



Press Release

Malmö, Sweden, 14 August 2019

Boozt AB acquires app developer Touchlogic and create Boozt Innovation Lab

The acquisition of Touchlogic will strengthen our competences within app and mobile web development, as well as enable us to fast-track some exciting projects in our pipeline. The Touchlogic offices in central Copenhagen will serve as the home of our new Boozt Innovation Lab – a tech hub with a focus on innovation and development that will give a cutting edge in the future of online shopping.

The agreement to acquire all the shares in the Danish app development company Touchlogic is expected to close in October 2019. The purchase price, that includes a three year earn-out, is expected to be around SEK 10 million and will be financed through cash. The acquisition is expected to have minor financial impact and will not change the outlook for 2019.

"Boozt Innovation Lab is a long-time dream come true. Namely the dream of utilizing the technology rapidly being introduced these days with our efficient and well-run technical platform in a fail-fast approach. The acquisition of Touchlogic has given us the opportunity to bootstrap the plan and has given us access to competences that will help us achieve this goal. I feel certain this is the right move to stay ahead in the tech race with our competitors" says CTO at Boozt Jesper Brøndum.

An increasing share of our customers prefer mobile platforms and the app holds especially great potential in furthering the relationship with our most loyal customers. Today we can see that the KPI's such as average order value of our app users stand out. To further improve our app and mobile website capabilities, we identified the Copenhagen-based app developer, Touchlogic, as a perfect fit. The 8-year-old company has developed numerous cutting-edge apps, such as high-quality components of the Yousee streaming app and the world's first Samsung smartwatch app for Vivino. Including the two co-founders, the company currently employs 11 people. A thorough due diligence process demonstrated a good cultural fit and several projects were prototyped, which are now being built. The acquisition will accelerate the development of many innovative and value-adding projects in our pipeline to the benefit of customers, partners and employees.

"From the first contact with Boozt our interest has grown. The potential of combining our dedicated team and experience in the mobile world with one of the strongest players in online retail was an opportunity that we could not let pass by. With an already strong technology platform in place we will

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"have the opportunity to take the development of usability and functionality to the next level" says CEO and co-founder of Touchlogic Andreas Juul Hirschorn.

The Boozt platform strategy is based on building tailormade tech solutions for all core processes regarding the business and the customer. The new Boozt Innovation Lab will come to support the execution of this strategy. We work in cross-functional teams that are business controlled to ensure high productivity and relevance. Today, our platform team is spread across four tech hubs, with most developers at the headquarters in Malmö, close to the daily business. This is supported by a team in Aarhus, Denmark focused on AI and machine learning, a team in Poland focused on Business Process Management software and a team in Lithuania mainly focused on web and e-commerce development and operation. Boozt Innovation Lab will be our fifth tech hub with a focus on developing innovative tools and applications ensuring we stay at the forefront of meeting the increasing expectations from our customers and partners as well as improving the internal workflow. It will still be in close collaboration with the business, but more autonomous than the other tech hubs to ensure more progressive thinking. A key area is to continue improving the existing mobile Boozt.com app and take it to the next level by bringing cutting edge app technology closer to our most loyal customers. We also want to experiment with technologies such as augmented reality, voice control and next generation UI. Combined with our established data intelligence team and our well-proven efficient proprietary technical platform we are well fit for the future.

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