Svedbergs Group

Fast comment

Commissioned research

Not rated

Consumer Goods

Svedbergs saves in Dalstorp

- Saves SEK 25m annually from Q2'27, 6% of our '27e EBITA
- ...to reach 15% margin in Svedbergs (the brand)
- We see this as part of a longer trend and not a Q3 signal

Svedbergs aims to save SEK 25m per annum from Q2'27...

This morning, Svedbergs initiated a cost-savings programme with the aim to simplify the organisation, clarify areas of responsibility and lower the operating cost base, according to the company. The cost-savings programme is aimed to save around SEK 25m per annum with full effect from Q2'27: we expect the savings programme to entail a headcount reduction of ~20 employees (ABGSCe). Our impression is that affected staff is mostly white-collar. We do not expect the company to book any NRI related to this initiative, the company is typically very restrictive on NRIs and there is no mention in the press release.

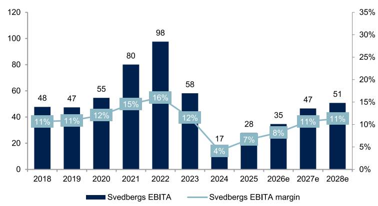
...to reach a 15% margin in Dalstorp, too

Evaluating historical performance for Svedbergs (the brand) specifically, we note that it has not delivered 15% EBITA margins except 2021-2022, which was an unrepresentative demand environment. Realising the full cost savings programme would mean Svedbergs (the brand) is then set up structurally to deliver a ~15% EBITA margin should the markets keep improving, i.e. in line with the Group's financial targets, even without exceptional demand. For context, the brand reported EBITA of SEK 28m in '25, for a 7% margin. SEK 25m in savings correspond to 6% of our forecasted '27e EBITA for the Group.

Timing?

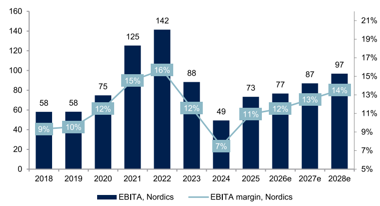
We see this cost-savings initiative as the next step on a journey that has lasted a number of years, and not as a signal of rapidly deteriorating markets near-term. In 2023, it installed a new wood processing line in Dalstorp, and in 2024 when we visited the factory it had recently installed a new machine for edge banding, i.e. protecting the edges of wood panels from moisture. Both these initiatives have been said to improve capacity in the Dalstorp factory. In April 2025, Svedbergs' MD was furthermore replaced. As such, we assess that the timing of the announcement is not a comment on Q3 performance, but rather a signal that ongoing efficiency work has now reached white-collar employees as well.

Svedbergs' margin structurally below 15% pre-saving



Source: ABG Sundal Collier, company data

SEK 25m savings could lift Nordics' margin above 15%



Source: ABG Sundal Collier, company data

SVED.B-SE/SVEDB SS

Share price (SEK)	14/9/2026	56.70
MCap (SEKm)		3,024
MCap (EURm)		268
No. of shares (m)		53.3
Free float (%)		55.5
Av. daily volume (k)		20

Next event Q3 report 22 October 2026

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SEKm	2024	2025	2026e	2027e	2028e
Sales	2,183	2,253	2,461	2,756	2,859
Sales growth (%)	*19.7*	*3.2*	*9.2*	*12.0*	*3.7*
EBITDA	374	416	432	507	535
EBITDA margin (%)	*17.1*	*18.4*	*17.5*	*18.4*	*18.7*
EBIT adj.	297	329	352	416	444
EBIT adj. margin (%)	*13.6*	*14.6*	*14.3*	*15.1*	*15.5*
Pretax profit	229	283	298	378	419
EPS	3.17	4.07	4.23	5.39	5.98
EPS growth (%)	*-5.9*	*28.2*	*4.0*	*27.6*	*10.9*
EPS adj.	3.47	4.34	4.61	5.65	6.24
DPS	1.50	2.00	2.00	2.25	2.50
EV/EBITDA (x)	10.1	9.2	9.3	7.6	6.8
EV/EBIT adj. (x)	12.7	11.6	11.4	9.2	8.2
P/E (x)	17.9	13.9	13.4	10.5	9.5
P/E adj. (x)	16.3	13.1	12.3	10.0	9.1
EV/sales (x)	1.73	1.69	1.64	1.39	1.27
FCF yield (%)	4.3	5.9	0.2	11.3	11.8
Le. adj. FCF yld. (%)	3.5	4.9	-0.7	10.2	10.8
Dividend yield (%)	2.6	3.5	3.5	4.0	4.4
Net IB debt/EBITDA (x)	2.1	1.9	2.4	1.6	1.1
Le. adj. ND/EBITDA (x)	1.9	0.9	1.4	0.8	0.4

Source: ABG Sundal Collier, Company Data

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