



ODD MOLLY Q4 2016

Anna Attemark, CEO

Johanna Palm, CFO





INTRODUCTION

THIS IS ODD MOLLY

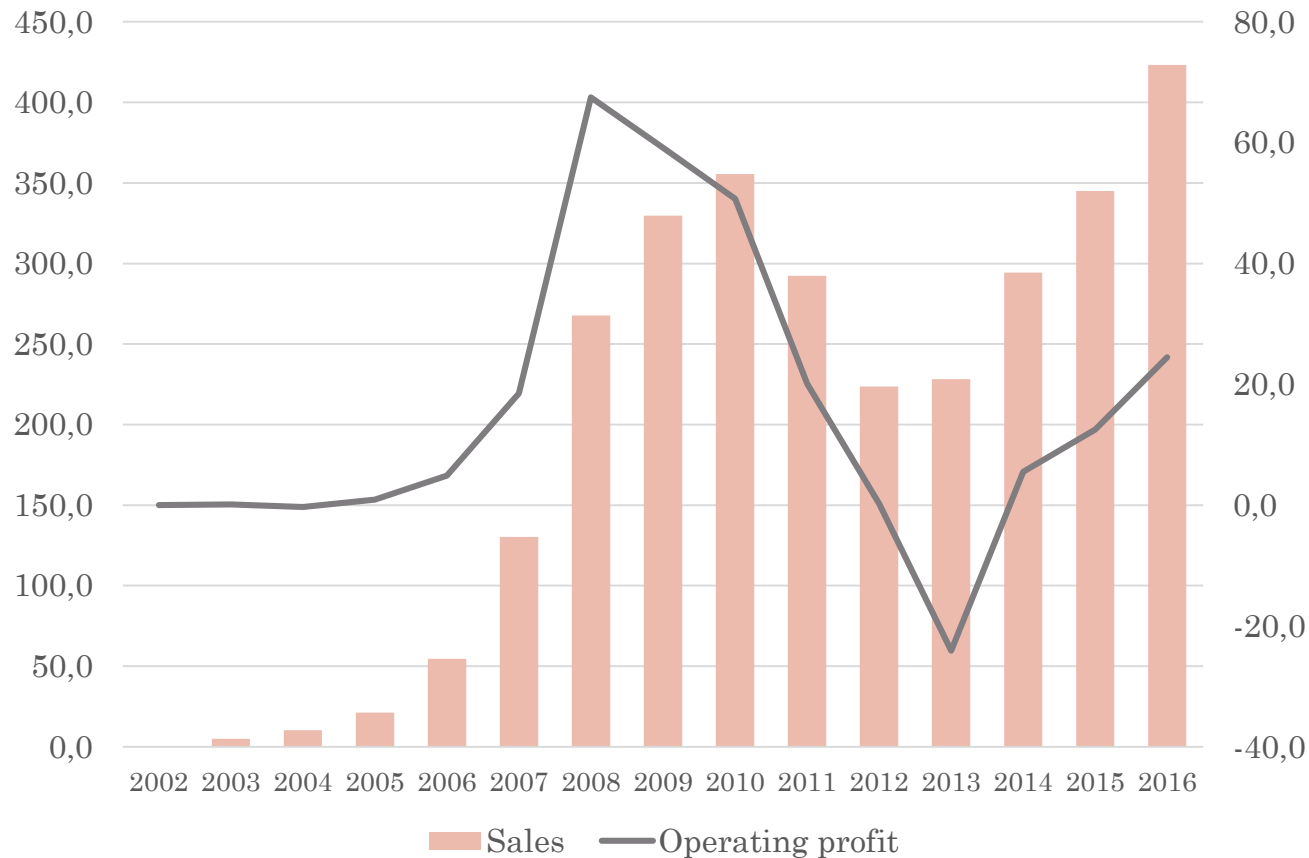
Odd Molly is a lifestyle brand with a distinctive style concept

- Founded in 2002
- Sold in more than 40 markets
- Own stores, webstore and wholesale
- Turnover 2016: 423 MSEK

INTRODUCTION

2016 – ALL TIME HIGH

MSEK



423
MSEK

TURNOVER 2016
(+78 MSEK, + 23%)

24.5
MSEK

EBIT 2016
(+12 MSEK, + 97%)

THE JOURNEY FROM CLOTHES TO CONCEPT

FROM

TO

COLLECTION

- Design driven
- Ladieswear



Customer focus



Lifestyle

DISTRIBUTION

- Wholesale only
- Sales agents
- Destination stores
- Traditional retail
- Sweden



Wholesale + own retail



Own salesforce + agents + partners



High footfall locations



Omni-channel



International expansion

COLLECTION

CREATING A COMMERCIAL LIFESTYLE BRAND

- Commercial and customer focus at affordable prices to increase commercial relevance
- News & Balance
 - Right garment in right time
 - Steady news flow to increase in-season sales
 - New product groups
- Lifestyle concept to broaden the offering and reach new distribution
- High quality delivered through a conscious process



INTRODUCTION

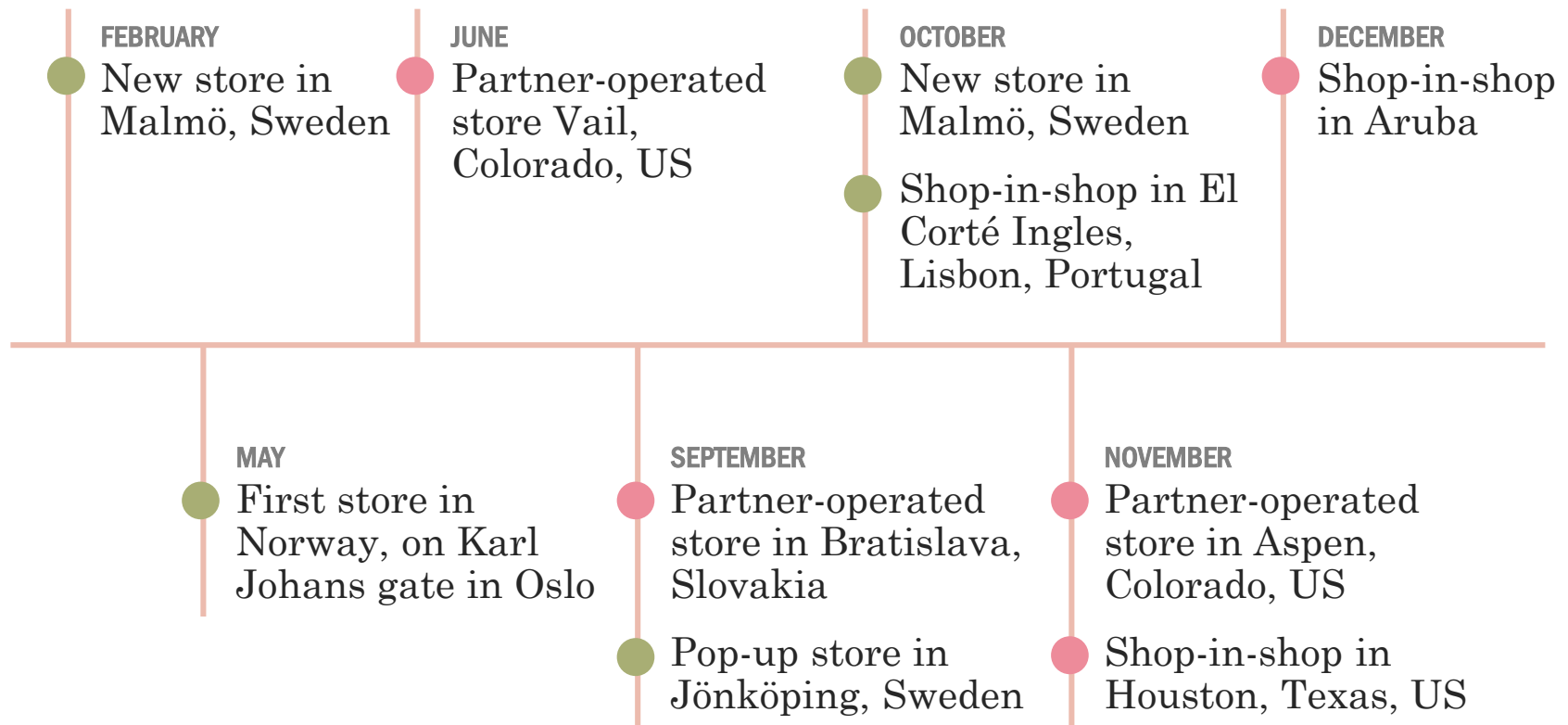
...LEADING TO DOUBLE DIGIT GROWTH

- ATH sales in 2016
- New customers
- More loyal customers
- Wider distribution



INTRODUCTION

2016 IN BRIEF





FOURTH QUARTER 2016 – CONTINUED GROWTH


Q4 FINANCIALS IN BRIEF

- Total operating revenue SEK 86.5 million (75.8)
- Gross profit margin 60.0 percent (59.6)
- Operating profit SEK -0,3 million (-2.8),
Operating margin -0.3 percent (-3.7)
- Net profit SEK 0.8 million (-2.4)
- EPS SEK 0.14 (-0.42)



+14%

SALES GROWTH



+2.5
MSEK

GROWTH IN OPERATING PROFIT

2016 FINANCIALS IN BRIEF

- Total operating revenue SEK 423.2 million (345.3)
- Gross profit margin 55.6 percent (55.6)
- Operating profit SEK 24.5 million (12.5),
Operating margin 5.8 percent (3.6).
- Net profit SEK 17.7 million (9.8)
- EPS SEK 3.08 (1.70)
- Investments SEK 21.8 million (3.4)
- Suggested dividend SEK 1.00 (1.50)



+23%

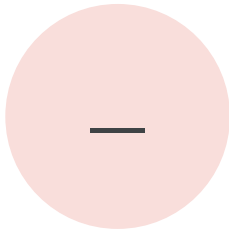
SALES GROWTH



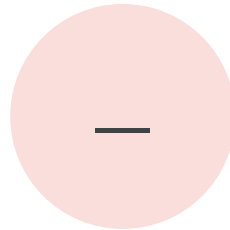
+97%

GROWTH IN OPERATING PROFIT

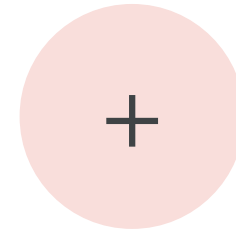
WHAT AFFECTS THE GROSS PROFIT?



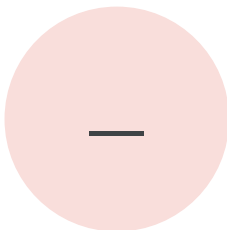
CURRENCY EFFECTS



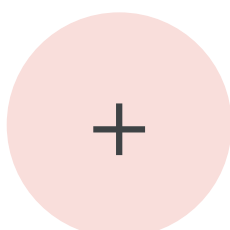
PRODUCT MIX
AS THE PROFIT MARGIN INITIALLY
IS LOWER FOR NEW PRODUCTS



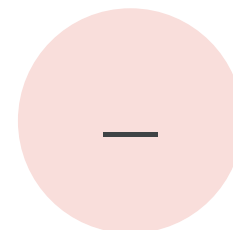
CHANNEL MIX
AS THE SHARE OF OWN
RETAIL GROWS



DISCOUNTS
AS THE MARKET IS INCREASINGLY
DISCOUNT DRIVEN



PRICING
AS WE CONSTANTLY
ADJUST AND UPDATE

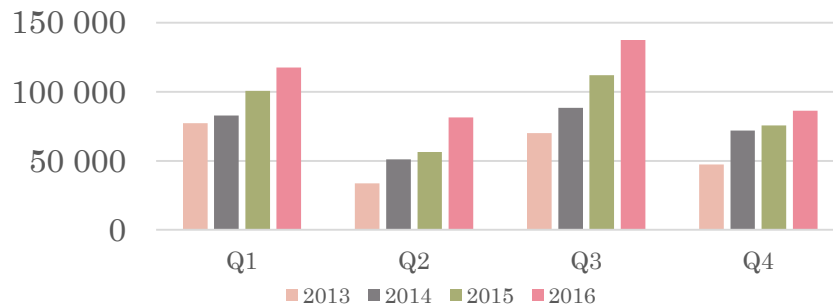


PURCHASING PRICES

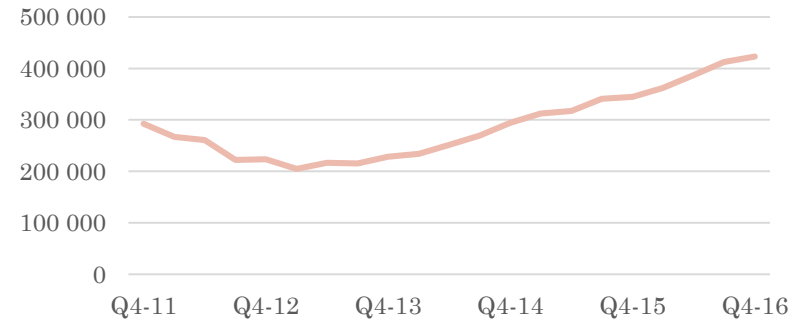
FINANCIALS

QUARTERLY DEVELOPMENT SINCE 2012

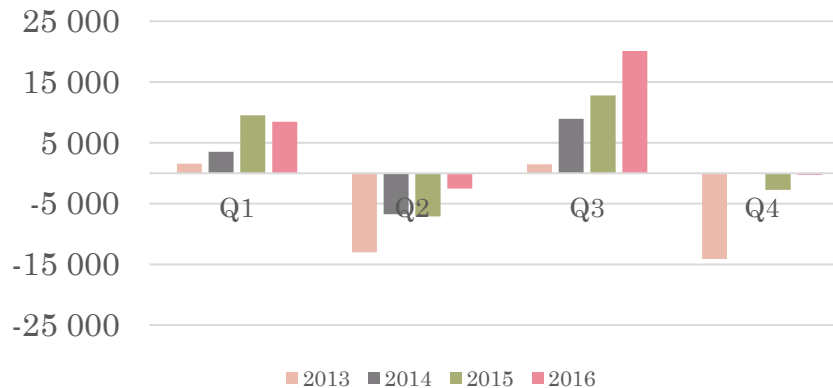
Sales by Quarter



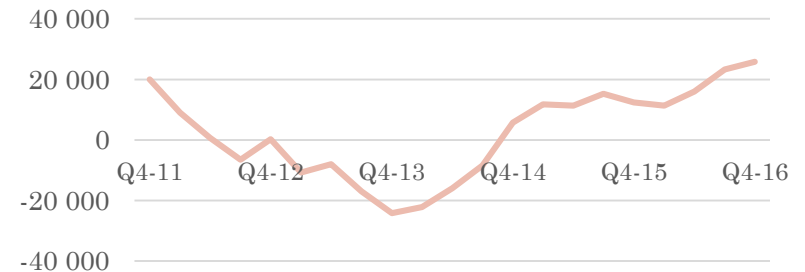
LTM sales



EBIT per quarter



LTM EBIT



FINANCIALS

FINANCIAL TARGETS

20%

ANNUAL AVERAGE GROWTH
RATE EXCEEDING 20
PERCENT IN COMING YEARS

12%

OPERATING MARGIN OF
OVER 12 PERCENT OVER A
BUSINESS CYCLE

40%

EQUITY/ASSET RATIO AT
LEAST 40 PERCENT OVER
TIME

23%

2016 FIGURES

5,8%

55%



OUR SEGMENTS – RETAIL AND WHOLESALE

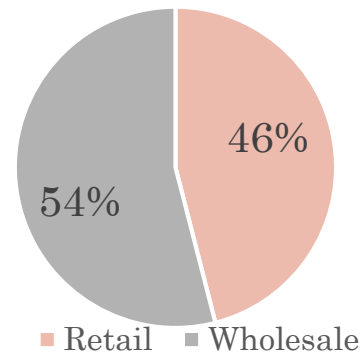
SEGMENTS

RETAIL

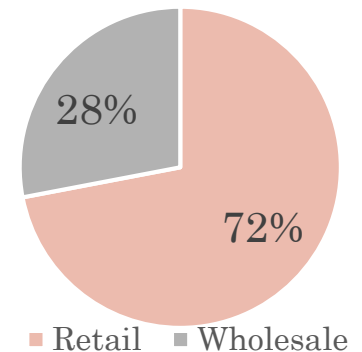
- Shops run by Odd Molly
- Stand-alone stores, shopping malls, shop-in-shops in department stores operated by Odd Molly employees
 - Sweden, Norway, Finland
- Web shop
 - Sale in some 40 countries



Sales



Profit



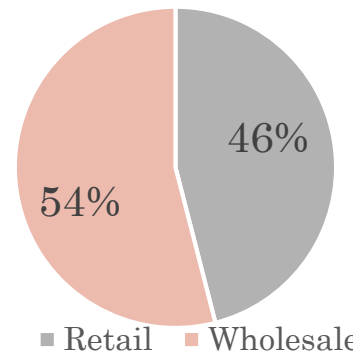
SEGMENTS

WHOLESALE

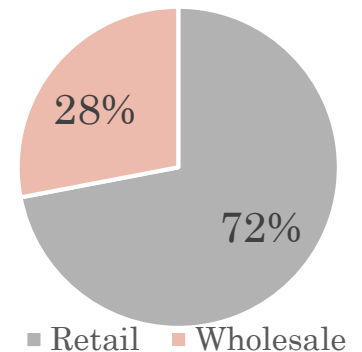
- Resellers (shops and web shops)
 - Some 30 countries
- Shop-in-shops operated by resellers
- Stores operated by partners



Sales



Profit



SEGMENTS

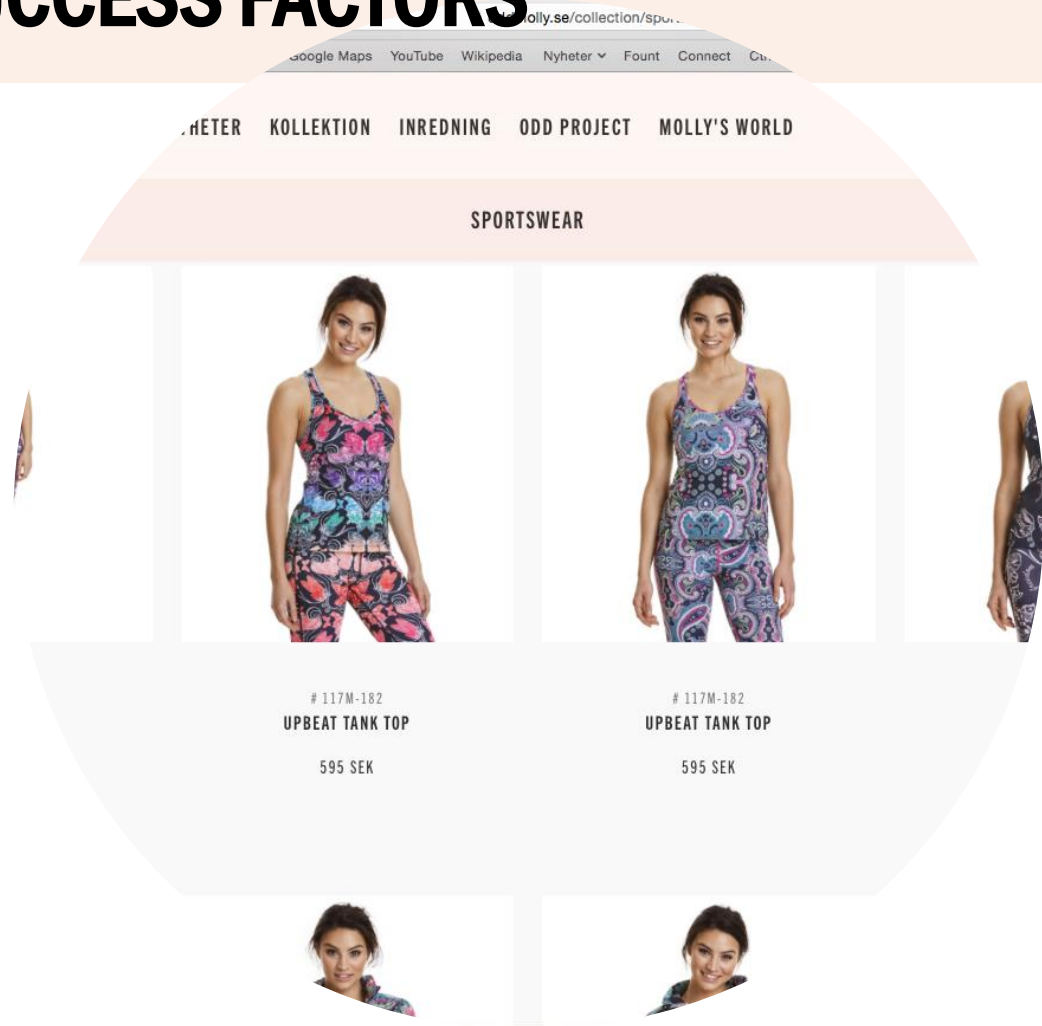
AN INCREASED SHARE OF RETAIL



DISTRIBUTION

ODDMOLLY.COM – SUCCESS FACTORS

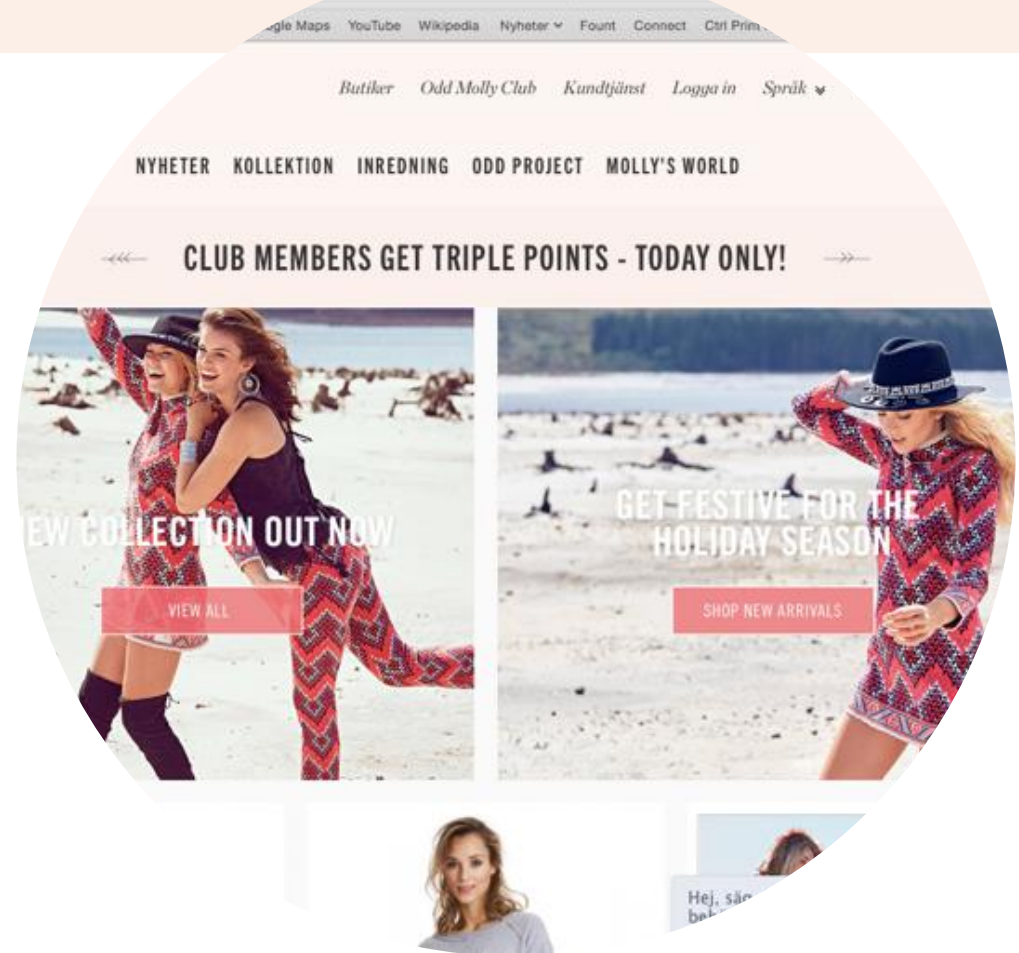
- Prints, patterns, 3D - style concept suitable for e-commerce
- News - continuous updates and collection releases
- Speed - outsourced technical support for speed and agility
- Continuous investments in social media channels to generate traffic and sales



SEGMENTS

...LEADING TO SIGNIFICANT SHARE OF SALES

- Fastest growing channel
- High profitability
- 3.6 m visitors per year
- 42 markets



SEGMENTS

SCALABLE STORE CONCEPT

- Odd Molly at our best
- A concept that stands out
- Scalable in various ways
- High footfall locations for increased traffic



SEGMENTS

...LEADING TO INCREASED BRAND AWARENESS

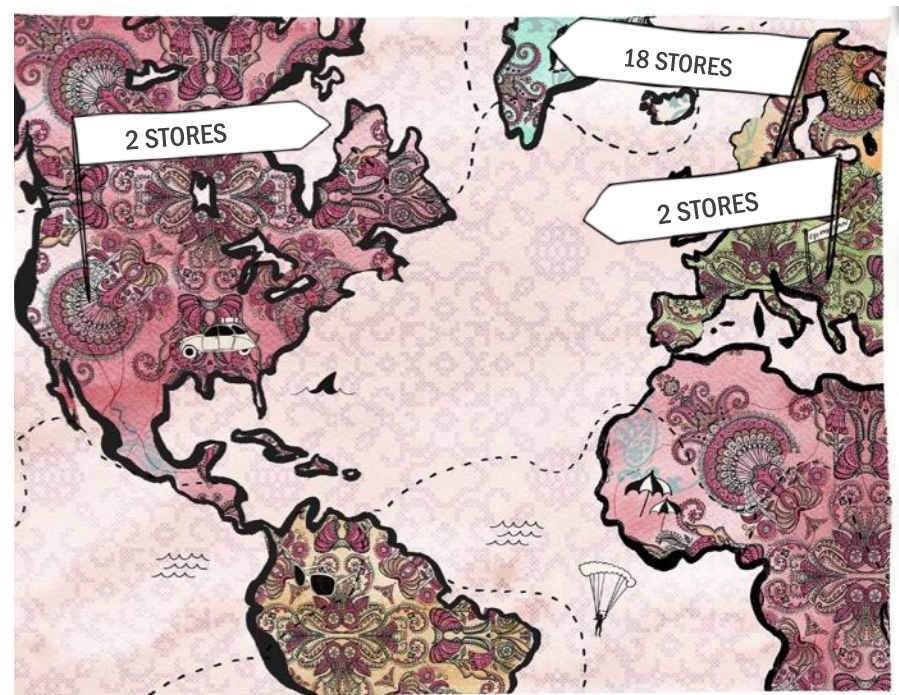
- 17 (13 own + 4 external) stores opened since 2013
- Profitable stores
- Positive effect on oddmolly.com



SEGMENTS

FLEXIBLE BUSINESS MODEL

- Customized set-up by market for international expansion and growth
- Adaption to retail landscape where large resellers increase their share
 - Own sales force in key focus markets
 - Agents in strategic markets
- Local partners for efficient and scalable roll-out of full concept
 - Central Europe, US, UK



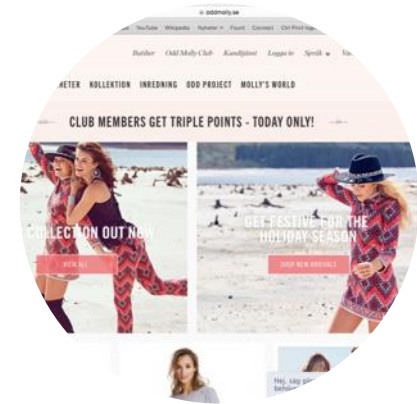
SOLID PLATFORM



**COLLECTION STRATEGY –
FANTASTIC CUSTOMER
OFFER**



**FOCUSED EXPANSION –
CLEAR CONCEPT THAT IS
SUCCESSFUL IN NEW
MARKETS**



**OMNI-CHANNEL
OFFERING – CONCEPT THAT
FITS ALL CHANNELS**



THANK YOU!

