

Year-end report January-December 2021



1,802

Order intake, MSEK

Order intake was MSEK 1,802 (1,537), an increase of +17.2% adjusted to +15.8% for currency effects of MSEK +29 and disposals of MSEK -6

1,820

Net sales, MSEK

Net sales were MSEK 1,820 (1,701), an increase of +7.0% adjusted to +6.9% for currency effects of MSEK +9, acquisitions of MSEK +1 and disposals of MSEK -8

161

Operating profit, MSEK

Operating profit was MSEK 161.1 (101.4), an increase of +59.2% with an operating margin of 8.9 (6.0)%

161

Adjusted operating profit, MSEK

Q4 2021 operating profit was MSEK 161.1 compared to a Q4 2020 adjusted operating profit of MSEK 133.7, an increase of +20.5% with an operating margin of 8.9 (adjusted 7.9)%

108

Net profit, MSEK

Earnings after tax were MSEK 108.1 (485.1)

0.61

Earnings per share, SEK

Earnings per share were SEK 0.61 (2.75)

342

Operating cash flow, MSEK

Cash flow from operating activities was MSEK 341.8 (431.1)

The fourth quarter

The activity level in most of our main markets remains at a good level. During the quarter, the recovery from the pandemic continued to make progress with all key metrics being ahead of last year.

Customer demand remains healthy and during the quarter the Group delivered a strong order intake and end the year with an all-time high order backlog.

Order intake for the quarter of 1,802 (1,537) MSEK results in an organic growth of +15.8% and the order backlog is 1,890 (1,272, adjusted for disposals) MSEK, an increase of +49% from the position a year ago.

Net sales at 1,820 (1,701) MSEK for the quarter delivers +6.9% organic growth despite being impacted by 107 MSEK in delayed deliveries from the continuing supply chain challenges.

The operating profit for the quarter of 161.1 (133.7 adjusted) MSEK delivers an operating margin of 8.9 (7.9 adjusted)%. The Q4 2020 results were adjusted due to the divestment of our South Africa investment, refer to note 2 on page 18.

In the quarter there was 2.0 (18.8) MSEK of government subsidy income.

Operating cash flow was 341.8 (431.1) MSEK. Working capital reduced 116.2 (reduction 271.7) MSEK, tax paid plus financial items increased to 44.3 (39.2) MSEK. Financial items were 25.4 (27.1) MSEK.

For an explanation of the impact of the 2020 Italian tax legislation on the 2020 tax charge and earnings per share refer to page 3.

CEO comments

- The results that we delivered as a Group for 2021 were strong and ahead of our anticipated recovery.
- The supply chain disturbances are challenging to us and our customers and we continue to work diligently to maintain a good level of service during this period.
- The organic order intake growth of +13.0% was contributed to by all four business areas and the organically adjusted number for 2021 was 98.9% of the comparable 2019 level.
- At 10.0%, the double-digit operating margin remains strong, with further room for improvement and is also strong compared to what we see in the industry.
- Our sustainability strategy gathers pace, we have identified our target areas and continue the work on defining the baseline and goals.
- The 2019 launched sensor node 3 from Organic Response now has an installed base of almost 200,000 units and we expect further significant growth as strong customer demand continues.



”We delivered strong results for 2021 and we look forward to 2022.”

Bodil Sonesson, CEO and President

7,674

Order intake, MSEK

Order intake was MSEK 7,674 (7,002), an overall growth of +9.6% adjusted to +13.0% for currency effects of MSEK -196, acquisitions of MSEK +3 and disposals of MSEK -42

7,088

Net sales, MSEK

Net sales were MSEK 7,088 (6,816), an overall growth of +4.0% adjusted to +7.4% for currency effects of MSEK -176, acquisitions of MSEK +5 and disposals of MSEK -57

706

Operating profit, MSEK

Operating profit was MSEK 706.4 (332.5) an increase of +112.5% with an operating margin of 10.0 (4.9)%

706

Adjusted operating profit, MSEK

Full year 2021 operating profit was MSEK 706.4 compared to 2020 adjusted operating profit of MSEK 442.1, an increase of +59.8% with an operating margin of 10.0 (adjusted 6.5)%

470

Net profit, MSEK

Earnings after tax was MSEK 469.6 (572.4)

2.64

Earnings per share, SEK

Earnings per share was SEK 2.64 (3.21)

803

Operating cash flow, MSEK

Cash flow from operating activities was MSEK 802.5 (1,137.9)

January-December

In 2021, a year which we regard as the first year of recovery from the pandemic, the Group performed well and delivered a strong set of results. Activity and customer demand in most markets continues to improve.

The supply chain challenges remain and will last for some time into 2022, we anticipate some improvement from the second quarter and onwards.

The Group's full year order intake of 7,674 (7,002) MSEK, shows a +9.6% increase, further increasing to +13.0% on a comparable basis.

The Group's full year net sales of 7,088 (6,816) MSEK show a +4.0% increase, further increasing to +7.4% on a comparable basis.

As we enter 2022, the Group has good momentum and a strong order backlog (+49% year on year) and we anticipate further growth in sales and profitability.

The operating profit for the full year of 706.4 (442.1 adjusted) MSEK delivers an operating margin of 10.0 (6.5 adjusted)%. The Q3 and Q4 2020 results were adjusted due to the divestment of our South Africa investment, refer to note 2 on page 18.

In the year there was 18.7 (87.5) MSEK of government subsidy income and selling and administration expenses were 91.9 MSEK lower than 2020 and 270.0 MSEK lower than 2019.

Operating cash flow in the year was 802.5 (1,137.9) MSEK and delivered a cash conversion ratio of more than 100%. Compared to 2020 the 335.4 MSEK reduction in operating cash flow was due to a 187.9 MSEK increase in inventory to help overcome the supply chain challenges and 110.4 MSEK higher taxes paid.

Financial items of 84.1 (115.8) MSEK include 26.5 (24.9) MSEK for IFRS16 and a 15.3 MSEK reduction in interest costs with the remainder being currency differences.

The 152.7 (income 355.7) tax expense in the year results in a 24.5% tax rate.

The 355.7 MSEK tax income during 2020 was due to a tax credit of 436.3 MSEK arising from the new Italian tax legislation. The underlying tax charge was 80.6 MSEK, an effective tax rate of 37.2%. Refer to the Q4 2020 report for details.

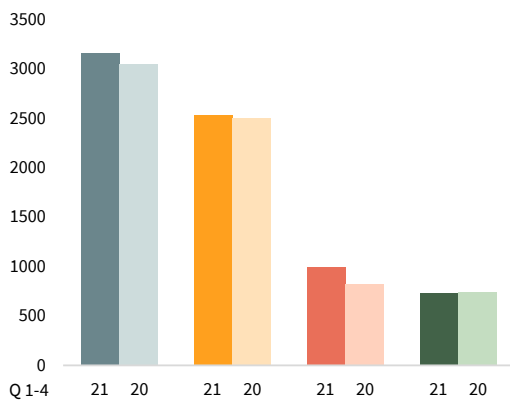
The earnings per share (EPS) was 2.64 (3.21) SEK with the 2020 EPS benefitting by 2.48 SEK for the above 436.3 MSEK tax credit.

Business areas

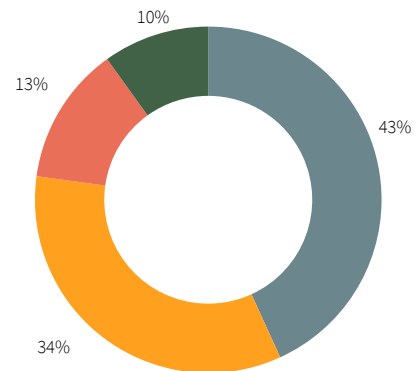
Net sales and operating profit by business area

	Net sales				Operating profit				Operating margin %			
	Q4		Q1-4		Q4		Q1-4		Q4		Q1-4	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Collection	825.0	753.2	3,162.4	3,040.2	46.6	-9.1	241.5	98.2	5.6	-	7.6	3.2
Premium	634.9	642.7	2,530.9	2,495.6	94.9	75.7	352.4	240.1	14.9	11.8	13.9	9.6
Professional	235.9	196.6	996.9	824.3	14.4	6.2	83.8	30.1	6.1	3.2	8.4	3.7
Infrastructure	198.3	185.6	731.4	740.3	25.5	65.1	88.4	139.4	12.9	35.1	12.1	18.8
Lighting Innovations	-	-0.2	-	29.0	-	-34.7	-	-129.2	-	-	-	-
Eliminations	-74.6	-77.3	-334.1	-313.1	-	-	-	-	-	-	-	-
Results by business area	1,819.5	1,700.6	7,087.5	6,816.3	181.4	103.2	766.1	378.6	10.0	6.1	10.8	5.6
IFRS 16	-	-	-	-	2.3	5.8	8.9	12.7	-	-	-	-
Unallocated cost	-	-	-	-	-22.6	-7.6	-68.6	-58.8	-	-	-	-
Operating profit	-	-	-	-	161.1	101.4	706.4	332.5	8.9	6.0	10.0	4.9
Financial items	-	-	-	-	-25.4	-27.1	-84.1	-115.8	-	-	-	-
Profit before tax	-	-	-	-	135.7	74.3	622.3	216.7	-	-	-	-

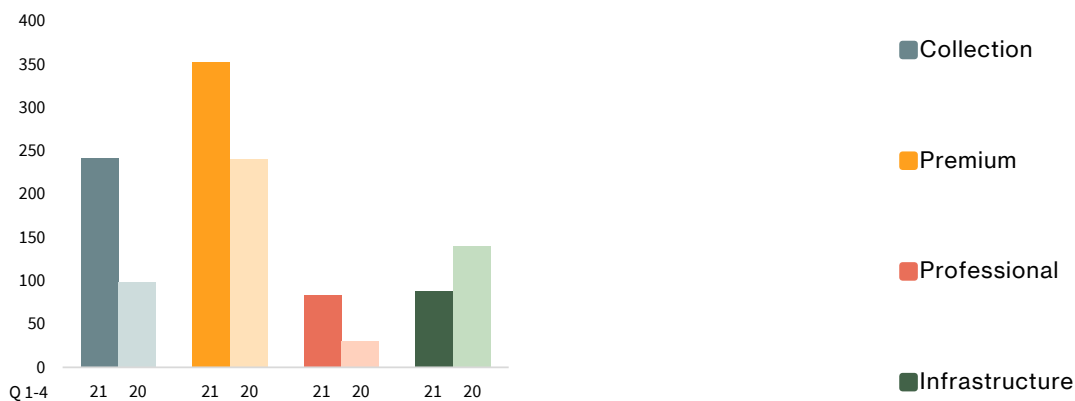
Net sales per business area, MSEK



Sales share per business area, %



Operating profit per business area, MSEK



Collection

Collection is home to our brands with a global market footprint. All have an international product portfolio and are well-renowned in the lighting designer and architect communities globally. 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. The business area also includes all sales companies for iGuzzini, LED Linear and WE-EF as well as the newly acquired outdoor lighting connectivity business Seneco based in Denmark.

Business area order intake for the fourth quarter of 777 (611) MSEK shows an organic growth of +25.0% with all businesses contributing to the strong growth.

Net sales for the fourth quarter were 825 (753) MSEK, an organic increase of 9.3%. The supply chain challenges negatively affected net sales by 49 MSEK.

Compared to 2020, operating profits for the fourth quarter increased 55.7 MSEK to 46.6 MSEK with an operating margin of 5.6 (negative 1.2)%.

For the full year the business area operating profits have increased 146% from 98 MSEK to 242 MSEK with a more than doubling of the margin from 3.2% to 7.6%.

Collection	Q4, 2021	Q4, 2020	Q1-4, 2021	Q1-4, 2020
Net sales	825.0	753.2	3,162.4	3,040.2
<i>(of which, intercompany sales)</i>	<i>(32.4)</i>	<i>(20.8)</i>	<i>(101.7)</i>	<i>(85.5)</i>
Operating profit	46.6	-9.1	241.5	98.2
Operating margin, %	5.6	-	7.6	3.2
Sales growth, %	9.5	-26.6	4.0	-9.9
Sales growth, adjusted for exchange rate differences, %	9.3	-22.8	7.3	-8.6
Growth in operating profit, %	-	-111.3	145.9	-65.7

825

Net sales, MSEK

47

Operating profit, MSEK

5.6

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. The business area also includes all Fagerhult sales companies and the Organic Response Technologies business in Australia and Sweden.

The Group's connectivity strategy continues to develop well. During the year the number of installed points of the Organic Response sensor node SN3 increased a further 29%. Customer demand grows and the forward looking opportunity looks increasingly attractive.

Business area order intake for the fourth quarter of 666 (568) MSEK shows an organic growth of +16.2% with both brands developing well.

Net sales for the fourth quarter were 635 (643) MSEK, an organic decline of -1.9% which was mainly due to 34 MSEK negative impact due to the supply chain challenges.

In the quarter operating profits increased to 94.9 (75.7) MSEK, +25.4%, delivering an operating margin of 14.9 (11.8)%.

For the full year operating profits have increased 47% from 240 MSEK to 352 MSEK and as a result the operating margin increases to 13.9 (9.6)%.

635

Net sales, MSEK

95

Operating profit, MSEK

14.9

Operating margin, %

FAGERHULT



Premium	Q4, 2021	Q4, 2020	Q1-4, 2021	Q1-4, 2020
Net sales	634.9	642.7	2,530.9	2,495.6
(of which, intercompany sales)	(16.3)	(30.3)	(122.0)	(127.0)
Operating profit	94.9	75.7	352.4	240.1
Operating margin, %	14.9	11.8	13.9	9.6
Sales growth, %	-1.2	-14.4	1.4	-17.4
Sales growth, adjusted for exchange rate differences, %	-1.9	-10.9	3.0	-16.0
Growth in operating profit, %	25.4	-22.2	46.8	-34.3

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. The business area includes sales companies for the brands.

Business area order intake for the fourth quarter of 218 (168) MSEK, shows an organic growth of +25.6% and the full year organic order intake growth is 17.7%.

Net sales for the fourth quarter were 236 (197) MSEK, an organic increase of 20.1% with growth in all three businesses. The impact due to the supply chain challenges was 12 MSEK.

In the quarter operating profits increased 132.3% to 14.4 (6.2) MSEK and the operating margin was 6.1 (3.2)%.

For the full year operating profits have increased 178% from 30 MSEK to 84 MSEK and as a result the operating margin more than doubles to 8.4 (3.7)% with future opportunities for growth in sales and profitability.

Professional	Q4, 2021	Q4, 2020	Q1-4, 2021	Q1-4, 2020
Net sales	235.9	196.6	996.9	824.3
(of which, intercompany sales)	(19.4)	(15.0)	(82.0)	(70.8)
Operating profit	14.4	6.2	83.8	30.1
Operating margin, %	6.1	3.2	8.4	3.7
Sales growth, %	20.0	-22.3	20.9	-19.9
Sales growth, adjusted for exchange rate differences, %	20.1	-13.2	24.7	-15.9
Growth in operating profit, %	132.3	-74.3	178.4	-69.0

236

Net sales, MSEK

14

Operating profit, MSEK

6.1

Operating margin, %

ARLIGHT 

 EAGLE
LIGHTING

 Whitecroft
lighting

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 fourth quarter of 141 (184) MSEK shows an organic decline of -25.0%. The full year order intake grew +4.9% on top of the +9.7% growth during 2020.

Due to its market opportunities in e-retail, logistics and horticulture in particular, Infrastructure was the only business area to deliver order intake growth in both 2020 and 2021.

Net sales for the fourth quarter were 198 (186) MSEK, an organic growth of +7.4% and the impact due to the supply chain challenges was 12 MSEK.

Operating profits declined to 25.5 (65.1) MSEK and the operating margin is 12.9 (35.1)%. The 2020 comparable quarter includes the 41.2 MSEK reversal of earn-out relating to Veko.

Infrastructure	Q4, 2021	Q4, 2020	Q1-4, 2021	Q1-4, 2020
Net sales	198.3	185.6	731.4	740.3
<i>(of which, intercompany sales)</i>	<i>(6.6)</i>	<i>(11.2)</i>	<i>(28.5)</i>	<i>(29.8)</i>
Operating profit	25.5	65.1	88.4	139.4
Operating margin, %	12.9	35.1	12.1	18.8
Sales growth, %	6.8	7.0	-1.2	5.8
Sales growth, adjusted for exchange rate differences, %	7.4	11.8	1.4	7.1
Growth in operating profit, %	-60.8	255.7	-36.6	38.4

198

Net sales, MSEK

26

Operating profit, MSEK

12.9

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 49.1 (47.3)%. Cash and bank balances at the end of the period were 1,742 (1,624) MSEK and consolidated equity was 6,219 (5,803) MSEK.

The 335 MSEK reduction in operating cash flow for the year results mainly from a working capital increase of 74 (reduction 491) MSEK and additional taxes paid of 110 MSEK less the increase of 374 MSEK in operating profit.

The net debt at the end of the period is 2,603 (2,812) MSEK and includes 752 (785) MSEK relating to IFRS16 accounting. Acquisition based, none operating cash flow payments made in the year total, 254 MSEK and this sum includes; the final earn-out payment relating to the Veko acquisition, the acquisition of Seneco and Sistemalux. Also 88 MSEK was paid as dividends.

Pledged assets and contingent liabilities amounted to MSEK 16.1 (17.7) and MSEK 8.8 (6.5) respectively.

Investments

The Group's net investments in non-current assets was 150 (184) MSEK. The figure does not include investments in subsidiaries, which were 254 (113) MSEK and this sum includes the acquisition of the non-controlling interest.

Employees

The average number of employees during the period was 4,237 (4,419).

Parent company

AB Fagerhult's operations comprise Group Management, financing and business development activities. The profit after financial items was 113.0 (80.9) MSEK. The number of employees during the period was 14 (8).

Dividend

The Board intends to propose that the Annual General Meeting approve a dividend of SEK 1.30 per share. 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 1-18 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 2020.

Income from government support as a result of Covid is included in Other operating income in the income statement.

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.

For more information about the company's risks, refer to the 2020 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 the ongoing Covid pandemic and supply chain disruption, 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 that they represent; Jan Svensson as Chairman of the Board of AB Fagerhult, Johan Hjertonsson representing Investment AB Latour, Jannis Kitsakis representing Fjärde AP-Fonden, Johan Ståhl representing Lannebo Funds and Jan Särllvik representing Nordea Funds.

Questions regarding the nomination committee shall be addressed to the Group's CFO Michael Wood, michael.wood@fagerhultgroup.com.

Repurchase of shares

The Annual General Meeting held on 29 April 2021 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.

Outlook for 2022

Organic growth developed well during 2021. However the Covid pandemic remains but life slowly returns to a more normal situation but the global supply chain disturbances continue to present challenges.

For many of the Group's main markets we see good activity levels and a recovery ahead of expectations and we have a stable and controlled cost base.

Identified strategic growth opportunities come from identified company and business area strategies as well as those presenting themselves from the market; the relatively low level of the LED installed base, connectivity solutions and the demand for more sustainable lighting solutions.

The Group is well positioned for these opportunities and targets to increase its market share.

Habo, February 24th 2022
AB Fagerhult (publ.) 556110-6203

Bodil Sonesson
President and CEO

An investor webcast following the Quarter 4 Report 2021 will be held on 24 February 2022 at 15:30 CET.

A link to the webcast and a management presentation will be available on <https://www.fagerhultgroup.com/investors>.

In 2022, interim reports will be submitted on 26 April, 23 August and 28 October.

The Annual General Meeting will be held on 26 April.

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

For more information contact:

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Group

Condensed financial statements

Income statement

	2021 Q4 3 months	2020 Q4 3 months	2021 Q1-4 12 months	2020 Q1-4 12 months
Net sales	1,819.5	1,700.6	7,087.5	6,816.3
Cost of goods sold	-1,167.8	-1,124.4	-4,467.0	-4,417.1
Gross profit	651.7	576.2	2,620.5	2,399.2
Selling expenses	-394.5	-376.3	-1,437.8	-1,536.2
Administrative expenses	-162.9	-141.0	-621.2	-614.7
Other operating income	66.8	73.4	144.9	178.2
Other operating expenses	-	-30.9	-	-94.0
Operating profit	161.1	101.4	706.4	332.5
Financial items	-25.4	-27.1	-84.1	-115.8
Profit before tax	135.7	74.3	622.3	216.7
Tax	-27.6	410.8	-152.7	355.7
Net profit for the period	108.1	485.1	469.6	572.4
Net profit for the period attributable to shareholders of the Parent Company	108.0	484.9	465.5	565.7
Net profit for the period attributable to Non-controlling interests	0.1	0.2	4.1	6.7
Sum	108.1	485.1	469.6	572.4
Earnings per share, based on net profit for the period attributable to the shareholders of the Parent Company				
Earnings per share before dilution, SEK	0.61	2.75	2.64	3.21
Earnings per share after dilution, SEK	0.61	2.75	2.64	3.21
Average number of outstanding shares before dilution, thousands	176,147	176,147	176,147	176,142
Average number of outstanding shares after dilution, thousands	176,147	176,147	176,147	176,142
Number of outstanding shares, thousands	176,147	176,147	176,147	176,142
STATEMENT OF COMPREHENSIVE INCOME				
Net profit for the period	108.1	485.1	469.6	572.4
Other comprehensive income				
<i>Items which may not be reclassified in the income statement:</i>				
Revaluation of pension plans	5.6	3.6	8.3	3.6
<i>Items which may be reclassified in the income statement:</i>				
Translation differences	49.0	-170.6	158.3	-270.5
Other comprehensive income for the period, net after tax	54.6	-167.0	166.6	-266.9
Total comprehensive income for the period	162.7	318.1	636.2	305.5
Total comprehensive income attributable to shareholders of the Parent Company	162.5	319.0	630.9	299.9
Total comprehensive income attributable to Non-controlling interests	0.2	-0.9	5.3	5.6
Sum	162.7	318.1	636.2	305.5

Balance sheet

	31 Dec 2021	31 Dec 2020
Intangible assets	5,740.1	5,657.8
Tangible fixed assets	2,376.9	2,469.6
Financial assets	216.2	219.4
Inventories	1,194.1	997.7
Accounts receivable - trade	1,196.1	1,122.2
Other non-interest-bearing current assets	187.8	171.2
Cash and cash equivalents	1,741.5	1,624.0
Total assets	12,652.7	12,261.9
Equity	6,218.7	5,802.6
Long-term interest-bearing liabilities	3,774.5	4,254.5
Long-term non-interest-bearing liabilities	503.6	547.5
Short-term interest-bearing liabilities	569.8	181.0
Short-term non-interest-bearing liabilities	1,586.1	1,476.3
Total equity and liabilities	12,652.7	12,261.9

Cash flow statement

	2021 Q4 3 months	2020 Q4 3 months	2021 Q1-4 12 months	2020 Q1-4 12 months
Operating profit	161.1	101.4	706.4	332.5
Adjustments for non-cash items	108.8	97.2	435.1	488.5
Financial items	-9.0	-16.1	-48.2	-67.4
Tax paid	-35.3	-23.1	-217.0	-106.6
Funds contributed from operating activities before change in working capital	225.6	159.4	876.3	647.0
Change in working capital	116.2	271.7	-73.8	490.9
Cash flow from operating activities	341.8	431.1	802.5	1,137.9
Cash flow from investing activities	58.9	-75.1	-266.8	-292.8
Cash flow from financing activities	-290.3	-173.5	-470.1	-268.9
Cash flow for the period	110.4	182.5	65.6	576.2
Cash and cash equivalents at beginning of period	1,618.0	1,491.3	1,624.0	1,133.5
Translation differences in cash and cash equivalents	13.1	-49.8	51.9	-85.7
Cash and cash equivalents at end of period	1,741.5	1,624.0	1,741.5	1,624.0

Key ratios and data per share

	2021 Q4 3 Months	2020 Q4 3 Months	2021 Q1-4 12 months	2020 Q1-4 12 months
Sales growth, %	7.0	-20.1	4.0	-13.1
Growth in operating profit, %	58.9	-51.0	112.5	-58.2
Growth in profit before tax, %	82.6	-57.7	187.2	-68.9
Operating margin, %	8.9	6.0	10.0	4.9
Profit margin, %	7.5	4.4	8.8	3.2
Cash liquidity, %	80.8	98.0	80.8	98.0
Net debt/EBITDA ratio	2.4	3.1	2.3	3.2
Equity/assets ratio, %	49.1	47.3	49.1	47.3
Capital employed, MSEK	10,563	10,238	10,563	10,238
Return on capital employed, %	6.2	4.2	6.9	3.5
Return on equity, %	7.0	33.4	7.8	10.1
Net debt, MSEK	2,603	2,812	2,603	2,812
Gross investment in non-current assets, MSEK	58.7	52.0	149.5	183.6
Net investment in non-current assets, MSEK	58.7	52.0	149.5	183.6
Depreciation/amortisation/impairment of non-current assets, MSEK	106.3	122.6	440.9	558.4
Number of employees	4,225	4,456	4,237	4,419
Equity per share, SEK	35.30	32.94	35.30	32.94
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	
Equity at 1 January 2020	100.2	3,194.6	-185.9	2,352.4	39.9	5,501.2
Net profit for the period				565.7	6.7	572.4
Other comprehensive income for the period			-269.4	3.6	-1.1	-266.9
Total comprehensive income for the period			-269.4	569.3	5.6	305.5
Performance share plan				2.2		2.2
Change in non-controlling interest				1.0	-7.3	-6.3
Equity at 31 December 2020	100.2	3,194.6	-455.3	2,924.9	38.2	5,802.6
Equity at 1 January 2021	100.2	3,194.6	-455.3	2,924.9	38.2	5,802.6
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
Change in non-controlling interest				-85.5	-43.7	-129.2
Dividend paid, SEK 0.50 per share				-88.1		-88.1
Equity at 31 December 2021	100.2	3,194.6	-298.2	3,222.3	-0.2	6,218.7

Parent company

Condensed financial statements

Income statement

	2021 Q4 3 Months	2020 Q4 3 Months	2021 Q1-4 12 months	2020 Q1-4 12 months
Net sales	7.0	0.3	28.7	11.7
Administrative expenses	-21.3	-9.8	-71.1	-59.5
Operating profit	-14.3	-9.5	-42.4	-47.8
Income from shares in subsidiaries	0.4	-107.3	86.7	117.3
Financial items	16.3	90.9	68.7	11.4
Profit before appropriations and tax	2.4	-25.9	113.0	80.9
Group contributions received	279.0	-	279.0	-
Tax	-58.4	7.6	-62.9	7.6
Net profit	223.0	-18.3	329.1	88.5

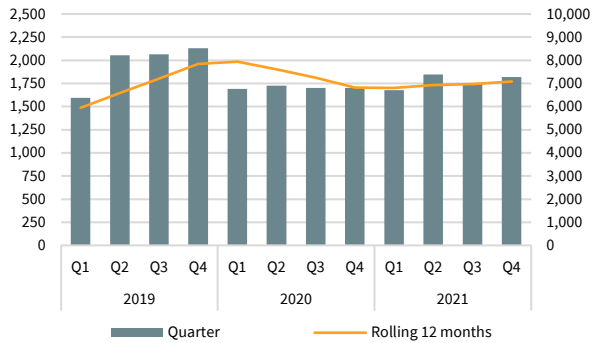
Balance sheet

	31 Dec 2021	31 Dec 2020
Financial assets	7,304.1	7,087.1
Other non interest bearing receivables	25.4	52.8
Cash & Bank	1,050.9	952.1
Total assets	8,380.4	8,092.0
Equity	4,152.8	3,913.7
Long-term interest bearing liabilities	2,828.6	3,210.3
Long-term non interest bearing liabilities	8.3	4.8
Short-term interest bearing liabilities	1,360.6	928.1
Short-term non interest bearing liabilities	30.1	35.1
Total Equity and Liabilities	8,380.4	8,092.0

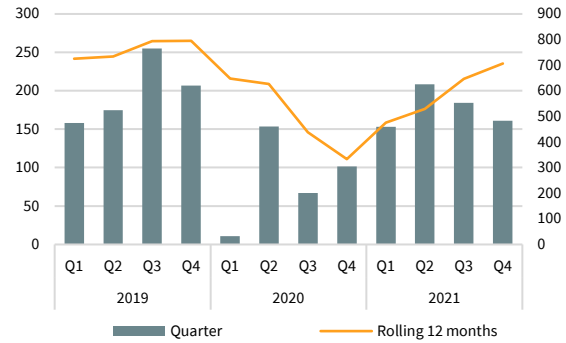
Changes in equity

	Share capital	Statutory reserve	Retained earnings	Total equity
Equity at 1 January 2020	100.2	159.4	3,564.5	3,824.1
Net profit for the period			88.5	88.5
Performance share program			1.1	1.1
Equity at 31 December 2020	100.2	159.4	3,654.1	3,913.7
Equity at 1 January 2021	100.2	159.4	3,654.1	3,913.7
Net profit for the period			329.1	329.1
Performance share plan			-1.9	-1.9
Dividend paid, SEK 0.50 per share			-88.1	-88.1
Equity at 31 December 2021	100.2	159.4	3,893.2	4,152.8

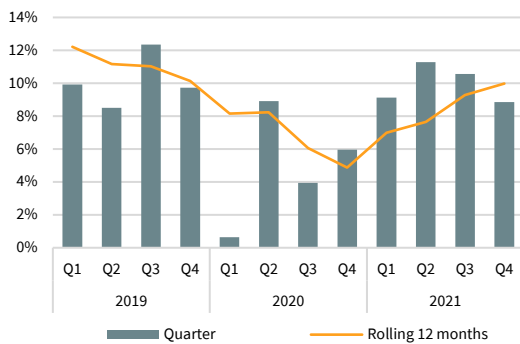
Net sales, MSEK



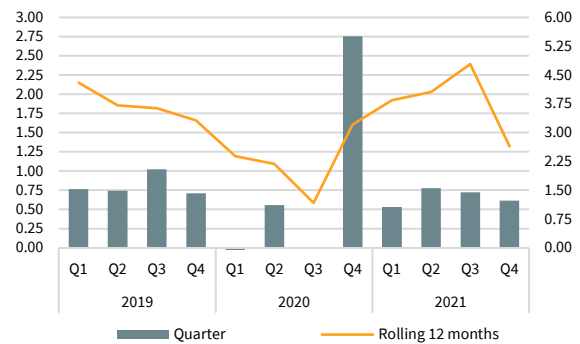
Operating profit, MSEK



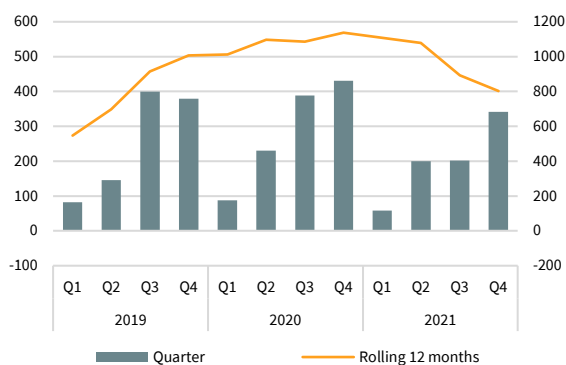
Operating margin, %



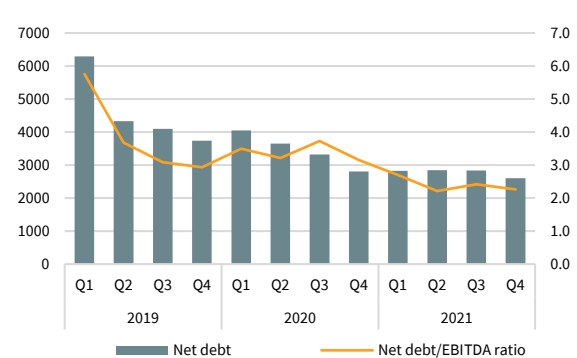
Earnings per share, SEK



Operating cashflow, MSEK



Net debt and Net debt EBITDA ratio

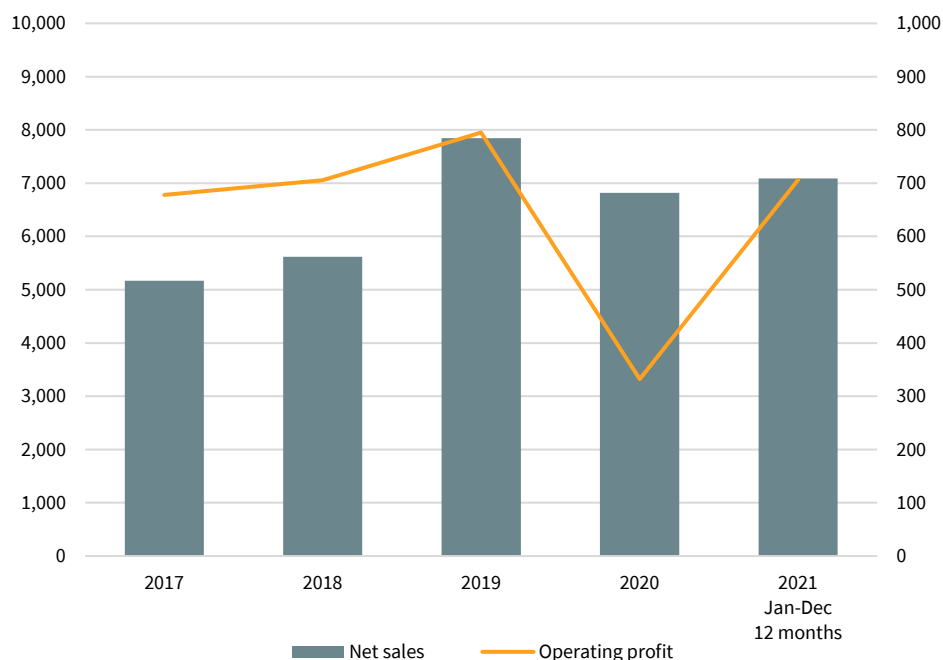


Key ratios and data per share

	2017	2018	2019	2020	2021 Jan-Dec 12 months
Net sales, MSEK	5,170.3	5,621.0	7,844.9	6,816.3	7,087.5
Operating profit, MSEK *	677.9	705.8	794.8	332.5	706.4
Profit before tax, MSEK *	652.5	666.7	695.7	216.7	622.3
Earnings per share, SEK *	4.32	4.39	3.32	3.21	2.64
Sales growth, % *	15.1	8.7	39.6	-13.1	4.0
Growth in operating profit, % *	29.3	4.1	12.6	-58.2	112.5
Growth in profit before tax, % *	26.8	2.2	4.3	-68.9	187.2
Operating margin, % *	13.1	12.6	10.1	4.9	10.0
Net debt/EBITDA ratio *	2.2	2.0	2.9	3.2	2.3
Equity/assets ratio, % *	31.0	32.2	42.0	47.3	49.1
Capital employed, MSEK *	4,670	5,010	10,372	10,238	10,563
Return on capital employed, % *	16.8	14.8	10.8	3.5	6.9
Return on equity, % *	28.1	25.0	13.5	10.1	7.8
Net debt, MSEK *	1,830	2,073	3,737	2,812	2,603
Net investment in non-current assets, MSEK *	177.1	123.3	242.7	183.6	149.5
Depreciation/amortisation/impairment of non-current assets, MSEK *	158.2	320.3	478.8	558.4	440.9
Number of employees	3,241	3,384	4,465	4,419	4,237

* Impacted by IFRS 16 from 2019-01-01

Net sales and operating profit, MSEK



Notes

Note 1 - IFRS 16 Leases

The effects in the Group's financial report when applying IFRS 16 Leases are set out below.

IFRS 16 Balance sheet impact

	31 Dec 2021	31 Dec 2020
Tangible fixed assets	732.7	776.4
Financial assets	8.4	5.5
Other non-interest-bearing current assets	-15.3	-15.7
Equity	-26.0	-18.3
Long-term interest-bearing liabilities	612.8	651.1
Short-term interest-bearing liabilities	139.0	133.4

IFRS 16 Income statement impact

	2021 Q4 3 Months	2020 Q4 3 Months	2021 Q1-4 12 months	2020 Q1-4 12 months
Reversal of leasing costs under IAS 17	36.7	41.2	154.8	171.2
Depreciation	-34.4	-38.8	-145.9	-161.9
Operating profit	2.3	5.8	8.9	12.7
Profit before tax	-11.6	4.0	-17.6	-12.2
Net profit for the period	-8.4	3.0	-13.0	-9.4

Note 2 – Reconciliation of Adjusted Operating Profit

	2021 Q4 3 Months	2020 Q4 3 Months	2021 Q1-4 12 months	2020 Q1-4 12 months
Operating profit	161.1	101.4	706.4	332.5
Intangible assets impairment	-	-	-	63.1
Redundancy, other cost and write downs	-	1.0	-	15.2
Loss on disposal of subsidiary	-	31.3	-	31.3
Adjusted operating profit	161.1	133.7	706.4	442.1