

BJÖRN BORG 

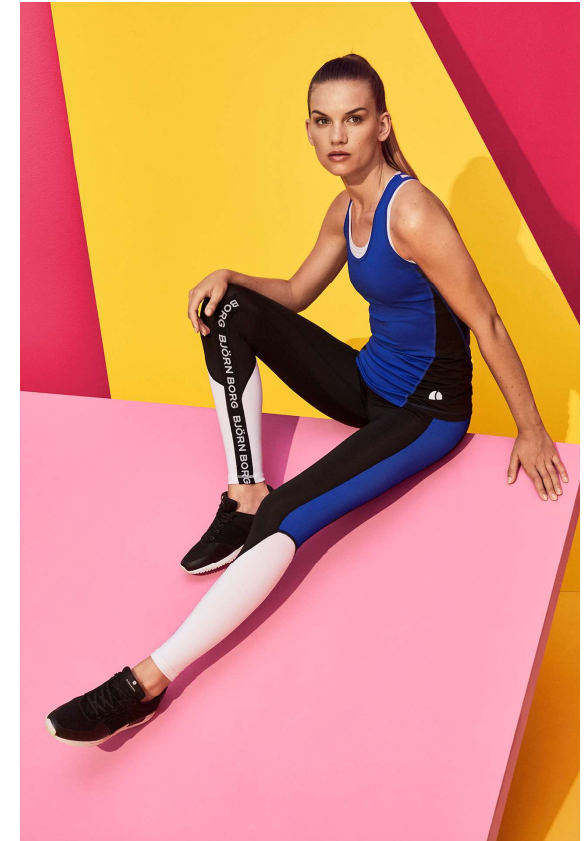


Q2 2019

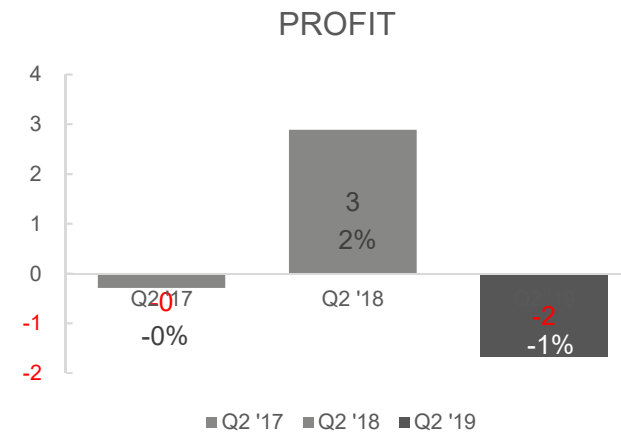
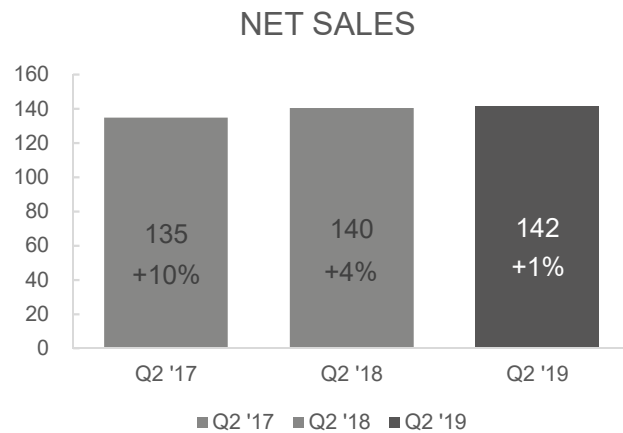
HENRIK BUNGE CEO
JENS NYSTRÖM CFO

Q2 2019 SUMMARY

- Net sales increase with 1% mainly driven by a strong quarter in our distributor business offset by a decline in the wholesale business.
- Wholesale business is declining -3% in the quarter, driven by the Finnish market which declines -63% in the quarter because of terminating the collaboration with some customers not in line with our brand. This is offset by a positive development in the Netherlands and Sweden, growing 40% and 6% respectively.
- Own retail sales is growing with 1% in comparable stores.
- Own e-commerce sales increase 8% in the quarter, where sports apparel increase 26%.
- External distributors increase with a strong quarter in Norway, but also Denmark show a growth.
- Gross profit margin decrease with -4,5 ppt vs LY mainly due to currency effects.
- Operating profit decreased to -1,7 MSEK (2,9) mainly due to the low gross profit margin.



Q2 2019 show slight increase in sales, offset by negative FX effects on gross profit margin and OPEX.



NET SALES 141,7 MSEK (140,3)

- + Distributor sales
- + Own e-commerce
- + E-tail wholesale business
- Wholesale business
- Retail decline

OPERATING PROFIT -1,7 MSEK (2,9)

- Negative FX effects
- Higher OPEX

ACCOUNTS Q2 2018 – Q2 2019

MSEK	Q2 2018	Q2 2019	+/-
Net sales	140,3	141,7	+1,0%
Gross profit margin %	59,9%	55,4%	-4,5 ppt
Operating expenses ¹⁾	83,2	85,4	+2,6%
Operating profit	2,9	-1,7	
Operating margin %	2,1%	-1,2%	
Earnings per share, SEK	0,06	-0,09	

¹⁾ Excluding goods

- The operating expenses are negatively affected with 0,6 MSEK due to fx effects.
- The gross profit margin is negatively affected with 2,5 ppt due to fx effects.

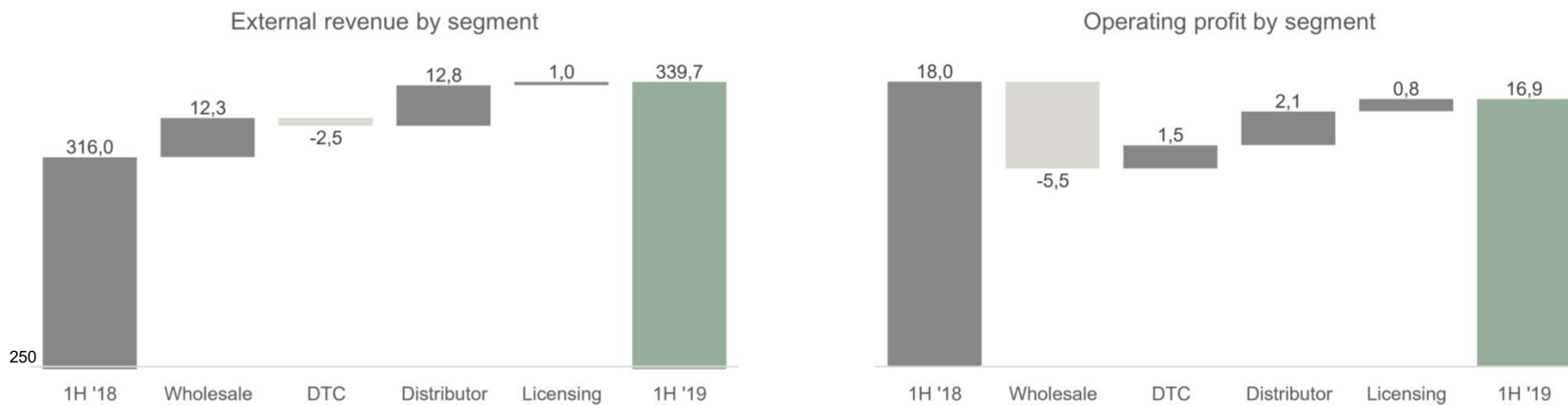
ACCOUNTS 1H 2018 – 1H 2019

MSEK	1H 2018	1H 2019	+/-
Net sales	309,5	329,9	+6,6%
Gross profit margin %	58,3%	56,2%	-2,1
Operating expenses ¹⁾	169,0	178,3	+5,5%
Operating profit	18,0	16,9	
Operating margin %	5,8%	5,1%	
Earnings per share, SEK	0,66	0,58	

¹⁾ Excluding goods

- The operating expenses are negatively affected with 2,2 MSEK due to fx effects.
- The gross profit margin is negatively affected with 2,9 ppt due to fx effects.

Growth in wholesale in distributor segment, offset by negative FX effects on profit.

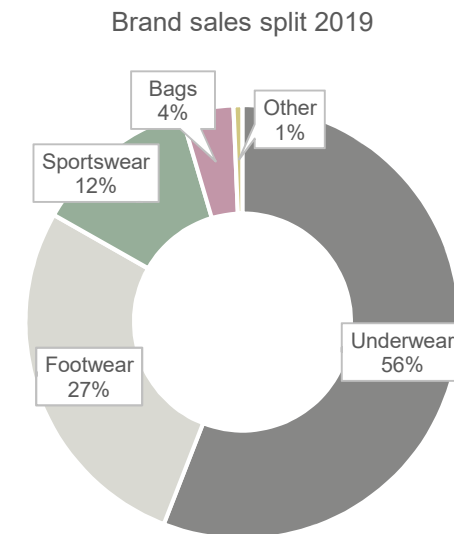
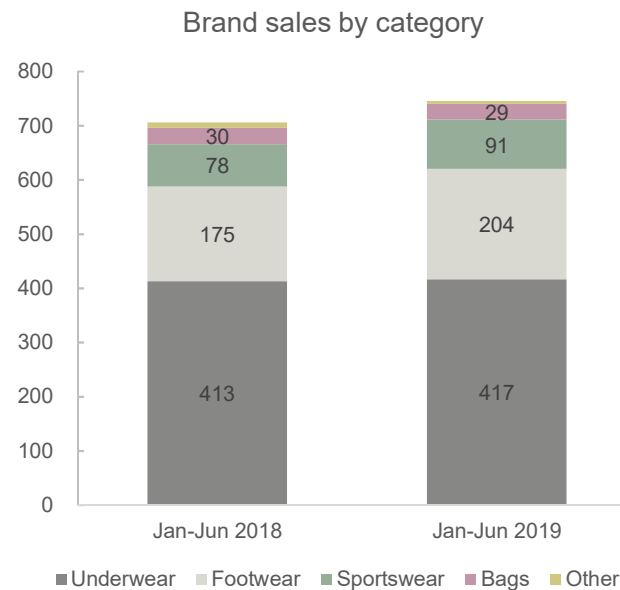


- Wholesale; growth in all markets except Finland, as well as e-tailer customers across all markets (+35%).
 - Operating profit declining due to negative FX effects on gross margin
- DTC; own retail decline vs last year, but still positive development in own E-Com (+13%).
 - Operating profit is showing a large increase due to improved gross margins and cost control.
- Distributor sales increase (+84%) 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 continue to show strong growth

BRAND SALES DEVELOPMENT 1H 2019

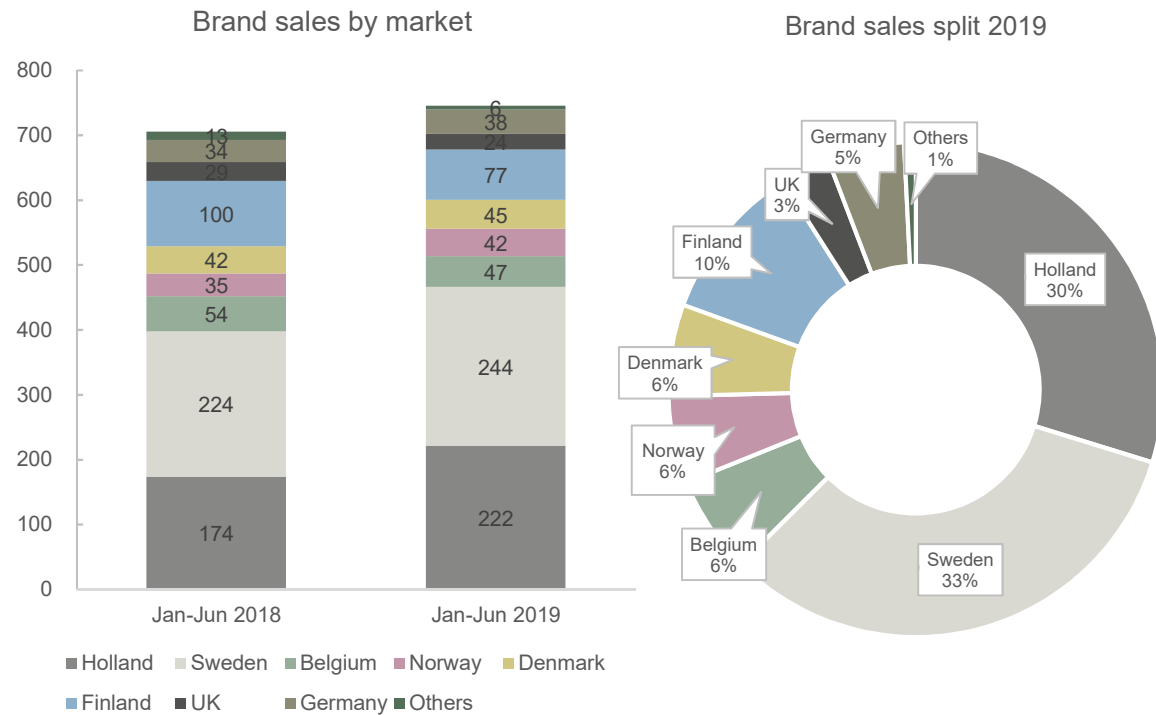
- Brand sales increased with 6% for the first six months to 745 MSEK (706).
- Excluding currency effects brand sales show an increase of 3%.
- Increase of 1% in UW, 17% in sportswear and 16% in footwear. Other licensed product groups decline with 15%, where bags show a decrease, while eyewear increase.



Brand sales by market with Sweden and Holland showing strong growth

BRAND SALES DEVELOPMENT 1H 2019

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







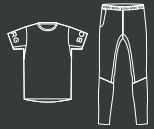
TOP 10 PRIORITIES 2019

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

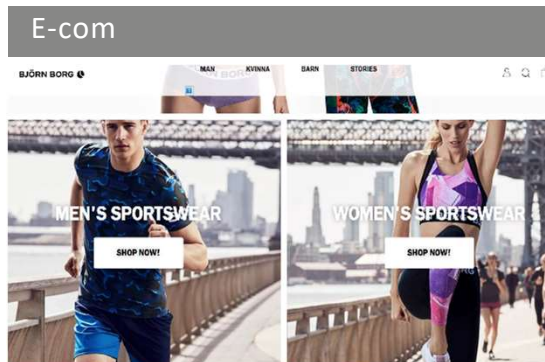


**SYSTEM
EXCELLENCE**



ONLINE
ATTACK

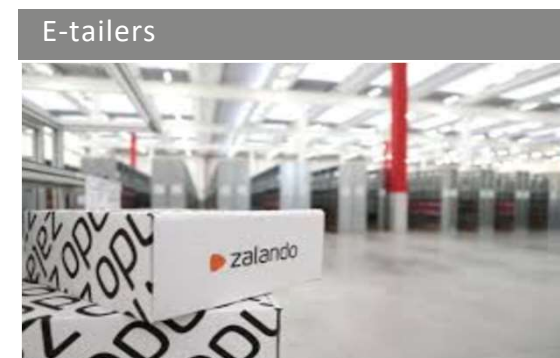
ONLINE ATTACK IS DIVIDED IN THREE DIFFERENT FOCUS AREAS



Compound Annual Growth Rate 2013-2018
+32%
YTD 2019 +13%



Untapped potential
Good start with Afound.
Market place model with amazon live.



Compound Annual Growth Rate 2013-2018
+27%
YTD 2019 +37%

Underlying online market growth 2013-2018 18%

THANK YOU