

Boozt

Full year report

JANUARY 1 – DECEMBER 31 2019

Net revenue growth of 18% (local currency 16%) in the fourth quarter with 12% growth in Boozt.com and 199% growth in Booztlet.com. The adjusted EBIT margin increased to 9.6% (6.4%). For the full year net revenue growth was 23% (local currency 22%) with an improved adjusted EBIT margin of 3.2% (2.3%).

SEK million unless otherwise indicated	Oct 1 - Dec 31, 2019	Oct 1 - Dec 31, 2018	Change	Jan 1 - Dec 31, 2019	Jan 1 - Dec 31, 2018	Change
GROUP						
Net revenue	1,049.7	892.5	17.6%	3,424.9	2,784.0	23.0%
Gross profit	454.0	367.8	23.4%	1,361.0	1,113.1	22.3%
EBIT	104.6	69.1	51.3%	91.8	68.1	34.8%
Adjusted EBIT*	100.9	57.4	75.8%	109.0	63.2	72.4%
Result for the period	77.5	52.3	48.0%	54.8	42.6	28.6%
Earnings per share (SEK)	1.35	0.92	47.3%	0.96	0.75	27.3%
Earnings per share after dilution (SEK)	1.34	0.91	47.0%	0.95	0.74	28.2%
Cash flow for the period	43.8	3.5	1,136%	-28.8	-61.2	53.0%
Net revenue growth (%)	17.6%	38.5%	-20.9 pp	23.0%	38.1%	-15.1 pp
Gross margin, %*	43.2%	41.2%	2.0 pp	39.7%	40.0%	-0.2 pp
EBIT margin, %	10.0%	7.7%	2.2 pp	2.7%	2.4%	0.2 pp
Adjusted EBIT margin, %*	9.6%	6.4%	3.2 pp	3.2%	2.3%	0.9 pp

Rounding differences may affect the summations. *The figure is an Alternative Performance Measure, see pages 32-34.

CEO Hermann Haraldsson says: "We had an outstanding ending to the year with an 76% increase in adjusted EBIT in Q4 driven by both operational improvements and a strong gross margin. In a continued challenging market, we grew net revenue with 18% in Q4 and 23% for the full year. Adjusting for the impact of the change in agreement structure with a large brand, we grew 20% in Q4 and 24% for the full year. With a healthy inventory position, we decided not to chase unhealthy growth and didn't fully participate in the extraordinary promotional climate. We maintain focus on strengthening our relative brand position towards both our customers and brands as well on being disciplined around our investments in new customers. Booztlet.com accelerated from previous quarter with 199% growth in Q4 underlining the enormous potential of our online Nordic designer outlet."

"Average order value was record high driven by lower returns due to our 'fair use' policy implementation in November, where some 9,000 customers were blocked, mainly due to extreme return behaviour. It did have a slightly negative effect on net revenue growth and a temporary effect on our net promoter score, but overall it has been very positive for the company and we are proud to take action towards a more responsible industry."

"It was reassuring to see the positive development of the gross margin supported by both a slightly better product margin but also ongoing internal initiatives to strengthen the gross margin including the change of agreement structure with a large brand. Combined with significant operational improvements in the fulfilment area as well as another very strong quarter for Booztlet.com the adjusted EBIT margin improved 3.2 percentage points to 9.6% for the quarter. The full year adjusted EBIT margin improved 0.9 percentage point to 3.2%, illustrating the substantial earnings potential of our business."

"When looking ahead we continue to see a market affected by the migration from offline to online leading to an unstable market. This creates volatility but also opportunity for an antifragile and agile organization to further strengthen its position. It is now 3 years post the IPO and we have updated our medium-term targets for the period through 2022. Over the coming years we aim to continue outgrowing the Nordic online market significantly to expand our market share. Our high average order value and consequently attractive unit economics will allow for a continued high investment in growth simultaneously with exceeding a 6% adjusted EBIT margin by 2022, driven by operational improvements and scale effects. In previous years the operational focus has been centered on delivering our best-in-class customer experience while handling the hyper growth of the company. As the relative growth naturally is coming down due to the growing size of the company, we can now focus more on optimizing the operational processes. For 2020 we expect to grow 15-20% with an adjusted EBIT margin improved from 3.2% in 2019."

Outlook for 2020	Realized 2019	Guidance on 21 February 2020
Net revenue growth	23.0%	15-20%
Adjusted EBIT margin	3.2%	Improved from 2019

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

Group – Key performance indicators (KPIs)

SEK million unless otherwise indicated	Oct 1 - Dec 31, 2019	Oct 1 - Dec 31, 2018	Change	Jan 1 - Dec 31, 2019	Jan 1 - Dec 31, 2018	Change
GROUP						
Net revenue	1,049.7	892.5	17.6%	3,424.9	2,784.0	23.0%
Net revenue growth (%)	17.6%	38.5%	-20.9 pp	23.0%	38.1%	-15.1 pp
Gross margin (%)*	43.2%	41.2%	2.0 pp	39.7%	40.0%	-0.2 pp
Fulfilment cost ratio (%)*	-12.4%	-13.7%	1.2 pp	-13.7%	-13.8%	0.1 pp
Marketing cost ratio (%)*	-9.9%	-10.3%	0.4 pp	-10.0%	-12.2%	2.2 pp
Admin & other cost ratio (%)*	-8.4%	-7.9%	-0.5 pp	-10.3%	-9.8%	-0.5 pp
Depreciation cost ratio (%)*	-2.6%	-1.6%	-1.0 pp	-3.1%	-1.8%	-1.3 pp
Adjusted admin & other cost ratio (%)*	-8.7%	-9.2%	0.5 pp	-9.9%	-10.0%	0.1 pp
EBIT	104.6	69.1	51.3%	91.8	68.1	34.8%
EBIT margin (%)	10.0%	7.7%	2.2 pp	2.7%	2.4%	0.2 pp
Adjusted EBIT*	100.9	57.4	75.8%	109.0	63.2	72.4%
Adjusted EBIT margin (%)*	9.6%	6.4%	3.2 pp	3.2%	2.3%	0.9 pp
Earnings for the period	77.5	52.3	25.1	54.8	42.6	12.2
Earnings per share (SEK)*	1.35	0.92	0.43	0.96	0.75	0.21
Earnings per share after dilution (SEK)*	1.34	0.91	0.43	0.95	0.74	0.21
Cash flow from operating activities	55.8	24.7	31.1	76.5	-13.8	90.3
Net working capital*	435.3	314.6	120.6	435.3	314.6	120.6
Cash flow from investments	-57.9	-55.1	-2.9	-171.3	-91.9	-79.5
Net debt / -net cash*	295.6	-257.9	553.5	295.6	-257.9	553.5
Equity / asset ratio (%)*	37.9%	47.5%	-9.6 pp	37.9%	47.5%	-9.6 pp
Number of employees end of period	371	326	45	371	326	45

Rounding differences may affect the summations.

*The figure is an Alternative Performance Measure (APM) (non-IFRS) and is described in definitions and reconciled on pages 32-34.

Segment – Key performance indicators (KPIs)

SEK million unless otherwise indicated	Oct 1 - Dec 31, 2019	Oct 1 - Dec 31, 2018	Change	Jan 1 - Dec 31, 2019	Jan 1 - Dec 31, 2018	Change
Boozt.com						
Net revenue	967.3	860.3	12.4%	3,150.7	2,659.1	18.5%
EBIT	100.2	73.7	35.9%	86.6	76.2	13.8%
EBIT margin (%)	10.4%	8.6%	1.8 pp	2.7%	2.9%	-0.1 pp
Adjusted EBIT*	96.7	62.3	55.3%	98.0	71.3	37.5%
Adjusted EBIT margin (%)*	10.0%	7.2%	2.8 pp	3.1%	2.7%	0.4 pp
Site visits (000)*	39,257	31,575	24.3%	135,318	109,138	24.0%
No. of orders (000)*	1,161	1,045	11.1%	3,917	3,288	19.1%
Conversion rate (%)*	2.96%	3.31%	-0.35 pp	2.89%	3.01%	-0.12 pp
True frequency*	6.7	6.8	-2.1%	6.7	6.8	-2.1%
Average order value (SEK)*	845	827	2.2%	808	812	-0.5%
Active customers (000)*	1,606	1,363	17.8%	1,606	1,363	17.8%
No. of orders per active customer*	2.44	2.41	1.1%	2.44	2.41	1.1%
Booztlet.com						
Net revenue	75.0	25.1	199%	246.5	105.9	133%
EBIT	7.7	2.9	165%	25.6	12.1	111%
EBIT margin (%)	10.2%	11.6%	-1.3 pp	10.4%	11.4%	-1.0 pp
Adjusted EBIT*	7.4	2.6	187%	26.6	12.1	119%
Adjusted EBIT margin (%)*	9.9%	10.3%	-0.4 pp	10.8%	11.5%	-0.7 pp
Site visits (000)*	5,477	1,866	194%	16,297	7,199	126%
No. of orders (000)*	120	43	179%	391	166	136%
Conversion rate (%)*	2.19%	2.30%	-0.1 pp	2.40%	2.30%	0.1 pp
Average order value (SEK)*	644	588	9.6%	641	645	-0.6%
Other						
Net revenue	7.4	7.1	4%	27.7	19.0	45.4%
EBIT	-3.3	-7.5	56.5%	-20.5	-20.2	-1.4%
EBIT margin (%)	-44.0%	-105%	61.1 pp	-74.0%	-106%	32.1 pp
Adjusted EBIT*	-3.3	-7.5	56.5%	-15.6	-20.2	22.8%
Adjusted EBIT margin (%)*	-44.0%	-105%	61.1 pp	-56.4%	-106%	49.8 pp

Rounding differences may affect the summations.

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Group Development

Net revenue

Net revenue in the fourth quarter increased with 17.6% to SEK 1,049.7 million (892.5). Currency had a positive impact of around 1 percentage point on net revenue growth in the quarter and relates to the strengthening of DKK and EUR compared to SEK.

The net revenue increase was supported by 12.4% growth for Boozt.com and 199% growth for Booztlet.com. The structural growth towards online continued in the Nordics, although at a lower pace than previously. The overall apparel market in the Nordics is struggling with weaker consumer sentiment in especially Sweden and Denmark.

Other net revenue (included in net revenue) increased to SEK 16.2 million (10.9) in the fourth quarter driven by higher marketing income and freight income compared to the same period last year.

Other net revenue is revenue not directly linked to the product such as marketing income from Boozt Media Partnership, freight income and breakage from gift cards.

For the full year of 2019 net revenue increased with 23.0% to SEK 3,424.9 million (2,784.0). Currency had a positive impact of around 1 percentage point on net revenue growth relating to the strengthening of DKK and EUR compared to SEK.

Other net revenue increased to SEK 45.9 million (38.3) in 2019 driven by higher marketing income, partly offset by lower revenue from breakage of gift cards. Breakage from gift cards was re-estimated in the first quarter of 2018 also taking into account breakage revenue from previous years.

Net revenue geographical split

The largest markets Sweden and Denmark grew respectively 18.0% and 10.7% in the fourth quarter. Both countries were impacted by a softer apparel market. Finland grew 36.1% while Norway grew 26.8%. The increase in Rest of Europe was 16.1%.

For the full year net revenue growth in Sweden was 19.3%, while Denmark grew 17.6% negatively impacted by softer apparel markets. Norway grew 23.4% and Finland grew 34.1%. The increase in Rest of Europe was 61.6%. The marketing strategy outside the Nordics has been unchanged throughout 2019, as it remains online marketing only.

Net revenue – geographical split

SEK million	Oct 1 - Dec 31, 2019	Oct 1 - Dec 31, 2018	Change	Jan 1 - Dec 31, 2019	Jan 1 - Dec 31, 2018	Change
Sweden	357.7	303.2	18.0%	1,178.9	987.8	19.3%
Denmark	374.2	338.1	10.7%	1,166.7	991.8	17.6%
Norway	158.9	125.3	26.8%	515.6	417.9	23.4%
Finland	86.2	63.3	36.1%	297.5	221.8	34.1%
Rest of Europe	72.7	62.6	16.1%	266.2	164.7	61.6%
TOTAL Net revenue	1,049.7	892.5	17.6%	3,424.9	2,784.0	23.0%

Rounding differences may affect the summations.

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 compared with the corresponding year-earlier period, meaning December 31, 2018. The fourth quarter refers to the period October – December 2019.

Gross profit

The gross profit increased with 23.4% to SEK 454.0 million (367.8) during the quarter. The gross margin increased to 43.2% (41.2%).

The 2.0 percentage points increase in gross margin was driven by a slightly higher product margin as well as internal and contractual improvements. Despite continued elevated promotional activities in the market the product margin was higher in the quarter supported by disciplined pricing and the decision not to chase unhealthy growth at very high discounts. Also, a higher share of campaign buys and contractual improvements including the change of agreement structure with a large brand led to the improvement in gross margin.

For the full year gross profit increased with 22.3% to SEK 1,361.0 million (1,113.1). The gross margin decreased 0.2 percentage point to 39.7% (40.0%).

The decrease in gross margin was primarily driven by elevated promotional activities to ensure a continuously healthy stock composition in a market affected by high inventory levels during the first half of 2019. The first quarter was impacted by late start to the autumn/winter 2018 season which continued to impact the market in terms of increased inventory levels throughout the winter months, while the second quarter was negatively impacted by a late start to the summer in the Nordics compared to last year. This was partly offset by a higher product margin in the Autumn/Winter season compared to last year as well as internal and contractual improvements impacting the fourth quarter.

EBIT

EBIT increased to SEK 104.6 million (69.1) in the fourth quarter, while the EBIT margin increased 2.2 percentage points to 10.0% (7.7%).

The improvement in the gross margin and the lower marketing and fulfilment cost ratio was partly offset by a higher admin & other cost ratio and a higher depreciation ratio from IFRS 16 implementation.

The marketing cost ratio decreased to 9.9% (10.3%) driven by leverage on offline marketing spend.

The fulfilment cost ratio decreased to 12.4% (13.7%). Excluding IFRS 16 depreciation impact the fulfilment cost ratio decreased around 0.7 percentage point. The decrease was driven by operational improvements and positive effects from our new internally developed robot management system, which has improved the control of the robots in the fulfilment centre compared to the

standard system. Further, a slight improvement on overall distribution costs from contractual improvements and optimized allocation between distributors impacted the fulfilment cost ratio positively.

The admin & other cost ratio increased to 8.4% (7.9%). Excluding IFRS 16 depreciation impact the admin & other cost ratio increased around 1.0 percentage point. The increase was driven by a lower positive effect from changes in social charges and share-based compensation related to the Group's long-term incentive programs compared to year-earlier period and increased rent following the HQ move in the second quarter 2019. These higher costs were partly offset by general scale effects and a lower loss in the physical stores compared to the same quarter last year.

For the full year EBIT increased to SEK 91.8 million (68.1), while the EBIT margin increased 0.2 percentage point to 2.7% (2.4%). The increase was driven by a lower marketing cost ratio partly offset by a higher admin & other cost ratio. Also negatively impacting is the loss-making Beauty by Boozt store as well as higher social charges and share-based compensation related to the Group's LTI programs. Compared to last year the EBIT margin was negatively impacted by 0.2 percentage point (SEK 6.4 million) from the loss-making Beauty by Boozt physical stores.

Adjusted EBIT

Adjusted EBIT amounted to SEK 100.9 million (57.4) in the fourth quarter. The adjusted EBIT margin improved 3.2 percentage point to 9.6% (6.4%) driven by the improved gross margin and operational improvements positively impacting the fulfilment cost ratio.

The adjusted admin & other cost ratio decreased to 8.7% (9.2%). Excluding IFRS 16 depreciation impact the adjusted admin & other cost ratio increased around 0.1 percentage point.

The adjustment in the quarter consists of social charges related to the Group's LTI Program 2015/2025 and LTI Program 2019/2022 of SEK 5.1 million (12.0). The reserve for social charges fluctuates between periods since it, among other things, is affected by the share price of the company and the probability of number of vested options. Included in this adjustment is also IFRS 2 costs for share-based payments related to the LTI Program 2015/2025 and LTI Program 2019/2022 of SEK -1.4 million (-0.2).

For the full year adjusted EBIT amounted to SEK 109.0 million (63.2). The adjusted EBIT margin was 3.2% (2.3%). Compared to last year the adjusted EBIT margin was

negatively impacted by SEK 1.5 million from the loss-making Beauty by Booxt physical stores.

The adjustment consists of social charges related to the Group's LTI Program 2015/2025 and LTI Program 2019/2022 of SEK -5.2 million (6.6) and IFRS 2 costs for share-based payments related to the LTI program 2015/2025 and LTI Program 2019/2022 of SEK -7.2 million (-1.7). The adjustment also consists of one-off costs affecting comparability related to the closure of the smaller Beauty by Booxt store in Roskilde in Q2 of SEK 4.9 million.

For a reconciliation of adjusted EBIT, please see page 35.

IFRS 16 implementation

Following implementation of IFRS 16 the operating cost and depreciation ratios are compiled differently from last year as leased assets are reported on the balance sheet as right-of-use assets and lease liabilities. For more information see note 1.

The Group has signed an agreement to extend its current fulfilment centre as of Q4 2020. The agreement will have substantial IFRS 16 impact when the facility is handed over to the Group, expectedly Q4 2020. The expected IFRS 16 impact is approximately between 135-145 million in right-of-use assets and lease liabilities as the agreement length is set to 12 years.

Financial items

The Group's financial costs amounted to SEK -2.7 million (-0.6) and financial income amounted to SEK -0.0 million (0.5) in the quarter. The fourth quarter last year was impacted by changes in fair value of the Group's derivatives, while no derivatives were held this year.

The financial items are attributable to interests on interest bearing liabilities as well as changes in fair value of the Group's derivatives.

Net financial items amounted to SEK -2.7 million (-0.1).

For the full year financial costs amounted to SEK -10.5 million (-10.8) and financial income amounted to SEK -0.0 million (4.4). Net financial items amounted to SEK -10.5 million (-6.4).

See note 3 for information on IFRS 16 impact on financial items.

Tax

Tax amounted to SEK -24.5 million compared to SEK -16.7 million in the fourth quarter last year. Tax for the period consisted of a decrease in the deferred tax asset related

to tax losses carried forward. Deferred tax assets for tax losses carried forward are reported to the extent that it is likely they will be utilised.

For the full year tax amounted to SEK -26.5 million compared to SEK -19.0 million last year.

The Group expects to utilise the deferred tax assets recognised within the coming two years. There is no time limitation for the deferred tax asset relating to tax losses carried forward.

Net profit

The net result for the quarter totalled SEK 77.5 million (52.3). Earnings per share before dilution amounted to SEK 1.35 (0.92). Earnings per share after dilution amounted to SEK 1.34 (0.91).

For the full year the net result totalled SEK 54.8 million (42.6). Earnings per share before dilution amounted to SEK 0.96 (0.75). Earnings per share after dilution amounted to SEK 0.95 (0.74).

Working capital

The Group realised a net working capital of SEK 435.3 million (314.6) equivalent to 12.7% (11.3%) of the net revenue for the last twelve months. The increase in net working capital was primarily driven by lower accounts payable as well as higher accrued income and higher accounts receivable. This was partly offset by lower inventory growth supported by the change to a consignment-like agreement with a large brand.

Lower accounts payable was driven by a higher maturity of the campaign goods as they were bought earlier this year compared to last year. This means a lower share of the current inventory is financed by our suppliers.

The Group has, compared to last year an additional accrued income of approximately SEK 70 million in reverse customs from returns in Norway and from a brand buying back inventory in the consignment-like agreement. Also, accounts receivable was approximately SEK 25 million higher as we invoiced our partners in Booxt Media Partnership in December this year compared to November in 2019. Adjusting for these timing effects of approximately SEK 95 million the working capital percent would have been approximately 10%.

Cash flow

Cash flow from operating activities amounted to SEK 55.8 million (24.7 in the quarter). The improvement compared with last year was driven by improved operating profit partly offset by higher working capital negatively impacted by timing of payments as explained under working capital

above. Cash flow from changes in working capital amounted to SEK -69.4 million (-46.4).

Cash flow from investing activities amounted to SEK -57.9 million (-55.1) in the quarter driven by the final build-out of the phase 3 AutoStore expansion in the fulfilment centre.

Cash flow from financing activities amounted to SEK 45.9 million (33.9) in the quarter and was attributable to a new loan to the phase 3 AutoStore expansion partly offset by repayments according to plan related to the automation of the fulfilment centre and amortization of the lease liability from implementation of IFRS 16.

Cash flow for the quarter amounted to SEK 43.8 million (3.5).

For the full year cash flow amounted to SEK -28.8 million (-61.2). Cash flow from operating activities increased to SEK 76.5 million (-13.8) driven by improved operating profit after adjustments for non-cash items.

Financial position

Total assets increased to SEK 2,487.2 million (1,833.5) driven by higher fixed assets from implementation of IFRS 16 and automation investments.

Fixed assets increased to SEK 681.2 million (176.2). The increase was driven by the implementation of IFRS 16

resulting in a right of use asset of SEK 421.4 million (and corresponding lease liabilities) and the phase 3 expansion of AutoStore in the fulfilment centre. The right of use asset is primarily made up of leasing contracts relating to the premises for the fulfilment centre in Ängelholm (equivalent to around 70% of the total lease liability), the headquarter in Hyllie and the physical retail stores. In addition, the Group has accounted for other essential lease agreements regarding cars, trucks and machines. Equipment increased compared to last year due to investments made in the Group's fulfilment centre.

During the fourth quarter the acquisition of Touchlogic was finalized and the Group's assets increased with SEK 9.8 million in goodwill.

Deferred tax assets decreased to SEK 46.9 million (73.4) and consist of capitalised tax losses carried forward.

Inventory increased with 6%, less than the revenue growth, impacted by improved sell-through, a lower up-front buy compared to last year and the change to a consignment-like agreement with a large brand.

Total equity and liabilities increased to SEK 2,487.2 million (1,833.5) driven primarily by non-current liabilities from implementation of IFRS 16.

Development by segment



Boozt.com

SEK million unless otherwise indicated	Oct 1 - Dec 31, 2019	Oct 1 - Dec 31, 2018	Change	Jan 1 - Dec 31, 2019	Jan 1 - Dec 31, 2018	Change
Net revenue	967.3	860.3	12.4%	3,150.7	2,659.1	18.5%
EBIT	100.2	73.7	35.9%	86.6	76.2	13.8%
EBIT margin (%)	10.4%	8.6%	1.8 pp	2.7%	2.9%	-0.1 pp
Adjusted EBIT	96.7	62.3	55.3%	98.0	71.3	37.5%
Adjusted EBIT margin (%)	10.0%	7.2%	2.8 pp	3.1%	2.7%	0.4 pp
Site visits (000)	39,257	31,575	24.3%	135,318	109,138	24.0%
No. of orders (000)	1,161	1,045	11.1%	3,917	3,288	19.1%
Conversion rate (%)	2.96%	3.31%	-0.35 pp	2.89%	3.01%	-0.12 pp
True frequency	6.7	6.8	-2.1%	6.7	6.8	-2.1%
Average order value (SEK)	845	827	2.2%	808	812	-0.5%
Active customers (000)	1,606	1,363	17.8%	1,606	1,363	17.8%
No. of orders per active customer	2.44	2.41	1.1%	2.44	2.41	1.1%

Rounding differences may affect the summations. See Note 2 for additional information.

Net revenue

Net revenue increased with 12.4% to SEK 967.3 million (860.3) in the quarter. For the full year net revenue increased with 18.5% to SEK 3,150.7 million (2,659.1).

The overall market for apparel in especially Sweden and Denmark has been challenged by weaker consumer sentiment. The promotional activities in the market increased towards the end-of-season sales in December fuelled by high industry inventory levels. The net revenue growth was negatively impacted by the change to the consignment-like agreement with a large brand partner effective October 1 as well as the introduction of a 'fair use' policy in November, blocking some 9,000 customers primarily with extreme return behaviour.

The categories Sport and Beauty grew the strongest in the quarter.

The improved gross margin in the quarter was supported by slightly higher product margin. In addition, a strong sell-through during the Autumn/Winter season and a healthy inventory composition fuelled by a high level of campaign buys allowed for disciplined pricing and a lower level of discounts compared to many market participants. Also, contractual improvements with suppliers supported the improved gross margin.

Average order value increased 2% to SEK 845 (827) for the quarter driven by higher gross average order value and lower returns due to the 'fair use' policy implementation.

New customer intake in 2019 was higher than in 2018.

True frequency slightly decreased to 6.7 (6.8) due to the 'fair use' policy implementation. Adjusting for excluded 'fair use' customers, who had a very high frequency, true frequency would have been unchanged. Customer satisfaction remained at a high level as shown by a Trustpilot score of 4.6 (4.6) and a Net Promoter Score of 69 (71). Customer satisfaction was temporarily lower during the immediate period following the 'fair use' policy implementation caused by negative reviews from affected customers and peers. The customer satisfaction is now back to the level before the implementation.

EBIT & Adjusted EBIT

EBIT increased to SEK 100.2 million (73.7) for the quarter, and the EBIT margin increased 1.8 percentage points to 10.4% (8.6%). The increase was driven by higher gross margin, lower fulfilment costs and leverage on offline marketing costs.

Adjusted EBIT increased to SEK 96.7 million (62.3), while the adjusted EBIT margin increased to 10.0% (7.2%). The adjustment relates to social charges and IFRS 2 costs for share based payments related to the Group's LTI Program 2015/2025 and LTI Program 2019/2022.

For the full year EBIT increased to SEK 86.6 million (76.2), and the EBIT margin decreased to 2.7% (2.9%). Adjusted EBIT increased to SEK 98.0 million (71.3), while the adjusted EBIT margin increased to 3.1% (2.7%). The improved adjusted EBIT margin was driven by a lower marketing cost ratio.

SEK million	Oct 1 - Dec 31, 2019	Oct 1 - Dec 31, 2018	Change	Jan 1 - Dec 31, 2019	Jan 1 - Dec 31, 2018	Change
Sweden	327.3	292.8	11.8%	1,079.2	942.1	14.6%
Denmark	333.0	317.6	4.9%	1,031.7	919.8	12.2%
Norway	157.1	125.3	25.4%	513.7	417.9	22.9%
Finland	80.4	62.1	29.4%	279.2	214.9	29.9%
Rest of Europe	69.5	62.5	11.3%	246.9	164.3	50.2%
TOTAL Net revenue	967.3	860.3	12.4%	3,150.7	2,659.1	18.5%

The Boozt.com segment includes operations related to the Boozt.com site. More than 95% of the revenue comes from third party brands where the Group carries the inventory risk.

Booztlet.com

SEK million unless otherwise indicated	Oct 1 - Dec 31, 2019	Oct 1 - Dec 31, 2018	Change	Jan 1 - Dec 31, 2019	Jan 1 - Dec 31, 2018	Change
Net revenue	75.0	25.1	199%	246.5	105.9	133%
EBIT	7.7	2.9	165%	25.6	12.1	111%
EBIT margin (%)	10.2%	11.6%	-1.3 pp	10.4%	11.4%	-1.0 pp
Adjusted EBIT	7.4	2.6	187%	26.6	12.1	119%
Adjusted EBIT margin (%)	9.9%	10.3%	-0.4 pp	10.8%	11.5%	-0.7 pp
Site visits (000)	5,477	1,866	194%	16,297	7,199	126%
No. of orders (000)	120	43	179%	391	166	136%
Conversion rate (%)	2.19%	2.30%	-0.1 pp	2.40%	2.30%	0.1 pp
Average order value (SEK)	644	588	9.6%	641	645	-0.6%

Rounding differences may affect the summations. See Note 2 for additional information.

Net revenue

Net revenue increased with 199% to SEK 75.0 million (25.1) in the quarter and was attributable to an increased focus on attracting new customers in the off-price segment (customers with a high interest in discounted goods) as well as providing incentives for active Booztlet.com customers to increase their buying frequency. Also, a continuously improving and increasing stock composition supports the strong growth trajectory.

Denmark, Sweden and Finland all had strong growth, while Booztlet.com was soft launched in Norway during the quarter. Compared to last year Booztlet.com was also marketed outside the Nordics.

For the full year net revenue increased with 133% to SEK 246.5 million (105.9).

EBIT & Adjusted EBIT

EBIT increased to SEK 7.7 million (2.9), while the EBIT margin decreased to 10.2% (11.6%) for the quarter.

The decrease was driven by higher marketing costs as the building of the Booztlet.com brand has been accelerated compared to the same period last year.

Adjusted EBIT increased to SEK 7.4 million (2.6), while the adjusted EBIT margin decreased to 9.9% (10.3%). The adjustment relates to social charges and IFRS 2 costs for share based payments related to the Group's LTI Program 2015/2025 and LTI Program 2019/2022.

For the full year EBIT increased to SEK 25.6 million (12.1), while the EBIT margin decreased to 10.4% (11.4%). Adjusted EBIT increased to SEK 26.6 million (12.1), while the adjusted EBIT margin decreased to 10.8% (11.5%). The decrease is a result of the increased relative marketing spend for Booztlet.com in order to support the accelerated growth of this segment.

SEK million	Oct 1 - Dec 31, 2019	Oct 1 - Dec 31, 2018	Change	Jan 1 - Dec 31, 2019	Jan 1 - Dec 31, 2018	Change
Sweden	30.5	10.4	193%	99.7	45.7	118%
Denmark	33.8	13.3	153%	107.4	53.0	103%
Norway	1.9	-	-	1.9	-	-
Finland	5.8	1.2	377%	18.3	6.9	164%
Rest of Europe	3.1	0.1	2,617%	19.3	0.3	5,564%
TOTAL Net revenue	75.0	25.1	199%	246.5	105.9	133%

Segment Booztlet.com includes operations on the Booztlet.com site, which is the Group's online outlet.

Other

SEK million unless otherwise indicated	Oct 1 - Dec 31, 2019	Oct 1 - Dec 31, 2018	Change	Jan 1 - Dec 31, 2019	Jan 1 - Dec 31, 2018	Change
Net revenue	7.4	7.1	4.0%	27.7	19.0	45.4%
EBIT	-3.3	-7.5	56.5%	-20.5	-20.2	-1.4%
EBIT margin (%)	-44.0%	-105%	61.1 pp	-74.0%	-106%	32.1 pp
Adjusted EBIT	-3.3	-7.5	56.5%	-15.6	-20.2	22.8%
Adjusted EBIT margin (%)	-44.0%	-105%	61.1 pp	-56.4%	-106%	49.8 pp

Rounding differences may affect the summations. See Note 2 for additional information.

Net revenue

Net revenue increased with 4.0% to SEK 7.4 million (7.1) in the quarter. The increase is driven by higher revenue in the Booztlet store partly offset by the closure of the Beauty by Boozt store in Roskilde in the second quarter of 2019.

For the full year net revenue increased with 45.4% to SEK 27.7 million (19.0). The increase is mainly attributable to the opening of the new offline Beauty by Boozt store in Copenhagen in June 2018 but also a positive development in the Booztlet store.

The Beauty by Boozt store in Copenhagen continues to be negatively impacted by low traffic and conversion.

EBIT and Adjusted EBIT

EBIT and Adjusted EBIT improved to SEK -3.3 million (-7.5) in the quarter. No adjustments were made in the quarter. The positive development was driven by operational improvements in the Booztlet store and closure of the loss-making Beauty by Boozt store in Roskilde in Q2 2019.

For the full year EBIT decreased to SEK -20.5 million (-20.2) and adjusted EBIT improved to SEK -15.6 million (-20.2), in line with expectations previously communicated. The adjustment consists of one-off costs including write-downs related to the closure of the Beauty by Boozt store in Roskilde, Denmark in the second quarter of 2019.

Beauty by Boozt physical retail

The first Beauty by Boozt store opened in Roskilde, Denmark in December 2016 and served the purpose of strengthening the relationship with the beauty brands helping build a strong offering online on Boozt.com. A larger store was opened in Copenhagen in June 2018 to cater for a growing number of premium beauty brands. One store can serve the purpose and consequently the smaller store in Roskilde was closed in the second quarter of 2019. The structure of the physical retail operation of Beauty by Boozt is under evaluation.

SEK million	Oct 1 - Dec 31, 2019	Oct 1 - Dec 31, 2018	Change	Jan 1 - Dec 31, 2019	Jan 1 - Dec 31, 2018	Change
Sweden	-	-	-	-	-	-
Denmark	7.4	7.1	4.0%	27.7	19.0	45.4%
Norway	-	-	-	-	-	-
Finland	-	-	-	-	-	-
Rest of Europe	-	-	-	0.0	-	-
TOTAL Net revenue	7.4	7.1	4.0%	27.7	19.0	45.4%

The segment Other includes the Group's physical retail stores. This includes the Group's physical retail outlet, Booztlet, which is a last resort for clearance of unsold inventory from the online business. The segment also includes the physical retail store Beauty by Boozt. The opening of a physical beauty store has been necessary in order to get the online distribution rights in the Nordics from many of the leading beauty brands. Operations by other subsidiaries in the Group are also included in the segment Other.

Other information

Significant events during the fourth quarter

Contract with fulfilment staff provider terminated

The contract with current fulfilment staff provider Logent AB has been terminated. The contract will terminate December 31, 2020. The purpose is to achieve significant cost savings from 2021. Either by insourcing the fulfilment staff or by negotiating a new contract with the current or another third-party logistics provider.

Black Friday successfully executed

A strong stock composition supported by a high number of campaign buys were key to a successful Black Friday weekend, both in terms of revenue and margin. The expectations were met or exceeded in all areas of the business.

Changes in Group Management

As previously informed Niels Hemmingsen left his position as Chief Operating Officer on November 1, 2019.

The position as Chief Operating Officer has been split to reflect the increased complexity of the role's many responsibilities and to reflect that Boozt is entering a phase with more focus on optimizing the operational processes compared to previous years' focus on handling the high relative growth. Lars Lindgaard, previously Distribution Director, has taken up the position as Head of Fulfilment Operations and reports directly to CEO Hermann Haraldsson.

As earlier communicated Sandra Gadd assumed her new position as CFO on December 1, 2019.

Acquisition of Touchlogic and inauguration of Boozt Innovation Lab

In October 2019, all shares were acquired in Touchlogic ApS. Touchlogic is an app and mobile web development company based out of Copenhagen, Denmark with 11 developers. Touchlogic will strengthen current front-end capabilities regarding app and mobile web and enable an acceleration of the development as well as foster further innovation regarding app usability and functionality. The offices of Touchlogic now serves as the home of the new Boozt Innovation Lab, which will be separated from the daily operations. The focus is on developing innovative

tools and applications to stay in the forefront of meeting the increasing expectations from customers and partners as well as improving the internal workflows.

The total purchase price consideration preliminary amounted to SEK 10.2 million, whereof SEK 4.1 million were paid in cash at the takeover and SEK 6.1 million in earn-outs that will be paid over a three-year period.

The prepared acquisition analysis is preliminary and will be presented in the 2019 annual report.

Events after the reporting date

New revolving credit facility agreement

During Q1 2020 Boozt has signed a new revolving credit facility agreement with Danske Bank. The credit facility of SEK 200.0 million runs for 3 years and have covenants attached. The covenants are unchanged from the previous facility. During 2019 the covenants have not been breached. For description of the covenants see Annual Report 2018, note 22.

In addition to the revolving credit facility Boozt has an overdraft facility of SEK 60.0 million that are renewed every year. As of December 31, no part of the overdraft facility was used.

No other significant events have occurred after the reporting date.

Employees

Number of employees was 371 (326) at the end of the period equivalent to an increase of 14%. The increase was driven by a strengthening of the personnel teams around the categories Sport, Beauty, Kids and Booztlet.com, partly offset by a lower number of employees in the physical stores. The average number of employees was 337 (286) for the quarter equivalent to an increase of 18%.

Seasonal variances

Seasonal variances affect the Group. However, each quarter is comparable between years. Traditionally the fourth quarter has the highest net revenue, whereas the first quarter has the lowest. 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) is listed on Nasdaq Stockholm Mid Cap.

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

Net revenue of the parent company amounted to SEK 11.0 million (10.5) during the quarter. The parent company has invoiced fees for management services in accordance with the Group's intra company agreements to other Group companies during the quarter. Costs for the period are mainly attributable to costs related to salaries for Group Management and remuneration to the Board of Directors.

The result for the quarter totalled SEK 1.7 million (-0.2). The parent company has a Group internal receivable respectively a liability to different counterparties within the Group, which together with shares in the subsidiary Boozt Fashion AB and equity constitutes the majority of the financial position of the Company.

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. There is no recognizable risk for the Group's ability to continue as a going concern. All identified risks as well as the risk management process will be described in the Group's Annual Report 2019.

A risk review was conducted during the third quarter resulting in no changes to the Group's top 20 risks.

Related party transactions

In the quarter there were no transactions classified as related party transactions.

For the full year there were transactions classified as related party transactions as management purchased shares from the LTI 2015/2025 Program totalling SEK 3.0 million during the third quarter.

During the year a new LTI Program 2019/2022 has been implemented. See page 14 for more information.

SEK million unless otherwise stated	Oct 1 - Dec 31, 2019	Oct 1 - Dec 31, 2018	Jan 1 - Dec 31, 2019	Jan 1 - Dec 31, 2018
Management of Boozt AB (publ) (PDMR)	-	-	-	-
Purchase of warrants 2018/2021 program	-	-	-	6.3
Purchase of shares 2015/2025 program	-	-	3.0	15.9
Total value of transactions with related parties	-	-	3.0	22.2

The Boozt share

The Boozt share is traded under the ticker BOOZT and with the ISIN-code SE0009888738.

The average turnover of the Boozt share on Nasdaq Stockholm was 70,100 shares per day during the fourth quarter. As per December 31, 2019 the company had approximately 4,600 shareholders, whereof the largest shareholders were Sampension (9.7%), Ruane, Cunniff & Goldfarb (9.0%), ATP (8.4%), Invesco (6.5%), Ferd (6.2%) and Verdane Capital (5.4%).

The total number of shares at the end of the reporting period amounted to 57,370,853, with a quota value of SEK 0.0833 per share. From the 2015/2025 share option program 181,465 options were outstanding at the end of the reporting period. Each option in the 2015/2025 program gives a right to purchase 12 shares, meaning a total of 2,177,580 shares. From the 2018/2021 warrant program 1,137,347 warrants were outstanding at the end of the period. Each warrant in the 2018/2021 program gives a right to purchase 1 share, meaning a total of 1,113,347 shares.

There is one class of shares in Boozt AB (publ). There are no shares with special rights or preferences. Beyond shares, the Company has issued options and warrants (right to acquire shares under specific terms and conditions).

All shares in the Company are listed.

The market value for the Company as per December 31, 2019 amounted to SEK 3,041 million.

LTI Program 2015/2025

By end of fourth quarter 2019 the outstanding number of options in program 2015/2025 was 109,861 inclusive 55 unallocated. In addition, the Group had 71,604 options in own portfolio, to offset any cash flow impact of the exercise of options. Participants leaving the program increased the number of options kept in own portfolio with 7,650 options. However, the Group has not utilized any options in own portfolio to offset the cash flow impact from social charges on options exercise.

More information can be found on www.booztfashion.com.

LTI Program 2018/2021

The Annual General Meeting on 27 April 2018 in Boozt AB (publ) resolved on a long-term incentive program by way of a directed issue of warrants to a wholly owned subsidiary and approval of transfer of warrants from the subsidiary to group management and key employees (the "LTI Program 2018/2021"). In accordance with the terms and conditions for Warrants Program 2018/2021, the subsidiary has subscribed for and transferred a total of 1,137,347 warrants to group management and key employees. Each warrant in LTI Program 2018/2021 entitles to subscription of one share in the company at a subscription price of SEK 96.31 corresponding to 126 per cent of the volume weighted average price according to Nasdaq Stockholm's official price list for shares in the company during the period as from 18 May 2018 to and including 24 May 2018. Subscription of shares by virtue of the warrants may be affected as from 1 June 2021 up to and including 14 June 2021. The transfer of the warrants to the participants in LTI Program 2018/2021 has been made at a price per warrant of SEK 9.18, corresponding to the fair market value of a warrant as of 31 May 2018 as established by Öhrlings Pricewaterhouse Coopers AB in accordance with the Black Scholes formula. Hence no IFRS 2 cost will affect the Group, and no provisions will be made for social charges.

More information can be found on www.booztfashion.com.

LTI Program 2019/2022

The Extraordinary Annual General Meeting on 24 June 2019 in Boozt AB (publ) resolved on a long-term incentive program by way of approval of transfer of performance shares to group management and key employees (the "LTI Program 2019/2022"). The LTI Program 2019/2022 entitles the company's CEO, Group Management and key employees to receive shares in the company at a subscription price of SEK 0.00 if certain performance measures are met at the end of the performance period 31 December 2021. The vesting takes place 24 June 2022, where after the performance shares can be distributed to the participants in the program. The maximum number of performance shares that can be distributed to the participants are 406,994. The LTI program 2019/2022 is classified as an IFRS 2 program, whereas the costs associated with the program will be distributed over the period from July 2019 until the end of June 2022. In addition, the Group will account for provisions for social charges during the expected lifetime of the LTI program.

By closing date December 31, the Group considers 104,074 performance shares to have been vested with the following IFRS 2 impact: For non-market vesting conditions the IFRS 2 cost is set at 61.7 SEK per performance share and for market vesting conditions the IFRS 2 cost is calculated with a Monte Carlo model setting the IFRS 2 cost to SEK 40.1 per performance share. The underlying assumptions in the Monte Carlo model are a risk free interest rate of -0.591% and a volatility of 37.7%. In addition, the Group applies probabilities to the calculation of the total amount of vested performance shares per closing date taking into consideration survival rate of employees (hence performance shares), a probability of reaching the pre-determined targets for achieving a grant of performance shares in 2022 and a probability for achieving the net working capital constraints as set out in the terms and conditions of the program.

More information can be found on www.booztfashion.com.

Annual General Meeting

The Board of Directors has decided that the Annual General Meeting will be held in Malmö on May 27, 2020.

Outlook for 2020

The Group expects net revenue growth for 2020 of between 15% and 20%. Soft apparel markets in especially Denmark and Sweden is expected to impact net revenue growth negatively. The adjusted EBIT margin is expected to improve from 2019 driven by operational improvements and scale effects.

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

Medium-term financial ambitions through 2022

As the Group during 2020-2022 (3-5 years from IPO) is entering the medium term set out at the time of the listing of the Group in May 2017, the Board of Directors have adopted updated financial targets for the Group for the period up to and including 2022.

NET REVENUE GROWTH	The Group targets to outgrow the Nordic online market significantly to expand market share
ADJUSTED EBIT MARGIN	The Group targets an adjusted EBIT margin exceeding 6% in 2022

Net revenue growth

The Group targets to outgrow the Nordic online market significantly to expand market share.

In line with previous years the Group plans to continue to grow significantly faster than the Nordic online market within apparel and beauty. The Nordic online market within apparel and beauty is currently estimated to grow around 10%.

Key drivers underpinning the net revenue growth target:

- Continue to invest in leading customer satisfaction
- Acquire new customers at a high pace without overpaying, focusing on the relationship between customer lifetime value (CLV) and customer acquisition costs (CAC)
- High level of investment in Bootzlet.com to fuel continued hyper growth

Adjusted EBIT margin

The Group targets an adjusted EBIT margin exceeding 6% in 2022.

Key drivers underpinning the adjusted EBIT margin target in 2022:

- Average order value (AOV) maintained around current level
- Gross margin around 39-40% supported by contractual improvements and disciplined pricing
- Fulfilment cost ratio is targeted to improve 1-2 percentage points driven by various ongoing and planned operational improvement initiatives within our fulfilment operations. This includes lower staff cost from 2021 as a consequence of an improved cost setup at the fulfilment centre following the termination of the contract with the current staff provider
- Admin & Other cost ratio targeted to improve around 1%-point from scale effects, lower loss in Beauty by Bootz physical retail and new customs regulations in Norway
- Marketing cost ratio targeted to improve around 1%-point from leverage on offline marketing spend

Consolidated income statement

SEK million unless otherwise indicated	Note	Oct 1 - Dec 31, 2019	Oct 1 - Dec 31, 2018	Jan 1 - Dec 31, 2019	Jan 1 - Dec 31, 2018
OPERATING INCOME					
Net revenue	2	1,049.7	892.5	3,424.9	2,784.0
Other operating income		-	-	-	-
Total operating income	2	1,049.7	892.5	3,424.9	2,784.0
OPERATING COSTS					
Goods for resale		-595.7	-524.7	-2,063.9	-1,671.0
Other external costs		-268.8	-244.3	-935.7	-834.7
Cost of personnel		-52.9	-35.9	-225.3	-157.1
Depreciations and impairment losses		-27.0	-14.3	-106.2	-49.1
Other operating costs		-0.7	-4.2	-2.0	-4.1
Total operating costs		-945.1	-823.4	-3,333.1	-2,715.9
OPERATING PROFIT/LOSS (EBIT)	2	104.6	69.1	91.8	68.1
FINANCIAL INCOME AND EXPENSES					
Financial income	3	-0.0	0.5	-0.0	4.4
Financial expenses	3	-2.7	-0.6	-10.5	-10.8
Net financial items		-2.7	-0.1	-10.5	-6.4
PROFIT/LOSS BEFORE TAX	2	101.9	69.0	81.3	61.6
Income tax		-24.5	-16.7	-26.5	-19.0
PROFIT/LOSS FOR THE PERIOD		77.5	52.3	54.8	42.6
ATTRIBUTABLE TO:					
Parent company's shareholders		77.5	52.3	54.8	42.6
Average number of shares (000)		57,371	57,082	57,188	56,610
Average number of shares after dilution (000)		57,867	57,480	57,815	57,625
Earnings per share (SEK)		1.35	0.92	0.96	0.75
Earnings per share after dilution (SEK)		1.34	0.91	0.95	0.74

Rounding differences may effect the summations

Consolidated statement of comprehensive income

SEK million	Oct 1 - Dec 31, 2019	Oct 1 - Dec 31, 2018	Jan 1 - Dec 31, 2019	Jan 1 - Dec 31, 2018
PROFIT/LOSS FOR THE PERIOD	77.5	52.3	54.8	42.6
ITEMS THAT MAY BE RE-CLASSIFIED TO THE INCOME STATEMENT:				
Translation differences	-0.2	0.1	-0.1	0.2
TOTAL COMPREHENSIVE RESULT FOR THE PERIOD	77.3	52.5	54.7	42.8
ATTRIBUTABLE TO				
Parent company's shareholders	77.3	52.5	54.7	42.8

Rounding differences may affect the summations.

Consolidated statement of financial position

SEK million	Note	Dec 31, 2019	Dec 31, 2018
ASSETS			
Non-current assets			
Intangible assets			
Goodwill	4	9.8	-
Web platform	4	65.3	40.4
		75.1	40.4
Tangible assets			
Right of use asset		421.4	-
Machinery and equipment	4	259.8	176.2
		681.2	176.2
Financial assets			
Deposits	3	12.3	12.3
Deferred tax asset		46.9	73.4
		59.2	85.7
Total non-current assets		815.5	302.2
Current assets			
Inventory		1,043.8	984.9
Accounts receivable	3	50.5	26.6
Other receivables	3	105.9	110.8
Current tax assets		1.3	0.6
Prepaid expenses and accrued income		130.8	40.1
Cash and cash equivalents	3	339.4	368.3
Total current assets		1,671.7	1,531.2
TOTAL ASSETS		2,487.2	1,833.5
EQUITY AND LIABILITIES			
Equity			
Share capital		4.8	4.8
Other capital contributions		1,178.6	1,161.1
Reserves		0.2	0.3
Retained earnings including profit for the period		-240.9	-295.7
Equity attributable to parent company shareholders		942.6	870.4
Non-current liabilities			
Interest bearing liabilities	3	109.3	75.0
Lease liabilities	3	382.5	-
Other provisions		12.6	4.3
Total non-current liabilities		504.4	79.3
Current liabilities			
Interest bearing liabilities	3	98.4	35.5
Lease liabilities	3	44.8	-
Accounts payable	3	500.7	521.2
Other liabilities	3	100.5	86.8
Accrued expenses and prepaid income		295.8	240.3
Total current liabilities		1,040.3	883.8
TOTAL LIABILITIES		1,544.6	963.0
TOTAL EQUITY AND LIABILITIES		2,487.2	1,833.5

Rounding differences may affect the summations.

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
Equity brought forward Jan 1, 2018	4.7	1,124.3	0.1	-338.3	790.8
Profit for the period	-	-	-	42.6	42.6
Other comprehensive income	-	-	0.2	-	0.2
COMPREHENSIVE PROFIT/LOSS FOR THE PERIOD	-	-	0.2	42.6	42.8
Share capital increases	0.1	24.6	-	-	24.7
Sell of shares in own portfolio	-	10.4	-	-	10.4
Share based compensation	-	1.7	-	-	1.7
Total transactions with owners	0.1	36.8	-	-	36.8
Equity carried forward Dec 31, 2018	4.8	1,161.1	0.3	-295.7	870.4

Rounding differences may effect the summations.

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
Equity brought forward Jan 1, 2019	4.8	1,161.1	0.3	-295.7	870.4
Profit for the period	-	-	-	54.8	54.8
Other comprehensive income	-	-	-0.1	-	-0.1
COMPREHENSIVE PROFIT/LOSS FOR THE PERIOD	-	-	-0.1	54.8	54.7
Share capital increases	-	10.3	-	-	10.3
Share based compensation	-	7.2	-	-	7.2
Total transactions with owners	-	17.5	-	-	17.5
Equity carried forward Dec 31, 2019	4.8	1,178.6	0.2	-240.9	942.6

Rounding differences may effect the summations.

Consolidated statement of cash flow

SEK million	Note	Oct 1 - Dec 31, 2019	Oct 1 - Dec 31, 2018	Jan 1 - Dec 31, 2019	Jan 1 - Dec 31, 2018
CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL					
Operating profit		104.6	69.1	91.8	68.1
Adjustments for non-cash items:					
Non-cash remuneration from share based payments (social charges)		-5.1	-12.0	4.2	-16.8
Non-cash remuneration from share based payments		1.4	0.2	7.2	1.7
Depreciation		27.0	14.3	106.2	49.1
Other items not included in cash flow		0.5	0.2	0.7	0.7
Interest paid		-2.7	-0.6	-10.5	-2.4
Paid income tax		-0.3	-0.1	-0.7	-0.1
CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL		125.3	71.1	198.9	100.2
CASH FLOW FROM CHANGES IN WORKING CAPITAL					
Changes in inventory		125.9	-22.5	-59.0	-358.2
Changes in current assets		-113.4	-47.9	-106.6	-78.4
Changes in current liabilities		-82.0	24.0	43.1	322.6
Cash flow from changes working capital		-69.4	-46.4	-122.4	-114.0
CASH FLOW FROM OPERATING ACTIVITIES		55.8	24.7	76.5	-13.8
CASH FLOW FROM INVESTING ACTIVITIES					
Acquisition of subsidiaries, net liquidity effect	4	-3.9	-	-3.9	-
Investments in fixed assets	4	-41.2	-46.3	-127.6	-61.8
Change in financial assets	4	0.1	-0.0	0.0	-0.8
Investments in intangible assets	4	-13.0	-8.8	-39.8	-29.3
CASH FLOW FROM INVESTING ACTIVITIES	4	-57.9	-55.1	-171.3	-91.9
CASH FLOW FROM FINANCING ACTIVITIES					
Share capital increases		-	-	10.3	35.1
New loans		62.7	51.6	132.7	51.6
Repayments of loans		-4.2	-17.7	-35.5	-42.3
Repayments of lease liability		-12.6	-	-41.5	-
CASH FLOW FROM FINANCING ACTIVITIES		45.9	33.9	66.1	44.4
Cash flow for the period		43.8	3.5	-28.8	-61.2
Currency exchange gains/losses in cash and cash equivalents		-0.4	-0.1	-0.1	-0.1
Cash and cash equivalents beginning of period		296.0	364.9	368.3	429.7
CASH AND CASH EQUIVALENTS END OF PERIOD		339.4	368.3	339.4	368.3

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 complete accounting principles will be disclosed in the annual report of 2019.

The accounting and measurement policies, as well as the assessment bases, applied in the 2018 Annual Report have also been applied in this quarterly report, with exception of what is described below

New or amended accounting standards that come into force in 2019 or later

IFRS 16 Leasing replaced IAS 17 as of January 1, 2019. Under the new standard, the majority of leased assets are reported in the balance sheet. The only exceptions are short-term and low-value leases. For the Group the implementation of IFRS 16 affected the financial statements as all leases in the Group are capitalized, i.e. an asset (the right to use the leased item) and a financial liability to pay rent are recognised. This has an effect on the total balance sheet and key ratios such as solidity. The contracts that have the greatest impact are leasing contracts relating to the premises for the fulfilment centre in Ängelholm (approximately 70% of the Group's lease liability), the headquarter in Hyllie and the physical retail stores. In addition, the Group has identified smaller lease agreements with cars, trucks and minor machines which also are accounted under IFRS 16. For the fourth quarter in 2019, the value of the Group's "right use of asset" is SEK 421.4 Million.

Important estimates and assessments

For LTI program 2015/2025 and LTI 2019/2022, a probability assessment of the proportion of option or performance

shares that are expected to be vested according to the terms and conditions for each program. The assessment, that is performed at each reporting date is thereby a factor in the calculation of the liability (social charges) and IFRS 2 cost for share based payments to employees for the period.

In IFRS 15 the accrual for customer returns is based on 90% of the realised returns (approximately 20 days into the month after closing) and an estimate to the last 10% of the total accrual.

The depreciation period for the automated warehouse system AutoStore has been changed from January 1, 2019. The residual value as per January 1, 2019 will be linearly depreciated resulting in a total depreciation period of 10 years from the first day of capitalisation. Aluminium grid and boxes are depreciated over 10 years and the remaining components over 5 years. The operation of AutoStore until today has shown that the durability and service life of aluminium grid and boxes is very good and exceeds the original assessment of 5 years. For robots and other components, the depreciation period of 5 years is retained.

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.

Effect on implementation of IFRS 16

SEK million unless otherwise indicated	Opening balance Jan 1, 2019 and new lease agreements added since Jan 1	Change YTD	Closing balance Dec 31, 2019	Change Q4	Reference	Explanation to change
Right of use asset	468.9	-47.5	421.4	-11.8	A	Depreciations
Lease liabilities (non current & current)	468.9	-41.6	427.4	-10.9	B	Lease installments
Financial expense - Interests (IFRS 16)	-	-6.7	-6.7	-1.6	C	Financial expense
Distributed fixed lease payments*	-48.3	48.3	-	12.0	D	External costs
Total Q4 effect on Operating profit (EBIT) (A+D)		0.8		0.2	E	
Total Q4 effect on Result for the period (A+C+D)		-6.0		-1.4	F	
Total Q4 effect on Lease liabilities (-D-C)		-41.6		-10.3	G	
Total Q4 effect on Right of use asset (A)		-47.5		-11.8	H	
Reconciliation (F+G-H)		-				

To calculate the Total effect on the Group's consolidated financial statement please use the reference letter.

*Distributed fixed lease payments opening balance consist of leasing fees according to contract during Q4 2019.

Note 2 – Segment reporting

SEK million	Oct 1 - Dec 31, 2019	Oct 1 - Dec 31, 2018	Change	Jan 1 - Dec 31, 2019	Jan 1 - Dec 31, 2018	Change
NET REVENUE						
Boozt.com	967.3	860.3	107.0	3,150.7	2,659.1	491.6
Booztlet.com	75.0	25.1	50.0	246.5	105.9	140.6
Other	7.4	7.1	0.3	27.7	19.0	8.6
TOTAL NET REVENUE	1,049.7	892.5	157.2	3,424.9	2,784.0	640.9
EBIT						
Boozt.com	100.2	73.7	26.5	86.6	76.2	10.5
Booztlet.com	7.7	2.9	4.8	25.6	12.1	13.5
Other	-3.3	-7.5	4.2	-20.5	-20.2	-0.3
TOTAL OPERATING PROFIT/LOSS	104.6	69.1	35.5	91.8	68.1	23.7
PROFIT/LOSS BEFORE TAX						
Boozt.com	97.7	73.6	24.1	76.9	70.0	7.0
Booztlet.com	7.5	2.9	4.6	24.9	11.9	13.0
Other	-3.3	-7.5	4.2	-20.5	-20.2	-0.3
PROFIT/LOSS BEFORE TAX	101.9	69.0	32.9	81.3	61.6	19.7

Rounding differences may affect the summations.

The Group reports operating segments in accordance with IFRS 8. The Group's operations are divided into three segments, which constitute 100% of the revenue generated. The Group reports net revenue, EBIT and Operating profit before tax for each of the operating segments. No information on segment assets or liabilities is provided, as the two major segments share the assets and liabilities.

Note 3 – Financial instruments

Dec 31, 2018	Accounts receivable and loans receivable	Other financial liabilities	Financial assets measured at fair value via income statement	Total carrying amount	Fair value
Financial assets					
Deposits	12.3	-	-	12.3	12.3
Accounts receivables	26.6	-	-	26.6	26.6
Other receivables	110.8	-	-	110.8	110.8
Cash and cash equivalents	368.3	-	-	368.3	368.3
Total financial assets	518.0	-	-	518.0	518.0
Financial liabilities					
Liabilities to credit institutions	-	110.5	-	110.5	110.5
Accounts payables	-	521.2	-	521.2	521.2
Other liabilities	-	86.8	-	86.8	86.8
Total financial liabilities	-	718.4	-	718.4	718.4

Dec 31, 2019	Accounts receivable and loans receivable	Other financial liabilities	Financial assets measured at fair value via income statement	Total carrying amount	Fair value
Financial assets					
Deposits	12.3	-	-	12.3	12.3
Accounts receivables	50.5	-	-	50.5	50.5
Other receivables	105.9	-	-	105.9	105.9
Cash and cash equivalents	339.4	-	-	339.4	339.4
Total financial assets	508.0	-	-	508.0	508.0
Financial liabilities					
Liabilities to credit institutions	-	207.7	-	207.7	207.7
Accounts payables	-	500.7	-	500.7	500.7
Lease liabilities	-	427.4	-	427.4	427.4
Other liabilities	-	104.6	-	104.6	104.6
Total financial liabilities	-	1,240.4	-	1,240.4	1,240.4

Rounding differences may affect the summations.

Calculation of fair value

For the current financial year, the fair value of financial assets and liabilities is considered to be close to the carrying amount, after which the carrying amount is estimated to be the same as the fair value. For more detailed description of the Group's classification and valuation of financial instruments please see the Group's Annual Report.

Derivative instruments

The fair value is calculated as defined for level 2 in IFRS 7. As per Q4 2019 the Group has no active derivative contracts.

SEK million unless otherwise stated	Oct 1 - Dec 31, 2019	Oct 1 - Dec 31, 2018	Jan 1 - Dec 31, 2019	Jan 1 - Dec 31, 2018
Interest income	-0.0	-0.0	-0.0	-0.0
Financial income - derivatives	-	0.5	-	4.4
Interest expense	-1.1	-0.6	-3.7	-2.4
Interest expense IFRS 16	-1.6	-	-6.7	-
Financial costs - derivatives	-	-	-	-8.5
NET FINANCIAL ITEMS	-2.7	-0.1	-10.5	-6.4

Note 4 – Investments

SEK million	Oct 1 - Dec 31, 2019	Oct 1 - Dec 31, 2018	Jan 1 - Dec 31, 2019	Jan 1 - Dec 31, 2018
Acquisition of fixed assets (other capex)	-0.3	-0.3	-12.8	-14.2
Acquisition of fixed assets (warehouse automation capex)	-40.4	-41.3	-114.5	-42.3
Acquisition of fixed assets (warehouse capex)	-0.4	-4.8	-0.3	-5.2
	-41.2	-46.3	-127.6	-61.8
Acquisition of subsidiaries	-3.9	-	-3.9	-
Change in financial assets	0.1	-0.0	0.0	-0.8
	-3.8	-0.0	-3.9	-0.8
Acquisition of intangible assets (capitalised development costs)	-7.0	-4.3	-19.2	-14.1
Acquisition of intangible assets (other)	-6.0	-4.5	-20.6	-15.2
	-13.0	-8.8	-39.8	-29.3
CASH FLOW FROM INVESTMENTS	-57.9	-55.1	-171.3	-91.9

Rounding differences may affect the summations.

The acquisition of fixed assets (warehouse automation capex) have increased with SEK 114.5 million in 2019, this is attributable to Autostore phase 3 in the current warehouse.

In the prepared acquisition analysis of the Touchlogic acquisition, goodwill was valued at SEK 10.1 million (corresponding to DKK 7.0 million) and the cash flow effect for the group was SEK 3.9 million.

Parent company income statement

SEK million	Oct 1 - Dec 31, 2019	Oct 1 - Dec 31, 2018	Jan 1 - Dec 31, 2019	Jan 1 - Dec 31, 2018
OPERATING INCOME				
Net revenue	11.0	10.5	36.6	49.3
Total operating income	11.0	10.5	36.6	49.3
OPERATING COSTS				
General expenses	-0.5	-0.7	-5.0	-5.4
Personnel costs	-8.3	-9.9	-43.2	-46.9
Total operating costs	-8.8	-10.7	-48.2	-52.3
OPERATING PROFIT	2.1	-0.2	-11.6	-3.0
FINANCIAL INCOME AND EXPENSES				
Financial expenses	0.0	-	0.0	0.0
Net financial items	0.0	-	0.0	0.0
RESULT BEFORE TAX	2.1	-0.2	-11.6	-3.0
Income tax	-0.5	0.0	2.5	0.2
PROFIT/LOSS FOR THE PERIOD	1.7	-0.2	-9.2	-2.8

Rounding differences may affect the summations.

Parent company financial position

SEK million	Dec 31, 2019	Dec 31, 2018
ASSETS		
Non-current assets		
Financial assets		
Shares in Group companies	747.3	747.3
Deferred tax asset	16.1	13.7
Total non-current assets	763.4	760.9
Current assets		
Short term receivables		
Other receivables	0.0	-
Receivables from Group companies	60.0	53.4
Current tax assets	0.1	-
Prepaid expenses and accrued income	0.2	0.1
Cash and cash equivalents	1.3	3.8
Total current assets	61.5	57.2
TOTAL ASSETS	824.9	818.2
EQUITY AND LIABILITIES		
Equity		
Restricted equity		
Share capital	4.8	4.8
	4.8	4.8
Unrestricted equity		
Share premium reserve	1,120.4	1,106.6
Retained earnings	-345.9	-343.1
Net income for the period	-9.2	-2.8
	765.2	760.6
TOTAL EQUITY	770.0	765.4
LIABILITIES		
Non-current liabilities		
Other provisions	4.7	2.4
Total non-current liabilities	4.7	2.4
Current liabilities		
Accounts payable	0.0	0.3
Liabilities to Group companies	37.8	37.8
Other liabilities	2.5	2.6
Accrued expenses and prepaid income	10.0	9.7
Total current liabilities	50.3	50.3
TOTAL LIABILITIES	54.9	52.8

Parent company changes in equity

SEK million	Share capital	Share premium reserve	Profit/loss brought forward	Total equity
Equity brought forward Jan 1, 2018	4.7	1,081.8	-343.1	743.4
Profit for the period	-	-	-2.8	-2.8
COMPREHENSIVE PROFIT/LOSS FOR THE PERIOD	-	-	-2.8	-2.8
Share capital increases	0.1	24.6	-	24.7
Share based payments	-	0.1	-	0.1
Total transactions with owners	0.1	24.8	-	24.8
Equity carried forward Dec 31, 2018	4.8	1,106.6	-345.9	765.4

Rounding differences may affect the summations.

SEK million	Share capital	Share premium reserve	Profit/loss brought forward	Total equity
Equity brought forward Jan 1, 2019	4.8	1,106.6	-345.9	765.4
Profit for the period	-	-	-9.2	-9.2
COMPREHENSIVE PROFIT/LOSS FOR THE PERIOD	-	-	-9.2	-9.2
Share capital increases	-	10.3	-	10.3
Costs of share issue	-	-	-	-
Share based compensation	-	3.5	-	3.5
Total transactions with owners	-	13.8	-	13.8
Equity carried forward Dec 31, 2019	4.8	1,120.4	-355.1	770.0

Rounding differences may affect the summations.

Audit

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

Signatures

The undersigned certify 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 21, 2020

Hermann Haraldsson

Group CEO

In accordance with authorisation 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, 2019. The Board of Directors and the President are responsible for the preparation and presentation of this interim year end 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 21, 2020

Deloitte AB

Didrik Roos

Authorized Public Accountant



Additional information

Information by quarter

Net revenue and EBIT by segment

SEK million unless otherwise indicated	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017
NET REVENUE												
Boozt.com	967.3	691.2	831.7	660.6	860.3	583.5	688.3	527.0	626.4	440.6	481.9	397.4
Booztlet.com	75.0	68.0	58.0	45.5	25.1	35.9	22.7	22.3	14.2	12.1	11.9	10.9
Other	7.4	5.0	9.0	6.3	7.1	5.6	3.7	2.6	3.5	2.3	2.3	12.9
NET REVENUE	1,049.7	764.1	898.7	712.4	892.5	625.0	714.7	551.9	644.2	454.9	496.1	421.1
OPERATING PROFIT/LOSS (EBIT)												
Boozt.com	100.2	-44.1	50.1	-19.5	73.7	-25.6	36.6	-8.5	50.8	-13.4	-79.4	-29.0
Booztlet.com	7.7	6.9	7.4	3.6	2.9	3.0	2.4	3.8	1.2	2.2	-1.9	0.7
Other	-3.3	-3.6	-8.6	-5.0	-7.5	-6.1	-4.9	-1.7	-0.9	-0.6	-1.6	2.2
OPERATING PROFIT/LOSS (EBIT)	104.6	-40.8	48.9	-21.0	69.1	-28.8	34.1	-6.4	51.1	-11.8	-82.9	-26.1
OPERATING PROFIT/LOSS (EBIT) %												
Boozt.com	10.4%	-6.4%	6.0%	-3.0%	8.6%	-4.4%	5.3%	-1.6%	8.1%	-3.0%	-16.5%	-7.3%
Booztlet.com	10.2%	10.2%	12.8%	7.9%	11.6%	8.3%	10.6%	17.2%	8.3%	18.1%	-15.9%	6.1%
Other	-44.0%	-72.8%	-95.2%	-80.1%	-105%	-109%	-131%	-66.3%	-25.1%	-25.9%	-70.7%	17.0%
OPERATING PROFIT/LOSS (EBIT) %	10.0%	-5.3%	5.4%	-2.9%	7.7%	-4.6%	4.8%	-1.2%	7.9%	-2.6%	-16.7%	-6.2%
EARNINGS BEFORE TAX												
Boozt.com	97.7	-46.6	47.6	-21.8	73.6	-24.0	35.9	-15.5	51.6	-17.3	-77.4	-26.2
Booztlet.com	7.5	6.7	7.3	3.4	2.9	3.1	2.4	3.6	1.2	2.1	-1.9	0.7
Other	-3.3	-3.6	-8.6	-5.0	-7.5	-6.1	-4.9	-1.7	-0.9	-0.6	-1.6	2.2
EARNINGS BEFORE TAX	101.9	-43.5	46.3	-23.4	69.0	-27.1	33.4	-13.7	51.9	-15.9	-80.9	-23.3
ADJUSTED EBIT												
Boozt.com	96.7	-32.0	43.8	-10.4	62.3	-22.1	37.4	-6.3	52.0	-14.0	12.0	-6.0
Booztlet.com	7.4	8.0	7.0	4.2	2.6	3.2	2.4	3.9	1.2	2.2	0.4	1.3
Other	-3.3	-3.6	-3.7	-5.0	-7.5	-6.1	-4.9	-1.7	-0.9	-0.6	-1.6	2.2
ADJUSTED EBIT	100.9	-27.6	47.1	-11.3	57.4	-25.0	35.0	-4.1	52.3	-12.5	10.9	-2.5
ADJUSTED EBIT %												
Boozt.com	10.0%	-4.6%	5.3%	-1.6%	7.2%	-3.8%	5.4%	-1.2%	8.3%	-3.2%	2.5%	-1.5%
Booztlet.com	9.9%	11.8%	12.1%	9.1%	10.3%	8.9%	10.7%	17.6%	8.6%	18.0%	3.7%	11.6%
Other	-44.0%	-72.8%	-41%	-80%	-105%	-109%	-131%	-66.3%	-25.1%	-25.9%	-70.7%	17.0%
ADJUSTED EBIT %	9.6%	-3.6%	5.2%	-1.6%	6.4%	-4.0%	4.9%	-0.7%	8.1%	-2.7%	2.2%	-0.6%

Rounding differences may affect the summations.

Information by quarter

SEK million unless otherwise indicated	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017
EBIT MARGIN (%)												
Gross margin (%)	43.2%	35.6%	40.7%	37.9%	41.2%	36.6%	42.0%	39.1%	43.1%	38.8%	44.4%	44.4%
Fulfillment cost ratio (%)	-12.4%	-14.4%	-13.7%	-14.8%	-13.7%	-14.6%	-13.4%	-13.5%	-12.7%	-14.8%	-15.5%	-20.5%
Marketing cost ratio (%)	-9.9%	-11.4%	-8.6%	-10.3%	-10.3%	-13.0%	-12.7%	-13.7%	-11.1%	-13.3%	-13.3%	-15.1%
Admin & other cost ratio (%)	-8.4%	-11.7%	-9.7%	-12.3%	-7.9%	-11.6%	-9.6%	-11.1%	-9.8%	-11.3%	-30.5%	-14.3%
Depreciation (%)	-2.6%	-3.4%	-3.2%	-3.4%	-1.6%	-2.0%	-1.6%	-2.0%	-1.5%	-2.0%	-1.8%	-0.7%
EBIT MARGIN (%)	10.0%	-5.3%	5.4%	-2.9%	7.7%	-4.6%	4.8%	-1.2%	7.9%	-2.6%	-16.7%	-6.2%
Adjusted fulfillment cost ratio (%)	-12.4%	-14.4%	-13.2%	-14.8%	-13.7%	-14.6%	-13.4%	-13.5%	-12.7%	-14.8%	-15.2%	-16.0%
Adjusted admin & other cost ratio (%)	-8.7%	-10.0%	-10.4%	-11.0%	-9.2%	-11.0%	-9.5%	-10.7%	-9.6%	-11.4%	-12.0%	-13.2%
Net working capital - percent of LTM net revenue	12.7%	11.2%	11.2%	12.9%	11.3%	10.6%	5.3%	10.0%	9.9%	12.0%	5.1%	11.0%
BOOZT.COM												
Site visits (000)	39,257	32,594	32,438	31,029	31,575	26,044	26,560	24,959	26,966	20,747	21,056	19,737
No. of orders (000)	1,161	860	1,042	854	1,045	736	869	638	786	572	641	510
Conversion rate %	2.96%	2.64%	3.21%	2.75%	3.31%	2.83%	3.27%	2.56%	2.91%	2.76%	3.05%	2.58%
True frequency	6.7	8.0	7.7	7.8	6.8	7.8	7.2	7.2	6.3	6.6	6.1	5.9
Average order value (SEK)	845	801	801	774	827	794	801	824	810	780	765	788
Active customers (000)	1,606	1,557	1,512	1,460	1,363	1,242	1,185	1,104	1,057	967	916	862
No. of orders per active customer	2.44	2.44	2.43	2.40	2.41	2.44	2.42	2.39	2.37	2.36	2.30	2.23
BOOZTLET.COM												
Site visits (000)	5,477	4,153	3,777	2,889	1,866	1,896	1,861	1,575.9				
No. of orders (000)	120	105	96	71	43	53	37	33				
Conversion rate %	2.19%	2.53%	2.53%	2.44%	2.30%	2.79%	1.99%	2.08%				
Average order value (SEK)	644	654	615	649	588	681	619	689				
NET REVENUE - GEOGRAPHICAL SPLIT												
Sweden	357.7	268.2	315.2	237.8	303.2	231.1	255.7	197.8	241.8	180.2	184.8	149.5
Denmark	374.2	237.5	317.8	237.2	338.1	212.5	260.3	180.9	239.0	148.5	176.8	130.6
Norway	158.9	116.2	130.3	110.3	125.3	90.0	110.3	92.4	86.2	69.0	78.0	68.5
Finland	86.2	82.7	67.2	61.4	63.3	55.9	52.9	49.7	42.9	36.8	37.6	36.3
Rest of Europe	72.7	59.6	68.3	65.6	62.6	35.5	35.5	31.1	34.2	20.4	18.9	36.2
TOTAL NET REVENUE	1,049.7	764.1	898.7	712.4	892.5	625.0	714.7	551.9	644.2	454.9	496.1	421.1

Rounding differences may affect the summations.

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

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 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.
Adjusted fulfilment cost ratio	APM	Fulfilment and distribution cost less items affecting comparability divided by net revenue.	The aim is to group the costs which is related to pick, pack, return handling, indeliveries and all distribution costs associated with shipping parcels to and from customers as well as business to business distribution costs less any cost items, which might affect the trend being one time by nature, and then evaluate these costs against net revenue created.
Adjusted net debt/net cash	APM	Interest bearing liabilities excluding interest bearing lease liabilities (IFRS 16) 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 (excluding interest bearing lease liabilities).
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.
BFC	APM	Boozt Fulfilment Centre.	The location of the Group's warehouse.
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.
Earnings per share	IFRS	Profit/loss for the period divided by weighted average number of shares outstanding during the period.	The aim is to distribute the company's profit to each share.
Earnings per share after dilution	IFRS	Profit/loss for the period divided by the diluted weighted average number of shares outstanding during the period. The number of ordinary shares shall be the weighted average number of shares, used when per share, plus the weighted average number of shares that would be issued measuring basic earnings on the conversion of all the dilutive potential shares into ordinary shares. Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share.	The aim is to distribute the company's profit to each share including the net non registered shares (i.e. warrants or similar).

Explanation	APM / IFRS	Definition	Rationale
EBIT (Operating profit)	IFRS	Profit/loss before interest and tax.	The aim of this figure is to display the profit/loss before interests and tax
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.
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, return handling, 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 local currency weighted with the local currency's share of net revenue in SEK in the reporting quarter.	To illustrate the growth adjusted for the impact of translating foreign currency to SEK.
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.
Lease liabilities	IFRS	The Group's lease liabilities taking into consideration the Group's borrowing interest rate and length of lease agreements, options etc.	The Group's lease liabilities considered as a loan with amortizations and interest.
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.
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.
Net revenue	IFRS	Transactional net revenue less fees paid to consignment partners plus other revenue.	This is the IFRS net revenue measurement taking into consideration that only the commission share of a transaction can be recognised as revenue, and even to include revenue which does not come from transactions with customers.
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.
Right of use asset	IFRS	Present value of the Group's lease assets taking into consideration the Group's borrowing interest rate.	To clarify the Group's contingent assets which will have to be considered in combination with the Group's contingent lease liabilities.
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.

Explanation	APM / IFRS	Definition	Rationale
Transactional net revenue	APM	Gross sales (incl. shipping and invoice income) less 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 behaviour 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 behaviour once they mature.

Reconciliation of total operating income

SEK million unless otherwise indicated	Oct 1 - Dec 31, 2019	Oct 1 - Dec 31, 2018	Jan 1 - Dec 31, 2019	Jan 1 - Dec 31, 2018
GROUP				
Transactional net revenue	1,065.8	896.6	3,443.7	2,796.4
Less consignment sales	-32.3	-15.1	-64.8	-50.7
Other revenue	16.2	10.9	45.9	38.3
Net revenue	1,049.7	892.5	3,424.9	2,784.0
Other operating income	-	-	-	-
Total operating income	1,049.7	892.5	3,424.9	2,784.0
BOOZT.COM				
Transactional net revenue	981.2	864.2	3,165.6	2,670.5
Less consignment sales	-30.1	-14.9	-60.8	-49.8
Other revenue	16.2	10.9	45.9	38.3
Net revenue	967.3	860.3	3,150.7	2,659.1
Other operating income	-	-	-	-
Total operating income	967.3	860.3	3,150.7	2,659.1
BOOZTLET.COM				
Transactional net revenue	77.2	25.3	250.5	106.8
Less consignment sales	-2.2	-0.2	-4.0	-0.9
Other revenue	-	-	-	-
Net revenue	75.0	25.1	246.5	105.9
Other operating income	-	-	-	-
Total operating income	75.0	25.1	246.5	105.9
OTHER				
Transactional net revenue	7.4	7.1	27.7	19.0
Less consignment sales	-	-	-	-
Other revenue	-	-	-	-
Net revenue	7.4	7.1	27.7	19.0
Other operating income	-	-	-	-
Total operating income	7.4	7.1	27.7	19.0

Reconciliation of adjusted EBIT

SEK million	Oct 1 - Dec 31, 2019	Oct 1 - Dec 31, 2018	Jan 1 - Dec 31, 2019	Jan 1 - Dec 31, 2018
EBIT	104.6	69.1	91.8	68.1
Share based payments related to employees (social charges)	-5.1	-12.0	5.2	-6.6
Share-based payments related to employees	1.4	0.2	7.2	1.7
Non-recurring items affecting comparability*	-	-	4.9	-
Adjusted EBIT	100.9	57.4	109.0	63.2

Rounding differences may affect the summations.

*Non-recurring items affecting comparability are related to the closing of the Beauty by Boozt store in Roskilde.

Reconciliation with financial statements according to IFRS

SEK million unless otherwise indicated	Oct 1 - Dec 31, 2019	Oct 1 - Dec 31, 2018	Jan 1 - Dec 31, 2019	Jan 1 - Dec 31, 2018
Cash and cash equivalents	-339.4	-368.3	-339.4	-368.3
Interest bearing liabilities (current and non-current)	207.7	110.5	207.7	110.5
Interest bearing lease liabilities	427.4	-	427.4	-
Net debt / -net cash	295.6	-257.9	295.6	-257.9
Total equity	942.6	870.4	942.6	870.4
Total assets	2,487.2	1,833.5	2,487.2	1,833.5
Equity / asset ratio	37.9%	47.5%	37.9%	47.5%
No. of orders (000) (A)	1,161	1,045	3,917	3,288
Site visits (000) (B)	39,257	31,575	135,318	109,138
Boozt.com - Conversion rate (A) / (B)	2.96%	3.31%	2.89%	3.01%
Transactional net revenue - Boozt.com (A)	981.2	864.2	3,165.6	2,670.5
No. of orders (000) (B)	1,161	1,045	3,917	3,288
Average order value (SEK) (A) / (B)	845	827	808	812
No. of orders (000) (LTM) (A)	3,917	3,288	3,917	3,288
Active customers (000) (B)	1,606	1,363	1,606	1,363
No. of orders per active customer (A) / (B)	2.44	2.41	2.44	2.41
Inventory	1,043.8	984.9	1,043.8	984.9
Accounts receivables	50.5	26.6	50.5	26.6
Other receivables	105.9	110.8	105.9	110.8
Current tax assets	1.3	0.6	1.3	0.6
Prepaid expenses and accrued income	130.8	40.1	130.8	40.1
Accounts payables	-500.7	-521.2	-500.7	-521.2
Other liabilities	-100.5	-86.8	-100.5	-86.8
Accrued expenses and prepaid income	-295.8	-240.3	-295.8	-240.3
Net working capital	435.3	314.6	435.3	314.6
Net working capital - percent of LTM net revenue rolling 12 months	12.7%	11.3%	12.7%	11.3%
Gross margin (%)	43.2%	41.2%	39.7%	40.0%
Fulfilment cost ratio (%)	-12.4%	-13.7%	-13.7%	-13.8%
Marketing cost ratio (%)	-9.9%	-10.3%	-10.0%	-12.2%
Admin & other cost ratio (%)	-8.4%	-7.9%	-10.3%	-9.8%
Depreciation cost ratio (%)	-2.6%	-1.6%	-3.1%	-1.8%
EBIT margin (%)	10.0%	7.7%	2.7%	2.4%

Rounding differences may affect the summations.

Some of the key ratios such as gross margin, earnings per share and EBIT margin may be easily calculated from the financial statements. Such metrics are regarded as reconciled and are not presented above. In addition the two metrics conversion rate and average order value for Booztlet.com can be easily calculated using the same methodology as for Boozt.com displayed above.

Financial calendar

April 16, 2020

Annual Report 2019

May 14, 2020

Interim report January – March 2020, Q1 2020

May 27, 2020

Annual General Meeting

August 21, 2020

Interim report January – June 2020, Q2 2020

November 18, 2020

Interim report January – September 2020, Q3 2020

February 26, 2021

Interim report January – December 2020, Q4 2020

Financial reports

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

Anders Enevoldsen, Head of IR & Corporate Communication

anen@boozt.com / +45 53 50 14 53

or

Sandra Gadd, Group CFO

sga@boozt.com / +46 768 27 61 18

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 person set out above, at 08.00 CET on February 21 2020.

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

Adress:

Hyllie Boulevard 35
215 37 Malmö, Sverige

Telefon: +46 40 12 80 05

E-mail: info@boozt.com
www.booztfashion.com

Org. nr: 556793-5183

Malmö

VAT nr SE556793518301