

## RESULTS UPDATE

30 April 2025  
Sweden  
Capital Goods

Research analysts:

Markus Almerud

# Svedbergs Group

Share price: SEK49.9

Fair value range: SEK51.0–72.0

## Continuous margin expansion – Q1 review

### Growth trend continued to improve...

Organic growth improved to 3.5% in Q1 from 0% in Q4. Sweden and Finland remain the most difficult markets, with the projects markets still lacklustre. We expect further improvement throughout the year in Sweden and Finland, while we expect the UK and the Netherlands to be relatively stable. Although there is no direct impact from either customers or suppliers in the US, the uncertain geopolitical landscape has still increased the uncertainty.

### ...and the EBITA margin was above the target for second consecutive quarter

Driven by continuous good margins in Roper Rhodes and Thebalux (18.0% and 26.1%) and further recovery in the Svedbergs brand, the EBITA margin was above the 15% target for the second consecutive quarter. The group aims to get the Svedbergs brand back to a double-digit margin by the end of 2025. That the brand company's margin was 9.2% in Q1 if adjusting for a one-off cost from changing management shows that it is achievable, in our view. We expect continuous, gradual margin expansion for the group in coming years.

### Well prepared for an upturn in the market

The company has used the downturn in recent years to work on its cost base and we believe a turn in the market would have a significant impact on earnings. We still believe that the Svedbergs brand is able to return to double-digit margins even without a turn in market. Even though we see the timing of a recovery as uncertain, we believe we are in the trough – and that it will not get worse.

### Upcoming events

- Q2 Report: 18 Jul 2025
- Q3 Report: 29 Oct 2025

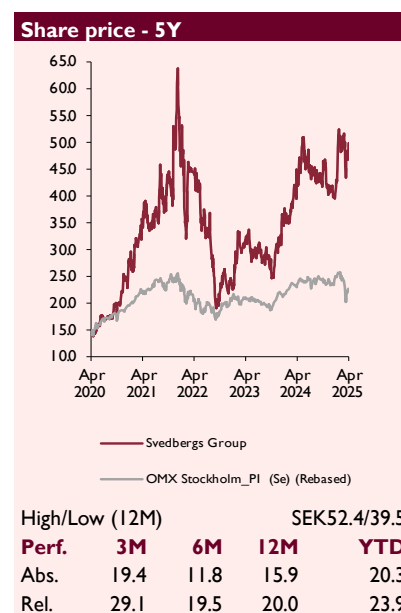
### Limited estimate changes

We make low single-digit changes to our adj. EPS estimates on FX and revise our fair value range to SEK51–72 (SEK51–70).

Changes in this report			
	From	To	Chg
EPS adj. 2025e	4.1	4.0	-2%
EPS adj. 2026e	4.5	4.5	-2%
EPS adj. 2027e	4.9	4.9	-2%

Key facts	
No. shares (m)	53.0
Market cap. (USDm)	274
Market cap. (SEKm)	2,641
Net IB Debt. (SEKm)	618
Adjustments (SEKm)	0
EV (2025e) (SEKm)	3,259
Free float	55.9%
Avg. daily vol. ('000)	27
Risk	High Risk
Fiscal year end	December
Share price as of (CET)	29 Apr 2025 00:00

Key figures (SEK)	2024	2025e	2026e	2027e
Sales (m)	2,184	2,227	2,314	2,408
EBITA (m)	312	331	357	379
EBITA adj. (m)	312	331	357	379
EPS	3.25	3.70	4.17	4.57
EPS adj.	3.56	3.99	4.47	4.87
DPS	1.50	1.75	2.00	2.29
Sales growth Y/Y	20%	2%	4%	4%
EPS adj. growth Y/Y	-13%	12%	12%	9%
EBITA adj. margin	14.3%	14.9%	15.4%	15.7%
EV/Sales	1.5	1.5	1.4	1.2
EV/EBITA adj.	9.4	9.8	8.8	7.9
EV/EBITA	9.4	9.8	8.8	7.9
EV/EBIT	9.9	10.3	9.2	8.3
P/E adj.	14.0	12.5	11.2	10.2
P/BV	1.7	1.6	1.5	1.4
Dividend yield	3.0%	3.5%	4.0%	4.6%
FCF yield	4.0%	8.2%	8.8%	9.6%
ROCE	12.0%	11.9%	13.0%	13.9%
ROE adj.	14.7%	13.4%	14.0%	14.3%
Net IB debt/EBITDA	2.0	1.5	1.1	0.8



Source: Carnegie Research, FactSet, Millstream &amp; company data

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### Equity story

#### Near term: 6–12m

We believe we are in the bottom of the housing construction market, both when it comes to newbuilds and renovations. The timing, as well as the strength, of the recovery is uncertain. Our best estimate is that we will see a gradual recovery in 2025.

#### Long term: 5Y+

The shortage of housing should drive growth in bathroom installations over time. We would expect mid-single digit market growth over time.

#### Key risks:

- The housing market does not recover
- The economic downcycle is prolonged
- The Svedbergs brand is not able to recover its margin to historical levels
- Acquisitions develop worse than expected
- It is not able to find suitable targets

### Company description

Svedbergs Group designs and manufactures bathroom interiors and sanitary articles. The company offers a comprehensive range of bathroom products, including furniture, washbasins, mixers, showers, heated towel rails, and WCs among others. The company operates through the subsidiaries Svedbergs, Macro Design, Cassoe, Roper Rhodes and Thebalux. Its strategy is to grow by acquiring independent innovative and sustainable brands that complement the group's geographic presence or portfolio.

#### Key industry drivers

- Housing renovations
- New housing construction

#### Industry outlook

- We believe that the construction market, both new and renovation has troughed
- We expect a slow recovery in coming years

#### Largest shareholders

Stena Adactum	43.0%
Nordea Funds	14.2%
If Skadeförsäkring	11.5%

#### Cyclicality

Cyclicality: Yes  
Late

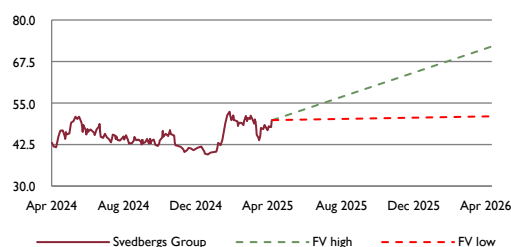
#### Key peers

FM Mattsson, Ifö, Gustavsberg, Inwido, Balco Group, Nordic Waterproofing

### Valuation and methodology

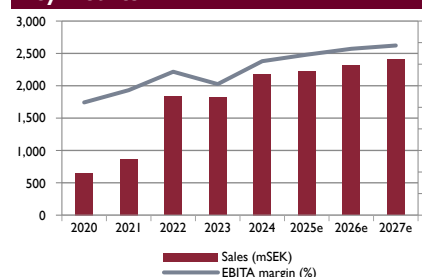
Our fair value range is based on upside and downside scenarios applied to multiples-based valuations. We use a P/E of 13x and an EV/EBITA of 11x, to which we apply our 2026 estimates and discount the values back to today. Peers are trading at average P/E(26e) of 10x and EV/EBITA(26e) of 10x. Given Svedberg's solid balance sheet we believe it is fair that it trades at higher P/E than EV/EBITA.

### Fair value range 12m

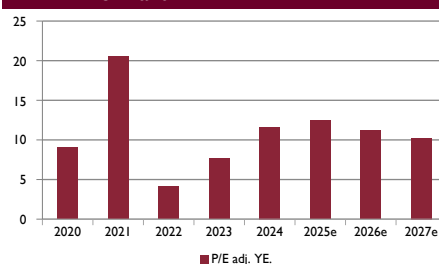


Our downside scenario is based on 3-year sales CAGR of 3% and EBITA CAGR of 7%; while our upside scenario is based on 3-year sales CAGR of 6% and EBITA CAGR of 15%.

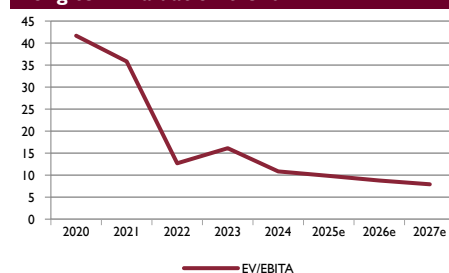
### Key metrics



### PE 12m forward



### Long term valuation trend

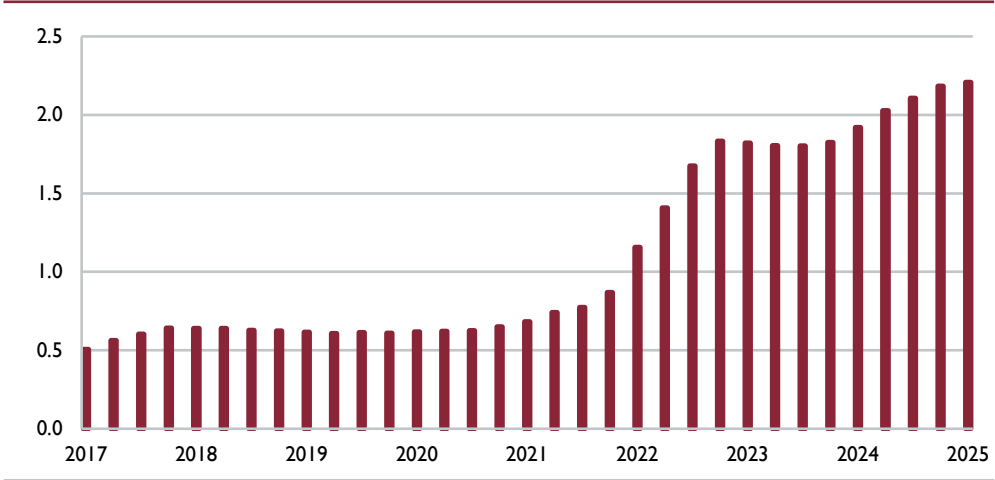


Source: Carnegie Research & company data

Svedbergs Group in key charts

The acquisitions of Roper Rhodes in the UK and Thebalux in the Netherlands have driven sales of the group...

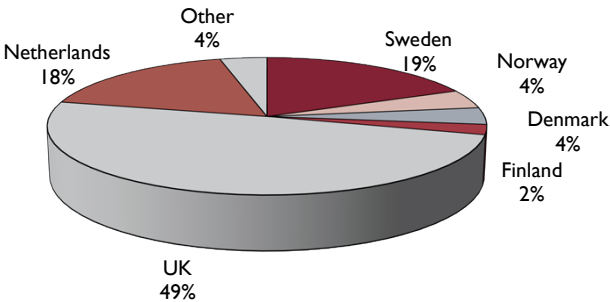
Svedbergs Group sales (SEKbn)



Source: Company data, Carnegie Research

... and now Sweden accounts for less than a fifth of sales compared to 76% in 2016

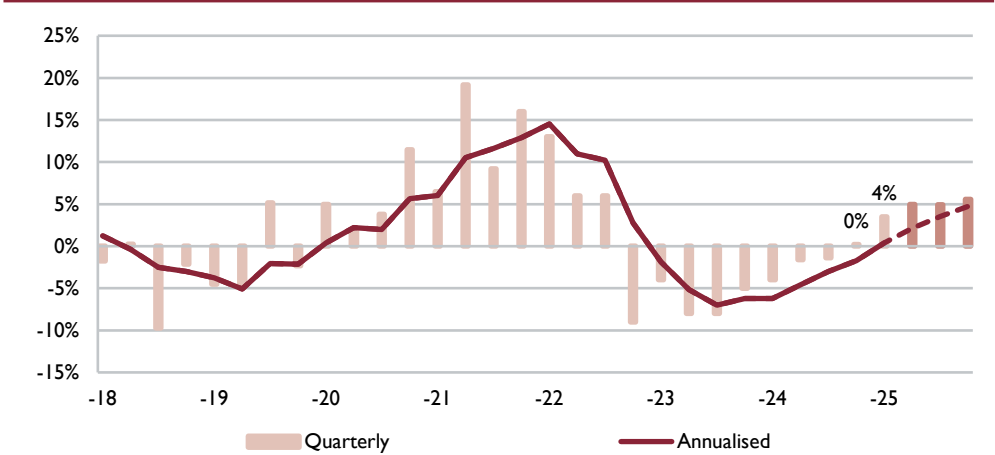
Svedbergs Group geographical sales split (2024)



Source: Company data, Carnegie Research

We expect the organic growth trend to continue to improve

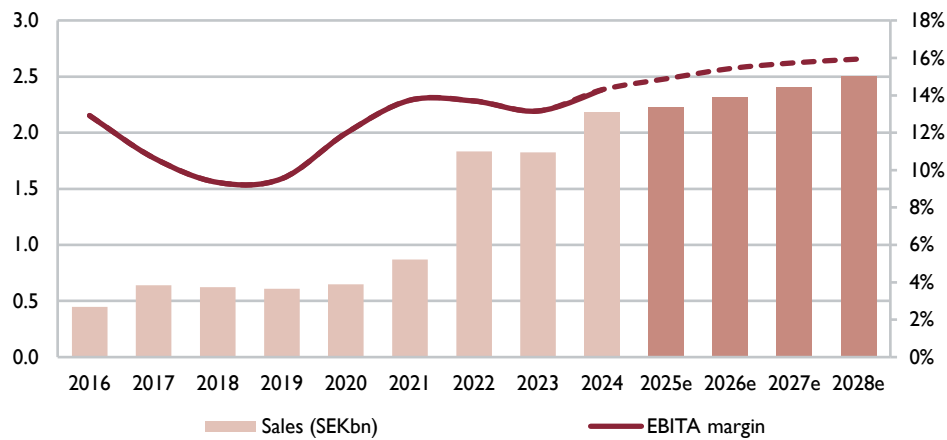
Svedbergs Group organic growth



Source: Company data, Carnegie Research

As the margin in the Svedbergs brand part of the group recovers, the group margin should keep improving

Svedbergs Group sales and EBITA margin



Source: Company data, Carnegie Research

## Valuation and risks

Our fair value range is based on upside and downside scenarios applied to multiples-based valuations. Based on our estimates, we arrive at a fair value range of SEK51–72 (SEK51–70).

### Assumptions

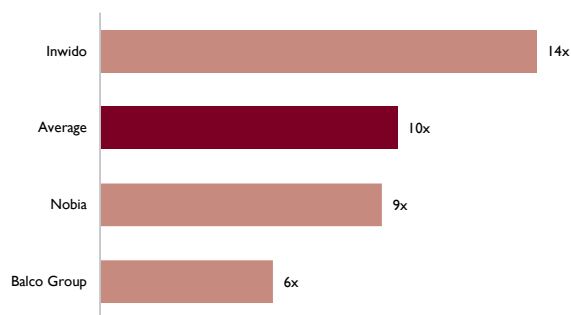
Our multiples-based approach returns values of SEK51–72 per share. We use a P/E of 13x and an EV/EBITA of 11x, to which we apply our 2026 estimates and discount the values back to today. Peers are trading at an average 2026e P/E of 10x and 2026e EV/EBIT of 10x. Given Svedberg's solid balance sheet we believe it is fair that it trades at higher P/E than EV/EBIT.

Our downside scenario is based on 3-year sales CAGR of 3% and EBITA CAGR of 7% while our upside scenario is based on 3-year sales CAGR of 6% and EBITA CAGR of 15%.

Multiple-based calculations	Downside	Upside
<u>P/E based</u>		
2026 EPS (SEK)	4.2	5.5
P/E	13x	13x
Value end of 2025 (SEK)	54	71
<b>PV per share (SEK)</b>	<b>51</b>	<b>66</b>
<u>EV/EBITA based</u>		
2026 EBITA (SEKbn)	357	449
EV/EBITA	11x	11x
EV end of 2025 (SEKbn)	3.9	4.9
Current EV (SEKbn)	3.7	4.6
Current net debt (SEKbn)	0.8	0.8
Equity value (SEKbn)	2.9	3.8
No shares (m)	53	53
<b>Value per share (SEK)</b>	<b>55</b>	<b>72</b>

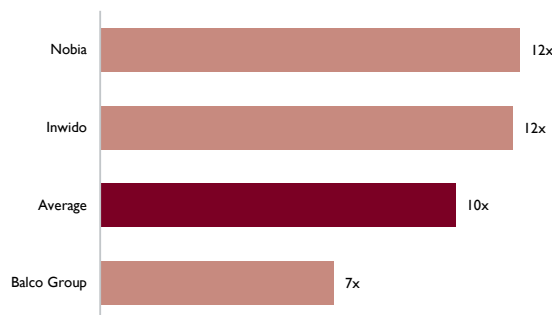
Source: Carnegie Research

Svedbergs peer group P/E 2026e



Source: Factset, Carnegie Research

Svedbergs peer group EV/EBIT 2026e



Source: Factset, Carnegie Research

### Risks

Svedbergs faces several potential risks that could impact its operations and financial performance. Below we have outlined the risks that we consider to be the most significant for the company. Note that the list should not be considered exhaustive and is presented in no particular order.

- **Market and economic risks:** Demand for Svedberg's products depends on the broader economic climate, including interest rates, exchange rates, and unemployment rates. Economic slowdowns can reduce consumer spending on home improvements, directly impacting demand for bathroom products. Declines in housing transactions and new constructions can adversely affect sales, as fewer new bathrooms are installed.
- **Operational risks:** Dependence on suppliers for raw materials and finished products makes the company vulnerable to supply chain interruptions, which can affect production schedules and costs. As the Group's growth strategy includes acquisitions, such as Thebalux, there is a risk that the acquired units will not perform as expected.
- **Strategic risks:** While M&A can drive growth, they also carry risks like overvaluation, integration difficulties, and diversion of management attention. Maintaining a premium brand image requires continuous innovation and quality assurance. Failure to do so could erode market share.
- **Regulatory and compliance risks:** The company must comply with environmental laws concerning production processes, waste management, and product materials. Non-compliance can lead to fines and reputational damage. Ensuring all products meet safety and quality standards is crucial. Any lapses can result in recalls and legal issues.
- **Technological risks:** The need to adopt new technologies for production, distribution, and customer engagement requires significant investment. Lagging in this area can lead to competitive disadvantages. As operations become more digitized, the risk of cyber-attacks increases, potentially compromising sensitive data and disrupting business activities.

## Interim figures

	2025e	2025e		2026e	2026e		2027e	2027e	
Svedbergs - Estimate changes	Old	New	Chg	Old	New	Chg	Old	New	Chg
Sales	2,265	2,227	-2%	2,354	2,314	-2%	2,449	2,408	-2%
Growth	4%	2%	-178 bps	4%	4%	+0 bps	4%	4%	+1 bps
Organic	2%	5%	+226 bps	4%	4%	+0 bps	4%	4%	+1 bps
Acq/div	0%	0%	+0 bps	0%	0%	+0 bps	0%	0%	+0 bps
Currency	1%	-3%	-403 bps	0%	0%	-1 bps	0%	0%	+0 bps
<b>Adj EBITA</b>	<b>338</b>	<b>331</b>	<b>-2%</b>	<b>363</b>	<b>357</b>	<b>-2%</b>	<b>385</b>	<b>379</b>	<b>-2%</b>
<b>Adj EBITA margin</b>	<b>14.9%</b>	<b>14.9%</b>	<b>-2 bps</b>	<b>15.4%</b>	<b>15.4%</b>	<b>-1 bps</b>	<b>15.7%</b>	<b>15.7%</b>	<b>-0 bps</b>
PPA	-16	-16	0%	-16	-16	0%	-16	-16	0%
EO	0	0	n.m	0	0	n.m	0	0	n.m
EBIT	338	331	-2%	363	357	-2%	385	379	-2%
EBIT margin	14.9%	14.9%	-2 bps	15.4%	15.4%	-1 bps	15.7%	15.7%	-0 bps
Pre-tax profit	271	265	-2%	304	299	-2%	333	327	-2%
Net profit	201	196	-2%	225	221	-2%	247	242	-2%
<b>EPS</b>	<b>3.8</b>	<b>3.7</b>	<b>-2%</b>	<b>4.3</b>	<b>4.2</b>	<b>-2%</b>	<b>4.7</b>	<b>4.6</b>	<b>-2%</b>
<b>EPS adj</b>	<b>4.1</b>	<b>4.0</b>	<b>-2%</b>	<b>4.5</b>	<b>4.5</b>	<b>-2%</b>	<b>4.9</b>	<b>4.9</b>	<b>-2%</b>
<b>Sales</b>									
Svedbergs	401	407	2%	420	427	2%	441	448	2%
Macro Design	172	172	0%	179	179	0%	186	186	0%
Cassoe	87	89	2%	90	92	2%	93	95	2%
Roper Rhodes	1,193	1,144	-4%	1,236	1,185	-4%	1,280	1,228	-4%
Thebalux	413	415	0%	430	432	0%	449	451	0%
<b>Group</b>	<b>2,265</b>	<b>2,227</b>	<b>-2%</b>	<b>2,354</b>	<b>2,314</b>	<b>-2%</b>	<b>2,449</b>	<b>2,408</b>	<b>-2%</b>
<b>Adj. EBITA</b>									
Svedbergs	19	22	19%	24	28	17%	31	35	14%
Macro Design	18	19	8%	19	20	7%	20	22	7%
Cassoe	17	17	1%	17	17	0%	18	18	1%
Roper Rhodes	233	221	-5%	246	233	-5%	255	242	-5%
Thebalux	93	95	2%	98	100	2%	102	104	2%
Corporate	-40	-42	4%	-40	-42	4%	-40	-42	4%
<b>Group</b>	<b>338</b>	<b>331</b>	<b>-2%</b>	<b>363</b>	<b>357</b>	<b>-2%</b>	<b>385</b>	<b>379</b>	<b>-2%</b>
<b>Adj. EBITA margin</b>									
Svedbergs	4.6%	5.4%	+81 bps	5.8%	6.7%	+87 bps	7.0%	7.8%	+83 bps
Macro Design	10.2%	11.0%	+79 bps	10.6%	11.4%	+76 bps	11.0%	11.7%	+73 bps
Cassoe	19.0%	18.7%	-32 bps	19.1%	18.8%	-31 bps	19.1%	18.8%	-30 bps
Roper Rhodes	19.5%	19.3%	-19 bps	19.9%	19.7%	-18 bps	19.9%	19.7%	-18 bps
Thebalux	22.4%	22.8%	+36 bps	22.7%	23.0%	+35 bps	22.8%	23.1%	+34 bps
<b>Group</b>	<b>14.9%</b>	<b>14.9%</b>	<b>-2 bps</b>	<b>15.4%</b>	<b>15.4%</b>	<b>-1 bps</b>	<b>15.7%</b>	<b>15.7%</b>	<b>-0 bps</b>

Source: Carnegie Research

## Interim figures

Carnegie estimates	2023	2024	2025											
SEKm	Q4	Q1	Q2	Q3	Q4	Q1	Q2e	Q3e	Q4e	2023	2024	2025e	2026e	2027e
Sales	460	572	562	512	537	596	571	518	542	1,824	2,184	2,227	2,314	2,408
Growth	5%	20%	23%	19%	17%	4%	1%	1%	1%	0%	20%	2%	4%	4%
Organic	-5%	-4%	-2%	-1%	0%	4%	5%	5%	6%	-6%	-2%	5%	4%	4%
Currency	3%	2%	2%	-2%	2%	1%	-4%	-4%	-5%	4%	1%	-3%	0%	0%
Acquisitions	7%	22%	23%	22%	14%	0%	0%	0%	0%	2%	20%	0%	0%	0%
Adj EBITA	59	84	76	71	81	94	83	77	78	240	312	331	357	379
Adj EBITA margin	12.9%	14.6%	13.5%	13.9%	15.1%	15.7%	14.5%	14.8%	14.4%	13.2%	14.3%	14.9%	15.4%	15.7%
PPA	-3	-4	-4	-4	-4	-4	-4	-4	-4	-11	-16	-16	-16	-16
EO	-15	0	0	0	0	0	0	0	0	-18	0	0	0	0
EBIT	41	80	72	67	77	90	79	73	74	211	296	316	341	363
EBIT margin	9.0%	13.9%	12.8%	13.2%	14.4%	15.1%	13.8%	14.1%	13.7%	12%	14%	14%	15%	15%
Net financials	-18	-12	-18	-30	-7	-19	-11	-11	-10	-51	-67	-51	-43	-36
Pre-tax Profit	23	67	54	38	71	71	68	62	64	160	229	265	299	327
Tax	-13	-17	-13	-10	-21	-19	-18	-16	-17	-41	-61	-69	-78	-85
Tax rate	58%	25%	24%	26%	30%	27%	26%	26%	27%	26%	27%	26%	26%	26%
Net profit	10	50	40	28	50	52	50	46	46	119	168	196	221	242
EPS (SEK)	0.28	0.95	0.76	0.53	0.93	0.99	0.95	0.86	0.88	3.4	3.3	3.7	4.2	4.6
EPS Adj (SEK)	0.54	1.02	0.84	0.60	1.01	1.06	1.02	0.94	0.97	4.1	3.6	4.0	4.5	4.9
Sales	2024					2025								
SEKm	Q4	Q1	Q2	Q3	Q4	Q1	Q2e	Q3e	Q4e	2023	2024	2025e	2026e	2027e
Svedbergs	113	113	102	76	102	108	109	81	109	480	393	407	427	448
Macro Design	44	42	44	35	45	44	45	36	46	163	165	172	179	186
Cassoe	23	23	25	19	21	23	24	19	23	88	87	89	92	95
Roper Rhodes	250	289	285	289	275	306	282	287	268	1,062	1,138	1,144	1,185	1,228
Thebalux	30	105	107	94	95	115	110	95	96	30	401	415	432	451
Group	460	572	562	512	537	596	571	518	542	1,824	2,184	2,227	2,314	2,408
Adj EBITA	2024					2025								
SEKm	Q4	Q1	Q2	Q3	Q4	Q1	Q2e	Q3e	Q4e	2023	2024	2025e	2026e	2027e
Svedbergs	8	8	1	1	6	8	4	4	6	58	17	22	28	35
Macro Design	4	4	4	3	5	6	4	3	5	12	16	19	20	22
Cassoe	5	4	5	3	4	5	5	3	4	18	17	17	17	18
Roper Rhodes	52	49	49	55	60	55	52	57	56	177	214	221	233	242
Thebalux	1	26	28	18	17	30	28	18	18	1	89	95	100	104
Other	-11	-8	-12	-10	-11	-10	-12	-10	-11	-26	-40	-42	-42	-42
Group	59	84	76	71	81	94	83	77	78	240	312	331	357	379
Adj EBITA margin	2024					2025								
	Q4	Q1	Q2	Q3	Q4	Q1	Q2e	Q3e	Q4e	2023	2024	2025e	2026e	2027e
Svedbergs	7.1%	7.2%	1.3%	1.7%	5.8%	6.9%	4.0%	5.0%	5.7%	12.1%	4.2%	5.4%	6.7%	7.8%
Macro Design	8.9%	9.7%	9.4%	8.1%	11.6%	14.0%	9.7%	8.5%	11.4%	7.6%	9.8%	11.0%	11.4%	11.7%
Cassoe	20.5%	19.5%	20.3%	18.3%	17.9%	20.3%	20.5%	18.3%	15.5%	20.2%	19.1%	18.7%	18.8%	18.8%
Roper Rhodes	20.9%	17.0%	17.2%	19.1%	21.9%	18.0%	18.5%	20.0%	21.0%	16.6%	18.8%	19.3%	19.7%	19.7%
Thebalux	3.4%	24.8%	26.1%	19.5%	18.0%	26.1%	26.0%	19.5%	18.3%	3.4%	22.3%	22.8%	23.0%	23.1%
Group	12.9%	14.6%	13.5%	13.9%	15.1%	15.7%	14.5%	14.8%	14.4%	13.2%	14.3%	14.9%	15.4%	15.7%

Source: Company data, Carnegie Research



## Financial statements

Profit & loss (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Sales	622	609	649	869	1,833	1,824	2,184	2,227	2,314	2,408
COGS	-363	-351	-375	-502	-1,076	-1,028	-1,188	-1,198	-1,232	-1,273
<b>Gross profit</b>	<b>260</b>	<b>258</b>	<b>274</b>	<b>366</b>	<b>757</b>	<b>796</b>	<b>996</b>	<b>1,029</b>	<b>1,082</b>	<b>1,134</b>
Other income & costs	-182	-177	-184	-240	-467	-523	-622	-626	-651	-677
Share in ass. operations and JV	0	0	0	0	0	0	0	0	0	0
<b>EBITDA</b>	<b>77</b>	<b>80</b>	<b>90</b>	<b>127</b>	<b>290</b>	<b>273</b>	<b>374</b>	<b>403</b>	<b>432</b>	<b>457</b>
Depreciation PPE	-10	-11	-10	-11	-15	-16	-19	-24	-25	-26
Depreciation lease assets	-2	-3	-3	-5	-19	-23	-31	-31	-32	-34
Amortisation development costs	0	0	0	0	0	0	0	0	0	0
Amortisation other intangibles	-9	-9	-9	-10	-12	-12	-13	-16	-17	-18
Impairments / writedowns	0	0	0	0	0	0	0	0	0	0
<b>EBITA</b>	<b>56</b>	<b>58</b>	<b>68</b>	<b>101</b>	<b>244</b>	<b>222</b>	<b>312</b>	<b>331</b>	<b>357</b>	<b>379</b>
Amortization acquisition related	-1	-2	-2	-6	-9	-11	-16	-16	-16	-16
Impairment acquisition related	0	0	0	0	0	0	0	0	0	0
<b>EBIT</b>	<b>55</b>	<b>56</b>	<b>66</b>	<b>95</b>	<b>234</b>	<b>210</b>	<b>296</b>	<b>316</b>	<b>341</b>	<b>363</b>
Share in ass. operations and JV	0	0	0	0	0	0	0	0	0	0
Net financial items	-3	-3	-4	-15	-28	-51	-67	-51	-43	-36
of which interest income/expenses	-3	-3	-4	-15	-28	-51	-67	-51	-43	-36
of which interest on lease liabilities	0	0	0	0	0	0	0	0	0	0
of which other items	0	0	0	0	0	0	0	0	0	0
<b>Pre-tax profit</b>	<b>51</b>	<b>53</b>	<b>62</b>	<b>80</b>	<b>206</b>	<b>160</b>	<b>229</b>	<b>265</b>	<b>299</b>	<b>327</b>
Taxes	-11	-12	-14	-21	-40	-41	-61	-69	-78	-85
Post-tax minorities interest	0	0	0	0	0	0	0	0	0	0
Discontinued operations	0	0	0	0	0	0	0	0	0	0
<b>Net profit</b>	<b>41</b>	<b>41</b>	<b>48</b>	<b>59</b>	<b>166</b>	<b>119</b>	<b>168</b>	<b>196</b>	<b>221</b>	<b>242</b>
Adjusted EBITDA	79	80	100	146	298	291	375	403	432	457
Adjusted EBITA	58	58	78	119	251	240	312	331	357	379
Adjusted EBIT	57	56	76	114	242	229	297	316	341	363
Adjusted net profit	44	43	58	78	181	144	184	211	237	258
Sales growth Y/Y	-2.7%	-2.1%	6.6%	33.8%	111.0%	-0.5%	19.7%	2.0%	3.9%	4.0%
EBITDA growth Y/Y	-7.3%	3.7%	12.4%	41.0%	128.7%	-6.0%	37.2%	7.5%	7.2%	5.9%
EBITA growth Y/Y	-12.8%	3.7%	16.9%	48.3%	142.1%	-9.1%	40.7%	6.3%	7.7%	6.1%
EBIT growth Y/Y	-13.2%	2.7%	17.9%	43.7%	146.5%	-10.2%	40.8%	6.6%	8.1%	6.4%
EBITDA margin	12.4%	13.2%	13.9%	14.6%	15.8%	15.0%	17.1%	18.1%	18.7%	19.0%
EBITA margin	9.0%	9.5%	10.5%	11.6%	13.3%	12.2%	14.3%	14.9%	15.4%	15.7%
EBIT margin	8.8%	9.2%	10.2%	10.9%	12.8%	11.5%	13.6%	14.2%	14.8%	15.1%
Tax rate	20.6%	22.4%	22.4%	26.1%	19.7%	25.6%	26.6%	26.0%	26.0%	26.0%
Cash flow (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
EBITDA	77	80	90	127	290	273	374	403	432	457
Paid taxes	-16	0	-12	0	-30	-49	-61	-69	-78	-85
Change in NWC	-2	-17	18	-5	0	13	-76	-9	-19	-20
Non cash adjustments	-2	0	2	-10	8	10	18	0	0	0
Discontinued operations	0	0	0	0	0	0	0	0	0	0
<b>Total operating activities</b>	<b>58</b>	<b>63</b>	<b>98</b>	<b>112</b>	<b>269</b>	<b>246</b>	<b>256</b>	<b>324</b>	<b>335</b>	<b>352</b>
Capex tangible assets	-11	-21	-18	-6	-14	-12	-52	-13	-14	-14
Capitalised development costs	-6	-5	-9	-7	-9	-11	-9	-13	-14	-14
Capex - other intangible assets	-1	0	0	-1	-7	-3	0	0	0	0
Acquisitions/divestments	0	0	-57	-788	-149	-477	0	0	0	0
Other non-cash adjustments	0	0	0	0	0	0	1	0	0	0
<b>Total investing activities</b>	<b>-18</b>	<b>-26</b>	<b>-84</b>	<b>-803</b>	<b>-179</b>	<b>-502</b>	<b>-60</b>	<b>-27</b>	<b>-28</b>	<b>-29</b>
Net financial items	-3	-3	-4	-15	-28	-51	-67	-51	-43	-36
Lease payments	0	-2	0	0	-17	-23	-23	-31	-32	-34
Dividend paid and received	-48	-26	0	-26	0	-53	-53	-93	-106	-121
Share issues & buybacks	0	0	0	0	480	0	391	0	0	0
Change in bank debt	15	8	12	992	-655	407	-445	-158	-126	-132
Other cash flow items	1	1	1	2	0	0	0	0	0	0
<b>Total financing activities</b>	<b>-35</b>	<b>-22</b>	<b>8</b>	<b>952</b>	<b>-222</b>	<b>280</b>	<b>-197</b>	<b>-333</b>	<b>-307</b>	<b>-323</b>
Operating cash flow	58	63	98	112	269	246	256	324	335	352
Free cash flow	37	32	67	82	193	147	105	216	232	253
Net cash flow	5	15	22	261	-131	24	-1	-36	0	0
Change in net IB debt	-10	7	7	-736	534	-390	456	123	126	132
Capex / Sales	1.8%	3.4%	2.8%	0.7%	0.7%	0.6%	2.4%	0.6%	0.6%	0.6%
NWC / Sales	22.6%	24.6%	23.2%	23.5%	17.1%	21.2%	20.5%	21.8%	21.5%	21.5%

Source: Carnegie Research &amp; company data

## Financial statements, cont.

Balance sheet (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Acquired intangible assets	114	114	162	485	614	838	886	886	886	886
Other fixed intangible assets	46	46	98	503	388	543	559	541	522	503
Capitalised development	0	0	0	0	0	0	0	0	0	0
Tangible assets	70	75	71	282	289	379	428	417	405	393
Lease assets	0	9	9	40	28	82	82	82	82	82
Other IB assets (1)	0	0	0	0	0	0	0	0	0	0
Other non-IB assets	0	0	0	0	2	3	5	5	5	5
<b>Fixed assets</b>	<b>231</b>	<b>245</b>	<b>341</b>	<b>1,311</b>	<b>1,320</b>	<b>1,845</b>	<b>1,959</b>	<b>1,930</b>	<b>1,900</b>	<b>1,869</b>
Inventories (2)	118	134	130	342	444	499	559	569	592	616
Receivables (2)	126	120	138	322	291	296	295	300	312	325
Prepaid exp. & other NWC items (2)	5	5	7	66	16	44	35	35	37	38
IB current assets (1)	0	0	0	0	0	0	0	0	0	0
Other current assets	7	0	0	2	19	21	38	38	38	38
Cash & cash equivalents (1)	21	36	58	320	200	217	236	200	200	200
<b>Current assets</b>	<b>277</b>	<b>296</b>	<b>334</b>	<b>1,051</b>	<b>971</b>	<b>1,076</b>	<b>1,162</b>	<b>1,143</b>	<b>1,179</b>	<b>1,217</b>
<b>Total assets</b>	<b>508</b>	<b>541</b>	<b>674</b>	<b>2,362</b>	<b>2,291</b>	<b>2,921</b>	<b>3,121</b>	<b>3,074</b>	<b>3,079</b>	<b>3,085</b>
Shareholders' equity	163	179	227	267	935	979	1,530	1,633	1,748	1,869
Minorities	0	0	0	0	0	0	0	0	0	0
Other equity	0	0	0	0	0	0	0	0	0	0
<b>Total equity</b>	<b>163</b>	<b>179</b>	<b>227</b>	<b>267</b>	<b>935</b>	<b>979</b>	<b>1,530</b>	<b>1,633</b>	<b>1,748</b>	<b>1,869</b>
Deferred tax	17	21	36	173	132	174	194	194	194	194
LT IB debt (1)	131	132	132	528	563	490	648	489	363	231
Other IB provisions (1)	0	0	0	0	0	0	0	0	0	0
Lease liabilities	0	10	9	39	29	83	83	83	83	83
Other non-IB liabilities	0	0	25	163	164	187	6	6	6	6
<b>LT liabilities</b>	<b>148</b>	<b>162</b>	<b>202</b>	<b>903</b>	<b>887</b>	<b>934</b>	<b>930</b>	<b>771</b>	<b>645</b>	<b>513</b>
ST IB debt (1)	86	93	105	718	61	576	246	246	246	246
Payables (2)	43	37	39	102	113	161	183	186	193	201
Accrued exp. & other NWC items (2)	65	64	94	362	279	263	226	230	239	249
Other ST non-IB liabilities	3	5	8	10	16	9	8	8	8	8
Liabilities - assets held for sale	0	0	0	0	0	0	0	0	0	0
<b>Current liabilities</b>	<b>197</b>	<b>199</b>	<b>245</b>	<b>1,192</b>	<b>468</b>	<b>1,008</b>	<b>662</b>	<b>670</b>	<b>686</b>	<b>703</b>
<b>Total equity and liabilities</b>	<b>508</b>	<b>541</b>	<b>674</b>	<b>2,362</b>	<b>2,291</b>	<b>2,921</b>	<b>3,121</b>	<b>3,074</b>	<b>3,079</b>	<b>3,085</b>
Net IB debt (=1)	195	198	188	966	453	931	740	618	491	359
Net working capital (NWC) (=2)	142	159	143	265	360	414	480	489	508	528
Capital employed (CE)	397	434	509	1,725	1,720	2,301	2,699	2,644	2,633	2,622
Capital invested (CI)	372	404	484	1,576	1,678	2,256	2,434	2,414	2,403	2,392
Equity / Total assets	32%	33%	34%	11%	41%	34%	49%	53%	57%	61%
Net IB debt / EBITDA	2.5	2.5	2.1	7.6	1.6	3.4	2.0	1.5	1.1	0.8
<b>Per share data (SEK)</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025e</b>	<b>2026e</b>	<b>2027e</b>
Adj. no. of shares in issue YE (m)	21.12	21.15	21.16	26.00	33.77	35.32	51.67	52.98	52.98	52.98
Diluted no. of Shares YE (m)	21.12	21.15	21.16	26.00	33.77	35.32	52.98	52.98	52.98	52.98
EPS	1.93	1.96	2.28	2.26	4.90	3.37	3.25	3.70	4.17	4.57
EPS adj.	2.07	2.05	2.72	3.01	5.35	4.07	3.56	3.99	4.47	4.87
CEPS	2.99	2.98	3.40	3.49	6.04	4.48	4.33	4.75	5.26	5.71
DPS	2.25	0.00	1.25	0.00	1.50	1.00	1.50	1.75	2.00	2.29
BVPS	7.71	8.46	10.7	10.3	27.7	27.7	28.9	30.8	33.0	35.3
<b>Performance measures</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025e</b>	<b>2026e</b>	<b>2027e</b>
ROE	24.6%	24.3%	23.7%	23.8%	27.5%	12.4%	13.4%	12.4%	13.1%	13.4%
Adj. ROCE pre-tax	15.7%	15.1%	17.3%	11.3%	15.4%	12.7%	12.7%	12.5%	13.6%	14.5%
Adj. ROIC after-tax	12.4%	11.6%	13.6%	8.6%	12.4%	9.1%	9.8%	10.1%	11.0%	11.7%
<b>Valuation</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025e</b>	<b>2026e</b>	<b>2027e</b>
FCF yield	1.4%	1.2%	2.5%	3.1%	7.3%	5.6%	4.0%	8.2%	8.8%	9.6%
Dividend yield YE	14.3%	0.0%	5.1%	0.0%	6.8%	3.2%	3.6%	3.5%	4.0%	4.6%
Dividend payout ratio	116.9%	0.0%	54.9%	0.0%	30.6%	29.7%	46.1%	47.3%	47.9%	50.0%
Dividend + buy backs yield YE	8.0%	0.0%	5.1%	0.0%	7.1%	4.8%	4.2%	4.0%	4.6%	5.0%
EV/Sales YE	0.85	0.89	1.09	2.96	0.66	1.11	1.34	1.46	1.35	1.25
EV/EBITDA YE	6.8	6.8	7.9	20.3	4.1	7.4	7.8	8.1	7.3	6.6
EV/EBITA YE	9.4	9.4	10.4	25.5	4.9	9.2	9.4	9.8	8.8	7.9
EV/EBITA adj. YE	9.1	9.4	9.1	21.5	4.8	8.5	9.4	9.8	8.8	7.9
EV/EBIT YE	9.6	9.7	10.7	27.0	5.1	9.7	9.9	10.3	9.2	8.3
P/E YE	8.2	8.3	10.8	27.3	4.5	9.3	12.7	13.5	11.9	10.9
P/E adj. YE	7.6	8.0	9.1	20.5	4.1	7.7	11.6	12.5	11.2	10.2
P/BV YE	2.04	1.94	2.29	6.02	0.80	1.13	1.44	1.62	1.51	1.41
Share price YE (SEK)	15.7	16.4	24.6	61.8	22.2	31.2	41.5	49.9		

Source: Carnegie Research &amp; company data

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