

Q3 2021 result presentation

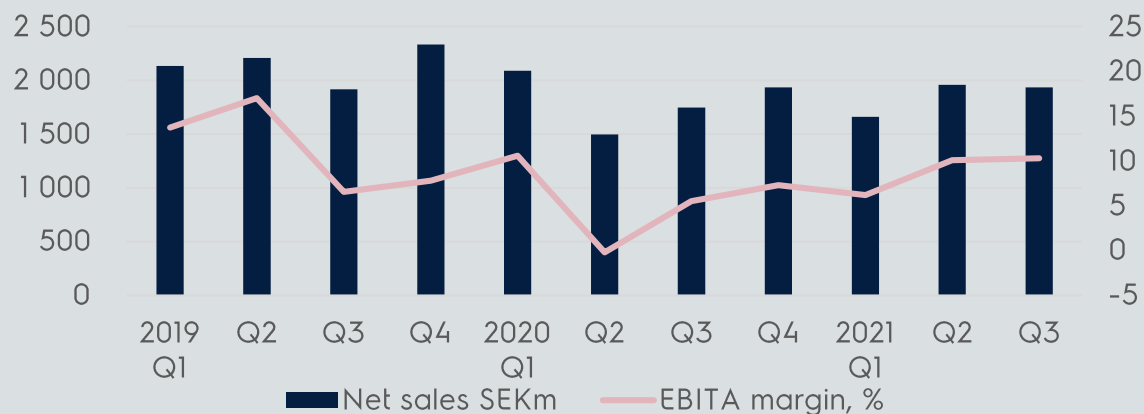
Alberto Zanata, President and CEO

Fabio Zarpellon, CFO

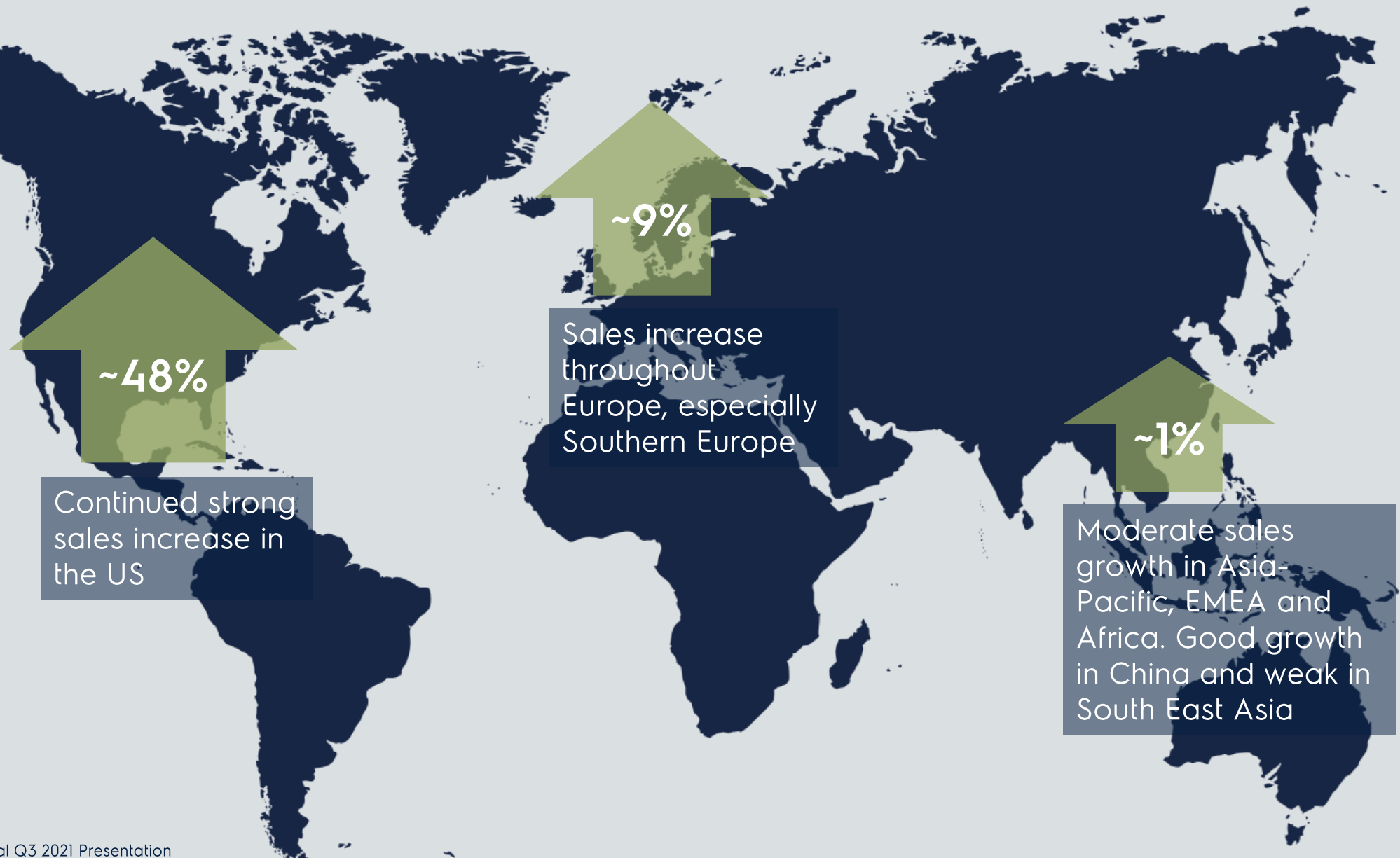
Q3 highlights

- The market recovery has continued
- Some countries are now back to pre-pandemic market levels
- Strong sales recovery with an increase of 12.8% in the quarter
- EBITA was SEK 199m (96), corresponding to a margin of 10.3%, driven by higher sales volume and restructurings announced in September 2020
- Operating cash flow after investments amounted to SEK 412m (63)
- Order stock on record high level
- The scenario where the global market will be back to 2019 levels in the beginning of 2022 is still valid

SEKm	Jul - Sep 2021	Jul - Sep 2020	Change , %
Net sales	1,935	1,748	10.7
EBITA	199	96	
EBITA margin, %	10.3	5.5	
Operating cash flow after investments	412	63	



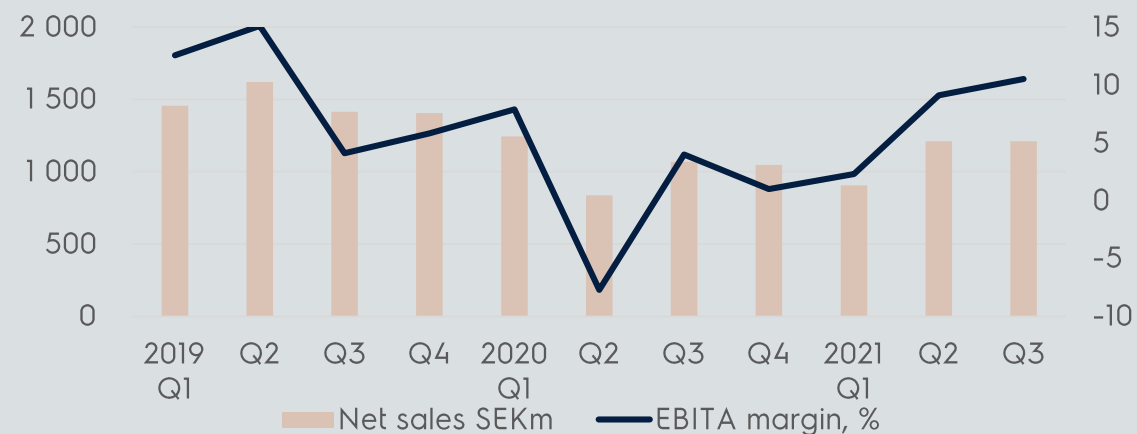
Q3 net sales development per region



Strong sales increase

- Sales increased organically 15.7% (-19.6), negative currency effect of 2.5%
- Sales increased by 13% in Europe, by 42% in Americas and by 3% in Asia Pacific, Middle East and Africa
- Strong sales US, Southern Europe and China
- EBITA SEK 127m (42) corresponding to a margin of 10.5% (4.0)

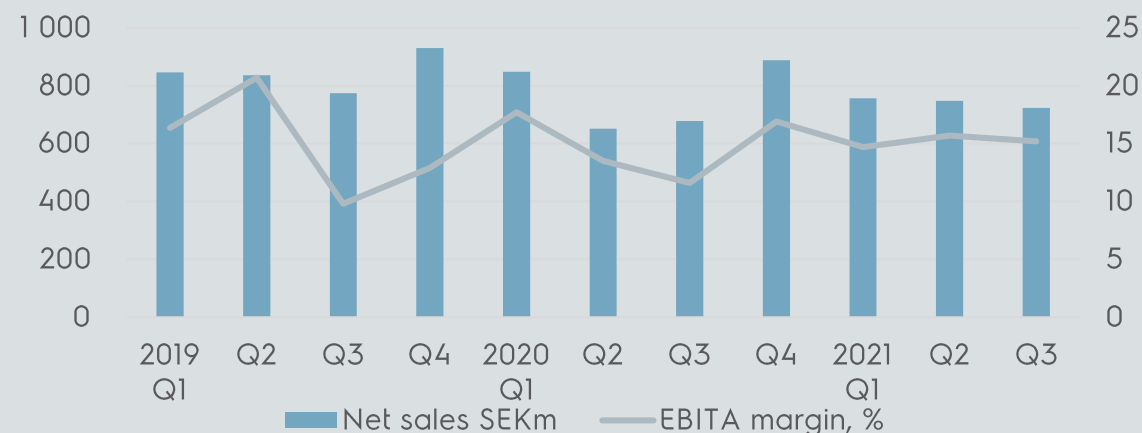
SEKm	Jul – Sep 2021	Jul – Sep 2020	Change, %
Net sales	1,211	1,070	13.3
Organic growth, %	15.7	-19.6	
Acquisitions, %	-	-0.9	
Currency, %	-2.5	-3.9	
EBITA	127	42	200.3
EBITA margin, %	10.5	4.0	



Sales and EBITA improvements

- Sales increased organically by 8.2% (-9.8)
- Sales driven by an increase of 55% in Americas. Europe slightly positive and other regions about flat
- EBITA SEK 110m (79) corresponding to a margin of 15.2% (11.6)

SEKm	Jul - Sep 2021	Jul - Sep 2020	Change, %
Net sales	723	678	6.6
Organic growth, %	8.2	-9.8	
Currency, %	-1.6	-2.6	
EBITA	110	79	39.4
EBITA margin, %	15.2	11.6	



SEKm	Jul – Sep 2021	Jul – Sep 2020	Change, %
Net sales	1,935	1,748	10.7
Gross operating income	675	568	
Gross operating margin, %	34.9	32.5	
Operating income	183	81	126.1
Operating margin	9.5	4.6	
EBITA	199	96	107.3
EBITA margin, %	10.3	5.5	
IAC*	0	-77	
EBITA, excl IAC*	199	176	13
EBITA margin excl IAC*, %	10.3	9.9	

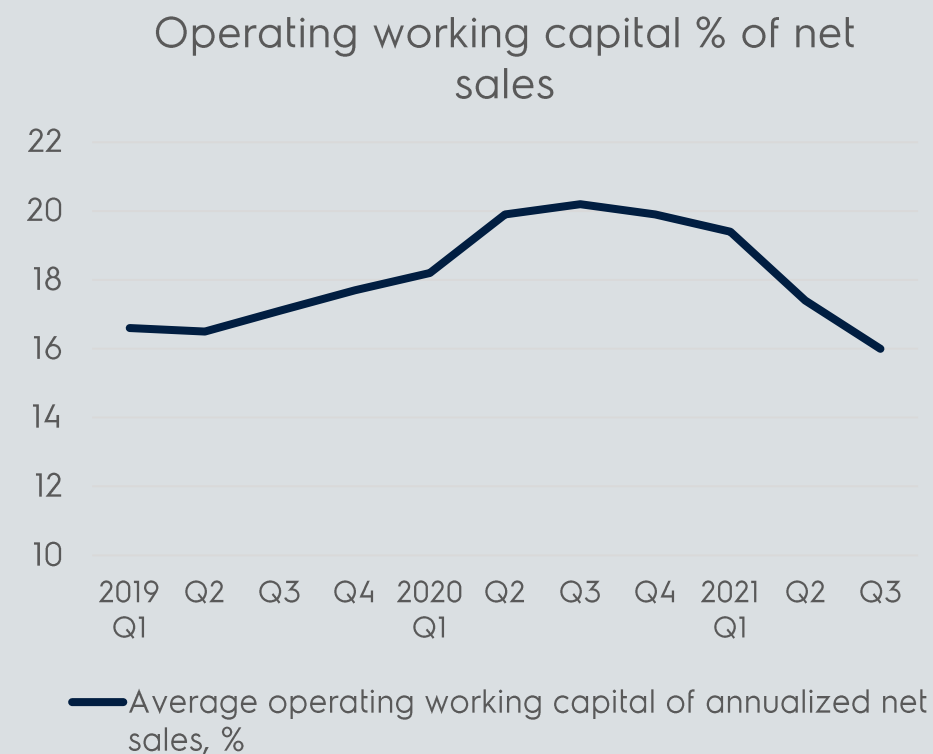
EBITA development (w/o IAC*)

- Increase in EBITA driven by higher sales volume and benefits from the 2020 restructuring program
- Gross margin improved driven by higher volumes
- Selling and administrative expenses increased but weight on sales reduced
- EBITA in Q3 includes SEK 13m positive gain from property sales in Thailand and acquisition cost of SEK -6m

(*) Restructuring cost announced in Q3 2020

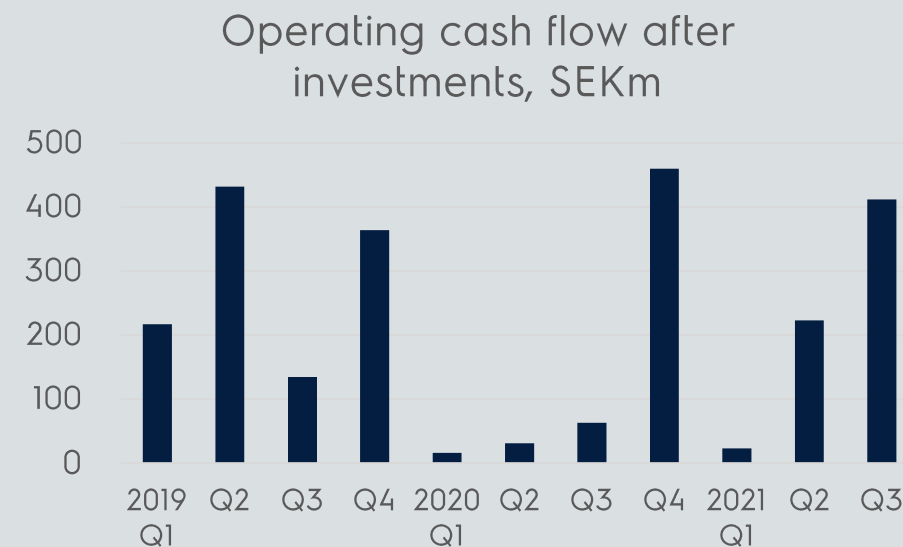
Operating working capital and Financial position

SEKm	30 Sep 2021	30 Sep 2020	31 Dec 2020
Inventories	1,213	1,288	1,086
Trade receivables	1,489	1,429	1,265
Trade payables	1,483	1,171	1,289
Operating working capital	1,219	1,546	1,062
Operating working capital of annualized net sales, %	16.0	20.2	19.9
Interest-bearing liabilities	600	1,264	1,004
Net provisions for post-employment benefits	44	151	131
Lease liabilities	243	226	216
Other liabilities	15	11	8
Liquid funds	868	648	810
Net debt	33	1,004	549
Net debt/EBITDA	0.0	1.4	0.8



Operating cash flow

SEKm	Jul - Sep 2021	Jul - Sep 2020
EBIT	183	81
Depreciation, amortization and other non-cash items	61	148
Change in operating assets and liabilities	94	-54
Investments in intangible and tangible assets	-22	-57
Changes in other investments	26	8
Operating cash flow after investments	412	63



Electrolux Professional to acquire Unified Brands



- Electrolux Professional has signed an agreement to acquire Unified Brands Inc, a leading US based manufacturer of foodservice equipment
- Significantly strengthens Electrolux Professional's presence in the US and the focus to grow in the food service chains business
- Expanding Electrolux Professional's US offer with complementary products and known technology
- Gain local manufacturing capabilities for Food products primarily dedicated to the US market
- A platform for further expansion in the US



Electrolux Professional to acquire Unified Brands



- Electrolux Professional will acquire Unified Brands for approximately SEK 2,140 m (USD 244m) on a cash and debt free basis
- Seller is **Dover Corporation** (NYSE: DOV), a US based diversified global manufacturer and solutions provider
- Closing is expected to take place during the fourth quarter of 2021, subject to regulatory approvals
- Acquisition costs expected to be SEK 46m whereof approximately SEK40m in Q4



This is Unified Brands



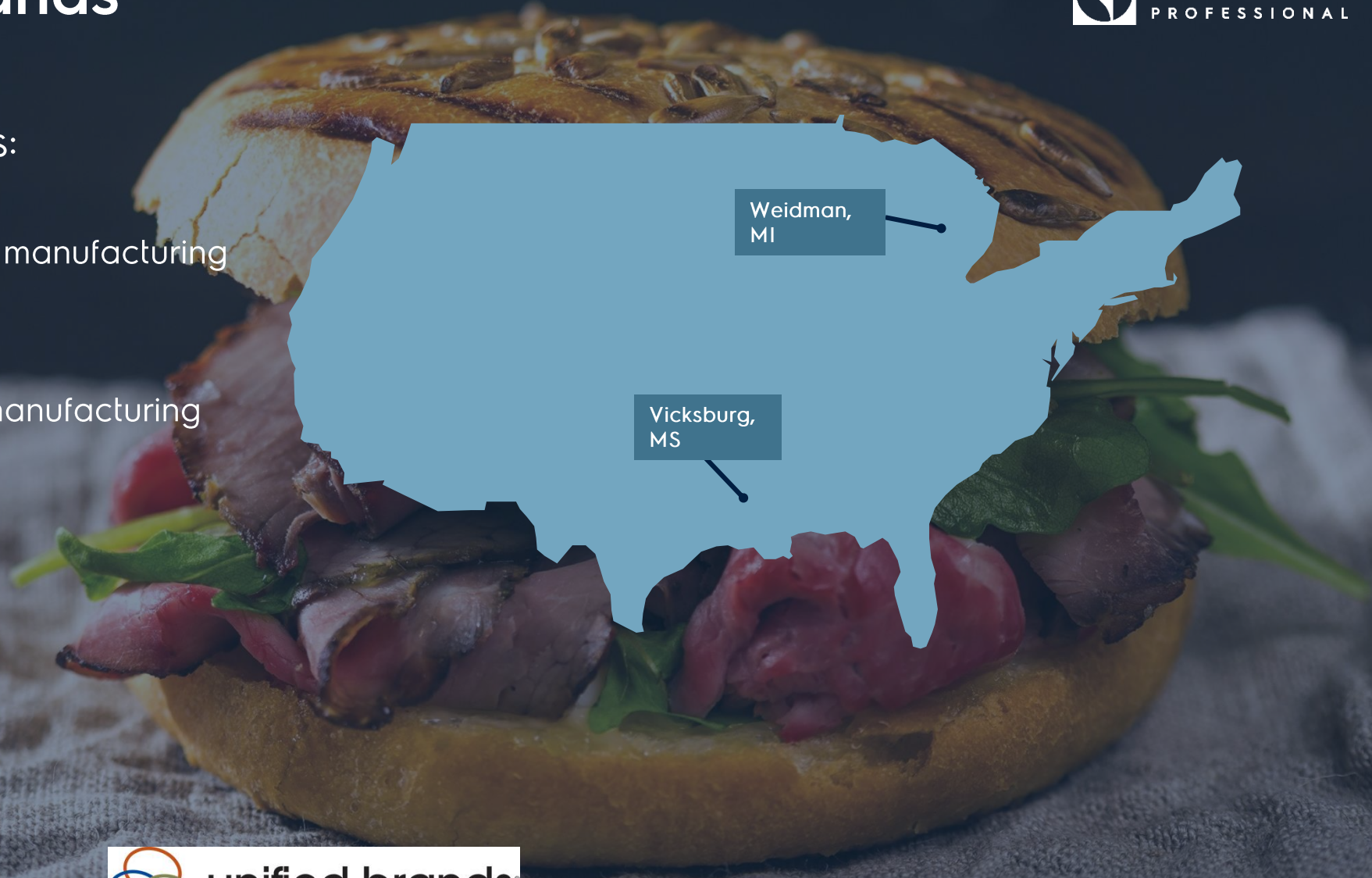
- Expected Net sales of approx. USD 135m in 2021
- 600 employees
- Reputable player with well known brands in the US Food service and chain market
- A portfolio of products focused on hot (braising pans, kettles, steamers) and preparation tables, catering to the Chain and Institutional business segments
- Top 3 player in steamers / kettles / pans and custom refrigeration



This is Unified Brands



- Two production facilities:
 - Vicksburg, Mississippi
 - Standardized product manufacturing
 - 250 employees
 - Weidman, Michigan
 - Customized product manufacturing
 - 270 employees



TrinityPro

New range of vegetable slicers and cutter mixers

**Compact
and flexible**



**High
performing**



**Certified
ergonomics**



**100%
safe and easy**



**Vegetable
slicers**



Cutter mixers

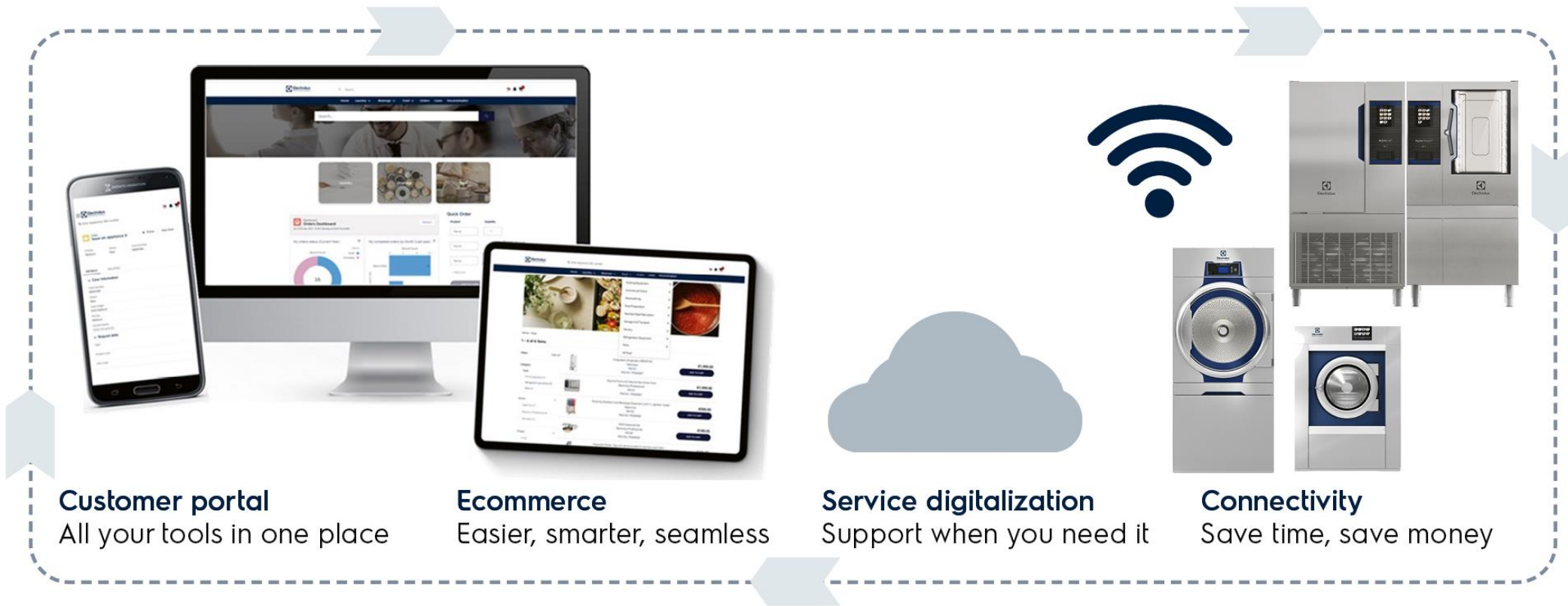


**Combined
cutter-slicers**



The OnE digital platform

New Self Service digital platform launched



Summary

- Market recovery expected to continue
- Sales recovery continued in the quarter, driven by the US. Organic sales growth was 12.8%
- EBITA SEK 199m, corresponding to a margin of 10.3%
- Order stock on record high level
- Pressure on components and supply chain continues
- Price increases announced with the objective to compensate for higher raw material cost 2022
- Acquisition of United Brands will significantly strengthen the position in the US

Q&A

 **sentia**
Hospital Laundry

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Hospital Laundry



Electrolux
P R O F E S S I O N A L