

Press Release, Stockholm 2019-05-19

REPORT FROM BJÖRN BORG'S ANNUAL GENERAL MEETING 2019

The Annual General Meeting of Björn Borg AB was held at 5.30 p.m. on 14 May 2019 at the company's offices in Stockholm.

The Annual General Meeting adopted the income statement and balance sheet, the consolidated income statement and the consolidated balance sheet for the year 2018. The Annual General Meeting resolved that no dividend be paid to the shareholders for the year 2018. Instead of a dividend, the Annual General Meeting resolved on a share redemption program as set out below.

Directors

The Annual General Meeting resolved to re-elect the Directors Alessandra Cama, Göran Carlson, Christel Kinning, Fredrik Lövestedt, Mats H Nilsson and Heiner Olbrich, and to elect Anette Klintfält as new Director. The total number of board members will be seven. The meeting resolved to re-elect Heiner Olbrich as Chairman of the Board of Directors. Further the meeting resolved that the remuneration to the Board shall be increased, so that the Chairman of the Board receives SEK 420,000 (previously 410,000) and other Directors SEK 180,000 (previously 175,000) each. The Meeting also resolved that remuneration to be paid to the Directors for work on board committees shall be unchanged, which means SEK 16,000 to each of the members of the remuneration committee and SEK 27,000 to the Chairman of the remuneration committee, and SEK 55,000 to each of the members of the audit committee and SEK 80,000 to the Chairman of the audit committee.

Auditors

The Annual General Meeting resolved to re-elect Deloitte AB for the period until the end of the next Annual General Meeting. The Meeting also decided that fair remuneration to the auditors shall be paid on approved accounts.

Automatic share redemption procedure

The Annual General Meeting resolved on an automatic share redemption procedure, including a share split 2:1, in accordance with proposal by the Board of Directors. The procedure means a distribution to the shareholders of SEK 2.00 per existing share. The Annual General Meeting authorized the Board of Directors to set the record date for the share split, which is estimated to occur 24 May 2019. Payment of the redemption amount is estimated to take place by 19 June 2019, through Euroclear. ISIN code for redemption share is SE0011036839 and for original share SE0012455350.

Authorization to resolve on new issues of shares, warrants and/or convertibles

In accordance with the proposal by the Board of Directors, the Annual General Meeting authorized the Board of Directors, until the next Annual General Meeting, to resolve on new issues of shares, warrants and/or convertibles on one or several occasions, with

or without deviation from the shareholders' preferential rights. The reasons for deviating from the shareholders' preferential rights shall be to enable directed share issues for the purpose of acquisitions of companies or businesses, in whole or in part, alternatively for raising capital to be used for such acquisitions.

Long-term incentive plan

The Meeting adopted the Board of Directors' proposal regarding a long-term incentive plan. Employees entitled to participate in the incentive plan are members of the company's management team. The incentive plan runs from year 2019 to 2022. Participation in the incentive plan entitles to a cash payout at the expiry of the term of the incentive plan. The level of the payout is connected to a percentage of the relevant participant's annual fixed salary for 2019. The level of the percentage is dependent on the development of the share price of the Björn Borg share during the term of the incentive plan.

The first level of payout under the incentive plan is 25% of each participant's yearly fixed salary for 2019. Participants are entitled to a payout on this level under the condition that the company's share has been traded at a share price of SEK 35 during a period of one hundred (100) non-consecutive days during any of the years 2020, 2021 and 2022. The highest level of payout under the incentive plan is 160% of each participant's fixed annual salary for 2019, which a participant is entitled to if the share has been traded at a share price of SEK 70 during the same period as mentioned above.

The cost of the company if a payout is made under the highest level will amount to SEK 28,520,000, inclusive social costs.

Guidelines for remuneration to the executive management

The Meeting adopted the Board of Directors' proposal regarding guidelines for remuneration to the executive management, comprising the managing director and the other individuals in the executive management.

Nomination committee

The Annual General Meeting approved the nomination committee's proposal regarding the nomination committee.

Other

The CEO gave a presentation and answered questions.

For further information, please contact:

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Documents from the AGM are available for download here:

<https://corporate.bjornborg.com/en/annual-general-meeting-2019/>