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*The information in this summary is based on the Offering Memorandum which has previously been made public. The Offering Memorandum is held accessible to the public at the home pages of the Swedish Financial Supervisory Authority ([www.fi.se](http://www.fi.se)), Odd Molly ([www.oddmolly.com](http://www.oddmolly.com)) and Swedbank Markets ([www.swedbank.se/prospekt](http://www.swedbank.se/prospekt)) and in printed form at the head offices of Odd Molly and Swedbank Markets. Copies of the Offering Memorandum in printed form can be obtained from Odd Molly and Swedbank Markets free of charge.*

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## **Summary**

This summary is only an introduction to and a summary of the information found in the Offering Memorandum. The decision concerning an investment in the Company shall be based on the information in the Offering Memorandum as a whole and not only on this summary. Readers of this summary shall not make the decision to invest in Odd Molly without having read and assimilated the whole Offering Memorandum. Such decision shall not be made without an understanding considering the risks which are combined with an investment in Odd Molly. For further information, see the section "Risks".

All owning of shares and other financial instruments is combined with risks. An investment in Odd Molly is a possibility to gain a positive development of the invested capital, but an investment also include risks and risk taking. The Board of Directors of the Company can be held responsible for the information, or the lack of it, in the summary only if the summary is considered as misleading or incorrect in relation to the other parts of the Offering Memorandum. If a subscriber for shares brings an action before a court in another country than Sweden due to the information in the Offering Memorandum, he or she may have to answer for the costs for translating the Offering Memorandum.

## **The Business in brief**

Odd Molly is a Swedish company which designs, markets and sells fashion for women to external distributors around the world. The brand's signature is beautiful design, quality values and sensuality. The products are priced in the higher end of the mid price segment. To this date the products of Odd Molly are distributed and sold in 27 countries, with local representation in 18 of those. The Company has approximately 1 100 distributors around the world. The turnover was 54,5 MSEK in the year of 2006 and the operating profit of the company was 4,9 MSEK during the same period.

Odd Molly was founded in 2002 by Karin Jimfelt-Ghatan, Per Holknekt and Christer Andersson. The business started as a small scale business and the first collection was produced straight ahead, even without a collection of samples. Since the start in 2002, the Company has had a strong expansion and has increased its international appearance every year. In 2005 Odd Molly won the well-known designer prize International Baltic Fashion Awards, Prêt-à-Porter in Germany. In august 2006 Odd Molly had its first international fashion show in Stockholm and the same year the brand was introduced to the American market, which today is the Company's second largest market after Sweden. Odd Molly has no production of its own. Instead, all production is carried out by carefully selected suppliers, mainly in India, China, Morocco, Portugal and Turkey.

### **Business Model**

The profitable growth of Odd Molly is based on creative design, consistent brand management and a business model enabling expansion with limited capital and a minimized inventory risk.

The business model is to sell Odd Molly's single handedly designed products to external retailers through independent agents and distributors. The distribution organization today consists of twelve agents and two distributors. The agents forwards the orders from the retailers to Odd Molly approximately six months prior to delivery and Odd Molly only produces the quantity of each article which has been ordered. Due to this business model, almost no stocks are being built up. The business model also means that Odd Molly with a relatively large certainty can estimate the turnover and outcome six months in advance. The development of the organization and its need for resources can thus be planned well in advance and be adjusted to sales. Odd Molly receives credit from its suppliers and the customers of the Company receives a corresponding credit period when their credit ratings have been approved. Odd Molly partially pledges its accounts receivable until payment is received from the customers. The business model thus limits the need for working capital.

### **General Goals and Strategy**

Odd Molly's goal for all of the Company's contacts, from the end consumer to the business partners involved, is to find value added in the relation to the Company. Value shall be created for the shareholders through continued high growth and good profitability. Odd Molly intends to run the following strategies for the future work:

### **Geographical Expansion**

Odd Molly has established cooperation with agents or distributors on most markets prioritized by the Company (mainly Western Europe, North America, Japan and Australia and New Zealand). However, a small number of countries in Western Europe remains and Odd Molly intends to have established cooperation with agents or distributors on these markets within the next few years. Thereafter the Company intends to evaluate the possibilities to establish the brand on additional markets.

## **Expansion in the US**

Odd Molly intends to expand in the US market where the Company today has approximately 300 retailers. Odd Molly today cooperates with two leading American chains of department stores and is under negotiations with a number of other chain stores within the quality segment. By initiating cooperation with several chain stores Odd Molly will reach a nationwide net of retailers. To be able to process the large North American market locally, Odd Molly intends to open an office in Los Angeles in the summer 2007.

## **Increase in the Number of Retailers**

Odd Molly intends to, in the shortest possible amount of time, increase the number of retailers on the Company's present and prioritized markets to reach an optimal coverage within the quality segment. Odd Molly will use the agent or distributor in each market to establish cooperation with additional retailers that satisfies the selection criteria of the Company.

## **Development of New Products**

Odd Molly intends to widen its line of products which can be sold through the existing segment of retailers. The Company's products has so far mainly been garments for the upper part of the body. From the autumn collection 2007 and onwards Odd Molly's line will include skirts, pants and jackets. Previously Odd Molly has focused on leisure wear but the Company intends to widen its line to include also business wear. Odd Molly also intends to develop more accessories such as bags, gloves, hats and scarves.

## **Widened Marketing**

Odd Molly has achieved its speedy growth of the number of retailers through an intense utilization of business-to-business marketing. The Company also intends to invest in such marketing in the future.

Odd Molly intends to increase its marketing towards consumers i.a. by PR aimed at consumer medias and continued work on product placements. The Company intends to further strengthen the communication towards the consumers by for example producing more material for so called in-store marketing. Further the Company's website will be more adapted to consumers in stead of, as previously, be aimed at buyers and other players in the fashion industry.

In order to safeguard the brand's image, Odd Molly drafts all PR campaigns approaching new collections at its head office in Stockholm. These are thereafter adapted for the different markets in cooperation with the Company's local representatives.

## **Forecasts**

For the year of 2007 Odd Molly forecast a turnover of approximately 120 MSEK which corresponds to a turnover growth with about 120 per cent and an EBIT of 15 MSEK.

## **Financial Goals and Dividend Policy**

### **Turnover Growth**

The goal is to have a turnover growth exceeding 20 per cent annually over the coming years.

### **EBIT**

The goal of Odd Molly is to, over a time corresponding to a trade cycle, guarantee an EBIT well above 10 per cent.

### **Equity Ratio**

The equity ratio should over time be at least 40 per cent.

### **Dividends**

Under the next few years Odd Molly does not intend to distribute any dividends. A possible profit shall instead be reinvested in the Company for the continued expansion of Odd Molly. The intention is that the board shall examine the dividend policy annually.

### **Market**

Sweden, which is the largest of the Odd Molly's markets, has with one exception during a short period, had a positive economical development. According to Euromonitor, the Swedish fashion market is expected to grow with an average of seven per cent each year during the period 2005-2009 (these figures does not regard the inflation).

The major challenge for the American market (which is Odd Molly's second largest from 2007) is, according to Euromonitor, the deflation of prices. Another trend on the American market is that the group of consumers aged 25-38, nowadays represent a larger part of the total consumption of clothes in the US. This has resulted in that several distributors have began to focus more on this consumer group. The American market for cloths is expected to grow in average with 5,6 per cent annually during 2005-2009 (these figures does not regard the inflation). For further information, see the section "Market".

### **Risk factors**

Some of the risks that an investor shall take into consideration are the ability to handle growth, the expansion of the business, the dependence of key figures and co-workers, the competition, the state of the market and factors which may affect it, the confidence of the consumers, fashion trends, the protection of the intellectual property rights, the risk of loosing the Company's good reputation, risks affiliated with the suppliers, import quotas, operational risks, changes in currency, taxes and fees, environmental risks, the reliability of the statistics of the market, owners with a considerable influence, share trading from today's owner after the offer, liquidity, the Company's share price and future dividends.

An investor must in addition to this pay attention to an analysis of the environment in which the Company conducts business and the remaining information in the offering memorandum.

### **Summary of the Offer**

The Board of Directors of Odd Molly and its owners have decided, for the purpose of strengthening Odd Molly financially at the prospect of further expansion, to float a new issue of shares in combination with some of the owners offering parts of their ownership through the Offer. The board has also applied for the Company's shares to be listed for trading at First North.

The Offer includes as a maximum 521 909 existing shares and 750 000 newly issued shares in Odd Molly. Through the new issue of shares the Company expects increase its capital with approximately 30 MSEK. This figure does not include the price of the Offer itself which is approximately 5,7 MSEK.

### **Conditions**

#### **Issue price**

The Offer's issue price will be 40 SEK per share. Brokerage will not be paid.

#### **Announcement**

Announcement of subscription shall be handed in at the earliest 15 May 2007 and at the very latest 1 June at 5 p.m. The notice of subscription must have arrived at Swedbank at this time.

#### **Settlement day**

From those whom, on their announcement, stated an account in Swedbank or an interacting bank the payment will be drawn 12 June 2007 from that stated account. Those who instead have chosen to give in the payment through the bank transfer service "Bank Giro" will receive an inpayment form in connection with that they receive the contract note. The payment must in any case be at Swedbank's position at the very latest 13 June 2007.

### **Estimated first day of trading at First North**

18 June 2007

### **ISIN Code**

SE0002017657

### **Short name on First North**

ODD

## **Board of Directors, Management and Auditors**

The board of Odd Molly consists of chairman of the board Christer Andersson and the directors Karin Jimfelt-Ghatan, Per Holknekt, Patrik Tillman and Karin Wallin-Norman. The management consist of CEO Christina Tillman, chief designer Karin Jimfelt-Ghatan and brand director Per Holknekt. The auditor of the Company is the firm of accountants Ernst & Young AB with the authorised auditor Anders Lindby bearing the chief responsibility.

## **Key Shareholders**

The key shareholders of Odd Molly are A.T.V. Hotell and Restaurant AB, Kattvik Financial Services AB, Karin Jimfelt-Ghatan, Per Holknekt, M2 Capital Management AB and Per Mononen.

## **Joint Stock**

The joint stock of Odd Molly is, before the offer, 500 200 SEK divided into 5 002 000 shares with a quotient value of 0,1 SEK for each share. According to the Articles of Association of the company the joint stock shall be at least 500 000 SEK and as a maximum 2 000 000 SEK divided on 5 000 000 shares as a minimum and on 20 000 000 as a maximum. For further information concerning the development of the joint stock and the Company's major shareholders, see section "Joint stock and owner relations".