

Remuneration Report 2023

People and Remuneration Committee – Chairman’s greetings

Duell’s first Remuneration Policy was approved by the Annual General Meeting on December 1, 2022. Today I am pleased to present Duell’s first Remuneration Report which is line with the new approved policy.

Year 2023 was exceptionally challenging year. Duell’s growth-oriented organisation has been forced to face a financial year in challenging market conditions with small or no growth, unrepresented in the company’s recent history. Under these circumstances, Duell has sought to reorganise its operations to create more efficient and leaner structures. The efficiency of many processes has been reassessed and new ways of working have been tested. As part of the reorganisation, Duell has reduced a total of 34 positions during 2023.

Despite these uncertain times, Duell has continued to invest in growth. During 2023, several key management positions have been recruited, bringing additional competences and experience to support Duell’s growth strategy. The team was strengthened with expertise in digital & IT development as well as the bicycle and powersports business and their categories. In addition, Duell acquired the UK based TranAm in March 2023 as part of its growth strategy. The acquisition brought 28 new employees to the company.

Duell also moved two main locations to new and modern premises: Group’s headquarters in Mustasaari, Finland and distribution centre in La Cavaliere, France. The new premises improve well-being of our employees, support efficiency of working, and offer room for further growth.

During 2024 we continue to further develop our organisational structures and processes to ensure a profitable growth path. Our culture is based on passion for motorsports and cycling, we value teamwork, and knowledge-based organisation is hungry for growth. Duell’s team is ready to take the next steps in our growth strategy. The uncertain times ahead will certainly bring us additional challenges – but we are well prepared to meet them.

Sincerely,

Anu Ora

Chairman of the People and Remuneration Committee of Duell Board of Directors



Introduction

The remuneration report 2023 (1.9.2022 – 31.8.2023) includes the remuneration of Duell Group's ("Duell") governing bodies: Board of Directors and the CEO. The remuneration of the governing bodies in 2023 complies to Duell's remuneration policy approved by the Annual General Meeting without a vote on December 1, 2022.

The remuneration report does not yet fully comply to all extend to the Corporate Governance Code which is not mandatory to a First North company. As stated in the AGM 2022, Duell aims to meet the requirements of the Remuneration policy set forth in the Corporate Governance Code. The Remuneration Report 2023 is created to comply with the Corporate Governance Code with the exception that the development of the remuneration is described starting from the financial year prior listing.

Duell Remuneration Policy – summary

Duell's Remuneration Policy is approved by the Annual General Meeting 2022 and the principles and practices of the Remuneration Policy is applied to the remuneration of the governing bodies in 2023.

The key principles of Duell Remuneration Policy:

- Remuneration supports Duell in achieving strategic growth targets, profitability, and increased shareholder value in long-term.
- Remuneration is aligned with business results and enables to attract and retain competent management and Board members.
- The level and development of the remuneration is based on Duell' success, overall economic development, and remuneration practices in the industry.
- The focus of the remuneration is on total remuneration and to have a performance-based incentives on top of a fixed salary.

The decision-making process stated in the Duell Remuneration Policy:

- Remuneration of the Board is decided by the Annual General Meeting based on the success and complexity of Duell's business.
- The nomination, terms of service and remuneration of the CEO is decided by the Board. The People and Remuneration Committee reviews annually the previous financial year's incentives pay-out and prepares both the pay-out and the incentive targets for the new financial year of the CEO for the Board to approve.
- Any material changes to the policy are proposed by People & Remuneration Committee to the Board of Directors to approve and to present to the Annual General Meeting.

Development of Remuneration

The table 1 sets forth the development of Remuneration of Duell Board of Directors, CEO, and employees. Duell has decided to publish the development of remuneration since one financial year prior listing in November 2021. Therefore, the development of remuneration is presented for a three-year period.



Role	Average remuneration (EUR)		
	2023	2022	2021
Board of Directors*	30,833	27,319	23,455
CEO**	209,778	201,981	139,000
Employees***	44,758	44,893	44,514

Table 1. Development of Remuneration

* Average

** Actual remuneration paid during the year

*** Wages and salaries (CEO remuneration excluded) divided by average FTE during the year.

Duell is a leading powersports aftermarket distributor in the Nordics with a growing presence in Europe. Since Duell is aiming for a long-term growth, the financial performance is presented with net sales, organic growth and EBITA. The development of Duell financial performance is illustrated in the table 2 with a corresponding time frame to the development of the remuneration.

Company Performance	2023	2022	2021
Net sales (MEUR)	118,832	123,991	76,756
Organic net sales growth, %	-15.6	15.7	24.1
Adjusted EBITA (MEUR)	4,594	8,726	8,044

Table 2. Duell performance

Board of Directors' Remuneration 2023

The Annual General Meeting on December 1, 2022, resolved that the members of the Board of Directors are paid a monthly compensation in cash of their Board work and a meeting fee for committee work.

The Board of Directors are paid a monthly compensation as follows:

- Chair of the Board of Directors: EUR 4,000;
- Deputy Chair of the Board of Directors: EUR 3,000; and
- Other members of the Board of Directors: EUR 2,000.

In addition, the Board of Directors receive a following meeting fee for committee work:

- Chair of a Committee: EUR 1,000 per meeting, however, only if a member of the Board of Directors other than the Chair or Deputy Chair of the Board of Directors acts as the Chair of the Committee; and
- Other members of Committees: EUR 500 per meeting.

The remuneration of the Board of Directors consists solely of a fixed monthly fee and meeting fees for committee work paid in cash. The members of the Board of Directors do not have an employment relationship or service agreement with Duell. The Board of Directors are not eligible for any incentive plan or any other variable incentives, nor supplementary pension plans. Board work related



reasonable travel expenses are reimbursed to the Board members according to the Duell Group travel policy.

Totally, the paid fees for the Board of Directors were 185,000 EUR in 2023 (150,255 EUR in 2022) as presented in the table 3.

Board Member	Member of Board	Committee membership	Board fees (EUR)
Anna Hyvönen	Chair since 12/2022 Member 11/2021 – 12/2022	People & Remuneration	42,500
Søren Gaardboe	Vice Chair since 12/2022		27,000
Anu Ora	Member since 8/2021	People & Remuneration (Chair)	25,000
Sami Heikkilä	Member since 12/2022 Chair 9/2018 - 12/2021	Audit	25,500
Kim Ignatius	Member since 12/2022 Chair 12/2021 - 11/2022 Member 8/2021 – 12/2021	Audit (Chair)	33,000
Niko Morkkila	Member since 11/2021	People & Remuneration Audit	26,000
total			185,000

Table 3. Remuneration of Board of Directors 2023

*Including Thomas Sandvall as member of the Board until 12/2022 with remuneration of EUR 6,000 during the financial year.

The holdings of Duell Corporation shares per 31.8.2023 of the Board of Directors are presented in the Annual Report 2023. Additionally, the holdings of the insiders' group are shared in Duell Group's investor's pages (investors.duell.eu).

CEO's Remuneration 2023

Principles of the Remuneration of CEO

The remuneration of the CEO is complied with the Duell Remuneration Policy approved by the Annual General meeting 2022. The Board of Directors determines the remuneration paid and the basic principles of remuneration for the CEO. The remuneration paid to the CEO consists of a monthly salary, fringe benefits and a short-term incentive programme. Additionally, the CEO's total remuneration includes contributions to a supplementary pension scheme. Any share-based programme is not applied to the CEO.

CEO Jarkko Ämmälä is entitled to a supplementary pension scheme including a supplementary pension starting from age 60 and a life insurance. The supplementary pension scheme's annual cost is EUR 3 000.

Duell has established a short-term incentive scheme under which the CEO is awarded cash bonuses in addition to fixed salary. The objective of the incentive scheme is to incentivize the CEO to stay engaged and motivate them to improve their performance. In addition, the incentive scheme aims to steer the work in a way that supports Duell's growth, profitability, and competitiveness. Payments



under the incentive scheme are discretionary and tied to Duell's profitability. The terms and objectives of the incentive are determined by the Board of Directors.

CEO's Remuneration 2023

In financial year 2023, CEO of Duell Jarkko Ämmälä's total paid remuneration amounted to EUR 209 778. The total remuneration includes base salary and benefits, contribution to supplementary pension plan, and a short-term bonus paid on the performance of the financial year 2022 amounting EUR 15 000 (with payout in January 2023). Statutory pension contributions are excluded in the total paid remuneration. The fixed remuneration constitutes 93% CEO's and the variable part 7% of the CEO's total remuneration in 2023.

CEO's Accrued Remuneration of 2023

The CEO is eligible to a short-term incentive programme. The payout of the annual short-term incentive programme is capped each year at 200% of monthly base salary. For 2023 the programme's payout is determined by Duell Corporation's adjusted EBITA, NWC and fixed expenses. The targets of 2023 were met on average at the level of 25 %. The payout amounting to EUR 8 000 will be paid in November 2023.

The following table 4 sets forth the salaries and fees paid and accrued to the CEO Jarkko Ämmälä for the financial year 2023.

Component	Actual pay 2023 (EUR)	Accrued remuneration 2023
Fixed salary, fringe benefits* and supplementary pension plan	194,778	
Short-term incentives	15,000 Based on performance period 2022	8,000 Payout in November 2023
ANNUAL TOTAL	209,778	

Table 4. Remuneration of the CEO 2023

* Tax value of fringe benefits

The CEO's holdings of Duell Corporation shares per 31.8.2023 are presented in the Annual Report 2023. Additionally, the holdings of the insiders' group are shared in Duell Group's investor's pages (investors.duell.eu).