



**RESULTS PREVIEW**

05 February 2025  
Sweden  
Consumer Discretionary & Staples

**Research analysts:**

Hjalmar Jernström

# Björn Borg

Share price: SEK55.0

Fair value range: SEK63.0–75.0

## Set to grow at double-digits in 2024

### 2024e revenue of SEK1bn

We estimate Q4(24) organic growth of 13% Y/Y, supported by indications of a solid underlying Swedish market, along with a continued solid contribution from the integrated footwear product segment announced in Q2(24). We expect own online sales to grow 14% Y/Y in Q4(24), which implies sequentially lower growth but on the back of tough comps. Furthermore, we anticipate wholesale revenue growth of 19% Y/Y, mainly underpinned by the footwear integration. Our Q4(24) growth expectations imply record full-year group revenue of SEK1bn for 2024. We anticipate a Q4(24) EBIT margin of 10%, 40bps lower Y/Y, underpinned by a lower gross margin from a higher share of sales from the footwear category.

### Adjusting EBIT(25–26e) by -3%

We adjust EBIT(24e) by -5%, a result of adjusted sales -1% and a shift towards more footwear in our anticipated product mix. We adjust EBIT(25–26e) by -3% to reflect expectations of a lower gross margin. While we believe that Björn Borg may maintain strong pricing power, the current USD/SEK levels are likely to negatively affect purchase prices during 2025. Furthermore, we expect some margin pressure from a higher share of shoe sales than previously anticipated. We make no adjustments to 2025–26e sales. Note that owing to a change in platform, EPS estimate changes show as n.a. in the front page table.

### Upcoming events

- Q4 Report: 21 Feb 2025
- Q1 Report: 15 May 2025

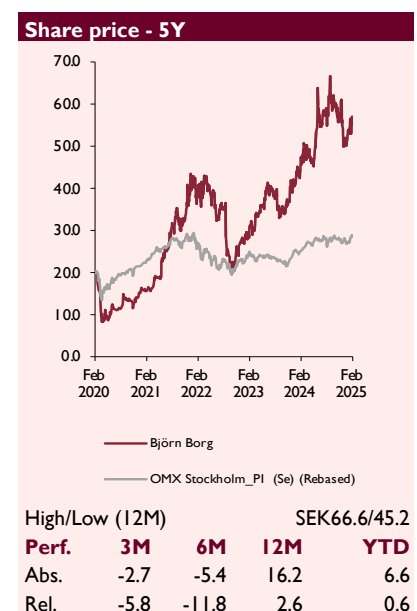
### Accelerating growth but some margin pressure for now

We estimate organic growth of 6% in 2025, which is a result of maintained strong contributions from the footwear and sports apparel segments. The increased share of footwear along with some margin pressure from currency effects on purchase prices are likely to impact margins short term, but this does not change our long-term view on the margin prospects for the group. The shares trade at an EV/EBIT of 11x on our estimates for 2025, which is a discount to peers at 16x. We maintain our fair value range of SEK63–75, on the back of slightly higher peer multiples.

Changes in this report			
	From	To	Chg
EPS adj. 2024e	n.a.	3.0	n.a.
EPS adj. 2025e	n.a.	4.0	n.a.
EPS adj. 2026e	n.a.	4.4	n.a.

Key facts	
No. shares (m)	25.1
Market cap. (USDm)	125
Market cap. (SEKm)	1,384
Net IB Debt. (SEKm)	2
Adjustments (SEKm)	0
EV (2024e) (SEKm)	1,386
Free float	87.2%
Avg. daily vol. ('000)	10
Risk	Medium Risk
Fiscal year end	December
Share price as of (CET)	04 Feb 2025 12:03

Key figures (SEK)	2023	2024e	2025e	2026e
Sales (m)	872	979	1,044	1,098
EBITDA (m)	134	139	163	174
EBIT (m)	101	107	130	142
EPS	3.02	3.00	4.00	4.36
EPS adj.	3.02	3.00	4.00	4.36
DPS	3.00	3.00	3.20	3.30
Sales growth Y/Y	4%	12%	7%	5%
EPS adj. growth Y/Y	9%	-1%	33%	9%
EBIT margin	11.5%	10.9%	12.5%	12.9%
P/E adj.	18.2	18.3	13.8	12.6
EV/EBIT	10.6	12.1	10.2	9.0
EV/EBITA	10.6	12.1	10.2	9.0
EV/EBITDA	7.9	9.3	8.2	7.3
P/BV	3.9	3.9	3.6	3.4
Dividend yield	5.5%	5.5%	5.8%	6.0%
FCF yield	6.3%	4.1%	8.4%	7.6%
Equity/Total Assets	55.6%	47.0%	48.5%	50.4%
ROCE	25.0%	22.2%	25.1%	26.5%
ROE adj.	22.5%	21.3%	27.2%	27.6%
Net IB debt/EBITDA	0.0	0.0	-0.4	-0.6



Source: Carnegie Research, FactSet, Millstream & company data

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**Equity story**

**Near term: 6–12m** Björn Borg’s own online sales channel has been a strong driver of the group’s growth and profitability with CAGR(18-23) of 26% and average EBIT margins since 2020 of 17%. We estimate that key drivers of the development include fast sports apparel segment growth, along with stronger pricing power for the Björn Borg group and consumer preferences that keep shifting towards online channels. A key factor for the near-term equity story is maintained online growth, which we believe will be underpinned by product segments such as sports apparel, footwear and/or bags.

**Long term: 5Y+** We argue that the long-term growth is determined by segments outside the traditional underwear categories, such as sports apparel, footwear and bags. We estimate that long-term revenue growth potentially can reach levels above the CAGR(14-23) of 6% if Björn Borg manages to utilise the brand strength to drive growth in these segments. In addition, Björn Borg can add growth through continued expansion in markets such as Germany and the US that currently only make up a small part of total sales. Succeeding in these product and geographical segments are key for driving growth towards Björn Borg’s objective of 10% annual sales growth.

**Key risks:**

- Consumer spending is dependent on inflation, interest rates, income levels and unemployment rates
- Björn Borg is impacted by currency fluctuations, mainly USD/SEK and EUR/SEK
- The retail apparel market is competitive, with many competitors both online and in physical stores

**Company description**

Björn Borg designs and sells underwear, shoes, sports apparel, and accessories under the brand Björn Borg. Sweden and the Netherlands are Björn Borg’s largest markets, together accounting for 58% of 2023 revenue. Underwear is the largest product segment, at 55% of 2023 revenue, while the sports apparel segment made up 21% of revenue in 2023.

**Key industry drivers**

- Consumer spending levels, impacted by inflation, interest rates, income levels and employment rates
- Structural shift among customers towards online sales channels

**Industry outlook**

- Swedish Ministry of Finance anticipates economic recovery starting early 2025
- Swedish households expected to benefit from tax reliefs and lower interest rates

**Largest shareholders**

Nordnet Pensionförsäkrin	15.1%
Martin Bjäringer	9.9%
Mats Nilsson	6.5%

**Cyclicalit**

Cyclicalit: Yes  
Early

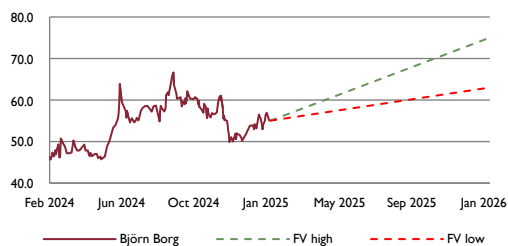
**Key peers**

RVRC Holding, Foot Locker, Nike, Adidas, PVH, Under Armour

**Valuation and methodology**

We value Björn Borg using a peer-based method. Considering the strong historical growth and margin profile of the group’s own online channel (CAGR(18-23) of 26% and average EBIT margins since 2020 of 17%), we argue that the channel can be valued separately based on a set of fast-growing, strong-margin retail companies. To arrive at the lower end of fair value range, we apply an EV/EBIT(25e) multiple of 15x for the own online segment, and EV/EBIT(25e) of 13x for the rest of the group. The upper end of the fair value range is reached using an EV/EBIT(25e) multiple of 17x for the own online segment, and EV/EBIT(25e) of 15x for the rest of the group. In total, this valuation method merits a fair value range of SEK63–75.

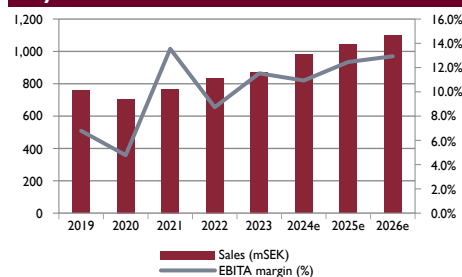
**Fair value range 12m**



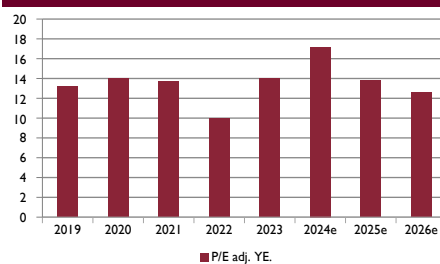
The higher end of our fair value range implies a group EV/EBIT(25e) of 16x, which is in line with the peer group average of 16x.

The lower end of our fair value range implies a discount to peers with a EV/EBIT(25e) multiple of 14x for the group.

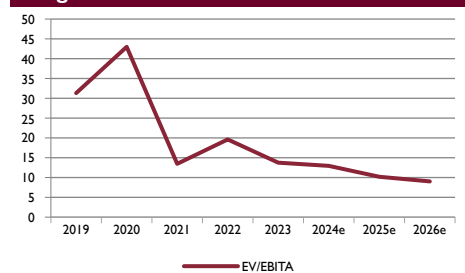
**Key metrics**



**PE 12m forward**



**Long term valuation trend**

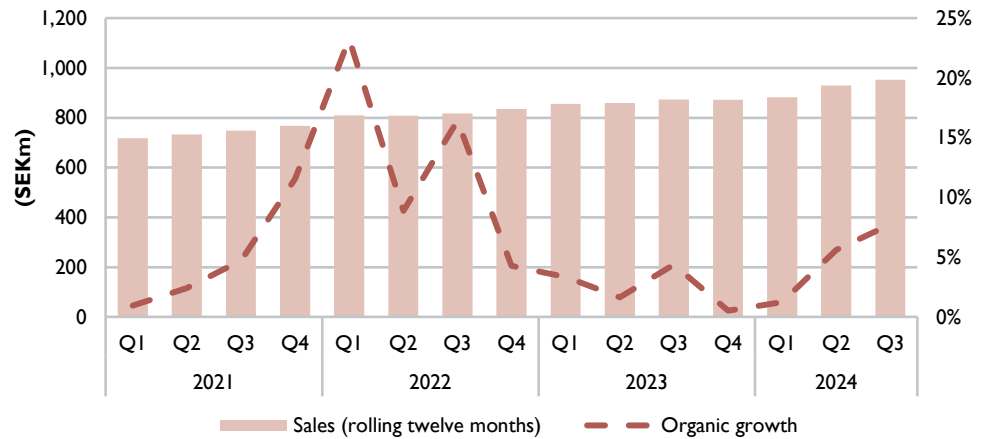


Source: Carnegie Research & company data

### Key charts

Organic sales growth has accelerated since Björn Borg integrated the footwear segment during 2024. We see smaller segments such as footwear and sports apparel as key drivers of growth ahead

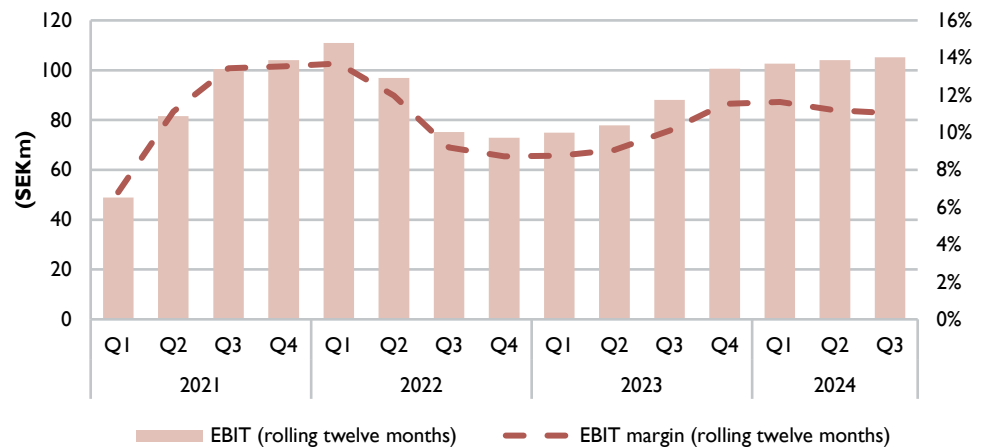
**Sales rolling twelve months and organic growth**



Source: Björn Borg, Carnegie Research

The product mix shift towards a greater share of footwear has put some pressure on margins during 2024. We believe this effect will be reduced somewhat in 2025, as the integration required some major discounts in 2024 that we argue will not be recurring in 2025

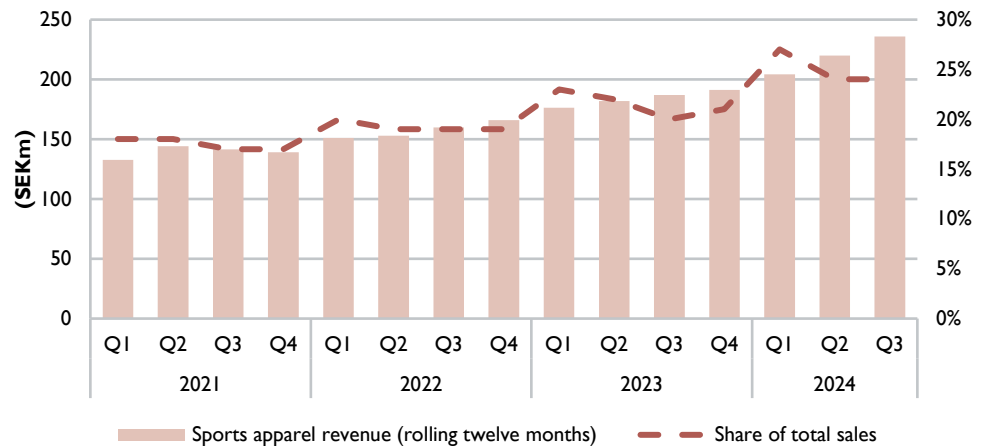
**EBIT rolling twelve months and EBIT margin**



Source: Björn Borg, Carnegie Research

The sports apparel segment has been a key driver of group growth, underpinned by stronger brand perception among customers

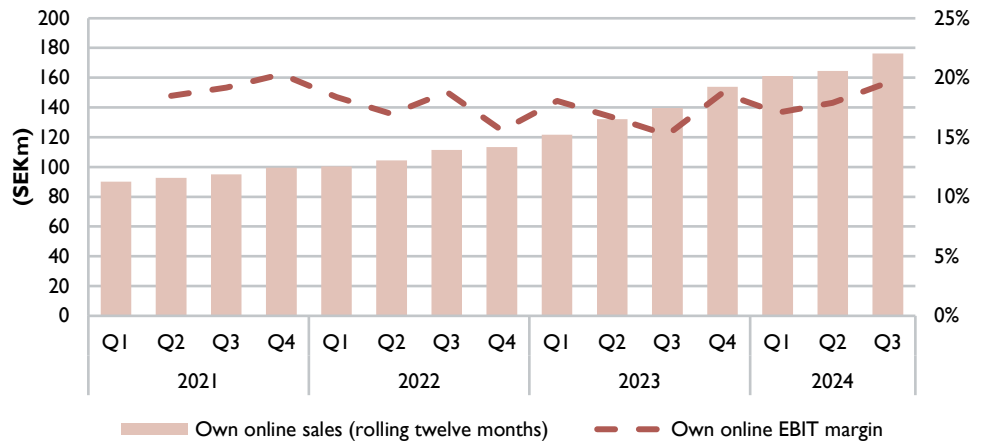
**Sports apparel rolling twelve month sales and share of total sales**



Source: Björn Borg, Carnegie Research

The own online channel is a key driver of both growth and profitability for the group. We estimate an EBIT margin of 18% for the own online channel in 2025

**Own online rolling twelve month sales and EBIT margin**



Source: Björn Borg, Carnegie Research

Björn Borg - Estimate changes	2024e			2025e			2026e		
	Old	New	Chg	Old	New	Chg	Old	New	Chg
Sales	986	979	-1%	1,049	1,044	0%	1,102	1,098	0%
Growth	13%	12%	-72 bps	6%	7%	+35 bps	5%	5%	+20 bps
Organic	13%	13%	-47 bps	6%	6%	+32 bps	5%	5%	+20 bps
EBIT	113	107	-5%	134	130	-3%	146	142	-3%
EBIT margin	11%	11%	-53 bps	13%	12%	-31 bps	13%	13%	-31 bps
EO	0	0	n.m	0	0	n.m	0	0	n.m
<b>Adj EBIT</b>	<b>113</b>	<b>107</b>	<b>-5%</b>	<b>134</b>	<b>130</b>	<b>-3%</b>	<b>146</b>	<b>142</b>	<b>-3%</b>
<b>Adj EBIT margin</b>	<b>11%</b>	<b>11%</b>	<b>-53 bps</b>	<b>13%</b>	<b>12%</b>	<b>-31 bps</b>	<b>13%</b>	<b>13%</b>	<b>-31 bps</b>
Pre-tax profit	108	97	-10%	133	125	-6%	145	137	-5%
Net profit	85	75	-11%	106	99	-6%	115	108	-5%
<b>EPS</b>	<b>3.4</b>	<b>3.0</b>	<b>-11%</b>	<b>4.2</b>	<b>3.9</b>	<b>-5%</b>	<b>4.6</b>	<b>4.3</b>	<b>-5%</b>
<b>EPS adj</b>	<b>3.4</b>	<b>3.0</b>	<b>-11%</b>	<b>4.2</b>	<b>3.9</b>	<b>-5%</b>	<b>4.6</b>	<b>4.3</b>	<b>-5%</b>

Source: Carnegie Research

## Valuation

We value Björn Borg using a peer-based method. Considering the strong historical growth and margin profile of the group's own online channel (CAGR(18-23) of 26% and average EBIT margins since 2020 of 17%), we argue that the channel can be valued separately based on a set of fast-growing, strong-margin retail companies. To arrive at the lower end of fair value range, we apply an EV/EBIT(25e) multiple of 15x for the own online segment, and EV/EBIT(25e) of 13x for the rest of the group. The upper end of the fair value range is reached using an EV/EBIT(25e) multiple of 17x for the own online segment, and EV/EBIT(25e) of 15x for the rest of the group. In total, this valuation method merits a fair value range of SEK63–75.

Our valuation assumes EBIT(25e) for the own online segment of SEK36m and EBIT(25e) for the rest of the group of SEK94m. The own online valuation is, in our view, underpinned by the margin and growth estimates for Björn Borg's own online segment, which is well above the peer group's average.

<b>Valuation</b>	
Own online segment EBIT (25e)	36
Rest of the group EBIT (25e)	94
Net debt	185
Shares	25
Upper range EV/EBIT(25e) own online segment	17x
Upper range EV/EBIT(25e) rest of the group	15x
Lower range EV/EBIT(25e) own online segment	15x
Lower range EV/EBIT(25e) rest of the group	13x
Fair value lower range (SEK/share)	63
Fair value upper range (SEK/share)	75

Source: Factset, Carnegie Research

## Risks

### Exposure to cyclical markets

The consumer discretionary market is highly cyclical and dependent on employment rates, interest levels, disposable income and inflation, among other items. Changes in these factors may impact consumer spending and Björn Borg's growth prospects.

### Competitive industry

The retail apparel industry is competitive, and Björn Borg face competition from established brands and new entrants, due to low barriers of entry. Failure to keep up with quick shifts in market trends or consumer preferences may negatively impact group sales.

### Brand value and reputation

Customer perception and company reputation are critical to the value of the Björn Borg brand, which in turn is an important driver of pricing power. Negative publicity and/or a shift in customer perception may negatively impact sales and/or group margins.

### Supply chains

Björn Borg is exposed to risks relating to trade restrictions, raw material availability, shipping availability and costs. Disruptions in the supply chain may negatively impact Björn Borg's product input prices and put pressure on group margins.

### Currency risk

Björn Borg is exposed to currency exchange risk. The group's main currency exposure is USD/SEK and EUR/SEK, as sales are mainly in EUR and SEK, while purchases mainly are in USD and SEK. For this reason, USD/SEK affects the cost of goods sold while EUR/SEK mainly impacts sales and overhead costs.

## Retail - Peer group multiples

Company	Estimate source	Mkt cap EUR	EV / Sales			EV / EBIT			Price / Earnings		
			LTM	2024e	2025e	LTM	2024e	2025e	LTM	2024e	2025e
<b>Retail peers</b>											
RVRC Holding	FS	437	2.6x	2.7x	2.5x	13x	13x	12x	17x	18x	16x
Under Armour	FS	4,159	0.8x	0.9x	0.8x	15x	25x	20x	n.a.	27x	19x
NIKE	FS	112,014	2.4x	2.5x	2.5x	21x	32x	28x	24x	37x	32x
PVH	FS	7,212	0.9x	0.9x	0.9x	7x	9x	9x	7x	7x	7x
Boozt	FS	770	1.1x	1.1x	1x	30x	21x	16x	39x	29x	22x
Zalando	FS	8,678	0.8x	0.8x	0.8x	23x	21x	18x	46x	35x	30x
Foot Locker	FS	4,150	0.5x	0.5x	0.5x	15x	23x	17x	-4x	15x	11x
PUMA	FS	6,312	0.7x	0.7x	0.7x	10x	10x	9x	16x	16x	12x
Columbia Sportswear	FS	4,767	1.5x	1.5x	1.4x	18x	18x	16x	24x	22x	20x
Björn Borg	CAR	121	1.6x	1.6x	1.5x	15x	15x	12x	15x	18x	14x
<b>Average excl. Björn Borg</b>		<b>16,500</b>	<b>1.3x</b>	<b>1.3x</b>	<b>1.2x</b>	<b>17x</b>	<b>19x</b>	<b>16x</b>	<b>21x</b>	<b>23x</b>	<b>19x</b>
<b>Average</b>		<b>14,862</b>	<b>1.3x</b>	<b>1.3x</b>	<b>1.3x</b>	<b>17x</b>	<b>19x</b>	<b>16x</b>	<b>20x</b>	<b>22x</b>	<b>18x</b>
<b>Median</b>		<b>4,463</b>	<b>1x</b>	<b>1x</b>	<b>0.9x</b>	<b>15x</b>	<b>19x</b>	<b>16x</b>	<b>17x</b>	<b>20x</b>	<b>18x</b>

Price data updated on 4 February 2025 08:00

Source: Factset, Carnegie Research

## Retail - Peer group financials

Company	Estimate source	Mkt cap EUR	Sales growth			EBIT growth			EBIT margins		
			LTM	2024e	2025e	LTM	2024e	2025e	LTM	2024e	2025e
<b>Median</b>											
RVRC Holding	FS	437	11%	18%	10%	3%	21%	6%	20%	21%	20%
Under Armour	FS	4,159	-7%	-11%	2%	-2%	-44%	25%	5%	3%	4%
NIKE	FS	112,014	-5%	-10%	2%	-5%	-47%	17%	11%	8%	9%
PVH	FS	7,212	-5%	-6%	1%	-2%	-8%	2%	11%	10%	10%
Boozt	FS	770	13%	6%	9%	-4%	7%	27%	4%	5%	6%
Zalando	FS	8,678	1%	4%	5%	66%	112%	17%	4%	4%	4%
Foot Locker	FS	4,150	0%	-1%	2%	-39%	-15%	36%	2%	2%	3%
PUMA	FS	6,312	3%	3%	7%	11%	0%	12%	7%	7%	7%
Columbia Sportswear	FS	4,767	-7%	-4%	4%	-19%	-11%	10%	8%	8%	9%
Björn Borg	CAR	121	9%	12%	7%	19%	7%	21%	11%	11%	12%
<b>Average excl. Björn Borg</b>		<b>16,500</b>	<b>0.0%</b>	<b>0.0%</b>	<b>5.0%</b>	<b>1.0%</b>	<b>2.0%</b>	<b>17.0%</b>	<b>8.0%</b>	<b>8.0%</b>	<b>8.0%</b>
<b>Average</b>		<b>14,862</b>	<b>1.0%</b>	<b>1.0%</b>	<b>5.0%</b>	<b>3.0%</b>	<b>2.0%</b>	<b>17.0%</b>	<b>8.0%</b>	<b>8.0%</b>	<b>9.0%</b>
<b>Median</b>		<b>4,463</b>	<b>0.0%</b>	<b>1.0%</b>	<b>5.0%</b>	<b>-2.0%</b>	<b>-4.0%</b>	<b>17.0%</b>	<b>7.0%</b>	<b>7.0%</b>	<b>8.0%</b>

Price data updated on 4 February 2025 08:00

Source: Factset, Carnegie Research



<b>Björn Borg Carnegie estimates</b>	<b>2023</b>				<b>2024</b>				<b>2025</b>				<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
<b>SEKm</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4e</b>	<b>Q1e</b>	<b>Q2e</b>	<b>Q3e</b>	<b>Q4e</b>				
Sales	247	166	262	198	257	213	285	224	280	228	298	238	872	979	1,044	1,098
Growth	9%	3%	5%	0%	4%	29%	9%	13%	9%	7%	5%	6%	4%	12%	7%	5%
Organic	5%	-2%	1%	-3%	4%	28%	10%	13%	8%	7%	4%	6%	1%	13%	6%	5%
<i>Acquisitions</i>																
<b>Adj EBIT</b>	<b>31</b>	<b>8</b>	<b>41</b>	<b>20</b>	<b>33</b>	<b>10</b>	<b>42</b>	<b>22</b>	<b>30</b>	<b>29</b>	<b>42</b>	<b>29</b>	<b>101</b>	<b>107</b>	<b>130</b>	<b>142</b>
Adj EBIT margin	13%	5%	16%	10%	13%	4%	15%	10%	11%	13%	14%	12%	12%	11%	12%	13%
EO	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EBIT	31	8	41	20	33	10	42	22	30	29	42	29	101	107	130	142
EBIT margin	12.7%	4.9%	15.6%	10.2%	13.0%	4.5%	14.7%	9.8%	10.9%	12.6%	13.9%	12.4%	11.5%	10.9%	12.5%	12.9%
Net financials	-1	-3	-0	1	-7	-0	-2	-1	-1	-1	-1	-1	-3	-10	-5	-5
Pre-tax Profit	31	5	41	21	27	9	40	21	29	27	40	28	98	97	125	137
Tax	-6	-1	-9	-6	-6	-3	-9	-4	-6	-6	-8	-6	-22	-22	-26	-29
Tax rate	19%	22%	21%	29%	21%	28%	23%	20%	21%	21%	21%	21%	22%	22%	21%	21%
Net profit	24,785	4,189	32,045	14,950	21,211	6,522	30,996	16,556	23,170	21,679	31,789	22,280	75,969	75,285	98,919	108,380
EPS (SEK)	1.0	0.2	1.3	0.6	0.8	0.3	1.2	0.7	0.9	0.9	1.3	0.9	3.0	3.0	3.9	4.3
<b>EPS Adj (SEK)</b>	<b>1.0</b>	<b>0.2</b>	<b>1.3</b>	<b>0.6</b>	<b>0.8</b>	<b>0.3</b>	<b>1.2</b>	<b>0.7</b>	<b>0.9</b>	<b>0.9</b>	<b>1.3</b>	<b>0.9</b>	<b>3.0</b>	<b>3.0</b>	<b>3.9</b>	<b>4.3</b>

Source: Company data, Carnegie Research

## Financial statements

Profit & loss (SEKm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
Sales	0	0	757	705	768	835	872	979	1,044	1,098
COGS	0	0	-351	-335	-352	-411	-401	-463	-480	-492
<b>Gross profit</b>	<b>0</b>	<b>0</b>	<b>406</b>	<b>370</b>	<b>417</b>	<b>425</b>	<b>471</b>	<b>517</b>	<b>564</b>	<b>606</b>
Other income & costs	0	0	-298	-295	-277	-317	-338	-377	-401	-432
Share in ass. operations and JV	0	0	0	0	0	0	0	0	0	0
<b>EBITDA</b>	<b>0</b>	<b>0</b>	<b>109</b>	<b>75</b>	<b>140</b>	<b>108</b>	<b>134</b>	<b>139</b>	<b>163</b>	<b>174</b>
Depreciation PPE	0	0	-6	-7	-7	-8	-8	-8	-8	-8
Depreciation lease assets	0	0	-47	-31	-24	-23	-22	-22	-22	-22
Amortisation development costs	0	0	-4	-4	-3	-3	-3	-3	-3	-3
Amortisation other intangibles	0	0	0	0	-1	-1	0	0	0	0
Impairments / writedowns	0	0	0	0	0	0	0	0	0	0
<b>EBITA</b>	<b>0</b>	<b>0</b>	<b>51</b>	<b>34</b>	<b>104</b>	<b>73</b>	<b>101</b>	<b>107</b>	<b>130</b>	<b>142</b>
Amortization acquisition related	0	0	0	0	0	0	0	0	0	0
Impairment acquisition related	0	0	0	0	0	0	0	0	0	0
<b>EBIT</b>	<b>0</b>	<b>0</b>	<b>51</b>	<b>34</b>	<b>104</b>	<b>73</b>	<b>101</b>	<b>107</b>	<b>130</b>	<b>142</b>
Share in ass. operations and JV	0	0	0	0	0	0	0	0	0	0
Net financial items	0	0	-3	-16	3	-2	-3	-10	-3	-3
of which interest income/expenses	0	0	-4	-4	-3	-2	-4	-4	-2	-2
of which interest on lease liabilities	0	0	-4	-3	-2	-1	-1	-1	-1	-1
of which other items	0	0	na	na	na	na	na	na	na	na
<b>Pre-tax profit</b>	<b>0</b>	<b>0</b>	<b>49</b>	<b>18</b>	<b>107</b>	<b>71</b>	<b>98</b>	<b>97</b>	<b>127</b>	<b>139</b>
Taxes	0	0	-10	1	-21	-20	-22	-22	-27	-29
Post-tax minorities interest	0	0	0	0	0	0	0	0	0	0
Discontinued operations	0	0	0	0	0	0	0	0	0	0
<b>Net profit</b>	<b>0</b>	<b>0</b>	<b>39</b>	<b>19</b>	<b>86</b>	<b>51</b>	<b>76</b>	<b>76</b>	<b>101</b>	<b>110</b>
Adjusted EBITDA	0	0	109	75	140	108	134	139	163	174
Adjusted EBITA	0	0	51	34	104	73	101	107	130	142
Adjusted EBIT	0	0	51	43	97	92	101	107	130	142
Adjusted net profit	0	0	39	29	79	70	76	76	101	110
Sales growth Y/Y	na	na	+chg	-6.8%	8.9%	8.7%	4.4%	12.3%	6.6%	5.2%
EBITDA growth Y/Y	na	na	+chg	-31.4%	87.3%	-22.9%	24.1%	4.4%	16.5%	7.4%
EBITA growth Y/Y	na	na	+chg	-34.4%	208.9%	-30.0%	37.9%	6.5%	21.5%	9.2%
EBIT growth Y/Y	na	na	+chg	-34.4%	208.9%	-30.0%	37.9%	6.5%	21.5%	9.2%
EBITDA margin	nm	nm	14.3%	10.6%	18.2%	12.9%	15.3%	14.2%	15.6%	15.9%
EBITA margin	nm	nm	6.8%	4.8%	13.5%	8.7%	11.5%	10.9%	12.5%	12.9%
EBIT margin	nm	nm	6.8%	4.8%	13.5%	8.7%	11.5%	10.9%	12.5%	12.9%
Tax rate	na	na	20.0%	21.0%	19.5%	27.8%	22.2%	22.3%	21.0%	21.0%
<b>Cash flow (SEKm)</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
EBITDA	0	0	109	75	140	108	134	139	163	174
Paid taxes	0	0	-11	-13	-3	-9	-35	-22	-25	-28
Change in NWC	0	0	21	89	-23	-48	27	-6	16	-5
Non cash adjustments	0	0	-6	-8	0	10	-4	-14	-2	-1
Discontinued operations	0	0	0	0	0	0	0	0	0	0
<b>Total operating activities</b>	<b>0</b>	<b>0</b>	<b>113</b>	<b>143</b>	<b>114</b>	<b>61</b>	<b>121</b>	<b>98</b>	<b>151</b>	<b>141</b>
Capex tangible assets	0	0	-4	-3	-5	0	-2	-3	-2	-2
Capitalised development costs	0	0	na	na	na	na	na	na	na	na
Capex - other intangible assets	0	0	-9	-5	-6	-8	-9	-12	-11	-12
Acquisitions/divestments	0	0	na	na	na	na	na	na	na	na
Other non-cash adjustments	0	0	na	na	na	na	na	na	na	na
<b>Total investing activities</b>	<b>0</b>	<b>0</b>	<b>-13</b>	<b>-9</b>	<b>-11</b>	<b>-8</b>	<b>-11</b>	<b>-15</b>	<b>-13</b>	<b>-14</b>
Net financial items	0	0	-3	-16	3	-2	-3	-10	-3	-3
Lease payments	0	0	-47	-28	-23	-23	-22	-18	-20	-20
Dividend paid and received	0	0	na	na	na	na	na	na	na	na
Share issues & buybacks	0	0	0	0	0	0	1	0	0	0
Change in bank debt	0	0	-18	-55	-19	-50	-30	-35	7	6
Other cash flow items	0	0	na	na	na	na	na	na	na	na
<b>Total financing activities</b>	<b>0</b>	<b>0</b>	<b>-107</b>	<b>-104</b>	<b>-75</b>	<b>-137</b>	<b>-103</b>	<b>6</b>	<b>-90</b>	<b>-96</b>
Operating cash flow	0	0	113	143	114	61	121	98	151	141
Free cash flow	0	0	54	92	85	28	86	57	116	105
Net cash flow	0	0	-7	30	28	-85	7	90	48	30
Change in net IB debt	0	0	8	77	47	-33	38	119	38	22
Capex / Sales	nm	nm	0.5%	0.5%	0.6%	0.0%	0.2%	0.3%	0.2%	0.2%
NWC / Sales	nm	nm	14.4%	26.0%	20.8%	23.2%	22.0%	19.9%	21.1%	20.2%

Source: Carnegie Research &amp; company data

## Financial statements, cont.

Balance sheet (SEKm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
Acquired intangible assets	0	0	35	34	35	36	36	37	37	37
Other fixed intangible assets	0	0	197	198	198	195	194	193	192	188
Capitalised development	0	0	na	na	na	na	na	na	na	na
Tangible assets	0	0	18	17	15	16	18	22	25	29
Lease assets	0	0	131	57	55	53	44	40	18	-4
Other IB assets (1)	0	0	na	na	na	na	na	na	na	na
Other non-IB assets	0	0	na	na	na	na	na	na	na	na
<b>Fixed assets</b>	<b>0</b>	<b>0</b>	<b>397</b>	<b>322</b>	<b>317</b>	<b>313</b>	<b>304</b>	<b>301</b>	<b>282</b>	<b>261</b>
Inventories (2)	0	0	128	123	152	201	184	196	209	220
Receivables (2)	0	0	125	84	92	104	99	108	115	121
Prepaid exp. & other NWC items (2)	0	0	na	na	na	na	na	na	na	na
IB current assets (1)	0	0	na	na	na	na	na	na	na	na
Other current assets	0	0	na	na	na	na	na	na	na	na
Cash & cash equivalents (1)	0	0	29	70	97	16	27	127	176	208
<b>Current assets</b>	<b>0</b>	<b>0</b>	<b>302</b>	<b>297</b>	<b>363</b>	<b>340</b>	<b>327</b>	<b>459</b>	<b>507</b>	<b>556</b>
<b>Total assets</b>	<b>0</b>	<b>0</b>	<b>699</b>	<b>619</b>	<b>681</b>	<b>653</b>	<b>632</b>	<b>761</b>	<b>789</b>	<b>818</b>
Shareholders' equity	0	0	271	291	334	325	351	357	382	412
Minorities	0	0	-6	0	0	0	0	0	0	0
Other equity	0	0	na	na	na	na	na	na	na	na
<b>Total equity</b>	<b>0</b>	<b>0</b>	<b>265</b>	<b>291</b>	<b>334</b>	<b>325</b>	<b>351</b>	<b>357</b>	<b>382</b>	<b>412</b>
Deferred tax	0	0	40	39	40	40	40	39	40	42
LT IB debt (1)	0	0	150	99	80	0	0	0	0	0
Other IB provisions (1)	0	0	na	na	na	na	na	na	na	na
Lease liabilities	0	0	96	36	34	32	25	21	3	-15
Other non-IB liabilities	0	0	na	na	na	na	na	na	na	na
<b>LT liabilities</b>	<b>0</b>	<b>0</b>	<b>287</b>	<b>174</b>	<b>155</b>	<b>72</b>	<b>65</b>	<b>60</b>	<b>43</b>	<b>27</b>
ST IB debt (1)	0	0	7	0	0	30	0	108	115	121
Payables (2)	0	0	56	77	97	106	136	108	115	121
Accrued exp. & other NWC items (2)	0	0	na	na	na	na	na	na	na	na
Other ST non-IB liabilities	0	0	85	77	94	120	80	128	133	137
Liabilities - assets held for sale	0	0	na	na	na	na	na	na	na	na
<b>Current liabilities</b>	<b>0</b>	<b>0</b>	<b>148</b>	<b>154</b>	<b>191</b>	<b>256</b>	<b>216</b>	<b>343</b>	<b>363</b>	<b>379</b>
<b>Total equity and liabilities</b>	<b>0</b>	<b>0</b>	<b>699</b>	<b>619</b>	<b>681</b>	<b>653</b>	<b>632</b>	<b>761</b>	<b>789</b>	<b>818</b>
Net IB debt (=1)	0	0	224	64	17	46	-1	2	-58	-102
Net working capital (NWC) (=2)	0	0	217	150	169	218	165	225	216	227
Capital employed (CE)	0	0	544	449	474	414	404	515	530	549
Capital invested (CI)	0	0	599	456	473	519	457	516	488	478
Equity / Total assets	nm	nm	38%	47%	49%	50%	56%	47%	48%	50%
Net IB debt / EBITDA	nm	nm	2.1	0.9	0.1	0.4	0.0	0.0	-0.4	-0.6
<b>Per share data (SEK)</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
Adj. no. of shares in issue YE (m)	25.15	25.15	25.15	25.15	25.15	25.15	25.15	25.15	25.15	25.15
Diluted no. of Shares YE (m)	25.15	25.15	25.15	25.15	25.15	25.15	25.15	25.15	25.15	25.15
EPS	0.00	0.00	1.55	0.75	3.42	2.03	3.02	3.00	4.00	4.36
EPS adj.	0.00	0.00	1.55	1.14	3.13	2.78	3.02	3.00	4.00	4.36
CEPS	0.00	0.00	2.10	1.35	3.98	2.55	3.51	3.64	4.55	4.91
DPS	0.00	0.00	0.00	1.50	2.50	2.00	3.00	3.00	3.20	3.30
BVPS	0.00	0.00	10.8	11.6	13.3	12.9	13.9	14.2	15.2	16.4
<b>Performance measures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
ROE	nm	nm	28.8%	6.7%	27.5%	15.5%	22.5%	21.3%	27.2%	27.6%
Adj. ROCE pre-tax	na	na	na	4.3%	23.8%	16.5%	25.0%	22.2%	25.1%	26.5%
Adj. ROIC after-tax	na	na	na	5.0%	18.0%	10.6%	16.0%	17.1%	20.5%	23.2%
<b>Valuation</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
FCF yield	0.0%	0.0%	3.9%	6.6%	6.1%	2.0%	6.3%	4.1%	8.4%	7.6%
Dividend yield YE	0.0%	0.0%	0.0%	9.4%	5.8%	7.2%	7.1%	5.8%	5.8%	6.0%
Dividend payout ratio	nm	nm	0.0%	200.3%	73.1%	98.5%	99.3%	99.8%	80.0%	75.6%
Dividend + buy backs yield YE	0.0%	13.7%	0.0%	9.4%	5.8%	7.2%	7.1%	5.8%	5.8%	6.0%
EV/Sales YE	nm	nm	0.97	0.66	1.43	0.89	1.22	1.33	1.27	1.17
EV/EBITDA YE	nm	nm	6.8	6.3	7.9	6.9	7.9	9.3	8.2	7.3
EV/EBITA YE	nm	nm	14.3	13.8	10.5	10.2	10.6	12.1	10.2	9.0
EV/EBITA adj. YE	nm	nm	14.3	13.8	10.5	10.2	10.6	12.1	10.2	9.0
EV/EBIT YE	nm	nm	14.3	13.8	10.5	10.2	10.6	12.1	10.2	9.0
P/E YE	nm	nm	13.2	21.3	12.5	13.7	14.0	17.2	13.8	12.6
P/E adj. YE	nm	nm	13.2	14.0	13.7	10.0	14.0	17.2	13.8	12.6
P/BV YE	nm	nm	1.89	1.38	3.23	2.15	3.03	3.63	3.62	3.36
Share price YE (SEK)	19.5	14.6	20.4	16.0	42.9	27.8	42.3	51.6	55.0	

Source: Carnegie Research &amp; company data

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