



# RVRC HOLDING AB

## (publ)

Year-end release July 2020-June 2021

The interim report relates to the Group in which RVRC Holding AB (559129-4623) is the parent company and which in the report is called RevolutionRace.

## Fourth quarter (Apr – Jun 2021)

- Net sales for the period increased by 152 percent to SEK 273.7 (108.6) million.
- Operating profit (EBIT) amounted to SEK 66.7 (23.0) million, corresponding to an EBIT margin of 23.9 percent (21.5). Adjusted operating profit (EBIT) amounted to SEK 79.0 (23.0) million, corresponding to an adjusted EBIT margin of 28.3 percent (21.5).
- Average net order value (AOV) was SEK 740 (709), in accordance with the adjustment made compared to previous quarters (page 22). The increase is mainly explained by an increased sales share outside the Nordic region.
- Earnings per share before dilution amounted to SEK 0.44 (0.15) and diluted SEK 0.44 (0.14).

## Highlights during the quarter

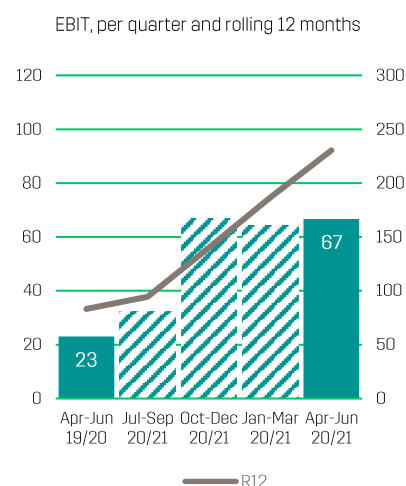
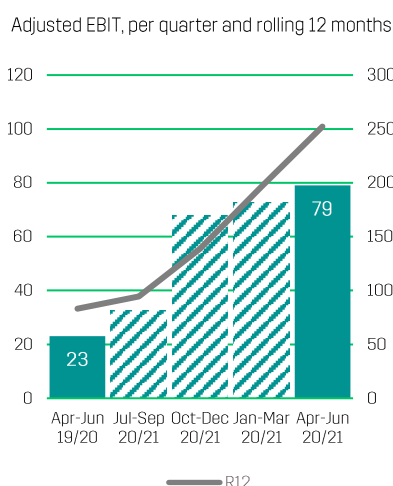
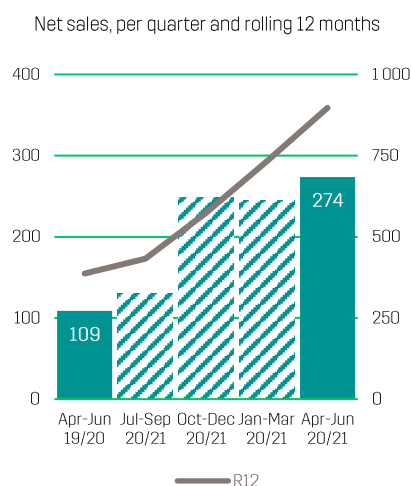
- In May, the company successfully launched a local site in Spain.
- The company developed its cooperation with the logistics partner in Germany to the next level, which enables the sale of products from a further physical warehouse and thus faster deliveries to the nearby markets.
- On 16 June the trading in the RevolutionRace share was initiated (ticker: RVRC) at Nasdaq Stockholm.
- In June, RevolutionRace was launched on Amazon in the US, further strengthening the offering towards the interesting US market.
- The Board propose a dividend of SEK 0.64 per share, SEK 72.3 million in total.

## Financial overview

SEKm	Apr-Jun 20/21	Apr-Jun 19/20	Δ	Jul-Jun 20/21	Jul-Jun 19/20	Δ
Net sales	273.7	108.6	152%	897.1	386.8	132%
Average order value (AOV), (SEK)*	740	709	4.5%	763	724	5.4%
Gross profit*	200.8	76.2	164%	648.3	271.0	139%
Adjusted EBIT*	79.0	23.0	243%	252.2	83.1	203%
EBIT	66.7	23.0	190%	230.4	83.1	177%
Result for the period	47.7	15.7	205%	171.6	59.7	187%
Earnings per share before dilution, SEK	0.44	0.15	193%	1.59	0.56	184%
Earnings per share after dilution, SEK	0.44	0.14	214%	1.59	0.55	189%
Gross profit margin*	73.4%	70.2%	3.2 pp	72.3%	70.1%	2.2 pp
Adjusted EBIT margin*	28.3%	21.5%	6.8 pp	27.6%	21.5%	6.1 pp
EBIT margin	23.9%	21.5%	2.4 pp	25.2%	21.5%	3.7 pp

RevolutionRace's fiscal year is July-June.

\*Alternative performance measures, see pages 21-22.



## Comment from the CEO

### Strong growth in both revenue and profitability

I am both happy and proud to present RevolutionRace's first report as a listed company. The fourth quarter of 2020/21 is characterized by high growth and good profitability, and we see strong demand throughout Europe. Net sales grew by 152 percent in the fourth quarter of 2020/21 and 132 percent in the full year of 2020/21 with an increase in adjusted operating profit of 243 percent for the quarter and 203 percent for the full year. Interest in our products remains very high. Our growth is driven both by continuously strengthening our brand in all our markets through unique communication with our customers, while at the same time we see an increased need for multifunctional clothing in the urban environment combined with an increased interest in going out into nature. In addition, we see an increased interest in e-commerce in general. The fact that we manage to deliver strong growth combined with good profitability, despite the challenges that the ongoing corona pandemic poses for us and the entire world, is a clear demonstration of the strength of our agile organization and in the RevolutionRace brand. During June, the company was successfully listed and we are pleased with the great interest shown in RevolutionRace and welcome all new shareholders on our continued journey.

**"We summarize a fantastic year with more than doubled net sales of SEK 897 million and an adjusted operating profit of SEK 252 million, three times the year before. RevolutionRace has created a strong brand that engages customers all over the world in active-outdoor. Our scalable D2C business model enables us to successfully take market share in existing markets and can launch in new markets cost-effectively. We exceed our customers' expectations with high-quality products at reasonable prices and build a committed community with a unique communication and digital marketing strategy. We look forward to continued growth, new milestones and creating the world's most recommended brand!"**

Net sales in the fourth quarter amounted to SEK 273.3 (108.6) million. We are successful in our international expansion and all markets contribute positively to the strong growth.



The fourth quarter follows a normal seasonal pattern with strong demand for our products during spring and early summer.

Region DACH, where we currently sell to customers in Germany and Austria, is now our largest geographical region with growth of 271 percent

compared to the fourth quarter of last year and a growth of 179 percent for the full-year. In the fourth quarter, the region accounted for 44.8 percent of our total net sales and for the full year the share was 40.6 percent. Continuing our journey in this region and thus also offering our products in Switzerland is in our expansion plans.

Also in the Nordic region, we see a very good development with growth of 68 percent in the quarter, even though the corresponding quarter last year was also very strong, and annual growth of 74 percent. This is a statement of strength given that the Nordic region is a region where RevolutionRace has been established for several years. In the fourth quarter, the region accounted for 41.4 percent of our total net sales and for the full year the share was 44.7 percent.

We also see markets where we are relatively newly established growing very strongly, with the UK excelling particularly in the fourth quarter. I am very pleased with how quickly our organisation has adapted to the new circumstances after Brexit and that we have been able to continue to grow at a very high rate in the UK. In total, we grew by 379 percent in the rest of the world during the quarter and 404 percent during the year, and this region represents 13.8 percent of our sales during the quarter, while the share was 14.7 percent for the full year 2020/21. During the second half of June, RevolutionRace was also cautiously launched in the US via Amazon and will continue to work on our offering to the US market in the coming year. The reception in the US market has been positive and is proceeding according to plan.

Gross profit for the quarter amounted to SEK 200.8 million (76.2) and the gross margin was 73.4 percent (70.2). Our gross margin development has been positively impacted by a favourable currency mix as well as the fact that we have had increased sales in countries with a higher price level compared to the previous year.

The challenges posed by the corona pandemic in the form of a globally strained logistics situation continue to have a negative impact on RevolutionRace with low inventory levels. The

supply of goods is gradually improving through increased incoming deliveries. But overall, we experience long lead times and a lack of containers, which means that we have had difficulty replenishing our stock in line with sales. In order to manage a lower inventory level, we accelerated deliveries to Europe during the quarter and thus had additional expenses for shipments of products from Asia by alternative modes of transport. Sea freight prices have continued to be high in the fourth quarter and we expect these higher levels to persist into the new financial year. Thanks to efficient optimization of our marketing activities, we still succeed well in meeting customer demand and fulfilling our customer promise.

At the beginning of 2021, a move was made to a new central warehouse in Borås. We continue to work together with the logistics partner to optimize the flow. At the same time, we are increasing the capacity of our logistics partner in Germany, with the goal of better meeting demand from Continental Europe through reduced lead times and fewer long journeys.

For the new year, we have significantly increased orders to improve the product range and to build up inventory capacity in Germany and for the markets where we sell through Amazon. This will result in increased working capital tied-up in inventories and also affect other external costs through increased costs for receipt of incoming goods.

During the year, we have welcomed many new colleagues in order to deal with the strong growth and have 91 employees at the end of the financial year, an increase of 35 people since the previous year. The company will continue to recruit to build internal capabilities and competence further and to meet future expected sales growth.

We continue the development of our sustainability work, which we call "A responsible race", and work on our first sustainability report according to the GRI standard, which will be published together with the annual report in October.

On June 16, trading began in our share on Nasdaq Stockholm, a milestone in RevolutionRace history. The goal of the listing is to create the conditions for our continued expansion and journey towards becoming the world's most recommended brand for clothing in the active outdoor segment. I am extremely pleased with the great interest generated by the listing and that we have been able to welcome a large number of Swedish and international owners to RevolutionRace.

RevolutionRace's business model is primarily based on sales through the company's own online store, directly to the consumer. By removing agents, distributors and retailers from the equation, we can bring products to market quickly and without intermediaries, which means that we can offer quality clothing at an attractive price. We always

strive for a close relationship with our customers to ensure that we offer the best possible customer experience.

I am extremely proud of how well our organization is handling the very strong growth at a challenging time. I am just as proud of the result we have presented this year, a remarkable achievement in many ways.

We note strong net sales growth at the beginning of the first quarter, a quarter that is seasonally slightly smaller than our second and fourth quarters. RevolutionRace is very well positioned to continue to take market share.

Pernilla Nyrensten, CEO

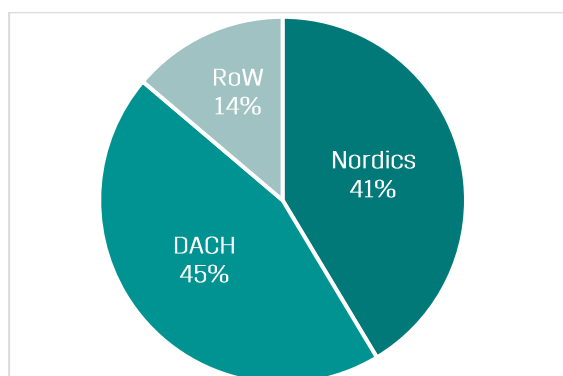


## Financial development

### Fourth quarter (Apr-Jun 2021)

#### Operating income

Net sales for the fourth quarter amounted to SEK 273.7 million (108.6), an increase of 152 percent. Total revenues for the period amounted to SEK 279.2 (107.1) million, the difference between net sales and total revenues is attributable to positive exchange rate effects. The increase in net sales is attributable to good demand for the company's multifunctional clothing as a result of successful optimization of marketing campaigns in different channels and to different target groups as well as a broadening of the product range, which has driven strong growth in all markets.



Graph: Regions share of net sales in the fourth quarter

Net sales in the Nordic region increased by 68 percent to SEK 113.3 million (67.6), in the DACH region (Germany and Austria) by 271 percent to SEK 122.6 million (33.1) and in the rest of the world by 379 percent to SEK 37.8 million (7.9). The strong growth in the DACH region is driven by a very good development in the company's largest market, Germany.

#### Gross profit

Gross profit increased by 164 percent to SEK 200.8 million (76.2), giving an increase in gross margin of 3.2 percentage points to 73.4 percent (70.2). The gross margin is positively affected by a favourable currency mix and a larger share of sales in countries with a higher price level compared to the

previous years. Increased expenditure on alternative shipments from due to disruptions in logistics negatively affects the gross profit, with some delay. In 2021/22, the company is expected to continue to be affected by high sea freight prices and disruptions in the flow, and the use of alternative modes of transport is expected to continue.

#### Operating profit (EBIT)

Operating profit (EBIT) increased to SEK 66.7 (23.0) million, corresponding to an operating margin of 23.9 percent (21.5). Adjusted for costs related to IPO preparations, operating profit amounted to SEK 79.0 (23.0) million with an adjusted operating margin of 28.3 (21.5) percent. The improvement in operating profit is mainly explained by continued high sales growth combined with lower costs as a share of sales. Goods for resale increased to SEK -72.9 (-32.4) million driven by increased net sales. Personnel costs amounted to SEK -16.1 (-6.9) million during the quarter. The increase in staff is mainly explained by additional added competence to facilitate the company's growth.

#### Earnings and earnings per share for the period

Profit before tax amounted to SEK 60.4 (20.1) million. Profit for the period was SEK 47.7 (15.7) million. Basic earnings per share amounted to SEK 0.44 (0.15) and after dilution SEK 0.44 (0.14) SEK. Growth in earnings per share was 193 percent before dilution and 214 percent after dilution.

#### Cash flow

Cash flow from operating activities amounted to SEK 28.0 (36.7) million. The decrease is mainly attributable to an increase in inventories. Cash flow from investment activities amounted to SEK -0.6 (-1.1) million. Cash flow from financing activities was SEK 62.2 (-0.1) million. Cash flow for the period amounted to 89.7 (35.5) MSEK.

#### Investments

Investments affecting cash flow amounted to SEK -0.6 (-1.1) million during the period. Investments in

intangible fixed assets amounted to SEK -0.6 (-1.1) million and are mainly attributable activation of costs related to software development. Investments in property, plant and equipment amounted to SEK 0 (0) million.

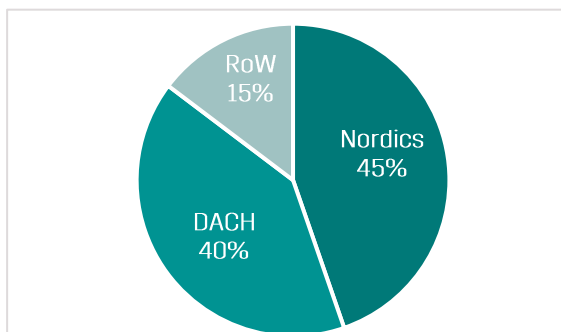
### Personnel

The number of employees at the end of the period was 91 (48). The average number of employees during the period was 83 (47). The increase in the number of employees is explained by the company's strong growth during the period and during the year. Extensive new hires have been made primarily to deal with an incipient understaffing due to the strong growth and due to the company's IPO.

## Twelve months (July 2020 – June 2021)

### Operating income

Net sales for the period amounted to SEK 897.1 million (386.8), an increase of 132 percent. Total revenues for the period amounted to SEK 912.7 (387.5) million, the difference between net sales and total revenues is attributable to positive exchange rate effects. The increase in net sales is attributable to an increased interest in the company's products, a general increase in e-commerce and successful optimization of convertive marketing campaigns, which has driven strong growth in all markets.



Graph: The regions share of net revenue during the period July 2020 - June 2021

Net sales in the Nordic region increased by 74 percent to SEK 401.3 million (230.3), in the DACH

region (Germany and Austria) by 179 percent to SEK 363.8 million (130.2) and in the rest of the world by 404 percent to SEK 131.9 million (26.2).

### Gross profit

Gross profit increased by 139 percent to SEK 648.3 million (271.0), giving an increase in gross margin of 2.2 percentage points to 72.3 percent (70.1). The increase in gross margin is mainly explained by an increased share of sales to countries with a higher price level compared to the previous year and a favourable currency mix. Increased spending on shipments from Asia due to disruptions in logistics impacts the gross profit, with some delay. During the financial year 2021/22, the company is expected to continue to be affected by high sea freight prices and disruptions in flow, and the use of alternative modes of transport is expected to continue.

### Operating profit (EBIT)

Operating profit (EBIT) increased to SEK 230.4 (83.1) million, corresponding to an operating margin of 25.2 (21.5) percent. Adjusted for costs related to IPO preparations, operating profit amounted to SEK 252.2 (83.1) million with an adjusted operating margin of 27.6 (21.5) percent. Costs for commodities increased to SEK -248.8 (-115.7) million driven by increased net sales. Personnel costs during the period amounted to SEK -48.6 (-29.6) million. The increase in staff is mainly explained by a need to add additional expertise as the company grows.

### Earnings and earnings per share for the period

Profit before tax amounted to SEK 218.4 (76.2) million. Profit for the period was SEK 171.6 (59.7) million. Earnings per share before dilution amounted to SEK 1.59 (0.56) and diluted to SEK 1.59 (0.55). Growth in basic and diluted earnings per share was 184 percent and 189 percent, respectively.

### Cash flow

Cash flow from operating activities increased to SEK 224.8 (120.9) million. The increase is mainly attributable to an improvement in operating profit. Cash flow from investment activities amounted to SEK -3.2 (-7.0) million. Cash flow from financing activities was SEK -42.4 (-32.5) million after the company paid a dividend of SEK 110.0 million in the second quarter. Cash flow for the period amounted to SEK 179.2 (81.4) million.

### Financial position

As of June 30, 2021, the Group's total assets amounted to SEK 1,268.1 million (956.4). Cash and cash equivalents as of June 30, 2021 amounted to SEK 296.3 million (116.7). As of June 30, 2021, the Group's liabilities to credit institutions amounted to SEK 228.5 (230.0) million. Carrying amounts of assets and liabilities are considered to be substantially in line with fair value.

### Investment

Investments affecting cash flow during the period amounted to SEK -3.2 (-7.0) million. Investments in intangible fixed assets amounted to SEK -3.1 (-6.9) million and are mainly attributable activation for costs related to software development. Investments in property, plant and equipment amounted to SEK -0.1 (-0.1) million.

### Staff

The number of employees at the end of the period was 91 (48). The average number of employees was 65 (44).



## Other information

### Financial goals

During the year, the Board of Directors of RVRC Holding AB has established a number of long-term financial goals as well as 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 taking into account 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.

### Extraordinary general meetings

The Company held three extraordinary general meetings during the quarter, which, among other things, resolved on a bonus issue, amendment of the Articles of Association, instructions for the Nomination Committee, guidelines for remuneration to senior executives and issue of warrants.

### 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 e-commerce 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 SEK 12.3 (0) million for the third quarter and SEK -21.8 (0) million for the period July 2020 to June 2021. The items are attributable to preparations for listing and are included in other external costs in the income statement.

### Proposed dividend

The Board of Directors proposes a dividend of SEK 0.64 per share, corresponding to a total of SEK 72.3 million, to be paid in connection with the Annual General Meeting 2021.

### Annual General Meeting

The planned date for the Annual General Meeting is November 10, 2021.

### Annual report

The company's annual report for the financial year 2020/2021 will be published on October 13, 2021 and will be available on the company's website, [corporate.revolutionrace.com](https://corporate.revolutionrace.com).

### Parent company

RVRC Holding AB (publ), org. No. 559129-4623 is a Swedish public company based in Borås, Sweden.

Net sales for the fourth quarter of SEK 1.1 million are attributable to intra-group services related to Group Management. The Parent Company's profit for the fourth quarter amounted to SEK 6.2 (0.0) million. Other external costs amount to SEK -17.0 (0) million for the fourth quarter, of which SEK -16.0 (0) million is related to the IPO preparations.

The Parent Company's profit for the period July 2020 to June 2021 amounts to SEK 110.4 (132.0) million. Other external costs amount to SEK -22.9 (-0.1) million, of which SEK -21.8 million is related to IPO preparations and SEK 110 (132) million is results from shares in Group companies in the form of dividends from subsidiaries.

## Risks and uncertainties

A full description of the risks and uncertainties associated with RevolutionRace can be found in the prospectus published on 7 June 2021.

RevolutionRace is an international company and its operations as such can be affected by a number of 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. For example, it is difficult to assess future effects of the spread of COVID-19, even though demand for the company's products has been strong so far during the pandemic.

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 futures-proofing the Swedish krona against mainly EUR and USD.

## About RevolutionRace

RevolutionRace offers high quality functional clothing for people with an active lifestyle. The company was founded in 2013 by Pernilla Nyrensten, CEO and Niclas Nyrensten, Creative Director. Since its inception, the founders have had the goal of creating multifunctional clothing with great fit, in the highest quality and at reasonable prices under the tag line "Nature is our playground". By selling clothes online, directly to consumers without unnecessary intermediaries, RevolutionRace can offer products that have an unbeatable value in terms of price, quality and design. Together with its customers, the company has grown rapidly and is selling its products to more than 35 countries with net sales of around SEK 897 million (financial year July 2020 - June 2021). Since June 16, 2021, RevolutionRace is listed on Nasdaq Stockholm Midcap. For more information, please visit [corporate.revolutionrace.com](https://corporate.revolutionrace.com).

## Additional information

The Board of Directors and the CEO assure that the interim report gives a true and fair view of the parent company's and the Group's position and results and describes significant risks and uncertainties that the parent company and the companies that are part of the Group represent.

Borås 17 Augusti 2021

The Board of Directors

### Contact details

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### Auditor's audit

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

*This information is such information that RVRC Holding AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person above, on 17 August 2021 at 07:30 CEST.*

## Group income statement, condensed

SEKm	Not	Apr-Jun 20/21	Apr-Jun 19/20	Jul-Jun 20/21	Jul-Jun 19/20
<b>Operating income</b>					
Net sales	3	273.7	108.6	897.1	386.8
Other operating income		5.5	-1.5	15.6	0.8
		<b>279.2</b>	<b>107.1</b>	<b>912.7</b>	<b>387.5</b>
<b>Operating expenses</b>					
Goods for resale		-72.9	-32.4	-248.8	-115.7
Other external expenses		-117.1	-45.1	-363.6	-157.0
Personnel expenses		-16.1	-6.9	-48.6	-29.6
Depreciation and amortisation of tangible and intangible assets		-1.0	-0.6	-3.9	-2.0
Other operating expenses		-5.4	1.0	-17.4	-0.0
		<b>-212.5</b>	<b>-84.0</b>	<b>-682.3</b>	<b>-304.4</b>
<b>Operating profit (EBIT)</b>		<b>66.7</b>	<b>23.0</b>	<b>230.4</b>	<b>83.1</b>
Financial income		0.0	0.0	0.0	-0.0
Financial expenses		-6.3	-2.9	-12.0	-6.9
		<b>-6.3</b>	<b>-2.9</b>	<b>-12.0</b>	<b>-6.9</b>
<b>Profit before tax</b>		<b>60.4</b>	<b>20.1</b>	<b>218.4</b>	<b>76.2</b>
Income tax		-12.7	-4.5	-46.8	-16.5
<b>Profit for the period</b>		<b>47.7</b>	<b>15.7</b>	<b>171.6</b>	<b>59.7</b>
Attributable to parent company's shareholders		47.7	15.7	171.6	59.7
<b>Earnings per share</b>					
Earnings per share before dilution, SEK		0.44	0.15	1.59	0.56
Earnings per share after dilution, SEK		0.44	0.14	1.59	0.55

## Group statement on other comprehensive income, condensed

SEKm	Not	Apr-Jun 20/21	Apr-Jun 19/20	Jul-Jun 20/21	Jul-Jun 19/20
<b>Profit for the period</b>		<b>47.7</b>	<b>15.7</b>	<b>171.6</b>	<b>59.7</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		-0.2	-0.3	0.2	-0.3
<b>Other comprehensive income for the period, after tax</b>		<b>-0.2</b>	<b>-0.3</b>	<b>0.2</b>	<b>-0.3</b>
<b>Comprehensive income for the period</b>		<b>47.6</b>	<b>15.4</b>	<b>171.7</b>	<b>59.5</b>
Attributable to parent company's shareholders		47.6	15.4	171.7	59.5



## Group statement of financial position, condensed

SEKm	2021-06-30	2020-06-30
<b>ASSETS</b>		
<b>Non-current assets</b>		
<b>Intangible assets</b>		
Capitalised expenditures for development work	8.8	7.7
Trademarks	171.2	171.2
Goodwill	616.8	616.8
	<b>796.8</b>	<b>795.7</b>
<b>Tangible assets</b>		
Expenditures on third-party property	0.4	0.4
Plant and machinery	0.0	0.1
Equipment, tools and installations	1.1	1.4
Right of use assets	5.5	6.0
	<b>7.0</b>	<b>7.9</b>
Deferred tax asset	1.5	1.5
	<b>1.5</b>	<b>1.5</b>
<b>Total non-current assets</b>	<b>805.3</b>	<b>805.1</b>
<b>Current assets</b>		
Goods in warehouse	82.5	20.1
Goods in transit	53.2	2.8
Right of return assets	7.1	1.8
Sum inventory	142.8	24.8
Current tax assets	2.7	0.0
Other current receivables	16.9	3.2
Derivative instrument	2 2.1	0.0
Prepaid expenses and accrued income	1.9	6.6
Cash and cash equivalents	296.3	116.7
<b>Total current assets</b>	<b>462.7</b>	<b>151.3</b>
<b>Total assets</b>	<b>1,268.1</b>	<b>956.4</b>

## Group statement of financial position, condensed

SEKm	2021-06-30	2020-06-30
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	1.1	0.1
Other contributed capital	716.4	645.8
Reserves, translation differences	-0.2	-0.3
Retained earnings	-129.4	-78.2
Profit for the period	171.6	59.7
<b>Total equity</b>	<b>759.5</b>	<b>627.1</b>
<b>Long-term liabilities</b>		
Liabilities to credit institutions	228.5	230.0
Lease liabilities	4.6	5.4
Deferred tax liabilities	35.7	35.4
<b>Total long-term liabilities</b>	<b>268.8</b>	<b>270.8</b>
<b>Current liabilities</b>		
Liabilities to credit institutions	0.0	0.0
Lease liabilities	1.5	1.3
Accounts payable	99.0	13.5
Other current liabilities	35.1	11.1
Derivative instrument	0.6	0.0
Tax liabilities	36.2	14.4
Repayment liabilities	25.7	6.6
Prepaid income and accrued expenses	41.7	11.6
<b>Total current liabilities</b>	<b>239.8</b>	<b>58.5</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,268.1</b>	<b>956.4</b>

## Group statement on cash flow, condensed

SEKm	Apr-Jun 20/21	Apr-Jun 19/20	Jul-Jun 20/21	Jul-Jun 19/20
<b>Operating activities</b>				
Operating profit (EBIT)	66.7	23.0	230.4	83.1
Adjustment for non-cash items				
Depreciation and amortisation	1.0	0.6	3.9	2.0
Interest received	0.0	0.0	0.0	0.0
Interest paid	-6.3	-3.1	-11.8	-6.9
Paid income tax	-3.1	3.6	-27.5	-8.2
<b>Cash flow from operating activities before changes in working capital</b>	<b>58.3</b>	<b>24.1</b>	<b>195.0</b>	<b>70.0</b>
Increase (-)/Decrease(+) in inventory	-51.8	15.4	-118.0	45.8
Increase (-)/Decrease(+) in operating receivables	3.5	-0.1	-11.0	-3.4
Increase (+)/Decrease(-) in operating liabilities	18.0	-2.8	158.8	8.5
<b>Cash flow from operating activities</b>	<b>28.0</b>	<b>36.7</b>	<b>224.8</b>	<b>120.9</b>
<b>Investing activities</b>				
Acquisition of tangible assets	0.0	-0.0	-0.1	-0.1
Acquisition of intangible assets	-0.6	-1.1	-3.1	-6.9
<b>Cash flow from investing activities</b>	<b>-0.6</b>	<b>-1.1</b>	<b>-3.2</b>	<b>-7.0</b>
<b>Financing activities</b>				
Amortisation of lease liabilities	-0.4	-0.3	-1.6	-1.2
Borrowings	230.0	0.0	230.0	230.0
Repayment of borrowings	-230.0	0.0	-230.0	-130.6
Fees related to borrowings	-1.5	0.0	-1.5	0.0
Dividend paid	0.0	0.0	-110.0	-132.0
New issue	46.7	0.3	53.3	1.4
Warrants, program 2021/24	17.4	0.0	17.4	0.0
<b>Cash flow from financing activities</b>	<b>62.2</b>	<b>-0.1</b>	<b>-42.4</b>	<b>-32.5</b>
<b>Cash flow for the period</b>	<b>89.7</b>	<b>35.5</b>	<b>179.2</b>	<b>81.4</b>
Cash and cash equivalents at start of period	207.2	81.2	116.7	36.5
Exchange rate differences in cash and cash equivalents	-0.6	0.0	0.4	-1.2
<b>Cash and cash equivalents at end of period</b>	<b>296.3</b>	<b>116.7</b>	<b>296.3</b>	<b>116.7</b>

## Group statement on changes in equity, condensed

SEKm	Share capital	Other contributed capital	Reserves, translation differences	Retained earnings	Profit for the period	Total equity
<b>Opening balance, 1 July 2019</b>	<b>0.1</b>	<b>644.4</b>	<b>-0.1</b>	<b>53.8</b>	<b>0.0</b>	<b>698.3</b>
Profit for the period	0.0	0.0	0.0	0.0	59.7	59.7
Other comprehensive income	0.0	0.0	-0.3	0.0	0.0	-0.3
<b>Comprehensive profit/loss for the year</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.3</b>	<b>0.0</b>	<b>59.7</b>	<b>59.5</b>
<b>Transactions with owners</b>						
Dividend	0.0	0.0	0.0	-132.0	0.0	-132.0
New issue	0.0	1.4	0.0	0.0	0.0	1.4
<b>Total</b>	<b>0.0</b>	<b>1.4</b>	<b>0.0</b>	<b>-132.0</b>	<b>0.0</b>	<b>-130.6</b>
<b>Closing balance, 30 June 2020</b>	<b>0.1</b>	<b>645.8</b>	<b>-0.3</b>	<b>-78.2</b>	<b>59.7</b>	<b>627.1</b>
<b>Opening balance, 1 July 2020</b>	<b>0.1</b>	<b>645.8</b>	<b>-0.3</b>	<b>-18.5</b>	<b>0.0</b>	<b>627.1</b>
Profit for the period	0.0	0.0	0.0	0.0	171.6	171.6
Other comprehensive income	0.0	0.0	0.15	0.0	0.0	0.2
<b>Comprehensive profit/loss for the year</b>	<b>0.0</b>	<b>0.0</b>	<b>0.2</b>	<b>0.0</b>	<b>171.6</b>	<b>171.7</b>
<b>Transactions with owners</b>						
Dividend	0.0	0.0	0.0	-110.0	0.0	-110.0
New issue	0.0	6.6	0.0	0.0	0.0	6.6
Capitalisation issue	1.0	0.0	0.0	-1.0	0.0	0.0
Warrants	0.0	46.7	0.0	0.0	0.0	46.7
Warrants, program 2021/24	0.0	17.4	0.0	0.0	0.0	17.4
<b>Total</b>	<b>1.0</b>	<b>70.7</b>	<b>0.0</b>	<b>-111.0</b>	<b>0.0</b>	<b>-39.2</b>
<b>Closing balance, 30 June 2021</b>	<b>1.1</b>	<b>716.4</b>	<b>-0.2</b>	<b>-129.4</b>	<b>171.6</b>	<b>759.5</b>

## Parent company

### Parent company income statement, condensed

SEKm	Apr-Jun 20/21	Apr-Jun 19/20	Jul-Jun 20/21	Jul-Jun 19/20
<b>Operating income</b>				
Net sales	1.1	0.0	1.1	0.0
	<b>1.1</b>	<b>0.0</b>	<b>1.1</b>	<b>0.0</b>
<b>Operating costs</b>				
Other operating expenses	-17.0	0.0	-22.9	-0.1
Personnel expenses	-2.1	0.0	-2.1	0.0
	<b>-19.2</b>	<b>0.0</b>	<b>-25.0</b>	<b>-0.1</b>
<b>Operating profit (EBIT)</b>	<b>-18.1</b>	<b>0.0</b>	<b>-23.9</b>	<b>-0.1</b>
<b>Financial income and expenses</b>				
Profit from participations in group companies	0.0	0.0	110.0	132.0
Interest expenses and equivalents	-0.1	0.0	-0.1	0.0
	<b>-0.1</b>	<b>0.0</b>	<b>109.9</b>	<b>132.0</b>
<b>Appropriations</b>				
Group contribution received	24.5	0.0	24.5	0.1
	<b>24.5</b>	<b>0.0</b>	<b>24.5</b>	<b>0.1</b>
<b>Profit or loss before tax</b>	<b>6.3</b>	<b>0.0</b>	<b>110.5</b>	<b>132.0</b>
Income tax	-0.1	0.0	-0.1	0.0
<b>Profit/Loss for the period</b>	<b>6.2</b>	<b>0.0</b>	<b>110.4</b>	<b>132.0</b>



## Parent company statement of financial position, condensed

SEKm	2021-06-30	2020-06-30
<b>ASSETS</b>		
<b>Non-current assets</b>		
<b>Financial assets</b>		
Participations in group companies	644.3	644.3
Receivables from group companies	230.0	0.0
<b>Total financial assets</b>	<b>874.3</b>	<b>644.3</b>
<b>Total non-current assets</b>	<b>874.3</b>	<b>644.3</b>
<b>Current assets</b>		
Receivables from group companies	24.9	0.1
Other receivables	2.4	0.0
Prepaid expenses and accrued income	0.1	0.0
<b>Total current receivables</b>	<b>27.5</b>	<b>0.1</b>
<b>Cash and cash equivalents</b>		
Cash and cash equivalents	68.6	1.5
<b>Total cash and cash equivalents</b>	<b>68.6</b>	<b>1.5</b>
<b>Total current assets</b>	<b>96.1</b>	<b>1.6</b>
<b>TOTAL ASSETS</b>	<b>970.3</b>	<b>645.9</b>

## Parent company statement of financial position, condensed

SEKm	2021-06-30	2020-06-30
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
<i>Restricted equity</i>		
Share capital	1.1	0.1
	<b>1.1</b>	<b>0.1</b>
<i>Unrestricted equity</i>		
Share premium reserve	433.3	361.6
Retained earnings	173.2	152.2
Profit for the period	110.4	132.0
	<b>717.0</b>	<b>645.8</b>
<b>Total equity</b>	<b>718.1</b>	<b>645.9</b>
<b>Non-current liabilities</b>		
Liabilities to credit institutions	228.5	0.0
<b>Total non-current liabilities</b>	<b>228.5</b>	<b>0.0</b>
<b>Current liabilities</b>		
Accounts payable	1.2	0.0
Prepaid income and accrued expenses	11.6	0.0
Tax liabilities	0.1	0.0
Other liabilities	0.5	0.0
<b>Total current liabilities</b>	<b>23.8</b>	<b>0.0</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>970.3</b>	<b>645.9</b>

## 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.

## Key ratios

Some key figures that management and analysts use to assess the Group's performance are not prepared according to IFRS. The following table follows definitions and a description of the purpose of all key figures. The Company applies ESMA's guidelines for alternative performance measures.

Key performance indicator	Definition	Purpose
<i>Adjusted EBIT<sup>1</sup></i>	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<sup>1</sup></i>	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 order value (AOV)<sup>1</sup></i>	Net sales for the period divided by number of orders for the period	Average 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>	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>Gross profit<sup>1</sup></i>	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 profit margin<sup>1</sup></i>	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 rate gains related to operational assets and liabilities	Net sales is used to analyse sales less exchange rate gains.
<i>Net debt<sup>1</sup></i>	Interest-bearing current and long-term liabilities reduced by interest-bearing assets, cash and cash equivalents.	Net debt is used to determine if the company will be able to fulfil its financial commitments.
<i>Net working capital<sup>1</sup></i>	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<sup>1</sup></i>	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 order value (AOV).
<i>Operating profit (EBIT)</i>	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.

<sup>1</sup> Alternative performance measures according to the guidelines of ESMA

## Reconciliation tables, alternative performance measures

	Apr-Jun 20/21	Apr-Jun 19/20	Jul-Jun 20/21	Jul-Jun 19/20
<b>Gross profit</b>				
Net sales	273.7	108.6	897.1	386.8
Goods for resale	-72.9	-32.4	-248.8	-115.7
<b>Gross profit</b>	<b>200.8</b>	<b>76.2</b>	<b>648.3</b>	<b>271.0</b>

	Apr-Jun 20/21	Apr-Jun 19/20	Jul-Jun 20/21	Jul-Jun 19/20
<b>EBIT and adjusted EBIT</b>				
Operating profit (EBIT) as reported	66.7	23.0	230.4	83.1
Other external expenses, related to the listing preparations (+)	12.3	0.0	21.8	0.0
<b>Adjusted EBIT</b>	<b>79.0</b>	<b>23.0</b>	<b>252.2</b>	<b>83.1</b>

	Apr-Jun 20/21	Apr-Jun 19/20	Jul-Jun 20/21	Jul-Jun 19/20
<b>Net working capital</b>				
Current assets	462.7	151.3	462.7	151.3
Cash and cash equivalents (-)	-296.3	-116.7	-296.3	-116.7
Current liabilities (-)	-239.8	-58.5	-239.8	-58.5
Current interest-bearing liabilities (+)	1.5	1.3	1.5	1.3
<b>Net working capital</b>	<b>-71.9</b>	<b>-22.6</b>	<b>-71.9</b>	<b>-22.6</b>

Interest-bearing current liabilities are attributable to lease liabilities.

	Apr-Jun 20/21	Apr-Jun 19/20	Jul-Jun 20/21	Jul-Jun 19/20
<b>Net debt</b>				
Interest-bearing debt	234.6	236.7	234.6	236.7
Interest-bearing assets (-)	0.0	0.0	0.0	0.0
Cash and cash equivalents (-)	-296.3	-116.7	-296.3	-116.7
<b>Net debt</b>	<b>-61.7</b>	<b>120.0</b>	<b>-61.7</b>	<b>120.0</b>

	Apr-Jun 20/21	Apr-Jun 19/20	Jul-Jun 20/21	Jul-Jun 19/20
<b>Number of orders and average order value (AOV)</b>				
Number of orders	369,633	153,172	1,176,227	534,235
Net sales	273.7	108.6	897.1	386.8
Average order value (AOV); (SEK)	740	709	763	724

## Adjustment of number of orders and average order value (AOV)

RevolutionRace has for below periods adjusted the number of orders and average order value (AOV). The adjustment is assignable to number of orders for the sales through Amazon, for which periods below and in previous interim reports were excluded.

Previously reported

	Jan-Mar 20/21	Oct-Dec 20/21	Jul-Sep 20/21	Apr-Jun 19/20	Jul-Mar 20/21	Jul-Jun 19/20
<b>Number of orders and average order value (AOV)</b>						
Number of orders	302,258	311,519	168,143	152,425	781,920	533,488
Net sales	244.5	248.3	130.5	108.6	623.4	386.8
Average order value (AOV); (SEK)	809	797	776	712	797	725

Adjusted

	Jan-Mar 20/21	Oct-Dec 20/21	Jul-Sep 20/21	Apr-Jun 19/20	Jul-Mar 20/21	Jul-Jun 19/20
<b>Number of orders and average order value (AOV)</b>						
Number of orders	314,722	321,447	170,425	153,172	806,594	534,235
Net sales	244.5	248.3	130.5	108.6	623.4	386.8
Average order value (AOV); (SEK)	777	773	766	709	773	724



## Notes

All amounts in the report in SEK million (SEKm), unless otherwise stated. Amounts are rounded to one decimal.

### 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 2.

For complete information regarding accounting and valuation principles applied by the group, please see the prospectus which was published at June 7th 2021.

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

At June 30th 2021, several changes in the IFRS standards and interpretations by IFRS interpretation committee have been published but have not yet become effective. Neither of these are expected to have a significant impact on the Group.

### Note 2 Fair value of financial instruments

	2021-06-30		2020-06-30	
	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	2.1	2.1	0.0	0.0
	2021-06-30		2020-06-30	
	Reported value	Fair value	Reported value	Fair value
<b>Financial liabilities</b>				
Financial liabilities reported at fair value via income statement				
Derivative instrument				
Foreign exchange forwards	0.6	0.6	0.0	0.0

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 is connected with the site on which the sales take place, for example revolutionrace.se for Sweden and revolutionrace.de for Germany.

Here is Net sales presented per geographical market and region, respectively.

Market	Apr-Jun 20/21	Apr-Jun 19/20	Δ	Jul-Jun 20/21	Jul-Jun 19/20	Δ
Germany	112.1	28.3	296%	323.3	116.1	178%
Sweden	48.8	29.7	64%	186.3	102.2	82%
Finland	30.4	23.4	30%	115.5	84.0	38%
Other	82.4	27.2	203%	271.9	84.5	222%
<b>Total net sales</b>	<b>273.7</b>	<b>108.6</b>	<b>152%</b>	<b>897.1</b>	<b>386.8</b>	<b>132%</b>

Region	Apr-Jun 20/21	Apr-Jun 19/20	Δ	Jul-Jun 20/21	Jul-Jun 19/20	Δ
Nordics	113.3	67.6	68%	401.3	230.3	74%
DACH	122.6	33.1	271%	363.8	130.2	179%
Rest of world	37.8	7.9	379%	131.9	26.2	404%
	<b>273.7</b>	<b>108.6</b>	<b>152%</b>	<b>897.1</b>	<b>386.8</b>	<b>132%</b>

## Note 4 Related Party Transactions

The company has transactions with Altor Fund Manager AB, a major shareholder, and Fritidsgrossen JIPK AB, which owner is a family member of a person with controlling influence within RevolutionRace. None of these transactions are material.

## Note 5 Number of shares and warrants

### Number of shares

Date	Description	Change in number of shares	Total number of shares
2021-04-01	Opening balance		646,484,696
	Reverse split	-538,737,247	107,747,449
	Utilisation of warrants	5,171,469	112,918,918
2021-06-30	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	97.5	1	1,889,677	1,777,211

RevolutionRace holds an incentive program with warrants for senior management and key personnel. All warrants have been transferred at market price.

## Note 6 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 20/21		Apr-Jun 19/20		Jul-Jun 20/21		Jul-Jun 19/20	
	AR	CR	AR	CR	AR	CR	AR	CR
SEK/EUR	10.14	10.11	10.65	10.49	10.23	10.11	10.66	10.49
SEK/USD	8.41	8.51	9.67	9.37	8.58	8.51	9.64	9.37

Source: European Central Bank

AR = average rate

CR = closing rate



## Financial Calendar



Interim report Jul-Sep 2021/2022: 9 November 2021  
AGM 2021: 10 November 2021  
Interim report Jul-Dec 2021/2022: 8 February 2022  
Interim report Jul-Mar 2021/2022: 10 May 2022  
Year-end report 2021/2022: 9 August 2022



## Contact

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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.