



Electrolux Professional
Carnegie Mid Cap Day, September 6, 2022

Alberto Zanata, President and CEO

Jacob Broberg, Chief Communication & Investor Relations Officer

Electrolux Professional snapshot 2021 (2020)



Net sales SEK
7.9 bn
(7.3)

EBITA SEK
0.6 bn
(0.5)

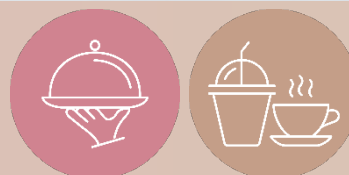
EBITA margin
8.4%
(6.3)

Employing
~4,000

Serving
~110
countries

Net sales by segment

60%
Food & Beverage



40%
Laundry



6.4% (2.1)
EBITA margin

15.6% (15.2)
EBITA margin

Net sales by geography

~69%
Europe



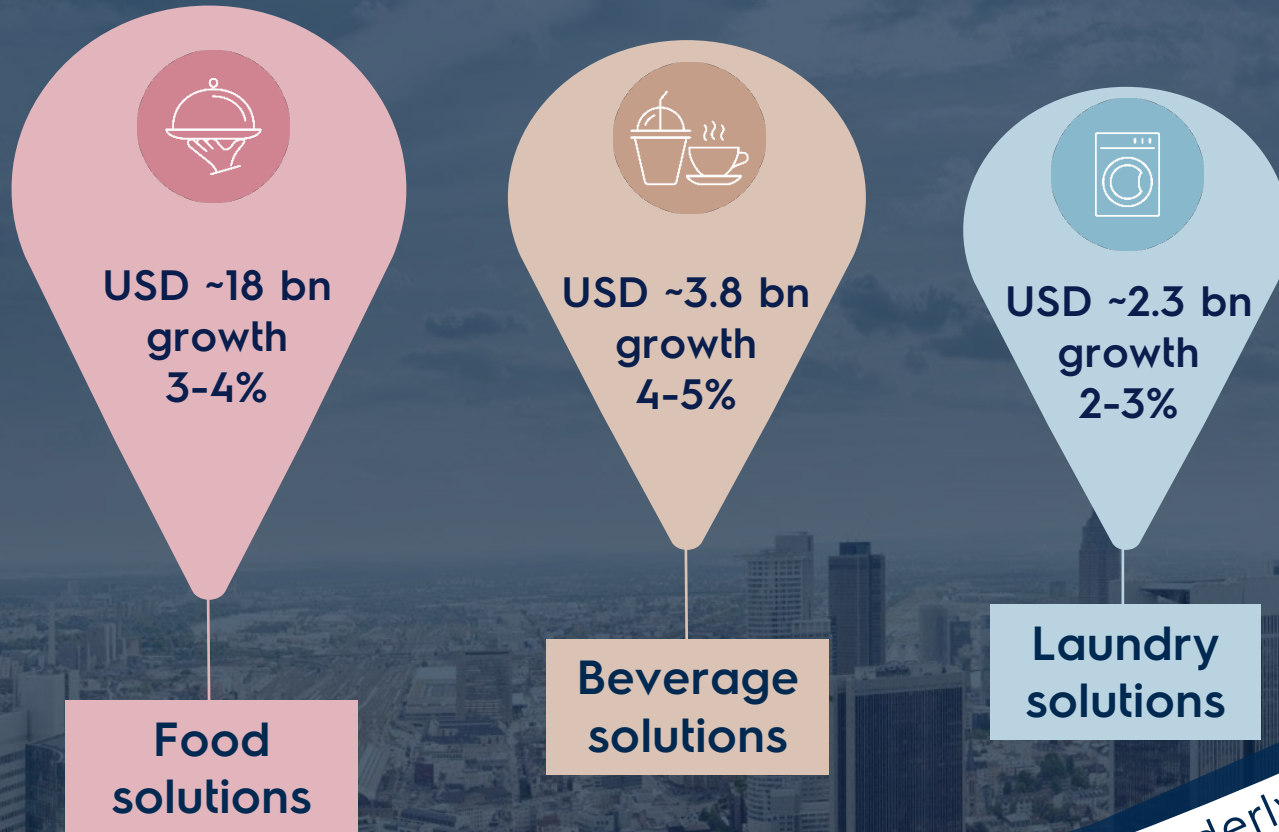
~16%
Americas



~15%
APAC & MEA



A resilient market driven by long term positive trends despite the pandemic



Source: Company estimates for 2021.

Underlying trends

- Post-pandemic new normal
 - Population growth
 - Increasing workforce participation
- Climate change and resource shortage
 - Urbanization
 - Digitalization
- Growing disposable household income
- Climate change and effective use of resources

Electrolux Professional is one of the leading global providers of food service, beverage and laundry solutions for professional users with:

- Digital connectivity
- Global Customer care
- Project capabilities



Laundry Solutions



Food Solutions



Beverage Solutions



Customer Care

Our mission:
Making our customers' work-life easier, more profitable – and truly sustainable every day

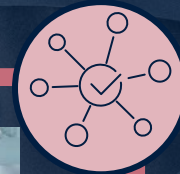
Our guiding principles:

- Be Customer obsessed
- Build Trust
- Be Bold
- Act Sustainably

Strategic cornerstones



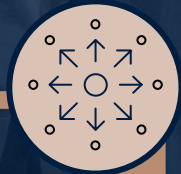
Grow the business through developing sustainable, low running cost solutions



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



Boost customer care



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

Unified Brands acquisition

- On December 1, 2021, Unified Brands, a leading manufacturer of food service solutions in the U.S., was acquired
- Significantly strengthens our presence in the US and support our focus on growth in food service chains.
- Unified Brands is a leading US based manufacturer of foodservice equipment
 - Production and R&D facilities in Michigan and Mississippi
 - Approximately 600 employees
 - 2021 net sales SEK 1,134m
 - Sales primarily to restaurants, schools, health care, institutions and hospitality



unified brands®



groen.



randell.




avtec.




power soak.




capkold.




▶ Primary Cooking




▶ Refrigeration & Custom Fabrication



▶ Ventilation

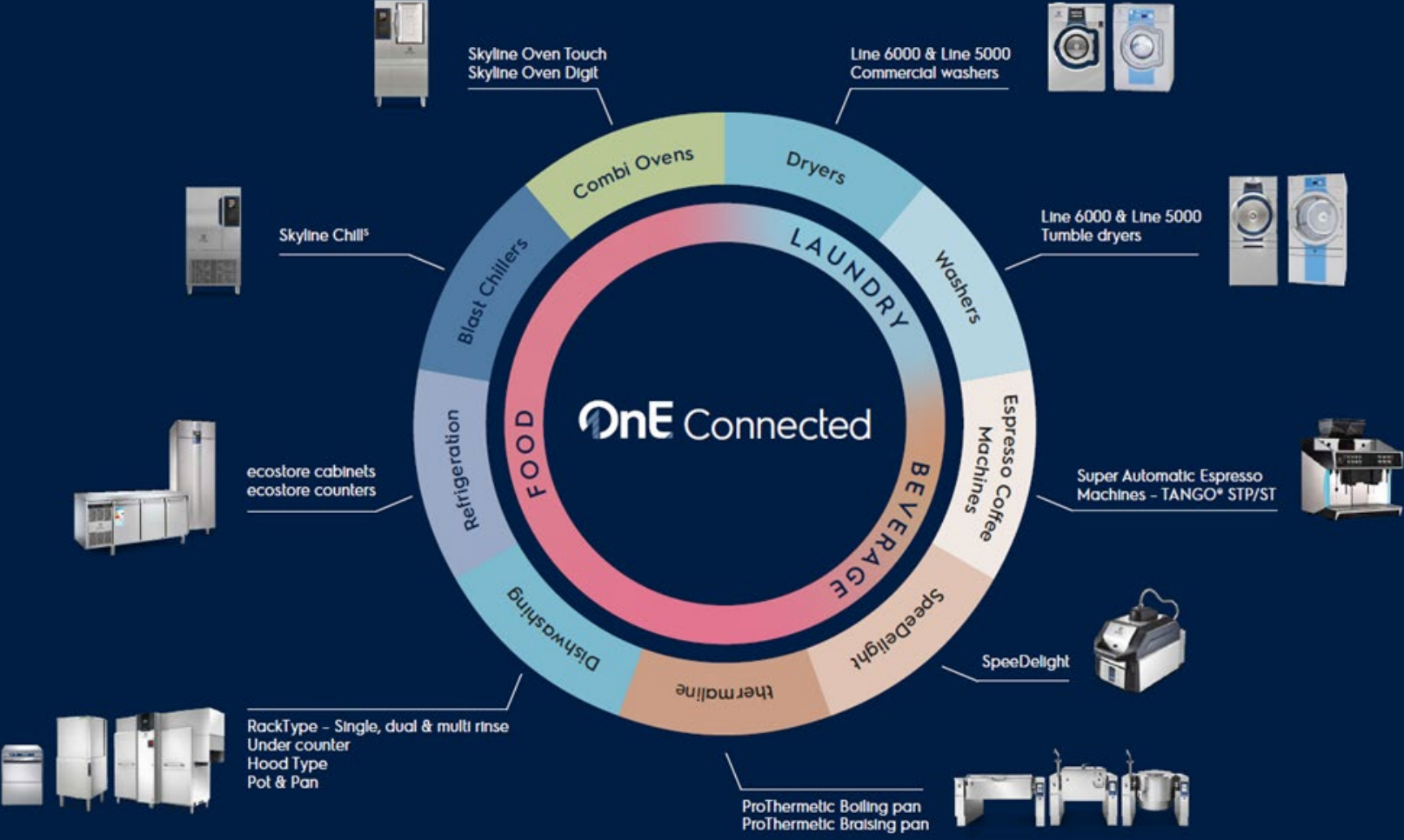


▶ Continuous Motion Ware-washing



▶ Cook-Chill & Sous Vide

Uniquely positioned through OnE concept to deliver customer value by connecting the whole operation



2021 sustainability performance and highlights



CO2 emissions
Scope 1&2

CO2e Reduction*
-31%



Injury rate

Lost time Injury rate**
0,7



Gender balance

Managerial Positions***
26/74



Energy

Renewable Energy
47%



Waste
Incl. waste to energy and material recovery

Waste Recovery
93%



Suppliers
Audits incl environment, health & safety

72/95



Certifications

ISO 14001 coverage
96%

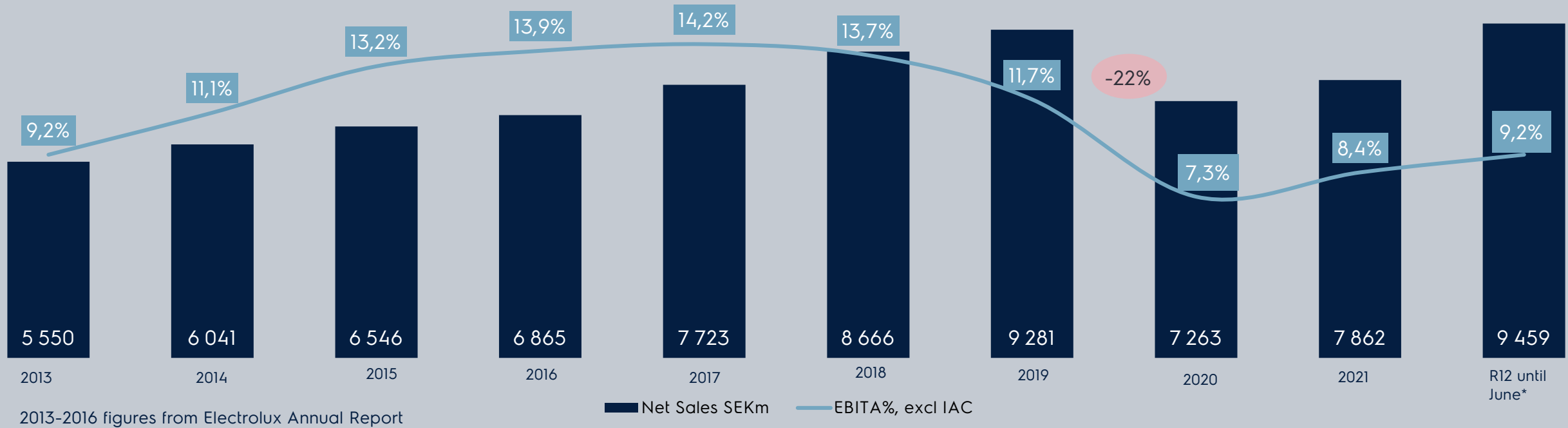
* Scope 1 and 2 - emissions from own operations. Target -50% by 2025 compared to 2015.

** Target below 0.3 by 2025

*** 26% women, 74% men. Target is 40/60 gender balance by 2030.



Net sales and profitability development



- Track record of growth and profitability improvement (2013-2018)
- 2020-2021 impacted by pandemic

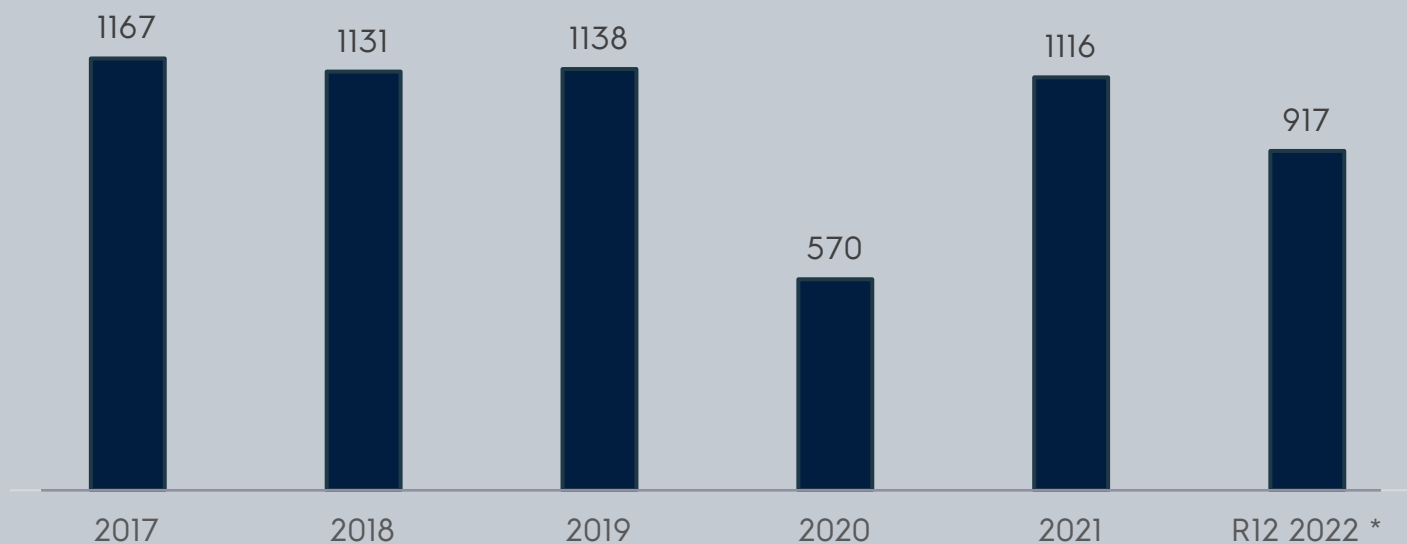
* includes Unified Brands Dec 2021 – June 2022

Good cash flow while investments have continued



Operating cash flow after investments⁽¹⁾

SEKm



- Proven good cash flow generation over the years

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

*R12 includes Unified Brands Dec 2021 - June 2022

Medium-term financial targets to drive shareholder value are confirmed



Net sales growth

Organic annual growth of more than 4% over time, complemented by accretive acquisitions



Profitability

15% EBITA margin



Assets efficiency

Operating working capital <15% of net sales



Capital structure

Leverage ratio below 2.5x Net debt/EBITDA⁽¹⁾



Dividend policy

Pay-out ratio of c. 30% of net income for the year⁽²⁾

Note:

1. Higher levels may be temporarily acceptable in case of acquisitions, provided a clear path to deleveraging
2. As proposed annually by the Board of Directors at its discretion, to correspond to c.30 % of the income for the year, out of funds legally available for that purpose. The Company aims to use capital efficiently to generate as much shareholder value as possible, including potential acquisitions. The timing, declaration and amount of future dividends will depend on the Company's financial condition, earnings, capital requirements and debt service obligations.

Building blocks to reach 15% EBITA margin in place

Operational Excellence

Continuously reduce operational costs through rationalization and digitalization of operations

Develop Customer Care

Increase the Customer Care business through sales of PA&C and service contracts

Chain Business

Grow sales in the Chain Segment

Innovative Products and OnE offer

New products to the market with competitive advantages and higher than average margin



Plan in place – delivering 15% EBITA margin

2020

Key take aways

Attractive industry with strong profitability



Track record of delivering solid EBITA and cash flow also in difficult times



Market with stable growth that has recovered quickly after the pandemic



Focused plan to generate margin expansion



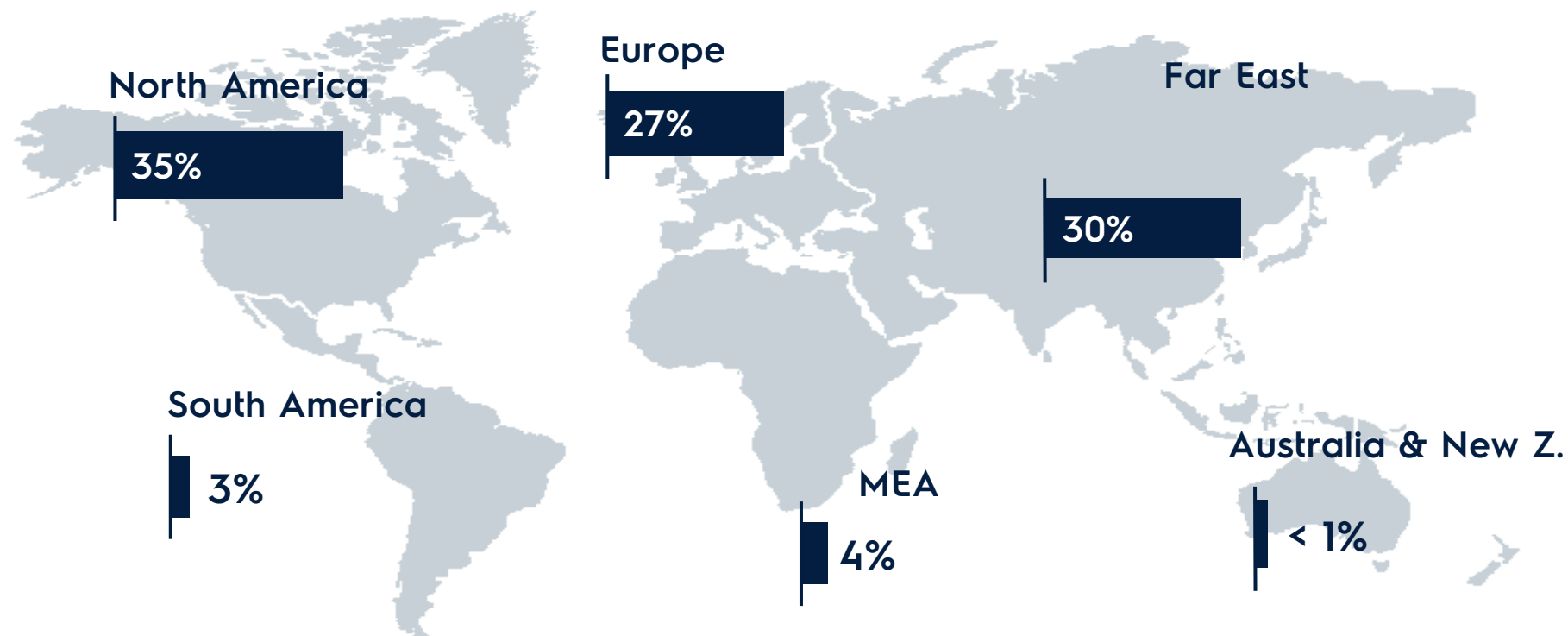
Appendix

Professional Food & Beverage Equipment Market 2021



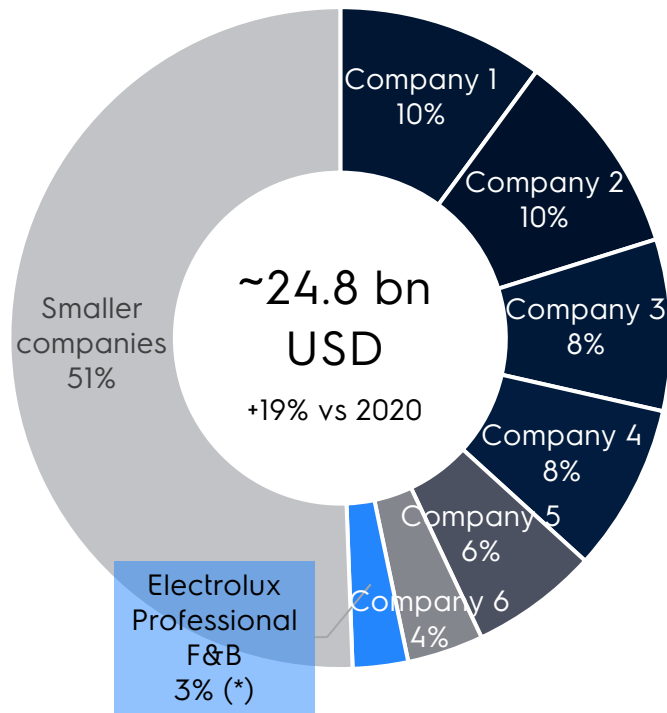
% of Global
Food&Bev market

Professional F&B
market:
USD 24.8 bn in 2021
(20.9 in 2020)



Source: FY 2021 Results Major FS&Bev. Competitors

Food & Beverage key market players (2021 %) Estimated Market Share



(*) Unified Brands FY 2021 NS included

Monobrand Specialists

Monobrand Full-Systems

Multibrand

Global



Regional

> 500 Companies

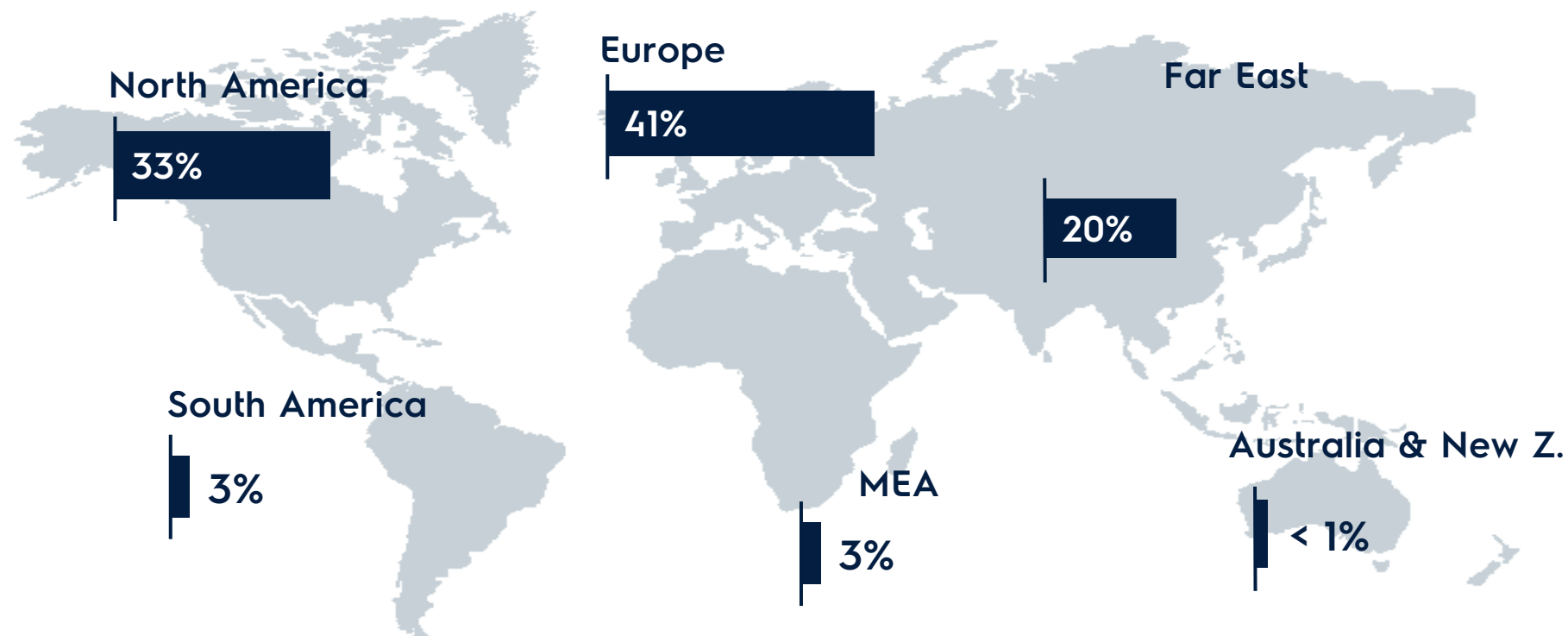


Market size and market shares
Source: Company internal estimates on the basis of publicly available information

Professional Laundry Equipment Market 2021

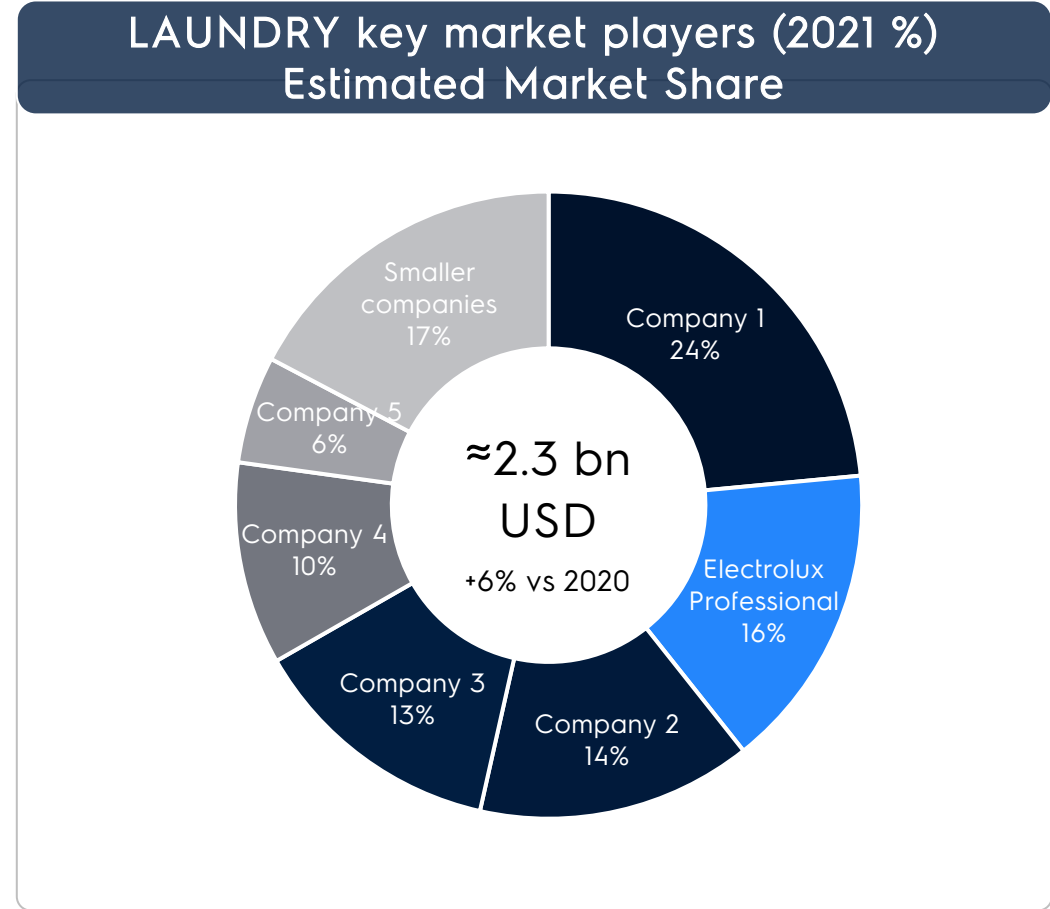
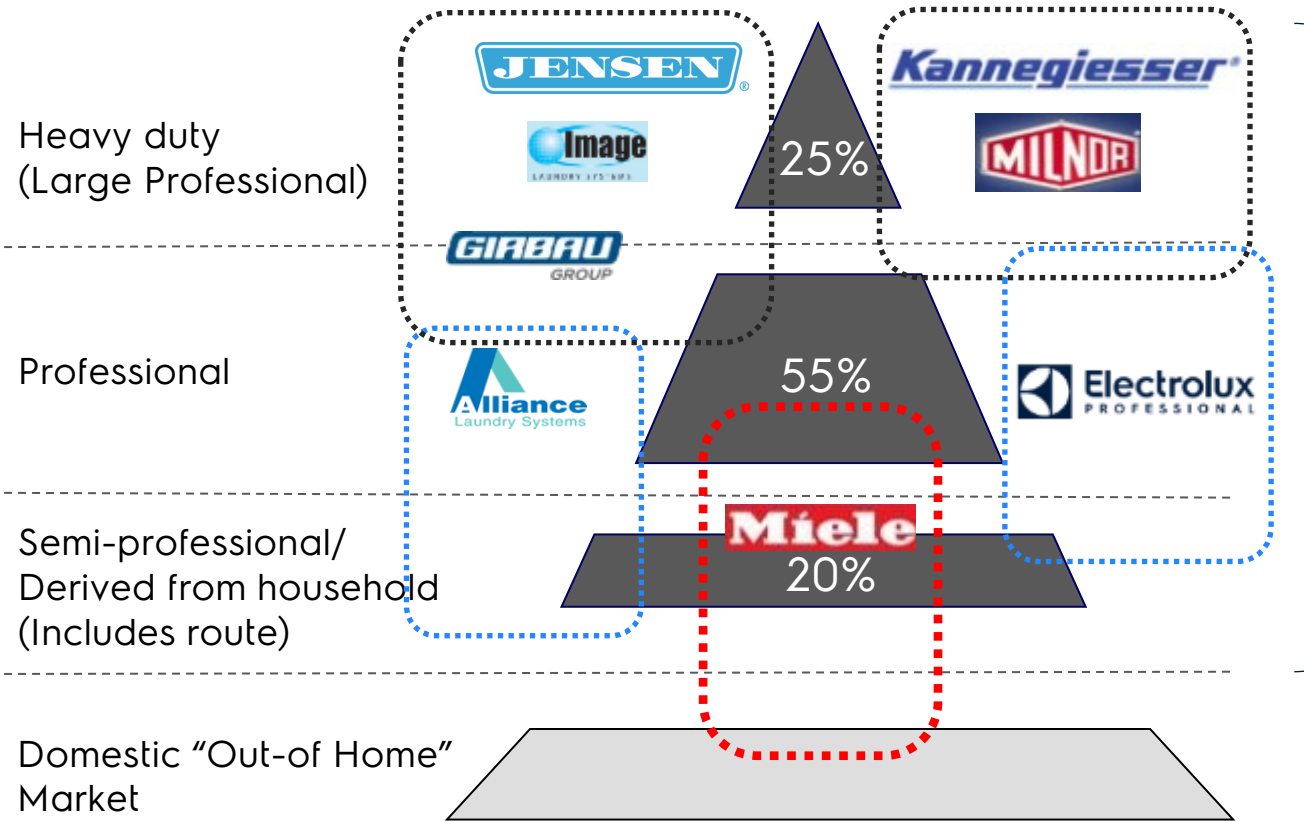
% of Global
Laundry market

Professional
Laundry market:
USD 2.3 bn in 2021
(2.2 in 2020)



Source: Euromonitor Passport Database - Laundering and (Dry)Cleaning Services 2021
FY 2021 Results Major LS Competitors (available at the moment of the analysis - June 2022)

Professional Laundry Equipment Market 2021

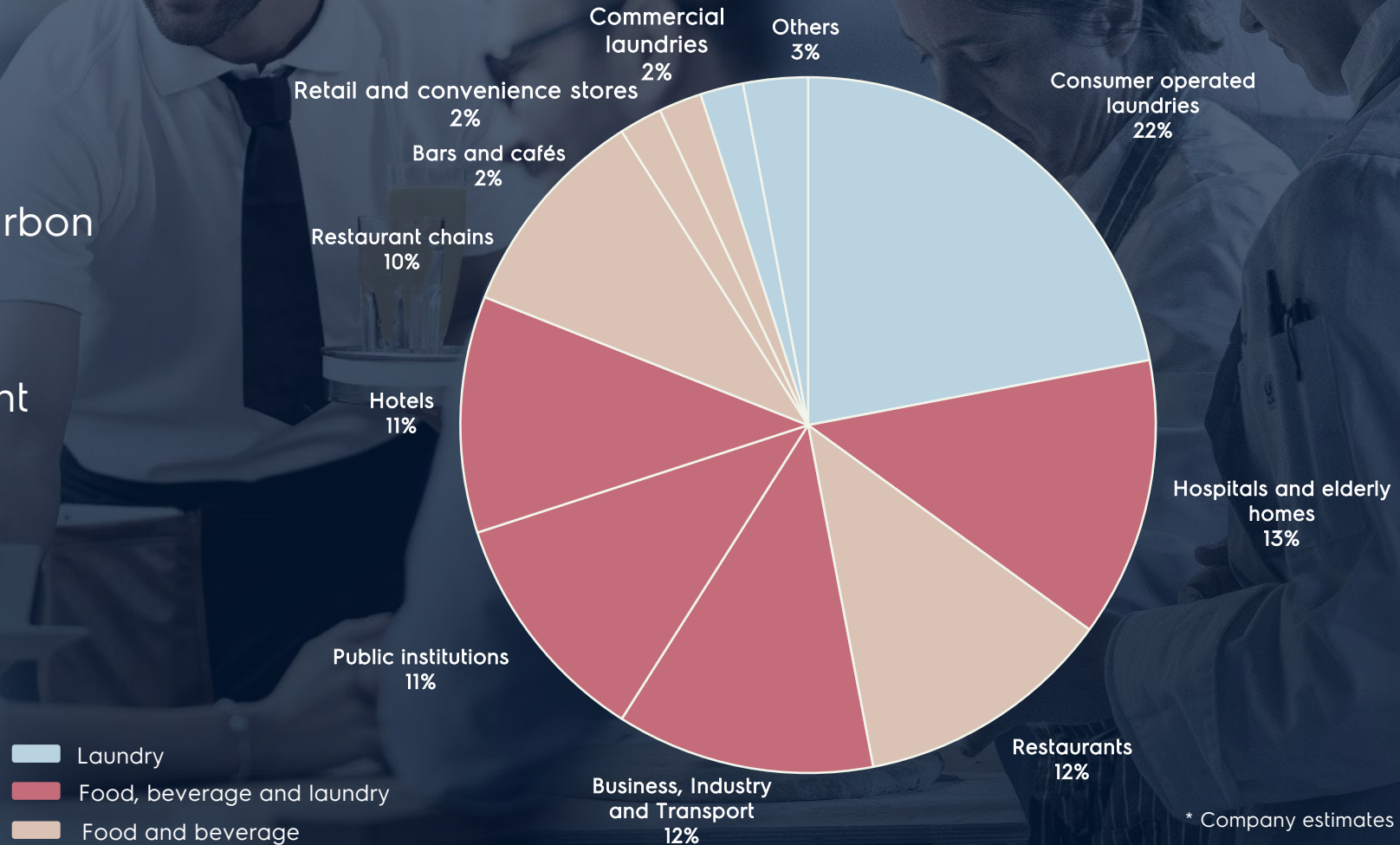


Market size and market shares - excluding Domestic Appliances
Source: Company internal estimates on the basis of publicly available information

Multiple customer segments having different needs but with commonalities

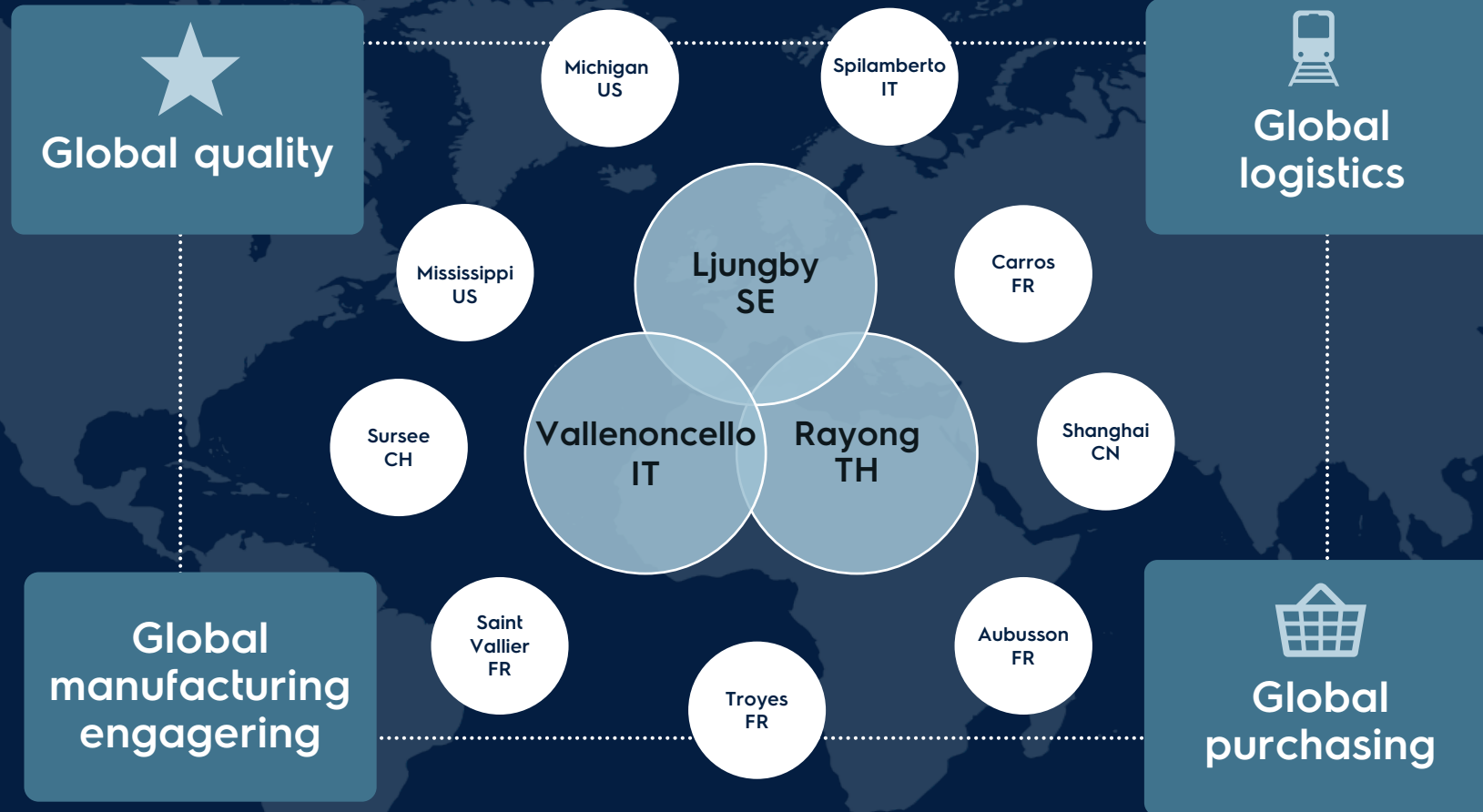
- Simplification, speed and flexibility
- Reduced energy consumption and carbon footprint
- Lower total lifetime costs
- Reliability and quality of the equipment
- Ergonomic and human centric design
- Enhanced hygiene demands

Electrolux Professional distribution per customer segment *



* Company estimates

A Global industrial footprint to serve customers expanding globally



R&D



Food Solutions



Beverage Solutions



Laundry Solutions

- 3 large units/hubs
- 9 small units



- Local customer proximity

2020 and first part of 2021 impacted by the pandemic - but has now recovered

- From the second quarter 2021 the market started to recover
- From the third quarter of 2021 continued and broadened market recovery
- Continued strong sales recovery in the first and second quarter 2022 - five consecutive quarters of growth

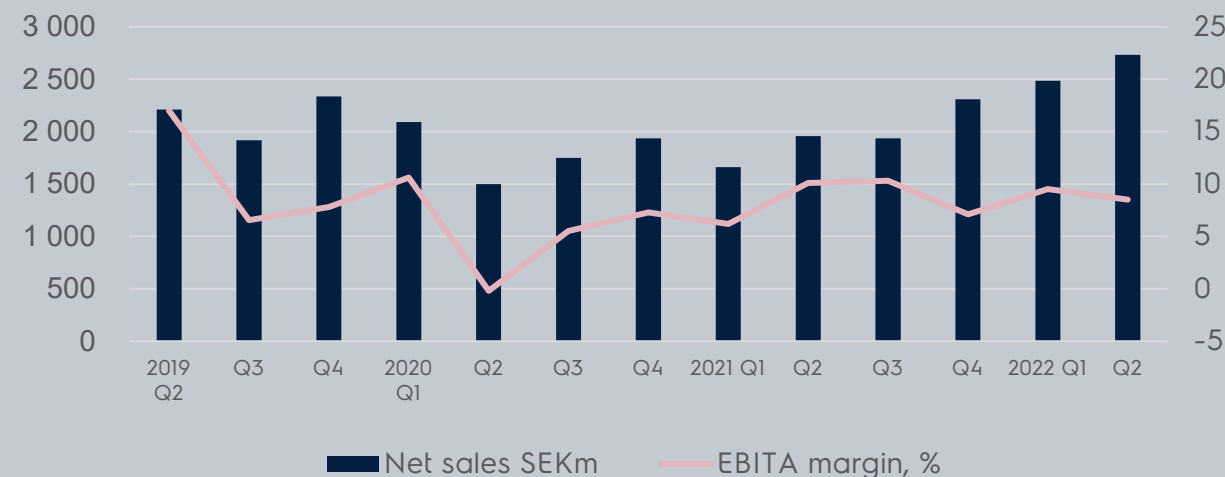


Q2 highlights

- Continued strong sales recovery for the fifth consecutive quarter.
- Organically, sales increased by 15.1%. The acquisition of Unified Brands contributed by 17.9%. Currency had a positive effect of 6.5%.
- EBITA* for the second quarter was SEK 268m (197), corresponding to a margin of 9.8% (10.1).
- Operations in Russia has been divested to local management.
- Operating cash flow after investments in the quarter amounted to SEK 88m (223).

*Excluding items affecting comparability of SEK -35m, related to the divestment of the Russian business.

SEKm	Apr-Jun 2022	Apr-Jun 2021	Change, %
Net sales	2,731	1,958	39.5
EBITA	233	197	18.5
EBITA margin, %	8.5	10.1	
EBITA, excluding items affecting comparability	268	197	
EBITA margin, excluding items affecting comparability, %	9.8	10.1	
Operating cash flow after investments	88	223	



Summary Q2 2022



- Continued strong sales recovery for the fifth consecutive quarter.
- Organically, sales increased by 15.1%. The acquisition of Unified Brands contributed by 17.9%.
- EBITA, excluding items affecting comparability of SEK -35m, amounted to SEK 268m (197) with a corresponding margin of 9.8% (10.1).
- EBITA burdened by a negative net of price versus raw material and component cost increases of approximately SEK -30m in Laundry. Food & Beverage compensated.
- Net between price and raw material expected to be positive in the third quarter.
- Operations in Russia divested, not expected to have any material effect on the Group's profit or profitability.
- High order stock, improved component availability, and positive price gives a good foundation for the next quarter.

Food Service offering - examples

Ranges and Primary Cooking



Combi ovens & Blast Chillers



Refrigeration and Servery



Food Preparation



Warewashing



High-speed Cooking



Beverage offering - examples

Hot Beverages



Chilled Drinks



Slush/Frozen Beverages



Coffee



Frozen Creams



Soft Serve



Laundry system offering - examples

Front loaded washer extractors



Tumble dryers



Barrier washers and Ironers



myPRO semi-professional washers, dryers and ironers



Digital is shaping the Professional industry



Traditional
dealership
changing



E-commerce
increasingly
important



IoT is
now



Large
accounts
direct
relationship

Digital ambition 2024

Connected appliance
of future installed
base

50%

On-line sales
distribution

65%

Cutting edge innovation – R&D to differentiate the offer by adding value solutions



Cater to customers' needs and increase customer productivity and efficiency

- › digitalization of appliances
- › appliance connectivity
- › appliance agility
- › minimizing environmental impact
- › more energy-efficient and resource-efficient solutions



- 4% of sales invested in R&D - highest in the industry
- Product Testing
- Internal PhD Academy
- Partnering with Universities on research projects



The Research Hub
By ELECTROLUX PROFESSIONAL



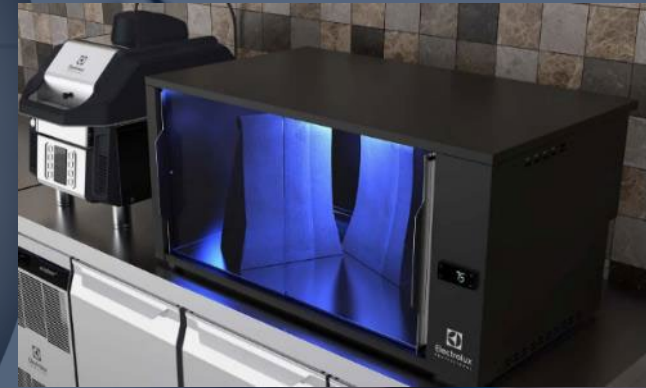


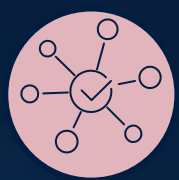
Strategic cornerstones - GROW



Cutting edge innovation will differentiate the offer by adding value solutions

- Annual spend R&D / net sales average 2017-2020: 4%
- 50% of sales from products introduced last 3 years
- Cater to customers' needs and increase customer productivity and efficiency
 - digitalization of appliances
 - appliance connectivity
 - appliance agility
 - minimizing environmental impact
 - more energy-efficient and resource-efficient solutions





Strategic cornerstones - CHAINS

Expand in commercial restaurant chains



- Grow organically and through M&A
- Focus on North America food service chains
- Chains to be addressed through product champions and further penetrated with additional solutions





Strategic cornerstones - CUSTOMER CARE

Grow Customer care

- 15% of sales in 2021 but growing
- Ambition to grow faster than product sales
- Long term ambition to be in line with industry peers

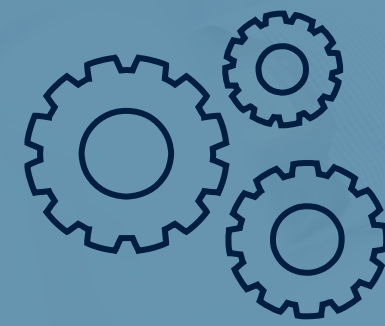


Consumables



Complete range of product families

Chemicals for appliances



Spare Parts



Parts kits

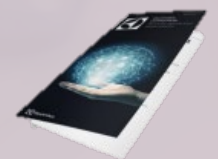


Service & Repair



Service product 3.0 "world wide"

Digitalized services connected network



Product milestones and sustainability achievements



Automatic Saving System

Barrier washer for Risk Analysis Biocontamination Control (RABC)

Heat Pump Dryer (Energy efficiency)



"Green and clean rack type" (One Glass of Water + C2 as refrigerant)

Line 6000 Heat Pump Dryer (Productivity, Sustainability, Insourced HP manufacturing)



1995 First Env. cert.



2011 First OHS cert.



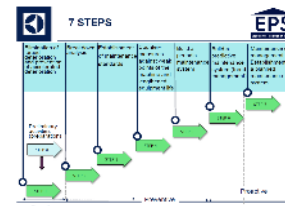
2014 First energy cert.



2015 Electrolux for the better program



2016 EPS introduction



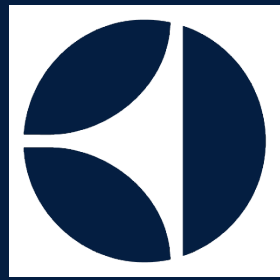
2018 First Green Spirit audits and platina plant



New framework and commitment "OnE Sustainable Partner"

2020 Signing the UN Global Compact and first rating





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