

Press Release, 09 April 2024 15:00:00 CEST

Notice of the Annual General Meeting of Björn Borg AB (publ) ("Björn Borg"), May 16, 2024

The shareholders of Björn Borg AB (publ) ("Björn Borg") are hereby invited to the annual general meeting on Thursday, May 16, 2024 at 5:30 p.m. in Gate:1's premises, Frösundaviks allé 1, 169 70 Solna. Registration begins at 16.45.

This is a non-official translation of the Swedish original version. In case of differences between the English translation and the Swedish original, the Swedish text shall prevail.

Attendance

Shareholders who wish to attend the meeting must:

be registered in the share register kept by Euroclear Sweden AB on Tuesday 7 May 2024 ("Record date"),

to the company notify their participation at the general meeting no later than Friday 10 May 2024, on the company's website (<https://corporate.bjornborg.com/en/arsstamma-2024/>), by e-mail to stamma@bjornborg.com, by post to Björn Borg AB Frösundaviks allé 1, 169 70 Solna or by phone on 08-506 33 700.

When registering, the name, social security or organization number, address, telephone number and, where applicable, the number of accompanying counsel (maximum two) must be stated.

Powers of attorney etc.

If participating by proxy, the proxy must bring a written, dated and signed by the shareholder power of attorney to the meeting. The power of attorney may not be older than one year, unless a longer period of validity (not exceeding five years) is specified in the power of attorney. If the power of attorney was issued by a legal entity, or if shareholders are represented by legal representatives, a copy of the current registration certificate or corresponding authorization document for the legal entity is required. In order to facilitate registration at the meeting, a power of attorney as well as a certificate of registration and other authorization documents should be provided to the company in connection with the notification. A power of attorney form can be downloaded from the company's website (<https://corporate.bjornborg.com/en/arsstamma-2024/>).

Trustee-registered shares

Shareholders who have their shares registered as trustees through a bank or other trustee, for example have their shares in a depository, must – in addition to registering for the annual general meeting – request that the shares be temporarily re-registered in their own name so that the shareholder is registered in the share register kept by Euroclear as of the Record Date Tuesday, May 7, 2024. Such registration may be temporary (so-called voting rights registration) and is requested from the administrator according to the administrator's procedures at such a time in advance as the administrator determines. Voting rights registration that has been requested by shareholders in such a time that the registration has been made by the administrator no later than Friday 10 May 2024 will be taken into account when preparing the share register as of the Record Day.

Proposed agenda

1. Opening of the meeting
2. Election of chairman at the meeting
3. Establishment and approval of the voter's register
4. Selection of one or two adjusters
5. Examination of whether the meeting has been duly convened
6. Approval of Agenda
7. Presentation of the annual report and the audit report as well as the group account and the group audit report
8. The CEO's presentation
9. Decision on

a) determination of profit and loss account and balance sheet as well as group profit and loss account and group balance sheet

b) dispositions regarding the company's profit according to the established balance sheet

c) discharge of liability for the board members and the managing director

10. Statement of the election committee's work
11. Determining the number of board members and auditors
12. Determining the fees for the chairman of the board and other members
13. Election of board members and chairman of the board
14. Selection of an auditor and determination of the auditor's fee
15. The board's proposal for a decision on the division of shares (share split) and automatic redemption procedure, including

a) division of shares (share split) 2:1,

b) reduction of the share capital by redemption of shares, as well as

c) increase in the share capital through a bonus issue without issuing new shares

16. The board's proposal for authorization for the board to make decisions on the new issue of shares, warrants and /or convertibles
17. The board's proposal for authorization regarding the acquisition and transfer of own shares
18. The board's proposal for guidelines for remuneration to the executive management
19. Presentation and approval of remuneration report
20. The meeting ended

Proposals

Item 2 - Election of the chairman of the meeting

The nomination committee has proposed the lawyer Magnus Lindstedt, or in his absence the individual that the nomination committee designates, shall be elected as chairman of the annual general meeting.

Item 9 b – Resolution on disposition of the company's profits in accordance with the approved balance sheet

The board of directors proposes that no dividend shall be paid for the financial year 2023. The total unappropriated earnings at the disposal of the annual general meeting amount to SEK 102 972 305. The board of directors has proposed a share redemption program instead of dividend, whereby the shareholders will receive a total amount of SEK 75 445 152 in accordance with item 15 on the agenda, which will result in SEK 27 527 153 being carried forward.

Item 11-13 – Resolution on the number of directors and auditors; resolution on the remuneration to be paid to the chairman of the board of directors and the other directors; and election of directors and chairman of the board

The nomination committee has proposed that the number of directors shall be seven and that the company must have a registered audit firm as its auditor.

The nomination committee proposes to re-elect Heiner Olbrich, Alessandra Cama, Anette Klintfält, Fredrik Lövestedt, Mats H Nilsson, Jens Høgsted and Johanna Schottenius. The nomination committee has further proposed that Heiner Olbrich is re-elected as chairman of the board. In addition, the nomination committee has proposed that the fee to the board members be increased by 64 000 SEK. The nomination committee proposes that the chairman of the board should receive 455 000 SEK (previously 433 000 SEK) and other members 193 000 SEK (previously 186 000 SEK) per member. For committee work 21 000 SEK (previously 20 000 SEK) is proposed for a member of the remuneration committee, and 42 000 SEK (previously 40 000 SEK) for its chairman, and 59 000 SEK (previously 57 000 SEK) for a member of the audit committee, and 86 000 SEK (previously 83 000 SEK) to its chairman. The total board fee according to the proposal, including for committee work and assuming the same number of members in the committees, amounts to 1 901 000 SEK (previous year the total amount was kroner 1 826 000). The nomination committee's reasoned statement regarding the proposed board of directors, and information about the proposed directors, can be found on the company's web site.

Item 14 – Election of auditor and resolution on the remuneration to be paid to the auditor

The nomination committee has proposed, in accordance with the recommendation from the audit committee, re-election of the registered public accounting firm BDO Mälardalen AB for the period until the end of the next annual general meeting. BDO Mälardalen AB will, if elected, appoint Johan Pharmanson to be auditor in charge. The nomination committee has further proposed that fair remuneration to the auditor shall be paid on approved accounts.

Item 15 - The proposal by the board of directors regarding share split and automatic share redemption program, including (a) share split 2:1, (b) reduction of the share capital through redemption of shares, and (c) increase of the share capital through a bonus issue without issuance of new shares

The board of directors proposes that the annual general meeting resolves on a so-called automatic share redemption program, encompassing a distribution to the shareholders of a total of SEK 3 per existing share according to items 15(a) - 15(c) below. The resolutions of the annual general meeting according to items 15(a) - 15(c) shall be taken together as one resolution.

(a) Resolution on share split 2:1: The board of directors proposes that the annual general meeting resolves on a share split, whereby one (1) existing share in the company is split into two (2) shares, of which one will be a so-called redemption share. The board proposes that the board be authorized to determine the record date for the split of shares, which at the time of the notice is estimated to be Tuesday, May 28, 2024. Based on such estimated record date for the split of shares, the last day for trading in the Björn Borg share including the right to receive redemption shares to fall on Friday 24 May 2024 and the first day of trading in the Björn Borg share excluding the right to redemption shares to fall on Monday 27 May 2024.

(b) Resolution on reduction of the share capital through redemption of shares: The board proposes that the annual general meeting decide that the share capital should be reduced for repayment to the shareholders by SEK 75 445 152 through the withdrawal of 25,148,384 shares. The shares that are withdrawn must consist of the shares that, after the share split has been carried out as above, are called redemption shares. Payment for each redemption share shall be SEK 3 (of which approximately SEK 2.84 exceeds the share's quota value after the share split as above). The total redemption proceeds therefore amount to SEK 75 445 152. The board further proposes that the board be authorized to determine the record date for the right to receive the redemption proceeds, which at the time of the notice is estimated to be Monday, June 17, 2024. Payment of the redemption proceeds is expected to be executed by Euroclear Sweden AB on Thursday,

June 20, 2024. The company's share capital will be completed reduction of the share capital to amount to SEK 3,929,435, distributed over 25,148,384 shares, each with a quota value of SEK 0.15625. In addition to the reduction of the share capital, the company's own restricted capital will not be affected. Statements and reports from the board and the auditor will be provided and presented at the annual general meeting, see under Documents below.

(c) Resolution on increase of the share capital through a bonus issue without issuance of new shares: In order to achieve a time-efficient redemption procedure, without having to obtain permission from the Swedish Companies Registration Office (Sw. Bolagsverket) or a court, the board of directors proposes that the annual general meeting resolves to, through a bonus issue, restore the company's share capital to its original level, SEK 7,858,870 by increasing the company's share capital with SEK 3,929,435 through a transfer from the company's unrestricted equity to the company's share capital. No new shares will be issued in connection with the share capital increase. The quota value of the share will, after the bonus issue, amount to its original level, SEK 0.3125.

The board of directors further proposes that the board of directors, or other person appointed by the board of directors, shall be authorized to make such minor amendments in the resolutions of the annual general meeting in (a)-(c) that may be necessary in order to effect the registration with the Swedish Companies Registration Office.

A special information brochure on the automatic procedure, which contains information on trading in redemption shares, etc., will be provided, see under Documents below.

Item 16 - The proposal by the board of directors to authorize the board of directors to resolve on new issues of shares, warrants and/or convertibles

The board of directors proposes that the annual general meeting authorizes the board of directors, until the next annual general meeting, on one or several occasions, with or without deviation from the shareholders' preferential rights, to resolve on new issues of shares, warrants and/or convertibles. Resolutions that are passed under the authorization may not, in the aggregate, involve an increase of the share capital by more than SEK 390,625 (distributed on not more than 1,250,000 new shares). The authorization shall also include the right to resolve on new issues where the shares are to be paid for with non-cash consideration or through set-off of a claim, or otherwise with terms and conditions pursuant to the Swedish Companies Act (2005:551) Chapter 13 Section 7, Chapter 14 Section 9, or Chapter 15 Section 9.

The reasons for deviating from the shareholders' preferential right may be that possible targeted issues for the implementation of acquisitions of all or parts of other companies or operations, alternatively for the acquisition of capital to be used for such acquisitions. When using the authorization, the assessment made in connection with deviation from the shareholders' preferential right must be reported. The basis for the issue price shall be the share's market value. When using the authorization, the assessment made in this regard must also be reported.

The board of directors further proposes that the board of directors, or other person appointed by the board of directors, shall be authorized to make such minor amendments in the resolution of the annual general meeting that may be necessary in order to effect the registration with the Swedish Companies Registration Office.

Item 17 - The board's proposal for authorization regarding the acquisition and transfer of own shares

The board proposes that the annual general meeting decide that the board is authorized to decide on the acquisition of the company's own shares as follows:

1. Acquisitions may take place during the period until the next annual general meeting, on one or more occasions.
2. Acquisitions may be made of a maximum of so many shares that the company's holding of own shares at any time does not exceed 10 percent of all shares in the company.
3. Acquisitions must take place on Nasdaq Stockholm within the price range applicable at any given time.
4. The board must be able to decide that the buyback of own shares must take place within the framework of a buyback program in accordance with Article 5 of the EU's market abuse regulation and the Commission's delegated regulation (EU) 2016/1052 (the so-called safe harbor regulation).

The board further proposes that the annual general meeting authorizes the board to, in the period until the next annual general meeting, transfer own shares held by the company as liquid in connection with the acquisition of a company or business or to finance such an acquisition, whereby sales may also take place on Nasdaq Stockholm. Otherwise, the following conditions shall apply:

1. The authorization may be used during the period until the next annual general meeting, on one or more occasions.
2. Transfer may take place of all own shares in the company that the company holds at the time of the board's decision.
3. The authorization includes the right to decide on a deviation from the shareholders' preferential right.
4. Transfers on Nasdaq Stockholm must take place within the price range applicable at any given time. In the case of transfers outside Nasdaq Stockholm, payment for the shares must be made in cash, with property in kind or by set-off and the price must correspond to an assessed market value at the time of the transfer.

The purpose of the authorizations for the repurchase and transfer of own shares, and the reason for the deviation from the shareholders' pre-emptive right, is to give the company the opportunity to use own shares to finance or pay acquisitions of companies or businesses without delay and in a flexible and cost-effective way. The purpose of the authorization to buy back own shares is also to give the board the opportunity to adjust the company's capital structure in order to thereby create increased value for the shareholder.

Item 18 - The board's proposal regarding guidelines for remuneration to the executive management

The incentive programme in brief

General

The board of directors proposes the following guidelines for remuneration to the executive management.

With the exception of certain changes in wording due to the equity-based incentive program that was introduced after the 2023 Annual General Meeting, as well as an adjustment to the cap on fee-based pension, the Board's proposal is essentially unchanged from the guidelines that were adopted at the 2020 Annual General Meeting. There have been no comments from shareholders on the previous guidelines.

The term executive management refers to the managing director and the other members of the group management team. The guidelines shall apply to remuneration as agreed upon, and changes made to agreed remuneration, after the guidelines have been adopted by the annual general meeting 2024. These guidelines do not include remuneration that has been decided by the annual general meeting.

The company's business strategy in brief is to create a sports fashion brand while expanding the underwear business and thereby achieve the company's financial goals. For further information on the company's business strategy, see <https://corporate.bjornborg.com/en/vision-business-concept-and-strategy/>.

The successful implementation of the company's business strategy and safeguarding of the company's long-term interests, including with regard to sustainability, requires the company to be able to recruit and retain a highly competent management with the capacity to achieve the stated goals. The forms of remuneration shall therefore be competitive and incentivize the group management team to do their utmost to ensure the company's positive financial development.

With regard to the long-term incentive program for the company's management (LTIP 2023/2026) that was adopted at the 2023 Annual General Meeting, and which is therefore not covered by these guidelines, more information is available at <https://corporate.bjornborg.com/en/ersattningar/>. LTIP 2023/2026 is an equity-based program through which senior executives and other key personnel have acquired warrants issued by Björn Borg.

For employment relationships subject to rules other than those in Sweden, the necessary adjustments may be made to comply with mandatory rules or local practices while fulfilling the overarching purpose of these guidelines as far as possible.

Forms of remuneration, etc.

Compensation for the CEO and the other members of the Group Management Team may consist of fixed salary, variable compensation, pension, and other benefits. The total compensation should be market-based and competitive and be in relation to responsibility and authority. The Annual General Meeting may, in addition and independently of these guidelines, decide on stock- and stock-price-related compensation (such as the aforementioned LTIP 2023/2026).

The fulfilment of the criteria for payment of *variable remuneration* is measured over a period of one or more years (normally one year). The variable remuneration may not exceed 50 per cent of the fixed salary during the measurement period. Additional variable remuneration may be paid in extraordinary circumstances, provided that such extraordinary arrangements are limited in time and only made on an individual level either to recruit or retain senior executives, or as remuneration for extraordinary efforts over and above the person's ordinary duties. Such remuneration may not exceed the equivalent of 20 per cent of the fixed annual salary and may not be paid out more than once per year per individual. Decisions on such remuneration shall be made by the board of directors based on the proposal of the remuneration committee.

Pension benefits for the managing director, including medical insurance, shall be defined-contribution. Variable remuneration shall not be pensionable. The pension premiums for the defined-contribution pension shall not exceed 30 per cent of the fixed annual salary. For other members of executive management, pension benefits, including medical insurance, shall be defined-contribution unless the executive is entitled to a defined-benefit pension according to the provisions of a mandatory collective agreement. Variable remuneration shall be pensionable to the extent required by the provisions of any mandatory collective agreement that applies to the executive. The pension premiums for the defined-contribution pension shall not exceed 30 per cent of the fixed annual salary.

Other benefits may include life insurance, medical insurance and a company car. Premiums and other costs associated with such benefits in total may not exceed 20 per cent of the fixed annual salary.

Criteria for payment of variable remuneration

The variable remuneration shall be based on the result, measured in relation to defined and measurable targets, tailored to contribute to the company's business strategy and long-term value, including sustainability, e.g. by having a clear connection to the business strategy or promoting the executive's long-term development.

The criteria for payment of variable remuneration within the Björn Borg Group are mainly the fulfilment of defined targets related to the company's total sales and EBIT, which shall be the base for 60-70 per cent of the total variable remuneration. The remaining criteria relate to fulfilment of individual goals for each executive, such as for example function specific project goals and goals related to margin and growth determined by applying Björn Borg's business strategy, long-term interest and/or sustainability initiatives to each executive's area of responsibility.

When the current measurement period for fulfilling the criteria for variable remuneration has concluded, the remuneration committee, as regards remuneration to the managing director, and the managing director together with the remuneration committee, as regards remuneration to other members of executive management, shall evaluate to what degree the criteria have been fulfilled. The board of directors shall, based on the proposal by the managing director and the remuneration committee, decide on payment of variable remuneration.

The board of directors shall, when determining the variable remuneration to the executive management, also consider whether to introduce restrictions which (i) make it a condition for part of the variable remuneration that the performance on which the remuneration is based proves to be sustainable over time, and (ii) entitle the company to recover remuneration which has been paid out due to information that later proves to be obviously incorrect. The board of directors shall also periodically determine whether there is reason to cite such conditions or exercise the option, by law or agreement, to recover paid-out remuneration.

Termination of employment

In the event of termination of employment initiated by the company, the notice period shall not be longer than six months. Upon termination on the executive's initiative, the notice period shall not be longer than six months. Severance pay shall not be applied. Remuneration may be paid for non-compete undertakings. Such remuneration shall only compensate for loss of income due to the non-compete undertaking and shall be based on the fixed compensation of the executive at the time of termination of employment. Such compensation shall only be paid in so far as the previously employed executive is not entitled to severance pay.

Salary and terms of employment

In preparing the board of directors' proposal of these remuneration guidelines, the salary and employment terms for the company's employees have been taken into account by making information on employees' total remuneration, the remuneration's components and the remuneration's increase and rate of increase over time, part of the remuneration committee's and the board of directors' decision support for evaluating the fairness of the guidelines and the limitations thereof.

Decision-making process to determine, review and implement the guidelines

The board of directors has established a remuneration committee to among other things prepare the board of directors' decision on the proposed guidelines for remuneration to executive management. The board of directors shall prepare a proposal for new guidelines at least every four years and present proposals for the decision at the annual general meeting. The guidelines shall apply until new guidelines have been adopted by the annual general meeting. The remuneration committee shall also monitor and evaluate variable remuneration programmes for the company's management, the application of the remuneration guidelines for executive management, and current remuneration structures and remuneration levels in the company. It is also the remuneration committee's responsibility to prepare the board of directors' decision on any exceptions from these guidelines. The managing director or other individuals in the company's management shall not be present during the board of directors' evaluation of and decision on remuneration related questions to the extent they are affected by the questions.

Deviations from the guidelines

The board of directors may deviate from these guidelines in individual cases where there are specific reasons for this and where an exception is necessary to serve the company's long-term interests, including sustainability, or to ensure the company's economic viability.

Item 19 – Presentation and approval of the remuneration report

The board of directors has prepared a remuneration report for 2024 and proposes that the annual general meeting approves the report. The remuneration report is included in the documents pertaining to the annual general meeting that are provided prior to the annual general meeting, see under Documents below.

Specific majority requirements

The proposals under items 15-17 subject to the resolutions by the annual general meeting being supported by shareholders representing at least 2/3 of the votes cast as well as the number of shares represented at the meeting.

Number of shares and votes

There are in the aggregate 25,148,384 shares outstanding in Björn Borg carrying one vote each; accordingly there are 25,148,384 votes. The company owns no own shares.

Right to receive information

The board and the managing director must, if a shareholder requests it and the board considers that it can be done without significant damage to the company, provide information about conditions that may affect the assessment of a matter on the agenda, and conditions that may affect the assessment of the company's or subsidiary's financial situation, partly the company's relationship with other group companies.

Shareholders who wish to submit questions in advance can do so to the company at the address above.

Processing of personal data

Björn Borg AB is the controller of the processing of personal data carried out in connection with the annual general meeting. For information on how personal data is processed, please see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>

Available documents

The accounts, the auditor's report, the board of director's complete proposals for resolutions under item 12 and related statements and reports, including the auditors' statement and information brochure pursuant to which the redemption procedure will be described, the auditor's report regarding whether the previous guidelines for remuneration to the executive management have been complied with, the board of directors proposal on remuneration report and other documents for the annual general meeting will be available at the company and at the company's website no later than as from 25 April, 2024, and will also be distributed to shareholders that so request and provide their postal or e-mail address. The above-mentioned documents are also presented at the annual general meeting.

Stockholm, April 2024

Björn Borg AB (publ)

Registration no: 556658-0683

Registered office: Stockholm

The Board of Directors

For further information, please contact:

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About Björn Borg

The Group owns the Björn Borg trademark and its core business is underwear, sportswear, bags and footwear. It also offers eyewear through licensees. Björn Borg products are sold in around twenty markets, of which Sweden and the Netherlands are the largest. The Björn Borg Group has operations at every level from branding to consumer sales in its own Björn Borg stores and via own e-commerce at www.bjornborg.com. Group net sales amounted to SEK 872 million in 2023, with an average of 151 employees. The Björn Borg share has been listed on Nasdaq Stockholm since 2007.

Attachments

[Notice of the Annual General Meeting of Björn Borg AB \(publ\) \("Björn Borg"\), May 16, 2024](#)