

BJÖRN BORG 
train to live



BJÖRN BORG AB Investor Presentation Q1 2024

STOCKHOLM, MAY 16TH, 2024



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A. Executive Summary

A wide-angle photograph of a vast field of golden wheat, stretching to the horizon. The sky is overcast and grey. In the distance, there are some trees and a small building. The text is overlaid on the field.

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

Henrik Bunge, CEO BJÖRN BORG AB

Björn Borg Q1 2024 – Executive summary

- Overall Net sales in Q1 2024 increased by 4.0% to SEK 257 m.
 - ⑩ By channel NS to WHS increased by 4%. Own Retail stores flat vs PY (however increased 1%, excluding store closures), while own e-commerce continued very strongly with an increased sales of 21%. Distributors declined by -11% as they were reducing their inventories.
 - ⑩ By category NS increased by 24% for sports apparel and 9% for underwear, while it declined with -46% for footwear as the company took over the distribution from earlier licence partner that went bankrupt.
- Gross profit margin increased by 1.1 ppt to 53.3% vs PY. Currency neutral the gross profit margin increased by 0.9 ppt to 53.1%.
- Operating profit increased by 7% to SEK 34 m. Currency neutral the operating profit increased by 4% to SEK 33 m.
- The financial solidity remains strong, showing in an equity ratio of 55%.



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 Q1 2024



C1. Brand heat

Our brand journey continues in the right direction with strong brand heat signs

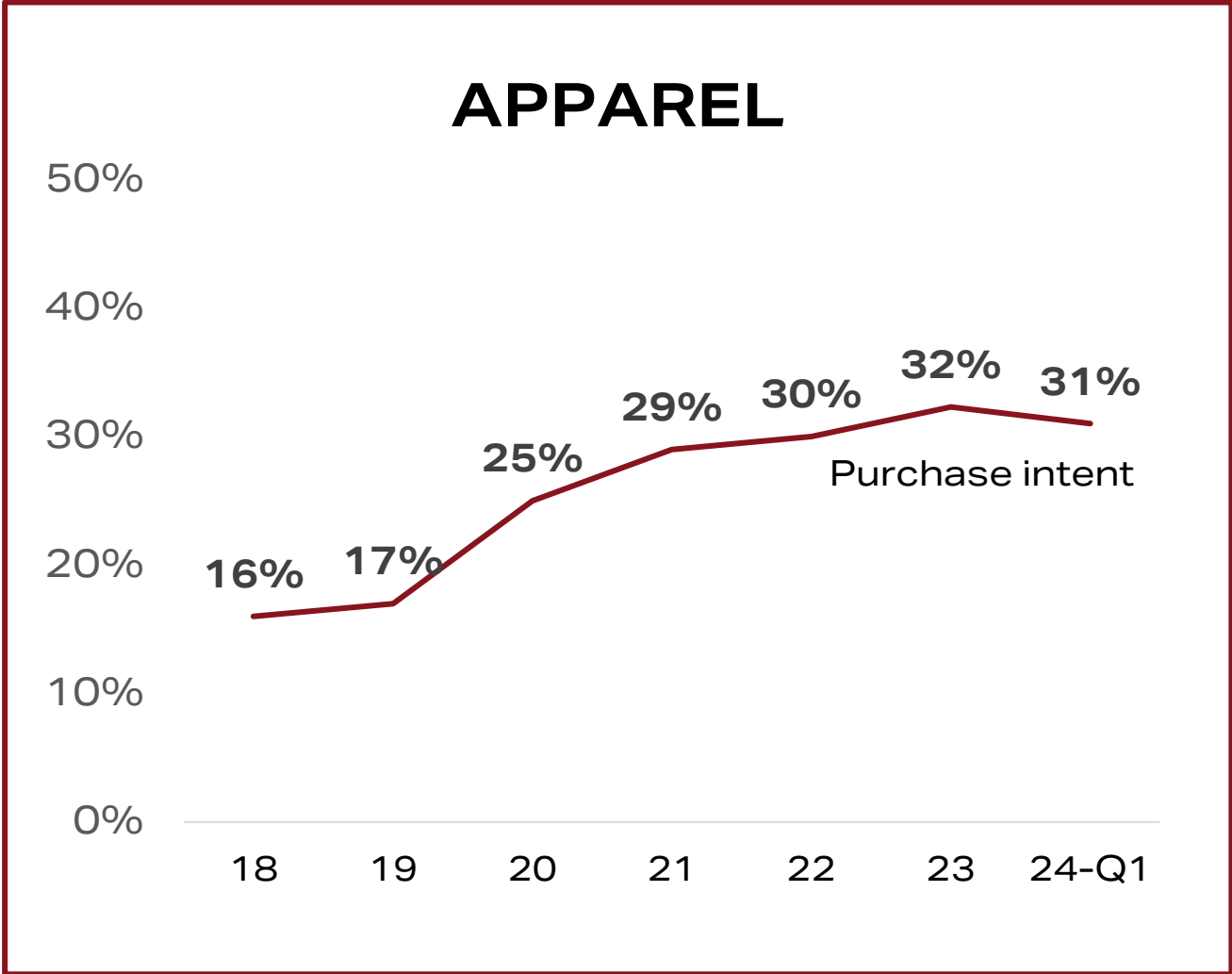
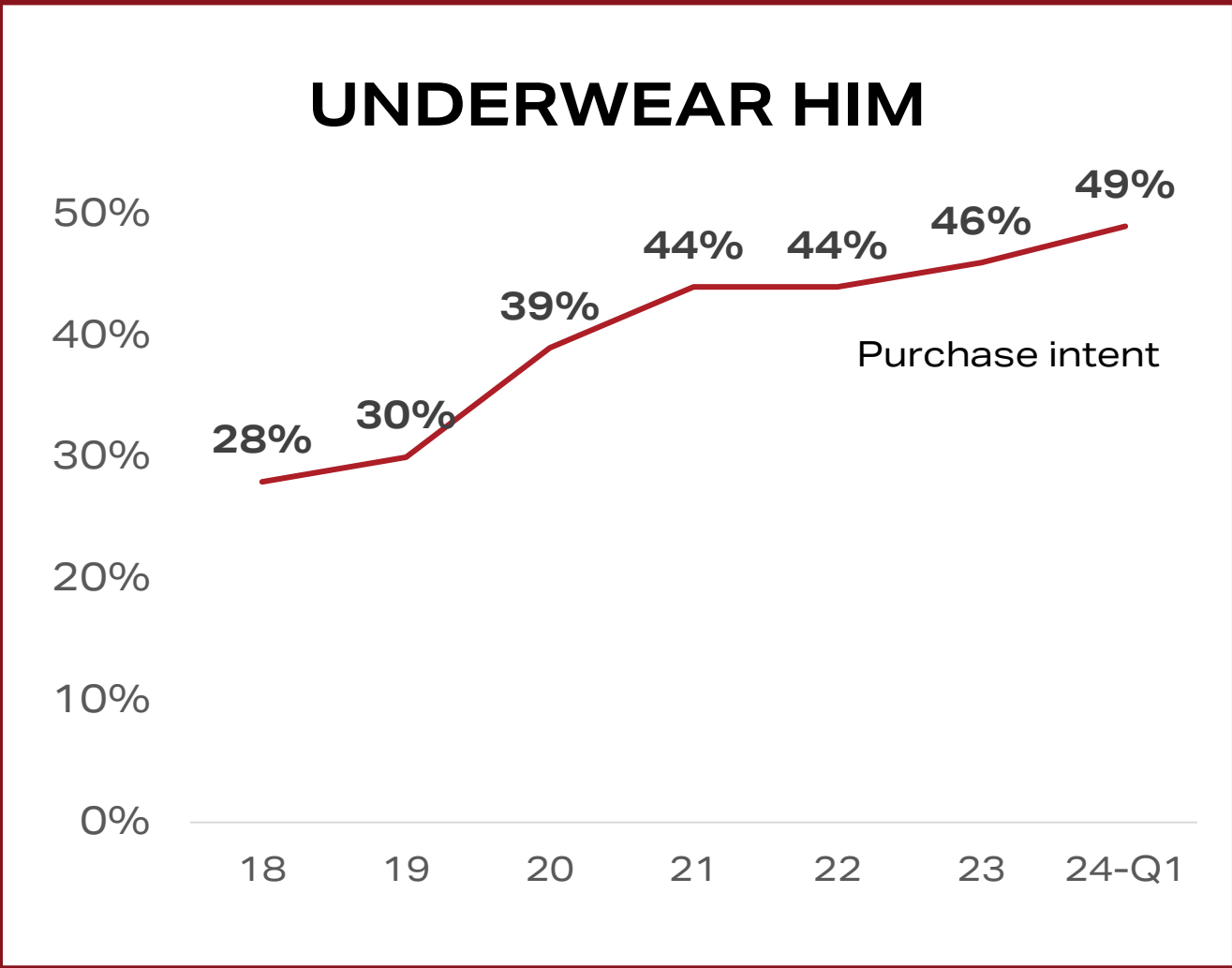
BJÖRN BORG AB – SPORTS BRAND KPIS Q1 2024 HIGHLIGHTS



- 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

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

BJÖRN BORG AB – BRAND HEAT KPIS 2018-2024 ALL COUNTRIES



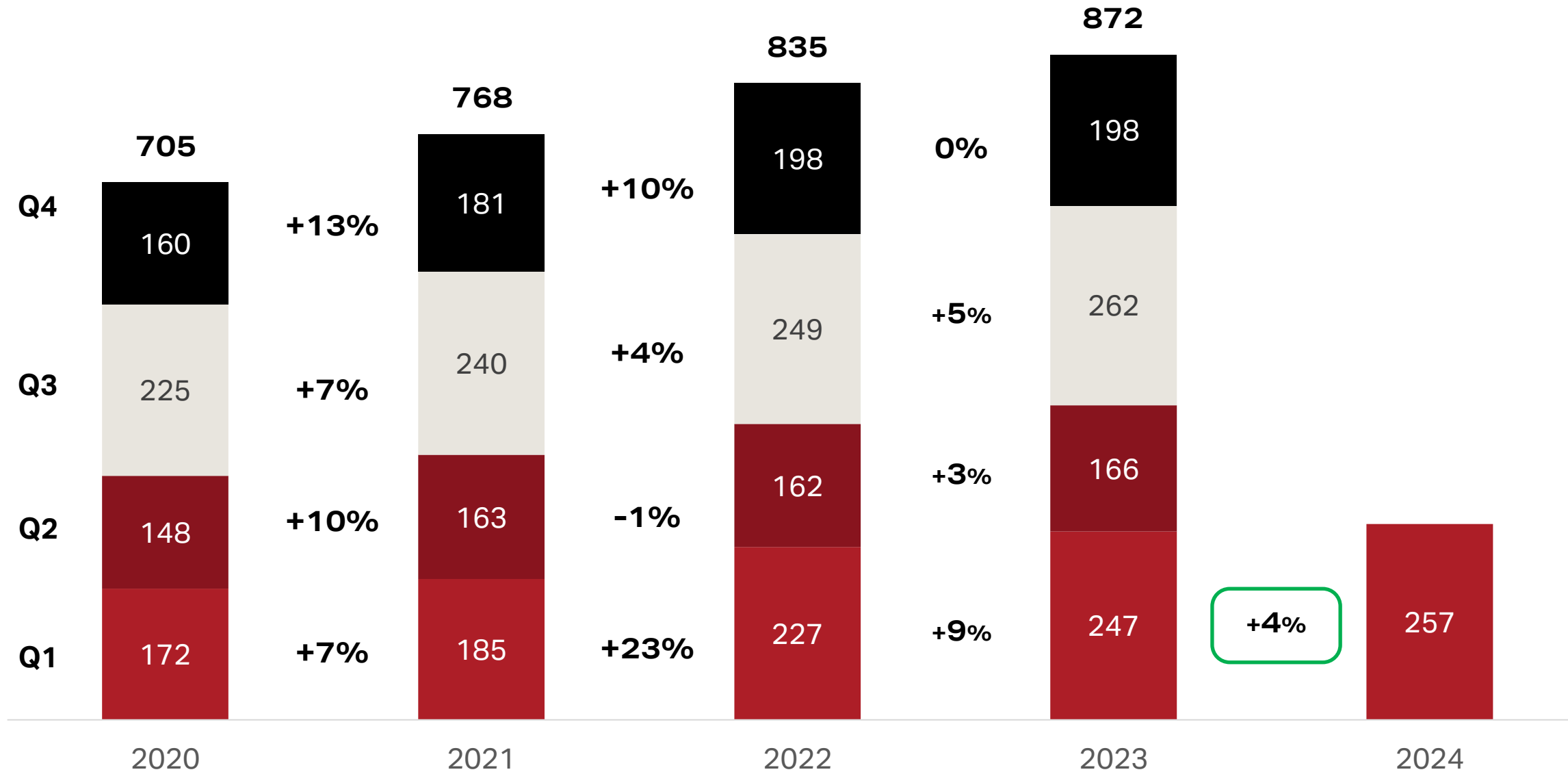
Source: Brand Track Data from weekly end consumer surveys done by XTREME. 22k people/year. Markets: SE, NO, FI, DK, NL, BE, DE.



C2. Top line

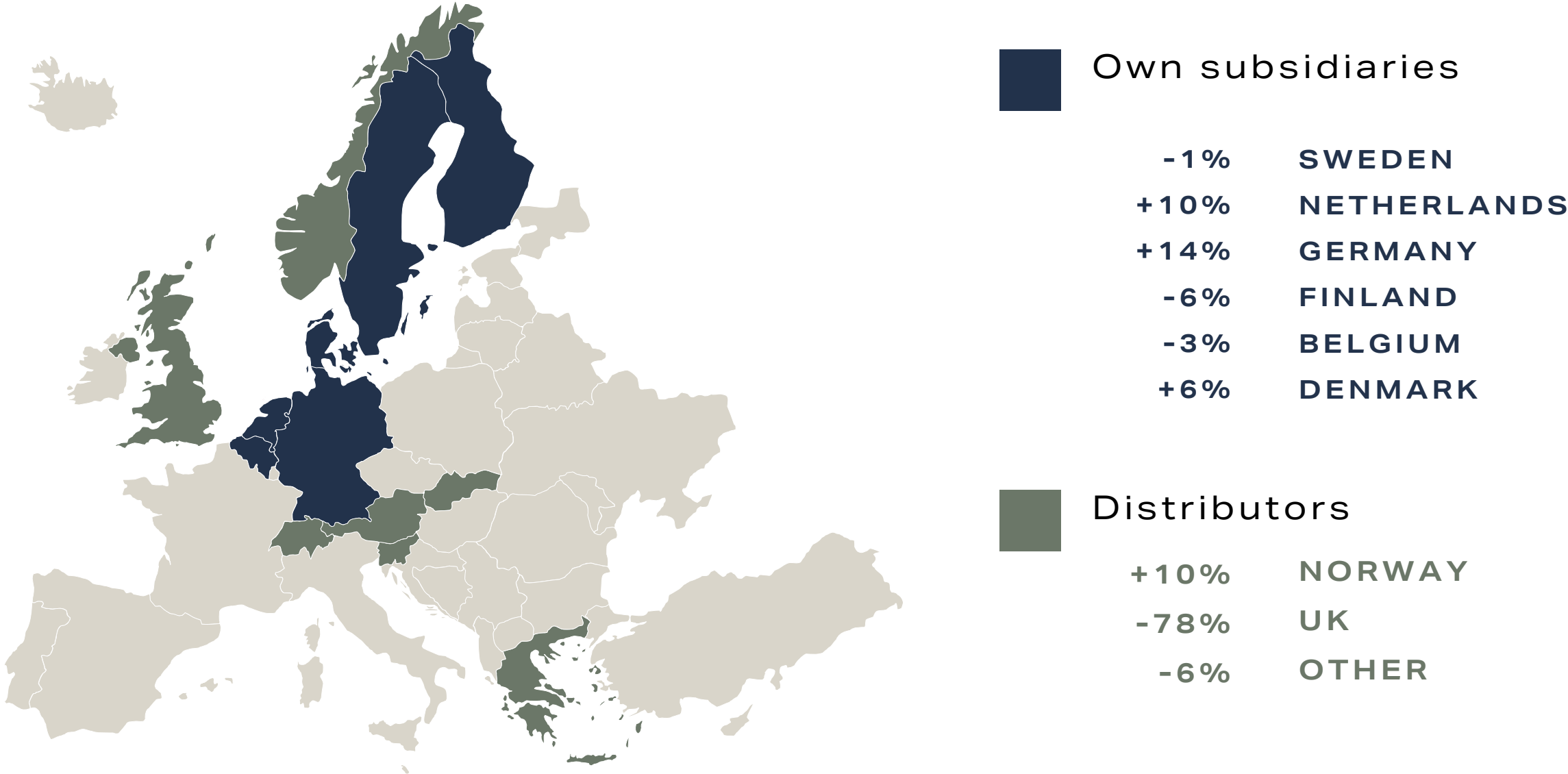
The growth continues in the first quarter of 2024, delivering a sales record for a first quarter

BJÖRN BORG AB – NET SALES DEVELOPMENT BY QUARTER [SEK M]



Strong momentum in the Netherlands and Germany, while Sweden and Finland decline due to Footwear

BJÖRN BORG AB - TOTAL SALES DEVELOPMENT Q1 2024 BY COUNTRY



Source: BB AB Investor Relations

Continued strong momentum in own e-commerce and online wholesale partners

BJÖRN BORG AB – CHANNEL DEVELOPMENT Q1 2024

WHOLESALE

+4%

VS Q1 2023

- Wholesale e-tailers with strong growth in the quarter, +12%, mainly driven by Sweden.
- Brick and mortar stores flat vs Q1 2023.
- Wholesale excl. footwear increase +13%.

OWN E-COM

+21%

VS Q1 2023

- Own e-commerce keeps growing by +21% vs Q1 2023, while overall market e-commerce is stagnant at best.

OWN RETAIL

0%

VS Q1 2023

- Comparable stores +1% vs previous year.
- Overall fewer stores vs last year.

DISTRIBUTORS

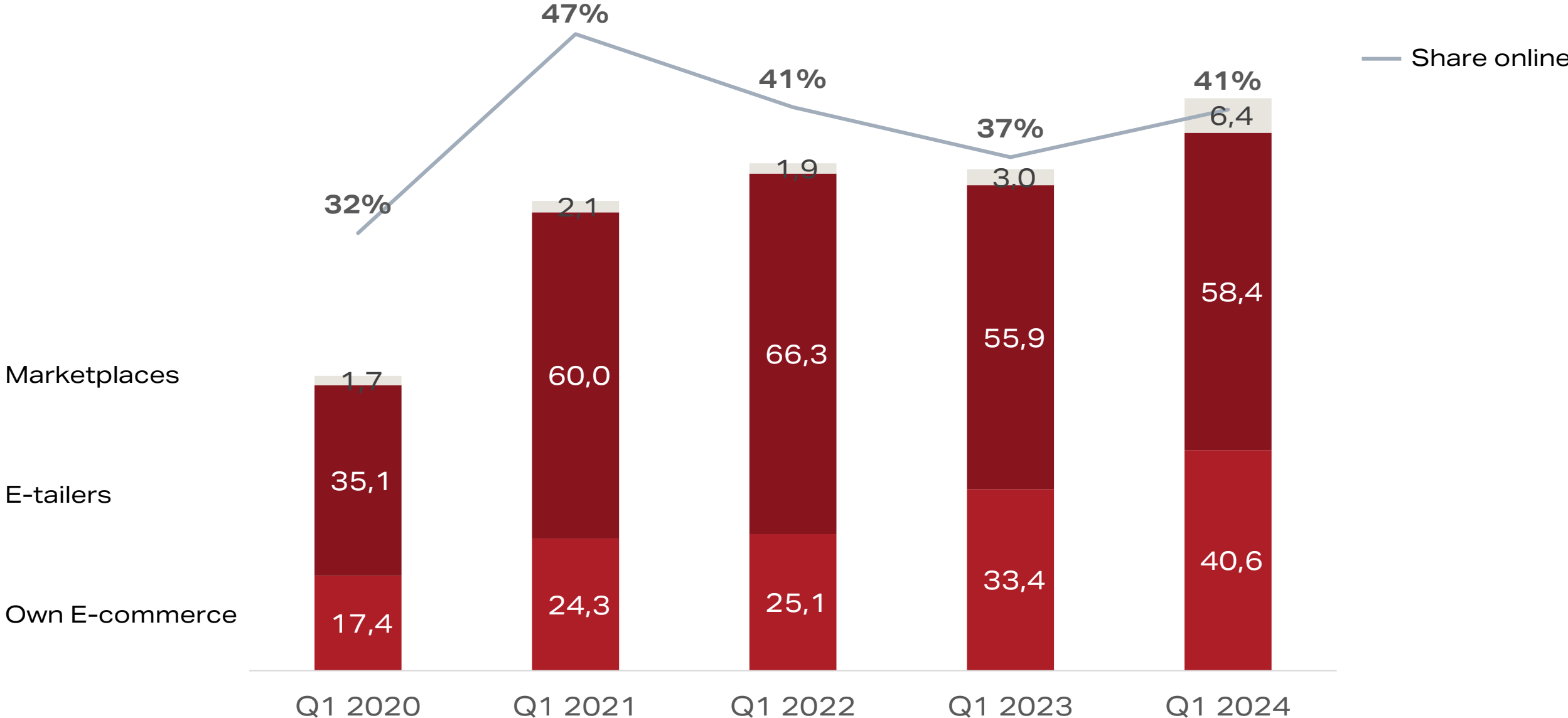
-11%

VS Q1 2023

- Distributors overall decline, mainly due to large inventories and less purchases.
- Largest distributor, Norway, increase with +10%.

Strong online development in the quarter, across all channels, predominantly own e-commerce

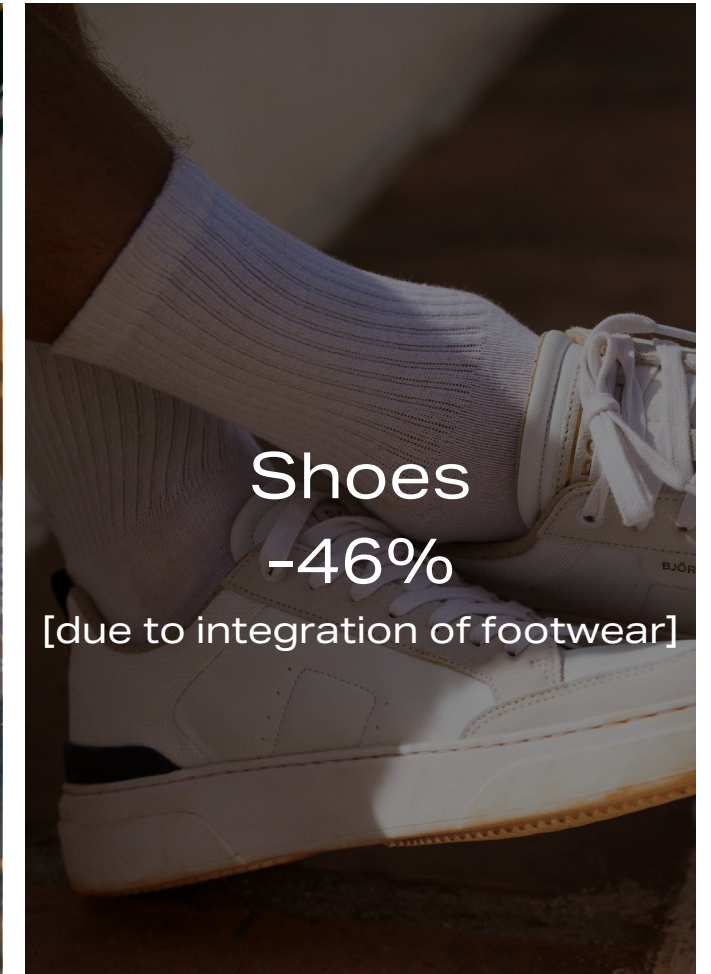
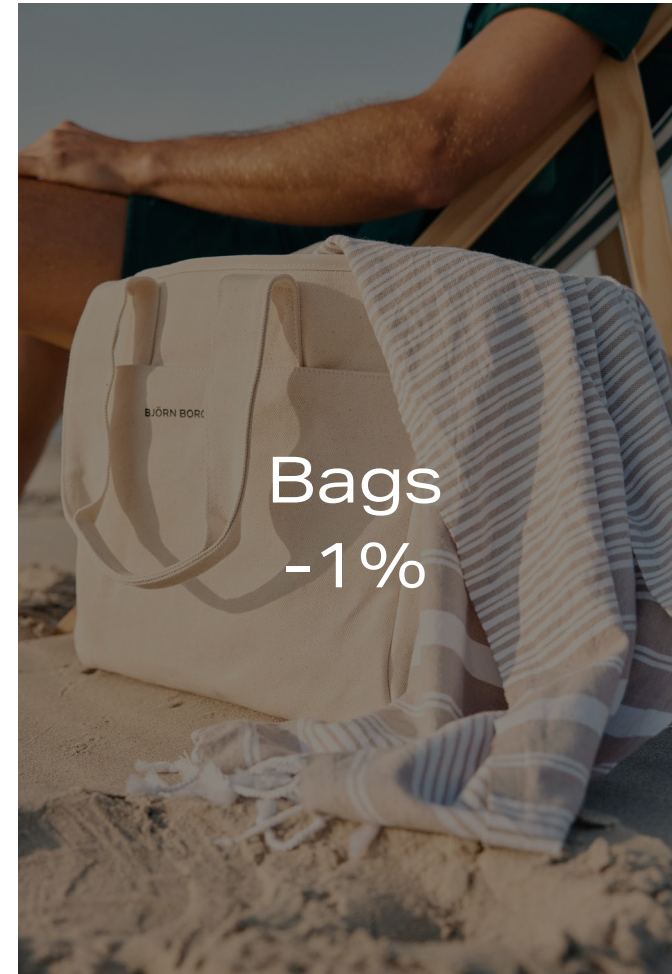
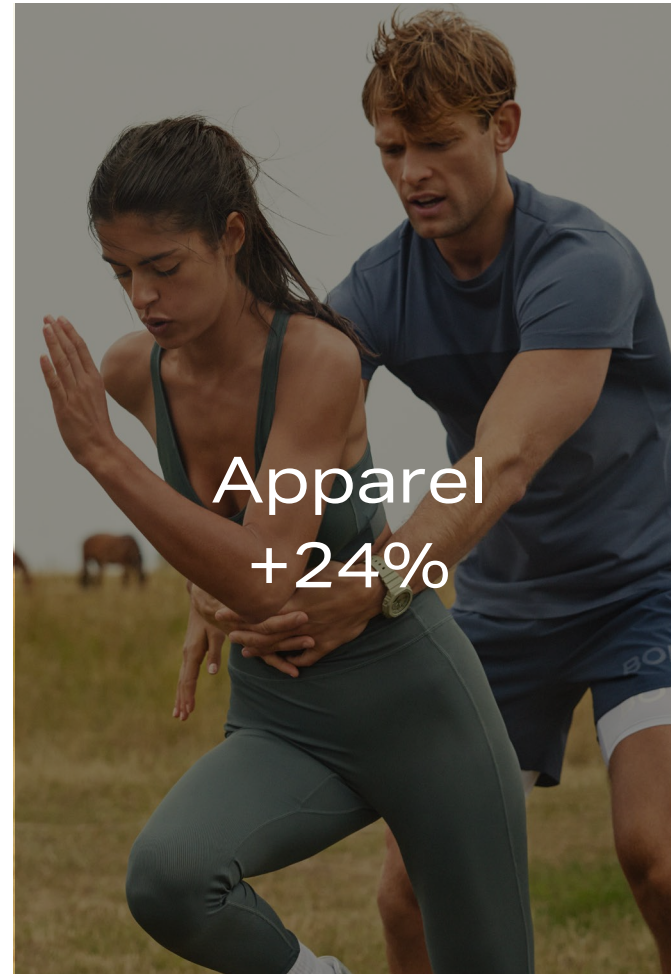
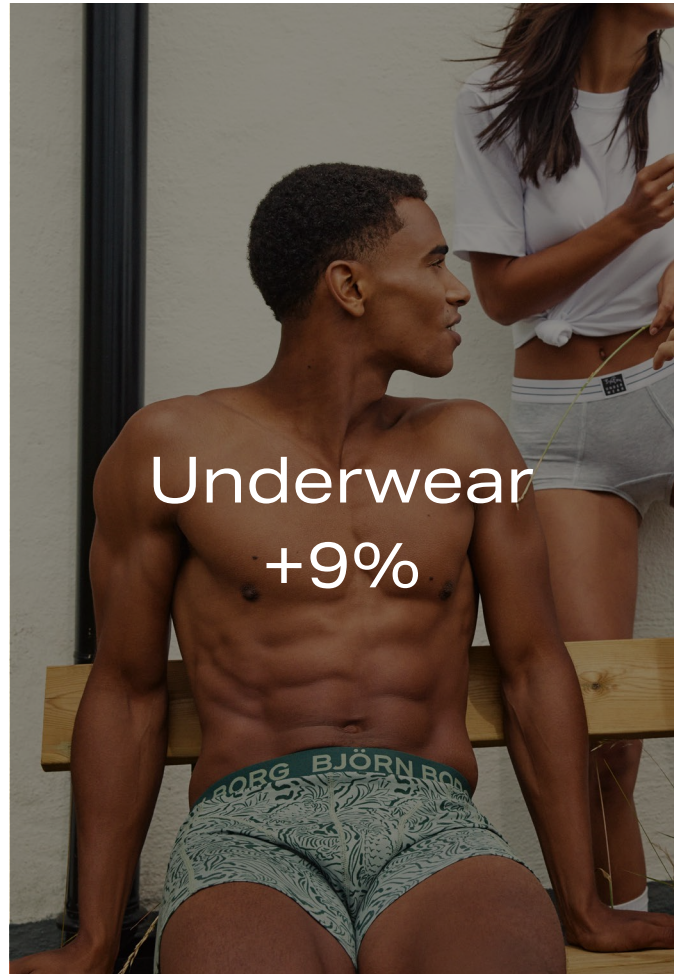
BJÖRN BORG AB – SHARE OF ONLINE SALES 2020-2024



Source: BB AB Investor Relations

Double digit sports apparel growth and strong growth in underwear, while footwear declined in the quarter

BJÖRN BORG AB – CATEGORY DEVELOPMENT Q1 2024

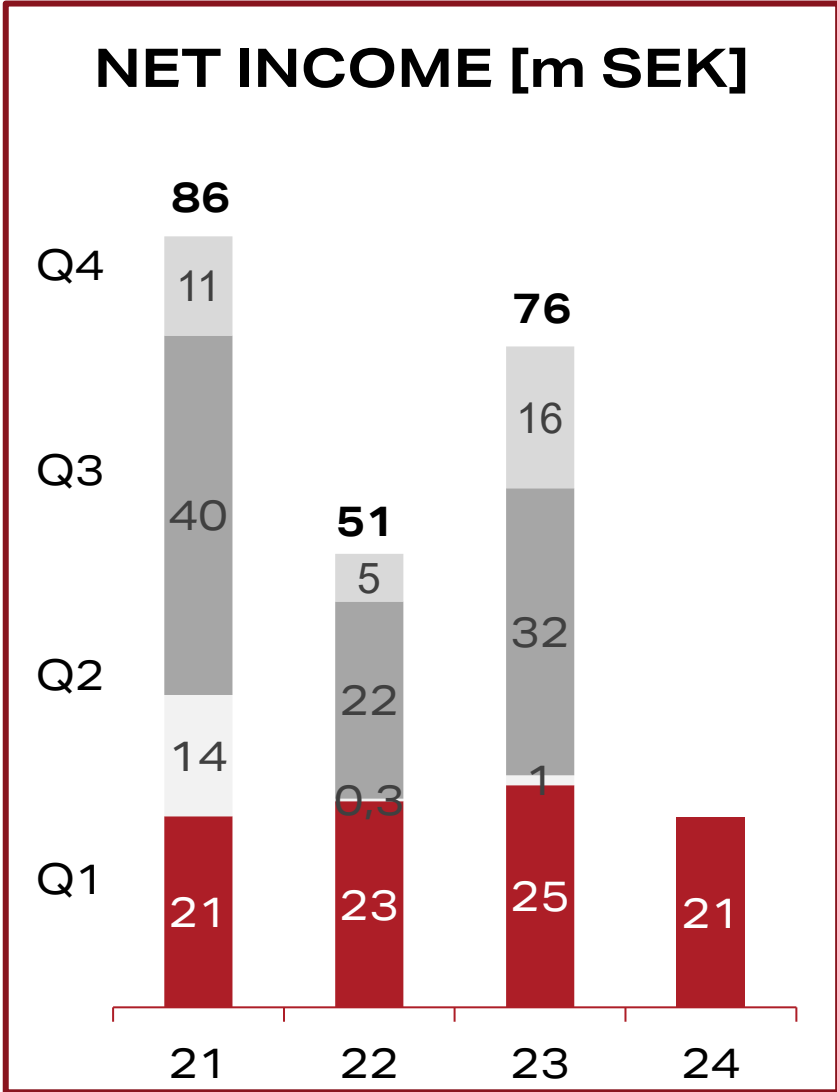
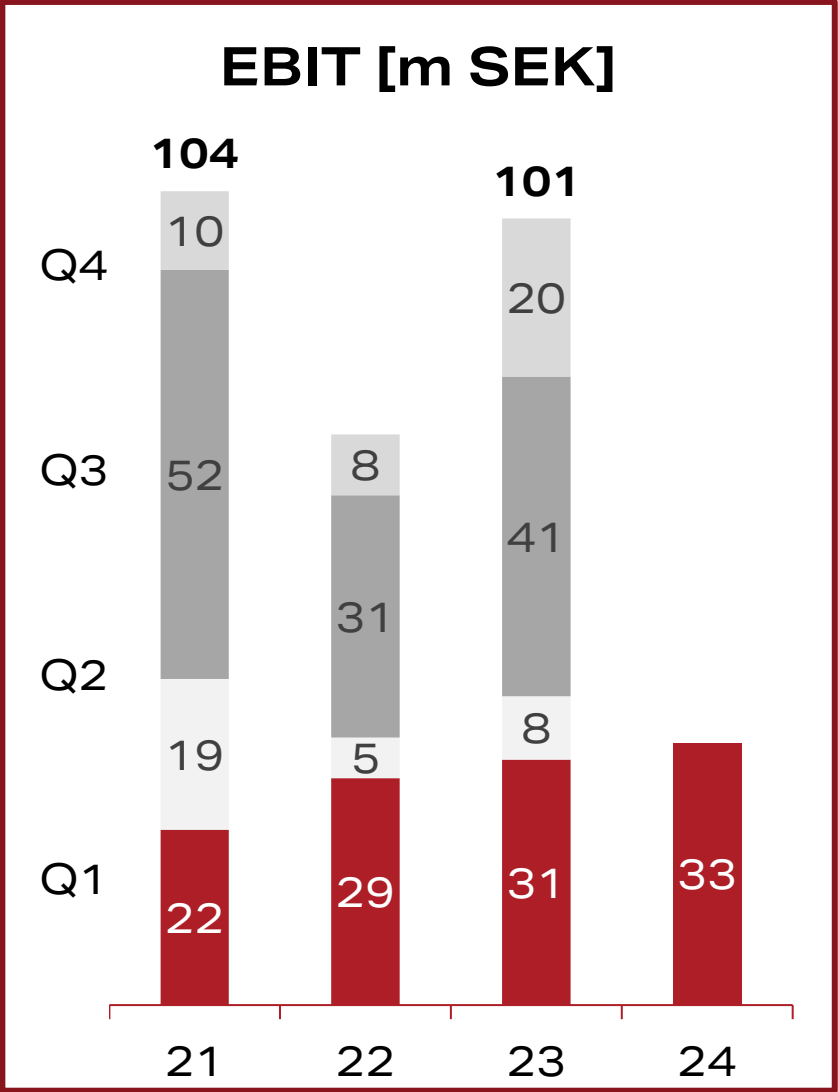
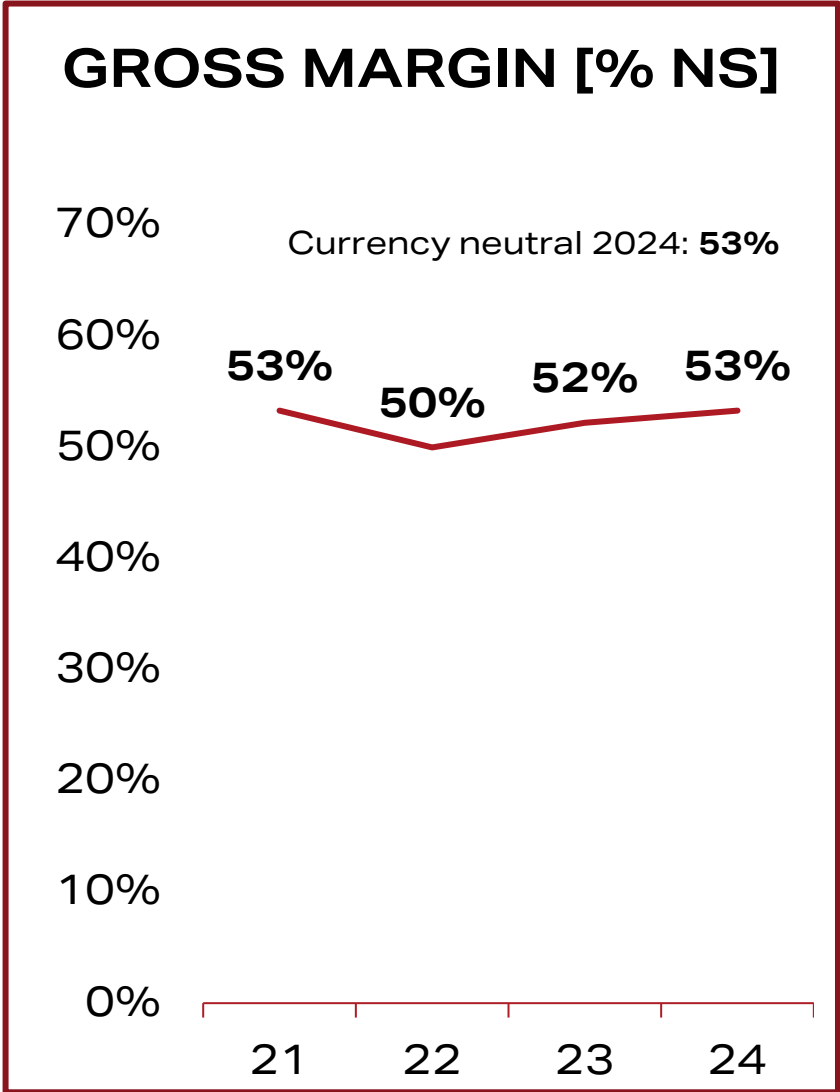




C3. Bottom line

Gross profit margin and operating income show strong improvement vs last year

BJÖRN BORG AB – BOTTOM LINE KPIS Q1 2024

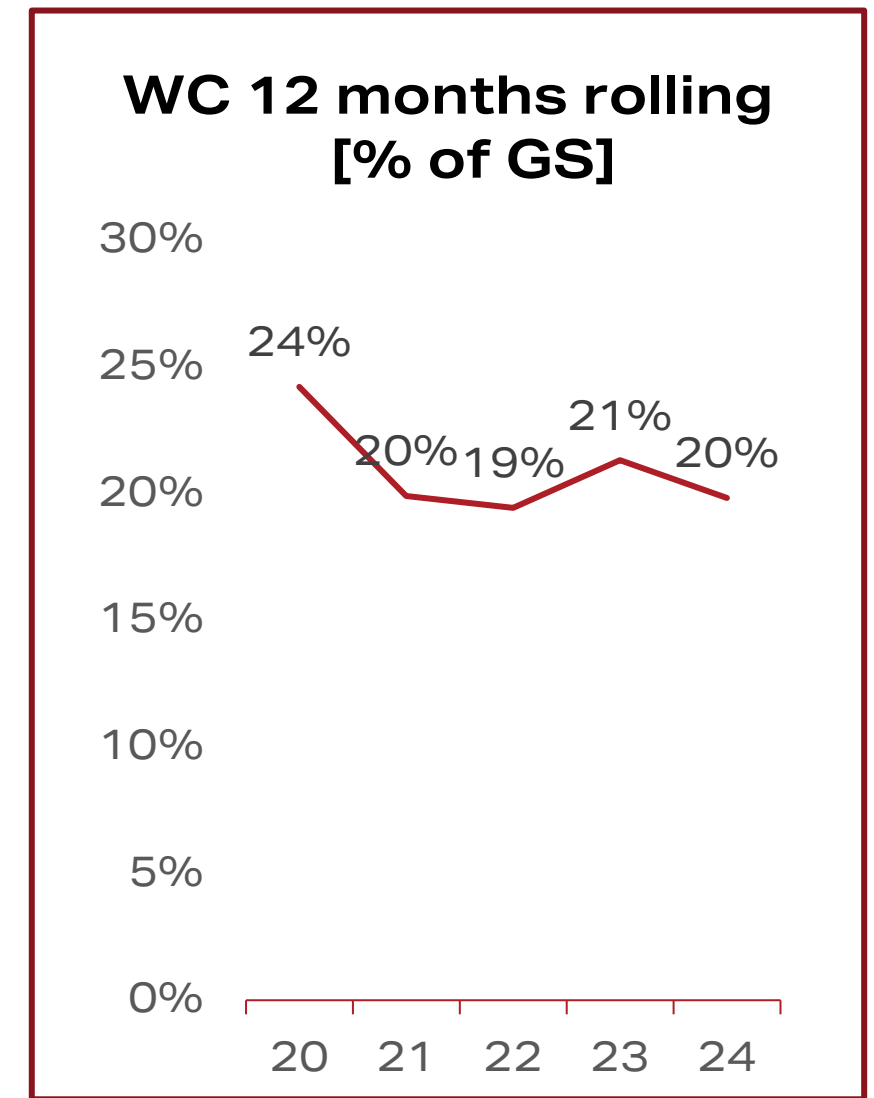
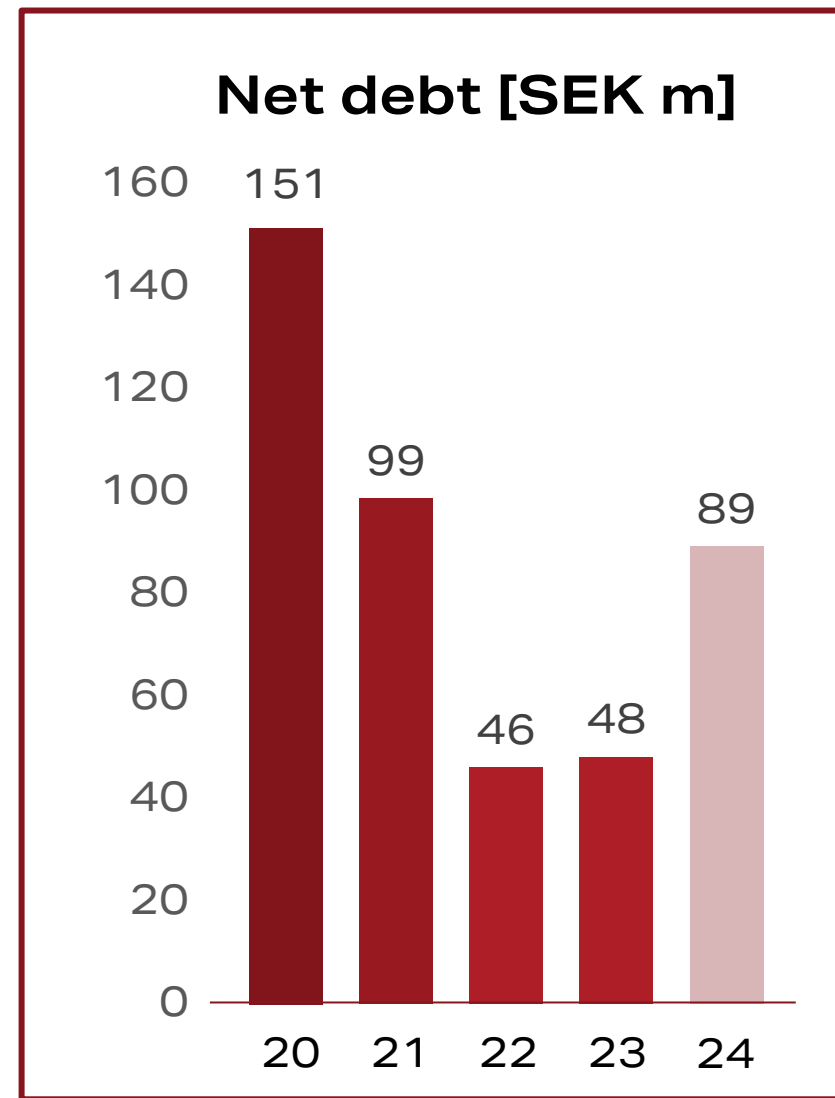
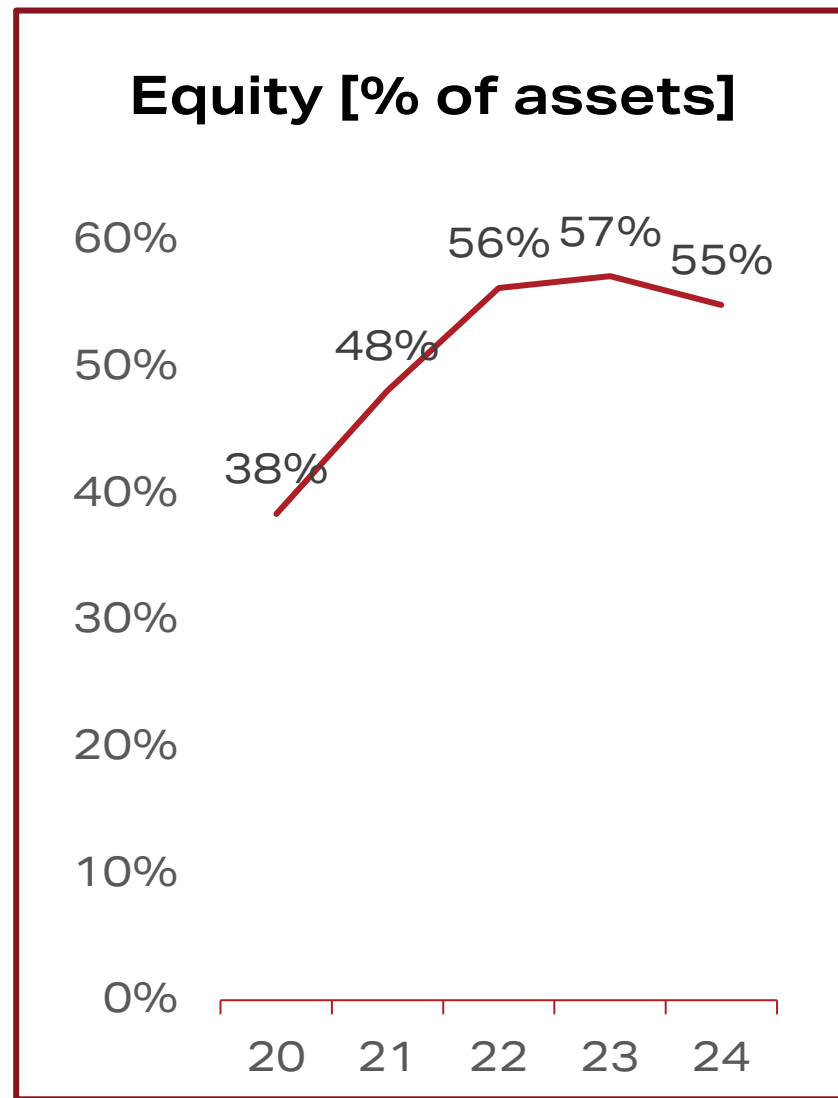




C4. Balance sheet

All balance sheet KPIs on good levels

BJÖRN BORG AB – BALANCE SHEET KPIS AS PER Q1 2024





D. Key take-aways

A quarter with very strong own e-commerce sales and improved profit

BJÖRN BORG AB – KEY TAKE-AWAYS Q1 2024



1 Brand gaining significant traction in all markets



2 Record sales for own e-commerce and ok growth in WHS, together with improved gross margins and strong bottom line



3 Sports apparel continues to grow double digits by 24 percent in the quarter

Björn Borg is on a solid basis to show continued profitable growth

BJÖRN BORG AB – KEY COMPANY FACTS

1. Proven track record of steady profitable growth since 2014.
2. Convincing strategy for continued profitable growth in the years to come.
3. Proven value creation, share price growth much higher than OMX during the last years.
4. Stable and high dividend payments.
5. Safe equity ratio of above 55% and net debt ratios way below bank covenant.
6. Strong, professional and committed management team.
7. Solid business foundation due to new ERP system, e.com platform, cyber security process and supply chain set-up.



Thank you!