

ANNUAL AND SUSTAINABILITY REPORT 2023





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Boozt in brief

Our vision is to become the leading Nordic Department Store, offering the preferred destination for shopping Fashion, Kids, Sport, Beauty and Home online.

We are a Nordic Department Store selling curated Fashion, Kids, Sport, Beauty and Home online via our in-house-built tech infrastructure. We offer a contemporary selection of products relevant to a variety of lifestyles through our multi-brand webstores, Boozt.com and Booztlet.com.

We are more than 1,100 employees with more than 50 nationalities reimagining how we shop today and tomorrow. We work to deliver an outstanding online shopping experience with unrivaled customer service and to make Boozt the leading responsible e-commerce company in the Nordics.

Read more at: <https://www.booztgroup.com/>

7.8 billion

Net revenue (SEK)

5.2%

Adjusted EBIT margin

+3.5 million

Number of active customers

+1 million

Club Boozt members

4.3

Trustpilot score

74

Net Promotor Score

+7.7 million

Number of orders

+1,100

Employees



Letter to the shareholders

Readers of my annual letter to our shareholders know that I love football. That I get a large part of my management philosophy from the idea of what makes a football team tick. When are teams good and when do they fail?

I am one of millions of people around the world who watched the excellent Netflix documentary about David Beckham and his life. While many probably noticed the personality of David Beckham and how he navigated the spotlights of the world, I paid most attention to his early years at Manchester United. Where he had one of the best football coaches the world has ever seen – Sir Alex Ferguson.

I remember the Manchester United team from back then. They did not have the 11 best players in the world. They probably didn't even have the three best players in the world. But in many people's opinion they probably had the best team in the world. The documentary shows that they were a TEAM. They liked each other, they went hard at each other, they demanded a lot from each other, they fought together and they stood up for each other – and especially Beckham when he needed it the most.

Alex Ferguson demanded they play in black boots. Why? It sounds almost ridiculous. Because he wanted them to focus on the game, and not much else. As one of the players said; Already when your focus is only 80-85%, you have started on the slow but steady decline. The decline towards mediocrity and irrelevance.

2023 has been the toughest of years for retail. Challenges have been many and tough demands have been put on us, just as we have made tough demands on each other. We have probably worked harder than ever before and we have had to rely more on each other than ever before.

Our values of trust, freedom and responsibility have come into play more than ever before. The interesting thing is, that despite the tough environment our employee satisfaction has never been higher. We ended the year with an employee net promoter score (eNPS) of 68. A score of 68 is actually world-class and reportedly among the top 1-2% in the world.

There is an English proverb saying "when the going gets tough, the tough get going". We really got going this year and it proved to me that we have a unique team that is able to rise to the challenge and deliver when we need to deliver. Even though the year started with a muted growth due to lack of inventory going out of 2022, we managed to accelerate our growth, increasing quarter by quarter ending with a Q4 growth for the group of 23% and a full year growth of 15%. The gradual improvement was driven by a number of things.

We continued the development of our Nordic Department Store concept for Boozt.com and secured an impressive comeback for Booztlet during the year.

We managed to get our customers to buy more of our categories on Boozt.com, so that now more than 50% of our customers buy two or more categories with us. This results not only in an ever increasing average basket size, but also secures customer loyalty, as we know that if a customer buys four or more categories, there is more than 80% likelihood that they will return.





On Booztlet, we adjusted the concept, so that on top of our traditional off-price/off-season concept, we offered volume discounts on in-season items from value brands. This paid off, as we went from a negative growth of almost 14% in Q1 to an impressive growth of 33% in Q4. Full year growth was 15% for Booztlet.com.

We also started to reap the benefits from our investments in automation. Our latest, and very big, expansion of our Autostore installation was taken into operation, and this combined with a continued cost focus has secured increased efficiencies in our supply chain driving the cost ratios to the lowest levels ever.

— We managed to get our customers to buy more of our categories on Boozt.com, so that now more than 50% of our customers buy two or more categories with us. This results not only in an ever increasing average basket size, but also secures customer loyalty, as we know that if a customer buys four or more categories, there is more than 80% likelihood that she will return.

HERMANN HARALDSSON

In 2023, we held our first capital market days, where we announced new ambitious long term targets and we started to return capital to our shareholders. We announced our first share buy back program in June and during the year we bought back shares for SEK 89 million. I believe we are the first Nordic e-com player to start returning cash to the shareholders.

We still argue that e-com is the most CO₂ efficient way of buying fashion and lifestyle products and we focused heavily on our Care-For strategy, which is about reducing unsustainability and creating long-term sustainability. Reducing the negative impact where we can and finding ways to create sustainability through stakeholder engagement – engaging with suppliers and especially through employee engagement. However, things can and will get better. Our vision is to become the leading responsible Nordic department store. We are committed to it and we have put our money where our mouth is by submitting science-based targets and creating a path forward to achieving them.

After the publication of our Q3 report, we met a lot of investors – in the Nordics, in the UK and in the US. Since our report showed that our financial performance was somewhat better than our peers, many investors asked; what is it that you do that is different from others?

I think most people expected that we invented something, that we have some technology that gives us a competitive edge. That we have a silver bullet. The problem with a "silver bullet" is that it can be copied. It is only a matter of time. Luckily, we don't have a silver bullet. Instead we have one thing that we find unique – our culture and our care-why mindset. And that is damn hard to copy.

Black Friday is our Super Bowl. Our Champions League Final. It is the time of the year when we test ourselves to the max. When we build our immune system. Leading up to this year's Black Friday campaign, we changed the timing and decided to start earlier. It was with very short notice, and the final decision was taken at around dinner time. The message went round, that we needed to start right away. This was quite a big task. It was a lot of work for a lot of people involving three departments, and it was done

in 14 minutes. 14 minutes from the go to the first banner was live on site.

I am quite sure that there are companies for whom it would have taken 14 hours. And there are probably also companies for whom it would have taken 14 days.

It is my job to make sure that it only takes 14 minutes for many years to come.

Best
Hermann
Co-founder and Group CEO





Highlights 2023

Loyalty club launched

With the launch of our first loyalty programme, Club Boozt, we aim to build even stronger connections with our customers rewarding loyalty while setting a new standard for the customer club experience. Club Boozt is a testament to Boozt's dedication to delivering exceptional value to customers. Within the first year of running more than 1,000,000 customers have signed up for the new loyalty club.

Triple A ESG rating achieved

Boozt has received the highest rating (AAA) in the MSCI ESG Ratings assessment which places Boozt in the top 6% in its sector. The MSCI ESG Ratings assessment evaluates companies based on their organizational capacity and level of commitment to addressing financially relevant ESG factors. More information about the MSCI rating can be found in the press release [here](#).

Record-breaking Black Friday

During the Black Friday week, our online shops, Boozt.com and Booztlet.com, welcomed more than 125,000 new customers. All of our markets and categories experienced increased demand during the week with more than 50% of items sold being in the newer categories Kids, Sports, Beauty and Home cementing the success of our Nordic Department Store Strategy.

Building a Nordic household brand

At the start of 2023, we became the main sponsor for the Swedish football club Malmö FF which is one of the most successful sports clubs in the Nordics. Furthermore, we entered a sponsorship agreement with Rögle BK, an ice hockey club based in Ängelholm, just a short drive from the Boozt Fulfillment Centre. The partnerships aim to connect with our local audience and reinforce our ties within the community. We continue to promote sports and a healthy lifestyle as a partner to Royal Run in Copenhagen and as the main sponsor of Göteborgsvarvet.

Achieving scale benefits at Boozt Fulfillment Center

By leveraging advanced logistics technology and successfully implementing operational initiatives, we have achieved meaningful scale benefits and a significant enhancement of peak throughput capacity. The progress has not only translated into cost improvements but has also enabled a remarkable 30% increase in peak throughput, measured in terms of the number of pieces processed per hour. These advancements have cemented the Boozt Fulfillment Center (BFC) in Ängelholm as a world-class logistics and fulfillment center.

Booztlet.com benefited from strategic move

The decision to expand and improve the offering on Booztlet.com proved successful, attracting both new and existing customers. This strategic move included adding more product categories (Sports, Beauty, and Home), increasing the availability of never-out-of-stock items, and ensuring inventory aligns with seasonal trends. These improvements significantly contributed to Booztlet's accelerated growth and an all time high average order value.





5-year overview

| Financials | 2023 | 2022 | 2021 | 2020 | 2019 | Ratios | 2023 | 2022 | 2021 | 2020 | 2019 |
|--|--------|--------|--------|--------|-------|---|---------|---------|---------|---------|---------|
| Results (SEKm) | | | | | | KPIs (%) | | | | | |
| Net revenue | 7,755 | 6,743 | 5,814 | 4,359 | 3,425 | Net revenue growth | 15.0% | 16.0% | 33.4% | 27.3% | 23.0% |
| Gross profit | 3,038 | 2,667 | 2,352 | 1,769 | 1,361 | Gross margin | 39.2% | 39.5% | 40.4% | 40.6% | 39.7% |
| EBIT | 299 | 253 | 265 | 182 | 92 | Fulfillment cost ratio | 10.6% | 11.3% | 11.8% | 11.6% | 13.7% |
| Adjusted EBIT | 400 | 286 | 343 | 290 | 109 | Marketing cost ratio | 10.3% | 11.0% | 10.5% | 9.9% | 10.0% |
| Net financial items | -27 | -17 | -20 | -12 | -11 | Admin & other cost ratio | 11.1% | 10.2% | 10.8% | 11.2% | 10.3% |
| Result for the period | 233 | 186 | 195 | 133 | 55 | Depreciation cost ratio | 3.2% | 3.3% | 2.9% | 3.7% | 3.1% |
| | | | | | | Adjusted EBIT margin | 5.2% | 4.2% | 5.9% | 6.7% | 3.2% |
| Cash flow (SEKm) | | | | | | Share ratios | | | | | |
| Operating activities | 130 | 805 | 242 | 747 | 77 | Earnings per share after dilution (SEK) | 3.38 | 2.73 | 2.81 | 2.21 | 0.95 |
| Investing activities | -124 | -715 | -607 | -151 | -171 | Adjusted earnings per share after dilution (SEK) | 4.54 | 3.11 | 3.73 | 3.78 | 1.18 |
| Free cash flow | 6 | 90 | -365 | 597 | -95 | Number of shares issued ('000) | 68,289 | 67,468 | 66,891 | 64,067 | 57,371 |
| Financing activities | -321 | 120 | 216 | 779 | 66 | Share price at year-end (SEK) | 135.3 | 120.3 | 183.8 | 186.8 | 53.0 |
| Cash flow for the year | -315 | 210 | -149 | 1,376 | -29 | | | | | | |
| Financial position (SEKm) | | | | | | ESG KPI's | | | | | |
| Equity attributable to parent company shareholders | 2,721 | 2,503 | 2,177 | 1,908 | 943 | Scope 1 CO ₂ e emissions (tons) | 133.5 | 150.5 | 106.4 | 101.9 | 106.9 |
| Balance sheet total | 5,959 | 5,992 | 5,058 | 4,032 | 2,487 | Scope 2 CO ₂ e emissions (market-based) (tons) | 48.3 | 42.0 | 43.3 | 0.0 | 0.0 |
| Net working capital | 316 | -109 | 277 | 74 | 435 | Scope 3 CO ₂ e emissions (tons) | 632,691 | 560,524 | 3,240 | 2,522 | 2,030 |
| Net debt (+) / net cash (-) | -1,040 | -1,207 | -1,072 | -1,497 | -132 | CO ₂ e intensity per parcel (kg) | 0.44 | 0.49 | 0.34 | 0.34 | 0.31 |
| CAPEX | 121 | 520 | 375 | 149 | 167 | Share of renewable electricity (%) | 98.1% | 98.2% | 96.0% | 100.0% | 100.0% |
| | | | | | | Share of recycled waste in the Fulfilment Centre (%) | 74.2% | 60.8% | 66.9% | 63.0% | 62.0% |
| | | | | | | Share of Made with Care products (%) | 21.0% | 21.1% | 19.0% | 17.0% | n/a |
| | | | | | | Gender ratio (female/male) (%) | 52 / 48 | 50 / 50 | 52 / 48 | 65 / 35 | 63 / 37 |
| | | | | | | Employee Net Promoter Score (eNPS) | 60 | 42 | 50 | 36 | n/a |

Business performance

Key performance indicators

The key performance indicators related to Boozt.com developed positively driven by the continued focus on the Nordic department store strategy. In 2023, 51% of customers on Boozt.com bought from more than one category compared with 48% in 2022. This has a positive impact on the lifetime value of the consumer as well as on the average order value.

The average order value is pivotal to our success and in 2023 the average order value increased 6% to a record high SEK 947 (890) for Boozt.com.

Despite a continued difficult business environment with consumers remaining hesitant to spend, we increased the number of active customers on Boozt.com in our core markets (the Nordics) with 8%. In total, the number of active customers increased 8%, slightly offset by a strategic decision to reduce focus on Germany and Netherlands.

The true frequency remained consistently high at 6.0, compared to 5.8 at the end of 2022. It is encouraging to see a sustained high level of true frequency, achieved despite the subdued consumer activity throughout the year.

Finally, as a testament to a high level of service and extensive product range on Boozt.com, a high level of customer satisfaction has been maintained with a Net Promotor Score of 74 (74 in 2022) along with a 4.3 star rating on Trustpilot (4.4).

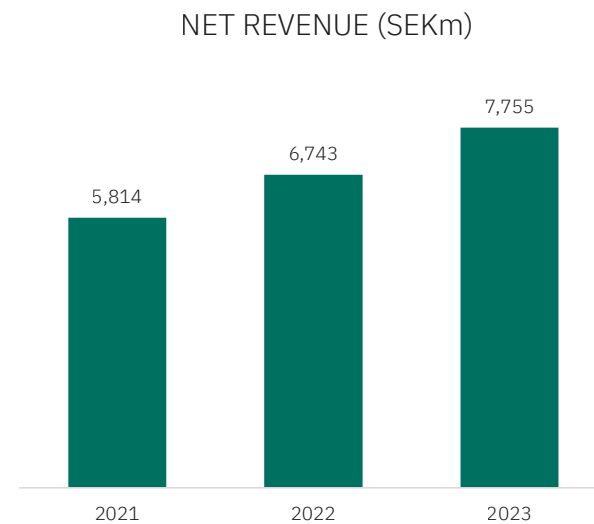
Financials

Net revenue

Net revenue in 2023 increased 15% to SEK 7,755 million (6,743). Currency had a positive impact on net revenue growth for the

year of around 4 percentage points and relates primarily to the strengthening of DKK, NOK and EUR to SEK compared to 2022.

The positive revenue development was achieved despite a relatively weak consumer sentiment as well as inflationary pressure impacting demand negatively during the year. The continued strengthening of our Nordic Department Store concept enabled us to accelerate market share gains despite the challenges. Revenue growth for the year was supported by a continued high investment in marketing along with the successful efforts to migrate customers from single category to multi-category customers.



The net revenue increase was supported by 15% growth for Boozt.com and 15% growth for Booztlet.com. Other revenue

(included in revenue Boozt.com and Booztlet.com) declined 1% compared to 2022. The decline was mainly due to the conversion of a previous agent agreement into a wholesale agreement during Q2 2023. Excluding this, growth would have been around 15%. As a consequence, Other revenue represented 4% of total revenue in 2023 compared with 5% in 2022.

In 2023, revenue in the Nordics increased 13% and was supported by increasing demand in all markets, however, mainly driven by a strong performance in Denmark and Finland. Revenue from Rest of Europe increased 42% and was impacted positively by the continued expansion into the Baltics, as well as a strong development for Booztlet.com in Germany.

Gross profit

The gross profit for the year increased 14% to SEK 3,038 million (2,667) compared with 2022. The gross margin decreased to 39.2% (39.5%). The lower margin is explained by the conversion of an agent agreement during Q2 2023, which had an impact of around 0.5 percentage points for the full year.

The gross margin remained impacted by high promotional activity, which is in line with the industry in general. This was mainly driven by continued pressure on consumers' disposable income. The decline was partly offset by a slightly higher share of Other revenue in 2023 compared with 2022.

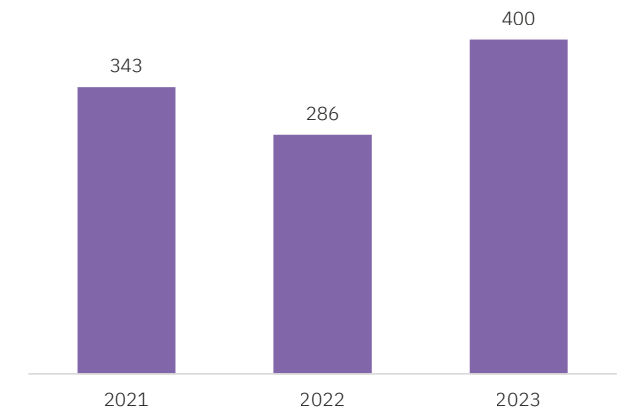
Adjusted EBIT

Adjusted EBIT increased to SEK 400 million (286) for the year, corresponding to an adjusted EBIT margin of 5.2% compared with 4.2% in 2022.

The improved margin was mainly driven by leverage on fulfilment costs as well as a lower marketing cost ratio.

The improved fulfilment cost ratio was driven by a highly competitive distribution setup with disciplined efforts to guide customers to the optimal carrier from a cost and service perspective. Additionally, improvements continued to materialise at the fulfilment center driven by productivity gains supported by strong cost control. Finally, the fulfilment ratio continues to benefit from the increase in average order value.

ADJUSTED EBIT (SEKm)



The lower marketing cost ratio was mainly due to in general lower costs of advertising. The marketing footprint actually expanded compared to the previous year.



EBIT

EBIT increased to SEK 299 million (253) for the year, while the EBIT margin was 3.9% (3.8%).

The difference between EBIT and adjusted EBIT in the year is mainly due to costs related to share-based payments of SEK 98 million (17). Total adjustments for the year amounted to SEK 101 million (33).

The increase in costs related to share-based payments was a consequence of the strong results achieved in 2023 as well as the higher share price of the Boozt share at year-end compared with year-end 2022. Share-based payments are related to Boozt's long term incentives for key employees, which fluctuates depending on Boozt's performance and its share price.

Profit for the period

Net profit for the year increased to SEK 233 million (186). This corresponds to an earning per share of SEK 3.43 for 2023 compared with SEK 2.76 the year before. Earnings per share after dilution amounted to SEK 3.38 (2.73).

Segments

Boozt.com

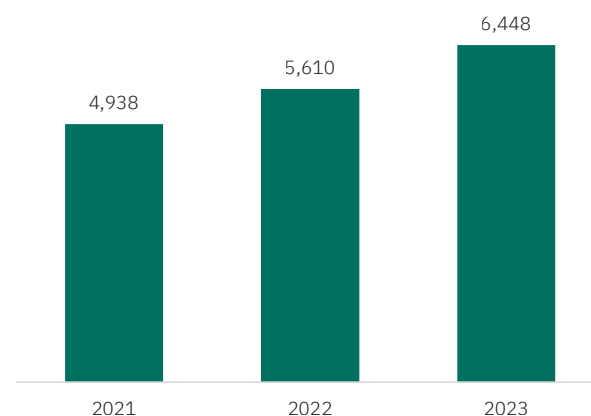
For 2023, net revenue from Boozt.com increased 15% (or 11% in local currency) to SEK 6,448 million (5,610).

Revenue in the Nordics was SEK 5,983 million (5,252) corresponding to an increase of 14% compared with 2022. The increase was mainly driven by Denmark and Finland. Rest of Europe experienced a growth of 30% to SEK 465 million (359). The increase in Rest of Europe was mainly driven by the Baltic countries.

The continued execution of our Nordic Department Store strategy enabled us to accelerate market share gains despite the more challenging markets. The share of customers shopping in multiple categories is increasing, impacting both products per basket, return rates and average order value positively. In particular, growth in the second half of the year was positively impacted by

the strengthening of our inventory ahead of the holiday season, which resulted in a very strong assortment towards the customers as well as limited sold-out situations.

BOOZT.COM, NET REVENUE (SEKm)



Revenue from all categories increased during the year, with Beauty and Home performing the strongest. The fashion category (Men and Women) remains the largest category with around 60% of revenue on Boozt.com, down from around 65% in 2022. Kids, Sports, Beauty and Home now represents around 40% of sales on the platform.

For 2023, adjusted EBIT from Boozt.com increased to SEK 325 million (272), corresponding to an adjusted EBIT margin of 5.0% (4.8%).

EBIT decreased to SEK 239 million (243) as share-based payments for the year increased to SEK 86 million (29).

Booztlet.com

Net revenue from Booztlet.com increased 15% (or 11% in local currency) to SEK 1,307 million (1,133).

Revenue from the Nordics was SEK 1,093 million (1,014) and increased 8% compared with 2022, while the Rest of Europe experienced a growth of 79% to SEK 214 million (119) following increased focus on the region for Booztlet.com.

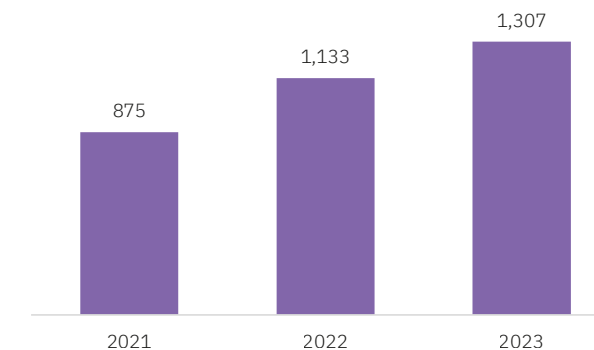
Growth in Booztlet was supported by the decision to redefine the purpose of the outlet to become more than mainly a clearance channel for the Group. From Q2 2023, the assortment on the platform was expanded to include more categories (Sports, Beauty and Home) as well as more never-out-of-stock products. The shift has been positively received by consumers, including new demographics targeted under the updated approach. Furthermore, growth on the platform was supported by continued good access to campaign goods.

The improved results were achieved despite a continuous highly promotional market as well as the impression that the more price-conscious customer (targeted by Booztlet) has experienced a more notable relative decline in disposable income. The latter is evident from the increasing number of customers who have reduced their shopping frequency.

For 2023, adjusted EBIT increased to SEK 75 million (14) corresponding to an adjusted EBIT margin of 5.7 % (1.2).

EBIT for the year increased to SEK 61 million (10) corresponding to an EBIT margin of 4.6% (0.9%).

BOOZTLET.COM, NET REVENUE (SEKm)





Strategy & markets

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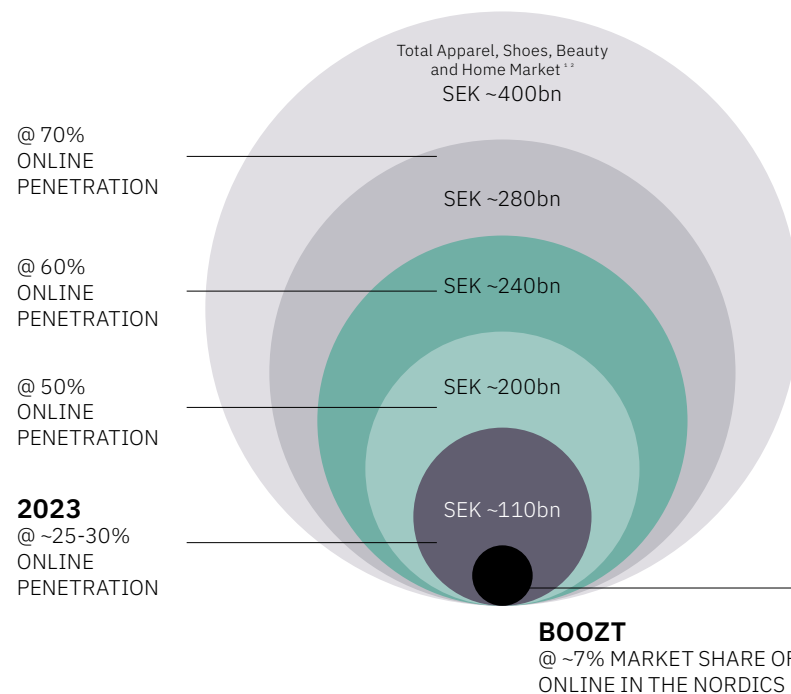


The industry and market

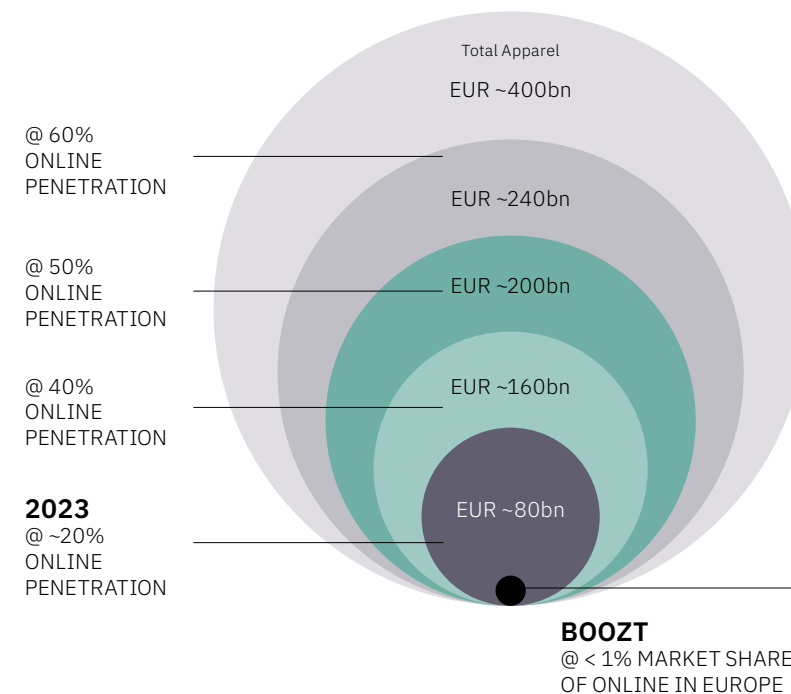
The overall market environment remained unpredictable and volatile in 2023 and the market for online fashion and lifestyle products is estimated to be on level with the previous year. 2023 continued to be impacted by market and geopolitical developments, including elevated inflationary pressures and the war in Ukraine, impacting our supply chain. We estimate the total Nordic market for Apparel, Shoes, Beauty and Home to amount to approximately SEK 400 billion with a limited change to online penetration staying around 25-30%^{1,2}.

The gradual expansion into new categories has increased our overall addressable market and exposes us to some categories where online penetration is less pronounced than for the Fashion category, where we are most established. The Apparel and Beauty market has a higher online penetration at around 30% while the Sport and Home markets are estimated to be below 20%. In 2023, we observed a strong increase in demand for our newer categories as both customer awareness and the assortment continue to improve. As online penetration continues to be relatively low and the online industry remains fragmented, we see significant potential for a positive development of online penetration as well as a continuation of the increase in market share that we achieved in 2023.

LARGE NORDIC MARKET WITH STRONG ONLINE POTENTIAL



EUROPEAN FASHION MARKET WITH IMMENSE GROWTH POTENTIAL



1) Combined Sportswear market of Denmark, Norway and Sweden, i.e. equivalent estimates for Finland N/A

2) Homeware considered household textiles, e.g. furnishing fabrics and bed, table and bathroom linen as well as glassware, tableware and household utensils Source: Company estimates, Euromonitor, Eurostat



Continuous momentum for the online market

Fueled by convenience and a more expansive range of competitively priced options, consumers are increasingly shifting their fashion and lifestyle shopping habits from traditional offline shopping to online shopping.

We expect the shift in consumers' shopping preference towards online to continue, confirming the structural move towards online shopping in the core Nordic markets. Selection, convenience and price favours the larger online players and we expect that the current pressure on consumers disposable income is likely to fuel migration to online shopping, while the inflationary pressure in the cost of running a business could lead to consolidation of the industry as a whole. Furthermore, the Nordic Department Store boasts superior unit economics fuelled by an average order value that is around 80% higher than industry average, supporting our ambition and expectation to gain further market shares in 2024 and beyond. In other words, we plan to continue our local focus and to invest further to solidify our best-in-industry customer experience driving superior growth rates and market share gains.

From the start, we have focused on the Nordic market and on building a strong Nordic household brand. The primary customer demographic is men and women between the ages of 25-54 and are typically in a relationship and have children. Our core customer group enables us to capitalise on the growing Nordic online market by maintaining our distinct market position as the leading Nordic Department Store focused on a curated fashion and lifestyle selection geared toward Nordic tastes.

Drivers of the online market

Several factors drive the rapid migration from traditional shopping to online shopping, including availability, selection, transparency, and convenience.

Availability:

In recent years, consumers have significantly increased their time spent online. The online environment offers a convenient shopping experience that is accessible at any time, regardless of the customer's location or the devices they use, including apps, mobile devices, and desktops.

Selection:

By leveraging big data and algorithms to pinpoint customer behaviours, online retailers can provide customers with a focused offering, optimising the overall shopping experience. At the same time, brands are able to make their entire selections available in one place, increasing the likelihood that the customer will find the desired product and size. Using a data driven approach makes the assortment more relevant, but also more resource efficient.

Transparency:

Online retailers can deliver the value chain at a lower cost than offline retailers and these savings will ultimately go back to the consumers. Customers do not want to pay more than needed and with the ease of price comparison, they are well-informed about market prices.

Convenience:

The ability to order fashion and lifestyle items at any time and location, coupled with a relevant product selection, provides a high level of convenience for the online shopper. This is further enhanced by fast deliveries, easy returns, and secure payment solutions.





Vision and strategy

Our vision is to become the leading Nordic Department Store, offering the preferred destination for shopping Fashion, Kids, Sport, Beauty and Home online.

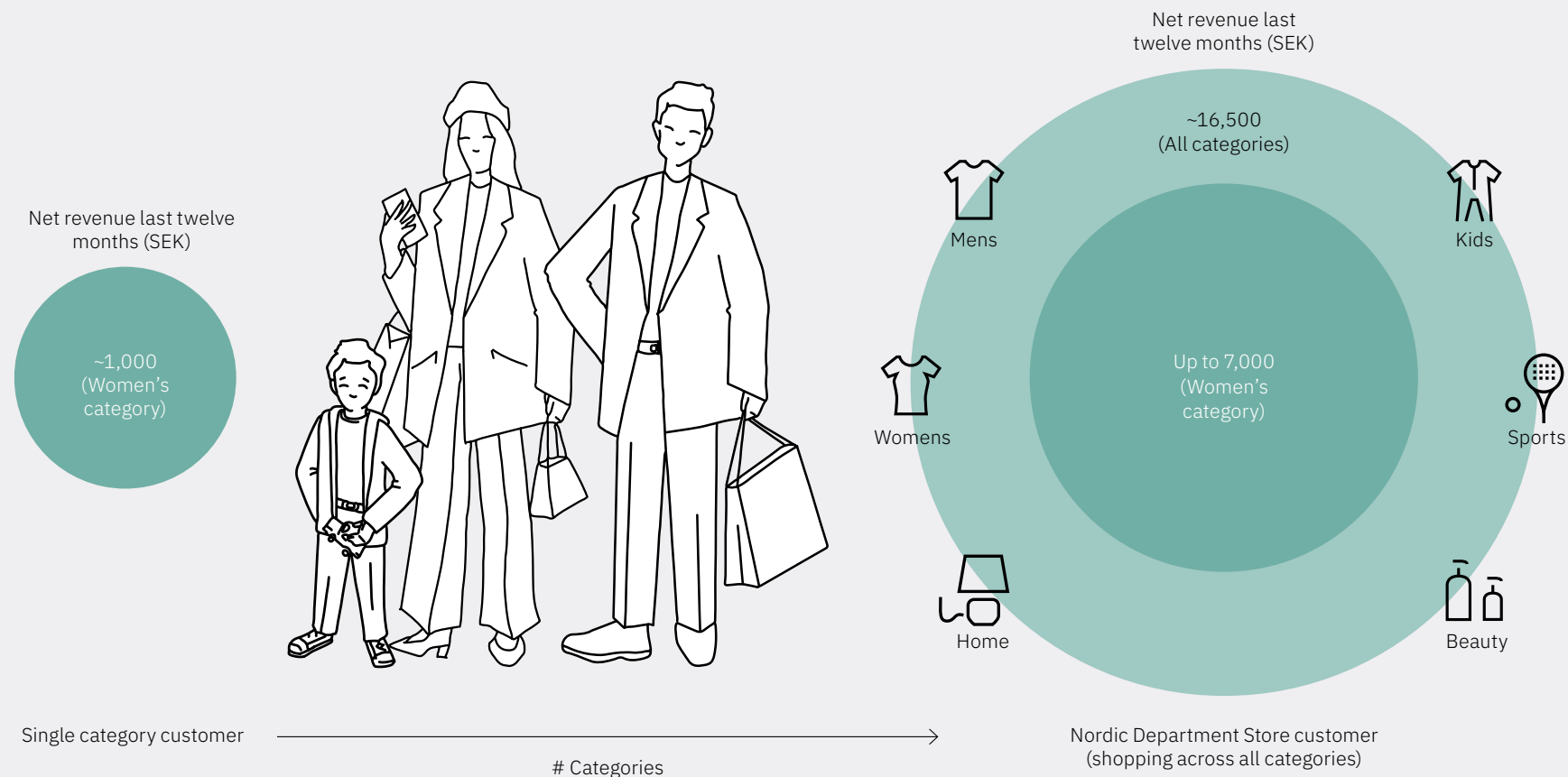
The Nordic Department Store

From the outset, our goal has been to establish the leading Nordic Department Store. We started with a focus on Men's and Women's fashion and have since expanded our categories into Kids, Sport, Beauty, and Home.

The curated Nordic department store model boasts several strengths. Firstly, as we have expanded our offering in existing categories while also launching new ones, our already high average order value has developed positively and reached a new record high in 2023. This was supported by the fact that on Boozt.com 51% of our orders contained items from two or more categories in 2023 compared with 48% in 2022 and in terms of revenue the newer categories (Kids, Sports, Beauty and Home) represented around 40% of revenue from around 35% in 2022. Secondly, the continuous category diversification has lowered return rates, benefiting both profitability and our effort to reduce our environmental impact, while also customer loyalty has increased. Finally, the department store model provides us with a distinct market position and differentiates Boozt from the largest players in the industry.

Having established relevant categories by expanding horizontally throughout our +10-year history, looking ahead we will continue to expand our assortment within all categories. This includes adding more depth in styles and new brands to our shops. Our primary focus is to make each category a destination in its own right, where customers can explore the most curated and comprehensive selection of Nordic fashion and lifestyle.

The Nordic Department Store gaining momentum with clear upside from upselling to our loyal customer base





Taking ownership of the full value chain

As our business has grown in scale, new opportunities have emerged. We have developed additional revenue streams leveraging our existing technology and data and we are gradually taking more ownership of our value chain by gaining control over our vital business operations.

The focus remains on expanding our existing categories while simultaneously adding and improving complementary services for both customers and partners. With this approach we aim to unlock the full potential of the e-commerce ecosystem.

Horizontal and vertical expansion to take advantage of the full e-commerce ecosystem





Best customer experience through curation and convenience

We aspire to deliver the ultimate online shopping experience for Nordic consumers by offering a curated selection of Nordic products supported by thorough analysis and data. Our focus is strongly directed towards prioritizing convenience to guarantee a seamless shopping journey. Understanding our core customers allows us to stay relevant and offer an exceptional customer experience with best-in-class customer service. The key elements for providing excellent service include convenience, fast delivery, and easy return options. We strive for a delivery time of 1-2 business days, offering this service to about 90% of our customers, ensuring a leading delivery proposition.

Similarly, ensuring convenient returns is crucial for customer satisfaction. Each order automatically includes a return label, and customers are encouraged to reuse the bags the items arrived in for returning, promoting resource efficiency. Typically, customers receive their return payment within days of sending items back. Our commitment to customer satisfaction is reflected in our customer satisfaction, which we measure daily through Net Promoter Score (74) and Trustpilot (4.3) and continues to be at industry-leading levels.

A relevant and personalised shopping experience

Many of our customers enjoy mixing and matching various products while browsing our webstores. Consequently, we concentrate on expanding our brand mix to provide the brands our customers seek. As a result of strong brand relations, Boozt offers a blend of local and international brands, both established and new, catering to the preferences of our Nordic customer base.

To enhance the convenience of shopping on our webstores, we consistently work on improving personalization options. This includes refining search, sorting, and filtering features, along with enhancing product descriptions and size recommendations. These improvements are made possible through the utilization of big data and machine learning. We provide options for the customer



to personalise their shopping experience but in the end it is the customer who decides when and where to use them.

In 2023, we launched our first customer club concept aiming to enhance engagement, personalize experiences, and ultimately cultivate a customer base that engages across multiple categories, leading to a greater share of their wallet spend with Boozt.

Achieving local scale

We believe that growth and local scale are key success factors for e-commerce companies and that the long term winners will be the biggest players on the market, benefiting from economies of scale. Strength in individual markets allows for local advantages in distribution, fulfilment, payment solutions, as well as marketing and media.

With our current order volumes, we are in a position where we have reached sufficient local scale to be able to offer fast delivery, easy returns, a curated and relevant selection geared towards the Nordic consumer, and gain local advantages with regard to marketing and media, as well as payment solutions. The scale also supports attractive unit economics for returning customers, complemented by their purchase frequency.

Our Fulfilment Centre, located in Ängelholm, Sweden (Boozt Fulfilment Centre or BFC), provides additional advantages through local anchoring. By handling both shipping and returns in one location close to the customer, we minimise environmental impact and ensure fast and efficient deliveries, all in a single shipment.

Continuous focus on the Nordics

With a clear ambition to significantly organically outgrow the Nordic online market, we continue to develop and innovate to

stay closely connected to our core customer group. This enables us to capitalise on the expanding Nordic online fashion market emphasising our unique market position grounded in a curated fashion and lifestyle selection tailored to Nordic preferences.

We believe in expanding within our existing market position in the Nordic region, however, to continue accelerating growth we will venture into selected other markets when and where it makes sense. Furthermore, we remain committed to investing in both online and offline marketing initiatives to enhance our visibility among new customer segments and in regions of the Nordics with lower awareness of Boozt. This aligns with our overarching ambition to establish Boozt as a household brand throughout the Nordics.



Financial targets

Outlook for 2024

Boozt expects a net revenue growth for 2024 in the range of 5-15% and an adjusted EBIT margin of 5.2-6.0%. Due to the continued volatile and unpredictable markets, Boozt has decided to maintain a wide range similar to the guidance for 2023.

OUTLOOK 2024

| | Outlook as of February 8, 2024 | Reported 2023 |
|----------------------|--------------------------------|---------------|
| Net revenue growth | 5-15% | 15% |
| Adjusted EBIT margin | 5.2-6.0% | 5.2% |

The priority is a continued high investment in growth as well as a further strengthening of the customer experience, while maintaining solid profitability driven by a sustainable high average order value and further cementing the position as the leading Nordic Department Store.

Revenue growth for 2024 is expected to be supported by market share gains as well as an increase in online penetration across Boozt's product categories.

Boozt expects the market to continue to be volatile, however, the outlook assumes a stable to improving consumer confidence following two difficult years.

Profitability is expected to continue to benefit from economies of scale as well as potential cost initiatives across the Group.

CAPEX for 2024 is expected to be in the range of SEK 150-250 million. This will mainly be related to IT development costs as expansion of the Company's fulfilment capacity is not expected to commence before 2025.

The outlook for 2024 assumes that the exchange rates will remain at the current level. Assuming current exchange rates versus the Swedish Krona, the impact from currency on revenue growth is expected to be around -1%.

Medium to long term financial targets

Since 2017, Boozt has successfully managed to grow net revenue significantly faster than the Nordic market. The Nordic market remains attractive and we expect to continue to significantly outgrow the market. The market share gains will be supported by the position as the leading Nordic Department Store.

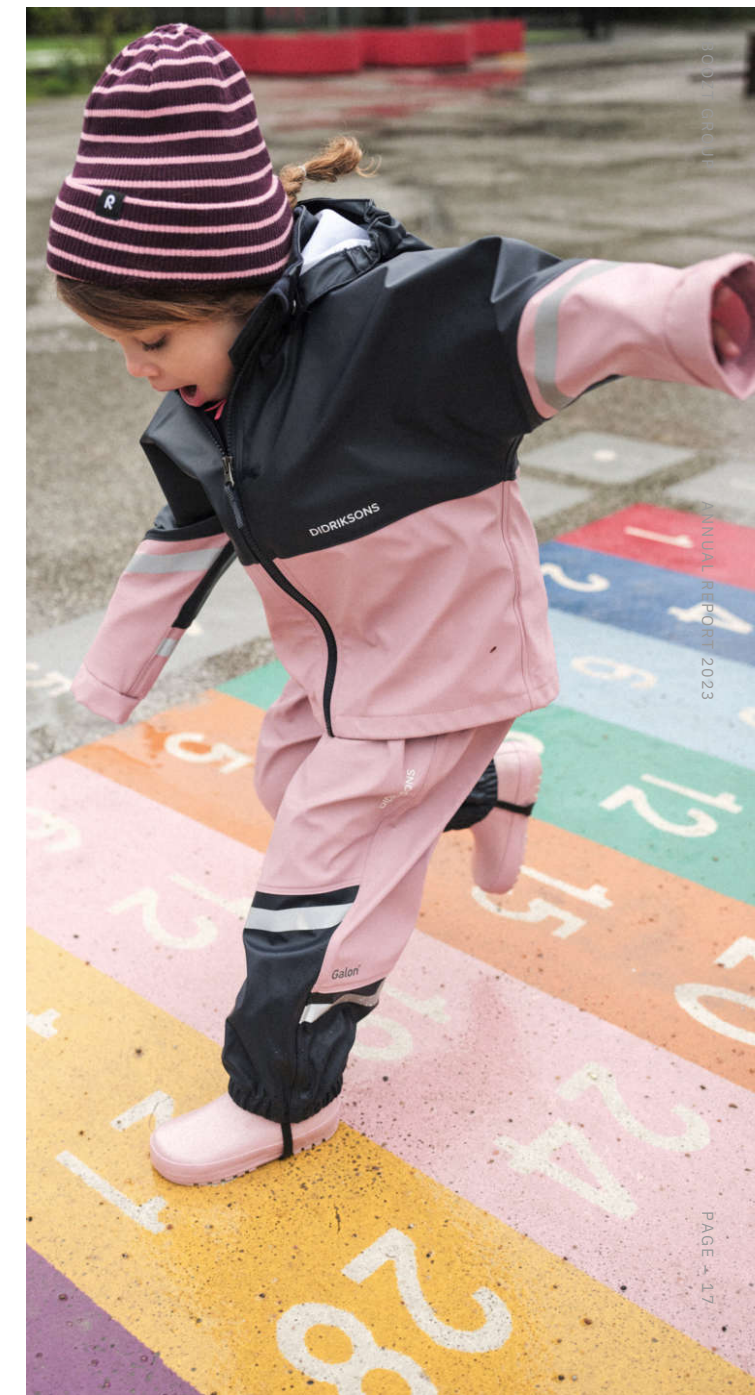
When the Company's growth rate is in line with the Nordic online fashion and lifestyle market, Boozt believes that its business model with best-in-industry unit economics will result in double-digit margins and strong cash generation. However, the target to reach an adjusted EBIT margin of 10% is the ambition already in five years.

Long-term growth and profitability ambitions:

- Market share around 10% of the total fashion and lifestyle market in the Nordics
- Profitability: Adjusted EBIT margin exceeding 10%

Forward-looking statements

The Group's financial targets set forth constitute forward-looking information that is subject to considerable uncertainty. The financial targets are based upon a number of assumptions relating to, among others, the development of the Group's industry, business, results of operations and financial condition. The Group's business, results of operations and financial condition, and the development of the industry and the macroeconomic environment in which the Company operates, may differ materially from, and be more negative than, those assumed by the Group's when preparing the financial targets set out above. As a result, the Group's ability to reach these financial targets is subject to uncertainties and contingencies, some of which are beyond its control, and no assurance can be given that the Company will be able to reach these targets or that the Group's financial condition or results of operations will not be materially different from these financial targets.





Capital structure and allocation

Capital structure

We aim to have a strong capital structure with good liquidity and financial flexibility, allowing continued freedom of action for growth and investments

Capital allocation policy

Our approach to allocating free cash flow underwent a revision in connection with the 2023 Capital Markets Day. Bolt-on acquisitions, which formerly used to be a priority in terms of cash distribution, are no longer prioritized, but rather seen as an opportunity, mainly to strengthen complementary services to reach the full potential of the e-commerce ecosystem.

Boozt will prioritize reinvestment of cash for organic growth and market share gains. This includes a planned expansion of the Company's fulfilment capacity, which is expected to be done from 2025. The size of the investment is still being assessed.

Cash allocation priorities:

1. Reinvest for organic growth and market share gains
2. Return cash to shareholders

Changed from:

1. Reinvest for organic growth and market share gains
2. Bolt-on acquisitions
3. Return cash to shareholders



Business model

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Our e-commerce ecosystem

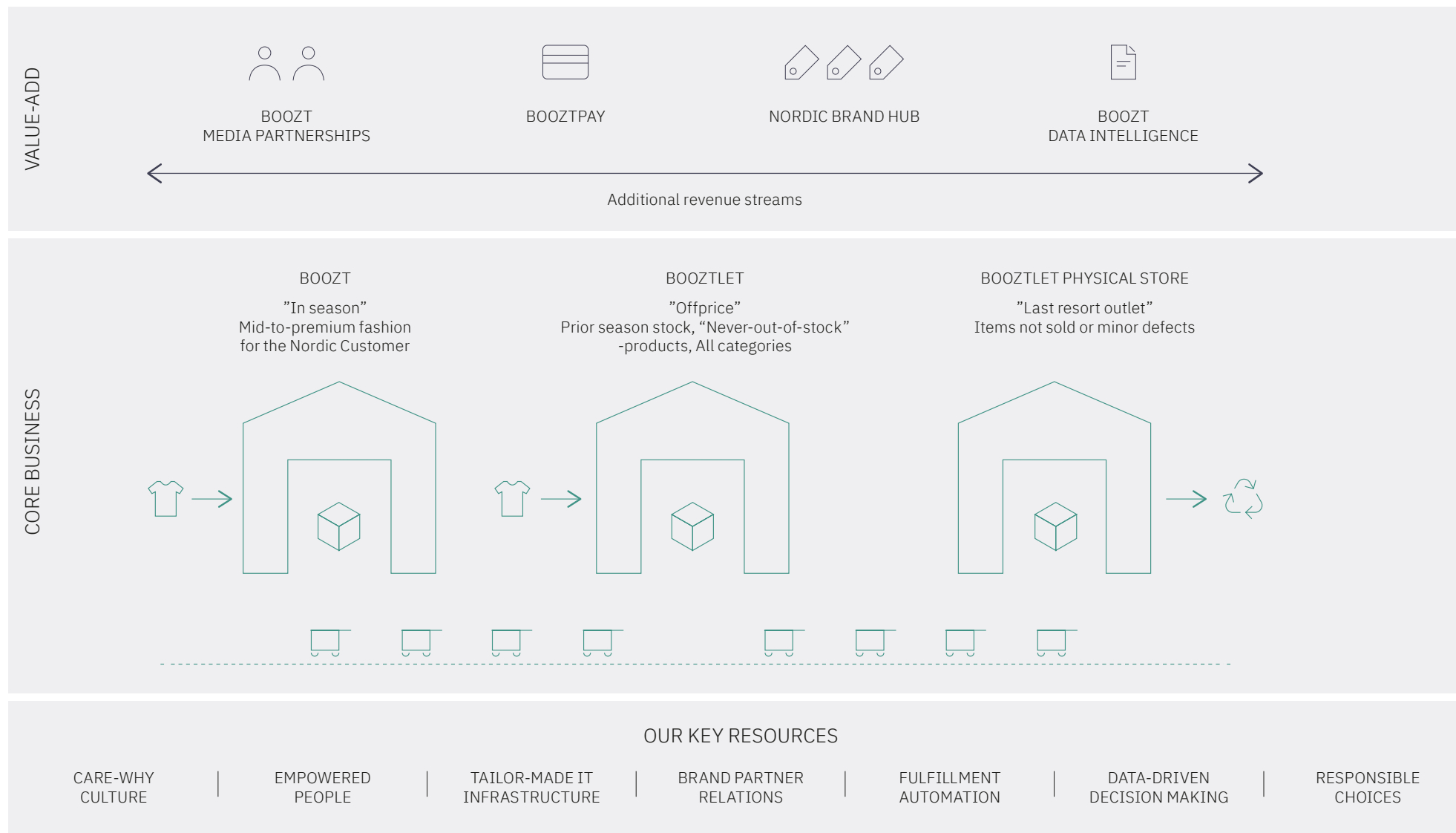
Core business

We are a Nordic technology company selling fashion and lifestyle online. Boozt Group operates with two main platforms, Boozt.com and Booztlet.com, offering our customers a curated and contemporary selection of brands, relevant to a variety of lifestyles for the Nordic customer.

The two core segments are supported by two physical retail stores, Beauty by Boozt and Booztlet retail outlet.

In our commitment to ensuring that all our products reach our customers, optimising revenue, and minimising waste, our segments are intricately linked within our value chain to extend a product's life cycle across all our platforms. In practical terms, any items that cannot be sold online on Boozt.com and Booztlet.com find a place in our physical outlet store.

The technological infrastructure of the company is developed and built in-house, allowing for full control of the customer experience and easy scalability as the business continues to grow. This enables us to offer a convenient shopping experience with high service levels, consistent user experiences across both mobile devices and desktop, quick deliveries and easy returns.



Boozt.com

The webstore Boozt.com is our online destination for Fashion, Kids, Sport, Beauty and Home, tailored to deliver convenience and a curated selection of around 1,600 brands. To support the convenient online shopping experience, Boozt.com offers free and fast deliveries, free and easy returns and customer support. Boozt.com targets the mid-to-premium segment of the Nordic market and has a strong focus on building an elevated brand position, offering our brand partners a platform where they can build brand equity towards the Nordic consumer.

Our Boozt.com segment also consists of the physical retail store, Beauty by Boozt, located in Malmö, Sweden. The Beauty by Boozt store serves the purpose of strengthening the relationship with the beauty brands helping build a strong offering online on Boozt.com.

Booztlet.com

Booztlet.com, which was launched in 2015 as a secondary channel for inventory clearance, was established as a separate business unit within the Group in 2021, expanding the selection to include its own inventory. In 2023, the assortment was expanded even further to include a broader as well as a less seasonal selection of products. Additionally, Booztlet assortment now covers all of Boozt's categories, including Fashion, Kids, Sports, Beauty and Home. Still, Booztlet's focus remains on the price-conscious consumers shopping at lower price points and the bargain hunting segment. At Booztlet, customers are charged for deliveries and returns in exchange for attractive discounts, thus covering the associated operational costs.

While Booztlet.com is operating with increased independence and is recognised as a strong stand-alone business unit following the strategic shift, the platform still serves as a hedge during periods of economic uncertainty where customers on average buy less. Additionally, the platform continues to ensure responsible handling of unsold items from Boozt.com.

Value-add

Boozt Media Partnership

With Boozt Media Partnership, our retail media unit, we are making big data actionable, offering advanced advertising solutions for our brands to reach, engage and convert both existing customers and new target groups. Given our status as a genuine online-first company, Boozt leverages extensive insights derived from thorough analyses and predictions of consumer behaviour. Our technological capabilities play a pivotal role, enabling us to effectively support our brands by delivering successful marketing campaigns and product launches through the Boozt Media Partnership. This collaborative effort serves to fortify the market position of our brand partners, highlighting our commitment to their success.

Boozt Media Partnership's services includes a wide range of media activities, from different newsletter activations, in listing category placements, onsite banners to tactical product placements.

Boozt Data Intelligence

In 2022, to further strengthen the customer experience, we introduced the Boozt Data Intelligence (BDI) tool where brand partners can benefit from Boozt's extensive anonymised data. With more than 3.5 million active customers across 12 markets, the tool offers unique insights into customer behaviour and purchasing patterns. Developed in-house, BDI provides a tool that gives brands an easy way to understand and leverage valuable customer data such as what products are selling where, to whom, and how that differs from country to conversion rates. This data is beneficial for driving effective marketing campaigns and optimising sales efforts based on the latest trends.

Boozt Data Intelligence has also introduced the opportunity for brands to optimise their inventory management, providing the necessary data to better understand the performance of their products and forecast purchasing patterns.

In 2023, we added Boozt Claim Intelligence to the BDI tool, which is a tailor-made digital tool designed to provide insights for our brand partners into the reasons why customers return

products. By analyzing claim data and customer behaviour, our brand partners can identify patterns and trends that can help them improve their products and reduce claims.

BooztPay

In 2021, BooztPay was launched. BooztPay offers our customers post-purchase payment options providing them with the choice of buy-now-pay-later or paying by invoice across the Boozt online universe. The application facing the customer is developed in-house by Boozt while the credit risk and credit check is provided by a third-party financial institution.

Nordic Brand Hub

In 2021, we laid the foundation for our Nordic Brand Hub, which will leverage Boozt's data and core competencies to add value to attractively positioned brands. Today, Nordic Brand Hub consists of the two acquired brands Rosemunde and Svea as well as an own developed brand Enkel Studio which was launched as part of the Spring/Summer 2023 collection on Boozt and other retailers. These brands constitute the foundation of Nordic Brand Hub and our strategy to improve established Nordic brands' growth and earnings. Additionally, our Nordic Brand Hub provides valuable skills and know-how within sourcing and production of fashion and lifestyle items.

Key resources

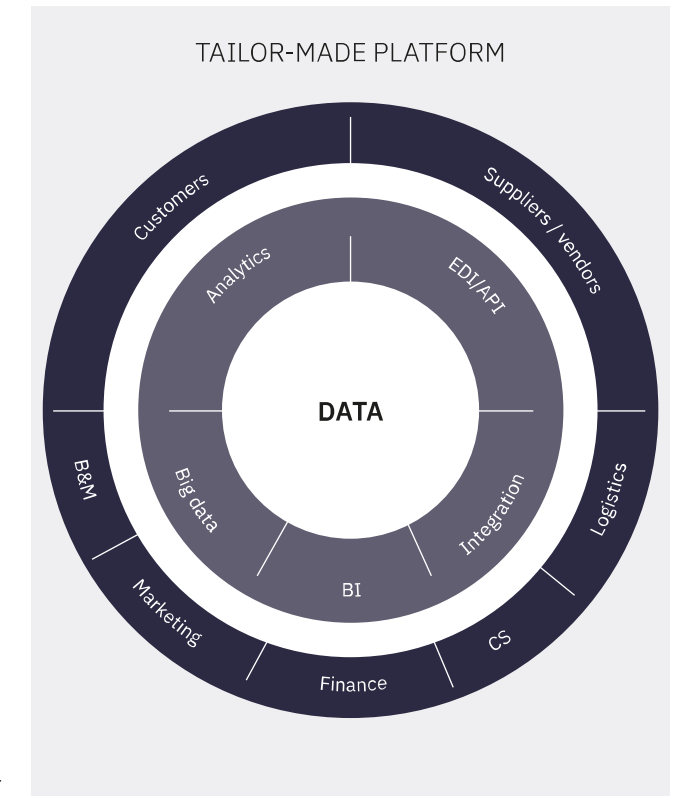
Own-built tech platform

We have built one of the most advanced e-commerce platforms in the Nordics using cutting-edge web technologies and infrastructure components. This built-for-purpose infrastructure is the core of our business and enables full control over the customer experience and ensures world-class performance, scalability, and security.

We also strive to use technology as a tool for more efficient operations. Our operations are built on the Boozt integrated technology platform called the "Solar System", and is used by all of our business functions, making us less dependent on external factors. Our platform ensures full control of performance and

stability, as well as keeps us one step ahead of the competition on business-critical processes.

Our technology platform is operated from five hybrid offices spread over Sweden, Denmark, Lithuania and Poland employing around 200 developers.



Efficient and automated fulfilment operations

The Boozt Fulfilment Centre (BFC) is located in Ängelholm, Sweden, close to our headquarters in Malmö. A central location in the Nordics with easy access to the entire region. The fulfilment centre is custom-built to optimise the use of the automation system, AutoStore, and can be expanded in a modular way when more capacity is needed. In 2022, we

added more than 500,000 bins and approx. 500 robots to our automation, effectively increasing our capacity by more than 50%, corresponding to fulfilment capacity between SEK 10-11bn in net revenue. With AutoStore, we have been able to create a more cost efficient picking process while also improving time-to-market. The fulfilment centre is also home to our photo studio with automated photo ramps for photographing new products before they become available on the webstores.

At BFC, all business-critical packing and return operations are fully insourced. This grants us unparalleled flexibility, enabling us to operate with both high speed and exceptional quality in the delivery of packages.

Largest Autostore installation worldwide

~1,200,000 bins

~1,200 robots

+20,000 items per hour in handling capacity during peaks (up from +15,000 in 2022)

Strong brand partnerships

As customer demand is shifting to online, brands and retailers have accelerated their transition to online as well. By choosing to work with Boozt, brand partners gain access to a digital platform that connects them with a highly attractive customer segment on the Nordic market via a single, reputable partner. We categorise our brand partners into three categories: premium brands, mid-market brands, and entry brands, where we mainly focus on mid-market and premium brands representing more than 90% of our selection.



People and culture

An organisation is only as strong as the people who are part of it. We believe our success is a product of our talented, hardworking employees and the array of skills and knowledge that they bring to the table. With a workforce representing over 50 nationalities, we embrace and celebrate our differences while uniting towards common goals. The diversity of backgrounds within our company is not just a characteristic but a fundamental strength that enriches our culture and propels our success.

We believe in giving our people the opportunity for personal career development by developing themselves professionally within the company, and we encourage individuals to apply for internal positions to evolve and challenge themselves. Our aim is to cultivate a work environment that not only supports continuous development and satisfaction but also aligns with our business and sustainability objectives. We believe that empowering our employees to make a difference enhances both individual and collective success.

Our culture and values

Central to Boozt's company culture is the Care-Why mindset, which lays the foundation for everything that we do. It is a mindset that is not only about knowing, but also about caring. Encouraging employees to be curious about why things are the way they are, and choosing to act. It's a commitment to going above and beyond for our customers, the company, and each other - simply because it aligns with our sense of responsibility. The Care-Why mindset embodies a culture of curiosity, responsibility, and genuine care in all that we do.

At the core of our culture and the Care-Why mindset are the Boozt Values—Trust, Freedom, and Responsibility—that serve as the benchmarks for our daily work. Together, these values guide us in a unified direction to ensure that we act as a team through our growth journey.

Trust is based on mutual respect, confidence and sharing the same goals. It is about making everyone stronger by relying on each other, while feeling secure, enabling us to unfold our creativity and competencies.

We consider Freedom essential for success, allowing individuals to tackle daily tasks in their own unique ways, provided it aligns with Boozt's best interests. This approach fosters initiative, leadership, and encourages innovative thinking among our team members.

Responsibility is the foundation of each task and behaviour, and it applies to both our customers and colleagues. It entails that we can achieve the kind of freedom to which we aspire in our daily lives.

More information and metrics about Boozt employees are available under the section 'Employees' on page 62 and the 'ESG Data Summary' on pages 83-86.





Corporate responsibility

We are dedicated to delivering a great shopping experience to our customers as the Nordic Department Store. In this pursuit, sustainability is a crucial building block for our long-term business success, ensuring that we meet the needs of our stakeholders. Our aspiration is that our actions will always reflect our desire to do good. With the help of a clear vision and strategy, we intend to amplify our efforts and share best practices that can influence a better-regulated industry.

As our business evolves so does our role in the supply chain. New technology and tools help us better collect and trace data, stronger partnerships create opportunities to innovate, and new business areas mean we can have an indirect impact on a wider supply chain. At the same time, external factors play a huge role in shaping the supply chain and constantly present new challenges. Ensuring that we keep making responsible decisions throughout our business requires that we stay agile and continue to have an open dialogue with our partners, our customers and the industry.





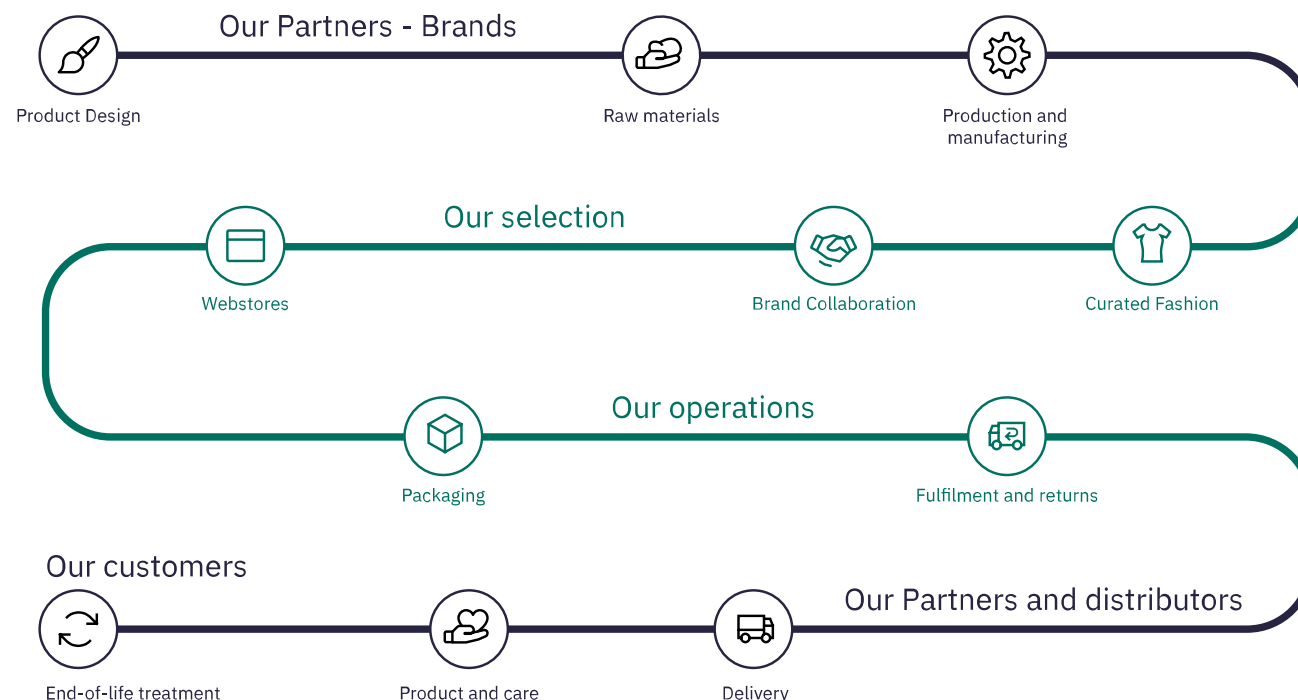
Our vision and strategy

Our vision is to use our local Nordic position and our technology platforms to make sustainable choices easy for our customers and our partners. By taking responsibility for our social and environmental footprint on the value chain, and empowering people to act consciously, we strive to build a more sustainable future for fashion.

To help guide us on our journey, we have concentrated our sustainability efforts around what we call Boozt's Care-For strategy. The strategy is anchored in the Boozt Care-Why culture and means going beyond just knowing. Boozt cares why things are the way they are, cares for the change we want to see and chooses to act. This mindset enables us to lead the progress towards a more responsible industry and drives us to use the role of a leading player in the market, to push for more sustainable solutions.

Boozt Group operates with two main segments, Boozt.com and Booztlet.com, offering our customers a curated and contemporary selection of brands, relevant to a variety of lifestyles for the Nordic customer. Our own operations is where we have a direct impact on our footprint and can ensure that we are running a responsible and efficient business. In addition to the two main segments, there are the physical retail stores, Beauty by Boozt and Booztlet retail outlet. Boozt takes responsibility for the direct impact of our value chain by extending a product's life cycle across all platforms. In practice, this means what we cannot sell online on Boozt.com and Booztlet.com ends up in the physical store. Boozt partners with brands to support their inventory clearance which is purchased at discounted prices. This enables our brands to use our platforms as a responsible alternative for handling excess inventory.

Change towards sustainable practices requires partnership across multiple domains which translates into our responsibility vision introduced above. In the graph, we have visualised the position we hold in the value chain as a reseller to better represent Boozt's responsibility vision. By taking responsibility for our direct footprint first, Boozt can strive towards leading responsible practices. Boozt engages with brand partners and multi-stakeholder organisations that are leading the change in the fashion sector. The knowledge gained from collaborations helps us seize the opportunities of Boozt's business model. Boozt's local fulfilment centre plays a key role in achieving our ambitions. Boozt is committed to being fully powered by renewable energy, implements responsible packaging solutions and handles all orders and returns locally ensuring a low CO₂e intensity per order.



Impact

- Direct
- Indirect

Care-For Strategy

The company's Care-For strategy is Boozt's roadmap to becoming the leading responsible e-commerce company in the Nordics. Boozt reviews the Care-For strategy and goals annually to ensure they align with the strategic direction of the business and take into account external societal events.

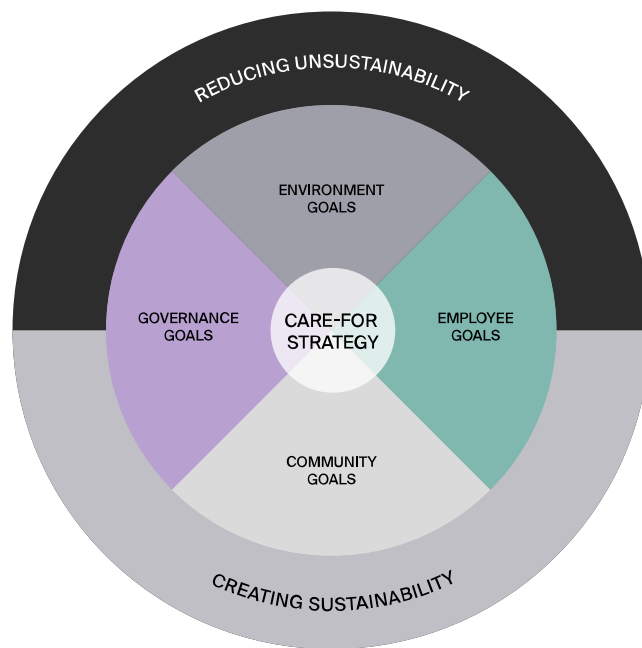
Caring for the change we want to see in the industry, we recognise that we are in a position to go beyond and set even higher standards for responsible practices. Achieving this means working towards actionable targets that will keep us on track to reaching our vision. This year's updates to the Care-For strategy are presented in the following section and in the statutory sustainability report on pages 53-94.

Boozt has set 15 targets for its Care-For strategy. The targets are reviewed annually to ensure they remain aligned with the strategic direction of the business and take into account external trends and overall development in society. This is the first year we are reporting on the progress of the targets we set in 2022. Read more about Boozt's targets and progress on page 54.

Our dimensions

At the core of the Care-For strategy, Boozt aims to highlight the difference in business approaches to sustainability between reducing unsustainability and creating sustainability. While reducing unsustainability refers to what can be measurable and incrementally reduced, creating sustainability links back to more aspirational means of change. By working with both aspects, Boozt aims to interact with society at large. As an e-commerce company, Boozt acknowledges how technology drives modern society and also understands the Group's role in using technology as an enabler for best practices.

To visualise our efforts across the relevant areas in alignment with our commitment to the B Corp movement we have developed the Care-For universe. Boozt's efforts are focused on four dimensions: Environment, Employees, Community and Governance. Within each dimension, Boozt has set goal areas and relevant targets as a result of our materiality assessment to support our journey as described below.





Our goal areas

REDUCING GREENHOUSE GAS EMISSIONS

By identifying, calculating and disclosing our Scope 1, 2 and 3 emissions, in line with the GHG Protocol and working towards reduction aligned with the Science Based Targets initiative (SBTi).

MINIMISING RESOURCE USE

By tracking, disclosing, and minimizing waste streams, the company actively pursues opportunities to enhance circularity while safeguarding biodiversity.

DRIVING RESPONSIBLE PRODUCTION

By evaluating and sharing best practices with our brand partners to improve social and ecological impacts and applying our learnings to Nordic Brand Hub.

PROMOTING EQUALITY

By actively supporting each employee's equal rights and opportunities within the organisation through initiatives and policies reflecting our company values.

ENGAGING & HEALTHY WORK ENVIRONMENT

By systematically reviewing our work environment across our organisation to ensure healthy and safe business practices.

SHAPING EMPLOYEE DEVELOPMENT

By ensuring professional development opportunities for all employees and encouraging a feedback culture that supports employee performance and satisfaction.

EMPOWERING CUSTOMERS

By requesting and displaying more information about our products to help customers make informed decisions according to their values.

ENGAGING SUPPLIERS

By sharing industry best practices we support our suppliers in their transitions to new and more responsible practices.

INVOLVING COMMUNITIES

By identifying opportunities to support our local communities in meaningful ways across the Nordic region and beyond

ACCELERATING TRANSPARENCY

By disclosing ESG data according to legal requirements, and engaging with external ratings to ensure our stakeholders have regular access to information about our progress.

MITIGATING RISKS

By ensuring regulatory compliance and assessing the social, environmental and financial risks of our operations and supply chain.

INTEGRATING SUSTAINABILITY

By integrating sustainability into business decision-making and sharing knowledge that supports creating environmental and social value, we can ensure business resilience.

B Corp Journey

Boozt's long-term goal is to become B Corp certified. This means joining a global community of companies across industries focused on using their business as a force for good, balancing profit and purpose. It is the only certification body measuring the entire social and environmental performance of a company and includes having to meet requirements in three areas; verified social and environmental performance, legal accountability and public transparency.

To become a certified B Corporation, it is necessary to achieve a verified score of 80 points or above on the B Impact Assessment (BIA), the tool that measures the company's overall impact on its workers, community, customers and the environment. Certification is a highly selective status. Companies must document their positive impact to qualify and undergo verification every three years to maintain their certification issued by the nonprofit organisation B Lab.

The self-assessment that is carried out using the BIA measures progress across four areas; Environmental Management, Workers, Community and Governance. Due to business growth and changes in the organisational structure and complexity, we will not meet the target by the expected date. Boozt continuously works towards integrating the B Corp values into Boozt's Care-For strategy and across our four dimensions; Environment, Employees, Community and Governance. Boozt continues to support the B Corp movement by promoting B Corp-certified brand partners across the Made With Care shop. Boozt remains committed to becoming B Corp certified with the latest unverified score of 84.3 points on the B Impact Assessment (BIA). Due to changes in the regulatory framework, Boozt will prioritise preparing for the CSRD and ESRS and follow the development of the B Corp Standards while reassessing the certification timeline.





Year in review

Q1

Environmental

- In February Boozt completed the Scope 3 screening for 2022 emissions data with an extended boundary of our GHG Accounting. Boozt identified and measured all relevant Scope 3 categories (2021: 4 of 9 relevant categories were calculated). As a result, Scope 3 emissions account for 99.8% of the total CO₂e footprint of Boozt.

Employees

- Launch of Boozt Mentorship Program. This is an initiative to build stronger relationships, development and knowledge sharing internally.

Community

- Boozt started implementing the new Made With Care criteria across all categories. This is an ongoing project throughout the year.

Governance

- Boozt scored B- in CDP's Supplier Engagement Rating (SER). B- is on the Management band and higher than the Europe regional average of C.
- Sustainability Training: Introduction to our Made With Care category and Boozt Sustainability Criteria for the Customer Service Team.

Q2

Environmental

- In 2023 Boozt supported Re-Zip by showcasing the feasibility and benefits of alternatives to single-use packaging and driving the industry's transition towards a cost-effective and circular economy.

Community

- Boozt reached out to the most widely used product certifications, including material certifications (e.g. wool, cotton, leather certification) and social auditing companies to ensure validation of the information provided by brands. Boozt is dedicated to meeting the demands of responsible consumers and ensuring that our product assortment aligns with the highest sustainability standards.
- Boozt has participated in Almedalsveckan 2023 - Sweden's political festival, the CFO has joined seminars, engaging in panel debates, and meetings on topics such as digital innovation, the importance of collaborative action towards more sustainable consumption and the EU Green Claims Directive.

Governance

- Boozt has received the highest AAA rating in the MSCI ESG Ratings assessment which places Boozt in the top 6% of its sector. The MSCI ESG Ratings assessment evaluates companies based on their organizational capacity and level of commitment to addressing financially relevant ESG factors.

Q3

Environmental

- Boozt submitted for the second time the Extended version of the Climate Change Questionnaire of CDP (Carbon Disclosure Project).
- Boozt attended The Kick-off event the RE-ZIP-EU Circular Packaging Infrastructure. The EU LIFE RE-ZIP is an EU-funded project from the Programme for the Environment and Climate Action (LIFE) and is focused on a waste-free E-commerce Future. Boozt is delighted to participate in this relevant project focused on seamless infrastructures for the efficient processing of circular packaging, aimed at eliminating single-use plastics.

Employees

- As part of our sponsorship for the Nordic Women In Tech Awards, Boozt hosted a panel discussion focused on the experiences of women in the tech industry and their journeys into this field.

Community

- Higg BRM joint effort: Boozt has nominated and contacted 147 brands representing 68% of our business volume to complete the Higg BRM 2022. At this stage, Boozt received data from 43 brands, equivalent to 30% of Boozt's business volume.

Governance

- As part of the CDP submission, Deloitte assured Boozt's 2022 GHG emissions through a limited assurance process in accordance with ISAE 3000. The limited assurance process included Scope 1, 2, and all relevant Scope 3 GHG emissions.
- Boozt conducted comprehensive Internal Training on the EU Corporate Sustainability Reporting Directive (CSRD) and its impact on the Group's reporting obligations, engaging key stakeholders across the organization.

Q4

Environmental

- In the quarter, 443.4 tons of waste were recycled, 74.1% of the total waste generated. In comparison with Q4 2022 (68.5%), this is a significant increase due to a higher amount of sorted and recycled plastic packaging and an increase in sold and reused wood.

Employees

- Boozt's eNPS score ended in December at an all-time high of 68 placing Boozt in the top 2% of the world compared to Peakon Workdays Global Industry Peer benchmark, reaching the average score of 60 in 2023.
- Boozt had the second round of structured Development talks between managers and employees.

Community

- Boozt co-hosted the first Fashion Transparency Summit together with Fashion Cloud and several Europe's leading retailers. Over 150 industry leaders, professionals, and sustainability experts gathered in Amsterdam for a day focused on the need for sustainability-related data

Governance

- Boozt scored 33 (out of 100) in the 2023 S&P Global Corporate Sustainability Assessment (2022: 25 (out of 100)). The average score within the industry group for retailing is 19.
- In 2023, Boozt actively engaged with Sustainalytics for the first time. Boozt's ESG Risk Rating falls within the medium risk category, with a score of 22.2.
- Boozt has engaged with and provided feedback to Carnegie's sustainability guide 2023. Boozt ranked Top 3 in the sector "Specialty stores & retail" with a score of 72%.

Director's report

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2023 overview

Operations in the parent company are exercised by owning and managing its subsidiaries Boozt Fashion AB and Nordic Brand Hub Holding A/S. During 2023, the main activities of the Group were conducted in Boozt Fashion AB who runs the webstores Boozt.com and Booztlet.com, which are among the leading players in the Nordic e-commerce market for Fashion, Kids, Sport, Beauty and Home.

The Board of Directors and the Group CEO of Boozt AB (publ), Corporate ID no. 556793-5183, registered in Sweden and with its head office in Malmö, hereby present their Annual Report for the financial year of 2023.

Information on the business

Boozt is a Nordic Department Store selling curated Fashion, Kids, Sport, Beauty and Home online via its own-developed and tailor-made infrastructure. The Group offers its customers a curated and contemporary selection of products relevant to a variety of lifestyles on the multi-brand webstores Boozt.com and Booztlet.com. As per December 31 2023, the Group had reached over 3.5 million active customers supported by a convenient shopping experience with high service levels across both mobile devices and desktop, quick deliveries, and easy returns.

This has further yielded a high customer satisfaction indicated by a Net Promoter Score (NPS) of 74 (74) and a Trustpilot Score of 4.3 (4.4). This results in very attractive unit economics where customers show a strong degree of loyalty giving a payback of less than 18 months on the investment in new customers.

Boozt primarily targets Nordic consumers aged 25-54 that value convenience and a relevant offer in their customer experience and which tend to generate a high average order value.

Boozt operates a tailor-made, integrated technology platform that enables the Group to manage the customer experience and to accommodate further growth. Fulfilment is executed through the automated fulfilment centre which is strategically located in Ängelholm, Sweden consisting of 88,000 m² warehouse space. The fulfilment centre consists of three fully built independent AutoStore cubes housing 1,200,000 bins, 1,200 picking robots

and handling capacity exceeding 20,000 items per hour during peaks that enables next-day delivery to 90% of the Nordic region.

Boozt has a strong track-record of growth, mainly driven by the fast evolution of Boozt.com and Booztlet.com's hypergrowth. The fast growth is primarily attributable to Boozt's strong online market position and its competitive customer offering, which has enabled Boozt to attract new customers and increase the number of orders from returning customers.

Boozt was founded in 2007 to conduct outsourced online mono-brand operations for fashion brands. The Group, in its current state, has been in operation since 2011 with the launch of Boozt.com as a multi-brand webstore on a custom-built platform. In the following years, significant investments have been made to support growth and increase the number of customers. In 2016, the Company launched Booztlet.com with a strategy to become the leading online outlet player in the Nordics.

To efficiently address the growing Nordic online market opportunity and the target customer groups, the Group continuously invests in future growth through its focus on relevant marketing.

On May 31, 2017, the shares of Boozt AB (publ) was listed on Nasdaq Stockholm (Mid cap). The listing of the Company's shares has given the Group access to the capital markets and has enabled the establishment of a diversified base of Nordic and international shareholders. The listing was an important milestone for the Group in the journey of becoming the primary e-commerce fashion retailer in the Nordic region.





On November 20, 2020 the Boozt share was dual listed on Nasdaq Copenhagen (Mid cap). The dual listing was the next step in the journey and has further established the Group's position as an Øresund company. Further, the dual listing was made to support future growth, provide the Group with improved access to capital markets and establish an even more diversified shareholder base of new Danish and international shareholders. The dual listing has also broadened the awareness among the Group's customers and suppliers. From 2022, the Boozt share was traded on Nasdaq Large Cap.

Operations in the Group are divided into two operating segments, Boozt.com and Booztlet.com. The Boozt.com segment includes operations related to the Boozt.com webstore, Rosemunde and the Beauty by Boozt physical store. Segment Booztlet.com includes operations on the Booztlet.com webstore, the Group's online outlet, and the Group's physical outlet store.

Boozt AB (publ)'s accounts are reported in Swedish kronor as Swedish kronor is the company's functional currency.

The report has been prepared in SEK million, why there may be rounding differences in the totals.

Financial year of 2023

Net revenue

Net revenue in 2023 increased 15% to SEK 7,755 million (6,743). Currency had a positive impact on net revenue growth for the year of around 4 percentage points and relates primarily to the strengthening of DKK, NOK and EUR to SEK compared to 2022.

The momentum for online shopping was negatively impacted by macroeconomic headwinds. The net revenue growth for Boozt was supported by a continued high investment in marketing and the successful efforts to migrate customers from single category to multi-category customers.

Consumer sentiment and inflationary pressure impacted demand negatively during the year. On top, the industry was impacted

by elevated inventory levels all in all leading to an increased promotional environment.

The continued execution of our Nordic Department Store strategy enabled us to accelerate market share gains despite the aforementioned challenges. The trend of customers putting more items in the basket continued during the year supporting a sustainable high average order value and at the same time return rates continued to be on par with last year.

The net revenue increase was supported by 15% growth for Boozt.com and 15% growth for Booztlet.com. Other revenue (included in revenue Boozt.com and Booztlet.com) declined 1% compared to 2022. The decline was mainly due to the conversion of a previous agent agreement into a wholesale agreement during Q2 2023. Excluding this, growth would have been around 15%.

In 2023 the net revenue in the Nordics increased 13% and Rest of Europe increased 42%. The performance in the Nordics was mainly driven by a strong performance in Denmark and Finland. Rest of Europe was impacted positively by the recent expansion into the Baltics. The most significant markets in terms of net revenue were Denmark and Sweden accounting for 35% and 33% of total net revenue respectively.

Gross profit and EBIT

The gross profit increased 14% to SEK 3,038 million (2,667) during 2023. The gross margin decreased to 39.2% (39.5%). The lower margin is explained by the conversion of an agent agreement, which had an impact of around 0.5 percentage points for the full year.

EBIT increased to SEK 299 million (253) for the year corresponding to an EBIT margin of 3.9% (3.8%).

Items affecting comparability amounted to SEK 101 million (33) for 2023. The amount is mainly related to costs for share-based payments attributable to the Group's long-term incentive programs.

Adjusted for items affecting comparability, the adjusted EBIT came to SEK 400 million (286). The adjusted EBIT margin increased with 0.7 percentage points to 5.2% (4.2%).

Financial items

The Group's net financial items amounted to SEK -27 million (-17) for the financial year 2023. The financial items were mainly related to interest on loans for financing the expansion of AutoStore in the Company's fulfilment center.

Tax

Tax cost amounted to SEK 39 million (50) and the effective tax rate for 2023 was 14.2% (21.2%). Tax for the year is positively affected by SEK 15 million relating to the utilisation of tax losses carried forward.

Net profit

The net result for 2023 totalled SEK 233 million (186). Earnings per share before dilution amounted to SEK 3.43 (2.76). Earnings per share after dilution amounted to SEK 3.38 (2.73).

Working capital

At the end of 2023, net working capital was SEK 318 million (-109) equivalent to 4.1% (-1.6%) of the net revenue for the last twelve months. The inventory position increased during the year to ensure flexibility and reduce inventory risk, with investments mainly towards never-out-of-stock items (NOOS) and campaign goods as well as in-season goods. Furthermore, the higher inventory reflects the updated strategy for Booztlet.com, which entails a broader and deeper assortment offered on the outlet. Furthermore, accounts payable declined compared with the end of 2022, mainly due to earlier delivery of Autumn/Winter stock in 2023 combined with the timing of payments associated with these goods.

Net debt / net cash

At the end of 2023, the Group's net cash position was SEK 1,040 million (1,207). The decline compared with 2022 was among other things driven by the increased investments in stock to strengthen the inventory position compared with last year going

into Q1 2024. Furthermore, the Company has repurchased own shares as part of its share buyback program for SEK 89 million in total during 2023.

Equity

Equity attributable to the shareholders of the parent company increased to SEK 2,721 million (2,503). The change was driven by net profit and share-based payments, recognised within equity.

Cash flow

Cash flow from operating activities amounted to SEK 130 million (805) for the full year of 2023. The majority of the decline is explained by an increase in net working capital, mainly due to timing of payments, which affected 2022 favourably.

Cash flow from investing activities amounted to SEK -124 million (-715). The decline compared to 2022 was mainly related to the finalisation of the AutoStore investments carried out in 2022. Investments in 2023 was mainly related to development of the Group's platform.

Cash flow from financing activities for 2023 amounted to SEK -321 million (120). The cash outflow for the year was mainly related to repayment of loans related to the AutoStore investments in 2022 as well as the launch of Boozt's first share buyback program in 2023. During 2023, Boozt repurchased own shares for SEK 89 million in total as part of the program.

Cash flow for 2023 amounted to SEK -315 million (210).

Free cash flow for 2023 declined to SEK 6 million (90). The lower free cash flow compared with 2022 is mainly due to changes in net working capital.

MULTI-YEAR SUMMARY

| SEK million unless otherwise indicated | 2023 | 2022 | 2021 | 2020 | 2019 |
|--|--------|--------|--------|--------|-------|
| Net revenue | 7,755 | 6,743 | 5,814 | 4,359 | 3,425 |
| Net revenue growth | 15.0% | 16.0% | 33.4% | 27.3% | 23.0% |
| Gross profit | 3,038 | 2,667 | 2,352 | 1,769 | 1,361 |
| Gross margin | 39.2% | 39.5% | 40.4% | 40.6% | 39.7% |
| EBIT | 299 | 253 | 265 | 182 | 92 |
| Adjusted EBIT* | 400 | 286 | 343 | 290 | 109 |
| EBIT margin | 3.9% | 3.8% | 4.5% | 4.2% | 2.7% |
| Adjusted EBIT margin* | 5.2% | 4.2% | 5.9% | 6.7% | 3.2% |
| Earnings for the year | 233 | 186 | 195 | 133 | 55 |
| Net working capital* | 316 | -109 | 277 | 74 | 435 |
| Net working capital in percent of net revenue* | 4.1% | -1.6% | 4.8% | 1.7% | 12.7% |
| Net debt/Net cash (-)* | -1,040 | -1,207 | -1,072 | -1,497 | -132 |
| Equity/Asset ratio* | 45.6% | 41.8% | 45.4% | 47.3% | 37.9% |
| Cash flow from operating activities | 130 | 805 | 244 | 747 | 77 |
| Cash flow from investments | -124 | -715 | -609 | -151 | -171 |
| Cash flow for the year | -315 | 210 | -149 | 1,376 | -29 |
| Average number of employees | 1,093 | 1,253 | 1,049 | 375 | 337 |

*The figure is an Alternative Performance Measure (APM), which is described on pages 134-135

Significant events during the financial year 2023

Issue and repurchase of C-shares for performance-based share program

Pursuant to the authorization granted by the General Meeting on April 27, 2022, the Board of Directors decided on March 23, 2023 to issue and then repurchase 821,851 C-shares. The shares were issued and repurchased in accordance with the performance-based share program LTI 2022, which was adopted by the General

Meeting on April 27, 2022. The subscription price amounted to the share's quota value of approximately SEK 0.083333 per share.

Boozt announces long-term growth and profitability ambitions

In connection with the Capital Markets Day on March 28, 2023, Boozt announced new long-term ambitions for growth and profitability. The group now targets a long term market share of around 10% of the fashion and lifestyle market in the Nordic. Furthermore, Boozt has a long term ambition to achieve an adjusted EBIT margin exceeding 10%.

Also the group updated its capital allocation principles to prioritize the following: 1) Reinvest to drive long-term value creation through profitable organic growth and 2) Return excess cash to shareholders. Additionally, Boozt announced that during 2023-2025 the company aims to return proceeds to shareholders from the dual listing on Nasdaq Copenhagen amounting to SEK 800 million subject to stable or positively developing market conditions.

Changes in Group Management

On May 16, 2023 it was announced that Sven Thiessen had decided to step down as Chief Supply Chain Officer for the Group. He has been succeeded by Ronni Funch Olsen, who was recruited internally at Boozt.

Initiation of repurchase program of own shares

On June 21 2023, the board of directors of Boozt resolved to initiate a repurchase program of own ordinary shares. The purpose of the repurchase program was to enable Boozt to adapt its capital structure to its capital needs over time and thereby contribute to an increased shareholder value. The share buyback programme may run until the annual general meeting 2024 and the total number of shares that may be repurchased may in the aggregate not exceed SEK 200 million.

Conversion of series C shares into ordinary shares

On July 3, 2023 a total of 735,359 C shares were converted into ordinary shares and delivered to participants in the long-term incentive program 2020/2023. The programme was adopted by the extraordinary general meeting held on July 1, 2020.

Norwegian court rules in favor of Boozt - the ruling was subsequently appealed

On 8 September 2023, the Oslo District Court issued a judgment in the case involving Boozt and the Norwegian Tax Administration (Skatteetaten). The case centers around the validity of the Tax Administration's decision to reject Boozt's application for simplified registration for value-added tax. The Oslo District Court determined that Boozt should not be considered as having

domestic Norwegian revenue. Consequently, the Norwegian Tax Administration's decision to reject Boozt's application for simplified registration for value-added tax, was deemed to be based on an erroneous legal interpretation.

However, on 6 October 2023, the ruling was appealed by the Tax Authority to Lagmannsretten

Nomination Committee appointed

On 9 October, the Nomination Committee was formed in accordance with the principles adopted by the Annual General Meeting and has the following composition:

- Anders Lund (appointed by BLS Capital), Chair of the Nomination Committee
- Joakim Gjersøe (appointed by Ferd AS)
- Claus Wiinblad (appointed by ATP)
- Henrik Theilbjørn, Chair of the Board of Boozt AB (publ)

The Nomination Committee submits proposals to the AGM regarding the composition of the Board, remuneration of the Board, election of auditors and auditor fees.

Events after the reporting date

There have been no significant events after the reporting date.

Information on the Company's share

The Boozt share is listed on Nasdaq Stockholm and is dual-listed on Nasdaq Copenhagen. The Boozt share is traded on Nasdaq Stockholm under the ticker BOOZT and on Nasdaq Copenhagen under the ticker BOOZT DKK. The ISIN-code is SE0009888738. The combined average turnover of the Boozt share on Nasdaq Stockholm and Nasdaq Copenhagen was 218,438 shares per day in 2023 (280,940). The market value for the Company as per December 31, 2023 amounted to SEK 9,240 million (7,917). The lowest quoted market price at close during 2023 was SEK 76.5 per



share (30 October) and the highest quoted market price was SEK 150.5 (3 February). The closing price as per December 31, 2023, was SEK 135.3.

As per December 31, 2023 the company had approximately 16,800 shareholders, whereof the largest shareholders were BLS Capital (24.5%), Ferd (12.1%) and ATP (5.0%).

The total number of shares at the end of 2023 amounted to 68,289,488 (67,467,637), with a quota value of SEK 0.0833 per share (0.0833). The share capital consists of two share classes: ordinary shares of 66,544,621 shares (65,809,262) with one voting right per share and C shares 1,744,867 shares (1,658,375) issued, with 1/10 voting right per share. There are no restrictions on the number of votes each shareholder can cast at the Annual General Meeting. All ordinary shares in the Company are listed. The C shares have been issued and repurchased in accordance with the Group's long-term incentive programs ("LTI"). During 2023, 735,359 C-shares were converted into ordinary shares and 821,851 new C shares were issued under the Group's LTI programs. More information about the Group's share capital can be found in Note 24 and more information about the Group's LTI programs can be found in Note 9.

Treasury shares

On June 21, 2023 the Board of Directors initiated a share buyback program. The intention is that the repurchased shares shall be cancelled through resolutions by future general meetings. The total number of shares that may be repurchased may not result in that the Boozt's shareholding (including holdings of C-shares) exceeds 10 per cent of the total number of shares and the amount to be paid for repurchased shares may in the aggregate not exceed SEK 200 million. The program was initiated on 21 June 2023 and repurchases may be made at the longest until the annual general meeting 2024 on 25 April.

The total amount used for the repurchase program is SEK 89 million as per the date of the release of this report corresponding to 854,319 shares. As per the date of this report,

the number of treasury shares was 2,599,186 whereof 1,744,867 are C-shares.

Sustainability report

Boozt has a statutory sustainability report in accordance with disclosure requirements set out in the Swedish Annual Accounts Act chapter 6 paragraph 11 and in accordance with the disclosure requirements set out in the EU Taxonomy Regulation Article 8. The statutory sustainability report is presented on page 24-29 and 53-94.

Corporate Governance report

The corporate governance report is presented on pages 39-52.

Employees

At the end of 2023 the number of employees in the group amounted to 1,176 employees (1,246). The average number of employees in the Group was 1,093 (1,253), whereof 50% women and 50% men (52% women and 48% men). More information on employees and corporate culture are presented on page 23, in the sustainability report on pages 53-94, and in Note 9.

Remuneration Policy for the Group Management

The Board of Directors' guidelines for remuneration of senior executives will apply unchanged with the guidelines adopted by the Annual General Meeting in 2023. Details of the current guidelines for remuneration of senior executives approved by the Annual General Meeting are to be found in Note 9 and in the corporate governance report on pages 39-52.

Related party transactions

More information about related party transactions can be found in Note 26.

Parent company

The parent company Boozt AB (publ) (Corporate ID no 556793-5183) is a Swedish public limited liability company which was founded on October 15, 2009 and registered with the Swedish Companies Registration Office on November 13, 2009. The Company's business is conducted in accordance with the Swedish Companies Act.

Since May 31, 2017, Boozt AB (publ) is listed on Nasdaq Stockholm and since November 20, 2020, dual-listed listed on Nasdaq Copenhagen.

The address to the head office is Hyllie Boulevard 35, 215 37 Malmö, Sweden.

The net revenue for the financial year of 2023 amounted to SEK 166 million (90) and consisted of invoiced fees for management services in accordance with the Group's intra company agreements to other Group companies during the year. Operating profit amounted to SEK -3 million (-9). Costs for the year are mainly attributable to salaries and share-based payments for Group Management and remuneration to the Board of Directors.

Group contributions received from Group companies amount to SEK 3 million (10) in 2023.

The net result for the financial year of 2023 amounted to SEK 27 million (1).

The parent company has a Group internal receivable respectively a liability to different counterparties within the Group, which together with shares in subsidiaries and equity constitutes the majority of the financial position of the Company.

Outlook for 2024

For the full year 2024, Boozt expects a net revenue growth in the range of 5-15% and an adjusted EBIT margin of 5.2-6.0%

Revenue growth for 2024 is expected to be supported by market share gains as well as an increase in online penetration across Boozt's product categories.

Boozt expects the market to continue to be volatile, however, the outlook assumes a stable to improving consumer confidence following two difficult years.

Profitability is expected to continue to benefit from economies of scale as well as potential cost initiatives across the Group.

CAPEX for 2024 is expected to be in the range of SEK 150-250 million. This will mainly be related to IT development costs as expansion of the Company's fulfilment capacity is not expected to commence before 2025.

The outlook for 2024 assumes that the exchange rates will remain at the current level. Assuming current exchange rates versus the Swedish Krone, full year growth reported in SEK is expected to be around 1 percentage point lower than in local currency.

Long-term growth and profitability ambitions

In connection with the Capital Markets Day on March 28, 2023 the group announced updated long-term ambitions for growth and profitability.

Long-term growth and profitability ambitions:

- Market share around 10% of the fashion and lifestyle market in the Nordics
- Profitability: Adjusted EBIT margin exceeding 10%

Since 2017, Boozt has successfully managed to grow net revenue significantly faster than the Nordic market. The Nordic market remains attractive and we expect to continue to significantly outgrow the market. The market share gains will be supported by the position as the leading Nordic Department Store.

When the Company's growth rate is in line with the Nordic online fashion and lifestyle market, Boozt believes that its business model with best-in-industry unit economics will result in double-digit margins and strong cash generation. However, the target to reach an adjusted EBIT margin of 10% is the ambition already in five years.

Dividend policy

When free cash flow exceeds available investments in profitable growth, the surplus can be distributed to shareholders. The Company does not intend to pay dividends in the medium term and there can be no assurances that in any given year a dividend will be paid. Declaration of dividends, if any, and the amounts and timing thereof, will depend on a number of factors, including financial position, investment needs, acquisition opportunities, general economic and business conditions and such other factors as the board of directors may deem relevant in such a decision.

The Board of Directors propose to the annual general meeting 2024 that no dividends are paid to the shareholders for the financial year 2023.

Proposed appropriation of profits

| SEK | |
|--------------------------|---------------|
| Share premium reserve | 2,182,225,200 |
| Retained earnings | -355,019,669 |
| Profit/loss for the year | 27,130,020 |
| Total | 1,854,335,551 |

The Board of Directors proposes that profits/losses are distributed as follows

| SEK | |
|-----------------------------|---------------|
| Profit/loss brought forward | 1,854,335,551 |



Risk management

As an e-commerce company, we are exposed to a variety of risks that are inherent to our operations. Managing these risks is an integrated part of our management activities.

Boozt's risk management framework is based on structured risk identification, analysis and reporting processes, all of which provide the basis for ongoing risk assessments and subsequent initiation of relevant mitigating actions.

Our flat organisational structure allows for fast escalation and timely response to issues that may have a material impact on the Group's earnings and financial and strategic targets.

Boozt works continuously to identify, assess and evaluate risks to which the Group is currently exposed to, and risks that are probable to occur in the foreseeable future. Risks are identified, assessed and managed based on the Group's vision, strategy and financial targets.

Operational risks are continuously evaluated within daily operations. Management-related risks are continuously reviewed by management and documented by the Internal Control Function. We integrated ESG risks into the wider risk management framework. The Internal Control Function engages with the sustainability department in meetings to evaluate and define ESG Risks. Group Management reports to the Board of Directors on potential risk issues. The Board of Directors is responsible to the shareholders for the Group's risk management and formally assess risks annually.

Identified risks are assessed regarding the probability of occurrence and impact if occurring. The effectiveness of existing risk responses (such as safeguards, control activities etc.)

is qualitatively assessed. The residual risk is illustrated and considers the effectiveness of all current existing risk responses.

Risks can be mitigated through proactive actions, such as insurances or legal agreements, and in some cases, the Group can influence the likelihood of a risk-related event occurring. Other risks are not possible to eliminate, such as risks dependent on political decisions, or other macroeconomic factors. If a risk is related to events beyond the control of the Group, work is aimed at alleviating the consequences.

Key risk assessment 2023

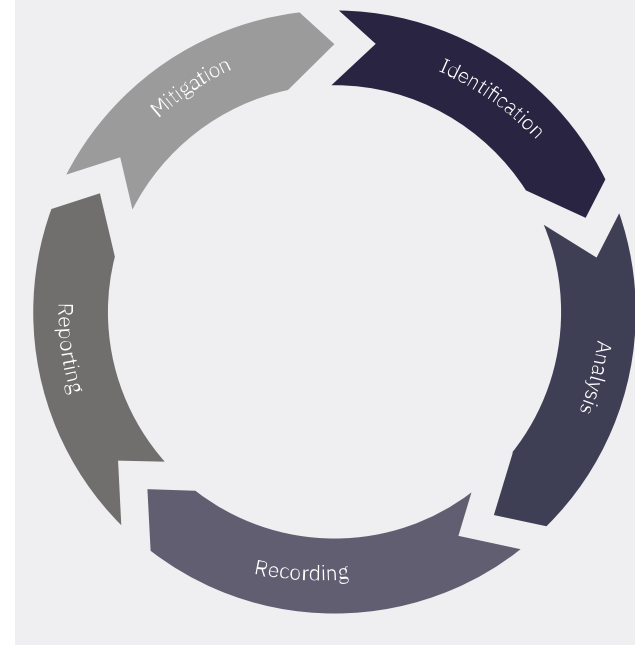
In the following section, we report the identified risks which are considered to have a considerable impact on the business.

The Group's analysis confirmed nine overall key risk areas. These may have a significant impact on Boozt's earnings, financial position and ability to achieve other strategic objectives, should they materialise.

The Group discloses the current nine largest areas of risk in a non-prioritised order depending on the most recent assessment by the Group Management and Board of Directors in terms of impact and likelihood of all identified risks.

The indicated likelihood of occurrence and annual EBIT impact are based on our best estimates, taking relevant mitigation activities into consideration. As such, it should be noted that the quantifications applied in the risk overview carries some degree of uncertainty.

RISK MANAGEMENT AND INTERNAL CONTROL AT BOOZT – A LIVING AND ONGOING CYCLE





| Risk | Description | Mitigating activities | Probability | Impact |
|-----------------------------|--|--|-------------|----------------------------|
| 1) Macroeconomic factors | Changes in the overall macroeconomic environment within the Group's geographical area may influence the Group's business in terms of overall demand for fashion & lifestyle, customer behaviour as a consequence of increasing environmental awareness and supply-chain disruption etc. | The Group actively monitor macroeconomic trends and development within the regions of interest, as well as the online factors and trends that may affect the market. To mitigate changes in demand and consumer preferences, the Group among others perform the following activities: - Sales and product performance actively monitored on daily basis to identify changes in demand and customer behaviour - Flexible and dynamic buying model that enable the Group to adjust the inventory position to reflect an increase or decrease in overall demand - The outlet segment Booztlet serves as a further hedge to mitigate the inventory risk for the Group - Right-sizing of cost base to reflect growth opportunities | Likely | More than +/- 15 % of EBIT |
| 2) Brand & reputation | The Boozt brand and reputation is key to our continued ability to attract and retain customers, employees and shareholders. ESG: Reputational risk arises if we do not meet increasing customer expectations and demands in terms of sustainability. | Personnel: We strive to make our company an attractive place to work by offering a supportive and inspiring working environment for all employees. This includes ensuring that our office and warehouse premises are modern and safe places to work as well as encouraging a safe and healthy working environment. We have established a performance culture centred around the empowerment of the individual, which allows our employees to take responsibility, make decisions and influence their everyday work life. Brands: Close and frequent dialogue with brands on performance, trends and data insights to secure long lasting relationships. Customers: In relation to customers, we constantly monitor satisfaction and live by the notion – “if any doubt – the customer is right”. ESG: To mitigate this we follow global practised frameworks, we track if Brands follow the Supplier Code of Cooperation covering human rights, child labour, ethical sourcing and animal welfare and we have updated our Care-For strategy to stay ahead of upcoming regulation and ESG trends and become the leading e-commerce company in the Nordics. | Moderate | More than +/- 15 % of EBIT |
| 3) Commercial & competition | The competitive environment has changed as a result of the COVID-19 pandemic. Consumer demand is shifting more rapidly to e-commerce forcing both large e-commerce players, local challengers and fashion companies to improve their e-commerce offering at a faster pace. As a result, the addressable market increases as well as competition. ESG: As the consumer demand for sustainable products is growing, there is both a strong business case and opportunity for more sustainable fashion at Boozt but also a risk from not meeting this customer shift and demand. Therefore there is a risk of customer migration if the Group's main competitors strengthen their market positions in terms of sustainability. | The Group is convinced that the Nordic Department Store strategy positions the group well to grow ahead of the online market by continuing the accelerated market share gains. The importance of scale is ever growing and with the online space still considered very fragmented in terms of the competitive landscape, we believe that there are ample opportunities to take market shares as a consequence of our scale benefits. In addition, the group continues to invest in further development of the vertical revenue streams (Boozt Media Partner, BooztPay and BrandHub) to improve our commercial offering towards customers and brands as well as the ability to do further price investments to secure market share and/or ultimately improve the profitability of the group. ESG: Boozt has launched the Made With Care section on site, aimed at helping customers shop according to their values. The new browsing experience includes transparent and understandable information about the sustainability efforts of brands as well as the environmental and social impact areas of products. | Moderate | More than +/- 15 % of EBIT |
| 4) Fulfilment operations | Incidents or interruption in the Boozt Fulfilment Centre may occur in case of fire, power outage, accidents, lack of capacity or low productivity as a consequence of a lack of personnel and/or malfunctioning automation. | Incident/damages: The Group assesses and evaluates different possible scenarios and has defined what actions to take if such events occur. Contingency plans are adopted and include responsibility- and crisis management. Efficiency and capacity: Strategic and tactical planning is performed to support the growth considering factors such as warehouse/logistics capacity, recruitment strategies etc. Group Management and the Board of Directors continuously review the business plan and the strategic and tactical planning. The automation capacity can be expanded in a modular way securing high utilization at all time and flexibility around when to invest in further capacity. | Moderate | More than -15 % of EBIT |



| Risk | Description | Mitigating activities | Probability | Impact |
|------------------------------------|---|---|-------------|-------------------------|
| 5) IT security and infrastructure | The Boozt IT infrastructure is crucial to our day-to-day operations - from customers ability to order and pay to our core fulfilment services and analytical capabilities. This makes us vulnerable to system outages, cyber attacks and failure to scale our infrastructure to support the high growth trajectory. | <p>Boozt assesses and monitors the risk for the occurrence of different scenarios that affect the function of the webstore and fulfilment services operated by the Group. The webstores are monitored in real time and actions can be taken in minutes to ensure continued website functionality.</p> <p>Boozt's IT infrastructure is operated via cloud computing services hosted by Google Cloud Platform and is considered best-in-class in terms of performance, stability and security.</p> <ul style="list-style-type: none"> - we follow general best practices regarding security aspects guided by Rackspace and Google. - we run yearly IT audits with external specialists - we are collaborating with ethical hackers to discover potential security breaches early - we have a strict role based access control to which systems and data employees can access - we are running internal security training of all employees - and we run internal "phishing attempts" to see if the staff follow the IT policies - Our IT Disaster Recovery Plan prioritises roles, responsibilities and actions to mitigate disruption events. | Moderate | More than -15 % of EBIT |
| 6) Financial risk | Risk that the Group does not have a sufficient liquidity reserve and no ability to provide sufficient funding through capital markets in respect to growth and investments plan. | <p>The risk is mitigated by adopted policies regarding target debt ratios, maturity date spreads on credit facilities, cash planning etc.</p> <p>The Group operates with a net cash position to ensure sufficient operational flexibility. In addition, the Group has access to a revolving credit facility of SEK 200 million as well as an overdraft facility of SEK 88 million.</p> | Unlikely | Less than -15 % of EBIT |
| 7) Supply chain disruption | <p>Risk deriving from disruption in the supply chain caused by poor performance by distribution partners or lack of product supply from brand partners.</p> <p>ESG: The increased severity and frequency of extreme weather events due to climate change can lead to supply chain disruption due to its impact on manufacturing and distribution. A disruption in the supply chain may affect the customer experience and result in the deterioration of the Group's customer offering.</p> | <p>Distributors: To mitigate the risk of dependency on any single supplier, Boozt works with multiple local providers in each country with the ability to shift volumes between the distributors in case of poor performance or continuous supply chain disruption. The scale and volume which the group operates enable us to get high priority with our partners.</p> <p>Product supply: Status as preferred partner through building long-lasting and mutually beneficial partnerships with supply partners to ensure prioritization if supply chain disruption occurs (e.g. due to climate change). Further, the diversification of Boozt's selection, which consist of around 1,600 brands and where no single brand is responsible for >2% of revenue, ensures that the Group is not reliant on any single supplier.</p> | Unlikely | Less than -15 % of EBIT |
| 8) Personnel | <p>The Group may lack the ability to attract and retain key personnel due to various reasons, such as monetary, benefits, working environment etc. The focus on digitisation and e-commerce has increased the demand for our Group's employees.</p> <p>ESG: Risk of not attracting young talents and not meeting their increasing demands of purpose-driven business practices.</p> | <p>The Group seeks to be an attractive employer by a competitive offering both in terms of salary and benefits, but also by creating a culture that the employees enjoy being a part of. The Group's Code of Conduct contains the core values that we want the business to live by. The employee satisfaction is monitored continuously by monthly surveys and all managers are required and encouraged to share and discuss results openly with their team and create an action plan on any areas of improvement.</p> <p>ESG: Engaging with universities and students in research projects and career days to raise awareness and share knowledge about our sustainability work.</p> | Moderate | Less than -15 % of EBIT |
| 9) Compliance & regulatory changes | <p>Risk for non-compliance with EU privacy regulation/GDPR.</p> <p>ESG: Risk for non-compliance or poor preparedness with upcoming ESG regulations such as Corporate Sustainability Reporting Directive (CSRD), carbon pricing mechanisms etc.</p> | <p>The Group has since the GDPR implementation continuously worked with data privacy, ensuring full compliance with the regulation. Data are not spread across different third-party systems securing data discipline and control in own systems. Ongoing project to strengthen the GDPR compliance and perform risk analysis and documentation on the use of personal data throughout the organisation.</p> <p>ESG: We monitor emerging regulations and conducted a limited pre-assurance of our Sustainability Report, in preparation of the Corporate Sustainability Reporting Directive (CSRD).</p> | Unlikely | Less than -15 % of EBIT |



Corporate governance report

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Governance

Dear Shareholders

We are pleased to present our 2023 Corporate Governance Report, reaffirming our unwavering commitment to upholding the highest standards of corporate governance. In a year marked by persistent challenges in global markets, characterized by inflation, elevated interest rates, and market volatility, our Board and Management have consistently demonstrated agility and adaptability. These qualities have enabled us to effectively respond to shifts in our company's performance and the external business environment. The importance of effective governance in facilitating pivotal decisions that drive both short-term and long-term success cannot be overstated.

In anticipation of the imminent implementation of the Corporate Sustainability Reporting Directive (CSRD), we have proactively prepared to meet its requirements and be proficient in sustainability reporting.

Our dedicated efforts have also focused on climate and cyber risk, recognizing their importance in our ever-evolving business landscape. These endeavors have culminated in the development of robust strategies aimed at addressing these critical issues, thus safeguarding our business and the interests of our stakeholders.

Our foundational principles of integrity, accountability, and transparency continue to guide our actions. We maintain a steadfast commitment to constructive stakeholder engagement, emphasizing open communication with our shareholders to nurture trust and foster collaboration.

We extend our sincere gratitude for your continued support as shareholders.

Henrik Theilbjørn
Chair of the Board

Governance

Boozt AB (publ) is a Swedish public limited liability company listed on Nasdaq Stockholm (large cap) and Nasdaq Copenhagen (large cap). Corporate governance refers to the system through which shareholders directly or indirectly govern the company. The Corporate Governance Report forms part of the company's Board of Director's report. Corporate Governance at Boozt, which can

be divided into external and internal governance documents, is in compliance with Swedish law, the Nasdaq Stockholm's Rule Book for Issuers and the Swedish Corporate Governance Code (the Code) as well as internal regulations and instructions.

External governance documents

The external governance documents constitute the framework for corporate governance. These include the Swedish Companies Act, the Swedish Annual Accounts Act, EU Market Abuse Regulation, the Nasdaq Stockholm's Rule Book for Issuers, and the Code. The Code applies to all Swedish companies with shares listed on a regulated market in Sweden.

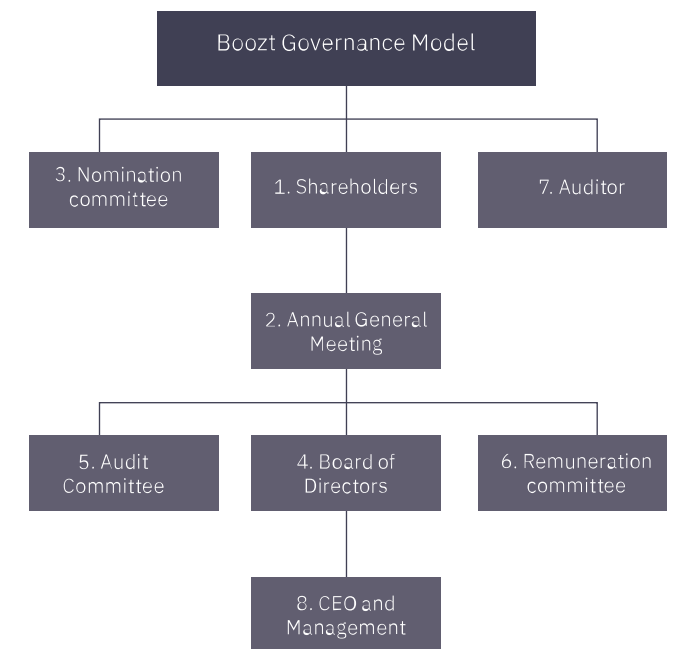
In the event where the company is unable to comply with any aspect of the Code, it adopts the "comply or explain" principle under the Code, and describes the deviation and the reason for it in the corporate governance report. The current Code is available at the Swedish Corporate Governance Board's website www.corporategovernanceboard.se. Boozt applied the Code, and no deviations occurred during the year. The company was not subject to any decision of the Nasdaq Stockholm disciplinary board or any statement by the Swedish Securities Council during the year.

Internal governance documents

Internal governance documents include the Articles of Association adopted by the Annual General Meeting, internal instructions, and guidelines. Examples of internal instructions include the Board of Directors' rules of procedure, rules of procedure- and instructions to the audit committee and remuneration committee and instructions to the CEO. In addition, the Board of Directors has adopted several policies and guidelines that control the company's operations, and instructions for financial reporting are documented in the company's finance handbook. Boozt aims for a high standard through clarity and simplicity in its management system and governing documents. The shareholders of Boozt are the ultimate decision makers regarding the Group's governance through their election of the company's Board of Directors at the Annual General Meeting. In turn, the Board is responsible for ensuring that corporate governance is in compliance with

applicable laws as well as other external and internal governance documents.

Governance, management, and control of Boozt is divided among the shareholders through the Annual General Meeting, the Board of Directors, the CEO, and the auditors in accordance with the Swedish Companies Act and the Articles of Association. Openness and transparency provide good insight into the company's activities, which contributes to effective governance.





Cross listing and Danish Corporate Governance

Boozt is a Swedish public limited liability company and accordingly, Boozt follows Swedish rules, regulations and guidelines as described above. However, as a company with shares admitted to trading on both Nasdaq Stockholm and Nasdaq Copenhagen, Boozt is required each year to provide a general description of the main differences between the Code and the Danish recommendations on corporate governance (the “Recommendations”) issued by the Danish committee on corporate governance. The company has no obligation to follow or report separately on the Recommendations.

The overall aims and principles of the Code and the Recommendations are similar and include recommendations in relation to shareholder engagement, tasks, and procedures of the board of directors, board composition and board committees as well as management remuneration.

The overall differences are described in the table to the right.

| Shareholder engagement | |
|---|--|
| Election of chair of the annual general meeting | The Code stipulates that the chair of the annual general meeting shall be appointed by the nomination committee. In a Danish context, the board of directors will usually appoint a chair of the general meeting, and this is not regulated in the Recommendations. |
| Minutes of the annual general meeting | The Code recommends that a shareholder who is independent from the company and its board of directors is appointed to verify and sign the minutes of general meetings. Such practice does not exist in Denmark and the minutes are approved and signed by the chair of the general meeting in accordance with Danish company law. |
| Policies | The Recommendations include recommendations for a listed company to adopt policies regarding communication and investor relations as well as adopt contingency procedures in case of a public takeover of the company. Such recommendations are not included in the Code, however Boozt has adopted a communications policy which governs both internal and external communications, including in relation to investors. Boozt has not currently adopted formal written procedures in case of a public takeover. |
| Procedures and tasks of the board of directors | |
| Participation in daily management | Pursuant to the Recommendations, any participation by a board member in the daily management of the company shall be approved by the board and publicly disclosed. None of the members of the board of directors of Boozt participates in the daily management of the company. |
| Board composition and board committees | |
| Independence of board members | The Code distinguishes between board members' independence from the company and its executive management and independence from the company's major shareholders in two separate recommendations. Independence in relation to major shareholders is not a part of the Recommendations, however in order to be considered independent a board member should not be a representative of or be associated with a controlling shareholder. |
| Chair of the board | The Code stipulates that the chair of the board shall be elected by the general meeting. This is not the case in a Danish context. Further, the specific tasks of the chair are more detailed in the Code, however Danish practice is in line with the tasks and responsibilities of the Code. The Recommendations stipulate that a deputy chair shall be elected, which is not included in the Code. |
| Board committees | Both the Code and the Recommendations stipulate that a company should have an audit committee, a remuneration committee, and a nomination committee. A main difference between the Code and the Recommendation is that a nomination committee pursuant to the Code consists of members elected directly by the shareholders whereas members of a nomination committee pursuant to the Recommendations are elected by and among members of the board of directors. The tasks of the nomination committee in a Swedish context are also more comprehensive than the tasks of the nomination committee in a Danish context. The company follows the Swedish practice pursuant to the Code, and accordingly the nomination committee consists of shareholder elected committee members and the tasks carried out are in line with the recommendations of the Code. |
| Management remuneration | |
| Performance criteria | Pursuant to the Code any variable remuneration is to be linked to predetermined and measurable performance criteria. In a Danish context variable remuneration is more broadly defined, and there is no recommendation that predetermined and measurable performance criteria should be applied, however any performance criteria, if applied, should be described in the remuneration policy. |
| Approval of incentive programmes | According to the Code, all share-based incentive programmes are to be approved by the general meeting, including the principle conditions for the programme. In a Danish context share based programmes may be established and approved by the board as long as such programme is within the limits of the remuneration policy as adopted by the general meeting. |
| Board compensation | The Recommendations stipulate that board members should not be provided with variable remuneration. The Code stipulates that programmes designed for board members are to be devised by the company's owners and to promote long-term ownership. |

Annual General Meeting

General Meeting

The general meeting is the company's highest decision-making forum, where the shareholders exercise their right to decide on the company's affairs.

The Annual General Meeting is held once a year, within six months from the end of the financial year. Notice of general meetings shall be published in the Swedish Official Gazette and be kept available on the company's website. At the time of the notice, an announcement with information that the notice has been issued shall be published in Svenska Dagbladet.

Registered shareholders who have given notice of their attendance on time are entitled to participate in the meeting and vote for the total number of shares they hold. Shareholders who wish to participate in a general meeting must be included in the shareholders' register maintained by Euroclear Sweden on the day falling six banking days prior to the meeting and notify the company of their participation no later than on the date stipulated in the notice convening the meeting. Shareholders may attend the general meetings in person or by proxy and may be accompanied by a maximum of two advisors. Typically, it is possible for a shareholder to register for the general meeting in several different ways as indicated in the notice of the meeting. A shareholder may vote for all shares owned or represented by the shareholder. Extraordinary general meetings can also be held when needed.

Among other things, the general meeting makes decisions concerning:

- Adoption of the income statement and balance sheet
- Adoption on consolidated income statement and statement of financial position

- Appropriation of the earnings according to the adopted balance sheet
- Resolution on authorisation for the Board of Directors regarding new share issue
- Resolution on implementation of long-term incentive program by way of directed issue of warrants and approval of transfer of warrants
- Discharge of the members of the Board of Directors and the CEO from liability
- Election of board members and the Chair of the Board
- Remuneration to the Board of Directors
- Amendments to the Articles of Association
- Election of auditor
- Establishment of principles for the nomination committee

2023 Annual General Meeting

The Annual General Meeting was held on April 26, 2023. All resolutions were passed with the required majority. In accordance with the proposal from the Nomination Committee, Henrik Theilbjørn, Aileen O`Toole, Benjamin Büscher, Cecilia Lannebo, Julie Wiese, and Jón Björnsson was re-elected as ordinary board members. Henrik Theilbjørn was re-elected as Chair of the board.

2024 Annual General Meeting

The Annual General Meeting (AGM) will be held on Wednesday April 25, 2024, at 08:00 CET at Setterwalls Advokatbyrå, Stortorget 23, 211 34 Malmö, Sweden. Notice to attend the AGM along with proposals from the Nomination Committee will be published on the company's website no later than March 28, 2024.





Important dates for the AGM:

April 17, 2024 - record date for the 2024 AGM.

April 18, 2024 - 9:00AM deadline for re-registration of shares held with Euronext VP Securities in Denmark.

April 19, 2024 - deadline for re-registration of shares held with Euroclear Sweden.

April 19, 2024 - deadline for notification of attendance.

A shareholder who wishes to have a matter considered by the Annual General Meeting must submit a written request:

Via email to: agm@boozt.com or

by letter to: Boozt AB (publ), Att: AGM/Årsstämma, Box 4535, 203 20 Malmö, Sweden.

Proposals for the Agenda shall be submitted no later than seven weeks prior to the Annual General Meeting, or in any case, if required, in time for the matter to be included in the notice convening the Annual General Meeting.

Nomination Committee

Companies complying with the Code shall have a nomination committee. According to the Code, the General Meeting shall appoint the members of the nomination committee or resolve on procedures for appointing the members. The Nomination Committee shall, pursuant to the Code, consist of at least three members of which a majority shall be independent in relation to the company and the Group Management. In addition, at least one member of the nomination committee shall be independent in relation to the largest shareholder in terms of voting rights or Group of shareholders who cooperates in terms of the company's management. At the Annual General Meeting held on April 26, 2023, it was resolved that the Nomination Committee should consist of representatives of the three largest shareholders listed in the shareholders' register maintained by Euroclear Sweden as of August 31, 2023, and the Chair of the board. The member representing the largest shareholder shall be appointed chair

of the nomination committee, unless the Nomination Committee unanimously appoints someone else.

The largest shareholders as per August 31, 2023, were BLS Capital Fondsmæglerselskab A/S (24.5%), Ferd AS (12.1%) and Invesco (5.6%). In order of size, the largest shareholders were asked if they would accept a seat on the Nomination Committee. BLS Capital Fondsmæglerselskab A/S (24.5%), Ferd AS (12.1%) and ATP (5.2%) accepted the seats. The Nomination Committee is therefore represented by Anders Lund (appointed by BLS Capital Fondsmæglerselskab A/S), Joakim Gjersøe (appointed by Ferd AS), Claus Wiinblad (appointed by ATP) and together with the Chair of the board of directors Henrik Theilbjørn constitute the Nomination Committee. The Nomination Committee has appointed Anders Lund as chair of the Nomination Committee as per October 30, 2023.

The Nomination Committee's complete proposals to the 2024 AGM will be presented in the official notification of the AGM.

The responsibilities of the committee are to prepare and propose to the coming annual general meeting:

- Election of Chair of the AGM
- Election of Chair of the board of directors and other members of the board of directors,
- Remuneration to the board of directors, divided between the chair and other members, and remuneration for committee work, election of auditor and remuneration to the auditor; and
- Principles for appointment of the nomination committee.

Assessing the composition of the board, is reviewed continuously over the year. The Nomination Committee held 3 (5) minuted meetings during the AGM year 2023/2024.





Board of Directors

The Board of Directors is the second highest decision-making body of the company after the Annual General Meeting. Members of the Board of Directors are normally appointed by the Annual General Meeting for the period until the end of the next Annual General Meeting. According to the company's articles of association, the members of the Board of Directors elected by the general meeting shall be not less than three and not more than ten members with no deputy members. At the 2023 AGM, six board members were elected, without deputy members.

Responsibilities of the Board of Directors and composition

According to the Swedish Companies Act, the Board of Directors is responsible for the organisation of the company and the management of the company's affairs, which means that the Board of Directors is responsible for, among other things, setting targets and strategies, securing processes and systems for evaluation of targets, continuously assessing the financial condition and profits as well as ensuring an appropriate organisation, management, guidelines and internal control. The Board of Directors is also responsible for ensuring that annual reports and interim reports are prepared in a timely manner. Moreover, the Board of Directors appoints the Group CEO. According to the Code, the Chair of the Board of Directors is to be elected by the General Meeting and is responsible for managing the work of the Board of Directors and to ensure that the work of the Board of Directors is efficiently organised. The Board of Directors applies written rules of procedures, which are revised annually and adopted by the inaugural board meeting every year. Among other things, the rules of procedure govern the practice of the Board of Directors and the division of work between the members of the Board of Directors and the Group CEO.

The Board is evaluated each year for the purpose of developing the board's work and to create a basis for the Nomination Committee's evaluation of the Board's composition. The latest written evaluation of the board took place in November 2022, when the board members did interviews with a consulting company hired to do the evaluation process with satisfactory results. The board's evaluation revealed that the board's work has worked well and that comments from the latest evaluation were considered. The evaluation showed that the board is deemed well-composed and that the members add relevant competence and have experience from various areas that are relevant to the Group's activities. The work was supported by individual interviews between board members and the Nomination Committee with equally satisfying results.

As instructed by the Nomination Committee – this year's board evaluation has been carried out solely based on individual interviews between board members and the Nomination Committee as well as from the board's own ongoing discussions and assessments upon each board meeting about learnings and improvements in board work and in supporting management. The conclusions from such interviews and ongoing board self-evaluation have been satisfying and with a reconfirmed support that the board remains well-composed and that the members add relevant competence and have experience from various areas that are relevant to the Group's activities.

A presentation of the board members can be found on page 49.

The members' attendance is presented in the table to the right:

| Board of Directors 2023 | | | Independent in relation to | | Attendance | | | |
|------------------------------|--------------------|--------------|--------------------------------------|--------------------|----------------|--------------------------|---------------------------------|------------------------|
| Name | Position | Member since | The Company and executive management | Major shareholders | Board meetings | Audit Committee meetings | Remuneration Committee meetings | Directors' fees - KSEK |
| Henrik Theilbjørn | Chair of the Board | 2009 | Yes | Yes | 18/18 | 4/5 | 5/5 | 1,400 |
| Jón Björnsson | Board member | 2012 | Yes | Yes | 18/18 | - | 5/5 | 550 |
| Cecilia Lannebo ¹ | Board member | 2018 | Yes | Yes | 18/18 | 5/5 | - | 700 |
| Aileen O'Toole ² | Board member | 2021 | Yes | Yes | 16/18 | - | 5/5 | 600 |
| Julie Wiese | Board member | 2021 | Yes | No | 18/18 | 5/5 | - | 0 ³ |
| Benjamin Büscher | Board member | 2022 | Yes | Yes | 17/18 | - | - | 450 |
| Luca Martines ⁴ | Board member | 2019 | Yes | Yes | 6/6 | - | - | 150 |

Directors' fees cover the period from AGM 2023 to AGM 2024

- 1 Chair of the Audit Committee.
- 2 Chair of the Remuneration Committee.
- 3 The Director has abstained from remuneration since June 30, 2022 due to internal guidelines of employer/major shareholder. This rule has now changed, so the Director will start receiving remuneration from January 1, 2024.
- 4 The Director had declined re-election and stepped down from the Board at the 2023 AGM.

Work performed in 2023

During the fiscal year, the Board of Directors held 18 (20) meetings, including statutory, extraordinary and per circulation. Ordinary meetings are held in accordance with a yearly adopted calendar. In addition to these meetings, additional board meetings can be convened to handle issues, which cannot be postponed until the next ordinary board meeting. In addition to the board meetings, the Chair of the Board of Directors and the Group CEO continuously discuss the management of the company.

During the year the Board regularly reviewed Boozt Group's consolidated earnings, financial position, organisation, and administration. During its meetings, the Board has dealt with matters involving Boozt Group's strategy, including budget and other financial forecasting, capital structure and financing, investments in equipment, the establishment of new operations, the progress of the Group's sustainability work and continued streamlining of internal procedures and control processes. The Board has also appointed a Data Protection Officer (DPO) in May 2023.

The company's Group CEO and other members of Group Management are present at all ordinary board meetings, but they do not take part in the decision-making process of the board nor participate when the Board evaluates the Group CEO or makes decisions regarding remuneration to Group Management or meets with the company's auditors to evaluate Group Management.

At the inaugural board meeting, the Board of Directors adopts Rules of Procedure for the Board of Directors, written instructions to the Group CEO, including instructions for financial reporting.

Audit Committee

The following provides an insight into the Committee's activities during the year and sets out how the Committee operates.

The Committee continues to play a key role in helping the board fulfill its corporate governance responsibilities, which include monitoring the Group's financial reporting practices, reviewing the

work of the Group's External Auditor and the Internal Controls function, risk management framework and IT/cyber security. During the year, the Committee also considered the following:

- Accounting estimates and judgements, including in relation to inventory provisioning, refund accruals, the useful economic lives of assets, legal contingencies, consideration of alternative performance measures, in particular adjusted EBIT measures, and consideration of whether any post balance sheet events were adjusting or non-adjusting events. Other matters considered included management's going concern and viability assessment, write down of assets and inventory, inventory write down principles as well as Norwegian VEOC and inventory valuation.
- ESG reporting
- The Committee also requested an external analysis to evaluate the readiness and maturity of the ESG work in advance of the new upcoming EU legislation. Boozt is well prepared and making good progress to comply with such new legislation.

The company's Audit Committee consists of three members: Cecilia Lannebo (chair), Julie Wiese and Henrik Theilbjørn. The Audit Committee shall, without it affecting the responsibilities and tasks of the Board of Directors, monitor the company's financial reporting, monitor the efficiency of the company's internal controls, internal auditing and risk management, keep itself informed of the auditing of the annual report and the consolidated accounts, review and monitor the impartiality and independence of the auditors and pay close attention to whether the auditors are providing other services besides audit services for the company, and assist in the preparation of proposals for the general meeting's decision on election of auditors. The Committee has not been authorised to make any decisions on behalf of the Board.

The Audit Committee held 5 (5) meetings during 2023.

Remuneration Committee

The following provides an insight into the Committee's activities during the year and sets out how the Committee operates.

The remuneration committee consists of three members: Aileen O'Toole (chair), Jón Björnsson and Henrik Theilbjørn. The remuneration committee considers and prepares recommendations for the board to approve in matters concerning remuneration principles, remuneration awards and other employment terms for the Group CEO and the Group Management. The Committee has not been authorised to make any decisions on behalf of the Board.

In 2023 the committee focused on overseeing executive compensation, discussing/evaluating various weakened foreign exchange rates for groups of employees working in Sweden and commuting from Denmark and ensured its work was performed in the spirit of the Group's remuneration philosophy.

BOOZT GROUP REWARD PHILOSOPHY

| Pay for performance | Attract & retain scarce skillsets | Pay fairly and responsibly |
|--|---|-------------------------------------|
| Incentivise long-term shareholder value creation | Reward is only one element in our proposition, but it needs to be competitive | Maintain a well-governed pay system |

In addition, the committee considered the design and made recommendations to the board on approving the 2023 short- and long-term incentive programs for the Group CEO and Group Management.

The Committee has held meetings with the largest investors and discussed the Group's design of the long-term incentive program (LTIP program).

The remuneration committee held 5 (9) meetings during 2023.

Diversity in the board

In 2017 the Group's Board of Directors adopted a diversity policy applicable to its own composition. According to this policy, the Board of Directors shall, considering the company's operations, stage of development and circumstances, be appropriately composed and characterised by versatility and breadth in terms of the expertise, experience and background of the members elected by the Annual General Meeting. The objective is to seek an equal gender distribution on the Board of Directors. We consider diversity important in ensuring that board members' profiles provide the necessary range of perspectives, experience and skills required to achieve effective governance. In preparing its proposal for the composition of the Board of Directors, the Nomination Committee considers the Code and the board's Diversity Policy, seeking to achieve diversity on the Board of Directors.

With respect to gender 3 out of total 6 members (50%) in the Board of Directors are women.



Group CEO and Group Management

Group CEO

The Group CEO is responsible for the daily operation of the Group in accordance with guidelines and instructions from the Board of Directors. The division of work between the Board of Directors and the Group CEO is set out in the rules of procedure for the Board of Directors and the written instructions to the Group CEO. The Group CEO is also responsible for the preparation of reports and compiling information for the board meetings and for presenting such materials at the board meetings. According to the instructions for the financial reporting, the Group CEO is responsible for the financial reporting in the company and consequently must ensure that the board of directors receives adequate information for the Board of Directors to be able to assess the company's financial condition.

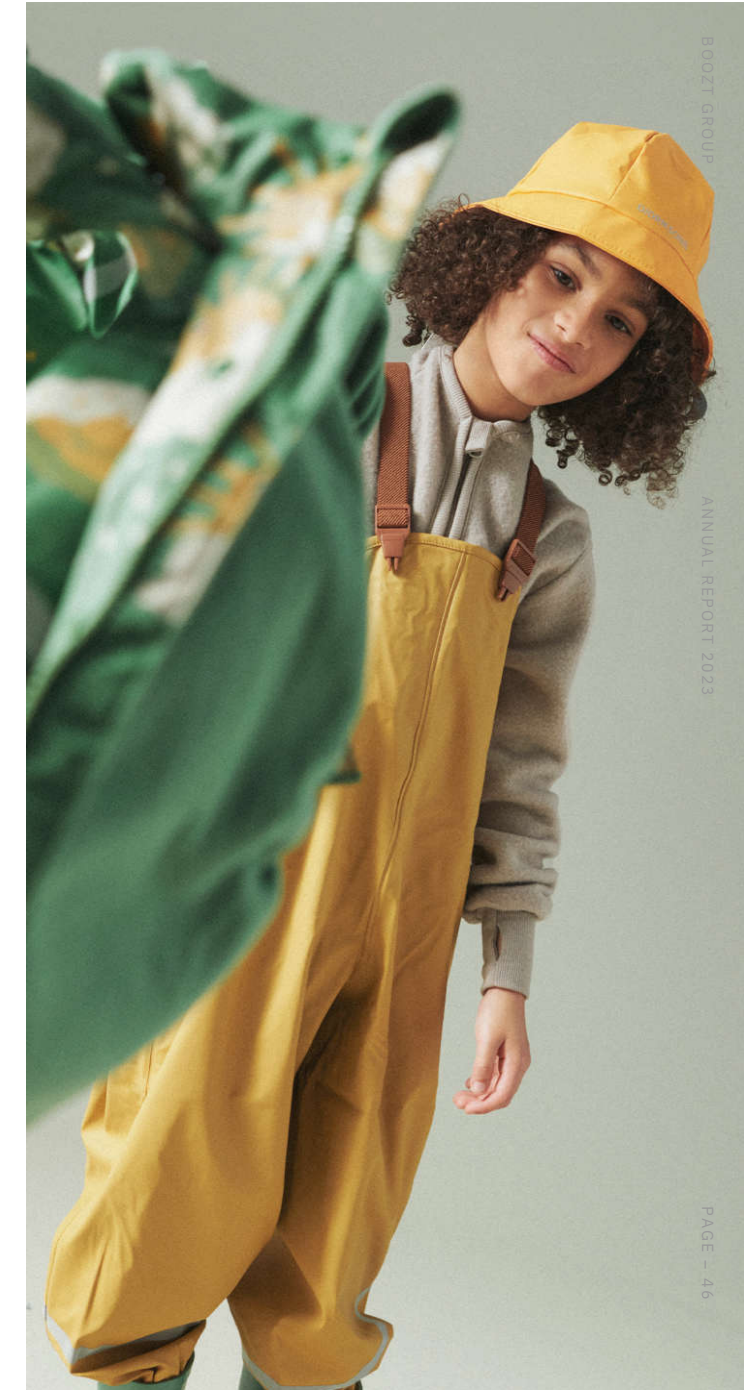
Among other things, the Group CEO must focus on recruitment of senior executives, buying and logistics matters, the customer offering, pricing strategy, sales and profitability, sustainability matters, marketing, business development and IT development. The Group CEO reports to the Board of Directors and makes the necessary preparations for taking decisions on investments, expansion, etc. The role of Group CEO includes contact with the financial market, media, and legal authorities.

Group Management

The Group CEO leads the Group Management team which consists of the Chief Financial Officer (CFO), Chief Commercial Officer (CCO), Chief Technical Officer (CTO), Chief Purchasing Officer (CPO), Chief Human Resources Officer (CHRO) and Chief Supply Chain Officer (CSCO). The Group CEO leads the work of Group Management. Group Management meetings are held weekly and focus primarily on monitoring of performance and strategic and operative monitoring and development. A presentation of Group Management is available in the section "Group Management" on page 50.

Ownership by Group Management and Board of Directors as per December 31, 2023

| Name | Number of shares directly owned | Number of shares indirectly owned | % ownership | Total number of shares owned |
|-------------------------------------|---------------------------------|-----------------------------------|--------------|------------------------------|
| Hermann Haraldsson (CEO) | 527,981 | 127,698 | 0.96% | 655,679 |
| Sandra Gadd (CFO) | 69,548 | - | 0.10% | 69,548 |
| Peter G. Jørgensen (CCO) | 386,318 | - | 0.57% | 386,318 |
| Jesper Brøndum (CTO) | 468,570 | - | 0.69% | 468,570 |
| Mads Bruun Famme (CPO) | 256,807 | - | 0.38% | 256,807 |
| Ronni Funch Olsen (CSCO) | 2,265 | - | 0.00% | 2,265 |
| Sandra Joy Sahlertz (CHRO) | 114,091 | - | 0.17% | 114,091 |
| Group Management Total | 1,825,580 | 127,698 | 2.86% | 1,953,278 |
| Henrik Theilbjørn | - | 200,000 | 0.29% | 200,000 |
| Jón Björnsson | 28,569 | - | 0.04% | 28,569 |
| Cecilia Lannebo | 5,000 | - | 0.01% | 5,000 |
| Aileen O`Toole | - | - | 0.00% | - |
| Julie Wiese | - | - | 0.00% | - |
| Benjamin Büscher | - | - | 0.00% | - |
| Board of Directors total | 33,569 | 200,000 | 0.34% | 233,569 |
| Board & Management total | 1,859,149 | 327,698 | 3.20% | 2,186,847 |



Auditors

Boozt AB's auditor Deloitte AB was elected by the 2023 AGM for a period of one year. Didrik Roos, certified public accountant, has been responsible for the audit of the company on behalf of Deloitte AB. Didrik Roos other audit engagements include Axfood, H&M and Tele2.

The auditor reports its findings to the shareholders by means of the auditors' report, which is presented to the AGM. In addition, the auditor reports detailed findings to the Audit Committee and to the full Board at least once a year, and annually provides assurance of their impartiality and independence to the Audit Committee.

The Auditors have met with the Board of Directors without Group Management's presence on one occasion during the year. The Auditors participated in all Audit Committee meetings during the year.

Audit engagements involve examination of the annual report and financial accounting, administration by the board and Group CEO, other tasks related to the duties of a company auditor and consultations or other services that may result from observations noted during such examination or implementation of such other engagements. For more detailed information on auditing fees for the year, see Note 7 in this annual report.

Remuneration to Group Management

Remuneration to the Group CEO and other members of Group Management are decided by the Board of Directors, who are authorised to make decisions in accordance with guidelines for remunerations as set by the AGM. The Remuneration Committee presents recommendations to the Board of Directors.

Guidelines for remuneration

The AGM held on May 27, 2021, adopted guidelines for remuneration applied for Group CEO and Group Management. The guidelines reflect the company's objectives for good corporate governance as well as sustained long-term value creation for shareholders. The suggestion is to keep the guidelines unchanged for 2024.

Remuneration of the CEO and Group Management

The remuneration of Boozt's Group Management is proposed by the Remuneration Committee and subsequently approved by the Board of Directors. The total remuneration package is designed to incentivise long-term shareholder value creation and is performance based, considers market practice, is aimed to be competitive in order to retain top talent, well balanced between short- and longer-term objectives and, to reinforce good ethics, a healthy company culture and a commitment to sustainability.

The fixed salary shall be based on the Group Management's competence and area of responsibility, be individual and shall normally be reviewed every year. See Note 9 for more information.

Short term incentive programs

The remuneration of Group Management shall include a short-term incentive program (STIP) which is measured on financial targets related to net revenue growth and adjusted EBIT together. The STIP also has goals on ESG topics by inclusion of upstream and downstream environmental goals together with employee related goals. The STIP has a value of up to 70% of annual fixed salary.

Benefits

In addition to the fixed salary, Group Management shall have benefits such as company car, contribution to health activities and newspapers.

Pension / Severance payments

Unlike many peer companies, Group Management shall not be entitled to a company paid pension scheme, but has a 5% mandatory self-financed pension scheme, which include insurance for health and loss of working ability.

Severance payment cannot exceed 12 months of fixed salary if stipulated in contracts.

Deviations from the guidelines

The Board may decide to deviate from the above guidelines if special reasons so justify. Deviations could include additional STIP elements based on length of employment, exceptional performance or similar. In such cases the additional remuneration cannot exceed 50% of the fixed annual salary. In 2023 no such deviations were approved.

Long-term incentive programs

The company's long-term incentive programs (LTIP) shall have the objective of aligning interests of the Group Management and selected key employees with the long-term goals of the company and its shareholders. The vesting period for long term incentive programs shall be at least three years.

LTIPs shall always be based on shares or share linked instruments. LTIPs shall ensure a long-term commitment to the development of the company. Any share based long term incentive programs will be subject to shareholder approval before being launched.

As per December 31, 2023, the company has three outstanding programs: Performance share program 2021/2024, Performance share program 2022/2025 and Performance share program 2023/2026.

Performance share program 2021/2024 was issued in June 2021 where participants can receive performance shares subject to certain performance targets (Net Promoter Score, Revenue Growth, Adjusted EBIT and NWC ratio). Based on the participation

in LTI 2021/2024 as per December 31, 2023, the maximum number of shares that can be awarded amount to 546,583 shares. The programme has a 36-month cliff vesting period and matures in July 2024.

Performance share program 2022/2025 was issued in June 2022 where participants can receive performance shares subject to certain performance targets (Net Promoter Score, Revenue Growth, Adjusted EBIT and NWC ratio). Based on the participation in LTI 2022/2025 as per December 31, 2023, the maximum number of shares that can be awarded amount to 779,851 shares. The programme has a 36-month cliff vesting period and matures in July 2025.

Performance share program 2023/2026 was issued in June 2023 where participants can receive performance shares subject to certain performance targets (Net Promoter Score, Revenue Growth, Adjusted EBIT and NWC ratio). Based on the participation in LTI 2023/2026 as per December 31, 2023, the maximum number of shares that can be awarded amount to 1,000,000 shares. The programme has a 36-month cliff vesting period and matures in July 2026.

A subset of technologists is included in this program, with a maximum allotment of 100,000 shares. Unlike other participants, this group isn't required to meet performance targets. Instead, they're eligible for shares once the program matures based on the terms and conditions. This exception is because these employees possess specialized skills crucial for the company, often engaged in highly technical projects where specific expertise is prioritized over direct financial impact. The design of their LTI (i.e. excluding performance conditions) is in line with market practice for this kind of employee. To attract and retain such talent, the Board of Directors believes it's essential to offer a long-term incentive program tied solely to continued employment with the Company.

For more information on the programs please see www.booztgroup.com.



The board's report on internal controls

To ensure that Boozt complies with applicable laws and regulations and to ensure that the Group's values are incorporated throughout the organisation the Group has adopted a Code of Conduct with mandatory principles regarding behaviour for management and employees. Additionally, several Group-wide policies have been adopted and a process for managing governing documents such as policies and procedures has been implemented.

In addition to the overall risk management system, a level of expected governance and key controls has been stipulated for identified key processes of the operations and supporting financial processes. The expected governance and key controls should be in place at all times with the purpose to enhance and ensure a sufficient level of internal controls. At least once a year the board evaluates the identified top 10 risks of the company and discuss with Group Management the prioritisation of risks and which activities should be in place to mitigate any impact of risks.

Processes relating to financial closing and reporting are specifically considered in the internal control system. Key controls are identified and tested. It appoints ownership of sub-processes and accountability to ensure compliance with applicable laws, regulations and internal policies and procedures. Processes managing the business and delivering value shall be defined within the business management system. Further descriptions (procedures, instructions) within the Group shall be aligned with these processes. Group CEO is responsible for the process structure within the Group.

The Board's focus is to strengthen the self-assessments of internal processes systematically in order to secure as little impact as possible in the event of errors or inadequacies.

Information and communication

The Group's policies and procedures are updated on an ongoing basis by the appointed policy owner. The Board of Directors assesses the need to add/update or delete policies continuously. Policies are shared with all employees via a shared online portal. The policy owner is responsible to ensure that all employees to whom the policy is of importance are informed and aware of policies that should be applied.

A self-assessment of minimum requirements of defined controls mitigating identified risks for each business process shall annually be performed and reported to the Audit Committee and the Board of Directors. Group CFO is responsible for the self-assessment process, which is facilitated by the Internal Controls Function. In addition, the Internal Controls Function performs reviews of the Risk and Internal Controls system according to the plan agreed with the Board of Directors and Group Management.

The self-assessment has been carried out during 2023 without any significant findings and has been reported to the Audit Committee and the Board of Directors accordingly.

Monitoring

Boozt Group shall comply with applicable laws and the Governing documents are a support for this. Management and employees have the responsibility for compliance within the working areas that they are responsible for. Within the Governing documents each policy has an appointed owner that is responsible for following up on the policy within the Group. Group CFO is responsible for reporting to the Audit Committee and Board of Directors on policy compliance as a whole for the Group once a year.

The Group CEO shall address any request for exception in writing to the Board of Directors. The Board of Directors shall assess and decide on each request individually. The assessment shall take both local and group-wide risks into consideration.

Internal audit

With respect to the company's current size and operations, the Board of Directors has decided not to have a separate internal audit function, but it annually assesses the need of such a function. The board has again assessed in 2023 that the most effective method for the monitoring and follow-up of internal control in the Group still is through an internal control function, which is integrated in the Group's finance function. This internal control function monitors all subsidiaries of the Group. The function regularly reports to the Group CFO, who in turn reports back to the Audit Committee. In addition, the company's external auditor reviews and assesses the company's internal control environment and reports its observations and evaluation to the Audit Committee.

Members of the Board



HENRIK THEILBJØRN

Born: 1961
Chair of the Board since: 2009

Education: Master of Science in Economics and Management, Aarhus University.

Other current assignments: Chair of the board of Pierce Group AB, Day Birger Et Mikkelsen A/S, Masai Clothing Company ApS, Neutral.com A/S, Unique Furniture A/S and Traede ApS. Board member Sahva A/S. CEO of EMMADS Invest A/S (private investment company).

Previous assignments: Chair of the board of A-TEX A/S, Baum und Pferdgarten A/S, Birger Christensen A/S, Birger Christensen China Holding A/S, Borch Textile Group A/S, Borch Textile Holding ApS, Bruuns Bazaar A/S, Bygghemma Group AB, Carl Ras A/S, Kelly Invest A/S, Languagewire A/S, Langulize A/S, Munthe A/S, Performance Group Scandinavia A/S, PWT Group A/S, PWT Holding A/S, Rabens Saloner A/S, Saint Tropez af 1993 A/S, Scandinavian Designer A/S, Shamballa Jewels A/S and Wagner China A/S. Board member of Bloomingville A/S, BV Holding Company ApS, ELKA Rainwear A/S, JAMIST Holding ApS, JAMIST Invest ApS, JAMIST Support ApS, MP Denmark A/S, New Nordic Brand House A/S, New Nordic Brand House Holding ApS, Rabens Atelier A/S.

Independent of the company, its management and major shareholders according to the Swedish Corporate Governance Code.

Shareholding in Boozt AB
200,000 indirectly



JÓN BJÖRNSSON

Born: 1968
Board member since: 2012

Education: Bachelor of Science in Business Administration, Rider University.

Other current assignments: CEO of Origo hf., Chair of the board of Braud & Co. Board member of Dropp, Joe & the Juice Iceland, Artasan ehf. and Kate Acquisition ApS.

Previous assignments: CEO of Festi hf., CEO Magasin du Nord, CEO Hagar. Board member of Copenhagen Chocolate Factory, IC Group, Malene Birger A/S, Åhlens AB.

Independent of the company, its management and major shareholders according to the Swedish Corporate Governance Code

Shareholding in Boozt AB
28,569 directly



CECILIA LANNEBO

Born: 1973
Board member since: 2018

Education: MBA from Mälardalen University and Wirtschaftsuniversität Vienna.

Other current assignments: CEO and director of i-Core Communications AB. Board member and member of the audit committee of Scandi Standard AB, board member of Djurgårdens Elitfotboll AB, board member of Zubizuri Pensionsstiftelse AB and deputy board member of Zubizuri AB. Chair of Association Djurgården Skola Stad.

Previous assignments: Head of Investor Relations in a number of different industries and companies like Hakon Invest AB, Retail and Brands AB, Eniro AB, Humana AB and Balco Group AB, Research equity analyst within the retail and service sector at SEB Enskilda.

Independent of the company, its management and major shareholders according to the Swedish Corporate Governance Code

Shareholding in Boozt AB
5,000 directly



AILEEN O'TOOLE

Born: 1973
Board member since: 2021

Education: BA, History and Politics and Master of Business Studies, both from University College Dublin.

Other current assignments: -

Previous assignments: Chief Operating Officer at Naspers and its subsidiary, Prosus., VP HR at eBay, Non-Executive Director at MakeMyTrip.

Independent of the company, its management and major shareholders according to the Swedish Corporate Governance Code

Shareholding in Boozt AB
0



JULIE WIESE

Born: 1986
Board member since: 2021

Education: BA International Studies at Oslo University, MSc Management at Imperial College Business School and MSc Investment Management at Cass Business School.

Other current assignments: Board member in Servi Group AS and deputy board member in Brav AS. Investment Professional at Ferd Capital.

Previous assignments: Deputy board member in Dr Furst Medisinske Laboratorium AS, WebMed AS and IntMed AS.

Independent of the company and its management but not independent of major shareholders according to the Swedish Corporate Governance Code

Shareholding in Boozt AB
0



BENJAMIN BÜSCHER

Born: 1981
Board member since: 2022

Education: Dual Studies in Business Administration (Betriebswirt (VWA)), and Postgraduate in Business Administration (Dipl.-Kaufmann (FH)).

Other current assignments: Senior Vice President SCM - Global Logistics & Distribution in Adidas AG.

Previous assignments: various positions within Rhenus AG, DB Schenker, Avnet Inc., Schachinger Logistic.

Independent of the company, its management and major shareholders according to the Swedish Corporate Governance Code

Shareholding in Boozt AB
0



Group management



HERMANN HARALDSSON
CO-FOUNDER & GROUP CEO

Born: 1966
Group CEO since: 2010

Education: Master of Science in Business Economics, Copenhagen Business School.

Board assignments: TV/2 Danmark A/S, Herlufsholm Skole & Gods S/I

Responsibilities: The CEO is responsible for the daily management of the company as instructed by the Board of Directors. This means that, among other things, the CEO focuses on sales and profitability, customer offering, expansion and business development. The CEO reports to the Board of Directors on Bootz's development and makes the necessary preparations for taking decisions on investments, expansion and other strategic matters. As CEO, Hermann is the primary contact for communicating with external stakeholders. Before joining Bootz, Hermann was CEO of Brøndbyernes IF Fodbold A/S, a company listed on Nasdaq Copenhagen. Previous positions include CEO of Omnicom Media Group Nordic.

Shareholding in Bootz AB
527,981 directly
127,698 indirectly



SANDRA GADD
GROUP CFO

Born: 1983
Group CFO since: 2019

Education: MBA, Lund University.

Board assignments: Hållbar E-handel, Kjell Group AB.

Responsibilities: As CFO, Sandra's responsibilities include financial business planning including budgets and forecasts, liquidity and financing. Further, the Finance Team (responsible for accounting, tax and financial reporting as well as management of internal controls), the Legal team, the Sustainability team and the Order Management team (responsible for customer fraud and the Fair Use policy) within the Group are also under Sandra's purview. Prior to this role Sandra held the positions as Transformation Finance Manager and Business Development Director. Before joining Bootz, Sandra was an Authorized Public Accountant and Audit Manager at Deloitte.

Shareholding in Bootz AB
69,548 directly



JESPER BRØNDUM
CO-FOUNDER & GROUP CTO

Born: 1969
Group CTO since: 2010

Education: Master of Science in Analysis, Aalborg University and Ph.D. in Multivariate Data Processing Faculty of Science, Copenhagen University.

Responsibilities: As CTO, Jesper is responsible for technology and engineering at Bootz. This includes all systems, technical infrastructure, research & development, and maintenance of the e-commerce platform: webstores & apps, as well as all internal business systems and proprietary software. Before joining Bootz, Jesper was Principal at Netcompany A/S.

Shareholding in Bootz AB
468,570 directly



PETER G. JØRGENSEN
CO-FOUNDER & GROUP CCO

Born: 1975
Group CCO since: 2011

Education: Master of Science in Int. Marketing & Management, Copenhagen Business School.

Responsibilities: As CCO, Peter is responsible for the teams that drive sales, on- and offline marketing, CRM, design, usability and Business Intelligence. Before joining Bootz, Peter was CMO at Telenor Denmark, Consumer Market, a part of the Telenor Group, listed on Oslo Stock Exchange.

Shareholding in Bootz AB
386,318 directly



MADS BRUUN FAMME
GROUP CPO

Born: 1976
Group CPO since: 2017

Education: Three years of economics studies at the University of Southern Denmark.

Responsibilities: As CPO (Chief Purchasing Officer), Mads oversees buying and merchandising. He focuses on using a data-driven approach combined with soft fashion buying skills. Mads is responsible for deciding the product and brand mix for Bootz, identifying the market wants and trends, and handling the stock mix and pricing strategies. Prior to Bootz, Mads was Head of Merchandising at Magasin du Nord in Denmark.

Shareholding in Bootz AB
256,807 directly



SANDRA JOY SAHLERTZ
GROUP CHRO

Born: 1983
Group CHRO since: 2021

Education: Master of Science in Business Administration, Copenhagen Business School.

Responsibilities: As CHRO, Sandra holds the responsibility for Human Resources across the company. Her engagement includes but is not limited to developing and implementing our HR strategy with valuable business impact, ensuring that Bootz has the right team in place at all times. Furthermore, she is in charge of empowering and nurturing the culture at Bootz, securing an agile and passion-driven environment across the organization. Before joining Bootz, Sandra was Marketing Consultant at Telenor Group, listed on Oslo Stock Exchange.

Shareholding in Bootz AB
114,091 directly



RONNI FUNCH OLSEN
GROUP CSCO

Born: 1988
Group CSCO since: 2023

Education: Master of Finance & Accounting, Copenhagen Business School.

Responsibilities: As CSCO, Ronni holds the responsibility for strengthening and expanding our warehouse operations, ensuring that Bootz has fast and cost-efficient processes in place. This includes overseeing fulfilment and distribution activities. Prior to this role Ronni held the positions as Head of Investor Relations and Corporate Communications and Head of Investor Relations and Business Finance. Before joining Bootz, Ronni was Director M&A and Special Projects with DSV Global Transport and Logistics listed on Copenhagen Stock Exchange..

Shareholding in Bootz AB
2,265 directly

Share information

The Boozt share has been traded on Nasdaq Stockholm since May 31, 2017, and on Nasdaq Copenhagen since November 20, 2020. At the end of 2023, the total number of shares was 68,289,488 and votes were 66,719,107.7 distributed among 16,800 known shareholders. The share capital consists of two share classes: ordinary shares (66,544,621 shares issued) with 1 voting right per share and C-shares (1,744,867 shares issued) with 1/10 voting right per share. There are no restrictions on the number of votes each shareholder can cast at the Annual General Meeting.

The ten largest known shareholders accounted for 61.3% of the shares outstanding. These are the 10 largest known shareholders as per December 31, 2023:

| Owner | Ord. shares | C-shares | Capital | Votes |
|---------------------------------------|-------------------|-----------|--------------|--------------|
| BLS Capital Fondsmæglerselskab A/S | 16,520,201 | | 24.5% | 25.0% |
| Ferd AS | 8,259,037 | | 12.1% | 12.5% |
| Arbejdsmarkedets Tillægspension (ATP) | 3,443,958 | | 5.0% | 5.2% |
| First Swedish National Pension Fund | 2,894,221 | | 4.2% | 4.3% |
| Norges Bank | 2,608,484 | | 3.9% | 4.0% |
| Boozt AB | 854,319 | 1,744,867 | 3.8% | 1.5% |
| Vanguard | 2,069,501 | | 3.0% | 3.1% |
| La Financière De L'Echiquier | 1,462,589 | | 2.1% | 2.2% |
| Handelsbanken Fonder | 993,638 | | 1.5% | 1.5% |
| Familjen Eklund | 800,000 | | 1.2% | 1.2% |
| Total | 39,905,948 | | 61.3% | 60.5% |

Source: Data aggregated by Monitor by Modular Finance AB. (Sources: Euroclear, Morningstar, Finansinspektionen, Nasdaq, Millistream)

Share price performance 2023

At year-end, the closing price of Boozt shares listed in Sweden on Nasdaq Stockholm was SEK 135.3, an increase of 12% compared with year-end 2022. At the end of 2023, the closing price of Boozt shares listed in Denmark on Nasdaq Copenhagen was DKK 91.2, an increase of 13% since year-end 2022.

The average daily trading volume of Boozt shares on Nasdaq Stockholm and Nasdaq Copenhagen was 218,438 shares in 2023 equivalent to 0.3% of shares issued.

As per December 31, 2023, the market capitalization of Boozt was SEK 9.2 billion compared with SEK 7.9 billion at the end of 2022.

Ownership

On December 31, 2023, Boozt had around 16,800 registered shareholders. The largest 10 shareholders owned 61% of the share capital.

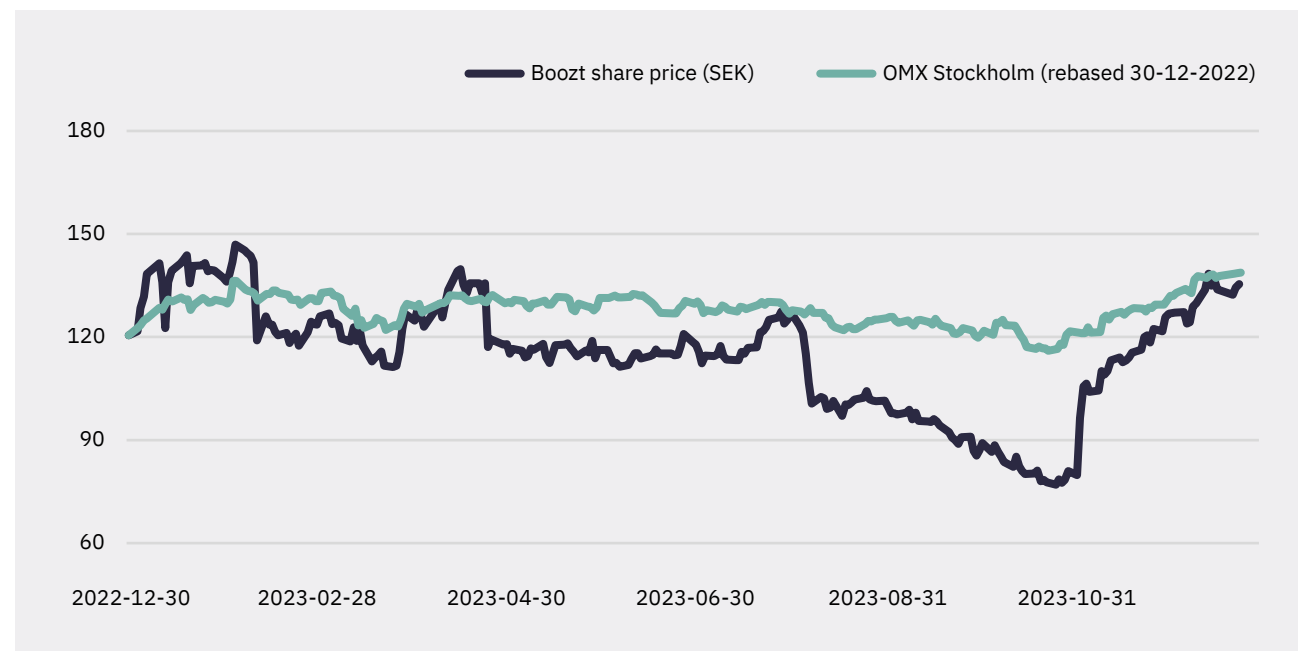
Boozt has no majority shareholders. Shareholders owning more than 5% of the share capital in Boozt according to latest shareholding notifications, are:

- BLS Capital (24.5%)
- Ferd AS (12.1%)
- ATP (5.0%)

As per December 31, 2023, the largest countries in terms of shareholding was Denmark (44% of the shares), Norway (16%), Sweden (14%), the US (6%) and France (3%)

Communication with Shareholders

Through open and proactive communication, we aim to provide the basis for fair and efficient pricing of the Boozt share. To keep



investors updated, we host conference calls with management following the release of financial results.

Boozt's Management and Investor Relations preserved close contact with both existing and potential investors during 2023 by ensuring engagement with the investment community through a combination of in-person and virtual roadshows along with participation in in-person and virtual conferences hosted by various brokers.

Boozt applies a 30-calendar-day silent period before interim reports and annual reports are published.

Boozt is covered by eight equity analysts. For more information about analyst coverage, please visit: <https://www.booztgroup.com/analysts>

| Shares issued ('000) | 2021 | 2022 | 2023 |
|--|--------|--------|--------|
| Number of shares issued, year-end | 66,891 | 67,468 | 68,289 |
| Average number of shares issued | 65,792 | 67,374 | 68,096 |
| Average number of shares issued after dilution | 67,173 | 68,056 | 68,983 |



Auditor's report on the corporate governance report

To the general meeting of the shareholders in Boozt AB, corporate identity number 556793-5183

Engagement and responsibility

It is the Board of Directors who is responsible for the corporate governance report for the financial year 2023-01-01 - 2023-12-31 on pages 39-52 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Malmö March 22, 2024
Deloitte AB

Signature on Swedish original

Didrik Roos
Authorized Public Accountant





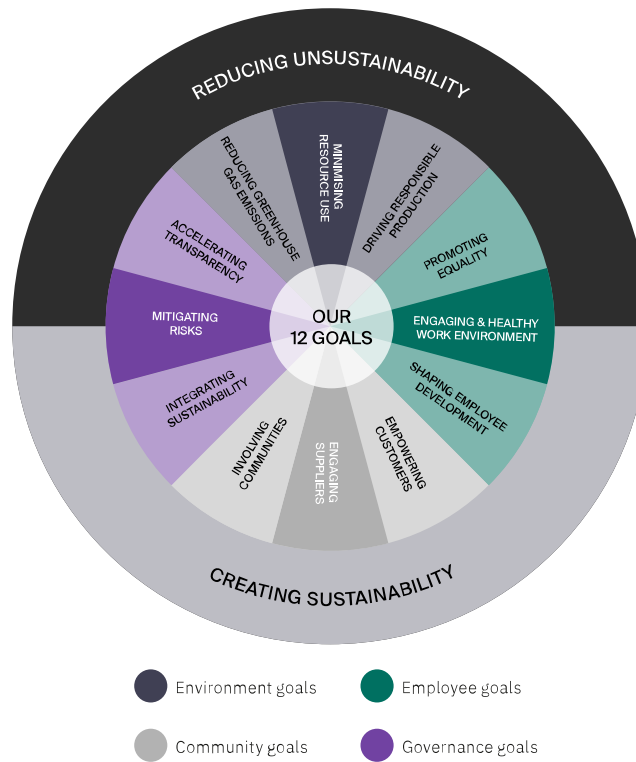
Sustainability report

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Care-For strategy and material topics

The e-commerce industry faces many challenges on the road to implementing more sustainable practices. By using Boozt's position and size there is a unique opportunity to push for a more sustainable industry. Boozt's responsibility vision is to use its local Nordic position and technology platforms to make sustainable choices easy for its customers and partners.



Boozt has refined its Care-For strategy and goal areas to establish a clear roadmap and strategic direction for the company's vision of becoming the leading responsible Nordic department store. The updated strategy serves as a guide for Boozt to achieve this vision. The company has expanded and updated its goals and targets to align with its strategic direction, external trends, and overall societal developments. To solidify its commitment to sustainability and have a holistic approach, Boozt has expanded its efforts across four key dimensions: Environment, Employees, Community, and Governance. Within each dimension, Boozt has established goal areas and relevant targets based on a materiality assessment.

Boozt has set 15 targets for its Care-For strategy. The targets are reviewed annually to ensure they remain aligned with the strategic direction of the business and take into account external trends and overall development in society. This is the first year we are reporting on the progress of the targets we set in 2022. The table on the next page shows the progress of each target.





| Goal Area | Target | KPI | 2023 | 2022 | Comment |
|-------------------------------------|--|--|-------|-------|--|
| Reducing Greenhouse Gas Emissions | By 2024 set science-based targets and submit them to the Science-based targets initiative | Percentage of set and submitted science-based targets | 100% | 0% | Boozt has submitted the targets to the SBTi and is currently waiting for validation. Once validated, these targets will be publicly accessible on Boozt's website: https://www.booztgroup.com/environment |
| | By 2026 Disclose 100% of relevant Scope 3 emissions categories | Percentage of applicable Scope 3 emissions categories calculated for subsidiary Nordic Brand Hub | 44% | 22% | 44% refers to the 4 out of 9 applicable and calculated Scpoe 3 categories for Nordic Brand Hub (Employee Commuting, Business Travel, Purchased Goods and Services and Fuel- and Energy-Related Activities). The subsidiary was acquired in 2022 and had limited data. The focus in 2023 and next years is to calculate and include 100% of all applicable scope 3 emissions. For the remaining subsidiaries including Boozt Fashion AB, 100% is reached. |
| Minimising Resource Use | By 2026 Increase the share of recycled waste to 80% in the Fulfilment Centre | Share of recycled waste in the Fulfilment Centre | 74.2% | 60.8% | The increase in the share of recycled waste is due to a higher amount of sorted and recycled plastic packaging and an increase in sold and reused wood. |
| Driving Responsible Production | By 2024 Develop a scorecard to assess ESG Performance in purchasing decisions for at least 60% of our partner brands | Percentage of partner brands with ESG scorecard | 0% | 0% | In Q4 of 2023, Boozt started developing the scorecard. The scorecard will be further developed and implemented throughout 2024. Boozt has been using the Higg BRM since 2019 to assess its suppliers ESG performance. |
| Promoting Equality | By 2024, identify oportunites to further support the governmental parental leave policy for all Boozt Fashion AB employees to continue to promote equality | Percentage of employees going on parental leave with the added support | 0% | 0% | Boozt is planning to launch additional support to the governmental parental leave policy for all Boozt Fashion AB employees during 2024. |
| Engaging & Healthy Work Environment | By 2024 Reach above 77% of the aggregated participation rate in our internal employee survey | Average aggregated participation rate of the employee survey | 88% | 71% | Boozt is focusing on maintaining a high aggregated participation rate in our internal employee surveys above 80%. |
| | By 2024 Increase eNPS score to reach the TOP 10 placement in the consumer industry | eNPS score | 60 | 42 | In 2023 Boozt has reached its target ahead of time by closing the year with an annual average eNPS score of 60 placing Boozt in the top 5%. |
| Shaping Employee Development | By 2023 Implement a regular career development review process that includes all Boozt Fashion AB employees | Percentage of employees with regular career development review | 85% | 0% | During 2023 Boozt reached this target and conducted two rounds of Development talks. All of our employees and managers attended training sessions in preparation for the development process. |
| Empowering Customers | By 2024 Extend ReBoozt's presence across our markets | Number of markets with ReBoozt presence | 2 | 2 | In light of recent market shifts, Boozt is currently reevaluating the project's scope and potential impact. |
| Engaging Suppliers | By 2026 Provide semi-annual events for our brand partners | Number of brand partner events provided | 1 | 1 | In 2023, Boozt co-hosted the Fashion Transparency Summit in Amsterdam to discuss with industry peers the challenges around data for sustainability across Europe. |
| | By 2023 ensure 100% of our apparel brand partners are committed to supply chain transparency and to working with the Higg BRM tool | Percentage of brands partners that have shared their Higg BRM (in terms of BV) | 30% | 36% | In 2023, Boozt aimed at onboarding a higher share of its business volume on Higg BRM. Due to changes in settings in the Higg BRM, the overall engagement lowered compared to 2022. |
| Involving Communities | By 2024 Increase collaboration with relevant universities and research institutions to share and learn best practices | Number of research interviews or surveys given by the sustainability team | 14 | 8 | |
| Accelerating Transparency | By 2024 Increase engagement with third-party ESG rankings and ratings | Number of third-party ESG rankings and ratings with engagement | 6 | 4 | In 2023 Boozt engaged with Carnegie and Sustainalytics, providing feedback on their ESG rankings and reports, while continuing to work on CDP, MSCI, Nasdaq and S&P Global CSA. |
| Mitigating Risks | By 2026 Request at least 80% of our brand partners to identify, map and share with us their Tier 1 and 2 suppliers | Percentage of Brand Partners contacted for Tier 1 & 2 Supplier Data | 71% | 68% | Boozt has reached out to apparel Brand Partners to share Tier suppliers information via the Higg BRM module. % according to Business Volume (BV). |
| Integrating Sustainability | By 2026 Increase participation to internal training on Sustainability | Number of Employees attending a Sustainability training | 50 | 109 | In 2023 Boozt focused on adding variety of internal engagement activities in addition to sustainability training. Read more under Integrating Sustainability. |



Materiality assessment

Drawing upon the findings of our annual materiality assessment, this report focuses on the most important sustainability issues for the Group's business. In light of this assessment, Boozt has updated its strategy and translated the material topics into its implemented goal areas.

Boozt materiality assessment follows a three-step approach:

1) Understand the organisation's context and review material topics: A review of the current process of the materiality assessment and the environment in which Boozt operates is done on an ongoing basis. A prerequisite to identifying impacts is to understand the business context, activities, and business relationships and identify its most important stakeholders. A list of Boozt stakeholders and how the company interacts with them can be found in the chapter 'About the report', on page 78.

2) Identify: In step two, sustainability topics where Boozt has potential or actual impacts on the economy, environment, and society, including impacts on human rights were identified. Based on a variety of different sources such as current global and ESG trends, industry reports, external standards such as the Sustainability Accounting Standards Board (SASB), Morgan Stanley Capital International (MSCI) ESG rating, Sustainalytics, Global reporting initiative (GRI), current and upcoming legislation, especially the ESRS sub-topics, and stakeholder dialogue, a list of 23 sustainability matters have been identified. Both negative and positive impacts that Boozt contributes to or is directly connected to through its business relationships were identified.

3) Assess and prioritise: To prioritise and choose the material topics Boozt takes into account and analyses the stakeholder relevance and the significance of the economic, social, and environmental impact from an impact perspective and how business and operations impact society and the environment in general. To assess and prioritise sustainability topics stakeholder engagement is crucial. The sustainability team is retrieving and consolidating existing input from stakeholders regarding sustainability concerns they have conveyed to Boozt and continue

to follow throughout the year. For each input category, the top five sustainability issues raised can be identified. Various engagement and exchange methods can be considered (email, survey requests, feedback in supplier survey questions posed during meetings, etc.) to define the input and feedback received from stakeholders.

Medium importance was defined as a threshold and used to determine which impacts are considered in defining the material topics. The assessment was used to cluster and group several impacts into defined and prioritised material topics as shown in the table.

Last year, the list of material topics was updated to reflect the increased importance of biodiversity and land use. One of our 12 material topics has been renamed from "Minimising Waste" to "Minimising Resource Use" to better capture the broader concept of resource use and its impact on the environment. Boozt's Care-For strategy is guided by a stronger focus on 12 material topics, with 3 topics each in the four dimensions: Environment, Employees, Community, and Governance. The material topics were approved by the Group Management and the Board of Directors.

| Dimension | Prioritised material topic | ESRS sub-topics assessed and considered in the material topic |
|-------------|-------------------------------------|---|
| Environment | Reducing Greenhouse Gas Emissions | Climate change adaptation, Climate change mitigation, Energy |
| Environment | Minimising Resource Use | Resource outflows related to products and services, Resources inflows, including resource use, Waste, Direct impact drivers of biodiversity loss, Impacts on the state of species, Impacts on the extent and condition of ecosystems, Water |
| Environment | Driving Responsible Production | Climate change mitigation, Animal welfare, Workers in the value chain: Other work-related rights, Workers in the value chain: Working conditions |
| Employees | Promoting Equality | Own workforce: Equal treatment and opportunities for all |
| Employees | Engaging & Healthy Work Environment | Own workforce: Working conditions |
| Employees | Shaping Employee Development | Own workforce: Equal treatment and opportunities for all |
| Community | Empowering Customers | Personal safety of consumers and/or end- users, Information-related impacts for consumers and/or end-users |
| Community | Engaging Suppliers | Climate change adaptation, Management of relationships with suppliers including payment practices |
| Community | Involving Communities | Social inclusion of consumers and/or end- users, Communities' economic, social and cultural rights |
| Governance | Accelerating Transparency | Corporate culture, Protection of whistle- blowers, Corruption and bribery |
| Governance | Mitigating Risks | Corruption and bribery, Protection of whistle- blowers, Management of relationships with suppliers including payment practices, Climate change adaptation, Own workforce: Other work-related rights |
| Governance | Integrating Sustainability | Corporate culture, Own workforce: Equal treatment and opportunities for all |

Environment

Reducing greenhouse gas emissions

As a leading online retailer, Boozt recognizes the impact of its operations and business relationships on greenhouse gas (GHG) emissions and climate change. As an international retailer linked to global supply chains, Boozt acknowledges that climate change can also have a financial impact. However, only a small fraction of Boozt's greenhouse gas emissions (about 0.03%) come from direct sources like company vehicles or energy consumption. Almost all (99.97%) of Boozt emissions are indirect, originating from its supply chains and logistics operations. In line with the Greenhouse Gas Protocol, Boozt calculates and reports its GHG emissions across all three scopes: Scope 1 (direct emissions from owned or controlled sources), Scope 2 (indirect emissions from purchased energy), and Scope 3 (indirect emissions from value chain activities). This comprehensive approach ensures a transparent and accurate assessment of Boozt's total GHG footprint, enabling the company to identify key areas for improvement and prioritize mitigation strategies. More information about the GHG emissions methodology and data used is available under 'Notes to the ESG Data Summary' on page 83.

In 2022, Boozt committed to setting near-term company-wide emission reductions in line with climate science and the Science Based Targets initiative (SBTi). During 2022 and 2023, the focus was on ensuring that Boozt met the requirements to submit science-based targets by having a complete GHG inventory and formulating the targets. As part of this process, the 2022 GHG emissions were limited assured by Boozt's auditors and the full sustainability report for 2023.

At the beginning of 2024, Boozt has submitted the targets to the SBTi and is currently waiting for validation. The process of setting Science Based targets requires companies to: assess their current GHG emissions across all three scopes (1, 2, and 3), choose the scope or scopes to focus on for setting SBTs, select an emissions reduction scenario consistent with the Paris Agreement, calculate SBTs based on the chosen scenario and develop a transition plan to achieve the SBTs. The targets have been submitted and Boozt will receive feedback in 2024.

Once validated, these targets will be publicly accessible on Boozt's website: <https://www.booztgroup.com/environment>.

In terms of actions taken to manage the topic, Boozt is working on several initiatives to mitigate the negative impact.

589

tonnes CO₂e saved due to Fair Use Policy

438,969

kWh of consumed self-generated solar energy



Scope 1 GHG emissions

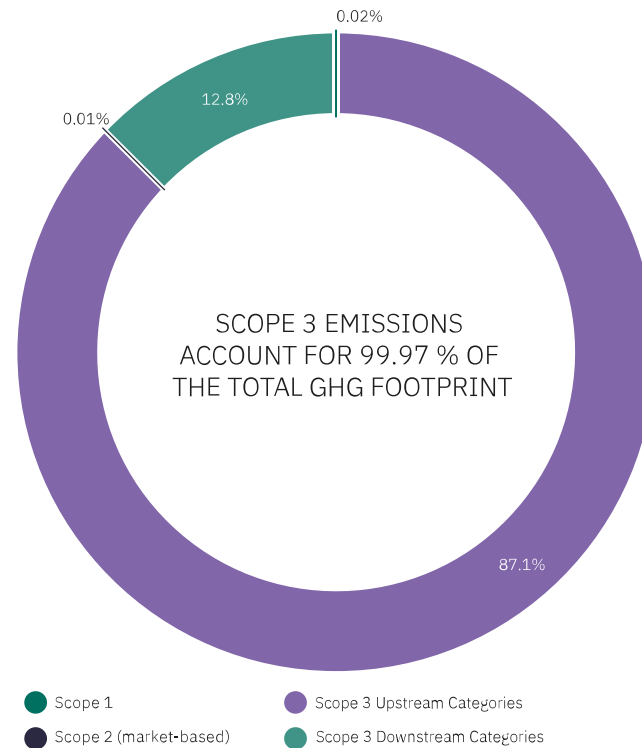
Scope 1 GHG emissions are direct emissions of greenhouse gases from sources controlled by Boozt that are not connected to energy delivery. This includes company vehicles.

In 2023 the Scope 1 GHG emissions amount to 133.5 tonnes CO₂e (2022: 150.5) and have therefore decreased by 11% compared to 2022. Boozt is dedicated to reducing its Scope 1 emissions over the next 10 years by implementing an approach focusing on vehicle fleet electrification and charging infrastructure expansion in collaboration with partners and landlords.

Scope 2 GHG emissions and renewable energy operations

Scope 2 GHG emissions are related to the purchase of energy. GHG Emissions continue to be zero for the two locations where Boozt's main operations are run, the Fulfilment Centre and headquarters, as Boozt sources only renewable energy from hydropower as well as the generated electricity from solar panels at the Fulfilment Centre. As the business continues to grow the data collection is broadened to account for the full impact of all operations. Scope 2 (market-based) GHG emissions amount to 48.3 tonnes CO₂e (2022: 42 tonnes CO₂e). In 2023, 95.6% of the total energy consumed in scope 2 came from renewable sources (2022: 95.6%). Looking at the share of electricity, Boozt sourced 98.1% renewable electricity in 2023 (2022: 98.2%), with hydropower as a primary source and solar energy as a secondary source. A breakdown of the energy consumption per energy activity and energy source can be found in the 'ESG Data Summary' on page 79.

Boozt's headquarters is located in a building certified by WELL Building Standard™ The International WELL Building Institute (IWBI) is a globally recognised building standard focused on human health and wellness in workplaces. The building is environmentally certified with Miljöbyggnad Gold level, a Swedish environmental certification for sustainable buildings by the Sweden Green Building Council.



The Fulfilment Centre is located in a Miljöbyggnad Silver level facility and is driven by energy-efficient and modern technology. The Fulfilment Centre runs on 100% renewable energy, consisting of purchased energy from hydropower and self-generated solar energy. Read more about seizing the opportunity to produce renewable energy on page 76.

In 2023 a third-party consultant conducted an energy mapping of the three main facilities in Sweden, as required by Swedish regulations and in line with our commitment to improving energy efficiency.

| Scope | Category | tonnes CO ₂ e emissions | in % |
|--|--|------------------------------------|-------------|
| Scope 1 | Company Cars | 133.5 | 0.02% |
| Scope 2 (market-based) | Purchased energy | 48.3 | 0.01% |
| Scope 3 Upstream Categories | Business Travel | 341.3 | 0.05% |
| Scope 3 Upstream Categories | Purchased Goods and Services | 541,362.4 | 85.54% |
| Scope 3 Upstream Categories | Waste Generated in Operations | 47.7 | 0.01% |
| Scope 3 Upstream Categories | Fuel- and Energy-Related Activities | 57.9 | 0.01% |
| Scope 3 Upstream Categories | Upstream Transportation and Distribution | 4,692.1 | 0.74% |
| Scope 3 Upstream Categories | Employee Commuting | 545.9 | 0.09% |
| Scope 3 Upstream Categories | Capital Goods | 4,453.6 | 0.70% |
| Scope 3 Downstream Categories | End-of-Life Treatment of Sold Products | 10,002.1 | 1.58% |
| Scope 3 Downstream Categories | Use of Sold Products | 71,188.4 | 11.25% |
| Total CO₂e emissions | | 632,873.2 | 100% |

Scope 3 GHG emissions

As for most retail companies, Boozt's GHG emissions predominantly stem from indirect emissions along its value chain, categorised as Scope 3 GHG emissions. Although Scope 3 emissions have a significant impact, they are the most challenging to accurately and comprehensively measure due to data collection complexity. Nine out of 15 scope 3 categories are applicable to Boozt's business model and operations. The graph of the breakdown of Boozt's CO₂e emissions in 2023 shows that the company's indirect scope 3 emissions make up 99.97% of the total CO₂e footprint. Within Scope 3 emissions, the categories 'Use of Sold Products' and 'Purchased Goods and Services' exhibit the highest impact. This substantial impact stems from Boozt's role as a retailer, offering a diverse range of products from around 1,600 brands across five categories. More explanation on the scope 3 categories and their calculation can be found under 'ESG Data Summary' and its notes on pages 83-86.

Maintaining a low CO₂e intensity per order

The category of upstream transportation and distribution is characterised by close collaboration with external distributors. New distributors are continuously added to the ESG data platform. In 2023 changes in distributors and their emission-reduction efforts have driven a 4% decline in absolute GHG emissions for upstream transportation. To account for business growth, Boozt calculates the CO₂e intensity per order, which considers delivery and return emissions. This metric reveals a 10% decrease, dropping from 0.49 kg in 2022 to 0.44 kg in 2023. This improvement applies to 99.7% of all orders across Boozt's shipping countries (2022: 99.5%). Boozt's local return handling and optimised delivery patterns and fossil-free delivery options have allowed to maintain a low 0.29 kg CO₂e per order in the Nordic delivery countries.

In a further effort to enhance collaboration with our distribution partners on environmental, social, and governance (ESG)

matters, Boozt has incorporated a Code of Conduct into the standard agreement.

This Supplier Code of Conduct with a focus on Distribution partners outlines Boozt's expectations for distributors concerning environmental, social, and governance matters, including CO₂e reporting. Boozt anticipates all distributors to align their operations with these principles and to promote a culture of sustainability and ethical conduct.

Fair Use Policy

As part of the efforts to lead the change towards a more responsible industry, Boozt has taken a stand against unnecessary returns and by that avoiding unnecessary GHG emissions. In 2019, Boozt introduced the Fair Use Policy to its Terms & Conditions, which aims to eliminate excessive returns and promote more sustainable practices. While returns are an essential aspect of online shopping, Boozt strives to minimise unnecessary returns that contribute to environmental harm. The Fair Use Policy supports Boozt in having a transparent and honest dialogue with, and possibly pause, customers that repeatedly exploit the high service levels of free shipping and returns at the expense of our business, other customers and the environment.

Around 57,000 customers have been paused since the start of the Fair Use Policy in 2019. In 2023, around 18,000 customers or 0.68% of the active customer base, have been newly paused through the Fair Use Policy. This is a small part of the more than 2.7 million active customers on Boozt.com, yet these customers represent around 20% of the total return volume. By pausing these accounts and reducing unnecessary returns, Boozt saved approximately 589 tonnes CO₂e in 2023 (2022: 791 tonnes CO₂e) which has eliminated the need for approximately 445 delivery trucks during one year.

Minimising resource use

Operating as a significant e-commerce player, Boozt's operations inevitably entail resource usage, particularly packaging materials, which generates waste. Recognizing this impact, Boozt is

committed to its efforts to reduce waste across its operations. The waste generated primarily relates to packaging materials received from customer returns handled in Boozt Fulfilment Centre. Collaborating with a specialised waste management company, Boozt ensures the proper handling and disposal of waste, complying with local regulations. More information and metrics about quantities of waste outputs by waste type and treatment method are available under the 'ESG Data Summary' on page 79. In terms of actions taken to minimise waste, Boozt is working on several initiatives to mitigate the negative impact.

Waste treatment

Boozt recognizes the significance of waste treatment methods and waste processes in promoting a circular economy and increasing the share of recycled waste. Boozt tracks the waste volumes quarterly through the ESG Data platform and evaluates the process regularly. The total share of recycled waste for Boozt Group has improved from 58.6% in 2022 to 72.6% in 2023.

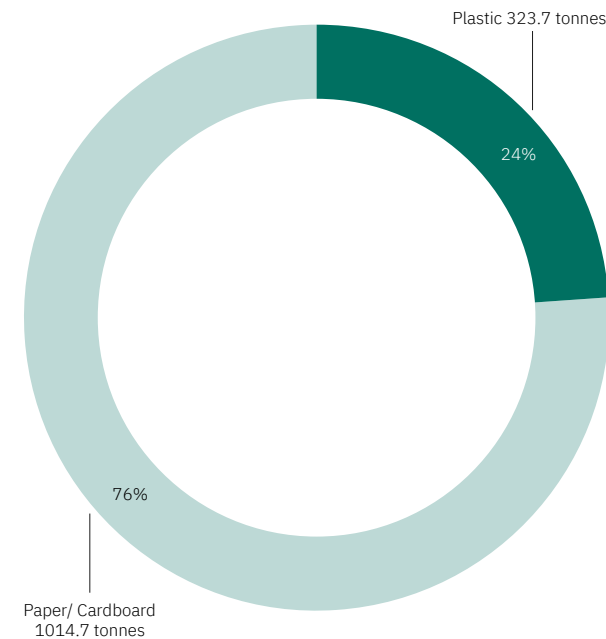
A local waste management company handles the waste from the Fulfilment Centre with the majority of the waste being recycled. Boozt is committed to increasing the share of recycled waste in the Fulfilment Centre to 80% by 2026 as presented in the related Care-For target. In 2023 the share of recycled waste from the Fulfilment Centre increased from 60% in 2022 to 74.2% in 2023, due to enhanced plastic sorting and recycling and wood reuse initiatives. The main waste type from the Fulfilment Centre consists of cardboard and paper waste. Waste that is not recycled is handled by certified centres and is treated as burnable waste and residual waste to generate heat and electricity for buildings. Food waste and other organic waste is used to generate biogas.

During 2023 Boozt started strategically reusing IT equipment internally, reducing the need for direct recycling. This is done to prolong the lifetime of the equipment and promote circularity. Boozt is looking into additional external options for the reuse of IT equipment that are not suitable for reuse internally. Regarding waste generated at the end-of-life stage and customer's end, Boozt follows the EU legislation of Extended

Producer Responsibility (EPR) across the markets the company operates in, to ensure proper waste management.

Packaging sourcing

Reducing the negative impact of packaging material and minimising waste is a major challenge for e-commerce companies and it is a core focus area for Boozt. The company is looking for more circular options to ship its orders and make sure that customers receive their orders in the right-sized packaging that ensures damage-free and intact delivery as well as being highly recyclable.



As a part of the search for more circular packaging options, Boozt is supporting the EU LIFE-REZIP project, by testing and validating a circular packing concept for the e-commerce industry. This circular packaging concept offers a sustainable alternative and cost-effective solution compared to the production of single-use packaging.

| Packaging element | Material | Average recycled material input (%) | Weight in tonnes |
|----------------------|------------------|-------------------------------------|------------------|
| Cardboardbox | Paper/ Cardboard | 91% | 929.6 |
| Polybags/ Returnbags | Plastic | 100% | 35.1 |
| Shippingbags | Plastic | 100% | 176.6 |
| Tape & Label | Plastic | 0% | 82.7 |
| Fillingmaterial | Paper/ Cardboard | 91% | 78.2 |
| Fillingmaterial | Plastic | 43% | 14.3 |
| Other | Paper/ Cardboard | 70% | 6.9 |
| Other | Plastic | 74% | 15.0 |

The EU LIFE program is the sole EU grant dedicated to environmental and climate goals achieving the objectives of the European Green Deal and its associated policies and strategies. The awarded EU LIFE funding provides RE-ZIP and its partners with substantial support to expand the circular packaging concept across Europe and enhance its development. Boozt, alongside InPost, Labels, and Mily Technologies, has collaborated extensively with RE-ZIP throughout the funding application process and execution planning. The funded project started in June 2023 and with a duration of 42 months.

Boozt's shipping bags are made from 100% recycled plastic. In 2022 a measurement of the procured amount of all packaging was initiated to give a clearer picture of the material inputs to identify the reduction potential of the packaging materials. Boozt continued with the measurement in 2023 showing a reduction in the total weight of procured packaging material compared to 2022. In the table, the six packaging elements, including their material, percentage of recycled material input and total weight are shown. 85% (1,138.2 tonnes) of all purchased packaging material came from recycled material input compared 96.5% (2,102.7 tonnes) in 2022. Of the total packaging weight, 76% is comprised of cardboard and paper, while the remaining 24% is



plastic. The decrease in total purchased packaging material by weight is due to the utilisation of leftover packaging from high-volume orders in 2022 minimising the need for new purchases in 2023, transitioning to lighter cardboard boxes, and replacing paper filling with lighter plastic.

Assessing our impact on biodiversity

As an international retailer, Boozt has an impact on the ecosystem and biodiversity through its operations and the value chain. During 2023 Boozt partnered with Catena on a pilot project to assess biodiversity in preparation for the construction of a new warehouse. The pilot project focuses on changes to biodiversity when constructing the new warehouse and options for limiting negative effects and promoting biodiversity. The effects on biodiversity are estimated using CLIMB (Changing Land Use Impact on Biodiversity), a tool for Nordic conditions calculating biodiversity within a geographical area. The base for the CLIMB calculation consists of a biodiversity inventory conducted according to the Swedish standard SS 199000:2014 and completed with additional value classes in accordance with the SS 199000:2023 standard. The purpose of the project is to with the use of CLIMB, limit the negative effects of the new warehouse on biodiversity, and explore potential actions for compensating these negative effects. This pilot project is a first step to mapping the impact of Boozt's own operations and Boozt is planning to extend its biodiversity assessment in the coming years. In addition to the biodiversity assessment, the social aspect of land use change and biodiversity has been considered in preparation for the construction of the new warehouse. This was done by listening to and engaging with affected stakeholders. The stakeholder engagement was carried out through a workshop that was held in January 2024 in collaboration with Catena.

Driving responsible production

As a company offering fashion and lifestyle online, Boozt is linked to global supply chains via its business relationships and can be financially affected by supply chain risk and a lack of responsible practices. Boozt is committed to using the size of its market

share in the industry and its learnings from multi-stakeholder collaborations to facilitate responsible practices.

In light of the upcoming EU regulations, transparency concerning the supply chain will transition from being optional to mandatory. In 2023, as part of Boozt's commitment towards higher transparency, Boozt engaged with Swedish Commerce's working group focused on the Green Claims Directive to stay updated and to contribute with Boozt's input to the process. As part of Boozt's long-standing commitment to transparency and collaboration, Boozt co-hosted the first Fashion Transparency Summit organised by Fashion Cloud in collaboration with key EU retailers. The event brought together retailers, brands, and other stakeholders to learn, and discuss how the industry needs to adapt to the regulations, share best practices, and build partnerships. The event focused on several aspects of the EU Green Deal, including but not limited to the Digital Product Passport (DPP), Extended Producer Responsibility (EPR), Corporate Sustainability Reporting Directive (CSRD), Green Claims Directive (GCD), and Textile Labelling Regulation (TLR). Boozt is following the processes of the upcoming regulations that are related to its business and will continue to follow and facilitate learning in 2024.

In 2023, Boozt continued developing the Sustainability Partner Portal launched in 2022. The platform focuses on improving the supplier experience and facilitating data upload by sharing Boozt Made With Care Criteria updates, Boozt yearly supplier survey, and relevant policies and procedures.





Made With Care criteria

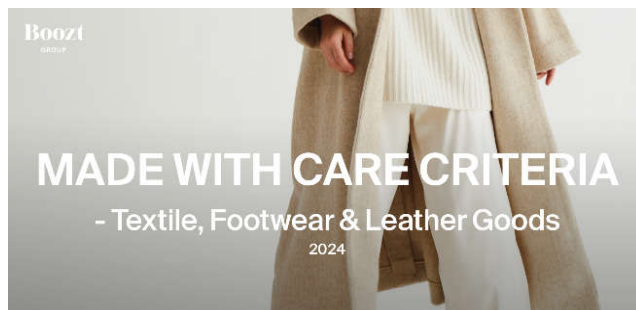
Using Boozt's size of the market's share Boozt has the unique opportunity to push for a more sustainable industry. This is the foundation for our Made With Care shop which includes products that meet the sustainability criteria called *Made With Care Criteria*, and represents the efforts to drive responsible production on both environmental and social aspects.

The Boozt Made With Care Criteria refers to a methodology set internally to define whether a product is eligible for Boozt's Made With Care shop. The methodology differs based on the product category. To ensure a reliable, transparent and traceable assortment, Boozt relies intensely on globally recognised certifications, both environmental and social, as well as extensive data collection from its suppliers. To uphold the highest industry standards, a review, update and strengthening of Boozt's Made With Care Criteria is made yearly based on stakeholder feedback, new regulations and other macro-level changes. Boozt tracks the performance of the Made With Care shop and data quarterly.

In 2023, an update of the Boozt Made With Care Criteria for Textiles, Footwear, Leather Goods, Home, Accessories, and Beauty was made to align the structure of all criteria and create a consistent approach to the Made With Care shop. With the new criteria, beauty products can be featured in the Made With Care shop when certified with the EU Eco Label, Nordic Swan Ecolabel, or when they do not contain any ingredient that is classified as carcinogenic, irritant, endocrine disruptor (including suspected ones), mutagenic, microplastics, environmentally hazardous and/or toxic for reproduction following the same restrictions as the EU Ecolabel and the Nordic Swan Ecolabel. This change was made to look beyond certifications and closer into ingredient transparency.



Made with Care Criteria - Beauty



Made with Care Criteria - Textiles, Footwear & Leather Goods



Made with Care Criteria - Home & Accessories

Employees

Promoting equality

As a leading company in the Nordics that employs more than 1,100 people across our operations, equality is core to the way we treat our employees. Boozt is continuously working towards reducing the potential risk of inequalities across the Group and is actively supporting each employee's equal rights and opportunities within the organisation through initiatives and policies reflecting our company culture and values.

The company's Care-Why culture is about encouraging a curious and innovative mindset, with a focus on making decisions that respect the company, customers and colleagues. This is supported by the company values of Trust, Freedom and Responsibility. Equal opportunities apply across the organisation and everyone who works at Boozt shall feel welcome and safe. Improvement potential and equality opportunities are tracked by measuring different diversity indicators based on factors such as gender and age. More information and metrics about Boozt employees are available under the 'ESG Data Summary' on pages 80-81.

Employee diversity

Boozt believes that the core strength of the company is the diversity of our employees. With more than 50 nationalities, we acknowledge our differences but still share the same goals. Boozt is committed to and actively supports each employee's equal rights and is against any kind of discrimination, harassment or differential treatment as stipulated in the employee Code of Conduct. Boozt employee engagement survey therefore includes questions about discrimination and harassment and the Dignity at Work procedures.

Employment and development opportunities must always be based on competence and experience, and be in accordance with

the Group's commitments to equality, diversity and inclusion. Attracting the right talent with a fair and equal recruitment process is key to business success. The HR policy ensures that Boozt is working with inclusive employment practices across the organisation, internal hiring practices and is promoting equal distribution of gender in management positions. As of 2023, 43% of Boozt's mid-management (comprising team leads, managers with team responsibility, and directors) are women. Managers were also offered training on our tool for behavioural and cognitive assessments to ensure they are equipped to work according to a transparent and fair recruitment process.

Parental leave for both men and women is an intrinsic part of the company and employees have the ability to combine part-time parental leave with part-time work. In 2023, 172 employees took parental leave, thereof 52% women and 48% men. During 2024, the Group will review the parental leave policy to continue to promote equality.

Engaging & Healthy work environment

Employee engagement

High employee engagement is key to securing a competitive advantage and cultivating organisational resilience. As an employer, it is our responsibility to foster a work environment that encourages employee engagement and correlates to an agile and healthy organisation and improved retention rates. Well-informed and engaged employees are better motivated and involved in the success of the Group. Boozt is committed to facilitating open communication and knowledge sharing through our communication policy and promoting feedback opportunities



through our anonymous employee survey sent out eight times per year.

In the employee engagement survey employees have the chance to give input to improve Boozt as a workplace, both on a team and company level. The platform uses employee Net Promoter Score (eNPS) to benchmark employee engagement with others in the same sector. Employee Net Promoter Score is a final value that can range anywhere from -100 to 100. Boozt uses the eNPS as this is a well-recognised way of measuring employee engagement allowing us to benchmark with other companies. In 2023, the average aggregated participation rate for the survey was 88% (2022: 71%) and the average eNPS score increased significantly to a score of 60 (2022: 42). In 2023 Boozt has reached its target, presented in the Care-For targets, to increase its eNPS and stay in top 10 placement globally in the consumer industry by 2024

ahead of time by closing the year with an annual average eNPS score of 60 placing Boozt in the top 5%.

To facilitate the accessibility of internal information and ensure that employees are well-informed, the Group conducts a monthly All Staff meeting with all its employees. The Group CEO primarily holds the meeting, with help from the Group Management. At the meetings, comprehensive information about the latest news and targets for the Group and its departments is presented. Employees can also be informed through BooztUs, the company's joint intranet and a central source for communication of information and documents that affect all employees. These communication channels serve to spread knowledge and understanding of relevant issues and company updates that help keep employees engaged.



A key step to better cultivate engaged employees is to establish programs that drive knowledge sharing. Effective knowledge sharing ensures that best practices and innovative ideas are not siloed into separate departments. In 2023, Boozt continued the internal initiative 'Inspired with Boozt', a series of employee-led events and presentations to promote knowledge sharing across the organisation. Boozt invites all employees to participate and present at 'Inspired with Boozt,' provided the topic is relevant to colleagues' professional development.

Health and safety

Healthy and safe work conditions are a top priority for Boozt, ensuring that employees have the training, safety equipment, and other resources needed to work safely and efficiently. As an employer, Boozt has the primary responsibility to implement effective policies and precautions for maintaining a safe working environment across our operations which includes offices, stores and the Fulfilment Centre.

Boozt is committed to creating a safe work environment that contributes to healthy employees. The HR-policy, guided by the UN Guiding Principles on Business and Human Rights (UNGPR)

Discrimination and Harassment policy, covers occupational health and safety, as well as employee wellbeing. The company work environment is systematically reviewed and developed together with our elected Employee representatives. Boozt supports the right to freedom of association for all its employees as stated in Boozt's Code of Conduct. Boozt has collective bargaining agreements for all employees in Sweden.

Work environment at Boozt headquarters

Health and safety are top priorities at Boozt's workplaces, and risks related to the work environment are managed through a systematic approach to occupational health and safety (OHS). The main risks related to the work environment at Boozt headquarters are health risks due to poor ergonomics, lighting or ventilation, and also psychosocial risks, such as stress. Health and safety checks are carried out regularly by representatives from the work environment committee, in order to monitor the safeguards against ill health and accidents, as well as ensure that the Group complies with the provisions stated in The Working Conditions Act.

No severe accidents were reported to the authority in 2023. Boozt requires all employees who manage personnel required to go through OHS training by external facilitators, the training includes work environment regulations, systematic occupational health and safety, organisational and social work environment and rehabilitation. To promote a healthy work-life balance Boozt offers flexible working time arrangements. To influence and encourage the employees to increase their physical activities and to improve their well-being the company is offering wellness allowances as an additional benefit on top of employee salary. At the headquarters, employees have access to weekly yoga sessions and to medical evaluation and advice, including occupational health, on a weekly basis from an in-house primary care doctor.

Occupational health and safety at the Boozt Fulfilment Centre

Ensuring safe work conditions at the Fulfilment Centre for all workers is a priority. The OHS management system has been implemented according to Swedish regulation (systematiskt arbetsmiljöarbete (AFS 2001:1)). The occupational health and

management system covers all employees and all workers who are not employees onsite at our Fulfilment Centre. The type of work performed is mostly related to the photostudio, maintenance and facility management, indelivery and picking, packing, dispatching and handling returns of our products.

All working conditions and environmental hazards are carefully considered and to prevent the high potential for work-related incidents Boozt conducts frequent risk assessment analyses in line with the regulation of Systematic Work Environment Management (AFS2001:1, §8). This standard includes requirements for risk assessment and evaluation, investigation of unhealth and incidents, actions and control of actions, and cooperation between parties. In order to identify potential work-related hazards and incidents, the internal EHS Team at the Fulfilment Centre conducted 17 safety walks in 2023, focused on identifying and addressing potential safety concerns, including aspects related to employees, machines, and the working environment. For employees, Boozt ensures accessibility by providing platforms or working with suppliers to standardise pallet heights. For machines, Boozt implements uniform specifications to minimise operational inefficiencies and safety hazards. To optimise sprinkler effectiveness, Boozt establishes clear storage routines to prevent obstruction. These are a few examples of the numerous safety improvements implemented throughout the year. Risks related to the work environment include the risk of fire, physical risks, mainly in the handling of products and product returns, and psychosocial risks, such as stress related to repetitive tasks and prolonged standing. The most common work-related injury is pain from recurring work and forklift accidents. For severe accidents and incidents, which need to be reported to authorities in accordance with regulations, one serious accident and no serious incident were reported in 2023. Employees have an obligation to inform managers about work-related hazards they have identified. A digital procedure for reporting hazards was implemented from 2023 onwards to replace the manual reporting of hazards in 2022. New employees undergo safety onboarding for automated vehicles such as forklifts.



Results and findings of the risk analysis are documented and handed over to the production managers and the Chief Supply Chain Officer as well as evaluated in the safety committee meetings. Safety delegates are elected by each union party to represent blue and white-collar workers and are part of the safety committee that meets once every quarter to discuss accidents and incidents and improvement potential. The safety delegates distribute the information to the employees. All occupational Health and Safety-related topics are handled by a dedicated onsite EHS Team.

Shaping employee development

As an entrepreneurial company operating in an industry under constant advancement, the professional development of our employees is crucial to enhance human capital and improve business performance. Planned development opportunities correlate to employee satisfaction and Boozt seeks to balance business needs and requirements with individual career development objectives while providing as much freedom to the individual as possible.

Through the HR policy and by encouraging a feedback culture, the Group is committed to providing employees with development opportunities allowing them to meet strategic targets in a changing work environment. Various initiatives throughout the year have focused on internal development opportunities and skills acquisition for managers and other employees.

Learning and growth

Boozt promotes professional development opportunities for all employees to retain critical talent and skills while allowing employees to evolve and challenge themselves. A strategic focus for the year has been to implement our Development talks - a regular performance and career development review process between managers and employees, as presented in Boozt Care-For targets. The focus on career development journeys encourages a feedback culture that supports employee performance and satisfaction. During 2023 Boozt conducted two rounds of

Development talks. For all our employees and managers to be prepared for these talks we have run training sessions of 1-hour duration.

During 2023 Boozt held various trainings for our employees. 197 employees at Boozt Headquarters participated in Feedback training empowering employees to provide and receive constructive feedback, promoting a culture of continuous improvement and driving individual and team success. 154 participants gained insights into their own and their team's profiles through Team Profile training, fostering collaboration and appreciation for diverse strengths.

Another new initiative in 2023 was establishing an internal Mentor & Mentee program, where 109 employees were matched with one another to promote knowledge sharing internally as well as peer-to-peer learning opportunities across the organisation. Finally, building upon its past success the Boozt Leadership Academy training focused on improving leadership skills and team performance. This four-day training aims to improve skills and knowledge within a range of leadership areas such as performance management, growth coaching and situational leadership. 14 Managers participated in this program during 2023. Our commitment is to offer this to all our leaders within the first 12 months of their employment and new position. During the year 36 managers participated in work environment training and 75% of our managers at our headquarters have now completed the training.





Community

Empowering customers

Boozt aims to make sustainable choices easy for customers through transparency and technology. Together with the brands, and the industry as a whole, Boozt strives to empower its customers towards more sustainable and informed consumption. As more and more customers are interested in buying products that are made responsibly, Boozt wants to make sure to always provide them with a selection of products that are produced more responsibly. To do so, Boozt is committed to updating Boozt's Made With Care Criteria every year, read more about the criteria on page 61.

Made With Care Shop

The Made With Care shop on Boozt.com was launched in 2021. Throughout the Made With Care landing page, Boozt aims to provide information about products and their responsible production practices as possible, to be more transparent and to educate the customers.

The Made With Care experience allows customers to discover more products made from preferred materials that have been audited by a third-party trade association on reliable brand data, and categorised by clear impact area icons: Organic, Recycled, Traceability, and Certified. The icons have been designed to reflect the data collection from brands and make it easier for customers to shop according to their values. For a product to be featured in the Made With Care shop, and therefore benefit from a free onsite double exposure, a product needs to fulfil the Made With Care criteria (as presented in the section driving responsible production).

As part of the data collection from brands, Boozt requires information about products' material sourcing from an environmental perspective to be validated by third-party product certification. Information about the safety of products is aligned with EU product regulations. In addition, Boozt seeks information about sourcing, the environmental as well as social impact of manufacturing. This is part of Boozt's ambition to ensure a higher level of transparency and credibility of claims for its customers. Without the correct data, Boozt does not allow products to be highlighted using the Made With Care icon. As Boozt tightens its Made With Care criteria, the number of products in the Made With Care shop and other key performance indicators related to the shop are expected to significantly decrease in 2024.

In 2024, Boozt plans to further empower customers by communicating more information related to its products, brands, partners and initiatives with local communities, through a new dedicated landing page. Once implemented, it will help Boozt engage with its customers mitigating the risks linked to current marketing practices.

Engaging suppliers

As a third-party retailer working with several suppliers with a global supply chain, Boozt does not have control over certain aspects of the supply chain and acknowledges the inherent complexities of supply chain oversight. To address this, Boozt is committed to sharing knowledge and pushing for a higher degree of supply chain transparency as reflected in its related Care-For targets. As a retailer, Boozt is dedicated to facilitating a higher degree of data sharing and best practices in the industry among retailers, brands, and vendors. Boozt uses the in-house developed Partner Portal for communicating about Boozt's sustainability work to brands and guiding brands through the processes in place,

such as sharing sustainability data to be eligible for the Made With Care Shop, and the yearly Supplier Survey. Co-hosting the Fashion Transparency Summit by Fashion Cloud in November 2023 with other key EU e-tailers was an effort to align on sustainability data requirements facing the upcoming regulations. Its ambitions is to educate and empower customers towards behavioural change in regards to sustainability, and engagement among brands and retailers is key, as data sharing and compliance start there. The industry as a whole is facing challenges regarding accessing and sharing data, which is why facilitating spaces to address these issues and create a path forward through partnerships is crucial.

Cascale membership

To amplify the efforts within the sustainability area, Boozt joined the multi-stakeholder alliance the Sustainable Apparel Coalition (Cascale) in 2020 and collaborated on the Higg Brand and Retail Module (BRM) to push for a higher degree of supply chain transparency. In 2023, Boozt aimed at onboarding 147 brand partners onto the Higg BRM, representing 68% of the business volume for apparel and footwear. Out of the 147 brand partners contacted, 69 completed the Higg BRM, representing 44% of Boozt's business volume in the apparel and footwear segment, while 31% shared their Higg BRM with Boozt. By collecting the data shared through Higg BRM, Boozt has been able to conduct

ENGAGING SUPPLIERS HIGG BRM

1 147 Brands contacted (68% of business volume)

2 69 Brands onboarded and with completed BRM (44% of business volume)

3 43 Brands with shared modules (30% of business volume)

For Higg BRM 2022, the verification was a pilot project, not available to all BRM users, therefore, no data can be disclosed.



its second Supply Chain Risk Assessment for its footwear and apparel segment.

As part of the Cascale membership, Boozt needs to fulfil certain requirements including the completion of the Higg Brand and Retail Module (BRM) and sharing the data from the Higg BRM with all brand partners. From 2023 onward, the Cascale no longer requires its members to verify their Higg BRM. However, Higg BRM users, if they are willing to communicate externally their findings, must undergo verification. In addition, Boozt needs to onboard an increasing share of its brand partners to the Higg BRM, to assess, evaluate and monitor the associated socio-ecological risk within the supply chain (as presented on page 75). In 2024, Boozt needs to maintain its Foundational level, with its requirement to onboard at least 25% of its business volume within the apparel and footwear sector on the Higg BRM.

Higg BRM adoption and joint effort

The Group is continuously working to ensure that the company's apparel and footwear brand partners are committed to supply chain transparency and working towards best practices. Results from the Group's efforts are presented below and critical issues have been identified as shown in the 'Supply Chain Risk Assessment' section of this report.

In 2024, Boozt aims to focus on onboarding brand partners who are not Cascale members and have not yet worked with Higg BRM. Through the joint effort with other third-party retailers, Boozt is pushing for global standardised reporting regarding environmental, social and labour impacts across the value chain and a tool for preventative risk assessment. The results of the risk assessment based on shared Higg BRM modules are available on page 75 and progress on the KPIs can be found in the 'ESG Data Summary' on pages 81-82.

Boozt supplier survey

In addition to the Cascale joint effort project, Boozt is currently designing a scorecard to assess its brand partners' supply chain

management and better understand the risks along its supply chain, in line with Boozt's Care-For target.

In 2023, Boozt continued to request its suppliers to share information on their ESG performance through the distribution of a supplier survey. The first part of the survey focused on the extent of compliance with the Supplier Code of Conduct and other governance aspects. More sections with environmental and social questions were added to the survey to understand brands' sustainability journey and to identify improvement areas where Boozt can support them. Topics include but are not limited to GHG Emissions, sourcing practices, supply chain management, work environment, civic engagement and social audit.

From 2024 onward, Boozt will use the data gathered through the survey to support the supplier scorecard used to assess its brand partners. The results from the scorecard will help Boozt understand impacts, risks and opportunities within its supply chain enabling a data-driven assessment, and start aligning with ESRS requirements.

Involving communities

It is part of Boozt's commitment to use its size and reach as one of the leading online retailers in the Nordics to support local communities, including sports clubs, research institutions and charities to have a positive social impact. As the business grows Boozt is committed to investing more in giving back to the local community and finding further opportunities in the coming year. Boozt is committed to sharing its practices and collaborating with research institutions, universities and student groups across its markets to provide insights into the business and share knowledge. This is in line with Boozt Care-For's target to increase collaboration with relevant universities and research institutions by 2024.



Sports sponsorship

As the Nordic Department Store, the overall sponsorship strategy is based on selecting partners and sponsorship platforms where Boozt has a close and meaningful interaction with local communities and target groups.

Boozt's decision to engage in partnerships, such as with Handball, is driven by several factors that align with Boozt's values and

objectives. Handball, in particular, offers a unique platform for us to connect with our target audience. The sport's values of teamwork, dedication, and passion resonate well with Boozt's brand identity, allowing us to foster a strong and meaningful connection with our customers.

In 2023, Boozt had active partnerships with local sports centres across Denmark, Sweden and Iceland. In Denmark, Boozt partnered with Royal Run, Brøndby IF, the Danish Handball



Association and the Ladywalk. In Sweden, Boozt had partnerships with Göteborgsvarvet, Malmö FF, Swedish Handball Association and Rögle BK. Finally, in Iceland, Boozt is a sponsor for the Icelandic Handball Association.

Additionally, sponsoring specific clubs or sports allows us to create a localised impact, building a sense of community around the Boozt brand. This strategy not only enhances brand visibility

but also contributes to the development and well-being of the communities in which we operate.

Research institutions

Collaborating with research institutions is key for Boozt to support new studies and projects around sustainability. Such collaborations also represent employer branding opportunities for Boozt.

Lund University School of Economics and Management

In the fall semester of 2023, Boozt provided a case study for students attending the Master in International Marketing and Brand Management at Lund University. The case focused on the role of new regulations, such as the EU Green Claims Directive, in shaping new marketing practices. The case study was part of the program “Sustainability and Marketing Ethics”.

Lund University was founded in 1666 and has constantly been recognized for its outstanding education. For years, Lund University ranks among the top 100 universities in the world according to the QS World University Ranking and is specifically recognized in the sustainability area, ranking 14th in the world.

Copenhagen Business School

In 2023, Boozt entered a partnership with Copenhagen Business School as a preferred partner for the annual case competition. The partnership includes marketing and partner events where the primary focus is bridging the gap between companies and students. Boozt hosted a debate with the other companies participating in the debate about “Sustainability – contributing to a better tomorrow”. 500 students came to listen to the debate. Copenhagen Business School is considered one of the most prestigious business schools in the world, and one of the few with a triple crown accreditation.

Stockholm School of Economics

As part of Boozt's involvement in the EU LIFE Re-Zip project to develop a European infrastructure for circular packaging, students of the Stockholm School of Economics have been working on a business case about consumer incentives to promote circular consumer behaviour.

The Stockholm School of Economics is the preeminent business school in the Nordic and Baltic regions, renowned for its academic excellence and global impact. Embedded in the vibrant business landscape of Sweden, SSE has garnered an esteemed reputation that extends across the globe.

Charities

5-skoler

Boozt works in close partnership with the charity 5-skoler to support their efforts to help children in areas of war, conflict and disaster. The Danish-led program builds life-education centres for children in Syria, giving them the opportunity for an education and a more secure future. Boozt's donations during the year have gone towards the girls' empowerment project that focuses on creating a safe and equal environment for the young girls in Syrian refugee camps, as well as helping provide school uniforms for the children in the life-education centres.

In-kind donations

The in-kind donations of around 70,500 SEK come from different initiatives. In addition to its yearly commitment to support 5-Skoler, in 2023, Boozt and its employees have supported 5skoler in responding with relief efforts to save lives and providing for people's most basic needs in the aftermath of the devastating earthquake in Turkey and Syria. In 2023, Boozt's in-kind donations also included a sponsorship for Børnecanderfonden, by donating hats and caps. Boozt's marketing team donated campaign products used for its photoshoots to Stadsmissionen. Furthermore, on a weekly basis, Boozt donates leftover food from its headquarters in Malmö to Stadsmissionen.

Governance

Accelerating transparency

By increasing the disclosure of Boozt's ESG data and practices, Boozt aims to accelerate transparency and create a positive impact by ensuring all stakeholders have access to as much information as needed. Boozt collects, measures, analyses and tracks sustainability data internally and ultimately discloses material information to the public. Publicly available data enables stakeholders to access information about Boozt's impact and responsibility. To identify improvement areas and take action, transparency is crucial. As a part of accelerating transparency, Boozt's sustainability reporting encompasses fulfilling regulatory obligations, conforming to recognised standards and frameworks, and interacting with ESG rating and ranking entities.

Boozt is committed to sharing and reporting relevant, complete, neutral, accurate, and comparative data in an accountable and transparent way. Transparency means disclosing both the negative and positive impact and communicating it in a fact- and data-based way. To enhance the reliability and comparability of Boozt's sustainability information, the company provides comparative information, disclosing sources of estimation and sources of emission factors, disclosing changes in preparing or presenting sustainability information, and correcting material errors in previously reported information.

As a part of this commitment, since 2022 Boozt has included ESG Highlights in the quarterly reports to disclose on initiatives aligned with Care-For goal areas and the status of several KPIs regularly. In 2023, Boozt increased the engagement with ESG rankings to a greater extent by providing feedback on the management indicators report of Sustainabilitytics. Boozt also continued its efforts in accelerating transparency by responding to the full version of the CDP Climate Change questionnaire, providing data feedback to MSCI, and completing the S&P Global Corporate Sustainability

Assessment and the Nasdaq ESG data portal. To ensure that the ESG data is easily accessible, Boozt created an ESG Data Summary containing all shared quantitative information throughout the report. The ESG Data Summary can be downloaded in Excel Format at: <https://www.booztgroup.com/sustainability-reports>

Regulation

Boozt's sustainability reporting is shaped by three components 1) Compliance with regulation, 2) Standards and frameworks guiding Boozt sustainability work and 3) ESG ratings and rankings recognizing the level of transparency in sustainability reporting.

Boozt closely monitors the dynamic changes in sustainability reporting and follows upcoming legislation such as the CSRD. The sustainability report is prepared in accordance with the Swedish Annual Accounts Act and Article 8 of the EU Taxonomy Regulation.

CSRD and ESRS implementation

While adhering to GRI standards in the 2023 report, Boozt is actively preparing for the new CSRD and ESRS regulations. Initiating the implementation journey in 2023, Boozt prioritised data and software solutions by integrating the ESRS software for enhanced management and reporting into Position Green. Boozt is in the process of completing its Double-Materiality assessment (DMA). The DMA involved a comprehensive evaluation of Boozt's context, value chain, and reporting scope, followed by stakeholder engagement and research to define material topics and data priorities. Boozt conducted and finished a gap analysis to identify material topics, areas for improvement and define data collection priorities.

The next step is to continue educating and engaging the organisation about the CSRD requirements. Boozt organised an internal training session in the summer of 2023 to educate





and inform key internal stakeholders while fostering a shared understanding across the organisation. Boozt's auditors also conducted a training session for the Board of Directors to empower them with knowledge of their responsibilities and the implications of the regulation.

EU taxonomy reporting

In 2023, Boozt conducted a review of its business operations and activities in accordance with Article 8 of the EU Taxonomy Regulation and the economic activities outlined in the delegated acts covering all six environmental objectives. Boozt adopted a precautionary approach, excluding activities that were not deemed significant to the company.

Accounting policy and contextual information

As part of the assessment, Boozt identified if there are economic activities of Boozt that are 'eligible', i.e. covered by the Taxonomy Annex 1-5 of the delegated acts. Taxonomy-eligibility is expressed with three KPIs that are calculated as part of the turnover, CAPEX and OPEX considered to be Taxonomy-eligible (numerator) divided by Boozt's total turnover, CAPEX and OPEX (denominator). In accordance with Article 8 of the Taxonomy Regulation, Boozt used the same accounting principles that apply to the preparation of the undertaking's financial statements.

Turnover

Turnover corresponds to the net revenue of the consolidated income statement on page 96. It is calculated as the part of the net revenue derived from products or services, including intangibles associated with Taxonomy-aligned economic activities (numerator), divided by the net revenue (denominator). For more information on net revenue, please see the consolidated income statement on page 96.

Capex

Capex is calculated as the sum of tangible (machinery and equipment, right of use asset) and intangible assets (trademarks, web platform) during the financial year. For more information on capital expenditures, please see the consolidated statement of financial position on page 97 and the notes 8, 15 and 16.

Opex

Opex are direct non-capitalised costs that relate to office machines, repairs and maintenance and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets. For more information on operating expenses, please see the consolidated income statement on page 96.

Assessment of compliance

Boozt did not find any taxonomy-eligible turnover or OPEX in Boozt's business activities and operations. Consequently, the proportion of turnover and OPEX that are eligible and aligned with the taxonomy is zero as presented in the tables. In terms of the CAPEX, Boozt identified one investment under the EU Taxonomy Climate Delegated Act, categorized as "Acquisition and ownership of buildings" (CCM 7.7). Boozt has 82 SEKm in rights of use asset related to new and amended contracts of leased offices, warehouses and store premises. However, due to its limited scope within Boozt's overall investments, there are currently not enough information available to assess if the activity is aligned. Boozt continues screening the delegated acts for potential economic activities that might gain more relevance in the coming years.

| Row | Nuclear energy related activities | |
|-------------------------------|--|----|
| 1. | The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle. | NO |
| 2. | The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies. | NO |
| 3. | The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades. | NO |
| Fossil gas related activities | | |
| 4. | The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels. | NO |
| 5. | The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels | NO |
| 6. | The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels. | NO |



| Financial year 2023 | | 2023 | | Substantial contribution criteria | | | | | | DNSH criteria ("Does Not Significantly Harm") | | | | | | | | | |
|---|----------|-------------|------------------------------------|-----------------------------------|-----------------------------|------------|---------------|----------------------|-------------------|---|------------------------------|------------|----------------|-----------------------|-------------------|-------------------------|--|---------------------------------|-------------------------------------|
| Economic Activites (1) | Code (2) | CapEx (3) | Proportion of CapEx, year 2023 (4) | Climate Change Mitigation (5) | Climate Change Adaption (6) | Water (7) | Pollution (8) | Circular Economy (9) | Biodiversity (10) | Climate Change Mitigation (11) | Climate Change Adaption (12) | Water (13) | Pollution (14) | Circular Economy (15) | Biodiversity (16) | Minimum safeguards (17) | Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year 2022 (18) | Category enabling activity (19) | Category transitional activity (20) |
| | | SEK million | % | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | % | E | T |
| A. TAXONOMY-ELIGIBLE ACTIVITIES | | | | | | | | | | | | | | | | | | | |
| A.1 Environmental sustainable activities (Taxonomy-aligned) | | | | | | | | | | | | | | | | | | | |
| CapEx of environmental sustainable activities (Taxonomy-aligned (A.1)) | | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | - | - | - | - | - | - | - | 0% | | |
| Of which enabling | | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | - | - | - | - | - | - | - | 0% | E | |
| Of which transitional | | 0 | 0% | 0% | | | | | | - | - | - | - | - | - | - | 0% | | T |
| A.2 Taxonomy-Eligible but not environmental sustainable activities (not Taxonomy-aligned activities) | | | | | | | | | | | | | | | | | | | |
| | | | | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | | | | | | | | |
| Acquisition and ownership of buildings | CCM 7.7 | 82 | 39% | EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 21% | | |
| CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) | | 82 | 39% | 39% | 0% | 0% | 0% | 0% | 0% | | | | | | | | 21% | | |
| A. CapEx of Taxonomy eligible activities (A.1+A.2) | | 82 | 39% | 39% | 0% | 0% | 0% | 0% | 0% | | | | | | | | 21% | | |
| B. TAXONOMY-NON-ELIGIBLE ACTIVITIES | | | | | | | | | | | | | | | | | | | |
| CapEx of Taxonomy-non-eligible activities | | 130 | 61% | | | | | | | | | | | | | | | | |
| TOTAL | | 212 | 100% | | | | | | | | | | | | | | | | |



| Financial year 2023 | | 2023 | | | | | | | | | | | | | | | | | | | |
|--|----------|-------------|-----------------------------------|-------------------------------|-----------------------------|------------|---------------|----------------------|-------------------|---|------------------------------|------------|----------------|-----------------------|-------------------|-------------------------|---|---|---|---------------------------------|-------------------------------------|
| Economic Activities (1) | Code (2) | OpEx (3) | Substantial contribution criteria | | | | | | | DNSH criteria ("Does Not Significantly Harm") | | | | | | | | | | Category enabling activity (19) | Category transitional activity (20) |
| | | | Proportion of OpEx, year 2023 (4) | Climate Change Mitigation (5) | Climate Change Adaption (6) | Water (7) | Pollution (8) | Circular Economy (9) | Biodiversity (10) | Climate Change Mitigation (11) | Climate Change Adaption (12) | Water (13) | Pollution (14) | Circular Economy (15) | Biodiversity (16) | Minimum safeguards (17) | Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year 2022 (18) | | | | |
| | | SEK million | % | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | % | E | T | | |
| A. TAXONOMY-ELIGIBLE ACTIVITIES | | | | | | | | | | | | | | | | | | | | | |
| A.1 Environmental sustainable activities (Taxonomy-aligned) | | | | | | | | | | | | | | | | | | | | | |
| OpEx of environmental sustainable activities (Taxonomy-aligned (A.1)) | | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | - | - | - | - | - | - | - | 0% | | | | |
| Of which enabling | | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | - | - | - | - | - | - | - | 0% | E | | | |
| Of which transitional | | 0 | 0% | 0% | | | | | | - | - | - | - | - | - | - | 0% | | T | | |
| A.2 Taxonomy-Eligible but not environmental sustainable activities (not Taxonomy-aligned activities) | | | | | | | | | | | | | | | | | | | | | |
| | | | | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | | | | | | | | | | | | |
| OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) | | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | | | | | | | | 0% | | | | |
| A. OpEx of Taxonomy eligible activities (A.1+A.2) | | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | | | | | | | | 0% | | | | |
| B. TAXONOMY-NON-ELIGIBLE ACTIVITIES | | | | | | | | | | | | | | | | | | | | | |
| OpEx of Taxonomy-non-eligible activities | | 0.024 | 100% | | | | | | | | | | | | | | | | | | |
| TOTAL | | 0.024 | 100% | | | | | | | | | | | | | | | | | | |



| Financial year 2023 | 2023 | | Substantial contribution criteria | | | | | | | DNSH criteria ("Does Not Significantly Harm") | | | | | | | | | | |
|--|------------------------|-------------|-----------------------------------|---------------------------------------|-------------------------------|-----------------------------|------------|---------------|----------------------|---|--------------------------------|------------------------------|------------|----------------|-----------------------|-------------------|-------------------------|---|---------------------------------|-------------------------------------|
| | Economic Activites (1) | Code (2) | Turnover (3) | Proportion of Turnover, year 2023 (4) | Climate Change Mitigation (5) | Climate Change Adaption (6) | Water (7) | Pollution (8) | Circular Economy (9) | Biodiversity (10) | Climate Change Mitigation (11) | Climate Change Adaption (12) | Water (13) | Pollution (14) | Circular Economy (15) | Biodiversity (16) | Minimum safeguards (17) | Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year 2022 (18) | Category enabling activity (19) | Category transitional activity (20) |
| | | SEK million | % | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | % | E | T |
| A. TAXONOMY-ELIGIBLE ACTIVITIES | | | | | | | | | | | | | | | | | | | | |
| A.1 Environmental sustainable activities (Taxonomy-aligned) | | | | | | | | | | | | | | | | | | | | |
| Turnover of environmental sustainable activities (Taxonomy-aligned (A.1)) | | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | - | - | - | - | - | - | - | - | 0% | | |
| Of which enabling | | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | - | - | - | - | - | - | - | - | 0% | E | |
| Of which transitional | | 0 | 0% | 0% | | | | | | - | - | - | - | - | - | - | - | 0% | | T |
| A.2 Taxonomy-Eligible but not environmental sustainable activities (not Taxonomy-aligned activities) | | | | | | | | | | | | | | | | | | | | |
| | | | | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | | | | | | | | | |
| Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) | | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | | | | | | | | | 0% | | |
| A. Turnover of Taxonomy eligible activities (A.1+A.2) | | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | | | | | | | | | 0% | | |
| B. TAXONOMY-NON-ELIGIBLE ACTIVITIES | | | | | | | | | | | | | | | | | | | | |
| Turnover of Taxonomy-non-eligible activities | | 7755 | 100% | | | | | | | | | | | | | | | | | |
| TOTAL | | 7755 | 100% | | | | | | | | | | | | | | | | | |



| Proportion of CapEx/Total CapEx | | |
|---------------------------------|--------------------------------|---------------------------------|
| | Taxonomy-aligned per objective | Taxonomy-eligible per objective |
| CCM | 0% | 39% |
| CCA | 0% | 0% |
| WTR | 0% | 0% |
| CE | 0% | 0% |
| PPC | 0% | 0% |
| BIO | 0% | 0% |

| Proportion of OpEx/Total OpEx | | |
|-------------------------------|--------------------------------|---------------------------------|
| | Taxonomy-aligned per objective | Taxonomy-eligible per objective |
| CCM | 0% | 0% |
| CCA | 0% | 0% |
| WTR | 0% | 0% |
| CE | 0% | 0% |
| PPC | 0% | 0% |
| BIO | 0% | 0% |

| Proportion of turnover/Total turnover | | |
|---------------------------------------|--------------------------------|---------------------------------|
| | Taxonomy-aligned per objective | Taxonomy-eligible per objective |
| CCM | 0% | 0% |
| CCA | 0% | 0% |
| WTR | 0% | 0% |
| CE | 0% | 0% |
| PPC | 0% | 0% |
| BIO | 0% | 0% |

The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:

- Climate Change Mitigation: CCM
- Climate Change Adaptation: CCA
- Water and Marine Resources: WTR
- Circular Economy: CE
- Pollution Prevention and Control: PPC
- Biodiversity and ecosystems: BIO.

Standards and frameworks

In line with its commitment to transparency and accountability, Boozt utilises established reporting standards and frameworks to bridge the gap between internally measured and publicly available ESG data, fostering transparency. Since 2018, Boozt has adopted the Global Reporting Initiative (GRI) as the reporting guideline, a reflection of Boozt's commitment to enhancing the quality and comprehensiveness of sustainability reporting. Global Reporting Initiative (GRI) is an independent international organisation that helps businesses, governments and other organisations understand and communicate their sustainability impacts. Boozt's GRI Content Index can be found on pages 90-93 and under <https://www.booztgroup.com/sustainability-reports>.

As participants of the UN Global Compact, Boozt's CEO and Group Management are committed to aligning our business with the Sustainable Development Goals (SDGs). The SDGs, as part of the 2030 Agenda for Sustainable Development, serve as a global framework that focuses attention and collective action on 17 pressing issues. The Communication on Progress serves as the primary mechanism for UN Global Compact participants to showcase their progress towards implementing the Ten Principles and aligning with the SDGs. As part of the enhanced Communication on Progress requirement, Boozt completed the online questionnaire during the annual submission period. Boozt is actively engaged with Sustainable Development Goals 9 (Industry, Innovation and Infrastructure), Goal 12 (Responsible production and consumption), Goal 13 (Climate Action), and Goal 17 (Partnerships for the goals). The SDGs align seamlessly with the GRI Standards, which form the core of Boozt's sustainability reporting framework. More information on how the SDGs relate to the GRI Disclosures which Boozt reports on can be found under 'GRI' on page 89.

ESG ratings and rankings

To provide stakeholders with comprehensive information on Boozt's ESG performance and ensure comparability and transparency, Boozt actively participates in several ESG ratings. These rankings and ratings provide Boozt with valuable insights, enabling us to identify reporting gaps and adopt new ESG metrics that enhance overall sustainability efforts. In alignment with its Care-For target, Boozt has further strengthened its engagement with ESG rankings in 2023. We have actively engaged with Carnegie and Sustainalytics, providing feedback on their ESG rankings and reports, while continuing to collaborate with other ESG rating providers.



CDP is a global non-profit that runs the world's environmental disclosure system for companies, cities, states and regions. Companies that submit CDP's questionnaires are publicly available on CDP's website and database. Based on investors increasing interest in climate risk management Boozt has submitted the extended version of the Climate Change questionnaire. Boozt received a B score which is in the Management band. The score is in alignment with the Europe regional average of B, and higher than the Discretionary retail sector average of B-. According to CDP, companies that score a B have addressed the environmental impacts of their business and ensured good environmental management. The Boozt CDP Climate Change Questionnaire is available [here](#).

Boozt scored 33 (out of 100) in the 2023 **S&P Global** Corporate Sustainability Assessment. While we aim to increase this score in the future, the score improved from 20 in 2021 and a score of 25 in 2022. The average score within the industry group for

retailing is 19. The S&P Global Corporate Sustainability Assessment (CSA) is a leading sustainability assessment that reviews the ESG practices of more than 11,000 companies globally. The CSA also serves as the basis for S&P Global ESG scores, which are available to the global capital markets as well as the public.

MSCI ratings are designed to help investors identify ESG risks and opportunities within their portfolio. The MSCI research and rating system ranks companies according to their ESG exposure and their capability to manage that exposure. The ratings range from leader (AAA, AA), average (A, BBB, BB) to laggard (B, CCC).¹

In 2023 Boozt received the highest AAA rating in the MSCI ESG Ratings assessment which places Boozt in the top 6% of its sector. The MSCI ESG Ratings assessment evaluates companies based on their organisational capacity and level of commitment to addressing financially relevant ESG factors. Boozt has improved its rating from A in 2021, to AA in 2022 and reached the highest AAA rating in 2023, indicating a low-risk level.

In 2023, Boozt actively engaged with **Sustainalytics** for the first time, providing feedback for the management indicator report as part of the comprehensive framework research process. This collaboration allowed Boozt to gain a deeper understanding of the assessment criteria and contribute to the development of a more comprehensive and accurate evaluation of Boozt's ESG performance. The comprehensive framework, designed for

larger companies, encompasses a range of 70 to 90 assessed management indicators categorised into 5 to 10 material ESG issues (MEIs). According to Sustainalytics, an ESG issue is considered material if it is likely to have a significant impact on the enterprise value of a typical company within a subindustry and if the inclusion or exclusion of an MEI in financial reporting is likely to influence the investment decisions of a reasonable investor. Boozt's ESG Risk Rating falls within the medium risk category, with a score of 22.2, representing a slight improvement from previous years' assessment of 22.8. Boozt's MSCI rating indicates a low risk with the best rating of AAA while Sustainalytics result indicates a medium risk category. This difference may be attributed to the different methodologies and areas of focus of the rating agencies.

As a part of **Carnegie's** sustainability guide 2023, Boozt has provided their feedback. Carnegie's sector-based ESG ranking has been developed to promote sustainability work and reporting among the companies in their coverage. The Carnegie ESG ranking comprises four categories: 1) Environmental; 2) Social; 3) Governance; and 4) Sustainability driven growth. In 2023 Boozt ranked Top 3 in the sector "Specialty stores & retail" with a score of 72%. This is an improvement from rank 6 with a score of 69% in 2022.

Since 2021, Boozt has been working with the **Nasdaq ESG Data Portal** to increase transparency efforts and share more data with the investor community. The portal provides a central database for investors to access ESG data and performance metrics for

| ESG Ranking or Rating | Scoring Scale | 2023 | 2022 |
|-----------------------|---|------|------|
| CDP Climate Change | F-A (A is the highest score) | B | B |
| S&P Global CSA | 0-100 (the higher the score the better) | 33 | 25 |
| Sustainalytics | 50 - 0 (the lower the score the better) | 22.2 | 22.8 |
| MSCI | CCC-AAA (AAA is the highest and best score) | AAA | AA |
| Carnegie ESG Score | 0-100% (the higher the score the better) | 72% | 69% |

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Nasdaq-listed companies. Partnering companies submit their data directly to the portal allowing Nasdaq to compile it into standardised ESG metrics covering a wide range of environmental, social and governance topics. With Boozt's contribution to the Nasdaq ESG Portal, the company has been certified as a 'Nasdaq ESG Transparency Partner'.

Mitigating risks

Boozt works towards mitigating risks by conducting due diligence. This process involves drafting and implementing new policies and procedures to strengthen the company's commitment and operational practices. Due diligence serves as a tool for Boozt to identify, prevent, mitigate, and account for actual and potential negative impacts on the environment, society, and human rights. Boozt is evaluating its business practices and potential risks by measuring, assessing, and monitoring the social, ecological and financial risks within Boozt operations. This is facilitated by regular performance reviews and progress tracking within the ESG data platform. These evaluations provide valuable insights into any changes or adjustments that may be required in Boozt's risk management and policies.

To effectively mitigate risks, Boozt prioritises prevention through stakeholder engagement and comprehensive risk management processes. These processes identify positive impacts as well as potential negative impacts, allowing Boozt to address them proactively. Negative impacts are identified through channels and grievance mechanisms such as the whistleblower channel. Read more about the whistleblower policy on page 87. All policies are reviewed at least once a year and formally approved by the Board of Directors at a Board Meeting during the fiscal year. All of the company's policies and procedures are available through Boozt's intranet platform where all employees can access them. Due diligence processes on each policy are stated in the Policies and Due Diligence section of this report.

ESG risk management

As an e-commerce company, Boozt is exposed to a variety of risks that are inherent to our operations. Managing these risks is an integrated part of our management activities. Boozt's risk management framework is based on structured risk identification, analysis and reporting processes, all of which provide the basis for ongoing risk assessments and subsequent initiation of relevant mitigating actions. Our flat organisational structure allows for fast escalation and timely response to issues that may have a material impact on the Group's earnings and financial and strategic targets. Boozt works continuously to identify, assess and evaluate risks to which the Group is currently exposed, and risks that are probable to occur in the foreseeable future. The ESG risks are integrated into the wider risk management framework. The sustainability team is responsible for identifying and monitoring ESG-related risks on an ongoing basis and at least once a year. The ESG risks are integrated into the Group's top risks of the company. For further information, please refer to the 'Risk Management' section on page 36.

Supply chain risk assessment

As part of the Higg Brand and Retail Module (BRM) 2022 Collective Action with About You, Boozt has onboarded 49 BRM modules, representing 69 of the company's brand partners. The 69 brands assessed represented 44% of the business volume across the apparel and footwear segment and allowed the company to proceed with a second risk assessment of Boozt's supply chain, integrating brand partners' environmental and social risks. While Boozt onboarded 49 BRM Modules in 2023, only 39 shared their modules, giving access to the data to perform the Supply Chain Risk Assessment detailed below (representing 43 brands and 30% in business volume, as mentioned on page 65)

As part of the risk assessment, Boozt first selected 24 environmental, social and governance focus questions from the BRM 2022 questionnaire. The BRM 2022 questionnaire had a different set of questions than previous BRMs, the questions selected for Boozt Supply Chain Risk Assessment were also





altered in comparison to last year. A raw data sheet was created to summarise the results of each question. The data was then screened and the risk level was assessed by the sustainability team, using a risk classification of low, medium and high risk as well as clustering the results into risk categories and dimensions. The findings were also presented in a Board Meeting. Risk is defined as any potential event with the possibility to have a substantive financial or strategic impact on the business.

In terms of significant actual and potential negative social and environmental impact in our supply chain, the following five risks were identified with a high potential impact:

1. Environmental lack of action (no program, action plan)
2. Social lack of action (no program, action plan)
3. Lack of information and transparency about suppliers and manufacturing origin
4. Lack of paid living wage in the supply chain
5. Lacking of suppliers with no risk assessment

The supplier assessment represents 15% of Boozt's supply chain (business volume), across all categories. Boozt is committed to assessing a higher share of its suppliers through Higg BRM and Boozt's supplier survey in support of the upcoming scorecard.

To mitigate these risks and gain more in-depth insights into the supply chain, Boozt is taking several actions. A supplier survey was created for all brands that address environmental, social and business conduct questions. In 2024, Boozt will implement a scorecard for each supplier in the apparel and footwear sector for a supplier-specific risk assessment, that helps identify the number of suppliers with significant social and environmental impacts. Boozt launched a dedicated Sustainability Partner Portal to support suppliers with relevant sustainability information and requirements and a new sustainability data upload to facilitate data sharing. This will help Boozt collect data regarding transparency in its supply chain and align with its commitment to the Care-For target to request at least 80% of the company's brand partners to identify, map and share their Tier 1 and 2 suppliers by 2026. Boozt will continue organising brand

events on relevant social and environmental topics to learn best practices, as mentioned under the section 'Engaging suppliers'.

Climate-related risks and opportunities

Since 2022 Boozt has been assessing climate-related risks and opportunities that cover short and long-term time horizons as well as risks and opportunities from direct operations and the value chain.

The climate risk integration can be exemplified by one identified risk and opportunity with the potential to have a substantive financial or strategic impact¹ on your business. Substantive financial impact¹ results from a material combination of probability and impact on the EBIT. The rating scale of the probability has a range from "likely", "moderate", and "unlikely" to "rare". A substantive risk is considered a risk with a potential financial impact of more than +/- 15 % of EBIT and a moderate or likely probability.

Changing temperature variability and its potential effects

The operation of Boozt within the fashion sector is closely intertwined with temperature variability, as it significantly impacts both the supply chain and consumer demand. Changing weather patterns can disrupt fashion seasons by affecting consumer buying behaviour. For example, unseasonably warm weather during autumn and winter can decrease sales and revenue for winter-specific items like boots and coats. Conversely, unexpectedly cold weather during spring or summer can impact the demand for warm-weather clothing. These shifts in weather patterns make it challenging for retailers to accurately predict and plan inventory, emphasising the fashion industry's need for flexibility.

For Boozt this may lead to high discounts or lower exit margins and hence a decreased revenue. Such financial consequences can strain relationships with Boozt's brand partners and suppliers, giving rise to substantial future and long-term business risks. As a technology-oriented company operating in the fashion and lifestyle sector, Boozt heavily relies on the seasonality of the

fashion industry for purchase planning and sales forecasting. This risk is rated as likely with a medium-high magnitude of impact if no actions are taken. Boozt estimates a potential moderate effect of 10% to 15% on the EBIT due to changed weather conditions affecting the traditional seasonality and sales leading to a lower exit margin and decreased revenues and profits. To mitigate the uncertainty Boozt prioritises flexible procurement strategies. Merchandisers and retail analysts play a crucial role in forecasting customer demand and devising procurement plans during both in-season and off-season periods. Additionally, to mitigate the effects of extended seasons, Boozt has diversified its product line to include non-seasonal items and expanded into other categories like Beauty and Home.

Unlocking the potential of renewable energy

In Boozt's direct operations, the company has the chance to use lower-emission sources of energy to reduce indirect (operating) costs. An integral part of the decarbonization of the economy is the transition to low-carbon energy sources. Boozt Fulfilment Centre, which stores all products and from where deliveries and returns are handled, represents the company's main operations and requires a high amount of energy. As part of this transitional climate opportunity, the production of own renewable energy has two main advantages. Firstly, the corporate GHG footprint can be significantly reduced by moving to 100% renewable energy and creating reputational benefits as well as avoiding the regulatory implications of carbon-intensive activities. Secondly, investing in the generation of renewable energy can reduce operational costs and dependence on volatile energy markets. Generating solar energy instead of purchasing the energy can lead to monetary savings. This opportunity is likely with a medium magnitude of impact. In 2023 solar panels generated approximately 439 MWh and contributed to 14% of the total electricity consumption at the Fulfilment Centre. The generation of solar energy in the Fulfilment Centre saved Boozt more than 300,000 SEK in 2023, compared to purchasing the same amount of energy following average electricity prices in southern Sweden.

Integrating sustainability

Boozt is committed to conducting our business responsibly, with the highest possible standards of ethics, openness, and transparency. The company's sustainability work is an integrated part of the business and the structured processes for mitigating and managing all impacts, risks and opportunities. This is reflected in Boozt's Care-For target to further increase participation in internal sustainability training by 2026. In addition, in 2023 we have tested new forms of employee engagement to integrate sustainability further, through internal initiatives such as sustainability debunk and lunch with the sustainability team.

Sustainability governance structure

There is board-level oversight of ESG issues at Boozt. The highest level of responsibility concerning the oversight of climate-related issues lies with the company CFO in collaboration with the CEO as members of the Group Management. The CHRO is responsible for overseeing the company's diversity and inclusion efforts. The Boozt Group Management is responsible for defining strategic objectives as decided by the Board of Directors, including coordinating implementation and ensuring organisational adaptation to changes within the Group. The Group Management offers advice on sustainability-related matters and receives quarterly reports on the overall sustainability strategy from the CFO. The CFO actively participates in the development process by reviewing content and objectives and receives regular progress reports from the Head of Sustainability and ESG. The Head of Sustainability and ESG attended two Board of Directors meetings and reports the ESG Group performance as well as provides guidance and information (e.g. on upcoming ESG regulation) to the Board of Directors. A key climate-related decision that was made in 2022 by the CFO and CEO was to join the Science Based Targets initiative and commit to defining science-based targets in line with the 1.5°C Paris Agreement. In 2023, Boozt has focused on developing and setting Science Based Targets. Throughout this process, the Head of Sustainability and ESG has engaged with both the CEO and CFO to assess proposed

1) Boozt defines the substantive financial or strategic impact on the business as "any future event that threatens the organisation's ability to achieve its vision and long-term goals." (COSO's definition of risk).



targets as well as the Board of Directors to ensure alignment with the overall business strategy.

Internal knowledge sharing

Internal training

In 2023, as part of Boozt's ambition to integrate sustainability into the business, Boozt conducted training for key employees from Boozt's largest departments, Buying & Merchandising, Supply Chain and Customer Service, on sustainability-related topics. The training for Buying and merchandising focuses on providing a clear understanding of the Boozt Sustainability Criteria and how to implement them with brand partners. This training aligns with Boozt's goal area of Engaging Suppliers, by educating the company's Buying department.

The training for customer service focuses on presenting the role of the Made With Care category in shaping responsible consumption and production. With the training, Boozt works towards the company's goal area Empowering Customers, by sharing the right information with customer service agents, who have direct contact with the company's customers.

In 2024, Boozt is committed to working towards the target of increasing sustainability training and engagement across the organisation. This is key to ensuring that employees have an understanding of what sustainability means and how they can integrate it into their daily tasks and decision-making while ensuring business resilience. All the efforts in integrating sustainability are aligned with Boozt's commitment to the B corp movement to guide sustainability integration across the organisation.

Internal engagement

In 2023, Boozt launched new forms of internal engagement to integrate further sustainability and enable sustainability, across all of its stakeholders. To foster open communication and encourage employees to ask questions about sustainability initiatives, Boozt introduced lunch meetings with the Sustainability Team in 2023.

In addition, Boozt launched "Sustainability Debunk", as a way for employees to anonymously ask their questions regarding sustainability. The main objective of both engagements is to create ongoing discussions within each department while favouring cross-departmental collaboration and overall knowledge sharing.





About the report

The sustainability report was prepared in accordance with the Global Reporting Initiative (GRI) Standards (2021) and the Swedish Annual Accounts Act. The sustainability report (pages 24-29 in the front, to pages 53-94 in the back) focuses on the most material topics for Boozt based on our materiality assessment. It includes disclosures on material topics and is structured after four dimensions; Environment, Employees, Community and Governance. This chapter also includes an ESG Data Summary. The data summary is accompanied by information about the general reporting process as well as notes on the data. A list and description of relevant policies can be found on pages 86-89. The ESG Data Summary as well as the GRI Content Index are also accessible for download at <https://www.booztgroup.com/sustainability-reports>. The report covers the financial year from January 1, 2023, to December 31, 2023, and is published on March 22, 2024.

Reporting approach

This chapter provides information about the reporting process such as the reporting scope, data collection process, and internal control procedures for data validation and consolidation. Our approach to sustainability reporting is holistic and aligns with the principles outlined in the section "Accelerating Transparency".

Reporting scope

The data is consolidated according to the operational control approach. The consolidated ESG data consists of the parent company Boozt AB and its subsidiaries over which Boozt has control. If a material topic or data point excludes certain subsidiaries for example due to non-available data, a statement in the 'Notes to the ESG Data Summary' section below is made.

Data collection process

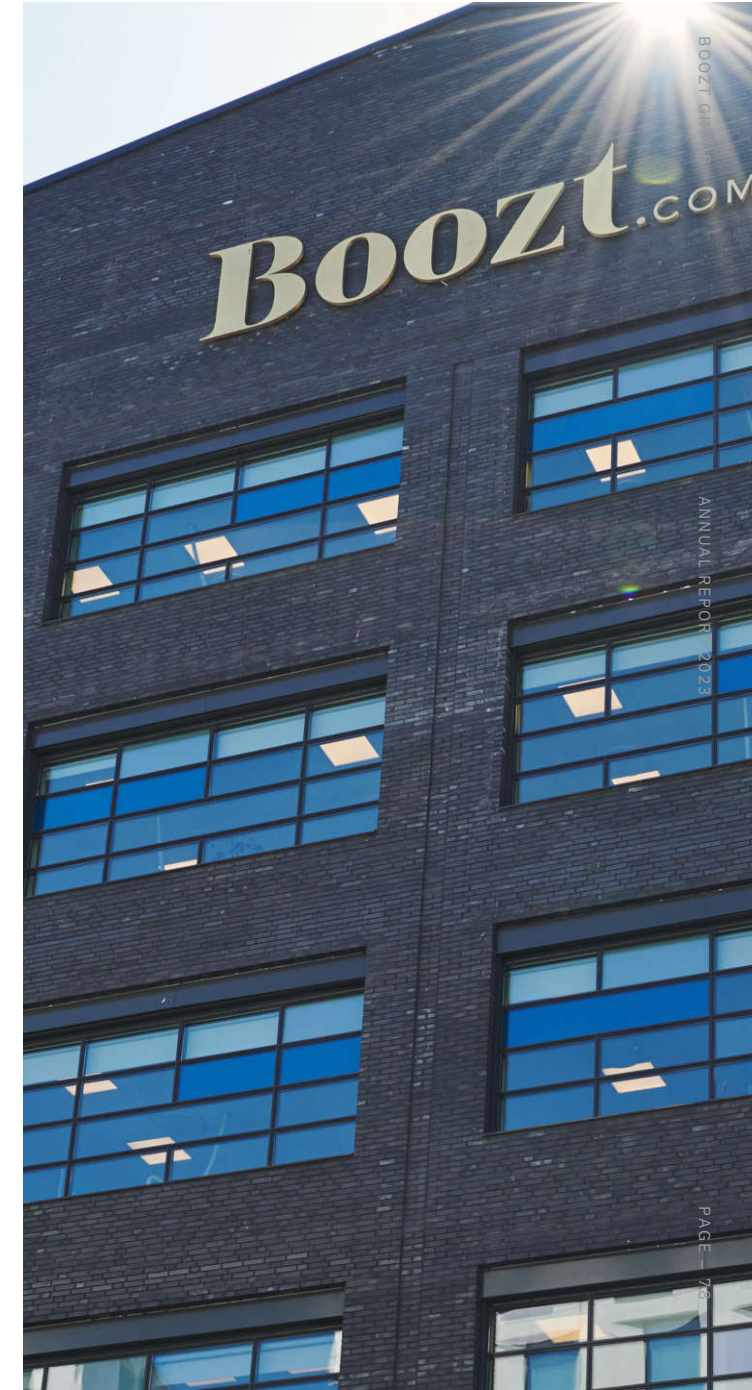
Boozt uses third-party provider Position Green as an ESG data platform which serves as the cornerstone of our reporting process, providing a centralised repository and formalised reporting channel for data collection, calculation, validation, and reporting. In the ESG data platform Boozt collects, analyses, calculates and reports sustainability data from internal sources, suppliers and company holdings through a workflow that is transparent and traceable. The platform includes an audit trail enabling control and review of the reported data. Internal as well as external persons can report the data they are responsible for. Instructions on how to insert the data are given in each measure. The ESG data platform offers a centralised way of storing all Boozt's ESG data as well as using it to track the effectiveness of targets and evaluate progress. The frequency of the data collection is quarterly or annually, depending on its availability.

Internal control: data validation and consolidation

The four eyes principle is established and the reported data in our ESG data platform is validated through formalised reviews by the sustainability team. The validation process is supported by analytical review procedures such as the automatic comparison to previous periods in the ESG data platform. To maintain data integrity and adherence to reporting standards, Boozt established robust internal control measures. These controls encompass regular data audits, error-checking, data consistency checks and verification of data sources. Data is consolidated through the ESG data platform. An audit trail makes it possible to follow changes made. To further improve the data quality of Boozt's sustainability reporting a limited assurance by Deloitte in accordance with ISAE 300 has been carried out.

ESG data summary

Boozt's selection of ESG Data is guided by a comprehensive and structured approach that encompasses Boozt's annual materiality assessment, requests from external stakeholders, ESG ratings and rankings, and sustainability reporting standards and guidelines. Listed below is a complete overview of all Boozt ESG data across four dimensions; Environment, Employees, Community, Governance and the 12 material topics that Boozt cover. The ESG Data Summary has been made publicly available and can be accessed [here](#). Please find notes to the disclosed data points in the following section 'Notes to the ESG Data Summary'.





ESG data summary

| Environment | Unit | 2023 | 2022 | GRI |
|---|--------------------------|-----------|-----------|-------|
| Reducing Greenhouse Gas Emissions | | | | |
| Scope 1 from vehicles, Sweden | tonnes CO ₂ e | 93.8 | 98.4 | 305-1 |
| Scope 1 from vehicles, Denmark | tonnes CO ₂ e | 34.2 | 47.1 | 305-1 |
| Scope 1 from vehicles, Lithuania | tonnes CO ₂ e | 5.5 | 4.9 | 305-1 |
| Total CO₂e Scope 1 | tonnes CO ₂ e | 133.5 | 150.5 | 305-1 |
| Scope 2 location-based, Sweden | tonnes CO ₂ e | 129.4 | 118.6 | 305-2 |
| Scope 2 location-based, Denmark | tonnes CO ₂ e | 15.0 | 17.5 | 305-2 |
| Scope 2 location-based, Lithuania | tonnes CO ₂ e | 16.1 | 11.8 | 305-2 |
| Total CO₂e Scope 2 location-based | tonnes CO ₂ e | 160.5 | 147.9 | 305-2 |
| Scope 2 market-based, Sweden | tonnes CO ₂ e | 0.0 | 0.0 | 305-2 |
| Scope 2 market-based, Denmark | tonnes CO ₂ e | 25.2 | 28.4 | 305-2 |
| Scope 2 market-based, Lithuania | tonnes CO ₂ e | 23.1 | 13.6 | 305-2 |
| Total CO₂e Scope 2 market-based | tonnes CO ₂ e | 48.3 | 42.0 | 305-2 |
| Purchased Goods and Services | tonnes CO ₂ e | 541,362.4 | 441,251.4 | 305-3 |
| Capital Goods | tonnes CO ₂ e | 4,453.6 | 27,234.5 | 305-3 |
| Fuel- and Energy-related Activities | tonnes CO ₂ e | 57.9 | 66.6 | 305-3 |
| Upstream Transportation and Distribution | tonnes CO ₂ e | 4,692.1 | 4,896.2 | 305-3 |
| Waste Generated in Operations | tonnes CO ₂ e | 47.7 | 55.8 | 305-3 |
| Business Travel | tonnes CO ₂ e | 341.3 | 136.7 | 305-3 |
| Employee Commuting | tonnes CO ₂ e | 545.9 | 479.1 | 305-3 |
| Use of Sold Products | tonnes CO ₂ e | 71,188.4 | 73,842.5 | 305-3 |
| End-of-Life Treatment of Sold Products | tonnes CO ₂ e | 10,002.1 | 12,561.5 | 305-3 |
| Total CO₂e Scope 3 | tonnes CO ₂ e | 632,691.4 | 560,524.3 | 305-3 |
| GHG Emissions intensity | | | | |
| kg CO ₂ e intensity per order (from delivery and returns) | kg CO ₂ e | 0.44 | 0.49 | 305-4 |
| kg CO ₂ e intensity per order (from delivery and returns) in the Nordics | kg CO ₂ e | 0.29 | 0.29 | 305-4 |

| Environment | Unit | 2023 | 2022 | GRI |
|---|--------|---------|---------|-------|
| Share of order volume covered in kg CO ₂ e intensity per order | % | 99.7 | 99.5 | 305-4 |
| Energy | | | | |
| Consumption of petrol (non-renewable) | MWh | 288.6 | 240.0 | 302-1 |
| Consumption of diesel (non-renewable) | MWh | 116.6 | 179.8 | 302-1 |
| Total fuel consumption (non-renewable) | MWh | 405.2 | 419.8 | 302-1 |
| Consumption of purchased electricity (non-renewable) | MWh | 72.1 | 67.3 | 302-1 |
| Consumption of purchased electricity (renewable) | MWh | 3,227.1 | 3,255.1 | 302-1 |
| Consumption of purchased heat (non-renewable) | MWh | 115.9 | 156.9 | 302-1 |
| Consumption of purchased heat (renewable) | MWh | 940.9 | 1,027.0 | 302-1 |
| Consumption of purchased cooling (non-renewable) | MWh | 27.1 | 0.0 | 302-1 |
| Consumption of purchased cooling (renewable) | MWh | 120.3 | 101.3 | 302-1 |
| Consumption of self-generated solar energy | MWh | 439.0 | 461.7 | 302-1 |
| Total (renewable energy) consumption | MWh | 4,727.3 | 4,845.0 | 302-1 |
| Total (non-renewable energy) consumption | MWh | 620.3 | 644.0 | 302-1 |
| Total energy consumption | MWh | 5,347.6 | 5,489.0 | 302-1 |
| Share of renewable electricity | % | 98.1 | 98.2 | 302-1 |
| Share of non-renewable electricity | % | 1.9 | 1.8 | 302-1 |
| Share of renewable energy | % | 95.6 | 95.6 | 302-1 |
| Share of non-renewable energy | % | 4.4 | 4.4 | 302-1 |
| Minimising Resource Use | | | | |
| Cardboard and paper, recycled | tonnes | 1,572.5 | 1,501.6 | 306-3 |
| Glass, recycled | tonnes | 12.1 | 5.6 | 306-3 |
| Plastic, recycled | tonnes | 35.2 | 20.2 | 306-3 |
| Metal, recycled | tonnes | 8.1 | 7.1 | 306-3 |
| Sorted waste burnable, incinerated to generate heat and electricity | tonnes | 245.6 | 280.7 | 306-3 |
| Wood , recycled | tonnes | 0.1 | 0.0 | 306-3 |



| Environment | Unit | 2023 | 2022 | GRI |
|--|----------------|---------|----------|-------|
| Wood, incinerated to generate heat and electricity | tonnes | 296.4 | 690.1 | 306-3 |
| Residual waste, incinerated to generate heat and electricity | tonnes | 66.1 | 109.9 | 306-3 |
| Food waste, anaerobic digestion | tonnes | 7.4 | 3.7 | 306-3 |
| Total non-hazardous waste | tonnes | 2,243.5 | 2,618.9 | 306-3 |
| Hazardous waste, recycled | tonnes | 2.9 | 2.1 | 306-3 |
| Total amount of waste | tonnes | 2,246.4 | 2,621.0 | 306-3 |
| Total share of recovered energy from waste | % | 27.4 | 41.4 | |
| Total share of recycled waste | % | 72.6 | 58.6 | |
| Share of recycled waste in the Fulfilment Centre | % | 74.2 | 60.8 | |
| Packaging materials | | | | |
| Total recycled input materials used (packaging) | tonnes | 1138.2 | 2,102.7 | 301-2 |
| Total input materials used (packaging) | tonnes | 1,338.4 | 2,177.9 | 301-2 |
| Percentage of recycled input materials used (packaging) | % | 85.0 | 96.5 | 301-2 |
| Total paper packaging material | tonnes | 1,014.7 | 1,430.2 | 301-2 |
| Total plastic packaging material | tonnes | 323.7 | 750.0 | 301-2 |
| Water | | | | |
| Total water consumption - buildings | m ³ | 8,776.8 | 10,190.8 | |
| Employees | | | | |
| Employees | Unit | 2023 | 2022 | GRI |
| Total number of employees, female | number | 611 | 629 | 2-7 |
| Total number of employees, male | number | 565 | 617 | 2-7 |
| Total number of employees, other | number | 0 | 0 | 2-7 |
| Total number of employees, Sweden | number | 989 | 1,083 | 2-7 |
| Total number of employees, Denmark | number | 122 | 104 | 2-7 |
| Total number of employees, Lithuania | number | 65 | 59 | 2-7 |
| Total number of employees | number | 1,176 | 1,246 | 2-7 |
| Permanent employees, female | number | 507 | 453 | 2-7 |

| Employees | Unit | 2023 | 2022 | GRI |
|---|--------|-------|------|-----|
| Permanent employees, male | number | 477 | 433 | 2-7 |
| Permanent employees, other | number | 0 | 0 | 2-7 |
| Permanent employees, Sweden | number | 810 | 730 | 2-7 |
| Permanent employees, Denmark | number | 109 | 97 | 2-7 |
| Permanent employees, Lithuania | number | 65 | 59 | 2-7 |
| Total permanent employees | number | 984 | 886 | 2-7 |
| Temporary employees, female | number | 93 | 174 | 2-7 |
| Temporary employees, male | number | 76 | 171 | 2-7 |
| Temporary employees, other | number | 0 | 0 | 2-7 |
| Temporary employees, Sweden | number | 156 | 338 | 2-7 |
| Temporary employees, Denmark | number | 13 | 7 | 2-7 |
| Temporary employees, Lithuania | number | 0 | 0 | 2-7 |
| Total temporary employees | number | 169 | 345 | 2-7 |
| Non-guaranteed hours employees, female | number | 27 | 94 | 2-7 |
| Non-guaranteed hours employees, male | number | 19 | 105 | 2-7 |
| Non-guaranteed hours employees, other | number | 0 | 0 | 2-7 |
| Non-guaranteed hours employees, Sweden | number | 37 | 189 | 2-7 |
| Non-guaranteed hours employees, Denmark | number | 9 | 10 | 2-7 |
| Non-guaranteed hours employees, Lithuania | number | 0 | 0 | 2-7 |
| Total non-guaranteed hours employees | number | 46 | 199 | 2-7 |
| Full-time employees, female | number | 563 | 465 | 2-7 |
| Full-time employees, male | number | 539 | 454 | 2-7 |
| Full-time employees, other | number | 0 | 0 | 2-7 |
| Full-time employees, Sweden | number | 938 | 777 | 2-7 |
| Full-time employees, Denmark | number | 101 | 84 | 2-7 |
| Full-time employees, Lithuania | number | 63 | 58 | 2-7 |
| Total full-time employees | number | 1,102 | 919 | 2-7 |



| Employees | Unit | 2023 | 2022 | GRI |
|---|--------|---------|---------|-------|
| Part-time employees, female | number | 37 | 68 | 2-7 |
| Part-time employees, male | number | 14 | 45 | 2-7 |
| Part-time employees, other | number | 0 | 0 | 2-7 |
| Part-time employees, Sweden | number | 28 | 102 | 2-7 |
| Part-time employees, Denmark | number | 21 | 10 | 2-7 |
| Part-time employees, Lithuania | number | 2 | 1 | 2-7 |
| Total part-time employees | number | 51 | 113 | 2-7 |
| Workers who are not employees | | | | |
| Total number of workers who are not employees | number | 75 | 75 | 2-8 |
| Annual total compensation ratio | - | 54.0 | 36.5 | 2-21 |
| Promoting Equality | | | | |
| Gender ratio | | | | 405-1 |
| Gender ratio (female/male), Board of Directors | % | 50 / 50 | 43 / 57 | 405-1 |
| Gender ratio (female/male), Group Management | % | 29 / 71 | 29 / 71 | 405-1 |
| Gender ratio (female/male), Mid Management | % | 43 / 57 | 45 / 55 | 405-1 |
| Gender ratio (female/male), Employees (management excluded) | % | 54 / 46 | 51 / 49 | 405-1 |
| Age distribution | | | | 405-1 |
| Under 30 years, Board of Directors | % | 0 | 0 | 405-1 |
| 30-50 years, Board of Directors | % | 67 | 71 | 405-1 |
| Over 50 years, Board of Directors | % | 33 | 29 | 405-1 |
| Under 30 years, Group Management | % | 0 | 0 | 405-1 |
| 30-50 years, Group Management | % | 71 | 71 | 405-1 |
| Over 50 years, Group Management | % | 29 | 29 | 405-1 |
| Under 30 years, Mid Management | % | 14 | 19 | 405-1 |
| 30-50 years, Mid Management | % | 76 | 70 | 405-1 |
| Over 50 years, Mid Management | % | 10 | 11 | 405-1 |
| Under 30 years, Employees (management excluded) | % | 39 | 46 | 405-1 |

| Employees | Unit | 2023 | 2022 | GRI |
|---|--------|------|------|-------|
| 30-50 years, Employees (management excluded) | % | 55 | 49 | 405-1 |
| Over 50 years, Employees (management excluded) | % | 6 | 5 | 405-1 |
| Parental leave | | | | |
| Total number of employees that took parental leave | number | 172 | 211 | |
| thereof Women | % | 52 | 52 | |
| thereof Men | % | 48 | 48 | |
| Share of women in technical job groups | % | 20 | 19 | |
| Engaging & healthy work environment | | | | |
| Employee Net Promoter Score (eNPS) | Score | 60 | 42 | |
| Average aggregated participation rate of the employee survey | % | 88 | 71 | |
| Fatalities | number | 0 | 0 | |
| Number of serious accidents | number | 1 | 3 | |
| Number of serious incidents | number | 0 | 1 | |
| Number of all employees and workers who are not employees who are covered by OHS management system in the Fulfilment Centre | number | 519 | 662 | 403-8 |
| Percentage of all employees and workers who are not employees who are covered by OHS management system in the Fulfilment Centre | % | 100 | 100 | 403-8 |
| Share of employees covered by collective bargaining agreements | % | 84.1 | 86.9 | 2-30 |

| Community | Unit | 2023 | 2022 | GRI |
|---|--------|-------|-------|-------|
| Empowering customers | | | | |
| Share of Made With Care products | % | 21.0 | 21.1 | 417-1 |
| Share of Made With Care orders | % | 28.8 | 28.0 | |
| Share of Made With Care net revenue | % | 15.3 | 14.6 | |
| Number of products live on ReBoozt | number | 6,182 | 5,429 | |
| Engaging suppliers | | | | |
| Higg BRM Brands contacted | number | 147 | 192 | |
| Higg BRM Brands onboarded and with completed module | number | 69 | 107 | |



| Community | Unit | 2023 | 2022 | GRI |
|---|--------|-----------|-------------|-----|
| Higg BRM Brands with shared module | number | 43 | 67 | |
| Involving communities | | | | |
| Total amount of Donations | SEK | 614,333.3 | 2,065,338.5 | |
| In-kind giving: product or services donations | SEK | 70,539.3 | 371,139.9 | |
| Number of research interviews or surveys given by the sustainability team | number | 14 | 8 | |

| Governance | Unit | 2023 | 2022 | GRI |
|--|--------|-----------|-------------|--------------|
| Accelerating Transparency | | | | |
| S&P CSA Score | - | 33 | 25 | |
| CDP Score | - | B | B | |
| Sustainalytics | - | 22.2 | 22.8 | |
| Carnegie | - | 72% | 69% | |
| MSCI rating | - | AAA | AA | |
| Number of all ESG-related policies | number | 13 | 13 | |
| Number of ESG policies published | number | 3 | 3 | |
| Share of public ESG policies | % | 23.1 | 23.1 | |
| Mitigating risks | | | | |
| Monetary savings from generated solar energy | SEK | 316,039.9 | 1,196,751.2 | 201-2 |
| Number of brands assessed for social and environmental impacts | number | 43 | 67 | 308-2, 414-2 |
| Substantiated complaints concerning breaches of customer privacy and losses of customer data | number | 0 | 1 | 418-1 |
| Number of cases reported in whistleblower system | number | 0 | 0 | |
| Integrating Sustainability | | | | |
| Number of Employees attending a Sustainability training | number | 50 | 109 | |
| Number of Board meetings attended by Head of Sustainability | number | 2 | 2 | |

Notes to the ESG Data Summary

The following notes include accounting policies, methodological explanations regarding the calculations and possible restatements. Unavailable data in 2022 is shown with 'n/a' in the ESG Data Summary.

Environment

Reducing greenhouse gas emissions

Boozt's GHG emission reporting follows the GHG protocol. Absolute GHG emission values are stated in CO₂e (carbon dioxide equivalent), a term for describing different greenhouse gases in a common unit. That includes carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFC), perfluorocarbons (PFC), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃).

Scope 1

Scope 1 GHG emissions are direct emissions of greenhouse gases from sources controlled by Boozt that are not connected to energy delivery. The calculated emissions cover all group entities and include company vehicles. Boozt applies the fuel-based method with emission factors in kg per litre per fuel type (source: DEFRA) for the scope 1 GHG emissions calculations for all subsidiaries. For one Danish subsidiary with company cars, GHG emissions were calculated based on expense data on diesel fuel (spend-based) due to data limitations. In the 2022 report the sequence of presented information deviated from the intended format. The error in the presentation sequence has been rectified.

Scope 2

Scope 2 GHG emissions are indirect emissions as a result of the consumption of purchased electricity, heating and cooling in Boozt's locations. Location-based emissions are determined by the average emission factor of the local grid. The market-based method reflects the GHG emissions associated with the choices a consumer makes regarding its electricity supplier or product. Boozt requests certificates on renewable energy supply. The calculated scope 2 GHG emissions include the emissions from

all energy activities (heating, cooling and electricity) and exclude one store where the electricity data cannot be obtained. The respective facility has 18 employees which represent 1.5% of total scope 2 GHG emissions.

Scope 3

Scope 3 are other indirect GHG emissions generated in the value chain. According to the GHG protocol, scope 3 consists of 15 categories. The first step is the assessment of relevance to determine which of the 15 categories are relevant to the organisation based on its business model and operations. Nine out of fifteen scope 3 categories are relevant while five are not applicable to the operations, e.g. franchises as the company does not have any franchises.

Scope 3: Purchased goods and services

In this category Boozt calculated GHG emissions from purchased packaging material and pallets (average data method with activity data of material type and weight based, source: DEFRA), office goods such as furniture and IT equipment (spend-based, source: Quantis), and Data Centre and Cloud Usage (supplier-specific method, source: Google Carbon Calculator). To calculate the emissions from the products sold, Boozt applied the spend-based method using the COGS (Cost on goods sold) on a category level. The COGS of each category (e.g. T-shirt) is allocated to a sector according to the 36 ISIN sector categories. This allocation results in a total spend across five sectors: Chemicals and Chemical Products, Electrical and Optical Equipment, Leather, Leather and Footwear, Manufacturing (not elsewhere classified); Recycling, Textiles, and Textile Products. The sector-specific emission factors (source: Quantis) are then applied to the COGS within these five sectors. The figure from 2022 report has been updated to include the emissions from products sold.

Scope 3: Capital goods

Capital goods are final products that have an extended life and are used by Boozt to provide our services; sell, store, and deliver

products. Capital goods are calculated with the spend-based method (source: Quantis). It refers mainly to the capital goods and investments made to the Fulfilment Centre such as a ventilation system, electricity installation, equipment, bins, and robots for the AutoStore. Following the financial accounting procedures' approach to determining whether to account for a purchased product as a capital good in 2023, the methodology has been updated and aligned further.

Scope 3: Fuel- and energy-related activities

This category includes GHG emissions related to the production of fuels, and energy purchased and consumed that are not included in Scope 1 or Scope 2. The calculated emissions are based on the quantities and types of fuel as well as the quantities and energy sources of heating, cooling, and electricity consumption. GHG Emissions are calculated by multiplying fuel and energy consumption quantities by relevant emission factors (source: DEFRA). The calculated emissions exclude one store with 18 employees where the energy data cannot be obtained, which represents 1.5% of these GHG emissions as well as missing scope 3 GHG emissions from fuel for the entity where the spend-based method was applied.

Scope 3: Upstream Transportation and Distribution

This category includes transportation and distribution services purchased by the reporting company. Boozt works closely with the company's distributors reporting their data in the ESG platform. The emissions cover all transportation means (road, water, and air transportation) and both delivery and return packages. The emissions are reported in Well-to-Wheel (WtW) and all the emissions from fuel generation to combustion in the vehicles are considered.

Scope 3: Waste generated in operations

This category includes GHG emissions from the third-party treatment of waste generated in the reporting company's owned or controlled operations. The GHG emissions refer to waste

generated in the operations, meaning the Fulfilment Centre, all offices, and all stores. The GHG emissions are calculated based on the weight of the waste type (in tonnes) and the specific waste treatment method, emission factors from BEIS (UK Department for Business, Energy & Industrial Strategy) are applied.

Scope 3: Business travel

The GHG emissions are calculated based on the distances travelled for domestic, short-haul, and long-haul flights in each class of travel (ranging from economy to first-class). The GHG emissions include radiative forcing in air travel emissions to capture the maximum climate impact of their travel habits. Radiative forcing (RF) is a measure of the additional environmental impact of aviation. These include emissions of nitrous oxides and water vapour when emitted at high altitudes. Finally, the CO₂e with RF total is determined by multiplying the distance (km) travelled by the appropriate CO₂e with RF factor (source: DEFRA). Road travel is calculated using expenses for train rides (spend-based method) and driven kilometres with a private vehicle during business trips (distance-based method). The remaining travel costs (booked and expensed by employees) are added (spend-based method). In 2024, efforts are underway to obtain a breakdown by transportation mode for these costs. 2023 figures are significantly higher due to the extended measurement of this Scope 3 category by adding expenses from business travels booked via business cards.

Scope 3: Employee commuting

To calculate the GHG emissions from employee commuting, a survey was conducted where employees filled out their transportation mode, the one-way commute distance to the work site as well as the average amount of home office days per week. Based on the answers received, Boozt used the percentage of each transportation mode being used, to apply this to the remaining amount of employees for extrapolation purposes. Emission factors (CO₂e per km per transportation mode) are then applied to the distance travelled (distance-based method).

Scope 3: Use of sold products

The emissions in this category are GHG emissions from the use of goods sold. In accordance with the GHG protocol, it includes the scope 1 and scope 2 GHG emissions of end users which are the company's customers. Activity data for the number of sold products across product categories was collected and assigned to a sector and an emission factor. Direct-use phase emissions and indirect-use phase emissions were calculated. For electrical products the average guarantee based on supplier information was used to estimate the lifetime of the products. The emission factor for 'Electrical and Optical Equipment' represents a European average. For textile products an estimated lifetime of the product was used to estimate the times washed. Emission factors for textiles depend on washing frequency, including electricity for washing (drying and finishing laundry), water usage and detergents. The emission factor for leather shoes is based on waxing needed per pair of shoes in their lifetime. The figure from the 2022 Annual Report has been updated to ensure further accuracy.

Scope 3: End-of-life treatment of sold products

This category includes the total expected end-of-life GHG emissions, from the waste disposal and treatment of products for all products sold in the reporting year. The emissions were calculated by collecting primary activity data with the number and type of items sold, average waste-treatment emission factors were then applied to the sales volume and the average weight of Boozt product categories. The calculated GHG emissions include emissions from products as well as product packaging. The figure from the 2022 Annual Report has been updated to ensure further accuracy. The measurement of emissions from end-of-life treatment has improved in 2023 compared to 2022 using the average weight of Boozt product categories and the average weight of Boozt's packaging material instead of estimates. It was estimated in 2022 that all products would be packaged in the same way, but in 2023, this was changed to match the actual packaging for all products. The changes in methodology have led to lower calculated emissions in 2023 compared to 2022,

not necessarily representing a decrease in emissions from end-of-life treatment.

CO₂e intensity per order (from delivery and returns)

The CO₂e intensity per order is calculated by using the emissions from deliveries and returns (scope 3 Upstream transportation and distribution emissions) and dividing it by the number of packages shipped.

CO₂e intensity per order (from delivery and returns) in the Nordics

Nordics refers to the shipping countries Norway, Sweden, Denmark and Finland. In 2023 Boozt maintained a low CO₂e intensity per order (from delivery and returns) in the Nordics of 0.29 kg CO₂e (2022: 0.29), representing 89% of the total order volume.

Energy consumption data by energy activity

Following the reporting recommendations by the GHG protocol and CDP, Boozt separately disclose fuel, electricity, heat, cooling and self-generated energy consumption, including a breakdown of MWh from renewable sources and non-renewable sources. Renewable electricity is powered by hydropower, solar energy and wind. Renewable heating consumption mainly comes from renewable district heating such as geothermal energy. Renewable cooling comes from wind. Fuel data is converted from litres to MWh with conversion factors from DEFRA. The data excludes one store where the energy data cannot be obtained. The respective facility has 18 employees which represents 1.5% of the total energy consumption. Total (non-renewable energy) consumption and total (renewable energy) consumption include fuel consumption. Based on the disclosed breakdown of energy data, Boozt calculates the share of renewable energy (excluding fuel consumption) and the share of renewable electricity (including purchased electricity and generated electricity).

Minimising resource use

Waste generated

Waste generated is measured in tonnes and broken down into hazardous and non-hazardous waste including waste types and their waste treatment method. By that, Boozt is able to calculate and disclose the share of recycled waste (sum of recycled waste relative to total waste) on a group level and the Fulfilment Centre separately as most waste is generated from it. In 2023 Boozt improved the measurement of waste from the headquarters, changing from an estimate based on the number of employees to data from the companies handling the waste. Accessing data from the companies that handle the waste has led to more accurate data and the possibility to analyse both different waste fractions as well as waste treatment methods used. In 2023 33.6% of the waste from the headquarters was recycled. To estimate the waste from the remaining offices and the two stores the average municipal residual waste (consisting of everyday items including food waste) per person per day of 2.2 kg was used (Source: EPA (2018)). The Share of recycled waste in the Fulfilment Centre has increased from 60% in 2022 to 74.2% in 2023.

Packaging materials

The percentage of 85% recycled input materials used relates to the total weight of all recycled packaging materials purchased in 2023. It is calculated by the sum of the recycled packaging materials purchased and divided by the total weight of all packaging materials purchased. The decrease in total purchased packaging material by weight is due to the utilisation of leftover packaging from high-volume orders in 2022 minimising the need for new purchases in 2023, transitioning to lighter cardboard boxes, and replacing paper filling with lighter plastic. 24% of the overall packaging material is plastic, 76% cardboard and paper.

Water consumption

Total water consumption at Boozt buildings measured in m³. In 2023 all offices were included in this measure extending

the scope compared to 2022. However, for two offices the water consumption data could not be obtained, and estimations were used here based on the number of employees. The total water consumption has decreased in 2023 compared to 2022, this is mainly due to a decrease in water consumption in the Fulfilment Centre.

Employees

All of the employee numbers below are reported in headcount at the end of the reporting period (December 31, 2023) and include the parent company and all of its subsidiaries. According to GRI and the upcoming ESRS, the split by gender should include 'other', which is often referred to as 'non-binary' and defined as 'gender as specified by the employee themselves'. If the employee has not specified that voluntarily, the number is zero.

Permanent employees

Employees with a contract for an indeterminate period (i.e. indefinite contract). Counts for both full-time and part-time work. The change in figures between 2022 and 2023 is primarily driven by a shift in the Fulfilment Centre workforce composition, moving from temporary, non-guaranteed hours and part-time to more permanent and full-time employees.

Temporary employees

Employees with a contract for a limited period (i.e. fixed term contract) that ends when the specific time period expires, or when the specific task or event that has an attached time estimate is completed. The change in figures between 2022 and 2023 is primarily driven by a shift in the Fulfilment Centre workforce composition, moving from temporary, non-guaranteed hours and part-time to more permanent and full-time employees.

Non-guaranteed hours employees

Employees who do not have a guaranteed minimum or fixed number of working hours per day, week, or month, but who may

need to make themselves available for work as required. The change in figures between 2022 and 2023 is primarily driven by a shift in the Fulfilment Centre workforce composition, moving from temporary, non-guaranteed hours and part-time to more permanent and full-time employees.

Full-time employees

Employees that work 100% according to national law. The change in figures between 2022 and 2023 is primarily driven by a shift in the Fulfilment Centre workforce composition, moving from temporary, non-guaranteed hours and part-time to more permanent and full-time employees.

Part-time employees

Employees whose working hours per week, month, or year are less than the number of working hours for full-time employees. The change in figures between 2022 and 2023 is primarily driven by a shift in the Fulfilment Centre workforce composition, moving from temporary, non-guaranteed hours and part-time to more permanent and full-time employees.

Workers who are not employees

This disclosure provides an understanding of how much the organisation relies on workers who are not employees to perform its work, in comparison to employees. Types of workers who are not employees and whose work is controlled by Boozt are agency workers, and freelance consultants in warehouse operations, platform, design, construction and sales. Peak seasons require the Fulfilment Centre to hire additional workers from a staffing agency, where the number is estimated based on the average of the year.

Annual total compensation ratio

Ratio of the annual total compensation for the organisation's highest-paid individual relative to the median annual total compensation for all employees (excluding Boozt Group management).

Promoting equality

Gender ratio (female/male)

The gender ratio in percentage is separately disclosed for the Board of Directors, Group management, mid-management, and employees (excludes top and mid-management). Mid-management includes positions like team lead, managers with team responsibility, and directors.

Age distribution

The age distribution is separately disclosed for the Board of Directors, Group management, mid-management, and employees (excludes top and mid-management) with a breakdown of the three age groups of under 30, 30-50 and over 50 years old. Mid-management includes positions like team lead, managers with team responsibility, and directors.

Parental leave

The total number of employees that took parental leave includes employees that took both short-term and long-term parental leave during 2023.

Share of women in technical job groups

Calculated by the number of women in technical job groups relative to the total number of employees in technical job groups. The KPI includes employees working in platform and with positions such as developer and engineer as well as IT support.

Engaging & healthy work environment

Employee Net Promoter Score (eNPS)

The Employee Net Promoter Score (eNPS) measures Employee Engagement at Boozt. The eNPS is calculated by subtracting the percentage of Detractors from the percentage of Promoters, so

that the final value can range anywhere from -100 to 100. The value is calculated as the average of the full year.

Accidents and incidents

Serious accidents and incidents are reported to the Swedish Work Environment Authority (Arbetsmiljöverket).

Employees working in logistics covered by the OHS management system

All employees and workers who are not employees on-site at the Boozt Fulfilment Centre are included and covered by the OHS management system.

Share of employees covered by collective bargaining agreements

Calculated by the number of employees covered by a collective bargaining agreement (CBA), relative to the total number of employees. The number of employees with CBA equals the number of employees in Sweden. Employees in Denmark are influenced by the Danish collective bargaining agreements.

Community Empowering customers

Made With Care KPIs

Made With Care is a selection of products that meet Boozt's sustainability criteria and is calculated for the textile assortment. The share of Made With Care products refers to the average of the full year. The share of Made With Care orders means sales orders containing one or more Made With Care products. Made With Care-related KPIs are expected to decrease significantly in 2024 due to the introduction of the new and stricter criteria, and the inclusion of all categories in Boozt's assortment.

ReBoozt

ReBoozt, the company's peer-to-peer second-hand platform, is currently available in 2 out of the 14 countries of operations. Therefore the number of products live on ReBoozt are products live in Denmark and Sweden. In light of recent market shifts, Boozt is currently reevaluating the project's scope and potential impact.

Engaging suppliers

Engaging suppliers through Higg BRM

This indicator is disclosed through the number of brands contacted, the number of brands onboarded and with completed BRM module and the number of brands with a shared module. The number of brands with verified module has been removed from ESG Data Summary as Higg BRM 2022 only offered verification as a pilot program. Therefore, verification was not available to most brands and retailers. The term module refers to a questionnaire. Some modules represent one brand and some modules include more than one brand (e.g. holding groups) meaning that Boozt has received 39 BRM modules from 43 brands.

Involving communities

Total amount of donations

This KPI refers to the monetary amount paid in support of community engagement projects such as 5-skoler. The decrease in donations in 2023 is due to the fact that Boozt concluded its partnership with Knæk Cancer in 2023 and is grateful for the impact achieved together. Boozt is currently evaluating new collaboration opportunities aligned with our evolving priorities.

In-kind giving: product or services donations

This KPI refers to contributions of products, equipment, services and other non-cash items from the company to different organisations such as 5skoler or Stadsmissionen.

Number of research interviews or surveys given by the sustainability team

Requested research interviews, surveys and project collaborations are documented. The sustainability team conducts interviews and surveys based on availability and relevance to Boozt.

Governance **Accelerating transparency**

ESG Rankings and Ratings

Boozt discloses the score or ranking of different ESG ranking or rating organisations and has added a table with the results on page 74. The company's CDP Climate questionnaire is available [here](#).

ESG policies published

An ESG policy is any policy relevant to formalise commitment in environmental, social, or governance-related aspects. To accelerate transparency Boozt is working on publishing more ESG policies on the Corporate Website.

Mitigating risks

Monetary savings from generated solar energy

To calculate the monetary savings, the generated solar energy is multiplied by the average electricity price per kWh for purchased energy in the quarter and added the earnings for the sold energy. In that way, Boozt can see what the company would have spent on purchased energy. Monetary savings in 2023 have decreased due to lower energy prices in 2023 compared to 2022 and a slight decrease in solar energy production.

Number of brands assessed for social and environmental impacts

The 43 brands (2022: 67 brands) assessed through Higg BRM 2022 are critical brands representing 30% of the company's

business volume (2022: 43% business volume) in the apparel and footwear segment. Business volume is based on July 2021 to June 2022 data due to the timing of the onboarding process.

Substantiated complaints concerning breaches of customer privacy and losses of customer data

There was no substantiated complaint (2022: 1) initiated on the basis of the data subject's complaint to the supervisory authority.

Number of cases reported in the whistleblower channel

No cases were reported in 2023. Read more about the whistleblower policy in the section 'policies and due diligence'.

Integrating sustainability

Number of employees attending the sustainability training

The number of employees includes customer service agents and employees in a product category attending the sustainability training during 2023 as well as a CSRD training for internal stakeholders.

Number of Board meetings attended by Head of Sustainability

Two official board meetings were attended in 2023. The two meetings had the purpose to inform the board members about the sustainability report highlights in 2022 and engage in the CSRD board training.

Policies and due diligence

To support Boozt's Care-For strategy and sustainability goals the company follows various standards and policies to ensure compliance with rules and regulations and the protection of its operations and employees. Where applicable, the standards and policies are developed based on internationally recognized initiatives such as the UN Guiding Principles on Business and Human Rights. Publicly available policies can be found [here](#).

Code of Conduct

Boozt's Code of Conduct serves as the guiding principle for internal and external interactions, outlining ethical communication, operation, and treatment of all stakeholders. The core values for Boozt's employees are trust, freedom, and responsibility which determine the basic foundation for everything we do. We should act with mutual respect and confidence with each other. We believe in respect and trust of each other and promote a responsible culture of openness and accountability. The Boozt Code of Conduct applies to directors, officers, employees and others acting on behalf of the Group. Boozt is committed to upholding ethical standards and responsible practices in all aspects of our business. We adhere to international human rights principles, promote fair labour standards, and respect the environment. We conduct business with integrity, avoid corruption, and protect personal data. Boozt's governance structure ensures compliance with laws, regulations, and internal policies. The Code of Conduct can be found [here](#).

Supplier Code of Conduct

Suppliers must meet all legal requirements and regulations in operating countries. As a retailer, Boozt strives to ensure that any products and goods sold by the company have been produced under safe and fair working conditions. The Boozt Suppliers Code of Conduct aims to outline minimum requirements for suppliers, including respect for human rights and decent working conditions. The Boozt Supplier Code of Conduct sets the minimum standards requirement. The standards set out in the document are based on

the UN Universal Declaration of Human Rights and the conventions of the International Labour Organization (ILO).

In 2022 Boozt started systematically assessing suppliers in terms of their ESG performance through the distribution of a supplier survey. The first part of the survey focuses on the extent of compliance with the Suppliers' Code of Conduct and other governance aspects which have been included in the general trade agreement in 2022. More sections with environmental and social questions were added to the survey to help understand brands sustainability journey and identify improvement areas where Boozt can support them.

This effort was supported by Boozt's engagement with the Cascale in requesting further information regarding our partners' supply chain impact and taking advantage of its already existing reach.

Due to the increased risk of human rights risks in the supply chain and consumer demands, a specific human rights section was introduced in the company's yearly survey. This will result in a wider reach to the company's brands that are not working with external organisations such as Cascale. The extended survey will help in understanding critical issues and risks in Boozt's supply chain, such as human rights and environmental management risks on a brand level.

Boozt's collaboration with Cascale on the Joint BRM Action, resulted in an initial assessment of Boozt suppliers to help identify key risk areas as presented in the 'Supply Chain Risk Assessment' section of this report. The results from the 2023 yearly supplier survey will be analysed during the year to identify risk areas as well as opportunities for further collaboration with the company's partners towards better practices.

Treatment of animals policy

The Treatment of Animals policy is updated to align with principles on specific banned materials and the responsible treatment certification Boozt prefer. The procedure specifies that Boozt does not sell products that derive from animals appearing on either of



these lists: The International Union for the Conservation of Nature (IUCN), The Convention of International Trade in Endangered Species (CITES), the IUCN Red List of Threatened Species. Boozt does not permit the use of any fur, feathers or skins of snakes, crocodile, alligators or species specified in the IUCN Red List of Threatened Species in any of the company's products. The Head of Sustainability and ESG in collaboration with Buying Director is in charge of monitoring conformity. Boozt monitors compliance on products by conducting sustainability training and collaborating internally with buyers and the quality team to ensure our product selection is aligned with this policy. In case Boozt finds the company is in breach of this policy, products are removed from the selection available and the brand relationship is reassessed to ensure a higher degree of transparency and future compliance with the policy.

Environmental policy

Boozt conducts a yearly follow-up of the company's direct environmental impact and has initiated mapping and measuring of indirect impacts. The environmental policy commits to work proactively and continuously to identify challenges, set priorities and report on the company's progress through well-established standards such as the Greenhouse Gas Protocol, GRI (Global Reporting Initiative) and CDP.

The environmental policy defines the main principles regarding how the company should consider the environmental impact of the operations within the Group.

Boozt conducts a quarterly follow-up of the company's direct environmental impact and has initiated mapping and measuring of indirect impacts. That includes Scope 1, 2 and 3 GHG emissions, waste generated in operations, energy consumption by energy activity and the impact of packaging. The company's ESG data platform allows Boozt to collect and assess environmental data in a traceable and efficient way. By analysing the company's environmental footprint linked to the different aspects such as GHG emissions, waste and energy and comparing it to previous performance improvement areas can be identified. The Head of

Sustainability and ESG monitors the Policy and actively ensures that alternatives are considered when initiating investments.

Whistleblower policy

The aim is to operate Boozt with a long-term and sustainable approach. Boozt is committed to identifying and investigating any potential issues or irregularities that may have a significant impact on the company or employees as soon as they are brought to the company's attention.

Boozt continues its commitment to transparency and accountability by upholding the Whistleblower Policy and procedures revised in 2022. Boozt maintains three separate channels for whistleblowers to report based on the entity the report pertains to. These channels have been expanded to include not only staff within the Group, but also job seekers, volunteers, shareholders, management, supervisory board members, and suppliers. In addition, we have taken steps to increase awareness of the whistleblowing process across the Group. For further information please refer to the company's [updated Policy](#) and accompanying [Q&A](#).

An external provider is enabling the whistleblower channels, which allows for anonymous and confidential reporting. All reports made through the channels are directed to the Boozt Group Whistleblower Committee. No cases were reported through the whistleblower channel in 2023.

Anti-corruption and bribery policy

Boozt's anti-corruption, insider and procurement policies are there to ensure that the business is conducted ethically. These policies outline the company's various positions on preventing and prohibiting corruption and bribery in accordance with local legislation where the company operates as well as significant international regulatory regimes and laws with extraterritorial reach such as the UK Bribery Act and the US Foreign Corrupt Practices Act. These policies include never-acceptable practices and monitoring activities to support the prevention of corruption,

bribery, and conflicts of interest. Anti-corruption policies are communicated to all brands and business partners through the company's Buying and Merchandising department. To ensure communication of the internal Code of Conduct to all levels of the company the document is available on the intranet, and all employees sign a document acknowledging its receipt. The Group Buying director shall specifically from time to time request major suppliers to confirm that no transactions have taken place between the Group's buyers, merchandisers and the supplier. No substantiated complaints of corruption or anti-competitive behaviour were reported in 2023.

Data privacy and security

Robust protection of personal data is one of the top aspects of building trust and maintaining confidence in the Boozt brand. Boozt continues to make significant efforts to enhance privacy controls, with a particular focus on increasing transparency for data subjects and fortifying security measures in data protection.

In 2022, Boozt implemented a comprehensive Group-wide Data Protection Policy, replacing the previous approach of using area-specific policies and procedures. The adoption of a Data Protection Policy is a crucial step in establishing a consistent and unified accountability framework across the Group, with a focus on prioritizing privacy in all of its initiatives. The accountability framework adopted by the Group designates top focus points to the data protection work in the Group. Among those are ensuring compliance with data protection laws, implementation of privacy by design, promotion of privacy culture and high focus on data protection training and awareness. The policy has been made publicly available and can be accessed [here](#).

In its pursuit of implementing leading privacy practices, the Group voluntarily appointed a Data Protection Officer (DPO) in 2023. The appointment of the DPO within the Group not only brings crucial expertise to the Group's data protection operations but also emphasizes Boozt's dedication to building trust through an open dialogue. A direct communication channel with the DPO has been established for both data subjects and authorities as a

clear and accessible mechanism for addressing privacy inquiries. The DPO provides annual reports to the Group Management, ensuring ongoing oversight and accountability in safeguarding data protection efforts.

Ensuring transparency and openness remains a central pillar of our privacy operations. We prioritize clarity and accessibility in our communication with data subjects, striving to provide easily comprehensible notices that inform how the personal data is processed in a meaningful way.

We strive for continuous improvement which is ensured by providing contextual training and competence-building activities to the staff. By contextualizing our training programs, we equip our team with the necessary knowledge, empowering them to navigate complex scenarios with confidence and integrity. This holistic approach ensures that every individual within our organization is acutely aware of their pivotal role in safeguarding the privacy rights of our customers and stakeholders, thereby fostering a culture of accountability and trustworthiness.

The security of personal data processing and continuity of internal systems enabling sales channels is of the utmost importance to the company's data protection controls. Boozt has been continuously working on implementing best practices in information security and resilience to cybersecurity threats. To ensure the security of customer's personal data, strong technical safeguards and organisational measures have been put in place, including encryption, access control, and regular monitoring of systems. Boozt conducts regular security assessments as well as yearly audits of internally developed systems to identify, prevent and address any potential vulnerabilities. To increase observability, Boozt has launched a new bug bounty program with HackerOne that allows external cybersecurity professionals and researchers to detect and report vulnerabilities.



The Group closely monitors the regulatory landscape for data protection and pays close attention to regulatory guidelines issued by the local supervisory authorities and the European Data Protection Board (EDPB). Boozt understands the importance of cooperation with the supervisory authorities and has been proactive in any communication regarding the Group processing of personal data. During 2023, Boozt has not identified any substantiated complaints (2022: 1). In 2023, Boozt has also reported on its own initiative three personal data breaches (2022: 1). The breaches stemmed from an unencrypted email inadvertently sent to an unintended recipient, leading to unauthorized data disclosure. To mitigate potential impacts on affected individuals, Boozt has promptly responded to each incident with targeted actions, including revising established procedures that facilitated the breaches. The likelihood of similar breaches recurring is now deemed minimal owing to strengthened protocols. The supervisory authority has chosen not to take any action to the reported incidents and has not proceeded with an investigation on any of them.





Stakeholder engagement

Boozt values the ongoing dialogue with our stakeholders. This table provides an overview of key stakeholder groups identified, how we interact with these stakeholders, as well as key topics raised throughout the ongoing stakeholder dialogue.

| Stakeholder | Interaction and dialogue opportunities | Key Sustainability Topics |
|------------------------------------|---|--|
| Customers | Customer service, customer satisfaction ratings, emails, social media, webstore Boozt.com, certifications (product descriptions), Sustainability Report, FAQ section on customer service page | Made With Care category and sustainability criteria for products to be in the category, sustainability in Boozt operations, waste, packaging, claims and repairs, customer privacy and security, animal welfare, working conditions in the value chain |
| Brand Partners | Partnership / joint projects, Boozt Partner Portal, meetings, agreements, sustainability data templates, Fashion Transparency Summit | ESG supplier survey and assessment, materials and certifications, packaging, eligibility and products in the Made With Care category, Cascale and HIGG BRM (Brand and Retail Module) |
| Distribution Partners | Meetings, agreements, ESG data platform | Emissions reporting, GHG emission methodology, route planning, return handling |
| Employees | Employee survey, code of conduct, policies, staff handbook, procedures, training and teaching modules, all staff meeting, Intranet, work environment groups, Lunches with the Sustainability Team | Talent acquisition, employee development, health and work environment, equality and diversity, social engagement, customer awareness, climate impact & GHG emissions, packaging, waste |
| Shareholders & Investors Community | Investor meetings, board meetings (selective), corporate communication publications (annual report and sustainability report, financial statements, corporate web, audiocasts) | ESG reporting and legal requirements, supply chain transparency, requirements for brands, gender diversity, policies and internal control, consumer privacy and data security, climate impact & GHG emissions |
| Media | Press releases, interviews, panel discussions | Made With Care category, Fair Use Policy, packaging, consumer behaviour, delivery and returns, climate impact & GHG emissions |
| Research Institutions & Education | Research projects, network meetings, workshops in schools, surveys | Packaging, waste, delivery and returns, climate impact & GHG emissions, consumer behaviour, Greenwashing and ethical marketing, ESG reporting practices |

GRI

Linking the SDGs and the GRI Standards

The SDGs are overlapping with the GRI Standards which is Boozt's main sustainability reporting framework. In the following table, we show how the SDGs relate to the GRI Disclosures that Boozt reports on.

| SDGs | Corresponding GRI Standards 2021 |
|--|--|
| 3: Good health and well-being | GRI 403: Occupational Health and Safety 2018 GRI 305: Emissions 2016 GRI 306: Waste 2020 |
| 5: Gender equality | GRI 414: Supplier Social Assessment 2016 GRI 405: Diversity and Equal Opportunity 2016 |
| 7: Affordable and clean energy | GRI 302: Energy 2016 |
| 8: Decent work and economic growth | GRI 301: Materials 2016 GRI 302: Energy 2016 GRI 403: Occupational Health and Safety 2018 GRI 404: Training and Education 2016 GRI 405: Diversity and Equal Opportunity 2016 GRI 414: Supplier Social Assessment 2016 |
| 12: Responsible production and consumption | GRI 301: Materials 2016 GRI 302: Energy 2016 GRI 305: Emissions 2016 GRI 306: Waste 2020 GRI 417: Marketing and Labeling 2016 |
| 13: Climate Action | GRI 201: Economic Performance 2016 GRI 305: Emissions 2016 |
| 16: Peace, Justice and strong institutions | GRI 414: Supplier Social Assessment 2016 GRI 418: Customer Privacy 2016 GRI 403: Occupational Health and Safety 2018 |

Source: GRI, Linking the SDGs and the GRI Standards, [May 2022](#).



GRI Content Index

GRI Content Index, published March 22, 2024

Statement of use: Boozt has reported in accordance with the GRI Standards for the period from January 1, 2023 to December 31, 2023.

GRI 1 used: GRI 1: Foundation 2021

Applicable GRI Sector Standard(s): no applicable GRI Sector Standard

| GRI Standard and Number | Disclosures | Location | Further explanations or omission |
|--|---|----------------------|---|
| GRI 2: General Disclosures 2021 | | | |
| 1. The organization and its reporting practices | | | |
| 2-1 | Organizational details | 31, 40 | Countries of operation: Sweden, Denmark, Estonia, Finland, France, Germany, Iceland, Latvia, Lithuania, Netherlands, Norway, Poland, Switzerland, Austria |
| 2-2 | Entities included in the organization's sustainability reporting | 127, 78 | |
| 2-3 | Reporting period, frequency and contact point | 78, 138 | |
| 2-4 | Restatements of information | 83-86 | |
| 2-5 | External assurance | 47, 78, 94 | |
| 2. Activities and workers | | | |
| 2-6 | Activities, value chain and other business relationships | 20-21, 25, 31, 33 | |
| 2-7 | Employees | 80-81, 84-85 | |
| 2-8 | Workers who are not employees | 81, 85 | |
| 3. Governance | | | |
| 2-9 | Governance structure and composition | 40-41, 42-43, 44, 49 | |
| 2-10 | Nomination and selection of the highest governance body | 33, 41-45 | |
| 2-11 | Chair of the highest governance body | 44 | |
| 2-12 | Role of the highest governance body in overseeing the management of impacts | 40, 44-45 | |
| 2-13 | Delegation of responsibility for managing impacts | 76 | |

| GRI Standard and Number | Disclosures | Location | Further explanations or omission |
|--|---|----------------------|---|
| 2-14 | Role of the highest governance body in sustainability reporting | 44-45 | |
| 2-15 | Conflicts of interest | 49, 117 | <u>We apply the Swedish Corporate Governance Code. The nomination committee is responsible for ensuring that cross-board membership and conflicts of interest do not exist. More information can be found under "Nomination Committee's proposals and reasoned statement"</u> |
| 2-16 | Communication of critical concerns | 75, 86-87 | |
| 2-17 | Collective knowledge of the highest governance body | 76, 40 | |
| 2-18 | Evaluation of the performance of the highest governance body | 44 | |
| 2-19 | Remuneration policies | 34, 41, 47, 101 | <u>Remuneration policies are public here. Specific targets related to ESG are not public.</u> |
| 2-20 | Process to determine remuneration | 41, 108 | <u>For further information on Votes, please read here</u> |
| 2-21 | Annual total compensation ratio | 81, 85, 108 | Salary increase in %, organisation's highest-paid individual, 2022-2023: 93% and salary increase in %, median annual total compensation for all employees (excluding Boozt Group management), 2022-2023: 25%. |
| 4. Strategy, policies and practices | | | |
| 2-22 | Statement on sustainable development strategy | 6, 24, 25, 54-56 | |
| 2-23 | Policy commitments | 48, 62-64, 75, 86-89 | |
| 2-24 | Embedding policy commitments | 48, 75, 86-89 | |
| 2-25 | Processes to remediate negative impacts | 75, 86-89 | |
| 2-26 | Mechanisms for seeking advice and raising concerns | 75, 87 | |
| 2-27 | Compliance with laws and regulations | 40, 87 | |
| 2-28 | Membership associations | 65 | |
| 5. Stakeholder engagement | | | |
| 2-29 | Approach to stakeholder engagement | 89 | |
| 2-30 | Collective bargaining agreements | 81, 85 | |



| GRI Standard and Number | Disclosures | Location | Further explanations or omission |
|--|--|---------------|----------------------------------|
| GRI 3 Material Topics | | | |
| 3-1 | Process to determine material topics | 54-56 | |
| 3-2 | List of material topics | 56 | |
| Topic-specific disclosures on material topics | | | |
| Environment | | | |
| Reducing Greenhouse Gas Emissions | | | |
| GRI 302: Energy 2016 | | | |
| 3-3 | Management of material topics | 58, 76 | |
| 302 - 1 | Energy consumption within the organization | 79, 84 | |
| GRI 305: Emissions 2016 | | | |
| 3-3 | Management of material topics | 57-59 | |
| 305 - 1 | Direct (Scope 1) GHG emissions | 58, 79, 83 | |
| 305 - 2 | Energy indirect (Scope 2) GHG emissions | 58, 79, 83 | |
| 305 - 3 | Other indirect (Scope 3) GHG emissions | 58, 79, 83-84 | |
| 305 - 4 | GHG Emissions intensity | 58-59, 79, 84 | |
| Minimising Resource Use | | | |
| GRI 301: Materials 2016 | | | |
| 3-3 | Management of material topics | 59-60 | |
| 301 - 2 | Recycled input material used | 59, 80, 84 | |
| GRI 306: Waste 2020 | | | |
| 306 - 1 | Waste generation and significant waste-related impacts | 59 | |
| 306 - 2 | Management of significant waste-related impacts | 25, 59 | |

| GRI Standard and Number | Disclosures | Location | Further explanations or omission |
|--|---|------------|--|
| 306 - 3 | Waste generated | 79-80, 84 | |
| Driving Responsible Production | | | |
| 3-3 | Management of material topics | 60-61 | For 11 of the 12 material topics GRI disclosures are identified and reported, complemented by our own indicators. Driving responsible production is a material topic and the management of the material topic is described. However, at this stage, there are no GRI disclosures to be disclosed due to the early stage of the work with the own production of clothing. |
| Employees | | | |
| Promoting Equality | | | |
| GRI 405: Diversity and Equal Opportunity 2016 | | | |
| 3-3 | Management of material topics | 23, 45, 62 | |
| 405 - 1 | Diversity of governance bodies and employees | 81, 85 | Number of nationalities as a diversity indicator is disclosed however not provided with a breakdown of gender or age. |
| Engaging & Healthy Work Environment | | | |
| GRI 403: Occupational Health and Safety 2018 | | | |
| Topic management disclosures | | | |
| 403-1 | Occupational health and safety management system | 63-64 | No other standards or guidelines apart from regulatory requirements are used. |
| 403-2 | Hazard identification, risk assessment, and incident investigation | 63-64 | |
| 403-3 | Hazard identification, risk assessment, and incident investigation | 63-64 | |
| 403-4 | Worker participation, consultation, and communication on occupational health and safety | 63-64 | |
| 403-5 | Worker training on occupational health and safety | 63-64 | |



| GRI Standard and Number | Disclosures | Location | Further explanations or omission |
|---|---|------------------|---|
| 403 - 6 | Promotion of worker health | 63-64 | |
| Topic disclosures | | | |
| 403-8 | Workers covered by an occupational health and safety management system | 63, 81, 85 | The OHS system is not externally audited. |
| Own indicator | Employee Net Promoter Score (eNPS) | 62, 81, 85 | |
| Shaping Employee Development | | | |
| GRI 404: Training and Education 2016 | | | |
| 3-3 | Management of material topics | 64 | |
| 404 - 2 | Programs for upgrading employee skills and transition assistance programs | 62-64 | Transition assistance: Employees are covered by our Career Re-adjustment Agreement (TRR, Trygghetsrådet). The employee receives advice and support from TRR. In addition, a salaried employee who is at least 40 years and who has at least five years of continuous employment in the company can receive income compensation (AGE - Avgångsersättning), which is a complement to the normal unemployment insurance. |
| Community | | | |
| Empowering Customers | | | |
| GRI 417: Marketing and Labeling 2016 | | | |
| 3-3 | Management of material topics | 61, 65 | |
| 417-1 | Requirements for product and service information and labeling | 65, 81, 85 | 417-b refers to our own indicator regarding the share of Made With Care products. |
| Own indicator | Share of Made With Care products, Share of Made With Care net revenue, Share of Made With Care orders | 81, 85 | |
| Engaging Suppliers | | | |
| 3-3 | Management of material topics | 65-66, 86 | |
| Own indicator | Engaging Suppliers through Higg BRM | 65-66, 81-82, 85 | Disclosed through the Number of Brands contacted, Number of Brands onboarded and with completed BRM, Number of Brands with shared module |

| GRI Standard and Number | Disclosures | Location | Further explanations or omission |
|--|---|---------------|---|
| Involving Communities | | | |
| 3-3 | Management of material topics | 66-67 | |
| Own indicator | Total amount of donations and In-kind giving: product or services donations | 67, 82, 85 | |
| Own indicator | Number of research interviews or surveys given by the sustainability team | 82, 86 | |
| Governance | | | |
| Accelerating Transparency | | | |
| 3-3 | Management of material topics | 68 | |
| Own indicator | Disclosed ESG ratings and rankings | 74-75, 82, 86 | |
| Own indicator | Number of ESG policies published | 82, 86 | |
| Mitigating Risks | | | |
| GRI 308: Supplier Environmental Assessment 2016 | | | |
| 3-3 | Management of material topics | 75-76, 86 | |
| 308-2 | Negative environmental impacts in the supply chain and actions taken | 75-76, 82, 86 | In order to address requirements 308-2 .b, .d, and .e, we created a supplier survey including environmental questions and we will use its results to develop a scorecard, which can be used to identify and communicate improvement areas to our suppliers. |
| GRI 414: Supplier Social Assessment 2016 | | | |
| 3-3 | Management of material topics | 75-76, 86 | |
| 414-2 | Negative social impacts in the supply chain and actions taken | 75-76, 82, 86 | In order to address requirements 414-2 .b, .d, and .e, we created a supplier survey addressing social aspects and we will use its results to develop a scorecard, which can be used to identify and communicate improvement areas to our suppliers. |
| GRI 418: Customer Privacy 2016 | | | |



| GRI Standard and Number | Disclosures | Location | Further explanations or omission |
|---|--|------------|----------------------------------|
| 3-3 | Management of material topics | 38, 87-88 | |
| 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data | 82, 88 | |
| GRI 201: Economic Performance 2016 | | | |
| 3-3 | Management of material topics | 9-10, 76 | |
| 201-2 | Financial implications & other risks & opportunities due to climate change | 76, 82, 86 | |
| Integrating Sustainability | | | |
| 3-3 | Management of material topics | 76-77 | |
| Own indicator | Number of Employees attending a Sustainability training | 77, 82, 86 | |
| Own indicator | Number of Board meetings attended by Head of Sustainability | 76, 82, 86 | |





Auditor's report

Auditor's Limited Assurance Report on Sustainability Report and statement regarding the Statutory Sustainability Report

To Boozt AB (publ), corporate identity number 556793-5183

This is a translation of the Swedish language original. In the events of any differences between this translation and the Swedish original the latter shall prevail.

Introduction

We have been engaged by the Board of Directors and the President of Boozt AB (publ) to undertake a limited assurance engagement of the Boozt AB 's Sustainability Report for the year 2023. The Company has defined the scope of the Sustainability Report on page 78 in the annual report, and the Statutory Sustainability Report on page 34.

Responsibilities of the Board of Directors and the Executive Management

The Board of Directors and the Executive Management are responsible for the preparation of the Sustainability Report including the Statutory Sustainability Report in accordance with the applicable criteria and the Annual Accounts Act respectively. The criteria are defined on page 90 in the Sustainability Report, and are part of the Sustainability Reporting Guidelines published by GRI (Global Reporting Initiative), which are applicable to the Sustainability Report, as well as the accounting and calculation principles that the Company has developed. This responsibility also includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or error.

Responsibilities of the auditor

Our responsibility is to express a conclusion on the Sustainability Report based on the limited assurance procedures we have performed and to express an opinion regarding the Statutory Sustainability Report. Our engagement is limited to historical information presented and does therefore not cover future-oriented information.

We conducted our limited assurance engagement in accordance with ISAE 3000 (revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report, and applying analytical and other limited assurance procedures. Our examination regarding the Statutory Sustainability Report has been conducted in accordance with FAR's accounting standard RevR 12 *The auditor's opinion regarding the Statutory Sustainability Report*. A limited assurance engagement and an examination according to RevR 12 is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent of Boozt AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The limited assurance procedures performed and the examination according to RevR 12 do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. The conclusion based on a limited assurance engagement and an examination according to RevR 12 does not provide the same level of assurance as a conclusion based on an audit.

Our procedures are based on the criteria defined by the Board of Directors and the Executive Management as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion below.

Conclusion

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that the Sustainability Report, is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and Executive Management.

A Statutory Sustainability Report has been prepared.

Malmö March 22, 2024
Deloitte AB

Signature on Swedish original

Didrik Roos
Authorized Public Accountant

Adrian Fintling
Expert Member of FAR



Financial statements

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Consolidated financial statements

CONSOLIDATED INCOME STATEMENT

| SEK million unless otherwise indicated | Note | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|---|-------|----------------------|----------------------|
| OPERATING INCOME | | | |
| Net revenue | 3.4 | 7,755 | 6,743 |
| Other operating income | 5 | 0 | 5 |
| Total operating income | | 7,755 | 6,748 |
| OPERATING COSTS | | | |
| Goods for resale | | -4,717 | -4,077 |
| Other external costs | 6,7,8 | -1,669 | -1,520 |
| Cost of personnel | 9 | -812 | -676 |
| Depreciation | 10 | -252 | -222 |
| Other operating costs | 5 | -6 | 0 |
| Total operating costs | | -7,456 | -6,495 |
| OPERATING PROFIT (EBIT) | | 299 | 254 |
| FINANCIAL INCOME AND COSTS | | | |
| Financial income | 11 | 24 | 5 |
| Financial costs | 8.11 | -52 | -22 |
| Net financial items | | -27 | -17 |
| PROFIT BEFORE TAX | | 272 | 237 |
| Income tax | 12 | -39 | -50 |
| PROFIT FOR THE YEAR | | 233 | 187 |
| Earnings per share (SEK) | 13 | 3.43 | 2.76 |
| Earnings per share after dilution (SEK) | 13 | 3.38 | 2.73 |

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|--|----------------------|----------------------|
| PROFIT FOR THE YEAR | 233 | 187 |
| Other comprehensive income (translation differences) | 24 | -3 |
| TOTAL COMPREHENSIVE PROFIT FOR THE YEAR | 230 | 222 |
| ATTRIBUTABLE TO | | |
| Parent company's shareholders | 230 | 222 |

Rounding differences may affect the summations.



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| SEK million | Note | Dec 31, 2023 | Dec 31, 2022 | SEK million | Note | Dec 31, 2023 | Dec 31, 2022 |
|----------------------------------|-------|--------------|--------------|---|------|--------------|--------------|
| ASSETS | | | | EQUITY AND LIABILITIES | | | |
| Non-current assets | | | | Equity | | | |
| Intangible assets | | | | Share capital | | | |
| Trademarks | 14.15 | 93 | 94 | | | 6 | 6 |
| Goodwill | 14.15 | 298 | 300 | Other capital contributions | | | |
| Web platform | 15 | 205 | 165 | | | 2,307 | 2,234 |
| | | 596 | 558 | Reserves | | | |
| | | | | | | 36 | 35 |
| | | | | Retained earnings including profit for the year | | | |
| | | | | | | 372 | 228 |
| | | | | Total equity | | | |
| | | | | | | 2,721 | 2,503 |
| Tangible assets | | | | Non-current liabilities | | | |
| Right of use asset | 8 | 526 | 526 | | 27 | | |
| Machinery and equipment | 16 | 785 | 866 | Non-current interest bearing liabilities | | | |
| | | 1,311 | 1,393 | | 21 | 326 | 402 |
| | | | | Non-current lease liabilities | | | |
| | | | | | 8 | 456 | 457 |
| Other non-current assets | | | | Other non-current liabilities | | | |
| Deposits | | 8 | 8 | | | 0 | 0 |
| Shares in associated companies | 29 | 15 | 27 | Other non-current provisions | | | |
| Deferred tax asset | 12 | 18 | 6 | | 22 | 22 | 30 |
| | | 41 | 42 | Deferred tax liabilities | | | |
| | | | | | 12 | 19 | 19 |
| | | | | Total non-current liabilities | | | |
| | | | | | | 824 | 908 |
| Total non-current assets | | | | Current liabilities | | | |
| | | 1,949 | 1,992 | | 27 | | |
| Current assets | | | | Interest bearing liabilities | | | |
| Inventories | 17 | 2,281 | 2,039 | | 21 | 97 | 168 |
| Account receivables | 18.27 | 41 | 30 | Lease liabilities | | | |
| Other receivables | | 147 | 69 | | 8 | 86 | 81 |
| Current tax assets | | 7 | 2 | Accounts payable | | | |
| Prepaid costs and accrued income | 19 | 70 | 84 | | | 1,140 | 1,385 |
| Cash and cash equivalents | 20 | 1,463 | 1,777 | Current tax liabilities | | | |
| | | 4,010 | 4,000 | | | 52 | 82 |
| | | | | Other liabilities | | | |
| | | | | | 14 | 527 | 386 |
| | | | | Accrued costs and prepaid income | | | |
| | | | | | 23 | 513 | 479 |
| | | | | Total current liabilities | | | |
| | | | | | | 2,415 | 2,581 |
| | | | | Total liabilities | | | |
| | | | | | | 3,239 | 3,490 |
| TOTAL ASSETS | | | | TOTAL EQUITY AND LIABILITIES | | | |
| | | 5,959 | 5,992 | | | 5,959 | 5,992 |



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| SEK million | Share capital | Other capital contributions | Reserves | Profit brought forward incl. profit for the year | Equity attributable to parent company shareholders | Non-controlling interest | Total equity |
|---|---------------|-----------------------------|-----------|--|--|--------------------------|--------------|
| Equity as per Jan 1, 2022 | 6 | 2,202 | 4 | -35 | 2,177 | 121 | 2,298 |
| Profit for the year | - | - | - | 187 | 187 | - | 186 |
| Other comprehensive income | - | - | 36 | - | 36 | - | 36 |
| COMPREHENSIVE PROFIT/LOSS FOR THE YEAR | 0 | 0 | 36 | 187 | 222 | 0 | 222 |
| Share capital increases | 0 | - | - | 0 | - | - | - |
| Share based compensation | - | 28 | - | - | 28 | - | 28 |
| Acquisition of non-controlling interest | - | - | - | 77 | 77 | -121 | -45 |
| Total transactions with owners | 0 | 28 | 0 | 77 | 104 | -121 | -17 |
| Equity as per Dec 31, 2022 | 6 | 2,230 | 39 | 229 | 2,503 | 0 | 2,503 |
| SEK million | Share capital | Other capital contributions | Reserves | Profit brought forward incl. profit for the year | Equity attributable to parent company shareholders | Non-controlling interest | Total equity |
| Equity as per Jan 1, 2023 | 6 | 2,230 | 39 | 229 | 2,503 | 0 | 2,503 |
| Profit for the year | - | - | - | 233 | 233 | - | 233 |
| Other comprehensive income | - | - | -3 | - | -3 | - | -3 |
| COMPREHENSIVE PROFIT/LOSS FOR THE YEAR | 0 | 0 | -3 | 233 | 230 | 0 | 230 |
| Share capital increase | 0 | - | - | -0 | - | - | - |
| Share-based compensation | - | 77 | - | - | 77 | - | 77 |
| Share buyback | - | - | - | -89 | -89 | - | -89 |
| Total transactions with owners | 0 | 77 | 0 | -89 | -12 | 0 | -12 |
| Equity as per Dec 31, 2023 | 6 | 2,307 | 36 | 373 | 2,721 | 0 | 2,721 |


CONSOLIDATED STATEMENT OF CASH FLOW

| SEK million | Note | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 | SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|--|------|----------------------|----------------------|---|----------------------|----------------------|
| OPERATING ACTIVITIES | | | | INVESTMENTS | | |
| Operating profit | | 299 | 254 | Acquisition of operations, net liquidity effect | 14 | -3 |
| Adjustments for non-cash items: | | | | Investments in fixed assets | 16 | -21 |
| Share-based compensations - social charges | | -5 | -17 | Changes in financial assets | | 0 |
| Share-based compensations | | 77 | 28 | Investments in intangible assets | 15 | -100 |
| Change in other provisions | | 0 | -5 | CASH FLOW FROM INVESTMENTS | | |
| Depreciations | 10 | 252 | 222 | | | -124 |
| Other items not included in cash flow | | 0 | 1 | FINANCING | | |
| Interest received | 11 | 24 | 5 | Share buyback | | -89 |
| Interest paid | 11 | -39 | -22 | New loans | 27 | 58 |
| Paid income tax | | -86 | 20 | Loan repayments | 27 | -205 |
| CASH FLOW BEFORE CHANGES IN WORKING CAPITAL | | 521 | 486 | Repayments of lease liability | 8, 27 | -84 |
| WORKING CAPITAL | | | | CASH FLOW FROM FINANCING | | |
| Changes in goods inventory | | -243 | -307 | | | -321 |
| Changes in current assets | | -76 | 62 | Cash flow for the year | | -315 |
| Changes in current liabilities | | -72 | 564 | Currency exchange gains/losses in cash and cash equivalents | | 0 |
| Cash flow from working capital | | -392 | 320 | Cash and cash equivalents beginning of the year | | 1,777 |
| CASH FLOW FROM OPERATING ACTIVITIES | | 130 | 806 | CASH AND CASH EQUIVALENTS END OF THE YEAR | | 1,463 |
| | | | | | 20 | 1,777 |



Notes to the consolidated financial statements

1 Significant accounting principles

These annual accounts and consolidated accounts include the Swedish parent company Boozt AB (publ), corporate identity number 556793-5183, and its subsidiaries. The Group's main business is sale of Fashion, Kids, Home, Sport and Beauty products.

The parent company Boozt AB (publ) (registration number 556793-5183) is a Swedish public limited liability company registered in Sweden domiciled in Malmö. The head office address is Hyllie Boulevard 35, 215 37 Malmö.

The Board of Directors and the CEO has on March 22, 2024 approved the annual accounts and consolidated accounts which will be submitted for adoption at the Annual General Meeting on April 25, 2024.

APPLIED RULES AND REGULATIONS

The consolidated accounts have been prepared in accordance with the Swedish Annual Accounts Act and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as defined by the European Union (EU). In addition, the consolidated accounts follow the recommendation of the RFR 1 "Supplementary accounting rules for Groups".

NEW OR AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS

No new or revised accounting standards and interpretations that were adopted in 2023 have had any significant impact on the Group's financial reporting for 2023.

CURRENCY

Functional currency is the currency of the primary economic environment in which companies operate. The parent company's functional currency is SEK, which is also the reporting currency for the parent company and the Group. This means that the financial reports are presented in SEK. All amounts, unless otherwise indicated, are rounded to the nearest million with one decimal.

CONSOLIDATION

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group has control of a subsidiary when it is exposed to or has the right to variable returns from its holdings in the company and has the opportunity to impact the return, through its influence in the company. Subsidiaries are consolidated from the date on which the control is transferred to the Group. They are excluded from the consolidated accounts from the date when the control ceases. Acquisitions are accounted for using the purchase method. The method implies that the acquisition of a subsidiary is considered a transaction through which the Group indirectly acquires the subsidiary's assets and assumes its liabilities. The acquisition analysis/purchase price allocation establishes the fair value at the acquisition date of the identifiable assets acquired and liabilities assumed and any non-controlling interests.

Transaction costs, except for transaction costs that are attributable to the issuance of equity or debt instruments, are recognised immediately in the income statement for the year. For acquisitions where the consideration transferred exceeds the fair value of acquired assets and assumed liabilities that are recognised separately, the difference is recognised as goodwill. When the difference is negative, known as a bargain acquisition, this is recognised directly in the income statement for the year.

Associated companies

Associated companies are all entities over which the Group has significant but not controlling influence, which usually applies to shareholdings comprising between 20% to 50% of the voting rights. Holdings in associated companies are reported according to the equity method. The method means that holdings in an associated company are initially reported at acquisition cost in the Group's balance sheet. The reported value is then increased or decreased to take into account the Group's share of profit and other comprehensive income from its associated companies after the acquisition date. The Group's share of profit is included in the group's profit and the Group's share of other comprehensive income is included in other comprehensive income in the group. Dividends from associated companies are reported as a reduction of the investment's reported value. When the Group's share of losses in an associated company is equal to or exceeds the holding in this associated company (including all long-term

receivables that in reality form part of the group's net investment in this associated company), the Group reports no additional losses unless the Group has assumed obligations or has made payments on behalf of the associated company.

Unrealized profits on transactions between the Group and its associated company are eliminated to the extent of the Group's holdings in the associated company. Unrealized losses are also eliminated unless the transaction is indicative of impairment of the asset being transferred. The reported value of investments reported in equity is tested for impairment in accordance with the principles described under the heading "Impairment of non-financial assets".

Non-controlling interest

When an acquisition does not involve 100% of the subsidiary, a non-controlling interest ("NCI") arises. The Group has recognised equity attributable to its non-controlling interest at fair-value, including the non-controlling interest's proportionate share of the goodwill.

Acquisition of non-controlling interests

The put-option to non-controlling interest in Nordic Brand Hub Holding A/S that was issued in 2021 was exercised by the Group on January 24, 2022. The financial debt to NCI has been resolved and the change in ownership has been reported as a transfer of equity between the parent company and the non-controlling interest, without revaluation of the subsidiary's net assets. As of December 31, 2023 the Group has no non-controlling interests.

Transactions eliminated in consolidation

Group internal receivables and liabilities, revenues or costs and unrealised gains or losses relating to Group internal transactions between Group companies are eliminated when the Group's accounts are consolidated.

CLASSIFICATION

Fixed assets and long-term liabilities essentially consist of amounts expected to be recovered or settled after more than twelve months from the statement of financial position date. Current assets and current liabilities essentially consist of amounts expected to be recovered or settled within twelve months from the statement of financial position date.

SEGMENT REPORTING

An operating segment is a component of the Group that conducts operations from which it can generate revenues and incur costs and for which independent information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief executive decision-maker (Board of Directors) to allocate resources to the operating segment. Boozt has identified and reports two operating segments; Boozt.com and Booztlet.com. The Group does not internally report or separate assets and liabilities between the two segments as these cannot be distinguished between the segments. Hence, no information on segment assets or liabilities is provided as no separate segmentation is made for the Group's financial position.

Information about reporting by segment is included in Note 4.

TRANSACTIONS IN FOREIGN CURRENCY

Transactions in foreign currencies are translated into the functional currency at the exchange rate prevailing on the transaction date. Monetary assets and liabilities in foreign currencies are translated into the functional currency at the exchange rate prevailing at the statement of financial position date. Exchange rate differences arising on translation are recognised in the income statement for the year. Exchange gains and losses on operating receivables and liabilities are recognised in operating profit/loss, while gains and losses on financial assets and liabilities are reported as financial items.

Translation of foreign operations

Assets and liabilities of foreign operations, including goodwill and other Group surpluses and deficits, are translated from their functional currency to the Group's reporting currency, Swedish kronor, at the exchange rate prevailing on the statement of financial position date. Revenues and expenses of foreign operations are translated to Swedish kronor at an average rate that is an approximation of the exchange rates prevailing on the transaction dates. Translation differences arising on translation of foreign operations are recognised as comprehensive income and accumulated in a separate component in equity called translation reserve. On loss of control due to disposal of a foreign operation, the cumulative translation differences relating to the activities are realised, whereby they



are reclassified from comprehensive income to the income statement for the year.

REVENUE RECOGNITION

Revenue is recognized in line with IFRS 15 Revenue from Contracts with Customers. A revenue is recognised when the control of the product passes to the customer or the service is provided in accordance with the agreement, its amount can be measured in a reliable manner and the future economic benefit is likely to accrue to the Group. Recognised revenue is equivalent with the expected economic compensation where adjustment has been made for the performance obligations the Group is obliged to comply with in accordance with contractual commitments, as discount and return obligations.

Sale of goods: Business to consumer

The Group identifies its performance obligations within sale of goods when the goods have been delivered from the Boozt Fulfilment Centre. All sales are made on a 30-day return policy. Revenue recognised is reduced with the transactional price (excl. VAT) for the items that are expected to be returned. The reduced amounts are accounted for as a refund liability for returns and complaints. The refund liability is classified as accrued expenses and the goods expected to be returned is classified as inventories.

The expected return is based on historical sales statistics and an assessment of future complaints and returns, and occurs in the same period as the sale.

Sale of goods: Business to Business

The Group sells products under its own brands to other businesses and re-sellers and recognizes a revenue when the control over the items has been transferred to the buyer. The recognized revenue corresponds to the transactional price excl. VAT and other deductions directly attributable to the sale, as discounts, complaints etc.

Commission Sales

When the Group sells goods or services as an agent, revenue and payments to suppliers are recognised net under net revenue and represent the margin/commission earned by the Group. The Group is liable for any value added tax on the total value of items sold to end consumers. The Group recognises actual and expected returns in the same manner as for sale of goods. Whether the Group is considered as principal or agent

in a transaction is based on an analysis of both the legal form and the content of the agreement between the Group and its business partner, these assessments affect the amount of recognised net sales and operating expenses, but not profit/loss for the year or cash flows.

Gift Cards

Upon the sale of gift cards, the entire amount is recognised as a liability and is recognised as revenue when the gift card is used, or when its validity expires. For gift cards with a non-expiry date, the group recognises revenue when it's likely to not be utilised.

Sale of marketing services

For sale of marketing services, a revenue is recognised from the brand partners that the Group sell marketing services to. The net revenue is recognised when the services are performed where the company has fulfilled its obligation to the brand partner. The services are normally invoiced in advance, hence the company recognizes an accrued income in the statement of financial position until the Group has performed its obligation, such as a specific marketing campaign.

EMPLOYEE BENEFITS

Current benefits

Current employee benefits such as salary, social security contributions, holiday pay and bonus are expensed in the period when the employees provide the services.

Pensions

The Group's pension obligations are covered by defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate external party. The Group has no legal or informal obligations to pay further contributions if this legal entity does not have sufficient assets to pay all employee benefits relating to employee services in the current and prior periods. The Group has therefore no additional risk. The Group's obligations for contributions to defined contribution plans are recognised as an expense in profit/loss for the year as they are earned by the employee performing services for the Group during a period.

Compensation on termination

An expense for remuneration in connection with termination of personnel is recognised only if the company is demonstrably committed, without realistic possibility of withdrawal, by a formal detailed plan to terminate an employment before the normal dismissal time. When remuneration is paid as an offer to encourage voluntary redundancy, a cost is recognised if it is probable that the offer will be accepted and the number of employees who will accept the offer can be reliably estimated.

Share-based payments

Key employees, including senior executives are invited to participate in long-term incentive programs in Boozt AB (publ). The Group has three ongoing equity settled programs classified as share-based payment under IFRS 2.

LTI 2021/2024, LTI 2022/2025 and LTI 2023/2026 are based on performance shares, where the participants will receive shares in the company at a subscription price of SEK 0.00 when the vesting period ends if certain performance measures are met at the end of the performance period. Costs for share-based payment are recognised as the value of services received, allocated over the vesting periods for the plans, calculated as the fair value of the allotted equity instruments. The fair value is determined on the grant-date, the date the LTI Program was approved by the general meeting. Non-market criteria's included in the performance criteria's are valued at the actual share price at the grant date and the value of market criteria 's are determined by applying valuation technique, such as Black & Scholes or a Monte Carlo simulation. No recalculation of the fair value is made.

Since the programs are equity settled, the corresponding amount to the recognised cost are recognised in equity within other capital contributions. The recognised cost is based on the number of shares that are expected to be issued when the vesting period ends. The cost for the expected shares is accrued over the vesting period. The recognized costs are adjusted on each reporting period if the expected number of shares that are expected to be vested are changed during the vesting period due to changed assumptions of expected employee retention and expected achievement of the performance criteria's. Non-market condition's, such as service condition or certain performance targets are adjusted according to the actual outcome of the program when the vesting period ends.

Market conditions are recognised as costs regardless of whether the specific market condition is met.

Social security contributions on the employee benefit value are expensed and accrued over the vesting period. The social security provision is based on the estimated number of shares that have been vested at each reporting date and is recalculated to the actual market price of the Company's share. Costs for changed share price are recognised in the current period.

For further information of the Group's share-based payments, see Note 9.

LEASES

The Group assesses whether a contract is, or contains, a lease at the beginning of the contract. The Group recognizes a right of use asset and a corresponding lease liability for all leases in which the Group is lessee, except for short-term leases (leases with a leasing period of a maximum of 12 months) and for leases where the underlying asset is of low value (approximately SEK 50,000).

For lease contracts that meet the criteria for the relief rules, the Group recognizes leasing fees as a straight-lined operating cost over the lease period, unless another systematic method of accruing the lease fee gives a more accurate picture of how the economic benefits from the underlying asset are consumed by the lessee.

The lease liability is initially valued at the present value of future lease payments that have not been paid at the commencement date of the lease, discounted with the implicit interest rate, or if this cannot be easily determined, the Group's marginal loan interest rate. The loan interest rate is the interest rate that a lessee would have to pay for financing through loans during a corresponding period, and with similar collateral, for the right of use of an asset in a similar economic environment.



Lease payments included in the valuation of lease liabilities include the following;

- Fixed fees (including in-substance fixed fees), after deduction of any benefits in connection with the signing of the lease to be obtained;
- Variable fees that depend on an index or price initially valued using the index or price at the commencement date;
- Amounts expected to be paid by the lessee under residual value guarantees;
- The exercise price for an option to buy if the lessee is reasonably sure to take advantage of such an opportunity; and
- Penalty fees that are payable upon termination of the lease agreement, if the lease period reflects that the lessee will use an opportunity to terminate the lease.

Lease liabilities are presented on a separate line in the statement of financial position. Lease liabilities are recognised in the subsequent period by increasing the debt to reflect the effect of interest and reducing it to reflect the effect of lease payments made. Lease liabilities are revalued with a corresponding adjustment of the right of use according to the rules found in the standard.

The rights of use asset are initially recognized at the value of the lease liability, with the addition of lease payments made on or before the commencement date of the lease and initial direct expenses. The right of use asset is recognised in the subsequent period at cost less depreciation and write-downs. If the Group incurs obligations for dismantling of a leased asset, restoration of land or restoration and renovation of access to condition agreed in a contract, a provision for such obligations is reported in accordance with IAS 37. Right of use assets are depreciated over the estimated useful life or, if shorter, over the agreed lease term. If a lease transfers ownership at the end of the lease period or if the acquisition value includes a probable exercise of a call option, the right of use is depreciated over the useful life.

Depreciation begins on the commencement date of the lease. Right of use assets are presented on a separate line in the report on financial position with specification in Note 8. The Group applies the principles in IAS 36 for impairment of rights to use assets and reports this in the same way as described in the principles for impairment of non-financial assets.

Variable lease payments that do not depend on an index or price are not included in the valuation of lease liabilities and right of use assets. Such lease payments are recognised as an expense in operating profit in the period in which they arise.

For further information about the Group's leases, see Note 8.

FINANCIAL INCOME AND COSTS

Finance income comprises interest income on funds invested and financial instruments that are measured through profit or loss.

Financial expenses comprise interest expenses on borrowings, interest expenses on leases and losses on financial instruments measured at fair value through profit or loss.

INCOME TAXES

Reported tax comprises current tax and deferred tax. Income tax is recognised in profit or loss unless the underlying transaction is recognised in other comprehensive income or in equity, whereby the associated tax effect is recognised in other comprehensive income or in equity. Current tax is tax to be paid or received for the current year, using tax rates enacted or substantially enacted at the statement of financial position date. Current tax also includes adjustments of current tax attributable to previous periods. Deferred tax is recognised in full, using the statement of financial position method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Temporary differences attributable to participations in subsidiaries and associated companies that are not expected to be reversed in the foreseeable future are not considered.

The valuation of deferred tax is based on how underlying assets or liabilities are expected to be realised or settled. Deferred tax is calculated by applying the tax rates and tax rules enacted or announced at the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets for deductible temporary differences and tax losses carried forward are only recognised to the extent that it is probable that they can be utilised. The value of deferred tax assets is reduced when it is no longer considered probable that they can be utilised.

INTANGIBLE ASSETS

Trademarks

Trademarks with a determinable useful lifetime are recognised at cost less accumulated depreciation and any accumulated impairment losses. Trademarks with an indefinite useful life are tested for impairment annually and carried at cost less accumulated impairment losses. Trademarks that are deemed to have an indefinite useful lifetime originate from acquisitions. This assessment that the useful life is indefinite is based on:

- these trademarks being considered well-established in their respective markets and the Group having the intention of keeping them and developing them further,
- these trademarks being considered to be of material economic significance by both indicating credibility and innovation in the products and in extension such that both affect pricing and competitiveness. Accordingly, through the connection to operating activities, these brands are considered to have an indefinite useful life and are expected to be used as long as operations continue.

Web platform

Development expenditure for new or improved processes within the Group's web platform designed for e-commerce is recognised as an asset in the statement of financial position if the process is technically and commercially feasible and the Group has sufficient resources to complete the process.

Capitalised expenses relates to software and software platform.

Amortization principles

Amortization is recognised in profit/loss of the year on a straight-line basis over the depreciable intangible assets' estimated useful lives.

The estimated useful lives are;

Trademarks with a definite useful period: 5 years

Web platform: 5 years

The useful lives are reviewed at least annually.

Goodwill

Goodwill is measured at cost less any accumulated impairment losses.

Goodwill is allocated to cash-generating units and tested at least once a

year for potential impairment as no goodwill amortization is made. Goodwill represents the difference between the acquisition value and the fair value of acquired assets, assumed liabilities and possible liabilities. Goodwill in foreign currency is recalculated on each reporting date.

TANGIBLE ASSETS

Tangible assets are recognised at acquisition cost less accumulated depreciation and any impairment losses. The cost includes the purchase price and expenses directly attributable to the asset to bring it in place and in condition to be used in accordance with the purpose of the acquisition. The carrying amount of an asset is derecognised from the statement of financial position on disposal or sale or when no future economic benefits are expected from the use or disposal/ sale of the asset.

Gain or loss arising on the disposal or disposal of an asset is the difference between the sale price and the asset's carrying amount less direct selling expenses. Gains and losses are recognised as other operating income/ expenses.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the asset will flow to the Group and the acquisition cost can be measured in a reliable way. All other subsequent expenditure is expensed in the period they occur. Repairs are expensed continuously.

Depreciation principles

Depreciation is made on a straight-line basis over the asset's estimated useful life.

The estimated useful lives are;

Computers: 3 years

Equipment, tools, fixtures and fittings: 5-10 years

AutoStore, automated storage system (conveyors, bins, grids, mezzanine floors, robots): 5-15 years

Depreciation methods, residual values and useful lives are reassessed at each year-end.



IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets that are depreciated are assessed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less selling expenses and value in use. When assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). When impairment has been identified for a cash-generating unit (group of units) the impairment loss is primarily allocated to goodwill. Thereafter, a proportional impairment of other assets in the unit (group of units) is made. The previously recognised impairment loss is reversed if the recoverable amount is estimated to exceed the carrying value. However, reversal must only be made with an amount so that the carrying value amounts to what it would have been if the impairment had not been recognised in previous periods. Impairment of goodwill is never reversed though.

FINANCIAL INSTRUMENTS

A financial asset or financial liability is recognised in the statement of financial position when the Group becomes a party to the instrument's contractual terms. Financial instruments include cash and cash equivalent, deposit, accounts receivable, interest bearing receivable, accounts payable, derivate and borrowing. Account receivables are recognised when invoices are sent to the customer. Since receivables relating to consumer transactions are transferred to a credit institution at the time of the customers' transaction, no account receivable is recognized. Instead the receivable is classified as other receivable until the credit institution makes the payment. When a consumer uses invoice as payment method, instead of direct debit, the Group sells the receivable to a financial institute. The transactional cost for the selling of the accounts receivable is recognised as an external operating cost. Liabilities are recognised when the counterparty has performed, and there is a contractual obligation to pay, even if an invoice not yet has been received. Account payables are recognised when invoices are received.

A financial asset is derecognised in the statement of financial position when the contractual rights are realised, expire or the Group loses control over them. The same applies to part of a financial asset. A financial liability is derecognised in the statement of financial position when the obligation in the agreement is fulfilled or otherwise settled. The same applies to part of a financial liability. Financial assets and financial liabilities are offset and

the net amount is recognised in the statement of financial position only when there is a legal right to offset the amounts and there is an intention to settle the items on a net basis or to realise the asset and at the same time settle the liability. The Group has not offset any asset and liabilities in the statement of financial position as of December 31, 2023. Purchases and sales of financial assets are recognised on the trade date. Trade date is the day when the company commits to acquire or sell the asset.

CLASSIFICATION AND VALUATION OF FINANCIAL INSTRUMENTS

Financial instruments are initially recognised at acquisition cost, corresponding to fair value of the instrument plus transaction costs for all financial instruments except for those classified as financial assets/liabilities recognised via income statement, which are recognised at fair value excluding transaction costs. A financial instrument is classified on initial recognition among others based on the Group's business model and purpose for which it was acquired and its contractual cash flow. The classification determines how the financial instrument is valued after the initial recognition.

Financial instruments are classified based on the following categories:

- Financial assets or liabilities valued at amortised cost
- Financial assets or liabilities measured at fair value via income statement.
- Financial assets or liabilities measured at fair value through other comprehensive income

Financial instruments valued at amortised cost

The Group valued financial instruments at amortised cost in the following categories;

- Financial assets
- Financial liabilities
- Cash and cash equivalents

Financial assets

Financial assets are financial assets that are not derivatives, that have fixed or determinable payments and that are not listed in an active market. These assets are valued at accrued acquisition cost. Accrued acquisition cost is determined using the effective interest rate calculated at the acquisition date. Receivables are recognised at the amount expected to be received i.e. after deductions for bad debts.

Other financial liabilities

Loans and other financial liabilities such as accounts payables are included in this category. Amortised cost refers to the amount at which liability measured is initially recognised net of amortisation and impairment losses as well as additions for the accrual of the initial amount and the maturity amount at amortised cost. Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents consist of cash deposited through banks and similar financial institutions. It may occur that parts are restricted. For more information see Note 20.

Financial assets or liabilities measured at fair value via income statement

Financial assets and liabilities measured at fair value may consist of derivatives and liabilities for purchase consideration. Financial instruments valued at fair value via the income statement are classified according to the fair value hierarchy as follows:

- Listed prices (unadjusted) in active markets for identical assets or liabilities (level 1),
- Other observable input data for the asset or liability than listed prices included in level 1, either directly (i.e. as price quotations) or indirectly (i.e. derived from price quotations) (level 2),
- Input for the asset or liability that is not based on observable market data (i.e. non-observable input data) (level 3).

More information about financial instruments measured at fair value can be found in Note 28. The Group has no financial instrument measured at fair value through other comprehensive income.

Provision for credit losses

A provision for expected credit loss is recognised for all financial assets other than financial assets measured at fair value via income statement. The Group has applied the simplified approach for calculation of expected credit loss on the Group's trade receivables. At each reporting date, in addition to a provision for individual estimates, a provision corresponding to expected credit losses for the remaining maturity period of the asset is recognised which reduces the value of the asset. The expected credit loss is based on estimates built upon the Group's knowledge and historical information about similar assets or counterparties together with present circumstances, potential future events, forecast for future financial conditions and the

time value of money. The assessments are done on both a collective and individual basis. The underlying criteria and assumptions are evaluated on a continuous basis to reflect the current situation. Boozt defines credit deteriorated as the fact that it is considered unlikely that the counterparty will meet its obligations due to indicators such as financial difficulties and non-payment. Financial assets are together with coherent credit loss provisions derecognised from the statement of financial position when there aren't any expectations of future recovery, remaining collateral or all right to collections has been settled.

Impairment of trade receivables and other receivables is reported as operating expenses. Impairment of cash and cash equivalents and other long-term securities holdings is reported as a financial expense. For cash and cash equivalents with a maturity of less than 12 months, the general model is assumed with the assumption of low credit risk. Also, receivables from joint ventures / associated companies, other receivables, receivables from group companies and accrued income is covered by the general model. Placement of liquid assets may only be made in banks or credit institutions with a high credit rating in accordance with the Group's Treasury policy. Historically, there have never been any customer losses regarding cash and cash equivalents, and it is also not considered likely that this will occur in the future. For more information of the Group's financial instruments, see Note 18-23 and Note 27-28.

INVENTORIES

Inventories are valued at the lower of acquisition cost and net realisable value. Acquisition cost is calculated under the so-called first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their present location and condition. Net realisable value is defined as the selling price less selling expenses. Inventories are exposed to obsolescence. Factors that affect the risk of obsolescence include among others the risk that returned goods are unsaleable and risk of redundancy.

The Group made seasonal write-downs twice a year when prior year season goods are written-down during a six month's period, meaning the items are fully written-down after eighteen months. Written-down items are primarily sold at the Group's offprice web shop Booztlet.com or at Booztlet's physical outlet before they eventually are discarded.



CONTINGENT LIABILITIES

A contingent liability is recognised when there is a possible obligation that arises from past events and whose existence is confirmed only by one or more uncertain future events or when there is one or several commitments that are not recognised as a liability or provision because it is not probable that an outflow of resources will be required.

EARNINGS PER SHARE

The calculation of earnings per share is based on consolidated net profit attributable to the Parent Company shareholders and on the weighted average number of shares outstanding during the year. When calculating earnings per share after dilution, the average number of shares outstanding is adjusted with potential dilutive effects of potential ordinary shares. Outstanding options and performance shares from the Group's equity settled long-term incentive programs are dilutive to the extent they are likely to be vested.

For more information, see Note 9 and Note 13.

ESTIMATES AND ASSUMPTIONS

Preparation of the financial reports in accordance with IFRS requires management to make assessments and estimates and assumptions that affect application of the accounting policies and the recognised amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and assumptions are continually evaluated. Changes in estimates are recognised in the period the change is made if the change only affected that period or in the period the change is made and in future periods if the change affects both current and future periods.

Leasing

When reporting leases under IFRS 16 estimates and judgements are made in the terms of the possibility and coherent probability to exercising extending options, termination of contracts, estimated useful life of a lease that is extended on an ongoing basis if neither party actively terminates the lease and actual expected useful life of the lease asset. Boozt

has estimated the useful life of a lease in line with the underlying contract. The largest lease contract, which constitutes approximately 76 % of the value of the Group's leases is the premises for the fulfilment centre in Ängelholm which runs for 10 years until 2032.

Return provision

The estimate on expected returns is based on historical statistical information on the return percentage on sales. The Group's standard term is a 30-days return period. Estimations are monitored and deviations are investigated monthly. At the reporting date, the provision for expected returns amounts to SEK 265 million (260) classified as accrued expenses and prepaid income and a receivable of SEK 173 million (167) classified as inventory.

Inventory obsolescence

Inventories are recognised at the lower of acquisition cost and net realisable value. When calculating the net realisable value, an assumption is made of outgoing items, surplus items, damaged goods and the estimated sales value based on available information.

More information can be found in Note 17.

Share based payments

For LTI 2021/2024, LTI 2022/2025 and LTI 2023/2026, a probability assessment of reaching the pre-defined targets and fulfilling the terms and conditions for achieving a grant of performance share is performed at each reporting date. The assessments are thereby a factor in the calculation of the liability (social charges) for share-based payments to employees for the period. At the reporting date, the Group has recognised a provision for social charges related to its long-term incentive programs of SEK 22 million (28).

More information regarding the Group's long-term incentive program can be found in Note 9 and Note 24.

Financial liability to non-controlling interest

On January 24, 2022 Boozt acquired the remaining 33.3% of the shares of Nordic Brand Hub Holding A/S and has since then full ownership of the company. In connection with this, the put-option to non-controlling interest in Nordic Brand Hub Holding A/S was exercised and the recognised liability of SEK 119 million was resolved.

At the reporting date, the Group has no financial liabilities to non-controlling interest.

More information can be found in Note 14.

Legal proceedings

In accordance with IFRS, a liability is recognised when there is an obligation as a result of an event and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. A regular review is made of the outstanding legal cases. An assessment is then made of the need for provisions in the financial reports. The Group companies are only involved in minor disputes that are directly attributable to the business. Appropriate provisions are made when the assessment resulted in a risk. As per December 31, 2023 no liabilities related to legal proceedings are accounted for.

2 Accounting standards that the Group will adopt as from January 1, 2024

New and revised standards and interpretations that come into force for financial years beginning after January 1, 2024 are not considered to have a significant impact on the Group's financial reporting.



3 Net revenue per region and breakdown of revenue

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|--------------------|-----------------------------|-----------------------------|
| Net revenue | | |
| Nordics | 7,077 | 6,265 |
| - of which Denmark | 2,704 | 2,294 |
| - of which Sweden | 2,540 | 2,275 |
| Rest of Europe | 679 | 478 |
| Total | 7,755 | 6,743 |
| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
| Net revenue | | |
| Sale of goods | 7,436 | 6,423 |
| Commission sales | 31 | 73 |
| Other services | 288 | 247 |
| Total | 7,755 | 6,743 |

Of the Group's sale of goods, approximately 97.8% (97.5) are through the webstores Boozt.com and Booztlet.com. The remaining sale of goods are through the Group's fashion brand Rosemunde and the Group's physical outlet and beauty stores. Commission sales consist of commission service fee when Boozt act as an agent for the business partner who's goods are sold on the webstores Boozt.com and Booztlet.com.

Other net revenue is revenue not directly linked to the product such as marketing income from Boozt Media Partnership, Boozt Data Intelligence, BooztPay and breakage from gift cards.

4 Segment reporting

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|--------------------------------|----------------------|----------------------|
| Net revenue - Boozt.com | | |
| Nordics | 5,983 | 5,252 |
| - of which Denmark | 2,327 | 1,911 |
| - of which Sweden | 2,091 | 2,015 |
| Rest of Europe | 465 | 359 |
| Total | 6,448 | 5,610 |

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|-----------------------------------|----------------------|----------------------|
| Net revenue - Booztlet.com | | |
| Nordics | 1,093 | 1,014 |
| - of which Denmark | 377 | 382 |
| - of which Sweden | 449 | 401 |
| Rest of Europe | 214 | 119 |
| Total | 1,307 | 1,133 |
| NET REVENUE | | |
| Boozt.com | 6,448 | 5,610 |
| Booztlet.com | 1,307 | 1,133 |
| Total | 7,755 | 6,743 |
| EBIT | | |
| Boozt.com | 239 | 243 |
| Booztlet.com | 61 | 10 |
| Total | 299 | 253 |
| Earnings before tax | | |
| Boozt.com | 211 | 229 |
| Booztlet.com | 62 | 3 |
| Total | 272 | 232 |

The Group reports operating segments in accordance with IFRS 8. The Group's operations are divided into two segments which constitute 100% of the revenue generated. Operations in the Group are divided into two operating segments, Boozt.com and Booztlet.com. The Boozt.com segment includes operations related to the Boozt.com site, the physical Beauty by Boozt store and Rosemunde. Segment Booztlet.com includes operations on the Booztlet.com site, which is the Group's online outlet, and the Group's physical outlet store.

The Group reports net revenue, EBIT and earning before tax for each of the operating segments. No information on segment assets or liabilities is provided, as no separate segmentation is made for the Group's financial position. Of the Group's tangible assets, SEK 20 million (1.5%) is located outside Sweden.



5 Other operating income and costs

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|------------------------------------|----------------------|----------------------|
| Currency exchange rate differences | -6 | 5 |
| Other | 0 | 0 |
| Total | -6 | 5 |

6 External costs

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|---|----------------------|----------------------|
| Fulfilment and distribution costs | -601 | -555 |
| Marketing costs | -801 | -741 |
| Administration and other external costs | -267 | -224 |
| Total | -1,669 | -1,520 |

7 Audit fees

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|----------------------|----------------------|----------------------|
| Deloitte | | |
| Auditing assignments | -1 | -1 |
| Tax advice | 0 | 0 |
| Other services | 0 | 0 |
| Total | -2 | -2 |
| Other | | |
| Auditing assignments | 0 | 0 |
| Tax advice | 0 | 0 |
| Other services | 0 | 0 |
| Total | 0 | -1 |

Auditing assignments include auditing of the annual accounts and bookkeeping as well as administration for the Board of Directors and the CEO, other duties undertaken by the Group's accountants, and advice or other assistance arising from observations during such auditing or implementation of similar tasks. Other services include advice in accountancy related fields such as accounting, due diligence etc.

8 Leases

AMOUNTS REPORTED IN THE STATEMENT OF FINANCIAL POSITION

The Group recognizes a right of use asset and a corresponding lease liability for all leases in which the Group is lessee, except for short-term leases (leases with a leasing period of a maximum of 12 months) and for leases where the underlying asset is of low value (approximately SEK 50,000).

The lease portfolio mainly comprises of:

- Warehouse premises recognised in the asset class of property,
- Headquarter and minor offices and stores recognised in the asset class of office and store premises,
- Cars and trucks recognised in the asset class of vehicles.

RIGHT OF USE ASSET

| SEK million | Property | Office- and store-premises | Vehicles | Total |
|--|------------|----------------------------|----------|------------|
| Opening balance as of January 1, 2022 | 395 | 57 | 5 | 457 |
| New and amended contracts | 118 | 26 | 2 | 146 |
| Depreciation for the year | -49 | -25 | -3 | -77 |
| Impairment losses for the year | - | - | - | - |
| Terminated contracts | - | - | 0 | 0 |
| Translation difference for the year | - | 1 | - | 1 |
| Closing balance as of December 31, 2022 | 464 | 58 | 4 | 526 |
| Opening balance as of January 1, 2023 | 464 | 58 | 4 | 526 |
| New and amended contracts | 13 | 69 | 8 | 90 |
| Depreciation for the year | -58 | -29 | -3 | -90 |
| Impairment losses for the year | - | - | - | - |
| Terminated contracts | - | - | - | - |
| Translation difference for the year | - | -1 | - | -1 |
| Closing balance as of December 31, 2023 | 419 | 98 | 9 | 526 |



New and amended contracts are primarily related to an expansion of the Group's HQ and a minor warehouse in Ängelholm used in the Group's fulfilment operations.

Right of use asset are included within tangible asset in the Statement of financial position.

LEASE LIABILITY

| SEK million | Dec 31, 2023 | Dec 31, 2022 |
|----------------------|--------------|--------------|
| Short-term liability | 86 | 81 |
| Long-term liability | 456 | 457 |
| Total | 542 | 539 |

Long and short-term lease liabilities are included within interest-bearing liabilities in the Statement of financial position.

AMOUNT REPORTED IN THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|---|----------------------|----------------------|
| Depreciation of right of use asset | -90 | -77 |
| Interest on lease liabilities | -12 | -8 |
| Variable lease payments not included in the the lease liability | -16 | -17 |
| Costs for short-term leasing and contracts of lower value | -9 | -6 |
| Total | -127 | -108 |

AMOUNT REPORTED IN THE CASH FLOW STATEMENT

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|----------------------------------|----------------------|----------------------|
| Cash flow attributable to leases | -124 | -108 |
| Total | -124 | -108 |

FUTURE LEASE PAYMENTS

Existing lease contracts vary in length from 1 to 10 years. There are no material subleases, no material contingent rents, no renewal or purchase options nor any restrictions imposed by leasing agreements.

Future payments, including interest for non-cancellable lease amount to SEK 572 million (538) and are broken down as follows:

FUTURE LEASE PAYMENTS

| SEK million | Dec 31, 2023 | Dec 31, 2022 |
|-----------------------|--------------|--------------|
| Within 3 months | 22 | 19 |
| Between 3-12 months | 64 | 62 |
| Between 1 and 5 years | 267 | 235 |
| Between 5 and 9 years | 189 | 207 |
| Longer than 9 years | 0 | 16 |
| Total | 542 | 538 |

LEASE AGREEMENTS NOT YET STARTED

There are no significant lease agreements not yet started as of December 31, 2023.

9 Employees and personnel costs

| Average number of employees by country 2022 | Average number of employees | Whereof women | Whereof men |
|---|-----------------------------|---------------|-------------|
| Sweden | 1,100 | 585 | 515 |
| Denmark | 97 | 48 | 49 |
| Lithuania | 56 | 12 | 44 |
| Total | 1,253 | 645 | 608 |

| Gender among senior executives 2022 | Average number of employees | Whereof women | Whereof men |
|-------------------------------------|-----------------------------|---------------|-------------|
| Board members | 7 | 3 | 4 |
| CEO and other senior executives | 7 | 2 | 5 |
| Total | 14 | 5 | 9 |

| Average number of employees by country 2023 | Average number of employees | Whereof women | Whereof men |
|---|-----------------------------|---------------|-------------|
| Sweden | 936 | 504 | 433 |
| Denmark | 94 | 48 | 46 |
| Lithuania | 63 | 13 | 50 |
| Total | 1,093 | 565 | 529 |



| Average number of employees by country 2022 | Average number of employees | Whereof women | Whereof men |
|---|-----------------------------|---------------|-------------|
| Gender among senior executives 2023 | | | |
| Board members | 6 | 3 | 3 |
| CEO and other senior executives | 7 | 2 | 5 |
| Total | 13 | 5 | 8 |

PERSONNEL COSTS AND REMUNERATION TO SENIOR EXECUTIVES

PERSONNEL COSTS FOR THE GROUP

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|---------------------------|----------------------|----------------------|
| Salaries and remuneration | -601 | -495 |
| Social costs | -179 | -153 |
| Pension costs | -24 | -20 |
| Other employee costs | -8 | -7 |
| Total | -812 | -676 |

SALARIES AND REMUNERATION TO SENIOR EXECUTIVES INCLUDING BENEFITS

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|---|----------------------|----------------------|
| Hermann Haraldsson (Group CEO) | | |
| Base salary and remuneration | -10 | -9 |
| Variable remuneration | -6 | -2 |
| Other benefits | -11 | -3 |
| Costs according to share-based payments | -9 | -5 |
| Social security costs | -7 | 0 |
| Pension costs | - | - |
| Total | -44 | -19 |

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|--|----------------------|----------------------|
| Other senior executives (6 FTE's) | | |
| Base salary and remuneration | -28 | -20 |
| Variable remuneration | -15 | -6 |
| Other benefits | -38 | -9 |
| Costs according to share-based payments | -32 | -17 |
| Social costs | -23 | 2 |
| Pension costs | 0 | 0 |
| Total | -136 | -49 |

Senior executives include the Board of Directors, the Group CEO, and other senior executives. The other senior executives include the Group CFO, Group CCO, Group CTO, Group CSCO, Group CPO, and Group CHRO, whom together with the Group CEO constitutes the management team of the Group.

Salaries and remuneration include costs for fixed and variable salaries and share-based payment recognised in the Group's profit & loss during the year. Other benefits correspond to the value of taxable benefits that senior executives have received during the year subject to social security charges. Other benefits include, among other things, car benefit, brobizz, daily newspaper and the taxable benefit value of exercised options from the Group's long-term incentive programs. Social costs include social security charges on the Group's long-term incentive programs determined by the Group's share price. During the year the Group has recognised SEK 77 million (28) in IFRS 2 costs and social security charges of SEK 21 million (-10) for share-based payments.

DECISION PROCESSES FOR REMUNERATION

Remuneration and terms for the Group CEO are decided by the Board of Directors. Remuneration of other senior executives is decided by the Group CEO, in some cases after consultation with the Chair of the Board. The Chair of the Board and members of the Board of Directors receive a fixed fee as well as board meeting remuneration in accordance with the Annual General Meeting's decision. For more information on remuneration to senior executives and the Board of Directors, see the Corporate Governance Report on pages 44-48.

REMUNERATION AND CONDITIONS FOR SENIOR EXECUTIVES

Remuneration to the Group CEO and other senior executives consists of basic salary, variable remuneration and other benefits such as a company car. Other senior executives include the six other C-level managers who together with the Group CEO comprise the Group Management. Variable remunerations refer to bonus that is paid out depending on the performance according to pre-established goals. For 2023, variable remuneration also includes temporary foreign exchange compensation due to the weakened SEK towards DKK for 70 employees commuting between Denmark and Sweden, as described further in detail in the Remuneration Report. The Group CEO has a notice period of 6 months plus 12 months' severance payment if the termination is decided by the Group. If the Group CEO chooses to terminate his employment, the notice period is the same. No pension benefits are paid to the Group CEO and senior executives.

Criteria for variable remuneration are measured over a period of one year and may amount to a maximum of 17,5% in base target and an additional 17,5% in stretch target for 2022, and for 2023 a maximum of 35% in base target and an additional of 35% in stretch target of the fixed annual salary for senior executives.

Additional variable compensation may be paid in the event of extraordinary events and such compensation may not exceed 50% of the fixed annual salary and may not be paid more than once a year and per individual. During 2023, no extraordinary compensation to senior executives has been paid.

Share-based compensation

The maximum number of performance shares from the Group's ongoing LTI programs that can be allotted to the CEO if certain performance criteria are met are 70,000 from LTI 2021/2024, 70,000 from LTI 2022/2025 and 100,000 from LTI 2023/2026.

The maximum number of performance shares that can be allotted to the other senior executives if certain performance criterions are met are 233,000 from LTI 2021/2024, 270,963 from LTI 2022/2025 and 380,000 from LTI2023/2026.

Directors' fees

The 2023 Annual General meeting approved the directors' fees to the board members for a total amount of SEK 3.9 million, whereas SEK 1.4 million to the Chair of the Board and SEK 2.5 million to the other board members. In the total amount to the board members SEK 0.6 million is assigned to the audit committee and SEK 0.4 million to the remuneration committee.

| Name | Directors' fees (SEK) |
|-------------------|-----------------------|
| Henrik Theilbjørn | 1,400,000 |
| Jón Björnsson | 550,000 |
| Cecilia Lannebo | 700,000 |
| Luca Martines | 150,000 |
| Aileen O` Toole | 600,000 |
| Benjamin Büscher | 450,000 |
| Total | 3,850,000 |

Directors' fees cover the period from AGM 2023 to AGM 2024. Director Julie Wiese has abstained from remuneration in 2023 due to internal guidelines from the employer but will receive remuneration from 2024.

LONG-TERM INCENTIVE PROGRAMS IN BOOZT AB (PUBL)

Boozt AB (publ) has three active Long-term incentive programs with individual terms and conditions (LTI 2021/2024, LTI 2022/2025 and LTI2023/2026).

The programs are directed to staff identified as key employees. The Group CEO is included among these. During 2023, LTIP 2020/2023 was fully vested and consequently 735,359 shares were allotted to the participants.

LTI 2021/2024

The Annual General Meeting on May 27, 2021 in Boozt AB (publ) resolved a long-term incentive program by way of approval of transfer of performance shares (C shares) to Group Management and key employees. LTI 2021/2024 entitles the company's CEO, Group Management and key employees to receive

shares in the Group at a subscription price of SEK 0.00 if certain performance measures are met at the end of the performance period on December 31, 2023. The performance targets include Net Revenue Growth, Net Promoter Score and Adjusted EBIT. The terms and conditions of the program also contains constraints regarding net working capital and adjusted EBIT margin. The vesting period will start in May 2022, 12 months after the program was adopted. The C shares will be distributed to the participants when the vesting period ends in May 2024 based on the achievement of the performance targets stipulated in the program and the number of participants still employed. The general meeting resolved that the maximum number of performance shares that can be distributed to the participants are 630,000. Before the distribution to the participants, the C shares will be converted to ordinary shares.

LTI 2021/2024 is classified as an IFRS 2 program, whereas the costs associated with the program will be distributed over the period from May, 2021 until May, 2024. The performance targets included in the program are all classified as non-market criteria. The cost for non-market criteria's amount to SEK 190.4 per share, corresponding to the actual market share price on the grant date. In addition, the Group will account for provisions for social charges during the expected lifetime of the LTI program.

With current estimates on achievement of the performance targets and employee retention rate, the Group has recognised costs on 430,653 performance shares as of December 31, 2023.

More information about LTI 2021/2024 can be found on the Group's website: www.booztgroup.com/annual-general-meeting

LTI 2022/2025

The Annual General Meeting on April 27, 2022 in Boozt AB (publ) resolved a long-term incentive program by way of approval of transfer of performance shares (C shares) to Group Management and key employees. LTI 2022/2025 entitles the company's CEO, Group Management and key employees to receive shares in the Group at a subscription price of SEK 0.00 if certain performance measures are met at the end of the performance period on December 31, 2024. The performance targets include Net Revenue Growth, Net Promoter Score and Adjusted EBIT. The terms and conditions of the program also contains constraints regarding net working capital and adjusted EBIT margin. The vesting period will start in April 2023, 12 months after the program was adopted. The C shares will be distributed to the participants when the vesting period ends in May 2025 based on the achievement of the performance targets stipulated in the program and the number of participants still employed. The general meeting resolved that the maximum number of performance shares that can be distributed to the participants are 850,000. Before the distribution to the participants, the C shares will be converted to ordinary shares.

LTI 2022/2025 is classified as an IFRS 2 program, whereas the costs associated with the program will be distributed over the period from May, 2022 until May, 2025. The performance targets included in the program are all classified as non-market criteria. The cost for non-market criteria's amount to SEK 96.5 per share, corresponding to the actual market share price on the grant date. In addition, the Group will account for provisions for social charges during the expected lifetime of the LTI program.

With current estimates on achievement of the performance targets and employee retention rate, the Group has recognised costs on 77,985 performance shares as of December 31, 2023.

More information about LTI 2022/2025 can be found on the Group's website: www.booztgroup.com/annual-general-meeting

LTI 2023/2026

The Annual General Meeting on April 26, 2023 in Boozt AB (publ) resolved a long-term incentive program by way of approval of transfer of performance shares (C shares) to Group Management and key employees. LTI 2023/2026 entitles the company's CEO, Group Management and key employees to receive shares in the Group at a subscription price of SEK 0.00 if certain performance measures are met at the end of the performance period on December 31,

2025. The performance targets include Net Revenue Growth, Net Promoter Score, Adjusted EBIT and Share Price. The terms and conditions of the program also contains constraints regarding net working capital and adjusted EBIT margin. The vesting period will start in April 2024, 12 months after the program was adopted. The C shares will be distributed to the participants when the vesting period ends in May 2026 based on the achievement of the performance targets stipulated in the program and the number of participants still employed. A subset of technologists is included in this program, with a maximum allotment of 100,000 shares. Unlike other participants, this group isn't required to meet performance targets. Instead, they're eligible for shares once the program matures based on the terms and conditions. This exception is because these employees possess specialized skills crucial for the company, often engaged in highly technical projects where specific expertise is prioritized over direct financial impact. To attract and retain such talent, the Board of Directors believes it's essential to offer a long-term incentive program tied solely to continued employment with the Company.

The general meeting resolved that the maximum number of performance shares that can be distributed to the participants are 1,000,000. Before the distribution to the participants, the C shares will be converted to ordinary shares.

LTI 2023/2026 is classified as an IFRS 2 program, whereas the costs associated with the program will be distributed over the period from May, 2023 until May, 2026. Three of the performance targets included in the program are all classified as non-market criteria and one is classified as market criteria. The cost for non-market criteria's amount to SEK 135.2 per share, corresponding to the actual market share price on the grant date, and the cost for market criterias amount to SEK 84.1 per share, corresponding to a valuation set through a Monte Carlo simulation. In addition, the Group will account for provisions for social charges during the expected lifetime of the LTI program.

With current estimates on achievement of the performance targets and employee retention rate, the Group has recognised costs on 820,720 performance shares as of December 31, 2023.

More information about LTI 2022/2025 can be found on the Group's website: www.booztgroup.com/annual-general-meeting

10 Depreciations and impairment losses of tangible and intangible assets

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|--------------------|----------------------|----------------------|
| Web platform | -59 | -47 |
| Equipment | -102 | -99 |
| Right of use asset | -90 | -77 |
| Total | -252 | -222 |

11 Net financial items

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|--|----------------------|----------------------|
| Financial income | | |
| Interest income | 24 | 5 |
| Total | 24 | 5 |
| Financial costs | | |
| Interest cost | -27 | -14 |
| Lease interests | -12 | -8 |
| Net change in value of liabilities measured at fair value via income statement | -13 | 0 |
| Total | -52 | -22 |
| Total net financial items | -27 | -17 |

Financial expenses derived from change in value of liabilities measured at fair value via income statement is primarily related to change in fair value on written-put option liability to non-controlling interest. More information are available in Note 14 and Note 28.



12 Taxes

TAX RECOGNISED IN THE INCOME STATEMENT

| SEK million | Jan 1 - Dec 31, 2023 | % | Jan 1 - Dec 31, 2022 | % |
|--|----------------------|---------------|----------------------|---------------|
| Current tax | | | | |
| Tax on profit for the year | -54 | | -50 | |
| Total | -54 | | -50 | |
| Deferred tax | | | | |
| Utilization of tax losses carried forward | -3 | | - | |
| Deferred tax on changes in temporary differences | 18 | | 0 | |
| Total | 15 | | 0 | |
| Total reported income tax | -39 | | -50 | |
| Reconciliation of reported tax and effective tax rate | | | | |
| Profit/loss before tax | 272 | | 236 | |
| Tax in accordance with current tax rates for parent company | -56 | -20.6% | -49 | -20.6% |
| Impact of other tax rates on foreign subsidiaries | - | 0.0% | - | 0.0% |
| Non-deductible costs/Non taxable income | -1 | -0.5% | -1 | -0.6% |
| Deductible costs, not recognised in profit and loss | - | 0.0% | - | 0.0% |
| Temporary differences | 18 | 6.6% | - | 0.0% |
| Total | -39 | -14.4% | -50 | -21.2% |

The Group has no tax items in other comprehensive income or direct in equity

A deferred tax asset is accounted for only if the probability that the Group will use the deferred tax asset is highly probable. Deferred tax assets for tax losses carried forward are reported to the extent that it is likely that they will be able to be used. Historically, the Group has only recognised deferred tax on tax losses carryforward for Swedish subsidiaries.

The Group's losses carried forward amounts to SEK 62 million (79) at year end, whereof deferred tax has been recognised on SEK 3 million (0). There is no time limitation for remaining tax losses carried forward.

REPORTED DEFERRED TAX ASSETS AND LIABILITIES

| SEK million | Deferred tax assets | | Deferred tax liabilities | |
|----------------------------|---------------------|--------------|--------------------------|--------------|
| | Dec 31, 2023 | Dec 31, 2022 | Dec 31, 2023 | Dec 31, 2022 |
| Trademarks | - | - | -19 | -19 |
| Other receivables | 0 | - | - | - |
| Inventory | 3 | 3 | - | - |
| Tax losses carried forward | 14 | - | - | - |
| Other | 1 | 4 | 0 | - |
| Total | 18 | 6 | -19 | -19 |

SPECIFICATION OF CHANGES IN DEFERRED TAX ASSETS AND LIABILITIES

| SEK million | Deferred tax assets | | Deferred tax liabilities | |
|---|---------------------|--------------|--------------------------|--------------|
| | Dec 31, 2023 | Dec 31, 2022 | Dec 31, 2023 | Dec 31, 2022 |
| Opening balance | 6 | 5 | -19 | -17 |
| Utilisation of tax losses carry forward | 15 | - | - | - |
| Acquisition of subsidiaries | - | - | - | - |
| Temporary differences | -2 | 1 | 0 | 0 |
| Translation difference for the year | -1 | - | 0 | -2 |
| Closing balance | 18 | 6 | -19 | -19 |



13 Earnings per share

| SEK | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|---|----------------------|----------------------|
| Profit for the year | 233,229,074 | 186,051,828 |
| Profit for the year attributable to non-controlling interest | 0 | 0 |
| Profit for the year attributable to shareholders in the parent company | 233,229,074 | 186,051,828 |
| Average number of shares issued at end of period | 68,095,846 | 67,374,369 |
| Earning per share before dilution | 3.43 | 2.76 |
| Profit for the year attributable to shareholders in the parent company | 233,229,074 | 186,051,828 |
| Average number of shares issued at end of period after dilution | 68,983,381 | 68,056,067 |
| Earning per share after dilution | 3.38 | 2.73 |

Earnings per share is calculated by dividing the profit/loss for the period with the weighted average number of shares outstanding during the period. With respect to the Group's LTI programs which is described in Note 9, there is a potential future dilution effect of the Group's issued shares given that certain criteria are met.

14 Acquisitions of subsidiaries

ACQUISITIONS IN 2023

Boozt has not made any acquisitions during 2023.

During 2023 earn out has been paid for the Estina acquisition, which was made in 2021 in order to gain access to the Group's aggregated technical knowledge and know-how, which correspond to the recognised goodwill. Final earn out will be paid out during 2024.

Acquisitions in 2022

Rosemunde

On January 24, 2022 Boozt acquired the remaining 33.3% of the shares of Nordic Brand Hub Holding A/S and has since then full ownership of the company. By taking full ownership, Boozt expects to accelerate the positive development of Rosemunde and to further develop the Brand Hub organisation to drive a successful expansion of acquired brands like Svea. The transaction was made at a total enterprise value of DKK 275 million on a cash and debt free basis for 100% of the shares and has been financed through own cash.

The fair value of identified assets and liabilities was allocated to trademarks at SEK 93 million, deferred tax liabilities at SEK 18 million and goodwill at SEK 300. The acquired trademark will have a strategic role in the Group's future development and the useful time has been assessed to be indefinite and are thus not amortised, but annually tested for impairment.

The recognised goodwill is not expected to be tax deductible. Goodwill generated from the acquisition of Rosemunde reflects, among other things, the value of the Group's market position and expertise within the fashion market, as well as future expected growth and profitability synergies.

TRANSFERRED CONSIDERATION

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|--|----------------------|----------------------|
| Cash on transfer of control | - | - |
| Conditional purchase consideration recognised as liability | 2 | 4 |
| Total | 2 | 4 |

EFFECT ON CASH FLOW

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|---|----------------------|----------------------|
| Purchase consideration paid, subsidiaries | - | -164 |
| Purchase consideration paid, associated companies | - | -27 |
| Cash and cash equivalent in acquired operations | - | - |
| Paid earn-out | -3 | -4 |
| Total | -3 | -195 |



15 Intangible assets

| SEK million | Web platform | Trademarks | Goodwill | Total |
|--|--------------|------------|------------|-------------|
| Accumulated acquisition values, opening balance Jan 1, 2022 | 254 | 84 | 275 | 614 |
| Acquisitions | 75 | 2 | - | 77 |
| Acquired through subsidiaries | - | - | - | 0 |
| Translation difference | - | 7 | 24 | 31 |
| Acquisition values, closing balance Dec 31,2022 | 329 | 94 | 300 | 722 |
| Accumulated amortisation according to plan, opening balance Jan 1, 2022 | -118 | - | - | -118 |
| Depreciation for the year | -47 | - | - | -47 |
| Accumulated depreciations according to plan, closing balance Dec 31, 2022 | -164 | 0 | 0 | -164 |
| Net carrying value at end of year Dec 31, 2022 | 165 | 94 | 300 | 558 |
| SEK million | Web platform | Trademarks | Goodwill | Total |
| Accumulated acquisition values, opening balance Jan 1, 2023 | 329 | 94 | 300 | 722 |
| Acquisitions | 100 | - | - | 100 |
| Acquired through subsidiaries | - | - | - | 0 |
| Translation difference | - | -1 | -1 | -2 |
| Acquisition values, closing balance Dec 31,2023 | 429 | 93 | 298 | 820 |
| Accumulated amortisation according to plan, opening balance Jan 1, 2023 | -164 | 0 | 0 | -164 |
| Depreciation for the year | -59 | - | - | -59 |
| Accumulated depreciations according to plan, closing balance Dec 31, 2023 | -224 | 0 | 0 | -224 |
| Net carrying value at end of year Dec 31, 2023 | 205 | 93 | 298 | 596 |

Web platform relates to capitalized development costs on the Group's internal developed platforms used in its operation.

In 2021, the Swedish fashion brand Svea was acquired through an asset acquisition and the Danish fashion brand Rosemunde was acquired through acquisition of subsidiaries. The useful time has been assessed to be indefinite and subject to annual impairment. Acquired goodwill in 2021 derives from acquisition of the subsidiaries Estina and Rosemunde.

IMPAIRMENT

The Group performs, at least annually, an impairment testing of its intangible assets with an indefinite useful time and its goodwill. As of December 31, 2023, the intangible assets subject to annual impairment testing was:

| SEK million | Dec 31, 2023 | Dec 31, 2022 |
|--------------|--------------|--------------|
| Trademarks | 93 | 94 |
| Goodwill | 298 | 300 |
| Total | 391 | 393 |

The acquired operation through Rosemunde has been determined as the lowest independent cash-generating unit. The carrying values deriving from the acquisition have been subject for impairment testing. The carrying values included in the impairment test were trademarks of SEK 93 million and goodwill of SEK 269 million. The calculation of recoverable amount has been done jointly for trademarks and goodwill as the cash flow from the trademark cannot be distinguished from other cash flows within the cash-generating unit.

The important assumptions in the five-year forecast and the methods used to estimate values are as follows (for the current and previous years):

Growth

The demand for related products has historically followed economic trends. Expected market growth is based on a transition from the current economic situation to the expected long-term growth. The growth rate applied for the perpetual period has been determined to 2% (2%), which is based on the Group's assessment of the opportunities and risks associated with the business. The forecast is consistent with past experience and external sources of information.

Discount rate

The discount rate used is calculated as the current weighted average cost of capital (WACC), including small-entity and low liquidity risk premiums in accordance with market standard for companies of similar size and operations as Rosemunde, and currently is 11.7% (11.4).

The recoverable amount has been determined through a discounted cash flow analysis of future cash flow projections. Determination of future cash flows are based on internal budgets and long-term forecast adopted by the executive management for the coming five years.

The recoverable amount exceeds the carrying value of the assets subject for impairment testing. To assess the sensitivity in the applied assumptions, Management has applied a change in discount rate with + 2.5pp, a decrease of the annual growth rate applied for each year in the explicit forecast period of - 1 pp, and a change in the perpetual annual growth rate of -1 pp, without any implications of impairment.

Remaining goodwill value of SEK 29 million derives from the acquisition of the IT development companies Estina (2021) and Touchlogic (2019). These acquisitions were made in order to gain access to the staff's gathered competence and expertise, and since they only perform internal development works, they don't have any external revenue streams. Hence, these companies are included in the Group as the lowest cash-generating unit since the Group does not internally report or separate assets and liabilities between its two operating segments Boozt.com and Booztlet.com. These acquisitions



contained conditional purchase considerations based on development and retention of the gathered competence and expertise within the staff for three years following the acquisition. As of December 31, 2023 no indications of not achieving 100% of the purchase considerations has been identified.

16 Equipment, tools and installations

| SEK million | Dec 31, 2023 | Dec 31, 2022 |
|--|--------------|--------------|
| Equipment, tools and installations | | |
| Accumulated acquisition values, opening balance | 1,203 | 774 |
| Acquisitions | 22 | 447 |
| Disposals | -29 | -20 |
| Translation difference for the year | 0 | 2 |
| Acquisition values, closing balance | 1,196 | 1,203 |
| Accumulated amortisation according to plan, opening balance | -337 | -257 |
| Depreciation for the year | -102 | -99 |
| Disposals | 27 | 20 |
| Translation difference for the year | 0 | -1 |
| Accumulate depreciations according to plan, closing balance | -411 | -337 |
| Net carrying value at end of year | 785 | 866 |

17 Inventories

| SEK million | Dec 31, 2023 | Dec 31, 2022 |
|--------------------------------|--------------|--------------|
| Inventories - goods for resale | 2,100 | 1,859 |
| Expected returns | 173 | 167 |
| Packing materials | 8 | 13 |
| Total | 2,281 | 2,039 |

During the year, inventory items were written down with a value of SEK 28 million (7). This amount is entirely accounted for in the income statement as Goods for resale.

18 Account receivables

| SEK million | Dec 31, 2023 | Dec 31, 2022 |
|------------------------|--------------|--------------|
| Account receivables | 45 | 33 |
| Provision for bad debt | -3 | -2 |
| Total | 41 | 30 |

Boozt accounts for a bad debt provision when a credit loss is expected according to the Group's applied model for expected credit loss or where an individual assessment indicates a loss, where uncollectible receivables are fully written off. Account receivables consist of business-to-business sales of marketing services and of sale of goods through wholesale. The current provision for bad debt consists of individual anticipated allowances, and a general provision for expected credit loss. Most of the Group's B2B customers are the Group's brand partners which the Group regularly conducts purchases from, why the credit risk is mitigated through the Group's accounts payable.

Customer losses recognised in the income statement during the year amount to SEK 0 million (2). There are no collateral or bank guarantees for the Group's accounts receivables. No accounts receivables are pledged. For more information about the Group's account receivables, see Note 27.

19 Prepaid costs and accrued income

| SEK million | Dec 31, 2023 | Dec 31, 2022 |
|-----------------------------|--------------|--------------|
| Prepaid inventories | 2 | 21 |
| Prepaid marketing costs | 6 | 4 |
| Prepaid rental charges | 12 | 8 |
| Prepaid fulfillment costs | 21 | 18 |
| Accrued inventory discounts | 0 | 0 |
| Prepaid customs | 12 | 12 |
| Other prepaid costs | 19 | 21 |
| Total | 70 | 84 |



20 Cash and cash equivalents

| SEK million | Dec 31, 2023 | Dec 31, 2022 |
|---------------|--------------|--------------|
| Cash and bank | 1,463 | 1,777 |
| Total | 1,463 | 1,777 |

Restricted cash amounts to SEK 19 million (17) and is attributable to the leasing agreement for the Boozt headquarter and to a few suppliers.

21 Liabilities to credit institutions

| SEK million | Dec 31, 2023 | Dec 31, 2022 |
|---|--------------|--------------|
| Non-current | | |
| Liabilities to credit institutions | 326 | 402 |
| Total | 326 | 402 |
| Current | | |
| Liabilities to credit institutions | 97 | 168 |
| Total | 97 | 168 |
| Total liabilities to credit institutions | 423 | 570 |

Loans to credit institutions carry an average effective interest rate of 5.3 % per annum (4.0 % per annum). Total borrowing consists of a loan to Danske Bank for the automated storage and retrieval system AutoStore. Security for the bank loans consist of floating charges.

CREDIT FACILITIES

| SEK million | Dec 31, 2023 | Dec 31, 2022 |
|-----------------------------|--------------|--------------|
| Used credit facilities | - | - |
| Available credit facilities | 290 | 287 |
| TOTAL | 290 | 287 |

The Group has a multicurrency revolving credit facility (RCF) with Danske Bank of SEK 200 million available for drawings in SEK, DKK, NOK and EUR, which can be used for general corporate and working capital purposes as well as potential acquisitions. The revolving credit facility agreement was entered into on February 17, 2020 and runs for five years and replaced the previous credit facility agreement. Interest rate base consists of the current reference interest

rate depending on in which currency drawings has been made: STIBOR, CIBOR, NIBOR and EURIBOR. Marginal interest is based on covenant fulfilment and was in 2023 1.5%.

The Group's drawdown of funding under the Revolving Credit Facility is subject to several conditions. The Revolving Credit Facility Agreement contains customary representations and warranties made as of the signing date of the Revolving Credit Facility Agreement and, in relation to certain representation and warranties, as of certain subsequent dates. The Revolving Credit Facility Agreement contains customary undertakings from the Group, such as maintaining authorizations, complying with laws (including sanctions and anti corruption), not changing the business, restrictions on mergers, restrictions on disposals, negative pledge, restrictions for incurring financial indebtedness, restrictions on providing loans and guarantees and restrictions on acquisitions.

The Revolving Credit Facility Agreement also includes financial covenants requiring that the Group's net debt to adjusted EBITDA ratio does not increase above 3.0:1 and that the interest coverage ratio must not be less than 4.0:1. The covenants are reported quarterly on a rolling 12-month basis and have not been breached at any time during 2023. The Revolving Credit Facility may terminate upon the occurrence of certain customary events, including in connection with a change of control of the Group or a delisting of the parent company from Nasdaq Stockholm. The Group has, pursuant to the Revolving Credit Facility Agreement, provided security to Danske Bank in the form of corporate mortgages in a total amount of SEK 61 million, see Note 25.

In addition to the Revolving Credit Facility, the Group also has overdraft facilities totalling SEK 88 million, whereof SEK 60 million in Danske Bank is subject to renewal every year. The Group has not utilized any of its credit facilities during 2023.

22 Other provisions

| SEK million | Dec 31, 2023 | Dec 31, 2022 |
|---|--------------|--------------|
| Provision for social charges related to LTI 2020/2023 | - | 22 |
| Provision for social charges related to LTI 2021/2024 | 15 | 5 |
| Provision for social charges related to LTI 2022/2025 | 1 | 1 |
| Provision for social charges related to LTI 2023/2026 | 6 | - |
| Other provisions | - | 2 |
| Total | 22 | 30 |

For information on share-based payments and the Group's LTI programmes, see Note 1 and Note 9. Other provisions include purchase considerations from recent acquisitions of Estina Grup UAB in 2021 and Touchlogic ApS in 2019. Total purchase considerations amounted to SEK 12 million, whereof SEK 10 million has been paid during the period 2020-2023. Of remaining purchase considerations has SEK 2 million been recognised as current liabilities in the statement of financial position. For more information on acquisitions, see Note 14.

**23 Accrued costs and prepaid income**

| SEK million | Dec 31, 2023 | Dec 31, 2022 |
|--|--------------|--------------|
| Accrued holiday pay | 62 | 51 |
| Accrued social charges relating to personnel | 45 | 35 |
| Accrued marketing costs | 19 | 8 |
| Accrued costs - inventories | 19 | 27 |
| Accrued costs for returns | 265 | 260 |
| Accrued salaries | 41 | 25 |
| Prepaid marketing fee | 24 | 23 |
| Other | 38 | 48 |
| Total | 513 | 479 |

Accrued costs for returns relate to the groups expected returns, for more information see important assessments in Note 1

24 Equity**SHARE CAPITAL**

As of December 31, 2023 the registered share capital amounts to SEK 5,690,788 SEK (5,622,301) with a nominal value of SEK 0.0833. The share capital consists of two share classes: ordinary shares (66,544,621 shares issued) with 1 voting right per share and C shares (1,744,867 shares issued) with 1/10 voting right per share. Holders of ordinary shares are entitled to a dividend, while holders of C-shares are not entitled to dividend. All shares have the same right to the remaining net assets, however C-shares are not entitled to an amount exceeding the quota value of the share. The C-shares were issued and repurchased in accordance with the LTI 2019/2022 as of March 2, 2020, and LTI 2020/2023 as of March 1, 2021, LTI 2021/2024 as of March 4, 2022, LTI 2022/2025 as of March 23 2023 and will be distributed to the participants when the vesting periods ends based on the achievement of the performance targets stipulated within the programs. Before the distribution to the participants, the C-shares will be converted to ordinary shares. All shares are fully paid and no ordinary shares are reserved for transfer. No ordinary shares are held by the parent company or its subsidiaries.

Specification of changes in share capital below:

| Date | Event | No. Of shares pre new issue | Share issue | New number of shares | Share capital changes | Share capital after transaction |
|------------------------|---|-----------------------------|-------------|----------------------|-----------------------|---------------------------------|
| 12-05-2017 | Share split 1:12 | 3,891,295 | 42,804,245 | 46,695,540 | 0 | 3,891,295 |
| 31-05-2017 | Conversion of options from LTI 2012/2022 into shares | 46,695,540 | 2,405,361 | 49,100,901 | 200,447 | 4,091,742 |
| 02-06-2017 | Sell of shares in own portfolio of shares | 49,100,901 | 786,532 | 49,887,433 | 65,544 | 4,157,286 |
| 02-06-2017 | New share issue in connection with IPO | 49,887,433 | 6,451,000 | 56,338,433 | 537,583 | 4,694,869 |
| 21-08-2018 | Conversion of options from LTI 2015/2025 into shares | 56,338,433 | 744,000 | 57,082,433 | 62,000 | 4,756,869 |
| 30-08-2019 | Conversion of options from LTI 2015/2025 into shares | 57,082,433 | 288,420 | 57,370,853 | 24,035 | 4,780,904 |
| 02-03-2020 | Issue of C shares under LTI 2019/2022 | 57,370,853 | 374,586 | 57,745,439 | 31,216 | 4,812,120 |
| 27-08-2020 | Conversion of options from LTI 2015/2025 into shares | 57,745,439 | 555,672 | 58,301,111 | 46,306 | 4,858,426 |
| 30-11-2020 | Conversion of options from LTI 2015/2025 into shares | 58,301,111 | 28,968 | 58,330,079 | 2,414 | 4,860,840 |
| 20-11-2020 | New share issue in connection with dual listing | 58,330,079 | 5,737,085 | 64,067,164 | 478,090 | 5,338,930 |
| 01-03-2021 | Issue of C shares under LTI 2020/2023 | 64,067,164 | 1,017,450 | 65,084,614 | 84,788 | 5,423,717 |
| 08-05-2021 | Conversion of options from LTI 2015/2025 into shares | 65,084,614 | 5,520 | 65,090,134 | 460 | 5,424,177 |
| 07-06-2021 | Conversion of warrants from LTI 2018/2021 into shares | 65,090,134 | 772,347 | 65,862,481 | 64,362 | 5,488,540 |
| 15-06-2021 | Conversion of warrants from LTI 2018/2021 into shares | 65,862,481 | 365,000 | 66,227,481 | 30,417 | 5,518,956 |
| 18-08-2021 | Conversion of options from LTI 2015/2025 into shares | 66,227,481 | 663,156 | 66,890,637 | 55,263 | 5,574,219 |
| 04-03-2022 | Issue of C shares under LTI 2021/2024 | 66,890,637 | 577,000 | 67,467,637 | 48,082 | 5,622,301 |
| 23-03-2023 | Issue of C shares under LTI 2022/2025 | 67,467,637 | 821,851 | 68,289,488 | 68,487 | 5,690,788 |
| Closing balance | | | | 68,289,488 | | 5,690,788 |



CONVERSION OF OPTIONS AND WARRANTS

Other capital contributions

Other capital contributions consist of equity contributed by the Group's owners and IFRS 2 costs from share-based compensations related to the Group's equity-based incentive programs. Recognised IFRS 2 costs from share-based compensations amount to SEK 77 million (28) for 2023.

Reserves

Reserves consist of a translation reserve, which includes the exchange rate differences arising on conversion of financial statements of foreign operations that have prepared their financial reports in a currency other than the operating currency in which the consolidated financial statements are presented. The Parent Company and the Group present their financial reports in Swedish kronor (SEK). The translation difference for 2023 amounts to SEK -3 million (36). The translation differences for the year are accounted for in the statement of comprehensive income and the accumulated translation differences are recognised in the income statement in the event of a disposal of the foreign operation.

Long-term incentive programs

The Group has three ongoing long-term incentive programs based on performance shares, LTI 2021/2024, LTI 2022/2025 and LTI 2023/2026.

If all programs would be fully utilized, a total of 2,480,000 new ordinary shares were to be issued/converted entailing a dilution of approximately 3.7 per cent of the parent company's ordinary shares based on the total number of ordinary shares in the parent company

For more information on the Group's LTI programs, see Note 9.

25 Pledged assets and contingent liabilities

| SEK million | Dec 31, 2023 | Dec 31, 2022 |
|------------------|--------------|--------------|
| Floating charges | 78 | 78 |
| Restricted cash | 19 | 17 |
| Total | 97 | 94 |

Of the floating charges, SEK 61 million is attributable to the Group's Revolving Credit Facility from Danske Bank. Restricted cash is attributable to the leasing agreement for the Boozt headquarter and to the Group's suppliers. A contingent liability exists where Danske Bank in case of a breach of contract from the Group is entitled to reclaim the Group's automated warehouse system AutoStore with a book value of SEK 742 million (816).

26 Related party transactions

MANAGEMENT OF BOOZT AB (PUBL)

During the year a new LTI 2023/2026 has been implemented. More information regarding remuneration to senior executives and the Group's long-term incentive programs can be found in Note 9.

SUPPLIERS CLASSIFIED AS RELATED PARTIES

The Group had transactions with external related parties during the year within the ordinary course of business. All transactions are carried out on normal commercial terms. All transactions are priced at market terms and in accordance with the arm's length principle. The Group regularly purchase goods or commercial services from the following companies: Day Birger et Mikkelsen A/S, Masai Clothing Company ApS, TV/2 Danmark A/S, Brøndbyernes I.F. Fodbold A/S, Hövding Sverige AB (publ), Position Green AB, Hållbar e-handel Norden AB, Mos Mosh A/S and Adidas Sverige AB. These suppliers are classified as related parties since members of the Board of Directors or Group Management are or have been board members or otherwise related party to the companies. Below disclosures do not include transactions during the periods that occurred before or after the counterpart was classified or ceased to be classified as a related party.

Boozt AB (publ) has not provided guarantees or securities to or for the benefit of directors or other senior executives. None of the directors or other senior executives in 2023 or 2022 had any direct or indirect business transactions with the Group over and above the remuneration stated in this note and Note 9.

RELATED PARTY TRANSACTIONS

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|--|----------------------|----------------------|
| Suppliers classified as related parties | | |
| Purchase of goods and services | 212 | 357 |
| Total transactions with suppliers classified as related parties | 212 | 357 |
| Total transactions with related parties | 212 | 357 |

RELATED PARTY LIABILITIES

| SEK million | Dec 31, 2023 | Dec 31, 2022 |
|--|--------------|--------------|
| Suppliers classified as related parties | | |
| Accounts payable | 42 | 54 |
| Total liabilities to related parties | 42 | 54 |

27 Financial risks

The Group's business is exposed to various financial risks; currency risk, interest rate risk, credit risk and liquidity risk. The Group's overall risk management strategy is focused on managing uncertainty in the financial markets and strives to minimise potential adverse effects on the Group's financial results.

The Group has developed a risk management framework in order to strengthen risk management in the Group. The framework establishes how risks are identified, assessed and monitored. The Board of Directors has decided on the general principles that apply to the management of financial risks through the adopted treasury policy. The treasury policy mainly covers the following areas; capital structure, capital raising, debt financing and liquidity management.

The key financial risks are described below.

CURRENCY RISK

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The main exposure is derived from the Group's sales and purchases in foreign currencies. This exposure is called transactional exposure. Currency risks also exist in the translation of foreign operations' assets and liabilities into the parent company's functional currency, known as translational exposure. The translational exposure for the Group is limited. According to the Group's treasury policy, transactional exposure is primarily managed through natural hedges, which means that the risk of major performance impact due to fluctuations in exchange rates is reduced by having available cash with the corresponding currency distribution as for future payments of current liabilities. The applied principle also implies that the Group will strive to make procurement with the corresponding currency distribution as budgeted revenues. In addition, the Group shall evaluate any imbalances in the currency inflow and outflow and seek forward contracts to hedge those imbalances. The Group has no ongoing forward contracts at the reporting date. As shown in the table below, the Group's main transaction exposure consists of SEK, DKK/EUR and NOK. A 3% stronger SEK against the EUR and DKK would have an estimated negative effect on profit before tax of SEK 42 million. A 3% stronger NOK against the SEK would have, with all other variables held constant, an estimated positive effect on profit before tax for the year of SEK 20 million.

CURRENCY EXPOSURE 2023 (2022)

| Currency | Operating income | Operating expenditure |
|--------------|-------------------|-----------------------|
| SEK | 33% (35) | 61% (57) |
| DKK | 34% (34) | 22% (25) |
| EUR | 17% (15) | 13% (13) |
| NOK | 10% (12) | 2% (3) |
| USD | 0% (0) | 1% (1) |
| Other | 5% (4) | 1% (2) |
| Total | 100% (100) | 100% (100) |

| Currency | Short term liabilities | Cash and cash equivalents |
|----------|------------------------|---------------------------|
| SEK | 57% (59) | 29% (47) |
| DKK | 26% (24) | 38% (27) |
| EUR | 12% (12) | 23% (21) |
| NOK | 3% (4) | 6% (4) |

| Currency | Operating income | Operating expenditure |
|--------------|-------------------|-----------------------|
| USD | 0% (0) | 1% (1) |
| Other | 2% (0) | 4% (1) |
| Total | 100% (100) | 100% (100) |

INTEREST RATE RISK

The Group is exposed to interest rate risk on interest-bearing long-term and current liabilities. The Group is exposed to the impact of variable interest on liabilities to credit institutions. On fixed-rate loans, the Group is exposed to market risk. With regards to the Group's loan-to-value ratio, the present interest risk is limited. During 2023 the average effective interest rate for liabilities to credit institutions has been 5.3% per annum (2.7). If interest rates had been 3 percentage points higher with all other variables held constant, profit before tax for the year would have been approximately SEK 14.3 million lower. If the interest will increase with 3% the group's future lease contracts will be discounted with an implicit rate of 6.5%.

CREDIT RISK

At the time of a consumer transaction, the Group receives the payment immediately, or the transaction is transferred to the payment provider, whom the Group recognises an "other receivable" towards until the payment is collected. In general, the payment is collected within 1-3 days. If the consumer chooses to use invoice as payment option, the Group transfers the receivable to a credit institution who grants and carries the credit risk. The Group has recognised a receivable of SEK 60.2 million towards its payment providers from undeposited funds from sales transactions around the reporting date, included in other receivables in the statement of financial position. Business-to-Consumer represent 96% of the Groups total net revenue in 2023.

The Business-to-Business sale relates to sales of marketing services to the Group's brand partners and sale of goods through wholesale. The counter parties to the Group's account receivables are the Group's brand partners, which the Group continuously is buying goods from and holds account payables towards. The account receivables are monitored continuously, and the value of doubtful debts is not significant, for information is available in Note 18. With regard to credit risks arising from the Group's other financial assets, which include cash and cash equivalents, the Group's main credit risk is associated with counterparties' failure to comply with their commitments, e.g. due to the counterparty going into bankruptcy. The Group's maximum exposure consists of the carrying value of these financial instruments. Approximately 100% of the Group's financial assets has a financial institute or bank as counterpart. Of the Group's financial assets, including cash and cash equivalent, approximately 95% are towards the Group's main bank, Danske Bank. Placement of liquid assets may only be made in banks or credit institutions with a high credit rating in accordance with the Group's Treasury policy. Historically, there have never been any credit losses regarding cash and cash equivalents, and it is also not considered likely that this will occur in the future. The Group assesses that there is no significant credit risk for the Group's financial assets at the end of 2023.


MATURITY STRUCTURE OF OUTSTANDING ACCOUNT RECEIVABLES AND OTHER RECEIVABLES

| SEK million | Dec 31, 2023 | Dec 31, 2022 |
|-------------------------------|--------------|--------------|
| Accounts receivables | | |
| Payment not due | 20 | 18 |
| Overdue 1-30 days | 7 | 5 |
| Overdue > 30 days | 17 | 9 |
| Doubtful accounts receivables | -3 | -2 |
| Total | 41 | 30 |
| Other receivables | | |
| Paid within 0-30 days | 147 | 69 |
| Paid later than 30 days | - | - |
| Doubtful other receivables | - | - |
| Total | 147 | 69 |

For the Group's principles regarding expected credit loss, see Note 1.

LIQUIDITY RISK

The liquidity risk to which the Group is exposed is attributable to the operation's seasonal variations. Purchases are cyclical, and inventories are built up before each season, based on the Group's expected sales. This means that the timing of the outflow of cash for the purchase of stock items is not consistent with the timing of inflows of cash and cash equivalents attributable to sales, resulting in a liquidity risk. The liquidity risk is managed by the principle of financial flexibility covered by the Group's treasury policy and implies that there should be available liquid funds covering expected liquidity needs during the periods when the Group has the lowest access to liquid funds. This is managed by having access to overdraft facilities, which as per year-end 2022 amounts to SEK 90 million and a revolving credit facility of another SEK 200 million, which can be called without further credit approval. As per year-end 2023, available liquidity amounts to SEK 1,753 million. There is also a liquidity risk attributable to business growth and the need to improve, upgrade and invest in technology and infrastructure to manage increased sales volumes and complexity in operations. To manage this risk, the Board of Directors has set guidelines for the level of liquidity reserves to strive for in order to meet the arising needs. Cash flow forecasts are prepared and followed up on a weekly basis (operational activities, credits and current liquidity). Rolling forecasts are also prepared to ensure constant availability of sufficient liquidity to meet business needs as well as to have reserves in unexploited credit flows. The Group monitors that credit limits are not violated.

The maturity structure for all of the Group's financial liabilities, including principal and interest, is shown in the table below. The table shows contractual undiscounted amounts.

| | Total borrowing | Maturity within 3 months | Maturity within three to twelve months | Maturity within one to five years | Maturity within five to nine years | Maturity after nine years |
|---|-----------------|--------------------------|--|-----------------------------------|------------------------------------|---------------------------|
| Maturity structure of borrowing Dec 31, 2022 | | | | | | |
| Liabilities to credit institutions | 570 | 62 | 114 | 395 | - | - |
| Lease liabilities | 539 | 19 | 62 | 235 | 207 | 16 |
| Accounts payables | 1,385 | 1,343 | 41 | - | - | - |
| Other liabilities | 386 | 335 | 2 | 49 | - | - |
| Total | 2,880 | 1,760 | 219 | 679 | 207 | 16 |
| Maturity structure of borrowing Dec 31, 2023 | | | | | | |
| Liabilities to credit institutions | 423 | 24 | 72 | 326 | - | - |
| Lease liabilities | 542 | 22 | 64 | 267 | 189 | - |
| Accounts payables | 1,140 | 1,136 | 3 | - | - | - |
| Other liabilities | 527 | 484 | 17 | 26 | - | - |
| Total | 2,632 | 1,667 | 157 | 620 | 189 | 0 |

CAPITAL RISK MANAGEMENT

Regarding capital structure, the Group strives to secure the Group's ability to continue to operate in order to continue to generate profit for shareholders and value for other stakeholders as well as maintaining an optimal capital structure. To maintain or adjust the capital structure, the Group can change any future dividends paid to shareholders, repay capital to shareholders, issue new shares or sell assets to reduce liabilities. The Group assesses the capital based on the debt/equity ratio. The debt/equity ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including current interest-bearing liabilities and non-current interest-bearing liabilities) less cash and cash equivalents. The Group has covenant obligations requiring that Group's net debt to adjusted EBITDA ratio does not increase above 3.0:1 and that the interest coverage ratio must not be less than 4.0:1. The covenants are reported quarterly on a rolling 12-month basis and have not been breached at any time during 2022. See Note 21 for further information.



28 Financial instruments at fair value

| SEK million | Financial assets valued at amortised costs | Financial liabilities valued at amortised costs | Financial instruments measured at fair value via income statement | Total carrying amount | Fair value |
|---|--|---|---|-----------------------|--------------|
| Financial assets as per December 31, 2022 | | | | | |
| Deposits | 8 | - | - | 8 | 8 |
| Accounts receivable | 30 | - | - | 30 | 30 |
| Other receivables | 69 | - | - | 69 | 69 |
| Cash and cash equivalents | 1,777 | - | - | 1,777 | 1,777 |
| Total financial assets December 31, 2022 | 1,884 | 0 | 0 | 1,884 | 1,884 |
| Financial liabilities as per December 31, 2022 | | | | | |
| Liabilities to credit institutions | - | 570 | - | 570 | 570 |
| Lease liabilities | - | 539 | - | 539 | 539 |
| Accounts payables | - | 1,385 | - | 1,385 | 1,385 |
| Other liabilities | - | 384 | 2 | 386 | 386 |
| Total financial liabilities December 31, 2022 | 0 | 2,878 | 2 | 2,880 | 2,880 |
| Financial assets as per December 31, 2023 | | | | | |
| Deposits | 8 | - | - | 8 | 8 |
| Accounts receivable | 41 | - | - | 41 | 41 |
| Other receivables | 147 | - | - | 147 | 147 |
| Cash and cash equivalents | 1,463 | - | - | 1,463 | 1,463 |
| Total financial assets December 31, 2023 | 1,660 | 0 | 0 | 1,660 | 1,660 |
| Financial liabilities as per December 31, 2023 | | | | | |
| Liabilities to credit institutions | - | 423 | - | 423 | 423 |

| SEK million | Financial assets valued at amortised costs | Financial liabilities valued at amortised costs | Financial instruments measured at fair value via income statement | Total carrying amount | Fair value |
|--|--|---|---|-----------------------|--------------|
| Lease liabilities | - | 542 | - | 542 | 542 |
| Accounts payables | - | 1,140 | - | 1,140 | 1,140 |
| Other liabilities | - | 525 | 2 | 527 | 527 |
| Total financial liabilities December 31, 2023 | 0 | 2,630 | 2 | 2,632 | 2,632 |

FINANCIAL INSTRUMENTS VALUED AT FAIR VALUE VIA INCOME STATEMENT

The Group has derivative instruments that comprise of foreign exchange forwards used for hedging purposes, which are measured at fair value according to Level 2 of the valuation hierarchy. Derivative assets amount to SEK 0 million (0). Other financial liabilities measured at fair value consists of earn-outs from acquisitions of subsidiaries of SEK 2 million (4), of which some parts are conditional. Other financial liabilities measured at fair value can be found at Level 3 of the valuation hierarchy. The Group's other financial assets and liabilities are considered to be close to the carrying amount, after which the carrying amount is estimated to be the same as the fair value.

| SEK million | Level 1 | Level 2 | Level 3 | Total |
|--|----------|----------|----------|----------|
| Financial assets measured at fair value via income statement | | | | |
| Derivative assets | - | - | - | 0 |
| Total Dec 31, 2022 | 0 | 0 | 0 | 0 |
| Financial liabilities measured at fair value via income statement | | | | |
| Purchase considerations liabilities | - | - | 4 | 4 |
| Total Dec 31, 2022 | 0 | 0 | 4 | 4 |
| Financial assets as per December 31, 2023 | | | | |
| Derivative assets | - | - | - | 0 |
| Total Dec 31, 2023 | 0 | 0 | 0 | 0 |
| Financial liabilities measured at fair value via income statement | | | | |
| Purchase considerations liabilities | - | - | 2 | 2 |
| Total Dec 31, 2023 | 0 | 0 | 2 | 2 |



29 Associated companies

SHARES IN ASSOCIATED COMPANIES

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|-------------------------------------|----------------------|----------------------|
| Opening balance | 27 | - |
| Acquisition of associated companies | - | 27 |
| Translation difference for the year | 2 | - |
| Impairment of associated companies | -14 | - |
| Closing balance | 15 | 27 |

| Company name | Corporate identity number | Domicile | Proportion of capital/ voting rights | Book value, SEK million |
|----------------|---------------------------|---------------------|---|----------------------------|
| Dropp ehf | 580619-1260 | Reykjavík, Iceland | 23.5% | 15 |
| Livshopper ApS | 1576577 | Copenhagen, Denmark | 30.0% | 0 |
| Total | | | | 15 |

30 Significant events after year end

There have been no significant events after the reporting date.



Parent company financial statements

PARENT COMPANY INCOME STATEMENT

| SEK million | Note | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|-----------------------------------|------|----------------------|----------------------|
| OPERATING INCOME | | | |
| Net revenue | | 166 | 90 |
| Total operating income | | 166 | 90 |
| OPERATING COSTS | | | |
| Other external costs | 2.3 | -9 | -9 |
| Personnel costs | 4 | -160 | -90 |
| Total operating costs | | -169 | -99 |
| OPERATING PROFIT | | -3 | -9 |
| FINANCIAL INCOME AND COSTS | | | |
| Financial income | | 27 | 0 |
| Financial costs | | 0 | 0 |
| Net financial items | | 27 | 0 |
| PROFIT/LOSS BEFORE TAX | | 24 | -9 |
| Allocations | | | |
| Group contributions | | 3 | 10 |
| RESULT BEFORE TAX | | 27 | 1 |
| Income tax | 5 | 0 | 0 |
| PROFIT/LOSS FOR THE YEAR | | 27 | 1 |

PARENT COMPANY STATEMENT OF OTHER COMPREHENSIVE INCOME

| SEK million | | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|---|--|----------------------|----------------------|
| PROFIT/LOSS FOR THE YEAR | | 27 | 1 |
| Other comprehensive income | | 0 | 0 |
| COMPREHENSIVE PROFIT/LOSS FOR THE YEAR | | 27 | 1 |



PARENT COMPANY STATEMENT OF FINANCIAL POSITION

| SEK million | Note | Dec 31, 2023 | Dec 31, 2022 |
|----------------------------------|------|--------------|--------------|
| ASSETS | | | |
| Non-current assets | | | |
| Shares in Group companies | 6 | 831 | 1,138 |
| Shares in associated companies | 29 | 27 | 27 |
| Total non-current assets | | 858 | 1,165 |
| Current assets | | | |
| Other receivables | | 0 | 0 |
| Receivables from Group companies | | 1,078 | 797 |
| Current tax assets | | 0 | 0 |
| Prepaid costs and accrued income | | 1 | 0 |
| Cash and cash equivalents | 7 | 36 | 5 |
| Total current assets | | 1,114 | 802 |
| TOTAL ASSETS | | 1,973 | 1,967 |

| SEK million | Note | Dec 31, 2023 | Dec 31, 2022 |
|--------------------------------------|------|--------------|--------------|
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Restricted equity | | | |
| Share capital | 8 | 6 | 6 |
| | | 6 | 6 |
| Unrestricted equity | | | |
| Share premium reserve | | 2,182 | 2,136 |
| Retained earnings | | -355 | -267 |
| Net income | | 27 | 1 |
| Total unrestricted equity | | 1,854 | 1,871 |
| TOTAL EQUITY | | 1,860 | 1,876 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Other provisions | 9 | 14 | 19 |
| Total non-current liabilities | | 14 | 19 |
| Current liabilities | | | |
| Accounts payable | | 1 | 0 |
| Liabilities to Group companies | | 38 | 38 |
| Other liabilities | | 17 | 8 |
| Accrued costs and prepaid income | 10 | 43 | 26 |
| Total current liabilities | | 98 | 72 |
| TOTAL LIABILITIES | | 113 | 91 |
| TOTAL EQUITY AND LIABILITIES | | 1,973 | 1,967 |



PARENT COMPANY CHANGES IN EQUITY

| SEK million | Share capital | Share premium reserve | Profit/loss brought forward | Total Equity |
|--|---------------|-----------------------|-----------------------------|--------------|
| Equity as per Jan 1, 2022 | 6 | 2,116 | -266 | 1,855 |
| Profit for the year | 0 | 0 | 1 | 1 |
| Comprehensive profit for the year | 0 | 0 | 1 | 1 |
| Share capital increase | 0 | 0 | - | 0 |
| Share based compensation | - | 20 | - | 20 |
| Total transactions with owners | 0 | 20 | 0 | 20 |
| Equity as per Dec 31, 2022 | 6 | 2,136 | -266 | 1,876 |
| SEK million | Share capital | Share premium reserve | Profit/loss brought forward | Total Equity |
| Equity as per Jan 1, 2023 | 6 | 2,136 | -266 | 1,876 |
| Profit for the year | 0 | 0 | 27 | 27 |
| Comprehensive profit for the year | 0 | 0 | 27 | 27 |
| Share capital increase | 0 | - | 0 | 0 |
| Share based compensation | - | 46 | - | 46 |
| Share buyback | - | - | -89 | -89 |
| Total transactions with owners | 0 | 46 | -89 | -43 |
| Equity as per Dec 31, 2023 | 6 | 2,182 | -328 | 1,860 |

PARENT COMPANY CASH FLOW

| SEK million | Note | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|--|------|----------------------|----------------------|
| OPERATING ACTIVITIES | | | |
| Operating profit | | -3 | -9 |
| Adjustments for items not included in cash flow | | | |
| Non-cash remuneration from share based payments | | 41 | 10 |
| Interest paid | | 0 | - |
| Paid income tax | | 0 | 0 |
| CASH FLOW BEFORE CHANGES IN WORKING CAPITAL | | 38 | 1 |
| WORKING CAPITAL | | | |
| Changes in current assets | | -281 | 180 |
| Changes in current liabilities | | 26 | 0 |
| Cash flow from working capital | | -255 | 180 |
| CASH FLOW FROM OPERATING ACTIVITIES | | -217 | 180 |
| INVESTMENTS | | | |
| Acquisition of subsidiaries | 6 | -83 | -164 |
| Divestment of subsidiaries | | 418 | 0 |
| Acquisition of associated companies | | 0 | -27 |
| Shareholder contributions | | 3 | 10 |
| CASH FLOW FROM INVESTMENTS | | 338 | -181 |
| FINANCING | | | |
| Share buyback | | -89 | - |
| CASH FLOW FROM FINANCING | | -89 | 0 |
| Cash flow for the year | | 31 | 0 |
| Cash and cash equivalents beginning of period | 7 | 5 | 5 |
| CASH AND CASH EQUIVALENTS END OF PERIOD | 7 | 36 | 5 |



Notes to the parent company financial statements

1 Parent company's accounting principles

PARENT COMPANY ACCOUNTING PRINCIPLES

The parent company has prepared its annual accounts in accordance with the Swedish Annual Accounts Act and the recommendation RFR2 'Accounting for Legal Entities' issued by The Swedish Financial Reporting Council. The differences between the Group's and the parent company's accounting principles are shown below. The below stated accounting principles of the parent company have been applied consistently to all periods presented in the parent company's financial reports, unless otherwise stated.

SUBSIDIARIES AND ASSOCIATED COMPANIES

Participations in subsidiaries and associated companies are recognised in the parent company using the acquisition cost method. Transaction costs are included in the carrying value of participations in subsidiaries.

FINANCIAL ASSETS AND LIABILITIES

Due to the connection between accounting and taxation, the rules on financial instruments in accordance with IFRS 9 are not applied in the parent company as a legal entity, but the parent company applies in accordance with the Swedish Annual Accounts Act, the acquisition cost method. In the parent company, thus financial fixed assets are valued at acquisition cost less any impairment loss and financial current assets at the lower of cost or market.

SHAREHOLDERS' CONTRIBUTIONS

Shareholders' contributions are recognised directly against equity at the recipient and capitalized in shares and participations at the contributor to the extent impairment is not required.

ACCOUNTING OF GROUP CONTRIBUTIONS

Paid and received Group contributions are recognised as an appropriation.

ESTIMATES AND ASSUMPTIONS

Preparation of the financial reports in accordance with RFR 2 requires management to make assessments and estimates and assumptions that affect application of the accounting policies and the recognised amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and assumptions are continually evaluated. Changes in estimates are recognised in the period the change is made if the change only affected that period or in the period the change is made and in future periods if the change affects both current and future periods.

SHARE-BASED PAYMENTS

For the long-term incentive programs LTI Program 2021/2024, LTI Program 2022/2025 and LTI Program 2023/2026, a probability assessment of reaching the pre-defined targets and fulfilling the terms and conditions for achieving a grant of performance share is performed at each reporting date. The assessments are thereby a factor in the calculation of the liability (social charges) for share-based payments to employees for the period.

More information can be found in Note 9 for the Group.

2 Audit fees

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|----------------------|----------------------|----------------------|
| Deloitte AB | | |
| Auditing assignments | 0 | -1 |
| Tax advice | 0 | 0 |
| Other services | 0 | 0 |
| TOTAL | -1 | -2 |

Auditing assignments include auditing of the annual accounts and bookkeeping as well as administration for the Board of Directors and the CEO, other duties undertaken by the Group's accountants, and advice or other assistance arising from observations during such auditing or implementation of similar tasks.

Other services include advice in accountancy related fields such as accounting, tax, new share issue etc.

3 External costs

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|----------------------|----------------------|----------------------|
| Other external costs | -9 | -9 |
| Total | -9 | -9 |

**4 Employees and personnel costs**

| Average number of employees by country 2022 | Average number of employees | Whereof women | Whereof men |
|--|-----------------------------|---------------|-------------|
| Sweden | 16 | 2 | 14 |
| Total | 16 | 2 | 14 |
| Gender among senior executives 2022 | | | |
| Board members | 7 | 3 | 4 |
| CEO and other senior executives | 7 | 2 | 5 |
| Total | 14 | 5 | 9 |
| Average number of employees by country 2023 | | | |
| Sweden | 15 | 2 | 13 |
| Total | 15 | 2 | 13 |
| Gender among senior executives 2023 | | | |
| Board members | 6 | 3 | 3 |
| CEO and other senior executives | 7 | 2 | 5 |
| Total | 13 | 5 | 8 |

PERSONNEL COSTS FOR THE PARENTCOMPANY

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|---------------------------|----------------------|----------------------|
| Salaries and remuneration | -126 | -55 |
| Social costs | -33 | -34 |
| Pension costs | 0 | 0 |
| Total | -160 | -90 |

SALARIES AND REMUNERATION TO SENIOR EXECUTIVES INCLUDING BENEFITS

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|---|----------------------|----------------------|
| Hermann Haraldsson (Group CEO) | | |
| Base salary and remuneration | -10 | -9 |
| Variable remuneration | -6 | -2 |
| Other benefits | -11 | -3 |
| Costs according to share-based payments | -9 | -5 |
| Social security costs | -7 | 0 |
| Pension costs | - | - |
| Total | -44 | -19 |
| Other senior executives | | |
| Base salary and remuneration | -28 | -20 |
| Variable remuneration | -15 | -6 |
| Other benefits | -38 | -9 |
| Costs according to share-based payments | -32 | -17 |
| Social costs | -23 | 2 |
| Pension costs | 0 | 0 |
| Total | -136 | -49 |

Senior executives include the Board of Directors, the Group CEO, and other senior executives. The other senior executives include the Group CFO, Group CCO, Group CTO, Group CSCO, Group CPO, and Group CHRO, who together with the Group CEO constitute the management team of the Group.

Salaries and remuneration include costs for fixed and variable salaries and share-based payment recognised during the year. Social costs include social charges on the Group's long-term incentive programs determined by the Group's share price. During the year the Company has recognised SEK 46 million (20) in IFRS 2 costs for share-based payments and social charges of SEK -5 million (-9). Other benefits correspond to the value of taxable benefits that senior executives have received during the year. Other benefits include, among other things, car benefit, brobizz, daily newspaper and the taxable benefit value of exercised stock options from the Group's long-term incentive programs. More information about the remuneration to senior executives can be found in Note 9 for the Group.



5 Taxes

TAX RECOGNISED IN THE INCOME STATEMENT

| SEK million | Jan 1 - Dec 31, 2023 | % | Jan 1 - Dec 31, 2022 | % |
|---|----------------------|--------------|----------------------|-------------|
| Current tax | | | | |
| Tax on profit for the year | 0 | | - | |
| Total | 0 | | - | |
| Reconciliation of reported tax and effective tax rate | | | | |
| Profit/loss before tax | 27 | | 1 | |
| Tax in accordance with current tax rates for the parent company | -6 | -20.6% | 0 | -20.6% |
| Non-deductible costs and non-taxable income | 6 | 20.3% | 0 | 20.6% |
| Total | 0 | -0.3% | 0 | 0.0% |

SPECIFICATION OF CHANGES IN DEFERRED TAX ASSETS

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|--|----------------------|----------------------|
| Recognised deferred tax asset relating to tax losses carried forward | - | 1 |
| Utilization of tax losses carryforward | - | -1 |
| Total | 0 | 0 |

A deferred tax asset is accounted for only if the probability that the Company will use the deferred tax asset is highly probable. As of December 31, 2023 the company has SEK 0 million (0) in tax losses carryforward.

6 Shares in Group companies

PARTICIPATIONS IN SUBSIDIARIES

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|----------------------------|----------------------|----------------------|
| Opening balance | 1,138 | 974 |
| Divestment of subsidiaries | -391 | - |
| Acquisition of subsidiary | 83 | 164 |
| Closing balance | 831 | 1,138 |

| Company name | Corporate identity number | Domicile | Proportion of capital/voting rights | Book value, SEK million |
|----------------------------------|---------------------------|---------------------|-------------------------------------|-------------------------|
| Boozt Fashion AB | 556710-4699 | Malmö, Sweden | 100% | 747 |
| Boozt Fulfilment & Logistics AB | 556723-8182 | Malmö, Sweden | 100% | - |
| Boozt Retail AB | 556734-1200 | Malmö, Sweden | 100% | - |
| Boozt Fashion Norge AB | 556746-1222 | Malmö, Sweden | 100% | - |
| November 2009 Option Holding AB | 556826-4252 | Malmö, Sweden | 100% | - |
| Kronor PSP AB | 559306-0022 | Malmö, Sweden | 100% | - |
| Boozt Retail Copenhagen A/S | 38138871 | Copenhagen, Denmark | 100% | - |
| Boozt Retail A/S | 37982148 | Copenhagen, Denmark | 100% | - |
| Boozt Technology A/S | 39032197 | Copenhagen, Denmark | 100% | - |
| Boozt Innovation Lab ApS | 31863147 | Copenhagen, Denmark | 100% | - |
| Boozt Fashion ApS | 32551416 | Copenhagen, Denmark | 100% | - |
| Boozt Technology Poland sp.z.o.o | 0000904917 | Poznań, Poland | 100% | - |
| Boozt Baltics UAB | 305785629 | Vilnius, Lithuania | 100% | - |
| Boozt Technology Baltics UAB | 304614924 | Vilnius, Lithuania | 100% | - |
| Nordic Brand Hub Holding A/S | 43761773 | Vedbæk, Denmark | 100% | 83 |
| Nordic Brand Hub A/S | 32783910 | Vedbæk, Denmark | 100% | - |
| NOORSØM GROUP ApS | 28860005 | Vedbæk, Denmark | 100% | - |
| NOORSØM GROUP INTERNATIONAL ApS | 32099424 | Vedbæk, Denmark | 100% | - |
| NOORSØM GROUP NORGE AS | 917397759 | Rud, Norway | 100% | - |
| Total | | | | 831 |

Information about acquisitions during the year can be found in Note 14 for the Group.



7 Cash and cash equivalent

| SEK million | Dec 31, 2023 | Dec 31, 2022 |
|---------------|--------------|--------------|
| Cash and bank | 36 | 5 |
| Total | 36 | 5 |

The Company is a part of a multi-currency cash pool, where the subsidiary Boozt Fashion AB is the cash pool owner. As of December 31, 2023, the Company has a balance in the cash pool of SEK 15 million (22), recognised as an intragroup receivable.

8 Equity

As of December 31, 2023 the registered share capital amounts to 5,690,788 SEK (5,622,301) with a nominal value of SEK 0.0833. The share capital consists of two share classes: ordinary shares (66,544,621 shares issued) with 1 voting right per share and C-shares (1,744,867 shares issued) with 1/10 voting right per share. Holders of ordinary shares are entitled to a dividend, while holders of C-shares are not entitled to dividend. All shares have the same right to the remaining net assets, however C-shares are not entitled to an amount exceeding the quota value of the share. All shares are fully paid and no shares are reserved for transfer. No ordinary shares are held by the company or its subsidiaries.

More information about the Company's equity can be found in Note 24 for the Group.

9 Other provisions

| SEK million | Dec 31, 2023 | Dec 31, 2022 |
|---|--------------|--------------|
| Provision for social charges related to LTI 2020/2023 | - | 15 |
| Provision for social charges related to LTI 2021/2024 | 9 | 3 |
| Provision for social charges related to LTI 2022/2025 | 1 | 0 |
| Provision for social charges related to LTI 2023/2026 | 4 | - |
| Total | 14 | 19 |

For information on share-based payments and the Group's LTI programmes, see Note 1 and Note 9 for the Group.

10 Accrued expenses and prepaid income

| SEK million | Dec 31, 2023 | Dec 31, 2022 |
|--|--------------|--------------|
| Accrued holiday pay | 8 | 8 |
| Accrued social charges relating to personnel | 12 | 8 |
| Accrued salaries | 23 | 10 |
| Other accrued costs and prepaid income | - | 0 |
| Total | 43 | 26 |

11 Proposed appropriation of profits

| SEK | Dec 31, 2023 | Dec 31, 2022 |
|---------------------|----------------------|----------------------|
| Premium fund | 2,182,225,200 | 2,136,412,795 |
| Retained earnings | -355,019,669 | -266,518,530 |
| Profit for the year | 27,130,020 | 729,712 |
| Total | 1,854,335,551 | 1,870,623,977 |

12 Significant events after year end

There have been no significant events after the reporting date.



Certification and signatures

The Board of Directors and the CEO certify that the consolidated financial statements have been prepared in accordance with the Swedish Annual Accounts Act and International Financial Reporting Standards (IFRS) as adopted by the EU and give a true and fair view of the Group's financial position and results.

The annual report has been prepared in accordance with generally accepted accounting principles and gives a true and fair view of the parent company's financial position and results.

The Directors' Report for the Group and the Parent Company provides a fair review of the Group's and Parent Company's operations, financial positions and results, and describes significant risks and uncertainty factors that the Parent Company and the companies included in the Group face.

The income statement and balance sheet and consolidated balance sheets will be presented to the Annual General Meeting on April 25, 2024 for adoption.

On March 22, 2024 the annual report was approved by the Board of Directors and the CEO for publication.

MALMÖ, MARCH 22, 2024

HENRIK THEILBJØRN
Chair of the Board

AILEEN O'TOOLE
Board Member

BENJAMIN BÜSCHER
Board Member

CECILIA LANNEBO
Board Member

JÓN BJÖRNSSON
Board Member

JULIE WIESE
Board Member

HERMANN HARALDSSON
Group CEO

Our audit report was submitted on March 22, 2024
Deloitte AB

Didrik Roos
Authorised Public Accountant



Auditor's report

To the general meeting of the shareholders of Boozt AB (publ) corporate identity number 556793-5183

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Boozt AB (publ) for the financial year 2023-01-01 - 2023-12-31. The annual accounts and consolidated accounts of the company are included on pages 30-38 and 95-128 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2023 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Revenue recognition with right of return

Description of risk

The Group recognizes revenue when the control has been transferred to the buyer and its amount can be measured in a reliable manner and it is probable that future economic benefits will accrue to the Group. Net sales amount to SEK 7,755 million in 2023, spread over approximately 7.7 million customer orders. Well-established routines for secure IT operations and well-

functioning IT processes are thus of great importance for Boozt's operations since the extensive and intensive transaction volume means that completeness is critical for a significant error in the financial reporting not to arise. Revenue recognition also includes estimates and judgments since the provision for expected returns, which as of December 31, 2023 amounts to SEK 265 million, is based on historical data and management's judgement.

For further information, see Note 1 on "Significant accounting principles" Revenue recognition and Estimates and assumptions, note 3 "Net revenue per region and breakdown of revenue", and note 23 "Accrued expenses and prepaid income".

Our audit procedures

Our audit procedures included, but were not limited to:

- Review of the Group's processes and routines for revenue recognition with tests of design and implementation of key controls.
- Data analysis on completeness and accuracy in sales and inventory transactions.
- Review of general security controls for involved systems for customer orders, inventories and accounting systems with the involvement of an IT auditor.
- Assessed the management's assumption by comparing the accuracy of historical assessments in order to assess the precision and made the subsequent examination of actual outcomes of returns.
- Review of completeness and correctness in relevant notes and disclosures provided in the financial statements.

Inventory valuation

Description of risk

On December 31, 2023, Boozt's inventories representing approximately 38% of the Group's total assets and amounts to SEK 2,281 million. Inventories mainly consist of goods in the Group's central warehouse in Ängelholm. Inventories are valued at the lower of cost and net realisable value, where the acquisition value is calculated according to the "first-in-first-out principle" and the net realisable value is defined as the selling price reduced by selling costs.

Incorrect assessment of purchases and large stocks that tie up capital entail a risk of obsolescence and to determine the size of the obsolescence, management must make assessments of future events and sales of individual products and product groups.

For further information, see note 1 on "Significant accounting principles" on inventories and Estimates and assumptions, and note 17 "Inventories".

Our audit procedures

Our audit procedures included, but were not limited to:

- Review of the Group's processes and routines regarding the reporting of inventories with tests of design and implementation of key controls
- Carried out data analysis to identify slow-moving and obsolete items and possibly additional obsolescence needs.
- Participate in physical counting
- Performed data analysis on sales transactions to ensure that valuation takes place according to the lowest value principle.
- Review of completeness and correctness in relevant notes and disclosures provided in the financial statements.

Other information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 2-29, 39-94 and 133-138. The remuneration report also constitutes other information. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibilities for the audit of the annual accounts and consolidated accounts is located at the Swedish Inspectorate of Auditors website: www.revisorsinspektionen.se/revisornsansvar. This description forms part of the auditor's report".

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Boozt AB (publ) for the financial year 2023-01-01 - 2023-12-31 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit to be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.



A further description of our responsibilities for the audit of the management's administration is located at the Swedish Inspectorate of Auditors website: www.revisorsinspektionen.se/revisornsansvar. This description forms part of the auditor's report.

The auditor's examination of the Esef report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) for Boozt AB (publ) for the financial year 2023-01-01 - 2023-12-31.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the *Auditors' responsibility* section. We are independent of Boozt AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts

and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

Deloitte AB, was appointed auditor of Boozt AB by the general meeting of the shareholders on the 2023-04-26 and has been the company's auditor since 2018-04-27.

Malmö March 22, 2024
Deloitte AB

Signature on Swedish original

Didrik Roos
Authorized Public Accountant

Additional information

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Definitions

| Explanation | APM / IFRS | Definition | Rationale |
|--|------------|---|--|
| Active customers | APM | Number of customers which made at least one order during the last 12 months | The measure is to display, together with historical figures, how the number of active customers have developed in absolute figures. |
| Adjusted Admin & Other cost ratio | APM | Total operating costs less items affecting comparability, less share based compensations, less fulfilment costs, less marketing costs, less goods for resale less depreciation plus other operating income divided by net revenue | The aim of the figure is to demonstrate the development of administration & other costs without the effect of one time events, as well as costs linked to the share price development of Boozt AB (publ) |
| Adjusted earnings per share after dilution | APM | Profit/loss for the period, adjusted with share-based payments and items affecting comparability, divided by the diluted weighted average number of shares outstanding the period. | The aim is to distribute the company's profit after adjustments to each share including the net-non registered shares (i.e. warrants or similar). |
| Adjusted EBIT | APM | Profit/loss before interest, tax, share based payments related to employees and items affecting comparability | The aim of the figure is to display the operating profit excluding non-recurring items and share based compensation related to employees and items affecting comparability are excluded from this metric. |
| Adjusted EBIT margin | APM | Adjusted EBIT divided by net revenue | The aim of the figure is to display the Group's effectiveness in profit creation excluding impact from share price dependent costs. |
| Admin & Other cost ratio | APM | Total operating costs less fulfilment costs, less marketing costs, less goods for resale, less depreciation plus other operating income divided by net revenue | The aim of the figure is to demonstrate the development of admin & other costs and then evaluate these costs against net revenue created. |
| Average order value | APM | Transactional net revenue divided by no. of orders | The aim of the figure is to show the average consumer monetary value per basket excluding VAT, which again is very important to determine and understand the unit economics of each basket of the Group's operation. |
| Conversion rate | APM | Total number of orders divided by total number of site visits | The aim is to understand how traffic sent to the Group's websites are converting into monetary orders |
| Depreciation cost ratio | APM | Depreciation and amortizations divided by net revenue | The aim of the figure is to track the development of depreciation / amortization costs and then evaluate these costs against net revenue created. |
| Equity / asset ratio | APM | Total equity divided by total assets | To what degree are the Group's assets funded by capital ultimately owned by the Group's shareholders. |
| Free cash flow | APM | Cash flow from operating activities and Cash flow from investing activities | The aim is to show the cash flow generated in the Group when excluding the cash flow impact from financing activities. |
| Fulfilment cost ratio | APM | Fulfilment and distribution cost divided by net revenue | The aim is to group the costs which is related to pick, pack, returnhandling, indeliveries and all distribution costs associated with shipping parcels to and from customers as well as business to business distribution costs and then evaluate these costs against net revenue created. |
| Gross profit | APM | Net revenue decreased with cost of goods for resale | The aim is to show the contribution left after cost of goods for resale, implying the amount of funds available for the remaining costs and profit. |
| Gross margin | APM | Gross profit (excluding other operating income) as a percentage of net revenue | The aim is to analyse gross profit over time, expressed as percent of net revenue. |
| Growth in local currency | APM | Growth in net revenue when using exchange rates from the comparable period | To illustrate the growth adjusted for the impact of exchange rate effects. |
| Invested capital | APM | Net working capital, machinery and equipment, right of use assets and intangible assets including Goodwill | To illustrate the invested capital that forms the basis of our business activities. |
| Items affecting comparability | APM | 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 that are items of significant value | The aim is to isolate events, that cannot be characterised as normal operational costs or non-recurring. |
| Marketing cost ratio | APM | Marketing cost divided by net revenue | The aim is to group the costs which is related to production, media airtime, online exposures, analytics concerning monitoring of sales, CRM activities and then evaluate these costs against net revenue created. |



| Explanation | APM / IFRS | Definition | Rationale |
|---|------------|--|--|
| Net working capital | APM | Current assets, excluding cash and cash equivalents, less non-interest bearing current liabilities | The purpose of displaying net working capital is to display short-term financial health since the measure indicate if the company has enough short-term assets to cover its short-term debt. Net working capital can be put in relation to net revenues to understand efficiency of net working capital tied up in operations. |
| Net debt / net cash | APM | Interest bearing liabilities less cash and cash equivalents | The aim is to display the cash and cash equivalent available after having theoretical settled all interest bearing liabilities be it current or non-current. |
| No. of orders | APM | Number of orders placed by customers during the period, irrespective of cancellations or returns | Number of orders is a parameter in measuring the average order value |
| No. of orders per active customer (order frequency) | APM | Number of orders during the last 12 months divided by the total number of active customers end of period | This number illustrates the frequency for an isolated cohort (active customers). It helps the reader in understanding to what extend the customers are coming back and the frequency at which they have shopped during the last 12 months, irrespective of whether they have been active from the start of the 12 months or are new customers who have been active in less than 12 months. |
| Site visits | APM | Number of visits to a site or group of sites, irrespective of device used | This number is relevant to understand the conversion rate |
| Share based payments | APM | Costs of the Group which are settled via issuing of shares | The aim is to isolate all costs associated with share based payments be it IFRS 2 costs and taxes associated with share based payments. Since these costs to a large extend will fluctuate with the share price development or employee turnover, it can assist the reader in evaluating the Group's performance excluding these share based payment costs. |
| Transactional net revenue | APM | Gross sales (incl. gross value consignment sales) less freight, invoice income, discounts and returns (excl. VAT) | The aim of the figure is to display the total consumer value of the orders processed less returns and excluding VAT. Transactional net revenue less fee to consignment partners plus other revenue not related to consumer orders equals net revenue. The transactional net revenue can be calculated as average order value (AOV) multiplied with no. of orders. |
| True frequency | APM | Order frequency for customers that have been with Boozt.com during last 12 months, hence not impacted by orders from new customers | This figure isolates the co-hort which purchased with the Group 12 months ago, and then looks at this co-hort's behavior for the proceeding 12 months in terms of frequency (how many orders do they place on average). This will give the reader an understanding about the co-horts frequency behavior once they mature. |



Reconciliation of financial statements

RECONCILIATION OF TOTAL OPERATING INCOME

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|---------------------------|----------------------|----------------------|
| Group | | |
| Transactional net revenue | 7,493 | 6,560 |
| Less consignment sales | -23 | -64 |
| Other revenue | 286 | 247 |
| Net revenue | 7,755 | 6,743 |
| Boozt.com | | |
| Transactional net revenue | 6,210 | 5,442 |
| Less consignment sales | -23 | -58 |
| Other revenue | 261 | 226 |
| Net revenue | 6,448 | 5,610 |
| Booztlet.com | | |
| Transactional net revenue | 1,282 | 1,118 |
| Less consignment sales | 0 | -6 |
| Other revenue | 26 | 21 |
| Net revenue | 1,307 | 1,133 |

RECONCILIATION OF ADJUSTED EBIT

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|--|----------------------|----------------------|
| EBIT | 299 | 253 |
| Share based payments related to employees (social charges) | 21 | -10 |
| Share-based payments related to employees | 77 | 28 |
| Non-recurring items affecting comparability* | 2 | 15 |
| Adjusted EBIT | 400 | 286 |

SPECIFICATION OF ADJUSTMENTS AFFECTING COMPERABILITY

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|-------------------------------|----------------------|----------------------|
| Admin & other costs | 101 | 33 |
| Depreciation and amortisation | 0 | 0 |
| Total adjustments | 101 | 33 |



RECONCILIATION WITH FINANCIAL STATEMENTS ACCORDING TO IFRS

| SEK million | Jan 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2022 |
|--|----------------------|----------------------|
| Cash flow from operating activities (A) | 130 | 805 |
| Cash flow from investing activities (B) | -124 | -715 |
| Free cash flow (A) + (B) | 6 | 90 |
| Transactional net revenue (A) | 6,210 | 5,442 |
| Other sales (B) | 156 | 145 |
| No of orders (000) (C) | 6,395 | 5,954 |
| Average order value (Boozt.com) (A)-(B)/(C) | 947 | 890 |
| No. of orders (000) (LTM) (A) | 6,395 | 5,954 |
| Active customers (000) (B) | 2,703 | 2,503 |
| No. of orders per active customer (Boozt.com) (A) / (B) | 2.37 | 2.38 |
| Gross margin (%) | 39.2% | 39.5% |
| Fulfilment cost ratio (%) | -10.6% | -11.3% |
| Marketing cost ratio (%) | -10.3% | -11.0% |
| Admin & other cost ratio (%) | -11.1% | -10.2% |
| Depreciation cost ratio (%) | -3.2% | -3.3% |
| EBIT margin (%) | 3.9% | 3.8% |

Rounding differences may affect the summations.

| SEK million | Dec 31, 2023 | Dec 31, 2022 |
|--|--------------|--------------|
| Cash and cash equivalents | 1,463 | 1,777 |
| Interest bearing liabilities (current and non-current) | -423 | -570 |
| Other non-current liabilities | 0 | 0 |
| Net cash (+) / net debt (-) | 1,040 | 1,207 |
| Total equity | 2,721 | 2,503 |
| Total assets | 5,959 | 5,992 |
| Equity / asset ratio | 45.7% | 41.8% |
| Inventory | 2,281 | 2,039 |
| Accounts receivable | 41 | 30 |
| Other receivables | 147 | 69 |
| Current tax asset | 7 | 2 |
| Prepaid expenses and accrued income | 70 | 84 |
| Accounts payables | -1,140 | -1,385 |
| Current tax liabilities | -52 | -82 |
| Other liabilities | -527 | -386 |
| Accrued expenses and prepaid income | -513 | -479 |
| Net working capital | 315 | -109 |
| Net working capital - percent of LTM net revenue rolling 12 months | 4.1% | -1.6% |



Financial calendar 2024

April 25, 2024
Annual General Meeting 2024

April 26, 2024
Interim Financial Report for Q1 2024

August 16, 2024
Interim Financial Report for Q2 2024

November 5, 2024
Interim Financial Report for Q3 2024

Consolidated financial statements are available at www.booztgroup.com.

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This report may contain forward-looking information that is based on the present expectations of Boozt's management. No assurance may be given that these expectations will prove to be correct. Actual outcomes may deviate significantly from what is reflected in the forward-looking information due to changed conditions relating to the economy, market or competition, changes in legal requirements and other political measures, fluctuations in exchange rates and other factors outside of Boozt's control.

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