



COMPANY UPDATE

24 February 2025

Sweden

Consumer Discretionary & Staples

Research analysts:

Hjalmar Jernström

Björn Borg

Share price: SEK58.3

Fair value range: SEK61.0–73.0

Fast growth highlights shoe wear segment potential – Q4 review

Shoe wear impressive at +57% Y/Y in Q4, 2024 revenue surpassing SEK1bn

Björn Borg reported impressive group organic sales growth of 19% Y/Y. Although solid growth was expected on the back of the shoe wear integration, Q4(24) sales were +54bps to Carnegie estimates, implying full year revenue surpassing SEK1bn. Wholesale reported strong sales growth of 28% Y/Y in Q4, made up from double-digit Y/Y growth in both e-tailers and physical wholesale. As we had highlighted, the own e-commerce segment faced tough comps growing 46% in Q4(23), but the 10% Y/Y growth in Q4(24) was lower than our estimated growth of 14%. However, full year own e-commerce growth remained strong in 2024 at 18% Y/Y with a solid EBIT margin of 18%. By product segment, sport apparel grew 44% Y/Y in Q4, and shoe wear grew 57% Y/Y.

Margins impacted by shoe wear, channel mix – we believe the impact is temporary

Gross margin was 53% in Q4(24), -353bps from Q4(23) gross margin of 57% and -70bps to our estimates. The Y/Y decline was mainly from the integration of the shoe wear segment causing some additional expenses. While operating expenses were 49% of sales in Q4(24) compared to 50% in Q4(23), the lower-than-expected gross margin resulted in a reported EBIT of SEK17m (-24% to our estimates). EBIT margin was -304bps Y/Y from 10% in Q4(24). The proposed dividend was SEK3/share, 104% of EPS(24) and in line with our expectations. Although margins were lower Y/Y in both Q4(24) and full year 2024, we maintain our view that margins will expand during 2025 from improved shoe-wear margins and continued higher-than-group growth in the margin accretive own e-commerce channel.

Upcoming events

- Q1 Report: 15 May 2025

EPS 2025–26e down 1–4%

We are downwardly adjusting our EPS 2025–26e by 1–4%, mainly reflecting expectations of higher marketing expenses in the period. We assign a new fair value range of SEK61–73/share (SEK63–75/share).

Changes in this report			
	From	To	Chg
EPS adj. 2025e	4.0	3.8	-4%
EPS adj. 2026e	4.4	4.3	-1%
EPS adj. 2027e		4.6	

Key facts	
No. shares (m)	25.1
Market cap. (USDm)	138
Market cap. (SEKm)	1,466
Net IB Debt. (SEKm)	-21
Adjustments (SEKm)	0
EV (2025e) (SEKm)	1,444
Free float	87.2%
Avg. daily vol. ('000)	12
Risk	Medium Risk
Fiscal year end	December
Share price as of (CET)	21 Feb 2025 17:29

Key figures (SEK)	2024	2025e	2026e	2027e
Sales (m)	990	1,059	1,114	1,170
EBITDA (m)	134	158	173	181
EBIT (m)	102	125	141	149
EPS	2.86	3.83	4.33	4.56
EPS adj.	2.86	3.83	4.33	4.56
DPS	3.00	3.20	3.30	3.30
Sales growth Y/Y	13%	7%	5%	5%
EPS adj. growth Y/Y	-5%	34%	13%	5%
EBIT margin	10.3%	11.8%	12.7%	12.8%
P/E adj.	20.4	15.2	13.5	12.8
EV/EBIT	13.1	11.5	9.9	9.2
EV/EBITA	13.1	11.5	9.9	9.2
EV/EBITDA	9.9	9.2	8.1	7.6
P/BV	4.2	3.9	3.6	3.4
Dividend yield	5.1%	5.5%	5.7%	5.7%
FCF yield	2.1%	7.4%	7.2%	6.4%
Equity/Total Assets	49.7%	52.3%	55.0%	56.7%
ROCE	22.3%	29.5%	32.9%	33.9%
ROE adj.	20.5%	26.6%	28.1%	27.4%
Net IB debt/EBITDA	0.2	-0.1	-0.4	-0.5



High/Low (12M)		SEK66.6/45.2			
Perf.	3M	6M	12M	YTD	
Abs.	5.6	-5.8	26.1	12.9	
Rel.	-4.1	-12.4	11.6	4.1	

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(18–24) 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:
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(14–24) 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 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 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%

Cyclicality

Cyclicality: Yes
Early

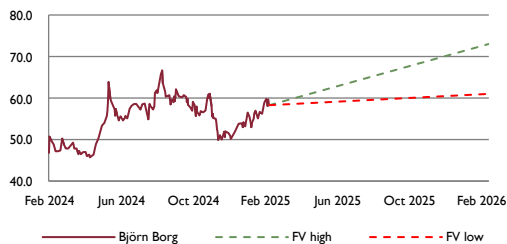
Key peers

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

Valuation and methodology

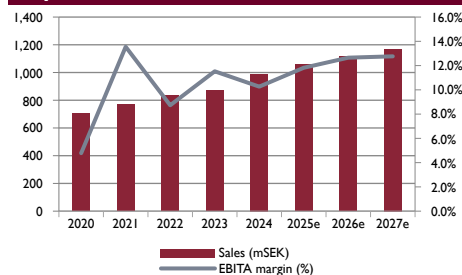
We value Björn Borg using a peer-based method. Considering the strong historical growth and margin profile of the group’s own online channel (CAGR(18–24) of 29% and average EBIT margins since 2020 of 17%), we argue that the channel can be valued separately based on a set of fast-growing, strong-margin retail companies.

Fair value range 12m

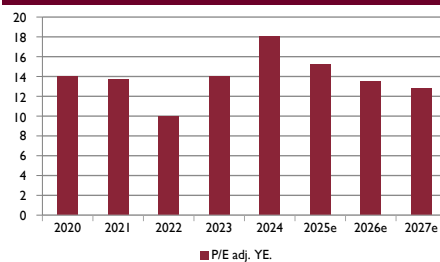


To arrive at the lower end of fair value range, we apply an EV/EBIT(25e) multiple of 15x for the own online segment, and EV/EBIT(25e) of 12x for the rest of the group. The upper end of the fair value range is reached using an EV/EBIT(25e) multiple of 17x for the own online segment, and EV/EBIT(25e) of 14x for the rest of the group. In total, this valuation method merits a fair value range of SEK61–73/share.

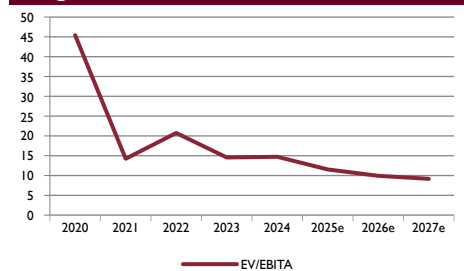
Key metrics



PE 12m forward



Long term valuation trend

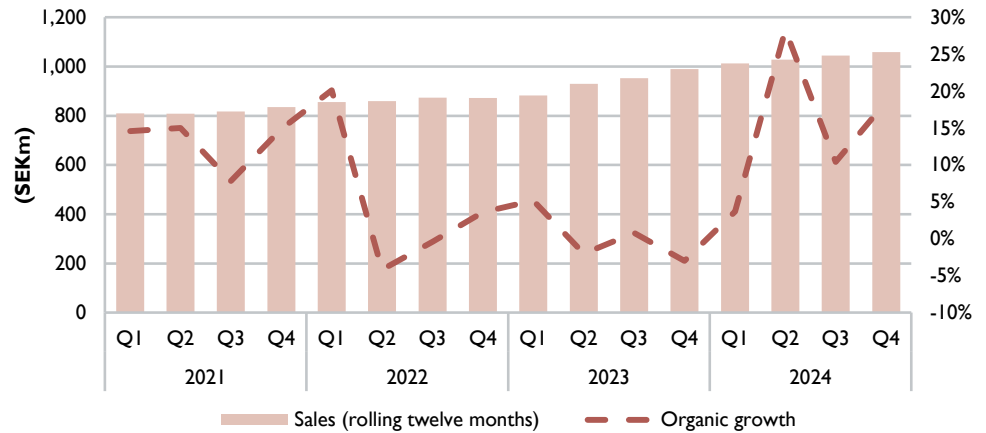


Source: Carnegie Research & company data

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

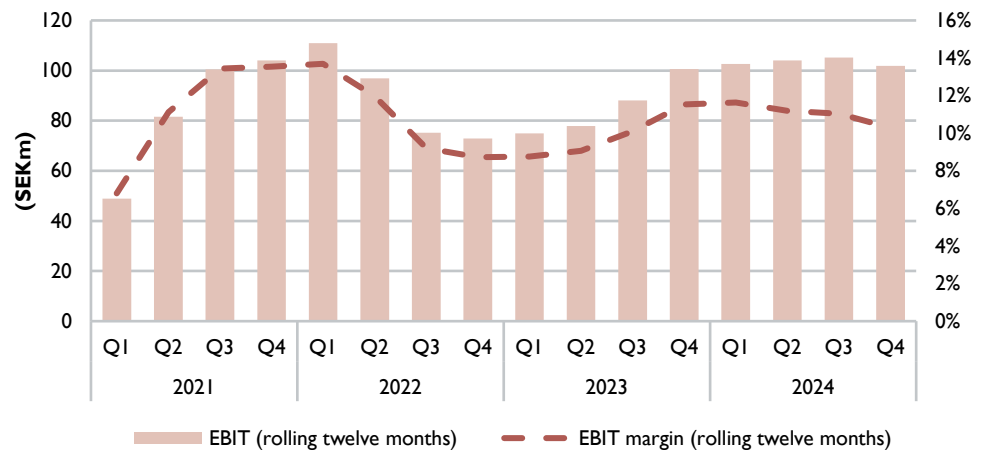
Sales rolling twelve months and organic growth



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

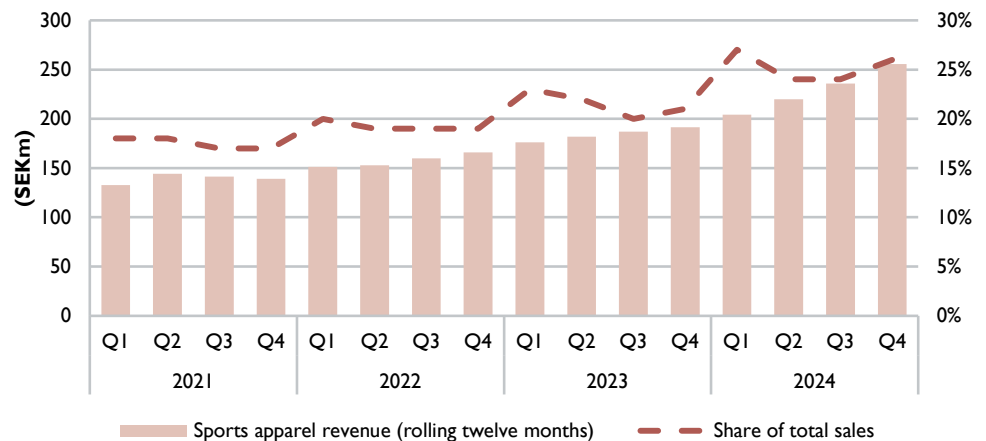
EBIT rolling twelve months and EBIT margin



Source: Björn Borg, Carnegie Research

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

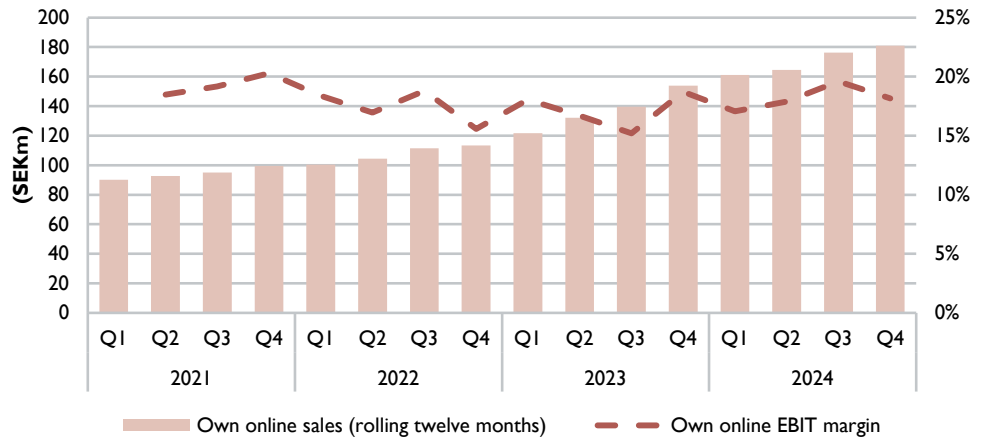
Sports apparel rolling twelve month sales and share of total sales



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

Carnegie estimates SEKm	2023				2024				Carnegie		2024	2025e	2026e	2027e
	Q2	Q3	Q4	Q1	Q2	Q3	Q4a	Q4e	Dev					
Sales	166	262	198	257	213	285	235	224	5%	990	1059	1114	1170	
Growth	2.5%	5.4%	-0.4%	4.0%	28.7%	8.8%	18.7%	13.5%	5.2pp	13.5%	7.0%	5.2%	5.0%	
Organic	-2.0%	0.8%	-3.0%	3.7%	28.3%	10.4%	18.6%	13.2%	5.4pp	13.8%	8.8%	5.2%	5.0%	
Adj EBIT	8	41	20	33	10	42	17	22	-24%	102	125	141	155	
Adj EBIT margin	4.9%	15.6%	10.2%	13.0%	4.5%	14.7%	7.2%	9.8%	-2.7pp	10.3%	11.8%	12.7%	13.3%	
EO	0	0	0	0	0	0	0	0		0	0	0	0	
EBIT	8	41	20	33	10	42	17	22	-24%	102	125	141	155	
EBIT margin	4.9%	15.6%	10.2%	13.0%	4.5%	14.7%	7.2%	9.8%	-2.7pp	10.3%	11.8%	12.7%	13.3%	
	0	0	0	0	0	0	0	0						
Net financials	-3	0	1	-7	0	2	-7	-1	584%	-11	-3	-3	-4	
Pre-tax Profit	5	41	21	27	9	44	10	21	-51%	90	122	138	151	
Tax	-1	-9	-6	-6	-3	-9	0	-4	-93%	-18	-26	-29	-32	
Tax rate	22.4%	21.0%	29.1%	21.3%	28.1%	20.7%	3.0%	20.2%	-17.2pp	19.6%	21.0%	21.0%	21.0%	
Net profit	4	32	15	21	7	35	10	17	-41%	73	96	109	119	
EPS (SEK)	0.2	1.3	0.6	0.8	0.3	1.4	0.4	0.7	-41%	2.9	3.8	4.3	4.7	
EPS Adj (SEK)	0.2	1.3	0.6	0.8	0.3	1.4	0.4	0.7	-41%	2.9	3.8	4.3	4.7	

Source: Björn Borg, Carnegie Research

Björn Borg - Estimate changes	2025e		Chg	2026e		Chg
	Old	New		Old	New	
Sales	1,044	1,059	1%	1,098	1,114	1%
Growth	7%	7%	+42 bps	5%	5%	-1 bps
Organic	6%	9%	+264 bps	5%	5%	-1 bps
EBIT	130	125	-4%	142	141	-1%
EBIT margin	12%	12%	-64 bps	13%	13%	-28 bps
EO	0	0	n.m	0	0	n.m
Adj EBIT	130	125	-4%	142	141	-1%
Adj EBIT margin	12%	12%	-64 bps	13%	13%	-28 bps
Pre-tax profit	127	122	-4%	139	138	-1%
Net profit	100	96	-4%	110	109	-1%
EPS	4.0	3.8	-4%	4.4	4.3	-1%
EPS adj	4.0	3.8	-4%	4.4	4.3	-1%

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(18–24) 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 an EV/EBIT(25e) multiple of 15x for the own online segment, and EV/EBIT(25e) of 12x 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 14x for the rest of the group. In total, this valuation method merits a fair value range of SEK61–73/share (SEK63–75/share).

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.

Valuation

Own online segment EBIT (25e)	36
Rest of the group EBIT (25e)	90
Net debt	50
Shares	25
Upper range EV/EBIT(25e) own online segment	17x
Upper range EV/EBIT(25e) rest of the group	14x
Lower range EV/EBIT(25e) own online segment	15x
Lower range EV/EBIT(25e) rest of the group	12x
Fair value lower range (SEK/share)	61
Fair value upper range (SEK/share)	73

Source: Factset, Carnegie Research

Retail - Peer group multiples

Company	Estimate source	Mkt cap EURm	EV / Sales			EV / EBIT			Price / Earnings		
			LTM	2025e	2026e	LTM	2025e	2026e	LTM	2025e	2026e
Retail peers											
RVRC Holding	FS	432	2.5x	2.4x	2.1x	13x	12x	10x	17x	16x	13x
Under Armour	FS	3,479	0.7x	0.7x	0.7x	12x	16x	12x	n.a.	17x	13x
NIKE	FS	111,240	2.4x	2.5x	2.4x	21x	29x	23x	24x	33x	27x
PVH	FS	6,896	0.8x	0.8x	0.8x	6x	8x	8x	6x	6x	6x
Boozt	FS	712	1x	0.9x	0.8x	17x	15x	12x	n.a.	21x	18x
Zalando	FS	9,019	0.9x	0.8x	0.8x	24x	19x	16x	47x	31x	25x
Foot Locker	FS	4,125	0.5x	0.5x	0.5x	15x	17x	15x	-4x	11x	9x
PUMA	FS	6,116	0.7x	0.6x	0.6x	10x	9x	8x	15x	12x	10x
Columbia Sportswear	FS	4,675	1.5x	1.4x	1.4x	18x	17x	16x	23x	23x	20x
Björn Borg	CAR	127	1.5x	1.4x	1.4x	15x	12x	11x	15x	15x	13x
Average excl. Björn Borg		16,299	1.2x	1.2x	1.1x	15x	16x	13x	18x	19x	15x
Average		14,682	1.2x	1.2x	1.1x	15x	15x	13x	18x	18x	15x
Median		4,400	0.9x	0.9x	0.8x	15x	15x	12x	16x	16x	13x

Price data updated on 21 February 2025 15:00

Source: Factset, Carnegie Research

Retail - Peer group financials

Company	Estimate source	Mkt cap EURm	Sales growth			EBIT growth			EBIT margins		
			LTM	2025e	2026e	LTM	2025e	2026e	LTM	2025e	2026e
Median											
RVRC Holding	FS	432	11%	10%	16%	3%	4%	19%	20%	20%	21%
Under Armour	FS	3,479	-7%	0%	4%	-5%	20%	32%	4%	5%	6%
NIKE	FS	111,240	-5%	2%	5%	-5%	14%	25%	11%	9%	10%
PVH	FS	6,896	-5%	1%	3%	-2%	2%	10%	11%	10%	11%
Boozt	FS	712	6%	7%	8%	50%	20%	18%	6%	6%	7%
Zalando	FS	9,019	1%	5%	6%	66%	16%	23%	4%	4%	5%
Foot Locker	FS	4,125	0%	2%	3%	-39%	35%	20%	2%	3%	4%
PUMA	FS	6,116	3%	7%	7%	11%	12%	12%	7%	7%	8%
Columbia Sportswear	FS	4,675	-3%	2%	5%	-21%	6%	8%	7%	8%	9%
Björn Borg	CAR	127	13%	7%	5%	1%	23%	13%	10%	12%	13%
Average excl. Björn Borg		16,299	0%	4%	6%	6%	14%	18%	8%	8%	9%
Average		14,682	1%	4%	6%	6%	15%	18%	8%	8%	9%
Median		4,400	0%	4%	5%	0%	15%	19%	7%	8%	8%

Price data updated on 21 February 2025 15:00

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.

Björn Borg																
Carnegie estimates	2023				2024				2025				2024	2025e	2026e	2027e
SEKm	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1e	Q2e	Q3e	Q4e				
Sales	247	166	262	198	257	213	285	235	280	228	302	249	990	1,059	1,114	1,170
Growth	9%	3%	5%	0%	4%	29%	9%	19%	9%	7%	6%	6%	13%	7%	5%	5%
Organic	5%	-2%	1%	-3%	4%	28%	10%	19%	10%	9%	8%	9%	14%	9%	5%	5%
<i>Acquisitions</i>																
Adj EBIT	31	8	41	20	33	10	42	17	33	8	52	32	102	125	141	149
Adj EBIT margin	12.7%	4.9%	15.6%	10.2%	13.0%	4.5%	14.7%	7.2%	11.9%	3.3%	17.4%	12.8%	10.3%	11.8%	12.7%	12.8%
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	17	33	8	52	32	102	125	141	149
EBIT margin	12.7%	4.9%	15.6%	10.2%	13.0%	4.5%	14.7%	7.2%	11.9%	3.3%	17.4%	12.8%	10.3%	11.8%	12.7%	12.8%
Net financials	-1	-3	-0	1	-7	-0	2	-7	-1	-1	-1	-0	-11	-3	-3	-4
Pre-tax Profit	31	5	41	21	27	9	44	10	32	7	51	32	90	122	138	145
Tax	-6	-1	-9	-6	-6	-3	-9	-0	-7	-1	-11	-7	-18	-26	-29	-30
Tax rate	19%	22%	21%	29%	21%	28%	21%	3%	21%	21%	21%	21%	20%	21%	21%	21%
Net profit	25	4	32	15	21	7	35	10	25	6	40	25	73	96	109	115
EPS (SEK)	1.0	0.2	1.3	0.6	0.8	0.3	1.4	0.4	1.0	0.2	1.6	1.0	2.9	3.8	4.3	4.6
EPS Adj (SEK)	1.0	0.2	1.3	0.6	0.8	0.3	1.4	0.4	1.0	0.2	1.6	1.0	2.9	3.8	4.3	4.6

Source: Company data, Carnegie Research

Financial statements

Profit & loss (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Sales	0	757	705	768	835	872	990	1,059	1,114	1,170
COGS	0	-351	-335	-352	-411	-401	-469	-489	-502	-526
Gross profit	0	406	370	417	425	471	521	570	612	643
Other income & costs	0	-298	-295	-277	-317	-338	-387	-413	-438	-463
Share in ass. operations and JV	0	0	0	0	0	0	0	0	0	0
EBITDA	0	109	75	140	108	134	134	158	173	181
Depreciation PPE	0	-6	-7	-7	-8	-8	-8	-8	-8	-8
Depreciation lease assets	0	-47	-31	-24	-23	-22	-22	-22	-22	-21
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	125	141	149
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	125	141	149
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	-12	-3	-3	-4
of which interest income/expenses	0	-4	-4	-3	-2	-4	-1	-2	-2	-3
of which interest on lease liabilities	0	-4	-3	-2	-1	-1	-1	-1	-1	-1
of which other items	0	na	na	na	na	na	na	na	na	na
Pre-tax profit	0	49	18	107	71	98	90	122	138	145
Taxes	0	-10	1	-21	-20	-22	-18	-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	39	19	86	51	76	72	96	109	115
Adjusted EBITDA	0	109	75	140	108	134	134	158	173	181
Adjusted EBITA	0	51	34	104	73	101	102	125	141	149
Adjusted EBIT	0	51	34	97	92	101	102	125	141	149
Adjusted net profit	0	39	29	79	70	76	72	96	109	115
Sales growth Y/Y	na	+chg	-6.8%	8.9%	8.7%	4.4%	13.5%	7.0%	5.2%	5.0%
EBITDA growth Y/Y	na	+chg	-31.4%	87.3%	-22.9%	24.1%	0.3%	17.6%	10.0%	4.4%
EBITA growth Y/Y	na	+chg	-34.4%	208.9%	-30.0%	37.9%	1.0%	23.2%	12.6%	5.9%
EBIT growth Y/Y	na	+chg	-34.4%	208.9%	-30.0%	37.9%	1.0%	23.2%	12.6%	5.9%
EBITDA margin	nm	14.3%	10.6%	18.2%	12.9%	15.3%	13.5%	14.9%	15.6%	15.5%
EBITA margin	nm	6.8%	4.8%	13.5%	8.7%	11.5%	10.3%	11.8%	12.7%	12.8%
EBIT margin	nm	6.8%	4.8%	13.5%	8.7%	11.5%	10.3%	11.8%	12.7%	12.8%
Tax rate	na	20.0%	21.0%	19.5%	27.8%	22.2%	19.6%	21.0%	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	158	173	181
Paid taxes	0	-11	-13	-3	-9	-35	-18	-25	-28	-34
Change in NWC	0	21	89	-23	-48	27	-25	14	-3	-10
Non cash adjustments	0	-6	-8	0	10	-4	-15	-2	-1	-6
Discontinued operations	0	0	0	0	0	0	0	0	0	0
Total operating activities	0	113	143	114	61	121	76	143	142	131
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	-11	-12	-13
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	-13	-14	-15
Net financial items	0	-3	-16	3	-2	-3	-12	-3	-3	-4
Lease payments	0	-47	-28	-23	-23	-22	-20	-20	-20	-20
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	2	-6	5
Other cash flow items	0	na	na	na	na	na	na	na	na	na
Total financing activities	0	-107	-104	-75	-137	-103	-88	-96	-108	-101
Operating cash flow	0	113	143	114	61	121	76	143	142	131
Free cash flow	0	54	92	85	28	86	31	108	106	94
Net cash flow	0	-7	30	28	-85	7	-26	34	19	16
Change in net IB debt	0	8	77	47	-33	38	96	30	22	8
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%	19.8%	19.1%	18.7%

Source: Carnegie Research & 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	37	37	37
Other fixed intangible assets	0	197	198	198	195	194	194	192	189	190
Capitalised development	0	na	na	na	na	na	na	na	na	na
Tangible assets	0	18	17	15	16	18	21	25	29	34
Lease assets	0	131	57	55	53	44	42	21	-1	-22
Other IB assets (1)	0	na	na	na	na	na	na	na	na	na
Other non-IB assets	0	na	na	na	na	na	na	na	na	na
Fixed assets	0	397	322	317	313	304	307	287	267	252
Inventories (2)	0	128	123	152	201	184	259	252	264	288
Receivables (2)	0	125	84	92	104	99	111	124	128	134
Prepaid exp. & other NWC items (2)	0	na	na	na	na	na	na	na	na	na
IB current assets (1)	0	na	na	na	na	na	na	na	na	na
Other current assets	0	na	na	na	na	na	na	na	na	na
Cash & cash equivalents (1)	0	29	70	97	16	27	9	45	66	85
Current assets	0	302	297	363	340	327	402	426	463	512
Total assets	0	699	619	681	653	632	709	713	730	764
Shareholders' equity	0	271	291	334	325	351	352	373	402	433
Minorities	0	-6	0	0	0	0	0	0	0	0
Other equity	0	na	na	na	na	na	na	na	na	na
Total equity	0	265	291	334	325	351	352	373	402	433
Deferred tax	0	40	39	40	40	40	39	40	41	38
LT IB debt (1)	0	150	99	80	0	0	0	0	0	0
Other IB provisions (1)	0	na	na	na	na	na	na	na	na	na
Lease liabilities	0	96	36	34	32	25	23	5	-13	-31
Other non-IB liabilities	0	na	na	na	na	na	na	na	na	na
LT liabilities	0	287	174	155	72	65	62	44	28	7
ST IB debt (1)	0	7	0	0	30	0	17	19	13	18
Payables (2)	0	56	77	97	106	136	189	167	187	202
Accrued exp. & other NWC items (2)	0	na	na	na	na	na	na	na	na	na
Other ST non-IB liabilities	0	85	77	94	120	80	88	110	100	104
Liabilities - assets held for sale	0	na	na	na	na	na	na	na	na	na
Current liabilities	0	148	154	191	256	216	294	296	300	324
Total equity and liabilities	0	699	619	681	653	632	709	713	730	764
Net IB debt (=1)	0	224	64	17	46	-1	31	-21	-66	-98
Net working capital (NWC) (=2)	0	217	150	169	218	165	204	214	210	226
Capital employed (CE)	0	544	449	474	414	404	420	424	430	446
Capital invested (CI)	0	599	456	473	519	457	499	489	465	466
Equity / Total assets	nm	38%	47%	49%	50%	56%	50%	52%	55%	57%
Net IB debt / EBITDA	nm	2.1	0.9	0.1	0.4	0.0	0.2	-0.1	-0.4	-0.5
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	1.55	0.75	3.42	2.03	3.02	2.86	3.83	4.33	4.56
EPS adj.	0.00	1.55	1.14	3.13	2.78	3.02	2.86	3.83	4.33	4.56
CEPS	0.00	2.10	1.35	3.98	2.55	3.51	3.41	4.38	4.88	5.07
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	14.8	16.0	17.2
Performance measures	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
ROE	nm	28.8%	6.7%	27.5%	15.5%	22.5%	20.5%	26.6%	28.1%	27.4%
Adj. ROCE pre-tax	na	na	4.3%	23.8%	16.5%	25.0%	22.3%	29.5%	32.9%	33.9%
Adj. ROIC after-tax	na	na	5.0%	18.0%	10.6%	16.0%	17.1%	20.0%	23.3%	25.4%
Valuation	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
FCF yield	0.0%	3.7%	6.3%	5.8%	1.9%	5.9%	2.1%	7.4%	7.2%	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%	200.3%	73.1%	98.5%	99.3%	104.9%	83.5%	76.3%	72.4%
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	1.36	1.26	1.17
EV/EBITDA YE	nm	6.8	6.3	7.9	6.9	7.9	9.9	9.2	8.1	7.6
EV/EBITA YE	nm	14.3	13.8	10.5	10.2	10.6	13.1	11.5	9.9	9.2
EV/EBITA adj. YE	nm	14.3	13.8	10.5	10.2	10.6	13.1	11.5	9.9	9.2
EV/EBIT YE	nm	14.3	13.8	10.5	10.2	10.6	13.1	11.5	9.9	9.2
P/E YE	nm	13.2	21.3	12.5	13.7	14.0	18.0	15.2	13.5	12.8
P/E adj. YE	nm	13.2	14.0	13.7	10.0	14.0	18.0	15.2	13.5	12.8
P/BV YE	nm	1.89	1.38	3.23	2.15	3.03	3.68	3.92	3.65	3.38
Share price YE (SEK)	14.6	20.4	16.0	42.9	27.8	42.3	51.6	58.3		

Source: Carnegie Research & company data

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