



# Boozt

## Quarterly report - third quarter

JANUARY 1 – SEPTEMBER 30 2017

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# Summary

## Third Quarter

- Net revenue growth of 45.7% in the quarter
- Net revenue growth of 52.8% for Boozt.com in the quarter
- Adjusted EBIT amounted to SEK -12.5 million in the quarter
- Strong development of cost ratios in the quarter

## First nine months

- Net revenue growth of 47.7% in the period
- Net revenue growth of 54.2% for Boozt.com in the period
- Adjusted EBIT amounted to SEK -4.1 million in the period
- Increased growth outlook: For 2017 net revenue growth is expected to exceed 40%

## Financial key ratios

SEK million unless otherwise indicated	Jul 1 - Sep 30, 2017	Jul 1 - Sep 30, 2016	Change	Jan 1 - Sep 30, 2017	Jan 1 - Sep 30, 2016	Change	Rolling 12 months
<b>GROUP</b>							
Net revenue	454.9	312.3	45.7%	1,372.2	929.1	47.7%	1,839.5
Gross margin	176.4	147.8	19.4%	583.6	418.7	39.4%	794.7
Gross margin (%)	38.8%	47.3%	-8.5 pp	42.5%	45.1%	-2.5 pp	43.2%
Fulfilment cost ratio (%)	-14.8%	-18.1%	3.3 pp	-16.8%	-17.0%	0.2 pp	-16.1%
Marketing cost ratio (%)	-13.3%	-18.5%	5.2 pp	-13.8%	-16.5%	2.6 pp	-13.2%
Admin & other cost ratio (%)	-11.3%	-15.0%	3.6 pp	-19.2%	-13.4%	-5.8 pp	-16.6%
Depreciation cost ratio (%)	-2.0%	-1.0%	-1.0 pp	-1.5%	-0.9%	-0.6 pp	-1.4%
Adjusted fulfilment cost ratio (%)	-14.8%	-18.1%	3.3 pp	-15.3%	-17.0%	1.7 pp	-15.0%
Adjusted admin & other cost ratio (%)	-11.4%	-14.3%	2.8 pp	-12.2%	-12.7%	0.5 pp	-11.2%
EBIT	-11.8	-16.2	4.5	-120.8	-24.7	-96.1	-75.1
EBIT margin (%)	-2.6%	-5.2%	2.6 pp	-8.8%	-2.7%	-6.1 pp	-4.1%
Adjusted EBIT	-12.5	-14.2	1.8	-4.1	-18.7	14.6	44.1
Adjusted EBIT margin (%)	-2.7%	-4.6%	1.8 pp	-0.3%	-2.0%	1.7 pp	2.4%
Adjusted EBITDA	-3.2	-11.2	8.0	16.8	-10.8	27.6	69.6
Adjusted EBITDA margin (%)	-0.7%	-3.6%	2.8 pp	1.2%	-1.2%	2.3 pp	3.8%
Earnings for the period	-12.4	-16.3	3.8	-98.7	-25.0	-73.7	-60.8
Cash flow from operating activities	-138.7	-88.0	-50.7	-219.6	-63.9	-155.6	-151.2
Earnings per share (SEK)	-0.22	-0.36	0.14	-1.93	-0.58	-1.36	-1.22
Earnings per share after dilution (SEK)	-0.22	-0.36	0.14	-1.93	-0.58	-1.36	-1.22
<b>Boozt.com</b>							
Net revenue	440.6	288.3	52.8%	1,319.8	855.8	54.2%	1,767.0
Site visits (000)	20,747	14,935	38.9%	61,540	44,257	39.1%	80,338
No. of orders (000)	572	404	41.8%	1,723	1,207	42.8%	2,281
Conversion rate	2.76%	2.70%	0.06 pp	2.80%	2.73%	0.07 pp	2.84%
True frequency	6.6	5.3	1.3	6.6	5.3	1.3	6.6
Average order value (SEK)	780	745	4.7%	777	756	2.8%	788
Active customers (000)	967	749	29.0%	967	749	29.0%	967
No. of orders per active customer	2.36	2.09	13.0%	2.36	2.09	13.0%	2.36

Rounding differences may effect the summations.

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*"Our new customer intake is higher than ever, our existing customers are increasing our share of their wallet, at the same time as our customer satisfaction is all-time high."*



Hermann Haraldsson, Group CEO

*"We know, that when a customer shops with us, there is a high likelihood that she will come back and increase her business with us."*

## Back to business – and strong growth

For the first time in quite some time, we could focus entirely on our customers and our business during this quarter. We had no big distractions, like the warehouse move or the IPO in this quarter.

You could also say, that there were no excuses.

Therefore, we are very pleased that we managed to accelerate the business again during the quarter. Our Group net revenue was SEK 454.9 million, corresponding to a growth of 45.7% compared to the third quarter last year. Boozt.com grew with solid 52.8%, with net revenues amounting to SEK 440.6 million.

We are especially pleased that the investments in our new fulfilment centre have started to pay off. We crossed "the magic line" in the fulfilment centre during the second half of the quarter, as the fulfilment cost per order (including depreciations and rent), went below last year. This, combined with economies of scale in distribution resulted in a fulfilment cost ratio (that includes distribution costs) that was lower than in the third quarter last year.

In addition to the above, we managed to lower the marketing cost ratio from 18.5% to 13.3%. We see this as a strong sign that our brand is getting stronger, and as a proof of our ability to attract new customers at the same time as our existing customers buy from us more frequently. This is explicitly expressed in the True Frequency that increased from 5.3 to 6.5 in the quarter. Our Trustpilot score remained at a 5-star rating and an all-time-high of 9.1 and our NPS score continued at the same high level as in the preceding period.

We are well positioned in the market. Our curated focus on mainly Nordic brands offering affordable luxury to the Nordic consumer is starting to pay off.



We know, that when a customer shops with us, there is a high likelihood that she will come back and increase her business with us. When we invest in a new customer for Boozt, it comes at a net loss the first year, but at the same time we know that we will have a break even on our investment within 20 months, whereafter the customer turns profitable. We will therefore continue to invest heavily in attracting new customers, as the present value of the future cash flow from these new customers is significantly higher than the initial investment for acquiring them. We will continue to do this as long as the acquisition cost for a new customer is below the threshold that we set at any given time.

Finally, due to the increased revenue and the scale advantages associated therewith, our admin & other cost ratio was lower than last year.

All-in-all, the quarter demonstrated that we are seeing the benefits of scale as well as the benefits of the investments we made in our infrastructure.

Our gross margin was 38.8% thus lower than last year. This is the last remnant from our warehouse move in the spring, as we cleared the excess Spring/Summer 2017 collection during the third quarter. During our warehouse move, we experienced delays in getting all the Spring/Summer 2017 items live on our site. Our sell-through curve lagged our targets, so we decided to extend the full-price season and wait with end-season sale until the end of June. Therefore, most of the end-season sale took place in July and August instead of June. This had a negative impact on our gross margin during the quarter. Stock composition is, however, healthy and sell-through for the Spring/Summer 2017 collection is now back on target.

*"The migration from physical to online retail continues at a high pace, and the competitive pressure is more intense than ever before."*

Status for the first 9 months of this year is that the business looks promising. The Group's net revenue grew with 47.7% to SEK 1,372.2 million during the period, and Boozt.com continued its strong momentum with a growth of 54.2% to SEK 1,319.8 million in the period.

During the year, we have made significant investments in our infrastructure enabling us to improve the customer experience, and to deliver even faster to our customers. Our new customer intake is higher than ever, our existing customers are increasing our share of their wallet, at the same time as our customer satisfaction is all-time high.

The migration from physical to online retail continues at a high pace, and the competitive pressure is more intense than ever before. These are exiting times that favour the fast. We feel more fit than ever, and ready to continue to take more than our fair share of a fast-growing online fashion/apparel market.

Best Regards

**Hermann Haraldsson**  
Group CEO





# Management's report

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This report is published November 22, 2017



## Key performance indicators (KPIs)

SEK million unless otherwise indicated	Jul 1 - Sep 30, 2017	Jul 1 - Sep 30, 2016	Jan 1 - Sep 30, 2017	Jan 1 - Sep 30, 2016	Rolling 12 months
<b>GROUP</b>					
Net revenue	454.9	312.3	1,372.2	929.1	1,839.5
Net revenue growth (%)	45.7%	74.0%	47.7%	74.6%	51.5%
Gross margin (%)	38.8%	47.3%	42.5%	45.1%	43.2%
Fulfilment cost ratio (%)	-14.8%	-18.1%	-16.8%	-17.0%	-16.1%
Marketing cost ratio (%)	-13.3%	-18.5%	-13.8%	-16.5%	-13.2%
Admin & other cost ratio (%)	-11.3%	-15.0%	-19.2%	-13.4%	-16.6%
Depreciation cost ratio (%)	-2.0%	-1.0%	-1.5%	-0.9%	-1.4%
Adjusted fulfilment cost ratio (%)	-14.8%	-18.1%	-15.3%	-17.0%	-15.0%
Adjusted admin & other cost ratio (%)	-11.4%	-14.3%	-12.2%	-12.7%	-11.2%
EBIT	-11.8	-16.2	-120.8	-24.7	-75.1
EBIT margin (%)	-2.6%	-5.2%	-8.8%	-2.7%	-4.1%
Adjusted EBIT	-12.5	-14.2	-4.1	-18.7	44.1
Adjusted EBIT margin (%)	-2.7%	-4.6%	-0.3%	-2.0%	2.4%
Adjusted EBITDA	-3.2	-11.2	16.8	-10.8	69.6
Adjusted EBITDA margin (%)	-0.7%	-3.6%	1.2%	-1.2%	3.8%
Cash flow from operating activities	-138.7	-88.0	-219.6	-63.9	-151.2
Net working capital	220.4	110.9	220.4	110.9	220.4
Cashflow from investments	3.6	-4.0	-123.5	-27.2	-131.3
Net debt / -net cash	-297.9	-149.2	-297.9	-149.2	-297.9
Equity / asset ratio	55.3%	48.9%	55.3%	48.9%	55.3%
Number of employees and end of period	221	166	221	166	221
<b>Boozt.com</b>					
Net revenue	440.6	288.3	1,319.8	855.8	1,767.0
EBIT	-13.4	-18.3	-121.8	-35.7	-76.0
EBIT margin (%)	-3.0%	-6.4%	-9.2%	-4.2%	-4.3%
Adjusted EBIT	-14.0	-16.8	-8.0	-31.1	39.7
Adjusted EBIT margin (%)	-3.2%	-5.8%	-0.6%	-3.6%	2.2%
Site visits (000)	20,747	14,935	61,540	44,257	80,338
No. of orders (000)	572	404	1,723	1,207	2,281
Conversion rate (%)	2.76%	2.70%	2.80%	2.73%	2.84%
True frequency	6.6	5.3	6.6	5.3	6.6
Average order value (SEK)	780	745	777	756	788
Active customers (000)	967	749	967	749	967
No. of orders per active customer	2.36	2.09	2.36	2.09	2.36
<b>Booztlet.com</b>					
Net revenue	12.1	8.4	34.9	22.9	42.8
EBIT	2.2	1.6	1.0	3.6	1.5
EBIT margin (%)	18.1%	18.6%	2.7%	15.8%	3.4%
Adjusted EBIT	2.2	1.6	3.9	3.6	4.4
Adjusted EBIT margin (%)	18.0%	18.7%	11.1%	15.9%	10.4%
<b>Other</b>					
Net revenue	2.3	15.5	17.5	50.4	29.7
EBIT	-0.6	0.5	0.0	7.3	-0.5
EBIT margin (%)	-25.9%	3.3%	-0.1%	14.6%	-1.6%
Adjusted EBIT	-0.6	1.0	0.0	8.7	0.0
Adjusted EBIT margin (%)	-25.9%	6.4%	-0.1%	17.4%	0.2%

Rounding differences may effect 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 and December 31, 2016. The third quarter refers to the period July – September 2017.

## Third quarter

### Net revenue

Net revenue for the period increased with 45.7% to SEK 454.9 million (312.3). The increase was mainly attributable to the Boozt.com and Booztlet.com segments with a growth of 52.8% and 43.3%, respectively. In 2016, the Group's commission sales agreement with ECCO was included in the segment Other. This affected the net revenue negatively with SEK 13.2 million compared to the third quarter in 2016.

### Gross margin

The gross profit increased with 19.4% to SEK 176.4 million (147.8) during the quarter. The gross margin decreased in accordance with expectations and amounted to 38.8% (47.3%). The decrease is partly due to the terminated commission sales agreement with ECCO, which generated a gross margin of 100%. The decrease is also due to postponement of clearance for the Spring/Summer 2017-collection, which was performed in July and August 2017.

### EBIT

EBIT increased with 27.5% to SEK -11.8 million (-16.2) during the period.

The fulfilment cost ratio decreased with 3.3 percentage points in the period from 18.1% to 14.8%. The decrease is due to the improved productivity and the economies of scale achieved through the investments made in the Group's fulfilment centre earlier in 2017.

The marketing cost ratio decreased with 5.2 percentage points to 13.3% (18.5%) in the period and the admin & other cost ratio decreased with 3.7 percentage points to 11.3% (15.0%) in the period.

### Adjusted EBIT

Adjusted EBIT amounted to SEK -12.5 million (-14.2). Adjusted EBIT is lower than EBIT due to change in the reserve for social charges related to the Group's warrant program. The size of the reserve is, among other things, affected by the share price of the company, which was lower as per September 30, 2017 compared to June 30, 2017. Hence, a reversion of the reserve amounting to SEK 1.2 million was performed during the period, partly offset by the cost for share based payments related to the warrant program of SEK -0.6 million.

The adjusted EBIT margin increased with 1.8 percentage points to -2.7% (-4.6%).

### Financial items

The Group's financial costs amounted to SEK -4.1 million (-0.1) and financial income amounted to SEK 0.0 million (0.0) in the period. The financial costs are partly attributable to interests on interest bearing liabilities of SEK -0.8 million and partly by change in derivatives for the period that amounted to SEK -3.3 million.

### Tax

During the quarter, the effective tax rate was -21.5% compared to 0.0% in the year-earlier period. Tax for the period consists of change in the deferred tax asset for tax losses carried forward. The Group has historically not accounted for tax per quarter since accumulated losses have been of substantial nature, which affect comparability to the year-earlier period.

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

The Group expects to utilise the deferred tax assets recognised within the coming 2-3 years. There is no time limitation for the deferred tax asset relating to tax losses carried forward.

### Net profit

The net loss for the period totalled SEK -12.4 million (-16.3). Earnings per share before dilution amounted to SEK -0.22 (-0.36). Earnings per share after dilution amounted to SEK -0.22 (-0.36).



## Cash flow

Cash flow for the quarter amounted to SEK -186.8 million (-55.5).

Cash flow from operating activities amounted to SEK -4.3 million (-11.3). Cash flow from changes in working capital amounted to SEK -134.4 million (-76.6). Changes in inventories are affected by realised and expected growth in revenue.

Cash flow from investing activities are attributable to investments in fixed assets of SEK -1.8 million mainly attributable to the Group's new fulfilment centre. Capitalized development costs for the web platform amounted to SEK -2.6 million. Re-paid deposits of SEK 8.0 million also affects the investing activities.

Cash flow from financing activities amounted to SEK -51.7 million (36.4) in the period and are attributable to down-payment and repayments according to plan on the investments made in the Group's fulfilment centre during the second quarter. SEK 22.4 million of the amount affecting the financing activities are attributable to VAT for the acquired assets that was paid by the financier, the corresponding amount was settled with the tax authorities during the period, which affects changes in working capital for the period (changes in current assets).

## Significant events during the third quarter

During the third quarter the Group focused on improving core business activities according to plan, meaning winning new customers, winning back existing customers, and improving efficiency in processes. The number of active customers increased to 967,000 (749,000) and the number of orders increased to 572,000 (404,000) while the fulfilment cost ratio, marketing ratio and admin & other cost ratio decreased compared to the year earlier period.

As the fulfilment cost per order (including depreciation and costs for overcapacity in the warehouse) gradually decreased during the period to the point where the cost was lower than the fulfilment cost per order in the old warehouse, the ramp-up period for the new warehouse ended in the quarter.

During the period, no significant internal or external events occurred, which affected the Group more than expected.

## Changes in Group Management and in the Board of Directors in Boozt AB (publ)

On July 1, 2017, Mads Bruun Famme assumed the position as Chief Purchasing Officer (CPO) of the Group and became a member of Boozt's Group Management.

As described in the listing prospectus, Charlotte Svensson assumed her board position in Boozt AB (publ) on August 1, 2017. Charlotte Svensson is elected up until the end of the Annual General Meeting 2018.

Charlotte Svensson replaced Bjørn Folmer Kroghsbo, who was elected for the period up until 31 July 2017.

## Appointment of Nomination Committee

As per September 20, 2017 Boozt AB's (publ) Nomination Committee was appointed in accordance with the resolution by the Annual General Meeting on May 15, 2017 stating that the Nomination Committee shall consist of representatives of the three, per August 31, 2017, by votes, largest shareholders according to the shareholders' register held by Euroclear Sweden, and the Chairman of the Board.

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

- Bjørn Folmer Kroghsbo (representing Sampension KP Livsforsikring A/S), Chairman of the Nomination Committee
- Christian Lindegaard Jepsen (representing Sunstone Technology Ventures II K/S)
- Staffan Mörndal (representing Verdane Capital VII K/S)
- Henrik Theilbjørn, Chairman of the Board of Boozt AB (publ)

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

## Nine months

### Summary of the first nine months

Net revenue for the first nine months of 2017 increased with 47.7% to SEK 1,372.2 million (929.1). The increase in net revenue is mainly attributable to the Boozt.com segment, but also negatively affected by the Other segment, which included the commission sales agreement with ECCO.

The gross profit for the first nine months increased with 39.4% to SEK 583.6 million (418.7) and the gross margin decreased with 2.5 percentage points to 42.5%. The decrease in gross margin is due to the terminated commission sales agreement with ECCO, which generated a gross margin of 100%.

EBIT amounted to SEK -120.8 million (-24.7). Items affecting comparability of a total SEK -116.7 million affected EBIT during 2017 and include costs for listing of the company's shares of SEK -45.4 million, costs for share based payments to employees of SEK -4.2 million, cost for share based payments to employees (social charges) of SEK -46.5 million and costs for the warehouse move of SEK -20.6 million.

Loss before tax amounted to SEK -120.1 million (-25.0) and the loss for the period amounted to SEK -98.7 million (-25.0). The effective tax rate was -17.8% compared to 0.0% in the year-earlier period. The tax for the period consists of change in the deferred tax asset for tax losses carried forward.

Cash flow for the period amounted to SEK 143.0 million (50.3) whereof cash flow from operating activities amounted to SEK -219.6 million (-63.9). Change in net working capital was affected by increased inventory volumes due to realised and expected growth in revenues, as well as a change in the agreement structure with the ECCO and DAY Birger et Mikkelsen brands from consignment to own buy.

Cash flow from investing activities amounted to SEK -123.5 million (-27.2) and are mainly attributable to investments in the new fulfilment centre made during the second quarter.

Cash flow for financing activities amounted to SEK 486.1 million (141.4) in the period. The new share issue that was

performed at the time of the listing and sale of shares in own portfolio gave a net increase of equity of SEK 431.2 million. During the period the investments made in the Group's fulfilment centre was financed through a loan of SEK 124.2 million. During the period, SEK 57.3 million of this loan was re-paid. Additionally, our loan of SEK 12.0 million to ALMI, the Swedish national growth fund was re-paid in full during the period.

### Management's report of financial position

The Group's increased fixed assets relates to the investments made in the second quarter for the Group's fulfilment centre. The investments have been financed via a loan with Danske Bank that will be re-paid during a 5-year period. As a consequence the debt has increased.

The Group's increased inventory volumes is related to expected revenue growth but also a change in the agreement structure with ECCO and DAY brands, which at the end of the period constitutes app. SEK 30.0 million (SEK 0.0 million) of the SEK 629.8 million.

The equity and liquidity of the Group was strengthened by the new share issue and from selling shares in own portfolio, which was performed at the time of the listing in the second quarter.

SEK million	Sep 30, 2017	Dec 31, 2016
<b>ASSETS</b>		
Non-current assets	203.6	79.2
Inventory	629.8	388.8
Current assets (other)	74.6	109.5
Cash and cash equivalents	364.8	221.8
<b>TOTAL ASSETS</b>	<b>1,272.8</b>	<b>799.3</b>
<b>EQUITY AND LIABILITIES</b>		
Equity	704.2	367.3
Non-current liabilities	73.4	24.9
Current liabilities	495.3	407.1
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,272.8</b>	<b>799.3</b>
Net working capital	220.4	94.6
Net debt / -net cash	-297.9	-209.8
Equity / asset ratio	55.3%	46.0%

*Rounding differences may effect the summations.*

## Events after the reporting date

After the reporting date, the Group's business continued to develop in accordance with expectations, without any external or internal events with considerable effects on the daily operations.

### Building permit and award for best logistics establishment of the year

The building permit for a minor part of the premises, where the Group leases its new fulfilment centre, located in the municipality of Ängelholm, Sweden, was earlier this year appealed and revoked according to the, at that time, existing development plan. The municipality in Ängelholm communicated its support for the project and filed for a new development plan.

The new development plan was adopted on October 12, 2017 and the building permit for where the Group has its fulfilment centre has therefore gained legal force. This means that there are no longer any issues for Group's current and future growth plans on the premises including the existing buildings and the maximum build-out space of 77,000 sqm.

In October, Boozt won the award for the best logistics establishment in 2017 in Sweden for its automated fulfilment centre located in Ängelholm, Sweden. The award is handed out by the trade magazine "Intelligent Logistik".

In their decision process, the award jury, consisting of several industry profiles and representatives from "Intelligent Logistik", focused on, among other things, innovation, location from a logistical perspective, sustainable infrastructure, flexibility, freight flows, design and architecture, energy usage, working environment, automation or management solutions, and smart logistics solutions both outside and in the fulfilment centre.

### Boozt Technology A/S

In October 2017, the subsidiary Boozt Technology A/S (Denmark) was established. As per January 1, 2018, current employees of the subsidiary Boozt Fashion ApS will be employed by the newly established company instead.

## Change in Group Management

Johan Holmqvist has decided to step down as Head of Investor Relations and Corporate Communications at Boozt. Karsten Anker Petersen, CEO and partner at Borgen Communications & Public Affairs have taken over the responsibility of Investor Relations and Corporate Communications at Boozt on an interim basis. The search for a new Head of Investor Relations & Corporate Communications has been initiated.

## Employees

Number of employees was 221 (166) at the end of the period. The average number of employees was 198 (153) for the quarter. The average number of employees for the first nine months 2017 was 187 (144).

## 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. To mitigate seasonal variances 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 Nordic Mid Cap.

The address to the head office is Hyllie Boulevard 10 B, 215 32 Malmö, Sweden.

Net sales of the parent company amounted to SEK 5.0 million (0.0) 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 remunerations to the Board of Directors.

The loss for the quarter totalled SEK 0.1 million (-0.1).



The accumulated net revenue for the period January 1, 2017 – September 30, 2017 amounted to SEK 74.8 million (0.0) and consisted of invoiced fees for management services. The Company's accumulated costs amounted to SEK -98.8 million (-0.1) and mainly consist of costs related to the listing of the company's shares amounting to SEK 25.3 million, costs for lock-up bonuses to Group Management amounting to SEK 15.3 million, transactional bonuses to Group Management amounting to SEK 2.3 million and costs for social charges related to the Group's warrant program amounting to SEK 35.7 million.

The net result for the period January 1, 2017 – September 30, 2017 amounted to SEK -24.0 million (0.0).

The parent company has a Group internal receivable respectively a liability to different counterparties within the Group, that together with shares in the subsidiary Boozt Fashion AB and equity constitutes the majority of the financial position of the Company. The Company's equity was strengthened by the new share issue and sale of shares in own portfolio that was performed at the time of listing of the company's shares during the second quarter.

## 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 on a yearly basis. Identified risks as well as the risk management process are described in the Group's Annual Report for 2016.

## Related party transactions

The Group has transactions with companies owned by individuals with considerable influence on Boozt AB (publ). Transactions with related parties during the quarter are attributable to purchase of goods from the ECCO Group.

All related party transactions are priced at market conditions. When purchases and sales are made between Group companies, the same pricing principles as transactions with outside parties are used.

Total debt to related parties amounted to SEK 20.1 million (20.2) at the reporting date whereof SEK 9.4 million is related to KRM AG (ECCO), SEK 10.5 million is related to ECCO EMEA BV and SEK 0.2 million is related to EMMADS Invest A/S. Total debt per September 30, 2016, is in total related to KRM AG (ECCO).

Below is a summary of the transactions that have taken place with related parties.

SEK million	2017 Q3	2016 Q3
<b>PURCHASE OF SERVICES</b>		
EMMADS Invest A/S	-	0.2
<b>TOTAL</b>	<b>-</b>	<b>0.2</b>
<b>PURCHASE OF GOODS</b>		
ECCO EMEA BV	12.5	-
<b>TOTAL</b>	<b>12.5</b>	<b>-</b>
<b>CONSIGNMENT SALES</b>		
KRM AG (ECCO)	-	17.1
<b>TOTAL</b>	<b>-</b>	<b>17.1</b>

*Rounding differences may effect the summations.*

## The Boozt share

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

The lowest quoted market price during the period was SEK 71.50 per share (September 20), and the highest quoted market price during the period was SEK 82.00 (August 4). The closing price as per September 30, 2017, was SEK 74.25. The average turnover of the Boozt share was 78,985 shares per day during the period. As per September 30, 2017 the company had approximately 3,400 shareholders, whereof the largest shareholders were Sampension KP Livsforsikring A/S (9.87%), Sunstone Technology Ventures Fund II K/S (9.87%) and Verdane Capital VII K/S (8.23%).

The total number of shares amounted to 56,338,433, the quota value amounted to SEK 0.0833, and the number of outstanding warrants amounted to 267,500 at the end of the reporting period. Each warrant gives a right to purchase 12 shares, meaning a total of 3,210,000 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 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 September 30, 2017 amounts to SEK 4,183 million.

### Warrant program 2015/2025

The Group issued a warrant program for employees identified as key personnel in the Group. The Group CEO is included in this group. A total of 267,500 warrants have been issued within the program. Each warrant gives a right to purchase 12 shares. Out of these warrants, 63,954 warrants have been issued to a fully owned subsidiary with purpose to counteract cash flow implications related to the social charges that the company will be liable to pay at the redemption date.

The vesting of warrants was triggered in conjunction with the listing of the Company's shares, whereby 33% of the warrants are vested from the issuing date up until 12 months occurring after the first day of trading of the Company's shares on Nasdaq Nordic Mid Cap, meaning May 31, 2018. 33% of the warrants are vested on the date occurring 24 months after the first day of trading of company's shares, meaning May 31, 2019, and the remaining 34% of the warrants are vested on the date occurring 36 months after the first day of trading of the company's shares, meaning May 31, 2020.

### Share split

In accordance with decision on an extraordinary general meeting on May 10, 2017, a split of the company's shares was conducted whereby one share was split into twelve. The total number of shares after the split amounted to 46,695,540 and the quota value amounted to SEK 0.0833.

### New share issue

In accordance with the decision on the extraordinary general

meeting on May 10, 2017, when the board was authorised to decide on a new share issue, and the board decision made on May 30, 2017, a new share issue was performed on May 30, 2017. The new share issue was fully subscribed and raised a gross premium of SEK 400.0 million before issuing costs that amounted to SEK 15.6 million. The number of shares after the new share issue amounted to 56,338,433 and the share capital amounted to SEK 4,694,869. The dilution effect amounted to 12.9 percent, corresponding to 6,451,000 shares and votes.

### Annual General Meeting

The Board of Directors decided that the Annual General Meeting will be held in Malmö on April 27, 2018.

Notice to attend the meeting will be sent out in due time.

### Outlook

The Group maintains the below medium term financial targets adopted by the Board of Directors at the time of the listing of the Group.

NET REVENUE GROWTH	<ul style="list-style-type: none"> <li>The Group targets annual net revenue growth in the range of 25-30% in the medium term</li> </ul>
ADJUSTED EBIT MARGIN	<ul style="list-style-type: none"> <li>The Group targets an adjusted EBIT margin exceeding 6% in the medium term</li> <li>The Group expects to increase the adjusted EBIT margin annually as the cost base is further leveraged by net revenue growth</li> </ul>

For 2017 the Group has revised its net revenue growth outlook. The Group now expects net revenue growth to exceed 40% and the adjusted EBIT margin is expected to be at the same level as 2016.

## Segment information on transactional net revenue, net revenue and EBIT

SEK million unless otherwise indicated	Jul 1 - Sep 30, 2017	Jul 1 - Sep 30, 2016	Change	Jan 1 - Sep 30, 2017	Jan 1 - Sep 30, 2016	Change	Rolling 12 months
<b>Boozt.com</b>							
Net revenue	440.6	288.3	52.8%	1,319.8	855.8	54.2%	1,767.0
Transactional net revenue	446.3	300.7	48.4%	1,338.8	911.7	46.8%	1,797.4
EBIT	-13.4	-18.3	27.0%	-121.8	-35.7	-241.4%	-76.0
EBIT margin (%)	-3.0%	-6.4%	3.3 pp	-9.2%	-4.2%	-5.0 pp	-4.3%
Adjusted EBIT	-14.0	-16.8	16.4%	-8.0	-31.1	74.4%	39.7
Adjusted EBIT margin (%)	-3.2%	-5.8%	2.6 pp	-0.6%	-3.6%	3.0 pp	2.2%
Site visits (000)	20,747	14,935	38.9%	61,540	44,257	39.1%	80,338
No. of orders (000)	572	404	41.8%	1 723	1 207	42.8%	2 281
Conversion rate (%)	2.76%	2.70%	0.06 pp	2.80%	2.73%	0.07 pp	2.84%
Average order value (SEK)	780	745	4.7%	777	756	2.8%	788
<b>Booztlet.com</b>							
Net revenue	12.1	8.4	43.3%	34.9	22.9	52.6%	42.8
Transactional net revenue	12.3	8.5	44.1%	35.4	23.1	53.0%	43.4
EBIT	2.2	1.6	39.7%	1.0	3.6	-73.6%	1.5
EBIT margin (%)	18.1%	18.6%	-0.4 pp	2.7%	15.8%	-13.0 pp	3.4%
Adjusted EBIT	2.2	1.6	37.7%	3.9	3.6	6.5%	4.4
Adjusted EBIT margin (%)	18.0%	18.7%	-0.7 pp	11.1%	15.9%	-4.8 pp	10.4%
<b>Other</b>							
Net revenue	2.3	15.5	-85.3%	17.5	50.4	-65.3%	29.7
Transactional net revenue	2.3	53.9	-95.8%	42.7	182.3	-76.6%	87.4
EBIT	-0.6	0.5	n.m.	-0.0	7.3	n.m.	-0.5
EBIT margin (%)	-25.9%	3.3%	-29.2 pp	-0.1%	14.6%	-14.7 pp	-1.6%
Adjusted EBIT	-0.6	1.0	n.m.	-0.0	8.7	n.m.	0.0
Adjusted EBIT margin (%)	-25.9%	6.4%	-32.2 pp	-0.1%	17.4%	-17.5 pp	0.2%

Rounding differences may effect the summations.



### Net revenue

For the segment Boozt.com, net revenue increased to SEK 440.6 million (288.3) during the third quarter. Increase of new customer intake, higher buying frequency and higher average order value contributes to a higher net revenue.

For the segment Booztlet.com net revenue increased to SEK 12.1 million (8.4) during the third quarter and is attributable to an increase in new customer intake and a higher buying frequency for existing customers.

For the segment Other, net revenue decreased to SEK 2.3 million (15.5) during the third quarter. The decrease is attributable to the terminated commission sales agreement with ECCO.

### EBIT

For the segment Boozt.com, EBIT increased to SEK -13.4 million (-18.3) during the third quarter. The increase of EBIT is attributable to economies of scale such as decreased fulfilment cost ratio, marketing ratio and admin & other cost ratio.

For the segment Booztlet.com, EBIT increased to SEK 2.2 million (1.6) during the third quarter. The increase of EBIT is attributable to economies of scale such as decreased fulfilment cost ratio, marketing ratio and admin & other cost ratio.

For the segment Other, EBIT decreased to SEK -0.6 million (0.5) during the third quarter, mainly explained by the terminated commission sales agreement with ECCO.

### Adjusted EBIT

For the segment Boozt.com, the adjusted EBIT increased to SEK -14.0 million (-16.8) during the third quarter. The adjusted EBIT margin improved with 3.3 percentage points to -3.2%.

No adjustments have been made for the segment Booztlet.com and the segment Other, hence EBIT and adjusted EBIT amounted to SEK 2.2 million (1.6) and SEK -0.6 million (0.5) respectively.



# Interim consolidated financial statements

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This report is published November 22, 2017

## Consolidated income statement

SEK million unless otherwise indicated	Note	Jul 1 - Sep 30, 2017	Jul 1 - Sep 30, 2016	Jan 1 - Sep 30, 2017	Jan 1 - Sep 30, 2016	Rolling 12 months
<b>OPERATING INCOME</b>						
Net revenue	2	454.9	312.3	1,372.2	929.1	1,839.5
Other operating income		1.4	-	-	0.2	0.6
		456.3	312.3	1,372.2	929.3	1,840.1
<b>OPERATING COSTS</b>						
Goods for resale		-278.5	-164.5	-788.5	-510.3	-1,044.8
External fulfilment and distribution costs		-67.3	-56.5	-230.6	-158.2	-296.5
External marketing costs		-60.4	-57.8	-189.8	-153.1	-242.4
Other external costs		-24.8	-26.2	-100.9	-55.1	-119.3
Cost of personnel		-27.9	-20.5	-158.8	-69.3	-186.7
Depreciation and impairment losses		-9.2	-3.0	-20.9	-7.9	-25.4
Other operating costs		-	-0.0	-3.5	-	-
<b>Total operating costs</b>		<b>-468.0</b>	<b>-328.5</b>	<b>-1,493.0</b>	<b>-954.0</b>	<b>-1,915.1</b>
<b>OPERATING PROFIT/LOSS (EBIT)</b>	<b>2</b>	<b>-11.8</b>	<b>-16.2</b>	<b>-120.8</b>	<b>-24.7</b>	<b>-75.1</b>
<b>FINANCIAL INCOME AND EXPENSES</b>						
Financial income		-	-	5.9	-	5.9
Financial expenses	3	-4.1	-0.1	-5.1	-0.3	-5.4
<b>Net financial items</b>		<b>-4.1</b>	<b>-0.1</b>	<b>0.8</b>	<b>-0.3</b>	<b>0.5</b>
<b>PROFIT/LOSS BEFORE TAX</b>	<b>2</b>	<b>-15.9</b>	<b>-16.3</b>	<b>-120.1</b>	<b>-25.0</b>	<b>-74.6</b>
Income tax		3.4	-	21.4	-	13.8
<b>PROFIT/LOSS FOR THE PERIOD</b>		<b>-12.4</b>	<b>-16.3</b>	<b>-98.7</b>	<b>-25.0</b>	<b>-60.8</b>
<b>ATTRIBUTABLE TO:</b>						
Parent company's shareholders		-12.4	-16.3	-98.7	-25.0	-60.8
Average number of shares (000)		56,338	45,586	50,987	43,381	49,905
Average number of shares after dilution (000)		57,761	45,586	53,793	43,381	52,004
Earnings per share (SEK)		-0.22	-0.36	-1.93	-0.58	-1.22
Earnings per share after dilution (SEK)		-0.22	-0.36	-1.93	-0.58	-1.22

Rounding differences may effect the summations.

## Consolidated statement of comprehensive income

SEK million	Jul 1 - Sep 30, 2017	Jul 1 - Sep 30, 2016	Jan 1 - Sep 30, 2017	Jan 1 - Sep 30, 2016	Rolling 12 months
<b>PROFIT/LOSS FOR THE PERIOD</b>	-12.4	-16.3	-98.7	-25.0	-60.8
<b>Items that may be reclassified to the income statement</b>					
Translation differences	0.1	0.0	0.1	0.0	0.1
<b>Other comprehensive income</b>	-12.3	-16.3	-98.5	-25.0	-60.7
<b>TOTAL COMPREHENSIVE PROFIT/LOSS FOR THE PERIOD</b>	<b>-12.3</b>	<b>-16.3</b>	<b>-98.5</b>	<b>-25.0</b>	<b>-60.7</b>
<b>ATTRIBUTABLE TO</b>					
Parent company's shareholders	-12.3	-16.3	-98.5	-25.0	-60.7

Rounding differences may effect the summations.



## Consolidated statement of financial position

SEK million	Note	Sep 30, 2017	Sep 30, 2016	Dec 31, 2016
<b>ASSETS</b>				
<b>Non-current assets</b>				
<b>Intangible assets</b>				
Web platform	4	18.2	11.6	15.0
		<b>18.2</b>	<b>11.6</b>	<b>15.0</b>
<b>Tangible assets</b>				
Machinery and equipment	4	119.6	18.7	17.6
		<b>119.6</b>	<b>18.7</b>	<b>17.6</b>
Deposits	3	7.6	9.0	9.8
Deferred tax asset		58.2	44.5	36.8
		<b>65.8</b>	<b>53.5</b>	<b>46.6</b>
<b>Total non-current assets</b>		<b>203.6</b>	<b>83.7</b>	<b>79.2</b>
<b>Current assets</b>				
Inventories		629.8	365.1	388.8
Accounts receivables	3	10.4	2.6	19.6
Other receivables	3	26.5	29.2	49.7
Current tax assets		0.5	0.5	0.4
Prepaid expenses and accrued income		34.6	42.3	39.7
Derivatives	3	2.7	-	-
Cash and cash equivalents	3	364.8	150.2	221.8
<b>Total current assets</b>		<b>1,069.3</b>	<b>589.9</b>	<b>720.1</b>
<b>TOTAL ASSETS</b>		<b>1,272.8</b>	<b>673.7</b>	<b>799.3</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital		4.7	3.9	3.9
Other capital contributions		1,123.8	689.2	689.2
Reserves		0.1	0.0	0.0
Retained earnings including profit for the period		-424.4	-363.6	-325.8
<b>Equity attributable to parent company shareholders</b>		<b>704.2</b>	<b>329.5</b>	<b>367.3</b>
<b>Non-current liabilities</b>				
Interest bearing liabilities	3	53.0	1.0	8.6
Other provisions		20.4	14.3	16.3
<b>Total non-current liabilities</b>		<b>73.4</b>	<b>15.3</b>	<b>24.9</b>
<b>Current liabilities</b>				
Interest bearing liabilities	3	13.9	-	3.4
Accounts payables	3	333.0	203.0	268.8
Current tax liabilities	3	-	0.0	-
Other liabilities	3	54.5	29.5	34.6
Accrued expenses and prepaid income		93.9	96.3	100.2
<b>Total current liabilities</b>		<b>495.3</b>	<b>328.8</b>	<b>407.1</b>
<b>Total liabilities</b>		<b>568.6</b>	<b>344.1</b>	<b>432.0</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,272.8</b>	<b>673.7</b>	<b>799.3</b>

Rounding differences may effect the summations.

## Consolidated statement of changes in equity

SEK million	Share capital	Other capital contributions	Reserves	Profit brought forward incl. profit/loss for the year	Total equity attributable to parent company shareholders
<b>Equity brought forward Jan 1, 2016</b>	3.5	549.2	-	-338.6	214.1
Profit for the period	-	-	-	-25.0	-25.0
Other comprehensive income	-	-	0.0	-	0.0
<b>COMPREHENSIVE PROFIT/LOSS FOR THE PERIOD</b>	-	-	<b>0.0</b>	<b>-25.0</b>	<b>-25.0</b>
New share issue	0.3	103.6	-	-	104.0
Cost of new share issue	-	-	-	-	-
Sell of shares in own portfolio	-	-	-	-	-
Share based payments	0.1	36.3	-	-	36.4
<b>Total transactions with owners</b>	<b>0.4</b>	<b>140.0</b>	<b>-</b>	<b>-</b>	<b>140.4</b>
<b>Equity carried forward Sep 30, 2016</b>	<b>3.9</b>	<b>689.2</b>	<b>0.0</b>	<b>-363.6</b>	<b>329.5</b>

Rounding differences may effect the summations.

SEK million	Share capital	Other capital contributions	Reserves	Profit brought forward incl. profit/loss for the year	Total equity attributable to parent company shareholders
<b>Equity brought forward Jan 1, 2017</b>	3.9	689.2	-	-325.8	367.3
Profit for the period	-	-	-	-98.7	-98.7
Other comprehensive income	-	-	0.1	-	0.1
<b>COMPREHENSIVE PROFIT/LOSS FOR THE PERIOD</b>	-	-	<b>0.1</b>	<b>-98.7</b>	<b>-98.5</b>
New share issue	0.7	399.2	-	-	400.0
Cost of new share issue	-	-15.6	-	-	-15.6
Sale of shares in own portfolio	0.1	46.8	-	-	46.9
Share based compensation	-	4.2	-	-	4.2
<b>Total transactions with owners</b>	<b>0.8</b>	<b>434.6</b>	<b>-</b>	<b>-</b>	<b>435.4</b>
<b>Equity carried forward Sep 30, 2017</b>	<b>4.7</b>	<b>1,123.8</b>	<b>0.1</b>	<b>-424.4</b>	<b>704.2</b>

Rounding differences may effect the summations.

## Consolidated statement of cash flow

SEK million	Note	Jul 1 - Sep 30, 2017	Jul 1 - Sep 30, 2016	Jan 1 - Sep 30, 2017	Jan 1 - Sep 30, 2016	Rolling 12 months
<b>CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL</b>						
Operating profit		-11.8	-16.2	-120.8	-24.7	-75.1
Adjustments for non-cash items:						
Non-cash remuneration from share based payments (social charges)		-1.2	2.0	4.1	6.0	6.1
Non-cash remuneration from share based payments		0.6	-	4.2	-	4.2
Depreciation and impairment losses		9.2	3.0	20.9	7.9	25.4
Other items not included in cash flow		-0.1	0.0	-0.3	-0.0	-0.2
Interest received		-	-	-	-	-
Interest paid		-0.8	-0.1	-1.9	-0.3	-2.1
Paid income tax		-0.1	-0.1	-0.0	0.0	-0.0
<b>CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL</b>		<b>-4.3</b>	<b>-11.3</b>	<b>-93.8</b>	<b>-11.1</b>	<b>-41.7</b>
<b>CASH FLOW FROM CHANGES IN WORKING CAPITAL</b>						
Changes in inventory		-156.5	-86.1	-241.0	-125.3	-264.7
Changes in current assets		21.9	-19.4	37.6	-34.6	2.6
Changes in current liabilities		0.2	28.9	77.7	107.0	152.5
<b>Cashflow from changes in working capital</b>		<b>-134.4</b>	<b>-76.6</b>	<b>-125.8</b>	<b>-52.9</b>	<b>-109.6</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>-138.7</b>	<b>-88.0</b>	<b>-219.6</b>	<b>-63.9</b>	<b>-151.2</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>						
Acquisition of subsidiaries	4	-	-	-	-	-
Investments in fixed assets	4	-1.8	-0.1	-118.4	-21.1	-120.9
Change in financial assets	4	8.0	-0.0	2.2	-0.0	1.4
Investments in intangible assets	4	-2.6	-3.8	-7.3	-6.1	-11.8
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>3.6</b>	<b>-4.0</b>	<b>-123.5</b>	<b>-27.2</b>	<b>-131.3</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>						
New share issue		-	36.4	431.2	140.4	431.2
New loans		-	-	124.2	1.0	135.2
Repayment of loans		-51.7	-	-69.3	-	-69.3
Change in overdraft facility		-	-	-	-	-
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		<b>-51.7</b>	<b>36.4</b>	<b>486.1</b>	<b>141.4</b>	<b>497.1</b>
Cash flow for the period		-186.8	-55.5	143.0	50.3	214.6
Currency exchange gains/losses in cash and cash equivalents		0.0	0.0	0.0	0.0	0.0
Cash and cash equivalents beginning of period		551.6	205.7	221.8	99.9	150.2
<b>CASH AND CASH EQUIVALENTS END OF PERIOD</b>		<b>364.8</b>	<b>150.2</b>	<b>364.8</b>	<b>150.2</b>	<b>364.8</b>

Rounding differences may effect the summations.



## Note 1 - Accounting principles

The report is prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act.

The accounting and measurement policies, as well as the assessment bases, applied in the 2016 Annual Report have also been applied in this quarterly report.

During 2017 the Group for the first-time applied hedge accounting with purpose to manage translational exposure for transactions relating to sales in foreign currencies.

The Group has entered into agreements whereby the Group has a right to purchase EUR and/or SEK at a pre-defined price at a given time with purpose to manage translational exposure of NOK. Realised profits/losses related to the agreement is recognised in the Group's income statement. An assessment of un-realised future cash flows is calculated at each reporting date to discounted value on the spot market (rate at balance sheet day) and are recognised as derivative assets respectively liabilities.

No new or revised IFRS-standards that came into force in 2017 have had any significant impact on the Group.

### **New or amended accounting standards that come into force in 2018 or later**

IFRS 15 replaces all previously issued standards and interpretations which manage revenue with a comprehensive model for revenue recognition.

99% of the Group's current revenue streams consist of sales of goods with a right of return. For sales with a right of return, revenues are not recognised for products that are expected to be returned. Any received payments for expected returns shall be reported as debt for re-payment. The expected rate of return is to be calculated reliably. The Group's current principle for sale of goods with a right of return is made in accordance with the principle described above. Expected rate of returns are calculated with a consistent model used over time and based on historical

data. To identify whether the Group's existing accounting principles are affected by the introduction of IFRS 15, a pre-study has been completed in the second quarter of 2017. In the pre-study, an analysis of all revenue streams in accordance with the five-step model described in IFRS 15 has been performed. Based on the pre-study, the Group's income statement is not expected to be significantly affected by the introduction of IFRS 15. However, a consequence of the introduction of IFRS 15 is that the Group will report an amount corresponding to the cost of sold goods for which a reserve is made as inventory. Previously, this amount was deducted from the recognised provision for expected returns. Thus, the Group will report a higher value of assets and a higher value for provision for expected returns after implementing IFRS 15. No effects affecting how revenue is recognised in the income statement will occur when implementing IFRS 15. The Group will apply full retroactive accounting on the transition to IFRS 15.

IFRS 9 Financial Instruments will replace IAS 39 Financial Instruments: Accounting and valuation. The new standard entails new starting points for classification a valuation of financial instruments, a forward-looking write-down model and simplified conditions for hedge accounting. To identify whether the Group's existing accounting principles are affected by the introduction of IFRS 9, a pre-study has been completed in the second quarter of 2017. Based on the pre-study the Group's accounting is not deemed to be materially affected by the implementation of IFRS 9.

IFRS 16 is not yet adopted by EU but is expected to be applied as from January 1, 2019. The Group has begun to analyse the effects the standard has for the Group. The Group's financial reports and KPI's will be affected, but it is yet to early to quantify there effects.

### **Important estimates and assessments**

In the Group's quarterly report for the first quarter of 2017 the important estimates and assessments relating to the warrant programs issued by the Group were described. In connection with the listing of Boozt AB's (publ) shares which was performed on May 31, 2017, the warrant program

2012/2022 was redeemed as described in the Company's half year report for 2017.

For warrant program 2015/2025, a probability assessment of the proportion of warrant holders expected to fulfil the terms and conditions that gives them a right to exercise the issued warrants is performed at each reporting date. The assessment 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.

Identified risks as well as the risk management process are described in the Group's Annual Report for 2016.

#### **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.

## Note 2 - Segment reporting

SEK million	Jul 1 - Sep 30, 2017	Jul 1 - Sep 30, 2016	Change	Jan 1 - Sep 30, 2017	Jan 1 - Sep 30, 2016	Change	Rolling 12 months
<b>NET REVENUE</b>							
Boozt.com	440.6	288.3	152.2	1,319.8	855.8	464.0	1,767.0
Booztlet.com	12.1	8.4	3.6	34.9	22.9	12.0	42.8
Other	2.3	15.5	-13.3	17.5	50.4	-32.9	29.7
<b>TOTAL NET REVENUE</b>	<b>454.9</b>	<b>312.3</b>	<b>142.6</b>	<b>1,372.2</b>	<b>929.1</b>	<b>443.1</b>	<b>1,839.5</b>
<b>EBIT</b>							
Boozt.com	-13.4	-18.3	4.9	-121.8	-35.7	-86.1	-76.0
Booztlet.com	2.2	1.6	0.6	1.0	3.6	-2.7	1.5
Other	-0.6	0.5	-1.1	0.0	7.3	-7.4	-0.5
<b>TOTAL OPERATING PROFIT/LOSS</b>	<b>-11.8</b>	<b>-16.2</b>	<b>4.5</b>	<b>-120.8</b>	<b>-24.7</b>	<b>-96.1</b>	<b>-75.1</b>
<b>PROFIT/LOSS BEFORE TAX</b>							
Boozt.com	-17.3	-18.4	1.0	-121.0	-35.9	-85.1	-75.5
Booztlet.com	2.1	1.6	0.5	1.0	3.6	-2.6	1.5
Other	-0.6	0.5	-1.1	0.0	7.3	-7.4	-0.5
<b>PROFIT/LOSS BEFORE TAX</b>	<b>-15.9</b>	<b>-16.3</b>	<b>0.4</b>	<b>-120.1</b>	<b>-25.0</b>	<b>-95.1</b>	<b>-74.6</b>

Rounding differences may effect 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.

## Note 3 - Financial instruments

Sep 30, 2016	Accounts receivables and loans receivables	Other financial liabilities	Financial assets measured at fair value via income statement	Total carrying amount	Fair value
<b>Financial assets</b>					
Deposits	9.0	-	-	9.0	9.0
Accounts receivables	2.6	-	-	2.6	2.6
Other receivables	29.2	-	-	29.2	29.2
Derivatives	-	-	-	-	-
Cash and cash equivalents	150.2	-	-	150.2	150.2
<b>Total financial assets</b>	<b>191.0</b>	<b>-</b>	<b>-</b>	<b>191.0</b>	<b>191.0</b>
<b>Financial liabilities</b>					
Liabilities to credit institutions	-	1.0	-	1.0	1.0
Accounts payables	-	203.0	-	203.0	203.0
Other liabilities	-	29.5	-	29.5	29.5
<b>Total financial liabilities</b>	<b>-</b>	<b>233.5</b>	<b>-</b>	<b>233.5</b>	<b>233.5</b>

  

Sep 30, 2017	Accounts receivables and loans receivables	Other financial liabilities	Financial assets measured at fair value via income statement	Total carrying amount	Fair value
<b>Financial assets</b>					
Deposits	7.6	-	-	7.6	7.6
Accounts receivables	10.4	-	-	10.4	10.4
Other receivables	26.5	-	-	26.5	26.5
Derivatives	-	-	2.7	2.7	2.7
Cash and cash equivalents	364.8	-	-	364.8	364.8
<b>Total financial assets</b>	<b>409.2</b>	<b>-</b>	<b>2.7</b>	<b>411.9</b>	<b>411.9</b>
<b>Financial liabilities</b>					
Liabilities to credit institutions	-	66.9	-	66.9	66.9
Accounts payables	-	333.0	-	333.0	333.0
Other liabilities	-	54.5	-	54.5	54.5
<b>Total financial liabilities</b>	<b>-</b>	<b>454.4</b>	<b>-</b>	<b>454.4</b>	<b>454.4</b>

Rounding differences may effect 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.

### Derivative instruments

The fair value is calculated as defined for level 2 in IFRS 7.



### Credit facilities

During the second quarter of 2017, the Group signed an agreement on a revolving credit facility with Danske Bank. The facility amounts to SEK 140.0 million, whereof SEK 60.0 million is accessible to the Group at all times (overdraft facility). To access the remaining SEK 80.0 million the Group must notify the bank. The revolving credit facility is contracted for 2 years as from the date of the listing of Boozt AB (publ), meaning until May 31, 2019. The revolving credit facility has not been used during the period.

During the second quarter, the Group signed a hire-purchase agreement with Danske Bank for the automated storage and retrieval system AutoStore and a conveyor belt for the fulfilment centre. 30% of the assets' value was paid at the transfer of the assets, and the remaining 70% will be re-paid during a 5-year period.

During the third quarter the Group re-paid SEK -51.7 million attributable to down-payment and repayments according to plan on the investments made in the Group's fulfilment centre and VAT for the acquired assets. At the end of period the outstanding debt amounted to SEK 66.9 million. Interest for the period amounted to SEK -0.8 million.

### Specification of net financial items

SEK million	Jul 1 - Sep 30, 2017	Jul 1 - Sep 30, 2016	Jan 1 - Sep 30, 2017	Jan 1 - Sep 30, 2016	Rolling 12 months
Interest income	-	-	-	-	-
Financial income - derivatives	-	-	5.9	-	5.9
Interest expense	-0.8	-0.1	-1.9	-0.3	-2.1
Financial costs - derivatives	-3.3	-	-3.3	-	-3.3
<b>NET FINANCIAL ITEMS</b>	<b>-4.1</b>	<b>-0.1</b>	<b>0.8</b>	<b>-0.3</b>	<b>0.5</b>

## Note 4 - Investments

SEK million	Jul 1 - Sep 30, 2017	Jul 1 - Sep 30, 2016	Jan 1 - Sep 30, 2017	Jan 1 - Sep 30, 2016	Rolling 12 months
Acquisition of machinery and equipment (other capex)	-0.3	-0.1	-6.0	-5.2	-8.5
Acquisition of machinery and equipment (warehouse automation capex)	-0.5	-	-106.5	-	-106.5
Acquisition of machinery and equipment (warehouse capex)	-1.1	-	-5.9	-15.9	-5.9
	-1.8	-0.1	-118.4	-21.1	-120.9
Change in deposits	8.0	-0.0	2.2	-0.0	1.4
	8.0	-0.0	2.2	-0.0	1.4
Capitalised development costs, internal personnel	-1.9	-1.4	-5.2	-4.0	-6.6
Capitalised development costs, external consultants	-0.7	-2.5	-2.2	-2.1	-5.2
	-2.6	-3.8	-7.3	-6.1	-11.8
<b>CASH FLOW FROM INVESTMENTS</b>	<b>3.6</b>	<b>-4.0</b>	<b>-123.5</b>	<b>-27.2</b>	<b>-131.3</b>

Rounding differences may effect the summations.

## Parent company income statement

SEK million	Jul 1 - Sep 30, 2017	Jan 1 - Sep 30, 2016	Jan 1 - Sep 30, 2017	Jan 1 - Sep 30, 2016
<b>OPERATING INCOME</b>				
Net revenue	5.0	-	74.8	-
	<b>5.0</b>	<b>-</b>	<b>74.8</b>	<b>-</b>
<b>OPERATING COSTS</b>				
General expenses	0.0	-0.1	-27.6	-0.1
Personnel costs	-5.0	-	-71.2	-
<b>Total operating costs</b>	<b>-5.0</b>	<b>-0.1</b>	<b>-98.8</b>	<b>-0.1</b>
<b>OPERATING PROFIT</b>	<b>0.1</b>	<b>-0.1</b>	<b>-24.0</b>	<b>-0.1</b>
<b>FINANCIAL INCOME AND EXPENSES</b>				
Financial income	-	-	-	-
Financial expenses	0.0	-	0.0	-
<b>Net financial items</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>-</b>
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>0.1</b>	<b>-0.1</b>	<b>-24.0</b>	<b>-0.1</b>

Rounding differences may effect the summations.

## Parent company statement of comprehensive income

SEK million	Jul 1 - Sep 30, 2017	Jul 1 - Sep 30, 2016	Jan 1 - Sep 30, 2017	Jan 1 - Sep 30, 2016
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>0.1</b>	<b>-0.1</b>	<b>-24.0</b>	<b>-0.1</b>
Other comprehensive income	-	-	-	-
<b>COMPREHENSIVE PROFIT/LOSS FOR THE PERIOD</b>	<b>0.1</b>	<b>-0.1</b>	<b>-24.0</b>	<b>-0.1</b>

Rounding differences may effect the summations.

## Parent company financial position

SEK million	Sep 30, 2017	Sep 30, 2016	Dec 31, 2016
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Financial assets</b>			
Shares in Group companies	747.3	362.9	362.9
<b>Total fixed assets</b>			
<b>Current assets</b>			
<b>Short term receivables</b>			
Accounts receivables	2.2	-	-
Receivables from Group companies	21.3	-	-
Current tax assets	0.0	-	-
Cash and cash equivalents	6.0	0.0	0.0
<b>Total current assets</b>	<b>29.6</b>	<b>0.0</b>	<b>0.0</b>
<b>TOTAL ASSETS</b>	<b>776.9</b>	<b>362.9</b>	<b>362.9</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital	4.7	3.9	3.9
	<b>4.7</b>	<b>3.9</b>	<b>3.9</b>
<b>Unrestricted equity</b>			
Share premium reserve	1,081.8	689.3	689.2
Retained earnings	-330.7	-330.6	-330.5
Net income for the period	-24.0	-0.1	-0.2
	<b>727.1</b>	<b>358.6</b>	<b>358.5</b>
<b>Total equity</b>	<b>731.8</b>	<b>362.5</b>	<b>362.4</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payables	3.4	-	0.1
Liabilities to Group companies	37.8	0.4	0.5
Other liabilities	0.3	-	-
Accrued expenses and prepaid income	3.6	-	-
<b>Total current liabilities</b>	<b>45.1</b>	<b>0.4</b>	<b>0.5</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>776.9</b>	<b>362.9</b>	<b>362.9</b>

Rounding differences may effect the summations.

## Parent company changes in equity

SEK million	Share capital	Share premium reserve	Profit/loss brought forward	Total equity
<b>Equity as per Jan 1, 2016</b>	<b>3.5</b>	<b>549.2</b>	<b>-330.5</b>	<b>222.2</b>
Net income	-	-	-0.1	-0.1
Other comprehensive income	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>-</b>	<b>-</b>	<b>-0.1</b>	<b>-0.1</b>
New share issue	0.3	103.6	-	104.0
Cost of share issue	-	-	-	-
Share based payments	0.1	36.3	-	36.4
<b>Total transactions with owners</b>	<b>0.4</b>	<b>140.0</b>	<b>-</b>	<b>140.4</b>
<b>Equity as per Sep 30, 2016</b>	<b>3.9</b>	<b>689.2</b>	<b>-330.6</b>	<b>362.5</b>

Rounding differences may effect the summations.

SEK million	Share capital	Share premium reserve	Profit/loss brought forward	Total equity
<b>Equity as per Jan 1, 2017</b>	<b>3.9</b>	<b>689.2</b>	<b>-330.7</b>	<b>362.4</b>
Net income	-	-	-24.0	-24.0
Other comprehensive income	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>-</b>	<b>-</b>	<b>-24.0</b>	<b>-24.0</b>
New share issue	0.7	361.4	-	362.2
Cost of share issue	-	-15.6	-	-15.6
Sale of shares in own portfolio	0.1	46.8	-	46.9
<b>Total transactions with owners</b>	<b>0.8</b>	<b>392.6</b>	<b>-</b>	<b>393.4</b>
<b>Equity as per Sep 30, 2017</b>	<b>4.7</b>	<b>1,081.8</b>	<b>-354.7</b>	<b>731.8</b>

Rounding differences may effect the summations.



This is a translation of the Swedish original report. In case of difference between the English translation and the Swedish original, the Swedish text shall prevail.

This report has been reviewed by the Group's auditors in accordance with ISRE 2410.

The undersigned certify that this quarterly report gives an overview of the Parent Company's and the Group's operations, financial position and performance and describes the material risks and uncertainties facing the Parent Company and the companies in the Group.

Malmö, November 22, 2017

Hermann Haraldsson

Group CEO

In accordance with authorisation given by the Board of Directors

# Review report

BOOZT AB (PUBL), CORPORATE IDENTITY NUMBER 556793-5183

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## Introduction

We have reviewed the condensed interim report for Boozt AB (publ) as at September 30, 2017 and for the nine months period then ended. 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 Swedish 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 Statements 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 is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

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

Malmö, November 22, 2017

Ernst & Young AB

Thomas Swenson

Authorized Public Accountant



## Additional information

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## Information by quarter

### Net revenue and EBIT by segment

SEK million	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014
<b>Net revenue</b>												
Boozt.com	440.6	481.9	397.4	447.2	288.3	332.0	235.5	268.7	160.8	195.1	123.8	159.4
Booztlet.com	12.1	11.9	10.9	7.9	8.4	9.1	5.4	1.8	0.4	-	-	-
Other	2.3	2.3	12.9	12.2	15.5	15.9	18.9	14.5	18.3	17.5	16.3	14.7
<b>NET REVENUE</b>	<b>454.9</b>	<b>496.1</b>	<b>421.1</b>	<b>467.3</b>	<b>312.3</b>	<b>357.1</b>	<b>259.7</b>	<b>285.0</b>	<b>179.5</b>	<b>212.6</b>	<b>140.2</b>	<b>174.1</b>
<b>OPERATING PROFIT/LOSS (EBIT)</b>												
Boozt.com	-13.4	-79.4	-29.0	45.7	-18.3	4.3	-21.7	13.5	-16.2	-4.9	-15.0	-13.3
Booztlet.com	2.2	-1.9	0.7	0.5	1.6	1.4	0.6	-0.3	0.0	-	-	-
Other	-0.6	-1.6	2.2	-0.5	0.5	2.8	4.0	1.9	3.8	5.0	4.4	2.3
<b>OPERATING PROFIT/LOSS (EBIT)</b>	<b>-11.8</b>	<b>-82.9</b>	<b>-26.1</b>	<b>45.8</b>	<b>-16.2</b>	<b>8.6</b>	<b>-17.1</b>	<b>15.2</b>	<b>-12.5</b>	<b>0.1</b>	<b>-10.5</b>	<b>-11.0</b>
<b>OPERATING PROFIT/LOSS (EBIT) %</b>												
Boozt.com	-3.0%	-16.5%	-7.3%	10.2%	-6.4%	1.3%	-9.2%	5.0%	-10.1%	-2.5%	-12.1%	-8.3%
Booztlet.com	18.1%	-15.9%	6.1%	6.5%	18.6%	15.8%	11.3%	-14.7%	-9.3%	n.a.	n.a.	n.a.
Other	-25.9%	-70.7%	17.0%	-3.7%	3.3%	17.8%	21.0%	13.0%	20.8%	28.5%	27.1%	15.3%
<b>OPERATING PROFIT/LOSS (EBIT) %</b>	<b>-2.6%</b>	<b>-16.7%</b>	<b>-6.2%</b>	<b>9.8%</b>	<b>-5.2%</b>	<b>2.4%</b>	<b>-6.6%</b>	<b>5.3%</b>	<b>-6.9%</b>	<b>0.1%</b>	<b>-7.5%</b>	<b>-6.3%</b>
<b>ADJUSTED EBIT</b>												
Boozt.com	-14.0	12.0	-6.0	47.6	-16.8	5.8	-20.1	14.8	-15.0	-3.6	-13.7	-13.1
Booztlet.com	2.2	0.4	1.3	0.6	1.6	1.4	0.6	-0.3	-0.0	-	-	-
Other	-0.6	-1.6	2.2	0.1	1.0	3.3	4.4	2.4	4.3	5.5	4.9	2.4
<b>ADJUSTED EBIT</b>	<b>-12.5</b>	<b>10.9</b>	<b>-2.5</b>	<b>48.3</b>	<b>-14.2</b>	<b>10.6</b>	<b>-15.1</b>	<b>16.9</b>	<b>-10.7</b>	<b>1.9</b>	<b>-8.8</b>	<b>-10.7</b>
<b>ADJUSTED EBIT %</b>												
Boozt.com	-3.2%	2.5%	-1.5%	10.6%	-5.8%	1.8%	-8.6%	5.5%	-9.3%	-1.9%	-11.1%	-8.2%
Booztlet.com	18.0%	3.7%	11.6%	7.3%	18.7%	15.9%	11.5%	-14.2%	-9.3%	n.a.	n.a.	n.a.
Other	-25.9%	-70.7%	17.0%	0.6%	6.4%	20.8%	23.5%	16.4%	23.5%	31.2%	30.1%	16.1%
<b>ADJUSTED EBIT %</b>	<b>-2.7%</b>	<b>2.2%</b>	<b>-0.6%</b>	<b>10.3%</b>	<b>-4.6%</b>	<b>3.0%</b>	<b>-5.8%</b>	<b>5.9%</b>	<b>-6.0%</b>	<b>0.9%</b>	<b>-6.3%</b>	<b>-6.1%</b>
<b>GROSS MARGIN (%)</b>	<b>38.8%</b>	<b>44.4%</b>	<b>44.4%</b>	<b>45.2%</b>	<b>47.3%</b>	<b>44.2%</b>	<b>43.6%</b>	<b>48.0%</b>	<b>49.5%</b>	<b>47.5%</b>	<b>50.9%</b>	<b>51.5%</b>
Fulfilment cost ratio (%)	-14.8%	-15.5%	-20.5%	-14.1%	-18.1%	-15.5%	-17.9%	-14.2%	-20.3%	-16.0%	-20.2%	-17.2%
Marketing cost ratio (%)	-13.3%	-13.3%	-15.1%	-11.3%	-18.5%	-14.4%	-17.0%	-12.9%	-16.9%	-15.5%	-16.9%	-21.3%
Admin & other cost ratio (%)	-11.3%	-30.5%	-14.3%	-9.0%	-15.0%	-11.1%	-14.5%	-15.2%	-18.5%	-15.2%	-20.3%	-16.0%
Depreciation cost ratio (%)	-2.0%	-1.8%	-0.7%	-1.0%	-1.0%	-0.8%	-0.8%	-0.4%	-0.7%	-0.6%	-1.0%	-3.3%
<b>EBIT MARGIN (%)</b>	<b>-2.6%</b>	<b>-16.7%</b>	<b>-6.2%</b>	<b>9.8%</b>	<b>-5.2%</b>	<b>2.4%</b>	<b>-6.6%</b>	<b>5.3%</b>	<b>-6.9%</b>	<b>0.1%</b>	<b>-7.5%</b>	<b>-6.3%</b>

Rounding differences may effect the summations.



## Definitions / glossary

Active customers:	Number of customers which made at least one order during the last 12 months
Adjusted Admin & Other cost ratio:	Total operating costs less items affecting comparability, less share based compensations, less fulfilment costs, less marketing costs, less goods for resale plus depreciation and other operating income divided by net revenue
Adjusted EBIT:	Profit/loss before interest, tax, share based payments related to employees and items affecting comparability
Adjusted EBIT margin:	Adjusted EBIT divided by net revenue
Adjusted EBITDA:	Profit/loss before interest, tax, depreciation, amortisation, share based payments related to employees and items affecting comparability
Adjusted EBITDA margin:	Adjusted EBITDA divided by net revenue
Adjusted fulfilment cost ratio:	Fulfilment and distribution cost less items affecting comparability divided by net revenue
Admin & Other cost ratio:	Total operating costs less fulfilment costs, less marketing costs, less goods for resale plus depreciation and other operating income divided by net revenue
Average order value:	Transactional net revenue divided by no. of orders
BFC:	Boozt Fulfilment Centre
Conversion rate:	Total number of orders divided by total number of site visits
Earnings per share:	Profit/loss for the period divided by weighted average number of shares outstanding during the period
Earnings per share after dilution:	Profit/loss for the period divided by 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 measuring basic earnings per share, plus the weighted average number of shares that would be issued 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. In addition, dilutive potential shares are only considered in the calculation of diluted earnings per share if the performance condition (i.e., IPO) are satisfied as of the end of the reporting period
Equity / asset ratio:	Total equity divided by total assets
Fulfilment cost ratio:	Fulfilment and distribution cost divided by net revenue
Items affecting comparability:	Items that are not related with the operations and are the type of items that are not expected to re-occur often or regularly and that are items of significant value
Marketing cost ratio:	Marketing cost divided by net revenue
Net working capital:	Current assets, excluding cash and cash equivalents, less non-interest bearing current liabilities
Net debt / net cash:	Interest bearing liabilities less cash and cash equivalents
Net revenue:	Transactional net revenue less fees paid to consignment partners plus other revenue
No. of orders:	Number of orders placed by customers during the period, irrespective of cancellations or returns
No. of orders per active customer:	Number of orders during the last 12 months divided by the total number of active customers end of period
Site visits:	Number of visits to a site or group of sites, irrespective of device used
Share based payments:	Costs of the Group which are settled via issuing of shares
Transactional net revenue:	Gross sales (incl. shipping and invoice income) less discounts and returns, excl. VAT
True frequency:	Order frequency for customers that have been with Boozt.com during last 12 months, hence not impacted by orders from new customers

## Rationale for the use of certain Alternative Performance Measures (APM)

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### Adjusted EBIT:

The aim of the figure is to display the operating profit excluding non-cash items and non-recurring items. Hence share based compensation related to employees and items affecting comparability are excluded from this metric.

### Adjusted EBITDA:

The aim of this figure is to display profit/loss before depreciation and amortisation excluding non-cash items and non-recurring items, hence the operating profit/loss from the day to day operation excluding effects from investments, share based compensation related to employees and items affecting comparability.

### EBITDA:

The aim of this figure is to display the profit/loss before interests, depreciation, and amortisation. Hence the operating profit/loss from the day to day operation excluding effects from investments.

### Net working capital:

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.

### Transactional net revenue:

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.

## Reconciliation of total operating income

SEK million	Jul 1 - Sep 30, 2017	Jul 1 - Sep 30, 2016	Jan 1 - Sep 30, 2017	Jan 1 - Sep 30, 2016	Rolling 12 months
<b>GROUP</b>					
Transactional net revenue	460.9	363.1	1,416.9	1,117.1	1,928.2
Less consignment sales	-10.6	-50.8	-58.3	-188.0	-104.5
Other revenue	4.6	-	13.6	-	15.8
<b>Net revenue</b>	<b>454.9</b>	<b>312.3</b>	<b>1,372.2</b>	<b>929.1</b>	<b>1,839.5</b>
Other operating income	1.4	-	-	0.2	0.6
<b>Total operating income</b>	<b>456.3</b>	<b>312.3</b>	<b>1,372.2</b>	<b>929.3</b>	<b>1,840.1</b>
<b>BOOZT.COM</b>					
Transactional net revenue	446.3	300.7	1,338.8	911.7	1,797.4
Less consignment sales	-10.4	-12.4	-32.6	-55.9	-46.2
Other revenue	4.6	-	13.6	-	15.8
<b>Net revenue</b>	<b>440.6</b>	<b>288.3</b>	<b>1,319.8</b>	<b>855.8</b>	<b>1,767.0</b>
Other operating income	1.4	-	-	0.2	0.6
<b>Total operating income</b>	<b>441.9</b>	<b>288.3</b>	<b>1,319.8</b>	<b>856.1</b>	<b>1,767.6</b>
<b>BOOZTLET.COM</b>					
Transactional net revenue	12.3	8.5	35.4	23.1	43.4
Less consignment sales	-0.2	-0.1	-0.5	-0.3	-0.6
Other revenue	-	-	-	-	-
<b>Net revenue</b>	<b>12.1</b>	<b>8.4</b>	<b>34.9</b>	<b>22.9</b>	<b>42.8</b>
Other operating income	-	-	-	-	-
<b>Total operating income</b>	<b>12.1</b>	<b>8.4</b>	<b>34.9</b>	<b>22.9</b>	<b>42.8</b>
<b>OTHER</b>					
Transactional net revenue	2.3	53.9	42.7	182.3	87.4
Less consignment sales	0.0	-38.3	-25.2	-131.9	-57.7
Other revenue	-	-	-	-	-
<b>Net revenue</b>	<b>2.3</b>	<b>15.5</b>	<b>17.5</b>	<b>50.4</b>	<b>29.7</b>
Other operating income	-	-	-	-	-
<b>Total operating income</b>	<b>2.3</b>	<b>15.5</b>	<b>17.5</b>	<b>50.4</b>	<b>29.7</b>

## Reconciliation of adjusted EBIT

SEK million	Jul 1 - Sep 30, 2017	Jul 1 - Sep 30, 2016	Jan 1 - Sep 30, 2017	Jan 1 - Sep 30, 2016	Rolling 12 months
EBIT	-11.8	-16.2	-120.8	-24.7	-75.1
Share-based payments related to employees (social charges)	-1.2	2.0	46.5	6.0	48.5
Share-based payments related to employees	0.6	-	4.2	-	4.2
IPO preparation costs	-	-	45.4	-	45.9
Other items affecting comparability*	-	-	20.6	-	20.6
<b>Adjusted EBIT</b>	<b>-12.5</b>	<b>-14.2</b>	<b>-4.1</b>	<b>-18.7</b>	<b>44.1</b>

Rounding differences may effect the summations.

\*Other items affecting comparability are related to the Group's warehouse move.

## Reconciliation with financial statements according to IFRS

SEK million unless otherwise indicated	Jul 1 - Sep 30, 2017	Jul 1 - Sep 30, 2016	Jan 1 - Sep 30, 2017	Jan 1 - Sep 30, 2016	Rolling 12 months
Cash and cash equivalents	-364.8	-150.2	-364.8	-150.2	-364.8
Convertible loan	-	-	-	-	-
Interest bearing liabilities (current and non-current)	66.9	1.0	66.9	1.0	66.9
Revolving credit facilities	-	-	-	-	-
<b>Net debt / -net cash</b>	<b>-297.9</b>	<b>-149.2</b>	<b>-297.9</b>	<b>-149.2</b>	<b>-297.9</b>
Total equity	704.2	329.5	704.2	329.5	704.2
Total assets	1,272.8	673.7	1,272.8	673.7	1,272.8
<b>Equity / asset ratio</b>	<b>55.3%</b>	<b>48.9%</b>	<b>55.3%</b>	<b>48.9%</b>	<b>55.3%</b>
No. of orders (000)	572	404	1,723	1,207	2,281
Site visits (000)	20,747	14,935	61,540	44,257	80,338
<b>Conversion rate (Boozt.com)</b>	<b>2.76%</b>	<b>2.70%</b>	<b>2.80%</b>	<b>2.73%</b>	<b>2.84%</b>
Inventory	629.8	365.1	629.8	365.1	629.8
Accounts receivables	10.4	2.6	10.4	2.6	10.4
Other receivables	26.5	29.2	26.5	29.2	26.5
Current tax assets	0.5	0.5	0.5	0.5	0.5
Pre-paid expenses and accrued income	34.6	42.3	34.6	42.3	34.6
Accounts payables	-333.0	-203.0	-333.0	-203.0	-333.0
Current tax liabilities	-	-0.0	-	-0.0	-
Other liabilities	-54.5	-29.5	-54.5	-29.5	-54.5
Accrued expenses and pre-paid income	-93.9	-96.3	-93.9	-96.3	-93.9
<b>Net working capital</b>	<b>220.4</b>	<b>110.9</b>	<b>220.4</b>	<b>110.9</b>	<b>220.4</b>
Gross margin (%)	38.8%	47.3%	42.5%	45.1%	43.2%
Fulfilment cost ratio (%)	-14.8%	-18.1%	-16.8%	-17.0%	-16.1%
Marketing cost ratio (%)	-13.3%	-18.5%	-13.8%	-16.5%	-13.2%
Admin & other cost ratio (%)	-11.3%	-15.0%	-19.2%	-13.4%	-16.6%
Depreciation cost ratio (%)	-2.0%	-1.0%	-1.5%	-0.9%	-1.4%
<b>EBIT margin (%)</b>	<b>-2.6%</b>	<b>-5.2%</b>	<b>-8.8%</b>	<b>-2.7%</b>	<b>-4.1%</b>
Operating profit/loss (EBIT)	-11.8	-16.2	-120.8	-24.7	-75.1
Depreciation and amortisation	9.2	3.0	20.9	7.9	25.4
<b>EBITDA</b>	<b>-2.5</b>	<b>-13.2</b>	<b>-99.9</b>	<b>-16.8</b>	<b>-49.6</b>
Share-based payments related to employees (social charges)	-1.2	2.0	46.5	6.0	48.5
Share-based payments	0.6	-	4.2	-	4.2
IPO preparation costs	-	-	45.4	-	45.9
Other items affecting comparability*	-	-	20.6	-	20.6
<b>Adjusted EBITDA</b>	<b>-3.2</b>	<b>-11.2</b>	<b>16.8</b>	<b>-10.8</b>	<b>69.6</b>

Rounding differences may effect the summations. \*Other items affecting comparability are related to the Group's warehouse move. 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. Rolling 12 months on balance sheet items equals balance as per Sep 30, 2017.



## Financial calendar

February 27, 2018

Interim Report January - December 2017, Q4

May 17, 2018

Interim Report January - March 2018, Q1

August 17, 2018

Interim Report January - June 2018, Q2

November 21, 2018

Interim Report January - September 2018, Q3

## Financial reports

Consolidated financial statements are available at [www.booztfashion.com](http://www.booztfashion.com).

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This information is information that Boozt AB (publ) is obligated to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication at 8:00 a.m. CET on November 22, 2017.

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