

Boqii Announces Fiscal 2021 Second Quarter Unaudited Financial Results

--34% year-over-year revenue growth--

--70% year-over-year GMV growth--

SHANGHAI, Nov. 16, 2020 /PRNewswire/ -- Boqii Holding Limited ("Boqii" or the "Company") (NYSE: BQ), a leading pet-focused platform in China, today announced its unaudited financial results for the second quarter of fiscal year 2021 ended September 30, 2020.

Fiscal Q2 2021 Operational and Financial Highlights

- **Total revenues** were RMB229.2 million (US\$33.8 million), representing an increase of 34.3% from RMB170.6 million in the same quarter of fiscal year 2020.
- **Net loss** was RMB27.5 million (US\$4.0 million), compared to net loss of RMB43.5 million in the same quarter of fiscal year 2020.
- **EBITDA^[1]** was a loss of RMB23.4 million (US\$3.4 million), representing a 23.5% improvement from a loss of RMB30.6 million in the same quarter of fiscal year 2020.
- **Total GMV^[2]** was RMB563.3 million (US\$82.7 million), representing an increase of 70.0% from RMB331.4 million in the same quarter of fiscal year 2020.
- **Active buyers** were 1.3 million, representing an increase of 15.0% from RMB1.1 million in the same quarter of fiscal year 2020.

Mr. Hao Liang, Boqii's Founder, Chairman and Chief Executive Officer commented: "In October 2020, Boqii successfully completed its IPO on the NYSE and became the first publicly traded pet-focused platform company in China, which marked a significant milestone not only for Boqii but also for the whole pet industry in China. As a newly public company, Boqii generated a strong quarter with solid operational and financial growth. Year on year quarterly GMV grew by 70% to RMB563.3 million while active buyers grew by 15% to 1.3 million. These solid results demonstrated our strong brand recognition, robust distribution capabilities as well as the greater user engagement in our community. Going forward, we will continue to innovate with a keen focus on delivering a seamless user experience, with our mission to empower the pet ecosystem and instill love and trust into pet parenting."

Mr. Liang continued: "In August, we started the 'Pet Hundred-Million Yuan Sales Club', an established strategic partnership with JD.com aiming to generate hundred-million sales in year 2020 from our products and online stores, and promote the iterative upgrade of both parties' operating systems. In September, we signed another strategic cooperation agreement with China Animal Husbandry Group to provide products and solutions for pet health. We are planning to develop more partnerships with other renowned platforms and large corporations to deliver best solutions and enhance our value proposition for fast-growing demand in the pet industry. We also recorded strong sales recently during the Singles' Day Global Shopping Festival. Over the 11-day period from November 1 to November 11, we generated a total GMV of RMB 244.5 million, a 39.97% increase from last year Singles' Day Shopping Festival."

Ms. Yingzhi (Lisa) Tang, Boqii's Co-Founder, Co-CEO and CFO commented: "We generated healthy revenue growth of 34.3% year-over-year during this quarter. Most notably, the percentage of revenue we generated from Boqii Mall reached 41.2%, significantly increasing from 29.0% in the same quarter of last fiscal year. We remain committed to developing Boqii Mall, and this result reflects our effort to provide a better user experience and product selection on our platform. We will invest heavily in technology, optimize our content and product offerings to drive impulse purchases and meet strong user demand."

^[1] EBITDA refers to net loss excluding income tax expenses, interest expense, interest income, depreciation and amortization expenses, but including all the professional expenses in relation to initial public offering. EBITDA is a Non-GAAP financial measurement. Please refer to "Reconciliation of GAAP and Non-GAAP Results."

^[2] GMV refers to gross merchandise volume, which is the total value of confirmed orders placed with us and sold through distribution model or drop shipping model where we act as a principal in the transaction regardless of whether the products are delivered or returned, calculated based on the listed prices of the ordered products without taking into consideration any discounts. The total GMV amount (i) includes GMV of products sold by Xingmu, (ii) excludes products sold through consignment model and (iii) excludes the value of services offered by us. GMV is subject to future adjustments (such as refunds) and represents only one measure of the Company's performance and should not be relied on as an indicator of our financial results, which depend on a variety of factors.

Fiscal Second Quarter Financial Results

Total revenues were RMB229.2 million (US\$33.8 million), representing an increase of 34.3% from RMB170.6 million in the same quarter of fiscal year 2019. The increase was primarily due to more revenue generated from Boqii Mall, which represented 41.2% of our total revenue versus 29.0% in the same quarter of fiscal year 2020.

| Revenues (in RMB million) | 2020 | 2019 | % change |
|---|--------------|--------------|---------------|
| | Sep. Quarter | Sep. Quarter | YoY |
| Revenues from product sales | 227.9 | 169.7 | +34.3% |
| · Boqii Mall | 94.4 | 49.5 | +90.8% |
| · Third party e-commerce platforms | 133.5 | 120.2 | +11.1% |
| Revenues from online marketing and information services | 1.3 | 0.9 | +43.8% |
| Total | 229.2 | 170.6 | +34.3% |

Gross profit was RMB42.6 million (US\$6.3 million), an increase of 15.5% from RMB36.9 million in the same quarter of fiscal year 2020.

Gross margin was 18.6%, a decrease of 304 basis points from 21.6% in the same quarter of fiscal year 2020. The decrease in gross margin was mainly due to the increased contribution of revenue from Boqii Mall, where we offer more favorable pricing to our valued users.

Operating expenses were RMB77.1 million, an increase of 12.9% from RMB 68.3 million in the same quarter of fiscal year 2020. Operating expenses as a percentage of total revenues was 33.6%, compared to 40.0% in the same quarter of fiscal year 2020.

- **Fulfillment Expenses** were RMB29.0 million, an increase of 18.1% from RMB 24.6 million in the same quarter of fiscal year 2020. Fulfillment expenses as a percentage of total revenues were 12.7%, compared to 14.4% in the same quarter of fiscal year 2020. The decrease was mainly due to: (i) the improved utilization of warehouses by adjusting inventory mix; (ii) relocation of warehouses across China in a more cost-efficient method; and (iii) lower delivery service prices through renegotiation with third-party delivery service providers.
- **Sales and marketing expenses** were RMB31.3 million, a decrease of 5.3% from RMB 33.1 million in the same quarter of fiscal year 2020. Sales and marketing expenses as a percentage of total revenue were 13.7%, compared to 19.4% in the same quarter of fiscal year 2020. The decrease was mainly due to lower customer acquisition costs and more cost-efficient customer services.
- **General and administrative expenses** were RMB16.7 million, an increase of 57.7% from RMB 10.6 million in the same quarter of fiscal year 2020.

General and administrative expenses as a percentage of total revenue were 7.3%, compared to 6.2% in the same quarter of fiscal year 2020. The increase was primary due to professional expenses incurred for the initial public offering, as well as increased employee salaries and benefits.

Operating loss was RMB34.2 million (US\$5.0 million), an increase of 9.0% compared to RMB31.4 million in the same quarter of fiscal year 2020.

EBITDA was a loss of RMB23.4 million (US\$3.4 million), representing a 23.5% improvement from a loss of RMB30.6 million in the same quarter of fiscal year 2020.

EBITDA margin increased 772 basis points to (10.2%), compared to (17.9%) in the same quarter of fiscal 2020.

Net loss was RMB27.5 million (US\$4.0 million), compared to net loss of RMB43.5 million in the same quarter of fiscal year 2020.

Adjusted net loss was RMB35.8 million (US\$5.3 million), representing a decrease of 20.6% from the adjusted net loss of RMB45.0 million in the same quarter of fiscal year 2020.

Diluted net loss per share was RMB3.06 (US\$0.50), compared to diluted net loss per share of RMB3.98 in the same quarter of fiscal year 2020.

Initial Public Offering

On October 2, 2020, Boqii completed its initial public offering ("IPO") of 7,000,000 million American Depositary Shares ("ADSs"), at US\$10.00 per ADS. Each ADS represents 0.75 of a Class A ordinary share of the Company. The Company raised a total of US\$70 million in gross proceeds from the IPO, before deducting underwriting discounts and commissions as well as other offering expenses.

Conference Call

Boqii's management will hold a conference call to discuss the financial results at 8:00 AM on Monday, November 16, 2020, U.S. Eastern Time (9:00 PM on November 16, 2020, Beijing/Hong Kong Time).

To join the conference, please dial in 15 minutes before the conference is scheduled to begin using below numbers.

| | Phone Number |
|----------------|----------------|
| International | 1-412-317-6061 |
| United States | 1-888-317-6003 |
| Hong Kong | 852 800-963976 |
| Mainland China | 86 4001-206115 |
| Passcode | 9244495 |

A replay of the conference call may be accessed by phone at the following numbers until November 23, 2020.

| | Phone Number |
|--------------------|-----------------|
| International | 1-412-317-0088 |
| United States | 1-877-344-7529 |
| Replay Access Code | 10149804 |

A live and archived webcast of the conference call will be available on the Company's investor relations website at <http://ir.boqii.com/>.

About Boqii Holding Limited

Boqii Holding Limited (NYSE: BQ) is China's largest pet-focused platform. We are the leading online destination for pet products and supplies in China with our broad selection of high-quality products including global leading brands, local emerging brands, and our own private label, Yoken and Mocare, offered at competitive prices. Our online sales platforms, including Boqii Mall and our flagship stores on third-party e-commerce platforms, provide customers with convenient access to a wide selection of high-quality pet products and an engaging and personalized shopping experience. Our Boqii Community provides an informative and interactive content platform for users to share their knowledge and love for pets.

Safe Harbor Statement

This press release contains forward-looking statements. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. Statements that are not historical facts, including statements about the Company's beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties, and a number of factors could cause actual results to differ materially from those contained in any forward-looking statement. In some cases, forward-looking statements can be identified by words or phrases such as "may," "will," "expect," "anticipate," "target," "aim," "estimate," "intend," "plan," "believe," "potential," "continue," "is/are likely to" or other similar expressions. The Company may also make written or oral forward-looking statements in its reports filed with, or furnished to, the U.S. Securities and Exchange Commission, in its annual reports to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Statements that are not historical facts, including statements about the Company's beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. Further information regarding such risks, uncertainties or factors is included in the Company's filings with the SEC. All information provided in this press release is as of the date of this press release, and the Company does not undertake any duty to update such information, except as required under applicable law.

Non-GAAP Financial Measures

The Company uses non-GAAP financial measures, namely adjusted net loss, EBITDA and EBITDA margin, in evaluating its operating results and for financial and operational decision-making purposes. The Company defines (i) adjusted net loss as net loss excluding fair value change of derivative liabilities, (ii) EBITDA as net loss excluding income tax expenses, interest expense, interest income, depreciation and amortization expenses, and (iii) EBITDA margin as EBITDA as a percentage of total revenues. The Company believes adjusted net loss, EBITDA and EBITDA margin enhance investors' overall understanding of its financial performance and allow for greater visibility with respect to key metrics used by its management in its financial and operational decision-making.

These non-GAAP financial measures are not defined under U.S. GAAP and are not presented in accordance with U.S. GAAP. As these non-GAAP financial measures have limitations as analytical tools and may not be calculated in the same manner by all companies, they may not be comparable to other similarly titled measures used by other companies. The Company compensates for these limitations by reconciling the non-GAAP financial measures to the nearest

U.S. GAAP performance measures, which should be considered when evaluating the Company's performance. For reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures, please see the section of the accompanying tables titled, "Reconciliation of GAAP and Non-GAAP Results." The Company encourages investors and others to review its financial information in its entirety and not rely on any single financial measure.

Exchange Rate

This press release contains translations of certain RMB amounts into U.S. dollars ("USD") at specified rates solely for the convenience of the reader. Unless otherwise stated, all translations from RMB to USD were made at the rate of RMB6.7896 to US\$1.00, the noon buying rate in effect on September 30, 2020 in the H.10 statistical release of the Federal Reserve Board. The Company makes no representation that the RMB or USD amounts referred to could be converted into USD or RMB, as the case may be, at any particular rate or at all.

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BOQII HOLDING LIMITED
UNAUDITED CONSOLIDATED BALANCE SHEETS
(All amounts in thousands, except for share and per share data, unless otherwise noted)

| | As of March 31, 2020 RMB | As of September 30, 2020 RMB | As of September 30, 2020 US\$ | Pro forma As of September 30, 2020 RMB | Pro forma As of September 30, 2020 US\$ |
|--|-----------------------------------|---------------------------------------|--|--|---|
| ASSETS | | | | | |
| Current assets: | | | | | |
| Cash and cash equivalents | 88,352 | 127,756 | 18,816 | 127,756 | 18,816 |
| Accounts receivable, net | 44,980 | 38,801 | 5,714 | 38,801 | 5,714 |
| Inventories, net | 63,056 | 70,516 | 10,386 | 70,516 | 10,386 |
| Prepayments and other current assets | 76,720 | 157,555 | 23,205 | 157,555 | 23,205 |
| Amounts due from related parties | 5,982 | 6,645 | 980 | 6,645 | 980 |
| Total current assets | 279,090 | 401,273 | 59,101 | 401,273 | 59,101 |
| Non-current assets: | | | | | |
| Property and equipment, net | 4,981 | 7,550 | 1,112 | 7,550 | 1,112 |
| Intangible assets | 33,538 | 31,538 | 4,645 | 31,538 | 4,645 |
| Operating lease right-of-use assets | 14,951 | 33,365 | 4,914 | 33,365 | 4,914 |
| Long-term investments | 73,432 | 74,948 | 11,039 | 74,948 | 11,039 |
| Goodwill | 40,184 | 40,184 | 5,918 | 40,184 | 5,918 |
| Other non-current asset | 11,019 | 41,348 | 6,090 | 41,348 | 6,090 |
| Total non-current assets | 178,105 | 228,933 | 33,718 | 228,933 | 33,718 |
| Total assets | 457,195 | 630,206 | 92,819 | 630,206 | 92,819 |
| LIABILITIES, MEZZANINE EQUITY AND SHAREHOLDERS' DEFICIT | | | | | |
| Current liabilities | | | | | |
| Short-term borrowings | 75,223 | 44,352 | 6,532 | 44,352 | 6,532 |
| Accounts payable | 88,005 | 70,258 | 10,349 | 70,258 | 10,349 |
| Salary and welfare payable | 4,465 | 6,503 | 958 | 6,503 | 958 |
| Accrued liabilities and other current liabilities | 37,883 | 53,066 | 7,816 | 53,066 | 7,816 |
| Amounts due to related parties, current | 45 | 3,042 | 448 | 3,042 | 448 |
| Other debts, current | 76,252 | 17,408 | 2,564 | 17,408 | 2,564 |
| Contract liabilities | 7,702 | 4,013 | 591 | 4,013 | 591 |
| Operating lease liabilities, current | 7,969 | 8,402 | 1,237 | 8,402 | 1,237 |
| Derivative liabilities | 14,351 | 1,565 | 230 | 1,565 | 230 |
| Total current liabilities | 311,895 | 208,609 | 30,725 | 208,609 | 30,725 |
| Non-current liabilities | | | | | |
| Deferred tax liabilities | 10,591 | 10,192 | 1,501 | 10,192 | 1,501 |
| Operating lease liabilities, non-current | 5,375 | 22,944 | 3,379 | 22,944 | 3,379 |
| Long-term borrowings | 53,148 | 49,504 | 7,291 | 49,504 | 7,291 |
| Other debts, non-current | 165,774 | 473,865 | 69,793 | 473,865 | 69,793 |
| Amounts due to related parties, non-current | 11,521 | 1,030 | 152 | 1,030 | 152 |
| Total non-current liabilities | 246,409 | 557,535 | 82,116 | 557,535 | 82,116 |

| | | | | | |
|--|--------------------|--------------------|------------------|------------------|-----------------|
| Total liabilities | <u>558,304</u> | <u>766,144</u> | <u>112,841</u> | <u>766,144</u> | <u>112,841</u> |
| Mezzanine equity | | | | | |
| Series A convertible redeemable preferred shares (US\$ 0.001 par value; 11,000,000 shares authorized, 10,340,000 shares issued and outstanding as of March 31, 2020 and September 30, 2020, respectively; and nil outstanding on a pro-forma basis as of September 30, 2020) | 484,122 | 531,746 | 78,316 | - | - |
| Series B convertible redeemable preferred shares Series B convertible redeemable preferred shares (US\$ 0.001 par value; 10,000,000 shares authorized, 9,067,384 shares issued and outstanding as of March 31, 2020 and September 30, 2020, respectively; and nil outstanding on a pro-forma basis as of September 30, 2020) | 527,682 | 581,017 | 85,575 | - | - |
| Series C convertible redeemable preferred shares (US\$ 0.001 par value; 6,000,000 shares authorized, 5,518,101 shares issued and outstanding as of March 31, 2020 and September 30, 2020, respectively; and nil outstanding on a pro-forma basis as of September 30, 2020) | 420,419 | 380,838 | 56,091 | - | - |
| Series C+ convertible redeemable preferred shares(US\$ 0.001 par value; 8,000,000 shares authorized, nil and 6,734,459 shares issued and outstanding as of March 31, 2020 and September 30, 2020, respectively; and nil outstanding on a pro-forma basis as of September 30, 2020) | - | 662,521 | 97,579 | - | - |
| Series D convertible redeemable preferred shares (US\$ 0.001 par value; 3,000,000 shares authorized, 2,526,026 shares issued and outstanding as of March 31, 2020 and September 30, 2020, respectively; and nil outstanding on a pro-forma basis as of September 30, 2020) | 188,183 | 180,939 | 26,649 | - | - |
| Series D-1 convertible redeemable preferred shares (US\$ 0.001 par value; 3,000,000 shares authorized, 2,178,530 shares issued and outstanding as of March 31, 2020 and September 30, 2020, respectively; and nil outstanding on a pro-forma basis as of September 30, 2020) | 164,282 | 164,803 | 24,273 | - | - |
| Series D-2 convertible redeemable preferred shares (US\$ 0.001 par value; 2,000,000 shares authorized, 1,182,803 shares issued and outstanding as of March 31, 2020 and September 30, 2020, respectively; and nil outstanding on a pro-forma basis as of September 30, 2020) | 89,464 | 92,284 | 13,592 | - | - |
| Series E convertible redeemable preferred shares (US\$ 0.001 par value; 3,000,000 and 7,000,000 shares authorized, 1,042,623 and 5,885,210 shares issued and outstanding as of March 31, 2020 and September 30, 2020, respectively; and nil outstanding on a pro-forma basis as of September 30, 2020) | 78,553 | 455,811 | 67,134 | - | - |
| Receivable for issuance of preferred shares | (94,758) | (402,722) | (59,314) | - | - |
| Total mezzanine equity | <u>1,857,947</u> | <u>2,647,237</u> | <u>389,895</u> | <u>-</u> | <u>-</u> |
| Stockholders' deficit: | | | | | |
| Ordinary Shares(US\$0.001 par value;153,000,000 and 149,000,00 ordinary shares authorized; 22,238,454 ordinary shares issued and outstanding as of March 31, 2020 and September 30, 2020: nil shares issued and outstanding on a pro-forma basis as of September 30, 2020) | 139 | 139 | 20 | - | - |
| Class A ordinary shares (US\$0.001 par value; nil shares authorized, issued and outstanding shares as of September 30, 2020; 129,500,000 shares authorized, 49,777,032 shares issued and outstanding on a pro-forma basis as of September 30, 2020) | - | - | - | 333 | 49 |
| Class B ordinary shares (US\$0.001 par value; nil shares authorized, issued and outstanding shares as of September 30, 2020; 15,000,000 shares authorized, 13,037,729 shares issued and outstanding on a pro-forma basis as of September 30, 2020) | - | - | - | 82 | 12 |
| Additional paid-in capital | - | - | - | 3,049,684 | 449,168 |
| Statutory reserves | 2,627 | 2,891 | 426 | 2,891 | 426 |
| Accumulated other comprehensive loss | 11,204 | 882 | 130 | 882 | 130 |
| Accumulated deficit | (2,016,758) | (2,831,724) | (417,067) | (2,831,724) | (417,067) |
| Receivable for issuance of ordinary shares | (9) | - | - | (402,722) | (59,314) |
| Total Boqii Holding Limited shareholders' deficit | <u>(2,002,797)</u> | <u>(2,827,812)</u> | <u>(416,491)</u> | <u>(180,574)</u> | <u>(26,596)</u> |
| Non-controlling interests | 43,741 | 44,637 | 6,574 | 44,636 | 6,574 |
| Total shareholders' deficit | <u>(1,959,056)</u> | <u>(2,783,175)</u> | <u>(409,917)</u> | <u>(135,938)</u> | <u>(20,022)</u> |

| | | | | | |
|--|---------|---------|--------|---------|--------|
| Total liabilities, mezzanine equity and shareholders' deficit | 457,195 | 630,206 | 92,819 | 630,206 | 92,819 |
|--|---------|---------|--------|---------|--------|

(a) On a pro forma basis to reflect (i) the re-designation of 12,204,604 ordinary shares held by Merchant Tycoon Limited and beneficially owned by Hao (Louis) Liang, Yingzhi (Lisa) Tang and Di (Jackie) Chen into Class B ordinary shares on a one-for-one basis immediately prior to the completion of the initial public offering (which was completed on October 2, 2020), (ii) the automatic conversion and re-designation of 833,125 Series C preferred shares held by Merchant Tycoon Limited and beneficially owned by Hao (Louis) Liang, Yingzhi (Lisa) Tang and Di (Jackie) Chen into Class B ordinary shares on a one-for-one basis immediately prior to the completion of the initial public offering, (iii) the re-designation of all of the remaining ordinary shares into Class A ordinary shares on a one-for-one basis immediately prior to the completion of the initial public offering, (iv) the automatic conversion of 10,340,000 Series A preferred shares into 7,844,137 ordinary shares on a 1:0.76 basis, and re-designation of such as-converted ordinary shares into 7,844,137 Class A ordinary shares on a one-for-one basis immediately prior to the completion of the initial public offering, (v) the automatic conversion of 9,067,384 Series B preferred shares into 8,557,980 ordinary shares on a 1:0.94 basis, and re-designation of such as-converted ordinary shares into 8,557,980 Class A ordinary shares on a one-for-one basis immediately prior to the completion of the initial public offering, (vi) the automatic conversion of 6,734,459 Series C+ preferred shares into 6,883,520 ordinary shares on a 1:1.02 basis, and re-designation of such as-converted ordinary shares into 6,883,520 Class A ordinary shares on a one-for-one basis immediately prior to the completion of the initial public offering, (vii) the automatic conversion and re-designation of all of the remaining issued and outstanding preferred shares into 16,457,545 Class A ordinary shares on a one-for-one basis immediately prior to the completion of the initial public offering.

(b) The unaudited pro forma information does not include the impact of share-based compensation expense for share options which was expected to record upon the completion of the initial public offering.

BOQII HOLDING LIMITED
UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(All amounts in thousands, except for share and per share data, unless otherwise noted)

| | Three Months Ended September 30, | | | Six Months Ended September 30, | | |
|---|----------------------------------|------------------|-----------------|--------------------------------|------------------|-----------------|
| | 2019 | 2020 | 2020 | 2019 | 2020 | 2020 |
| | RMB | RMB | US\$ | RMB | RMB | US\$ |
| Net revenues: | | | | | | |
| Product sales | 169,685 | 227,883 | 33,563 | 358,039 | 465,815 | 68,607 |
| Online marketing and information services | 909 | 1,307 | 193 | 1,506 | 1,813 | 267 |
| Total revenues | <u>170,594</u> | <u>229,190</u> | <u>33,756</u> | <u>359,545</u> | <u>467,628</u> | <u>68,874</u> |
| Total cost of revenue | <u>(133,679)</u> | <u>(186,555)</u> | <u>(27,477)</u> | <u>(278,804)</u> | <u>(381,723)</u> | <u>(56,222)</u> |
| Gross profit | <u>36,915</u> | <u>42,635</u> | <u>6,279</u> | <u>80,741</u> | <u>85,905</u> | <u>12,652</u> |
| Operating expenses: | | | | | | |
| Fulfillment expenses | (24,584) | (29,037) | (4,277) | (55,495) | (62,669) | (9,230) |
| Sales and marketing expenses | (33,081) | (31,342) | (4,616) | (67,363) | (66,286) | (9,763) |
| General and administrative expenses | (10,585) | (16,697) | (2,459) | (26,934) | (33,565) | (4,944) |
| Other income/(expense), net | (25) | 258 | 38 | 2,357 | 305 | 45 |
| Loss from operations | <u>(31,360)</u> | <u>(34,183)</u> | <u>(5,035)</u> | <u>(66,694)</u> | <u>(76,310)</u> | <u>(11,240)</u> |
| Interest income | 136 | 4,487 | 661 | 218 | 6,203 | 914 |
| Interest expense | (12,228) | (6,416) | (945) | (24,343) | (13,559) | (1,997) |
| Other (losses)/gain, net | (1,240) | 879 | 129 | (1,505) | 3,776 | 556 |
| Fair value change of derivative liabilities | 1,553 | 8,303 | 1,223 | 1,433 | 10,409 | 1,533 |
| Loss before income tax expenses | <u>(43,139)</u> | <u>(26,930)</u> | <u>(3,967)</u> | <u>(90,891)</u> | <u>(69,481)</u> | <u>(10,234)</u> |
| Income taxes expenses | 55 | (500) | (74) | 80 | (191) | (28) |
| Share of results of equity investees | (377) | (20) | (3) | (550) | (77) | (11) |
| Net loss | <u>(43,461)</u> | <u>(27,450)</u> | <u>(4,044)</u> | <u>(91,361)</u> | <u>(69,749)</u> | <u>(10,273)</u> |
| Less: Net income attributable to the non-controlling interest shareholders | 885 | 617 | 91 | 2,216 | 896 | 132 |
| Net loss attributable to Boqii Holding Limited | <u>(44,346)</u> | <u>(28,067)</u> | <u>(4,135)</u> | <u>(93,577)</u> | <u>(70,645)</u> | <u>(10,405)</u> |
| Less: Accretion on convertible redeemable preferred shares to redemption value | (44,089) | (39,925) | (5,880) | (122,210) | (75,062) | (11,055) |
| Less: Deemed dividend to preferred shareholders | - | - | - | (741) | (12,547) | (1,848) |
| Net loss attributable to Boqii Holding Limited's ordinary shareholders | <u>(88,435)</u> | <u>(67,992)</u> | <u>(10,015)</u> | <u>(216,528)</u> | <u>(158,254)</u> | <u>(23,308)</u> |
| Net loss | (43,461) | (27,450) | (4,044) | (91,361) | (69,749) | (10,273) |
| Other comprehensive income/(loss): | | | | | | |
| Foreign currency translation adjustment, net of nil tax | 2,478 | (10,716) | (1,578) | 2,568 | (11,517) | (1,696) |
| Unrealized securities holding gains | 157 | - | - | 331 | 1,195 | 176 |
| Total comprehensive loss | <u>(40,826)</u> | <u>(38,166)</u> | <u>(5,622)</u> | <u>(88,462)</u> | <u>(80,071)</u> | <u>(11,793)</u> |
| Less: Total comprehensive loss attributable to non-controlling interest shareholders | 885 | 617 | 91 | 2,216 | 896 | 132 |
| Total comprehensive loss attributable to Boqii Holding Limited | <u>(41,711)</u> | <u>(38,783)</u> | <u>(5,713)</u> | <u>(90,678)</u> | <u>(80,967)</u> | <u>(11,925)</u> |
| Net loss per share attributable to Boqii Holding Limited's ordinary shareholders | | | | | | |
| — basic | (3.98) | (3.06) | (0.45) | (9.74) | (7.12) | (1.05) |
| — diluted | (3.98) | (3.06) | (0.45) | (9.74) | (7.12) | (1.05) |
| Weighted average number of ordinary shares | | | | | | |
| — basic | 22,238,454 | 22,238,454 | 22,238,454 | 22,238,454 | 22,238,454 | 22,238,454 |
| — diluted | 22,238,454 | 22,238,454 | 22,238,454 | 22,238,454 | 22,238,454 | 22,238,454 |
| Pro forma net loss per share attributable to Boqii Holding Limited's ordinary shareholders | | | | | | |

| | | | | |
|---|------------|------------|------------|------------|
| — basic | (0.48) | (0.07) | (1.26) | (0.19) |
| — diluted | (0.48) | (0.07) | (1.26) | (0.19) |
| Pro forma weighted average number of ordinary shares | | | | |
| — basic | 59,073,717 | 59,073,717 | 55,870,406 | 55,870,406 |
| — diluted | 59,073,717 | 59,073,717 | 55,870,406 | 55,870,406 |

Boqii Holding Limited
Reconciliation of GAAP and Non-GAAP Results
(All amounts in thousands, except for %, unless otherwise noted)

| | Three Months Ended September 30, | | Six Months Ended September 30, | |
|---|---|-----------------|---------------------------------------|-----------------|
| | 2019 | 2020 | 2019 | 2020 |
| | RMB | RMB | RMB | RMB |
| Net loss | (43,461) | (27,450) | (91,361) | (69,749) |
| Fair value change of derivative liabilities | (1,553) | (8,303) | (1,433) | (10,409) |
| Adjusted Net loss | (45,014) | (35,753) | (92,794) | (80,158) |

| | Three Months Ended September 30, | | Six Months Ended September 30, | |
|-------------------------------|---|-----------------|---------------------------------------|-----------------|
| | 2019 | 2020 | 2019 | 2020 |
| | RMB | RMB | RMB | RMB |
| Net loss | (43,461) | (27,450) | (91,361) | (69,749) |
| Income tax expenses | (55) | 500 | (80) | 191 |
| Interest expenses | 12,228 | 6,416 | 24,343 | 13,559 |
| Interest income | (136) | (4,487) | (218) | (6,203) |
| Depreciation and amortization | 821 | 1,601 | 1,561 | 3,351 |
| EBITDA | (30,603) | (23,420) | (65,755) | (58,851) |
| EBITDA Margin | (17.9%) | (10.2%) | (18.3%) | (12.6%) |

SOURCE Boqii Holding Limited

<https://ir.boqii.com/2020-11-16-Boqii-Announces-Fiscal-2021-Second-Quarter-Unaudited-Financial-Results>