

RUGVISTA

Year-end report

January – December 2024

Rugvista Group AB (publ)

Positive signals in a continuously challenging market

Fourth quarter

- Net revenue amounted to SEK 245.9 (233.3) million, corresponding to an increase of 5.4% (14.3%).
- Organic net revenue growth was 4.9% (9.3%).
- The gross margin was 62.1% (60.3%).
- Operating profit (EBIT) amounted to SEK 29.3 (29.4) million, and the operating margin was 11.9% (12.6%).
- Profit for the period amounted to SEK 24.1 (24.3) million.
- Earnings per share before and after dilution amounted to SEK 1.16 (1.17).²⁾
- The average NPS (Net Promoter Score) was 60 (64), and the average Trustpilot value was 4.7 (4.8).

January – December

- Net revenue amounted to SEK 694.8 (702.2) million, corresponding to a decrease of -1.0% (9.8%).
- Organic net revenue growth was -1.0% (2.8%).
- The gross margin was 62.2% (62.0%).
- Operating profit (EBIT) amounted to SEK 60.7 (85.4) million, and the operating margin was 8.7% (12.2%).
- Profit for the period amounted to SEK 51.8 (70.0) million.
- Inventory as % of LTM net revenue amounted to 19.2% (17.9%).
- Net debt at the end of the period was SEK -191,3 (-185.8) million.
- Earnings per share before and after dilution amounted to SEK 2.49 (3.37).²⁾
- The average NPS (Net Promoter Score) was 62 (66), and the average Trustpilot rating was 4.7 (4.8).
- The Board of Directors proposes a dividend of SEK 1.25 (1.80) per share.

Group key performance indicators¹⁾

<i>SEK thousand if not stated otherwise</i>	October-December		January - December	
	2024	2023	2024	2023
Operating income	246,172	234,757	696,102	704,718
Net revenue	245,875	233,284	694,847	702,203
Net revenue growth, %	5.4%	14.3%	-1.0%	9.8%
Organic net revenue growth, %	4.9%	9.3%	-1.0%	2.8%
Gross profit	152,651	140,698	432,022	435,571
Gross margin, %	62.1%	60.3%	62.2%	62.0%
Operating profit (EBIT)	29,329	29,370	60,705	85,403
Operating margin (EBIT margin), %	11.9%	12.6%	8.7%	12.2%
Profit for the period	24,146	24,307	51,771	69,962
Profit margin, %	9.8%	10.4%	7.5%	10.0%
Adjusted EBIT	29,329	29,370	60,705	85,403
Adjusted EBIT margin, %	11.9%	12.6%	8.7%	12.2%
Inventory as % of LTM net revenue	-	-	19.2%	17.9%
Net debt	-191,331	-185,816	-191,331	-185,816
Earnings per share, SEK	1.16	1.17	2.49	3.37
Earnings per share, diluted, SEK	1.16	1.17	2.49	3.37
Number of shares outstanding	20,785,140	20,785,140	20,785,140	20,785,140
Number of diluted shares outstanding	20,785,140	20,785,140	20,785,140	20,785,140
Number of website visits, million	13.5	8.7	34.7	28.9
Number of orders, thousand	118.6	101.3	327.0	296.0
Number of new customers, thousand	87.4	74.1	238.0	216.0
Average order value, SEK	2,868	3,199	2,940	3,355
Average NPS value	60	64	62	66
Average return rate, %	4.7	4.8	4.7	4.8
Average Trustpilot value	-	-	14.3%	14.9%
CO2e emissions per square meter sold rug	29.3	31.6	38.5	31.1



” We are concluding 2024 on a positive note with a quarterly growth of 5%. The quarter was characterized by a significant investment during Black Month, which resulted in record-high sales on both a monthly and quarterly basis.”

Ebba Ljungerud, CEO

Positive signals in a continuously challenging market

Dear shareholders,

We conclude 2024 on a positive note with quarterly growth of 5%. The quarter was characterized by a significant investment during Black Month, which resulted in record-high sales on both a monthly and quarterly basis. Our strategy to maintain visibility throughout the entire month paid off, and although marketing costs were consequently higher than usual, we view this as an investment in stronger brand awareness and long-term customer growth.

Net revenue for the quarter, which is the highest ever for Rugvista, amounted to SEK 246 million, an increase from SEK 233 million in the corresponding period last year. We saw a significant increase in the number of orders during the quarter, reaching 118,600 (101,300), while also welcoming 87,400 (74,100) new customers. A key underlying factor is our marketing efforts targeted earlier in the customer purchase process, which is clearly reflected in the increase in visits to our digital platforms, reaching 13.5 (8.7) million.

The average order value (AOV) continues to be a focus area for us. During Q4, AOV amounted to SEK 2,868, down from SEK 3,199 in the previous year and slightly lower than in the previous quarter. This decline reflects a discount-driven period with more promotions, but also the general caution and price sensitivity of households. We are continuously working on small, strategic adjustments in areas such as assortment, pricing, and the customer journey to gradually increase AOV.

At the same time, our direct costs were lower than last year; for example, product and shipping costs decreased despite a higher number of orders. This contributed to an improved gross margin of 62.1%, compared to 60.3% in 2023. Marketing costs for Q4 amounted to 32.9% of net revenue, which is higher than in other quarters of the year, but in line with our objective to drive growth and attract new customers during this intense shopping period. On a full-year basis, the share was 31.1%, a decrease compared to the previous year.

Operating profit for the quarter amounted to SEK 29 million, which is at the same level as the previous year, corresponding to an operating margin of 11.9% (12.6%).

Despite the sharply increased order volume and high pressure on our organization, we managed to maintain a high level of customer satisfaction. Our NPS reached 60, and Trustpilot was at 4.7, strong values within our industry.

Summing up 2024, we reached a net revenue of SEK 695 (702) million, a decrease of -1%, and an operating profit of SEK 61 (85) million, corresponding to an operating margin of 8.7% (12.2%). Given the continued challenging market conditions during the year, we have nonetheless managed to develop Rugvista positively toward our strategic objectives. Our financial position remains strong. In addition to ongoing investments in growth and business development, Rugvista aims to distribute up to 50% of net profit to shareholders. For 2024, the Board proposes a dividend of SEK 1.25 (1.80) per share, equivalent to a total of SEK 26 (37) million.

As we enter the new year, we expect continued challenging market conditions, but declining interest rates are expected to positively influence demand and market growth with some delay. At the same time, we have many factors within our control, and we will continue to develop our assortment, e-commerce platform, marketing, and logistics to further increase customer satisfaction and efficiency. We are also looking forward to this summer's planned relocation to a new warehouse and office.

Finally, I would like to thank all employees for your dedication and hard work during this intense period of high demand and many orders. I also extend my gratitude to our shareholders for your continued trust. We leave Q4 with pride in our record levels and look forward to the opportunities and challenges ahead in the coming year.

Best regards,

Ebba Ljungerud

Acting CEO, Rugvista Group

Fourth quarter

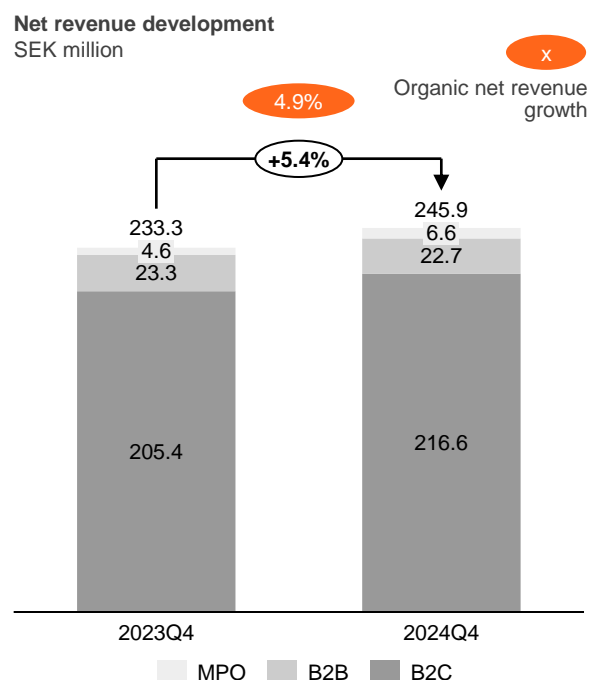
Net revenue

The Group's net revenue for the quarter was SEK 245.9 (233.3) million, marking Rugvista's highest quarterly sales ever. This corresponds to an increase of 5.4% (14.3%), and excluding currency fluctuations, the organic net revenue growth was 4.9% (9.3%). The fourth quarter started weak in October but ended with two strong months, where "Black Friday" and "Black Month" campaigns led to record sales.

Net revenue in the Private individuals (B2C) segment was SEK 216.6 (205.4) million, corresponding to an increase of 5.5% (15.4%). Net revenue in the Nordics increased by 15.7% (36.6%), DACH increased by 2.8% (17.2%), and Rest of World, where most sales come from other parts of Europe, increased by 2.3% (8.1%).

Net revenue in the Business-to-business (B2B) segment was SEK 22.7 (23.3) million, corresponding to a decrease of -2.9% (4.9%). During the quarter, we saw good growth in the trade partner group but weaker development among other business customers.

Net revenue in the Marketplaces & Other (MPO) segment was SEK 6.6 (4.6) million, corresponding to an increase of 45% (14.8%). The majority of sales in this segment were through Amazon's marketplaces. Last year, sales in this segment were negatively affected by a restructuring of the sales strategy, which this year has driven growth in the marketplaces.



Profits and margins

Gross margin increased to 62.1% (60.3%). Shipping costs to customers, as a share of net revenue, are generally negatively affected when the average order value decreases. However, our shipping costs as a share of net sales have decreased as a result of our improvement efforts to streamline customer deliveries, thereby contributing to the increased gross margin.

Other external costs amounted to SEK -91.7 (-84.9) million, corresponding to -37.3% (-36.4%) of net revenue. The increase is attributable to higher marketing costs. After a slow start in October, we intensified our marketing efforts for the remainder of what is seasonally our strongest quarter.

Personnel costs amounted to SEK -25.0 (-20.8) million, corresponding to -10.2% (-8.9%) of net revenue. The increase was primarily due to the fact that employees at our Berlin office were directly employed by our subsidiary this year, whereas they were externally contracted the previous year. Additionally, development costs for our web platform were expensed this year, alongside general salary increases.

Other operating costs amounted to SEK -1.9 (-2.6) million and relate to exchange rate fluctuations.

Depreciation & amortization amounted to SEK -4.7 (-3.1) million, primarily related to right-of-use assets and intangible fixed assets. The increase is attributable to the amortization of our web platform,

which began at the end of the second quarter this year, as well as rent increases for leased company premises classified as right-of-use assets.

Operating profit (EBIT) amounted to SEK 29.3 (29.4) million, corresponding to an operating margin of 11.9% (12.6%). The decrease in operating margin was mainly driven by higher marketing costs, as well as somewhat higher personnel costs.

Net financial income amounted to SEK 1.2 (1.4) million. We ended the quarter with a slightly higher net cash than in the previous year, but as market interest rates were lower, interest income was slightly lower as well.

Taxes for the period amounted to SEK -6.4 (-6.5) million.

Profit for the period amounted to SEK 24.1 (24.3) million, with a net margin of 9.8% (10.4%).

Forth quarter

Cash flow

Cash flow from operating activities during the quarter amounted to SEK 81.2 (85.9) million. Inventory reduction in the quarter was slightly lower than in the previous year.

Cash flow from investing activities during the quarter amounted to SEK -10.2 (-4.1) million, mainly attributable to investments in fixed assets for the new office and logistics facility, which we will move into during the summer of 2025.

Cash flow from financing activities during the quarter amounted to SEK -3.5 (-2.7) million.

Other KPIs

The NPS score was 60 (64) and the Trustpilot rating was 4.7 (4.8). The fourth quarter, and especially "Black Month," is a period when both we and our partners handle a significantly higher order volume. The high levels are proof that, despite this, we have managed to ensure a world-class customer experience. We track our service key metrics weekly and place great importance on exceeding our customers' expectations.

The number of website visits was 13.5 (8.7) million, representing an increase of 55% (-0.4%).

The number of orders was 118.6 (101.3) thousand, corresponding to a 17.1% (28.5%) increase and marking a new quarterly record.

The number of new customers acquired was 87.4 (74.1) thousand, an increase of 18.0% (28.8%), also setting a new quarterly record.

The average order value (AOV) was SEK 2,868 (3,199), reflecting a decrease of -10.4% (-12.4%). The decline in order value was negatively impacted by customers increasingly choosing products at lower price.

Financial position and liquidity

The inventory value at the end of the period amounted to SEK 133.2 (125.7) million, and inventory as a percentage of net revenue (rolling twelve months) was 19.2% (17.9%). Our target is to maintain inventory as a percentage of net revenue (rolling 12 months) within the range of 17.5% – 22.5%, and we therefore ended the quarter in the lower part of this range. The nature of our products results in low inventory risk, which is also reflected in the company's historically low need for amortizations.

Net debt at the end of the period was SEK -191.3 (-185.8) million, and cash and cash equivalents amounted to SEK 219.5 (208.9) million.





January - December

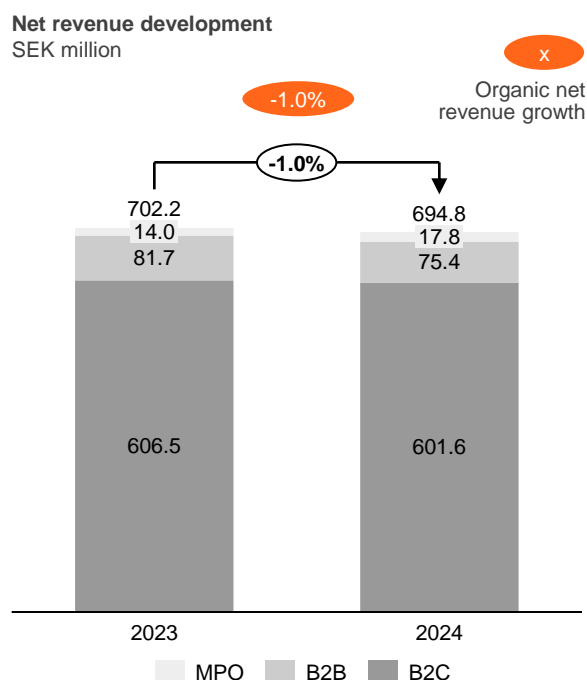
Net revenue

The Group's net revenue for the period amounted to SEK 694.9 (702.2) million, representing a decrease of -1.0% (9.8%). Excluding currency effects, the organic net sales growth for the year was -1.0% (2.8%). Over the year, we saw a strong increase in the number of orders, while the average order value (AOV) declined, as customers increasingly opted for lower-priced products.

Net revenue in the Private individuals (B2C) segment, the Group's largest segment, amounted to SEK 601.6 (606.5) million, corresponding to a decrease of -0.8% (9.3%). Nordics grew by 9.8% (19.0%) DACH declined by -4.5% (8.2%) Rest of World declined by -3.8% (6.1%)

Net revenue in the Business-to-business (B2B) segment amounted to SEK 75.4 (81.7) million, corresponding to a decrease of -7.7% (18.4%). Over the year, we saw strong growth in the trade partner group, while non-trade partners showed weaker performance.

Net revenue in the Marketplaces & Other (MPO) segment amounted to SEK 17.8 (14.0) million, reflecting an increase of 27.3% (9.6%). In the previous year, sales in this segment were negatively impacted by a restructuring of the sales strategy, which has now driven growth, primarily on Amazon's marketplaces.



Profits and margins

The gross margin amounted to 62.2% (62.0%). The product cost as a percentage of net revenue has fluctuated between quarters but ended the year in line with the previous year. The cost of customer deliveries as a percentage of net revenue is generally negatively impacted by a decreasing average order value (AOV). Despite this, our efficiency improvements in customer deliveries have overall reduced shipping costs as a percentage of net revenue.

Other external costs amounted to SEK -257.3 (-259.5) million, corresponding to -37.0% (-37.0%) of net revenue.

Personnel costs amounted to SEK -94.5 (-72.8) million, corresponding to -13.6% (-10.4%) of net revenue. The increase was primarily due to severance payments (SEK -7.8 million), the fact that employees at our Berlin office were directly employed by our subsidiary this year, whereas they were externally contracted last year, general salary increases, and an increase in the number of employees.

Other operating costs amounted to SEK -2.6 (-5.7) million relate to exchange rate fluctuations.

Depreciation and amortizations amounted to SEK -16.9 (-12.1) million, primarily consisting of depreciation related to right-of-use assets and amortization of our intangible fixed assets, our web platform. The increase is attributable to the

amortization of our web platform, which began at the end of the second quarter this year, as well as rent increases for leased company premises classified as right-of-use assets.

Operating profit (EBIT) amounted to SEK 60.7 (85.4) million, corresponding to an operating margin of 8.7% (12.2%). The decrease in operating margin was driven by higher personnel costs and depreciation and amortizations related to right-of-use assets and intangible fixed assets.

Net financial income increased to SEK 4.7 (3.2) million.

Taxes for the period amounted to SEK -13.6 (-18.7) million.

Profit for the period amounted to SEK 51.8 (70.0) million, with a net margin of 7.5% (10.0%).

January – December

Financial position and liquidity

The inventory value at the end of the period amounted to SEK 133.2 (125.7) million, and inventory as a percentage of net revenue (rolling twelve months) was 19.2% (17.9%). Our target is to maintain inventory as a percentage of net revenue (rolling 12 months) within the range of 17.5% – 22.5%, and we therefore ended the quarter in the lower part of this range. The nature of our products results in low inventory risk, which is also reflected in the company's historically low need for amortizations.

Net debt at the end of the period was SEK -191.3 (-185.8) million, and cash and cash equivalents amounted to SEK 219.5 (208.9) million.

The Board's proposed dividend, as resolved at the Annual General Meeting in May 2024, of SEK 1.80 per share (1.50), totaled SEK 37.4 (31.2) million and was paid out to shareholders on May 30, 2024.

Other KPIs

The NPS score was 62 (66) and the Trustpilot rating was 4.7 (4.8), which is a testament to the success of our continued strong focus on ensuring a world-class customer experience.

The number of website visits was 34.7 (28.9) million, representing an increase of 19.9% (-9.2%). The number of orders was 327.0 (296.0) thousand, corresponding to an increase of 10.5% (17.0%).

The number of new customers acquired was 238.0 (216.0) thousand, an increase of 10.2% (20.1%). The average order value (AOV) was SEK 2,940 (3,355), reflecting a decrease of -12.4% (-6.0%).

Cash flow

Cash flow from operating activities for the period amounted to SEK 76.8 (128.1) million. The decrease is due to the fact that, in the previous year, we were able to free up working capital by reducing inventory levels. Last year began with an inventory level above our target range. During the period, inventory value increased by SEK 7.6 (-48.6) million.

Cash flow from investing activities for the period amounted to SEK -19.0 (-12.7) million, with the largest portion being investments in fixed assets for our new office and logistics facility, which we will relocate to in summer 2025.

Cash flow from financing activities for the period amounted to SEK -50.7 (-41.6) million, with the majority consisting of dividend payments to shareholders.



B2C

Fourth quarter

<i>SEK thousand if not stated otherwise</i>	October - December		
	2024	2023	Δ
Net revenue	216,623	205,402	5.5%
<i>Net revenue, DACH</i>	44,820	43,585	2.8%
<i>Net revenue, Nordics</i>	53,868	46,552	15.7%
<i>Net revenue, Rest of World</i>	117,934	115,266	2.3%
Gross profit	134,140	122,303	9.7%
Gross margin, %	61.9%	59.5%	2.4pp
Marketing cost as a share of net revenue, %	34.8%	32.9%	1.9pp
Segment earnings	58,749	54,746	7.3%
Segment margin, %	27.1%	26.7%	0.5pp

Net revenue for the Private individuals (B2C) segment during the quarter was SEK 216.6 (205.4) million, corresponding to an increase of 5.5% (15.4%). The increase in net revenue within the segment was driven by the Nordics. Nordics increased by 15.7% (36.6%), DACH increased by 2.8% (17.2%), Rest of World, where the majority of sales come from the rest of Europe, increased by 2.3% (8.1%)

Gross profit amounted to SEK 134.1 (122.3) million, reflecting an increase of 9.7% (12.3%), and the gross margin was 61.9% (59.5%). Shipping costs to customers, as a share of net sales, are generally negatively affected when the average order value decreases. However, our shipping costs as a share of net sales have decreased as a result of our improvement efforts to streamline customer deliveries, thereby contributing to the increased gross margin

Marketing costs as a percentage of net revenue amounted to 34.8% (32.9%). After a slow start in October, we increased the intensity of marketing efforts for the remaining part of what is seasonally our strongest quarter.

Segment earnings amounted to SEK 58.7 (54.7) million, reflecting an increase of 7.3% (9.0%), and the segment margin was 27.1% (26.7%).

January - December

<i>SEK thousand if not stated otherwise</i>	January - December		
	2024	2023	Δ
Net revenue	601,635	606,533	-0.8%
<i>Net revenue, DACH</i>	120,052	125,679	-4.5%
<i>Net revenue, Nordics</i>	154,166	140,362	9.8%
<i>Net revenue, Rest of World</i>	327,416	340,492	-3.8%
Gross profit	372,661	373,139	-0.1%
Gross margin, %	61.9%	61.5%	0.4pp
Marketing cost as a share of net revenue, %	33.4%	33.9%	-0.4pp
Segment earnings	171,546	167,773	2.2%
Segment margin, %	28.5%	27.7%	0.9pp

Net revenue for the Private individuals (B2C) segment during the period was SEK 601.6 (606.5) million, corresponding to a decrease of -0.8% (9.3%). Over the year, we saw a strong increase in the number of orders, while the average order value (AOV) declined, as customers increasingly opted for lower-priced products.

Growth in the Nordics was 9.8% (19.0%), while DACH declined by -4.5% (-14.6%), and Rest of World, which mainly consists of other European markets, decreased by -3.8% (6.1%).

Gross profit amounted to SEK 372.7 (373.1) million, corresponding to a decrease of -0.1% (9.6%), and the gross margin was 61.9% (61.5%).

Marketing costs as a percentage of net revenue amounted to 33.4% (33.9%). The reduction is a result of our focus on marketing efficiency, despite a higher cost in the fourth quarter.

Segment earnings amounted to SEK 171.5 (167.8) million, reflecting an increase of 2.2% (11.6%), and the segment margin was 28.5% (27.7%). The increase was driven by a slightly higher gross margin and a slightly lower marketing cost as a percentage of net revenue.

B2B

Fourth quarter

<i>SEK thousand if not stated otherwise</i>	October-December		
	2024	2023	Δ
Net revenue	22,651	23,329	-2.9%
Gross profit	14,283	14,187	0.7%
Gross margin, %	63.1%	60.8%	2.2pp
Marketing cost as a share of net revenue, %	14.2%	12.6%	1.6pp
Segment earnings	11,067	11,237	-1.5%
Segment margin, %	48.9%	48.2%	0.7pp

Net revenue for the Business-to-business (B2B) segment during the quarter was SEK 22.7 (23.3) million, corresponding to a decrease of -2.9% (4.9%). During the quarter, we saw strong growth in the trade partner customer group, while performance among other business customers was weaker.

Gross profit amounted to SEK 14.3 (14.2) million, reflecting an increase of 0.7% (-1.4%), and the gross margin was 63.1% (60.8%). The improvement in gross margin was driven by the same factors as in B2C.

Marketing costs as a percentage of net revenue amounted to 14.2% (12.6%).

Segment earnings amounted to SEK 11.1 (11.2) million, corresponding to a decrease of -1.5% (-1.2%), and the segment margin was 48.9% (48.2%).

January - December

<i>SEK thousand if not stated otherwise</i>	January-December		
	2024	2023	Δ
Net revenue	75,375	81,662	-7.7%
Gross profit	47,739	51,520	-7.3%
Gross margin, %	63.3%	63.1%	0.2pp
Marketing cost as a share of net revenue, %	12.0%	13.0%	-0.9pp
Segment earnings	38,665	40,928	-5.5%
Segment margin, %	51.3%	50.1%	1.2pp

Net revenue for the Business-to-business (B2B) segment during the period was SEK 75.4 (81.7) million, corresponding to a decrease of -7.7% (18.4%).

Gross profit amounted to SEK 47.7 (51.5) million, reflecting a decrease of -7.3% (15.7%), and the gross margin was 63.3% (63.1%).

Marketing costs as a percentage of net revenue amounted to 12.0% (13.0%), where the decline was driven by the same factors as in the B2C segment.

Segment earnings amounted to SEK 38.7 (40.9) million, corresponding to a decrease of -5.5% (17.5%), and the segment margin was 51.3% (50.1%). The increase in segment margin was primarily driven by lower marketing costs as a percentage of net revenue.

Marketplaces & Others (MPO)

Fourth quarter

<i>SEK thousand if not stated otherwise</i>	October - December		
	2024	2023	Δ
Net revenue	6,601	4,553	45.0%
Gross profit	3,931	2,735	43.7%
Gross margin, %	59.6%	60.1%	-0.5pp
Marketing cost as a share of net revenue, %	33.3%	35.8%	-2.4pp
Segment earnings	1,733	1,107	56.5%
Segment margin, %	26.3%	24.3%	1.9pp

Net revenue for the Marketplaces & Other (MPO) segment during the quarter amounted to SEK 6.6 (4.6) million, representing an increase of 45.0% (14.8%). In the previous year, sales in this segment were negatively impacted by a restructuring of the sales strategy, which this year has driven growth on marketplaces.

Gross profit amounted to SEK 3.9 (2.7) million, reflecting an increase of 43.7% (10.1%), and the gross margin was 59.6% (60.1%).

Marketing costs as a percentage of net revenue amounted to 33.3% (35.8%).

Segment earnings amounted to SEK 1.7 (1.1) million, with the increase attributable to higher net revenue. The segment margin was 26.3% (24.3%), where the increase was driven by lower marketing costs as a percentage of net revenue.

January - December

<i>SEK thousand if not stated otherwise</i>	January - December		
	2024	2023	Δ
Net revenue	17,836	14,008	27.3%
Gross profit	10,367	8,397	23.5%
Gross margin, %	58.1%	59.9%	-1.8pp
Marketing cost as a share of net revenue, %	34.1%	33.8%	0.4pp
Segment earnings	4,278	3,666	16.7%
Segment margin, %	24.0%	26.2%	-2.2pp

Net revenue for the Marketplaces & Other (MPO) segment during the period amounted to SEK 17.8 (14.0) million, representing an increase of 27.3% (9.6%). In the previous year, sales in this segment were negatively impacted by a restructuring of the sales strategy, which this year has driven growth on marketplaces.

Gross profit amounted to SEK 10.4 (8.4) million, reflecting an increase of 23.5% (-12.5%), and the gross margin was 58.1% (59.9%).

Marketing costs as a percentage of net revenue amounted to 34.1% (33.8%).

Segment earnings amounted to SEK 4.3 (3.7) million, corresponding to an increase of 16.7% (-9.7%), and the segment margin was 24.0% (26.2%).



Other information

Material events during the quarter

- At the end of the quarter, the company's pop-up store at the Emporia shopping center in Malmö was closed.

Material events after the quarter

- No material events after the quarter.

Significant risks and uncertainties

The Group's significant risk and uncertainty factors include financial risks such as currency risk, liquidity and financing risks, as well as operational and business risks. For more information on risks and risk management, please refer to Rugvista's 2023 Annual Report.

Russia invaded Ukraine at the beginning of 2022. The Group has no direct exposure to Russia, Ukraine, or Belarus through its business operations. However, it is difficult to assess the indirect impact of the ongoing war on GDP growth, inflation, global supply chains, and consumer confidence, as well as the demand for the Group's products. The same applies to events in the Middle East, primarily the conflict between Israel and Hamas, Israel and Hezbollah, and the risk of a broader regional conflict. The Group has no direct exposure in Israel, Gaza, or Lebanon, but these events may have an indirect impact through consumer confidence, inflation, GDP growth etc. The unrest in the Red Sea has had some impact on our supply chain for products from India, leading to longer delivery times and higher freight costs. The expected impact on Rugvista's financial results is marginal, but management is monitoring the situation.

Seasonality

The group's sales typically vary seasonally, with the first and fourth quarters tending to be the strongest.

Co-workers

The number of full-time employees during the period October – December amounted to 100.3 (93.7), and the proportion of women was 49.3% (49.9%).

The number of full-time employees during the period January – December amounted to 98.6 (90.2), and the proportion of women was 49.8% (47.6%).

The share

The Rugvista Group AB (publ) share is listed on Nasdaq First North Premier Growth under the ticker code RUG and ISIN code SE0015659834.

The market value on the last trading day of the fourth quarter of 2024 (December 30th) was SEK 935 million, based on the closing price of SEK 45.00 per share.

At the end of the reporting period, the number of issued shares was 20,785,140, all of which are common shares.

In 2021, the Group issued 860,000 warrants. Of these, 435,981 were sold to key individuals within the Group. All outstanding warrants under LTIP2021 expired without being exercised, as the subscription price exceeded the share price throughout the subscription period.

In 2022, the Group issued 300,000 warrants. Of these, 40,000 were sold to senior executives within the Group.

In 2023, the Group issued 595,000 warrants. Of these, 35,000 were sold to senior executives and other key individuals within the Group.

For more detailed information on the incentive programs, see "LTIP2021", "LTIP2022", and "LTIP2023" on page 15, as well as the company's website: www.rugvistagroup.com.

See Note 5 for an overview of the ten largest shareholders.

Other information

LTIP 2021

The Group has issued warrants as part of an incentive program ("LTIP 2021/2024"). Each warrant entitled, after adjustment due to dividends resolved by the Annual General Meeting in 2022 and 2023, the holder to subscribe for 1.07 shares in the company during the exercise period at SEK 152.20. The original subscription price corresponded to 130 percent of the share's introductory price. The warrants could be exercised during the period from April 15 to June 15, 2024. All outstanding warrants under LTIP 2021 expired without being exercised during the year because the subscription price exceeded the share price throughout the exercise period.

LTIP 2022

The Group has issued warrants as part of an incentive program ("LTIP 2022/2025"). Each warrant entitles the holder, after adjustment due to dividends resolved at the 2023 and 2024 Annual General Meetings, to subscribe for 1.06 shares in the company during the subscription period at SEK 84.60. The original subscription price corresponded to 130% of the average share price during the valuation period. The warrants can be exercised during the period June 1 – September 1, 2025. The Annual General Meeting on May 25, 2023, was the last day for the transfer of warrants under LTIP 2022. Of the total 300,000 issued warrants, 260,000 remained unsold and were thus forfeited. Carin Terin's 5,000 warrants of the LTIP 2022/2025 series were repurchased during the second quarter in connection with her departure from the company. Michael Lindskog's 15,000 warrants of the LTIP 2022/2025 series were repurchased during the fourth quarter in connection with his departure from the company.

LTIP 2023

The Group has issued warrants as part of an incentive program ("LTIP 2023/2026"). Each warrant entitles the holder, after adjustment due to dividends resolved at the 2023 and 2024 Annual General Meetings, to subscribe for 1.03 shares in the company during the subscription period at SEK 60.80. The original subscription price corresponded to 120% of the average share price during the valuation period. The Annual General Meeting on May 23, 2024, was the last day for the transfer of warrants under LTIP 2023. Of the total 595,000 issued warrants, 560,000 remained unsold and were thus forfeited. The warrants can be exercised during the period June 1 – September 1, 2026. Carin Terin's 5,000 warrants of the LTIP 2023/2026 series were repurchased during the second quarter in connection with her departure from the company. Michael Lindskog's 5,000 warrants of the LTIP 2023/2026 series were repurchased during the fourth quarter in connection with his departure from the company.

Transactions with closely related parties

October - December

No transactions with closely related parties have occurred during the quarter.

January - December

No transactions with closely related parties have occurred during the period.

Parent company

Rugvista Group AB (publ), with registration number 559037-7882, is the parent company of the group. The group includes Rugvista AB and Rugvista GmbH. Rugvista Group AB (publ) is incorporated and registered in Sweden.

Since March 18, 2021, Rugvista Group AB (publ) has been listed on Nasdaq First North Premier Growth Market.

The parent company's net revenue for the quarter amounted to MSEK 4.4 (3.9). For the period January–December, the parent company's net revenue amounted to MSEK 20.2 (15.4). The parent company's revenue consists of invoiced fees for management services to subsidiaries, in accordance with an internal group agreement.

The parent company's costs mainly consist of salaries for parts of the management, remuneration to the board, and costs related to the company's shares being listed on Nasdaq. The result for the quarter amounted to MSEK 38.0 (51.8). For the period January–December, the result amounted to MSEK 38.3 (51.7).

The parent company's main assets consist of shares in the subsidiary Rugvista AB and the company's cash. The parent company's main liabilities consist of an intercompany debt to the subsidiary Rugvista AB.

Audit

This Year-end report has not been reviewed by the Group's auditor.

Other information

Financial calendar

Activity	Date	Conference call
Annual report 2024	14 April 2025	
Interim report January – March 2025	8 May 2025	09:00-10:00 CEST
AGM 2025	21 May 2025	
Interim report January – June 2025	14 August 2025	09:00-10:00 CEST
Interim report January – September 2025	6 November 2025	09:00-10:00 CET
Year-end report 2025	5 February 2026	09:00-10:00 CET

In connection with the publication of this Year-end report, Ebba Ljungerud (CEO) and Joakim Tuvner (CFO) will host a conference call and a webcast on February 6th, 2025, at 09:00 CET. The presentation will be held in English.

Links to participate in the conference call (with the opportunity to ask verbal questions) or to join the webcast (with the opportunity to submit written questions) can be found here:

<https://financialhearings.com/event/48859>

It is also possible to participate in the conference call via the Group's website:

<https://www.rugvistagroup.com/investors/reports-and-presentations/>

The Interim Report and the presentation are available on Rugvista Group's website:

<https://www.rugvistagroup.com/en/investors/reports-and-presentations/>

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Certified advisor

FNCA Sweden AB

This report contains information that Rugvista Group 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 persons set out above, at 07.30 a.m. CET on February 6th, 2025.



Group

Statement of Income

<i>SEK thousand if not stated otherwise</i>	October - December			January - December		
	2024	2023	Δ	2024	2023	Δ
Net revenue	245,875	233,284	5.4%	694,847	702,203	-1.0%
Other income	297	1,472	-79.9%	1,255	2,516	-50.1%
Total operating income	246,172	234,757	4.9%	696,102	704,718	-1.2%
Goods for resale	-93,521	-94,059		-264,080	-269,147	
Other external expenses	-91,693	-84,889		-257,265	-259,538	
Personnel expenses	-24,985	-20,787		-94,509	-72,788	
Other operating expenses	-1,911	-2,565		-2,594	-5,703	
Amortization & depreciation	-4,732	-3,086		-16,948	-12,139	
Operating profit (EBIT)	29,329	29,370	-0.1%	60,705	85,403	-28.9%
Financial income	1,297	1,625		5,469	4,147	
Financial expenses	-115	-212		-806	-920	
Profit before taxes (EBT)	30,510	30,784	-0.9%	65,368	88,630	-26.2%
Taxes	-6,364	-6,476		-13,598	-18,669	
Profit for the period	24,146	24,307	-0.7%	51,771	69,962	-26.0%
Attributable to:						
Parent company's shareholders	24,146	24,307		51,771	69,962	
Earnings per share	1.16	1.17		2.49	3.37	
Earnings per share, diluted	1.16	1.17		2.49	3.37	

Group

Statement of Comprehensive Income

<i>SEK thousand if not stated otherwise</i>	October - December			January - December		
	2024	2023	Δ	2024	2023	Δ
Profit for the period	24,146	24,307	-0.7%	51,771	69,962	-26.0%
<i>Items that can later be reclassified to the income statement</i>						
Translation differences	8	-9		10	-19	
Other comprehensive income	8	-9	-179.8%	10	-19	-153.2%
Comprehensive profit for the period attributable the parent company's shareholders	24,154	24,298	-0.6%	51,781	69,943	-26.0%

Group

Statement of Financial position

SEK thousand if not stated otherwise

<u>ASSETS</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>	<u>EQUITY AND LIABILITIES</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>NON-CURRENT ASSETS</u>			<u>EQUITY</u>		
Goodwill	299,949	299,949	Share capital	1,039	1,039
Intangible assets	21,083	19,754	Other contributed capital	227,696	228,052
Tangible assets	16,743	3,903	Retained earnings	276,347	243,789
Right-of-use assets	27,522	22,126	Profit for the period	51,771	69,962
Deferred tax assets	125	242	Total equity attributable to the parent company's shareholders	556,853	542,842
Total non-current assets	365,423	345,974			
<u>CURRENT ASSETS</u>			<u>NON-CURRENT LIABILITIES</u>		
Inventory	133,228	125,656	Deferred tax liability	22	22
Other receivables	32,454	22,351	Leasing debt	17,031	10,545
Prepaid expenses	2,812	2,698	Provisions	3,030	-
Cash and cash equivalents	219,463	208,936	Total non-current liabilities	20,082	10,566
Total current assets	387,957	359,642			
TOTAL ASSETS	753,380	705,615	<u>CURRENT LIABILITIES</u>		
			Accounts payable	76,592	55,449
			Current tax liabilities	12,018	19,155
			Other current liabilities	55,452	50,501
			Current leasing debt	11,101	12,576
			Prepaid income and accrued expenses	21,282	14,527
			Total current liabilities	176,444	152,208
			TOTAL EQUITY AND LIABILITIES	753,380	705,615

Group

Statement of Changes in Equity

October – December

2024	Share capital	Other contributed capital	Retained earnings	Total equity	2023	Share capital	Other contributed capital	Retained earnings	Total equity
			including profit for the period					including profit for the period	
Opening balance 2024-10-01	1,039	227,933	303,965	532,937	Opening balance 2023-10-01	1,039	228,052	289,451	518,543
Profit for the period			24,146	24,146	Profit for the period			24,307	24,307
Other comprehensive income			8	8	Other comprehensive income			-9	-9
Total comprehensive profit	1,039	227,933	328,119	557,090	Total comprehensive profit	1,039	228,052	313,751	542,842
<i>Transactions with shareholders:</i>									
Dividend per AGM decision				-	Dividend per AGM decision				-
Warrants, issue				-	Warrants, issue				-
Warrants, repurchase		-237		-237	Warrants, repurchase				-
New share issue				-	New share issue				-
Closing balance 2024-12-31	1,039	227,696	328,119	556,853	Closing balance 2023-12-31	1,039	228,052	313,751	542,842

Statement of Changes in Equity

January - December

2024	Share capital	Other contributed capital	Retained earnings	Total equity	2023	Share capital	Other contributed capital	Retained earnings	Total equity
			including profit for the period					including profit for the period	
Opening balance 2024-01-01	1,039	228,052	313,751	542,842	Opening balance 2023-01-01	1,039	227,627	274,985	503,651
Profit for the period			51,771	51,771	Profit for the period			69,962	69,962
Other comprehensive income			10	10	Other comprehensive income			-19	-19
Total comprehensive profit	1,039	228,052	365,532	594,622	Total comprehensive profit	1,039	227,627	344,929	573,594
<i>Transactions with shareholders:</i>									
Dividend per AGM decision			-37,413	-37,413	Dividend per AGM decision			-31,178	-31,178
Warrants, issue				-	Warrants, issue		425		425
Warrants, repurchase		-356		-356	Warrants, repurchase				-
New share issue				-	New share issue				-
Closing balance 2024-12-31	1,039	227,696	328,119	556,853	Closing balance 2023-12-31	1,039	228,052	313,751	542,842

Group

Statement of Cash flow

	October - December		January - December	
	2024	2023	2024	2023
<i>Operating activities before changes in working capital</i>				
EBIT	29,329	29,370	60,705	85,403
<i>Adjustments for non-cash items</i>				
Depreciation and amortization	4,732	3,086	16,948	12,139
Change in provisions	333	-	3,030	-
Unrealized exchange rate difference	-505	3,581	-3,044	2,529
Adjustment for gains or losses on the sale or disposal of assets	-	-	407	-
Interest received	1,297	1,625	5,469	4,147
Interest paid	-115	-212	-806	-920
Income tax paid	618	-1,599	-20,618	-41,069
Cash flow from operating activities before changes in working capital	35,689	35,851	62,091	62,229
<i>Changes in working capital</i>				
Change in inventory	22,491	35,174	-7,572	48,602
Change in operating receivables	-274	1,118	-10,075	28,057
Change in operating liabilities	23,281	13,739	32,390	-10,816
Cash flow from changes in working capital	45,498	50,031	14,743	65,843
Cash flow from operating activities	81,188	85,882	76,834	128,072
Investment in intangible assets	-	-2,683	-4,114	-10,690
Acquisition of tangible assets	-10,213	-1,389	-14,890	-1,974
Sales of tangible assets	-	-	-	-
Cash flow from investing activities	-10,213	-4,072	-19,004	-12,664
New shares issue	-	-	-	-
Warrants	-	-	-	425
Warrants, repurchase	-237	-	-356	-
Amortization of leasing debt	-3,305	-2,729	-12,905	-10,873
Dividend payout	-	-	-37,413	-31,178
Cash flow from financing activities	-3,542	-2,729	-50,675	-41,626
TOTAL CASH FLOW DURING THE PERIOD	67,432	79,081	7,156	73,783
Liquidity at the start of the period	151,201	135,723	208,936	139,978
Exchange rate differences in liquidity	830	-5,868	3,371	-4,825
Liquidity at the end of the period	219,463	208,936	219,463	208,936



Notes

Note 1 – Accounting principles

This interim report has been prepared according to IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. Statements and disclosures in accordance with IAS 34 p. 16A appear not only in the financial statements and their accompanying notes but also in other parts of the interim report. The parent company applies the Swedish Annual Accounts Act and RFR 2 Accounting for legal entities. For additional information about Rugvista Group's accounting principles, we refer to note 2 in the 2023 Annual Report published on www.rugvistagroup.com

New and changed standards

None of the new and changed standards and interpretations applicable commencing January 1st, 2024, have had any material impact on the financial statements of the Group or the parent company.

Future standards

A number of new and changed IFRS have not yet entered into effect and are not applied in advance in conjunction with preparation of the financial statements of the Group and of the parent company. None of the new or changed standards or interpretations published by IASB are expected to have any impact on the financial statements of the Group or the parent company.

Significant accounting assessments, estimates, and assumptions

When the board of directors and CEO prepare financial statements in accordance with applied accounting principles, certain estimates and assumptions must be made that affect the reported value of assets, liabilities, income, and expenses. The areas where estimates and assumptions are of great importance for the Group and may affect the income statement and balance sheet are described in detail in the annual report for 2023.

No changes to these assessments, estimates, and assumptions have been made that could have had a material impact on the interim report.

Note 2 – Risks and factors of uncertainty

There are several strategic, operational, and financial risks and uncertainties that can affect the Group's financial results and position. Most risks can be managed through internal procedures, while others are largely driven by external factors.

For a more detailed description of the risks and uncertainties faced by the Group, please refer to the Director's Report in the 2023 Annual Report.

Notes

Note 3 – Reconciliation of segment reporting

The Group's operations are divided into three segments: B2C, B2B, and Marketplaces & Other (MPO). The B2C segment represents the consumer market and is the Company's core segment.

October – December 2024	B2C	B2B	MPO	Segment total
Net revenue	216,623	22,651	6,601	245,875
Goods for resale	-82,483	-8,368	-2,669	-93,521
Gross profit	134,140	14,283	3,931	152,354
Marketing costs	-75,391	-3,217	-2,199	-80,806
Segment earnings	58,749	11,067	1,733	71,548
October – December 2023	B2C	B2B	MPO	Segment total
Net revenue	205,402	23,329	4,553	233,284
Goods for resale	-83,099	-9,142	-1,818	-94,059
Gross profit	122,303	14,187	2,735	139,225
Marketing costs	-67,558	-2,950	-1,628	-72,135
Segment earnings	54,746	11,237	1,107	67,090
January – December 2024	B2C	B2B	MPO	Segment total
Net revenue	601,635	75,375	17,836	694,847
Goods for resale	-228,975	-27,636	-7,469	-264,080
Gross profit	372,661	47,739	10,367	430,767
Marketing costs	-201,114	-9,075	-6,089	-216,278
Segment earnings	171,546	38,665	4,278	214,489
January – December 2023	B2C	B2B	MPO	Segment total
Net revenue	606,533	81,662	14,008	702,203
Goods for resale	-233,394	-30,142	-5,611	-269,147
Gross profit	373,139	51,520	8,397	433,056
Marketing costs	-205,366	-10,593	-4,730	-220,689
Segment earnings	167,773	40,928	3,666	212,366

Additional information Adjustments and eliminations

Only net revenue, goods for resale and marketing costs are allocated to the respective segments. Other income and costs are not allocated on a segment level as these line items relate to Group activities.

Reconciliation of income	October - December		January - December	
	2024	2023	2024	2023
Segment earnings	71,548	67,090	214,489	212,366
Other income	297	1,472	1,255	2,516
Other external expenses (excl. Marketing costs)	-10,887	-12,753	-40,988	-38,849
Personnel expenses	-24,985	-20,787	-94,509	-72,788
Other operating expenses	-1,911	-2,565	-2,594	-5,703
Amortization & depreciation	-4,732	-3,086	-16,948	-12,139
Financial income and expenses	1,181	1,413	4,663	3,227
Profit before taxes (EBT)	30,510	30,784	65,368	88,630

Notes

Note 4 – Financial assets

Financial assets valued at accrued acquisition value	12/31/2024	12/31/2023
<i>Financial assets in the balance sheet</i>		
Other receivables	8,978	5,296
Cash and cash equivalents	219,463	208,936
Total	228,441	214,232

The maximum credit risk of the assets comprises amounts reported in the table above. The Group has received no pledged securities in respect of the financial net assets.

Other receivables primarily comprise receivables from payment providers with whom the Group co-operates in order to offer payment and financing solutions to end customers as well as various current receivables.

Book value corresponds in all essential respects to fair value.

Other financial liabilities valued at accrued acquisition value	12/31/2024	12/31/2023
<i>Financial liabilities in the balance sheet</i>		
Accounts payable	76,592	55,449
Other liabilities	10,131	8,391
Accrued expenses	8,514	5,261
Leasing debt	28,131	23,120
Total	123,369	92,221

Fair value of financial assets is considered to correspond to the reported value.

Note 5 – Parent company ownership overview

The ten largest shareholders as of December 30th, 2024. A group of shareholders is considered to constitute one owner if they have been grouped together by Euroclear.

Owner	Number of shares	Share of capital	Share of votes
Madhat AB	2,505,874	12.1%	12.1%
Alcur Fonder AB	2,169,213	10.4%	10.4%
Futur Pension Försäkringsaktiebolag	1,807,892	8.7%	8.7%
Indexon AB	1,490,204	7.2%	7.2%
Nordnet Pensionsförsäkring AB	1,485,457	7.1%	7.1%
SIX SIS AG, W8IMY	1,284,427	6.2%	6.2%
Movestic Livförsäkring AB	1,069,993	5.1%	5.1%
BANK JULIUS BAER & CO LTD, W8IMY WITHOUT	1,037,178	5.0%	5.0%
CBLB / UCITS -EXEMPTED	918,411	4.4%	4.4%
Försäkringsaktiebolaget Avanza Pension	796,166	3.8%	3.8%
<i>Total the ten largest shareholders</i>	<i>14,564,815</i>	<i>70.1%</i>	<i>70.1%</i>
Total number of outstanding shares	20,785,140	100.0%	100.0%

Source: Euroclear extract per December 30th, 2024

Parent company

Parent company's Statement of Income

<i>SEK thousand if not stated otherwise</i>	October - December			January - December		
	2024	2023	Δ	2024	2023	Δ
Net revenue	4,383	3,852	13.8%	20,236	15,390	31.5%
Other income	11	1	653.2%	11	1	653.2%
Total operating income	4,394	3,853	14.0%	20,247	15,391	31.6%
Other external expenses	-1,198	-1,361		-5,754	-6,635	
Personnel expenses	-3,490	-2,527		-14,845	-9,151	
Other operating expenses	-755	-		-755	-	
Operating profit (EBIT)	-1,048	-34	2943%	-1,107	-395	180%
Financial income	1,407	212		2,030	539	
Financial expenses	-466	-		-690	-73	
Profit before taxes (EBT)	-108	178	-160.7%	233	71	228.2%
<i>Year-end appropriations</i>						
Group contribution	48,000	65,000		48,000	65,000	
Taxes	-9,861	-13,412		-9,947	-13,412	
Profit for the period ¹⁾	38,032	51,766	-26.5%	38,285	51,659	-25.9%

Parent company

Parent company's Statement of Financial position

SEK thousand if not stated otherwise

<u>ASSETS</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>	<u>EQUITY AND LIABILITIES</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>NON-CURRENT ASSETS</u>			<u>EQUITY</u>		
<i>Financial non-current assets</i>			<i>Restricted equity</i>		
Shares in group companies	321,271	321,271	Share capital	1,039	1,039
Long-term receivables from subsidiaries	-	11,238	Sub-total, restricted equity	1,039	1,039
Total non-current assets	321,271	332,508	<i>Unrestricted equity</i>		
			Retained earnings	345,853	331,607
<u>CURRENT ASSETS</u>			Profit for the period	38,285	51,659
Other receivables	15,896	66,184	Sub-total, unrestricted equity	384,138	383,266
Prepaid expenses	547	172			
Cash and cash equivalents	190,265	10,784	Total equity	385,177	384,305
Total current assets	206,708	77,139			
			<u>NON-CURRENT LIABILITIES</u>		
TOTAL ASSETS	527,979	409,647	Provisions	3,030	-
			Total non-current liabilities	3,030	-
			<u>CURRENT LIABILITIES</u>		
			Accounts payable	1,420	396
			Current tax liabilities	14,173	22,835
			Other current liabilities	121,484	800
			Prepaid income and accrued expenses	2,694	1,311
			Total current liabilities	139,772	25,342
			TOTAL EQUITY AND LIABILITIES	527,979	409,647

Board of Directors and Chief Executive Officer assurance

The Board of Directors and the Chief Executive Officer (CEO) confirm that the Year-end report provides a true development overview of the Group's and parent company's (Rugvista Group AB (publ)) operations, financial position, and financial performance as well as describes the material risks and uncertainties facing the parent company and the companies comprising the group.

Limhamn on the 6th of February 2025

Martin Benckert

Chairman of the Board

Ebba Ljungerud

Acting CEO and Board member

Hanna Graflund Sleyman

Board member

Patrik Berntsson

Board member

Ludvig Friberger

Board member

Magnus Dimert

Board member

Definitions of metrics and key performance indicators

Rugvista Group presents certain measures that are not defined under IFRS (alternative performance measures – “APMs”). The Group believes that these measures provide useful supplementary information to investors and the company’s management as they enable evaluation of the company’s financial development and position. Since all companies do not calculate financial and operational measures in the same manner, these are not always comparable with measures used by other companies. These measures should therefore not be regarded as substitute for measures defined in accordance with IFRS.

Measure	Definition	Explanation
Adjusted EBIT	Operating income less operating costs adjusted for non-recurring items before net financial income and taxes.	A measure that demonstrates the operational profits excluding effects from non-recurring items
Adjusted EBIT margin	Adjusted EBIT divided by net revenue.	A measure that demonstrates the profitability for the operations excluding effects from non-recurring items.
Average NPS value	The average value for customer responses on the NPS (Net Promotor Score) question for orders received during the period. The maximum value is 100.	A measure that is used to measure customer satisfaction and established broadly across multiple industries.
Average order value	The average value, including VAT, of orders after cancellations during the period, divided by the number of orders during the period.	A measure that provides an indication of how much each customer is willing to pay for the company’s products.
Average TrustPilot value	The average value for customer responses on the TrustPilot platform during the period. The maximum value is 5.0.	A number which is used to measure customer satisfaction.
CO2e emissions per square meter sold rug	Emissions of carbon dioxide equivalents from purchasing rugs during the period recalculated to an intensity target per square meter of rug sold during the period.	A measure used to quantify the greenhouse gas emissions from the company’s rug purchases over the period.
Gross margin	Gross profit divided by the net revenue.	A measure that demonstrates profitability after costs for goods for resale.
Gross profit	Operating income less the cost for goods for resale.	A measure that demonstrates what is left to finance other costs after the goods for resale have been paid for.
Inventory as % of LTM net revenue	Inventory value divided by the sum of net revenue during the past 12 months (LTM)	A measure that provides an indication of whether there is sufficient inventory on hand to support demand.
Marketing costs as a share of net revenue	The costs for marketing activities carried out during the period, divided by net revenue during the period.	A measure that demonstrates how much is invested in marketing in relation to net revenue.
Net financial indebtedness / Net debt	Interest bearing liabilities less cash and cash equivalents.	A measure that displays the cash and cash equivalent available after having theoretical settled all interest-bearing liabilities; be it current or non-current.

Measure	Definition	Explanation
Net revenue growth	Percent change in the period’s net revenue compared to the previous period.	A measure that demonstrates the growth rate of net revenue.
Number of new customers	Number of orders from first time customers, before cancellations or returns.	A measure that provides an indication of how well the company succeeds in attracting new customers with its offering.
Number of orders	Number of orders placed by customers during the period, before cancellations or returns.	A measure that provides an indication of the company’s level of activity towards customers. Also used to calculate unit-based metrics.
Number of web-shop visits	Number of visits to the company’s online stores during the period.	A measure that provides an indication of the company’s ability to attract potential customers to its online stores.
Operating margin (EBIT margin)	Operating profit (EBIT) divided by net revenue.	A measure that demonstrates the profitability for the operations.
Operating profit (EBIT)	Operating income less operating costs before net financial income and taxes.	A measure that demonstrates the operational profits.
Organic net revenue growth	Percent change in the period’s net revenue excluding divested operations with adjustment made for currency effects compared to the previous period.	A measure that demonstrates the growth rate of net revenue for ongoing operations excluding currency effects.
Profit margin	Profit for the period after taxes, divided by total income.	A measure that demonstrates the profitability after taxes.
Return rate in percent	The value of returns (actual and expected) divided by the sales during the period.	A measure that provides an indication of the company’s customers are satisfied with the products they have ordered.
Segment earnings	Net revenue less the cost for goods for resale and marketing costs for the segment.	A measure that demonstrates the segment’s profit contribution.
Segment margin	Segment earnings divided by net revenue for the segment.	A measure that demonstrates the segment’s profitability.

Glossary

Acronym	Explanation
B2B	Business-to-Business, i.e., segment representing sales to other businesses.
B2C	Business-to-Consumer, i.e., segment representing sales to private individuals (consumers).
MPO	Marketplaces & Other, i.e., segment representing sales via third party platforms like Amazon.
DACH	The markets where German is the primary language, i.e., Germany, Austria, and Switzerland.
Nordics	The Nordic markets including Sweden, Denmark, Norway, Finland and Iceland.
Rest of World	All other markets that the Group serves which are not included in either the DACH or Nordic regions.
pp	Percentage point(s).
LTM	Last Twelve Months



Reconciliation with financial statements according to IFRS

Gross profit and gross margin

<i>SEK thousand if not stated otherwise</i>	October-December		January-December	
	2024	2023	2024	2023
Total operating income (A)	246,172	234,757	696,102	704,718
Goods for resale (B)	-93,521	-94,059	-264,080	-269,147
Gross profit (A) + (B)	152,651	140,698	432,022	435,571
Net revenue (C)	245,875	233,284	694,847	702,203
Gross margin, % ((A) + (B)) / (C)	62.1%	60.3%	62.2%	62.0%

Adjusted EBIT and EBIT margin

<i>SEK thousand if not stated otherwise</i>	October-December		January-December	
	2024	2023	2024	2023
Operating profit (EBIT) (A)	29,329	29,370	60,705	85,403
Items affecting comparability (B)	-	-	-	-
Adjusted EBIT (A) + (B)	29,329	29,370	60,705	85,403
Net revenue (C)	245,875	233,284	694,847	702,203
Adjusted EBIT margin, % ((A) + (B)) / (C)	11.9%	12.6%	8.7%	12.2%

Inventory as % of LTM net revenue

<i>SEK thousand if not stated otherwise</i>	October-December		January-December	
	2024	2023	2024	2023
Inventory (A)	133,228	125,656	133,228	125,656
Net revenue, last twelve months (LTM) (B)	694,847	702,203	694,847	702,203
Inventory as % of LTM net revenue (A) / (B)	19.2%	17.9%	19.2%	17.9%

Net debt

<i>SEK thousand if not stated otherwise</i>	October-December		January-December	
	2024	2023	2024	2023
Cash and cash equivalents (A)	-219,463	-208,936	-219,463	-208,936
Interest bearing liabilities (current and non-current) (B)	-	-	-	-
Interest bearing lease liabilities (current and non-current) (C)	28,131	23,120	28,131	23,120
Net financial indebtedness (+) /net cash (-) (A)+(B)+(C)	-191,331	-185,816	-191,331	-185,816

Organic net revenue growth

<i>SEK thousand if not stated otherwise</i>	October - December		January - December	
	2024	2023	2024	2023
Last year's net revenue (A)	233,284	204,135	702,203	639,273
Net revenue divested operations (B)	-	-	-	-
Last year's net revenue, excluding divested operations (A)-(B)=(C)	233,284	204,135	702,203	639,273
Net revenue (D)	245,875	233,284	694,847	702,203
Net revenue divested operations (E)	-	-	-	-
Net revenue, excluding divested operations (D)-(E)=(F)	245,875	233,284	694,847	702,203
FX impact on this year's net revenue (G)	1,264	10,153	-312	45,165
Net revenue, excluding divested operations and FX impact (F)-(G)=(H)	244,612	223,131	695,159	657,037
Organic net revenue growth % (H)/(C)-1	4.9%	9.3%	-1.0%	2.8%

Information by quarter for selected expenses

<i>SEK thousand if not stated otherwise</i>		Jan - Mar 2021		Apr - Jun 2021		Jul - Sep 2021		Oct - Dec 2021	
Expense item	SEK K	%¹	SEK K	%¹	SEK K	%¹	SEK K	%¹	
Net revenue	204,538	100.0%	140,621	100.0%	141,025	100.0%	218,801	100.0%	
Product expenses	-48,509	-23.7%	-32,651	-23.2%	-33,432	-23.7%	-52,939	-24.2%	
Shipping and other selling expenses	-23,762	-11.6%	-18,218	-13.0%	-17,074	-12.1%	-24,243	-11.1%	
Marketing costs	-57,280	-28.0%	-41,635	-29.6%	-44,731	-31.7%	-69,025	-31.5%	
		Jan - Mar 2022		Apr - Jun 2022		Jul - Sep 2022		Oct - Dec 2022	
Expense item	SEK K	%¹	SEK K	%¹	SEK K	%¹	SEK K	%¹	
Net revenue	185,973	100.0%	121,228	100.0%	127,937	100.0%	204,135	100.0%	
Product expenses	-45,993	-24.7%	-32,284	-26.6%	-29,294	-22.9%	-49,878	-24.4%	
Shipping and other selling expenses	-24,529	-13.2%	-16,517	-13.6%	-17,860	-14.0%	-28,458	-13.9%	
Marketing costs	-65,038	-35.0%	-40,529	-33.4%	-36,837	-28.8%	-62,898	-30.8%	
		Jan - Mar 2023		April - June 2023		Jul - Sep 2023		Oct - Dec 2023	
Expense item	SEK K	%¹	SEK K	%¹	SEK K	%¹	SEK K	%¹	
Net revenue	180,262	100.0%	129,063	100.0%	159,593	100.0%	233,284	100.0%	
Product expenses	-41,557	-23.1%	-29,588	-22.9%	-38,414	-24.1%	-59,633	-25.6%	
Shipping and other selling expenses	-26,289	-14.6%	-17,617	-13.7%	-21,623	-13.5%	-34,427	-14.8%	
Marketing costs	-57,011	-31.6%	-40,242	-31.2%	-51,301	-32.1%	-72,135	-30.9%	
		Jan - Mar 2024		April - June 2024		July - Sep 2024		Oct - Dec 2024	
Expense item	SEK K	%¹	SEK K	%¹	SEK K	%¹	SEK K	%¹	
Net revenue	175,855	100.0%	128,357	100.0%	144,759	100.0%	245,875	100.0%	
Product expenses	-42,542	-24.2%	-29,836	-23.2%	-34,565	-23.9%	-60,634	-24.7%	
Shipping and other selling expenses	-25,306	-14.4%	-18,164	-14.2%	-20,146	-13.9%	-32,888	-13.4%	
Marketing costs	-53,641	-30.5%	-38,255	-29.8%	-43,576	-30.1%	-80,806	-32.9%	

Business vision and strategy

Rugvista's business vision is ***to become the center of gravity for the European rug industry.***

To realize the vision, a set of key strategic initiatives have been defined. The Group's current strategic initiatives are:

Win the key European markets

This goal is to be achieved by further localization of the end-to-end user experience in the core markets. Localization initiatives per region and/or market includes, but are not limited to, actions such as optimizing delivery options, tailoring payment alternatives, and customizing marketing activities.

The Group believes that additional localization will drive increased consumer preference in the core markets and thus enable further efficient scaling in these regions.

In phase 2 of this initiative, the ambition is to start investing in building a known and liked brand which is expected to further drive consumer acquisition efforts and preference.

Showcase our assortment

This goal is to be achieved by refining how our assortment is presented to users in our web-shops. Emphasis will be made to make it clear that most of the products we have on offer is either designed in-house or only available to purchase from us. More inspirational images and content will also be added to enhance the storytelling around each category, collection, and/or article.

An additional effort within this initiative is to re-design of and to add additional features to the Rugvista web-shop with the purpose to make it even easier for the user to find the perfect rug just for them.

The Group believes that these efforts will not only drive increased brand preference, consumer satisfaction and loyalty, but also over time increase conversion rates.

Be world-class in everything we do

This goal is to be achieved by implementing more comprehensive and sophisticated tracking tools and processes to steer and optimize our commercial and operational performance.

The Group believes that these efforts will be the foundation for continued profitable scaling and operational efficiency improvements.

Capture selected marketplace opportunities

This goal is currently focused on scaling our Amazon business as the Group has identified this as a historically largely unaddressed growth opportunity. The opportunity is to be captured by executing actions such as optimizing the assortment on offer, enhanced article presentation, securing Prime eligibility, and scaling marketing activities on the Amazon platform.

About Rugvista Group AB (publ)

Introduction

Rugvista Group is one of the leading European direct-to-consumer online platforms within carpet and rug sales through its online stores, available in 20 different languages, using the Rugvista and CarpetVista brands. The company was founded in 2005 and offers a broad and relevant range of quality design and traditional carpets and rugs. Rugvista Group offers its EU based customers free deliveries and returns free of charge. The Group's operations are divided into three segments: B2C, B2B, and Marketplaces & Other (MPO). The B2C segment represents the consumer market and is the Company's core segment.

Purpose and vision

Rugvista Group's purpose is to help people to a home they love. Rugvista Group has defined three visions, each of which has a clear ambition.

- **Business:** To be the center of gravity for the European rug industry.
- **Sustainability:** To lead the rug industry towards a socially and environmentally sustainable future.
- **People:** To attract, motivate, and retain extraordinary people.

Strengths and competitive advantages

Rugvista Group considers itself having several strengths and competitive advantages which contributes to the Group's ability to realize strategic objectives and reaching financial targets.

- Large European rug market with strong momentum for online sales.
- Leading position on a market in which size is important.
- Comprehensive product and assortment expertise.
- Bespoke technology platform and data-driven operational model.
- Best-in-class customer satisfaction and growing customer base.
- Track record of profitable growth and high cash generation.
- Well-qualified Board of Directors and management team with extensive and relevant experience.



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