

Fagerhult Group

We light up your world

Q2 2022 presentation

August 23rd 2022

www.fagerhultgroup.com

Second quarter

Sales development

- Market conditions remain favourable with good activity levels
- Robust growth in net sales, 6,5% organic growth
- Continued good order intake, R12 above 8 SEK bn

Operating margin

- Cost pressure and strategic investments lowering margins in Q2
- Timing delay for increased pricing to have full impact

Continued challenges with supply of components

Increased demand for renovation and refurbishment

Carbon footprint baseline established



Q2 2022 in figures

Order intake: 2 183 MSEK (2 123)

-1,3% organic

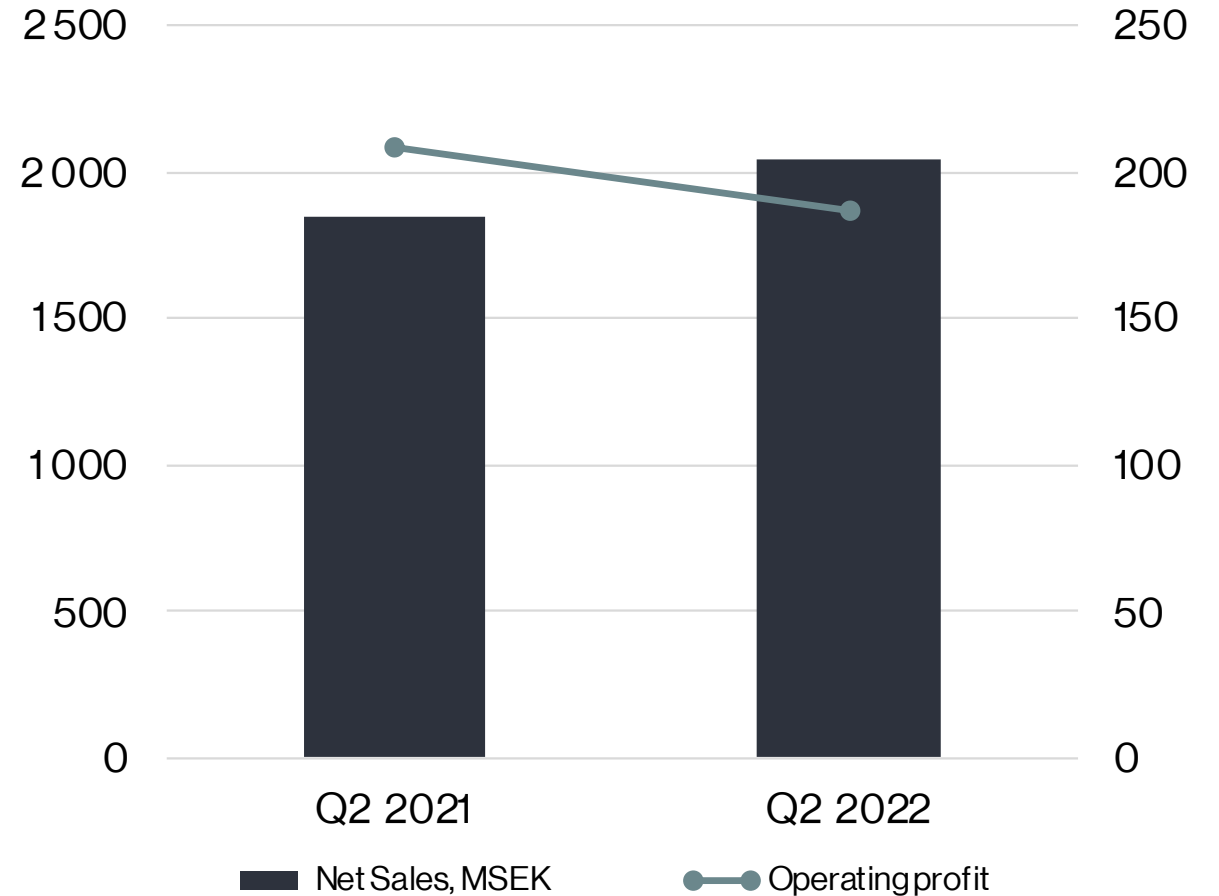
Net sales: 2 045 MSEK (1 846)

+6,5% organic

Operating profit: 186,5 MSEK (208,2)

Operating margin: 9,1% (11,3%)

Earnings per share: 0,74 SEK (0,78)



Q1-2 2022 in figures

Order intake: 4 388 MSEK (3 977)

+5,9% organic

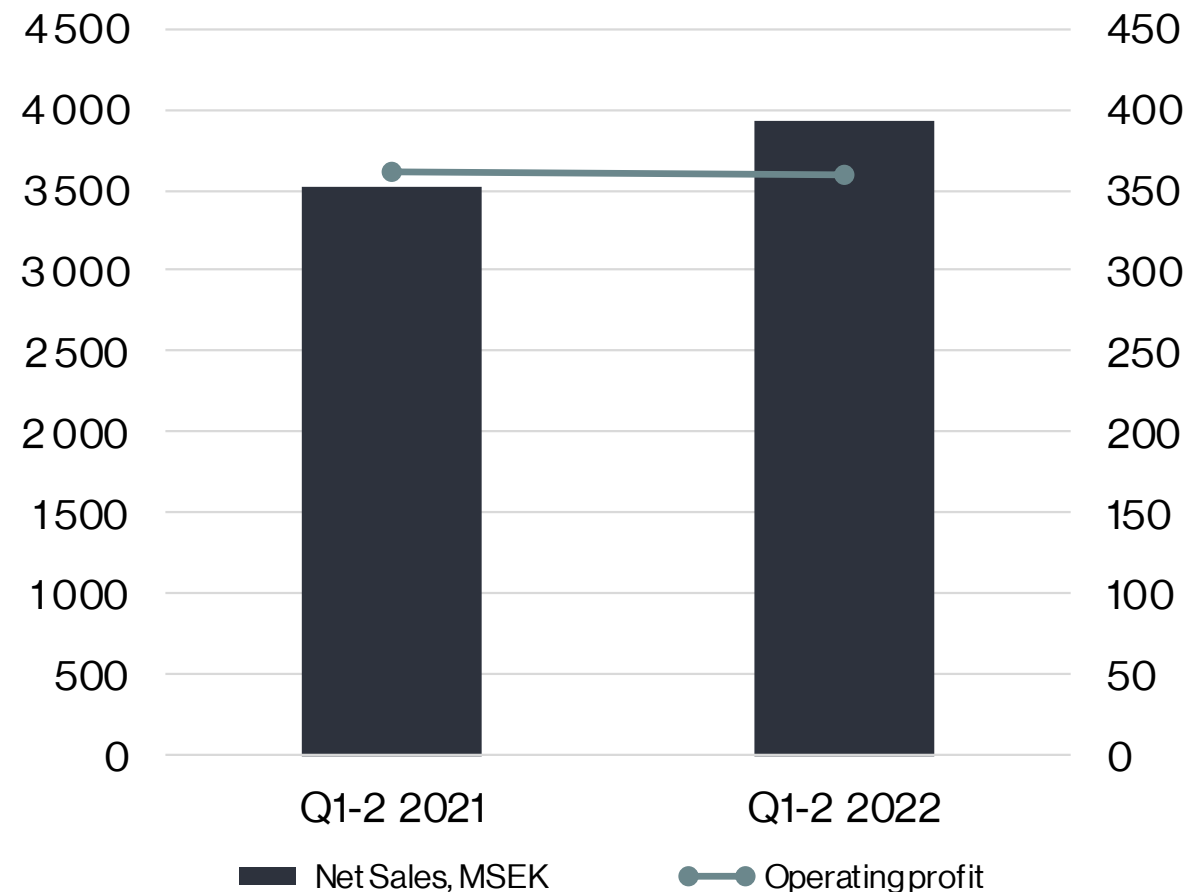
Net sales: 3 917 MSEK (3 523)

+7,0% organic

Operating profit: 359,8 MSEK (361,1)

Operating margin: 9,2% (10,2%)

Earnings per share: 1,42 SEK (1,31)



Our operating model

Business areas

Collection

ateljé Lyktan

iGuzzini

LED LINEAR

we-ef

Premium

FAGERHULT



Professional

ARLIGHT



Infrastructure

designplan
LIGHTING

i VALO

VEKO
LIGHTSYSTEMS

Connectivity

organic response

citygrid™

Group focus areas



Innovation



Sustainability



People &
Culture



A world
enhanced
by light

Lightshed

iGuzzini

Less material for same lumen output

- Body of ABS material from **40%** recycled materials
- Screen of **100%** recyclable PMMA
- Added benefit: sound absorbing

Top performance for KPI 'kg/lumen'

- Very light weight, 1,8 kg for 3 000 lumen
- New industry standard for 60x60 panel



Stromma



New IP65 linear solution

- Designed for transport sector
- Exceptional glare control and visual comfort
- Upgradeable with removable gear tray

IP 65

100 JOULES = IK 14



Silencio: Arin

Harmonising Light & Sound

- Luminaire body in sound absorbing fabric
- Carbon neutral body, manufactured locally and **>60%** recycled material
- EPD – compliant with ISO 14025 and ISO 15804
- Declare – Red List free (third-party verified)



iGuzzini

ITALIAN ECHOES





Financial summary Q2

MSEK	Q2 2022	Q2 2021	
Net sales	2 045	1 846	10,8%
- Organic growth	121		6,5%
- FX-differences	78		
Operating profit	187	208	
Operating profit, %	9,1%	11,3%	
Net profit	131	137	
Earnings per share, SEK	0,74	0,78	
Operating cash flow	20	200	

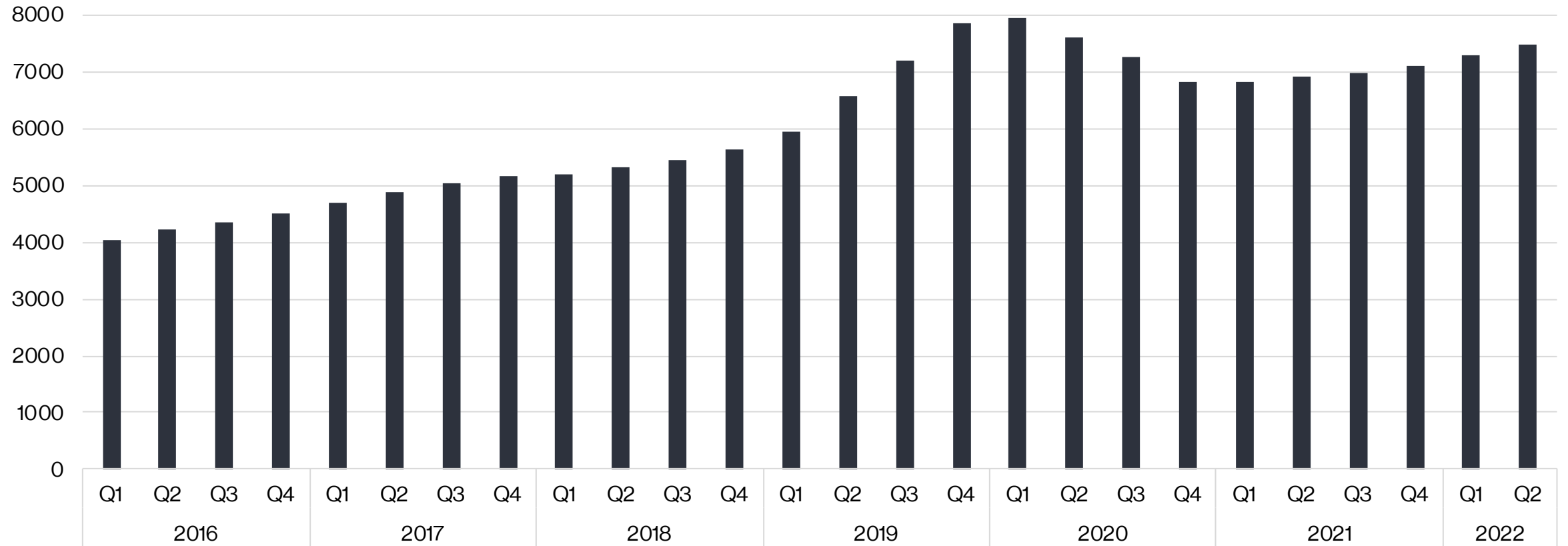
Financial summary YTD

MSEK	Q2 2022	Q2 2021		Q1-2 2022	Q1-2 2021	
Net sales	2 045	1 846	10,8%	3 917	3 523	11,2%
- Organic growth	121		6,5%	246		7,0%
- FX-differences	78			148		
Operating profit	187	208		360	361	
Operating profit, %	9,1%	11,3%		9,2%	10,2%	
Net profit	131	137		251	234	
Earnings per share, SEK	0,74	0,78		1,42	1,31	
Operating cash flow	20	200		-48	259	

Sales development

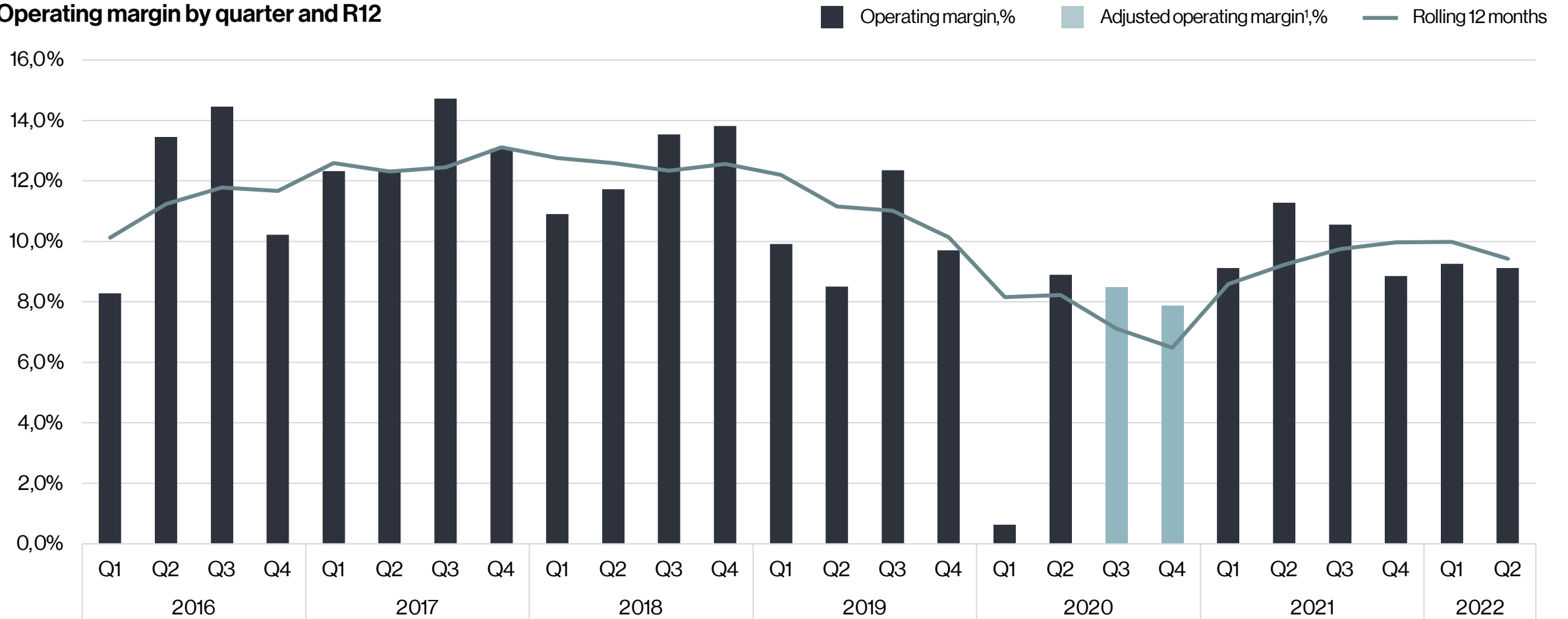
Net sales R12

■ Net sales R12, MSEK



Margin development

Operating margin by quarter and R12



Collection

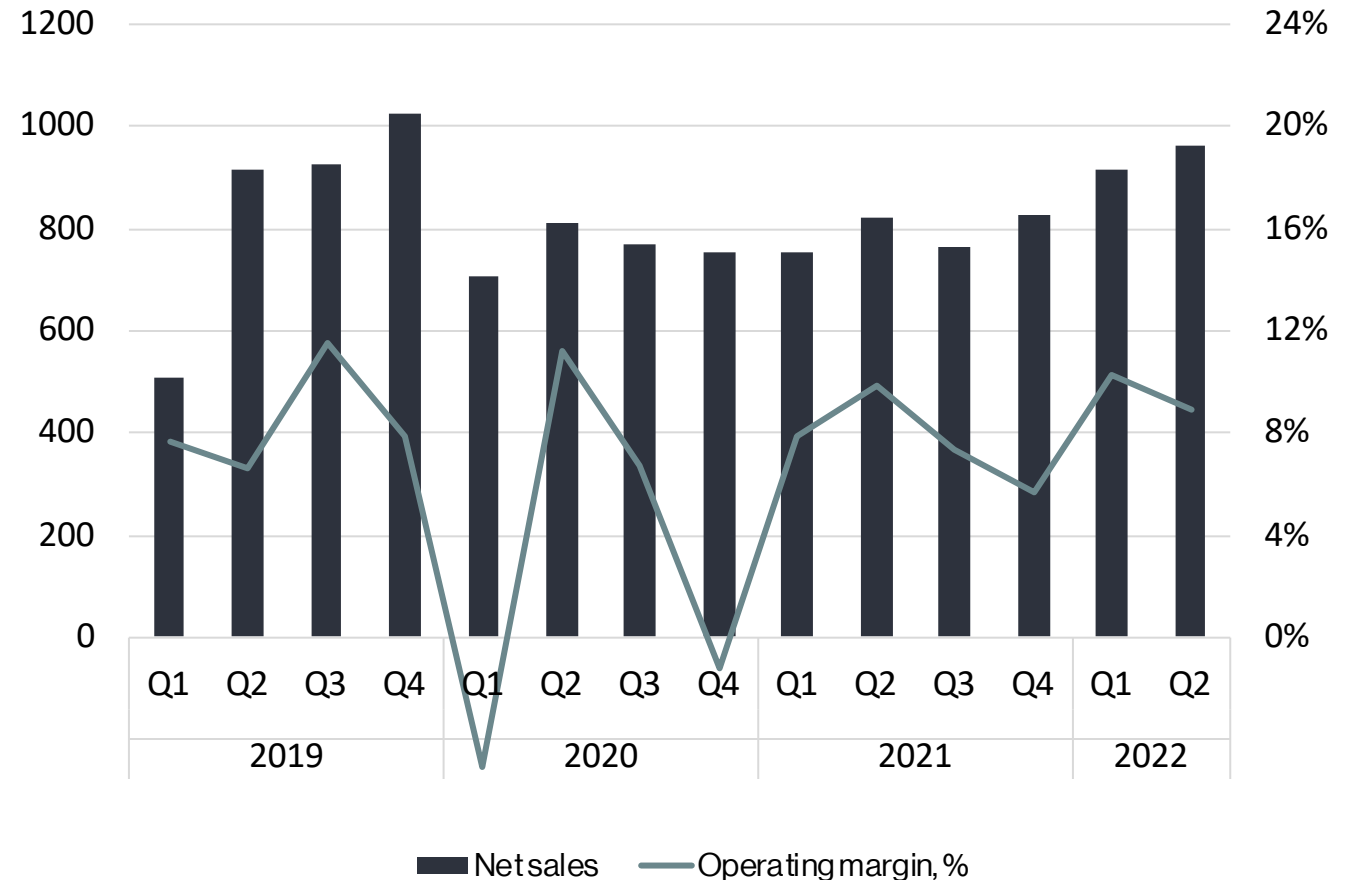
Financials Q2

- Order intake 967 (893) MSEK, organic 1,9%
- Net sales 963 (822) MSEK, organic 10,8%
- Operating margin 8,9% (9,8%)

Business update

- Continued high activity level in the specification market
- Record high order intake position
- Margins more consistent and improved for H1, 9,5% (8,8%)

ateljé Lyktan iGuzzini LED LINEAR we-ef



Premium

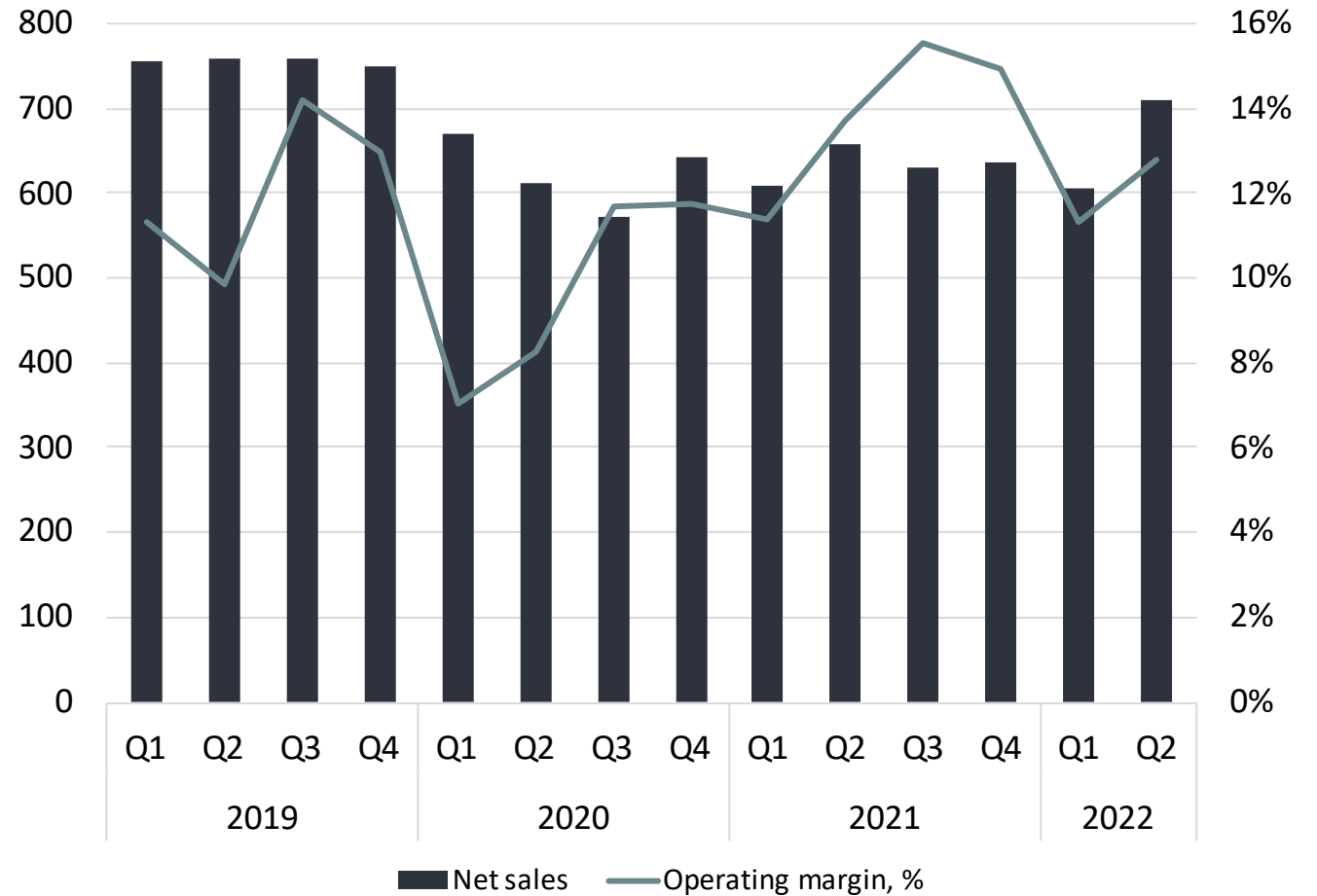
Financials Q2

- Order intake 731 (710) MSEK, organic -0,3%
- Net sales 709 (658) MSEK, organic 4,5%
- Operating margin 12,8% (13,7%)

Business update

- Continued solid performance with strong operating margins
- Order intake growth in both brands for H1
- Supply chain difficulties on components limits sales growth

FAGERHULT



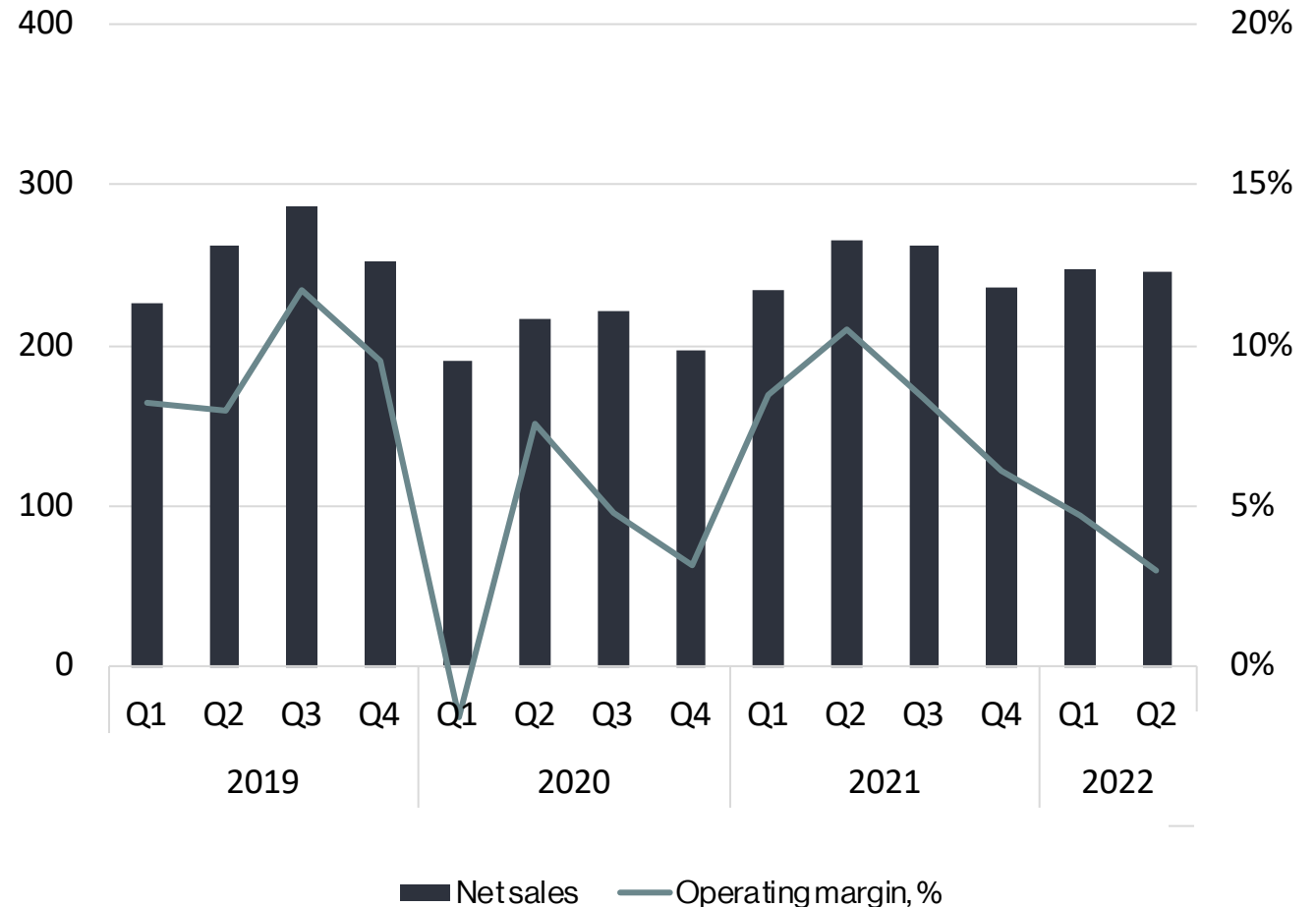
Professional

Financials Q2

- Order intake 265 (283) MSEK, organic -6,4%
- Net sales 246 (265) MSEK, organic -4,9%
- Operating margin 3,0% (10,5%)

Business update

- Order intake impacted by weakening of Turkish Lira
- Results are below expectations and we are working on specific improvement activities



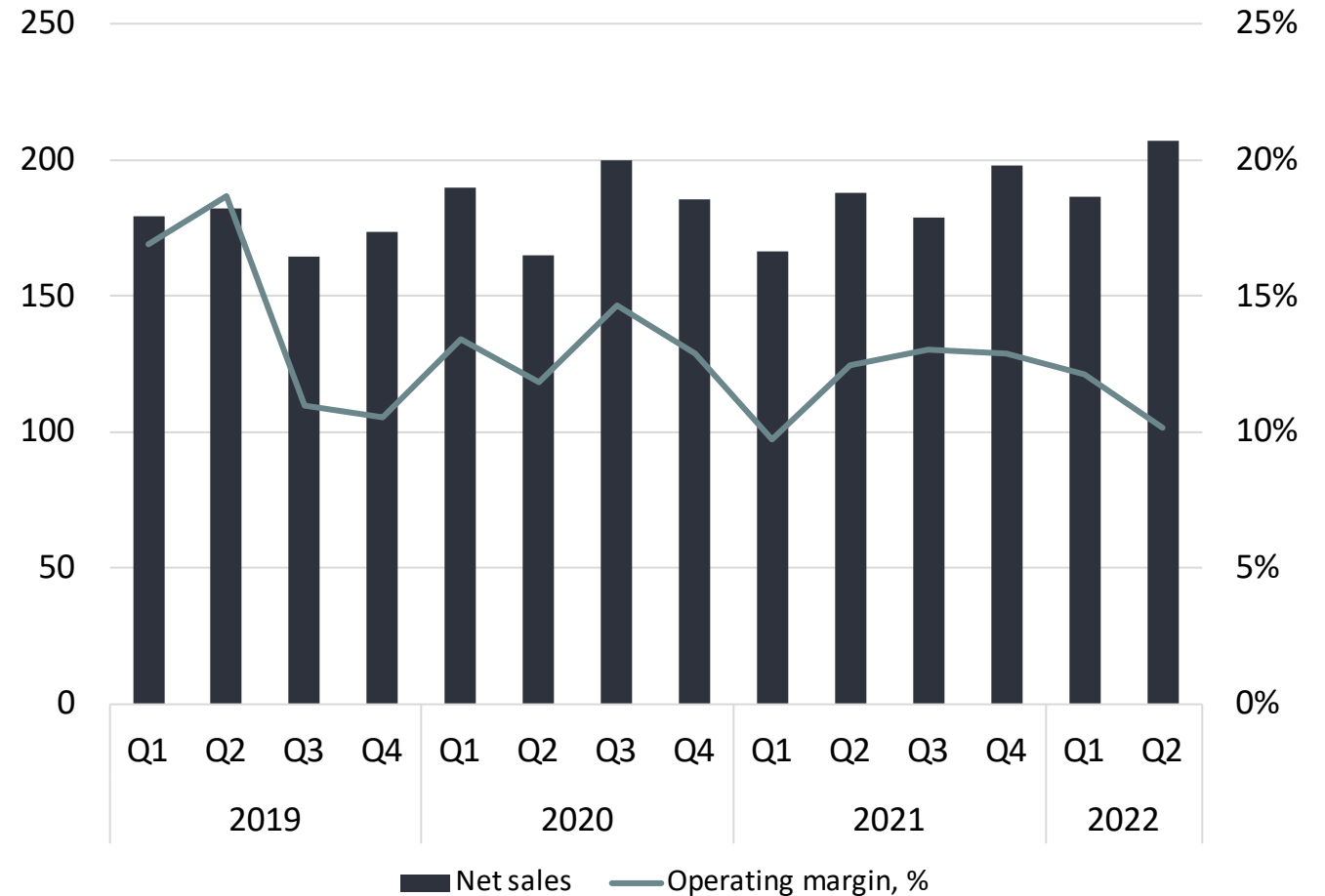
Infrastructure

Financials Q2

- Order intake 220 (237) MSEK, organic -10,5%
- Net sales 207 (188) MSEK, organic +6,1%
- Operating margin 10,1% (12,4%)

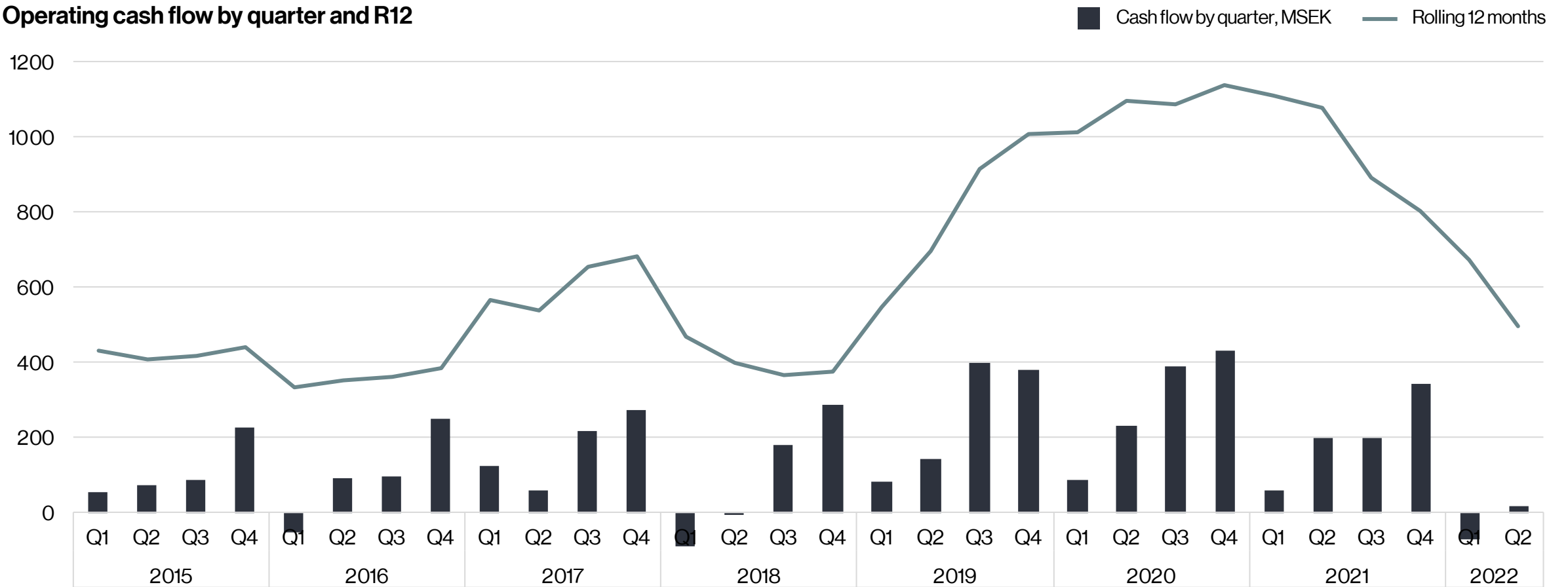
Business update

- Growth in the Netherlands and UK
- High market activity in focussed sectors
- Margins temporarily lower due to large projects



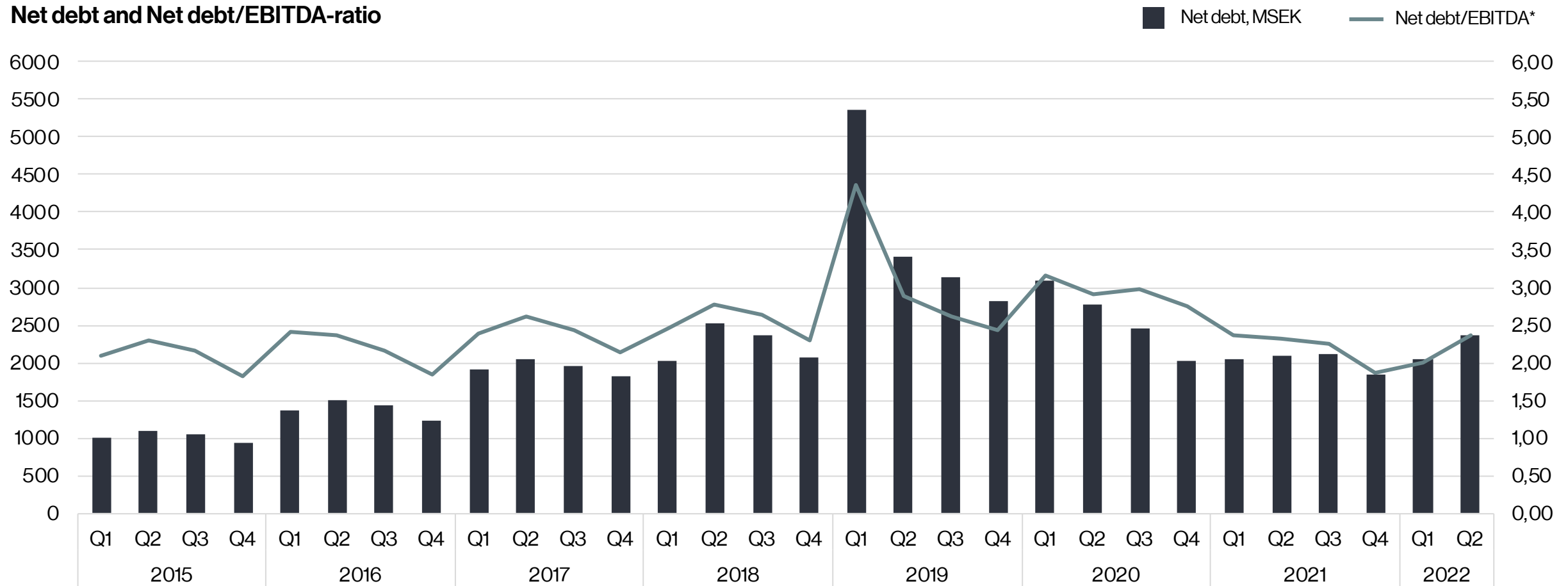
Cash flow

Operating cash flow by quarter and R12



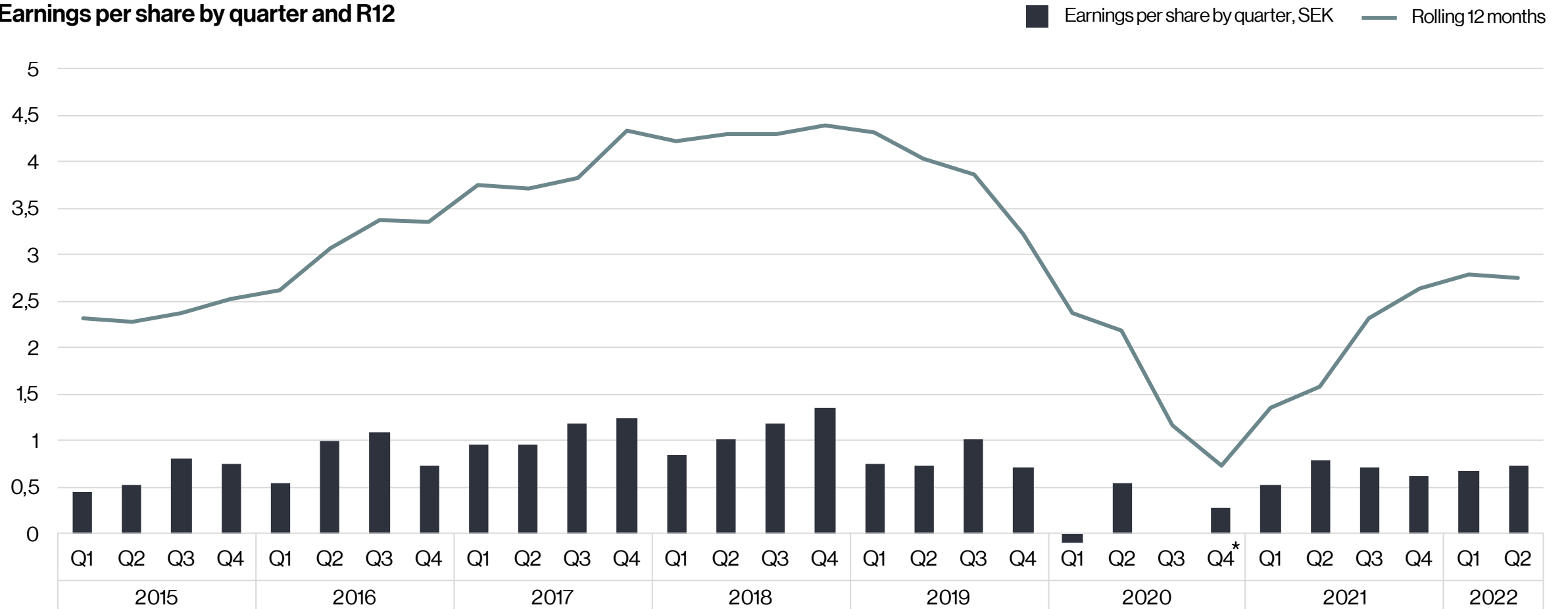
Net debt development

Net debt and Net debt/EBITDA-ratio



Earnings per share

Earnings per share by quarter and R12



Fagerhult Group

www.fagerhultgroup.com



Conclusions and recap

- Market conditions remain favourable and order intake increasingly above 8 SEK bn R12
- Net sales continued to show robust growth, +6,5% organic
- Delays in adjusting to inflationary conditions leading to temporary dip in margins
- Continued challenges in the supply chain, mainly related to electronic components



