

Fagerhult Group

We light up your world

Q4 2024 presentation

February 19, 2025

## CEO comments

- Market conditions remain volatile and unpredictable
- We increase and accelerate our cost reduction actions – confident that 2025 will benefit as a result
- New-build market not yet beginning to recover
- Smart lighting growth and very high innovation rate across many brands



## Q4 2024 in figures

**Order intake: 2 008 MSEK (2 123)**

-6.2% organic

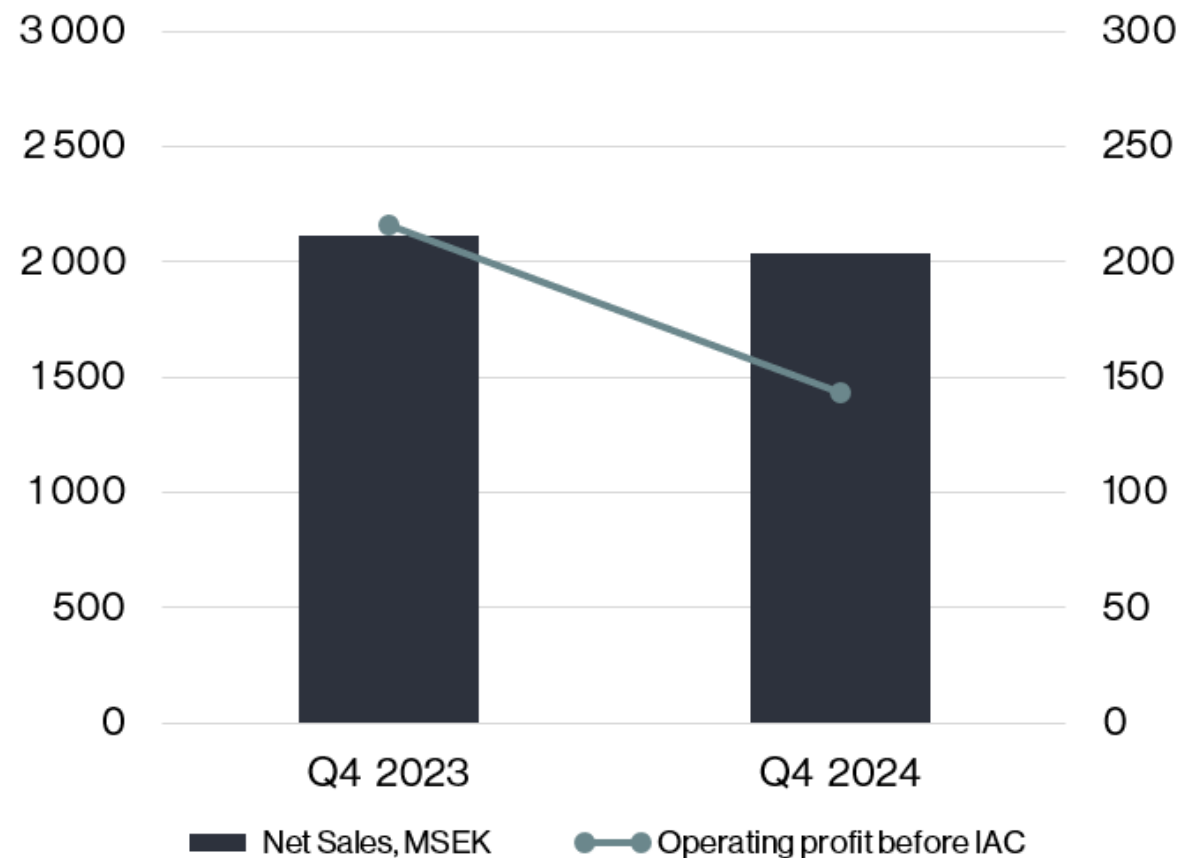
**Net sales: 2 040 MSEK (2 111)**

-4.1% organic

**Operating profit before IAC: 143 MSEK (216)**

**Operating margin before IAC: 7.0% (10.2%)**

**Earnings per share before IAC: 0.32 SEK (0.61)**



## 2024 in figures

**Order intake: 8 114 MSEK (8 435)**

-3.4% organic

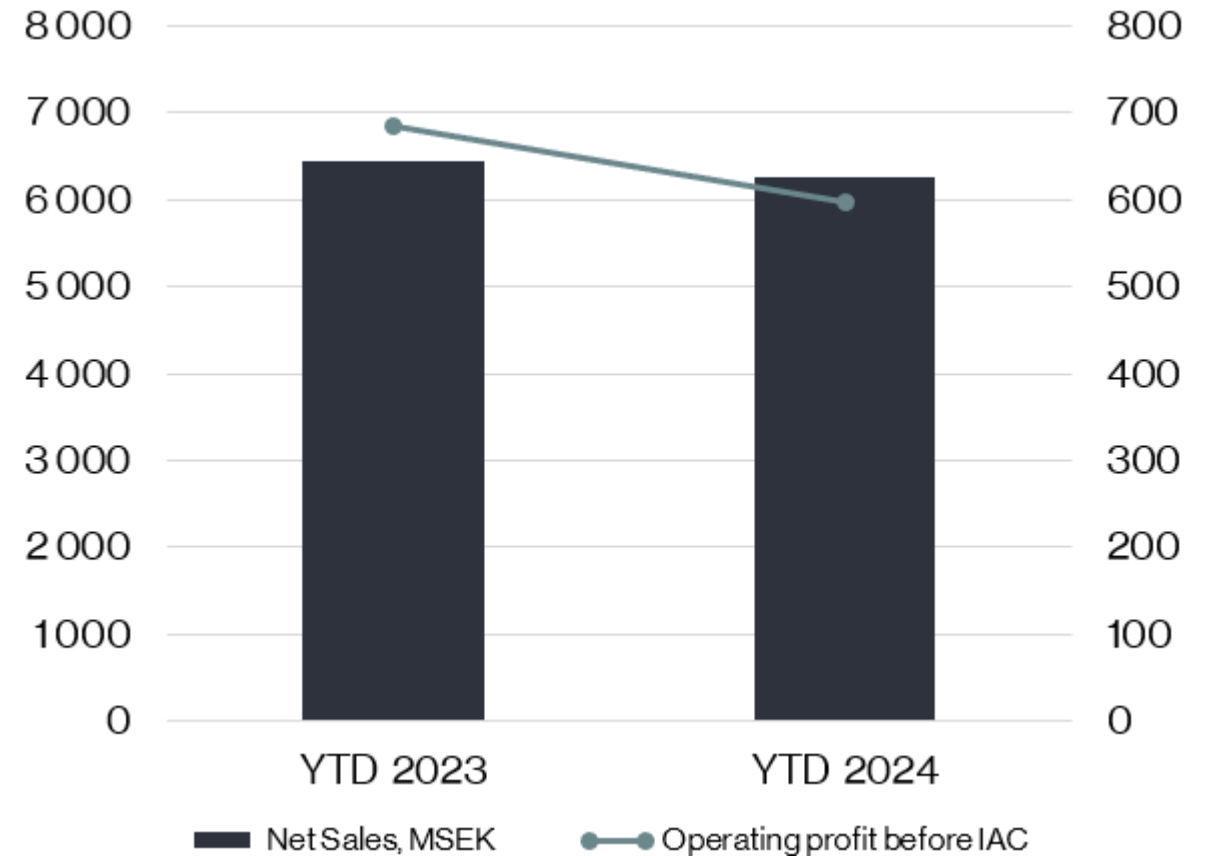
**Net sales: 8 305 MSEK (8 560)**

-2.6% organic

**Operating profit before IAC: 741 MSEK (901)**

**Operating margin before IAC: 8.9% (10.5%)**

**Earnings per share before IAC: 2.31 SEK (3.09)**



# Our operating model

Business areas

Collection

**ateljé Lyktan**

**iGuzzini**

**LED LINEAR**

**we-ef**

Premium

**FAGERHULT**

 **LTS**  
LOVE TO SHINE

Professional

**ARLIGHT**

 **EAGLE LIGHTING**

**Whitecroft lighting**

Infrastructure

**designplan**  
LIGHTING

**VALO**

**VEKO**  
LIGHTSYSTEMS

Smart lighting

**organic response**

**citygrid™**

Strategic focus areas



Innovation



Sustainability



People & Culture



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# Collection

ateljé Lyktan

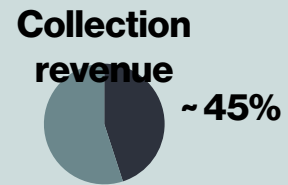
iGuzzini

LED LINEAR

we-ef

## Exceptional lighting solutions for architectural applications on a global scale

- Global footprint
- Impressive collection of prestigious projects
- Working with global community of architects & lighting designers
- Wide product range for indoor and outdoor



# ateljé Lyktan

## Arctic Bath, Harads, Sweden

### Brand

- Founded 1934 in Skåne, Sweden
- Joined Fagerhult Group 1974

### Top 3



### Focus

- Bespoke one-off luminaires for prestigious projects
- Collaborations with world famous lighting designers

### Example applications

- Offices, Education, Hospitality & Residentials, Urban spaces, Street & Pathways







The OWO, London, UK

### Brand

- Founded 1959 in Recanati, Italy
- Joined Fagerhult Group in 2019

### Top 3



### Focus

- Global and renowned in high-end architectural lighting
- Leading in design and sustainability

### Example applications

- Hospitality & Residential, Culture, Education and Offices



# LED LINEAR

Puma Flagship store, New York,

## Brand

- Founded in 2006 in Duisburg, Germany
- Joined Fagerhult Group 2016

## Top 3



## Focus

- Cutting-edge and unique LED technology
- Tailor-made linear LED solutions

## Example applications

- Urban spaces, Retail and Outdoor areas



# we-ef

## Brand

- Founded 1950 in Bispingen, Germany
- Joined Fagerhult Group 2017

## Focus

- Professional high-performance exterior lighting
- Leading lens technologies and optical systems

## Example applications

- Urban spaces, Street & Pathways

### Top 3



Porta Westfalica Bridge, Dortmund-hörde, Germany



# Industry-aligned emission calculations

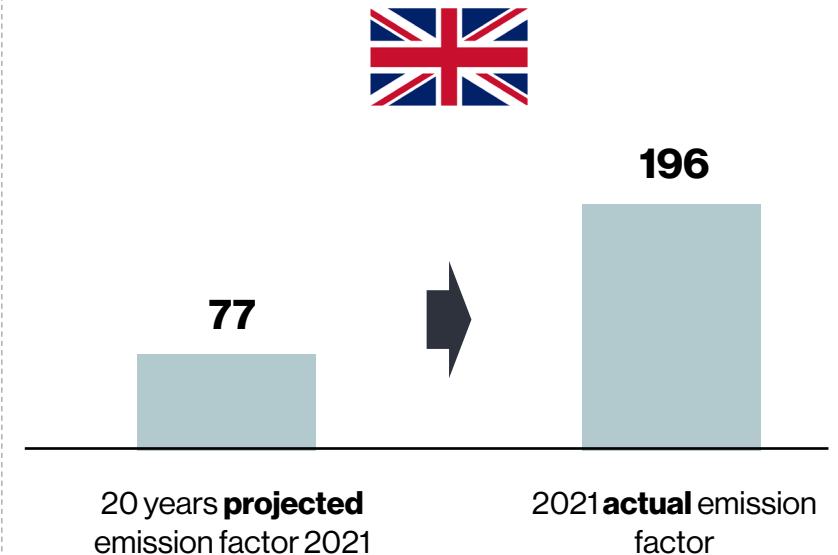
## What has changed

- Before: For a luminaire operating for 20 years, a **projected** 20 years average emission factor had been used
- After: **Actual** emission factor for the year of sale of the luminaire is used for all electricity it will consume during its 20 year life
- Aligns fully with Environmental Product Declarations and industry practices

## Reporting impact

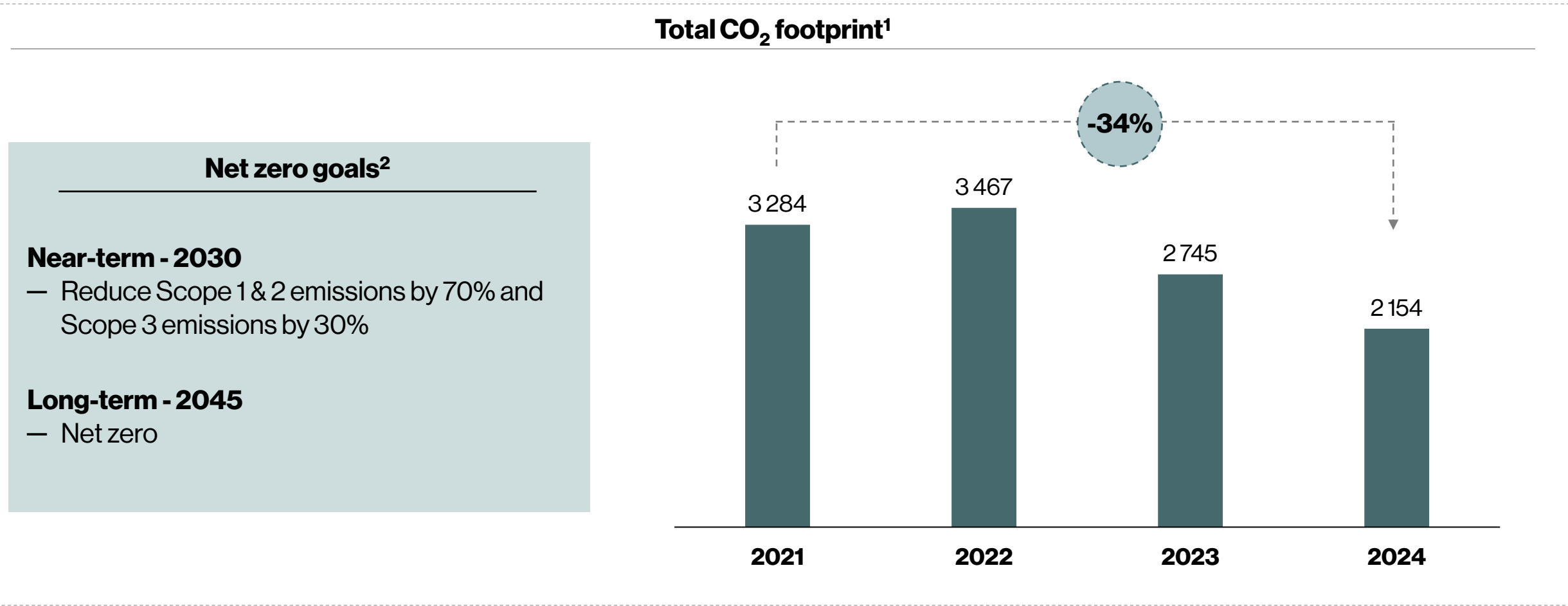
- Increases our baseline and subsequent years reported use-phase emissions

## Example: Emission factor<sup>1</sup> change (UK)



1. Emission factor in g per CO<sub>2</sub>e / kWh

# Fagerhult Group's total carbon footprint has decreased by ~34% from 2021



1. Includes Scope 1, Scope 2 and Scope 3. Scope 3 represents 99% of total in 2024. Numbers are expressed in Kilo tonne CO<sub>2</sub>e per year

2. Using 2021 as baseline year

## Financial summary

MSEK	Q4 2024	Q4 2023	
<b>Net sales</b>	<b>2 040</b>	<b>2 111</b>	<b>-3,4%</b>
- Organic growth	-88		-4,1%
- FX-differences	17		
<b>Operating profit before IAC</b>	<b>143</b>	<b>216</b>	<b>-33,7%</b>
Operating profit before IAC, %	7,0%	10,2%	-3,2 p.p.
<b>Earnings per share before IAC, SEK</b>	<b>0,32</b>	<b>0,61</b>	
<b>Operating cash flow</b>	<b>356</b>	<b>365</b>	

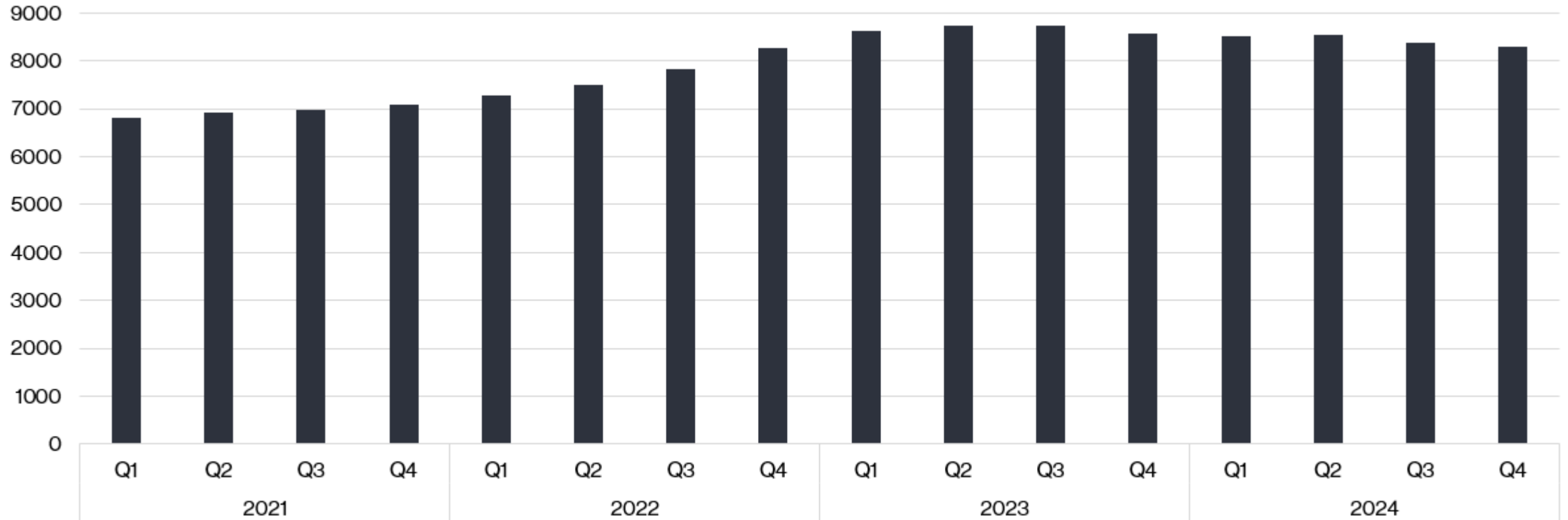
## Financial summary

MSEK	Q4 2024	Q4 2023		YTD 2024	YTD 2023	
<b>Net sales</b>	<b>2 040</b>	<b>2 111</b>	<b>-3,4%</b>	<b>8 305</b>	<b>8 560</b>	<b>-3,0%</b>
- Organic growth	-88		-4,1%	-227		-2,6%
- FX-differences	17			-29		
<b>Operating profit before IAC</b>	<b>143</b>	<b>216</b>	<b>-33,7%</b>	<b>741</b>	<b>901</b>	<b>-17,8%</b>
Operating profit before IAC, %	7,0%	10,2%	-3,2 p.p.	8,9%	10,5%	-1,6 p.p.
<b>Earnings per share before IAC, SEK</b>	<b>0,32</b>	<b>0,61</b>		<b>2,31</b>	<b>3,09</b>	
<b>Operating cash flow</b>	<b>356</b>	<b>365</b>		<b>964</b>	<b>1 209</b>	

# Sales development

## Net sales R12

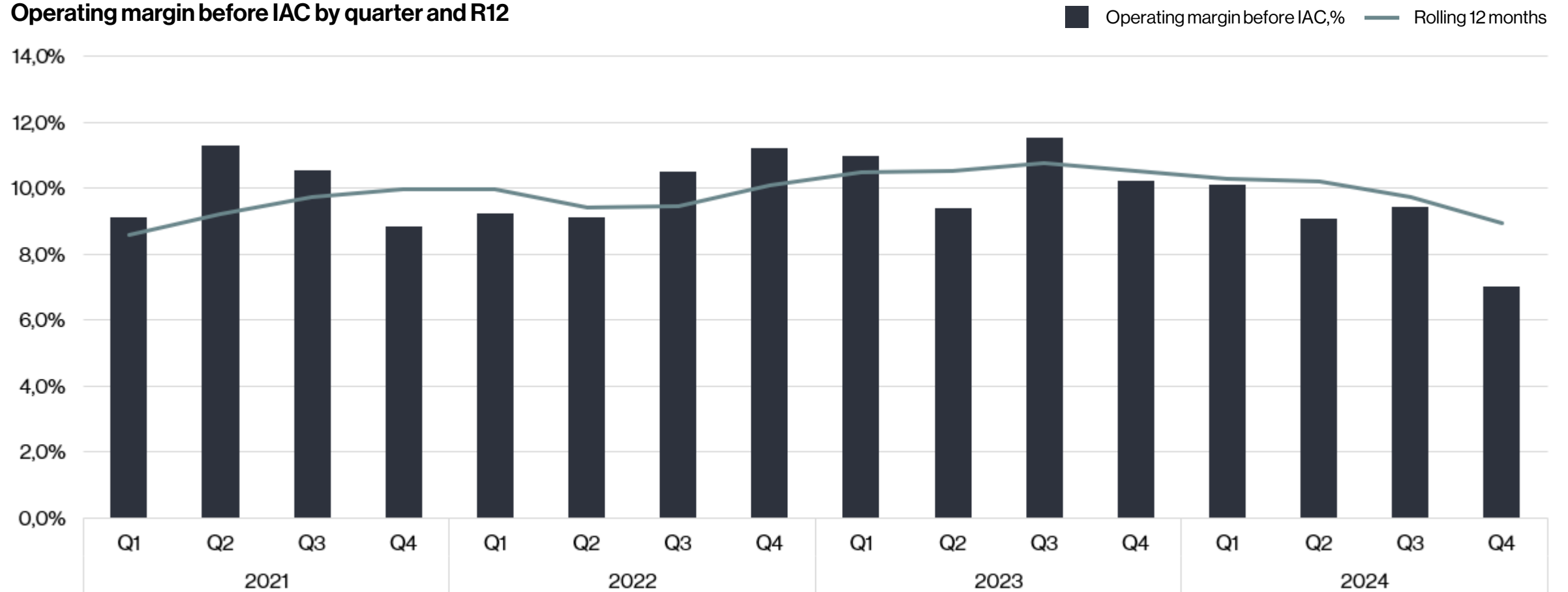
■ Net sales R12, MSEK





# Margin development

Operating margin before IAC by quarter and R12



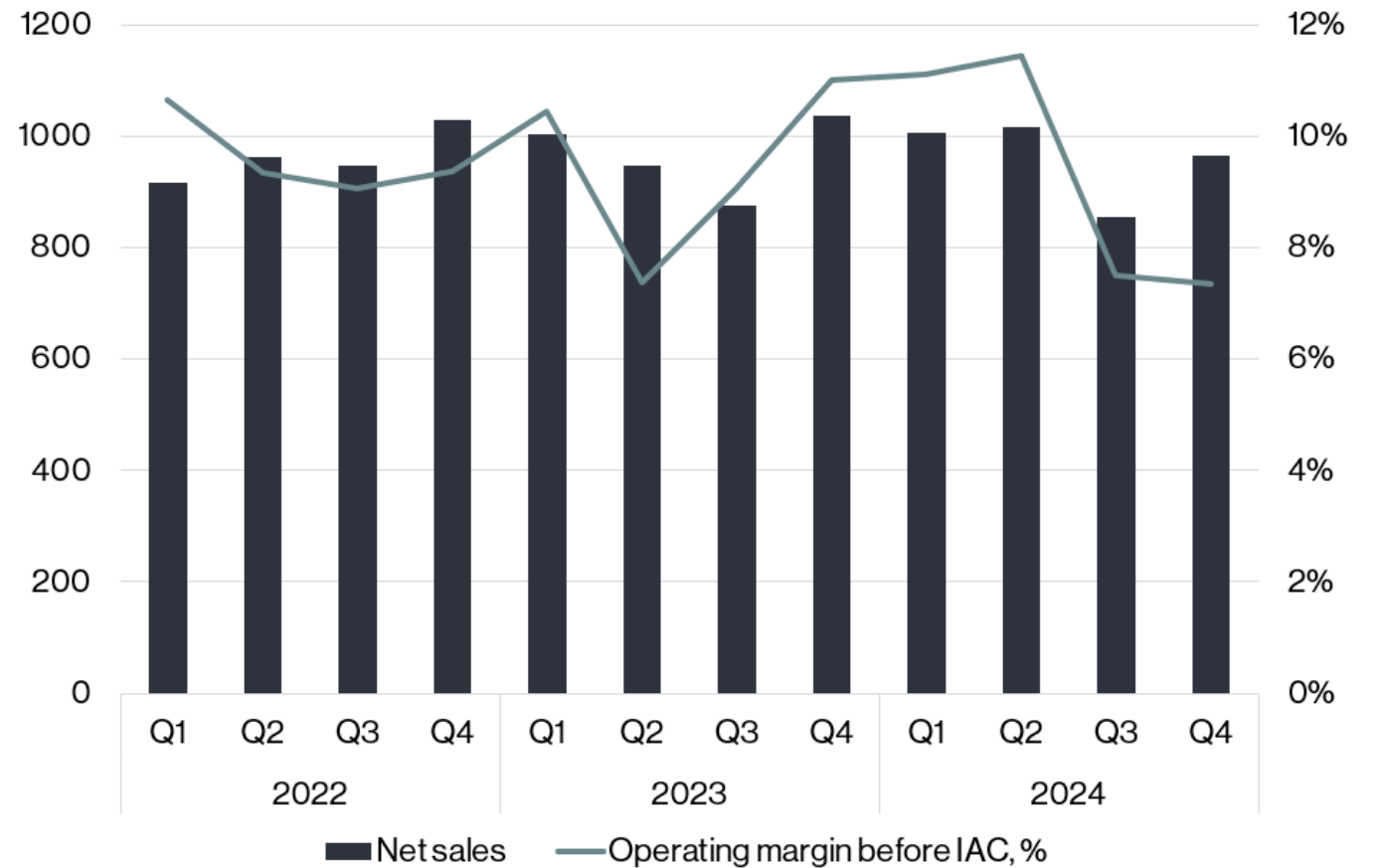
# Collection

## Financials Q4

- Order intake 955 (989) MSEK, organic -4.1%
- Net sales 965 (1 036) MSEK, organic -7.5%
- Operating margin before IAC 7.3% (11.0%)

## Business update

- Business activity was higher than Q3, but still with project delays
- Consistent FY operating margin before IAC of 9.4 (9.5)%
- Increased cost focus during tough market conditions



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

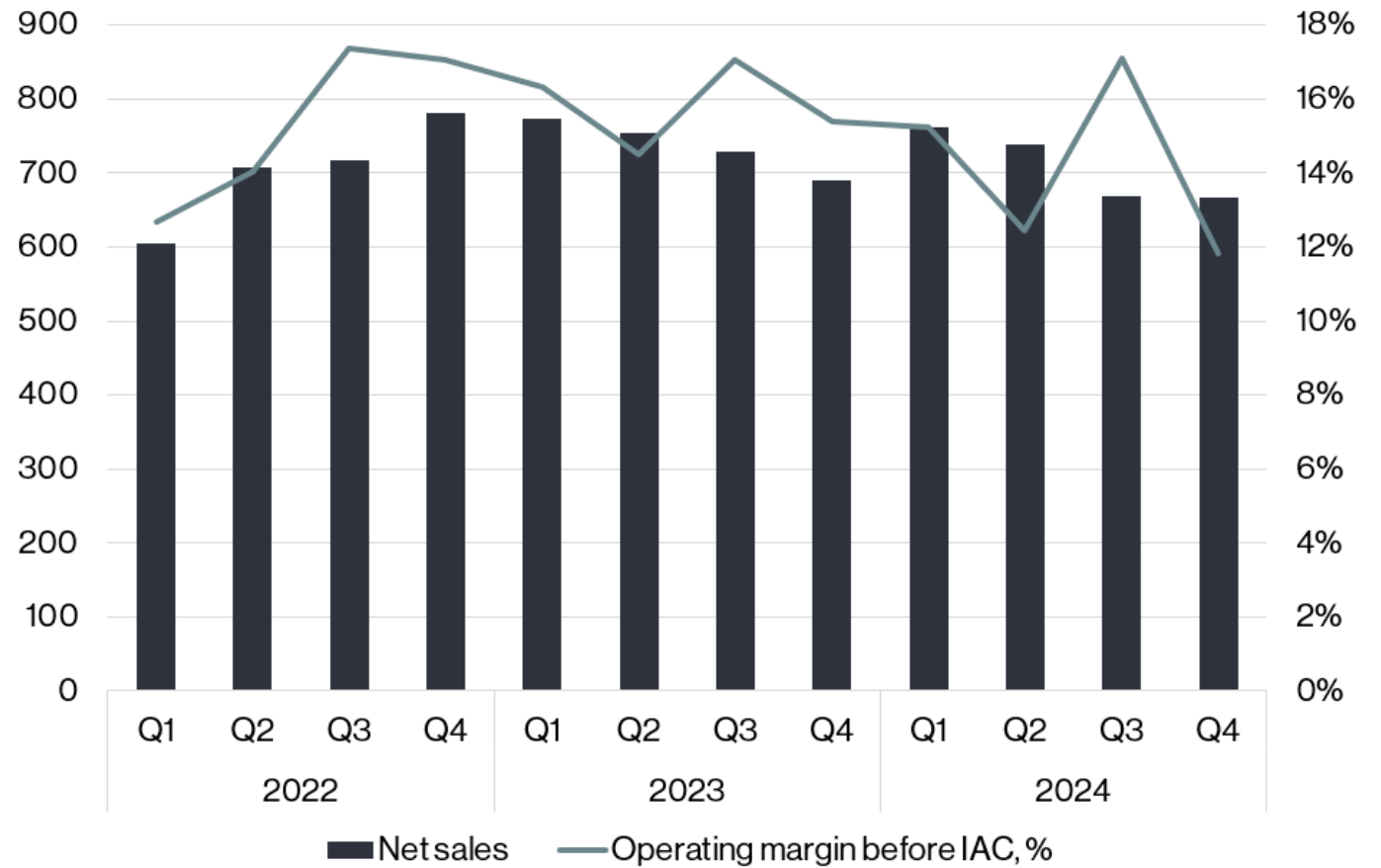
# Premium

## Financials Q4

- Order intake 631 (707) MSEK, organic -11.4%
- Net sales 666 (690) MSEK, organic -4.2%
- Operating margin before IAC 11.8% (15.4%)

## Business update

- Flat year on year order intake is reasonable – new build
- Re-structuring at LTS to reduce the forward cost base and cost reduction focus at Fagerhult – closure of ME based entity – focus on improving margins
- Organic Response project penetration continues to grow, so too alternative materials



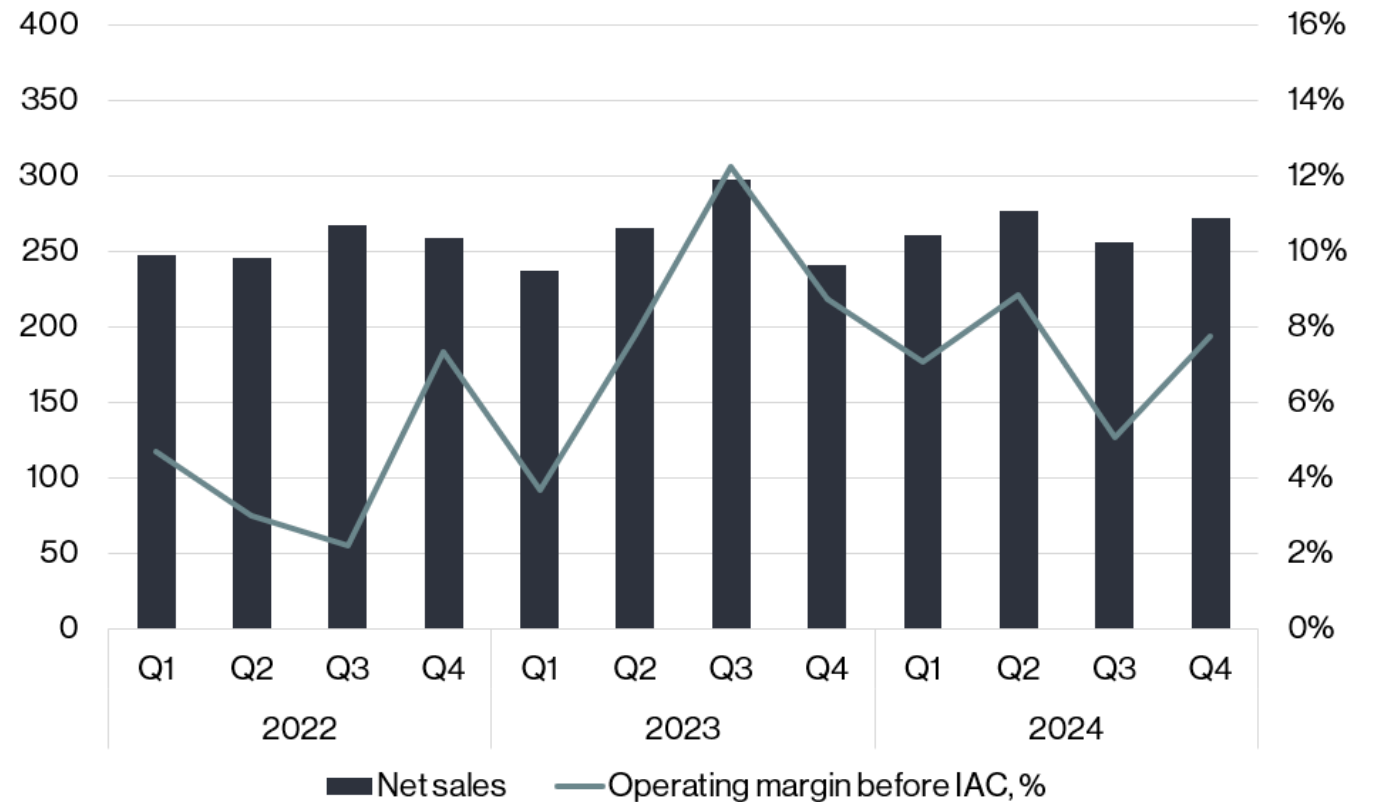
# Professional

## Financials Q4

- Order intake 246 (198) MSEK, organic +21.7%
- Net sales 272 (241) MSEK, organic +11.8%
- Operating margin before IAC 7.7% (8.7%)

## Business update

- Continued year-on-year improvement in Whitecroft and Eagle – overall positive 3 year trend
- Re-structuring at Arlight continues
- Rapidly growing healthcare renovation market in Australia



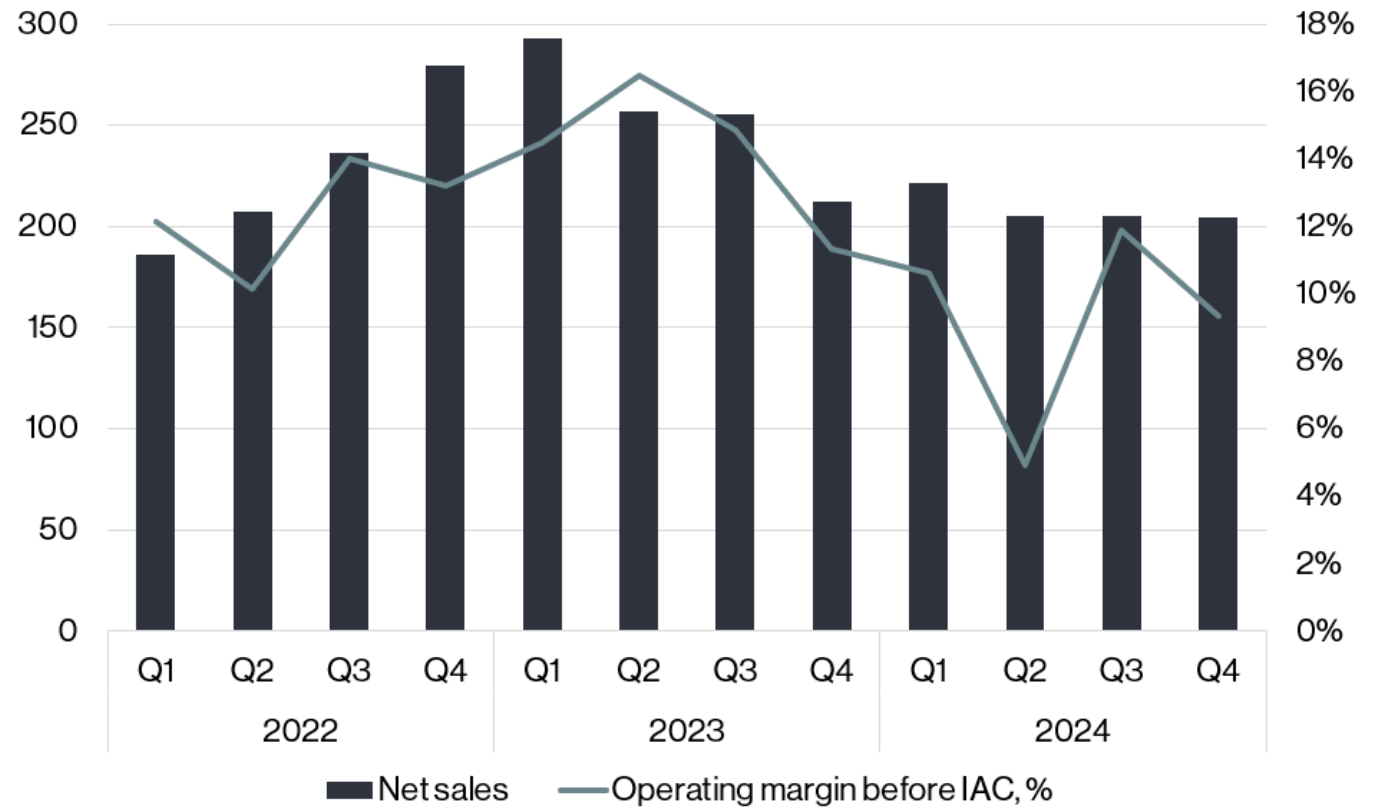
# Infrastructure

## Financials Q4

- Order intake 172 (229) MSEK, organic -25.9%
- Net sales 205 (212) MSEK, organic -5.0%
- Operating margin before IAC 9.3% (11.4%)

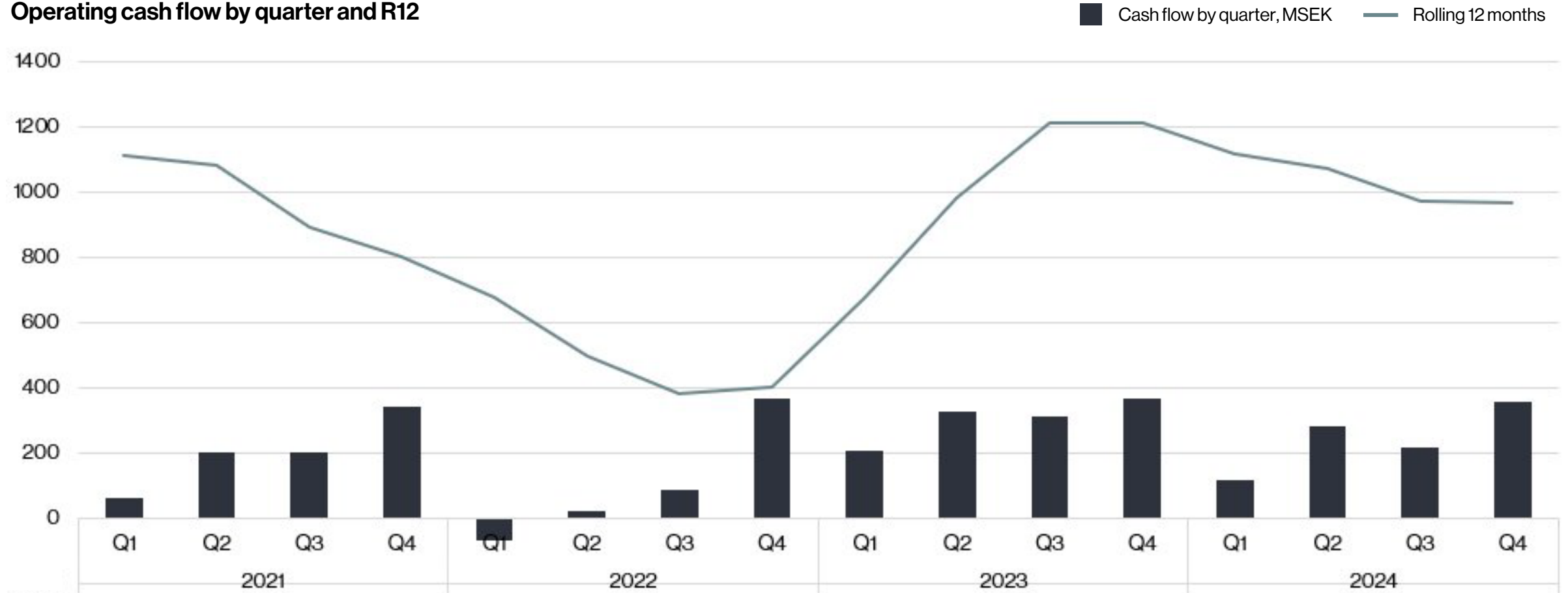
## Business update

- An improved order backlog at the start of the year
- Veko restructuring will enhance margins in 2025 and provide a more focussed operation
- Designplan continues to enjoy improved order intake levels



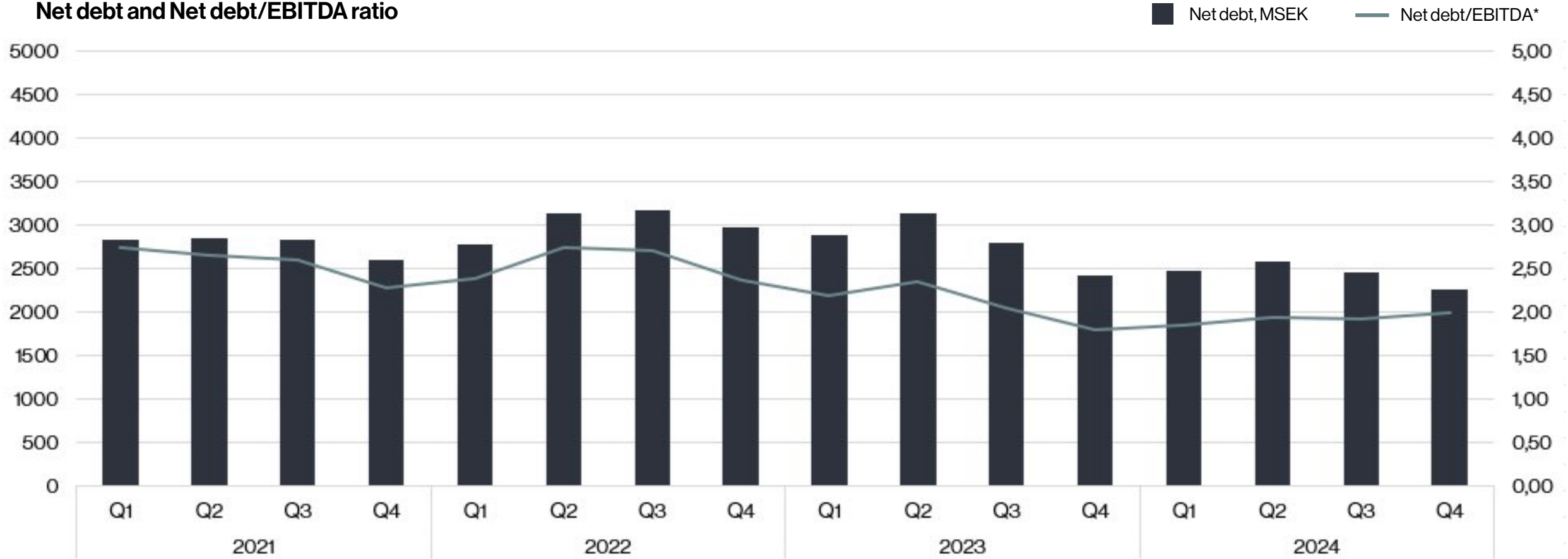
# Cash flow

Operating cash flow by quarter and R12



# Net debt development

Net debt and Net debt/EBITDA ratio

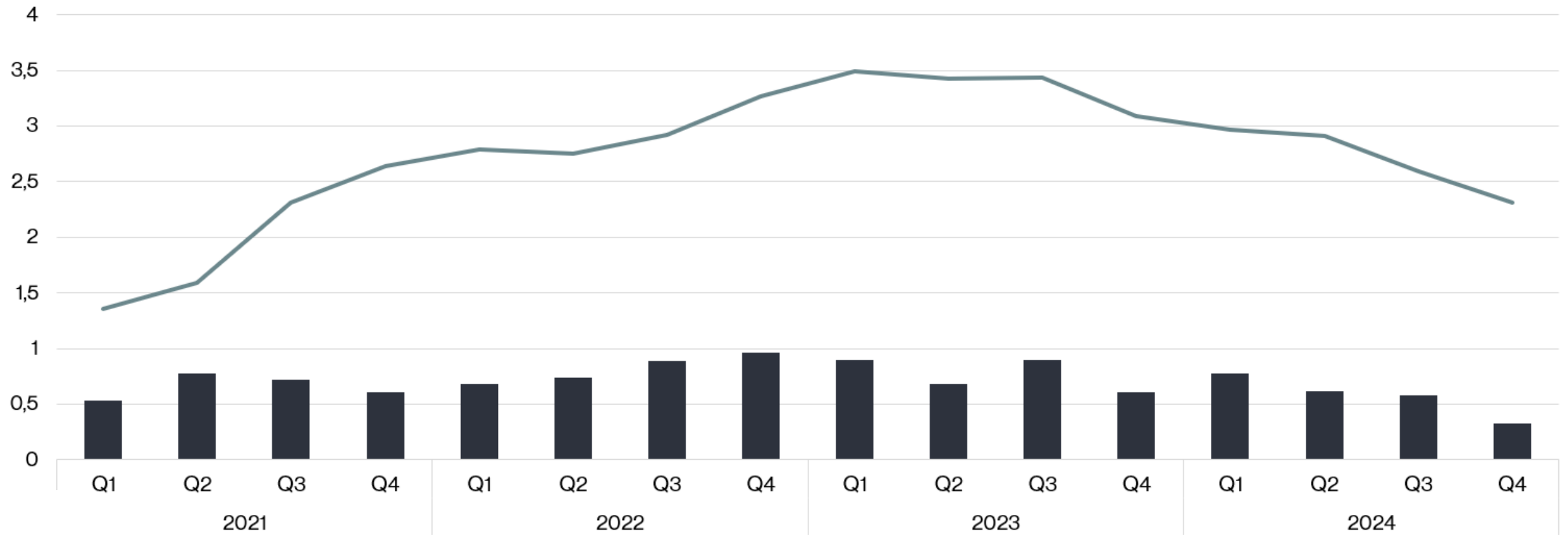


\*EBITDA adjusted for acquisitions/divestments on a proforma basis and excluding items affecting comparability

# Earnings per share

**Earnings per share by quarter and R12**

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







## Conclusions and recap

- The slower market conditions with uncertainties from economic and political conditions remain
- We are assessing the potential impacts from US tariffs
- New build and renovation growth is yet to return
- Meanwhile we increase and accelerate our focus on cost reductions in some brands



