

Year-end report January – December 2025



1,844

Order intake, MSEK

Order intake was MSEK 1,844 (2,008), a decrease of -8.2% adjusted to -9.8% for currency effects and acquisitions of MSEK 33.

2,077

Net sales, MSEK

Net sales were MSEK 2,077 (2,040), an increase of +1.8% adjusted to -1.6% for currency effects and acquisitions of MSEK 70.

215

Operating profit before amortisation of intangible assets (EBITA) and IAC, MSEK

EBITA before IAC was MSEK 215 (159), an increase of +35.2% with an EBITA margin before IAC of 10.4% (7.8).

196

Operating profit before IAC, MSEK

Operating profit before IAC was MSEK 196 (143), an increase of +37.1% with an operating margin before IAC of 9.4% (7.0).

Operating profit was MSEK 183 (137), an increase of +33.6% with an operating margin of 8.8% (6.7).

0.70

Earnings per share before IAC, SEK

Earnings per share before IAC were SEK 0.70 (0.32).
Earnings per share were SEK 0.64 (0.30).

345

Operating cash flow, MSEK

Operating cash flow was MSEK 344.7 (356.4).

The fourth quarter

Order intake for the fourth quarter amounted to MSEK 1,844 (2,008), corresponding to an organic decrease year-on-year of -9.8% (-8.2% unadjusted). The decline was largely attributable to business area Collection, whereas business area Infrastructure reported organic growth in order intake year-on-year. Additionally, Trato TLV and Capelon continue to contribute positively to the Group's order intake.

Despite a lower order intake, the total order backlog strengthened to MSEK 1,617 (1,533).

The fourth quarter was the best quarter of the financial year in terms of net sales, which increased 1.8% to MSEK 2,077 (2,040), corresponding to an organic decrease of -1.6% after adjustment for currency effects and acquisitions. The gross margin before IAC was 38.9% (38.9), which is on a par with last year. Selling and administrative expenses decreased -5.0% to MSEK 643 (677).

As announced in the previous quarter, Fagerhult Group will highlight EBITA as the primary performance measure going forward. The aim is to more clearly present the Group's operational performance and profitability, adjusted for amortisation of intangible assets. EBITA before IAC amounted to MSEK 215 (159) for the quarter. The EBITA margin before IAC of 10.4% (7.8) represents a clear improvement and was attributable to higher net sales and lower administrative expenses. A significant share of the margin improvement was attributable to business areas Collection and Premium.

Overall, the Group reported an operating profit before IAC of MSEK 196 (143), and increase of 37.1% year-on-year. The operating margin before IAC was 9.4% (7.0).

During the quarter, items affecting comparability amounted to MSEK -13.1 (see table on page 17) and relates to the Group Management's decision to phase out the operations of Seneco-CityGrid over time. Going forward, the strategic focus is on Capelon's technology platform.

Operating cash flow for the quarter showed continued stability and amounted to MSEK 345 (356). The year-on-year improvement in operating profit positively impacted cash flow development, while a negative offsetting impact arose from the development of working capital.

Net financial items of MSEK -18 (-33) improved MSEK 15 for the quarter, mainly due to exchange-rate effects.

The effective tax rate for the full year of 31.7% (33.5) is explained in more detail on page 3.

The Board of Directors will propose a dividend of SEK 1.10 (1.40) per share for 2025.

CEO comments

During the quarter, the Group reported net sales of MSEK 2,077 (2,040), making it the financial year's strongest quarter. In parallel, an improved EBITA margin was reported, which was once again above 10 per cent at 10.4 per cent (7.8). The improvement was mainly attributable to our largest business area, Collection, delivering a strong operating profit both for the fourth quarter and the full-year. This development in profitability confirms that our efficiency initiatives are now generating tangible results. Despite a lower order intake for the Group at MSEK 1,844 (2,008), the total order backlog strengthened year-on-year to MSEK 1,617 (1,533). We are not yet satisfied with the result, but it does mark a step in the right direction given the challenging market conditions. Both acquisitions performed well and developed in line with expectations.

The period has been dominated by structural improvements and internal efficiency enhancements aimed at strengthening the Group going forward. While parts of the organisation are in the process of transforming toward increased stability, other parts have successfully navigated market volatility by focusing on the renovation segment and continued award-winning innovation. Our strategic initiatives, such as expansion in the data center segment and strong sales commitment, are now generating increased business momentum, even if in some areas profitability has yet to reach the desired level. We have applied a circularity focus and accelerated our work with sustainability and smart technology, as well as retained focus on cross-selling, which generates new business opportunities for the various brands.

Smart lighting

Led by Capelon, our Smart Outdoor operations performed well. Five new Swedish municipalities placed their first orders in the quarter, and we also reached an important milestone in Norway in the form of our first contract with Modum municipality outside of Oslo. What is particularly gratifying about this success is that it confirms our capacity to leverage Capelon's technology and expertise to expand internationally in close collaboration with our local companies, in this case Fagerhult Norway. With more than fifty thousand nodes installed, Capelon now controls around one million light points.

People and culture

We continue to strengthen the Group's foundations in combination with adapting our business. The high level of engagement in our internal work is gratifying to note. For example, implementation of our Code of Conduct set a new record with over 2,350 participants, which is up significantly compared with last year.

Furthermore, our focus on skills development has shown clear results, with more than 300 employees completing training in various leadership topics during the year.

Sustainability

We placed a strong focus in the quarter on circularity at all levels as part of our efforts to reduce the Group's emissions. The product launch of Ribeira from iGuzzini is one concrete example of our journey toward net zero. Ribeira is a sustainable lighting solution for outdoor and residential environments that has been developed using circular principles. The product is designed to be completely free of glue or silicone, which allows each individual component to be fully dismantled and recycled. We have seen significant activity across our brands to reduce emissions and promote the sustainable transition.

In conclusion, we continue expanding our product offering, which creates new opportunities for strategic partnerships and bespoke projects. We leverage shared initiatives to identify business opportunities that drive sustainable growth and create lasting value for our customers, employees and shareholders. The outlook for the beginning of 2026 faces a tough comparative quarter due to the large orders in the first quarter of 2025. We are noting some positive signals, as in the third quarter, but it remains too early to confirm a turnaround. I would like to thank all our employees and management teams for their hard work and dedication.

Bodil Sonesson
President and CEO



7,928

Order intake, MSEK

Order intake was MSEK 7,928 (8,114), a decrease of -2.3% adjusted to -2.5% for currency effects and acquisitions of MSEK 12.

7,891

Net sales, MSEK

Net sales were MSEK 7,891 (8,305), a decrease of -5.0% adjusted to -5.8% for currency effects and acquisitions of MSEK 65.

688

Operating profit before amortisation of intangible assets (EBITA) and IAC, MSEK

EBITA before IAC was MSEK 688 (820), a decrease of -16.1% with an EBITA margin before IAC of 8.7% (9.9).

607

Operating profit before IAC, MSEK

Operating profit before IAC was MSEK 607 (741), down -18.1% with an operating margin before IAC of 7.7% (8.9)

Operating profit was MSEK 577.5 (670.5), a decrease of -13.9% with an operating margin of 7.3% (8.1).

1.93

Earnings per share before IAC, SEK

Earnings per share before IAC were SEK 1.93 (2.31)
Earnings per share were SEK 1.80 (2.01)

740

Operating cash flow, MSEK

Operating cash flow was MSEK 740.1 (963.9)

January – December

2025 was another challenging year for new construction in Europe, which left its mark on the Group. However, we successfully navigated these market conditions to end the financial year with a strong quarter, which confirms the value of our efficiency improvements and sales focus. Moreover, through concurrently increasing the Group's focus on renovation, we have managed to effectively balance market conditions.

We completed two acquisitions during the year: Trato TLV and Capelon. Both companies were acquired and consolidated from the third quarter and have performed well and developed according to plan. In connection with this, acquisition-related transaction costs totaling MSEK 19.2 were also expensed in the third quarter. For more information, see notes 2 and 3.

The IT incident at Whitecroft in May negatively impacted full-year earnings. As previously communicated, the incident has been fully managed, and operations were back at full capacity already in June.

The organic order intake decreased slightly year-on-year. An organic order intake for the January – December period of MSEK 7,928 (8,114), entailed a decrease of -2.3%, and -2.5% after adjustment for currency effects and acquisitions of MSEK 12.

On the other hand, the order backlog increased MSEK 83 during the year, driven mainly by positive performances in the Professional and Infrastructure business areas. The increase in Professional was boosted by the acquisition of Trato TLV.

The Group's net sales for the January – December period of MSEK 7,891 (8,305), showed a decrease of -5.0%, and -5.8% after adjustment for currency effects and acquisitions of MSEK 65. Consequently, the gross margin before IAC decreased 20 basis points for the full year. However, this trend was reversed in the fourth quarter as a result of an increase in net sales year-on-year.

EBITA before IAC was MSEK 688 (820) for the full year with an EBITA margin before IAC of 8.7% (9.9) The decrease of MSEK 132 was mainly due to lower sales in the first three quarters.

The Group's operating profit before IAC of MSEK 607 (741) for the January – December period represented a 30% improvement compared to the first half of 2025 and resulted in an operating margin before IAC of 7.7% (8.9). The trend shows improvements during the year in both the operating margin and the EBITA margin, both before IAC.

Operating cash flow for the period was MSEK 740.1 (963.9). The year-on-year decrease of MSEK -224 was mainly attributable to lower operating profit and the deterioration in working capital, where outflows for the payment of operating liabilities exceeded inflows related to accounts receivable.

Net financial items of MSEK -112.8 (-138.1) were attributable to net interest expenses of MSEK -99.0 (-69.6), exchange-rate effects and IFRS 16 impacts.

The tax expense of MSEK 147.3 (178.1) for the full year resulted in an effective tax rate of 31.7% (33.5).

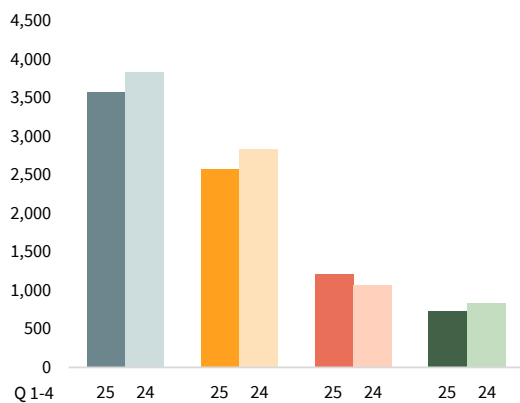
Business areas

Net sales and operating profit by business area

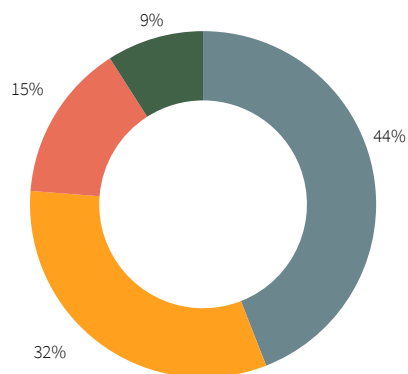
	Net sales				Operating profit before IAC				Operating margin before IAC %			
	Q4		Q1-4		Q4		Q1-4		Q4		Q1-4	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Collection	915.9	965.1	3,579.9	3,841.9	126.7	70.8	367.0	362.7	13.8	7.3	10.3	9.4
Premium	617.8	666.1	2,574.1	2,835.5	77.5	78.7	361.1	400.9	12.5	11.8	14.0	14.1
Professional	397.6	272.3	1,208.8	1,065.6	21.4	21.1	32.6	77.0	5.4	7.7	2.7	7.2
Infrastructure	178.9	204.7	727.3	836.3	3.7	19.1	31.9	77.1	2.1	9.3	4.4	9.2
Smart Solutions ¹⁾	29.5	4.2	44.6	15.3	-11.4	-23.7	-78.9	-98.2	-	-	-	-
Eliminations	-63.0	-72.6	-243.3	-289.3	-	-	-	-	-	-	-	-
Results by business area	2,076.7	2,039.8	7,891.4	8,305.3	217.9	166.0	713.7	819.5	10.5	8.1	9.0	9.9
IFRS 16	-	-	-	-	4.2	4.2	17.6	16.1	-	-	-	-
Unallocated cost	-	-	-	-	-26.6	-27.1	-124.0	-94.5	-	-	-	-
Operating profit before IAC	-	-	-	-	195.5	143.1	607.3	741.1	9.4	7.0	7.7	8.9
Items affecting comparability	-	-	-	-	-13.0	-5.9	-29.8	-70.6	-	-	-	-
Financial items	-	-	-	-	-17.6	-33.3	-112.8	-138.1	-	-	-	-
Profit before tax	-	-	-	-	164.9	103.9	464.7	532.4	-	-	-	-

1) From Q4 2024, Smart Solutions shows the investments in Seneco-Citygrid and Organic Response. Previously, the investments were consolidated in business areas Collection and Premium. Historical comparisons have been restated. The net sales value for smart lighting has been included in the relevant business area results.

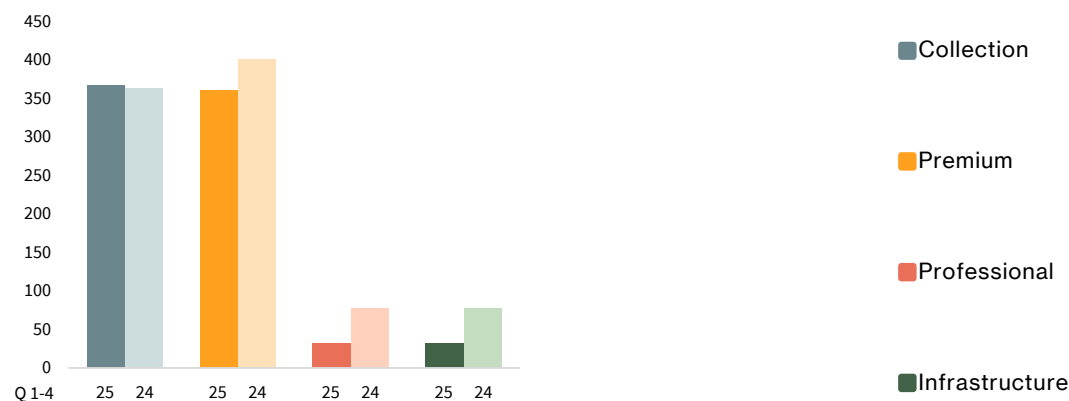
Net sales per business area, MSEK



Sales share per business area, %



Operating profit before IAC per BA, 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 include ateljé Lyktan, iGuzzini, LED Linear and WE-EF, with product development and manufacturing facilities in Sweden, Italy, Canada, China, Germany and Thailand.

The fourth quarter order intake amounted to MSEK 774 (955), corresponding to a total decrease of -19.0% and -13.2% organic. Order intake for the January – December period of MSEK 3,496 showed an organic increase of 2.1%.

Net sales for the quarter amounted to MSEK 916 (965), down -5.1%, but noted an organic increase of 0.9%, and operating profit before IAC increased to MSEK 127 (71). EBITA before IAC also strengthened and amounted to MSEK 133 (80) with an EBITA margin before IAC of 14.6% (8.3).

During the quarter, items affecting comparability arose in ateljé Lyktan, which recognised a write-down of MSEK 7 for its CityGrid inventory, which is held for other companies in the Group. This was a direct consequence of the Group Management's decision to restructure and, over time, phase out the operations of Seneco-CityGrid. During the quarter, IAC of MSEK 1.1 in LED Linear were reversed down to MSEK 7.8, compared with MSEK 8.9 as of the third quarter.

Overall, Collection maintained good cost control and a stable gross margin, which contributed to a very strong operating margin before IAC of 13.8%. Net sales also posted a high for the year for the last quarter.

Sustainability and smart technology accelerated through several new launches, where one clear example was iGuzzini's Ribeira, which offers a fully recyclable system for the circular economy. WE-EF launched a modular smart lighting column for outdoor environments, which acts as a digital backbone for urban infrastructure. The system was selected for projects including the King Salman Park project and is designed to integrate cameras and IoT sensors to demonstrate connectivity. This innovation complements the Group's Smart Outdoor product range.

We are also pleased to note that some 300 visitors have already been to iGuzzini's recently launched showroom, adjacent to its headquarters. Collection has further cementing its global market presence with several projects in the museum, hotel and office segments, including the Four Seasons Hotel Jacksonville and the Arsenale di Venezia. These projects showcase our global leadership in premium architectural solutions.

In addition to the above, we are proud that iGuzzini's spotlight, Newfo, won the ADI Design Index award and thus qualified for the Compasso d'Oro.

916

Net sales, MSEK

127

Operating profit before IAC, MSEK

13.8

Operating margin before IAC, %

ateljé Lyktan

iGuzzini

LED LINEAR

we-ef

Collection	Q4, 2025	Q4, 2024	Q1-4, 2025	Q1-4, 2024
Net sales	915.9	965.1	3,579.9	3,841.9
(of which, intercompany sales)	(30.1)	(28.3)	(118.7)	(122.7)
Operating profit before IAC	126.7	70.8	367.0	362.7
Operating margin before IAC, %	13.8	7.3	10.3	9.4
Operating profit before amortisation of intangible assets (EBITA) and IAC	133.3	80.0	401.2	398.6
Operating margin before amortisation of intangible assets (EBITA) and IAC, %	14.6	8.3	11.2	10.4
Sales growth, %	-5.1	-6.8	-6.8	-0.5
Sales growth, adjusted for exchange rate differences, %	0.9	-7.5	-3.2	-0.2
Growth in operating profit before IAC, %	79.0	-37.8	1.2	-1.3

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. Most sales are related to indoor applications; there is also an outdoor offering for specific markets.

Brands include Fagerhult and LTS, with product development and manufacturing facilities in Sweden, Germany and China.

The business area's fourth quarter order intake amounted to MSEK 572 (634), corresponding to a total decrease of -9.8% and -6.3% organic, while the order intake for the January – December period of MSEK 2,486 corresponded to an organic decrease of -6.9%.

Net sales for the quarter amounted to MSEK 618 (666) and operating profit before IAC was MSEK 78 (79). This resulted in an increased operating margin before IAC of 12.5% (11.8%). EBITA before IAC also improved and amounted to MSEK 82 (80) with an EBITA margin before IAC of 13.2% (12.0).

Premium navigated a volatile market where macroeconomic uncertainty and geopolitical conditions continued to weigh-on new construction and retail. Despite prolonged decision-making processes at customers, the renovation sector performed strongly, which was clearly illustrated by “Project Relight” in the “Sparebankkvartalet” new development in Norway. A Relight solution is being used to modernise the building’s existing lighting as part of this project to upgrade a 20,000 square metre city block.

The recent launch of the Wrapped range, which was very well received and was named “Lighting Innovation of the Year” at the Electricity Fair in Gothenburg further strengthened Premium’s innovation leadership. The product is integrated with Organic Response technology and is central to the 45,000 square metre modernisation of Kongsberg Maritime, with delivery starting in 2026. These commercial milestones were supported by a major ERP upgrade at LTS and the celebration of Fagerhult’s 80th anniversary, further reinforcing our operational foundation.

618

Net sales, MSEK

78

Operating profit before IAC, MSEK

12.5

Operating margin before IAC, %

FAGERHULT



Premium	Q4, 2025	Q4, 2024	Q1-4, 2025	Q1-4, 2024
Net sales	617.8	666.1	2,574.1	2,835.5
(of which, intercompany sales)	(13.8)	(10.8)	(46.8)	(58.7)
Operating profit before IAC	77.5	78.7	361.1	400.9
Operating margin before IAC, %	12.5	11.8	14.0	14.1
Operating profit before amortisation of intangible assets (EBITA) and IAC	81.8	80.1	375.8	412.9
Operating margin before amortisation of intangible assets (EBITA) and IAC, %	13.2	12.0	14.6	14.6
Sales growth, %	-7.3	-3.5	-9.2	-3.8
Sales growth, adjusted for exchange rate differences, %	-3.7	-4.2	-7.1	-3.8
Growth in operating profit before IAC, %	-1.5	-25.9	-9.9	-14.0

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 include Arlight, Eagle and Whitecroft, with product development and manufacturing facilities in Türkiye, Australia and the UK.

Business area order intake for the quarter amounted to MSEK 318 (246), corresponding to a total increase of 29.2%, mainly driven by the acquisition of Trato TLV. Order intake of MSEK 1,184 (995) for the January – December period corresponded to total growth of 19% (-3.1% organic), clearly strengthened by the acquisition. For the same reason, the order backlog was much improved at MSEK 436 (288).

Net sales for the quarter amounted to MSEK 398 (272), up 46.0%, but noted an organic decrease of -3.1%, and an operating profit before IAC of MSEK 21.4 (21.1). EBITA before IAC amounted to MSEK 28 (23) with a slightly weaker EBITA margin before IAC of 6.9% (8.6).

Professional continued to strengthen the collaboration between the brands in the business area by focusing on leveraging existing solutions to expand brands' local offerings to more markets.

Several significant product launches took place in the quarter and included Whitecroft expanding its range with Oculus, a modular luminaire range for surface and pendant mounting, which is designed to optimise lighting performance and installation time. Eagle Lighting strengthened its office segment offering with the launch of a new commercial concept that integrates new products with a carefully selected range from other Group brands.

In the fourth quarter, Trato TLV secured a further order from E.Leclerc hypermarkets. A store of more than 10,000 square metres in Sainte-Eulalie has been renovated with new track-mounted spotlights, linear lighting systems and decorative luminaires. Trato TLV also supplied the control system, including configuration and commissioning, to ensure a fully integrated and optimised lighting solution.

Trato TLV was also awarded EcoVadis Gold status, a recognition that confirms our successful work with sustainability and which strengthens partnerships with our retail customers.

398

Net sales, MSEK

21

Operating profit before IAC, MSEK

5.4

Operating margin before IAC, %

ARLIGHT 

GRUPE
TRATOTLV

 EAGLE
LIGHTING

Whitecroft
lighting 

Professional	Q4, 2025	Q4, 2024	Q1-4, 2025	Q1-4, 2024
Net sales	397.6	272.3	1,208.8	1,065.6
(of which, intercompany sales)	(14.0)	(21.5)	(52.4)	(70.1)
Operating profit before IAC	21.4	21.1	32.6	77.0
Operating margin before IAC, %	5.4	7.7	2.7	7.2
Operating profit before amortisation of intangible assets (EBITA) and IAC	27.5	23.3	53.7	85.8
Operating margin before amortisation of intangible assets (EBITA) and IAC, %	6.9	8.6	4.4	8.1
Sales growth, %	46.0	13.0	13.4	2.4
Sales growth, adjusted for exchange rate differences, %	59.7	11.8	21.4	5.5
Growth in operating profit before IAC, %	1.4	0.5	-57.7	-11.3

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.

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

Business area order intake for the quarter amounted to MSEK 164 (172), corresponding to an organic increase of 2.0%. For the January – December period, the total decrease in order intake was -10.3%, and -7.0% organic.

Net sales for the quarter amounted to MSEK 179 (205), an organic decline of 7.1% and operating profit before IAC was MSEK 4 (19). EBITA before IAC amounted to MSEK 4 (20) with a weaker EBITA margin before IAC of 2.4% (9.9).

Infrastructure continued its transformation, with varying performances across the three brands. While the financial performance remains below our ambition, we have maintained good control over fixed costs and started corrective measures to address margin pressure. Despite the challenges, Infrastructure demonstrated its underlying strength with both Designplan and i-Valo reporting growth, despite profitability for the business area as a whole being impacted by higher cost levels.

Leveraging cross-brand partnerships to secure key projects in the UK and Australia further strengthened Infrastructure's market presence. The Sales Academy integration and the data center offering expansion comprise key milestones in the Group's strategy. The continued geographical expansion strengthens our long-term commercial capabilities and growth journey.

Overall, we conclude 2025 with a more robust structure, a clearer strategic direction and improved collaboration within the Group. This creates a stronger platform for growth in 2026 and beyond.

179

Net sales, MSEK

4

Operating profit before IAC, MSEK

2.1

Operating margin before IAC, %

designplan
LIGHTING

i VALO

VEKO
LIGHTSYSTEMS

Infrastructure	Q4, 2025	Q4, 2024	Q1-4, 2025	Q1-4, 2024
Net sales	178.9	204.7	727.3	836.3
(of which, intercompany sales)	(2.3)	(9.8)	(17.0)	(29.9)
Operating profit before IAC	3.7	19.1	31.9	77.1
Operating margin before IAC, %	2.1	9.3	4.4	9.2
Operating profit before amortisation of intangible assets (EBITA) and IAC	4.3	20.3	35.6	82.9
Operating margin before amortisation of intangible assets (EBITA) and IAC, %	2.4	9.9	4.9	9.9
Sales growth, %	-12.6	-3.6	-13.0	-17.8
Sales growth, adjusted for exchange rate differences, %	-7.1	-5.0	-9.9	-18.1
Growth in operating profit before IAC, %	-80.6	-20.7	-58.6	-47.4

Financial position

The Group's equity/assets ratio at the end of the reporting period was 52.0% (54.4) and consolidated equity amounted to MSEK 7,090 (7,459).

The net debt at the end of the period was MSEK 2,990 (2,261). Cash and bank balances at the end of the period were MSEK 1,307 (1,879). Adjusting for cash and bank balances, the gross debt was MSEK 4,297 (4,140). The gross debt includes MSEK 691 (751) relating to IFRS 16 accounting. Operating cash flow for the quarter was MSEK 345 (356).

Pledged assets and contingent liabilities amounted to MSEK 17.6 (19.3) and MSEK 17.9 (17.3) respectively.

Investments

The Group's net investments in non-current assets were MSEK 271 (213). The figure does not include investments in subsidiaries, which were MSEK 1,044 (0).

Employees

The average number of employees during the period was 4,068 (4,007).

Parent Company

Fagerhult Group AB operations comprise Group Management, financing, accounting, sustainability, legal, communication, HR and strategy. Profit after financial items was MSEK 187.5 (224.4). The number of employees during the period was 18 (18).

Accounting policies

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 1–21 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 Corporate Reporting Board's recommendation RFR 2.

Applied accounting policies are unchanged in comparison with those described in Fagerhult Group's annual report for the financial year 2024.

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 2024 Annual Report and the section on risks on Fagerhult Group's website.

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 Fagerhult Group AB; Anders Mörck, Investment AB Latour; Jan Särilvik, Fourth Swedish National Pension Fund; Björn Henriksson, Nordea Funds; and Sussi Kwart, Handelsbanken Funds.

Questions regarding the Nomination Committee shall be addressed to the Group's CFO Oscar Wallstén, oscar.wallsten@fagerhultgroup.com

Repurchase of shares

The Annual General Meeting held on 28 April 2025 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 860,437.

Habo, 17 February 2026
Fagerhult Group AB 556110-6203

Bodil Sonesson
President and CEO

An investor webcast following the interim report for the fourth quarter of 2025 will be held on 17 February 2026 at 9.30 a.m. CET. A link to the webcast and management presentation will be available on <http://www.fagerhultgroup.com/investors>.

Interim reports for 2026 will be submitted on 4 May (Q1), 21 July (Q2) and 21 October (Q3). The Annual General Meeting will be held on 4 May.

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

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Group

Condensed financial statements

Income statement

	2025 Q4 3 months	2024 Q4 3 months	2025 Q1-4 12 months	2024 Q1-4 12 months
Net sales	2,076.7	2,039.8	7,891.4	8,305.3
Cost of goods sold	-1,269.1	-1,245.3	-4,775.3	-5,007.8
Gross profit before IAC	807.6	794.5	3,116.1	3,297.5
Items affecting comparability	-14.1	-	-17.9	-46.0
Gross profit	793.5	794.5	3,098.2	3,251.5
Selling expenses	-455.4	-491.7	-1,754.1	-1,841.3
Administrative expenses	-187.7	-185.1	-830.7	-793.7
Other operating income	31.0	25.4	76.0	78.6
Operating profit before IAC	195.5	143.1	607.3	741.1
Items affecting comparability	1.1	-5.9	-11.9	-24.6
Operating profit	182.5	137.2	577.5	670.5
Financial items	-17.6	-33.3	-112.8	-138.1
Profit before tax	164.9	103.9	464.7	532.4
Tax	-51.7	-50.5	-147.3	-178.1
Net profit for the period	113.2	53.4	317.4	354.3
Net profit for the period attributable to shareholders of the Parent Company	113.2	53.3	317.4	354.3
Net profit for the period attributable to Non-controlling interests	0.0	0.1	0.0	0.0
Sum	113.2	53.4	317.4	354.3
Earnings per share, based on net profit for the period attributable to the shareholders of the Parent Company				
Earnings per share before dilution, SEK	0.64	0.30	1.80	2.01
Earnings per share after dilution, SEK	0.64	0.30	1.80	2.01
Average number of outstanding shares before dilution, thousands	176,332	176,332	176,332	176,254
Average number of outstanding shares after dilution, thousands	176,332	176,332	176,332	176,254
Number of outstanding shares, thousands	176,332	176,332	176,332	176,332
STATEMENT OF COMPREHENSIVE INCOME				
Net profit for the period	113.2	53.4	317.4	354.3
Other comprehensive income				
<i>Items which may not be reclassified in the income statement:</i>				
Revaluation of pension plans	2.7	0.5	2.9	0.3
<i>Items which may be reclassified in the income statement:</i>				
Effective portion of changes in fair value of cash flow hedges	-1.5	-	-1.5	-
Translation differences	-117.1	101.1	-441.4	242.3
Other comprehensive income for the period, net after tax	-115.9	101.6	-440.0	242.6
Total comprehensive income for the period	-2.7	155.0	-122.6	596.9
Total comprehensive income attributable to shareholders of the Parent Company	-2.7	154.9	-122.6	596.9
Total comprehensive income attributable to Non-controlling interests	0.0	0.1	0.0	-0.0
Sum	-2.7	155.0	-122.6	596.9

Balance sheet

	31 Dec 2025	31 Dec 2024
Intangible assets	6,892.5	6,294.4
Tangible fixed assets	2,327.4	2,468.4
Other non-current assets	231.3	237.6
Inventories	1,254.7	1,190.4
Accounts receivable - trade	1,388.4	1,396.7
Other non-interest-bearing current assets	245.2	246.1
Cash and cash equivalents	1,306.9	1,878.9
Total assets	13,646.4	13,712.5
Equity	7,089.9	7,458.9
Long-term interest-bearing liabilities	4,071.2	3,907.1
Long-term non-interest-bearing liabilities	741.7	577.2
Short-term interest-bearing liabilities	225.8	233.1
Short-term non-interest-bearing liabilities	1,517.8	1,536.2
Total equity and liabilities	13,646.4	13,712.5

Cash flow statement

	2025 Q4 3 months	2024 Q4 3 months	2025 Q1-4 12 months	2024 Q1-4 12 months
Operating profit	182.5	137.2	577.5	670.5
Adjustments for non-cash items	107.9	139.6	369.6	490.8
Financial items	-39.7	-37.0	-131.1	-141.2
Tax paid	-26.8	-27.6	-138.0	-205.7
Funds contributed from operating activities before change in working capital	223.9	212.2	678.0	814.4
Change in working capital	120.8	144.2	62.1	149.5
Cash flow from operating activities	344.7	356.4	740.1	963.9
Cash flow from investing activities	-133.2	-83.6	-1,176.8	-259.7
Cash flow from financing activities	-49.2	330.9	-31.8	-142.7
Cash flow for the period	162.3	603.7	-468.5	561.5
Cash and cash equivalents at beginning of period	1,166.9	1,257.7	1,878.9	1,272.2
Translation differences in cash and cash equivalents	-22.3	17.5	-103.5	45.2
Cash and cash equivalents at end of period	1,306.9	1,878.9	1,306.9	1,878.9

Key performance indicators and data per share

	2025 Q4 3 Months	2024 Q4 3 Months	2025 Q1-4 12 months	2024 Q1-4 12 months
Sales growth, %	1.8	-3.3	-5.0	-3.0
Growth in operating profit, %	33.0	-36.5	-13.9	-25.6
Growth in profit before tax, %	58.7	-36.1	-12.7	-29.6
Operating margin before IAC, %	9.4	7.0	7.7	8.9
Operating margin, %	8.8	6.7	7.3	8.1
Profit margin, %	7.9	5.1	5.9	6.4
Cash liquidity, %	75.0	106.2	75.0	106.2
EBITA before IAC, Mkr	215	159	688	820
EBITA margin before IAC, %	10.4	7.8	8.7	9.9
EBITDA, Mkr	304	249	1,041	1,130
Net debt/EBITDA ratio	2.46	2.27	2.87	2.00
Equity/assets ratio, %	52.0	54.4	52.0	54.4
Capital employed, MSEK	11,387	11,599	11,387	11,599
Return on capital employed, %	7.3	5.3	5.8	6.5
Return on equity, %	6.4	2.9	4.4	4.8
Net debt, MSEK	2,990	2,261	2,990	2,261
Gross investment in non-current assets, MSEK	113.0	62.6	271.1	212.9
Net investment in non-current assets, MSEK	113.0	62.6	271.1	212.9
Depreciation/amortisation/impairment of non-current assets, MSEK	121.3	111.6	463.9	459.2
Number of employees	4,081	4,029	4,068	4,007
Equity per share, SEK	40.21	42.30	40.21	42.30
Number of outstanding shares, thousands	176,332	176,332	176,332	176,332

For more information about the KPIs and the definitions applied, please refer to Fagerhult Group AB's website under "Investors/Financials/Definitions." The website also includes the definition of any alternative performance measures (APMs) as well as the motivation for their use.

Changes in equity

	Attributable to shareholders of the Parent Company					
	Share capital	Other contributed capital	Reserves	Retained earnings	Non-controlling interest	Total equity
Equity at 1 January 2024	100.2	3,194.6	21.9	3,867.3	0.1	7,184.1
Net profit for the period				354.3	-	354.3
Other comprehensive income for the period			242.3	0.3	-	242.6
Total comprehensive income for the period			242.3	354.6	-	596.9
Performance share plan				-5.1	-	-5.1
Dividend paid				-317.0	-	-317.0
Equity at 31 December 2024	100.2	3,194.6	264.2	3,899.8	0.1	7,458.9
Equity at 1 January 2025	100.2	3,194.6	264.2	3,899.8	0.1	7,458.9
Net profit for the period				317.4	0.0	317.4
Other comprehensive income for the period			-442.9	2.9	-	-440.0
Total comprehensive income for the period			-442.9	320.3	0.0	-122.6
Performance share plan				0.5	-	0.5
Dividend paid				-246.9	-	-246.9
Equity at 31 December 2025	100.2	3,194.6	-178.7	3,973.7	0.1	7,089.9

Parent Company

Condensed financial statements

Income statement

	2025 Q4 3 Months	2024 Q4 3 Months	2025 Q1-4 12 months	2024 Q1-4 12 months
Net sales	23.2	15.9	59.1	56.3
Administrative expenses	-27.2	-27.8	-105.6	-100.6
Operating profit	-4.0	-11.9	-46.5	-44.3
Income from shares in subsidiaries	2.2	-0.3	224.8	161.9
Financial items	8.5	32.5	9.3	106.8
Profit before appropriations and tax	6.7	20.3	187.6	224.4
Group contributions received	194.0	205.0	194.0	205.0
Tax	-32.4	-47.7	-32.6	-56.3
Net profit	168.3	177.6	349.0	373.1

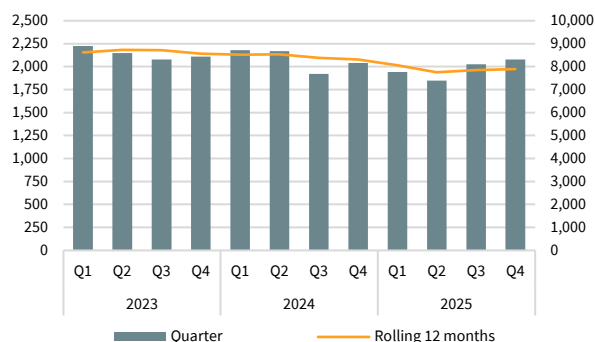
Balance sheet

	31 Dec 2025	31 Dec 2024
Other non-current assets	8,929.6	8,331.5
Other non-interest-bearing receivables	319.7	280.7
Cash & Bank	657.2	891.8
Total assets	9,906.5	9,504.0
Equity	5,728.6	5,626.1
Long-term interest bearing liabilities	3,319.8	3,057.5
Long-term non interest bearing liabilities	68.3	17.2
Short-term interest bearing liabilities	719.9	775.7
Short-term non interest bearing liabilities	69.9	27.5
Total Equity and Liabilities	9,906.5	9,504.0

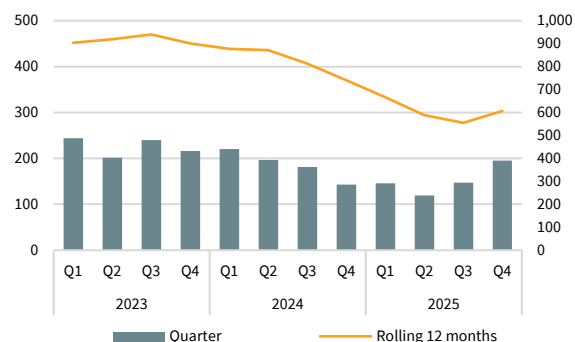
Changes in equity

	Share capital	Statutory reserve	Retained earnings	Total equity
Equity at 1 January 2024	100.2	159.4	5,311.4	5,571.0
Net profit for the period			373.1	373.1
Performance share program			-1.0	-1.0
Dividend paid			-317.0	-317.0
Equity at 30 September 2024	100.2	159.4	5,366.5	5,626.1
Equity at 1 January 2025	100.2	159.4	5,366.5	5,626.1
Net profit for the period			349.0	349.0
Performance share plan			0.5	0.5
Dividend paid			-246.9	-246.9
Equity at 31 December 2025	100.2	159.4	5,469.1	5,728.6

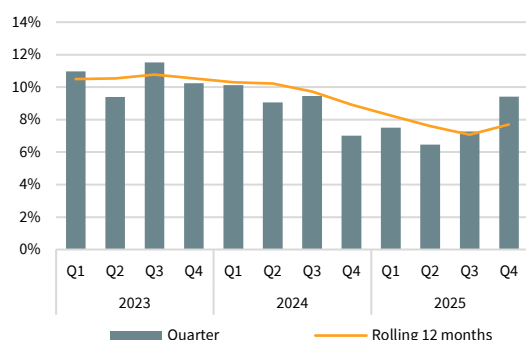
Net sales, MSEK



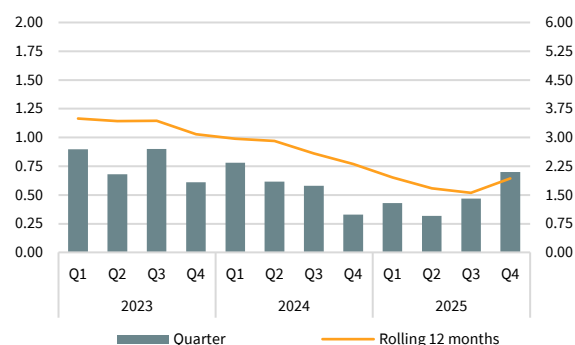
Operating profit before IAC, MSEK



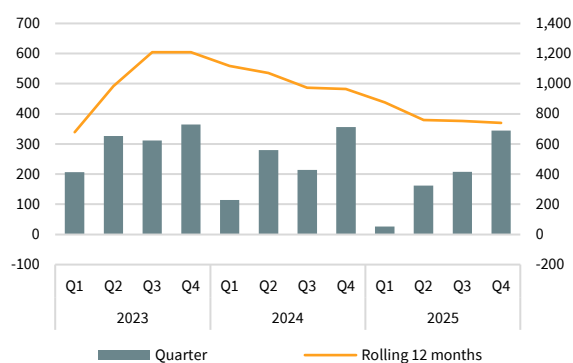
Operating margin before IAC, %



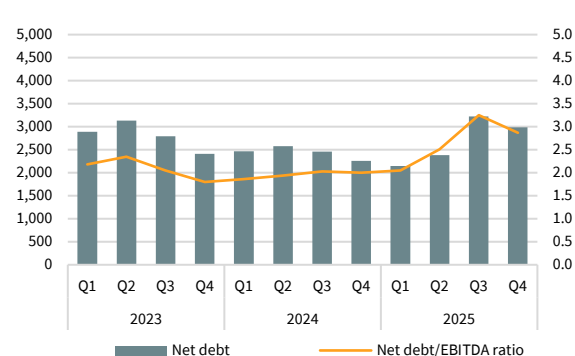
Earnings per share before IAC, SEK



Operating cash flow, MSEK



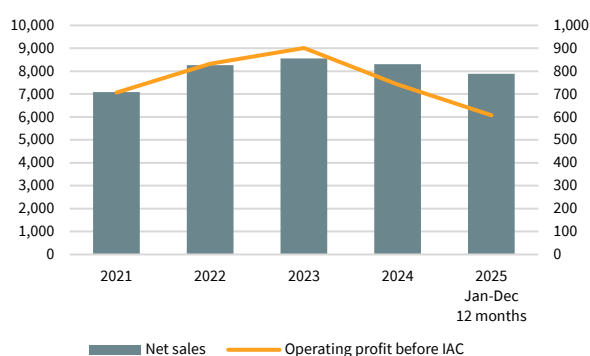
Net debt and Net debt/EBITDA ratio



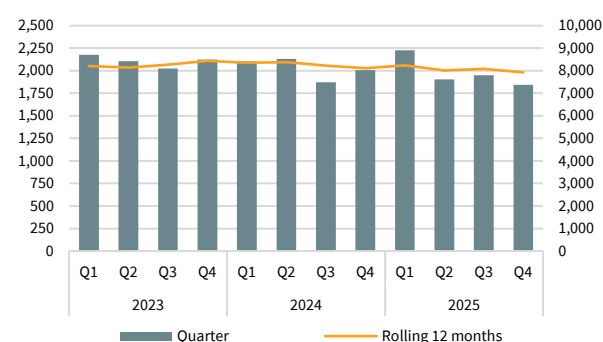
Key performance indicators and data per share

	2021	2022	2023	2024	2025
Net sales, MSEK	7,087.5	8,269.6	8,560.4	8,305.3	7,891.4
Operating profit, MSEK	706.4	833.3	901.2	670.5	577.5
Operating profit before IAC, MSEK	706.4	833.3	901.2	741.1	607.3
Profit before tax, MSEK	622.3	791.0	756.2	532.4	464.7
Earnings per share, SEK	2.64	3.27	3.09	2.01	1.80
Earnings per share before IAC, SEK	2.64	3.27	3.09	2.31	1.93
Sales growth, %	4.0	16.7	3.5	-3.0	-5.0
Growth in operating profit, %	112.5	18.0	8.1	-25.6	-13.9
Growth in profit before tax, %	187.2	27.1	-4.4	-29.6	-12.7
Operating margin, %	10.0	10.1	10.5	8.1	7.3
Operating margin before IAC, %	10.0	10.1	10.5	8.9	7.7
EBITA before IAC, Mkr	794	899	972	820	688
EBITA margin before IAC, %	11.2	10.9	11.4	9.9	8.7
EBITDA, Mkr	1,147	1,257	1,341	1,130	1,041
Net debt/EBITDA ratio	2.27	2.36	1.80	2.00	2.87
Equity/assets ratio, %	49.1	51.6	55.2	54.4	52.0
Capital employed, MSEK	10,563	11,144	10,870	11,599	11,387
Return on capital employed, %	6.9	8.1	8.6	6.5	5.8
Return on equity, %	7.8	8.8	7.7	4.8	4.4
Net debt, MSEK	2,603	2,971	2,414	2,261	2,990
Net investment in non-current assets, MSEK	149.5	179.6	242.6	212.9	271.1
Depreciation/amortisation/impairment of non-current assets, MSEK	440.9	423.5	440.0	459.2	463.9
Number of employees	4,237	4,059	4,080	4,007	4,068

Sales and operating profit, MSEK



Rolling 12 months and quarterly order intake, MSEK



Notes

Note 1 – Items affecting comparability (IAC)

	Q4											
	Collection		Premium		Professional		Infrastructure		Other		Sum	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Function												
Cost of goods sold	-6.8	-	-	-	-	-	-0.7	-	-6.6	-	-14.1	-
Selling expenses	1.5	-	-	-5.0	-	-	-	-	-	-	1.5	-5.0
Administrative expenses	-0.6	-	-	-0.9	-	-	-	-	-	-	-0.6	-0.9
Sum	-5.8	-	-	-5.9	-	-	-0.7	-	-6.6	-	-13.1	-5.9
Nature of expense												
Restructuring expenses	-5.8	-	-	-5.9	-	-	-0.7	-	-6.6	-	-13.1	-5.9
Sum	-5.8	-	-	-5.9	-	-	-0.7	-	-6.6	-	-13.1	-5.9
Tax											2.7	1.2

	Q1-4											
	Collection		Premium		Professional		Infrastructure		Other		Sum	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Function												
Cost of goods sold	-8.5	-	-	-6.0	-2.1	-	-0.7	-40.0	-6.6	-	-17.9	-46.0
Selling expenses	-3.8	-	-3.4	-8.3	-0.5	-	-	-2.6	-	-	-7.7	-10.9
Administrative expenses	-2.4	-	-2.0	-0.9	-	-3.7	-	-9.1	-	-	-4.4	-13.7
Sum	-14.6	-	-5.4	-15.2	-2.6	-3.7	-0.7	-51.7	-6.6	-	-29.9	-70.6
Nature of expense												
Restructuring expenses	-14.6	-	-5.4	-15.2	-2.6	-3.7	-0.7	-51.7	-6.6	-	-29.9	-70.6
Sum	-14.6	-	-5.4	-15.2	-2.6	-3.7	-0.7	-51.7	-6.6	-	-29.9	-70.6
Tax											7.1	17.0

Note 2 – Acquisition of Trato TLV Group

On 2 July 2025, Fagerhult Group completed the acquisition of 100% of the shares and votes in Trato SAS and thereby obtained control of the company and its three wholly owned subsidiaries Trato Industries SAS, TLV SAS and Biolume SAS (together forming the Trato TLV Group). The acquisition supports the Group's strategic direction and strengthens our position in the French and international lighting markets. In 2024, Trato TLV Group reported net sales of MEUR 56 and had 230 employees.

The fourth quarter interim report includes the earnings of Trato TLV Group from the acquisition date, and the earnings are also consolidated in the Professional business area. The transaction has been accounted for as a business combination pursuant to IFRS 3.

Acquisition effects 2025

The tables below detail the financial effect of the acquisition for the total consideration as well as the assets and liabilities arising and the net change in consolidated cash and cash equivalents. This analysis constitutes the final purchase price allocation (PPA), and certain line items have been adjusted in the fourth quarter. All values are presented in MSEK.

The consideration consists of the following components:

Cash paid	882.4
Earn-out	84.0
Total consideration	966.4
Net assets acquired	479.9
Goodwill	486.5

Identifiable assets and liabilities included in the acquisition

	Fair value
Cash and cash equivalents	65.2
Property, plant and equipment	107.4
Financial assets	0.2
Intangible assets	274.1
Inventories	141.4
Receivables	115.6
Liabilities	-144.6
Deferred tax liabilities	-79.4
Net assets	479.9
Non-controlling interests	-
Net assets acquired	479.9
Cash purchase consideration	-882.4
Cash and cash equivalents in the acquired company	65.2
Change in consolidated cash and cash equivalents on acquisition	-817.2

Goodwill

Goodwill of MSEK 486.5 has been recognised and pertains mainly to synergies expected from the coordination of operations, staff know-how and future growth opportunities.

Impact on the Group's performance

From the acquisition date until 31 December 2025, Trato TLV Group has contributed net sales of MSEK 334.2 to the Group and MSEK 33.9 to consolidated profit after tax. Management estimates that if the acquisition had taken place on 1 January 2025, the Group's net sales and profit after tax would have amounted to MSEK 8,224.3 and MSEK 351.0 respectively.

Acquisition-related costs

Acquisition-related transaction costs of MSEK 18.1 were expensed during the third quarter and are included in administrative expenses for the full year. These costs pertained mainly to external advisors and due diligence work ahead of the acquisition.

Contingent consideration

The share purchase agreement includes a contingent consideration (earnout) of up to MEUR 15, conditional on reaching certain performance targets. As of 31 December 2025, the fair value of the contingent consideration amounted to MEUR 7.5 (MSEK 84).

Note 3 – Acquisition of Capelon

On 4 August 2025, Fagerhult Group completed the acquisition of 100% of the shares and votes in Capelon AB and thereby obtained control of the company and its wholly owned Finnish subsidiary Capelon Oy (together “Capelon”).

With over 20 years of experience in power line communications and more than a decade specialising in smart street lighting, the company combines strong technological innovation with a solid market presence and close customer relationships. Capelon’s expertise in smart street lighting together with its open, scalable IoT platform will enable Fagerhult Group to offer solutions that support energy-efficient and connected cities. The acquisition strengthens Fagerhult Group’s ability to drive innovation and sustainability in the lighting market and aligns with the Group’s ambition that by 2030, every luminaire sold will be equipped with technology that enables connectivity and smart decision-making.

Acquisition effects 2025

The tables below detail the financial effect of the acquisition for the total consideration as well as the assets and liabilities arising and the net change in consolidated cash and cash equivalents. This analysis constitutes the final purchase price allocation (PPA), and certain line items have been adjusted in the fourth quarter. All values are presented in MSEK.

The consideration consists of the following components:

Cash paid	161.8
Earn-out	89.0
Total consideration	250.8
Net assets acquired	47.6
Goodwill	203.2

Identifiable assets and liabilities included in the acquisition

	Fair value
Cash and cash equivalents	21.2
Property, plant and equipment	1.1
Financial assets	-
Intangible assets	34.6
Inventories	3.7
Receivables	9.5
Liabilities	-14.9
Deferred tax liabilities	-7.6
Net assets	47.6
Non-controlling interests	-
Net assets acquired	47.6
Cash purchase consideration	-161.8
Cash and cash equivalents in the acquired company	21.2
Change in consolidated cash and cash equivalents on acquisition	-140.6

Goodwill

Goodwill of MSEK 203.2 has been recognised and pertains mainly to synergies expected from the coordination of operations, staff know-how and future growth opportunities.

Impact on the Group’s performance

From the acquisition date until 31 December 2025, Capelon has contributed net sales of MSEK 29.3 to the Group and MSEK 7.4 to profit after tax. Management estimates that if the acquisition had taken place on 1 January 2025, the Group’s net sales and consolidated profit after tax would have amounted to MSEK 7,930.5 and MSEK 329.2 respectively (excluding the effects from the acquisition of Trato TLV). Inclusion of both acquisitions would have resulted in the Group’s net sales amounting to MSEK 8,263.4 and profit after tax to MSEK 362.7.

Acquisition-related costs

Acquisition-related transaction costs of MSEK 1.1 were expensed during the third quarter and are included in administrative expenses for the full year. These costs pertained mainly to external advisors and due diligence work ahead of the acquisition.

Contingent consideration

The share purchase agreement includes a contingent consideration (earnout) of up to MSEK 89, conditional on reaching certain performance targets. As of 31 December 2025, the fair value of the contingent consideration amounted to MSEK 89.