

Fagerhult Group

Company presentation

February 2024

www.fagerhultgroup.com



How it all started

Brightening up people's lives inspired Bertil Svensson to found Fagerhult in 1945. Today, Fagerhult Group is one of Europe's leading lighting companies with 4,100 employees in 27 countries. We consist of 12 brands organized into four business areas – Collection, Premium, Professional and Infrastructure.

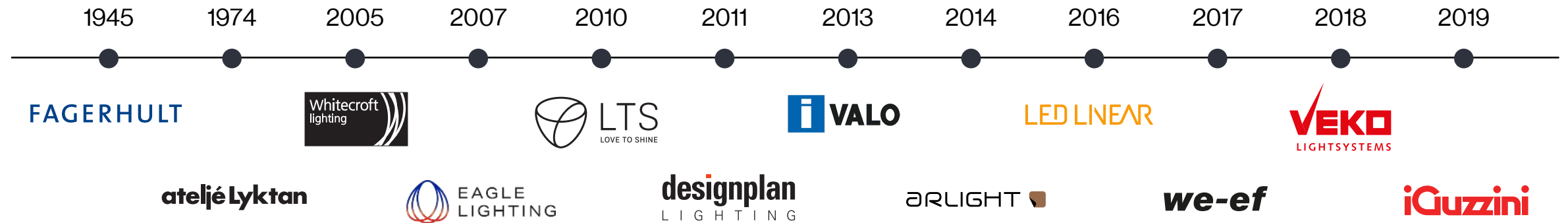
All our brands produce high-quality professional lighting solutions and we work mainly on specifications together with our partners. Together we cover almost every professional lighting application and our presence is worldwide.



From local to international

We have 85 years of lighting knowledge and experience with a history rooted in southern Sweden. Over the years, we have attracted some of the world's leading lighting companies.

Today, Fagerhult Group consists of twelve equally successful brands who share extensive experience and future-facing technology to continue to pioneer professional lighting solutions.



Vision and mission

Vision

A world enhanced by light.

Mission

Together we innovate to deliver professional lighting solutions that are circular and climate-positive and contribute to better lives.

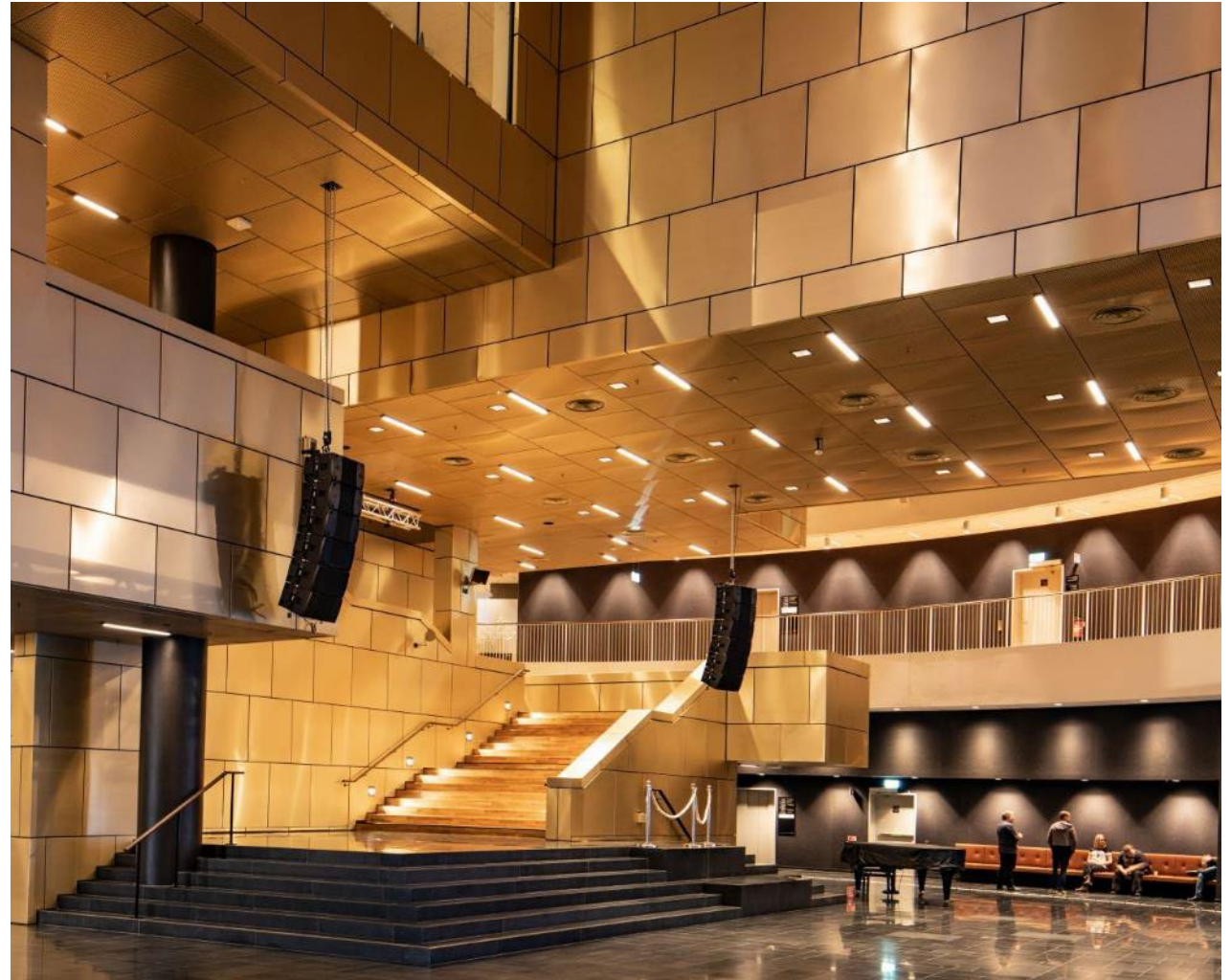


Value proposition

Fagerhult Group understands the importance of light for better living. We innovate to deliver professional lighting solutions and every Fagerhult Group company has its own unique offering, able to deliver to a customer's standard or bespoke requirements.

Our team understands that everyone benefits from co-creation and collaboration, and we are excited to work together with our colleagues and partners to contribute to more valuable professional environments.

Our society is important to us, and we will always work as one to protect our planet, and to enhance the environment and quality of life for all, through the quality of light.



Our Business Areas

Collection

Exceptional lighting solutions for architectural applications worldwide.

ateljé Lyktan

iGuzzini

LED LINEAR

we-ef

Premium

Lighting solutions for all European markets and for global customers.

FAGERHULT



Professional

Lighting solutions for selected applications, tailored to local market requirements.

ARLIGHT



Infrastructure

Specialty lighting solutions for critical infrastructure and industrial applications.

designplan
LIGHTING

VALO

VEKO
LIGHTSYSTEMS

Our business areas

Turn-over 2023



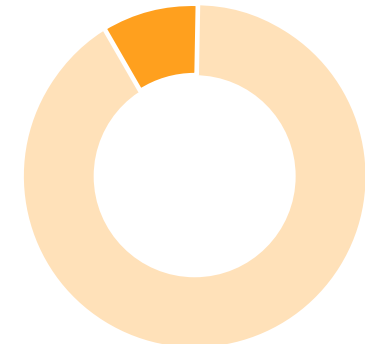
Collection
3,860 MSEK



Premium
2,951 MSEK



Professional
1,041 MSEK



Infrastructure
1,017 MSEK

Our application areas



Offices



Education



Healthcare



Retail



Hospitality & Residential



Culture



Urban spaces



Street & Pathways

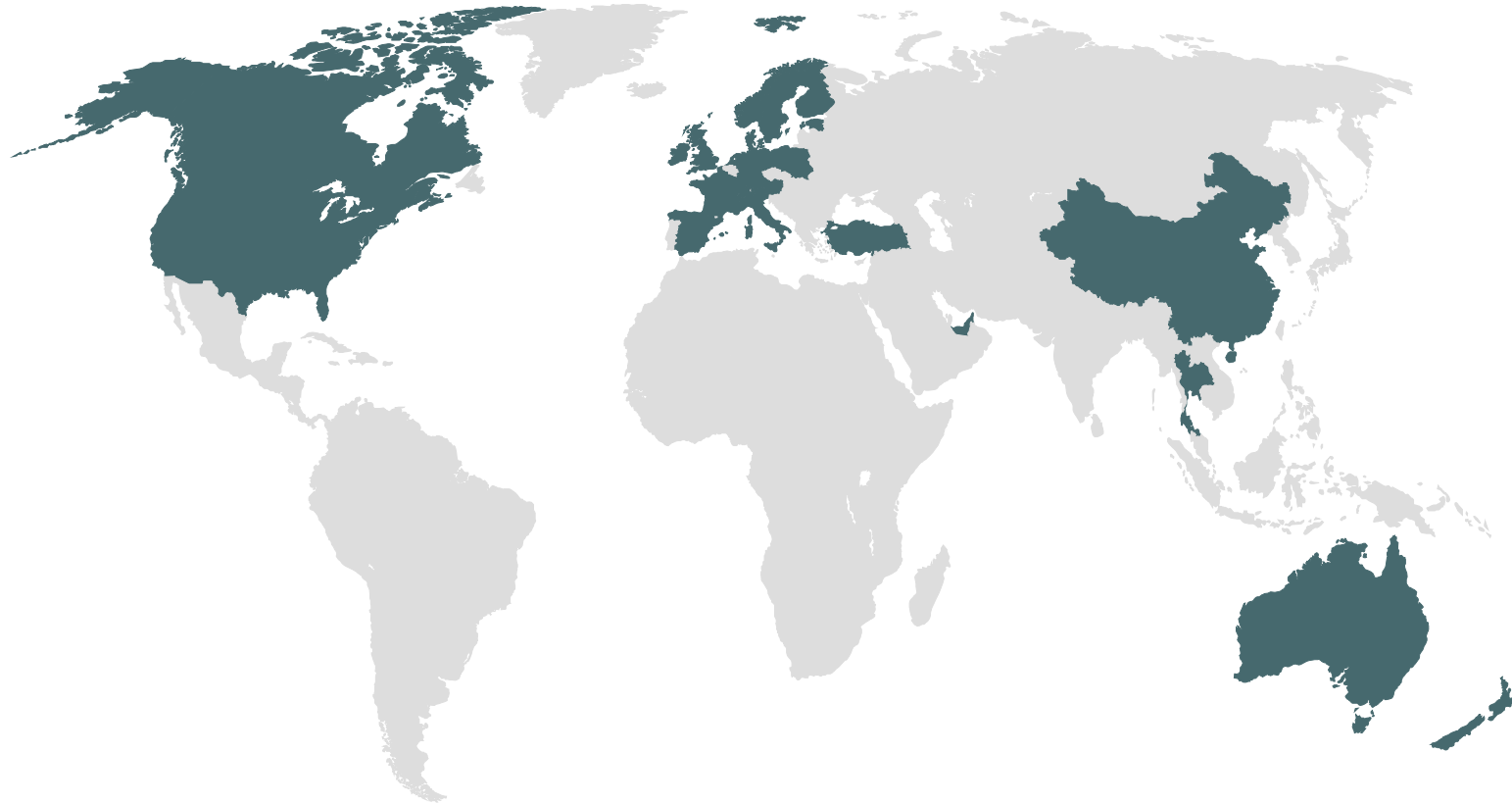


Critical Infrastructure



Industry & Distribution

We are global with a strong presence in Europe where we are among top 3

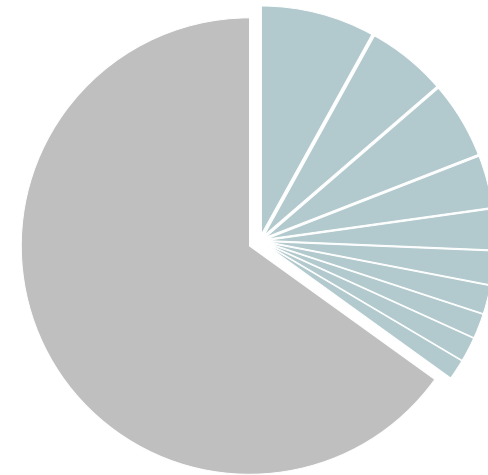


Market shares in Europe

Top 3 players for Professional* Lighting

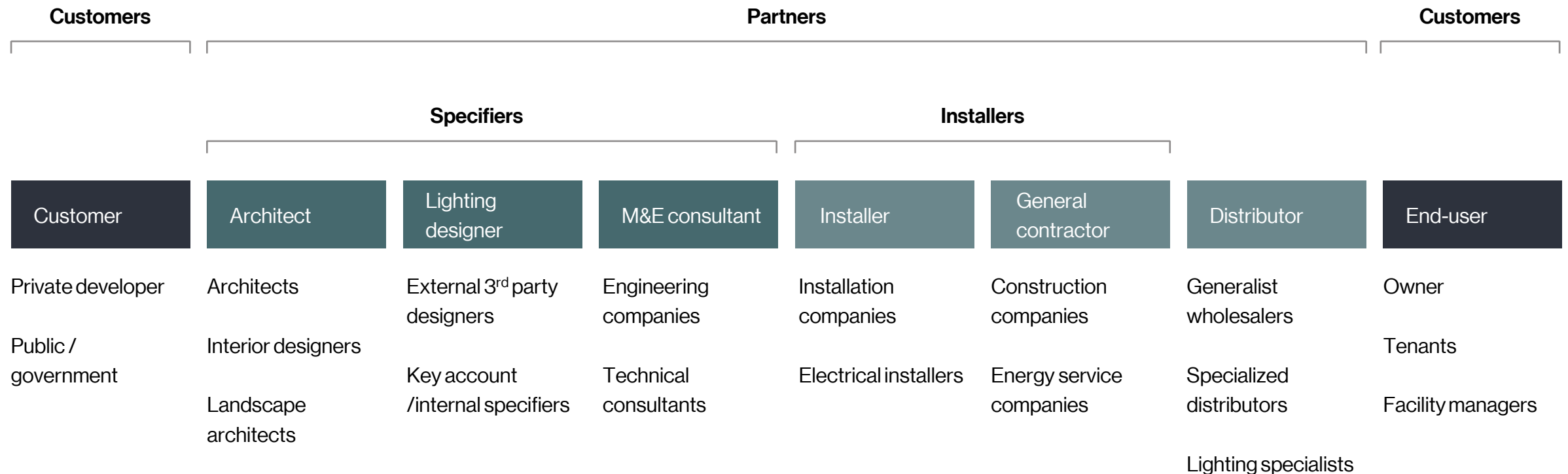
  

Defragmented European market,
top 10 only having 30% of the market



Our stakeholders and partners

Working with specifiers



Our business model is based on our Business Areas and Group focus areas

Collection					
Premium					<ul style="list-style-type: none">– Purpose to increase collaboration and leverage market opportunities for organic growth– Main Group focus areas with a common agenda:<ul style="list-style-type: none">• Smart lighting  • Innovation• Sustainability• People & Culture
Professional					
Infrastructure					

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 smart lighting comes from the market

Market trends

Smart lighting



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



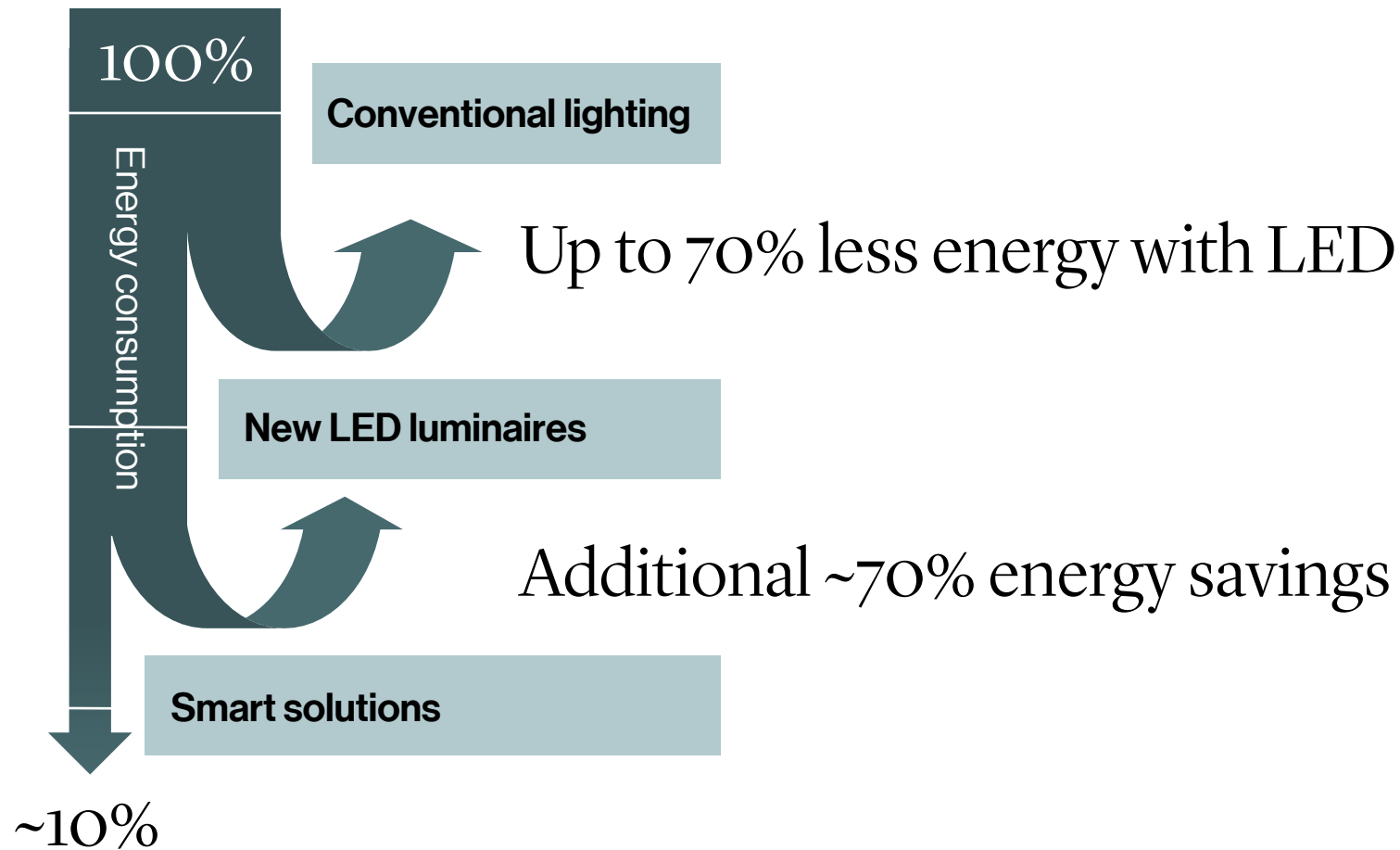
Smart



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

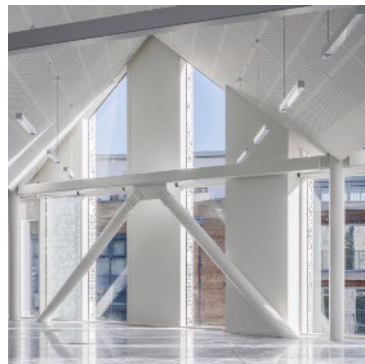
New opportunities

Smart solutions brings additional savings to already efficient LED luminaires



We have two smart solutions within the Group

organic response



Same basic principles:



Energy savings with presence detection



Easy installation



Open systems for integrations and partnerships

citygrid



New sustainability agenda launched with clear next steps

- Strategy launch to further inspire and engage
- Create Carbon emission baseline, Scope 1-3
- Refine Taxonomy reporting, 99% eligible
- Develop Diversity & Inclusion strategy



Our Net-Zero Roadmap

We've had our net-zero targets approved by SBTi

Near-term targets

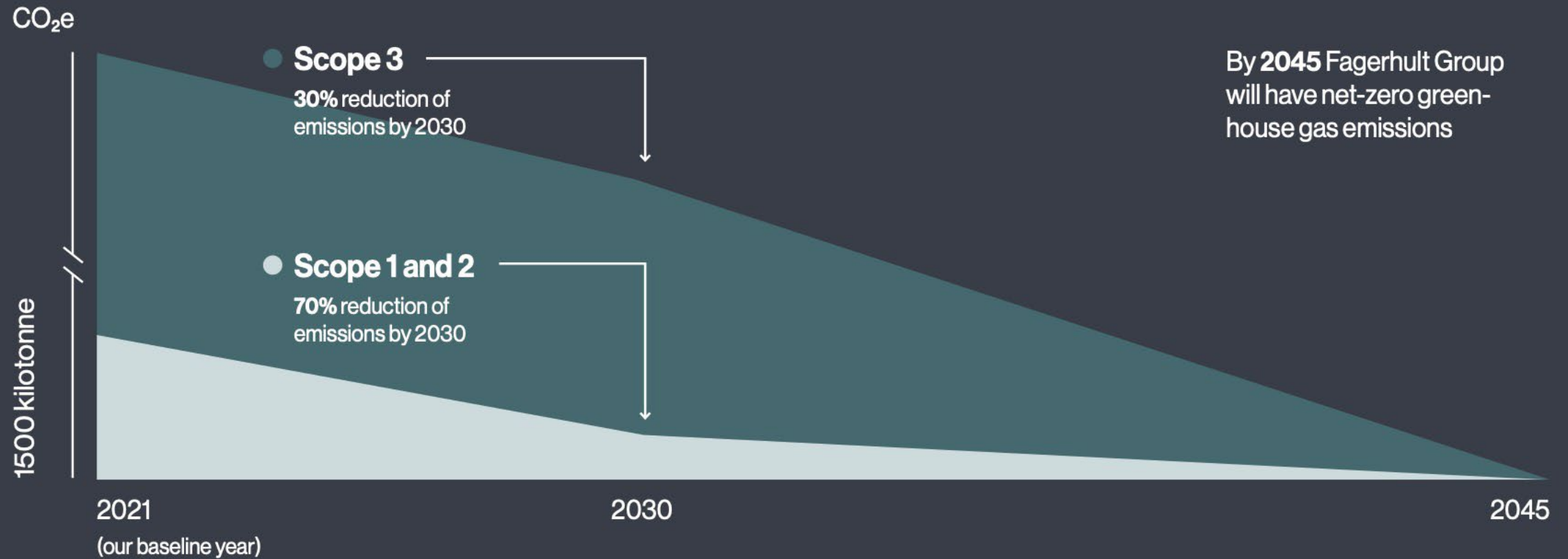
Reduce Scope 1 and 2 by **70%** and Scope 3 by **30%** by **2030**.

Long-term target

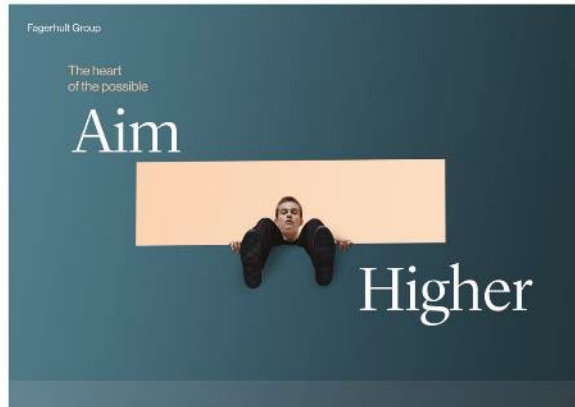
Reduce to **net-zero** by **2045**.



Our roadmap to reach our net-zero target

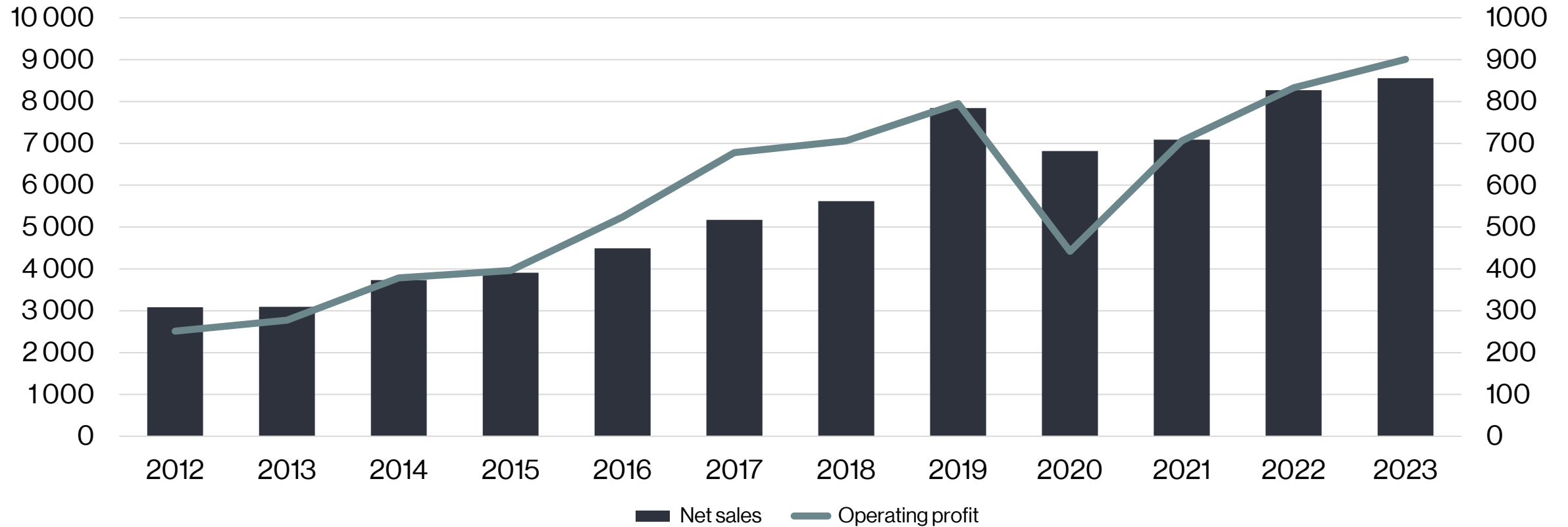


Group Core values



“If you believe in people
you believe in values.”

Fagerhult Group financial development 2012-2023



A strong Q4 to close a record year

A strong fourth quarter

- Record level of order intake, +5,5% organic growth, and strong net sales.
- Gross margin improved, healthy operating profits and a very robust cash flow.

Full year delivered many all-time records

- Order intake, net sales, gross profit margin, operating profit, and cash flow were all new records for the Group.
- We had the highest ever year for our smart lighting solution Organic Response.

Steady progress and continued investments in our strategic focus areas.

We carry confidence with us into 2024.



Q4 2023 in figures

Order intake: 2 123 MSEK (1 964)

+5,5% organic

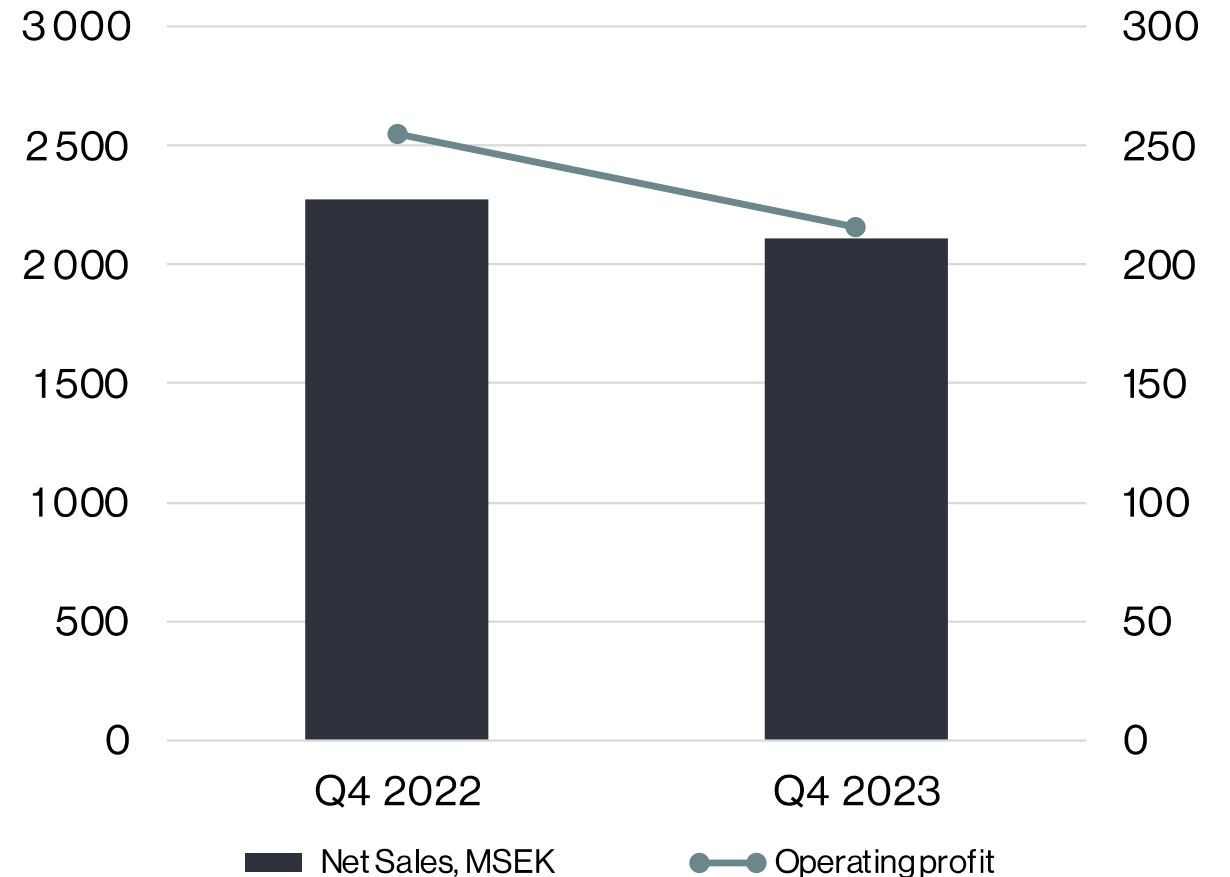
Net sales: 2 111 MSEK (2 271)

-7,7% organic

Operating profit: 216 MSEK (255)

Operating margin: 10,2% (11,2%)

Earnings per share: 0,61 SEK (0,96)



YTD 2023 in figures

Order intake: 8 435 MSEK (8 243)

-1,9% organic

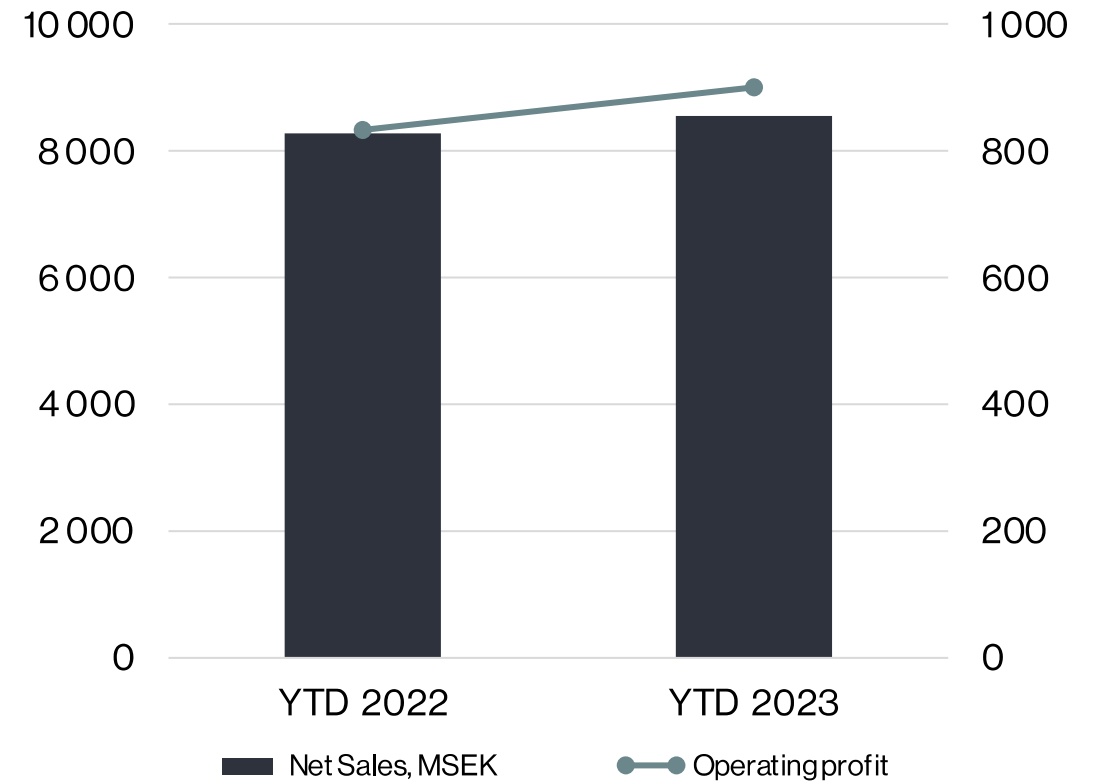
Net sales: 8 560 MSEK (8 270)

+0,2% organic

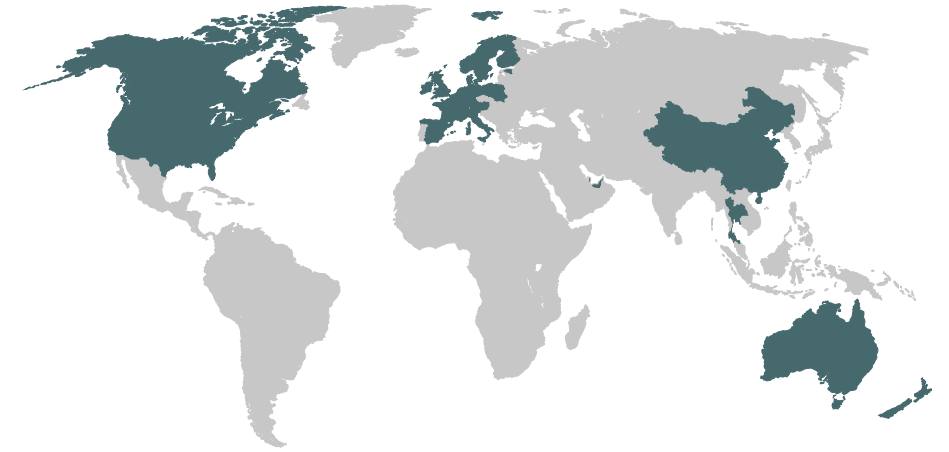
Operating profit: 901 MSEK (833)

Operating margin: 10,5% (10,1%)

Earnings per share: 3,09 SEK (3,27)



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



Culture, Hospitality, High-end residential, Urban landscape



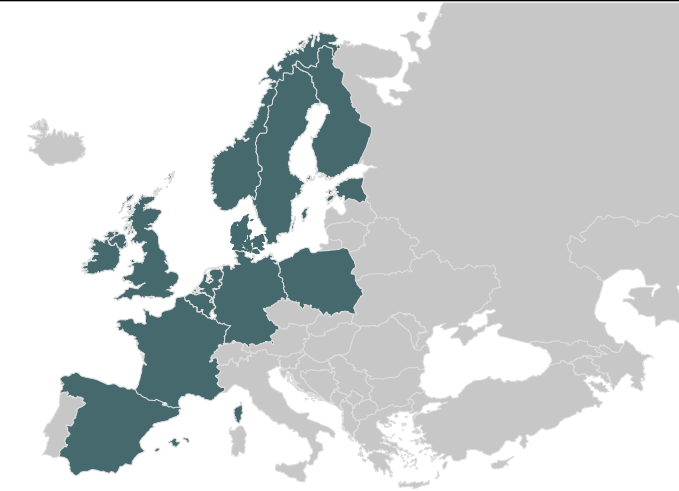
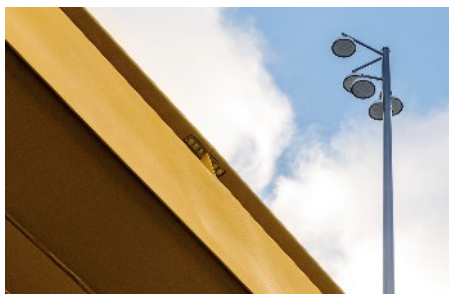
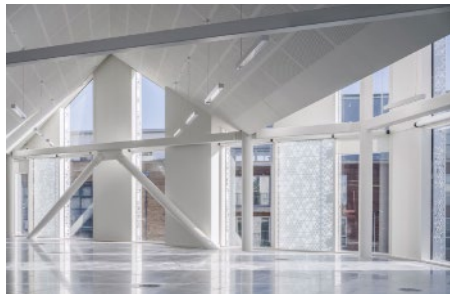
Working with global community of architects and lighting designers



- Leverage Collection global footprint to grow
- Specific North American growth strategy

Premium

FAGERHULT



Office, Education,
Healthcare, Retail and
selected outdoor areas

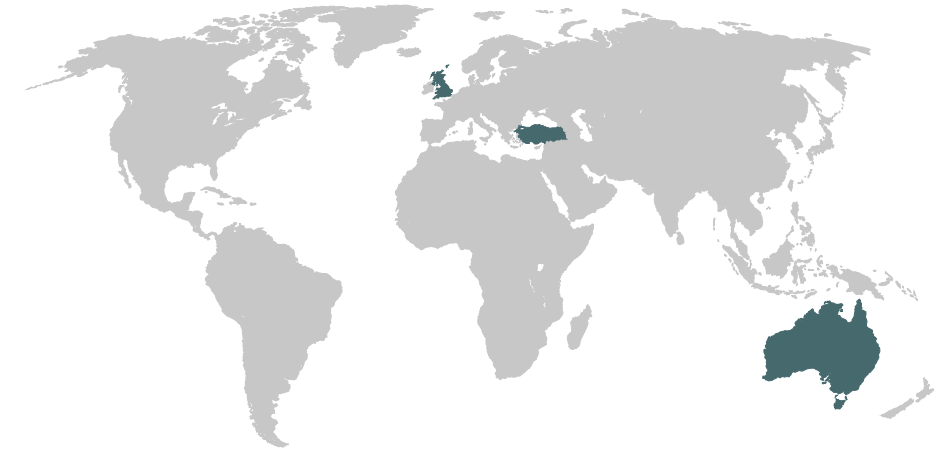
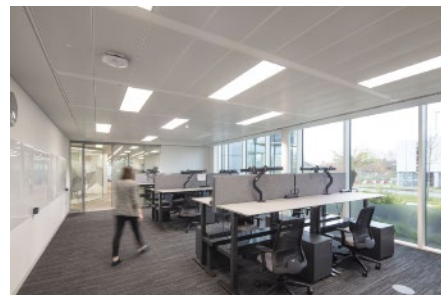
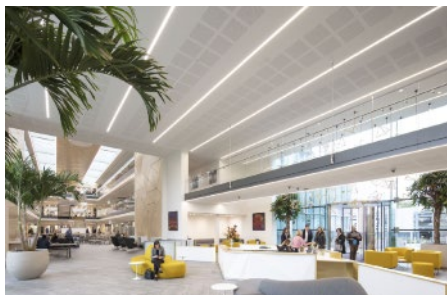
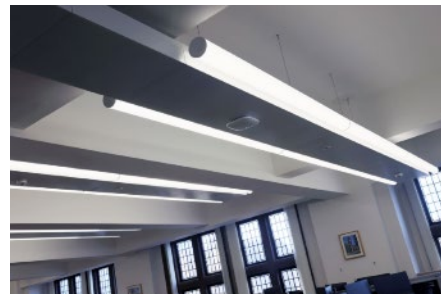


Working with lighting
designers, electrical
consultants and installers



- Strengthen existing markets within focus segments
- Grow in specific European markets, e.g. DACH-region

Professional



Office, Education and Healthcare



Working with electrical consultants, installers and construction companies



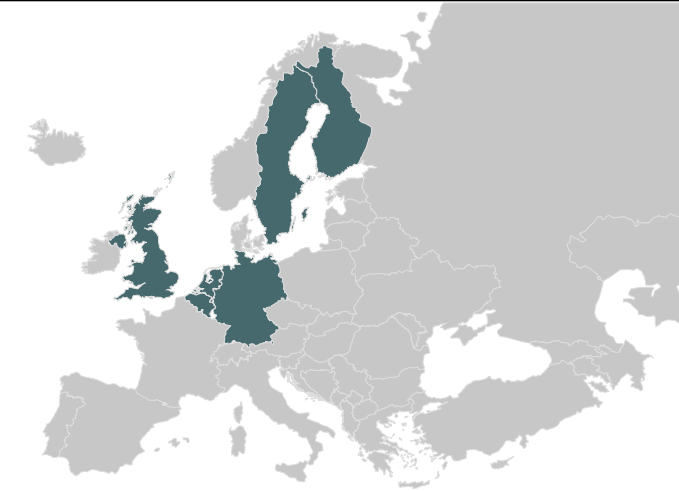
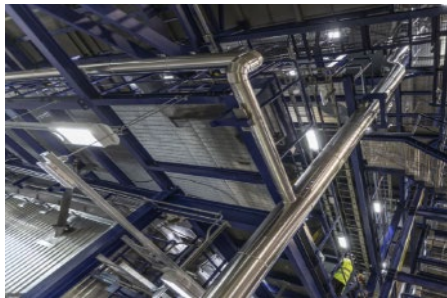
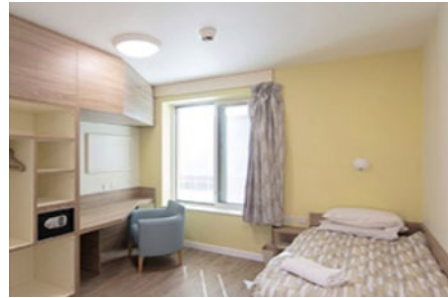
- Focus on key segments and new technologies
- Strengthen position as most sustainable partner

Infrastructure

designplan
LIGHTING

VALO

VEKO
LIGHTSYSTEMS



Critical Infrastructure,
Industry and Distribution
centres



Working with electrical
consultants and installers



- Expand product offering within focus segments
- Grow in selected European markets

Group Management Team



Bodil Sonesson
President and CEO



Michael Wood
Chief Financial
Officer

Group functions



Andrea Gageik
Chief People
Officer



Johan Lembre
Chief Technology
Officer



Michael Brüer
Chief Strategy and
Communication Officer

Business area responsible



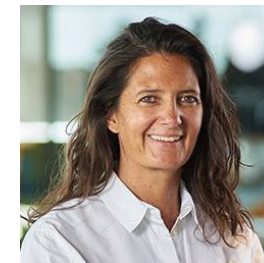
Edwin Roobol
Head of Business
Area Collection



Frank Augustsson
Head of Business
Area Premium



Michael Wood
acting Head of
Business Area
Professional



Stéphanie Praloran
Head of Business Area
Infrastructure