



Electrolux
Professional
Group

Q3 2023 result presentation

Alberto Zanata, President and CEO

Fabio Zarpellon, CFO

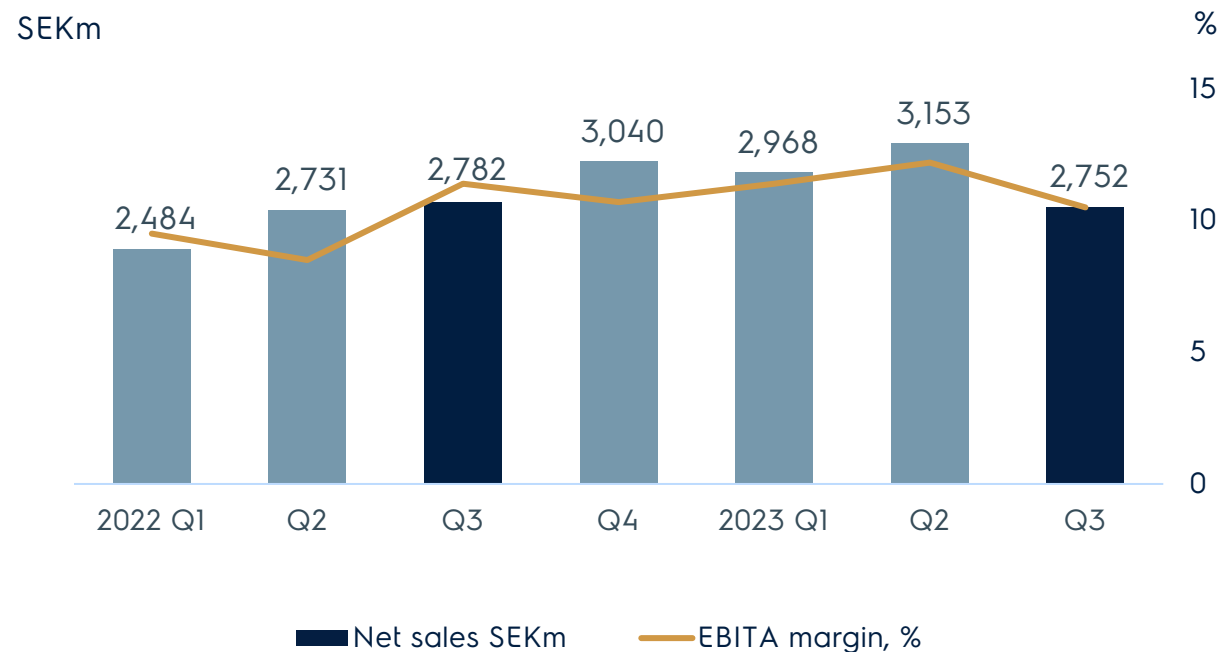
“ Somewhat weaker sales and profitability while cash generation improved.”

Q3 highlights

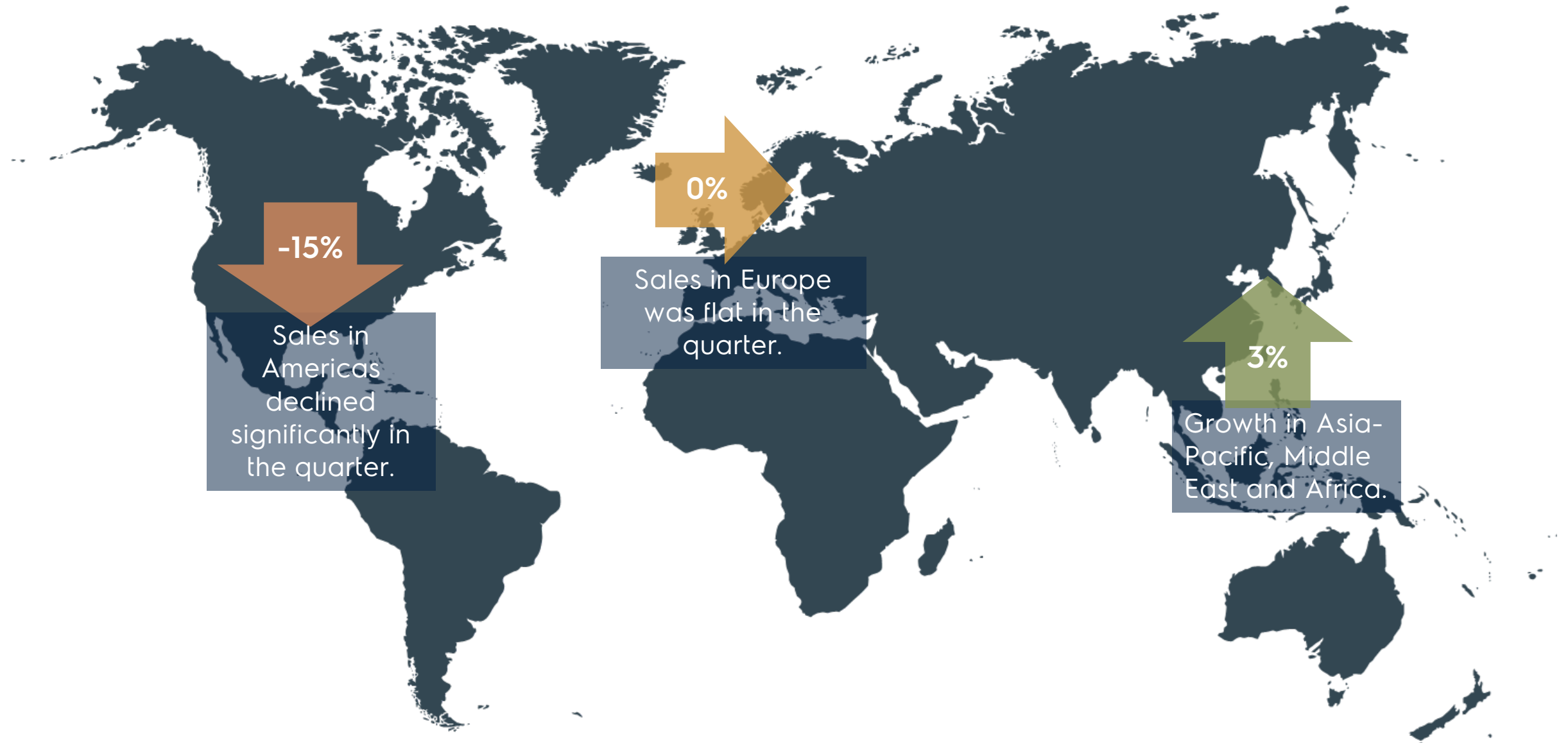
Somewhat weaker sales and profitability while cash generation improved

- Sales decreased by 1.1%
- Organically, sales decreased by 5.3%.
- EBITA decreased by 8.6%, to SEK 290m (317), corresponding to a margin of 10.5% (11.4).
- During the first nine months of this year, we have improved profitability compared to last year.
- Operating cash flow after investments amounted to SEK 333m (56)
- Net debt/EBITDA at 1.2x (2.3)

SEKm	Jul-Sep 2023	Jul-Sep 2022	Change, %
Net sales	2,752	2,782	-1.1
EBITA	290	317	-8.6
EBITA margin, %	10.5	11.4	
Operating cash flow after investments	333	56	



Q3 organic sales development per region

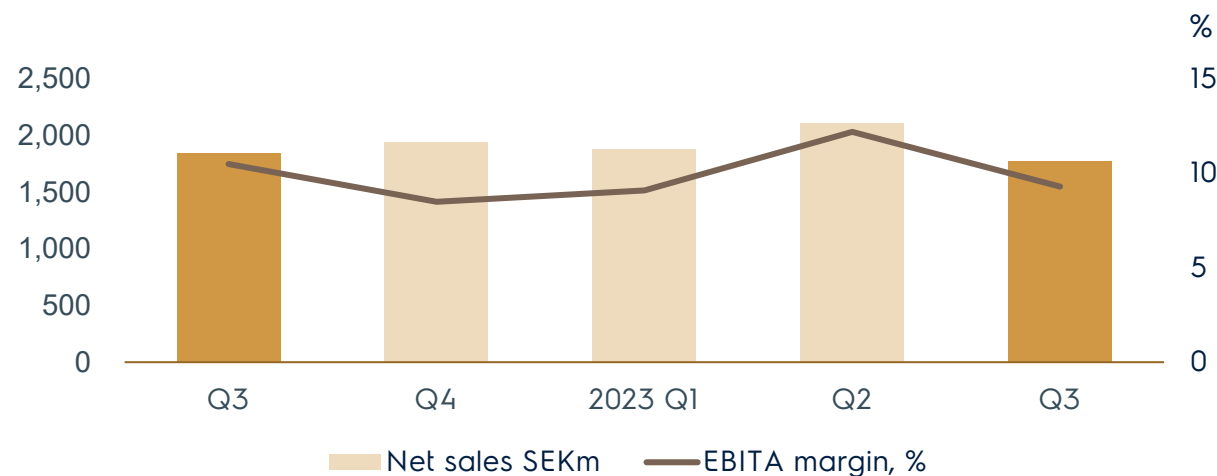


Q3 Food & Beverage

Sales declined significantly in the US while Europe was close to flat

- Organically, sales decreased by 8.0%
- Sales decreased organically by approximately 3% in Europe, by 14% in Americas and by 10% in Asia-Pacific, Middle East and Africa.
- Order intake for the segment was on a similar level as last year, except of the US where order intake was lower
- EBITA amounted to SEK 165m (194) corresponding to a margin of 9.3% (10.5).

SEKm	Jul-Sep 2023	Jul-Sep 2022	Change, %
Net sales	1,775	1,840	-3.6
Organic growth, %	-8.0	8.7	
Acquisitions, %	-	32.2	
Divestments, %	-0.0	-1.4	
Currency, %	4.5	12.4	
EBITA	165	194	-14.7
EBITA margin, %	9.3	10.5	

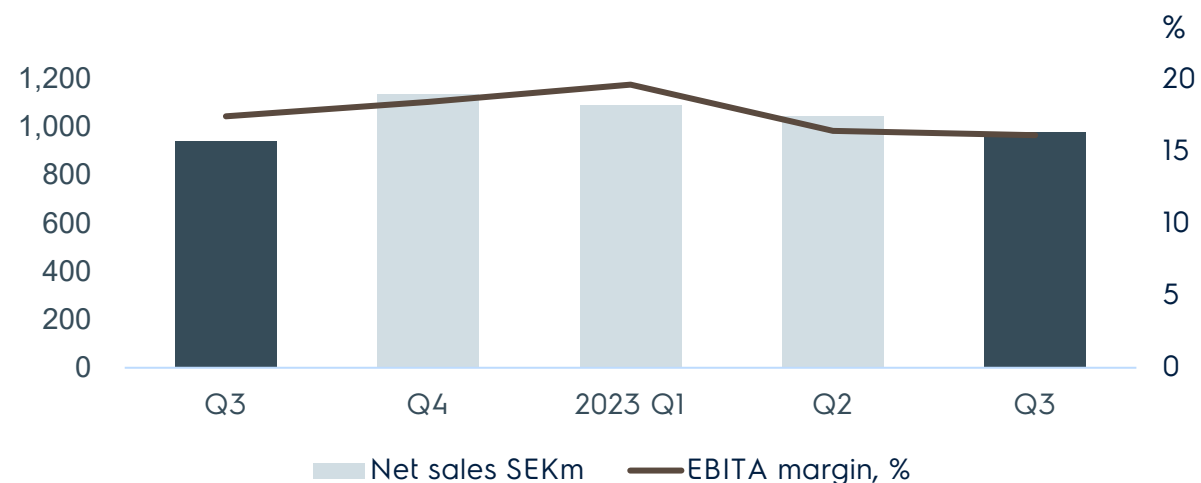


Q3 Laundry

Flat organic sales development

- Sales increased organically by 22% in Asia Pacific, Middle East and Africa, and by 2% in Europe, but decreased by 18% in Americas.
- EBITA decreased and amounted to SEK 157m (163) corresponding to a margin of 16.1% (17.3).
- In the third and mainly the fourth quarter of last year the margin was supported by a shift of sales from the second following component shortages.
- Order intake was on the same level as last year.

SEKm	Jul-Sep 2023	Jul-Sep 2022	Change, %
Net sales	977	942	3.7
Organic growth, %	-0.1	28.1	
Divestments, %	-0.1	-1.2	
Currency, %	3.9	3.3	
EBITA	157	163	-3.2
EBITA margin, %	16.1	17.3	



Financial overview Q3



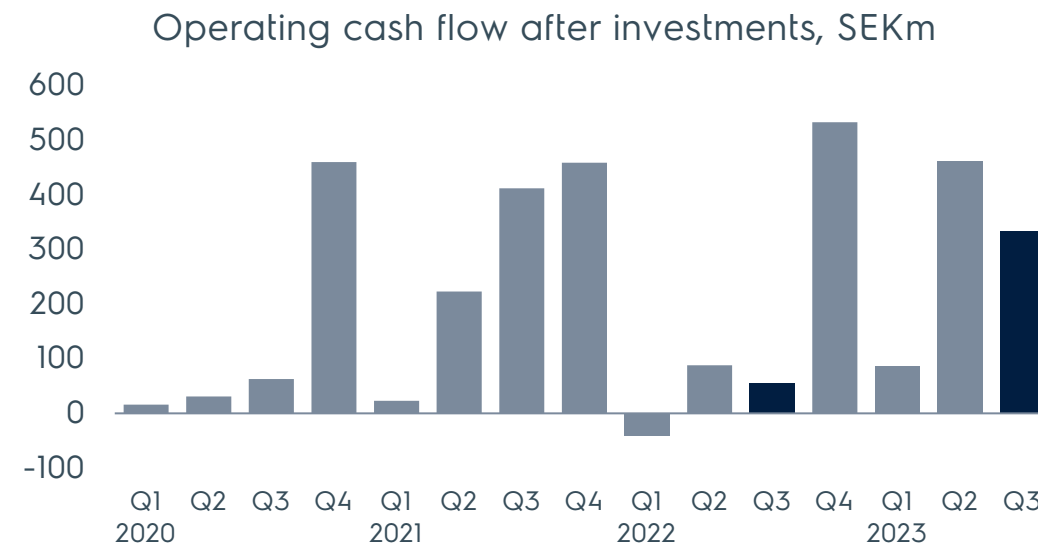
SEKm	Jul-Sep 2023	Jul-Sep 2022	Change, %
Net sales	2,752	2,782	-1.1
Gross operating income	945	925	2.2
Gross operating margin, %	34.3	33.3	
Operating income	247	277	-10.8
Operating margin %	9.0	10.0	
Income after financial items	214	255	
Income for the period	159	195	-18.4
Earnings per share, SEK	0.55	0.68	
EBITA	290	317	-8.6
EBITA margin, %	10.5	11.4	

EBITA development

- Lower EBITA mainly due to lower sales volumes (primarily in the US), and currency transaction effects of approximately SEK -40m.
- Net financial items increased mainly due to higher interest rates.
- Income amounted to SEK 159m (195), corresponding to SEK 0.55 (0.68) in earnings per share.

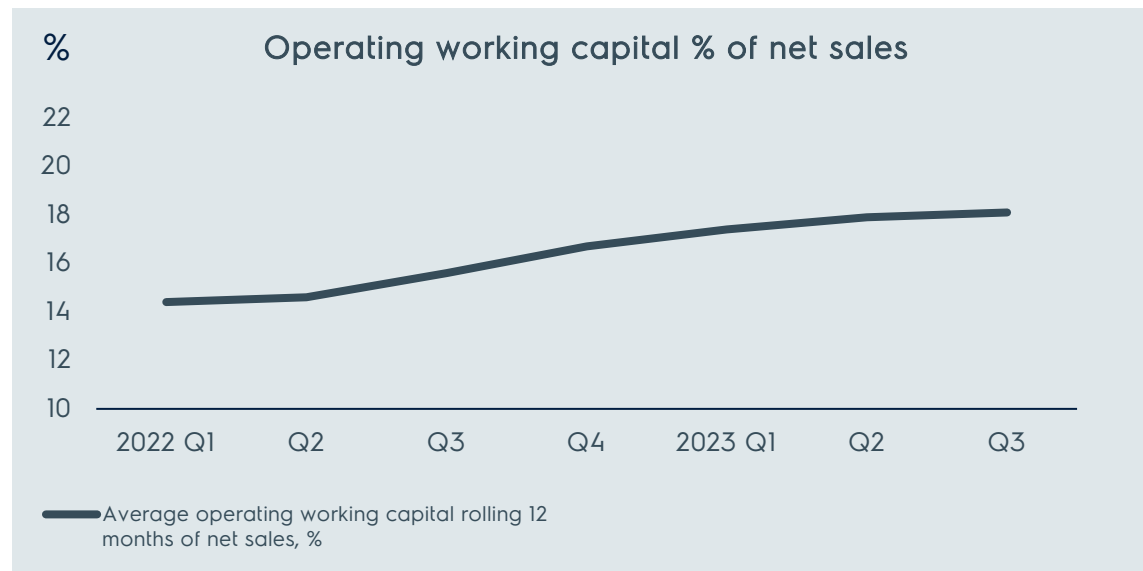
Continued strong cash generation

SEKm	Jul-Sep 2023	Jul-Sep 2022
EBIT	247	277
Depreciation, amortization and other non-cash items	120	112
Change in operating assets and liabilities	23	-309
Investments in intangible and tangible assets	-56	-24
Changes in other investments	-1	-0
Operating cash flow after investments	333	56



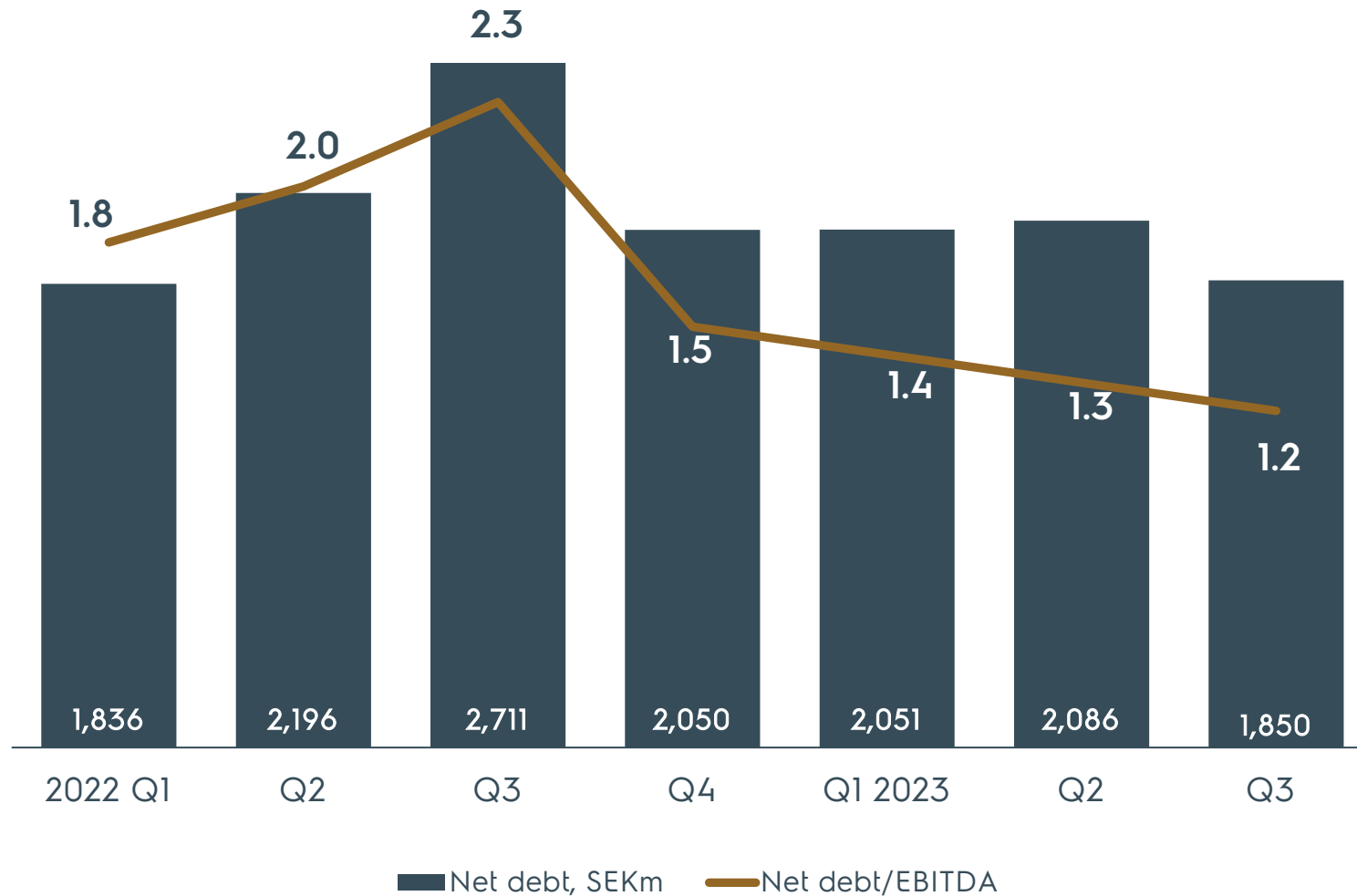
Operating working capital (OWC) and financial position

SEKm	30 Sep, 2023	30 Sep, 2022
Inventories	1,969	2,118
Trade receivables	2,006	2,208
Trade payables	1,759	2,021
Operating working capital	2,216	2,305
Operating working capital of annualized net sales, %	18.2	15.6
Short- and long-term loans	2,123	3,085
Net provisions for post-employment benefits	103	106
Lease liabilities	304	315
Other liabilities	38	142
Other assets	64	44
Cash and cash equivalents and short-term investments	654	894
Net debt	1,850	2,711
Net debt/EBITDA ratio	1.2	2.3



- Operating working capital as percentage of rolling 12 months net sales amounted to 18.2%.
- Inventory value reduced YOY but is still high.
- Net debt/EBITDA further improved to 1.2x.

Further improved Net debt/EBITDA ratio



Funding sources and capabilities expanded



- A commercial paper program with a framework amount of SEK 2,000 million was successfully launched in September.
- The program will mainly be used for short-term financing of working capital needs and to replace other short-term financing.
- An inaugural issuance was offered and the demand from credit investors was high.
- On September 30, Electrolux Professional Group had SEK 600m issued under its commercial paper program.

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



- We are committed to
 - reduce greenhouse gas emissions by 70% by 2030 (scope 1 and 2)
 - reduce indirect use phase emissions by 27.5% by 2030 (scope 3).
- These were validated by the Science Based Targets initiative (SBTi) in August.
- Our own CO2 emissions (Scope 1 and 2) were reduced by 18% during first nine months of 2023. This means we are close to our target to reduce CO2 emissions by 50% by 2025 compared to 2015.



The Hive - live customer event in Italy



- In October our Center of Excellence in Vallenoncello, Italy welcomed over 400 guests from all over the world
- Experience how Electrolux Professional is the leading brand in the food service industry when it comes to sustainable and digital solutions.



Summary

- Somewhat weaker sales and profitability.
- EBITA of SEK 290m corresponding to a margin of 10.5%. EBITA negatively impacted by lower volumes, and currency transaction effects of approximately SEK -40m.
- We demonstrated solid cash flow generating capability.
- Net debt/EBITDA improved significantly to 1.2x (2.3).
- Order intake was on a similar level as last year, except for the US where order intake was lower.
- Recent more negative customer sentiment, mainly in the US, has already prompted actions to reduce cost. A healthy order stock gives us some comfort for the end of the year.



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Q&A



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