



RESULTS PREVIEW

Consumer Discretionary & Staples

Fair value: SEK62.0–77.0

Share price: SEK58.2

Björn Borg

Anticipating growth on tough comparisons – Q2 preview

Research analysts:

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We estimate Q2 growth of 5% despite tough comparable numbers and FX headwinds. Our Q2 2025e EBIT is -1% Y/Y, but we expect FX tailwinds to support H2 2025 gross margin expansion, underpinning +188bpsH2 EBIT margin expansion. Our new fair value range is SEK62–77/share (previously SEK62–76/share).

Growth on strong comparable numbers. We expect Björn Borg to report Q2 2025 growth of 5% Y/Y, implying a return towards historical growth levels following four quarters of historically high growth underpinned by the shoe integration. We project the own online segment to grow 15% Y/Y, and total wholesale revenue to grow 3% Y/Y, slightly hampered by turmoil surrounding retailer XXL's management shift and ownership shakeup. We will pay particular attention to own online, marketing expenses and growth in product segments outside underwear.

Solid outlooks for H2 margin expansion. Our Q2e EBIT is SEK9.4m, -1% Y/Y, implying an EBIT margin of 4.2% (-30bps Y/Y). As Q2 has averaged just 9% of group full-year EBIT since 2022, its impact on full-year profit is historically limited. With FX tailwinds supporting our H2 2025e gross margin expansion, we think the outlook for 2025 EBIT margin expansion looks solid.

2026e EPS up by 2%. We make minor adjustments to our estimates, with 2025e EPS down by 4% but 2026e EPS up 2%. We raise our fair value range to SEK62–77 (SEK62–76) on the back of slightly higher peer multiples. On our estimates, the shares trade at 2025e EV/EBIT of 13x.

Sports, shoes, bags in the spotlight. Following the Q2 2024 shoe wear integration, Björn Borg can now fully monitor development, design and sales in its key growth categories. These categories, along with growth in smaller markets such as Germany, have the potential to underpin sustained mid- to long-term growth in our view, meaning it is vital to monitor them closely going forward.

Changes in this report				Key figures (SEK)					Share price – 5-year	
	From	To	Chg		2024	2025e	2026e	2027e		
EPS adj. 2025e	4.0	3.8	-4%	Sales (m)	990	1,047	1,103	1,158		
EPS adj. 2026e	4.3	4.4	+2%	EBITDA (m)	134	147	174	179		
EPS adj. 2027e	4.5	4.5	+1%	EBIT (m)	102	115	142	148		
Upcoming events				EPS	2.89	3.79	4.36	4.52		
Q2 Report		15 Aug 2025		EPS adj.	2.89	3.79	4.36	4.52		
Q3 Report		14 Nov 2025		DPS	3.00	3.20	3.30	3.30		
Key facts				Sales growth Y/Y	13%	6%	5%	5%		
No. shares (m)		25.1		EPS adj. growth Y/Y	-5%	31%	15%	4%		
Market cap. (USDm)		154		EBIT margin	10.3%	11.0%	12.9%	12.8%		
Market cap. (SEKm)		1,464		P/E adj.	20.1	15.3	13.4	12.9		
Net IB Debt. (SEKm)		0		EV/EBIT	13.0	12.7	10.0	9.4	High/Low (12M) SEK66.6/46.8	
Adjustments (SEKm)		0		EV/EBITA	13.0	12.7	10.0	9.4		
EV (2025e) (SEKm)		1,464		EV/EBITDA	9.9	10.0	8.2	7.8		
Free float		87.2%		P/BV	4.2	4.0	3.7	3.4		
Avg. daily vol. ('000)		7		Dividend yield	5.2%	5.5%	5.7%	5.7%		
BBG		BORG SS		FCF yield	2.9%	5.6%	7.3%	6.4%		
Fiscal year end		December		Equity/Total Assets	49.7%	52.6%	55.4%	57.1%		
Share price as of (CET)	24 Jul 2025 17:29			ROCE	23.5%	29.9%	33.7%	34.1%		
				ROE adj.	20.4%	26.5%	28.7%	27.6%		
				Net IB debt/EBITDA	0.2	0.0	-0.3	-0.4		

Source: DNB Carnegie (estimates), FactSet, Infront & company data

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Please see the last two pages for important disclosures. This report was completed and disseminated at 25 July 2025, 06:43 CET

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Equity story

Near term: within 12M

Björn Borg's own online sales channel has been a strong driver of the group's growth and profitability, with a 2018–24 CAGR of 29% 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 outlook: 5Y+

We argue that 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 could go beyond the 2014–24 CAGR of 6% if Björn Borg manages to utilise its 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, which currently only make up a small part of total sales. Succeeding in these product and geographical segments is key for Björn Borg to achieve its objective of 10% annual sales growth, in our view.

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 2024 revenue. Underwear is the largest product segment, at 52% of 2024 revenue, while the sports apparel segment made up 25% of revenue in 2024.

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 consumer confidence is down year to date, currently at 85. Although 85 is below the historical average of 100, implying weak current sentiment, the confidence indicator has rebounded from the April low of 82.

Largest shareholders, capital

Nordnet Pensionförsäkring	15.8%
Martin Bjäringer	9.9%
Mats Nilsson	6.5%

Cyclicality

Cyclicality: Yes
Early

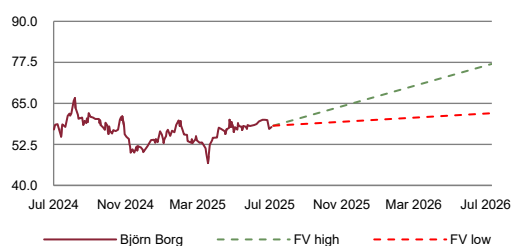
Key peers

PVH, RVRC Holding, Foot Locker, Nike, Adidas, 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 (2018–24 CAGR of 29% and average EBIT margins since 2020 of 17%), we argue that this channel can be valued separately based on a set of fast-growing, strong-margin retail companies.

Fair value range 12M

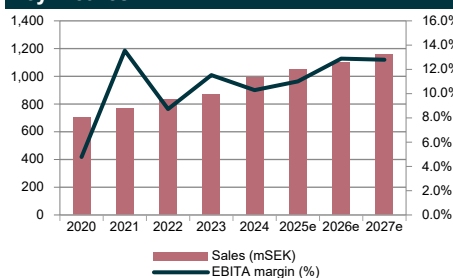


To arrive at the lower end of fair value range, we apply a 2026e EV/EBIT of 13x for the own online segment, and 2026e EV/EBIT of 10x for the rest of the group.

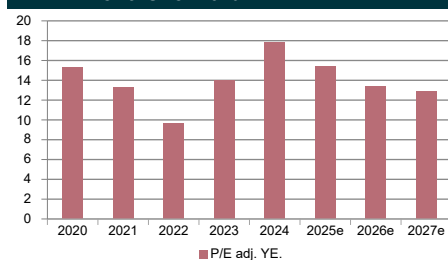
The upper end of the fair value range is reached using a 2026e EV/EBIT multiple of 15x for the own online segment, and 2026e EV/EBIT of 13x for the rest of the group.

We arrive at these multiples applying a multiple discount of 0–13% to peers for the upper part of the range, and 13–40% for the lower end.

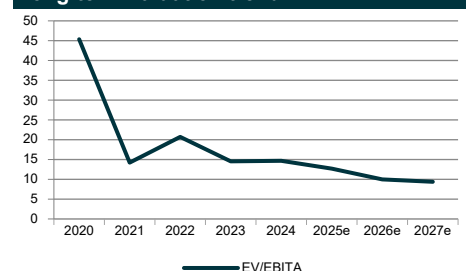
Key metrics



P/E 12-months forward



Long-term valuation trend

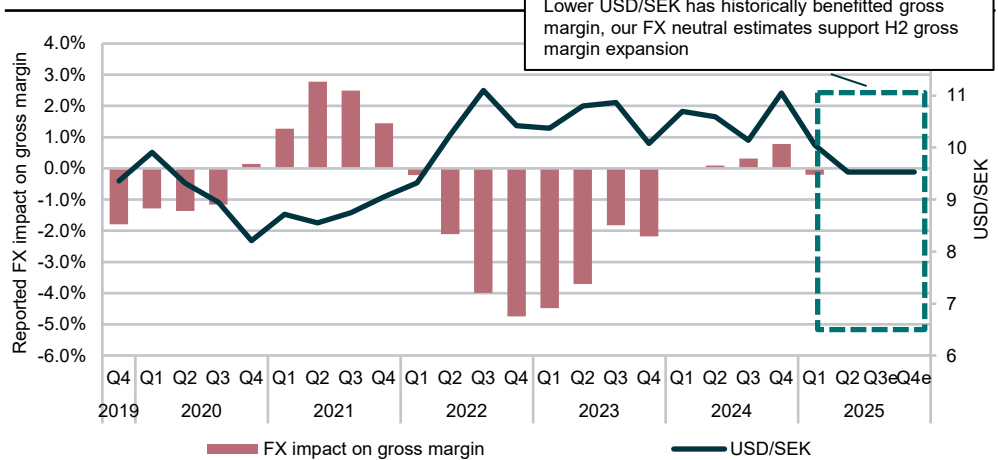


Source: DNB Carnegie (estimates) & company data

Key charts

Historically, lower USD/SEK has improved group gross margin through favourable purchasing terms as purchases are done in USD, with no offset from sales. We estimate the FX impact with a lag of up to 6–9 months, depending on sales channels. On a FX neutral basis, we therefore project H2 gross margin improvement through growth in margin-accretive channels combined with a USD/SEK at its lowest levels since Q1 2022.

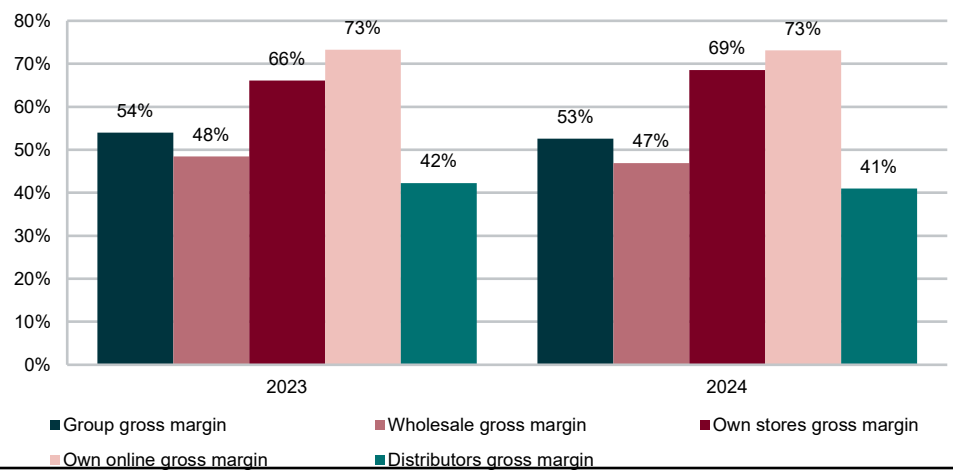
USD/SEK and FX impact on gross margin



Source: DNB Carnegie (estimates) & company data

The D2C channels are margin accretive. If own online keeps firmly outgrowing wholesale, it would be supportive for group gross margin improvements.

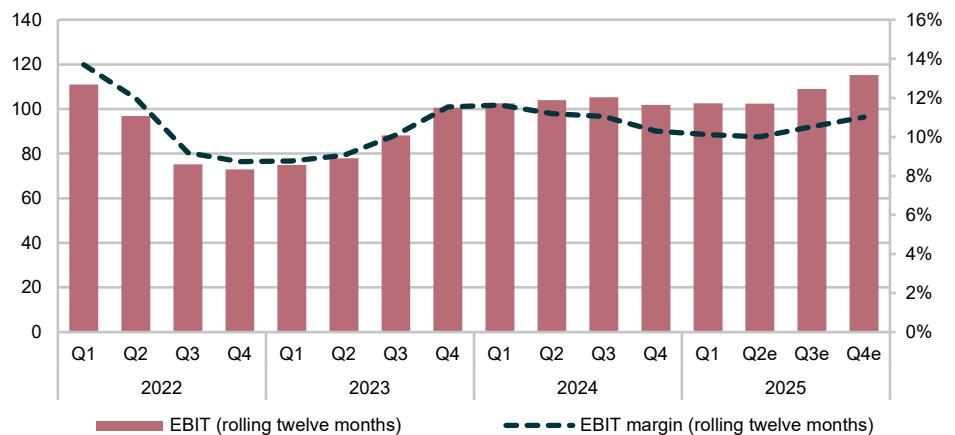
Gross margin per operating segment



Source: Björn Borg

We project H2 EBIT margin improvement Y/Y of 1.9%, supported by favourable comparable gross margin numbers, as H2 2024 held some higher-than-normal discounts relating to the footwear integration. Other drivers include the FX tailwinds we expect and some scaling from growth.

EBIT (rolling twelve months)



Source: DNB Carnegie (estimates) & company data

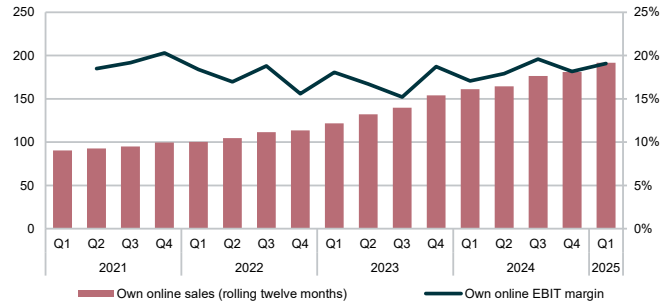
Sports apparel has firmly outgrown the traditional underwear segment, reaching 28% of Q1 2025 revenue. Long-term drivers of the increased sales are increased awareness among customers, along with successful marketing. Considering sales channels, own online has a key position for the company, highly margin and growth accretive. The Q1 2025 rolling twelve month operating margin was 19% for this channel.

Sports apparel revenue and share of total revenue (last twelve months)



Source: DNB Carnegie (estimates) & company data

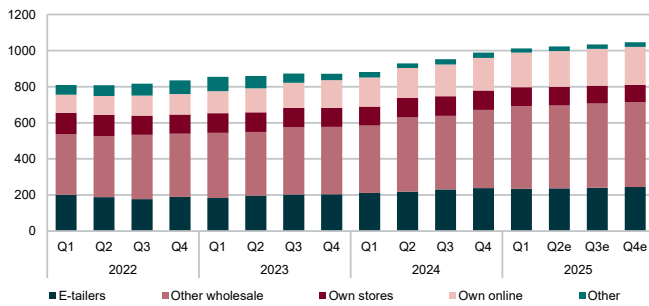
Own online sales and EBIT margin (rolling twelve months)



Source: DNB Carnegie (estimates) & company data

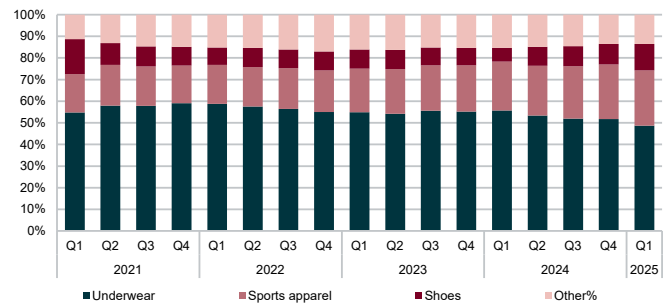
Going forward, we expect segments outside of the traditional underwear segment to drive sales growth, as has been the case since 2021. Key drivers include sports apparel, bags and shoes.

Sales rolling twelve months per channel



Source: DNB Carnegie (estimates) & company data

Revenue split per product segment



Source: DNB Carnegie (estimates) & company data

Estimate changes

	2025e			2026e			2027e		
	Old	New	Chg	Old	New	Chg	Old	New	Chg
Björn Borg - Estimate changes									
Sales	1,041	1,047	1%	1,097	1,103	1%	1,152	1,158	1%
Growth	5%	6%	+60 bps	5%	5%	+0 bps	5%	5%	-0 bps
Organic	8%	8%	+17 bps	6%	6%	+0 bps	5%	5%	-0 bps
Currency	-3%	-3%	+43 bps	0%	0%	+0 bps	0%	0%	-0 bps
Segments									
Wholesale	715	715	0%	751	750	0%	788	788	0%
Growth Y/Y	7%	6%	-58 bps	5%	5%	+0 bps	5%	5%	-0 bps
E-tailers	245	244	0%	257	256	0%	270	269	0%
Growth Y/Y	3%	2%	-39 bps	5%	5%	+0 bps	5%	5%	+0 bps
Other wholesale	470	471	0%	494	494	0%	519	519	0%
Growth Y/Y	9%	9%	+10 bps	5%	5%	+0 bps	5%	5%	+0 bps
Own e-commerce	204	211	3%	217	223	3%	227	235	3%
Growth Y/Y	14%	16%	+273 bps	6%	6%	+0 bps	5%	5%	+0 bps
Own stores	95	95	0%	100	100	0%	105	105	0%
Growth Y/Y	-11%	-11%	+0 bps	5%	5%	+0 bps	5%	5%	+0 bps
Distributors	50	50	0%	52	52	0%	53	53	0%
Growth Y/Y	0%	0%	+0 bps	3%	3%	+0 bps	3%	3%	+0 bps
Licensing	1	1	0%	1	1	0%	1	1	0%
Growth Y/Y	-51%	-51%	+0 bps	4%	4%	+0 bps	4%	4%	+0 bps
EBIT	120	115	-4%	139	142	2%	147	148	1%
EBIT margin	12%	11%	-55 bps	13%	13%	+21 bps	13%	13%	+1 bps
EO	0	0	n.m	0	0	n.m	0	0	n.m
Adj EBIT	120	115	-4%	139	142	2%	147	148	1%
Adj EBIT margin	12%	11%	-55 bps	13%	13%	+21 bps	13%	13%	+1 bps
Pre-tax profit	130	125	-4%	136	139	2%	143	144	1%
Net profit	102	98	-4%	107	110	2%	113	114	1%
EPS	4.0	3.8	-4%	4.3	4.4	2%	4.5	4.5	1%
EPS adj	4.0	3.8	-4%	4.3	4.4	2%	4.5	4.5	1%

Source: DNB Carnegie

Björn Borg														
DNB Carnegie estim.	2023	2024					2025							
SEKm	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2e	Q3e	Q4e	2024	2025e	2026e	2027e
Sales	262	198	257	213	285	235	280	224	296	247	990	1,047	1,103	1,158
Growth	5%	0%	4%	29%	9%	19%	9%	5%	4%	5%	13%	6%	5%	5%
Organic	1%	-3%	4%	28%	10%	19%	10%	8%	7%	9%	14%	8%	6%	5%
Segments														
Wholesale	188	116	190	136	197	149	211	139	208	156	672	715	750	788
Growth Y/Y	15%	2%	4%	50%	5%	28%	11%	3%	5%	5%	16%	6%	5%	5%
E-tailers	58	47	67	47	70	55	63	49	74	58	239	244	256	269
Growth Y/Y	11%	3%	12%	21%	21%	16%	-6%	4%	6%	5%	17%	2%	5%	5%
Other wholesale	130	69	123	89	127	94	148	90	134	99	433	471	494	519
Growth Y/Y	17%	1%	0%	71%	-2%	36%	20%	2%	5%	5%	16%	9%	5%	5%
Own e-commerce	38	46	41	41	49	50	51	47	55	58	181	211	223	235
Growth Y/Y	25%	46%	21%	9%	32%	10%	26%	15%	11%	15%	18%	16%	6%	5%
Own stores	30	29	21	30	29	28	19	29	24	24	107	95	100	105
Growth Y/Y	-4%	-8%	0%	17%	-5%	-2%	-12%	3%	3%	3%	2%	-11%	5%	5%
Distributors	11	13	8	14	14	14	7	14	14	14	51	50	52	53
Growth Y/Y	-62%	-49%	-11%	4%	31%	13%	-21%	2%	2%	2%	0%	0%	3%	3%
Licensing	1	1	1	0	0	0	0	0	0	0	2	1	1	1
Growth Y/Y	-18%	-51%	-68%	-89%	-88%	-50%	-81%	4%	4%	4%	-76%	-51%	4%	4%
Gross profit	138	112	137	110	148	125	140	121	157	133	521	551	599	637
Gross margin (%)	53%	57%	53%	52%	52%	53%	50%	54%	53%	54%	53%	53%	54%	55%
Adj EBIT	41	20	33	10	42	17	34	9	49	23	102	115	142	148
Adj EBIT margin	15.6%	10.2%	13.0%	4.5%	14.7%	7.2%	12.2%	4.2%	16.4%	9.4%	10.3%	11.0%	12.9%	12.8%
EO	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EBIT	41	20	33	10	42	17	34	9	49	23	102	115	142	148
EBIT margin	15.6%	10.2%	13.0%	4.5%	14.7%	7.2%	12.2%	4.2%	16.4%	9.4%	10.3%	11.0%	12.9%	12.8%
Net financials	-0	1	-7	-0	2	-7	12	-1	-1	-0	-11	9	-4	-4
Pre-tax Profit	41	21	27	9	44	10	46	9	47	23	90	125	139	144
Tax	-9	-6	-6	-3	-9	-0	-10	-2	-10	-5	-18	-26	-29	-30
Tax rate	21%	29%	21%	28%	21%	3%	22%	21%	21%	21%	20%	21%	21%	21%
Net profit	32	15	21	7	35	10	36	7	37	18	73	98	110	114
EPS (SEK)	1.27	0.59	0.84	0.26	1.39	0.40	1.43	0.28	1.48	0.72	2.89	3.79	4.36	4.52
EPS Adj (SEK)	1.27	0.59	0.84	0.26	1.39	0.40	1.43	0.28	1.48	0.72	2.89	3.79	4.36	4.52

Source: Company data, DNB Carnegie

Valuation and risks

We value Björn Borg using a peer-based method. Considering the strong historical growth and margin profile of the group's own online channel (2018–24 CAGR of 29% 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 a 2026e EV/EBIT multiple of 13x for the own online segment, and 2026e EV/EBIT of 10x for the rest of the group. The upper end of the fair value range is reached using an EV/EBIT 2026e multiple of 15x for the own online segment, and EV/EBIT 2026e of 13x for the rest of the group. This valuation method leads to a fair value range of SEK62–77 per share (SEK62–76 per share).

Our valuation assumes 2026e EBIT for the own online segment of SEK40m and 2026e EBIT for the rest of the group of SEK102m. 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.

Valuation	
Own online segment EBIT SEKm (26e)	40
Rest of the group EBIT SEKm (26e)	102
Net debt SEKm	155
Shares m	25
Peer multiples	
Average apparel peers (EV/EBIT(26e))	17x
Average online retail peers (EV/EBIT(26e))	15x
Applied multiples	
Upper range EV/EBIT(26e) own online segment	15x
Upper range EV/EBIT(26e) rest of the group	13x
Lower range EV/EBIT(26e) own online segment	13x
Lower range EV/EBIT(26e) rest of the group	10x
Implied discounts/premiums to peers	
Upper range EV/EBIT(26e) own online segment	1%
Upper range EV/EBIT(26e) rest of the group	-13%
Lower range EV/EBIT(26e) own online segment	-13%
Lower range EV/EBIT(26e) rest of the group	-40%
Fair value lower range (SEK/share)	62
Fair value upper range (SEK/share)	77

Source: Factset, DNB Carnegie

Retail & online – Peer group multiples

Company	Estimate	Mkt cap	EV / Sales			EV / EBIT			Price / Earnings		
	source		EURm	LTM	2025e	2026e	LTM	2025e	2026e	LTM	2025e
Retail peers											
Under Armour	FS	3,403	0.8x	0.8x	0.8x	19x	19x	16x	-15x	21x	17x
NIKE	FS	98,246	2.5x	2.5x	2.4x	32x	38x	27x	36x	45x	31x
PVH	FS	6,286	0.8x	0.8x	0.8x	9x	9x	9x	11x	7x	6x
Foot Locker	FS	4,259	0.6x	0.6x	0.6x	15x	27x	25x	-7x	21x	18x
PUMA	FS	5,842	0.7x	0.7x	0.6x	11x	12x	10x	19x	21x	13x
Columbia Sportsw	FS	2,727	1x	0.9x	0.9x	10x	14x	14x	16x	18x	17x
Average		20,127	1.1x	1.1x	1x	16x	20x	17x	10x	22x	17x
Online consumer peers											
Apotea	FS	1,097	1.9x	1.7x	1.5x	50x	39x	32x	n.a.	50x	39x
BHG Group	FS	404	0.7x	0.6x	0.6x	n.a.	18x	13x	-11x	22x	14x
Boozt	FS	506	0.7x	0.7x	0.7x	13x	14x	12x	17x	17x	15x
Lyko Group	FS	197	0.9x	0.8x	0.7x	24x	20x	15x	35x	29x	17x
Rugvista Group	FS	130	1.7x	1.7x	1.5x	17x	13x	11x	25x	19x	15x
Haypp Group	FS	421	1.3x	1.2x	1x	43x	27x	16x	73x	32x	23x
RVRC Holding	FS	457	2.6x	2.6x	2.3x	13x	13x	11x	17x	18x	15x
Zalando	FS	7,212	0.6x	0.6x	0.6x	17x	15x	12x	26x	22x	18x
Average		1,303	1.3x	1.2x	1.1x	25x	20x	15x	26x	26x	20x
Björn Borg	DNB CAR	138	1.6x	1.6x	1.5x	16x	14x	12x	16x	15x	14x
Average excl. Björn Borg											
Average		20,127	1.1x	1.1x	1x	16x	20x	17x	10x	22x	17x
Average		17,628	1.1x	1.1x	1.1x	16x	19x	16x	11x	21x	17x
Median		5,050	0.9x	0.9x	0.9x	15x	17x	15x	13x	21x	17x

Price data updated on 24 July 2025 18:00 CET

Source: Factset, DNB Carnegie

Retail & online – Peer group financials

Company	Estimate	Mkt cap	Sales growth			EBIT growth			EBIT margins		
	source		EURm	LTM	2025e	2026e	LTM	2025e	2026e	LTM	2025e
Retail peers											
Under Armour	FS	3,403	-9%	-2%	3%	-18%	3%	20%	4%	4%	5%
NIKE	FS	98,246	-10%	-1%	5%	-42%	-19%	41%	8%	7%	9%
PVH	FS	6,286	-4%	2%	2%	-31%	-12%	4%	8%	9%	9%
Foot Locker	FS	4,259	-3%	-1%	2%	12%	-8%	8%	2%	2%	3%
PUMA	FS	5,842	3%	0%	5%	-10%	-21%	24%	6%	6%	7%
Columbia Sportsw	FS	2,727	-2%	1%	4%	-3%	-17%	3%	8%	7%	7%
Average	FS	20,127	-4%	0%	3%	-15%	-12%	17%	6%	6%	6%
Online consumer peers											
Apotea	FS	1,097	-2%	4%	7%	27%	48%	40%	-2%	4%	5%
BHG Group	FS	404	6%	2%	7%	49%	-11%	18%	6%	5%	6%
Boozt	FS	506	11%	12%	14%	71%	31%	38%	4%	4%	5%
Lyko Group	FS	197	3%	8%	8%	-2%	37%	22%	10%	12%	14%
Rugvista Group	FS	130	14%	7%	21%	82%	82%	71%	3%	5%	6%
Haypp Group	FS	421	7%	5%	10%	-3%	-3%	16%	19%	20%	21%
RVRC Holding	FS	457	6%	6%	5%	42%	19%	23%	4%	4%	5%
Zalando	FS	7,212	6%	7%	11%	38%	28%	31%	6%	7%	8%
Average		1,303	6%	6%	10%	38%	29%	32%	6%	8%	9%
Björn Borg	DNB CAR	138	15%	6%	5%	0%	13%	23%	10%	11%	13%
Average excl. Björn Borg		10,088	1%	4%	7%	11%	9%	25%	6%	6%	7%
Average		9,466	2%	4%	7%	10%	10%	24%	6%	7%	8%
Median		1,912	3%	3%	5%	-2%	0%	22%	6%	5%	6%

Price data updated on 24 July 2025 18:00 CET

Source: Factset, DNB Carnegie

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 faces competition from established brands and new entrants, due to low barriers to 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.

Financial statements

Profit & loss (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Sales	0	757	705	768	835	872	990	1,047	1,103	1,158
COGS	0	-351	-335	-352	-411	-401	-469	-496	-504	-521
Gross profit	0	406	370	417	425	471	521	551	599	637
Other income & costs	0	-298	-295	-277	-317	-338	-386	-404	-425	-458
Share in ass. operations and JV	0	0	0	0	0	0	0	0	0	0
EBITDA	0	109	75	140	108	134	134	147	174	179
Depreciation PPE	0	-6	-7	-7	-8	-8	-8	-8	-8	-8
Depreciation lease assets	0	-47	-31	-24	-23	-22	-22	-21	-21	-20
Amortisation development costs	0	-4	-4	-3	-3	-3	-3	-3	-3	-3
Amortisation other intangibles	0	0	0	-1	-1	0	0	0	0	0
Impairments / writedowns	0	0	0	0	0	0	0	0	0	0
EBITA	0	51	34	104	73	101	102	115	142	148
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
EBIT	0	51	34	104	73	101	102	115	142	148
Share in ass. operations and JV	0	0	0	0	0	0	0	0	0	0
Net financial items	0	-3	-16	3	-2	-3	-11	7	-4	-4
of which interest income/expenses	0	-4	-4	-3	-2	-4	-6	-3	-3	-3
of which interest on lease liabilities	0	-4	-3	-2	-1	-1	-1	-1	-1	-1
of which other items	0	5	-10	8	2	3	-4	11	0	0
Pre-tax profit	0	49	18	107	71	98	90	122	139	144
Taxes	0	-4	-1	-19	-17	-21	-19	-26	-29	-30
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
Net profit	0	45	17	88	54	76	72	95	110	114
Adjusted EBITDA	0	109	75	140	108	134	134	147	174	179
Adjusted EBITA	0	51	34	104	73	101	102	115	142	148
Adjusted EBIT	0	51	43	97	92	101	102	115	142	148
Adjusted net profit	0	45	26	81	73	76	72	95	110	114
Sales growth Y/Y	na	+chg	-6.8%	8.9%	8.7%	4.4%	13.5%	5.8%	5.4%	5.0%
EBITDA growth Y/Y	na	+chg	-31.4%	87.3%	-22.9%	24.1%	0.5%	9.4%	18.3%	3.0%
EBITA growth Y/Y	na	+chg	-34.4%	208.9%	-30.0%	37.9%	1.3%	13.2%	23.3%	4.3%
EBIT growth Y/Y	na	+chg	-34.4%	208.9%	-30.0%	37.9%	1.3%	13.2%	23.3%	4.3%
EBITDA margin	nm	14.3%	10.6%	18.2%	12.9%	15.3%	13.6%	14.0%	15.8%	15.5%
EBITA margin	nm	6.8%	4.8%	13.5%	8.7%	11.5%	10.3%	11.0%	12.9%	12.8%
EBIT margin	nm	6.8%	4.8%	13.5%	8.7%	11.5%	10.3%	11.0%	12.9%	12.8%
Tax rate	na	20.0%	-7.1%	19.5%	27.8%	22.2%	19.6%	21.2%	21.0%	21.0%
Cash flow (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
EBITDA	0	109	75	140	108	134	134	147	174	179
Paid taxes	0	-11	-13	-3	-9	-35	-27	-25	-28	-34
Change in NWC	0	21	89	-23	-48	27	-25	-2	-4	-11
Interests paid	0	-1	-8	-2	-4	-4	-6	-6	-1	-6
Actual lease payments	0	-47	-28	-23	-23	-22	-20	-19	-20	-20
Non cash adjustments	0	0	0	0	0	0	0	0	0	0
Discontinued operations	0	0	0	0	0	0	0	0	0	0
Total operating activities	0	70	114	89	24	99	56	94	121	108
Capex tangible assets	0	-4	-3	-5	0	-2	-3	-2	-2	-2
Capitalised development costs	0	na	na	na	na	na	na	na	na	na
Capex - other intangible assets	0	-9	-5	-6	-8	-9	-11	-10	-12	-12
Acquisitions/divestments	0	na	na	na	na	na	na	na	na	na
Other non-cash adjustments	0	na	na	na	na	na	na	na	na	na
Total investing activities	0	-13	-9	-11	-8	-11	-14	-12	-14	-15
Dividend paid and received	0	na	na	na	na	na	na	na	na	na
Share issues & buybacks	0	0	0	0	0	1	0	0	0	0
Change in bank debt	0	-18	-55	-19	-50	-30	-125	1	-6	5
Other cash flow items	0	na	na	na	na	na	na	na	na	na
Total financing activities	0	-61	-62	-57	-113	-79	-58	-74	-86	-78
Operating cash flow	0	70	114	89	24	99	56	94	121	108
Free cash flow	0	58	105	78	15	88	42	82	107	93
Net cash flow	0	43	85	40	-74	32	15	19	43	39
Change in net IB debt	0	12	91	41	-46	39	105	4	24	9
Capex / Sales	nm	0.5%	0.5%	0.6%	0.0%	0.2%	0.3%	0.2%	0.2%	0.2%
NWC / Sales	nm	14.4%	26.0%	20.8%	23.2%	22.0%	18.7%	20.7%	20.6%	20.3%

Source: DNB Carnegie (estimates) & company data

Financial statements, cont.

Balance sheet (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Acquired intangible assets	0	35	34	35	36	36	37	36	36	36
Other fixed intangible assets	0	197	198	198	195	194	194	192	189	189
Capitalised development	0	0	0	0	0	0	0	0	0	0
Tangible assets	0	18	17	15	16	18	21	23	27	32
Lease assets	0	131	57	55	53	44	42	19	-2	-22
Other IB assets (1)	0	0	0	0	0	0	0	0	0	0
Other non-IB assets	0	15	16	14	13	12	12	10	10	10
Fixed assets	0	397	322	317	313	304	307	280	260	245
Inventories (2)	0	128	123	152	201	184	259	249	262	285
Receivables (2)	0	125	84	92	104	99	111	123	126	133
Prepaid exp. & other NWC items (2)	0	20	20	23	19	17	23	23	23	25
IB current assets (1)	0	0	0	0	0	0	0	0	0	0
Other current assets	0	0	0	0	0	0	0	0	0	0
Cash & cash equivalents (1)	0	29	70	97	16	27	9	23	44	60
Current assets	0	302	297	363	340	327	402	418	456	503
Total assets	0	699	619	681	653	632	709	697	715	748
Shareholders' equity	0	271	291	334	325	351	352	367	396	427
Minorities	0	-6	0	0	0	0	0	0	0	0
Other equity	0	0	0	0	0	0	0	0	0	0
Total equity	0	265	291	334	325	351	352	367	396	427
Deferred tax	0	40	39	40	40	40	39	36	38	35
LT IB debt (1)	0	150	99	80	0	0	0	0	0	0
Other IB provisions (1)	0	0	0	0	0	0	0	0	0	0
Lease liabilities	0	96	36	34	32	25	23	5	-13	-31
Other non-IB liabilities	0	0	0	2	0	0	0	0	0	0
LT liabilities	0	287	174	155	72	65	62	41	25	3
ST IB debt (1)	0	7	0	0	30	0	17	19	13	18
Payables (2)	0	56	77	97	106	136	189	165	186	200
Accrued exp. & other NWC items (2)	0	0	0	0	0	0	0	0	0	0
Other ST non-IB liabilities	0	85	77	94	120	80	88	105	96	100
Liabilities - assets held for sale	0	na	na	na	na	na	na	na	na	na
Current liabilities	0	148	154	191	256	216	294	289	294	318
Total equity and liabilities	0	699	619	681	653	632	709	697	715	748
Net IB debt (=1)	0	224	64	17	46	-1	31	0	-44	-73
Net working capital (NWC) (=2)	0	217	150	169	218	165	204	229	226	243
Capital employed (CE)	0	544	449	474	414	404	420	417	424	438
Capital invested (CI)	0	599	456	473	519	457	499	499	476	478
Equity / Total assets	nm	38%	47%	49%	50%	56%	50%	53%	55%	57%
Net IB debt / EBITDA	nm	2.1	0.9	0.1	0.4	0.0	0.2	0.0	-0.3	-0.4
Per share data (SEK)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
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	1.78	0.66	3.51	2.14	3.03	2.89	3.79	4.36	4.52
EPS adj.	0.00	1.78	1.05	3.22	2.89	3.03	2.89	3.79	4.36	4.52
CEPS	0.00	2.33	1.26	4.06	2.66	3.52	3.38	4.34	4.87	5.00
DPS	0.00	0.00	1.50	2.50	2.00	3.00	3.00	3.20	3.30	3.30
BVPS	0.00	10.8	11.6	13.3	12.9	13.9	14.0	14.6	15.8	17.0
Performance measures	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
ROE	nm	33.0%	5.9%	28.2%	16.3%	22.6%	20.4%	26.5%	28.7%	27.6%
Adj. ROCE pre-tax	na	na	4.3%	23.8%	16.5%	25.0%	23.5%	29.9%	33.7%	34.1%
Adj. ROIC after-tax	na	na	6.8%	18.0%	10.6%	16.0%	17.1%	18.2%	23.1%	24.6%
Valuation	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
FCF yield	0.0%	3.9%	7.2%	5.3%	1.0%	6.0%	2.9%	5.6%	7.3%	6.4%
Dividend yield YE	0.0%	0.0%	9.4%	5.8%	7.2%	7.1%	5.8%	5.5%	5.7%	5.7%
Dividend payout ratio	nm	0.0%	228.2%	71.3%	93.4%	99.0%	103.8%	84.4%	75.8%	73.1%
Dividend + buy backs yield YE	13.7%	0.0%	9.4%	5.8%	7.2%	7.1%	5.8%	5.5%	5.7%	5.7%
EV/Sales YE	nm	0.97	0.66	1.43	0.89	1.22	1.34	1.40	1.29	1.20
EV/EBITDA YE	nm	6.8	6.3	7.9	6.9	7.9	9.9	10.0	8.2	7.8
EV/EBITA YE	nm	14.3	13.8	10.5	10.2	10.6	13.0	12.7	10.0	9.4
EV/EBITA adj. YE	nm	14.3	13.8	10.5	10.2	10.6	13.0	12.7	10.0	9.4
EV/EBIT YE	nm	14.3	13.8	10.5	10.2	10.6	13.0	12.7	10.0	9.4
P/E YE	nm	11.5	24.3	12.2	13.0	13.9	17.9	15.3	13.4	12.9
P/E adj. YE	nm	11.5	15.3	13.3	9.6	13.9	17.9	15.3	13.4	12.9
P/BV YE	nm	1.89	1.38	3.23	2.15	3.03	3.68	3.99	3.70	3.43
Share price YE (SEK)	14.6	20.4	16.0	42.9	27.8	42.3	51.6	58.2		

Source: DNB Carnegie (estimates) & company data

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