



Year-end report **Q4**

Fourth quarter, October–December 2021

- › Net sales amounted to SEK 2,309m (1,935). Sales increased by 19.3%. Organically sales increased by 14.2%. The acquisition of Unified Brands contributed with 5.1%. Last year the quarter was more impacted by the pandemic than this year.
- › EBITA amounted to SEK 164m (142), including acquisition and integration related costs of SEK -56m, corresponding to a margin of 7.1% (7.3). Underlying EBITA-margin was 9.5%.
- › Operating income amounted to SEK 141m (119), corresponding to a margin of 6.1% (6.1).
- › Operating cash flow after investments amounted to SEK 459m (460).
- › Income for the period amounted to SEK 129m (70), and earnings per share was SEK 0.45 (0.24).
- › On December 1, 2021 Electrolux Professional acquired Unified Brands, a leading US-based manufacturer of food service equipment, for a total consideration of SEK 2,113m.
- › The Board proposes a dividend of SEK 0.50 (-) per share.

Key ratios

SEKm	Fourth quarter			Full year		
	Oct-Dec 2021	Oct-Dec 2020	Change, %	Jan-Dec 2021	Jan-Dec 2020	Change, %
Net sales	2,309	1,935	19.3	7,862	7,263	8.2
EBITA*	164	142	15.6	663	456	45.6
EBITA margin, %*	7.1	7.3		8.4	6.3	
Operating income*	141	119	18.4	592	387	53.0
Operating margin, %*	6.1	6.1		7.5	5.3	
Income after financial items	151	113	33.3	587	363	61.9
Income for the period	129	70	83.7	487	278	75.3
Earnings per share, SEK ¹	0.45	0.24		1.69	0.97	
Operating cash flow after investments*	459	460		1,116	570	
Operating working capital % of net sales*	n/a	n/a		14.9	19.9	

*) Alternative performance measures used in this report are explained on pages 25–26.

1) Basic number of outstanding shares.

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Continued strong sales recovery



Alberto Zanata,
President and CEO

Despite the pandemic, we have been able to strengthen Electrolux Professional during 2021.

The sales recovery continued also in the fourth quarter, and sales are now back or almost back to pre-pandemic levels in some countries. Order intake continues to be strong and our order stock is on a new record-high level. We expect the market to be back to 2019 levels in the beginning of 2022.

Sales in the quarter increased organically by 14.2% compared to last year. Both in Europe and the US we saw strong sales growth, while other regions were nearly flat.

EBITA for the fourth quarter was SEK 164m (142) with a corresponding margin of 7.1% (7.3). EBITA includes acquisition and integration related costs for Unified Brands of SEK -56m, meaning that the underlying EBITA-margin corresponds to 9.5%. The result improvement was driven by the increased sales volume and benefits from the 2020 restructuring program. Due to timing, price increases have not compensated for the rapidly increased component, raw material and logistic costs. The negative net impact was approximately SEK -35m in the quarter.

As of January 1, 2022, we have increased prices to mitigate the cost increase. However, we will only partially mitigate the cost increase in the first quarter of 2022 since part of the sales will be from products ordered in 2021. This means that the negative net impact in the first quarter of 2022 will be larger than in the fourth quarter of 2021.

Operating cash flow after investments in the fourth quarter amounted to SEK 459m (460).

Sales of Food & Beverage once again saw a strong sales recovery with an organic growth of 21.6%, reporting an EBITA-margin of 3.0% (1.0). EBITA-margin exclud-

ing acquisition and integration related costs was 7.0%. The growth was strong throughout Europe and the US, while sales declined somewhat in Asia-Pacific, Middle East & Africa.

Sales of Laundry grew organically by 5.4% and are now above 2019 levels, driven both by Europe and the US. The EBITA-margin landed at 16.5% (16.9).

Unified Brands, which was acquired December 1, 2021, is included in the quarter with sales of SEK 99m. In 2021 Unified Brands had sales of SEK 1,134m. The underlying EBITA-margin of Unified Brands was 9% in 2021. With a strong order stock and offering, Unified Brands is well-positioned to grow and further strengthen our position in the US.

We are known as a sustainability leader in our industry, and it is therefore very satisfying that we have received a B-rating, just below the highest rating, in the world's leading environmental disclosure platform, Carbon Disclosure Project (CDP). The response is a true acknowledgement of our climate achievements.

Despite the pandemic, we have been able to strengthen Electrolux Professional during 2021. The recovery of the hospitality industry has been faster than anticipated with our organic sales growing by 10% and our profit by 50%. We also became a larger and more relevant player in the US Food market through the acquisition of Unified Brands. This will allow us to continue to profitably grow our business.

Alberto Zanata,
President and CEO

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Fourth quarter development

Net sales

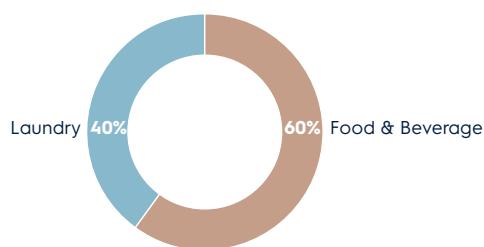
Net sales for the fourth quarter amounted to SEK 2,309m (1,935), an increase by 19.3% compared to the same period last year. Organically, sales increased by 14.2%. The acquisition of Unified Brands contributed by 5.1%. Currency had no impact.

The sales increase was driven by a continued comeback of the hospitality industry as pandemic restrictions have been eased. Sales of Food & Beverage increased organically by 21.6%. Sales of Laundry increased organically by 5.4%. Organically, sales in Europe increased approximately 15%, in Americas approximately 25% but were about flat in Asia-Pacific, Middle East and Africa.

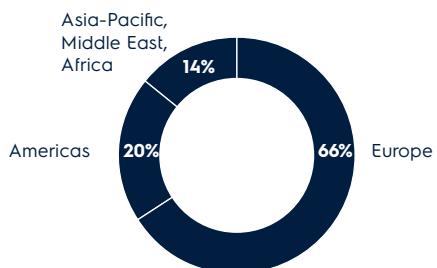
Changes in net sales, %	Oct-Dec 2021	Oct-Dec 2020
Organic growth*	14.2	-13.2
Acquisitions*	5.1	-0.4
Changes in exchange rates	-	-3.5
Total	19.3	-17.1

*) Alternative performance measures used in this report are explained on pages 25-26.

Share of sales by segment, October–December 2021



Share of sales by region, October–December 2021



Operating income and EBITA

Operating income excluding amortization of intangible assets (EBITA), including acquisition and integration related costs of SEK -56m, amounted to SEK 164m (142), corresponding to a margin of 7.1% (7.3). Underlying EBITA-margin was 9.5%. Operating income amounted to SEK 142m (119), corresponding to a margin of 6.1% (6.1). The improved operating income was driven by the increased sales volume and benefits from the 2020 restructuring program. Price increases have not fully compensated for the increased component, raw material and logistic costs and had a negative net impact of approximately SEK -35m in the quarter.

Sales and EBITA margin



1) The third quarter 2020 includes items affecting comparability of SEK -77m.

Financial net

Net financial items amounted to SEK 10m (-5). Financial net was positively impacted by exchange rate changes.

Income for the period

Income for the period amounted to SEK 129m (70), corresponding to SEK 0.45 (0.24) in earnings per share. Income tax for the period amounted to SEK -22m (-43). The effective tax rate was 14.9% (38.2).

Group common cost

Group common cost was SEK -30m (-19).

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Development during the year, January–December 2021

Net sales

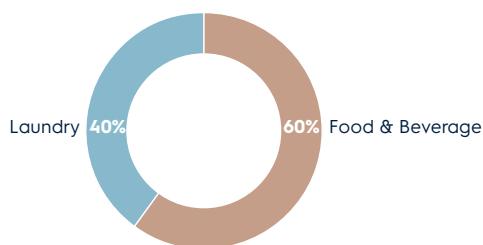
Net sales for January–December amounted to SEK 7,862m (7,263), an increase by 8.2% compared to the last year. Organically, sales increased by 10.6% and currency contributed negatively by 3.7%.

The sales increase was driven by an increased demand as pandemic restrictions have been eased. Sales of Food & Beverage increased organically by 14.3%. Sales of Laundry increased organically by 5.5%. Sales in Europe increased organically by approximately 10%, in Americas by 20% and in Asia-Pacific, Middle East and Africa by 2%.

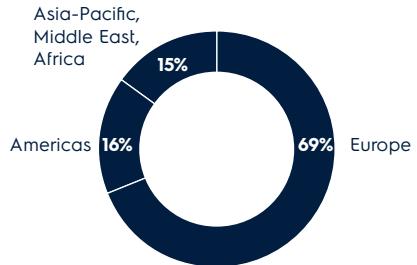
Changes in net sales, %	Jan-Dec 2021	Jan-Dec 2020
Organic growth*	10.6	-21.0
Acquisitions*	1.4	0.4
Changes in exchange rates	-3.7	-1.1
Total	8.2	-21.7

*) Alternative performance measures used in this report are explained on pages 25–26.

Share of sales by segment, January–December 2021



Share of sales by region, January–December 2021



Operating income and EBITA

Operating income excluding amortization of intangible assets (EBITA) amounted to SEK 663m (456), corresponding to a margin of 8.4% (6.3). Operating income amounted to SEK 592m (387), corresponding to a margin of 7.5% (5.3). The improved operating income is mainly due to higher sales volumes and benefits from the 2020 restructuring program. EBITA includes acquisition and integration related costs of SEK -56m related to Unified Brands. Last year included items affecting comparability of SEK -77m for restructuring.

Government support of SEK 45m (95) together with benefits from the 2020 restructuring program of approximately SEK 100m contributed to EBITA.

Financial net

Net financial items amounted to SEK -4m (-24).

Income for the year

Income for the year amounted to SEK 487m (278), corresponding to SEK 1.69 (0.97) in earnings per share. Income tax for the year amounted to SEK -101m (-85). The effective tax rate was 17.1% (23.4).

Group common cost

Group common cost was SEK -128m (-100).

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Segment Food & Beverage

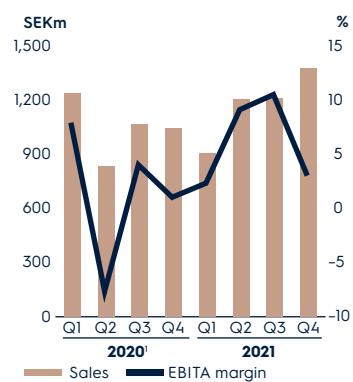
In the fourth quarter, sales for Food & Beverage were SEK 1,377m (1,047), an increase of 31.5% compared to the same period last year. Organically sales increased by 21.6% (-20.8) and currency had a positive effect of 0.4%. The acquisition of Unified Brands contributed by 9.5%.

Organically, sales increased by approximately 25% in Europe, by 50% in Americas, but declined by 10% in Asia-Pacific, Middle East and Africa.

Operating income excluding amortization of intangible assets (EBITA) amounted to SEK 41m (11), corresponding to a margin of 3.0% (1.0). EBITA includes acquisition and integration related costs for Unified Brands of SEK -56m which means that the underlying EBITA-margin was 7.0%.

EBITA improved due to higher volumes. Operating income amounted to SEK 22m (-8), corresponding to a margin of 1.6% (-0.8).

Sales and EBITA margin



1) The third quarter 2020 includes items affecting comparability of SEK -55m.

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SEKm	Fourth quarter			Full year		
	Oct-Dec 2021	Oct-Dec 2020	Change, %	Jan-Dec 2021	Jan-Dec 2020	Change, %
Net sales	1,377	1,047	31.5	4,704	4,198	12.0
Organic growth, %	21.6	-20.8	-	14.3	-28.1	-
Acquisitions, %	9.5	-0.6	-	2.5	0.5	-
Changes in exchange rates, %	0.4	-4.0	-	-4.7	-1.2	-
EBITA	41	11	280.5	299	87	242.2
EBITA margin, %	3.0	1.0	-	6.4	2.1	-
Operating income	22	-8	367.2	244	35	602.5
Operating margin, %	1.6	-0.8	-	5.2	0.8	-



Segment Laundry

In the fourth quarter, sales for Laundry were SEK 932m (888), an increase of 4.9% compared to the same period last year. Organically sales increased by 5.4% (-1.9) and currency had a negative effect of -0.5%.

Organically, sales increased by approximately 6% in Europe, by 3% in Americas and by 7% in Asia-Pacific, Middle East and Africa.

Operating income excluding amortization of intangible assets (EBITA) amounted to SEK 153m (150), corresponding to a margin of 16.5% (16.9). Operating income amounted to SEK 149m (146), corresponding to a margin of 16.0% (16.4).

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Sales and EBITA margin



1) The third quarter 2020 includes items affecting comparability of SEK -22m.

SEKm	Fourth quarter			Full year		
	Oct-Dec 2021	Oct-Dec 2020	Change, %	Jan-Dec 2021	Jan-Dec 2020	Change, %
Net sales	932	888	4.9	3,159	3,065	3.0
Organic growth, %	5.4	-1.9	-	5.5	-8.7	-
Changes in exchange rates, %	-0.5	-2.6	-	-2.5	-0.8	-
EBITA	153	150	2.3	492	467	5.2
EBITA margin, %	16.5	16.9	-	15.6	15.2	-
Operating income	149	146	2.4	475	452	5.2
Operating margin, %	16.0	16.4	-	15.0	14.7	-

Net sales, EBITA and operating income by segment

SEKm	Fourth quarter		Full year	
	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Food & Beverage				
Net sales	1,377	1,047	4,704	4,198
EBITA	41	11	299	87
Amortization	-19	-19	-55	-53
Operating income	22	-8	244	35
Laundry				
Net sales	932	888	3,159	3,065
EBITA	153	150	492	467
Amortization	-4	-4	-17	-16
Operating income	149	146	475	452
Group common costs				
EBITA	-30	-19	-127	-99
Amortization	-0	-0	-1	-1
Operating income	-30	-19	-128	-100
Total Group				
Net sales	2,309	1,935	7,862	7,263
EBITA	164	142	663	456
Amortization	-24	-23	-72	-69
Operating income	141	119	592	387
Financial items, net	10	-5	-4	-24
Income after financial items	151	113	587	363
Taxes	-22	-43	-101	-85
Income for the period	129	70	487	278

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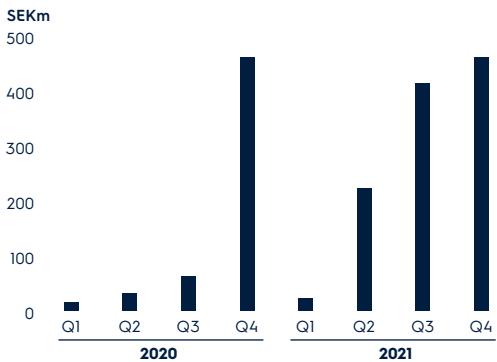
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Cash flow

Operating cash flow after investments amounted to SEK 459m (460) in the quarter.

Operating cash flow after investments

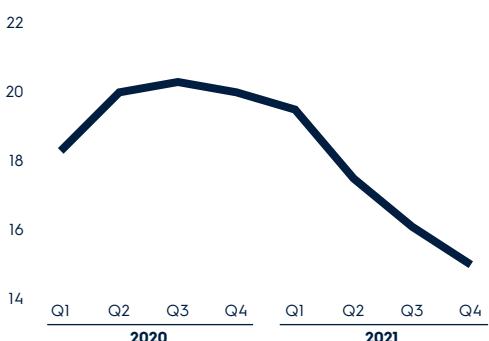


SEKm	Fourth quarter		Full year	
	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Operating income	141	119	592	387
Depreciation	61	57	223	228
Amortization	24	23	72	69
Other non-cash items	3	5	4	91
Operating income adjusted for non-cash items	229	204	890	775
Change in inventories	-30	148	-139	113
Change in trade receivables	-10	108	-216	362
Change in accounts payable	211	173	398	-140
Change in other operating assets, liabilities and provisions	136	-116	312	-293
Operating cash flow	536	517	1,245	816
Investments in tangible and intangible assets	-84	-68	-159	-273
Changes in other investments	7	11	31	26
Operating cash flow after investments	459	460	1,116	570

Operating working capital

Operating working capital as percent of annualized net sales improved to 14.9% in the fourth quarter 2021 compared to 16.0% in the third quarter of 2021. The improvement is due to changes in inventory and the reduction of receivables and payables in relation to net sales.

Operating working capital of annualized net sales, %



Financial position

Net debt

As of December 31, 2021, Electrolux Professional had a financial net debt position (excluding lease liabilities and post-employment provisions) of SEK 1,418m compared to SEK 202m as of December 31, 2020. Lease liabilities amounted to SEK 326m and net provisions for post-employment benefits amounted to SEK -39m. The increase in net debt is due to the acquisition of Unified Brands on December 1, 2021.

In total, net debt amounted to SEK 1,705m as of December 31, 2021, compared to SEK 549m as of December 31, 2020.

Long-term borrowings amounted to SEK 1,215m and short-term borrowings amounted to SEK 1,045m.

Total borrowings amounted to SEK 2,268m compared to SEK 1,012m as of December 31, 2020.

Liquid funds as of December 31, 2021, amounted to SEK 849m compared to SEK 810m as of December 31, 2020.

Credit facilities and loans

Electrolux Professional AB has a term loan of SEK 600m with a tenure of seven years from 2020, a sustainability linked loan of EUR 60m with a tenure of seven years from 2021 and a revolving credit facility of EUR 200m with a tenure until 2026. As of December 31, 2021, EUR 102m of the revolving credit facility was utilized.

Net debt

SEKm	Dec 31, 2021	Dec 31, 2020
Short-term loans	1,045	403
Short-term borrowings	1,045	403
Financial derivative liabilities	5	6
Accrued interest expenses and prepaid interest income	3	2
Total short-term borrowings	1,053	412
Long-term loans	1,215	601
Long-term borrowings	1,215	601
Total borrowings¹	2,268	1,012
Cash and cash equivalents	836	797
Financial derivative assets	13	12
Prepaid interest expenses and accrued interest income	1	1
Liquid funds	849	810
Financial net debt	1,418	202
Lease liabilities	326	216
Net provisions for post-employment benefits	-39	131
Net debt*	1,705	549
Net debt/EBITDA ratio*	1,9	0,8
EBITDA*	886	684

*) Alternative performance measures used in this report are explained on pages 25–26.

1) Whereof interest-bearing liabilities amounting to SEK 2,260m as of December 31, 2021 and SEK 1,004m as of December 31, 2020.

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Conversion of shares

According to Electrolux Professional's articles of association, owners of A-shares have the right to have such shares converted to B-shares. Conversion reduces the total number of votes in the Company. 1,236 shares were converted in the fourth quarter. The total number of registered shares in the company on December 31, 2021 amounted to 287,397,450 of which 8,047,982 are Series A and 279,349,468 are Series B. The total number of votes amounted to 35,982,928.8.

Employees

The number of employees at the end of the quarter was 3,973 (3,520). The increase is due to the acquisition of Unified Brands.

Acquisition of Unified Brands

On December 1, 2021, Electrolux Professional acquired Unified Brands Inc and related assets, a leading US-based manufacturer of foodservice equipment

The purchase price amounts to SEK 2,113m, on a cash and debt free basis.

Unified Brands, founded in 1907, has approximately 600 employees and had sales of SEK 1,134m in 2021.

Events after the balance sheet day

After the end of the reporting period, no significant events have taken place that could affect the company's operations.

Parent Company

The Parent Company's activities include head office as well as production and sales in and from Sweden. During the second quarter, 2021 internal funding to some subsidiaries has been transferred from short- to long-term receivables amounting to SEK 439m.

Net sales for the Parent Company, Electrolux Professional AB, for the period from January 1 to December 31, 2021 amounted to SEK 2,340m (2,266) of which SEK 884m (886) referred to sales to Group Companies and SEK 1,456m (1,380) to external

customers. Income after financial items was SEK 524m (-1,822). Income for the period amounted to SEK 489m (-1,886).

Capital expenditure in tangible and intangible assets was SEK 42m (12). Liquid funds at the end of the period amounted to SEK 391m, as against SEK 425m at the start of the year.

Undistributed earnings in the Parent Company at the end of the period amounted to SEK 6,264m, as against SEK 5,794m at the beginning of the year.

The income statement and balance sheet for the Parent Company are presented on page 19.

Annual General Meeting

2022 Electrolux Professional's Annual General Meeting will be held at 15.00 CET on April 28, 2022 at hotel Courtyard by Marriot, Rålambshovsleden 50, Stockholm, subject to possible changes in light of the pandemic.

Proposed dividend

The Board of Directors proposes to distribute a dividend to the shareholders of SEK 0.50 (-) per share for the 2021 financial year corresponding to around 30% of profit for the year. This is in line with the policy to pay 30% of net income in dividend. The proposed date for the record is May 2, 2022 and payment is expected to be made on May 5, 2022.

Risk and uncertainty factors

Electrolux Professional is an international group with a wide geographic spread and is thus exposed to a number of business and financial risks. Risk management in Electrolux Professional aims to identify, control and reduce risks. The risk factors are described in the Annual Report and consist of strategic risks, operational risks, industry risks, sustainability risks and financial risks. Compared to the Annual Report, which was issued on March 30, 2021, no new material risks have been identified. Electrolux Professional expects that its financial performance will continue to be affected by the pandemic related to the corona virus uncertainty as long as countries still have restrictions in place.

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Stockholm, January 28, 2022

Electrolux Professional AB (publ)

Board of Directors

This report has not been audited or reviewed by external auditors.

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

Food acquisition Unified Brands

- The acquisition of Unified Brands will significantly strengthen Electrolux Professional's presence in the US.
- In 2021, Unified Brands sales were SEK 1,134m.
- The purchase price amounted to SEK 2,113m.
- The acquisition was completed on December 1, 2021.



A leading US-based manufacturer of foodservice equipment.

- Founded in 1907.
- Approximately 600 employees with two manufacturing and R&D facilities, located respectively in Weidman, Michigan and Vicksburg, Mississippi.
- Sales are primarily to chain and independent restaurants, K-12 schools, colleges and universities, health care, hospitality, lodging and staff restaurants.

Brand Overview

-  **groen** Cooking Equipment
-  **randell** Refrigeration & Custom Fabrication
-  **avtec** Ventilation and Air Handling Systems
-  **power soak** Ware Washing Systems
-  **capkold** Sous Vide and Cook-Chill Systems

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ecostore^{HP}
family



Sustainable solutions Replacement of HFC gases

- Electrolux Professional is replacing Hydrofluorocarbon greenhouse gases (HFC-gases), in 18 different product families, offering solutions with more natural, climate-friendly green gas alternatives.
- Electrolux Professional is driving the change, being one of the first in the markets with high efficiency R290 solutions.

- R290 gas reduces environmental impact and has a less aggressive effect on the refrigerator's components than older traditional gas.
- CO₂ is a natural refrigerant, safe for the environment. CO₂ is climate friendly, has no Ozone Depletion Potential and its Global Warming Potential is "1". Available on selected models.

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Consolidated statement of total comprehensive income

SEKm	Fourth quarter		Full year	
	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Net sales	2,309	1,935	7,862	7,263
Cost of goods sold	-1,553	-1,334	-5,210	-4,896
Gross operating income	756	602	2,653	2,367
Selling expenses	-387	-326	-1,382	-1,355
Administrative expenses	-186	-161	-652	-631
Other operating income and expenses	-41	4	-27	5
Operating income	141	119	592	387
Financial items, net	10	-5	-4	-24
Income after financial items	151	113	587	363
Taxes	-22	-43	-101	-85
Income for the period	129	70	487	278

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Items that will not be reclassified to income for the period:

Remeasurement of provisions for post-employment benefits	71	13	141	83
Income tax relating to items that will not be reclassified	-9	1	-18	-8
	63	14	124	75

Message
from the CEO

Items that may be reclassified subsequently to income for the period:

Exchange-rate differences on translation of foreign operations	58	-200	154	-263
Other comprehensive income, net of tax	121	-186	278	-188
Total comprehensive income for the period	250	-116	764	90

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Income for the period attributable to:

Shareholders of the Parent Company	129	70	487	278
Total	129	70	487	278

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Total comprehensive income for the period attributable to:

Shareholders of the Parent Company	250	-116	764	90
Total	250	-116	764	90

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Earnings per share, SEK

Basic, SEK	0.45	0.24	1.69	0.97
Diluted, SEK	0.45	0.24	1.69	0.97

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Average number of shares

Basic, million	287.4	287.4	287.4	287.4
Diluted, million	287.9	287.4	287.7	287.4

Consolidated balance sheet

SEKm	Dec 31, 2021	Dec 31, 2020 ¹
Assets		
Non-current assets		
Property, plant and equipment, owned	1,486	1,254
Property, plant and equipment, right-of-use	318	211
Goodwill	3,068	1,690
Other intangible assets	999	305
Deferred tax assets	372	344
Pension plan assets	165	21
Other non-current assets	20	27
Total non-current assets	6,428	3,853
Current assets		
Inventories	1,416	1,086
Trade receivables	1,625	1,265
Tax assets	80	53
Other current assets	225	244
Cash and cash equivalents	836	797
Total current assets	4,182	3,444
Total assets	10,609	7,297
Equity and liabilities		
Equity attributable to shareholders of the Parent Company		
Share capital	29	29
Other paid-in capital	5	5
Other reserves	157	3
Retained earnings	3,334	2,747
Equity attributable to shareholders of the Parent Company	3,525	2,784
Total equity	3,525	2,784
Non-current liabilities		
Long-term borrowings	1,215	601
Long-term lease liabilities	251	151
Deferred tax liabilities	135	135
Provisions for post-employment benefits	125	152
Other provisions	270	243
Total non-current liabilities	1,996	1,282
Current liabilities		
Trade payables	1,814	1,289
Tax liabilities	429	324
Other liabilities	1,597	988
Short-term borrowings	1,045	403
Short-term lease liabilities	75	65
Other provisions	130	162
Total current liabilities	5,088	3,232
Total equity and liabilities	10,609	7,297

1) Periods in year 2020 are restated due to an adjustment of deferred tax assets related to post-employment benefits for the years 2017–2019 related to the Combined Financial Statements, affecting deferred tax assets and equity by SEK -17m.

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Change in consolidated equity

SEKm	Full year	
	Jan-Dec 2021	Jan-Dec 2020
Opening balance	2,784	2,711
Adjustment to opening balance ¹	-	-17
Total comprehensive income for the period	764	90
Share-based payments	-23	-
Total transactions with equity holders	-23	-
Closing balance	3,525	2,784

1) Adjustment of deferred tax assets related to post-employment benefits for the years 2017–2019 related to the Combined Financial Statements.

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Consolidated cash flow statement

SEKm	Fourth quarter		Full year	
	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Operations				
Operating income	141	119	592	387
Depreciation and amortization	85	80	295	297
Other non-cash items	3	5	4	91
Financial items paid, net ¹	12	-6	-2	-22
Taxes paid	-20	-16	-141	-66
Cash flow from operations, excluding change in operating assets and liabilities	221	181	746	687
Change in operating assets and liabilities				
Change in inventories	-30	148	-139	113
Change in trade receivables	-10	108	-216	362
Change in accounts payable	211	173	398	-140
Change in other operating assets, liabilities and provisions	136	-116	312	-293
Cash flow from change in operating assets and liabilities	307	313	355	41
Cash flow from operations	528	495	1,101	729
Investments				
Acquisition of operations	-2,103	-	-2,103	-
Capital expenditure in property, plant and equipment	-82	-65	-155	-267
Capital expenditure in product development	-	0	-	-1
Capital expenditure in other intangibles	-2	-3	-4	-5
Other	7	11	31	26
Cash flow from investments	-2,180	-57	-2,231	-246
Cash flow from operations and investments	-1,652	438	-1,130	483
Financing				
Change in short-term borrowings, net ²	1,041	-243	656	413
New long-term borrowings	615	-	615	600
Amortization of long-term borrowings	-0	-0	-0	-1
Payment of lease liabilities	-19	-19	-74	-82
Share-based payments	-	-	-30	-
Change in financial liabilities, Electrolux Group	-	-	-	-1,224
Cash flow from financing	1,637	-262	1,166	-294
Total cash flow	-15	176	36	189
Cash and cash equivalents at beginning of period	852	640	797	651
Exchange-rate differences referring to cash and cash equivalents	-1	-19	3	-42
Cash and cash equivalents at end of period	836	797	836	797

1) For the period January 1 to December 31: interest and similar items received SEK 3m (5), interest and similar items paid SEK -9m (-13) and other financial items received/paid SEK 11m (-7). Interest paid for lease liabilities SEK -7m (-7)

2) Of which short-term loans with a duration of more than 3 months for the period January 1 to December 31; new loans SEK 1,317m (1,315), repaid loans SEK -661m (-902).

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Alternative performance measures key figures

SEKm, if not otherwise stated	Fourth quarter		Full year	
	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Net sales	2,309	1,935	7,862	7,263
Organic growth, %*	14.2	-13.2	10.6	-21.0
EBITA*	164	142	663	456
EBITA margin, %*	7.1	7.3	8.4	6.3
EBITA excl. items affecting comparability ^{*1}	164	142	663	533
EBITA margin excl. items affecting comparability, %* ¹	7.1	7.3	8.4	7.3
Operating income*	141	119	592	387
Operating margin, %*	6.1	6.1	7.5	5.3
Operating income excl. items affecting comparability ^{*1}	141	119	592	464
Operating margin excl. items affecting comparability, %* ¹	6.1	6.1	7.5	6.4
Income after financial items	151	113	587	363
Income for the period	129	70	487	278
Capital expenditure*	-84	-68	-159	-273
Operating cash flow after investments*	459	460	1,116	570
Earnings per share, SEK ²	0.45	0.24	1.69	0.97
Net debt*	n/a	n/a	1,705	549
EBITDA ^{*3}	n/a	n/a	886	684
Net debt/EBITDA ratio*	n/a	n/a	1.9	0.8
Operating working capital % of net sales ^{*4}	n/a	n/a	14.9	19.9
Average number of shares, million ²	287.4	287.4	287.4	287.4
Number of employees, end of period	3,973	3,515	3,973	3,515

*) Alternative performance measures used in this report are explained on pages 25-26.

1) For information on items affecting comparability, see page 18.

2) Basic number of outstanding shares.

3) Rolling four quarters.

4) Last twelve months currency adjusted

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Quarterly data

SEKm	Full year 2021	Q4, 2021	Q3, 2021	Q2, 2021	Q1, 2021	Full year 2020	Q4, 2020	Q3, 2020	Q2, 2020	Q1, 2020
Food & Beverage										
Net sales	4,704	1,377	1,211	1,210	905	4,198	1,047	1,070	838	1,243
EBITA	299	41	127	110	21	87	11	42	-64	99
EBITA margin, %	6.4	3.0	10.5	9.1	2.3	2.1	1.0	4.0	-7.7	7.9
Amortization	-55	-19	-12	-12	-12	-53	-19	-11	-11	-12
Operating income	244	22	115	98	9	35	-8	31	-75	87
Operating margin, %	5.2	1.6	9.5	8.1	1.0	0.8	-0.8	2.9	-9.0	7.0
Laundry										
Net sales	3,159	932	723	748	756	3,065	888	678	651	848
EBITA	492	153	110	117	111	467	150	79	88	150
EBITA margin, %	15.6	16.5	15.2	15.7	14.7	15.2	16.9	11.6	13.5	17.7
Amortization	-17	-4	-4	-4	-4	-16	-4	-4	-4	-4
Operating income	475	149	106	113	107	452	146	75	84	146
Operating margin, %	15.0	16.0	14.7	15.1	14.1	14.7	16.4	11.1	13.0	17.3
Group common costs	-128	-30	-39	-30	-28	-100	-19	-26	-27	-28
Total Group										
Net sales	7,862	2,309	1,935	1,958	1,661	7,263	1,935	1,748	1,489	2,091
EBITA	663	164	199	197	103	456	142	96	-4	221
EBITA margin, %	8.4	7.1	10.3	10.1	6.2	6.3	7.3	5.5	-0.2	10.6
Amortization	-72	-24	-16	-16	-16	-69	-23	-15	-15	-16
Operating income	592	141	183	181	88	387	119	81	-18	205
Operating margin, %	7.5	6.1	9.5	9.2	5.3	5.3	6.1	4.6	-1.2	9.8
Financial items, net	-4	10	-5	-5	-4	-24	-5	-8	-8	-2
Income after financial items	587	151	178	176	83	363	113	73	-26	203
Income for the period	487	129	135	168	55	278	70	77	-28	159
Earnings per share, SEK ¹	1.69	0.45	0.47	0.58	0.19	0.97	0.24	0.27	-0.10	0.55

1) Basic number of outstanding shares.

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Items affecting comparability

SEKm	Full year 2021	Q4, 2021	Q3, 2021	Q2, 2021	Q1, 2021	Full year 2020	Q4, 2020	Q3, 2020 ¹	Q2, 2020	Q1, 2020
Food & Beverage	-	-	-	-	-	-55	-	-55	-	-
Laundry	-	-	-	-	-	-22	-	-22	-	-
Total Group	-	-	-	-	-	-77	-	-77	-	-

1) The SEK -77m relates to restructuring charges for efficiency measures and are included in the functional lines cost of goods sold, selling expenses and administrative expenses.

SEKm	Full year 2021	Q4, 2021	Q3, 2021	Q2, 2021	Q1, 2021	Full year 2020	Q4, 2020	Q3, 2020	Q2, 2020	Q1, 2020
Total Group										
Operating income excl. items affecting comparability	592	141	183	181	88	464	119	158	-18	205
Operating margin excl. items affecting comparability, %	7.5	6.1	9.5	9.2	5.3	6.4	6.1	9.0	-1.2	9.8
EBITA excl. items affecting comparability	663	164	199	197	103	533	142	173	-4	221
EBITA margin excl. items affecting comparability, %	8.4	7.1	10.3	10.1	6.2	7.3	7.3	9.9	-0.2	10.6

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Shares

Number of shares	A-shares	B-shares	Shares total
Number of shares as of January 1, 2021	8,120,527	279,276,923	287,397,450
Conversion of shares	-72,545	72,545	-
Number of shares as of December 31, 2021	8,047,982	279,349,468	287,397,450

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Exchange rates

SEK	Dec 31, 2021		Dec 31, 2020	
	Average	End of period	Average	End of period
CNY	1.33	1.42	1.33	1.25
CZK	0.3950	0.4111	0.3969	0.3831
DKK	1.36	1.38	1.41	1.35
EUR	10.15	10.24	10.48	10.06
GBP	11.78	12.21	11.83	11.14
JPY	0.0781	0.0785	0.0861	0.0795
NOK	1.00	1.03	0.98	0.95
RUB	0.1159	0.1207	0.1275	0.1095
THB	0.2685	0.2705	0.2938	0.2735
TRY	0.98	0.70	1.33	1.11
USD	8.57	9.04	9.18	8.19

Condensed Parent company income statement

SEKm	Fourth quarter		Full year	
	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Net sales	676	653	2,340	2,266
Cost of goods sold	-492	-448	-1,667	-1,556
Gross operating income	184	205	673	700
Selling expenses	-97	-77	-349	-330
Administrative expenses	-28	-29	-185	-135
Other operating income and expenses	8	-9	11	-6
Operating income	67	90	150	229
Financial income and expenses	285	-1	369	-7
Impairment of shares in subsidiaries	-	-2,039	-	-2,039
Financial items, net	285	-2,040	369	-2,046
Income after financial items	352	-1,950	519	-1,817
Appropriations	5	-5	5	-5
Income before taxes	357	-1,955	524	-1,822
Taxes	-20	-20	-35	-64
Income for the period	337	-1,975	489	-1,886

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Condensed Parent company balance sheet

SEKm	Dec 31, 2021		Dec 31, 2020	
Assets				
Non-current assets		9,288		6,452
Current assets		1,527		1,885
Total assets		10,815		8,337
Equity and liabilities				
Restricted equity		44		47
Non-restricted equity		6,264		5,794
Total equity		6,308		5,841
Untaxed reserves		108		114
Provisions		95		92
Non-current liabilities		1,214		600
Current liabilities		3,090		1,690
Total equity and liabilities		10,815		8,337

Notes

Note 1 Accounting principles

Electrolux Professional applies International Financial Reporting Standards (IFRS) as adopted by the European Union. This report has been prepared in accordance with IAS 34, Interim Financial Reporting.

Electrolux Professional interim reports contain a condensed set of financial statements. For the Group this chiefly means that the disclosures are limited compared to the annual report. Enumerated amounts presented in tables and statements may not always agree with the calculated sum of the related line items due to rounding differences. The aim is for each line item to agree with its source and therefore there may be rounding differences affecting the total when adding up the presented line items.

The accounting principles adopted in the preparation of this interim report apply to all periods and comply with the accounting principles presented in the Group's Annual Report 2020.

During the year a share based long-term incentive program was introduced. The share-based compensation program is classified as equity settled transactions, and the cost of the granted instrument's fair value at grant date is recognized over the vesting period which is 2.6 years. At each balance sheet date, the Group revises the estimates

to the number of shares that are expected to vest. The impact of the revision to original estimates, if any, is recognized in the income statement, with a corresponding adjustment to equity. In addition, the Group provides for social costs expected to be paid in connection with the share-based compensation programs. The costs are charged to the income statement over the vesting period. The provision is periodically revalued based on the fair value of the instruments at each closing date.

For the Parent Company financial statements in general are presented in condensed versions and with limited disclosures compared to the annual report. The interim financial statements of Electrolux Professional AB have been prepared in accordance with the Swedish Annual Accounts Act and the accounting standard RFR 2, accounting for legal entities. The most recent annual financial statements of Electrolux Professional AB have been prepared in compliance with the Swedish Annual Accounts Act (1995:1554) and recommendation RFR2, Accounting for legal entities of the Swedish Financial Reporting Board.

Reportable segments

Food & Beverage and Laundry represent the Group's reportable segments.

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Note 2 Disaggregation of revenue

Sales of products are revenue recognized at a point in time, when control of the products has transferred. Revenue from services related to installation of products, repairs or maintenance service is recognized when control is transferred being over the time the service is provided. Sales of these services are not material in relation to Electrolux Professional total net sales.

Geography is considered to be an important attribute when disaggregating Electrolux Professional revenue. Therefore, the table below presents net sales per geographical region based on the location of the end customer.

SEKm	Fourth quarter		Full year	
	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Geographical region				
Europe	1,523	1,315	5,416	5,053
Asia-Pacific, Middle East and Africa	330	338	1,164	1,187
Americas	456	283	1,282	1,023
Total	2,309	1,935	7,862	7,263

Note 3 Fair values and carrying amounts of financial assets and liabilities

SEKm	Hierarchy level	Dec 31, 2021		Dec 31, 2020	
		Fair value	Carrying amount	Fair value	Carrying amount
Per category					
Financial assets at fair value through profit and loss	3	0	0	0	0
Financial assets measured at amortized cost		2,461	2,461	2,062	2,062
Derivatives, financial assets at fair value through profit and loss	2	13	13	12	12
Total financial assets		2,474	2,474	2,074	2,074
Financial liabilities measured at amortized cost		4,072	4,073	2,289	2,293
Derivatives, financial liabilities at fair value through profit and loss	2	5	5	6	6
Total financial liabilities		4,077	4,078	2,295	2,299

The Group strives for arranging master-netting agreements (ISDA) with the counterparts for derivative transactions and has established such agreements with the majority of the counterparties, i.e., if a counterparty will default, assets and liabilities will be netted. Derivatives are presented gross in the balance sheet.

Fair value estimation

Valuation of financial instruments at fair value is done at the most accurate market prices available. Instruments which are quoted on the market, e.g., the major bond and interest-rate future markets, are all marked-to-market with the current price. The foreign-exchange spot rate is used to convert the value into SEK. For instruments where no reliable price is available on the market, cash-flows are discounted using the deposit/swap curve of the cash flow currency. If no proper cash-flow schedule is available, e.g., as in the case with forward-rate agreements, the underlying schedule is used for valuation purposes.

To the extent option instruments are used, the valuation is based on the Black & Scholes' formula. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market-interest rate for similar financial instruments. The Group's financial assets and liabilities are measured according to the following hierarchy:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for assets or liabilities either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not entirely based on observable market data.

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Note 4 Contingent liabilities

SEKm	Dec 31, 2021	Dec 31, 2020
Group		
Guarantees and other commitments	133	129

On January 21, 2020, a supplier filed a lawsuit in Italy against Electrolux Professional. The total claimed amount was EUR 12.1m, approximately SEK 124m, and covers alleged damages related to products and prices during the contractual period and compensation for costs and damages resulting

from the allegedly wrongful termination of the supply agreement. Electrolux Professional rejects the claim but it cannot be ruled out that the final outcome could have a significant impact on Electrolux Professional's operating income and cash flow.

Note 5 Covid-19

As a consequence of the Covid-19 pandemic, Electrolux Professional has assessed any potential impact on the carrying value of asset and liabilities.

Trade receivables

No material increase in actual credit losses has been experienced. Collection of trade receivables is carefully monitored. Management have stressed the need for even more focus on forward looking evaluation of the risk of not being able to collect payments. The expected credit loss provision has decreased to SEK 93m on December 31, 2021 compared to SEK 100m on December 31, 2020.

Credit insurance and other forms of collaterals, for example letter of credit and bank guarantees are used as a protection against credit risk. In addition, some sales are also made to governmental institutions which are deemed as secure.

Inventories

No extraordinary material write-down of finished goods inventories or supplies have been recognized as a consequence of the Covid-19 situation.

Impairment of assets

No material impairment of assets has been recognized in the consolidated financial statements as a direct consequence of Covid-19.

Government grants and government assistance

Companies within the Group have received or assume that they fulfil the requirements of monetary help from governments. As of December 31, 2021 the amount recognized in profit or loss is SEK 10m (18) in the quarter and SEK 45m (95) year to date and refers mainly to short-term furlough of personnel.

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Note 6 Acquired operations

Acquired operations

SEKm	2021
Consideration	
Cash paid for acquisitions made during the year	2,113
Total consideration	2,113

Recognized amounts of assets acquired and liabilities assumed

Property plant and equipment, owned	205
Property plant and equipment, right-of-use	95
Intangible assets	753
Inventories	158
Trade receivables ¹	115
Other current and non-current assets	4
Trade payables	-114
Government grants	-18
Other operating liabilities	-284
Total identifiable net assets acquired	913
Cash and cash equivalents	10
Lease liabilities	-95
Assumed net debt	-85
Goodwill	1,284
Total	2,113

1) Trade receivables

Trade receivables, gross	115
Provision for doubtful receivables	-0
Total	115

SEKm	2021
Payments for acquisitions	
Cash paid for acquisitions made during the year	2,113
Cash and cash equivalents in acquired operations	-10
Total paid	2,103

The purchase price allocation is preliminary and can be subject to changes.

Acquisitions in 2021

Unified Brands

On December 1, 2021 the acquisition of the US manufacturer of foodservice equipment Unified Brands was completed by acquiring 100% of the shares in a cash deal. The purchase price for the shares amounted to USD 233m approximately SEK 2,113m.

Unified Brands, founded in 1907, has approximately 600 employees. It operates two manufacturing and R&D facilities, one in Weidman, Michigan and one in Vicksburg, Mississippi. The company and its Groen, Randell, Avtec, Power Soak and CapKold brands offer cooking equipment, refrigeration, cleaning systems, ventilation, and meal distribution systems.

The acquisition is a part of Electrolux Professional's strategy to strengthen the presence in the US and supports the focus on growth with the food service chains.

Goodwill represents the value of increasing Electrolux Professional's presence on the US market and especially with the food service chains. Goodwill is expected to be deductible for income tax.

Unified Brands net sales and operating income from January 1, 2021 up until the completion of the acquisition amounted to USD 121m and USD 10m, respectively, approximately SEK 1,035m and SEK 82m, respectively. The Unified Brands is included in Electrolux Professional's consolidated accounts from December 1, 2021. For the period from the acquisition date until the end of the reporting period the acquired business has contributed to net sales and operating income (including amortization of surplus values) by USD 12m and USD -1m respectively, approximately SEK 99m and SEK -11m respectively.

The underlying EBITA-margin for Unified Brands was approximately 9% in 2021.

The business is included in the segment Food & Beverage.

Transaction costs

Transaction costs related to the acquisition in 2021 amount to SEK 50m and have been expensed as incurred during the acquisition process in 2021. The costs have been reported in operating income within the segment Food & Beverage.

Acquisitions in 2020

No acquisitions were made in 2020.

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Operations by segment yearly

SEKm	2021	2020	2019	2018	2017
Food & Beverage					
Net sales	4,704	4,198	5,895	5,399	4,922
EBITA	299	87	568	629	607
EBITA, %	6.4	2.1	9.6	11.7	12.3
Operating income	244	35	522	599	572
Margin, %	5.2	0.8	8.9	11.1	11.6
Laundry					
Net sales	3,159	3,065	3,386	3,267	2,801
EBITA	492	467	507	573	502
EBITA, %	15.6	15.2	15.0	17.6	17.9
Operating income	475	452	488	558	499
Margin, %	15.0	14.7	14.4	17.1	17.8
Group common cost					
Operating income	-128	-100	-18	-14	-11
Total Group					
Net sales	7,862	7,263	9,281	8,666	7,723
EBITA	663	456	1,058	1,188	1,098
EBITA, %	8.4	6.3	11.4	13.7	14.2
Operating income	592	387	992	1,143	1,060
Margin, %	7.5	5.3	10.7	13.2	13.7

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Items affecting comparability

SEKm	2021	2020 ¹	2019 ¹	2018	2017
Food & Beverage	-	-55	-67	-	-
Laundry	-	-22	35	-	-
Total Group	-	-77	-32	-	-

¹⁾ Items affecting comparability in 2020 and in 2019 relates to restructuring charges for efficiency measures.

Five year overview

SEKm, if not otherwise stated	2021	2020	2019	2018	2017
Net sales	7,862	7,263	9,281	8,666	7,723
Organic growth, %	10.6	-21.0	-0.3	4.1	5.6
EBITA	663	456	1,058	1,188	1,098
EBITA, %	8.4	6.3	11.4	13.7	14.2
Operating income	592	387	992	1,143	1,060
Operating margin, %	7.5	5.3	10.7	13.2	13.7
Income after financial items	587	363	978	1,134	1,052
Income for the period	487	278	663	952	786
Items affecting comparability	-	-77	-32	-	-
Capital expenditure	-159	-273	-257	-169	-167
Operating cash flow after investments	1,116	570	1,138	1,131	1,167
Earnings per share, SEK ¹	1.69	0.97	2.31	3.31	2.74
Net debt	1,705	549	1,025	-226	-481
EBITDA	886	684	1,280	1,363	1,253
Net debt/EBITDA ratio	1.9	0.8	0.8	-0.2	-0.4
Average number of shares, million	287.4	287.4	287.4	287.4	287.4
Number of employees, end of period	3,973	3,515	3,624	3,555	3,183

¹⁾ Basic number of outstanding shares.

Definitions

Definitions and reconciliation of alternative performance measures

Electrolux Professional presents certain measures that are not defined under IFRS (alternative performance measures – “APMs”). These are used by management to assess the financial and operational performance of the Group. Management believes that these APMs provide useful information regarding the Group’s financial and operating performance. Such measures may not be comparable to

similar measures presented by other companies. Consequently, APMs have limitations as analytical tools and should not be considered in isolation or as a substitute for related financial measures prepared in accordance with IFRS. The APMs have been derived from the Electrolux Professional’s internal reporting and are not audited. The APM reconciliations can be found on Electrolux Professional website www.electroluxprofessional.com/corporate/interim-reports/

APM	Definition	Reason for use
Organic growth %	Change in sales growth excluding net FX impact and acquisitions.	The Group’s presentation currency is SEK while the net sales are mainly in other currencies. Organic growth is dependent on fluctuations in SEK versus other currencies and in addition acquired business can have an impact on reported net sales. Organic growth adjusted for acquisitions and currency shows the underlying sales development without these parameters.
Acquisitions %	Change in net sales during the current period attributable to acquired operation in relation to prior period’s sales, following a period of 12 months commencing on the acquisition date.	See “Organic growth” above.
Operating income (EBIT)	Earnings before interest and tax.	Used as an indicator that shows the Group’s ability to make a profit, regardless of the method of financing (then determines the optimal use of debt versus equity).
Operating margin (EBIT margin)	Operating income as a percentage of net sales.	Operating margin shows the operating income in percentage of net sales. Operating margin is a key internal measure as the Group believes that it provides users of the financial statements with a better understanding of the Group’s financial performance both short and long term.
Items affecting comparability	Material profit or loss items such as capital gains and losses from divestments of product groups or major units, close down or significant down-sizing of major units or activities, larger cost saving programs, significant impairment, and other major costs or income items.	Summarizes events and transactions with significant effects, which are relevant for understanding the financial performance when comparing income for the current period with previous periods.
Operating income excluding items affecting comparability	Operating income less items affecting comparability.	Operating income excluding items affecting comparability shows the operating income adjusted for items affecting comparability. This is a key internal measure, as the Group believes that it provides users of the financial statements with a better understanding of the Group’s financial performance both short and long term.

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APM	Definition	Reason for use
Operating margin excluding items affecting comparability	Operating income excluding items affecting comparability as a percentage of net sales.	Operating margin excluding items affecting comparability shows the operating income in percentage of net sales adjusted for items affecting comparability. This is a key internal measure, as the Group believes that it provides users of the financial statements with a better understanding of the Group's financial performance both short and long term.
Capital expenditure	Investments in property, plant and equipment, product development and other intangible assets.	Used to ensure that cash spending is in line with Group's overall strategy for the use of cash.
EBITA	Operating income less amortization and write-down related to intangibles assets (excluding right of use assets).	EBITA gives an indication of the operating income less amortization and write-down related to intangibles assets (excluding right of use assets) and is mainly used to follow up operating income without the distortion of amortization of surplus values related to acquisitions.
EBITA margin	EBITA expressed as a percentage of net sales.	Used to evaluate business performance in relation to net sales in order to measure the efficiency of the Company.
EBITDA	EBITA less depreciation of tangible assets (including right of use assets).	EBITDA is an indicator for business' cash generating capacity in relation to sales.
EBITA excluding items affecting comparability	Operating income less amortization and write-down related to intangibles assets (excluding right of use assets) and less items affecting comparability.	Items affecting comparability vary between years and periods and in order to analyze trends items affecting comparability are excluded from EBITA.
EBITA margin excluding items affecting comparability	EBITA excluding items affecting comparability, expressed as a percentage of net sales.	Items affecting comparability vary between years and periods and in order to analyse trends, items affecting comparability are excluded from EBITA margin.
Operating cash flow after investments	Cash flow from operations and investments adjusted for financial items paid, net, taxes paid and acquisitions/divestments of operations.	Used to monetize the cash from core operation.
Net debt	Short-term borrowings (short-term loans and trade receivables with recourse), accrued interest expenses and prepaid interest income and long-term borrowings, lease liabilities, net provisions for post-employment benefits, less liquid funds (cash and cash equivalents, prepaid interest expenses and accrued interest income).	Net debt describes the Group's total debt financing and is monitored by management
Net debt/EBITDA	Net debt in relation to EBITDA (Net debt is based on the end of period balance and EBITDA is calculated based on last four rolling quarters).	A measurement of financial risk, showing net debt in relation to cash generation.
Operating working capital, % of net sales	All months of the period are currency adjusted by applying the end of period average currency rate. Sum of currency adjusted last twelve months' average of trade receivables, trade payables and inventories (Operating working capital) as percentage of currency adjusted last twelve months' average net sales.	Used to evaluate how efficient the Group is generating cash in relation to net sales.

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President and CEO Alberto Zanata's comments on the fourth quarter results 2021

Today's press release is available on the Electrolux Professional website www.electroluxprofessional.com/corporate

Telephone conference 10.00 CET

A telephone conference is held at 10.00 today, January 28. Alberto Zanata, President and CEO and Fabio Zarpellon, CFO will comment on the report

Details for participation by telephone are as follows:

Participants in Sweden: +46 8 505 583 56
Participants in UK/Europe: +44 333 300 9274
Participants in US: +1 646 722 4957

Slide presentations for download:

www.electroluxprofessional.com/corporate

Link to webcast:

<https://electroluxprofessional.creos.se/220128>

For further information, please contact:

Jacob Broberg, Senior Vice President Investor Relations and Communications +46 70 190 00 33



Financial calendar

	Date
Annual report 2021	March 31, 2022
Interim report Q1 2022	April 27, 2022
Annual General Meeting	April 28, 2022
Interim report Q2 2022	July 22, 2022
Interim report Q3 2022	October 27, 2022

This information is information that Electrolux Professional AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person detailed in the column to the left, at 8:00 a.m. CET on January 28, 2022.

Mission

Making Electrolux Professional's customers' work-life easier, more profitable – and truly sustainable every day.

Strategy

Electrolux Professional's strategy focuses on four pillars, built on a foundation of operational excellence to improve sales productivity and cost efficiency within the supply chain.

GROW the business by developing sustainable, innovative

low-running cost solutions: Set the pace of industry innovation in sustainability and energy efficiency, complemented with a connected and digital platform meeting customers' needs.

EXPAND in food service chains, especially in North America, grow in beverage and expand in emerging markets: Increase the global footprint and market position in selected industry verticals organically and through selective M&A as a further accelerator.

BOOST Customer Care (aftermarket sales) by further developing the global service network and competence as a full-service provider while increasing sales of accessories and consumables to enhance product performance and ownership experience.

LEVERAGE the OnE approach: Strengthen the position as a full-solution provider within food, beverage and laundry to cater for all customers' needs under one global brand and make customers' lives easier in a world of connected appliances.

Financial targets

Organic sales growth

Organic annual growth of more than 4 percent over time, complemented by value accretive acquisitions.

EBITA margin

EBITA margin of 15 percent

Operating working capital

Operating working capital below 15 percent of net sales.

Net debt/EBITDA

Leverage ratio below 2.5x Net debt/EBITDA. Higher levels may be temporarily acceptable in case of acquisitions, provided a clear path to deleveraging.

Dividend policy

30 percent of net income.

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About Electrolux Professional

Electrolux Professional is one of the leading global providers of food service, beverage and laundry for professional users. Our innovative products and worldwide service network make our customers' work-life easier, more profitable and truly sustainable every day.

Our solutions and products are manufactured in 13 plants in seven countries and sold in over 110 countries. In 2021, Electrolux Professional had global sales of SEK 7,9bn and approximately 4,000 employees. For more information, visit www.electroluxprofessional.com/corporate

This report contains 'forward-looking' statements that reflect the company's current expectations. Although the company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations prove to have been correct as they are subject to risks and uncertainties that could cause actual results to differ materially due to a variety of factors. These factors include, but are not limited to, changes in consumer demand, changes in economic, market and competitive conditions, currency fluctuations, developments in product liability litigation, changes in the regulatory environment and other government actions.

Forward-looking statements speak only as of the date they were made, and, other than as required by applicable law, the company undertakes no obligation to update any of them in light of new information or future events.



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