



THE STRONGEST INDIVIDUAL QUARTER YET FOR REVOLUTIONRACE

"Our continued success is attributed to a very strong focus on our customers. With 58% growth in Q2 we have had the best quarter ever with net sales of 391.7 MSEK and with a new quarterly EBIT record of 117.5 MSEK. It's the first quarter with a three digit EBIT." – Pernilla Nyrensten, CEO and co-founder

IMPORTANT INFORMATION

This presentation may contain forward-looking statements. All statements other than statements of historical fact included in the presentation are forward-looking statements. Forward-looking statements give the company's current expectations and projections relating to its financial condition, results of operations, plans, objectives, future performance and business and are based on numerous assumptions regarding the company's present and future business strategies and the environment in which it will operate in the future. These statements may include, without limitation, any statements preceded by, followed by or including words such as "target," "believe," "expect," "aim," "intend," "may," "anticipate," "estimate," "plan," "project," "will," "can have," "likely," "should," "would," "could" and other words and terms of similar meaning or the negative thereof. Such forward-looking statements inherently involve known and unknown risks, uncertainties and other important factors beyond the company's control that could cause the company's actual results, performance or achievements to be materially different from the expected results, performance or achievements expressed or implied by such forward-looking statements.

Q2 2021/22: RevolutionRace reports its strongest quarter yet. Growth of 58% and EBIT increasing to 117 MSEK.

Presented by:



PERNILLA NYRENSTEN
CEO & CO-FOUNDER

"I am proud to be able to report the greatest individual quarter in the history of the company. We are growing organically by 58% with EBIT increasing to 117 MSEK and with an improving EBIT-margin", says Pernilla Nyrensten, CEO and co-founder

AGENDA

- THIS IS REVOLUTIONRACE
- QUARTERLY HIGHLIGHTS
- FINANCIAL PERFORMANCE
- OPERATIONAL UPDATE
- SUMMARY
- Q&A



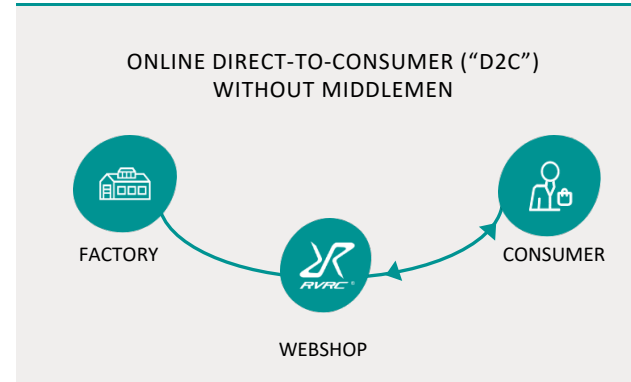
THIS IS REVOLUTIONRACE

REVOLUTIONRACE IS A DIGITAL NATIVE GLOBAL D2C ACTIVE OUTDOOR LIFESTYLE BRAND

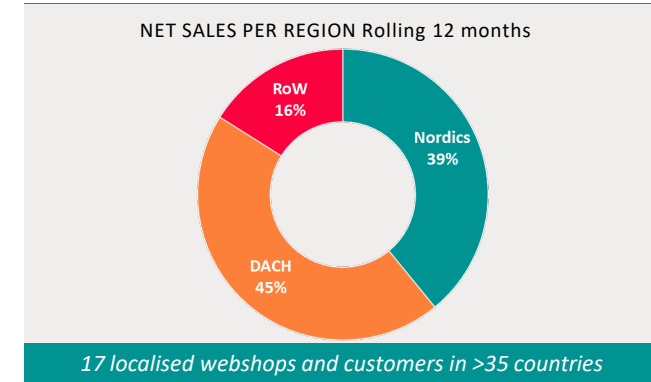
Great products with unmatched value...



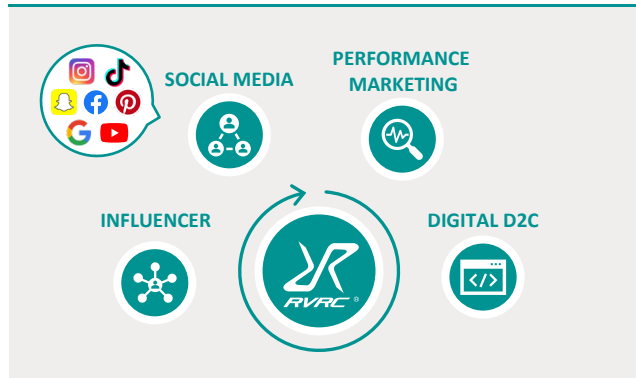
...enabled through digital D2C business model...



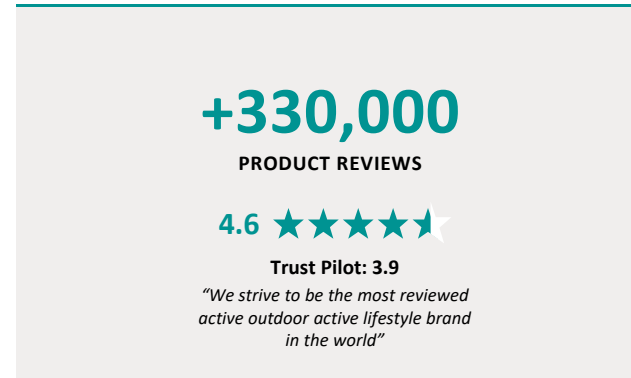
...sold globally...



...with 360 digital marketing...



...to highly engaged and loyal customers...

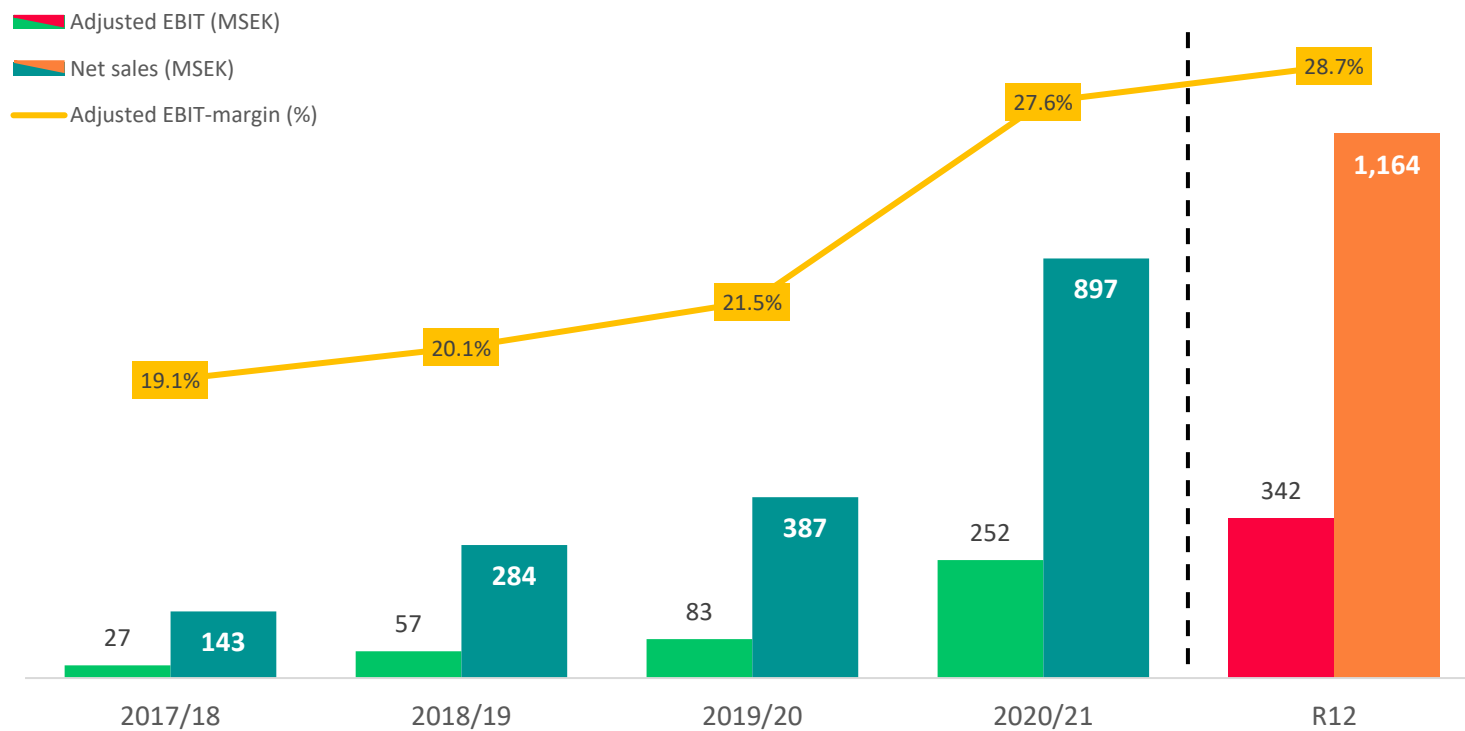


...resulting in impressive financial performance

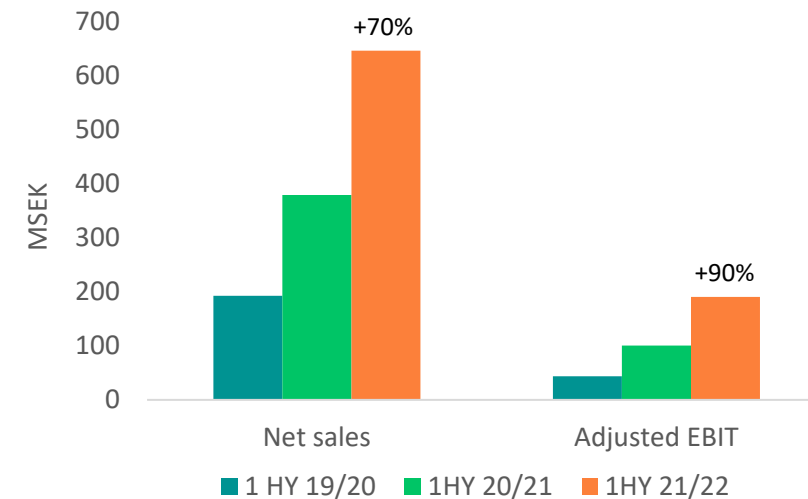
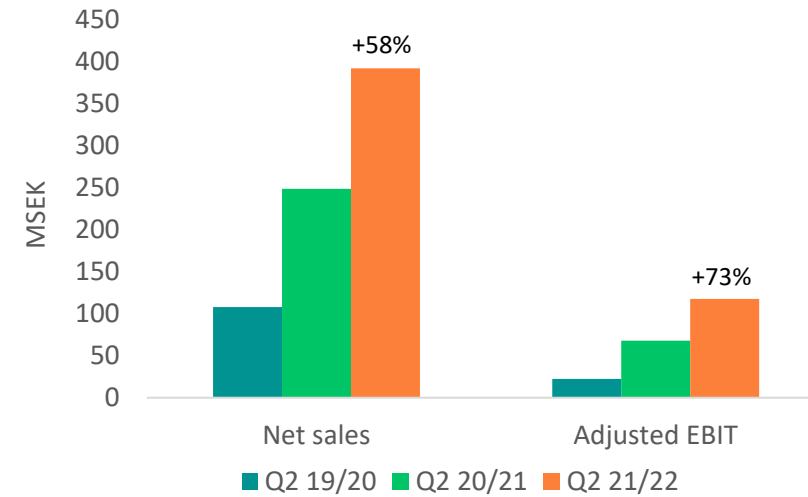
	R12 (Dec. 2021)	R12 (Dec. 2020)	Q2 21/22	Q2 20/21
Net sales (MSEK)	1,164	573	392	248
Growth	103%	83%	58%	130%
Adj. EBIT margin	28.7%	24.1%	28.9%	27.0%
# of orders	1,500,011	761,569	495,226	321,447
AOV (SEK)	776	753	791	773

SET OUT TO REVOLUTIONISE THE OUTDOOR INDUSTRY WITH GREAT FIT, AWESOME PRODUCTS AND UNMATCHED VALUE

FINANCIAL DEVELOPMENT



NET SALES AND ADJUSTED EBIT DEVELOPMENT



OPERATIONAL INSIGHTS

KEY HIGHLIGHTS

Q2 2021/22

- Individually the strongest quarter in the history of RevolutionRace – Net sales and EBIT
- Net sales growth in Q2 of 58% (local currency 59%) – 391.7 (248.3) MSEK
- Region DACH continue to show exceptional development led by Germany. Net sales for the region grew by 98% in Q2.
- Strong growth also for region ROW with 84% in Q2
- The launch of Switzerland exceeds our expectations – now 17 markets with local online shops in total
- AOV increased by 2.4% - 791 (773) SEK due to favourable market mix
- Gross profit 280.3 (178.4) MSEK -> +57%
- Adjusted EBIT 117.5 (67.9) MSEK -> +73%
- Adjusted EBIT-margin of 28.9 (27.0) % - a result of strong marketing and operational performance

58%
Net sales growth



791 SEK
Average net order value (AOV)



71.6%
Gross margin



28.9%
Adjusted EBIT-margin



OPERATIONAL HIGHLIGHTS Q2

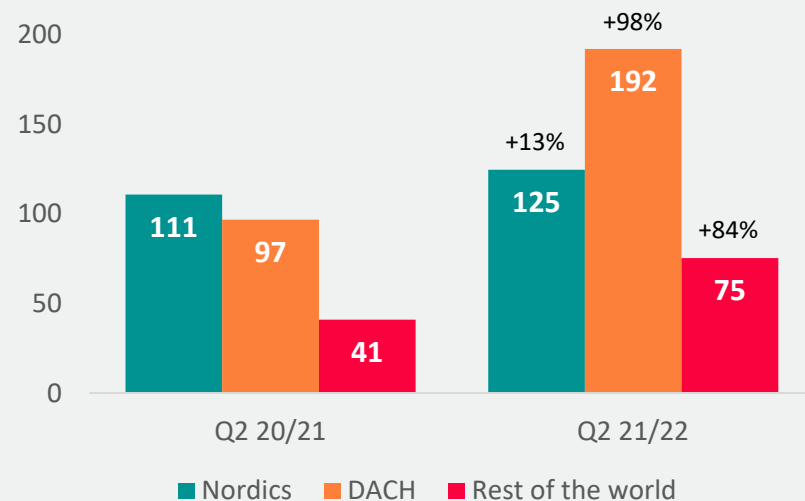
- Strong sales growth in general.
- The DACH region continues to deliver very well, growing by 98%.
 - The launch of Switzerland exceeded our expectations.
 - The region has a slightly higher price level, driving the group profitability trend
- Entered the high season period with appropriate inventory levels.
- Continued build-up of inventory, despite the disruptions in the logistics.
- Successful launch of a new product category – hikingshoes, which were sold-out within two days.
- Continued successful optimization of marketing campaigns, good operational efficiency and cost control resulting in an Adjusted EBIT-margin of 28.9%



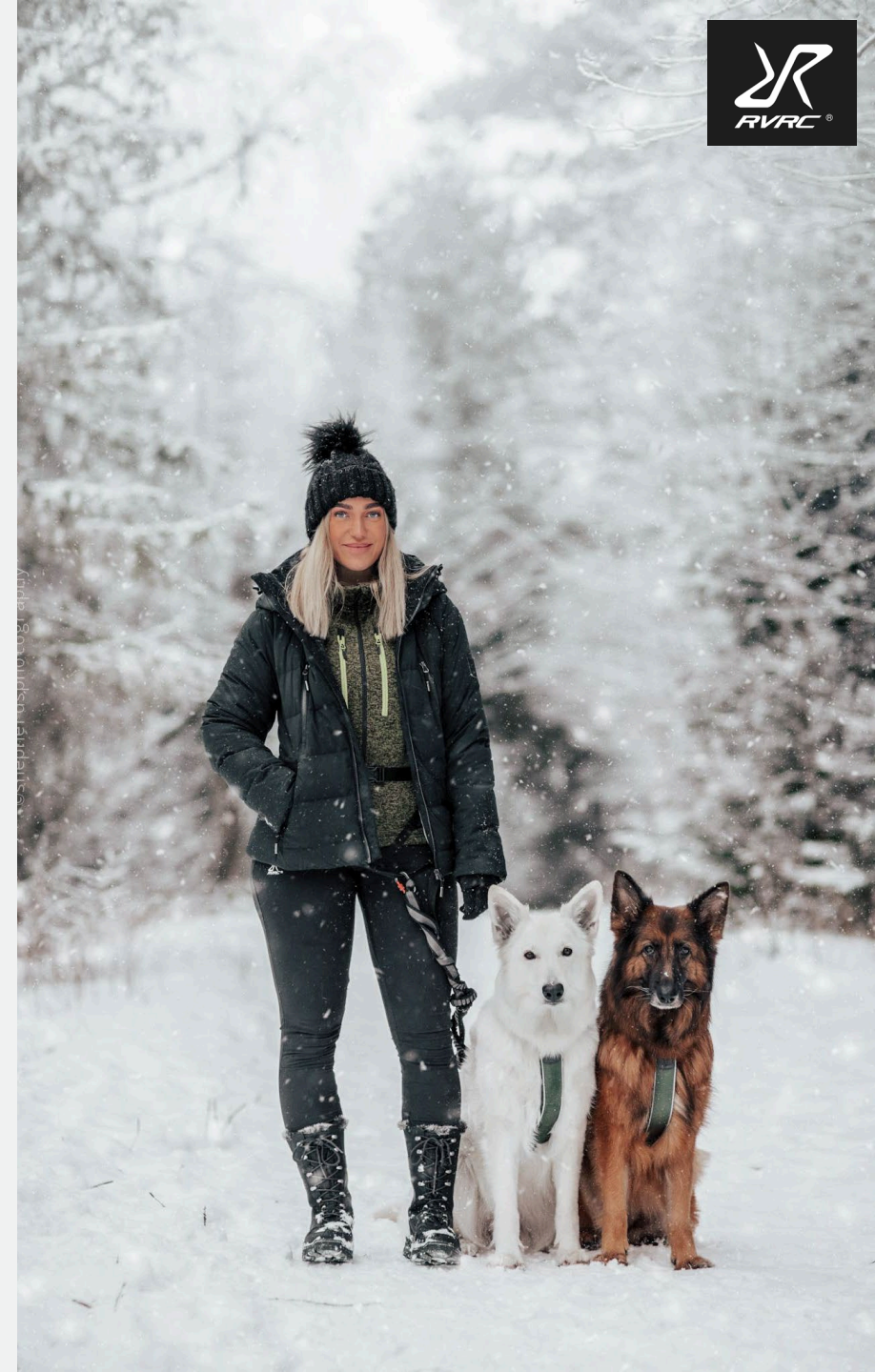
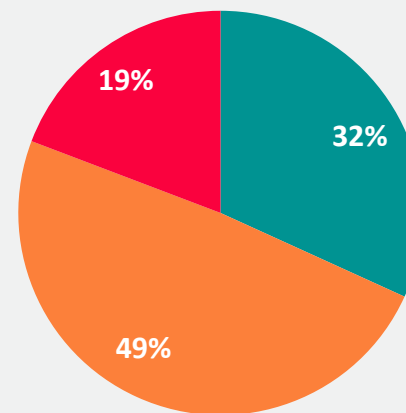
MARKET DEVELOPMENT

- Strong development in all three regions, all markets contributing to growth
- DACH growing by impressive 98%, with Germany, our largest market, remaining the engine with growth of 97% in Q2
- Launch of local web shop Switzerland at turn of month September/October
- Strong growth in ROW, +84% in Q2
- New markets are developing in line with, or better than, plan
- The smaller markets continuing to make an impact on total net sales

Regional net sales development (MSEK) and growth (%)

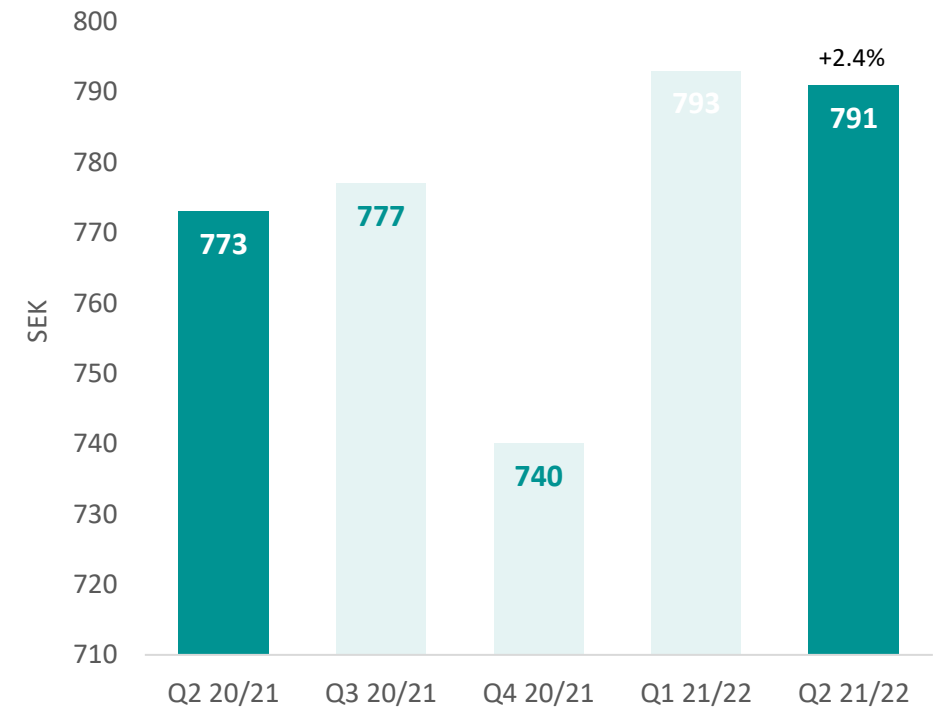


Regional share (%) of total net sales



AVERAGE ORDER VALUE

- Average order value increased by 2.4% to SEK 791 compared to Q2 2020/21
- Increase primarily due to favourable product and market mix, particularly in jackets



FINANCIAL PERFORMANCE

FINANCIAL TARGETS & DIVIDEND POLICY

SEK +2bn

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

SEK +1.1bn

Achieved Net sales (R12M)

At least 25%

Maintaining an annual EBIT margin of at least 25 percent

28.7%

Achieved adjusted EBIT-margin (R12M)

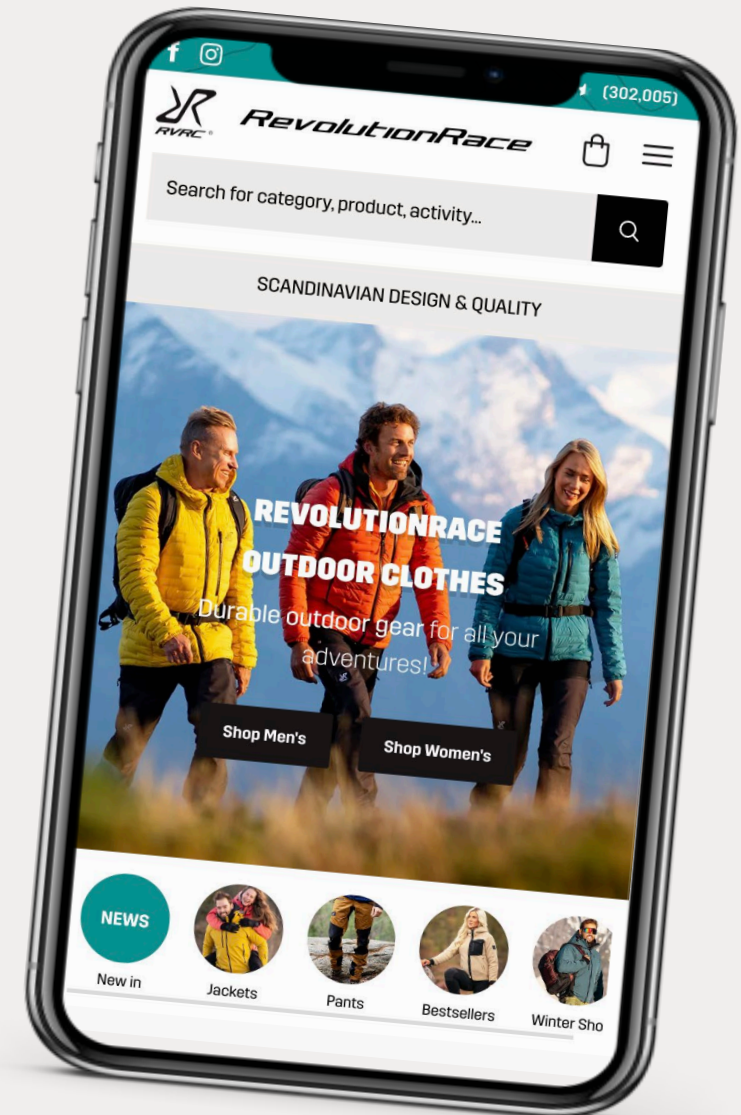
40-60%

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

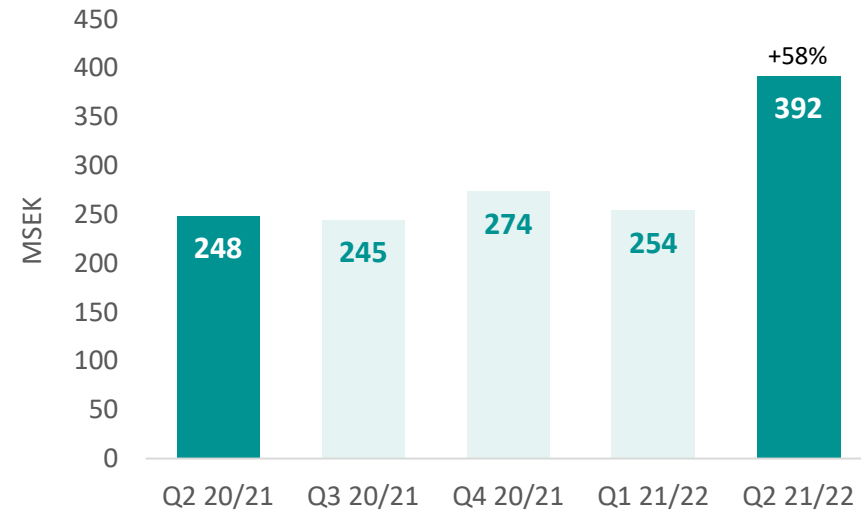
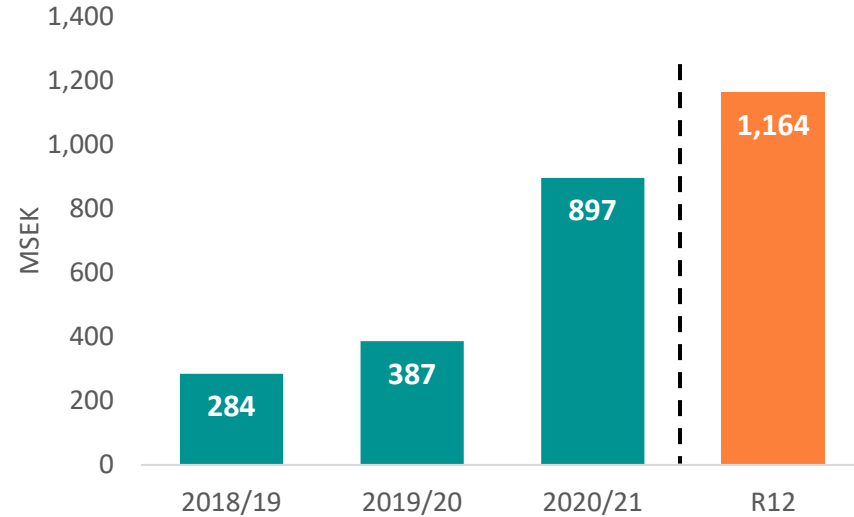
42.1%

Latest dividend payout (Nov 2021)

0.64 SEK per share

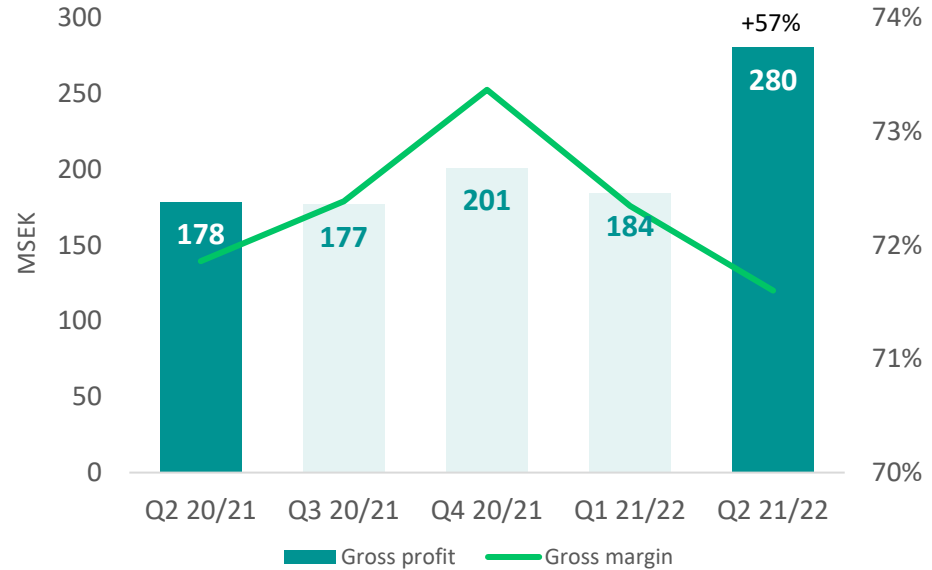
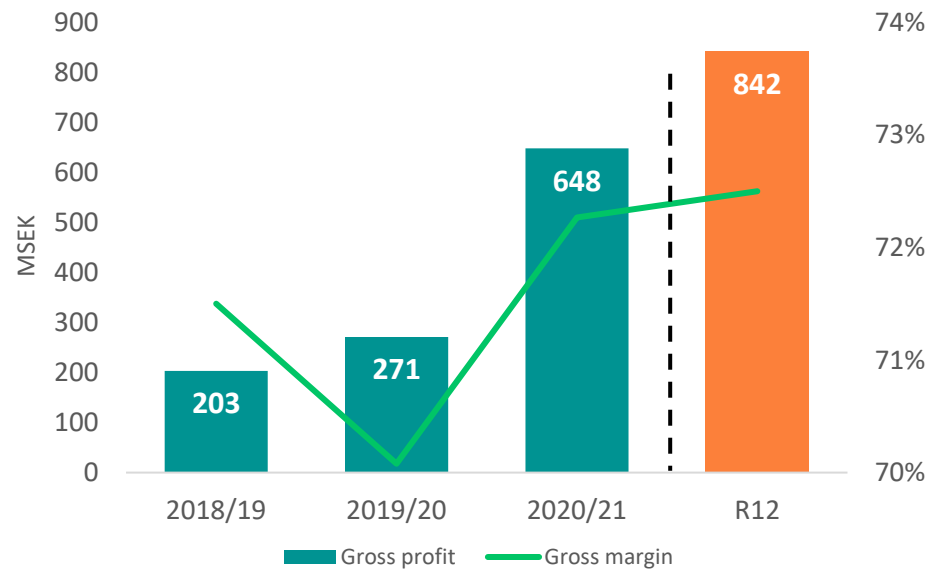


NET SALES DEVELOPMENT



- High growth in net sales following strong demand for multifunctional garments +58% (local currency 59%)
- Successful optimization of marketing activities and broadening of product offering
- Global supply and logistics situation continue to be challenging

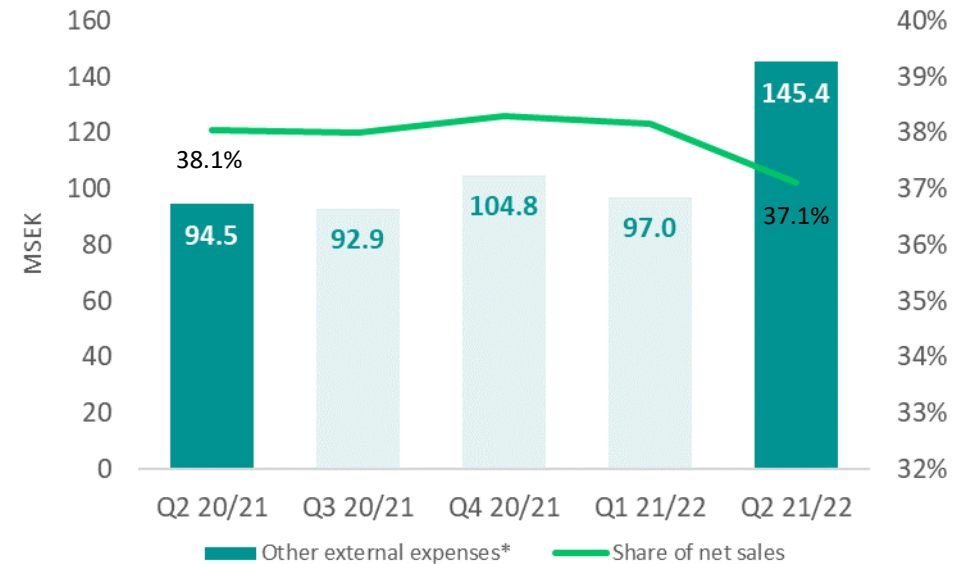
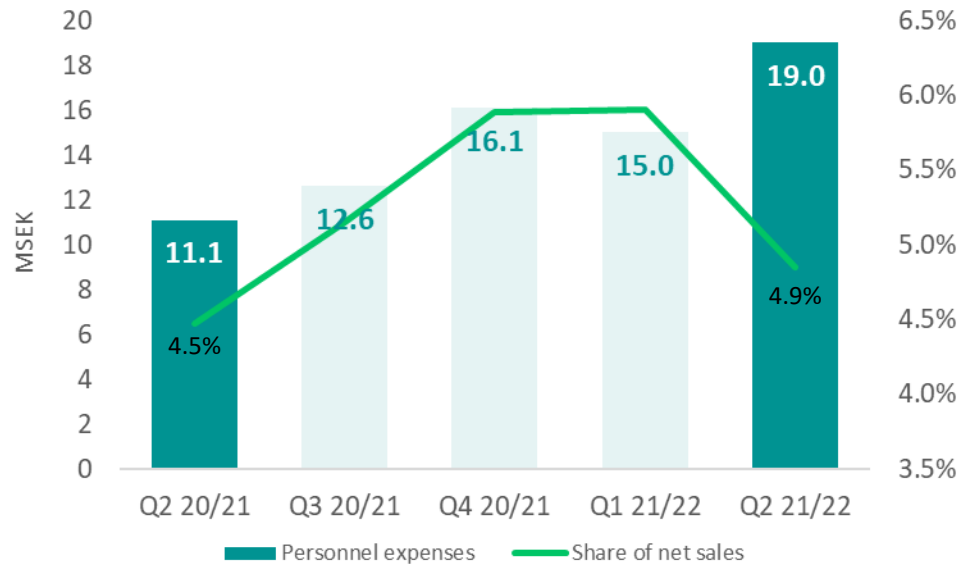
GROSS PROFIT AND MARGIN



- Gross profit in Q2 increased by 57% compared to the same period last year – 280 (178) MSEK
- Gross margin decreased with 0.3 pp to 71.6 (71.9), impacted positively by market mix and negatively by a higher share of sales with price reductions
- Increased freight costs due to higher costs and alternative shipments from Asia continue to impact gross margin negatively



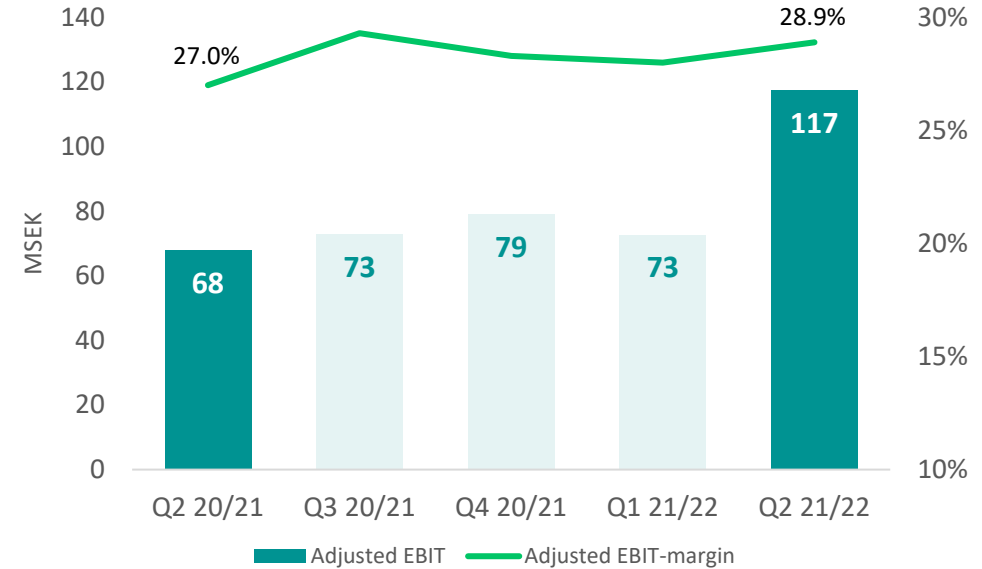
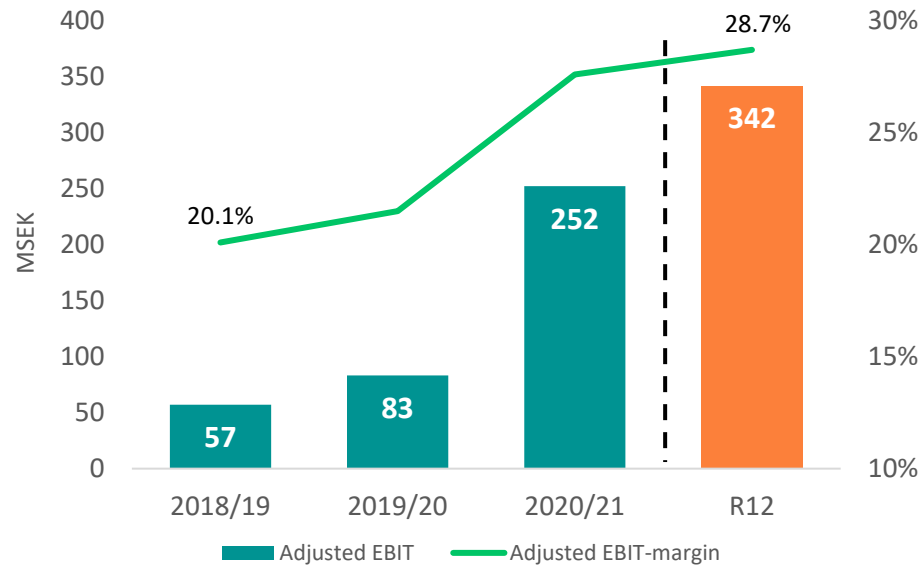
OPERATIONAL EXPENSES



- Average number of employees in the second quarter was 103, an increase with 45 employees compared to last year.
- Other external expenses as share of net sales are lower than last year due to operational efficiency improvements, despite the continued growth.

** Other external expenses adjusted for EO expenses of 1.1 MSEK in Q2 20/21, 8.4 MSEK in Q3 20/21 and 12.3 MSEK in Q4 20/21, related to the IPO in June 2021*

ADJUSTED EBIT



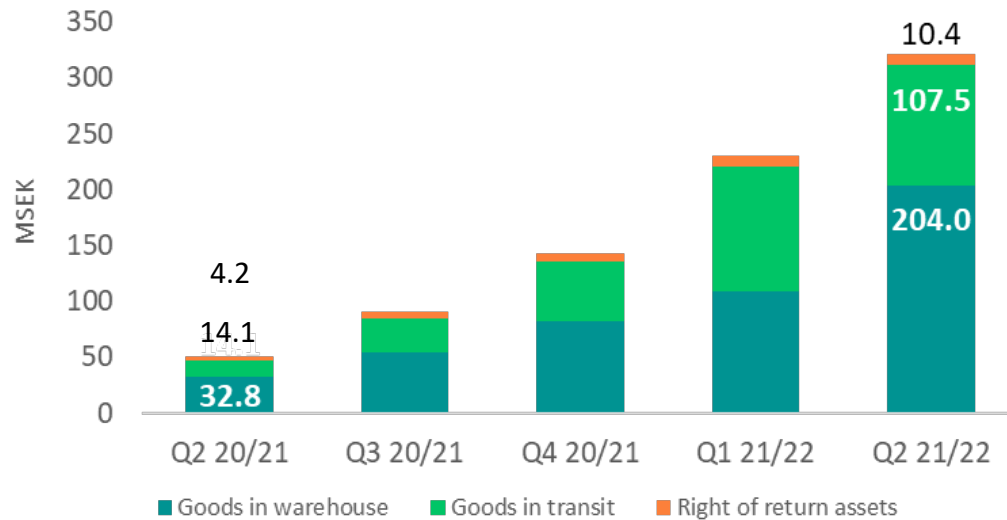
- Items affecting comparability amounted to 0 MSEK in Q2 21/22 and 1.1 MSEK in Q2 20/21.
- Solid development of adjusted EBIT and adjusted EBIT-margin following strong demand in all markets and good cost control
- Adjusted EBIT-margin increasing to 28.9 (27.0) %

BALANCE SHEET

MSEK	31 December 2021	31 December 2020	30 June 2021
Intangible assets	796.9	796.9	796.8
Tangible assets	6.7	7.1	7.0
Deferred tax	1.4	1.8	1.5
Current assets	614.2	212.3	462.7
Total assets	1,419.3	1,018.1	1,268.1
Equity	835.5	593.1	759.5
Long-term liabilities	267.9	270.2	268.8
Current liabilities	315.9	154.8	239.8
Total equity and liabilities	1,419.3	1,018.1	1,268.1

- Net debt of –8.1 MSEK at end of Q2

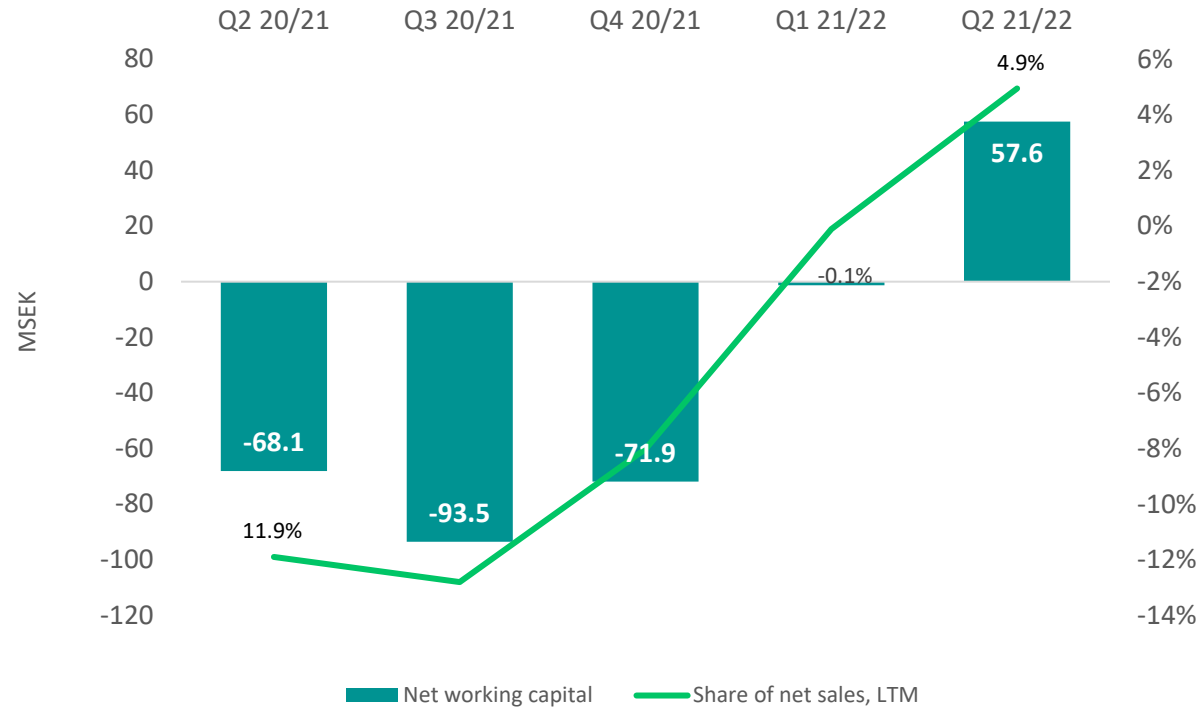
INVENTORY DEVELOPMENT



- The planned inventory build up aimed at
 - replenishing sold products,
 - achieve healthy inventory levels, and
 - cater to two warehouse and logistics centers, as well as smaller hubs



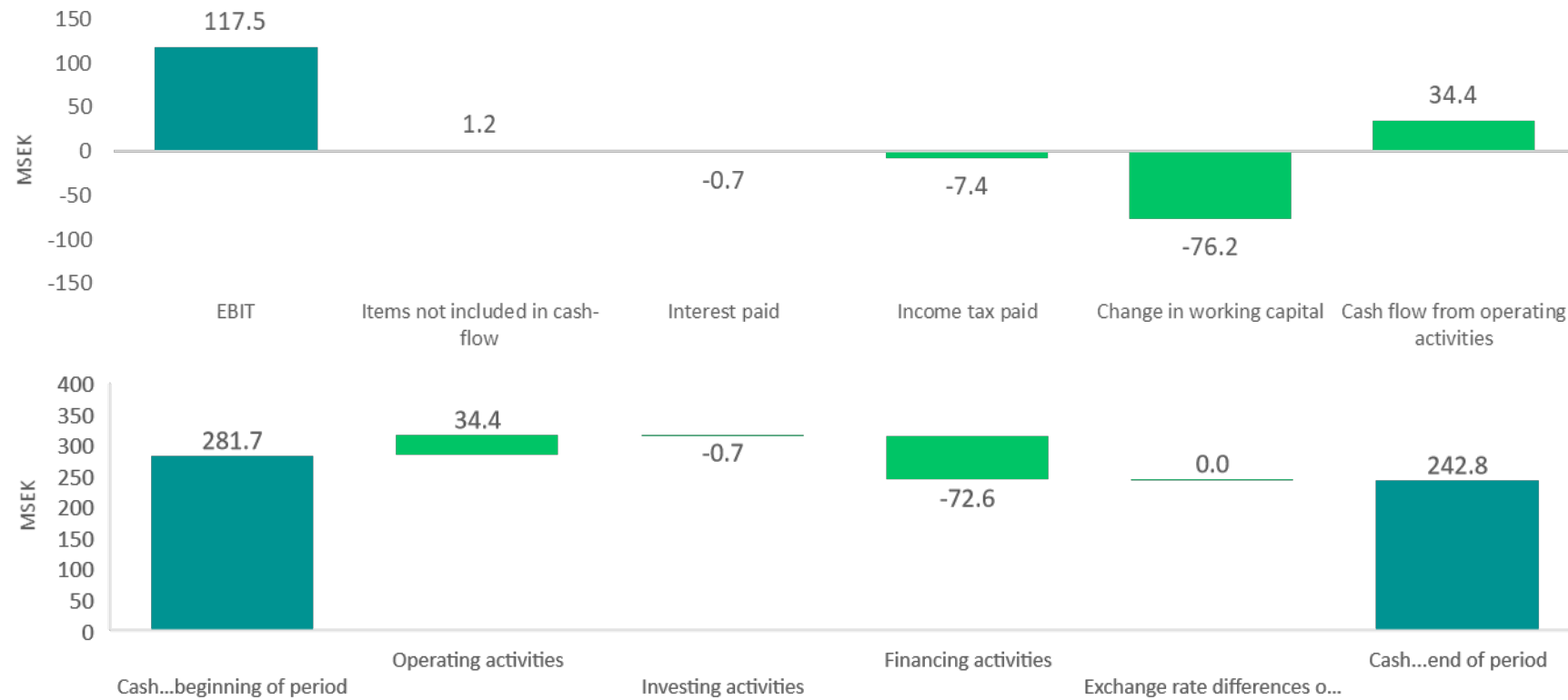
NET WORKING CAPITAL DEVELOPMENT



- Changes to NWC are primarily driven by the planned inventory build up.

Q2: CASH FLOW & FINANCIAL POSITION

Cash flow from operating activities primarily affected by planned increase in inventory



IN SUMMARY

IN SUMMARY

- The strongest individual quarter so far – net sales and profit
- A good sales development in general
- 58% (local currency 59%) growth in net sales – to 392 (248) MSEK
- Adjusted EBIT growth of 73% to 117 (68) MSEK
- Improved Adjusted EBIT-margin by 1.9 pp to 28.9 (27.0)%
- Launch in Switzerland above expectations
- New product category – shoes, launched during the quarter with overwhelmingly positive product reviews
- Secured flow of goods and planned inventory ramp up, despite global supply strains
- Continued operational efficiency and good cost control



GOING FORWARD

- RevolutionRace is well positioned
 - Inventory level
 - Organisation and people
 - New products and product categories strengthening our offer
 - Operational excellence and good cost control
- Product launches
 - Shoes were launched in the end of Q2
 - Backpacks to be launched in Q3
- Established as well as new markets contributing to our growth and profit
- We are seeing continued strong growth in net sales at the beginning of the third quarter, which seasonally normally is weaker than the second quarter



Q&A



**NATURE IS OUR
PLAYGROUND!**