

A woman with dark hair tied back, wearing a white visor, a green zip-up jacket over a white collared shirt, white shorts, white socks, and white sneakers, is sitting on a tennis court. She is leaning against a black tennis net, resting her head on her hand. A tennis racket and a tennis ball are visible on the court floor near her. The background shows a red clay tennis court under bright sunlight.

BJÖRN BORG

Björn Borg AB • Interim report
January-March 2024

Strong sports apparel growth

JANUARY 1 - MARCH 31, 2024

- Group's net sales amounted to SEK 256.8 million (246.9), an increase of 4.0 percent. Currency neutral, net sales increased by 3.7 percent.
- Net sales for own e-commerce increased by 21 percent to SEK 40.6 million (33.4), sales for own e-commerce and e-tailers amounted to SEK 107.1 million (92.9), an increase of 15 percent.
- The gross profit margin amounted to 53.3 percent (52.2). Currency-neutral, the gross profit margin amounted to 53.1 percent, an increase of 0.9 percentage points.
- Operating profit amounted to SEK 33.5 million (31.4), an increase of 7 percent. Currency neutral, the operating profit amounted to to SEK 32.7 million, an increase of SEK 4 percent.
- Profit after tax amounted to SEK 21.2 million (24.8), a decrease of 14 percent.
- Earnings per share before and after dilution amounted to SEK 0.84 (0.99).

QUOTE FROM THE CEO, HENRIK BUNGE

“What I’m most pleased with is our continued strong growth in sportswear, which amounted to 24 percent.”

SEK million	Jan-Mar 2024	Jan-Mar 2023	Apr 2023-Mar 2024	Full year 2023
Net sales	256.8	246.9	882.2	872.3
Gross profit margin, %	53.3	52.2	54.3	54.0
Operating profit	33.5	31.4	102.6	100.6
Operating margin, %	13.0	12.7	11.6	11.5
Profit after tax	21.2	24.8	72.4	76.0
Earnings per share before dilution, SEK	0.84	0.99	2.88	3.02
Earnings per share after dilution, SEK	0.84	0.99	2.88	3.02



CEO comments

We started the year strongly with both sales and operating profit developing very positively. What I'm most pleased with is our continued strong growth in sportswear, which amounted to 24 percent. In addition our continued strong growth within own e-commerce, which increased by 21 percent compared to the previous year's first quarter, and our continued excellent development within sportswear, which grew by 24 percent. Despite the challenging environment, our business grew in the right direction with a brand that is becoming stronger all the time.

During spring, we have seen a strong demand for both our sportswear and our underwear collections. Sportswear has increased by 24 percent while underwear was up by 9 percent. The positive development in underwear was particularly pleasing since it applied both to women's and men's underwear. During the quarter, which was previously reported, our footwear licensing partner went bankrupt which in the short term has led to a decrease for the footwear category by 46 percent. The bankruptcy led to disruptions in the supply chain and in combination with weak sales on the part of the former partner, it resulted in decrease in turnover corresponding to over SEK 12 million. We have for a long time worked towards integrating more categories as we did with bags a few years ago. This makes that we are well prepared and our plan is to integrate footwear into our other activities. The footwear category has a very large potential for the company's future, this also applies to the remaining part of 2024. A clear sign of this potential was that we saw growth of 128 percent in our own e-commerce for footwear during the first quarter.

We also saw continued strength in our channel strategy.

Our largest channel, the wholesale channel, grew by 4 percent. Our external e-retailers developed strongly with growth of 12 percent. Our own e-commerce continued to develop well and grew by 21 percent. Our own comparable stores grew by 1 percent. Our distributors continued to face challenges compared to the previous year and decreased by 11 percent.

When reviewing our various markets, we saw that the Netherlands, Germany and Denmark developed well. We were down in both Sweden and Finland, but this was entirely due to reduced sales for footwear. All other categories grew. To take one example, Swedish wholesale operations increased by 20 percent. Other smaller markets grew by a total of 20 percent during the quarter.

With the first quarter of the year behind us, I can state that we have started the year very strongly. Sales increased by 4.2 percent and if we exclude footwear, we grew over 10 percent. The operating profit increased from SEK 31.4 million to SEK 33.5 million and the gross profit margin improved to 53.3 percent (52.2). But it was, above all, the way in which we handled the extraordinary event during the quarter when we had a partner who went bankrupt which made me feel both safe and proud, the result of ambitious and committed employees. We have a good plan. I am constantly reminded that environmental factors will not facilitate our journey towards our goals, but I am confident that we will deliver them regardless of the economic situation.

Now, let's go!

Head coach,
Henrik Bunge



The Group's development

OPERATING REVENUE FIRST QUARTER 2024

The first quarter of the year showed an improvement in total operating revenue, including other revenue, of 4.2 percent to SEK 260.8 million (250.2). Adjusted for currency effects, operating revenue increased by 3.9 percent for the quarter.

PRODUCT AREAS FIRST QUARTER 2024

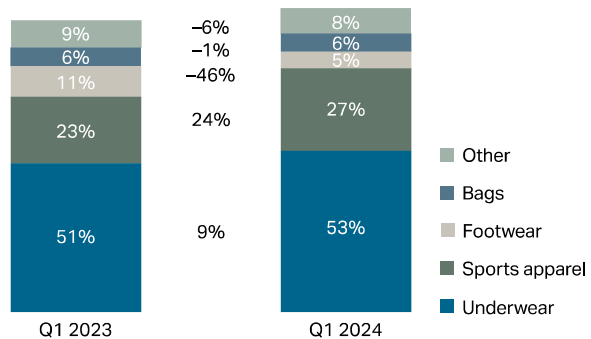
The underwear product area showed an increase in sales of 9 percent for the first quarter of 2024, where above all sales through our own e-commerce continued to grow strongly with an increase of 15 percent. Underwear sales also grew within the wholesales business in the quarter, with an increase of 12 percent, while sales in our own stores decreased by 10 percent, mainly as a result of fewer stores compared to last year's first quarter. Sales to external distributors continued to develop weakly within the category underwear, and were down by 22 percent. Sportswear continued to show strong development and increased by 24 percent, where, above all, sales within the wholesale business continued to grow strongly with an increase of 34 percent. Our own e-commerce also continued to grow and increased by 12 percent. Sales to external distributors increased in the sportswear category and were up by 22 percent, while our own stores were down by 6 percent mainly as a result of closed stores.

Sales of footwear decreased in the first quarter by 46 percent compared to the previous year's first quarter. This was entirely due to the takeover of the distribution from a third party which went bankrupt, something which the company reported earlier. Bags were on par with the previous year. For other product areas, sales decreased by 6 percent.

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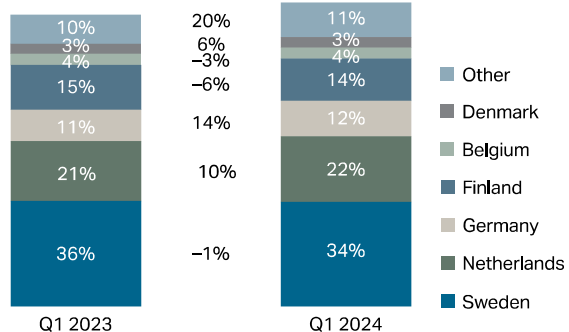
CATEGORIES – SHARE OF TOTAL SALES

SEK 250 million – Growth 4% – SEK 261 million



MARKETS – SHARE OF TOTAL SALES

SEK 250 million – Growth 4% – SEK 261 million



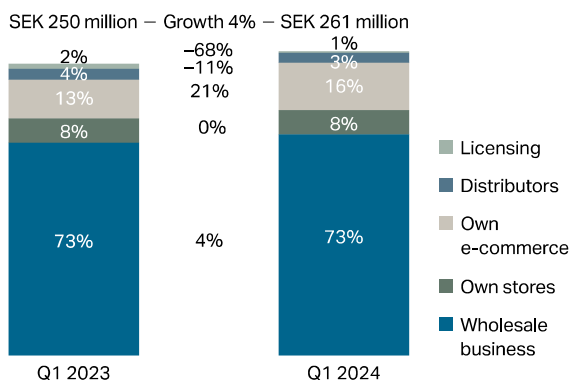
MARKETS FIRST QUARTER 2024

The largest market, Sweden, decreased by 1 percent during the first quarter of the year, where wholesale operations decreased by 2 percent, mainly due to the takeover of the distribution of footwear which created a delay in distribution between quarters. Excluding footwear, the wholesale business grew in Sweden by 20 percent. Our own e-commerce in Sweden continued to grow strongly and increased by 16 percent. The second largest market, the Netherlands, increased by 10 percent. Here too, our own e-commerce grew strongly with an increase of 32 percent. Germany showed an increase of 14 percent compared to the first quarter of last year due to strong sales at the major retailers. Finland decreased in the quarter by 6 percent, also due to the takeover of the distribution of footwear mentioned above. Denmark increased by 6 percent, while Belgium decreased by 3 percent. Other smaller markets increased overall by 20 percent.

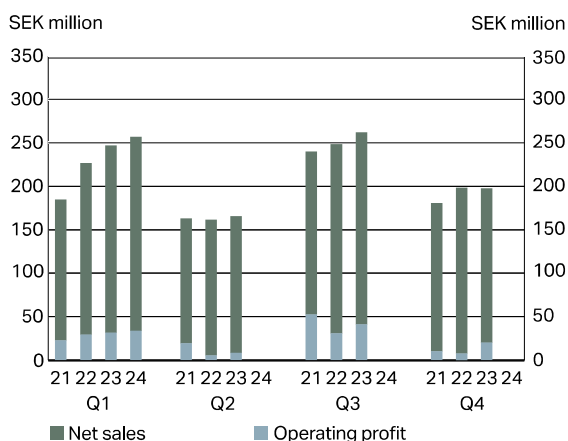
SALES CHANNELS FIRST QUARTER 2024

The largest channel, the wholesale business, showed an increase of 4 percent in the first quarter of 2024, where e-tailers within the wholesale business increased by 12 percent mainly due to the strong development of the Swedish market. Physical stores were on par with the previous year. Own stores were also on par with the previous year, despite a reduction in the number of stores. For comparable stores, i.e. stores which were open during both comparison quarters, sales were up by 1 percent. Own e-commerce showed continued strong growth, and increased by 21 percent. Distributors decreased by 11 percent compared to the previous year, mainly due to low sales in the UK.

SALES CHANNELS – SHARE OF TOTAL SALES



QUARTERLY NET SALES AND OPERATING PROFIT, 2021-2024



NET SALES

First quarter, January-March 2024

Group's net sales in the first quarter amounted to SEK 256.8 million (246.9), an increase of 4.0 percent. The currency effect on sales in the quarter was positive and, adjusted for currency effects, sales increased by 3.7 percent.

The main explanation for the increase between quarters was that the company's sales within its own e-commerce continued to show strong growth and increased by 21 percent. For further details, see below under "Development by segment".

RESULTS

First quarter, January-March 2024

The gross profit margin for the first quarter increased to 53.3 percent (52.2). Adjusted for currency effects, the gross profit margin would have been 53.1 percent. It was primarily a greater general focus on profitability in the wholesale business, as well as reduced discounts within direct sales to consumers, where, for example, certain sale periods have been removed, which contributed to the positive effect.

Other operating revenue amounted to SEK 4.0 million (3.3) and referred mainly to unrealized profits on accounts receivable in foreign currency.

Operating costs in the quarter increased as planned by 6.5 MSEK compared to the previous year's first quarter, above all through increased investments in marketing.

Increased sales with a higher gross profit margin, as well as slightly increased operating costs meant that the operating profit increased to SEK 33.5 million (31.4).

Net financial items amounted to -6.5 MSEK (-0.7). The change in net financial items was mainly attributable to the revaluation of financial assets and liabilities in foreign currency.

The period's profit after tax was down to SEK 21.2 million (24.8).

Development by segment

Björn Borg's segment reporting consists of the company's main revenue streams, which are divided into Wholesale, Own e-commerce, Own stores, Distributors and Licensing, which is also how the business is monitored internally in the Group.

Wholesale business

The segment consists of revenues and costs associated with the Björn Borg Group's wholesale operations. The Group conducts wholesale operations in Sweden, the Netherlands, Finland, Germany, Belgium and Denmark for underwear, sports apparel and bags, as well as for footwear in Sweden, Finland and Denmark.

The segment's external operating income amounted to 189.5 MSEK (182.2), which was an increase of 4 percent. One explanation for the increase was that the company saw an increase in demand from e-tailers within the segment, players who primarily sell online, where growth for the quarter was 12 percent, up to 66 MSEK (59). Physical stores within the segment were on par with the previous year and amounted to SEK 123 million (123). Within the wholesale business, Sweden, the largest market, showed an overall reduction of 2 percent as a result of the company taking over the distribution of footwear which created a delay in the distribution between the quarters. Excluding footwear, Sweden showed strong growth and increased by 20 percent. The second largest market, the Netherlands, fell by 1 percent. The Finnish market decreased by 6 percent, also here due to the takeover of footwear activities mentioned above. Excluding footwear,

Finland grew by 5 percent. Germany was up by 14 percent due to a strong sell-through at the major retailers.

Operating profit amounted to SEK 28.1 million (25.1). It was, above all, higher sales together with improved margins that caused the operating profit to increase by 12 percent.

Own e-commerce

The segment consists of revenues and costs associated with the Björn Borg Group's sales of underwear, sports apparel, footwear, bags, and complementary products, directly to consumers via Own e-commerce at www.bjornborg.com.

Own e-commerce continued to grow strongly. During the first quarter of 2024, own e-commerce increased by 21 percent to SEK 40.6 million (33.4). The increase was mainly due to strong growth in the Underwear product area, which increased by 15 percent compared to the previous year. The product area Sportswear also increased sharply and grew by 12 percent. Footwear continued to show strong momentum and grew by 128 percent, and Bags were up by 82 percent.

The operating profit for the first quarter of 2024 amounted to SEK 5.6 million (6.9), a decrease of 19 percent. The deterioration mainly came from higher marketing investments.

Own stores

The segment consists of revenues and costs associated with the Björn Borg Group's sales directly to consumers via its own physical stores. The Björn Borg Group owns and operates a total of 16 (19) stores and factory outlet stores in Sweden, the Netherlands, Finland and Belgium, selling underwear, sports apparel, footwear, bags, and complementary products.

Own physical stores overall were on a par with the previous year and amounted to SEK 21.0 million (20.9), despite the fact that the company chose to close a store in accordance with the company's strategy to liquidate unprofitable stores. For comparable stores, i.e. stores that were also open corresponding period last year, the increase was 1 percent.

In the Netherlands, sales in own stores were up by 24 percent, mainly due to the afore-mentioned government contribution. Excluding the contribution mentioned above, sales in the segment in the Netherlands were at the same level as the previous year. In Sweden, sales in own stores were down by 12 percent due to the closure of unprofitable stores. For comparable stores in Sweden,

turnover increased by 5 percent. Sales in Finland overall and for comparable stores decreased by 4 percent, while Belgium was down by 33 percent in total but increased by 12 percent in comparable stores.

The operating profit for the first quarter of 2024 amounted to SEK -3.4 million (-5.8). The improvement in operating profit was due mainly to improved margins as well as reduced operating costs as a result of the fewer number of stores.

Distributors

The Distributors segment mainly consists of revenue and costs associated with sales to distributors of product groups that are developed in-house by the company.

The segment's external operating income decreased during the first quarter 2024 compared to 2023, and amounted to SEK 8.4 million (9.4). Sales to the largest distributor market, Norway, increased by 10 percent, while Great Britain and other smaller distributors were down on the previous year by a total of 21 percent, mainly due to large stocks and thus fewer purchases from the respective markets.

However, the operating profit increased to SEK 2.0 million (1.3) due to lower operating costs associated with the segment.

Licensing

The Licensing segment mainly consists of royalty income from licensees as well as costs for the Group associated with licensing operations.

The segment's external operating income decreased during first quarter 2024 compared to 2023, and amounted to SEK 1.4 million (4.4). This was as a result of the company taking over the distribution of footwear which previously accounted for a significant part of the income in the segment.

Operating profit amounted to SEK 1.2 million (3.9) for 2024.

Intra-Group sales

Intra-Group sales amounted to SEK 190.4 million (169.0).

SEASONAL VARIATIONS

The Björn Borg Group operates in an industry with seasonal variations. The different quarters vary in terms of sales and profits. See the diagram with net sales and operating profit per quarter on page 5.

Segment	Revenue type	Operating income, SEK thousands January-March		Operating profit, SEK thousands January-March		Operating margin,% January-March	
		2024	2023	2024	2023	2024	2023
Wholesale	Products	189,504	182,171	28,101	25,135	15	14
Own e-commerce	Products	40,574	33,404	5,594	6,918	14	21
Own stores	Products	20,950	20,874	-3,441	-5,816	-16	-28
Distributors	Products	8,353	9,367	1,974	1,264	24	13
Licensing	Royalties	1,430	4,406	1,242	3,884	87	88
Total		260,811	250,222	33,470	31,385	13	13

INVESTMENTS AND CASH FLOW

The Group's cash flow from operating activities in the first quarter of 2024 amounted to SEK –103.2 million (–27.1). The deterioration compared to the previous year came primarily from higher capital sums tied up due to the integration of the footwear business.

The cash flow from investment activities was negative at SEK –4.5 million (–2.7). The larger investments primarily referred to the rebuilding of the office in the Netherlands. The cash flow from financing operations amounted to SEK 90.7 million (22.7). The improvement compared to the previous year was due to increased utilization of bank facilities.

FINANCIAL POSITION AND LIQUIDITY

The Björn Borg Group's cash and cash equivalents at the end of the period amounted to SEK 6.8 million (10.2), plus unutilized bank facilities of SEK 54.0 million (91.7). The company had, at the end of the first quarter of the year, a net debt, excluding leasing liabilities, of SEK 89.2 million (48.1). The company continued to have strong liquidity mainly due to increased earnings. Total interest-bearing liabilities amounted to SEK 129.0 million (106.1), where the total leasing debt amounted to SEK 39.8 million (47.9), of which SEK 23.6 million was the long-term share and 16.2 MSEK was the short-term share.

The Björn Borg Group has SEK 150 million in bank facilities, of which SEK 96.0 million was utilized as of March 31, 2024. The fair value of financial instruments corresponds in all material respects to the book value.

COMMITMENTS AND CONTINGENT LIABILITIES

As a commitment for the overdraft facility, the company has undertaken to ensure that the ratio of the Group's net debt and 12-month rolling operating profit before depreciation, as of the last day of each quarter, does not exceed 3.00. Furthermore, the Group must at all times maintain an equity ratio of at least 35 percent.

As of March 31, 2024, the ratio was 0.76 (0.53) and the equity ratio amounted to 54.9 percent (57.1).

No significant changes have taken place with regard to pledged assets and contingent liabilities compared to 31 December, 2023.

PERSONNEL

The average number of employees in the Group for the twelve-month period ending March 31, 2024, was 151 (150) of which 69 percent (67) were women.

TRANSACTIONS WITH RELATED PARTIES

Other than the customary remuneration (salary, fees, and other benefits) to the CEO, senior executives and the Board of Directors as well as intra-Group sales, there were no transactions with related parties during the period.

SIGNIFICANT RISKS AND UNCERTAINTY FACTORS

The Björn Borg Group is, through its operations exposed to risks and uncertainties. Information regarding the Group's risks and uncertainties is available on page 60 of the Annual Report for 2023.

The company notes, however, that the geopolitical situation in the world remains challenging. It is currently difficult to determine how this affects the Björn Borg Group's operations financially, but the fact that the company does not do business in Russia, Ukraine or Israel should minimize any risk of business impact, although declining consumer confidence in the future may have an indirect, negative effect.

Furthermore, the company notes that inflation and interest rates in the markets in which the Björn Borg Group operates continue to reach high levels. Overall, these macroeconomic effects may have additional impact on consumer buying behavior.

THE PARENT COMPANY

Björn Borg AB (publ) is mainly engaged in intra-Group activities. As of March 31, 2024, the company owned 100 percent of the shares in Björn Borg Brands AB, Björn Borg Footwear AB, Björn Borg Inc, Björn Borg Ltd, Baseline BV, Belgian Brand Management BVBA, Björn Borg Finland Oy and Björn Borg Denmark ApS. Furthermore, the company owned 75 percent of the shares in Björn Borg (China) Ltd.

The Parent Company's net sales for the first quarter 2024 amounted to SEK 26.9 million (25.1).

Profit before tax amounted to –9.7 MSEK (–5.2). Cash and cash equivalents at the end of the period amounted to SEK 0 million (0).

EVENTS AFTER THE END OF THE REPORTING PERIOD

As the company previously announced, the footwear product category has now been integrated into its operating activities. This happened after the Björn Borg Group's former license partner for the product category footwear, Serve & Volley BV, went bankrupt. Thus, going forward, Björn Borg will now design, product develop, and distribute products within the category in all markets. Although the integration in the short term may pose certain challenges in terms of maintaining the same sales and margins, the takeover of the footwear business is expected to give significant future growth opportunities.

NUMBER OF SHARES

The number of shares in Björn Borg amounts to 25,148,384 shares (25,148,384) i.e. no change from the previous period.

FINANCIAL GOALS

Björn Borg's long-term financial goals for the business, which were last set in 2019 for a five-year period to 2023, have been extended and now apply until further notice.

The financial goals are:

- Annual sales growth of at least 5 percent.
- Annual operating margin of at least 10 percent.
- An annual dividend of at least 50 percent of net profit after tax.
- The equity ratio should not fall below 35 percent.

Comments on the financial targets: While we plan to grow all of our categories continuously, we expect strong growth particularly in sports apparel and as a consequence of integration also in footwear.

ANNUAL GENERAL MEETING

The Annual General Meeting for the financial year 2023 will be held at 17:30 on May 16, 2024. The Board has decided to propose to the Annual General Meeting 2024 that a distribution of SEK 3.00 (2.00) per share shall be paid to the shareholders for the financial year 2023, corresponding to 99 percent (99) of profit after tax. The distribution is proposed to take place through an automatic redemption procedure, where each share is divided into one ordinary share and one redemption share. The redemption share will then automatically be redeemed for SEK 3.00 per share. The payment for the redemption share, subject to approval of the Annual General Meeting, is expected to be carried out on June 20, 2024. The Board's proposal corresponds to a transfer to the shareholders of SEK 75.4 million (50.3).

ACCOUNTING PRINCIPLES

This interim report summary for the Group has prepared in accordance with IAS 34 and all of the applicable regulations. The interim report for the Parent Company has been prepared in accordance with Chapter 9 of the Annual Accounts Act, as well as RFR 2, Accounting for legal entities. The accounting principles applied in the interim report are consistent with the accounting principles that were applied when preparing the Group Annual Report 2023 (see page 56 in the Annual Report for 2023). No new standards apply as of 1 January 2024 and amended standards that apply from this time have not had any significant impact on the Group's financial reports.

IMPORTANT ASSESSMENTS AND ESTIMATES

When drawing up an interim report, it is required that the company management make judgments and estimates regarding assumptions that affect the application of the Group's (and the Parent Company's) accounting principles as well as reported amounts for assets, liabilities, revenue and costs. The effects of the current geopolitical situation and its possible negative financial impact have been considered. The outcome of the said assessments has not made any significant impact on the Group's financial reports. Important estimates and judgments appear in the Annual Report for 2023. No significant changes to the estimates or judgments have occurred compared to the 2023 Annual Report.

AUDIT

This interim report has not been the subject of a general review by the company's auditors.

OUTLOOK 2024

The company's policy is not to provide forecasts.

Consolidated income statement

IN SUMMARY

SEK thousands	Note	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Full year 2023
Net sales	1	256,788	246,893	882,156	872,261
Other operating revenue		4,023	3,329	20,224	19,530
Operating revenue		260,811	250,222	902,380	891,791
Goods for resale		-119,939	-117,960	-403,111	-401,132
Other external expenses	2	-59,674	-55,020	-210,961	-206,307
Personnel costs		-36,895	-33,959	-137,965	-135,029
Depreciation/amortization of tangible/intangible non-current assets		-8,150	-8,623	-32,542	-33,015
Other operating expenses		-2,683	-3,275	-15,166	-15,758
Operating profit		33,470	31,385	102,635	100,550
Net financial items		-6,516	-720	-8,655	-2,859
Profit before tax		26,954	30,665	93,980	97,691
Tax		-5,743	-5,880	-21,584	-21,722
Profit for the period		21,211	24,785	72,396	75,969
Profit for the period attributable to					
Parent Company shareholders		21,211	24,785	72,396	75,969
Non-controlling interests		-	-	-	-
Earnings per share before dilution, SEK		0.84	0.99	2.88	3.02
Earnings per share after dilution, SEK		0.84	0.99	2.88	3.02
Number of shares		25,148,384	25,148,384	25,148,384	25,148,384

Consolidated statement of comprehensive income

IN SUMMARY

SEK thousands	Note	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Full year 2023
Profit/loss for the period		21,211	24,785	72,396	75,969
OTHER COMPREHENSIVE INCOME					
Components that may be reclassified to profit or loss for the period					
Translation difference for the period		4,745	1,706	2,472	-567
Total other comprehensive income for the period		25,956	1,706	2,472	-567
Total comprehensive income for the period		25,956	26,491	74,868	75,402
Total comprehensive income attributable to					
Parent Company shareholders		26,304	26,431	74,977	75,103
Non-controlling interests		-348	60	-109	299

Consolidated statement of financial position

IN SUMMARY

SEK thousands	Note	Mar 31, 2024	Mar 31, 2023	Dec 31, 2023
Non-current assets				
Goodwill		37,279	36,782	36,422
Trademarks		187,532	187,532	187,532
Other intangible assets		6,134	7,203	6,401
Tangible non-current assets		19,957	17,042	17,663
Deferred tax assets		12,912	12,918	12,310
Right-of-use assets		41,018	48,508	43,942
Total non-current assets		304,832	309,985	304,270
Current assets				
Inventory		145,313	148,469	184,361
Accounts receivable		202,094	132,158	99,379
Other current receivables		27,810	14,136	16,869
Cash and cash equivalents		6,799	10,244	26,646
Total current assets		382,016	305,007	327,255
Total assets		686,848	614,992	631,525
Equity and liabilities				
Equity		376,773	351,300	350,817
Deferred tax liabilities		39,607	39,805	39,701
Long-term lease liabilities		23,629	28,966	25,470
Current liability to credit institution		95,993	58,298	–
Accounts payable		39,980	38,949	135,792
Short-term lease liabilities		16,208	18,885	17,379
Other current liabilities		94,658	78,789	62,366
Total equity and liabilities		686,848	614,992	631,525

Consolidated statement of changes in equity

IN SUMMARY

TSEK	Note	Equity attributable to the parent company's shareholders	Possession without controlling influence	Total equity
Opening balance, January 1, 2023				
Total comprehensive income for the period		26,431	60	26,491
Closing balance, March 31, 2023		357,842	-6,542	351,300
Opening balance, January 1, 2023				
Total comprehensive income for the period		75,103	299	75,402
Distribution for 2022		-50,297	–	-50,297
Warrant premium		903	–	903
Closing balance, December 31, 2023		357,20	-6,303	350,817
Opening balance, January 1, 2024				
Total comprehensive income for the period		26,304	-348	25,956
Closing balance, March 31, 2024		383,424	-6,651	376,773

Consolidated statement of cash flows

IN SUMMARY

SEK thousands	Jan-Mar 2024	Jan-Mar 2023	Full year 2023
Cash flow from operating activities			
Before changes in working capital	26,619	19,087	94,361
Changes in working capital	-129,863	-46,153	26,921
Cash flow from operating activities	-103,244	-27,066	121,282
Investments in intangible non-current assets	-537	-	-2,092
Investments in tangible non-current assets	-3,957	-2,690	-9,049
Cash flow from investing activities	-4,494	-2,690	-11,141
Distribution	-	-	-50,297
Warrant premium	-	-	903
Amortization of loans	-	-30,000	-30,000
Amortization of lease liabilities	-5,318	-5,607	-22,157
Overdraft facility	95,993	58,298	-
Cash flow from financing activities	90,675	22,691	-101,551
Cash flow for the period	-17,603	-7,065	8,590
Cash and cash equivalents at the beginning of the period	26,646	16,032	16,032
Translation difference in cash and cash equivalents	-2,784	1,277	2,024
Cash and cash equivalents at the end of the period	6,799	10,244	26,646

Key figures

GROUP

SEK thousands	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Full year 2023
Gross profit margin,% *	53.3	52.2	54.3	54.0
Operating margin,%	13.3	12.7	11.6	11.5
Profit margin,%	10.5	12.4	10.7	11.2
Return on capital employed,%	21.7	16.6	21.7	25.2
Return on average equity,%	19.9	14.8	19.9	22.5
Profit attributable to the Parent Company's shareholders	21,211	24,785	72,396	75,969
Equity/assets ratio,% *	54.9	57.1	54.9	59.6
Equity per share, SEK	14.98	13.97	14.98	13.95
Investments in intangible non-current assets	537	-	2,629	2,092
Investments tangible non-current assets	3,957	2,690	10,316	9,049
Depreciation, amortization and impairment losses for the period	-8,150	-8,623	-32,542	-33,015
Average number of employees	147	147	150	151

* The figure is an alternative performance measure (APM) and not (IFRS). It is described under definitions and explained on page 15.

Summary per segment

GROUP

SEK thousands	Jan-Mar 2024	Jan-Mar 2023	Apr 2023-Mar 2024	Full year 2023
Operating revenue				
Wholesale business				
External revenue	189,504	182,171	584,802	577,469
Internal revenue	1,385	1,896	22,812	23,323
	190,889	184,067	607,614	600,792
Own e-commerce				
External revenue	40,574	33,404	161,145	153,975
Internal revenue	62	1,139	77	1,154
	40,636	34,543	161,222	155,129
Own stores				
External revenue	20,950	20,874	104,790	104,713
Internal revenue	-	-	-	-
	20,950	20,874	104,790	104,713
Distributors				
External revenue	8,353	9,367	45,498	46,512
Internal revenue	178,768	155,780	563,704	540,716
	187,121	165,147	609,202	587,228
Licensing				
External revenue	1,430	4,406	6,146	9,122
Internal revenue	10,185	10,203	32,322	32,340
	11,615	14,609	38,468	41,462
Less internal sales	-190,400	-169,018	-618,915	-597,533
Operating revenue	260,811	250,222	902,380	891,791
Operating profit				
Wholesale business	28,101	25,135	63,784	60,818
Own e-commerce	5,594	6,918	27,484	28,809
Own stores	-3,441	-5,816	-4,634	-7,009
Distributors	1,974	1,264	10,558	9,848
Licensing	1,242	3,884	5,442	8,084
Operating profit	33,470	31,385	102,635	100,550
Interest income and similar income items	151	905	708	3,264
Interest expenses and similar income items	-6,667	-1,625	-9,363	-6,123
Profit before tax	26,954	30,665	93,980	97,691

Quarterly data

GROUP

SEK thousands	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Net sales	256,788	197,632	262,105	165,631	246,893	198,420	248,590	161,544
Gross profit margin,%	53.3	56.8	52.6	55.6	52.2	52.1	48.2	54.5
Operating profit/loss	33,470	20,172	40,893	8,100	31,385	7,770	30,597	5,233
Operating margin,%	13.0	10.2	15.6	4.9	12.7	3.9	12.3	3.2
Profit/loss after net financial items	26,954	21,073	40,552	5,401	30,665	6,389	30,545	4,344
Profit margin,%	10.5	10.7	15.5	3.3	12.4	3.2	12.3	2.7
Earnings per share, before dilution, SEK	0.84	0.59	1.27	0.17	0.99	0.21	0.88	0.01
Earnings per share, after dilution, SEK	0.84	0.59	1.27	0.17	0.99	0.21	0.88	0.01
Number of Björn Borg retail stores at the end of the period of which Group-owned Björn Borg retail stores	16	17	17	17	19	19	19	24
	15	16	16	16	18	18	18	21

Parent company income statement

IN SUMMARY

SEK thousands	Note	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Full year 2023
Net sales		26,934	25,102	103,024	101,192
Other operating revenue		90	148	872	930
Operating revenue		27,024	25,250	103,896	102,122
Goods for resale		-	-	-	-
Other external expenses	2	-17,094	-16,433	-59,721	-59,070
Personnel costs		-12,236	-10,563	-45,025	-43,352
Depreciation/amortization of intangible and tangible non-current assets		-734	-643	-3,054	-2,963
Other operating expenses		-83	-48	-475	-441
Operating profit		-3,123	-2,447	-4,378	-3,704
Result from shares in subsidiaries		-	-	-	-
Net financial items		-6,543	-2,742	-10,880	-7,079
Profit/loss after financial items		-9,666	-5,189	-15,258	-10,783
Group contributions received/paid		-	-	95,000	95,000
Appropriations		-	-	720	720
Profit/loss before tax		-9,666	-5,189	80,461	84,937
Tax		-	-	-19,184	-19,184
Profit/loss for the period		-9,666	-5,189	61,277	65,753
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		-9,666	-5,189	61,277	65,753

Parent company balance sheet

IN SUMMARY

SEK thousands	Note	Mar 31, 2024	Mar 31, 2023	Dec 31, 2023
Non-current assets				
Intangible assets		371	1,910	679
Tangible non-current assets		5,150	3,546	5,431
Shares in Group companies		177,868	371,813	177,868
Total non-current assets		183,389	377,269	183,978
Current assets				
Receivables from Group companies		500,302	538,760	448,586
Current receivables		5,711	4,214	3,968
Cash and cash equivalents		-	-	18,414
Total current assets		506,013	542,974	470,968
Total assets		689,402	920,243	654,946
Equity and liabilities				
Equity		147,983	131,050	157,648
Untaxed reserves		896	1,616	896
Current liabilities credit institutions		95,993	58,298	-
Due to Group companies		421,931	676,366	465,254
Accounts payable		8,538	8,606	7,891
Other current liabilities		14,061	44,307	23,257
Total equity and liabilities		689,402	920,243	654,946

Parent company statement of changes in equity

IN SUMMARY

SEK thousands	Jan-Mar 2024	Jan-Mar 2023	Full year 2023
Opening balance	157,648	136,239	136,239
Distribution	–	–	–50,297
Warrant premium	–	–	903
Merger results	–	–	5,050
Total comprehensive income for the period	–9,665	–5,189	65,753
Closing balance	147,983	131,050	157,648

Supplementary disclosures

NOTE 1 NET SALES

The Group's net sales consist of sales of products and royalties for the use of the company's brand. Transfers of goods/royalties are made at fixed points in time. Listed in the table below are markets with a net sales above 10 percent of the total.

Jan-Mar 2024	Sweden	Finland	Netherlands	Germany	Other	Total
The group, SEK thousands						
Wholesale business	73,887	31,700	32,613	29,238	22,067	189,504
Own e-commerce	12,545	1,079	13,532	1,433	11,986	40,574
Own stores	5,070	3,364	10,303		2,213	20,950
Distributors					8,353	8,353
Licensing	321		1,109			1,430
Operating revenue	91,822	36,144	57,557	30,670	44,619	260,811
Of which other operating revenue	991	–9	2,140	892	9	4,023
Net sales	90,830	36,153	55,417	29,779	44,609	256,788

Jan-Mar 2023	Sweden	Finland	Netherlands	Germany	Other	Total
The group, SEK thousands						
Wholesale business	74,885	33,826	32,919	25,683	14,858	182,171
Own e-commerce	10,024	1,106	10,317	1,280	10,677	33,404
Own stores	5,738	3,521	8,282		3,333	20,874
Distributors					9,367	9,367
Licensing	387		4,019			4,406
Operating revenue	91,034	38,454	55,536	26,963	38,235	250,220
Of which other operating revenue	3,036	2,638	375	313	–3,033	3,329
Net sales	87,999	35,815	55,162	26,650	41,268	246,893

NOTE 2 OTHER EXTERNAL EXPENSES

SEK thousands	The group		Parent Company	
	Jan-Mar 2024	Jan-Mar 2023	Jan-Mar 2024	Jan-Mar 2023
Cost of premises	3,190	2,918	1,858	1,670
Sales expenses	21,511	16,483	333	247
Marketing expenses	20,939	17,327	10,530	10,796
Administrative expenses	11,718	16,176	4,063	3,450
Other	2,316	2,116	310	280
	59,674	55,020	17,094	16,443

Definitions

The company presents certain financial measures in this year-end report that are not defined in accordance with IFRS. The company considers these measures to be valuable complementary information for investors and the company's management. Since not all companies calculate financial measures in the same way, they are not always comparable with measures used by other companies. Consequently, these financial measures should not be seen as a substitute for measures defined in accordance with IFRS. For more on the calculation of these key figures see:

<https://corporate.bjornborg.com/en/section/investors/interim-reports/>

<https://corporate.bjornborg.com/en/financial-definitions/>

<https://corporate.bjornborg.com/en/financial-data/>

CAPITAL EMPLOYED

Total assets less non-interest-bearing liabilities and provisions.

Purpose: Capital employed measures capital use and efficiency.

COMPARABLE STORE SALES

Sales for own retail stores that were also open in the previous period.

Purpose: To obtain comparable sales between periods for own retail stores.

EARNINGS PER SHARE (DEFINED ACCORDING TO IFRS)

Profit after tax in relation to the weighted average number of shares during the period.

Purpose: This indicator is used to assess an investment from an owner's perspective.

EARNINGS PER SHARE AFTER DILUTION (DEFINED ACCORDING TO IFRS)

Earnings per share adjusted for any dilution effect.

Purpose: This indicator is used to assess the investment from an owner's perspective.

EQUITY/ASSETS RATIO

Equity as a percentage of total assets.

Purpose: This indicator shows financial risk, expressed as a share of the total restricted equity financed by the owners.

EQUITY PER SHARE

Equity, including those with non-controlling interests, divided by the average number of shares.

Purpose: To show the share price in relation to the company's book value.

GROSS PROFIT MARGIN

Net sales less costs of goods sold divided by net sales.

Purpose: Gross margin is used to measure operating profitability.

GROSS PROFIT MARGIN EXCLUDING CURRENCY EFFECTS

Gross profit margin calculated using the previous year's exchange rate.

Purpose: To obtain a currency-neutral gross profit margin.

GROUP NET SALES EXCLUDING CURRENCY EFFECTS

Net sales calculated using the previous year's exchange rate.

Purpose: To obtain comparable and currency-neutral net sales.

NET DEBT (+) / NET CASH (-)

Interest-bearing liabilities excluding leasing liabilities less investments and cash and cash equivalents.

Purpose: Net debt reflects the company's total debt situation.

NET DEBT TO EBITDA RATIO

Interest-bearing liabilities excluding leasing liabilities less investments and cash and cash equivalents divided by operating profit before depreciation/amortization.

Purpose: To show the company's ability to pay debts.

NET FINANCIAL ITEMS

Financial income less financial expenses.

Purpose: To describe the company's financial activities.

OPERATING MARGIN

Operating profit as a percentage of net sales.

Purpose: The operating margin is used to measure operating profitability.

OPERATING PROFIT

Profit before tax plus net financial items.

Purpose: This indicator facilitates comparisons of profitability regardless of the company's tax rate and independent of the company's financing structure.

PROFIT MARGIN

Profit before tax as a percentage of net sales.

Purpose: Profit margin shows the company's profit in relation to its sales.

RETURN ON CAPITAL EMPLOYED

Profit before tax (per rolling 12-month period) plus financial expenses as a percentage of average capital employed. Average capital employed is calculated by adding equity at January 1 to equity at December 31 and dividing by two.

Purpose: This indicator is the key measure to quantify the return on all the capital used in operations.

RETURN ON EQUITY

Profit for the period/year attributable to the Parent Company's shareholders (for rolling 12 months) according to the income statement as a percentage of average equity. Average equity is calculated by adding equity at January 1 to equity at December 31 and dividing by two.

Purpose: This indicator shows, from an owner's perspective, the return generated on the owners' invested capital.

The Board of Directors and the CEO certify that the interim report provides a true and fair overview of the operations, financial position and results of the Parent Company and the Group and describes the significant risks and uncertainties faced by the Parent Company and the companies in the Group.

Stockholm, May 16, 2024

Heiner Olbrich
Chairman of the Board

Alessandra Cama
Board member

Jens Högsted
Board member

Johanna Schottenius
Board member

Anette Klintfeldt
Board member

Fredrik Lövstedt
Board member

Mats H Nilsson
Board member

Henrik Bunge
CEO

CALENDAR 2024

The Interim report January-June 2024 will be issued at 07:30 on August 16, 2024.

The Interim report January-September 2024 will be issued at 07:30 on November 15, 2024.

The Year-end report 2024 will be issued at 07:30 on February 21, 2025.

FINANCIAL REPORTS

Financial reports can be downloaded from the company's website, www.bjornborg.com or ordered by phone +46 8 506 33 700, or by e-mail info@bjornborg.com.

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THE BJÖRN BORG GROUP IN BRIEF

The Björn Borg Group owns the Björn Borg brand, and the focus of the business is sports apparel, underwear and bags. In addition, footwear and glasses are also offered via licensees. Björn Borg products are sold in around twenty markets, of which Sweden and the Netherlands are the largest. The Björn Borg Group has its own operations at all levels, from brand development to consumer sales in its own Björn Borg stores. In total, the Group's net sales in 2023 amounted to SEK 872.3 million and the average number of employees was 151. Björn Borg has been listed on Nasdaq Stockholm since 2007.

THE PICTURES IN THE INTERIM REPORT

The images in the interim report are taken from Björn Borg's spring and summer 2024 collection and the high summer 2024 collection.

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This information is such information that Björn Borg AB is obliged to publish in accordance with the EU Market Abuse Regulation. The information was submitted, through the care of the above contact person, for publication on May 16, 2024 at 17.30.