

*Invitation to subscribe for shares
in LBM Group AB (publ)*

Summary of Investment memorandum

August 2010



Welcome to subscribe for shares in LBM Group AB (publ)

Subscription price. SEK 7,10

Subscription period. 16 August to 17 September 2010

Settlement date. Around September 28 2010

Gross Issue Amount. MSEK 9,2

Start of trading. The shares in LBM are scheduled to start trading on Aktietorget on October 18th, 2010. In addition to this, the stock is scheduled to start trading in Great Britain and Mauritius during the fourth quarter of 2010.

Ticker name. LBMG

ISIN-number. SE0003366673

Would you like to receive a complete investment memorandum in paper format? The information in this summary is a simplified description of the LBM Group AB (publ) and its new issue of stock. For comprehensive conditions and additional information, please consult the investment memorandum for the new issue. The investment memorandum is available in electronic format at the company website: www.thelbmgroup.com. If you wish to receive an investment memorandum in paper format, please send an e-mail to info@lbmgroup.com stating your full address. The order form for subscribing for shares in the new issue can be requisitioned in the same way.

BUSINESS CONCEPT

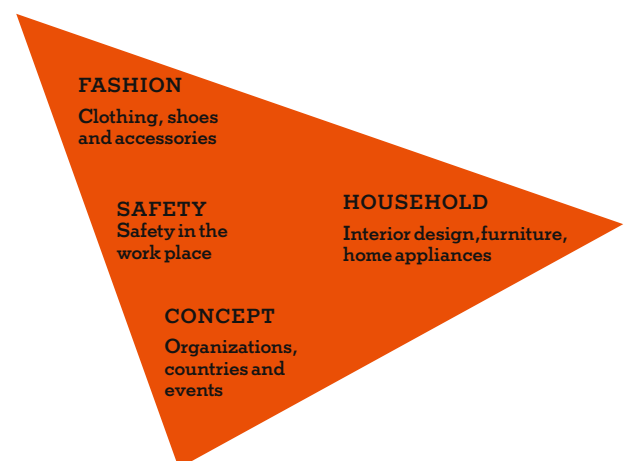
LBM develops and markets leading lifestyle and consumer brands through licensing, consultation and marketing, specifically targeting the Industry segment with Goodyear Safety footwear and accessories, Aquatic sports with Royal Navy, High end fashion and casual wear for men, women, ethnic groups and ethical consumers.

WHICH ARE THE CORE STRENGTHS OF LBM?

LBM has chosen to focus its activities on development and commercialization of brands within the fields of Safety, Sports, Fashion, Household and special interest groups

Fashion includes clothes, shoes and accessories, while House-

hold is comprised chiefly of interior design, furniture, home appliances. The so-called Concept deals with the development of an organization, a country or a specific event.



LBM MARKET FOCUS

With Goodyear, LBM is focused on the safety in the work place and covers sectors like, heavy and light industry, Mining, Oil & Gas, Construction, farming and the catering trade. With its other brands it focuses on the lifestyle sector.

In an increasingly multicultural world with an accelerating flow of information, more is required from contemporary producers of consumer and lifestyle products to maximize the results of their marketing budgets. Long gone are the days when marketing campaigns targeted all possible customers; the large undefined public.

Instead, marketing is increasingly designed to target specific groups and subcultures, making the advertising more effective.

Product ranges have to be differentiated and this must be visible in retail brands and marketing. It is also time to ask: who is really the decision maker when it comes to consumer- and lifestyle products, he or she?

Also LBM focuses on major consumer subgroups of today, which are Women, Ethnic groups and Ethical and ecofriendly consumers.

Lines of business

LBM is active throughout the entire value chain to develop and commercialize brands. The defined strategy of LBM is to work chiefly with established and well-known so called high-end brands, and the group's clients are therefore, and will continue to be, major international enterprises. LBM has consequently deemed it advantageous from a competitive perspective to be able to offer and deliver comprehensive solutions. LBM is active within the fields of Brand Licensing, Brand Management and Brand Communication, elements which when combined cover the entire value chain.

BRAND LICENSING

This line of business is carried out by the English subsidiary Lifestyle Brand Management Ltd. LBM currently holds the license to produce and market products for the two brands Royal Navy and Goodyear. These licenses encompass the selected product categories clothing and shoes on specifically defined geographical markets.

Royal Navy. The Royal Navy is especially well-known in Great Britain, Europe and the British Commonwealth. The image of

Product Line BRAND LICENSING

Product Line BRAND MANAGEMENT

Product Line BRAND COMMUNICATION

Ideas and the creation of Brands & Licenses

Acquiring the rights to Brands & Licenses

Design & Product development

Production (via partners)

Promotion

Distribution (via partners)

Marketing & Advertising

Retail (via partners)



Example of a shoe of the Royal Navy brand, from the line LBM is planning to launch in spring 2011.

the British fleet has been formed through the centuries and it is one of the oldest brands in the world. The license program developed by LBM in association with the British fleet has been designed to reach a clearly defined goal, to make it possible for the Royal Navy brand to create increased strategic value for the brand developed by the British fleet over the years. LBM is responsible for assuring that the values and ethical norms represented by the British fleet are brought forward in a correct manner.

Goodyear. Goodyear is an established and very strong brand with a long history. Goodyear is associated with safety, performance, durability and lasting quality, a number of key concepts that tie in to the series of protective shoes developed by LBM in association with Goodyear. Wide reaching and powerful marketing of the brand is already taking place in the form of advertising campaigns and activities used by Goodyear to work the market. The industrial end user of protective shoes is someone who will use them at work and who has either paid for them or been fitted with shoes by his or her employer. For the industrial consumer, the purchase process is largely determined by current regulation and protective gear is normally paid for by the employer.

BRAND MANAGEMENT

The business line Brand Management is currently carried out by the parent company. For LBM, the concept Brand Management means that LBM, as a licensee for international brands, develops strategic brand concepts with the intention of commercializing them in association with partners, so called sublicensing. LBM can for instance suggest that the owner of an established brand should strive to elucidate the value of the brand by licensing it to LBM, who in turn will be responsible for producing added revenue for the licensor within certain product ranges and geographical regions.

LBM will, after receiving permission from the licensor, sign on partners and sublicense the brand and its predefined use to them. Just as with LBM's two other business lines, Brand Management is chiefly focused on moveable consumer gods within the lifestyle segment.

Unlike the business lines Brand Licensing and Brand Communication, the business line Brand Management is newly formed. LBM does however see great potential in identifying owners of highly regarded brands and in dialogue with them and LBM's sublicensing partners develop and commercialize new product ranges in order to create additional revenue and profitability for the brand owners. This is especially true for the Swedish and other Nordic markets where international enterprises have utilized these opportunities to a much lower degree than the global average.

BRAND COMMUNICATION

The business line Brand Communication is carried out by the wholly owned subsidiary Lokrantz & Co. Activities are headed by Creative Director Elsa Lokrantz who has over 25 years of experience from the industry. In Brand Communication, LBM assists its licensors and other customers with concept development and marketing for retail consumer products. The clients are chiefly retail chains wishing to market their products and create a long-lasting so-called lifestyle-image.

The concept Brand Communication encompasses the development of marketing plans for licensors and other customers. Together with the client and based on the client's current and future product range, Lokrantz & Co analyzes how to better differentiate the product range in order to achieve increased sales and improved profitability. In many situations, this will include the formation of so-called lifestyle concepts to create an image. The lifestyle concepts are based on a so-called brief and positioning from the client.

In addition to working with clients found within LBM's two other business lines Brand Licensing and Brand Management, Lokrantz & Co also have several independent clients in Swedish retail. Creative Director Elsa Lokrantz has previously been a part of the creation and development of concepts for Gina Tricot from scratch and in 2007-2009 she established the new concept for Cubus. She has also produced numerous commercials for these clients. Commercials produced by Lokrantz & Co AB are currently running on both TV and the Internet for the shoe chain Scorette and the web company Nelly.



Why Invest in LBM?

The board would like to put forward the following reasons why an investment in LBM is to be considered a good investment.

The LBM business model can deliver comprehensive solutions that fulfill the stringent demands of large international companies. Since the defined strategy of LBM is to chiefly work with established and well-known so-called high-end brands, larger international companies will dominate the client structure. To strengthen its competitive advantages, LBM has chosen a business model comprised of three business lines: Brand Licensing, Brand Management and Brand Communication. Through the services offered within these three business lines, LBM can deliver comprehensive solutions to large and demanding international enterprises. It is the belief of LBM that this markedly distinguishes the group from its competitors.

Special focus on selected consumer groups and growth markets. Numerous international studies show that women are the decision makers for lifestyle and consumer related products. Similarly, studies also show that ethnic groups and so-called ethical and ecofriendly consumers feel neglected by contemporary marketing and advertising. LBM has chosen to focus specifically on these groups within all areas of its operations.

Safety in the workplace. Work place safety affects us all and health and safety regulations have to be met. It does not matter whether you are an employer or employee. In terms of safety gear, eg footwear with a steel toe cap, an industrial end user is the person wearing safety footwear in a working situation. For the industrial consumer the buying decision is to some extent laid down in regulation. The market size is significant. In terms of safety footwear, the total market size in old Europe, for example, is estimated to be at least 39million pairs and growing.

Geographically, LBM has elected to focus on so-called growth markets – Brazil, Russia, India, China, South-East Asia, the Middle East, Africa and Turkey. Just like many international analysts, LBM believes that these regions will continue to show strong growth in consumer purchasing power and demand. Analyses conducted by the LBM management show that the demand for sophisticated high quality products from so-called high-end brands from Europe and the United States is insatiable in these regions.

Management and board of directors have extensive experience from brand development and fast growing international companies. With a good business model and clear focus, the success of LBM will chiefly depend on successful strategic and operative leadership. Senior executives as well as the Board of LBM have extensive experience working with global brands and the rapid

establishment of international companies. The group CEO Mahesh Jayanarayan has since the mid-1990s been involved as owner and advisor to numerous companies within various industries worldwide. Before that, Jayanarayan spent ten years in leading positions in the financial industry, including Morgan Stanley. David Ormrod has 30 years of experience in the Asian market garment industry, including the coordination of factories and production facilities. Ormrod has also been chief of marketing and sales for Wolverine Worldwide Inc. on the Asian market and responsible for the development of brands such as Hush Puppies, Caterpillar, Wolverine Brand, Harley Davidson and Patagonia.

Valentina Åsa Vermandois has ten years of experience in creating and building consumer retail brands, as well as an additional ten years of specialization in leadership development with special focus on ethics, value building and strategies for life and business.

Elsa Lokrantz has over 25 years of industry experience in the world of advertising agencies, especially from the production of commercials (such as Gina Tricot and Scorette).

Large assets in existing brand portfolios. Within the business line Brand Licensing, LBM has the license rights to produce and market products for the two highly regarded brands Royal Navy and Goodyear. The Royal Navy is especially well-known in Great Britain, Europe and the British Commonwealth. Its image has been built up over centuries and it is one of the world's oldest brands. Goodyear is an established and very strong brand with a long history. Goodyear is associated with safety, performance, durability and lasting quality. LBM is thus already in possession of license rights which the company deems to be of great value.

Reduced business risk through established partners for production, distribution and sales. In order to reduce business risk, LBM always works with established partners for production, distribution and sales. This is true for "our own brands" like Royal Navy and Goodyear as well as for the development of brands where LBM sublicenses the retail rights. The strategy of LBM will also include the appointment of exclusive distributors for each individual geographical market. This will create scale advantages and the experiences from the British home market can be fully exploited while the integrity of the individual brands remains intact.

Top designers and supreme product quality . Since LBM chiefly works with established and well-known so-called high-end brands, predominantly within the lifestyle segment, design and quality will be essential for product reception. LBM has therefore hired top designers for the development of the Royal Navy and Goodyear sample collections and ensured that materials as well as production are of the highest quality.

LBMGROUP

Subscription form for shares in LBM Group AB (publ)

Subscription period:	16 August to 17 September 2010
Subscription price:	7,10 SEK
Allotment:	Any allotment will be notified by Contract Note.
Date of Settlement:	Three business days after the issue of the Contract Note

Full details may be found in the investment memorandum issued in August 2010 by the Board of Directors for LBM Group AB (publ). In the assessment of the company's future development, it is important to take into account the relevant risks. Each investor must make his/her own assessment of the impact of these risks by acquainting her-/himself with the available information regarding this. The investment memorandum can be downloaded from www.aktieinvest.se and www.thelbmgroup.com

A. The undersigned hereby sign up for subscription as follows:

Shares in LBM Group AB (publ) for the above stated subscription price.
Minimum subscription is 50 shares.

B. Delivery details:

Euroclear Account Number:	<input type="text"/>
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or

Securities Deposit Account Number:	Bank/Broker Firm
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NOTE: If the account is linked to an insurance annuity please contact your administrator for the subscription of these shares.

C. Name and address:

First name, Family name/Company:	ID Number/Company registration number:
Street address (street, PO box)	E-mail:
Zip code: City:	Country:
Date :	Phone daytime/Mobile telephone
Signed by applicant (or when applicable company signatory or guardian)	

NOTE: If your subscription is of more than 20,400 shares please enclose copy of your ID for this form to be valid. For legal entity please enclose registration certificate attesting your authorized signatory as well as a copy of the signatories ID.

The undersigned is aware and accepts that:

- This subscription form is legally binding. However, incomplete or incorrectly completed application forms can be ignored.
- Aktieinvest FK AB is hereby authorized to execute on the undersigned's behalf the subscription of shares under the conditions laid down in the Investment memorandum issued in August 2010 by the Board of Directors for LBM Group AB (publ).
- Over-subscription may lead to the allotment of a lower number of shares than the undersigned has initially subscribed for.
- Personal information submitted in connection with, or otherwise recorded with this subscription form, will only be used by Aktieinvest FK AB for the preparation and administration of the subscription of shares in LBM Group AB (publ). The processing of personal data can also be done with other companies that have partnered with Aktieinvest and the issuer.

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Aktieinvest FK AB Fax +46 (0)8 5065 1701 Email emittentservice@aktieinvest.se
Share issue LBM
Emittentservice
113 89 Stockholm

LBM GROUP

LBM Group AB (publ) Box 339, SE-111 73 Stockholm www.thelbmgroun.com

