

**RUGVISTA**

Interim Report

**January – June 2024**

Rugvista Group AB (publ)

# Continued order growth in a challenging market climate

## Second quarter

- Net revenue was SEK 128.4 (129.1) million, corresponding to a decrease of -0.5% (6.5%).
- Organic net revenue growth was -1.0% (-1.5%).
- The gross margin amounted to 63.0% (63.6%).
- Operating profit amounted to SEK 2.4 (11.8) million, and the operating margin was 1.8% (9.1%).
- Profit for the period amounted to SEK 2.6 (10.2) million.
- Earnings per share before and after dilution amounted to SEK 0.12 (0.49).
- The average NPS (Net Promoter Score) was 62 (65), and the average Trustpilot score was 4.7 (4.8).

## January – June

- Net revenue was SEK 304.2 (309.3) million, corresponding to a decrease of -1.7% (0.7%).
- Organic net revenue growth was -2.5% (-5.8%).
- The gross margin amounted to 62.2% (63.0%).
- Operating profit amounted to SEK 22.3 (37.4) million, and the operating margin was 7.3% (12.1%).
- Profit for the period was SEK 19.7 (30.5) million.
- Inventory value as a percentage of LTM net revenue was 21.0% (26.7%).
- Net debt at the end of the period was SEK -137.5 (-81.6) million.
- Earnings per share before and after dilution amounted to SEK 0.95 (1.47).
- The average NPS (Net Promoter Score) was 63 (67), and the average Trustpilot value was 4.7 (4.8).

## Group key performance indicators<sup>1</sup>

<i>SEK thousand if not stated otherwise</i>	April-June		January - June	
	2024	2023	2024	2023
Operating income	128,805	129,311	304,941	309,921
Net revenue	128,357	129,063	304,212	309,326
Net revenue growth, %	-0.5%	6.5%	-1.7%	0.7%
Organic net revenue growth, %	-1.0%	-1.5%	-2.5%	-5.8%
Gross profit	80,805	82,106	189,094	194,870
Gross margin, %	63.0%	63.6%	62.2%	63.0%
Operating profit (EBIT)	2,360	11,757	22,333	37,422
Operating margin (EBIT margin), %	1.8%	9.1%	7.3%	12.1%
Profit for the period	2,570	10,159	19,722	30,468
Profit margin, %	2.0%	7.9%	6.5%	9.8%
Adjusted EBIT	2,360	11,757	22,333	37,422
Adjusted EBIT margin, %	1.8%	9.1%	7.3%	12.1%
Inventory as % of LTM net revenue	-	-	21.0%	26.7%
Net debt	-	-	-137,532	-81,635
Earnings per share, SEK	0.12	0.49	0.95	1.47
Earnings per share, diluted, SEK	0.12	0.49	0.95	1.47
Number of shares outstanding	20,785,140	20,785,140	20,785,140	20,785,140
Number of diluted shares outstanding	20,786,018	20,785,140	20,786,592	20,785,140
Number of website visits, million	5.9	5.5	13.4	14.4
Number of orders, thousand	58.5	51.6	140.9	123.3
Number of new customers, thousand	41.2	36.7	101.7	88.8
Average order value, SEK	3,044	3,568	2,993	3,588
Average NPS value	62	65	63	67
Average Trustpilot value	4.7	4.8	4.7	4.8
CO2e emissions per square meter sold rug	39.1	36.3	54.6	41.9





***“Despite the challenging market conditions we grew the number of orders by double digits compared to last year. We also improved the gross margin as well as marketing spend efficiency compared to the first quarter of the year.”***

**Michael Lindskog, CEO**



# Continued order growth in a challenging market environment

Dear shareholders,

We continue to see that the purchasing power of the European households is weak and that their buying behavior is characterized by a large focus on price and discount offers. Despite the challenging market conditions we grew the number of orders by double digits compared to last year. We also improved the gross margin as well as marketing spend efficiency compared to the first quarter of the year. The EBIT margin for the quarter is significantly lower compared to last year and was affected by costs of one-off characteristics. Our second quarter is generally the seasonally smallest from a net revenue perspective and higher costs will therefore have a large impact on the EBIT margin.

Net revenue for the quarter was SEK 128.4 (129.1) million representing a decrease of -0.5% (6.5%). The organic net revenue growth was -1.0%. During the quarter we continued to see growth rate differences between our most important markets and where the Nordics performed better than the other regions. The lower average order value, primarily attributable to price sensitive consumers, was also during this quarter the reason for the lower net revenue.

The gross margin for the quarter was 63.0% (63.6%) and was affected by the customers' focus on price and discount offers. Compared to the first quarter this year, the gross margin improved by more than one percentage point driven by price adjustments and ongoing efforts to optimize costs associated with deliveries to and from the customer.

Marketing cost as a share of net revenue for the quarter was 29.8% (31.2%) representing an improvement by more than one percentage point. Our ability to drive more organic traffic contributed to the improved efficiency compared to last year despite that the climate for paid traffic continued to be intense.

EBIT for the quarter was SEK 2.4 (11.8) million representing an EBIT margin of 1.8% (9.1%). That the EBIT margin decreased, despite improved variable profitability compared to last year, was to a large extent attributable to reorganization costs of one-off characteristic and a negative outcome in the line item "other operational expenses" which is driven by currency effects.

During the quarter, we paid out SEK 1.80 per share to our shareholders in accordance with a decision by the Annual General Meeting. With SEK 155 million in liquid assets and the fact that we do not have any debt to financial institutions, we have a strong financial position which is a reassuring starting point considering the uncertain market conditions.

The development of our strategic KPIs were stable during the quarter and we are glad that our customers continue to be very satisfied after having made a purchase from us. The number of orders and new customers grew by 13% and 12% respectively. The growth in the number of new customers was particularly strong in the Nordics and DACH regions. The development of our strategic KPIs is proof that our customer offering is attractive even in a challenging market.

We continue working toward the vision of becoming the center of gravity for the European rug industry. Focus areas during the quarter included preparations ahead of our move into our new warehouse, logistics and office facility, continued development of the user experience in our web shops, and the integration of a new email marketing platform. The continued development of the user experience has primarily been aimed at starting the journey toward a more segmented buying experience for our different customer groups. The purpose of the new email marketing platform is to enable further personalization and automation as well as being a step in our effort to drive more organic traffic moving forward. During the quarter, we also noted that our expanded assortment of outdoor rugs was received well by the customers and that sales within the category grew by more than 70% compared to last year.

Uncertainty remains regarding the rest-of-year outlook and where the development in the large markets in central and southern Europe is especially difficult to predict. Despite the challenging market situation, we remain focused on effectively navigating the conditions and preparing for this year's peak season. We look forward to, are prepared for, and have the capabilities to capture demand once the purchasing power of the European households improves. I am convinced that a balance between navigating the current market conditions in parallel with continuing the work to improve our customer offering and organization gives us the best possibilities for profitable growth both in the short- and long-term.

With best wishes,



CEO Rugvista Group

# Second quarter

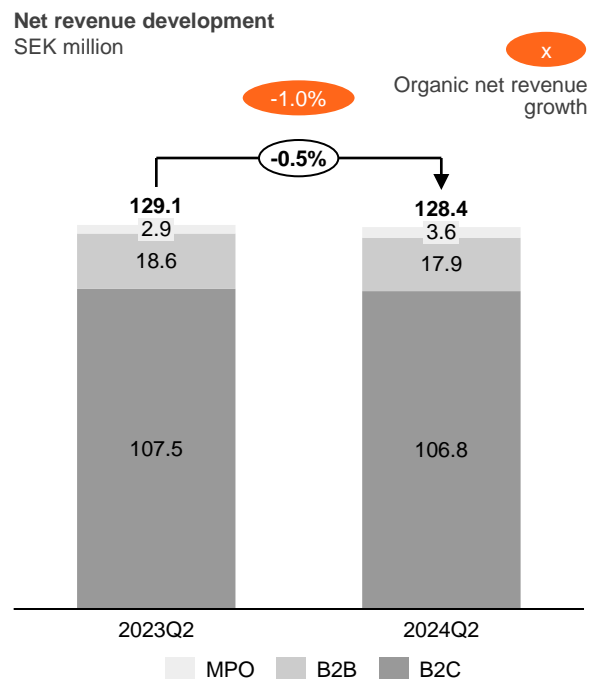
## Net revenue

The Group's net revenue was SEK 128.4 (129.1) million, corresponding to a decrease of -0.5% (6.5%), and excluding currency effects, the organic growth was -1.0% (-1.5%). The number of orders increased during the quarter by 13.4%, while the average order value decreased by -14.7%. In several of our main markets, consumer confidence strengthened slightly during the quarter but remains at a low level. We observed a continuation of the purchasing behavior that began in the third quarter of 2023, with consumers increasingly buying discounted and lower-priced products.

Net revenue within the B2C segment was SEK 106.8 (107.5) million, corresponding to a decrease of -0.7% (4.1%). Net revenue in the Nordics increased by 8.6% (6.0%), DACH decreased by -1.4% (4.2%), and Rest of World, where the majority of sales come from the rest of Europe, decreased by -4.2% (3.3%).

Net revenue within the B2B segment was SEK 17.9 (18.6) million, corresponding to a decrease of -3.7% (26.9%). During the quarter, sales decreased primarily in the customer group of smaller businesses.

Net revenue within the Marketplaces & Other (MPO) segment was SEK 3.6 (2.9) million, corresponding to an increase of 24.8% (-9.9%). The majority of sales in this segment were through Amazon's marketplace. In the previous year, our sales in the MPO segment were negatively impacted by a restructuring of the sales strategy



## Profits and margins

The gross margin decreased to 63.0% (63.6%). The cost of goods sold as a percentage of net revenue was negatively impacted by higher discounts offered to customers. The number of discounted products for the quarter was slightly higher than the previous year, but the negative margin effect is primarily attributable to customers increasingly choosing discounted products or products with lower prices. The increase in gross margin compared to the first quarter of this year, which stood at 61.6%, is explained by a price increase of a few percentage points implemented in early April.

Other external costs amounted to SEK -48.2 (-49.5) million and as a percentage of net revenue -37.6% (-38.4%). The decrease in percentage is attributable to lower marketing costs, which decreased by -1.4 percentage points due to a higher share of organic traffic. Our cost increases were partly driven by expenses related to preparations for the move to a new warehouse and office in the summer of 2025, as well as increased IT costs.

Personnel costs amounted to SEK -25.2 (-18.1) million and as a percentage of net revenue, they were -19.6% (-14.0%). Organizational changes resulted in one-time costs of SEK -2.5 million. The remaining cost increases were driven by a higher number of employees, general salary increases, and the transition of staff at the Berlin office from externally hired to employed personnel.

Other operating costs amounted to SEK -1.1 (0.3) million. This item consists of the impact of exchange rate fluctuations on transactions and the revaluation of balance sheet items in foreign currencies at the quarter's closing rate.

Depreciation and amortization amounted to SEK -3.9 (-3.0) million, mainly consisting of depreciation related to right-of-use assets and intangible assets. The intangible asset is our new e-commerce platform, for which amortization began during the quarter. The increase in depreciation is also attributable to indexed rent increases for the company's leased premises and the additional cost for the new warehouse for which the company signed a lease agreement at the end of Q4 2023.

Operating profit (EBIT) was SEK 2.4 (11.8) million, and the operating margin was 1.8% (9.1%). A significant portion of the profit decrease was driven by personnel costs and one-time expenses related to organizational changes.

Net financial income amounted to SEK 0.9 (1.2) million. Taxes for the period were SEK -0.7 (-2.8) million.

Profit for the period amounted to SEK 2.6 (10.2) million, with a profit margin of 2.0% (7.9%).

# Second quarter

## Cash flow

Cash flow from operating activities during the quarter was SEK -31.2 (-4.4) million. The decrease in cash flow was driven by changes in working capital, as we reduced our accounts payable during the quarter.

Cash flow from investing activities during the quarter amounted to SEK -2.3 (-2.8) million, mainly attributable to the capitalization of costs for the development of our new e-commerce platform.

Cash flow from financing activities during the quarter amounted to SEK -40.7 (-33.5) million, of which SEK -37.4 (-31.2) million was related to dividends paid to shareholders.

## Other KPIs

The NPS score was 62 (65), and the Trustpilot score was 4.7 (4.8). These consistently high levels are proof that we maintain a strong focus on ensuring a world-class customer experience. We monitor the progress of our service key performance indicators weekly and place great importance on exceeding our customers' expectations.

The number of website visits was 5.9 (5.5) million, representing an increase of 7.4% (-19.1%), attributable to our efforts to drive increased organic traffic. As of July 1, 2023, Google Analytics 4 is used to measure website visits to our stores, while Google Universal Analytics was used previously. It is not possible to recalculate historical comparative figures for the entire reporting period. During periods when both tools were available in our online stores, we observed that Google Universal Analytics reported approximately 10% higher visit numbers compared to Google Analytics 4.

The number of orders was 58.5 (51.6) thousand, corresponding to an increase of 13.4% (6.0%).

The number of new customers acquired was 41.2 (36.7) thousand, corresponding to an increase of 12.2% (8.9%).

The average order value was SEK 3,044 (3,568), corresponding to a decrease of -14.7% (3.1%). The order value was negatively impacted by customers increasingly choosing products with lower prices and higher discounts.

## Financial position and liquidity

The inventory value at the end of the period amounted to SEK 146.1 (171.0) million, and the inventory value as a percentage of net revenue (rolling twelve months) was 21.0% (26.7%). Our goal is to maintain an inventory value as a percentage of net revenue (rolling 12 months) within the range of 17.5% to 22.5%. During the quarter, we continued to increase inventory in preparation for the peak season in the second half of the year. The nature of our products results in a low inventory risk, which is also reflected in the company's historically low need for write-downs.

Net debt at the end of the period was SEK -137.5 (-81.6) million, and cash and cash equivalents amounted to SEK 154.5 (104.4) million.









# January - June

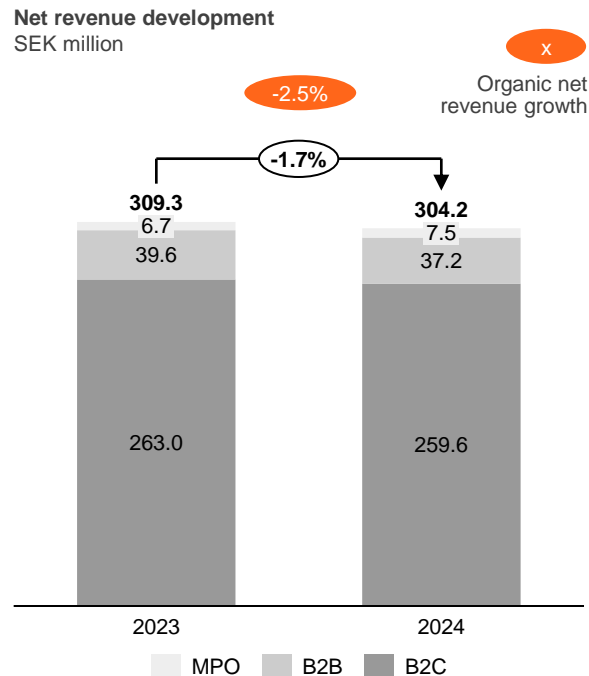
## Net revenue

The Group's net revenue for the period amounted to SEK 304.2 (309.3) million, corresponding to a decrease of -1.7% (0.7%). During the first half of the year, we continued to see strong order intake, but the average order value declined as customers increasingly purchased lower-priced products. Organic net revenue growth was -2.5% (-5.8%). In several of our key markets, consumer confidence strengthened slightly toward the end of the first half, but it remains at a historically low level.

Net revenue within the B2C segment, the Group's largest, amounted to SEK 259.6 (263.0) million, corresponding to a decrease of -1.3% (-1.5%). The Nordics increased by 11.2% (-2.2%), DACH decreased by -3.3% (-5.6%), and Rest of World decreased by -5.3% (0.4%).

The net revenue in the B2B segment amounted to SEK 37.2 (39.6) million, corresponding to a decrease of -6.1% (24.2%). During the quarter, sales primarily declined within the small business customer group.

The net revenue in the Marketplaces & Other (MPO) segment amounted to SEK 7.5 (6.7) million, corresponding to an increase of 10.9% (-19.4%). During the first half of the previous year, our sales in this segment were negatively impacted by operational challenges and a restructuring of the sales strategy.



## Profits and margins

The gross margin amounted to 62.2% (63.0%). The number of discounted products for the period was slightly higher than in the previous year, but the negative margin effect is primarily attributable to customers increasingly choosing discounted products or products at lower price points.

Other external costs during the period amounted to SEK -112.5 (-114.2) million, corresponding to -37.0% (-36.9%) of net revenue. Lower marketing costs contributed to a reduction of -1.2 percentage points due to a higher share of organic traffic. We also experienced cost increases driven by preparations for the move to a new warehouse and office in 2025, as well as increased IT costs.

Personnel costs amounted to SEK -45.4 (-35.9) million, representing -14.9% (-11.6%) of net revenue. Organizational changes resulted in one-time costs of SEK -2.5 million. The remaining cost increases were driven by an increase in the number of employees, general wage increases, and the transition of the Berlin office staff from externally hired to employed personnel from March-April.

Other operating costs amounted to SEK -1.4 (-1.3) million. This item consists of the impact of exchange rate fluctuations on transactions and the revaluation of assets and liabilities in foreign currencies.

Depreciation and amortizations amounted to SEK -7.5 (-6.0) million and are related to right-of-use assets and intangible fixed assets. The intangible fixed asset is our new e-commerce platform, for which amortization began at the end of the second quarter. The increase in depreciation is also attributable to indexed rent increases for the company's leased premises and the additional cost of the new warehouse for which the company signed a lease agreement at the end of Q4 2023.

The operating profit (EBIT) amounted to SEK 22.3 (37.4) million, corresponding to an operating margin of 7.3% (12.1%). The decrease in operating margin was driven by increased personnel costs, the lower gross margin, and a negative scale effect from lower net revenue.

The financial net has increased to SEK 2.6 (1.1) million. During the period, we had significantly higher net cash compared to the previous year.

Taxes for the period amounted to SEK -5.2 (-8.0) million.

Profit for the period amounted to SEK 19.7 (30.5) million, and the profit margin for the period was 6.5% (9.8%).



# January – June

## Financial position and liquidity

The inventory value at the end of the period amounted to SEK 146.1 (171.0) million, and the inventory value as a percentage of net revenue (rolling twelve months) was 21.0% (26.7%). Our goal is to maintain an inventory value as a percentage of net revenue (rolling 12 months) within the range of 17.5% - 22.5%. During the period, we continued to increase inventory in preparation for the high season. The nature of our products results in low inventory risk, which is also reflected in the company's historically low need for write-downs.

Net debt at the end of the period was SEK -137.5 (-81.6) million, and cash and cash equivalents amounted to SEK 154.5 (104.4) million. The Board's proposal for a dividend, as decided at the Annual General Meeting in May 2024, of SEK 1.80 per share (1.50), totaling SEK 37.4 (31.2) million, was paid on May 30.

## Other KPIs

The NPS score was 63 (67), and the TrustPilot rating was 4.7 (4.8), which is evidence that our continued strong focus on ensuring a world-class customer experience has been successful.

The number of website visits was 13.4 (14.4) million, corresponding to a decrease of -6.5% (-16.8%). The decline is attributable to the macroeconomic climate with reduced demand, particularly within the B2C segment during the first quarter of the year, as well as a focus on cost efficiency in paid marketing channels.

The number of orders was 140.9 (123.3) thousand, representing an increase of 14.2% (-0.8%).

The number of new customers acquired was 101.7 (88.8) thousand, reflecting an increase of 14.5% (1.4%).

The average order value was SEK 2,993 (3,588), representing a decrease of -16.6% (1.7%). The order value was negatively impacted by customers increasingly choosing lower-priced products with higher discounts.

## Cash flow

Cash flow from operating activities during the period amounted to SEK -8.8 (2.3) million. The lower cash flow is primarily attributable to a planned increase in inventory this year.

Cash flow from investing activities during the period amounted to SEK -4.8 (-5.0) million, with the main portion representing investment in our new e-commerce platform.

Cash flow from financing activities during the period amounted to SEK -43.9 (-36.2) million. The dividend to shareholders, paid in the second quarter, was higher than the previous year.





## B2C

## Second quarter

<i>SEK thousand if not stated otherwise</i>	April-June		
	2024	2023	Δ
Net revenue	106,810	107,543	-0.7%
<i>Net revenue, DACH</i>	20,944	21,232	-1.4%
<i>Net revenue, Nordics</i>	26,820	24,694	8.6%
<i>Net revenue, Rest of World</i>	59,046	61,618	-4.2%
Gross profit	66,790	68,005	-1.8%
Gross margin, %	62.5%	63.2%	-0.7pp
Marketing cost as a share of net revenue, %	32.9%	34.4%	-1.6pp
Segment earnings	31,679	30,974	2.3%
Segment margin, %	29.7%	28.8%	0.9pp

Net revenue for the B2C segment during the quarter was SEK 106.8 (107.5) million, representing a decrease of (-0.7%). Despite the decrease in net revenue within the segment, the Nordics grew by 8.6% (6.0%), with strong growth in outdoor rugs, among other categories. The DACH region declined by -1.4% (4.2%), and the Rest of World region, where a significant portion of sales comes from other parts of Europe, saw a decrease in net revenue of -4.2% (3.3%).

Gross profit amounted to SEK 66.8 (68.0) million, corresponding to a decrease of -1.8% (10.9%), and the gross margin was 62.5% (63.2%). The decrease in gross margin was driven by a higher proportion of discounted sales, although a price adjustment at the beginning of the quarter helped improve the margin compared to the first quarter.

Marketing costs as a percentage of net revenue amounted to 32.9% (34.4%), with the decrease driven by a higher proportion of organic traffic.

The segment result was SEK 31.7 (31.0) million, representing an increase of 2.3% (28.2%), and the segment margin was 29.7% (28.8%), with the improvement attributed to increased marketing efficiency.

## January - June

<i>SEK thousand if not stated otherwise</i>	January-June		
	2024	2023	Δ
Net revenue	259,583	263,014	-1.3%
<i>Net revenue, DACH</i>	52,601	54,406	-3.3%
<i>Net revenue, Nordics</i>	63,647	57,252	11.2%
<i>Net revenue, Rest of World</i>	143,336	151,355	-5.3%
Gross profit	160,408	164,966	-2.8%
Gross margin, %	61.8%	62.7%	-0.9pp
Marketing cost as a share of net revenue, %	32.8%	34.1%	-1.3pp
Segment earnings	75,275	75,213	0.1%
Segment margin, %	29.0%	28.6%	0.4pp

Net revenue for the B2C segment during the period was SEK 259.6 (263.0) million, representing a decrease of -1.3% (-1.5%). The Nordics increased by 11.2% (-2.2%), while DACH decreased by -3.3% (-5.6%). The Rest of World, which mainly consists of other European markets, decreased by -5.3% (0.4%).

Gross profit amounted to SEK 160.4 (165.0) million, corresponding to a decrease of -2.8% (1.6%), and the gross margin was 61.8% (62.7%). The decrease in gross margin was driven by a higher proportion of discounted sales, although a price adjustment at the beginning of the second quarter helped improve the margin compared to the first quarter.

Marketing costs as a percentage of net revenue amounted to 32.8% (34.1%), with the decrease driven by a focus on marketing efficiency and a higher proportion of organic traffic.

The segment result was SEK 75.3 (75.2) million, representing an increase of 0.1% (15.9%), and the segment margin was 29.0% (28.6%).



## B2B

## Second quarter

<i>SEK thousand if not stated otherwise</i>	April-June		
	2024	2023	Δ
Net revenue	17,948	18,635	-3.7%
Gross profit	11,588	12,150	-4.6%
Gross margin, %	64.6%	65.2%	-0.6pp
Marketing cost as a share of net revenue, %	10.8%	12.1%	-1.3pp
Segment earnings	9,658	9,897	-2.4%
Segment margin, %	53.8%	53.1%	0.7pp

Net revenue for the B2B segment during the quarter was SEK 17.9 (18.6) million, representing a decrease of -3.7% (26.9%). The decline is primarily driven by reduced sales to the small business customer group.

Gross profit amounted to SEK 11.6 (12.2) million, corresponding to a decrease of -4.6% (32.1%), and the gross margin was 64.6% (65.2%).

Marketing costs as a percentage of net revenue amounted to 10.8% (12.1%), with the decrease driven by the same factors as in the B2C segment.

The segment result was SEK 9.7 (9.9) million, representing a decrease of -2.4% (41.1%), and the segment margin was 53.8% (53.1%), with the improvement driven by increased marketing efficiency.

## January - June

<i>SEK thousand if not stated otherwise</i>	January-June		
	2024	2023	Δ
Net revenue	37,172	39,588	-6.1%
Gross profit	23,625	25,344	-6.8%
Gross margin, %	63.6%	64.0%	-0.5pp
Marketing cost as a share of net revenue, %	11.2%	13.6%	-2.4pp
Segment earnings	19,467	19,971	-2.5%
Segment margin, %	52.4%	50.4%	1.9pp

Net revenue for the B2B segment during the quarter was SEK 37.2 (39.6) million, representing a decrease of -6.1% (24.2%). The decline is primarily driven by reduced sales within the small business customer group.

Gross profit amounted to SEK 23.6 (25.3) million, corresponding to a decrease of -6.8% (24.2%), and the gross margin was 63.6% (64.0%).

Marketing costs as a percentage of net revenue amounted to 11.2% (13.6%), with the decrease driven by the same factors as in the B2C segment.

The segment result was SEK 19.5 (20.0) million, representing a decrease of -2.5% (29.7%), and the segment margin was 52.4% (50.4%), with the improvement driven by increased marketing efficiency.



# Marketplaces & Others (MPO)

## Second quarter

<i>SEK thousand if not stated otherwise</i>	April-June		
	2024	2023	Δ
Net revenue	3,600	2,885	24.8%
Gross profit	1,980	1,703	16.3%
Gross margin, %	55.0%	59.0%	-4.0pp
Marketing cost as a share of net revenue, %	33.7%	33.2%	0.5pp
Segment earnings	766	745	2.8%
Segment margin, %	21.3%	25.8%	-4.6pp

Net revenue in the Marketplaces & Other (MPO) segment amounted to SEK 3.6 (2.9) million, representing an increase of 24.8% (-9.9%). In the previous year, our sales in the MPO segment were negatively impacted by the restructuring of the sales strategy on Amazon and, to some extent, by operational challenges.

Gross profit amounted to SEK 2.0 (1.7) million, corresponding to an increase of 16.3% (-9.6%), and the gross margin was 55.0% (59.0%). During the quarter, we tested new campaigns, which negatively impacted the gross margin.

Marketing costs as a percentage of net revenue amounted to 33.7% (33.2%).

The segment result was SEK 0.8 (0.7) million, with the segment margin at 21.3% (25.8%), where the decrease was mainly driven by the lower gross margin.

## January - June

<i>SEK thousand if not stated otherwise</i>	January-June		
	2024	2023	Δ
Net revenue	7,457	6,724	10.9%
Gross profit	4,332	3,964	9.3%
Gross margin, %	58.1%	59.0%	-0.9pp
Marketing cost as a share of net revenue, %	34.9%	31.6%	3.3pp
Segment earnings	1,727	1,838	-6.0%
Segment margin, %	23.2%	27.3%	-4.2pp

Net revenue in the Marketplaces & Other (MPO) segment amounted to SEK 7.5 (6.7) million, representing an increase of 10.9% (-19.4%). In the previous year, our sales in the MPO segment were negatively impacted by the restructuring of the sales strategy on Amazon and, to some extent, by operational challenges.

Gross profit amounted to SEK 4.3 (4.0) million, corresponding to an increase of 9.3% (-22.2%), and the gross margin was 58.1% (59.0%). During the second quarter, we tested campaigns on Amazon, which negatively impacted the gross margin for the period.

Marketing costs as a percentage of net revenue amounted to 34.9% (31.6%), with the increase driven partly by technical challenges in the first quarter and partly by testing new campaigns in the second quarter.

The segment result was SEK 1.7 (1.8) million, representing a decrease of -6.0% (-8.0%). The segment margin was 23.2% (27.3%), with the decrease driven by higher marketing costs and a slightly lower gross margin.







# Other information

## Material events during the quarter

- On May 23, 2024, Rugvista Group AB (publ) held its Annual General Meeting. The agenda, decision materials, minutes, and other documentation are available on the company's website, [www.rugvistagroup.com](http://www.rugvistagroup.com).
- The Annual General Meeting approved the Board's proposal for a dividend of SEK 1.80 per share. The total dividend of SEK 37.4 million was paid to shareholders on May 30, 2024. The
- Annual General Meeting also approved the Nomination Committee's proposal for the re-election of Board members Ludvig Friberger, Magnus Dimert, Hanna Graflund Sleyman, Martin Benckert, Ebba Ljungerud, and Patrik Berntsson. Martin Benckert was re-elected as Chairman of the Board.
- Carin Terins announced her decision to leave Rugvista. Carin left the company in June and had served as CDPO, responsible for Rugvista's design and purchasing functions. The CEO will temporarily take over operational responsibility for the function.

## Material events after the quarter

No material events occurred after the quarter.

## Significant risks and uncertainties

The Group's significant risks and uncertainties 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 in early 2022. The Group, through its business operations, has no direct exposure to Russia, Ukraine, or Belarus. However, it is difficult to assess the ongoing war's indirect impact on GDP growth, inflation, global supply chains, as well as consumer confidence and demand for the Group's products. The same applies to events in the Middle East, primarily the war between Israel and Hamas, and the risk of an expanded conflict in the region. The Group has no direct exposure in Israel or Gaza, but the events may have indirect effects 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, resulting in longer delivery times and higher freight costs. The impact on Rugvista's results is expected to be marginal, but management is closely 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 April-June was 99.1 (88.5), with the proportion of women at 50.5% (47.9%).

The number of full-time employees during the period January-June was 98.1 (88.4), with the proportion of women at 50.3% (46.2%).

## The share

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

The market capitalization on the last trading day of the second quarter of 2024 (June 28) was SEK 1,127 million, based on the closing price of SEK 54.20 per share.

At the end of the reporting period, the number of issued shares amounted to 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 during the year, 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 incentive programs, see "LTIP2021," "LTIP2022," and "LTIP2023" on page 15 and the company's website, [www.rugvistagroup.com](http://www.rugvistagroup.com).

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



# Other information

## LTIP 2021

The Group issued warrants as part of an incentive program ("LTIP 2021/2024"). Each warrant entitled the holder, after adjustment due to dividends resolved by the Annual General Meeting in 2022 and 2023, to subscribe for 1.07 shares in the company during the exercise period at a price of SEK 152.20. The original subscription price corresponded to 130% of the share's initial offering 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, as the subscription price exceeded the share price throughout the entire exercise period.

## LTIP 2022

The Group has issued warrants as part of an incentive program ("LTIP 2022/2025"). Each warrant entitles the holder, after recalculation due to the dividend resolved by the Annual General Meeting in 2023, the subscription of 1.06 shares in the company during the exercise period at a price of SEK 84.60. The original subscription price corresponded to 130 percent of the average share price during the valuation period. The warrants can be exercised during the period from June 1 to September 1, 2025. The Annual General Meeting on May 25, 2023, was the last day for the transfer of warrants in LTIP 2022. Of the total 300,000 issued warrants, 260,000 remained unsold and were thereby forfeited. Carin Terins' 5,000 warrants of the LTIP 2022/2025 series were repurchased during the quarter when she left the company.

## LTIP 2023

The Group issued warrants as part of an incentive program ("LTIP 2023/2026"). Each warrant entitles the holder, after adjustments due to dividends resolved by the Annual General Meeting in 2023, to subscribe for 1.03 shares in the company during the exercise period at a price of SEK 60.80, which corresponds 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 therefore forfeited. The warrants can be exercised during the period from June 1 to September 1, 2026. Carin Terins' 5,000 warrants of the LTIP 2023/2026 series were repurchased during the quarter when she left the company.

## Transactions with closely related parties

### April - June

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

### January - June

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

## Audit

This Interim Report has not been audited by the Group's auditor.

## 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 established and registered in Sweden. Since March 18, 2021,

Rugvista Group AB (publ) has been listed on the Nasdaq First North Premier Growth Market.

The parent company's net revenue for the quarter amounted to SEK 4.1 (4.4) million. During the period January-June, the parent company's net revenue amounted to SEK 7.6 (8.4) million. The parent company's revenue consists of invoiced fees for management services to subsidiaries, in accordance with an intra-group agreement.

The parent company's costs mainly consist of salaries for parts of the management team, compensation to the Board, and costs related to the company's shares being listed on Nasdaq. The result for the quarter was SEK -0.2 (-0.2) million. For the period January-June, the result was SEK -0.0 (-0.2) million.

The parent company has an intra-group receivable from the Swedish subsidiary, which, together with shares in the subsidiary Rugvista AB, constitutes the majority of the company's assets.

# Other information

## Financial calendar

Activity	Date	Conference call
Interim report January - September 2024	November 7, 2024	09:00-10:00 CET
Year-end report 2024	February 6, 2025	09:00-10:00 CET

In connection with the publication of this Interim Report, Michael Lindskog (CEO) and Joakim Tuvner (CFO) will host a conference call and a webcast on August 15th, 2024, at 09:00 CEST. The presentation will be held in English.

### To participate in the conference call (with the opportunity to ask verbal questions)

Register via: <https://conference.financialhearings.com/teleconference/?id=50048858>

After registration you will be provided with phone numbers and a conference ID to access the conference. It is also possible to participate in the telephone conference via the Group's website.

<https://www.rugvistagroup.com/en/report/Q2-2024/>

### To participate via the audiocast (with the opportunity to ask written questions)

Please join via: <https://ir.financialhearings.com/rugvista-group-q2-report-2024>

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. CEST on August 15, 2024.*







## Group

## Consolidated Statement of Income

<i>SEK thousand if not stated otherwise</i>	April - June			January - June		
	2024	2023	Δ	2024	2023	Δ
Net revenue	128,357	129,063	-0.5%	304,212	309,326	-1.7%
Other income	448	248	80.5%	729	596	22.4%
<b>Total operating income</b>	<b>128,805</b>	<b>129,311</b>	<b>-0.4%</b>	<b>304,941</b>	<b>309,921</b>	<b>-1.6%</b>
Goods for resale	-47,999	-47,205		-115,847	-115,051	
Other external expenses	-48,202	-49,528		-112,506	-114,214	
Personnel expenses	-25,169	-18,133		-45,383	-35,939	
Other operating expenses	-1,133	335		-1,364	-1,268	
Amortization & depreciation	-3,941	-3,023		-7,508	-6,027	
<b>Operating profit (EBIT)</b>	<b>2,360</b>	<b>11,757</b>	<b>-79.9%</b>	<b>22,333</b>	<b>37,422</b>	<b>-40.3%</b>
Financial income	1,315	1,493		3,110	1,612	
Financial expenses	-379	-337		-557	-540	
<b>Profit before taxes (EBT)</b>	<b>3,297</b>	<b>12,913</b>	<b>-74.5%</b>	<b>24,886</b>	<b>38,494</b>	<b>-35.4%</b>
Taxes	-727	-2,754		-5,164	-8,026	
<b>Profit for the period</b>	<b>2,570</b>	<b>10,159</b>	<b>-74.7%</b>	<b>19,722</b>	<b>30,468</b>	<b>-35.3%</b>
<b>Attributable to:</b>						
Parent company's shareholders	2,570	10,159		19,722	30,468	
Earnings per share	0.12	0.49		0.95	1.47	
Earnings per share, diluted	0.12	0.49		0.95	1.47	



# Group

## Consolidated Statement of Comprehensive Income

<i>SEK thousand if not stated otherwise</i>	April - June			January - June		
	2024	2023	Δ	2024	2023	Δ
<b>Profit for the period</b>	2,570	10,159	-74.7%	19,722	30,468	-35.3%
<i>Items that can later be reclassified to the income statement</i>						
Translation differences	-5	-		5	-	
<b>Other comprehensive income</b>	-5	-	-	5	-	-
<b>Comprehensive profit for the period attributable the parent company's shareholders</b>	2,565	10,159	-74.7%	19,727	30,468	-35.3%

# Group

## Consolidated Statement of Financial position

SEK thousand if not stated otherwise

ASSETS	June 30, 2024	June 30, 2023	EQUITY AND LIABILITIES	June 30, 2024	June 30, 2023
<u>NON-CURRENT ASSETS</u>			<u>EQUITY</u>		
Goodwill	299,949	299,949	Share capital	1,039	1,039
Intangible assets	23,470	13,461	Other contributed capital	227,933	228,052
Tangible assets	3,741	3,323	Retained earnings	276,343	243,807
Right-of-use assets	16,158	21,594	Profit for the period	19,722	30,468
Deferred tax assets	242	311	<b>Total equity attributable to the parent company's shareholders</b>	<b>525,036</b>	<b>503,366</b>
<b>Total non-current assets</b>	<b>343,560</b>	<b>338,638</b>			
<u>CURRENT ASSETS</u>			<u>NON-CURRENT LIABILITIES</u>		
Inventory	146,059	170,967	Deferred tax liability	22	90
Other receivables	25,730	21,898	Leasing debt	4,461	11,700
Prepaid expenses	5,786	5,747	<b>Total non-current liabilities</b>	<b>4,483</b>	<b>11,790</b>
Cash and cash equivalents	154,517	104,393			
<b>Total current assets</b>	<b>332,091</b>	<b>303,005</b>	<u>CURRENT LIABILITIES</u>		
<b>TOTAL ASSETS</b>	<b>675,652</b>	<b>641,643</b>	Accounts payable	77,161	59,294
			Current tax liabilities	7,041	12,569
			Other current liabilities	27,968	29,470
			Current leasing debt	12,524	11,058
			Prepaid income and accrued expenses	21,438	14,097
			<b>Total current liabilities</b>	<b>146,132</b>	<b>126,487</b>
			<b>TOTAL EQUITY AND LIABILITIES</b>	<b>675,652</b>	<b>641,643</b>



# Group

## Consolidated Statement of Changes in Equity

April - June

	2024					2023			
	Share capital	Other contributed capital	Retained earnings including profit for the period	Total equity		Share capital	Other contributed capital	Retained earnings including profit for the period	Total equity
<b>Opening balance 2024-04-01</b>	<b>1,039</b>	<b>228,052</b>	<b>330,912</b>	<b>560,003</b>	<b>Opening balance 2023-04-01</b>	<b>1,039</b>	<b>227,627</b>	<b>295,294</b>	<b>523,960</b>
Profit for the period			2,570	2,570	Profit for the period			10,159	10,159
Other comprehensive income			-5	-5	Other comprehensive income			-	-
<b>Total comprehensive profit</b>	<b>1,039</b>	<b>228,052</b>	<b>333,478</b>	<b>562,568</b>	<b>Total comprehensive profit</b>	<b>1,039</b>	<b>227,627</b>	<b>305,453</b>	<b>534,119</b>
<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		-119		-119	Warrants, repurchase				-
New share issue				-	New share issue				-
<b>Closing balance 2024-06-30</b>	<b>1,039</b>	<b>227,933</b>	<b>296,065</b>	<b>525,036</b>	<b>Closing balance 2023-06-30</b>	<b>1,039</b>	<b>228,052</b>	<b>274,275</b>	<b>503,366</b>

## Consolidated Statement of Changes in Equity

January - June

	2024					2023			
	Share capital	Other contributed capital	Retained earnings including profit for the period	Total equity		Share capital	Other contributed capital	Retained earnings including profit for the period	Total equity
<b>Opening balance 2024-01-01</b>	<b>1,039</b>	<b>228,052</b>	<b>313,751</b>	<b>542,842</b>	<b>Opening balance 2023-01-01</b>	<b>1,039</b>	<b>227,627</b>	<b>274,985</b>	<b>503,651</b>
Profit for the period			19,722	19,722	Profit for the period			30,468	30,468
Other comprehensive income			5	5	Other comprehensive income			-	-
<b>Total comprehensive profit</b>	<b>1,039</b>	<b>228,052</b>	<b>333,478</b>	<b>562,568</b>	<b>Total comprehensive profit</b>	<b>1,039</b>	<b>227,627</b>	<b>305,453</b>	<b>534,119</b>
<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		-119		-119	Warrants, repurchase				-
New share issue				-	New share issue				-
<b>Closing balance 2024-06-30</b>	<b>1,039</b>	<b>227,933</b>	<b>296,065</b>	<b>525,036</b>	<b>Closing balance 2023-06-30</b>	<b>1,039</b>	<b>228,052</b>	<b>274,275</b>	<b>503,366</b>

## Group

## Consolidated Statement of Cash flow

KSEK if not stated otherwise

	April - June		January - June	
	2024	2023	2024	2023
<i>Operating activities before changes in working capital</i>				
EBIT	2,360	11,757	22,333	37,422
<i>Adjustments for non-cash items</i>				
Depreciation and amortization	3,941	3,023	7,508	6,027
Unrealized exchange rate difference	109	-1,407	-3,619	-1,175
Interest received	1,315	1,493	3,110	1,612
Interest paid	-379	-337	-557	-540
Income tax paid	-3,997	-2,483	-17,279	-37,014
<b>Cash flow from operating activities before changes in working capital</b>	<b>3,349</b>	<b>12,047</b>	<b>11,497</b>	<b>6,331</b>
<i>Changes in working capital</i>				
Change in inventory	-13,047	-6,083	-20,402	3,292
Change in operating receivables	4,583	7,576	-6,386	25,722
Change in operating liabilities	-26,080	-17,952	6,539	-33,064
<b>Cash flow from changes in working capital</b>	<b>-34,544</b>	<b>-16,459</b>	<b>-20,249</b>	<b>-4,050</b>
<b>Cash flow from operating activities</b>	<b>-31,195</b>	<b>-4,412</b>	<b>-8,752</b>	<b>2,281</b>
<i>Investment in intangible assets</i>				
Investment in intangible assets	-1,880	-2,500	-4,114	-4,396
Acquisition of tangible assets	-850	-271	-1,136	-576
Sales of tangible assets	407	-	407	-
<b>Cash flow from investing activities</b>	<b>-2,323</b>	<b>-2,771</b>	<b>-4,843</b>	<b>-4,972</b>
<i>Financing activities</i>				
New shares issue	-	-	-	-
Warrants	-	425	-	425
Warrants, repurchase	-119	-	-119	-
Amortization of leasing debt	-3,202	-2,714	-6,386	-5,410
Dividend payout	-37,413	-31,178	-37,413	-31,178
<b>Cash flow from financing activities</b>	<b>-40,734</b>	<b>-33,467</b>	<b>-43,919</b>	<b>-36,162</b>
<b>TOTAL CASH FLOW DURING THE PERIOD</b>	<b>-74,252</b>	<b>-40,650</b>	<b>-57,514</b>	<b>-38,853</b>
<b>Liquidity at the start of the period</b>	<b>229,410</b>	<b>141,543</b>	<b>208,936</b>	<b>139,978</b>
Exchange rate differences in liquidity	-641	3,500	3,096	3,268
<b>Liquidity at the end of the period</b>	<b>154,517</b>	<b>104,393</b>	<b>154,517</b>	<b>104,393</b>





# 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](http://www.rugvistagroup.com)

### New and changed standards

None of the new and changed standards and interpretations applicable commencing January 1, 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.

	B2C	B2B	MPO	Segment total
<b>April – June 2024</b>				
Net revenue	106,810	17,948	3,600	128,357
Goods for resale	-40,020	-6,360	-1,620	-47,999
<b>Gross profit</b>	<b>66,790</b>	<b>11,588</b>	<b>1,980</b>	<b>80,358</b>
Marketing costs	-35,111	-1,930	-1,214	-38,255
<b>Segment earnings</b>	<b>31,679</b>	<b>9,658</b>	<b>766</b>	<b>42,103</b>
<b>April – June 2023</b>				
Net revenue	107,543	18,635	2,885	129,063
Goods for resale	-39,539	-6,484	-1,182	-47,205
<b>Gross profit</b>	<b>68,005</b>	<b>12,150</b>	<b>1,703</b>	<b>81,858</b>
Marketing costs	-37,030	-2,254	-957	-40,242
<b>Segment earnings</b>	<b>30,974</b>	<b>9,897</b>	<b>745</b>	<b>41,616</b>
<b>January – June 2024</b>				
Net revenue	259,583	37,172	7,457	304,212
Goods for resale	-99,175	-13,547	-3,126	-115,847
<b>Gross profit</b>	<b>160,408</b>	<b>23,625</b>	<b>4,332</b>	<b>188,365</b>
Marketing costs	-85,134	-4,158	-2,604	-91,896
<b>Segment earnings</b>	<b>75,275</b>	<b>19,467</b>	<b>1,727</b>	<b>96,469</b>
<b>January – June 2023</b>				
Net revenue	263,014	39,588	6,724	309,326
Goods for resale	-98,048	-14,243	-2,760	-115,051
<b>Gross profit</b>	<b>164,966</b>	<b>25,344</b>	<b>3,964</b>	<b>194,274</b>
Marketing costs	-89,753	-5,373	-2,126	-97,253
<b>Segment earnings</b>	<b>75,213</b>	<b>19,971</b>	<b>1,838</b>	<b>97,021</b>

## 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.

	April - June		January - June	
	2024	2023	2024	2023
<b>Reconciliation of income</b>				
<b>Segment earnings</b>	<b>42,103</b>	<b>41,616</b>	<b>96,469</b>	<b>97,021</b>
Other income	448	248	729	596
Other external expenses (excl. Marketing costs)	-9,946	-9,286	-20,610	-16,961
Personnel expenses	-25,169	-18,133	-45,383	-35,939
Other operating expenses	-1,133	335	-1,364	-1,268
Amortization & depreciation	-3,941	-3,023	-7,508	-6,027
Financial income and expenses	936	1,156	2,553	1,072
<b>Profit before taxes (EBT)</b>	<b>3,297</b>	<b>12,913</b>	<b>24,886</b>	<b>38,494</b>



# Notes

## Note 4 – Financial assets

<b>Financial assets valued at accrued acquisition value</b>	<b>6/30/2024</b>	<b>6/30/2023</b>
<i>Financial assets in the balance sheet</i>		
Other receivables	6,160	4,203
Cash and cash equivalents	154,517	104,393
<b>Total</b>	<b>160,678</b>	<b>108,596</b>

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.

<b>Other financial liabilities valued at accrued acquisition value</b>	<b>6/30/2024</b>	<b>6/30/2023</b>
<i>Financial liabilities in the balance sheet</i>		
Accounts payable	77,161	59,294
Other liabilities	5,408	4,824
Accrued expenses	15,346	11,920
Leasing debt	16,985	22,758
<b>Total</b>	<b>114,900</b>	<b>98,795</b>

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 June 28th, 2024. A group of shareholders is considered to constitute one owner if they have been grouped together by Euroclear.

<b>Owner</b>	<b>Number of shares</b>	<b>Share of capital</b>	<b>Share of votes</b>
Madhat AB	2,505,874	12.1%	12.1%
BANK JULIUS BAER & CO LTD, W8IMY	2,321,605	11.2%	11.2%
Futur Pension Försäkringsaktiebolag	1,834,006	8.8%	8.8%
Alcur Fonder AB	1,604,005	7.7%	7.7%
Indexon AB	1,490,204	7.2%	7.2%
TIN Fonder	1,292,310	6.2%	6.2%
Nordnet Pensionsförsäkring AB	1,164,092	5.6%	5.6%
Movestic Livförsäkring AB	1,070,890	5.2%	5.2%
SEB LIFE INTERNATIONAL ASSURANCE	801,600	3.9%	3.9%
Spiltan Fonder AB	667,397	3.2%	3.2%
<i>Total the ten largest shareholders</i>	<i>14,751,983</i>	<i>71.0%</i>	<i>71.0%</i>
<b>Total number of outstanding shares</b>	<b>20,785,140</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Euroclear extract per June 28th, 2024

# Parent company

## Parent company's Statement of Income

<i>SEK thousand if not stated otherwise</i>	April - June			January - June		
	2024	2023	Δ	2024	2023	Δ
Net revenue	4,100	4,374	-6.3%	7,569	8,420	-10.1%
Other income	-	-	-	-	-	-
<b>Total operating income</b>	<b>4,100</b>	<b>4,374</b>	<b>-6.3%</b>	<b>7,569</b>	<b>8,420</b>	<b>-10.1%</b>
Other external expenses	-1,929	-2,298		-3,192	-4,030	
Personnel expenses	-2,319	-2,232		-4,617	-4,604	
Other operating expenses	-	-		-	-	
<b>Operating profit (EBIT)</b>	<b>-148</b>	<b>-156</b>	<b>-5%</b>	<b>-240</b>	<b>-214</b>	<b>12%</b>
Financial income	211	31		421	125	
Financial expenses	-224	-73		-224	-73	
<b>Profit before taxes (EBT)</b>	<b>-162</b>	<b>-197</b>	<b>-18.0%</b>	<b>-43</b>	<b>-162</b>	<b>-73.5%</b>
Taxes	-	-		-	-	
<b>Profit for the period <sup>1)</sup></b>	<b>-162</b>	<b>-197</b>	<b>-18.0%</b>	<b>-43</b>	<b>-162</b>	<b>-73.5%</b>



# Parent company

## Parent company's Statement of Financial position

SEK thousand if not stated otherwise

ASSETS	June 30, 2024	June 30, 2023	EQUITY AND LIABILITIES	June 30, 2024	June 30, 2023
<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	11,540	10,924	<b>Sub-total, restricted equity</b>	<b>1,039</b>	<b>1,039</b>
<b>Total non-current assets</b>	<b>332,811</b>	<b>332,195</b>	<i>Unrestricted equity</i>		
<u>CURRENT ASSETS</u>			Retained earnings	345,853	331,607
Other receivables	15,281	11,430	Profit for the period	-43	-162
Prepaid expenses	569	640	<b>Sub-total, unrestricted equity</b>	<b>345,810</b>	<b>331,445</b>
Cash and cash equivalents	10,280	10,807	<b>Total equity</b>	<b>346,849</b>	<b>332,484</b>
<b>Total current assets</b>	<b>26,129</b>	<b>22,878</b>	<u>CURRENT LIABILITIES</u>		
<b>TOTAL ASSETS</b>	<b>358,941</b>	<b>355,073</b>	Accounts payable	573	762
			Current tax liabilities	9,217	9,440
			Other current liabilities	808	11,152
			Prepaid income and accrued expenses	1,493	1,235
			<b>Total current liabilities</b>	<b>12,092</b>	<b>22,589</b>
			<b>TOTAL EQUITY AND LIABILITIES</b>	<b>358,941</b>	<b>355,073</b>

# Board of Directors and Chief Executive Officer assurance

The Board of Directors and the Chief Executive Officer (CEO) confirm that the Interim 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 15th of August 2024

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**Martin Benckert**

Chairman of the Board

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**Hanna Graflund Sleyman**

Board member

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**Ebba Ljungerud**

Board member

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**Patrik Berntsson**

Board member

---

**Ludvig Friberger**

Board member

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**Magnus Dimert**

Board member

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**Michael Lindskog**

CEO



# 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.
Earnings per share	Comprehensive profit for the period attributable the parent company’s shareholders divided by the average number of outstanding shares.	The aim is to distribute the company’s profit to each share.
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.
Items affecting comparability	Items that are not related with the operations and are the type of items that are not expected to re-occur often or regularly and are of significant value.	A measure that isolates events that cannot be characterized as normal operational costs.
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.

Measure	Definition	Explanation
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.
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 margin

<i>SEK thousand if not stated otherwise</i>	April-June		January-June	
	2024	2023	2024	2023
Total operating income (A)	128,805	129,311	304,941	309,921
Goods for resale (B)	-47,999	-47,205	-115,847	-115,051
<b>Gross profit (A) + (B)</b>	<b>80,805</b>	<b>82,106</b>	<b>189,094</b>	<b>194,870</b>
Net revenue (C)	128,357	129,063	304,212	309,326
<b>Gross margin, % ((A) + (B)) / (C)</b>	<b>63.0%</b>	<b>63.6%</b>	<b>62.2%</b>	<b>63.0%</b>

## Adjusted EBIT margin

<i>SEK thousand if not stated otherwise</i>	April-June		January-June	
	2024	2023	2024	2023
Operating profit (EBIT) (A)	2,360	11,757	22,333	37,422
Items affecting comparability (B)	-	-	-	-
<b>Adjusted EBIT (A) + (B)</b>	<b>2,360</b>	<b>11,757</b>	<b>22,333</b>	<b>37,422</b>
Net revenue (C)	128,357	129,063	304,212	309,326
<b>Adjusted EBIT margin, % ((A) + (B)) / (C)</b>	<b>1.8%</b>	<b>9.1%</b>	<b>7.3%</b>	<b>12.1%</b>

## Inventory as % of LTM net revenue

<i>SEK thousand if not stated otherwise</i>	April-June		January-June	
	2024	2023	2024	2023
Inventory (A)	146,059	170,967	146,059	170,967
Net revenue, last twelve months (LTM) (B)	697,089	641,397	697,089	641,397
<b>Inventory as % of LTM net revenue (A) / (B)</b>	<b>21.0%</b>	<b>26.7%</b>	<b>21.0%</b>	<b>26.7%</b>

## Net debt

<i>SEK thousand if not stated otherwise</i>	April-June		January-June	
	2024	2023	2024	2023
Cash and cash equivalents (A)	-154,517	-104,393	-154,517	-104,393
Interest bearing liabilities (current and non-current) (B)	-	-	-	-
Interest bearing lease liabilities (current and non-current) (C)	16,985	22,758	16,985	22,758
<b>Net financial indebtedness (+) /net cash (-) (A)+(B)+(C)</b>	<b>-137,532</b>	<b>-81,635</b>	<b>-137,532</b>	<b>-81,635</b>

## Organic net revenue growth

<i>SEK thousand if not stated otherwise</i>	April - June		January - June	
	2024	2023	2024	2023
Last year's net revenue (A)	129,063	121,228	309,326	307,201
Net revenue divested operations (B)	-	-	-	-
<b>Last year's net revenue, excluding divested operations (A)-(B)=(C)</b>	<b>129,063</b>	<b>121,228</b>	<b>309,326</b>	<b>307,201</b>
Net revenue (D)	128,357	129,063	304,212	309,326
Net revenue divested operations (E)	-	-	-	-
<b>Net revenue, excluding divested operations (D)-(E)=(F)</b>	<b>128,357</b>	<b>129,063</b>	<b>304,212</b>	<b>309,326</b>
FX impact on this year's net revenue (G)	617	9,689	2,467	19,790
<b>Net revenue, excluding divested operations and FX impact (F)-(G)=(H)</b>	<b>127,740</b>	<b>119,374</b>	<b>301,745</b>	<b>289,535</b>
<b>Organic net revenue growth % (H)/(C)-1</b>	<b>-1.0%</b>	<b>-1.5%</b>	<b>-2.5%</b>	<b>-5.8%</b>

# 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	
<b>Expense item</b>	<b>SEK K</b>	<b>%<sup>1</sup></b>	<b>SEK K</b>	<b>%<sup>1</sup></b>	<b>SEK K</b>	<b>%<sup>1</sup></b>	<b>SEK K</b>	<b>%<sup>1</sup></b>	
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	
<b>Expense item</b>	<b>SEK K</b>	<b>%<sup>1</sup></b>	<b>SEK K</b>	<b>%<sup>1</sup></b>	<b>SEK K</b>	<b>%<sup>1</sup></b>	<b>SEK K</b>	<b>%<sup>1</sup></b>	
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	
<b>Expense item</b>	<b>SEK K</b>	<b>%<sup>1</sup></b>	<b>SEK K</b>	<b>%<sup>1</sup></b>	<b>SEK K</b>	<b>%<sup>1</sup></b>	<b>SEK K</b>	<b>%<sup>1</sup></b>	
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					
<b>Expense item</b>	<b>SEK K</b>	<b>%<sup>1</sup></b>	<b>SEK K</b>	<b>%<sup>1</sup></b>					
Net revenue	175,855	100.0%	128,357	100.0%					
Product expenses	-42,542	-24.2%	-29,836	-23.2%					
Shipping and other selling expenses	-25,306	-14.4%	-18,164	-14.2%					
Marketing costs	-53,641	-30.5%	-38,255	-29.8%					



# Overview of Rugvista Group web-shops

## Rugvista web-shops

Domain	Legacy platform	New platform	Launch of new platform
Rugvista.se	x	x	Q2 2023
Rugvista.dk	x	x	Q3 2023
Rugvista.no	x	x	Q3 2023
Rugvista.fi	x	x	Q3 2023
Rugvista.de	x	x	Q2 2023
Rugvista.at		x	Q2 2023
Rugvista.ch		x	Q2 2023
Rugvista.nl	x	x	Q3 2023
Rugvista.be		x	Q3 2023
Rugvista.co.uk		x	Q2 2023
Rugvista.ie		x	Q3 2023
Rugvista.pl	x	x	Q3 2023
Rugvista.ro	x	x	Q3 2023
Rugvista.cz	x	x	Q3 2023
Rugvista.hu	x	x	Q3 2023
Rugvista.hr		x	Q1 2023
Rugvista.it	x	x	Q2 2023
Rugvista.fr	x	x	Q2 2023
Rugvista.es	x	x	Q3 2023
Rugvista.pt	x	x	Q3 2023
Rugvista.jp		x	Q1 2024
Rugvista.com	x	x	Q4 2023
Rugvista.kr	x		

## Carpetvista web-shops

Domain	Legacy platform	New platform	Launch of new platform
Carpetvista.se	x		
Carpetvista.dk	x		
Carpetvista.no	x		
Carpetvista.fi	x		
Carpetvista.de	x		
Carpetvista.nl	x		
Carpetvista.com	x		
Carpetvista.pl	x		
Carpetvista.cz	x		
Carpetvista.ro	x		
Carpetvista.hu	x		
Carpetvista.hr	x		
Carpetvista.it	x		
Carpetvista.fr	x		
Carpetvista.es	x		
Carpetvista.pt	x		
Carpetvista.gr	x		
Carpetvista.jp	x		
Carpetvista.kr	x		

# 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.





**RUGVISTA**

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