

A photograph of three people and a dog on a grassy hill. On the left, a man in a green quilted jacket and dark pants holds a leash attached to a husky dog. In the center, a woman in a cream-colored quilted jacket and dark pants has her arms raised in a celebratory gesture. On the right, a man in a brown quilted jacket and dark pants also has his arms raised. The background shows a vast, hazy landscape of rolling hills and fields under a cloudy sky.

Interim report

Q1, 1 July – 30 September 2023

RVRC Holding AB (publ)

The report concerns the group in which RVRC Holding AB (559129-4623) is the parent company and which is referred to in the report as RevolutionRace

FIRST QUARTER HIGHLIGHTS

Financial development & significant events during the first quarter

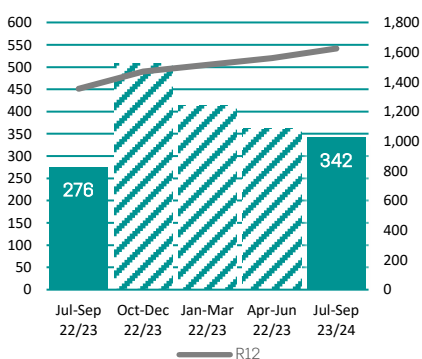
- Net sales for the period increased by 24 percent and amounted to SEK 342 (276) million.
- Gross profit amounted to SEK 247 (197) million, corresponding to a gross margin of 72.2 (71.4) percent.
- EBIT amounted to SEK 67 (50) million, corresponding to an improvement of 34 percent.
- EBIT margin amounted to 19.5 (17.4) percent.
- Earnings per share before dilution amounted to SEK 0.47 (0.34) and after dilution to SEK 0.47 (0.34).
- At the Extraordinary General Meeting (the “EGM”) of RVRC Holding AB (publ) on 30 August 2023, it was resolved to elect Sara Diez Jauregui as new Board member.

Financial overview

SEKm	Jul-Sep 23/24	Jul-Sep 22/23	Δ	Jul-Jun 22/23	Oct-Sep 22/23
Net sales	342	276	24%	1,560	1,626
Average order value (AOV), (SEK)*	887	835	6%	875	884
Gross profit*	247	197	25%	1,126	1,176
EBIT*	67	50	34%	310	327
Adjusted EBIT* ¹⁾	67	50	34%	322	339
Result for the period	53	39	36%	243	257
Earnings per share before dilution, SEK	0.47	0.34	36%	2.15	-
Earnings per share after dilution, SEK	0.47	0.34	36%	2.15	-
Gross margin*	72.2%	71.4%	01 pp	72.2%	72.3%
EBIT margin*	19.5%	17.4%	02 pp	19.9%	20.2%
Adjusted EBIT margin*	19.5%	17.4%	02 pp	20.6%	21.0%

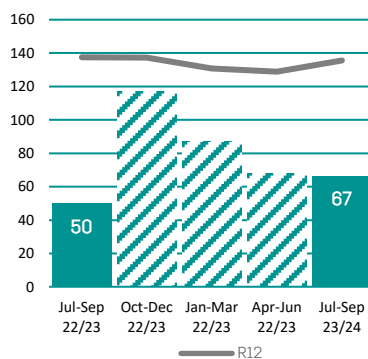
Net sales

Per quarter and rolling 12 months



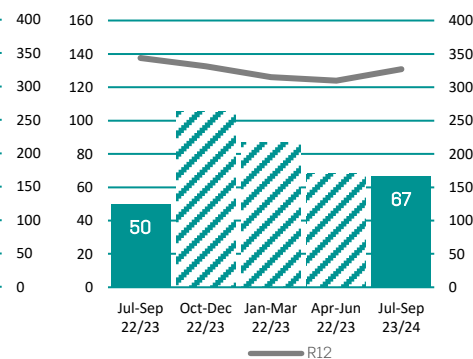
Adjusted EBIT ¹⁾

Per quarter and rolling 12 months



EBIT

Per quarter and rolling 12 months



RevolutionRace financial year is 1 July – 30 June

¹⁾ Excluding costs for the incentive programme (LTIP), which during the second quarter 22/23 amounted to SEK 12 million.

* Alternative performance measures, see pages 15-16.

Comments from the CEO

RevolutionRace's profitable growth continues

RevolutionRace continues its profitable growth journey with another strong quarter. We are proud and delighted to present a strong result for the first quarter of the fiscal year 2023/24. During the quarter, our net sales amounted to SEK 342 million, representing a sales growth of 24 percent, while operating profit improved by 34 percent compared to the same quarter in the previous year. This is a testament to our ability to continue to perform well despite ongoing macroeconomic uncertainty and weak consumer sentiment. It demonstrates our capacity to sustain profitable growth and, above all, the strength of RevolutionRace's customer offering.

Growth in all regions

It is very pleasing to see how our brand is becoming increasingly international, and that during the quarter, we are gaining market share and delivering growth in all regions. The Rest of the World region showed the highest growth percentage in the quarter, with an impressive sales growth of 44 percent, with the UK and the Netherlands as the largest markets. At the same time, we see that the US is contributing to the growth in the region. The DACH region continued to grow by 23 percent, and it is also worth noting that the Nordics showed positive growth of 14 percent in the quarter. Sales growth for RevolutionRace in local currency amounted to 13 percent.

EBIT margin and inventory level

EBIT for the quarter amounted to SEK 67 (50) million, corresponding to an EBIT margin of 19.5 (17.4) percent. It is worth noting that in the first quarter of the previous year, there was a result contribution related to balance sheet currency components of 11 million SEK, whereas in the first quarter of the current year, it contributed 0 million SEK (the difference in other external income/expenses in the income statement). This demonstrates that the underlying profit improvement in the business is significant compared to the previous year.

We are satisfied with our inventory position and development during the quarter. Ahead of Q2, we have carried out a planned inventory buildup, and we are now well-prepared for the seasonally strongest period. We expect inventory levels to stabilize over the fiscal year, aligning with previous years.

Launches, Collaborations, and Awards

During the quarter, we continued to expand our assortment and further developed our products. The launch of the new shoe, Trailknit Mid, was a success, and we introduced more lightweight insulated jackets and vests, among other things. Additionally, we have relaunched some of our best-selling collections with more sustainable materials. We look forward to introducing even more new products in the coming quarter, including our new alpine range.

For the second year in a row, together with GenerationPep and Svenskt Friluftsliv, we have recognized and celebrated the Right of Public Access Day. Together, we strive to increase awareness of the right of public access and inspire more, especially children and young people, to explore nature.

In early October, we received the Swedish Market Awards in the Sports & Leisure category, which is exciting and further evidence that we are on the right track.

A Responsible Race

Our vision is to become the world's most recommended outdoor brand, and we feel that we are on the right track. We demonstrate this through our consistently high customer reviews. Our clothing is not only durable but also designed to be multifunctional. During the past quarter, we have made significant progress in our sustainability efforts, and we have completed a comprehensive sustainability report that clearly shows our development and future commitment to responsible business. As part of our ongoing sustainability work, we have established strategic partnerships with industry-leading organizations such as Bluesign® and Better Cotton.

Outlook

RevolutionRace is very well positioned for the future, and we have a very strong financial position. Overall, we are pleased with the start of the new fiscal year and we look forward to the upcoming weeks, which constitute the company's seasonally most important sales period. During the beginning of the second quarter, we have seen continued strong development with sales growth of around 20 percent. This is despite the weak market conditions.

I am convinced that the key to our success lies in our focus on having satisfied customers. We continue to deliver multifunctional products of unmatched value, which we believe is always important but perhaps even more crucial in uncertain times. I want to extend a warm thank you to all stakeholders, especially our talented employees, who play a crucial role in these achievements. I look forward to the continued journey!

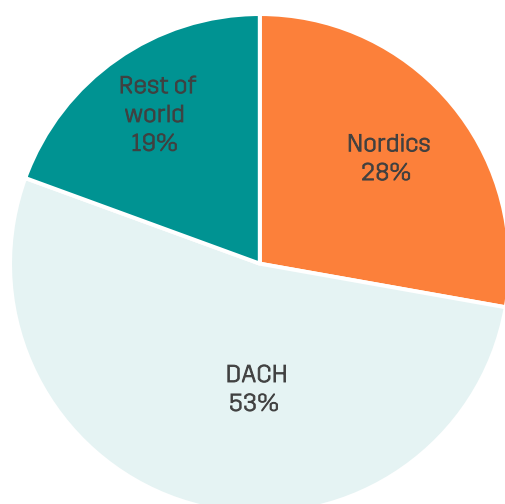
Paul Fischbein, CEO

FINANCIAL DEVELOPMENT

First quarter (July – Sept 2023)

Operating income

Net sales in the first quarter amounted to SEK 342 (376) million, an increase of 24 (13 in local currencies) percent. The increase in net sales is attributable to higher demand for the company's multifunctional products in all regions. Net sales in the Nordics increased by 14 percent to SEK 95 (84) million. Net sales in DACH increased by 23 percent to SEK 180 (146) million and in RoW by 44 percent to SEK 66 (46) million.



The regions share of net sales in the first quarter

Operating income for the period amounted to SEK 342 (287) million. The difference between net sales and operating income comprises other operating income which is mainly attributable to net amount of exchange gains and losses. The net amount for the quarter is SEK 0 million, compared to an Other operating income of SEK 11 million in the corresponding quarter last year.

Gross profit

Gross profit increased by 25 percent to SEK 247 (197) million, corresponding to a gross margin of 72.2 (71.4). The gross margin was positively affected primarily by a favorable market mix, including currency effects from a stronger EUR, and negatively by higher price reductions and a higher USD price exchange rate on purchase of goods sold.

Operating profit (EBIT)

Operating profit (EBIT) amounted to SEK 67 (50) million, corresponding to an EBIT margin of 19.5 (17.4) percent. Goods for resale increased to SEK -95 (-79) million driven by increased net sales. Other external costs amounted to SEK -154 (-136) million. Personnel expenses in the quarter amounted to SEK -24 (-21) million. Net Other operating income/expenses amounted to SEK 0 (11) million.

Earnings and earnings per share for the period

Profit before tax amounted to SEK 67 (49) million. Profit for the period was SEK 53 (39) million. Earnings per share before dilution amounted to SEK 0.47 (0.34) and after dilution to SEK 0.47 (0.34).

Cash flow

Cash flow from operating activities amounted to SEK 25 (-71) million. The increase, compared to the same quarter of the previous year, is primarily attributable to an increase in operating liabilities. Cash flow from investment activities amounted to SEK -1 (-1) million. Cash flow from financing activities amounted to SEK -1 (139) million. The decrease is largely attributable to the fact that the credit facility has been unused during the first quarter. Cash flow for the period amounted to SEK 23 (67) million.

Financial position

Net cash amounted to SEK 163 (-25) million. Cash and cash equivalents amounted to SEK 177 (142) million. The interest-bearing debt of SEK 14 (167) million consists of lease liabilities of SEK 14 (8) million. Liabilities to credit institutions amounts to SEK 0 (159) million. The group's total credit facility amounts to SEK 600 million, which at the end of the quarter was unutilized. The credit facility expires June 2028.

Net working capital

Net working capital amounted to SEK 249 (267) million. The change is mainly attributable to the reduction of current liabilities.

Investments

Investments affecting cash flow amounted to SEK 1 (1) million. Investments in intangible assets amounted to SEK 1 (1) million and are mainly attributable to activation of expenditures related to software development. Investments in tangible assets amounted to SEK 0 (0) million.

Personnel

The average number of FTEs was 117 (124).

Other information

Financial goals

During the financial year 2020/21, the Board of RVRC Holding AB established a number of long-term financial goals as and a dividend policy for the company.

- Net sales during the financial year 2023/2024 shall amount to at least SEK 2 billion
- The company shall maintain an annual EBIT margin of at least 25 percent
- RevolutionRace intends to distribute surplus capital to shareholders after considering long-term financial stability, growth opportunities and strategic initiatives. With these considerations in mind, RevolutionRace intends to distribute 40-60 percent of profits for the year.

Significant events after the end of the period

No significant events after the end of the period.

Future prospects

RevolutionRace's strategy is to continue to capitalize on the transformation from physical in-store trading to ecommerce and strong expected market growth. The company focuses on driving continued high growth in existing and new markets combined with good profitability. The company does not provide a forecast.

Items affecting comparability

Items affecting comparability amount to 0 (0) MSEK for the first quarter.

Parent company

RVRC Holding AB (publ), org. nr. 559129–4623, is a Swedish public company with domicile in Borås, Sweden.

Net sales for the first quarter amounted to SEK 2 (2) million. The net sales are attributable to intra-group services related to group management. The Parent Company's profit for the first quarter amounted to SEK -3 (-3) million.

Risks and uncertainties

A full description of the risks and uncertainties associated with RevolutionRace can be found in the annual report 2022/23 published on 17 October 2023.

RevolutionRace is an international company and its operations as such can be affected by several risk factors in the form of both operational and financial risks. The risks related to the industry and the company include, but are not limited to, trends linked to people's interest in nature as well as increased competition. An economic downturn or change in consumer preferences could have a negative impact on the Group's net sales and profitability.

RevolutionRace is further exposed to external factors that the company cannot influence, such as, for example, the effects of increased inflation.

Since RevolutionRace operates globally, the company is exposed to changes in exchange rates, which may have a negative impact on the company's revenues as they are reported in SEK but since a large proportion of net sales originate from other currencies. In addition, the company's products are produced in Asia, which entails a currency risk also on the cost side.

About RevolutionRace

RVRC Holding AB (publ) (RevolutionRace) is a fast-growing outdoor company offering multifunctional products including clothes, shoes, backpacks, and accessories to people with an active lifestyle. RevolutionRace ambition is to create high-quality, colorful, and affordable outdoor products with an amazing design and fit at unmatched value under the tagline “Nature is our playground.” The company operates with a digital D2C business model reaching customers in approximately 40 countries. The company was founded in 2013 and is listed on Nasdaq Stockholm since 2021. RevolutionRace is on a mission – to make nature accessible for everyone!

Borås, November 7, 2023

Paul Fischbein, CEO

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Auditor's review

This interim report has not been subject to a review by the company's auditors.

This information is information that RVRC Holding AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 07:30 CET on November 7, 2023.



FINANCIAL REPORTS

Group income statement

SEKm	Note	Jul-Sep 23/24	Jul-Sep 22/23	Jul-Jun 22/23
Operating income				
Net sales	3	342	276	1,560
Other operating income	4	0	11	2
		342	287	1,562
Operating expenses				
Goods for resale		-95	-79	-434
Other external expenses		-154	-136	-701
Personnel expenses		-24	-21	-110
Depreciation and amortisation of tangible and intangible assets		-2	-1	-7
Other operating expenses	4	-0	0	0
		-275	-237	-1,252
Operating profit (EBIT)		67	50	310
Financial income and expenses				
Financial income		1	0	1
Financial expenses		-1	-1	-5
		0	-1	-4
Profit before tax		67	49	306
Income tax		-14	-10	-63
Profit for the period		53	39	243
Attributable to parent company's shareholders		53	39	243
Earnings per share				
Earnings per share before dilution, SEK		0.47	0.34	2.15
Earnings per share after dilution, SEK		0.47	0.34	2.15

Group statement on other comprehensive income

SEKm	Note	Jul-Sep 23/24	Jul-Sep 22/23	Jul-Jun 22/23
Profit for the period		53	39	243
Other comprehensive income				
Items reclassified or which may be reclassified to profit for the period				
Exchange rate differences upon translation of foreign subsidiaries		-0	-0	0
Other comprehensive income for the period, after tax		-0	-0	0
Comprehensive income for the period		53	39	243
Attributable to parent company's shareholders		53	39	243

Group statement of financial position

SEKm	Note	30/09/2023	30/09/2022	30/06/2023
ASSETS				
Non-current assets				
Intangible assets				
Capitalised expenditures for development work		9	9	9
Trademarks		171	171	171
Goodwill		617	617	617
		797	797	797
Tangible assets				
Expenditures on third-party property		2	0	2
Equipment, tools and installations		1	1	1
Right of use assets		13	7	14
		16	8	17
Deferred tax asset		2	1	2
		2	1	2
Total non-current assets		814	807	816
Current assets				
Goods in warehouse		420	416	323
Goods in transit		61	99	72
Right of return assets		18	10	8
Sum inventory		498	525	403
Accounts receivable		0	0	0
Current tax assets		5	4	7
Other current receivables		39	83	44
Derivative instrument	2	1	5	2
Prepaid expenses and accrued income		13	10	11
Cash and cash equivalents		177	142	154
Total current assets		733	769	621
TOTAL ASSETS		1,547	1,576	1,437

Group statement of financial position

SEKm	Note	30/09/2023	30/09/2022	30/06/2023
EQUITY AND LIABILITIES				
Equity				
Share capital		1	1	1
Other contributed capital		723	716	723
Reserves, translation differences		-0	-0	-0
Retained earnings		413	258	171
Profit for the period		53	39	243
Total equity		1,190	1,013	1,138
Long-term liabilities				
Liabilities to credit institutions		-	159	0
Lease liabilities		10	6	11
Deferred tax liabilities		35	35	35
Total long-term liabilities		46	201	46
Current liabilities				
Lease liabilities		4	2	4
Accounts payable		109	183	91
Other current liabilities		45	34	43
Derivative instrument	2	2	5	2
Tax liabilities		17	51	17
Repayment liabilities		63	41	32
Prepaid income and accrued expenses		72	47	63
Total current liabilities		311	362	252
TOTAL EQUITY AND LIABILITIES		1,547	1,576	1,436

Group statement on cash flow

SEKm	Jul-Sep 23/24	Jul-Sep 22/23
Operating activities		
Operating profit (EBIT)	67	50
Adjustment for non-cash items		
Depreciation and amortisation	2	1
Interest received	1	0
Interest paid	-1	-1
Paid income tax	-12	-10
Cash flow from operating activities before changes in working capital	57	41
Increase (-)/Decrease(+) in inventory	-96	-82
Increase (-)/Decrease(+) in operating receivables	4	-33
Increase (+)/Decrease(-) in operating liabilities	59	3
Cash flow from operating activities	25	-71
Investing activities		
Acquisition of tangible assets	-0	0
Acquisition of intangible assets	-1	-1
Cash flow from investing activities	-1	-1
Financing activities		
Amortisation of lease liabilities	-1	-0
Borrowings	0	140
Repayment of borrowings	0	0
Fees related to borrowings	0	-0
Cash flow from financing activities	-1	139
Cash flow for the period	23	67
Cash and cash equivalents at start of period	154	75
Exchange rate differences in cash and cash equivalents	0	0
Cash and cash equivalents at end of period	177	142

Group statement on changes in equity

SEKm	Share capital	Other contributed capital	Reserves, translation differences	Retained earnings	Profit for the period	Total equity
Opening balance, 1 July 2022	1	716	-0	-30	288	975
Transfer of profits for the previous period	-	-	-	288	-288	0
Profit for the period	-	-	-	-	39	39
Other comprehensive income	-	-	-0	-	-	-0
Comprehensive profit/loss for the year	0	0	-0	288	-249	39
Closing balance, 30 September 2022	1	716	-0	258	39	1,013
Opening balance, 1 July 2023	1	723	-0	171	243	1,138
Transfer of profits for the previous period	0	0	0	243	-243	0
Profit for the period	-	-	-	-	53	53
Other comprehensive income	-	-	0	-	-	0
Comprehensive profit/loss for the year	0	0	0	243	-190	53
Closing balance, 30 September 2023	1	723	-0	413	53	1,190

Parent company

Parent company income statement

SEKm	Jul-Sep 23/24	Jul-Sep 22/23	Jul-Jun 22/23
Operating income			
Net sales	2	2	19
	2	2	19
Operating costs			
Other operating expenses	-2	-2	-7
Personnel expenses	-3	-2	-18
Other operating expenses	-0	-0	0
	-5	-4	-26
Operating profit (EBIT)	-3	-2	-7
Financial income and expenses			
Profit from participations in group companies	0	0	90
Interest expenses and equivalents	-0	-0	-2
Interest income and equivalents	0	0	0
	-0	-0	88
Profit or loss before tax	-3	-3	81
Appropriations			
Group contribution received	0	0	13
	0	0	13
Profit or loss before tax	-3	-3	94
Income tax	0	0	-1
Profit/Loss for the period	-3	-3	93

Parent company statement of financial position

SEKm	30/09/2023	30/09/2022	30/06/2023
ASSETS			
Non-current assets			
Intangible assets			
Capitalised expenditures for development work	0	0	0
Total intangible assets	0	0	0
Financial assets			
Participations in group companies	644	644	644
Receivables from group companies	0	0	0
Total financial assets	644	644	644
Total non-current assets	644	645	644
Current assets			
Tax receivables	0	3	2
Receivables from group companies	27	7	30
Other receivables	0	0	0
Prepaid expenses and accrued income	4	4	4
Total current receivables	31	14	36
Cash and cash equivalents			
Cash and cash equivalents	6	0	8
Total cash and cash equivalents	6	0	8
Total current assets	37	14	44
TOTAL ASSETS	681	659	688

Parent company statement of financial position

SEKm	30/09/2023	30/09/2022	30/06/2023
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	1	1	1
	1	1	1
Unrestricted equity			
Share premium reserve	443	433	443
Retained earnings	218	211	124
Profit for the period	-3	-3	93
	657	642	660
Total equity	658	643	661
Non-current liabilities			
Liabilities to credit institutions	0	0	0
Total non-current liabilities	0	0	0
Current liabilities			
Accounts payable	1	1	0
Liabilities to Group companies	17	1	21
Other liabilities	1	13	1
Tax liabilities	1	0	1
Prepaid income and accrued expenses	3	1	3
Total current liabilities	23	15	27
TOTAL EQUITY AND LIABILITIES	681	659	688

Definitions

Items affecting comparability

Items affecting comparability refer to events of a material nature that make it difficult for the company to achieve good transparency and comparability over time in the financial statements. For example, LTIP or write downs.

Key performance measures

Some key measures that management and analysts use to assess the Group's performance are not defined by IFRS (alternative performance measures – “APM”). The following table follows definitions and a description of the purpose of all key measures. The Company applies ESMA's guidelines for alternative performance measures.

Key measure	Definition	Purpose
<i>Adjusted EBIT</i> ¹	Operating profit (EBIT) adjusted by items affecting comparability.	Adjusted EBIT is used to maintain the clarity and comparability of the profit of the day-to-day operations.
<i>Adjusted EBIT margin</i> ¹	Adjusted EBIT as a percentage of operating income. Operating income = Net sales + Other operating income.	Adjusted EBIT margin is used to show the degree of profitability, excluding items affecting comparability.
<i>Average net order value (AOV)</i> ¹	Net sales for the period divided by number of orders for the period.	Average net order value (AOV) is used to analyse the profitability per order.
<i>Cash flow from operations</i>	Cash flow attributable to operations, investment and financial activities not included.	KPI defined by IFRS.
<i>Earnings per share before dilution (SEK)</i>	Net profit for the period attributable to holders of ordinary shares of the parent company, before dilution.	KPI defined by IFRS.
<i>Earnings per share after dilution (SEK)</i>	Net profit for the period attributable to holders of ordinary shares of the parent company, after dilution.	KPI defined by IFRS.
<i>EBIT margin</i> ¹	Earnings before interest and taxes divided by operating income. Operating income = Net sales + Other operating income.	EBIT margin is used to analyse the degree of profitability of the operating business.
<i>EBT</i>	Earnings before taxes.	KPI defined by IFRS.
<i>EBITDA</i> ¹	Operating profit before depreciation and write-downs of tangible and intangible assets.	EBITDA is used to show the profitability of the sale of goods.
<i>EBITDA-margin</i> ¹	EBITDA as a percentage of operating income. (operating income = net sales + other operating income)	EBITDA-margin is used to show the profitability of the operating business
<i>Gross profit</i> ¹	Net sales less direct costs related to purchase of goods including freight and customs to warehouse.	Gross profit is used to analyse the profitability of the sale of goods.
<i>Gross margin</i> ¹	Gross profit divided by net sales.	Gross profit margin is used to show the degree of profitability of the sale of goods.
<i>Net sales</i>	Total sales less exchange gains related to operational assets and liabilities.	Net sales is used to analyse sales less exchange rate gains.
<i>Net sales growth, local currency</i> ¹	Net sales for the period in local currency translated to SEK with comparison period currency rates, compared with net sales in comparison period.	Net sales growth, local currency is used to compare RevolutionRace growth, excluding currency effects.
<i>Net debt/Net cash</i> ¹	Interest-bearing current and long-term liabilities reduced by interest-bearing assets, cash and cash equivalents.	Net debt/Net cash is used to determine if the company will be able to fulfil its financial commitments.
<i>Net working capital</i> ¹	Current assets reduced by cash and cash equivalents minus non-interest-bearing current liabilities.	Net working capital is used to analyse the condition of the company to finance the day-to-day operations.
<i>Number of orders</i> ¹	Number of orders before cancellations and returns in the period.	Number of orders is used to measure the level of customer activity and to calculate the average net order value (AOV).
<i>Operating profit (EBIT)</i> ¹	Earnings before interest and taxes	Operating profit (EBIT) is used to analyse the profitability of the operating business.
<i>Result for the period</i>	Result for the period.	KPI defined by IFRS.

1) Alternative performance measures according to the guidelines of ESMA.

Reconciliation tables, alternative performance measures

All amounts in SEKm, unless otherwise stated.

	Note	Jul-Sep 23/24	Jul-Sep 22/23	Jul-Jun 22/23	Oct-Sep 22/23
Gross profit					
Net sales		342	276	1,560	1,626
Goods for resale		-95	-79	-434	-450
Gross profit		247	197	1,126	1,176
Operating profit (EBIT)					
Operating income		342	287	1,562	1,617
Operating expenses		-275	-237	-1,252	-1,290
Operating profit (EBIT)		67	50	310	327
Adjusted EBIT					
Operating profit (EBIT) as reported		67	50	310	327
Costs related to LTIP (+)		0	0	12	12
Adjusted EBIT		67	50	322	339
EBIT margin					
Earnings before interest and taxes		67	50	310	327
Operating income		342	287	1,562	1,617
EBIT Margin		19.5%	17.4%	19.9%	20.2%
Adjusted EBIT margin					
Adjusted EBIT		67	50	322	339
Operating income		342	287	1,562	1,617
Adjusted EBIT margin		19.5%	17.4%	20.6%	21.0%
Net working capital					
Current assets		733	769	621	733
Cash and cash equivalents (-)		-177	-142	-154	-177
Current liabilities (-)		-311	-362	-253	-311
Current interest-bearing liabilities (+)		4	2	4	4
Net working capital		249	267	218	249
Net debt(+)/Net cash (-)					
Interest-bearing debt		14	167	15	14
Interest-bearing assets (-)		0	0	0	0
Cash and cash equivalents (-)		-177	-142	-154	-177
Net debt(+)/Net cash (-)		-163	25	-139	-163
Number of orders and average order value (AOV)					
Number of orders ('000)		386	330	1,783	1,838
Net sales		342	276	1,560	1,626
Average order value (AOV); (SEK)		887	835	875	884

NOTES

All amounts in the report are rounded off to the nearest million Swedish kronor (SEKm), unless otherwise stated. Therefore, calculations in tables do not always sum up, figures between 0 and 0.5 are reported as 0.

NOTE 1 Accounting principles and estimates

RVRC Holding AB applies the International Financial Reporting Standards (IFRS) as adopted by the European Community (EC). The financial statements for the Group and the interim report have been prepared according to applicable sections of the Annual Accounts Act and IAS 34 Interim financial reporting.

The financial statements of the parent company have been prepared according to Annual Accounts Act and RFR 2. For complete information regarding accounting and valuation principles applied by the group, please see the annual report that was published on October 17, 2023.

New and amended standards and interpretations that have not yet been applied by the Group

RVRC Holding AB has made the assessment that new or changed standards during the financial year are expected to have an effect on the group. The changes that are expected to have an impact on the Group is IAS 1 Preparation of financial reports (information on accounting principles), where the requirement for enlightenment about accounting principles is replaced with a requirement for enlightenment about significant information about accounting principles. The changes must be applied for financial years starting on or after 1 January 2023, which for the Group means enforcement in the annual report from and including the financial year 2023/2024. The IASB has also published changes to IAS 1 regarding the classification of liabilities as short-term or long-term and where the meaning of the right to postpone payment beyond 12 months from the balance sheet date is clarified in the presence of so-called covenants. The change comes into force in 2024. New disclosure requirements are also introduced on loan debts linked to covenants during the next twelvemonth period. The group is affected by the extended disclosure requirements and is investigating the changes.

NOTE 2 Fair value of financial instruments

	30/09/2023		30/09/2022		30/06/2023	
	Reported value	Fair value	Reported value	Fair value	Reported value	Fair value
Financial assets						
Financial assets reported at fair value via income statement						
Derivative instrument						
Foreign exchange forwards	1	1	5	5	2	2
Financial liabilities						
Financial liabilities reported at fair value via income statement						
Derivative instrument						
Foreign exchange forwards	2	2	6	6	3	3

For other financial assets and liabilities, carrying amount represents a good approximation of fair value.

NOTE 3 Income from agreements with customers

The company has one operating segment and has for the breakdown of income identified one category, geographical area, for which the smallest entity is market which belongs to a region. The definition of a market relates to the site on which the sales take place, for example revolutionrace.se for Sweden and revolutionrace.de for Germany.

Below, net sales is presented per geographical market and region, respectively.

Market	Jul-Sep 23/24	Jul-Sep 22/23	Δ
Germany	158	126	25%
Sweden	43	37	16%
Finland	31	28	9%
Other	110	85	30%
Total net sales	342	276	24%

Region	Jul-Sep 23/24	Jul-Sep 22/23	Δ
Nordics	95	84	14%
DACH	180	146	23%
Rest of world	66	46	44%
Total net sales	342	276	24%

NOTE 4 Other operating income and other operating expenses

	Jul-Sep 23/24	Jul-Sep 22/23	Δ
Other operating income and other operating expenses			
Exchange rate gains	17	30	-45%
Exchange rate losses	-17	-19	-12%
Other	0	0	-50%
Total	-0	11	-101%

NOTE 5 External Related Party Transactions

The company has no external transactions with external related parties in the period.

NOTE 6 Number of shares and warrants**Number of shares**

Date	Description	Change in number of shares	Total number of shares
01/07/2023	Opening balance		112,918,918
30/09/2023	Closing balance		112,918,918

Number of warrants

Description	Utilisation period	Subscription price	Number of shares per warrant	Issued	Allocated
2021/24 incentive program	2024-07-01 - 2024-12-31	94.83	1.03	1,889,677	1,547,386
2022/26 incentive program	2025-11-15 - 2026-05-15	38.81	1.02	2,125,000	1,797,000

RevolutionRace has two incentive programs comprising warrants for senior executives and key personnel. The warrants have been sold to the participants at market price. During the quarter no changes have been made.

NOTE 7 Currency rates

RevolutionRace has a currency exposure mainly towards SEK, EUR, GBP, NOK and DKK for inflow and towards USD, EUR and SEK for outflow. RevolutionRace has accordingly an exposure towards changes in these currencies. For inflow EUR is the primary currency and for outflow the primary currency is USD.

Below currency cross rates for SEK/EUR and SEK/USD for information purposes.

Currency	Jul-Sep 23/24		Jul-Sep 22/23	
	AR	CR	AR	CR
SEK/EUR	11.76	11.53	10.62	10.90
SEK/USD	10.81	10.89	10.55	11.18

Source: European Central Bank

AR = average rate

CR = closing rate



Financial Calendar

Annual General Meeting 2022/23	21 November 2023
Interim report Jul-Dec (Q2) 2023/24	30 January 2024
Interim report Jul-Mar (Q3) 2023/24	7 May 2024
Full year report (Q4) 2023/24	13 August 2024



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In the event of discrepancies between the English and Swedish reports, the Swedish version shall govern.

This report contains forward-looking statements that reflect the company's current expectations. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it cannot be guaranteed that expectations will prove correct as they are subject to risks and uncertainties that could cause actual results to differ materially depending on a number of factors. Such factors include, but are not limited to, changes in consumer demand, changing economic, market and competitive conditions, exchange rate fluctuations, developments in product liability disputes, regulatory environment changes and other government measures. Forward-looking statements relate only to expectations as of the date they were made, and beyond what is required by applicable law, the Company undertakes no responsibility for updating any of them in the event of new information or future events.