

ANNUAL REPORT 2023/24

NATURE IS OUR PLAYGROUND



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Since 2013, RevolutionRace has offered high-quality outdoor products for people with an active lifestyle. Our ambition is to create durable, timeless products with excellent fit at reasonable prices. RevolutionRace meets the needs of those who want to seamlessly transition between nature and the city. Our multifunctional garments are carefully designed to suit various activities, adapt to changing weather conditions, and are suitable for both men and women of all ages.

NATURE IS OUR PLAYGROUND

Our Brand Promise

RevolutionRace is revolutionising the outdoor industry by developing products with unbeatable value and making them accessible through tight collaboration with our community.

R Pages 87–90 and 100–120 constitute the legal Annual Report, which has been audited.

INTERNATIONAL GROWTH WITH SATISFIED CUSTOMERS AND INDUSTRY-LEADING MARGINS

RevolutionRace performed well during the financial year, taking further steps towards becoming the most recommended outdoor brand in the world. Despite a challenging consumer market, we delivered growth and profitability in all sales regions. We proudly reflect on a year of successful product launches and have now surpassed 600,000 product reviews with high ratings. Satisfied customers are our most valuable asset.

A key part of our growth strategy is to seek opportunities for continued international expansion and our growth was driven primarily by our markets outside the Nordics, fully in line with our strategy. The Rest of the World region grew the most, by 24 percent. We have a strong foothold in the DACH region, which grew by 20 percent, and the Nordic region, where we have operated since the beginning, grew by eight percent. We believe we have increased our market shares in several markets, and during the year, we also opened up to customers in Canada, South Korea, and Japan, which means RevolutionRace is now available in around 40 countries.

Industry-leading growth and profitability

During the financial year 23/24, RevolutionRace generated SEK 1,840 million (1,560) in revenue, with a gross margin of 71.3% (72.2) and an EBIT margin of 20.9% (19.9). Despite uncertain market conditions, we have maintained strong gross and operating margins. We are proud to be industry leaders, having improved both our results and margins compared to the previous year. We are proud to have industry-leading margins and that we have successfully advanced our positions further.

Strong financial position and dividend

We report a strong cash flow, ending the year with a net cash position of 282 MSEK (139) and an unused credit facility of 600 MSEK. As a result of the company's continued growth of 18 percent and the strong cash flow for the year, the Board proposes a dividend of 1.20 (0.86) SEK per share, in line with the company's dividend policy. In the third quarter, a share buyback program was initiated to, among other things, adjust the capital structure. In total, 195 MSEK was distributed to shareholders during the financial year, 97 MSEK through the dividend for 2022/23 and 97 MSEK through share buybacks.



Successful launches and a focus on product development

A significant portion of our sales comes from our recurring assortment, but we continue to expand with new products that may become part of our future recurring offerings. To support growth, we have gradually expanded our product team over the year to accelerate the pace of product development. New products and colours accounted for just over a fifth of this year's revenue, providing strong incentives to prioritise ongoing product development, in line with our strategy to expand through new product categories.

Throughout the year, we've celebrated several successful launches. One exciting example is the introduction of our alpine collection for the winter season, featuring everything from ski goggles to gloves, trousers, and jackets. The alpine collection was well received, creating promising opportunities for increased sales going forward. Consequently, we have expanded the collection with several new colours for the upcoming winter season.

Engagement and Community: A Key to Our Success

Strong customer relationships and their feedback are crucial to our strategy and product development. Over the past year,

our global community has grown to over 1.8 million followers, and we now have more than 600,000 product reviews with an average rating of 4.6 out of 5. This feedback not only builds trust and helps others to find the right products but also provides us with valuable insights to develop and improve our range. The strong engagement with our brand fosters loyalty and returning customers, giving us a significant competitive advantage.

Community involvement is a part of the RevolutionRace brand. I am proud that we, for the second year in a row, participated in the celebration of Allemansrättens Day on September 20th. The day, established by Generation Pep and Svenskt Friluftsliv with RevolutionRace as a partner, celebrates the right of public access and the joy of exploring Swedish nature. This year, we celebrated with a hike alongside the Swedish Crown Princess couple, Generation Pep, Svenskt Friluftsliv, and students from schools in Uppsala. The theme this year focused on showcasing the ease of accessing nature near urban areas.

Long-term responsibility and sustainable innovation

To become the world's most recommended outdoor brand, it is crucial for us to take long-term responsibility in both climate

impact and product development. We continue to advance our sustainability efforts and have applied for our climate goals to be validated through the Science Based Targets initiative (SBTi) this year. Additionally, we have implemented a new Product Lifecycle Management (PLM) system, which will enhance traceability and data management for our products, facilitating future product development.

Our products are designed to be durable and multifunctional. We produce only what we can sell, resulting in minimal over-production. Our customers should feel confident that we maintain high standards throughout the entire value chain of our outdoor products.

The Journey Towards Success Continues

The past year has been marked by a challenging market environment, which makes me especially proud that we have managed to sustain our profitable growth journey while also strengthening our international presence. Our business model, financial strength, and solid growth have allowed us to develop our unique customer offering and deliver high quality at competitive prices.

During the year, RevolutionRace celebrated its ten-year anniversary, a milestone that allowed us to reflect on a long period of strong sales growth and industry-leading operating margins. The brand has established itself in multiple markets and still holds significant growth potential on the international stage.

With passionate employees, we are well-positioned to take the company to the next level. By focusing on our customers, our successful strategy, and with dedicated team members, we have all the conditions for profitable and sustainable growth in the future. I want to extend my heartfelt thanks to our customers, staff, partners, and shareholders. Let's continue our successful journey together. We will become the most recommended outdoor brand in the world.

Paul Fischbein, CEO





THE YEAR IN BRIEF

RevolutionRace performed well during 2023/2024, with stable and profitable growth driven primarily by our presence in markets outside the Nordics, fully in line with our growth strategy to expand internationally. We deliver industry-leading profitability and believe that we have significantly increased our market share during the year.

Financial KPIs

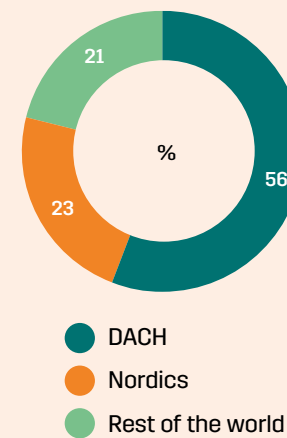
SEKm	2023/24	2022/23	2021/22	2020/21	2019/20
Net sales	1,840	1,560	1,331	897	387
Average net order value (AOV), (SEK)	942	875	803	763	724
Gross profit	1,312	1,126	963	648	271
Gross margin, %	71.3	72.2	72.3	72.3	70.1
Adjusted EBIT	389	322	367	252	83
Adjusted EBIT margin, %	21.1	20.6	27.0	27.6	21.5
EBIT	386	310	367	230	83
EBIT margin, %	20.9	19.9	26.3	25.2	21.5
Profit before tax	389	306	363	218	76
Earnings per share before dilution, SEK	2.73	2.15	2.55	1.59	0.56
Earnings per share after dilution, SEK	2.72	2.15	2.55	1.59	0.55
Dividend paid	97	87	72	110	132

Growth

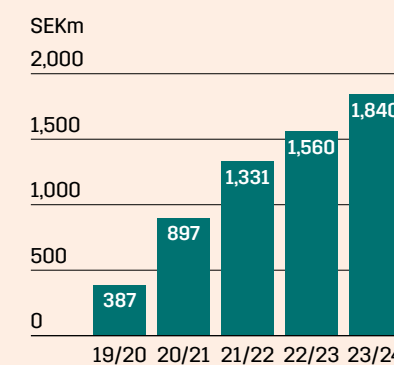
18%

Our net sales grew by 18 percent during 23/24, primarily driven by strong performance in the regions Rest of the World and DACH.

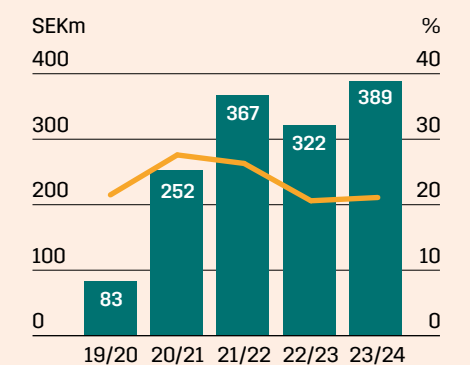
Sales by geographical area



Net sales



EBIT och Adjusted EBIT margin



Significant events during the year

GROWTH IN AN INTERNATIONAL MARKET

During the year, sales increased in all regions and in every quarter. Our growth has been primarily driven by strong international expansion. Today, we are an international company with 77 percent (75 percent) of our full-year sales coming from countries outside the Nordic region.

INCREASED PACE IN PRODUCT DEVELOPMENT

To support growth, we have gradually expanded our product team to accelerate product development. During the year, several successful launches were made and our alpine collection, introduced for the winter season, was well received. We also launched a new category of products made from thinner and lighter materials, which have been particularly appreciated by customers outside the Nordic region in warmer climates.

AN ACTIVE COMMUNITY

In the final quarter, we surpassed 600,000 accumulated reviews, with an average rating of 4.6 on a five-point scale. Customer dialogue is central to our success, and along with reviews and followers on our social channels, these form a highly valuable asset and key factor in our achievements.

EXPANDING INTO NEW MARKETS

During the financial year, we further expanded our international presence by opening up to customers in Canada, South Korea, and Japan. As a result, RevolutionRace is now available in around 40 countries.

NEW BOARD MEMBERS

During the financial year, four new Board members with highly relevant experience were elected to the RevolutionRace Board. Alexander Martensen-Larsen was appointed as the chairman of the Board. Following an operational career at companies such as IC Group, he is now an active Board representative for companies like By Malene Birger and Tiger of Sweden.

NEW FINANCIAL TARGETS

In the fourth quarter, new financial targets for RevolutionRace were announced. These new targets reflect the company's strategic priorities regarding continued growth and industry-leading profitability levels.

OUR BUSINESS MODEL

No middlemen and online only

We sell our outdoor products online, directly to our customers. By bypassing all middlemen and selling directly to the end customer digitally, we can offer higher quality at a lower price than what would have been possible through traditional retail channels.

D2C – DIRECT TO CONSUMER

No middlemen!



TRADITIONAL



Customer influence

Our engaged community of over 1.8 million followers on social platforms actively participates in our product development. By sharing authentic, product-specific reviews and engaging in our social media channels, customers have a say in the addition of new colours, features, product categories, or upgrades. Together with our customers, we make our products even better, allowing more people to get outside and enjoy nature.

Sustainable Range

We maintain most of our products from year to year, unlike many other brands that renew their entire range annually. Seasonal products make up only a small part of our total offering, enabling us to sell out models, which helps eliminate waste. To date, we have overproduced significantly less than the standard in our industry. Read more on page 56.

NUMBER OF COUNTRIES WHERE THE PRODUCTS ARE SOLD

~40

NUMBER OF LOCAL WEB SHOPS

18

AVERAGE NUMBER OF FTE:S

122

during the financial year 2023/24

TEN YEARS OF GROWTH AND PROFITABILITY

This year, RevolutionRace celebrated its ten-year anniversary, and we were able to reflect on a long period of high sales growth while delivering industry-leading operating margins. Despite recent uncertainties and challenges, including the pandemic, high inflation, increased interest rates and weak consumer sentiment, we have maintained consistent performance.

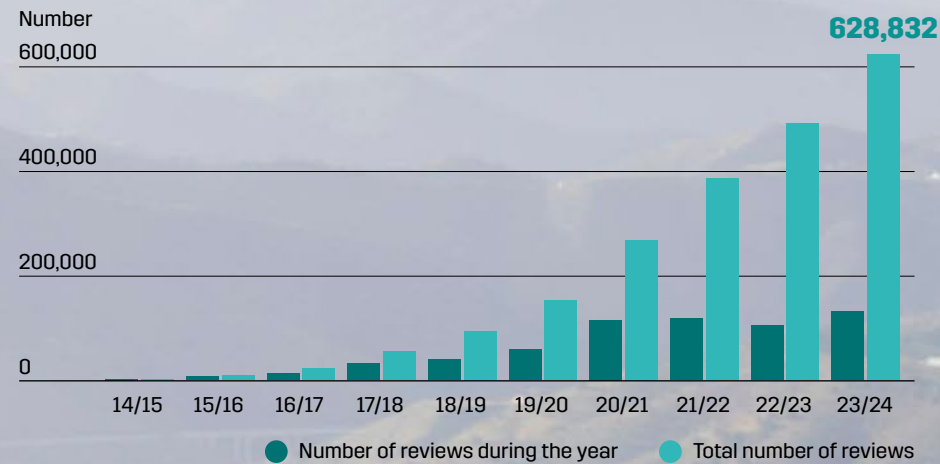
The brand has been established in several markets while there are still significant growth opportunities in a large international market. The company also maintains a strong financial position, which is important in a changing world and makes it possible to realise both the ambition and the plan to continue the profitable growth journey.

The relationship with the company's customers and their active participation in reviewing products is central to RevolutionRace's strategy and a key part of product development. The number of unique product reviews has increased to over 600,000 during the year.

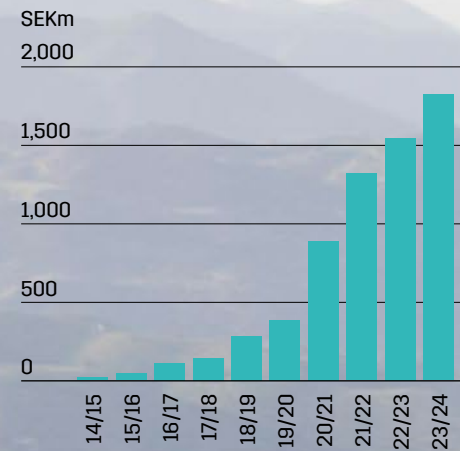
Total number of product reviews

+600,000

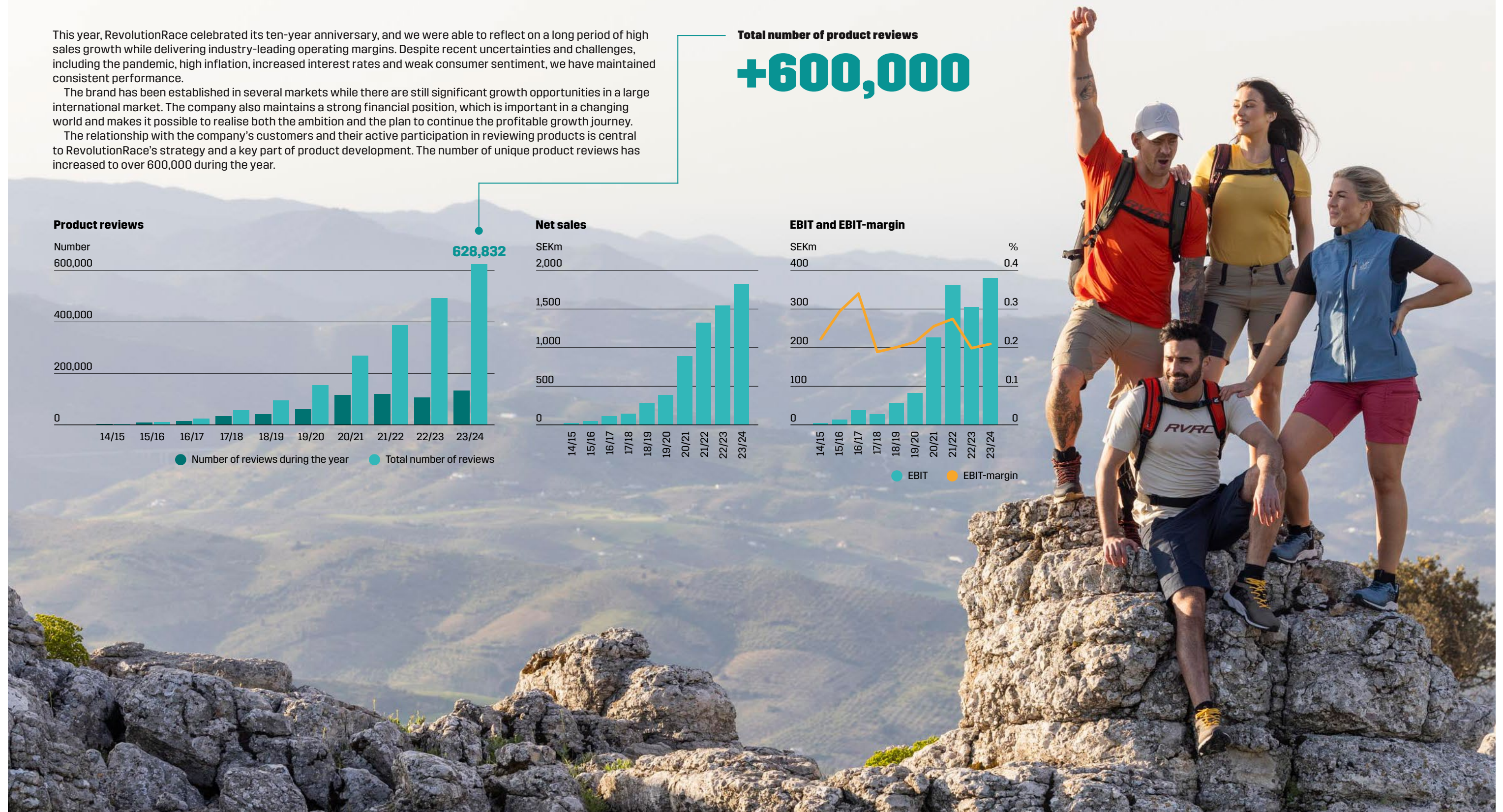
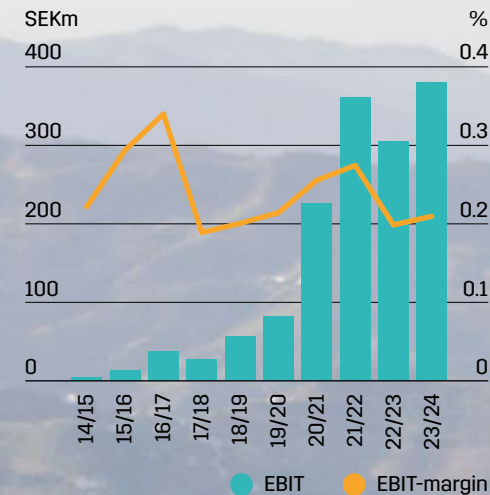
Product reviews



Net sales



EBIT and EBIT-margin





THE GLOBAL OUTDOOR MARKET IS EXPERIENCING LONG-TERM GROWTH

A segment on solid ground

RevolutionRace is an outdoor brand offering products in outdoor clothing and sports-inspired apparel. The segment has several favourable attributes, making it ideal for online direct sales. Outdoor clothing typically has a lower fashion risk and appeals to a wide range of customers, regardless of gender or age. Additionally, seasonal variations are limited, as garments are primarily used based on purpose rather than the time of year the activity takes place.

RevolutionRace's business model gives us complete control over the brand by selling exclusively through our own channels. Overall, this means a lower risk in our business compared to many of our competitors, as we can both stock products for longer periods and adapt them to our customers' needs and desires.

RevolutionRace products are represented in the Outdoor Clothing segment and partly in the Activewear segment.

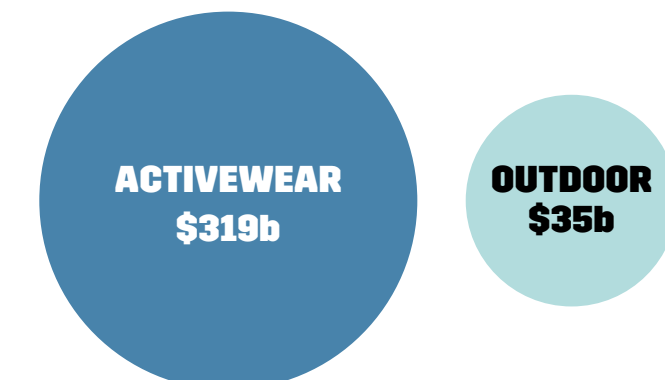
Outdoor clothing

In 2022, the size of the global Outdoor Clothing market amounted to approximately 35 billion US dollars. This is expected to rise to more than 45 billion dollars by 2027 (Statista, February 2023¹⁾). The Outdoor Clothing market generally refers to clothing for more active, adventurous outdoor activities such as hiking and camping.

Activewear

The Activewear market has a broader definition that includes, for example, sportswear, sports shoes, swimwear, and fashion outerwear. In 2022, the size of the global Activewear market amounted to approximately 319 billion US dollars. This is expected to rise to over 450 billion dollars by 2028 (Statista, February 2023²⁾). The growth of the Activewear market is driven by health-conscious consumers seeking appropriate equipment and clothing for their physical activity, and the rise of streetwear style, which encourages consumers to incorporate active wear into their personal style.

Global addressable market



1) <https://www.statista.com/statistics/979475/outdoor-clothing-market-value-forecast-worldwide/>
 2) <https://www.statista.com/statistics/613169/size-of-the-global-sportswear-market/>

Trends and Opportunities in the Outdoor Market

The global outdoor market is growing, driven by increasing interest in outdoor activities and a stronger focus on health and well-being. The growth in outdoor participation shows few signs of slowing down, while urban lifestyles and sustainability create new opportunities.

Drivers of Global Growth in the Outdoor Market

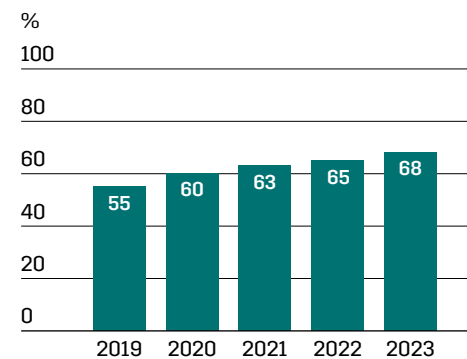
The global market for outdoor products is expected to grow, driven by increased participation in outdoor activities and a stronger consumer focus on health and well-being. As more people engage in activities such as hiking, camping, skiing, and running, the demand for functional, sustainable clothing that combines functionality, comfort, and style is rising. The shift to remote work has also made it easier to incorporate outdoor activities into daily life, benefiting market players with a genuine focus on the outdoors.

Outdoor activities attracting more participants

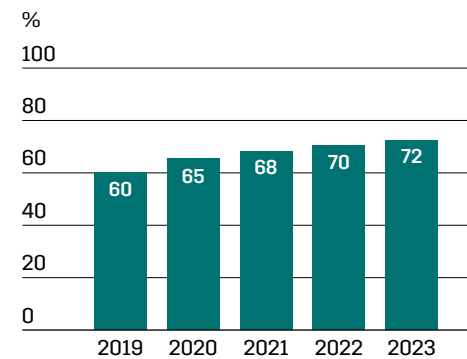
The growth in the number of people engaging in outdoor activities, which began in 2016 and accelerated during the COVID pandemic, shows few signs of slowing down. Engaging these new, more diverse participant groups, who are not necessarily dedicated outdoor enthusiasts or athletes, presents opportunities for the outdoor industry.

In Germany, which is RevolutionRace's largest single market, participation in outdoor activities has steadily increased. Overall, participation has risen by 13 percentage points over five years. (Outdoor activities in Germany, Statista)

Participation in outdoor activities in Germany



Participation in outdoor activities in the Nordics



In the Nordics, where RevolutionRace has operated since the company's founding, we see similar trends to those in Germany. Overall, participation has increased by 12 percentage points over five years. (Outdoor activities in Nordic countries, Statista)



In Germany, which is RevolutionRace's largest single market, participation in outdoor activities has steadily increased.





” Consumers are increasingly prioritising social and environmental responsibility.

New opportunities in the urban outdoor trend

- The urban trend of outdoor activities is creating new opportunities. RevolutionRace can capitalise on this by expanding its offering of multifunctional clothing that can easily be worn both in nature and in urban environments.
- Consumers are increasingly prioritising social and environmental responsibility. Using eco-friendly materials, ethical production methods, and fair working conditions is an opportunity to reach conscious consumers.
- Targeting the millennial generation and Generation Z, as well as fostering community-building initiatives, presents additional opportunities.

The shift to online sales driven by global trends

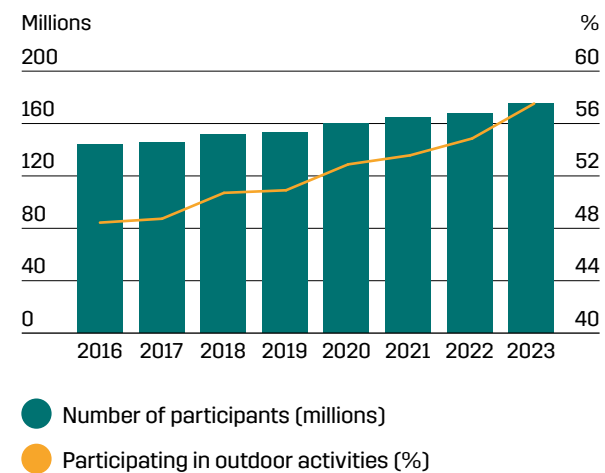
RevolutionRace’s sales are primarily digital, conducted through our own webshop and, to a lesser extent, through Amazon’s marketplace in selected countries. Our customer base mainly consists of private individuals across approximately 40 countries, with our webshop being locally adapted to 18 markets. In addition

to the strong trends in outdoor activities, RevolutionRace also benefits from the ongoing shift to online sales. The millennial generation has consistently shown a clear preference for online shopping compared to other generations, spending more online than in-store across many categories.

Drivers of the online market

- The millennial generation makes a significant portion of their purchases online and has substantial buying power.
- Enhancements in the customer experience on digital platforms, including clear interfaces, well-curated and easily navigable product collections, fast and convenient delivery options, and simplified payment methods.
- Social media and community-building serve as key sources of inspiration for consumers, while also enabling product sales through social media posts.
- An increased demand for personalised shopping experiences, made possible through online retail.

Outdoor recreation participant count and participation rate in USA, 2016–2023



In 2016, about 48 percent of the U.S. population aged six and older participated in outdoor activities (2024 Outdoor Participation Trends Report, Outdoor Industry Association). By 2023, this figure had risen to approximately 57 percent, equating to 176 million participants. Participation increased across various demographic groups and types of activities.

HOW WE GENERATE VALUE

Vision

To be the world's most recommended outdoor brand.



Mission

Making the outdoors accessible to all.



Business model

RevolutionRace is a digital D2C company or which the business model distinguishes itself by delivering high-quality, colourful and much-desired products at unbeatable product value in terms of price, quality and design.

By not using a number of the intermediaries normally found in retail and who do not have a bearing on the quality of products – such as wholesalers, distributors and retailers – RevolutionRace can both avoid external costs attributable to these players, while also developing new products much faster than many others in the industry. This allows us to offer more favourable prices without adversely affecting quality, while also providing scope for investments in marketing, with margins being maintained. We communicate directly with our customers via various social platforms and take their wishes and needs into account when developing new products.



Our stakeholders



CUSTOMERS

Developing colourful high-quality functional clothing with a stylish design and fit at unbeatable value has been our driving force ever since RevolutionRace's inception. We generate customer value by listening to our customers and developing products and customer experiences in line with their needs and desires. Every day.



EMPLOYEES

At RevolutionRace, we work together as team. From the start, our goal has been to create a workplace where a sense of team and commitment are in focus. Every employee plays a crucial role, and we place great importance on supporting and developing each individual's capacity.



SHAREHOLDERS AND INVESTORS

RevolutionRace is a fast-growing company with the vision of building the world's most recommended brand for outdoor and casual wear. By maintaining a high level of profitability combined with strong growth, we generate shareholder value every day. The aim is to distribute 40–60 percent of net annual profit to shareholders.



SOCIETY

Our mission is to make the outdoors accessible to all, whether you live in an urban environment or in the countryside. Our clothes are durable with a timeless design that can be used throughout the year. This means that we rotate the range year after year, with very products left unsold and, for the industry, a low level of excess production. Benefiting the planet and society.

▶ Together with our customers

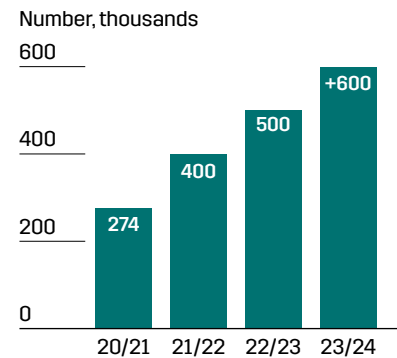
Together with our customers:

FEEDBACK AS A DRIVING FORCE

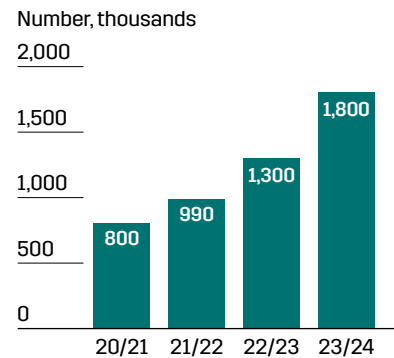
Our dedicated community, boasting more than 1.8 million followers across social platforms, plays an active role in our product development. Our customers consistently share their thoughts and feedback on our items, providing us with invaluable insights as we strive to enhance our range. Their reviews are also highly valuable to others seeking high-quality outdoor products, guiding them in choosing the right model and size.

With over 600,000 reviews and an impressive average rating of 4.6 out of 5, it's evident that being responsive to consumers and having a strong community engagement are central factors to our success. Together with our customers, we make our products even better, enabling more people to get out and enjoy nature.

Reviews from our customers



Followers on social media



Followers on social media

+1,800,000

An increase with about 38% since 30 June 2023.

Reviews from our customers

+600,000

An increase with about 20% since 30 June 2023.






STRATEGIC PRODUCT DEVELOPMENT WITH CUSTOMER FOCUS

Product development plays a central role at RevolutionRace. We continuously improve our existing range and develop new products using insights from over 600,000 customer reviews and data from our active customers.

By involving customers in the process, we ensure our products truly meet their needs and desires. Collaborating with customers is the future for brands and a key part of our strategy. All our products are developed through a well-established process that extends from idea to satisfied customers.

RevolutionRace's business model gives us full control over product offerings, marketing, and pricing. By eliminating several

intermediaries commonly used in retail—such as wholesalers, distributors, and retailers—we can avoid costs and extended lead times associated with them. This enables us to develop new products at more competitive prices without compromising on quality.

A structured product development process



Analysis and idea generation

The process begins with a product review and thorough analysis of sales data and customer insights. Our experienced product development team examines competitors and draws inspiration from the outdoor world. Through careful market monitoring, we gain a deep understanding of both material and product innovations. From this, we develop ideas that are then transformed into sketches and concepts, assessing potential innovations and how they can be integrated into our product portfolio.



Development and testing

Once the ideas are formulated and we've ensured the product has long-term potential in our range, the development phase begins. We focus on finding the right technical solutions to realise our concepts. The products are tested and refined internally with the help of our team and a selected group of experts – including employees, customers, and ambassadors who test the product in various outdoor activities.

In this phase, the products undergo rigorous testing and adjustments to meet our high standards of quality and functionality. We also place great emphasis on selecting the right colour palette to create a distinctive and functional visual identity that reflects our brand.



Market testing and launch

When the final product is ready, we launch it on a smaller scale to gather early market feedback. We market the product in established markets to reach our customers and collect their opinions. This feedback helps us make any necessary adjustments before proceeding with a larger production and a broader launch across multiple markets. By continuously listening to our customers and adapting to their needs, we ensure that our products maintain long-term demand.

Our data-driven and digital marketing, along with our strong presence on social media, allows us to quickly adapt to market changes and effectively reach our customers.



The shoe that quickly became a top-selling product

When RevolutionRace decided to introduce a shoe category to its product portfolio, our development team had a clear vision: to create a multifunctional hiking shoe that would be equally comfortable on mountain trails and city streets. The shoe needed to offer high comfort from the first use without requiring hours of wear to become comfortable.

This vision was partly driven by customer requests. After expressing great appreciation for our pants and jackets, our customers asked for a shoe that could combine functionality and style in the same way. They wanted a shoe that could handle both challenging terrains and urban environments without compromising on comfort. To realise this idea, we collaborated with experienced external experts in shoemaking, which provided us with invaluable knowledge to optimise every detail of the shoe's function and design.

During the 2021/2022 financial year, the new shoe category was introduced with a model that met customer demands for a versatile and stylish product. The launch was an immediate success, with high customer ratings and strong sales growth in just two years.

This success underscores the strength of our product development process, where close customer contact and analysis of feedback are crucial for creating products that truly meet and exceed our customers' needs and expectations.

”

The launch was an immediate success, with high customer ratings and strong sales growth in just two years.



STRATEGIES AND TARGETS

RevolutionRace operates in a market that holds significant long-term potential for continued growth. To achieve our financial targets while benefiting from the opportunities offered by a growing outdoor products market, we have an ambitious growth strategy.



1 GROWTH IN EXISTING AND NEWLY LAUNCHED MARKETS

RevolutionRace products are represented in the Outdoor Clothing and Activewear segments. In 2022, the size of the global Outdoor Clothing market was approximately 35 billion US dollars, and the Activewear market was around 319 billion US dollars. This means that RevolutionRace's current market share of the global market is relatively small. However, there are good opportunities to increase the market share over time in existing countries and expand into recently launched markets, both by expanding the product range to reach a broader customer base and by increased upselling to existing customers. As a stage in our continued expansion and with the goal of shortening delivery times to customers, inventory management is managed through partially automated third-party warehouses in Sweden and Germany, as well as a smaller third-party warehouse in the USA.

RevolutionRace has a strong brand and a successful marketing concept for new market launches. During the financial year, we further expanded our international presence by opening up to customers in Canada, South Korea, and Japan. As a result, RevolutionRace is now available in around 40 countries.

2 CONTINUED INTERNATIONAL EXPANSION

Besides growing in existing geographic markets and in markets where RevolutionRace has recently been launched, the potential for further geographic expansion is significant. The strategy for launching in new countries entails making use of the scalable and flexible platform by adapting the online shops locally in terms of content, delivery and payment options.

3 GROWTH IN MARKETPLACES

To generate further conditions for non-current growth, RevolutionRace has been collaborating with Amazon since 2020. Above all, this collaboration makes it possible to reach other customer segments, especially those that primarily purchase products via Amazon. The launch via Amazon has been successful with a strong sales trend in most countries.

With regard to future growth, opportunities to launch further products on Amazon and to newly launch RevolutionRace in other marketplaces is assessed on an ongoing basis to determine whether this would facilitate profitable and brand-building geographical expansion in additional countries without encroaching on the existing digital D2C business model.

4 EXPANSION THROUGH NEW PRODUCT CATEGORIES

RevolutionRace continuously evaluates the opportunity to add new categories to the current product range by listening to our customers' feedback. Customers' wishes have always been the starting point in RevolutionRace's product development. To drive growth, we have gradually expanded our product team, thereby accelerating the pace of product development. During the year, several successful launches were made, an alpine range and a new category of products made from lighter and thinner materials.

5 INCREASED LOYALTY AND RETURNING CUSTOMERS

RevolutionRace has a large community and a strong commitment to the brand both on and off social media. In a close dialogue, RevolutionRace uses customer content and reviews to generate continued growth and customer engagement. RevolutionRace has customer service representatives who speak the local language in most of established markets and who are constantly working to improve the customer experience.

6 DEVELOPING THE PRICING STRATEGY

RevolutionRace's current pricing strategy is well integrated into the product strategy and includes the division of the products into "Base", "Pro" and "Statement" categories based on the product specifications and target group.

7 SUSTAINABLE GROWTH

With the strategy, *A Responsible Race*, we actively work to conserve natural resources and decouple growth from environmental degradation. All RevolutionRace products are made to last and to be used many times. With an overproduction rate of less than one percent, we only produce what we can sell. All of our manufacturing suppliers have undergone third-party audits with positive results, confirming that they meet our standards. Additionally, we have strong governance over sustainability issues. Through continuous monitoring and improvement, we ensure that our sustainability standards are upheld across our entire value chain.

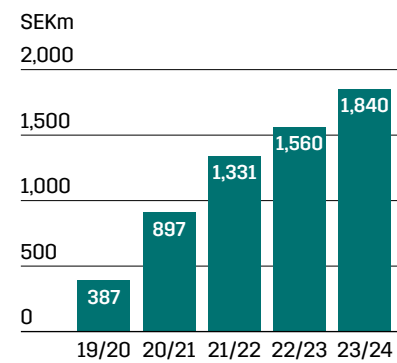
Emissions from our own operations are nearly negligible. RevolutionRace has set ambitious goals to use more sustainable materials and processes. By 2030, our goal is to reduce emissions outside our own operations by 40 percent relative to net sales.

Financial targets

In May 2024, the Board of RevolutionRace resolved on new financial targets. These targets are set for a new three-year period ending in the financial year 2026/2027 and are a natural reflection of the recent years' development, the company's business plan which focuses on continued international growth and expansion of new products, as well as the investments required to continue the growth journey.

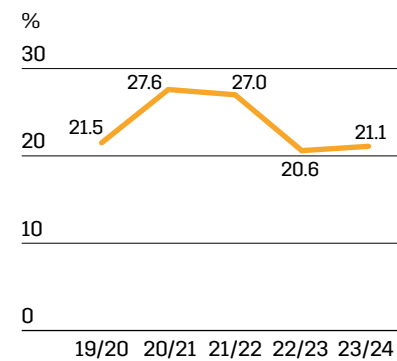
Net sales

RevolutionRace strives for a sustainable and profitable growth with an annual growth target of 20 percent.



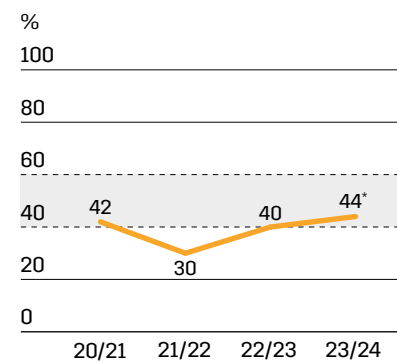
Profitability

RevolutionRace strives to maintain an annual adjusted EBIT margin of 20 percent.



Dividend policy

RevolutionRace intends to distribute 40–60 percent of the profit for the year to its shareholders, once long-term financial stability, growth opportunities and strategic initiatives have been taken into account.



*Proposal by the Board of Directors






OUR BESTSELLING COLLECTIONS



RVRC GP

PANTS

Our toughest and most versatile pants so far. Constructed from durable cotton canvas, these pants incorporate strategic stretch areas, enhancing both breathability and freedom of movement for any adventure.



-  Good durability
-  Water repellent
-  Good breathability



Nordwand

PANTS

A series that perfectly blends durability with stretch, ensuring you have the freedom to move with ease on any hiking trail. Experience highly versatile hiking pants and shorts with durable reinforcements, crafted to withstand heavy wear and tear and built to last through every expedition!




-  Good durability
-  4-way stretch panels
-  Good breathability

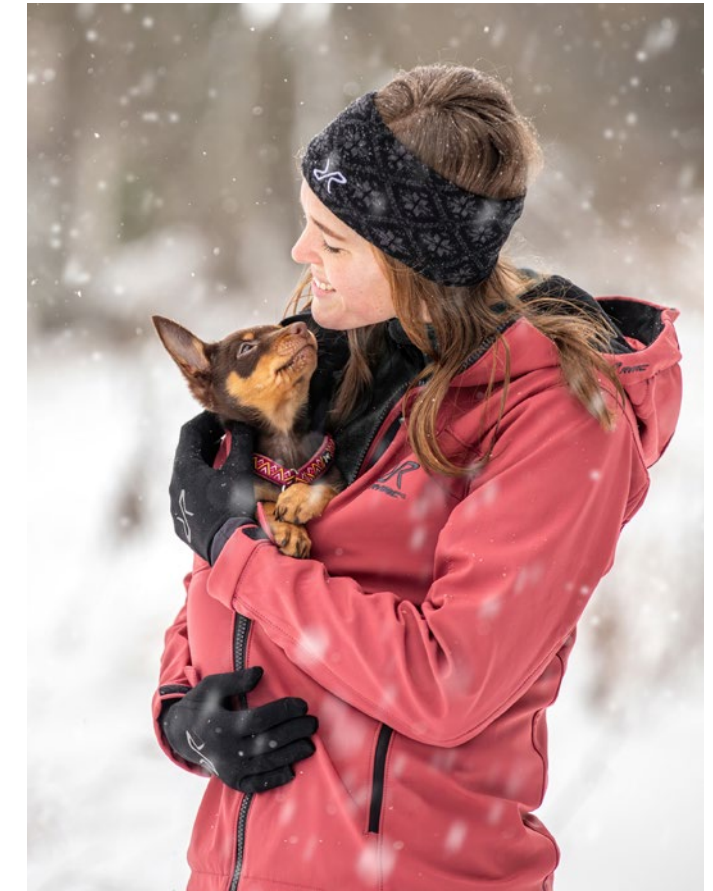


Cyclone

PANTS & JACKETS

A series of super multifunctional shell clothing for all-weather performance. Engineered to be waterproof and highly breathable, these pieces are perfect for both summer rains and winter escapades.




-  Waterproof taped seams
-  Wind and waterproof Hypershell®
-  Good insulating ability



Hiball

PANTS, JACKETS & BASELAYERS

Hiball is one of our warmest collections for activities in colder weather. It includes toasty base layers as well as fleece-lined, water repellent jackets and pants.

-  Good breathability
-  Water repellent
-  Optimised for colder climate

Nordwand Series

A series that perfectly blends durability with stretch, ensuring you have the freedom to move with ease on any hiking trail.



NORDWAND PANTS

The Nordwand Pants are a pair of highly versatile all-around hiking pants crafted from PFC-free Hypershell® material. Durable reinforcements over thighs and lower legs are designed to withstand heavy wear and tear. Nordwand Pants are wind- and water-repellent and an excellent choice for any outdoor activity that requires flexible, high-performance outdoor pants with a great fit.

RVRC GP Series

The RVRC GP Series comes in a range of styles tailored to meet every outdoor need. From the beloved original pants to the Pro version equipped with advanced features for the more demanding adventures. And for those warmer days when you seek both cool comfort and lasting durability, our zip-off pants and shorts offer the ideal solution.



RVRC GP PANTS

The RVRC GP Pants are a pair of highly durable outdoor pants developed for multifunctionality. Made with PFCfree Hypershell® material, these pants are resistant to both wind and water. Durable reinforcements over the thighs, lower legs, and seat add extra strength, protecting against wear and tear. The 4-way stretch panels at the top, inside thighs, and behind the knees ventilate and provide incredible comfort. RVRC GP Pants are the ideal outdoor pants offering the perfect combination of functionality, durability, and comfort.

THE SHARE AND THE SHAREHOLDERS

RevolutionRace's shares have been listed on Nasdaq Stockholm Midcap since 16 June 2021 under the ticker "RVRC". At the end of the financial year, the Company's market capitalisation amounted to SEK 5,160 million.

Share capital

On 30 June 2024, the share capital in RevolutionRace amounted to SEK 1,129,189.18, divided between 112,918,918 shares with a quota value of SEK 0.01 each. Each share carry the right to one vote and all shareholders entitled to vote at the Annual General Meeting may cast votes for the full number of shares that they hold and represent. All shares carry equal rights to the Company's assets and profits.

Price trend and share trading over the year

RVRC Holding AB (publ) has been listed on Nasdaq Stockholm Midcap since 16 June 2021. During 2023/2024, the lowest quoted share price was SEK 30.76 per share on 6 July 2023 and the highest quoted share price was SEK 69.85 on 21 March 2024. The closing price on 30 June 2024 was SEK 45.70. During the period, a total of 75.5 million shares were traded on Nasdaq Stockholm.

Shareholders

On 30 June 2024, there were 12,527 shareholders. The ten largest shareholders controlled 60.2 percent of the capital

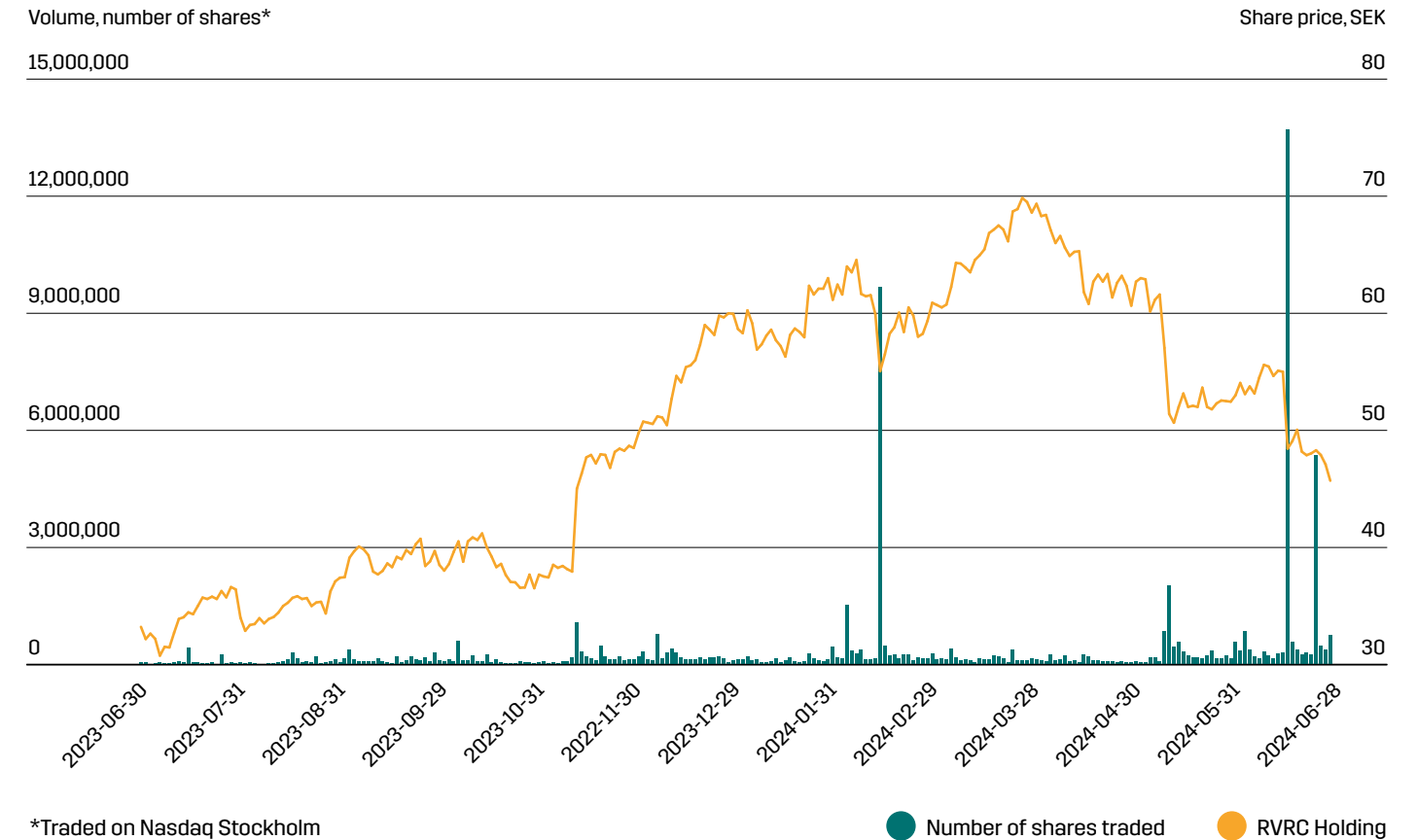
and votes. Swedish ownership amounted to 78.4 percent of capital and votes at the end of the financial year. Foreign ownership amounted to 21.6 percent.

Dividend and Share Buybacks

RevolutionRace intends to distribute surplus capital to shareholders once long-term financial stability, growth opportunities and strategic initiatives have been taken into consideration. The Board proposes that the Annual General Meeting on 19 November 2024 decide on a dividend of SEK 1.20 per share, corresponding to a total dividend of SEK 135.5 million based on the number of shares at the end of the financial year.

In February 2024, the Board decided, based on the authorisation from the AGM in November 2023, to implement a share buyback program worth up to SEK 200 million, running until the RevolutionRace AGM in 2024. The purpose of the buyback is to adjust the company's capital structure and contribute to shareholder value. During the fiscal year, the company repurchased shares for a total of SEK 97 million.

RVRC, price trend



Shareholders by country

Country	Number of shares	Capital and votes, %	Number of known shareholders
Sweden	88,547,746	78.42%	12,138
USA	4,234,147	3.75%	30
Denmark	3,813,123	3.38%	94
Switzerland	2,849,998	2.52%	13
Finland	2,239,646	1.98%	146
Other	11,234,258	9.95%	106
Total	112,918,918	100.00%	12,527

As of 30 June 2024.

Ten largest shareholders

Shareholder	Total number of shares	Capital and votes, %
Altor	22,599,438	20.01%
Nyrensten Global Holding AB	17,583,784	15.57%
Handelsbanken Fonder	9,026,171	7.99%
Swedbank Robur Fonder	4,811,918	4.26%
Tredje AP-fonden	3,786,239	3.35%
C WorldWide Asset Management	3,255,000	2.88%
RVRC Holding AB	1,847,334	1.64%
Norges Bank	1,747,017	1.55%
LGT Capital Partners	1,700,000	1.51%
Länsförsäkringar Fonder	1,641,094	1.45%
Total top ten	67,997,995	60.22%
Other	44,9209,23	39.78%
Total	112,918,918	100.00%

As of 30 June 2024.

Share data

KPIs per share	2023/24	2022/23
Share price as of 30 June	45.70	33.22
Market capitalisation as of 30 June (SEKm)	5,160	3,751
Dividend, SEK/share	1.20 ¹⁾	0.86
Earnings per share before dilution	2.73	2.15
Earnings per share after dilution	2.72	2.15
Number of shares outstanding	111,065,657	112,918,918
Average number of shares before dilution	112,918,918	112,918,918
Average number of shares after dilution	113,320,723	112,918,918
Number of shareholders as of 30 June	12,527	12,180
Highest price paid during the financial year	69.85	52.65
Lowest price paid during the financial year	30.76	21.2

1) Proposal by the Board of Directors.

Source: Monitor by Modular Finance AB. Compiled and processed data from, among others, Euroclear, Morningstar and Finansinspektionen.



SUSTAINABILITY REPORT

NATURE IS AND WILL *REMAIN* OUR PLAYGROUND

This sustainability report constitutes the non-financial reporting of RevolutionRace, for the financial year 2023/24. It has been prepared in accordance with the Annual Accounts Act and is part of the management report.

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About this Sustainability Report

This sustainability report constitutes the non-financial reporting of RevolutionRace, for the fiscal year 2023/24. It has been prepared in accordance with the Annual Accounts Act and is part of the management report. The report highlights how we work within the five key aspects: environmental, social, and employee matters, respect for human rights, and anti-corruption.

Our stakeholders expect and deserve clear, comparable, and reliable reporting on sustainability. We therefore report according to the standards of the Global Reporting Initiative (GRI): 2021. In addition to the legally required disclosures, this report thereby also reports on all sustainability topics defined as material under the GRI methodology.

The reporting date is 30 June, 2024. Significant activities that have occurred after this date were also included. The board certifies that the sustainability report has been prepared according to the Swedish Annual Accounts Act and that it gives a fair presentation of the risks, impacts and policies the parent company and the companies within the group have. The statutory sustainability statement has been approved for issue by the Board on the 15 October 2024.

Introductory words from Head of Purchasing and Production

OUR COMMITMENT TO CONTRIBUTING TO A SUSTAINABLE FUTURE IS STRONGER THAN EVER

The past year has challenged us on multiple fronts. We have witnessed increased global tensions, economic uncertainty, and rising inflation. At the same time, the effects of climate change have become more evident, with extreme heat, floods, and record-high temperatures worldwide. These challenges demand decisive leadership and collaboration at all levels. At RevolutionRace, we are determined to face them, and with new sustainability legislation on the horizon, our commitment to contributing to a sustainable future is stronger than ever.

Sustainability is strategically important for RevolutionRace. During 2023/24, our sustainability efforts became a true team effort. Management, the board, and all departments worked together towards our shared goals. We updated our sustainability strategy, implemented a new PLM system to improve product origin tracking, and prepared for the upcoming CSRD reporting. Additionally, we worked closely with our supplier partners to reduce the environmental impact of each product.

As we entered 2024, we conducted a comprehensive review of our sustainability strategy. Through thorough impact analyses and dynamic discussions with management and key individuals across all functions, we refined our priorities and goals. The result of this work was an update of our climate targets, which were submitted for validation by the Science Based Targets initiative over the summer.

Our efforts in recent years have led to significant progress in the use of sustainable sourced materials. Today, 83% of our fabrics consist of certified fibers or are made with production processes with documented lower environmental impact, such as bluesign®. This achievement is a clear testament to our commitment to protecting the planet's resources, and we are especially proud of our dedicated purchasing team that has driven this work forward.

We have also focused on establishing close collaborations with our fabric suppliers, particularly to improve the most resource-intensive wet processes. Progress has been made, but we recognise that more work remains. This area will continue to be a high priority in our efforts to achieve our climate goals and reduce our environmental impact.

To further strengthen our sustainability efforts, we implemented a new PLM system that helps us systematically collect and track product and supplier data throughout the entire value chain. This has enabled us to document our production methods and materials in a structured way, which is crucial

for tracking and reporting our progress transparently. This project required intensive collaboration between IT, sustainability, controlling, and purchasing – a collaboration that reflects our integrated approach to sustainability.

During the past year, we have invested more resources in sustainability than ever before. We have expanded our sustainability team, increased the number of employees with sustainability responsibilities, and integrated sustainability issues into all parts of our operations. We have also invested in high-quality materials, improved our supplier collaborations, and strengthened our data structures.

This report reflects our updated strategy and highlights our achievements and goals for the year. While we continue to report according to the GRI standard, we have begun adjusting our reporting to meet the new requirements of CSRD. I hope you find the report both insightful and inspiring.

Making nature accessible to everyone is our mission, and to make this possible, we must also be nature's defenders. We have a responsibility to protect our playground, not just for ourselves, but for future generations. Our commitment is stronger than ever, and we look forward to continuing this journey toward a more sustainable future together with you.

Frida Mordenfeld, Head of Purchasing and Production

”

Nature is and will remain our playground.



HIGHLIGHTS 2023/24



WE CELEBRATE TEN YEARS

RevolutionRace is celebrating its 10th anniversary, and the year has been marked by major celebrations both for employees and customers.



NEW TEXTILE MATERIAL CLASSIFICATION

At RevolutionRace, we have previously discussed more sustainable materials and less sustainable alternatives. To challenge ourselves in product development, we have now introduced a new classification of materials: Very good, Good and Not good.



WE SAY NO TO UNNECESSARY HANGTAGS!

This year, we have halved our emissions related to hangtags by removing unnecessary ones. Instead, we have expanded information sharing on our website, where customers can now find all relevant information. In doing so, we have saved eight tons of paper.



OUR JOURNEY TOWARDS CSRD (CORPORATE SUSTAINABILITY REPORTING DIRECTIVE)

The new reporting requirement places significant expectations on organisations. See page 36 for more information on how we plan to prepare for our first CSRD report, which will be published in October 2026.



DIGITAL RETURNS CHECKOUT

By implementing digital return checkouts, we can reduce paper usage. Additionally, we gain new insights that can be applied to the development of our product range. For more information, please see page 53.



UPDATING OUR SUSTAINABILITY STRATEGY

Over the year, we have re-evaluated our sustainability strategy, *A Responsible Race*, and set new short-term and long-term targets.



83% SUSTAINABLY SOURCED TEXTILE IN OUR CLOTHES

During the year, we made significant progress towards our goal of using sustainably sourced textile material. We have increased from 22% to 83%. Read more about how this was achieved on page 50.



NEW PLM SYSTEM

Read more about our new PLM system on page 37 and how it allows us to prepare for upcoming legislation and further integrate sustainability into the organisation.



SUSTAINING VALUE WITH DURABLE PRODUCTS

During the year, RevolutionRace was recognised as one of the top ten best-selling outdoor brands on Tradera and ranked in the top ten for sales completion rate, based on the percentage of auctions sold.



SIGNED ACCORD

During the year, we signed the Accord, an international agreement that promotes increased health and safety for Tier 1 suppliers in the textile industry. The agreement applies to the production countries, Bangladesh and Pakistan.

PROGRESS ON OUR SUSTAINABILITY TARGETS

Our products



ENVIRONMENT



Also Consumer target.

Water



Water management

63%

Target 2027/28

100% of textile volume from wet-process suppliers with best-practice water management such as bluesign®.

Waterless dyeing

0.2%

Target

Increase the volume of materials produced with waterless dyeing.

Pollution



Chemical- and wastewater

53%

Target 2027/28

100% of textile volume from wet-process suppliers with best-practice chemical management and wastewater management such as bluesign®.

Oeko-Tex®

99%

Target 2025/26

100% of textile materials certified by Oeko-Tex® 100 or equivalent.

PFAS

0

Always

No DWR treatments using PFAS.

Start

microfibre test

Target 2025/26

Conduct at least five tests per year according to the TMC microfibre testing standard.

Climate change



Scope 1 & 2

-80%

Target 2030/31

50% absolute reduction in CO₂e in Scope 1 and 2 compared to the base year 2020/21.

Scope 3

-43%

Target 2030/31

40% reduction in CO₂e in Scope 3 relative to net sales compared to the base year 2020/21.

Use of resources and circular economy



Product reviews

4.6

Always

Maintain a high average product review rating close to 5.0/5.0.

Define

Circular Design Principles

Target 2030/31

100% of our products to be designed according to our circular design principles.

Renewable electricity

100%

Since 2021

100% renewable electricity in our own operations.

Air transport

4%

Since 2022

Keep air transport below 5%.

Sustainably sourced textile materials

83%

Target 2027/28

80% sustainably sourced textile materials. Increase volume of "Very good" materials.

Sustainably sourced packaging

98%

Target 2025/26

100% of our packaging made from FSC®-certified or recycled materials.

Overproduction

0.2%

Always

Keep overproduction below 3%.

Note: Please find exact definitions of our metrics in the relevant chapters and in the appendix.

Progress on our Sustainability targets



Also Pollution target.



SOCIAL RESPONSIBILITY

Own workforce

Employee satisfaction
47
Always
Employee satisfaction (eNPS) above 35.

Women on the Board
50%
Women in management
33%
Female managers
62%
Always
Strive for balance in leadership positions.

Engagement index
84
Always
Employee engagement index above 80.

Workers in the value chain

Social audits
100%
Since 2023
Ensure 100% of factories have a good third-party social audit.

Local grievance mechanism
100%
International grievance mechanism
13%
Target 2027/28
100% of factories with well-functioning local and international grievance mechanisms.

Good social management systems
80%
Target 2030/31
100% of factories with good social management systems.

Working hours
33%
Target 2030/31
100% of factories without excessive working hours.

Business conduct

Anti-corruption training
100%
Always
100% of employees trained in anti-corruption.

Fur
0
Always
Ban fur.

Certified animal fibers
73%
Always
100% certified animal fibers.

Consumers

Oeko-Tex® 100
99%
Target 2025/26
100% of textile materials certified by Oeko-Tex® 100 or equivalent.

PFAS
0
Always
No DWR treatments using PFAS.

Data privacy breaches
0
Always
No data privacy breaches.

Responsible marketing breaches
0
Always
No breaches of responsible marketing practices.

Traceability Implemented PLM system
Target 2027/28
100% traceability of clothing.

Note: Please find exact definitions of our metrics in the relevant chapters and in the appendix.



GOVERNANCE



SUSTAINABILITY STRATEGY AND APPROACH

The main purpose of our sustainability strategy is to operate in an ethically, socially, and environmentally responsible manner and to be an attractive employer.

A RESPONSIBLE RACE

Our mission, *Nature is our playground*, forms the foundation of our sustainability strategy. Nature defines our existence, and we feel a deep respect and a great responsibility to protect and restore it.

The vision of RevolutionRace is to become the world's most recommended outdoor brand. We strive to make nature accessible to everyone by offering high-quality products at unmatched value. Our sustainability mission is to act in an ethically, socially, and environmentally responsible manner and to be an attractive employer.

To achieve an environmentally sound and more equitable future, we focus on five strategic priorities and solid governance of sustainability matters.

Durable and safe products: For our consumers, it is crucial that the products they purchase are both durable and safe. We are committed to producing timeless, high-quality products designed to be worn for a long time, often, and safely. We are equally committed to ensuring that our products are safe for our suppliers to produce.

Climate protection: We support the Paris Agreement's goal of limiting global warming to 1.5°C and commit to reducing our emissions in line with our target.

Environmental protection: We aim to preserve and restore natural resources with our suppliers through improved design, purchasing, and production solutions.

Engaged employees: Ethical business conduct and RevolutionRace's appeal as an employer start with how we treat our employees. We work for the well-being and development of our employees through good leadership, inclusion, and equal opportunities.

Social responsibility in the supply chain: More than 15,000 people work in our supply chain. We work for human rights and good working conditions together with our suppliers.

We drive our sustainability efforts with solid and engaging governance involving both internal and external stakeholders. Through transparency, traceability, and ethical principles, we drive continuous development of our policies, metrics, targets and actions. Each area has concrete goals that map out our sustainability journey.

In 2024, we updated our sustainability strategy based on our materiality assessment from 2023.

VISION

To be the world's most recommended outdoor brand

SUSTAINABILITY MISSION

To operate in an ethically, socially, and environmentally responsible manner and to be an attractive employer
Nature is and will remain our playground

Sustainability commitments and priorities



DURABLE AND SAFE PRODUCTS

We produce high quality timeless products that are safe to use for our customers and safe for our suppliers to manufacture.



CLIMATE PROTECTION

We measure our missions and strive to achieve our reduction targets for 2030.



ENVIRONMENTAL PROTECTION

We protect the environment together with our supply chain partners. We conserve the use of resources, seek more sustainable and recycled materials and minimise overproduction.



ENGAGED EMPLOYEES

We work for employee wellbeing and development through good leadership, inclusivity and equal opportunities.



SOCIAL RESPONSIBILITY IN THE SUPPLY CHAIN

We work for human rights and good labour conditions throughout our supply chain.

Engaging sustainability governance





WE CONTRIBUTE TO FOUR GLOBAL SUSTAINABLE DEVELOPMENT GOALS

In 2015, the United Nations defined 17 global goals for sustainable development by 2030. Our *A Responsible Race* strategy directly addresses four of the *Sustainable Development Goals* (SDGs): **Gender Equality, Decent work and economic growth, Responsible consumption and production** and **Climate action**. With our strategy, we address our most material topics and contribute to the sustainable development of society by reducing the negative impacts of our business activities and contribute to lasting improvements where possible.

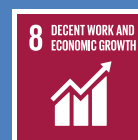


GENDER EQUALITY

Gender equality is a fundamental human right.

The aim of SDG 5 is to achieve gender equality and empower all women and girls. This includes ending all forms of discrimination, violence and harmful practices as well as ensuring women's participation and equal opportunities in the work place and in leadership roles.

*Gender equality is an important part of our Strategy. How we work with it and measure progress is described in the chapter *Own workforce* and the chapter *Workers in the value chain*.*



DECENT WORK AND ECONOMIC GROWTH

Economic growth must be inclusive and based on decent work.

The aim of SDG 8 is sustained and inclusive growth that drives progress, creates decent jobs and improve living standards. This includes per capita economic growth and its decoupling from environmental degradation, the eradication of forced labour and child labour and the protection of labour rights and improvement of working conditions.

*We are proud to contribute to economic growth and job creation. Our work for decent work especially in our supply chain is described in the chapter *Workers in the value chain*.*



RESPONSIBLE CONSUMPTION AND PRODUCTION

Consumption and production must be decoupled from environmental degradation.

The aim of SDG 12 is to ensure consumption and production patterns that are compatible with planetary boundaries. This includes sustainable management of natural resources, reduction of waste, strict management of chemicals and supporting developing countries in improving environmental management.

*This goal is at the core of our "A Responsible Race" strategy. How we work with it and measure progress is described in the chapters on *Pollution, Water and Resource use*.*



CLIMATE ACTION

We must reduce emissions to minimise global warming.

The aim of SDG 13 is to take urgent action to combat climate change.

This includes achieving the goals of the Paris Agreement with private businesses reducing their emissions and the world achieving net zero emissions by 2050.

*Climate protection is part of our strategy. Our work and how we measure progress is described in the chapter *Climate change*.*

MATERIALITY ASSESSMENT

Since 2021 materiality assessments have informed our sustainability work.

Materiality assessment 2023

The sustainability matters reported on in this report are based on a materiality assessment conducted in the spring of 2023, where we reviewed our materiality assessment from 2021. It complies with the requirements of the Swedish Annual Accounts Act and has been updated with the GRI 3: Material Topics 2021 standard and with a dual materiality perspective based on the ESRS standards for the future EU CSRD reporting.

ASSESSMENT PROCESS

According to the ESRS recommendations a gross list of sustainability topics were assessed according to the significance of RevolutionRace's actual and potential impacts on economic, ethical, environmental and social topics including human rights. The list included all defined sustainability topics in the CSRD delegated regulation AR16.

All impacts were evaluated on the criteria likelihood and severity. Severity was measured on the dimensions scale, scope and irremediable character.

In the case of potential negative human rights impacts, the severity of the impact took precedence over its likelihood.

This evaluation was based on our ongoing stakeholder engagement and supply chain due diligence work as well as dedicated dialogues for the purpose of the assessment and the ESRS drafts on mandatory and industry specific reporting requirements.

FINANCIAL MATERIALITY

As part of the review we also conducted a risk assessment of financial materiality for all relevant sustainability topics to include the dual materiality principle and prepare for CSRD reporting. The risk assessment was fully integrated into the general company risk management process with several management workshops in the spring of 2023 moderated and supported by external experts.

RESULT

The resulting material sustainability topics as shown in the Appendix on page 73 is a list of topics prioritised according to impact materiality and evaluated according to financial materiality. The cut-off point to what has been included has either been high material impact or high business risk, or current or expected future legislative requirements.

The reviewed materiality assessment was approved by the board of Directors in August 2023. The materiality assessment is informing our preparation for CSRD reporting.

INTERESTS AND VIEWS OF STAKEHOLDERS

Stakeholder engagement is crucial for good decision making at RevolutionRace.

Interactions and dialog with stakeholders are continuously informing decisions with respect to our strategy and business model including sustainability related decisions. We truly appreciate the power of genuine engagement. Our brand and products are the result of our ability to listen to and act upon customer demands and their willingness to engage with us.

Our various stakeholder groups and forms of engagement significantly improve informed decision making and thereby contributes to RevolutionRace's long-term ability to create value for shareholders and stakeholders.

This report is an important part of the ongoing dialogue with all our stakeholders. Through this report, our sustainability presentations and sustainability updates on our website, we want to make our impact and sustainability work transparent and accessible.

We seek the dialogue through general formats, like our sustainability report and our website, and formats suited to the individual stakeholder groups, like customer service, employee training, investor calls and supplier meetings.

The purpose of our interactions is to support better decision-making. At RevolutionRace, stakeholder engagement enhances our decisions and also helps stakeholders make informed choices about RevolutionRace, whether they are current or potential employees, customers, or shareholders. The outcomes and impact on our strategy and business model are numerous, and some examples are described in the table on page 31.

During FY 2023/24, our Management Team and Purchase Team engaged in intensive collaboration with our suppliers, resulting in revised purchasing priorities and the inclusion of strategic suppliers as bluesign® system partners. The dialogue with employees on sustainability issues increased across all functions, leading many functions to integrate sustainability measures and processes into their operational routines. We also saw an increase in dialogue with investors and questions from our customers via customer service, as well as growing interest in our sustainability updates on social media.





► Sustainability strategy and approach | Analysis and results

Stakeholder	Engagement	Purpose	Interests expressed	Examples of outcomes
Customers	<ul style="list-style-type: none"> Website Product reviews Customer service requests Social media Newsletters Customer surveys on sustainability 	<ul style="list-style-type: none"> Understanding customer preferences Being transparent about RVRC sustainability journey Enabling customers to make informed choices 	<ul style="list-style-type: none"> Durable and safe products made of sustainable materials No PFAS No child labour Animal welfare 	<ul style="list-style-type: none"> Products with sustainable sourced materials No PFAs Increase consumer communication
Employees	<ul style="list-style-type: none"> Website Intranet Monthly company meetings Sustainability workshops Sustainability trainings Employee satisfaction surveys Social media Whistle blower mechanisms 	<ul style="list-style-type: none"> Continuous integration of sustainability topics a part of all operational roles Understanding employee priorities and challenges 	<ul style="list-style-type: none"> Transparency on sustainability topics Climate protection Safe products Diversity No child labour 	<ul style="list-style-type: none"> Improved employee engagement and satisfaction score Purchasing and production team reviewing sourcing strategy and taking sustainability responsibility Design team engaged with circular design principles
Management	<ul style="list-style-type: none"> Monthly meetings Sustainability work shops Sustainability content meetings 	<ul style="list-style-type: none"> Facilitating solid decision making on sustainability topics Strategic prioritisation Joint understanding and alignment on relevant sustainability topics 	<ul style="list-style-type: none"> Climate protection & targets Human rights Transparency Durable products 	<ul style="list-style-type: none"> Development of and agreement on updated sustainability strategy Strategic sourcing and product decisions
Board of Directors	<ul style="list-style-type: none"> 16 meetings during the year with mandatory sustainability topics Strategy days 	<ul style="list-style-type: none"> Integrating sustainability in all strategic decision making. Informing about the views of stakeholders 	<ul style="list-style-type: none"> Climate protection and targets Governance & reporting 	<ul style="list-style-type: none"> Sign-off double materiality assessment Sign-off updated sustainability strategy
Shareholders and finance community	<ul style="list-style-type: none"> Annual and quarterly reports (incl. sustainability report) Annual Shareholders' Meeting Website Press releases Investor meetings & requests 	<ul style="list-style-type: none"> Understand sustainability priorities and explain RevolutionRace's priorities Provide transparency and documentation 	<ul style="list-style-type: none"> Climate protection Human rights Sourcing resilience 	<ul style="list-style-type: none"> Learning about ESG priorities
Suppliers & value chain partners	<ul style="list-style-type: none"> Physical and digital meetings Audits and supplier information Continuous discussions 	<ul style="list-style-type: none"> Create common understanding of sustainability impacts, risks and opportunities Ensure documentation Cooperate on challenges to implementation 	<ul style="list-style-type: none"> Chemical management Climate protection Labour standards 	<ul style="list-style-type: none"> Strategic sourcing decisions On-boarding of strategic suppliers to bluesign® Engaging suppliers for improved whistle-blower mechanisms incl. Amfori™ "Speak for Change"
Non-profit and industry organisations	<ul style="list-style-type: none"> Website Press releases Sustainability presentation Continuous discussions and dedicated meetings Selected memberships Expert reports 	<ul style="list-style-type: none"> Cooperate on sustainability solutions Work with industry standards Understand industry impacts and innovative solutions Understand evolving societal priorities 	<ul style="list-style-type: none"> Human rights & labour standards incl. whistle blower mechanisms Climate protection Sustainably sourced materials Micro-fibres Water consumption Biodiversity 	<ul style="list-style-type: none"> Informing our strategies for and approaches to micro-fibres, biodiversity, grievance mechanisms.
Other: Media, Politics, Administration, Local communities	<ul style="list-style-type: none"> Website Press releases Sustainability presentation Continuous discussions and dedicated meetings Expert reports 	<ul style="list-style-type: none"> Understand evolving societal and legislative priorities Legal compliance Provide transparency and documentation 	<ul style="list-style-type: none"> Sourcing strategy Biodiversity Climate protection Water protection Human rights Circular economy 	<ul style="list-style-type: none"> Informing our sourcing strategy

SUSTAINABILITY DUE DILIGENCE

At RVRC we commit to respect human rights and protecting the environment. A solid due diligence covering our own operations and our entire value chain is a requirement to meet these commitments, which ultimately purpose is a responsible value chain management where adverse impacts are minimised, and we contribute positively to sustainable development.

At RVRC we commit to respect human rights as defined in the UN International Bill of Human Rights and ILO's Core Conventions. We also commit to protect the environment in our business conduct in accordance with established conventions, developing regulations and industry guidelines like the Paris Agreement and the applicable EU regulations under the *European Green Deal*. Our due diligence processes are designed to support these commitments.

Our sustainability due diligence process is described in detail in our Due Diligence Guidelines from 2022. They are based on the international instruments from the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, the OECD Guidance for responsible business conduct and the specific guidance from the OECD on Responsible Supply Chains in the Garment & Footwear sector.

Our process follows the guidelines of international instruments and is described in more detail on the following pages.

POLICIES AND GUIDELINES GOVERNING SUSTAINABILITY

	External policy	Internal policy / guideline
Product		<ul style="list-style-type: none"> • More Sustainable Materials Guideline • Animal Welfare Policy • Chemical Management Guideline
People and compliance	<ul style="list-style-type: none"> • Code of Conduct • AntiBribery and Corruption Instruction • Data Privacy Policy 	<ul style="list-style-type: none"> • Diversity and Equality Policy • Employee Handbook • Work Environment Policy • Whistle Blower Instruction • Information security policy • Information management guideline • Incident management procedure
Planet	<ul style="list-style-type: none"> • Environmental policy 	
Supply chain	<ul style="list-style-type: none"> • UK Modern Slavery Act Statement • Supplier Code of Conduct 	<ul style="list-style-type: none"> • Supply Chain Due Diligence Guideline • Supplier Traceability Guideline • Trade Sanction Policy

Measures and outcomes of our due diligence process



POLICIES FOR RESPONSIBLE BUSINESS CONDUCT

With our policies for people and the environment we define our expectations to ourselves, our employees and our value chain partners



RISK SCREENING AND MONITORING PROGRAM

In our systematic risk screening we identify actual and potential negative impacts to monitor. We work with a number of monitoring tools to assess negative impacts of our business operations and products, to rate the performance of our suppliers and to measure the effectiveness of our improvement actions.



IMPROVEMENT INITIATIVES

In our sustainability strategy we prioritise initiatives to cease, prevent and mitigate impacts based on their severity and likelihood and cooperate on remediating initiatives. Our sustainability and production teams engage with our supply chain partners on improvement areas. The improvement initiatives can be specific for a supplier or for a group of suppliers, and they can be RVRC driven initiatives or industry-wide initiatives that we take to our suppliers.



LEARNING

We track the effectiveness of our actions through the metrics and targets defined in our strategy and our monitoring tools and update our policies, processes and actions accordingly.



STAKEHOLDER ENGAGEMENT AND COMMUNICATION

We communicate with our stakeholders about impacts and efforts through mandatory disclosures and our various forms of stakeholder engagement.



Due diligence in our value chain

We approach due diligence in our value chain through five steps, which are described in the following sections. The Sustainability Manager has overall responsibility for the process, while the sourcing and product development teams are responsible for specific activities. The roles of management and the Board are described in the governance section on page 36.

1. Embedding due diligence in governance, strategy and business model

Our value chain is global, and like most value chains in the textile industry, it is fragmented and has historically lacked transparency, increasing the need for solid due diligence.

Our expectations to our value chain partners in terms of people and the environment are described in our Supplier Code of Conduct, our Supplier Manual and in our Environmental Policy. Our suppliers must share our principles, sign our policies, measure and document their impacts and continuously strive to improve.

The results of due diligence continually inform our strategy and business model in for example the prioritisation of countries of production and individual suppliers, choice of materials and production processes.

Most importantly our due diligence supports us in prioritising what impacts we should focus our efforts on and with what partners. For example, since most of the workers in our value chain are working in the garment factories, they are the first priority in our human rights efforts. Similarly, since a very large part of our environmental impacts are related to the wet-processes of our Tier 2 suppliers, they are an important focus of our climate, water and pollution efforts.

2. Engaging with affected stakeholders

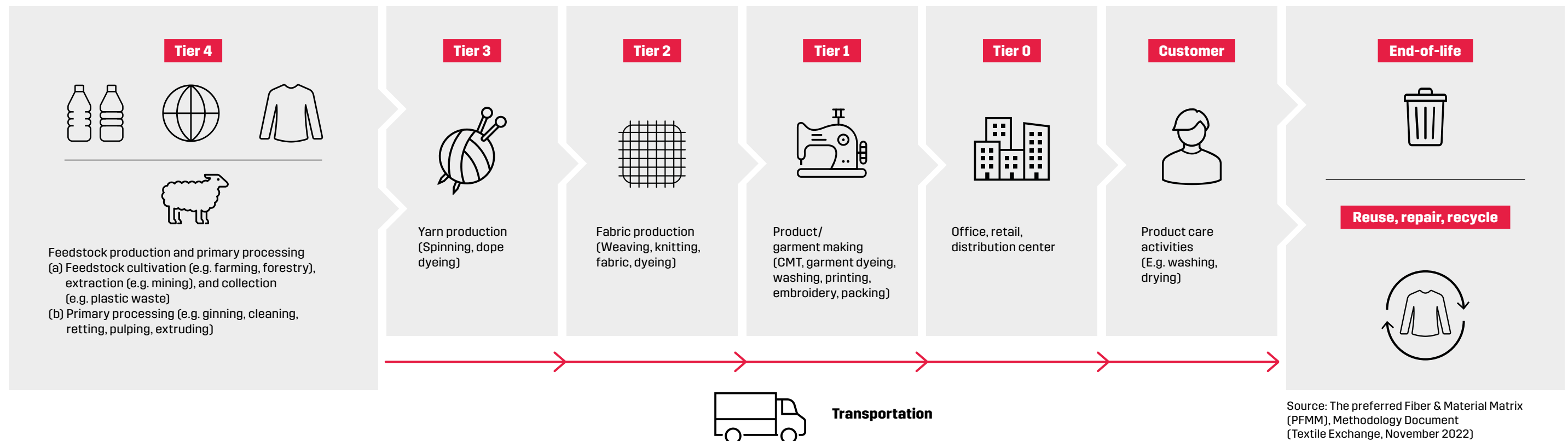
As described in the section on stakeholder engagement, RevolutionRace engages on a regular basis with affected stakeholders on sustainability matters of which most topics are directly related to due diligence. The engagement informs our identification and assessments of impacts but just as much the implementation of improvements and evaluation of our efforts.

The engagement with our value chain partners is defined in our Due Diligence Guidelines, that prescribe interactions with suppliers as well as monitoring and evaluation efforts.

Historically we have been focusing mainly on our own operations and upstream supply chain. Since 2024 we are expanding the scope to also include our downstream value chain. This includes our logistic and distribution partners.

During 2023/24 we continued our focus on effective grievance mechanisms for workers in our sewing factories. We also had a special focus on our wet-process suppliers in Tier 2, due to their proportionally high environmental impact. We conducted numerous discussions with them on their management of water and energy, conversion to more responsible production methods and their potential membership of bluesign®.

The textile value chain



3. Identifying and assessing negative impacts on people and the environment.

Our due diligence process starts with the identification of negative impacts. Our risk screening is two dimensional and combines risks in the country of the business relationship with product and sector specific risks. Our country risk screening is based on various sources like the World Bank Governance Indicators. Our product and sector specific risks are based on the OECD due diligence sources and a broad collection of industry research. Every product and sector specific risk like forced labour, excessive overtime or wastewater is defined according to its likelihood and its severity in terms of scale, scope and irreparable character.

Each of our suppliers throughout the value chain, from sewing factories, to raw material suppliers and logistic partners, is assigned a risk categorisation. Each risk categorisation has an applicable assessment and monitoring scheme. We have defined monitoring tools for all impacts.

Our Tier 1 suppliers are based in high risk countries. We cannot rely on the local governance institutions sufficiently supporting compliance with our social, environmental and ethical principles.

Independent regular social audits and environmental compliance assessments are therefore mandatory. For our strategic garment suppliers extended environmental monitoring is also mandatory.

For all indirect suppliers, an assessment and monitoring scheme has equally been defined containing transparency reporting requirements, audits or certifications.

4. Taking action to address those adverse impacts

Our assessment of negative impacts results in actions to mitigate, prevent and remediate these impacts as described throughout this report for each individual topic.

Based on the information collected through monitoring tools and our supplier evaluation, as described on page 35, action plans are defined for and agreed with every garment factory in annual meetings.

On people impacts our focus is on our Tier 1 and Tier 2 suppliers and cotton farming. The action plans include supplier improvements as well as potential changes to RevolutionRace purchasing practices.

In addition to our direct suppliers in Tier 1 our focus on environmental impacts is with our Tier 2 suppliers and our logistics and material choices. We address this through our fibre and material strategy, our transportation strategy and the improvement efforts with our strategic wet-process suppliers.

With respect to remediation our main focus is to ensure effective grievance mechanisms for workers as described on page 68.

Onboarding of new suppliers and off-boarding of suppliers are both part of and outcomes of our defined due diligence processes. Our onboarding process for new suppliers includes risk screening, assessment and monitoring requirements. The very first step is that new suppliers sign our Supplier Code of Conduct and commit to our values and continuous improvement.

In 2023 the Management and the Board of Directors of RevolutionRace decided for a responsible exit from Myanmar.

We had no evidence of abuses to human rights and labour conditions in the factories of our suppliers, but the decision was based on expert recommendations and the recognition that there were substantial limitations on conducting due diligence in the country after the military coup in 2021. The RevolutionRace purchasing team carries out the exit in close collaboration with the supplier.

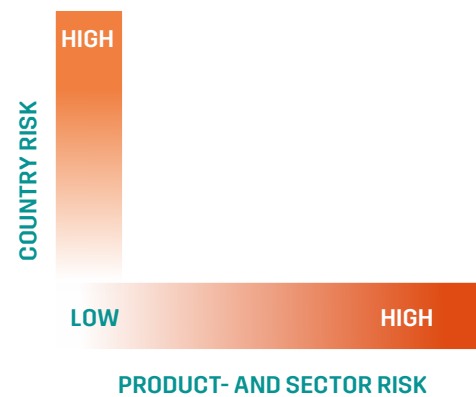
5. Tracking the effectiveness of these efforts and communicating

We have metrics and targets for all severe negative impacts, which we use to track the effectiveness of our efforts. The monitoring tools we use to assess negative impacts are also an important part of our monitoring of progress.

Due diligence is off course also a learning process, where our own metrics, successes and failures together with industry learning continuously inform our materiality assessment of negative impacts, risks and opportunities and appropriate actions.

We publicly communicate about our due diligence work in our annual sustainability report, on our website, and in our statement under the UK Modern Slavery Act.

Risk categorisation in our value chain



Social and environmental impacts assessed¹⁾

Social	Environmental
Forced labour	Greenhouse gas emissions
Child labour	Hazardous waste
Discrimination and harassment	Water consumption
Precarious employment	Wastewater
Occupational health & safety	Chemical storage
Freedom of association and collective bargaining	Land use
Fair remuneration	Biodiversity
Decent working hours	Emissions to air
Bribery and corruption	

Assessment and monitoring requirements

Category	Assessment
All suppliers independent of risk categorisation (Tier 1, largest Tier 2)	<ul style="list-style-type: none"> Self-assessment on sustainability KPIs Higg FEM Index (latest by 2025) Annual Sustainability Meeting <ul style="list-style-type: none"> Documentation that workers are knowledgeable of their rights and have access to grievance mechanisms Corrective Action Plans
Low risk (Tier 1, largest Tier 2)	As above
High product or sector risk (Tier 1–Tier 4)	Issue specific transparency, self-assessment, independent audit or relevant certification
High country risks (Tier 1–Tier 4)	<ul style="list-style-type: none"> Regular independent social and environmental compliance audit (Tier 1) Issue specific transparency, self-assessment, independent audit or relevant certification
Country ban	RevolutionRace does not conduct business in the country

1) Sources: Worldwide Governance Indicators (World Bank), Corruption Perceptions Index (Transparency International), Environmental Performance Index (Yale Center for Environmental Law & Policy), Indicators of forced labour (ILO), Clean Clothes Campaign, Changing Markets Foundation.

We use defined monitoring tools and methods in our due diligence to assess impacts, prioritise actions and measure progress

REVOLUTIONRACE SUPPLIER EVALUATION

Every year we evaluate and rank our garment suppliers according to their performance on buying and design, logistics and sustainability. This evaluation forms the basis of our ongoing improvement dialogue. On sustainability matters the evaluation is based on our various monitoring tools.

SUPPLIER MEETINGS AND VISITS

In our frequent digital and physical meetings with suppliers we address all prioritised impacts to monitor.

ZDHC (ZERO DISCHARGE OF HAZARDOUS CHEMICALS) REPORTING

We require that all our strategic Tier 2 suppliers must adhere to best practice chemical management as defined by ZDHC. We monitor their compliance through their official ZDHC reporting.

REVOLUTIONRACE FACTORY MONITORING

We request all our Tier 1 and Tier 2 suppliers to answer our factory monitoring that is covering topics and suppliers not covered by other tools.

AMFORI BSCI (BUSINESS SOCIAL COMPLIANCE INITIATIVE) AUDITS

With Amfori BSCI audits we monitor supplier compliance with the human rights and labour condition commitments in our Supplier Code of Conduct and of compliance with local environmental regulation.

BLUESIGN® ASSESSMENTS

We urge all our strategic Tier 2 suppliers to become bluesign® System Partners. We use the bluesign® assessments to understand supplier impact and progress on environmental management with focus on chemical, water and energy management.

HIGG FEM (FACTORY ENVIRONMENTAL MANAGEMENT)

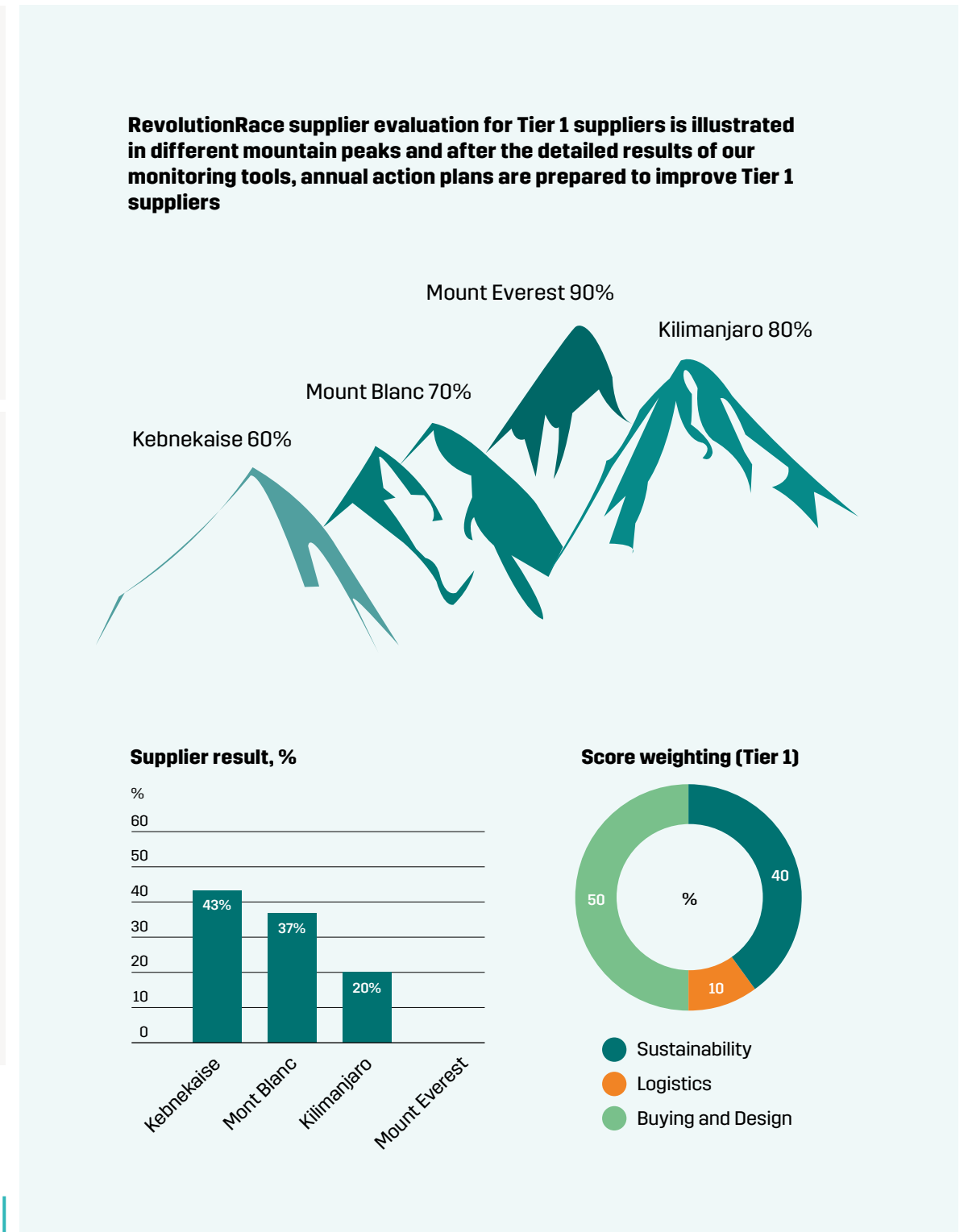
With Higg FEM we monitor environmental management practices and track environmental metrics of our strategic Tier 1 and Tier 2 suppliers related to energy & emissions, water, waste, wastewater and chemicals management.

TOPIC SPECIFIC MONITORING

For selected adverse impacts we use dedicated monitoring tools. For example:

- chemical testing to test chemical compliance
- purchase of certified materials to ensure third party monitoring of compliance,
- reporting of emissions from logistic partners
- sanction screening of garment suppliers

Some topics cannot be assessed by a tool but requires ad hoc stakeholder engagement like specific country situations.



Our monitoring tools and methods

GOVERNANCE

A key principle in our sustainability strategy, *A Responsible Race*, is good governance of all sustainability-related topics.

Sustainability governance

RevolutionRace operates within a complex value chain involving many countries, national and international laws, and ever-evolving regulations. Particularly, legislation related to sustainability is developing rapidly, and sustainability governance is becoming an increasingly important part of corporate governance. An important principle of the *A Responsible Race* strategy is robust governance of all sustainability-related matters. We believe that good corporate governance is essential for compliance with laws and regulations, active risk management, and long-term value creation.

Since 2020/21, our sustainability strategy and reporting have been based on GRI principles with defined material topics and a management approach for each topic, including policies, initiatives, targets and metrics. The GRI principles have strongly influenced CSRD reporting requirements, aligning legislation with how we approach sustainability at RevolutionRace. As shown in this report, we have started adjusting our structure and content in accordance with CSRD requirements. Our sustainability reporting will be fully compliant with CSRD by 2025/26.

Risk assessment and strategy

RevolutionRace conducts an annual corporate risk assessment. Since 2023, the ESG risk assessment has been integrated into the corporate risk assessment. This is performed by the management team with the help of selected subject matter experts and external support and is signed off by the Board of Directors.

The responsibility for our sustainability strategy, all sustainability matters, and compliance with legislation and our internal policies and guidelines lies with the CEO and the management team. Management discusses sustainability topics on a regular basis. During the financial year, the focus was on updating the sustainability strategy and targets, validating our climate targets in accordance with the Science-Based Targets initiative (SBTi), developing the new PLM system, preparing for CSRD reporting, and establishing internal control systems. These topics were addressed in regular or dedicated management meetings and workshops. In 2023/24, we continued our series of deep dives into sustainability issues to educate management on relevant sustainability topics.

The Board of Directors is ultimately responsible for the formal oversight of the sustainability strategy, including the climate strategy. An update on sustainability topics is mandatory at each board meeting. The Board of Directors discusses sustainability in detail once a year and approves the annual sustainability report. It has approved the updated sustainability strategy and the updated climate targets in accordance with the Science-Based Targets initiative (SBTi).

The sustainability strategy, with goals and detailed action plans, is developed by the sustainability team under the responsibility of the Head of Purchasing and Production.

Implementation

The operational responsibility for our sustainability strategy and work lies within our purchasing and product development organisation and with our Sustainability Manager. We strive for sustainability to be an integral part of business processes and activities across all functions of the company, and our Sustainability Manager supports all functions to achieve this.

A significant portion of sustainability work is conducted within our purchasing and product development organisation, which is responsible for daily purchasing of our products and working with our network of suppliers.

Risk management and internal control regarding sustainability reporting

The data and information in our sustainability report come from various sources. Our emissions reporting follows the GHG Protocol and is based on primary data from suppliers in energy, logistics, and production. We use estimates from recognised databases and extrapolations when primary data is not available. Other environmental information and our social data come from our own HR and ERP systems, surveys and tests, as well as third-party audited data and primary data from suppliers and their subcontractors.

In 2024, we evaluated our control processes for sustainability reporting. Based on risk assessments and the design and execution of existing controls, we have defined improved internal control processes. The updated processes aim to ensure an effective control environment that mitigates defined risks and documents controls.

Preparing for CSRD reporting

	2023	2024	2025	2026
Reporting standard		Sustainability report according to GRI with CSRD elements year 2023/24	Sustainability report according to GRI with CSRD elements year 2024/25	First CSRD sustainability report year 2025/26
Double materiality assessment	✓		Review	
High level gap analysis	✓			
Updated sustainability strategy with CSRD aligned targets		✓		Review
Defined metrics for all material topics			→ ✓	
Defined internal control processes		✓		
Updated policies			→ ✓	

PLM system

With increased demands for traceability and transparency, we identified the need to replace our existing Product Lifecycle Management (PLM) system. We also recognised a significant opportunity to centralise and consolidate data, streamline processes and gain better control over them.

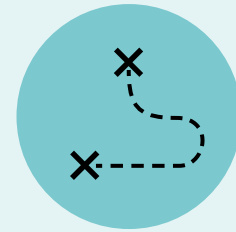
In 2023, we conducted a comprehensive evaluation of various PLM systems and ultimately selected the one that best met our needs. The benefits include, above all, the ability to seamlessly integrate sustainability aspects directly into product development, allowing us to make informed decisions when choosing materials and suppliers. By gathering all product-related data in one place, transparency is increased, and it also becomes easier for the organisation to validate data and communicate it externally – something that will be crucial in the near future.

Sustainability will become a more integrated part of the daily work of each product development team. At the same time, collaboration with suppliers will be simplified as much of the communication takes place directly through the system. We also anticipate reducing risks by sharing information and making it available to all involved parties. In the spring of 2024, phase 1 was implemented, focusing mainly on product development. In the next phase, we will delve deeper into sourcing and supplier data. Our goal is that the new PLM system will optimise our workflows and inspire our employees and suppliers to constantly improve our products with sustainability as a guiding principle.



The implementation of the new PLM system is not just a software upgrade, it is a significant investment in RevolutionRace's future sustainability efforts. It simplifies communication and workflows, ensuring everything stays connected and aligned.

– Linus Andrén, CTO



Traceability

With the forthcoming legislation *Ecodesign for Sustainable Products Regulation (ESPR)*, a digital product passport will be required for all products. This passport must contain information about where the production took place, the climate impact, as well as where and how the product can be repaired and recycled. Each step in the value chain leaves a footprint, and all this data must be collected and communicated digitally. This requires not only system support but also that each product is equipped with a QR code that stakeholders can scan.

In 2025, the first products with QR codes will arrive in our warehouses to enable the digital product passport.



Scan or click on the QR code to visit our corporate website.



Great impact requires valuable partnerships

We recognise our limitations as a relatively small company with a global value chain. To achieve impact and navigate complex regulatory frameworks and market-specific laws, we work with a variety of partners and initiatives.

Amfori / BSCI

We collaborate with the Amfori Business Social Compliance Initiative (BSCI) to continuously improve the social conditions in our supply chain. 100% of our garment suppliers have a valid Amfori BSCI audit or a comparable audit from another organisation.



Textilimportörerna

We are members of Textilimportörerna (The Textile Importers). The association provides support on a broad range of topics. We especially use their Chemicals Guide for textiles that is developed in cooperation with the research institute RISE.



Fur Free Retailers

We are part of the Fur Free Retailer program organised by the Fur Free Alliance. It is active in more than 25 countries and unite more than 50 leading animal- and environmental organisations. To protect animals we have never and will never use real fur in our products.



OECD Due Diligence

The OECD Due Diligence Guidance for Enterprises are becoming the standard for Due Diligence across industries and the basis for international and national legislation. Once a year, we conduct due diligence throughout our supply chain based on OECD recommendation.



Higg FEM Index

The Higg Facility Environmental Module (FEM) from Cascale is by now a recognised instrument to measure the environmental impact of the apparel supply chain. We use the Index with our garment suppliers and largest fabric suppliers.



PFAS Movement

PFAS are hazardous chemicals used in many products including durable wet treatments of outdoor clothing. PFAS pose threats to human health and the environment. The PFAS Movement gathers companies that support a ban on PFAS. Since 2019, we have banned PFAS in any treatment.



ChemAct Network

Since 2021, we have been members of the ChemAct Network, which is a digital chemical management system. Over the year, we have onboarded all our suppliers, and today, all of our suppliers actively work within the system and upload test reports according to our instructions for compliance with chemical regulations.



bluesign®

Since 2023, we are bluesign® System Partner to further ensure safe production and that our products are free from hazardous chemicals.



The International Accord

We have signed the international Accord during the year. Operating in Bangladesh and Pakistan, Accord promotes occupational health and safety through independent safety inspections, training programs and a grievance mechanism for workers.



Tex! By Marketplace

A network for local companies in the Borås area, we particularly appreciate the sustainability group, which has four network meetings per year. During the year we have discussed upcoming CSRD requirements and product passports.



Ecosistant

Ecosistant supports and gives us guidance on the EU directive on packaging and textile waste. As each country has its own laws and institutions, compliance across Europe is very complex.



Better Cotton

Since 2023, we have been members of Better Cotton, a global standard for more sustainable cotton production. Better Cotton aims to improve the environmental and social impacts of cotton farming by promoting better cultivation practices, reducing the use of chemicals and water, and enhancing working conditions for cotton farmers



TEN YEARS OF DURABILITY AND INNOVATION

Nordwand is celebrating its 10th anniversary as one of RevolutionRace's most durable and multifunctional outdoor products. Since its launch, the trousers have been continuously updated and developed in line with customer feedback. With over one million units sold, offered in a total of 65 different colours, and more than 23,000 customer reviews with an average rating of 4.6 out of 5, Nordwand has established itself as a reliable and well-regarded product. Over the years, the fit has been improved, two length variations have been added, and the product line has expanded to six models for both women and men. Nordwand has been a loyal companion on adventures worldwide, thoroughly tested, and proven to be a durable and valued part of the outdoor range.

Number sold

>1 million

Numbers of colors

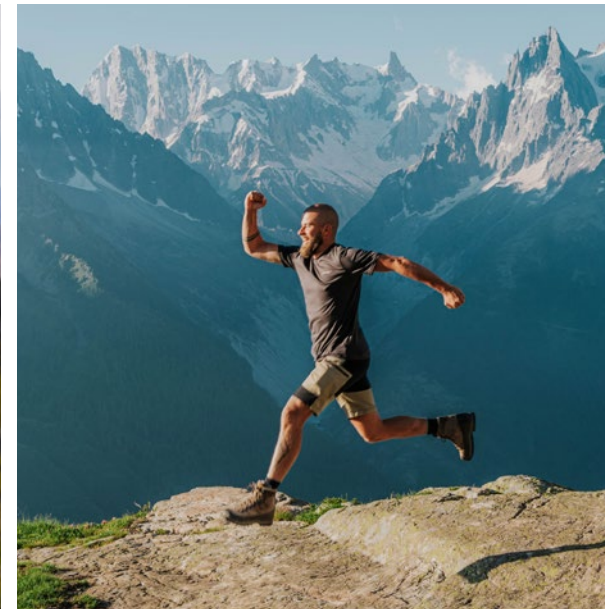
65

Average rating

4.6/5.0

Numbers of customers reviews

>23,000





ENVIRONMENT

To protect the planet and humanity from pollution, water scarcity, and climate change is a pressing priority for us and our stakeholders.

CLIMATE PROTECTION AND ENVIRONMENTAL RESPONSIBILITY

We take environmental responsibility by striving to use as few resources as possible and work with them in a more sustainable way. Protecting the planet and humanity from pollution, water scarcity, and climate change is a pressing priority for us and our stakeholders. We work closely with our suppliers to make progress by reducing emissions and water consumption, as well as ensuring responsible management of chemicals.

Impacts, risks and opportunities

The environmental impact we have from our own operations is small. The water, electricity and heating that our employees use and the waste they generate are minimal. Our impact derives from our supply chain partners producing fibres for our fabrics, dyeing and printing fabrics, sewing our products and transporting them to our warehouses and customers.

Today, the apparel industry accounts for approximately 5 per cent of global greenhouse gas emissions. The OECD, EU, and recognised non-governmental organisations identify several critical environmental risks within the sector, including greenhouse gas emissions, overproduction, waste, water consumption, wastewater treatment, and chemical management.

In our most recent impact materiality assessment, we recognise the above risks as material also for RevolutionRace. Our main impact from emissions results from the production of our products and their transportation. RevolutionRace has the largest impact on both freshwater use and waste water through its fabric suppliers with wet-processes in dyeing and finishing. It also has an impact on freshwater use in its cotton sourcing. Chemicals are mainly used in the production of fabrics and trims and in dyeing and finishing processes. Improper management of hazardous chemicals can pose a threat to employee health and the environment. Release of chemicals through waste water discharges can contaminate water and affect the water supply of local communities.

The textile sector also poses a global risk to biodiversity. For RevolutionRace, there is a potentially negative impact from the production of raw materials, such as cotton, which is why “More Sustainable Materials and Responsible Raw Material Production” is one of our key focus areas.

The main financial risks to the RevolutionRace business due to environmental matters are reputational, if consumers turn away from apparel in general, or if they believe we do not work hard enough to protect the environment. In addition, there is a risk of higher operational costs due to future environmental taxes, and a supply chain that must invest in more sustainable practices.

Policies and general approach

Our environmental protection principles are defined in our public Environmental Policy, which is based on the Sustainable Development Goals, the European Green Deal and the Science Based Target Initiative. It emphasises design and production of durable and low impact products, low impact transportation, reduction of fossil energy and emissions, reduction of water use, responsible chemical management and wastewater and reduction of waste. The actions required in our supply chain have also been included in our Supplier Code of Conduct, that all our suppliers must sign.

The Environmental Policy urges action based on transparency and facts, but it takes a precautionary approach. The lack of exact scientific knowledge may never be a reason not to act. Our suppliers must measure and report on their environmental impacts and implement initiatives to reduce their impacts. RevolutionRace provides support by sharing knowledge and by cooperating to implement lower impact processes whenever possible.

We collect information on the environmental impact and the conditions at our suppliers and their sub-suppliers through BSCI audits, the Higg FEM Index, bluesign® Impact Reports, ZDHC waste water reports, our own environmental data collection, supplier certifications and supplier meetings. With our traceability work we systematically seek to track the origins of our products down to the raw material.

Responsibility for our environmental work lies with our Head of Purchasing and Production and the management team. The operational work is driven by our sustainability team. The RevolutionRace Board has overall responsibility for climate issues.

Our environmental policy



ENVIRONMENTAL PROTECTION IN THE SUPPLY CHAIN

By working responsibly with:

- Emissions and energy use
- Water and effluents
- Waste reduction and waste treatment
- Chemical management



DURABLE AND LOW-IMPACT PRODUCTS

- Design and produce for high-quality, durability and longevity
- Minimise waste
- Conserve input materials and continuously use more sustainable materials



LOW-IMPACT TRANSPORTATION

- Minimise air transportation
- Minimise returns
- Reduce transportation by optimal location of warehouses
- Choose low-impact last-mile transportation



SUSTAINABLE OFFICE OPERATIONS

- Purchase renewable electricity and seek energy efficient solutions
- Reduce and sort office waste
- Create awareness of employee impact

1) Source: Quantis (2018): Measuring Fashion; WRI (2021): A roadmap to net-zero emissions for the apparel sector; McKinsey (2020): Fashion on climate.



Climate change

Limiting global warming and climate change is one of the most urgent tasks the world is facing. Research shows the world must cut emissions in half by 2030 and reach net zero emissions by 2050. This is an enormous task that will only be achieved through governmental regulations, business leadership, unprecedented innovations and large-scale industry initiatives.

Our transition plan for climate change mitigation

There is a general consensus about the urgent need to reduce greenhouse gases across the apparel value chain and a growing consensus that this can only happen through a fossilfree supply chain. With our transition plan we will progressively decarbonise our business and meet our targets for 2030.

2023/24 Actions and Progress

During 2023/24, we measured our emissions in Scope 1 and 2 based on primary consumption data. Scope 1 includes emissions from company vehicles, while Scope 2 covers emissions from electricity consumption and heating at our headquarters in Borås and workplaces in Stockholm, Sweden. Together, Scope 1 and Scope 2 account for emissions from our own operations. In 2023/24, we purchased 100% renewable electricity and 100% heating from "Bra Miljöval." With four tonnes of CO₂e, emissions from our own operations are minimal. During the year, we used more electricity and heating due to larger office spaces and rental of additional storage facilities, but our emissions decreased as we consistently purchased energy from sources with lower emissions.

Within Scope 3, we cover all emissions from purchased goods and services, fuel- and energy-related emissions, transport of our products to warehouses and customers, waste generated at our warehouses, and business travel. We do not cover the use of sold products. Where possible, we have used primary consumption data within logistics and for our two largest material suppliers, who account for 37% of our material volume.

In 2023/24, our Scope 3 emissions increased by 31% due to our growth, but we improved our ability to produce products with lower emissions. Our emissions per net revenue continued to decrease from 17.3 tonnes during our base year 2020/21 to 9.8 tonnes CO₂e/MSEK in 2023/24. In recent years, we have sourced fibres with lower emissions, materials produced by suppliers with more energy-efficient processes, and used less air transport.

86% of emissions came from the production of our products. These emissions are driven by energy-intensive processes in dyeing and spinning, weaving and knitting, and the energy supply for these processes through fossil fuels. We increased the share of more sustainably sourced materials from 22% to 83%, and for the first time, we used primary data from our Tier 2 suppliers.

OUR ROADMAP CONTAINS SEVEN DISTINCT TYPES OF INITIATIVES:

- 1 **Minimising air transport.** The emissions from air transport are significantly higher than from sea, rail, and road transport. We only use air transport as an exception.
- 2 **Using low impact sea and road transport and local warehouses.** We are continuously converting our sea and road transport to bio-fuel with lower emissions. When we grow in a local market, we establish local warehouses to reduce transport to customers.
- 3 **Reducing returns.** At RevolutionRace we implement many measures to minimise returns. It improves financials and reduces emissions.
- 4 **Reducing overproduction.** Historically we have had very low overproduction. We must continue to be accurate in our purchasing.
- 5 **Converting to lower-impact materials.** It is part of our sustainable material strategy to continuously convert to materials with lower emissions than conventional materials, such as recycled materials.
- 6 **Designing for lower impact products.** In product design, there are several factors to consider, such as production methods, dyeing methods, chemical processes, and printing choices. In our design and sourcing process, we increasingly strive to reduce the environmental impact of our products without compromising their durability.
- 7 **Supporting and prioritising apparel manufacturers and fabric suppliers that implement renewable energy.** Of all levers this is the most critical for reducing our emissions. If our apparel and fabric suppliers do not convert to renewable energy, we will never be able to reach our climate targets without changing our supplier base.



In 2023/24, we continued to actively work with our Tier 2 suppliers to encourage them to improve their energy efficiency, phase out coal, and transition to renewable energy. Among our strategic Tier 2 suppliers, who account for 54% of our purchased volumes, 50% have already replaced coal-fired boilers with electric boilers, and the remaining suppliers plan to make this transition.

We continue to implement the initiatives in our emission reduction action plan. Our biggest challenge for significant reductions is the implementation of renewable energy sources among our sewing and fabric suppliers. During the year, we adjusted our purchasing strategy based on the availability of renewable energy, and we are already seeing positive results. The use of renewable energy among our Tier 1 suppliers has increased marginally from 37% to 41%, while the share among our Tier 2 suppliers has risen from 30% to 54%.

Our relative reduction in emissions is the result of these initiatives. Compared to 2022/23, we have increased emissions in absolute terms for purchased goods. During the financial year 2022/23, we reduced our purchasing volumes by focusing on sales from existing stock. As the inventory was balanced over the year, we needed to increase purchase volumes again to ensure a stable supply going forward.

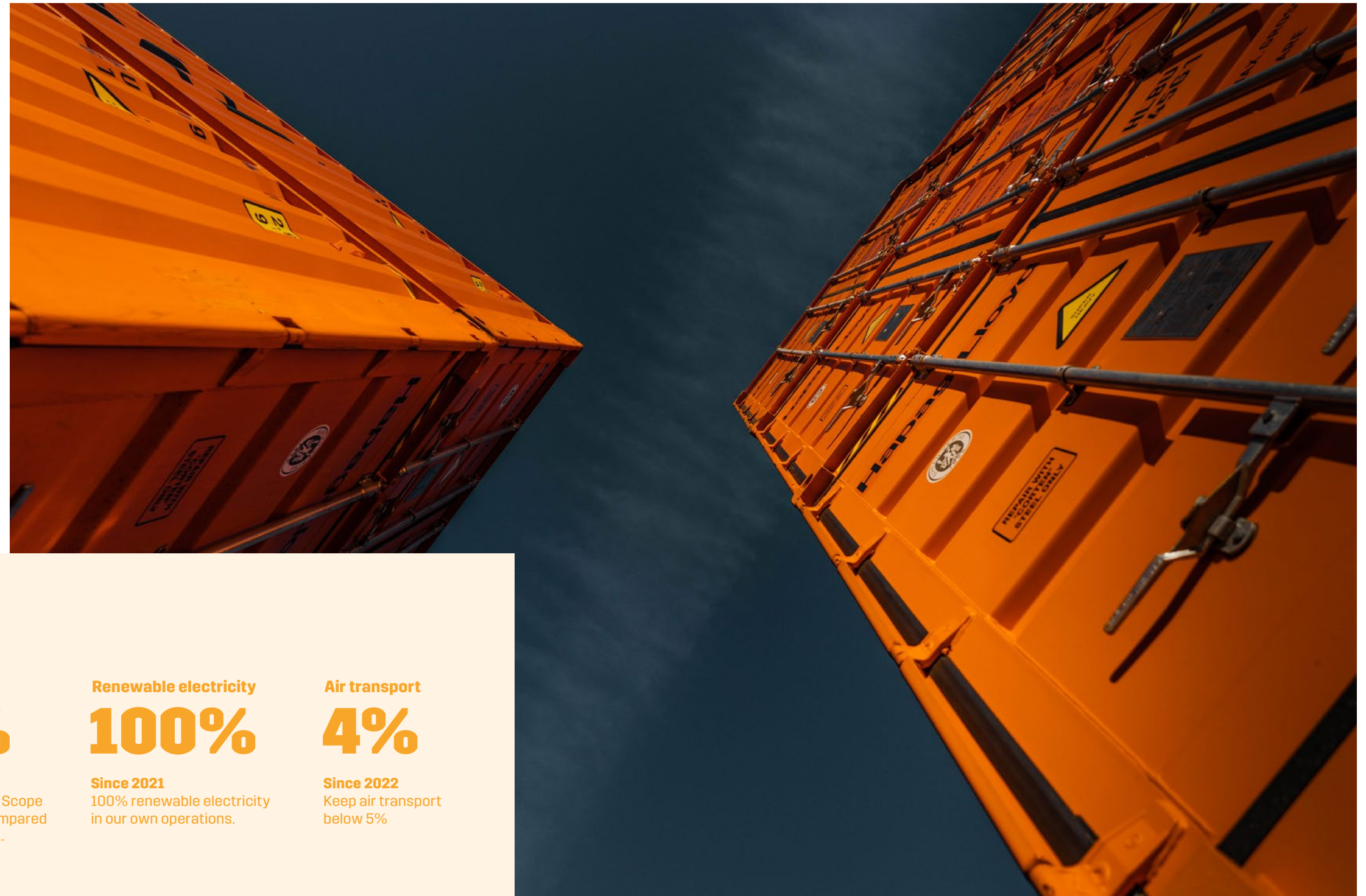
Despite our strong growth, our total transport emissions have decreased since our base year 2020/21. This is mainly due to significantly less air travel than before. Unfortunately, our emissions from transport to our warehouses increased from 2022/23 to 2023/24. This increase is due to having to fly more products home due to delivery delays. These delays were caused by external factors that made it highly challenging for us to use the usual sea freight routes.

Plans for 2024/25

In 2024/25, we will continue our work on the defined initiatives in our transition plan.

Our primary focus for 2024/25 is to continue our efforts with Tier 2 suppliers, prioritising those with high energy efficiency and renewable energy, while encouraging other strategic suppliers

to make progress. Part of this priority also includes continuously improving the quality of estimates by being more detailed in input data and using primary energy data from our suppliers. Our goal is to increasingly use the reported emission data in Higg FEM or bluesign® Impact Reports as primary data.



Targets and metrics

Scope 1 & 2

-80%

Target 2030/31
50% absolute reduction in CO₂e in Scope 1 and 2 compared to the base year 2020/21.

Scope 3

-43%

Target 2030/31
40% reduction in CO₂e in Scope 3 relative to net sales compared to the base year 2020/21.

Renewable electricity

100%

Since 2021
100% renewable electricity in our own operations.

Air transport

4%

Since 2022
Keep air transport below 5%

Our emissions ¹⁾	2023/24		2022/23		2021/22		2020/21	
	tCO ₂ e	Share of %	tCO ₂ e	Share of %	tCO ₂ e	Share of %	tCO ₂ e	Share of %
Scope 1	2	0.0	3	0.0	3	0.0	7	0.0
Scope 2	2	0.0	3	0.0	3	0.0	10	0.1
Scope 3	18,027	100	13,736	100	23,153	100	15,475	100
Sourced products and services	15,521	86	12,175	88	20,201	87	12,233	80
Upstream transportation	638	3	207	2	1,365	6	2,417	16
Downstream transportation	1,601	8	1,204	9	1,543	7	805	5
Other ²⁾	267	3	150	1	45	0.1	19	0.1
Total emissions	18,030	100	13,742	100	23,159	100.1	15,492	100
Total emissions/net revenue (tCO₂e/SEKm)³⁾	9.8		8.8		17.4		17.3	

1) All emissions are calculated based on the GHG protocol using the operational control approach and the market-based approach.

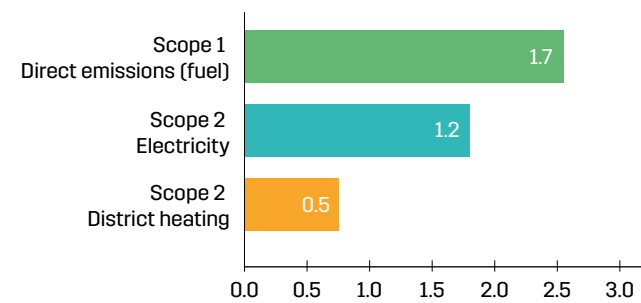
2) Waste in warehouses, fuel- and energy-related activities, business travel.

3) Intensity ratio not showed separately for Scope 1, 2 and 3 due to insignificant emissions in Scope 1 and 2.

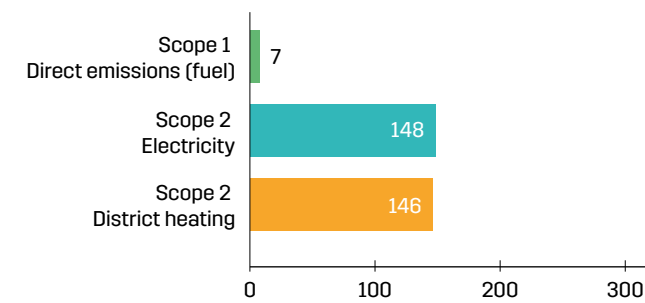
Upstream transportation	2023/24		2022/23		2021/22		2020/21	
	tCO ₂ e	Share of %	tCO ₂ e	Share of %	tCO ₂ e	Share of %	tCO ₂ e	Share of %
Air	429	5	17	0	703	11	1,767	73
Sea	209	95	190	100	658	87	648	27
Road	0	0	0	0	4	2	—	—
Total	638	100	207	100	1,365	100	2,417	100

Downstream transportation	2023/24		2022/23		2021/22		2020/21	
	tCO ₂ e	Share of %	tCO ₂ e	Share of %	tCO ₂ e	Share of %	tCO ₂ e	Share of %
Air	39	1	5	1	8	1	—	—
Road	1,562	99	1,199	99	1,535	99	805	100
Total	1,601	100	1,204	100	1,543	100	805	100

tCO₂e emissions from own operations



Power consumption MWh





Pollution

To reduce the risk of pollution from our business activities, we make strategic decisions such as never using PFAS in our wet treatments. We also work closely with our wet process suppliers, where the majority of potential impacts lies.

Management strategy

In managing impacts related to pollution, we prioritise two main potential impacts: contaminated wastewater from wet process suppliers and irresponsible use of hazardous chemicals. Additionally, we follow evolving recommendations to avoid micro-fibre shedding.

Our policies related to pollution are outlined in our chemical policy and our environmental policy, both of which are part of our purchase agreements. Our suppliers must, as a minimum, comply with the EU REACH regulation and other applicable environmental and chemical legislation. They document compliance through our digital chemical tool. Through our chemical testing program, we also conduct systematic random tests of compliance.

In addition to complying with legislation, our suppliers using chemicals and wet processes should implement industry best practices, such as being bluesign® System Partners or documenting best practice management through Higg FEM.

Our suppliers are required to document wastewater testing, and we encourage them to follow and report against the ZDHC guidelines (Zero Discharge of Hazardous Chemicals).

To manage potential microfibre shedding, we follow ongoing research and recommendations from the Microfibre Consortium (TMC), including testing shedding according to their method.

To reduce environmental and health risks from chemicals, we also make choices in product production: we aim to purchase 100% of materials with Oeko-Tex® 100 or bluesign® certification. We never use PFAS in wet treatments and we source cotton from Better Cotton, where the use of pesticides and fertilisers are reduced.

2023/24 actions and Progress

Our audits show that all our direct suppliers comply with applicable environmental legislation, such as impact assessments, waste management, and wastewater management.

During the year, we continued our focus on Tier 2 suppliers with wet processes. We convinced key strategic suppliers of the benefits of becoming bluesign® System Partners, and our purchasing team prioritised bluesign® System Partner suppliers. In 2023/24, the share of volume sourced from Tier 2 suppliers that are bluesign® System Partners increased from 14% to 53%. The volume of bluesign® Approved materials purchased increased from 108 tons to 218 tons.

We have also encouraged strategic Tier 2 suppliers to report under Higg FEM. In 2023/24, 42% of our volume came from Tier 2 suppliers with wet processes reporting according to the standard, up from 33% the previous year.

61% of the volume came from suppliers who reported according to ZDHC's wastewater guidelines and met all parameters specified in the standard.

Plans for 2024/25

In 2024/25, we will intensify our work with Tier 2 suppliers. We have conducted a detailed mapping of all Tier 2 suppliers, including dye houses with wet processes, fabric suppliers, and trim suppliers.

During 2024/25, we will further prioritise these suppliers based on their capacity and sustainability credentials. This will result in our purchasing teams receiving specific goals that support the implementation of our overall sustainability objectives.

We also plan to test our higher-risk materials for microfibre shredding using the TMC test method.



Targets and metrics

Chemical- and wastewater

53%

Target 2027/28

100% of textile volume from wet process suppliers with best practise chemical management and wastewater management such as bluesign®.

Oeko-Tex® 100

99%

Target 2025/26

100% of textile materials certified by Oeko-Tex® 100 or equivalent.

PFAS

0

Always

No DWR treatments using PFAS.

Start

microfibre test

Target 2025/26

At least five tests per year according to the TMC microfibre testing standard.

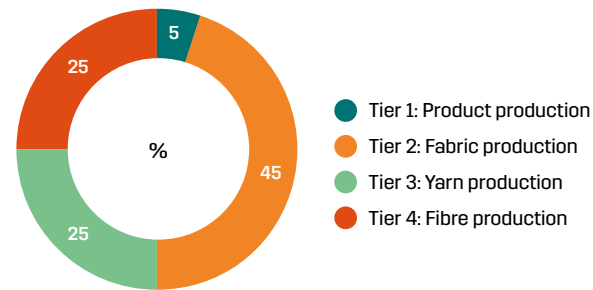
Sustainable Production Processes

In recent years, the focus has been on implementing more sustainable fibres in the textile industry. While this is part of our strategy, it is even more important for us to focus where the impact is greatest.

Most environmental impact analyses for a kilogram of finished product regarding energy consumption, greenhouse gas emissions, water usage, and chemical use show that this impact does not occur in the fibre production (Tier 4), but rather in the dyeing and finishing processes of the materials (Tier 2)¹⁾.

At RevolutionRace, it is crucial for us to work closely with our material suppliers to improve environmental sustainability. To place even more emphasis on sustainable production processes in Tier 2, we chose to become a member of bluesign® in 2023.

100% = Estimate of cradle-to-gate emissions for products made with conventional materials.



SUSTAINABLE PRODUCTION PROCESSES

- Reducing the use of hazardous substances
- Managing chemicals responsibly
- Reducing energy consumption
- Supporting implementation of renewable energy in the supply chain with a focus on energy-intensive wet processes
- Reducing freshwater consumption
- Being more resource-efficient and using less material

1) Source: UNEP (2020): Sustainability and circularity in the textile value chain: Global stocktaking; Quanits (2018): Measuring Fashion; WRI (2021): A roadmap to net-zero emissions for the apparel sector; Mistra Future Fashion (2019): Environmental assessment of Swedish clothing consumption.





ENVIRONMENTAL PRIORITIES IN OUR SUPPLY CHAIN

Suppliers should:

EMISSIONS AND ENERGY USE	<ul style="list-style-type: none"> • Monitor energy use and emissions • Continuously increase their use of renewable energy • Implement energy-efficiency measures
WATER AND EFFLUENTS	<ul style="list-style-type: none"> • Monitor and strive to reduce the use of fresh water, including reuse of water • Have adequate wastewater management and controls that comply with local regulations • Regularly monitor potential wastewater streams
WASTE REDUCTION AND WASTE TREATMENT	<ul style="list-style-type: none"> • Implement methods to reduce waste • Recycle waste, especially fabric related waste • Separate all waste for recycling • Treat all hazardous waste in accordance with local statutory requirements
CHEMICAL MANAGEMENT	<ul style="list-style-type: none"> • Have proper management systems in place defining usage, storage and waste handling of hazardous substances • Conduct employee training for handling of hazardous substances • Encourage suppliers to adhere to the Manufacturing Restricted Substances List (MRSL) of the Zero Discharge of Hazardous Chemicals (ZDHC).

HIGG FEM INDEX

We use the Higg Index from the Sustainable Apparel Coalition (SAC) for evaluating facility environmental management (FEM) and obtaining detailed environmental data from our suppliers.

The Higg FEM supports producing facilities in the apparel industry in assessing their environmental practices and impact. Based on a very detailed questionnaire, the index identifies strengths and areas for improvement by giving scores and benchmarks.

The Higg FEM covers seven impact areas: :

1. Environmental Management System
2. Energy/Greenhouse Gas Emissions
3. Water
4. Waste
5. Wastewater
6. Air Emissions
7. Chemicals Management



Bluesign®

Bluesign® is an independent organisation dedicated to promoting sustainability and environmental protection in the textile industry. Their goal is to reduce negative impacts on both people and environment throughout the entire textile production process.

Using a holistic approach, bluesign® assesses not only individual materials but also the entire production chain – including raw materials, chemicals, water and energy consumption, as well as working conditions. For a material to be bluesign® certified, known as bluesign® Approved, it means that all input chemicals are safe, ensuring both a safe product and a safe production process. The bluesign® certification is a mark of quality that helps consumers choose products manufactured in a responsible and sustainable way.

Today, 53% of our textile materials come from material suppliers who are bluesign® System Partners, and as much as 47% of the polyamide we use in our products is bluesign® Approved, thus meeting our definition of being more sustainable.

Bluesign® Approved

47%

of the polyamide we use are bluesign® Approved.

Bluesign® Approved

16%

of our material production.

53%

of our textile volume comes from material suppliers that are bluesign® System Partner.

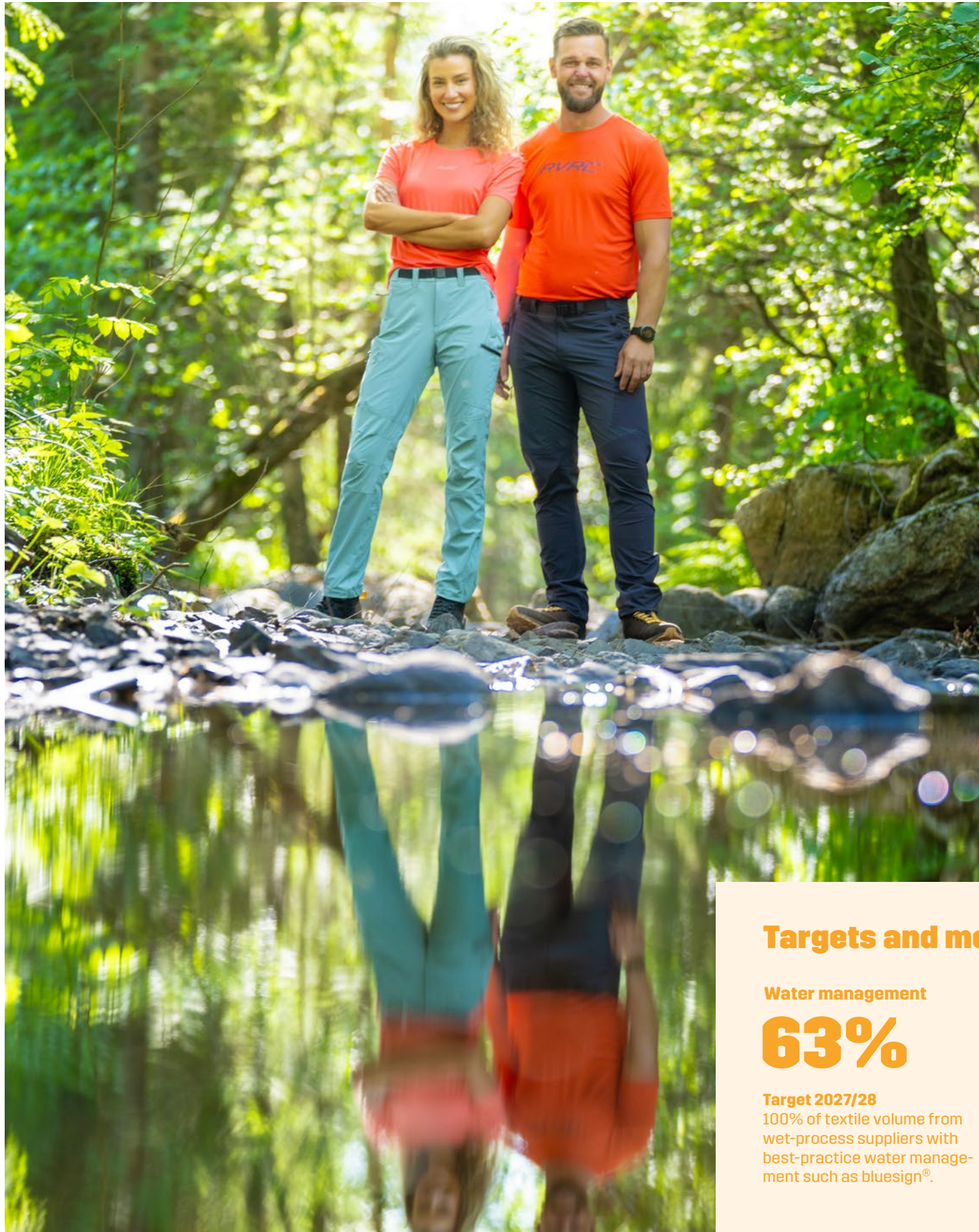


Biodiversity

The apparel industry and RevolutionRace do have a potential impact on biodiversity indirectly through the impact on global warming and directly through pollution and landuse resulting from sourcing of raw materials.

We manage our biodiversity impacts through our targets and actions related to climate change, pollution and resource inflows including 100% sustainably sourced cotton.

At the moment the apparel industry does not have any recognised additional metrics to measure biodiversity impacts or recommended actions. We will adjust our policies and approach if deemed relevant based on evolving research and standards.



Water

Access to clean water is among the core UN Sustainable Development Goals and the global awareness of water stress is increasing. In the apparel industry water is primarily used in the production of raw materials and in wet processes for dyeing and finishing. Our sustainable water practices address freshwater use in water-stressed areas.

Management strategy

RevolutionRace has no relevant water consumption in its own operations but water is consumed in the upstream supply chain through raw material production and dyeing and finishing processes.

Our Tier 2 suppliers with Higg FEM assessments or bluesign® Impact Reports cover more than 53% of our material volume by weight. According to the water stress assessments from the WRI Aqueduct tool or WWF Water Risk Filter the suppliers are located in areas with high water stress. We assume this is also the case for all other tier 2 suppliers.

Our management of impacts related to water therefore focuses on minimising freshwater consumption. Our goal is to reduce the use of freshwater in raw material sourcing and in dyeing and finishing processes.

Our approach to reducing water consumption is the same as for pollution. Our suppliers using wet processes must implement the industry's best practices, i.e. be bluesign® System Partners or documenting best practice water management through Higg FEM.

To reduce water consumption we also make product production choices: In addition to prioritising suppliers with best-practice water management, we source cotton like Better Cotton with reduced use of water and continuously strive to increase the use of waterless dyeing methods.

2023/24 actions and progress

We continue to focus on and make progress with our Tier 2 suppliers, as described in more detail in the chapter on pollution. 63% of our purchased volume came from suppliers with best practice water management. They are either bluesign® System Partners or have documented advanced water management through Higg FEM assessments.

These suppliers are measuring their water consumption by source and have identified their most water-intensive processes, and increasingly reuse water in their manufacturing processes. They have also defined water baselines, set targets, and defined actions to reduce their water consumption.

During 2023/24 we also continued to source spin-dyed materials that use very little water in the dyeing process. However, with 2,215 kg of material, the quantity was marginally lower than in 2022/23.

2024/25 plans

During 2024/25, we will continue working with our Tier 2 suppliers to improve water management. It is our priority to increase the share of suppliers that implement best practice water management and to follow up on implementation. For the time being we have decided that this priority is more effective than attempting to define relevant quantitative water reduction targets for our supply chain.

Targets and metrics

Water management

63%

Target 2027/28
100% of textile volume from wet-process suppliers with best-practice water management such as bluesign®.

Waterless dyeing

0.2%

Target
Increase the volume of materials produced with waterless dyeing.

E-dye®

Since 2022, we have a collaboration with E-dye® and replaced the pocket lining in our bestselling pants. E-dye® utilises a patented dyeing technology where colorants are applied directly into the fibers through a process called electrostatic deposition.

This method reduces water consumption by up to 95% compared to conventional dyeing methods. Additionally, the technology allows for better colour accuracy, colour fastness, and reduced energy consumptions.

During 2023/24, we purchased 2,373 kg of E-dye®, resulting in the following savings¹⁾:

- 66,450 liters of water
- 1,100 kg of chemicals
- 3,324 kg of CO₂e

1) Source: Smartex Solution Co., EPD registration number: S-P-01440, number of certification: E24007001.

RESOURCE USE AND CIRCULAR ECONOMY

Our goal is to design products that are durable and can be used for a long time, regularly, and throughout all of life's adventures. Ensuring that the product is used and lasts is the most important contribution we can make to reduce the environmental impact of production. A product that is never used can never be sustainable!

Management strategy

The purpose of the *Circular Economy Action Plan* adopted by the EU in 2019 is to promote the transition to an economy with reduced resource consumption and waste, and to encourage the reuse and recycling of materials and products. These priorities are central to our strategic focus.

Our approach to managing impacts related to resource use and circular economy focuses on sustainable design and frequent use, avoiding overproduction, sourcing more sustainable materials and designing for circularity.

Sustainable products are at the core of our strategy, *A Responsible Race*. We design all products with sustainability in mind, meaning durable and safe products that consumers can use frequently and for a long time. It starts with making products that our customers are satisfied with!

Our high quality is defined in our production manual and in quality control processes. The extensive work on quality control before and during production reduces our environmental impact by ensuring our products last longer, avoiding returns, and increasing their second-hand value. Since 2022, we have also offered repair kits. This is a practical solution that allows our customers to easily fix minor damages and wear on their products. By offering these kits, we promote a culture of repair and extended use instead of unnecessarily replacing the product. With updated care and maintenance instructions, we help our customers take the best possible care of their products. Through clear and specific guidelines, including washing instructions and care guidelines on our website, we aim to extend the lifespan of the product.

Regarding our main fibres, polyester, polyamide, and cotton, we are committed to continuously evaluating and implementing more sustainable options. Before switching to more sustainable options, we must ensure they meet our quality requirements.

We prioritise that our customers keep their products for a long time and use them frequently, and when they are no longer

needed, they should be able to be given away or sold. To further support the circular economy, we will increasingly design and manufacture products that can be recycled with the help of our circular design guidelines.

Finally, it has always been RevolutionRace's pride to produce only what we can sell. This may be one of our most positive impacts on resource use and contributes to sound financials.

2023/24 actions and progress

During 2023/24, we once again succeeded in developing products with a very high average customer satisfaction rating of 4.6/5.0. We believe this high customer satisfaction is also the main reason our customers frequently wear their products from RevolutionRace (see more information on page 51).

In 2023, we specified our guidelines for sourcing fibres and materials. The sustainability team held several workshops with the purchase team, which then systematically implemented the guidelines and increased the share of more sustainably sourced textile material to 83% (see page 54–55).

Our logistics team has implemented our guidelines for more sustainably sourced packaging and has increased the proportion from 73% to 98%. During the year, the team prioritised finding a solution for packaging machines that could not handle recycled plastic. The supplier has now developed a solution, and from August 2024, all plastic will be recycled. Along with the switch to recycled plastic, we are also reducing printing. Instead of printing the white bag black, it will remain white, and only our logo will be printed on the bag.

Since we only sell our products online, we have decided to remove all unnecessary hangtags. As the purchasing decision is made before the product reaches the customer, we have instead focused on updating the website with all relevant information. We estimate this measure has saved at least eight tonnes of paper.

The sustainability team made a first draft of RevolutionRace's principles for circular design. During 2024, the design team will detail the proposal and develop a roadmap for implementation.

To support the resale of our products, we initiated a collaboration with Tradera in Sweden in 2024.

Again in the 2023/24 financial year, we managed to sell what we produced with only 0.2% sold below the FOB price (see page 56).

Plans for 2024/25

During 2024/25, we will continue to focus on developing products that our customers will use frequently. In this process, our design team will also finalise our circular design principles.

We will continue to increase the use of materials from more sustainable sources. To facilitate tracking progress, measurable goals will be implemented for each buyer.

The purchase team will focus on key material decisions for our main products. We are currently analysing the environmental benefits and material quality of recycled polyester compared to conventional polyester.

In 2024/25, we will set sustainability targets for our shoes and bags. These are relatively new product categories for us, but with their growing importance, we see a need to update our strategy.

Targets and metrics

Product reviews

4.6

Always

Maintain a high average product review rating close to 5.0/5.0.

Sustainably sourced textile materials

83%

Target 2027/28

80% sustainably sourced textile materials. Increase volume of "Very good" materials.

Sustainably sourced packaging

98%

Target 2027/28

100% of our packaging made from FSC®-certified or recycled materials.

Define

Circular Design Principles

Target 2030/31

100% of our products to be designed according to our circular design principles.

Overproduction

0.2%

Always

Keep overproduction below 3%.



Happy customers

We are pleased to communicate directly with our customers. Customers are involved in our product development, and we show our appreciation through a strong presence on social media. Our goal is for all customers to receive responses as quickly as possible. To achieve this, in addition to an internal team, we have implemented chatbots in eight markets and live chat in four markets. During the year, the chatbots resolved 34,607 cases. Due to the positive feedback on the chatbots, we plan to gradually expand to other markets to offer 24/7 customer service.

Our competent customer service team resolved a total of 217,405 cases with a customer satisfaction rate of 92%. Last year, customer satisfaction was at 90%, and despite a change in the rating scale, we have maintained a high level of satisfaction. Previously, customers could only give a thumbs up or thumbs down, whereas now we use a five-point scale (1–3 not satisfied and 4–5 satisfied). We believe the new system provides a more accurate picture of customer experiences, allowing us to receive concrete feedback and work more effectively to develop our customer service.

CUSTOMER SATISFACTION

92%

PRODUCT REVIEWS

4.6/5.0

Designed to be used

Our customers are not only satisfied with our customer service but also with their products. At the end of the financial year, we had over 600,000 product reviews with an average rating of 4.6 out of 5. Customers demonstrate their appreciation by using their products extensively. Annually, we conduct a customer survey asking repeat customers how often they use their outdoor pants from RevolutionRace. This survey was conducted among customers in Sweden and Germany, with 2,073 respondents. Customers reported that they had used their pants an average of 79 times, and 56% of them intend to continue using them at least 100 more times.



HOW OFTEN HAVE CUSTOMERS WORN THEIR REVOLUTIONRACE PANTS:

>79 times

56%

plan to wear the pants at least 100 more times.

Quality control

A prerequisite for being able to use RevolutionRace products extensively is that they are of high quality and durable over time. When it comes to quality, we aim to exceed our customers' expectations; we call it unmatched value.

To ensure our high quality standards are met, all products undergo extensive testing. This includes analysing material tensile strength, colour fastness, and abrasion resistance. Each new product is analysed in consultation with our Quality Assurance Controller (QAC), who establishes a specific test standard for the product.

In addition to the quality tests conducted in factories and by our Garment Technicians at the headquarters, we also engage an independent third-party testing institute to carry out final inspections at our suppliers. This ensures that our quality standards are adhered to. During the year, these inspections covered 13% of our total purchasing volume. So far, no final inspection has failed, but 7% of inspections identified issues that were addressed before shipment.

For the remaining volume, quality reports from suppliers are collected and analysed. Of the requested reports, 6% of shipments needed corrections.

In addition to standardised quality tests, all new products undergo user testing conducted by selected partners and our staff before production begins. This ensures that the products are suitable for their intended use.

FINAL INSPECTION
BY THIRD-PARTY

13%

SHARE OF QUALITY-
ASSURED PRODUCTS

100%



Repair and care

Our products are designed to be durable, but despite thorough quality control, they may sometimes require extra care and repair.

Unsellable returns and products with minor defects are sent to an external partner who washes, repairs, and resells them. We value this collaboration as it allows our products to get a second chance and reach new customers. During the year, 15,120 products have been given a renewed life. We also distributed repair kits so that customers can fix minor damages themselves.

On our website, customers can find advice on how to best care for their products, as well as detailed washing instructions on each product page to extend the products' lifespan.



NUMBER OF PRODUCTS
GIVEN A SECOND CHANCE

15,120

WE ARE COMMITTED TO LONGEVITY

Our design philosophy is not about creating new products just for the sake of novelty. We are humble and recognise that our products have not yet reached iconic status, as we are a young company—only ten years old. However, we can assure you that every new product we develop is intended to become a permanent part of our collection. The product's fit or features may be changed based on customer requests. We continually develop the range according to feedback from product reviews and other customer communications.

The primary sales of products come from our recurring collection, consisting of products that have lasted through many seasons and years, and will continue to be part of our assortment.



Sustaining value with durable products

We strive for our customers to use their products frequently and for a long time, but we understand that sometimes people may tire of their products. We are committed to manufacturing durable and sustainable products that should last over time, and in return, we hope customers will sell their products when they are no longer used.

During the year, RevolutionRace was recognised as one of the ten best-selling outdoor brands on Tradera and among the top ten for sell-through rate, ranked by the percentage of auctions sold. This confirms that our products have significant second-hand value and high demand. We intend to further develop this collaboration to encourage customers to resell products they no longer use.



Digital return checkout

During the year, we successfully implemented a digital return checkout in 16 of our markets, representing a significant portion of our global sales. This initiative has had several purposes, two of the most central being gaining a deeper understanding of the reasons behind customer returns and reducing our environmental impact by eliminating the use of unnecessary paper.

The digital return checkout has proven to be an invaluable source of insights. By carefully analysing the data collected with each return, we have been able to identify trends and patterns in customer behavior. These insights have, in turn, been used to inform and enhance product development within our range, helping us better meet our customers' needs and expectations.

Looking ahead, we see significant opportunities to further optimise this process. Our plan for the next year is to expand the digital return checkout to all markets where we operate, which will further reduce paper use.

OUR MATERIALS

We define sustainable materials as those with a documented lower impact. When making active choices, we will carefully balance durability and quality against sustainability. We strive to make good material choices without compromising on quality.

All production has an environmental impact, regardless of the choice of materials. Natural materials, such as cotton and wool, are often praised over synthetics, such as polyester and polyamide, because they may be biodegradable and do not contribute to plastic waste or microplastics. However, when considering other factors like energy use, greenhouse gas emissions, water use, chemical use, land use, waterway acidification, eutrophication, and biodiversity, the picture becomes more complex. Including social conditions and working environments makes it even more difficult to navigate.

We strive to manufacture products with high durability and quality that last long, often with water-repellent properties. Therefore, we often choose synthetic materials over natural alternatives. Ultimately, it's about developing products that are actually used and fit for their intended function.

11% of our fibres are cotton, and since 2023, we have been members of Better Cotton. Better Cotton aims to improve the environmental and social impact of cotton production by promoting better farming practices, reducing the use of chemicals and water, and improving working conditions for cotton farmers.

Since more than 87% of our fibres are synthetic, we positively impact the fibre production phase by using recycled raw materials. By choosing recycled polyester and polyamide, we reduce our reliance on virgin materials, utilise waste, and decrease

carbon emissions, which contributes positively to environmental sustainability.

To ensure that the fibres we purchase truly come from recycled raw materials, we only buy certified fibres, preferably from the Global Recycling Standard (GRS).

Raw material is only the first step towards making our outdoor products more sustainable. To truly make a difference, we need to think about producing clothing that can be recycled or reused. This means considering the entire process: using fewer resources, creating less waste, making production more efficient, and helping customers choose better options. Studies show that the greatest environmental impact occurs in wet processes such as dyeing and finishing of the fibres. Therefore, we prioritise material suppliers certified by bluesign® or Step by Oeko-Tex®. These independent organisations work holistically to make production processes more environmentally friendly, including water consumption, energy consumption, chemical use, and waste.

Our updated guideline for sustainably sourced materials covers raw materials sourcing and production processes. This classification should motivate our teams to make even better choices. The new classification introduces a three-tier scale from "Not good" to "Very good."



Targets and metrics

Textile materials

83%

Target 2027/28
80% sustainably sourced textile materials. Increase volume of "Very good" materials.

Cotton

82%

Target 2025/26
100% sustainably sourced cotton.

Polyester

88%

Target 2025/26
At least 50% sustainably sourced polyester.

Polyamide

80%

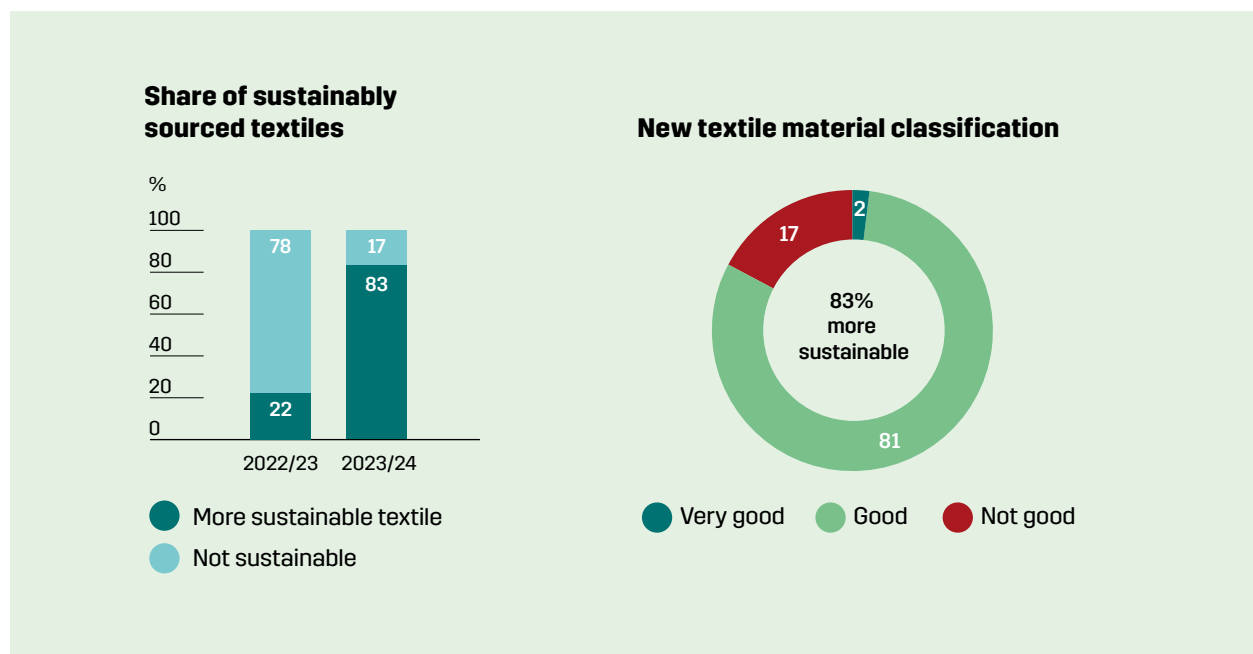
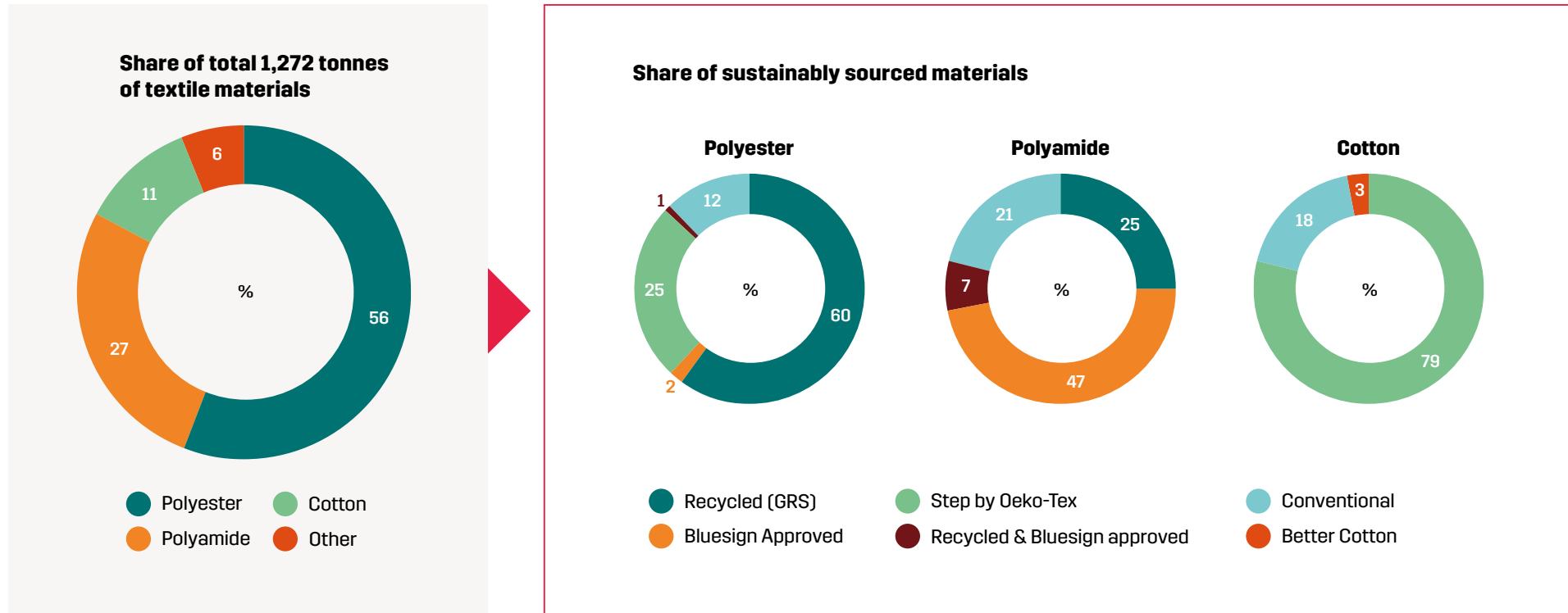
Target 2025/26
At least 50% sustainably sourced polyamide.

SUSTAINABLY SOURCED FABRICS	COTTON	POLYESTER	POLYAMIDE	ALL FIBRES
Very good	Documented sustainably sourced fibres			AND Documented lower impact fabric production processes
Good	Documented sustainably sourced fibres			OR Documented lower impact fabric production processes
	Better Cotton Organic cotton (OCS, GOTS) Recycled cotton (GRS)	Recycled polyester (GRS) Branded polyester made from renewable sources or waste	Recycled polyamide (GRS) Branded polyamide made from renewable sources or waste	<ul style="list-style-type: none"> • Bluesign® Approved fabrics • Fabrics made from Step by Oeko-Tex® certified mills • Fabrics made with water-less dyeing e.g. E-Dye
Not good	Virgin fibres with no processes to improve actual or potential negative environmental impacts during fibre, yarn or textile production			

Material use

Total material use for clothing 2023/24

The fibers we primarily use today are polyester, polyamide and cotton. In total, 83% of textile materials are more sustainable according to our definition.



We aim to increase the share of 'Very Good' textile materials.

No overproduction

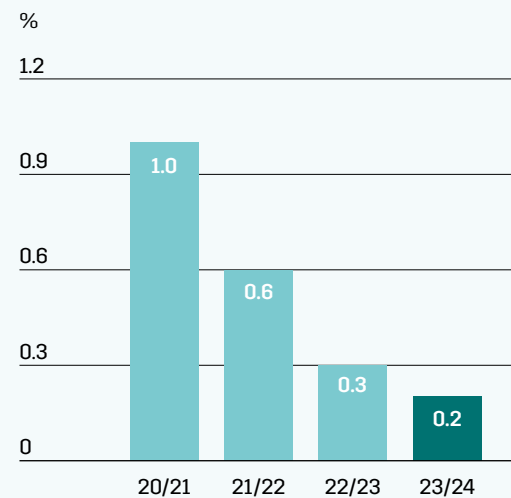
Our entire product development and business model are designed to minimise overproduction. In 2023, our overproduction amounted to 0.2%. We promise never to exceed 3% in overproduction.

Since 2020, we have reported on our overproduction. Overproduction is a downside of the textile industry, and studies show that the average rate is above 20%¹⁾. An overproduction rate of 20% is not only bad for business but, most importantly, for our planet.

In addition to overproduction, on average, one-third of all returns are discarded. We welcome the EU legislation that will address these issues.

We define overproduction as products that we do not sell directly to the end customer but instead sell at a lower price than the purchase price. This may include products that have been on the shelf for too long or products that, for some reason, do not meet our quality standards. All returns go through our optimised return handling so they can be resold.

Overproduction



1) <https://www.eea.europa.eu/publications/the-destruction-of-returned-and>



Waste and packaging

RevolutionRace operates solely within digital commerce and has no physical stores. Our products are primarily manufactured in Asia. To ensure that the products remain clean and undamaged during sea transport from Asia, each product is packed in a box and/or plastic bag. When we then ship the products to our customers, we use shipping bags or shipping boxes. Despite our efforts to minimise material use and offer various packaging options, this still results in packaging waste.

In accordance with EU waste legislation on extended producer responsibility, we report the volume of packaging used and pay a recycling fee in the European countries where we operate. Additionally, we have set a target for 100% of our packaging to be more sustainable by 2025. During the year, we achieved a total of 98% more sustainable packaging.

Share of sustainably sourced cartons

100%

Including recycled and/or FSC® certified.

Share of sustainably sourced plastic bags

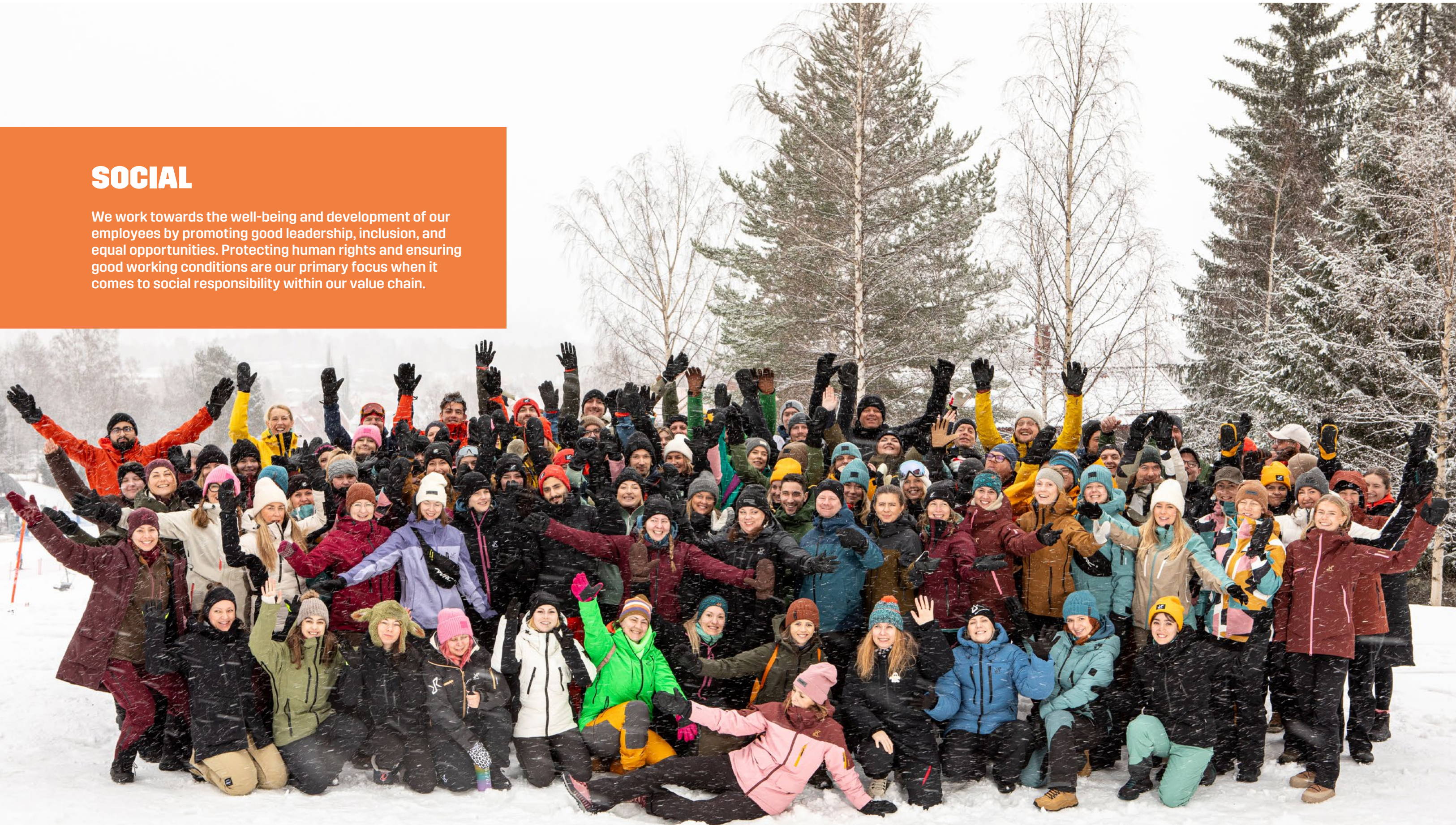
91%

Including recycled or bio-based.



SOCIAL

We work towards the well-being and development of our employees by promoting good leadership, inclusion, and equal opportunities. Protecting human rights and ensuring good working conditions are our primary focus when it comes to social responsibility within our value chain.



OWN WORKFORCE – ENGAGED EMPLOYEES

We believe in engagement – both in nature and at the workplace. Engaged employees feel better and are a prerequisite for our future growth. Based on our materiality assessment, we focus on diversity and equality, employee well-being, and employee development. Our success is built on team spirit. We place great emphasis on celebrating both big and small victories and facing challenges together.

Impacts, risks, and opportunities

Human rights and labour rights for employees are clearly defined in authoritative intergovernmental instruments from the UN, ILO, and OECD. The rights outlined by these instruments establish the potential and actual social impact that companies in the textile industry have on their employees.

Employees at RevolutionRace perform all office work from the headquarters in Borås or workplaces in Stockholm, Sweden. Sweden is known for its high level of implementation of human rights and is generally regarded as having high labour standards and rigorous compliance monitoring.

Fundamental human rights such as the prohibition of child labour or freedom of association are therefore not material for our employees at RevolutionRace. Due to the nature of the work performed, occupational health and safety is also not a material topic of the company.

In our latest materiality assessment, we have identified the following topics as material in terms of impacts, risks and opportunities:

- Diversity and equality
- Employee well-being
- Employee development
- A strong corporate culture

Apart from their relevance for our employees, the topics are important to us because one of the greatest challenges and success factors for growing companies is how they succeed in working systematically to attract, develop, and retain talent, as well as motivate their teams.

Policies and approach

Our employees form the foundation of our success and are our most important asset. At RevolutionRace, we aim to be an attractive workplace where employees feel valued and motivated and where they develop both as individuals and in mastering critical business skills.

We address employee matters through continuous dialogue supported by clear policies, such as our Code of Conduct and Work Environment Policy. These are available to all employees in our digital employee handbook. This promotes a transparent working environment where all employees have access to relevant information.

The Code of Conduct defines expectations to employees and covers important areas such as human rights, non-discrimination,

occupational safety, environmental protection, and business ethics. By adhering to these policies, we create a workplace that promotes responsible and ethical behavior.

We value diversity and equality among our employees, regardless of gender, age, race, religion, or other personal characteristics. Our commitment to diversity and equality is further emphasised in our Diversity and Equality policy, where we strive for equal pay for equal work and actively work to counteract pay inequalities between genders.

Our CEO has overall responsibility for the company and staff, supported by our management team, HR department, managers, and team leaders.

Engaging with employees and employee representatives

RevolutionRace has signed the collective commerce employee agreement covering all employees of the company, ensuring industry-specific conditions for our employees and promoting participation. During the year, a local trade union club was established at RevolutionRace, aiming to provide employees with increased transparency and influence on decisions affecting them.

The club board consists of six dedicated employees who regularly collaborate with the company management on a range of important issues.

Our work environment committee, consisting of representatives from both management and employees, works proactively to maintain and further develop a safe and pleasant workplace, including following up on work environment initiatives and proposing new goals and measures.

Channels for employees to raise concerns

We aim to promote an open working environment where employees feel safe to communicate with their manager, both in daily work and during the regular meetings held with each team. Our employee handbook provides clear guidance on how employees can raise issues related to their well-being or share other important feedback. Employees also have the option to use the formal whistleblower function described in our whistleblower policy.

Finally, employees can raise issues during the annual performance review and anonymously through employee surveys conducted regularly throughout the year.

All channels are communicated to new employees through the onboarding program and are available in our employee handbook.



Our employees

At the end of 2023/24 RevolutionRace had 146 employees (128 FTEs).

	2023/24	2022/23	2021/22
Average number of employees during the year	137	134	106
Average number of FTE:s during the year	122	122	106
Employees at the end of the year	146	133	126
Full-time employees, FTE	128	130	122
Employees leaving RevolutionRace, %	15	21	13

”
The management team is receptive to our opinions, and it feels like together we can make a difference.

Dragon Sebastian Johansson, Senior Developer and interim chairman of the trade union club.

Equality and diversity

Our approach to equality and diversity is to actively support and promote diversity and equal opportunities within our organisation, creating a work environment free from discrimination.

2023/24 actions and progress

We strive for a balance between men and women in leadership positions through recruitment, tailored development, and individual encouragement. Currently, 72% of our employees are women, and we have actively encouraged women to take leadership positions. Today, women hold 62% of our leadership positions. Additionally, 33% of the management team and 50% of the Board of Directors consist of women.

An annual salary review and job evaluation for all roles within the company are conducted in accordance with Swedish legislation. It was determined that there are no unjust salary differences based on gender.

Diversity is an important factor when recruiting and developing our employees as it brings different perspectives and experiences. By bringing together different mindsets and backgrounds, we are challenged to think differently, leading to creative and sustainable solutions. To reflect our customers and enrich our corporate culture, we are dedicated to promoting diversity in our recruitment processes.

RevolutionRace is a young company with a workforce where a significant proportion, 34%, is under 30 years old. We see this as a strength and strive to offer individually tailored development opportunities for our employees.

Plans for 2024/25

RevolutionRace values diversity and strives to create an environment where everyone feels welcome and can be themselves. We see diversity as a broad and important aspect, encompassing everything from individual characteristics to cultural differences, and strive to adapt our leadership style and work environment accordingly.

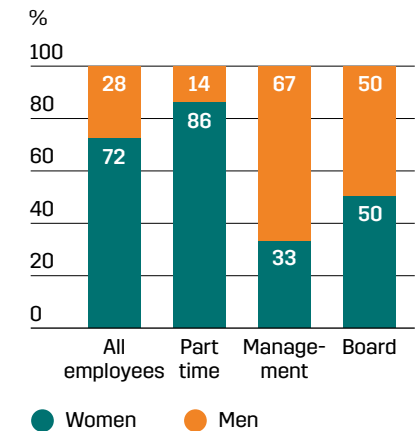
In our ongoing work with corporate culture, we place great emphasis on strengthening and promoting an inclusive work environment, such as addressing the expectations of different generations in the workplace.

As several of our employees do not speak Swedish, communication is adapted to ensure that everyone can understand and absorb information. This requires situational leadership where managers actively work to ensure that everyone in the team feels included, regardless of linguistic and cultural differences.

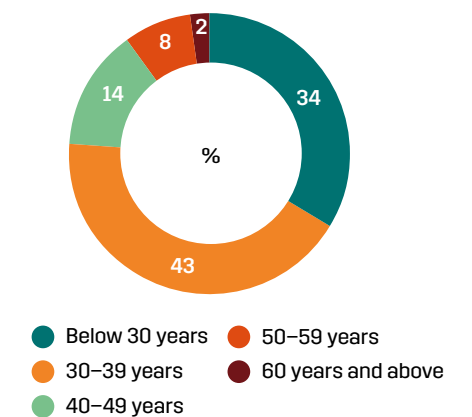


SUMMARY OF OUR EMPLOYEES

Employees by employment and gender



Employees by age



Targets and metrics

Women on Board

50%

Women in Management

33%

Female team leaders

62%

Always

Strive for balance in leadership positions.

Employee well-being

We strive to have satisfied employees who want to grow with the company. Our approach is to continuously work with various initiatives to ensure employee well-being.

2023/24 actions and progress

We are convinced that employee well-being and satisfaction are multifaceted and thus we work with several different initiatives. During the year, we continued to focus on a good work environment, favourable working conditions, and the promotion of our corporate culture.

Managers receive continuous training and support to handle work environment issues within their teams, and if necessary, we offer support from occupational health services to find the best solutions for each individual. Leaders have also received training and tools to create psychological safety in their teams, a crucial factor for employee well-being and performance.

In cases of major changes and initiatives, written risk assessments are conducted to identify and address potential risks.

We have initiated rehabilitation support with the occupational health service Avonova for employees with frequent or long-term sick leave. The average sick leave at RevolutionRace was three days per person during the year.

In the spring, we conducted an analysis of the corporate culture at RevolutionRace together with all the company's managers. The result shows that our corporate culture is characterised by unpretentiousness, inclusion, and an open atmosphere where everyone can take initiative. We value problem-solving, helpfulness, and a permissive climate where it's okay to make mistakes. We encourage trying new ideas. We are customer-focused, responsive to feedback, and committed to creating sustainable products. We are solution-oriented and inspiring, with a strong sense of community and a desire to make an impact. In the latest employee survey, 77% of employees stated that the culture motivates them.

A good work environment

A good work environment is inclusive and free from any form of harassment. We work with preventive measures against abusive behaviour and discrimination through the work environment training that all managers undergo. Furthermore, the onboarding program for all new employees includes a special section on preventing abusive behaviour. In our latest employee survey, 92% reported that they could be themselves at work.

Favourable working conditions

RevolutionRace has always strived to offer competitive employment benefits to all employees. To encourage physical activity among our employees, we offer, among other things, all full-time employees a wellness allowance of 5,000 SEK, and favourable discounts on our outdoor products.

Promoting our corporate culture

The culture at RevolutionRace has always been playful and social. We support this through our physical offices and social initiatives. During the financial year, we initiated initiatives focused on physical activity (see page 61).

We learn from and measure results using employee surveys

Our priorities regarding employee well-being are based, among other things, on the results of our regular employee surveys. Last year, our employee satisfaction (eNPS¹⁾) was 15. During the year, we actively worked with action plans to jointly improve employee satisfaction. Our many initiatives have had an effect. The three most recent surveys have shown satisfaction levels above 35, with the latest at 47.

Employee engagement is another metric we use to understand how effective our actions are. The engagement index is the combined result of the employee survey. Last year it was 79. Our goal is for the engagement index to be above 80, which it has been in the last three surveys, with a result of 84 in the most recent survey.

Targets and metrics

Employee satisfaction

47

Always
Employee satisfaction
(eNPS) above 35.

Engagement index

84

Always
Employee engagement
index above 80.



During our kick-off trip to Järvsö, employees had the opportunity to attend a cross-country ski school with the Svan family. Here, a diagonal stride session is being conducted with Marie Svan.

1) The scale ranges from -100 to +100; a rating of 9-10 corresponds to +10, 6-8 are considered passive and 1-5 are converted to -10.

Plans for 2024/25

During the year, we initiated extensive efforts to further develop our corporate culture.

Our leaders have participated in workshops to identify our current culture and discuss the aspects we want to strengthen in order to continue on our successful path. In parallel, we have also started a review and update of our core values to ensure they reflect our current reality following our rapid growth journey. The next step is to involve employees in this process to strengthen and embed our corporate culture at all levels.

Through regular employee surveys and dialogues, we ensure that we continuously stay updated on our employees' needs and expectations. These insights, combined with results from leadership surveys, managers' competency assessments, and external analyses within the HR field, form the basis for developing upcoming employee initiatives. These initiatives include activities that promote self-leadership.

We are also continuing our work with goal management, where we break down the company's overall goals into more specific activities for each team and individual. In this way, everyone can feel involved and motivated. We will also develop the onboarding process by introducing an onboarding day to ensure that new employees receive engaging knowledge about the company and corporate culture to quickly become part of the community and their role.

In your current team, can you...

...laugh with your colleagues?

98%

...be yourself?

92%

...ask for help?

96%



Being outdoors is good for you

At RevolutionRace, we believe that health and well-being have a direct correlation with your physical activity.

Here's how we promote physical activity:

- Wellness allowance of SEK 5,000 for all full-time employees
- Discounts on all RevolutionRace products
- Product testing program: Our employees are our best ambassadors and get to test new products in exchange for feedback to the product development teams
- Daily 15-minute yoga and stretching sessions
- Lunch runs and workouts
- Annual step challenge. Participants form teams of four and compete to take the most steps. This year, we collectively took 34 million steps and walked 27,200 km, which is equivalent to a walk around the entire African continent
- Annual participation in various local races and tournaments sponsored by the company

82%

I feel healthy, energised, and content with my daily life.

Development of our employees

Employee development is at the core of our sustainability focus for engaged employees. Personal and professional development is one of the most important factors for our employees. We develop our employees to support their well-being and to attract and retain talent. Our ambition is to offer training and development opportunities for all our employees, focusing on leadership development, business-critical skills, and personal growth.

2023/24 actions and progress

Skills development

During the year, all leaders participated in workshops and training in the concept of competencies. We have conducted competence mapping to identify the competency needs we will face as a company in the coming years. Together with a leadership colleague, managers have also been tasked with creating a plan for their own competence development.

At RevolutionRace, every employee undergoes an annual performance review with their immediate manager, where individual progress, challenges, and personal development are discussed. These reviews are documented and signed by both parties, and we conduct annual follow-ups to ensure continuous development.

During the past year, we have placed great emphasis on promoting the development of our employees. All employees have completed a training session organised by our HR department. The training covered leadership and teamwork, focusing on rights and responsibilities, along with an in-depth look at self-leadership.

We have increased the number of competence development hours per employee from an average of 10 hours to 22 hours.

Leadership development

During the year, we have continued to focus on leadership development at RevolutionRace. In regular leadership forums, leaders have received training and participated in workshops on topics such as coaching, feedback, self-leadership, and leadership during change. We have also implemented a Buddy Program. The "Buddy" concept allows two leadership colleagues to practice the leadership tools taught at the leadership forums.

All new managers are continuously trained in work environment legislation and then sign a task distribution agreement outlining the responsibilities included in the managerial role. We have introduced guidelines and procedures to ensure a safe and respectful working environment. This includes first aid and crisis support, prevention of bullying and harassment, work adaptation and rehabilitation, and risk and impact analysis during change. HR is responsible for updating the guidelines, and each manager is responsible for informing their employees.

Our focus on leadership development has yielded results. In the latest survey, 86% of employees were satisfied with the leadership, an increase from 81%.

Plans for 2024/25

In the spring, a leadership survey was conducted to gain deeper insight into managers' needs and wishes regarding leadership development, with the aim of creating the best conditions for all managers. The results of this survey form the basis for upcoming leadership initiatives, which include a strategy for leadership development, further development of the "Buddy" concept, and initiatives to synchronise goals and strengthen collaboration and efficiency between cross-functional teams.

INNOVATION FRIDAYS

The most significant skills development occurs in daily work, through conversations and collaboration between colleagues. In our leadership forums, we have discussed the importance of fostering a learning culture and how we can promote learning in everyday work. A concrete example of this is our Innovation Fridays.

During Innovation Fridays, employees get to choose what they want to delve into, as long as it can benefit the company, directly or indirectly. We also encourage teamwork to strengthen the team spirit. The results and ideas from these sessions are presented to other colleagues to share knowledge and inspire others.

The goal of Innovation Fridays is to promote continuous development, strengthen team spirit, and increase the company's efficiency and competence. So far, they have led to several new features that have created direct value for the company, and it's particularly gratifying that the teams appreciate this opportunity. The initiative was initially implemented in our IT department, but we look forward to expanding Innovation Fridays to more teams in the future.



100%

annual appraisal

22

hours average training per employee

82%

RevolutionRace effectively utilise my expertise

PARTNERSHIPS THAT CREATE ADDED VALUE

For RevolutionRace, it is important that we share a vision with our ambassadors and partners, so that together we can create added value over the long term.



Generation Pep

Generation Pep wants all children and young people in Sweden to have the opportunity and desire to live an active and healthy life. Since 2022, RevolutionRace has been a partner of the organisation because we share this vision and want to encourage people to adopt a healthier lifestyle.

Today, we are facing a serious societal challenge where more and more children and young people are not getting enough physical activity. This is not just a matter of health but also a matter of equality. Children growing up in different socio-economic conditions do not have the same opportunities for an active lifestyle and healthy eating habits. According to the Convention on the Rights of the Child, all children have the right to the best possible health. That's why we are working together with Generation Pep to raise awareness and promote more physical activity, better eating habits, and a more equal health standard for all children and young people in Sweden.

An important step in raising awareness is informing people about our unique "right of public access" (Allemansrätten), which allows everyone the freedom to enjoy nature. With this freedom comes responsibility. Together with Generation Pep and Svenskt Friluftsliv, we established "Allemansrättens Dag" on September 20, 2022. The hope is that this day will increase awareness of the right of public access and encourage more people to enjoy our fantastic nature.

Carolina Klüft as a superhero on a bike.
Photo: Generation Pep



QUICK FACTS

- Founding Partner to Generation Pep since 2022.
- Together, we established "Allemansrättens Dag" on 20 September 2022.
- For every child's right to the best possible health.

Inspiring more people to get outdoors and enjoy nature!

Aron Anderson is someone who truly inspires and helps us see life from a fresh perspective. At only seven years old, Aron was diagnosed with cancer. On his eighth birthday, he received his first round of chemotherapy, and by the time he was nine, he came close to losing his life. The tumour that was removed forced doctors to cut nerves in his lower back, resulting in a loss of function and sensation in his lower body. But Aron was given a second chance at life – and he decided to make the most of every day.

Today, Aron is both an inspirational speaker and adventurer. At the age of 17, he became the first person in a wheelchair to summit Kebnekaise, Sweden's highest mountain. Since then, he has undertaken adventures that many only dream of. Aron shares our love of nature and wants to motivate more people to get outside by showing that it's possible, regardless of the circumstances.

Aron frequently visits our headquarters and is a dedicated user of our products. He also provides valuable advice to our product development teams, helping us continually improve our offerings. Aron finds that our clothing works fantastically both for everyday wear and challenging expeditions – he especially appreciates the fit and comfort.

”

What I love about RevolutionRace is that they offer great products at great prices, which makes it easier for more people to get outdoors and enjoy nature.

Aron Anderson

QUICK FACTS

- Ambassador since January 2024
- Favourite product: Arcade 3L Lightweight Jacket in yellow
- Favourite adventure: Impossible to choose! But this year, he's put our products to the test during a snowy expedition on the Jämtland Triangle and a climb of the Matterhorn.

WORKERS IN THE VALUE CHAIN

Protecting human rights and supporting good working conditions are the focus of our work on social responsibility in collaboration with our partners in the value chain.

Impacts, risks, and opportunities

Our office in Sweden employs 146 people. However, more than 15,000 people work in our supply chain. Most of these individuals work in labor-intensive factories producing clothing, while others work in energy-intensive fabric and dyeing mills or on cotton fields.

The actual and potential impacts of the apparel industry are driven by production often located in areas defined as high risk to human rights and labour conditions. The work performed is largely unskilled and often performed by women and immigrants. Long working hours during peak times are not uncommon, and there are potential health and safety risks related to fire safety and handling hazardous chemicals. The OECD, EU and recognised NGOs identify forced labour, child labour, discrimination and harassment, freedom of association, occupational health and safety as actual and potential negative social impacts of the apparel industry.

In our latest materiality assessment, we recognise that the above risks are also material for RevolutionRace. The impact we have on people in the supply chain occurs outside our own operations. We have a direct contractual relationship with the manufacturing suppliers responsible for sewing our finished products and with the warehouses storing our products. Additionally, we have an indirect relationship with suppliers of fabrics, yarns, and raw material manufacturers. Regardless of whether the contractual relationship is direct or indirect, all our suppliers are covered by our purchase agreement.

Our main impact on human rights and labour conditions occurs with our direct suppliers within product manufacturing, where labor intensity is high. For suppliers of fabrics and dyeing, the number of employees is lower, but their work with hazardous chemicals poses health and safety risks. When purchasing cotton, there are risks associated with forced labour and child labour.

The primary financial risks for RevolutionRace's operations due to human rights and social conditions in the supply chain are reputational, should consumers turn away from apparel sourced in countries perceived as high risk or if they believe the conditions in the RevolutionRace supply chain are not acceptable or not improving enough. Additionally, there is a risk of fines if RevolutionRace fails to comply with current and future due diligence legislation.

Policies and approach

Our principles for social responsibility in our supply chain are defined in RevolutionRace's Supplier Code of Conduct. It is based on the UN Declaration of Human Rights, the International Labour Organization (ILO) Core Conventions, and the principles

of the UN Global Compact. With its ten principles, it addresses fundamental human rights such as forced labour, child labour, and freedom of association, as well as working conditions such as health and safety, fair remuneration, and decent working hours. Our Supplier Code of Conduct also applies to all subcontractors.

RevolutionRace is a member of Amfori, a recognised international industry organisation for open and sustainable trade. We work with Amfori's Business Social Compliance Initiative (BSCI) to continuously improve social conditions in our supply chain. BSCI provides independent audits to check compliance with each principle in our Supplier Code of Conduct. Based on the findings of each audit, we can initiate a dialogue ranging from immediate resolution of zero-tolerance issues to solutions based on continuous improvement. This dialogue occurs through our factory visits, Amfori's digital platform, ongoing discussions, and follow-up audits.

In addition to our direct suppliers, we focus on the risks of forced labour and child labour in the cotton supply chain. We source cotton from Better Cotton, and our suppliers and subcontractors handling cotton products must provide documentation of traceability to ensure that no products are made in the Xinjiang province. Forced labour has been documented in the Xinjiang province, and the U.S. Uyghur Forced Labor Prevention Act prohibits the import of products from the province.

In managing impacts related to human rights and labour conditions, we focus on six priorities:

- Working with suppliers committed to following our Supplier Code of Conduct.
- Ensuring transparency on social conditions among our suppliers and working only with audited suppliers.
- Supporting and encouraging suppliers with insufficient compliance to improve social conditions.
- Supporting the establishment of effective grievance mechanisms for workers.
- Monitoring health and safety among Tier 2 suppliers.
- Monitoring risks of child labour and forced labour in cotton farming.

The prioritised areas and goals defined under our strategy *A Responsible Race* are driven by our sustainability team, while much of the operational work is carried out by the product development teams, including transparency efforts and ongoing collaboration with suppliers. Our Head of Purchase and Production, along with the Sustainability Manager, ensures that our standards are followed and reports regularly to management.

Our Code of Conduct



Freedom of association & right to collective bargaining

Workers shall have the right to form unions in a free and democratic way and to bargain collectively.



No discrimination

No workers irrespective of gender, race, religion or any other characteristic shall be treated differently than others.



Fair remuneration

Workers shall receive wages sufficient to provide a decent living for themselves and their families – as least mandatory minimum wages.



Decent working hours

Working hours shall adhere to laws and ILO agreements with a maximum of 48 hours per week. Overtime should be an exception.



Occupational health and safety

Work environment shall comply with health and safety regulations.



No child labour

No children shall be employed under the legal school age or less than 15 years old.



Special protection for young workers

Younger workers shall be protected especially against health, safety and moral.



No precarious employment

Workers shall have written contracts complying with national legislation.



No bonded labour

No worker shall work unfreely or against his own will.



Protection of the environment

Environmental degradation shall be avoided.



Ethical business behaviour

No corruption shall take place.

2023/24 actions and progress

In 2023/24, we worked with 31 garment suppliers and 52 factories. The number of suppliers remained stable, but we increased the number of factories we worked with. 72% of our production took place in China and Vietnam. 60% of our fabrics came from four material suppliers.

Since the Board of Directors's decision in 2023 to exit Myanmar, the purchasing team has been working on a responsible exit. During 2023/24, we were only able to reduce the proportion of purchased volume from Myanmar from 23% to 19% as many orders were already placed. In 2024/25, the volume purchased from Myanmar will be further reduced.

The purchasing and sustainability teams collaborated in various ways to discuss progress and actions with factories. Over the past two years, they have managed to visit 25% of the factories covering 40% of the purchasing volume. To further increase the presence at our suppliers we conducted six factory inspections during the year with an accredited third party, covering 10% of our production volume. Additionally, the teams had specific digital meetings and interactions regarding membership in bluesign®, Higg FEM assessments, improvement measures based on social audits, and whistleblowing mechanisms for factory workers.

46 of our factories had a valid BSCI audit. The remaining six factories had other valid audits. Of the BSCI audits, all factories had at least a C rating overall. A C rating is still acceptable without major issues. In 2022/23, 24% had an overall A or B rating. In 2023/24, this improved to 26%. The details of our BSCI audits show that our suppliers are rated "very good" in most respects, and no factories have reported zero-tolerance issues.

All suppliers paid at least the statutory minimum wage, social insurance, and annual leave. Suppliers have written contracts with all employees, and employees have undergone training and gained knowledge of their rights. Compliance continued to be insufficient in two respects. Firstly, most suppliers still lack adequate management systems to systematically implement all BSCI principles, including written documentation, regular

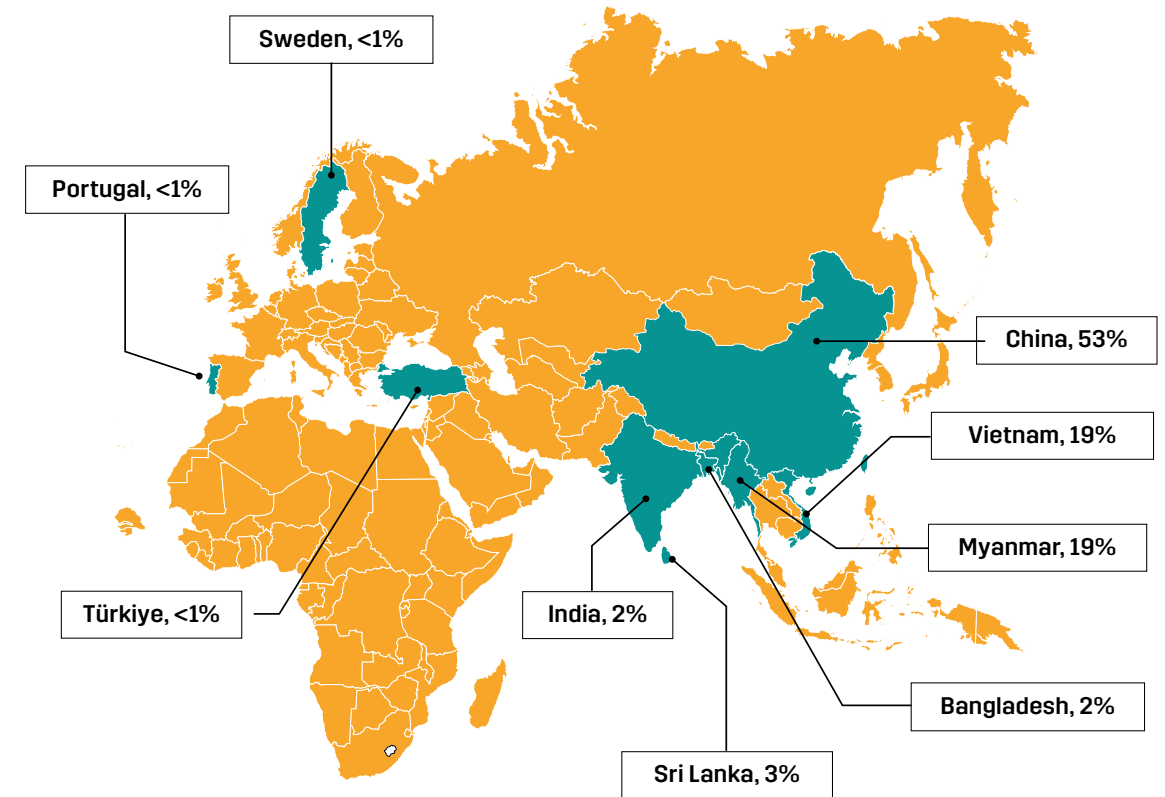
training, or monitoring of subcontractors' social performance. Above all, many suppliers lack sufficient systems and processes to plan labour capacity to meet overtime principles. RevolutionRace encourages its suppliers to actively use Amfori's training offerings to improve their management systems.

Secondly, a majority of suppliers fail to meet BSCI's overtime principles. Working records show monthly overtime that sometimes, during peak seasons, significantly exceeds what regulations allow. Unfortunately, the amount of overtime has not decreased this year either. We have systematically worked on our purchasing routines to place orders outside peak seasons and to increase lead times and avoid last-minute changes. However, we share the factories with many other brands and the excessive overtime is a systemic issue also related to remuneration that must be addressed at industry level.

During 2023/24, we continued to work with factories to improve grievance mechanisms. All factories have a local grievance mechanism in place, and we have continued discussions with suppliers about implementing Amfori's Speak for Change initiative in the countries where they operate. All suppliers have confirmed that it will be implemented by the end of the year.

Our four suppliers in Bangladesh have all implemented measures in Accord, including building safety and fire protection. They have also established health and safety committees at the factory level to address safety-related issues. Measures under Accord in Bangladesh, implemented through the national RMG Sustainability Council, include not only building safety and fire protection but also a cross-functional complaint system that workers can use to address grievances related to workers' rights. All factories also have a health and safety committee that handles safety-related complaints. During the year, RevolutionRace signed Accord to show its support for the organisation and continue working more actively on health and safety issues with suppliers in Bangladesh.

Production per country (%) 2023/24



Targets and metrics

Social audits

100%

Always
Ensure 100% of factories have a good third-party social audit.

Local grievance mechanism

100%

Target 2027/28
100% of factories with well-functioning local and international grievance mechanisms.

International grievance mechanism

13%

Good social management systems

80%

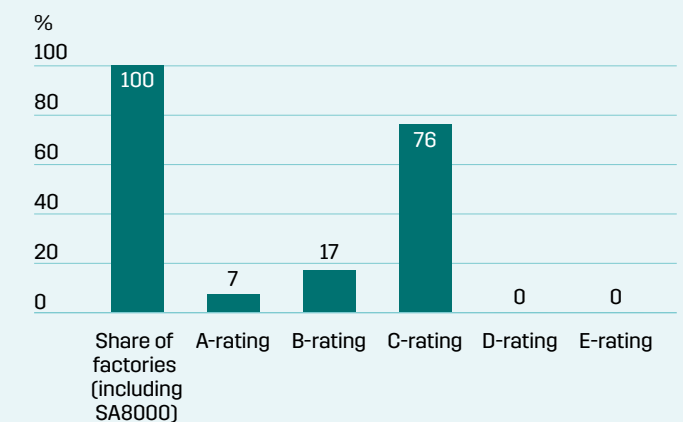
Target 2030/31
100% of factories with good social management systems.

Working hours

33%

Target 2030/31
100% of factories without excessive working hours.

Supplier factories with valid BSCI audit 2023/24



Plans for 2024/25

During the 2024/25 financial year, we will continue our efforts to raise awareness and increase understanding of grievance mechanisms. We will support our suppliers in implementing Amfori Speak for Change and seek solutions for the four suppliers who are not yet members of Amfori.

We will prioritise supplier visits as we understand the importance of our product development teams gaining insight into our production processes and building long-term relationships with our suppliers through physical meetings. These trips are crucial for improving communication and understanding between us and our suppliers.

Additionally, we will continue mapping suppliers beyond Tier 2. We will focus on building strong relationships and gaining a deeper understanding of our entire value chain. This includes identifying and working with new suppliers as well as ensuring that every link in our supply chain meets our sustainability and ethical standards. Our goal is to create a transparent and responsible supply chain that supports our sustainability goals and business principles.

In summer 2024, unrest occurred in Bangladesh, and our top priority is to ensure the safety of workers in our factories. The four factories we work with in the country have confirmed that they offer transportation to and from work to ensure workers' safety. Although the factories have had to close for a few days, this has not yet affected our deliveries. We are closely monitoring the situation and are prepared to take the necessary actions to support our partners and their employees.

Suppliers detailed BSCI rating ¹⁾, share in %

RATING Result in %	2023/24					2022/23				
	A	B	C	D	E	A	B	C	D	E
Social Management System & Cascade effect		15	65	20			10	76	15	
Workers involvement & protection	57	35	4	4		49	46	2	2	
The right of freedom of association and collective bargaining	100					100				
No discrimination	96		4			93		7		
Fair remuneration	50	33	17			49	49	2		
Decent working hours	30		3	67		24		10	66	
Occupational health & safety	89	7		4		90	5		5	
No child labour	100					100				
Special protection for young workers	100					100				
No precarious employment	100					100				
No bonded labour	100					100				
Protection of the environment	78	11	11			76	17	7		
Ethical Business Behavior	100					100				

- A. Very good
- B. Good
- C. Acceptable
- D. Insufficient
- E. Unacceptable

1) 46 factories with valid Amfori BSCI audit.

amfori @
Trade with purpose

AMFORI BSCI AUDITS

BSCI audits can be unannounced or semi-announced. The audit assesses compliance with ten social principles, two principles for management systems and one principle of environmental protection. The supplier is rated on each dimension with an A for very good performance and E for unacceptable.



Grievance mechanisms

The OECD guidelines for due diligence emphasise the importance of well-functioning grievance mechanisms, where workers in the supply chain can communicate serious abuses of rights or interests and seek remedy. Workers at the factories must be aware of their rights, and the grievance mechanisms must be accessible and trusted.

In RevolutionRace's Supplier Code of Conduct, we require that Amfori BSCI's Code of Conduct (or equivalent) poster shall be displayed in the local language for the workers at the factories, and that management shall build competence among workers and their representatives regarding worker rights. All factories must also provide workers with access to the company's operational level grievance mechanisms and inform them about their availability, function, and purpose.

Our third-party BSCI audit verifies whether a grievance mechanism is established and whether the factory workers are well-informed about it. The most recent audit reports show that only one factory had an insufficient complaint mechanism as they lacked documented procedures for handling complaints from business partners. However, evaluations show that workers often lack confidence in the mechanisms and perceive them as ineffective.

In our work with the factories, we will continue to emphasise the importance of grievance mechanisms, and we will require the factories to join the new initiative Speak For Change from Amfori when it becomes available in their country. Speak For Change is an initiative where Amfori works to improve the functionality of grievance mechanisms at the factory level and offers an international Amfori grievance mechanism for workers to use if they do not have access to a local mechanism or do not trust it. If a worker reports through Speak For Change, the Sustainability Manager at RevolutionRace will be notified. In 2024, we set a goal for all suppliers to have a well-functioning local and international grievance mechanism by 2027.

The table to the right shows the current status of our suppliers. Speak For Change has been established with our suppliers in Bangladesh and India, and our suppliers in Vietnam and Turkey will implement it in 2024. Amfori will continue to roll out the initiative in other countries, and we will work with our suppliers to implement the system as soon as it becomes available.



100%

of suppliers with well-working local and international grievance mechanisms by 2027/28.

Production countries	China	Vietnam	Myanmar	Sri Lanka	Bangladesh	India	Türkiye	Portugal	Sweden
No. of factories	34	5	1	1	4	3	2	1	1
Local grievance mechanism	100%	100%	100%	100%	100%	100%	100%	100%	100%
Indicators from audit report of insufficient grievance mechanism	0	0	0	0	1 ¹⁾	0	0	0	0
Availability of Amfori Speak for change	No	Yes	No	No	Yes	Yes	Yes	No	No
Has implemented Amfori Speak for change	No	In progress	No	No	Yes	Yes	In progress	No	No
No. of cases reported	1 ²⁾	0	0	0	0	0	0	0	0

1) No documented procedure how to handle grievance of business partners.

2) Factory did not provide face mask.

CONSUMERS

Our core value proposition to our consumers is to offer them products of unmatched value that they will wear frequently and for a long time. Alongside this commitment, we prioritise product safety, data privacy, and quality information for our consumers.

Impacts, risks, and opportunities

The UN, ILO, and OECD have established rules in authoritative intergovernmental instruments on human rights that apply to consumers. These rights are also described in applicable national and EU legislation, and with the EU's Green Deal, new legislation is being introduced to protect consumers. This legislation addresses product safety, data privacy, consumer access to quality information, and responsible marketing practices. These topics are material for the clothing industry and for RevolutionRace.

Product safety: Apparel products are manufactured using chemicals during fibre production, dyeing, and finishing. The chemicals are harmless to human health below certain thresholds, which in the EU are regulated by the REACH legislation. Non-compliance with chemical legislation is therefore a potential negative impact and risk.

Data privacy: In marketing and selling products, RevolutionRace collects private information from consumers such as contact information, address information, and information about visits to RevolutionRace's online store. The proper handling of this data is regulated by the EU's GDPR legislation. Breaches of data privacy pose a risk to the individuals affected but also a risk to RevolutionRace in terms of reputational damage and non-compliance, both of which have potential financial consequences.

Quality information and responsible marketing practices:

A part of the European Green Deal is to empower consumers during the green transition. This is to be enabled by regulating mandatory information about products and their value chains and by regulating green claims. By being transparent and informing consumers about its products and practices, RevolutionRace can have a potentially positive impact on consumer information and marketing practices.

Product safety

Policies and approach

At RevolutionRace, product safety has always been an integral part of our strategy and a key aspect for our consumers. Our policies are part of the purchasing agreement with each supplier. They include our Supplier Code of Conduct and our Restricted Substances List (RSL), which specifies compliance

with the EU's REACH legislation, US chemical legislation, and industry recommendations on chemical use. Our RSL is updated twice a year.

To further manage chemical safety, we are members of the ChemAct Network. ChemAct is a digital chemical management system where suppliers can upload test reports according to our Restricted Substances List to document compliance for each component. All suppliers have been introduced to ChemAct and work regularly with the system. At RevolutionRace, we also conduct regular random inspections with third-party institutes to verify compliance.

Since 2019, we have banned PFAS chemicals in our wet treatments and chosen fluorocarbon-free alternatives.

An additional measure for product safety is our goal to purchase only fibres that comply with Oeko-Tex® Standard 100, which ensures a harmless final product in accordance with REACH.

Data privacy

Policies and approach

With our Data Privacy Policy and mandatory training of employees, we place considerable emphasis on protecting the privacy of the individual and complying with the EU General Data Protection Regulation (GDPR (EU) 2016/679). Our Privacy Policy is available publicly on our website and presents all relevant details of our personal data processing to our customers.

As an online only company, RevolutionRace is especially vulnerable to cyberattacks and other breaches of information security which pose a potential severe financial risk to the company. We manage these risks by systematically working on information security based on our Information Security Policy and clear guidelines on Information Management and Incident Management combined with mandatory and frequent training of all employees.

Quality information and responsible marketing practices

At RevolutionRace, we have always been very close to our consumers. We have a highly active community that provides us with feedback on our products, our behavior on social media, and our customer service. We have never marketed ourselves as a sustainable brand, even though we have a defined sustainability strategy that we actively work towards. Interested consumers can access our strategy on our website, corporate

website, as well as in published sustainability reports and presentations. Consumers are also welcome to ask questions about our sustainability efforts through our social media channels or customer service.

2023/24 actions and progress

During 2023/24, we continued to use the PFAS-free BIONIC-FINISH®ECO from Rudolf Group in our wet treatments, and we purchased 99% Oeko-Tex® 100-certified fabrics. All our suppliers reported their chemical practices in our digital tool, and we conducted 296 random tests with independent testing institutes. We received no failed results in the tests.

All new hires completed our digital data protection training, and we have had no known data protection breaches.

We handled 217,405 customer service inquiries with an average customer satisfaction rate of 92%.

During the year, we invested in a new PLM system. The system will significantly improve the direct collection of sustainability-related data on all our products. This will allow us to continuously improve the traceability of our products and implement a digital product passport by 2027.

Plans for 2024/25

Regarding product safety, we will continue to implement our chemical policy. Through our strategy of increasingly purchasing bluesign® Approved fabrics, we ensure that the chemicals used in the manufacturing process are chosen with consideration for both the environment and human health.

A key focus area for 2024/25 is the implementation of our new PLM system, which will improve product traceability and enable more efficient collection of sustainability-related information. We also plan to train our marketing and communication team in responsible marketing practices.

Targets and metrics

Oeko-Tex® 100

99%

Target 2025/26

100% of textile materials certified by Oeko-Tex® 100 or equivalent.

PFAS

0

Always

No DWR treatments using PFAS.

Data privacy breaches

0

Always

No data privacy breaches.

Anti-corruption training

100%

Always

100% of employees trained in anti-corruption.

Responsible marketing breaches

0

Always

No breaches of responsible marketing practices.

GOVERNANCE

Engaging Governance of Sustainability Issues.



BUSINESS CONDUCT

Ethical and lawful business conduct is one of RevolutionRace’s core values. We focus on anti-corruption and animal welfare through policies and training of employees.

Impacts, risks, and opportunities

Ethical and lawful business conduct is crucial for most companies. It covers the lawful behaviour of company employees in general and especially with respect to anti-corruption as governed by the United Nations Convention against corruption.

Corruption obstructs development by basing decisions on private favours and illegal gains instead of the public welfare or market competition. Corruption is a risk to RevolutionRace in terms of reputational damage and potential fines. We have assessed the risk of corruption in our operations and found that the largest risk exists within sourcing of materials and products. Therefore, we prioritise training our purchasing department employees on anti-corruption measures.

Beyond anti-corruption, animal welfare has always been a central issue for RevolutionRace. Even though we use less than 5% animal-derived fibres in our products, we see this as an area where we can make a positive difference.

Policies and approach

RevolutionRace’s corporate culture is defined by our commitment to our customers to become the most recommended outdoor brand in the world and making nature accessible to all. Our Code of Conduct defines what RevolutionRace stands for and expects of its employees in terms of business ethics including animal welfare and anti-corruption. Our anti-corruption and bribery policy details our principles related to anti-corruption. It covers definitions and examples of unlawful behaviour and guidance on whistle-blower mechanisms when employees suspects illegal behaviour. Any indications of misconduct must be reported immediately to a trusted manager or reported through our whistleblower function as set out in our Whistle-blowing Instruction.

Our Supplier Code of Conduct also stipulates our anti-corruption principles for our suppliers. All employees receive our Code of Conduct upon employment and are trained in anti-corruption. Employees in functions at most risk of corruption are trained more regularly and detailed.

Our Animal welfare principles define that we never use real fur in our products and that we only use animal fibres with documented respect for animal rights like RWS (Responsible Wool Standard) and RDS (Responsible Down Standard).

2023/24 actions and Progress

In 2023, we developed a digital anti-corruption training, and all employees were trained. During the financial year, all new hires completed the training.

All our suppliers with BSCI audits received a rating of “very good” in business ethics, with anti-corruption policies in place and regular employee training.

During 2023/24, 73% of our animal fibers were certified according to RWS or RDS, meaning we unfortunately did not reach our goal of 100%. A closer traceability check revealed that one supplier’s entire down supply chain was not certified and that a sock lacked certification for wool.

Plans for 2024/25

Our anti-corruption training is well-designed and recently updated, and we have no plans to change it. We will continue with regular training for our employees to ensure high awareness and compliance. At the same time, we continue to implement our animal welfare policy. Since we did not achieve our goal of exclusively purchasing third-party verified animal fibers, we will now ensure more continuous follow-up of this work. With the support of our new PLM system, which supports data structure for traceability, this work will become more efficient.

Animal Welfare

At RevolutionRace, we love animals, and we’re not just talking about the four-legged ones often seen in our social media channels. We value all animals and tolerate no form of animal cruelty. To ensure animal welfare and rights, all animal fibers in our production are regulated according to our animal rights policy. We require third-party certification and prohibit animals from being bred solely for their skin.

We have never, and will never, use real fur!

We are proud members of Fur Free Retailer.



Targets and metrics

Anti-corruption training

100%

Always
100% of employees trained in anti-corruption.

Certified animal fibers

73%

Always
100% certified animal fibers.

Fur











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Always
Ban fur.

APPENDIX



Materiality assessment and management of material topics

Sustainability topic (descending impact)	Impact materiality		Financial materiality		Measures to mitigate risks and seize opportunities	SDG	Responsibility
	Potential or actual negative	Potential or actual positive	Degree	Risks			
1. Human rights and labour conditions in the supply chain	Sourcing from countries and suppliers where human rights and good labour standards are insufficiently implemented e.g. excessive overtime and health and safety in garment factories; health and safety at material suppliers; child labour and forced labour in raw material production.	Increased respect for human rights and improved working conditions through international multi-stakeholder initiatives.	Medium	Reputational Fines if not living up to due diligence legislation	Supplier Code of Conduct Supply Chain Due Diligence incl. supplier monitoring Responsible purchasing practices Amfori Membership and initiatives		Management Board Sustainability Manager drives transparency, due diligence and initiatives.
2. Climate protection	GHG emissions from energy-intensive fossil fuel based raw material and product production processes and transportation leading to global warming.	Implementation of business and production processes consuming less material and using less energy. Implementation of renewable energy throughout the supply chain avoiding emissions.	Medium	Reputational if not living up to intergovernmental agreements e.g. the Paris agreement. Fines if not living up to future GHG legislation	GHG reduction commitment GHG measurements and reduction road-map		Management Board Board of Directors signs of climate strategy & commitments. Sustainability Manager drives transparency and initiatives.
3. Durable products and circularity of resources	Apparel production and waste from overproduction, apparel with low quality or with low emotional durability leading to pollution incl. micro-fibres, pressure on natural resources and emissions	Design for durability and wear results in less pressure on materials and waste. Circular design principles, production processes and business models decreases pressure on raw materials and reduces waste.	High	Reputational Pressure on margins from unsold products	Design guidelines Quality control and chemical management Less intensive production processes: bluesign®, Dope-Dye		Head of Purchasing & Production Purchase Manager implements quality management. Sustainability Manager drives transparency, initiatives and Chemical Management.
4. Sustainably sourced materials and responsible production of raw materials	Resource-intensive farming and production processes leading to soil- and water-pollution, depletion of natural resources and GHG emissions in the production of materials for garments. Irresponsible extraction of raw materials leading to biodiversity loss and unacceptable animal welfare.	Supporting sustainable material innovations and international initiatives promoting more sustainable materials, biodiversity and respect for animal welfare increases awareness, relevance and protects the environment and workers.	High	Reputational Sales loss due to insufficient quality or lack of suppliers and production opportunities.	Cooperation with fabric suppliers and production planning Sustainable materials commitment Better Cotton membership and initiatives		Head of Purchasing & Production Purchase Manager implements targets. Sustainability Manager drives transparency and initiatives.
5. Environmental protection in the supply chain incl. responsible handling of chemicals and water in production	Production processes with unsustainable chemical management and waste water management polluting the environment and local communities. Water consumption in raw material production and water-intensive dyeing processes leading to freshwater scarcity in waterstressed areas.	Supporting sustainable production processes and international initiatives to reduce water consumption and manage and eliminate harmful substances in production.	Low	Higher operational costs	Supplier Code of Conduct Supply Chain Due Diligence incl. supplier monitoring bluesign® Partnership and initiatives		Head of Purchasing & Production Sustainability Manager drives transparency, initiatives and Chemical Management.
6. Engaged employees	Discrimination, harassment or unequal treatment of employees challenging labour conditions and policies.	High standards of diversity, inclusion, equality and development opportunities supporting awareness of the topics and leading to employee well-being.	Medium	Inability to recruit and retain employees Lower employee motivation	Diversity policy Training of leadership Employee Satisfaction Survey	 	Management Board HR Manager defines and drives initiatives.
7. Safe products	Products containing chemical substances with safety risks to consumers. Violations of applicable chemical legislation.	Supporting recognised initiatives to increase awareness and reduce health risks from chemical hazards.	High	Regulatory violations and fines if not living up to legislation e.g REACH. Sales loss from recall of products.	Product risk assessment and ban on PFCs Product compliance tests and third party certifications (Oeko-Tex® 100) bluesign® Partnership and initiatives		Head of Purchasing & Production Purchase Manager implements product safety management.
8. Data protection	Data privacy violation of individual consumers, employees, suppliers	No violations of data privacy due to high compliance standards.	Low	Fines if not living up to legislation	Data privacy policy and Information Security Policy Mandatory training of employees Clear guidelines on Information Management and Incident Management		CTO
9. Ethical behavior and governance	Corruption and bribery obstructing development through private favours and illegal gains instead of public welfare and market competition.	Supporting awareness of corruption and participating in multi-stakeholder initiatives working towards reduction of corruption.	Low	Fines if not living up to legislation	Code of Conduct and Supplier Code of Conduct Corruption and Anti-Bribery instruction Supply Chain Due Diligence Mandatory training of employees Amfori membership and initiatives		CEO



TARGETS AND METRICS

Climate change

Metric	Unit of measure	Target description	Target	Target year	23/24	22/23	21/22	20/21	Status
Core strategic targets									
Scope 1+2 reduction to baseyear 2020/21	%	50% reduction of scope 1+2 to 2020/21 base year	-50	2030/31	-80	-62	-68	Base-year	Keep
Scope 3 reduction per net sales to baseyear 2020/21	%	40% reduction of scope 3 per net sales to 2020/21 base year	-40	2030/31	-43	-49	1	Base-year	On track
Share renewable electricity	%	100% renewable electricity in own operations	100	Since 2021	100	100	100	50	Keep
Air transport share of volume	%	Implement air transportation as an exception	<5%	Since 2022	4	0.2	11	36	Keep
GHG emissions									
Scope 1	tCO ₂ e		Measure		2	3	3	7	
Scope 2	tCO ₂ e		Measure		2	3	3	10	
Scope 3	tCO ₂ e		Measure		18,027	13,736	23,153	15,475	
Purchased goods and services	tCO ₂ e		Measure		15,521	12,175	20,201	12,233	
Upstream transportation	tCO ₂ e		Measure		638	207	1,365	2,417	
Downstream transportation	tCO ₂ e		Measure		1,601	1,204	1,543	805	
Other	tCO ₂ e		Measure		267	150	45	19	
Total Scope 1, 2, 3	tCO ₂ e		Measure		18,030	13,742	23,159	15,492	
Total Scope 1, 2, 3 relative to net sales	tCO ₂ e/SEKm		Measure		9.8	8.8	17.4	17.3	
Energy consumption own operations									
Mobile combustion, Scope 1	MwH		Measure		7	12	12	32	
Electricity, Scope 2	MwH		Measure		148	68	65	51	
District heating, Scope 2	MwH		Measure		146	69	60	60	
Energy consumption value chain									
Tier 1 - Suppliers implementing renewable energy, Share of purchased volume	%	Continuously increase production with garment manufacturers implementing renewable energy	Measure		41	37	New	New	
Tier 2 - Wet-process suppliers implementing renewable energy, Share of purchased volume	%	Continuously increase production with material suppliers implementing renewable energy	Measure		54	30	New	New	

Pollution

Metric	Unit of measure	Target description	Target	Target year	23/24	22/23	21/22	Status
Core strategic targets								
Share of purchased textile from best-practice wet-process suppliers on chemical management and waste water management (bluesign® System Partners or strong documentation e.g. Higg FEM >50)	%	100% of textile volume from wet-process suppliers with best-practice chemical management and wastewater management	100	2027/28	53	14	New	On track
Oeko-Tex® 100 certified materials, share of purchased volume	%	100% of textile volume should be Oeko-Tex® 100 certified or from bluesign certified suppliers	100	2025/26	99	98	90	On track
Share of products with PFAS DWR treatment	%	No products with PFAS treatments	0	Always	0	0	0	Keep
Number of TMC micro-fibrer shedding tests	#	Test material with a high risk of microfiber shedding according to the TMC microfiber test	5 p.a.	2025/26	New	New	New	Start
Tier 1 suppliers								
Tier 1 suppliers with A-C BSCI Audit "consideration of the environment", Share of purchased volume	%	All suppliers shall comply with applicable environmental legislation	100	Always	100	100	100	Keep
Tier 1 suppliers reporting with Higg FEM, Share of purchased volume	%		Measure		61	42	34	
Tier 1 suppliers reporting on RevolutionRace environmental transparency, Share of purchased volume	%		Measure		100	100	New	
Tier 1 suppliers using digital chemical management tool to document chemical use and tests	%	All suppliers implementing digital management and monitoring of chemical RSL	100	Since 2023	100	100	42	Keep
Number of chemical tests	#		Measure		296	334	New	
Failed tests	%		Measure		0	0	New	
Tier 2 suppliers with wet-processes								
Wet-process suppliers that are bluesign® partners, Share of purchased volume	%	Increase share of wet-process suppliers that are bluesign partners	Measure		53	14	New	
Wet-process suppliers reporting with Higg FEM, Share of purchased volume	%		Measure		42	33	50	
Wet-process suppliers reporting on RVRC environmental transparency, Share of purchased volume	%		Measure		95	New	New	
Wet-process suppliers documenting ZDHC wastewater compliance, Share of purchased volume	%	Wet-process suppliers should follow ZDHC recommendations and document compliance through through ZDHC wastewater reports	100	2027/28	61	New	New	

Water

Metric	Unit of measure	Target description	Target	Target year	23/24	22/23	21/22	Status
Core strategic targets								
Share of purchased textile from best-practice wet-process suppliers on water management (bluesign® System Partners or strong documentation e.g. Higg FEM >50)	%	100% of textile volume from wet-process suppliers with best-practice water management	100	2027/28	63	14	New	On track
Products made with water-less dyeing, share of purchased volume	%	Increase share of products made with water-less dyeing	Increase		0.2	0.2	New	
Other water								
Wet-process suppliers located in waterstress areas	%		Measure		100	100	100	

Resource use and circular economy

Metric	Unit of measure	Target description	Target	Target year	23/24	22/23	21/22	Status
Core strategic targets								
Product average satisfaction	#	Stay close to 5.0/5.0 product satisfaction	5.0/5.0	Always	4.6	4.6	4.6	On track
Share of sustainably sourced textile volume	%	80% sustainably sourced textiles	80	2027/28	83	22	0,5	On track
Share of sustainably sourced packaging	%	100% sustainably sourced packaging	100	2025/26	98	73	53	On track
Share of products designed according to circularity principles	%	100% of products to be designed according to circularity principles	100	2030/31	New	New	New	Start
Share overproduction	%	Keep overproduction below 3%	<3%	Always	0.2	0.3	0.6	Keep
Resource inflows								
Pass rate quality tests incl. reworks	%	Keep pass rate high with quality management	Measure		100	99.7	99.4	Keep
Sustainably sourced polyester, Share of purchased volume	%	At least 50% sustainably sourced polyester	>50	2025/26	88	14	0	On track
Recycled polyester GRS, Share of purchased volume	%		Measure		60	14	0	
Polyester from bluesign® or Step by Oeko-Tex® certified supplier, Share of purchased volume	%		Measure		27	0	0	
bluesign® Approved and recycled polyester (GRS), Share of purchased volume	%		Measure		1	0	0	
Sustainably sourced polyamide, Share of purchased volume	%	At least 50% sustainably sourced polyamide	>50	2025/26	80	40	0	On track
Recycled polyamide GRS, Share of purchased volume	%		Measure		26	0	0	
Polyamide from bluesign® or Step by Oeko-Tex® certified supplier, Share of volume	%		Measure		47	40	0	
bluesign® Approved and recycled polyamide (GRS), Share of purchased volume	%		Measure		7	0	0	
Sustainably sourced cotton, Share of purchased volume	%	100% sustainably sourced cotton	>50	2025/26	82	0	0	We want to do better
Better Cotton, Share of purchased volume	%		Measure		3	0	0	

Metric	Unit of measure	Target description	Target	Target year	23/24	22/23	21/22	Status
Cotton from Step by Oeko-Tex® supplier, Share of purchased volume	%		Measure		79	0	0	
Sustainably sourced packaging, Share of purchased volume	%	100% sustainably sourced packaging	100	2025/26	98	73	53	On track
Recycled plastic, Share of purchased plastic volume	%		Measure		91	72	54	
Recycled cardboard, Share of purchased cardboard volume	%		Measure		100	0	0	
FSC certified cardboard, Share of purchased cardboard volume	%		Measure		100	74	5	
Resource outflows and waste								
Number of reviews	#	Become the most recommended outdoor brand in the world	Measure		600,000	500,000	390,000	On track
Customer service average satisfaction, %	%	Stay close to 93% customer service satisfaction	93	Always	92	90	87	On track
Average number of wears, see page 51 for definition	#	Design for frequent and long-term wear and measure average number of wears	Measure		79	50	83	
Products with life care labels	%	All products to be made with life care labels	100	Since 2023	100	100	100	Keep
Number of products given a second life	#		Measure		15,120	New	New	

Own workforce

Metric	Unit of measure	Target description	Target	Target year	23/24	22/23	21/22	Status
Core strategic targets								
Average satisfaction (employee Net Promotor Score)	#	Employee satisfaction, eNPS above 35	>35	Since 2023	47	14	33	On track
Average engagement	#	Employee engagement above 80	>80	Since 2023	84	79	76	On track
Share of women on the Board of Directors	%	Balance between men and women in Board of Directors	>40	Since 2023	50	40	29	On track
Share of women in management	%	Balance between men and women in Management	>40	Since 2023	33	40	33	On track
Share of Women in other management	%	Balance between men and women in other Management (direct reports to management)	>40	Since 2023	62	68	79	On track
Characteristics of the undertaking's employees, 30th of June 2024								
Total employees	#		Measure		146	133	126	
Women	#		Measure		106	94	90	
Men	#		Measure		40	39	36	
Total employees	FTE		Measure		128	130	122	
Women	FTE		Measure		92	92	87	
Men	FTE		Measure		36	38	35	
Employees who left the company during the reporting period	FTE		Measure		20	28	16	
Women	FTE		Measure		12	17	10	
Men	FTE		Measure		8	11	6	
Rate of employee turnover	%		Measure		15	21	13	
Women	%		Measure		13	19	11	
Men	%		Measure		21	28	17	
Other Diversity metrics – Age distribution amongst employees, 30th of June 2024								
Below 30 years	FTE		Measure		43	50	65	
30–39 years	FTE		Measure		54	52	39	
40–49 years	FTE		Measure		19	16	11	
50–59 years	FTE		Measure		10	10	8	
60 years and above	FTE		Measure		2	2	0	
Rate of employee age diversity FTE								
Below 30 years	%		Measure		34	38	53	
30–39 years	%		Measure		43	40	32	
40–49 years	%		Measure		14	12	9	
50–59 years	%		Measure		8	8	6	
60 years and above	%		Measure		2	2	0	

Metric	Unit of measure	Target description	Target	Target year	23/24	22/23	21/22	Status
Working conditions								
Average absence days	#		Measure		3	3	10	Keep
Equal treatment and opportunities for all								
Employees feel that they can be their own authentic selves	%		Measure		92	93	93	
Employees feel that they are part of a community	%		Measure		90	91	90	
Employee satisfaction with leadership	%		Measure		86	81	N.a.	
Employees taking parental leave, Share of total headcount	%		Measure		11	7	1	
Women taking parental leave, Share of total female headcount	%		Measure		14	9	1	
Men taking parental leave, Share of total male headcount	%		Measure		3	3	0	
Employees with annual appraisal review	%		100	Always	100	100	100	Keep
Average number of training hours	#		Measure		22	10	N.a.	
Number of incidents of discrimination incl. harassment reported	#		Measure		0	0	0	Keep

Workers in the value chain

Metric	Unit of measure	Target description	Target	Target year	23/24	22/23	21/22	Status
Core strategic targets								
Share of suppliers with A–C BSCI audit	%	100% of suppliers with good BSCI audit (or equivalent)	100	Since 2023	100	100	97	Keep
Share of suppliers with local and international grievance mechanism	%	100% suppliers with well-working local and international grievance mechanisms	100	2027/28	13%	N.a.	N.a.	We want to do better
Share of suppliers with A–C social management system	%	100% of suppliers with good social management systems	100	2030/31	80	86	71	We want to do better
Share of suppliers with A–C decent working hours	%	100% of suppliers without excessive working hours	100	2030/31	33	34	35	We want to do better
Working conditions								
Suppliers have signed RevolutionRace Code of Conduct	%	All suppliers must sign our Code of Conduct	100	Since 2023	100	100	97	Keep
Suppliers third party social audit, BSCI								
Share of suppliers with A, B	%		Measure		24	24	26	
Share of suppliers with C	%		Measure		76	76	74	
Share of suppliers with D or below	%		Measure		0	0	0	
Workers involvement and protection								
Share of suppliers with A, B	%		Measure		92	95	85	
Share of suppliers with C	%		Measure		4	2	12	
Share of suppliers with D or below	%		Measure		4	2	3	
The right of freedom of association and collective bargaining								
Share of suppliers with A, B	%		Measure		100	100	100	
Share of suppliers with C	%		Measure		0	0	0	
Share of suppliers with D or below	%		Measure		0	0	0	
Fair remuneration								
Share of suppliers with A, B	%		Measure		83	98	100	
Share of suppliers with C	%		Measure		17	2	0	
Share of suppliers with D or below	%		Measure		0	0	0	
Occupational health and safety								
Share of suppliers with A, B	%		Measure		96	95	94	
Share of suppliers with C	%		Measure		0	0	0	
Share of suppliers with D or below	%		Measure		4	5	6	
No precarious employment								
Share of suppliers with A, B	%		Measure		100	100	100	
Share of suppliers with C	%		Measure		0	0	0	
Share of suppliers with D or below	%		Measure		0	0	0	
Supplier visits Tier 1, Share of total purchase volume	%		Measure		40	60	N.a	
Supplier visits Tier 2, Share of total purchase volume	%		Measure		56	N.a	N.a	

Metric	Unit of measure	Target description	Target	Target year	23/24	22/23	21/22	Status
Equal treatment and opportunities for all								
No discrimination								
Share of suppliers with A, B	%		Measure		96	93	100	
Share of suppliers with C	%		Measure		4	7	0	
Share of suppliers with D or below	%		Measure		0	0	0	
Special protection for young workers								
Share of suppliers with A, B	%		Measure		100	100	100	
Share of suppliers with C	%		Measure		0	0	0	
Share of suppliers with D or below	%		Measure		0	0	0	
Grievance mechanisms								
Yearly follow-up on grievance mechanisms	%		100	Since 2023	100	100	N.a.	
Suppliers with documented well-working local grievance mechanisms, Share of purchased volume	%		100	Since 2023	100	100	N.a.	
Suppliers with international level grievance mechanisms, Share of purchased volume	%	All suppliers should implement Amfori "speak for change" when available in country.	100		13	N.a.	N.a.	
Vietnam: Implementation of Amfori "Speak for Change"	%		100		0	N.a.	N.a.	
Turkey: Implementation of Amfori "Speak for Change"	%		100		0	N.a.	N.a.	
Bangladesh: Implementation of Amfori "Speak for Change"	%		100		100	N.a.	N.a.	
India: Implementation of Amfori "Speak for Change"	%		100		100	N.a.	N.a.	
Other workrelated rights								
No child labour								
Share of suppliers with A, B	%		Measure		100	100	100	
Share of suppliers with C	%		Measure		0	0	0	
Share of suppliers with D or below	%		Measure		0	0	0	
No bonded labour								
Share of suppliers with A, B	%		Measure		100	100	100	
Share of suppliers with C	%		Measure		0	0	0	
Share of suppliers with D or below	%		Measure		0	0	0	

Consumers

Metric	Unit of measure	Target description	Target	Target year	23/24	22/23	21/22	Status
Core strategic targets								
Oeko-Tex® 100 certified materials, share of purchased volume	%	100% of textile volume should be Oeko-Tex® 100 certified or from bluesign certified suppliers	100	2025/26	100	98	90	Keep
Share of products with PFAS DWR treatment	%	No products with PFAS treatments	0	Always	0	0	0	Keep
Number of known breaches of data privacy	#	No data privacy breaches	0	Always	0	0	0	Keep
Employees trained in data privacy and data security	%	100% of employees trained in data privacy and data security	100	Always	100	100	100	Keep
Number of known breaches of responsible marketing practices	#	No breaches of responsible marketing practices	0	Always	0	0	0	Keep

Governance

Metric	Unit of measure	Target description	Target	Target year	23/24	22/23	21/22	Status
Core strategic targets								
Number of reported corruption incidents	#	No incidents of corruption or bribery	0	Always	0	0	0	Keep
Share of employees trained in anti-corruption	%	100% of employees trained in anti-corruption	100	Since 2023	100	100	100	Keep
Share of purchased animal fibres with certification	%	100% sustainably sourced animal fibres	100	Always	73	100	100	We want to do better
Share of products with real fur	%	No real fur in our products	0	Always	0	0	0	Keep
Tier 1 suppliers: Ethical business behaviour								
Ethical business behaviour								
Share of suppliers with A, B	%		Measure		100	100	100	
Share of suppliers with C	%		Measure		0	0	0	
Share of suppliers with D or below	%		Measure		0	0	0	

MATERIAL TOPICS, GRI STANDARD AND DISCLOSURES, IMPACT BOUNDARIES

Material Topic	GRI Standard or other disclosure	Impact in own operations	Impact outside own operations
Human rights and labour conditions in the supply chain	403: Occupational health and safety		Suppliers
	407: Freedom of association and collective bargaining		Suppliers
	408: Child labor		Suppliers
	409: Forced or compulsory labor Suppliers		Suppliers
	412: Human rights assessment		Suppliers
	414: Supplier social assessment		Suppliers
Climate protection	302: Energy	Own operations	Suppliers
	305: Emissions	Own operations	Suppliers
	308: Supplier environmental assessment		Suppliers
Durable products and circularity of resources	301: Materials	Own operations	Suppliers
	Own measure: Customer satisfaction	Own operations	Customers
	Own measure: Quality test results	Own operations	Suppliers
	Own measure: Overproduction	Own operations	
More sustainable materials and sustainable production of raw materials	301: Materials	Own operations	Suppliers
Environmental responsibility in the supply chain incl. responsible chemical management and water in production.	308: Supplier environmental assessment		Suppliers
Engaged employees	401: Employment	Own operations	
	404: Training and education	Own operations	
	405: Diversity and equal opportunity	Own operations	Suppliers
	406: Nondiscrimination	Own operations	Suppliers
Safe products	416: Customer health and safety	Own operations	Customers, suppliers
Data protection	418: Customer integrity	Own operations	Customers
Ethical behavior and governance	205: Anti-corruption	Own operations	Suppliers

GRI-INDEX

Statement of use RevolutionRace has reported in accordance with the GRI Standards for the period from 1 July 2023 to 30 June 2024.
GRI 1 used GRI 1: Foundation 2021
Applicable GRI Sector Standard(s) None applicable

GRI Standard	Disclosure	Page #	Comments and omissions
GRI 2: GENERAL DISCLOSURES 2021			
	2-1 Organisational details	87, 129	
	2-2 Entities included in the organisation's sustainability reporting	106	
	2-3 Reporting period frequency and contact point	22, 86	
	2-4 Restatements of information		Not applicable. No changes.
	2-5 External assurance	22, 85	
	2-6 Activities, value chain and other business relationships	33, 87	
	2-7 Employees	58	
	2-8 Workers who are not employees		Not applicable.
	2-9 Governance structure and composition	92–94	
	2-10 Nomination and selection of the highest governance body	92–93	
	2-11 Chair of the highest governance body	93	
	2-12 Role of the highest governance body in overseeing the management of impacts	36	
	2-13 Delegation of responsibility for managing impacts	36	
	2-14 Role of the highest governance body in sustainability reporting	36	
	2-15 Conflicts of interest	96	
	2-16 Communication of critical concerns	36	
	2-17 Collective knowledge of the highest governance body	96	
	2-18 Evaluation of the performance of the highest governance body	94	
	2-19 Remuneration policies	91	
	2-20 Process to determine remuneration	91	
	2-21 Annual total compensation ratio		Not available.
	2-22 Statement on sustainable development strategy	29	
	2-23 Policy commitments	32–33, 41, 58, 65, 69, 71	
	2-24 Embedding policy commitments	32–33, 41, 58, 65, 69, 71	
	2-25 Processes to remediate negative impacts	32–34	
	2-26 Mechanisms for seeking advice and raising concerns	58, 68	
	2-27 Compliance with laws and regulations		No known breaches during the year.
	2-28 Membership associations	38	
	2-29 Approach to stakeholder engagement	30–31	
	2-30 Collective bargaining agreements	58	All employees work at the head office in Borås or at office location in Stockholm, Sweden and are covered by national agreements.

Material topics

GRI Standard	Disclosure	Page #	Comments and omissions
MATERIAL TOPICS			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	30	
	3-2 List of material topics	73	
ANTI-CORRUPTION			
GRI 3: Material Topics 2021	3-3 Management of material topics	71	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	71	In addition to the risk of corruption in our own operations, there is a risk of corruption in our supply chain. Our BSCI audits show that all audited suppliers had acceptable anti-corruption policies and procedures. In addition, they had identified the main risk situations for where corruption is likely to occur and trained relevant staff on the issue.
	205-2 Communication and training about anti-corruption policies and procedures	71	Our onboarding program includes introduction and training in all policies. All employees have digital access to all policies. Training of all employees in anti-corruption during 2023/24
	205-3 Confirmed incidents of corruption and actions taken		In the financial year there were no confirmed incidents of corruption.
MATERIALS			
GRI 3: Material Topics 2021	3-3 Management of material topics	41, 50, 54, 56	
GRI 301: Materials 2016	301-1 Materials used by weight or volume	55	
	301-2 Recycled input materials used	55	
ENERGY			
GRI 3: Material Topics 2021	3-3 Management of material topics	41–43	
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	44	RevolutionRace discloses energy consumption in MWh. One MWh corresponds to 3.6 GJ
	302-4 Reduction of energy consumption	42–43	
EMISSIONS			
GRI 3: Material Topics 2021	3-3 Management of material topics	41–43	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	44	
	305-2 Energy indirect (Scope 2) GHG emissions	44	Location-based emission scope 2 = 5 tons CO ₂ e.
	305-3 Other indirect (Scope 3) GHG emissions	44	
	305-4 GHG emissions intensity	44	
	305-5 Reduction of GHG emissions	42–43	
SUPPLIER ENVIRONMENTAL ASSESSMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics	33–34, 41, 45–50	Our BSCI audits show that all audited suppliers have an acceptable environmental management, a dedicated responsible manager and training of employees. All factories had correct treatment of waste. Since 2021 we complement the audits with our own environmental assessment and the Higg FEM Index.
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	34	100%
	308-2 Negative environmental impacts in the supply chain and actions taken	41–50, 54	

GRI Standard	Disclosure	Page #	Comments and omissions																																			
EMPLOYMENT																																						
GRI 3: Material Topics 2021	3-3 Management of material topics	58	Employment at suppliers under GRI 414: Supplier social assessment																																			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	58	<table border="1"> <thead> <tr> <th></th> <th colspan="2">New hires</th> <th colspan="2">Churn</th> </tr> <tr> <th></th> <th>FTE</th> <th>%</th> <th>FTE</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Women</td> <td>21.5</td> <td>23</td> <td>12</td> <td>13</td> </tr> <tr> <td>Men</td> <td>8</td> <td>22</td> <td>7.75</td> <td>21</td> </tr> <tr> <td><30</td> <td>15.5</td> <td>36</td> <td>13</td> <td>30</td> </tr> <tr> <td>30-40</td> <td>11</td> <td>20</td> <td>6</td> <td>11</td> </tr> <tr> <td>40-50</td> <td>3</td> <td>16</td> <td>1</td> <td>5</td> </tr> </tbody> </table>		New hires		Churn			FTE	%	FTE	%	Women	21.5	23	12	13	Men	8	22	7.75	21	<30	15.5	36	13	30	30-40	11	20	6	11	40-50	3	16	1	5
	New hires		Churn																																			
	FTE	%	FTE	%																																		
Women	21.5	23	12	13																																		
Men	8	22	7.75	21																																		
<30	15.5	36	13	30																																		
30-40	11	20	6	11																																		
40-50	3	16	1	5																																		
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	60																																				
	401-3 Parental leave	77																																				
TRAINING AND EDUCATION																																						
GRI 3: Material Topics 2021	3-3 Management of material topics	58, 62																																				
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	62																																				
	404-3 Percentage of employees receiving regular performance and career development reviews	62																																				
DIVERSITY AND EQUAL OPPORTUNITY																																						
GRI 3: Material Topics 2021	3-3 Management of material topics	58-59																																				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	59	Supervisory Board: Age 30-40 years 0%, 40-50 years 83%, 50-60 years 17%. Management: Age 30-40 years 50%, 40-50 years 33%, 50-60 years 17%.																																			
	405-2 Ratio of basic salary and remuneration of women to men	59																																				
NON-DISCRIMINATION																																						
GRI 3: Material Topics 2021	3-3 Management of material topics	58, 60																																				
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken		In the financial year there were no incidents of discrimination reported.																																			
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING																																						
GRI 3: Material Topics 2021	3-3 Management of material topics	58																																				
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		Due to production in Asia we define all our suppliers and their sub-suppliers by default to pose a risk to the right of association and collective bargaining.																																			
CHILD LABOUR																																						
GRI 3: Material Topics 2021	3-3 Management of material topics	65-67																																				
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	65, 67	The largest material risk of child labour is in China, Vietnam and Myanmar and in cotton farming. We do monitor child labour through BSCI audits.																																			

GRI Standard	Disclosure	Page #	Comments and omissions
FORCED OR COMPULSORY LABOR			
GRI 3: Material Topics 2021	3-3 Management of material topics	65–67	
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	65, 67	The largest material risk of forced labour is in China, Vietnam and Myanmar and in cotton farming. We do monitor forced labour through BSCI audit and our chinese suppliers communicating their sub-contractors of every order.
HUMAN RIGHTS ASSESSMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics	32–34	
GRI 412: Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	65–67	
SUPPLIER SOCIAL ASSESSMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics	65–67	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	66–67	
	414-2 Negative social impacts in the supply chain and actions taken	66–67	
CUSTOMER HEALTH AND SAFETY			
GRI 3: Material Topics 2021	3-3 Management of material topics	69	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	69	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services		In the financial year there were no incidents of non-compliance.
CUSTOMER PRIVACY			
GRI 3: Material Topics 2021	3-3 Management of material topics	69	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	69	In the financial year there were no breaches of customer privacy or losses of customer data.

AUDITOR'S REPORT ON THE STATUTORY SUSTAINABILITY STATEMENT

To the general meeting of the shareholders of RVRC Holding AB (publ),
corporate identity number 559129-4623

Engagement and responsibility

It is the Board of Directors who is responsible for the statutory sustainability statement for the year the financial year 2023-07-01–2024-06-30 on pages 21–84 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the

statutory sustainability statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions

A statutory sustainability statement has been prepared.

Gothenburg 15 October 2024
Ernst & Young AB

Andreas Mast
Authorized Public Accountant



Contact
Stephanie Andersson
Sustainability Manager
stephanie@revolutionrace.se

MANAGEMENT REPORT

The Board of Directors and the CEO of RVRC Holding AB (publ), company registration no. 559129-4623, hereby submit the Annual Report and consolidated accounts for the financial year 1 July 2023–30 June 2024. On 30 June 2024, the Group comprised the parent company RVRC Holding AB (publ), domiciled in Borås, Sweden and four group companies, see also Note 10.

Operations

RevolutionRace offers high-quality clothing for outdoor pursuits and an active lifestyle to customers in more than 40 countries through its online store, which has been adapted to local circumstances in 18 countries. Since the incorporation of the Company in 2013 and the launch of its first outdoor trousers to challenge traditional brands, RevolutionRace has sold more than three million pairs of trousers and expanded its product range to offer a wide variety of clothing developed in-house.

The Company offers its multifunctional clothing under its own brand, RevolutionRace, targeting a broad and global customer base with an active lifestyle. The Company sells its products online, directly to customers. By removing the middleman, RevolutionRace is able to offer higher quality at a lower price than would have been possible at the dealer level. The lack of intermediaries also allows for a faster product development process. Through good communication with customers on digital and social platforms, the customer's wishes are taken into account when new garments are developed.

Market

RevolutionRace conducts its operations within the framework of a digital D2C business model, meaning that sales occur exclusively online, targeting consumers directly. By selling products directly to consumers without intermediaries in the form of wholesalers, distributors and retailers, RevolutionRace considers itself able to offer products at unmatched value in terms of price, quality and design for end consumers. The digital D2C model has also enabled RevolutionRace to adapt the customer experience, building strong commitment and loyalty around the brand by means of distinctly digital and data-driven marketing with a pronounced social media presence.

RevolutionRace's largest individual market is Germany, followed by Sweden. In addition to the digital D2C business model, the Company also has sales via Amazon in more than 20 countries. Sales are conducted through a separate company-specific domain on Amazon, where RevolutionRace maintains a brand page with custom content, as well as its own videos, banners and product images. The product range, marketing and pricing on the platform are controlled by the Company itself.

Significant events during the financial year

New markets and products

During the financial year, RevolutionRace has launched an alpine collection and a selection of lightweight products, in line with the Company's endeavor to make nature accessible to all. The largest product category is still trousers, but the other product categories through the past year have expanded and grown with high customer reviews.

Distribution and logistics

During the year, the Company continued to cooperate with two main third-party suppliers in warehousing and logistics and worked on balancing them to make available a wider product range. The Company's ability to control this creates good conditions for optimising both sales and expenses. The Company's logistic hub in the US, which serve Amazon US with products, has since spring 2024 also been handling returns for the business in US.

The services for delivery to the customer, customer returns and communication with the customers have improved, among other things with new distributors and digitalisation.

The Company has implemented adjustments to the inventory accordingly with the sales pattern, which has resulted in a balanced inventory management. Through various measures, turnover of older stock successfully increased.

Changes in management team and Board of Directors

- On 30 August 2023, Sara Diez Jauregui was appointed as member of the Board.
- At the AGM, 21 November 2023, Niclas Nyrensten, Birgitta Stymne Göransson and David Thörewik were appointed as members of the Board and Alexander Martensen-Larsen as Chairperson of the Board.
- On 13 June 2024, Niclas Nyrensten, board member and co-founder, resigned as member of the Board.

Long-term incentive programme for management and key personnel

The Company has three long-term incentive programs aimed at management and key personnel in RevolutionRace. The first program, 2021/2024, includes a total of 12 people. The incentive program includes the issue and transfer at market price of a maximum of 1,889,677 warrants, which can be exercised during the period 1 July 2024–31 December 2024. The exercise price for the warrants corresponds to 130 percent of the offer price in the IPO.

During the year, a repurchase was made of 112,359 warrants, as a consequence of people terminating their employment. The Company has also, in connection with the share distribution and according to the terms, recalculated the subscription price to SEK 93.35 (94.83) and the number of shares per warrant to 1.04 (1.03). Assuming that all warrants in LTIP 2021/2024 are used to subscribe for new shares, the Company's share capital will increase by SEK 19,652.64 (19,463.73), corresponding to a dilution effect of approximately 1.8 (1.7) percent.

The second program, 2022/2026, includes a total of 22 people. The incentive program includes the issue and transfer at market price of a maximum of 2,125,000 warrants, which can be exercised during the period 15 November 2025–15 May 2026. The exercise price for the warrants corresponds to 140 percent of the share price at implementation.

During the year, a repurchase was made of 175,000 warrants, as a consequence of people terminating their employment. The Company has also, in connection with the share distribution and according to the terms, recalculated the subscription price to SEK 38.27 (38.81) and the number of shares per warrant to 1.04 (1.02). Assuming that all warrants in LTIP 2022/2026 are used to subscribe for new shares, the Company's share capital will increase by SEK 22,100.00 (21,675), corresponding to a dilution effect of approximately 2.0 (1.9) percent.

The third program, 2023/2027, which was implemented during the financial year, includes a total of 15 people. The incentive program includes the issue and transfer at market price of a maximum of 750,000 warrants, which can be exercised during the period 2 January 2027–2 July 2027. The exercise price for the warrants corresponds to 140 percent of the share price at implementation.

Assuming that all warrants in LTIP 2023/2027 are used to subscribe for new shares, the Company's share capital will increase by SEK 7,500.00 (-), corresponding to a dilution effect of approximately 0.7 (-) percent.

Developments in the Company's operations, profit and position

Revenues, expenses and profit

Net sales amounted to SEK 1,840 million (1,560). The increase in net sales is attributable to higher demand for the Company's multifunctional products in all regions.

The expenses amounted to SEK 1,456 million (1,252). The increase is largely attributable to the growth of the Company with increased expenses for goods for resale and other external expenses. The Company's other external expenses are largely attributable to logistics and marketing expenses.

EBIT amounted to SEK 386 million (310). The operating result was affected, among other things, by expenses attributable to the AGM-decided incentive program (LTIP) which was implemented during the second quarter at a cost of SEK 3 million. Adjusted for this one-off expense, EBIT amounted to SEK 389 million. Financial income and expenses amounted to SEK 4 million (-4), mainly comprising interest income, interest expenses and similar items. Profit for the year amounted to SEK 308 million (243).

Earnings per share before and after dilution amounted to SEK 2.73 (2.15) and SEK 2.72 (2.15) respectively.

Developments in the Company's operations, profit and position

Group, SEKm	2023/24	2022/23	2021/22	2020/21	2019/20
Net Sales	1,840	1,560	1,331	897	387
Profit for the year attributable to parent company shareholders	308	243	288	172	60
Total assets	1,618	1,437	1,394	1,268	956
Equity/assets ratio, %	77.4	79.2	69.9	59.9	65.6

Parent company, MSEK	2023/24	2022/23	2021/22	2020/21	2019/20
Net sales	15	19	7	1	0
Profit for the year	94	93	0	110	132
Total assets	712	688	659	970	646
Equity/assets ratio, %	78.8	96.1	98.0	74.0	100.0

Cash flow, investments and financial position

Cash flow from operating activities amounted to SEK 349 million (188). The increase is mainly attributable to the operating profit and decrease of operating liabilities. The cash flow from financing activities amounted to an outflow of SEK –198 million (–102), of which an outflow of SEK –97 million (–87) is attributable to dividends paid, and SEK –98 million (–) to repurchase of own shares. During the period, investments were made that affected cash flow by SEK –10 million (–6), primarily comprising investments in other intangible assets.

The total credit facility, which expires in June 2028, amounts to SEK 600 million, of which approximately SEK 300 million is an overdraft. As of the balance sheet date, the utilised overdraft amounted to SEK 0 (0) million.

Parent company

The parent company conducts administrative tasks and performs intra-group services regarding group management. The parent company's net sales amounted to SEK 15 million (19). The operating profit (EBIT) amounted to SEK –6 million (–7) and profit for the year amounted to SEK 94 million (93). At the end of the year, equity amounted to SEK 561 million (661).

Share and shareholders

Since 16 June 2021, the share has been listed on the Nasdaq Stockholm. As of 30 June 2022, the share capital amounted to SEK 1.1 million, divided between 112,918,918 shares. Each share gives the right to entail one vote at the Annual General Meeting and the shares provide equal rights to the Company's profit and surplus in the event of liquidation.

At the Annual General Meeting, each shareholder is entitled to vote for the entire number of shares held with no limit to the number of votes. The shares are not subject to any transfer restrictions.

As of 30 June 2023, there were 2 (2) shareholders with direct or indirect shareholdings amounting to more than one tenth of the total number of votes in the Company, corresponding to a total shareholding of 35.6 percent (54.3).

At the end of the year, three incentive programmes were in place involving a total of 4,764,677 (4,014,677) warrants, issued in three series and with an exercise price of SEK 93.35 (94.83) and SEK 38.27 (38.81) and 74.23 (–) respectively. Upon full exercise of the aforementioned warrants, the number of shares will increase by 4,925,264 (4,113,867).

Related party transactions

The Company has no external transactions with related parties.

Outlook

Target achievement

During the financial year, net sales increased by 18 (17) percent to SEK 1,840 million (1,560).

The Group has during the financial year resolved on and published new long-term goals for the period 2024/25–2026/27.

- RevolutionRace strives for a sustainable and profitable growth
- an annual growth target of 20 percent and
- the Group's long-term target relating to profitability is to maintain an annual adjusted EBIT-margin of 20 percent.

In 2023/24, the EBIT margin increased to 20.9 percent (19.9). The increase is mainly attributable to an increase in market efficiency.

The Company takes a positive view of the upcoming years, with RevolutionRace appearing to be well-positioned in the market.

Profitable growth

Focus during 2024/25 will be to increase sales through growth in existing markets. Continued cost control and increased efficiency throughout the organisation provides a foundation for continued profitability. For the 2023/24 financial year, the Board of Directors proposes an ordinary dividend of SEK 1.20 (0.86) per share, corresponding to approximately 44 (40) percent of the profit for the year for the group. In the proposal, in accordance with the Company's dividend policy, long-term financial stability, growth opportunities and strategic initiatives have been taken into account. The ambition is that future cash flows should continue to be used for dividends but also provide financial flexibility for investments within the existing structure. The long-term goal of distributing 40–60 percent of the year's results remains unchanged.

Financial forecast

RevolutionRace is not presenting a financial forecast for 2024/25.

Sustainability at RevolutionRace

RevolutionRace strives to act in an ethical, socially, and environmentally responsible manner and to be an attractive employer. Our mission, "nature is our playground," is the foundation of our sustainability strategy. Nature defines our existence, and we feel a deep respect and great responsibility to protect and restore it.

In 2024, we updated our sustainability strategy, *A Responsible Race*, based on the double materiality assessment we conducted in 2023. The strategy focuses on five key priorities, along with solid governance of sustainability issues:

- Durable and safe products
- Climate protection
- Environmental protection
- Engaged employees
- Social responsibility in the supply chain

RevolutionRace's sustainability efforts begin with durable and safe products. For our consumers, this is of utmost importance, and we are committed to producing timeless, high-quality products that can be worn for a long time, often, and are safe for both our customers and suppliers during the production process.

Through our focus on climate protection, we support the Paris Agreement's goal of limiting global warming to 1.5°C, and we are determined to reduce our emissions. During the year, we started the process of validating our climate goals according to Science Based Targets-initiativet (SBTi).

We place great emphasis on environmental protection and work closely with our suppliers to conserve and restore natural resources through improved design, purchasing, and production solutions.

To ensure that we have engaged employees, we actively work for their well-being and development through good leadership, inclusion, and equal opportunities.

With our focus on social responsibility in the supply chain, we promote human rights and good working conditions in close cooperation with our suppliers.

We drive our sustainability efforts with engaging governance that involves both internal and external stakeholders, promoting transparency, traceability, and ethical behaviour. The strategy lays the foundation for the development of policies, metrics, and goals, as well as the actions needed to successfully advance our sustainability journey. For more information on sustainability, see Sustainability report on pages 21–86.

For more information on corporate governance, see Corporate governance report on pages 92–97. The corporate governance report has been drawn up in accordance with ÅRL, ch. 6, § 8.

Significant risks and uncertainties

The current valuation of the Company's assets assumes adherence to the business plan that has been prepared. The Board of Directors estimates that future sales volumes will be sufficient for discounted cash flows deriving from these to justify current valuations by a good margin. The Board of Directors considers the probability of implementing the business plan as favourable. Financial risks are presented in Note 21.

Risks and risk management

RevolutionRace is subject to a number of risks associated with, among other things, macroeconomic factors, geopolitical conditions and changing customer behaviours. Exposure to risks is a natural element of business operations and, for this reason, RevolutionRace has a risk management plan. Some risks can be eliminated by means of internal procedures. Other risks are minimised by means of various policies, action plans and employee training.

Risk management organisation

The Board of Directors of RevolutionRace is responsible for managing the Company's risks on shareholders' behalf. Risks associated with business development and long-term strategic planning are prepared by Group Management and adopted by the Board of Directors. Group Management continuously reports risk issues such as the Group's financial position and compliance with the Group's Finance Policy to the Board of Directors. As a basis for the operational risk management, which is handled at all levels in the organisation, the RevolutionRace *Code of Conduct* and a number of central policies have been established.

Identification of risks

Identifying risks and pre-empting, mitigating or preventing their potential adverse effects on the business is of fundamental importance for the Company's operations. RevolutionRace continuously works to assess and evaluate the risks to which the Group is, and can be, exposed. It is important to monitor and minimise all events that could affect confidence or trust in RevolutionRace or that could lead to operational disruptions. This is the responsibility of Group Management and occurs by means of a dialogue with various stakeholders.

Risk management

The capacity for managing risks forms part of RevolutionRace's governance and control. The rapid dissemination of appropriate information is safeguarded through the Company's management structures and processes. Where possible, the risk is eliminated, with the effects of undesirable events being minimised through preventive measures. Alternatively, the risk is transferred through, for example, contracts or insurance plans. Not all risks can be eliminated or transferred, however, and such risks generally form an active element in the operations.

Risk overview

In RevolutionRace's risk management process, several areas of risk have been identified. A selection of these and an overarching description of how each area of risk is managed can be found on the following pages. The financial risk management is further described in greater detail in Note 21 on pages 116–117. Pages 94–95 presents a description of the internal control and risk assessment processes aimed at preventing errors in the financial reporting.

STRATEGIC RISKS	MANAGEMENT	OPERATIONAL RISKS	MANAGEMENT
<p>New and existing markets</p> <p>RevolutionRace's vision is to become the world's most recommended outdoor brand. In the long-term work with achieving this are both new markets and to develop existing markets significantly.</p>	<p>By continuously working with and following up on the expansion plans, regarding both new and existing markets, and customers, the Company prevents the risk of stunted growth.</p>	<p>Price risk</p> <p>Since RevolutionRace's product range is manufactured more or less exclusively in countries undergoing continuous and rapid economic development, the Company is exposed to the risk that expenses and salaries may increase in countries where the Company's products are manufactured.</p>	<p>RevolutionRace continuously monitors the relevant markets and ensures that forecasts are based on the anticipated expenses.</p>
<p>Availability of expertise</p> <p>Skilled and committed employees and managers play an important role in RevolutionRace's capacity to achieve its objectives and visions and to continue running the operations profitably and sustainably during RevolutionRace's current expansion phase.</p>	<p>RevolutionRace shall continue to be an attractive employer. Development and follow-up plans for employees, combined with market-based and competitive remunerations, help make it possible to recruit and retain employees.</p>	<p>Dependent on digital channels</p> <p>RevolutionRace is dependent on digital channels and platforms to reach their customers and potential customers and market its products and the Company.</p>	<p>RevolutionRace uses several channels and platforms and continuously monitors new and growing channels/ platforms. Furthermore, the Company creates content to drive organic traffic to its website, conducts PR activities, e-mail, SMS, affiliate, partnership, TV and referral marketing for direct communication and interaction with and between as well customers as potential customers.</p>
<p>Product quality</p> <p>The products that RevolutionRace offers must have an unbeatable value in terms of price, quality and design. There is one risk that the products do not live up to one or more of these criteria and thereby hinder the Company's possibilities for continuation growth.</p>	<p>RevolutionRace ensures that quality requirements are met through a combination of careful internal controls and certifications. The Company also continuously monitors how well the products lives up to expectations by analysing product reviews, conduct regular customer surveys, monitor competitors and follow trends.</p>	<p>Disturbances, suppliers and countries</p> <p>There is always a risk of interruption in collaborations, alternatively that an agreement needs to be terminated by RevolutionRace then the supplier not fulfilled its commitment. Furthermore, there is a risk that circumstances in countries where RevolutionRace has production changes and thereby hinders the Company's ability to achieve set goals.</p>	<p>The Company uses about 30 different suppliers in 8 different countries. A few are particularly important to RevolutionRace as they manufacture RevolutionRace best-selling products. To ensure a good access to suppliers, the Company works continuously with strengthening existing relationships and identifying new potential suppliers that meet the Company's requirements. Furthermore, the Company follows the situation in the countries where the Company has production and identify new potential countries that meet the Company's requirements.</p>
<p>Business ethics and brand risks</p> <p>Demand for RevolutionRace products builds on consumers associating them with positive values. If RevolutionRace or any of the Group's partners takes any action conflicting with the values represented by the brand, the RevolutionRace brand may be harmed.</p>	<p>To prevent the risk of harm to the brand, RevolutionRace has implemented a Code of Conduct, ethical guidelines and procedures. Accordingly, before a collaboration commences, all suppliers of products to RevolutionRace must sign and undertake to comply with the RevolutionRace Code of Conduct for Suppliers and to ensure that any subcontractors also comply with this. At any time, the Company and its representatives may review and check a supplier's compliance with the Code, the supplier is obliged to fully participate in any such review. RevolutionRace's Production Manager pays continuous visits to the Company's suppliers to ascertain compliance.</p>	<p>Supply of goods and delivery to customer</p> <p>The products are to a large extent transported from Asia to the Company's logistics units in Europe and the USA and from there to each customer.</p> <p>The transport from Asia entails risks in the form of, among other things conflicts, crime and weather conditions along the routes which in turn affects lead times and prices. As the above risks are applied on existing seasonal effects in global trade, the effects are increased.</p> <p>Delivery to the customer mainly involves risks linked to delays and wrong deliveries.</p>	<p>RevolutionRace works with several freight forwarders and continuously monitors the global situation and the affected routes specifically.</p> <p>Furthermore, the Company works with several 3PLs and carriers for to ensure capacity for both inventory and handling and transport of customer orders to the respective market.</p> <p>RevolutionRace continuously follows up and evaluates lead times and delivery capabilities of our freight forwarders, 3PL and carriers and is actively working to adjust for opportunities and the offer to the customer.</p>
<p>Brand risks</p> <p>The RevolutionRace®, RVRC® and Hypershell® brands and logos form a significant and valuable part of RevolutionRace's operations.</p>	<p>The Company continuously evaluates and seeks protection for its brands and logos in the markets deemed relevant for the Company's future operations. In addition, RevolutionRace has had other intellectual property rights registered in the form of a large number of domain names. RevolutionRace uses an online based trademark protection service, to identify copies of RevolutionRace's products on the market.</p>	<p>IT and cyber security</p> <p>RevolutionRace's sales are Internet-based and are conducted exclusively through the Company's own online shops, as well as through e-commerce company Amazon and Allegro. A high degree of adaptations and integrations in licensed systems risks increasing the Company's dependency on third-party suppliers of the Company's various IT systems. Cyber-security incidents can also lead to important data being lost, which could, in turn entail non-compliance with GDPR. There is also a risk that the Company's IT systems could function incorrectly, which in the long run risks incurring increased costs and having a negative impact on profit.</p>	<p>RevolutionRace's IT environment consists largely of licensed systems. Systems are maintained continuously and the Company works actively to safeguard a high level of expertise among IT personnel to reduce dependence on external parties.</p>

REGULATORY COMPLIANCE RISKS	MANAGEMENT
<p>Sustainability Governance</p> <p>If RevolutionRace does not identify significant sustainability risks or deficiencies in the management of the risks identified, the Company may be fined or subject to various forms of sanctions.</p>	<p>Sustainability is a priority area, and RevolutionRace holds regular formal and informal meetings to review how the operations are developing. To ensure that all material aspects of sustainability are addressed, joint training sessions and workshops are held.</p>
<p>Global changes in trade regulations</p> <p>Amendments to national or international import or export of regulations for different products may cause increased expenses or other difficulties for RevolutionRace.</p>	<p>RevolutionRace works pro-actively to minimise the effects of amended regulations.</p>
<p>Compliance with trade regulations</p> <p>RevolutionRace's online marketing and sales of outdoor products means that the Company's operations are subject to a number of regulations under consumer and marketing law, as well as national consumer protection and marketing regulations, to a certain extent. Intentional or unintentional violations of various trade regulations may result in Group's companies being fined and the Company's reputation being harmed and demand for its products deteriorating.</p>	<p>RevolutionRace applies several internal governance documents and policies to safeguard compliance with trading regulations in different markets. The Company conducts continuous employee training and risk analyses of potentially risky business flows are done continuously.</p>
FINANCIAL RISKS	MANAGEMENT
<p>Valuation risks</p> <p>The Group holds assets and liabilities the values of which are based on estimates. This includes trademarks and goodwill on the asset side.</p>	<p>Impairment needs for assets and upward revaluation needs for liabilities are tested annually and when there is an indication that this is necessary. Further information can be found in the notes on each asset/liability</p>
<p>Liquidity and financing risk</p> <p>RevolutionRace is subject to liquidity risk, meaning the risk of the Group being unable to meet its payment obligations as a consequence of inadequate access to cash and cash equivalents. RevolutionRace is also subject to risks associated with the financing of the Group's capital requirements becoming more difficult or more expensive in the future.</p>	<p>To limit this financing risk, the Group strives to maintain an even maturity structure, a favourable liquidity reserve, and diversified borrowing. This creates the conditions for undertaking necessary alternative capital raising measures if necessary.</p>
<p>Interest rate risks</p> <p>Interest rate risk refers to the risk that unfavourable fluctuations in market interest rates will have a negative impact on earnings and cash flow.</p>	<p>RevolutionRace continuously and frequently monitors the interest rate situation and continuously assesses needs for increased loans at fixed interest rates or for hedging interest rates with interest rate swaps.</p>
<p>Currency risks</p> <p>Currency risk refers to the risk that unfavourable exchange rate changes will affect the Group's profit and equity measured in SEK. The risk consists partly of a transaction exposure arising when the Group has inflows and outflows in foreign currencies, and partly of a translation exposure in foreign subsidiaries.</p>	<p>Exchange rate effects are eliminated as much as possible by applying currency clauses in supplier contracts. Translation risk is currently not hedged.</p>

Remuneration Guidelines for Senior Executives

The guidelines for the remuneration of senior executives that were in effect during the period 1 July 2023–30 June 2024 are presented in note 4. The guidelines were adopted at the Extraordinary General Meeting on 15 April 2021 and remaining unamended by the Annual General Meeting on 21 November 2023. The decided guidelines apply until new guidelines are adopted by the General Meeting.

The Company's auditors have ascertained that the guidelines adopted by the Extraordinary General Meeting have been adhered to.

Appropriation of profit

The Board propose that the 2024 AGM resolves on a dividend of SEK 1.20 (0.86) per share, a total of SEK 133 (97) million.

Retained earnings	22,851,644
Share premium reserve	442,720,272
The result for the financial year 2023/2024	94,481,633
Total free equity	560,053,549
Proposed dividend	-133,278,788
Amount carried forward	426,774,761

The amount proposed to be distributed as well as the amount proposed to be carried forward have been calculated on all 111,065,657 common shares outstanding as of 30 June 2024. The total amount which is proposed to be distributed and proposed to be carried forward will finally be determined based on the number of dividend-entitled shares per the record day. The amounts can therefore be adjusted due to the repurchase of own shares.

Events after the financial year

No significant events have occurred after the financial year.



REMUNERATION REPORT

This report describes how the guidelines for remuneration of senior executives of RevolutionRace, adopted at the Extraordinary General Meeting on 15 April 2021 (the "Remuneration Guidelines"), have been applied during the financial year 2023/24. The Report also provides information on remuneration to the CEO and a summary of outstanding share-based incentive programmes. The Report has been prepared in accordance with the Swedish Companies Act and the rules on the remuneration for senior executives and incentive programmes issued by the Swedish Corporate Governance Board (now managed by the Stock Market Self-Regulation Committee (ASK)).

Further information on remuneration to senior executives is provided in Note 4 Employees and personnel expenses in the 2023/24 Annual Report. Information on the work of the Remuneration Committee during 2023/24 is provided in the Corporate Governance Report included in the 2023/24 Annual Report. The CEO summarises the Company's overall development and profit in his comments in the 2023/24 Annual Report. Board fees are not covered by this Report, as such fees are determined annually by the Annual General Meeting and reported in Note 4 in the 2023/24 Annual Report.

Remuneration Guidelines

A successful implementation of the Company's business strategy and the safeguarding of its long-term interests, including sustainability, require that RevolutionRace be able to recruit and retain a highly skilled management team. In turn, this requires that the Company to offer competitive remuneration levels and employment terms, which the Remuneration Guidelines facilitate. The forms of remuneration shall motivate the management team to do its utmost to safeguard the shareholders' interests. Total remuneration shall be market-based and may comprise the following components: fixed cash salary, variable cash remuneration (bonus), pension benefits and other benefits. Beyond this and regardless of these guidelines, the Annual General Meeting may, for example, adopt share and share price-related remunerations.

During the financial year 2023/24, the Company has fully followed the current guidelines for remuneration to senior executives. No deviations from the Remuneration Guidelines have been made and no deviations have been made from the decision-making process, which according to the Remuneration Guidelines shall be applied to determine the remuneration. No remuneration has been reclaimed. The Remuneration Guidelines apply until the General Meeting adopts new guidelines.

The auditor's statement regarding the Company's compliance with the remuneration guidelines for senior executives is available at corporate.revolutionrace.com.

Beyond the remuneration covered by the Remuneration Guidelines, the Extraordinary General Meeting on 26 May, 2021, the Annual General Meeting on 10 November, 2022, and the Annual General Meeting on 21 November, 2023 decided to introduce long-term share-related incentive programs. The programs, which are further described in the paragraph "Outstanding share and share price-related incentive programs,"

have a clear link to the business strategy and the Company's long-term value creation through the connection to the share price development.

Criteria for the distribution of variable cash compensation

The variable cash compensation is linked to predetermined and measurable financial or non-financial criteria. They may also consist of individually adapted quantitative or qualitative goals. The criteria are formulated so that they promote RevolutionRace's business strategy and long-term interest, including its sustainability by, for example, maintaining a clear connection to the business strategy or promote the executive's long-term development.

Once the period during which the fulfillment of the criteria for disbursement of variable cash compensation is measured has ended, the outcome shall be assessed. The Company's Board of Directors is responsible for this assessment regarding variable cash remuneration for the CEO. The Remuneration Committee is responsible for the assessment regarding variable cash remuneration to other senior executives.

Total compensation for the President and CEO

The President and CEO was paid a fixed basic salary and other remuneration for 2023/24 according to the table below. Compensation for pension is fee-based and corresponds to a collective agreement for white-collar workers within the industry.

Total compensation for the President and CEO 2023/24

SEKm	President and CEO, Paul Fischbein
Fixed basic salary	4
Variable cash compensation	1.1 ¹⁾
Extraordinary compensation	0.3 ²⁾
Pension benefits	1.1 ³⁾
Total	6.5
The proportion of fixed and variable remuneration respectively, %	79/21

- Starting with this annual report, earned compensation (previously paid) is presented.
- Refers in full to the subsidy that Paul Fischbein received for participation in the Program series 2023/2027 (see further below under "Outstanding share and share price-related incentive programs").
- Pension benefits, which in their entirety refer to basic salary and are determined by fixed fees, have been fully reported as fixed remuneration.

Outstanding share and share price-related incentive programs

During 2023/24, RevolutionRace has had three outstanding warrant program for senior executives and key persons within the group: series 2021/2024, series 2022/2026, and series 2023/2027. The intention of the programs is to, in a simple way,

reward and retain valuable employees as well as to, through employees' own investment, promote and create long-term participation and thereby achieve increased community of interest between the employees and RevolutionRace shareholders.

The warrants programme series 2021/2024 covers 12 senior executives (including the former CEO, Pernilla Nyrensten) and key personnel within the Group. The warrants were acquired by the participants in 2021 at a calculated market price. Shares can be subscribed during the subscription period from 1 July 2024 up to and including 31 December 2024. The strike price for series 2021/2024 currently corresponds to SEK 94.83, after recalculation according to the conditions.

The warrants programme series 2022/2026 covers 22 senior executives (including CEO, Paul Fischbein) and key personnel within the Group. The warrants were acquired by the participants in 2022 at a calculated market price, of which the CEO acquired 750,000 warrants. In connection with the transfer of the warrants, the participants received a subsidy in the form of a salary supplement from the Company as net, corresponding to 50 percent of the amount that the participant paid for the warrants (the warrant premium). Shares can be subscribed during the subscription period from 15 November 2025 up to and including 15 May 2026. The strike price for series 2022/2026 currently

corresponds to SEK 38.81, after recalculation according to the conditions.

The warrants programme series 2023/2027 covers 15 senior executives (including CEO, Paul Fischbein) and key personnel within the Group. The warrants were acquired by the participants in 2023 at a calculated market price, of which the CEO acquired 30,000 warrants. In conjunction with the transfer of the warrants, the participants received a subsidy in the form of a salary supplement from the Company as net, corresponding to 50 percent of the amount that the participant paid for the warrants (the warrant premium). Shares can be subscribed during the subscription period from 2 January 2027 up to and including 2 July 2027. The strike price for series 2023/2027 currently corresponds to SEK 74.23.

Application of performance criteria for variable remuneration

The performance criteria for the CEO's variable remuneration have been chosen to realise the Company's strategy and to encourage actions that align with the Company's long-term interests. When selecting the performance criteria, the strategic goals as well as short- and long-term business priorities for the year 2023/24 have been considered. The non-financial performance criteria further contribute to alignment with sustainability and the Company's values.

President and CEO's performance during the reported financial year: variable salary

The executive's name (position)	Performance criteria	Relative weighting of performance criteria	a) Measured performance and b) actual allocation/compensation outcome
Paul Fischbein (president and CEO)	Adjusted EBIT	70%	a) 35.7% b) SEK 498,708
	Cash flow excluding dividends and share repurchase (2023/24 actual cash flow to be adjusted for extraordinary increase/decrease in inventories)	10%	a) 100% b) SEK 199,500
	Amazon Gross Profit 3	10%	a) 87.5% b) SEK 174,563
	OKR System implemented and used as main tool for performance management	10%	a) 100% b) SEK 199,500

Comparative information regarding changes in remuneration and the Company's earnings

Multi-year comparison, SEKm	2023/24	2022/23	2021/22	2020/21	2019/20
Remuneration of the President and CEO ¹⁾	6.5	8.0 ²⁾	1.8	0.9	0.5
Annual change in remuneration to the President and CEO, %	-19	346 ²⁾	110	75	-47
Average remuneration to Group employees ³⁾	0.4	0.4	0.5	0.7	0.6
Annual change in average remuneration to Group employees, %	4	-17	-30	20	-19
Consolidated profit for the year after tax	308	243	288	172	60
Annual change in consolidated profit for the year, %	27	-16	68	187	33

1) Starting with this annual report, earned compensation (previously paid) is presented and pension benefits are included (previously not included).

2) Payment of subsidy to CEO for participation in warrant program series 2022/2026 has resulted in an increase in the total remuneration in comparison with 2021/22.

3) Refers to average remuneration to employees, excluding members of the group management.

CORPORATE GOVERNANCE REPORT

Overarching corporate governance structure

Good corporate governance is of great importance for maintaining correct, transparent and trustworthy governance and control. The external governing instruments that form the framework for corporate governance within RevolutionRace include the Swedish Companies Act (ABL), the Annual Accounts Act (ÅRL), the stock exchange's regulations, the Code (Swedish Code of Corporate Governance) and other relevant laws and statements. Foreign subsidiaries apply the laws and regulations applicable in those countries. Governance is also based on RevolutionRace's Articles of Association. And, in addition to these, other internal governance documents, including Instructions and Rules of Procedure for the Board of Directors, the Board's committees and the Chief Executive Officer (CEO), the Group's Code of Conduct, as well as policies and guidelines for the Company's operations and organisation. The responsibility for the Group's governance and control is divided between the central corporate bodies, which comprise the General Meeting, the Board of Directors and its elected committees, the CEO and the auditor.

This Corporate Governance Report for the 2023/2024 financial year has been prepared in accordance with the Annual Accounts Act and the Code and has been reviewed by the Company's auditor.

Compliance with the Swedish Code of Corporate Governance

RevolutionRace is a Swedish public limited company that has applied the Code since the Company's listing on the Nasdaq Stockholm exchange on 16 June 2021. The Code forms part of the Swedish business community's self-regulation with the purpose of improving corporate governance in listed companies. The Code is based on the principle "comply or explain". This means that a Company applying the Code does not need to follow all rules in the Code at every single opportunity, but has the opportunity to select alternative solutions that the Company deems better suited with regard to its specific circumstances,

provided that each deviation is reported, that the alternative solution selected is described and that an explanation for the deviation is provided. RevolutionRace has no deviations to report for the 2023/2024 financial year, except that during the period from the beginning of the financial year on 1 July 2023, until Sara Diez Jauregui was appointed as a Board member on 30 August 2023, the Board did not comply with the independence requirement in relation to major shareholders (rule 4.5). This temporary deviation occurred due to the previous Board member, Johan Svanström, assuming the position of CEO at another listed company and to provide the nomination committee with sufficient time to find a suitable candidate to replace him on the Board.

Share capital and shareholders

RevolutionRace's shares are listed on the Nasdaq Stockholm exchange and included in the Nasdaq Nordic Mid cap segment. The share capital in the Company amounts to SEK 1,129,189.18, divided between 112,918,918 shares with a quota value of SEK 0.01 each. Each share carries the right to one vote. All shares carry equal rights to the Company's profit and share of surplus in the event of liquidation.

As of 30 June 2024, the total number of shareholders was approximately 12,527. Of the total share capital, about 78.4 percent was held primarily by Swedish institutions, mutual funds and private individuals, with 21.6 percent being held by foreign investors. At the end of the 2023/2024 financial year, two shareholders each held 10 percent or more of the voting rights – Altor Fund IV (No. 1) AB and Altor Fund IV (No. 2) AB, which together held approximately 20.01 percent of the shares and votes, and Nyrensten Global Holding AB, which held approximately 15.57 percent of the shares and votes in the Company.

For further details of the shareholder structure and the share, see page 20 in the Annual Report and the Company's website corporate.revolutionrace.com.

Share repurchase

In February, 2024, the Board of Directors resolved to implement a share repurchase program for a total maximum amount of MSEK 200. The purpose of the repurchase includes to adjust the Company's capital structure and to contribute to shareholder value. On 30 June 2024, RevolutionRace held 1,853,261 treasury shares with a nominal value of SEK 18,532.61, corresponding to 1.6% of the total share capital. The treasury shares have been repurchased for a total value of approximately MSEK 97, excluding transaction costs.

Articles of Association

Revolution Race's Articles of Association were adopted at the Extraordinary General Meeting on 26 May 2021. The Articles of Association do not contain any restrictions regarding how many votes each shareholder may cast at a General Meeting, or regarding the appointment or dismissal of Board Members or regarding changes to the Articles of Association. The Articles of Association are available on the Company's website, corporate.revolutionrace.com.

Annual General Meeting

The General Meeting is RevolutionRace's highest decision-making body at RevolutionRace. At the Annual General Meeting (AGM) and, where applicable, at Extraordinary General Meetings, all shareholders are given the opportunity to exercise the influence that their respective shareholdings represent. The General Meetings are held in the Municipality of Borås, where the Company's registered office is located, or in the Cities of Stockholm or Gothenburg. The notice to attend a General Meeting shall be announced by means of an advertisement in the Swedish Official Gazette (Post- och Inrikes Tidningar) and on the Company's website. The announcement of a General Meeting shall also be advertised in the Swedish business newspaper Dagens Industri. Beyond the legal stipulations regarding shareholders' right to participate in General Meetings, the Articles of Association require prior notification within a certain period specified in the announcement.

The AGM shall be held within six months of the end of the financial year, which, in RevolutionRace's case, extends from 1 July to 30 June. At the AGM, resolutions are made regarding proposals from the Nomination Committee, the Board of Directors and the shareholders, with other statutory matters also being addressed. Among other matters, shareholders approve the income statements and balance sheets, determine the disposition of the Company's profit, discharge the Board of Directors and the CEO from liability, determine the composition of the Nomination Committee, elect Board Members (including the Chairperson of the Board) and an auditor, approve the Board Members' and auditors' fees and approve the Remuneration Report. Guidelines for the remuneration of the CEO and other senior executives are adopted every four years at the least.

Shareholders wishing to have a matter addressed by the AGM and other General Meetings must request this of the Board of Directors in writing. Such requests must normally be received by the Board of Directors no later than seven weeks prior to the AGM.

2023 Annual General Meeting

The 2023 Annual General Meeting (AGM 2023) took place on 21 November 2023. At the AGM 2023, among other things, it was decided on:

- Adoption of the income and balance sheets for the parent company and the group for the financial year 2022/2023.
- Dividend of SEK 0.86 per share (SEK 97.1 million in total).
- Discharge from liability for the Board Members and the CEOs for the financial year 2022/2023.
- Re-election of Board Members, Sara Diez Jauregui, Cecilie Elde, Andreas Källström Säfweräng and Niclas Nyrensten. Alexander Martensen-Larsen, Birgitta Stymne Göransson and David Thörewik was elected as new members of the Board. Alexander Martensen-Larsen was elected as Chairperson of the Board.
- The AGM 2023 resolved that Board fees, excluding remuneration for Committee work, shall be paid with SEK 550,000 (525,000) to the Chairperson and SEK 260,000 (210,000) to each of the other Board members elected by the General Meeting. In addition, the AGM 2023 resolved that work in the Audit Committee shall be compensated with SEK 110,000 (105,000) to the Chairperson and SEK 60,000 (55,000) to

each of the other members. It was further resolved that work in the Remuneration Committee shall be compensated with SEK 70,000 (65,000) to the Chairperson and SEK 40,000 (35,000) to each of the other members.

- Re-election of Ernst & Young AB as the Company's auditor for the period until the end of the next AGM.
- Approval of remuneration report.
- Authorisation for the Board of Directors to resolve on new issues. In accordance with the proposal of the Board of Directors, the AGM resolved to authorise the Board to resolve on new issues of shares, subscription warrants and/or convertible bonds. The Board of Directors is authorised to, within the scope of the articles of association, on one or several occasions, during the period until the next AGM, resolve on new issues of shares, subscription warrants and/or convertible bonds, with or without deviation from the shareholders' preferential right. Such resolution on new share issues can be made by contribution in kind, by set-off or against cash payment. The number of shares to be issued by way of a new share issue, exercise of subscription warrants or conversion of convertible bonds may not exceed 10 per cent of the registered share capital at the time of the AGM 2023.
- Authorisation for the Board of Directors to resolve on acquisition and transfer of own shares. In accordance with the proposal of the Board of Directors, the AGM resolved to authorise the Board to resolve on acquisition and transfer of own shares. Acquisition may take place on Nasdaq Stockholm, on one or several occasions up to the next AGM, of maximum as many own shares that the shares held by the Company at any point in time does not exceed ten (10) percent of all shares in the Company, at a price which falls within the prevailing price range registered on Nasdaq Stockholm at each point in time. During the same period, transfer may take place of maximum as many own shares that the Company holds at the time of the Board of Directors' resolution, on Nasdaq Stockholm or in connection with acquisition of companies or businesses, on market terms, at a price which falls within the prevailing price range registered on Nasdaq Stockholm at each point in time. The authorisation includes the right to resolve on deviation from the shareholders' preferential right.
- Resolution on incentive program (LTIP 2023/2027).

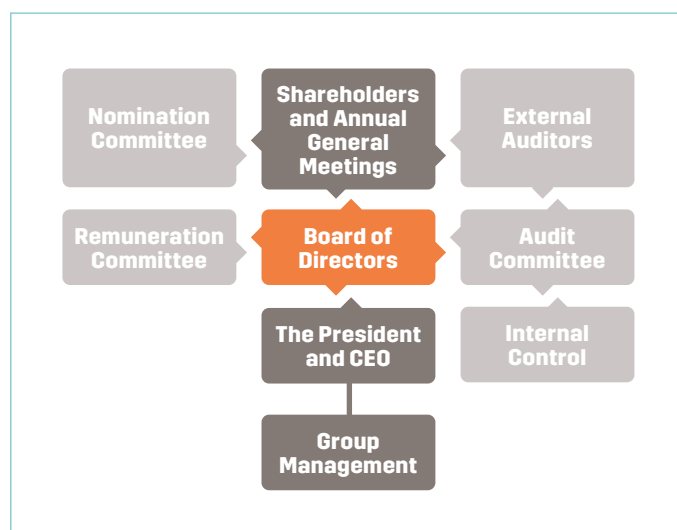
2024 Annual General Meeting

The RevolutionRace Annual General Meeting 2024 will be held on 19 November 2024 at 9.00 at Astern Mat och Möten, Kyrkängsgatan 8, 503 38 Borås. The Board has decided that shareholders should be able to exercise their right to vote at the AGM also by postal voting in accordance with the regulations in the Company's articles of association. For more information about the AGM 2024, see the RevolutionRace website, corporate.revolutionrace.com.

Nomination Committee

The work of the Nomination Committee

The Nomination Committee is tasked with submitting proposals to the AGM regarding the election of a Chairperson for the Meeting, the Board of Directors, the Chairperson of the Board and auditor, fees for each Board Member (divided between the Chairperson of the Board and the other Board Members, as well as fees for committee work), the auditor's fees and, to the extent



deemed necessary, proposing amendments to the instructions to the Nomination Committee. The Nomination Committee shall also issue a reasoned opinion on its proposal regarding the composition of the Board of Directors.

In preparing its proposal regarding the composition of the Board of Directors, the Nomination Committee applies Rule 4.1 of the Code as its diversity policy. The objective of the policy is that the Board of Directors shall be appropriately composed with regard to the Company's operations, stage of development and other conditions, pervaded by versatility and breadth in terms of the skills, experience and background of the Board Members elected by the AGM, and to seek an even gender distribution. The AGM 2023 resolved to elect Board members in accordance with the Nomination Committee's proposal. As regards gender equality, the Board consisted of seven members, of which three were women and four were men.

No fees are to be paid to the members of the Nomination Committee. The Company shall, however, reimburse reasonable and necessary outlays associated with the performance of the Nomination Committee's assignment.

Composition of the Nomination Committee

In accordance with the instructions for the Nomination Committee adopted by the Extraordinary General Meeting held on 15 April 2021 and valid until further notice, the Nomination Committee shall comprise representatives of the three largest shareholders in terms of votes as per the last banking day in March each year and the Chairperson of the Board, who shall also convene the Nomination Committee's first meeting. The member representing the largest shareholder in terms of votes shall be appointed Chairperson of the Nomination Committee, unless the Nomination Committee decides otherwise. The composition of the Nomination Committee shall be published on the Company's website without undue delay and no later than six months prior to the Annual General Meeting. The Nomination Committee's term of office applies until the composition of the ensuing Nomination Committee has been announced. Changes in the composition of the Nomination Committee shall be published on the Company's website without undue delay.

According to the Code, a majority of the members of the Nomination Committee shall be independent in relation to the Company and its management, and at least one of these shall also be independent in relation to the Company's largest shareholder in terms of votes.

Nomination Committee prior to the 2024 Annual General Meeting

The composition of the Nomination Committee ahead of the 2024 Annual General Meeting was announced in a press release and on the Company's website on 29 April 2024. The Nomination Committee for the AGM 2024 therefore consists of:

- Øistein Widding, appointed by Altor Fund IV (No.1) AB and Altor Fund IV (No.2) AB
- Staffan Ringvall, appointed by Handelsbanken Fonder AB
- Caroline Sjösten, appointed by Swedbank Robur Fonder AB
- Alexander Martensen-Larsen, Chairperson of the Board.

At the first meeting of the Nomination Committee, Øistein Widding was appointed Chairperson of the Nomination Committee in accordance with the instructions to the Nomination Committee. The Nomination Committee prior to the 2024 Annual General Meeting meets the requirements for independence set out in the Code.

Since the AGM 2023 and until the publication of this Annual Report, the Nomination Committee has held 6 meetings. The Nomination Committee has addressed all of the issues that the Nomination Committee is required to address in accordance with the Code, as outlined in greater detail below.

The Nomination Committee's complete proposal for Board Members, remuneration of the Board as well as auditor election and other relevant decision proposals will be presented in the notice to the AGM 2024 as well as in the Nomination Committee's proposal and reasoned statement that will be available on the Company's website. Shareholders wishing to submit proposals to the Nomination Committee have been able to do so by sending an e-mail to valberedning@revolutionrace.se.

Board of Directors

Composition of the Board of Directors

According to the Articles of Association, RevolutionRace's Board of Directors shall comprise a minimum of three and a maximum of ten members, with no deputies. Members of the Board are elected annually at the AGM for the period until the end of the next AGM. As Niclas Nyrensten decided to leave the Board of Directors in June 2024, the Board of Directors currently comprises six members elected by the Annual General Meeting.

According to Rules 4.4 and 4.5 of the Code, the majority of the Board Members elected by the Annual General Meeting shall be independent in relation to the Company and its management, and at least two of these Board Members shall also be independent in relation to the Company's major shareholders. During the financial year 2023/24, all members except Niclas Nyrensten (Board member until 13 June 2024) and Pernilla Nyrensten (Board member until the AGM 2023) have been considered independent in relation to the Company and its management and all members except Jens Browaldh (Board member until the AGM 2023), Andreas Källström Säfweräng, Niclas Nyrensten and Pernilla Nyrensten have been considered independent in relation to the Company's major shareholders. Accordingly, the Board of Directors has been deemed as meeting the requirements for independence set out in the Code, except during the period from the beginning of the financial year on 1 July 2023, until Sara Diez Jauregui was appointed as a Board member on 30 August 2023.

For a closer presentation of the Board Members see page 96 and corporate.revolutionrace.com. The composition and independence of the Board of Directors, Members' attendance at Board and committee meetings, as well as their fees, are presented in the table to the right.

Composition of the Board of Directors

Name	Assignment	Elected	Independent in relation to the Company and its management	Independent in relation to the Company's major shareholders	Audit Committee	Remuneration Committee	Share holding ¹⁾	Fee, SEK ²⁾
Jens Browaldh ³⁾	Member	2019	Yes	No	Member		—	—
Sara Diez Jauregui	Member	2023	Yes	Yes			—	260,000
Cecilie Elde	Member	2021	Yes	Yes	Chairperson		88,020	370,000
Andreas Källström Säfweräng ⁴⁾	Chairperson/Member	2017	Yes	No	Member	Chairperson/Member	—	300,000
Alexander Martensen-Larsen ⁴⁾	Chairperson/Member	2023	Yes	Yes	Member	Chairperson	4,000	680,000
Pernilla Nyrensten ³⁾	Member	2013	No	No			17,583,784 ⁵⁾	—
Niclas Nyrensten	Member	2022	No	No			17,583,784 ⁵⁾	173,336 ⁶⁾
Birgitta Stymne Göransson	Member	2023	Yes	Yes	Member		3,400	320,000
David Thörewik	Member	2023	Yes	Yes			—	260,000

1) Refers to people's own shareholdings, as well as those of related natural persons and legal entities. Stated shareholding is as of 30 August 2024.

2) Including committee fees. All fees are equal to the remuneration resolved by the AGM 2023.

3) In connection with the AGM 2023, Jens Browaldh and Pernilla Nyrensten resigned from all their assignments in the Board and its committees.

4) In connection with the AGM 2023, Andreas Källström Säfweräng resigned from his assignments as Chairperson of the Board and Chairperson of the Remuneration Committee, and Alexander Martensen-Larsen assumed his assignments as Chairperson of the Board, member of the Audit Committee, and Chairperson of the Remuneration Committee.

5) Refers to the joint holding of Pernilla Nyrensten and Niclas Nyrensten through Nyrensten Global Holding AB.

6) Niclas Nyrensten resigned from the Board in June 2024 and therefore only received compensation for the time he served on the Board.

Number of meetings

Name	Board of Directors	Audit Committee	Remuneration Committee
Jens Browaldh ¹⁾	7 of 7	2 of 2	2 of 2
Sara Diez Jauregui ²⁾	14 of 14		
Cecilie Elde	15 of 16	6 of 6	
Andreas Källström Säfweräng	16 of 16		5 of 5
Alexander Martensen-Larsen ³⁾	9 of 9	4 of 4	3 of 3
Pernilla Nyrensten ⁴⁾	7 of 7		
Niclas Nyrensten ⁵⁾	15 of 15		
Birgitta Stymne Göransson ⁶⁾	9 of 9	4 of 4	
David Thörewik ⁷⁾	9 of 9		

1) Jens Browaldh resigned from his Board and committee assignments in connection with the AGM 2023.

2) Sara Diez Jauregui assumed her Board assignment in connection with the extraordinary general meeting on 30 August 2023.

3) Alexander Martensen-Larsen assumed his Board and committee assignments in connection with the AGM 2023.

4) Pernilla Nyrensten resigned from the Board in connection with the AGM 2023.

5) Niclas Nyrensten resigned from the Board in June 2024.

6) Birgitta Stymne Göransson assumed her Board and committee assignments in connection with the AGM 2023.

7) David Thörewik assumed his Board assignment in connection with the AGM 2023.



Work of the Board of Directors

The tasks of the Board of Directors are regulated in the Companies Act, the Company's Articles of Association and the Code. In addition, the work of the Board of Directors is regulated by the Rules of Procedure adopted annually by the Board of Directors. Among other things, the Rules of Procedure regulate how the Board of Directors meets, what matters are to be dealt with at Board meetings, as well as the division of labour and responsibilities between the Board Members, the Chairperson of the Board, the CEO and the committees. The Board of Directors has also adopted specific instructions for the CEO and the Board's committees.

The Board of Directors bears the overall responsibility for Revolution Race's organisation and management. The tasks of the Board of Directors include establishing strategies, goals, business plans, budget, financing, annual accounts and adopting policies.

The Board of Directors shall also monitor the Company's financial results and approve the financial reporting, ensure that the Company maintains good internal control and formalised procedures ensuring compliance with established principles for financial reporting and internal control and that the Company's financial reporting is prepared in accordance with the law, applicable accounting standards and other requirements for listed companies (see "Internal control of financial reporting" below). The Board of Directors shall also safeguard satisfactory control of the Company's compliance with laws and other regulations applicable to the Company's operations, as well as the Company's compliance with internal guidelines. The Board of Directors shall also evaluate the operations with regard to the targets and policies that it has established. The Board of Directors is also responsible for continuously assessing the work of the CEO. The Board of Directors also determines major investments and changes to the Group's organisation and operations.

The Chairperson of the Board leads and organises the work of the Board of Directors, ensuring that the Board fulfils its tasks and that its decisions are implemented. Alongside the CEO, the Chairperson of the Board shall monitor the Company's profits and prepare and chair Board meetings. The Chairperson of the Board is also responsible for ensuring that the Board Members evaluate their work annually and continuously receive the information required to be able to conduct their work efficiently. The Chairperson of the Board represents the Company in its interactions with shareholders.

Each Board meeting is based on an agenda distributed to the Board Members and relevant documentation. All Board decisions are based on detailed underlying documentation and are reached following discussions led by the Chairperson of the Board. The CEO serves as rapporteur at Board meetings, and minutes of Board meetings are kept by the Company's Head of Legal. The CFO and other senior executives also participate where necessary. In addition to the statutory meeting, held in connection with the Annual General Meeting, the Board of Directors shall hold at least five ordinary meetings. Extraordinary Board meetings are convened where necessary.

During the 2023/24 financial year, 16 Board meetings were held.

Assessment of the work of the Board of Directors

An annual assessment is conducted to ensure the quality of the Board's work and to identify any needs for additional skills or experience. The Chairperson of the Board is responsible for ensuring that this assessment is conducted and that the Nomination Committee is informed of its conclusions. Where so requested by the Nomination Committee, Board Members shall attend interviews with the Nomination Committee to facilitate the assessment.

Prior to the 2024 Annual General Meeting, the Chairperson of the Board has provided an account of the work of the Board to

the Nomination Committee, whereby the Nomination Committee has had the opportunity to ask questions about the work of the Board as a basis for its proposal to the Board of Directors. During the 2023/24 financial year, an evaluation has been carried out regarding the work of the Board. This was facilitated by Board Members being required to answer a questionnaire concerning, among other things, strategies and targets, investments, reporting and control, organisation and executive management, the Board's working methods, the Board's composition and overall functionality, as well as skills and the members own Board work.

Board committees

The Company has established an Audit Committee and a Remuneration Committee.

The work of the committees is mainly of a preparatory and advisory nature, although the Board may, in specific cases, delegate the authority to make decisions to the committees. The matters dealt with at the committee meetings shall be recorded in minutes and regularly reported to the Board of Directors. The members and chairmen of the committees are appointed at the statutory Board meeting held immediately following the election of Board Members. The Board may also delegate the handling of a specific issue to one or more Board Members or to the CEO by means of a minuted decision.

Audit Committee

The Audit Committee's principal tasks are, without affecting the responsibilities and tasks of the Board of Directors in general, to monitor RevolutionRace's financial reporting and provide recommendations and proposals to ensure the reliability of the reporting, monitor the effectiveness of the Company's internal control and risk management, keep itself informed on the audit of the Annual Report and consolidated accounts, as well as on the conclusions of the Swedish Inspectorate of Auditors' quality control, inform the Board of Directors of the results of the audit and how the audit contributed to the reliability of the financial reporting and of the function of the Committee, review and monitor the auditor's impartiality and independence, paying particular attention to any services the auditor provides to the Company beyond the audit, and assist in the preparation of proposals for the Annual General Meeting's resolution on the election of auditors.

The Audit Committee, which shall meet at least five times per financial year, comprises the following Board Members: Cecilie Elde (Chairperson), Alexander Martensen-Larsen and Birgitta Szymne Göransson. All members of the committee are independent in relation to both the Company and the company management as well as major shareholders. The composition of the committee is such that the qualification requirements for accounting or auditing expertise are met. During the 2023/24 financial year, six meetings were held.

Remuneration Committee

The principal tasks of the Remuneration Committee are to elaborate and prepare proposals for decisions on issues of remuneration principles, remunerations and other terms of employment for company management, monitor and evaluate ongoing and completed programmes of variable remuneration

for Company management during the year, monitor and evaluate the application of current Remuneration Guidelines for Senior Executives to be determined by the Annual General Meeting as required by law, as well as the applicable remuneration structures and remuneration levels in the Company, and to prepare a proposal for each financial year on paid and outstanding remunerations covered by the Remuneration Guidelines for Senior Executives.

The Remuneration Committee, which shall meet at least once per financial year, consists of the following two Board Members: Alexander Martensen-Larsen (Chairperson) and Andreas Källström Säfweräng. All members of the committee are independent in relation to the Company and the company management. During the 2023/24 financial year, five meetings were held.

Board fees

Fees are normally paid to the Chairperson of the Board and the other Board Members in accordance with a resolution by the Annual General Meeting. No Board fees are paid to Board Members employed by RevolutionRace.

At the 2023 Annual General Meeting, it was decided that a fee of SEK 550,000 would be paid to the Chairperson of the Board and SEK 260,000 to each of the other Board Members. The Meeting also resolved that remuneration for committee work shall be paid in the amount of SEK 110,000 to the Chairperson of the Audit Committee and SEK 60,000 to each of the other members of the Committee, as well as in the amount of SEK 70,000 to the Chairperson of the Remuneration Committee and SEK 40,000 to each of the other members of the Committee.

CEO and Group Management

The CEO is appointed by, and receives instructions from, the Board of Directors. In turn, the CEO appoints other members of Group Management and is responsible for the day-to-day management of the Group's operations in accordance with the Board's guidelines and instructions. The CEO is also responsible for ensuring that the Board of Directors receives information and necessary underlying documentation of which to base its decisions, serves as rapporteur at Board meetings and keeps the Board of Directors and the Chairperson of the Board continuously informed of the financial position and development of the Group and the Company.

Paul Fischbein is the Company's CEO. At the end of the 2023/24 financial year, Group Management comprised five individuals in addition to the CEO. For a more detailed presentation of RevolutionRace's CEO and Group Management, see page 97 and at corporate.revolutionrace.com.

External auditor

The Annual General Meeting (AGM) annually appoints an auditor for the Company. The auditor reviews the Annual Report, the bookkeeping and the consolidated accounts, as well as the administration of the Company by the Board of Directors and the CEO. The auditor also reviews the Corporate Governance Report and confirms whether the Group has presented a Sustainability Report. The auditor reports to the Audit Committee and the Board of Directors on this review. Following the end of each financial year, the auditor submits an audit report to the

parent company and a consolidated auditor's report to the AGM, as well as providing a special opinion on whether the Remuneration Guidelines for Senior Executives applicable since the preceding AGM have been followed.

At the AGM 2023, the authorised auditing company Ernst & Young AB was re-elected as auditor for the period extending until the end of the AGM 2024. The auditor in charge is authorised public accountant Andreas Mast.

For the 2023/24 financial year, RevolutionRace's auditor has reviewed the nine-month report and audited the Annual Report and the consolidated accounts. In addition to its ordinary auditing tasks, Ernst & Young AB assists with advisory and review assignments. Assignments are allocated in accordance with rules determined by the Audit Committee for approving the nature and scope of the services and their compensation. The assignments undertaken are not considered to have given rise to any conflicts of interest. The Auditor's Report regarding the 2023/24 financial year is presented on pages 121–123 and information on auditors' fees is presented in Note 5 Auditors' fees on page 110.

Internal control of financial reporting

According to the Companies Act, the Board of Directors is responsible for internal control. This report has been prepared in accordance with the Annual Accounts Act and describes how the internal control of the financial reporting is organised.

Control environment

Effective Board work forms the basis for good internal control. The Board's Rules of Procedure and Instructions for the CEO and the Board's committees ensure a clear division of roles and responsibilities providing the conditions for the effective management of the operations' risks. Processes for internal control, risk assessment, control activities, information and communication, as well as the monitoring of the financial reporting, have been determined and designed by the Board of Directors to generate conditions for a favourable control environment. The processes are reviewed and reworked if necessary. All companies within the Group must maintain satisfactory internal control. A minimum requirement is that the control activities conducted must cover the key risks identified within the Group. Responsibilities and authorisations are defined in authorisation instructions, manuals, policies, procedures and codes. All RevolutionRace employees are required to adhere to these.

The Group applies a shared reporting system as the basis for its monthly reporting, consolidation and performance monitoring.

Risk assessment

The Company has implemented a structured process for assessing the risks that could affect the financial reporting. This process is fundamental in ensuring that the financial reporting is reliable. In accordance with the Company's *Risk Management Policy*, the Company's CEO initiates an annual process to identify and assess risks within the Group. The risk assessment is performed by Group Management with the results being reported to the Board of Directors of RevolutionRace. The purpose of the process is to identify new risks and, if necessary, to re-evaluate the Company's assessment of risks that are already known. Through the risk assessment, it has been established that there are a number of medium-level or low-level risks. For most presenting a medium-level risk, someone has been appointed as responsible and action plans have been developed. The risk assessment also included the Group's income statement and balance sheet items to identify the areas where the total risk of errors and the effects of these would be greatest. The areas identified are mainly brand valuation and goodwill. Continuous risk assessments also occur in connection with strategic planning, budgeting and forecasting, which aim, among other things, to identify events in the market or in the operations that could lead to fluctuations in income, for example. An annual risk assessment is also performed by the Company's Audit Committee. The principles of risk assessment are discussed with Group Management and the Company's auditor. Also discussed are significant financial exposures and the measures taken, or intended to be taken, by Group Management to limit, monitor or control such exposures.

Control activities

RevolutionRace's Finance Manager plays a central role in the analysis and follow-up of the Company's financial reporting. The Group maintains additional functions for the ongoing analysis and follow-up of the financial reporting by the Group and its subsidiaries. The Chief Accountant is responsible for annual self-assessment process regarding the internal control of financial reporting. The procedure has been reviewed over the year. RevolutionRace has prepared a questionnaire (based on the completed risk analysis) for assessing the internal control. The answers have been compiled and evaluated. To complement this process, parts of the questionnaire have been validated by the auditors.

Both the assessment performed by the Company and the results of the auditors' validation have been reported to, and discussed with, the Audit Committee. The Audit Committee has also presented the results to the Board of Directors.

The assessment of the internal control of the financial reporting forms the basis for future years' self-assessments and the process to further strengthen the internal control.

Information and communication

Information and communication regarding risks and controls within the Group help ensure that appropriate business decisions are made. Guidelines for financial reporting are communicated to employees by means of manuals, policies and codes, for example, that are published and kept available on the Company's server. The guidelines are continuously updated. Systems and procedures have been established to provide management with reports on profit trends and financial position in relation to established objectives, among other things. RevolutionRace's external dissemination of information is governed by an Information Policy adopted by the Company's Board of Directors. Information to external parties in the form of press releases and other news is communicated on corporate.revolutionrace.com.

Quarterly reports are published and supplemented with presentations and meetings with investors. The Annual Report is made available to shareholders and other stakeholders by means of publication on the Company's website.

Follow-up

The Board of Directors evaluates the development, profits, position and cash flow of the operations on a monthly basis by means of a report package including comments on outcomes and key financial indicators. Follow-up and testing of control activities are performed continuously to ensure that risks have been satisfactorily addressed. Control activities are continuously monitored and evaluated by the Board of Directors. The Audit Committee plays a supervisory role with regard to the Company's financial reporting, risk management and governance. The Audit Committee maintains ongoing contacts with the Company's auditors to monitor (a) the compliance of both the internal and external accounts of the Company with the requirements made of listed companies, as well as (b) observations from the audit.

Internal audit

RevolutionRace has not established a separate internal audit function, nor does it have an independent internal audit function. This task is performed by the Board of Directors, with the Audit Committee bearing a specific responsibility for any possible internal audit. The Audit Committee regularly reviews and evaluates the adequacy of the internal control regulations. The Audit Committee also works preventively by proposing improvements to the internal control. The CEO and Group Management bear the ultimate responsibility for the internal control within their individual areas of responsibility. In addition, a specific individual is appointed as process manager with the overall responsibility of advancing the internal control. In light of the above, the Board of Directors has chosen not to maintain a specific internal audit function.



Board of Directors



ALEXANDER MARTENSEN-LARSEN
Chairperson of the Board, Chairperson of the Remuneration committee, Member of the Audit Committee

Born: 1975. Member of the Board since: 2023

Main employment outside of RevolutionRace: Alexander currently serves on a range of boards for both public and private companies in different sectors, including Deputy Chair for fashion apparel brands By Malene Birger and Tiger of Sweden.

Previous assignments: An investment banking background and 12 years of experience from fashion and outdoor apparel environments, latest as Chief Executive Officer for the Danish and then-public fashion company, IC Group.

Education: Degree in International Business from Copenhagen Business School as well as an MBA from IMD in Lausanne, Switzerland.

Independent in relation to the Company and Senior Management as well as the Company's major shareholders: Yes

Own, through insurance or closely associated person or legal person's holding of shares in RevolutionRace: 4,000 shares.



SARA DIEZ JAUREGUI
Member of the Board

Born: 1975. Member of the Board since: 2023

Previous experiences include more than 20 years of senior management experience in the fashion, sports retail and digital platforms industries for worldwide leading companies, such as Zara (Inditex), Nike and Zalando.

Main employment outside of RevolutionRace: CEO The Post Fiber.

Current assignments: Advisory Board member at Mango, Unspun, Made2flow and Modelia.

Previous assignments: Advisory Board member at Zeitreel (SONAE), mysize. VP Zalando PrivateLabels and product sustainability and D&I.

Education: Master's degree in international business, Trade and Commerce from ESIC Business & Marketing School in Madrid.

Independent in relation to the Company and Senior Management as well as the Company's major shareholders: Yes

Own, through insurance or closely associated person or legal person's holding of shares in RevolutionRace: —



CECILIE ELDE
Member of the Board, Chairman of the Audit Committee

Born: 1979. Member of the Board since: 2021

Previous experience as CFO and Business Controller of SATS Norway AS, deputy CFO of SATS Nordic, Head of Finance & Business Analysis and Head of Controlling of Tele2 Norway and Head of Commercial Excellence & Business Control of NetCom TeliaSonera Norway AS.

Main employment outside of RevolutionRace: CFO of SATS ASA

Current assignments: Board member of subsidiaries of SATS ASA.

Education: Master of Science in Business Administration at BI Norwegian Business School.

Independent in relation to the Company and Senior Management as well as the Company's major shareholders: Yes

Own, through insurance or closely associated person or legal person's holding of shares in RevolutionRace: 88,020 shares.



ANDREAS KÄLLSTRÖM SÄFWERÄNG
Member of the Board, Member of the Remuneration committee

Born: 1981. Member of the Board since: 2017

Former Investment Professional at Altor Equity Partners AB and Head of Business Development at Meltwater Holding B.V. Also, previous experience as Investment Banking Analyst at Goldman Sachs Group, Inc.

Main employment outside of RevolutionRace: Partner of Altor Equity Partners AB.

Current assignments: Chairperson of Aarke Group AB, Audiowell Group AB and NextGen Ecom AB. Board assignments in several companies within the groups NOD Group and O'Learys Group. Board member of Altor Equity Partners AB, Lombok Invest AB, Kreti AB, Marshall Group AB and Pletti AB.

Previous assignments: Board member of Qmatic Group, Meltwater Holding B.V., Piab Group Holding AB, Rotla B.V. (Infotheek Group), Trioplast Group AB and KonfiDents.

Education: MBA, Stockholm School of Economics

Independent in relation to the Company and Senior Management: Yes

Independent in relation to the Company's major shareholders: No

Own, through insurance or closely associated person or legal person's holding of shares in RevolutionRace: —



BIRGITTA STYMNE GÖRANSSON
Member of the Board, Member of the Audit Committee

Born: 1957. Member of the Board since: 2023

Main employment outside of RevolutionRace: Chairperson of Industriefonden and Berling Media. Board member of Pandora AS, Bure Equity AB, Asker Healthcare Group and Bentley Endovascular Group AB.

Previous assignments: CEO of Memira and Semantix, and COO and CFO of Telefos and COO of Åhléns.

Education: Master's degree in chemical engineering from the Royal Institute of Technology in Stockholm and an MBA from Harvard Business School, Boston, USA.

Independent in relation to the Company and Senior Management as well as the Company's major shareholders: Yes

Own, through insurance or closely associated person or legal person's holding of shares in RevolutionRace: 3,400 shares.



DAVID THÖREWIK
Member of the Board

Born: 1977. Member of the Board since: 2023

Main employment outside of RevolutionRace: CEO of ETON

Previous assignments: 20 years of experience from fashion apparel environments, latest as Managing Director for fashion brand Weekday, and before that as CEO for the retail company Brothers and Sisters.

Education: Degree in Business Administration from Gothenburg School of Business, Economics and Law.

Independent in relation to the Company and Senior Management as well as the Company's major shareholders: Yes

Own, through insurance or closely associated person or legal person's holding of shares in RevolutionRace: —

Shareholdings as per 30 August 2024.

Group Management



PAUL FISCHBEIN CEO

Born: 1973. Employed since: 2022

Many years of experience as an entrepreneur and CEO in e-commerce, including chairperson of the Board of Pricerunner Group AB, CEO of Qliro Group AB (publ) and founder and former CEO of Tretti AB (publ).

Current assignments: Chairperson of the Board of iBinder TopCo AB. Board member of NOD Group AB, Fougstedts Invest AB, Aktiebolaget Svenska Varuhuset. Board member and CEO of Malmviken Partners AB. Chairman of EQT Ventures, Investment Advisory Committee.

Previous assignments: Chairperson of the Board of Pricerunner Group AB, Fyndiq AB, Eversport Group AB and CEO of Nelly Group AB (publ) (previously Qliro Group AB (publ)). Board member of Nordic Nest Group AB, Budbee AB and Malmviken Holding AB.

Education: Master of Science in Business Administration, Lunds University and London School of Economics and Political Science.

Own, through insurance or closely associated person or legal person's holding of shares in RevolutionRace: 479,408 shares and 780,000 warrants.



JESPER ALM Chief Financial Officer

Born: 1975. Employed since: 2021

Former consultant and advisor through Alm Corporate Advisor AB, CFO and Executive Vice President (Corporate Development) at Tethys Oil AB and partner at Pareto Securities AB.

Current assignments: Board member of Alm Corporate Advisor AB and SnigelDesign AB.

Education: Master of Science, Business Administration, Lund University School of Economics and Management.

Own, through insurance or closely associated person or legal person's holding of shares in RevolutionRace: 95,000 shares and 429,290 warrants.



LINUS ANDRÉN Chief Technology Officer

Born: 1979. Employed since: 2020

Previous experience as E-commerce Platform Manager at Eton AB, Systems and Web Developer and Senior Business Systems Developer at NetOnNet AB and Systems Developer at Innovationlab at the University of Borås.

Current assignments: Treasurer in Finnekumla road association.

Education: Master's degree in informatics, System architecture education, University of Borås and degree from master's program Mobile Services, Department of applied IT, Gothenburg University.

Own, through insurance or closely associated person or legal person's holding of shares in RevolutionRace: 37,283 shares and 214,145 warrants.



HANNA BLIXT Chief Operating Officer

Born: 1986. Employed since: 2020

Previous experiences include several leading positions within Gina Tricot AB and NLY Scandinavia AB.

Current assignments: Board member of Baltic Safety Products AB and EGK Borås AB.

Education: Master of Science in Industrial Engineering specialised in organisation and leadership at Borås University.

Own, through insurance or closely associated person or legal person's holding of shares in RevolutionRace: 73,648 shares and 189,145 warrants.



JOEL MANKOWITZ Head of Growth

Born: 1996. Employed since: 2023

Previous experience as COO Hemmy AB, Business Dev. & Expansion ICANIWILL and CCO DeoDoc.

Current assignments: —

Education: Bachelor of Science in Business and Economics & Master of Science in Business and Management, Stockholm School of Economics.

Own, through insurance or closely associated person or legal person's holding of shares in RevolutionRace: 2,000 shares and 35,000 warrants.



FRIDA MORDENFELD Head of Purchasing and Production

Born: 1988. Employed since: 2020

Previous experience as Business Controller at Gina Tricot and NLY Scandinavia.

Current assignments: Owner of Frida Mordenfeld – Proprietorship and Frida Mordenfeld AB. Board assignments in family-owned companies.

Education: Master of Science with a major in Business Administration (MBA), Managing in A Global Context, Jönköping International Business School.

Own, through insurance or closely associated person or legal person's holding of shares in RevolutionRace: 10,400 shares and 163,572 warrants.

Shareholdings as per 30 August 2024.



AUDITOR'S REPORT ON THE CORPORATE GOVERNANCE STATEMENT

To the general meeting of the shareholders of RVRC Holding AB (publ), corporate identity number 559129-4623.

Engagement and responsibility

It is the Board of Directors who is responsible for the corporate governance statement for the year 2023-07-01–2024-06-30 on pages 92–97 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Gothenburg 15 October 2024

Ernst & Young AB

Andreas Mast
Authorized Public Accountant

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GROUP INCOME STATEMENT

SEKm	Note	July–June 2023/24	July–June 2022/23
Operating income			
Net sales	3	1,840	1,560
Other operating income	30	2	2
		1,842	1,562
Operating expenses			
Goods for resale	19	-528	-434
Other external expenses	5	-805	-701
Personnel expenses	4	-114	-110
Depreciation and amortisation of tangible and intangible assets	15, 17, 18	-9	-7
Other operating expenses	30	0	0
		-1,456	-1,252
Operating profit (EBIT)		386	310
Financial income and expenses			
Interest income and similar items	26	8	1
Interest expenses and similar items	27	-4	-5
		4	-4
Profit before tax		389	306
Tax	9	-81	-63
Profit for the year		308	243
Attributable to parent company's shareholders		308	243
Earnings per share			
Earnings per share before dilution, SEK	4, 28	2.73	2.15
Earnings per share after dilution, SEK	4, 28	2.72	2.15

GROUP STATEMENT ON COMPREHENSIVE INCOME

SEKm	Note	July–June 2023/24	July–June 2022/23
Profit for the year		308	243
Other comprehensive income			
Items reversed or which may be reversed to profit for the year			
Exchange rate differences upon translation on foreign subsidiaries	21	0	0
Other comprehensive income for the year after tax		0	0
Comprehensive income for the year		308	243
Attributable to parent company's shareholders		308	243

CONSOLIDATED BALANCE SHEET

SEKm	Note	2024-06-30	2023-06-30
ASSETS			
Non-current assets			
Intangible assets			
Capitalised expenditure for development work and equivalent work	15	6	9
Trademarks	16	171	171
Goodwill	16	617	617
Other intangible assets		8	—
Total intangible assets		802	797
Tangible assets			
Expenditure on third-party property	17	2	2
Equipment, tools and installations	17	1	1
Right of use assets	18	11	14
Total tangible assets		14	17
Deferred tax asset	9	2	2
Total non-current assets		818	816
Current assets			
Goods in warehouse	19	362	323
Goods in transit	19	76	72
Return rights assets	3,19	10	8
Total inventory		448	403
Trade receivables		0	0
Current tax assets	9	5	7
Other current receivables	6	32	44
Derivative instrument		—	2
Prepaid expenses and accrued income	11	20	11
Cash and cash equivalents	12	295	154
Total current assets		800	621
TOTAL ASSETS		1,618	1,437

SEKm	Note	2024-06-30	2023-06-30
EQUITY AND LIABILITIES			
Equity			
Share capital	13	1	1
Other contributed capital	13	724	723
Reserves	13	0	0
Retained earnings	13	219	171
Profit for the period	13	308	243
Total equity		1,252	1,138
Non-current liabilities			
Lease liabilities	18	8	11
Deferred tax liabilities	9	36	35
Total long-term liabilities		44	46
Current liabilities			
Lease liabilities	18	4	4
Accounts payable	20	140	91
Other current liabilities	7	46	43
Derivative instrument	20	—	3
Tax liabilities	9	22	17
Repayment liabilities	20	37	32
Prepaid income and accrued expenses	14	73	63
Total current liabilities		322	253
TOTAL EQUITY AND LIABILITIES		1,618	1,437

CONSOLIDATED STATEMENT OF CASH FLOWS

SEKm	Note	July–June 2023/24	July–June 2022/23
Operating activities			
Profit before financial items		386	310
Adjustment for non-cash items			
Depreciation and amortisation		9	7
Interest received		8	1
Interest paid		-4	-5
Paid income tax		-74	-100
Cash flow from current operations before changes in working capital		324	213
Increase (-)/decrease (+) in inventory		-46	40
Increase (-)/decrease (+) in operating receivables		5	8
Increase (+)/decrease (-) in operating liabilities		66	-73
Cash flow from operating activities		349	188
Investing activities			
Acquisition of tangible assets		-1	-3
Acquisition of intangible assets		-9	-3
Cash flow from investing activities		-10	-6
Financing activities			
Amortisation of lease liabilities		-4	-3
Repayment of borrowings		—	-20
Expenditures related to borrowings		-1	1
Dividend paid		-97	-87
Share repurchase		-98	—
Warrants		1	7
Cash flow from financing activities	22	-198	-102
Cash flow for the period		141	79
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	12	295	154

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEKm	Attributable to parent company's shareholders					
	Share capital	Other contributed capital	Reserves, translation differences	Retained earnings	Profit for the year	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	—	—	—	—	243	243
Other comprehensive income	—	—	0	—	—	0
Comprehensive profit/loss for the year	0	0	0	288	-45	243
Transactions with owners						
Dividend	—	—	—	-87	—	-87
Warrants, program 2021/24	0	0	—	—	—	0
Warrants, program 2022/26	0	7	0	0	—	7
Total	0	7	0	-87	0	-80
Closing balance, 30 June 2023	1	723	0	171	243	1,138
Opening balance, 1 July 2023	1	723	0	171	243	1,138
Transfer of profits for the previous period	—	—	—	243	-243	0
Profit for the period	—	—	—	—	308	308
Other comprehensive income	—	—	0	—	—	0
Comprehensive profit/loss for the year	0	0	0	243	66	308
Transactions with owners						
Dividend	—	—	—	-97	—	-97
Share repurchase	—	—	—	-98	—	-98
Warrants, program 2021/24	—	0	—	—	—	0
Warrants, program 2022/26	—	-1	—	—	—	-1
Warrants, program 2023/27	—	2	—	—	—	2
Total	0	1	0	-195	0	-193
Closing balance, 30 June 2024	1	724	0	219	308	1,252

INCOME STATEMENT PARENT COMPANY

SEKm	Note	July–june 2023/24	July–june 2022/23
Operating income		15	19
		15	19
Operating expenses			
Other operating expenses	5	-6	-7
Personnel expenses	4	-15	-18
Other operating expenses		0	0
		-21	-26
EBIT		-6	-7
Financial income and expenses			
Profit from participations in Group companies	8	97	90
Interest income and equivalents		1	0
Interest expenses and equivalents		-4	-2
EBT		95	88
Appropriations			
Group contribution received		6	13
Total appropriations		6	13
Profit before taxes		95	94
Income tax	9	0	-1
Net Profit/Loss for the period		94	93

The parent company has no items that are recognised as other comprehensive income. Thus, total comprehensive income is the same as profit/loss for the year.



BALANCE SHEET PARENT COMPANY

SEKm	Note	2024-06-30	2023-06-30
ASSETS			
Non-current assets			
Financial assets			
Participations in group companies	10	644	644
Receivables from group companies		0	0
Total financial assets		644	644
Total non-current assets		644	644
Current assets			
Current tax assets		0	2
Receivables from group companies		62	30
Other receivables	6	0	0
Prepaid expenses and accrued income	11	3	4
Total current receivables		65	36
Cash and cash equivalents			
Cash and bank balances	12	3	8
Total cash and cash equivalents		3	8
Total current assets		68	44
TOTAL ASSETS		712	688

SEKm	Note	2024-06-30	2023-06-30
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital		1	1
		1	1
Unrestricted equity			
Share premium reserve		443	443
Retained earnings		23	124
Profit for the year		94	93
		560	660
Total equity		561	661
Non-current liabilities			
Liabilities to credit institutions	21	—	—
Total long-term liabilities		0	0
Current liabilities			
Accounts payable		0	0
Prepaid income and accrued expenses	14	6	3
Liabilities to group companies		144	21
Tax liabilities		0	1
Other liabilities		1	1
Total current liabilities		151	26
TOTAL EQUITY AND LIABILITIES		712	688

Information on pledged assets and contingent liabilities is provided in Note 23.

CONSOLIDATED STATEMENT OF CASH FLOWS PARENT COMPANY

SEKm	Note	2023/24	2022/23
Operating activities			
Profit before financial items		-6	-7
Adjustment for non-cash items			
Income from investments in group companies		103	103
Interest received		1	0
Interest paid		-4	-2
Paid income tax		1	2
Cash flow from operations		95	96
Increase (-)/Decrease (+) in operating receivables		-31	-24
Increase (+)/Decrease (-) in operating liabilities		125	13
Cash flow from operating activities		189	85
Financing activities			
Dividend paid		-97	-87
Share repurchase		-98	-
Warrants, programme 2022/26		-1	9
Warrants, programme 2022/27		2	-
Cash flow from financing activities	22	-194	-78
Cash flow for the period		-5	8
Cash and cash equivalents at start of period		8	0
Exchange rate differences in cash and cash equivalents		0	0
Cash and cash equivalents at end of period	12	3	8

PARENT COMPANY STATEMENT ON CHANGES IN EQUITY

SEKm	Attributable to parent company's shareholders					Total equity
	Share capital	Other contributed capital	Reserves, translation differences	Retained earnings	Profit for the period	
Opening balance, 1 July 2022	1	433	0	211	0	646
Transfer of profits for the previous period	-	-	-	0	0	0
Profit for the period	-	-	-	-	93	93
Other comprehensive income	0	0	0	0	0	0
Comprehensive profit/loss for the year	0	0	0	0	93	93
Transactions with owners						
Dividend	-	-	-	-87	0	-87
Warrants, program 2021/24	0	0	-	-	-	0
Warrants, program 2022/26	0	9	-	-	-	9
Total	0	9	0	-87	0	-78
Closing balance, 30 June 2023	1	443	0	124	93	661
Opening balance, 1 July 2023	1	443	0	124	93	661
Transfer of profits for the previous period	-	-	-	93	-93	0
Profit for the period	-	-	-	-	94	94
Other comprehensive income	0	0	0	0	0	0
Comprehensive profit/loss for the year	0	0	0	93	1	94
Transactions with owners						
Dividend	-	-	-	-97	-	-97
Share repurchase	-	-	-	-98	-	-98
Warrants, program 2022/26	-	-1	0	0	-	-1
Warrants, program 2022/26	0	2	0	0	-	2
Total	0	1	0	-195	0	-194
Closing balance, 30 June 2024	1	444	0	22	94	561

NOTES

NOTE 1 ACCOUNTING PRINCIPLES

General information

These financial statements comprise the Swedish parent company RVRC Holding AB (publ), Corp. ID No. 559129-4623 and its subsidiaries. RVRC Holding AB (publ) is a limited company domiciled in Borås, Sweden at the address Nils Jakobsonsgatan 5D, SE-50430 Borås, Sweden. The company engages in e-commerce in the active outdoor segment through the wholly-owned subsidiary Revolutionrace AB, with Corp. ID No. 556938-2913. The Parent Company engages in holding company activities on behalf of the Group's companies. The RVRC Holding AB (publ) share has been listed on Nasdaq Stockholm since 2021.

This Annual Report has been approved for public disclosure by the Board of Directors on 15 October 2024. The financial statements for the Group and RVRC Holding AB (publ) are to be adopted by the Annual General Meeting on 19 November 2024.

The basics for the preparation of the financial statements

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) that have been adopted by the European Union (EU). In addition, the group applies the Swedish Annual Accounts Act and RFR 1 "Supplementary accounting rules for groups" issued by the Swedish Financial Reporting Board.

These financial statements are prepared based on a going concern assumption. Assets and liabilities are valued at historical cost with the exception of certain financial instruments that are valued at fair value. The financial statements are prepared in accordance with the acquisition method and all subsidiaries in which there is a controlling influence have been consolidated commencing the date on which such influence was obtained.

The parent company applies RFR 2 Accounting for legal entities and the Swedish Annual Accounts Act. The areas that include a high degree of assessment, that are complex or such areas where assumptions and estimates are of material significance for the consolidated financial statements, are specified in Note 2 Significant estimates and assessments. The parent company applies other accounting principles than the Group, which are described below:

Parent company's accounting

Format

Income statement and statement of financial position is according to the Swedish Annual Accounts Act format. Statement on changes in equity is according to the format of the Group, but consists of the columns according to the Swedish Annual Accounts Act. Further and compared with the Group, there are differences in definitions, mainly with regards to financial income, financial expenses and equity

Participations in Group companies

Participations in Group companies are stated at accrued historical cost including any eventual impairment. In the accrued historical cost, expenses related to acquisitions and any eventual purchase expenses are included.

Appropriations

Group contributions are reported as appropriations.

Consolidation Subsidiaries

Subsidiaries are all undertakings over which the group has a controlling interest.

Subsidiaries are reported in accordance with the acquisition method. Subsidiaries which is covered by the consolidated accounts appears of Note 10 Group companies.

Currency

Functional currency and reporting currency

The functional currency of the Parent Company is Swedish kronor, which is the reporting currency of the Parent Company and the group. Unless otherwise stated, all amounts are stated in Swedish kronor.

Transactions in foreign currency

Exchange rate differences arising upon translations are reported in profit for the year. Exchange rate gains and exchange rate losses on operating receivables and operating liabilities are reported in operating profit (EBIT), while exchange rate gains and exchange rate losses on financial receivables and liabilities are reported as financial items.

Translation of foreign subsidiaries

The group has foreign operations in the form of subsidiaries in Norway and the US. Profit and financial position of foreign operations with a functional currency other than the group's functional currency are translated by assets and liabilities being translated at the closing day rate and by income and expenses being translated at the average exchange rate for the financial year.

All exchange rate effects are reported in other comprehensive income and accumulated in the reserves, translation differences in equity. Upon divestment of a foreign business, the translation differences belonging to the divested business are realised, whereupon they are reclassified from the reserves, translation differences in equity to profit for the year. SEK is the functional currency of the parent company and the Group's presentation currency.

The functional currency of the subsidiaries is SEK, NOK and USD.

Operating segments

RevolutionRace's CEO is the highest executive body in terms of both decision-making, allocation of resources and follow-up of results. RevolutionRace's CEO is considered to be the one who allocates resources and assesses the results for the group's operating segments and is thus considered to be the highest

executive decision-maker within RevolutionRace. RevolutionRace has followed the decision tree in IFRS 8 to identify the group's operating segments. The financial follow-up with regard to net sales and marketing costs for the group takes place at market level (revolutionrace.se, revolutionrace.de, revolutionrace.com, etc.).

In other respects, there is no breakdown, allocation or follow-up per market and there is no follow-up of performance measures per market.

The report, which is produced monthly and presented to the highest executive decision-maker (as well as the Executive Group Management and the Board of Directors), contains financial information about the entire RevolutionRace group and no breakdown takes place to lower levels in the organisation. To constitute an operating segment, its operating results must be regularly reviewed by the highest executive decision-maker and there must be independent financial information about the segment.

In the case of RevolutionRace, the operating profit is only monitored for the entire group in accordance with the above. RevolutionRace thus assesses that the entire group constitutes one single operating segment.

Income from agreements with customers

The group's income from agreements with customers primarily comprises:

- Sales of products via RevolutionRace's website
- Sales of products via Amazon's website

In addition, the Company receives income in the form of commission from some Payment Service Providers (PSP) when the customer chooses to pay part of the invoice via PSP. This commission is reported as other income.

Product sales through RevolutionRace's website and Amazon's website

RevolutionRace's agreement with customers comprise an order, an order confirmation as well as general terms and conditions (RevolutionRace's or Amazon's). When RevolutionRace sells via Amazon, the agreement between Amazon and RevolutionRace is also included in the assessment of what constitutes the agreement with the customer, since it constitutes a basis for the sale via Amazon's website.

RevolutionRace acts as principal in all agreements with customers and two performance obligations have been identified, which are the sale of products as well as express orders. At present, there is no possibility for customers to purchase supplementary products or services, but this is being regularly reviewed in order to pick up if it leads to a significant right which is to be reported as a separate performance obligation.

The transaction price in RevolutionRace's agreements with customers comprises the price that the customer is obliged to pay according to the order confirmation. Any discounts are fixed and known in advance. Customers have a 30 day right of return, which is taken into consideration as variable compensation when the transaction price is established. The customers' possibility to return products is reported as a repayment

liability and as a right of return asset in the Statement of financial position.

Irrespective of how sales take place, income is reported when the product is sent from the warehouse for delivery to the customer. If possibilities arise in the future for customers to purchase supplementary goods or services, and this gives rise to a significant right which constitutes a separate performance obligation, the income will be reported at the time when the possibility to purchase supplementary products or services is exercised.

RevolutionRace has not identified any expenditures for receiving or performing an agreement.

RevolutionRace's customers can pay by card or by Payment Service Providers (PSP) such as Klarna or PayPal. Thus, no accounts receivable arise for RevolutionRace, only receivables from PSP and Amazon. RevolutionRace thus has no contractual assets or contractual liabilities.

Right of return assets

A right of return is reported when there is a right to recover a product from a customer. The asset is valued based on the previously reported value of the product, less potential reductions in value for returned products. The group updates the value of right of return assets based on any changes in expectations regarding the volume of returns and/or further reductions in value of returned products.

Repayment liabilities

A repayment liability is reported when there is an obligation to repay all compensation that the group has received, or will receive, from a customer. The group's repayment liabilities arise from the customer's right of return. The liability is valued based on the amount that the group expects that it will need to repay to the customer, which is updated at the end of each reporting period taking into consideration any changes in the anticipated repaid amounts. Information regarding significant estimates and assessments related to income from agreements with customers is provided in Note 2 Significant estimates and assessments.

Remuneration to employees

Contribution defined pension plans

The group's pension obligations only include contribution defined plans. The group's obligations regarding fees to contribution defined plans are reported as an expense in the income statement as they are earned through the employees performing services on behalf of the group during the period.

Incentive programmes

The Group offers, through three incentive programs, warrants to senior executives and key personnel. As the warrants are not settled as share-related remuneration towards acquired goods or services, they are not reported according to IFRS 2. Instead, they are reported as an increase in equity equal to the price of the warrants as acquired by the individuals. See also Note 25 Share related remuneration.

Note 1 cont.

Intangible assets

An intangible asset is valued at historical cost when it is included in the financial statement for the first time. The useful life of an intangible asset is deemed to be determinable or indeterminable. Intangible assets with the determinable useful lives are reported at historical cost less amortisation and any impairment. Intangible assets with indeterminable useful lives are tested annually for impairment at year-end on the cash-generating unit to which the asset relates as well as upon indication of impairment.

Capitalised expenditures for development work

Capitalised expenditures for development work relate primarily to development expenses for the group's e-commerce platform, business systems and websites. Research expenses are booked as they are incurred.

Other intangible assets

Other intangible assets mainly relate to trademark protection.

Amortisation principles

Intangible assets with a determinable useful life are amortised systematically over the assessed useful life of the asset. The calculated useful life periods for intangible assets are:

Capitalised expenditures for development work and similar	5 years
Other intangible assets, acquired trademarks	10 years
Other intangible assets	20 years

The trademark resulting from the acquisition of Revolutionrace AB as well as acquired domains, are deemed to have an indefinite useful life and is thus not amortised and is instead tested for impairment annually, as well as if there is an indication.

Tangible assets

Tangible assets are reported in the group at historical cost after deduction of accumulated depreciation and any impairment. Profits or losses arising upon divestment or disposal are reported as other operating income/expense.

Depreciation principles

Depreciation takes place on the straight-line basis over the estimated useful life of the asset. The estimated useful life periods are:

Expenditures on third-party property	7 years*
Plant and machinery	5 years
Equipment, tools and installations	5 years

* Though not longer than the lease period

Leases**Right of use assets**

Right of use assets are valued at historical cost after deduction for accumulated depreciation and any impairment, and adjusted for reassessment of the lease liability.

Lease liabilities

On the opening date of a lease agreement, the group reports a lease liability corresponding to the present value of the lease payments to be paid during the lease period. The lease period is determined as the non-terminable period together with periods to extend or terminate the agreement if the group is reasonably certain that it will exercise the options.

To calculate the present value of the lease payments, the group uses the implicit rate of interest in the agreement if it can be determined simply and in other cases the group's marginal borrowing rate as of the initial date of the lease agreement is used.

Application of practical exceptions

The group applies the practical exceptions regarding current lease agreements and lease agreements where the underlying asset has a low value. Current lease agreements are defined as lease agreements with an initial lease term of not more than 12 months taking into consideration any options to extend the lease agreement. Lease agreements where the underlying asset is of low value have been defined by the group as agreements where the underlying asset might be purchased for not more than SEK 50,000 and, in the group, consist for example of office equipment. Lease payments for current leases and lease agreements where the underlying asset is of low value are booked as expenses on a straight line basis over the lease period.

The group also applies the exception of not differentiating between non-leasing components and leasing components in lease agreements, except with respect to vehicles, where the group applies the main rule. For those agreements where the relief rule is applied, lease components and related non-lease components are reported as a single lease component.

Impairment of non-financial assets

Intangible assets with indeterminable useful life periods are tested annually for impairment on 30 June on the cash-generating unit to which the asset belongs and upon indications. See also Note 16 Goodwill and intangible assets with indeterminable useful life

Financial items**Classification and valuation****Financial assets**

The group's financial instruments are reported as accrued acquisition value, except for derivatives, which are reported at fair value. The group's financial instruments is specified in Note 20 Financial instruments.

Impairment of anticipated credit losses

The group has the following assets that are covered by the model for anticipated credit losses in IFRS 9:

- Accounts receivable
- Other receivables (Payment Service Providers)
- Cash and cash equivalents

Since the group works with a number of Payment Service Providers (PSP) who assume the credit risk, RevolutionRace has accounts receivable only in exceptional cases and then in unusual amounts. In light of this, no provision is made in respect of anticipated credit losses.

The group has bank balances at Nordea. The loss reserve for receivables at Nordea is considered to be negligible and no anticipated credit losses are reported since they are not significant.

Fair value is established in accordance with the description in Note 20 Financial instruments

Inventory

Inventory is valued at the lower of historical cost and net realisable value. The historical cost is calculated in accordance with the first in, first out principle.

Obsolescence deductions are applied to the company's inventory. See note 19.

Cash and cash equivalents

Drawn overdraft is reported as borrowing among current liabilities.

Cash flow statement

The cash flow statement is prepared in accordance with the indirect method.

New and amended accounting principles 2023/24

From 1 July 2023, the group applies the changes in 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.

No other new or changed accounting standards or interpretations that entered into force on 1 July 2023 have had a significant impact on the group's financial reports.

New and amended accounting principles 2024/25 and later

Upon completion of the Annual Report, several changes in the IFRS standards and interpretations by IFRS interpretation committee have been published but not yet become effective.

IASB has 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 changes become effective from the financial year which begins on January 1, 2024. None of these changes are assessed to have a significant impact on the group's financial reports.

Furthermore, the IASB has published an amendment in the form of IFRS 18, which is a new accounting standard that replaces IAS 1. IFRS 18 means new requirements for presentation in financial statements, notes and key figures.

This change become effective from and including January 1, 2027 with retroactive application, not yet approved by the EU. The change affects the group's presentation of both financial statements and notes. The group is investigating the change and its impact on the financial reports.

NOTE 2 SIGNIFICANT ESTIMATES AND ASSESSMENTS

Upon preparation of the financial statements, company management and the Board of Directors must make certain assessments and assumptions that affect the reported value of asset and liability items as well as income and expense items and other provided information. The assessments are based on experience and assumptions that management and the Board of Directors believe to be reasonable under prevailing circumstances. Actual results may then differ from these assessments if other circumstances arise. The estimates and assumptions are evaluated regularly and are not deemed to constitute any significant risk for material adjustments in reported values of assets and liabilities during the coming financial year.

Changes to estimates are reported in the period in which the change made only affects that period, or in the period in which the changes made and future periods if the change affects both a current period and future periods.

Described below are the estimates and assessments that are most significant upon the preparation of the Company's financial statements.

Impairment of goodwill and trademarks

Goodwill and trademarks are reported at historical cost less any impairment. Recoverable amounts for goodwill and trademarks with indeterminable useful life periods have been determined based on estimates of useful life value and are tested annually for impairment. These assessments are made based on estimated future cash flows before tax based on financial budget and a forecast of future development for the immediately following 5 years. The rate of growth has been assessed based on RevolutionRace's historical rate of growth and anticipated growth of the online market for RevolutionRace's products.

There is a risk that RevolutionRace's assumptions in these respects may prove to be incorrect or that the discount rate used does not correctly reflect the specific risks for the cash-generating unit, which might result in deviations in the valuation of goodwill. Any such significant deviations and major impairment of goodwill may have a material adverse impact on the Company's financial position. See also Note 16 Goodwill and intangible assets with indeterminable useful life periods.

Inventory

The inventory is recorded at the lower of the acquisition value and the net sales value.

The acquisition value is determined according to the so-called first-in-first-out principle (FIFO) and is based on a standard cost method including costs for all direct manufacturing costs and attributable share of capacity and other manufacturing-related overheads. Costs for research and development, sales, administration and financial costs are not included. The net sales value is calculated as the sales price reduced by costs attributable to the sale.

Inventories are written down on an ongoing basis using an obsolescence ladder that is based on an age classification of the goods reported in the balance sheet as Inventories. See also Note 19 Inventory.

Leases

If the Company is reasonably certain that it will exercise a possibility to extend a lease agreement or that it will not exercise an alternative to terminate the lease agreement prematurely, this is taken into consideration when determining the lease term. Extension options and the possibility to terminate a contract prematurely relate primarily to lease of premises. Each contract and its lease term is assessed individually. The Company uses the marginal borrowing rate to discount future lease expenses.

Deferred tax liabilities/assets

Deferred tax liabilities and tax assets are reported at the applicable tax rate for each individual period. Deferred tax liabilities are largely attributable to the book value of the trademark, while deferred tax assets are largely attributable to costs related to the acquisition of Revolutionrace AB. The key assessments are made in the sub-group Revolutionrace Holding AB.

Financial instruments valued at fair value

The Company classifies all financial assets and liabilities at accrued historical cost apart from derivative instruments, which are classified at fair value via operating profit. The assessment for derivative instruments is based on the Company using foreign exchange forwards to hedge sales and purchases in different currencies. The assessment with respect to other financial assets and liabilities is based on such comprising inflows and outflows of contractually compatible cash flows.

Income from agreements with customers

Upon the sale of the Company's products, the transaction price comprises the price, including known discounts determined in advance, which the customer is obliged to pay in accordance with the order confirmation. All discounts are fixed and known in advance and thus do not constitute variable compensation which affects the transaction price. Since the customer is entitled to return the product, the Company makes an estimate regarding the proportion of the products that will be returned. The calculation of the estimated value of returns takes place with the help of historic data and per country.

Two performance obligations have been identified in the Company's agreements: sale of product and express orders. The transaction price is allocated to the respective obligation based on independent selling price. The Company has made the assessment that the performance obligation is fulfilled when the product is sent from the warehouse for delivery to the customer. Income is reported as each performance obligation is fulfilled.

Total income constitutes the aggregate of income including discounts reduced by the value of actual and estimated returns.

NOTE 3 INCOME FROM AGREEMENTS WITH CUSTOMERS

Breakdown of 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 is connected with the site on which the sales take place, for example revolutionrace.se for Sweden and revolutionrace.de for Germany. Here is Net sales presented per geographical market and region, respectively.

SEKm	Group	
	2023/24	2022/23
Geographical market		
Germany	905	743
Sweden	200	182
Finland	105	102
Rest of the world	631	533
Total income from agreements with customers	1,840	1,560
Geographical region		
Nordics	420	388
DACH	1,036	862
Rest of the world	385	310
Total income from agreements with customers	1,840	1,560
Right of return assets and repayment liabilities		
Right of return assets	10	8
Repayment liabilities	37	32

The Parent Company's net sales, which consist entirely of internal invoicing of services, amounted to SEK 15 million (SEK 19 million) for the year.

NOTE 4 EMPLOYEES AND PERSONNEL EXPENSES

	Average number of employees	Of whom, women %	Of whom, men %
Average number of employees 2022/2023			
<i>Parent company</i>			
Sweden	2	0	100
<i>Subsidiaries</i>			
Sweden	135	73	27
Group total	137	72	28

	Average number of employees	Of whom, women %	Of whom, men %
Average number of employees 2021/22			
<i>Parent company</i>			
Sweden	2	0	100
<i>Subsidiaries</i>			
Sweden	132	71	29
Group total	134	70	30

The Group has no employees in the foreign subsidiaries. The operations in the foreign subsidiaries is conducted by employees of the Swedish companies.

Gender distribution of Board and senior executives	2023/24	2022/23
Directors including alternates	6	6
Of whom, women %	50	33
Of whom, men %	50	67
CEO and other senior executives, number	6	8
Of whom, women %	33	26
Of whom, men %	67	74

Personnel expenses, SEKm	2023/24	2022/23
Parent company		
<i>Board and other senior executives</i>		
Salaries and other remuneration	10	13
Social security contribution	4	4
Pension expenses	1	2
Other personnel expenses	0	0
<i>Subsidiaries</i>		
<i>Board and other senior executives</i>		
Salaries and other remuneration	7	10
Social security contribution	2	3
Pension expenses	1	1
Other personnel expenses	0	0
Total	25	32
Other employees		
Salaries and other remuneration	60	53
Social security contribution	20	16
Pension expenses	5	4
Other personnel expenses	4	4
Total	89	78
Group total	114	110

Board and CEO remuneration 2023/24, SEKm	Base salary member of the Board	Variable remuneration	Pension benefits	Other benefits	Total
Chairman					
Andreas Källström Säfweräng/ Alexander Martensen-Larsen ¹⁾	0.7	—	—	—	0.7
Directors					
Cecilie Elde	0.4	—	—	—	0.4
Sara Diez Jauregui	0.2	—	—	—	0.2
Andreas Källström Säfweräng ²⁾	0.2	—	—	—	0.2
Birgitta Stymne Göransson	0.2	—	—	—	0.2
Jens Browaldh ³⁾	0.1	—	—	—	0.1
David Thörewik	0.2	—	—	—	0.2
Niclas Nyrensten ⁴⁾	0.2	—	—	—	0.2
Pernilla Nyrensten ³⁾	0.1	—	—	—	0.1
CEO					
Paul Fischbein	4.0	0.7	1.1	0.0	5.8
Other senior executives, 5 persons	6.6	1.4	1.3	0.3	9.6
Total	12.8	2.1	2.4	0.3	17.3

1) Andreas Källström Säfweräng until annual general meeting 2023, Alexander Martensen-Larsen from annual general meeting 2023.

2) From annual general meeting 2023.

3) Until annual general meeting 2023.

4) Until June 13, 2024.

Board and CEO remuneration 2022/23, SEKm	Base salary member of the Board	Variable remuneration ⁶⁾	Pension benefits	Other benefits	Total
Chairman					
Paul Fischbein/Andreas Källström Säfweräng ¹⁾	0.6	—	—	—	0.6
Directors					
Magnus Dimert ²⁾	0.1	—	—	—	0.1
Cecilie Elde	0.2	—	—	—	0.2
Andreas Källström Säfweräng ³⁾	0.1	—	—	—	0.1
Johan Svanström ⁴⁾	0.1	—	—	—	0.1
Jens Browaldh	0.2	—	—	—	0.2
Niklas Nyrensten ⁵⁾	0.1	—	—	—	0.1
Pernilla Nyrensten	0.2	—	—	—	0.2
CEO					
Pernilla Nyrensten	0.2	0.0	0.0	0.0	0.2
Paul Fischbein	3.3	3.2	0.9	0.0	7.4
Other senior executives, 7 persons	8.0	5.0	1.4	0.0	14.4
Total	13.3	8.2	2.3	0.0	23.6

1) Paul Fischbein 2022-07-01–2022-11-09, Andreas Källström Säfweräng 2022-11-10–2023-06-30

2) Until the annual general meeting 2022

3) Until the annual general meeting 2022

4) Until 2023-02-24

5) From the annual general meeting 2022

6) During the financial year, SEK 6.3 million related to variable compensation linked to the incentive program serie 2022/2026

Variable remuneration is remuneration where the amount is not determined in advance.

Note 4 cont.

Remuneration and conditions for senior executives

Remuneration for the CEO and other senior executives comprises base salary, variable remuneration, pension benefits and other benefits such as wellness allowance. "Other senior executives" means those persons who, together with the CEO, constitute the Group Executive Management. The variable remuneration to the CEO amounts to a maximum of six months' salary and for other senior executives to 4–6 months' salary. The CEO and the Company have a mutual termination period of 6 months. Pension benefits for the CEO are in accordance with a collective agreement for white-collar employees in the industry. For other senior executives there is a mutual termination period of 3–6 months. Pension benefits for other senior executives are in accordance with those for the CEO

Severance package

The CEO is entitled to a severance package corresponding to during the termination period, calculated based on the employee's salary at the time of termination of the agreement. For CEO and other senior executives no severance compensation is paid.

Incentive programmes

The Extraordinary General Meeting held on May 26 2021 resolved to introduce a long-term incentive programme, Series 2021/2024, comprising a combined maximum of 1,889,677 warrants in one serie for senior executives and other key persons in the Group. Shares can be subscribed during specially stipulated subscription periods through December 31 2024. The warrants were acquired at an estimated market price. The CEO acquired, through a corporation and together with Niclas Nyrensten, 715,015 warrants. The other members of the senior management team acquired in total 817,160 warrants.

As a condition of the implementation of the offer, the founders of RevolutionRace, the Nyrenstens, through Nyrensten Global Holding, has issued bonus bonds to senior executives and certain key persons in the Group, a total of 17 people, not

including Pernilla Nyrensten and Niclas Nyrensten, which means that a so-called stay-on bonus will be paid to the employees if they remain in employment as of 31 December 2024 (with customary exceptions). The commitment includes a total amount of a maximum of SEK 11 million net after tax and is conditional, among other things, on the fact that LTIP 2021/2024 has not been redeemed. If and to the extent that the bonus commitments result in costs for the Company, including accrued bonus amounts and subsequent costs in the form of social security contributions, Nyrensten Global Holding has undertaken to reimburse RevolutionRace for all of these costs.

At the Annual General Meeting on November 10 2022, it was resolved on the introduction of an incentive program, Series 2022/2026, comprising a total of not more than 2,125,000 warrants in a series aimed at senior executives and other key personnel within the Group. Shares can be subscribed during specially stipulated subscription periods through May 15 2026. The warrants were acquired at an estimated market price. The CEO acquired 750,000 warrants, other senior executives acquired a total of 800,000 warrants.

At the Annual General Meeting on November 21 2023, it was resolved on the introduction of an incentive program, Series 2023/2027, comprising a total of not more than 750,000 warrants in a series aimed at senior executives and other key personnel within the Group. Shares can be subscribed during specially stipulated subscription periods through July 2, 2027. The warrants were acquired at an estimated market price. The CEO acquired 30,000 warrants, other senior executives acquired a total of 96,500 warrants.

During the financial year, 112,359 warrants have been repurchased in the incentive program 2021/24 and 175,000 warrants have been repurchased in the incentive program 2022/26. The 2023/2027 incentive program has charged SEK 3 million to the year's result after financial items.

Outstanding incentive programmes	Number of options	Corresponding number of shares	Proportion of total shares, %	Price per warrant, SEK	Recalculated subscription price, SEK	Number of exercised warrants	Corresponding number of shares	Expiration period
Outstanding incentive programmes 2023/24								
2021/2024	1,435,027	1,492,428	1.3	9.79	93.35	0	0	2024-07-01–2024-12-31
2022/2026	1,622,000	1,686,880	1.5	4.41	38.27	0	0	2025-11-15–2026-05-15
2023/2027	239,500	239,500	0.2	8.56	74.23	0	0	2027-01-02–2027-07-02
Outstanding incentive programmes 2022/23								
2021/2024, Serie I	1,547,386	1,593,808	1.4	9.79	94.83	0	0	2024-07-01–2024-12-31
2022/2026, Serie I	1,797,000	1,832,940	1.6	4.41	38.81	0	0	2025-11-15–2026-05-15

NOTE 5 AUDITOR'S FEES

SEKm	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
Ernst & Young AB				
Audit engagement	1	1	1	0
Other audit work	—	—	—	—
Other services	0	0	0	0
Total	1	1	1	1
Ernst & Young AS				
Audit engagement	0	0	0	0
Other audit work	—	—	—	—
Other services	0	0	—	—
Total	2	1	0	—

Audit engagement pertains to fees for the statutory audit, i.e., such work that was necessary to issue the audit report as well as audit consulting in connection with the audit engagement. Other services are services not included in statutory audit or tax advising.

NOTE 6 OTHER CURRENT RECEIVABLES

SEKm	Group		Parent company	
	2024-06-30	2023-06-30	2024-06-30	2023-06-30
Receivables payment service providers	19	8	—	—
VAT receivable	5	3	—	—
Deposit VAT abroad	8	5	—	—
Advance payments	–0	29	—	—
Other	–0	0	–0	0
Reported value	32	44	–0	0

NOTE 7 OTHER CURRENT LIABILITIES

SEKm	Group		Parent company	
	2024-06-30	2023-06-30	2024-06-30	2023-06-30
VAT liability	42	40	1	1
Taxes and fees – personnel	4	3	1	0
Other	—	—	—	—
Reported value	46	43	1	1

NOTE 8 PROFIT FROM PARTICIPATIONS IN GROUP COMPANIES

SEKm	Parent company	
	2023/24	2022/23
Dividend received from subsidiaries	97	90
Total	97	90

NOTE 9 TAXES

Income statement, SEKm	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
Tax expense				
Current tax	-81	-65	0	-1
Tax adjustment previous years	—	—	—	—
Total tax expenses	-81	-65	0	-1
Deferred tax				
Deferred tax temporary differences	0	1	—	—
Deferred tax on losses carried forward	—	—	—	—
Total deferred tax	0	1	0	0
Total reported tax	-81	-63	0	-1

Reconciliation of effective tax rate, SEKm	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
Profit before taxes	389	306	95	94
Tax rate parent company ¹⁾	-80	-63	-19	-19
Tax effect of:				
Non-deductible income	0	—	20	19
Non-deductible expenses	-1	0	-1	0
Temporary differences due to IFRS and change in tax rate	—	—	—	—
Other	0	0	—	—
Tax allocation reserve	—	—	—	—
Change in foreign tax rate	—	—	—	—
Reported tax	-81	-63	0	-1
Effective tax rate	21	21	0	-1

1) The group has no tax items reported directly against equity.

Statement of financial position

Deferred tax asset, SEKm	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
Expenses relating to acquisition of Revolutionrace AB	1	1	—	—
Lease liabilities	0	0	—	—
Fair value of financial instruments	—	0	—	—
Reported value	2	2	0	0

Income statement

Deferred tax income, SEKm	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
Temporary differences attributable to changed tax rate	0	0	—	—
Temporary differences attributable to untaxed reserves	—	—	—	—
Temporary differences attributable to leases	0	0	—	—
Temporary differences attributable to acquisition costs	—	—	—	—
Temporary differences attributable to financial instruments	0	1	—	—
Reported value	0	1	0	0

Statement of financial position

Deferred tax liability, SEKm	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
Temporary differences attributable to leases	—	—	—	—
Temporary differences attributable to accelerated depreciation	—	—	—	—
Temporary differences attributable to untaxed reserves	—	—	—	—
Temporary differences attributable to acquired trademark	35	35	—	—
Temporary differences attributable to financial instruments	0	0	—	—
Reported value	35	35	0	0

Income statement

Deferred tax liability (-) / tax asset (+)	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
Temporary differences attributable to changed tax rate	—	—	—	—
Temporary differences attributable to untaxed reserves	—	—	—	—
Temporary differences attributable to accelerated depreciation	—	—	—	—
Temporary differences attributable to leases	0	0	—	—
Temporary differences attributable to financial instruments	—	1	—	—
Reported value	0	1	0	0

Statement of financial position

Deferred tax net	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
Presented in statement of financial position as:				
Deferred tax asset	2	2	—	—
Deferred tax liability	-35	-35	—	—
Deferred tax liability (-) / tax asset (+), net	-33	-33	0	0

Reconciliation of deferred tax liability (-) / tax asset (+), net

Opening book value	-33	-35	—	—
Deferred tax expenses as per income statement	0	1	—	—
Deferred tax income as per income statement	0	0	—	—
Closing book value	-33	-33	0	0

NOTE 10 GROUP COMPANIES

The Parent Company's (direct and indirect) holdings in subsidiaries covered by these financial statements are shown in the table below:

Company	Registration number	Domicile	Share of capital %	Share of votes %	Type of business	Reported value, SEKm
Revolutionrace Holding AB	559118-2174	Stockholm	100	100	Holding company	644
Revolutionrace AB	556938-2913	Borås	100	100	E-commerce outdoor clothing	793
Revolutionrace AS	917349886	Halden, Norway	100	100	E-commerce outdoor clothing	0
Revolutionrace Inc	85-3695008	Delaware, USA	100	100	E-commerce outdoor clothing	0

Revolutionrace Holding AB conducts holding company operations for the group's companies. Revolutionrace AB conducts e-commerce with functional apparel under the brand RevolutionRace and is a wholly-owned subsidiary of Revolutionrace Holding AB. Revolutionrace AS's operations include the purchase of goods and services from

Revolutionrace AB, and to conduct e-commerce in Norway with functional apparel under the brand RevolutionRace. The company is a wholly-owned subsidiary of Revolutionrace AB.

For the Group's holdings of shares and participations in other companies, fair value is considered to be equal to cost. See also Note 1.

NOTE 11 PREPAID EXPENSES AND ACCRUED INCOME

SEKm	Group		Parent company	
	2024-06-30	2023-06-30	2024-06-30	2023-06-30
Prepaid expenses – credit facility	2	3	2	3
Accrued income	4	1	0	0
Other prepaid expenses	13	8	1	2
Reported value	20	11	3	4

NOTE 12 CASH AND CASH EQUIVALENTS

SEKm	Group		Parent company	
	2024-06-30	2023-06-30	2024-06-30	2023-06-30
Cash and bank balances	295	154	3	8
Reported value	295	154	3	8

NOTE 13 EQUITY**Share capital**

As per 30 June 2024 the share capital consists of one share class.

	Share capital development
Vote value	1.00
Share quota as per 30 June 2024	0.01
Number of shares as per 30 June 2023	112,918,918

Development of Equity

During the year, no events has affected the share capital.

Repurchase of own shares

Number of outstanding shares at the start of the financial year was 112,918,918. During the financial year, RevolutionRace has repurchased 1,853,261 own shares. At the end of the financial year, the number of outstanding shares amounted to 111,065,657.

Other contributed capital

Other contributed capital comprises capital contributed by the group's owners.

Reserves, translation differences

Reserves, translation differences relate in full to a translation difference, which includes all currency rate differences arising upon translation of financial statements from foreign operations which have prepared their financial statements in a different functional currency than the currency in which the group's financial statements are presented. The group presents its financial statements in Swedish kronor. Accumulated translation differences are reported in profit/loss upon divestment of foreign businesses.

Group, SEKm	2024-06-30	2023-06-30
Opening book value	0	0
Change during the year	0	0
Closing book value	0	0

NOTE 14 PREPAID INCOME AND ACCRUED EXPENSES

SEKm	Group		Parent company	
	2024-06-30	2023-06-30	2024-06-30	2023-06-30
Accrued vacation pay	9	7	1	0
Accrued social security expenses	6	4	1	0
Other payroll expense	4	2	2	1
Accrued expenses for advertising	24	20	—	—
Accrued expense for logistics	27	24	—	—
Accrued expense for audit fees	2	1	2	1
Other accrued expenses	2	4	0	0
Reported value	73	63	6	3

NOTE 15 INTANGIBLE ASSETS

Group, 1 July 2023–30 June 2024	Capitalised expenses for development work	Trademarks	Goodwill	Other intangible assets
Opening historical cost	16	171	617	—
Internally worked up	1	—	—	—
Investments	—	—	—	8
Closing historical cost as of 30 June 2024	17	171	617	8
Opening amortisation	-8	—	—	—
Amortisation for the year	-3	—	—	-0
Closing amortisation as of 30 June 2024	-11	—	—	-0
Net carrying value				
As of 30 June 2024	6	171	617	8
As of 30 June 2023	9	171	617	—

Group, 1 July 2022–30 June 2023	Capitalised expenses for development work	Trademarks	Goodwill	Other intangible assets
Opening historical cost	14	171	617	—
Internally worked up	3	—	—	—
Closing historical cost as of 30 June 2023	16	171	617	—
Opening amortisation	-5	—	—	—
Amortisation for the year	-3	—	—	—
Closing amortisation as per 30 June 2023	-8	—	—	—

NOTE 16 GOODWILL AND INTANGIBLE ASSETS WITH INDETERMINABLE USEFUL LIFE

Reported value goodwill and trademark, SEKm	2024-06-30	2023-06-30
Goodwill	617	617
Trademark, RevolutionRace	171	171
Other intangible, trademark protection	1	—
Reported value	789	788

The group makes the assessment that the RevolutionRace trademark has an indeterminable useful life since the trademark has been developed and used over an extended period and constitutes the brand for all of the group's products. The trademark is used both for marketing of clothes, as the name of the trading platform, etc. The group conducted its yearly test of impairment on 30 June 2024. For RevolutionRace, there is no division into cash-generating units, and instead the group in its entirety constitutes the only cash-generating unit.

The recovery value of goodwill and trademarks, amounting to SEK 7,793 million (SEK 5,859 million) as of 30 June 2024, comprises the value in use which has been calculated by using cash flow forecasts from budgets over a 5-year period. The interest before tax which is used to discount cash flows amounts to 9.2% (9.7%) and cash flows beyond the 5-year period are extrapolated with 3.0% growth. Thus, no impairment has taken place.

Main assumptions used when calculating the recovery value and sensitivity analysis:

Discount rate

The discount rate has been determined by using WACC (Weighted Average Cost of Capital). Consideration has been given to the Company's unlevered beta, tax rate and assessed debt/equity ratio. Furthermore, as input the Company has used the most recently published report "Risk premium study 2024" (issued by PwC), which among other things studies the market risk premium assessed by the market and the risk-free rate of interest. The Company has also assessed its specific risk premium and the long-term borrowing rate for the Company (before and after tax).

An increase of 1.0 percentage points in the discount rate would mean a reduced recovery value of SEK 1,104 million. A reduction in the discount rate by 1.0 percentage points would mean an increase in the recovery value by SEK 1,529 million (SEK 896 million).

NOTE 17 TANGIBLE ASSETS

Group, SEKm	Expenses incurred on thirdparty property	Equipment, tools, fixtures and fittings
Opening book value		
Opening book value 1 July 2022	1	3
Investments during the year	2	1
Closing book value 30 June 2023	3	4
Investments during the year	0	0
Reclassification		
Accumulated amortisation as per 30 June 2024	3	4
Depreciation/amortisation		
Opening book value 1 July 2022	0	2
Depreciation/amortisation for the year	0	1
Accumulated depreciation/amortisation as per 30 June 2023	1	3
Depreciation/amortisation for the year	1	1
Accumulated depreciation/amortisation as per 30 June 2024	1	3
Net carrying value		
As per 30 June 2024	2	1
As per 30 June 2023	2	1

NOTE 18 LEASE AGREEMENTS
The group as lessee

Important lease agreements primarily comprise agreements regarding office premises, cars and office equipment. The group classifies its lease agreements into the following types of assets: premises, vehicles and other. The table below shows the group's closing balances regarding right of use assets and lease liabilities as well as the businesses during the years:

Group	Premises	Vehicles	Other	Total
Right-of-use assets, SEKm				
Opening book value 1 July 2022	7	1	0	8
Additional agreements	9	0	0	9
Depreciation	-2	0	0	-3
Terminated agreements	0	0	0	0
Reassessment of agreements	0	0	0	0
Closing balance as per 30 June 2023	13	1	0	14
Additional rights-of-use	0	0	—	0
Amortisation	-3	0	0	-4
Leases ended	0	0	—	0
Reclassification	1	0	—	1
Reported value as per 30 June 2024	11	1	0	11
Lease liability, SEKm¹⁾				
Opening book value 1 July 2022	8	1	0	9
Additional rights-of-use	9	0	—	9
Reclassification	0	0	—	0
Terminated agreements	—	0	—	—
Interest expense on lease liabilities	0	0	0	0
Lease expenses	-2	0	0	-3
Closing balance as per 30 June 2023	14	0	0	15
Additional rights-of-use	—	0	—	0
Reclassification	1	0	—	1
Terminated agreements	—	0	—	0
Interest expense on lease liabilities	0	0	0	0
Lease expenses	-4	0	0	-4
Reported value as per 30 June 2024	12	1	0	12

1) See Note 21 Financial risks for maturity analysis of the lease liability.

Presented below are the amounts reported in the consolidated statement of income during the financial years related to leasing activities.

SEKm	2023/24	2022/23
Depreciation of right of use assets	4	3
Interest expenses for lease liabilities	0	0
Expenses related to short-term lease agreements	0	—
Reported value	5	3

The group's total cash flow for lease agreements amounted SEK 4 million (SEK 3 million).

With respect to each agreement, the Company has made an assessment regarding possible early termination or a possible extension. The Company has, with reasonable certainty, arrived at agreements for which it is possible that they will neither be terminated prematurely nor extended.

NOTE 19 INVENTORIES

Group, SEKm	2024-06-30	2023-06-30
Goods in warehouse	362	323
Return rights assets	10	8
Goods in transit	76	72
Reported value	448	403

Obsolescence deductions of SEK 6 million have been applied to the inventory, see accounting principles for more information.

NOTE 20 FINANCIAL INSTRUMENTS

Fair value of the Group's financial liabilities is shown in the table below. See also Note 17 Financial risks.

SEKm	2024-06-30		2023-06-30	
	Reported value	Fair value	Reported value	Fair value
Financial assets valued at historical cost				
Other current receivables	32	32	44	44
Cash and cash equivalents	295	295	154	154
Financial liabilities valued at fair value in income statement				
Derivative instruments	—	—	2	2
Closing value	327	327	201	201
Financial liabilities valued at accrued historical cost				
Long-term liabilities to credit institutions	0	0	0	0
Lease liabilities	12	12	15	15
Accounts payable	140	140	91	91
Repayment liabilities	37	37	32	32
Other current liabilities	46	46	43	43
Financial liabilities valued at fair value via income statement				
Derivative instruments	—	—	3	3
Closing value	235	235	184	184

For other financial assets and liabilities, reported value constitutes a good approximation of the fair value.

Interest-bearing receivables and liabilities

For informational purposes, a fair value is calculated regarding interest-bearing receivables and liabilities by discounting future cash flows from principal and interest, discounted to current market rate.

Current receivables and liabilities

The reported value is deemed to be a reasonable estimate of the fair value. The group has no financial assets or liabilities that have been set off in the reporting or are covered by a legally binding netting agreement.

Valuation at fair value

Fair value is the price which, at the time of valuation, would be obtained upon a sale of an asset or paid upon transfer of a liability through an orderly transaction between market parties. Taking into consideration that interest-bearing liabilities carry variable interest and that the discounting effect for current receivables and liabilities is marginal, all reported values are deemed to correspond to their fair value.

The table below shows financial instrument valued at fair value, based on the way in which the classification in the fair value hierarchy has been made. The various levels are defined as follows:

Level 1 – Listed prices (unadjusted) on active markets for identical assets or liabilities.

Level 2 – Fair value of a financial instrument which is not traded on an active market is determined with the help of valuation techniques. Hereupon, as far as possible, market information is used where such is available, while company-specific information is used as little as possible. If all important input data required for fair value valuation of an instrument is observable, the instrument is set at level 2. In those cases where one or more significant input data are not based on observable market information, the relevant instrument is classified in level 3.

Level 3 – Input data for level 3 comprises non-observable input data for the asset or liability. Non-observable data is used for valuation at fair value insofar as observable data is not available, which relates to situations in which there is little or no market activity for the asset or liability at the time of valuation

SEKm	Level 1	Level 2	Level 3	Total fair value
Financial instrument valued at fair value per 30 June 2024				
Financial assets valued at fair value via profit/loss				
Derivative instruments				
Foreign exchange forwards	—	—	—	0
Financial liabilities valued at fair value via profit/loss				
Derivative instruments				
Foreign exchange forwards	—	—	—	0
Financial instrument valued at fair value per 30 June 2023				
Financial assets valued at fair value via profit/loss				
Derivative instruments				
Foreign exchange forwards	—	2	—	2
Financial liabilities valued at fair value via profit/loss				
Derivative instruments				
Foreign exchange forwards	—	3	—	3

NOTE 21 FINANCIAL RISKS

In its business, the group is exposed to different types of financial risks: credit risks, market risks and liquidity risks. RevolutionRace's Board of Directors has adopted a finance policy which includes a financial risk policy that regulates how these risks are to be controlled and governed and which defines roles and responsibilities within the group. The financial risk policy also establishes principles as to how financial activities are to be carried out, establishes mandates and governance principles for managing financial risks, and states which financial instruments are to be used in order to mitigate such risks. RevolutionRace's Board of Directors is regularly informed regarding trends with respect to the group's financial risks and other subjects that are covered by the financial risk policy, and approves this policy each year. The CEO has overall responsibility and reports to the Board of Directors. The CFO is strategically and operationally primarily responsible for all financial activities and for such being performed in line with this policy and reported to the CEO.

Credit risk

Credit risk is the risk that the group's counterparty in a financial instrument is unable to perform its obligations and thereby causes the group to sustain a financial loss. The group works with a number of major Payment Service Providers such as Klarna and PayPal. This means, in practice, that accounts receivable are transferred to the payment service provider upon the customer placing an order. Accordingly, there is a relatively low credit risk. With respect to accounts receivable, contractual assets and other receivables, the Company uses a simplified method for reporting anticipated credit losses. RevolutionRace rarely has accounts receivable and, in such case, they account for insignificant amounts. For this reason, no provisions are made regarding anticipated credit losses on accounts receivable. Other receivables consist of financial instruments, which are the receivables that RevolutionRace has against its payment service providers. When the Payment Service Providers acquire a claim, they also assume the risk of credit loss, and thus RevolutionRace has no credit risk related

to the end customer. The credit risk with respect to the sale is only linked to the risk that the Payment Service Providers will not pay RevolutionRace. Since these credit institutions have high credit ratings, the anticipated credit loss is regarded as insignificant. For this reason, no anticipated credit loss is booked related to receivables from Payment Service Providers.

Cash and cash equivalents

The group's credit risk also arises from deposits of cash and cash equivalents. For deposits on bank accounts, the Company primarily uses a major credit institution for which there is a relatively low credit risk. Cash and cash equivalents are relevant also within the area of application for the reporting of anticipated credit losses in IFRS 9. However, the analysis has shown that the provision with respect to this item is insignificant. RevolutionRace regularly monitors the credit rating of the banks. The contractual terms for bank deposits are extremely short, and thus the loss provision is deemed to be insignificant. Due to this insignificance, no anticipated credit losses are reported in respect of cash and cash equivalents.

Market risk

Market risk is the risk that the fair value of, or future cash flows from, a financial instrument will vary due to changes in market prices. Market risk is divided into three types: currency risk, interest rate risk and other price risks. The market risks that affect the group primarily comprise interest rate risk and currency risk

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows from a financial instrument will vary due to changes in market rates. The group manages the interest rate risk by monitoring forecasts for future interest rate adjustments and interest hedging in accordance with the group's finance policy. As of 30 June 2024, the group had no interest rate hedging. Given the interest-bearing assets and liabilities on the closing date, an increase/decrease of 1 percentage point would have affected profit before tax by SEK +/- 0 million, for the financial year 2022/23 by SEK +/- 0 million.

The table below shows conditions and maturity dates for respective interest-bearing liabilities:

SEKm	Reported value	Currency	Matures	Interest
Long-term liabilities to credit institutions as of 30 June 2023				
Bank loan Facility B	0	SEK	2028-06-02	Variable
Lease liabilities (see Note 14 Lease agreements)	12	SEK	¹⁾	Variable
Reported value				
Long-term liabilities to credit institutions as of 30 June 2022				
Bank loan Facilitet B	0	SEK	2028-06-02	Variable
Lease liabilities (see Note 14 Lease agreements)	15	SEK	¹⁾	Variable
Reported value				

¹⁾ Lease liabilities mature in the period 30 September 2024–31 December 2027.

Currency risk

Currency risk is the risk that fair value or future cash flows from a financial instrument will vary due to changes in currency exchange rates. Currency risks exist in the translation of the assets and liabilities of foreign operations to the Parent Company's functional currency, referred to as translation exposure, and through inflows and outflows, so-called transaction exposure. The group primarily has inflows in SEK, EUR, GBP, NOK and DKK and outflows in USD, EUR and SEK and thus is primarily exposed to exchange rate fluctuations in these currencies.

RevolutionRace is also subject to risks related to the management of currency hedging, for example that RevolutionRace does not have a possibility to use favourable currency rate exchanges. Therefore, hedging measures can lead to major losses. These losses can arise for various reasons, such as that a counterparty fails to perform its obligations in accordance with an applicable hedging agreement, that the agreement has shortcomings or that RevolutionRace's internal hedging policies and hedging procedures are not followed or do not function as they should.

The table below shows the group's significant foreign exchange forwards on the closing date. Positive (negative) amounts mean that the currency has been bought (sold).

SEKm	EUR	USD	SEK
Opposing currency 30 June 2024			
Contract in USD	—	—	—
Contract in EUR	—	—	—
Contract in DKK	—	—	—
Contract in NOK	—	—	—
Contract in GBP	—	—	—
Total	0	0	0

SEKm	EUR	USD	SEK
Opposing currency 30 June 2023			
Contract in USD	64		41
Contract in EUR	—		-25
Contract in DKK	—		-12
Contract in NOK	—		-9
Contract in GBP	—		-10
Total	64	0	-16

The group does not apply hedge accounting for foreign

exchange forwards. Changes in fair value are reported in operating profit (EBIT). The assessment regarding derivative instruments is based on the group using foreign exchange forwards to hedge sales and purchases in different currencies. The net result of the futures amounted to SEK 1 million on 30 June 2024.

Currency

An upturn/downturn in currency rates by 10 percentage point on the closing date would have a positive/negative net impact on profit before tax totalling SEK 9 million. Distributed on the following currencies:

Sensitivity analysis by currency	Upturn 10 percent-age points	Downturn 10 percent-age points
USD	-1	1
EUR	9	-9
GBP	0	0
DKK	0	0
NOK	0	0
CHF	0	0
PLN	0	0
CZK	0	0
	8	-8

Liquidity risk

Liquidity risk means the risk that the group is unable to discharge its payment obligations as a consequence of insufficient access to cash and cash equivalents. The accounts function uses liquidity forecasts in order to control and plan the group's needs for cash and cash equivalents. The group's cash and cash equivalents on the closing date amounted to SEK 154 million with unused credit facility of SEK 600 million and liquidity was good in relation to the maturity structure of external financial liabilities. The group's contractual and non-discounted interest payments and repayments of financial liabilities are shown in the table below. Financial instrument with variable interest have been calculated applying the rate of interest on the closing date. Liabilities have been included in the period when the earliest repayment can be demanded.

Note 21 cont.

Maturity analysis regarding non-discounted liabilities

SEKm	<6 months	6–12 months	1–3 years	3–5 years	>5 years	Total
30 June 2024						
Leases ¹⁾	2	2	8	1	0	12
Trade payables	140	—	—	—	—	140
Expected returns	37	—	—	—	—	37
Other liabilities	0	—	—	—	—	0
Other current liabilities	46	—	—	—	—	46
Total	225	2	8	1	0	235
30 June 2023						
Leases ¹⁾	2	2	7	4	0	15
Trade payables	91	—	—	—	—	91
Expected returns	32	—	—	—	—	32
Derivate instrument	3	—	—	—	—	3
Other current liabilities	43	—	—	—	—	43
Total	171	2	7	4	0	184

1) Liabilities calculated on actual lease contracts.

Shown below are credit agreements/frameworks entered into by the group:

SEKm	Amount 2024-06-30	Used 2024-06-30	Amount 2023-06-30	Used 2023-06-30
Credit Facility B	600	0	600	0
Total	600	0	600	0

Capital management

The group works regularly with leverage, which are governing in the bank covenants. According to the bank covenants. Net debt relative to EBITDA must not exceed 3.75 on 30 June 2024. The group tests these threshold values quarterly and, on 30 June 2024, the risk was low.

NOTE 22 CASH FLOW

Changes in the Group's liabilities attributable to financing activities relating to changes not affecting cash flow.

Group	2023-07-01	Items affecting cash flow	Non-cash changes			Interest	2024-06-30
			Acquisi- tions	Effects of changed currency rates	New lease agreements		
Financing activities, SEKm							
Liabilities to credit institutions	0	—	—	—	—	—	0
Lease liabilities	15	-4	0	—	1	0	12
Total liabilities attributable to financing activities	15	-4	0	0	1	0	12
Group	2022-07-01	Items affecting cash flow	Non-cash changes			Interest	2023-06-30
			Acquisi- tions	Effects of changed currency rates	New lease agreements		
Financing activities, SEKm							
Liabilities to credit institutions	20	-20	—	—	—	—	0
Lease liabilities	9	-3	9	—	0	0	15
Total liabilities attributable to financing activities	28	-23	9	0	0	0	15

Parent company

No changes in liabilities attributable to the parent company's financing activities regarding non-cash flow effects changes.

NOTE 23 PLEDGED ASSETS AND CONTINGENT LIABILITIES

RVRC Holding AB (publ) acts as guarantor for the amount which group companies used the group's credit facility. No pledged assets and contingent liabilities.

NOTE 24 RELATED PARTY TRANSACTIONS

No external transactions with external related parties.

NOTE 25 SHARE-BASED PAYMENTS

The company holds three long-term incentive programmes for the group management team members and key personnel ("Participants"), which were decided by general meetings in 2021, 2022 and 2023 respectively. The warrants have been issued to the subsidiary Revolutionrace Holding AB and from there assigned to the Participants.

Issues, splits and reverse splits

Upon subscription which is executed post a decision about an issue, split or reverse split, a recalculation of both the number of shares each warrant authorise and the subscription price.

Termination of employment and pre-emption

The Company follows common practice upon termination of employment. The Company has a right, but no obligation, to buy or appoint a third party to buy the warrants.

Volatility

The expected volatility is based on the historical volatility for comparable companies and over a period equal to the term of the warrants. When calculating the expected volatility, the extraordinary months during the first phase of the Covid-pandemic have been considered. The result is indicative also for future trends which does not necessarily need to become reality. In the table below, the data put into the valuation of the warrants upon emission is presented.

Incentive programme 2021/24

The program consists of 1,889,677 warrants in total.

Exercise price

The exercise price equals 130 percent of SEK 75 (price upon listing).

Term and subscription period

The expected term is estimated to 3.54 years which equals the time from valuation of the warrant to the last day within the subscription period. The subscription period is 1 July 2024–31 December 2024.

Incentive programme 2022/26

The program consists of 2,125,000 warrants in total.

Exercise price

The exercise price equals 140 percent of SEK 28.32.

Term and subscription period

The expected term is estimated to 3.50 years which equals the time from valuation of the warrant to the last day within the subscription period. The subscription period is 15 November 2025–15 May 2026.

Incentive programme 2023/27

The program consists of 750,000 warrants in total.

Exercise price

The exercise price equals 140 percent of SEK 53.02.

Term and subscription period

The expected term is estimated to 3.60 years which equals the time from valuation of the warrant to the last day within the subscription period. The subscription period is 2 January 2027–2 July 2027.

Indata	Programme 2021/24	Programme 2022/26	Programme 2023/27
Exercise price, SEK	97.50	39.65	74.23
Warrant price, SEK	9.79	4.41	8.56
Expected volatility, %	30	33	33
Risk-free interest, %	-0.12	2.36	2.72
Expected term	3.5	3.5	3.6
The share fair value and number of warrants	2024-06-30	2024-06-30	2024-06-30
Share price, SEK	45.70	45.70	45.70
Outstanding at the beginning of the period	1,889,677	2,125,000	—
Allocated at the end of the period	1,435,027	1,622,000	239,500
Outstanding at the end of the period	1,889,677	2,125,000	750,000
Redeemable at the end of the period	—	—	—

NOTE 26 FINANCIAL INCOME

SEKm	Group	
	2023/24	2022/23
Assets and liabilities valued at accued historical cost		
Interest income from other financial assets	8	1
Total interest income in accordance with the effective interest method	8	1
Total financial income	8	1

NOTE 27 FINANCIAL EXPENSES

Interest expenses are accounted according to effective interest method and are accounted in the period they relate to.

SEKm	Group	
	2023/24	2022/23
Assets and liabilities valued at accrued historical cost		
Interest expenses, liabilities to credit institutions	-1	-3
Interest expenses, lease liabilities	0	0
Interest expenses, other financial liabilities	—	—
Total interest expenses in accordance with the effective interest method	-2	-3
Costs related to credit facility	-2	-2
Translation difference on group liabilities	—	—
Total	-2	-2
Total financial expenses	-4	-5

NOTE 28 EARNINGS PER SHARE

SEKm	Group	
	2023/24	2022/23
Profit for the year	308	243
<i>Adjustments</i>		
Profit for the year for calculation before and after dilution	308	243
Weighted number of shares before dilution	112,918,918	112,918,918
Dilution effect, warrants	401,805	0
Weighted number of ordinary shares after dilution	113,320,723	112,918,918
Earnings per share before dilution (SEK)	2.73	2.15
Earnings per share after dilution (SEK)	2.72	2.15

NOTE 29 PROPOSED APPROPRIATIONS OF PROFITS

The total amounts proposed to be distributed as well as proposed balanced in a new account has been calculated on all 111,065,657 ordinary shares outstanding as of June 30, 2024. The total amounts which is proposed to be distributed and which is proposed to be balanced in a new account is finally determined based on the number of persons entitled to dividends shares per record day. The amounts may therefore be changes due to the acquisition of own shares.

The Board proposes a distribution of profits as below:

SEK	
Retained earnings	22,851,644
Share premium reserve	442,720,272
Profit for the year 2023/24	94,481,633
Non-restricted equity	560,053,549
Proposed dividend	-133,278,788
Amount carried forward	426,774,761

NOTE 30 OTHER OPERATING INCOME AND OTHER OPERATING EXPENSES

SEKm	Group	
	2023/24	2022/23
Exchange rate gains	57	58
Exchange rate losses	-59	-57
Other	4	1
Total	2	2

NOTE 31 EVENTS AFTER THE FINANCIAL YEAR

No significant events have occurred after the financial year.

ASSURANCE

The Board of Directors' complete statement motivating the proposed disposition of earnings for the 2023/24 financial year will be presented in a separate document prior to the Annual General Meeting. It concludes, among other things, that the proposed dividend is in line with the Company's dividend policy and that the Board, having considered the nature, scope and risks of the Company's operations, as well as the Company's and the Group's consolidation requirements, liquidity and financial position in general, has found no indications that the proposed dividend is unjustified.

The Board of Directors and the CEO certify that the Annual Report has been prepared in accordance with generally accepted accounting standards in Sweden and that the consolidated accounts have been prepared in accordance

with the international accounting standards IFRS as adopted by the EU. The annual accounts and consolidated accounts give a true and fair view of the financial position and results of the Parent Company and the Group.

The Board of Directors' Report for the Parent Company and the Group provide a true and fair overview of the Group's and the Parent Company's operations, financial position and results of the Parent Company and the Group and describes significant risks and uncertainties concerning the Parent Company and the companies in the Group. The annual and consolidated accounts were approved for publication by the Board of Directors and the CEO on 15 October 2024 and are proposed for approval by the Annual General Meeting on 19 November 2024.

Borås 15 October 2024

Alexander Martensen-Larsen
Chairman of the Board

Sara Diez Jauregui
Board member

Cecilie Elde
Board member

Andreas Källström Säfweräng
Board member

Birgitta Stymne Göransson
Board member

David Thörewik
Board member

Paul Fischbein
CEO



AUDITOR'S REPORT

To the general meeting of the shareholders of RVRC Holding AB (publ), corporate identity number 559129-4623

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of RVRC Holding AB (publ) for the year the financial year 2023-07-01–2024-06-30. The annual accounts and consolidated accounts of the company are included on pages 87–90 and 100–120 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 30 June 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 30 June 2024 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

VALUATION OF INVENTORY

Description

Inventories for the group amount to SEK 448 MSEK for the year ended June 30, 2024, which corresponds to 28 percent of the Group's total assets. The inventory consists of clothing for sale via e-commerce and is valued using the first-in, first-out principle to the lower of acquisition value and net sales value at the balance sheet date.

The accounting principles are stated in Note 1. The company's information regarding inventories is presented in note 19, in the company's annual report.

Valuation of inventories has significant elements of management's assessments and estimates due to the uncertainty associated with obsolescence and slow-moving products. Considering this, we have assessed valuation of inventories as a key matter of our audit.

How our audit addressed this key audit matter

We have reviewed the company's processes and routines for monitoring and assessing slow-moving and obsolete goods and the company's model for calculating obsolescence. We have compared reservations made with historical actuals. Our review has also included random samples to identify slow-moving and obsolete goods as well as analyzing historical sales statistics. We have also evaluated the company's assessment of potential impairment. We have reviewed the information included in the annual report and assessed whether the information presented is appropriate and sufficient.

VALUATION OF GOODWILL AND TRADEMARKS

Description

The carrying amount of goodwill and brands amounted to 788 MSEK in the consolidated balance sheet as of June 30, 2024, which corresponds to 55 percent of the total assets.

The company's information regarding goodwill and brands with an indefinite useful life is stated in Note 16 in the company's annual report and in the accounting and valuation principles, note 1.

The company tests goodwill and brands with an indefinite useful life annually, and when there is an indication that the carrying amount may be impaired. Reported values may not exceed the assets' recoverable amount, which consists of the higher of a net sales value and the fair value in use which constitutes a value based on future discounted cash flows. The impairment test is presented in note 16.

Impairment testing of assets involves a number of significant estimates and assessments, including estimating expected future discounted cash flows, calculating the weighted average cost of capital ("WACC") and growth rate. The company's process for impairment testing also includes management's and the Board's business plans and forecasts.

Considering the above, we have assessed that valuation of goodwill and brands are assessed as a key matter of our audit.

How our audit addressed this key audit matter

We have evaluated and tested management's process for establishing impairment tests for goodwill and brands. With the support of our valuation specialists we have reviewed the company's model and method for conducting impairment tests. We have evaluated the reasonableness of management's preparation of forecasts, and carried out sensitivity analyzes of the key assumptions made and possible influencing factors. With the support of our valuation specialists, we have also made comparisons with other companies in the same industry to evaluate the reasonableness of the chosen discount rate and examined the reasonableness of other assumptions such as long-term growth. We have also assessed whether the information provided in the annual report is appropriate and sufficient.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 3–86, 91–99 and 124–128. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or related safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

REPORT ON THE AUDIT OF THE ADMINISTRATION AND THE PROPOSED APPROPRIATIONS OF THE COMPANY'S PROFIT OR LOSS

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of ABC AB (publ) for the financial year 2023-07-01–2024-06-30 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated (loss be dealt with) in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

THE AUDITOR'S EXAMINATION OF THE ESEF REPORT

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for RVRC Holding AB (publ) for the financial year 2023-07-01–2024-06-30.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the ESEF report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of RVRC Holding AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQM 1 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or other Assurance or Related Services Engagements which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with professional ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the

appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

Ernst & Young AB, with Andreas Mast as head responsible auditor, was appointed auditor of RVRC Holding AB (publ) by the general meeting of the shareholders on the 21 of November 2023 and has been the company's auditor since the 27 January, 2020.

Gothenburg 15 October 2024
Ernst & Young AB

Andreas Mast
Authorized Public Accountant

MULTI-YEAR OVERVIEW

Group statement on Comprehensive income, condensed

SEKm	2023/24	2022/23	2021/22	2020/21	2019/20
Net sales	1,840	1,560	1,331	897	387
Operating profit (EBIT) ¹⁾	386	310	367	230	83
Profit for the year attributable to parent company's shareholders	308	243	288	172	60
Net sales growth ¹⁾ , %	18.0	17.1	48.4	132.0	36.0
EBIT-margin ¹⁾	20.9	19.9	27.5	25.7	21.5
Earnings per share before dilution, SEK	2.73	2.15	2.55	1.59	0.56
Earnings per share after dilution, SEK	2.72	2.15	2.55	1.59	0.55

1) Alternative performance measure

Consolidated statement of Financial position, condensed

SEKm	2023/24	2022/23	2021/22	2020/21	2019/20
Total assets	1,618	1,437	1,394	1,268	956
Equity attributable to parent company's shareholders	1,252	1,138	975	760	627

Group statement on Cash flow, condensed

SEKm	2023/24	2022/23	2021/22	2020/21	2019/20
Cash flow from operating activities	349	188	65	225	121
Cash flow from investing activities	-10	-6	-3	-3	-7
Cash flow from financing activities	-198	-102	-283	-42	-32
Cash flow for the year	141	79	-222	179	81

KEY PERFORMANCE INDICATORS

RevolutionRace uses various key figures, including alternative performance measures (APMs), for internal analysis purposes and for external communication of the operations' results, performance and financial position. The key figures support stakeholders in their assessment of RevolutionRace earnings and performance. The aim of these APMs is to illustrate the perfor-

mance measures tailored to operations that, in addition to the other key figures, enable various stakeholders to more accurately assess and value RevolutionRace historical, current and future performance and position. The APMs reported by RevolutionRace can differ from similarly named metrics presented by other companies and, accordingly, are not always comparable.

Key performance indicators, SEKm	2023/24	2022/23	2021/22	2020/21	2019/20
Net sales	1,840	1,560	1,331	897	387
Net sales growth ¹⁾ %	18.0	17.1	48.4	132.0	36.0
Gross profit ¹⁾	1,312	1,126	963	664	271
Gross profit margin ¹⁾ %	71.3	72.2	72.3	74.0	70.1
Operating profit (EBIT)	386	310	367	230	83
EBIT-margin	20.9	19.9	27.5	25.2	21.5
Adjusted EBIT ¹⁾	389	322	367	252	83
Adjusted EBIT-margin ¹⁾ , %	21.1	20.6	27.5	27.6	21.5
Profit before tax	389	306	363	218	76
Earnings per share before dilution, SEK	2.73	2.15	2.55	1.59	0.56
Earnings per share after dilution, SEK	2.72	2.15	2.55	1.59	0.55
Net working capital ¹⁾	187	218	157	-72	-23
Net working capital as share of net sales ¹⁾ %	10.2	14.0	11.8	-8.0	-5.9
Cash flow from operating activities	349	188	65	225	121
Cash conversion ¹⁾ %	89.5	117.4	160.6	119.6	169.3
Net debt ¹⁾	-282	-139	-47	-62	120
Number of orders ¹⁾	1,953	1,783	1,659	1,176	534
Average order value (AOV) ¹⁾	939	875	803	763	725
Number of employees at year-end	146	135	126	91	56

1) Alternative performance measure

DEFINITIONS OF KEY PERFORMANCE INDICATORS

Key Performance Indicator	Definition	Purpose
Adjusted EBIT	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.
Adjusted EBIT margin	Adjusted EBIT as a percentage of operating income (net sales and other operating income).	Adjusted EBIT margin is used to show the degree of profitability, excluding items affecting comparability.
Average net order value (AOV)	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.
Cash conversion	EBITDA (operating profit (EBIT) before depreciation and amortisation of tangible and intangible assets) less changes in net working capital and cash flow from investing activities divided by EBITDA.	Cash conversion is used as an efficiency measure of the proportion of the profit that is converted into cash and cash equivalents.
Operating profit (EBIT)	Operating profit (EBIT).	Operating profit (EBIT) is used to analyse the profitability generated by the operating activities.
EBIT margin	Operating profit (EBIT) divided by operating income (net sales and other operating income).	EBIT margin is used to analyse the degree of profitability of the operating business.
Gross profit	Net sales less goods for resale	Gross profit is used to analyse the profitability of the sale of goods.
Gross profit margin	Gross profit divided by net sales	Gross profit margin is used to show the degree of profitability of the sale of goods.
Net sales growth	Net sales for the period divided by net sales for the previous period.	Net sales growth is used to enable comparison of the growth rate between different periods, with the market as a whole and between periods.
Net debt	Current and long-term interest-bearing liabilities (liabilities to credit institutions and lease liabilities) reduced by cash and cash equivalents.	Net debt is used to determine if the Group will be able to fulfil its financial commitments.
Net working capital	Current assets reduced by cash and cash equivalents less non-interest-bearing current liabilities.	Net working capital is used to analyse the condition of the Company to finance the day-to-day operations.
Net working capital as a share of net sales	Net working capital divided by net sales (rolling 12 months).	Net working capital as a share of net sales is used to assess how efficiently the net working capital is used in the business.
Number of orders	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).
Equity/assets ratio	Equity in relation to total assets in the balance sheet.	This ratio is an indicator of the company's leverage used to finance the company.



RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES

Net sales growth

SEKm (unless otherwise stated)	2023/24	2022/23	2021/22	2020/21	2019/20
Net sales, reported	1,840	1,560	1,331	897	387
Net sales previous year	1,560	1,331	897	387	284
Change in net sales, SEKm	281	228	434	510	102
Net sales growth, %	18.0	17.1	48.4	132.0	36.0

Gross profit and gross profit margin

SEKm (unless otherwise stated)	2023/24	2022/23	2021/22	2020/21	2019/20
Net sales	1,840	1,560	1,331	897	387
Goods for resale	-528	-434	-369	-249	-116
Gross profit	1,312	1,126	963	648	271
Net sales	1,840	1,560	1,331	897	387
Gross profit margin, %	71.3	72.2	72.3	72.3	70.1

EBIT-margin, adjusted EBIT and adjusted EBIT-margin

SEKm (unless otherwise stated)	2023/24	2022/23	2021/22	2020/21	2019/20
Operating profit (EBIT)	386	310	367	230	83
Operating income	1,842	1,562	1,356	913	388
EBIT-margin, %	20.9	19.9	27.0	25.2	21.5
Items affecting comparability:					
Other external expenses, related to the listing preparations (+)	—	—	—	22	—
Other external expenses, related to incentive program	3	12	—	—	—
Adjusted EBIT	389	322	367	252	83
Adjusted EBIT-margin, %	21.1	20.6	27.0	27.6	21.5

Cash conversion

SEKm (unless otherwise stated)	2023/24	2022/23	2021/22	2020/21	2019/20
Operating profit (EBIT)	386	310	367	230	83
Depreciation and amortisation of tangible and intangible assets	9	7	5	4	2
EBITDA	394	317	371	234	85
Changes in net working capital (+/-)	-31	-61	-228	49	66
Cash flow from investing activities	-10	-6	-3	-3	-7
	353	250	140	280	144
EBITDA	394	317	371	234	85
Cash conversion %	89.5	78.9	37.6	119.6	169.3

Net debt

SEKm (unless otherwise stated)	2023/24	2022/23	2021/22	2020/21	2019/20
Interest-bearing debt (non-current)	—	—	20	229	230
Interest-bearing debt (current)	—	—	—	—	—
Long-term lease agreements	8	11	7	5	5
Short-term lease agreements	4	4	2	2	1
Interest-bearing debt	12	15	28	235	237
Cash and cash equivalents (-)	-295	-154	-75	-296	-117
Net debt	-282	-139	-47	-62	120

Net working capital and net working capital as share of net sales

SEKm (unless otherwise stated)	2023/24	2022/23	2021/22	2020/21	2019/20
Current assets	800	621	587	463	151
Cash and cash equivalents (-)	-295	-154	-75	-296	-117
Current liabilities (-)	-322	-253	-357	-240	-59
Current interest-bearing liabilities (+)	—	—	—	—	—
Lease liability (+)	4	4	2	2	1
Net working capital	187	218	157	-72	-23
Net sales (rolling 12 months)	1,840	1,560	1,331	897	387
Net working capital as a share of net sales	10.2	14.0	11.8	-8.0	-5.9

Quarterly overview

Net sales per geographical region	2023/24				2022/23			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Nordics ¹⁾	90	95	139	95	84	91	129	84
DACH ²⁾	231	277	347	180	205	235	277	146
Rest of the world	86	106	127	66	73	88	103	46
Total net sales	407	478	613	342	362	414	509	276
Net sales growth ³⁾ (%)	12.4	15.5	20.4	23.9	13.8	12.8	29.8	8.5
Operating profit (EBIT)	74	101	143	67	68	87	105	50
EBIT-margin (%)	18.3	21.0	23.3	19.5	18.9	21.1	20.7	17.4
Adjusted EBIT ³⁾	74	101	146	67	68	87	117	50
Adjusted EBIT-margin ³⁾ (%)	18.3	21.0	23.8	19.5	18.9	21.1	23.0	17.4
Number of orders ³⁾	433	493	641	386	430	444	580	330
Average order value (AOV) ³⁾ (SEK)	939	969	957	887	842	930	876	835

1) Nordics is defined as total sales of Sweden, Norway, Finland and Denmark

2) Germany, Austria and Switzerland

3) Alternative performance measure

ANNUAL GENERAL MEETING AND REPORTING DATES

Annual General Meeting

Annual General Meeting 19 November 2024

The shareholders of RVRC Holding AB (publ), reg. no. 559129-4623, have been invited to attend the Annual General Meeting (AGM) to be held on 19 November 2024, at 9.00 CET at Astern mat & möten, Kyrkängsgatan 8, Borås, Sweden.

For more information, please see the notice and other documents available at:

<https://corporate.revolutionrace.com/en/general-meeting-2024/>

Dividend

The Board proposes a dividend of SEK 1,20 per share. The proposed record date for the dividend is 21 November 2024. Provided that the AGM resolves in accordance with the Board's proposal, payment of the dividend is expected to be made via Euroclear Sweden AB on 26 November 2024.

Reporting dates

Interim report July–September (Q1) 2024/25, 5 November 2024

Interim report July–December (Q2) 2024/25, 30 January 2025

Interim report July–March (Q3) 2024/25, 6 May 2025

Full year report (Q4) 2024/25, 12 August 2025

RVRC Holding AB (publ)
Nils Jakobsongatan 5D
SE-504 30 Borås
Sweden

Org.nr: 5591294623
corporate.revolutionrace.com



OUR HISTORY

2013/14

RevolutionRace is founded

During a hike to Everest Base Camp, Pernilla and Niclas Nyrensten decide to launch what is today known as RevolutionRace. The launch begins with the outdoor pants Nordwand, initially sold at outdoor fairs around Sweden, but soon shifts to online sales.

Number of customer reviews: 151



2014/15

Expanded range

A dozen new products are launched, including jackets, pants, and accessories. Major investments in digital marketing drive traffic to the online store.

Number of customer reviews: 2,693



2015/16

Nordic expansion

RevolutionRace is launched in Finland and moves into new premises in Simonsland, Borås.

Number of customer reviews: 9,604

2016/17

Growing in the Nordics and DACH

RevolutionRace continues to build locally adapted webshops for the Nordic countries and launches in Norway and Denmark. The success justifies expansion beyond the Nordics, initially in Germany and Austria.

Number of customer reviews: 22,855



2017/18

European expansion

RevolutionRace expands to Italy, France, and the Netherlands.

Number of customer reviews: 55,323



2018/19

Awards for innovation

RevolutionRace receives the D-Awards Platinum for the best innovative business model in e-commerce and expands to the UK, Poland, and the Czech Republic. The company moves to its current headquarters in Borås.

Number of customer reviews: 95,573

2019/20

Launch on Amazon

The company expands with a locally adapted webshop in Belgium. RevolutionRace launches selected products on Amazon, starting in Germany. This is done through a company-specific domain on Amazon, where RevolutionRace has a custom-designed brand page with specially adapted content.

Number of customer reviews: 155,000

2023/24

Ten years of growth and profitability

RevolutionRace celebrates its ten-year anniversary, reflecting on a long period of high sales growth and industry-leading operating margins. The company successfully launches an alpine range and the Rambler collection, tailored for warmer climates. Growth is seen in all regions throughout the financial year.

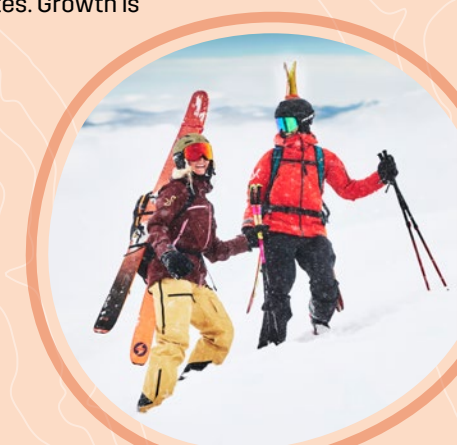
Number of customer reviews: +600,000

2022/23

Expanded range

RevolutionRace launches its first collection for teens – Teens. The first dog collection is successfully launched and sells out quickly. The brand reaches over one million followers on social media.

Number of customer reviews: 500,000



2021/22

Continued profitable and global growth

Local webshops are launched in Switzerland and Estonia. RevolutionRace surpasses a turnover of SEK 1 billion.

Number of customer reviews: 400,000



2020/21

Continued expansion and listing on Nasdaq

Local webshops are launched in Ireland and Spain. In June 2021, RevolutionRace is launched on Amazon in the US. The company is mentioned in the Financial Times "FT 1000" list as one of Europe's fastest-growing companies. On June 16, 2021, RevolutionRace is listed on Nasdaq Stockholm Midcap.

Number of customer reviews: 271,000





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