

BJÖRN BORG

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INDERES CORPORATE CUSTOMER

COMPANY REPORT



Attractive entry point

We have taken a more cautious stance on our near- and mid-term revenue estimates due to weaker consumer sentiment and a less supportive macro environment, particularly in continental Europe. Despite these downward revisions, we believe that the current valuation offers an attractive risk/reward profile, as the share price has fallen by around 15% since our last update. As a result, we raise our recommendation to Buy (prev. Accumulate) but lower our target price to SEK 66 per share (prev. 69 per share), mainly due to lower estimates.

Moderate growth expected in Q3'26

We forecast Björn Borg's Q3 revenue to grow by 1.5% year-on-year in local currencies, mainly driven by the company's own e-commerce segment. In the Wholesale channel, we expect a normalization following significant timing effects in Q2'26. However, growth will likely remain constrained by a lower order book, as retail buyers became more cautious when placing pre-orders during a period of weak consumer confidence. That said, the company has likely managed to partly offset this through re-orders. In terms of product category, we expect revenue growth to come mainly from sports apparel, while footwear is likely to continue its decline, partly due to weakness in the Netherlands and Belgium, where the company is working to improve distribution.

In terms of profitability, we expect the gross margin to normalize somewhat compared to the levels seen in Q2 as the lower-margin Wholesale segment accounts for a significantly larger share of total sales during the peak season. Nevertheless, the continued growth of the higher-margin own e-commerce segment should still provide a positive mix effect year-on-year. We expect OPEX to grow in Q3, driven by increased marketing investments as the company continues to drive brand awareness in growth markets such as Germany. As a result, we expect Q3 EBIT to increase slightly y/y to 48 MSEK,

corresponding to a good margin of around 15.5%.

Long-term game plan intact despite short-term headwinds

Due to the renewed weakness in consumer sentiment and a less supportive macro environment outside the Nordics, we have tempered our revenue expectations for the coming years. We now expect Björn Borg to show modest revenue growth for the full year 2026. This is mainly due to slow volume growth in the Wholesale segment, reflecting lower pre-orders from resellers amid uncertain consumer sentiment. Growth is also hampered by changing order patterns among large key accounts and slow footwear development in the Netherlands and Belgium. However, in the mid- to long-term, we expect an average annual growth rate of around 6%, driven mainly by successful expansion in its core categories of sports apparel and, once the distribution setup is in place, also footwear, while maintaining steady growth in the more mature underwear segment. We expect the EBIT margin to remain around 12% in the coming years. While sales growth should provide operating leverage, continued expansion in the German market and the company's own e-commerce channels will likely bring additional costs.

We find Björn Borg's current valuation levels attractive

Since our last update, the share price is down 15%, which we believe is driven by generally weak sentiment toward consumer stocks rather than changes in underlying fundamentals. In our view, Björn Borg's forward-looking multiples are low (2026/2027 P/E 13-14x and EV/EBIT 10-11x) relative to its earnings and return on capital potential. We see the combination of earnings growth and dividend yield as the main driver for the stock's total expected return (~15-20%), which is well above our required return. Therefore, we believe the company's interesting long-term investment story can be accessed with a good risk/reward ratio at the current valuation.

Recommendation

Buy
(prev. Accumulate)

Target price:

66.0 SEK
(prev. 69.0 SEK)

Share price:
53.5 SEK

Business risk



Valuation risk



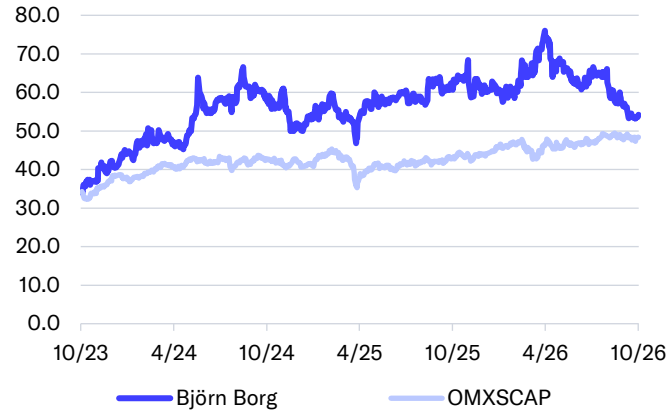
	2025	2026e	2027e	2028e
Revenue	1043.9	1057.5	1145.2	1218.0
growth-%	5%	1%	8%	6%
EBIT adj.	111.5	127.6	134.5	147.5
EBIT-% adj.	10.7 %	12.1 %	11.7 %	12.1 %
Net Income	92.1	97.7	102.3	114.0
EPS (adj.)	3.66	3.88	4.06	4.53
P/E (adj.)	17.2	13.8	13.2	11.8
P/B	4.3	3.5	3.3	3.2
Dividend yield-%	4.8 %	6.5 %	7.0 %	7.7 %
EV/EBIT (adj.)	14.6	10.7	10.0	9.0
EV/EBITDA	11.6	8.7	8.2	7.9
EV/S	1.6	1.3	1.2	1.1

Source: Inderes

Guidance

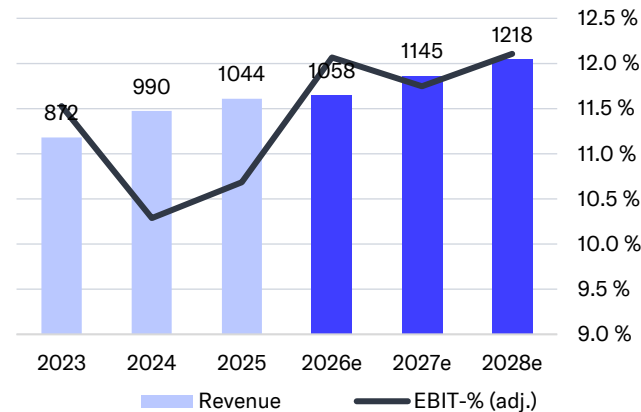
(Björn Borg does not provide any guidance)

Share price



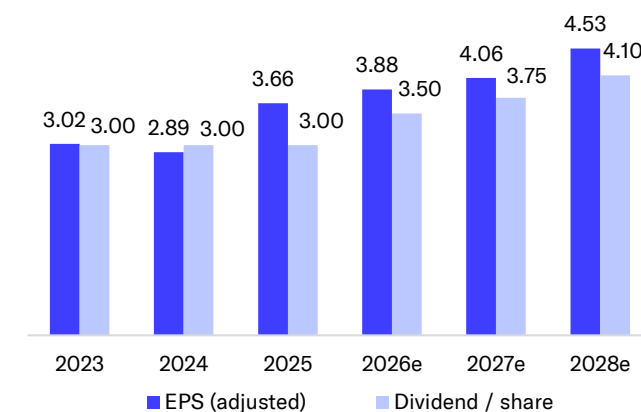
Source: Millistream Market Data AB

Revenue and EBIT-%



Source: Inderes

EPS and dividend / share



Source: Inderes

Value drivers

- Opportunities for geographical expansion in currently smaller markets, especially Germany
- Good growth prospects across all product categories, with sports apparel being the main driver
- Improving margin levels driven by increasing online sales through the company's e-commerce platform and e-tailers
- Integrating footwear business can boost future growth by enhancing quality control, fostering innovation and design

Risk factors

- Strong brand dependence carries risks like trend sensitivity, where the brand may fall out of fashion
- The fashion industry is fiercely competed, and some collections might not appeal to customers
- Risks generated by integrating the footwear category or expansion investments
- Consumers' low purchasing power is a risk to short-term results

Valuation	2026e	2027e	2028e
Share price	53.5	53.5	53.5
Number of shares, millions	25.2	25.2	25.2
Market cap	1348	1348	1348
EV	1365	1348	1331
P/E (adj.)	13.8	13.2	11.8
P/E	13.8	13.2	11.8
P/B	3.5	3.3	3.2
P/S	1.3	1.2	1.1
EV/Sales	1.3	1.2	1.1
EV/EBITDA	8.7	8.2	7.9
EV/EBIT (adj.)	10.7	10.0	9.0
Payout ratio (%)	90.3 %	92.3 %	90.6 %
Dividend yield-%	6.5 %	7.0 %	7.7 %

Source: Inderes

Moderate growth expected in peak season

Moderate growth expected in seasonally strongest quarter

We forecast Björn Borg's Q3 revenue to grow by 1.5% year-on-year in local currencies, amounting to 306 MSEK, in line with Retail Consensus (Pinpoint Estimates). We estimate that the company's own e-commerce segment (12% y/y revenue growth) will continue to be a key revenue driver, supported by good momentum in sports apparel. In the Wholesale channel (3% y/y revenue growth), we expect a normalization following the significant timing effects in Q2'26, when summer 2026 deliveries shifted from Q2 to Q1. However, we anticipate that underlying Wholesale growth will remain constrained by a lower order book, as pre-orders were placed during a period of weak consumer confidence that made retail buyers more cautious. That said, the company has likely managed to partly offset this through re-orders. As mentioned, we expect revenue growth to come mainly from sports apparel, while footwear is likely to continue its decline, partly due to weakness in

the Netherlands and Belgium, where the company is working to improve distribution. In terms of geography, we believe the underlying market environment in Björn Borg's Nordic markets continues to improve, with Swedish apparel sales growing by around 4% y/y on average in Q3. However, we do not expect this to be fully reflected in Björn Borg's figures, as the weaker pre-order book in the Wholesale segment is likely to weigh on sales.

High volumes to support solid profitability

While the gross margin was exceptionally strong in Q2 due to a favorable channel mix, we expect it to normalize somewhat in Q3 as the lower-margin Wholesale segment accounts for a significantly larger share of total sales during the peak season. Nevertheless, the continued growth of the higher-margin own e-commerce segment should still provide a positive mix effect year-on-year. As a result, we estimate the Q3 gross margin to amount to 53.0%. We expect the positive FX effects on gross margins seen in recent quarters to fade in Q3, while higher freight costs will

likely weigh on margins. We expect OPEX to grow in Q3, driven by increased marketing investments as the company continues to drive brand awareness in growth markets such as Germany. As a result, we expect Q3 EBIT to increase slightly y/y to 48 MSEK, corresponding to a good margin of around 15.5%, slightly above Retail Consensus.

Focus on Wholesale demand and footwear integration

In our view, sustainably reaching the 10% revenue growth target will require a stronger contribution from footwear, a category that has underperformed since it was fully integrated into the business. We will therefore follow closely any commentary on efforts to strengthen footwear distribution, particularly in the Netherlands and Belgium. In addition, Wholesale customers typically place their orders for the spring 2027 season during Q3, and we believe commentary on this will provide valuable insight into retailer sentiment.

Estimates	Q3'25	Q3'26e	Q3'26e	Consensus		2026e
MSEK / SEK	Comparison	Inderes	Consensus	Low	High	Inderes
Revenue	300	306	305	296	- 310	1058
Gross margin-%	53%	53%				54%
EBITDA	52.3	54.9				157
EBIT	45.1	47.5	46.4	41.5	- 48.1	128
PTP	45.5	46.1				124
EPS (adj.)	1.47	1.43				3.88
Revenue growth-%	5.1 %	2.1 %	1.7 %	-1.3 %	- 3.4 %	1.3 %
EBIT-%	15.1 %	15.5 %	15.2 %	14.0 %	- 15.5 %	12.1 %

Source: Inderes & Pinpoint (retail consensus 14.10.26, 56 estimates) (consensus)

Estimate revisions 2026e-2028e

Estimate revisions	2026e	2026e	Change	2027e	2027e	Change	2028e	2028e	Change
MSEK / SEK	Old	New	%	Old	New	%	Old	New	%
Revenue	1067	1058	-1%	1156	1145	-1%	1258	1218	-3%
EBITDA	157	157	0%	166	164	-1%	170	168	-1%
EBIT (exc. NRIs)	127	128	0%	136	135	-1%	149	147	-1%
EBIT	127	128	0%	136	135	-1%	149	147	-1%
PTP	124	124	0%	132	131	-1%	147	145	-1%
EPS (excl. NRIs)	3.87	3.88	0%	4.11	4.06	-1%	4.58	4.53	-1%
DPS	3.50	3.50	0%	3.75	3.75	0%	4.10	4.10	0%

Source: Inderes

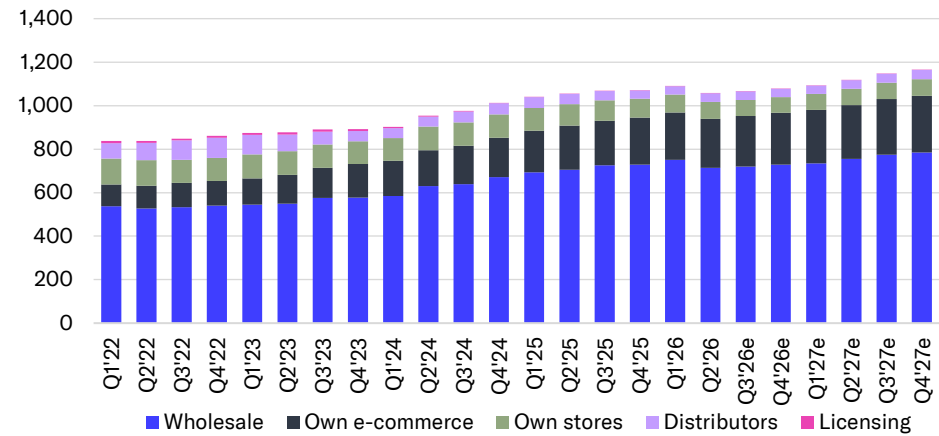
Estimates

Group reporting, MSEK	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e
Revenue	496	539	574	632	696	710	757	705	768	835	872	990	1044	1058	1145	1218
Revenue growth-%	-9.0%	9.0%	7.0%	10.0%	10.3%	1.9%	6.7%	-6.8%	8.9%	8.7%	4.4%	13.5%	5.5%	1.3%	8.3%	6.4%
Revenue growth-% (currency neutral)	-8.0%	6.0%	-1.0%	10.0%	9.6%	1.6%	3.7%	-5.8%	11.5%	4.7%	0.7%	13.8%	7.8%	1.0%	8.3%	6.4%
COGS	-241	-254	-273	-314	-320	-303	-351	-335	-352	-411	-401	-469	-504	-490	-540	-572
Gross profit	259	291	311	324	384	414	428	399	444	450	491	544	568	589	625	666
Gross margin	51.5%	52.9%	52.4%	50.3%	54.0%	57.4%	53.7%	52.5%	54.2%	50.8%	54.0%	52.6%	51.8%	53.6%	52.9%	53.0%
OPEX	-238	-238	-253	-260	-329	-343	-378	-365	-340	-377	-390	-442	-457	-461	-491	-518
EBIT	21	53	59	64	55	71	50	34	104	73	101	102	112	128	135	147
EBIT margin-%	4.3%	9.8%	10.2%	10.2%	7.9%	10.0%	6.7%	4.8%	13.5%	8.7%	11.5%	10.3%	10.7%	12.1%	11.7%	12.1%
Segment breakdown, MSEK	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e
Wholesale	204	193	207	290	441	466	516	464	502	540	577	672	728	729	785	830
Growth-%		-5.6%	7.5%	39.8%	52.4%	5.7%	10.7%	-10.0%	8.2%	7.5%	7.0%	16.3%	8.5%	0.0%	7.7%	5.7%
EBIT margin-%	7.6%	3.3%	-2.0%	6.1%	7.8%	9.8%	5.7%	3.6%	13.6%	9.8%	10.5%	8.1%	9.2%	10.8%	9.5%	10.0%
Own e-commerce								84	100	113	154	181	217	238	260	280
Growth-%									19.0%	14.0%	35.8%	17.6%	19.7%	9.7%	9.4%	7.7%
EBIT margin-%								12.2%	20.3%	15.6%	18.7%	18.2%	18.5%	19.2%	18.4%	18.0%
Own stores								127	113	107	105	107	87	72	77	80
Growth-%									-11.2%	-5.9%	-1.7%	2.6%	-18.6%	-17.4%	6.5%	3.9%
EBIT margin-%								-10.1%	-5.6%	-22.8%	-6.7%	2.5%	-5.8%	-8.7%	2.4%	3.0%
Direct-to-consumer	69	81	105	128	186	186	197	211	213	220	259	288	304	310	337	360
Growth-%		16.4%	29.7%	22.0%	45.8%	-0.1%	6.1%	7.1%	0.8%	3.4%	17.6%	11.5%	5.4%	1.9%	8.7%	6.8%
EBIT margin-%	-18.9%	-5.9%	1.0%	-4.9%	-7.4%	-1.5%	-1.4%	-1.3%	6.5%	-3.0%	8.4%	12.3%	11.5%	12.7%	14.7%	14.7%
Distributors	187	234	238	188	58	49	50	45	71	92	47	51	38	39	42	47
Growth-%		24.9%	1.8%	-21.1%	-69.0%	-15.8%	2.4%	-11.2%	59.9%	29.2%	-49.6%	8.9%	-24.7%	3.0%	6.9%	11.9%
EBIT margin-%	2.2%	14.9%	15.7%	17.8%	31.3%	30.1%	22.1%	15.6%	19.0%	21.2%	21.2%	19.7%	21.7%	20.6%	23.0%	23.0%
Licensing	38	37	35	34	19	15	15	14	10	9	9	2	1	1	1	1
Growth-%		-2.2%	-7.3%	-3.2%	-44.8%	-17.1%	0.4%	-9.7%	-30.7%	-8.4%	2.9%	-75.6%	-48.0%	15.9%	-10.6%	-16.7%
EBIT margin-%	38.4%	52.2%	69.6%	58.0%	87.7%	87.1%	86.6%	89.7%	84.6%	81.0%	88.6%	86.7%	90.9%	91.1%	85.0%	85.0%
Geographical breakdown, MSEK	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e
Sweden	202	192	227	245	227	265	272	268	276	287	298	346	387	382	414	426
The Netherlands	146	158	171	160	167	176	210	164	173	179	208	225	234	222	252	256
Finland	54	65	66	88	123	115	110	119	104	112	118	122	132	139	134	146
Germany								44	81	93	86	104	100	103	117	146
Other	97	130	120	145	187	154	166	110	135	165	163	192	190	211	229	244
Product breakdown, -% as of sales	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e
Underwear	60 %	61 %	61 %	63 %	61 %	60 %	59 %	56 %	60 %	55 %	55 %	52 %	48 %	49 %	47 %	45 %
Sports Apparel	11 %	10 %	10 %	9 %	10 %	11 %	14 %	13 %	18 %	19 %	22 %	25 %	29 %	30 %	31 %	33 %
Footwear					23 %	24 %	23 %	27 %	9 %	9 %	8 %	10 %	9 %	8 %	9 %	11 %
Bags									0 %	7 %	6 %	5 %	5 %	5 %	5 %	4 %
Other	29 %	29 %	29 %	28 %	6 %	5 %	4 %	4 %	14 %	10 %	9 %	8 %	9 %	9 %	8 %	7 %

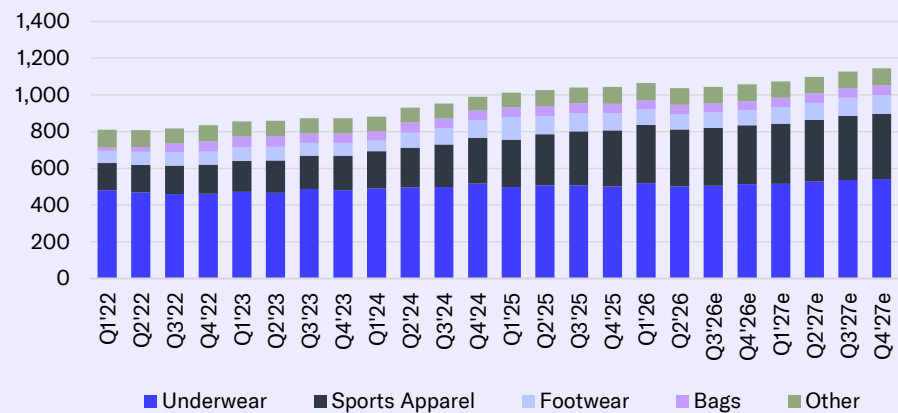
* Own e-commerce & Own Stores are included in “Direct-to-consumer” segment until 2020. Germany is included in “Other” markets until 2020. Footwear is included in “Other” products until 2016, and bags until 2020
Source: Inderes, Björn Borg

Financial development

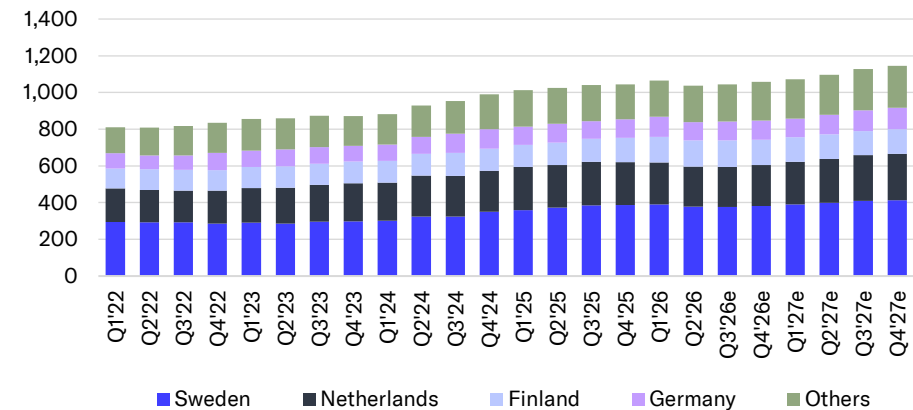
Revenue by segment
Rolling 12 months, MSEK



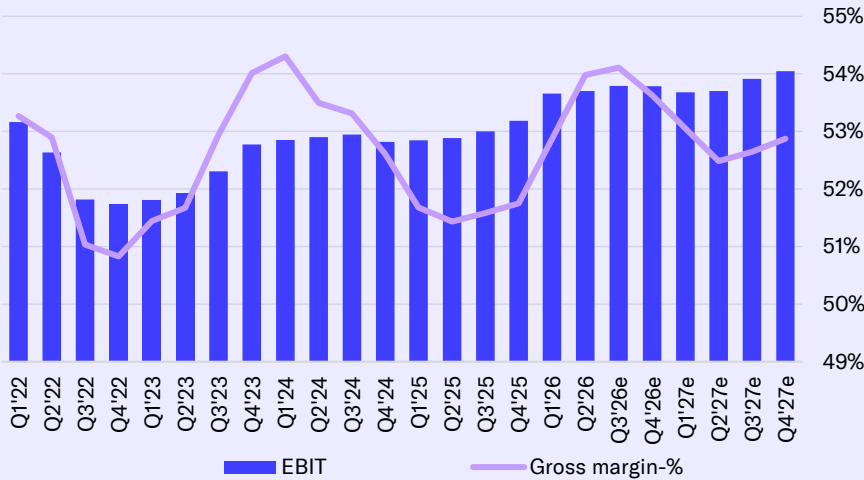
Revenue by product
Rolling 12 months, MSEK



Revenue by geography
Rolling 12 months, MSEK

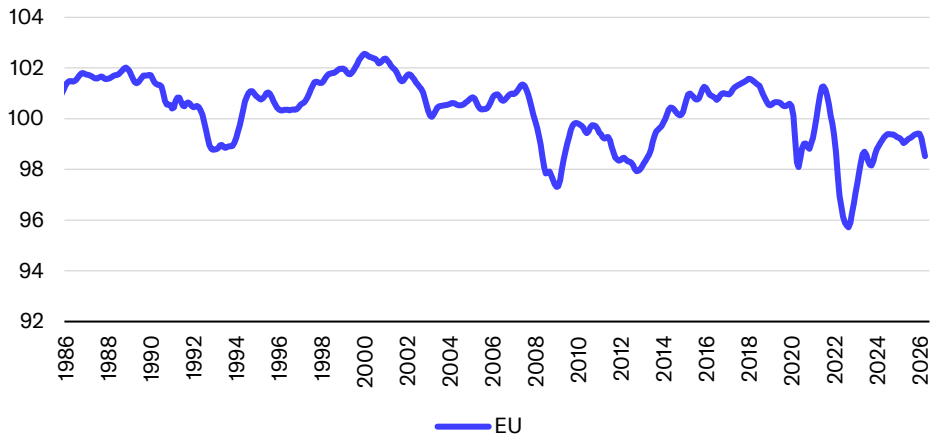


EBIT (MSEK) & Gross margin-%
Rolling 12 months

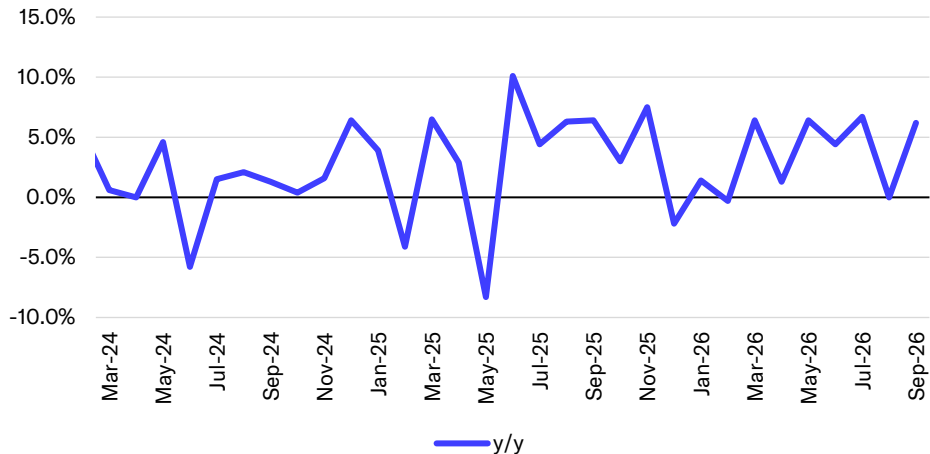


Market figures

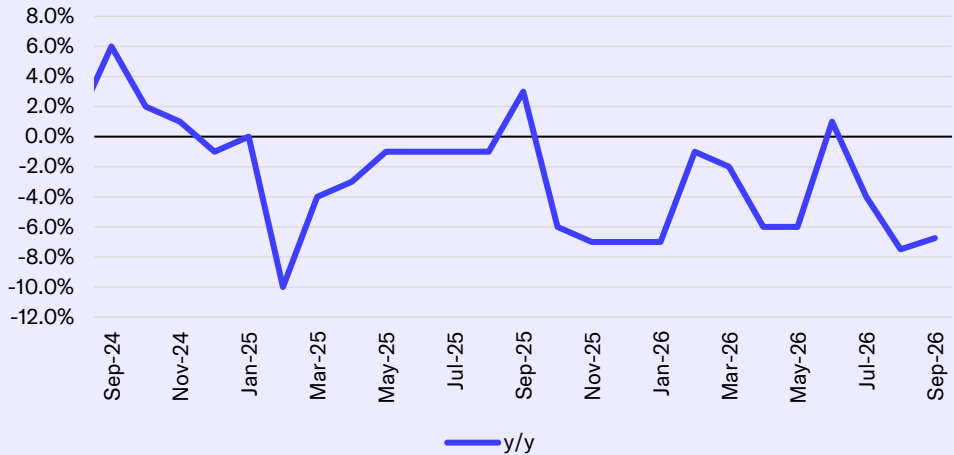
Consumer confidence



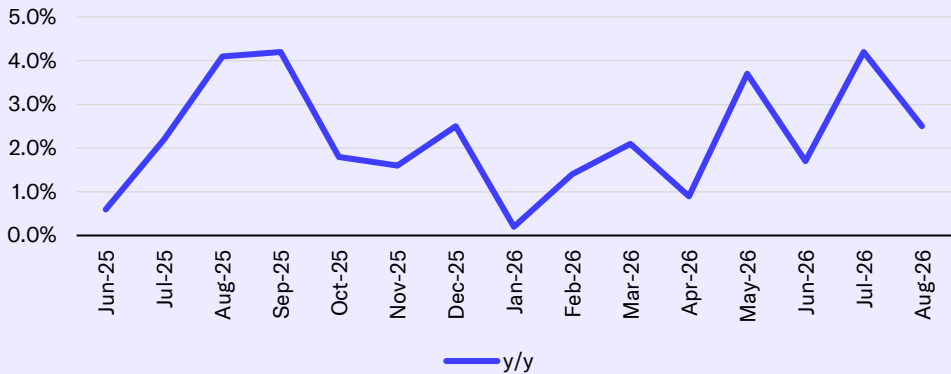
Sweden apparel sales ¹
(~37% of Björn Borg group sales)



Germany apparel sales ²
(~10% of Björn Borg group sales)



The Netherlands apparel sales ³
(~21% of Björn Borg group sales)



Source: Inderes, OECD, Stilindex, TextilWirtschaft, Statistics Netherlands (CBS),

We find Björn Borg's current valuation levels attractive

Low multiples relative to earnings potential

We forecast Björn Borg's earnings to grow at a CAGR of approximately 6% (Q2'26 LTM-2028e), mainly driven by solid sales growth. As earnings increase, this will put downward pressure on valuation multiples in the coming years, meaning that earnings growth itself is expected to be a key driver of returns. The P/E multiples for 2026 and 2027, incorporating earnings growth, are 14x and 13x, respectively, while the corresponding EV/EBIT multiples are 11x and 10x. In our view, Björn Borg's forward-looking multiples are low relative to its earnings and return on capital potential, historical valuation levels, as well as the broader market valuation environment.

Peer valuation points to upside

Most retail chains have significant lease liabilities, which muddle the EV-based valuation. Thus, we look mainly at the P/E ratios of the peer group. When comparing Björn Borg to several listed sports apparel and retail companies, the company's P/E multiples for 2026 and 2027 are, on average, ~4% lower than those of its peers. However, when excluding the retail peers, Björn Borg's discount increases to around 10%. Given that Björn Borg's sports apparel peers are larger and more globally established brands, we find it reasonable, on the one hand, to price Björn Borg below its peers. However, we expect Björn Borg to grow roughly in line with its peers in the coming years, along with higher profitability and returns on capital, suggesting that the current discount is exaggerated. We believe it is important to note that the peer group's valuation multiples vary widely, from single digits to over 20x, which in our view makes the peer group somewhat dependent on the specific companies included. Consequently, while peer

valuation indicates some upside potential for Björn Borg, we do not place too much emphasis on it.

Dividend yield and earnings growth underpin an attractive expected return

We expect investors to receive an annual dividend yield of about 7-8% over the next few years at the current share price, which roughly aligns with our estimated cash flow yield. In our view, the dividend yield therefore provides a very solid foundation for the total expected return of the share. Looking at earnings multiples on an actual earnings basis, we believe that Björn Borg's valuation is also relatively low (P/E ~14x), which provides some support to the stock's total expected return. However, we see the combination of earnings growth and dividend yield as the main driver for the stock's total expected return. Overall, the total expected return of the share (~15-20%) is well above our required return (CoE 10%), and we therefore find the risk/reward ratio to be attractive, which warrants a positive investment view.

DCF is in the green

We estimate Björn Borg's cost of equity to be 10.0%, which we consider fair given its relatively stable history of generating profitable growth and high returns on capital. However, this rate also reflects the company's small size and limited global market presence. As we assume little debt in the WACC calculation (as the company generates good operational cash flow and typically carries little leverage excluding lease liabilities), the WACC is set to 9.5%. With these assumptions, our DCF model arrives at an EV of ~1,793 MSEK, which translates into an equity value per share of SEK 66.

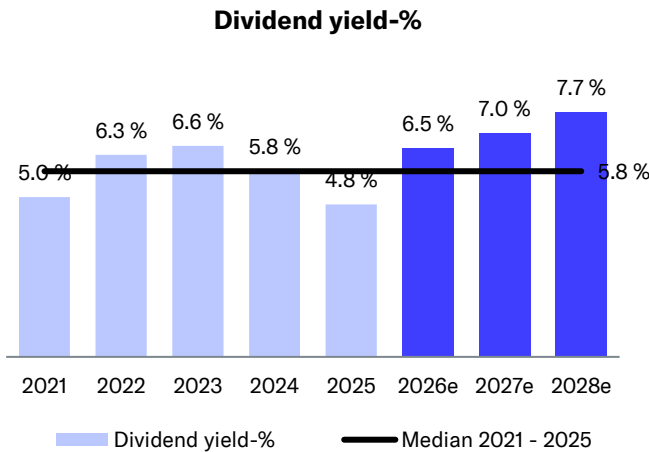
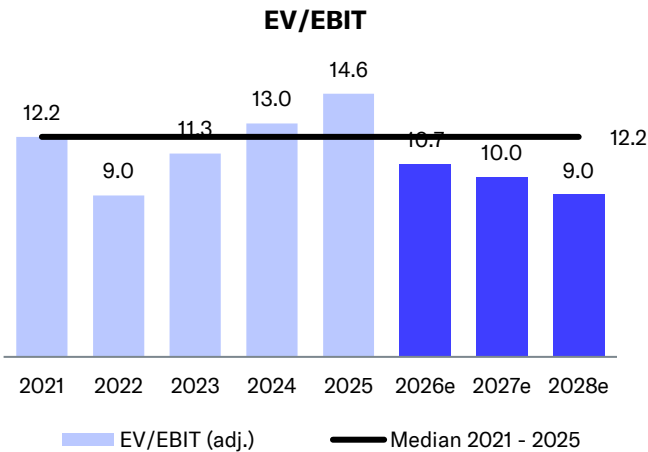
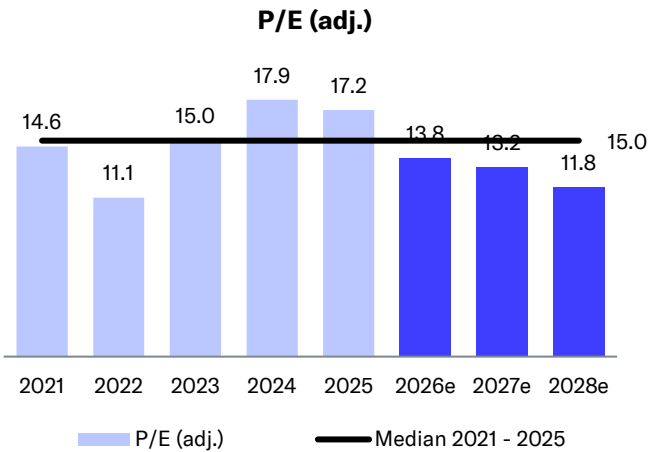
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Share price	53.5	53.5	53.5
Number of shares, millions	25.2	25.2	25.2
Market cap	1348	1348	1348
EV	1365	1348	1331
P/E (adj.)	13.8	13.2	11.8
P/E	13.8	13.2	11.8
P/B	3.5	3.3	3.2
P/S	1.3	1.2	1.1
EV/Sales	1.3	1.2	1.1
EV/EBITDA	8.7	8.2	7.9
EV/EBIT (adj.)	10.7	10.0	9.0
Payout ratio (%)	90.3 %	92.3 %	90.6 %
Dividend yield-%	6.5 %	7.0 %	7.7 %

Source: Inderes

Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	50.0	31.6	45.4	51.6	62.8	53.5	53.5	53.5	53.5
Number of shares, millions	25.1	25.1	25.1	25.1	25.1	25.2	25.2	25.2	25.2
Market cap	1257	795	1142	1298	1579	1348	1348	1348	1348
EV	1275	844	1138	1323	1634	1365	1348	1331	1313
P/E (adj.)	14.6	11.1	15.0	17.9	17.2	13.8	13.2	11.8	11.1
P/E	14.6	15.6	15.0	17.9	17.2	13.8	13.2	11.8	11.1
P/B	3.7	2.4	3.2	3.6	4.3	3.5	3.3	3.2	3.1
P/S	1.6	1.0	1.3	1.3	1.5	1.3	1.2	1.1	1.1
EV/Sales	1.7	1.0	1.3	1.3	1.6	1.3	1.2	1.1	1.0
EV/EBITDA	9.1	7.8	8.5	9.9	11.6	8.7	8.2	7.9	7.4
EV/EBIT (adj.)	12.2	9.0	11.3	13.0	14.6	10.7	10.0	9.0	8.4
Payout ratio (%)	73.1 %	98.9 %	99.3 %	103.8 %	82.0 %	90.3 %	92.3 %	90.6 %	90.0 %
Dividend yield-%	5.0 %	6.3 %	6.6 %	5.8 %	4.8 %	6.5 %	7.0 %	7.7 %	8.1 %

Source: Inderes



The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years.

Peer group valuation

Peer group valuation		Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company		MEUR	MEUR	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e
Sports apparel														
Adidas		26,579	31,092	12.9	10.9	8.90	7.75	1.15	1.08	16.65	13.22	2.3	2.9	4.2
Nike		46,865	45,896	18.8	21.2	14.65	16.26	1.11	1.20	23.55	27.71	4.7	4.7	3.9
Puma		3,481	5,766		30.3	19.45	10.00	0.84	0.79		114.76			2.2
Under Armour		1,854	2,029	21.2	15.9	10.55	8.92	0.46	0.48	39.67	42.50		0.5	1.5
RVRC		498	470	12.3	9.5	11.95	9.23	2.59	1.92	16.44	13.06	3.0	3.4	4.3
Columbia Sportswear		2,609	2,051	7.9	8.9	6.03	5.97	0.66	0.64	13.10	13.61	2.1	2.1	1.7
New Wave Group		1,145	1,457	12.4	10.2	9.53	8.12	1.48	1.36	13.72	11.28	3.4	4.1	1.7
Retail														
PVH		3,411	4,556	6.7	6.6	4.91	4.83	0.57	0.57	7.59	6.87	0.2	0.2	0.8
GAP		7,164	6,278	6.3	5.5	4.33	4.04	0.46	0.45	10.67	9.52	2.9	3.0	2.3
H&M		23,909	28,614	16.5	16.2	8.14	7.92	1.44	1.39	20.91	20.18	4.4	4.6	6.3
Fenix Outdoor		910	1,100	13.1	12.5	7.69	7.48	1.32	1.26	5.58	5.34	6.5	6.8	0.7
JD Sports Fashion		4,913	8,907	7.6	8.4	3.99	4.10	0.59	0.60	7.52	8.20	1.2	1.5	1.5
Boozt		838	896	17.0	13.9	11.2	9.6	1.1	1.0	19.8	16.6			3.3
Lindex Group		342	893	12.1	11.8	4.7	4.8	0.9	0.9	12.3	11.0			0.7
Zalando		6,156	6,062	12.2	8.7	6.0	5.1	0.4	0.4	22.8	14.3			2.1
Björn Borg (Inderes)		123	124	10.7	10.0	8.7	8.2	1.3	1.2	13.8	13.2	6.5	7.0	3.5
Average				12.6	12.7	8.8	7.6	1.0	0.9	16.4	21.9	3.1	3.1	2.5
Median				12.3	10.9	8.1	7.8	0.9	0.9	15.1	13.2	2.9	3.0	2.1
Diff-% to median				-13%	-8%	7%	6%	40%	31%	-8%	0%	126%	131%	67%

Income statement

Income statement	2023	2024	2025	Q1'26	Q2'26	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	872	990	1044	301	198	306	252	1058	1145	1218	1283
Wholesale	577	672	728	234	110	225	160	729	785	830	860
Own e-commerce	154	181	217	53	60	58	67	238	260	280	310
Own stores	105	107	87	13	19	20	20	72	77	80	85
Distributors	47	51	38	7	13	9	10	39	42	47	48
Licensing	9	2	1	0	0	0	0	1	1	1	1
EBITDA	134	134	141	54	19	55	29	157	164	168	177
Depreciation	-33	-32	-29	-7	-7	-7	-7	-29	-30	-21	-21
EBIT (excl. NRI)	101	102	112	47	12	47	21	128	135	147	156
EBIT	101	102	112	47	12	47	21	128	135	147	156
Wholesale	61	54	67	41	-4	37	5	79	74	83	86
Own e-commerce	29	33	40	8	15	9	15	46	48	50	56
Own stores	-7	3	-5	-4	-1	-1	-1	-6	2	2	3
Distributors	10	10	8	2	2	2	2	8	10	11	11
Licensing	8	2	1	0	0	0	0	1	1	1	1
Net financial items	-3	-11	6	-1	0	-1	-1	-3	-4	-2	-2
PTP	98	90	118	46	12	46	20	124	131	145	154
Taxes	-22	-18	-26	-9	-3	-10	-4	-27	-28	-31	-33
Minority interest	0	0	0	0	0	0	0	0	0	0	0
Net earnings	76	73	92	37	9	36	16	98	102	114	121
EPS (adj.)	3.02	2.89	3.66	1.46	0.34	1.43	0.64	3.88	4.06	4.53	4.80
EPS (rep.)	3.02	2.89	3.66	1.46	0.34	1.43	0.64	3.88	4.06	4.53	4.80
Key figures	2023	2024	2025	Q1'26	Q2'26	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	4.4 %	13.5 %	5.4 %	7.3 %	-12.2 %	2.1 %	5.9 %	1.3 %	8.3 %	6.4 %	5.3 %
Adjusted EBIT growth-%		1.3 %	9.5 %	37.1 %	11.0 %	5.2 %	-0.5 %	14.4 %	5.4 %	9.6 %	6.0 %
EBITDA-%	15.3 %	13.5 %	13.5 %	18.0 %	9.6 %	17.9 %	11.5 %	14.8 %	14.3 %	13.8 %	13.8 %
Adjusted EBIT-%	11.5 %	10.3 %	10.7 %	15.6 %	5.9 %	15.5 %	8.5 %	12.1 %	11.7 %	12.1 %	12.2 %
Net earnings-%	8.7 %	7.3 %	8.8 %	12.3 %	4.4 %	11.8 %	6.4 %	9.2 %	8.9 %	9.4 %	9.4 %

Source: Inderes

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	307	291	281	270	269
Goodwill	37.2	35.9	35.9	35.9	35.9
Intangible assets	194	194	193	192	191
Tangible assets	63.3	52.8	43.2	33.5	33.4
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.0	0.0	0.0	0.0	0.0
Deferred tax assets	12.2	8.8	8.8	8.8	8.8
Current assets	402	428	436	459	475
Inventories	259	257	254	263	268
Other current assets	22.6	24.0	24.0	24.0	24.0
Receivables	111	133	127	137	146
Cash and equivalents	8.8	13.5	31.7	34.4	36.5
Balance sheet total	709	719	717	729	744

Source: Inderes

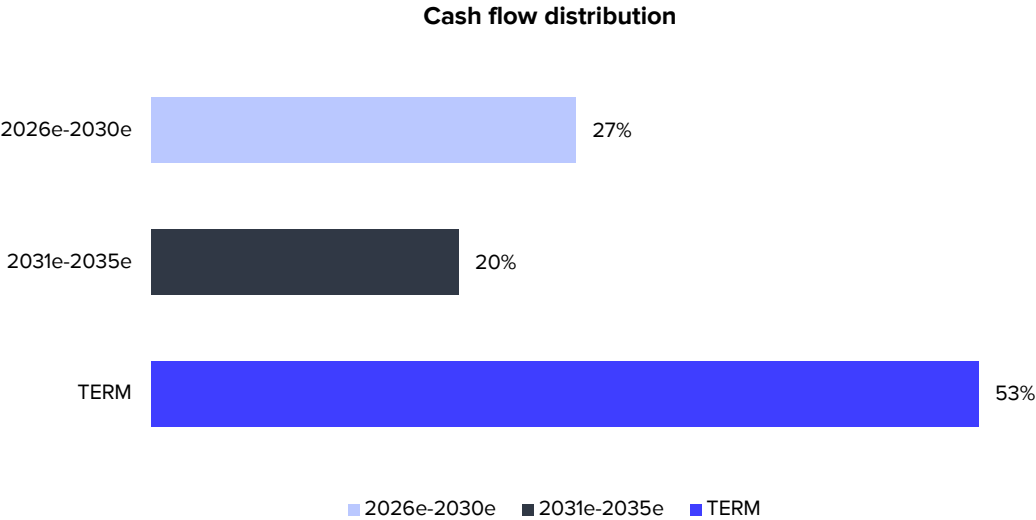
Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	352	361	383	397	417
Share capital	7.9	7.9	7.9	7.9	7.9
Retained earnings	173	177	199	213	233
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	179	182	182	182	182
Minorities	-6.9	-5.8	-5.8	-5.8	-5.8
Non-current liabilities	62.0	54.5	80.7	71.7	62.1
Deferred tax liabilities	39.5	39.5	39.5	39.5	39.5
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	22.6	15.0	41.2	32.2	22.6
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.0	0.0	0.0	0.0	0.0
Current liabilities	294	304	253	260	265
Interest bearing debt	36.4	77.8	27.5	21.4	15.0
Payables	189	159	159	172	183
Other current liabilities	69.0	66.9	66.9	66.9	66.9
Balance sheet total	709	719	717	729	744

DCF-calculation

DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	5.4 %	1.3 %	8.3 %	6.4 %	5.3 %	6.0 %	6.0 %	6.0 %	6.0 %	5.0 %	2.5 %	2.5 %
EBIT-%	10.7 %	12.1 %	11.7 %	12.1 %	12.2 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	11.5 %	11.5 %
EBIT (operating profit)	112	128	135	147	156	163	173	183	194	204	201	
+ Depreciation	29.1	29.4	29.6	20.6	20.5	20.6	20.9	21.2	21.5	21.8	22.2	
- Paid taxes	-22.2	-26.6	-28.2	-31.4	-33.3	-34.8	-36.9	-39.2	-41.6	-43.7	-43.5	
- Tax, financial expenses	1.4	-0.7	-0.9	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4	0.0	
+ Tax, financial income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Change in working capital	-53.0	9.3	-7.0	-2.4	0.5	-0.3	-13.9	-14.7	-15.6	-13.8	-7.3	
Operating cash flow	66.7	139	128	134	143	148	143	150	158	168	173	
+ Change in other long-term liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-17.1	-18.6	-19.1	-19.5	-20.1	-20.5	-21.0	-21.4	-21.8	-22.1	-22.1	
Free operating cash flow	49.6	120	109	114	123	128	122	129	136	146	150	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	49.6	120	109	114	123	128	122	129	136	146	150	2203
Discounted FCFF		118	97.6	93.4	92.1	87.1	75.7	73.1	70.7	69.0	65.0	951
Sum of FCFF present value		1793	1675	1578	1484	1392	1305	1229	1156	1085	1016	951
Enterprise value DCF		1793										
- Interest bearing debt		-92.8										
+ Cash and cash equivalents		13.5										
+ Associated companies		0.0										
-Minorities		20.2										
-Dividend/capital return		-75.4										
Equity value DCF		1659										
Equity value DCF per share		66										

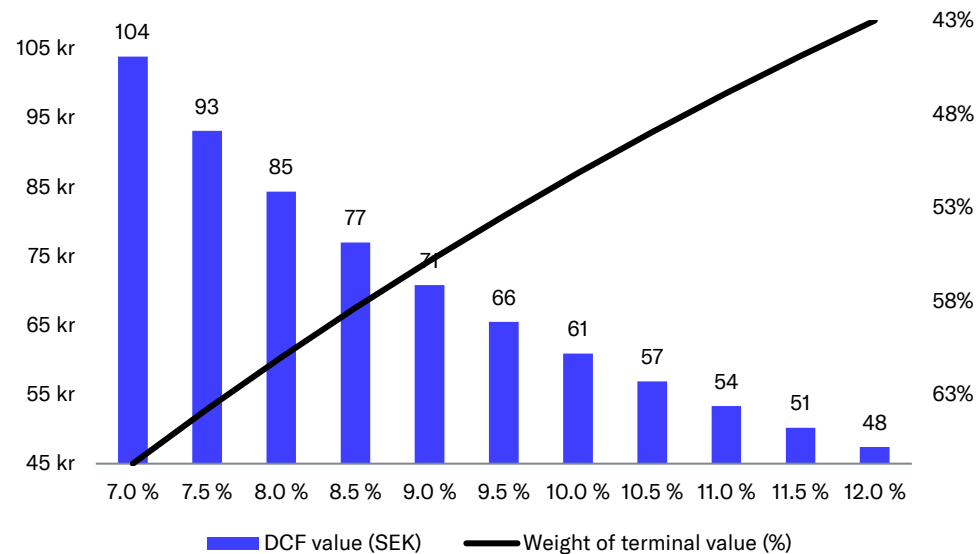
WACC	
Tax-% (WACC)	20.6 %
Target debt ratio D/(D+E)	7.0 %
Cost of debt	5.0 %
Equity Beta	1.15
Market risk premium	4.75%
Liquidity premium	2.00%
Risk free interest rate	2.5 %
Cost of equity	10.0 %
Weighted average cost of capital (WACC)	9.5 %

Source: Inderes

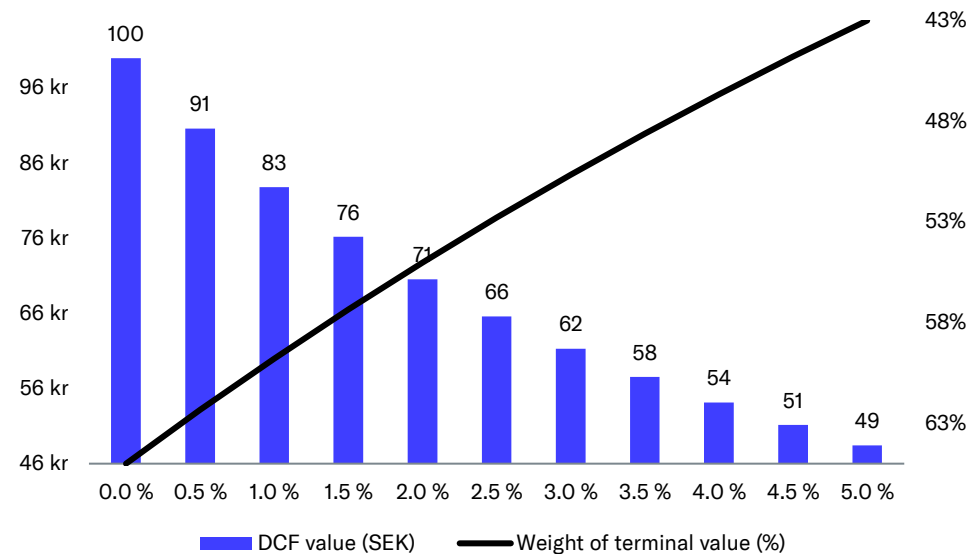


DCF sensitivity calculations and key assumptions in graphs

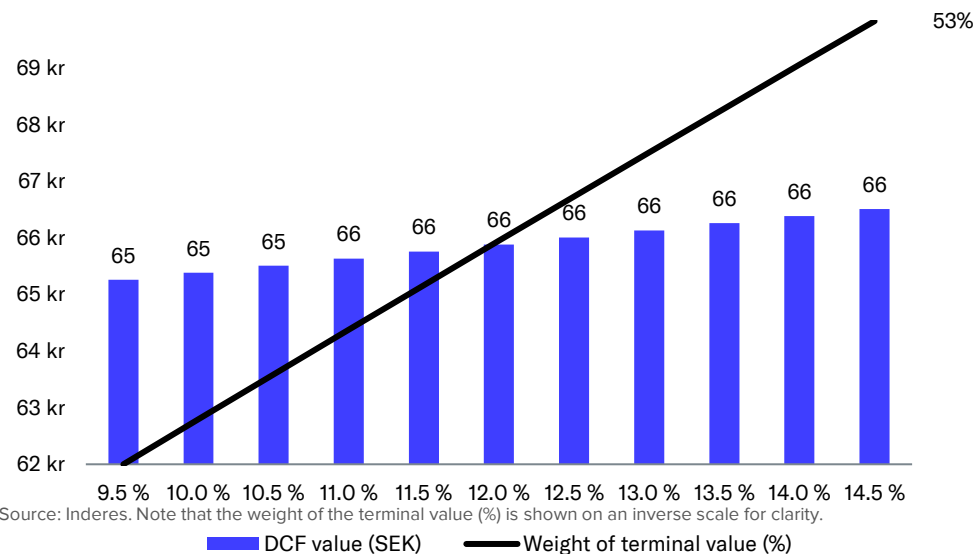
Sensitivity of DCF to changes in the WACC-%



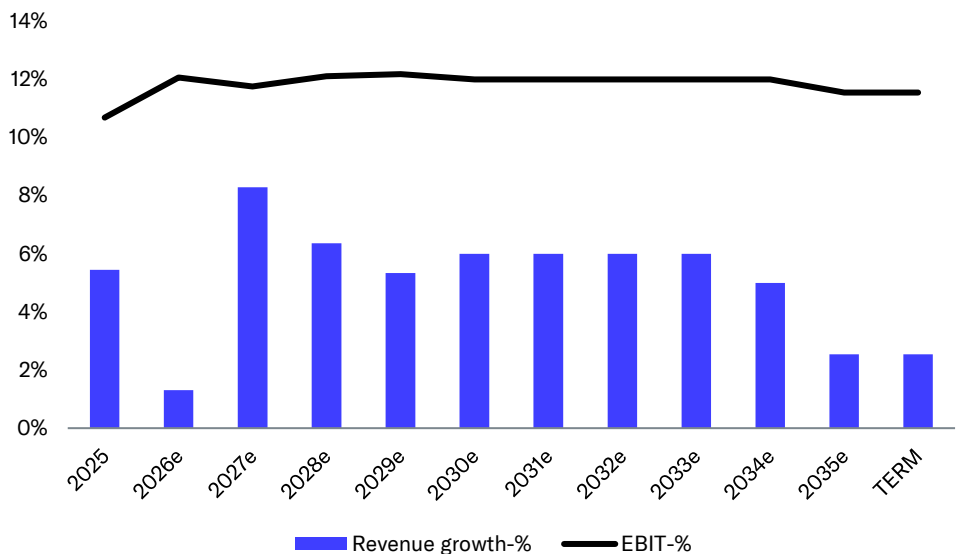
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



Source: Inderes. Note that the weight of the terminal value (%) is shown on an inverse scale for clarity.

Summary

Income statement	2023	2024	2025	2026e	2027e	Per share data	2023	2024	2025	2026e	2027e
Revenue	872.3	990.0	1043.9	1057.5	1145.2	EPS (reported)	3.02	2.89	3.66	3.88	4.06
EBITDA	133.6	134.0	140.6	157.0	164.1	EPS (adj.)	3.02	2.89	3.66	3.88	4.06
EBIT	100.6	101.8	111.5	127.6	134.5	OCF / share	5.02	3.22	2.65	5.51	5.08
PTP	97.7	90.4	117.7	124.3	130.5	OFCF / share	4.04	1.84	1.97	4.78	4.33
Net Income	76.0	72.7	92.1	97.7	102.3	Book value / share	14.20	14.29	14.59	15.44	16.00
Extraordinary items	0.0	0.0	0.0	0.0	0.0	Dividend / share	3.00	3.00	3.00	3.50	3.75
Balance sheet	2023	2024	2025	2026e	2027e	Growth and profitability	2023	2024	2025	2026e	2027e
Balance sheet total	631.5	708.9	719.2	717.0	729.3	Revenue growth-%	4%	13%	5%	1%	8%
Equity capital	350.8	352.5	361.0	383.3	397.4	EBITDA growth-%	24%	0%	5%	12%	5%
Goodwill	36.4	37.2	35.9	35.9	35.9	EBIT (adj.) growth-%	7%	1%	9%	14%	5%
Net debt	16.2	50.2	79.3	36.9	19.3	EPS (adj.) growth-%	6%	-4%	27%	6%	5%
Cash flow	2023	2024	2025	2026e	2027e	EBITDA-%	15.3 %	13.5 %	13.5 %	14.8 %	14.3 %
EBITDA	133.6	134.0	140.6	157.0	164.1	EBIT (adj.)-%	11.5 %	10.3 %	10.7 %	12.1 %	11.7 %
Change in working capital	14.9	-33.0	-53.0	9.3	-7.0	EBIT-%	11.5 %	10.3 %	10.7 %	12.1 %	11.7 %
Operating cash flow	126.2	80.9	66.7	139.0	128.1	ROE-%	22.1 %	20.3 %	25.4 %	25.8 %	25.8 %
CAPEX	-24.6	-34.7	-17.1	-18.6	-19.1	ROI-%	25.1 %	25.3 %	25.8 %	28.2 %	29.8 %
Free cash flow	101.6	46.2	49.6	120.4	109.0	Equity ratio	55.6 %	49.7 %	50.2 %	53.5 %	54.5 %
Valuation multiples	2023	2024	2025	2026e	2027e	Gearing	4.6 %	14.2 %	22.0 %	9.6 %	4.8 %
EV/S	1.3	1.3	1.6	1.3	1.2	Net debt/EBITDA	0.1	0.4	0.6	0.2	0.1
EV/EBITDA	8.5	9.9	11.6	8.7	8.2	EBITDA/net financials	46.7	11.7	-22.6	47.5	41.0
EV/EBIT (adj.)	11.3	13.0	14.6	10.7	10.0						
P/E (adj.)	15.0	17.9	17.2	13.8	13.2						
P/B	3.2	3.6	4.3	3.5	3.3						
Dividend-%	6.6 %	5.8 %	4.8 %	6.5 %	7.0 %						

Source: Inderes

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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
2024-08-07	Accumulate	63.0 kr	57.3 kr
2024-08-19	Accumulate	68.0 kr	61.2 kr
2024-11-18	Accumulate	67.0 kr	61.0 kr
2025-02-24	Reduce	62.0 kr	58.3 kr
2025-04-10	Accumulate	55.0 kr	48.2 kr
2025-05-16	Reduce	55.0 kr	57.8 kr
2025-08-18	Reduce	55.0 kr	57.5 kr
2025-11-17	Reduce	57.0 kr	62.9 kr
2026-02-16	Accumulate	67.0 kr	61.0 kr
2026-04-24	Reduce	67.0 kr	71.9 kr
2026-04-30	Reduce	67.0 kr	68.0 kr
2026-07-09	Accumulate	69.0 kr	62.4 kr
2026-08-17	Accumulate	69.0 kr	62.6 kr
2026-10-16	Buy	66.0 kr	53.5 kr



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