

BJÖRN BORG 

A woman with brown hair in a ponytail, wearing a black tank top with the word 'BORG' in white capital letters, is standing in a dense, dark green jungle. She is looking off to the side with a slight smile. Her right arm is bent, and her hand is near her chest. She is wearing colorful, patterned leggings. The background is filled with various tropical plants, including large monstera leaves and banana leaves.

Q1 2019

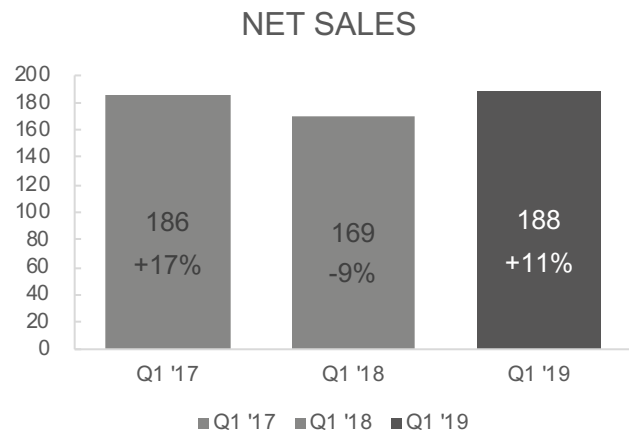
HENRIK BUNGE CEO
JENS NYSTRÖM CFO

Q1 2019 SUMMARY

- Net sales increase with 11% mainly driven by a strong quarter in our shoe business. Also our German market show strong growth, mainly in sports apparel.
- Wholesale business is growing 12% in the quarter, where all markets show an increase vs LY. Primarily the growth is coming from e-tail customers where we see an increase of 93% vs same quarter LY.
- Own retail sales is declining with -1% in comparable stores. However, operating profit is increasing due to improved gross margins and cost control.
- Own e-commerce sales increase 17% in the quarter, where sports apparel increase more than 100%.
- External distributors increase with a strong quarter in Norway, but also Denmark show a growth.
- Gross profit margin decrease with -0,3 ppt vs LY mainly due to currency effects.
- Operating profit increased to 18,5 MSEK (15,1), despite planned increase of operating expenses, due to increased sales while gross profit margin is inline with LY.
- Brand sales increase 15%, coming mainly from sports apparel and shoes, while UW show only a moderate increase of 1%.

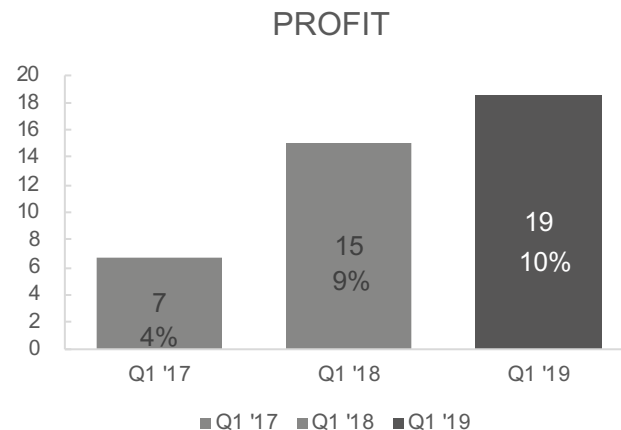


Q1 2019 show positive sales development with increased profit despite planned increased marketing



NET SALES 188,2 MSEK (169,2)

- + Wholesale business in all markets
- + E-tail wholesale business
- + Distributor sales
- Retail decline



OPERATING PROFIT 18,5 MSEK (15,1)

- Negative FX effects
- Higher OPEX; increased brand awareness activities

ACCOUNTS Q1 2018 – Q1 2019

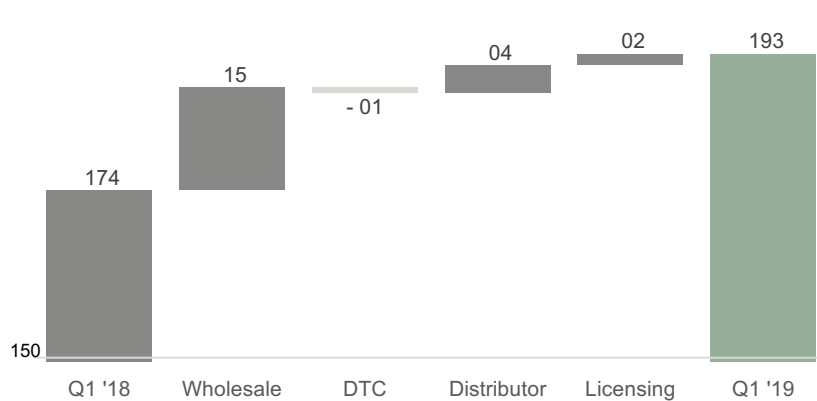
MSEK	Q1 2018	Q1 2019	+/-
Net sales	169,2	188,2	+11,2%
Gross profit margin %	57,1%	56,8%	
Operating expenses ¹⁾	85,8	92,9	+8,2%
Operating profit	15,1	18,5	+22,5%
Operating margin %	8,9%	9,9%	
Earnings per share, SEK	0,60	0,67	

¹⁾ Excluding goods

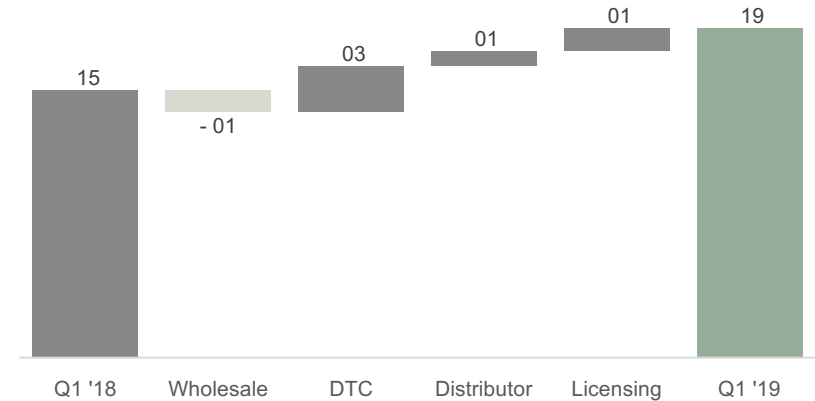
The operating expenses are negatively affected with 1,6 MSEK due to fx effects.

Strong growth in wholesale and large profit increase in DTC

External revenue by segment



Operating profit by segment

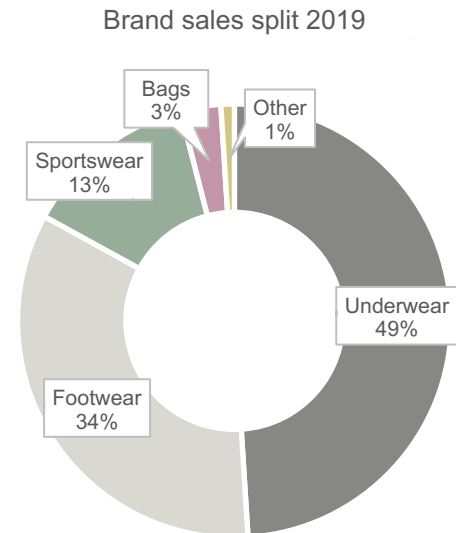
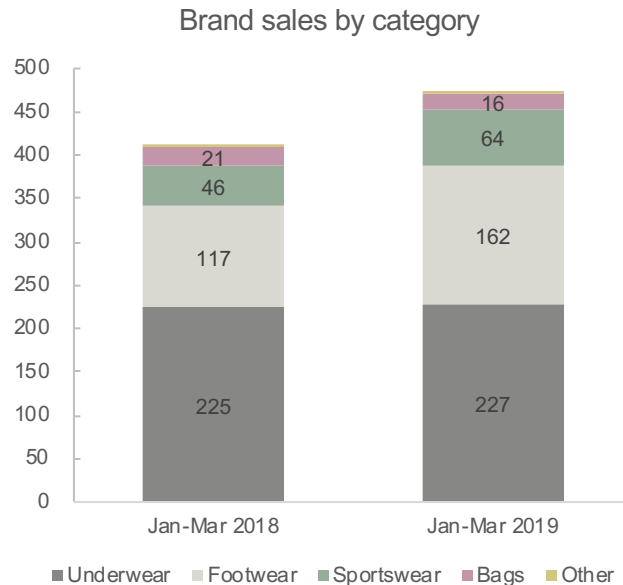


- Wholesale; growth driven by shoe business and German market as well as e-tailer customers across all markets (+93%).
- DTC; own retail decline vs last year, but strong development in own E-Com (+17%).
 - Operating profit is showing a large increase due to improved gross margins and cost control.
- Distributor sales increase (+67%) due to strong development mainly in Norway.
- The licensing business increased vs last year mainly due to strong sales of shoes.

Increased brand sales where sportswear and footwear showing strong growth

BRAND SALES DEVELOPMENT Q1 2019

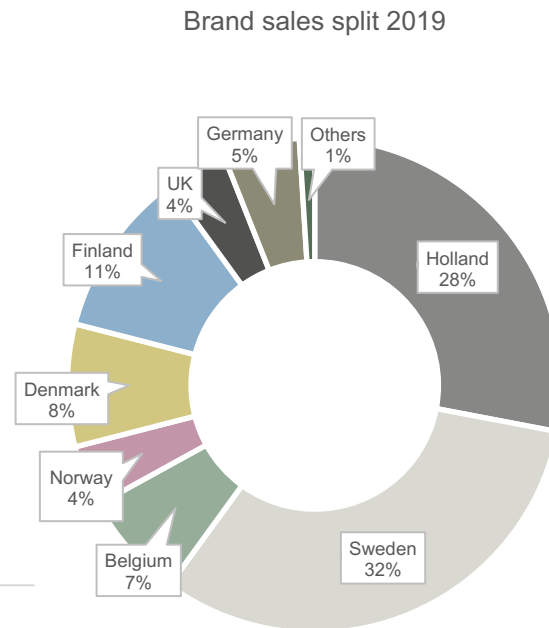
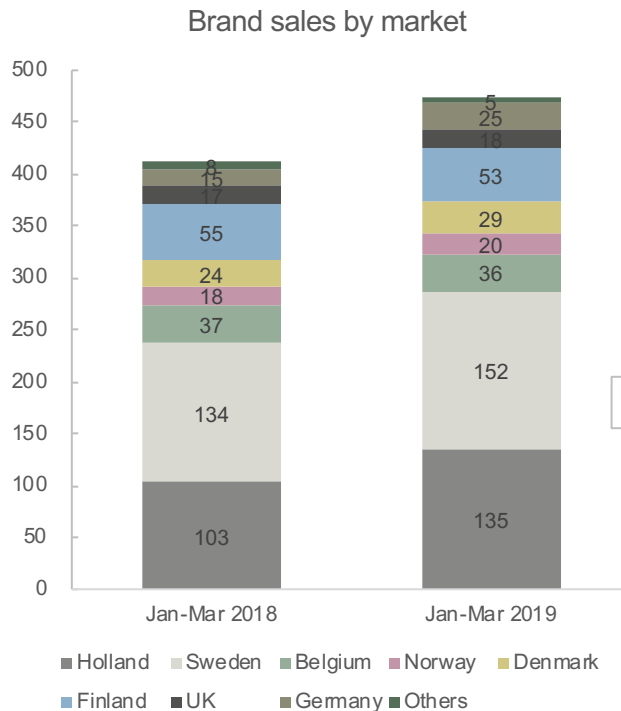
- Brand sales increased with 15% for the first quarter to 473 MSEK (412).
- Excluding currency effects brand sales show an increase of 12%.
- Increase of 1% in UW, 39% in sportswear and 38% in footwear. Other licensed product groups decline with 18%, where bags show a decrease, while eyewear increase.



Brand sales by market with Sweden and Holland showing strong growth

BRAND SALES DEVELOPMENT Q1 2019

- Sweden and Holland showing strong growth.
- Norway and Denmark showing moderate growth.
- Other main markets are declining vs LY.
- Smaller markets show growth.



adidas

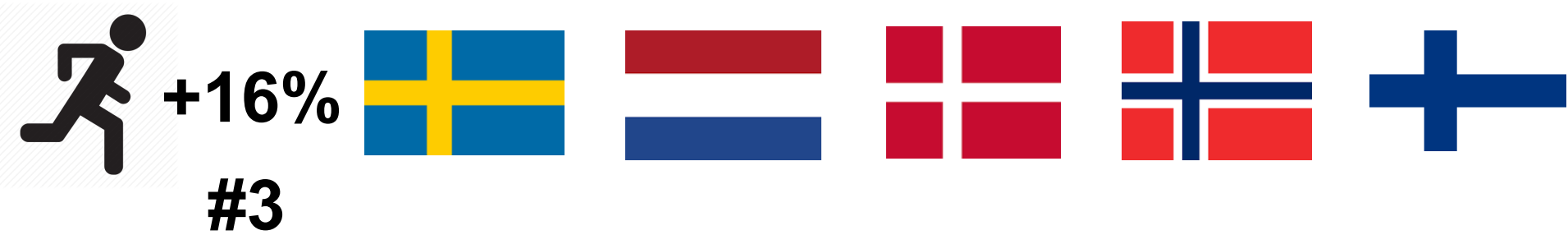
BORG BJÖRN BORG

TRAINING



BJÖRN BORG

WE HAVE DONE OUR RESEARCH



We measured our brand's emotional connection on 3000 consumers in our mature markets 2019 and here are the results



TOP 10 PRIORITIES 2019

1

BRAND HEAT

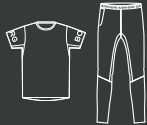
2

ATTACK SPORTS APPAREL

3

PERFORMANCE MANAGEMENT

Create a winning team.



WORLD CLASS
COLLECTION

CONSUMER DESIRABLE
COLLECTION



WHOLESALE
EXCELLENCE

INCL. OMNICHANNEL
& TRADE



ONLINE ATTACK
– E-COM EXCELLENCE

INCL. OMNICHANNEL



RETAIL
EXCELLENCE

INCL. OMNICHANNEL



CITY
ATTACK

ALL CHANNELS



BLX
RESTRUCTION

INCL. ONE STOCK



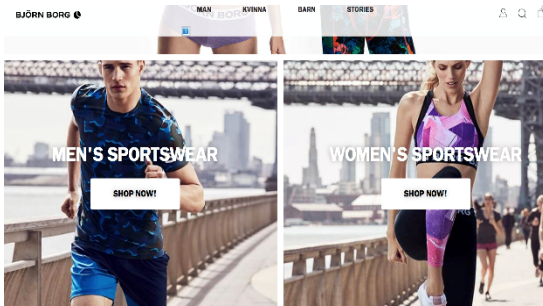
SYSTEM
EXCELLENCE



ONLINE
ATTACK

ONLINE ATTACK IS DIVIDED IN THREE DIFFERENT FOCUS AREAS

E-com



Compound Annual Growth Rate 2013-2018

+32%

YTD 2019 +17%

Market places



Untapped potential

Good start with Afound.

Market place model with amazon live.

E-tailers



Compound Annual Growth Rate 2013-2018

+27%

YTD 2019 +65%

Underlying online market growth 2013-2018 18%

THANK YOU