

NEWS FLASH

29 April 2025
Sweden
Capital Goods

Research analysts:

Markus Almerud

Svedbergs Group

Share price: SEK47.8

Fair value range: SEK51.0–70.0

Positive organic growth – Q1 initial comment

Further recovery in organic growth...

Svedbergs brand (primarily Sweden) continues to improve even though organic growth is still negative. Roper Rhodes posted 4% organic growth and Thebalux almost 10%, meaning Svedbergs Group improved its organic growth to 3.5% in Q1 from 0% in Q4, which was better than our expected 1%. The company believes that Sweden will continue to improve and that the UK and Netherlands will be stable.

...and continuous margin expansion

With implemented cost savings in Svedbergs brand its EBITA margin has improved to 6.9% including SEK2.5m in EO costs for the management change, and 9.2% excluding (7.2% in Q1(24) and 5.8% in Q4(24)). We see the trajectory in the margin in Svedbergs brand, which was holding the group back in 2024, as positive. Roper Rhodes posted an 18.0% EBITA margin (-0.5%-points Y/Y) and Thebalux 26.1% (+1.1%-points) and the group was above its margin target of 15% for the second consecutive quarter. EBITA was 5% better than our forecast.

Global uncertainty but we believe the trough in Sweden is behind us

Svedbergs Group has no direct exposure to customers nor suppliers in the US, and with the introduction of new RMI rules (renovation, maintenance and improvements) in Sweden in mid-May we expect further recovery in the Swedish market. We see the EBITA margin in Sweden as key to further margin expansion for the group and hence see the improvements in Svedberg's brand as positive.

Conference call at 10.00 CET

Key focus on the call will be to get some colour on the recovery in Sweden and we will also listen for any commentary on how Q2 has started. Link to the call: <https://www.finwire.tv/webcast/svedbergs-group/q1-2025/>

Upcoming events

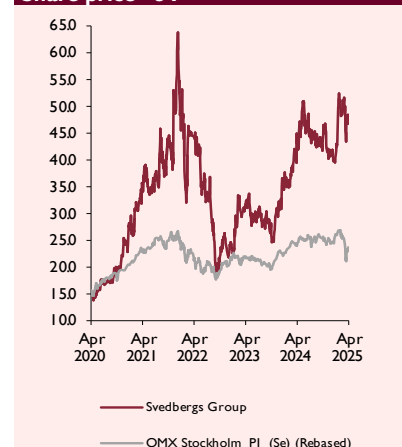
- AGM 2025: 29 Apr 2025
- Q1 Report: 29 Apr 2025
- Q2 Report: 18 Jul 2025
- Q3 Report: 29 Oct 2025

Key facts

No. shares (m)	53.0
Market cap. (USDm)	263
Market cap. (SEKm)	2,530
Net IB Debt. (SEKm)	628
Adjustments (SEKm)	0
EV (2025e) (SEKm)	3,158
Free float	55.9%
Avg. daily vol. ('000)	26
Risk	High Risk
Fiscal year end	December
Share price as of (CET)	28 Apr 2025 00:00

Key figures (SEK)	2024	2025e	2026e	2027e
Sales (m)	2,184	2,265	2,354	2,449
EBITA (m)	312	338	363	385
EBITA adj. (m)	312	338	363	385
EPS	3.25	3.79	4.25	4.66
EPS adj.	3.56	4.08	4.55	4.95
DPS	1.50	1.75	2.00	2.33
Sales growth Y/Y	20%	4%	4%	4%
EPS adj. growth Y/Y	-13%	15%	11%	9%
EBITA adj. margin	14.3%	14.9%	15.4%	15.7%
EV/Sales	1.5	1.4	1.3	1.2
EV/EBITA adj.	9.4	9.4	8.4	7.5
EV/EBITA	9.4	9.4	8.4	7.5
EV/EBIT	9.9	9.8	8.7	7.9
P/E adj.	13.4	11.7	10.5	9.6
P/BV	1.7	1.5	1.4	1.3
Dividend yield	3.1%	3.7%	4.2%	4.9%
FCF yield	4.2%	8.1%	9.1%	9.9%
ROCE	12.0%	12.1%	13.2%	14.0%
ROE adj.	14.7%	13.7%	14.2%	14.4%
Net IB debt/EBITDA	2.0	1.6	1.2	0.8

Share price - 5Y



High/Low (12M) SEK52.4/39.5

Perf.	3M	6M	12M	YTD
Abs.	17.9	9.8	9.5	15.2
Rel.	26.4	17.6	12.5	18.4

Source: Carnegie Research, FactSet, Millstream & company data

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Deviation table	2023			2024				Carnegie					
SEKm	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1a	Q1	Dev	2024	2025e	2026e
Sales	456	432	460	572	562	512	537	596	596	0%	2,184	2,265	2,354
Growth	-3%	-1%	5%	20%	23%	19%	17%	4%	4%	0.8pp	20%	4%	4%
Organic	-8%	-8%	-5%	-4%	-2%	-1%	0%	4%	1%	2.8pp	-2%	2%	4%
Currency	4%	7%	3%	2%	2%	-2%	2%	1%	3%	-2pp	1%	1%	0%
Acquisitions	1%	0%	7%	22%	23%	22%	14%	0%	0%	0pp	20%	0%	0%
Adj EBITA	58	59	59	84	76	71	81	94	89	5%	312	338	363
Adj EBITA margin	12.6%	13.7%	12.9%	14.6%	13.5%	13.9%	15.1%	15.7%	14.9%	0.8pp	14.3%	14.9%	15.4%
EO	-4	0	-15	0	0	0	0	0	0		0	0	0
EBIT	51	57	41	80	72	67	77	90	85	6%	296	322	348
EBIT margin	11.2%	13.1%	9.0%	13.9%	12.8%	13.2%	14.4%	15.1%	14.3%	0.8pp	13.6%	14.2%	14.8%
Net financials	-9	-13	-18	-12	-18	-30	-7	-19	-11	69%	-67	-51	-43
Pre-tax Profit	42	43	23	67	54	38	71	71	74	-4%	229	271	304
Tax	-9	-9	-13	-17	-13	-10	-21	-19	-19	-2%	-61	-70	-79
Tax rate	20%	21%	58%	25%	24%	26%	30%	27%	26%	0.5pp	27%	26%	26%
Net profit	33	34	10	50	40	28	50	52	55	-4%	168	201	225
EPS (SEK)	0.89	0.92	0.28	0.95	0.76	0.53	0.93	0.99	1.03	-4%	3.25	3.79	4.25
EPS Adj (SEK)	1.04	0.99	0.54	1.02	0.84	0.60	1.01	1.09	1.11	-2%	3.56	4.08	4.55

Sales	2023			2024				Carnegie					
SEKm	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1a	Q1	Dev	2024	2025e	2026e
Svedbergs	128	93	113	113	102	76	102	109	106	3%	393	401	420
Macro Design	43	32	44	42	44	35	45	46	44	3%	165	172	179
Cassoe	22	20	23	23	25	19	21	23	22	6%	87	87	90
Roper Rhodes	262	287	250	289	285	289	275	306	310	-1%	1,138	1,193	1,236
Thebalux	0	0	30	105	107	94	95	115	109	5%	401	413	430
Group	456	432	460	572	562	512	537	596	596	0%	2,184	2,265	2,354

Adj EBITA	2023			2024				Carnegie					
SEKm	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1a	Q1	Dev	2024	2025e	2026e
Svedbergs	13	12	8	8	1	1	6	8	4	101%	17	19	24
Macro Design	3	2	4	4	4	3	5	6	5	38%	16	18	19
Cassoe	5	4	5	4	5	3	4	5	4	10%	17	17	17
Roper Rhodes	39	48	52	49	49	55	60	55	57	-4%	214	233	246
Thebalux				26	28	18	17	30	27	10%	89	93	98
Other	-3	-6	-11	-8	-12	-10	-11	-10	-8	20%	-40	-40	-40
Group	58	59	58	84	76	71	81	94	89	5%	312	338	363

Adj EBITA margin	2023			2024				Carnegie					
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1a	Q1	Dev	2024	2025e	2026e
Svedbergs	10.5%	13.3%	7.1%	7.2%	1.3%	1.7%	5.8%	6.9%	3.5%	3.4pp	4.2%	4.6%	5.8%
Macro Design	7.4%	4.7%	8.9%	9.7%	9.4%	8.1%	11.6%	13.6%	10.2%	3.4pp	9.8%	10.2%	10.6%
Cassoe	20.8%	17.8%	20.5%	19.5%	20.3%	18.3%	17.9%	20.3%	19.5%	0.8pp	19.1%	19.0%	19.1%
Roper Rhodes	14.8%	16.7%	20.9%	17.0%	17.2%	19.1%	21.9%	18.0%	18.5%	-0.5pp	18.8%	19.5%	19.9%
Thebalux				24.8%	26.1%	19.5%	18.0%	26.1%	25.0%	1.1pp	22.3%	22.4%	22.7%
Group	12.6%	13.7%	12.7%	14.6%	13.5%	13.9%	15.1%	15.7%	14.9%	0.8pp	14.3%	14.9%	15.4%

Source: Company data, Carnegie Research

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