



# Interim report **Q3**

## Third quarter, July–September 2022

- > Net sales amounted to SEK 2,782m (1,935). Sales increased by 43.8%. Organically sales increased by 15.8%. The acquisition of Unified Brands contributed with 20.4%. Currency had a positive effect of 8.9%, and the divestment of the Russian business had an effect of -1.3%.
- > EBITA amounted to SEK 317m (199), corresponding to a margin of 11.4% (10.3).
- > Operating income amounted to SEK 277m (183), corresponding to a margin of 10.0% (9.5).
- > Operating cash flow after investments amounted to SEK 56m (412).
- > Income for the period amounted to SEK 195m (135), and earnings per share was SEK 0.68 (0.47).

[First page](#)
[Message from the CEO](#)
[Financial overview](#)
[Financial reports](#)
[Definitions](#)
[Shareholders information](#)

## Key ratios

SEKm	Third quarter			Nine months		
	Jul-Sep 2022	Jul-Sep 2021	Change, %	Jan-Sep 2022	Jan-Sep 2021	Change, %
Net sales	2,782	1,935	43.8	7,997	5,554	44.0
EBITA*	317	199	59.5	786	499	57.6
EBITA margin, %*	11.4	10.3		9.8	9.0	
Operating income*	277	183	51.4	671	451	48.9
Operating margin, %*	10.0	9.5		8.4	8.1	
Income after financial items	255	178	43.6	646	436	48.1
Income for the period	195	135	44.6	482	358	34.6
Earnings per share, SEK <sup>1</sup>	0.68	0.47		1.68	1.25	
Operating cash flow after investments*	56	412		102	657	
Operating working capital % of net sales*	n/a	n/a		15.6	16.0	

\*) Alternative performance measures used in this report are explained on pages 24–25.

1) Basic number of outstanding shares.

# Continued growth and higher EBITA - preparing for different scenarios



**Alberto Zanata,**  
President and CEO

The recovery of the hospitality industry continued during the third quarter, resulting in the sixth consecutive quarter of sales growth for us.

Sales in the quarter increased organically by 15.8% compared to last year and grew 43.8% in total, including the recently acquired Unified Brands business and the positive impact from currency. Organic sales growth was strong in all regions, but particularly strong in the Americas.

EBITA for the third quarter increased almost 60% and amounted to SEK 317m (199) with a corresponding margin of 11.4% (10.3). The higher EBITA was primarily driven by price, and the contribution from Unified Brands, whereas some continued inefficiencies and cost increases in the supply chain have burdened.

Costs for raw material are now being compensated by prior price increases and is foreseen to remain so in the fourth quarter. However, the general cost pressure is becoming substantial and needs to be compensated for. This means that the temporary surcharges that we implemented during the second quarter are being transformed into permanent price increases. In addition we are also, selectively, implementing additional price increases from January.

Operating cash flow after investments in the quarter amounted to SEK 56m (412). Cash flow was negatively affected by an increase in operating working capital, in particular trade receivables. Inventory also

increased in the quarter, partially due to higher material cost and higher stock of components.

Sales of Food & Beverage had an organic growth of 8.7%, with an EBITA margin of 10.5% (10.5). Organic growth was particularly strong in Americas and in Asia, with the exception of China. Unified Brands continue to have a good sales growth with an underlying EBITA margin being accretive to the Group margin.

Sales of Laundry was strong with an organic growth of 28.1%. The growth was driven by a continued good demand and, as previously mentioned, a shift of sales from the second quarter to the third quarter. The component shortages that we experienced in the second quarter are solved and should not have an impact in the coming months. Order intake for Laundry increased confirming a good order trend. The EBITA margin for Laundry was 17.3% (15.2).

During the quarter order intake was on pre-pandemic levels, but we see softening demand in Food & Beverage in Europe. Order stock is still higher than last year, in particular in Laundry and in North America which gives confidence short term. However, the general economic uncertainty and negative consumer sentiment, gives reason to be careful. We are therefore preparing for different scenarios.

**Alberto Zanata,**  
President and CEO

First page

Message  
from the CEO

Financial  
overview

Financial  
reports

Definitions

Shareholders  
information

**// The general economic uncertainty and negative consumer sentiment, gives reason to be careful. We are therefore preparing for different scenarios. //**

# Financial overview

## Third quarter development

### Net sales

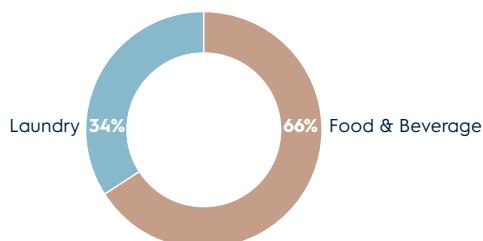
Net sales for the third quarter amounted to SEK 2,782m (1,935), an increase of 43.8% compared to the same period last year. Organically, sales increased by 15.8%. The acquisition of Unified Brands contributed by 20.4%, currency had a positive effect of 8.9% while the divestment of the Russian operations had a negative effect of 1.3%.

The sales increase was driven by a continued comeback of the hospitality industry, a shift of some Laundry sales from the second to the third quarter as well as price increases. Sales of Food & Beverage increased organically by 8.7%. Sales of Laundry increased organically by 28.1%. Sales in Europe increased approximately 10%, in Americas approximately 32%, and by 15% in Asia-Pacific, Middle East and Africa.

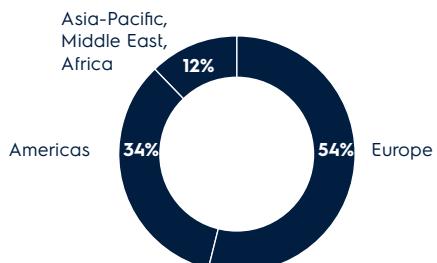
Changes in net sales, %	Jul-Sep 2022	Jul-Sep 2021
Organic growth*	15.8	12.8
Acquisitions*	20.4	-
Divestments	-1.3	-
Changes in exchange rates	8.9	-2.1
<b>Total</b>	<b>43.8</b>	<b>10.7</b>

\*) Alternative performance measures used in this report are explained on pages 24-25.

### Share of sales by segment, July-September 2022



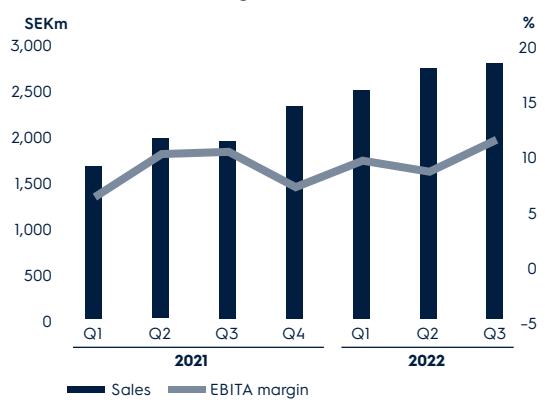
### Share of sales by region, July-September 2022



### Operating income and EBITA

Operating income excluding amortization of intangible assets (EBITA) amounted to SEK 317m (199), corresponding to a margin of 11.4% (10.3). Operating income amounted to SEK 277m (183), corresponding to a margin of 10.0% (9.5). The higher operating income was driven by price, and the contribution from Unified Brands. Price increases are now fully compensating for the increased component and raw material costs.

### Sales and EBITA margin



First page

Message from the CEO

Financial overview

Financial reports

Definitions

Shareholders information

### Financial net

Net financial items amounted to SEK -22m (-5). The increase in financial net is due to higher indebtedness and interest rates.

### Income for the period

Income for the period amounted to SEK 195m (135), corresponding to SEK 0.68 (0.47) in earnings per share.

Income tax for the period amounted to SEK -60m (-43). The tax rate for the third quarter was 23.5% (24.0).

### Group common cost

Group common cost was SEK -39m (-39).

## Development during the year, January–September 2022

### Net sales

Net sales for January–September amounted to SEK 7,997m (5,554), an increase of 44.0% compared to the same period last year. Organically, sales increased by 18.4%, acquisitions contributed by 19.8%, currency contributed by 6.3% while the divestment of the Russian operations had a negative effect of 0.5%.

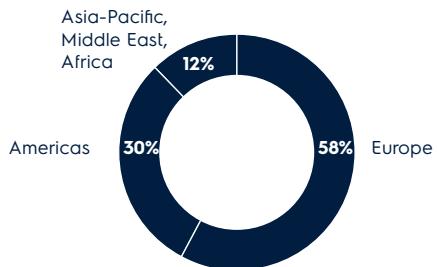
The sales increase was driven by an increased sales demand as pandemic restrictions have been eased, as well as price increases. Sales of Food & Beverage increased organically by 20.6%. Sales of Laundry increased organically by 14.9%. Sales in Europe increased by approximately 10%, in Americas by 37% excluding the acquisition of Unified Brands and in Asia-Pacific, Middle East and Africa by 15%.

Changes in net sales, %	Jan-Sep 2022	Jan-Sep 2021
Organic growth	18.4	9.1
Acquisitions	19.8	–
Divestments	-0.5	–
Changes in exchange rates	6.3	-4.9
<b>Total</b>	<b>44.0</b>	<b>4.2</b>

### Share of sales by segment, January–September 2022



### Share of sales by region, January–September 2022



### Operating income and EBITA

Operating income excluding amortization of intangible assets (EBITA) amounted to SEK 786m (489), corresponding to a margin of 9.8% (9.0). Operating income amounted to SEK 671m (451), corresponding to a margin of 8.4% (8.1). The higher operating income is due to higher sales volumes, price, and the contribution from Unified Brands.

### Financial net

Net financial items amounted to SEK -25m (-14). The increase in financial net is due to higher indebtedness and interest rates.

### Income for the period

Income for the period amounted to SEK 482m (358), corresponding to SEK 1.68 (1.25) in earnings per share.

Income tax for the period amounted to SEK -164m (-78). The tax rate was 25.4% (17.9). The tax rate in 2021 was positively affected by a fiscal revaluation of assets in Italy.

### Group common cost

Group common cost was SEK -130m (-97).

[First page](#)

[Message from the CEO](#)

[Financial overview](#)

[Financial reports](#)

[Definitions](#)

[Shareholders information](#)



## Segment Food & Beverage

In the third quarter, sales for Food & Beverage were SEK 1,840m (1,211), an increase of 51.9% compared to the same period last year. Organically sales increased by 8.7% and currency had a positive effect of 12.4%. The acquisition of Unified Brands contributed by 32.2%, while the divestment of the Russian operations had a negative impact of 1.4%

Sales increased by approximately 3% in Europe, by 12% in Americas (excl Unified Brands), and by 20% in Asia-Pacific, Middle East and Africa.

Operating income excluding amortization of intangible assets (EBITA) amounted to SEK 194m (127), corresponding to a margin of 10.5% (10.5).

Operating income amounted to SEK 158m (115), corresponding to a margin of 8.6% (9.5).

### Sales and EBITA margin



First page

Message from the CEO

Financial overview

Financial reports

Definitions

Shareholders information

SEKm	Third quarter			Nine months			Full year
	Jul-Sep 2022	Jul-Sep 2021	Change, %	Jan-Sep 2022	Jan-Sep 2021	Change, %	Jan-Dec 2021
Net sales	1,840	1,211	51.9	5,386	3,327	61.9	4,704
Organic growth, %	8.7	15.7		20.6	11.7		14.3
Acquisitions, %	32.2	-		32.7	-		2.5
Divestments, %	-1.4	-		-0.6	-		-
Changes in exchange rates, %	12.4	-2.5		9.2	-6.1		-4.7
EBITA	194	127	52.8	517	258	100.8	299
EBITA margin, %	10.5	10.5		9.6	7.7		6.4
Operating income	158	115	36.7	416	222	87.0	244
Operating margin, %	8.6	9.5		7.7	6.7		5.2



## Segment Laundry

In the third quarter, sales for Laundry were SEK 942m (723), an increase of 30.2% compared to the same period last year. The increase was driven by price and a shift of sales from the second to the third quarter. Organically sales increased by 28.1% and currency had a positive effect of 3.3%, while the divestment of the Russian operations had a negative impact of 1.2%

Sales increased by approximately 65% in Americas, by 20% in Europe and by 7% in Asia-Pacific, Middle East and Africa.

Costs for raw material in the quarter are now compensated by prior price increases.

Operating income excluding amortization of intangible assets (EBITA) amounted to SEK 163m (110), corresponding to a margin of 17.3% (15.2). Operating income amounted to SEK 158m (106), corresponding to a margin of 16.8% (14.7).

**Sales and EBITA margin**



First page

Message from the CEO

Financial overview

Financial reports

Definitions

Shareholders information

SEKm	Third quarter			Nine months			Full year
	Jul-Sep 2022	Jul-Sep 2021	Change, %	Jan-Sep 2022	Jan-Sep 2021	Change, %	Jan-Dec 2021
Net sales	942	723	30.2	2,611	2,227	17.2	3,159
Organic growth, %	28.1	8.2		14.9	5.6		5.5
Divestments, %	-1.2	-		-0.3	-		-
Changes in exchange rates, %	3.3	-1.6		2.7	-3.3		-2.5
EBITA	163	110	47.7	398	338	17.8	492
EBITA margin, %	17.3	15.2		15.3	15.2		15.6
Operating income	158	106	48.9	385	326	18.2	475
Operating margin, %	16.8	14.7		14.8	14.6		15.0

## Net sales, EBITA and operating income by segment

SEKm	Third quarter		Nine months		Full year
	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
<b>Food &amp; Beverage</b>					
Net sales	1,840	1,211	5,386	3,327	4,704
EBITA	194	127	517	258	299
Amortization	-36	-12	-101	-35	-55
Operating income	158	115	416	222	244
<b>Laundry</b>					
Net sales	942	723	2,611	2,227	3,159
EBITA	163	110	398	338	492
Amortization	-4	-4	-13	-12	-17
Operating income	158	106	385	326	475
<b>Group common costs</b>					
EBITA	-39	-39	-129	-97	-127
Amortization	-0	-0	-0	-0	-1
Operating income	-39	-39	-130	-97	-128
<b>Total Group</b>					
Net sales	2,782	1,935	7,997	5,554	7,862
EBITA	317	199	786	499	663
Amortization	-40	-16	-115	-48	-72
Operating income	277	183	671	451	592
Financial items, net	-22	-5	-25	-14	-4
Income after financial items	255	178	646	436	587
Taxes	-60	-43	-164	-78	-101
Income for the period	195	135	482	358	487

First page

Message from the CEO

Financial overview

Financial reports

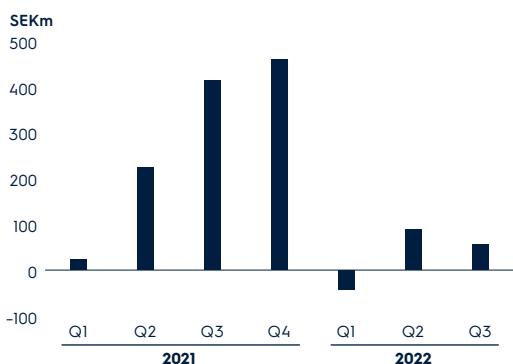
Definitions

Shareholders information

## Cash flow

Operating cash flow after investments amounted to SEK 56m (412) in the quarter. Cash flow was negatively affected by an increase in operating working capital, in particular trade receivables. Inventory also increased in the quarter, partially due to higher material cost and higher stock of components.

### Operating cash flow after investments



SEKm	Third quarter		Nine months		Full year
	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Operating income	277	183	671	451	592
Depreciation	64	53	192	162	223
Amortization	40	16	115	48	72
Other non-cash items	8	-8	52	0	4
<b>Operating income adjusted for non-cash items</b>	<b>389</b>	<b>244</b>	<b>1,031</b>	<b>661</b>	<b>890</b>
Change in inventories	-118	-39	-543	-109	-139
Change in trade receivables	-180	-31	-447	-206	-216
Change in accounts payable	-44	140	82	187	398
Change in other operating assets, liabilities and provisions	33	94	42	176	312
<b>Operating cash flow</b>	<b>80</b>	<b>407</b>	<b>165</b>	<b>709</b>	<b>1,245</b>
Investments in tangible and intangible assets	-24	-22	-63	-75	-159
Changes in other investments	-0	26	1	24	31
<b>Operating cash flow after investments</b>	<b>56</b>	<b>412</b>	<b>102</b>	<b>657</b>	<b>1,116</b>

First page

Message from the CEO

Financial overview

Financial reports

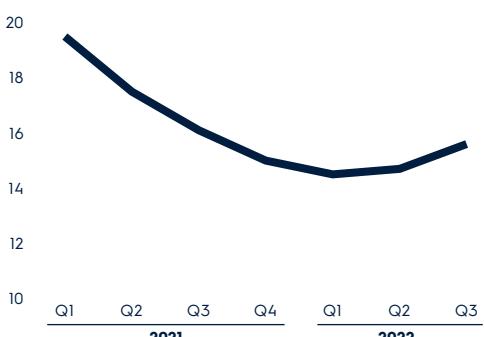
Definitions

Shareholders information

## Operating working capital

Operating working capital as percent of annualized net sales amounted to 15.6% in the third quarter compared to 14.6% in the second quarter of 2022. The increase is due to an increase in trade receivables. Inventory also increased in the quarter, partially due to higher material cost and higher stock of components.

### Operating working capital of annualized net sales, %



## Financial position

### Net debt

As of September 30, 2022, Electrolux Professional had a financial net debt position (excluding lease liabilities and post-employment provisions) of SEK 2,290m compared to SEK 1,418m as of December 31, 2021. Lease liabilities amounted to SEK 315m and net provisions for post-employment benefits amounted to SEK 106m. In the third quarter, the Swiss net provision was increased by 256m as a result of asset ceiling restrictions. This was an adjustment according to IAS19 which negatively impacted net debt but had no impact on income for the period nor cash flow.

In total, net debt amounted to SEK 2,711m as of September 30, 2022, compared to SEK 1,705m as of December 31, 2021.

Long-term borrowings amounted to SEK 2,780m, including the new EUR 140m syndicated Term Loan Facility signed in September. Short-term borrowings

amounted to SEK 306m. Total borrowings amounted to SEK 3,228m compared to SEK 2,268m as of December 31, 2021. Total borrowings have been negatively impacted by currency revaluation.

Liquid funds as of September 30, 2022, amounted to SEK 938m compared to SEK 849m as of December 31, 2021.

### 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, a syndicated loan facility of EUR 140m with a tenure of 18 months from September 2022 with the possibility of two 6 months extensions, and a revolving credit facility of EUR 200m with a tenure until 2027. As of September 30, 2022, EUR 28m of the revolving credit facility was utilized.

## Net debt

SEKm	Sep 30, 2022	Sep 30, 2021	Dec 31, 2021
Short-term loans	306	0	1,045
Financial derivative liabilities	136	13	5
Accrued interest expenses and prepaid interest income	6	2	3
<b>Total short-term borrowings</b>	<b>448</b>	<b>15</b>	<b>1,053</b>
Long-term loans	2,780	600	1,215
<b>Total long-term borrowings</b>	<b>2,780</b>	<b>600</b>	<b>1,215</b>
<b>Total borrowings<sup>1</sup></b>	<b>3,228</b>	<b>615</b>	<b>2,268</b>
Cash and cash equivalents	894	852	836
Financial derivative assets	43	16	13
Prepaid interest expenses and accrued interest income	1	0	1
<b>Liquid funds</b>	<b>938</b>	<b>868</b>	<b>849</b>
<b>Financial net debt</b>	<b>2,290</b>	<b>-253</b>	<b>1,418</b>
Lease liabilities	315	243	326
Net provisions for post-employment benefits	106	44	-39
<b>Net debt<sup>*</sup></b>	<b>2,711</b>	<b>33</b>	<b>1,705</b>
Net debt/EBITDA ratio <sup>*</sup>	2.3	0.0	1.9
EBITDA <sup>*</sup>	1,204	860	886

\*) Alternative performance measures used in this report are explained on pages 24-25.

1) Whereof interest-bearing liabilities amounting to SEK 3,085m as of September 30, 2022, SEK 601m as of September 30, 2021 and SEK 2,260m as of December 31, 2021.

First page

Message  
from the CEO

Financial  
overview

Financial  
reports

Definitions

Shareholders  
information

## Other disclosures

### Conversion of shares

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. 695 shares were converted in the third quarter. The total number of registered shares in the company on September 30, 2022 amounted to 287,397,450 of which 8,045,769 are Series A and 279,351,681 are Series B. The total number of votes amounted to 35,980,937.

### Employees

The number of employees at the end of the quarter was 4,030 (3,408). The increase is due to the acquisition of Unified Brands.

### Business operations in Russia

Following the assessment that business continuity in Russia, in the current situation, was not feasible, Electrolux Professional decided to cease its operations in Russia. Electrolux Professional divested its operations in Russia to its local management as of July 14, 2022. This incurred a cost of SEK -35m that was treated as items affecting comparability in the second quarter of 2022.

### Management change

Camilla Monefeldt Kirstein has been appointed President Business Area Food Europe. She will take up her position at the beginning of 2023. The position is currently held on an interim basis by Alberto Zanata, President and CEO, Electrolux Professional.

### Nomination Committee

The Nomination Committee ahead of the 2023 Annual General Meeting of Electrolux Professional was appointed on October 4, 2022 and consists of Petra Hedengran, Chairman, appointed by Investor AB, Joachim Spetz, appointed by Swedbank Robur Funds, Jesper Wilgödt, appointed by Alecta, Suzanne Sandler, appointed by

Handelsbanken Funds and Kai Wärn, Chairman of the Board of Electrolux Professional AB.

### 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.

Net sales for the Parent Company, Electrolux Professional AB, for the period from January 1 to September 30, 2022 amounted to SEK 1,999m (1,664) of which SEK 796m (669) referred to sales to Group Companies and SEK 1,203m (995) to external customers. Income after financial items was SEK 492m (167). Income for the period amounted to SEK 462m (152).

Capital expenditure in tangible and intangible assets was SEK 7m (12). Liquid funds at the end of the period amounted to SEK 631m, as against SEK 391m in the beginning of the year.

Undistributed earnings in the Parent Company at the end of the period amounted to SEK 6,558m, as against SEK 6,263m at the beginning of the year.

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

### 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 31, 2022, no new material risks have been identified.

First page

Message from the CEO

Financial overview

Financial reports

Definitions

Shareholders information

Stockholm, October 27, 2022

Electrolux Professional AB (publ)

Alberto Zanata  
President and CEO

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.

# Sustainable solutions to deliver long-term value for our customers around the world

- › The headlines and reality of increased energy prices are causing concern globally.
- › For the hospitality industry, keeping appliances switched on is a major concern.
- › Efficient and energy-saving products and solutions have long been part of Electrolux Professional's portfolio.

## Wins with dishwashing's low-running costs

Up to  
**34%**  
energy savings



**green&clean** Racktype dishwashers - energy savings of 34%.

## Energy-saving smart cooking features



Our **Induction Cooking System** reduces energy consumption by 60%, compared to traditional cooking tops.

## Sustainable refrigeration with Ecostore



Fridges and freezers run around the clock and as such are a significant source of power use.

The energy-efficient **Ecostore** gives 65% less energy consumption

Up to  
**65%**  
less energy consumption

## Laundry – championing lower consumption



Our **Line 6000 Heat Pump Tumble Dryer** range brings up to 60% energy savings without impacting the drying time compared to a traditional dryer.

[First page](#)

[Message from the CEO](#)

[Financial overview](#)

[Financial reports](#)

[Definitions](#)

[Shareholders information](#)

# Financial reports

## Consolidated statement of total comprehensive income

SEKm	Third quarter		Nine months		Full year
	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
<b>Net sales</b>	<b>2,782</b>	<b>1,935</b>	<b>7,997</b>	<b>5,554</b>	<b>7,862</b>
Cost of goods sold	-1,857	-1,259	-5,348	-3,657	-5,210
<b>Gross operating income</b>	<b>925</b>	<b>675</b>	<b>2,649</b>	<b>1,897</b>	<b>2,653</b>
Selling expenses	-448	-344	-1,327	-995	-1,382
Administrative expenses	-201	-164	-623	-466	-652
Other operating income and expenses	1	16	-27	14	-27
<b>Operating income</b>	<b>277</b>	<b>183</b>	<b>671</b>	<b>451</b>	<b>592</b>
Financial items, net	-22	-5	-25	-14	-4
<b>Income after financial items</b>	<b>255</b>	<b>178</b>	<b>646</b>	<b>436</b>	<b>587</b>
Taxes	-60	-43	-164	-78	-101
<b>Income for the period</b>	<b>195</b>	<b>135</b>	<b>482</b>	<b>358</b>	<b>487</b>
Items that will not be reclassified to income for the period:					
Remeasurement of provisions for post-employment benefits	-231	-9	-146	70	141
Income tax relating to items that will not be reclassified	28	1	14	-9	-18
	<b>-203</b>	<b>-8</b>	<b>-132</b>	<b>61</b>	<b>124</b>
Items that may be reclassified subsequently to income for the period:					
Exchange-rate differences on translation of foreign operations	118	45	393	96	154
<b>Other comprehensive income, net of tax</b>	<b>-85</b>	<b>37</b>	<b>261</b>	<b>156</b>	<b>278</b>
<b>Total comprehensive income for the period</b>	<b>110</b>	<b>172</b>	<b>743</b>	<b>515</b>	<b>764</b>
Income for the period attributable to:					
Shareholders of the Parent Company	195	135	482	358	487
<b>Total</b>	<b>195</b>	<b>135</b>	<b>482</b>	<b>358</b>	<b>487</b>
Total comprehensive income for the period attributable to:					
Shareholders of the Parent Company	110	172	743	515	764
<b>Total</b>	<b>110</b>	<b>172</b>	<b>743</b>	<b>515</b>	<b>764</b>
Earnings per share, SEK					
Basic, SEK	0.68	0.47	1.68	1.25	1.69
Diluted, SEK	0.68	0.47	1.68	1.25	1.69
Average number of shares					
Basic, million	287.4	287.4	287.4	287.4	287.4
Diluted, million	287.4	287.4	287.4	287.4	287.4

First page

Message from the CEO

Financial overview

Financial reports

Definitions

Shareholders information

# Consolidated balance sheet

SEKm	Sep 30, 2022	Sep 30, 2021	Dec 31, 2021
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment, owned	1,556	1,215	1,486
Property, plant and equipment, right-of-use	305	236	318
Goodwill	3,589	1,755	3,068
Other intangible assets	1,095	267	999
Deferred tax assets	453	370	372
Pension plan assets	2	85	165
Other non-current assets	23	26	20
<b>Total non-current assets</b>	<b>7,024</b>	<b>3,954</b>	<b>6,428</b>
<b>Current assets</b>			
Inventories	2,118	1,213	1,416
Trade receivables	2,208	1,489	1,625
Tax assets	115	101	80
Other current assets	312	210	225
Cash and cash equivalents	894	852	836
<b>Total current assets</b>	<b>5,648</b>	<b>3,865</b>	<b>4,182</b>
<b>Total assets</b>	<b>12,672</b>	<b>7,819</b>	<b>10,609</b>
<b>Equity and liabilities</b>			
<b>Equity attributable to shareholders of the Parent Company</b>			
Share capital	29	29	29
Other paid-in capital	5	5	5
Other reserves	550	99	157
Retained earnings	3,517	3,139	3,334
<b>Equity attributable to shareholders of the Parent Company</b>	<b>4,100</b>	<b>3,271</b>	<b>3,525</b>
<b>Total equity</b>	<b>4,100</b>	<b>3,271</b>	<b>3,525</b>
<b>Non-current liabilities</b>			
Long-term borrowings	2,780	600	1,215
Long-term lease liabilities	243	173	251
Deferred tax liabilities	170	119	135
Provisions for post-employment benefits	108	129	125
Other provisions	296	230	270
<b>Total non-current liabilities</b>	<b>3,598</b>	<b>1,252</b>	<b>1,996</b>
<b>Current liabilities</b>			
Trade payables	2,021	1,483	1,814
Tax liabilities	460	373	429
Other liabilities	1,965	1,244	1,597
Short-term borrowings	306	0	1,045
Short-term lease liabilities	72	70	75
Other provisions	150	125	130
<b>Total current liabilities</b>	<b>4,974</b>	<b>3,295</b>	<b>5,088</b>
<b>Total equity and liabilities</b>	<b>12,672</b>	<b>7,819</b>	<b>10,609</b>

First page

Message  
from the CEO

Financial  
overview

Financial  
reports

Definitions

Shareholders  
information

# Change in consolidated equity

SEKm	Nine months		Full year
	Jan–Sep 2022	Jan–Sep 2021	Jan–Dec 2021
<b>Opening balance</b>	<b>3,525</b>	<b>2,784</b>	<b>2,784</b>
<b>Total comprehensive income for the period</b>	<b>743</b>	<b>515</b>	<b>764</b>
Share-based payments	-23	-27	-23
Dividend to shareholders of the Parent Company	-144	-	-
<b>Total transactions with equity holders</b>	<b>-167</b>	<b>-27</b>	<b>-23</b>
<b>Closing balance</b>	<b>4,100</b>	<b>3,271</b>	<b>3,525</b>

[First page](#)

[Message  
from the CEO](#)

[Financial  
overview](#)

[Financial  
reports](#)

[Definitions](#)

[Shareholders  
information](#)

# Consolidated cash flow statement

SEKm	Third quarter		Nine months		Full year
	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
<b>Operations</b>					
Operating income	277	183	671	451	592
Depreciation and amortization	104	69	307	210	295
Other non-cash items	8	-8	52	0	4
Financial items paid, net <sup>1</sup>	-22	-6	-22	-14	-2
Taxes paid	-34	-29	-196	-122	-141
<b>Cash flow from operations, excluding change in operating assets and liabilities</b>	<b>333</b>	<b>209</b>	<b>813</b>	<b>525</b>	<b>746</b>
<b>Change in operating assets and liabilities</b>					
Change in inventories	-118	-39	-543	-109	-139
Change in trade receivables	-180	-31	-447	-206	-216
Change in accounts payable	-44	140	82	187	398
Change in other operating assets, liabilities and provisions	33	94	42	176	312
<b>Cash flow from change in operating assets and liabilities</b>	<b>-309</b>	<b>164</b>	<b>-866</b>	<b>48</b>	<b>355</b>
<b>Cash flow from operations</b>	<b>24</b>	<b>373</b>	<b>-53</b>	<b>573</b>	<b>1,101</b>
<b>Investments</b>					
Acquisition of operations	-	-	4	-	-2,103
Divestment of operations	-35	-	-35	-	-
Capital expenditure in property, plant and equipment	-22	-21	-60	-73	-155
Capital expenditure in other intangibles	-2	-1	-3	-2	-4
Other	-0	26	1	24	31
<b>Cash flow from investments</b>	<b>-59</b>	<b>4</b>	<b>-94</b>	<b>-52</b>	<b>-2,231</b>
<b>Cash flow from operations and investments</b>	<b>-35</b>	<b>377</b>	<b>-147</b>	<b>522</b>	<b>-1,130</b>
<b>Financing</b>					
Change in short-term borrowings, net <sup>2</sup>	-1,160	-253	-1,119	-385	656
New long-term borrowings	1,534	-	1,534	-	615
Amortization of long-term borrowings	-0	-0	-0	-0	-0
Payment of lease liabilities	-19	-18	-60	-56	-74
Dividend	-	-	-144	-	-
Share-based payments	-	-	-33	-30	-30
<b>Cash flow from financing</b>	<b>355</b>	<b>-272</b>	<b>178</b>	<b>-471</b>	<b>1,166</b>
<b>Total cash flow</b>	<b>320</b>	<b>106</b>	<b>31</b>	<b>51</b>	<b>36</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>581</b>	<b>743</b>	<b>836</b>	<b>797</b>	<b>797</b>
Exchange-rate differences referring to cash and cash equivalents	-7	3	27	4	3
<b>Cash and cash equivalents at end of period</b>	<b>894</b>	<b>852</b>	<b>894</b>	<b>852</b>	<b>836</b>

1) For the period January 1 to September 30: interest and similar items received SEK 7.6m (2.5), interest and similar items paid SEK -24.1m (-6.2) and other financial items received/paid SEK 1.9m (-5.1). Interest paid for lease liabilities SEK -7.4m (-5.3).

2) Of which short-term loans with a duration of more than 3 months for the period January 1 to September 30; new loans SEK 5,254m (277), repaid loans SEK -6,372m (-661)

First page

Message from the CEO

Financial overview

Financial reports

Definitions

Shareholders information

# Alternative performance measures key figures

SEKm, if not otherwise stated	Third quarter		Nine months		Full year
	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Net sales	2,782	1,935	7,997	5,554	7,862
Organic growth, %*	15.8	12.8	18.4	9.1	10.6
EBITA*	317	199	786	499	663
EBITA margin, %*	11.4	10.3	9.8	9.0	8.4
EBITA excl. items affecting comparability* <sup>1</sup>	317	199	821	499	663
EBITA margin excl. items affecting comparability, %* <sup>1</sup>	11.4	10.3	10.3	9.0	8.4
Operating income*	277	183	671	451	592
Operating margin, %*	10.0	9.5	8.4	8.1	7.5
Operating income excl. items affecting comparability* <sup>1</sup>	277	183	706	451	592
Operating margin excl. items affecting comparability, %* <sup>1</sup>	10.0	9.5	8.8	8.1	7.5
Income after financial items	255	178	646	436	587
Income for the period	195	135	482	358	487
Capital expenditure*	-24	-22	-63	-75	-159
Operating cash flow after investments*	56	412	102	657	1,116
Earnings per share, SEK <sup>2</sup>	0.68	0.47	1.68	1.25	1.69
Net debt*	n/a	n/a	2,711	33	1,705
EBITDA* <sup>3</sup>	n/a	n/a	1,204	860	886
Net debt/EBITDA ratio*	n/a	n/a	2.3	0.0	1.9
Operating working capital % of net sales* <sup>4</sup>	n/a	n/a	15.6	16.0	14.9
Average number of shares, million <sup>2</sup>	287.4	287.4	287.4	287.4	287.4
Number of employees, end of period	4,030	3,408	4,030	3,408	3,973

\*) Alternative performance measures used in this report are explained on pages 24–25.

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.

First page

Message from the CEO

Financial overview

Financial reports

Definitions

Shareholders information

# Quarterly data

SEKm	Q3, 2022	Q2, 2022	Q1, 2022	Full year, 2021	Q4, 2021	Q3, 2021	Q2, 2021	Q1, 2021
<b>Food &amp; Beverage</b>								
Net sales	1,840	1,949	1,597	4,704	1,377	1,211	1,210	905
EBITA	194	195	129	299	41	127	110	21
EBITA margin, %	10.5	10.0	8.1	6.4	3.0	10.5	9.1	2.3
Amortization	-36	-33	-33	-55	-19	-12	-12	-12
Operating income	158	162	96	244	22	115	98	9
Operating margin, %	8.6	8.3	6.0	5.2	1.6	9.5	8.1	1.0
<b>Laundry</b>								
Net sales	942	782	887	3,159	932	723	748	756
EBITA	163	82	154	492	153	110	117	111
EBITA margin, %	17.3	10.4	17.4	15.6	16.5	15.2	15.7	14.7
Amortization	-4	-4	-5	-17	-4	-4	-4	-4
Operating income	158	78	149	475	149	106	113	107
Operating margin, %	16.8	9.9	16.8	15.0	16.0	14.7	15.1	14.1
Group common costs	-39	-44	-47	-128	-30	-39	-30	-28
<b>Total Group</b>								
Net sales	2,782	2,731	2,484	7,862	2,309	1,935	1,958	1,661
EBITA	317	233	236	663	164	199	197	103
EBITA margin, %	11.4	8.5	9.5	8.4	7.1	10.3	10.1	6.2
Amortization	-40	-37	-37	-72	-24	-16	-16	-16
Operating income	277	196	199	592	141	183	181	88
Operating margin, %	10.0	7.2	8.0	7.5	6.1	9.5	9.2	5.3
Financial items, net	-22	-8	5	-4	10	-5	-5	-4
Income after financial items	255	188	203	587	151	178	176	83
Income for the period	195	132	155	487	129	135	168	55
Earnings per share, SEK <sup>1</sup>	0.68	0.46	0.54	1.69	0.45	0.47	0.58	0.19

1) Basic number of outstanding shares.

First page

Message from the CEO

Financial overview

Financial reports

Definitions

Shareholders information

# Items affecting comparability

SEKm	Q3, 2022	Q2, 2022 <sup>1</sup>	Q1, 2022	Full year 2021	Q4, 2021	Q3, 2021	Q2, 2021	Q1, 2021
Food & Beverage	-	-16	-	-	-	-	-	-
Laundry	-	-19	-	-	-	-	-	-
<b>Total Group</b>	<b>-</b>	<b>-35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

1) Costs related to divesting the operation in Russia, included in the line item other operating income and expenses.

SEKm	Q3, 2022	Q2, 2022	Q1, 2022	Full year 2021	Q4, 2021	Q3, 2021	Q2, 2021	Q1, 2021
<b>Total Group</b>								
Operating income excl. items affecting comparability	277	231	199	592	141	183	181	88
Operating margin excl. items affecting comparability, %	10.0	8.5	8.0	7.5	6.1	9.5	9.2	5.3
EBITA excl. items affecting comparability	317	268	236	663	164	199	197	103
EBITA margin excl. items affecting comparability, %	11.4	9.8	9.5	8.4	7.1	10.3	10.1	6.2

First page

## Shares

Number of shares	A-shares	B-shares	Shares total
Number of shares as of January 1, 2022	8,047,982	279,349,468	287,397,450
Conversion of shares	-2,213	2,213	-
<b>Number of shares as of September 30, 2022</b>	<b>8,045,769</b>	<b>279,351,681</b>	<b>287 397 450</b>

Message  
from the CEO

Financial  
overview

Financial  
reports

Definitions

Shareholders  
information

## Exchange rates

SEK	Sep 30, 2022		Sep 30, 2021		Dec 31, 2021	
	Average	End of period	Average	End of period	Average	End of period
CNY	1.50	1.57	1.31	1.36	1.33	1.42
CZK	0.4268	0.4440	0.3934	0.3988	0.3950	0.4111
DKK	1.41	1.47	1.36	1.37	1.36	1.38
EUR	10.52	10.90	10.15	10.17	10.15	10.24
GBP	12.40	12.34	11.71	11.82	11.78	12.21
JPY	0.0776	0.0773	0.0781	0.0784	0.0781	0.0785
NOK	1.05	1.03	0.99	1.00	1.00	1.03
RUB*	0.1431	0.1831	0.1144	0.1206	0.1159	0.1207
THB	0.2856	0.2960	0.2694	0.2592	0.2685	0.2705
TRY	0.64	0.60	1.04	0.99	0.98	0.70
USD	9.92	11.18	8.48	8.78	8.57	9.04

\*) The end of period exchange rate, September 30, 2022, for Russian ruble it is from the data provider Millistream, all other end of period rates are from the European Central Bank.

# Condensed Parent company income statement

SEKm	Third quarter		Nine months		Full year
	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
<b>Net sales</b>	<b>773</b>	<b>550</b>	<b>1,999</b>	<b>1,664</b>	<b>2,364</b>
Cost of goods sold	-527	-385	-1,412	-1,175	-1,691
<b>Gross operating income</b>	<b>246</b>	<b>165</b>	<b>587</b>	<b>489</b>	<b>673</b>
Selling expenses	-99	-76	-293	-252	-349
Administrative expenses	-59	-52	-184	-157	-185
Other operating income and expenses	6	1	2	3	11
<b>Operating income</b>	<b>94</b>	<b>38</b>	<b>112</b>	<b>83</b>	<b>150</b>
Financial Income and expenses	111	80	390	84	-369
Impairment of shares in subsidiaries	-	-	-10	-	-
<b>Financial items, net</b>	<b>111</b>	<b>80</b>	<b>380</b>	<b>84</b>	<b>369</b>
<b>Income after financial items</b>	<b>205</b>	<b>118</b>	<b>492</b>	<b>167</b>	<b>519</b>
Appropriations	-	-	-	-	5
<b>Income before taxes</b>	<b>205</b>	<b>118</b>	<b>492</b>	<b>167</b>	<b>524</b>
Taxes	-17	-3	-30	-15	-35
<b>Income for the period</b>	<b>188</b>	<b>115</b>	<b>462</b>	<b>152</b>	<b>489</b>

First page

Message  
from the CEO

Financial  
overview

Financial  
reports

Definitions

Shareholders  
information

# Condensed Parent company balance sheet

SEKm	Sep 30, 2022	Sep 30, 2021	Dec 31, 2021
<b>Assets</b>			
Non-current assets	9,748	6,867	9,281
Current assets	2,283	1,640	1,534
<b>Total assets</b>	<b>12,031</b>	<b>8,507</b>	<b>10,815</b>
<b>Equity and liabilities</b>			
Restricted equity	43	48	44
Non-restricted equity	6,558	5,918	6,263
<b>Total equity</b>	<b>6,601</b>	<b>5,966</b>	<b>6,307</b>
Untaxed reserves	108	114	108
Provisions	99	92	95
Non-current liabilities	2,780	600	1,215
Current liabilities	2,443	1,735	3,090
<b>Total equity and liabilities</b>	<b>12,031</b>	<b>8,507</b>	<b>10,815</b>

# 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 2021.

Turkey is regarded as a hyperinflation economy and accordingly Electrolux Professional has ana-

lysed if hyperinflation accounting in accordance with IAS 29 should be applied. Considering that Turkey corresponds to less than 1% of the Group's total assets, the effect has been considered as immaterial.

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.

## 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	Third quarter		Nine months	
	Jul-Sep 2022*	Jul-Sep 2021	Jan-Sep 2022*	Jan-Sep 2021
<b>Geographical region</b>				
Europe	1,502	1,317	4,630	3,893
Asia-Pacific, Middle East and Africa	347	275	991	834
Americas	931	342	2,375	826
<b>Total</b>	<b>2,781</b>	<b>1,935</b>	<b>7,995</b>	<b>5,554</b>

\*) Includes sales from Unified Brands which was acquired in December 2021.

First page

Message from the CEO

Financial overview

Financial reports

Definitions

Shareholders information

## NOTE 3 FAIR VALUES AND CARRYING AMOUNTS OF FINANCIAL ASSETS AND LIABILITIES

SEKm	Hierarchy level	Sep 30, 2022		Sep 30, 2021		Dec 31, 2021	
		Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount
<b>Per category</b>							
Financial assets at fair value through profit and loss	3	0	0	0	0	0	0
Financial assets measured at amortized cost		3,103	3,103	2,341	2,341	2,461	2,461
Derivatives, financial assets at fair value through profit and loss	2	44	44	16	16	13	13
<b>Total financial assets</b>		<b>3,146</b>	<b>3,146</b>	<b>2,357</b>	<b>2,357</b>	<b>2,474</b>	<b>2,474</b>
Financial liabilities measured at amortized cost		5,116	5,107	2,082	2,084	4,072	4,073
Derivatives, financial liabilities at fair value through profit and loss	2	136	136	13	13	5	5
<b>Total financial liabilities</b>		<b>5,252</b>	<b>5,243</b>	<b>2,095</b>	<b>2,096</b>	<b>4,077</b>	<b>4,078</b>

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 observable 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.

First page

Message from the CEO

Financial overview

Financial reports

Definitions

Shareholders information

## NOTE 4 CONTINGENT LIABILITIES

SEKm		Sep 30, 2022	Sep 30, 2021	Dec 31, 2021
Group				
Guarantees and other commitments		10	125	9

## NOTE 5 COVID-19 AND RUSSIA'S WAR ON UKRAINE

### Covid-19

As of September 30, 2022 the amount of government grants and assistance, related to covid-19, recognized in profit or loss is SEK 0m (1) for the quarter and SEK 0m (31) year to date. The government grants received in 2021 refers mainly to short-term furlough of personnel.

### Russia's war on Ukraine

Electrolux Professional has concluded that business continuity in Russia, under the current circumstances, is no longer feasible. As a consequence of this the legal entity Electrolux Professional Russia, was divested to former local management as of July 14, 2022.

A one-time cost of SEK 35m has been included in the second quarter 2022 and a negative cash flow impact of SEK 35m in the third quarter.

## NOTE 6 ACQUIRED OPERATIONS

### Acquisitions in 2022

During the first quarter an adjustment of the purchase price for Unified Brands was agreed with the seller. The amount was SEK 3.6m and has decreased the recognised goodwill. The cash was received in the second quarter 2022.

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

### Acquisitions in 2021

For acquisitions in 2021 see note 6 in the Year-end report and note 25 in the Annual Report 2021.

First page

Message from the CEO

Financial overview

Financial reports

Definitions

Shareholders information

# Operations by segment yearly

SEKm	2021	2020	2019	2018	2017
<b>Food &amp; Beverage</b>					
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
<b>Laundry</b>					
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
<b>Group common cost</b>					
Operating income	-128	-100	-18	-14	-11
<b>Total Group</b>					
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

First page

Message  
from the CEO

Financial  
overview

Financial  
reports

Definitions

Shareholders  
information

## Items affecting comparability yearly

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

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	-	<b>-77</b>	<b>-32</b>	-	-
Capital expenditure	-159	<b>-273</b>	<b>-257</b>	<b>-169</b>	<b>-167</b>
Operating cash flow after investments	1,116	570	1,138	1,131	1,167
Earnings per share, SEK <sup>1</sup>	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
Operating working capital % of net sales <sup>2</sup>	14.9	19.9	17.7	16.3	13.8
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.

2) Last twelve months currency adjusted.

# 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/](http://www.electroluxprofessional.com/corporate/interim-reports/)

APM	Definition	Reason for use
Organic growth %	Change in sales growth excluding net FX impact, acquisitions and divestments.	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 or divested business can have an impact on reported net sales. Organic growth adjusted for acquisitions, divestments 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.
Divestments %	Change in net sales during the current period attributable to divested operation in relation to prior period’s sales, following a period of 12 months commencing on the divestment 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.

First page

Message from the CEO

Financial overview

Financial reports

Definitions

Shareholders information

APM	Definition	Reason for use
<b>Operating margin excluding items affecting comparability</b>	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.
<b>Capital expenditure</b>	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.
<b>EBITA</b>	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.
<b>EBITA margin</b>	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.
<b>EBITDA</b>	EBITA less depreciation of tangible assets (including right of use assets).	EBITDA is an indicator for business' cash generating capacity in relation to sales.
<b>EBITA excluding items affecting comparability</b>	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.
<b>EBITA margin excluding items affecting comparability</b>	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.
<b>Operating cash flow after investments</b>	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.
<b>Net debt</b>	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
<b>Net debt/EBITDA</b>	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.
<b>Operating working capital, % of net sales</b>	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.

First page

Message from the CEO

Financial overview

Financial reports

Definitions

Shareholders information

# Shareholders information

## President and CEO Alberto Zanata's comments on the third quarter results 2022

Today's press release is available on the Electrolux Professional website [www.electroluxprofessional.com/corporate](http://www.electroluxprofessional.com/corporate)

## Telephone conference 09.00 CET

A telephone conference is held at 09.00 today, October 27. 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 8 505 100 31

Participants in UK/Europe: +44 207 107 0613

Participants in US: +1 631 570 5613

## Slide presentations for download:

[www.electroluxprofessional.com/corporate](http://www.electroluxprofessional.com/corporate)

## Link to webcast:

<https://electroluxprofessional.creos.se/221027>

## For further information, please contact:

Jacob Broberg, Chief Communication & Investor Relations Officer, +46 70 190 00 33



## Financial calendar

### Date

Investor Day in Italy	November 14-15, 2022
Interim report Q4 2022	January 31, 2023
Interim report Q1 2023	April 25, 2023
Annual General Meeting	April 26 2023

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 October 27, 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.

First page

Message from the CEO

Financial overview

Financial reports

Definitions

Shareholders information



## 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 12 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](http://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.



Electrolux Professional AB (publ), 556003-0354  
Postal and visiting address: Franzéngatan 6,  
SE-112 51 Stockholm, Sweden  
Telephone: +46 8 41056450

Website: [www.electroluxprofessional.com/corporate](http://www.electroluxprofessional.com/corporate)