

BJÖRN BORG 
train to live



BJÖRN BORG AB

Investor Presentation

Q3 2024

STOCKHOLM, NOVEMBER 15TH, 2024




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A. Executive Summary

A wide-angle photograph of a beach at sunset. The sky is a mix of orange, yellow, and grey. Waves are breaking on the shore, creating white foam. In the foreground, three people are walking away from the camera on the sand. A man on the left is shirtless and wearing dark shorts. A woman in the middle is wearing a white crop top and light-colored shorts. A man on the right is shirtless and wearing dark pants, carrying a child on his back. The overall mood is serene and peaceful.

"Overall, a record sales quarter, with very strong
own e-commerce growth in the quarter with a 32
percent increase."

Henrik Bunge, CEO BJÖRN BORG AB

Björn Borg Q3 2024 – Executive summary

- Overall Net sales in Q3 2024 increased by 9% to SEK 285 m.
 - By channel, our focus on own e-com continued to result in a high growth rate of +32% while the largest channel Wholesale expanded by a solid 5%. Own Retail Stores experienced a decline of –5% which was due to store closures. Comparable store sales would have been stable (+1%). Distributors also grew by a strong +31% compensating for a weaker development in the beginning of the year.
 - By product category, the growth in the quarter was predominantly driven by Footwear with +29% and Sports Apparel with +25%. Both are our strategic focus categories, where we see the most significant growth opportunities. Our largest category Underwear was stable (–1%) while bags showed a temporary decline of –14% after good development since the beginning of the year.
- Gross profit margin declined by 0.5 ppt to 52.1%. Currency neutral the gross profit margin decreased by 1.4 ppt to 51.2%.
- Operating profit increased by 2.8% to SEK 42.0 m. Currency neutral the operating profit increased by 0.5% to SEK 41.1 m.
- The financial solidity remains strong, showing an equity ratio of 47% and a net debt / EBITDA ratio of 1.21.



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 10%
- 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 Q3 2024



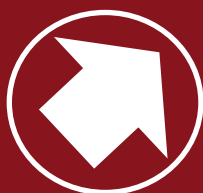
C1. Brand heat

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

BJÖRN BORG AB – SPORTS BRAND KPIS Q3 2024 HIGHLIGHTS

PURCHASE INTENTION HER

+25% in SE

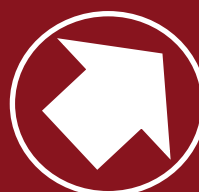


28.8%

23.1% in Q3 2023

PREFERENCE HIM

+160% in SE



2.6%

1% in Q2 2023

UNAIDED AWARENESS HER

+16% in NL



4,7%

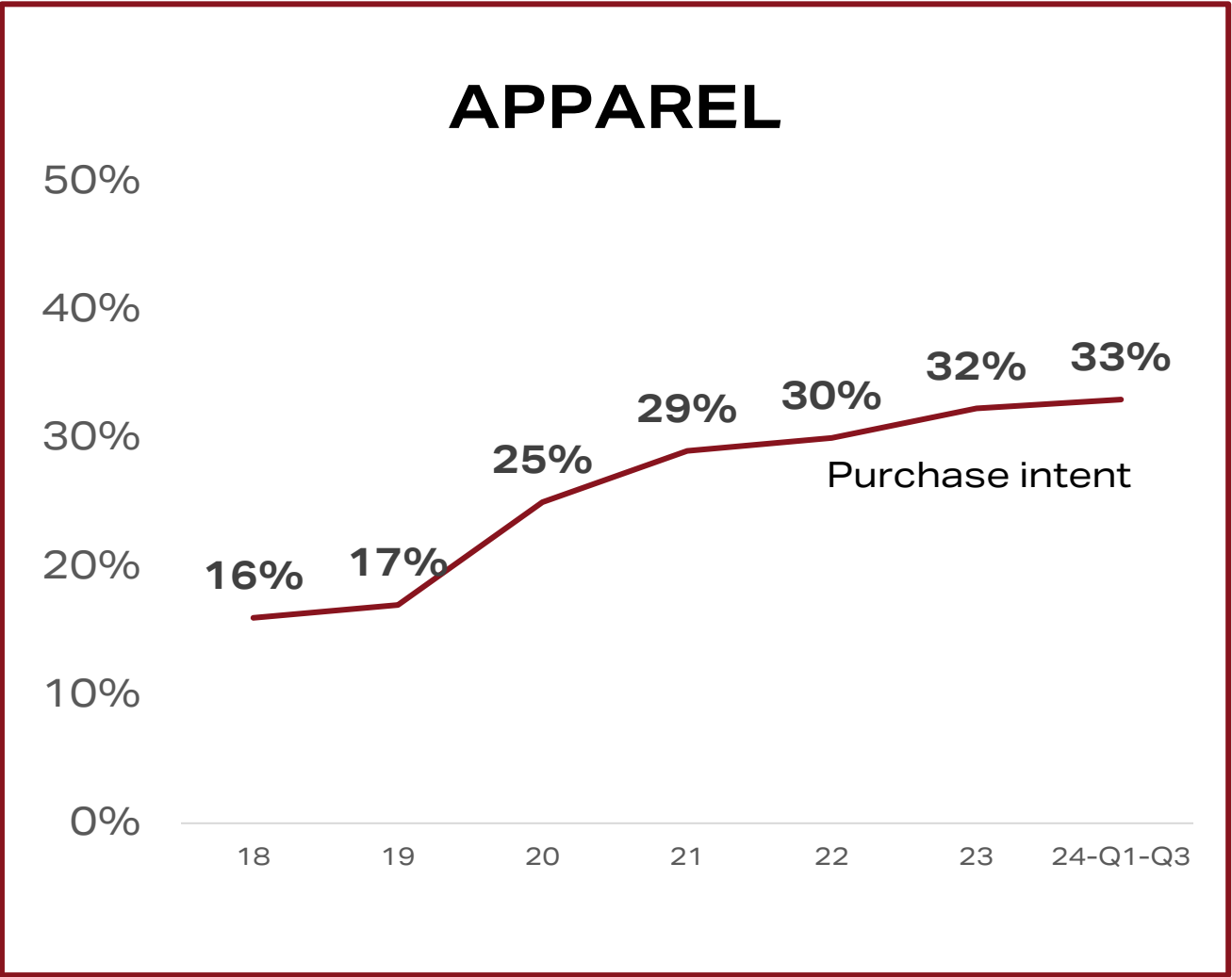
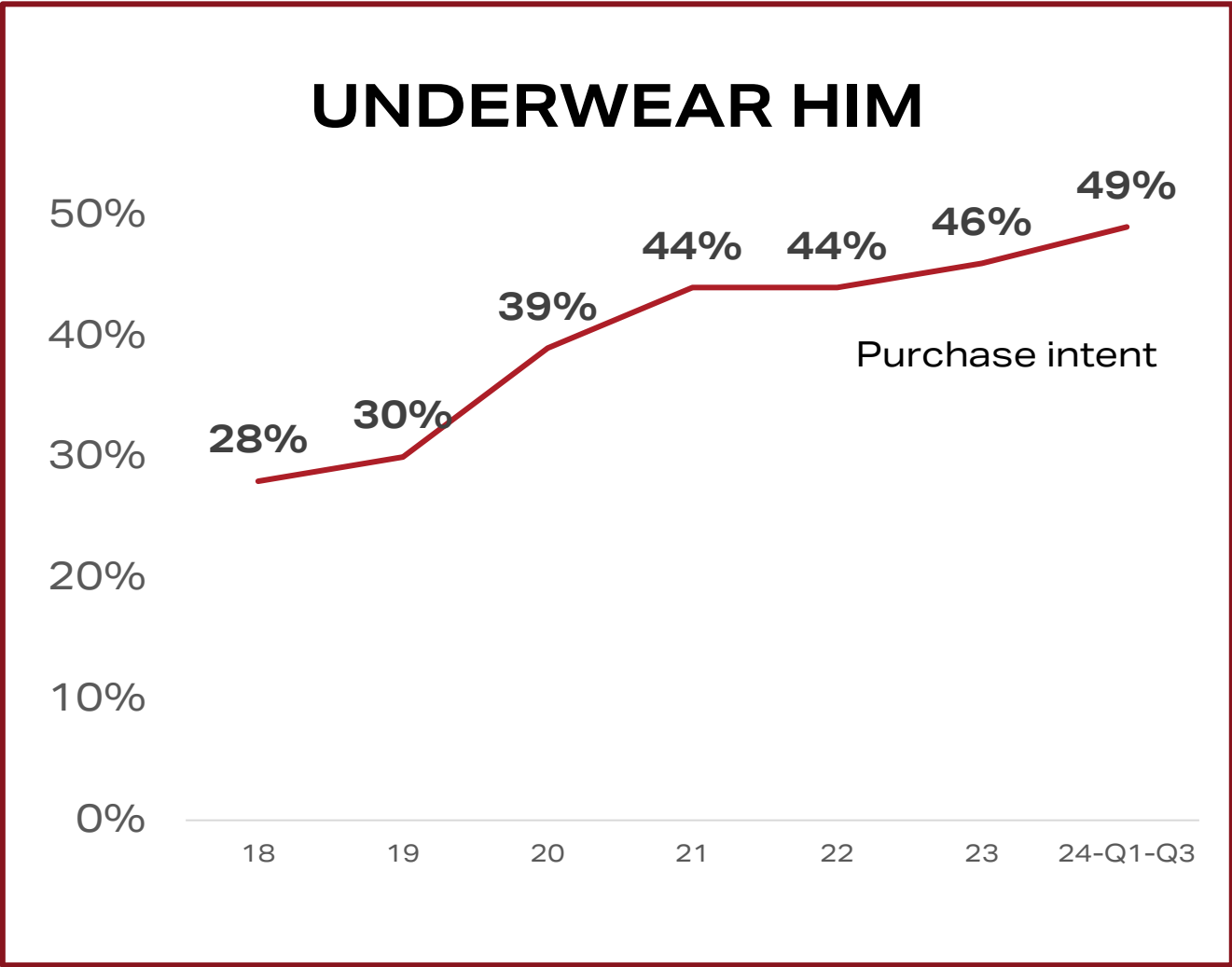
4,1% in Q3 2023

- 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, Train More etc.
- Our message "Train To Live" is resonating well with our target group
- A strong online and influencer focus is clearly working

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

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

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



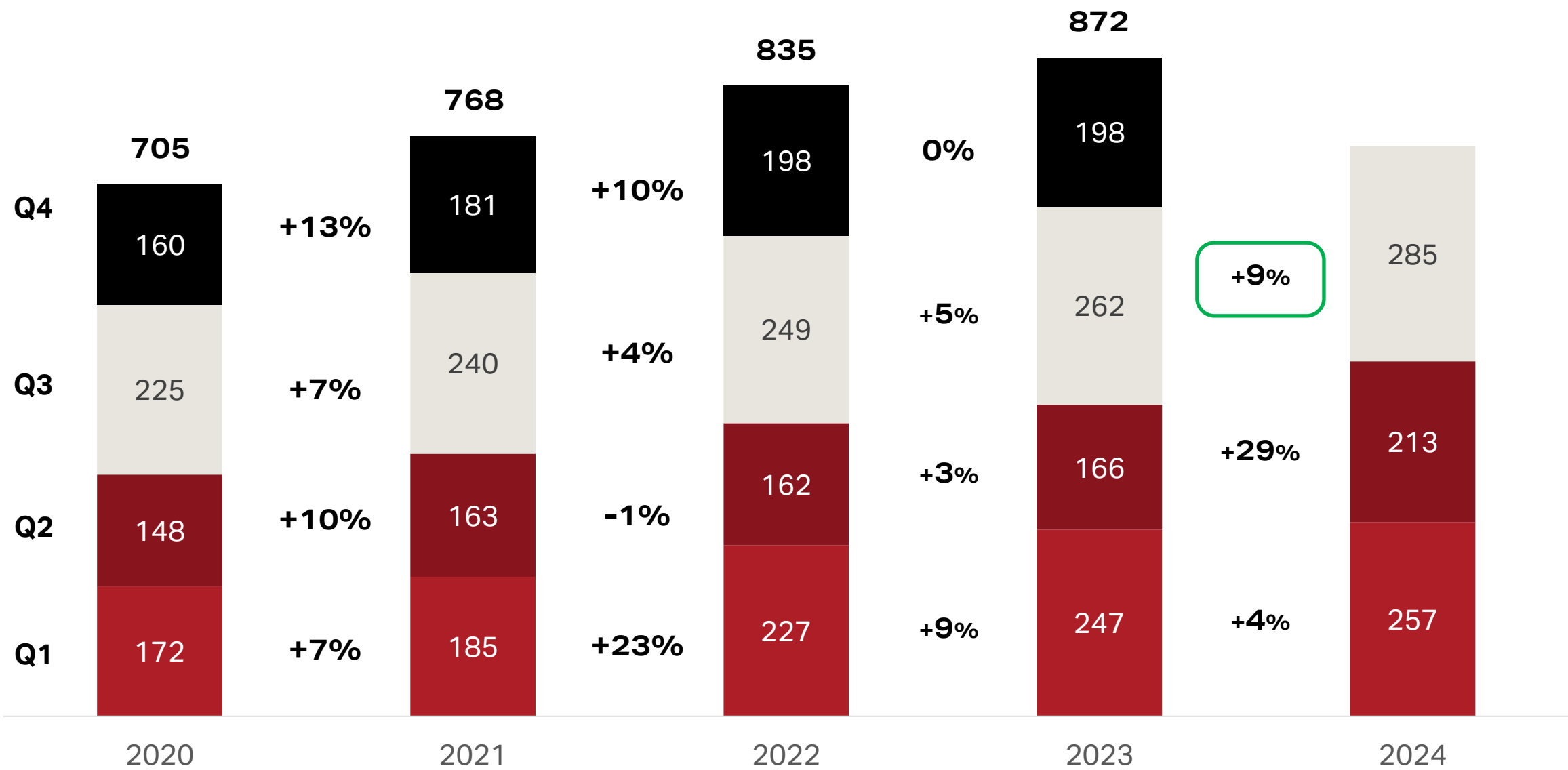
Source: Brand Track Data from weekly end consumer surveys done by XTREME. 22k people/year. Markets: SE, NO, FI, DK, NL, BE, DE .



C2. Top line

The growth continues in the third quarter of 2024, delivering a clear sales record in the history of Björn Borg.

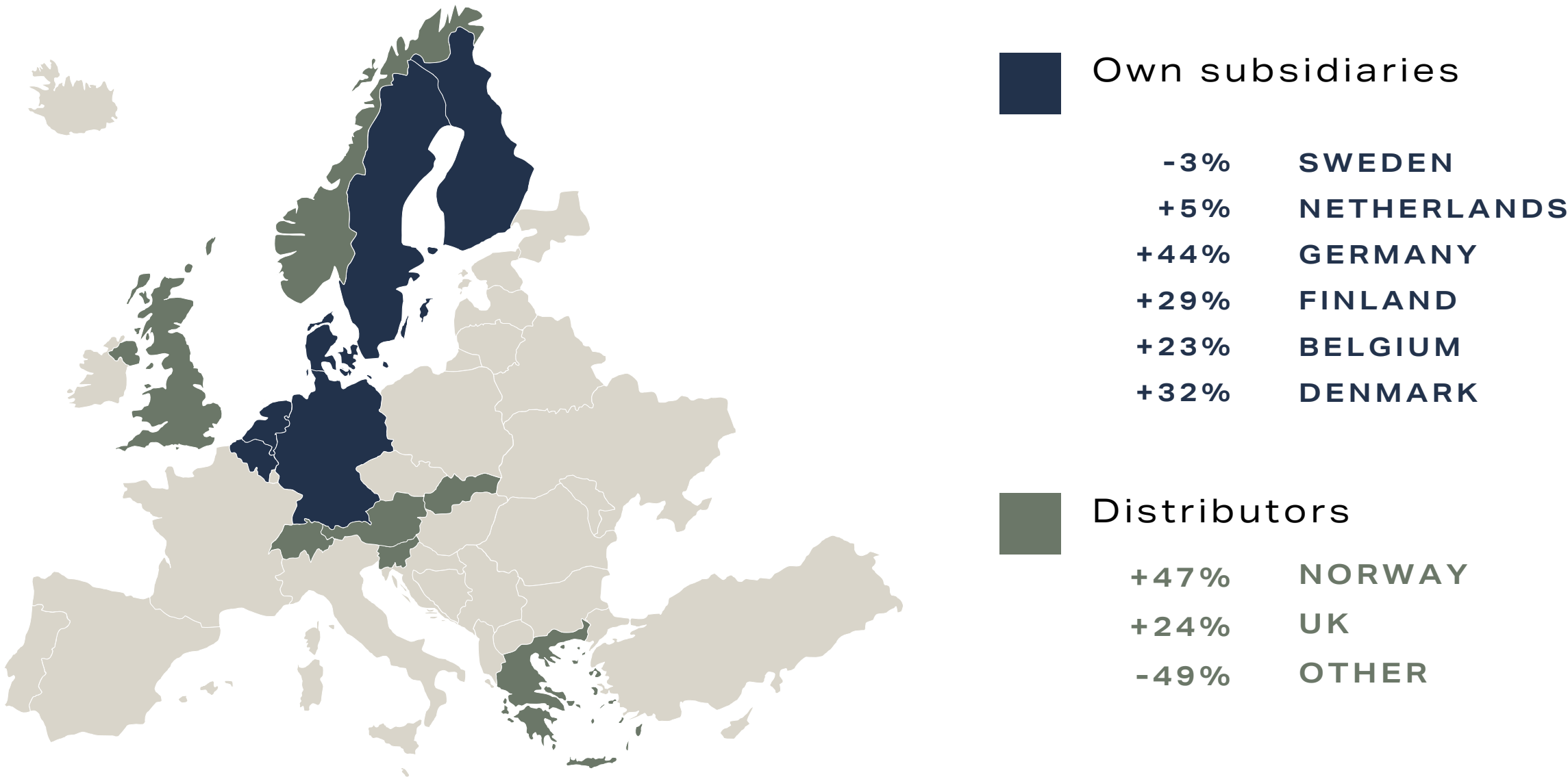
BJÖRN BORG AB – NET SALES DEVELOPMENT BY QUARTER [SEK M]



Source: BB AB Investor Relations

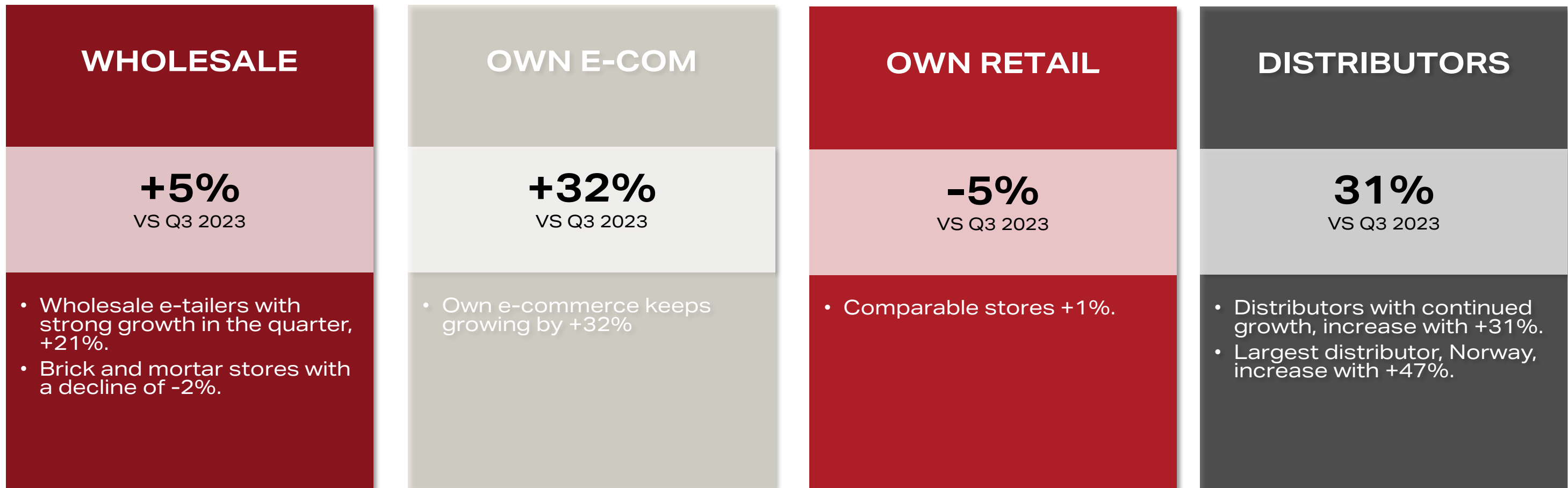
Strong momentum overall, especially in Germany and Finland. Distributors back to growth.

BJÖRN BORG AB - TOTAL SALES DEVELOPMENT Q3 2024 BY COUNTRY



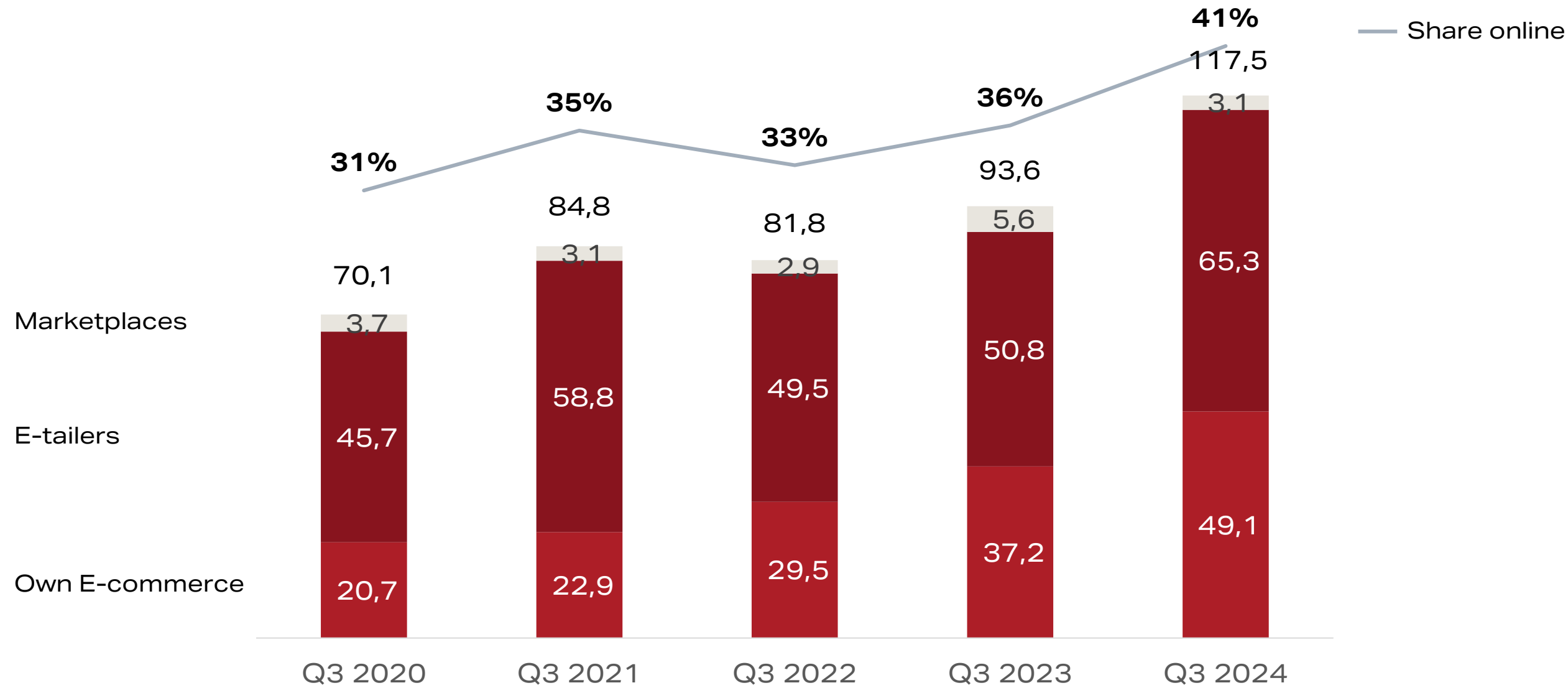
Own e-commerce continues to grow strongly. Wholesale holding up well and distributors on continued growth.

BJÖRN BORG AB – CHANNEL DEVELOPMENT Q3 2024



Strong online development in the quarter, across all channels, predominantly external e-tailers.

BJÖRN BORG AB – ONLINE SALES 2020-2024 [SEK M]



Source: BB AB Investor Relations

Mixed performance among the categories in Q3, with strong growth in sports apparel and footwear.

BJÖRN BORG AB – CATEGORY DEVELOPMENT Q3 2024



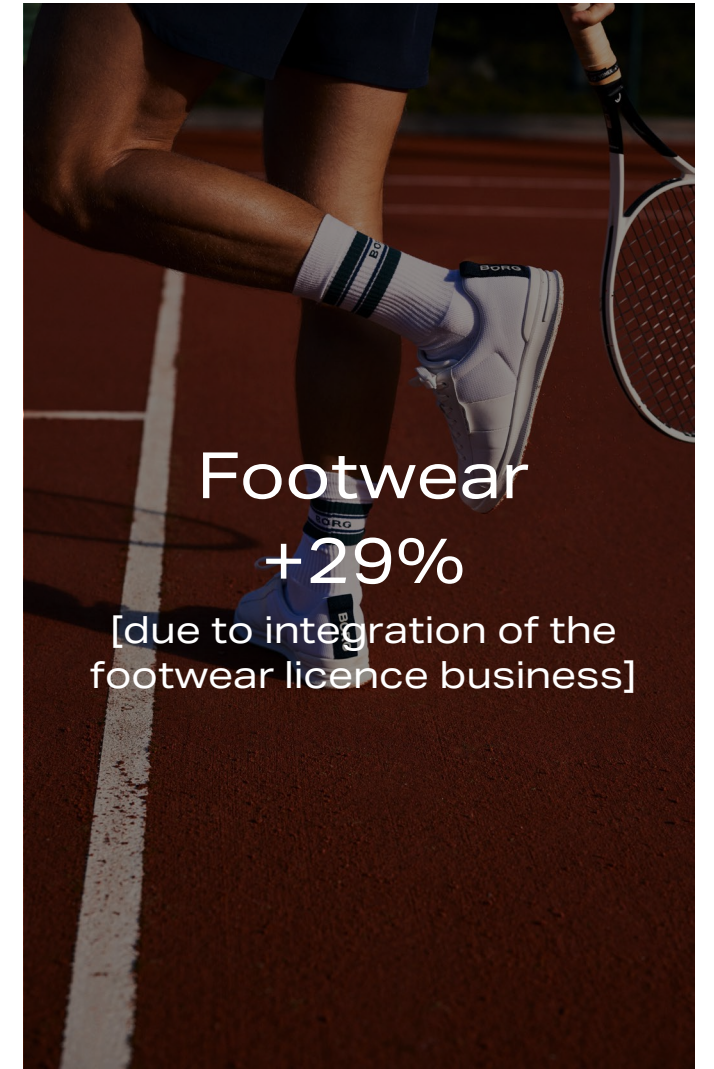
Underwear
-1%



Apparel
+25%



Bags
-14%



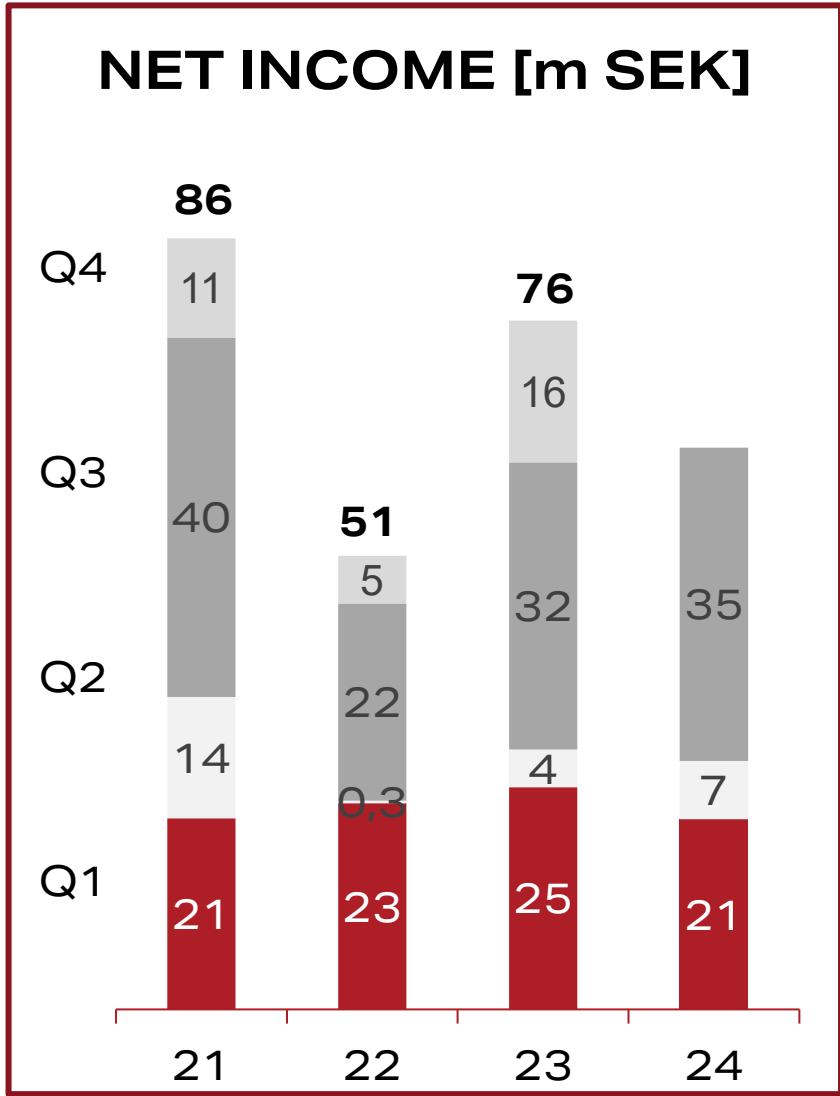
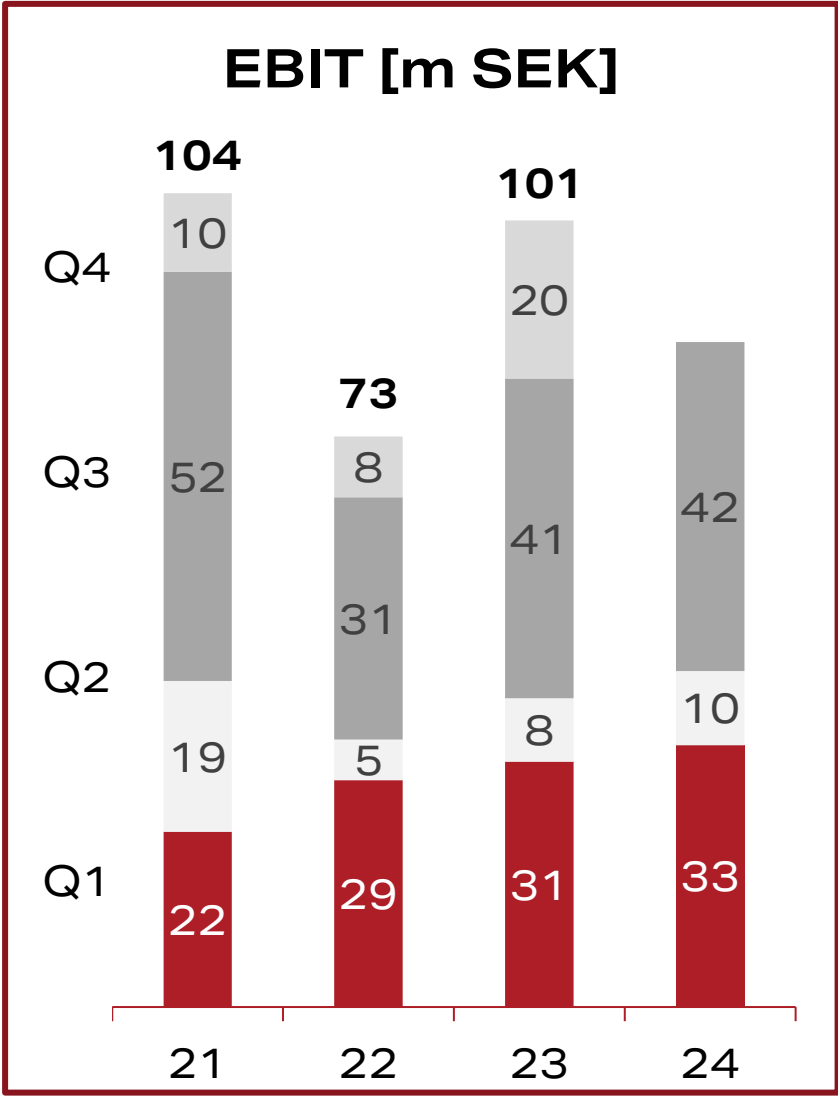
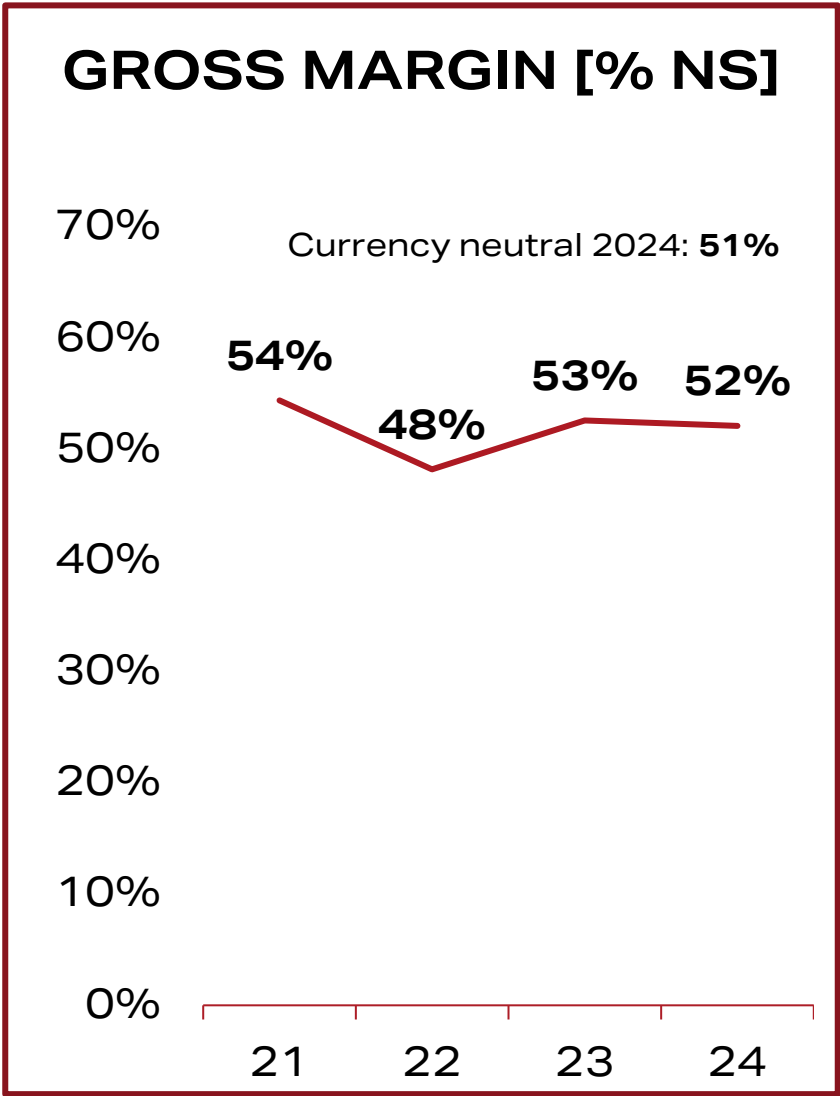
Footwear
+29%
[due to integration of the footwear licence business]



C3. Bottom line

Operating income show improvement vs last year, while gross margin declines due to footwear integration.

BJÖRN BORG AB – BOTTOM LINE KPIS Q3 2024

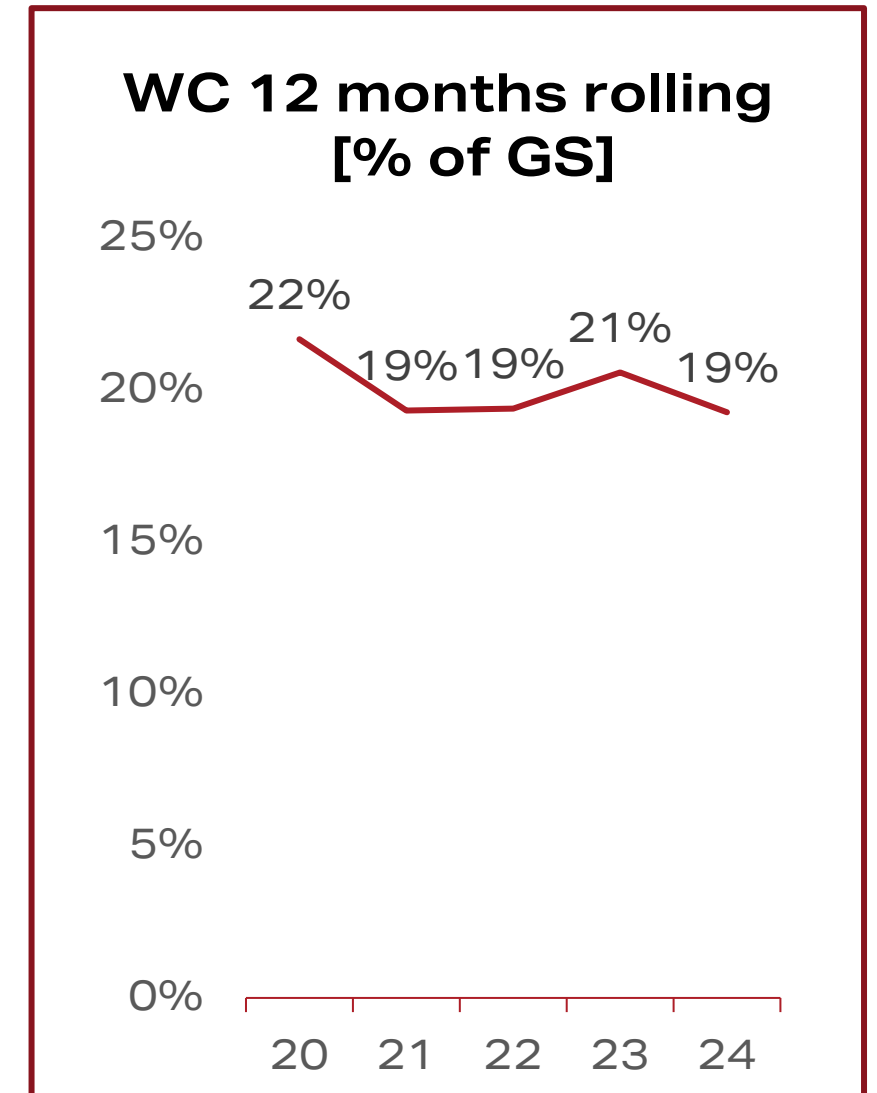
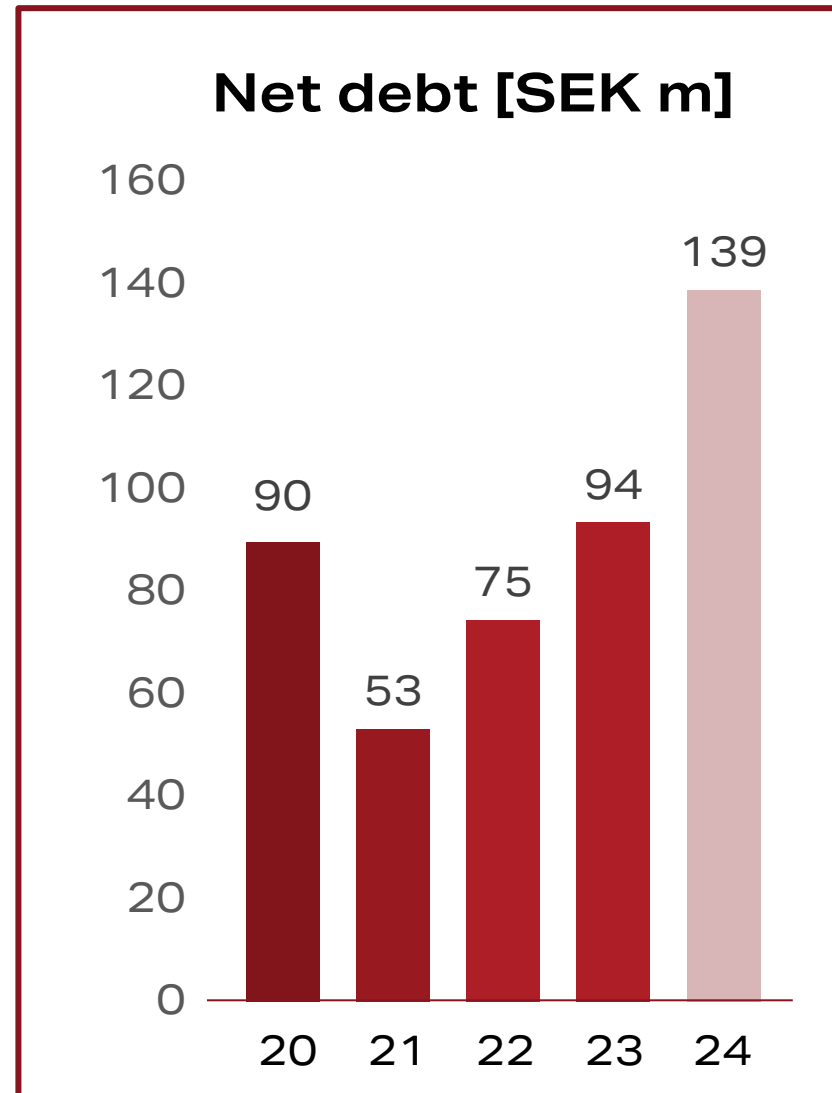
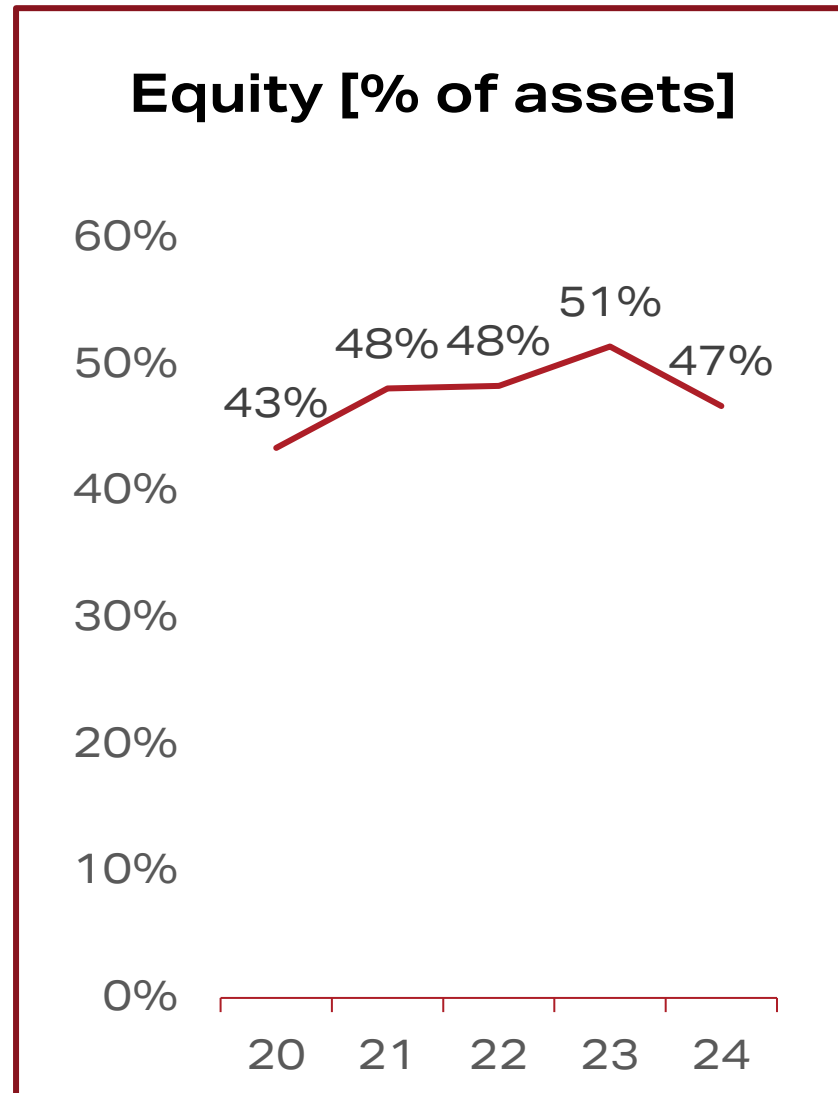




C4. Balance sheet

All balance sheet KPIs on good levels. Net debt increasing due to Footwear integration.

BJÖRN BORG AB – BALANCE SHEET KPIS AS PER Q3 2024





D. Key take-aways

A quarter marked by strong momentum across all channels and categories.

BJÖRN BORG AB – KEY TAKE-AWAYS Q3 2024



1 The Björn Borg Brand continues to strengthen across our main markets.



2 Overall record sales with strong recovery for distributors and very good momentum for own e-com.



3 Continued strong sports apparel growth +25% and good progress with our footwear integration project +29%

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

BJÖRN BORG AB – RATIONALES TO INVEST

1. Steady profitable growth since 2014.
2. Strategy for continued profitable growth in the years to come.
3. Stable and high dividend payments.
4. Safe equity ratio and net debt ratios way below bank covenant.
5. Strong, professional and committed management team.
6. Solid business foundation due to new ERP system, e.com platform, cyber security process and supply chain set-up.
7. Growth initiatives identified to support annual sales growth of at least 10%



Thank you!