

Boozt

Half year report

JANUARY 1 - JUNE 30 2019

Net revenue growth of 26% (local currency 25%) in the second quarter with 21% growth in Boozt.com and 156% growth in Booztlet.com. The adjusted EBIT margin increased to 5.2% (4.9%). For the first six months net revenue growth was 27% (local currency 26%) with an adjusted EBIT margin of 2.2% (2.4%).

SEK million unless otherwise indicated	Apr 1 - Jun 30, 2019	Apr 1 - Jun 30, 2018	Change	Jan 1 - Jun 30, 2019	Jan 1 - Jun 30, 2018	Change
GROUP						
Net revenue	898.7	714.7	25.7%	1,611.0	1,266.6	27.2%
Gross profit	365.5	302.1	21.0%	635.3	520.1	22.2%
EBIT	48.9	34.1	43.5%	27.9	27.7	0.8%
Adjusted EBIT	47.1	35.0	34.8%	35.8	30.8	16.1%
Result for the period	33.1	24.2	37.1%	12.9	12.9	0.2%
Earnings per share (SEK)	0.58	0.43	35.3%	0.23	0.23	-11%
Earnings per share after dilution (SEK)	0.58	0.42	37.3%	0.22	0.22	0.1%
Cash flow for the period	62.6	121.8	48.8%	-33.1	91.6	n.m.
Organic growth, %	25.7%	44.0%	-18.3 pp	27.2%	38.1%	-10.9 pp
Gross margin, %	40.7%	42.0%	-1.4 pp	39.4%	40.8%	-1.3 pp
EBIT margin, %	5.4%	4.8%	0.7 pp	1.7%	2.2%	-0.5 pp
Adjusted EBIT margin, %	5.2%	4.9%	0.4 pp	2.2%	2.4%	-0.2 pp

CEO Hermann Haraldsson says: *"I am very happy with our strong execution in a challenging second quarter of the year. Boozt.com has continued its strong momentum with 21% net revenue growth and Booztlet.com has accelerated with a 156% net revenue growth in the quarter. Customer satisfaction remains very high and the unit economics are trending in line with expectations. Importantly, the average order value on Boozt.com was unchanged compared to last year, as the return rate reverted to the expected level after the elevated level experienced in the first quarter. Growth was driven by increased purchase frequency from existing customers as well as a higher new-customer-intake compared to last year."*

"Pricing levels in the industry remained under pressure as the transitioning retail market is challenging many market participants leading to elevated promotional activity to clear high inventory levels. As it was also the case in the first quarter, the promotionally driven market allowed us to leverage the online marketing cost to offset the gross margin pressure without losing momentum on new customer growth. Despite this pressure on gross margin, the adjusted EBIT margin improved to a solid 5.2% for the quarter demonstrating our flexible business model."

"I am excited about our acquisition of the Danish app developer Touchlogic, which was announced yesterday. It will strengthen our current in-house app and mobile web development capabilities to ensure we are in front when it comes to usability and functionality. It also marks the inauguration of Boozt Innovation Lab, which will be based out of the Touchlogic office in Copenhagen. During the last year we have been contemplating on how we can foster even more innovation and we believe we now have found the perfect setting for this."

"We maintain our full year guidance of above 27% net revenue growth and an improved adjusted EBIT margin compared to 2018. We are in good shape and look forward to deliver a strong last 6 months of the year."

Outlook for 2019	Realized 2018	Unchanged from guidance on 21 February 2019
Net revenue growth	38.1%	above 27%
Adjusted EBIT margin	2.3%	improved from 2018

**The outlook assumes constant currencies from the time of the announcement on February 21 2019 and for the remainder of the financial year.*

Key performance indicators (KPIs)

SEK million unless otherwise indicated	Apr 1 - Jun 30, 2019	Apr 1 - Jun 30, 2018	Change	Jan 1 - Jun 30, 2019	Jan 1 - Jun 30, 2018	Change	Rolling 12 months
GROUP							
Net revenue	898.7	714.7	25.7%	1,611.0	1,266.6	27.2%	3,128.5
Net revenue growth (%)	25.7%	44.0%	-18.3 pp	27.2%	38.1%	-10.9 pp	32.2%
Gross margin (%)*	40.7%	42.0%	-1.4 pp	39.4%	40.8%	-1.3 pp	39.4%
Fulfillment cost ratio (%)*	-13.7%	-13.4%	-0.4 pp	-14.2%	-13.4%	-0.8 pp	-14.1%
Marketing cost ratio (%)*	-8.6%	-12.7%	4.0 pp	-9.4%	-13.1%	3.7 pp	-10.4%
Admin & other cost ratio (%)*	-9.7%	-9.6%	0.0 pp	-10.8%	-10.3%	-0.6 pp	-10.2%
Depreciation cost ratio (%)*	-3.2%	-1.6%	-1.6 pp	-3.3%	-1.8%	-1.5 pp	-2.5%
Adjusted admin & other cost ratio (%)*	-10.2%	-9.5%	-0.7 pp	-10.6%	-10.0%	-0.5 pp	-10.3%
EBIT	48.9	34.1	43.5%	27.9	27.7	0.8%	68.3
EBIT margin (%)	5.4%	4.8%	0.7 pp	1.7%	2.2%	-0.5 pp	2.2%
Adjusted EBIT*	47.1	35.0	34.8%	35.8	30.8	16.8%	68.2
Adjusted EBIT margin (%)*	5.2%	4.9%	0.4 pp	2.2%	2.4%	-0.2 pp	2.2%
Earnings for the period	33.1	24.2	9.0	12.9	12.9	-	42.6
Earnings per share (SEK)*	0.58	0.43	0.15	0.23	0.23	-	0.75
Earnings per share after dilution (SEK)*	0.58	0.42	0.16	0.22	0.22	-	0.74
Cash flow from operating activities	99.7	133.9	-34.2	44.9	126.2	-81.3	-95.1
Net working capital*	349.0	126.4	222.6	349.0	126.4	222.6	349.0
Cash flow from investments	-27.7	-17.7	-10.1	-40.4	-25.3	-15.1	-107.0
Net debt / -net cash*	204.5	-440.4	644.9	204.5	-440.4	644.9	204.5
Equity / asset ratio (%)*	40.8%	51.2%	-10.4 pp	40.8%	51.2%	-10.4 pp	40.8%
Number of employees end of period	359	304	55	359	304	55	359
Boozt.com							
Net revenue	831.7	688.3	20.8%	1,492.2	1,215.3	22.8%	2,936.0
EBIT	50.1	36.6	36.8%	30.5	28.1	8.8%	78.6
EBIT margin (%)	6.0%	5.3%	0.7 pp	2.0%	2.3%	-0.3 pp	2.7%
Adjusted EBIT*	43.8	37.4	17.0%	33.3	31.1	7.3%	73.5
Adjusted EBIT margin (%)*	5.3%	5.4%	-0.2 pp	2.2%	2.6%	-0.3 pp	2.5%
Site visits (000)*	32,438	26,560	22.1%	63,467	51,519	23.2%	121,086
No. of orders (000)*	1,042	869	19.9%	1,896	1,507	25.8%	3,677
Conversion rate (%)*	3.21%	3.27%	-0.06 pp	2.99%	2.93%	0.06 pp	3.04%
True frequency*	7.7	7.2	6.3%	7.7	7.2	6.3%	7.7
Average order value (SEK)*	801	801	-	789	810	-2.7%	801
Active customers (000)*	1,512	1,185	27.6%	1,512	1,185	27.6%	1,512
No. of orders per active customer*	2.43	2.42	0.6%	2.43	2.42	0.6%	2.43
Booztlet.com							
Net revenue	58.0	22.7	156%	103.5	45.0	130%	164.4
EBIT	7.4	2.4	211%	11.0	6.2	76.6%	16.9
EBIT margin (%)	12.8%	10.6%	2.3 pp	10.7%	13.9%	-3.2 pp	10.3%
Adjusted EBIT*	7.0	2.4	191%	11.2	6.4	76.2%	17.0
Adjusted EBIT margin (%)*	12.1%	10.7%	1.5 pp	10.8%	14.1%	-3.3 pp	10.3%
Site visits (000)*	3,777	1,861	103%	6,667	3,437	94.0%	10,428
No. of orders (000)*	96	37	158%	166	70	138%	262
Conversion rate (%)*	2.53%	1.99%	0.54 pp	2.49%	2.03%	0.46 pp	2.51%
Average order value (SEK)*	615	619	-0.7%	630	652	-3.4%	633
Other							
Net revenue	9.0	3.7	141%	15.3	6.3	143%	28.0
EBIT	-8.6	-4.9	-75.6%	-13.6	-6.6	-107%	-27.2
EBIT margin (%)	-95.2%	-131%	35.7 pp	-89.0%	-105%	15.5 pp	-97.2%
Adjusted EBIT*	-3.7	-4.9	24.7%	-8.7	-6.6	-32.4%	-22.3
Adjusted EBIT margin (%)*	-40.8%	-131%	90.1 pp	-57.0%	-105%	47.5 pp	-79.7%

Rounding differences may affect the summations

*The figure is an Alternative Performance Measure (APM) (non-IFRS) and is described in definitions and reconciled on page 34.

Group Development

Net revenue

Net revenue in the second quarter increased with 25.7% to SEK 898.7 million (714.7). Currency had a positive impact of around 1 percentage point on net revenue growth and relates to the strengthening of DKK, EUR and NOK compared to SEK.

The net revenue increase was supported by 20.8% growth for Boozt.com and 156% growth for Booztlet.com. The structural growth towards online continued in the Nordics. The overall market environment for clothing in the second quarter was impacted by elevated promotional activity.

Other net revenue (included in net revenue) increased to SEK 9.9 million (7.0) in the second quarter driven by higher marketing income compared to the same period last year.

Other net revenue is revenue not directly linked to the customer such as marketing income and breakage from gift cards.

For the first six months of 2019 net revenue increased with 27.2% to SEK 1,611.0 million (1,266.6). Currency had a positive impact of around 1 percentage point on net revenue growth relating to the strengthening of DKK, EUR and NOK compared to SEK.

Other net revenue increased to SEK 19.5 million (18.0) in the first six months driven by higher marketing income, partly offset by lower revenue from breakage of gift cards. Breakage from gift cards was re-estimated in the first quarter of 2018 also taking into account breakage revenue from previous years.

Net revenue geographical split

The two largest markets Denmark and Sweden, each representing 35% of net revenue, grew respectively 22.1% and 23.3%. Finland grew 26.9% while Norway grew 18.2% impacted by Booztlet.com not selling in Norway. The increase in Rest of Europe of 92.3% was driven by an increasing consumer appetite towards Nordic fashion brands and an increase in online marketing spending compared to the year-earlier period. There has been no change in the marketing strategy outside the Nordics, as it remains online marketing only.

For the first 6 months net revenue growth in Denmark was 25.8%, while Sweden grew 21.9% negatively impacted by consumers holding back on spending. Finland grew 25.3% and Norway grew 18.7% impacted by Booztlet.com not selling in Norway. The increase in Rest of Europe was 101%.

Net revenue - geographical split

SEK million	Apr 1 - Jun 30, 2019	Apr 1 - Jun 30, 2018	Change	Jan 1 - Jun 30, 2019	Jan 1 - Jun 30, 2018	Change
NET REVENUE						
Sweden	315.2	255.7	23.3%	553.0	453.5	21.9%
Denmark	317.8	260.3	22.1%	555.0	441.3	25.8%
Norway	130.3	110.3	18.2%	240.5	202.7	18.7%
Finland	67.2	52.9	26.9%	128.6	102.6	25.3%
Rest of Europe	68.3	35.5	92.3%	133.9	66.6	101%
TOTAL Net revenue	898.7	714.7	25.7%	1,611.0	1,266.6	27.2%

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 June 30, 2018. The second quarter refers to the period April – June 2019.

Gross profit

The gross profit increased with 21.0% to SEK 365.5 million (302.1) during the quarter. The gross margin decreased to 40.7% (42.0%).

The decrease in gross margin was driven by elevated promotional activities to ensure a continuously healthy stock composition in a market affected by high inventory levels, partly as a consequence of the late start to the summer in the Nordics compared to last year. An increased level of campaign stock helped mitigate some of the pressure on gross margin.

Also, strong growth in the categories Sport, Beauty and Kids with lower gross margin than fashion had a negative impact.

For the first six months gross profit increased with 22.2% to SEK 635.3 million (520.1). The gross margin decreased to 39.4% (40.8%).

The decrease in gross margin was driven by elevated promotional activities to ensure a continuously healthy stock composition in a market affected by high inventory levels. The first quarter was impacted by late start to the autumn/winter 2018 season which continued to impact the market throughout the winter months, while the second quarter was negatively impacted by a late start to the summer in the Nordics compared to last year.

EBIT

EBIT increased to SEK 48.9 million (34.1) in the second quarter, while the EBIT margin increased 0.7 percentage point to 5.4% (4.8%).

The decline in the gross margin was more than offset by a lower marketing cost ratio. The marketing cost ratio decreased to 8.6% (12.7%) driven by lower customer acquisition costs and a reduced spending in a campaign intensive June.

The fulfilment cost ratio increased to 13.7% (13.4%). Excluding IFRS 16 depreciation impact the fulfilment cost ratio increased around 1 percentage point. The increase was driven by costs related to the build out, implementation and live testing of our new internally developed robot management system, which will improve the control of the robots in the fulfilment centre compared to the existing system. Also, a slight inflation on overall distribution costs impacted the fulfilment cost ratio. The admin & other cost ratio increased to 9.7% (9.6%). Excluding IFRS 16 depreciation impact the admin & other cost ratio increased around 1.4 percentage point. Admin & other costs were impacted by higher personnel costs driven by a strengthening of the personnel teams around Booztlet.com and the categories Beauty, Sports and Kids, higher other operating costs and increased rent following the HQ move in Q2 2019. This was partly offset by lower social charges related to the Group's warrant program 2015/2025.

The loss in the physical stores of SEK -8.6 million (-4.9), which was driven by the Beauty by Boozt store in Copenhagen and one-off costs (including write-downs) of SEK 4.9 million related to the closing of the Beauty by Boozt store in Roskilde, had a negative impact on EBIT compared to last year.

EBIT was negatively impacted by other operating costs of SEK -2.8 million from exchange rate losses and gains on foreign currency exposure to cash, receivables and payables compared to a positive impact last year of SEK 1.7 million. This impacts the admin & other cost ratio as this includes other operating income and other operating cost, hence impacting the admin & other cost negatively with SEK 4.5 million.

For the first six months EBIT increased to SEK 27.9 million (27.7), while the EBIT margin decreased 0.5 percentage point to 1.7% (2.2%). Compared to last year the EBIT margin was negatively impacted by 0.6 percentage point (SEK 9.4 million) from the loss-making Beauty by Boozt physical stores. The EBIT margin was also negatively

impacted by lower gross margin, higher distribution costs and higher personnel costs, which was partly offset by a lower marketing cost ratio as customer acquisition costs decreased. All operating cost ratios were negatively impacted by a lower average order value driven by the elevated return level in the first quarter.

Adjusted EBIT

Adjusted EBIT amounted to SEK 47.1 million (35.0) in the second quarter. The adjusted EBIT margin increased 0.4 percentage point to 5.2% (4.9%). The adjustment consists of social charges related to the Group's warrant program 2015/2025 of SEK 6.9 million (-0.3). The reserve for social charges fluctuates between periods since it, among other things, is affected by the share price of the company and the probability of number of vested warrants. Included in this adjustment is cost for share-based payments related to the warrant program of SEK -0.2 million (-0.5). The adjustment also consists of one-off costs affecting comparability related to the closure of the smaller Beauty by Boozt store in Roskilde of SEK 4.9 million.

For the first six months adjusted EBIT amounted to SEK 35.8 million (30.8). The adjusted EBIT margin decreased 0.2 percentage point to 2.2% (2.4%). Compared to last year the adjusted EBIT margin was negatively impacted by 0.3 percentage point (SEK 4.4 million) from the loss-making Beauty by Boozt physical stores.

The adjustment consists of social charges related to the Group's warrant program 2015/2025 of SEK -2.6 million (-2.0) and cost for share-based payments related to the warrant program of SEK -0.4 million (-1.1). The adjustment also includes one-off costs affecting comparability related to the closure of the smaller Beauty by Boozt store in Roskilde of SEK 4.9 million.

IFRS 16 implementation

Following implementation of IFRS 16 the operating cost and depreciation ratios are compiled differently from last year as leased assets are reported on the balance sheet as right-of-use assets and lease liabilities. More information can be found in the 2018 Annual Report (note 2).

Financial items

The Group's financial costs amounted to SEK -2.6 million (-2.3) and financial income amounted to SEK -0.0 million (1.6) in the quarter. The second quarter last year was impacted by changes in fair value of the Group's derivatives, while no derivatives were held this year.

The financial items are attributable to interests on interest bearing liabilities as well as changes in fair value of the Group's derivatives.

Net financial items amounted to SEK -2.6 million (-0.7).

For the first six months financial costs amounted to SEK -5.0 million (-9.6) and financial income amounted to SEK -0.0 million (1.6). Net financial items amounted to SEK -5.0 million (-8.1).

See note 3 for information on IFRS 16 impact on financial items.

Tax

Tax amounted to SEK -13.2 million compared to SEK -9.2 million in the second 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.

For the first six months tax amounted to SEK -10.0 million compared to SEK -6.7 million last year.

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

Net profit

The net result for the quarter totaled SEK 33.1 million (24.2). Earnings per share amounted to SEK 0.58 (0.43). Earnings per share after dilution amounted to SEK 0.58 (0.42).

For the first six months the net result totaled SEK 12.9 million (12.9). Earnings per share amounted to SEK 0.23 (0.23). Earnings per share after dilution amounted to SEK 0.22 (0.22).

Working capital

The Group realised a net working capital of SEK 349.0 million (126.4) equivalent to 11.2% (5.3%) of the net revenue for the last twelve months. The increase in net working capital is primarily from lower accounts payable. Due to lower inventory turnover of the campaign stock bought late 2018, less campaign stock was bought during the Spring/Summer 2019 season compared to last year. This means a lower share of the current inventory is financed by our suppliers. The ratio of campaign goods in the inventory is unchanged compared to last year indicating a healthy inventory mix, although the campaign goods has a slightly higher maturity. Further, accounts receivable is considerably higher as the quarter ends on a Sunday, which traditionally is a high revenue weekday thus lowering the cash position of approximately SEK 50 million. Also, the Group has accrued income of approximately SEK 20 million in reverse customs from returns in Norway. Together these factors increase the working capital exposure.

Cash flow

Cash flow from operating activities amounted to SEK 99.9 million (133.9). The decrease was driven by changes in working capital partly offset by higher operating profit. Cash flow from changes in working capital amounted to SEK 31.5 million (87.4) impacted by higher inventories driven by a higher level of campaign stock (both autumn/winter 2018 items, spring/summer 2019 items and never-out-of-stock items) and lower account payables.

Cash flow from investing activities amounted to SEK -27.7 million (-17.7) driven by the initiation of the phase three AutoStore expansion in the fulfilment centre.

Cash flow from financing activities amounted to SEK -9.6 million (5.6) in the quarter and was attributable to new loans and repayments according to plan related to the

automation of the fulfilment centre and a change in the lease liability from implementation of IFRS 16 partly offset by a new loan related to the AutoStore expansion.

Cash flow for the quarter amounted to SEK 62.6 million (121.8).

For the first six months cash flow amounted to SEK -33.1 million (91.6). Cash flow from operating activities decreased to SEK 44.9 million (126.2) driven by the increase in working capital.

Financial position

Total assets increased to SEK 2,166.1 million (1,593.3) driven by higher fixed assets from implementation of IFRS 16 but also a 29% increase in inventory value.

Fixed assets increased to SEK 617.9 million (147.8). The increase was driven by the implementation of IFRS 16 resulting in a right of use asset of SEK 443.2 million (and corresponding lease liabilities). The right of use asset is primarily made up of leasing contracts relating to the premises for the fulfilment centre in Ängelholm (equivalent to around 70% of the total lease liability), the headquarter in Hyllie and the physical retail stores. In addition, the Group has identified other essential lease agreements regarding cars, trucks and machines. Equipment increased compared to last year due to investments made in the Group's fulfilment centre.

Deferred tax assets decreased to SEK 63.5 million (85.7) and consist of capitalised tax losses carried forward.

Other receivables increased to SEK 63.1 million (10.2) as the period ended on a Sunday, which meant a high share of the receivables from the weekend sale were not received in June.

Total equity and liabilities increased to SEK 2,166.1 million (1,593.3) driven primarily by non-current liabilities from implementation of IFRS 16.

Development by segment



Boozt.com

SEK million unless otherwise indicated	Apr 1 - Jun 30, 2019	Apr 1 - Jun 30, 2018	Change	1 jan - Jun 30, 2019	1 jan - Jun 30, 2018	Change
Boozt.com						
Net revenue	831.7	688.3	20.8%	1,492.2	1,215.3	22.8%
EBIT	50.1	36.6	36.8%	30.5	28.1	8.8%
EBIT margin (%)	6.0%	5.3%	0.7 pp	2.0%	2.3%	-0.3 pp
Adjusted EBIT	43.8	37.4	17.0%	33.3	31.1	7.3%
Adjusted EBIT margin (%)	5.3%	5.4%	-0.2 pp	2.2%	2.6%	-0.3 pp
Site visits (000)	32,438	26,560	22.1%	63,467	51,519	23.2%
No. of orders (000)	1,042	869	19.9%	1,896	1,507	25.8%
Conversion rate (%)	3.21%	3.27%	-0.06 pp	2.99%	2.93%	0.06 pp
True frequency	7.7	7.2	6.3%	7.7	7.2	6.3%
Average order value (SEK)	801	801	-	789	810	-2.7%
Active customers (000)	1,512	1,185	27.6%	1,512	1,185	27.6%
No. of orders per active customer	2.43	2.42	0.6%	2.43	2.42	0.6%

Rounding differences may affect the summations. See Note 2 for additional information.

Net revenue

Net revenue increased with 20.8% to SEK 831.7 million (688.3) in the quarter supported by a positive impact of around 1 percentage point from currency. For the first six months net revenue increased with 22.8% to SEK 1,492.2 million (1,215.3) supported by a positive impact of around 1 percentage point from currency.

The challenging market situation with high inventory levels required elevated promotional activities to secure the growth and maintain a healthy stock composition. Sport and Beauty grew the strongest, also negatively impacting gross margin as both categories have lower gross margin than fashion.

Average order value was unchanged at SEK 801 (801) for the quarter as higher gross average order value was offset by slightly higher returns since existing customers, who has a higher return rate than new customers, represents a larger share of the net revenue.

New customer intake was higher than last year despite lower marketing spend in the quarter. The decrease in marketing spend is explained by lower customer acquisition costs and reduced spending in a campaign intensive June.

New customer intake was higher than last year despite not increasing the marketing spend in the quarter. True

frequency developed positively with an increase to 7.7 (7.2). Customer satisfaction continued at a high level as shown by a Trustpilot score of 9.2 (9.2) and a NPS score of 72 (71).

EBIT & Adjusted EBIT

EBIT increased to SEK 50.1 million (36.6) for the quarter, and the EBIT margin increased 0.7 percentage point to 6.0% (5.3%). Lower gross margin was more than offset primarily by a lower marketing cost ration driven by lower customer acquisition costs and a reduced marketing spending in a campaign intensive June.

Adjusted EBIT increased to SEK 43.8 million (37.4), while the adjusted EBIT margin decreased to 5.3% (5.4%). The adjustment relates to social charges related to the Group's 2015/2025 warrant program.

For the first six months EBIT increased to SEK 30.5 million (28.1), and the EBIT margin decreased 0.3 percentage point to 2.0% (2.3%). Adjusted EBIT increased to SEK 33.3 million (31.1), while the adjusted EBIT margin decreased to 2.2% (2.6%). The lower adjusted EBIT margin was primarily driven by lower gross margin which was partly offset by a lower marketing cost ratio driven by leverage on marketing costs.

SEK million	Apr 1 - Jun 30, 2019	Apr 1 - Jun 30, 2018	Change	Jan 1 - Jun 30, 2019	Jan 1 - Jun 30, 2018	Change
Boozt.com - Net revenue						
Sweden	292.0	246.7	18.4%	512.1	435.1	17.7%
Denmark	282.9	244.4	15.7%	493.1	411.7	19.8%
Norway	130.3	110.3	18.2%	240.5	202.7	18.7%
Finland	63.6	51.5	23.7%	121.8	99.3	22.7%
Rest of Europa	62.9	35.5	77.2%	124.7	66.5	87.5%
TOTAL Net revenue	831.7	688.3	20.8%	1,492.2	1,215.3	22.8%

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	Apr 1 - Jun 30, 2019	Apr 1 - Jun 30, 2018	Change	1 jan - Jun 30, 2019	1 jan - Jun 30, 2018	Change
Booztlet.com						
Net revenue	58.0	22.7	156%	103.5	45.0	130%
EBIT	7.4	2.4	211%	11.0	6.2	76.6%
EBIT margin (%)	12.8%	10.6%	2.3 pp	10.7%	13.9%	-3.2 pp
Adjusted EBIT	7.0	2.4	191%	11.2	6.4	76.2%
Adjusted EBIT margin (%)	12.1%	10.7%	1.5 pp	10.8%	14.1%	-3.3 pp
Site visits (000)	3,777	1,861	103%	6,667	3,437	94.0%
No. of orders (000)	96	37	158%	166	70	138%
Conversion rate (%)	2.53%	1.99%	0.54 pp	2.49%	2.03%	0.46 pp
Average order value (SEK)	615	619	-0.7%	630	652	-3.4%

Rounding differences may affect the summations. See Note 2 for additional information.

Net revenue

Net revenue increased with 156% to SEK 58.0 million (22.7) in the quarter and was attributable to an increased focus on attracting new customers in the off-price segment (customers with a high interest in discounted goods) as well as providing incentives for active Booztlet.com customers to increase their buying frequency.

Denmark, Sweden and Finland all had strong growth and compared to last year Booztlet.com was also marketed outside the Nordics.

For the first six months net revenue increased with 130% to SEK 103.5 million (45.0).

EBIT & Adjusted EBIT

EBIT increased to SEK 7.4 million (2.4), while the EBIT margin increased to 12.8% (10.6%) for the quarter. The

increase is driven by higher gross margin, partly offset by higher marketing costs as the building of the Booztlet.com brand has been accelerated compared to the same period last year.

Adjusted EBIT increased to SEK 7.0 million (2.4), while the adjusted EBIT margin increased to 12.1% (10.7%). The adjustment relates to social charges related to the Group's 2015/2025 warrant program.

For the first six months EBIT increased to SEK 11.0 million (6.2), while the EBIT margin decreased to 10.7% (13.9%). Adjusted EBIT increased to SEK 11.2 million (6.4), while the adjusted EBIT margin decreased to 10.8% (14.1%). The decrease in the EBIT and the adjusted EBIT margin is a result of the increased relative marketing spend for the Booztlet.com in order to support the accelerated growth of this segment.

SEK million	Apr 1 - Jun 30, 2019	Apr 1 - Jun 30, 2018	Change	Jan 1 - Jun 30, 2019	Jan 1 - Jun 30, 2018	Change
Booztlet.com - Net revenue						
Sweden	23.2	9.0	158%	40.9	18.3	123%
Denmark	25.9	12.2	112%	46.6	23.2	100%
Norway	-	-	-	-	-	-
Finland	3.5	1.5	144%	6.8	3.3	103%
Rest of Europe	5.4	0.0	1,984%	9.2	0.1	11,065%
TOTAL Net revenue	58.0	22.7	156%	103.5	45.0	130%

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

Other

SEK million unless otherwise indicated	Apr 1 - Jun 30, 2019	Apr 1 - Jun 30, 2018	Change	1 jan - Jun 30, 2019	1 jan - Jun 30, 2018	Change
Other						
Net revenue	9.0	3.7	141%	15.3	6.3	143%
EBIT	-8.6	-4.9	-75.6%	-13.6	-6.6	-107%
EBIT margin (%)	-95.2%	-131%	35.7 pp	-89.0%	-105%	15.5 pp
Adjusted EBIT	-3.7	-4.9	24.7%	-8.7	-6.6	-32.4%
Adjusted EBIT margin (%)	-40.8%	-131%	90.1 pp	-57.0%	-105%	47.5 pp

Rounding differences may affect the summations. See Note 2 for additional information.

Net revenue

Net revenue increased with 141% to SEK 9.0 million (3.7) in the quarter. The increase is mainly attributable to the opening of the new offline Beauty by Boozt store in Copenhagen in June 2018.

For the first six months net revenue increased with 143% to SEK 15.3 million (6.3).

EBIT and Adjusted EBIT

EBIT decreased to SEK -8.6 million (-4.9) in the quarter. The negative result is driven by one-off costs of SEK 4.9 million related to the closure of the Beauty by Boozt store in Roskilde together with costs related to the Beauty by Boozt store in Copenhagen which opened in June 2018. This was partly offset by a positive development in the Booztlet store. The Beauty by Boozt store in Copenhagen continued to be under pressure from low revenue and high costs driven by rent and staff, although showing sequential improvements.

Adjusted EBIT improved to SEK -3.7 million (-4.9) in the quarter. The adjustment consists of one-off costs including write-downs related to the closure of the Beauty by Boozt store in Roskilde, Denmark.

For the first six months EBIT decreased to SEK -13.6 million (-6.6) and adjusted EBIT decreased to SEK -8.7 million (-6.6).

Limiting exposure to physical retail

The first Beauty by Boozt store opened in Roskilde, Denmark in December 2016 and served the purpose of strengthening the relationship with the beauty brands helping build a strong offering online on Boozt.com. As the new larger store in Copenhagen can serve that purpose alone, the store in Roskilde was closed by the end of the second quarter 2019. This resulted in one-off costs of SEK 4.9 million, in line with previous communication in Q1 2019 of around SEK 5 million.

SEK million	Apr 1 - Jun 30, 2019	Apr 1 - Jun 30, 2018	Change	Jan 1 - Jun 30, 2019	Jan 1 - Jun 30, 2018	Change
Other - Net revenue						
Sweden	-	-	-	-	-	-
Denmark	9.0	3.7	141%	15.3	6.3	143%
Norway	-	-	-	-	-	-
Finland	-	-	-	-	-	-
Rest of Europe	-	-	-	-	-	-
TOTAL Net revenue	9.0	3.7	141%	15.3	6.3	143%

The segment Other includes the Group's physical retail stores. This includes the Group's physical retail outlet, Booztlet, which is a last resort for clearance of unsold inventory from the online business. The segment also includes the two physical retail stores Beauty by Boozt (of which one was closed in Q2 2019). 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 second quarter

Beauty by Boozt store in Roskilde closed

The first Beauty by Boozt store opened in Roskilde, Denmark in December 2016 and served the purpose of strengthening the relationship to the beauty brands helping build a strong offering online on Boozt.com. As the new larger store in Copenhagen can serve that purpose alone, the store in Roskilde was closed by the end of the second quarter.

Events after the reporting date

Acquisition of Touchlogic and inauguration of Boozt Innovation Lab

Boozt AB has signed an agreement to acquire 100% of the shares in Touchlogic. Touchlogic is an app and mobile web development company based out of Copenhagen, Denmark with 11 developers. Touchlogic will strengthen our current front-end capabilities regarding app and mobile web and enable an acceleration of the development as well as foster further innovation regarding app usability and functionality. The offices of Touchlogic will also serve as the home of the new Boozt Innovation Lab, which will be separated from the daily operations. The focus will be on developing innovative tools and applications to stay in the forefront of meeting the increasing expectations from customers and partners as well as improving the internal workflows. The purchase price, that includes a three year earn-out, is expected to be around SEK 10 million. Closing of the transaction is expected to take place in October 2019.

Change to Group Management

After almost 9 years with Boozt, CFO and co-founder Allan Junge Jensen has decided to pursue a career outside of Boozt, preferably in a role with more commercial responsibility. Allan will leave his position at Boozt by the end of January 2020. A process to identify his replacement will be initiated.

Employees

Number of employees was 359 (304) at the end of the period equivalent to an increase of 18%, driven by a strengthening of the teams around the categories Sport, Beauty, Kids and Booztlet.com. The average number of employees was 319 (238) for the quarter equivalent to an increase of 34%. The average number of employees in the second quarter of 2018 was impacted by the Beauty by Boozt store in Copenhagen not opening until June 2018.

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 (new address as of May 1, 2019).

Net revenue of the parent company amounted to SEK 10.3 million (9.5) during the quarter. The parent company has invoiced fees for management services in accordance with the Group's intra company agreements to other Group companies during the quarter. Costs for the period are mainly attributable to costs related to salaries for Group Management and remuneration to the Board of Directors.

The result for the quarter totaled SEK 1.6 million (-1.5).

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 recognizable risk for the Group's ability to continue as a going concern. All identified risks as well as the risk management process are described in the Group's Annual Report.

Related party transactions

In the quarter there were no transactions classified as related party transactions.

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 was 102,407 shares per day during the second quarter. As per June 30, 2019 the company had approximately 4,300 shareholders, whereof the largest shareholders were Sampension (9.7%), ATP (8.5%), Ruane, Cunniff & Goldfarb (8.4%), Oppenheimer (6.6%), Ferd (6.3%) and Verdane Capital (5.4%).

The total number of shares at the end of the reporting period amounted to 57,082,433, with a quota value of SEK 0.0833 per share. From the 2015/2025 warrant program 205,500 warrants were outstanding at the end of the reporting period. Each warrant in the 2015/2025 gives a right to purchase 12 shares, meaning a total of 2,460,000 shares. From the 2018/2021 warrant program 1,137,347 warrants were outstanding at the end of the period. Each warrant in the 2018/2021 gives a right to purchase 1 share, meaning a total of 1,113,347 shares.

There is one class of shares in Boozt AB (publ). There are

no shares with special rights or preferences. Beyond shares, the Company has issued warrants (right to acquire shares under specific terms and conditions).

All shares in the Company are listed.

The market value for the Company as per June 30, 2019 amounted to SEK 2,911 million.

Warrant program 2015/2025

By end of second quarter 2019 the outstanding number of warrants in program 2015/2025 are 141,545 of which 72,310 is vested as per the end of the second quarter. In addition, the Group has 63,954 warrants in own portfolio, to offset any cash flow impact of the exercise of warrants. However, the Group has not utilized any warrants in own portfolio to offset the cash flow impact from social charges on warrants exercise.

For more information on the warrant program 2015/2025 please see the annual report 2018.

Warrant program 2018/2021

The Annual General Meeting on 27 April 2018 in Boozt AB (publ) resolved on a long-term incentive program by way of a directed issue of warrants to a wholly owned subsidiary and approval of transfer of warrants from the subsidiary to group management and key employees (the "Warrants Program 2018/2021"). In accordance with the terms and conditions for Warrants Program 2018/2021, the subsidiary has subscribed for and transferred a total of 1,137,347 warrants to group management and key employees. Each warrant in Warrants Program 2018/2021 entitles to subscription of one share in the company at a subscription price of SEK 96.31 corresponding to 126 per cent of the volume weighted average price according to Nasdaq Stockholm's official price list for shares in the company during the period as from 18 May 2018 to and including 24 May 2018. Subscription of shares by virtue of the warrants may be affected as from 1 June 2021 up to and including 14 June 2021. The transfer of the warrants to the participants in Warrants Program 2018/2021 has been made at a price per warrant of SEK 9.18, corresponding to the fair market value of a warrant as of 31 May 2018 as established by Öhrlings Pricewaterhouse Coopers AB in accordance

with the Black Scholes formula. Hence no IFRS 2 cost will affect the Group, and no provisions will be made for social charges.

More information can be found on www.booztfashion.com.

LTI program 2019/2022

The Extraordinary Annual General Meeting on 24 June 2019 in Boozt AB (publ) resolved on a long-term incentive program by way of approval of transfer of performance shares to group management and key employees (the "LTI Program 2019/2022"). The LTI Program 2019/2022 entitles the company's CEO, Group Management and key employees to receive shares in the company at a subscription price of SEK 0.00 if certain performance measures are met at the end of the performance period 31 December 2021. The vesting takes place 24 June 2022, where after the performance shares can be distributed to the participants in the program. The maximum number of performance shares that can be distributed to the participants are 406,994. The LTI program 2019/2022 is classified as an IFRS 2 program, whereas the costs associated with the program will be distributed over the period from July 2019 until the end of June 2022. In addition, the Group will account for provisions for social charges during the expected lifetime of the LTI program.

More information can be found on www.booztfashion.com.

Annual General Meeting

The Annual General Meeting was held in Malmö on May 10, 2019.

At the Annual General Meeting, the board of directors withdrew its proposal for resolution on implementation of a long-term incentive program for the company's CEO, Management and key employees (item 16 on the agenda). All remaining resolutions were passed with the required majority. In accordance with the proposal from the Nomination Committee Henrik Theilbjørn, Jón Björnsson, Kent Stevens Larsen, Cecilia Lannebo and Bjørn Folmer Kroghsbo are re-elected as ordinary board members. Luca Martinez was elected as new ordinary board member. Henrik Theilbjørn was re-elected as Chairman of the board. Jimmy Fussing Nielsen, Staffan Mörndal and Charlotte Svensson had declined re-election as board members.

More information can be found on www.booztfashion.com.

Extraordinary Annual General Meeting

The Extraordinary Annual General Meeting was held in Malmö on June 24, 2019.

All resolutions were adopted with the required majority. The extraordinary general meeting resolved, in accordance with the proposal from the board of directors, to implement a long-term incentive program in the form of a performance-based share program for the company's CEO, Group Management and key employees ("LTI 2019"). In order to secure the company's delivery of Performance Shares to the participants under LTI 2019, the extraordinary general meeting also resolved (i) to amend the company's Articles of Association, meaning that a new share class, series C shares, is incorporated in the Articles of Association in order to enable issuance of series C shares under LTI 2019.

More information can be found on www.booztfashion.com.

Outlook

The outlook for the Group is unchanged compared to the Q1 report. The Group expects net revenue growth for 2019 of above 27%. The adjusted EBIT margin is expected to improve from 2018. The Other segment is expected to have a negative impact on adjusted EBIT of around SEK 15 million in 2019 (SEK 20 million including one-off costs from closure of the Beauty by Boozt store in Roskilde as previously communicated). The outlook assumes constant currencies from the time of the announcement on February 21, 2019 and for the remainder of the financial year.

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

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

Consolidated income statement

SEK million unless otherwise indicated	Note	Apr 1 - Jun 30, 2019	Apr 1 - Jun 30, 2018	Jan 1 - Jun 30, 2019	Jan 1 - Jun 30, 2018	Rolling 12 months
OPERATING INCOME						
Net revenue	2	898.7	714.7	1,611.0	1,266.6	3,128.5
Other operating income		-	1.7	-	3.7	-
Total operating income	2	898.7	716.3	1,611.0	1,270.3	3,128.5
OPERATING COSTS						
Goods for resale		-533.1	-414.2	-975.8	-750.2	-1,896.5
Other external costs		-235.4	-213.3	-442.5	-390.7	-886.6
Cost of personnel		-49.6	-43.2	-109.0	-79.1	-187.0
Depreciation and impairment losses		-28.7	-11.5	-53.2	-22.5	-79.8
Other operating costs		-2.8	-	-2.6	-	-10.4
Total operating costs		-848.7	-682.2	-1,583.1	-1,242.6	-3,060.2
OPERATING PROFIT/LOSS (EBIT)	2	48.9	34.1	27.9	27.7	68.3
FINANCIAL INCOME AND EXPENSES						
Financial income	3	-0.0	1.6	-0.0	1.6	2.8
Financial expenses	3	-2.6	-2.3	-5.0	-9.6	-6.2
Net financial items		-2.6	-0.7	-5.0	-8.1	-3.4
PROFIT/LOSS BEFORE TAX	2	46.3	33.4	22.9	19.7	64.9
Income tax		-13.2	-9.2	-10.0	-6.7	-22.3
PROFIT/LOSS FOR THE PERIOD		33.1	24.2	12.9	12.9	42.6
Effective tax rate		-28.5%	-27.6%	-43.5%	-34.3%	-34.3%
ATTRIBUTABLE TO:						
Parent company's shareholders		33.1	24.2	12.9	12.9	42.6
Average number of shares (000)		57,082	56,338	57,082	56,338	56,978
Average number of shares after dilution (000)		57,596	57,677	57,740	57,692	57,748
Earnings per share (SEK)		0.58	0.43	0.23	0.23	0.75
Earnings per share after dilution (SEK)		0.58	0.42	0.22	0.22	0.74

Rounding differences may effect the summations.

Consolidated statement of comprehensive income

SEK million	Apr 1 - Jun 30, 2019	Apr 1 - Jun 30, 2018	Jan 1 - Jun 30, 2019	Jan 1 - Jun 30, 2018	Rolling 12 months
PROFIT/LOSS FOR THE PERIOD	33.1	24.2	12.9	12.9	42.6
ITEMS THAT MAY BE RE-CLASSIFIED TO THE INCOME STATEMENT:					
Translation differences	0.0	-0.1	0.1	-0.0	0.3
Total earnings after tax	33.2	24.1	13.0	12.9	42.9
TOTAL COMPREHENSIVE PROFIT/LOSS FOR THE PERIOD	33.2	24.1	13.0	12.9	42.9
ATTRIBUTABLE TO					
Parent company's shareholders	33.2	24.1	13.0	12.9	42.9

Rounding differences may effect the summations.

Consolidated statement of financial position

SEK million	Note	Jun 30, 2019	Jun 30, 2018	Dec 31, 2018
ASSETS				
Non-current assets				
Intangible assets				
Web platform	4	52.3	28.5	40.4
		52.3	28.5	40.4
Tangible assets				
Right of use asset		443.2	-	-
Machinery and equipment	4	174.7	147.8	176.2
		617.9	147.8	176.2
Financial assets				
Deposits	3	12.6	12.4	12.3
Deferred tax asset		63.5	85.7	73.4
		76.1	98.1	85.7
Total non-current assets		746.2	274.5	302.2
Current assets				
Inventory		947.7	735.3	984.9
Accounts receivable	3	3.3	9.6	26.6
Other receivables	3	63.1	10.2	110.8
Current tax assets		0.7	0.4	0.6
Prepaid expenses and accrued income		69.8	41.6	40.1
Cash and cash equivalents	3	335.3	521.8	368.3
Total current assets		1,419.9	1,318.9	1,531.2
TOTAL ASSETS		2,166.1	1,593.3	1,833.5
EQUITY AND LIABILITIES				
Equity				
Share capital		4.8	4.7	4.8
Other capital contributions		1,161.4	1,135.9	1,161.1
Reserves		0.4	0.1	0.3
Retained earnings including profit for the period		-282.8	-325.4	-295.7
Equity attributable to parent company shareholders		883.8	815.3	870.4
Non-current liabilities				
Interest bearing liabilities	3	67.4	62.1	75.0
Lease liabilities		400.0	-	-
Other provisions		6.8	23.1	4.3
Total non-current liabilities		474.2	85.1	79.3
Current liabilities				
Interest bearing liabilities	3	25.1	19.4	35.5
Lease liabilities		47.3	-	-
Accounts payables	3	383.4	420.8	521.2
Other liabilities	3	89.1	58.2	86.8
Derivatives	3	-	2.8	-
Accrued expenses and prepaid income		263.1	191.7	240.3
Total current liabilities		808.1	692.9	883.8
Total liabilities		1,282.3	778.0	963.0
TOTAL EQUITY AND LIABILITIES		2,166.1	1,593.3	1,833.5

Rounding differences may affect the summations.

Consolidated statement of changes in equity

SEK million	Share capital	Other capital contributions	Reserves	Profit brought forward incl. profit/loss for the year	Total equity attributable to parent company shareholders
Equity brought forward Jan 1, 2018	4.7	1,124.3	0.1	-338.3	790.8
Profit for the period	-	-	-	12.9	12.9
Other comprehensive income	-	-	-0.0	-	-0.0
COMPREHENSIVE PROFIT/LOSS FOR THE PERIOD	-	-	-0.0	12.9	12.9
Sell of shares in own portfolio	-	10.4	-	-	10.4
Share based compensation	-	1.1	-	-	1.1
Total transactions with owners	-	11.6	-	-	11.6
Equity carried forward Jun 30, 2018	4.7	1,135.9	0.1	-325.4	815.3

Rounding differences may effect the summations.

SEK million	Share capital	Other capital contributions	Reserves	Profit brought forward incl. profit/loss for the year	Total equity attributable to parent company shareholders
Equity brought forward Jan 1, 2019	4.8	1,161.1	0.3	-295.7	870.4
Profit for the period	-	-	-	12.9	12.9
Other comprehensive income	-	-	0.1	-	0.1
COMPREHENSIVE PROFIT/LOSS FOR THE PERIOD	-	-	0.1	12.9	13.0
Share based compensation	-	0.4	-	-	0.4
Total transactions with owners	-	0.4	-	-	0.4
Equity carried forward Jun 30, 2019	4.8	1,161.4	0.4	-282.8	883.8

Rounding differences may effect the summations.

Consolidated statement of cash flow

SEK million	Note	Apr 1 - Jun 30, 2019	Apr 1 - Jun 30, 2018	Jan 1 - Jun 30, 2019	Jan 1 - Jun 30, 2018	Rolling 12 months
CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL						
Operating profit		48.9	34.1	27.9	27.7	68.3
Adjustments for non-cash items:						
Non-cash remuneration from share based payments (social charges)		-6.9	0.3	2.6	2.0	-16.2
Non-cash remuneration from share based payments		0.2	0.5	0.4	1.1	0.9
Depreciation		28.7	11.5	53.2	22.5	79.8
Other items not included in cash flow		0.3	0.6	0.2	-0.1	1.0
Interest paid		-2.6	-0.6	-5.0	-1.2	-6.2
Paid income tax		-0.2	-0.1	-0.1	0.0	-0.3
CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL		68.4	46.5	79.1	52.1	127.2
CASH FLOW FROM CHANGES IN WORKING CAPITAL						
Changes in inventory		145.7	2.5	37.2	-108.7	-212.3
Changes in current assets		-32.3	29.7	41.3	37.7	-74.9
Changes in current liabilities		-81.9	55.2	-112.7	145.0	64.9
Cashflow from changes in working capital		31.5	87.4	-34.2	74.0	-222.3
CASH FLOW FROM OPERATING ACTIVITIES		99.9	133.9	44.9	126.2	-95.1
CASH FLOW FROM INVESTING ACTIVITIES						
Investments in fixed assets	4	-18.7	-10.5	-22.1	-11.8	-72.1
Change in financial assets	4	-0.2	-0.6	-0.3	-1.0	-0.2
Investments in intangible assets	4	-8.8	-6.7	-18.0	-12.6	-34.7
CASH FLOW FROM INVESTING ACTIVITIES	4	-27.7	-17.7	-40.4	-25.3	-107.0
CASH FLOW FROM FINANCING ACTIVITIES						
Share capital increases		-	10.4	-	10.4	24.7
New loans		7.0	-	7.0	-	58.6
Repayment of loans		-6.3	-4.8	-25.0	-19.7	-47.5
Change in lease liability		-10.3	-	-19.6	-	-19.6
CASH FLOW FROM FINANCING ACTIVITIES		-9.6	5.6	-37.6	-9.3	16.2
Cash flow for the period		62.6	121.8	-33.1	91.6	-185.9
Currency exchange gains/losses in cash and cash equivalents		-0.1	-0.3	0.0	0.6	-0.6
Cash and cash equivalents beginning of period		272.9	400.2	368.3	429.7	521.8
CASH AND CASH EQUIVALENTS END OF PERIOD		335.3	521.8	335.3	521.8	335.3

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 complete accounting principles will be disclosed in the annual report of 2019.

The accounting and measurement policies, as well as the assessment bases, applied in the 2018 Annual Report have also been applied in this quarterly report, with exception of what is described below

New or amended accounting standards that come into force in 2019 or later

IFRS 16 Leasing replaced IAS 17 as of January 1, 2019. Under the new standard, the majority of leased assets are reported in the balance sheet. The only exceptions are short-term and low-value leases. For the Group the implementation of IFRS 16 affected the financial statements as all leases in the Group are capitalized, i.e. an asset (the right to use the leased item) and a financial liability to pay rent are recognised. This have an effect on the total balance sheet and key ratios such as solidity. The contracts that have the greatest impact are leasing contracts relating to the premises for the fulfilment centre in Ängelholm (approximately 70% of the Group's lease liability), the headquarter in Hyllie and the physical

retail stores. In addition, the Group has identified smaller lease agreements with cars, trucks and minor machines which also are accounted under IFRS 16. For the second quarter in 2019, the value of the Group's "right use of asset" is SEK 443.2 Million.

Important estimates and assessments

For warrant program 2015/2025, a probability assessment of the proportion of warrant holders expected to fulfil the terms and conditions that gives them a right to exercise the issued warrants is performed at each reporting date. The assessment is thereby a factor in the calculation of the liability (social charges) and IFRS 2 cost for share based payments to employees for the period.

In IFRS 15 the accrual for customer returns is based on 90% of the realised returns (approximately 20 days into the month after closing) and an estimate to the last 10% of the total accrual.

The depreciation period for the automated warehouse system Autostore has been changed from January 1, 2019. The residual value as per January 1, 2019 will be linearly depreciated resulting in a total depreciation period of 10 years from the first day of capitalisation. Aluminum grid and boxes are depreciated over 10 years and the remaining components over 5 years. The operation of Autostore until today has shown that the durability and service life

Effect on implementation of IFRS 16

SEK million unless otherwise indicated	Opening balance Jan 1, 2019	Change YTD	Closing balance Jun 30, 2019	Change Q2	Reference	Explanation to change
Right of use asset	466.9	-23.7	443.2	-11.9	A	Depreciations
Lease liabilities (non current & current)	466.9	-19.6	447.3	-10.3	B	Lease installments
Financial expense - Interests (IFRS 16)	-	-4.0	-4.0	-2.3	C	Financial expense
Distributed fixed lease payments*	-23.5	23.5	-	12.6	D	External costs
Total Q2 effect on Operating profit (EBIT) (A+D)		-0.2		0.7	E	
Total Q2 effect on Result for the period (A+C+D)		-4.2		-1.5	F	
Total Q2 effect on Lease liabilities (-D-C)		-19.6		-10.3	G	
Total Q2 effect on Right of use asset (A)		-23.7		-11.9	H	
Reconciliation (F+G-H)		-		-		

To calculate the Total effect on the Group's consolidated financial statement please use the reference letter.

*Distributed fixed lease payments opening balance consist of leasing fees according to contract during Q2, 2019.

of aluminum grid and boxes is very good and exceeds the original assessment of 5 years. For robots and other components, the depreciation period of 5 years is retained.

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	Apr 1 - Jun 30, 2019	Apr 1 - Jun 30, 2018	Change	Jan 1 - Jun 30, 2019	Jan 1 - Jun 30, 2018	Change	Rolling 12 months
NET REVENUE							
Boozt.com	831.7	688.3	143.4	1,492.2	1,215.3	276.9	2,936.0
Booztlet.com	58.0	22.7	35.3	103.5	45.0	58.5	164.4
Other	9.0	3.7	5.3	15.3	6.3	9.0	28.0
TOTAL NET REVENUE	898.7	714.7	184.0	1,611.0	1,266.6	344.5	3,128.5
EBIT							
Boozt.com	50.1	36.6	13.5	30.5	28.1	2.5	78.6
Booztlet.com	7.4	2.4	5.1	11.0	6.2	4.8	16.9
Other	-8.6	-4.9	-3.7	-13.6	-6.6	-7.0	-27.2
TOTAL OPERATING PROFIT/LOSS	48.9	34.1	14.8	27.9	27.7	0.2	68.3
PROFIT/LOSS BEFORE TAX							
Boozt.com	47.6	35.9	11.7	25.8	20.3	5.5	75.4
Booztlet.com	7.3	2.4	4.9	10.7	6.0	4.7	16.7
Other	-8.6	-4.9	-3.7	-13.6	-6.6	-7.0	-27.2
PROFIT/LOSS BEFORE TAX	46.3	33.4	13.0	22.9	19.7	3.3	64.9

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 the two major segments share the assets and liabilities.

Note 3 – Financial instruments

Jun 30, 2018	Accounts receivables and loans receivables	Other financial liabilities	Financial assets measured at fair value via income statement	Total carrying amount	Fair value
Financial assets					
Deposits	12.4	-	-	12.4	12.4
Accounts receivables	9.6	-	-	9.6	9.6
Other receivables	10.2	-	-	10.2	10.2
Cash and cash equivalents	521.8	-	-	521.8	521.8
Total financial assets	553.9	-	-	553.9	553.9
Financial liabilities					
Liabilities to credit institutions	-	81.4	-	81.4	81.4
Accounts payables	-	420.8	-	420.8	420.8
Other liabilities	-	58.2	-	58.2	58.2
Derivatives	-	-	2.8	2.8	2.8
Total financial liabilities	-	560.4	2.8	563.2	563.2

Jun 30, 2019	Accounts receivables and loans receivables	Other financial liabilities	Financial assets measured at fair value via income statement	Total carrying amount	Fair value
Financial assets					
Deposits	12.6	-	-	12.6	12.6
Accounts receivables	3.3	-	-	3.3	3.3
Other receivables	63.1	-	-	63.1	63.1
Cash and cash equivalents	335.3	-	-	335.3	335.3
Total financial assets	414.3	-	-	414.3	414.3
Financial liabilities					
Liabilities to credit institutions	-	92.5	-	92.5	92.5
Accounts payables	-	383.4	-	383.4	383.4
Lease liabilities	-	447.3	-	447.3	447.3
Other liabilities	-	89.1	-	89.1	89.1
Total financial liabilities	-	1,012.3	-	1,012.3	1,012.3

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.

Derivative instruments

The fair value is calculated as defined for level 2 in IFRS 7. As per Q2 2019 the Group has no active derivative contracts.

Specification of net financial items

SEK million	Apr 1 - Jun 30, 2019	Apr 1 - Jun 30, 2018	Jan 1 - Jun 30, 2019	Jan 1 - Jun 30, 2018	Rolling 12 months
Interest income	-0.0	0.0	-0.0	0.0	-0.0
Financial income - derivatives	-	1.6	-	1.6	2.8
Interest expense	-0.4	-0.6	-1.0	-1.2	-2.2
Interest expense - IFRS 16	-2.3	-	-4.0	-	-4.0
Financial costs - derivatives	-	-1.8	-	-8.5	0.0
NET FINANCIAL ITEMS	-2.6	-0.7	-5.0	-8.1	-3.4

Note 4 - Investments

SEK million	Apr 1 - Jun 30, 2019	Apr 1 - Jun 30, 2018	Jan 1 - Jun 30, 2019	Jan 1 - Jun 30, 2018	Rolling 12 months
Acquisition of machinery and equipment (other capex)	-9.5	-9.7	-11.7	-10.8	-15.1
Acquisition of machinery and equipment (warehouse automation capex)	-9.2	-0.5	-11.0	-0.7	-52.6
Acquisition of machinery and equipment (warehouse capex)	-0.0	-0.2	0.6	-0.3	-4.3
	-18.7	-10.5	-22.1	-11.8	-72.1
Change in financial assets	-0.2	-0.6	-0.3	-1.0	-0.2
	-0.2	-0.6	-0.3	-1.0	-0.2
Acquisition of intangible assets (capitalised development costs, own personnel)	-4.1	-3.1	-8.2	-5.9	-16.4
Acquisition of intangible assets (other)	-4.8	-3.5	-9.7	-6.6	-18.3
	-8.8	-6.7	-18.0	-12.6	-34.7
CASH FLOW FROM INVESTMENTS	-27.7	-17.7	-40.4	-25.3	-107.0

Rounding differences may affect the summations.

Parent company income statement

SEK million	Apr 1 - Jun 30, 2019	Apr 1 - Jun 30, 2018	Jan 1 - Jun 30, 2019	Jan 1 - Jun 30, 2018
OPERATING INCOME				
Net revenue	10.3	9.5	16.2	23.2
Total operating income	10.3	9.5	16.2	23.2
OPERATING COSTS				
General expenses	-1.7	-1.6	-3.5	-3.6
Personnel costs	-6.6	-9.3	-20.2	-21.7
Total operating costs	-8.3	-10.9	-23.7	-25.4
OPERATING PROFIT	2.0	-1.5	-7.5	-2.2
FINANCIAL INCOME AND EXPENSES				
Financial income	-	-	-	-
Financial expenses	0.0	0.0	0.0	0.0
Net financial items	0.0	0.0	0.0	0.0
RESULT BEFORE TAX	2.0	-1.5	-7.5	-2.2
Income tax	-0.4	-0.1	1.6	0.1
PROFIT/LOSS FOR THE PERIOD	1.6	-1.5	-5.9	-2.2

Rounding differences may affect the summations.

Parent company statement of comprehensive income

SEK million	Apr 1 - Jun 30, 2019	Apr 1 - Jun 30, 2018	Jan 1 - Jun 30, 2019	Jan 1 - Jun 30, 2018
PROFIT/LOSS FOR THE PERIOD	1.6	-1.5	-5.9	-2.2
Other comprehensive income	-	-	-	-
TOTAL COMPREHENSIVE PROFIT/LOSS FOR THE PERIOD	1.6	-1.5	-5.9	-2.2

Rounding differences may affect the summations.

Parent company financial position

SEK million	Jun 30, 2019	Jun 30, 2018	31 dec, 2018
ASSETS			
Non-current assets			
Financial assets			
Shares in Group companies	747.3	747.3	747.3
Deferred tax asset	15.3	13.5	13.7
Total non-current assets	762.5	760.8	760.9
Current assets			
Short term receivables			
Other receivables	0.0	0.0	-
Receivables from Group companies	47.5	24.1	53.4
Current tax assets	0.1	-	-
Prepaid expenses and accrued income	0.2	0.3	0.1
Cash and cash equivalents	3.4	3.5	3.8
Total current assets	51.2	27.9	57.2
TOTAL ASSETS	813.7	788.7	818.2
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	4.8	4.7	4.8
	4.8	4.7	4.8
Unrestricted equity			
Share premium reserve	1,106.8	1,081.8	1,106.6
Retained earnings	-345.9	-343.1	-343.1
Net income for the period	5.9	-2.2	-2.8
	754.9	736.5	760.6
Total equity	759.7	741.2	765.4
LIABILITIES			
Non-current liabilities			
Other provisions	4.1	-	2.4
Total non-current liabilities	4.1	-	2.4
Current liabilities			
Accounts payables	0.0	0.0	0.3
Liabilities to Group companies	37.8	37.8	37.8
Other liabilities	3.0	1.7	2.6
Accrued expenses and prepaid income	9.1	7.9	9.7
Total current liabilities	49.9	47.4	50.3
TOTAL EQUITY AND LIABILITIES	813.7	788.7	818.2

Rounding differences may affect the summations.

Parent company changes in equity

SEK million	Share capital	Share premium reserve	Profit/loss brought forward	Total equity
Equity brought forward Jan 1, 2018	4.7	1,081.8	-343.1	743.4
Profit for the period	-	-	-2.2	-2.2
Other comprehensive income	-	-	-	-
COMPREHENSIVE PROFIT/LOSS FOR THE PERIOD	-	-	-2.2	-2.2
Total transactions with owners	-	-	-	-
Equity carried forward Jun 30, 2018	4.7	1,081.8	-345.3	741.2

Rounding differences may effect the summations.

SEK million	Share capital	Share premium reserve	Profit/loss brought forward	Total equity
Equity brought forward Jan 1, 2019	4.8	1,106.6	-345.9	765.4
Profit for the period	-	-	-5.9	-5.9
Other comprehensive income	-	-	-	-
COMPREHENSIVE PROFIT/LOSS FOR THE PERIOD	-	-	-5.9	-5.9
Share based compensation	-	0.2	-	0.2
Total transactions with owners	-	0.2	-	0.2
Equity carried forward Jun 30, 2019	4.8	1,106.8	-351.9	759.7

Rounding differences may effect the summations.

Audit

This report has not been the subject to a 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, August 15, 2019

HENRIK THEILBJØRN
Chairman of the Board

JÓN BJÖRNSSON
Board Member

BJØRN FOLMER KROGHSBO
Board Member

CECILIA LANNÉBO
Board Member

KENT STEVENS LARSEN
Board Member

LUCA MARTINEZ
Board Member

HERMANN HARALDSSON
Group CEO



Additional information

Information by quarter

Net revenue and EBIT by segment

SEK million unless otherwise indicated	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016
NET REVENUE												
Boozt.com	831.7	660.6	860.3	583.5	688.3	527.0	626.4	440.6	481.9	397.4	447.2	288.3
Booztlet.com	58.0	45.5	25.1	35.9	22.7	22.3	14.2	12.1	11.9	10.9	7.9	8.4
Other	9.0	6.3	7.1	5.6	3.7	2.6	3.5	2.3	2.3	12.9	12.2	15.5
NET REVENUE	898.7	712.4	892.5	625.0	714.7	551.9	644.2	454.9	496.1	421.1	467.3	312.3
OPERATING PROFIT/LOSS (EBIT)												
Boozt.com	50.1	-19.5	73.7	-25.6	36.6	-8.5	50.8	-13.4	-79.4	-29.0	45.7	-18.3
Booztlet.com	7.4	3.6	2.9	3.0	2.4	3.8	1.2	2.2	-1.9	0.7	0.5	1.6
Other	-8.6	-5.0	-7.5	-6.1	-4.9	-1.7	-0.9	-0.6	-1.6	2.2	-0.5	0.5
OPERATING PROFIT/LOSS (EBIT)	48.9	-21.0	69.1	-28.8	34.1	-6.4	51.1	-11.8	-82.9	-26.1	45.8	-16.2
OPERATING PROFIT/LOSS (EBIT) %												
Boozt.com	6.0%	-3.0%	8.6%	-4.4%	5.3%	-1.6%	8.1%	-3.0%	-16.5%	-7.3%	10.2%	-6.4%
Booztlet.com	12.8%	7.9%	11.6%	8.3%	10.6%	17.2%	8.3%	18.1%	-15.9%	6.1%	6.5%	18.6%
Other	-95.2%	-80.1%	-105%	-109%	-131%	-66.3%	-25.1%	-25.9%	-70.7%	17.0%	-3.7%	3.3%
OPERATING PROFIT/LOSS (EBIT) %	5.4%	-2.9%	7.7%	-4.6%	4.8%	-1.2%	7.9%	-2.6%	-16.7%	-6.2%	9.8%	-5.2%
EARNINGS BEFORE TAX												
Boozt.com	47.6	-21.8	73.6	-24.0	35.9	-15.5	51.6	-17.3	-77.4	-26.2	45.5	-18.4
Booztlet.com	7.3	3.4	2.9	3.1	2.4	3.6	1.2	2.1	-1.9	0.7	0.5	1.6
Other	-8.6	-5.0	-7.5	-6.1	-4.9	-1.7	-0.9	-0.6	-1.6	2.2	-0.5	0.5
EARNINGS BEFORE TAX	46.3	-23.4	69.0	-27.1	33.4	-13.7	51.9	-15.9	-80.9	-23.3	45.5	-16.3
ADJUSTED EBIT												
Boozt.com	43.8	-10.4	62.3	-22.1	37.4	-6.3	52.0	-14.0	12.0	-6.0	47.6	-16.8
Booztlet.com	7.0	4.2	2.6	3.2	2.4	3.9	1.2	2.2	0.4	1.3	0.6	1.6
Other	-3.7	-5.0	-7.5	-6.1	-4.9	-1.7	-0.9	-0.6	-1.6	2.2	0.1	1.0
ADJUSTED EBIT	47.1	-11.3	57.4	-25.0	35.0	-4.1	52.3	-12.5	10.9	-2.5	48.3	-14.2
ADJUSTED EBIT %												
Boozt.com	5.3%	-1.6%	7.2%	-3.8%	5.4%	-1.2%	8.3%	-3.2%	2.5%	-1.5%	10.6%	-5.8%
Booztlet.com	12.1%	9.1%	10.3%	8.9%	10.7%	17.6%	8.6%	18.0%	3.7%	11.6%	7.3%	18.7%
Other	-40.8%	-80.1%	-105%	-109%	-131%	-66.3%	-25.1%	-25.9%	-70.7%	17.0%	0.6%	6.4%
ADJUSTED EBIT %	5.2%	-1.6%	6.4%	-4.0%	4.9%	-0.7%	8.1%	-2.7%	2.2%	-0.6%	10.3%	-4.6%

Rounding differences may effect the summations.

SEK million unless otherwise indicated	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016
EBIT MARGIN (%)												
Gross margin (%)	40.7%	37.9%	41.2%	36.6%	42.0%	39.1%	43.1%	38.8%	44.4%	44.4%	45.2%	47.3%
Fulfilment cost ratio (%)	-13.7%	-14.8%	-13.7%	-14.6%	-13.4%	-13.5%	-12.7%	-14.8%	-15.5%	-20.5%	-14.1%	-18.1%
Marketing cost ratio (%)	-8.6%	-10.3%	-10.3%	-13.0%	-12.7%	-13.7%	-11.1%	-13.3%	-13.3%	-15.1%	-11.3%	-18.5%
Admin & other cost ratio (%)	-9.7%	-12.3%	-7.9%	-11.6%	-9.6%	-11.1%	-9.8%	-11.3%	-30.5%	-14.3%	-9.0%	-15.0%
Depreciation (%)	-3.2%	-3.4%	-1.6%	-2.0%	-1.6%	-2.0%	-1.5%	-2.0%	-1.8%	-0.7%	-1.0%	-1.0%
EBIT MARGIN (%)	5.4%	-2.9%	7.7%	-4.6%	4.8%	-1.2%	7.9%	-2.6%	-16.7%	-6.2%	9.8%	-5.2%
Adjusted fulfilment cost ratio (%)	-13.7%	-14.8%	-13.7%	-14.6%	-13.4%	-13.5%	-12.7%	-14.8%	-15.2%	-16.0%	-14.1%	-18.1%
Adjusted admin & other cost ratio (%)	-10.4%	-11.0%	-9.2%	-11.0%	-9.5%	-10.7%	-9.6%	-11.4%	-12.0%	-13.2%	-8.5%	-14.3%
Net working capital - percent of LTM net revenue	11.2%	12.9%	11.3%	10.6%	5.3%	10.0%	9.9%	12.0%	5.1%	11.0%	6.8%	9.1%
BOOZT.COM												
Site visits (000)	32,438	31,029	31,575	26,044	26,560	24,959	26,966	20,747	21,056	19,737	18,798	14,935
No. of orders (000)	1 042	854	1 045	736	869	638	786	572	641	510	558	404
Conversion rate %	3.21%	2.75%	3.31%	2.83%	3.27%	2.56%	2.91%	2.76%	3.05%	2.58%	2.97%	2.70%
True frequency	7.7	7.8	6.8	7.8	7.2	7.2	6.3	6.6	6.1	5.9	5.2	5.3
Average order value (SEK)	801	774	827	794	801	824	810	780	765	788	822	745
Active customers (000)	1,512	1,460	1,363	1,242	1,185	1,104	1,057	967	916	862	820	749
No. of orders per active customer	2.43	2.40	2.41	2.44	2.42	2.39	2.37	2.36	2.30	2.23	2.15	2.09
BOOZTLET.COM												
Site visits (000)	3,777	2,889	1,866	1,896	1,861	1,576						
No. of orders (000)	96	71	43	53	37	33						
Conversion rate %	2.53%	2.44%	2.30%	2.79%	1.99%	2.08%						
Average order value (SEK)	615	649	588	681	619	689						
NET REVENUE - GEOGRAPHICAL SPLIT												
Sweden	315.2	237.8	303.2	231.1	255.7	197.8	241.8	180.2	184.8	149.5	172.0	116.2
Denmark	317.8	237.2	338.1	212.5	260.3	180.9	239.0	148.5	176.8	130.6	162.1	87.1
Norway	130.3	110.3	125.3	90.0	110.3	92.4	86.2	69.0	78.0	68.5	58.8	44.8
Finland	67.2	61.4	63.3	55.9	52.9	49.7	42.9	36.8	37.6	36.3	36.5	29.5
Rest of Europe	68.3	65.6	62.6	35.5	35.5	31.1	34.2	20.4	18.9	36.2	37.8	34.7
TOTAL NET REVENUE	898.7	712.4	892.5	625.0	714.7	551.9	644.2	454.9	496.1	421.1	467.3	312.3

Rounding differences may effect 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 have 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 EBIT	APM	Profit/loss before interest, tax, share based payments related to employees and items affecting comparability.	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, returnhandling, 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.
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, returnhandling, indeliveries 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.

Explanation	APM / IFRS	Definition	Rationale
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.
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 extend 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 behavior 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 behavior once they mature.

Reconciliation of total operating income

SEK million	Apr 1 - Jun 30, 2019	Apr 1 - Jun 30, 2018	Jan 1 - Jun 30, 2019	Jan 1 - Jun 30, 2018	Rolling 12 months
GROUP					
Transactional net revenue	902.5	722.5	1,615.4	1,273.2	3,138.5
Less consignment sales	-13.8	-14.9	-23.9	-24.6	-49.9
Other revenue	9.9	7.0	19.5	18.0	39.9
Net revenue	898.7	714.7	1,611.0	1,266.6	3,128.5
Other operating income	-	1.7	-	3.7	-
Total operating income	898.7	716.3	1,611.0	1,270.3	3,128.5
BOOZT.COM					
Transactional net revenue	834.8	695.9	1,495.5	1,221.4	2,944.6
Less consignment sales	-13.0	-14.6	-22.8	-24.1	-48.4
Other revenue	9.9	7.0	19.5	18.0	39.9
Net revenue	831.7	688.3	1,492.2	1,215.3	2,936.0
Other operating income	-	1.7	-	3.7	-
Total operating income	831.7	689.9	1,492.2	1,219.0	2,936.0
BOOZTLET.COM					
Transactional net revenue	58.8	22.9	104.6	45.5	165.9
Less consignment sales	-0.8	-0.3	-1.1	-0.5	-1.5
Other revenue	-	-	-	-	-
Net revenue	58.0	22.7	103.5	45.0	164.4
Other operating income	-	-	-	-	-
Total operating income	58.0	22.7	103.5	45.0	164.4
OTHER					
Transactional net revenue	9.0	3.7	15.3	6.3	28.0
Less consignment sales	-	-	-	-	-
Other revenue	-	-	-	-	-
Net revenue	9.0	3.7	15.3	6.3	28.0
Other operating income	-	-	-	-	-
Total operating income	9.0	3.7	15.3	6.3	28.0

Reconciliation of adjusted EBIT

SEK million	Apr 1 - Jun 30, 2019	Apr 1 - Jun 30, 2018	Jan 1 - Jun 30, 2019	Jan 1 - Jun 30, 2018	Rolling 12 months
(EBIT)	48.9	34.1	27.9	27.7	68.3
Share-based payments related to employees (social charges)	-6.9	0.3	2.6	2.0	-5.9
Share-based payments related to employees	0.2	0.5	0.4	1.1	0.9
Non-recurring items affecting comparability	4.9	-	4.9	-	4.9
Adjusted EBIT	47.1	35.0	35.8	30.8	68.2

Rounding differences may affect the summations.

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

Reconciliation with financial statements according to IFRS

SEK million unless otherwise indicated	Apr 1 - Jun 30, 2019	Apr 1 - Jun 30, 2018	Jan 1 - Jun 30, 2019	Jan 1 - Jun 30, 2018	Rolling 12 months
Cash and cash equivalents	-335.3	-521.8	-335.3	-521.8	-335.3
Interest bearing liabilities (current and non-current)	92.5	81.4	92.5	81.4	92.5
Interest bearing lease liabilities	447.3	-	447.3	-	447.3
Net debt / -net cash	204.5	-440.4	204.5	-440.4	204.5
Total equity	883.8	815.3	883.8	815.3	883.8
Total assets	2,166.1	1,593.3	2,166.1	1,593.3	2,166.1
Equity / asset ratio	40.8%	51.2%	40.8%	51.2%	40.8%
No. of orders (000) (A)	1,042	869	1,896	1,507	3,677
Site visits (000) (B)	32,438	26,560	63,467	51,519	121,086
Boozt.com - Conversion rate (A) / (B)	3.21%	3.27%	2.99%	2.93%	3.04%
Transactional net revenue - Boozt.com (A)	834.8	695.9	1,495.5	1,221.4	2,944.6
No. of orders (000) (B)	1,042	869	1,896	1,507	3,677
Average order value (SEK) (A) / (B)	801	801	789	810	801
No. of orders (000) (LTM) (A)	3,677	2,865	3,677	2,865	3,677
Active customers (000) (B)	1,512	1,185	1,512	1,185	1,512
No. of orders per active customer (A) / (B)	2.43	2.42	2.43	2.42	2.43
Inventory	947.7	735.3	947.7	735.3	947.7
Accounts receivables	3.3	9.6	3.3	9.6	3.3
Other receivables	63.1	10.2	63.1	10.2	63.1
Current tax assets	0.7	0.4	0.7	0.4	0.7
Prepaid expenses and accrued income	69.8	41.6	69.8	41.6	69.8
Accounts payables	-383.4	-420.8	-383.4	-420.8	-383.4
Other liabilities	-89.1	-58.2	-89.1	-58.2	-89.1
Accrued expenses and prepaid income	-263.1	-191.7	-263.1	-191.7	-263.1
Net working capital	349.0	126.4	349.0	126.4	349.0
Net working capital - percent of LTM net revenue rolling 12 months	11.2%	5.3%	11.2%	5.3%	11.2%
Gross margin (%)	40.7%	42.0%	39.4%	40.8%	39.4%
Fulfilment cost ratio (%)	-13.7%	-13.4%	-14.2%	-13.4%	-14.1%
Marketing cost ratio (%)	-8.6%	-12.7%	-9.4%	-13.1%	-10.4%
Admin & other cost ratio (%)	-9.7%	-9.6%	-10.8%	-10.3%	-10.2%
Depreciation cost ratio (%)	-3.2%	-1.6%	-3.3%	-1.8%	-2.5%
EBIT margin (%)	5.4%	4.8%	1.7%	2.2%	2.2%

Rounding differences may affect the summations.

Some of the key ratios such as gross margin, earnings per share and EBIT margin may be easily calculated from the financial statements. Such metrics are regarded as reconciled and are not presented above. In addition the two metrics conversion rate and average order value for Booztlet.com can be easily calculated using the same methodology as for Boozt.com displayed above.

Financial calendar

November 14, 2019

Interim report January – September 2019, Q3 2019

February 21, 2020

Interim report January – December 2019, Q4 2019

Financial reports

Consolidated financial statements are available at www.booztfashion.com.

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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. The information was submitted for publication, through the agency of the contact person set out above, at 08.00 CET on August 15 2019.

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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