



RR *RevolutionRace*

Q2 Presentation

October – December 2023/24

RVRC Holding AB (publ)

PRESENTERS

PAUL FISCHBEIN, CEO



JESPER ALM, CFO



THIS IS REVOLUTIONRACE

Happy Outdoor at unmatched value

- PANTS
- JACKETS
- ACCESSORIES
- MIDLAYERS
- BASELAYERS
- BAGS
- SHOES
- TEENS
- DOGS

Digital D2C

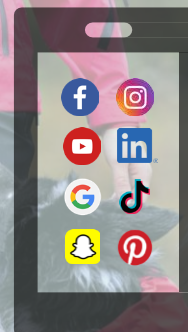


Facts

Launched: 2014
 Listed since: 2021
 HQ: Sweden
 FTE: ~120

Digital native

360
 MARKETING



Strong customer community

+1,600,000
 SoMe followers



+550,000
 product reviews



4.6/5

Solid financials

NET SALES
 Q2 2023/24
 SEK **613** million

R12
 SEK **1.7** billion

EBIT
 Q2 2023/24
 SEK **143** million

R12
 SEK **365** billion

"We are the hikers who got tired of boring colors and bad fit! We set out to revolutionize the outdoor industry by designing long-lasting outdoor products together with our community to change the game with an **unmatched value**"





VISION

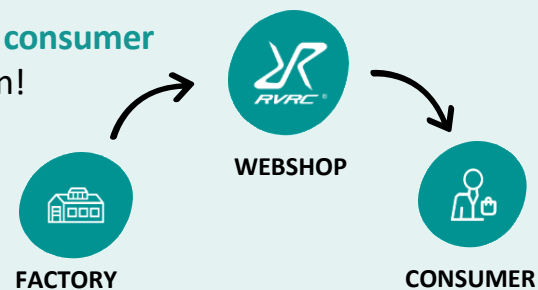
To become the world's most recommended outdoor brand

MISSION

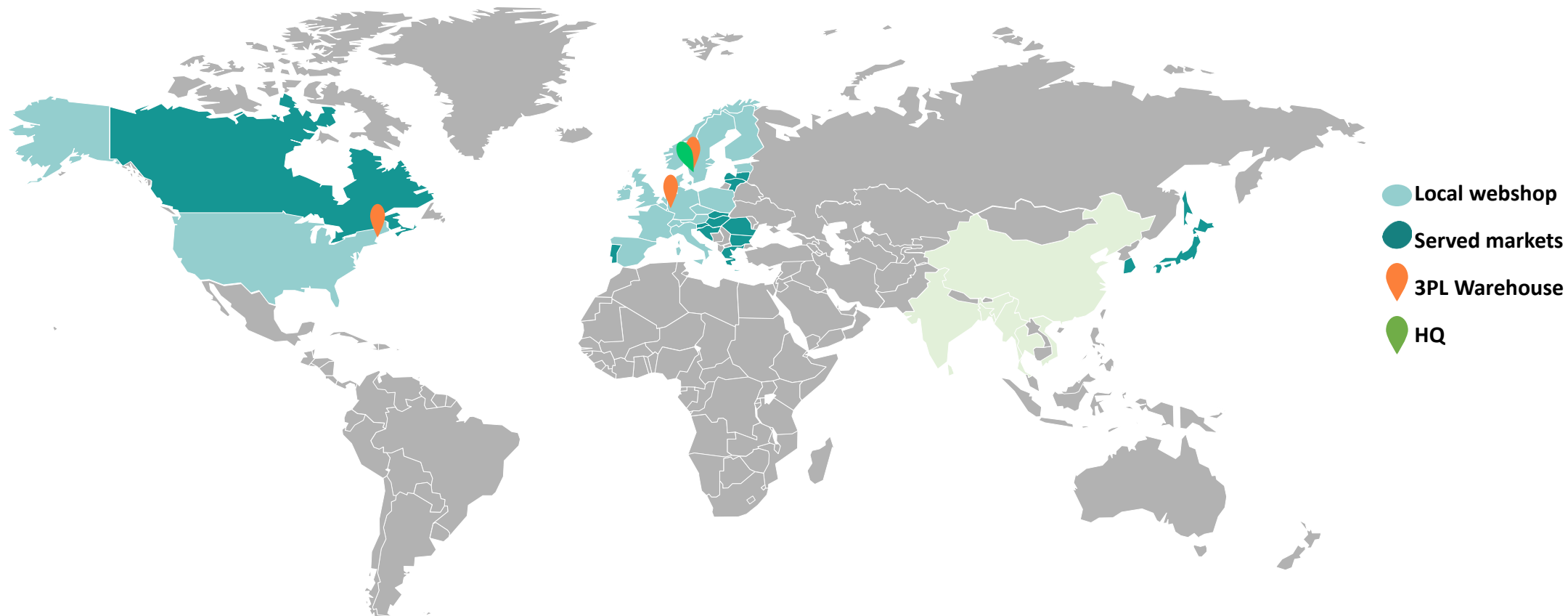
#natureisourplayground
– making the outdoors accessible for all

BUSINESS MODEL

D2C Direct to consumer
No middlemen!



THE WORLD IS OUR PLAYGROUND



Available to customers in
~40 countries

18
Unique webshops

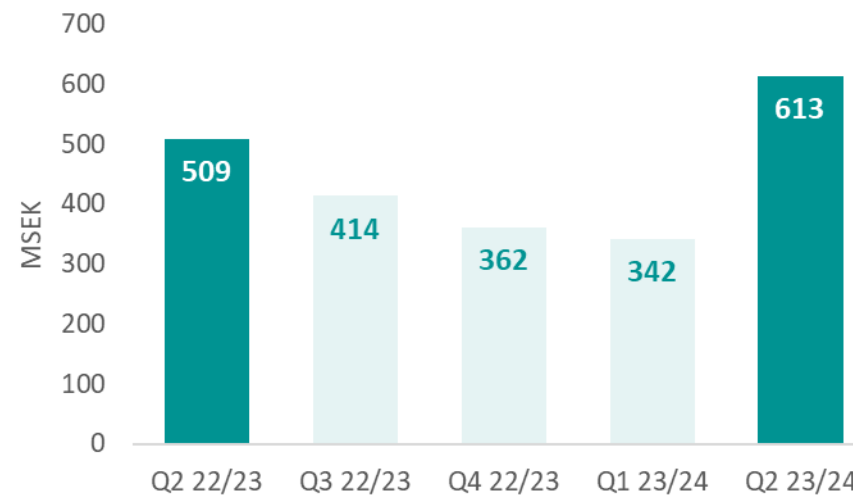
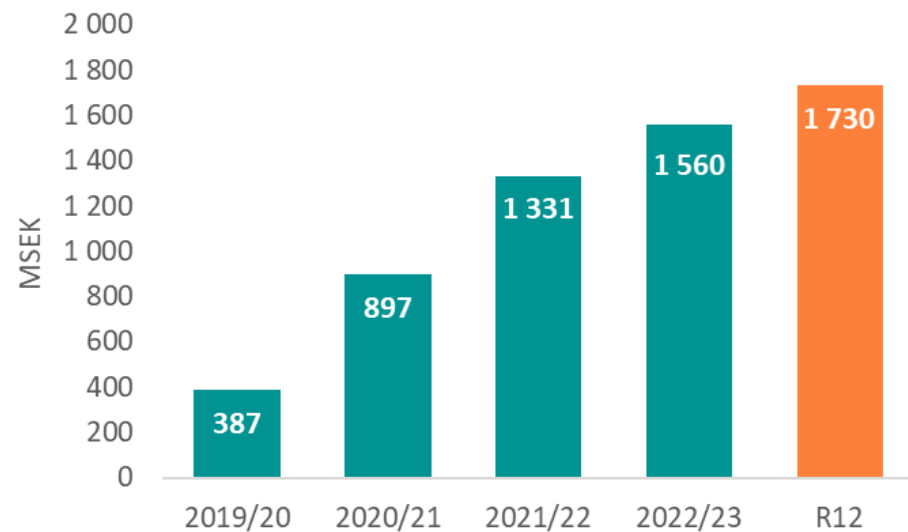
~120
FTEs

3
Local 3PL warehouses

+25
Suppliers



NET SALES DEVELOPMENT

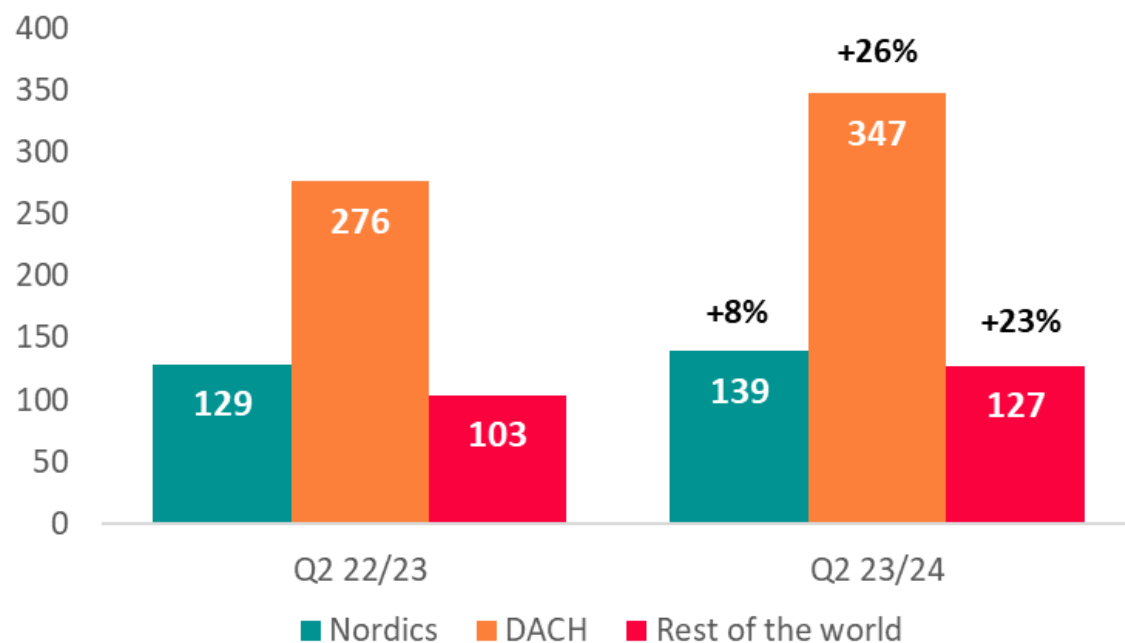


- Net sales amounted to SEK 613m in Q2 compared to SEK 509m Q2 LY
- Growth in net sales amounted to +21% following growth in all regions, primarily driven by our strong international expansion

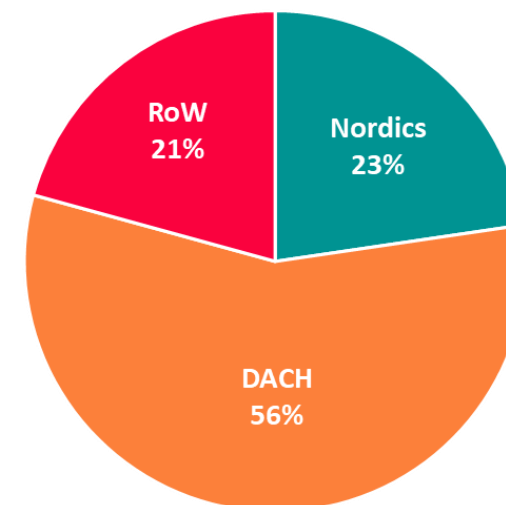


MARKET DEVELOPMENT

REGIONAL NET SALES DEVELOPMENT (SEKm) AND GROWTH (%)



REGIONAL SHARE (%) OF TOTAL NET SALES



KEY COMMENTS

- 77% of Net sales generated outside the Nordics
- DACH growth of 26% YoY
- RoW growth of 23% YoY
- Nordics growth of 8% YoY



Q2 HIGHLIGHTS

RevolutionRace continues to deliver solid growth and profitability

- Net sales increased by 21 percent and amounted to SEK 613 million
- Sales growth in all three regions
- Strong growth in DACH +26% and RoW +23%
- Sales growth in the Nordics +8%

EBIT amounted to SEK 143 million (23.3 percent EBIT margin)

- Adjusted EBIT 146 million (23.8 percent adj. EBIT margin)
- Gross margin of 70.2 percent
- Net Other operating income/expenses SEK -2 (-5) million

Strong cash flow and appropriate inventory level

- Decreased goods in warehouse by SEK 98 million compared to Q1
- Cash flow from operations of SEK 281 million
- Dividend pay out of SEK 97 million
- Solid cash position of SEK 353 million
- Credit facility (SEK 600 million) undrawn



+ 550,000
Customer Reviews

+ 1,600,000
SoMe followers

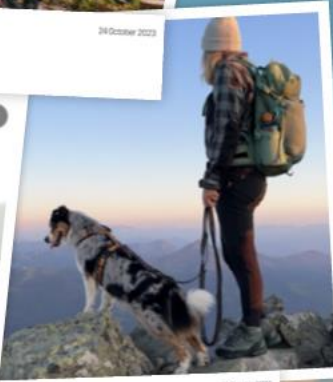
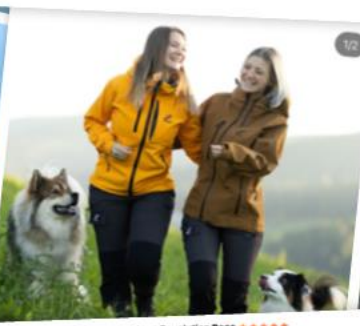


Karl K. Verified Buyer
Measurements: 5'11" 134lb 5lb
I live in these trousers! ★★★★★
This is my second pair of Nordwand Pro trousers, and I practically lived in the first pair for the last 3 years! They are the most comfortable and practical trousers I have ever owned. I also own a pair of GPK Pro trousers but the Nordwand Pro's remain my go to favourite! Whether working from home, walking the dogs, hiking or mountain biking, the Nordwand Pro trousers are the thing to wear!
30 May 2023

Jim D. Verified Buyer
Measurements: 5'11" 144lb 20lb
Excellent purchase ★★★★★
Great fit, comfy to wear. Love the subtle camo effect. Have already bought a second pair.
24 October 2023



Lee M. Verified Buyer
Measurements: 5'7" 114lb 6lb
The best yet... ★★★★★
I spend a lot of time outdoors fishing. These trousers have been amazing since purchasing. They are tough enough to withstand brambles and bushes and flexible enough for me to climb trees comfortably. And the other half likes them on me!
31 October 2023



Rubin S. Verified Buyer
Measurements: 5'7" 134lb 14lb
Love Revolution Race ★★★★★
A mate of mine was wearing a pair of RTR's last year and I decided to buy a pair of Nordwand Pro's on his recommendation. One year on and I have two of pairs Nordwand Pro's and a pair of Nordwand Pro Zip Off's (both in forest green) for work (I'm a gardener) so there super comfy and look very professional. I also have a pair of Nordwand Pro's and Explorer Outdoor wear's both in anthracite for when I'm not working. Honestly my other trousers don't get a look in anymore as RTR's are just brilliant!
22 October 2023

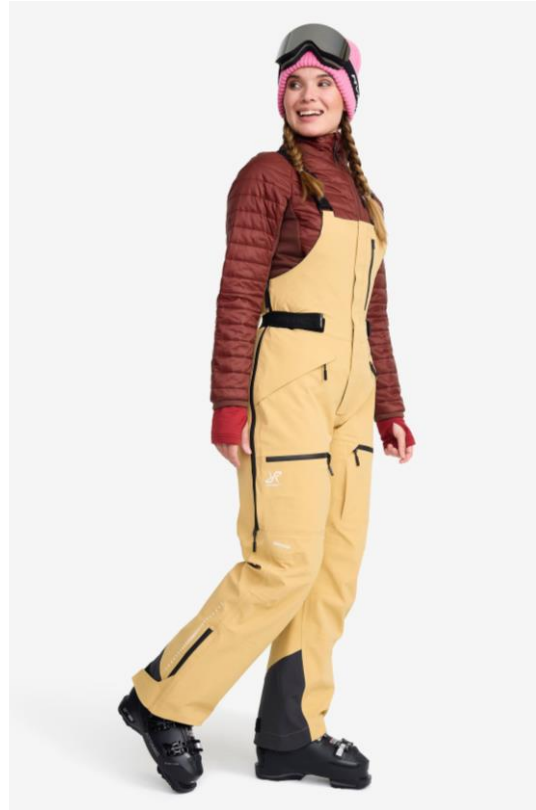


Will P. Verified Buyer
Measurements: 5'4" 114lb 30lb
Great quality ★★★★★
These trousers are great quality, fit well, nice style and very comfortable! I'd definitely buy more.
26 October 2023



Mirek S. Verified Buyer
Measurements: 5'9" 132lb 8lb
Very comfy ★★★★★
Found them to be good fitting and quite comfortable to walk in. Not good for climbing bit that was never their purpose. Highly recommend for dry weather.
27 October 2023

PRODUCT NEWS



A RESPONSIBLE RACE

” REVOLUTIONRACE STRIVES TO BE AN ATTRACTIVE WORKPLACE AND TO ACT RESPONSIBLY BOTH SOCIALLY AND ENVIRONMENTALLY, WE REFER TO THIS AS “A RESPONSIBLE RACE”

SUSTAINABILITY HIGHLIGHTS

**BLUESIGN®
SYSTEM PARTNER**



BETTER COTTON



OUR SIX PRIORITY AREAS

CLIMATE PROTECTION

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

CIRCULARITY OF RESOURCES

We conserve the use of resources, seek more sustainable and recycled materials and minimize overproduction.

ENVIRONMENTAL RESPONSIBILITY

We protect the environment together with our supply chain partners.

INSPIRED EMPLOYEES

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

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.

SOCIAL RESPONSIBILITY IN OUR SUPPLY CHAIN

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



FINANCIAL TARGETS & DIVIDEND POLICY

SEK +2bn

Net sales of at least SEK 2bn during the financial year 2023/2024

SEK 1.7bn

Achieved Net sales (R12)

At least 25%

Maintaining an annual EBIT margin of at least 25 percent

21.3%

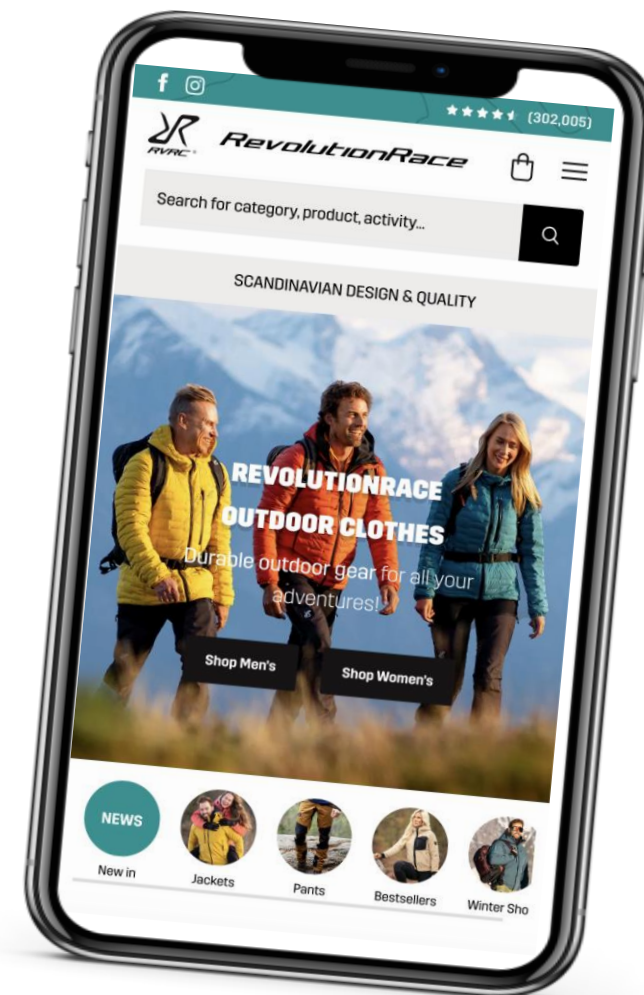
Achieved adjusted EBIT-margin (R12M)

40-60%

RevolutionRace intends to distribute excess capital to shareholders, while considering long term financial robustness, growth opportunities and strategic initiatives. Subject to these considerations, RevolutionRace intends to distribute 40-60 percent of the annual net profit

40.0%

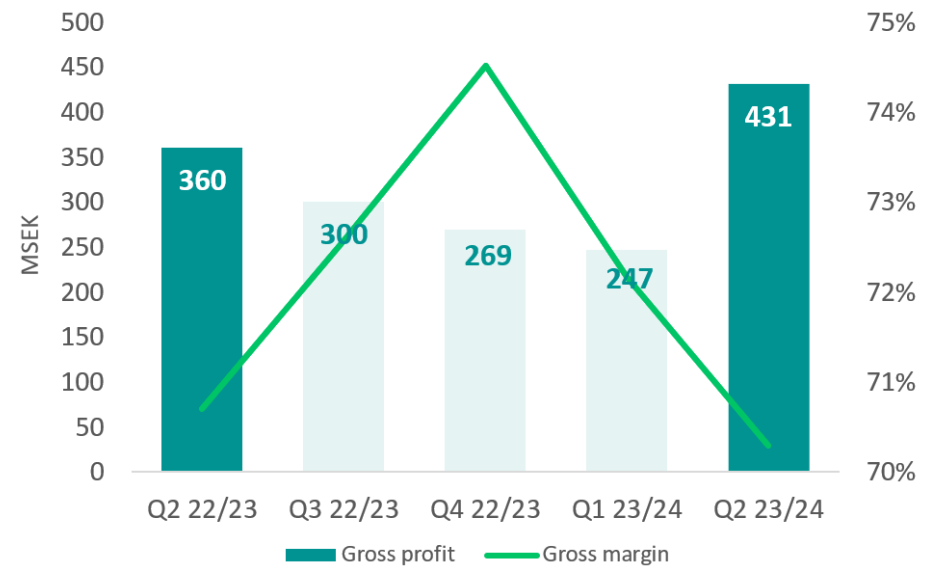
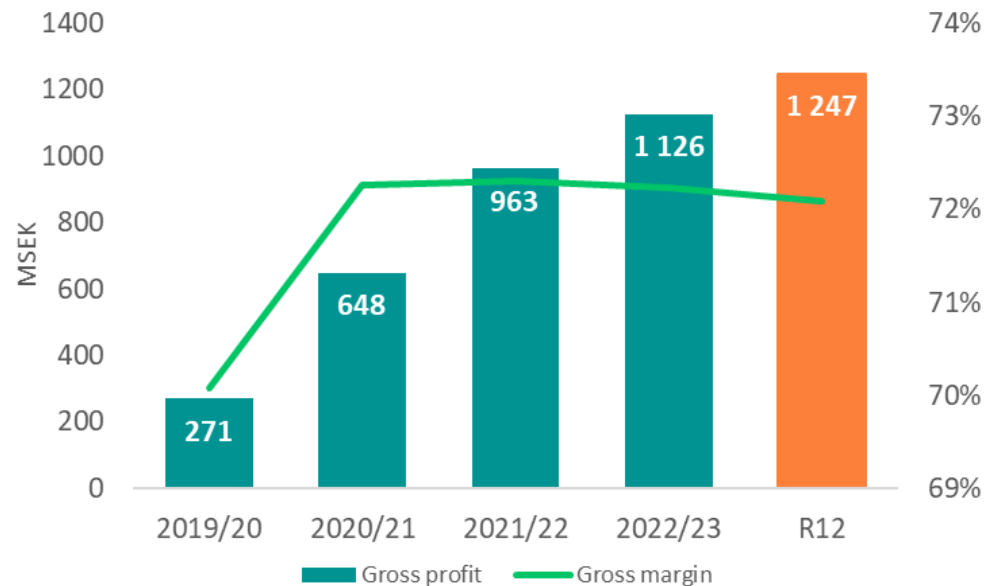
Dividend payout (Nov 2023)
0.86 SEK per share



FINANCIAL PERFORMANCE

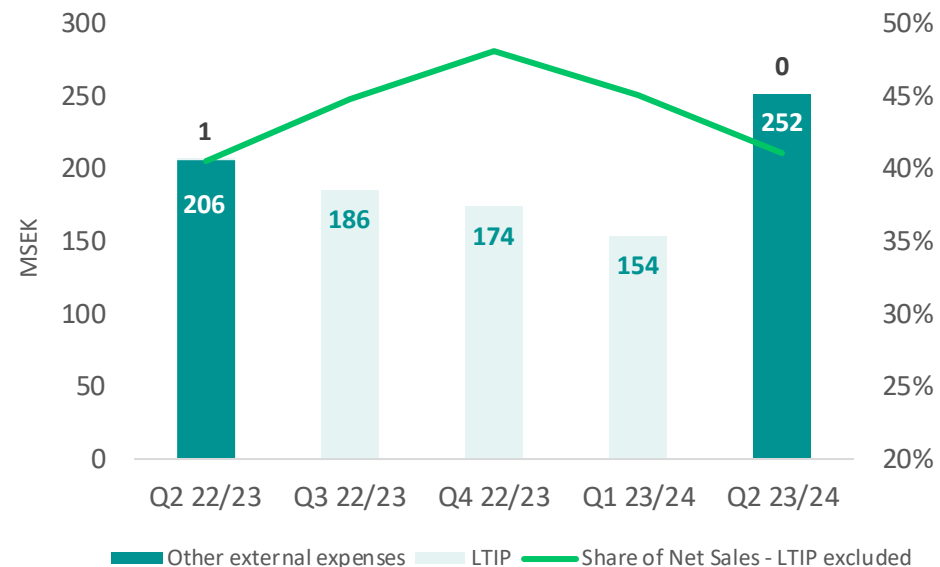
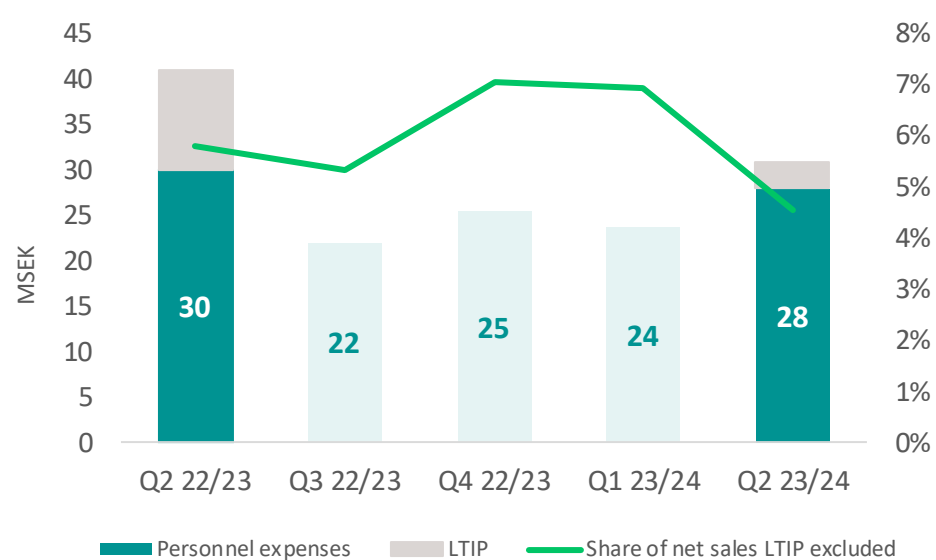


GROSS PROFIT AND MARGIN



- Gross profit in Q2 increased by 20% to SEK 431m compared to Q2 22/23
- Gross margin in Q2 was 70.2 (70.7) percent

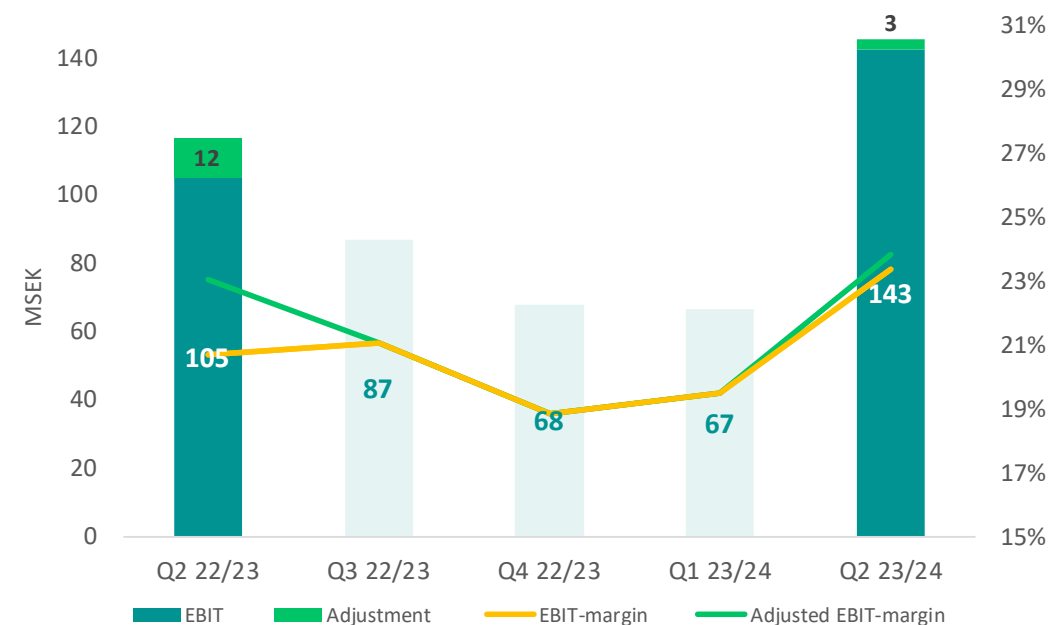
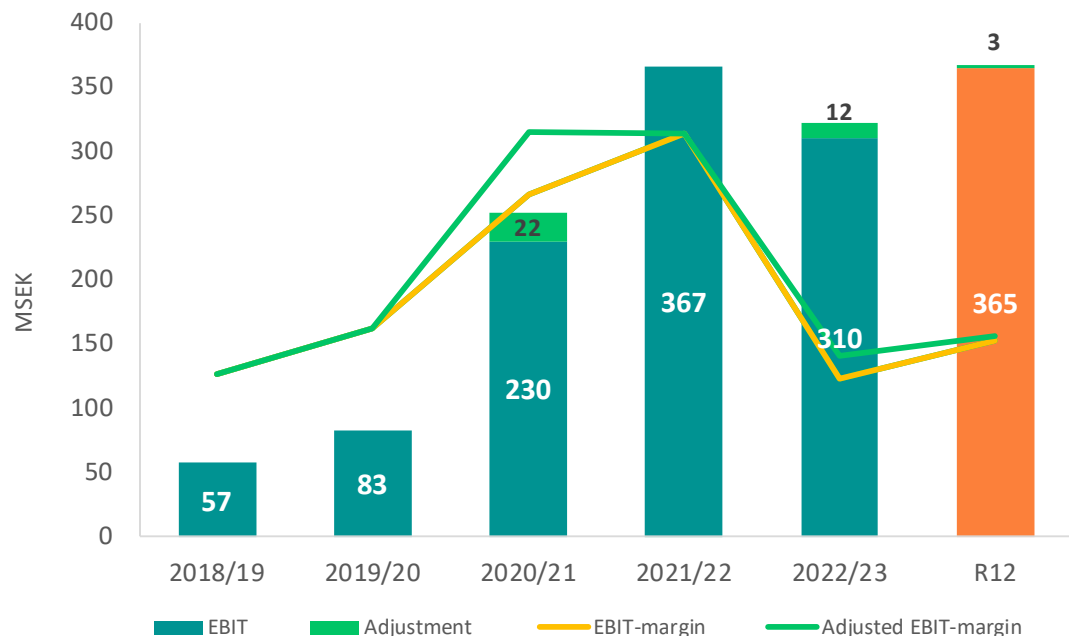
PERSONNEL AND OTHER EXTERNAL EXPENSES



- The average number of FTEs for the quarter was 118 (122) and personnel expenses were slightly down compared to Q2 22/23
- Other external expenses as share of net sales were in line with Q2 22/23



EBIT

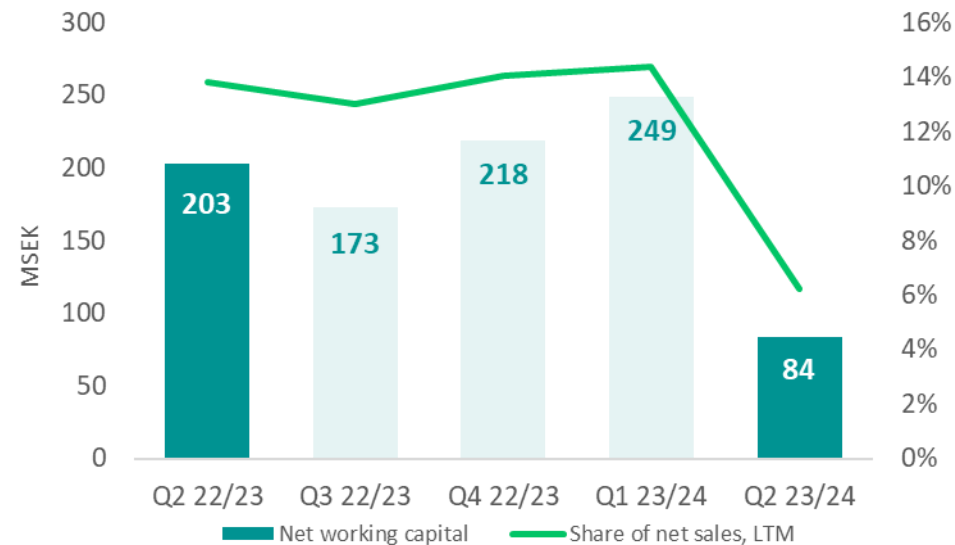


- EBIT margin was 23.3 percent in Q2, compared to 20.7 percent in Q2 LY
- Adjusted EBIT margin was 23.8 percent in Q2, compared to 23.0 percent in Q2 LY



BALANCE SHEET & NET WORKING CAPITAL

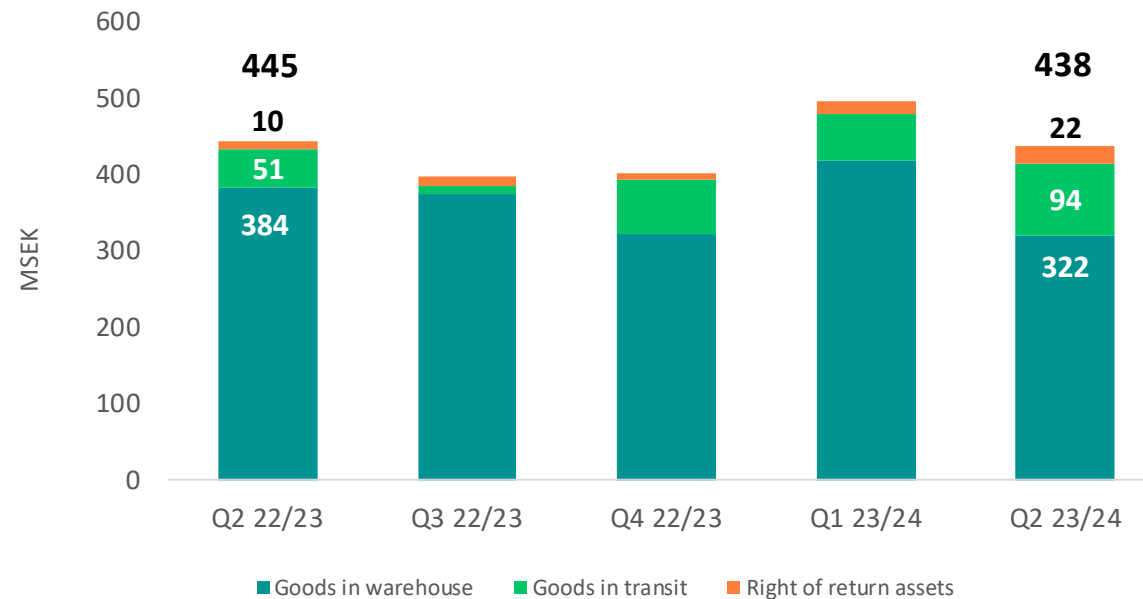
MSEK	31-12-2023	30-06-2023	31-12-2022
Intangible Assets	804	797	797
Tangible Assets	15	17	18
Deferred Tax	2	2	2
Current Assets	849	621	578
Total Assets	1,669	1,437	1,396
Equity	1,209	1,137	1,017
Long-term liabilities	45	46	65
Current Liabilities	415	253	314
Total Equity and Liabilities	1,669	1,437	1,396



- Balance sheet remains stable with limited changes
- Dividend of SEK 97m paid during the second quarter
- Changes to Net Working Capital (Q2 vs Q2 LY) is primarily driven by an increase in current liabilities



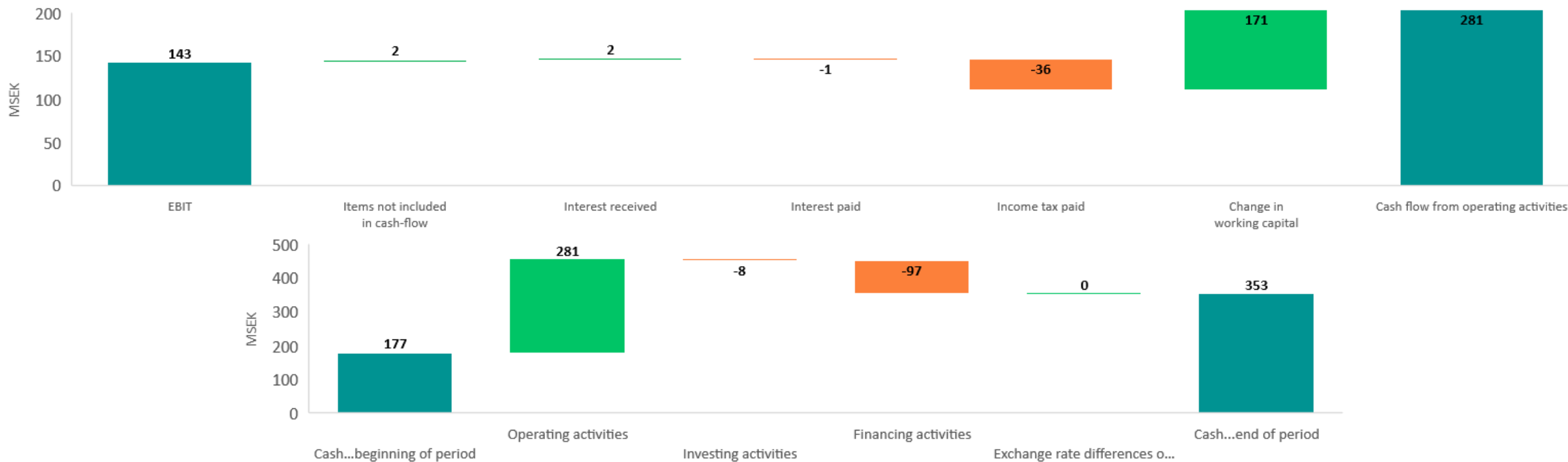
INVENTORY DEVELOPMENT



- Inventory has decreased by SEK 7m compared to Q2 LY
- Inventory has decreased by SEK 60m compared to Q1 23/24



CASH FLOW & FINANCIAL POSITION



- Solid cash position of SEK 353m
- Cash flow from operating activities of SEK 281m
- Net cash position of SEK 340 m as of December 31 – cash adjusted for lease liabilities of SEK 13m
- Credit facility of ~SEK 600m available and undrawn



GOING FORWARD

The Revolution Race continues

- Well-positioned for the future, backed by a strong core offering with great potential to continue to gain market share
- Strong financial position
- We also see a strong start in the third quarter, with sales growth in line with the growth being reported for the second quarter
- We aim to announce revised financial targets before the existing ones expire in June 2024



A man and a woman are hiking on a mountain ridge at dusk. The man is wearing a yellow puffer jacket, a dark beanie with a headlamp, and dark pants. The woman is wearing a light blue puffer jacket, a dark headband with a headlamp, and dark pants. They are both smiling and looking towards the right. The background shows a vast, hazy mountain landscape under a blue and purple sky. The text "NATURE IS OUR PLAYGROUND!" is overlaid in the center in large, white, bold, sans-serif font.

**NATURE IS OUR
PLAYGROUND!**

IMPORTANT INFORMATION

This presentation may contain forward-looking statements. All statements other than statements of historical fact included in the presentation are forward-looking statements. Forward-looking statements give the company's current expectations and projections relating to its financial condition, results of operations, plans, objectives, future performance and business and are based on numerous assumptions regarding the company's present and future business strategies and the environment in which it will operate in the future. These statements may include, without limitation, any statements preceded by, followed by or including words such as **"target," "believe," "expect," "aim," "intend," "may," "anticipate," "estimate," "plan," "project," "will," "can have," "likely," "should," "would," "could"** and other words and terms of similar meaning or the negative thereof.

Such forward-looking statements inherently involve known and unknown risks, uncertainties and other important factors beyond the company's control that could cause the company's actual results, performance or achievements to be materially different from the expected results, performance or achievements expressed or implied by such forward-looking statements.

