Electrolux Professional Group

Q2 2023 result presentation

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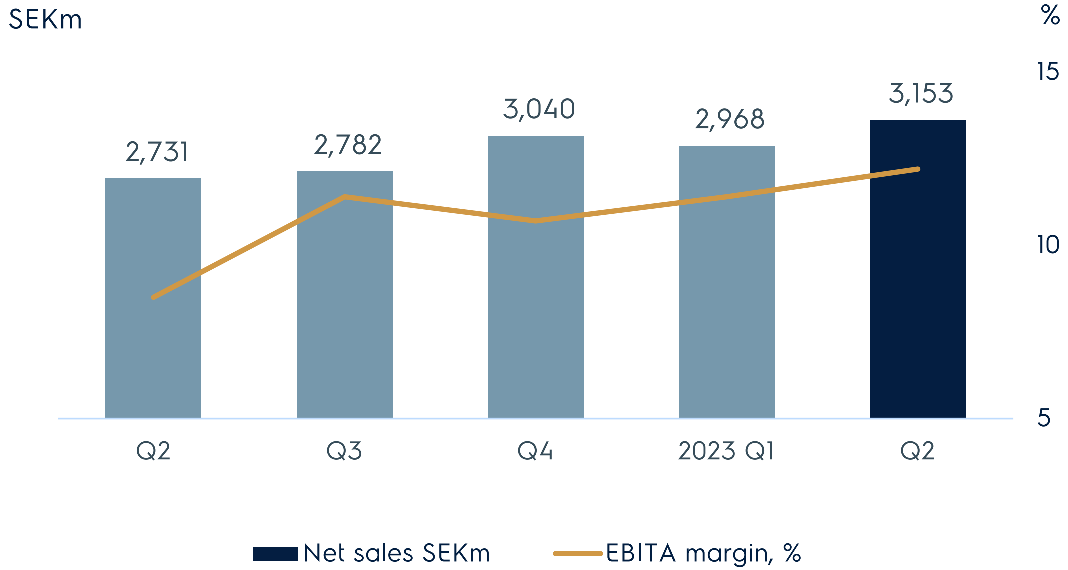
” During the second quarter we grew profitably taking another positive step towards our financial targets.”

Q2 highlights

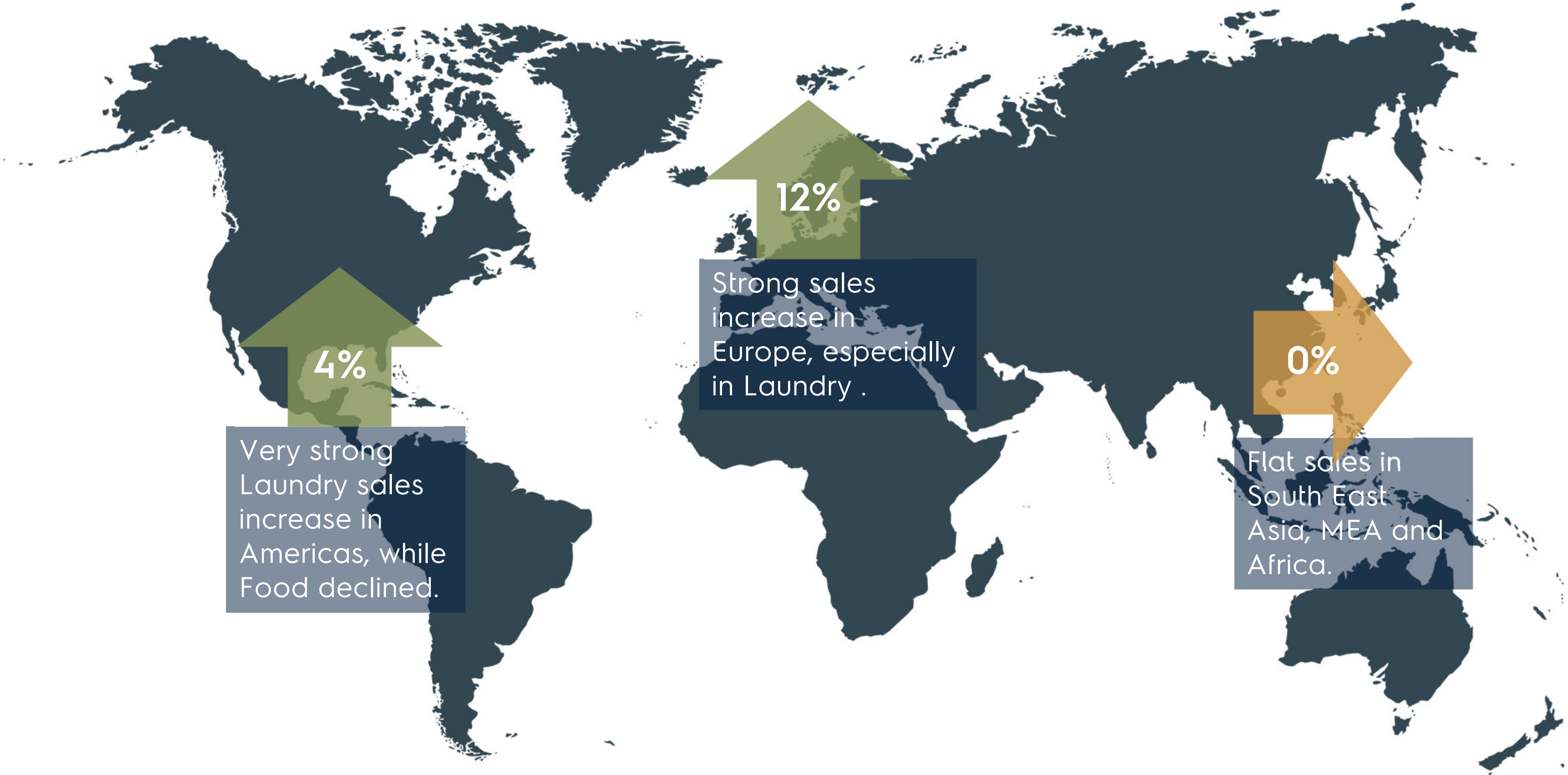
Another positive step towards our financial target

- 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)

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	



Q2 organic sales development per region



Q2 Food & Beverage

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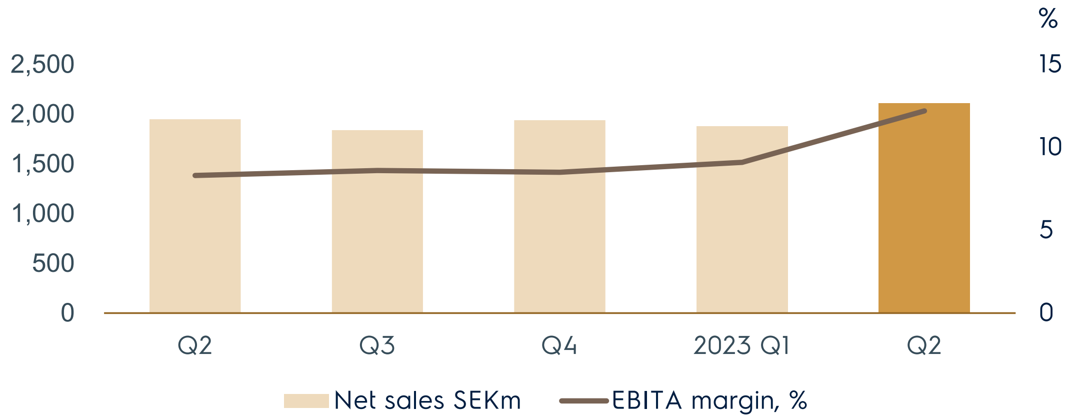
Order intake for the segment was on a good level, despite somewhat softer in the US

- Organically, sales increased by 0.5%
- Sales increased by approximately 5% in Europe, declined by 6% in Americas and by 6% in Asia-Pacific, Middle East and Africa. Last year sales included a large project in Asia.
- Strong development in Beverage.
- Business in China has not taken off as expected after the re-opening.
- Sales declined in the US, mainly driven by a significant drop of our distribution sales of refrigerators due to destocking among customers.
- EBITA increased and amounted to SEK 258m (195) driven mainly by price, corresponding to a margin of 12.2% (10.0).

SEKm	Apr-Jun 2023	Apr-Jun 2022	Change, %
Net sales	2,109	1,949	8.2
Organic growth, %	0.5	22.9	
Acquisitions, %	-	28.6	
Divestments, %	-0.1	-	
Currency, %	7.8	9.5	
EBITA	258	195	32.4
EBITA margin, %	12.2	10.0	

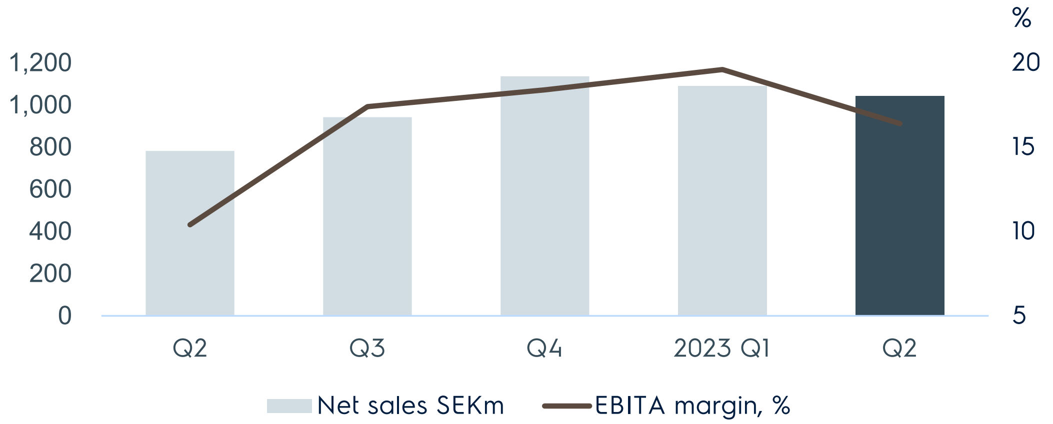


Q2 Laundry

Continued strong profitable growth and good order intake

- Sales increased organically by 28.5%
- Sales increased by 65% in Americas, by 28% in Europe, and by 5% in Asia Pacific, Middle East and Africa.
- The growth was driven by a very positive development in all regions, particularly in Europe and the US.
- EBITA increased by 109.9%, and amounted to SEK 171m (82) driven by price and volume, corresponding to a margin of 16.4% (10.4).
- Last year's reference was impacted by component shortages.

SEKm	Apr-Jun 2023	Apr-Jun 2022	Change, %
Net sales	1,044	782	33.6
Organic growth, %	28.5	2.2	
Divestments, %	-0.9	-	
Currency, %	6.0	2.4	
EBITA	171	82	109.9
EBITA margin, %	16.4	10.4	



Financial overview Q2

SEKm	Apr-Jun 2023	Apr-Jun 2022	Change, %
Net sales	3,153	2,731	15.5
Gross operating income	1,067	899	18.7
Gross operating margin, %	33.8	32.9	
Operating income	345	196	76.0
Operating margin %	10.9	7.2	
Operating income, excl items affecting comparability	345	231	
Income after financial items	321	188	70.8
Income for the period	257	132	94.7
Earnings per share, SEK	0.89	0.46	
EBITA	385	233	65.1
EBITA, excl items affecting comparability	385	268	
EBITA margin, %	12.2	8.5	

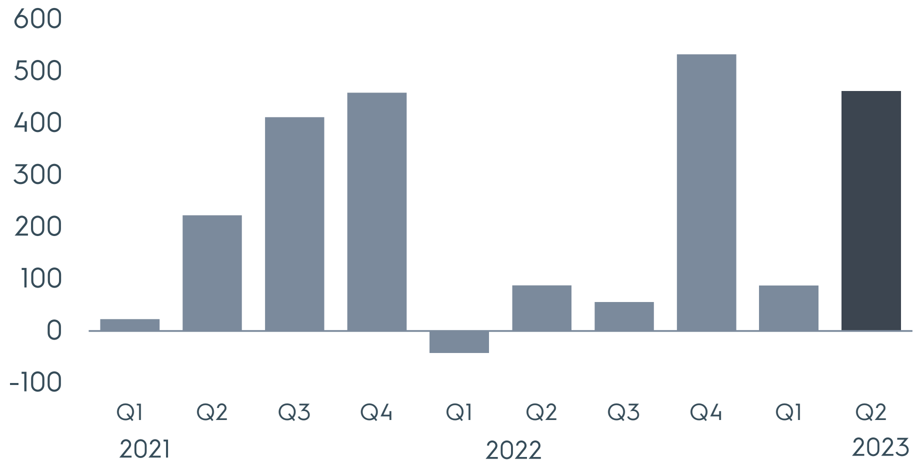
EBITA development

- Higher EBITA margin was driven by price, but also volume in Laundry.
- Last year EBITA included items affecting comparability of SEK -35m, but was also negatively affected due to component shortage in Laundry.
- Net financial items increased mainly due to higher interest rates, impacting cost of debt.
- Earnings per share increased by 94%.

Operating cash flow

SEKm	Apr-Jun 2023	Apr-Jun 2022
EBIT	345	196
Depreciation, amortization and other non-cash items	113	139
Change in operating assets and liabilities	30	-226
Investments in intangible and tangible assets	-30	-22
Changes in other investments	4	2
Operating cash flow after investments	462	88

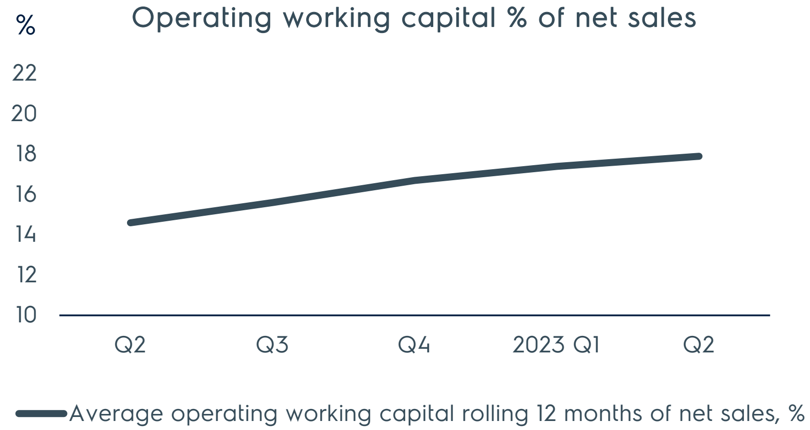
Operating cash flow after investments, SEKm



- Solid Cash flow, now at a normalized level in line with historical performance.
- Cash flow driven by higher EBITA, and positive contribution from working capital.

Operating working capital (OWC) and financial position

SEKm	30 June, 2023	30 June, 2022
Inventories	2,118	1,940
Trade receivables	2,322	1,980
Trade payables	2,144	2,030
Operating working capital	2,296	1,890
Operating working capital of annualized net sales, %	17.9	14.6
Short- and long-term loans	2,378	2,536
Net provisions for post-employment benefits	110	-139
Lease liabilities	307	313
Other liabilities	1	67
Cash and cash equivalents and short-term investments	710	581
Net debt	2,086	2,196
Net debt/EBITDA ratio	1.3	2.0



- Operating working capital as percentage of rolling 12 months net sales amounted to 17.9% in the second quarter compared to 14.6% in the second quarter of 2022.
- Inventory is still high. Activities to optimize inventory initiated since supply chain now has stabilized.
- Net debt/EBITDA further improved to 1.3x

CO2 emissions reduced by 18%

- CO_2 emissions were reduced by 18% in the first half year of 2023 compared to 2022

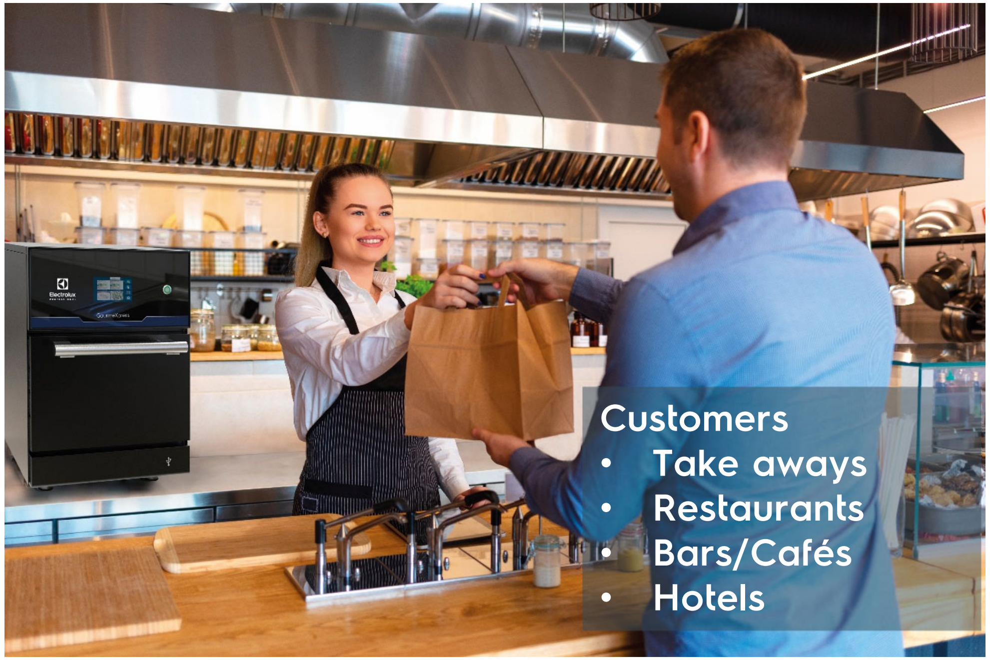
	Q1 reduction vs. 2022	Q2 reduction vs.2022
CO_2 emission reduction (Scope 1*& 2**)	-19%	-16%

* Excluding emissions from refrigerants as calculated on an annual basis

** Market-Based

The GourmeXpress – high-speed oven for chains

- Compact high-speed oven that uses combined heating methods simultaneously for fast cooking results
- Combination of convection + microwaves + impingement
- Versatility: roasting, grilling, reheating



- Small spaces
- Wide menu variance
- Rapid cooking, with high quality results
- Saves energy
- Easy to use
- Consistency in cooking result

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

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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**

Summary

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- We grew profitably taking another positive step towards our financial targets.
- EBITA improved significantly by 65% to SEK 385m with a margin of 12.2%. Strong cash flow.
- The overall market demand has held up well in the quarter.
- Order intake was good in the quarter, although somewhat soft in Food in the US.
- Continue to launch innovative products in line with our strategy, aiming chain customers.
- Market demand has held up well in the quarter, and order stock remains at a good level. Although the US is somewhat soft, we remain cautiously optimistic for the next quarter.


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Q&A

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