

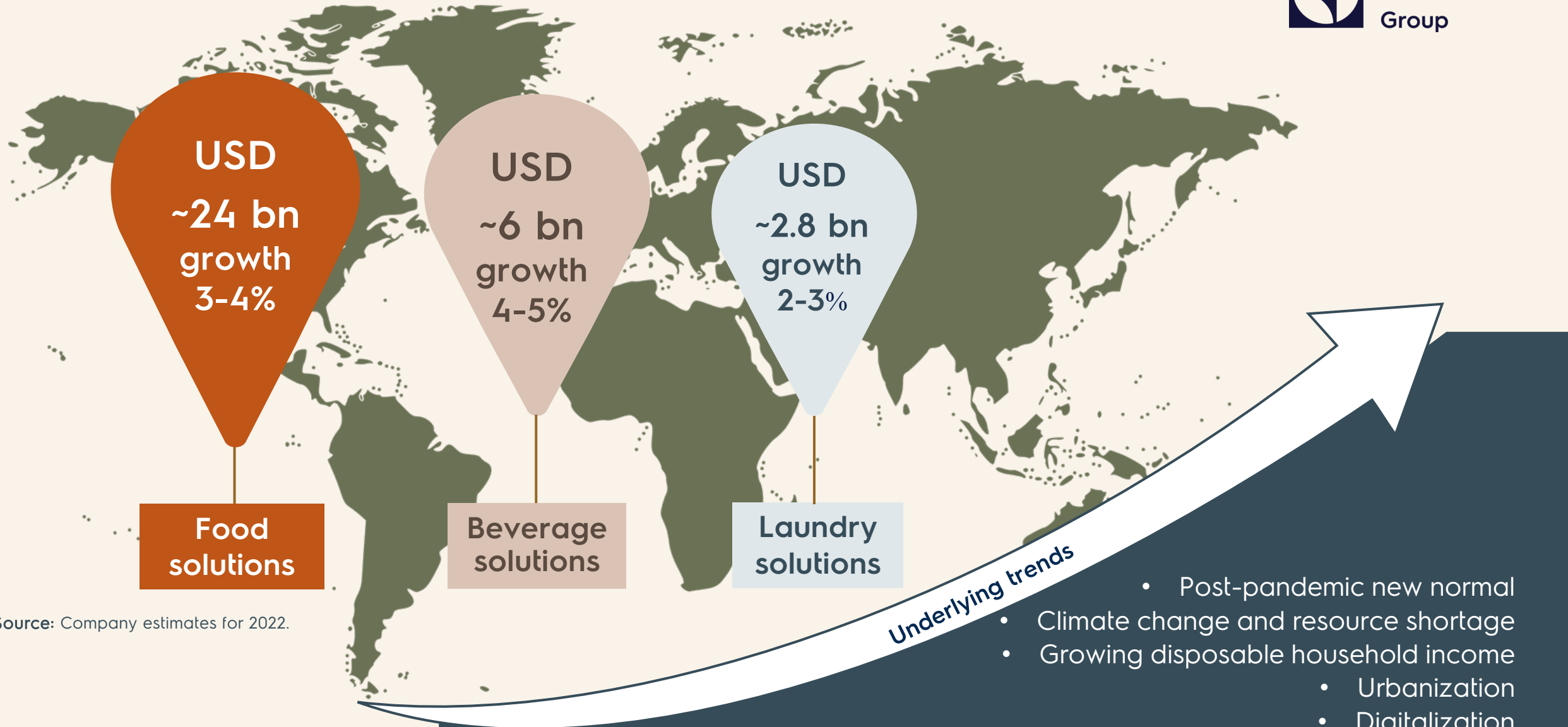


Electrolux
Professional
Group

Carnegie Mid Cap Seminar September 5, 2023

Alberto Zanata, CEO

Our markets



Source: Company estimates for 2022.

Our industry has been in recovery



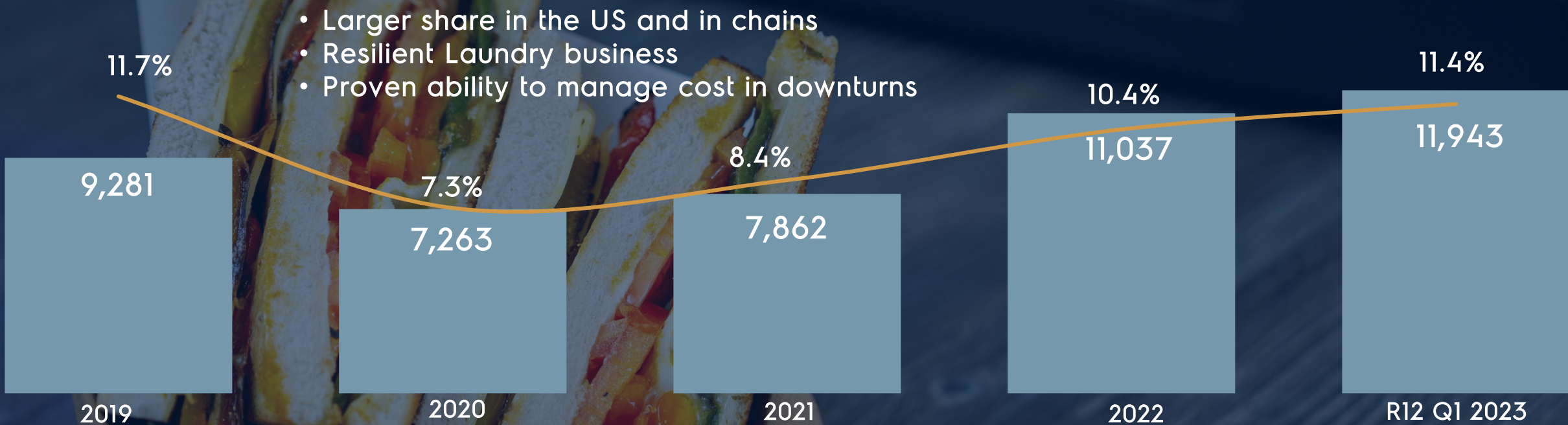
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- Strong recovery during 2021-2022 after eased Covid-pandemic measures
- Spearheaded by US and quick-service restaurants, but later recovery in Asia
- Our industry demonstrated strong resilience. Laundry almost unaffected
- Our industry is back to pre-pandemic demand, and sales levels, but not in volumes
- Underlying factors influencing market growth are robust



A solid 2022 with record high growth - a stronger foundation than before

Net Sales SEKm EBITA%, excl IAC



- Larger share in the US and in chains
- Resilient Laundry business
- Proven ability to manage cost in downturns

Net sales by geography

~58% Europe

~29% Americas

~13% APAC&MEA

Net sales by segment

66% Food & Beverage

34% Laundry

Offering outstanding customer experience

Food



Human-centered kitchen solutions that boost efficiency, to create great-tasting and effortless results

Beverage



Innovative beverage solutions that simplify use while reducing waste, for delicious, quality beverages

Laundry



Sustainable and flexible commercial Laundry solutions to improve productivity and ergonomics

We are progressing towards our financial targets



Net sales growth target

4%

2022: 16.9%
(2021: 10.6%)

Profitability target

15%

2022: 10.4%*
(2021: 8.4%)

Assets efficiency target

Operating working capital as per cent
of net sales

15%

2022: 16.7%
(2021: 14.9%)

Capital structure target

Net debt/EBITDA ratio below

2.5x

2022: 1.5x
(2021: 1.9x)

Dividend

30%

of income

2022 pay out: 30%

Our strategic priorities

1

Grow the business through developing sustainable, low running cost solutions

2

Expand in food service chains, especially in North America, beverage and emerging markets

3

Boost customer care

4

Leverage the OnE approach and drive digital transformation

Built on a foundation of operational excellence to improve sales productivity and cost efficiency within the supply chain

Cost Of Ownership more important than before

- Investment in products/equipment is a smaller portion of the overall ownership cost

Water
5%

Equipment
10%

Energy
50%

Detergents
35%

1

Strengthened innovative and sustainability solutions



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Line 6000 Heat Pump Tumble Dryer

Advanced technology that consistently reduces drying times with energy savings of

60%



Thermaline Pressure Braising Pan

The reduction in cooking time ensures higher productivity, while saving energy up to

77%

Green&clean Rack type dishwashing

Uses less water, detergent and rinse aid with energy savings of

34%



Low running cost solutions more important than before

Reduce, Reuse, Recycle with HeroDry - the free-standing blower for chains



HeroDry

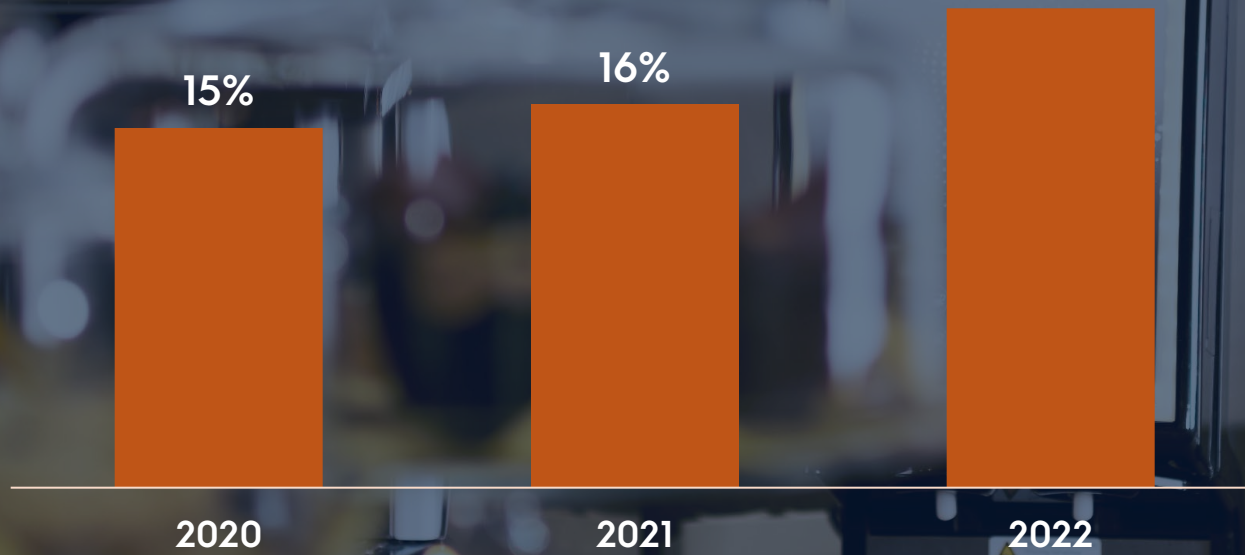
- Cuts cost and energy consumption
- Easy to use
- Quick - less than 180 seconds for perfect drying
- Flexible configuration - customizable on site

A unique 'circular economy' initiative

- Meets the EU Single-Use Plastics Directive
- Drives down the global reliance on certain single-use plastics
- Aims at reducing the amount of waste generated by single use consumables in hospitality outlets
- **Electrolux Professional partnering with several multinational fast-food chains**

Good sales growth in restaurant chains

Chains sales in % of Food & Beverage sales



- US is home to most large global food service chains
- Growth in restaurant chains with acquisition of Unified brands

Unified Brands fully integrated



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- Unified Brands acquisition delivered sales exceeding expectations with an accretive EBITA margin
- Unified Brands separation from Dover completed. Service Level Agreements closed
- Unified Brands and Electrolux Professional Americas organization now fully integrated
- Chain commercial teams up and running
- Full systems and process harmonization initiated

Revenue synergies SEK 20-40m EBITA

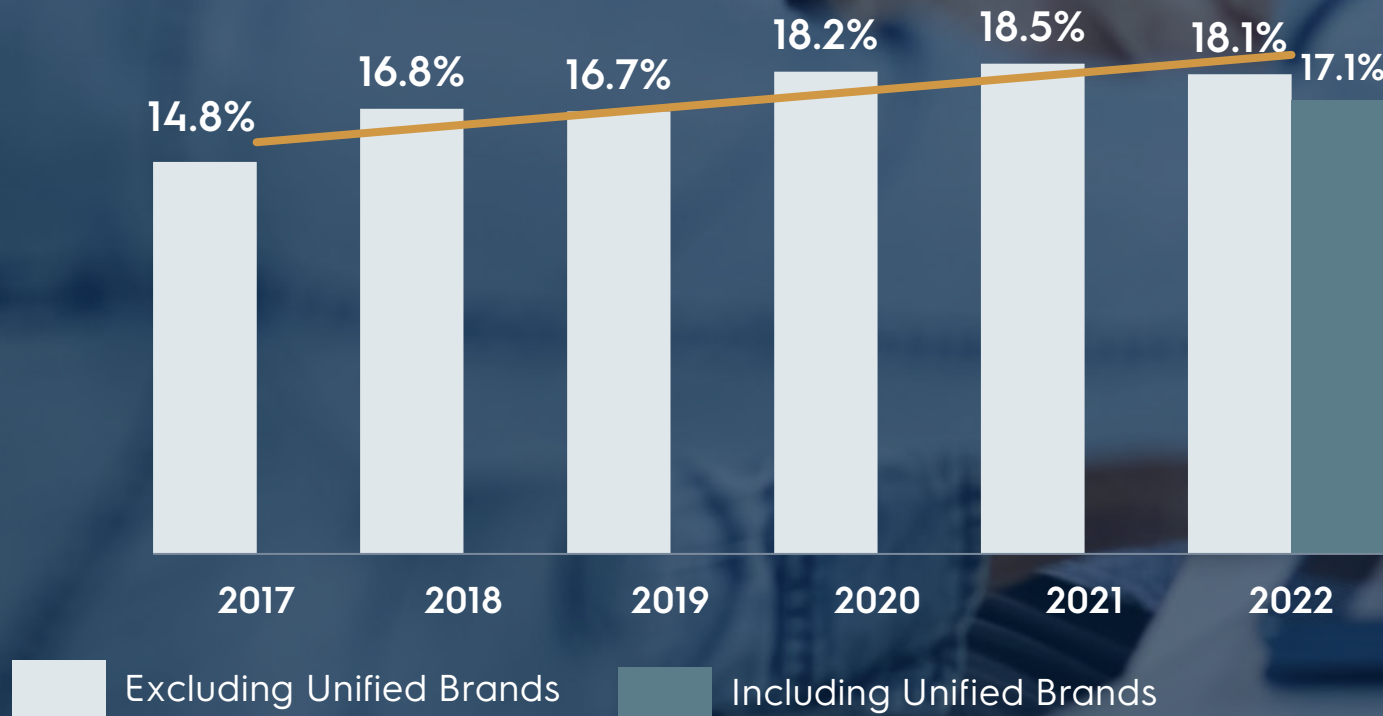
Cost synergies SEK 25-50m EBITA

= SEK 45-90m EBITA

Synergies underway, ramping through 2024

Customer Care growth contributes to profitability

Customer care in % of total sales



- Customer care growth +19% in 2022
- Detergents and spareparts grew most



Digital is starting to shape our industry

Significant investments in digitalization focusing on Connected solutions and roll-out of the OnE Customer platform

➤ MID TERM DIGITAL TARGET

Connected
appliance of future
installed base

50%

Distribution
on-line sales

65%

Digital
Interaction

50%

➤ CONNECTED Future installed base will be connected

- OnE user interface across food, laundry and beverage segments
- Valuable data storage & analyze features

➤ CUSTOMER DIGITAL PLATFORM

Sales to onboarded
partners and
distributors where the
platform is launched:

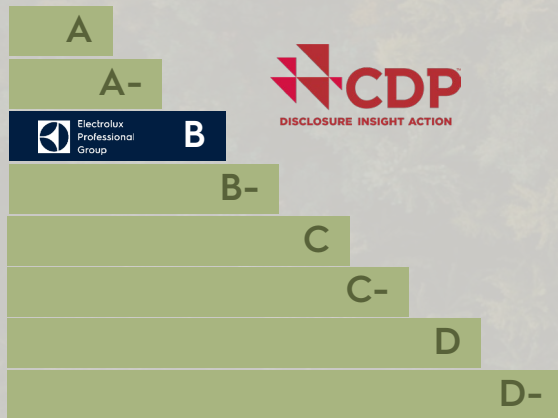
72%
of all orders
digital

50%
of sales
value digital

- Launched in several countries 2021-2022
- Continued roll-out in 2023-2024

The sustainability leader in our industry

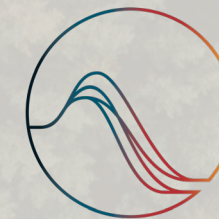
CDP questionnaire for
climate change 2022



Sustainalytics risk rating
ESG "low risk" 13.8



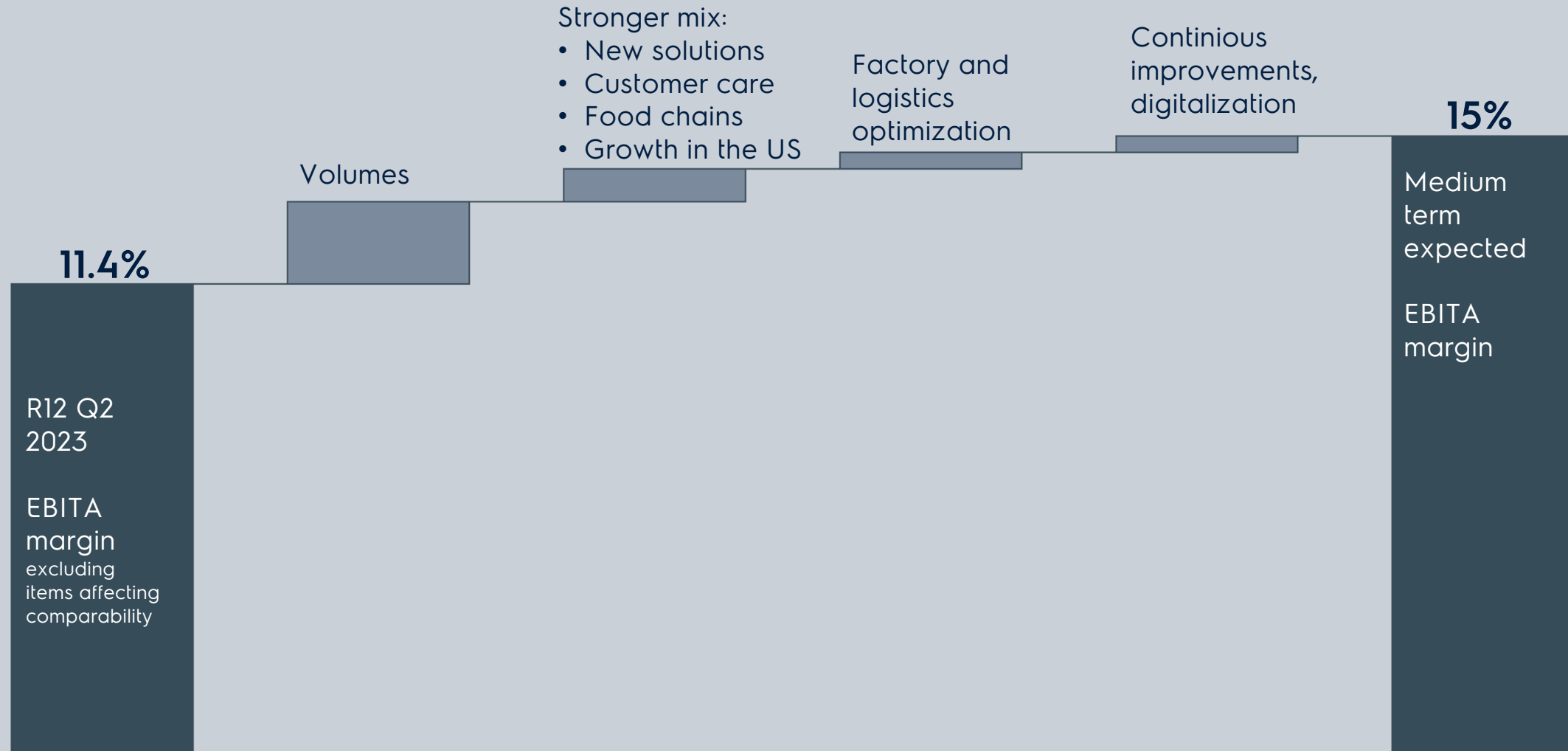
The Group's science-
based targets
approved by SBTi



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Building blocks to achieve 15% EBITA margin



A solid Group with Large potential



Track record of delivering solid EBITA, cash flow and cash conversion.
Solid balance sheet.

Positioned to benefit from an attractive Americas business

Profitable growth journey

Focused plan to generate margin expansion



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Appendix



Recent launches



SafeBox

A unique holding solution for take away and delivery



Cheeser station

The days of throwing away cheese are over
(Randell)



Service package Laundry Line6000



TANGO XP DUO MODEL New iconic fully automatic espresso machine (UNIC)

Electrolux Professional heading into second half of 2023

Demand

- Demand has normalized
- Potential recession impact to be monitored



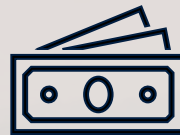
Energy prices

- High energy prices not expected to have material impact on our profit



Price increases

- Price increases implemented to compensate inflation



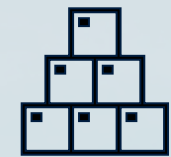
Raw material prices

- Raw material prices for 2023 are expected to be same as average in 2022



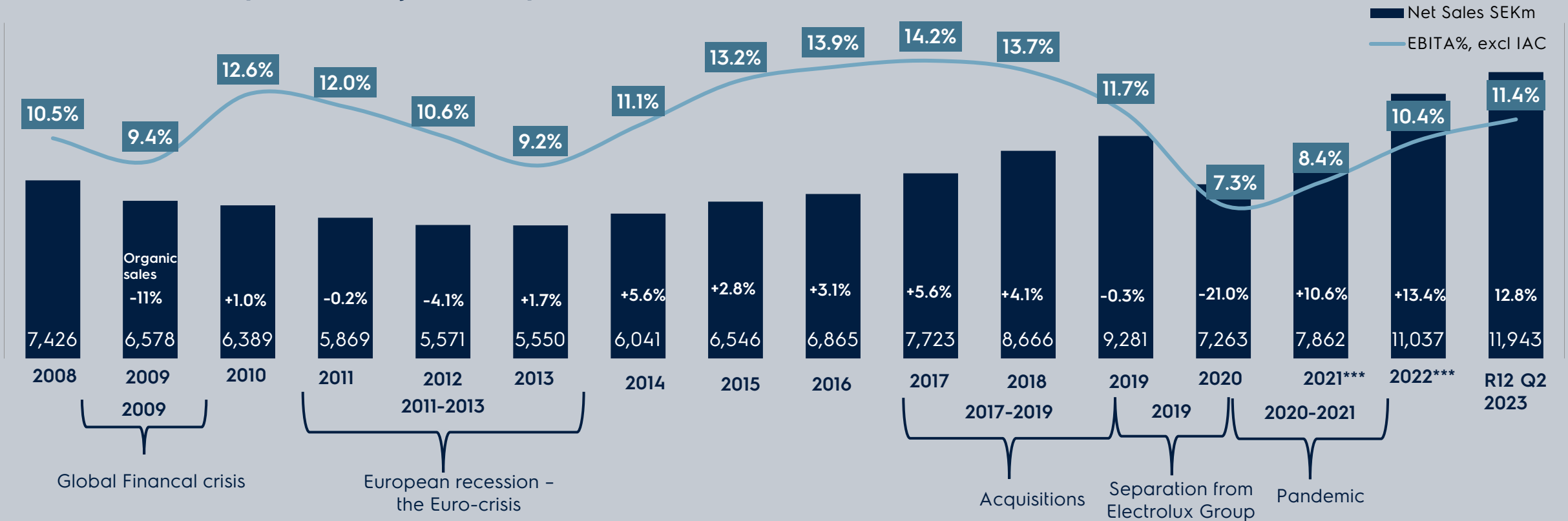
Components

- Components availability foreseeably not a problem



The Covid-pandemic had a x2 impact on sales vs Financial Crisis 2009

Net sales* and profitability development



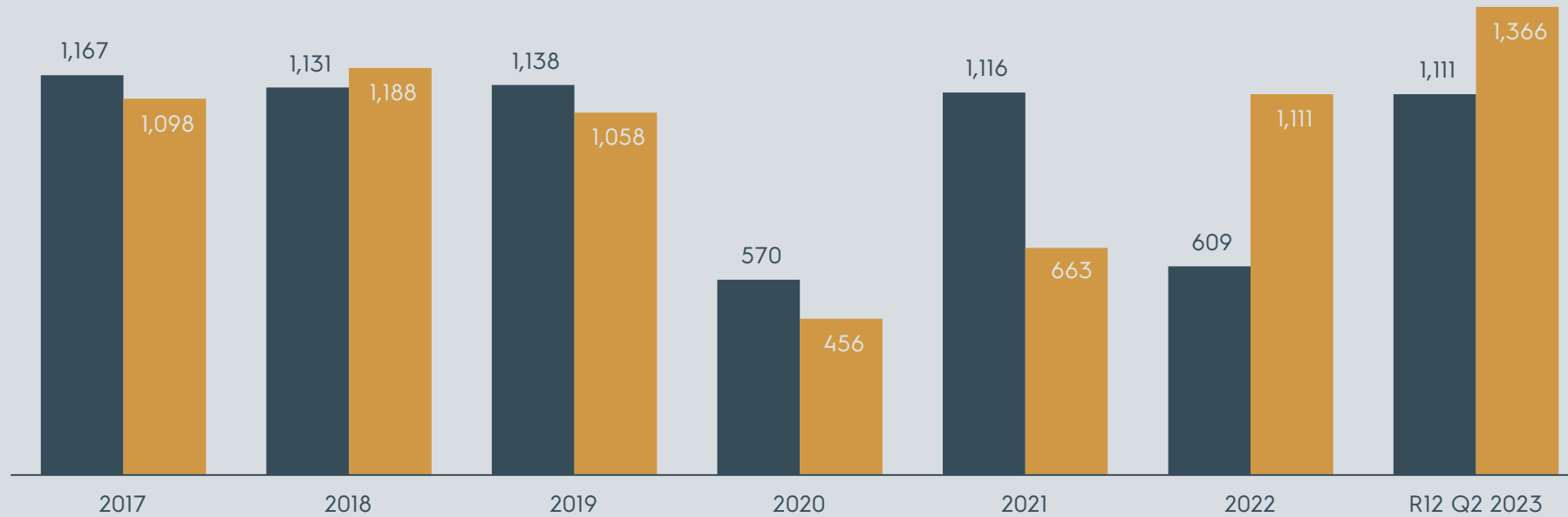
* Excluding divested businesses (Baring Industries, US (2010) and Heating element, Switzerland (2011)) **Excluding Items affecting Comparability (IAC)

***Includes Unified Brands from December 2021

Cash flow

SEKm

■ Operating cash flow after investments* ■ EBITA



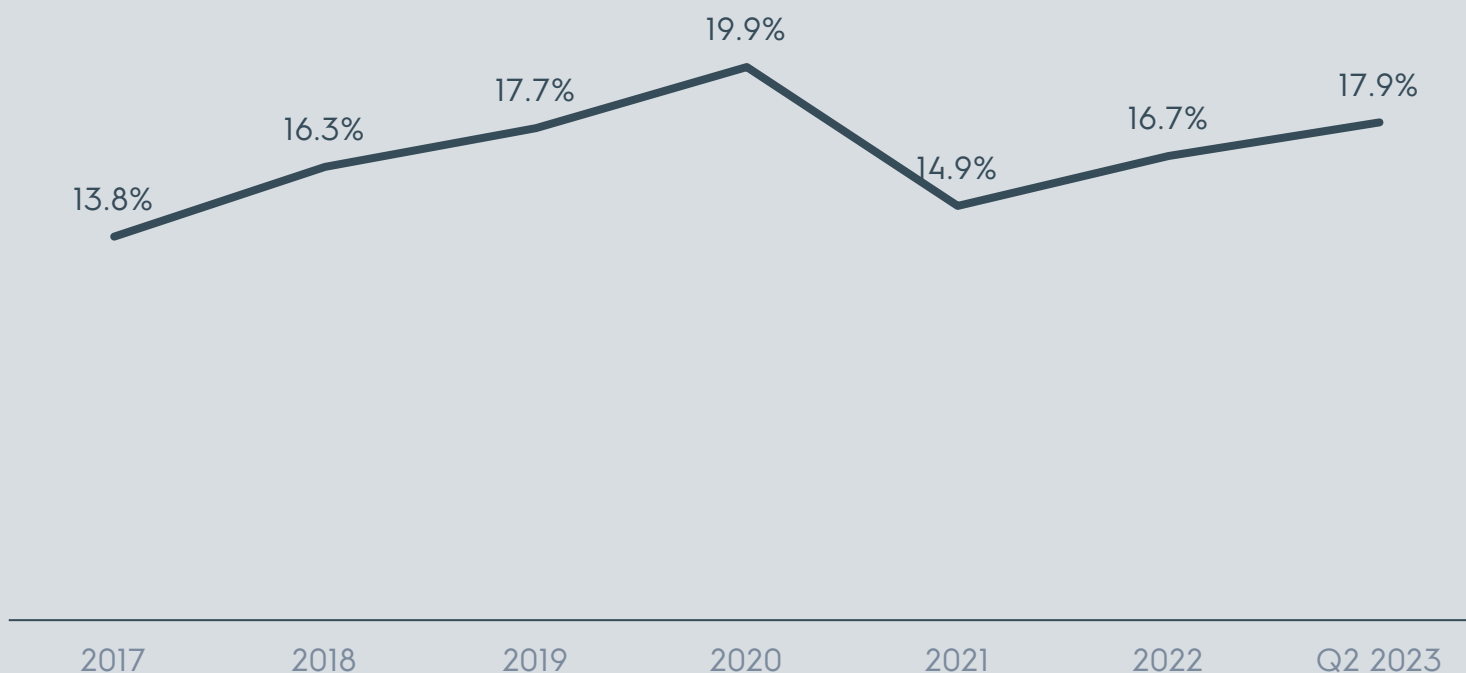
- Proven good cash flow generation over the years
- In 2022, cash flow impacted by increase of OWC

* Cash flow defined as cash flow from operations and investments adjusted for financial items paid, taxes paid and acquisitions/divestments of operations

Operating Working Capital (OWC)

- Business model with low OWC
- 2018-2019 burdened by acquisitions and large phase in/out of products
- OWC has increased due to safety stock of components, and higher stock to create product availability
- Activities to optimize inventory initiated
- Quality of receivables are good.

Operating working capital as % of net sales



Net debt EBITDA ratio well below target

- Zero net debt prior to Unified Brands acquisition in Q4, 2021

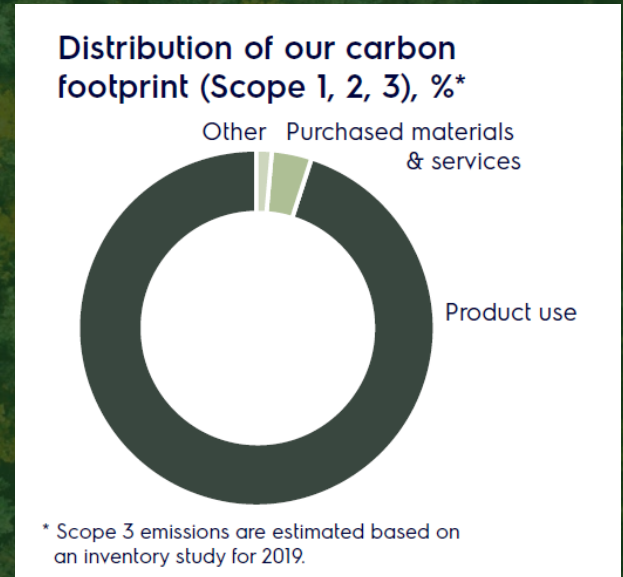


Our climate impact



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- During 2021 we reported the data from our greenhouse gas emissions within scope 3 (year 2019)
- Main climate impact occurs during the product use phase, approximately 95%
- The main contributor within the usage phase relates to the product's energy consumption
- A scope 3 reduction target connected to product use is being developed, preparing to commit to Science Based Targets



Sustainability performance

Target to be climate neutral in operations in 2030

- CO2 reduction aligned with Paris agreement



Performance
2022
(2021)

-45%*
(-31)

* Scope 1 and 2 - emissions from own operations. Target -50% by 2025 compared to 2015 with recalculated baseline.



- Lost time injury rate



0.6
(0,7)

- Diversity & inclusion



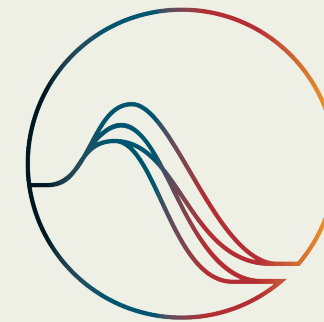
26%
women
(26)



Electrolux Professional Group's science-based targets validated by SBTi



- Targets to reduce greenhouse gas emissions by 2030 have now been validated by the Science Based Targets initiative (SBTi).
- Our Science Based Targets are
 - to reduce **scope 1 and 2 emissions by 70% by 2030** (the base year 2019).
 - reduce **indirect use phase emissions (scope 3) of sold products by 27.5% by 2030** from a 2019 base year.



SCIENCE
BASED
TARGETS

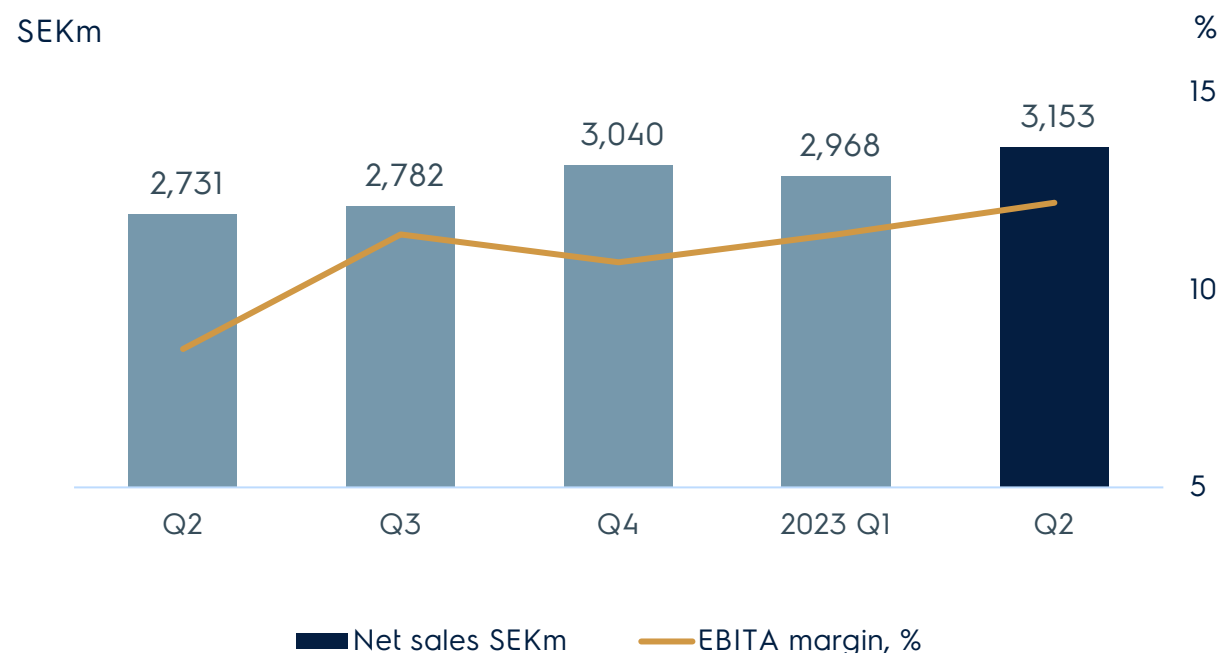
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Q2 highlights

Another positive step towards our financial target

- Sales increased by 15.5%
- Organically, sales increased by 8.3%.
- EBITA increased by 65%, to SEK 385m (233), corresponding to a margin of 12.2% (8.5).
- Operating cash flow after investments amounted to SEK 462m (88)
- Net debt/EBITDA at 1.3x (2.0)
- Market demand has held up well, and order stock remain at a good level, although the US is somewhat soft

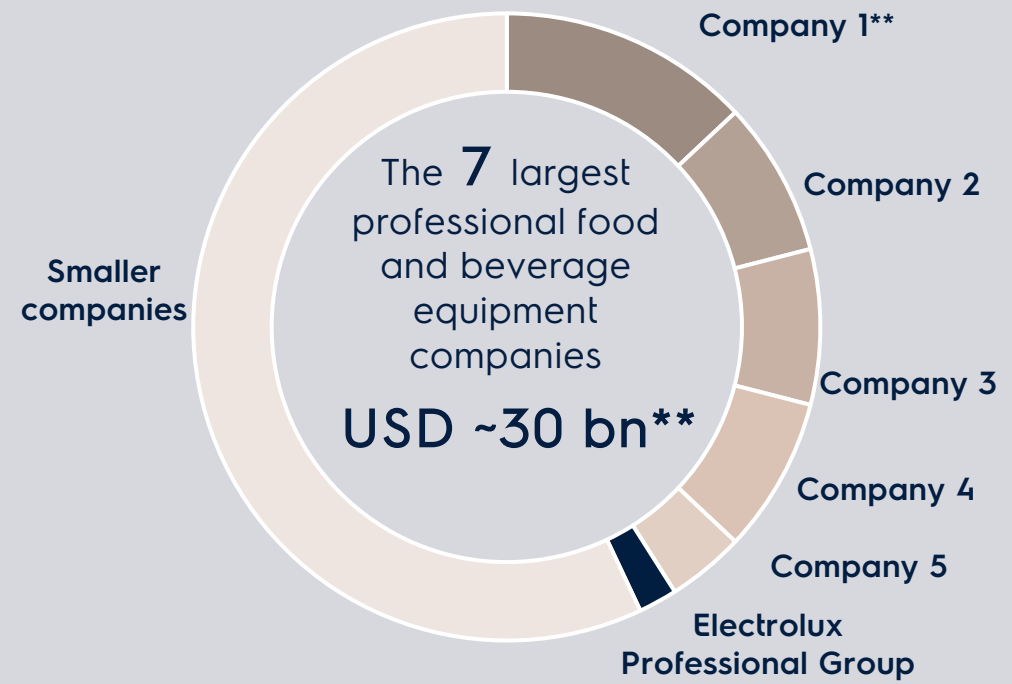
SEKm	Apr-Jun 2023	Apr-Jun 2022	Change, %
Net sales	3,153	2,731	15.5
EBITA	385	233	65.1
EBITA margin, %	12.2	8.5	
Operating cash flow after investments	462	88	



The global professional equipment industry



Food & Beverage



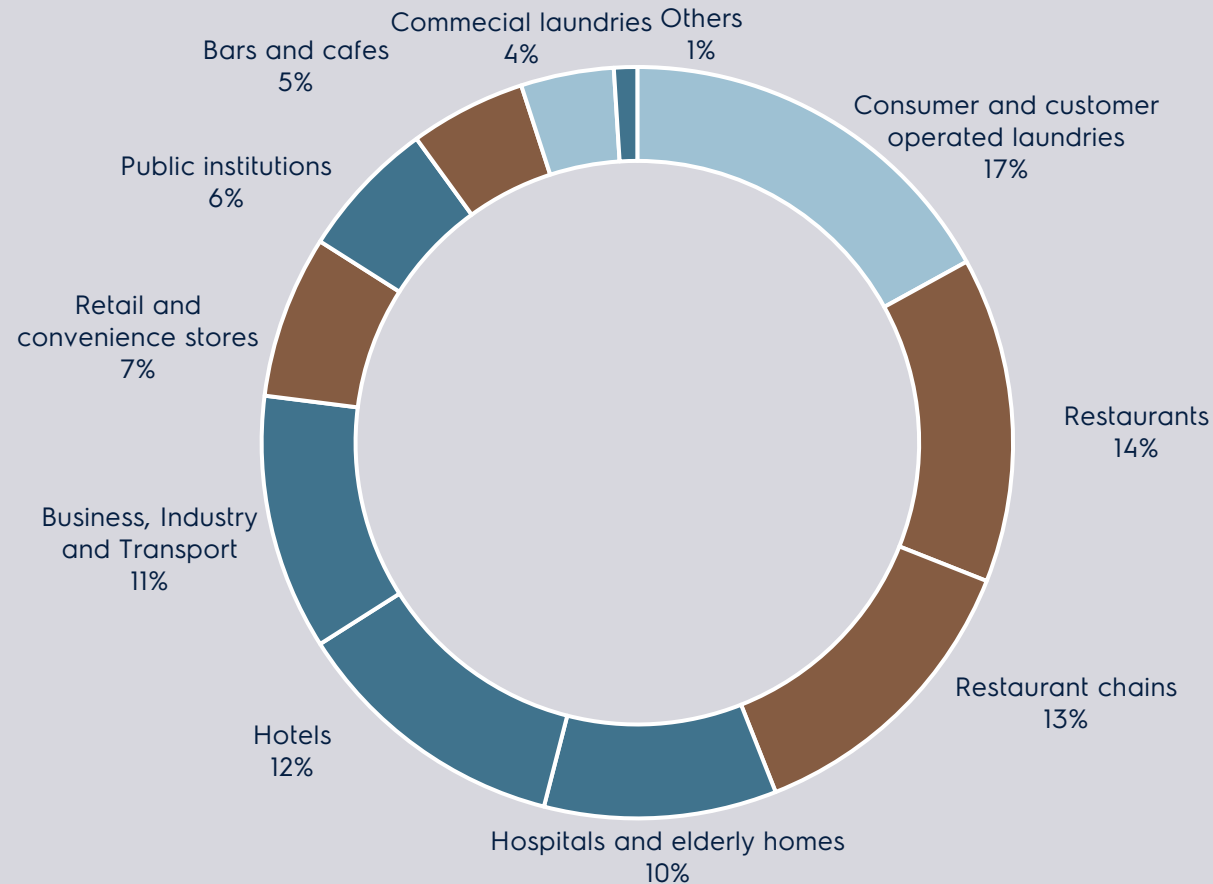
Laundry



** 2022 markets, own company estimates
** Pro forma

** 2022 markets, own company estimates

Electrolux Professional sales per customer segment*



* Figures are partially estimates since Electrolux Professional do not always have information about the end customer.

Hospitality macro trends

-growing with global GDP development

Sustainability

- Energy efficiency
- Use of less water and detergent
- Clean labels
- Single-Use Plastic ban and circular packaging
- Microplastics fight

Plant-based food

- Plant-based meat alternatives

Digital customer experience

- Connected products
- Pick-up/drive-through
- Smartphone ordering/apps

Ghost kitchen expansion

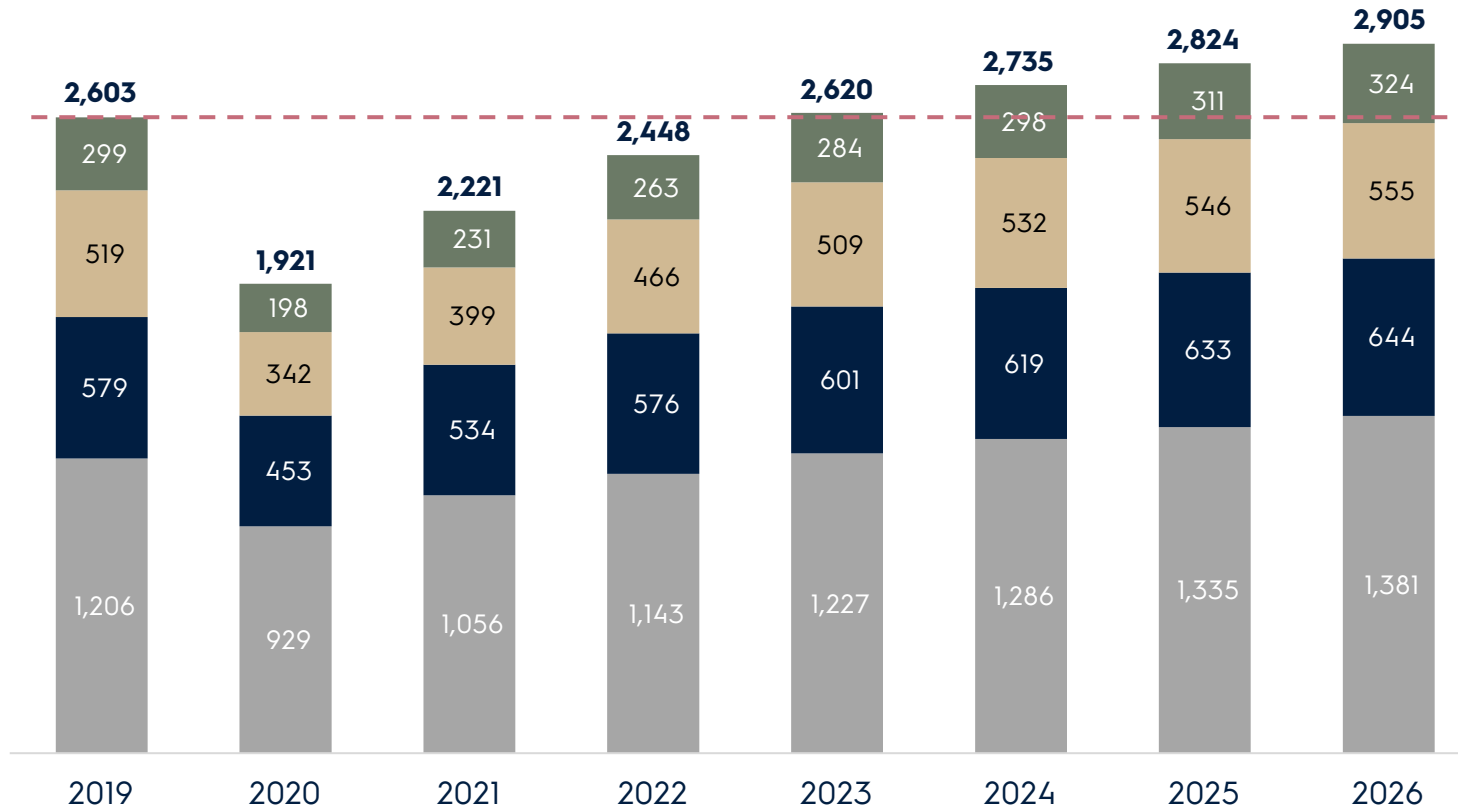
- Meet demand via smartphone
- More-tailored options

Global Foodservice recovery 2019-2026

North America already on par with 2019 in 2022



Global Foodservice Out of Home (OOH) Spending (billion €)



	CAGR% 19-21	CAGR% 21-26
ROW	-12.0%	+7.0%
Europe	-12.3%	+6.8%
North America	-3.9%	+3.8%
APAC	-6.4%	+5.5%

- North America to return to pre-pandemic levels in 2022
- APAC and Europe in 2023
- ROW should recover in 2024.
- Europe and ROW were the most impacted regions by COVID-19, but are expected to be the most dynamic regions after Pandemic.

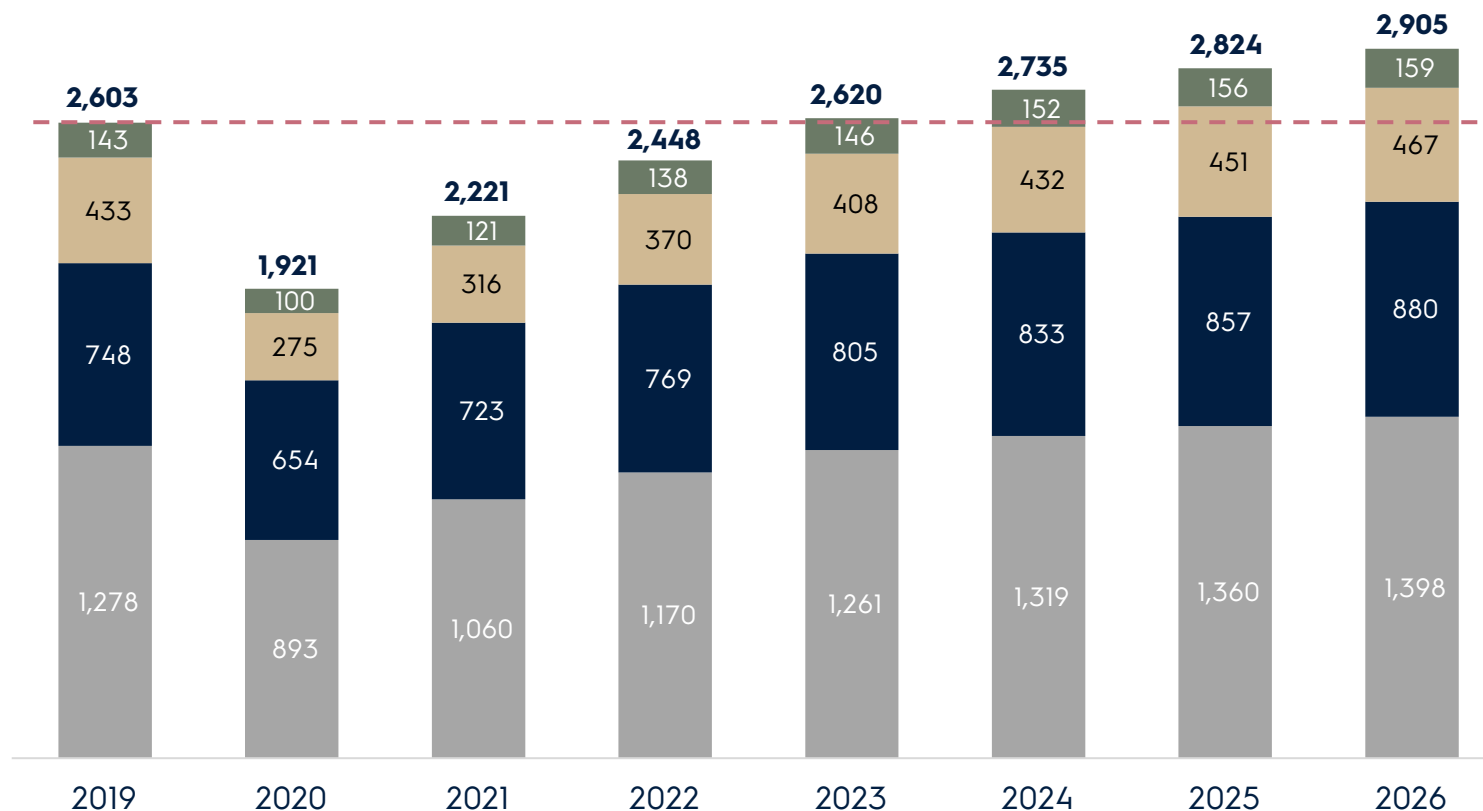
Source: Deloitte "Foodservice Market Monitor 2022" (elaboration of secondary data sources: Euromonitor, Allied Market Research, Statista)

Global Foodservice recovery 2019-2026

QSR leading recovery and already above 2019 level



Global Foodservice OOH Spending (billion €)



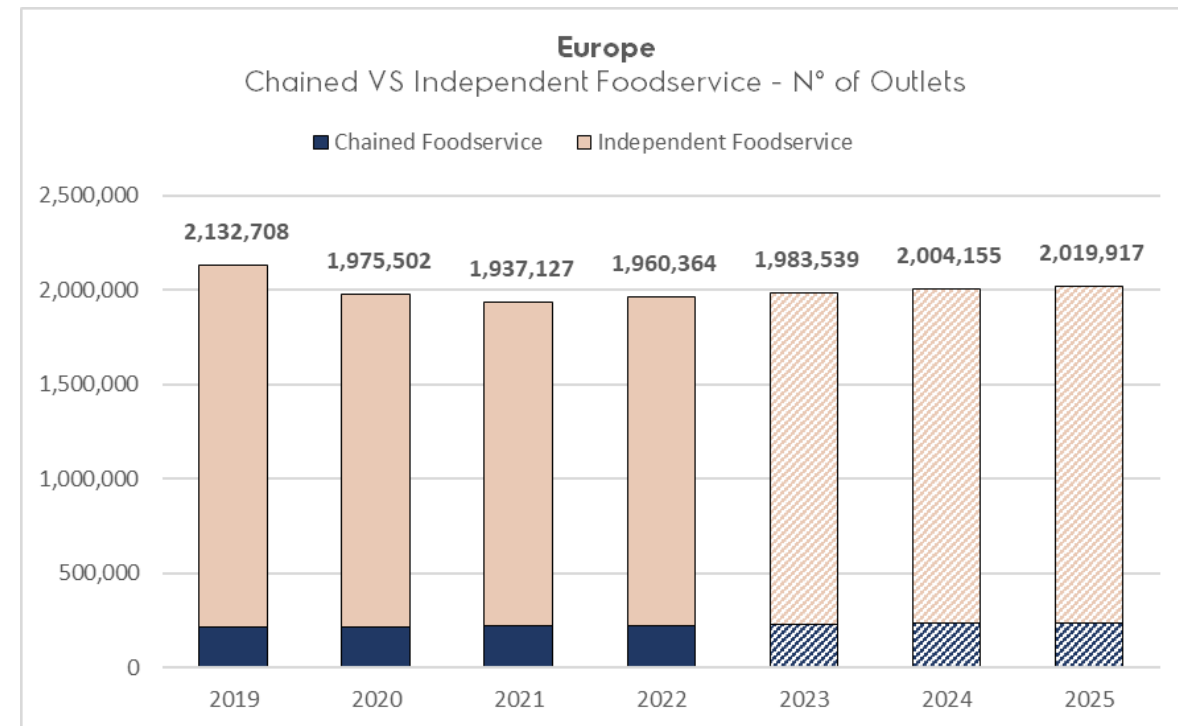
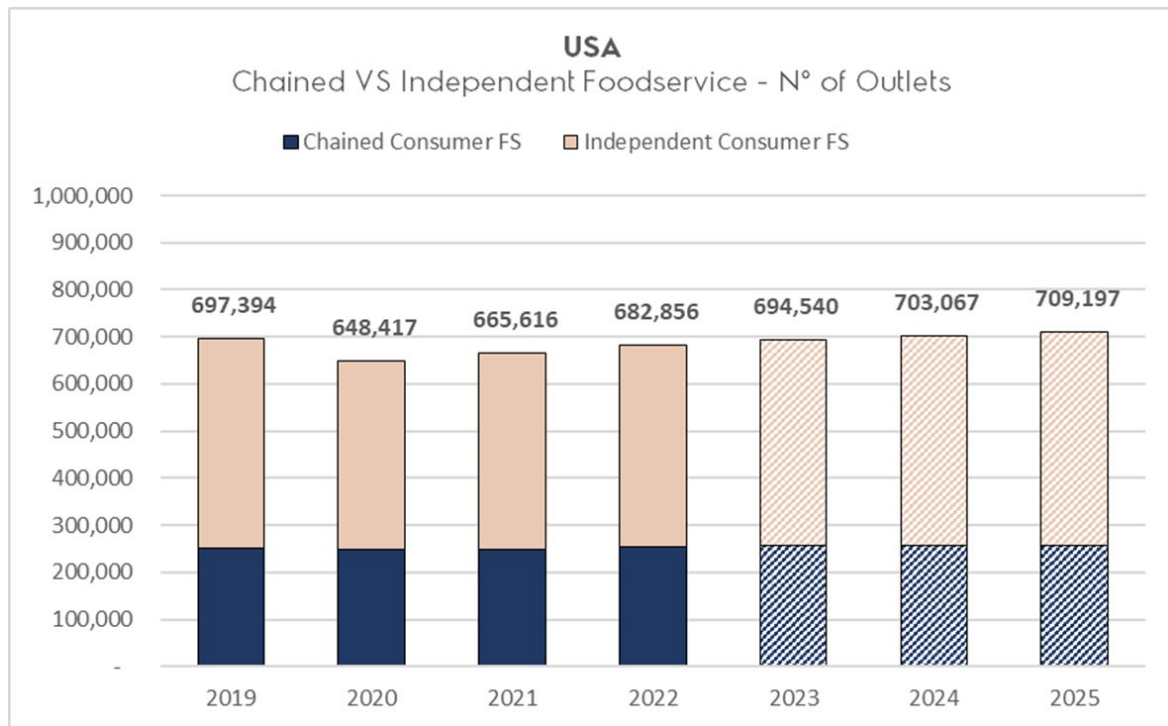
	CAGR% 19-21	CAGR% 21-26
Street food	-7.9%	+5.6%
Cafés and bars	-14.6%	+8.1%
Quick-Service Restaurants	-1.7%	+4.0%
Full-Service Restaurants	-8.9%	+5.7%

- Quick service restaurants (QAR) to pre-pandemic levels in 2022
- Full-Service Restaurants and Street food in 2023
- Cafés and bars will recover in 2024

Source: Deloitte "Foodservice Market Monitor 2022" (elaboration of secondary data sources: Euromonitor, Allied Market Research, Statista)

Number of outlets expected to grow

QSR already above 2019



Source: Euromonitor Passport – Consumer Foodservice 2022
Cafés/Bars: Bars/Pubs, Cafés, Juice/Smoothie Bars, Specialist Coffee and Tea Shops



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