



Interim report

1 July – 31 March 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

THIRD QUARTER HIGHLIGHTS

Financial development (Jan – Mar 2023)

- Net sales for the period increased by 13 percent and amounted to SEK 414 (367) million.
- Gross profit amounted to SEK 300 (269) million, corresponding to a gross margin of 72.6 (73.1) percent.
- EBIT amounted to SEK 87 (104) million, corresponding to an EBIT margin of 21.1 (27.8) percent.
- Average order value (AOV) amounted to SEK 930 (849).
- Earnings per share before dilution amounted to SEK 0.60 (0.72) and after dilution to SEK 0.60 (0.72).

Significant events

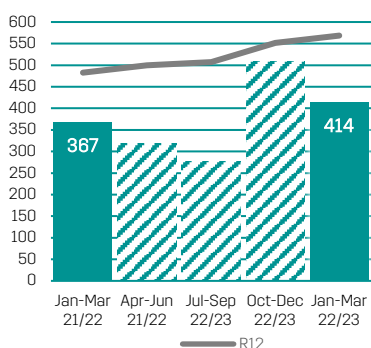
- Reduced inventory and strong cash flow from operating activities of SEK 101 million.
- Board member Johan Svanström left the board in February due to a new operational role as CEO of a listed company in UK.

Financial overview

SEKm	Jan-Mar 22/23	Jan-Mar 21/22	Δ	Jul-Mar 22/23	Jul-Mar 21/22	Δ	Jul-Jun 21/22	Apr-Mar 22/23
Net sales	414	367	13%	1,198	1,013	18%	1,331	1,516
Average order value (AOV), (SEK)*	930	849	10%	884	812	9%	803	859
Gross profit*	300	269	12%	856	733	17%	963	1,086
Adjusted EBIT* 1)	87	104	-16%	254	294	-14%	367	327
EBIT*	87	104	-16%	242	294	-18%	367	315
Result for the period	68	81	-16%	189	230	-18%	288	247
Earnings per share before dilution, SEK	0.60	0.72	-16%	1.67	2.04	-18%	2.55	-
Earnings per share after dilution, SEK	0.60	0.72	-16%	1.67	2.04	-18%	2.55	-
Gross margin*	72.6%	73.1%	-0.5 pp	71.5%	72.3%	-0.8 pp	72.3%	71.7%
EBIT margin*	21.1%	27.8%	-6.7 pp	20.2%	28.7%	-8.5 pp	27.0%	20.5%
Adjusted EBIT margin*	21.1%	27.8%	-6.7 pp	21.1%	28.7%	-7.6 pp	27.0%	21.3%

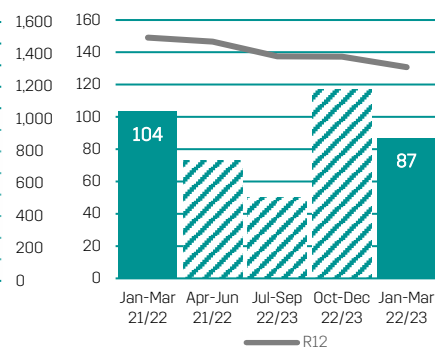
Net sales

Per quarter and rolling 12 months



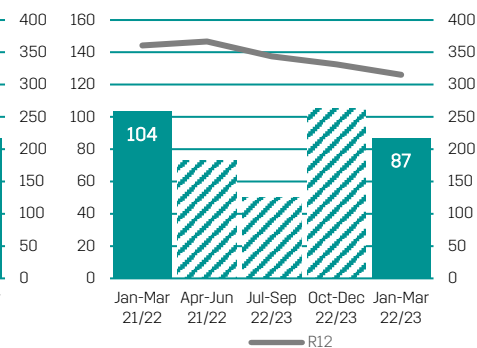
Adjusted EBIT¹⁾

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 during the second quarter amounted to SEK 12 million.

* Alternative performance measures, see pages 17–18.

Comments from the CEO

RevolutionRace continues to increase sales with good profitability

RevolutionRace has continued its profitable growth journey in the third quarter and is continuing to take market share. Net sales in the quarter amounted to SEK 414 million, corresponding to growth of 13 percent year on year. We have thus advanced our market position further in a weak market, while at the same time the company's financial position was also strengthened during the quarter by operating profit of SEK 87 million and strong cash flow amounting to SEK 101 million.

As communicated previously, a lower sales increase was noted at the start of the third quarter compared with the same period in the previous year, which was a strong quarter. The quarter, however, ended stronger, resulting overall in another quarter of good growth.

We are noticing continued uncertainty in the market with weak consumer sentiment and extensive price reductions and markdowns in the industry. An uncertain world can also create opportunities, however, and I am convinced that our strong customer offering that never compromises on quality, design and price is a success factor even in a more challenging market. The fact that RevolutionRace is growing by 13 percent while earnings and cash flow are also strong, in a quarter characterised by a tougher market climate, sends a message of strength that enhances our market position further.

Continued international growth

RevolutionRace is an international brand and we are continuing to grow and to gain market share in many markets. In the third quarter sales from countries outside the Nordics accounted for a total of 78 percent of our total sales. This is confirmation that we are on the right path in our international growth strategy. The Rest of World region grew by 32 percent in the quarter, with particularly positive development noted in the Netherlands. The DACH region continued to grow by 18 percent in the third quarter, again with strong sales towards the end of the quarter. Sales in the Nordics decreased and there was negative growth due to a tougher consumer climate and a weak market. Our assessment is that we are continuing to win market share.

EBIT margin of 21 percent and strong cash flow

EBIT for the quarter amounted to SEK 87 million, corresponding to an EBIT margin of 21.1 percent. This is a very strong operating margin given the prevailing market climate. We noted substantial discounts in the market due to high inventory levels, but we still succeeded in keeping our gross margin at a good level. Our logistics costs were higher than last year, while at the same time we decided, among other things, to increase our market investments in growth markets. Compared with the same period last year we also note a negative earnings effect of SEK 9 million attributable to currency effects in the items Other operating income/expense.

Our inventory continued to decrease for the second consecutive quarter, by around SEK 46 million, which is in line with the plan communicated previously. The decrease

in inventory contributed to strong cash flow and we ended the third quarter with net cash of SEK 130 million. This feels extremely strong in the current market and provides a foundation for the future.

Unmatched value at every step

We are proud of our global community, which now amounts to more than one million followers on social media and more than 470,000 unique product reviews. Close relationships with our customers and their product reviews have always been a key part of our strategy, not least since they help our customers find the right products but also because it gives us valuable feedback. Our direct communication with the customers enables us to continually evaluate and refine our offering, to ensure unmatched value at every step. Our community is also our foremost channel for inspiring people and showcasing to them our wide range of products.

We are continuing to expand our product assortment and a year ago we launched our footwear assortment with a limited number of models. During the year we have launched more models and we can see that shoe sales are growing fast. Our biggest product category remains pants, but it is pleasing and important that other product categories are also growing with high customer ratings. It inspires us to continue our focus on launching timeless, hardwearing, high quality products that can be used frequently over a long period, which is also an important part of our sustainability efforts.

To strengthen our customer offering further we extended our collaboration with our logistics partner in Sweden, Bring Shelfless (formerly DreamLogistics), during the quarter. Since 2021 Shelfless has handled a large part of RevolutionRace's logistics from a production facility in Borås.

Outlook

I am convinced that RevolutionRace's offering is very well positioned, with a unique combination of a strong brand, high quality design and competitive prices. Our scalable and digital business model makes us agile and enables an international presence with great potential to continue to win market share. Despite the uncertainty in the world around us, we are focusing on continued profitable growth and we note, so far in the fourth quarter, a sales growth slightly higher than in the third quarter, with strong development in the regions DACH and RoW.

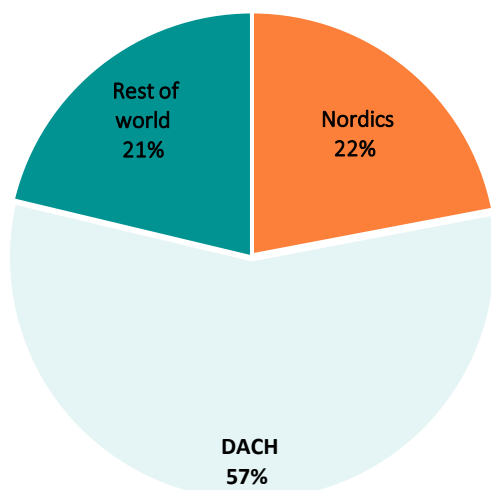
Paul Fischbein, CEO

FINANCIAL DEVELOPMENT

Third quarter (Jan – Mar 2023)

Operating income

Net sales in the third quarter amounted to SEK 414 (367) million, an increase of 13 (7 in local currencies) percent. The increase in net sales is attributable to higher demand for the company's multifunctional products in the regions DACH and Rest of the World (RoW). Net sales in the Nordics decreased by 11 percent to SEK 91 (102) million. Net sales in DACH increased by 18 percent to SEK 235 (199) million and in RoW by 32 percent to SEK 88 (66) million.



The regions share of net sales in the third quarter

Operating income for the period amounted to SEK 414 (373) million. The difference between net sales and operating income comprises other operating income which is mainly attributable to net amount of exchange gains and losses. The net amount for the quarter is negative, resulting in Other operating costs of SEK 4 million compared to an Other operating income of SEK 5 million in the corresponding quarter last year. Effective from the start of the current financial year the group reports the result of exchange gains and losses as a net amount; comparative figures for operating income have been adjusted in accordance with the changed accounting principle.

Gross profit

Gross profit increased by 12 percent to SEK 300 (269) million, corresponding to a gross margin of 72.6 (73.1) percent. The gross margin is negatively affected by an average higher USD purchase price on goods sold and price reductions. At the same time, the gross margin was positively affected by a favorable market mix.

Operating profit (EBIT)

Operating profit (EBIT) amounted to SEK 87 (104) million, corresponding to an EBIT margin of 21.1 (27.8) percent. Goods for resale increased to SEK -113 (-99) million driven by increased net sales. Other external costs amounted to SEK -186 (-150) million. The development is attributable, among other things, to increased logistics costs and market investments. Personnel expenses in the quarter amounted to SEK -22 (-19) million.

Earnings and earnings per share for the period

Profit before tax amounted to SEK 86 (103) million. Profit for the period was SEK 68 (81) million. Earnings per share before dilution amounted to SEK 0.60 (0.72) and after dilution to SEK 0.60 (0.72).

Cash flow

Cash flow from operating activities increased and amounted to SEK 101 (-3) million. The increase is mainly attributable to the result and a decrease in inventory relative to the previous quarter. Cash flow from investment activities amounted to SEK -1 (-1) million. Cash flow from financing activities includes a reduction in loan debt of SEK -18 (-168) million and amounted to SEK -19 (-169) million. Cash flow for the period amounted to SEK 81 (-172) million.

Financial position

Net cash amounted to SEK 130 (5) million. Cash and cash equivalents amounted to SEK 146 (71) million. The interest-bearing debt of SEK 16 (66) consist of lease liabilities of SEK 16 (6) million and liabilities to credit institutions of SEK 0 (60) million. The group's total credit facility amounts to approximately SEK 600 million, which at the end of the quarter was unutilized.

Net working capital

Net working capital amounted to SEK 173 (143) million. The change is mainly attributable to build up of inventory during the last calendar year.

Investments

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

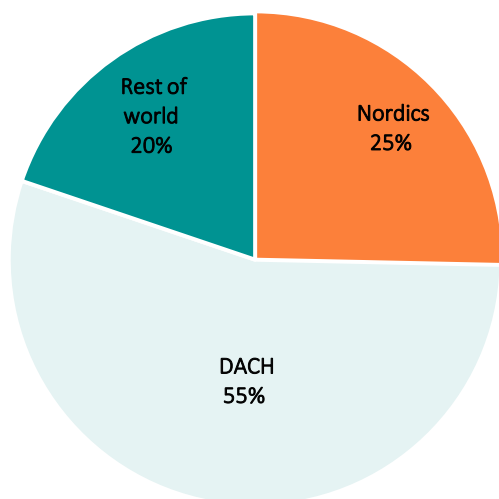
Personnel

The average number of employees during the period was 132 (112). The average number of FTEs was 128 (109). The increase in the number of employees is explained by the company's growth during the past year and to enable future sales growth.

Nine months (Jul 2022 – Mar 2023)

Operating income

Net sales during the nine-month period amounted to SEK 1,198 (1,013) million, an increase of 18 (12 in local currencies) percent. The increase in net sales is attributable to higher demand for the company's multifunctional products in the regions DACH and RoW. Net sales in the Nordics amounted to SEK 304 (342) million. Net sales in DACH increased by 34 percent to SEK 657 (491) million and in RoW by 31 percent to SEK 237 (181) million.



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

Operating income for the period amounted to SEK 1,201 (1,023) million. The difference between net sales and operating income comprises other operating income which is mainly attributable to net amount of exchange gains and losses. The net amount for the period is positive, resulting in Other operating income of SEK 3 (10) million. Effective from the start of the current financial year the group reports the result of exchange gains and losses as a net amount; comparative figures for operating income have been adjusted in accordance with the changed accounting principle.

Gross profit

Gross profit increased by 17 percent to SEK 856 (733) million, corresponding to a gross margin of 71.5 (72.3) percent. The gross margin is negatively affected by an average higher USD purchase price on goods sold and price reductions. At the same time, the gross margin was positively affected by a favorable market mix.

Operating profit (EBIT)

Operating profit (EBIT) amounted to SEK 242 (294) million, corresponding to an EBIT margin of 20.2 (28.7) percent. The progression in operating margin is mainly due to an

increase in costs attributable to an AGM-approved incentive programme (LTIP) of SEK 12 million that were expensed in the second quarter of SEK 12 million.

Adjusted for this one-time cost, EBIT amounted to SEK 254 million (adjusted EBIT margin 21.1 percent).

Other external costs amounted to SEK -528 (-392) million.

The development is attributable, among other things, to increased logistics costs and market investments.

Goods for resale increased to SEK -342 (-281) million driven by increased net sales. Personnel expenses in the period amounted to SEK -84 (-53) million of which SEK 11 million is attributable to LTIP.

Earnings and earnings per share for the period

Profit before tax amounted to SEK 238 (291) million. Profit for the period was SEK 189 (230) million. Earnings per share before dilution amounted to SEK 1.67 (2.04) and after dilution to SEK 1.67 (2.04).

Cash flow

Cash flow from operating activities increased and amounted to SEK 176 (19) million. The increase is mainly attributable to the result and the reduction in inventory. Cash flow from investment activities amounted to SEK -4 (-3) million. Cash flow from financing activities was SEK -101 (-242) million, which is mainly attributable to LTIP and distributed dividend of SEK 87 (72) million. Cash flow for the period amounted to SEK 71 (-226) million.

Financial position

Net cash amounted to SEK 130 (5) million. Cash and cash equivalents amounted to SEK 146 (71) million. The interest-bearing debt of SEK 16 (66) million consist of lease liabilities of SEK 16 (6) million and liabilities to credit institutions of SEK 0 (60) million. The group's total credit facility amounts to approximately SEK 600 million, which at the end of the quarter was unutilized.

Net working capital

Net working capital amounted to SEK 173 (143) million. The change is mainly attributable to build up of inventory.

Investments

Investments affecting cash flow amounted to SEK 4 (3) million. Investments in intangible assets amounted to SEK 2 (3) million and are mainly attributable to activation of expenditures related to software development. Investments in tangible assets amounted to SEK 2 (0) million.

Personnel

The average number of employees during the period was 132 (104). The average number of FTEs was 129 (101). The increase in the number of employees is explained by the company's growth during the past year and to enable future sales growth.

Other information

Financial goals

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

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

Significant events after the end of the period

No significant events after the end of the period.

Future prospects

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

Items affecting comparability

Items affecting comparability amount to 0 (0) MSEK for the third quarter and -12 (0) MSEK for the period July 2022 to March 2023. The item is attributable to the AGM-approved LTIP and is included in Personnel costs and Other external costs in the income statement.

Parent company

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

Net sales for the third quarter of SEK 3 (2) million and SEK 15 (5) million for the period July 2022 to March 2023. The net sales are attributable to intra-group services related to group management. The Parent Company's profit for the third quarter amounted to SEK -1 (-2) million.

Risks and uncertainties

A full description of the risks and uncertainties associated with RevolutionRace can be found in the annual report 2021/22 published on 12 October 2022.

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. The company works actively to reduce currency risks by futureproofing the Swedish krona against mainly EUR and USD.

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 more than 35 countries with 18 unique webshops. 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, May 9, 2023

Paul Fischbein
CEO

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Auditor's audit

This interim report has 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 May 9, 2023.



Review report

RVRC Holding AB (publ), org. nr 559129-4623

Introduction

We have reviewed the condensed interim report for RVRC Holding AB (publ) as at March 31, 2023 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Gothenburg, 9th of May 2023

Ernst & Young AB

Andreas Mast
Authorized Public Accountant

FINANCIAL REPORTS

Group income statement

SEKm	Note	Jan-Mar 22/23	Jan-Mar 21/22	Jul-Mar 22/23	Jul-Mar 21/22	Jul-Jun 21/22
Operating income						
Net sales	3	414	367	1,198	1,013	1,331
Other operating income	4	0	5	3	10	25
		414	373	1,201	1,023	1,356
Operating expenses						
Goods for resale		-113	-99	-342	-281	-369
Other external expenses		-186	-150	-528	-392	-539
Personnel expenses		-22	-19	-84	-53	-77
Depreciation and amortisation of tangible and intangible assets		-2	-1	-5	-3	-5
Other operating expenses	4	-4	0	0	0	0
		-327	-269	-959	-729	-990
Operating profit (EBIT)		87	104	242	294	367
Financial income and expenses						
Financial income		0	0	0	0	0
Financial expenses		-2	-1	-4	-3	-3
		-2	-1	-4	-3	-3
Profit before tax		86	103	238	291	363
Income tax		-18	-22	-49	-61	-75
Profit for the period		68	81	189	230	288
Attributable to parent company's shareholders		68	81	189	230	288
Earnings per share						
Earnings per share before dilution, SEK		0.60	0.72	1.67	2.04	2.55
Earnings per share after dilution, SEK		0.60	0.72	1.67	2.04	2.55

Group statement on other comprehensive income

SEKm	Note	Jan-Mar 22/23	Jan-Mar 21/22	Jul-Mar 22/23	Jul-Mar 21/22	Jul-Jun 21/22
Profit for the period		68	81	189	230	288
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		68	81	189	230	288
Attributable to parent company's shareholders		68	81	189	230	288

Group statement of financial position

SEKm	Note	2023-03-31	2022-03-31	2022-06-30
ASSETS				
Non-current assets				
Intangible assets				
Capitalised expenditures for development work		9	9	9
Trademarks		171	171	171
Goodwill		617	617	617
		797	797	797
Tangible assets				
Expenditures on third-party property		1	0	0
Equipment, tools and installations		1	1	1
Right of use assets		15	5	8
		17	6	9
Deferred tax asset		2	1	1
		2	1	1
Total non-current assets		816	805	807
Current assets				
Goods in warehouse		375	263	307
Goods in transit		10	94	127
Right of return assets		12	6	8
Sum inventory		398	364	442
Accounts receivable		0	0	0
Current tax assets		1	0	5
Other current receivables		32	61	50
Derivative instrument	2	0	3	8
Prepaid expenses and accrued income		9	7	7
Cash and cash equivalents		146	71	75
Total current assets		586	506	587
Total assets		1,402	1,311	1,394

Group statement of financial position

SEKm	Note	2023-03-31	2022-03-31	2022-06-30
EQUITY AND LIABILITIES				
Equity				
Share capital		1	1	1
Other contributed capital		723	716	716
Reserves, translation differences		-0	0	-0
Retained earnings		171	-30	-30
Profit for the period		189	230	288
Total equity		1,084	917	975
Long-term liabilities				
Liabilities to credit institutions		-	60	20
Lease liabilities		12	4	7
Deferred tax liabilities		35	36	36
Total long-term liabilities		47	100	63
Current liabilities				
Lease liability		4	2	2
Accounts payable		61	145	185
Other current liabilities		59	42	40
Derivative instru	2	3	2	3
Tax liabilities		12	35	50
Repayment liabilities		49	24	31
Prepaid income and accrued expenses		83	44	46
Total current liabilities		271	294	357
TOTAL EQUITY AND LIABILITIES		1,402	1,311	1,394

Group statement on cash flow

SEKm	Jan-Mar 22/23	Jan-Mar 21/22	Jul-Mar 22/23	Jul-Mar 21/22
Operating activities				
Operating profit (EBIT)	87	104	242	294
Adjustment for non-cash items				
Depreciation and amortisation	2	1	5	3
Interest paid	-1	-1	-4	-2
Paid income tax	-13	-12	-85	-59
Cash flow from operating activities before changes in working capital	75	92	158	236
Increase (-)/Decrease(+) in inventory	46	-42	44	-220
Increase (-)/Decrease(+) in operating receivables	27	-21	24	-49
Increase (+)/Decrease(-) in operating liabilities	-47	-32	-50	53
Cash flow from operating activities	101	-3	176	19
Investing activities				
Acquisition of tangible assets	-0	0	-2	-0
Acquisition of intangible assets	-1	-1	-2	-3
Cash flow from investing activities	-1	-1	-4	-3
Financing activities				
Amortisation of lease liabilities	-1	-0	-2	-1
Repayment of borrowings	-18	-168	-20	-168
Fees related to borrowings	1	0	0	0
Dividend paid	0	0	-87	-72
Warrants, program 2021/24	0	0	-0	-1
Warrants, program 2022/26	-1	0	7	0
Cash flow from financing activities	-19	-169	-101	-242
Cash flow for the period	81	-172	71	-226
Cash and cash equivalents at start of period	65	243	75	296
Exchange rate differences in cash and cash equivalents	-0	0	-0	0
Cash and cash equivalents at end of period	146	71	146	71

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 2021	1	716	-0	-129	172	760
Transfer of profits for the previous period	0	0	0	172	-172	0
Profit for the period	-	-	-	-	230	230
Other comprehensive income	-	-	0	-	-	0
Comprehensive profit/loss for the year	0	0	0	172	58	230
Transactions with owners						
Dividend	-	-	-	-72	-	-72
Warrants, program 2021/24	-	-1	-	-	-	-1
Total	0	-1	0	-72	0	-73
Closing balance, 31 March 2022	1	716	0	-30	230	917
Opening balance, 1 July 2022	1	716	-0	-30	288	975
Transfer of profits for the previous period	0	0	0	288	-288	0
Profit for the period	-	-	-	-	189	189
Other comprehensive income	-	-	0	-	-	0
Comprehensive profit/loss for the year	0	0	0	288	-99	189
Transactions with owners						
Dividend	-	-	-	-87	-	-87
Warrants, program 2021/24	-	-0	-	-	-	-0
Warrants, program 2022/26	-	8	-	-	-	8
Total	0	8	0	-87	0	-79
Closing balance, 31 March 2023	1	723	-0	171	189	1,084

Parent company

Parent company income statement

SEKm	Jan-Mar 22/23	Jan-Mar 21/22	Jul-Mar 22/23	Jul-Mar 21/22	Jul-Jun 21/22
Operating income					
Net sales	3	2	15	5	7
	3	2	15	5	7
Operating costs					
Other operating expenses	-2	-1	-6	-6	-6
Personnel expenses	-2	-2	-15	-5	-7
Other operating expenses	-0	-0	-0	-0	-0
	-4	-3	-21	-11	-13
Operating profit (EBIT)	-1	-2	-6	-6	-7
Financial income and expenses					
Profit from participations in group companies	0	0	90	0	0
Interest expenses and equivalents	-0	-0	-1	-2	-2
Interest income and equivalents	0	0	-0	0	2
	-0	-0	89	-2	-0
Appropriations					
Group contribution received	0	0	0	0	7
	0	0	0	0	7
Profit or loss before tax	-1	-2	83	-8	0
Income tax	0	0	0	0	0
Profit/Loss for the period	-1	-2	83	-8	0

Parent company statement of financial position

SEKm	2023-03-31	2022-03-31	2022-06-30
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	4
Receivables from group companies	12	5	7
Other receivables	0	0	0
Prepaid expenses and accrued income	4	2	3
Total current receivables	16	7	14
Cash and cash equivalents			
Cash and cash equivalents	1	1	0
Total cash and cash equivalents	1	1	0
Total current assets	17	8	14
TOTAL ASSETS	661	652	659

Parent company statement of financial position

SEKm	2023-03-31	2022-03-31	2022-06-30
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	1	1	1
	1	1	1
Unrestricted equity			
Share premium reserve	443	433	433
Retained earnings	124	211	211
Profit for the period	82	-8	-0
	650	636	645
Total equity	651	637	646
Non-current liabilities			
Liabilities to credit institutions	0	0	0
Total non-current liabilities	0	0	0
Current liabilities			
Accounts payable	0	0	0
Liabilities to Group companies	6	13	11
Other liabilities	1	0	1
Tax liabilities	0	0	0
Prepaid income and accrued expenses	3	1	1
Total current liabilities	10	15	13
TOTAL EQUITY AND LIABILITIES	661	652	659

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

	Jan-Mar 22/23	Jan-Mar 21/22	Jul-Mar 22/23	Jul-Mar 21/22	Jul-Jun 21/22	Apr-Mar 22/23
Gross profit						
Net sales	414	367	1,198	1,013	1,331	1,516
Goods for resale	-113	-99	-342	-281	-369	-430
Gross profit	300	269	856	733	963	1,086
Operating profit (EBIT)						
Operating income	414	373	1,201	1,023	1,356	1,534
Operating expenses	-327	-269	-959	-730	-990	-1,219
Operating profit (EBIT)	87	104	242	294	367	315
Adjusted EBIT						
Operating profit (EBIT) as reported	87	104	242	294	367	315
Costs related to LTIP (+)	0	0	12	0	0	12
Adjusted EBIT	87	104	254	294	367	327
EBIT margin						
Earnings before interest and taxes	87	104	242	294	367	315
Operating income	414	373	1,201	1,023	1,356	1,534
EBIT Margin	21.1%	27.8%	20.2%	28.7%	27.0%	20.5%
Adjusted EBIT margin						
Adjusted EBIT	87	104	254	294	367	327
Operating income	414	373	1201	1023	1356	1534
Adjusted EBIT margin	21.1%	27.8%	21.1%	28.7%	27.0%	21.3%
Net working capital						
Current assets	586	506	586	506	587	586
Cash and cash equivalents (-)	-146	-71	-146	-71	-75	-146
Current liabilities (-)	-271	-294	-271	-294	-357	-271
Current interest-bearing liabilities (+)	4	2	4	2	2	4
Net working capital	173	143	173	143	157	173
Net debt(+)/Net cash (-)						
Interest-bearing debt	16	66	16	66	28	16
Interest-bearing assets (-)	0	0	0	0	0	0
Cash and cash equivalents (-)	-146	-71	-146	-71	-75	-146
Net debt(+)/Net cash (-)	-130	-5	-130	-5	-47	-130
Number of orders and average order value (AOV)						
Number of orders ('000)	444	433	1355	1248	1659	1766
Net sales	414	367	1198	1013	1331	1516
Average order value (AOV); (SEK)	930	849	884	812	803	859

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

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 For complete information regarding accounting and valuation principles applied by the group, please see the annual report that was published on October 12, 2022.

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

RVRC Holding AB has made the assessment that there are no existing IFRS changes during July 2022 – September 2022 which are estimated having a significant effect on income statement and financial position for the group.

New and changed accounting principles

RVRC Holding AB has changed the accounting principle regarding the presentation of exchange rate gains and exchange rate losses as of the start of the current financial year. The assessment made is that the change in accounting principle creates greater clarity regarding the company's income and costs linked to the business. The changed accounting principle means that exchange rate gains and exchange rate losses are net reported in other operating income in the case of a positive net, and in Other operating expenses in the case of a negative net, for each individual reporting period. The change means that the comparison periods' Other operating income, Other operating expenses and EBIT margin have been adjusted in accordance with the changed accounting principle.

NOTE 2 Fair value of financial instruments

Financial assets	2023-03-31		2022-03-31		2022-06-30	
	Reported value	Fair value	Reported value	Fair value	Reported value	Fair value
Financial assets reported at fair value via income statement						
Derivative instrument						
Foreign exchange forwards	0	0	3	3	8	8
Financial liabilities	2023-03-31		2022-03-31		2022-06-30	
	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	3	3	2	2	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	Jan-Mar	Jan-Mar	Δ	Jul-Mar	Jul-Mar	Δ	Jul-Jun
	22/23	21/22		22/23	21/22		21/22
Germany	206	172	19%	566	431	31%	571
Sweden	44	51	-14%	142	159	-10%	204
Finland	21	26	-19%	81	106	-23%	130
Other	143	119	20%	409	318	28%	426
Total net sales	414	367	13%	1,198	1,013	18%	1,331

Region	Jan-Mar	Jan-Mar	Δ	Jul-Mar	Jul-Mar	Δ	Jul-Jun
	22/23	21/22		22/23	21/22		21/22
Nordics	91	102	-11%	304	342	-11%	442
DACH	235	199	18%	657	491	34%	658
Rest of world	88	66	32%	237	181	31%	232
Total net sales	414	367	13%	1,198	1,013	18%	1,331

NOTE 4 Other operating income and other operating expenses

Other operating income and other operating expenses	Jan-Mar	Jan-Mar	Δ	Jul-Mar	Jul-Mar	Δ	Jul-Jun
	22/23	21/22		22/23	21/22		21/22
Exchange rate gains	5	16	-68%	51	36	43%	55
Exchange rate losses	-9	-11	-15%	-49	-27	83%	-36
Other	0	0	-20%	1	1	-47%	6
Total net sales	-4	5	-169%	3	10	-70%	25

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
2022-07-01	Opening balance		112 918 918
2023-03-31	Closing balance		112 918 918

Number of warrants

Description	Utilisation period	Subscription		Issued	Allocated
		price	Number of shares per warrant		
2021/24 incentive program	2024-07-01 - 2024-12-31	94.83	1.03	1 889 677	1,547,386
2022/26 incentive program	2025-11-15 - 2026-05-15	38.81	1.02	2 125 000	1,837,000

RevolutionRace has two incentive programs comprising warrants for senior executives and key personnel. The warrants have been transferred to the participants at market price. In the second quarter, a buyback of 102,145 warrants in the 2021/24 incentive program and 100,000 warrants in the 2022/26 incentive program was 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 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	Jan-Mar 22/23		Jan-Mar 21/22		Jul-Mar 22/23		Jul-Mar 21/22	
	AR	CR	AR	CR	AR	CR	AR	CR
SEK/EUR	11.20	11.28	10.48	10.34	10.92	11.28	10.27	10.34
SEK/USD	10.44	10.37	9.35	9.31	10.57	10.37	8.95	9.31

Source: European Central Bank

AR = average rate

CR = closing rate



Financial Calendar

Full year report (Q4) 2022/23	15 August 2023
Annual Report 2022/23	17 October 2023
Interim report Jul–Sept (Q1) 2023/24	7 November 2023
Annual General Meeting 2022/23	21 November 2023
Interim report Jul–Dec (Q2) 2023/24	30 January 2024
Interim report Jul–Mar (Q3) 2023/24	7 May 2024
Full year report (Q4) 2023/24	13 August 2024



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

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