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Further update on the impact of the Corona virus on the Björn Borg Group

As previously communicated, the outbreak of the Corona virus has negative impact on the Björn Borg Group's business.

Björn Borg continues to take measures to minimize the negative effects of the outbreak and plans to reduce the number of employees with approximately 19 persons at the headquarters in Stockholm during 2020, after negotiations with relevant unions have been concluded. The estimated annual savings from the planned staff reduction is approximately SEK 20 million.

The company continues to see negative effects of the outbreak in the retail market with significantly reduced sales in Björn Borg's own stores compared to last year. The outbreak's impact on several of Björn Borg's wholesale customers also result in negative financial effects for the company.

However, Björn Borg notices positive trends in terms of sales to the company's e-commerce partners, and also within the e-commerce operated by the Björn Borg itself where the sales during the second quarter seems to show a significant growth compared to last year.

Despite the strained situation, Björn Borg's liquidity remains satisfactory. As previous years, the company has high cash outflows during the end of the second quarter and the beginning of the third quarter, inter alia because of payments for the coming autumn collection. The company however estimates that the liquidity will remain satisfactory during the rest of 2020 as a result of the measures the company has taken and will take.

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 9 am CET on June 24, 2020.

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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.