

Press Release, Stockholm 2020-03-20

The Björn Borg Group is affected by the corona virus – withdraws proposal for shareholder dividends

The outbreak of the Corona virus has led to significant changes in the world around us and affects the Björn Borg Group negatively. The extent of the impact is currently not possible to estimate, but the outbreak may have substantial negative financial impact on the Björn Borg Group's business.

In particular, Björn Borg notes that the general development and/or decisions of the authorities in the countries in which the company conducts its business, among other things lead to, or may lead to, reduced demand on the retail market, potential disturbance in the distribution chain, unfavourable currency impact and closed stores with reduced sales as a result. Such effects will likely occur already in the end of the first quarter 2020 and increase during the second quarter 2020.

Given the uncertainty that the outbreak has caused, the board of directors of Björn Borg AB today, at an extraordinary board meeting, decided to withdraw its previous proposal that the annual general meeting 2020 decides upon dividend distribution with 1,5 SEK per share. The board proposes instead that the annual general meeting decides that no dividends shall be paid out for 2019.

Björn Borg undertakes continuous activities to reduce costs and minimize the negative impact of the outbreak on the business, including preparing for short-term layoffs etc. Björn Borg will announce further updates when possible, no later than in conjunction with the first quarterly report for 2020, which will be published on May 14, 2020.

This information is information that Björn Borg AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out below, at 8:30 pm CET on March 20, 2020.

For further information, please contact:

Henrik Bunge, CEO
Email: henrik.bunge@bjornborg.com
Tel: +46 70 234 76 20

Heiner Olbrich, Chairman of the Board
Email: heiner.olbrich@bjornborg.com
Tel: +49 171 339 11 91

ABOUT BJÖRN BORG: The Group owns the Björn Borg trademark and its core business is underwear, sportswear and bags. It also offers footwear and 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. Total sales of Björn Borg products in 2019 for about SEK 1,6 billion, excluding VAT, at consumer level. Group net sales amounted to SEK around 757 MSEK in 2019, with an average of 213 employees. The Björn Borg share has been listed on Nasdaq Stockholm since 2007.