



Interim report

1 July – 31 December 2023

RVRC Holding AB (publ)

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

SECOND QUARTER HIGHLIGHTS

Financial development & significant events during the second quarter

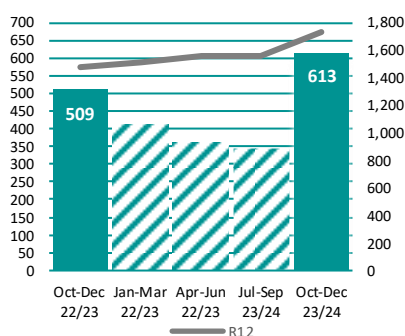
- Net sales for the period increased by 21 percent and amounted to SEK 613 (509) million.
- Gross profit amounted to SEK 431 (360) million, corresponding to a gross margin of 70.2 (70.7) percent.
- EBIT amounted to SEK 143 (105) million, corresponding to an improvement of 36 percent.
- Adjusted EBIT amounted to SEK 146 (117) million, corresponding to an improvement of 25 percent.
- EBIT margin amounted to 23.3 (20.7) percent and adjusted EBIT margin amounted to 23.8 (23.0) percent.
- Earnings per share before dilution amounted to SEK 1.01 (0.73) and after dilution to SEK 1.00 (0.73).
- At the annual general meeting in November, Alexander Martensen-Larsen was elected as the new chairperson of the board, and Birgitta Stymne Göransson and David Thörewik were elected as new board members.

Financial overview

SEKm	Oct-Dec 23/24	Oct-Dec 22/23	Δ	Jul-Dec 23/24	Jul-Dec 22/23	Δ	Jul-Jun 22/23	Jan-Dec 2023
Net sales	613	509	21%	955	784	22%	1,560	1,730
Average order value (AOV), (SEK)*	957	877	9%	930	861	8%	875	911
Gross profit*	431	360	20%	677	556	22%	1,126	1,247
EBIT*	143	105	36%	210	155	35%	310	365
Adjusted EBIT* 1)	146	117	25%	213	167	27%	322	368
Result for the period	114	82	39%	167	121	38%	243	288
Earnings per share before dilution, SEK	1.01	0.73	39%	1.48	1.07	38%	2.15	-
Earnings per share after dilution, SEK	1.00	0.73	38%	1.47	1.07	38%	2.15	-
Gross margin*	70.2%	70.7%	-0.5 pp	70.9%	70.9%	0.0 pp	72.2%	72.1%
EBIT margin*	23.3%	20.7%	2.6 pp	21.9%	19.6%	2.3 pp	19.9%	21.1%
Adjusted EBIT margin*	23.8%	23.0%	0.8 pp	22.3%	21.1%	1.2 pp	20.6%	21.3%

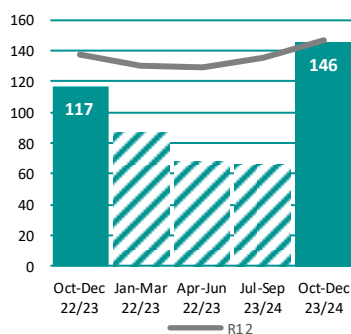
Net sales

Per quarter and rolling 12 months



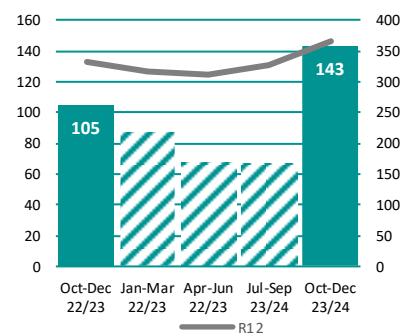
Adjusted EBIT¹⁾

Per quarter and rolling 12 months



EBIT

Per quarter and rolling 12 months



RevolutionRace financial year is 1 July – 30 June.

1) Excluding costs for the incentive programme (LTIP), which amounted to SEK 3 million during the second quarter 23/24 and to SEK 12 million during the second quarter 22/23.

* Alternative performance measures, see pages 16-17.

Comments from the CEO

RevolutionRace continues to deliver solid growth and profitability

We are proud to report a successful quarter during the year's, seasonally, largest sales period. During the quarter, our net sales amounted to SEK 613 (509) million, representing a sales growth of 21 percent, while adjusted operating profit improved by 25 percent compared to the same quarter last year. We are achieving solid growth and a profitable quarter in a time of continued challenging market development, which demonstrates the strength of our business model. Our core offering is strong, and we can offer higher quality at a competitive price by selling our outdoor products online only, without middlemen, and directly to the end customer.

Sales increase in all regions

We continue to deliver growth in all regions and note that the majority of the growth is being driven by our strong international expansion. Sales growth in the DACH region continued to increase by 26 percent and in the Rest of the World region by 23 percent compared to the same quarter last year. The Nordic region showed positive growth during the last quarter and continues to do so also in this quarter, which is pleasing. This follows a few challenging quarters in the Nordics with a tough market and consumer sentiment. The sales increase for RevolutionRace in local currency amounted to 15 percent.

Increased operating profit

The adjusted EBIT for the quarter amounted to SEK 146 (117) million, corresponding to an adjusted EBIT margin of 23.8 (23.0) percent. During the quarter, the annual general meeting resolved to introduce a new incentive program, which resulted in one-time costs amounting to SEK 3 (12) million for the quarter, explaining the difference between adjusted EBIT and EBIT. The EBIT for the quarter amounted to SEK 143 (117) million.

Strong cash flow and appropriate inventory level

The cash flow from operating activities during the second quarter was very strong, amounting to SEK 281 (146) million, and our net cash position increased to SEK 340 (32) million, despite a dividend payment of SEK 97 million during the quarter.

We are satisfied with the development of inventory levels during the second quarter. Ahead of the quarter, we implemented a planned build-up of our inventory to be optimally prepared for the seasonally strongest sales period. Even though the company has grown, the closing inventory value was lower than at the same time last year, amounting to SEK 438 (445) million as of the end of December.

Launches and product development

Successfully developing and expanding our product range to include more categories within the outdoor segment is strategically important for us. For the winter season, we launched our alpine collection, featuring everything from ski goggles to gloves, pants, and jackets. The collection has been very well received by our customers, and we have also seen a surge in new customers as a consequence of

this launch. The positive reception indicates a good opportunity for increased sales of the alpine collection in upcoming winter seasons, fully aligned with our strategy to expand through new product categories.

We have many exciting projects underway, and soon we look forward to introducing new shoes and a new category of outdoor products developed in thinner and lighter materials.

Sustainable growth

We are actively working towards sustainable growth and ensuring that sustainability efforts are an integral part of our operations at every level. Our vision is to become the world's most recommended outdoor brand, and we feel that we are well on our way. This is demonstrated, among other things, by our consistently high customer reviews. Our clothes are not only durable but also designed to be multifunctional. We produce only what we can sell, with minimal overproduction. At the same time, our work continues to map and clarify the traceability in the supply chain. Our customers should be able to trust that we meet a high standard throughout the value chain for our outdoor products.

Outlook

RevolutionRace is very well-positioned for the future, backed by a strong core offering, an attractive business model and a robust financial position. We come out of the second quarter stronger, with notable sales growth and a strong result. We also see a strong start in the third quarter, with sales growth in line with the growth being reported for the second quarter.

The timeframe for our current financial targets is drawing to an end, and we are in the process of reassessing these goals, a task in which our largely new board is actively engaged. We aim to announce revised financial targets before the existing ones expire in June 2024.

Finally, I want to express my gratitude to all the employees at our company, whose dedication and enthusiasm continually drive our operations forward. My thanks also to our customers, shareholders, and partners, who have all contributed to our success. I look forward to the continued journey!

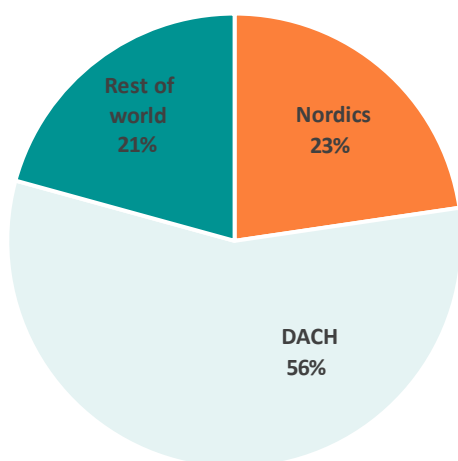
Paul Fischbein, CEO

FINANCIAL DEVELOPMENT

Second quarter (Oct – Dec 2023)

Operating income

Net sales in the second quarter amounted to SEK 613 (509) million, an increase of 21 (15 in local currencies) percent. The increase in net sales is attributable to higher demand for the company's multifunctional products in all regions. Net sales in the Nordics increased by 8 percent to SEK 139 (129) million. Net sales in DACH increased by 26 percent to SEK 347 (276) million and in RoW by 23 percent to SEK 127 (103) million.



The regions share of net sales in the second quarter

Operating income for the period amounted to SEK 613 (509) million. The difference between net sales and operating income comprises other operating income which is mainly attributable to net amount of exchange gains and losses. A positive net amount equals Other operating income and a negative net amount equals Other operating expenses. The net amount for the quarter is SEK -2 million, compared to SEK -5 million in the corresponding quarter last year.

Gross profit

Gross profit increased by 20 percent to SEK 431 (360) million, corresponding to a gross margin of 70.2 (70.7).

Operating profit (EBIT)

Operating profit (EBIT) amounted to SEK 143 (105) million, corresponding to an EBIT margin of 23.3 (20.7) percent. A general meeting approved incentive program (LTIP) was implemented in the quarter and affected the result with SEK -3 (-12) million. Adjusted for this one-time expense, EBIT amounted to SEK 146 (117) million and the adjusted EBIT margin to 23.8 (23.0) percent.

Goods for resale increased to SEK -183 (-149) million driven by increased net sales. Other external expenses amounted to SEK -252 (-207) million. Personnel expenses in the quarter amounted to SEK -31 (-41) million, of which SEK -3 (-11) million are attributable to LTIP. Net Other operating income/expenses amounted to SEK -2 (-5) million.

Earnings and earnings per share for the period

Profit before tax amounted to SEK 144 (103) million. Profit for the period was SEK 114 (82) million. Earnings per share before dilution amounted to SEK 1.01 (0.73) and after dilution to SEK 1.00 (0.73).

Cash flow

Cash flow from operating activities amounted to SEK 281 (146) million. The increase, compared to the same quarter of the previous year, is primarily attributable to the improved result and an increase in operating liabilities. Cash flow from investment activities amounted to SEK -8 (-2) million. The increase is attributable to other intangible assets. Cash flow from financing activities amounted to SEK -97 (-221) million, primarily attributable to dividend. The improvement of the cash flow from financing activities is affected by a repayment of bank loan amounting to SEK 142 million in the second quarter 2022/23. Cash flow for the period amounted to SEK 177 (-77) million.

Financial position

Net cash amounted to SEK 340 (32) million. Cash and cash equivalents amounted to SEK 353 (65) million. The interest-bearing debt of SEK 13 (33) million consists of lease liabilities of SEK 13 (16) million. Liabilities to credit institutions amounts to SEK 0 (17) million. The group's total credit facility amounts to SEK 600 million, which at the end of the quarter was unutilized. The credit facility expires June 2028.

Net working capital

Net working capital amounted to SEK 84 (203) million. The change is mainly attributable to an increase of current liabilities.

Investments

Investments affecting cash flow amounted to SEK 8 (2) million. Investments in intangible assets amounted to SEK 8 (0) million. Investments in tangible assets amounted to SEK 0 (2) million.

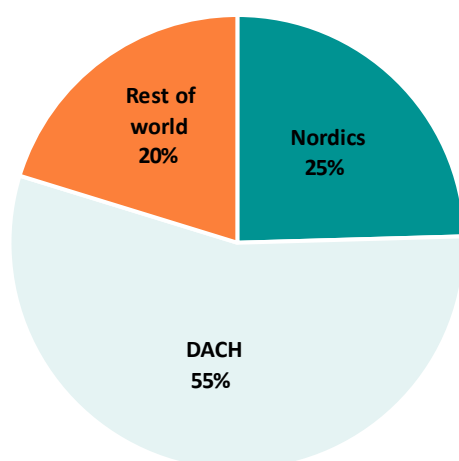
Personnel

The average number of FTEs was 118 (122).

Six months (Jul – Dec 2023)

Operating income

Net sales during the six-month period amounted to SEK 955 (784) million, an increase of 22 (14 in local currencies) percent. The increase in net sales is attributable to higher demand for the company's multifunctional products in all regions. Net sales in the Nordics increased by 10 percent to SEK 235 (212) million. Net sales in DACH increased by 25 percent to SEK 527 (423) million and in RoW by 29 percent to SEK 193 (149) million.



The regions share of net sales in the six-month period

Operating income for the period amounted to SEK 955 (791) million. The difference between net sales and operating income comprises other operating income which is mainly attributable to net amount of exchange gains and losses. A positive net amount equals Other operating income and a negative net amount equals Other operating expenses. The net amount for the period is SEK -3 million, compared to an Other operating income of SEK 7 million in the corresponding period last year.

Gross profit

Gross profit increased by 22 percent to SEK 677 (556) million, corresponding to a gross margin of 70.9 (70.9) percent.

Operating profit (EBIT)

Operating profit (EBIT) amounted to SEK 210 (155) million, corresponding to an EBIT margin of 21.9 (19.6) percent. A general meeting approved incentive program (LTIP) was implemented in the second quarter and affected the result for the six-month period with SEK -3 (-12) million.

Adjusted for this one-time expense, EBIT amounted to SEK 213 (167) million and the adjusted EBIT margin to 22.3 (21.1) percent.

Goods for resale increased to SEK -278 (-228) million driven by increased net sales. Other external expenses amounted to SEK -406 (-343) million. Personnel expenses in the period amounted to SEK -55 (-62) million, of which SEK -3 (-11) million is attributable to LTIP. Net Other operating income/expenses amounted to SEK -3 (7) million.

Earnings and earnings per share for the period

Profit before tax amounted to SEK 211 (152) million. Profit for the period was SEK 167 (121) million. Earnings per share before dilution amounted to SEK 1.48 (1.07) and after dilution to SEK 1.47 (1.07).

Cash flow

Cash flow from operating activities amounted to SEK 307 (75) million. The increase, compared to the same period of the previous year, is primarily attributable to the improved result and an increase in operating liabilities. Cash flow from investment activities amounted to SEK -9 (-3) million. The increase is primarily attributable to investments in other intangible assets. Cash flow from financing activities amounted to SEK -98 (-82) million, primarily attributable to dividend in the second quarter. Cash flow for the period amounted to SEK 200 (-10) million.

Financial position

Net cash amounted to SEK 340 (32) million. Cash and cash equivalents amounted to SEK 353 (65) million. The interest-bearing debt of SEK 13 (33) million consists of lease liabilities of SEK 13 (16) million. Liabilities to credit institutions amounts to SEK 0 (17) million. The group's total credit facility amounts to SEK 600 million, which at the end of the period was unutilized. The credit facility expires June 2028.

Net working capital

Net working capital amounted to SEK 84 (203) million. The change is mainly attributable to the reduction of current liabilities.

Investments

Investments affecting cash flow amounted to SEK 9 (3) million. Investments in intangible assets amounted to SEK 9 (1) million. Investments in tangible assets amounted to SEK 0 (2) million.

Personnel

The average number of FTEs was 118 (124).

Other information

Financial goals

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

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

Significant events after the end of the period

No significant events after the end of the period.

Future prospects

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

Items affecting comparability

Items affecting comparability amount to -3 (-12) MSEK for the second quarter and are attributable to incentive program (LTIP).

Parent company

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

Net sales for the second quarter amounted to SEK 5 (11) million. The net sales are attributable to intra-group services related to group management. The Parent Company's profit for the second quarter amounted to SEK 95 (86) million.

Risks and uncertainties

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

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

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

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

About RevolutionRace

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

Borås, January 30, 2024

Alexander Martensen-Larsen
Chairperson of the Board

Sara Diez Jauregui
Board Member

Cecilie Elde
Board Member

Andreas Källström Säfweräng
Board Member

Niclas Nyrensten
Board Member

Birgitta Stymne Göransson
Board Member

David Thörewik
Board Member

Paul Fischbein
CEO

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Auditor's review

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

This information is information that RVRC Holding AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 07:30 CET on January 30, 2024.



FINANCIAL REPORTS

Group income statement

SEKm	Note	Oct-Dec 23/24	Oct-Dec 22/23	Jul-Dec 23/24	Jul-Dec 22/23	Jul-Jun 22/23
Operating income						
Net sales	3	613	509	955	784	1 560
Other operating income	4	0	0	0	7	2
		613	509	955	791	1 562
Operating expenses						
Goods for resale		-183	-149	-278	-228	-434
Other external expenses		-252	-207	-406	-343	-701
Personnel expenses		-31	-41	-55	-62	-110
Depreciation and amortisation of tangible and intangible assets		-2	-2	-4	-3	-7
Other operating expenses	4	-2	-5	-3	0	0
		-470	-404	-746	-636	-1 252
Operating profit (EBIT)		143	105	210	155	310
Financial income and expenses						
Financial income		2	0	4	0	1
Financial expenses		-1	-2	-2	-3	-5
		1	-2	2	-3	-4
Profit before tax		144	103	211	152	306
Income tax		-30	-21	-45	-31	-63
Profit for the period		114	82	167	121	243
Attributable to parent company's shareholders		114	82	167	121	243
Earnings per share						
Earnings per share before dilution, SEK		1,01	0,73	1,48	1,07	2,15
Earnings per share after dilution, SEK		1,00	0,73	1,47	1,07	2,15

Group statement on other comprehensive income

SEKm	Note	Oct-Dec 23/24	Oct-Dec 22/23	Jul-Dec 23/24	Jul-Dec 22/23	Jul-Jun 22/23
Profit for the period		114	82	167	121	243
Other comprehensive income						
Items reclassified or which may be reclassified to profit for the period						
Exchange rate differences upon translation of foreign subsidiaries		-0	-0	-0	0	0
Other comprehensive income for the period, after tax		-0	-0	-0	0	0
Comprehensive income for the period		114	82	167	121	243
Attributable to parent company's shareholders		114	82	167	121	243

Group statement of financial position

SEKm	Note	31/12/2023	31/12/2022	30/06/2023
ASSETS				
Non-current assets				
Intangible assets				
Capitalised expenditures for development work		8	9	9
Trademarks		171	171	171
Goodwill		617	617	617
Other intangible assets		8	0	0
		804	797	797
Tangible assets				
Expenditures on third-party property		2	1	2
Equipment, tools and installations		1	1	1
Right of use assets		12	15	14
		15	18	17
Deferred tax asset		2	2	2
		2	2	2
Total non-current assets		820	818	816
Current assets				
Goods in warehouse		322	384	323
Goods in transit		94	51	72
Right of return assets		22	10	8
Sum inventory		438	445	403
Accounts receivable		1	0	0
Current tax assets		5	1	7
Other current receivables		39	60	45
Derivative instrument	2	-	0	2
Prepaid expenses and accrued income		13	7	11
Cash and cash equivalents		353	65	154
Total current assets		849	578	621
TOTAL ASSETS		1,669	1,396	1,437

Group statement of financial position

SEKm	Note	31/12/2023	31/12/2022	30/06/2023
EQUITY AND LIABILITIES				
Equity				
Share capital		1	1	1
Other contributed capital		725	724	723
Reserves, translation differences		-0	0	-0
Retained earnings		316	171	171
Profit for the period		167	121	243
Total equity		1,209	1,017	1,138
Long-term liabilities				
Liabilities to credit institutions		-	17	-
Lease liabilities		10	13	11
Deferred tax liabilities		35	35	35
Total long-term liabilities		45	65	46
Current liabilities				
Lease liabilities		3	3	4
Accounts payable		140	117	91
Other current liabilities		91	69	43
Derivative instrument	2	-	5	3
Tax liabilities		12	8	17
Repayment liabilities		83	48	32
Prepaid income and accrued expenses		86	65	63
Total current liabilities		415	314	253
TOTAL EQUITY AND LIABILITIES		1,669	1,396	1,437

Group statement on cash flow

SEKm	Oct-Dec 23/24	Oct-Dec 22/23	Jul-Dec 23/24	Jul-Dec 22/23
Operating activities				
Operating profit (EBIT)	143	105	210	155
Adjustment for non-cash items				
Depreciation and amortisation	2	2	4	3
Interest received	2	-	4	-
Interest paid	-1	-2	-2	-3
Paid income tax	-36	-62	-48	-72
Cash flow from operating activities before changes in working capital	111	43	168	83
Increase (-)/Decrease(+) in inventory	60	79	-36	-2
Increase (-)/Decrease(+) in operating receivables	-1	31	2	-2
Increase (+)/Decrease(-) in operating liabilities	112	-7	173	-3
Cash flow from operating activities	281	146	307	75
Investing activities				
Acquisition of tangible assets	-0	-2	-0	-2
Acquisition of intangible assets	-8	-0	-9	-1
Cash flow from investing activities	-8	-2	-9	-3
Financing activities				
Amortisation of lease liabilities	-1	-1	-2	-1
Borrowings	-	-142	-	-2
Fees related to borrowings	-0	-0	-1	-0
Dividend paid	-97	-87	-97	-87
Warrants, program 2021/24	-0	-0	-0	-0
Warrants, program 2022/26	-0	9	-0	9
Warrants, program 2023/27	2	-	2	-
Cash flow from financing activities	-97	-221	-98	-82
Cash flow for the period	177	-77	200	-10
Cash and cash equivalents at start of period	177	142	154	75
Exchange rate differences in cash and cash equivalents	-0	0	-0	0
Cash and cash equivalents at end of period	353	65	353	65

Group statement on changes in equity

SEKm	Share capital	Other contributed capital	Reserves, translation differences	Retained earnings	Profit for the period	Total equity
Opening balance, 1 July 2022	1	716	-0	-30	288	975
Transfer of profits for the previous period	-	-	-	288	-288	0
Profit for the period	-	-	-	-	121	121
Other comprehensive income	-	-	-0	-	-	-0
Comprehensive profit/loss for the year	0	0	-0	288	-167	121
Transactions with owners						
Dividend	-	-	-	-87	-	-87
Warrants, program 2021/24	-	-0	-	-	-	-0
Warrants, program 2022/26	-	9	-	-	-	9
Total	0	9	0	-87	0	-78
Closing balance, 31 December 2022	1	724	-0	171	121	1,017
Opening balance, 1 July 2023	1	723	-0	171	243	1,138
Transfer of profits for the previous period	0	0	0	243	-243	0
Profit for the period	-	-	-	-	167	167
Other comprehensive income	-	-	0	-	-	0
Comprehensive profit/loss for the year	0	0	0	243	-76	167
Dividend	-	-	-	-97	-	-97
Warrants, program 2021/24	-	-0	-	-	-	-0
Warrants, program 2022/26	-	-0	-	-	-	-0
Warrants, program 2023/27	-	2	-	-	-	2
Total	0	2	0	-97	0	-95
Closing balance, 31 December 2023	1	725	-0	317	167	1,209

Parent company

Parent company income statement

SEKm	Oct-Dec 23/24	Oct-Dec 22/23	Jul-Dec 23/24	Jul-Dec 22/23	Jul-Jun 22/23
Operating income					
Net sales	5	11	8	12	19
	5	11	8	12	19
Operating costs					
Other external expenses	-2	-3	-4	-4	-7
Personnel expenses	-5	-11	-8	-13	-18
Other operating expenses	-0	-0	-0	-0	-0
	-7	-14	-12	-17	-26
Operating profit (EBIT)	-1	-3	-4	-5	-7
Financial income and expenses					
Profit from participations in group companies	97	90	97	90	90
Interest expenses and equivalents	-1	-1	-1	-1	-2
Interest income and equivalents	0	0	0	0	0
	96	89	96	89	88
Profit or loss before tax	95	86	92	84	81
Appropriations					
Group contribution received	0	0	0	0	13
	0	0	0	0	13
Profit or loss before tax	95	86	92	84	94
Income tax	0	0	0	0	-1
Profit/Loss for the period	95	86	92	84	93

Parent company statement of financial position

SEKm	31/12/2023	31/12/2022	30/06/2023
ASSETS			
Non-current assets			
Intangible assets			
Capitalised expenditures for development work	0	0	0
Total intangible assets	0	0	0
Financial assets			
Participations in group companies	644	644	644
Receivables from group companies	0	0	0
Total financial assets	644	644	644
Total non-current assets	644	644	644
Current assets			
Tax receivables	0	0	2
Receivables from group companies	28	24	30
Other receivables	-0	0	0
Prepaid expenses and accrued income	3	3	4
Total current receivables	31	28	36
Cash and cash equivalents			
Cash and cash equivalents	5	1	8
Total cash and cash equivalents	5	1	8
Total current assets	36	29	44
TOTAL ASSETS	680	673	688

Parent company statement of financial position

SEKm	31/12/2023	31/12/2022	30/06/2023
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	1	1	1
	1	1	1
Unrestricted equity			
Share premium reserve	443	443	443
Retained earnings	120	124	124
Profit for the period	92	84	93
	655	651	660
Total equity	656	652	661
Non-current liabilities			
Liabilities to credit institutions	0	0	0
Total non-current liabilities	0	0	0
Current liabilities			
Accounts payable	1	1	0
Liabilities to Group companies	17	14	21
Other liabilities	2	3	1
Tax liabilities	-0	0	1
Prepaid income and accrued expenses	4	4	3
Total current liabilities	24	21	27
TOTAL EQUITY AND LIABILITIES	680	673	688

Definitions

Items affecting comparability

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

Key performance measures

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

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

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

Reconciliation tables, alternative performance measures

All amounts in SEKm, unless otherwise stated.

	Note	Oct-Dec 23/24	Oct-Dec 22/23	Jul-Dec 23/24	Jul-Dec 22/23	Jul-Jun 22/23	Jan-Dec 2023
Gross profit							
Net sales		613	509	955	784	1,560	1,730
Goods for resale		-183	-149	-278	-228	-434	-483
Gross profit		431	360	677	556	1,126	1,247
Operating profit (EBIT)							
Operating income		613	509	955	791	1,562	1,726
Operating expenses		-470	-404	-746	-636	-1,252	-1,361
Operating profit (EBIT)		143	105	210	155	310	365
Adjusted EBIT							
Operating profit (EBIT) as reported		143	105	210	155	310	365
Expenses related to LTIP (+)		3	12	3	12	12	3
Adjusted EBIT		146	117	213	167	322	368
EBIT margin							
Earnings before interest and taxes		143	105	210	155	310	365
Operating income		613	509	955	791	1,562	1,726
EBIT Margin		23.3%	20.7%	21.9%	19.6%	19.9%	21.1%
Adjusted EBIT margin							
Adjusted EBIT		146	117	213	167	322	368
Operating income		613	509	955	791	1,562	1,726
Adjusted EBIT margin		23.8%	23.0%	22.3%	21.1%	20.6%	21.3%
Net working capital							
Current assets		849	578	849	578	621	849
Cash and cash equivalents (-)		-353	-65	-353	-65	-154	-353
Current liabilities (-)		-415	-314	-415	-314	-253	-415
Current interest-bearing liabilities (+)		3	3	3	3	4	3
Net working capital		84	203	84	203	218	84
Net debt(+)/Net cash (-)							
Interest-bearing debt		13	33	13	33	15	13
Interest-bearing assets (-)		0	0	0	0	0	0
Cash and cash equivalents (-)		-353	-65	-353	-65	-154	-353
Net debt(+)/Net cash (-)		-340	-32	-340	-32	-139	-340
Number of orders and average order value (AOV)							
Number of orders ('000)		641	580	1,027	911	1,783	1,899
Net sales		613	509	955	784	1,560	1,730
Average order value (AOV); (SEK)		957	877	930	861	875	911

NOTES

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

NOTE 1 Accounting principles and estimates

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

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

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

RVRC Holding AB has made the assessment that new or changed standards during the financial year are expected to have an effect on the group. The changes that are expected to have an impact on the Group is IAS 1 Preparation of financial reports (information on accounting principles), where the requirement for enlightenment about accounting principles is replaced with a requirement for enlightenment about significant information about accounting principles. The changes must be applied for financial years starting on or after 1 January 2023, which for the Group means enforcement in the annual report from and including the financial year 2023/2024.

The IASB has also published changes to IAS 1 regarding the classification of liabilities as short-term or long-term and where the meaning of the right to postpone payment beyond 12 months from the balance sheet date is clarified in the presence of so-called covenants. The change comes into force in 2024. New disclosure requirements are also introduced on loan debts linked to covenants during the next twelvemonth period. The group is affected by the extended disclosure requirements and is investigating the changes.

NOTE 2 Fair value of financial instruments

	31/12/2023		31/12/2022		30/06/2023	
	Reported value	Fair value	Reported value	Fair value	Reported value	Fair value
Financial assets						
Financial assets reported at fair value via income statement						
Derivative instrument						
Foreign exchange forwards	0	0	0	0	2	2
	31/12/2023	31/12/2022	31/12/2022	31/12/2022	30/06/2023	30/06/2023
Financial liabilities	Reported value	Fair value	Reported value	Fair value	Reported value	Fair value
Financial liabilities reported at fair value via income statement						
Derivative instrument						
Foreign exchange forwards	0	0	5	5	3	3

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

NOTE 3 Income from agreements with customers

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

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

Market	Oct-Dec	Oct-Dec	Δ	Jul-Dec	Jul-Dec	Δ	Jul-Jun
	23/24	22/23		23/24	22/23		22/23
Germany	301	235	28%	460	361	27%	743
Sweden	64	61	6%	107	98	9%	182
Finland	34	32	5%	65	60	7%	101
Other	214	181	18%	323	265	22%	533
Total net sales	613	509	21%	955	784	22%	1,560

Region	Oct-Dec	Oct-Dec	Δ	Jul-Dec	Jul-Dec	Δ	Jul-Jun
	23/24	22/23		23/24	22/23		22/23
Nordics	139	129	8%	235	212	10%	388
DACH	347	276	26%	527	423	25%	862
Rest of world	127	103	23%	193	149	29%	310
Total net sales	613	509	21%	955	784	22%	1,560

NOTE 4 Other operating income and other operating expenses

Other operating income and other operating expenses	Oct-Dec	Oct-Dec	Δ	Jul-Dec	Jul-Dec	Δ	Jul-Jun
	23/24	22/23		23/24	22/23		22/23
Exchange rate gains	19	16	20%	35	46	-24%	58
Exchange rate losses	-22	-21	7%	-39	-39	0%	-57
Other	1	0	188%	1	-0	-362%	1
Total	-2	-5	-47%	-3	7	-142%	2

NOTE 5 External Related Party Transactions

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

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

Date	Description	Change in number of shares	Total number of shares
01/07/2023	Opening balance		112,918,918
31/12/2023	Closing balance		112,918,918

Number of warrants

Description	Utilisation period	Subscription price		Number of shares	
		price	per warrant	Issued	Allocated
2021/24 incentive program	2024-07-01 - 2024-12-31	93.35	1.04	1,889,677	1,445,241
2022/26 incentive program	2025-11-15 - 2026-05-15	38.27	1.04	2,125,000	1,672,000
2023/27 incentive program	2027-01-02 - 2027-07-02	74.32	1.00	750,000	239,500

In the second quarter a new general meeting approved incentive program 2023/27 has been implemented. For the program, a maximum of 750 000 warrants are issued subsequent to an assignment to the participants.

RevolutionRace has three incentive programs comprising warrants for senior executives and key personnel. The warrants have been sold to the participants at market price.

Further, a buy-back of 227 145 warrants related to the two older incentive programs has been carried out.

NOTE 7 Currency rates

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

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

Currency	Oct-Dec 23/24		Oct-Dec 22/23		Jul-Dec 23/24		Jul-Dec 22/23	
	AR	CR	AR	CR	AR	CR	AR	CR
SEK/EUR	11.48	11.10	10.94	11.12	11.62	11.10	10.78	11.12
SEK/USD	10.68	10.04	10.73	10.43	10.74	10.04	10.64	10.43

Source: European Central Bank

AR = average rate

CR = closing rate



Financial Calendar

Interim report Jul-Mar (Q3) 2023/24	7 May 2024
Full year report (Q4) 2023/24	13 August 2024



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

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