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The background of the entire image is a close-up, high-resolution photograph of numerous pink roses. The roses are in various stages of bloom, with their petals tightly curled and layered, creating a complex, swirling pattern of soft pink and magenta hues. The lighting is even, highlighting the delicate texture of the petals.

odd molly works

Life is positively blooming with delight. The warmth of a hug, the sun that greets us in the spring, the wonder of opportunities bestowed upon us by our magnificent bodies and the ability of our senses to transport us to a world of unbelievably miraculous experiences. Regardless of the messages of doom and gloom in the media, no one can take away our sense of contentment – even with the greyest skies overhead. It is this very sense of well-being that will bring us to the light at the end of the tunnel. Those who maintain their faith in life will certainly be the first to emerge from the darkness. The angry, the bitter and the greedy will take much longer to recover.

Clothing may be two-dimensional, superficial and trivial, but it allows us to influence our everyday lives by sculpting an appearance that brings out the best in our inner selves. It may be a fabulously soft and comfortable material, a happy color that awakens the soul or a boldly beautiful design and fit that perfectly captures our sense of self in a unique outfit. Add to this the small details that tell a story of love, courage and integrity and you have mastered the art of walking on water.

Since day one, Odd Molly has focused on the well-being of its customers. If, on top of this, we are able to create a product that in turn creates something incredible, then we have succeeded. We are fully aware that part of the magic of our products lies in their ability to bring a sense of delight to life. It is because of this magic ability that Odd Molly continues to work for gorgeous ladies and fashion boutiques around the world even when times are tough.

in brief

Operations in brief

Odd Molly is a Swedish company that designs, markets and sells women's fashion primarily through external retailers throughout the world. Odd Molly's clothes are distinguished by beautiful design, qualitative values and sensuality. In 2008, Odd Molly's products were sold in 41 countries, including 23 through the company's local representatives in Europe, North America, Japan, Australia and New Zealand.

Odd Molly was founded in 2002 by two designers and an entrepreneur with strong ideas, distinctive clothes – and a small budget. Since then, the company has enjoyed strong growth with favorable profitability and has expanded its international presence considerably every year. In 2007, a subsidiary was established in the US and the Odd Molly share was listed on the First North marketplace. In spring 2009, Odd Molly opened its first concept store and in the fall, the new skincare product group will be launched. Next year – in spring 2010 – Odd Molly's first eyewear collection will be launched.

The company's profitable growth is based on creative design, consistent brand efforts and a business model that enables expansion with a restricted capital requirement and minimized inventory risk.

Odd Molly sells its products, which are designed in-house, to external retailers through independent agents and distributors. When these have placed their orders, Odd Molly has the quantity of each item ordered produced by external manufacturers, which means that only very small amounts of inventory are accumulated. At the same time, the organization's size and other resources can be rapidly adapted to trends.

The total number of employees is 33, 30 of whom works in Stockholm and three work in the Los Angeles.

Overall goal and strategy

Odd Molly's goal is that all its contacts, from the end consumer to the business partners involved, will find added value in their relationship with the company. Shareholders shall receive value for their investment through the company's continued growth and sound profitability.

Odd Molly's continued growth shall occur in line with a high-quality and responsible approach to the company's business environment – through:

- x Continued geographic expansion
- x Increasing number of retailers
- x Supplementary distribution channel added through the establishment of wholly owned stores
- x Development of new products
- x Broader marketing
- x Strengthening of the organization

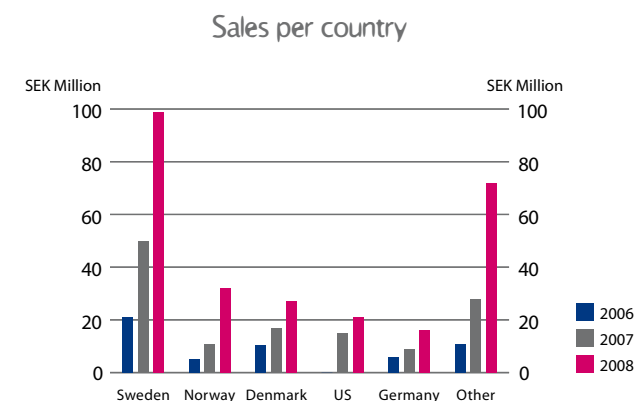
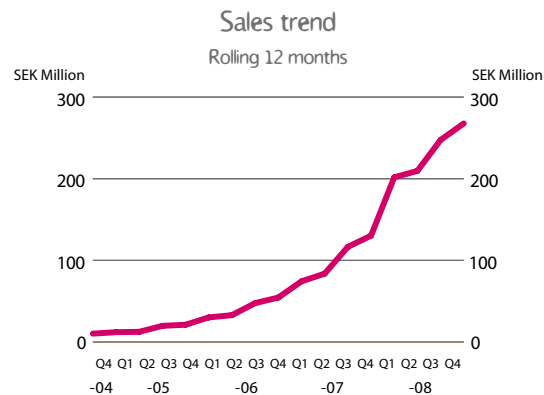
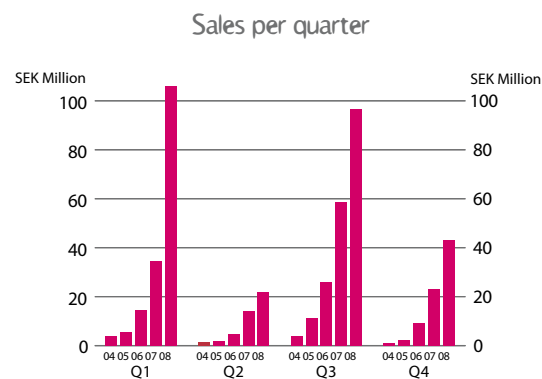


2008 in brief

- ✗ Net sales increased by 105 percent to SEK 267.7 million (130.3)
- ✗ Gross profit margin rose to 58.3 percent (57.2)
- ✗ Operating profit increased to SEK 67.5 million (18.5), corresponding to an operating margin of 25.2 percent (14.2)
- ✗ Profit after tax was SEK 49.8 million (12.9). Net margin rose to 18.6 percent (9.9)
- ✗ Earnings per share amounted to SEK 8.66 (2.39)

Seasonality

Odd Molly currently has four collections per year and operations are heavily seasonal. The first and third quarters are the strongest in terms of sales and also from a general perspective, since this is when most of the spring and fall collections are invoiced to retailers. The second and fourth quarters are the weakest in terms of current seasonal patterns.



Historical financial data

	2008	2007	2006	2005	2004
Net sales, SEK 000s	267 653	130 260	54 477	21 151	10 271
EBIT, SEK 000s	67 509	18 457	4 932	890	-290
EBIT margin, %	25	14	9	4	-3
Return on capital employed, %	99	68	89	33	-21
Return on equity, %	71	51	76	42	-155
Equity/assets ratio, %	75	75	57	58	5
Equity per share, SEK	16,50	8,34	1,20	0,54	0,02
Earnings per share, SEK	8,66	2,39	0,67	0,12	-0,11
Dividend per share, SEK	*3,00	0,00	0,00	0,00	0,00
Average number of employees	30	19	10	5	3
Net sales per employee, SEK 000s	8 997	6 856	5 448	4 230	3 424
Number of retailers	1 612	1 166	550	360	225
Number of markets	41	31	20	19	14

* Proposed dividend.

events during the year



Several decisions on innovations – store, eyewear and skincare

In 2008, a decision was made to open Odd Molly's first concept store, which opened in Stockholm in February 2009. During the year, Odd Molly also presented its new product areas of eyewear and skincare, with launch dates set in spring 2010 and fall 2009, respectively.

International fashion show in Copenhagen

Odd Molly's annual fashion show was held in August in Copenhagen, with supermodel Helena Christensen as host. The show attracted a large amount of attention from the international fashion press and was royally applauded.

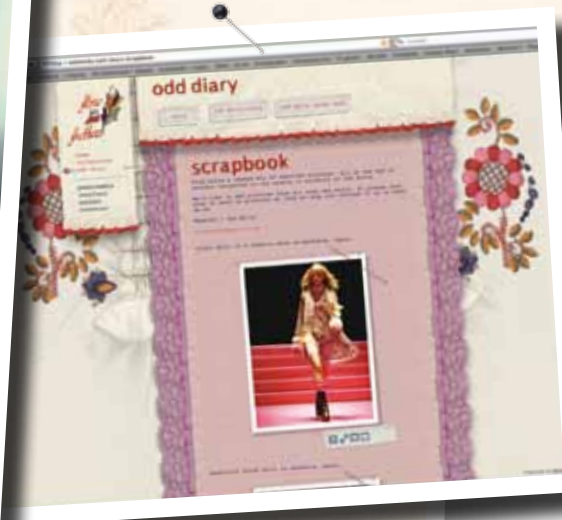
Supermodel becomes the face of Odd Molly

Helena Christensen was signed on during the year for the first advertising campaign in the history of the company. The images for the spring campaign, which have been on display in leading international fashion magazines, were taken on a chilly day in Denmark.

Future top models – positive PR

Odd Molly's cooperation with the television show Germany's Next Top Model made a positive impact and is evidence of effective PR work. Odd Molly's brand manager Per Holknekt was present and led the selection process.

“The winner of this year’s Golden Button Award is more than a clothing brand. It is a concept with its own timeless style. Proof that fashion fairytales can come true. The winner has transformed the feeling of a beautifully peaceful Sunday morning into a clothes success that is loved by women of all ages. She has swept away national and international competitors. We applaud Karin Jimfelt–Chatan of Odd Molly, who has given modern folklore a successful new image.”



Golden Button for Odd Molly's Chief designer

This year, Chief Designer Karin Jimfelt–Chatan was awarded the prestigious Golden Button design award by Swedish fashion magazine Damernas Värld.

Website in new apparel

In July, the company's new website was launched – with a look featuring Odd Molly's fabrics.

Brand of the Year

At the beginning of 2008, Odd Molly was named Brand of the Year 2007 by the Swedish Trade Federation.

No. 3 on Tradera

Odd Molly was the third most searched term on the Tradera auction website (owned by E-bay) in 2008 (after the search terms Vintage and iPhone) – evidence of the brand's strength.

Classic spray with new design

During the fall, a small cooperative project was initiated with L'Oréal, which will launch a limited edition of the classic Elnett hairspray designed by Odd Molly in spring 2009.

continuing forward on all fronts

If 2007 was the most intensive year in the company's history, we have now topped our record with a fantastic 2008. A great deal went Odd Molly's way during the year – and we continued to go our own. We more than doubled our sales, with increases in all markets, and improved our revenue substantially. In 2008, we made a number of exciting decisions that will drive the future growth of the company, the brand and ourselves.

Exceed

Naturally, the basis of Odd Molly's success is our beautiful clothes and the clear brand established and developed by the company's creative employees. But we should not forget that from the very beginning the organization has also been characterized by considerable business expertise. Running a strong – and sound – business is gratifying. It is what drives us forward and encourages us to grow and constantly strive to exceed our ambitious goals, quality requirements and earlier successes.

Our goal is to improve in all areas, from administration and flow of goods to product quality and customer service. This goal provided the starting point for our efforts during the year as we continued to strengthen the organization through such measures as expanding our design department to create even more scope for creative surprises in our collections while retaining our core, recognizable style. We established closer relationships with our agents, thereby establishing a stronger basis for analysis and follow-up than before. After all, the bigger the brand the more important it is that we engage in valuable dialog with the international representatives of the brand while maintaining control over how Odd Molly is presented throughout the world. Every time we hold a joint meeting, the strength provided by our network becomes clear.

Odd Molly's presence was further strengthened during the year in both well-established and new markets. While I am particularly proud of our growth in southern Europe and Germany, we were hoping for stronger sales in the US. We experienced a positive response in the US market and our representatives are currently reporting strong sales, but it takes considerable time to establish a brand in a new market, particularly in times of financial turbulence.

Surprise

During the year, we continued to develop products that are popular with our target group, and we saw evidence that our products are appreciated and grab attention.

In 2008, this meant that we decided to expand our product offering and enter entirely new territory. First, we announced our plans to supplement our clothing collection with glasses, which we sell on a license basis. Our goal is to create the most attractive aviator shades in the world, but our customers will have to be patient for a while. The first Odd Molly glasses are expected to hit stores in the spring of 2010. In another collaboration launched during the year, we began developing a new skin and bodycare line – the odd molly ccs friendship – which was recently sold to our global retailers for the first time and will be sold in stores beginning in the fall of 2009. This is a natural complement to our basic offering and another way to give our customers an opportunity to spoil themselves.

Early in the year, Odd Molly was named the 2007 Brand of the Year award by the Swedish Trade Federation, but the most outstanding distinction was awarded to our chief designer, Karin Jimfelt-Ghatan, who received the prestigious Golden Button design award from women's fashion magazine *Damernas Värld* in August. This is a fantastic recognition of Odd Molly's design work under Karin's leadership. We were all extremely proud, but also a little surprised that a brand as well-established as Odd Molly, which is worn by a broad target group, was awarded the prize.

The fall got off to a hectic start as we also held Odd Molly's third major fashion show at the Hotel D'Angleterre in Copenhagen and contracted supermodel Helena Christensen to star in our first consumer-targeted advertising campaign in the international fashion press.

In perhaps not the year's most important event, but certainly the biggest surprise, we learned that Odd Molly was the third most common search phrase on the auction site Tradera, which says something about the strength of the brand.

Humility

The new year got off to a flying start with the grand opening of Odd Molly's first concept store on Humlegårdsgatan in Stockholm on Valentine's Day. In our eyes, the new store is fantastically inviting and innovative. We hope that after an evaluation, it will lead to more stores in the future – run by Odd Molly itself or on the company's behalf.

We look forward to new challenges and expect a year of growth, during which we will continue to surprise our customers and exceed our own expectations, always bearing in mind the tough conditions currently prevailing in many markets. Odd Molly's broad geographic presence, the business model on which the company's operations are based and our highly stable financial position will provide us with security as well as opportunities to take further steps in our development.

So while we are of course humble in the face of the challenges in our operating environment, we believe that an uphill battle is where momentum is gathered. To win the long-distance race, we must remain goal-oriented, be well-prepared, surround ourselves with a strong team and follow a clear strategy. At Odd Molly, we know we have what it takes and plan to continue moving forward on all fronts.

Christina Tillman, President

March 2009

we want to believe that our
customers, great women
worldwide, share the same
cool core values



business concept, goals and strategies

Business concept

Odd Molly's business concept is to design, market and sell women's fashion, primarily through independent retailers worldwide. Odd Molly represents a unique combination of beautiful design, qualitative values and sensuality.

Vision

Odd Molly's vision is to establish cooperative relationships with a worldwide network of retailers that sell Odd Molly's products, thereby establishing a clear and long-term role in the international fashion industry.

Goal

Odd Molly's goal is for all of its contacts, from end consumers to business partners, to find added value in their relationship with the company. Shareholders will see their investments appreciate as the company continues to grow profitably.

Financial goals

Turnover growth

The goal is to establish a growth exceeding 20 percent annually over the coming years.

Operating margin

Odd Molly's goal is to guarantee an operating margin (EBIT) of well above 10 percent over a business cycle.

Indebtness

The equity ratio during the period should over time be at least 40 percent.

Strategies

Odd Molly's future growth, which will be characterized by a continued quality-conscious and responsible approach that takes into consideration the company's operating environment, will be based on the following strategic steps.

Continued geographic expansion

Odd Molly has begun establishing its brand in most of the company's prioritized markets, mainly in Western Europe, North America, Japan, Australia and New Zealand.

Odd Molly shall:

- ✗ maintain a long-term approach to strengthening the brand and Odd Molly's position in the company's prioritized markets.
- ✗ continuously seek out and evaluate opportunities for establishment in additional new, attractive markets.

In 2008, Odd Molly products were sold in 41 countries, compared with 31 in 2007. The company further intensified its PR efforts by contracting PR agents in several markets and establishing a successful cooperation with the German TV series Germany's Next Top Model. Market cultivation in the US proceeded according to plan, but under tougher market conditions. Odd Molly participated in 24 international fashion trade fairs, where buyers from every corner of the globe were represented.

said and done!

Increasing the number of retailers

Odd Molly bases its geographic expansion on launching the brand and establishing partnerships with retailers through independent agents and distributors.

Odd Molly shall increase the number of retailers in its existing and prioritized markets in an optimal manner by:

- ✗ continuing to carefully select retailers and locations to ensure that the brand remains attractive.
- ✗ selectively recruiting experienced agents and distributors. Careful evaluation is crucial in the selection of representatives since the agents bear considerable responsibility for the sales trend in their individual markets. It is also important to provide continuous support and to monitor the success of each agent and distributor.

During the course of two years, the number of retailers has increased from slightly more than 1,100 to slightly more than 1,600.

Supplementary distribution channel through establishment of concept store

Odd Molly intends to evaluate its supplementary distribution and open a flagship store in Stockholm. The store:

- ✗ will show the fullness of the collection in an environment and atmosphere that strengthen the sense of the brand.
- ✗ is intended to supplement the company's other retailers, who will receive support as the presence of the brand is strengthened.
- ✗ in Stockholm will be evaluated and a decision will then be made as to whether additional stores will be established.

Odd Molly's first concept store opened on Humlegårdsgatan in central Stockholm in the spring of 2009.

Development of new products

Odd Molly plans to expand the product range sold through its existing network of retailers by:

- ✗ increasing the proportion of the product range comprising, for example, trousers and skirts, as well as more tailored business wear as a complement to the original more leisure-focused clothing collection,
- ✗ expanding the range of accessories, including handbags, gloves, hats and scarves,
- ✗ evaluating other expansions of the product range that could be implemented within the existing network of retailers as well as through expanded distribution.

During 2008, Odd Molly signed a licensing agreement for eyewear, with the launch of in-store sales planned in the spring of 2010. The company also initiated a collaboration concerning the production of a unique Odd Molly brande skincare line of products on a license basis, which will be available in stores in the fall of 2009.

Broader marketing

Odd Molly has established a high level of brand awareness and rapid growth of the number of retailers through intensive work targeted at its agents and retailers. Odd Molly:

- ✗ shall continue investing in activities that build relationships and drive sales, targeting existing and potential partners and customers (B2B).
- ✗ intends to intensify its consumer-oriented marketing efforts in the future by increasing the number of PR activities and product placements, developing a more consumer-oriented website and producing more advanced in-store signage (B2C).

In 2008, Odd Molly continued to receive considerable local and international media coverage in both the industry press and business media. During the fall of 2008, the company prepared its first consumer-targeted campaign starring supermodel Helena Christensen. The campaign will be launched in the international fashion press during the spring of 2009 and the cooperation will continue into the fall of 2009. Odd Molly launched a new website in 2008 featuring fabrics designed by the company.

Strengthening the organization

Odd Molly aims to ensure that its organization maintains the highest level of quality and professionalism and adapts to the company's long-term requirements and growth.

The number of employees increased from 22 to 33 in 2008, thereby strengthening the company at all levels.



Business model

The main reason for Odd Molly's profitable growth and the foundation for its future development, aside from creative design and consistent, long-term branding, is its business model. By its design, the business model facilitates expansion with limited capital requirements and minimal risk of large, out-of-date inventories.

The business model also enables the company to plan its resource requirements since Odd Molly knows, with a high degree of probability, what level of sales to expect as early as six months prior to delivery.

The business model is based on Odd Molly selling its products primarily through external retailers. To reach as many high-quality boutiques as possible – and as many of the right retailers as possible – Odd Molly works with agents, or in rare cases distributors, in its various countries. Every agent has a showroom to display Odd Molly's collections to buyers and where orders for each collection are received. The agent has the right to sell Odd Molly products in a geographically defined market. This means Odd Molly has a partner in each country who understands the local business culture, language and fashion business. At year-end, Odd Molly had 15 agents and three distributors covering a combined 23 countries.

To represent the brand and sell each collection in an optimal manner, each agent is allowed to borrow a collection from Odd Molly to show retailers. When it has received all the orders from its agents, Odd Molly tallies them and places them with selected factories. This means that Odd Molly produces only enough items to meet its binding orders, minimizing inventory risk.

The products are delivered to a warehouse in Stockholm, except those products for shipping to the US, which are repackaged and delivered to their respective retailers. Odd Molly maintains a very small inventory of its own and therefore does not run a risk of its products becoming outdated. Odd Molly does not conduct its own distribution operations, relying instead on third-party logistics providers for inventories and distribution. Once Odd Molly has sold the products to retailers, they assume the risk of sales to consumers.

In four markets – Australia, New Zealand, Japan and Poland – Odd Molly has chosen to cooperate with distributors instead of agents. The distributor buys the collection from Odd Molly and is responsible for delivery and invoicing to retailers. Instead of receiving a commission on order volumes from retailers, the distributor buys the products at a discounted price.

The long lead times between selling to retailers and delivery mean that sales for each fiscal year can be predicted fairly accurately. They also mean that Odd Molly is able to adapt its staff and resourced to keep pace with orders and assure high quality in everything from sourcing to deliveries.





odd molly worldwide

Odd Molly's clothes are developed with inspiration from every corner and culture of the world and were sold in 41 countries in 2008, including local representation in 23 countries. For a company like Odd Molly, with an international brand and ambitious growth targets, it is important to quickly achieve a critical mass in a market – but also to find the right agent or distributor to act as a representative for the brand and the right mix of retailers. Odd Molly continuously evaluates its existing network of retailers to ensure the presence of the brand worldwide.

Retailers and agents

The total number of retailers increased by 38 percent in 2008, totaling slightly more than 1,600 at year-end, namely before the 2008 fall and winter collection. However, the number of retailers who placed orders in October for the 2009 spring and summer collection declined to approximately 1,550, primarily due to a major customer with several retailers in the US reprioritizing its purchases. The table to the right shows Odd Molly's five largest markets in 2008.

Odd Molly carefully chooses the agents and distributors that represent the company's brand and selects the retailers of the brand in a close dialog with these agents and distributors. Odd Molly is currently represented by 15 agents and three distributors worldwide.

Odd Molly's retailers include several well-known international fashion stores and chains, such as Bon Marché in Paris, Brunschwig Bon Genie in Zürich, NK in Stockholm and Fred Segal in Los Angeles as well as the department stores Isetan in Tokyo, Galeries Lafayette in Paris and Mendocino in Canada. In addition to these stores and chains, Odd Molly products are sold at a number of trendy, welcoming and cool design boutiques.

Odd Molly attracted several new, well-reputed retailers during the year, including Galeries Lafayette in Berlin and Ludwig Beck in Munich.



Country	Sales in SEK Million	Number of retailers
Sweden	99	210
Norway	32	86
Denmark	27	97
US	21	335
Germany	16	142
Other Countries	73	742
Total	268	1 612

Markets

Odd Molly is a global brand that is active in the market for women's clothing in the upper mid-price segment, which Odd Molly defines as "within reach." The majority of Odd Molly's sales currently occur in Western Europe and North America, but the brand is also represented in Australia, New Zealand and Asia.

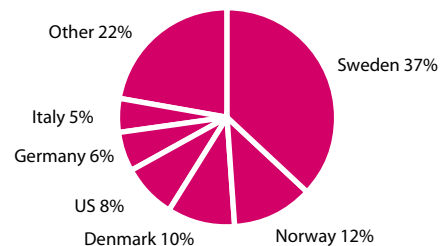
Odd Molly's largest market is Sweden, where the brand was represented by slightly more than 200 retailers at year-end 2008. Odd Molly's growth is attributable to both a growing number of retailers and higher average orders. In 2002, the average retailer order was about SEK 15,000, while the average order prior to the spring/summer of 2009 was approximately SEK 126,000.

In 2008, Norway was Odd Molly's second largest market in 2008, followed by Denmark.

The company's fourth largest market is the US, where Odd Molly increased its sales by approximately 65 percent compared with the preceding year. During the spring of 2009, Odd Molly further strengthened its organization in the US to ensure continued favorable trends. In 2008, Odd Molly's four largest markets (Sweden, Norway, Denmark and the US) accounted for about 67 percent of the company's total sales and the largest growth measured in SEK. Spain, Australia, Finland and Japan are the markets that reported the greatest growth in terms of percent. The company also reported positive trends in its markets in southern Europe, including Greece, Italy, France and Portugal.

In 2008, Odd Molly signed an agreement with a new distributor in Poland, bringing the total number of agents to 15 and distributors to three, representing a combined total of 23 countries.

Sales per country



Competitors

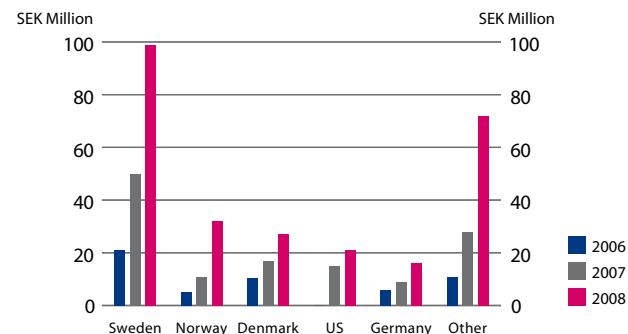
Odd Molly operates in an intensely competitive market, where strong brands and clear concepts have become increasingly significant due to the relatively low level of price sensitivity within this market segment.

In addition to its unique design and high quality, Odd Molly's most important competitive tools include consumer awareness and recognition of the brand, which make the company's ability to establish intensely loyal customers a crucial success factor.

Since the very beginning, Odd Molly has strived to develop and strengthen its distinct character, thereby establishing a relatively unique position in the fashion industry. Accordingly, the company does not believe that it has any direct competitors in the market, but rather several players competing for the consumer's money. The major Swedish players operating in the same price segment as Odd Molly include Acne, Dagmar, Filippa K, Hope, Hunky Dory, J Lindeberg and Whyred.

Odd Molly's international competitors vary from market to market. International brands within Odd Molly's price segment include Anna Sui, Antik Batik, Baum und Pferdgarten, Betsey Johnson, By Malene Birger, Citizens of Humanity, Custo Barcelona, Day Birger et Mikkelsen, Drykorn, Ella Moss, Ivana Helsinki, Juicy Couture, Marc by Marc Jacobs, No-Li-Ta, Scrapbook, True Religion and Z-Brand.

Sales per country



clothes and brand

What attracts so many women throughout the world is not only the distinctive, odd and sensual design of the clothes – it is also the special feeling that surrounds the Odd Molly brand. The clothes represent high quality and beautiful design, but also convey thought-provoking messages through small words of wisdom and the surprising details on each garment. This concept has created a unique sense of belonging and community – and extremely loyal customers in a wide range of ages.

Design

Odd Molly's clothing carries an exceptionally personal design, unique style and feeling – without slavishly following fashion trends. Nonetheless, the design team conducts continuous market research, making journeys to become inspired and identify issues that are important to women in different cultures.

Every collection has a special theme and a platform of values reflected in the entire collection. Since the beginning, every theme has been represented by a symbol and a tagline used on parts of the collection. For spring 2009, the design team chose not to expose the symbol of the current collection on the outside of the clothing, but to let the form and details of the clothes speak for themselves. The small white canvas Odd Molly label can still be found on the outside of the clothing. It is one of the reasons that the brand has achieved such large coverage and the clothes' distinct design has such a high level of recognition.

Prior to each sales period, which occurs twice a year with two simultaneous collections (spring/summer, fall/winter), the theme is first presented to Odd Molly's agents and distributors, who receive a thorough introduction from the design team in Stockholm regarding choice of material, colors, models and details of the technical production of the collection. Each agent then borrows a sample collection to show to existing and potential retailers. Odd Molly's chief designer summarizes the most important ideas behind each collection in a letter to all partners. Each individual item then comes with a mini-folder presenting the current theme. In conjunction with the shipment of the collection, retailers also receive display material and logos for their stores – all produced centrally by

Odd Molly. To further emphasize the feeling and theme of each collection, small words of wisdom are printed on the inside of each article, together with a visible product number.

Odd Molly is a distinctive and unique combination of the design and all the values contained in the brand. All communication with the business environment in the form of products, marketing and PR reflects a shared Odd Molly message. A key parameter in all of Odd Molly's development work is the ambition that the products should generate added value for the customer regardless of the country or continent in which she finds herself.

The fashion industry is often caught up in an unending search for perfection. Instead, Odd Molly wants to retain features that are unique, unusual and individual, which are attractive to women throughout the world.



Product offering

Odd Molly's range is mainly produced in such natural materials as cotton, wool and silk – and several steps in production are performed by hand. Two collections (spring and summer or fall and winter) normally comprise a combined total of 600 items, including all of the different color options. The relatively broad collections mean that the clothes can be sold to several stores in the same area without the stores needing to compete for the same consumers with the same range. Another advantage of the large collections is that they can be adapted to hot and cold climates and can thus be sold in many different countries.

Four collections are produced each year: spring, summer, fall and winter. The spring and summer collections are sold at the same time, as are the fall and winter collections. In terms of volume, the spring and fall collections are the largest. In the most recent seasons, smaller pre-collections have also been sold to even out the flow of goods and to facilitate additional sales.

Core brand values

Consistent, long-term branding is a decisive success factor in developing and maintaining a unique position in the international women's fashion market. It is a constant challenge to retain the core values, while continuously providing development and surprise. It is also important that there is credibility behind the brand and that there is thorough evaluation of the contexts in which the brand appears.

Odd Molly's branding activities are based on strong ideas, but a relatively small budget. Being seen and heard in unexpected arenas is a success factor in brand-building.

Odd Molly works continuously to create and expand its brand protection in all countries where the brand is represented and also in several other markets where there are plans to launch sales or there is a major risk of copying. Odd Molly also continuously monitors any registration of Odd Molly by other players. The company actively monitors the market to prevent copying of Odd Molly's unique design.

The brand worldwide

Odd Molly's business model is based on a common platform to utilize what is genuine to each local market. Odd Molly is a Swedish company, but is active in the international fashion arena, with collections that are influenced by various international cultures. Accordingly, the company does not use its Swedish origin in its marketing. Despite the multicultural look, it is obviously important that the brand's core values are communicated in a similar fashion worldwide.

Aside from its distinctive personalized style, another form of recognition for each garment is the external label, a natural white, canvas label on the outside of each product – Odd Molly Incorporated, Celebrating Yourselves.

One of the tools developed to summarize what Odd Molly represents – the soft values of the company and the brand – is called "Odd Molly Manifest." This provides the guiding principles for all employees in the organization and is shared with all partners worldwide. In addition, personal meetings, constant dialog and close relationships with all agents, distributors and suppliers are key components in the international branding effort. At least twice a year, Odd Molly employees and brand representatives meet in various locations around the world to continuously trade ideas and build support for the brand's basic philosophy. The local agents, distributors and contracted international PR agents are then responsible for day-to-day brand management in their respective markets, with the support of the Odd Molly offices in Stockholm and Los Angeles.

Target group

Odd Molly's target group comprises women throughout the world in a broad age range, with the core in the 25–50 age group. The common factor is that these women:

- ✕ Have many interests and live full lives.
- ✕ Are open-minded and unprejudiced.
- ✕ Have great ambitions in life, without taking themselves too seriously.
- ✕ Live active lives and fill their workdays and leisure with meaningful content.

weekday sunday
everyday



the share

Listing on First North

The Odd Molly share was listed on the unofficial First North marketplace on June 18, 2007. In conjunction with this, the company acquired slightly more than 2,000 new shareholders. The selling price was set at SEK 40 and the offering was strongly oversubscribed.

Market capitalization and sales

The final price paid on December 31, 2008 was SEK 42.50 (173.5), giving a market capitalization for Odd Molly of SEK 244.5 (995.1). During the fiscal year, average turnover was approximately 18,900 shares per day (42,600). There was total turnover of 4.76 million Odd Molly shares (5.79) at a value of SEK 407.0 million on First North (658.2). The lowest price was SEK 35 (October 10, 2008) and the highest price was SEK 180 (January 2, 2008). The decline in price in 2008 amounted to 75.5 percent. During the fiscal year, the OMXSPI Index fell by 42.0 percent.

Share capital and ownership

At December 31, 2008, Odd Molly's share capital amounted to SEK 575,200 distributed among 5,752,000 shares with a par value of SEK 0.1 per share. According to the Articles of Association, the share capital shall be not less than SEK 500,000 and not more than SEK 2,000,000 distributed among not fewer than 5,000,000 and not more than 20,000,000 shares. Odd Molly has only one class of share. The shares are issued in accordance with Swedish law and are denominated in Swedish kronor. The shareholders' rights can only be changed in accordance with the rules prescribed in the Swedish Companies Act (2005:551). Each share carries the same entitlement to a share in the company's assets and earnings. At the Annual General Meeting, each share carries one vote and all shareholders can vote for the full number of shares held without any restriction to their voting rights. The shares can be transferred freely.

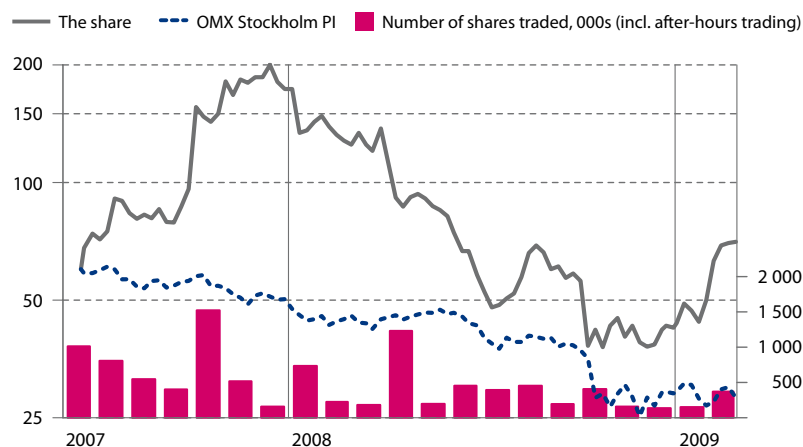
Share-based incentive program

There is currently no share-based incentive program in Odd Molly.

Share capital trend

Year	Transaction	Increase in no. of shares	Total no. of shares	Increase in share capital, SEK	Total share capital, SEK
2002	Formation		1 000		100 000
2003	New share issue	110	1 110	11 000	111 000
2005	Split 100:1	109 890	111 000		111 000
2005	New share issue	11 000	122 000	11 000	122 000
2007	Split 41:1	4 880 000	5 002 000		122 000
2007	Bonus emission		5 002 000	378 200	500 200
2007	New share issue	750 000	5 752 000	75 000	575 200

Odd Molly share



The graph above shows the trend from the listing date on June 18, 2007 until March 2009.

Dividend policy

The Board of Directors has proposed a dividend of SEK 3.00 kronor (0.00) per share to be paid for 2008. The Board intends to test annually whether there is the possibility to pay a dividend and is of the opinion that liquidity not required in operations shall be distributed to shareholders.

Largest shareholders on December 31, 2008

Ten largest shareholders	Number of shares	Proportion of votes/capital
A.T.V Holding Aktiebolag	983 046	17,09
Kattvik Financial Services	969 763	16,86
Jimfelt-Ghatan, Karin	731 090	12,71
M2 Capital Management AB	635 000	11,04
Holknekt, Per	550 760	9,58
Försäkringsaktiebolaget, Avanza Pension	66 563	1,16
Nordnet Pensionsförsäkring AB	65 615	1,14
Ålandsbanken AB, W8IMY	56 150	0,98
Swedbank Luxembourg S.A.	54 150	0,94
SEB Life Ireland	50 000	0,87
Total ten largest shareholders	4 162 137	72,4
Other	1 589 863	27,6
Total	5 752 000	100



Ownership structure at December 31, 2008

At December 31, 2008, the number of shareholders in Odd Molly totaled 3,367 (2,530), according to Euroclear Sweden AB. Odd Molly's ten largest owners held shares corresponding to 72.4 percent (80.5) of votes and capital in the company. Foreign ownership amounted to 5.6 percent (14.6) at December 31, 2008.

Ownership structure	No. of shareholders	%	No. of shares	%
1 – 500	2 818	83,7	448 206	7,79
501 – 1 000	306	9,1	260 244	4,52
1 001 – 5 000	196	5,8	443 555	7,71
5 001 – 10 000	25	0,7	200 842	3,49
10 001 – 15 000	8	0,2	99 572	1,73
15 001 – 20 000	0	0,0	0	0,00
20 001 –	14	0,4	4 299 581	74,75
Total	3 367	100	5 752 000	100

Key data per share

	2008	2007	2006	2005	2004
Equity per share, SEK	16,50	8,34	1,20	0,54	0,02
Earnings per share, SEK	8,66	2,39	0,67	0,12	-0,11
Dividend per share, SEK	* 3,00	0,00	0,00	0,00	0,00
Number of shares outstanding					
on the balance-sheet date	5 752 000	5 752 000	122 000	122 000	1 110

* Proposed dividend

*at times i see better
with my eyes closed*



Board of Directors' Report

The Board and President of Odd Molly International AB (publ), Corporate Registration Number 556627-6241, hereby issue the annual report and consolidated accounts for the fiscal year January 1, 2008 – December 31, 2008.

The company was registered with the Swedish Companies Registration Office on June 27, 2002 and has its head office in Stockholm. Odd Molly's legal structure comprises the Parent Company Odd Molly International AB (publ) and the wholly owned subsidiary Odd Molly, Inc., which is registered in Delaware, in the US. The principal operations are conducted in Odd Molly International AB, while Odd Molly Inc. conducts Odd Molly's operations in the US and Canada from Los Angeles.

Operations

Odd Molly is a Swedish company that designs, markets and sells women's fashion through independent retailers worldwide. The products are characterized by attractive, personal and sensual design combined with high quality and a distinct profile.

Odd Molly is represented by independent agents or distributors worldwide who are responsible for geographically defined markets. The business model implies that expansion can occur with limited operational risk and tied-up capital, and with retained control of the concept and brand. Until 2009, Odd Molly's products were sold exclusively through independent retailers. In February 2009, Odd Molly opened its first concept store on Humlegårdsgatan, in Stockholm.

In 2008, Odd Molly had sales in 41 countries, including 23 with local representatives in the form of 15 independent agents and three distributors.

Significant events during the year

New cooperation and broader range

To date, the company's products have mainly comprised clothes and accessories for women. The company has an express ambition of developing its product range to include new products that strengthen the brand and maintain the same high level as the rest of the range. For example in 2008, cooperation commenced with EGO Optiska for the design, production and sale of eyewear. The eyewear will be promoted in fall 2009 and will subsequently be delivered to retailers in spring 2010. EGO Optiska will be responsible for sales of optical frames and sunglasses to opticians, and Odd Molly's agents and distributors will sell the sunglasses to existing retailers.

In 2008, cooperation also began with CCS on the development of a line of Odd Molly branded skincare products. These products will be promoted in spring 2009 for subsequent delivery to retailers in August 2009. CCS is responsible for promotion to retailers of skincare products and cosmetics.

New markets in 2008

In 2008, Odd Molly sold its products in 41 countries, compared with 36 countries in 2007. Of these, 18 were countries without their own representation. Poland was added as a new distributor during the year.

Fashion show in Copenhagen

In August, Odd Molly held its third international fashion show at the renowned Hotel d'Angleterre in Copenhagen. The evening was hosted by supermodel Helena Christensen and the show was covered by a large number of Scandinavian and international fashion journalists.

Consumer marketing

During the year, supermodel Helena Christensen was contracted as the new face of Odd Molly for the first advertising campaign in the company's six-year history. Starting in early spring 2009, ads have been published in fashion magazines in such countries as the US, the UK, Italy, Sweden and Denmark. This cooperation will continue and the photography for the fall and winter collection has already been completed.

Strengthened organization for continued growth

In recent years, Odd Molly has focused on building its organization and also in the past year, the company continued to strengthen the organization. In 2008, a further 11 employees were hired and at year-end, a total of 33 persons were employed by the company, of whom three were located in the US.

The strengthening and process development of the head office produced positive results. Design and production are functioning extremely well and distribution and delivery assurance improved despite larger volumes. The strategy of working selectively with strong retailers meant that the company was able to keep customer losses at a continued low level.

Awards and distinctions

Odd Molly's Chief Designer Karin Jimfelt-Ghatan won the Swedish fashion magazine Damernas Värld's Golden Button design award in August 2008. At the beginning of 2008, Odd Molly was named Best Brand 2007 by the Swedish Federation of Trade and Services.

Sales and revenue 2008

Parent Company

Odd Molly International AB had sales of SEK 244.0 million (125.5) for the year and recorded operating profit of SEK 66.1 million (19.9). The Parent Company's equity amounted to SEK 81.9 million (46.4). Cash and cash equivalents amounted to SEK 75.5 million (26.6). The Board will propose to the Annual General Meeting a dividend of SEK 3.00 (0.00) per share, which corresponds to approximately 35 percent of profit after tax for the year.

Group

Net sales

The sales trend remained strong and net sales amounted to SEK 267.7 million (130.3), an increase of 105 percent compared with the preceding year. The combined order value for 2008 as published earlier was SEK 260 million. Sales exceeded this figure because of exchange-rate effects,

sales of collection samples and a small surplus delivery of goods from some of the company's suppliers. Odd Molly increased its sales in all markets in 2008 compared with 2007. Odd Molly's four largest markets (Sweden, Norway, Denmark and the US) accounted for about 67 percent of total sales in 2008.

During the year, Sweden, Norway, Denmark and the US accounted for the largest growth measured in Swedish kronor, while the markets that recorded the largest percentage growth were Spain, Australia, Finland and Japan. The US increased its sales by approximately 65 percent compared with the preceding year, which is a strong development, but nonetheless below the company's expectations. Odd Molly further strengthened its organization in the US at the beginning of the current year to secure continued favorable development in the US market. The company also experienced a highly positive trend in markets in southern Europe, such as Greece, Italy, France and Portugal.

Earnings

Gross profit margin amounted to 58.3 percent (57.2). Odd Molly's relatively high gross profit margin was attributable to the favorable exchange-rate effects and excellent sell-through, meaning that sales were made almost exclusively at ordinary prices. Operating profit amounted to SEK 67.5 million (18.5), corresponding to an operating margin of 25.2 percent (14.2). Other external costs amounted to SEK 72.9 million (42.8), which represented 27.2 percent (32.9) of sales.

The increased profitability was due to a rise in gross profit margins and economies of scale pertaining to fixed and semi-fixed expenses concurrent with rising sales. Examples of such expenses include marketing and leasing. As an increasingly large player, Odd Molly is also able to negotiate more advantageous purchase prices.

Operating expenses can be divided into four primary items: cost of materials including freight and customs duty, commission to local agents, marketing and PR, including trade fair costs, distribution to retailers, and other costs, including personnel. The first two items and distribution costs are, in principle, directly variable in relation to sales, while marketing and PR are related to growth, but revenue from these can only be derived in the years after they occur. Other expenses are primarily central costs for the organization and personnel at head office. Due to the excellent advance planning, these can be adjusted relatively easily in line with increasing sales and demands.

Personnel expenses totaled SEK 19.8 million (12.6), which corresponds to a lower percentage of sales compared with the preceding year (7.4 percent in 2008 compared with 9.6 percent in 2007), despite the measures implemented to strengthen the organization.

The number of shares outstanding at year-end amounted to 5,752,000. Earnings per share totaled SEK 8.66 (2.39) calculated on the average number of shares for the period.

Seasonal variations

Odd Molly has four collections per year (spring, summer, fall and winter) and of these, spring and fall have historically been the strongest collections, in terms of sales. Odd Molly's operation is highly seasonal, which means that the first and third quarters are strong, while the second and fourth quarters are significantly weaker. This means that Odd Molly's operations, sales and profits

are best followed on a six-month basis. For example, Odd Molly traditionally delivers its fall collection from the beginning of August to mid-September and its winter collection in October, which means that the fall collection is delivered in quarter three and the winter collection in quarter four.

Financial position

The company's total assets amounted to SEK 126.9 million (60.1) at year-end. Equity was SEK 94.9 million at the end of the year, compared with SEK 45.1 million at the end of the preceding year. The equity/assets ratio amounted to 75 percent (75) at the end of the period. Cash and cash equivalents on December 31, 2008 were SEK 78.3 million (29.8).

On December 31, 2008 accounts receivable amounted to SEK 23.8 million (12.4), implying that the proportion of accounts receivable in relation to sales for the period declined from nearly 10 percent in 2007 to 9 percent in 2008. To minimize risks of losses on accounts receivable, there is continuous monitoring of customers' credit ratings.

On December 31, 2008, inventories amounted to SEK 18.5 million compared with SEK 13.7 million at the end of 2007. Inventories' proportion of sales for the full year declined to 6.9 percent compared with 10.5 percent in the preceding year. In 2009, Odd Molly will build up its own store inventory, but this is only expected to affect total inventory to a small extent. The value of sample collections increased compared with the preceding year as a result of more and broader collections for a greater number of countries. The proportion of new goods awaiting distribution at the beginning of January (spring collection 2009) amounted to approximately 30 percent (70) of the total inventories.

Investments and cash flow

The company's investments comprise primarily investments in equipment and continued further development of the IT system, but are relatively limited. Investments during the year included the acquisition of a lease for the new store. Total investments for 2008 amounted to SEK 2.6 million (1.2). Cash flow from operating activities amounted to SEK 48.0 million (26.7) for full-year 2008.

Employees

In pace with the rapid growth in sales, the organization has been strengthened to secure and improve the company's various functions. To provide the conditions for the company's continued expansion and to ensure high quality in all respects, the company recruited a further 11 persons in 2008 and now comprises a total of 33 persons (of whom, three in the US). Of the 33 employees, five are men and 28 are women. The average number of employees in 2008 was 30 persons (17).

Environmental and social responsibility

Odd Molly is concerned about its fellow humans and the environment and how these may be

affected by the company's operations. Odd Molly has no proprietary production, but has its collections produced by carefully selected suppliers. The company has formulated its own Code of Conduct, which is based on the ILO conventions and the UN Convention on the Rights of the Child, with the aim of ensuring that production occurs under favorable work and environmental conditions. For example, the Code contains a list of chemicals that must not be used in production. All suppliers must confirm that these are not used. Odd Molly requires that suppliers conduct tests during production through accredited test laboratories to ensure compliance with these requirements. In 2008, Odd Molly began its own random checks to determine that the products did not contain illegal substances. Odd Molly continuously visits its suppliers to ensure as far as possible that the Code of Conduct is followed, and its ambition is to undertake third-party audits from 2009.

Risk factors

There are several factors that can affect Odd Molly's operations, growth potential, financial position and results. Many are internal and can be influenced by adequate procedures and control, while others are more external and more difficult for the company to influence. A number of risk factors are described below, which may have considerable impact on Odd Molly's future outlook. A more comprehensive risk-assessment section is available in the company's prospectus, which was prepared in conjunction with the listing on First North.

Ability to manage growth

Odd Molly's operations have had rapid organic growth to date and the company's ability to manage continued growth places demands on management and the operative and financial infrastructure of the company.

Future growth is dependent on such factors as existing retailers' ability to increase sales of Odd Molly's products and that more retailers begin selling these products.

Dependence on key persons and employees

Odd Molly's success depends to a large degree on the knowledge, experience and commitment of company management and other key employees. Odd Molly views its entire staff as a significant asset and consequently works to maintain good staff policy and market conditions. If any of the company's key employees resigns, it could have a negative impact on the operations and brand. However, a broadening of the organization will mean a gradual decline in dependence on key employees.

Brand protection

Odd Molly's brand is of fundamental significance to the company's position and success. Copying the Odd Molly brand or distribution and sale of Odd Molly's products without the company's permission will damage the brand, customers' confidence in Odd Molly's products and thus profitability for the company. Odd Molly actively protects its brands and works continuously with control and follow-ups of the company's brand protection.

Business cycle influence, consumer confidence and fashion trends

Demand for Odd Molly's products is influenced by changes in the general business cycle. A strong business cycle can have a positive impact on households' private finances and thereby their consump-

tion patterns. A weaker business cycle could have the opposite effect. Odd Molly conducts operations in various geographic markets, which means that the business cycle could be different in different markets. Furthermore, Odd Molly is largely dependent on customers' preferences in design, quality and prices. A miscalculation of customers' preferences could result in demand for Odd Molly's products declining or disappearing completely.

Supplier risks

Odd Molly has no proprietary production, but is entirely dependent upon external suppliers to provide goods. However, Odd Molly uses several different suppliers in different countries and is consequently not dependent upon any individual supplier for its operation. For Odd Molly, it is essential that goods are delivered on time. Loss of one or several suppliers or delay or absence of deliveries would have a negative impact on the company's operations, profits and financial position.

Some of Odd Molly's products are manufactured in developing countries. Conditions and regulations pertaining to the environment and working conditions differ in many aspects from conditions in the countries in which the products are sold. Consumer-product companies with suppliers in developing countries may be particularly subject to criticism concerning, for example, working conditions, product quality and product environmental influence, which could lead to negative exposure and reduced confidence in the company's brand.

Credit losses

With the current turbulence in the credit markets and difficulties in the retail sector, there is a risk of increased credit losses and a rise in inventory due to payment difficulties among customers. In 2008, realized losses on accounts receivable were well below half a percent of sales. To minimize credit risks, Odd Molly continuously monitors the credit ratings of all customers.

Import quotas

Odd Molly purchases a portion of its product range from countries outside the EU. As a step in strengthening certain sectors within Europe, the EU has in certain instances introduced import restrictions on goods, for example, clothing, which can influence purchasing costs. The US currently has import quotas on products from certain source countries. Since Odd Molly's range is of high quality and thus has higher prices, potential effects are relatively limited compared with players within low-cost segments. Despite this, it cannot be ruled out that future trade restrictions could entail that the company must change its purchasing procedures and increase purchasing costs, which in turn could have negative consequences for the company.

Exchange-rate changes

Odd Molly is exposed to exchange-rate risks in purchasing from suppliers and sales to foreign countries. Approximately 50 percent of purchases occur in USD and 50 percent in EUR. Odd

Molly receives revenue in six different currencies, SEK, USD, EUR, NOK, DKK and GBP, as a result of sales to foreign retailers. Since the company's reporting currency is SEK and purchasing occurs primarily in USD and EUR, while a significant portion of sales is in currencies other than SEK, the company's exposure to exchange-rate fluctuations can affect the company's operations, earnings and financial position. Although the company manages the currency exposure in USD through hedging transactions, there are no guarantees that the company's hedging strategies are sufficient to protect operating profit from the effects of future exchange-rate fluctuations.

Corporate Governance

Odd Molly is governed through the Annual General Meeting, the Board of Directors and the President in accordance with the Swedish Companies Act and the company's Articles of Association.

Work of the Board

In 2008, Odd Molly's Board of Directors comprised six members elected by the 2008 Annual General Meeting. The President is not a Board member. The auditors are the registered company Ernst & Young AB.

In accordance with the Swedish Companies Act, Odd Molly's Board of Directors has prepared a formal work plan pertaining to work distribution and reporting. The Board of Directors' formal work plan also regulates Board meetings, items to be addressed, the Chairman's assignments, the President's assignments and certain other issues. The work plan is reviewed annually.

In addition to the statutory meetings, the Board held nine meetings, of which one statutory meeting, four ordinary meetings and four meetings per capsulam. The ordinary meetings primarily focused on revenue follow-ups, budget and budget follow-ups, organizational issues, strategic issues and external reporting.

Since Odd Molly is traded on First North, the company is not obligated to follow the Swedish Code of Corporate Governance ("The Code"). Nonetheless, the company's goal is to adapt to the Code.

Guidelines for remuneration to the President and senior executives

The company did not have a Remuneration Committee during 2008, since the Board of Directors believes that these issues are best handled within the framework of the ordinary work of the Board due to the size of the company. The Board decided on remuneration levels for the President based on a proposal prepared by the Chairman of the Board. The President and the Chairman of the Board also decided on remuneration levels for other senior executives. To ensure that the auditors are continuously updated on the company's development, the auditors, like the Board, receive regular reports from the President with information on operations and financial results.

Share and ownership

The number of shareholders on December 31, 2008 totaled approximately 3,367, of which about 95 percent were registered in Sweden. The four largest shareholders were ATV Hotell och Restaurang AB, Kattvik Financial Services AB, Karin Jimfelt-Ghatan and M2 Capital Management. More information is available under the section on share capital and ownership on page 18. Odd Molly currently has no share-based incentive programs.

Future outlook

The primary reason for Odd Molly's profitable growth and the basis for the company's future development, as well as its creative design and long-term, consistent brand work, is the company's business model. The formulation of the business model facilitates continued expansion with limited capital requirements and minimal risks for large and outdated inventories. The long lead times between selling to retailers and delivery mean that sales for each fiscal year can be predicted fairly accurately.

In October 2008, Odd Molly reported its orders for the spring and summer of 2009. Binding orders for the first six months of 2009 corresponded to sales of approximately SEK 138 million. This would entail a sales increase of 12 percent compared with the first six months of 2008. Some uncertainty exists compared with the final outcome due to such factors as future currency trends and the performance of individual retailers. The majority of these sales will occur during the first quarter of the year.

On April 8, 2009, orders were reported for the fall and winter of 2009, when the majority of sales will be from deliveries during the third quarter. The orders for the spring and summer of 2010 will be published in October 2009.

Odd Molly does not intend to submit a sales and profit forecast for 2009 in addition to the publication of these order values.

Dividend

The Board of Directors will propose to the Annual General Meeting that a dividend of SEK 3.00 (0.00) per share be paid for the 2008 fiscal year, which corresponds to 35 percent of the company's profit after tax. The Board aims to review annually whether it is possible to issue a dividend. In its consideration of future dividends, the Board will consider several factors, including the company's operations, operating profit and financial position, current and expected liquidity requirements, expansion plans and other significant factors. The Board is of the opinion that liquidity that is not necessary to the operations shall be distributed to the company's shareholders.

Proposed disposition of the company's profit

The following funds (SEK) are available to the Annual General Meeting:

Profit brought forward	44 188 625
Net profit for the year	35 502 204
Total	79 690 829

The Board proposes that the funds be appropriated as follows:

Dividend to the shareholders (5 752 000 aktier * 3,00 SEK per aktie)	17 256 000
To be carried forward	62 434 829
Total	79 690 829

For further information concerning the company's earnings and financial position, refer to the following income statement, balance sheet and notes on the financial statements.

Summary of financial information Group

Amounts in SEK 000s	2008	2007	2006	2005	2004
Profit/loss					
Net sales	267 653	130 260	54 477	21 151	10 271
EBIT	67 509	18 457	4 932	890	-290
Profit/loss for the year	49 829	12 922	3 358	600	-552
Margins					
EBIT margin, %	25	14	9	4	-3
Profit margin, %	26	14	9	3	-5
Yield measurement					
Return on capital employed, %	99	68	89	33	-21
Return on equity, %	71	51	76	42	-155
Financial position					
Total assets	126 905	60 082	10 512	4 702	2 386
Equity	94 916	45 079	6 046	2 754	112
Equity/assets ratio, %	75	75	57	58	5
Per share*					
Equity per share, SEK	16,50	8,34	1,20	0,54	0,02
Earnings per share, SEK	8,66	2,39	0,67	0,12	-0,11
Dividend per share, SEK	**3,00	0,00	0,00	0,00	0,00
Employees					
Average number of employees	30	19	10	5	3
Net sales per employee	8 997	6 856	5 448	4 230	3 424

* Based on weighted average restated after implemented split.

** Pertains to proposed dividend.

Income statement

Amounts in SEK 000s

	Group		Parent	
	2008	2007	2008	2007
Operating revenue				
Net sales	267 653	130 260	243 958	125 472
Other operating revenue	4 794	47	5 631	1 201
	272 447	130 307	249 589	126 673
Operating expenses				
Goods for resale	-111 485	-55 704	-99 044	-53 711
Other external expenses	-72 907	-42 842	-65 610	-40 576
Personnel expenses	-19 833	-12 557	-18 156	-11 764
Depreciation of tangible and intangible fixed assets	-699	-432	-660	-407
Other operating expenses	-15	-317	-15	-314
	-204 938	-111 851	-183 486	-106 772
Operating profit	67 509	18 457	66 103	19 901
Profit/loss from financial items				
Interest income and similar income items	1 904	606	1 885	595
Interest expense and similar expense items	-39	-284	-39	-284
Profit after financial items	69 373	18 779	67 949	20 213
Appropriations				
Provision for tax allocation reserve	-	-	-17 600	-
Profit before tax	-	-	50 349	20 213
Tax on profit for the year	-19 545	-5 857	-14 847	-5 911
PROFIT FOR THE YEAR	49 829	12 922	35 502	14 302
Earnings per share	8,66	2,39	-	-
Proposed dividend per share	3,00	-	-	-

Balance sheet

Amounts in SEK 000s

	Group		Parent	
	Dec. 31, 2008	Dec. 31, 2007	Dec. 31, 2008	Dec. 31, 2007
Assets				
Fixed assets				
Intangible fixed assets				
Tenancy rights and similar rights	1 143	–	1 143	–
Other intangible fixed assets	790	764	790	764
	1 933	764	1 933	764
Tangible fixed assets				
Equipment, tools, fixtures and fittings	1 706	881	1 514	733
	1 706	881	1 514	733
Financial fixed assets				
Deferred tax assets	–	60	–	–
Participations in Group companies	–	–	170	170
Receivables from Group companies	–	–	2 342	–
	–	60	2 512	170
Total fixed assets	3 639	1 705	5 959	1 667
Current assets				
Inventories, etc.				
Finished products and goods for resale	18 505	13 717	16 000	11 450
	18 505	13 717	16 000	11 450
Current receivables				
Accounts receivable	23 758	12 448	21 896	11 746
Receivables from Group companies	–	–	4 315	6 651
Other receivables	468	487	288	341
Prepaid expenses and accrued income	2 251	1 885	2 251	1 865
	26 476	14 819	28 749	20 603
Cash and bank balance	78 285	29 840	75 465	26 634
Total current assets	123 266	58 377	120 214	58 687
TOTAL ASSETS	126 905	60 082	126 173	60 354

Balance sheet

Amounts in SEK 000s

	Group		Parent	
	Dec. 31, 2008	Dec. 31, 2007	Dec. 31, 2008	Dec. 31, 2007
Equity and liabilities				
Equity				
Restricted equity				
Share capital (5,752,000 shares)	575	575	575	575
Restricted reserves	1 693	1 660	–	–
Statutory reserve	–	–	1 628	1 628
	22 268	2 235	2 203	2 203
Unrestricted equity				
Unrestricted reserves	42 819	29 922	–	–
Share premium reserve	–	–	26 010	26 010
Profit or loss brought forward	–	–	18 179	3 877
Profit for the year	49 829	12 922	35 502	14 302
	92 648	42 844	79 691	44 189
Total equity	94 916	45 079	81 894	46 392
Provisions				
Provisions for deferred tax	4 644	16	–	–
	4 644	16	–	–
Untaxed reserves				
Tax allocation reserve	–	–	17 656	56
	–	–	17 656	56
Current liabilities				
Liabilities to credit institutions	–	71	–	71
Advances from customers	–	18	–	18
Accounts payable	5 458	3 789	5 349	3 102
Current income tax liability	12 720	3 689	12 703	3 683
Other liabilities	1 597	2 139	1 542	2 109
Accrued expenses and deferred income	7 571	5 280	7 029	4 922
	27 346	14 987	26 623	13 907
TOTAL EQUITY AND LIABILITIES	126 905	60 082	126 173	60 354
Pledged assets and contingent liabilities				
Pledged assets	2 500	2 500	2 500	2 500
Contingent liabilities	None	None	None	None

Cash-flow statement

Amounts in SEK 000s

	Group		Parent	
	2008	2007	2008	2007
Operating activities				
Operating profit	67 509	18 457	66 103	19 901
Adjustments for items not included in cash flow				
Depreciation/amortization and impairment losses	699	432	660	407
Exchange-rate gains	-349	-	-	-
Capital gains from equipment sales	15	-2	15	-2
Interest received	1 904	606	1 885	595
Interest paid	-39	-284	-39	-284
	69 738	19 208	68 624	20 618
Tax paid	-5 888	-2 040	-5 827	-2 100
Cash flow from operating activities before changes in working capital	63 850	17 168	62 797	18 518
Cash flow from changes in working capital				
Increase(-)/Decrease(+) in inventories	-4 364	-12 376	-4 550	-10 036
Increase(-)/Decrease(+) in operating receivables	-11 263	-10 007	-8 075	-15 761
Increase(+)/Decrease(-) in operating liabilities	2 426	8 542	3 697	7 239
Cash flow from operating activities	50 648	3 326	53 869	-40
Investing activities				
Acquisition of intangible fixed assets	-1 472	-	-1 473	-
Acquisition of tangible fixed assets	-1 203	-1 133	-1 152	-956
Divestment of tangible fixed assets	-	36	-	36
Acquisition of financial assets	-	-60	-2 342	-170
Divestment/reduction of financial assets	60	-	-	-
Cash flow from investing activities	-2 616	-1 157	-4 967	-1 091
Financing activities				
New share issue	-	30 000	-	30 000
Issue expenses	-	-5 438	-	-5 438
Amortization of debt	-71	-71	-71	-71
Cash flow from financing activities	-71	24 491	-71	24 491
Cash flow for the year	47 961	26 660	48 831	23 360
Cash and cash equivalents at beginning of year	29 840	3 274	26 634	3 274
Exchange-rate difference in cash and cash equivalents	484	-94	-	-
Cash and cash equivalents at end of year	78 285	29 840	75 465	26 634
Unutilized credit facilities amounted to	-	2 000 000	-	2 000 000



