

A photograph of two women standing in a clothing store. The woman on the left is smiling, wearing a dark green cardigan over a black turtleneck and black pants. She has braided hair and is wearing large hoop earrings. The woman on the right is also smiling, wearing a red and blue striped sweater and red leather pants. She has long, dark, wavy hair. They are standing in front of a white door with gold trim. To the left, there is a clothing rack with various items hanging on it. The floor is made of light-colored wood.

odd molly

# ODD MOLLY

## Q4 2019

*Jennie Högstedt Björk, CEO*

*Johanna Palm, CFO & Deputy CEO*



## AGENDA

- I. This is Odd Molly*
- II. Q4 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 2019: SEK 269 million*
- *Listed on Nasdaq Stockholm (small cap)*

A decorative floral border runs along the left and bottom edges of the slide. It features a variety of flowers including pink roses, orange and white daisies, purple pansies, and yellow daffodils, interspersed with green leaves and small gold dots.

# FOURTH QUARTER 2019

Q4 2019

# OPERATIONAL HIGHLIGHTS

- **Initiatives to ensure long-term sustainable development**
  - Strengthened offering within re-use by acquiring the vintage-platform Used By
  - Strengthened financial position through acquisition of a logistics property with stable cash flows
  - Directed share issue of SEK 16 million
- **Comprehensive action program** aimed at reducing complexity, capital tied up and operating costs is **developing according to plan and showing results** – full-year savings of SEK 45 million in 2019
- 8 own **stores were closed** during the year

MSEK

24.3

RETAIL SALES

MSEK

19.0

WHOLESALE SALES

Q4 2019

# NUMBERS IN BRIEF

- Total operating revenue SEK 43.9 million (65.7)
- Gross profit margin 33.4 percent (52.4), impacted by more cautious valuation of remaining quantities of older seasons in stock
- Operating cost reduction of SEK 16.5 million, in line with plan
- Operating loss SEK -26.9 million (-22.6)
- Operating margin -61.2 percent (-34.5)
- Net loss SEK -28.5 million (-20.7)
- EPS SEK -1.92 (-2.46)



-33%

SALES DEVELOPMENT



33.4%

GROSS MARGIN

Jan to Dec 2019

# NUMBERS IN BRIEF

- Total operating revenue SEK 269.4 million (346.9)
- Gross profit margin 46.5 percent (53.7), impacted by sale of older stock and more cautious inventory valuation
- Operating cost reduction of SEK 44.9 million, in line with plan of SEK 75 million in 2019 and 2020
- Operating loss SEK -71.6 million (-60.6)
- Operating margin -26.6 percent (-17.5)
- Net loss SEK -75.9 million (-53.5)
- EPS SEK -6.42 (-7.52)



-20%

SALES DEVELOPMENT



49.1%

GROSS MARGIN

Q4 2019

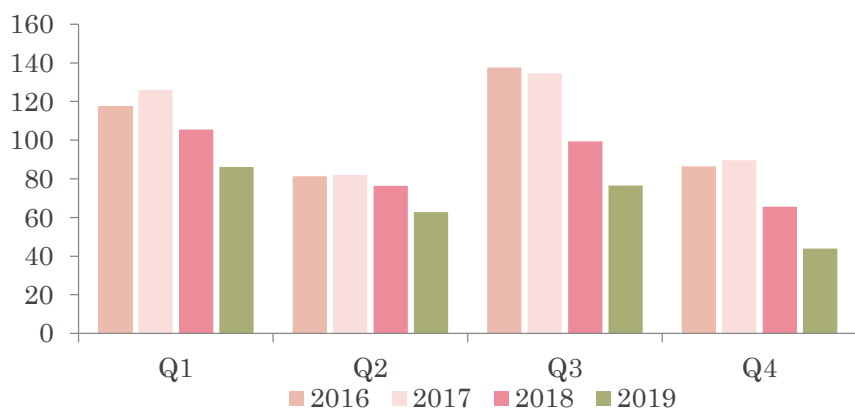
# YEARLY DEVELOPMENT



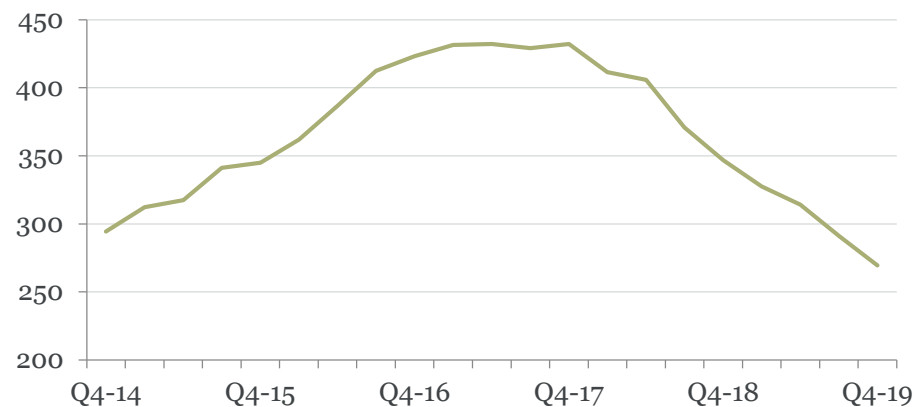
Q4 2019

# QUARTERLY DEVELOPMENT

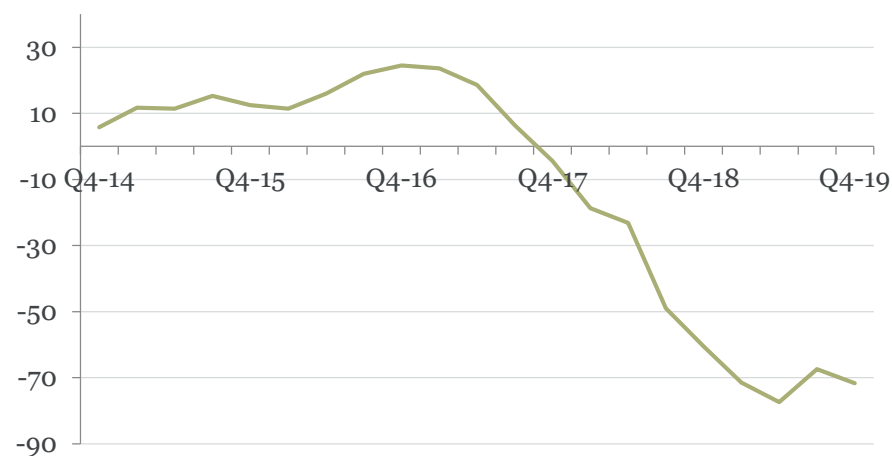
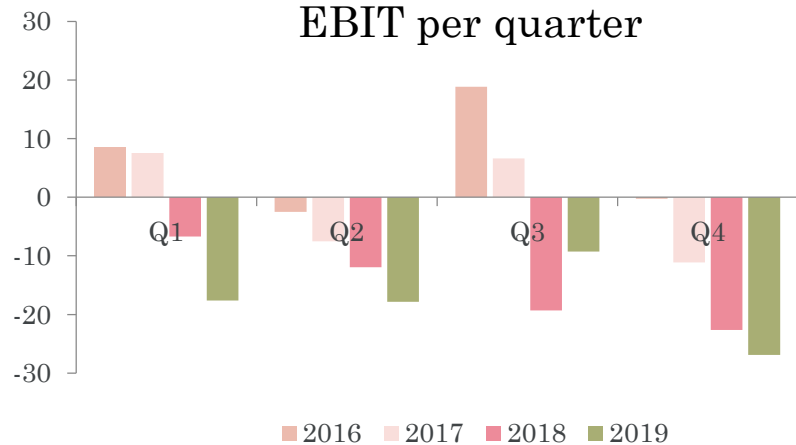
Sales per quarter



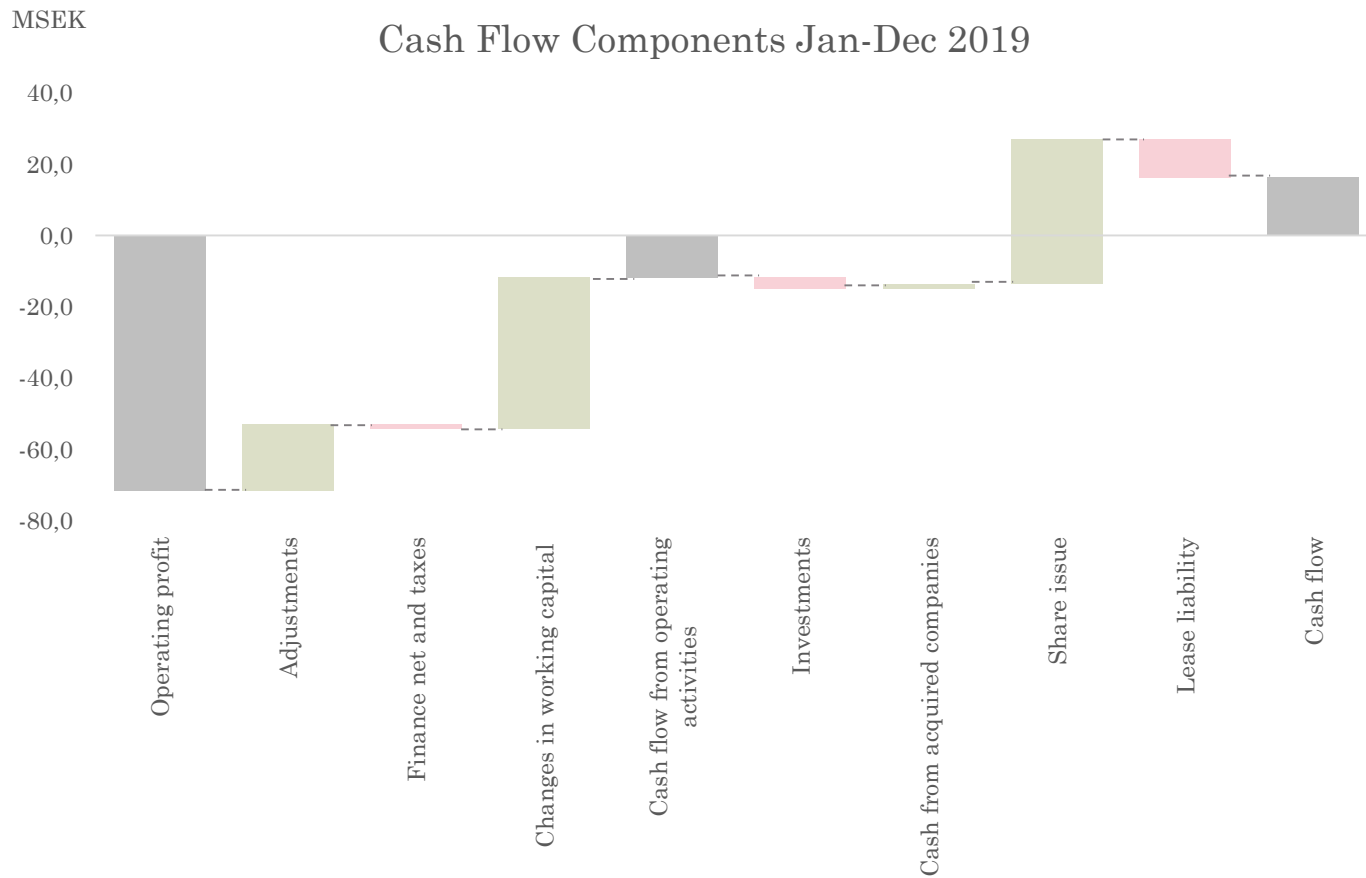
Sales, LTM



EBIT per quarter



# CASH FLOW



# SUMMARY 2019

- **Strengthened company's financial position** through capital injection and acquisition of logistics property with stable cash flows
- **Comprehensive action program** aimed to reduce complexity, capital tied up and operating costs – **developing according to plan and showing results** with full effect during 2020
- Sold and revalued older seasons in stock – **healthier levels going into 2020**
- **A stronger brand company** ready to seize opportunities with our acquired companies, continue to develop Odd Molly and relaunch Hunkydory



**GOING FORWARD**

# 2019 - ADJUSTMENT OF BUSINESS TO NEW PRECONDITIONS



1

**FOCUS ON CORE ASSORTMENT AND  
DEVELOP THAT PART EVEN BETTER**

DRESSES, BLOUSES AND KNIT

CLEAR ODD MOLLY DNA

3

**PRIORITIZE ACTIVITIES  
FOCUS ON PROFIT MORE THAN GROWTH**

2

**STORE CONSOLIDATION**

4

**CREATE A NEW PLATFORM FOR FUTURE  
GROWTH**

DIGITAL STRATEGY AND INHOUSE COMPETENCE

ADDITIONAL BRAND: HUNKYDORY

ACQUISITION OF USED BY AND PROPERTY COMPANY

# 2020 - TURNING THE BUSINESS AROUND, CONTINUED FOCUS ON COST SAVINGS AND EFFICIENCY

1

**BRAND BUILDING IN A SMART WAY**

**DIGITAL!**

**COMMUNICATE MORE ABOUT OUR SUSTAINABLE  
GARMENTS AND OUR USP'S**

**INTEGRATE USED BY**

2

**MORE PARTNERS ON BOARD FOR  
BOTH BRANDS**

**KEY-RESELLERS->FOCUS DIGITAL  
DISTRIBUTERS**

3

**HUNKYDORY UP AND RUNNING**

**ALL PROCESSES IN PLACE**

**SUCCESSFUL RE-LAUNCH IN ALL ASPECTS**

4

**LEVERAGE OUR DIGITAL  
INVESTMENTS**

**MORE MODERN AND BETTER SITE  
EXECUTE ON STRATEGY FOR CUSTOMER  
ACQUISITION AND CONVERSION**

# STRATEGY GOING FORWARD 2021-2023

1

STRONG SUSTAINABLE BRANDS

2

RIGHT PARTNERS WORLDWIDE

3

DIGITAL COMPANY

4

CONTINUE TO FIND NEW WAYS AND  
OPPORTUNITIES IN A FAST-  
CHANGING MARKET

odd molly

THANK  
YOU!

