



Press Release

MALMÖ, SWEDEN, JUNE 5, 2020

Notice of Extraordinary General Meeting in Boozt AB

The shareholders in Boozt AB, Reg. No. 556793-5183, are hereby invited to attend the extraordinary general meeting (Sw. extra bolagsstämma) to be held at the offices of Setterwalls Advokatbyrå AB, Stortorget 23 in Malmö, Sweden, on Wednesday 1 July 2020 at 10.00 a.m.

The English text is an unofficial translation. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.

Information regarding the coronavirus

As a precautionary measure to reduce the risk of spreading the coronavirus, the board of directors of Boozt AB ("Boozt") has decided to keep planned speeches at the meeting to a minimum and that no refreshments will be served. Participation at the meeting by members of the board of directors and management as well as the number of non-shareholders present at the meeting will be limited in an effort to keep the meeting brief and efficient, and thereby minimizing the risk of spreading the coronavirus. For shareholders who are worried about the spread of infection due to the coronavirus, we want to emphasize the possibility of not attending in person at Boozt's general meeting and instead appoint a proxy who can vote on their behalf or utilize the possibility to vote in advance. Boozt also encourages such solution for anyone displaying symptoms of illness, who has been in an area of infection, or who is considered to be part of a risk group. See more under "Proxies etc." and "Voting in advance" below for further information on these alternatives.

Right to participate in the meeting and notice of participation

Shareholders wishing to attend the meeting must:

- be registered in the company's share register kept by Euroclear Sweden AB (the Swedish Securities Register Center) as of Thursday 25 June 2020; and
- no later than on Thursday 25 June 2020, notify the company of their intention to participate in the meeting, by mail to address Boozt AB, Attn. Martin Bo, Hyllie Boulevard 35, SE-215 37 Malmö, Sweden, by e-mail to AGM@boozt.com or by phone to +46(0)723250058. The notice should specify the complete name of the shareholder, personal identity number or company registration number, the number of shares held by the shareholder, address, telephone number during work hours and, when applicable, information on the number of advisors (two at the most).

Trustee-registered shares

Shareholders, whose shares are trustee-registered, must, in order to be entitled to participate in the meeting, temporarily register their shares in their own name in the share register kept by Euroclear Sweden AB. Such temporary re-registration of ownership must be implemented no later than as of Thursday 25 June 2020.

Proxies etc.

A proxy representing a shareholder must bring a written, dated and by the shareholder signed power of attorney to the meeting. The validity term of the power of attorney may be at the longest five years if this is specifically stated. In case no validity term is stated, the power of attorney is valid for at the longest one year. Should the power of attorney be issued by a legal entity, a certified copy of a registration certificate (Sw. registreringsbevis)

or equivalent document shall be presented at the meeting. In order to facilitate the preparations before the meeting, a copy of the power of attorney and other proof of authority should be attached to the notice of participation. A template power of attorney can be found at the company website (www.booztfashion.com) and will be sent by mail to the shareholders who request it and state their address.

Voting in advance

The board of directors of Boozt has resolved that the shareholders may exercise their voting rights at the meeting by voting in advance, so called postal voting in accordance with section 3 of the Act (2020:198) on temporary exceptions to facilitate the execution of general meetings in companies and other associations. A special form shall be used for advance voting. The form is available on the company's website (www.booztfashion.com). A shareholder who is exercising its voting right through advance voting do not need to notify the company of its attendance to the meeting. The advance voting form is considered as the notification of attendance to the meeting. The completed voting form must be submitted to Boozt no later than on Thursday 25 June 2020. The completed and signed form shall be sent to the address stated under "Right to participate in the meeting and notice of participation" above. A completed form may also be submitted electronically and is to be sent to AGM@boozt.com. If the shareholder is a legal entity, a registration certificate or equivalent document shall be enclosed to the form. The shareholder may not provide special instructions or conditions in the voting form. If so, the vote is invalid. Further instructions and conditions are included in the form for advance voting.

Proposed agenda

0. Opening of the meeting.
1. Election of Chairman of the meeting.
2. Preparation and approval of the voting list.
3. Approval of the agenda.
4. Election of one or two persons who shall approve the minutes of the meeting.
5. Determination of whether the meeting was duly convened.
6. Resolution on authorization for the board of directors regarding new share issues of ordinary shares.
7. Resolution on implementation of a long-term incentive program by way of (A) implementation of a performance-based share program; (B) authorization on directed issues of series C shares; (C) authorization on repurchase of series C shares; and (D) resolution on transfer of own ordinary shares.
8. Closing of the meeting.

Proposed resolutions

Item 6: Resolution on authorization for the board of directors regarding new share issues of ordinary shares

The board of directors proposes that the extraordinary general meeting resolves to authorize the board of directors to, at one or several occasions, during the time up until the next Annual General Meeting, with or without deviation from the shareholders' preferential rights, resolve to issue ordinary shares. A new issue should be able to be made with or without provisions regarding contribution in kind, set-off or other conditions. The total number of ordinary shares issuable pursuant to the authorization shall not exceed 10 percent of the total number of existing ordinary shares in the company at the time of the extraordinary general meeting. In case the authorization is used for a new issue with deviation from the shareholders' preferential rights, the subscription price shall be on market terms (subject to customary new issue discount, as applicable). The purpose of the authorization is to be able to execute and finance acquisitions of companies and assets.

The CEO shall be authorized to make minor formal adjustments of the resolution which may be required for registration with the Swedish Companies Registration Office (*Sw. Bolagsverket*).

Item 7: Resolution on implementation of a long-term incentive program by way of (A) implementation of a performance-based share program; (B) authorization on directed issues of series C shares; (C) authorization on repurchase of series C shares; and (D) resolution on transfer of own ordinary shares

The board of directors proposes that the extraordinary general meeting resolves to implement a long-term incentive program in the form of a performance-based share program (the "**LTI 2020**") for the company's CEO, Group Management and key employees in accordance with A below. The resolution is conditional upon that the extraordinary general meeting also resolves on hedging measures in accordance with B – D below.

A. Implementation of a performance-based share program

Boozt is a leading, fast-growing and profitable Nordic technology company selling fashion online. The Group generated net sales amounting to SEK 3.4 billion in 2019. Boozt offers its customers a curated and contemporary selection of fashion brands, relevant to a variety of lifestyles, mainly through its multi-brand webstore Boozt.com. The company is focused on using cutting-edge, in-house developed technology to curate the best possible customer experience. Besides Boozt.com, the company also runs the webstore Booztlet.com and retail stores [Booztlet](http://Booztlet.com) and [Beauty by Boozt](http://Beauty by Boozt.com) in Denmark. For more information, please visit www.booztfashion.com/.

Background

At the extraordinary general meeting held on 24 June 2019 it was resolved to implement a long-term incentive program (LTI 2019). As noted in connection with the proposal for LTI 2019, the long-term incentive program was intended to be annual after evaluation of the board of directors. The board of directors had evaluated LTI 2019 in front of the Annual General Meeting held on 27 May 2020 and found that it has worked well and hence resolved to propose a similar program to the Annual General Meeting. Prior to the Annual General Meeting, certain institutional shareholders however informed the company that they intended to vote against the proposal which would result in that the required majority requirement would not be met at the Annual General Meeting. In light hereof, the board of directors withdrew its proposal at the Annual General Meeting. The board of directors has now considered the comments provided by the institutional shareholders and prepared this revised proposal for LTI 2020.

The overall purpose with LTI 2020 is to align the interests of the company's senior executives and key employees with those of the shareholders and thus ensure a maximum long-term value adding commitment. LTI 2020 is also considered to create a long-term focus on increase in growth and earnings among the participants. LTI 2020 is further considered to facilitate for the company to recruit and retain senior executives and key employees.

Terms and conditions for LTI 2020

1. In total, LTI 2020 is proposed to comprise approximately 35 participants composed of senior executives and key employees, divided into three categories. Provided that the performance targets mentioned below are met or exceeded, participants in LTI 2020 shall be given the opportunity to receive ordinary shares in the company free-of-charge ("**Performance Shares**").

2. The total number of Performance Shares shall not exceed 1,040,000.

3. The maximum number of Performance Shares that can be allotted to the participants in the respective category shall not exceed the numbers set out in the table below:

Category	Maximum number of Performance Shares per participant
CEO	120,000
Other Group Management (7 persons)	520,000 Performance Shares may in the aggregate be allotted to this category but no participant may be allotted more than 83,000 Performance Shares.
Key employees (approximately 26 persons)	400,000 Performance Shares may in the aggregate be allotted to this category but no participant may be allotted more than 45,000 Performance Shares.

4. A condition for the right to receive Performance Shares is that the participant, subject to certain customary good leaver exemptions, has continued to be employed by the company until 1 July 2023.

5. The performance targets (the "**Performance Targets**") that have to be met or exceeded relate to (i) the company's Net Promoter Score (the "**NPS Target**"); (ii) the company's organic revenue growth (the "**Revenue Growth Target**"); and (iii) the company's Adjusted EBIT (the "**EBIT Target**"). The number of Performance Shares allocated to each participant in relation to each Performance Target shall be weighted with 10 per cent to the NPS Target, with 60 per cent to the Revenue Growth Target and with 30 per cent to the EBIT Target.

For each of the Performance Targets, there will be a minimum level, a target level and a maximum level. If the minimum target is not achieved, no Performance Shares are vested in relation to the relevant Performance Target, if the minimum target is achieved, 38.6 per cent of the Performance Shares pertaining to the relevant Performance Target are vested, if the target level is achieved, 77.3 per cent of the Performance Shares pertaining to the relevant Performance Target are vested and if the maximum level is achieved, all the Performance Shares pertaining to the relevant Performance Target will be vested. In the event of an outcome between the minimum level and the target level or between the target level and the maximum level, respectively,

vesting of the Performance Shares pertaining to the relevant Performance Target will occur linearly between 38.6 per cent and 77.3 per cent of the Performance Shares pertaining to the relevant Performance Target and between 77.3 per cent and 100 per cent of the Performance Shares pertaining to the relevant Performance Target, respectively.

The NPS Target relates to the company's Net Promoter Score in the fourth quarter of the financial year 2022 ("**NPS**"). The minimum level for the NPS Target will be a NPS of 61.0, the target level for the NPS Target will be a NPS of 65.0 and the maximum level for the NPS Target will be a NPS of 68.0. The levels for the NPS Target have been determined based on that the industry average NPS for E-commerce is 62.0 (<https://www.rentently.com/blog/good-net-promoter-score/>). An NPS above 60.0 has a positive impact on the re-buy rate of customers and this has formed the basis when determining the minimum level for the NPS Target to 61.0. The board of directors has further taken into account that since the company grows in size, so does complexity, why it is expected that the NPS will decline from the level reported by the company for the financial year 2019.

The Revenue Growth Target relates to the company's compounded annual organic growth rate ("**CAGR**") during the financial years 2020, 2021 and 2022. CAGR will be calculated as ((net revenue in financial year 2022 (reduced with any non-organic net revenue generated through businesses acquired during the financial years 2020-2022) / net revenue in financial year 2019) $^{1/3} - 1$). The net revenue for the financial year 2022 will be adjusted in case there is a contractual change with brands, where the implications are that only the commission fee can be recognized as revenue. This would typically be in consignment or concession like agreement with brands. The minimum level for the Revenue Growth Target will be a CAGR of 15 per cent, the target level for the Revenue Growth Target will be a CAGR of 17 per cent and the maximum level for the Revenue Growth Target will be a CAGR of 22 per cent.

The EBIT Target relates to the company's Adjusted EBIT (the profit/loss before interest and tax adjusted for share based payments related to employees and items affecting comparability) ("**Adjusted EBIT**") in the financial year 2022. The minimum level for the EBIT Target will be an Adjusted EBIT of MSEK 281, the target level for the EBIT Target will be an Adjusted EBIT of MSEK 321 and the maximum level for the EBIT Target will be an Adjusted EBIT of MSEK 348.

The final number of Performance Shares vested by each participant shall be rounded downwards to the nearest whole number.

6. In addition to the achievement of the Performance Targets, the allocation of Performance Shares shall be conditional upon that the company's Adjusted EBIT margin (the profit/loss before interest and tax adjusted for share based payments related to employees and items affecting comparability / net revenue) in the financial year 2022 is at least 3.2 per cent. If this threshold level for the EBIT margin is not met, no Performance Shares shall be allotted in LTI 2020.

Furthermore, the allocation of Performance Shares shall also be conditional upon that the weighted average quarterly ratio (calculated based on each of the four quarters in the financial year 2022) for "Net working capital - per cent of LTM net revenue" as reported in the company's full-year report for the financial year 2022 (the "**NWC Ratio**"), does not exceed certain levels to be determined by the board of directors before LTI 2020 is offered to the participants. The board of directors shall determine one threshold level and one maximum level for the NWC Ratio. If the threshold level is exceeded but the maximum level is not reached, the board of directors shall be entitled to decrease the number of Performance Shares to be allocated to the lower number of shares that the board of directors finds reasonable and if the maximum level is exceeded, no Performance Shares shall be allotted in LTI 2020. The board of directors intends to present the determined NWC Ratio in connection with the expiration of LTI 2020 at the latest.

7. Before the number of Performance Shares to be allocated is finally determined, the board of directors shall also make a general evaluation if allocation pursuant to the principles set out above is reasonable, having regard to the company's results and financial standing, to conditions on the stock market and to other circumstances in general. If the board of directors finds that it is not reasonable, then the board of directors may decrease the number of Performance Shares to be allocated to the lower number of shares that the board of directors finds reasonable.

8. The number of Performance Shares shall be subject to recalculation in consequence of a bonus issue, split, rights issue, and/or other similar company actions.

9. Allotment and transfer of Performance Shares to the participants shall take place within 30 days after 1 July 2023. To the extent applicable insider rules would prevent transfer of Performance Shares to a participant within this period, the transfer of Performance Shares shall instead be made as soon as such restrictions have ceased to apply.

10. For the CEO and Other Group Management, allotment of Performance Shares will be conditional upon that the participants, subject to certain customary exceptions, undertake not to divest a certain percentage of the allotted Performance Shares during a period of 12 months following the delivery of the Performance Shares. The number of Performance Shares subject to the restriction shall as a starting point amount to 50 per cent of the allotted Performance Shares but for participants where the taxation triggered by the delivery of Performance Shares exceeds 50 per cent, the percentage shall instead be calculated as $100 - \text{the applicable tax rate}$.

11. Participation in LTI 2020 is conditional upon that the participation is legally possible and that the participation in the company's sole opinion can be made with reasonable administrative costs for the company.

12. The board of directors shall be responsible for the details and management of LTI 2020 within the framework of the main conditions as set out above, and the board of directors shall be authorized to make minor adjustments to these conditions as required by law or for administrative reasons. The board of directors shall also be authorized to adjust or deviate from the terms and conditions as required by local laws and regulations as well as existing market practices. The board of directors shall also be entitled to resolve on diverging terms for the allocation of Performance Shares in connection with cessation of employment due to death, early retirement or similar occasions or due to termination by the company that is not related to misconduct by the participants. In these cases the board of directors may resolve that the participant will be entitled to receive a proportionate part of the Performance Shares. Furthermore, in the event of a public take-over offer, a sale of the company's business, liquidation, merger or any other such transaction affecting the company, the board of directors shall be entitled to resolve that the Performance Shares shall vest and be allotted on completion of such transaction. The board of directors will make this resolution based on the level of achievement of the Performance Targets and any other factors deemed relevant by the board of directors. Finally, the board of directors is also entitled to adjust vesting and allotment if such has been made based on information which later proves to be incorrect.

B. Authorization on directed issues of series C shares

The board of directors proposes that the extraordinary general meeting resolves to authorize the board of directors, for the period up until the next Annual General Meeting, on one or several occasions, to issue a maximum of 1,040,000 series C shares. The new shares may, with deviation from the shareholders' preferential rights, only be subscribed for by a bank or a securities company at a subscription price which corresponds to the quota value. The purpose of the authorization and the reason for the deviation from the shareholders' preferential rights in connection with an issue of shares is to secure delivery of Performance Shares under LTI 2020, which shall be effected through the company repurchasing the series C shares issued pursuant to the authorization in section C below and thereafter, when the series C shares have been converted to ordinary shares, by transferring ordinary shares to the participants in LTI 2020 in accordance with section D below.

C. Authorization on repurchase of series C shares

The board of directors proposes that the extraordinary general meeting resolves to authorize the board of directors, for the period up until the next Annual General Meeting, on one or several occasions, to repurchase its own series C shares. Repurchase may only be effected through a public offer directed to all holders of series C shares and shall comprise all outstanding series C shares. Repurchase may also be made of so-called interim shares, by Euroclear Sweden AB designated as a Paid Subscribed Share (*Sw. Betald Tecknad Aktie (BTA)*), regarding a series C share. Repurchase shall be made at a purchase price per share which corresponds to the quota value of the share. The purpose of the proposed repurchase authorization is to secure delivery of Performance Shares under LTI 2020.

D. Resolution on transfer of own ordinary shares

In order to fulfil the company's obligations towards participants in LTI 2020, the board of directors proposes that the extraordinary general meeting resolves that the company shall transfer own ordinary shares as follows:

1. The company shall have the right to transfer the number of ordinary shares that the company has a maximum obligation to allocate as Performance Shares to participants in LTI 2020, at most 1,040,000 shares.
2. The number of shares that may be transferred pursuant to LTI 2020 shall be subject to recalculation in consequence of a bonus issue, split, rights issue, and/or other similar corporate action which affects the number of shares in the company.
3. The right to acquire ordinary shares shall, with deviation from the shareholders' preferential rights, vest in participants in LTI 2020 who are entitled to be allotted Performance Shares in accordance with the terms and conditions of the program.
4. Transfer of shares to participants in LTI 2020 shall be made free of charge and be executed at the relevant time specified in the terms and conditions for LTI 2020.

The reason for the deviation from the shareholders' preferential rights in connection with the transfers of own ordinary shares is to enable the company's delivery of Performance Shares to participants in LTI 2020.

Supplementary documentation

The board of directors' statement pursuant to Chapter 19, Sections 22-23 of the Swedish Companies Act (*Sw. aktiebolagslagen*) and the supplementary documentation in accordance with Chapter 19, Section 24 and Chapter 19, Section 35 compared to Chapter 13, Section 6 of the Swedish Companies Act are presented in separate documents.

Costs, impact on key ratios, existing incentive programs and dilution

LTI 2020 will be accounted for in accordance with IFRS 2 which stipulates that the right to receive Performance Shares shall be expensed as a personnel cost over the vesting period.

The board of directors has made a preliminary cost calculation for LTI 2020, which is based on the assumption of a share price of SEK 70 at the start of the program. The IFRS 2 costs for the Performance Shares related to the Performance Targets have been estimated to SEK 70 per Performance Share. If the company estimates an employee turnover of 0 per cent until shares are received approximately three years later, and excludes future dividends of the company's share, the total costs for LTI 2020 including costs for social security contributions, are estimated to be approximately MSEK 95.7, provided that all the Performance Targets are met in full.

Based on the calculation of the total cost as per the above, the anticipated annual costs, including costs for social security contributions, is MSEK 31.9, which corresponds to approximately 14.2 per cent of the company's total employee costs for the financial year 2019. Based on the calculation of the annual costs and the dilution calculated as per the below, the key figure earnings per share for the full year 2019 had been changed from SEK 0.96 to SEK 0.52 had the company expensed 1/3 of the total costs for LTI 2020 in 2019.

As per the date of the notice, the number of shares in the company amounts to 57,745,439, whereof 57,370,853 ordinary shares and 374,586 are series C shares which were issued in connection with LTI 2019 and that will be converted into ordinary shares prior to delivery to participants.

The maximum number of Performance Shares that can be issued in relation to LTI 2020 amounts to 1,040,000 which corresponds to a dilution of approximately 1.78 per cent of the company's ordinary shares, calculated on the number of ordinary shares that will be added upon full issuance of Performance Shares in connection with LTI 2020.

Since previously, there are three incentive programs in the company in the form of one employee option program, one warrant program and one performance based share program (LTI 2019). The existing incentive programs can lead to that in the aggregate 3,538,625 new ordinary shares are issued. In case all outstanding incentive programs as well as the proposed LTI 2020 are exercised in full, a total of 4,578,625 new ordinary shares will be issued, which corresponds to a dilution of approximately 7.39 per cent of the company's ordinary shares, calculated on the number of ordinary shares that will be added upon full exercise of all outstanding incentive programs as well as the proposed LTI 2020.

The above calculations regarding dilution and impact on key ratios are subject to re-calculation of the warrants in accordance with the customary recalculation terms included in the complete applicable warrant terms.

Preparation of the proposal

The proposal for LTI 2020 has been prepared by the Remuneration Committee together with external consultants. The final proposal has been resolved upon by the board of directors.

Particular majority requirements

For a valid resolution on the proposal pursuant to item 6, the proposal has to be supported by shareholders representing at least two-thirds of the votes cast as well as of all shares represented at the meeting. For a valid resolution on the proposal pursuant to item 7, the proposal has to be supported by shareholders representing at least nine-tenths of the votes cast as well as of all shares represented at the meeting.

Information at the meeting

The board of directors and the CEO shall at the meeting, if any shareholder so requests and the board of directors believes that it can be done without significant harm to the company, provide information regarding circumstances that may affect the assessment of items on the agenda.

Provision of documents

The board of directors' complete proposals for resolutions pursuant to items 6 and 7 as well as ancillary documents pursuant to the Swedish Companies Act (*Sw. aktiebolagslagen*) will be available for the shareholders at the company's office at Hyllie Boulevard 35, SE-215 37 Malmö, Sweden, and at the company's website (www.booztfashion.com) as from no later than three weeks prior to the meeting. Copies of the documents will be sent to the shareholders upon their request to the company, provided that such shareholders state their address, and will also be made available at the meeting.

Number of shares and votes in the company

The total number of shares in the company amounts to 57,745,439 shares, of which 57,370,853 are ordinary shares with one vote per share and 374,586 are series C shares with one-tenth of a vote per share. The number of votes in the company amounts to 57,408,311.6 votes. The company holds all 374,586 outstanding series C shares, corresponding to 37,458.6 votes, which cannot be represented at the meeting.

Processing of personal data

For information on how your personal data is processed, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

Malmö in June 2020
Boozt AB (publ)
The Board of Directors

The information was submitted for publication through the agency of the contact person at 11:00 CET on 5 June 2020

For additional information, please contact:

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