

Interim report **Q2**

Second quarter, April–June 2022

- > Net sales amounted to SEK 2,731m (1,958). Sales increased by 39,5%. Organically sales increased by 15.1%. The acquisition of Unified Brands contributed with 17.9%. Currency had an effect of 6.5%.
- > EBITA amounted to SEK 233m (197), corresponding to a margin of 8.5% (10.1). EBITA excluding items affecting comparability of SEK –35m related to the divestment of the Russian business amounted SEK 268m (197), corresponding to a margin of 9.8% (10.1).
- > Operating income amounted to SEK 196m (181), corresponding to a margin of 7.2% (9.2).
- > Operating cash flow after investments amounted to SEK 88m (223).
- > Income for the period amounted to SEK 132m (168), and earnings per share was SEK 0.46 (0.58).
- > On July 6, 2022, operations in Russia were divested to local management.

Key ratios

SEKm	Second quarter			Six months		
	Apr–Jun 2022	Apr–Jun 2021	Change, %	Jan–Jun 2022	Jan–Jun 2021	Change, %
Net sales	2,731	1,958	39.5	5,215	3,619	44.1
EBITA*	233	197	18.5	469	300	56.3
EBITA margin, %*	8.5	10.1		9.0	8.3	
Operating income*	196	181	8.6	395	268	47.2
Operating margin, %*	7.2	9.2		7.6	7.4	
Income after financial items	188	176	7.1	391	259	51.2
Income for the period	132	168	–21.4	287	223	28.5
Earnings per share, SEK ¹	0.46	0.58		1.00	0.78	
Operating cash flow after investments*	88	223		46	246	
Operating working capital % of net sales*	n/a	n/a		14.6	17.4	

*) Alternative performance measures used in this report are explained on pages 25–26.

1) Basic number of outstanding shares.

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Strong sales growth and increased EBITA, despite negative impact from component shortage



Alberto Zanata,
President and CEO

The second quarter was the fifth consecutive quarter of strong sales growth, which underlines the solid recovery of the hospitality industry.

Sales in the quarter increased organically by 15.1% compared to last year and grew 39.5% in total, including the recently acquired Unified Brands business and the positive impact from currency. Sales were strong in all regions, but particularly strong in the Americas.

EBITA for the second quarter was SEK 268m (197) with a corresponding margin of 9.8% (10.1), excluding items affecting comparability of SEK -35m related to the divestment of the Russian business.

The improved EBITA was primarily driven by increased sales volumes and the contribution from Unified Brands. However, we were not able to fully compensate the increased raw material and component cost increases in Laundry which had a negative net impact of approximately SEK -30m. In Food & Beverage we were able to cover the gap between price and raw material. We expect the net between price increases and raw material cost to be positive in the third quarter.

Operating cash flow after investments in the quarter amounted to SEK 88m (223). Cash flow is negatively affected by a large increase in inventory and trade receivables.

Sales of Food & Beverage was strong with an organic growth of 22.9%, reporting an EBITA margin, excluding items affecting comparability, of 10.8% (9.1). Growth was strong throughout all regions despite China experiencing a very negative development

due to a new pandemic lock-down. Unified Brands, which was acquired in December 2021, saw strong sales growth with an underlying EBITA margin being accretive to the Food & Beverage segment. This development gives support to the strategy to grow in the US and in chains.

Sales of Laundry grew organically only by 2.2%, despite a continued strong customer demand and high order-stock. Component shortages, especially circuit boards from China, have caused lower deliveries generating a negative result impact. The EBITA margin, excluding items affecting comparability, for Laundry was 12.9% (15.6). On the positive side, the component situation improved towards the end of the quarter and sales are being shifted to the third quarter.

Following the assessment that business continuity in Russia, in the current situation, is not feasible, we have divested our Russian operations to local management. This incurred cost of SEK -35m, which is treated as items affecting comparability.

Despite the uncertain geopolitical situation, and the significant inflation in the world, our main customer base in the hospitality industry is currently experiencing a high activity and demand level. The high order stock, the improved component availability and a positive price impact, gives us a good foundation for the next quarter.

Alberto Zanata,
President and CEO

“Despite the uncertain geopolitical situation, and the significant inflation in the world, our main customer base in the hospitality industry is currently experiencing a high activity and demand level.”

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Second quarter development

Net sales

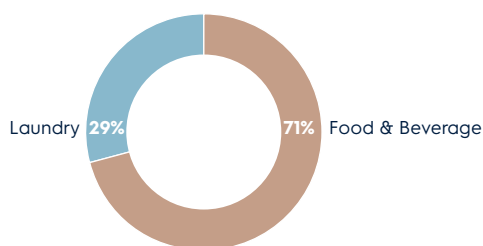
Net sales for the second quarter amounted to SEK 2,731m (1,958), an increase by 39.5% compared to the same period last year. Organically, sales increased by 15.1%. The acquisition of Unified Brands contributed by 17.9% and currency had a positive effect of 6.5%.

The sales increase was driven by a continued strong comeback of the hospitality industry. Sales of Food & Beverage increased organically by 22.9%. Sales of Laundry increased organically by 2.2%. Sales in Europe increased approximately 13%, in Americas approximately 26%, and by 15% in Asia-Pacific, Middle East and Africa.

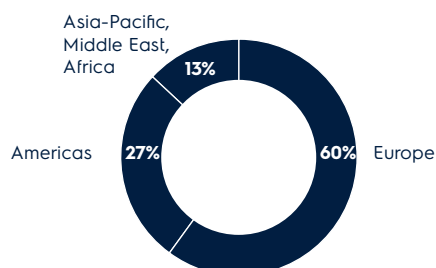
Changes in net sales, %	Apr-Jun 2022	Apr-Jun 2021
Organic growth*	15.1	38.4
Acquisitions*	17.9	-
Changes in exchange rates	6.5	-7.0
Total	39.5	31.5

*) Alternative performance measures used in this report are explained on pages 25-26.

Share of sales by segment, April-June 2022



Share of sales by region, April-June 2022



Operating income and EBITA

Operating income excluding amortization of intangible assets (EBITA), excluding items affecting comparability of SEK -35m, related to the divestment of the Russian business, amounted to SEK 268m (197), corresponding to a margin of 9.8% (10.1). EBITA also includes integration-related costs for Unified Brands of SEK -5m. Operating income amounted to SEK 196m (181), corresponding to a margin of 7.2% (9.2). The improved operating income was driven by the increased sales volumes and the contribution from Unified Brands. In Laundry price increases have not fully compensated the increased raw material and component cost which had a negative net impact of approximately SEK -30m. In Food & Beverage the gap between price and raw material was covered.

Sales and EBITA margin



Financial net

Net financial items amounted to SEK -8m (-5).

Income for the period

Income for the period amounted to SEK 132m (168), corresponding to SEK 0.46 (0.58) in earnings per share.

Income tax for the period amounted to SEK -56m (-8). The effective tax rate was 29.8% (4.4). The tax rate for the second quarter 2022 is negatively affected by non-deductible costs related to the discontinuation of the business in Russia. The tax rate for the second quarter 2021 was positively affected by a fiscal revaluation of assets in Italy.

Group common cost

Group common cost was SEK -44m (-30). The increase is due to higher employee costs.

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Development during the year, January–June 2022

Net sales

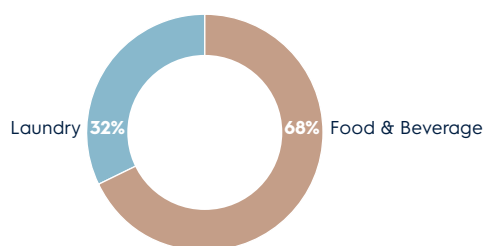
Net sales for January–June amounted to SEK 5,215m (3,619), an increase by 44.1% compared to the same period last year. Organically, sales increased by 19.8%, acquisitions contributed by 19.0% and currency contributed by 5.2%.

The sales increase was driven by an increased sales demand as pandemic restrictions have been eased. Sales of Food & Beverage increased organically by 27.6%. Sales of Laundry increased organically by 8.6%. Sales in Europe increased by approximately 18%, in Americas by 40% excluding the acquisition of Unified Brands, and in Asia-Pacific, Middle East and Africa by 9%.

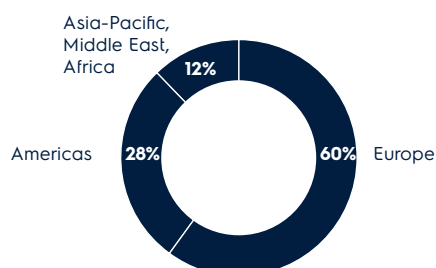
Changes in net sales, %	Jan–Jun 2022	Jan–Jun 2021
Organic growth*	19.8	7.2
Acquisitions*	19.0	-
Changes in exchange rates	5.2	-6.1
Total	44.1	1.1

* Alternative performance measures used in this report are explained on pages 25–26.

Share of sales by segment, January–June 2022



Share of sales by region, January–June 2022



Operating income and EBITA

Operating income excluding amortization of intangible assets (EBITA) amounted to SEK 469m (300), including items affecting comparability of SEK –35m, corresponding to a margin of 9.0% (8.3). EBITA includes integration related costs for Unified Brands of SEK –20m. Operating income amounted to SEK 395m (268), corresponding to a margin of 7.6% (7.4). The improved operating income is mainly due to higher sales volumes.

Financial net

Net financial items amounted to SEK –3m (–9).

Income for the period

Income for the period amounted to SEK 287m (223), corresponding to SEK 1.00 (0.78) in earnings per share.

Income tax for the period amounted to SEK –104m (–35). The effective tax rate was 26.6% (13.7). The tax rate in 2022 is negatively affected by non-deductible costs related to the discontinuation of the business in Russia. The tax rate in 2021 was positively affected by a fiscal revaluation of assets in Italy.

Group common cost

Group common cost was SEK –91m (–58). The increase is due to advisory costs and higher employee costs.

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Segment Food & Beverage

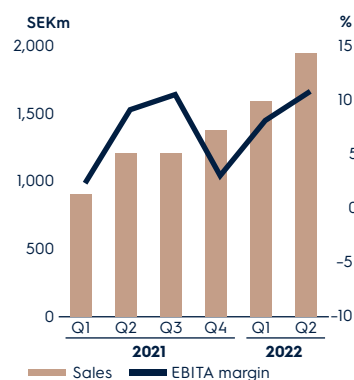
In the second quarter, sales for Food & Beverage were SEK 1,949m (1,210), an increase of 61.0% compared to the same period last year. Organically sales increased by 22.9% (53.9) and currency had a positive effect of 9.5%. The acquisition of Unified Brands contributed by 28.6%.

Organically, sales increased by approximately 23% in Europe, by 28% in Americas (excluding Unified Brands) and by 18% in Asia-Pacific, Middle East and Africa.

Operating income excluding amortization of intangible assets (EBITA) and excluding items affecting comparability of SEK -16m, amounted to SEK 211m (110), corresponding to a margin of 10.8% (9.1). EBITA also includes integration related costs for Unified Brands of SEK -5m.

Operating income amounted to SEK 162m (98), corresponding to a margin of 8.3% (8.1).

Sales and EBITA margin



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SEKm	Second quarter			Six months			Full year
	Apr-Jun 2022	Apr-Jun 2021	Change, %	Jan-Jun 2022	Jan-Jun 2021	Change, %	Jan-Dec 2021
Net sales	1,949	1,210	61.0	3,546	2,115	67.6	4,704
Organic growth, %	22.9	53.9		27.6	9.4		14.3
Acquisitions, %	28.6	-		32.2	-		2.5
Changes in exchange rates, %	9.5	-9.5		7.8	-7.8		-4.7
EBITA	195	110	77.9	324	130	148.6	299
EBITA margin, %	10.0	9.1		9.1	6.2		6.4
Operating income	162	98	65.4	258	107	141.4	244
Operating margin, %	8.3	8.1		7.3	5.1		5.2

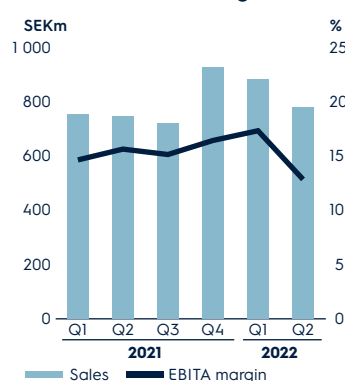
Segment Laundry

In the second quarter, sales for Laundry were SEK 782m (748), an increase of 4.6% compared to the same period last year. Organically sales increased by 2.2% (19.1) and currency had a positive effect of 2.4%.

Organically, sales increased by approximately 20% in Americas, by 12% in Asia-Pacific, Middle East and Africa, but declined marginally in Europe.

Operating income excluding amortization of intangible assets (EBITA) and excluding items affecting comparability of SEK -19m, amounted to SEK 101m (117), corresponding to a margin of 12.9% (15.7). Component shortages have caused production and shipment inefficiencies generating a significant negative result impact. Operating income amounted to SEK 78m (113), corresponding to a margin of 9.9% (15.1).

Sales and EBITA margin



SEKm	Second quarter			Six months			Full year
	Apr-Jun 2022	Apr-Jun 2021	Change, %	Jan-Jun 2022	Jan-Jun 2021	Change, %	Jan-Dec 2021
Net sales	782	748	4.6	1,669	1,504	11.0	3,159
Organic growth, %	2.2	19.1		8.6	4.3		5.5
Changes in exchange rates, %	2.4	-4.2		2.4	-4.0		-2.5
EBITA	82	117	-30.4	236	228	3.3	492
EBITA margin, %	10.4	15.7		14.1	15.2		15.6
Operating income	78	113	-31.2	227	220	3.4	475
Operating margin, %	9.9	15.1		13.6	14.6		15.0

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Net sales, EBITA and operating income by segment

SEKm	Second quarter		Six months		Full year
	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Food & Beverage					
Net sales	1,949	1,210	3,546	2,115	4,704
EBITA	195	110	324	130	299
Amortization	-33	-12	-66	-23	-55
Operating income	162	98	258	107	244
Laundry					
Net sales	782	748	1,669	1,504	3,159
EBITA	82	117	236	228	492
Amortization	-4	-4	-9	-9	-17
Operating income	78	113	227	220	475
Group common costs					
EBITA	-43	-30	-90	-58	-127
Amortization	-0	-0	-0	-0	-1
Operating income	-44	-30	-91	-58	-128
Total Group					
Net sales	2,731	1,958	5,215	3,619	7,862
EBITA	233	197	469	300	663
Amortization	-37	-16	-75	-32	-72
Operating income	196	181	395	268	592
Financial items, net	-8	-5	-3	-9	-4
Income after financial items	188	176	391	259	587
Taxes	-56	-8	-104	-35	-101
Income for the period	132	168	287	223	487

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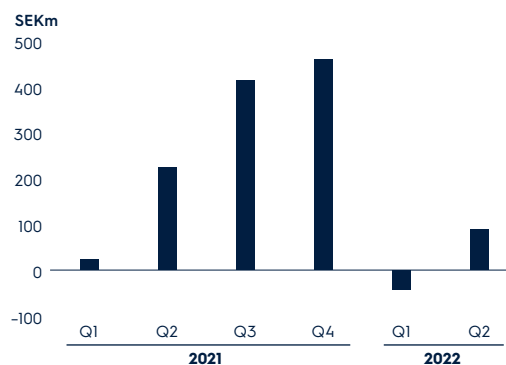
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Cash flow

Operating cash flow after investments amounted to SEK 88m (223) in the quarter. The change in cash flow is primarily related to an increase in inventory.

Operating cash flow after investments

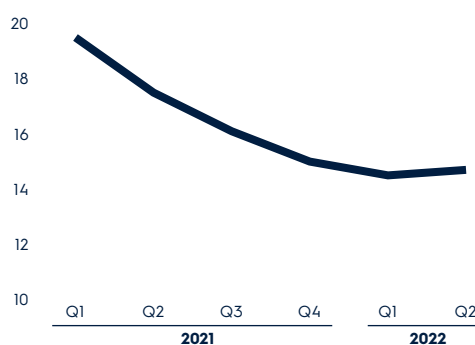


SEKm	Second quarter		Six months		Full year
	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Operating income	196	181	395	268	592
Depreciation	63	54	128	108	223
Amortization	37	16	75	32	72
Other non-cash items	39	5	44	9	4
Operating income adjusted for non-cash items	335	256	641	417	890
Change in inventories	-214	-27	-425	-70	-139
Change in trade receivables	-130	-172	-267	-175	-216
Change in accounts payable	92	93	127	47	398
Change in other operating assets, liabilities and provisions	26	95	9	82	312
Operating cash flow	108	244	85	302	1 245
Investments in tangible and intangible assets	-22	-20	-40	-53	-159
Changes in other investments	2	-2	1	-3	31
Operating cash flow after investments	88	223	46	246	1 116

Operating working capital

Operating working capital as percent of annualized net sales amounted to 14.6% in the second quarter compared to 14.4% in the first quarter of 2022.

Operating working capital of annualized net sales, %



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Financial position

Net debt

As of June 30, 2022, Electrolux Professional had a financial net debt position (excluding lease liabilities and post-employment provisions) of SEK 2,022m compared to SEK 1,418m as of December 31, 2021. Lease liabilities amounted to SEK 313m and net provisions for post-employment benefits amounted to SEK -139m. Pension liabilities decreased due to higher interest rates and inflation expectations affecting discount rates.

In total, net debt amounted to SEK 2,196m as of June 30, 2022, compared to SEK 1,705m as of December 31, 2021.

Long-term borrowings amounted to SEK 1,244m and short-term borrowings amounted to SEK 1,381m. Total borrowings amounted to SEK 2,625m compared to SEK 2,268m as of December 31, 2021.

Liquid funds as of June 30, 2022, amounted to SEK 603m compared to SEK 849m as of December 31, 2021.

Credit facilities and loans

Electrolux Professional AB has a term loan of SEK 600m with a tenure of seven years from 2020, a sustainability linked loan of EUR 60m with a tenure of seven years from 2021 and a revolving credit facility of EUR 200m with a tenure until 2026. As of June 30, 2022, EUR 119m of the revolving credit facility was utilized.

Net debt

SEKm	Jun 30, 2022	Jun 30, 2021	Dec 31, 2021
Short-term loans	1,292	253	1,045
Financial derivative liabilities	82	6	5
Accrued interest expenses and prepaid interest income	7	2	3
Total short-term borrowings	1,381	262	1,053
Long-term loans	1,244	600	1,215
Long-term borrowings	1,244	600	1,215
Total borrowings¹	2,625	862	2,268
Cash and cash equivalents	581	743	836
Financial derivative assets	21	9	13
Prepaid interest expenses and accrued interest income	1	0	1
Liquid funds	603	752	849
Financial net debt	2,022	109	1,418
Lease liabilities	313	247	326
Net provisions for post-employment benefits	-139	50	-39
Net debt*	2,196	407	1,705
Net debt/EBITDA ratio*	2.0	0.5	1.9
EBITDA*	1,075	758	886

*) Alternative performance measures used in this report are explained on pages 25-26.

1) Whereof interest-bearing liabilities amounting to SEK 2,535m as of June 30, 2022, SEK 854m as of June 30, 2021 and SEK 2,260m as of December 31, 2021.

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Other disclosures

Conversion of shares

According to Electrolux Professional's articles of association, owners of A-shares have the right to have such shares converted to B-shares. Conversion reduces the total number of votes in the Company. 50 shares were converted in the second quarter. The total number of registered shares in the company on June 30, 2022 amounted to 287,397,450 of which 8,046,464 are Series A and 279,350,986 are Series B. The total number of votes amounted to 35,981,562.6.

Employees

The number of employees at the end of the quarter was 3,997 (3,407). The increase is due to the acquisition of Unified Brands.

Events after the balance sheet day

Following the assessment that business continuity in Russia, in the current situation, is not feasible, Electrolux Professional decided to cease its operations in Russia. Electrolux Professional divested its operations in Russia to its local management on July 6, 2022. This incurred a cost of SEK -35m that is treated as items affecting comparability in the second quarter of 2022.

Parent Company

The Parent Company's activities include head office as well as production and sales in and from Sweden.

Net sales for the Parent Company, Electrolux Professional AB, for the period from January 1 to June 30, 2022 amounted to SEK 1,226m (1,114) of which SEK 501m (465) referred to sales to Group Companies and SEK 725m (649) to external customers. Income after financial items was SEK 287m (49). Income for the period amounted to SEK 274m (37).

Capital expenditure in tangible and intangible assets was SEK 5m (6). Liquid funds at the end of the period amounted to SEK 235m, as against SEK 391m in the beginning of the year.

Undistributed earnings in the Parent Company at the end of the period amounted to SEK 6,368m, as against SEK 6,263m at the beginning of the year.

The income statement and balance sheet for the Parent Company are presented on page 20.

Annual General Meeting 2022

Electrolux Professional's Annual General Meeting was held on April 28, 2022 in Stockholm. The shareholders were also able to exercise their voting rights by advance postal voting. The parent company's and the Group's income statements and balance sheets were adopted, and it was resolved that a dividend of SEK 0.50 per share should be distributed for the financial year 2021. All members of the Board of Directors were re-elected. Deloitte AB was re-elected as auditor for a period until next Annual General Meeting. A performance based, long term share program for 2022 including hedging measures related thereto was approved.

Risk and uncertainty factors

Electrolux Professional is an international group with a wide geographic spread and is thus exposed to a number of business and financial risks. Risk management in Electrolux Professional aims to identify, control and reduce risks. The risk factors are described in the Annual Report and consist of strategic risks, operational risks, industry risks, sustainability risks and financial risks. Compared to the Annual Report, which was issued on March 31, 2022, no new material risks have been identified.

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The Board of Directors and the President and CEO certify that the interim report gives a true and fair overview of the Parent Company Electrolux Professional AB and the Group's operations, their financial position and results of operations and describes significant risks and uncertainties facing the Parent Company and other companies in the Group.

Stockholm, July 22, 2022

Electrolux Professional AB (publ)

Kai Wörn
Chairman of the Board

Katharine Clark
Board member

Lorna Donatone
Board member

Ulf Karlsson
*Board member,
Employee representative*

Hans Ola Meyer
Board member

Daniel Nodhäll
Board member

Joachim Nord
Board member

Martine Snels
Board member

Carsten Voigtländer
Board member

Alberto Zanata
President and CEO

Review Report

Introduction

We have reviewed the interim report for Electrolux Professional AB (publ) for the period January 1 – June 30, 2022. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review

procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm, July 22, 2022

Deloitte AB

Jan Berntsson
Authorized Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

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Line 6000 Service Package

Decreases cost of ownership for all kind of laundry operations

The complete package including Service agreement, chemicals and pumps.

- > Safe for garments, safe for people and the planet: Line 6000 Service Package, creating value for the customer by reducing running costs with minimal environmental impact – relying on The OnE Sustainable Partner.
- > For Laundry Cleaning Shops, Housing Companies and all kind of laundry operations.
- > Featuring Line 6000 Washers, pumps and the best fit dosing solution plus detergent package – combined with Essentia, the all-around Service Offer.

Automatic dosing of detergents is the best ally when it comes to real saving

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Cheeser station

The days of throwing away cheese are over

Full utilization of the cheese

- > Refrigerated holding bin with 30-pound capacity utilizes every shred of cheese during preparation to eliminate waste.

More consistent product

- > A scale option ensures the perfect amount of cheese is used every time, to create the most consistent end result possible.

Expanded options

- > Removing cheese from the prep table provides an opportunity to work with new ingredients for attention-grabbing menu options.



Every shred of cheese that doesn't land on the pizza during prep becomes waste that adds up significantly over time.



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Consolidated statement of total comprehensive income

SEKm	Second quarter		Six months		Full year
	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Net sales	2,731	1,958	5,215	3,619	7,862
Cost of goods sold	-1,831	-1,287	-3,491	-2,397	-5,210
Gross operating income	899	671	1,723	1,222	2,653
Selling expenses	-468	-334	-879	-651	-1,382
Administrative expenses	-199	-155	-422	-302	-652
Other operating income and expenses	-36	-1	-28	-1	-27
Operating income	196	181	395	268	592
Financial items, net	-8	-5	-3	-9	-4
Income after financial items	188	176	391	259	587
Taxes	-56	-8	-104	-35	-101
Income for the period	132	168	287	223	487
Items that will not be reclassified to income for the period:					
Remeasurement of provisions for post-employment benefits	59	33	85	79	141
Income tax relating to items that will not be reclassified	-9	-5	-14	-11	-18
	49	28	71	68	124
Items that may be reclassified subsequently to income for the period:					
Exchange-rate differences on translation of foreign operations	225	-64	274	51	154
Other comprehensive income, net of tax	274	-36	345	120	278
Total comprehensive income for the period	406	132	632	343	764
Income for the period attributable to:					
Shareholders of the Parent Company	132	168	287	223	487
Total	132	168	287	223	487
Total comprehensive income for the period attributable to:					
Shareholders of the Parent Company	406	132	632	343	764
Total	406	132	632	343	764
Earnings per share, SEK					
Basic, SEK	0.46	0.58	1.00	0.78	1.69
Diluted, SEK	0.46	0.58	1.00	0.78	1.69
Average number of shares					
Basic, million	287.4	287.4	287.4	287.4	287.4
Diluted, million	287.4	287.4	287.4	287.4	287.4

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Consolidated balance sheet

SEKm	Jun 30, 2022	Jun 30, 2021	Dec 31, 2021
Assets			
Non-current assets			
Property, plant and equipment, owned	1,531	1,230	1,486
Property, plant and equipment, right-of-use	305	241	318
Goodwill	3,386	1,725	3,068
Other intangible assets	1,046	278	999
Deferred tax assets	387	384	372
Pension plan assets	247	93	165
Other non-current assets	23	30	20
Total non-current assets	6,925	3,983	6,428
Current assets			
Inventories	1,940	1,164	1,416
Trade receivables	1,980	1,448	1,625
Tax assets	100	96	80
Other current assets	257	228	225
Cash and cash equivalents	581	743	836
Total current assets	4,859	3,678	4,182
Total assets	11,784	7,660	10,609
Equity and liabilities			
Equity attributable to shareholders of the Parent Company			
Share capital	29	29	29
Other paid-in capital	5	5	5
Other reserves	431	54	157
Retained earnings	3,521	3,009	3,334
Equity attributable to shareholders of the Parent Company	3,986	3,097	3,525
Total equity	3,986	3,097	3,525
Non-current liabilities			
Long-term borrowings	1,244	600	1,215
Long-term lease liabilities	242	179	251
Deferred tax liabilities	140	140	135
Provisions for post-employment benefits	107	143	125
Other provisions	280	228	270
Total non-current liabilities	2,013	1,292	1,996
Current liabilities			
Trade payables	2,030	1,339	1,814
Tax liabilities	414	339	429
Other liabilities	1,815	1,142	1,597
Short-term borrowings	1,292	253	1,045
Short-term lease liabilities	72	68	75
Other provisions	163	131	130
Total current liabilities	5,785	3,272	5,088
Total equity and liabilities	11,784	7,660	10,609

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Change in consolidated equity

SEKm	Six months		Full year
	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Opening balance	3,525	2,784	2,784
Total comprehensive income for the period	632	343	764
Share-based payments	-28	-29	-23
Dividend to shareholders of the Parent Company	-144	-	-
Total transactions with equity holders	-171	-29	-23
Closing balance	3,986	3,097	3,525

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Consolidated cash flow statement

SEKm	Second quarter		Six months		Full year
	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Operations					
Operating income	196	181	395	268	592
Depreciation and amortization	100	71	203	141	295
Other non-cash items	39	5	44	9	4
Financial items paid, net ¹	-6	-5	0	-8	-2
Taxes paid	-118	-42	-162	-93	-141
Cash flow from operations, excluding change in operating assets and liabilities	211	209	479	316	746
Change in operating assets and liabilities					
Change in inventories	-214	-27	-425	-70	-139
Change in trade receivables	-130	-172	-267	-175	-216
Change in accounts payable	92	93	127	47	398
Change in other operating assets, liabilities and provisions	26	95	9	82	312
Cash flow from change in operating assets and liabilities	-227	-11	-556	-116	355
Cash flow from operations	-16	198	-77	200	1,101
Investments					
Acquisition of operations	4	-	4	-	-2,103
Capital expenditure in property, plant and equipment	-21	-19	-38	-51	-155
Capital expenditure in other intangibles	-1	-1	-1	-2	-4
Other	2	-2	1	-3	31
Cash flow from investments	-17	-22	-35	-56	-2,231
Cash flow from operations and investments	-33	176	-112	145	-1,130
Financing					
Change in short-term borrowings, net ²	114	10	41	-132	656
New long-term borrowings	-	-	-	-	615
Amortization of long-term borrowings	-0	-0	-0	-0	-0
Payment of lease liabilities	-21	-19	-41	-37	-74
Dividend	-144	-0	-144	-0	0
Share-based payments	-33	-30	-33	-30	-30
Cash flow from financing	-83	-39	-177	-199	1,166
Total cash flow	-116	137	-289	-55	36
Cash and cash equivalents at beginning of period					
Exchange-rate differences referring to cash and cash equivalents	33	-10	34	1	3
Cash and cash equivalents at end of period	581	743	581	743	836

1) For the period January 1 to June 30: interest and similar items received SEK 13.8m (2.6), interest and similar items paid SEK -11.5m (-4) and other financial items received/paid SEK 2.6 (-3.4). Interest paid for lease liabilities SEK -4.6m (-3.5).

2) Of which short-term loans with a duration of more than 3 months for the period January 1 to June 30: new loans SEK 2,285m (276), repaid loans SEK -2,244m (-408).

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Alternative performance measures key figures

SEKm, if not otherwise stated	Second quarter		Six months		Full year
	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Net sales	2,731	1,958	5,215	3,619	7,862
Organic growth, %*	15.1	38.4	19.8	7.2	10.6
EBITA*	233	197	469	300	663
EBITA margin, %*	8.5	10.1	9.0	8.3	8.4
EBITA excl. items affecting comparability* ¹	268	197	504	300	663
EBITA margin excl. items affecting comparability, %* ¹	9.8	10.1	9.7	8.3	8.4
Operating income*	196	181	395	268	592
Operating margin, %*	7.2	9.2	7.6	7.4	7.5
Operating income excl. items affecting comparability* ¹	231	181	429	268	592
Operating margin excl. items affecting comparability, %* ¹	8.5	9.2	8.2	7.4	7.5
Income after financial items	188	176	391	259	587
Income for the period	132	168	287	223	487
Capital expenditure*	-22	-20	-40	-53	-159
Operating cash flow after investments*	88	223	46	246	1,116
Earnings per share, SEK ²	0.46	0.58	1.00	0.78	1.69
Net debt*	n/a	n/a	2,196	407	1,705
EBITDA* ³	n/a	n/a	1,075	758	886
Net debt/EBITDA ratio*	n/a	n/a	2.0	0.5	1.9
Operating working capital % of net sales* ⁴	n/a	n/a	14.6	17.4	14.9
Average number of shares, million ²	287.4	287.4	287.4	287.4	287.4
Number of employees, end of period	3,997	3,407	3,997	3,407	3,973

*) Alternative performance measures used in this report are explained on pages 25-26.

1) For information on items affecting comparability, see page 19.

2) Basic number of outstanding shares.

3) Rolling four quarters.

4) Last twelve months currency adjusted.

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Quarterly data

SEKm	Q2, 2022	Q1, 2022	Full year, 2021	Q4, 2021	Q3, 2021	Q2, 2021	Q1, 2021
Food & Beverage							
Net sales	1,949	1,597	4,704	1,377	1,211	1,210	905
EBITA	195	129	299	41	127	110	21
EBITA margin, %	10.0	8.1	6.4	3.0	10.5	9.1	2.3
Amortization	-33	-33	-55	-19	-12	-12	-12
Operating income	162	96	244	22	115	98	9
Operating margin, %	8.3	6.0	5.2	1.6	9.5	8.1	1.0
Laundry							
Net sales	782	887	3,159	932	723	748	756
EBITA	82	154	492	153	110	117	111
EBITA margin, %	10.4	17.4	15.6	16.5	15.2	15.7	14.7
Amortization	-4	-5	-17	-4	-4	-4	-4
Operating income	78	149	475	149	106	113	107
Operating margin, %	9.9	16.8	15.0	16.0	14.7	15.1	14.1
Group common costs	-44	-47	-128	-30	-39	-30	-28
Total Group							
Net sales	2,731	2,484	7,862	2,309	1,935	1,958	1,661
EBITA	233	236	663	164	199	197	103
EBITA margin, %	8.5	9.5	8.4	7.1	10.3	10.1	6.2
Amortization	-37	-37	-72	-24	-16	-16	-16
Operating income	196	199	592	141	183	181	88
Operating margin, %	7.2	8.0	7.5	6.1	9.5	9.2	5.3
Financial items, net	-8	5	-4	10	-5	-5	-4
Income after financial items	188	203	587	151	178	176	83
Income for the period	132	155	487	129	135	168	55
Earnings per share, SEK ¹	0.46	0.54	1.69	0.45	0.47	0.58	0.19

1) Basic number of outstanding shares.

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Items affecting comparability

SEKm	Q2, 2022 ¹	Q1, 2022	Full year 2021	Q4, 2021	Q3, 2021	Q2, 2021	Q1, 2021
Food & Beverage	-16	-	-	-	-	-	-
Laundry	-19	-	-	-	-	-	-
Total Group	-35	-	-	-	-	-	-

1) Costs related to divesting the operation in Russia, included in the line item other operating income and expenses.

SEKm	Q2, 2022	Q1, 2022	Full year 2021	Q4, 2021	Q3, 2021	Q2, 2021	Q1, 2021
Total Group							
Operating income excl. items affecting comparability	231	199	592	141	183	181	88
Operating margin excl. items affecting comparability, %	8.5	8.0	7.5	6.1	9.5	9.2	5.3
EBITA excl. items affecting comparability	268	236	663	164	199	197	103
EBITA margin excl. items affecting comparability, %	9.8	9.5	8.4	7.1	10.3	10.1	6.2

Shares

Number of shares	A-shares	B-shares	Shares total
Number of shares as of January 1, 2022	8,047,982	279,349,468	287,397,450
Conversion of shares	-1,518	1,518	-
Number of shares as of June 30, 2022	8,046,464	279,350,986	287,397,450

Exchange rates

SEK	Jun 30, 2022		Jun 30, 2021		Dec 31, 2021	
	Average	End of period	Average	End of period	Average	End of period
CNY	1.48	1.54	1.30	1.32	1.33	1.42
CZK	0.4239	0.4337	0.3911	0.3967	0.3950	0.4111
DKK	1.41	1.44	1.36	1.36	1.36	1.38
EUR	10.46	10.73	10.13	10.11	10.15	10.24
GBP	12.41	12.50	11.64	11.78	11.78	12.21
JPY	0.0780	0.0758	0.0781	0.0769	0.0781	0.0785
NOK	1.05	1.04	0.99	0.99	1.00	1.03
RUB*	0.1301	0.1884	0.1127	0.1165	0.1159	0.1207
THB	0.2838	0.2919	0.2726	0.2653	0.2685	0.2705
TRY	0.66	0.62	1.06	0.98	0.98	0.70
USD	9.59	10.33	8.40	8.51	8.57	9.04

* The end of period exchange rate, June 30, 2022, for Russian ruble it is from the data provider Millistream, all other end of period rates are from the European Central Bank.

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Condensed Parent company income statement

SEKm	Second quarter		Six months		Full year
	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Net sales	555	574	1,226	1,114	2,364
Cost of goods sold	-418	-411	-885	-790	-1,691
Gross operating income	137	163	341	324	673
Selling expenses	-97	-88	-194	-176	-349
Administrative expenses	-58	-49	-125	-105	-185
Other operating income and expenses	-5	-1	-4	2	11
Operating income	-23	25	18	45	150
Financial Income and expenses	267	9	279	4	-369
Impairment of shares in subsidiaries	-10	-	-10	-	-
Financial items, net	257	9	269	4	369
Income after financial items	234	34	287	49	519
Appropriations	-	-	-	-	5
Income before taxes	234	34	287	49	524
Taxes	-2	-8	-13	-12	-35
Income for the period	232	26	274	37	489

Condensed Parent company balance sheet

SEKm	Jun 30, 2022	Jun 30, 2021	Dec 31, 2021
Assets			
Non-current assets	9,551	6,872	9,281
Current assets	1,573	1,550	1,534
Total assets	11,124	8,422	10,815
Equity and liabilities			
Restricted equity	43	46	44
Non-restricted equity	6,368	5,803	6,263
Total equity	6,411	5,849	6,307
Untaxed reserves	108	114	108
Provisions	95	95	95
Non-current liabilities	1,244	600	1,215
Current liabilities	3,266	1,764	3,090
Total equity and liabilities	11,124	8,422	10,815

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NOTE 1 ACCOUNTING PRINCIPLES

Electrolux Professional applies International Financial Reporting Standards (IFRS) as adopted by the European Union. This report has been prepared in accordance with IAS 34, Interim Financial Reporting.

Electrolux Professional interim reports contain a condensed set of financial statements. For the Group this chiefly means that the disclosures are limited compared to the annual report. Enumerated amounts presented in tables and statements may not always agree with the calculated sum of the related line items due to rounding differences. The aim is for each line item to agree with its source and therefore there may be rounding differences affecting the total when adding up the presented line items.

The accounting principles adopted in the preparation of this interim report apply to all periods and comply with the accounting principles presented in the Group's Annual Report 2021.

Turkey is regarded as a hyperinflation economy and accordingly Electrolux Professional has analysed if hyperinflation accounting in accordance

with IAS 29 should be applied. Considering that Turkey corresponds to less than 1% of the Group's total assets, the effect has been considered as immaterial.

For the Parent Company financial statements in general are presented in condensed versions and with limited disclosures compared to the annual report. The interim financial statements of Electrolux Professional AB have been prepared in accordance with the Swedish Annual Accounts Act and the accounting standard RFR 2, accounting for legal entities. The most recent annual financial statements of Electrolux Professional AB have been prepared in compliance with the Swedish Annual Accounts Act (1995:1554) and recommendation RFR2, Accounting for legal entities of the Swedish Financial Reporting Board.

Reportable segments

Food & Beverage and Laundry represent the Group's reportable segments.

NOTE 2 DISAGGREGATION OF REVENUE

Sales of products are revenue recognized at a point in time, when control of the products has transferred. Revenue from services related to installation of products, repairs or maintenance service is recognized when control is transferred being over the time the service is provided. Sales of these services are not material in relation to Electrolux Professional total net sales.

Geography is considered to be an important attribute when disaggregating Electrolux Professional revenue. Therefore, the table below presents net sales per geographical region based on the location of the end customer.

SEKm	Second quarter		Six months	
	Apr-Jun 2022*	Apr-Jun 2021	Jan-Jun 2022*	Jan-Jun 2021
Geographical region				
Europe	1,654	1,417	3,128	2,576
Asia-Pacific, Middle East and Africa	349	285	643	559
Americas	728	256	1,444	483
Total	2,730	1,958	5,215	3,619

*) Includes sales from Unified Brands which was acquired in December 2021.

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NOTE 3 FAIR VALUES AND CARRYING AMOUNTS OF FINANCIAL ASSETS AND LIABILITIES

SEKm	Hierarchy level	Jun 30, 2022		Jun 30, 2021		Dec 31, 2021	
		Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount
Per category							
Financial assets at fair value through profit and loss	3	0	0	0	0	0	0
Financial assets measured at amortized cost		2,561	2,561	2,191	2,191	2,461	2,461
Derivatives, financial assets at fair value through profit and loss	2	21	21	9	9	13	13
Total financial assets		2,582	2,582	2,200	2,200	2,474	2,474
Financial liabilities measured at amortized cost		4,569	4,565	2,193	2,192	4,072	4,073
Derivatives, financial liabilities at fair value through profit and loss	2	83	83	6	6	5	5
Total financial liabilities		4,651	4,648	2,199	2,198	4,077	4,078

The Group strives for arranging master-netting agreements (ISDA) with the counterparts for derivative transactions and has established such agreements with the majority of the counterparties, i.e., if a counterparty will default, assets and liabilities will be netted. Derivatives are presented gross in the balance sheet.

Fair value estimation

Valuation of financial instruments at fair value is done at the most accurate market prices available. Instruments which are quoted on the market, e.g., the major bond and interest-rate future markets, are all marked-to-market with the current price. The foreign-exchange spot rate is used to convert the value into SEK. For instruments where no reliable price is available on the market, cash-flows are discounted using the deposit/swap curve of the cash flow currency. If no proper cash-flow schedule is available, e.g., as in the case with forward-rate agreements, the underlying schedule is used for valuation purposes.

To the extent option instruments are used, the valuation is based on the Black & Scholes' formula. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market-interest rate for similar financial instruments. The Group's financial assets and liabilities are measured according to the following hierarchy:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for assets or liabilities either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not entirely based on observable market data.

NOTE 4 CONTINGENT LIABILITIES

SEKm	Jun 30, 2022	Jun 30, 2021	Dec 31, 2021
Group			
Guarantees and other commitments	10	124	9

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NOTE 5 COVID-19 AND RUSSIA'S INVASION OF UKRAINE

Covid-19

As of June 30, 2022 the amount of government grants and assistance, related to covid-19, recognized in profit or loss is SEK 0m (10) in the quarter and SEK 0m (30) year to date and refers mainly to short-term furlough of personnel.

Russia's invasion of Ukraine

Electrolux Professional has concluded that business continuity in Russia, under the current circumstances, is no longer feasible. As a consequence of this the legal entity Electrolux Professional Russia, was sold to former local management on July 6, 2022.

A one-time cost of SEK 35m has been included in the second quarter 2022 and a negative cash flow impact of approximately SEK 40m will be reported in the third quarter.

NOTE 6 ACQUIRED OPERATIONS

Acquisitions in 2022

During the first quarter an adjustment of the purchase price for Unified Brands was agreed with the seller. The amount was SEK 3.6m and has decreased the recognised goodwill. The cash was received in the second quarter 2022.

The purchase price allocation is preliminary and can be subject to further changes.

Acquisitions in 2021

For acquisitions in 2021 see note 6 in the Year-end report and note 25 in the Annual Report 2021.

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Operations by segment yearly

SEKm	2021	2020	2019	2018	2017
Food & Beverage					
Net sales	4,704	4,198	5,895	5,399	4,922
EBITA	299	87	568	629	607
EBITA, %	6.4	2.1	9.6	11.7	12.3
Operating income	244	35	522	599	572
Margin, %	5.2	0.8	8.9	11.1	11.6
Laundry					
Net sales	3,159	3,065	3,386	3,267	2,801
EBITA	492	467	507	573	502
EBITA, %	15.6	15.2	15.0	17.6	17.9
Operating income	475	452	488	558	499
Margin, %	15.0	14.7	14.4	17.1	17.8
Group common cost					
Operating income	-128	-100	-18	-14	-11
Total Group					
Net sales	7,862	7,263	9,281	8,666	7,723
EBITA	663	456	1,058	1,188	1,098
EBITA, %	8.4	6.3	11.4	13.7	14.2
Operating income	592	387	992	1,143	1,060
Margin, %	7.5	5.3	10.7	13.2	13.7

Items affecting comparability yearly

SEKm	2021	2020 ¹	2019 ¹	2018	2017
Food & Beverage	-	-55	-67	-	-
Laundry	-	-22	35	-	-
Total Group	-	-77	-32	-	-

1) Items affecting comparability in 2020 and in 2019 relates to restructuring charges for efficiency measures.

Five year overview

SEKm, if not otherwise stated	2021	2020	2019	2018	2017
Net sales	7,862	7,263	9,281	8,666	7,723
Organic growth, %	10.6	-21.0	-0.3	4.1	5.6
EBITA	663	456	1,058	1,188	1,098
EBITA, %	8.4	6.3	11.4	13.7	14.2
Operating income	592	387	992	1,143	1,060
Operating margin, %	7.5	5.3	10.7	13.2	13.7
Income after financial items	587	363	978	1,134	1,052
Income for the period	487	278	663	952	786
Items affecting comparability	-	-77	-32	-	-
Capital expenditure	-159	-273	-257	-169	-167
Operating cash flow after investments	1,116	570	1,138	1,131	1,167
Earnings per share, SEK ¹	1.69	0.97	2.31	3.31	2.74
Net debt	1,705	549	1,025	-226	-481
EBITDA	886	684	1,280	1,363	1,253
Net debt/EBITDA ratio	1.9	0.8	0.8	-0.2	-0.4
Operating working capital % of net sales ²	14.9	19.9	17.7	16.3	13.8
Average number of shares, million	287.4	287.4	287.4	287.4	287.4
Number of employees, end of period	3,973	3,515	3,624	3,555	3,183

1) Basic number of outstanding shares.

2) Last twelve months currency adjusted.

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Definitions and reconciliation of alternative performance measures

Electrolux Professional presents certain measures that are not defined under IFRS (alternative performance measures – “APMs”). These are used by management to assess the financial and operational performance of the Group. Management believes that these APMs provide useful information regarding the Group’s financial and operating performance. Such measures may not be comparable to

similar measures presented by other companies. Consequently, APMs have limitations as analytical tools and should not be considered in isolation or as a substitute for related financial measures prepared in accordance with IFRS. The APMs have been derived from the Electrolux Professional’s internal reporting and are not audited. The APM reconciliations can be found on Electrolux Professional website www.electroluxprofessional.com/corporate/interim-reports/

APM	Definition	Reason for use
Organic growth %	Change in sales growth excluding net FX impact and acquisitions.	The Group’s presentation currency is SEK while the net sales are mainly in other currencies. Organic growth is dependent on fluctuations in SEK versus other currencies and in addition acquired business can have an impact on reported net sales. Organic growth adjusted for acquisitions and currency shows the underlying sales development without these parameters.
Acquisitions %	Change in net sales during the current period attributable to acquired operation in relation to prior period’s sales, following a period of 12 months commencing on the acquisition date.	See “Organic growth” above.
Operating income (EBIT)	Earnings before interest and tax.	Used as an indicator that shows the Group’s ability to make a profit, regardless of the method of financing (then determines the optimal use of debt versus equity).
Operating margin (EBIT margin)	Operating income as a percentage of net sales.	Operating margin shows the operating income in percentage of net sales. Operating margin is a key internal measure as the Group believes that it provides users of the financial statements with a better understanding of the Group’s financial performance both short and long term.
Items affecting comparability	Material profit or loss items such as capital gains and losses from divestments of product groups or major units, close down or significant down-sizing of major units or activities, larger cost saving programs, significant impairment, and other major costs or income items.	Summarizes events and transactions with significant effects, which are relevant for understanding the financial performance when comparing income for the current period with previous periods.
Operating income excluding items affecting comparability	Operating income less items affecting comparability.	Operating income excluding items affecting comparability shows the operating income adjusted for items affecting comparability. This is a key internal measure, as the Group believes that it provides users of the financial statements with a better understanding of the Group’s financial performance both short and long term.

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APM	Definition	Reason for use
Operating margin excluding items affecting comparability	Operating income excluding items affecting comparability as a percentage of net sales.	Operating margin excluding items affecting comparability shows the operating income in percentage of net sales adjusted for items affecting comparability. This is a key internal measure, as the Group believes that it provides users of the financial statements with a better understanding of the Group's financial performance both short and long term.
Capital expenditure	Investments in property, plant and equipment, product development and other intangible assets.	Used to ensure that cash spending is in line with Group's overall strategy for the use of cash.
EBITA	Operating income less amortization and write-down related to intangibles assets (excluding right of use assets).	EBITA gives an indication of the operating income less amortization and write-down related to intangibles assets (excluding right of use assets) and is mainly used to follow up operating income without the distortion of amortization of surplus values related to acquisitions.
EBITA margin	EBITA expressed as a percentage of net sales.	Used to evaluate business performance in relation to net sales in order to measure the efficiency of the Company.
EBITDA	EBITA less depreciation of tangible assets (including right of use assets).	EBITDA is an indicator for business' cash generating capacity in relation to sales.
EBITA excluding items affecting comparability	Operating income less amortization and write-down related to intangibles assets (excluding right of use assets) and less items affecting comparability.	Items affecting comparability vary between years and periods and in order to analyze trends items affecting comparability are excluded from EBITA.
EBITA margin excluding items affecting comparability	EBITA excluding items affecting comparability, expressed as a percentage of net sales.	Items affecting comparability vary between years and periods and in order to analyze trends, items affecting comparability are excluded from EBITA margin.
Operating cash flow after investments	Cash flow from operations and investments adjusted for financial items paid, net, taxes paid and acquisitions/divestments of operations.	Used to monetarize the cash from core operation.
Net debt	Short-term borrowings (short-term loans and trade receivables with recourse), accrued interest expenses and prepaid interest income and long-term borrowings, lease liabilities, net provisions for post-employment benefits, less liquid funds (cash and cash equivalents, prepaid interest expenses and accrued interest income).	Net debt describes the Group's total debt financing and is monitored by management
Net debt/EBITDA	Net debt in relation to EBITDA (Net debt is based on the end of period balance and EBITDA is calculated based on last four rolling quarters).	A measurement of financial risk, showing net debt in relation to cash generation.
Operating working capital, % of net sales	All months of the period are currency adjusted by applying the end of period average currency rate. Sum of currency adjusted last twelve months' average of trade receivables, trade payables and inventories (Operating working capital) as percentage of currency adjusted last twelve months' average net sales.	Used to evaluate how efficient the Group is generating cash in relation to net sales.

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Shareholders information

President and CEO Alberto Zanata's comments on the second quarter results 2022

Today's press release is available on the Electrolux Professional website www.electroluxprofessional.com/corporate

Telephone conference 09.00 CET

A telephone conference is held at 09.00 today, July 22. Alberto Zanata, President and CEO and Fabio Zarpellon, CFO will comment on the report.

Details for participation by telephone are as follows:

Participants in Sweden: +46 8 505 100 31
Participants in UK/Europe: +44 207 107 0613
Participants in US: +1 631 570 5613

Slide presentations for download:

www.electroluxprofessional.com/corporate

Link to webcast:

<https://electroluxprofessional.creo.se/220722>

For further information, please contact:

Jacob Broberg, Chief Communication & Investor Relations Officer, +46 70 190 00 33



Financial calendar

	Date
Interim report Q3 2022	October 27, 2022
Investor Day in Italy	November 14-15, 2022
Interim report Q4 2022	January 31, 2023

This information is information that Electrolux Professional AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person detailed in the column to the left, at 8:00 a.m. CET on July 22, 2022.

Mission

Making Electrolux Professional's customers' work-life easier, more profitable – and truly sustainable every day.

Strategy

Electrolux Professional's strategy focuses on four pillars, built on a foundation of operational excellence to improve sales productivity and cost efficiency within the supply chain.

GROW the business by developing sustainable, innovative low-running cost solutions:

Set the pace of industry innovation in sustainability and energy efficiency, complemented with a connected and digital platform meeting customers' needs.

EXPAND in food service chains, especially in North America, grow in beverage and expand in emerging markets:

Increase the global footprint and market position in selected industry verticals organically and through selective M&A as a further accelerator.

BOOST Customer Care (aftermarket sales) by further developing

the global service network and competence as a full-service provider while increasing sales of accessories and consumables to enhance product performance and ownership experience.

LEVERAGE the OnE approach:

Strengthen the position as a full-solution provider within food, beverage and laundry to cater for all customers' needs under one global brand and make customers' lives easier in a world of connected appliances.

Financial targets

Organic sales growth

Organic annual growth of more than 4 percent over time, complemented by value accretive acquisitions.

EBITA margin

EBITA margin of 15 percent.

Operating working capital

Operating working capital below 15 percent of net sales.

Net debt/EBITDA

Leverage ratio below 2.5x Net debt/EBITDA. Higher levels may be temporarily acceptable in case of acquisitions, provided a clear path to deleveraging.

Dividend policy

30 percent of net income.

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About Electrolux Professional

Electrolux Professional is one of the leading global providers of food service, beverage and laundry for professional users. Our innovative products and worldwide service network make our customers' work-life easier, more profitable and truly sustainable every day.

Our solutions and products are manufactured in 12 plants in seven countries and sold in over 110 countries. In 2021, Electrolux Professional had global sales of SEK 7,9bn and approximately 4,000 employees. For more information, visit www.electroluxprofessional.com/corporate

This report contains 'forward-looking' statements that reflect the company's current expectations. Although the company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations prove to have been correct as they are subject to risks and uncertainties that could cause actual results to differ materially due to a variety of factors. These factors include, but are not limited to, changes in consumer demand, changes in economic, market and competitive conditions, currency fluctuations, developments in product liability litigation, changes in the regulatory environment and other government actions.

Forward-looking statements speak only as of the date they were made, and, other than as required by applicable law, the company undertakes no obligation to update any of them in light of new information or future events.



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