

A photograph of three people walking through a field of tall grass. On the left is a man with a beard wearing a black long-sleeved shirt and shorts. In the middle is a woman with blonde hair wearing a pink t-shirt with the RevolutionRace logo and black leggings. On the right is a woman with long dark hair wearing a white t-shirt and khaki shorts. They are all smiling and looking towards the right. The background is a bright, sunlit field with trees in the distance.

# Year-end & Q4 report

1 July 2022 – 30 June 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

## FOURTH QUARTER & FULL YEAR HIGHLIGHTS

### Financial development and significant events during the fourth quarter

- Net sales for the period increased by 14 percent and amounted to SEK 362 (318) million.
- Gross profit amounted to SEK 269 (230) million, corresponding to a gross margin of 74.5 (72.3) percent.
- EBIT amounted to SEK 68 (73) million, corresponding to an EBIT margin of 18.9 (21.9) percent.
- Earnings per share before dilution amounted to SEK 0.48 (0.52) and after dilution to SEK 0.48 (0.52).

### Financial development and significant events during the full year

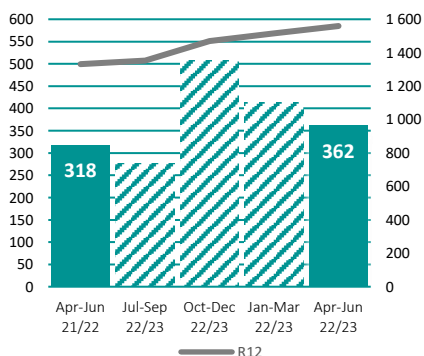
- Net sales for the period increased by 17 percent and amounted to SEK 1,560 (1,331) million.
- Gross profit amounted to SEK 1,126 (963) million, corresponding to a gross margin of 72.2 (72.3) percent.
- EBIT amounted to SEK 310 (367) million, corresponding to an EBIT margin of 19.9 (27.0) percent.
- Adjusted EBIT amounted to SEK 322 (367) million, corresponding to an EBIT margin of 20.6 (27.0) percent.
- Earnings per share before dilution amounted to SEK 2.15 (2.55) and after dilution to SEK 2.15 (2.55).
- Paul Fischbein was appointed acting CEO in August 2022 and as permanent CEO in October 2022.
- The board of directors proposes a dividend of SEK 0.86 (0.77) per share.

### Financial overview

SEKm	Apr-Jun 22/23	Apr-Jun 21/22	Δ	Jul-Jun 22/23	Jul-Jun 21/22	Δ
Net sales	362	318	14%	1,560	1,331	17%
Average order value (AOV), (SEK)*	842	774	9%	875	803	9%
Gross profit*	269	230	17%	1,126	963	17%
Adjusted EBIT* 1)	68	73	-7%	322	367	-12%
EBIT*	68	73	-7%	310	367	-15%
Result for the period	54	58	-8%	242	288	-16%
Earnings per share before dilution, SEK	0.48	0.52	-9%	2.15	2.55	-16%
Earnings per share after dilution, SEK	0.48	0.52	-9%	2.15	2.55	-16%
Gross margin*	74.5%	72.3%	2.2 pp	72.2%	72.3%	-0.1 pp
EBIT margin*	18.9%	21.9%	-3.0 pp	19.9%	27.0%	-7.1 pp
Adjusted EBIT margin*	18.9%	21.9%	-3.0 pp	20.6%	27.0%	-6.4 pp

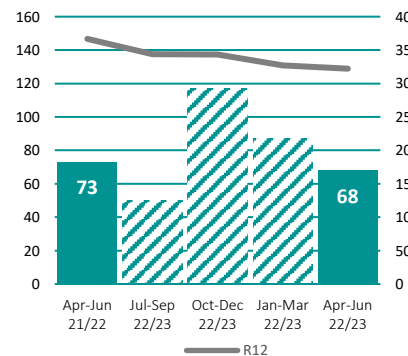
### Net sales

Per quarter and rolling 12 months



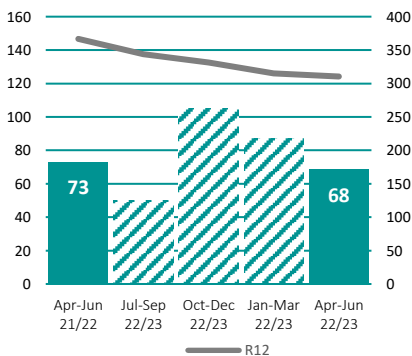
### Adjusted EBIT 1)

Per quarter and rolling 12 months



### EBIT

Per quarter and rolling 12 months



RevolutionRace financial year is 1 July – 30 June

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

\* Alternative performance measures, see pages 17–18.



# Comments from the CEO

## Another year of growth with good profitability

I am pleased to be able to sum up my first year as CEO of RevolutionRace and the company's second year since being listed on the Stockholm Stock Exchange. In a challenging market situation, quarter after quarter we have demonstrated strong growth and maintained good profitability, and for the fourth quarter we report a growth of 14 percent and an operating profit of SEK 68 million. This was made possible not least by favourable development in the DACH region and the RevolutionRace that we see today is far more international than we have been in the past.

As a result of the company's continued growth and strong cash flow for the year, the board is proposing a dividend of SEK 0.86 (0.77) per share.

Net sales in the fourth quarter amounted to SEK 362 million, corresponding to growth of 14 percent year on year. This brings full-year sales to SEK 1,560 million, which is 17 percent higher than in the previous year. It is important to emphasise that our growth has taken place in an environment characterised by significant macroeconomic uncertainty – which overall makes us satisfied with the progress we are currently presenting.

Many players have struggled with high inventory levels in this challenging market, which has led to price reductions in the market. It is in difficult times that long-term resilience is gained and we never compromise on quality, design and keeping the right price level. Our strategy – to always offer unmatched value – the combination of high quality and design at the right price levels – has been crucial in building our international brand, and we see it as a significant asset on our continued growth journey.

### An increasingly international brand

Our growth has primarily been driven by strong international expansion. Today, we are an international company with a quarterly sales share from countries outside the Nordic region of 77 percent and with a corresponding figure for the full year of 75 percent.

The evidence of our international growth strategy is most visible in the DACH region, which continues to grow: by 22 percent in the quarter and 31 percent for the full year. As a result, the DACH region's share of total RevolutionRace sales in the fourth quarter is 57 percent. The potential of the DACH region is far from exhausted, however. In countries such as Sweden and Finland the average spend per capita on RevolutionRace products is almost double, indicating significant room for continued growth in the DACH region.

The region we refer to as Rest of World has the highest percentage growth, with 42 percent in the fourth quarter and 34 percent for the full year and in this region, of course, the potential is significant.

As regards the Nordics, we can see that the region has been more negatively affected by the challenging

economic climate than other regions and once again we observe a quarter with negative growth in the region. At the same time, our assessment is that we are continuing to maintain market shares in this currently shrinking market.

### A strong EBIT margin and an optimally managed inventory

We are proud of our ability to maintain a good gross margin and operating margin in times like these. During the year we have chosen to increase our marketing investments in growth markets for our continued international expansion and our gross margin for the quarter has been positively affected by the market mix including the currency effect from a strong Euro, as well as by certain one-time events with a positive net effect of SEK 2.5 million, resulting in a gross margin for the quarter of slightly above 74 percent.

EBIT for the quarter amounted to SEK 68 million, corresponding to an EBIT margin of 18.9 percent. While one-time events positively impacted the gross margin, the reverse was the case for the EBIT margin. The negative impact during the quarter is attributable to currency effects in the company's balance sheet items. These same currency effects had a positive impact on earnings in the same quarter the previous year, resulting in a negative impact on earnings of around SEK 16 million in Other operating income/expenses compared to the fourth quarter last year. All in all, this means that the underlying profitability in the fourth quarter is improved in comparison with the corresponding period last year.

We have continued the work of ensuring a good inventory level and together with the year's results we report a strong cash flow for the year, and we end the year with a net cash position of SEK 139 million and an unused credit facility of SEK 600 million. This is particularly impressive in the current market environment and creates a strong foundation for the future. We have also managed to shorten our product delivery times, which is beneficial for both us and our customers. This solid financial position creates room for a stock build-up planned for the upcoming high season and to enable continued sales growth.

**Record-breaking reviews and excellent ratings**

We take great pride in our community and, in particular, our customer reviews with the goal of becoming the world's most recommended outdoor brand.

During the quarter we achieved an accumulated total of over 500,000 reviews, with an average rating of 4.6 on a five-point scale. Customer dialogue is central to our success and together with reviews and followers on our social media channels, these constitute highly valuable assets and success factors.

We continue to expand our assortment and to develop our products further, and we look forward to launching new collections in the autumn that we believe will be highly appreciated. RevolutionRace's market will continue to grow. While the DACH region and the Nordics will remain mainstays of our business for the foreseeable future, we are now also starting to offer our products in new major outdoor markets, with Canada, South Korea and Japan being the first ones.

In order to become the world's most recommended outdoor brand, it is central that we take our long-term responsibility in product development and other important areas. We continue to focus and further develop our important sustainability work and look forward to presenting our updated sustainability report shortly.

**Outlook**

One year into my role as CEO of RevolutionRace I can confidently state that we hold a uniquely robust position. We have made a strong start to the new financial year, with growth in July and early August that exceeds the growth we reported for the fourth quarter. Our well-developed strategy and our strong financial position are crucial in these turbulent times. Our digital business model allows us to quickly adapt and become even sharper. This leads me on to those who enable us to be so agile and relevant in this highly competitive market: our fantastic employees, whose passion, knowledge and energy are instrumental in RevolutionRace's successes. Thank you for all your hard work. I also want to take this opportunity to thank our customers, shareholders and partners who have all contributed to the excellent performance that I have the honour to present today. But for all of you who have been following us, you know that the journey has only just begun!

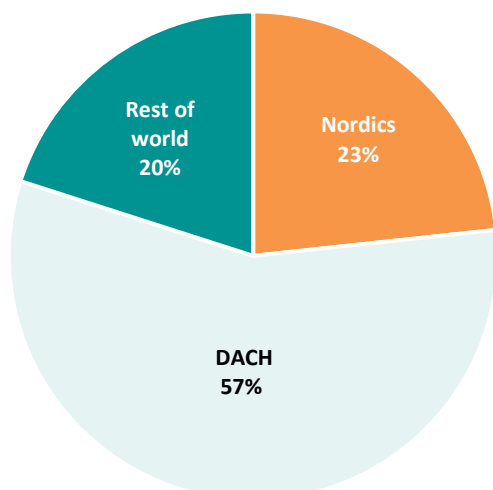
**Paul Fischbein, CEO**

# FINANCIAL DEVELOPMENT

## Fourth quarter (April – June 2023)

### Operating income

Net sales in the fourth quarter amounted to SEK 362 (318) million, an increase of 14 (5 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 16 percent to SEK 84 (100) million. Net sales in DACH increased by 22 percent to SEK 205 (167) million and in RoW by 42 percent to SEK 73 (51) million.



The regions share of net sales in the fourth quarter

Operating income for the period amounted to SEK 362 (333) 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 1 million compared to an Other operating income of SEK 15 million in the corresponding quarter last year. Effective from the start of the 2022/23 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 269 (230) million, corresponding to a gross margin of 74.5 (72.3). The gross margin is affected by the implementation of a new obsolescence model and inventory count and write-downs. The net effect of these events amounts to SEK 2.5 million. Underlying, the gross margin was positively influenced by a favorable market mix and negatively affected by factors

such as an on average higher USD price exchange rate on purchase of goods sold, as well as slightly higher price reductions.

### Operating profit (EBIT)

Operating profit (EBIT) amounted to SEK 68 (73) million, corresponding to an EBIT margin of 18.9 (21.9) percent. Goods for resale increased to SEK -92 (-88) million driven by increased net sales. Other external costs amounted to SEK -174 (-148) million. Personnel expenses in the quarter amounted to SEK -25 (-23) million. Net Other operating income/expenses amounted to -1 (15) MSEK.

### Earnings and earnings per share for the period

Profit before tax amounted to SEK 68 (72) million. Profit for the period was SEK 54 (58) million. Earnings per share before dilution amounted to SEK 0.48 (0.52) and after dilution to SEK 0.48 (0.52).

### Cash flow

Cash flow from operating activities increased and amounted to SEK 11 (46) million and is mainly attributable to the result and the reduction in operating liabilities relative to the previous quarter. Cash flow from investment activities amounted to SEK -2 (-1) million. Cash flow from financing activities amounted to SEK -1 (-41) million. Cash flow for the period amounted to SEK 8 (4) million.

### Financial position

Net cash amounted to SEK 139 (47) million. Cash and cash equivalents amounted to SEK 154 (75) million. The interest-bearing debt of SEK 15 (28) consists of lease liabilities of SEK 15 (8) million. Liabilities to credit institutions amounts to SEK 0 (20) million. The group's total credit facility amounts to SEK 600 million, which at the end of the quarter was unutilized. The credit facility arrangement has been extended with one year during the fourth quarter and expires June 2028.

### Net working capital

Net working capital amounted to SEK 218 (157) million. The change is mainly attributable to the reduction of current liabilities.

### Investments

Investments affecting cash flow amounted to SEK 2 (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 1 (0) million.

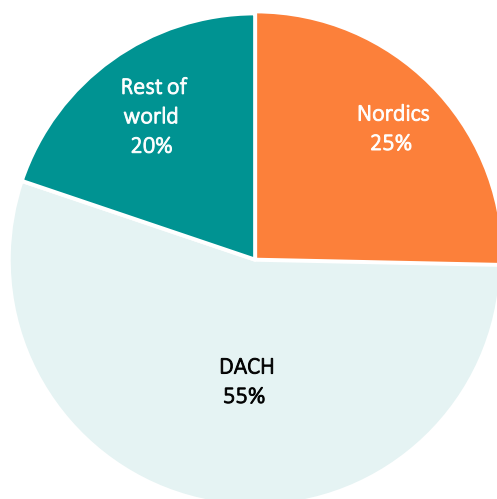
### Personnel

The average number of FTEs was 119 (119).

## Full year (Jul 2022 – Jun 2023)

### Operating income

Net sales during the nine-month period amounted to SEK 1,560 (1,331) million, an increase of 17 (10 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 388 (442) million. Net sales in DACH increased by 31 percent to SEK 862 (658) million and in RoW by 34 percent to SEK 310 (232) million.



The regions share of net sales during the full year

Operating income for the period amounted to SEK 1,562 (1,356) 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 2 (25) 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 1,126 (963) million, corresponding to a gross margin of 72.2 (72.3) percent. Underlying, the gross margin was positively influenced by a favorable market mix and negatively affected by factors such as an on average higher USD price exchange rate on purchase of goods sold, as well as slightly higher price reductions.

### Operating profit (EBIT)

Operating profit (EBIT) amounted to SEK 310 (367) million, corresponding to an EBIT margin of 19.9 (27.0) percent. The operating margin is affected by, among other things, costs attributable to an AGM-approved incentive programme (LTIP) of SEK 12 million during the second quarter of SEK 12 million. Adjusted for this one-off cost, EBIT amounted to SEK 322 million (adjusted EBIT margin 20.6 percent). Other external costs amounted to SEK -701 (-539) million. Goods for resale increased to SEK -434 (-369) million driven by increased net sales. Personnel expenses in the period amounted to SEK -110 (-77) million of which SEK 11 million is attributable to LTIP.

### Earnings and earnings per share for the period

Profit before tax amounted to SEK 306 (363) million. Profit for the period was SEK 243 (288) million. Earnings per share before dilution amounted to SEK 2.15 (2.55) and after dilution to SEK 2.15 (2.55).

### Cash flow

Cash flow from operating activities increased and amounted to SEK 188 (65) million. The increase is mainly attributable to the result and the reduction in inventory. Cash flow from investment activities amounted to SEK -6 (-3) million. Cash flow from financing activities was SEK -102 (-283) million, which is mainly attributable to repayment of borrowings and distributed dividend of SEK 87 (72) million. Cash flow for the period amounted to SEK 79 (-222) million.

### Financial position

Net cash amounted to SEK 139 (47) million. Cash and cash equivalents amounted to SEK 154 (75) million. The interest-bearing debt of SEK 15 (28) consists of lease liabilities of SEK 15 (8) million. Liabilities to credit institutions amounts to SEK 0 (20) million. The group's total credit facility amounts to SEK 600 million, which at the end of the quarter was unutilized. The credit facility arrangement has been extended with one year during the fourth quarter and expires June 2028.

### Net working capital

Net working capital amounted to SEK 218 (157) million. The change is mainly attributable to the reduction of current liabilities.

### Investments

Investments affecting cash flow amounted to SEK 6 (3) million. Investments in intangible assets amounted to SEK 3 (3) million and are mainly attributable to activation of expenditures related to software development. Investments in tangible assets amounted to SEK 3 (0) million.

### Personnel

The average number of FTEs was 122 (106).

## 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 fourth quarter and -12 (0) MSEK for the period July 2022 to June 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 fourth quarter amounted to SEK 3 (2) million and to SEK 19 (7) million for the period July 2022 to June 2023. The net sales are attributable to intra-group services related to group management. The Parent Company's profit for the fourth quarter amounted to SEK 11 (9) million and to SEK 93 (-0) MSEK for the period July 2022 to June 2023.

### 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.



## 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, August 15, 2023

The board of directors

### Contact details

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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 August 15, 2023.*





# FINANCIAL REPORTS

## Group income statement

SEKm	Note	Apr-Jun 22/23	Apr-Jun 21/22	Jul-Jun 22/23	Jul-Jun 21/22
<b>Operating income</b>					
Net sales	3	362	318	1,560	1,331
Other operating income	4	0	15	2	25
		<b>362</b>	<b>333</b>	<b>1,562</b>	<b>1,356</b>
<b>Operating expenses</b>					
Goods for resale		-92	-88	-434	-369
Other external expenses		-174	-148	-701	-539
Personnel expenses		-25	-23	-110	-77
Depreciation and amortisation of tangible and intangible assets		-2	-1	-7	-5
Other operating expenses	4	-1	0	0	0
		<b>-294</b>	<b>-260</b>	<b>-1,252</b>	<b>-990</b>
<b>Operating profit (EBIT)</b>		<b>68</b>	<b>73</b>	<b>310</b>	<b>367</b>
<b>Financial income and expenses</b>					
Financial income		1	0	1	0
Financial expenses		-1	-1	-5	-3
		<b>-0</b>	<b>-1</b>	<b>-4</b>	<b>-3</b>
<b>Profit before tax</b>		<b>68</b>	<b>72</b>	<b>306</b>	<b>363</b>
Income tax		-14	-14	-63	-75
<b>Profit for the period</b>		<b>54</b>	<b>58</b>	<b>243</b>	<b>288</b>
<b>Attributable to parent company's shareholders</b>		<b>54</b>	<b>58</b>	<b>243</b>	<b>288</b>
<b>Earnings per share</b>					
Earnings per share before dilution, SEK		0.48	0.52	2.15	2.55
Earnings per share after dilution, SEK		0.48	0.52	2.15	2.55

## Group statement on other comprehensive income

SEKm	Not	Apr-Jun 22/23	Apr-Jun 21/22	Jul-Jun 22/23	Jul-Jun 21/22
<b>Profit for the period</b>		<b>54</b>	<b>58</b>	<b>243</b>	<b>288</b>
<b>Other comprehensive income</b>					
Items reclassified or which may be reclassified to profit for the period					
Exchange rate differences upon translation of foreign subsidiaries		-0	-0	-0	0
<b>Other comprehensive income for the period, after tax</b>		<b>-0</b>	<b>-0</b>	<b>-0</b>	<b>0</b>
<b>Comprehensive income for the period</b>		<b>54</b>	<b>58</b>	<b>243</b>	<b>288</b>
Attributable to parent company's shareholders		54	58	243	288

## Group statement of financial position

SEKm	Note	2023-06-30	2022-06-30
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Intangible assets</b>			
Capitalised expenditures for development work		9	9
Trademarks		171	171
Goodwill		617	617
		<b>797</b>	<b>797</b>
<b>Tangible assets</b>			
Expenditures on third-party property		2	0
Equipment, tools and installations		1	1
Right of use assets		14	8
		<b>17</b>	<b>9</b>
Deferred tax asset		2	1
		<b>2</b>	<b>1</b>
<b>Total non-current assets</b>		<b>816</b>	<b>807</b>
<b>Current assets</b>			
Goods in warehouse		323	307
Goods in transit		72	127
Right of return assets		8	8
<b>Sum inventory</b>		<b>403</b>	<b>442</b>
Accounts receivable		0	0
Current tax assets		7	5
Other current receivables		44	50
Derivative instrument	2	2	8
Prepaid expenses and accrued income		11	7
Cash and cash equivalents		154	75
<b>Total current assets</b>		<b>621</b>	<b>587</b>
<b>Total assets</b>		<b>1,437</b>	<b>1,394</b>

## Group statement of financial position

SEKm	Note	2023-06-30	2022-06-30
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		1	1
Other contributed capital		723	716
Reserves, translation differences		-0	-0
Retained earnings		171	-30
Profit for the period		243	288
<b>Total equity</b>		<b>1,138</b>	<b>975</b>
<b>Long-term liabilities</b>			
Liabilities to credit institutions		-	20
Lease liabilities		11	7
Deferred tax liabilities		35	36
<b>Total long-term liabilities</b>		<b>46</b>	<b>63</b>
<b>Current liabilities</b>			
Lease liability		4	2
Accounts payable		91	185
Other current liabilities		43	40
Derivative instru	2	3	3
Tax liabilities		17	50
Repayment liabilities		32	31
Prepaid income and accrued expenses		63	46
<b>Total current liabilities</b>		<b>253</b>	<b>357</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,437</b>	<b>1,394</b>



## Group statement on cash flow

SEKm	Apr-Jun 22/23	Apr-Jun 21/22	Jul-Jun 22/23	Jul-Jun 21/22
<b>Operating activities</b>				
Operating profit (EBIT)	68	73	310	367
Adjustment for non-cash items				
Depreciation and amortisation	2	1	7	5
Interest received	1	0	1	0
Interest paid	-1	-0	-5	-3
Paid income tax	-15	-4	-100	-63
<b>Cash flow from operating activities before changes in working capital</b>	<b>55</b>	<b>70</b>	<b>213</b>	<b>306</b>
<b>Changes in working capital</b>				
Increase (-)/Decrease(+) in inventory	-4	-76	40	-296
Increase (-)/Decrease(+) in operating receivables	-17	5	8	-44
Increase (+)/Decrease(-) in operating liabilities	-23	47	-73	100
<b>Cash flow from operating activities</b>	<b>11</b>	<b>46</b>	<b>188</b>	<b>65</b>
<b>Investing activities</b>				
Acquisition of subsidiaries	0	0	0	0
Acquisition of tangible assets	-1	-0	-3	-0
Acquisition of financial assets	0	0	0	0
<b>Cash flow from investing activities</b>	<b>-2</b>	<b>-1</b>	<b>-6</b>	<b>-3</b>
<b>Financing activities</b>				
Borrowings	0	0	0	0
Repayment of borrowings	0	-41	-20	-209
Fees related to borrowings	0	0	1	0
New issue	0	0	0	0
Warrants, program 2021/24	0	0	-0	-1
Warrants, program 2022/26	-0	0	7	0
<b>Cash flow from financing activities</b>	<b>-1</b>	<b>-41</b>	<b>-102</b>	<b>-283</b>
<b>Cash flow for the period</b>	<b>8</b>	<b>4</b>	<b>79</b>	<b>-222</b>
Cash and cash equivalents at start of period	146	71	75	296
Exchange rate differences in cash and cash equivalents	0	-0	0	0
<b>Cash and cash equivalents at end of period</b>	<b>154</b>	<b>75</b>	<b>154</b>	<b>75</b>

## Group statement on changes in equity

SEKm	Share capital	Other contributed capital	Reserves, translation differences	Retained earnings	Profit for the period	Total equity
<b>Opening balance, 1 July 2021</b>	<b>1</b>	<b>716</b>	<b>-0</b>	<b>-129</b>	<b>172</b>	<b>760</b>
Transfer of profits for the previous period	0	0	0	172	-172	0
Profit for the period	-	-	-	-	288	288
Other comprehensive income	-	-	0	-	-	0
<b>Comprehensive profit/loss for the year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>172</b>	<b>116</b>	<b>288</b>
<b>Transactions with owners</b>						
Dividend	-	-	-	-72	-	-72
Warrants, program 2021/24*	-	-1	-	-	-	-1
<b>Total</b>	<b>0</b>	<b>-1</b>	<b>0</b>	<b>-72</b>	<b>0</b>	<b>-73</b>
<b>Closing balance, 30 June 2022</b>	<b>1</b>	<b>716</b>	<b>-0</b>	<b>-30</b>	<b>288</b>	<b>975</b>
<b>Opening balance, 1 July 2022</b>	<b>1</b>	<b>716</b>	<b>-0</b>	<b>-30</b>	<b>288</b>	<b>975</b>
Transfer of profits for the previous period	0	0	0	288	-288	0
Profit for the period	-	-	-	-	243	243
Other comprehensive income	-	-	0	-	-	0
<b>Comprehensive profit/loss for the year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>288</b>	<b>-45</b>	<b>243</b>
<b>Transactions with owners</b>						
Dividend	-	-	-	-87	-	-87
Warrants, program 2021/24	-	-0	-	-	-	-0
Warrants, program 2022/26	-	7	-	-	-	7
<b>Total</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>-87</b>	<b>0</b>	<b>-80</b>
<b>Closing balance, 30 June 2023</b>	<b>1</b>	<b>723</b>	<b>-0</b>	<b>171</b>	<b>243</b>	<b>1,138</b>

## Parent company

### Parent company income statement

SEKm	Apr-Jun 22/23	Apr-Jun 21/22	Jul-Jun 22/23	Jul-Jun 21/22
<b>Operating income</b>				
Net sales	3	2	19	7
	<b>3</b>	<b>2</b>	<b>19</b>	<b>7</b>
<b>Operating costs</b>				
Other operating expenses	-1	-0	-7	-6
Personnel expenses	-3	-2	-18	-7
Other operating expenses	0	0	0	-0
	<b>-4</b>	<b>-2</b>	<b>-26</b>	<b>-13</b>
<b>Operating profit (EBIT)</b>	<b>-1</b>	<b>-0</b>	<b>-7</b>	<b>-7</b>
<b>Financial income and expenses</b>				
Profit from participations in group companies	0	0	90	0
Interest expenses and equivalents	-1	-0	-2	-3
Interest income and equivalents	1	2	0	2
	<b>-0</b>	<b>2</b>	<b>88</b>	<b>-0</b>
<b>Profit or loss before tax</b>	<b>-1</b>	<b>2</b>	<b>81</b>	<b>-7</b>
<b>Appropriations</b>				
Group contribution received	13	7	13	7
	<b>13</b>	<b>7</b>	<b>13</b>	<b>7</b>
<b>Profit or loss before tax</b>	<b>12</b>	<b>9</b>	<b>94</b>	<b>-0</b>
Income tax	-1	0	-1	0
<b>Profit/Loss for the period</b>	<b>11</b>	<b>9</b>	<b>93</b>	<b>-0</b>



## Parent company statement of financial position

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

## Parent company statement of financial position

SEKm	2023-06-30	2022-06-30
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Restricted equity		
Share capital	1	1
	<b>1</b>	<b>1</b>
<b>Unrestricted equity</b>		
Share premium reserve	443	433
Retained earnings	124	211
Profit for the period	93	-0
	<b>660</b>	<b>645</b>
<b>Total equity</b>	<b>661</b>	<b>646</b>
<b>Non-current liabilities</b>		
Liabilities to credit institutions	0	0
<b>Total non-current liabilities</b>	<b>0</b>	<b>0</b>
<b>Current liabilities</b>		
Accounts payable	0	0
Liabilities to Group companies	21	11
Other liabilities	1	1
Tax liabilities	1	0
Prepaid income and accrued expenses	3	1
<b>Total current liabilities</b>	<b>27</b>	<b>13</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>688</b>	<b>659</b>

# 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> <sup>1</sup>	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> <sup>1</sup>	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> <sup>1</sup>	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> <sup>1</sup>	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> <sup>1</sup>	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> <sup>1</sup>	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> <sup>1</sup>	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> <sup>1</sup>	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> <sup>1</sup>	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> <sup>1</sup>	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> <sup>1</sup>	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> <sup>1</sup>	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> <sup>1</sup>	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

	Note	Apr-Jun 22/23	Apr-Jun 21/22	Jul-Jun 22/23	Jul-Jun 21/22
<b>Gross profit</b>					
Net sales		362	318	1,560	1,331
Goods for resale		-92	-88	-434	-369
<b>Gross profit</b>		<b>269</b>	<b>230</b>	<b>1,126</b>	<b>963</b>
<b>Operating profit (EBIT)</b>					
Operating income		362	333	1,562	1,356
Operating expenses		-294	-260	-1,252	-990
<b>Operating profit (EBIT)</b>		<b>68</b>	<b>73</b>	<b>310</b>	<b>367</b>
<b>Adjusted EBIT</b>					
Operating profit (EBIT) as reported		68	73	310	367
Costs related to LTIP (+)		0	0	12	0
<b>Adjusted EBIT</b>		<b>68</b>	<b>73</b>	<b>322</b>	<b>367</b>
<b>EBIT margin</b>					
Earnings before interest and taxes		68	73	310	367
Operating income		362	333	1,562	1,356
<b>EBIT Margin</b>		<b>18.9%</b>	<b>21.9%</b>	<b>19.9%</b>	<b>27.0%</b>
<b>Adjusted EBIT margin</b>					
Adjusted EBIT		68	73	322	367
Operating income		362	333	1,562	1,356
<b>Adjusted EBIT margin</b>		<b>18.9%</b>	<b>21.9%</b>	<b>20.6%</b>	<b>27.0%</b>
<b>Net working capital</b>					
Current assets		621	587	621	587
Cash and cash equivalents (-)		-154	75	-154	75
Current liabilities (-)		-253	357	-253	357
Current interest-bearing liabilities (+)		4	2	4	2
<b>Net working capital</b>		<b>218</b>	<b>157</b>	<b>218</b>	<b>157</b>
<b>Net debt(+)/Net cash (-)</b>					
Interest-bearing debt		15	28	15	28
Interest-bearing assets (-)		0	0	0	0
Cash and cash equivalents (-)		-154	-75	-154	-75
<b>Net debt(+)/Net cash (-)</b>		<b>-139</b>	<b>-47</b>	<b>-139</b>	<b>-47</b>
<b>Number of orders and average order value (AOV)</b>					
Number of orders ('000)		430	411	1,783	1,659
Net sales		362	318	1,560	1,331
Average order value (AOV); (SEK)		<b>842</b>	<b>774</b>	<b>875</b>	<b>803</b>

# 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 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 the financial year which are estimated to have a significant effect on the income statement and financial position for the group.

### New and changed accounting principles and estimates

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.

During the fourth quarter, RVRC Holding AB implemented a new obsolescence model. The assessment is that the updated obsolescence model creates better conditions for the business to assess the obsolescence of the inventory. The positive net effect from the changed obsolescence model amounts to SEK 7.0 million

## NOTE 2 Fair value of financial instruments

	2023-06-30		2022-06-30	
	Reported value	Fair value	Reported value	Fair value
<b>Financial assets</b>				
Financial assets reported at fair value via income statement				
Derivative instrument				
Foreign exchange forwards	2	2	8	8
<b>Financial liabilities</b>				
Financial liabilities reported at fair value via income statement				
Derivative instrument				
Foreign exchange forwards	3	3	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	Apr-Jun	Apr-Jun	Δ	Jul-Jun	Jul-Jun	Δ
	22/23	21/22		22/23	21/22	
Germany	177	140	26%	743	571	30%
Sweden	41	45	-11%	182	204	-11%
Finland	21	25	-17%	101	130	-22%
Other	123	108	14%	534	426	25%
<b>Total net sales</b>	<b>362</b>	<b>318</b>	<b>14%</b>	<b>1,560</b>	<b>1,331</b>	<b>17%</b>

Region	Apr-Jun	Apr-Jun	Δ	Jul-Jun	Jul-Jun	Δ
	22/23	21/22		22/23	21/22	
Nordics	84	100	-16%	388	442	-12%
DACH	205	167	22%	862	658	31%
Rest of world	73	51	42%	310	232	34%
<b>Total net sales</b>	<b>362</b>	<b>318</b>	<b>14%</b>	<b>1,560</b>	<b>1,331</b>	<b>17%</b>

**NOTE 4** Other operating income and other operating expenses

Other operating income and other operating expenses	Apr-Jun	Apr-Jun	Δ	Jul-Jun	Jul-Jun	Δ
	22/23	21/22		22/23	21/22	
Exchange rate gains	7	19	-63%	58	55	7%
Exchange rate losses	-8	-9	-11%	-57	-36	59%
Other	0	5	-95%	1	6	-87%
<b>Total net sales</b>	<b>-1</b>	<b>15</b>	<b>-106%</b>	<b>2</b>	<b>25</b>	<b>-91%</b>

**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
2023-06-30	Closing balance		112 918 918

**Number of warrants**

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

RevolutionRace has two incentive programs comprising warrants for senior executives and key personnel. The warrants have been sold to the participants at market price. During the second quarter of the financial year, incentive program 2022/26 has been implemented. The incentive program includes 2,125,000 warrants, of which 1,797,000 are allocated at the end of the financial year 22/23. In the fourth quarter, a buyback of 40,000 warrants in the 2022/26 incentive program was carried out. During the financial year, total buybacks of 178,753 warrants in incentive program 2021/24 and 140,000 in incentive program 2022/26 were 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	Apr-Jun 22/23		Apr-Jun 21/22		Jul-Jun 22/23		Jul-Jun 21/22	
	AR	CR	AR	CR	AR	CR	AR	CR
SEK/EUR	11.47	11.81	10.48	10.73	11.05	11.81	10.32	10.73
SEK/USD	10.54	10.37	9.85	10.33	10.56	10.37	9.17	10.33

Source: European Central Bank

AR = average rate

CR = closing rate





### Financial Calendar

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.