

**WE ARE
THE NORDIC
DEPARTMENT
STORE.**

INTERIM FINANCIAL REPORT Q4 2022
JANUARY 1 - DECEMBER 31 2022

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Fourth quarter highlights

Financials

- Net revenue of SEK 2,438 million and a net revenue growth of 23.9% (local currency 18.3). Net revenue growth of 22.4% for [Boozt.com](#) and 33.1% for [Booztlet.com](#).
- Gross margin of 38.3% (41.0)
- Adjusted EBIT of SEK 170.4 million (149.5) and adjusted EBIT margin of 7.0% (7.6)
- Earnings per share before dilution of SEK 1.83 (1.31)
- Free cash flow of SEK 730.1 million (327.2)
- Cash and cash equivalents of SEK 1,777 million (1,565)

SEK million unless otherwise indicated	Oct 1 - Dec 31, 2022	Oct 1 - Dec 31, 2021	Change	Jan 1 - Dec 31, 2022	Jan 1 - Dec 31, 2021	Change
GROUP						
Net revenue	2,438.1	1,967.9	23.9%	6,743.4	5,813.8	16.0%
Gross profit	933.1	807.6	15.5%	2,666.8	2,351.6	13.4%
EBIT	157.6	117.9	34%	253.1	264.5	-4.3%
Adjusted EBIT*	170.4	149.5	14.0%	285.6	342.5	-16.6%
Earnings for the period	123.3	89.5	38%	186.1	195.2	-4.7%
Free cash flow*	730.1	327.2	123.2%	90.2	-365.1	n.m.
Net revenue growth (%)	23.9%	38.1%	-14.2 pp	16.0%	33.4%	-17.4 pp
Gross margin (%)*	38.3%	41.0%	-2.8 pp	39.5%	40.4%	-0.9 pp
EBIT margin (%)	6.5%	6.0%	0.5 pp	3.8%	4.5%	-0.7 pp
Adjusted EBIT margin (%)*	7.0%	7.6%	-0.6 pp	4.2%	5.9%	-1.7 pp

Rounding differences may affect the summations.

*The figure is an Alternative Performance Measure, for further information see page 33.

Year-to-date highlights

Financials

- Net revenue of SEK 6,743 million and a net revenue growth of 16.0% (local currency 12.1). Net revenue growth of 13.6% for [Boozt.com](#) and 29.4% for [Booztlet.com](#).
- Gross margin of 39.5% (40.4)
- Adjusted EBIT of SEK 285.6 million (342.5) and adjusted EBIT margin of 4.2% (5.9)
- Earnings per share before dilution of SEK 2.76 (2.87)
- Free cash flow of SEK 90.2 million (-365.1)

Outlook for 2023	Outlook as of February 10, 2023	Reported 2022
Net revenue growth	Between 5-15%	16.0%
Adjusted EBIT*	SEK 275-375 million	285.6

The outlook assumes constant currencies from the time of this announcement and for the remainder of the financial year.

*The Adjusted EBIT outlook for 2023 is positively impacted by a reassessment of the useful lives of selected parts of the Group's fixed assets that mainly relates to the AutoStore installations. Compared to 2022, the positive impact on yearly depreciation on a like-for-like basis is in the level SEK 25 million.

Significant events in the fourth quarter

- November and Black Friday week delivered ahead of expectations and consequently upgrade of growth outlook to the upper end of the previous outlook for 2022

Significant events after the period

- Positive profit warning on 11 January 2023 announcing net revenue growth and adjusted EBIT for 2022, ahead of previously announced outlook
- Board of Directors will propose to obtain mandate for buyback and transfer of own shares at the AGM 2023

“I am truly proud of our whole organisation that turned the challenges of 2022 into an opportunity and allowed us to post outstanding financial results today. During the year, we have made tremendous progress on further cementing our position as the leading Nordic Department Store displayed in the increasing average order value, stable return rates and continued high customer satisfaction. In 2023 we expect to deliver further progress on the Nordic Department Store strategy, and remain confident that we can continue to deliver accelerated market share gains with net revenue growth between 5-15% for 2023 while maintaining best-in-industry margins.”

CO-FOUNDER & CEO HERMANN HARALDSSON



Group - Key performance indicators (KPIs)

SEK million unless otherwise indicated	Oct 1 - Dec 31, 2022	Oct 1 - Dec 31, 2021	Change	Jan 1 - Dec 31, 2022	Jan 1 - Dec 31, 2021	Change
GROUP						
Net revenue	2,438.1	1,967.9	23.9%	6,743.4	5,813.8	16.0%
Net revenue growth (%)	23.9%	38.1%	-14.2pp	16.0%	33.4%	-17.4pp
Gross profit	933.1	807.6	15.5%	2,666.8	2,351.6	13.4%
Gross margin (%)*	38.3%	41.0%	-2.8pp	39.5%	40.4%	-0.9pp
Fulfilment cost ratio (%)*	-10.5%	-12.1%	1.6pp	-11.3%	-11.8%	0.4pp
Marketing cost ratio (%)*	-10.7%	-10.2%	-0.6pp	-11.0%	-10.5%	-0.5pp
Admin & other cost ratio (%)*	-8.2%	-10.4%	2.2pp	-10.2%	-10.8%	0.6pp
Depreciation cost ratio (%)*	-2.4%	-2.4%	0.0pp	-3.3%	-2.9%	-0.4pp
Adjusted admin & other cost ratio (%)*	-7.7%	-8.8%	1.1pp	-9.7%	-9.4%	-0.2pp
EBIT	157.6	117.9	34%	253.1	264.5	-4.3%
EBIT margin (%)	6.5%	6.0%	0.5pp	3.8%	4.5%	-0.7pp
Adjusted EBIT*	170.4	149.5	14.0%	285.6	342.5	-16.6%
Adjusted EBIT margin (%)*	7.0%	7.6%	-0.6pp	4.2%	5.9%	-1.7pp
Earnings for the period	123.3	89.5	33.8	186.1	195.2	-9.2
Earnings per share (SEK)*	1.83	1.31	0.52	2.76	2.87	-0.11
Earnings per share after dilution (SEK)*	1.81	1.29	0.52	2.73	2.81	-0.08
Adjusted earnings per share (SEK)	1.98	1.68	0.30	3.14	3.81	-0.67
Adjusted earnings per share after dilution (SEK)	1.95	1.67	0.28	3.11	3.73	-0.62
Cash flow from operations	832.8	405.6	427.2	805.4	241.8	563.6
Cash flow from investments	-102.6	-78.4	-24.2	-715.2	-606.9	-108.3
Free cash flow*	730.1	327.2	403.0	90.2	-365.1	455.2
Net working capital*	-109.1	277.0	-386.2	-109.1	277.0	-386.2
Net debt / -net cash*	-668.4	-602.9	-65.5	-668.4	-602.9	-65.5
Equity / asset ratio	41.8%	45.4%	-3.7pp	41.8%	45.4%	-3.7pp
Number of employees end of period	1,246	1,296	-50	1,246	1,296	-50

Rounding differences may affect the summations.

*The figure is an Alternative Performance Measure (APM) (non-IFRS), for further information see page 33.

Group Development

We turned the challenges of 2022 into an opportunity resulting in outstanding financial results. During the year, we have made tremendous progress on further cementing our position as the leading Nordic Department Store displayed in the increasing average order value, stable return rates and continued high customer satisfaction.

Income statement and cash flow items are compared with the corresponding year-earlier period. Balance sheet items refer to the position at the end of the period and are compared with the corresponding year earlier period, meaning December 31, 2021. The fourth quarter refers to the period October - December 2022.

Net revenue

Net revenue in the fourth quarter increased 23.9% to SEK 2,438.1 million (1,967.9). Currency had a positive impact on net revenue growth in the fourth quarter of 5.5 percentage points and mainly relates to the strengthening of DKK and EUR compared to SEK in the fourth quarter last year.

Consumer sentiment and inflationary pressure continued to impact demand during the quarter. 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 in the quarter supporting a sustainable high average order value and at the same time return rates continued to be on par with last year.

Due to the successful sales development we managed to improve sell-through of the Spring/Summer and Autumn/Winter 2022 collections compared to 2021, ensuring a strong and healthy inventory position at the end of the year.

The net revenue increase was driven by 22.4% growth for [Boozt.com](https://www.boozt.com) and 33.1% for [Booztlet.com](https://www.booztlet.com).

Other revenue (included in net revenue) increased to SEK 85.4 million (67.4) in the fourth quarter, mainly driven by the continued growth of Boozt Media Partnership and BooztPay. Other revenue is revenue not directly related to product sales, and include income from Boozt Media Partnership, BooztPay as well as breakage from gift cards.

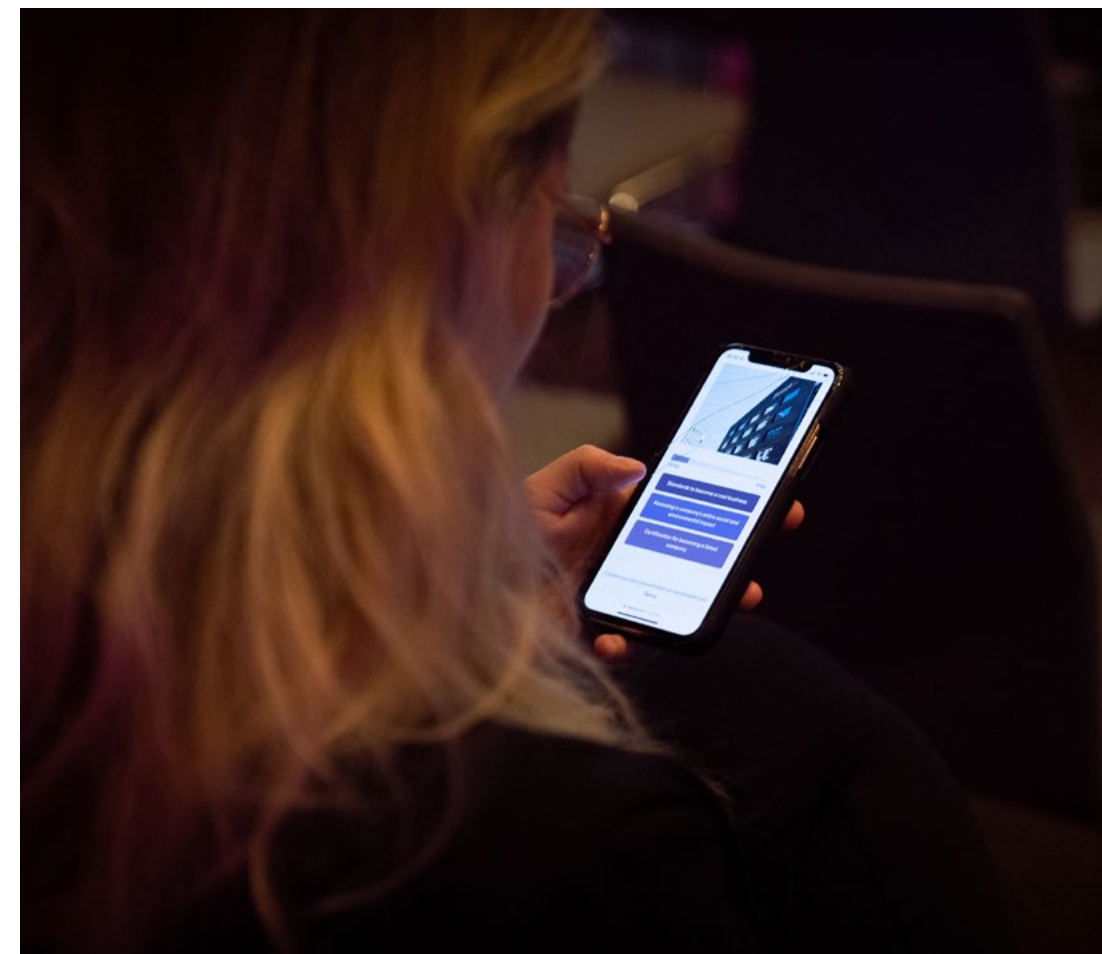
For the full year net revenue increased 16.0% to SEK 6,743.4 million (5,813.8). Currency had a positive impact on net revenue growth for the full year of 3.9 percentage points and relates to the strengthening of DKK, NOK and EUR compared to SEK last year.

Net revenue geographical split

Net revenue in the Nordics increased 25.2% in the fourth quarter driven by a strong performance across all markets. Rest of Europe saw an increase in revenue of 9.3%, impacted positively by the recent expansion into the Baltics however offset by the rationalisation of marketing efforts in Germany. For the full year net revenue in the Nordics increased 16.5% and Rest of Europe increased 10.0%. In 2022, the most significant markets in terms of net revenue were Denmark and Sweden accounting for 34.0% and 33.7% of total net revenue respectively.

Net revenue – geographical split

SEK million	Oct 1 - Dec 31, 2022	Oct 1 - Dec 31, 2021	Change	Jan 1 - Dec 31, 2022	Jan 1 - Dec 31, 2021	Change
Nordics	2,257.7	1,802.8	25.2%	6,265.3	5,379.2	16.5%
Rest of Europe	180.5	165.0	9.3%	478.1	434.6	10.0%
Total net revenue	2,438.1	1,967.9	23.9%	6,743.4	5,813.8	16.0%



Gross profit

The gross profit increased 15.5% to SEK 933.1 million (807.6) in the quarter. The gross margin decreased compared to last year at 38.3% (41.0).

The gross margin was negatively impacted in the quarter by increased promotional activity both in the industry and for the company. Continued pressure on consumers' disposable income and elevated inventories in the industry were the main drivers of the increased promotional activity. The superior unit economics of the Nordic Department Store allowed a high promotional pressure while delivering healthy profitability.

For the full year 2022 gross profit increased 13.4% to SEK 2,666.8 million (2,351.6). The gross margin decreased to 39.5% (40.4).

Operational costs

The fulfilment cost ratio in the fourth quarter was 10.5% (12.1). During the quarter productivity improvements accelerated due to several operational initiatives along with a positive impact from the increasing average order value. Further, the shortage of capacity that impacted operations negatively in 2021 and start of 2022 has improved significantly with the investments into expansion of our automated capacity. Year-to-date the fulfilment cost ratio decreased to 11.3% (11.8).

The marketing cost ratio increased to 10.7% (10.2) in the quarter to continue building on our online and offline presence in our core markets, leading to accelerated market share gains. Our business continues to be managed based on the core principle of a profitable and sustainable customer acquisition cost (CAC) and customer-lifetime-value (CLV) with a payback between 16-18 months. Year-to-date the marketing cost ratio increased to 11.0% (10.5).

The admin & other cost ratio decreased to 8.2% (10.4). The ratio was positively impacted by the right-sizing of the organisation during the summer and the increased scale effects from the acceleration in net revenue. With effect from July 1, 2022, the company reduced staffing corresponding to a monthly saving of approximately SEK 3 million. The cost of redundancy payments was incurred in June 2022 and amounted to SEK 9.5 million. Part of the savings were earmarked for salary negotiations with existing staff which took effect from September 1, 2022. Year-to-date the admin & other cost ratio decreased to 10.2% (10.8).

The adjusted admin & other cost ratio decreased to 7.7% (8.8). Year-to-date the adjusted admin & other cost ratio increased slightly to 9.7% (9.4).

The depreciation cost ratio was at the same level as last year at 2.4% (2.4) despite the significant investments in 2021 and 2022 to increase our automated fulfilment capacity to support growth and best in class lead time to customers. As per January 2023 the latest expansion of our automated warehouse capacity was taken into operation increasing depreciations and we expect to gradually grow into the current excess capacity over the next couple of years. Year-to-date the depreciation cost ratio increased to 3.3% (2.9).

Adjusted EBIT

Adjusted EBIT increased in the fourth quarter to SEK 170.4 million (149.5). The adjusted EBIT margin was slightly below last year at 7.0% (7.6) due to the higher than usual promotional activity impacting gross margin. Year-to-date adjusted EBIT amounted to SEK 285.6 million (342.5). The adjusted EBIT margin decreased with 1.7 percentage points to 4.2% (5.9) driven by the high promotional activity in the market during 2022 due to the mix of elevated inventory levels and inflationary pressure on consumers disposable income.

Total adjustments in the quarter amounted to SEK 12.8 million (31.5) and consisted mainly of share-based payments. Year-to-date adjustments amounted to SEK 32.5 million (78.0). Adjustments include share-based payments of SEK 17.4 million and an adjustment of SEK 15.1 million for non-recurring items mainly related to the right-sizing of the organisation end of June 2022 to reflect the business environment at the time as well as growth opportunities.

Share-based payments fluctuate between periods since the probability of the number of vested options or shares under the program is dynamic, as well as the provision for social charges are determined by the company's share price.

For a reconciliation of adjusted EBIT, please visit the Group's website www.booztgroup.com/reports-and-presentations, "Q4 Report 2022" – "Key financials".

EBIT

EBIT increased to SEK 157.6 million (117.9) in the fourth quarter, while the EBIT margin increased 0.5 percentage points to 6.5% (6.0). EBIT was positively impacted by scale benefits and productivity improvements in cost ratios for fulfilment and admin & other.

Negatively impacting EBIT compared to adjusted EBIT in the fourth quarter was a cost of SEK 12.8 million mainly related to share-based payments.

Year-to-date EBIT decreased to SEK 253.1 million (264.5), while the EBIT margin decreased to 3.8% (4.5%).

Financial items

The Group's financial costs for the period amounted to SEK -2.2 million (-7.3) and are mainly attributable to interests on loan and lease liabilities. The financial costs were driven by interest on new loans for financing of the expansion of AutoStore at the fulfilment centre and recent interest rate hikes, however, largely offset by the positive interest on our cash position. Last year the Group recognised a change in fair value of put option liability to non-controlling interest of SEK -1.9, which the Group doesn't have anymore. Financial costs year-to-date was SEK -17.0 million (-19.5).

Tax

Income tax for the period amounted to SEK -32.0 million (-21.2). The Group's effective tax rate for the period was 20.6% (19.2). Year-to-date, the income tax amounted to SEK -50.0 (-49.8), corresponding to an effective tax rate of 21.2% (20.3).

Earnings for the period

Earnings for the period totaled SEK 123.3 million (89.5). Earnings per share before dilution amounted to SEK 1.83 (1.31). Earnings per share after dilution amounted to SEK 1.81 (1.29). Earnings year-to-date amounted to SEK 186.1 million (195.2). Earnings per share before dilution amounted to SEK 2.76 (2.87). Earnings per share after dilution amounted to SEK 2.73 (2.81).

Working capital

The net working capital of the Group amounted to SEK -109.1 million (277.0), equivalent to -1.6% (4.8) of the net revenue for the last twelve months. The inventory position developed positively during the quarter and the Spring/Summer and Autumn/Winter 2022 sell-through improved compared to 2021.

Net debt (+) / net cash (-)

The Group's net cash amounted to SEK -668.4 million (-602.9). The increased net cash position was positively impacted by a positive free cash flow for the year, partly offset by the acquisition of Rosemunde and increased loans to finance the AutoStore expansion at the fulfilment centre.

The Group has prolonged its existing revolving credit facility agreement with Danske Bank for 1 year. The credit facility amounts to SEK 200 million and will expire in February 2025. In addition, the Group has access to overdraft facilities of around SEK 85 million.

Cash position

Cash and cash equivalents increased to SEK 1,777.2 million (1,564.9), driven by a strong cash conversion in the fourth quarter leading to a positive free cash flow for the year.

Lease liabilities

Lease liabilities (current and non-current) increased compared with last year and amounted to SEK 538.5 million (469.3). The increase is related to additional contracts to increase footprint of the fulfilment centre as well as the Group's headquarter, and was partly offset by repayment of lease liabilities.

Interest-bearing liabilities

Interest-bearing liabilities (current and non-current) increased to SEK 570.1 million (373.3). The increase was attributable to new loans for financing the expansion phases of AutoStore at the Fulfilment Centre.

Non-current assets

Non-current assets increased to SEK 1,992.1 million (1,484.2). The increase compared to last year was mainly driven by AutoStore expansions at the fulfilment centre, which has effectively increased our capacity by more than 40%.

Equity

Equity attributable to the shareholders of the parent company increased to SEK 2,502.6 million (2,176.5). The change was driven by net profit and share-based payments, recognised within equity.

Cash flow

Cash flow for the quarter amounted to SEK 751.0 million (337.9) driven by increasing profits and favourable changes to working capital. Year-to-date cash flow amounted to SEK 209.9 million (-149.0).

Cash flow from operations

Cash flow from operating activities amounted to SEK 832.8 million (405.6), where the acceleration in sales during the fourth quarter resulted in an improved sell through of the Spring/Summer and Autumn/Winter seasons 2022 contributed positively to changes in working capital. Year-to-date cash flow from operating activities amounted to SEK 805.4 million (241.8).

Cash flow from investments

Cash flow from investing activities amounted to SEK -102.6 million (-78.4) as the last part of the Group's latest AutoStore expansion was finalised during the fourth quarter. Year-to-date cash flow from investment amounted to SEK -715.2 million (-606.9), driven by the AutoStore investments and the buy-out of the remaining 33.3% of the shares in Rosemunde.

Cash flow from financing

New loans amounted to SEK 69.0 million (67.2), with the last part of the Group's latest AutoStore expansion finalised during the quarter. Loan repayments amounted to -27.8 (-37.7). Cash flow from financing activities amounted to SEK 20.9 million (10.7) for the quarter. Year-to-date cash flow from financing activities amounted to SEK 119.7 million (216.0) impacted by the financing of the latest AutoStore expansions and higher repayments of subsequent loans.

Group Development - ESG Highlights

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

This is the first year we have included ESG Highlights in our quarterly reporting.

The sustainability strategy and goals set in 2019 have been reviewed to ensure they align with the strategic direction of the business and account for external factors and events. The updated strategy and goals will be presented in the upcoming Annual and Sustainability report 2022. The first quarter report 2023 will reflect our reviewed goal areas and targets.

Goals & commitments

The foundation of our Care-For strategy is built upon our commitments which are the result of our sustainability efforts over the years. These commitments have become integral to how we strive to run our business and we continue to invest time and resources. 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 goals that will help us realise our vision. The goals are reviewed annually to ensure they remain aligned with the strategic direction of the company.

Our goals

Goal	Status
<p>By the end of 2022 Offer tailored support and data to brand partners on their sustainability journey using the Boozt Media Partnership solution.</p> <p>Reach a 25% share of sustainable apparel products across our overall product assortment.</p>	<p>Completed</p> <p>Goal status: 21.1% Delayed and to be revised, see below.</p>
<p>By the end of 2023 Ensure 100% of our apparel brand partners are committed to supply chain transparency and to working with the Higg BRM tool.</p> <p>Become B Corp certified.</p>	<p>Progress</p> <p>Extended, see below.</p>
<p>By the end of 2025 Be climate-neutral across our operations, including the impact of delivery and returns.</p>	<p>Revised, see below.</p>

Our commitments



LOW CO₂e: Low CO₂e intensity per parcel



HIGHEST REQUIREMENTS: Industry leading criteria for sustainability category



CARE-WHY CULTURE: A strong company culture that empowers our people



SUSTAINABLE CONSUMPTION: Facilitate responsible consumer behaviour



RENEWABLE ENERGY POWERED: Renewable energy across our main operations



RESPONSIBLE PACKAGING: Recycled and recyclable consumer packaging

ESG KPIs

ESG KPIs	Oct 1 - Dec 31, 2022	Oct 1 - Dec 31, 2021	Jan 1 - Dec 31, 2022	Jan 1 - Dec 31, 2021
CO ₂ e intensity per parcel (kg) ¹	0.52	0.50	0.49	0.34
Share of renewable electricity (%) ²	98.4	94.2	98.1	96.3
Share of recycled waste in the Fulfilment Centre (%) ³	68.5	63.3	60.0	65.8
Share of Made With Care products (%) end of period ⁴	20.5	21.0	21.1	19.0
Share of Made With Care Orders (%) ⁵	24.9	19.7	28.7	13.8
Employee Net Promoter Score (eNPS)	45	49	42	50

¹ CO₂e intensity per parcel is related to the emissions from deliveries and returns. Emissions are reported in Well-to-Wheel (WtW).

² Boozt uses renewable electricity powered by solar, wind and hydropower.

³ The treatment method for the remaining waste is waste-to-energy (WtE) in certified centres in Sweden, close to the fulfilment centre.

⁴ Made With Care is a selection of products that meet Boozt's sustainability criteria and is calculated for the textile assortment. Fourth quarter value refers to end of period and the full year value is the average of the quarterly results.

⁵ Sales Orders containing one or more Made With Care products.

Development in the quarter

Environmental

- Due to extended tracking of transport emissions in more shipping countries during the year, the 2021 and 2022 CO₂e parcel data is not comparable. In Q4 2022, the data covered 99% of the order volume.
- CDP Climate Change Score 2022: Boozt received a B score. According to CDP, companies that score a B have addressed the environmental impacts of their business and ensured good environmental management. Read more about the CDP score here.
- We have reviewed our climate-neutral target set in 2019 based on our commitment to the Science Based Target Initiative of 2022. We are committed to setting near-term company-wide emission reductions in line with climate science and the Science Based Target Initiative. Targets will be submitted to the Science Based Target Initiative for approval in 2023.

Social

- To meet our target set in 2019 we launched a dedicated Sustainability Partner Portal to support our suppliers with relevant sustainability information and requirements for campaigns in collaboration with Boozt Media Partnership.
- The Boozt Supplier Survey has been updated to include Environmental and Social sections. The survey was sent out in January to help us assess our brands' performance and supply chain risk areas.
- Share of Made With Care products have increased for the full year. We have not met the target by the expected date. However we continue to prioritise an increased Share of Made With Care products and will revise the target in line with the updated Sustainability Criteria for 2023.

Governance

- Boozt scored 25 (out of 100) in the 2022 S&P Global Corporate Sustainability Assessment. While we aim to increase this score in the future, we have already improved from a score of 12 in 2019 and a score of 20 in 2021. The average score within the industry group of retailing is 18. 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.
- We have updated and published Group Policy on Data Protection. We continuously work to increase the security and trust among our customers and employees with regard to how the Group handles their data. Read more under Group Policy: Data Protection.
- In 2019 we set out to become B Corp Certified by the end of 2023. Due to business growth and changes in the organisational structure, we will not meet the target by the expected date. We continuously work towards integrating the B Corp values into our Care-For strategy as presented in the upcoming Annual and Sustainability Report 2022.

For further information, the Annual and Sustainability Report 2022 will be published on March 23, 2023. Read more about our sustainability reporting at <https://www.booztgroup.com/sustainability-reports>.



Development
by segment

Boozt.com

Net revenue

Net revenue increased 22.4% to SEK 2,078.6 million (1,697.9) in the quarter. The net revenue growth was positively impacted by currency effects from the strengthening of DKK, NOK and EUR compared to SEK during the fourth quarter last year.

The overall market for apparel in the Nordics has been challenged by weaker consumer sentiment. The promotional activities in the market increased during the fourth quarter, fuelled by high industry inventory levels.

The acceleration in sales was driven by a strong performance across categories and countries. Further, the return rate was on par with last year supported by the continued growth of the adjacent categories and continued improvements to our Fair Use initiative. The number of active customers was on par with last year as new customer intake slowed during 2022 impacted by the historic low consumer confidence driven by pressure on disposable income.

Average order value increased 14.2% to a new historic high of SEK 956 (837). The continued execution of the Nordic Department Store strategy resulted in a further diversification of sales benefiting the number of items per basket and a structurally lower return rate driven largely by continued efforts with the Fair Use initiative. Further, the average order value was positively impacted by currency effects compared to last year.

True frequency was in line with last year at 5.8 (5.9) with cohorts displaying similar buying patterns as our historic cohorts. Customer satisfaction remained at a high level displayed by our Trustpilot score of 4.4 (4.5) and

our Net Promoter Score of 74 (79). The Net Promoter Score declined during the fourth quarter compared to the historic high last year, but still well above the historical average around 70.

For the full year net revenue increased 13.6% to SEK 5,610.4 million (4,938.2).

Adjusted EBIT and EBIT

Adjusted EBIT increased to SEK 169.6 million (140.7) in the quarter, while the adjusted EBIT margin was on par with last year at 8.2% (8.3).

The adjustment in the quarter amounted to SEK 11.2 million (27.6) and consisted mainly of share-based payments.

The increase in adjusted EBIT is mainly related to scale benefits from the acceleration in growth benefitting cost ratios.

The cost ratios developed positively during the quarter supported by scale benefits and the cost saving initiative that was executed at the end of June 2022 to ensure that our organisation and cost base reflected the market environment and growth opportunities.

For the full year, adjusted EBIT amounted to SEK 271.9 million (304.4) with an adjusted EBIT margin of 4.8% (6.2).

EBIT increased to SEK 158.4 million (113.1) for the quarter. Year-to-date EBIT amounted to SEK 243.4 million (236.5).

SEK million	Oct 1 - Dec 31, 2022	Oct 1 - Dec 31, 2021	Change	Jan 1 - Dec 31, 2022	Jan 1 - Dec 31, 2021	Change
Boozt.com						
Net revenue	2,078.6	1,697.9	22.4%	5,610.4	4,938.2	13.6%
EBIT	158.4	113.1	40%	243.4	236.5	2.9%
EBIT margin (%)	7.6%	6.7%	0.9pp	4.3%	4.8%	-0.5pp
Adjusted EBIT*	169.6	140.7	20.6%	271.9	304.4	-10.7%
Adjusted EBIT margin (%)*	8.2%	8.3%	-0.1pp	4.8%	6.2%	-1.3pp
Site visits (000)*	43,691	60,790	-28.1%	173,307	207,363	-16.4%
No. of orders (000)*	2,081	1,943	7.1%	5,954	5,880	1.3%
Conversion rate (%)*	4.76%	3.20%	1.6pp	3.44%	2.84%	0.6pp
True frequency*	5.8	5.9	-1.5%	5.8	5.9	-1.5%
Average order value (SEK)*	956	837	14.2%	890	817	8.8%
Active customers (000)*	2,503	2,503	0.0%	2,503	2,503	0.0%
No. of orders per active customer*	2.38	2.35	1.3%	2.38	2.35	1.3%

Rounding differences may affect the summations.

*The figure is an Alternative Performance Measure (APM) (non-IFRS), for further information see page 33.

SEK million	Oct 1 - Dec 31, 2022	Oct 1 - Dec 31, 2021	Change	Jan 1 - Dec 31, 2022	Jan 1 - Dec 31, 2021	Change
Boozt.com - Net revenue						
Nordics	1,942.5	1,560.1	24.5%	5,251.6	4,594.5	14.3%
Rest of Europe	136.2	137.8	-1.2%	358.8	343.7	4.4%
Total Net revenue	2,078.6	1,697.9	22.4%	5,610.4	4,938.2	13.6%

Booztlet.com

Net revenue

Net revenue increased 33.1% to SEK 359.5 million (270.0) in the quarter. Booztlet played a key role throughout 2022 in managing the inventory risk for the Boozt Group and selling previous and in-season items successfully contributing to deliver an improved sell-through of Spring/Summer and Autumn/Winter 2022.

Booztlet's growth opportunities were negatively impacted during the second half of 2022 due to high promotional activity both from online and offline players as a consequence of elevated inventory levels in the industry.

The market for a Nordic fashion outlet remains very attractive and the ambition for Booztlet is to continue the high growth trajectory. Booztlet is focusing on gaining access to relevant and enough campaign goods to support continued growth and exploit the potential extra demand from consumers for outlet business with disposable income under pressure.

Growth in the Nordics amounted to 29.8% mainly driven by Sweden and Finland. Rest of Europe experienced an increase of 62.9% to SEK 44.3 million impacted by accelerated sales in Germany and the Baltics.

Average order value increased significantly with 19.1% during the fourth quarter and reached SEK 861 (723) driven mainly by an increased number of items per basket.

For the full year net revenue increased 29.4% to SEK 1,133.0 million (875.6).

Adjusted EBIT and EBIT

Adjusted EBIT decreased to SEK 1.0 million (8.8) in the quarter, while the adjusted EBIT margin decreased to 0.3% (3.3).

The decrease in adjusted EBIT was driven by a lower gross margin as a consequence of the promotional environment and to manage the inventory risk for the Group. The adjustment in the quarter amounted to SEK 1.6 million (4.0) and consisted fully of share-based payments.

For the full year, adjusted EBIT amounted to SEK 14.0 million (38.1) with an adjusted EBIT margin of 1.2% (4.4).

EBIT decreased to SEK -0.5 million (4.9) for the quarter and the EBIT margin decreased to -0.2% (1.8). Year-to-date EBIT decreased to SEK 9.9 million (28.0) and the EBIT margin decreased to 0.9% (3.2).

SEK million	Oct 1 - Dec 31, 2022	Oct 1 - Dec 31, 2021	Change	Jan 1 - Dec 31, 2022	Jan 1 - Dec 31, 2021	Change
Booztlet.com						
Net revenue	359.5	270.0	33.1%	1,133.0	875.6	29.4%
EBIT	-0.5	4.9	-100.0%	9.9	28.0	-64.6%
EBIT margin (%)	-0.2%	1.8%	-2.0pp	0.9%	3.2%	-2.3pp
Adjusted EBIT*	1.0	8.8	-88.3%	14.0	38.1	-63.4%
Adjusted EBIT margin (%)*	0.3%	3.3%	-3.0pp	1.2%	4.4%	-3.1pp
Site visits (000)*	14,014	13,731	2.1%	54,370	45,679	19.0%
No. of orders (000)*	404	361	11.8%	1,337	1,194	11.9%
Conversion rate (%)*	2.88%	2.63%	0.3pp	2.46%	2.61%	-0.2pp
Average order value (SEK)*	861	723	19.1%	825	703	17.3%

Rounding differences may affect the summations.

*The figure is an Alternative Performance Measure (APM) (non-IFRS), for further information see page 33.

SEK million	Oct 1 - Dec 31, 2022	Oct 1 - Dec 31, 2021	Change	Jan 1 - Dec 31, 2022	Jan 1 - Dec 31, 2021	Change
Booztlet.com - Net revenue						
Nordics	315.2	242.9	29.8%	1013.7	784.7	29.2%
Rest of Europe	44.3	27.2	62.9%	119.3	90.9	31.3%
Total Net revenue	359.5	270.0	33.1%	1,133.0	875.6	29.4%



Other information

Significant events during the fourth quarter

Appointment of Nomination Committee

The Nomination Committee has been formed in accordance with the principles adopted by the Annual General Meeting and has the following composition:

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

Growth outlook for 2022 upwardly adjusted

On November 29, 2022, the Group upwardly adjusted its net revenue growth outlook for 2022 to the upper end of the previously communicated range of 10%-15%.

Significant events after the reporting date

Positive profit warning

Boozt issued a positive profit warning on January 11, 2023, announcing net revenue growth and adjusted EBIT for 2022 ahead of previously announced outlook. The positive deviation to expectations came from the better than expected performance in November that carried into December with elevated sales and strong profitability supported by the continued execution of the Nordic Department Store strategy.

Proposal to obtain mandate for buyback and transfer of own shares

The Board of Directors will propose to the Annual General Meeting a suggestion to grant the board authorisation to decide on buyback and transfer of own shares. Such a mandate would give the board the opportunity until the next annual general meeting - if deemed appropriate - to decide on buyback and transfer of the company's shares to a maximum of 10 percent of the outstanding share volume, in accordance with current Swedish legislation.

The purpose of granting the authorisation would be to give the board an opportunity to adjust the company's capital structure and to enable acquisition financing using own shares.

Employees

Number of employees was 1,246 (1,296) at the end of the period equivalent to a decrease of 3.8%, which is mainly due to the right-sizing of the organisation carried out with effect from July 1, 2022.

Seasonal variances

Seasonal variances affect the Group since purchases are cyclical and inventories are built up before each season. However, each quarter is comparable between years. Traditionally the net revenue is higher during the second and the fourth quarter, while the net revenue is lower during the first and third quarter. Inventory levels in the industry can be affected by an early or late start to the season impacting the promotional activities needed to clear inventory. To illustrate the long-term development trend the Group reports rolling twelve months' figures, where applicable.

Parent company

Boozt AB (publ), Corp. Id. No. 556793-5183, is the parent company of the Group. Boozt AB (publ) is incorporated and registered in Sweden.

Since May 31, 2017, Boozt AB (publ) has been listed on Nasdaq Stockholm and since November 20, 2020, secondary listed on Nasdaq Copenhagen. Since January 3, 2022, Boozt AB (publ) has been traded on Nasdaq Large Cap. The address to the head office is Hyllie Boulevard 35, 215 37 Malmö, Sweden.

Net revenue of the parent company amounted to SEK 33.9 million (21.1) during the quarter. Year-to-date the net revenue amounted to SEK 89.8 million (102.9). The parent company has invoiced fees for management services in accordance with the Group's intra-company agreements to other Group companies during the period. Costs for the period are mainly related to personnel costs for Group Management and remuneration to the Board of Directors. The result for the quarter totalled SEK 0.8 million (-7.0) and SEK 0.8 million (25.9) year-to-date.

Risks and uncertainties

Boozt has developed a risk management framework with the purpose to strengthen the structure of how risk management is carried out throughout the Group. Identified risks are reviewed by the Board of Directors continuously. No recognisable risk for the Group's ability to continue as a going concern has been identified. All identified risks as well as the risk management process is described in the Group's Annual Report 2021 on pages 41-43. No additional risk has been identified as of December 31, 2022.

The year 2022 was impacted by market and geopolitical developments, such as significant inflationary pressures and the war in Ukraine, that triggered a demand shock and supply chain pressure. To manage this, we have adjusted our cost base and inventory to reflect current consumer demand. Despite the significant challenges brought about by these events, our 2022 risk assessment process indicates no critical risk that might threaten the company overall as a going concern.

The Boozt share

The Boozt share is listed on Nasdaq Stockholm with secondary listing on Nasdaq Copenhagen. The Boozt share is traded on Nasdaq Stockholm under the ticker BOOZT and Nasdaq Copenhagen under the ticker BOOZT DKK. The ISIN-code for the Boozt share is SE0009888738.

The combined average turnover of the Boozt share on Nasdaq Stockholm and Nasdaq Copenhagen was 332,710 shares per day during the fourth quarter compared to 300,847 shares per day in the fourth quarter last year. As per December 31, 2022, the company had around 17,800 shareholders, whereof the largest shareholders were BLS Capital (24.5%), Ferd (14.2%), ATP (5.7%), Invesco (5.7%), Första AP-fonden (3.6%) and Kabouter Management (3.2%).

The market value for the Company as per December 31, 2022 amounted to SEK 7,917 million. The total number of shares at the end of the reporting period amounted to 67,467,637, whereof 1,658,375 C shares are held in own custody. More information of the Group's share capital can be found in the Annual Report 2021 on page 98. Beyond shares, the Company has issued long-term incentive programs where participants can receive or have the right to receive shares under specific terms and conditions.

Long-term incentive program

The Group has currently three ongoing long-term incentive programs directed to senior executives and key employees within the Group, LTIP 2020/2023, LTIP 2021/2024 and LTIP 2022/2025. No long-term incentive programs have been implemented or expired during the quarter.

LTIP 2020/2023, LTIP 2021/2024 and LTIP 2022/2025 are performance share programs with a 36 month cliff vesting period. The programs contain different performance criteria and constraints. The maximum number of shares that can be granted to the participants amounts to 2,520,000. More information of the Groups long-term incentive programs can be found in the Annual Report 2021 on pages 90-91, and on the Group's website: <https://www.booztgroup.com/annual-general-meeting>.

Related party transactions

Boozt's related parties and the extent of transactions with its related parties are described in Note 26 in the Annual Report 2021. No transactions with members of the Group Management have occurred during the quarter.

No other material changes occurred during the quarter or year-to-date for the Group or the parent company in relation to or the extent of transactions with its suppliers, classified as related parties, compared to the disclosures in the Annual Report 2021.

Outlook for 2023

The Group expects a net revenue growth for 2023 in the range of 5-15% and an adjusted EBIT between SEK 275-375 million.

Due to the volatile and unpredictable markets, the outlook for 2023 is more uncertain than normally. As a consequence, the Group has decided to widen the range compared to previous years for both net revenue growth and adjusted EBIT.

The net revenue growth is supported by market share gains, continued online penetration and a stable or improving consumer confidence compared to the historic low of 2022.

The Adjusted EBIT outlook for 2023 is positively impacted by a reassessment of the useful lives of selected parts of the Group's fixed assets that mainly relates to the AutoStore installations. The reassessment is carried out to better reflect the actual useful life on a component level based on the experience obtained after operating our AutoStore setup for the past six years. In addition, we have performed a benchmark for companies operating similar setups.

The conclusion based on our own experience in combination with the benchmark is that the AutoStore components have a longer useful life than what our assessment previously reflected. By extending the useful lives, the Group assesses a higher degree of comparability of EBIT towards industry peers. In conclusion, the positive impact on yearly depreciation on a like-for-like basis is in the level SEK 25 million, compared to 2022.

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.

The outlook for 2023 assumes that the exchange rates will remain at the current level.

Medium to long term financial targets

The Board of Directors expect to announce updated medium to long-term financial targets for the Group, in connection with the Capital Markets Day taking place on March 28, 2023. The new targets will replace the previously communicated medium-term financial targets through 2023.

Consolidated income statement

CONSOLIDATED INCOME STATEMENT

SEK million unless otherwise indicated

	Note	Oct 1 - Dec 31, 2022	Oct 1 - Dec 31, 2021	Jan 1 - Dec 31, 2022	Jan 1 - Dec 31, 2021
OPERATING INCOME					
Net revenue	2	2,438.1	1,967.9	6,743.4	5,813.8
Other operating income		0.0	0.0	0.0	0.0
Total operating income		2,438.1	1,967.9	6,743.4	5,813.8
OPERATING COSTS					
Goods for resale		-1,505.0	-1,160.3	-4,076.6	-3,462.2
Other external costs		-528.9	-444.7	-1,520.1	-1,312.8
Cost of personnel		-192.7	-197.0	-675.6	-612.0
Depreciation and amortisation of tangible and intangible assets		-58.6	-48.0	-222.5	-167.0
Other operating costs		4.7	0.1	4.5	4.7
Total operating costs		-2,280.5	-1,850.0	-6,490.3	-5,549.2
OPERATING PROFIT (EBIT)	2	157.6	117.9	253.1	264.6
FINANCIAL INCOME AND EXPENSES					
Financial income		4.9	0.1	5.0	0.3
Financial expenses	3	-7.1	-7.3	-22.0	-19.8
Net financial items		-2.2	-7.3	-17.0	-19.5
PROFIT BEFORE TAX	2	155.4	110.7	236.1	245.1
Income tax		-32.0	-21.2	-50.0	-49.8
PROFIT FOR THE PERIOD		123.3	89.5	186.1	195.2
ATTRIBUTABLE TO:					
Parent company's shareholders		123.3	87.4	186.1	188.7
Non-controlling interest		-	2.1	-	6.5
PROFIT FOR THE PERIOD		123.3	89.5	186.1	195.2
Average number of shares (000)		67,468	66,891	67,374	65,792
Average number of shares after dilution (000)		68,318	67,521	68,056	67,173
Earnings per share (SEK)		1.83	1.31	2.76	2.87
Earnings per share after dilution (SEK)		1.81	1.29	2.73	2.81

Consolidated statement of comprehensive income

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK million

	Note	Oct 1 - Dec 31, 2022	Oct 1 - Dec 31, 2021	Jan 1 - Dec 31, 2022	Jan 1 - Dec 31, 2021
RESULT FOR THE PERIOD		123.3	89.5	186.1	195.2
ITEMS THAT MAY BE RE-CLASSIFIED TO THE INCOME STATEMENT:					
Translation differences		9.1	0.6	35.7	3.1
TOTAL COMPREHENSIVE PROFIT FOR THE PERIOD		132.4	90.0	221.8	198.3
ATTRIBUTABLE TO					
Parent company's shareholders		132.4	88.0	221.8	191.8
Non-controlling interest		-	2.1	-	6.5

Rounding differences may affect the summations.

Consolidated statement of financial position

SEK million unless otherwise indicated	Note	Dec 31, 2022	Dec 31, 2021	SEK million unless otherwise indicated	Note	Dec 31, 2022	Dec 31, 2021
ASSETS				EQUITY AND LIABILITIES			
Non-current assets				EQUITY			
Intangible assets				Share capital		5.6	5.6
Trademarks	4	93.6	84.5	Other capital contributions		2,234.4	2,201.9
Goodwill	4	299.8	275.5	Reserves		34.6	3.6
Web platform	4	164.6	136.6	Retained earnings including profit for the period		227.9	-34.6
Total intangible assets		558.0	496.6	Equity attributable to parent company shareholders		2,502.6	2,176.5
Tangible assets				Non-controlling interest		-	121.1
Right of use asset		526.1	456.7	Total equity		2,502.6	2,297.7
Machinery and equipment	4	866.5	517.5	Non-current liabilities			
Total tangible assets		1,392.6	974.3	Non-current interest bearing liabilities	3	402.1	205.1
Other assets				Non-current lease liabilities	3	457.4	402.6
Deposits		8.0	8.3	Other non-current liabilities	3	0.2	119.3
Shares in associated companies		27.2	-	Other non-current provisions		30.1	49.2
Deferred tax asset		6.3	5.1	Deferred tax liabilities		18.6	17.4
Total other assets		41.5	13.4	Total non-current liabilities		908.4	793.6
Total non-current assets		1,992.1	1,484.2	Current liabilities			
Current assets				Current interest bearing liabilities	3	168.0	168.2
Inventory		2,038.6	1,732.2	Current lease liabilities	3	81.1	66.7
Accounts receivable	3	30.3	36.5	Accounts payable	3	1,384.9	895.8
Other receivables	3	68.7	108.7	Current tax liabilities		82.1	40.7
Current tax receivables		1.7	30.1	Other liabilities	3	386.2	337.4
Prepaid expenses and accrued income		83.5	101.0	Accrued expenses and prepaid income		478.9	457.7
Cash and cash equivalents	3	1,777.2	1,564.9	Total current liabilities		2,581.1	1,966.5
Total current assets		4,000.1	3,573.5	Total liabilities		3,489.5	2,760.1
TOTAL ASSETS		5,992.2	5,057.8	TOTAL EQUITY AND LIABILITIES		5,992.2	5,057.8

Consolidated statement of changes in equity

SEK million	Share capital	Other capital contributions	Reserves	Profit brought forward incl. period's profit/loss for the year	Total equity attributable to parent company shareholders	Non-controlling interest	Total equity
Equity brought forward Jan 1, 2021	5.3	2,010.3	0.6	-108.1	1,908.1	0	1,908.1
Profit for the period	-	-	-	188.7	188.7	6.5	195.2
Other comprehensive income	-	-	3.0	-	3.0	0.1	3.0
COMPREHENSIVE PROFIT/LOSS FOR THE PERIOD	0	0	3.0	188.7	191.8	6.6	198.3
Share capital increase	0.2	137.3	-	-0.1	137.5	-	137.5
Sharebased compensation	-	54.3	-	-	54.3	-	54.3
Acquisition of non-controlling interest	-	-	-	-	-	114.6	114.6
Liabilities to non-controlling interest	-	-	-	-115.1	-115.1	-	-115.1
Total transaction with owners	0.2	191.6	-	-115.2	76.7	114.6	191.3
Equity carried forward Dec 31, 2021	5.6	2,201.9	3.6	-34.6	2,176.5	121.2	2,297.7

SEK million	Share capital	Other capital contributions	Reserves	Profit brought forward incl. period's profit/loss for the year	Total equity attributable to parent company shareholders	Non-controlling interest	Total equity
Equity brought forward Jan 1, 2022	5.6	2,201.9	3.6	-34.6	2,176.5	121.1	2,297.7
Profit for the period	-	-	0	186.1	186.1	-	186.1
Other comprehensive income	-	-	35.7	-	35.7	-	35.7
COMPREHENSIVE PROFIT/LOSS FOR THE PERIOD	0	0	35.7	186.1	221.8	0.0	221.8
Share capital increase	0.0	-	-	-0.0	0.0	-	0.0
Sharebased compensation	-	27.7	-	-	27.7	-	27.7
Acquisition of minority shares	-	-	-	76.6	76.6	-121.1	-44.5
Total transaction with owners	0.0	27.7	0.0	76.6	104.3	-121.1	-16.9
Equity carried forward Dec 31, 2022	5.6	2,229.6	39.4	228.0	2,502.6	0.0	2,502.6

Rounding differences may effect the summations

Consolidated statement of cash flow

SEK million	Note	Oct 1 - Dec 31, 2022	Oct 1 - Dec 31, 2021	Jan 1 - Dec 31, 2022	Jan 1 - Dec 31, 2021
CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL					
Operating profit		157.6	117.9	253.1	264.5
Adjustments for non-cash items:					
Non-cash remuneration from share based payments (social charges)		7.9	15.6	-16.7	-2.2
Non-cash remuneration from share based payments		-2.1	16.2	27.7	54.3
Change in other provisions		6.3	-0.9	-4.5	-0.9
Depreciation		58.6	48.0	222.5	167.0
Other items not included in cash flow		1.0	2.6	0.8	2.8
Interest received		4.9	0.2	5.0	0.3
Interest paid	3	-7.1	-7.3	-22.0	-19.8
Paid income tax		-5.1	-14.8	19.5	-32.7
CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL		222.1	177.6	485.3	433.4
CASH FLOW FROM CHANGES IN WORKING CAPITAL					
Changes in inventory		202.0	197.8	-306.8	-465.8
Changes in current assets		50.8	-14.9	62.3	-31.1
Changes in current liabilities		357.9	45.1	564.5	305.3
Cash flow from changes working capital		610.7	228.0	320.0	-191.6
CASH FLOW FROM OPERATING ACTIVITIES		832.7	405.6	805.3	241.8

SEK million	Note	Oct 1 - Dec 31, 2022	Oct 1 - Dec 31, 2021	Jan 1 - Dec 31, 2022	Jan 1 - Dec 31, 2021
CASH FLOW FROM INVESTING ACTIVITIES					
Acquisition of subsidiaries, net liquidity effect	4	-8.8	-2.0	-195.3	-232.0
Investments in fixed assets	4	-74.7	-50.2	-445.8	-293.8
Change in financial assets	4	0.9	-1.0	0.2	-1.3
Investments in intangible assets	4	-20.1	-25.3	-74.3	-79.8
CASH FLOW FROM INVESTING ACTIVITIES	4	-102.6	-78.4	-715.2	-606.9
CASH FLOW FROM FINANCING ACTIVITIES					
Share capital increases		0.0	0.0	0.0	137.5
New loans		69.0	67.2	453.0	295.4
Repayments of loans		-27.8	-37.7	-256.2	-139.4
Repayments of lease liability		-20.3	-18.8	-77.2	-77.4
CASH FLOW FROM FINANCING ACTIVITIES		20.9	10.7	119.7	216.0
Cash flow for the period		751.0	337.9	209.9	-149.0
Currency exchange gains/losses in cash and cash equivalents		1.9	-0.7	2.4	-0.6
Cash and cash equivalents beginning of period		1,024.2	1,227.7	1,564.9	1,714.5
CASH AND CASH EQUIVALENTS END OF PERIOD		1,777.2	1,564.9	1,777.2	1,564.9

Rounding differences may affect the summations.

Note 1 - Accounting principles

The report is prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish annual Accounts Act. Information required by IAS 34 p.16 A is provided in notes and other sections in the interim report. The accounting principles and calculations method have remained unchanged from those applied in the 2021 Annual Report. Amended or new standards taking effect from January 1, 2022 have not had any material impact on the Group's financial reports for the period.

Important estimates and assessments

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.

Important estimates and assessments are disclosed in the 2021 Annual Report on page 86. Since the Group has utilised the option to acquire the remaining shares in Everyday Luxury Feeling A/S (Rosemunde), the Group no longer recognise a put-option liability towards

non-controlling interest. No other changes have been made to these estimates or assessments which could have a material impact on the interim report.

Parent company

For the Parent Company Boozt AB (publ), the financial statements have been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. The reporting currency is SEK and all figures in the interim report are rounded to the nearest million with one decimal point.



Note 2 - Segment reporting

SEK million	Oct 1 - Dec 31, 2022	Oct 1 - Dec 31, 2021	Change	Jan 1 - Dec 31, 2022	Jan 1 - Dec 31, 2021	Change
NET REVENUE						
Boozt.com	2,078.6	1,697.9	380.7	5,610.4	4,938.2	672.2
Booztlet.com	359.5	270.0	89.5	1,133.0	875.6	257.5
TOTAL NET REVENUE	2,438.1	1,967.9	470.2	6,743.4	5,813.8	929.6
EBIT						
Boozt.com	158.4	113.1	45.3	243.4	236.5	6.9
Booztlet.com	-0.5	4.9	-5.4	9.9	28.0	-18.1
TOTAL EBIT	157.9	117.9	39.9	253.4	264.5	-11.1
EARNINGS BEFORE TAX						
Boozt.com	133.8	106.8	27.0	229.3	219.9	12.6
Booztlet.com	-4.8	3.8	-8.7	3.2	25.0	-21.8
EARNINGS BEFORE TAX	129.0	110.7	18.3	232.4	245.0	-12.5

Rounding differences may affect the summations.

Note 3 - Financial instruments

Dec 31, 2021	Financial assets valued at amortised cost	Financial liabilities valued at amortised cost	Financial instruments measured at fair value via income statement	Total carrying amount	Fair value
Financial assets					
Deposits	8.3	-	-	8.3	8.3
Accounts receivables	36.5	-	-	36.5	36.5
Other receivables	107.6	-	1.1	108.7	108.7
Cash and cash equivalents	1,564.9	-	-	1,564.9	1,564.9
Total financial assets	1,717.3	-	1.1	1,718.4	1,718.4
Financial liabilities					
Liabilities to credit institutions	-	373.3	0.0	373.3	373.3
Accounts payables	-	895.8	-	895.8	895.8
Other liabilities	-	333.3	127.5	460.8	460.8
Lease liabilities	-	469.3	-	469.3	469.3
Total financial liabilities	-	2,071.7	127.5	2,199.2	2,199.2

Dec 31, 2022	Financial assets valued at amortised cost	Financial liabilities valued at amortised cost	Financial instruments measured at fair value via income statement	Total carrying amount	Fair value
Financial assets					
Deposits	8.0	-	-	8.0	8.0
Accounts receivables	30.3	-	-	30.3	30.3
Other receivables	68.7	-	0.0	68.7	68.7
Cash and cash equivalents	1,777.2	-	-	1,777.2	1,777.2
Total financial assets	1,884.3	-	0.0	1,884.3	1,884.3
Financial liabilities					
Liabilities to credit institutions	-	570.1	-	570.1	570.1
Accounts payables	-	1,384.9	-	1,384.9	1,384.9
Other liabilities	-	386.2	2.0	388.2	388.2
Lease liabilities	-	538.5	-	538.5	538.5
Total financial liabilities	-	2,879.7	2.0	2,881.7	2,881.7

Calculation of fair value

The Group has derivative instruments that comprise of foreign exchange forward used for hedging purposes, which are measured at fair value according to Level 2 of the valuation hierarchy. Derivative assets amount to SEK 0.0 million (1.1). Other financial liabilities measured at fair value via income statement consists of earn-out from acquisitions of operations of SEK 4.5 million (8.1), 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. For a more detailed description of the Group's classification and valuation of financial instruments please see Note 1 on page 85 and Note 28 on page 102 in the Annual Report 2021.

SEK million	Oct 1 - Dec 31, 2022	Oct 1 - Dec 31, 2021	Jan 1 - Dec 31, 2022	Jan 1 - Dec 31, 2021
Interest income	4.9	0.1	5.0	0.3
Interest expenses	-4.9	-3.5	-14.1	-8.6
Interest expense leases	-2.2	-1.8	-7.9	-7.4
Net change in value of liabilities measured at fair value via income statement	-	-2.0	-	-3.9
Total net financial items	-2.2	-7.3	-17.0	-19.5

Note 4 - Investments

SEK million	Oct 1 - Dec 31, 2022	Oct 1 - Dec 31, 2021	Jan 1 - Dec 31, 2022	Jan 1 - Dec 31, 2021
Acquisition of fixed assets (other capex)	-0.4	-0.3	-9.5	-12.2
Acquisition of fixed assets (warehouse capex)	-74.3	-49.9	-436.3	-281.6
	-74.7	-50.2	-445.8	-293.8
Acquisition of operations	-8.8	-2.0	-195.3	-232.0
Change in financial assets	0.9	-1.0	0.2	-1.3
	-7.8	-3.0	-195.1	-233.3
Acquisition of intangible assets (capitalised development costs)	-19.3	-18.8	-72.0	-73.3
Acquisition of intangible assets (other)	-0.8	-6.5	-2.3	-6.5
	-20.1	-25.3	-74.3	-79.8
Cash flow from investments	-102.6	-78.4	-715.2	-606.9

- Acquisition of fixed assets (warehouse capex) relates to the expansion phases of AutoStore at the fulfilment centre.
- Acquisition of operations relates to investments in associated companies: During the fourth quarter the company acquired an additional 12.5% of the shares in Dropp ehf. increasing the total ownership to 25% at the reporting date. Further, the Group carried out the final earnout payment for wholly-owned Boozt Innovation Lab and finalised the acquisition of the remaining shares in Everyday Luxury Feeling A/S (Rosemund).
- Acquisition of intangible assets relates to capitalised development costs on the Group's own developed platforms.



Parent company income statement

PARENT COMPANY INCOME STATEMENT

SEK million unless otherwise indicated

	Oct 1 - Dec 31, 2022	Oct 1 - Dec 31, 2021	Jan 1 - Dec 31, 2022	Jan 1 - Dec 31, 2021
OPERATING INCOME				
Net revenue	33.9	21.1	89.8	102.9
Total operating income	33.9	21.1	89.8	102.9
OPERATING COSTS				
Other external costs	-3.0	-2.9	-9.3	-9.6
Cost of personnel	-32.5	-41.2	-89.6	-121.0
Total operating costs	-35.5	-44.1	-98.9	-130.6
OPERATING PROFIT (EBIT)	-1.6	-23.0	-9.1	-27.7
FINANCIAL INCOME AND EXPENSES				
Financial expenses	-0.1	0.0	-0.2	-0.2
Net financial items	-0.1	0.0	-0.2	-0.2
PROFIT AFTER FINANCIAL ITEMS	-1.7	-23.0	-9.3	-27.9
Group contributions	2.5	23.0	10.0	60.8
RESULT BEFORE TAX	0.8	-0.0	0.8	32.9
Income tax	0.0	-7.0	0.0	-7.0
PROFIT FOR THE PERIOD	0.8	-7.0	0.8	25.9

Rounding differences may affect the summations.

Parent company financial position

SEK million	Dec 31, 2022	Dec 31, 2021
ASSETS		
Non-current assets		
Shares in Group companies	1,138.1	974.2
Shares in associated companies	27.2	0.0
Deferred tax asset	0.0	-
Total non-current assets	1,165.3	974.2
Current assets		
Other receivables	0.4	0.3
Receivables from Group companies	786.8	976.6
Current tax assets	0.1	0.0
Prepaid expenses and accrued income	0.2	0.2
Cash and cash equivalents	4.5	4.6
Total current assets	792.0	981.7
TOTAL ASSETS	1,957.3	1,955.9

SEK million	Dec 31, 2022	Dec 31, 2021
EQUITY AND LIABILITIES		
Equity		
Restricted equity		
Share capital	5.6	5.6
	5.6	5.6
Unrestricted equity		
Share premium reserve	2,136.4	2,116.3
Retained earnings	-266.5	-292.4
Earnings for the period	-9.3	25.9
	1,860.6	1,849.9
TOTAL EQUITY	1,866.2	1,855.4
LIABILITIES		
Non-current liabilities		
Other provisions	19.0	28.3
Total non-current liabilities	19.0	28.3
Current liabilities		
Accounts payable	0.4	-0.1
Liabilities to Group companies	37.8	37.8
Other liabilities	8.0	3.1
Accrued expenses and prepaid income	26.0	31.3
Total current liabilities	72.1	72.2
TOTAL LIABILITIES	91.1	100.5
TOTAL EQUITY AND LIABILITIES	1,957.3	1,955.9

Audit

This report has been subject to a limited review by the Group's auditors.

Signatures

The undersigned certifies that this interim report gives a true and fair overview of the Parent Company's and the Group's operations, financial position, performance and describes the material risks and uncertainties facing the Parent Company and the companies in the Group.

Malmö, February 10, 2023

HERMANN HARALDSSON
GROUP CEO

In accordance with authorization given by the Board of Directors

Review Report

BOOZT AB (PUBL), CORP. ID: 556793-5183

Introduction

We have reviewed the interim report for Boozt AB (publ) for the period January 1 – December 31, 2022. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Malmö, February 10, 2023

Deloitte AB

Didrik Roos

Authorized Public Accountant

Additional
information



Information by quarter

SEK million unless otherwise indicated	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
NET REVENUE												
Boozt.com	2,078.6	1,116.1	1,276.9	1,138.8	1,697.9	1,031.8	1,270.8	937.6	1,247.9	796.2	1,070.1	666.2
Booztlet.com	359.5	212.0	276.3	285.3	270.0	200.3	205.5	199.8	177.3	143.9	158.1	99.8
NET REVENUE	2,438.1	1,328.1	1,553.2	1,424.0	1,967.9	1,232.1	1,476.3	1,137.4	1,425.1	940.1	1,228.2	766.0
OPERATING PROFIT/LOSS (EBIT)												
Boozt.com	158.4	32.0	49.1	3.8	113.1	11.1	67.4	44.9	85.4	37.1	101.2	-85.1
Booztlet.com	-0.5	3.5	15.6	-8.6	4.9	-3.7	13.5	13.3	16.6	10.8	19.1	-2.6
OPERATING PROFIT/LOSS (EBIT)	157.9	35.5	64.7	-4.8	117.9	7.4	80.9	58.3	102.0	47.9	120.3	-87.8
OPERATING PROFIT/LOSS (EBIT) %												
Boozt.com	7.6%	2.9%	3.8%	0.3%	6.7%	1.1%	5.3%	4.8%	6.8%	4.7%	9.5%	-12.8%
Booztlet.com	-0.2%	1.7%	5.6%	-3.0%	1.8%	-1.8%	6.6%	6.7%	9.4%	7.5%	12.1%	-2.6%
OPERATING PROFIT/LOSS (EBIT) %	6.5%	2.7%	4.2%	-0.3%	6.0%	0.6%	5.5%	5.1%	7.2%	5.1%	9.8%	-11.5%
EARNINGS BEFORE TAX												
Boozt.com	156.5	27.6	44.7	0.6	106.8	5.8	65.2	42.1	81.5	35.4	97.7	-86.8
Booztlet.com	-0.9	2.7	14.7	-9.3	3.8	-3.7	12.2	12.7	17.5	8.8	19.2	-2.9
EARNINGS BEFORE TAX	155.7	30.2	59.3	-8.8	110.7	2.1	77.4	54.8	99.0	44.2	116.9	-89.7
ADJUSTED EBIT												
Boozt.com	169.6	23.5	63.1	15.7	140.7	25.6	84.6	53.6	120.1	55.8	119.4	-57.4
Booztlet.com	1.0	1.9	18.0	-6.9	8.8	-1.3	15.5	15.1	20.6	13.8	21.6	-3.6
ADJUSTED EBIT	170.7	25.3	81.0	8.8	149.5	24.3	100.1	68.7	140.7	69.7	141.1	-61.0
ADJUSTED EBIT %												
Boozt.com	8.2%	2.1%	4.9%	1.4%	8.3%	2.5%	6.7%	5.7%	9.6%	7.0%	11.2%	-8.6%
Booztlet.com	0.3%	0.9%	6.5%	-2.4%	3.3%	-0.6%	7.5%	7.6%	11.6%	9.6%	13.7%	-3.6%
ADJUSTED EBIT %	7.0%	1.9%	5.2%	0.6%	7.6%	2.0%	6.8%	6.0%	9.9%	7.4%	11.5%	-8.0%

Rounding differences may affect the summations.

Information by quarter

SEK million unless otherwise indicated	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
EBIT MARGIN (%)												
Gross margin (%)	38.3%	40.1%	41.3%	39.3%	41.0%	40.4%	39.9%	40.3%	43.0%	42.8%	41.5%	31.9%
Fulfillment cost ratio (%)	-10.5%	-11.6%	-11.4%	-12.6%	-12.1%	-12.2%	-11.4%	-11.1%	-11.0%	-11.6%	-11.1%	-13.4%
Marketing cost ratio (%)	-10.7%	-11.4%	-11.0%	-11.0%	-10.2%	-12.0%	-9.6%	-10.6%	-10.1%	-11.4%	-8.0%	-10.3%
Admin & other cost ratio (%)	-8.2%	-10.3%	-11.3%	-12.2%	-10.4%	-12.0%	-10.8%	-10.1%	-12.4%	-11.5%	-10.1%	-10.6%
Depreciation (%)	-2.4%	-4.2%	-3.5%	-3.8%	-2.4%	-3.5%	-2.6%	-3.3%	-2.3%	-3.3%	-2.4%	-9.0%
EBIT MARGIN (%)	6.5%	2.7%	4.2%	-0.3%	6.0%	0.6%	5.5%	5.1%	7.2%	5.1%	9.8%	-11.5%
Adjusted admin & other cost ratio (%)	-7.7%	-11.0%	-10.2%	-11.3%	-8.8%	-10.7%	-9.5%	-9.2%	-9.7%	-9.1%	-8.4%	-11.6%
Adjusted depreciation cost ratio (%)	-2.4%	-4.2%	-3.5%	-3.8%	-2.4%	-3.5%	-2.6%	-3.3%	-2.3%	-3.3%	-2.4%	-4.5%
Net working capital - percent of LTM net revenue	-1.6%	8.4%	9.6%	7.7%	4.8%	9.7%	7.5%	7.8%	1.7%	0.3%	2.3%	11.9%
BOOZT.COM												
Site visits (000)	43,691	36,643	45,061	47,912	60,790	48,285	52,393	45,895	47,609	35,973	39,247	34,167
No. of orders (000)	2,081	1,184	1,413	1,277	1,943	1,200	1,574	1,163	1,543	982	1,317	854
Conversion rate %	4.76%	3.23%	3.14%	2.67%	3.20%	2.49%	3.00%	2.53%	3.24%	2.73%	3.36%	2.50%
True frequency	5.8	7.0	6.6	6.9	5.9	6.9	6.3	6.7	6.0	7.1	7.3	7.3
Average order value (SEK)	971	872	853	838	837	807	804	815	819	808	821	785
Active customers (000)	2,503	2,471	2,477	2,531	2,503	2,331	2,257	2,158	2,043	1,852	1,774	1,624
No. of orders per active customer	2.38	2.35	2.35	2.37	2.35	2.35	2.33	2.3	2.30	2.33	2.36	2.41
BOOZTLET.COM												
Site visits (000)	14,014	11,788	14,436	14,132	13,731	9,248	10,850	11,850	10,768	9,141	8,652	6,208
No. of orders (000)	404	247	342	345	361	264	292	277	255	209	233	144
Conversion rate %	2.88%	2.10%	2.37%	2.44%	2.63%	2.85%	2.69%	2.34%	2.37%	2.28%	2.69%	2.33%
Average order value (SEK)	873	833	791	810	723	714	669	705	640	666	682	687
NET REVENUE - GEOGRAPHICAL SPLIT												
Nordics	2,257.7	1,257.1	1,453.2	1,297.2	1,802.9	1,154.7	1,370.3	1,051.2	1,311.8	893.4	1,132.3	711.5
Rest of Europe	180.5	71.0	100.0	126.7	165.0	77.3	106.0	86.2	113.3	46.7	95.9	54.5
TOTAL NET REVENUE	2,438.1	1,328.1	1,553.2	1,424.0	1,967.9	1,232.1	1,476.3	1,137.4	1,425.1	940.1	1,228.2	766.0

Definitions and rationale for the use of certain Alternative Performance Measures (APM)

The quarterly report contains certain performance measures that are not defined in accordance with IFRS (alternative performance measures). The performance measures included are used by investors, securities analysts and other stakeholders as additional measures of performance and financial position. The Group's alternative performance measures are not necessarily comparable to similar measurements presented by other companies and have certain limitations as analytical tools. They should therefore not be considered separately from, or as a substitute for, the Group's financial information prepared in accordance with IFRS.

Definitions, calculations, and rationale behind the use of included alternative performance measures are available on the Group's website www.booztgroup.com/reports-and-presentations, "Interim Report Q4 2022" – "Financial Data".

Financial calendar 2023

March 23, 2023
Annual Report 2022

March 28, 2023
Capital Markets Day

April 26, 2023
AGM 2023

April 27, 2023
Interim report January-March 2023

August 18, 2023
Half-year report January-June 2023

November 7, 2023
Interim report January-September 2023

Financial reports

Consolidated financial statements are available at www.booztgroup.com. Boozt AB (publ) is a public limited company. In case of enquiries or questions to the Group, please contact:

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The interim report is such information as Boozt AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 08.00 CET on February 10, 2023.

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.



Boozt

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