



**Odd Molly International AB (publ)**  
Stockholm, Sweden August 16, 2017

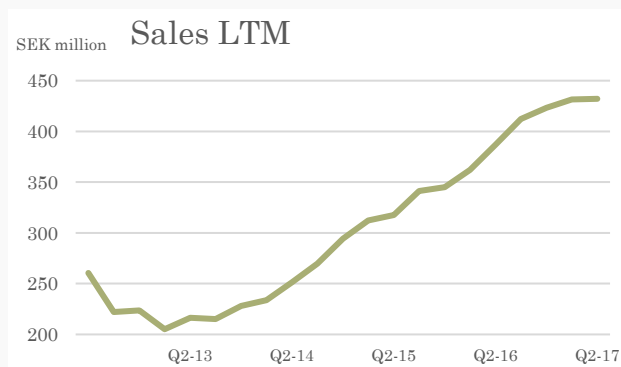
## Strong performance online, tougher in brick-and-mortar stores

### APRIL 1 – JUNE 30, 2017

- Total operating revenue increased by 1 percent to SEK 82.0 million (81.4).
- The gross profit margin increased to 57.6 percent (56.0).
- The operating loss amounted to SEK -7.5 million (-2.5).
- The net loss was SEK -6.6 million (-2.9).
- Earnings per share amounted to SEK -1.15 (-0.51).

### JANUARY 1 – JUNE 30, 2017

- Total operating revenue increased by 5 percent to SEK 208.1 million (199.1).
- The gross profit margin increased to 55.4 percent (54.9).
- Operating profit amounted to SEK 0.0 million (5.9).
- The net loss was SEK -1.9 million (3.0).
- Earnings per share before dilution amounted to SEK -0.34 (0.51).
- Earnings per share after dilution amounted to SEK -0.32 (0.51).



### KEY FIGURES

Total operating revenue, SEK million  
Change, %

Gross profit margin, %  
Operating profit, SEK million  
Change, %

Operating margin, %  
Net profit/loss, SEK million  
Change, %

Earnings per share before dilution, SEK  
Earnings per share after dilution, SEK  
Return on equity, %  
Equity/assets ratio, %  
Cash flow from operating activities, SEK million

Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jan-Dec	Jul 16-
2017	2016	2017	2016	2016	Jun 17
82.0	81.4	208.1	199.1	423.2	432.1
1		5		23	
57.6	56.0	55.4	54.9	55.6	55.8
-7.5	-2.5	0.0	5.9	24.5	18.6
neg.		neg.		97	
-9.2	-3.1	0.0	3.0	5.8	4.3
-6.6	-2.9	-1.9	3.0	17.7	12.8
neg.		neg.		81	
-1.15	-0.51	-0.34	0.51	3.08	2.23
-1.15	-0.51	-0.32	0.51	3.08	2.23
-6.5	-3.1	-1.9	3.2	17.8	14.0
50	54	50	54	55	50
16.7	16.8	14.3	8.0	6.6	12.9

# Comment from the CEO



## An exciting journey – with big shifts happening quickly

### **Quarter**

Odd Molly continued during the quarter to deliver strong growth in the retail segment, i.e., sales in Odd Molly's own channels, which rose by 27 percent. Sales in the wholesale segment, on the other hand, were clearly lower than the same period in 2016, partly due to a larger share of the spring/summer collection being delivered during the second quarter instead of the first last year. At the same time the trend we have been seeing, and discussed earlier, is becoming clearer; it is a tough market, especially for our smaller retailers with brick-and-mortar stores, and a time of transformation for the industry. And it's happening quickly.

The lower sales in the wholesale segment was the main factor behind the earnings decline for the quarter – the seasonally smallest quarter of the year for Odd Molly in terms of sales and earnings.

### **E-commerce is driving growth**

We are seeing and are pleased with several positive signs in the form of strong increases in our web shop and among e-commerce retailers. We continue to expand together with our partner in the US who opened two new stores in Colorado during the quarter.

We are in the midst of the third quarter, our most important and largest in terms of sales and earnings, with summer sales in the beginning and large deliveries of fall/winter merchandise to retailers as well as our own channels during the second half.

### **Clearer category strategy**

Simply put, our task is to design, produce and sell attractive products that customers want to buy. There will always be a place for quality, strong brands and distinctive design – and the playing field continues to change. We must stay attentive and make sure we free up resources to invest where we see the biggest potential for profitable growth. During the year we have created a new way of working with categories to optimize what we offer in each channel, in line with the changing consumer habits we are facing. Going forward Odd Molly will work with smaller main collections and more special collections designed for the different channels.

With a clear focus on the customer we are constantly adapting how to respond to new consumption patterns – and preparing for continued major changes in the market.

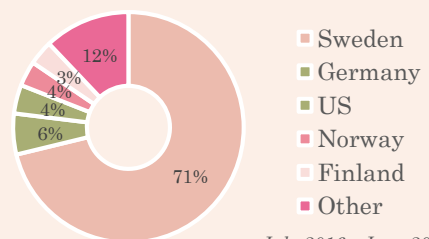
**Anna Attemark, CEO**

“We must stay attentive and make sure we free up resources to invest where we see the biggest potential for profitable growth”

## KEY FIGURES FIRST HALF-YEAR

- Total operating revenue 208.1 MSEK, +5%
- Operating profit 0.0 MSEK (5.9)
- Operating margin 0.0% (3.0%)

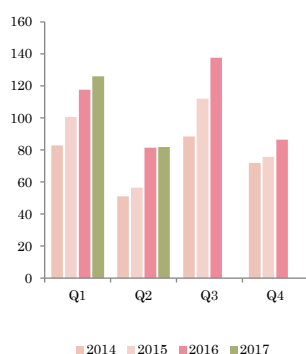
## REVENUE BY COUNTRY, ROLLING 12 MONTHS



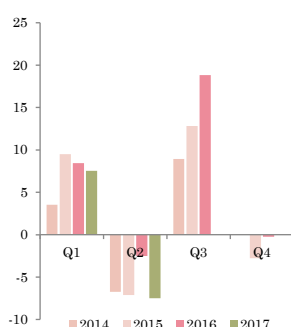
July 2016 - June 2017

# The Group's development

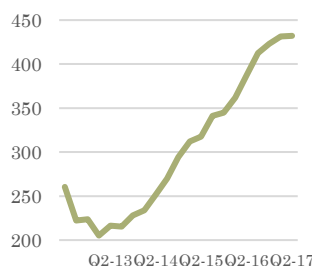
## QUARTERLY SALES



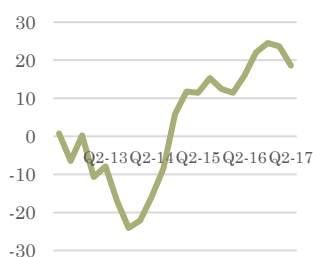
## QUARTERLY OPERATING PROFIT



## ROLLING 12-MONTH SALES



## ROLLING 12-MONTH OPERATING PROFIT



## SEASONAL FLUCTUATIONS

Odd Molly's operations are seasonal, with the strongest sales in the first and third quarters, while the second and fourth quarters are weaker. As a result, the company's operations, sales and profits are best followed on a semiannual basis. Because of the growing share of retail sales, seasonal fluctuations are gradually diminishing.

## TOTAL OPERATING REVENUE

### **Second quarter April 1 - June 30, 2017**

Total operating revenue in the second quarter amounted to SEK 82.0 million (81.4), an increase of 1 percent compared with the same period in 2016. Revenue from wholesale operations (sales to retailers and partners) decreased by 37 percent compared with the previous year to SEK 21.0 million (33.5) in the second quarter. Sales declined partly because a larger share of the spring/summer collection was delivered in the second quarter of 2016 compared to this year. The company's retail operations (own sales to consumers through stores and web shop) increased by 27 percent to SEK 60.9 million (47.9). Growth is being driven by the company's web shop and the larger number of stores compared with the same period in 2016. Odd Molly had 18 of its own stores at the end of the period, compared with 15 a year earlier.

### **First half-year January 1 - June 30, 2017**

Total operating revenue in the first six months amounted to SEK 208.1 million (199.1), an increase of 5 percent compared with the same period in 2016. Revenue from wholesale operations decreased by 11 percent to SEK 94.6 million (106.8). The company's retail operations increased by 23 percent to SEK 113.5 million (92.3) driven by the web shop and the larger number of stores.

## EARNINGS

### **First quarter April 1 - June 30, 2017**

The gross profit margin for the period was 57.6 percent (56.0). The margin was positively affected by the larger share of sales from retail operations, while a higher share of discounted sales and foreign exchange rates had a negative effect.

The operating loss was SEK -7.5 million, compared with SEK -2.5 million in the same period of 2016. The change is mainly due to lower wholesale revenue, higher operating expenses related to expansion, and higher distribution expenses as a result of a larger share of online sales.

Personnel expenses amounted to SEK 20.2 million (24.7 percent of total operating revenue), compared with SEK 18.1 million (22.2 percent of total operating revenue) the previous year. Other external expenses amounted to SEK 31.0 million (37.8 percent of total operating revenue) and SEK 28.0 million (34.4 percent of total operating revenue) the previous year. The increase is mainly related to newly opened stores and digital investments.

The net loss was SEK -6.6 million (-2.9) and earnings per share amounted to SEK -1.15 (-0.51).

### **First half-year January 1 - June 30, 2017**

The gross profit margin in the first half-year was 55.4 percent (54.9).

Operating profit was SEK 0.0 million, compared with SEK 5.9 million in the same period of 2016, negatively affected by higher distribution and operating expenses due to the higher share of online sales as well as more stores.

Personnel expenses amounted to SEK 39.9 million (19.2 percent of total operating revenue), compared with SEK 34.6 million (17.4 percent of total operating revenue) the previous year. Other external expenses amounted to SEK 69.3 million (33.3 percent of total operating revenue) and SEK 64.2 million (32.3

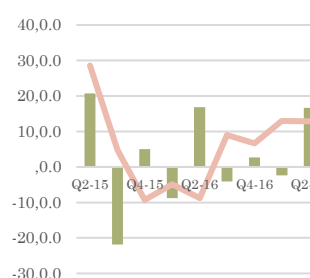
percent of total operating revenue) the previous year.

The net loss was SEK -1.9 million (3.0) and earnings per share before dilution amounted to SEK -0.34 (0.51).

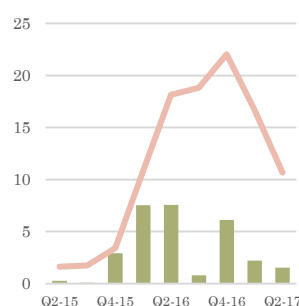
### ***Analysis of operating profit***

million	Apr-Jun	Jan-Jun
<b>Operating profit 2016</b>	<b>-2.5</b>	<b>5.9</b>
Contribution from higher sales	+0.3	+4.8
Higher gross margin	+1.3	+0.6
Higher distribution expenses	-2.1	-2.1
Higher expenses related to expansion	-4.5	-9.1
<b>Operating profit 2017</b>	<b>-7.5</b>	<b>0.0</b>

CASH FLOW FROM OPERATING ACTIVITIES QUARTERLY AND ROLLING 12 MONTHS (LINE)



INVESTMENTS QUARTERLY AND ROLLING 12 MONTHS (LINE)



### **INVESTMENTS AND CASH FLOW**

In the second quarter of 2017 the company's investments totaled SEK 1.5 million (7.6). Cash flow from operating activities amounted to SEK 16.7 million (16.8) and total cash flow amounted to SEK 9.4 million (0.6), including a dividend of SEK 5.8 million.

In the first half of 2017 the company's investments totaled SEK 3.8 million (15.1). Cash flow from operating activities amounted to SEK 14.3 million (8.0) and total cash flow amounted to SEK 4.8 million (-15.3), including a dividend of SEK 5.8 million.

### **INVENTORY**

Inventory amounted to SEK 81.5 million at the end of the period, compared with SEK 64.8 million at the end of the second quarter of 2016. The increase is tied to the larger number of stores and higher sales from the company's web shop. Compared with the previous quarter inventory rose by SEK 5.7 million.

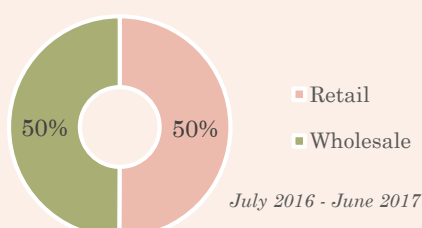
### **FINANCIAL POSITION**

The Group's total assets amounted to SEK 187.7 million (164.2) on June 30, 2017. Shareholders' equity was SEK 94.4 million on the same date, compared with SEK 89.4 million on June 30, 2017. The equity/assets ratio was 50 percent (54) at the end of the period and cash and cash equivalents amounted to SEK 18.4 million (18.5). Net liquidity, after utilized overdraft facilities, amounted to SEK 2.6 million (5.5). Accounts receivable amounted to SEK 41.1 million on June 30, 2017, compared with SEK 44.0 million a year earlier.

# Segments

The company reports revenue and operating results for three segments: wholesale, retail and common group costs. Operating results for each segment are charged with direct costs for the segment. Costs not directly attributable to wholesale or retail are reported in the segment common group costs. Revenue and operating results were previously reported for two segments – wholesale and retail – where common group costs were distributed by segment using a key based on each segment's share of the total cost of goods sold. Figures for 2016 according to the new segment reporting can be found under the heading Revenue and operating result by segment on page 13 as well as on the company's website <https://corporate.oddmolly.com/en/odd-molly-in-numbers-1993/>.

## REVENUE BY SEGMENT



## WHOLESALE

- Retailers (stores and web shops)
- Stores managed by partners
- Shop-in-shops managed by retailers

## RETAIL

- Odd Molly-managed stores, independent stores, outlets, stores in shopping centers and department stores
- Located in Sweden, Norway, Finland
- Web shop

## WHOLESALE

### Development in the first half-year

- Sales down 11 percent – changes in the industry, where many physical retailers are struggling
- Improved gross margin
- Higher expenses tied to shop-in-shops and showrooms as well as negative exchange rate effects on receivables in foreign currency due to stronger SEK

SEK in thousands	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016	Jul 16-Jun 17
Sales	21,014	33,468	94,562	106,823	228,022	215,761
Operating profit	-1,171	3,120	16,359	21,503	53,435	48,292
Operating margin, %	-5.6	9.3	17.3	20.1	23.4	22.4

## RETAIL

### Development in the first half-year

- Sales up 23 percent driven by a strong development in the web shop and more stores
- Lower gross margin due to higher share of discounted sales and negative exchange rate effect
- Higher operating expenses for more stores and digital investments

SEK in thousands	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016	Jul 16-Jun 17
Sales	60,948	47,937	113,494	92,271	195,142	216,365
Operating profit	12,088	12,268	19,699	20,683	42,717	41,733
Operating margin, %	19.8	25.6	17.4	22.4	21.9	19.3

## COMMON GROUP COSTS

Operating expenses that are not directly attributable to the wholesale or retail operations are classified as common group costs. Examples include the costs of design, production and marketing not attributable to either sales segment as well as general and administrative costs for accounting, logistics and IT.

### Development in the first half-year

- SEK 0.2 million lower costs compared with the previous year, mainly from external services

SEK in thousands	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016	Jul 16-Jun 17
Operating profit	-18,424	-17,901	-36,034	-36,245	-71,634	-71,423



# Other

## EVENTS DURING THE QUARTER

### Expansion

In April, an Odd Molly store was opened in Boulder, Colorado, in the US, through an external partner – the same partner that already operates Odd Molly stores in Vail and Aspen, Colorado. In June, the same partner opened another Odd Molly store in a shopping center outside Denver, Colorado.

### Annual General Meeting

The Annual General Meeting of Odd Molly International AB on May 11, 2017 adopted the Parent Company's and Group's income statements and balance sheets for the financial year 2016. The AGM approved a dividend of SEK 1.00 for the financial year 2016 with the record date May 15, 2017. The Board of Directors and CEO were discharged from liability for the financial year 2016. The AGM passed the resolution on the Board of Directors and reelected Board Members Mia Arnhult, Kia Orback Pettersson, Patrik Tillman, Elin Ryer and Nils Vinberg. Jacob Wall was elected as a new member of the Board, replacing Lennart Björk, who had declined reelection. Patrik Tillman was reelected as Chairman of the Board. The registered accounting firm Ernst & Young AB was reelected as the Company's auditor for the period until the end of the AGM in 2018. All other resolutions stated in the notice of the meeting were approved by the AGM. For more information, see the company's website

<https://corporate.oddmolly.com/en/annual-general-meeting-2017-1774/>

STORES ON MARCH 31



## NUMBER OF SHARES

As of June 30, 2017, there were 5,752,000 shares outstanding. The total number of shares after dilution from outstanding warrant programs amounted to SEK 6,052,000.

Key ratios per share	Jun 30 2017	Jun 30 2016	Dec 31 2016
Weighted average number of shares before dilution	5,752,000	5,752,000	5,752,000
Weighted average number of shares after dilution	6,052,000	5,752,000	5,752,000
Equity per share before dilution, SEK	16.41	15.54	18.38

## EMPLOYEES

The total number of employees at the end of the period was 112 (91), of whom 8 were men and 104 women. The average number of employees during the second quarter was 110 (87). The increase is driven by newly opened stores.

## PARENT COMPANY

The Parent Company reported total operating revenue of SEK 198.6 million (195.8) in the first half-year, reaching an operating profit of SEK 3.6 million (8.1). The Parent Company's adjusted shareholders' equity amounted to SEK 78.4 million (78.4). Cash and cash equivalents amounted to SEK 11.6 million (14.3). Net liquidity, after utilized overdraft facilities, amounted to SEK -4.1 million (1.4).

Sales in the U.S. are through the wholly owned subsidiary Odd Molly Inc. Odd Molly also has subsidiaries in Denmark, Norway, Finland and Sweden that manage operations in their respective countries. All other sales are through the Parent Company.

## RISK FACTORS

Due to the nature of its operations, the Odd Molly Group is exposed to risks and uncertainties. A detailed description of the risks and uncertainties to which Odd Molly is exposed is provided in the Board of Directors' report and in note 27 of Odd Molly's Swedish annual report for 2016, which is published on Odd Molly's website. There we also explain how Odd Molly manages and tries to minimize these risks. The assessment of these risks is unchanged compared with the assessment in the Swedish annual report 2016.

#### ACCOUNTING PRINCIPLES

As of January 1, 2008 the Group applies the International Financial Reporting Standards (IFRS) as adopted by the EU. This report is prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act.

Further, the consolidated statements are prepared in accordance with Swedish law by applying the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary accounting rules for groups. The Swedish Financial Reporting Board's recommendation RFR 2 Reporting for legal entities has been applied in the preparation of the Parent Company's financial statements. The accounting principles applied in this interim report are described on pages 43-46 of the Swedish annual report for 2016. The accounting principles are unchanged compared with the previous year's annual report. New and revised accounting standards and interpretations that apply to 2017 are not considered to materially affect the company's financial reports.

The acquisition of the Swedish agent in 2014, when Odd Molly took over sales responsibility for the Swedish market, is treated in the consolidated accounts as an intangible fixed asset in accordance with IAS 38.

Currency derivatives are measured at fair value within level 2, according to the definition in IFRS 13, i.e., fair value based on valuation models using observable market data. Other financial assets have been classified as loans and accounts receivable. Other financial liabilities have been classified as other financial liabilities at amortized cost. All financial assets and liabilities have short maturities, based on which their book value is considered approximate to fair value. The consolidated statements comprise Odd Molly International AB (Parent Company), Odd Molly Sverige AB, Odd Molly Inc., Odd Molly Denmark ApS, Odd Molly Finland Oy and Odd Molly Norway A/S. Reference to the company in this interim report pertains to the Odd Molly Group.



# Alternative performance measures

Following are definitions of the concepts and measures used in the report to describe the company's performance which are not defined or specified according to IFRS.

## GROSS PROFIT MARGIN

	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016	Jul 2016- Jun 2017
TSEK						
<i>Operating revenue</i>						
Net sales	81,514	81,409	206,773	199,068	422,552	430,257
<i>Operating expenses</i>						
Cost of goods sold	-34,570	-35,860	-92,131	-89,756	-187,644	-190,019
<b>Gross profit</b>	<b>46,944</b>	<b>45,549</b>	<b>114,642</b>	<b>109,311</b>	<b>234,908</b>	<b>240,238</b>
<b>Gross profit margin, %</b>	<b>57.6</b>	<b>56.0</b>	<b>55.4</b>	<b>54.9</b>	<b>55.6</b>	<b>55.8</b>

To calculate the gross profit margin, gross profit is calculated first by subtracting the cost of goods sold from net sales. Gross profit is then measured in relation to net sales to obtain the gross profit margin. The margin, which indicates how large a percentage of net sales becomes profit after the cost of goods sold, is impacted by factors such as pricing, commodity and manufacturing costs, inventory writedowns and exchange rates. All measures used in the calculation can be found in the consolidated income statement.

## OPERATING MARGIN

	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016	Jul 2016- Jun 2017
SEK in thousands						
<i>Operating revenue</i>						
Net sales	81,514	81,409	206,773	199,068	422,552	430,257
Other operating revenue	448	-3	1,283	27	613	1,869
<b>Total operating revenue</b>	<b>81,961</b>	<b>81,405</b>	<b>208,056</b>	<b>199,095</b>	<b>423,165</b>	<b>432,126</b>
<b>Operating profit/loss</b>	<b>-7,507</b>	<b>-2,512</b>	<b>24</b>	<b>5,941</b>	<b>24,518</b>	<b>18,601</b>
<b>Operating margin, %</b>	<b>-9.2</b>	<b>-3.1</b>	<b>0.0</b>	<b>3.0</b>	<b>5.8</b>	<b>4.3</b>

To calculate the operating margin, operating profit is measured in relation to total operating revenue. This measure indicates how large a percentage of total operating revenue becomes profit after operating expenses. All measures used in the calculation can be found in the consolidated income statement. Operating margin is one of the company's communicated financial targets.

## EQUITY/ASSETS RATIO

	Jun 30 2017	Jun 30 2016	Dec 31 2016
SEK in thousands			
Shareholders' equity	94,382	89,382	105,725
Total assets	187,703	164,205	193,389
<b>Equity/assets ratio, %</b>	<b>50</b>	<b>54</b>	<b>55</b>

The equity/assets ratio is calculated by measuring equity in relation to total assets, providing an indication of how large a percentage of the assets is financed with equity. All measures used in the calculation can be found in the consolidated balance sheet. Equity/assets ratio is one of the company's communicated financial targets.

## RETURN ON EQUITY

	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016	Jul 2016- Jun 2017
SEK in thousands						
Net profit/loss attributable to Parent Company's shareholders (net profit/loss)	-6,596	-2,926	-1,933	2,955	17,721	12,833
Average equity	101,537	94,229	100,053	91,249	99,421	91,882
<b>Equity/assets ratio, %</b>	<b>-6.5</b>	<b>-3.1</b>	<b>-1.9</b>	<b>3.2</b>	<b>17.8</b>	<b>14.0</b>

The return on equity is calculated by measuring net profit for the period in relation to average equity during the period (opening balance + closing balance divided by two). The return on equity measures the company's



return during the period on the equity invested by shareholders, and thus how profitable a company is for its shareholders. Measures used in the calculation can be found in the consolidated balance sheet and income statement.

#### EQUITY PER SHARE

	<b>Jun 30</b>	<b>Jun 30</b>	<b>Dec 31</b>
	<b>2017</b>	<b>2016</b>	<b>2016</b>
Weighted average number of shares before dilution	5,752,000	5,752,000	5,752,000
Shareholders' equity, SEK thousands	94,382	89,382	105,725
<b>Equity per share before dilution, SEK</b>	<b>16.41</b>	<b>15.54</b>	<b>18.38</b>

Equity per share, also called a company's net asset value, is calculated by measuring the company's shareholders' equity in relation to the number of shares outstanding. No calculations have been made of equity per share after dilution. Calculation methods can be found in the consolidated balance sheet and the section Number of shares.

#### PARENT COMPANY'S ADJUSTED EQUITY

	<b>Jun 30</b>	<b>Jun 30</b>	<b>Dec 31</b>
	<b>2017</b>	<b>2016</b>	<b>2016</b>
SEK in thousands			
Shareholders' equity	65,995	60,838	71,595
78 percent of the untaxed reserves	12,402	17,550	12,402
<b>Adjusted equity</b>	<b>78,397</b>	<b>78,388</b>	<b>83,997</b>

The Parent Company's adjusted equity is calculated by adding 78 percent of the Parent Company's untaxed reserves to the Parent Company's shareholders' equity. All measures used in the calculation can be found in the Parent Company's balance sheet.

# Condensed financial information

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK in thousands	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016	Jul 2016- Jun 2017
<i>Operating revenue</i>						
Net sales	81,514	81,409	206,773	199,068	422,552	430,257
Other operating revenue	448	-3	1,283	27	613	1,869
<b>Total operating revenue</b>	<b>81,961</b>	<b>81,405</b>	<b>208,056</b>	<b>199,095</b>	<b>423,165</b>	<b>432,126</b>
<i>Operating expenses</i>						
Cost of goods sold	-34,570	-35,860	-92,131	-89,756	-187,644	-190,019
Other external expenses	-31,012	-27,972	-69,322	-64,208	-128,156	-133,269
Personnel expenses	-20,208	-18,107	-39,860	-34,613	-73,649	-78,897
Depreciation/amortization	-3,046	-2,108	-5,930	-3,888	-8,957	-10,999
Other operating expenses	-633	129	-789	-689	-240	-341
<b>Operating profit/loss</b>	<b>-7,507</b>	<b>-2,512</b>	<b>24</b>	<b>5,941</b>	<b>24,518</b>	<b>18,601</b>
<i>Result from financial items</i>						
Interest income	151	101	299	285	486	500
Interest expenses	-235	-116	-516	-202	-815	-1,129
<b>Profit/loss after financial items</b>	<b>-7,591</b>	<b>-2,527</b>	<b>-193</b>	<b>6,024</b>	<b>24,189</b>	<b>17,973</b>
Taxes	995	-399	-1,740	-3,069	-6,469	-5,140
<b>Net profit/loss attributable to Parent Company's shareholders</b>	<b>-6,596</b>	<b>-2,926</b>	<b>-1,933</b>	<b>2,955</b>	<b>17,721</b>	<b>12,833</b>
<i>Other comprehensive income</i>						
Items that will be reclassified to profit or loss						
Translation difference	-414	307	-593	721	1,481	166
Cash flow hedges	-1,983	1,990	-3,929	1,062	2,109	-2,881
Tax effect fair value cash flow hedges	436	-438	864	-234	-464	634
<b>Total comprehensive income attributable to Parent Company's shareholders</b>	<b>-8,557</b>	<b>-1,067</b>	<b>-5,591</b>	<b>4,504</b>	<b>20,846</b>	<b>10,752</b>
<b>Earnings per share before dilution , SEK</b>	<b>-1.15</b>	<b>-0.51</b>	<b>-0.34</b>	<b>0.51</b>	<b>3.08</b>	<b>2.23</b>
<b>Earnings per share after dilution , SEK</b>	<b>-1.15</b>	<b>-0.51</b>	<b>-0.32</b>	<b>0.51</b>	<b>3.08</b>	<b>2.23</b>

## CONSOLIDATED BALANCE SHEET

SEK in thousands	Jun 30 2017	Jun 30 2016	Dec 31 2016
<b>ASSETS</b>			
<i>Fixed assets</i>			
Intangible fixed assets	6,165	7,395	7,905
Tangible fixed assets	16,993	16,757	17,769
Financial fixed assets	1,130	1,153	1,129
	<b>24,288</b>	<b>25,305</b>	<b>26,803</b>
<i>Current assets</i>			
Inventories	81,497	64,789	67,180
Advance payments to suppliers	12,060	2,786	4,662
Accounts receivable	41,053	44,026	58,912
Current receivables	10,453	8,807	10,710
Cash and cash equivalents	18,352	18,491	25,121
	<b>163,415</b>	<b>138,900</b>	<b>166,586</b>
<b>TOTAL ASSETS</b>	<b>187,703</b>	<b>164,205</b>	<b>193,389</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Shareholders' equity	94,382	89,382	105,725
Deferred tax	3,715	5,008	4,376
Current liabilities	89,606	69,815	83,289
	<b>187,703</b>	<b>164,205</b>	<b>193,389</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>187,703</b>	<b>164,205</b>	<b>193,389</b>
<b>Pledged assets</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>
<b>Pledged receivables</b>	<b>1,370</b>	<b>0</b>	<b>8,397</b>
<b>Contingent liabilities</b>	<b>1,415</b>	<b>915</b>	<b>1,415</b>

Cash and cash equivalents are since the interim report for January-September 2016 reported gross, before utilized overdraft facilities. Utilized overdraft facilities are reported in current liabilities. Previously, cash and cash equivalents were reported net as the value of cash and cash equivalents after utilized overdraft facilities. The difference between net liquidity and gross liquidity is reported in the cash flow statement for the Group. Comparable numbers for previous periods have been adjusted accordingly.

## CHANGES IN THE GROUP'S SHAREHOLDERS' EQUITY

SEK in thousands	Jun 30 2017	Jun 30 2016	Dec 31 2016
<b>Attributable to Parent Company's shareholders:</b>			
Shareholders' equity at the beginning of the year	105,725	93,116	93,116
Dividend	-5,752	-8,628	-8,628
Warrant premium	0	390	390
Total comprehensive income for the period	-5,591	4,504	20,846
<b>Shareholders' equity at the end of the period</b>	<b>94,382</b>	<b>89,382</b>	<b>105,725</b>

## CASH FLOW STATEMENT FOR THE GROUP

SEK in thousands	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016
<b>Operating activities</b>					
Operating profit	-7,507	-2,512	24,	5,941	24,518
Adjustments	2,932	3,458	4,553	5,223	10,623
Interest received	151	101	299	285	486
Interest paid	-235	-116	-516	-202	-815
Income tax paid	-846	-841	-1,595	-1,803	-3,133
<b>Cash flow from operating activities before changes in working capital</b>	<b>-5,505</b>	<b>89</b>	<b>2,766</b>	<b>9,443</b>	<b>31,680</b>
<b>Changes in working capital</b>					
Change in inventories	-5,881	-4,248	-14,608	-8,609	-10,829
Change in receivables	12,724	8,982	9,646	-2,590	-20,035
Change in current liabilities	15,349	11,981	16,471	9,781	5,822
<b>Cash flow from operating activities</b>	<b>16,688</b>	<b>16,804</b>	<b>14,274</b>	<b>8,024</b>	<b>6,637</b>
<b>Investing activities</b>					
Acquisition of intangible fixed assets	0	0	0	0	-2,129
Acquisition of tangible fixed assets	-1,543	-7,572	-3,764	-15,118	-19,863
Acquisition of financial fixed assets	0	0	0	0	-42
<b>Cash flow from investing activities</b>	<b>-1,543</b>	<b>-7,572</b>	<b>-3,764</b>	<b>-15,118</b>	<b>-22,034</b>
<b>Financing activities</b>					
Dividend paid	-5,752	-8,628	-5,752	8,628	-8,628
Warrant premium	0	0	0	390	390
<b>Cash flow from financing activities</b>	<b>-5,752</b>	<b>-8,628</b>	<b>-5,752</b>	<b>-8,238</b>	<b>-8,238</b>
<b>Cash flow for the period</b>	<b>9,392</b>	<b>604</b>	<b>4,758</b>	<b>-15,332</b>	<b>-23,635</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>16,209</b>	<b>16,965</b>	<b>11,172</b>	<b>26,693</b>	<b>26,693</b>
Utilized overdraft facilities at the beginning of the period	22,834	12,244	12,9701	6,094	6,094
<b>Cash and cash equivalents at the beginning of the period, net</b>	<b>-6,625</b>	<b>4,721</b>	<b>-1,799</b>	<b>20,599</b>	<b>20,599</b>
Exchange rate difference in cash and cash equivalents	-168	197	-360	254	1,237
Change in overdraft facilities utilized	-7,081	726	2,782	6,876	20,826
<b>Cash and cash equivalents at the end of the period</b>	<b>18,352</b>	<b>18,492</b>	<b>18,352</b>	<b>18,491</b>	<b>25,121</b>
Utilized overdraft facilities at the end of the period*	15,753	12,970	15,753	12,970	26,920
<b>Cash and cash equivalents at the end of the period, net</b>	<b>2,599</b>	<b>5,521</b>	<b>2,599</b>	<b>5,521</b>	<b>-1,799</b>

\* The total overdraft limit amounts to SEK 40 million

## REVENUE AND OPERATING RESULT BY SEGMENT

TSEK	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jul-Sep 2016	Oct-Dec 2016	Jan-Dec 2016	Jul 2016- Jun 2017
<b>Wholesale</b>								
Revenue	21,014	33,468	94,562	106,823	80,964	40,235	228,022	215,761
Operating result	-1,171	3,120	16,359	21,503	24,466	7,467	53,435	48,292
<b>Retail</b>								
Revenue	60,948	47,937	113,494	92,271	56,648	46,223	195,142	216,365
Operating result	12,088	12,268	19,699	20,683	11,957	10,077	42,717	41,733
<b>Central costs</b>								
Operating result	-18,424	-17,901	-36,034	-36,245	-17,588	-17,801	-71,634	-71,423
<b>Total</b>								
Revenue	81,961	81,405	208,056	199,095	137,612	86,458	423,165	432,126
Operating result	-7,507	-2,512	24	5,941	18,835	-257	24,518	18,601

The company reports revenue and operating results for three segments: wholesale, retail and central costs. Operating results for each segment are charged with direct expenses for the segment. Costs not directly attributable to wholesale or retail are reported in the segment central costs.

## QUARTERLY DATA

	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015
Total operating revenue, SEK million	82.0	126.1	86.5	137.6	81.4	117.7	75.8	112.1
Gross profit margin, %	57.6	54.0	60.0	53.8	56.0	54.2	59.6	54.2
Operating profit/loss, SEK million	-7.5	7.5	-0.3	18.8	-2.5	8.5	-2.8	11.9
Operating margin, %	-9.2	6.0	-0.3	13.7	-3.1	7.2	-3.7	10.6
Net profit/loss, SEK million	-6.6	4.7	0.8	14.0	-2.9	5.9	-2.4	9.6
Earnings per share before dilution , SEK	-1.15	0.81	0.14	2.43	-0.51	1.02	-0.42	1.66
Earnings per share after dilution , SEK	-1.15	0.77	0.14	2.43	-0.51	1.02	-0.42	1.66
Weighted average number of shares before dilution, thousands	5,752	5,752	5,752	5,752	5,752	5,752	5,752	5,752
Weighted average number of shares after dilution, thousands	5,752	6,052	5,752	5,752	5,752	5,752	5,752	5,752
Return on equity, %	-6.5	4.3	0.8	14.4	-3.1	6.1	-2.6	10.4
Equity/assets ratio, %	50	56	55	56	54	61	62	62
Equity per share before dilution, SEK	16.41	18.90	18.38	18.08	15.54	17.22	16.19	16.92
Cash flow from operating activities, SEK million	16.7	-2.4	2.7	-4.1	16.8	-8.8	5.1	-21.9
Cash flow from operating activities per share before dilution, SEK	2.90	-0.42	0.47	-0.71	2.92	-1.53	0.88	-3.80



# PARENT COMPANY INCOME STATEMENT

	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016
SEK in thousands					
<i>Operating revenue</i>					
Net sales	77,710	80,539	198,505	195,752	410,545
Other operating revenue	137	81	139	97	1,148
<b>Total operating revenue</b>	<b>77,847</b>	<b>80,621</b>	<b>198,644</b>	<b>195,849</b>	<b>411,693</b>
<i>Operating expenses</i>					
Cost of goods sold	-32,551	-34,040	-88,374	-86,097	-179,347
Other external expenses	-29,329	-28,090	-67,884	-67,477	-145,619
Personnel expenses	-17,847	-16,644	-35,032	-31,716	-65,179
Depreciation/amortization of tangible and intangible fixed assets	-1,535	-1,124	-2,974	-2,141	-4,543
Other operating expenses	-634	-190	-789	-330	-570
<b>Operating profit/loss</b>	<b>-4,049</b>	<b>532</b>	<b>3,591</b>	<b>8,087</b>	<b>16,436</b>
<i>Result from financial items</i>					
Interest income	151	116	301	285	483
Interest expenses	-224	-116	-505	-184	-792
Writedown of shares in subsidiary	0	0	0	0	-1,123
<b>Profit/loss after financial items</b>	<b>-4,122</b>	<b>533</b>	<b>3,387</b>	<b>8,189</b>	<b>15,004</b>
Appropriations	0	0	0	0	6,600
<b>Profit/loss before tax</b>	<b>-4,122</b>	<b>533</b>	<b>3,387</b>	<b>8,189</b>	<b>21,604</b>
Taxes	946	-21	-870	-2,040	-5,515
<b>Net profit/loss</b>	<b>-3,176</b>	<b>512</b>	<b>2,517</b>	<b>6,149</b>	<b>16,089</b>
<i>Other comprehensive income</i>					
<i>Items that will be reclassified to profit or loss</i>					
Cash flow hedges	-1,983	1,990	-3,929	1,062	2,109
Tax effect cash flow hedges	436	-438	864	-234	-464
<b>Total comprehensive income for the period</b>	<b>-4,723</b>	<b>2,064</b>	<b>-547</b>	<b>6,977</b>	<b>17,733</b>

## PARENT COMPANY BALANCE SHEET

SEK in thousands	Jun 30 2017	Jun 30 2016	Dec 31 2016
<b>ASSETS</b>			
<b>Fixed assets</b>			
Intangible fixed assets	815	583	1,049
Tangible fixed assets	9,749	10,115	11,108
Financial fixed assets	24,742	20,764	24,435
	<b>35,306</b>	<b>31,463</b>	<b>36,593</b>
<b>Current assets</b>			
Inventory	75,880	61,247	63,258
Advance payments to suppliers	11,693	2,632	3,914
Accounts receivable	44,934	48,248	54,224
Other current receivables	14,441	13,327	14,716
Cash and cash equivalents	11,634	14,339	20,484
	<b>158,583</b>	<b>139,792</b>	<b>156,597</b>
<b>TOTAL ASSETS</b>	<b>193,888</b>	<b>171,256</b>	<b>193,190</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Shareholders' equity	65,995	60,838	71,595
Untaxed reserves	15,900	22,500	15,900
Deferred tax	0	0	102
Current liabilities	111,994	87,918	105,594
	<b>193,888</b>	<b>171,256</b>	<b>193,190</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>193,888</b>	<b>171,256</b>	<b>193,190</b>
<b>Pledged assets</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>
<b>Pledged receivables</b>	<b>1,370</b>	<b>0</b>	<b>8,397</b>
<b>Contingent liabilities</b>	<b>1,415</b>	<b>1,415</b>	<b>1,415</b>

Cash and cash equivalents are since the interim report for January-September 2016 reported gross, before utilized overdraft facilities. Utilized overdraft facilities are reported in current liabilities. Previously, cash and cash equivalents were reported net as the value of cash and cash equivalents after utilized overdraft facilities. Comparable numbers for previous periods have been adjusted accordingly.

The Board of Directors and the CEO certify that the interim report gives a true and fair overview of the operations, financial position and results of the Parent Company and the Group and that it describes the significant risks and uncertainties faced by the Parent Company and the companies in the Group.

Stockholm, August 16, 2017

Patrik Tillman, Chairman

Mia Arnhult, Board Member

Kia Orback, Board Member

Elin Ryer, Board Member

Nils Vinberg, Board Member

Jacob Wall, Board Member

Anna Attemark, President & CEO

## SCHEDULED INFORMATION DATES

- The interim report for January-September 2017 will be released on October 24, 2017.
- The year-end report for 2017 will be released on February 16, 2018.
- The interim report for January-March 2018 will be released on May 4, 2018.
- The interim report for January-June 2018 will be released on August 16, 2018.

## PRESENTATION OF THE REPORT

The report will be presented at the company's head office, Kornhamnstorg 6, Stockholm, on August 16, 2017 at 1.00 pm CET. To attend the presentation, contact [jacob.neckmar@oddmolly.com](mailto:jacob.neckmar@oddmolly.com)

For further information, please contact:

Anna Attemark, CEO, phone: +46-8-522 28 502

Johanna Palm, CFO, phone: +46-760-10 24 55

This information is information that Odd Molly International AB is obliged to make public pursuant to the EU's Market Abuse Regulation and the Securities Market Act. The information was submitted for publication, through the agency of the contact persons set above, on August 16, 2017 at 8.00 am CET.

## ABOUT ODD MOLLY

Odd Molly is a Swedish company that designs, markets and sells distinctive fashion. The company's products are mainly sold through agents to retailers in around thirty countries around the world, which facilitates expansion with limited capital requirements. Odd Molly is responsible for selling to external retailers in the Scandinavian market and also manages 18 of its own physical stores and its own web shop. The Odd Molly share is traded as of June 21, 2010 on Nasdaq Stockholm.

## OUR STRATEGY

Odd Molly will profitably grow by continuing to create attractive collections, leveraging its geographical platform and developing new and existing sales channels. The corporate culture is rooted in quality, responsibility and engagement. Odd Molly's strategic work can be summarized as follows:

**Collection** Odd Molly will design beautiful clothing and related lifestyle products for girls. The collections will be distinguished by color, patterns and workmanship, with a balance between volume and price within a distinctive design concept.

**Channels** Odd Molly will expand its retail presence by continuing to carefully choose retailers. Odd Molly will to a greater degree also manage and develop its own retail operations in multiple channels.

**Markets** Odd Molly will continue to strengthen its brand long term and drive sales with an emphasis on markets where it has the best opportunities to build a strong long-term position. Odd Molly will increase control in strategic markets, while continuously evaluating opportunities to expand to new markets.

**People** Odd Molly's organization will maintain the highest quality, drive and engagement and be adapted to the company's long-term needs and growth. Consideration for Odd Molly's stakeholders cuts across the entire company.

Odd Molly International AB, Kornhamnstorg 6, SE-111 27 STOCKHOLM, Sweden

Phone: +46 8 522 28 500

[www.oddmolly.com](http://www.oddmolly.com)

Press photos can be downloaded from Odd Molly's website at [www.oddmolly.com](http://www.oddmolly.com) under "press".

Odd Molly also produces a newsletter with reports on daily operations. To subscribe, go to [www.oddmolly.com](http://www.oddmolly.com).

