

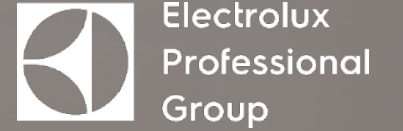


Electrolux  
Professional  
Group

# Carnegie September 4, 2024

Alberto Zanata, President & CEO  
Jacob Broberg, Chief Communication and Investor Relations Officer

# A leading provider of professional food service, beverage and laundry solutions



**13** manufacturing plants

Sales in **110** countries



**4,300** employees

Listed on Nasdaq  
Stockholm



**Customer care**

# A solid Group with large potential

Operates on structurally  
growing end-markets

Geographically balanced  
business

Track record of solid EBITA  
and cash flow

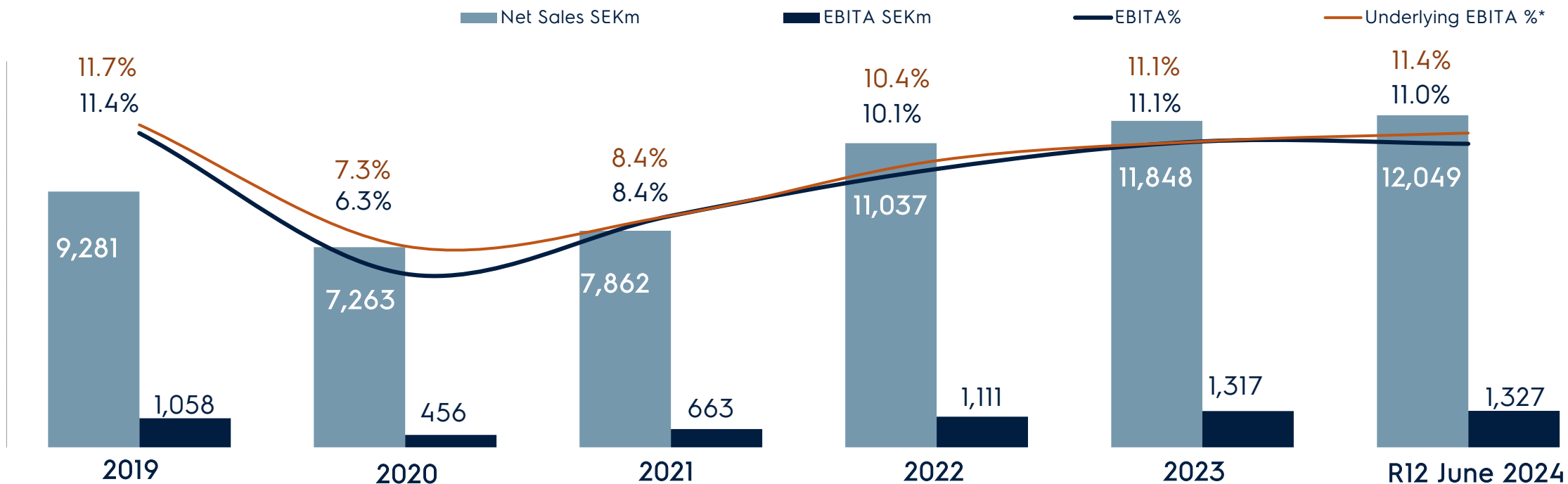
Focused plan to grow  
organically, supported by  
potential M&A

Innovation-focused

Sustainability leader

Electrolux Professional Group is one of the leading global providers of professional food, beverage, and laundry solutions, serving a wide range of customers globally, from restaurants and hotels to healthcare, educational, and other service facilities.

# Progressing towards towards our margin target



\* Excluding restructuring costs in 2019 and 2020, cost for exiting Russia in 2022 and acquisition- and integration costs in 2024.

## Net sales by geography



## Net sales by segment



# Strategic priorities are confirmed

## 1 GROW through innovation

Industry innovation - Sustainability - Energy efficiency - Connected and digital platform.

1

## 2 EXPAND in high margin products, segments, and geographies

Grow sales organically in laundry, restaurant chains - Potential M&A.

2

## 3 BOOST Customer Care & Service as a solution offer

Global service network - Increase sales of spare parts, service, consumables.

3

## 4 INVEST in Digitalization to unlock additional customer value

4

# Acquisition of TOSEI – strengthens our position in Japan



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- Globally, Japan 2nd largest market in Laundry, and 3rd largest in Food & Beverage.
- Founded in 1950, TOSEI is a leading company in professional Laundry and Vacuum packing in Japan.
- 340 employees. Head office in Tokyo and Factory in Izunokuni, Shizuoka.
- A portfolio of washers and dryers, mainly for laundromats (Coin-ops), and vacuum packing machines
- Strong in innovation and IoT



**Tosei**  
Coin-operated  
Washer/Dryer

**TOSEI**



**Tospack**  
Table-top vacuum  
solution

# Acquisition of Adventys – a specialist in Induction technology

- Adventys, founded in France in 1999, a pioneer in design of induction cooking equipment.
- 40 employees, whereof several in R&D, based in the factory in Seurre, France.
- Sales of approximately SEK 70m in 2023, and an EBITA margin accretive to our EBITA-margin target of 15%.
- Gives us access to the development of own induction technology.
- Strengthens our strong position in horizontal cooking.



# We are progressing towards our financial targets

## Net sales growth target

**4%**

2023: 2.6%  
(2022: 16.9%)

## Profitability target

**15%**

2023: 11.1%  
(2022: 10.1%)

## Assets efficiency target

Operating working capital as per cent  
of net sales

**15%**

2023: 18.1%  
(2022: 16.7%)

## Capital structure target

Net debt/EBITDA ratio below

**2.5x**

2023: 0.9x  
(2022: 1.5x)

## Dividend

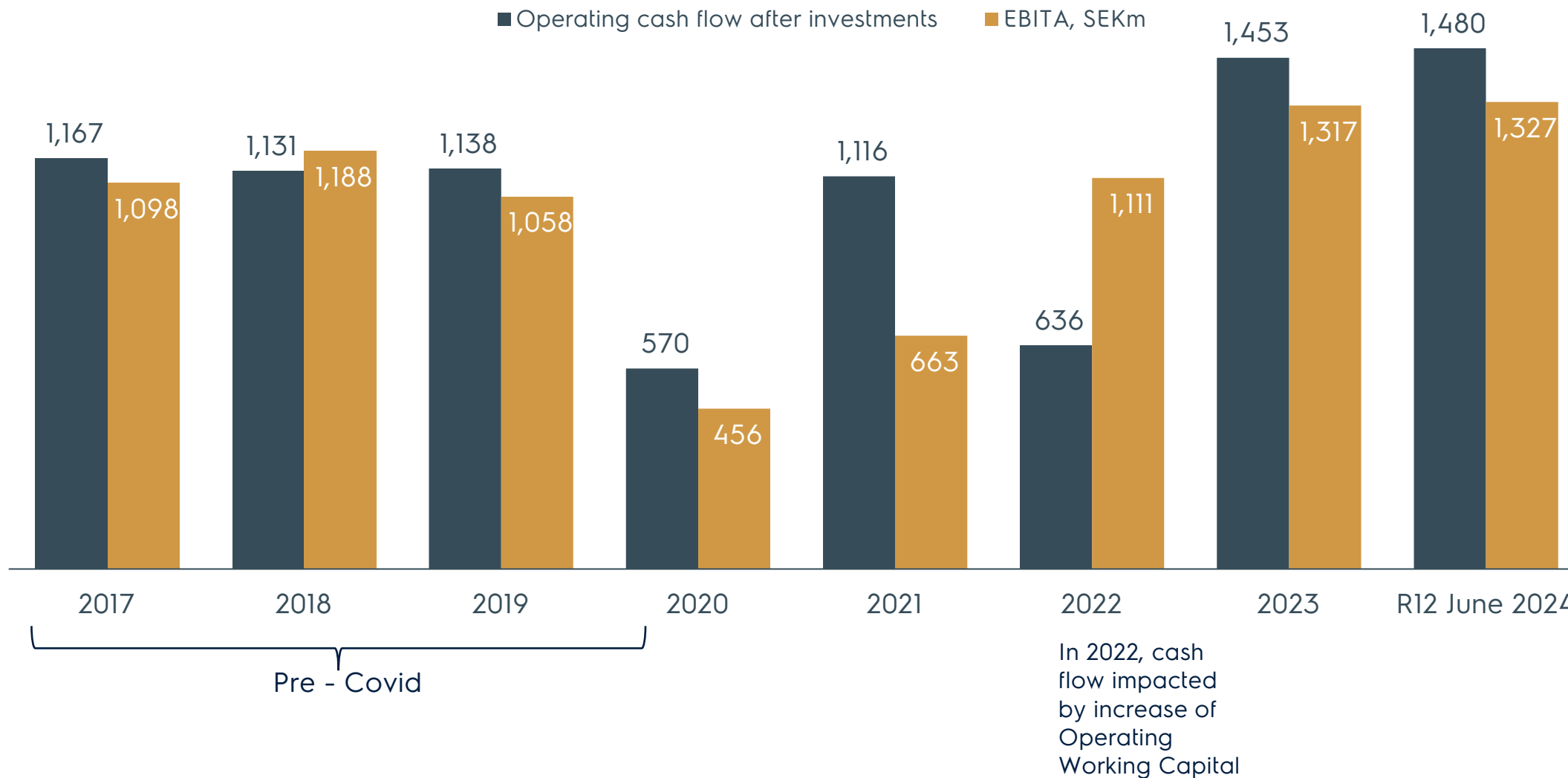
**30%**

of income

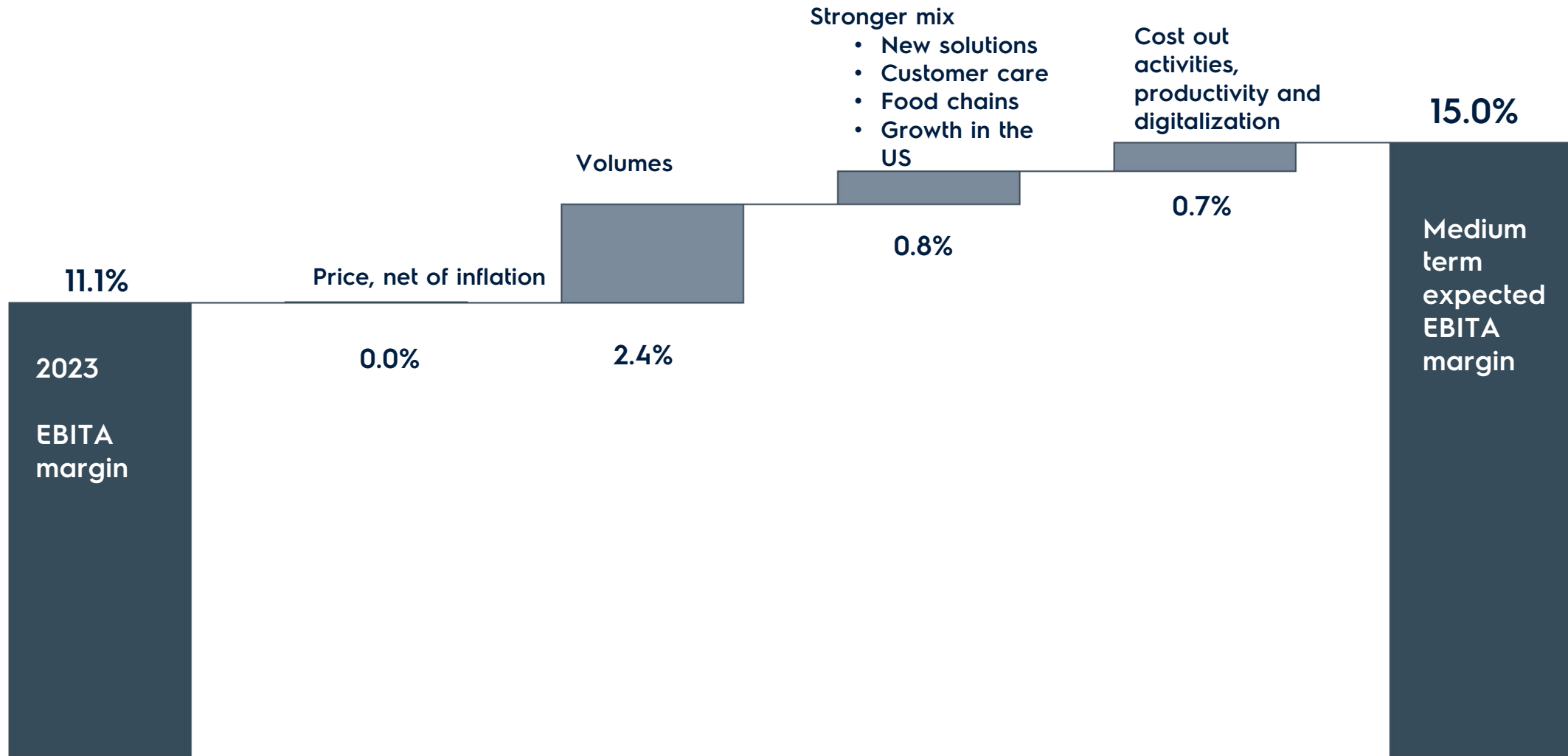
2023: 30%



# Proven good cash flow over the years



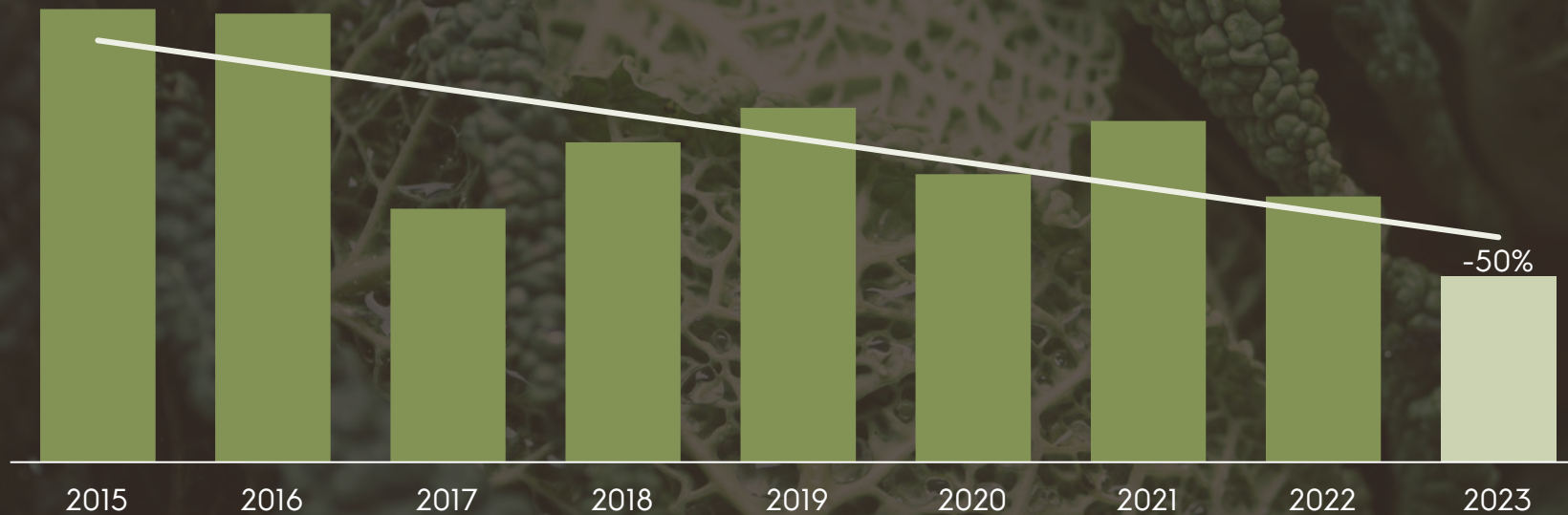
# Building blocks to achieve 15% EBITA margin



# 2025 Co2 emission target reached

- Our 50% Co2 emission reduction target for 2015-2025 met two years ahead of plan
- New targets developed including product use (Scope 3)

\* CO2e emissions (tons) scope 1 and 2



\* Including contributions from acquisitions made 2015-2019. Unified brands, acquired December 2021 is not included.

# A solid Group with large potential



Track record of solid EBITA and cash flow  
Solid balance sheet even after recent acquisition



Delivering on an organic profitable growth journey  
Significant and accretive acquisitions



Attractive, resilient and large Laundry business with strong profitability



Focused plan to generate margin expansion  
Available fire power for M&A



Electrolux  
Professional  
Group

# Appendix

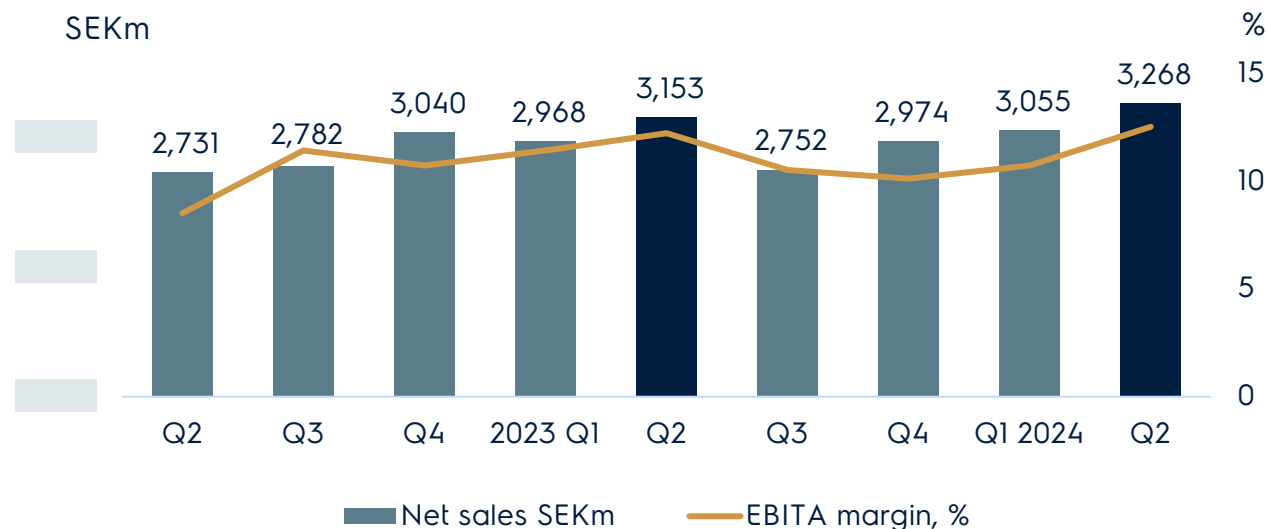


# Q2 highlights

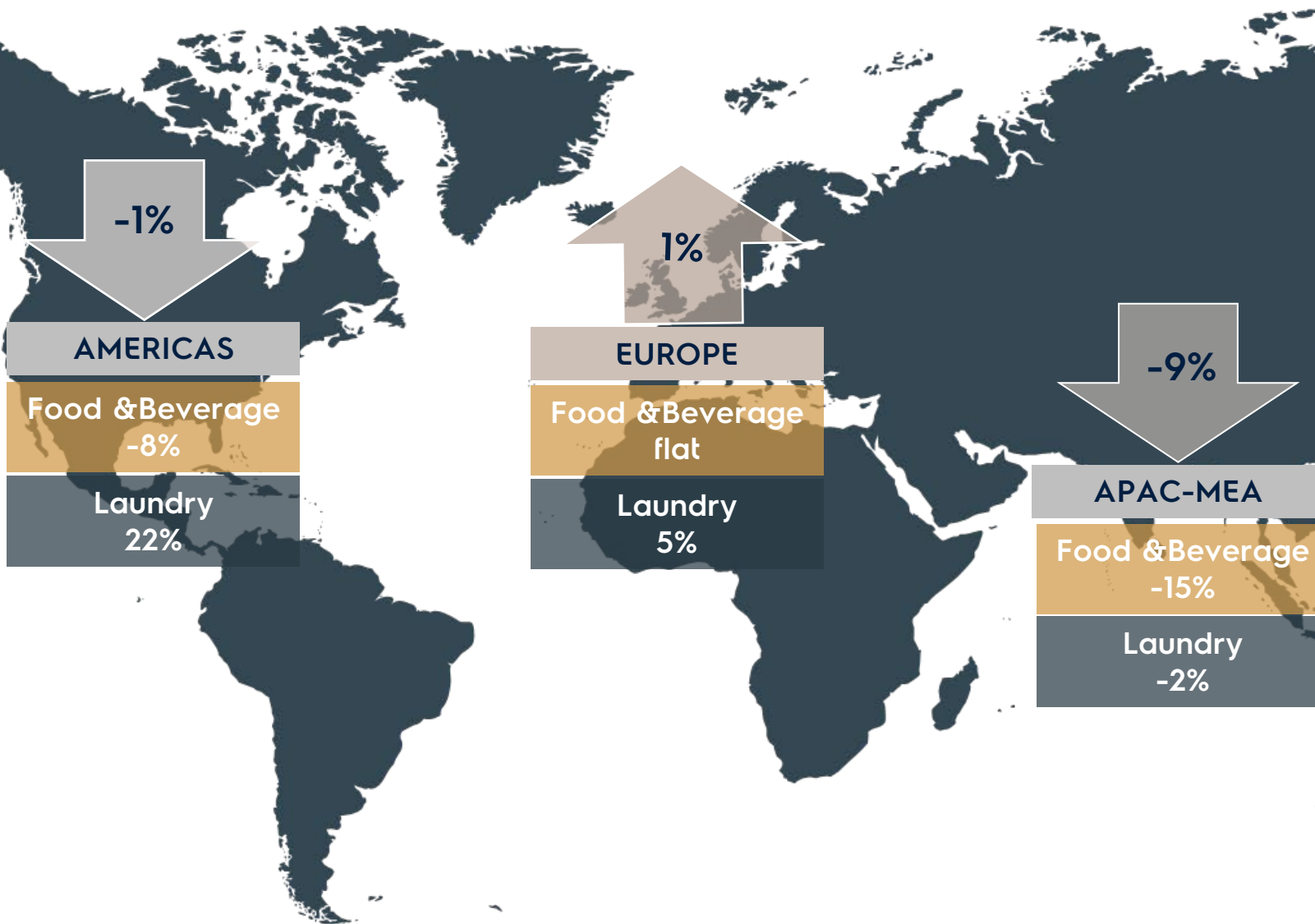
## Profitability improved

- Sales increased by 3.7%
- Organically, sales declined by 0.7%. Acquired companies TOSEI and Adventys contributed by 5.9%.
- Adventys, a specialist in induction technology was acquired for a total consideration of SEK 259m.
- EBITA amounted to SEK 410m (385) including integration and acquisition related costs for Adventys and TOSEI of SEK 8m, resulting in an EBITA margin of 12.5% (12.2).
- Excluding acquisition and integration related costs of SEK 8m, comparable EBITA-margin would have been 12.8%.
- Operating cash flow after investments amounted to SEK 392m (462).
- Order intake somewhat higher than a year ago.

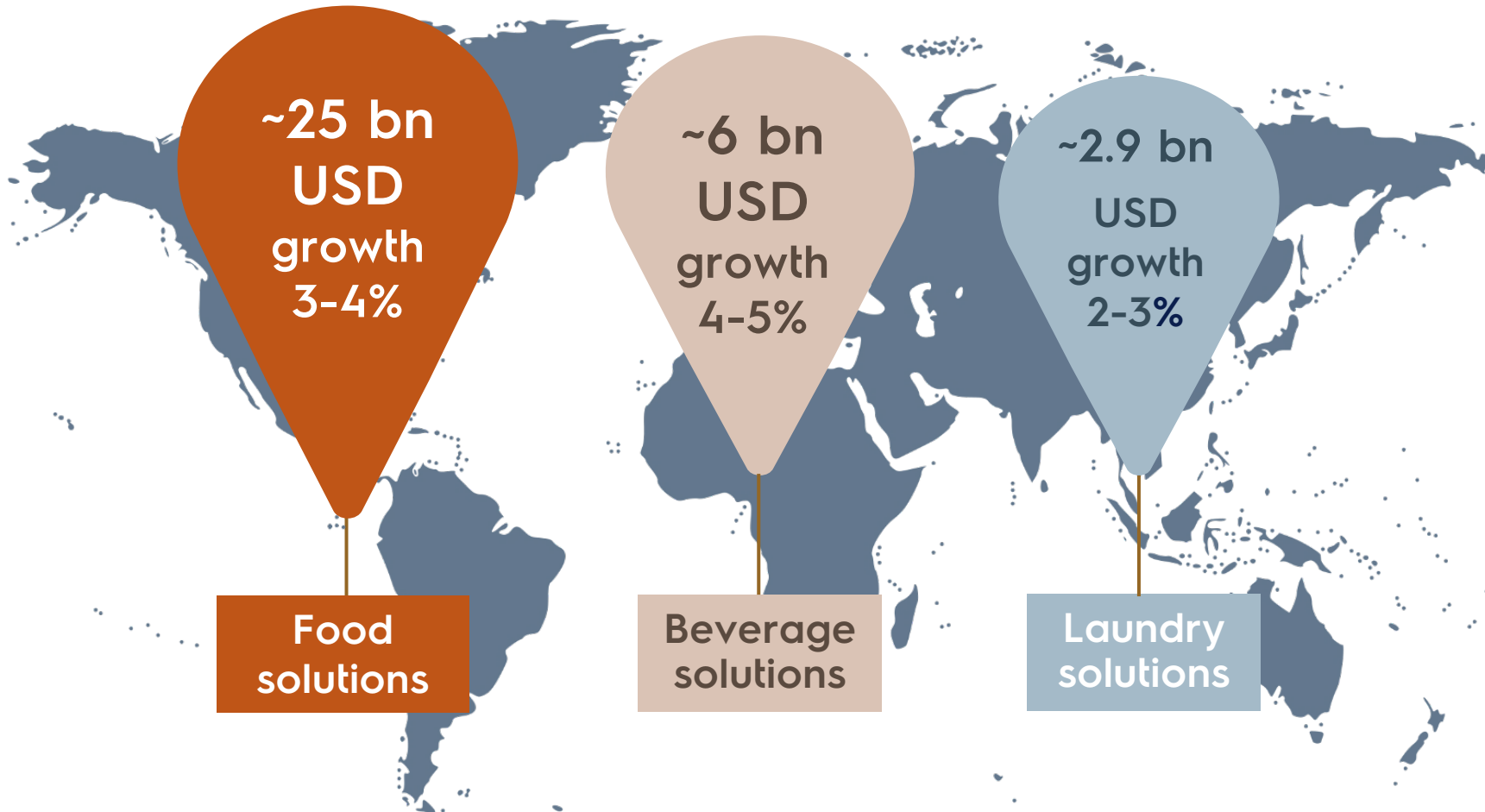
SEKm	Apr-Jun 2024	Apr-Jun 2023	Change, %
Net sales	3,268	3,153	3.7
EBITA	410	385	6.4
EBITA margin, %	12.5	12.2	0.3ppt
Comparable EBITA	418	385	8.6
Comparable EBITA margin %	12.8	12.2	0.7ppt
Operating cash flow after Investments	392	462	



# Q2 organic sales development per region



# Our markets are structurally showing growth



Source: Company estimates for 2023

## Underlying trends

- Digitalization
- Increased demand for take-away and delivery
- Climate change and use of resources
- Labor availability
- Societal changes





## Crathco I-PRO with Autofill lid



- Consistency with Bag-in-Box Autofill Drink System
- Seamless integration with existing I-PRO dispensers
- No more refilling, no more downtime



- Saves labor
- Chains and bars

## TANGO XP complete line of high-performing fully automatic coffee machines

- Single and double group models.
- Dedicated to coffee professionals who place premium coffee extraction at the top of their expectations



- Higher than target Margin
- Chains and Institutions

## Veetsan Hood Type Dishwasher

- A competitive solution
- Designed for ease of use
- Performing
- Reliable for piece of mind operations



- Specifically designed to serve China restaurant market

## HeroDry free-standing blower

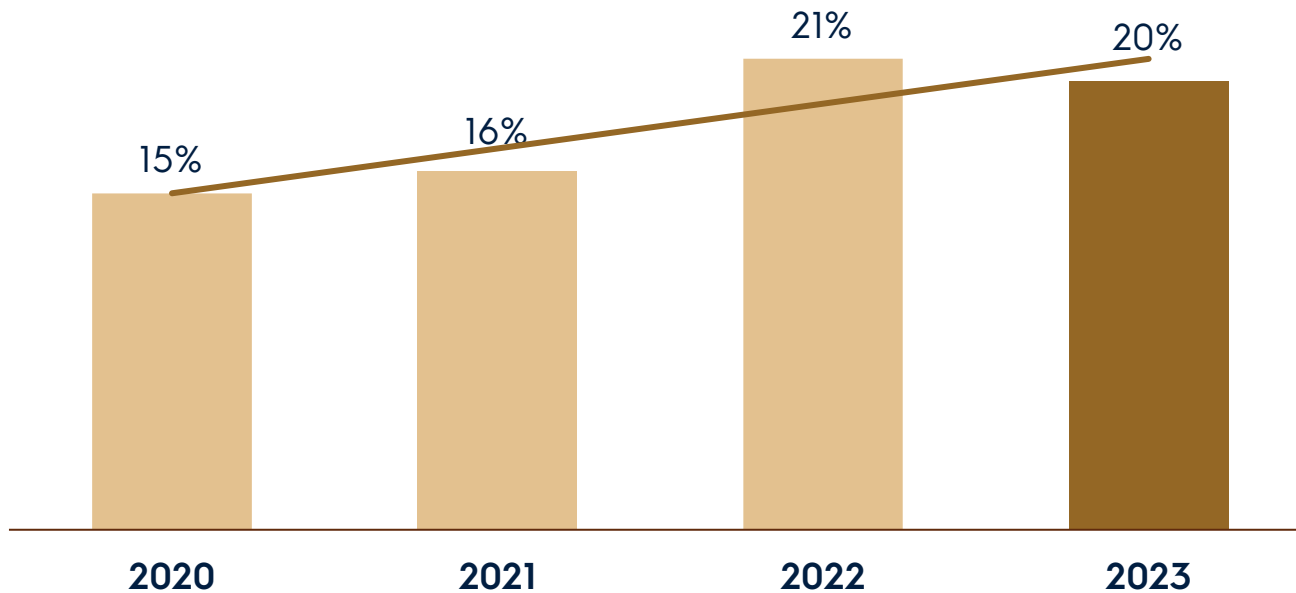
- A unique 'circular economy' initiative
- Meets the EU Single-Use Plastics Directive
- Drives down the global reliance on certain single-use plastics



- Higher than target Margin
- Commercial Restaurant Chains

# Stable share of sales to chains

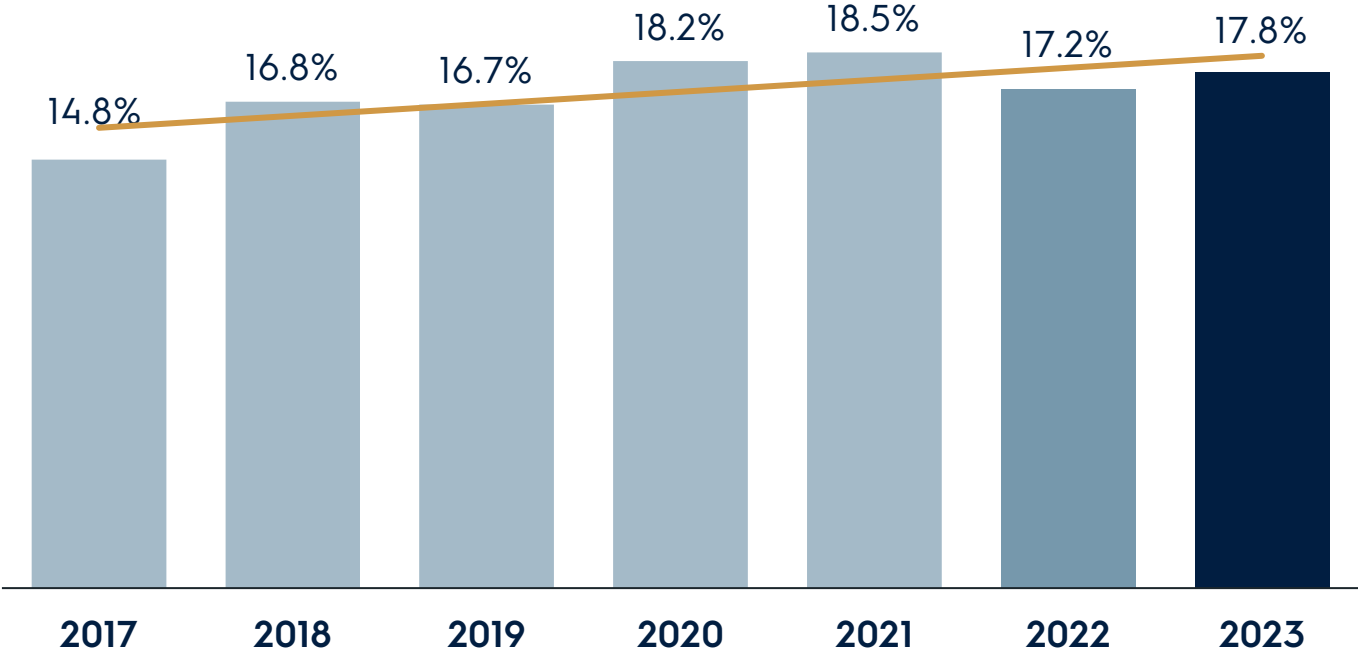
Chains sales in % of Food & Beverage sales



- US is home to most large global food service chains
- Growth in restaurant chains with acquisition of Unified brands
- No growth in 2023 due to weak Chain market development in the US, however product test on a good level

# Customer Care growth contributes to profitability

Customer care in % of total sales



- Customer care grew 6% in 2023 - more than product sales
- Over average growth of accessories and consumables
- Decline in 2022 due to inclusion of Unified Brands

**3** BOOST Customer Care & Service as a solution offer

# Digital is starting to shape our industry

Significant investments in digitalization focusing on Connected solutions and roll-out of the Digital customer platform

## Connected appliances

Connected  
appliance of  
future installed  
base

**50%**

- One user interface across food, laundry and beverage segments
- Valuable data storage & analyze features

## Digital customer platform

Partner/distributor  
interaction\*

**58%**

Target: 50%

Distribution  
on-line orders\*

**80%**

Target: 65%

**32** countries  
**1,930** partners  
onboarded

\* To onboarded partners and distributors

# Unified Brands synergies are being realized

- Challenging year in the US during 2023 with soft sales development
- US Food & Beverage business was accretive to the Group margin in 2023
- Synergies announced in November 2022 are being realized

Revenue synergies

SEK 20-40m EBITA

Gradual synergies expected in 2024 and 2025

Cost synergies

SEK 25-50m EBITA

SEK 30m in 2023, in full during 2024

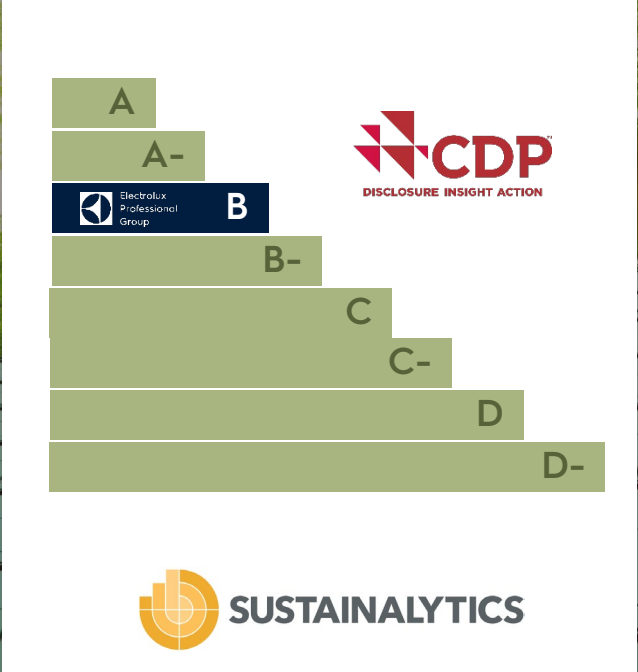
= SEK 45-90m EBITA

# Ranked as Industry leader in sustainability



- Sustainalytics ESG risk rating "low risk" rated
- CDP questionnaire for climate change B rated

Company	CDP climate change	ESG risk rating
Electrolux Professional Group	B	10.8 low risk
Company 2	D	27.8 medium risk
Company 3	D	30.4 high risk
Company 4	n/a	n/a
Company 5	n/a	29.9 medium risk
Company 6	B-	23.3 medium risk
Company 7	F	n/a



# Acquisitions improves our performance

- Electrolux Professional Group pro-forma 2023

- Sales = SEK 12,8b
- EBITA = SEK 1,4b
- Margin approx. 11%

- The Unified Brands (2021) and TOSEI (2024) acquisitions added:

- Sales +20%
- EBITA +20%
- Margin accretive



# Product Portfolio



Combo  
(Washer/Dryer)



Front Load  
Washer



Tumble  
Dryers



Barrier  
Washers



Ironers



**TOSEI**

# Electrolux Professional products complements the TOSEI vacuum packing

1

Dynamic  
Preparation



3

Re-thermalizer



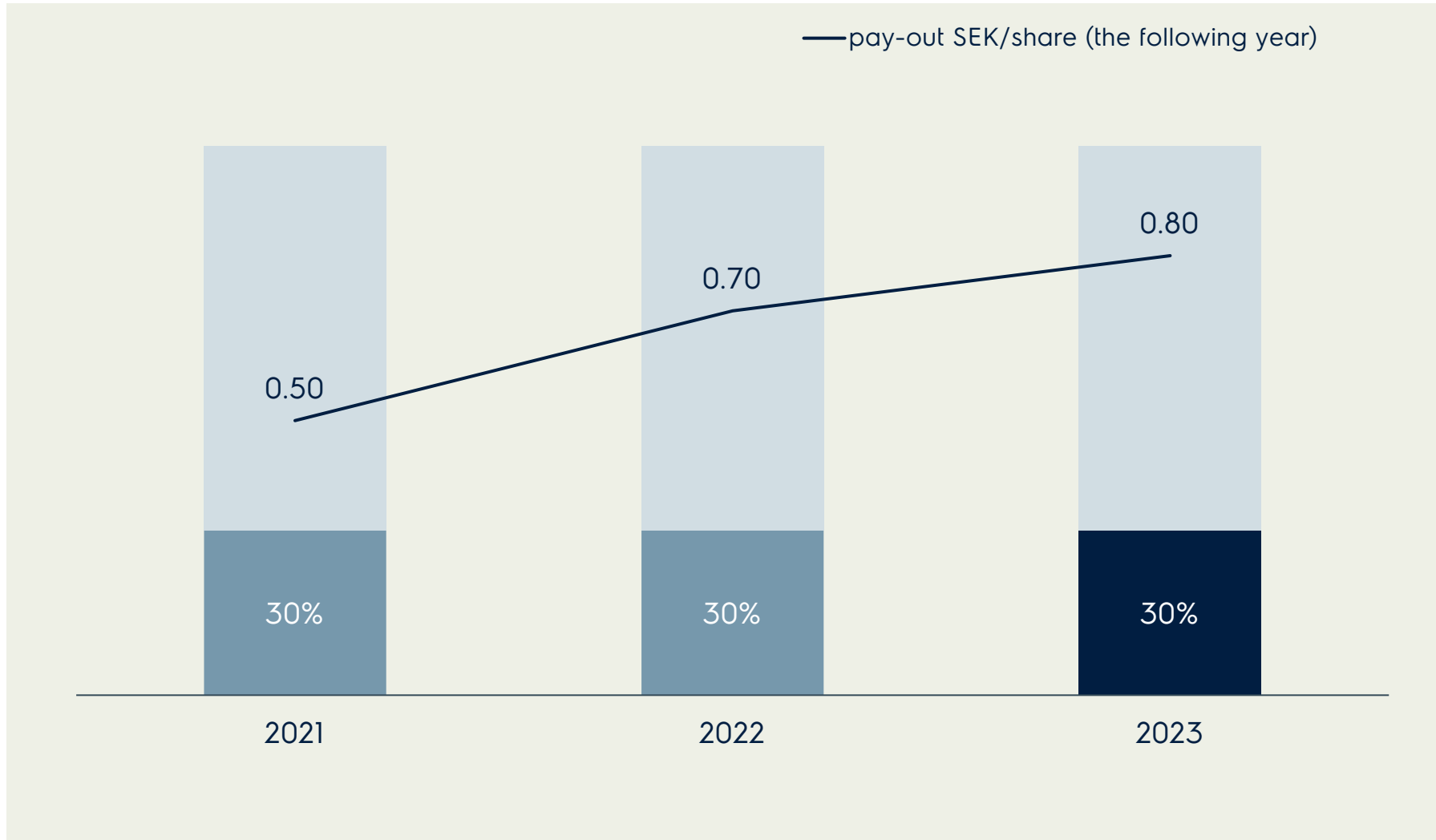
2

Cook & Chill



Vacuum is integral to the  
full cook and chill system

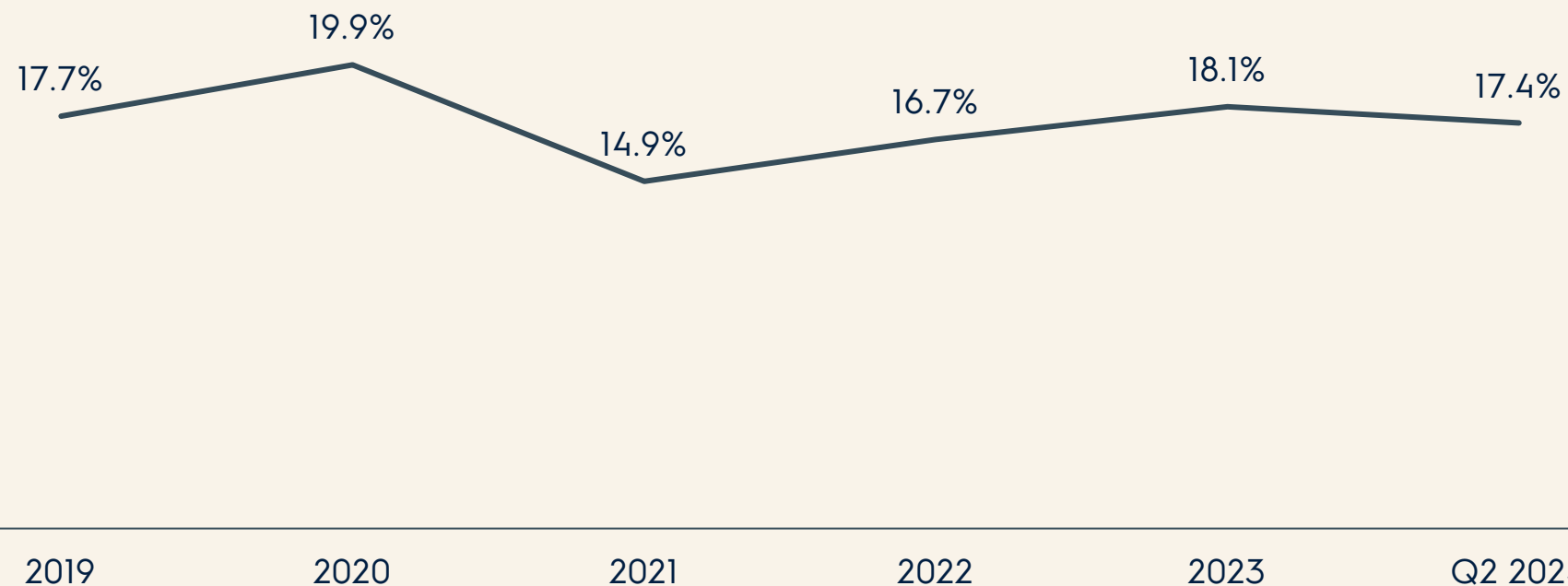
# Dividend in line with target last three years



Target:  
30% of net income

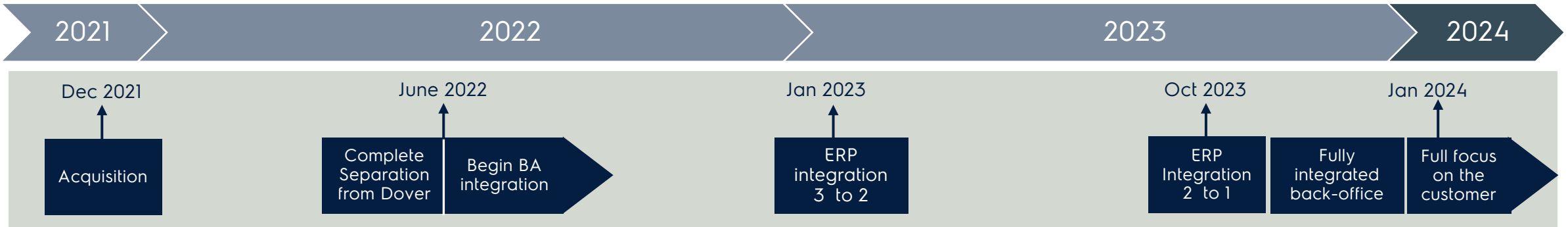
# Operating working capital development

Operating working capital as % of sales



# Unified Brands - the Journey since acquisition

## Integration fully completed



### • Integration activities

- Leadership Team established July 2022
- Chain Sales Team merged July 2022
- Institutional Sales Leadership merged March 2023; Full team merged January 2024
- Customer Care integration and new leadership December 2023
- Finance Team integration January 2024 - fully completes the integration

### • Two ERP Integrations

- January 2023
- October 2023

**Business integration completed – Full focus on the customer and growth**

# M&A continue to be on the agenda



Three acquisitions since 2020 adding ~20% turnover



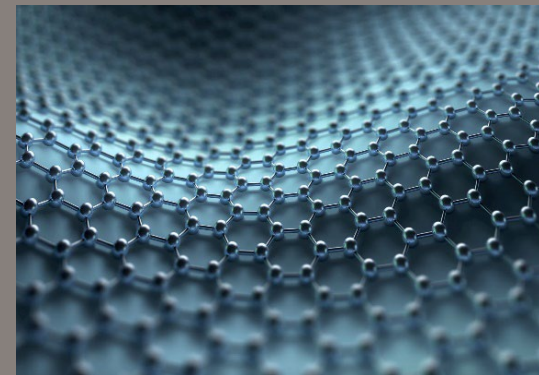
Activities to find new acquisitions is continuing



Focus on chains, especially in North America and New markets



High margin businesses



Technologies

# Improved sustainability performance

## Target to be climate neutral in operations in 2030



SCIENCE  
BASED  
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Scope 1&2  
-50%  
2025\*

Target reached  
in 2023: -62%

Scope 1&2  
-70%  
2030\*\*

2023:  
-50% (29%)

Scope 3  
-27.5%  
2030

2023 n/a\*\*\*

LTI rate  
<0.3  
2025

2023:  
0.54 (0.57)

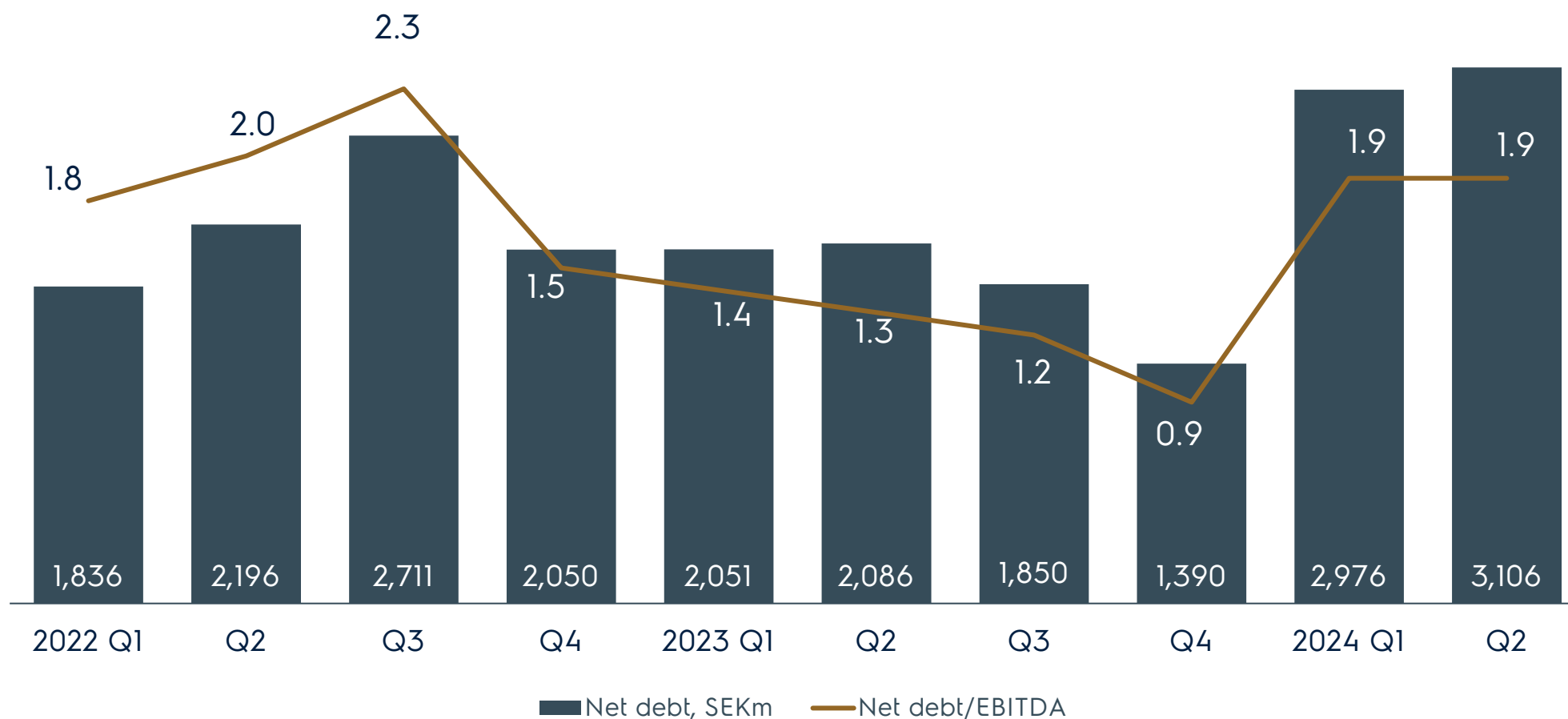
Gender  
balance  
40/60  
2030

2023:  
27% women (26)  
73% men (74)

- Scope 1 and 2 – emissions from own operations.
  - \* Compared 2015 baseline\*\* Compared 2019 baseline
- Scope 3 - indirect use phase emissions of sold products. Compared 2019 baseline
  - \*\*\* Will be disclosed in 2024

# Net debt/EBITDA ratio is below limit of 2.5x also after recent acquisitions

- Further improved Net debt/EBITDA ratio during 2023

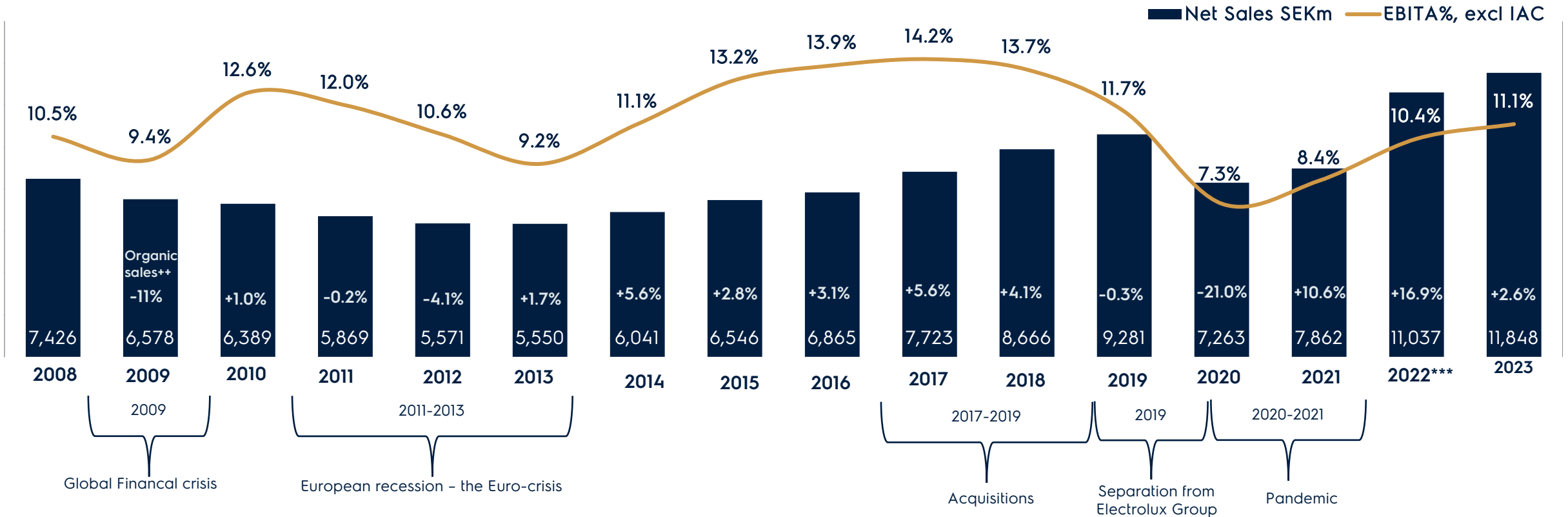




# A resilient foundation, well prepared for economic downturns



The pandemic had twice the impact on sales vs 2009 Financial Crisis

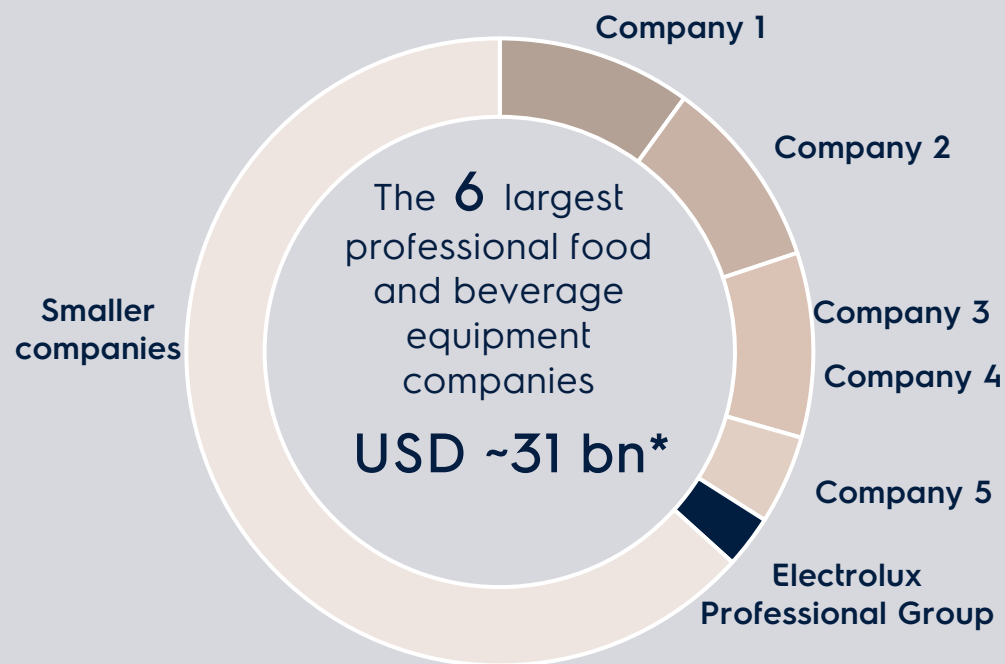


\*Excluding divested businesses (Baring Industries, US (2010) and Heating element, Switzerland (2011)) \*\*Excluding Items affecting Comparability (IAC) \*\*\*Includes Unified Brands from December 2021

+Group Total Net Sales ++Organic Sales (% change) excluding acquisition and divestments affecting comparability

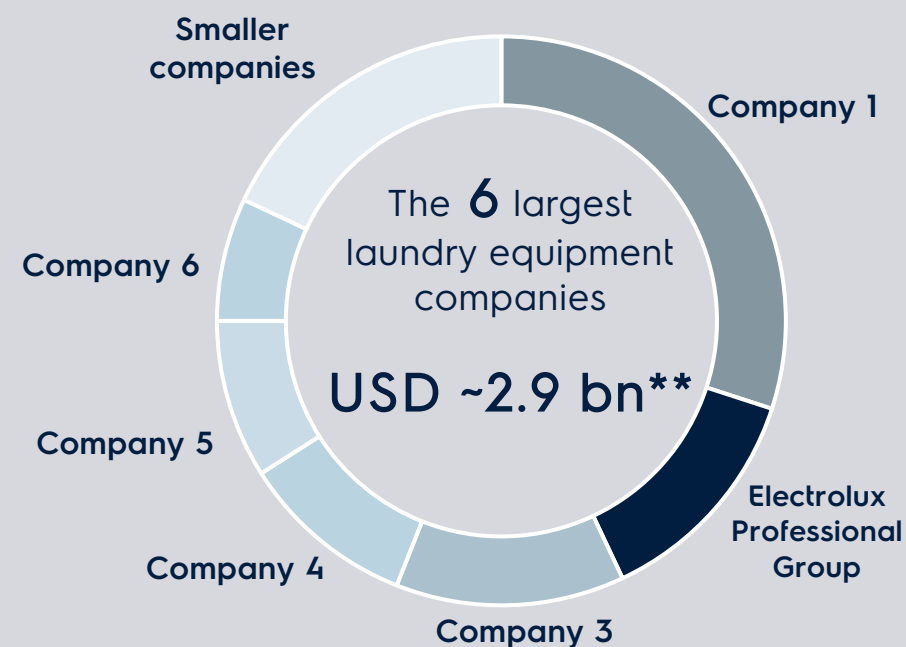
# The global professional equipment industry

## Food & Beverage



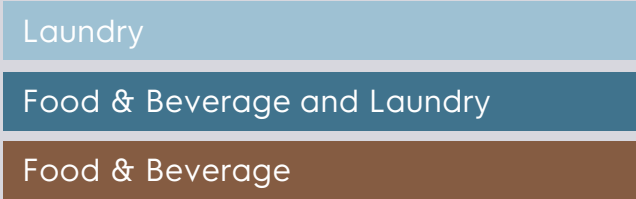
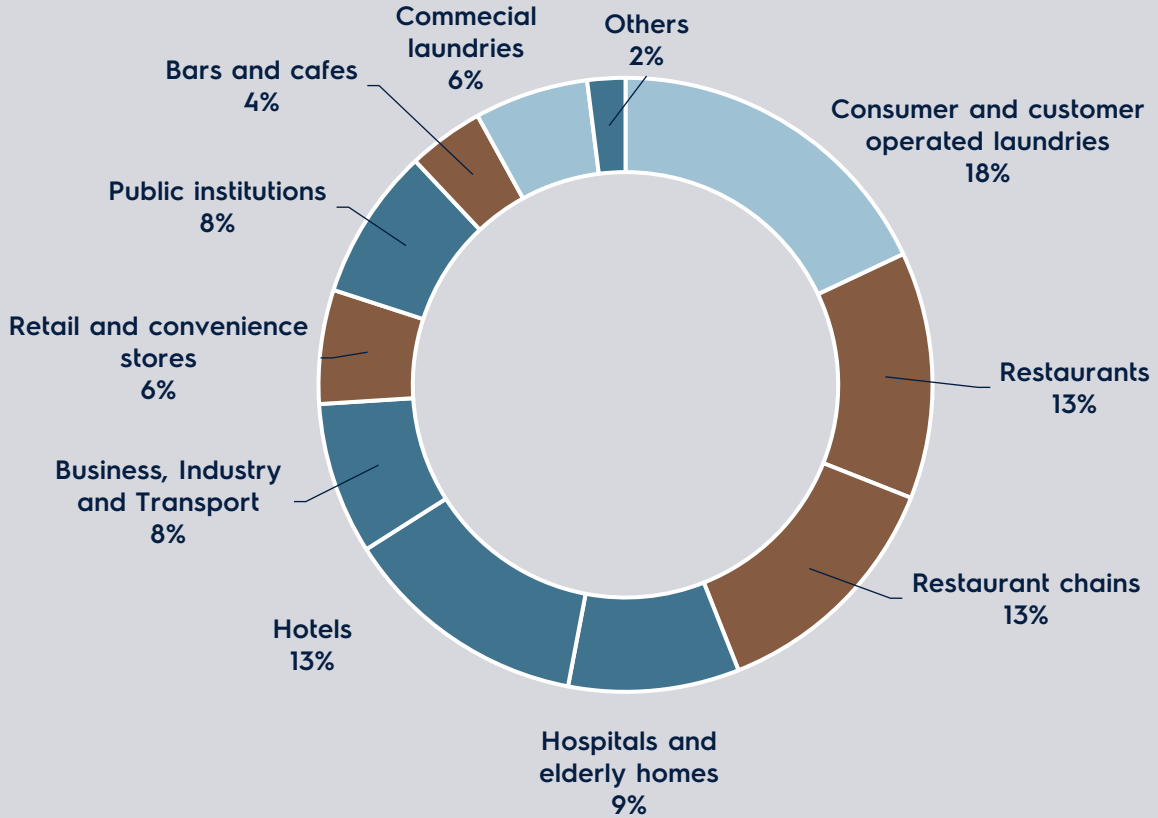
\*\* 2023 markets, own company estimates

## Laundry



\*\* 2023 markets, own company estimates

# Electrolux Professional sales per customer segment\*



\* Figures are partially estimates since Electrolux Professional do not always have information about the end customer.



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