

Boozt

Q3 report

JANUARY 1 – SEPTEMBER 30 2020

Third Quarter highlights

Financials

- Net revenue of SEK 940.1 million and a net revenue growth of 23.0% (local currency ~26%). Net revenue growth of 14.9% for Boozt.com and 101% for Booztlet.com
- Gross margin of 42.8% (35.6%)
- Adjusted EBIT margin of 7.4% (-3.6%)
- Earnings per share of SEK 0.64 (-0.62) and after dilution SEK 0.61 (-0.62)
- Free cash flow of SEK 122.8 million (-97.3)

Significant events

- Updated 2020 outlook: Net revenue growth now expected in the upper end of the 20-25% range and adjusted EBIT margin outlook upgraded to 5.5-6.5% (4.5-5.5% previously)
- Expanding into the Home category
- Intention to do a dual-listing on Nasdaq Copenhagen and considering a public offering in connection with the listing

Year-to-date financial highlights

- Net revenue of SEK 2,934.3 million and a net revenue growth of 23.5% (local currency ~25%). Net revenue growth of 15.8% for Boozt.com and 127% for Booztlet.com
- Gross margin of 39.4% (38.2%)
- Adjusted EBIT margin of 5.1% (0.3%)
- Earnings per share of SEK 0.83 (-0.40) and after dilution of SEK 0.81 (-0.40)
- Free cash flow of SEK 570.7 million (-92.8)

SEK million unless otherwise indicated	Jul 1 - Sep 30, 2020	Jul 1 - Sep 30, 2019	Change	Jan 1 - Sep 30, 2020	Jan 1 - Sep 30, 2019	Change
GROUP						
Net revenue	940.1	764.1	23.0%	2,934.3	2,375.2	23.5%
Gross profit	402.7	273.0	47.5%	1,156.3	907.0	27.5%
EBIT	47.9	-40.8	n.m.	80.3	-12.8	n.m.
Adjusted EBIT*	69.7	-27.6	n.m.	149.7	8.2	1,736%
Result for the period	36.8	-35.6	n.m.	47.9	-22.7	n.m.
Free cash flow*	122.8	-97.3	n.m.	570.7	-92.8	n.m.
Net revenue growth (%)*	23.0%	22.3%	0.8 pp	23.5%	25.6%	-2.0 pp
Gross margin, (%)*	42.8%	35.6%	7.3 pp	39.4%	38.2%	1.2 pp
EBIT margin, (%)	5.1%	-5.3%	10.4 pp	2.7%	-0.5%	3.3 pp
Adjusted EBIT margin, (%)*	7.4%	-3.6%	11.0 pp	5.1%	0.3%	4.8 pp

Rounding differences may affect the summations. *The figure is an Alternative Performance Measure, see pages 32-36.

CEO Hermann Haraldsson says: "Momentum is strong in our business. We grew the business 26% in local currency and profitability was strong with a 7.4% adjusted EBIT margin in the seasonally weaker third quarter. Customers are happy and we continue to see a high growth of new Nordic customers. We now have more than 2 million active customers shopping at Boozt.com and Booztlet.com. Following the better than expected development we upgrade our full year outlook for adjusted EBIT margin to 5.5-6.5%."

"Internally the energy is high and while executing on the daily operation we have many exciting projects under development. Expanding into the Home category is one of these and we have high ambitions as we want to build the strongest home offering in the Nordics. In general, we see many attractive growth opportunities, both organic and acquisitive. To increase our flexibility to act on the strategic opportunities, we intend to raise capital via a dual listing in Denmark. This also serves the purpose of anchoring our position in our strongest performing market and as an Øresund's company we feel it is natural to be listed in both Sweden and Denmark."

Outlook for 2020	Realized 2019	Prior outlook	New outlook as of 5 November
Net revenue growth	23.0%	20-25%	In the upper end of 20-25%
Adjusted EBIT margin	3.2%	4.5-5.5%	5.5-6.5%

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

Boozt

CEO comment

We continue to see a positive momentum in our business. The many new customers we gained over the Spring/Summer are coming back in line with historic patterns boding well for making the 2020 cohort another strong and loyal cohort. Supporting this is the high customer satisfaction of existing and new customers. Also promising is the high average order value and the continued lower return rate driven by the changing product mix with strong growth in Men's as well as the categories Kids, Sport and Beauty.

Growth was during the quarter negatively impacted by lower stock availability. The final months of the Spring/Summer season was negatively impacted by the very strong sell-through in Q2. An unusually high level of campaign buys, which are items bought in-season at lower prices, partly compensated for this. The beginning of the Autumn/Winter season was also impacted by lower stock availability for our customers, this due to COVID-19 related delays in the supply chain.

Net revenue growth ended at 23% for the quarter supported by 15% growth for Boozt.com and 101% growth for Booztlet.com. Excluding the negative impact from currencies, the implementation of the "fair use" policy and the change to a consignment agreement with a large brand partner net revenue growth was around 29% in the third quarter.

The third quarter has always been a difficult quarter in terms of profitability, as it is heavily impacted by end-of-season sales. Making a solid profit in this quarter for the first time, is another testament to the profitability potential of our business model with a high average order value. The adjusted EBIT margin improved 11 percentage points to 7.4%. This was above our initial expectations of 5-6% as a consequence of a lower than anticipated return rate and a positive currency effect from the balance sheet month-end revaluation. The positive development was fueled by a 7 percentage points improvement in gross margin, driven by campaign goods representing an unusual high share of the inventory mix. Also, the significant operational improvements in our fulfilment setup continue to benefit positively.

Our Other segment consisting of the physical stores are for the first time showing a profit. Although the numbers are relatively small, it is a significant step for us to put the loss-making times of the Other segment behind us. It has been a significant drag on our profitability, and we are pleased that we have found a way to profitably navigate the offline landscape.

The free cash flow generation was strong at SEK 123 million. This was mainly due to the positive development in working capital and the improved operating profit. At the end of the quarter we had a cash position of SEK 1,058 million. SEK 200 million of those is from our revolving credit facility, which was repaid in October.

To facilitate the growth for 2021 we have built out the first part of the phase 4 automation expansion at our fulfilment centre. The process of taking over the staff from the current staff provider is running according to plan and we are ready to manage our own fulfilment staff operation from January 1, 2021.

During the fourth quarter we will launch our Home interior category with the ambition to build the strongest Home offering in the Nordics. Our ambition is to offer the Nordic customer the full range of the best and most relevant mid-to-premium priced Home brands, covering all rooms in the house. We have employed a strong team of experienced Home buyers and merchandisers who in combination with our platform, marketing and fulfilment expertise will create an outstanding customer experience for Home shopping. Our launch into the home category is a significant step towards creating the true department store experience online. Shopping for relevant and complementary branded products in a frictionless environment. This will further elevate the experience for our 2 million active Nordic customers, who over the last few years increasingly have shopped in the adjacent categories around the core fashion offering; Kids, Sport and Beauty.

We have recently announced that we are pursuing a dual listing in Copenhagen as well as a capital raise through a public offering. Despite already having a strong cash position we want to further improve our readiness to act on both the organic growth opportunities as well as potential attractive M&A opportunities. Our strategic priorities are clear. Organic growth is the main priority, but we are looking for attractive bolt-on acquisitions that could strengthen our category expertise, technology platform or Nordic presence. A listing in Copenhagen will further strengthen our position in our strongest performing market.

The supplier delivery of the Autumn/Winter goods has been behind last year due to COVID-19 related delays and cancellations in the supply chain as flagged in our trading update from October 6. Since then we have seen good traction on the ordered goods being delivered, which has further been complemented by a high level of campaign buys. Following this we see less uncertainty in the stock situation for the rest of the year. As a consequence of this together with a strong performance in the first part of the fourth quarter we upgrade our 2020 outlook for the adjusted EBIT margin to 5.5-6.5% and now expect to be in the upper end of the net revenue growth range of 20-25%.

Hermann Haraldsson, Co-founder & CEO



Group – Key performance indicators (KPIs)

SEK million unless otherwise indicated	Jul 1 - Sep 30, 2020	Jul 1 - Sep 30, 2019	Change	Jan 1 - Sep 30, 2020	Jan 1 - Sep 30, 2019	Change	Rolling 12 months
GROUP							
Net revenue	940.1	764.1	23.0%	2,934.3	2,375.2	23.5%	3,984.0
Net revenue growth (%)	23.0%	22.3%	0.8 pp	23.5%	25.6%	-2.0 pp	21.9%
Gross margin (%)*	42.8%	35.6%	7.3 pp	39.4%	38.2%	1.2 pp	40.4%
Fulfilment cost ratio (%)*	-11.6%	-14.4%	2.9 pp	-11.9%	-14.3%	2.4 pp	-12.0%
Marketing cost ratio (%)*	-11.4%	-11.4%	-0.1 pp	-9.7%	-10.0%	0.3 pp	-9.8%
Admin & other cost ratio (%)*	-11.5%	-11.7%	0.2 pp	-10.7%	-11.1%	0.4 pp	-10.1%
Depreciation cost ratio (%)*	-3.3%	-3.4%	0.1 pp	-4.4%	-3.3%	-1.1 pp	-3.9%
Adjusted admin & other cost ratio (%)*	-9.1%	-10.0%	0.8 pp	-9.5%	-10.4%	0.9 pp	-9.3%
Adjusted depreciation cost ratio (%)*	-3.3%	-3.4%	0.1 pp	-3.2%	-3.2%	-0.0 pp	-3.1%
EBIT	47.9	-40.8	n.m.	80.3	-12.8	n.m.	184.9
EBIT margin (%)	5.1%	-5.3%	10.4 pp	2.7%	-0.5%	3.3 pp	4.6%
Adjusted EBIT*	69.7	-27.6	n.m.	149.7	8.2	1,736%	250.6
Adjusted EBIT margin (%)*	7.4%	-3.6%	11.0 pp	5.1%	0.3%	4.8 pp	6.3%
Earnings for the period	36.8	-35.6	72.4	47.9	-22.7	70.5	125.3
Earnings per share (SEK)	0.64	-0.62	1.26	0.83	-0.40	1.23	2.17
Earnings per share after dilution (SEK)	0.61	-0.62	1.23	0.81	-0.40	1.21	2.13
Cash flow from operating activities	160.2	-24.3	184.4	647.0	20.6	626.4	702.9
Cash flow from investments	-37.3	-73.0	35.7	-76.4	-113.4	37.0	-134.3
Free cash flow*	122.8	-97.3	220.1	570.7	-92.8	663.5	568.6
Net working capital*	12.8	365.9	-353.0	12.8	365.9	-353.0	12.8
Net debt / -net cash*	-335.7	291.3	-626.9	-335.7	291.3	-626.9	-335.7
Equity / asset ratio (%)*	34.1%	35.4%	-1.3 pp	34.1%	35.4%	-1.3 pp	34.1%
Number of employees end of period	410	348	62	410	348	62	410

Rounding differences may affect the summations.

*The figure is an Alternative Performance Measure (APM) (non-IFRS) and is described in definitions and reconciled on pages 32-36.

Segment – Key performance indicators (KPIs)

SEK million unless otherwise indicated	Jul 1 - Sep 30, 2020	Jul 1 - Sep 30, 2019	Change	Jan 1 - Sep 30, 2020	Jan 1 - Sep 30, 2019	Change	Rolling 12 months
Boozt.com							
Net revenue	793.9	691.2	14.9%	2,528.7	2,183.4	15.8%	3,496.0
EBIT	37.4	-44.1	n.m.	98.1	-13.6	n.m.	198.3
EBIT margin (%)	4.7%	-6.4%	11.1 pp	3.9%	-0.6%	4.5 pp	5.7%
Adjusted EBIT*	56.2	-32.0	n.m.	127.9	1.3	9,798%	224.6
Adjusted EBIT margin (%)*	7.1%	-4.6%	11.7 pp	5.1%	0.1%	5.0 pp	6.4%
Site visits (000)*	35,973	32,594	10.4%	109,387	96,061	13.9%	148,645
No. of orders (000)*	982	860	14.3%	3,154	2,755	14.4%	4,315
Conversion rate (%)*	2.73%	2.64%	0.09 pp	2.88%	2.87%	0.01 pp	2.90%
True frequency*	7.1	8.0	-11.0%	7.1	8.0	-11.0%	7.1
Average order value (SEK)*	808	801	0.8%	807	793	1.8%	817
Active customers (000)*	1,852	1,557	19.0%	1,852	1,557	19.0%	1,852
No. of orders per active customer*	2.33	2.44	-4.6%	2.33	2.44	-4.6%	2.3
Booztlet.com							
Net revenue	136.9	68.0	101%	389.2	171.5	127%	464.2
EBIT	8.4	6.9	21.6%	25.1	18.0	40.0%	32.8
EBIT margin (%)	6.2%	10.2%	-4.0 pp	6.5%	10.5%	-4.0 pp	7.1%
Adjusted EBIT*	11.4	8.0	42.9%	29.7	19.2	54.7%	37.1
Adjusted EBIT margin (%)*	8.4%	11.8%	-3.4 pp	7.6%	11.2%	-3.6 pp	8.0%
Site visits (000)*	9,141	4,153	120%	24,001	10,820	122%	29,478
No. of orders (000)*	209	105	98.9%	586	271	116%	706
Conversion rate (%)*	2.28%	2.53%	-0.2 pp	2.44%	2.51%	-0.06 pp	2.39%
Average order value (SEK)*	666	654	1.8%	678	639	6.1%	672
Other							
Net revenue	9.3	5.0	86.6%	16.4	20.3	-19.3%	23.8
EBIT	2.0	-3.6	n.m.	-43.0	-17.2	-149%	-46.2
EBIT margin (%)	21.5%	-72.8%	94.3 pp	-263%	-85.0%	-178 pp	-195%
Adjusted EBIT*	2.0	-3.6	n.m.	-7.9	-12.3	36.2%	-11.1
Adjusted EBIT margin (%)*	21.5%	-72.8%	94.3 pp	-48.1%	-60.9%	12.7 pp	-46.8%

Rounding differences may affect the summations.

*The figure is an Alternative Performance Measure (APM) (non-IFRS) and is described in definitions and reconciled on pages 32-36.

Group Development

Net revenue

Third quarter

Net revenue in the third quarter increased with 23.0% to SEK 940.1 million (764.1). Currency had a negative impact on net revenue growth in the quarter of around 3 percentage points and relates primarily to the weakening of NOK and DKK compared to SEK.

Net revenue growth was during the final months of the Spring/Summer season negatively impacted by lower stock availability due to the very strong sell-through in Q2. An unusually high level of campaign goods (items bought in-season at lower prices) partly compensated for this. The Autumn/Winter season had a good start, despite the COVID-19 related delays in the supply chain leading to a lower stock availability for our customers.

Positively affecting net revenue growth was lower returns due to a different sales mix with relatively stronger growth in Men, Kids, Sport and Beauty, which all have a lower return rate than Women's fashion.

Excluding the change to a consignment-like agreement with a large brand partner effective from October 1, 2019 and the introduction of a 'fair use' policy in November 2019, combined with the impact from currency the net revenue growth would have been around 6 percentage points higher.

The net revenue increase was supported by 14.9% growth for Boozt.com and 101% growth for Booztlet.com. The structural growth towards online in the Nordics continued at a high pace during the quarter, following the coronavirus pandemic as consumers increasingly have preferred to shop online. The overall spending on fashion & apparel has been negatively impacted by the current economic uncertainty as well as fewer social occasions leading to a lower demand.

Other net revenue (included in net revenue) increased to SEK 14.9 million (10.2) in the third quarter driven by higher marketing income and freight income compared to the same period last year.

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

Year-to-date

For the first nine months of 2020 net revenue increased with 23.5% to SEK 2,934.3 million (2,375.2). Currency had a negative impact on net revenue growth of around 1.5 percentage points and relates to the weakening of NOK compared to SEK.

Excluding the change to a consignment-like agreement with a large brand partner effective from October 1, 2019 and the introduction of a 'fair use' policy in November 2019, combined with the impact from currency the net revenue growth would have been around 4 percentage points higher.

Other net revenue increased to SEK 40.5 million (29.7) in the first nine months driven by higher revenue share gained from Booztlet and also a slightly change in consumer behaviour, where more customers have chosen home delivery due to the coronavirus pandemic. Higher marketing income also contributed positively.

Net revenue geographical split

Third quarter

Net revenue in the Nordics increased with 26.8% during the third quarter driven by Denmark and Finland. Sweden grew slightly below the average while the growth in Norway was negatively impacted by the depreciation of the NOK. Rest of Europe decreased with 21.6% due to lower marketing spend.

Year-to-date

For the first nine months net revenue in the Nordics increased with 25.5% driven by Denmark and Sweden. Growth in Norway was negatively impacted by the depreciation of the NOK. Rest of Europe increased 1.9% due to a lower marketing spend outside the Nordics.

Net revenue – geographical split

SEK million	Jul 1 - Sep 30, 2020	Jul 1 - Sep 30, 2019	Change	Jan 1 - Sep 30, 2020	Jan 1 - Sep 30, 2019	Change
Nordics	893.4	704.6	26.8%	2,737.2	2,181.7	25.5%
Rest of Europe	46.7	59.6	-21.6%	197.1	193.5	1.9%
TOTAL Net revenue	940.1	764.1	23.0%	2,934.3	2,375.2	23.5%

Rounding differences may affect the summations.

Income statement and cash flow items are compared with the corresponding year-earlier period. Balance sheet items refer to the position at the end of the period and compared with the corresponding year-earlier period, meaning September 30, 2019. The third quarter refers to the period July – September 2020.

Gross profit

Third quarter

The gross profit increased with 47.5% to SEK 402.7 million (273.0) during the quarter. The gross margin increased to 42.8% (35.6%).

The increase was driven by a higher product margin supported by a high share of campaign stock and contractual improvements, including the change of agreement structure with a large brand. The higher share of campaign stock during the summer period has continued into the autumn in order to compensate for the COVID-19 related lower level of stock delivery from suppliers.

Year-to-date

For the first nine months the gross profit increased with 27.5% to SEK 1,156.3 million (907.0). The gross margin increased to 39.4% (38.2%).

The increase in the gross margin has been driven by a higher product margin supported by a high share of campaign stock and contractual improvements including the change of agreement structure with a large brand.

Operating costs

Third quarter

The fulfilment cost ratio decreased to 11.6% (14.4%). The decrease was driven by operational improvements and positive effects from our new internally developed robot management system. Further, a slight improvement in overall distribution costs from contractual improvements and optimized allocation between distributors impacted the fulfilment cost ratio positively. Also, lower returns had a positive impact on fulfilment costs.

The marketing cost ratio was unchanged at 11.4% (11.4%).

The admin & other cost ratio decreased to 11.5% (11.7%).

The adjusted admin & other cost ratio decreased to 9.1% (10.0%). The adjustment in the quarter consists of share-based payments related to the Group's LTI Programs of SEK -21.8 million (-13.2) related to social charges and IFRS 2 costs.

The decrease in the adjusted admin & other cost ratio was driven by leverage on staff costs as well as lower costs for the physical stores.

The depreciation cost ratio decreased to 3.3% (3.4%).

Year-to-date

For the first nine months the fulfilment cost ratio decreased to 11.9% (14.3%). The decrease was driven by operational improvements and positive effects from our new internally developed robot management system. Further, a slight improvement in overall distribution costs from contractual improvements and optimized allocation between distributors impacted the fulfilment cost ratio positively. Also, lower returns had a positive impact on fulfilment costs.

The marketing cost ratio decreased to 9.7% (10.0%). The decrease was driven by lower customer acquisition costs in the second quarter and general leverage on offline marketing spend.

The admin & other cost ratio decreased to 10.7% (11.1%) driven by general scale effects. It was negatively affected by changes in social charges and share-based compensation related to the Group's long-term incentive programs due to the appreciation of the share price.

The adjusted admin & other cost ratio decreased to 9.5% (10.4%). The adjustment for the period consists of share-based payments related to the Group's LTI Programs of SEK -34.3 million (-16.1) related to social charges and IFRS 2 costs.

The decrease in the adjusted admin & other cost ratio was driven by general scale effects as well as a lower loss in the physical stores following the relocation of the Beauty by Boozt store from Copenhagen to Malmö.

The depreciation cost ratio increased to 4.4% (3.3%). The increase is due to one-off costs including write-downs of SEK 34.2 million related to the closure of the Beauty by Boozt store in Copenhagen at the end of the first quarter, as well as a negative impact of SEK 5.5 million from the revaluation of the lease contract to include an 18-month penalty fee for using the exit-clause.

The adjusted depreciation cost ratio was unchanged at 3.2% (3.2%), negatively impacted by the revaluation effect of SEK 5.5 million of the Beauty by Boozt store lease contract.

Adjusted EBIT

Third quarter

Adjusted EBIT amounted to SEK 69.7 million (-27.6) in the third quarter. The adjusted EBIT margin increased 11.0% points to 7.4% (-3.6%) driven by the higher gross margin and the improved fulfilment cost ratio. Also, the improved adjusted admin & other cost ratio had a positive impact.

The adjustment in the quarter consists of share-based payments related to the Group's LTI Programs of SEK -21.8 million (-13.2) and constitute of social charges and IFRS 2 costs. Share-based payments fluctuates between periods since the probability of number of vested options under the program are changed, as well as the provision for social charges are determined by the company's share price.

Year-to-date

Adjusted EBIT amounted to SEK 149.7 million (8.2) in the first nine months. The adjusted EBIT margin increased 4.8 percentage points to 5.1% (0.3%) driven by the higher gross margin as well as the improvement in all the operating cost ratios, especially the fulfilment cost ratio.

The adjustment in the first nine months consists of one-off costs of SEK 35.1 million related to the closing of the Beauty by Boozt

store in Copenhagen. The one-off costs for closing the Beauty by Boozt store consist of a write-down of SEK 25.7 million related to the remaining right-of-use asset of the Beauty by Boozt store. The other part of the one-off costs relates to the closure of the store such as write-down of fixtures and inventory as well as terminated staff. The adjustment also consists of share-based payments related to the Group's LTI Programs of SEK -34.3 million (-16.1) and constitute of social charges and IFRS 2 costs.

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

EBIT

Third quarter

EBIT increased to SEK 47.9 million (-40.8) in the third quarter, while the EBIT margin increased 10.4 percentage points to 5.1% (-5.3%).

Negatively impacting EBIT compared to adjusted EBIT is a negative effect of SEK 21.8 million from share-based payments.

Year-to-date

EBIT increased to SEK 80.3 million (-12.8) in the first nine months, while the EBIT margin increased 3.3 percentage points to 2.7% (-0.5%).

Negatively impacting EBIT compared to adjusted EBIT are one-off costs related to the closure of the Beauty by Boozt store in Copenhagen at the end of the first quarter of SEK 35.1 million, and a negative effect of SEK 34.3 million from share-based payments.

Financial items

Third quarter

The Group's financial costs amounted to SEK -3.7 million (-2.8) and financial income amounted to SEK 0.0 million (-0.0) in the quarter.

The financial items are attributable to interests on interest bearing loans and lease liabilities.

Year-to-date

The Group's financial costs amounted to SEK -8.9 million (-7.8) and financial income amounted to SEK 0.0 million (-0.0) in the first nine months.

Tax

Third quarter

Tax amounted to SEK -7.4 million compared to SEK 7.9 million in the third quarter last year. Tax for the period consisted of a decrease in the deferred tax asset related to tax losses carried forward. Deferred tax assets for tax losses carried forward are reported to the extent that it is likely they will be utilised. The effective tax rate for the period was 16.7 % (18.7 %), which was lower than the current tax rate for the parent company of 21.4 %

and is mainly attributable to deductible temporary differences without corresponding capitalisation of deferred tax.

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

Year-to-date

Tax amounted to SEK -23.5 million compared to SEK -2.0 million in the first nine months last year. Year-to-date the effective tax rate was 33.0 % (9.9%), driven by the negative results made in the other segment for which no deferred tax asset is recognised. The group expect the effective tax rate to be around the local tax rate that applies for the parent company, given that the other segment perform around the break-even point.

Net profit

Third quarter

The net result for the quarter totalled SEK 36.8 million (-35.6). Earnings per share before dilution amounted to SEK 0.64 (-0.62). Earnings per share after dilution amounted to SEK 0.61 (-0.62).

Year-to-date

The net result for the period totalled SEK 47.9 million (-22.7). Earnings per share before dilution amounted to SEK 0.83 (-0.40). Earnings per share after dilution amounted to SEK 0.81 (-0.40).

Working capital

The Group realised a net working capital of SEK 12.8 million (365.9) equivalent to 0.3% (11.2%) of the net revenue for the last twelve months. The decrease to 0.3% was primarily driven by higher accounts payable and a lower inventory level despite the growth. This is a consequence of the delays in delivery from suppliers as well as a higher share of campaign stock. As campaign stock are bought at high discount during the season, they have a positive impact on both inventory and accounts payables, due to the faster turnover for campaign stock. A lower return rate also has a positive impact as it decreases the inventory. Other liabilities had a positive timing effect of around SEK 60 million due to a postponed payment to a large payment provider.

The Group has accrued income of approximately SEK 28 million in reverse customs from returns in Norway. During the quarter SEK 9 million have been received.

Cash flow

Third quarter

Cash flow from operating activities amounted to SEK 160.2 million (-24.3) in the quarter. The improvement compared with last year was driven by improved operating profit and working capital. Cash flow from changes in working capital amounted to SEK 74.0 million (-18.8).

Cash flow from investing activities amounted to SEK -37.3 million (-73.0).

Cash flow from financing activities amounted to SEK 36.3 million (57.8) in the quarter and was attributable to a new financing agreement for the phase 4 automation expansion at the fulfilment centre as well as a share capital increase from exercise of the LTI Program 2015/2025.

Cash flow for the quarter amounted to SEK 159.1 million (-39.5). Cash and cash equivalents end of period amounted to SEK 1,058.5 million (296.0).

Year-to-date

Cash flow from operating activities amounted to SEK 647.0 million (20.6) in the first nine months. The improvement compared with last year was driven by improved profit and working capital. Cash flow from changes in working capital amounted to SEK 423.0 million (-53.0).

Cash flow from investing activities amounted to SEK -76.4 million (-113.4).

Cash flow from financing activities amounted to SEK 148.8 million (20.2) and was attributable to the new revolving credit facility agreement with Danske Bank, which has been repaid in October. This was partly offset by repayments related to the automation of the fulfilment centre.

Cash flow for the period amounted to SEK 719.5 million (-72.6).

Financial position

Total assets increased to SEK 2,992.4 million (2,440.3) driven by a higher cash position from the increased cash flow generation.

Fixed assets decreased to SEK 571.3 million (661.9). The decrease was driven by a lower right of use asset following the reassessment of the remaining lease period and future leasing costs of the Beauty by Boozt store in Copenhagen performed in the first quarter. This implied an adjustment of the right-of-use asset and corresponding lease liability of approximately SEK 44.4 million. Following the revaluation of the contract an impairment test of the contract was performed leading to a write-down of the remaining value of the asset of SEK 25.7 million. The write-down of the right-of-use asset for the Beauty by Boozt store was partly offset by an increase in equipment from the phase 3 automation expansion in the fulfilment centre in the fourth quarter of 2019.

The Group's assets increased with SEK 9.9 million in goodwill from the acquisition of Touchlogic finalized in the fourth quarter of 2019.

Deferred tax assets decreased to SEK 23.4 million (71.4) and consist of capitalised tax losses carried forward.

Inventory decreased with 9% driven by a high sell-through of Spring/Summer 20 items and delays in the supplier delivery of Autumn/Winter 20 items.

Total equity and liabilities increased to SEK 2,992.4 million (2,440.3) driven primarily by the increase in current liabilities from higher account payables and access to the revolving credit facility of SEK 200 million. The revolving credit facility has been repaid in October.

Development by segment



Boozt.com

SEK million unless otherwise indicated	Jul 1 - Sep 30, 2020	Jul 1 - Sep 30, 2019	Change	Jan 1 - Sep 30, 2020	Jan 1 - Sep 30, 2019	Change
Net revenue	793.9	691.2	14.9%	2,528.7	2,183.4	15.8%
EBIT	37.4	-44.1	n.m.	98.1	-13.6	n.m.
EBIT margin (%)	4.7%	-6.4%	11.1 pp	3.9%	-0.6%	4.5 pp
Adjusted EBIT*	56.2	-32.0	n.m.	127.9	1.3	9,798%
Adjusted EBIT margin (%)*	7.1%	-4.6%	11.7 pp	5.1%	0.1%	5.0 pp
Site visits (000)*	35,973	32,594	10.4%	109,387	96,061	13.9%
No. of orders (000)*	982	860	14.3%	3,154	2,755	14.4%
Conversion rate (%)*	2.73%	2.64%	0.09 pp	2.88%	2.87%	0.01 pp
True frequency*	7.1	8.0	-11.0%	7.1	8.0	-11.0%
Average order value (SEK)*	808	801	0.8%	807	793	1.8%
Active customers (000)*	1,852	1,557	19.0%	1,852	1,557	19.0%
No. of orders per active customer*	2.33	2.44	-4.6%	2.33	2.44	-4.6%

Rounding differences may affect the summations. See Note 2 for additional information. *The figure is an Alternative Performance Measure, see pages 32-36.

Net revenue

Net revenue increased with 14.9% to SEK 793.9 million (691.2) in the quarter.

Net revenue growth was during the final months of the Spring/Summer season negatively impacted by lower stock availability due to the very strong sell-through in the second quarter. A very high level of campaign goods partly compensated for this. The Autumn/Winter season had a good start, despite the COVID-19 related delays in the supply chain leading to a lower stock availability for our customers.

Positively affecting net revenue growth was lower returns due to a different sales mix with relatively stronger growth in Men, Kids, Sport and Beauty, which all have a lower return rate than Women's fashion.

The net revenue growth was negatively impacted by currency, the change to a consignment-like agreement with a large brand partner effective from October 1, 2019 as well as the introduction of a 'fair use' policy in November 2019.

Average order value increased 0.8% to SEK 808 (801) for the quarter driven by lower returns due to the sales mix and the 'fair use' policy implementation.

New customer intake continues at a high pace as an increasing number of people are shopping online.

True frequency decreased 0.9 point to 7.1 (8.0). Excluding 'fair use' customers, who had a very high frequency, the true frequency decreased 0.1 point driven by lower spending overall on fashion.

Customer satisfaction remained at a high level as shown by a Trustpilot score of 4.6 (4.6) and a Net Promoter Score of 72 (73).

For the first nine months net revenue increased with 15.8% to SEK 2,528.7 million (2,183.4).

Adjusted EBIT & EBIT

Adjusted EBIT increased to SEK 56.2 million (-32.0), while the adjusted EBIT margin increased to 7.1% (-4.6%).

The increase in adjusted EBIT was driven by a higher gross margin and lower operational costs.

The higher gross margin was driven by a higher product margin supported by a high share of campaign stock and contractual improvements including the change of agreement structure with a large brand. The higher share of campaign stock during the summer period has continued into autumn in order to compensate for the COVID-19 related lower level of stock delivery from suppliers.

The adjustment relates to a negative impact of SEK 18.8 million from share-based payments for the Group's LTI Programs and constitute of social charges and IFRS 2 costs.

EBIT increased to SEK 37.4 million (-44.1) for the quarter, while the EBIT margin increased to 4.7% (-6.4%).

For the first nine months adjusted EBIT increased to SEK 127.9 million (1.3), while the adjusted EBIT margin increased to 5.1% (0.1%). For the first nine months EBIT increased to SEK 98.1 million (-13.6), while the EBIT margin increased to 3.9% (-0.6%).

SEK million	Jul 1 - Sep 30, 2020	Jul 1 - Sep 30, 2019	Change	Jan 1 - Sep 30, 2020	Jan 1 - Sep 30, 2019	Change
Boozt.com - Net revenue						
Nordics	754.6	638.6	18.2%	2,352.0	2,006.1	17.2%
Rest of Europe	39.3	52.6	-25.2%	176.7	177.3	-0.3%
TOTAL Net revenue	793.9	691.2	14.9%	2,528.7	2,183.4	15.8%

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

Booztlet.com

SEK million unless otherwise indicated	Jul 1 - Sep 30, 2020	Jul 1 - Sep 30, 2019	Change	Jan 1 - Sep 30, 2020	Jan 1 - Sep 30, 2019	Change
Net revenue	136.9	68.0	101%	389.2	171.5	127%
EBIT	8.4	6.9	21.6%	25.1	18.0	40.0%
EBIT margin (%)	6.2%	10.2%	-4.0 pp	6.5%	10.5%	-4.0 pp
Adjusted EBIT*	11.4	8.0	42.9%	29.7	19.2	54.7%
Adjusted EBIT margin (%)*	8.4%	11.8%	-3.4 pp	7.6%	11.2%	-3.6 pp
Site visits (000)*	9,141	4,153	120%	24,001	10,820	122%
No. of orders (000)*	209	105	98.9%	586	271	116%
Conversion rate (%)*	2.28%	2.53%	-0.2 pp	2.44%	2.51%	-0.06 pp
Average order value (SEK)*	666	654	1.8%	678	639	6.1%

Rounding differences may affect the summations. See Note 2 for additional information. *The figure is an Alternative Performance Measure, see pages 32-36.

Net revenue

Net revenue increased with 101% to SEK 136.9 million (68.0) in the quarter. The acceleration in growth was driven by higher awareness of Booztlet.com due to increased exposure both online and offline. Also, the relevance of the attractive prices in times of economic uncertainty contributed to the strong momentum. A continuously improving and increasing stock composition supported the strong growth trajectory.

For the first nine months net revenue increased with 127% to SEK 389.2 million (171.5).

Adjusted EBIT & EBIT

Adjusted EBIT increased to SEK 11.4 million (8.0), while the adjusted EBIT margin decreased to 8.4% (11.8%).

The decrease in adjusted EBIT margin was driven by a lower product margin from higher promotional activity as well as a higher marketing spend.

The adjustment relates to a negative impact of SEK 3.0 million from share-based payments for the Group's LTI Programs and constitute of social charges and IFRS 2 costs.

EBIT increased to SEK 8.4 million (6.9), while the EBIT margin decreased to 6.2% (10.2%) for the quarter.

For the first nine months adjusted EBIT increased to SEK 29.7 million (19.2), while the adjusted EBIT margin decreased to 7.6% (11.2%). The decrease in the adjusted EBIT margin is driven by the extraordinary stock write-down in the first quarter. The proportion of the write-down (SEK 17 million) was relatively high compared to the share of written down items that has been sold on Booztlet.com.

For the first nine months EBIT increased to SEK 25.1 million (18.0), while the EBIT margin decreased to 6.5% (10.5%).

SEK million	Jul 1 - Sep 30, 2020	Jul 1 - Sep 30, 2019	Change	Jan 1 - Sep 30, 2020	Jan 1 - Sep 30, 2019	Change
Nordics	129.5	61.0	112%	368.8	155.3	137%
Rest of Europe	7.3	7.0	4.7%	20.4	16.2	25.9%
TOTAL Net revenue	136.9	68.0	101%	389.2	171.5	127%

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

Other

SEK million unless otherwise indicated	Jul 1 - Sep 30, 2020	Jul 1 - Sep 30, 2019	Change	Jan 1 - Sep 30, 2020	Jan 1 - Sep 30, 2019	Change
Net revenue	9.3	5.0	86.6%	16.4	20.3	-19.3%
EBIT	2.0	-3.6	n.m.	-43.0	-17.2	-149%
EBIT margin (%)	21.5%	-72.8%	94.3 pp	-263%	-85.0%	-178 pp
Adjusted EBIT*	2.0	-3.6	n.m.	-7.9	-12.3	36.2%
Adjusted EBIT margin (%)*	21.5%	-72.8%	94.3 pp	-48.1%	-60.9%	12.7 pp

Rounding differences may affect the summations. See Note 2 for additional information. *The figure is an Alternative Performance Measure, see pages 32-36.

Net revenue

Net revenue increased with 86.6% to SEK 9.3 million (5.0) in the quarter. The increase was driven by the successful opening of the new Booztlet store in Copenhagen. The new Beauty by Boozt store in Malmö had a similar revenue as the closed Beauty by Boozt store in Copenhagen.

For the first nine months net revenue decreased to SEK 16.4 million (20.3) driven by the stores being closed during the spring due to the coronavirus pandemic.

Adjusted EBIT & EBIT

Adjusted EBIT and EBIT amounted to SEK 2.0 million (-3.6) in the quarter.

The stores had a positive result contributing to the positive development of the segment.

For the first nine months adjusted EBIT amounted to SEK -7.9 million (-12.3).

The increase was driven by the positive development in the stores as well as the closing of the Beauty by Boozt store in Copenhagen. Negatively impacting adjusted EBIT is the revaluation of the lease contract for the Beauty by Boozt store in Copenhagen to include an 18-months penalty fee for using the exit-clause, which was done in the first quarter.

The adjustment consists of one-off costs of SEK 35.1 million related to the termination of the Beauty by Boozt store in Copenhagen. The one-off cost for the closure consists of a write-down of SEK 25.7 million on the lease asset, which relates to future leasing costs for the outstanding lease period ending in April 2022, after using the exit clause in April 2021. The other part relates to one-off costs associated with the closure such as write-down of fixtures and inventory as well as terminated staff.

EBIT for the first nine months amounted to SEK -43.0 million (-17.2).

SEK million	Jul 1 - Sep 30, 2020	Jul 1 - Sep 30, 2019	Change	Jan 1 - Sep 30, 2020	Jan 1 - Sep 30, 2019	Change
Other - Net revenue						
Nordics	9.3	5.0	86.6%	16.4	20.3	-19.3%
Rest of Europe	-	-	-	-	-	-
TOTAL Net revenue	9.3	5.0	86.6%	16.4	20.3	-19.3%

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

Other information

Significant events during the third quarter

Adjusted EBIT margin outlook for 2020 upwardly adjusted

Based on a positive development over the summer and continued operational improvements the adjusted EBIT margin outlook was adjusted on August 21. The new outlook for adjusted EBIT margin was upgraded to 3.5-4.5% (previously 3-4%).

Booztlet physical store opened at location of former Beauty by Boozt store in Copenhagen

After evaluating the Beauty by Boozt physical retail operation, the store in Copenhagen, Denmark was closed in the first quarter of 2020. An exit clause in the lease contract of the Copenhagen store will be exercised at first opportunity in April 2021, terminating in April 2022. During the remaining lease period, a Booztlet store, which opened early July, will be operated out of the location.

Extraordinary general meeting

On July 1, an extraordinary general meeting was held in Boozt AB. All resolutions were adopted with the required majority of votes (see www.booztgroup.com for more detail).

Significant events after the reporting date

SEK 200 million revolving credit facility repaid

In October, the revolving credit facility of SEK 200 million was repaid to Danske Bank.

Adjusted EBIT margin outlook for 2020 upwardly adjusted

Based on a better than expected development during end-of season sales and a good start to the Autumn/Winter season the adjusted EBIT margin outlook was adjusted on October 6. The outlook for adjusted EBIT margin was upgraded to 4.5-5.5% (previously 3.5-4.5%). As announced in this report, the net revenue growth is now expected to be in the upper end of the 20-25% range and adjusted EBIT margin to be in the range of 5.5-6.5%.

Expands into the Home category

During the fourth quarter Boozt.com will launch the Home interior category with the ambition to build the strongest Home offering in the Nordics. Focus will be on Nordic mid- to premium priced Home & Interior brands, and the aim is to offer the most confident selection available of strong Nordic Home & Interior brands.

Intention to list shares on Nasdaq Copenhagen and is considering a public offering in Denmark in connection therewith

Boozt AB announced on October 26 its intention to carry out a dual listing of the Company's shares on Nasdaq Copenhagen in addition

to the current listing on Nasdaq Stockholm. Boozt is furthermore considering a public offering in Denmark in connection with the listing. If carried out, the listing is expected to occur before the end of the fourth quarter 2020, subject to approval by Nasdaq Copenhagen, fulfilment of other customary listing conditions, as well as prevailing market conditions.

No other significant events have occurred after the reporting date.

Employees

Number of employees was 410 (348) at the end of the period equivalent to an increase of 18%. The average number of employees was 371 (329) for the quarter equivalent to an increase of 13%.

Seasonal variances

Seasonal variances affect the Group. However, each quarter is comparable between years. Traditionally the fourth quarter has the highest net revenue, whereas the first quarter has the lowest. Inventory levels in the industry can be affected by an early or late start to the season impacting the promotional activities needed to clear inventory. To illustrate the long-term development trend the Group reports rolling twelve months' figures, where applicable.

Parent company

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

Since May 31, 2017, Boozt AB (publ) is listed on Nasdaq Stockholm Mid Cap.

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

Net revenue of the parent company amounted to SEK 16.0 million (9.5) during the quarter and SEK 45.4 million (25.6) for the first nine months. 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 and share based payments for Group Management and remuneration to the Board of Directors.

The result for the quarter totalled SEK -9.8 million (-4.9) and SEK -19.5 million (-10.8) for the first nine months.

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

Risks and uncertainties

Boozt has developed a risk management framework with the purpose to strengthen the structure of how risk management is carried out

throughout the Group. Identified risks are reviewed by the Board of Directors continuously. There is no recognisable risk for the Group's ability to continue as a going concern. All identified risks as well as the risk management process is described in the Group's Annual Report 2019 on pages 114-119.

As per September 30, 2020 the Group has evaluated the current risk picture with the following changes in the Group's top 20 risks compared to the Annual report 2019:

New risks

Acquisitions

Risk that an acquisition could lead to difficulties in integrating the acquired company which can disrupt the Group's current business activities and have a material negative effect on the Company's operations, operating profit, or financial position. The Group's assessment is that the probability of the risk occurring is 2, and that the negative impact of the risk, if it were to materialize, would be 3.

Expand the customer base and increase sales to existing customers

The expansion of customer base and increasing of sales to existing customers are dependent on several factors, such as customer behaviour, market demand, operational or business investment, increased investment in brand awareness and website traffic. Any failure in the efforts mentioned could be detrimental to the Group's ability to expand and might have an adverse impact of the Group's financial result. The Group's assessment is that the probability of the risk occurring is 2, and that the negative impact of the risk, if it were to materialize, would be 3.

Customer returns

Risk that a failure to meet customer expectations or a change in customer behaviour can lead to increased customer returns. This could decrease the Group's net sales, increase the Group's costs and result in a loss of existing or potential customers. The Group's assessment is that the probability of the risk occurring is 2, and that the negative impact of the risk, if it were to materialize, most likely would be 2.

Downgraded risks

The Group has downgraded the following risk from the top 20 risks that were included in the risk picture in the annual report 2019:

- Vendor management – risk of poor product quality
- Flaws in pricing or other data elements of the web store – risk of implementing wrong prices
- Operational dependency on third party providers – risk from dependency of third-party software's

Apart from the above new and downgraded risks, minor updates of the ratings of probability and impact has been made among the other risks.

The Boozt share

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

The average turnover of the Boozt share on Nasdaq Stockholm was 191,542 shares per day during the third quarter. As per September 30, 2020 the company had approximately 8,700 shareholders, whereof the largest shareholders were Sampension (9.5%), ATP (9.2%), Ferd (8.6%), Swedbank Robur (7.6%), Invesco (6.5%) and Ruane, Cunniff & Goldfarb (6.2%).

The market value for the Company as per September 30, 2020 amounted to SEK 7,276 million. The total number of shares at the end of the reporting period amounted to 58,301,111, whereof 374,586 shares are held in own custody. The shares have a quota value of SEK 0.0833 per share.

The share capital consists of two share classes: ordinary shares (57,926,525 shares issued) with one voting right per share and C shares (374,586 shares issued) with 1/10 voting right per share. There are no restrictions on the number of votes each shareholder can cast at the Annual General Meeting. All ordinary shares in the Company are listed. The C shares were issued and repurchased in accordance with the LTI Program 2019/2022 as of March 2, 2020 and will be distributed to the participants when the vesting period ends in June 2022 based on the achievement of the performance targets stipulated in the program. Before the distribution to the participants, the C shares will be converted to ordinary shares.

Beyond shares, the Company has issued options and warrants (right to acquire shares under specific terms and conditions).

LTI Program 2015/2025

LTI Program 2015/2025 was issued in November 2015 and was fully vested by the participants in June 2020. The vesting is conditional of the participants employment. Once the options are vested, the option holders may convert an option to a common share in the Company at a predefined price. In June 2018, the first 33% of the program was vested, the next 33% was vested in June 2019 and the last 34% was vested in June, 2020 with the possibility to exercise in August 2020 following the release of the half year report.

During the third quarter 46,306 options were exercised, which correspond to 555,672 new ordinary shares, at a strike price of SEK 3.23 per option and SEK 38.71 per share. The proceeds to the Group from the sale of shares amounted to SEK 21.5 million.

The right to exercise will be on quarterly basis until May, 2022, when the program is terminated. From the LTI Program 2015/2025 122,582 options were outstanding at the end of the reporting period, whereof 63,954 are held in own custody and 55 are unallocated. Each option in the 2015/2025 program gives a right to purchase 12 shares, meaning a total of 1,470,984 shares, whereof 767,448 are held in own custody and 600 are unallocated.

LTI Program 2018/2021

LTI Program 2018/2021 was issued in May 2018 where participants have bought warrants at Black Scholes value with an exercise window, June 1-14, 2021 at a predetermined share price of 96.31 SEK. From the LTI Program 2018/2021 1,137,347 warrants were outstanding at the end of the period. Each warrant in the 2018/2021 program gives a right to purchase 1 share, meaning a total of 1,137,347 shares.

LTI Program 2019/2022

The LTI Program 2019/2022 was adopted by the extra general meeting on June 24, 2019. The participants can receive a number of performance shares (C shares) subject to certain performance targets (Net Revenue Growth, Net Promoter Score, EPS and Share Price (Only group Management)). The program also contains a constraint regarding the Net Working Capital ratio. The program runs for three years until June 2022. The vesting period started in June 2020, 12 months after the program was adopted.

The C shares will be distributed to the participants when the vesting period ends in June 2022 based on the achievement of the performance targets stipulated in the program and the number of participants still employed. With current estimates on achievement of

the performance targets and employee retention rate, 113,517 performance shares are considered to be vested at the reporting date. The maximum numbers of C shares that can be allotted within the program amounts to 374,586 shares.

LTI Program 2020/2023

The LTI Program 2020/2023 was adopted by the extra general meeting on July 1, 2020. The participants can receive a number of performance shares (C shares) subject to certain performance targets (Net Revenue Growth, Net Promoter Score and Adjusted EBIT). The program also contains constraints regarding the Net Working Capital ratio and adjusted EBIT margin. The program runs for three years until July 2023. The vesting period will start in July 2021, 12 months after the program was adopted.

The C shares will be distributed to the participants when the vesting period ends in July 2023 based on the achievement of the performance targets stipulated in the program and the number of participants still employed. With current estimates on achievement of the performance targets and employee retention rate, 69,330 performance shares are considered to be vested at the reporting date. The maximum numbers of C shares that can be allotted within the program amounts to 1,040,000 shares.

More information of the LTI Program 2020/2023 can be found on the Group's website: www.booztgroup.com under *Governance - Annual General Meeting*. More information of the Group's other long-term incentive programs can be found in the 2019 Annual Report in note 1 and note 9, and on the Group's website: www.booztgroup.com.

Related party transactions

Management of Boozt AB (publ) (PDMR)

In the quarter there were transactions classified as related party transactions as management exercised options under the LTI Program 2015/2025 to purchase shares totalling SEK 0.4 million.

Other external related parties

The group had transactions with external related parties in the reporting period within the ordinary course of business. All transactions are carried out on normal commercial terms. All transactions are priced at market terms and in accordance with the arm's length principle.

The Group regularly purchase goods from the following brand partners that are classified as related parties since the Chairman of the board in Boozt AB (publ), Henrik Theilbjørn is, or has been part of the board: Day Birger et Mikkelsen A/S (current Chairman of the board since November, 2019), Rabens Saloner A/S (current Chairman of the board), PWT Group A/S (Chairman of the board until June, 2020) and Baum und Pferdgarten A/S (Chairman of the board until September, 2019).

The Group has bought commercial services from TV 2 Danmark A/S, which is a related party since the Group's CEO, Hermann Haraldsson, is a member of the board of directors in TV 2 Danmark A/S.

The Group uses a minor software tool from Position Green AB, which is a related party since the Group's CFO, Sandra Gadd, is related to a member of the Executive Management in Position Green AB.

Above disclosures do not include transactions during the periods that occurred before or after the counterpart was classified or ceased to be classified as a related party.

SEK million	Jul 1 - Sep 30, 2020	Jul 1 - Sep 30, 2019	Jan 1 - Sep 30, 2020	Jan 1 - Sep 30, 2019
Management of Boozt AB (publ) (PDMR)				
Purchase of shares LTI Program 2015/2025	0.4	3.0	0.4	3.0
Total transactions with management of Boozt AB (publ) (PDMR)	0.4	3.0	0.4	3.0
Other external related party transactions				
Day Birger et Mikkelsen A/S	9.1	-	20.7	-
Rabens Saloner A/S	0.4	0.4	2.1	2.1
PWT Group A/S	-	8.4	7.8	16.8
Baum und Pferdgarten A/S	-	1.2	-	6.5
TV2 / Danmark A/S	3.1	6.4	10.7	10.3
Position Green AB	-	-	0.1	-
Total other external related party transactions	12.6	16.4	41.5	35.7
Related party liabilities			Sep 30, 2020	Sep 30, 2019
Day Birger et Mikkelsen A/S			8.2	-
Rabens Saloner A/S			0.3	0.4
PWT Group A/S			-	6.1
Baum und Pferdgarten A/S			-	0.1
TV2 / Danmark A/S			0.2	-
Total related party liabilities			8.7	6.6

Outlook for 2020

Net revenue growth is expected to be in the upper end of the 20-25% range with an adjusted EBIT margin of 5.5-6.5%.

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

Prior communication regarding outlook for 2020

The outlook for net revenue growth was upgraded to 20-25% on June 23. Following a better than expected development in the third quarter the outlook for adjusted EBIT margin was upgraded to 4.5-5.5% on October 6.

In the trading update from October 6 a higher than normal uncertainty for the rest of the year was flagged because supplier delivery of Autumn/Winter goods was behind last year due to COVID-19 related delays and cancellations in the supply chain.

A high level of stock delivery combined with a high a level of in-season buying over the last month has reduced this uncertainty. As a result, the net revenue growth is now expected to be in the upper end of the 20-25% range. Consequently, and fuelled by current trading the adjusted EBIT margin is now expected to be in the range of 5.5-6.5% (previously 4.5-5.5%).

Medium-term financial ambitions through 2022

As the Group during 2020-2022 (3-5 years from IPO) is entering the medium term set out at the time of the listing of the Group in May 2017, the Board of Directors on February 21, 2020 adopted updated financial targets for the Group for the period up to and including 2022.

For more detailed information regarding medium-term financial ambitions through 2022, see the Q4 2019 report, published February 21, 2020 at www.booztgroup.com

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

Consolidated income statement

SEK million unless otherwise indicated	Note	Jul 1 - Sep 30, 2020	Jul 1 - Sep 30, 2019	Jan 1 - Sep 30, 2020	Jan 1 - Sep 30, 2019	Rolling 12 months
OPERATING INCOME						
Net revenue	2	940.1	764.1	2,934.3	2,375.2	3,984.0
Other operating income		-	1.2	-	-	-
Total operating income	2	940.1	765.4	2,934.3	2,375.2	3,984.0
OPERATING COSTS						
Goods for resale		-537.3	-492.4	-1,778.0	-1,468.2	-2,373.7
Other external costs		-245.2	-224.3	-719.0	-666.8	-987.8
Cost of personnel		-78.1	-63.4	-219.3	-172.4	-272.2
Depreciations and amortisation of tangible and intangible assets		-30.7	-26.1	-129.0	-79.3	-155.9
Other operating costs		-0.8	-	-8.7	-1.3	-9.4
Total operating costs		-892.2	-806.2	-2,853.9	-2,388.0	-3,799.0
OPERATING PROFIT/LOSS (EBIT)	2	47.9	-40.8	80.3	-12.8	184.9
FINANCIAL INCOME AND EXPENSES						
Financial income	3	0.0	-0.0	0.0	-0.0	0.0
Financial expenses	3	-3.7	-2.8	-8.9	-7.8	-11.6
Net financial items		-3.7	-2.8	-8.9	-7.8	-11.6
PROFIT/LOSS BEFORE TAX	2	44.2	-43.5	71.4	-20.6	173.3
Income tax		-7.4	7.9	-23.5	-2.0	-48.0
PROFIT/LOSS FOR THE PERIOD		36.8	-35.6	47.9	-22.7	125.3
ATTRIBUTABLE TO:						
Parent company's shareholders		36.8	-35.6	47.9	-22.7	125.3
Average number of shares (000)		57,933	57,214	57,725	57,127	57,636
Average number of shares after dilution (000)		60,288	57,911	58,937	57,734	58,783
Earnings per share (SEK)		0.64	-0.62	0.83	-0.40	2.17
Earnings per share after dilution (SEK)		0.61	-0.62	0.81	-0.40	2.13

Rounding differences may effect the summations

Consolidated statement of comprehensive income

SEK million	Jul 1 - Sep 30, 2020	Jul 1 - Sep 30, 2019	Jan 1 - Sep 30, 2020	Jan 1 - Sep 30, 2019	Rolling 12 months
PROFIT/LOSS FOR THE PERIOD	36.8	-35.6	47.9	-22.7	125.3
ITEMS THAT MAY BE RE-CLASSIFIED TO THE INCOME STATEMENT:					
Translation differences	-0.4	-0.0	0.7	0.0	0.8
TOTAL COMPREHENSIVE RESULT FOR THE PERIOD	36.4	-35.6	48.6	-22.6	126.2
ATTRIBUTABLE TO					
Parent company's shareholders	36.4	-35.6	48.6	-22.6	126.2

Rounding differences may affect the summations.

Consolidated statement of financial position

SEK million	Note	Sep 30, 2020	Sep 30, 2019	Dec 31, 2019
ASSETS				
Non-current assets				
Intangible assets				
Goodwill	4	9.9	-	9.8
Web platform	4	90.4	57.2	65.3
		100.3	57.2	75.1
Tangible assets				
Right of use asset		320.3	433.0	421.4
Machinery and equipment	4	251.0	228.9	259.8
		571.3	661.9	681.2
Other non-current assets				
Deposits	3	6.2	12.4	12.3
Deferred tax asset		23.4	71.4	46.9
		29.6	83.8	59.2
Total non-current assets		701.2	802.9	815.5
Current assets				
Inventory		1,068.5	1,169.8	1,043.8
Accounts receivable	3	5.5	4.8	50.5
Other receivables	3	88.8	96.1	105.9
Current tax assets		1.9	0.9	1.3
Prepaid expenses and accrued income		67.9	69.9	130.8
Cash and cash equivalents	3	1,058.5	296.0	339.4
Total current assets		2,291.2	1,637.4	1,671.7
TOTAL ASSETS		2,992.4	2,440.3	2,487.2
EQUITY AND LIABILITIES				
Equity				
Share capital		4.9	4.8	4.8
Other capital contributions		1,207.1	1,177.2	1,178.6
Reserves		0.9	0.4	0.2
Retained earnings including profit for the period		-193.1	-318.4	-240.9
Equity attributable to parent company shareholders		1,019.8	863.9	942.6
Non-current liabilities				
Interest bearing liabilities	3	107.6	123.2	109.3
Lease liabilities	3	306.0	394.3	382.5
Other provisions		29.8	13.6	12.6
Total non-current liabilities		443.5	531.1	504.4
Current liabilities				
Interest bearing liabilities	3	262.0	26.0	98.4
Lease liabilities	3	47.2	43.8	44.8
Accounts payable	3	766.1	529.6	500.7
Other liabilities	3	195.1	96.7	100.5
Accrued expenses and prepaid income		258.7	349.2	295.8
Total current liabilities		1,529.0	1,045.3	1,040.3
TOTAL LIABILITIES		1,972.5	1,576.4	1,544.6
TOTAL EQUITY AND LIABILITIES		2,992.4	2,440.3	2,487.2

Rounding differences may affect the summations.

Consolidated statement of changes in equity

SEK million	Share capital	Other capital contributions	Reserves	Profit brought forward incl. period's profit/loss for the year	Total equity attributable to parent company shareholders
Equity brought forward Jan 1, 2019	4.8	1,161.1	0.3	-295.7	870.4
Profit for the period	-	-	-	-22.7	-22.7
Other comprehensive income	-	-	0.0	-	0.0
COMPREHENSIVE PROFIT/LOSS FOR THE PERIOD	-	-	0.0	-22.7	-22.6
Share capital increases	-	10.3	-	-	10.3
Share based compensation	-	5.8	-	-	5.8
Total transactions with owners	-	16.1	-	-	16.1
Equity carried forward Sep 30, 2019	4.8	1,177.2	0.4	-318.4	863.9

Rounding differences may effect the summations.

SEK million	Share capital	Other capital contributions	Reserves	Profit brought forward incl. period's profit/loss for the year	Total equity attributable to parent company shareholders
Equity brought forward Jan 1, 2020	4.8	1,178.5	0.2	-240.9	942.6
Profit for the period	-	-	-	47.9	47.9
Other comprehensive income	-	-	0.7	-	0.7
COMPREHENSIVE PROFIT/LOSS FOR THE PERIOD	-	-	0.7	47.9	48.6
Share capital increases	0.1	21.5	-	-0.0	21.5
Share based compensation	-	7.1	-	-	7.1
Total transactions with owners	0.1	28.6	-	-0.0	28.7
Equity carried forward Sep 30, 2020	4.9	1,207.1	0.9	-193.1	1,019.8

Rounding differences may effect the summations.

Consolidated statement of cash flow

SEK million	Note	Jul 1 - Sep 30, 2020	Jul 1 - Sep 30, 2019	Jan 1 - Sep 30, 2020	Jan 1 - Sep 30, 2019	Rolling 12 months
CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL						
Operating profit		47.9	-40.8	80.3	-12.8	184.9
Adjustments for non-cash items:						
Non-cash remuneration from share based payments (social charges)		4.7	6.7	17.3	9.3	12.1
Non-cash remuneration from share based payments		7.2	5.4	7.1	5.8	8.5
Depreciation		30.7	26.1	129.0	79.3	155.9
Other items not included in cash flow		-0.3	0.1	-0.2	0.2	0.3
Interest paid		-3.7	-2.8	-8.9	-7.8	-11.6
Paid income tax		-0.3	-0.2	-0.6	-0.4	-0.9
CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL		86.1	-5.5	224.0	73.6	349.3
CASH FLOW FROM CHANGES IN WORKING CAPITAL						
Changes in inventory		-167.3	-222.1	-24.7	-184.9	101.2
Changes in current assets		-31.9	-34.5	124.9	6.8	11.6
Changes in current liabilities		273.3	237.8	322.8	125.1	240.8
Cash flow from changes working capital		74.0	-18.8	423.0	-53.0	353.6
CASH FLOW FROM OPERATING ACTIVITIES		160.2	-24.3	647.0	20.6	702.9
CASH FLOW FROM INVESTING ACTIVITIES						
Acquisition of subsidiaries, net liquidity effect	4	-	-	-	-	-3.9
Investments in fixed assets	4	-28.8	-64.4	-40.1	-86.5	-81.3
Change in financial assets	4	6.2	0.2	6.1	-0.1	6.3
Investments in intangible assets	4	-14.8	-8.8	-42.4	-26.8	-55.3
CASH FLOW FROM INVESTING ACTIVITIES	4	-37.3	-73.0	-76.4	-113.4	-134.3
CASH FLOW FROM FINANCING ACTIVITIES						
Share capital increases		21.5	10.3	21.5	10.3	21.5
New loans		26.4	63.0	233.6	70.0	296.3
Repayments of loans		0.0	-6.3	-71.7	-31.3	-75.9
Repayments of lease liability		-11.6	-9.3	-34.6	-28.9	-47.2
CASH FLOW FROM FINANCING ACTIVITIES		36.3	57.8	148.8	20.2	194.7
Cash flow for the period		159.1	-39.5	719.5	-72.6	763.3
Currency exchange gains/losses in cash and cash equivalents		-0.0	0.0	-0.4	-0.4	-0.8
Cash and cash equivalents beginning of period		899.4	335.3	339.4	368.3	296.0
CASH AND CASH EQUIVALENTS END OF PERIOD		1,058.5	296.0	1,058.5	296.0	1,058.5

Rounding differences may affect the summations.

Note 1 – Accounting principles

The report is prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish annual Accounts Act. Information required by IAS 34 p.16 A is provided in notes and other sections in the interim report. The accounting principles and calculations method have remained unchanged from those applied in the 2019 Annual Report. Amended or new standards taking effect from January 1, 2020 have not had any material impact on the Group's financial reports for the period.

Important estimates and assessments

Preparation of the financial reports in accordance with IFRS requires management to make assessments and estimates and assumptions that affect application of the accounting policies and the recognised amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates. Estimates and assumptions are continually evaluated. Changes in estimates are recognised in the period the change is made if

the change only affected that period or in the period the change is made and in future periods if the change affects both current and future periods.

Important estimates and assessments are disclosed in the 2019 Annual report on pages 134-135. No changes have been made to these estimates or assessments which could have a material impact on the interim report.

Parent Company

For the Parent Company Boozt AB (publ), the financial statements have been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities.

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

Note 2 – Segment reporting

SEK million	Jul 1 - Sep 30, 2020	Jul 1 - Sep 30, 2019	Change	Jan 1 - Sep 30, 2020	Jan 1 - Sep 30, 2019	Change	Rolling 12 months
NET REVENUE							
Boozt.com	793.9	691.2	102.8	2,528.7	2,183.4	345.3	3,496.0
Booztlet.com	136.9	68.0	68.9	389.2	171.5	217.7	464.2
Other	9.3	5.0	4.3	16.4	20.3	-3.9	23.8
TOTAL NET REVENUE	940.1	764.1	175.9	2,934.3	2,375.2	559.1	3,984.0
EBIT							
Boozt.com	37.4	-44.1	81.5	98.1	-13.6	111.7	198.3
Booztlet.com	8.4	6.9	1.5	25.1	18.0	7.2	32.8
Other	2.0	-3.6	5.6	-43.0	-17.2	-25.7	-46.2
TOTAL OPERATING PROFIT/LOSS	47.9	-40.8	88.7	80.3	-12.8	93.2	184.9
PROFIT/LOSS BEFORE TAX							
Boozt.com	34.3	-46.6	80.9	90.4	-20.8	111.2	188.1
Booztlet.com	7.9	6.7	1.2	23.9	17.4	6.6	31.4
Other	2.0	-3.6	5.6	-43.0	-17.2	-25.7	-46.2
PROFIT/LOSS BEFORE TAX	44.2	-43.5	87.7	71.4	-20.6	92.0	173.3

Rounding differences may affect the summations.

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

Note 3 – Financial instruments

	Financial assets valued at amortised cost	Financial liabilities valued at amortised cost	Financial instruments measured at fair value via income statement	Total carrying amount	Fair value
Sep 30, 2019					
Financial assets					
Deposits	12.4	-	-	12.4	12.4
Accounts receivables	4.8	-	-	4.8	4.8
Other receivables	96.1	-	-	96.1	96.1
Cash and cash equivalents	296.0	-	-	296.0	296.0
Total financial assets	409.3	-	-	409.3	409.3
Financial liabilities					
Liabilities to credit institutions	-	149.2	-	149.2	149.2
Accounts payables	-	529.6	-	529.6	529.6
Other liabilities	-	96.7	-	96.7	96.7
Lease liabilities	-	438.1	-	438.1	438.1
Total financial liabilities	-	1,213.6	-	1,213.6	1,213.6

	Financial assets valued at amortised cost	Financial liabilities valued at amortised cost	Financial instruments measured at fair value via income statement	Total carrying amount	Fair value
Sep 30, 2020					
Financial assets					
Deposits	6.2	-	-	6.2	6.2
Accounts receivables	5.5	-	-	5.5	5.5
Other receivables	88.8	-	-	88.8	88.8
Cash and cash equivalents	1,058.5	-	-	1,058.5	1,058.5
Total financial assets	1,159.0	-	-	1,159.0	1,159.0
Financial liabilities					
Liabilities to credit institutions	-	369.6	-	369.6	369.6
Accounts payables	-	766.1	-	766.1	766.1
Lease liabilities	-	353.3	-	353.3	353.3
Other liabilities	-	193.1	6.1	199.2	199.2
Total financial liabilities	-	1,682.0	6.1	1,688.1	1,688.1

Rounding differences may affect the summations.

Calculation of fair value

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

SEK million unless otherwise stated	Jul 1 - Sep 30, 2020	Jul 1 - Sep 30, 2019	Jan 1 - Sep 30, 2020	Jan 1 - Sep 30, 2019	Rolling 12 months
Interest income	0.0	-0.0	0.0	-0.0	0.0
Interest expense	-2.3	-1.1	-5.5	-2.7	-6.5
Interest expense leases	-1.4	-1.7	-3.5	-5.1	-5.1
NET FINANCIAL ITEMS	-3.7	-2.8	-8.9	-7.8	-11.6

Note 4 – Investments

SEK million	Jul 1 - Sep 30, 2020	Jul 1 - Sep 30, 2019	Jan 1 - Sep 30, 2020	Jan 1 - Sep 30, 2019	Rolling 12 months
Acquisition of fixed assets (other capex)	-0.2	-0.8	-5.8	-0.8	-0.6
Acquisition of fixed assets (warehouse automation capex)	-28.6	-63.1	-34.3	-80.6	-80.1
Acquisition of fixed assets (warehouse capex)	-	-0.5	-0.1	-5.1	-0.5
	-28.8	-64.4	-40.1	-86.5	-81.3
Acquisition of subsidiaries	-	-	-	-	-3.9
Change in financial assets	6.2	0.2	6.1	-0.1	6.3
	6.2	0.2	6.1	-0.1	2.4
Acquisition of intangible assets (capitalised development costs)	-7.8	-3.9	-22.2	-12.2	-29.3
Acquisition of intangible assets (other)	-7.0	-4.9	-20.1	-14.6	-26.1
	-14.8	-8.8	-42.4	-26.8	-55.3
CASH FLOW FROM INVESTMENTS	-37.3	-73.0	-76.4	-113.4	-134.3

Rounding differences may affect the summations.

The increase of fixed assets (warehouse automation capex) in the third quarter is attributable to the initiation of Autostore phase 4.1 in the current warehouse, which is expected to be finalized in the fourth quarter.

Acquisition of subsidiaries relates to the acquisition of Touchlogic ApS, which was finalized in the second half of 2019.

Parent company income statement

SEK million	Jul 1 - Sep 30, 2020	Jul 1 - Sep 30, 2019	Jan 1 - Sep 30, 2020	Jan 1 - Sep 30, 2019
OPERATING INCOME				
Net revenue	16.0	9.5	45.4	25.6
Total operating income	16.0	9.5	45.4	25.6
OPERATING COSTS				
Other external costs	-0.8	-1.1	-2.8	-4.5
Personnel costs	-27.4	-14.6	-67.4	-34.9
Total operating costs	-28.2	-15.7	-70.2	-39.4
OPERATING PROFIT	-12.2	-6.2	-24.8	-13.8
FINANCIAL INCOME AND EXPENSES				
Financial expenses	-	0.0	-	0.0
Net financial items	-0.0	0.0	-	0.0
RESULT BEFORE TAX	-12.3	-6.2	-24.8	-13.8
Income tax	2.5	1.3	5.3	2.9
PROFIT/LOSS FOR THE PERIOD	-9.8	-4.9	-19.5	-10.8

Rounding differences may affect the summations.

Parent company financial position

SEK million	Sep 30, 2020	Sep 30, 2019	Dec 31, 2019
ASSETS			
Non-current assets			
Shares in Group companies	747.3	747.3	747.3
Deferred tax asset	21.4	16.6	16.1
Total non-current assets	768.7	763.8	763.4
Current assets			
Other receivables	0.3	0.0	0.0
Receivables from Group companies	85.7	50.6	60.0
Current tax assets	0.1	0.1	0.1
Prepaid expenses and accrued income	0.4	0.2	0.2
Cash and cash equivalents	0.9	8.2	1.3
Total current assets	87.3	59.1	61.5
TOTAL ASSETS	856.0	822.9	824.9
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	4.9	4.8	4.8
	4.9	4.8	4.8
Unrestricted equity			
Share premium reserve	1,146.9	1,119.6	1,120.4
Retained earnings	-355.1	-345.9	-345.9
Net income for the period	-19.5	-10.8	-9.2
	772.2	762.8	765.2
TOTAL EQUITY	777.1	767.6	770.0
LIABILITIES			
Non-current liabilities			
Other provisions	21.9	8.2	4.7
Total non-current liabilities	21.9	8.2	4.7
Current liabilities			
Accounts payable	0.2	0.3	0.0
Liabilities to Group companies	37.8	37.8	37.8
Other liabilities	3.4	1.8	2.5
Accrued expenses and prepaid income	15.6	7.3	10.0
Total current liabilities	56.9	47.1	50.3
TOTAL LIABILITIES	78.9	55.3	54.9
TOTAL EQUITY AND LIABILITIES	856.0	822.9	824.9

Rounding differences may affect the summations.

Audit

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

Signatures

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

Malmö, November 5, 2020

Hermann Haraldsson

Group CEO

In accordance with authorisation given by the Board of Directors

Review Report

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

Introduction

We have reviewed the interim report for Boozt AB (publ) for the period January 1 - September 30, 2020. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

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

Conclusion

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

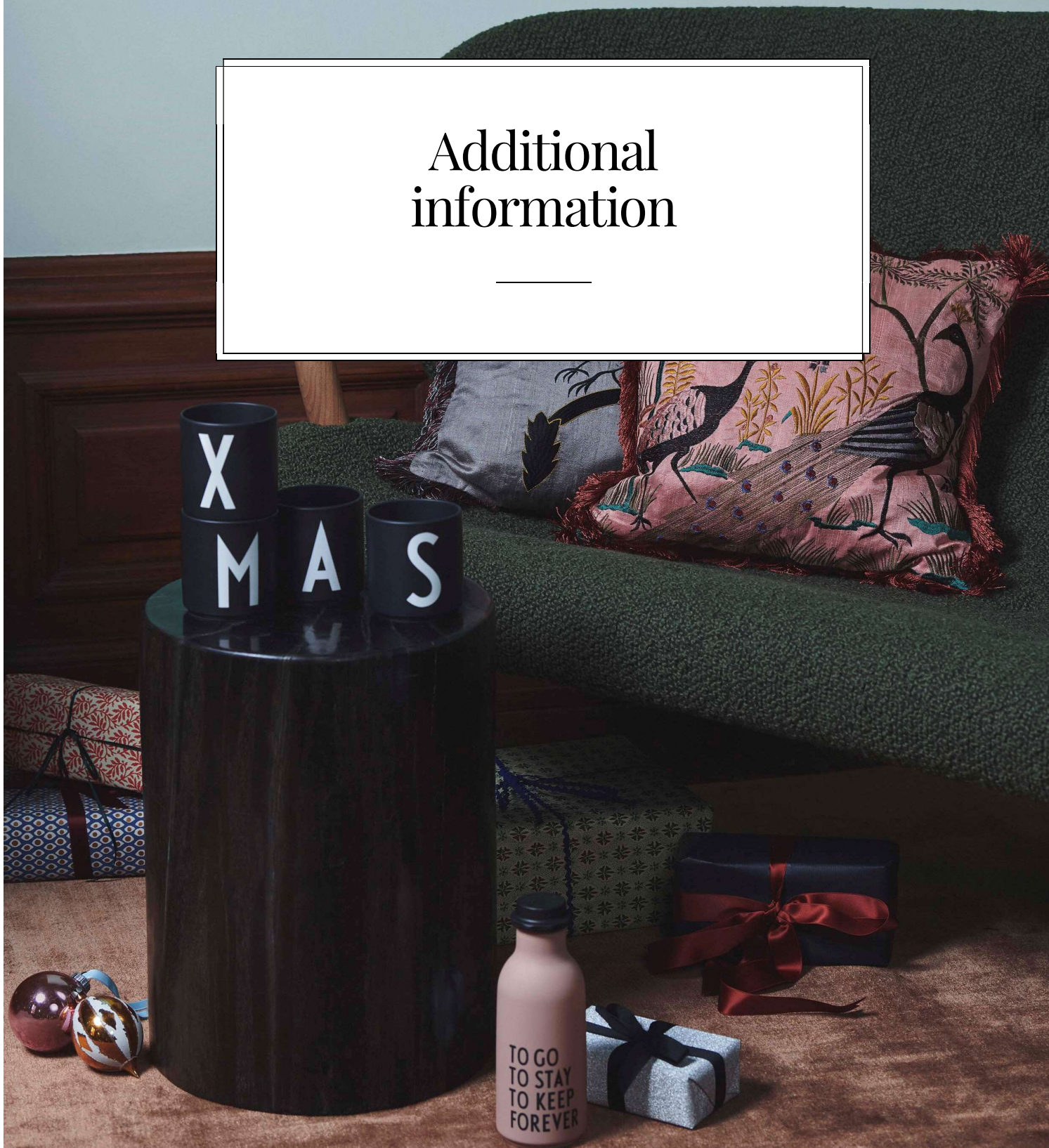
Malmö, November 5, 2020

Deloitte AB

Didrik Roos

Authorized Public Accountant

Additional information



Information by quarter

Net revenue and EBIT by segment

SEK million unless otherwise indicated	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017
NET REVENUE												
Boozt.com	793.9	1,069.6	665.1	967.3	691.2	831.7	660.6	860.3	583.5	688.3	527.0	626.4
Booztlet.com	136.9	155.7	96.7	75.0	68.0	58.0	45.5	25.1	35.9	22.7	22.3	14.2
Other	9.3	2.9	4.2	7.4	5.0	9.0	6.3	7.1	5.6	3.7	2.6	3.5
NET REVENUE	940.1	1,228.2	766.0	1,049.7	764.1	898.7	712.4	892.5	625.0	714.7	551.9	644.2
OPERATING PROFIT/LOSS (EBIT)												
Boozt.com	37.4	101.6	-40.9	100.2	-44.1	50.1	-19.5	73.7	-25.6	36.6	-8.5	50.8
Booztlet.com	8.4	20.0	-3.3	7.7	6.9	7.4	3.6	2.9	3.0	2.4	3.8	1.2
Other	2.0	-1.4	-43.6	-3.3	-3.6	-8.6	-5.0	-7.5	-6.1	-4.9	-1.7	-0.9
OPERATING PROFIT/LOSS (EBIT)	47.9	120.3	-87.8	104.6	-40.8	48.9	-21.0	69.1	-28.8	34.1	-6.4	51.1
OPERATING PROFIT/LOSS (EBIT) %												
Boozt.com	4.7%	9.5%	-6.2%	10.4%	-6.4%	6.0%	-3.0%	8.6%	-4.4%	5.3%	-1.6%	8.1%
Booztlet.com	6.2%	12.9%	-3.4%	10.2%	10.2%	12.8%	7.9%	11.6%	8.3%	10.6%	17.2%	8.3%
Other	21.5%	-46.5%	-1,047%	-44.0%	-72.8%	-95.2%	-80.1%	-105%	-109%	-131%	-66.3%	-25.1%
OPERATING PROFIT/LOSS (EBIT) %	5.1%	9.8%	-11.5%	10.0%	-5.3%	5.4%	-2.9%	7.7%	-4.6%	4.8%	-1.2%	7.9%
EARNINGS BEFORE TAX												
Boozt.com	34.3	98.6	-42.5	97.7	-46.6	47.6	-21.8	73.6	-24.0	35.9	-15.5	51.6
Booztlet.com	7.9	19.6	-3.6	7.5	6.7	7.3	3.4	2.9	3.1	2.4	3.6	1.2
Other	2.0	-1.4	-43.6	-3.3	-3.6	-8.6	-5.0	-7.5	-6.1	-4.9	-1.7	-0.9
EARNINGS BEFORE TAX	44.2	116.9	-89.7	101.9	-43.5	46.3	-23.4	69.0	-27.1	33.4	-13.7	51.9
ADJUSTED EBIT												
Boozt.com	56.2	120.1	-48.4	96.7	-32.0	43.8	-10.4	62.3	-22.1	37.4	-6.3	52.0
Booztlet.com	11.4	22.6	-4.3	7.4	8.0	7.0	4.2	2.6	3.2	2.4	3.9	1.2
Other	2.0	-1.6	-8.2	-3.3	-3.6	-3.7	-5.0	-7.5	-6.1	-4.9	-1.7	-0.9
ADJUSTED EBIT	69.7	141.0	-61.0	100.9	-27.6	47.1	-11.3	57.4	-25.0	35.0	-4.1	52.3
ADJUSTED EBIT %												
Boozt.com	7.1%	11.2%	-7.3%	10.0%	-4.6%	5.3%	-1.6%	7.2%	-3.8%	5.4%	-1.2%	8.3%
Booztlet.com	8.4%	14.5%	-4.5%	9.9%	11.8%	12.1%	9.1%	10.3%	8.9%	10.7%	17.6%	8.6%
Other	21.5%	-56.4%	-197%	-44.0%	-72.8%	-40.8%	-80.1%	-105%	-109%	-131%	-66.3%	-25.1%
ADJUSTED EBIT %	7.4%	11.5%	-8.0%	9.6%	-3.6%	5.2%	-1.6%	6.4%	-4.0%	4.9%	-0.7%	8.1%

Rounding differences may affect the summations.

Information by quarter

SEK million unless otherwise indicated	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017
EBIT MARGIN (%)												
Gross margin (%)	42.8%	41.5%	31.9%	43.2%	35.6%	40.7%	37.9%	41.2%	36.6%	42.0%	39.1%	43.1%
Fulfillment cost ratio (%)	-11.6%	-11.1%	-13.4%	-12.4%	-14.4%	-13.7%	-14.8%	-13.7%	-14.6%	-13.4%	-13.5%	-12.7%
Marketing cost ratio (%)	-11.4%	-8.0%	-10.3%	-9.9%	-11.4%	-8.6%	-10.3%	-10.3%	-13.0%	-12.7%	-13.7%	-11.1%
Admin & other cost ratio (%)	-11.5%	-10.1%	-10.6%	-8.4%	-11.7%	-9.7%	-12.3%	-7.9%	-11.6%	-9.6%	-11.1%	-9.8%
Depreciation (%)	-3.3%	-2.4%	-9.0%	-2.6%	-3.4%	-3.2%	-3.4%	-1.6%	-2.0%	-1.6%	-2.0%	-1.5%
EBIT MARGIN (%)	5.1%	9.8%	-11.5%	10.0%	-5.3%	5.4%	-2.9%	7.7%	-4.6%	4.8%	-1.2%	7.9%
Adjusted fulfillment cost ratio (%)	-11.6%	-11.1%	-13.4%	-12.4%	-14.4%	-13.2%	-14.8%	-13.7%	-14.6%	-13.4%	-13.5%	-12.7%
Adjusted admin & other cost ratio (%)	-9.1%	-8.4%	-11.6%	-8.7%	-10.0%	-10.2%	-11.0%	-9.2%	-11.0%	-9.5%	-10.7%	-9.6%
Adjusted depreciation cost ratio (%)	-3.3%	-2.4%	-4.5%	-2.6%	-3.4%	-2.8%	-3.4%	-1.6%	-2.0%	-1.6%	-2.0%	-1.5%
Net working capital - percent of LTM net revenue	0.3%	2.3%	11.9%	12.7%	11.2%	11.2%	12.9%	11.3%	10.6%	5.3%	10.0%	9.9%
BOOZT.COM												
Site visits (000)	35,973	39,247	34,167	39,257	32,594	32,438	31,029	31,575	26,044	26,560	24,959	26,966
No. of orders (000)	982	1,317	854	1,161	860	1,042	854	1,045	736	869	638	786
Conversion rate %	2.73%	3.36%	2.50%	2.96%	2.64%	3.21%	2.75%	3.31%	2.83%	3.27%	2.56%	2.91%
True frequency	7.1	7.3	7.3	6.7	8.0	7.7	7.8	6.8	7.8	7.2	7.2	6.3
Average order value (SEK)	808	821	785	845	801	801	774	827	794	801	824	810
Active customers (000)	1,852	1,774	1,624	1,606	1,557	1,512	1,460	1,363	1,242	1,185	1,104	1,057
No. of orders per active customer	2.33	2.36	2.41	2.44	2.44	2.43	2.40	2.41	2.44	2.42	2.39	2.37
BOOZTLET.COM												
Site visits (000)	9,141	8,652	6,208	5,477	4,153	3,777	2,889	1,866	1,896	1,861	1,576	
No. of orders (000)	209	233	144	120	105	96	71	43	53	37	33	
Conversion rate %	2.28%	2.69%	2.33%	2.19%	2.53%	2.53%	2.44%	2.30%	2.79%	1.99%	2.08%	
Average order value (SEK)	666	682	687	644	654	615	649	588	681	619	689	
NET REVENUE - GEOGRAPHICAL SPLIT												
Nordics	559.7	1,132.3	711.5	977.1	704.6	830.4	646.7	829.9	589.5	679.1	520.8	610.0
Rest of Europe	46.7	95.9	54.5	72.7	59.6	68.3	65.6	62.6	35.5	35.5	31.1	34.2
TOTAL NET REVENUE	606.4	1,228.2	766.0	1,049.7	764.1	898.7	712.4	892.5	625.0	714.7	551.9	644.2

Rounding differences may affect the summations.

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

Explanation	APM / IFRS	Definition	Rationale
Active customers	APM	Number of customers which made at least one order during the last 12 months.	The measure is to display, together with historical figures, how the number of active customers has developed in absolute figures.
Adjusted admin & other cost ratio	APM	Total operating costs less items affecting comparability, less share-based compensations, less fulfilment costs, less marketing costs, less goods for resale less depreciation plus other operating income divided by net revenue.	The aim of the figure is to demonstrate the development of administration & other costs without the effect of one-time events, as well as costs linked to the share price development of Boozt AB (publ).
Adjusted depreciation cost ratio	APM	Depreciation cost less items affecting comparability divided by net revenue.	The aim of the figure is to track the development of depreciation / amortization costs and then evaluate these costs against net revenue created, without the effect of one-time events that affect the comparability.
Adjusted EBIT	APM	Profit/loss before interest, tax, share-based payments related to employees and items affecting comparability, such as restructuring costs in connection with the closures of the Beauty by Boozt stores in Copenhagen, March 2020 and in Roskilde, June 2019.	The aim of the figure is to display the operating profit excluding non-recurring items and share based compensation related to employees and items affecting comparability are excluded from this metric.
Adjusted EBIT margin	APM	Adjusted EBIT divided by net revenue.	The aim of the figure is to display the Group's effectiveness in profit creation excluding impact from share price dependent costs.
Adjusted fulfilment cost ratio	APM	Fulfilment and distribution cost less items affecting comparability divided by net revenue.	The aim is to group the costs which is related to pick, pack, return handling, indeliveries and all distribution costs associated with shipping parcels to and from customers as well as business to business distribution costs less any cost items, which might affect the trend being one time by nature, and then evaluate these costs against net revenue created.
Adjusted net debt/net cash	APM	Interest bearing liabilities excluding interest bearing lease liabilities (IFRS 16) less cash and cash equivalents.	The aim is to display the cash and cash equivalent available after having theoretical settled all interest-bearing liabilities be it current or non-current (excluding interest-bearing lease liabilities).
Admin & Other cost ratio	APM	Total operating costs less fulfilment costs, less marketing costs, less goods for resale, less depreciation plus other operating income divided by net revenue.	The aim of the figure is to demonstrate the development of admin & other costs and then evaluate these costs against net revenue created.
Average order value	APM	Transactional net revenue divided by no. of orders.	The aim of the figure is to show the average consumer monetary value per basket excluding VAT, which again is very important to determine and understand the unit economics of each basket of the Group's operation.
BFC	APM	Boozt Fulfilment Centre.	The location of the Group's warehouse.
Conversion rate	APM	Total number of orders divided by total number of site visits.	The aim is to understand how traffic sent to the Group's websites are converting into monetary orders.
Depreciation cost ratio	APM	Depreciation and amortizations divided by net revenue.	The aim of the figure is to track the development of depreciation / amortization costs and then evaluate these costs against net revenue created.
Earnings per share	IFRS	Profit/loss for the period divided by weighted average number of shares outstanding during the period.	The aim is to distribute the company's profit to each share.

Explanation	APM / IFRS	Definition	Rationale
Earnings per share after dilution	IFRS	Profit/loss for the period divided by the diluted weighted average number of shares outstanding during the period. The number of ordinary shares shall be the weighted average number of shares, used when per share, plus the weighted average number of shares that would be issued measuring basic earnings on the conversion of all the dilutive potential shares into ordinary shares. Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share.	The aim is to distribute the company's profit to each share including the net non-registered shares (i.e. warrants or similar).
EBIT (Operating profit)	IFRS	Profit/loss before interest and tax.	The aim of this figure is to display the profit/loss before interests and tax.
Equity / asset ratio	APM	Total equity divided by total assets.	To what degree are the Group's assets funded by capital ultimately owned by the Group's shareholders.
Free Cash flow	APM	Cash flow from operating activities and Cash flow from investing activities.	The aim is to show the cash flow generated in the Group when excluding the cash flow impact from financing activities.
Fulfilment cost ratio	APM	Fulfilment and distribution cost divided by net revenue.	The aim is to group the costs which is related to pick, pack, return handling, in deliveries and all distribution costs associated with shipping parcels to and from customers as well as business to business distribution costs and then evaluate these costs against net revenue created.
Gross profit	APM	Net revenue decreased with cost of goods for resale.	The aim is to show the contribution left after cost of goods for resale, implying the amount of funds available for the remaining costs and profit.
Gross margin	APM	Gross profit (excluding other operating income) as a percentage of net revenue.	The aim is to analyse gross profit over time, expressed as percent of net revenue.
Growth in local currency	APM	Growth in local currency weighted with the local currency's share of net revenue in SEK in the reporting quarter.	To illustrate the growth adjusted for the impact of translating foreign currency to SEK.
Items affecting comparability	APM	Items that are not related with the operations and are the type of items that are not expected to re-occur often or regularly and that are items of significant value.	The aim is to isolate events, that cannot be characterised as normal operational costs or non-recurring.
Lease liabilities	IFRS	The Group's lease liabilities taking into consideration the Group's borrowing interest rate and length of lease agreements, options etc.	The Group's lease liabilities considered as a loan with amortizations and interest.
Marketing cost ratio	APM	Marketing cost divided by net revenue.	The aim is to group the costs which is related to production, media airtime, online exposures, analytics concerning monitoring of sales, CRM activities and then evaluate these costs against net revenue created.
Net working capital	APM	Current assets, excluding cash and cash equivalents, less non-interest-bearing current liabilities.	The purpose of displaying net working capital is to display short-term financial health since the measure indicate if the company has enough short-term assets to cover its short-term debt. Net working capital can be put in relation to net revenues to understand efficiency of net working capital tied up in operations.
Net debt / net cash	APM	Interest bearing liabilities less cash and cash equivalents.	The aim is to display the cash and cash equivalent available after having theoretical settled all interest-bearing liabilities be it current or non-current.
Net revenue	IFRS	Transactional net revenue less fees paid to consignment partners plus other revenue.	This is the IFRS net revenue measurement taking into consideration that only the commission share of a transaction can be recognised as revenue, and even to include revenue which does not come from transactions with customers.
No. of orders	APM	Number of orders placed by customers during the period, irrespective of cancellations or returns.	Number of orders is a parameter in measuring the average order value.
No. of orders per active customer (order frequency)	APM	Number of orders during the last 12 months divided by the total number of active customers end of period.	This number illustrates the frequency for an isolated cohort (active customers). It helps the reader in understanding to what extend the customers are coming back and the frequency at which they have shopped during the last 12 months, irrespective of whether they have been active from the start of the 12 months or are new customers who have been active in less than 12 months.
Right of use asset	IFRS	Present value of the Group's lease assets taking into consideration the Group's borrowing interest rate.	To clarify the Group's contingent assets which will have to be considered in combination with the Group's contingent lease liabilities.

Explanation	APM / IFRS	Definition	Rationale
Site visits	APM	Number of visits to a site or group of sites, irrespective of device used.	This number is relevant to understand the conversion rate.
Share based payments	APM	Costs of the Group which are settled via issuing of shares.	The aim is to isolate all costs associated with share-based payments be it IFRS 2 costs and taxes associated with share-based payments. Since these costs to a large extent will fluctuate with the share price development or employee turnover, it can assist the reader in evaluating the Group's performance excluding these share-based payment costs.
Transactional net revenue	APM	Gross sales (incl. shipping and invoice income) less discounts and returns, excl. VAT.	"The aim of the figure is to display the total consumer value of the orders processed less returns and excluding VAT. Transactional net revenue less fee to consignment partners plus other revenue not related to consumer orders equals net revenue. The transactional net revenue can be calculated as average order value (AOV) multiplied with no. of orders."
True frequency	APM	Order frequency for customers that have been with Boozt.com during last 12 months, hence not impacted by orders from new customers.	This figure isolates the co-hort which purchased with the Group 12 months ago, and then looks at this co-hort's behaviour for the proceeding 12 months in terms of frequency (how many orders do they place on average). This will give the reader an understanding about the co-horts frequency behaviour once they mature.

Reconciliation of total operating income

SEK million unless otherwise indicated	Jul 1 - Sep 30, 2020	Jul 1 - Sep 30, 2019	Jan 1 - Sep 30, 2020	Jan 1 - Sep 30, 2019	Rolling 12 months
GROUP					
Transactional net revenue	941.8	762.5	2,958.7	2,377.9	4,024.5
Less consignment sales	-16.7	-8.6	-65.0	-32.5	-97.2
Other revenue	14.9	10.2	40.5	29.7	56.7
Net revenue	940.1	764.1	2,934.3	2,375.2	3,984.0
Other operating income	-	1.2	-	-	-
Total operating income	940.1	765.4	2,934.3	2,375.2	3,984.0
BOOZT.COM					
Transactional net revenue	793.4	688.9	2,545.2	2,184.4	3,526.4
Less consignment sales	-14.4	-7.9	-57.0	-30.7	-87.1
Other revenue	14.9	10.2	40.5	29.7	56.7
Net revenue	793.9	691.2	2,528.7	2,183.4	3,496.0
Other operating income	-	1.2	-	-	-
Total operating income	793.9	692.4	2,528.7	2,183.4	3,496.0
BOOZTLET.COM					
Transactional net revenue	139.2	68.7	397.2	173.3	474.4
Less consignment sales	-2.3	-0.7	-8.0	-1.8	-10.1
Other revenue	-	-	-	-	-
Net revenue	136.9	68.0	389.2	171.5	464.2
Other operating income	-	-	-	-	-
Total operating income	136.9	68.0	389.2	171.5	464.2
OTHER					
Transactional net revenue	9.3	5.0	16.4	20.3	23.8
Less consignment sales	-	-	-	-	-
Other revenue	-	-	-	-	-
Net revenue	9.3	5.0	16.4	20.3	23.8
Other operating income	-	-	-	-	-
Total operating income	9.3	5.0	16.4	20.3	23.8

Reconciliation of adjusted EBIT

SEK million	Jul 1 - Sep 30, 2020	Jul 1 - Sep 30, 2019	Jan 1 - Sep 30, 2020	Jan 1 - Sep 30, 2019	Rolling 12 months
EBIT	47.9	-40.8	80.3	-12.8	184.9
Share based payments related to employees (social charges)	14.6	7.7	27.2	10.3	22.0
Share-based payments related to employees	7.2	5.4	7.1	5.8	8.5
Non-recurring items affecting comparability*	-	-	35.1	4.9	35.1
Adjusted EBIT	69.7	-27.6	149.7	8.2	250.6
Specification of adjustments affecting comperability					
Admin & other costs	21.8	13.2	35.1	17.5	31.4
Depreciation and amortisation	-	-	34.2	3.5	34.2
Total adjustments	21.8	13.2	69.4	21.0	65.6

Rounding differences may affect the summations.

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

Reconciliation with financial statements according to IFRS

SEK million unless otherwise indicated	Jul 1 - Sep 30, 2020	Jul 1 - Sep 30, 2019	Jan 1 - Sep 30, 2020	Jan 1 - Sep 30, 2019	Rolling 12 months
Cash and cash equivalents	-1,058.5	-296.0	-1,058.5	-296.0	-1,058.5
Interest bearing liabilities (current and non-current)	369.6	149.2	369.6	149.2	369.6
Interest bearing lease liabilities	353.3	438.1	353.3	438.1	353.3
Net debt / -net cash	-335.7	291.3	-335.7	291.3	-335.7
Total equity	1,019.8	863.9	1,019.8	863.9	1,019.8
Total assets	2,992.4	2,440.3	2,992.4	2,440.3	2,992.4
Equity / asset ratio	34.1%	35.4%	34.1%	35.4%	34.1%
Cash flow from operating activities (A)	160.2	-24.3	647.0	20.6	702.9
Cash flow from investing activities (B)	-37.3	-73.0	-76.4	-113.4	-134.3
Free cash flow (A) + (B)	122.8	-97.3	570.7	-92.8	568.6
No. of orders (000) (A)	982	860	3,154	2,755	4,315
Site visits (000) (B)	35,973	32,594	109,387	96,061	148,645
Boozt.com - Conversion rate (A) / (B)	2.73%	2.64%	2.88%	2.87%	2.90%
Transactional net revenue - Boozt.com (A)	793.4	688.9	2,545.2	2,184.4	3,526.4
No. of orders (000) (B)	982	860	3,154	2,755	4,315
Average order value (SEK) (A) / (B)	808	801	807	793	817
No. of orders (000) (LTM) (A)	4,315	3,800	4,315	3,800	4,315
Active customers (000) (B)	1,852	1,557	1,852	1,557	1,852
No. of orders per active customer (A) / (B)	2.33	2.44	2.33	2.44	2.33
Inventory	1,068.5	1,169.8	1,068.5	1,169.8	1,068.5
Accounts receivables	5.5	4.8	5.5	4.8	5.5
Other receivables	88.8	96.1	88.8	96.1	88.8
Current tax assets	1.9	0.9	1.9	0.9	1.9
Prepaid expenses and accrued income	67.9	69.9	67.9	69.9	67.9
Accounts payables	-766.1	-529.6	-766.1	-529.6	-766.1
Other liabilities	-195.1	-96.7	-195.1	-96.7	-195.1
Accrued expenses and prepaid income	-258.7	-349.2	-258.7	-349.2	-258.7
Net working capital	12.8	365.9	12.8	365.9	12.8
Net working capital - percent of LTM net revenue rolling 12 months	0.3%	11.2%	0.3%	11.2%	0.3%
Gross margin (%)	42.8%	35.6%	39.4%	38.2%	40.4%
Fulfilment cost ratio (%)	-11.6%	-14.4%	-11.9%	-14.3%	-12.0%
Marketing cost ratio (%)	-11.4%	-11.4%	-9.7%	-10.0%	-9.8%
Admin & other cost ratio (%)	-11.5%	-11.7%	-10.7%	-11.1%	-10.1%
Depreciation cost ratio (%)	-3.3%	-3.4%	-4.4%	-3.3%	-3.9%
EBIT margin (%)	5.1%	-5.3%	2.7%	-0.5%	4.6%

Rounding differences may affect the summations.

Some of the alternative performance measures included in the report are not included above but reconciliations of these can be found on the Group's website, www.booztgroup.com - "Investors" - "Reports & Presentations"

Financial calendar

February 9, 2021

Interim report January – December 2020, Q4 2020

April 16, 2021

Annual Report 2020

May 7, 2021

Interim report January – March 2021, Q1 2021

August 13, 2021

Interim report January – June 2021, Q2 2021

November 9, 2021

Interim report January – September 2021, Q3 2021

Financial reports

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

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The interim report is such information as Boozt AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 08.00 CET on November 5 2020.

This report may contain forward-looking information that is based on the present expectations of Boozt's management. No assurance may be given that these expectations will prove to be correct. Actual outcomes may deviate significantly from what is reflected in the forward-looking information due to changed conditions relating to the economy, market or competition, changes in legal requirements and other political measures, fluctuations in exchange rates and other factors outside of Boozt's control.



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