




# BJÖRN BORG AB – Investor Presentation Q4 2022

Stockholm, February 23rd, 2023





"Full year 2022, as well as Q4 isolated, reached record sales levels, and if adjusted for currencies and non-reoccurring items – operating profit would have been SEK 120 m."

Henrik Bunge, CEO BJÖRN BORG AB

# Björn Borg Q4 2022 report – executive summary

- In Q4 2022 we increased net sales by 9.9% to SEK 198.4 m vs. the same quarter last year that closed at SEK 180.6 m.
- Gross margin decreased to 52.1% (53.1). Currency neutral gross margin improved with 3.5% from 53.1 to 56.6%
- EBIT decreased to SEK 7.8 m (10.0). Currency neutral and excluding one-off effects, EBIT increased to SEK 16.0 m vs. 10.0 m the same quarter last year, an increase of 60%.
- Our sports apparel category developed well with an increase of 9% vs the same quarter last year.
- Our business increased in the Netherlands and Germany, while it decreased in other main markets.
- Our own e-commerce continues to grow, +14% in the quarter, and e-tailers in the wholesale channel increase with +25% in the quarter.
- Our financial solidity improved showing an equity ratio of 54% and a net debt of SEK 14 m.



Where we want to go

Our mission, our business strategy and our long-term financial objectives are clearly set

BJÖRN BORG AB – Where we want to go

### OUR MISSION

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

### OUR LONG-TERM FINANCIAL OBJECTIVES

- Annual sales growth of min 5%
- Annual operating margin of min 10%
- Annual dividend of min 50% of net profit
- An equity/assets ratio of min 35%

### OUR BUSINESS STRATEGY

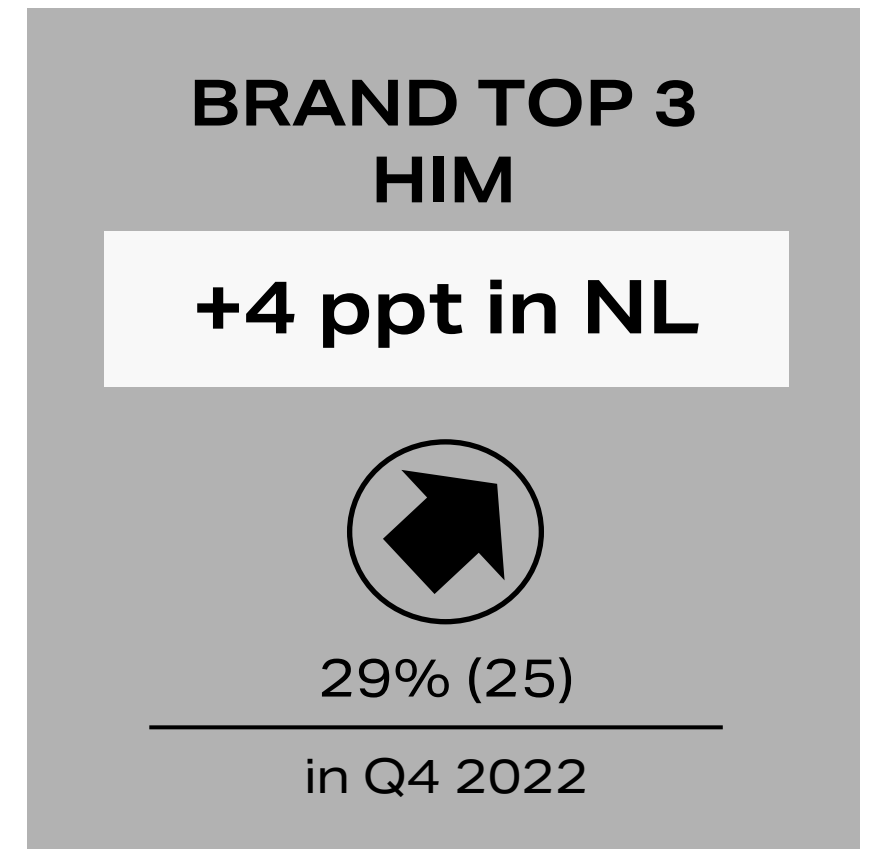
- Increase share of on-line and business with e-tailers.
- Grow business share and preference in sports apparel.
- Expand geographically focused on Europe



Brand heat

# Our brand journey continues in the right direction with extra strong brand heat numbers on HER

## BJÖRN BORG AB – Brand heat KPIs Q4 2022 highlights



- Our message “Train To Live” is resonating well with our target group
- A strong online and influencer focus is clearly working
- TikTok – Own channel, ads and influencer’s is clearly a great mix

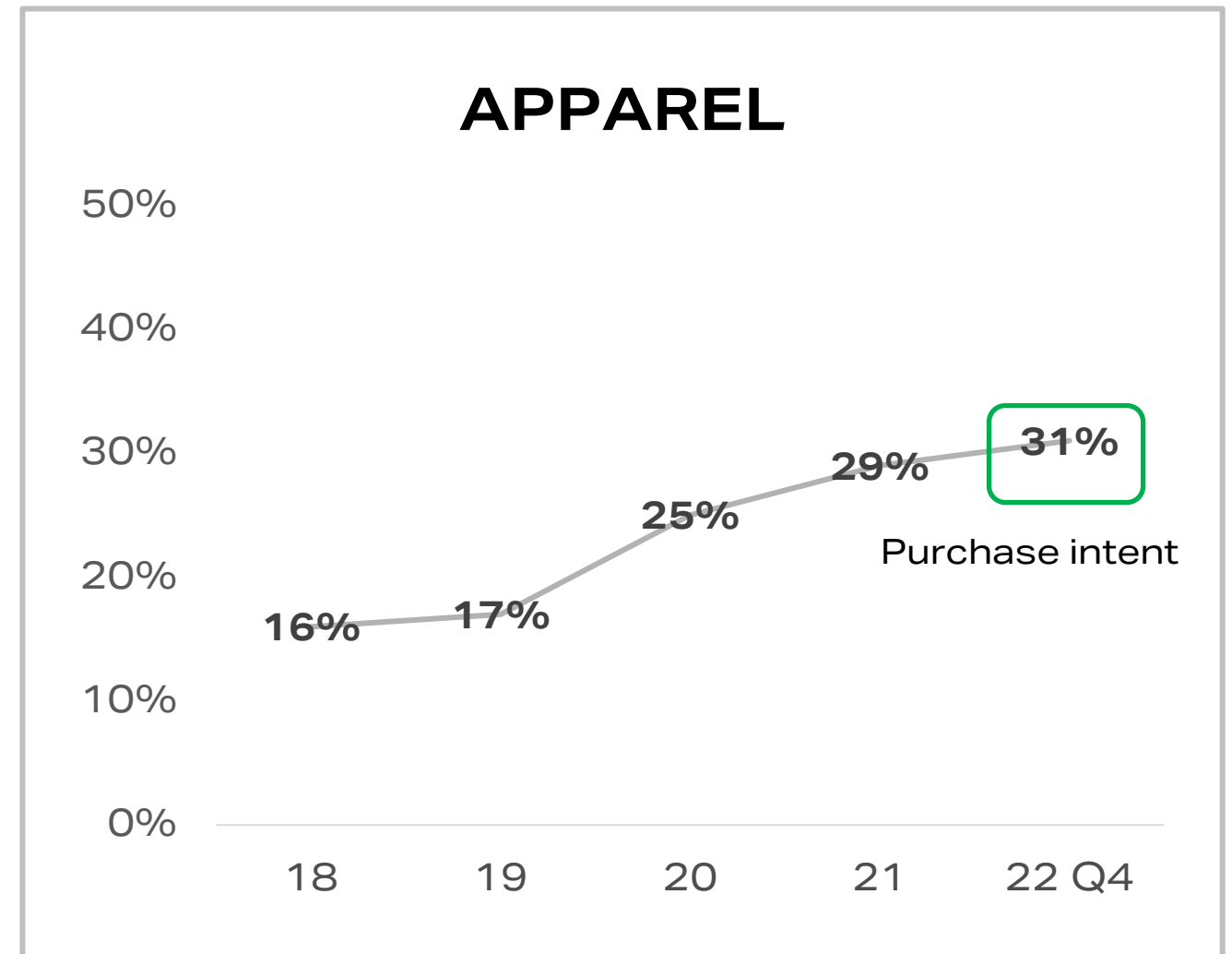
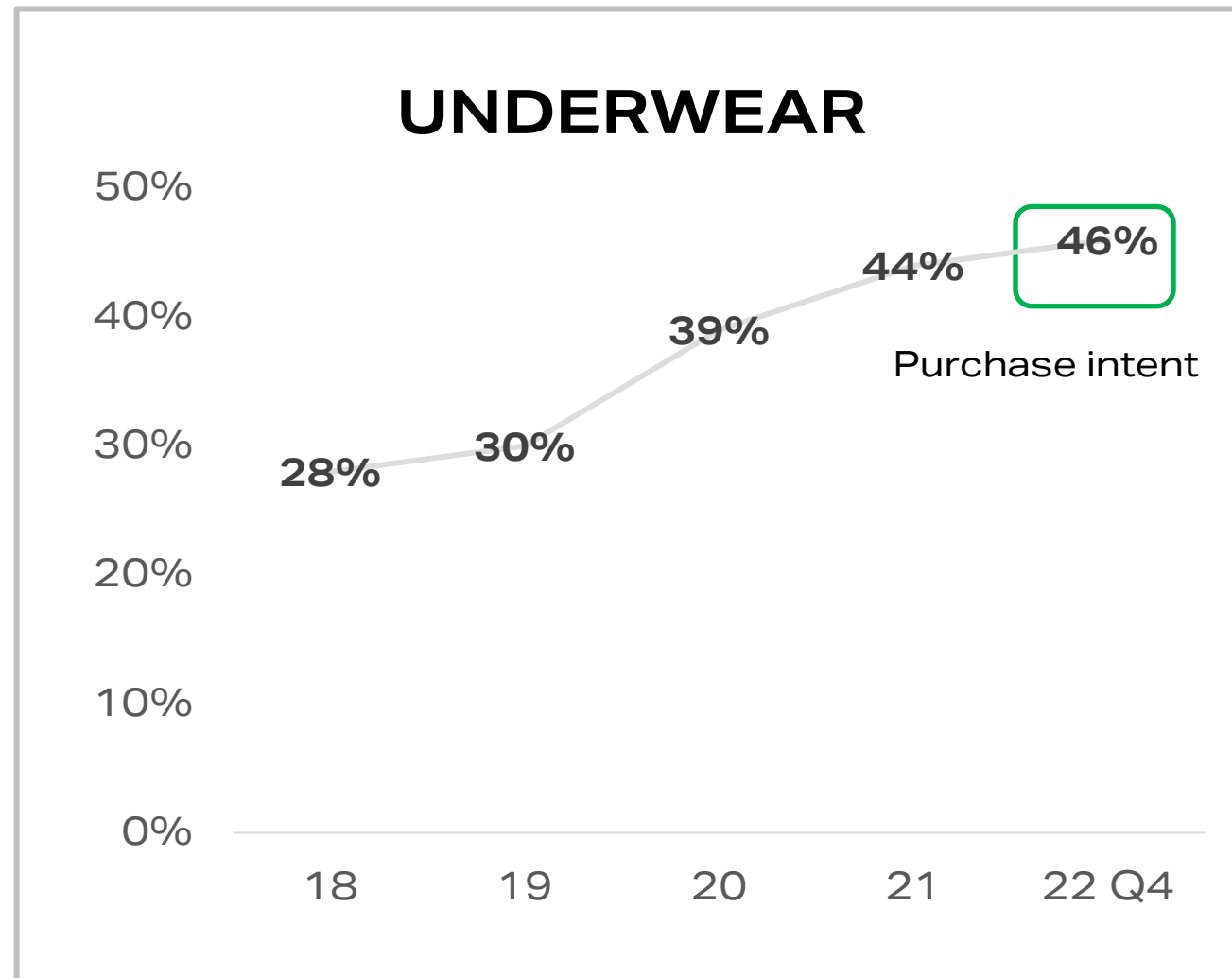
- A variety of touchpoints gives us a great reach and with that an increased awareness
- Offline activations works well among our male target group, such as gym partnerships, Tough Viking etc.

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We are maintaining our market leader position in men's underwear and increasing our strength as an apparel brand

## BJÖRN BORG AB – Brand heat KPIs Q4 2022 all countries

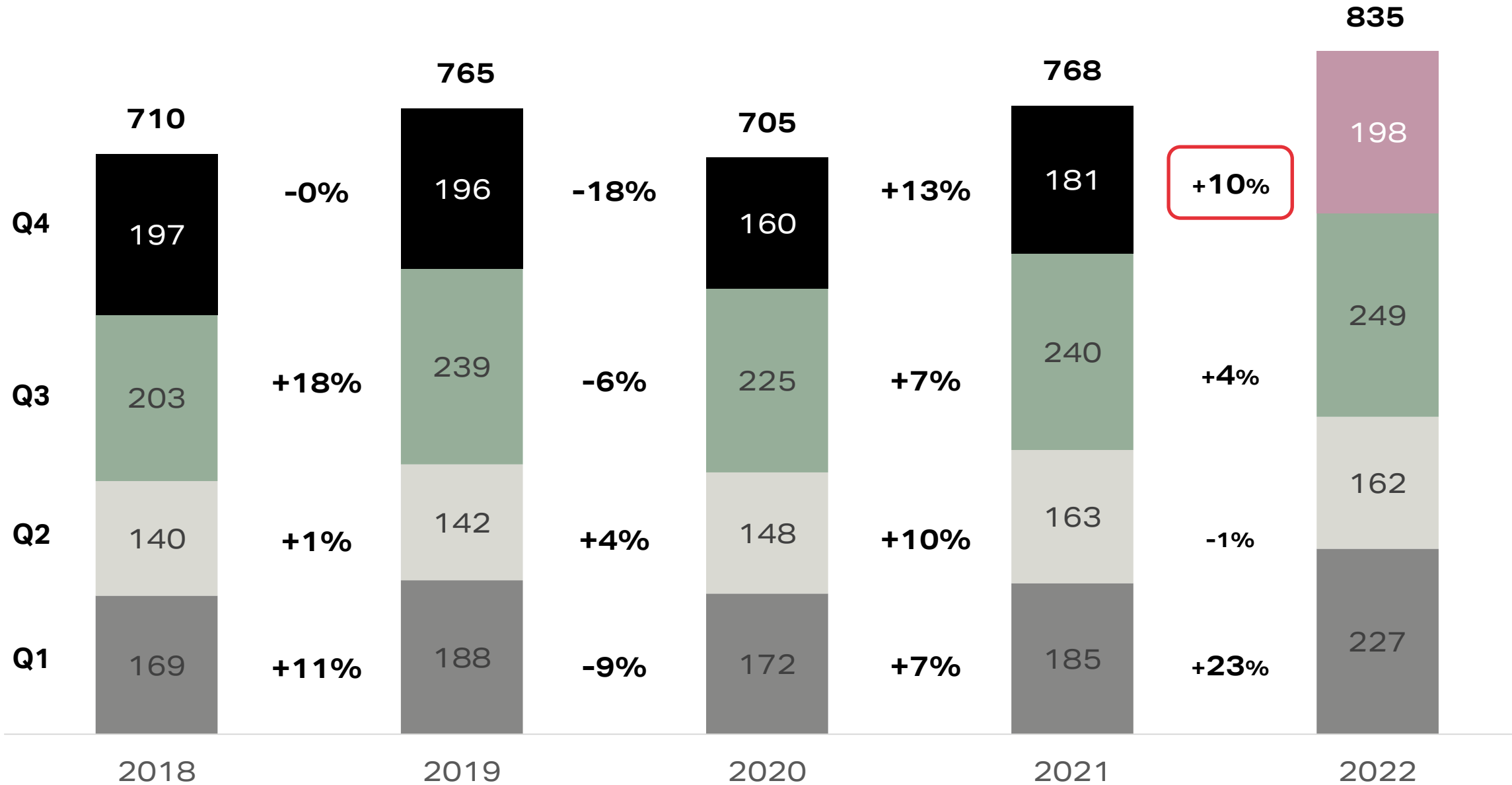




Top line

# Record sales by Björn Borg – highest sales in a fourth quarter as well as for a full year

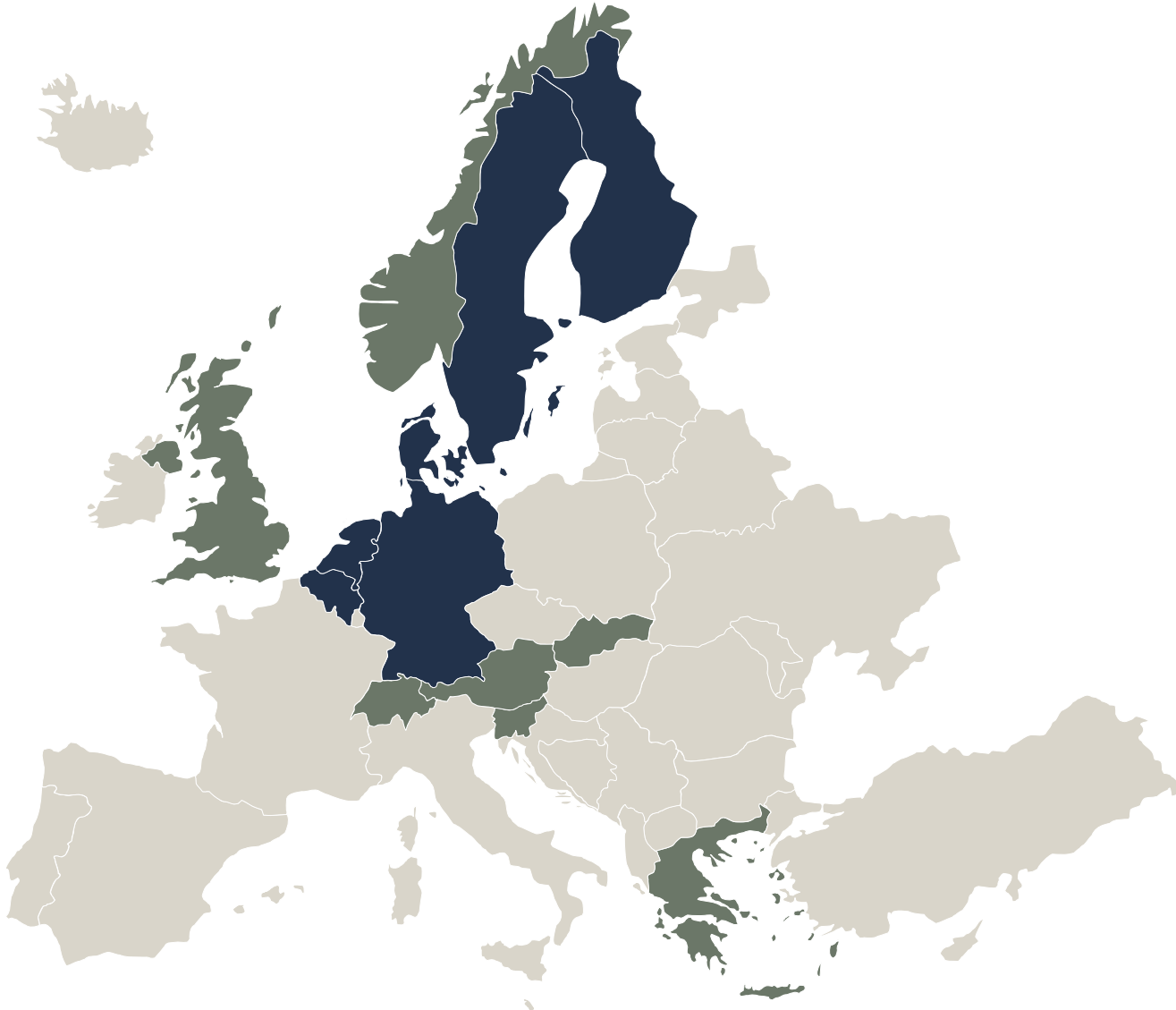
BJÖRN BORG AB – Net Sales development by quarter [SEK m]



Source: BB AB Investor Relations

Top line growth in e-tailer dominated markets while brick and mortar impacted by a decline across most markets.

### BJÖRN BORG AB - Total Sales development Q4 2022 by country



Own subsidiaries (vs Q4 2021)

-12%	SWEDEN
+16%	NETHERLANDS
+126%	GERMANY
-1%	FINLAND
-17%	BELGIUM
-21%	DENMARK

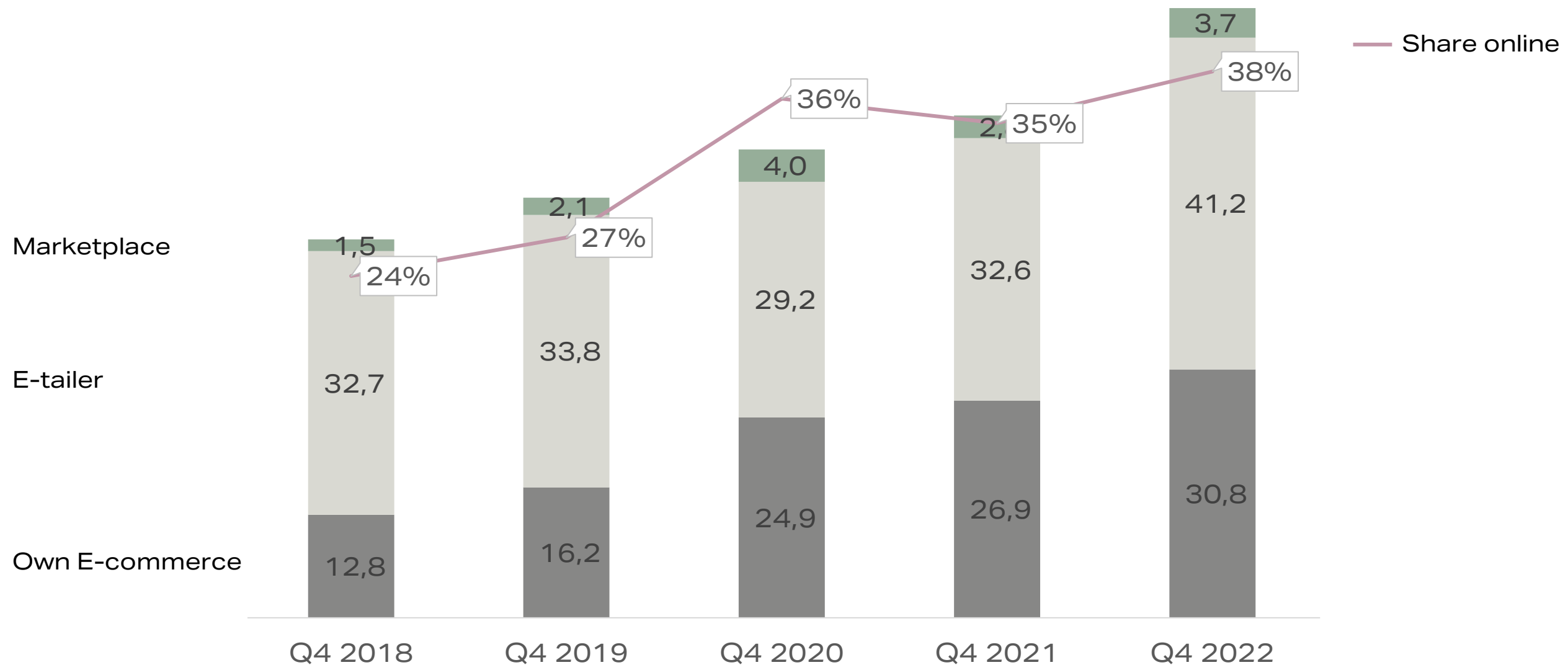
Distributors

+1%	NORWAY
+23%	UK
-5%	OTHER

Source: BB AB Investor Relations

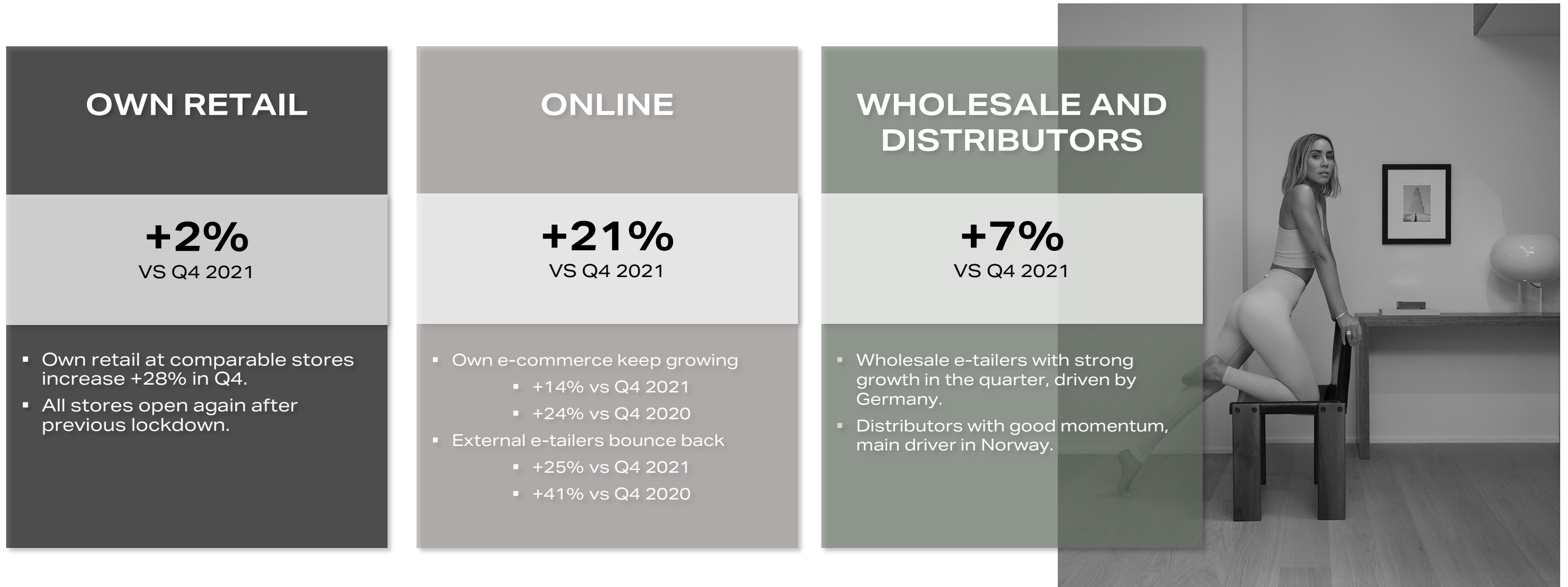
# Strong own online development in the quarter, where all channels increase versus last year

## BJÖRN BORG AB – Share of online sales 2018-2022



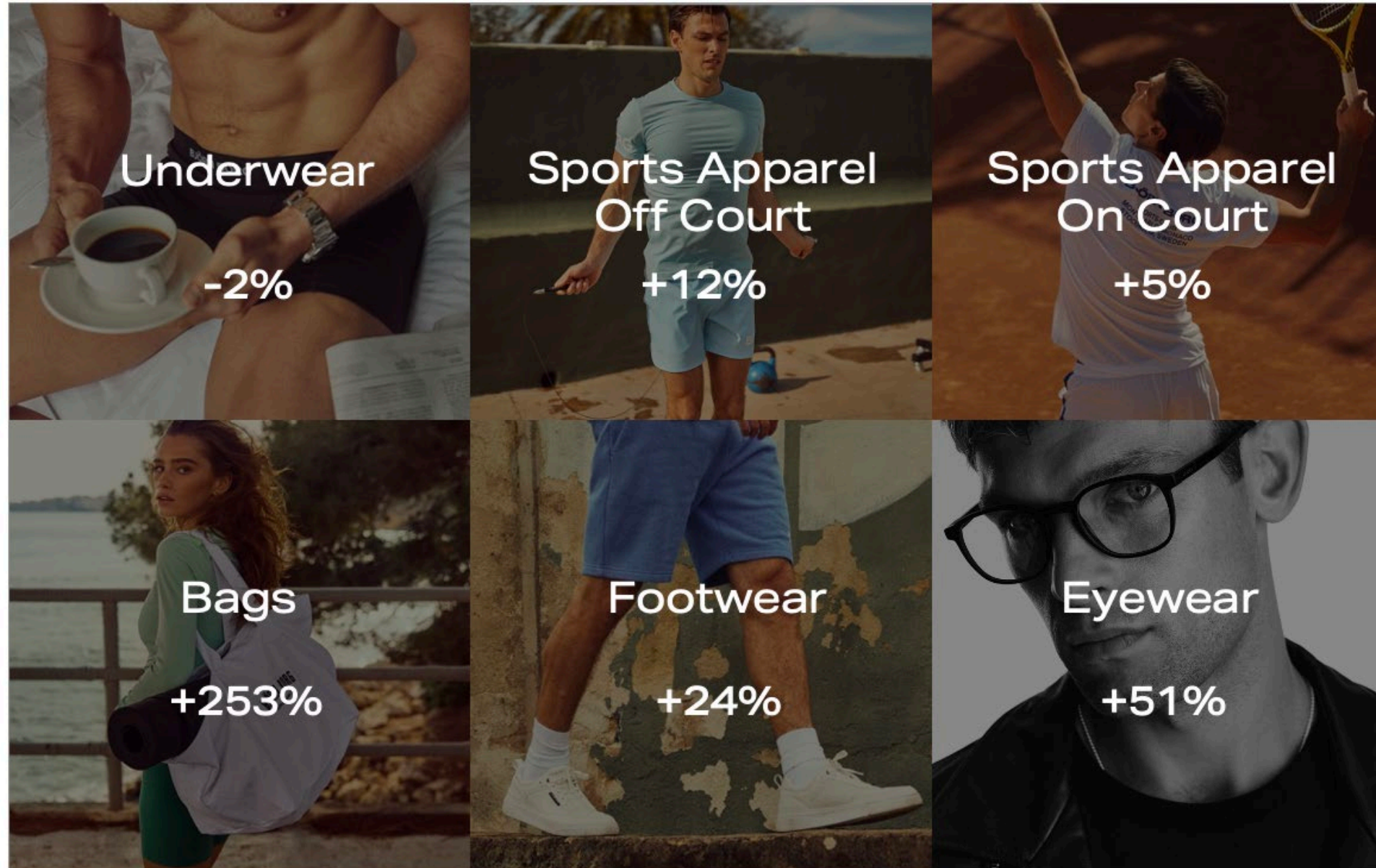
Good momentum in online sales and external distributors.  
Own retail bounce back with strong growth in comp stores.

## BJÖRN BORG AB – Channel development Q4 2022



# Sports apparel and Bags on good trend

BJÖRN BORG AB – Category development Q4 2022



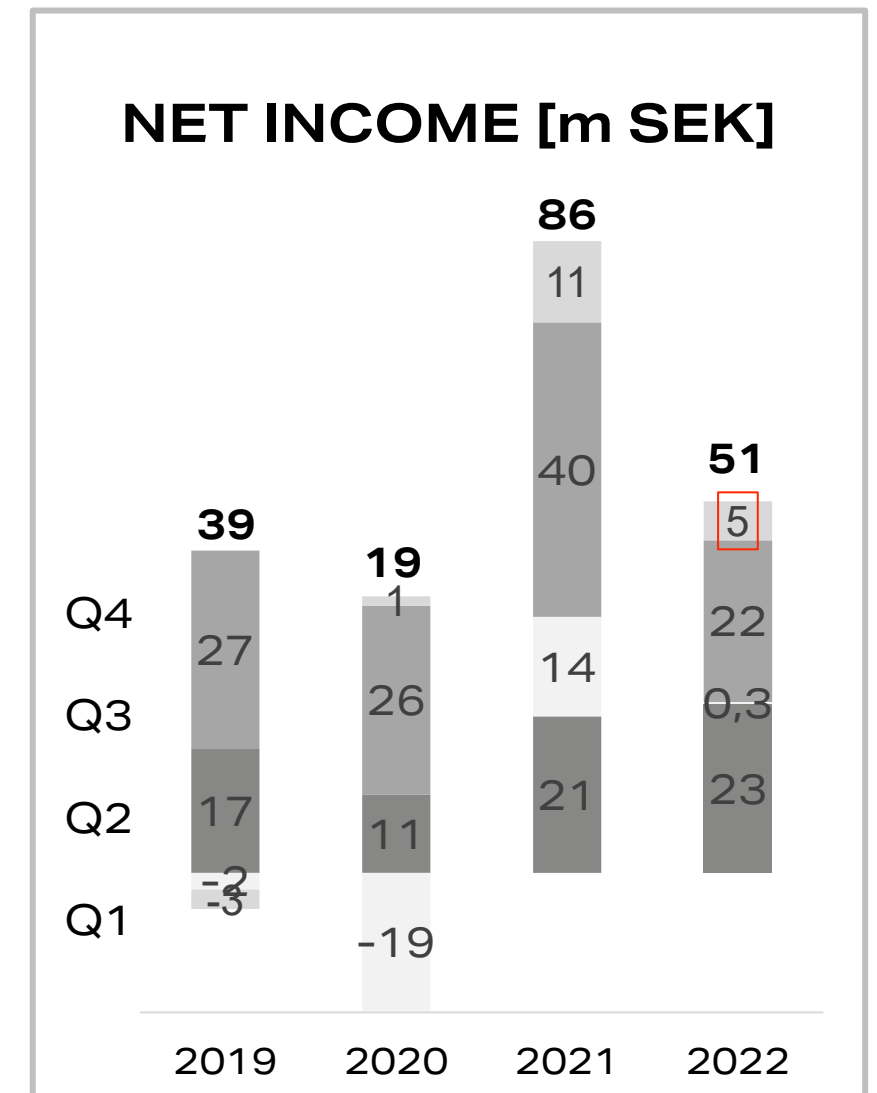
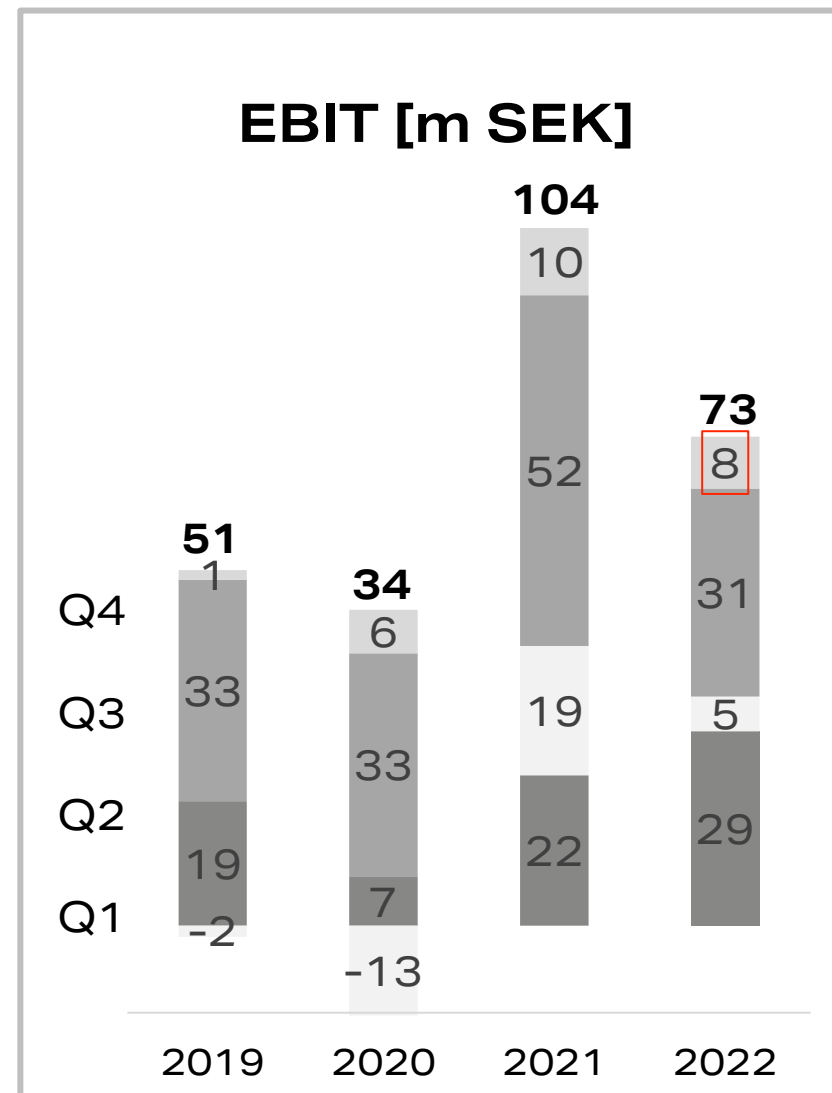
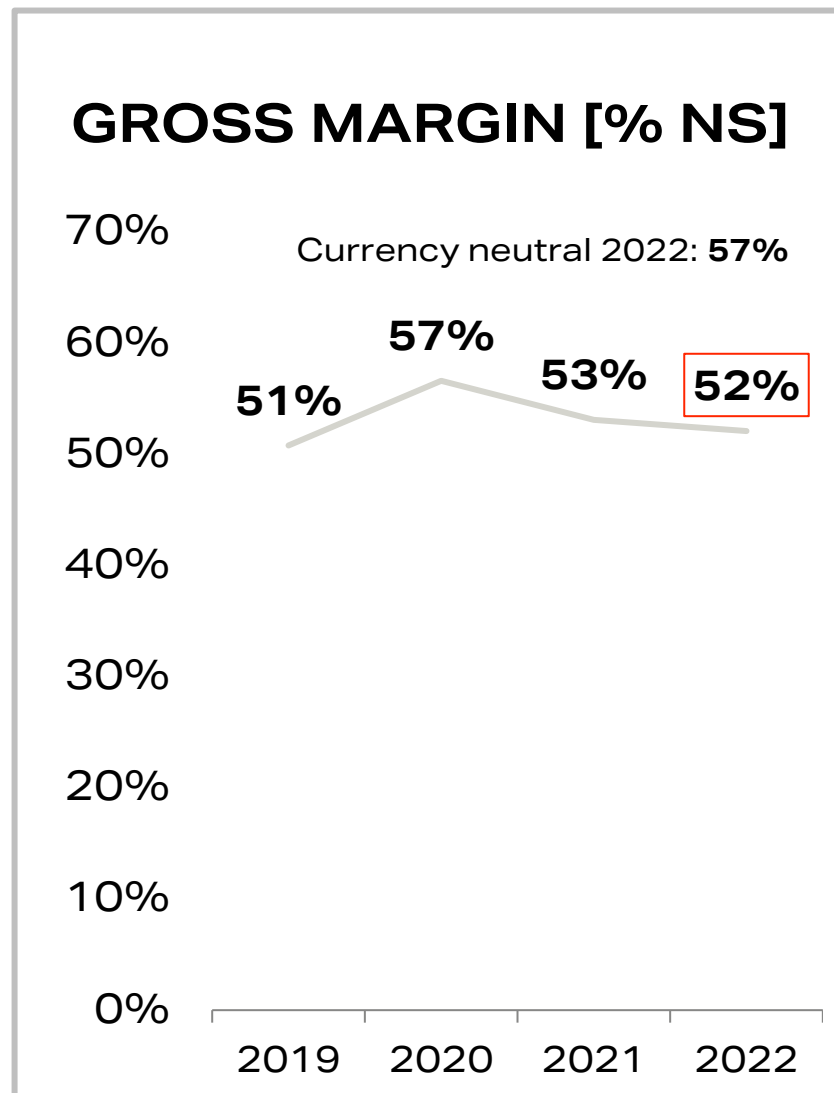


Bottom line



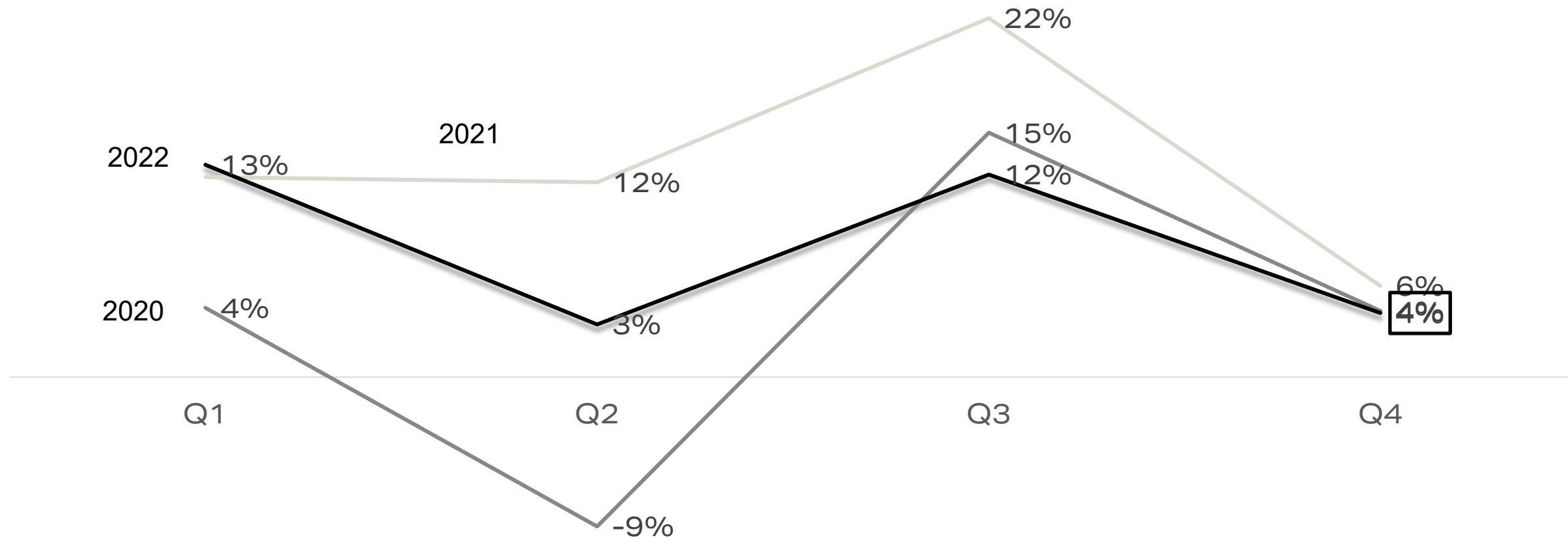
Despite lower than last year, net income and EBIT show good levels in Q4 2022 vs same quarters previous years

BJÖRN BORG AB – Bottom line KPIs Q4 2022



The EBIT margin in Q4 2022 dropped vs last year, related to negative FX development vs the SEK.

## BJÖRN BORG AB – EBIT margin development Q4 2022 [% of NS]

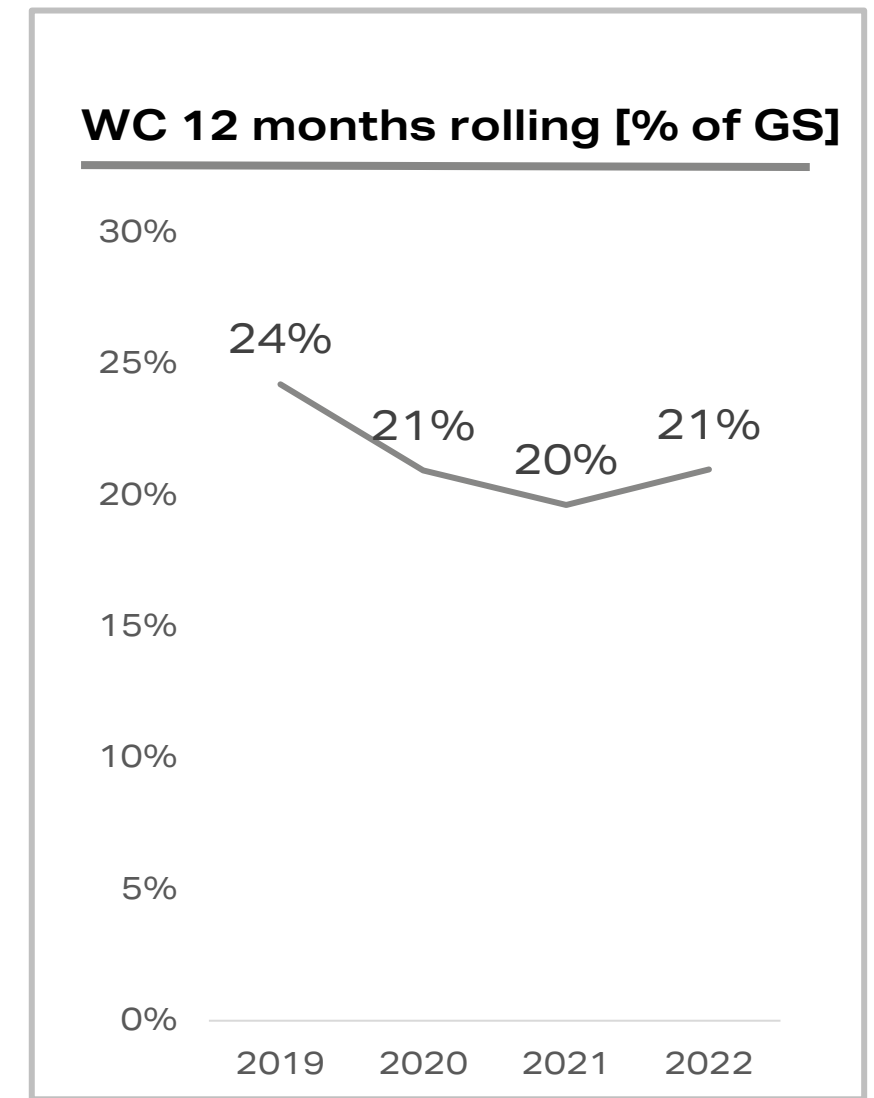
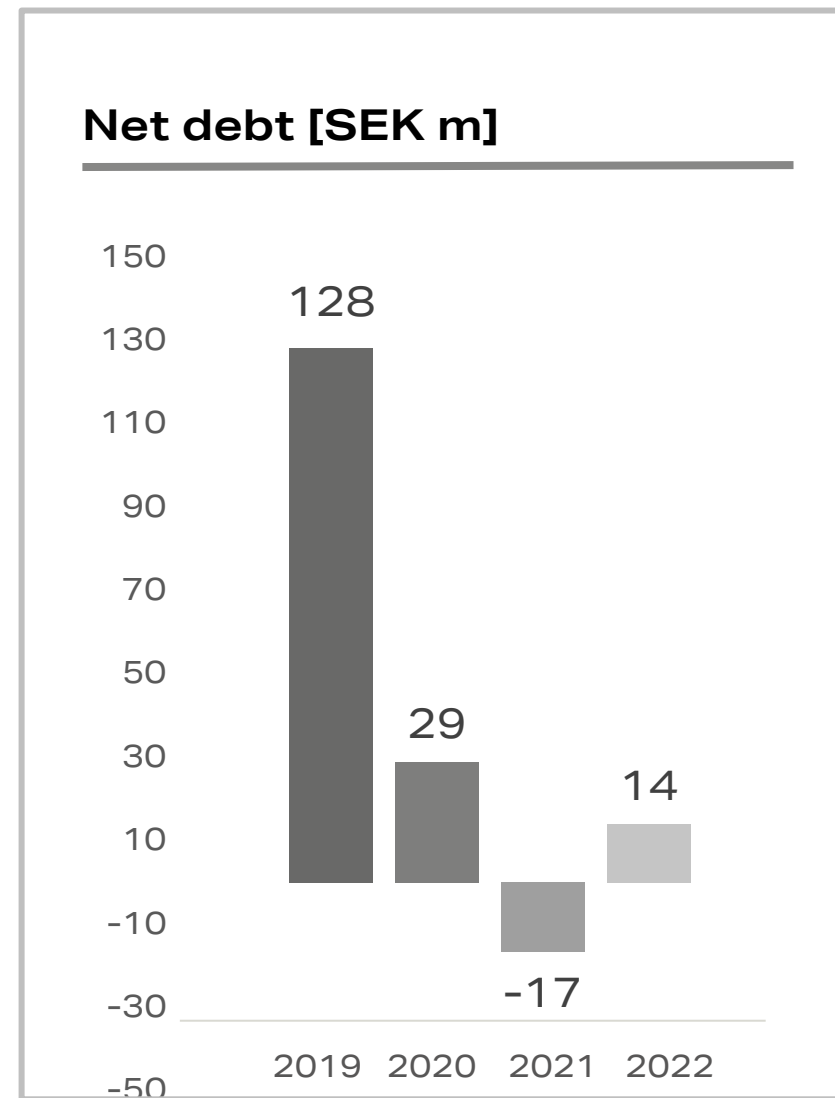
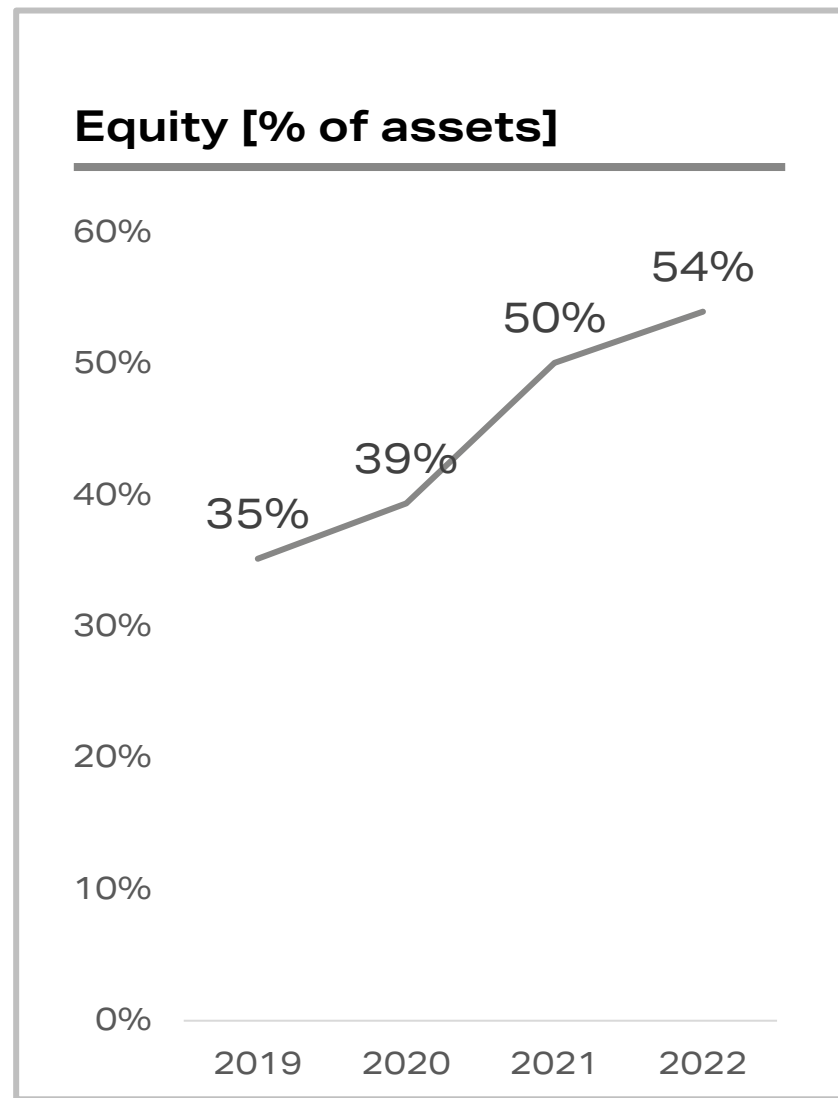




# Balance sheet

In 2022 we maintain a strong equity ratio above 50% and keep net debt and core working capital low

BJÖRN BORG AB - KPIS Year on Year trend





# Key take-aways

# Growing own online sales, continues growth for apparel and currency neutral gross margin improvements

## BJÖRN BORG AB – Key take-aways Q4 2022



**1** Brand gaining significant traction in all markets



**2** Strong growth online and currency neutral gross margin improvements



**3** Sports apparel is growing and increasing its share of our overall business

A shirtless man with short brown hair and sunglasses stands in a field of yellow flowers. He is wearing grey shorts with a black waistband that has "BJÖRN BORG" written on it. The background features a landscape with green bushes, a palm tree, and distant hills under a clear sky. The text "Thank you!" is overlaid in white on the man's chest.

Thank you!