

odd molly

ODD MOLLY

Q2 2019

Jennie Högstedt Björk, CEO

Johanna Palm, CFO & Deputy CEO





AGENDA

- I. This is Odd Molly*
- II. Q2 and H1 2019*
- III. Going forward*



THIS IS ODD MOLLY

Odd Molly is a fashion brand with a unique style concept

- *Founded in 2002*
- *Sold in about 40 countries*
- *Sold through own sales channels and external retailers around the world*
- *Total operating revenue in 2018: SEK 347 million*
- *Listed on Nasdaq Stockholm (small cap)*





SECOND QUARTER 2019

Q2 2019

OPERATIONAL HIGHLIGHTS

- **Earnings improvements within own retail – weak in wholesale**
 - Own web is growing with a more efficient operational set-up
- **Comprehensive action program** aimed to reduce complexity, capital tied up and operating costs – progress according to plan
- **Licensee agreements** were signed with a partner in
 - Canada and the US
 - Germany och Austria
- **3 own stores were closed**
- New share issue of SEK 22.5 million after issue costs
- **Johanna Palm, CFO, assigned Deputy CEO**
- **Mathias Ericsson, Head of Business Development, assigned Chief Operating Officer**

MSEK

46.5

RETAIL SALES

MSEK

15.2

WHOLESALE SALES

Q2 2019

NUMBERS IN BRIEF

- Total operating revenue SEK 62.7 million (76.3)
- Gross profit margin 50.6 percent (57.6), impacted by discounted sales from previous collections in inventory
- Operating cost reduction of SEK 7 million
- Operating profit SEK -17.9 million (-11.9)
- Operating margin -28.5 percent (-15.6)
- Net profit SEK -19.2 million (-10.3)
- EPS SEK -2.12 (-1.78)



-18%

SALES DEVELOPMENT



50.6%

GROSS MARGIN

H1 2019

NUMBERS IN BRIEF

- Total operating revenue SEK 148.9 million (181.8)
- Gross profit margin 49.8 percent (55.6), impacted by discounted sales from previous collections in inventory
- Operating cost reduction of SEK 12 million
- Operating profit SEK -35.5 million including restructuring costs (-18.6), negatively impacted by lower sales and gross margin
- Operating margin -23.8 percent (-10.2)
- Net profit SEK -38.4 million (-17.0)
- EPS SEK -4.39 (-2.95)



-18%

SALES DEVELOPMENT



49.8%

GROSS MARGIN

Q2 2019

YEARLY DEVELOPMENT



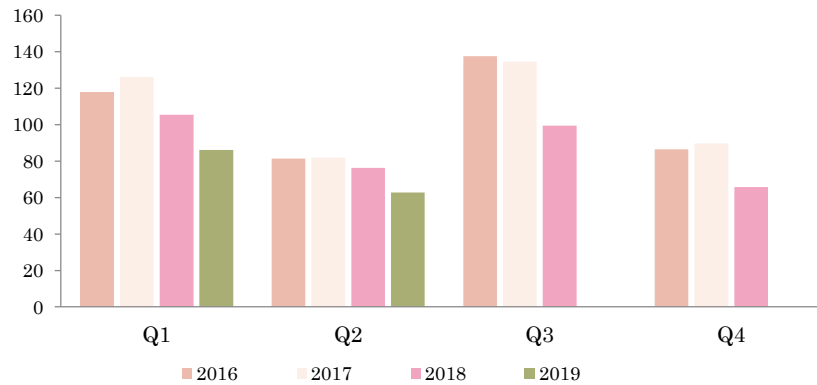
Sales and profit



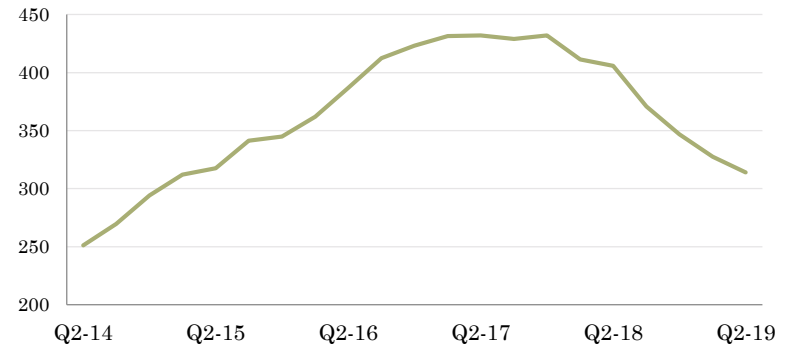
Q2 2019

QUARTERLY DEVELOPMENT

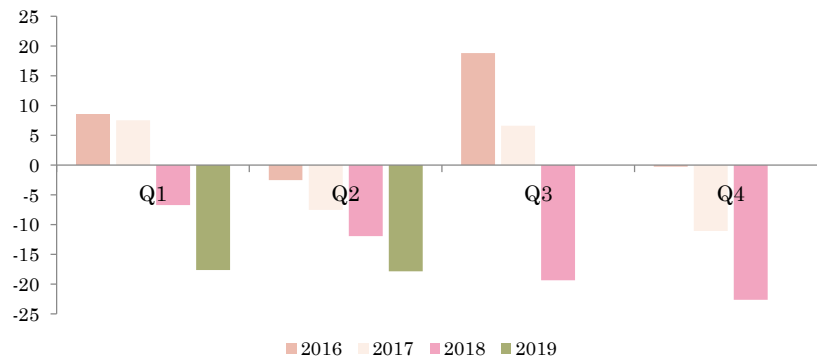
Sales per quarter



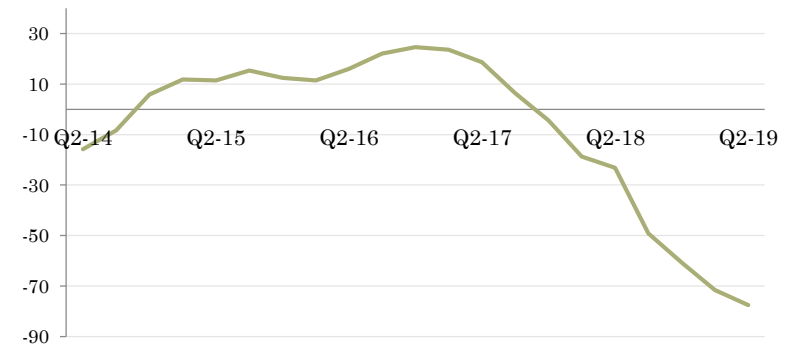
Sales, LTM



EBIT per quarter

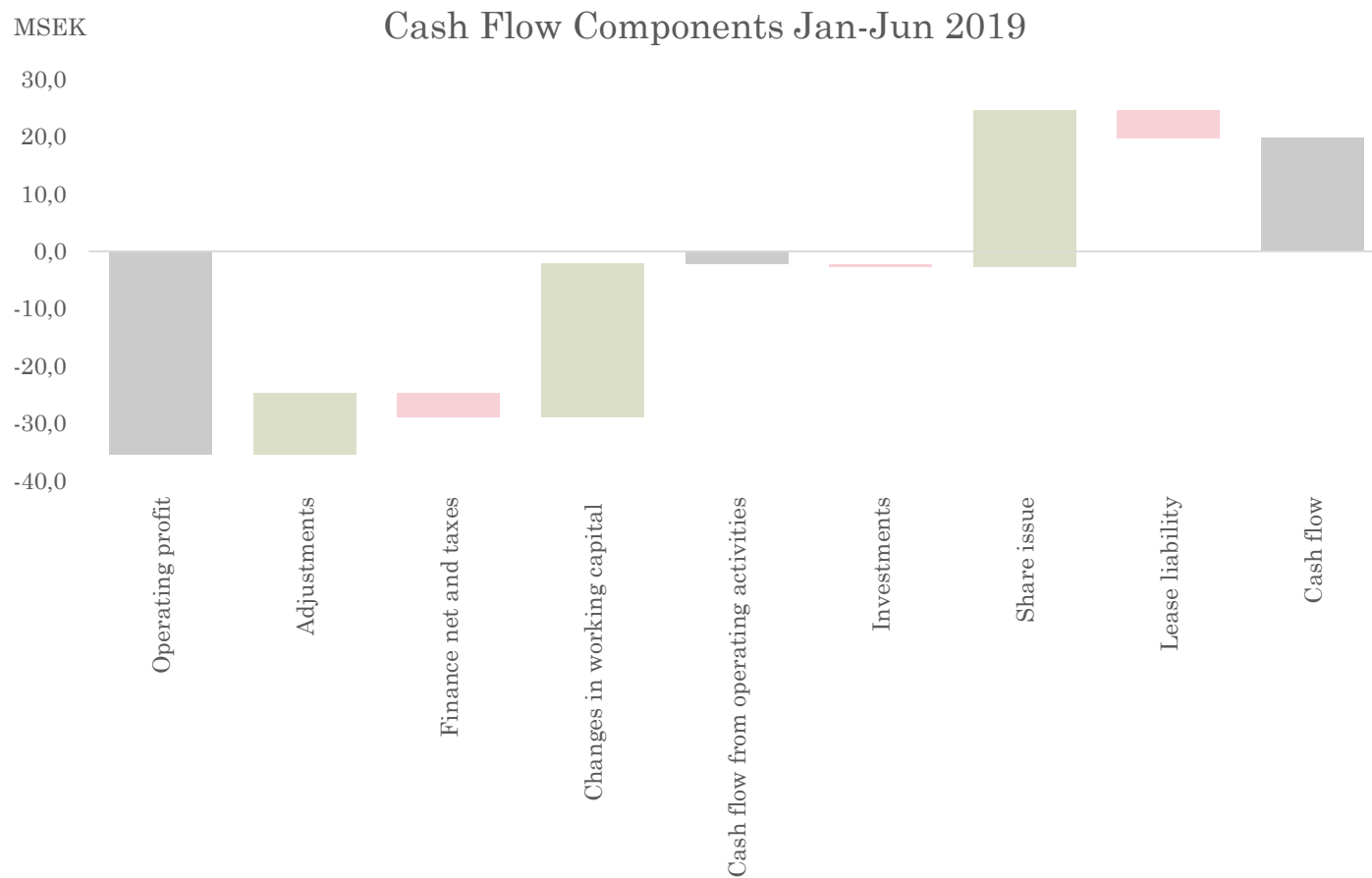


EBIT, LTM



H1 2019

CASH FLOW





GOING FORWARD

STRATEGY GOING FORWARD



1

**STRENGTHEN THE BRAND POSITION
WITH A MORE STREAMLINED
PRODUCT RANGE**

2

**INCREASED FOCUS ON OWN E-
COMMERCE AND REDUCING THE
NUMBER OF STORES**

3

**FOCUS ON INTERNATIONAL GROWTH
THROUGH A CAPITAL EFFICIENT
MODEL OUTSIDE MAIN STRATEGIC
MARKETS**

4

**STRENGTHEN THE STRATEGY
WITHIN SUSTAINABILITY**

COMPREHENSIVE ACTION PLAN

- Aimed at reducing **complexity, capital tied up** and **operating costs**
- **Reduction of physical stores** – only a few stores in strategic locations will be kept. Focus instead of strong resellers.
- **Optimize** and **reduce** the product range – focus on categories and products that make the most sales and profitability.
- **Licensing model** will be gradually implemented in most international markets.
- **Additional measures** to reduce complexity, release costs and reduce capital tied-up.
- All in all, these initiatives and measures will reduce yearly operating cost of about **SEK 75 million**, with gradual impact in **2019** and full effect in 2020.

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**THANK
YOU!**

