



# Boozt

## Full year report

JANUARY 1 – DECEMBER 31 2017

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# Summary

## Fourth Quarter

- Net revenue growth of 37.8% in the quarter
- Net revenue growth of 40.1% for Boozt.com in the quarter
- Adjusted EBIT amounted to SEK 52.3 million in the quarter
- Strong new customer intake in the quarter

## Full year

- Net revenue growth of 44.4% for the full year
- Net revenue growth of 49.4% for Boozt.com for the full year
- Adjusted EBIT amounted to SEK 48.2 million for the full year

## Financial key ratios

SEK million unless otherwise indicated	Oct 1 - Dec 31, 2017	Oct 1 - Dec 31, 2016	Change	Jan 1 - Dec 31, 2017	Jan 1 - Dec 31, 2016	Change
<b>GROUP</b>						
Net revenue	644.2	467.3	37.8%	2,016.4	1,396.4	44.4%
Gross margin	277.4	211.1	31.4%	861.0	629.8	36.7%
Gross margin (%)	43.1%	45.2%	-2.1 pp	42.7%	45.1%	-2.4 pp
Fulfilment cost ratio (%)	-12.7%	-14.1%	1.4 pp	-15.5%	-16.1%	0.5 pp
Marketing cost ratio (%)	-11.1%	-11.3%	0.1 pp	-13.0%	-14.7%	1.7 pp
Admin & other cost ratio (%)	-9.8%	-9.0%	-0.7 pp	-16.2%	-11.9%	-4.2 pp
Depreciation cost ratio (%)	-1.5%	-1.0%	-0.5 pp	-1.5%	-0.9%	-0.6 pp
Adjusted fulfilment cost ratio (%)	-12.7%	-14.1%	1.4 pp	-14.5%	-16.1%	1.5 pp
Adjusted admin & other cost ratio (%)	-9.6%	-8.5%	-1.0 pp	-11.3%	-11.3%	-0.0 pp
EBIT	51.1	45.8	5.3	-69.8	21.0	-90.8
EBIT margin (%)	7.9%	9.8%	-1.8 pp	-3.5%	1.5%	-4.9 pp
Adjusted EBIT	52.3	48.3	4.1	48.2	29.5	18.7
Adjusted EBIT margin (%)	8.1%	10.3%	-2.2 pp	2.4%	2.1%	0.2 pp
Adjusted EBITDA	62.2	52.8	9.5	79.0	42.0	37.1
Adjusted EBITDA margin (%)	9.7%	11.3%	-1.6 pp	3.9%	3.0%	0.9 pp
Earnings for the period	86.0	37.9	48.2	-12.6	12.9	-25.5
Cash flow from operating activities	81.6	68.3	13.2	-137.8	40.8	-178.6
Earnings per share (SEK)	1.53	0.81	0.72	-0.24	0.29	-0.53
Earnings per share after dilution (SEK)	1.49	0.81	0.68	-0.24	0.29	-0.53
<b>Boozt.com</b>						
Net revenue	626.4	447.2	40.1%	1,946.2	1,303.0	49.4%
Site visits (000)	26,966	18,798	43.5%	88,506	63,054	40.4%
No. of orders (000)	786	558	40.9%	2,509	1,764	42.2%
Conversion rate	2.91%	2.97%	-0.05 pp	2.84%	2.80%	0.04 pp
True frequency	6.3	5.2	1.1	6.3	5.2	1.1
Average order value (SEK)	810	822	-1.5%	787	777	1.4%
Active customers (000)	1,057	820	28.9%	1,057	820	28.9%
No. of orders per active customer	2.37	2.15	10.3%	2.37	2.15	10.3%

Rounding differences may effect the summations.

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*"We have loyal but also demanding customers. They keep us on our toes, as we know that our customers' perception of us is never better than the next purchase."*



Hermann Haraldsson, Group CEO

*"The Black Friday weekend was the climax of a fourth quarter where we managed to maintain the momentum for the Group."*

### All about execution

The fourth quarter was all about execution. The dominant theme during the quarter was the eagerly awaited Black Friday weekend, where the investments in infrastructure as well as the new automated fulfilment centre should stand their test. And they did.

The Black Friday weekend is our "Super Bowl" or "Champions League Final". There is an immense amount of preparations for many months. The internal "Black Friday Team" consisted of more than 100 people from all departments, that did extensive tests and preparations and were engaged and worked hard during the weekend.

The weekend turned out to be a considerably tougher test than expected, as there was a 10-fold increase in traffic, when the event was kicked off at 8 pm Thursday night, a record amount of 90,000 orders during the weekend and an increase in revenue of 140 percent compared to same period last year. The site managed to cope with the huge load as well as the automated fulfilment centre, as all 90,000 orders were shipped by Monday at the latest – with 20,000 of them being delivered by Saturday.

We managed to attract more than 25,000 new customers to Boozt during the weekend, so it was satisfying to the entire team that we managed to deliver a good shopping experience and fast delivery as promised. Customer satisfaction was maintained at a very high level during the weekend with the NPS score above 65 and Trustpilot increasing from 9.1 to 9.2.

So, if it was a game – we advanced to the next level!

The Black Friday weekend was the climax of a fourth quarter where we managed to maintain the momentum for the Group. Group revenue in the quarter was SEK 644.2 million corresponding to a growth of 37.8 percent vs the fourth quarter last year, with Boozt.com growing 40.1 percent vs. last year with revenues of SEK 626.4 million.



Much to our satisfaction our new fulfilment centre continued to demonstrate efficiencies and economies of scale. Our cost per order including depreciations and rent continued to go down, resulting in a solid decrease in fulfilment and distribution costs compared to the 4th quarter last year.

Gross margin was 43.1 percent thus lower than last year. This is due to the terminated commission sales agreement with ECCO, which generated a gross margin of 100%.

Adjusted EBIT margin for the quarter came in at 8.1 percent a decrease from 10.3 percent the previous year. The decrease in margin is mainly due to the decrease in gross margin and an increase admin & other cost ratio.

Status for the full year is that we managed to deliver on our ambitions. We passed the SEK 2 billion mark with SEK 2.016 billion in full year revenues representing a growth of 44.4 percent vs. last year, and we managed to deliver an adjusted EBIT of SEK 48.2 million representing an adjusted EBIT margin of 2.4 percent.

We had 1,057,000 active customers during the year who on average bought 2.37 times. Our new customer intake was higher than ever before, and our existing customers increased our share of their wallet. We rounded the year off with a continued 5-star rating on Trustpilot and an increase in the marks from 9.1 to 9.2. We tuned our infrastructure and accelerated our delivery speed by introducing same day delivery to 3.5 million people in Southern Sweden and the Greater Copenhagen Area at the same time as we extended our next day delivery reach.

We have loyal but also demanding customers. They keep us on our toes, as we know that our customers' perception of us is never better than the next purchase. Therefore, we continue to work hard to ensure the most relevant and easy shopping experience in the region combined with the fastest delivery and smoothest returns handling.

We have a strong team here at Boozt, with people who are up to the task, and who proved that they had the talent, commitment and grit to take on the extraordinary amount of challenges that they faced during the year.

Walt Disney once said: "You can design and create, and build the most wonderful place in the world. But it takes people to make the dream a reality".

I believe we have those people.

**Hermann Haraldsson**  
*Group CEO*

*"Status for the full year is that we managed to deliver on our ambitions."*



# Management's report

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This report is published February 27, 2018

## Key performance indicators (KPIs)

SEK million unless otherwise indicated	Oct 1 - Dec 31, 2017	Oct 1 - Dec 31, 2016	Jan 1 - Dec 31, 2017	Jan 1 - Dec 31, 2016
<b>GROUP</b>				
Net revenue	644.2	467.3	2,016.4	1,396.4
Net revenue growth (%)	37.8%	64.0%	44.4%	70.9%
Gross margin (%)	43.1%	45.2%	42.7%	45.1%
Fulfilment cost ratio (%)	-12.7%	-14.1%	-15.5%	-16.1%
Marketing cost ratio (%)	-11.1%	-11.3%	-13.0%	-14.7%
Admin & other cost ratio (%)	-9.8%	-9.0%	-16.2%	-11.9%
Depreciation cost ratio (%)	-1.5%	-1.0%	-1.5%	-0.9%
Adjusted fulfilment cost ratio (%)	-12.7%	-14.1%	-14.5%	-16.1%
Adjusted admin & other cost ratio (%)	-9.6%	-8.5%	-11.3%	-11.3%
EBIT	51.1	45.8	-69.8	21.0
EBIT margin (%)	7.9%	9.8%	-3.5%	1.5%
Adjusted EBIT	52.3	48.3	48.2	29.5
Adjusted EBIT margin (%)	8.1%	10.3%	2.4%	2.1%
Adjusted EBITDA	62.2	52.8	79.0	42.0
Adjusted EBITDA margin (%)	9.7%	11.3%	3.9%	3.0%
Cash flow from operating activities	81.6	68.3	-137.8	40.8
Net working capital	200.4	94.6	200.4	94.6
Cashflow from investments	-51.0	-7.8	-174.9	-33.7
Net debt / -net cash	-328.5	-209.8	-328.5	-209.8
Equity / asset ratio	57.1%	46.0%	57.1%	46.0%
Number of employees and end of period	224	192	224	192
<b>Boozt.com</b>				
Net revenue	626.4	447.2	1,946.2	1,303.0
EBIT	50.8	45.7	-71.0	10.0
EBIT margin (%)	8.1%	10.2%	-3.6%	0.8%
Adjusted EBIT	52.0	47.6	44.1	16.5
Adjusted EBIT margin (%)	8.3%	10.6%	2.3%	1.3%
Site visits (000)	26,966	18,798	88,506	63,054
No. of orders (000)	786	558	2 509	1 764
Conversion rate (%)	2.91%	2.97%	2.84%	2.80%
True frequency	6.3	5.2	6.3	5.2
Average order value (SEK)	810	822	787	777
Active customers (000)	1,057	820	1,057	820
No. of orders per active customer	2.37	2.15	2.37	2.15
<b>Booztlet.com</b>				
Net revenue	14.2	7.9	49.1	30.7
EBIT	1.2	0.5	2.1	4.1
EBIT margin (%)	8.3%	6.5%	4.3%	13.4%
Adjusted EBIT	1.2	0.6	5.1	4.2
Adjusted EBIT margin (%)	8.6%	7.3%	10.4%	13.7%
<b>Other</b>				
Net revenue	3.5	12.2	21.0	62.6
EBIT	-0.9	-0.5	-0.9	6.9
EBIT margin (%)	-25.1%	-3.8%	-4.3%	11.0%
Adjusted EBIT	-0.9	0.1	-0.9	8.8
Adjusted EBIT margin (%)	-25.1%	0.6%	-4.3%	14.1%

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, meaning December 31, 2016. The fourth quarter refers to the period October – December 2017.

## Fourth quarter

### Net revenue

Net revenue for the period increased with 37.8% to SEK 644.2 million (467.3). The increase was mainly attributable to the Boozt.com and Booztlet.com segments with a growth of 40.1% and 80.7%, 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 10.8 million compared to the fourth quarter in 2016.

### Net revenue - geographical split

Net revenue growth in Sweden was 40.6% in the quarter, while the increase in rest of Nordic was 43.0%. The decrease in Rest of Europe of -9.5% is related to the ECCO mono brand shop for Europe that the Group facilitated up until the first quarter of 2017.

SEK million	Oct 1 - Dec 31, 2017	Oct 1 - Dec 31, 2016	Change
<b>NET REVENUE</b>			
Sweden	241,8	172,0	40,6%
Rest of Nordics	368,2	257,5	43,0%
Rest of Europe	34,2	37,8	-9,5%
<b>TOTAL Net revenue</b>	<b>644,2</b>	<b>467,3</b>	<b>37,8%</b>
NORDICS	610,0	429,5	42,0%

Rounding differences may effect the summations.

### Gross margin

The gross profit increased with 31.4% to SEK 277.4 million (211.1) during the quarter. The gross margin decreased to 43.1% (45.2%).

The decrease is due to the terminated commission sales agreement with ECCO, which generated a gross margin of 100%.

### EBIT

EBIT increased with 10.8% to SEK 51.1 million (45.8) during the period, while the EBIT margin decreased with 1.8 percentage points to 7.9% (9.8%). The decrease is mainly attributable to the decrease in gross margin, but it is also affected by the increase of admin & other cost ratio which is counteracted with the decrease in fulfilment cost ratio and the marketing cost ratio.

The fulfilment cost ratio decreased with -1.4 percentage points in the period from 14.1% to 12.7%. The decrease is due to 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 slightly with -0.1 percentage points to 11.1% (11.3%) in the period and the admin & other cost ratio increased with 0.7 percentage points to 9.8% (9.0%) in the period. The increase in the admin & other cost ratio is due to a slight increase in the cost of personnel, but mainly related to currency effects from operational activities.

### Adjusted EBIT

Adjusted EBIT amounted to SEK 52.3 million (48.3). The adjustment is related to change in the reserve for social charges related to the Group's warrant program of SEK -0.7 million. The size of the reserve fluctuates between periods since it, among other things, is affected by the share price of the company and the probability of number of vested warrants. The adjustment also includes cost for share-based payments related to the warrant program of SEK -0.6 million.

The adjusted EBIT margin decreased with 2.2 percentage points to 8.1% (10.3%). The change is mainly due to the decrease in gross margin, but it is also affected by the increase of admin & other cost ratio. The increase in the adjusted admin & other cost ratio is mainly related to currency effects from operational activities, but also slightly



affected by increased personnel costs of 0.3 percentage points from 5.5% to 5.8% of which 0.2 percentage points of the increase is related to severance payments in the quarter.

### Financial items

The Group's financial costs amounted to SEK -2.5 million (-0.2) and financial income amounted to SEK 3.3 million (0.0) in the period. Financial income is attributable to change in valuation of derivatives for the period. The financial costs are attributable to interests on interest bearing liabilities.

### Tax

During the quarter, the effective tax rate was -65.8% (income) compared to 16.8% (cost) in the year-earlier period. Tax for the period consists of a change in the deferred tax asset for tax losses carried forward.

Deferred tax assets for tax losses carried forward are reported to the extent it is likely they will be able to be used. With respect to the financial development of the Group in 2017, a re-assessment of the tax losses carried forward was performed in the fourth quarter of 2017. As a result, the Group has capitalized deferred tax related to previous years losses of SEK 38.5 million in the quarter.

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

### Net profit

The net profit for the period totalled SEK 86.0 million (37.9). Earnings per share before dilution amounted to SEK 1.53 (0.81). Earnings per share after dilution amounted to SEK 1.49 (0.81).

### Cash flow

Cash flow for the quarter amounted to SEK 64.8 million (71.6).

Cash flow from operating activities amounted to SEK 81.6 million (68.3). Cash flow from changes in working capital amounted to SEK 20.0 million (16.2).

Cash flow from investing activities are attributable to investments in fixed assets of SEK -44.0 million mainly attributable to expansion of warehouse automation (AutoStore phase 2). Capitalized development costs for the web platform amounted to SEK -2.0 million. Paid deposits of SEK -4.3 million also affects the investing activities. Total cash flow from investing activities amounted to SEK -51.0 million (-7.8).

Cash flow from financing activities amounted to SEK 34.3 million (11.0) in the period and are attributable to new loans related to the expansion of the warehouse automation of SEK 38.9 million, and repayments according to plan on the investments made in the Group's fulfilment centre during the second quarter of SEK -4.6 million.

## Significant events during the fourth quarter

### Black Friday weekend

The Black Friday weekend has over a couple of years become one of, if not, the biggest shopping event of the year in the Nordics. Boozt.com started its Black Friday weekend on Thursday evening intensely. Already on Thursday evening at 8 pm, eager shoppers contributed to a 10-fold increase in traffic. From Thursday to Friday, traffic further surged by 94%, generating more than 54% new user sessions from last year. Of the more than 90,000 customers who shopped at Boozt.com from Thursday evening to late Friday, at least 25,000 of those represented new customers to Boozt.com. The Black Friday weekend was a record-breaking weekend, but also a test of our operational strength. More than 20,000 of the customers had their Black Friday packages by Saturday, and on the following Monday more than 90,000 orders were shipped, which demonstrates that speedy delivery is an integral part of our customer offering.

### Improved delivery proposition

During the fourth quarter the Group introduced same-day, home deliveries, offering 3.5 million inhabitants in southern Sweden and Denmark the option for home deliveries in the

evening of the same day the order is made. An additional 4 million inhabitants in Sweden are offered the option for home delivery the next evening, or another day of their preference. The Group believes this flexible home delivery to customers in Sweden and Denmark strengthens the Boozt.com offer.

During the 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 1,057,000 (820,000) and the number of orders increased to 786,000 (558,000).

### Further automation in Boozt Fulfilment Centre

In the fourth quarter of 2017 the second phase of the Group's investment in warehouse automation was deployed. The build out of the AutoStore, with an additional grid of the corresponding size as the first module is attached to the existing grid. 50,000 new bins and 21 new robots were added in the quarter. In the full grid there is room for a total of 250,000 bins, and bins and robots will be added continuously during the first half of 2018 as volume in the fulfilment centre is expected to increase. There has been no ramp up time or increased cost per order for deploying the second phase of the AutoStore.

### Beauty Flagship Store to open in the heart of Copenhagen

Boozt will open a 500 sqm. cosmetics flagship store in the centre of Copenhagen during 2018.

With 30,000 people passing by daily, the flagship store will be the second "Beauty by Boozt" store and will be located in one of the busiest shopping streets in Copenhagen, Købmagergade.

In 2017, the Group opened the first Beauty by Boozt store at RO's Torv in Roskilde and has since then experimented and grown in addition to receiving a lot of positive feedback from both customers and partners.

The cosmetic category has a strong and strategic fit to

fashion. The Group's customers shopping for clothes on Boozt.com often complete their look(s) with complementary beauty products.

With the concept store, the Group utilizes its understanding and data knowledge from the online store to fully optimise the offline experience.

### 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 the Group's fulfilment centre has therefore gained legal force. This means that there are no longer any issues for the 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, with the purpose to separate

the retail and technology operations in Denmark. 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

On November 2, 2017 Johan Holmqvist 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 has taken over the responsibility of Investor Relations and Corporate Communications at Boozt on an interim basis.

## Full year

### Full year summary

Net revenue for the full year of 2017 increased with 44.4% to SEK 2,016.4 million (1,396.4). The increase in net revenue is mainly attributable to the Boozt.com and Booztlet.com segments which grew with 49.4% and 59.8% respectively. Net revenue growth was negatively affected by the Other segment, which included the commission sales agreement with ECCO.

The gross profit for the full year increased with 36.7% to SEK 861.0 million (629.8) and the gross margin decreased with -2.4 percentage points to 42.7% (45.1%). 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 -69.8 million (21.0). Items affecting comparability of a total SEK -118.0 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 of -4.8 million, cost for share-based payments to employees (social charges) of SEK -47.2 million and costs for the warehouse move of SEK -20.6 million.

Loss before tax amounted to SEK -68.2 million (20.5) and

the loss for the period amounted to SEK -12.6 million (12.9). The effective tax rate was -81.5% (income) compared to 37.3% (loss) in the year-earlier period. The tax for the period consists of change in the deferred tax asset for tax losses carried forward.

With respect to the financial development of the Group in 2017, a re-assessment of the expected use of the tax losses carried forward was performed. As a result, the Group capitalized deferred tax related to previous years losses of SEK 38.5 million in 2017.

Cash flow for the full year of 2017 amounted to SEK 207.7 million (121.9) whereof cash flow from operating activities amounted to SEK -137.8 million (40.8). 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 agreement structure with the ECCO and Day Birger et Mikkelsen brands from consignment to own buy.

Cash flow from investing activities amounted to SEK -174.9 million (-33.7) and are mainly attributable to investments in the new fulfilment centre made during the second and fourth quarter of 2017.

Cash flow for financing activities amounted to SEK 520.4 million (114.8) for the full year of 2017. 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 163.1 million. During the period, SEK 62.0 million of this loan was re-paid. Additionally, the Group's 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 investments made in the Group's fulfilment centre during the second and fourth quarter. 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, both compared to last year, and compared to the third quarter of 2017, with respect to the expansion of the Autostore that was performed in the fourth quarter of 2017.

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 approximately SEK 36.3 million (SEK 0.0 million) of the SEK 571.6 million.

Deferred tax assets increased, both compared to last year and compared to the third quarter of 2017, due to the deferred tax assets related to tax losses carried forward from earlier years that was capitalized during the fourth quarter of 2017.

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 of 2017.

SEK million	Dec 31, 2017	Dec 31, 2016
<b>ASSETS</b>		
Non-current assets	278.9	79.2
Inventory	571.6	388.8
Current assets (other)	103.9	109.5
Cash and cash equivalents	429.7	221.8
<b>TOTAL ASSETS</b>	<b>1,384.0</b>	<b>799.3</b>
<b>EQUITY AND LIABILITIES</b>		
Equity	790.8	367.3
Non-current liabilities	91.7	24.9
Current liabilities	501.5	407.1
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,384.0</b>	<b>799.3</b>
Net working capital	200.4	94.6
Net debt / -net cash	-328.5	-209.8
Equity / asset ratio	57.1%	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.

On January 31, 2018 the Group assigned the permanent position as Head of Investor Relations & Corporate Communications to Anders Enevoldsen. Anders will commence his position at Boozt on March 12, 2018.

In February 2018 the Group entered an agreement with adidas and Reebok to sell their products on Boozt.com as from AW 2018 season, which significantly will strengthen the selection of the athleisure and sports category on Boozt.com.

## Employees

Number of employees was 224 (192) at the end of the period. The average number of employees was 201 (163) for the quarter. The average number of employees for the full year of 2017 was 190 (149).

## 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 Stockholm 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 7.0 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 salaries for Group Management and remuneration to the Board of Directors.

Income tax for the period is related to capitalisation of deferred tax assets for losses carried forward.

The profit for the quarter totalled SEK 11.5 million (-0.1).

The accumulated net revenue for the full year of 2017 amounted to SEK 81.8 million (0.0) and consisted of invoiced fees for management services. The Company's accumulated costs amounted to SEK -107.7 million (-0.2) 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.

Income tax for the year is related to capitalisation of deferred tax assets for losses carried forward.

The net result for the full year of 2017 amounted to SEK -12.4 million (-0.2).

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 of 2017.

## 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.

## 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 the purchase of goods from ECCO.

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 17.7 million (29.1) at the reporting date whereof SEK 9.4 million is related to KRM AG (ECCO), SEK 8.2 million is related to ECCO EMEA BV. As per December 2016 29.0 was related to KRM AG (ECCO), 0.1 was related to Emmads Invest A/S.

In addition to the debt status between Boozt and related parties, below is a summary of the transactions that have taken place between the parties. Only significant relationships with parties classified as related during 2017 are reported.

SEK million	Jan 1 - Dec 31, 2017	Jan 1 - Dec 31, 2016
<b>PURCHASE OF SERVICES</b>		
EMMADS Invest A/S	0.4	0.4
<b>TOTAL</b>	<b>0.4</b>	<b>0.4</b>
<b>PURCHASE OF GOODS</b>		
ECCO EMEA BV	40.6	-
<b>TOTAL</b>	<b>40.6</b>	<b>-</b>
<b>CONSIGNMENT SALES</b>		
KRM AG (ECCO)	13.7	71.9
<b>TOTAL</b>	<b>13.7</b>	<b>71.9</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 fourth quarter was SEK 61.00 per share (November 17), and the highest quoted market price during the quarter was SEK 75.00 (October 4). The closing price as per December 31, 2017, was SEK 73.25. The average turnover of the Boozt share was 174,026 shares per day during the fourth quarter. As per December 31, 2017 the company had approximately 3,900 shareholders, whereof the largest shareholders were Sampension KP Livsforsikring A/S (9.87%), Verdane Capital VII K/S (8.23%) and Sunstone Technology Ventures Fund II K/S (6.58%).

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 December 31, 2017 amounts to SEK 4,366 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 Stockholm, 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 Annual General Meeting 2018 will be held Friday, 27 April 2018, 15:00 CET, at Malmömässan, Mässgatan 6, 215 32 Malmö, Sweden.

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

- via email to: [legal@boozt.com](mailto:legal@boozt.com) or
- by letter to: Boozt AB (publ), Att: Legal/AGM, Hyllie Boulevard 10 B, 215 32 Malmö, Sweden.

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

## Dividend

The Board of Directors will propose to the 2018 AGM that no dividend shall be paid to shareholders for the financial year ended December 31, 2017, and that retained earnings shall be carried forward into the 2018 accounts.

## 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 2018 the Group expects a net revenue growth of more than 30%. The adjusted EBIT margin is expected to slightly improve compared to 2017.

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

SEK million unless otherwise indicated	Oct 1 - Dec 31, 2017	Oct 1 - Dec 31, 2016	Change	Jan 1 - Dec 31, 2017	Jan 1 - Dec 31, 2016	Change
<b>Boozt.com</b>						
Net revenue	626.4	447.2	40.1%	1,946.2	1,303.0	49.4%
Transactional net revenue	636.4	458.6	38.8%	1,975.2	1,370.3	44.1%
EBIT	50.8	45.7	11.0%	-71.0	10.0	n.m.
EBIT margin (%)	8.1%	10.2%	-2.1 pp	-3.6%	0.8%	-4.4 pp
Adjusted EBIT	52.0	47.6	9.3%	44.1	16.5	166.9%
Adjusted EBIT margin (%)	8.3%	10.6%	-2.3 pp	2.3%	1.3%	1.0 pp
Site visits (000)	26,966	18 798	43.5%	88,506	63,054	40.4%
No. of orders (000)	786	558	40.9%	2 509	1,764	42.2%
Conversion rate (%)	2.91%	2.97%	-0.05 pp	2.84%	2.80%	0.04 pp
Average order value (SEK)	810	822	-1.5%	787	777	1.4%
<b>Booztlet.com</b>						
Net revenue	14.2	7.9	80.7%	49.1	30.7	59.8%
Transactional net revenue	14.4	8.0	80.9%	49.8	31.1	60.1%
EBIT	1.2	0.5	132.3%	2.1	4.1	-48.1%
EBIT margin (%)	8.3%	6.5%	1.8 pp	4.3%	13.4%	-9.0 pp
Adjusted EBIT	1.2	0.6	112.6%	5.1	4.2	20.9%
Adjusted EBIT margin (%)	8.6%	7.3%	1.2 pp	10.4%	13.7%	-3.3 pp
<b>Other</b>						
Net revenue	3.5	12.2	-71.2%	21.0	62.6	-66.4%
Transactional net revenue	3.5	44.7	-92.1%	46.2	227.0	-79.6%
EBIT	-0.9	-0.5	-90.9%	-0.9	6.9	n.m.
EBIT margin (%)	-25.1%	-3.8%	-21.2 pp	-4.3%	11.0%	-15.3 pp
Adjusted EBIT	-0.9	0.1	n.m.	-0.9	8.8	n.m.
Adjusted EBIT margin (%)	-25.1%	0.6%	-25.6 pp	-4.3%	14.1%	-18.4 pp

Rounding differences may effect the summations.



## Net revenue

For the segment Boozt.com, net revenue increased with 40.1% to SEK 626.4 million (447.2) during the fourth quarter. Increase of new customer intake and higher buying frequency contributes to a higher net revenue.

For the segment Booztlet.com net revenue increased with 80.7% to SEK 14.2 million (7.9) during the fourth quarter and is attributable to an increase in both new customer intake and a higher buying frequency for existing customers.

For the segment Other, net revenue decreased with -71.2% to SEK 3.5 million (12.2) during the fourth quarter. The decrease is attributable to the terminated commission sales agreement with ECCO.

## EBIT

For the segment Boozt.com, EBIT increased to SEK 50.8 million (45.7) during the fourth quarter, while the EBIT-margin decreased with -2.1 percentage points due to a slight increase in the cost of personnel, but mainly related to currency effects from operational activities.

For the segment Booztlet.com, EBIT increased to SEK 1.2 million (0.5) during the fourth quarter and the EBIT-margin increased with 1.8 percentage points. The increase of EBIT is attributable to economies of scale such as decreased fulfilment cost ratio and a relative decrease in staff costs as revenue increases.

For the segment Other, EBIT decreased to SEK -0.9 million (-0.5) during the fourth quarter while the EBIT-margin decreased with -21.2 percentage points explained by the terminated commission sales agreement with ECCO.

## Adjusted EBIT

In the fourth quarter all adjustments are related to share based payments to employees. For the segment Boozt.com, the adjusted EBIT increased to SEK 52.0 million (47.6) during the fourth quarter. The adjusted EBIT margin decreased with -2.3 percentage points to 8.3 percentage points. The increase in the adjusted admin & other cost ratio is mainly

related to currency effects from operational activities, but also slightly affected by increased personnel costs of 0.3 percentage points from 5.5% to 5.8% of which 0.2 percentage points of the increase is related to severance payments in the quarter, and which the segment Boozt.com takes a fair distribution of.

For the segment Booztlet.com, the adjusted EBIT increased to SEK 1.2 million (0.6) during the fourth quarter. Booztlet.com takes a fair distribution of the adjusted items from the Group.

No adjustments have been made for the segment Other.



# Interim consolidated financial statements

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This report is published February 27, 2018

## Consolidated income statement

SEK million unless otherwise indicated	Note	Oct 1 - Dec 31, 2017	Oct 1 - Dec 31, 2016	Jan 1 - Dec 31, 2017	Jan 1 - Dec 31, 2016
<b>OPERATING INCOME</b>					
Net revenue	2	644.2	467.3	2 016.4	1 396.4
Other operating income		0.9	4.1	-	4.3
		<b>645.1</b>	<b>471.4</b>	<b>2 016.4</b>	<b>1 400.7</b>
<b>OPERATING COSTS</b>					
Goods for resale		-366.8	-256.2	-1 155.4	-766.5
External fulfilment and distribution costs		-81.8	-65.9	-312.4	-224.2
External marketing costs		-71.6	-52.7	-261.4	-205.7
Other external costs		-25.4	-18.4	-126.3	-73.6
Cost of personnel		-38.5	-27.9	-197.3	-97.2
Depreciation and impairment losses		-9.9	-4.5	-30.8	-12.4
Other operating costs		-	-	-2.6	-
<b>Total operating costs</b>		<b>-594.1</b>	<b>-425.6</b>	<b>-2 086.2</b>	<b>-1 379.7</b>
<b>OPERATING PROFIT/LOSS (EBIT)</b>	<b>2</b>	<b>51.1</b>	<b>45.8</b>	<b>-69.8</b>	<b>21.0</b>
<b>FINANCIAL INCOME AND EXPENSES</b>					
Financial income		3.3	-	9.2	-
Financial expenses	3	-2.5	-0.2	-7.6	-0.5
<b>Net financial items</b>		<b>0.8</b>	<b>-0.2</b>	<b>1.6</b>	<b>-0.5</b>
<b>PROFIT/LOSS BEFORE TAX</b>	<b>2</b>	<b>51.9</b>	<b>45.5</b>	<b>-68.2</b>	<b>20.5</b>
Income tax		34.1	-7.7	55.6	-7.7
<b>PROFIT/LOSS FOR THE PERIOD</b>		<b>86.0</b>	<b>37.9</b>	<b>-12.6</b>	<b>12.9</b>
<b>ATTRIBUTABLE TO:</b>					
Parent company's shareholders		86.0	37.9	-12.6	12.9
Average number of shares (000)		56,338	46,696	52,336	44,214
Average number of shares after dilution (000)		57,716	46,696	54,782	44,214
Earnings per share (SEK)		1.53	0.81	-0.24	0.29
Earnings per share after dilution (SEK)		1.49	0.81	-0.24	0.29

Rounding differences may effect the summations.

## Consolidated statement of comprehensive income

SEK million	Oct 1 - Dec 31, 2017	Oct 1 - Dec 31, 2016	Jan 1 - Dec 31, 2017	Jan 1 - Dec 31, 2016
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>86.0</b>	<b>37.9</b>	<b>-12.6</b>	<b>12.9</b>
<b>Items that may be reclassified to the income statement</b>				
Translation differences	0.0	-	0.1	-
<b>Other comprehensive income</b>	<b>86.1</b>	<b>37.9</b>	<b>-12.5</b>	<b>12.9</b>
<b>TOTAL COMPREHENSIVE PROFIT/LOSS FOR THE PERIOD</b>	<b>86.1</b>	<b>37.9</b>	<b>-12.5</b>	<b>12.9</b>
<b>ATTRIBUTABLE TO</b>				
Parent company's shareholders	86.1	37.9	-12.5	12.9

Rounding differences may effect the summations.

## Consolidated statement of financial position

SEK million	Note	Dec 31, 2017	Dec 31, 2016
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Intangible assets</b>			
Web platform	4	19.5	15.0
		<b>19.5</b>	<b>15.0</b>
<b>Tangible assets</b>			
Machinery and equipment	4	155.1	17.6
		<b>155.1</b>	<b>17.6</b>
Deposits	3	11.8	9.8
Deferred tax asset		92.5	36.8
		<b>104.3</b>	<b>46.6</b>
<b>Total non-current assets</b>		<b>278.9</b>	<b>79.2</b>
<b>Current assets</b>			
Inventories		571.6	388.8
Accounts receivables	3	34.0	19.6
Other receivables	3	38.2	49.7
Current tax assets		0.5	0.4
Prepaid expenses and accrued income		26.9	39.7
Derivatives	3	4.4	-
Cash and cash equivalents	3	429.7	221.8
<b>Total current assets</b>		<b>1,105.1</b>	<b>720.1</b>
<b>TOTAL ASSETS</b>		<b>1,384.0</b>	<b>799.3</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		4.7	3.9
Other capital contributions		1,124.3	689.2
Reserves		0.1	-
Retained earnings including profit for the period		-338.3	-325.8
<b>Equity attributable to parent company shareholders</b>		<b>790.8</b>	<b>367.3</b>
<b>Non-current liabilities</b>			
Interest bearing liabilities	3	70.6	8.6
Other provisions		21.1	16.3
<b>Total non-current liabilities</b>		<b>91.7</b>	<b>24.9</b>
<b>Current liabilities</b>			
Interest bearing liabilities	3	30.6	3.4
Accounts payables	3	282.7	268.8
Other liabilities	3	62.0	34.6
Derivatives	3	0.3	-
Accrued expenses and prepaid income		126.0	100.2
<b>Total current liabilities</b>		<b>501.5</b>	<b>407.1</b>
<b>Total liabilities</b>		<b>593.2</b>	<b>432.0</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,384.0</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	-	-	-	12.8	12.8
Other comprehensive income	-	-	-	-	-
<b>COMPREHENSIVE PROFIT/LOSS FOR THE PERIOD</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12.8</b>	<b>12.8</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 Dec 31, 2016</b>	<b>3.9</b>	<b>689.2</b>	<b>-</b>	<b>-325.8</b>	<b>367.3</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	-	-	-	-12.6	-12.6
Other comprehensive income	-	-	0.1	-	0.1
<b>COMPREHENSIVE PROFIT/LOSS FOR THE PERIOD</b>	<b>-</b>	<b>-</b>	<b>0.1</b>	<b>-12.6</b>	<b>-12.5</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	-	4.8	-	-	4.8
Re-classifications*	-	-0.1	-	0.1	-
<b>Total transactions with owners</b>	<b>0.8</b>	<b>435.1</b>	<b>-</b>	<b>0.1</b>	<b>436.0</b>
<b>Equity carried forward Dec 31, 2017</b>	<b>4.7</b>	<b>1,124.3</b>	<b>0.1</b>	<b>-338.3</b>	<b>790.8</b>

Rounding differences may effect the summations.

\*Related to the liquidation of the second-tier subsidiary Lucky Little Me AB.

## Consolidated statement of cash flow

SEK million	Note	Oct 1 - Dec 31, 2017	Oct 1 - Dec 31, 2016	Jan 1 - Dec 31, 2017	Jan 1 - Dec 31, 2016
<b>CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL</b>					
Operating profit		51.1	45.8	-69.8	21.0
Adjustments for non-cash items:					
Non-cash remuneration from share based payments (social charges)		0.7	2.0	4.8	8.0
Non-cash remuneration from share based payments		0.6	-	4.8	12.1
Depreciation and impairment losses		9.9	4.5	30.8	12.4
Other items not included in cash flow		-0.1	0.1	-0.1	0.0
Interest received		-	-	-	-
Interest paid		-0.6	-0.2	-2.5	-0.5
Paid income tax		0.0	0.0	-0.0	0.0
<b>CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL</b>		<b>61.6</b>	<b>52.1</b>	<b>-32.0</b>	<b>53.2</b>
<b>CASH FLOW FROM CHANGES IN WORKING CAPITAL</b>					
Changes in inventory		58.3	-23.7	-182.8	-148.9
Changes in current assets		-27.6	-35.0	10.0	-45.3
Changes in current liabilities		-10.7	74.9	67.0	181.8
<b>Cashflow from changes in working capital</b>		<b>20.0</b>	<b>16.2</b>	<b>-105.8</b>	<b>-12.4</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>81.6</b>	<b>68.3</b>	<b>-137.8</b>	<b>40.8</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Acquisition of subsidiaries	4	-	-	-	-
Investments in fixed assets	4	-44.0	-2.6	-162.7	-23.6
Change in financial assets	4	-4.3	-0.8	-2.1	0.4
Investments in intangible assets	4	-2.8	-4.4	-10.1	-10.5
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>-51.0</b>	<b>-7.8</b>	<b>-174.9</b>	<b>-33.7</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					
New share issue		-	-	431.2	104.0
New loans		38.9	12.0	163.1	12.0
Repayment of loans		-4.6	-1.0	-74.0	-1.2
Change in overdraft facility		-	-	-	-
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		<b>34.3</b>	<b>11.0</b>	<b>520.4</b>	<b>114.8</b>
Cash flow for the period		64.8	71.6	207.7	121.9
Currency exchange gains/losses in cash and cash equivalents		0.0	0.0	0.2	0.0
Cash and cash equivalents beginning of period		364.8	150.2	221.8	99.9
<b>CASH AND CASH EQUIVALENTS END OF PERIOD</b>		<b>429.7</b>	<b>221.8</b>	<b>429.7</b>	<b>221.8</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 full year 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. 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. Relating to the performed pre-study, the Group's income statement will not be significantly affected by the introduction of IFRS 15. As a consequence 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. The effects on the balance sheet is displayed below.

SEK million	Dec 31, 2017	IFRS 15 changes	Dec 31, 2017, re-stated
<b>CONSOLIDATED FINANCIAL POSITION</b>			
Inventories	571.6	55.1	626.7
Accrued expenses and prepaid income	126.0	55.1	181.1

*Rounding differences may effect the summations.*

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 will not be materially affected by the implementation of IFRS 9.

IFRS 16 Leasing replaces IAS 17 as of January 1, 2019. Under the new standard, the majority of leased assets are to be reported in the balance sheet. The only exceptions are short-term and low-value leases. For the Group the implementation of IFRS 16 is expected to affect the financial statements as all leases in the Group will be capitalized, i.e. an asset (the right to use the leased item)

and a financial liability to pay rentals are recognised. This will have an effect on total balance sheet and key ratios such as solidity. The contracts that are deemed to have the greatest impact are leasing contracts relating to the premises for the fulfilment centre in Ängelholm, the headquarter and physical retail stores. The Group has begun to analyse the effects the standard will have but it is yet to early to quantify the 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.

#### **Reporting currency**

The reporting currency is SEK and all figures in the full year report are rounded to the nearest million with one decimal place.

## Note 2 - Segment reporting

SEK million	Oct 1 - Dec 31, 2017	Oct 1 - Dec 31, 2016	Change	Jan 1 - Dec 31, 2017	Jan 1 - Dec 31, 2016	Change
<b>NET REVENUE</b>						
Boozt.com	626.4	447.2	179.2	1,946.2	1,303.0	643.2
Booztlet.com	14.2	7.9	6.4	49.1	30.7	18.4
Other	3.5	12.2	-8.7	21.0	62.6	-41.6
<b>TOTAL NET REVENUE</b>	<b>644.2</b>	<b>467.3</b>	<b>176.9</b>	<b>2,016.4</b>	<b>1,396.4</b>	<b>620.0</b>
<b>EBIT</b>						
Boozt.com	50.8	45.7	5.0	-71.0	10.0	-81.1
Booztlet.com	1.2	0.5	0.7	2.1	4.1	-2.0
Other	-0.9	-0.5	-0.4	-0.9	6.9	-7.8
<b>TOTAL OPERATING PROFIT/LOSS</b>	<b>51.1</b>	<b>45.8</b>	<b>5.3</b>	<b>-69.8</b>	<b>21.0</b>	<b>-90.8</b>
<b>PROFIT/LOSS BEFORE TAX</b>						
Boozt.com	51.6	45.5	6.1	-69.4	9.5	-79.0
Booztlet.com	1.2	0.5	0.7	2.2	4.1	-1.9
Other	-0.9	-0.5	-0.4	-0.9	6.9	-7.8
<b>PROFIT/LOSS BEFORE TAX</b>	<b>51.9</b>	<b>45.5</b>	<b>6.4</b>	<b>-68.2</b>	<b>20.5</b>	<b>-88.7</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

Dec 31, 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	9.8	-	-	9.8	9.8
Accounts receivables	19.6	-	-	19.6	19.6
Other receivables	49.7	-	-	49.7	49.7
Derivatives	-	-	-	-	-
Cash and cash equivalents	221.8	-	-	221.8	221.8
<b>Total financial assets</b>	<b>300.9</b>	<b>-</b>	<b>-</b>	<b>300.9</b>	<b>300.9</b>
<b>Financial liabilities</b>					
Liabilities to credit institutions	-	12.0	-	12.0	12.0
Accounts payables	-	268.8	-	268.8	268.8
Other liabilities	-	34.6	-	34.6	34.6
<b>Total financial liabilities</b>	<b>-</b>	<b>315.4</b>	<b>-</b>	<b>315.4</b>	<b>315.4</b>

Dec 31, 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	11.8	-	-	11.8	11.8
Accounts receivables	34.0	-	-	34.0	34.0
Other receivables	38.2	-	-	38.2	38.2
Derivatives	-	-	4.4	4.4	4.4
Cash and cash equivalents	429.7	-	-	429.7	429.7
<b>Total financial assets</b>	<b>513.7</b>	<b>-</b>	<b>4.4</b>	<b>518.1</b>	<b>518.1</b>
<b>Financial liabilities</b>					
Liabilities to credit institutions	-	101.2	-	101.2	101.2
Accounts payables	-	282.7	-	282.7	282.7
Other liabilities	-	62.0	-	62.0	62.0
Derivatives	-	-	0.3	0.3	0.3
<b>Total financial liabilities</b>	<b>-</b>	<b>445.8</b>	<b>0.3</b>	<b>446.1</b>	<b>446.1</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 fourth quarter of 2017, the Group signed an additional hire-purchase agreement with Danske Bank for the second phase of the automated storage and retrieval system AutoStore. The new loan amounts to SEK 38.9 million.

In Q1 2018 the VAT amount of the investment SEK 9.7 million in total will be added to the credit facility. An amount corresponding to the amount of the VAT will be re-paid to Danske Bank during the same period, when the VAT amount is claimed from the Tax authorities.

### Specification of net financial items

SEK million	Oct 1 - Dec 31, 2017	Oct 1 - Dec 31, 2016	Jan 1 - Dec 31, 2017	Jan 1 - Dec 31, 2016
Interest income	0.0	-	0.0	-
Financial income - derivatives	3.3	-	9.2	-
Interest expense	-0.6	-0.2	-2.5	-0.5
Financial costs - derivatives	-1.9	-	-5.1	-
<b>NET FINANCIAL ITEMS</b>	<b>0.8</b>	<b>-0.2</b>	<b>1.6</b>	<b>-0.5</b>

## Note 4 - Investments

SEK million	Oct 1 - Dec 31, 2017	Oct 1 - Dec 31, 2016	Jan 1 - Dec 31, 2017	Jan 1 - Dec 31, 2016
Acquisition of machinery and equipment (other capex)	-0.7	-2.6	-71	-7.8
Acquisition of machinery and equipment (warehouse automation capex)	-43.2	-	-149.6	-
Acquisition of machinery and equipment (warehouse capex)	-0.1	-	-6.0	-15.9
	-44.0	-2.6	-162.7	-23.6
Acquisition of financial assets	-4.3	-0.8	-2.1	0.4
	-4.3	-0.8	-2.1	0.4
Acquisition of intangible assets (capitalised development costs)	-2.0	-1.4	-71	-5.4
Acquisition of intangible assets (other)	-0.8	-3.0	-3.0	-5.1
	-2.8	-4.4	-10.1	-10.5
<b>CASH FLOW FROM INVESTMENTS</b>	<b>-51.0</b>	<b>-7.8</b>	<b>-174.9</b>	<b>-33.7</b>

Rounding differences may effect the summations.

## Parent company income statement

SEK million	Oct 1 - Dec 31, 2017	Oct 1 - Dec 31, 2016	Jan 1 - Dec 31, 2017	Jan 1 - Dec 31, 2016
<b>OPERATING INCOME</b>				
Net revenue	7.0	-	81.8	-
	<b>7.0</b>	<b>-</b>	<b>81.8</b>	<b>-</b>
<b>OPERATING COSTS</b>				
General expenses	-2.0	-0.1	-29.6	-0.2
Personnel costs	-6.8	-	-78.0	-
<b>Total operating costs</b>	<b>-8.9</b>	<b>-0.1</b>	<b>-107.7</b>	<b>-0.2</b>
<b>OPERATING PROFIT</b>	<b>-1.9</b>	<b>-0.1</b>	<b>-25.9</b>	<b>-0.2</b>
<b>FINANCIAL INCOME AND EXPENSES</b>				
Financial income	-	-	-	-
Financial expenses	-	-	0.0	-
<b>Net financial items</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>
Income tax	13.4	-	13.4	-
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>11.5</b>	<b>-0.1</b>	<b>-12.4</b>	<b>-0.2</b>

Rounding differences may effect the summations.

## Parent company statement of comprehensive income

SEK million	Oct 1 - Dec 31, 2017	Oct 1 - Dec 31, 2016	Jan 1 - Dec 31, 2017	Jan 1 - Dec 31, 2016
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>11.5</b>	<b>-0.1</b>	<b>-12.4</b>	<b>-0.2</b>
Other comprehensive income	-	-	-	-
<b>COMPREHENSIVE PROFIT/LOSS FOR THE PERIOD</b>	<b>11.5</b>	<b>-0.1</b>	<b>-12.4</b>	<b>-0.2</b>

Rounding differences may effect the summations.



## Parent company financial position

SEK million	Dec 31, 2017	Dec 31, 2016
<b>ASSETS</b>		
<b>Fixed assets</b>		
<b>Financial assets</b>		
Shares in Group companies	747.3	362.9
<b>Total fixed assets</b>	<b>747.3</b>	<b>362.9</b>
Deferred tax asset	13.4	-
	<b>13.4</b>	<b>-</b>
<b>Current assets</b>		
<b>Short term receivables</b>		
Accounts receivables	-	-
Receivables from Group companies	22.2	-
Current tax assets	-	-
Cash and cash equivalents	5.2	0.0
<b>Total current assets</b>	<b>27.4</b>	<b>0.0</b>
<b>TOTAL ASSETS</b>	<b>788.1</b>	<b>362.9</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
<b>Restricted equity</b>		
Share capital	4.7	3.9
	<b>4.7</b>	<b>3.9</b>
<b>Unrestricted equity</b>		
Share premium reserve	1,081.8	689.2
Retained earnings	-330.7	-330.5
Net income for the period	-12.4	-0.2
	<b>738.7</b>	<b>358.5</b>
<b>Total equity</b>	<b>743.4</b>	<b>362.4</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payables	0.4	0.1
Liabilities to Group companies	37.8	0.5
Other liabilities	1.5	-0.0
Accrued expenses and prepaid income	5.0	-
<b>Total current liabilities</b>	<b>44.7</b>	<b>0.5</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>788.1</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	-	-	-0.2	-0.2
Other comprehensive income	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>-</b>	<b>-</b>	<b>-0.2</b>	<b>-0.2</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 Dec 31, 2016</b>	<b>3.9</b>	<b>689.2</b>	<b>-330.7</b>	<b>362.4</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	-	-	-12.4	-12.4
Other comprehensive income	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>-</b>	<b>-</b>	<b>-12.4</b>	<b>-12.4</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 Dec 31, 2017</b>	<b>4.7</b>	<b>1,081.8</b>	<b>-343.1</b>	<b>743.4</b>

Rounding differences may effect the summations.

This report has not been audited by the Company's auditors.

The undersigned certify that this interim report gives an 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 27, 2018

Hermann Haraldsson

Group CEO

In accordance with authorisation given by the Board of Directors

*This is a translation of the original report in Swedish*



## Additional information

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## Information by quarter

### Net revenue and EBIT by segment

SEK million	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
<b>NET REVENUE</b>												
Boozt.com	626.4	440.6	481.9	397.4	447.2	288.3	332.0	235.5	268.7	160.8	195.1	123.8
Booztlet.com	14.2	12.1	11.9	10.9	7.9	8.4	9.1	5.4	1.8	0.4	-	-
Other	3.5	2.3	2.3	12.9	12.2	15.5	15.9	18.9	14.5	18.3	17.5	16.3
<b>NET REVENUE</b>	<b>644.2</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>OPERATING PROFIT/LOSS (EBIT)</b>												
Boozt.com	50.8	-13.4	-79.4	-29.0	45.7	-18.3	4.3	-21.7	13.5	-16.2	-4.9	-15.0
Booztlet.com	1.2	2.2	-1.9	0.7	0.5	1.6	1.4	0.6	-0.3	0.0	-	-
Other	-0.9	-0.6	-1.6	2.2	-0.5	0.5	2.8	4.0	1.9	3.8	5.0	4.4
<b>OPERATING PROFIT/LOSS (EBIT)</b>	<b>51.1</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>OPERATING PROFIT/LOSS (EBIT) %</b>												
Boozt.com	8.1%	-3.0%	-16.5%	-7.3%	10.2%	-6.4%	1.3%	-9.2%	5.0%	-10.1%	-2.5%	-12.1%
Booztlet.com	8.3%	18.1%	-15.9%	6.1%	6.5%	18.6%	15.8%	11.3%	-14.7%	-9.3%	n.a.	n.a.
Other	-25.1%	-25.9%	-70.7%	17.0%	-3.7%	3.3%	17.8%	21.0%	13.0%	20.8%	28.5%	27.1%
<b>OPERATING PROFIT/LOSS (EBIT) %</b>	<b>7.9%</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>EARNINGS BEFORE TAX</b>												
Boozt.com	51.6	-17.3	-77.4	-26.2	45.5	-18.4	4.2	-21.8	10.2	-16.6	-5.9	-15.8
Booztlet.com	1.2	2.1	-1.9	0.7	0.5	1.6	1.4	0.6	-0.3	-0.0	-	-
Other	-0.9	-0.6	-1.6	2.2	-0.5	0.5	2.8	4.0	1.9	3.8	5.0	4.4
<b>EARNINGS BEFORE TAX</b>	<b>51.9</b>	<b>-15.9</b>	<b>-80.9</b>	<b>-23.3</b>	<b>45.5</b>	<b>-16.3</b>	<b>8.5</b>	<b>-17.2</b>	<b>11.8</b>	<b>-12.8</b>	<b>-0.9</b>	<b>-11.4</b>
<b>ADJUSTED EBIT</b>												
Boozt.com	52.0	-14.0	12.0	-6.0	47.6	-16.8	5.8	-20.1	14.8	-15.0	-3.6	-13.7
Booztlet.com	1.2	2.2	0.4	1.3	0.6	1.6	1.4	0.6	-0.3	-0.0	-	-
Other	-0.9	-0.6	-1.6	2.2	0.1	1.0	3.3	4.4	2.4	4.3	5.5	4.9
<b>ADJUSTED EBIT</b>	<b>52.3</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>ADJUSTED EBIT %</b>												
Boozt.com	8.3%	-3.2%	2.5%	-1.5%	10.6%	-5.8%	1.8%	-8.6%	5.5%	-9.3%	-1.9%	-11.1%
Booztlet.com	8.6%	18.0%	3.7%	11.6%	7.3%	18.7%	15.9%	11.5%	-14.2%	-9.3%	n.a.	n.a.
Other	-25.1%	-25.9%	-70.7%	17.0%	0.6%	6.4%	20.8%	23.5%	16.4%	23.5%	31.2%	30.1%
<b>ADJUSTED EBIT %</b>	<b>8.1%</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>

Rounding differences may effect the summations.

## Additional information

SEK million	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
<b>EBIT MARGIN (%)</b>												
Gross margin (%)	43.1%	38.8%	44.4%	44.4%	45.2%	47.3%	44.2%	43.6%	48.0%	49.5%	47.5%	50.9%
Fulfilment cost ratio (%)	-12.7%	-14.8%	-15.5%	-20.5%	-14.1%	-18.1%	-15.5%	-17.9%	-14.2%	-20.3%	-16.0%	-20.2%
Marketing cost ratio (%)	-11.1%	-13.3%	-13.3%	-15.1%	-11.3%	-18.5%	-14.4%	-17.0%	-12.9%	-16.9%	-15.5%	-16.9%
Admin & other cost ratio (%)	-9.8%	-11.3%	-30.5%	-14.3%	-9.0%	-15.0%	-11.1%	-14.5%	-15.2%	-18.5%	-15.2%	-20.3%
Depreciation (%)	-1.5%	-2.0%	-1.8%	-0.7%	-1.0%	-1.0%	-0.8%	-0.8%	-0.4%	-0.7%	-0.6%	-1.0%
<b>EBIT MARGIN (%)</b>	<b>7.9%</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>
Adjusted fulfilment cost ratio (%)	-12.7%	-14.8%	-15.2%	-16.0%	-14.1%	-18.1%	-15.5%	-17.9%	-14.2%	-20.3%	-16.0%	-20.2%
Adjusted admin & other cost ratio (%)	-9.6%	-11.4%	-12.0%	-13.2%	-8.5%	-14.3%	-10.6%	-13.8%	-14.6%	-17.6%	-14.4%	-19.1%
<b>BOOZT.COM</b>												
Site visits (000)	26,966	20,747	21,056	19,737	18,798	14,935	14,980	14,342	12,986	10,660	11,328	8,596
No. of orders (000)	786	572	641	510	558	404	449	354	358	247	288	204
Conversion rate	2.91%	2.76%	3.05%	2.58%	2.97%	2.70%	3.00%	2.47%	2.76%	2.32%	2.54%	2.37%
True frequency	6.3	6.6	6.1	5.9	5.2	5.3	4.7	4.8	4.1	4.4	4.0	4.0
Average order value (SEK)	810	780	765	788	822	745	787	727	773	707	735	688
Active customers (000)	1 057	967	916	862	820	749	695	636	569	513	483	443
No. of orders per active customer	2.37	2.36	2.30	2.23	2.15	2.09	2.03	1.96	1.93	1.92	1.88	1.84
<b>NET REVENUE - GEOGRAPHICAL SPLIT</b>												
Sweden	241.8	180.2	184.8	149.5	172.0	116.2	134.5	88.0	99.7	58.4	69.0	40.1
Rest of Nordics	368.2	254.3	292.4	235.4	257.5	161.4	184.1	130.2	148.4	86.8	111.1	72.0
Rest of Europe	34.2	20.4	18.9	36.2	37.8	34.7	38.5	41.6	36.9	34.2	32.5	28.1
<b>TOTAL NET REVENUE</b>	<b>644.2</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>
NORDICS	610.0	434.5	477.2	385.0	429.5	277.6	318.6	218.1	248.0	145.3	180.1	112.1

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 less depreciation plus 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 less depreciation plus 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	Oct 1 - Dec 31, 2017	Oct 1 - Dec 31, 2016	Jan 1 - Dec 31, 2017	Jan 1 - Dec 31, 2016
<b>GROUP</b>				
Transactional net revenue	654.4	511.3	2,071.2	1,628.4
Less consignment sales	-14.3	-46.2	-72.6	-234.2
Other revenue	4.1	2.2	17.7	2.2
<b>Net revenue</b>	<b>644.2</b>	<b>467.3</b>	<b>2,016.4</b>	<b>1,396.4</b>
Other operating income	0.9	4.1	-	4.3
<b>Total operating income</b>	<b>645.1</b>	<b>471.4</b>	<b>2,016.4</b>	<b>1,400.7</b>
<b>BOOZT.COM</b>				
Transactional net revenue	636.4	458.6	1,975.2	1,370.3
Less consignment sales	-14.1	-13.6	-46.7	-69.5
Other revenue	4.1	2.2	17.7	2.2
<b>Net revenue</b>	<b>626.4</b>	<b>447.2</b>	<b>1,946.2</b>	<b>1,303.0</b>
Other operating income	0.9	4.1	-	4.3
<b>Total operating income</b>	<b>627.4</b>	<b>451.3</b>	<b>1,946.2</b>	<b>1,307.4</b>
<b>BOOZTLET.COM</b>				
Transactional net revenue	14.4	8.0	49.8	31.1
Less consignment sales	-0.2	-0.1	-0.7	-0.4
Other revenue	-	-	-	-
<b>Net revenue</b>	<b>14.2</b>	<b>7.9</b>	<b>49.1</b>	<b>30.7</b>
Other operating income	-	-	-	-
<b>Total operating income</b>	<b>14.2</b>	<b>7.9</b>	<b>49.1</b>	<b>30.7</b>
<b>OTHER</b>				
Transactional net revenue	3.5	44.7	46.2	227.0
Less consignment sales	-0.0	-32.5	-25.2	-164.4
Other revenue	-	-	-	-
<b>Net revenue</b>	<b>3.5</b>	<b>12.2</b>	<b>21.0</b>	<b>62.6</b>
Other operating income	-	-	-	-
<b>Total operating income</b>	<b>3.5</b>	<b>12.2</b>	<b>21.0</b>	<b>62.6</b>

## Reconciliation of adjusted EBIT

SEK million	Oct 1 - Dec 31, 2017	Oct 1 - Dec 31, 2016	Jan 1 - Dec 31, 2017	Jan 1 - Dec 31, 2016
EBIT	51.1	45.8	-69.8	21.0
Share-based payments related to employees (social charges)	0.7	2.0	47.2	8.0
Share-based payments related to employees	0.6	-	4.8	-
IPO preparation costs	-	0.5	45.4	0.5
Other items affecting comparability*	-	-	20.6	-
<b>Adjusted EBIT</b>	<b>52.3</b>	<b>48.3</b>	<b>48.2</b>	<b>29.5</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	Oct 1 - Dec 31, 2017	Oct 1 - Dec 31, 2016	Jan 1 - Dec 31, 2017	Jan 1 - Sep 30, 2016
Cash and cash equivalents	-429,7	-221,8	-429,7	-221,8
Convertible loan	-	-	-	-
Interest bearing liabilities (current and non-current)	101,2	12,0	101,2	12,0
Revolving credit facilities	-	-	-	-
<b>Net debt / -net cash</b>	<b>-328,5</b>	<b>-209,8</b>	<b>-328,5</b>	<b>-209,8</b>
Total equity	790,8	367,3	790,8	367,3
Total assets	1,384,0	799,3	1,384,0	799,3
<b>Equity / asset ratio</b>	<b>57,1%</b>	<b>46,0%</b>	<b>57,1%</b>	<b>46,0%</b>
No. of orders (000)	786	558	2,509	1,764
Site visits (000)	26,966	18,798	88,506	63,054
<b>Conversion rate (Boozt.com)</b>	<b>2,91%</b>	<b>2,97%</b>	<b>2,84%</b>	<b>2,80%</b>
Inventory	571,6	388,8	571,6	388,8
Accounts receivables	34,0	19,6	34,0	19,6
Other receivables	38,2	49,7	38,2	49,7
Current tax assets	0,5	0,4	0,5	0,4
Pre-paid expenses and accrued income	26,9	39,7	26,9	39,7
Accounts payables	-282,7	-268,8	-282,7	-268,8
Current tax liabilities	-	-	-	-
Other liabilities	-62,0	-34,6	-62,0	-34,6
Accrued expenses and pre-paid income	-126,0	-100,2	-126,0	-100,2
<b>Net working capital</b>	<b>200,4</b>	<b>94,6</b>	<b>200,4</b>	<b>94,6</b>
Gross margin (%)	43,1%	45,2%	42,7%	45,1%
Fulfilment cost ratio (%)	-12,7%	-14,1%	-15,5%	-16,1%
Marketing cost ratio (%)	-11,1%	-11,3%	-13,0%	-14,7%
Admin & other cost ratio (%)	-9,8%	-9,0%	-16,2%	-11,9%
Depreciation cost ratio (%)	-1,5%	-1,0%	-1,5%	-0,9%
<b>EBIT margin (%)</b>	<b>7,9%</b>	<b>9,8%</b>	<b>-3,5%</b>	<b>1,5%</b>
Operating profit/loss (EBIT)	51,1	45,8	-69,8	21,0
Depreciation and amortisation	9,9	4,5	30,8	12,4
<b>EBITDA</b>	<b>60,9</b>	<b>50,3</b>	<b>-39,0</b>	<b>33,5</b>
Share-based payments related to employees (social charges)	0,7	2,0	47,2	8,0
Share-based payments	0,6	-	4,8	-
IPO preparation costs	-	0,5	45,4	0,5
Other items affecting comparability*	-	-	20,6	-
<b>Adjusted EBITDA</b>	<b>62,2</b>	<b>52,8</b>	<b>79,0</b>	<b>42,0</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.

## Financial calendar

April 27, 2018

Annual General Meeting

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).

Boozt AB (publ) is a public limited company. In case of enquiries or questions to the Group, please contact:

**Karsten Anker Petersen, Interim Head of IR & Corporate Communication**

[kap@boozt.com](mailto:kap@boozt.com) / +45 53 82 17 54

or

**Allan Junge-Jensen, Group CFO**

[ajj@boozt.com](mailto:ajj@boozt.com) / +45 41 19 70 60

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# Boozt

Address:  
Hyllie Boulevard 10B  
215 32 Malmö, Sweden

Phone: +46 40 12 80 05  
E-mail: [info@boozt.com](mailto:info@boozt.com)  
[www.booztfashion.com](http://www.booztfashion.com)

Corp. Id: 556793-5183  
Malmö  
VAT no SE556793518301