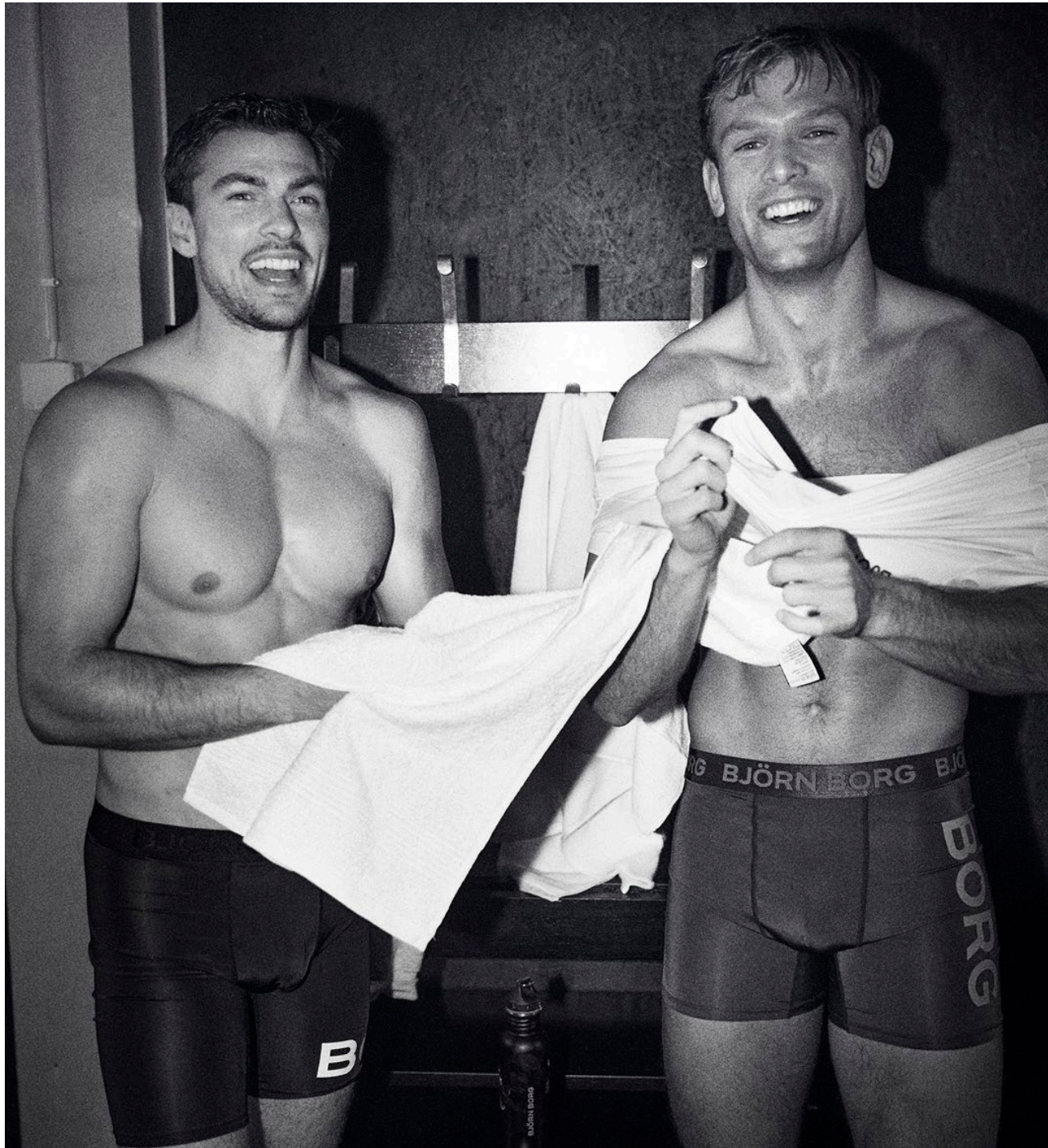




# BJÖRN BORG AB – Investor Presentation Q2 2023

Stockholm, August 18<sup>th</sup>, 2023



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## A. Executive Summary



""Our sports collection continues to develop strongly, especially in our own e-commerce with a growth of +98% in the quarter"

Henrik Bunge, CEO BJÖRN BORG AB

# Björn Borg Q2 2023 – Executive summary

- Overall Net Sales in Q2 2023 increased by 3% to SEK 166 m, which is the strongest Q2 BJÖRN BORG has ever realized.
  - By channel Net Sales to WHS increased by 7%. Own Retail stores decreased overall by -2% (however with an increase of 21% excluding store closures), while own e-commerce continued very strongly with an increased sales of 39%. Distributors decline by -51% due to timing in distribution.
  - By category Net Sales increased by 14% for sports apparel, while there was a decline for underwear by -4%.
- Gross profit margin increased by 1.1 ppt to 55.6% vs PY. Currency neutral the gross profit margin has been 56.7%, an increase by 2.2 ppt.
- Operating profit increased by 55% to SEK 8.1 m. Currency neutral the operating profit has increased by 50% to SEK 7.8 m.
- The financial solidity remains strong, showing in an equity ratio of 53,5% and a modest net debt of SEK 26 m.



B. 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%

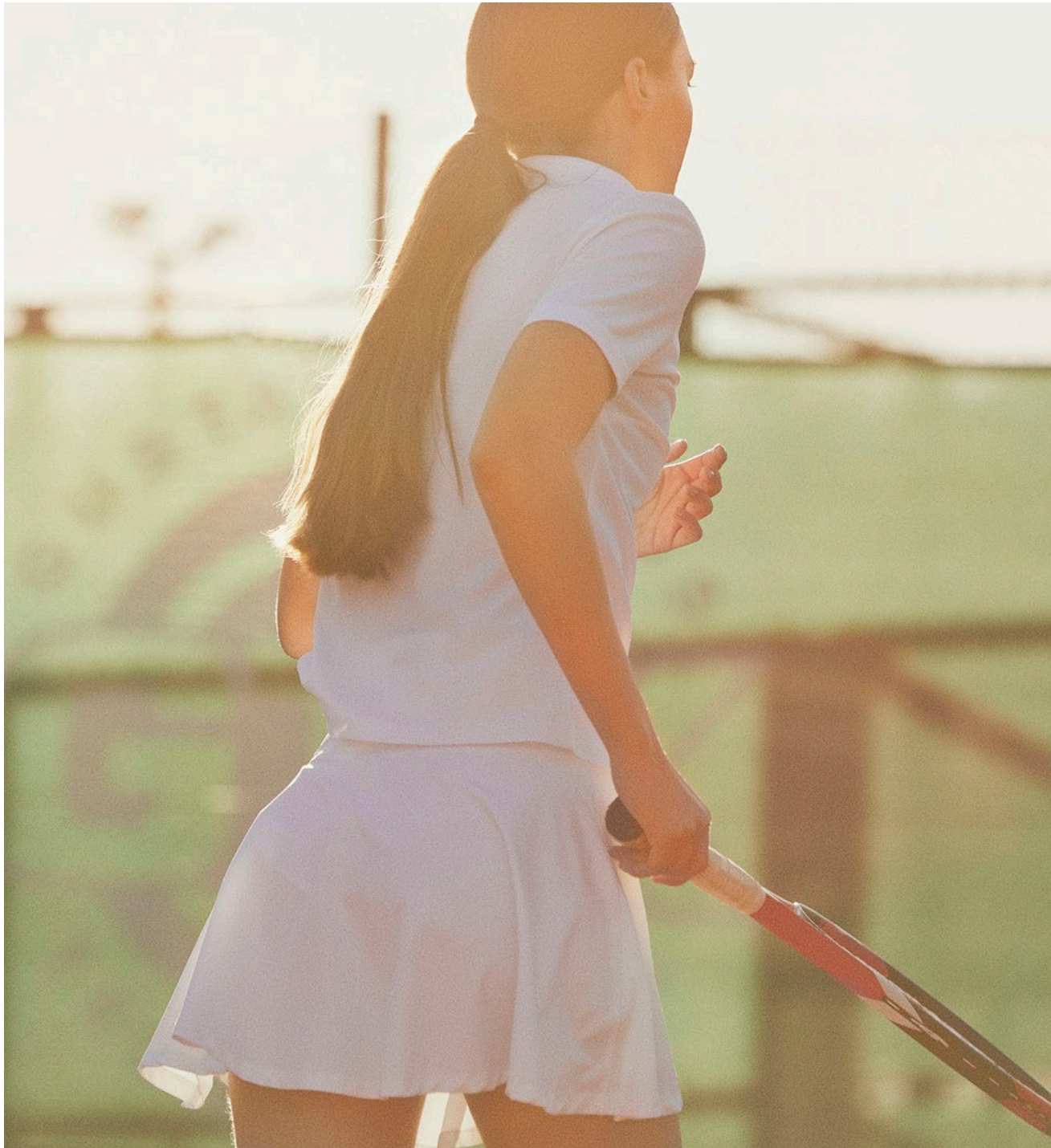
### OUR BUSINESS STRATEGY

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



C. How far we got  
in Q2 2023





## C1. Brand heat

# Our brand journey continues in the right direction with very strong awareness increases in Sweden

## BJÖRN BORG AB – Sports brand KPIs Q2 2023 highlights



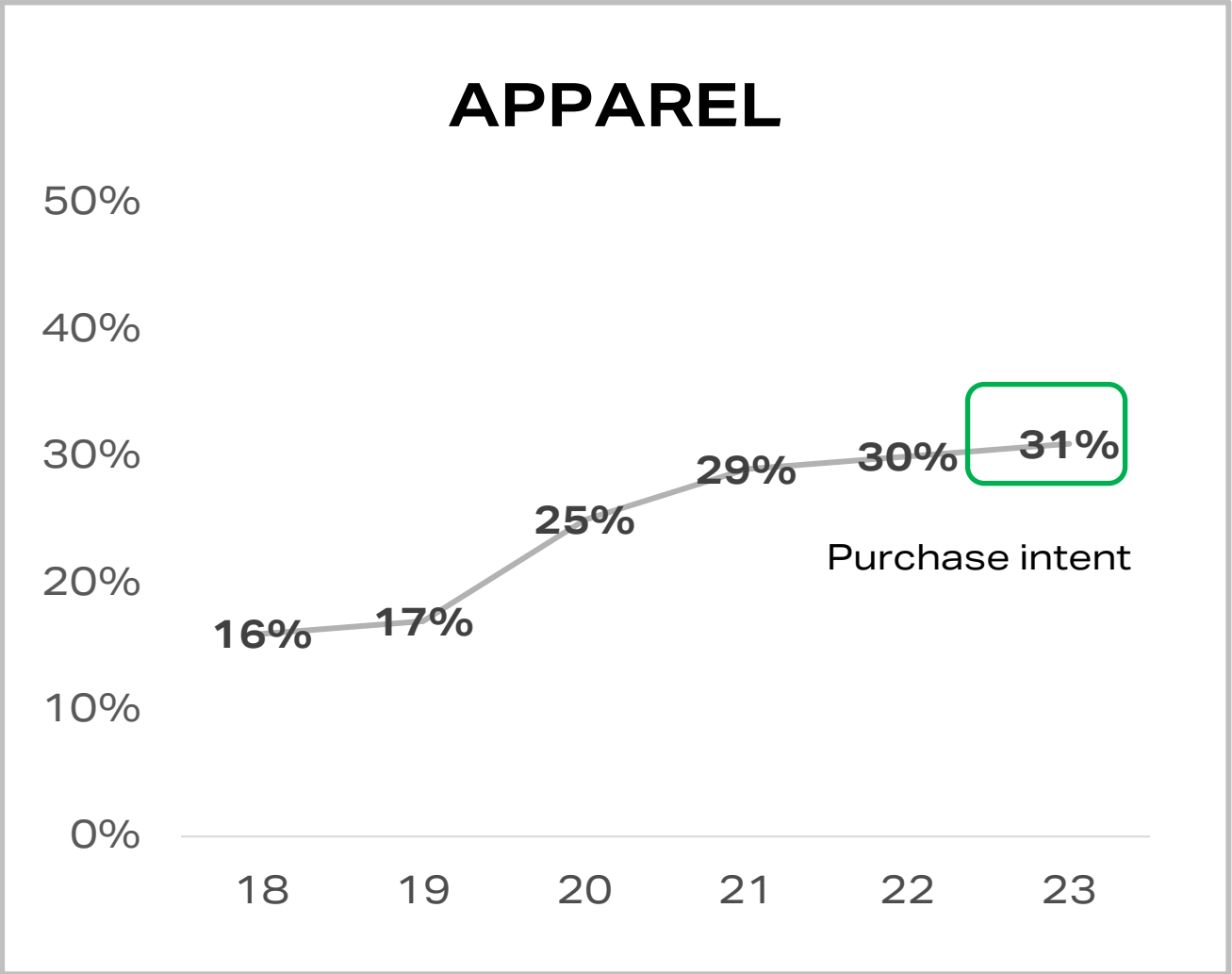
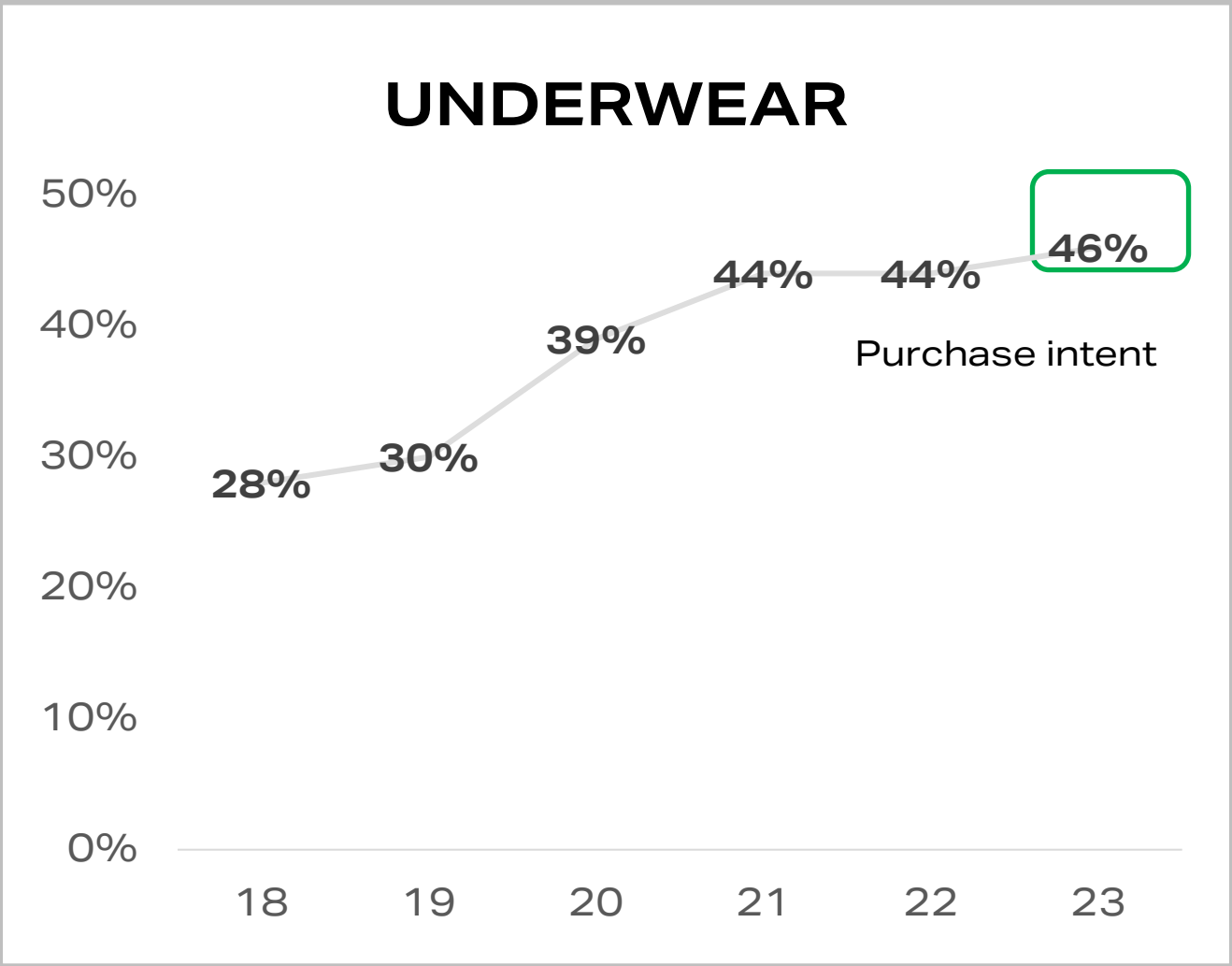
- A variety of touchpoints gives us a great reach and with that an increased awareness
- Offline activations works well among our male target group, such as partnerships with Barry's, Tough Viking etc.

- Our message "Train To Live" is resonating well with our target group
- A strong online and influencer focus is clearly working
- Own Tik Tok channel, ads and influencers is a great mix

- A variety of touchpoints, together with the right messages and products results in an increased preference; more people pick us as their no.1
- Offline activations work well among our male target group, such as gym partnerships with Train More, Peakz Padel etc.

Increasing our strong market position in men's underwear and at the same time strengthening our apparel position

BJÖRN BORG AB – Brand heat KPIs Q2 2023 all countries



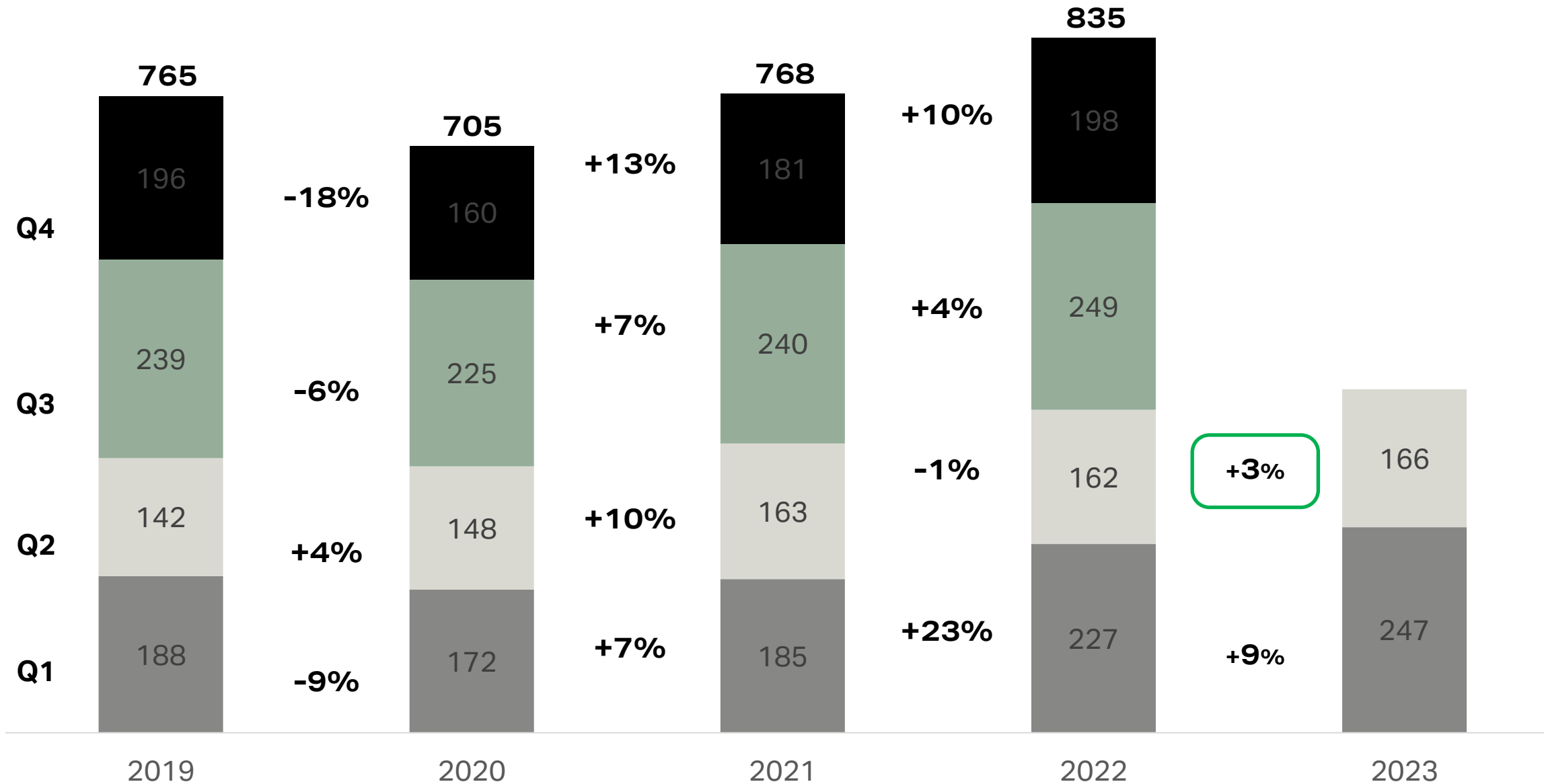
Source: Brand Track Data from weekly end consumer surveys done by XTREME. 22k people/year. Markets: SE, NO, FI, DK, NL, BE, DE.



C2. Top line

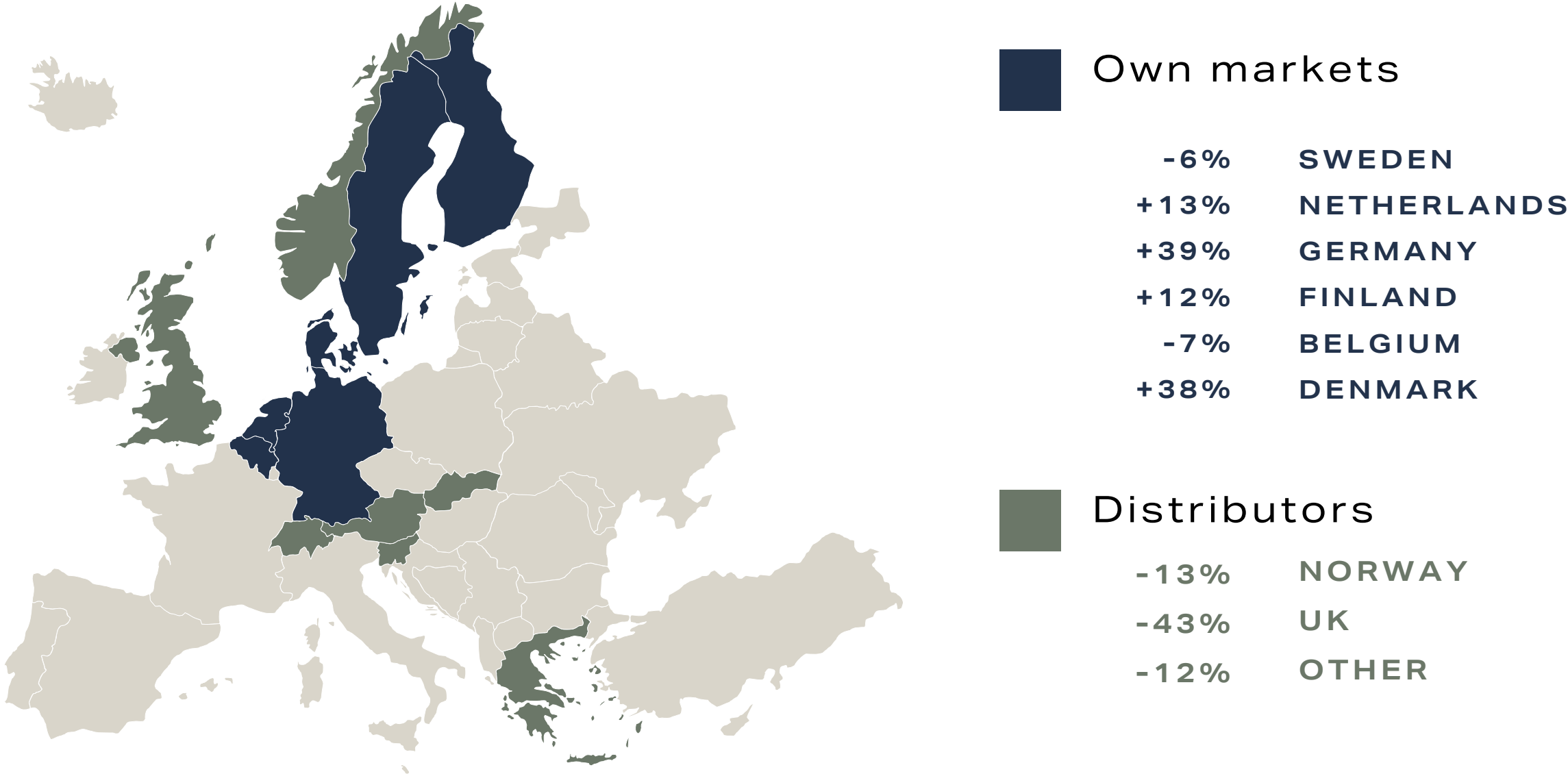
# Record sales by Björn Borg – highest sales in a second quarter

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



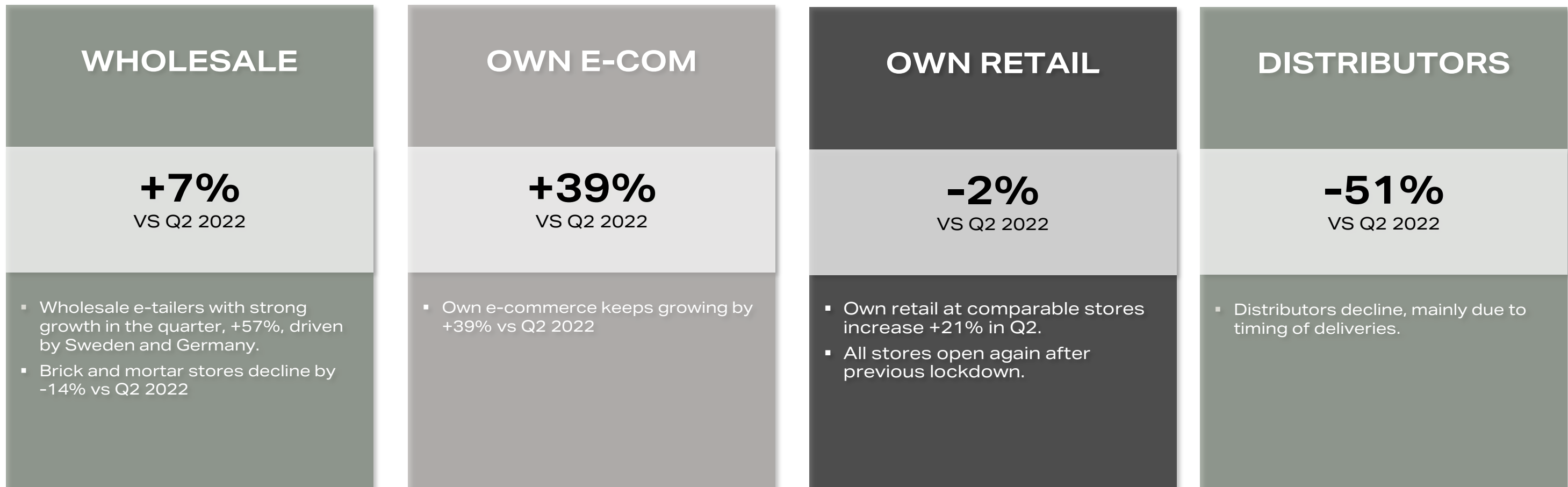
# Very strong recovery in Germany with 39 percent growth in the quarter

## BJÖRN BORG AB - Total Sales development Q2 2023 by country



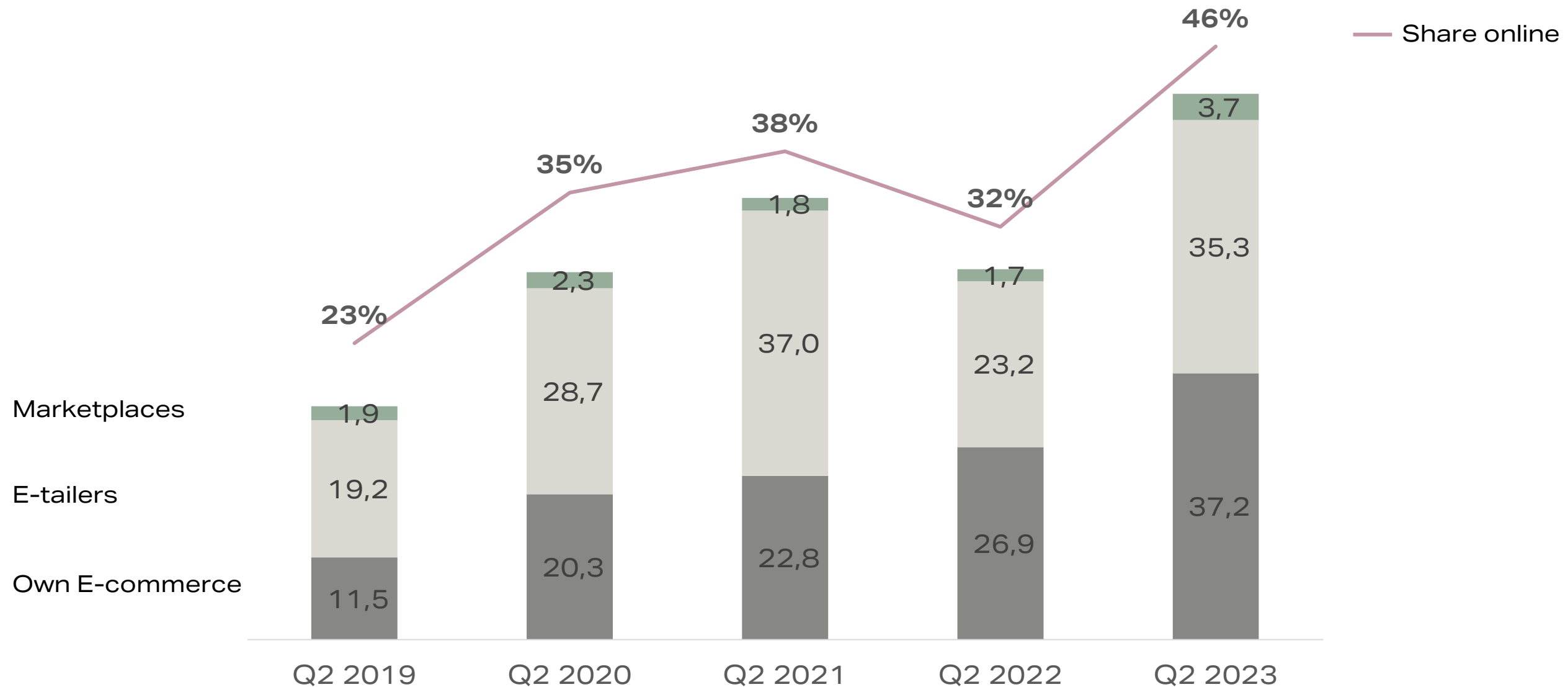
# Good momentum in own e-commerce and online wholesale.

## BJÖRN BORG AB – Channel development Q2 2023



# Very strong online development in the quarter, driven by own e-commerce and e-tailers, mainly Zalando

## BJÖRN BORG AB – Share of online sales 2019-2023





# Double digit Sports apparel growth

BJÖRN BORG AB – Category development Q2 2023

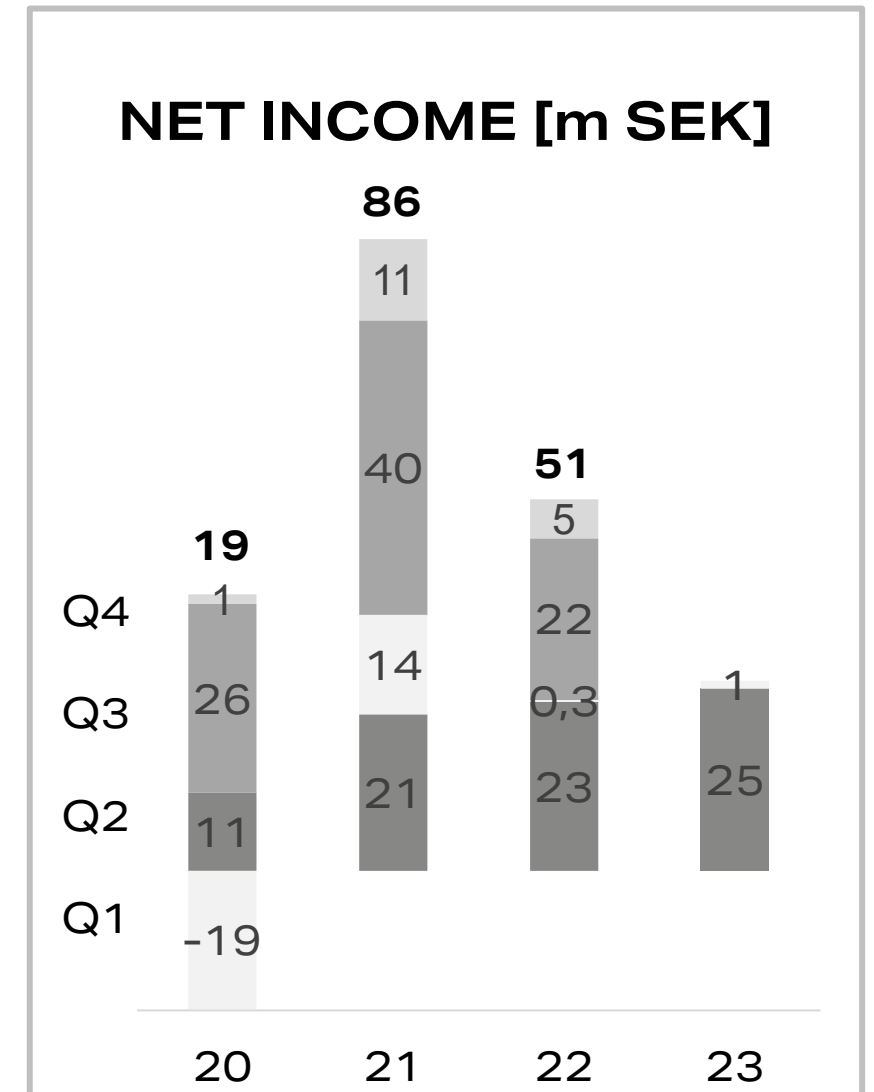
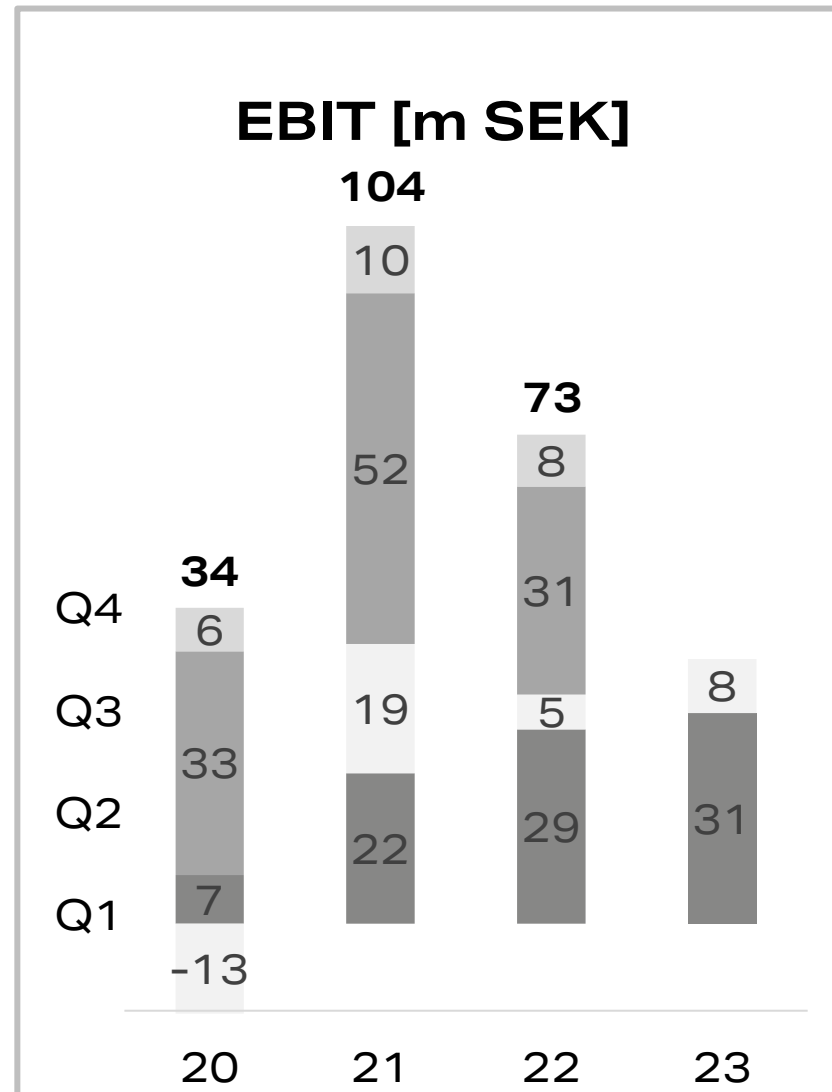
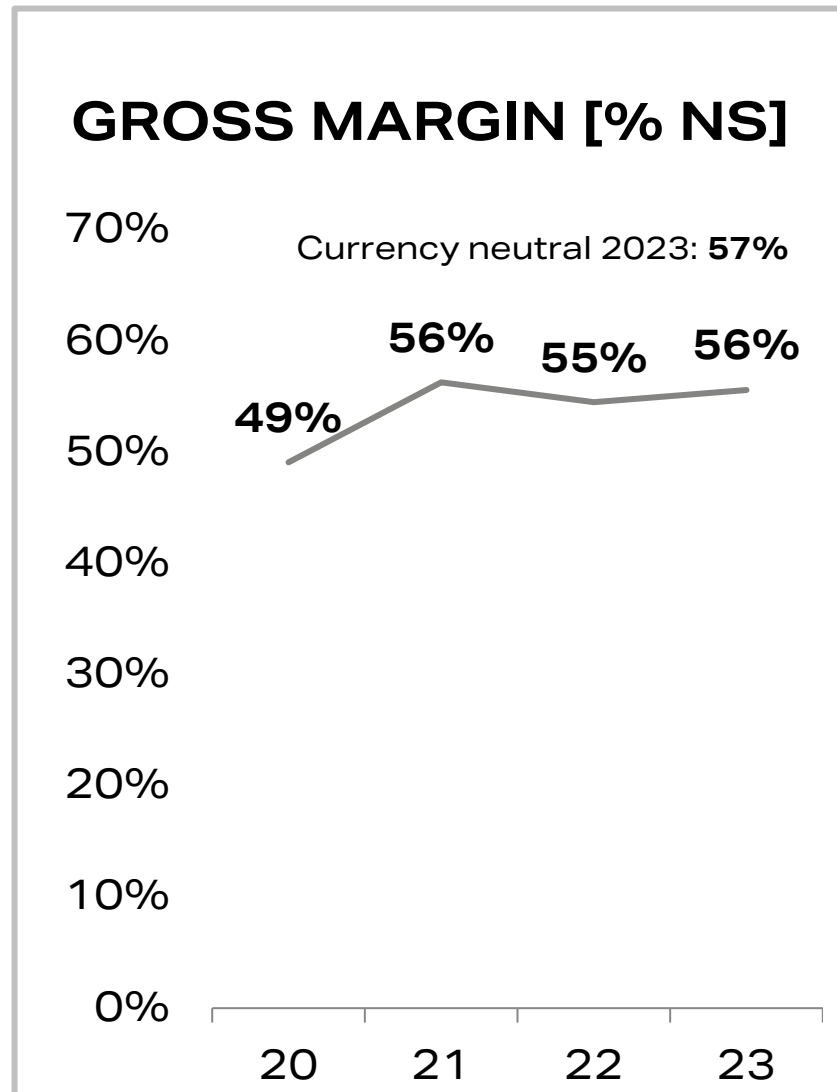




## C3. Bottom line

Gross profit margin, operating income as well as net income show improvement vs last year.

BJÖRN BORG AB – Bottom line KPIs Q2 2023

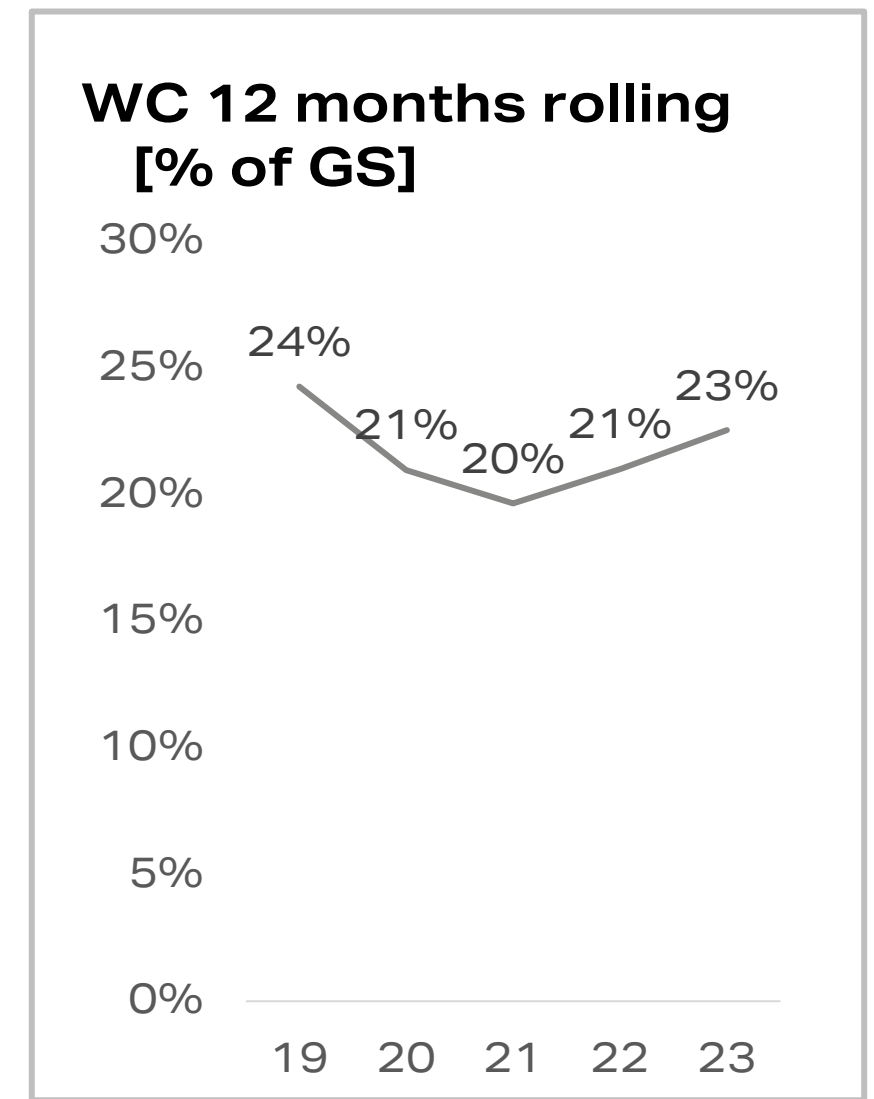
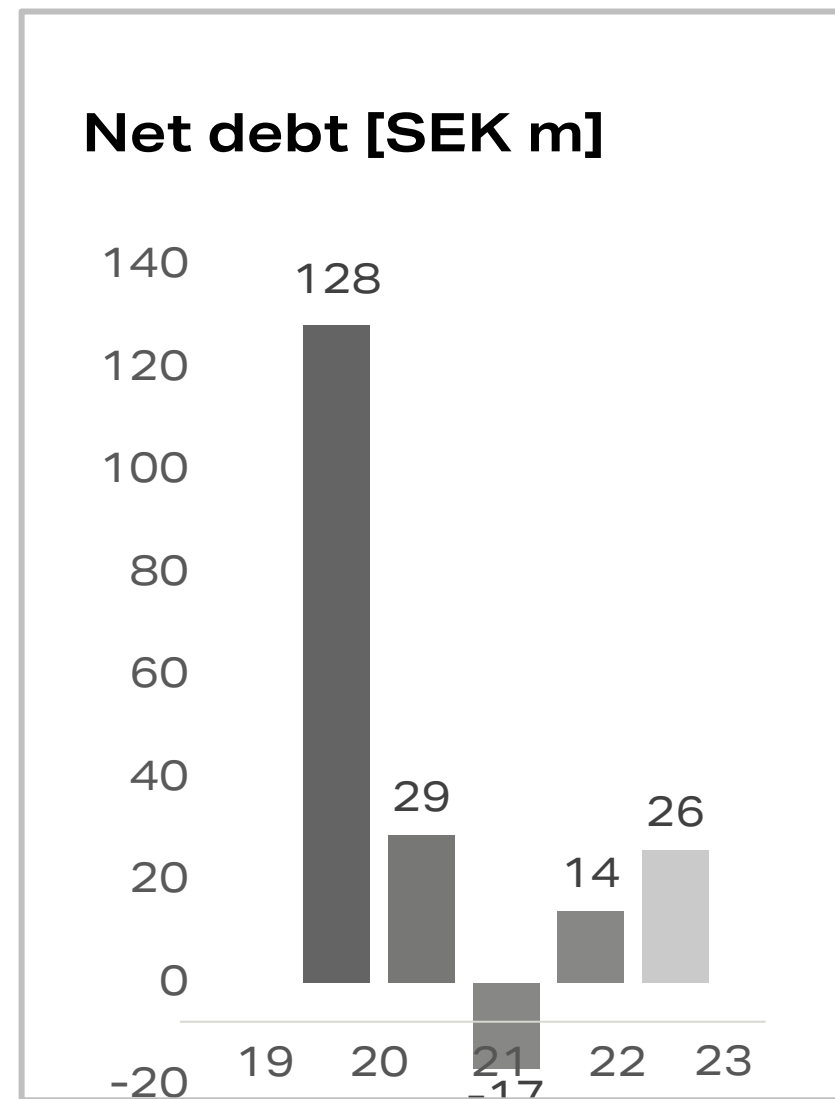
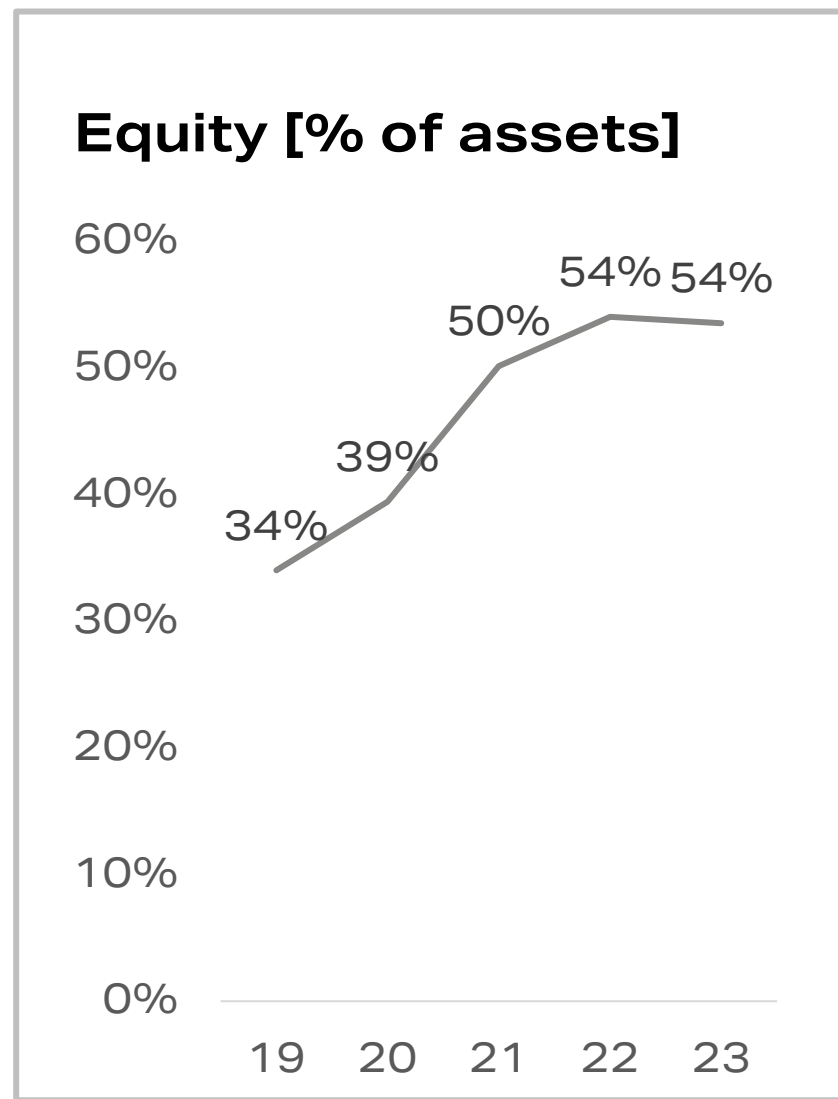




## C4. Balance sheet

In 2023 the equity ratio remains at a solid level of 54% and net debt and working capital are kept low.

BJÖRN BORG AB – Balance sheet KPIs as per Q2 2023





## D. Key take-aways

Again, a quarter with strong own e-commerce sales, continued growth for apparel and profit growth.

## BJÖRN BORG AB – Key take-aways Q2 2023



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



**2** Record sales with very strong own e-commerce growth together with improved gross margins



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

Thank you!

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