

# Year-end report January-December 2022



## The fourth quarter

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# 1,964

### Order intake, MSEK

Order intake was MSEK 1,964 (1,802), an increase of +9.0% adjusted to +2.6% for currency effects of MSEK +116

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# 2,271

### Net sales, MSEK

Net sales were MSEK 2,271 (1,820), an increase of +24.8% adjusted to +16.7% for currency effects of MSEK +148

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# 255

### Operating profit, MSEK

Operating profit was MSEK 254.7 (161.1), an increase of +58.1% with an operating margin of 11.2 (8.9)%

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# 169

### Net profit, MSEK

Earnings after tax were MSEK 168.9 (108.1)

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# 0.96

### Earnings per share, SEK

Earnings per share were SEK 0.96 (0.61)

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# 366

### Operating cash flow, MSEK

Cash flow from operating activities was MSEK 365.5 (341.8)

Net sales growth in the fourth quarter was 24.8% overall with 16.7% organic.

The fourth quarter results set new records for order intake, net sales, operating profit and operating margin. The net sales of 2,271 MSEK was an all-time record, so too the operating profit of 255 MSEK.

The financial development has been strong. Also the Group continued with good progress in the strategic focus areas of sustainability, innovation and people & culture.

Whilst external conditions remain uncertain, the Group identifies many opportunities to overcome these uncertainties. We report that the vast majority of the supply chain challenges have now been overcome, serving our customers remains the highest priority.

A healthy order intake of 1,964 (1,802) MSEK showed a +9.0% overall growth, currency adjusted to +2.6% organic growth. The order backlog remains strong at 1,950 (1,890) MSEK.

The all-time record quarterly net sales of 2,271 (1,820) MSEK delivers an overall growth of +24.8%, currency adjusted to +16.7%.

The gross margin in the quarter benefited from the impact of price increases. This positive trend should continue as our businesses focus on pricing with further increases in the quarter and in early 2023.

The Q4 operating profit of 254.7 (161.1) MSEK delivers an operating margin of 11.2 (8.9)%.

The operating cash flow was 365.5 (341.8) MSEK. The strong cash flow, in line with expectations, was due to strong growth and profitability. Also there was a reduction in accounts receivable and inventory levels.

The Board intends to propose a dividend of SEK 1.60 (1.30) per share.

# CEO comment

## The fourth quarter

The Group delivered its best quarter and best year ever for net sales and operating profit.

The Group’s performance continues to improve and the mega-trends remain positive. We deliver modern connected lighting solutions that reduce energy consumption by up to 90%. This is ideally suited to the rapidly increasing renovation and retrofit business which is served locally from our 12 lighting brands.

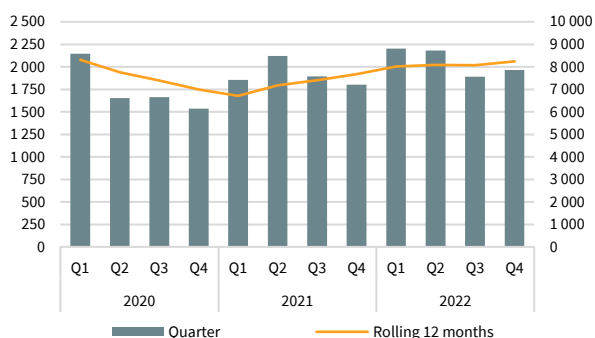
The Group’s strategic focus areas; people & culture, innovation and sustainability remain the driving force for decision making, including the recruitment of talent.

Our performance improved with a 24.8% sales growth to 2,271 (1,820) MSEK, an operating profit of 255 (161) MSEK and a strong 11.2 (8.9)% operating margin.

Market activity remains mixed, we continue to see high levels of uncertainty, although positively, the previously reported supply chain challenges are behind us.

Order intake was healthy and the R12M order intake continues to increase.

## Rolling 12 month and quarterly order intake



## Strategic focus areas

### People and culture

Our HR strategy continues to make good progress, last quarter we reported on the areas of leadership principles and diversity and inclusion and these strategies have been initiated. Into the spring and summer months we will be performing the bi-annual Group wide talent review programme, where we identify leaders of the future.



Bodil Sonesson,  
CEO and President

### Innovation

The Group’s Investments in the innovation agenda accelerates into the new year where the investment in connectivity and luminaire solutions across the Group’s brands receives increased funding.

During the quarter WE-EF launched the “FLC300” projector series – the clean unobtrusive design offers an innovative solution for buildings, recreational areas or gardens.

Targeting innovation in the UK transport sector, Designplan launched “Trackline” where the innovation behind this twin-head bollard for rail infrastructure avoids light spillage therefore protecting the environment.

Finally for this quarter, although there are many more not included here, is the LTS ORYO 200 spotlight with innovative “Lens 6” technology which creates an extremely narrow light beam to provide a high end mood lighting solution.

### Sustainability

With additional resources and focus, our sustainability strategy continues to make strong progress. We have submitted our long term targets to the Science Based Targets initiative and these are currently being validated and we expect feedback during the summer.

## Outlook – strengthening and well positioned

Looking internally, the Group’s financial performance continues to improve. We have an improving business with a healthy order backlog, good growth and margin development. The strategic focus is clear and we make steady progress on our activities.

Externally, the supply of sustainable solutions for the quickly growing opportunity of renovation projects increases significantly. These projects provide even shorter payback periods as energy prices escalate and also they reduce the carbon footprint for our customers.

We are well positioned for when the markets return to a more stable state and are, however, prepared for a longer period of uncertain times.

# January-December

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## 8,243

**Order intake, MSEK**

Order intake was MSEK 8,243 (7,674), an increase of +7.4% adjusted to +2.4% for currency effects of MSEK +388

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## 8,270

**Net sales, MSEK**

Net sales were MSEK 8,270 (7,088), an increase of +16.7% adjusted to +11.0% for currency effects of MSEK +405

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## 833

**Operating profit, MSEK**

Operating profit was MSEK 833.3 (706.4), an increase of +18.0% with an operating margin of 10.1 (10.0)%

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## 576

**Net profit, MSEK**

Earnings after tax were MSEK 576.4 (469.6)

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## 3.27

**Earnings per share, SEK**

Earnings per share were SEK 3.27 (2.64)

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## 403

**Operating cash flow, MSEK**

Cash flow from operating activities was MSEK 402.7 (802.5)

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The 2022 results for the Group set many new records. The year produced a record order intake, a record net sales and a record operating profit.

The Group's decentralised operating model combined with an increased focus has enabled it to become significantly better positioned to take advantage of the emerging opportunities.

We continue to see mixed market activity levels. Towards the end of the year activity levels were more positive than the middle part of the year. Order intake showed positive organic growth in Q4 and the order backlog remains high.

The improving supply chain conditions facilitated higher levels of deliveries and net sales, particularly since the Autumn period.

The Group's full year order intake of 8,243 (7,674) MSEK shows a +7.4% increase, adjusted to +2.4% for currency effects of +388 MSEK. Currency effects have remained consistently high during the year due to the weak SEK.

The Group's full year net sales of 8,270 (7,088) MSEK show a +16.7% increase, adjusted to +11.0% for currency effects of +405 MSEK.

The Group's operating profit for the year of 833 (706) MSEK improved during the year with a very strong second half. The operating margin is 10.1 (10.0)% and we continue to work on improvement activities.

Operating cash flow in the year was 403 (803) MSEK with the variance due to a working capital increase of 684 (74) MSEK. During the year, inventories increased 298 MSEK and accounts receivable increased 407 MSEK. Inventory levels have reduced each month since the summer, reflecting the improved supply chain.

Financial items of 42.3 (84.1) MSEK include 17.8 (26.1) MSEK for IFRS16, net interest expense of 43.8 (38.0) MSEK and currency effects of positive 19.3 (negative 20.0) MSEK.

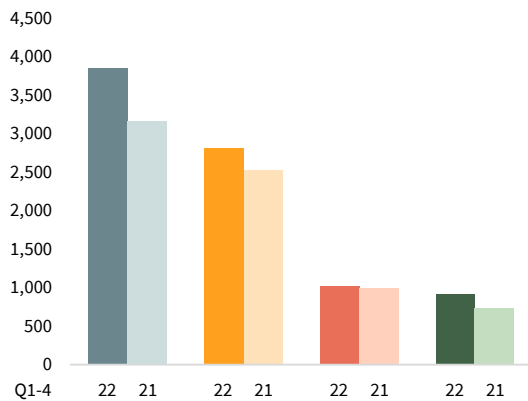
The tax expense in the period of 214.6 (152.7) MSEK results in a 27.1 (24.5)% tax rate with the increase due to the mix of profits in the Group's operating regions.

# Business areas

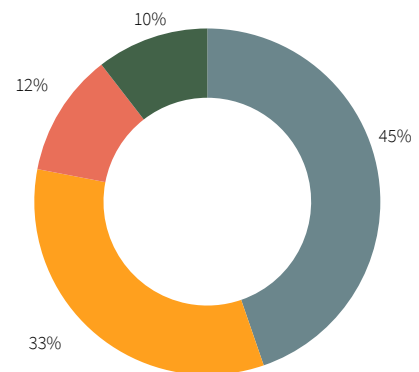
## Net sales and operating profit by business area

	Net sales				Operating profit				Operating margin %			
	Q4		Q1-4		Q4		Q1-4		Q4		Q1-4	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Collection	1,029.7	825.0	3,853.8	3,162.4	92.1	46.6	352.6	241.5	8.9	5.6	9.1	7.6
Premium	781.3	634.9	2,814.4	2,530.9	123.6	94.9	397.9	352.4	15.8	14.9	14.1	13.9
Professional	258.4	235.9	1,018.9	996.9	18.9	14.4	43.8	83.8	7.3	6.1	4.3	8.4
Infrastructure	279.5	198.3	909.4	731.4	36.9	25.5	113.6	88.4	13.2	12.9	12.5	12.1
Eliminations	-77.9	-74.6	-326.9	-334.1	-	-	-	-	-	-	-	-
<b>Results by business area</b>	<b>2,271.0</b>	<b>1,819.5</b>	<b>8,269.6</b>	<b>7,087.5</b>	<b>271.5</b>	<b>181.4</b>	<b>907.9</b>	<b>766.1</b>	<b>12.0</b>	<b>10.0</b>	<b>11.0</b>	<b>10.8</b>
IFRS 16	-	-	-	-	3.2	2.3	12.0	8.9	-	-	-	-
Unallocated cost	-	-	-	-	-20.0	-22.6	-86.6	-68.6	-	-	-	-
<b>Operating profit</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>254.7</b>	<b>161.1</b>	<b>833.3</b>	<b>706.4</b>	<b>11.2</b>	<b>8.9</b>	<b>10.1</b>	<b>10.0</b>
Financial items	-	-	-	-	-12.7	-25.4	-42.3	-84.1	-	-	-	-
<b>Profit before tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>242.0</b>	<b>135.7</b>	<b>791.0</b>	<b>622.3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

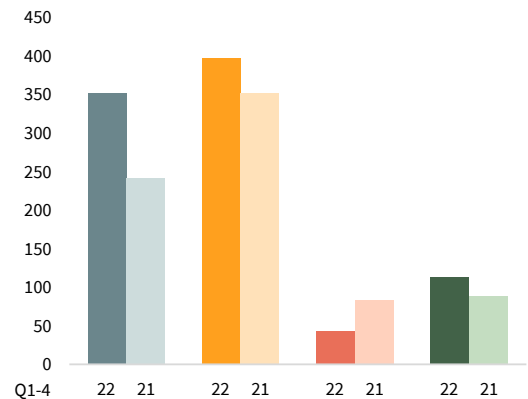
Net sales per business area, MSEK



Sales share per business area, %



Operating profit per business area, MSEK



- Collection
- Premium
- Professional
- Infrastructure

## Collection

Collection is home to our brands with a global market footprint. All have an international product portfolio and are well-renowned in the global lighting designer and architect communities. They offer a wide product range with a focus on indoor and outdoor architectural applications.

Brands included are; ateljé Lyktan, iGuzzini, LED Linear and WE-EF with product development and manufacturing facilities in Sweden, Italy, Canada, China, Germany and Thailand. Seneco is also consolidated in this business area.

Business area order intake for the quarter of 865 (777) MSEK shows an organic growth of +1.5%. The full year position is a record order intake of 3,695 (3,317) MSEK. Our businesses are well positioned in the global specification market where we see increased renovation demand.

Net sales for the quarter were 1,030 (825) MSEK, an organic increase of 13.8% and all businesses contribute to the sales growth.

Operating profits for the quarter increased 97.6% to 92.1 (46.6) MSEK with a growth in operating margin to 8.9 (5.6)%. Year to date operating margins continue to develop well in our largest business area and closed the year at 9.1 (7.6)%.

Business Area Collection serves many great projects, during the quarter some examples were; the Easy Tower project for the EU Smart Borders Initiative for entry/exit by LED Linear, The Pier Hotel Gothenburg by ateljé Lyktan, the Aman New York Hotel by iGuzzini and Charlotte Airport in the USA by WE-EF.

Collection	Q4, 2022	Q4, 2021	Q1-4, 2022	Q1-4, 2021
Net sales	1,029.7	825.0	3,853.8	3,162.4
<i>(of which, intercompany sales)</i>	<i>(42.9)</i>	<i>(32.4)</i>	<i>(156.1)</i>	<i>(101.7)</i>
Operating profit	92.1	46.6	352.6	241.5
Operating margin, %	8.9	5.6	9.1	7.6
Sales growth, %	24.8	9.5	21.9	4.0
Sales growth, adjusted for exchange rate differences, %	13.8	9.3	13.8	7.3
Growth in operating profit, %	97.6	-612.1	46.0	145.9

# 1,030

Net sales, MSEK

# 92

Operating profit, MSEK

# 8.9

Operating margin, %

**ateljé Lyktan**

**iGuzzini**

**LED LINEAR**

**we-ef**

## Premium

Premium focuses on the European market and European-based global customers. Our Premium brands work closely with specifiers and partners to deliver premium projects, often with bespoke solutions. The majority of sales are related to indoor applications and there is also an outdoor offering for specific markets.

Brands included are Fagerhult and LTS with product development and manufacturing facilities in Sweden, Germany and China. Organic Response is also consolidated in this business area.

Business area order intake for the quarter of 680 (666) MSEK shows an organic decline of -2.6%. The full year position was ahead of last year.

Net sales for the quarter were 781 (635) MSEK, an organic growth of +16.7% and the quarterly operating profit was 123.6 (94.9) MSEK. The 30.2% increase in operating profit lifted the operating margin to 15.8 (14.9)% and the full year operating margin was 14.1 (13.9)%.

The Premium Business Area also secures landmark and prestigious projects, for example; The Military Medical Complex in Doha, Qatar by LTS. A leading example of the power of the Group's brands was the World of Volvo, Gothenburg project lead by Fagerhult and included solutions from Fagerhult, iGuzzini, WE-EF and LED Linear.

The Group is capable of much more of this type of collaborative project.

Premium	Q4, 2022	Q4, 2021	Q1-4, 2022	Q1-4, 2021
Net sales	781.3	634.9	2,814.4	2,530.9
<i>(of which, intercompany sales)</i>	<i>(12.4)</i>	<i>(16.3)</i>	<i>(61.0)</i>	<i>(122.0)</i>
Operating profit	123.6	94.9	397.9	352.4
Operating margin, %	15.8	14.9	14.1	13.9
Sales growth, %	23.1	-1.2	11.2	1.4
Sales growth, adjusted for exchange rate differences, %	16.7	-1.9	6.6	3.0
Growth in operating profit, %	30.2	25.4	12.9	46.8

# 781

Net sales, MSEK

# 124

Operating profit, MSEK

# 15.8

Operating margin, %

## FAGERHULT





## Professional

Professional focuses mainly on indoor applications for local and neighbouring markets. The brands work closely together with local partners on project specifications to deliver full and complete solutions. Local production and product development allows for tailored solutions with bespoke products delivered within short lead times.

Brands included are; Arlight, Eagle and Whitecroft, with product development and manufacturing facilities in Turkey, Australia and the UK.

Business area order intake for the quarter of 218 (218) MSEK, shows an organic growth of +2.8%. The Turkish Lira remains very weak but we see a more stable position in both the UK and Australia.

Net sales for the quarter were 258 (236) MSEK, an organic increase of +9.4%.

In the quarter the operating profit was 18.9 (14.4) MSEK and the operating margin was 7.3 (6.1)%. Our Turkish business continues to deliver growth and increased profitability. The previously reported difficult positions in the UK and Australia have stabilised and we report a higher level of profitability and increased predictability in our businesses there.

The results for the business area, however, remain below expectations and we continue our focus in 2023.

In Professional, here too we see a great example of Group collaboration where Eagle Lighting supplied the project at Gatton prison in Queensland with the lighting designed and manufactured by Designplan. Also Whitecroft won a significant renovation “ReLight” project known as Temple Quay in Bristol, a Government Property Agency.

# 258

Net sales, MSEK

# 19

Operating profit, MSEK

# 7.3

Operating margin, %

ARLIGHT 

 EAGLE  
LIGHTING

 Whitecroft  
lighting

Professional	Q4, 2022	Q4, 2021	Q1-4, 2022	Q1-4, 2021
Net sales	258.4	235.9	1,018.9	996.9
(of which, intercompany sales)	(10.1)	(19.4)	(66.8)	(82.0)
Operating profit	18.9	14.4	43.8	83.8
Operating margin, %	7.3	6.1	4.3	8.4
Sales growth, %	9.5	20.0	2.2	20.9
Sales growth, adjusted for exchange rate differences, %	9.4	20.1	3.9	24.7
Growth in operating profit, %	31.3	132.3	-47.7	178.4



## Infrastructure

Infrastructure provides lighting solutions for environments with specific requirements for installation, durability and robustness. The companies are world-leading in their areas and highly experienced in finding the best solutions for every project and customer. The majority of their sales are within Europe with some global installations.

Brands included are; Designplan, i-Valo and Veko, with product development and manufacturing facilities in UK, Finland and the Netherlands.

Business area order intake for the quarter was 201 (141) MSEK and shows an organic growth of +31.9%. The full year organic growth is 15.0%.

Net sales for the quarter were 280 (198) MSEK, an organic growth of +32.1% with significant growth coming from the Netherlands and the UK.

Operating profits were 36.9 (25.5) MSEK and the operating margin was a strong 13.2 (12.9)%.

During the quarter Designplan secured a break-through project for the platform lighting at Duisburg Hbf railway station supplying Deutsche Bahn. The 2023 ban on the production of fluorescent light-sources is a particularly relevant opportunity to the business area.

Infrastructure	Q4, 2022	Q4, 2021	Q1-4, 2022	Q1-4, 2021
Net sales	279.5	198.3	909.4	731.4
(of which, intercompany sales)	(12.4)	(6.6)	(42.9)	(28.5)
Operating profit	36.9	25.5	113.6	88.4
Operating margin, %	13.2	12.9	12.5	12.1
Sales growth, %	40.9	6.8	24.3	-1.2
Sales growth, adjusted for exchange rate differences, %	32.1	7.4	18.4	1.4
Growth in operating profit, %	44.7	-60.8	28.5	-36.6

# 280

Net sales, MSEK

# 37

Operating profit, MSEK

# 13.2

Operating margin, %

**designplan**  
L I G H T I N G

**i VALO**

**VEKO**  
LIGHTSYSTEMS

## Financial position

The Group's equity/assets ratio at the end of the reporting period was 51.6 (49.1)%. Cash and bank balances at the end of the period were 1,292 (1,742) MSEK and consolidated equity was 6,882 (6,219) MSEK.

Operating cash flow was 403 (803) MSEK. The shortfall compared to the prior year was due to the growth in working capital, see earlier comments. The net debt at the end of the period is 2,971 (2,603) MSEK and includes 740 (752) MSEK relating to IFRS16 accounting.

Pledged assets and contingent liabilities amounted to 18.1 (16.1) MSEK and 23.1 (17.5) MSEK respectively.

## Investments

The Group's net investments in non-current assets was 180 (160) MSEK. The figure does not include investments in subsidiaries, which were 0 (254) MSEK and this sum includes the acquisition of non-controlling interest.

## Employees

The average number of employees during the period was 4,059 (4,237).

## Parent company

AB Fagerhult's operations comprise Group Management, financing and business development activities. The profit after financial items was 1,028 (113) MSEK. The number of employees during the period was 16 (14).

## Dividend

The Board intends to propose that the Annual General Meeting approve a dividend of SEK 1.60 (1.30) per share, an increase of 23%. This is based on 176.1 million shares.

## Accounting principles

The interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual accounts Act. The information for the interim period on pages 1-17 is an integral part of this financial report. The Parent Company's interim report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2.

Applied accounting principles are unchanged in comparison with those described in Fagerhult's annual report for the financial year 2021.

## Risks and uncertainties

The Group's significant risks and uncertainties consist primarily of business risks, and financial risks associated with currencies and interest rates. Through the company's international operations, the Fagerhult Group is subject to financial exposure arising from currency fluctuations as well as the regionalised uncertainty of political situations.

The most prominent risks, however, are currency risks arising from export sales and imports of raw materials and components. This exposure is reduced by hedging the flow of sensitive currencies, based on individual assessment. Currency risk also arises in the translation of foreign net assets and earnings.

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For more information about the company's risks, refer to the 2021 Annual Report and the section on risks on the Group's website. In addition to the risks described in the company's Annual Report and the risks linked to Covid, the supply chain disruption and the effects from the situation in Ukraine, no other significant risks are considered to have arisen.

## Nomination committee

The Nomination Committee consists of the following individuals together with the names of the shareholders they represent; Jan Svensson as Chairman of the Board of AB Fagerhult, Johan Hjertonsson, Investment AB Latour, Jan Särilvik, Fjärde AP-Fonden, Björn Henriksson, Nordea Funds and Charlotta Faxén, Lannebo Funds.

Questions regarding the nomination committee shall be addressed to the Group's CFO Michael Wood, [michael.wood@fagerhultgroup.com](mailto:michael.wood@fagerhultgroup.com)

## Repurchase of shares

The Annual General Meeting held on 26 April 2022 authorised the Board to decide to acquire the company's own shares. No acquisitions of the company's own shares have been made. The company's holding of treasury shares totals 1,046,064.

## Russia

During 2022 we have been downsizing our operations in Russia. At the end of the year all business operations had ceased and we begin liquidation proceedings of the legal entities. Provisions associated with the closure have been taken during 2022. The net sales in Russia were 113 MSEK for 2022.

Habo, February 22<sup>nd</sup> 2023  
AB Fagerhult (publ.) 556110-6203

Bodil Sonesson  
President and CEO

An investor webcast following the Quarter 4 Report 2022 will be held on 22 February 2023 at 09:30 CET. A link to the webcast and management presentation will be available on <http://www.fagerhultgroup.com/investors>

In 2023, interim reports will be submitted on 25 April, 20 July and 27 October and the Annual General Meeting will be held on 25 April.

This report has not been subject to a review by the company's auditor.

For more information contact:

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Michael Wood, CFO, +46 730 87 46 47

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# Group

Condensed financial statements

## Income statement

	2022 Q4 3 months	2021 Q4 3 months	2022 Q1-4 12 months	2021 Q1-4 12 months
Net sales	2,271.0	1,819.5	8,269.6	7,087.5
Cost of goods sold	-1,367.2	-1,167.8	-5,147.2	-4,467.0
<b>Gross profit</b>	<b>903.8</b>	<b>651.7</b>	<b>3,122.4</b>	<b>2,620.5</b>
Selling expenses	-462.6	-394.5	-1,619.7	-1,437.8
Administrative expenses	-208.0	-162.9	-747.0	-621.2
Other operating income	21.5	66.8	77.6	144.9
<b>Operating profit</b>	<b>254.7</b>	<b>161.1</b>	<b>833.3</b>	<b>706.4</b>
Financial items	-12.7	-25.4	-42.3	-84.1
<b>Profit before tax</b>	<b>242.0</b>	<b>135.7</b>	<b>791.0</b>	<b>622.3</b>
Tax	-73.1	-27.6	-214.6	-152.7
<b>Net profit for the period</b>	<b>168.9</b>	<b>108.1</b>	<b>576.4</b>	<b>469.6</b>
Net profit for the period attributable to shareholders of the Parent Company	168.9	108.0	576.3	465.5
Net profit for the period attributable to Non-controlling interests	-	0.1	0.1	4.1
<b>Sum</b>	<b>168.9</b>	<b>108.1</b>	<b>576.4</b>	<b>469.6</b>
<b>Earnings per share, based on net profit for the period attributable to the shareholders of the Parent Company</b>				
Earnings per share before dilution, SEK	0.96	0.61	3.27	2.64
Earnings per share after dilution, SEK	0.96	0.61	3.27	2.64
Average number of outstanding shares before dilution, thousands	176,147	176,147	176,147	176,147
Average number of outstanding shares after dilution, thousands	176,147	176,147	176,147	176,147
Number of outstanding shares, thousands	176,147	176,147	176,147	176,147
<b>STATEMENT OF COMPREHENSIVE INCOME</b>				
<b>Net profit for the period</b>	<b>168.9</b>	<b>108.1</b>	<b>576.4</b>	<b>469.6</b>
<b>Other comprehensive income</b>				
<i>Items which may not be reclassified in the income statement:</i>				
Revaluation of pension plans	9.9	5.6	8.3	8.3
<i>Items which may be reclassified in the income statement:</i>				
Translation differences	20.0	49.0	302.5	158.3
<b>Other comprehensive income for the period, net after tax</b>	<b>29.9</b>	<b>54.6</b>	<b>310.8</b>	<b>166.6</b>
<b>Total comprehensive income for the period</b>	<b>198.8</b>	<b>162.7</b>	<b>887.2</b>	<b>636.2</b>
Total comprehensive income attributable to shareholders of the Parent Company	198.7	162.5	887.1	630.9
Total comprehensive income attributable to Non-controlling interests	0.1	0.2	0.1	5.3
<b>Sum</b>	<b>198.8</b>	<b>162.7</b>	<b>887.2</b>	<b>636.2</b>

## Balance sheet

	31 Dec 2022	31 Dec 2021
Intangible assets	6,074.8	5,740.1
Tangible fixed assets	2,421.2	2,376.9
Financial assets	226.5	216.2
Inventories	1,492.5	1,194.1
Accounts receivable - trade	1,603.5	1,196.1
Other non-interest-bearing current assets	222.4	187.8
Cash and cash equivalents	1,291.7	1,741.5
<b>Total assets</b>	<b>13,332.6</b>	<b>12,652.7</b>
Equity	6,882.2	6,218.7
Long-term interest-bearing liabilities	3,964.0	3,774.5
Long-term non-interest-bearing liabilities	548.2	503.6
Short-term interest-bearing liabilities	298.2	569.8
Short-term non-interest-bearing liabilities	1,640.0	1,586.1
<b>Total equity and liabilities</b>	<b>13,332.6</b>	<b>12,652.7</b>

## Cash flow statement

	2022 Q4 3 months	2021 Q4 3 months	2022 Q1-4 12 months	2021 Q1-4 12 months
<b>Operating profit</b>	<b>254.7</b>	<b>161.1</b>	<b>833.3</b>	<b>706.4</b>
Adjustments for non-cash items	123.2	108.8	514.3	435.1
Financial items	-18.3	-9.0	-54.3	-48.2
Tax paid	-37.3	-35.3	-207.0	-217.0
<b>Funds contributed from operating activities before change in working capital</b>	<b>322.3</b>	<b>225.6</b>	<b>1,086.3</b>	<b>876.3</b>
Change in working capital	43.2	116.2	-683.6	-73.8
<b>Cash flow from operating activities</b>	<b>365.5</b>	<b>341.8</b>	<b>402.7</b>	<b>802.5</b>
Cash flow from investing activities	-60.9	58.9	-192.5	-266.8
Cash flow from financing activities	-59.4	-290.3	-743.3	-470.1
<b>Cash flow for the period</b>	<b>245.2</b>	<b>110.4</b>	<b>-533.1</b>	<b>65.6</b>
Cash and cash equivalents at beginning of period	1,062.7	1,618.0	1,741.5	1,624.0
Translation differences in cash and cash equivalents	-16.2	13.1	83.3	51.9
<b>Cash and cash equivalents at end of period</b>	<b>1,291.7</b>	<b>1,741.5</b>	<b>1,291.7</b>	<b>1,741.5</b>

## Key ratios and data per share

	2022 Q4 3 Months	2021 Q4 3 Months	2022 Q1-4 12 months	2021 Q1-4 12 months
Sales growth, %	24.8	7.0	16.7	4.0
Growth in operating profit, %	58.1	58.9	18.0	112.5
Growth in profit before tax, %	78.3	82.6	27.1	187.2
Operating margin, %	11.2	8.9	10.1	10.0
Profit margin, %	10.7	7.5	9.6	8.8
Cash liquidity, %	66.6	80.8	66.6	80.8
Net debt/EBITDA ratio	2.09	2.43	2.36	2.27
Equity/assets ratio, %	51.6	49.1	51.6	49.1
Capital employed, MSEK	11,144	10,563	11,144	10,563
Return on capital employed, %	9.7	6.2	8.1	6.9
Return on equity, %	9.8	7.0	8.8	7.8
Net debt, MSEK	2,971	2,603	2,971	2,603
Gross investment in non-current assets, MSEK	70.2	58.7	179.6	149.5
Net investment in non-current assets, MSEK	70.2	58.7	179.6	149.5
Depreciation/amortisation/impairment of non-current assets, MSEK	101.2	106.3	423.5	440.9
Number of employees	4,066	4,225	4,059	4,237
Equity per share, SEK	39.07	35.30	39.07	35.30
Number of outstanding shares, thousands	176,147	176,147	176,147	176,147

For more information about the Key ratios and the definitions applied, please refer to AB Fagerhult's website under "Investor/Financial data/Financial glossary." The website also includes the definition of any Alternative Performance Measures used whereas this report details the financial aspect to these.

## Changes in equity

	Attributable to shareholders of the Parent Company					Total equity
	Share capital	Other contributed capital	Reserves	Retained earnings	Non-controlling interest	
<b>Equity at 1 January 2021</b>	<b>100.2</b>	<b>3,194.6</b>	<b>-455.3</b>	<b>2,924.9</b>	<b>38.2</b>	<b>5,802.6</b>
Net profit for the period				465.5	4.1	469.6
Other comprehensive income for the period			157.1	8.3	1.2	166.6
Total comprehensive income for the period			157.1	473.8	5.3	636.2
Performance share plan				-2.8		-2.8
Dividend paid				-88.1		-88.1
<b>Equity at 31 December 2021</b>	<b>100.2</b>	<b>3,194.6</b>	<b>-298.2</b>	<b>3,222.3</b>	<b>-0.2</b>	<b>6,218.7</b>
<b>Equity at 1 January 2022</b>	<b>100.2</b>	<b>3,194.6</b>	<b>-298.2</b>	<b>3,222.3</b>	<b>-0.2</b>	<b>6,218.7</b>
Net profit for the period				576.3	0.1	576.4
Other comprehensive income for the period			302.5	8.3	-	310.8
Total comprehensive income for the period			302.5	584.6	0.1	887.2
Performance share plan				5.3		5.3
Dividend paid				-229.0		-229.0
<b>Equity at 31 December 2022</b>	<b>100.2</b>	<b>3,194.6</b>	<b>4.3</b>	<b>3,583.2</b>	<b>-0.1</b>	<b>6,882.2</b>

# Parent company

Condensed financial statements

## Income statement

	2022 Q4 3 Months	2021 Q4 3 Months	2022 Q1-4 12 months	2021 Q1-4 12 months
Net sales	9.4	7.0	38.8	28.7
Administrative expenses	-19.2	-21.3	-83.9	-71.1
<b>Operating profit</b>	<b>-9.8</b>	<b>-14.3</b>	<b>-45.1</b>	<b>-42.4</b>
Income from shares in subsidiaries	5.5	0.4	913.5	86.7
Financial items	38.9	16.3	160.0	68.7
<b>Profit before appropriations and tax</b>	<b>34.6</b>	<b>2.4</b>	<b>1,028.4</b>	<b>113.0</b>
Group contributions received	174.0	279.0	174.0	279.0
Tax	-43.3	-58.4	-61.7	-62.9
<b>Net profit</b>	<b>165.3</b>	<b>223.0</b>	<b>1,140.7</b>	<b>329.1</b>

## Balance sheet

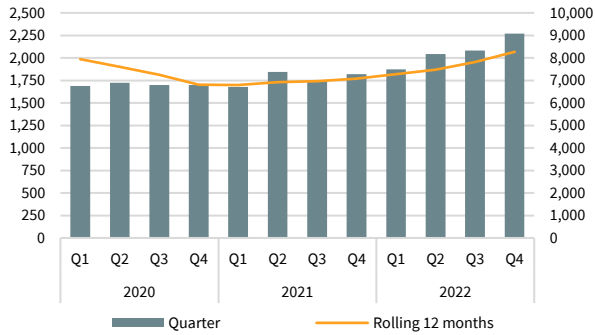
	31 Dec 2022	31 Dec 2021
Financial assets	8,023.2	7,304.1
Other non interest bearing receivables	63.6	25.4
Cash & Bank	777.8	1,050.9
<b>Total assets</b>	<b>8,864.6</b>	<b>8,380.4</b>
Equity	5,066.3	4,152.8
Long-term interest bearing liabilities	3,064.3	2,828.6
Long-term non interest bearing liabilities	9.6	8.3
Short-term interest bearing liabilities	696.5	1,360.6
Short-term non interest bearing liabilities	27.9	30.1
<b>Total Equity and Liabilities</b>	<b>8,864.6</b>	<b>8,380.4</b>

## Changes in equity

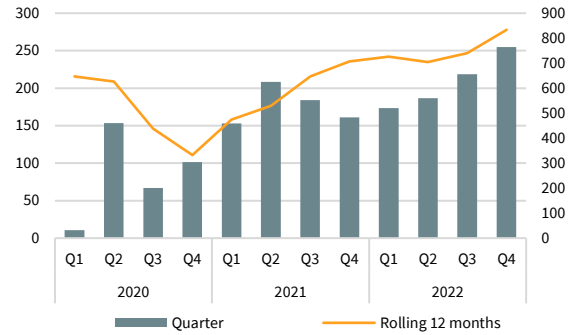
	Share capital	Statutory reserve	Retained earnings	Total equity
<b>Equity at 1 January 2021</b>	<b>100.2</b>	<b>159.4</b>	<b>3,654.1</b>	<b>3,913.7</b>
Net profit for the period			329.1	329.1
Performance share program			-1.9	-1.9
Dividend paid			-88.1	-88.1
<b>Equity at 31 December 2021</b>	<b>100.2</b>	<b>159.4</b>	<b>3,893.2</b>	<b>4,152.8</b>
<b>Equity at 1 January 2022</b>	<b>100.2</b>	<b>159.4</b>	<b>3,893.2</b>	<b>4,152.8</b>
Net profit for the period			1,140.7	1,140.7
Performance share plan			1.8	1.8
Dividend paid			-229.0	-229.0
<b>Equity at 31 December 2022</b>	<b>100.2</b>	<b>159.4</b>	<b>4,806.7</b>	<b>5,066.3</b>



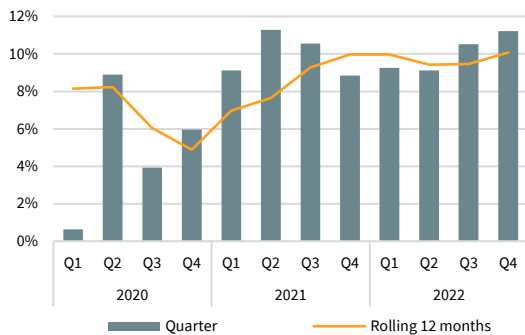
## Net sales, MSEK



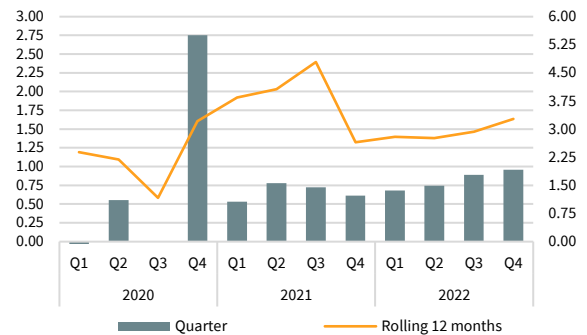
## Operating profit, MSEK



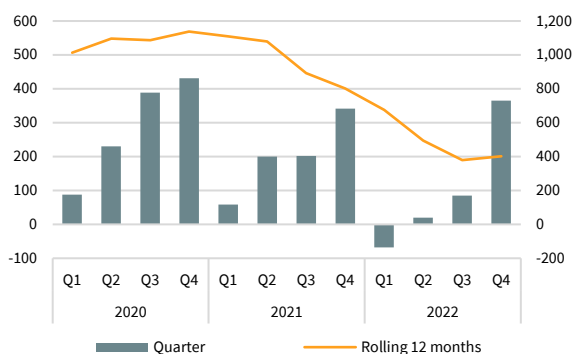
## Operating margin, %



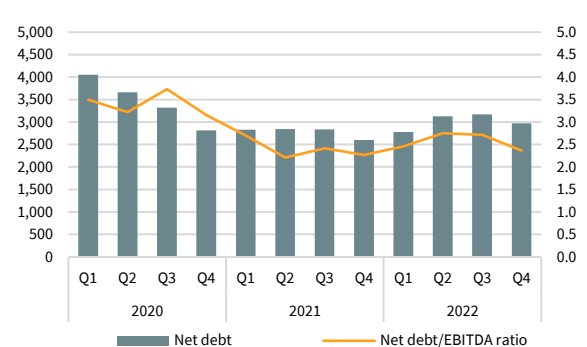
## Earnings per share, SEK



## Operating cashflow, MSEK



## Net debt and Net debt/EBITDA ratio



Key ratios and data per share

	2018	2019	2020	2021	2022 Jan-Dec 12 months
Net sales, MSEK	5,621.0	7,844.9	6,816.3	7,087.5	8,269.6
Operating profit, MSEK *	705.8	794.8	332.5	706.4	833.3
Profit before tax, MSEK *	666.7	695.7	216.7	622.3	791.0
Earnings per share, SEK *	4.39	3.32	3.21	2.64	3.27
Sales growth, % *	8.7	39.6	-13.1	4.0	16.7
Growth in operating profit, % *	4.1	12.6	-58.2	112.5	18.0
Growth in profit before tax, % *	2.2	4.3	-68.9	187.2	27.1
Operating margin, % *	12.6	10.1	4.9	10.0	10.1
Net debt/EBITDA ratio *	2.02	2.93	3.16	2.27	2.36
Equity/assets ratio, % *	32.2	42.0	47.3	49.1	51.6
Capital employed, MSEK *	5,010	10,372	10,238	10,563	11,144
Return on capital employed, % *	14.8	10.8	3.5	6.9	8.1
Return on equity, % *	25.0	13.5	10.1	7.8	8.8
Net debt, MSEK *	2,073	3,737	2,812	2,603	2,971
Net investment in non-current assets, MSEK *	123.3	242.7	183.6	149.5	179.6
Depreciation/amortisation/impairment of non-current assets, MSEK *	320.3	478.8	558.4	440.9	423.5
Number of employees	3,384	4,465	4,419	4,237	4,059

\* Impacted by IFRS 16 from 2019-01-01

Net sales and operating profit, MSEK

