchanged***

“Duell expects to have net sales growth organically and inorganically. Adjusted EBITA is expected to grow both in absolute and relative terms for the current financial year ending August 31, 2023. Organic net sales growth is calculated excluding the impact of acquisitions and divestments.”

# Acquisition is part of Duell's growth strategy

## Duell's key strategic objectives

- To become the best partner for dealers and brand owners in Europe
- Strengthen the leading market position in the Nordics

## Duell's Strategic cornerstones

- Geographical market expansion
- Partner for building online sales
- Brand portfolio development

## Strategic fit of TranAm acquisition

- ✓ To become the best partner for dealers and brand owners in Europe
- ✓ Geographical market expansion
- ✓ Brand portfolio development
- ✓ Improving Duell's financial position

***DUELL*** 