



Amer Sports (NYSE: AS)

Current Price: \$35.84 as of April 24, 2026

Target Price: \$56.59 | **Implied Upside:** +57.91% | **Suggested Holding Period:** 18 – 24 months

Presenters: Chris Tian, Harry Li, Molly Liu, Sophia Zhen, Haesung Jung

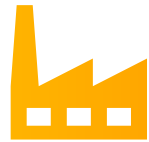
Mentors: Charles Wang, Wendelin Cheng



Agenda



**Industry
Overview**



**Company
Overview**



**Investment
Thesis**



Valuation



Q&A



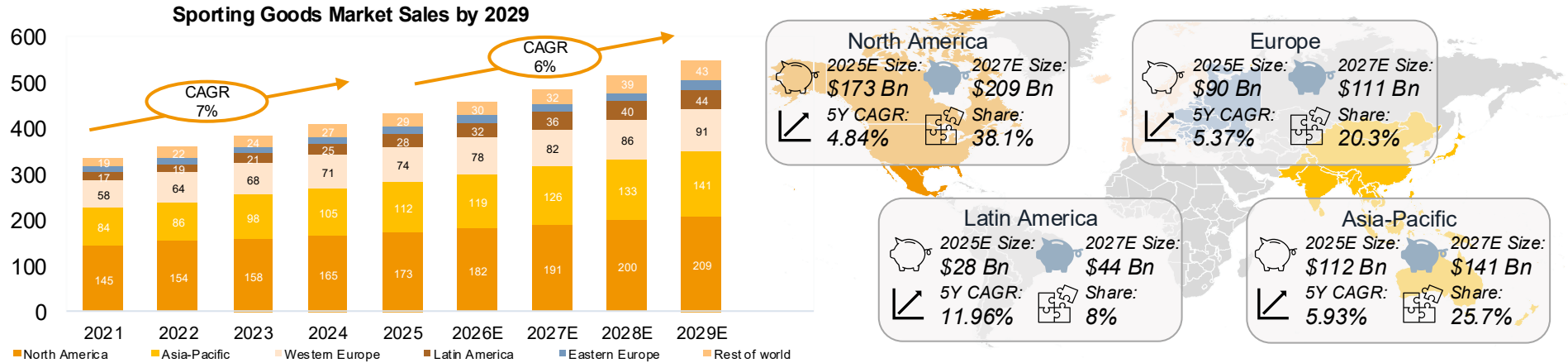
Industry Overview

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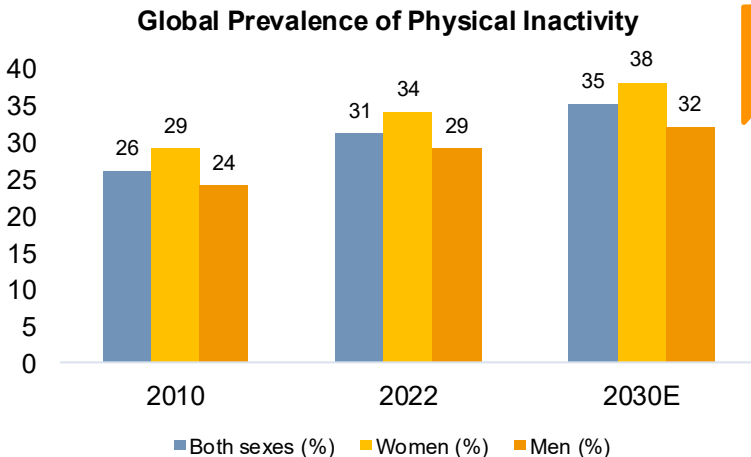
Sporting Goods Industry is an Expanding Market Amplified by Physical Inactivity and Brand Diversification

Global Sportswear Market by Sales Value

- Amer Sports operates in the sporting goods industry
- Global sporting goods industry grew ~7% CAGR (2021–2024)
- The industry is projected to grow by 6% CAGR from \$407 billion in 2024 to \$548 billion in 2029
- Future growth is likely to moderate in Asia-Pacific, EMEA, and Latin America



Physical Inactivity as The Biggest Untapped Market



Physical inactivity continues to rise; the WHO projecting the share of inactive adults to increase to **35%** by 2030

While **inactivity** rises, demands for sports apparel continue to grow, showing an **untapped market** for future growth

Proliferation and Premiumization of New Entrants

Yoga	Running	Outdoor

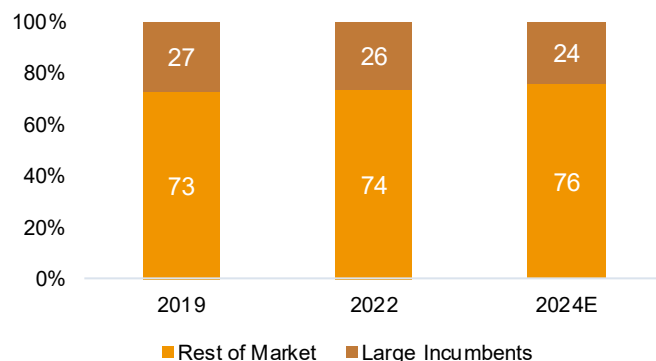
Consumers treat premium athletic apparel as all-day wear and identity

Industry Overview

Industry is Rapidly Transforming towards Premiumization and a Fiercer Competitive Landscape

Market Share Reshuffle

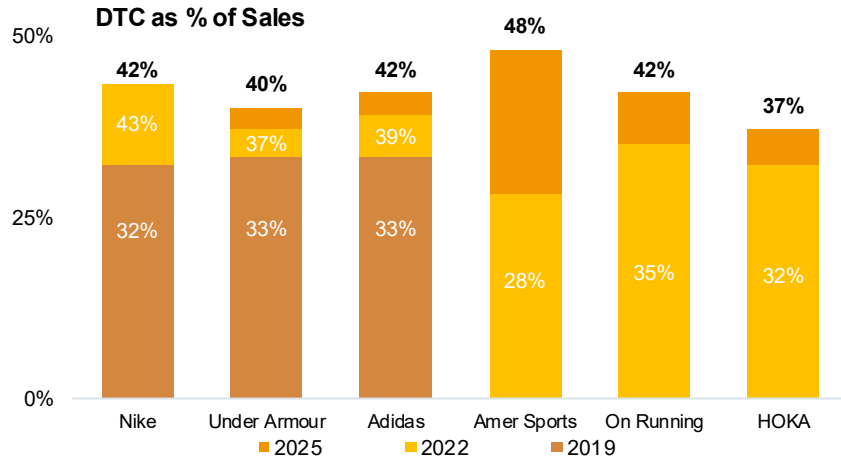
Market Share of Sportswear Market



- **Challenger brands** arise and surpass large incumbents (Adidas and Nike) in Revenue Growth and Market Share
- From 2019 to 2024, the two largest players, Adidas and Nike, **lost 3 percentage points** of market share

Direct-To-Customer (DTC) Transformation

DTC as % of Sales



Direct-To-Consumer

- Drives **higher profitability**
- Sells products **directly** to customers through owned retail stores and websites

Competitive Landscape

Brands	Sales 2025	% Change YoY	EBIT Margin	Highlight
	\$ 3.83 Bn	+30.0%	17.6%	Fastest-growing premium running brand
	\$ 2.23 Bn	+23.6%	22%	Speed-oriented daily trainer
	\$ 6.57 Bn	+26.7%	12.8%	Portfolio-led growth by premium outdoor brands like Arc'teryx, etc
	\$ 11.1 Bn	+5%	23.61%	Strong community engagement established in Yoga; now diversifying into other lines
	\$ 1.47 Bn	~-3%	10%	Environmental protection driven premium outdoor brand
	\$ 0.80 Bn	+20-50%	21%	Influencer-driven athleisure brand
	\$ 46.30 Bn	-10.0%	8.1%	The world's largest sportswear firm; facing declines in market shares
	\$ 29.06 Bn	+4.8%	8.3%	Second largest sportswear brand; turnaround in progress

Source: McKinsey & Company, On HOKA AmerSports lululemon Patagonia alo Nike adidas Annual Report



Company Overview

Company Overview



Amer Sports Demonstrates Strong Financial Performance Well-Positioned for Future Upward Momentum

Overview

- **Amer Sports** is a **premium, brand-led sporting goods** platform with roots in Finland and is majority-owned by ANTA Sports
- Its strategy centers on premiumization, technical innovation, and expanding direct-to-consumer channels
- Amer Sports operates through three segments:

Technical Apparel



Outdoor Performance



Ball & Racquet Sports



Company History

Amer started in 1950 as a tobacco company, gradually reshaping focus on sports and outdoor

1989 - 2018

Amer acquired Wilson, Atomic, Salomon, Arc'teryx, and Peak Performance, creating foundations of today's growth engine

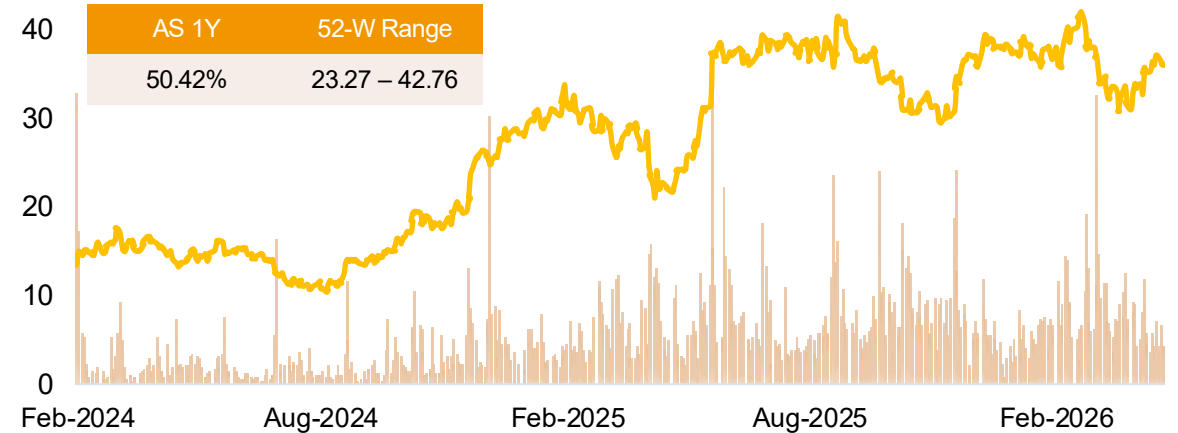


2024

IPO and debt refinancing completed, reopening access to capital markets and accelerated deleveraging



Stock and Financial Performance



(\$mm)	FY2023	FY2024	FY2025
Revenue	\$4,370	\$5,183	\$6,566
Revenue Growth	23.0%	18.0%	27.0%
Gross Profit	\$2,400	\$2,872	\$3,784
Gross Margin	52.5%	55.4%	57.6%
EBITDA	\$611	\$808	\$1,150
EBITDA Margin	14.0%	15.6%	17.5%
Net Income	(\$209)	\$79	\$440
Net Income Margin	(4.8%)	1.5%	6.7%

Source: Amer Sports FY23 24 25 20-F, Amer Sports on the History of Business

Company Overview



Growth is Driven by Diverse Product Portfolio, Direct-To-Customer Penetration and Brand Global Presence

Product Lines



Arc'teryx Alpha SV Jacket

Price: \$900

Technical Alpine Shells

Features: Core-Tex, Durability



Salomon XT-6

Unit Price: \$185

Sports Footwear



Wilson Pro Staff

Price: \$299

Premium Racket

Sales Strategy

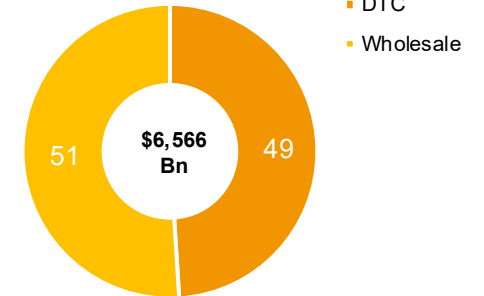
Amer's DTC Strategy

DTC reached **49%** of 2025 revenue, up from 30% in 2022, while owned retail stores grew to 703 globally by year-end 2025.

Amer's Global Presence & Operations

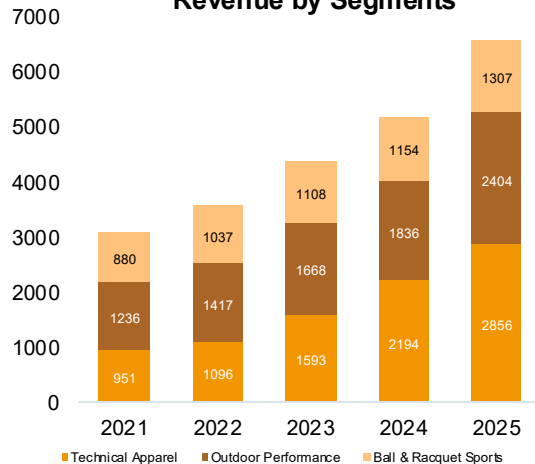
The company operates **22 distribution centers** globally, employs nearly 15,400 people across roughly 496 locations in 40 countries.

Sales by Channel %

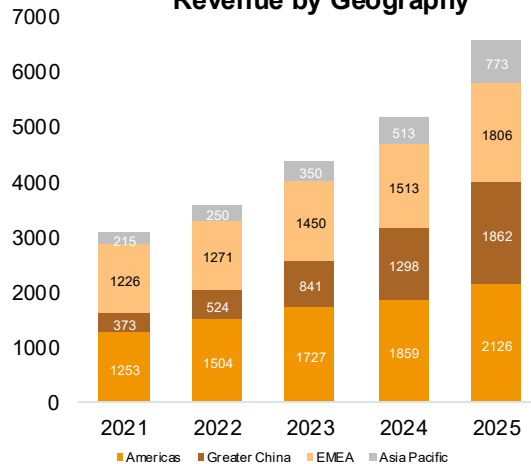


Brands & Geographical Highlight

Revenue by Segments



Revenue by Geography




Technical Apparel & Outdoor Performance are increasingly becoming the economic center

China becomes a **much larger** revenue and profit driver, accounting **28%** of 2025 revenue



Amer Sports Operates in **40 Countries** and Sells Products in **100+ Countries**

Source: Amer Sports 20F FY21 22 23 24 25

The image features a large, polished bronze sculpture of a bull, known as 'The Charging Bull', positioned in the center of a city street. The bull is depicted in a powerful, forward-charging stance, with its head lowered and horns pointing upwards. The background shows a dense urban environment with tall buildings and a cobblestone-paved area. A semi-transparent white banner is overlaid across the middle of the image, containing the text 'Investment Thesis'.

Investment Thesis

Thesis 1: Same Chinese Market, Opposite Outcome – Competitive Landscape



While Western Peers Flag China as a Structural Headwind, Arc'teryx Outperforms Western Competitors in China

Luxury Goods Market Sentiment on China



1. Macro / Consumer Confidence Remains Depressed

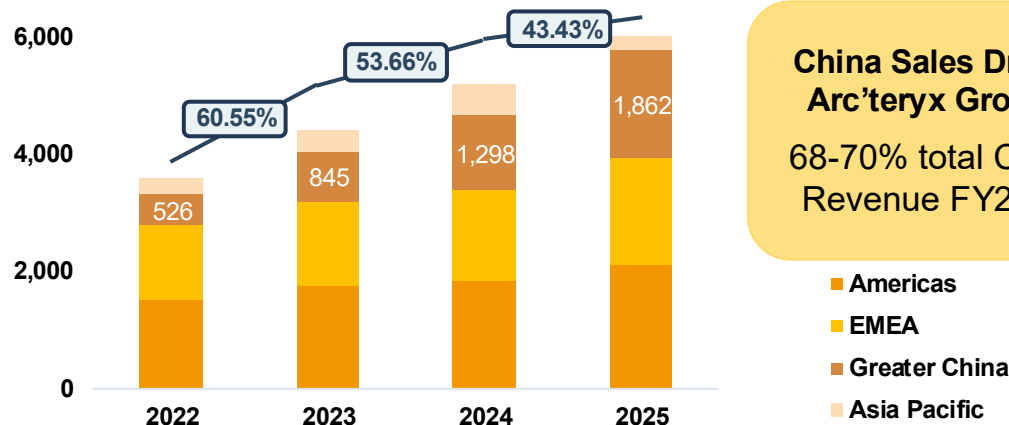
- China Consumer Confidence Index at ~90 in Dec 2025
- Chinas CCI remains near historic lows, has not been showing signs of rapid recovery

2. Luxury Market Still Contracting in 2025 (Bian)

- Mainland China personal luxury goods market contracted by ~4% in 2025.
- Fashion: 5-8%, Leather goods: 8-11%, Watches: 14-17%
- Decline is improving since 2024, but consumer confidence remains fragile



Growing Revenue Streams from China



China Sales Drives Arc'teryx Growth
68-70% total China Revenue FY2025

- Americas
- EMEA
- Greater China
- Asia Pacific

Outstanding Arc'teryx Segment Performance in China

Metrics in FY25	China	US	EU	China Vs US/EU
% Rev (AS Total)	28.4%	32.4%	27.5%	
Brand Awareness	~40%	~8%	~7%	~4x
Avg. Unit Volume	~\$10mn	\$4-5mn	\$4-5mn	~2x
Store Count	129	73	17	~2x

Arc'teryx China Substantially Outperforming Peers

The Performance Divergence



"Greater China ... is facing structural challenges in the marketplace"

- Elliot Hill (CEO NIKE)

"Sector continues to face huge challenges particularly because ... the consumption downgrade in China"

- Joshua Schulman (CEO Burberry)



VS



"We have a strong differentiated platform in Greater China ... deliver best-in-class performance across brands"

- James Zheng (CEO Amer Sports)



Thesis 1: Same Chinese Market, Opposite Outcome – The ANTA Moat



ANTA Ownership and Government-Backed TAM Expansion Underpin AS's China Growth Through 2030 and Beyond

Strengthening Relationship with ANTA

2019 - ANTA Takes Amer Private

- \$5.2bn deal ANTA-led consortium (~58% stake)

Feb 2024 - AS IPO On NYSE

- \$1.37bn raised at \$13 per share

2026 - ANTA Retains Control

- 53% direct stake, 5 board seats, James Zheng (former senior ANTA exec) assumed CEO role



ANTA is a \$28B+ Chinese sportswear conglomerate

- World's 3rd-largest player
- Multi-brand portfolio strategy including Amer

The ANTA Moat in China

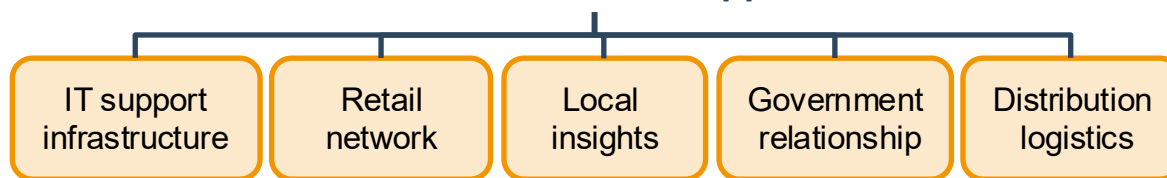


Made in China Pride

Consumption trend (consumers prefer brands with Chinese roots) directly benefits AS while harming pure-play western brands



Additional ANTA Support



Government Backed TAM Expansion



中华人民共和国国家发展和改革委员会
National Development and Reform Commission

“China seeks to further **boost the sports industry with continued government support** in terms of planning, construction and funding over the next five years, as it sees this burgeoning sector as a new driver for economic growth.”



Government Policy Backed TAM Expansion Creates Tailwinds for Amer

Potential Top Line Impact

For the Past 3 years Arc'teryx has opened ~32 New Stores Every Year

Year	New Stores	Avg. Unit Vol.	Top Line
2026	30	\$10mm	\$320mn
2027	20	\$10.5mn	\$210mn
2028	15	\$11mn	\$165mn
2029	10	\$11mn	\$110mn
2030	5	\$11mn	\$55mn

Potential Topline Growth from New Stores = **\$860mn**

Source: The State Council The People's Republic of China, China Daily, Wells Fargo Equity Research

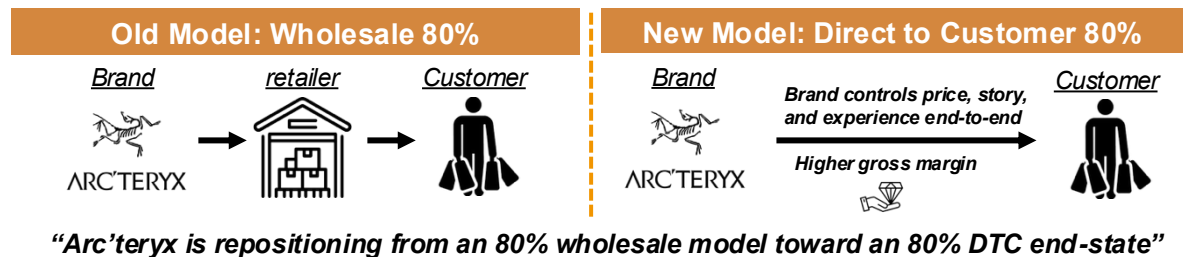


Thesis 2: Arc'teryx Is a Luxury House Hiding Inside a Sportswear Stock

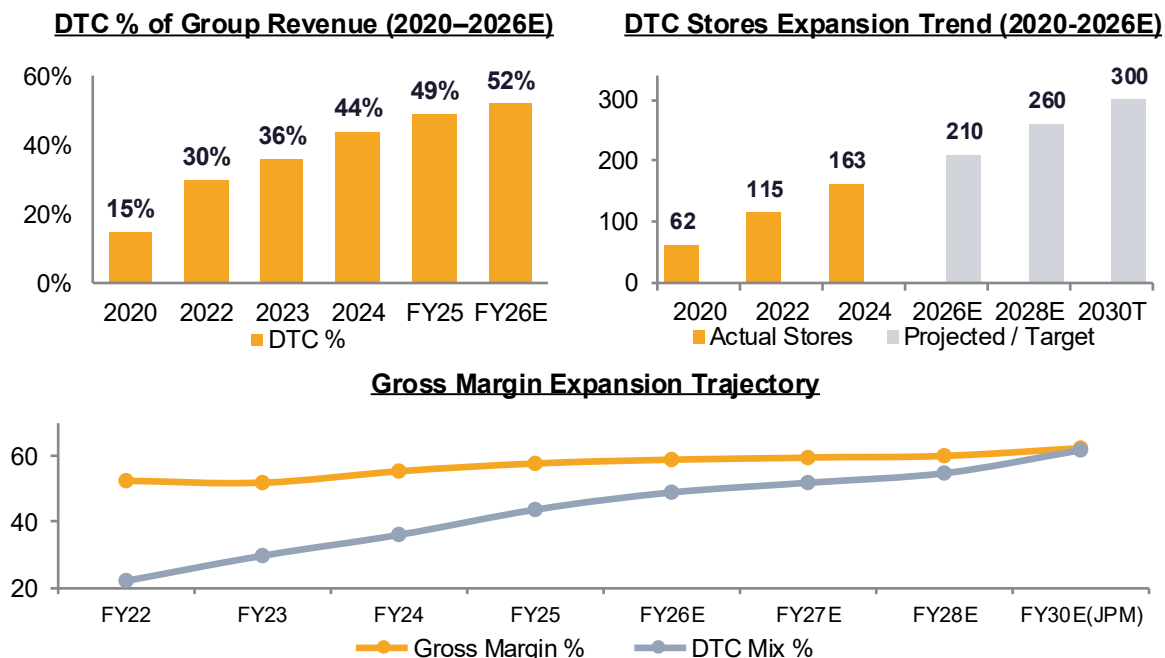


The Market Prices AS as a Sportswear Conglomerate — Arc'teryx Alone Justifies the Entire AS Market Cap

Arc'teryx has completed its DTC transformation



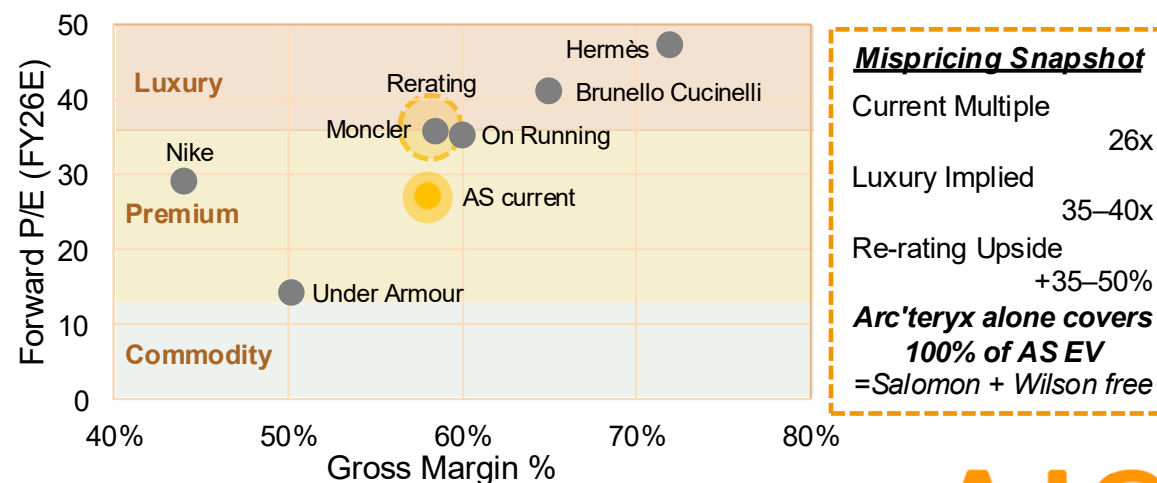
Gross margin expanding in lockstep with DTC mix



Arc'teryx is building luxury moats competitors can't replicate

Experiential retail	Community/IP	Circular services
<p>Songsam x Arc'teryx – Hotel Collab</p> <ul style="list-style-type: none"> Stores as brand embassy Cultural destination design +2,350bps margin premium Control supply, price, story 	<p>Arc'teryx Academy</p> <ul style="list-style-type: none"> Enhanced brand story Mountain Education 100K+ followers Enhanced brand Equity 	<p>ReBird Trade-In Program</p> <ul style="list-style-type: none"> 43 repair centers globally Doubled YoY expansion Loyal customers convert at 60-70% vs 5-20%

Arc'teryx Belongs in the Luxury Tier — AS Is Mispriced



Source: FactSet, Company Filings



Thesis 3: Salomon Becoming a Key Growth Engine Scaling US Market

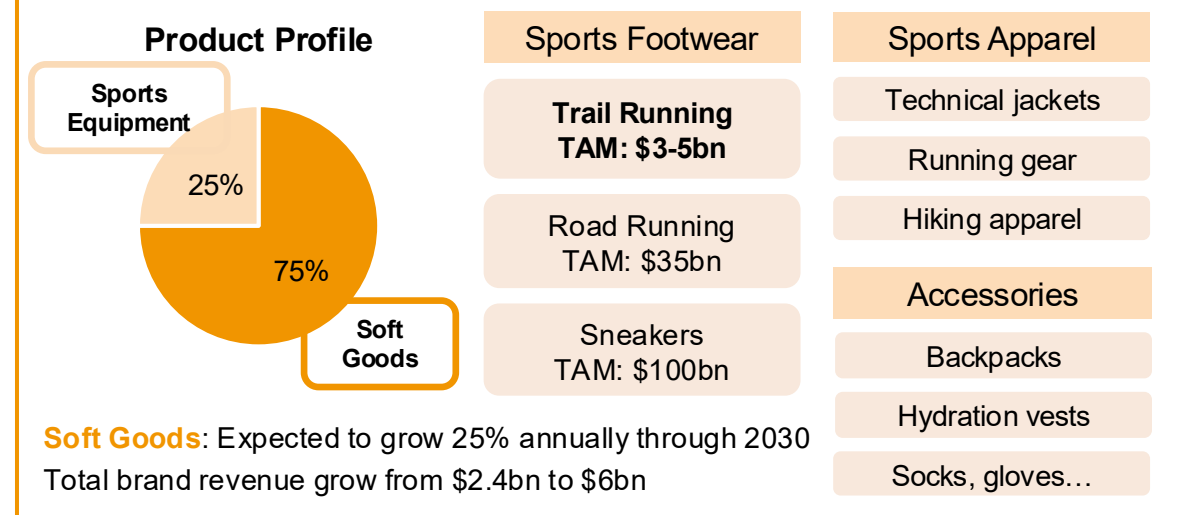


As ~30% of Amer's Revenue Grows at 35% YoY, Salomon is Next Catalyst for Amer Sport's Group-Level Re-Rating

Salomon's Unique Transition



Soft Goods Expansion



Almost No Commercial Infrastructure in the US

Americas % of total — peer comparison

On Running (FY24) 64%

Lululemon (FY24) 58%

Amer Sports Group 32%

Salomon est. ~22%

1 Wrong owner locked the strategy

Salomon's alpine skis clashed with Adidas's mass-market identity. No DTC capital was built in this period.

2 Product Mix did not support DTC retail

Salomon remained an equipment-led brand with limited lifestyle appeal, making DTC retail unnecessary.

3 Demand scaled before DTC infrastructure

XT-6 went viral (TikTok) with celebrity exposure (Super Bowl 2023), but sales flowed to wholesale and resale.

4 U.S. DTC buildout underway

Already have 7 to 10 stores planned by 2026 + wholesale expansion (Nordstrom, Kith, Shoe Palace, Scheels).

Ongoing DTC Model has Proven to be Workable

Arc'teryx (Completed)

Initial DTC Mix: ~20%

Final DTC Mix: ~80%

Transformation Duration: 4 years

DTC Growth (2023): +50% YoY

Salomon (In Progress)

Initial DTC Mix: ~15%

Current DTC Mix: ~33%

Current Stage: Phase 1

DTC Growth (Q4'25): +55% YoY

"We believe we are unique in our ability to **shift** our business model from **wholesale** to **DTC** while driving higher operating profitability."

— CEO James Zheng



Strategies

Simplified Marketing Campaign

New Customer Acquisition

key-city, omni-channel approach

The background of the slide is a composite image with a blue color scheme. It includes a close-up of a calculator's keypad with buttons for '3', '9', '+', and a percentage sign. To the right, there is a stack of coins, with the top one being a US quarter. The background also features several faint line graphs and tables, suggesting a financial or investment context.

Valuation

Valuation



Public Comps

Operating Statistics (Mn)		As of 4/20/2026							Revenue (mm)			EBITDA (mm)			EBIT (mm)			NI (mm)		
Company Name	Ticker	Price (\$)	# SO (mm)	Mkt Cap (bn)	Total Debt (mm)	Cash (mm)	Net Debt (bn)	EV (bn)	Actual	FY1	FY2	Actual	FY1	FY2	Actual	FY1	FY2	Actual	FY1	FY2
On Holding A	ONON-US	36.95	296.90	10.97	0.00	1,287.20	(1.29)	9.68	3,629.20	4,542.40	5,476.10	607.50	857.30	1,053.30	454.10	623.80	787.70	245.30	468.50	601.30
Levi Strauss	LEW-US	22.90	98.20	2.25	1,049.40	812.00	0.24	2.49	6,495.50	6,690.90	7,016.40	943.00	1,017.80	1,106.50	730.60	804.70	886.00	538.90	589.70	654.10
Gildan Activewear	GIL-CA	60.03	185.20	11.12	4,313.70	284.50	4.03	15.15	3,616.00	6,136.40	6,467.50	872.40	1,454.00	1,655.70	717.60	1,221.40	1,415.00	393.90	799.80	978.40
lululemon athletica	LULU-US	167.28	110.50	18.48	0.00	1,807.20	(1.81)	16.68	11,102.60	11,476.20	11,997.90	2,729.60	2,503.00	2,641.80	2,233.30	1,998.60	2,086.50	1,579.20	1,416.00	1,480.60
Birkenstock Holding	BIRK-US	39.54	183.90	7.27	1,339.10	269.20	1.07	8.34	2,407.10	2,761.40	3,154.60	744.10	840.80	969.90	611.00	689.20	799.30	425.60	443.80	521.50
Ralph Lauren A	RL-US	386.88	38.70	14.97	1,238.30	2,252.90	(1.01)	13.96	7,833.10	7,970.80	8,436.70	1,487.50	1,498.60	1,647.30	1,260.30	1,271.20	1,383.90	918.50	1,013.20	1,098.70
Canada Goose Holdings	GOOS-CA	11.96	46.10	0.55	303.90	253.10	0.05	0.60	1,046.00	1,083.90	1,133.60	176.50	200.70	216.40	83.90	106.20	120.30	15.40	57.10	70.20
Amer Sports	AS-US	37.11	578.30	21.46	935.10	662.30	0.28	21.74	6,566.20	7,760.20	8,884.80	1,097.20	1,370.60	1,611.90	713.00	1,037.90	1,239.90	427.40	670.30	834.70

Valuation Statistics Company Name	EV/Revenue			EV/EBITDA			EV/EBIT			P/E		
	LTM	FY1	FY2	LTM	FY1	FY2	LTM	FY1	FY2	LTM	FY1	FY2
On Holding A	3.44x	2.86x	2.50x	20.58x	16.18x	13.75x	31.67x	21.36x	17.88x	48.89x	31.09x	25.02x
Levi Strauss	3.22x	2.49x	2.07x	19.22x	13.21x	10.75x	25.72x	18.16x	14.38x	49.64x	22.43x	17.99x
Gildan Activewear	1.59x	1.39x	1.33x	10.94x	9.14x	8.41x	14.12x	11.56x	10.50x	19.78x	15.27x	13.64x
lululemon athletica	4.28x	2.53x	2.40x	17.72x	10.68x	9.38x	21.54x	12.72x	10.98x	23.03x	13.88x	11.16x
Birkenstock Holding	1.82x	1.54x	1.47x	7.39x	7.06x	6.69x	9.04x	8.84x	8.46x	12.61x	13.59x	12.62x
Ralph Lauren A	3.57x	3.04x	2.66x	11.54x	9.98x	8.65x	14.05x	12.17x	10.49x	17.26x	16.29x	13.71x
Canada Goose Holdings	3.07x	2.87x	2.71x	16.16x	15.25x	13.87x	19.07x	17.98x	16.51x	26.34x	23.77x	21.48x
Average	1.4x	1.2x	1.1x	8.3x	6.2x	5.8x	17.5x	11.7x	10.4x	76.0x	20.5x	16.3x
75th Percentile	3.6x	2.9x	2.7x	19.2x	15.2x	13.8x	25.7x	18.2x	16.5x	48.9x	23.8x	21.5x
Median	3.2x	2.5x	2.4x	16.2x	10.7x	9.4x	19.1x	12.7x	11.0x	23.0x	16.3x	13.7x
25th Percentile	1.6x	1.4x	1.5x	9.0x	7.6x	8.4x	14.1x	11.6x	10.5x	17.9x	14.2x	12.6x

Implied Valuation (\$ mm)	EV						Market Capital					
	LTM	2025E	2026E	LTM	2025E	2026E	LTM	2025E	2026E	LTM	2025E	2026E
Average	9,220.00	8,929.36	9,775.64	9,131.41	8,517.98	9,289.62	12,474.88	12,186.28	12,856.82	32,465.68	13,755.21	13,617.06
Median	21,125.93	19,646.42	21,342.09	17,727.34	14,644.12	15,124.39	13,596.60	13,201.26	13,613.17	9,841.51	10,920.42	11,446.49
Implied equity value (Average)	9,872.30	9,581.66	10,427.94	9,783.71	9,170.28	9,941.92	13,127.18	12,838.58	13,509.12	32,465.68	13,755.21	13,617.06
Implied equity value (Median)	21,778.23	20,298.72	21,994.39	18,379.64	15,296.42	15,776.69	14,248.90	13,853.56	14,265.47	9,841.51	10,920.42	11,446.49
Implied share price (Average)	17.07	16.57	18.03	16.92	15.86	17.19	22.70	22.20	23.36	56.14	23.79	23.55
Implied share price (Median)	37.66	35.10	38.03	31.78	26.45	27.28	24.64	23.96	24.67	17.02	18.88	19.79

Valuation



Revenue Build – Segment Growth

	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec
Revenue Build														
Segment														
Technical Apparel — DTC	692.0	1,086.1	1,551.2	2,094.7	3,036.0	4,127.4	5,314.5	6,537.2	7,740.5	8,880.2	9,926.3	10,861.8	11,680.7	12,385.2
YoY Growth %	-	57.0%	42.8%	35.0%	44.9%	35.9%	28.8%	23.0%	18.4%	14.7%	11.8%	9.4%	7.5%	6.0%
Technical Apparel — Wholesale	416.0	528.0	643.1	761.1	897.2	1,025.6	1,143.0	1,247.7	1,339.1	1,417.6	1,484.0	1,539.7	1,585.9	1,624.0
YoY Growth %	-	26.9%	21.8%	18.3%	17.9%	14.3%	11.4%	9.2%	7.3%	5.9%	4.7%	3.8%	3.0%	2.4%
Technical Apparel — Total	1,108.0	1,614.1	2,194.3	2,855.8	3,933.2	5,153.0	6,457.5	7,784.9	9,079.5	10,297.8	11,410.3	12,401.5	13,266.6	14,009.1
YoY Growth %	-	45.7%	35.9%	30.1%	37.7%	31.0%	25.3%	20.6%	16.6%	13.4%	10.8%	8.7%	7.0%	5.6%
Outdoor Performance — DTC	243.9	344.6	525.7	852.6	1,296.0	1,835.3	2,446.1	3,097.5	3,757.3	4,397.7	4,997.2	5,542.3	6,025.9	6,446.5
YoY Growth %	-	41.3%	52.6%	62.2%	52.0%	41.6%	33.3%	26.6%	21.3%	17.0%	13.6%	10.9%	8.7%	7.0%
Outdoor Performance — Wholesale	1,178.4	1,329.6	1,309.8	1,551.1	1,705.0	1,840.3	1,957.2	2,056.6	2,140.2	2,209.8	2,267.2	2,314.4	2,352.9	2,384.3
YoY Growth %	-	12.8%	(1.5%)	18.4%	9.9%	7.9%	6.3%	5.1%	4.1%	3.3%	2.6%	2.1%	1.7%	1.3%
Outdoor Performance — Total	1,422.3	1,674.2	1,835.5	2,403.7	3,001.0	3,675.6	4,403.3	5,154.1	5,897.5	6,607.4	7,264.4	7,856.7	8,378.8	8,830.7
YoY Growth %	-	17.7%	9.6%	31.0%	24.8%	22.5%	19.8%	17.1%	14.4%	12.0%	9.9%	8.2%	6.6%	5.4%
Ball & Racquet — DTC	132.6	159.4	190.1	261.4	328.5	395.9	460.9	521.5	576.3	624.7	666.7	702.6	732.9	758.1
YoY Growth %	-	20.2%	19.3%	37.5%	25.7%	20.5%	16.4%	13.1%	10.5%	8.4%	6.7%	5.4%	4.3%	3.4%
Ball & Racquet — Wholesale	908.3	952.7	963.4	1,045.3	1,095.9	1,143.6	1,188.4	1,230.3	1,269.3	1,305.6	1,339.2	1,370.2	1,398.7	1,424.9
YoY Growth %	-	4.9%	1.1%	8.5%	4.8%	4.4%	3.9%	3.5%	3.2%	2.9%	2.6%	2.3%	2.1%	1.9%
Ball & Racquet — Total	1,040.9	1,112.1	1,153.5	1,306.7	1,424.3	1,539.5	1,649.3	1,751.8	1,845.6	1,930.3	2,005.9	2,072.8	2,131.6	2,183.0
YoY Growth %	-	6.8%	3.7%	13.3%	9.0%	8.1%	7.1%	6.2%	5.4%	4.6%	3.9%	3.3%	2.8%	2.4%
Total Revenue - Segment	3,571.2	4,400.4	5,183.3	6,566.2	8,358.6	10,368.1	12,510.1	14,690.7	16,822.7	18,835.5	20,680.7	22,330.9	23,776.9	25,022.9
YoY Growth %	-	23.2%	17.8%	26.7%	27.3%	24.0%	20.7%	17.4%	14.5%	12.0%	9.8%	8.0%	6.5%	5.2%

Valuation



Revenue Build – Geography Reconciliation

	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec
Revenue Build														
Geography														
Americas	1,517.6	1,745.6	1,859.0	2,125.6	2,550.7	3,009.8	3,497.4	4,007.4	4,533.2	5,068.6	5,607.3	6,143.7	6,672.6	7,189.7
YoY Growth %	-	15.0%	6.5%	14.3%	20.0%	18.0%	16.2%	14.6%	13.1%	11.8%	10.6%	9.6%	8.6%	7.7%
EMEA	1,275.8	1,457.6	1,513.4	1,805.8	2,076.7	2,357.0	2,643.4	2,932.5	3,221.1	3,506.4	3,785.9	4,057.5	4,319.5	4,570.5
YoY Growth %	-	14.2%	3.8%	19.3%	15.0%	13.5%	12.2%	10.9%	9.8%	8.9%	8.0%	7.2%	6.5%	5.8%
Greater China	526.2	844.8	1,298.1	1,861.9	2,699.8	3,550.2	4,444.8	5,340.9	6,202.3	7,002.5	7,725.3	8,363.2	8,915.7	9,386.9
YoY Growth %	-	60.5%	53.7%	43.4%	45.0%	31.5%	25.2%	20.2%	16.1%	12.9%	10.3%	8.3%	6.6%	5.3%
Asia Pacific ex-China	251.6	352.4	512.8	772.9	1,053.8	1,360.3	1,676.7	1,988.7	2,284.8	2,556.9	2,800.5	3,014.0	3,197.8	3,353.8
YoY Growth %	-	40.1%	45.5%	50.7%	36.3%	29.1%	23.3%	18.6%	14.9%	11.9%	9.5%	7.6%	6.1%	4.9%
Total Revenue - Geography	3,571.2	4,400.4	5,183.3	6,566.2	8,381.0	10,277.3	12,262.3	14,269.4	16,241.3	18,134.4	19,919.0	21,578.4	23,105.6	24,500.8
YoY Growth %	-	23.2%	17.8%	26.7%	27.6%	22.6%	19.3%	16.4%	13.8%	11.7%	9.8%	8.3%	7.1%	6.0%
<i>Implied mix — Americas % of total</i>	42.5%	39.7%	35.9%	32.4%	30.5%	29.0%	28.0%	27.3%	26.9%	26.9%	27.1%	27.5%	28.1%	28.7%
<i>Implied mix — EMEA % of total</i>	35.7%	33.1%	29.2%	27.5%	24.8%	22.7%	21.1%	20.0%	19.1%	18.6%	18.3%	18.2%	18.2%	18.3%
<i>Implied mix — Greater China % of total</i>	14.7%	19.2%	25.0%	28.4%	32.3%	34.2%	35.5%	36.4%	36.9%	37.2%	37.4%	37.5%	37.5%	37.5%
<i>Implied mix — Asia Pacific ex-China % of total</i>	7.0%	8.0%	9.9%	11.8%	12.6%	13.1%	13.4%	13.5%	13.6%	13.6%	13.5%	13.5%	13.4%	13.4%

Valuation



P&L Assumptions

	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	2022 31-Dec	2023 31-Dec	2024 31-Dec	2025 31-Dec	2026 31-Dec	2027 31-Dec	2028 31-Dec	2029 31-Dec	2030 31-Dec	2031 31-Dec	2032 31-Dec	2033 31-Dec	2034 31-Dec	2035 31-Dec
P&L Assumptions														
Total Sales	3,571.2	4,400.4	5,183.3	6,566.2	8,358.6	10,368.1	12,510.1	14,690.7	16,822.7	18,835.5	20,680.7	22,330.9	23,776.9	25,022.9
<i>%Growth</i>	-	23.2%	17.8%	26.7%	27.3%	24.0%	20.7%	17.4%	14.5%	12.0%	9.8%	8.0%	6.5%	5.2%
Cost of Goods Sold	(1,785.2)	(2,092.3)	(2,311.5)	(2,781.9)	(3,427.0)	(4,230.2)	(5,066.6)	(5,905.7)	(6,729.1)	(7,496.5)	(8,210.2)	(8,843.0)	(9,391.9)	(9,884.0)
<i>% of Sales</i>	50.0%	47.5%	44.6%	42.4%	41.0%	40.8%	40.5%	40.2%	40.0%	39.8%	39.7%	39.6%	39.5%	39.5%
Gross Profit	1,786.0	2,308.1	2,871.8	3,784.3	4,931.6	6,137.9	7,443.5	8,785.1	10,093.6	11,339.0	12,470.5	13,487.9	14,385.0	15,138.8
<i>Gross Margin %</i>	50.0%	52.5%	55.4%	57.6%	59.0%	59.2%	59.5%	59.8%	60.0%	60.2%	60.3%	60.4%	60.5%	60.5%
Selling, General & Administrative	(1,545.0)	(2,014.5)	(2,430.4)	(3,104.6)	(3,836.6)	(4,738.2)	(5,692.1)	(6,654.9)	(7,587.0)	(8,476.0)	(9,285.6)	(10,004.2)	(10,628.3)	(11,185.2)
<i>% of Sales</i>	43.3%	45.8%	46.9%	47.3%	45.9%	45.7%	45.5%	45.3%	45.1%	45.0%	44.9%	44.8%	44.7%	44.7%
Impairment (Gain) / Loss	(201.7)	(2.4)	(1.9)	(14.0)	-	-	-	-	-	-	-	-	-	-
Other Operating Income, net	11.4	11.2	31.3	36.1	41.8	51.8	62.6	73.5	84.1	94.2	103.4	111.7	118.9	125.1
Operating Profit (EBIT)	50.7	302.4	470.8	701.8	1,136.8	1,451.5	1,814.0	2,203.6	2,590.7	2,957.2	3,288.2	3,595.3	3,875.6	4,078.7
<i>Operating Margin %</i>	1.4%	6.9%	9.1%	10.7%	13.6%	14.0%	14.5%	15.0%	15.4%	15.7%	15.9%	16.1%	16.3%	16.3%
Taxes on EBIT	13.4	301.2	(241.8)	(206.9)	(318.3)	(406.4)	(507.9)	(617.0)	(725.4)	(828.0)	(920.7)	(1,006.7)	(1,085.2)	(1,142.0)
<i>Effective Tax Rate</i>	(26.5%)	(99.6%)	51.4%	29.5%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%
NOPAT	64.1	603.6	229.0	494.9	818.5	1,045.1	1,306.1	1,586.6	1,865.3	2,129.2	2,367.5	2,588.6	2,790.5	2,936.7

NWC, CapEx, D&A Assumptions

	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec
NWC Assumptions														
Sales	3,571.2	4,400.4	5,183.3	6,566.2	8,358.6	10,368.1	12,510.1	14,690.7	16,822.7	18,835.5	20,680.7	22,330.9	23,776.9	25,022.9
COGS	1,785.2	2,092.3	2,311.5	2,781.9	3,427.0	4,230.2	5,066.6	5,905.7	6,729.1	7,496.5	8,210.2	8,843.0	9,391.9	9,884.0
Operating Current Assets														
Accounts Receivable	658.7	599.8	683.0	821.0	1,053.4	1,278.3	1,508.1	1,730.7	1,935.8	2,115.8	2,266.4	2,386.0	2,475.4	2,605.1
Days Sales Outstanding (DSO)	67	50	48	46	46	45	44	43	42	41	40	39	38	38
Inventory	912.5	1,099.6	1,223.3	1,622.1	1,877.8	2,294.7	2,720.7	3,155.1	3,576.5	3,963.9	4,318.8	4,627.5	4,888.9	5,145.1
Days Inventory on Hand (DIO)	187	192	193	213	200	198	196	195	194	193	192	191	190	190
Prepaid Expenses & Other CA	65.7	39.7	39.4	55.0	66.9	86.8	100.1	123.1	134.6	157.8	165.4	187.0	190.2	209.6
% of Sales	1.8%	0.9%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
Total Operating Current Assets	1,636.9	1,739.1	1,945.7	2,498.1	2,998.1	3,659.8	4,328.8	5,008.8	5,646.9	6,237.5	6,750.6	7,200.5	7,554.5	7,959.8
Operating Current Liabilities														
Accounts Payable	435.6	426.5	549.0	769.8	938.9	1,170.5	1,415.9	1,666.5	1,917.3	2,156.5	2,384.3	2,592.3	2,779.0	2,951.7
Days Payables Outstanding (DPO)	89	74	87	101	100	101	102	103	104	105	106	107	108	109
Other Current Liabilities	572.0	677.0	811.8	1,139.5	1,421.0	1,762.6	2,126.7	2,497.4	2,859.9	3,202.0	3,515.7	3,796.3	4,042.1	4,253.9
% of Sales	16.0%	15.4%	15.7%	17.4%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%
Total Operating Current Liabilities	1,007.6	1,103.5	1,360.8	1,909.3	2,359.9	2,933.1	3,542.6	4,164.0	4,777.2	5,358.6	5,900.1	6,388.6	6,821.0	7,205.6
Net Working Capital	629.3	635.6	584.9	588.8	638.2	726.7	786.2	844.9	869.7	878.9	850.6	811.9	733.5	754.3
Changes in NWC	-	(6.3)	50.7	(3.9)	(49.4)	(88.5)	(59.5)	(58.6)	(24.8)	(9.2)	28.3	38.6	78.4	(20.8)
CAPEX & D&A Assumptions														
Total Sales	3,571.2	4,400.4	5,183.3	6,566.2	8,358.6	10,368.1	12,510.1	14,690.7	16,822.7	18,835.5	20,680.7	22,330.9	23,776.9	25,022.9
Depr. & Amort.	197.0	220.9	273.8	384.2	464.2	553.0	651.5	750.2	842.2	933.5	1,032.5	1,140.1	1,247.8	1,352.9
CAPEX	(119.7)	(151.8)	(288.0)	(292.7)	(376.1)	(456.2)	(537.9)	(617.0)	(672.9)	(753.4)	(827.2)	(893.2)	(951.1)	(1,000.9)
% Growth		26.8%	89.7%	1.6%	28.5%	21.3%	17.9%	14.7%	9.1%	12.0%	9.8%	8.0%	6.5%	5.2%
% Sales	3.4%	3.4%	5.6%	4.5%	4.5%	4.4%	4.3%	4.2%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
% D&A	60.8%	68.7%	105.2%	76.2%	81.0%	82.5%	82.6%	82.2%	79.9%	80.7%	80.1%	78.3%	76.2%	74.0%

IFRS Consideration

	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	2022 31-Dec	2023 31-Dec	2024 31-Dec	2025 31-Dec	2026 31-Dec	2027 31-Dec	2028 31-Dec	2029 31-Dec	2030 31-Dec	2031 31-Dec	2032 31-Dec	2033 31-Dec	2034 31-Dec	2035 31-Dec
PP&E, ROU & Intangibles Build														
Total D&A	197.0	220.9	273.8	384.2	464.2	553.0	651.5	750.2	842.2	933.5	1,032.5	1,140.1	1,247.8	1,352.9
PP&E ex-ROU														
Beginning balance	368.7	361.9	441.9	549.5	697.8	823.1	977.5	1,155.7	1,350.2	1,537.2	1,741.6	1,955.4	2,171.4	2,383.6
(+) Cash fixed-asset Capex	87.6	139.1	241.7	225.5	292.6	352.5	412.8	470.1	504.7	565.1	620.4	669.9	713.3	750.7
<i>Capex % of Sales</i>	2.5%	3.2%	4.7%	3.4%	3.5%	3.4%	3.3%	3.2%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
(-) Depreciation	21.5	84.1	110.0	141.5	167.3	198.1	234.7	275.6	317.6	360.7	406.7	453.9	501.0	546.8
<i>Depreciation % of Avg PP&E</i>	5.9%	20.9%	22.2%	22.7%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%
Ending balance	361.9	441.9	549.5	697.8	823.1	977.5	1,155.7	1,350.2	1,537.2	1,741.6	1,955.4	2,171.4	2,383.6	2,587.5
<i>FX / Other</i>	(72.9)	25.0	(24.1)	64.3	-	-	-	-	-	-	-	-	-	-
Right of Use (ROU) Lease Assets														
Beginning balance	211.8	183.6	317.1	524.3	763.4	1,026.3	1,336.6	1,635.2	1,906.7	2,135.0	2,390.6	2,662.0	2,939.1	3,213.4
(+) <i>New lease additions (non-cash)</i>	45.3	208.9	309.5	384.7	459.7	570.2	625.5	661.1	672.9	753.4	827.2	893.2	951.1	1,000.9
<i>Lease additions % of Sales</i>	1.3%	4.7%	6.0%	5.9%	5.5%	5.5%	5.0%	4.5%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
(-) Lease amortization	73.5	75.4	102.3	145.6	196.9	259.9	326.9	389.6	444.6	497.8	555.8	616.1	676.8	736.1
<i>Lease amort % of Avg ROU</i>	37.2%	30.1%	24.3%	22.6%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%
Ending balance	183.6	317.1	524.3	763.4	1,026.3	1,336.6	1,635.2	1,906.7	2,135.0	2,390.6	2,662.0	2,939.1	3,213.4	3,478.3
Intangibles														
Beginning balance	2,870.4	2,755.9	2,748.7	2,590.1	2,782.0	2,765.6	2,774.3	2,809.4	2,871.3	2,959.5	3,072.9	3,209.7	3,363.0	3,530.7
(+) Intangibles Capex	32.1	12.7	46.3	67.2	83.6	103.7	125.1	146.9	168.2	188.4	206.8	223.3	237.8	250.2
<i>Intangibles Capex % of Sales</i>	0.9%	0.3%	0.9%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
(-) Intangibles amortization	102.0	61.4	61.5	97.1	100.0	95.0	90.0	85.0	80.0	75.0	70.0	70.0	70.0	70.0
Ending balance	2,755.9	2,748.7	2,590.1	2,782.0	2,765.6	2,774.3	2,809.4	2,871.3	2,959.5	3,072.9	3,209.7	3,363.0	3,530.7	3,711.0
<i>FX / Other</i>	(44.6)	41.5	(143.4)	221.8	-	-	-	-	-	-	-	-	-	-
Cash Lease Payments														
(-) Cash Lease Payments	(73.5)	(75.4)	(102.3)	(145.6)	(196.9)	(254.0)	(312.0)	(363.0)	(404.2)	(452.6)	(505.3)	(560.1)	(615.3)	(669.2)
<i>Lease payment % of Avg ROU</i>	37.2%	30.1%	24.3%	22.6%	22.0%	21.5%	21.0%	20.5%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
<i>Total D&A / Avg Net PP&E + ROU + Intangibles Capex / D&A</i>	5.8%	6.5%	7.6%	9.7%	10.5%	11.4%	12.2%	12.8%	13.2%	13.5%	13.7%	14.0%	14.2%	14.3%
	60.8%	68.7%	105.2%	76.2%	81.0%	82.5%	82.6%	82.2%	79.9%	80.7%	80.1%	78.3%	76.2%	74.0%

Valuation



WACC

Equity Beta Statistics				
Company Name	Tax Rate	D/E	Levered Be	Unlevered Be
On Holding A	0.70%	0.00%	1.84	1.84
Levi Strauss	21.40%	46.67%	1.32	0.97
Gildan Activewear	16.40%	38.80%	1.20	0.91
lululemon athletica	29.50%	0.00%	1.67	1.67
Birkenstock Holding	24.00%	18.42%	1.25	1.10
Ralph Lauren A	19.90%	8.27%	1.04	0.98
Canada Goose Holdings	44.00%	55.12%	1.62	1.24
Median	21.40%	18.42%	1.32	1.10
AS				
Tax rate	29.00%			
D/E	4.36%			
Relevered equity beta		1.13		

WACC Build		Justification
<u>Equity</u>		
Risk-free rate	4.30%	US 10 year Treasury yield
AS Equity Beta	1.13	Relevered Beta from comps
Equity market premium	4.46%	US equity market premium from Damodaran
Cost of equity	9.34%	
% of equity	95.71%	Mkt cap / (total debt + mkt cap)
<u>Debt</u>		
Tax rate	40.42%	2Y Avg
Pre tax cost of debt	6.50%	Weighted average cost of debt using all outstanding bond securities
% of debt	4.29%	Total debt / (total debt + mkt cap)
AS WACC	9.11%	

Valuation



DCF

	Actual	1 Projected	2 Projected	3 Projected	4 Projected	5 Projected	6 Projected	7 Projected	8 Projected	9 Projected	10 Projected
	2025 12/31/2025	2026 12/31/2026	2027 12/31/2027	2028 12/31/2028	2029 12/31/2029	2030 12/31/2030	2031 12/31/2031	2032 12/31/2032	2033 12/31/2033	2034 12/31/2034	2035 12/31/2035
Income Statement											
Technical Apparel	2,855.8	3,933.2	5,153.0	6,457.5	7,784.9	9,079.5	10,297.8	11,410.3	12,401.5	13,266.6	14,009.1
Outdoor Performance	2,403.7	3,001.0	3,675.6	4,403.3	5,154.1	5,897.5	6,607.4	7,264.4	7,856.7	8,378.8	8,830.7
Ball & Racquet Sports	1,306.7	1,424.3	1,539.5	1,649.3	1,751.8	1,845.6	1,930.3	2,005.9	2,072.8	2,131.6	2,183.0
Total Revenue	6,566.2	8,358.6	10,368.1	12,510.1	14,690.7	16,822.7	18,835.5	20,680.7	22,330.9	23,776.9	25,022.9
% Growth		27.3%	24.0%	20.7%	17.4%	14.5%	12.0%	9.8%	8.0%	6.5%	5.2%
Cost of Goods Sold	(2,781.9)	(3,427.0)	(4,230.2)	(5,066.6)	(5,905.7)	(6,729.1)	(7,496.5)	(8,210.2)	(8,843.0)	(9,391.9)	(9,884.0)
Gross Profit	3,784.3	4,931.6	6,137.9	7,443.5	8,785.1	10,093.6	11,339.0	12,470.5	13,487.9	14,385.0	15,138.8
Gross Margin %	57.6%	59.0%	59.2%	59.5%	59.8%	60.0%	60.2%	60.3%	60.4%	60.5%	60.5%
Selling, General & Administrative	(3,104.6)	(3,836.6)	(4,738.2)	(5,692.1)	(6,654.9)	(7,587.0)	(8,476.0)	(9,285.6)	(10,004.2)	(10,628.3)	(11,185.2)
Impairment (Gain) / Loss	(14.0)	-	-	-	-	-	-	-	-	-	-
Other Operating Income, net	36.1	41.8	51.8	62.6	73.5	84.1	94.2	103.4	111.7	118.9	125.1
Operating Profit (EBIT)	701.8	1,136.8	1,451.5	1,814.0	2,203.6	2,590.7	2,957.2	3,288.2	3,595.3	3,875.6	4,078.7
Operating Margin %	10.7%	13.6%	14.0%	14.5%	15.0%	15.4%	15.7%	15.9%	16.1%	16.3%	16.3%
Taxes on EBIT	(206.9)	(318.3)	(406.4)	(507.9)	(617.0)	(725.4)	(828.0)	(920.7)	(1,006.7)	(1,085.2)	(1,142.0)
Effective Tax Rate	29.5%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%
NOPAT	494.9	818.5	1,045.1	1,306.1	1,586.6	1,865.3	2,129.2	2,367.5	2,588.6	2,790.5	2,936.7
DCF											
Operating Profit (EBIT)	701.8	1,136.8	1,451.5	1,814.0	2,203.6	2,590.7	2,957.2	3,288.2	3,595.3	3,875.6	4,078.7
(-) Taxes on EBIT	(206.9)	(318.3)	(406.4)	(507.9)	(617.0)	(725.4)	(828.0)	(920.7)	(1,006.7)	(1,085.2)	(1,142.0)
NOPAT	494.9	818.5	1,045.1	1,306.1	1,586.6	1,865.3	2,129.2	2,367.5	2,588.6	2,790.5	2,936.7
(+) Depreciation & Amortization	384.2	464.2	553.0	651.5	750.2	842.2	933.5	1,032.5	1,140.1	1,247.8	1,352.9
(-) Capital Expenditures	(292.7)	(376.1)	(456.2)	(537.9)	(617.0)	(672.9)	(753.4)	(827.2)	(893.2)	(951.1)	(1,000.9)
(+/-) Change in Net Working Capital	(3.9)	(49.4)	(88.5)	(59.5)	(58.6)	(24.8)	(9.2)	28.3	38.6	78.4	(20.8)
(-) Cash Lease Payments	(145.6)	(196.9)	(254.0)	(312.0)	(363.0)	(404.2)	(452.6)	(505.3)	(560.1)	(615.3)	(669.2)
Unlevered Free Cash Flow	436.9	660.2	799.4	1,048.1	1,298.2	1,605.6	1,847.5	2,095.8	2,313.9	2,550.4	2,598.7
% Growth		51.1%	21.1%	31.1%	23.9%	23.7%	15.1%	13.4%	10.4%	10.2%	1.9%

Valuation



DCF – Target Price

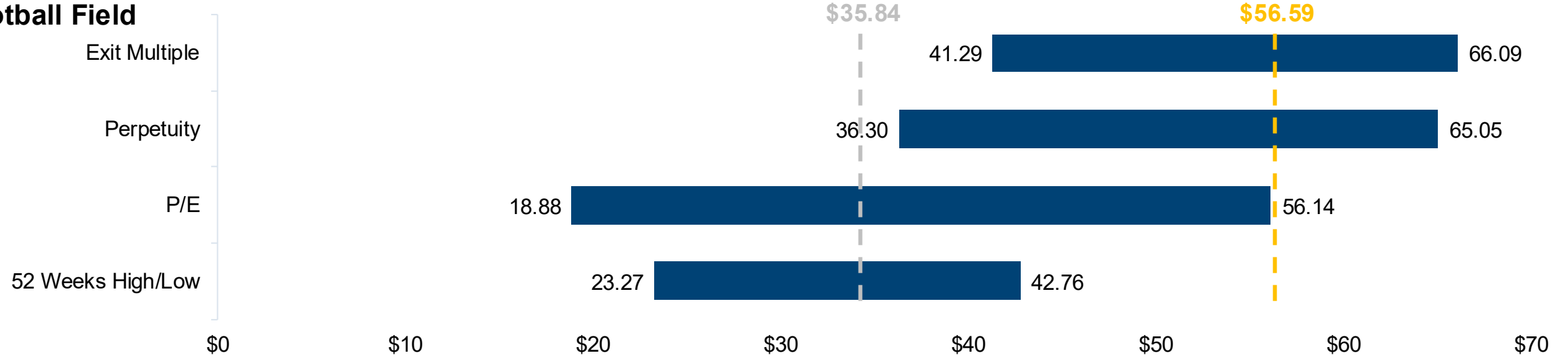
Perpetuity Growth	
Terminal g%	2.50%
UFCF T+1	2,663.7
TV	40,315.9
DTV	16,863.5
Sum of FCF	9,675
EV	26,538.4
(-) Debt	1,092
(+) Cash	652
EQV	26,098
Shares outstanding	563.08
Indicated Price	\$46.35
Share Price as of 4/24	\$35.84
Implied Upside	29.32%

Exit Multiple	
Sum of FCF	9,675
Exit EV/EBITDA Multiple	9.00x
Terminal EBITDA (FY2035)	5,431.6
Terminal Value	48,884.7
DTV	20,447.7
(-) Debt	1,092
(+) Cash	652
EQV	31,867
Shares outstanding	563.08
Indicated Price	\$56.59
Share Price as of 4/24	\$35.84
Implied Upside	57.91%

Valuation



Football Field



		WACC				
		8.1%	8.6%	9.1%	9.6%	10.1%
Perpetuity Growth	1.5%	49.97	45.81	42.21	39.07	36.30
	2.0%	52.81	48.15	44.16	40.71	37.70
	2.5%	56.16	50.88	46.41	42.58	39.27
	3.0%	60.17	54.09	49.03	44.74	41.07
	3.5%	65.05	57.94	52.11	47.25	43.14

		WACC				
		8.1%	8.6%	9.1%	9.6%	10.1%
Exit Multiple	7.0x	48.38	46.48	44.67	42.94	41.29
	8.0x	52.81	50.71	48.71	46.80	44.98
	9.0x	57.24	54.94	52.75	50.66	48.66
	10.0x	61.66	59.17	56.78	54.51	52.35
	11.0x	66.09	63.39	60.82	58.37	56.03

Q&A



Thank you!