

Fagerhult Group

# We light up your world

Q1 2022 presentation

April 26<sup>th</sup> 2022

[www.fagerhultgroup.com](http://www.fagerhultgroup.com)





# First quarter

## **Sales development**

- Continued good market activity levels and strong demand
- Good growth in net sales
- Continued strong order intake, R12 above 8 bn SEK

## **Operating margin**

- Good and growing profitability levels
- Gross margin increase of 1,6% compared to previous quarter

## **Supply chain challenges continue**

**Continued work on establishing carbon footprint “baseline”**

**Growing demand for Connectivity solutions**



## Q1 2022 in figures

**Order intake: 2 204 MSEK (1 854)**

+14,0% organic

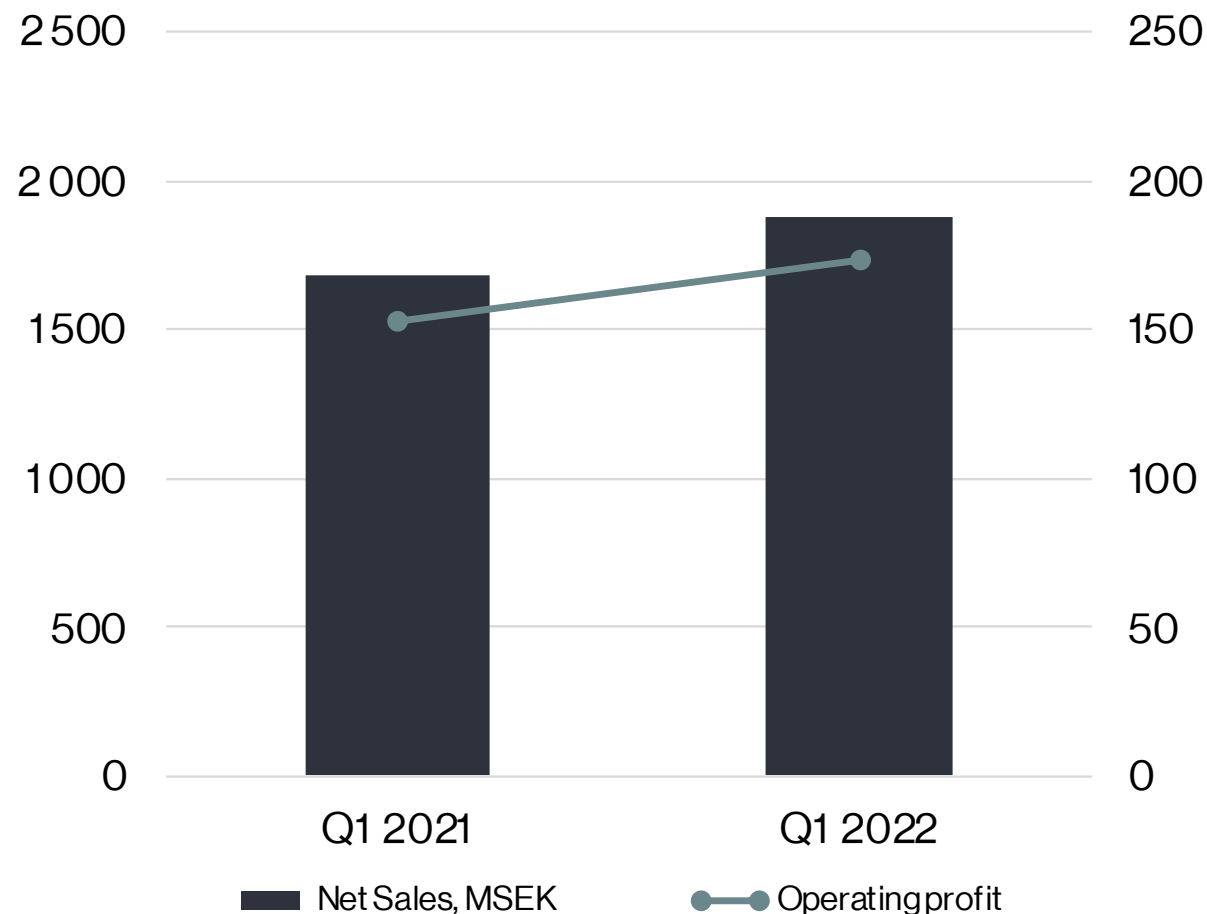
**Net sales: 1 873 MSEK (1 678)**

+7,5% organic

**Operating profit: 173,3 MSEK (152,9)**

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

**Earnings per share: 0,68 SEK (0,53)**



# All positions now filled in Group Management



**Bodil Sonesson**  
President and CEO

- Mario Dreismann joins as Head of Business Area Collection on June 1<sup>st</sup>
- Upcoming expansion with a CTO to head up our Connectivity initiative
- Meet the full team at our Capital Markets Day at Aug 31<sup>st</sup> in Stockholm

## Group functions



**Michael Wood**  
Chief Financial  
Officer



**Andrea Gageik**  
Chief People  
Officer



**Anders Fransson**  
Chief Sustainability  
Officer



**Michael Brüer**  
Chief Strategy and  
Communication Officer

## Business area responsible



**Mario Dreismann**  
(from June 1<sup>st</sup>)  
Head of Business  
Area Collection



**Frank Augustsson**  
Head of Business  
Area Premium



**Catharina Flink**  
Head of Business  
Area Professional



**Geert van der Meer**  
Head of Business Area  
Infrastructure, and acting  
Head of Connectivity



## Recap: Our business model is based on our Business Areas



- Purpose to increase collaboration and leverage market opportunities for organic growth
- Main Group initiatives with a common agenda:
  - **Connectivity** **organic response** **citygrid**
  - Sustainability
  - People & Culture



# Group initiatives defined by main market trends

## Market trends



### Sustainable

More sustainable solutions, both minimizing energy consumption and manufactured responsible



### Human

Increasing human well-being, both recognizing peoples' preferences and enhancing environments



### Smart

Lighting as integrated part of the emerging eco-systems for smart building and cities





# The demand for connectivity comes from the market

## Market trends

## Connectivity



Sustainable



Significant energy savings from presence detection and smart lighting control

~70% energy savings\*



Human



Adopt the lighting to specific situations and chosen preferences by tenants and users

Increased well-being



Smart

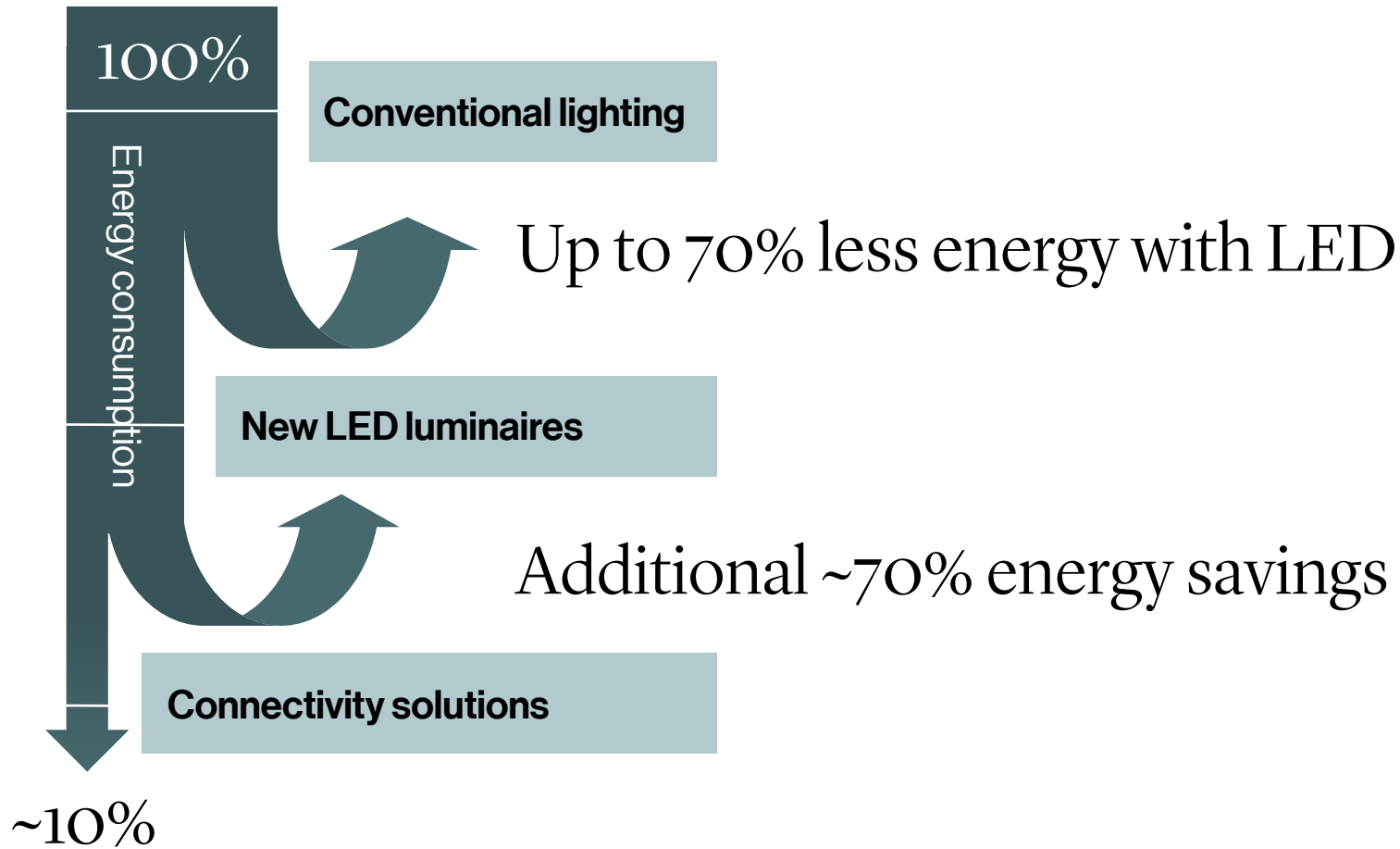


Added functionality by making use of built-in sensors and data in other connected systems

New opportunities



# Connectivity solutions brings additional savings to already efficient LED luminaires





# We have two Connectivity solutions within the Group

## organic response



### Same basic principles:



Energy savings with presence detection

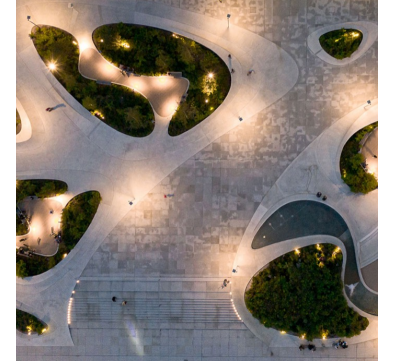


Easy installation



Open systems for integrations and partnerships

## citygrid

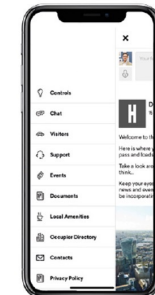


# Organic Response having good traction within the Group and on the market



## Stronger demand from property owners

- Track usage for pro-active maintenance
- Easy asset management
- Integration into smart building eco-systems



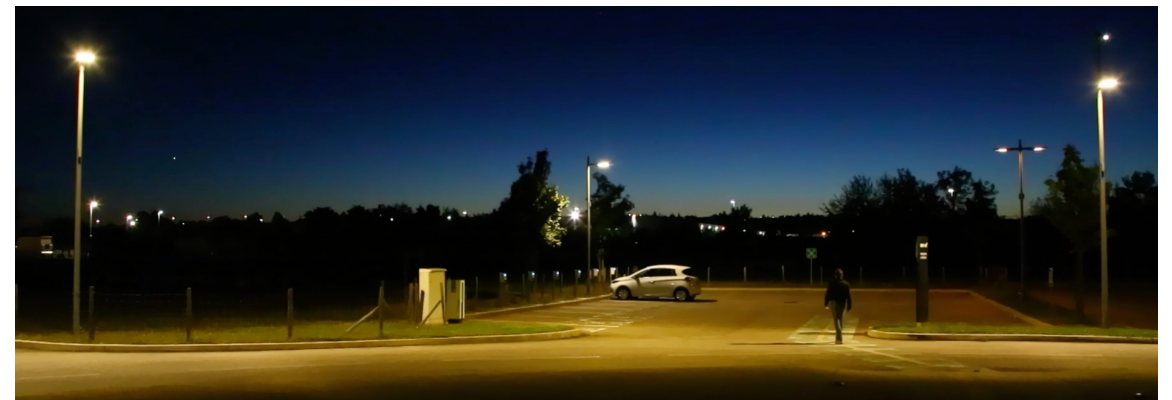
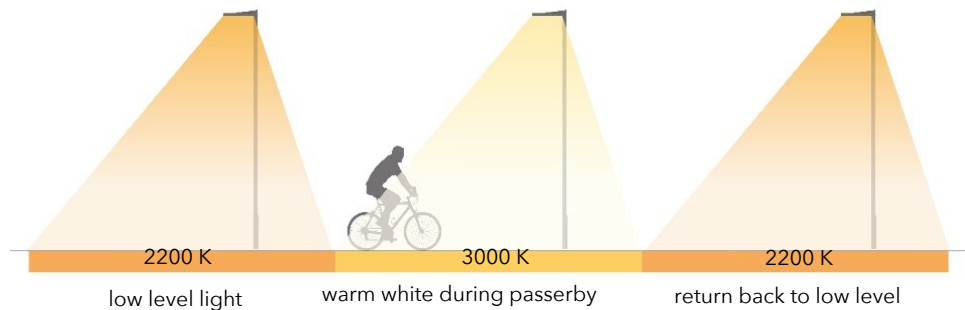


# Case: WE-EF Wild-Light solution to minimize impact on wildlife



## Concept in short:

- A pioneering solution that aims to minimize impact on wildlife and light pollution, while securing safe lighting for citizens
- Based on Citygrid presence detection technology:
  - No activity: Low level warm light, 2200 K
  - Presence: Higher light level, 3000 K







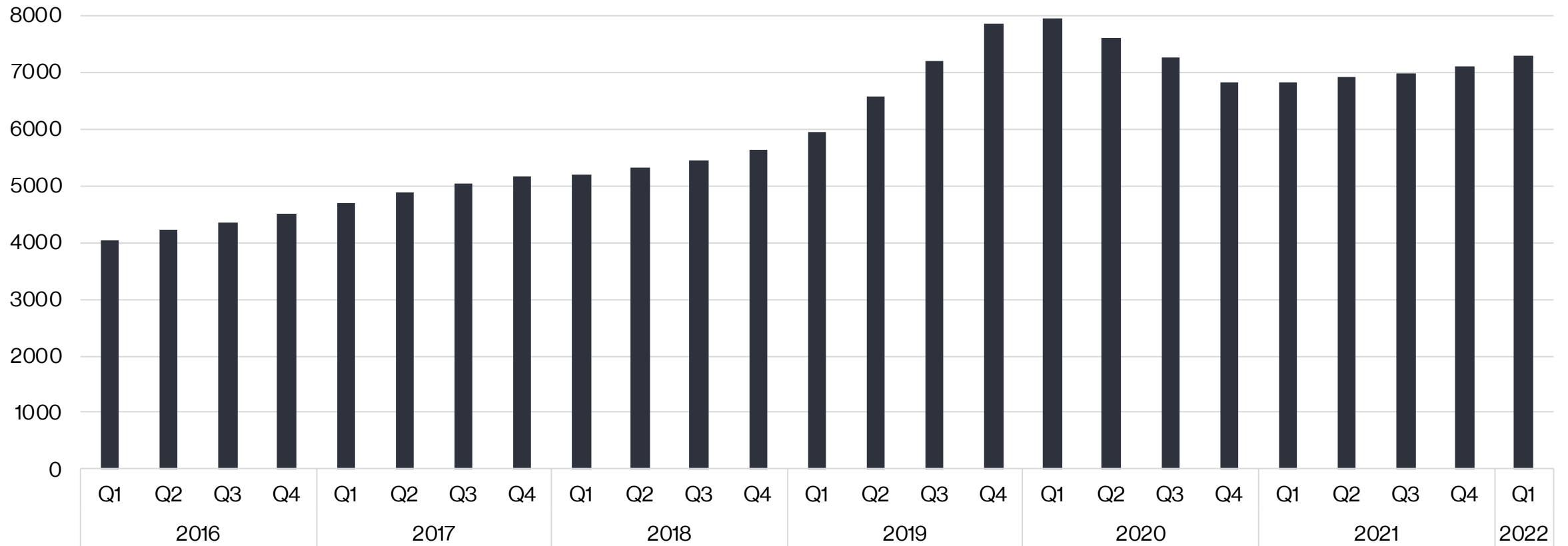
## Financial summary

MSEK	Q1 2022	Q1 2021	
<b>Net sales</b>	<b>1873</b>	<b>1678</b>	<b>11,6%</b>
- Organic growth	125		7,5%
- FX-differences	70		
<b>Operating profit</b>	<b>173</b>	<b>153</b>	
Operating profit, %	9,3%	9,1%	
<b>Net profit</b>	<b>120</b>	<b>96</b>	
<b>Earnings per share, SEK</b>	<b>0,68</b>	<b>0,53</b>	
<b>Operating cash flow</b>	<b>-68</b>	<b>59</b>	

# Sales development

## Net sales R12

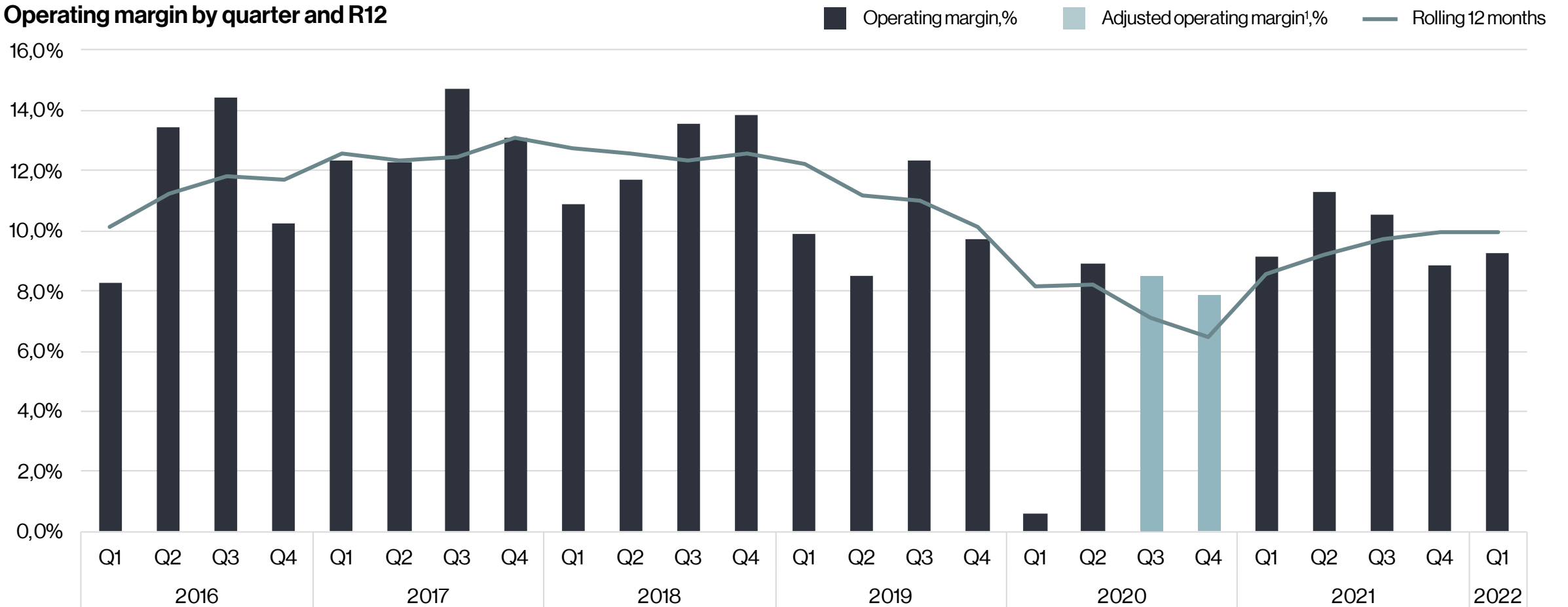
■ Net sales R12, MSEK





# Margin development

Operating margin by quarter and R12



# Collection

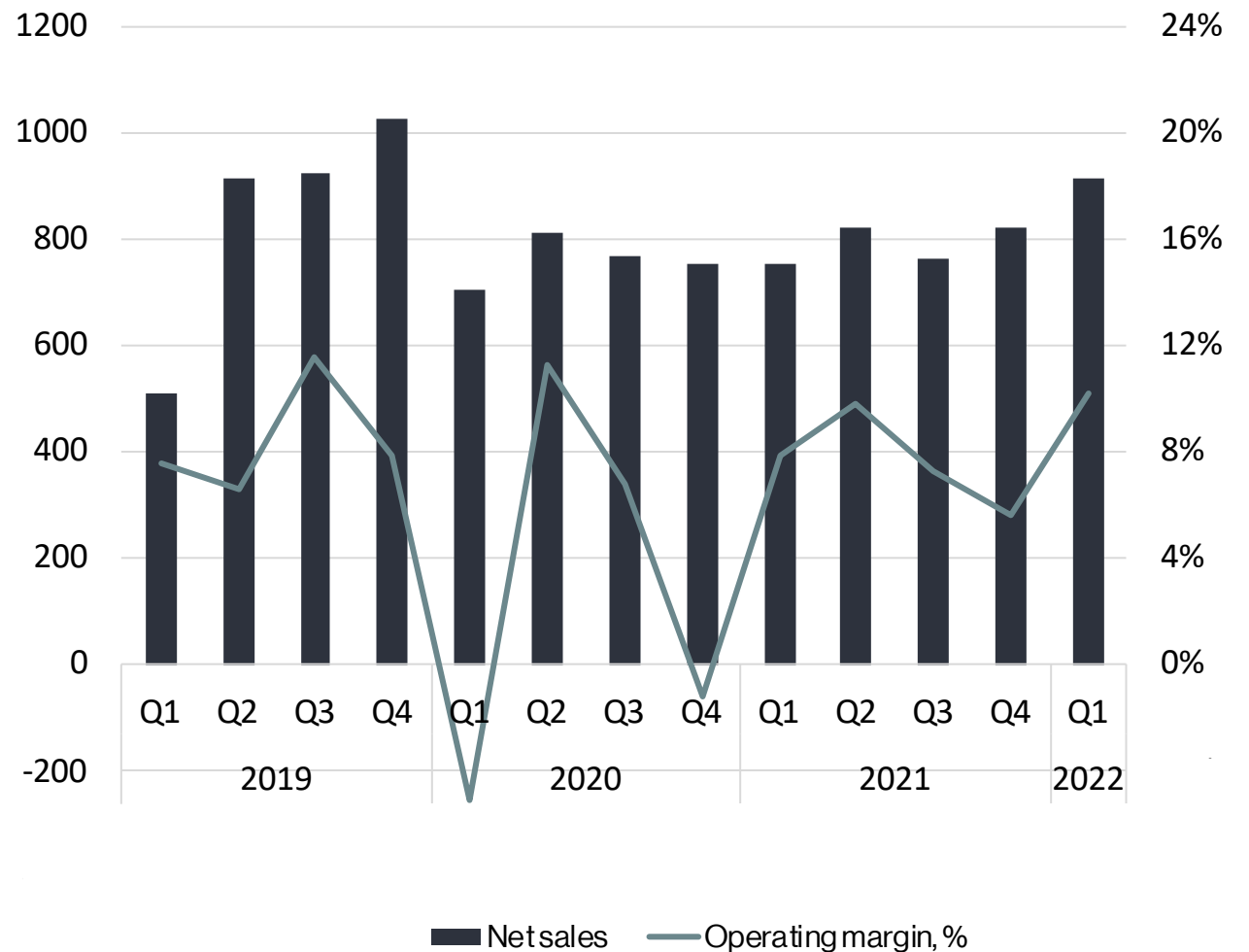
## Financials Q1

- Order intake 1 023 (790) MSEK, organic 22,6%
- Net sales 915 (752) MSEK, organic 16,0%
- Operating margin 10,2% (7,8%)

## Business update

- High activity in the specification market
- Best ever quarter for iGuzzini
- Record high operating margin at 10,2%

ateljé Lyktan **iGuzzini** LED LINEAR **we-ef**





# Premium

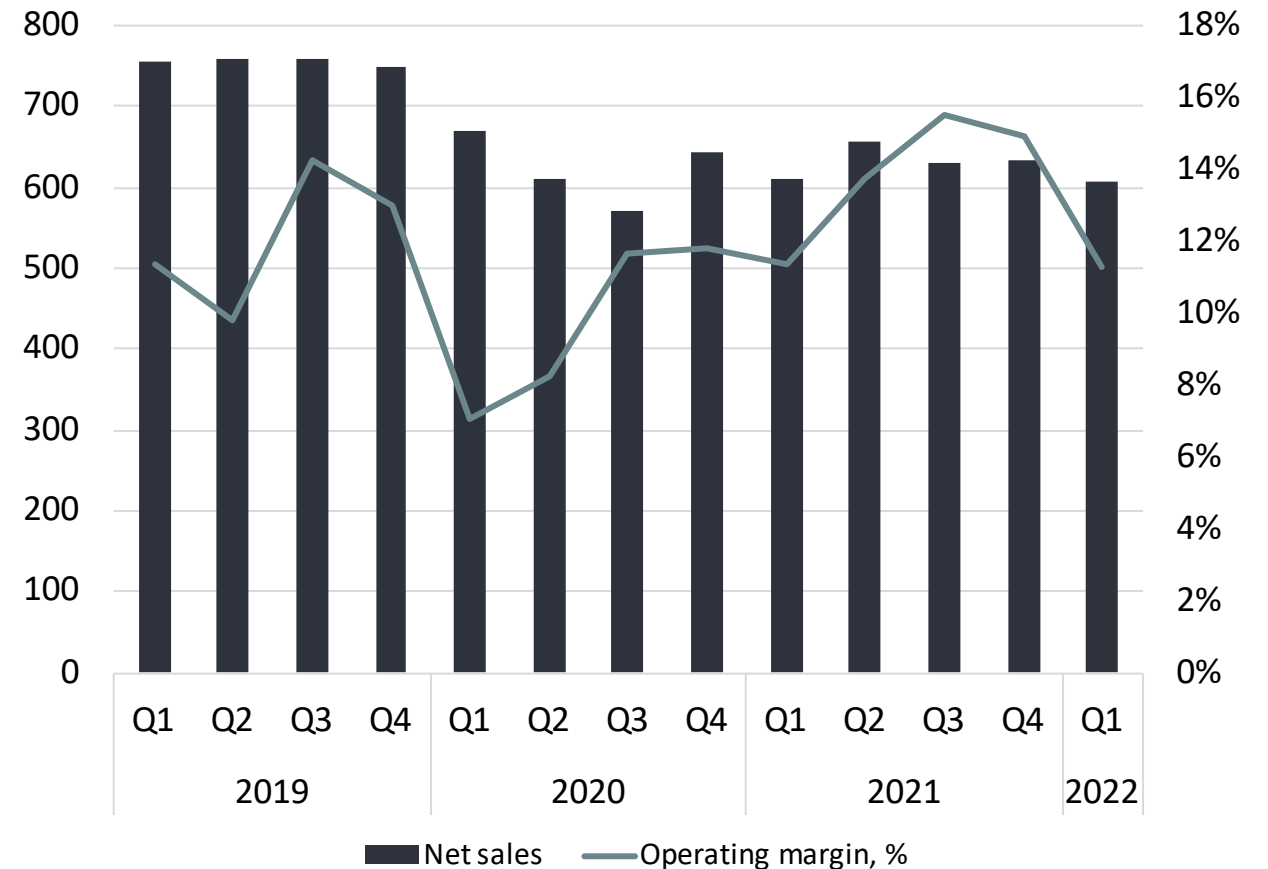
## Financials Q1

- Order intake 718 (625) MSEK, organic 11,5%
- Net sales 606 (609) MSEK, organic -3,6%
- Operating margin 11,3% (11,4%)

## Business update

- Net sales growth in Fagerhult brand
- Supply chain difficulties on components
- Good cost control, stable margins

FAGERHULT



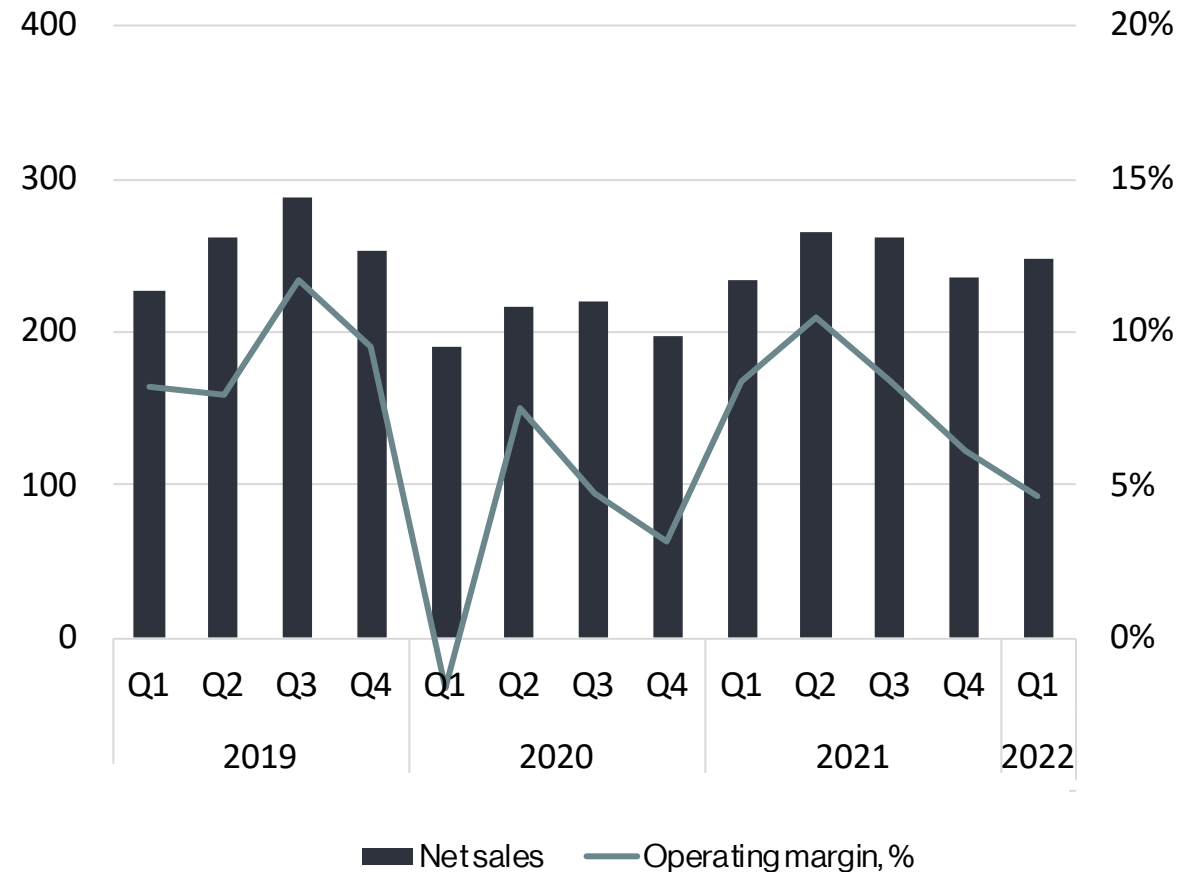
# Professional

## Financials Q1

- Order intake 254 (263) MSEK, organic -5,9%
- Net sales 248 (234) MSEK, organic 7,3%
- Operating margin 4,7% (8,4%)

## Business update

- Net sales growth within all brands
- Order intake impacted by weakening of Turkish Lira
- Lower margin due to pricing challenges and increased investments



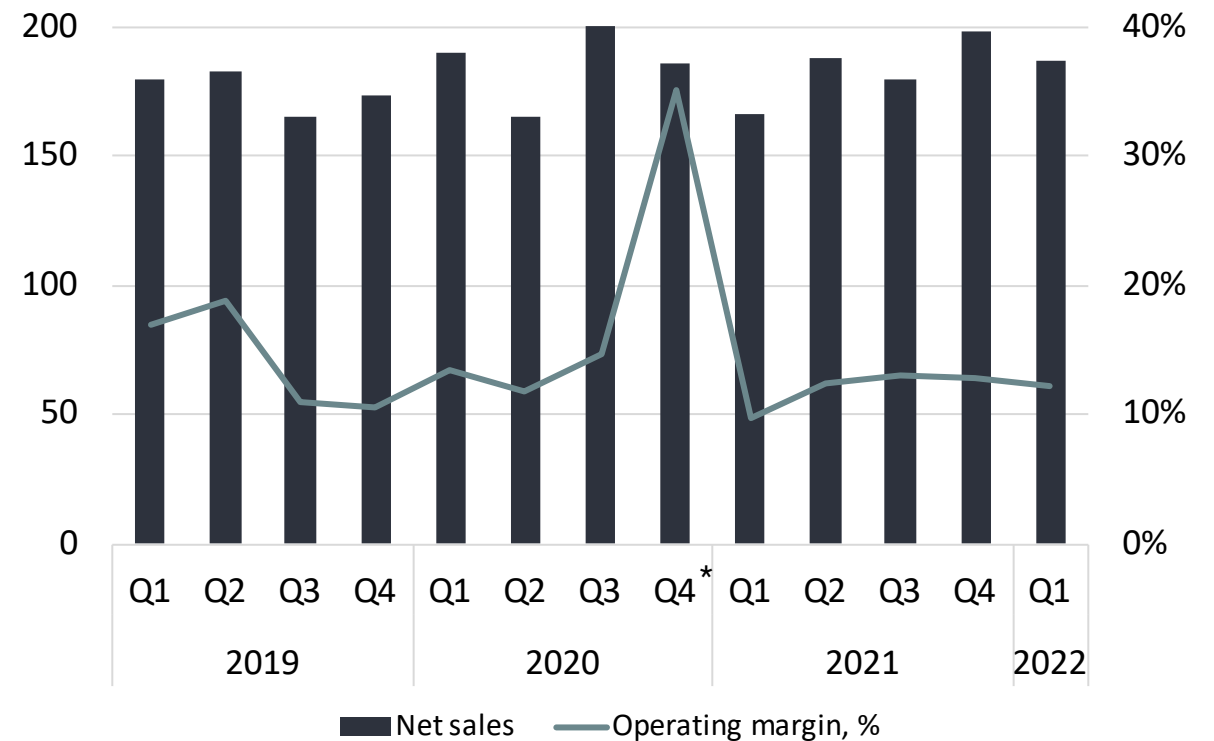
# Infrastructure

## Financials Q1

- Order intake 210 (176) MSEK, organic 14,1%
- Net sales 186 (166) MSEK, organic +6,9%
- Operating margin 12,1% (9,7%)

## Business update

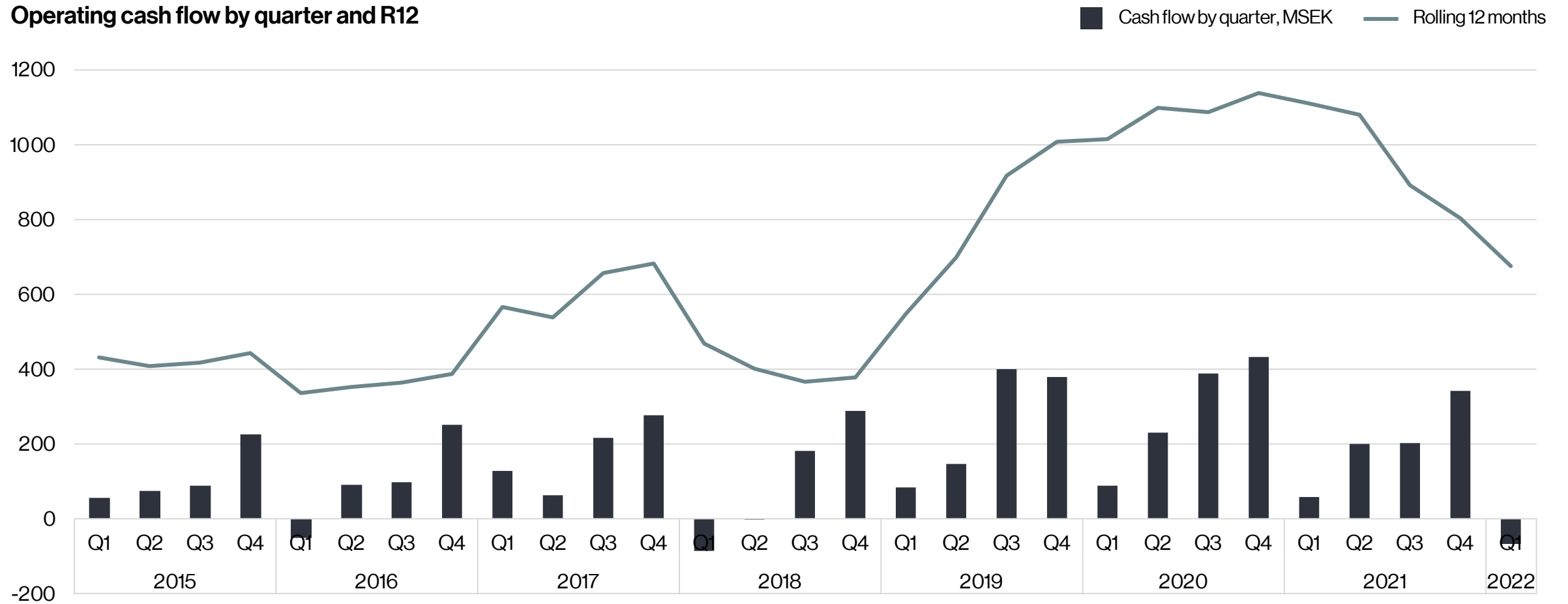
- Good order intake in Veko and Designplan
- Returning to good operating margin levels





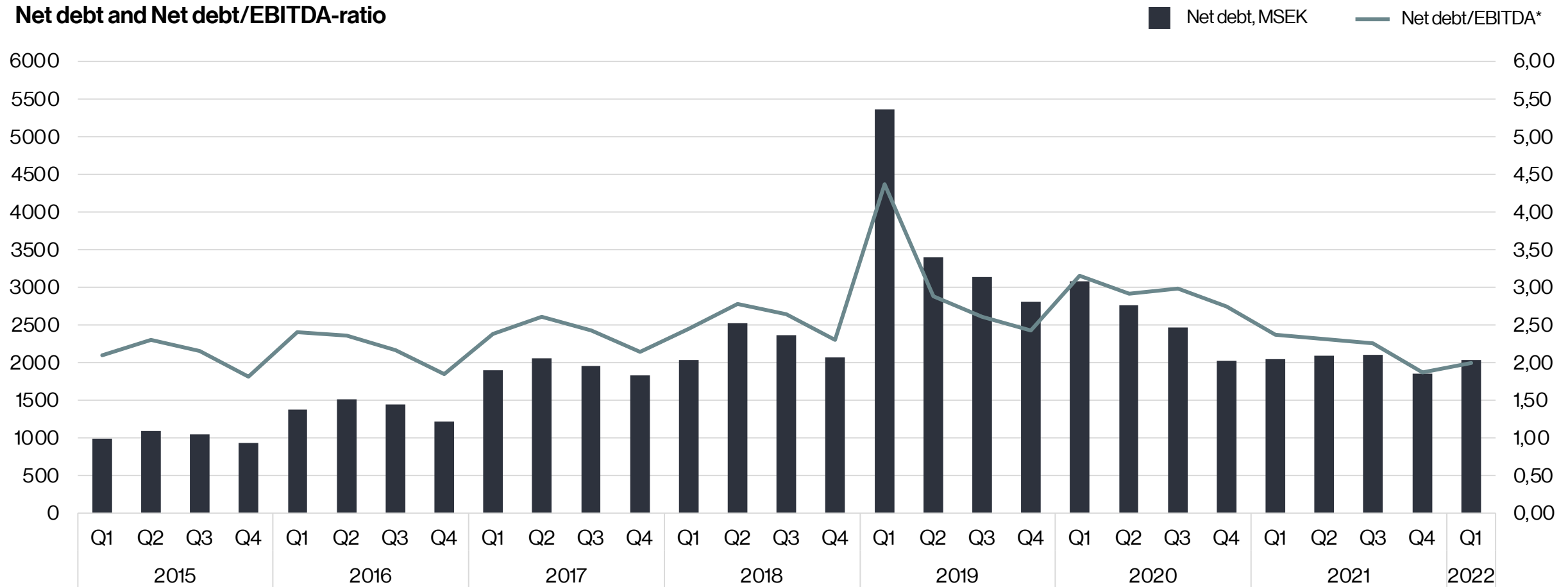
# Cash flow

Operating cash flow by quarter and R12



# Net debt development

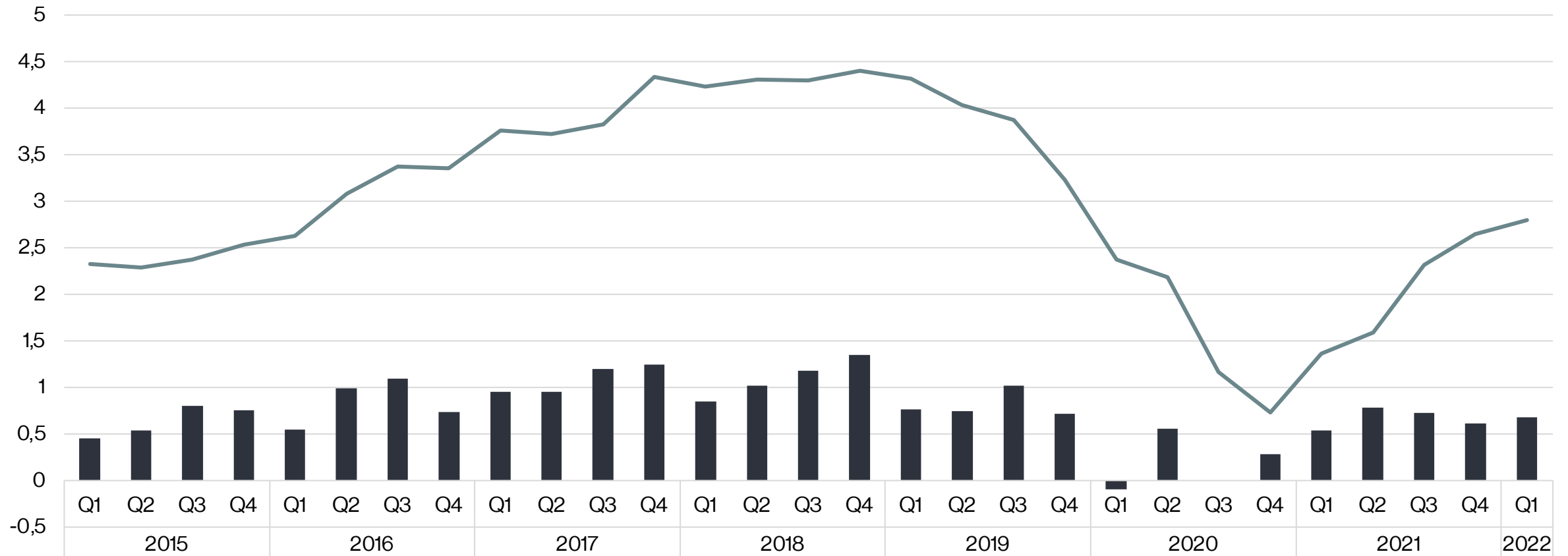
Net debt and Net debt/EBITDA-ratio



# Earnings per share

Earnings per share by quarter and R12

■ Earnings per share by quarter, SEK — Rolling 12 months







Wear one.  
Protect everyone.



Destination	Platform	Time
Edinburgh	1	10:15
Glasgow	2	10:30
London	3	10:45
Manchester	4	11:00
Cardiff	5	11:15
Birmingham	6	11:30
Sheffield	7	11:45
Leeds	8	12:00
Nottingham	9	12:15
London	10	12:30
Manchester	11	12:45
Cardiff	12	13:00
Birmingham	13	13:15
Sheffield	14	13:30
Leeds	15	13:45
Nottingham	16	14:00
London	17	14:15
Manchester	18	14:30
Cardiff	19	14:45
Birmingham	20	15:00
Sheffield	21	15:15
Leeds	22	15:30
Nottingham	23	15:45
London	24	16:00
Manchester	25	16:15
Cardiff	26	16:30
Birmingham	27	16:45
Sheffield	28	17:00
Leeds	29	17:15
Nottingham	30	17:30

UNSKIPABLE  
You can't skip it!

**i**  
Way Out  
North Hanover Street  
Cathedral Street  
George Square  
Toilets  
Left Luggage & Lost Property

**i**  
Way Out  
North Hanover Street  
Cathedral Street  
George Square  
Toilets  
Left Luggage & Lost Property



## Conclusions and recap

- Strong order intake at 2 204 MSEK, Q1 all time high and R12 above 8 BSEK
- Good growth in net sales
- Increased gross margin, continued good profitability levels
- Component availability remains a challenge





