

BJÖRN BORG 

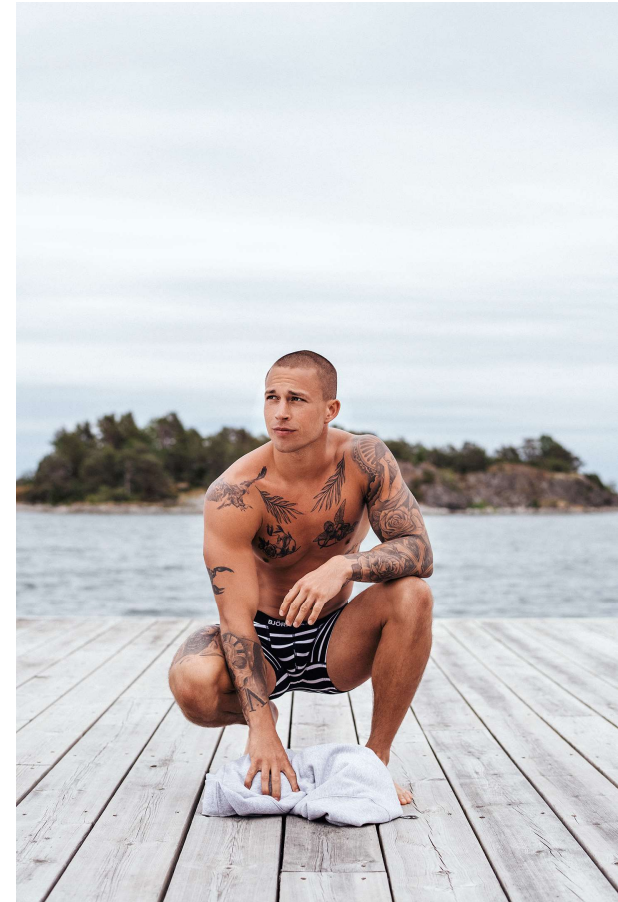


Q2 2021

Henrik Bunge, CEO
Jens Nyström, CFO

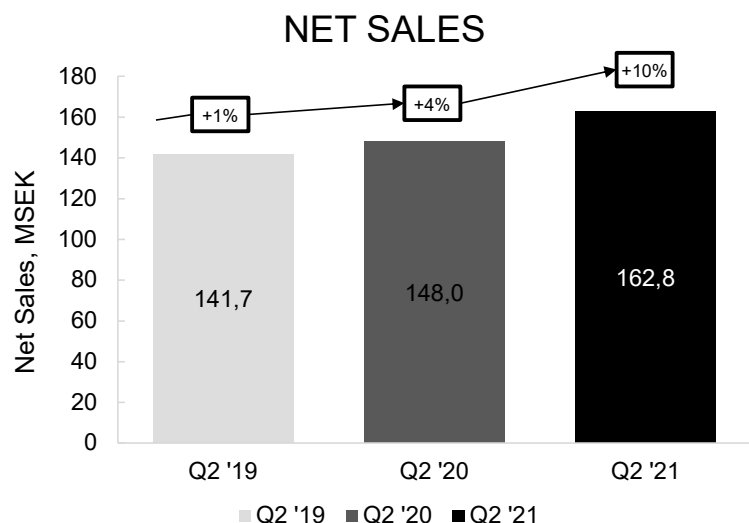
Q2 2021 SUMMARY

- In Q2 2021 Net Sales of BJÖRN BORG increased by +10% to SEK 162.8 m vs. PY and the EBIT margin by +21 ppt. to 12% of NS or SEK 19 m. Currency neutral Net Sales would have grown by +15% and EBIT by +16 ppt.
- This means BJÖRN BORG has shown a record quarter regarding both Net Sales and EBIT.
- By channel quarterly results for Q2 2021 vs PY split up as follows:
 - Own e-commerce has grown by +11% to SEK 23 m
 - Own Retail stores have grown by + 33% to SEK 27 m
 - E-tailers as part of WHS have grown by +40% to SEK 38 m
 - Remaining bricks & mortar WHS has declined by -6% to 57 m
 - Distributors have grown by + 106% to SEK 20 m to shifting the business in the UK to a distributor.
 - The License business has declined by -27% to SEK 1 m mostly driven by the bags category that had been brought in-house end 2020 and will be re-booted.
- In Q2 2021 the share of on-line Net Sales through Own e-commerce, e-tailers and e-marketplaces has grown to 38% of total Net Sales and even exceeds 50% including on-line Net Sales of multi-channel WHS customers.
- Profitability improvements in Q2 2021 vs. PY were driven by a Gross Profit Margin increase of +7.2 ppt (currency neutral + 3.1 ppt) mainly by tighter customer management in WHS as well as continued reductions of non productive operational expenses.
- Overall, we believe that Q2 2021 results confirm our strategy to become a leading sports fashion brand by a strong focus on on-line communication and sales.



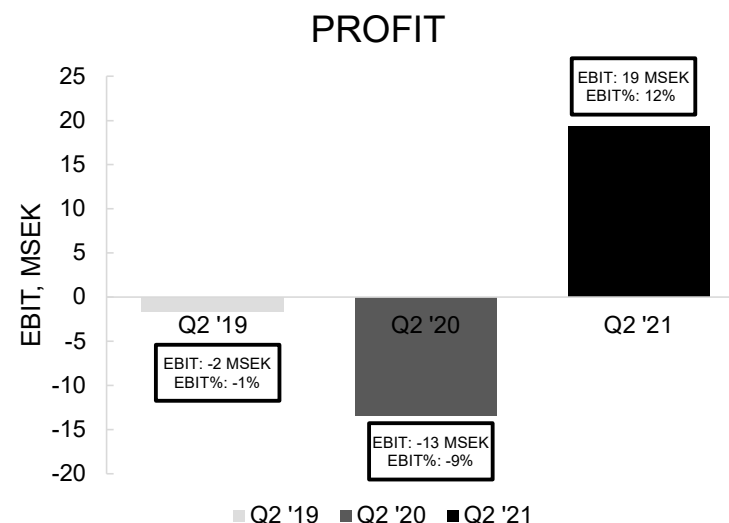
Q2 2021 show a record quarter with increased sales and EBIT vs last year, mainly due to improved gross margin and good OPEX cost control.

– Net sales and operating profit development by quarter



NET SALES SEK 162.8 million (148.0)

- + Own e-commerce (+11%)
- + Own retail (+33%)
- + Distributors (+106%)
- + E-tail wholesale business (+40%)
- Brick & mortar wholesale business (-23%)



OPERATING PROFIT SEK 19.3 million (-13.4)

- + Increased sales with improved gross margin
- + Less wholesale discounts
- + General control of OPEX

Key financials YTD Q2 2021 vs 2020

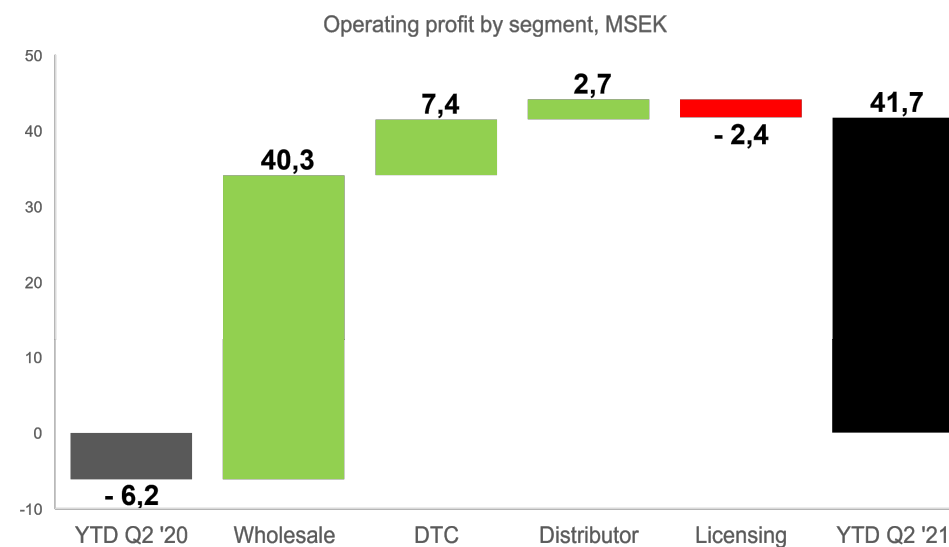
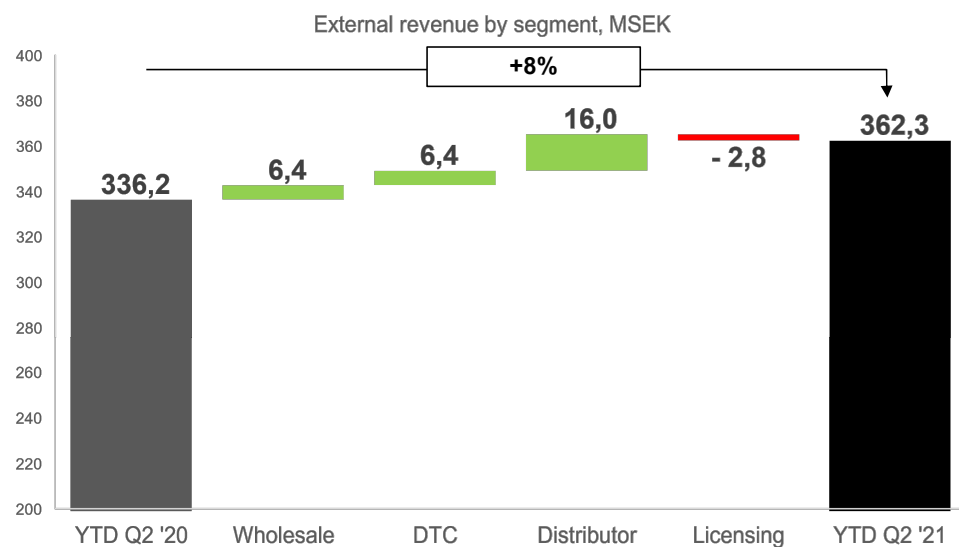
MSEK	YTD Q2 2020	YTD Q2 2021	+/-
Net sales	319.9	347.5	+8.6%
Gross profit margin %	51.8%	54.7%	+2.9 ppt
Operating expenses ¹⁾	188.2	163.1	-13.3%
Operating profit	-6.2	41.7	
Operating margin %	-1.9%	12.0%	
Earnings per share, SEK	-0.33	1.39	

¹⁾ *Excluding goods*

- *The gross profit margin is positively affected with +3.6 ppt due to fx effects.*

Sales increase mainly related to external distributors, but also with online business, both in wholesale and own e-commerce. EBIT increase due to improved margins and good OPEX control.

– Full year revenue and operating profit by segment



- Wholesale; strong growth with e-tailers (+40%), offset by a decline in Footwear.
 - Operating profit increasing due increased sales with online retailers with improved gross margin and reduced OPEX.
- DTC; e-com +25% vs last year while own retail decrease in total stores with -7% because of the lockdown in the Netherlands.
 - Operating profit increase with increased share of own e-commerce and improved gross margin.
- Distributor sales increase (+106%) due to strong development mainly in Norway and the UK.
- The licensing business decrease vs last year mainly related to bags (brought inhouse).



Opportunity

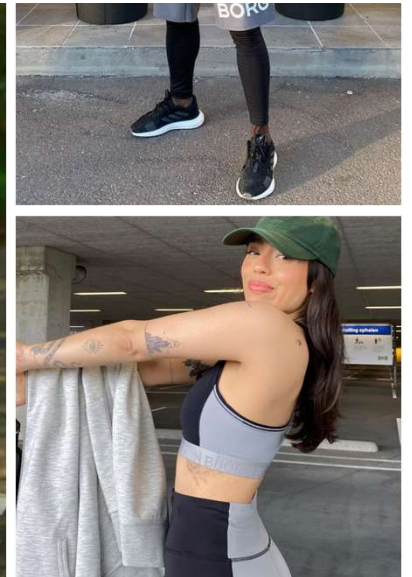
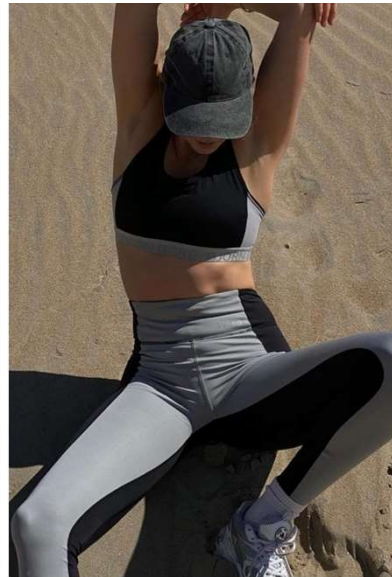
Emerging trends shows that training in many ways is turning from a one-sided body-focus towards a new understanding of health.

Properly utilized these insights will give us an opportunity to build a strong position for Björn Borg as a sports brand with a fashion edge that capitalize on the growing health trend and the public interest in wellbeing.

That is why we train to live, and as a brand will offer multiple categories enabling anyone to be their best versions of themselves

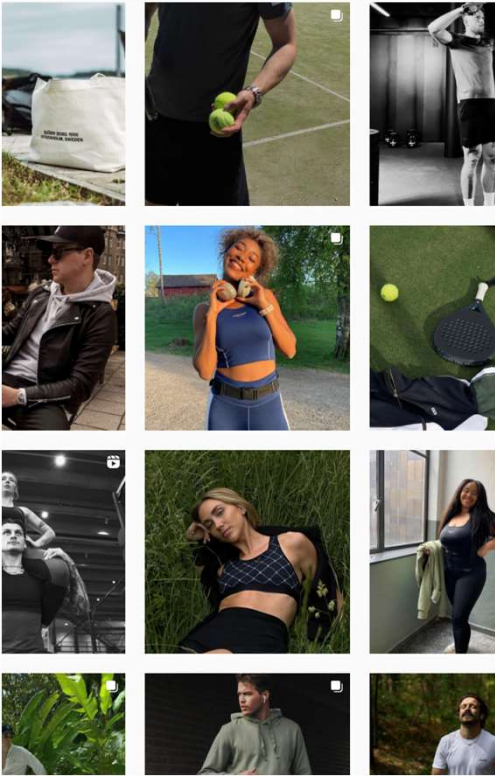


People listen to people



Björn Borg

While inspiring end consumers and building our brand stronger than ever we found a new sales channel



Activating @bjornborg and #TrainToLive
Influencer Attack

=



Awareness +150% vs. LY
Brand Heat



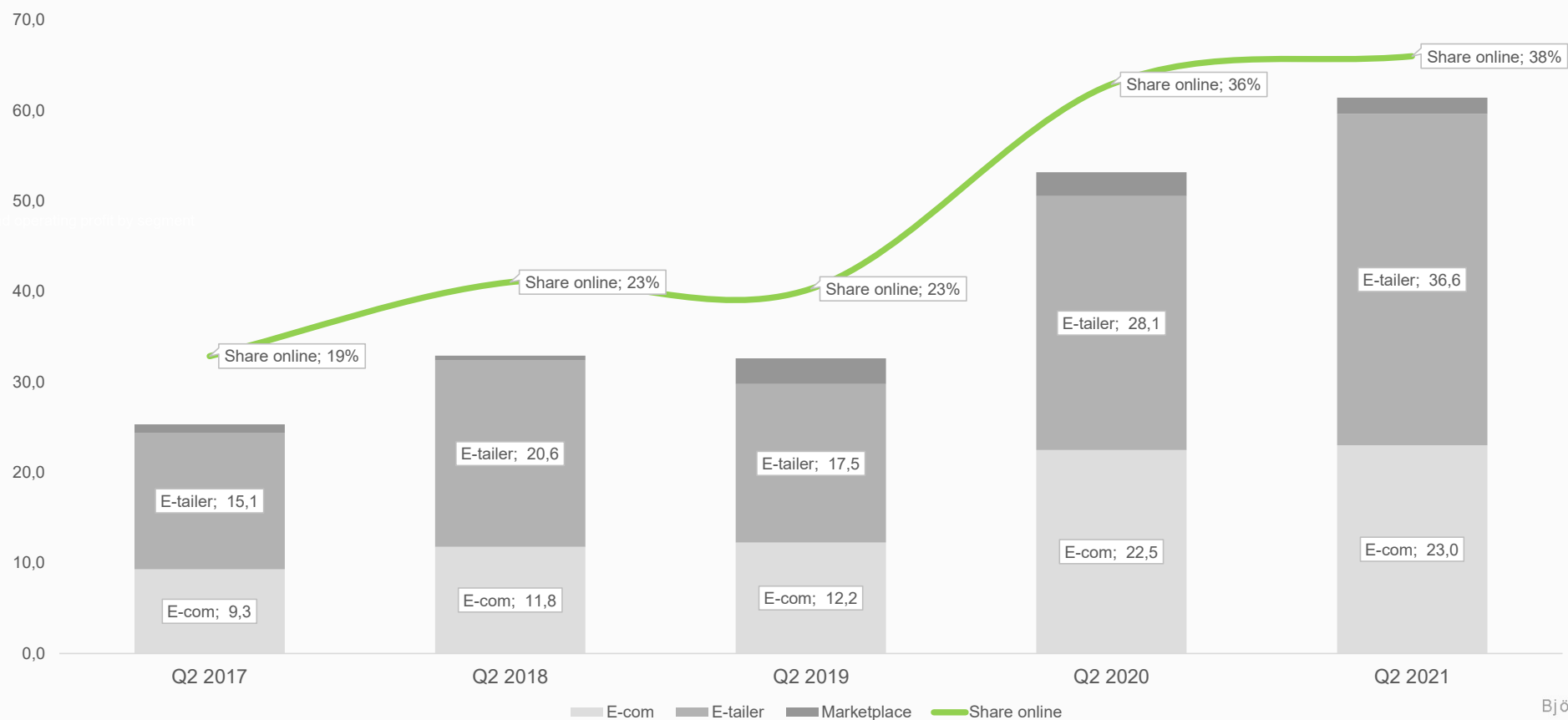
Record high reach and engagement
Be where our end consumers are

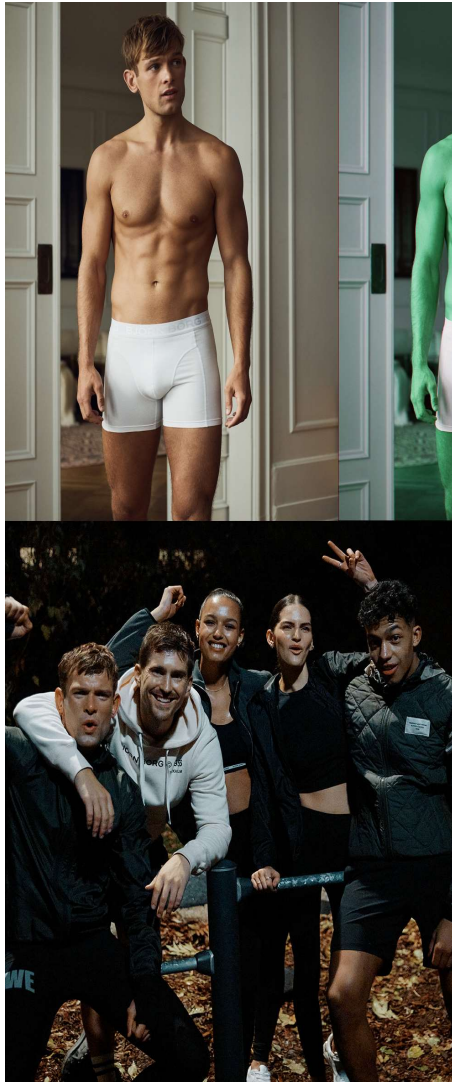


Influencer activations working as a strong sales channel; ROI 500-1000%
New Sales Channel

The plan to turn Björn Borg digital is progressing very well

- Share of online sales 2017-2021

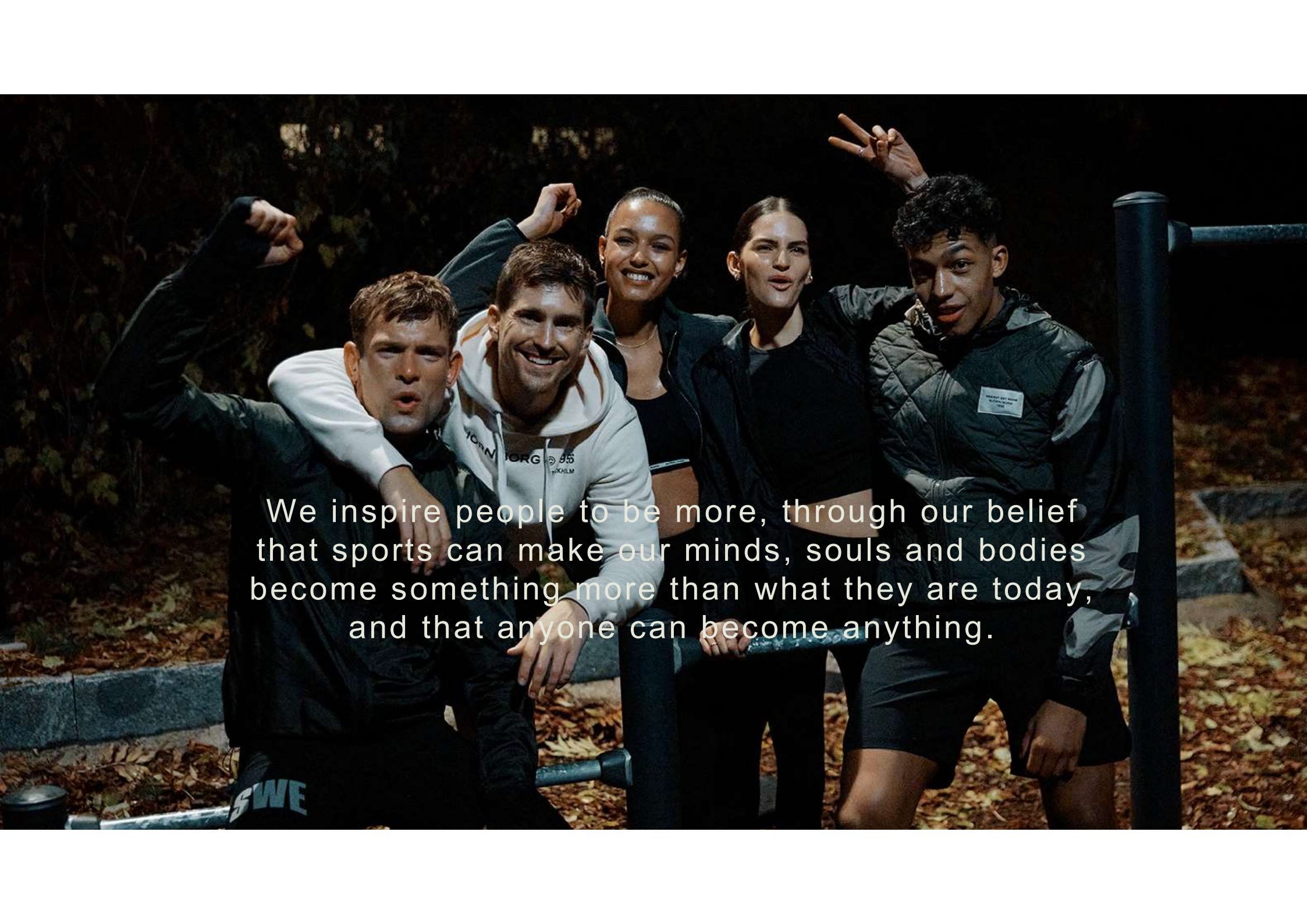




SUSTAINABILITY AT BJÖRN BORG

We want to inspire people to lead a sustainable life. That includes offering Greener products, sourced in a responsible way and transported with greener alternatives.

- Target to be compliant with UN's Agenda 2030 and reduce our GHG emission by 30% to 2030.
- 45% of customers consider Björn Borg a sustainable brand
- Well ahead of Customer expectations
- AW 2021 100% of Clothing is classified Sustainably Sourced.
- All vendors enrolled in BSCI, Business social compliance initiative
- Effective buying processes & one central, green warehouse

A group of five young adults, three men and two women, are posing together in a park at night. They are all wearing athletic or outdoor gear. The man on the far left is wearing a dark jacket and has his arm raised in a fist. The man next to him is wearing a white hoodie with 'JORN JORG 95' and 'KELM' printed on it. The woman behind him is smiling. The woman next to her is also smiling. The man on the far right is wearing a dark quilted jacket and is making a peace sign with his right hand. They are all looking towards the camera. The background is dark with some trees and a metal railing visible on the right.

We inspire people to be more, through our belief
that sports can make our minds, souls and bodies
become something more than what they are today,
and that anyone can become anything.

THANK YOU