



Electrolux  
Professional  
Group



# Q4

## Year-end report

### Fourth quarter, October–December 2022

- > Net sales amounted to SEK 3,040m (2,309). Sales increased by 31.7%. Organically sales increased by 13.4%. The acquisition of Unified Brands contributed with 10.3%. Currency had a positive effect of 9.6%, and the divestment of the Russian business had an effect of -1.7%.
- > EBITA amounted to SEK 324m (164), corresponding to a margin of 10.7% (7.1).
- > Operating income amounted to SEK 284m (141), corresponding to a margin of 9.3% (6.1).
- > Operating cash flow after investments amounted to SEK 533m (459).
- > Income for the period amounted to SEK 204m (129), and earnings per share was SEK 0.71 (0.45). Income for the year amounted to SEK 686m (487), and earnings per share was SEK 2.39 (1.69).
- > The Board proposes a dividend of SEK 0.70 (0.50) per share.

[First page](#)

[Message from the CEO](#)

[Financial overview](#)

[Financial reports](#)

[Definitions](#)

[Shareholders information](#)

### Key ratios

SEKm	Fourth quarter			Full year		
	Oct-Dec 2022	Oct-Dec 2021	Change, %	Jan-Dec 2022	Jan-Dec 2021	Change, %
Net sales	3,040	2,309	31.7	11,037	7,862	40.4
EBITA*	324	164	97.3	1,111	663	67.4
EBITA margin, %*	10.7	7.1		10.1	8.4	
Operating income*	284	141	101.9	955	592	61.5
Operating margin, %*	9.3	6.1		8.7	7.5	
Income after financial items	248	151	64.6	895	587	52.3
Income for the period	204	129	58.8	686	487	40.9
Earnings per share, SEK <sup>1</sup>	0.71	0.45		2.39	1.69	
Operating cash flow after investments*	533	459		636	1,116	
Operating working capital % of net sales*	n/a	n/a		16.7	14.9	

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

1) Basic number of outstanding shares.

# A solid fourth quarter and 2022



**Alberto Zanata,**  
President and CEO

Sales in the quarter increased organically by 13.4% compared to last year and grew 31.7% in total, including the acquired Unified Brands business, the positive impact from currency, and excluding the divestment of the Russian business. Organic sales growth was strong in all regions and the order stock remains at a healthy level.

EBITA for the fourth quarter doubled and amounted to SEK 324m (164) with a corresponding margin of 10.7% (7.1). The higher EBITA was primarily driven by price increases that now are fully compensating raw material cost increases, the contribution from Unified Brands, and increased sales of Laundry.

Operating cash flow after investments in the quarter amounted to SEK 533m (459), supported by a decrease in inventory and trade receivables. Net debt/EBITDA improved significantly and is now at 1.5, compared to 2.3 at the end of the third quarter.

Laundry was very strong with an organic sales growth of 19.4% and an EBITA margin of 18.4% (16.5). The growth was driven by continued good demand, primarily in the US and Europe. Order intake was strong.

Food & Beverage had an organic sales growth of 9.5%, with an EBITA margin of 8.5% (3.0). Although order intake for Food & Beverage was better in the fourth quarter than in the third quarter, demand in Europe remains relatively soft.

The Unified Brands acquisition in December 2021 has delivered sales growth

exceeding our expectations, with an EBITA margin being accretive to the Group margin. Further opportunities for cost as well as sales synergies remain.

Electrolux Professional Group is the sustainability leader in our industry. This was again underlined when we recently achieved the highest ranking among the listed companies in our industry on both the climate change list, Carbon Disclosure Project (CDP), and the environmental, social, and corporate governance (ESG) risk rating by Sustainalytics.

In summary, 2022 has been a good year for Electrolux Professional Group despite the uncertain geopolitical situation, high inflation and component shortages. The recovery after the pandemic has continued, and we have significantly strengthened our position in Food in the US, and the Laundry segment continue to demonstrate strength. In parallel, we have also implemented a new organization that reinforces business ownership and agility in the company.

This means that we remain cautiously optimistic heading into 2023. However, as we have previously communicated, the general economic uncertainty, inflation, and negative consumer sentiment still gives reason to be careful and prepared for various scenarios.

**Alberto Zanata,**  
President and CEO

First page

Message  
from the CEO

Financial  
overview

Financial  
reports

Definitions

Shareholders  
information

**// 2022 has been a good year for Electrolux Professional Group. The recovery after the pandemic has continued, and we have significantly strengthened our position in Food in the US, and the Laundry segment continue to demonstrate strength. //**

# Financial overview

## Fourth quarter development

### Net sales

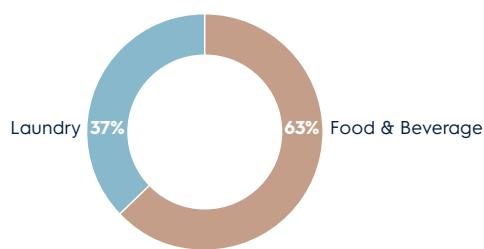
Net sales for the fourth quarter amounted to SEK 3,040m (2,309), an increase of 31.7% compared to the same period last year. Organically, sales increased by 13.4%. The acquisition of Unified Brands contributed by 10.3%, currency had a positive effect of 9.6% while the divestment of the Russian operations had a negative effect of 1.7%.

The sales increase was driven by a continued comeback of the hospitality industry as well as price increases. Sales of Food & Beverage increased organically by 9.5%. Sales of Laundry increased organically by 19.4%. Organically, sales in both Europe and Americas increased approximately 14%, and by 11% in Asia-Pacific, Middle East and Africa.

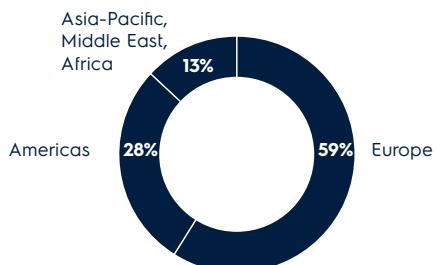
Changes in net sales, %	Oct-Dec 2022	Oct-Dec 2021
Organic growth*	13.4	14.2
Acquisitions*	10.3	5.1
Divestments	-1.7	-
Changes in exchange rates	9.6	-
<b>Total</b>	<b>31.7</b>	<b>19.3</b>

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

### Share of sales by segment, October–December 2022



### Share of sales by region, October–December 2022



### Operating income and EBITA

Operating income excluding amortization of intangible assets (EBITA) amounted to SEK 324m (164), corresponding to a margin of 10.7% (7.1). Operating income amounted to SEK 284m (141), corresponding to a margin of 9.3% (6.1). The higher margin was driven by the contribution from Unified Brands, and increased sales of Laundry. 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 -36m (10). The increase in financial net is due to higher interest rates and indebtedness as a result of the acquisition of Unified Brands.

### Income for the period

Income for the period amounted to SEK 204m (129), corresponding to SEK 0.71 (0.45) in earnings per share.

Income tax for the period amounted to SEK -44m (-22). The tax rate for the fourth quarter was 17.9% (14.9).

### Group common cost

Group common cost was SEK -47m (-30). The increase is mainly due to projects and advisory costs.

## Development during the year, January–December 2022

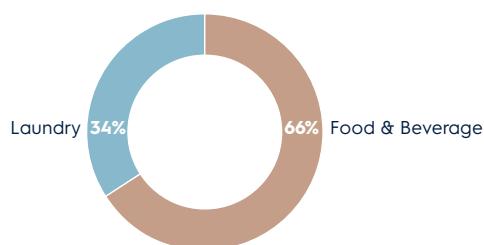
### Net sales

Net sales for January–December amounted to SEK 11,037m (7,862), an increase of 40.4% compared to the same period last year. Organically, sales increased by 16.9%, acquisitions contributed by 17.2%, currency contributed by 7.1% while the divestment of the Russian operations had an effect of -0.8%.

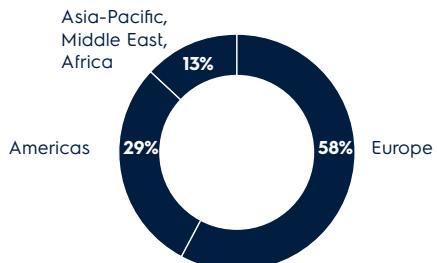
The organic sales increase was driven by an increased demand as pandemic restrictions were eased at the beginning of the year and a comeback of the hospitality industry as well as price increases. Sales of Food & Beverage increased organically by 17.4%. Sales of Laundry increased organically by 16.2%. Sales in Europe increased by approximately 15%, in Americas by 29% excluding the acquisition of Unified Brands, and in Asia-Pacific, Middle East and Africa by 11%.

Changes in net sales, %	Jan-Dec 2022	Jan-Dec 2021
Organic growth	16.9	10.6
Acquisitions	17.2	1.4
Divestments	-0.8	-
Changes in exchange rates	7.1	-3.7
<b>Total</b>	<b>40.4</b>	<b>8.2</b>

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



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



### Operating income and EBITA

Operating income excluding amortization of intangible assets (EBITA) amounted to SEK 1,111m (663), corresponding to a margin of 10.1% (8.4). Operating income amounted to SEK 955m (592), corresponding to a margin of 8.7% (7.5). The higher operating income is due to higher sales volumes, price, and the contribution from Unified Brands. Operating income also includes SEK -35m related to the divestment of the Russian business.

### Financial net

Net financial items amounted to SEK -61m (-4). The increase in financial net is due to higher interest rates and indebtedness as a result of the acquisition of Unified Brands.

### Income for the period

Income for the period amounted to SEK 686m (487), corresponding to SEK 2.39 (1.69) in earnings per share. Income tax for the period amounted to SEK -209m (-101). The tax rate was 23.3% (17.1). The tax rate in 2021 was positively affected by a fiscal revaluation of assets in Italy.

### Group common cost

Group common cost was SEK -177m (-128). The increase is mainly due to projects and increased employee and advisory costs.

[First page](#)

[Message from the CEO](#)

[Financial overview](#)

[Financial reports](#)

[Definitions](#)

[Shareholders information](#)



## Segment Food & Beverage

In the fourth quarter, sales for Food & Beverage were SEK 1,904m (1,377), an increase of 38.2% compared to the same period last year. Organically sales increased by 9.5% and currency had a positive effect of 13.3%. The acquisition of Unified Brands contributed by 17.0%, while the divestment of the Russian operations had a negative impact of 1.6%.

Sales increased by approximately 12% in Europe, by 8% in Asia-Pacific, Middle East and Africa, and by 4% in Americas. Unified Brands was consolidated as of December 1, 2021, but comparing the period October–December 2021 (not part of the Group October–November), the business grew by 20% during the fourth quarter of 2022.

Operating income excluding amortization of intangible assets (EBITA) amounted to SEK 162m (41), corresponding to a margin of 8.5% (3.0).

Operating income amounted to SEK 126m (22), corresponding to a margin of 6.6% (1.6).

### Sales and EBITA margin



First page

Message from the CEO

Financial overview

Financial reports

Definitions

Shareholders information

SEKm	Fourth quarter			Full year		
	Oct-Dec 2022	Oct-Dec 2021	Change, %	Jan-Dec 2022	Jan-Dec 2021	Change, %
Net sales	1,904	1,377	38.2	7,290	4,704	55.0
Organic growth, %	9.5	21.6	-	17.4	14.3	-
Acquisitions, %	17.0	9.5	-	28.3	2.5	-
Divestments, %	-1.6	-	-	-0.9	-	-
Changes in exchange rates, %	13.3	0.4	-	10.3	-4.7	-
EBITA	162	41	292.8	679	299	127.3
EBITA margin, %	8.5	3.0	-	9.3	6.4	-
Operating income	126	22	475.3	542	244	121.9
Operating margin, %	6.6	1.6	-	7.4	5.2	-



## Segment Laundry

In the fourth quarter, sales for Laundry were SEK 1,136m (932), an increase of 22.0% compared to the same period last year. Organically sales increased by 19.4% and currency had a positive effect of 4.2%, while the divestment of the Russian operations had a negative impact of 1.6%

Sales increased by approximately 35% in Americas, by 17% in Europe, and by 14% in Asia-Pacific, Middle East and Africa.

Operating income excluding amortization of intangible assets (EBITA) amounted to SEK 209m (153), corresponding to a margin of 18.4% (16.5).

Operating income amounted to SEK 205m (149), corresponding to a margin of 18.0% (16.0).

**Sales and EBITA margin**



First page

Message from the CEO

Financial overview

Financial reports

Definitions

Shareholders information

SEKm	Fourth quarter			Full year		
	Oct-Dec 2022	Oct-Dec 2021	Change, %	Jan-Dec 2022	Jan-Dec 2021	Change, %
Net sales	1,136	932	22.0	3,747	3,159	18.6
Organic growth, %	19.4	5.4	-	16.2	5.5	-
Divestments, %	-1.6	-	-	-0.7	-	-
Changes in exchange rates, %	4.2	-0.5	-	3.2	-2.5	-
EBITA	209	153	36.3	608	492	23.6
EBITA margin, %	18.4	16.5	-	16.2	15.6	-
Operating income	205	149	37.3	590	475	24.2
Operating margin, %	18.0	16.0	-	15.7	15.0	-

## Net sales, EBITA and operating income by segment

SEKm	Fourth quarter		Full year	
	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
<b>Food &amp; Beverage</b>				
Net sales	1,904	1,377	7,290	4,704
EBITA	162	41	679	299
Amortization	-36	-19	-137	-55
Operating income	126	22	542	244
<b>Laundry</b>				
Net sales	1,136	932	3,747	3,159
EBITA	209	153	608	492
Amortization	-4	-4	-18	-17
Operating income	205	149	590	475
<b>Group common costs</b>				
EBITA	-47	-30	-176	-127
Amortization	-0	-0	-1	-1
Operating income	-47	-30	-177	-128
<b>Total Group</b>				
Net sales	3,040	2,309	11,037	7,862
EBITA	324	164	1,111	663
Amortization	-40	-24	-155	-72
Operating income	284	141	955	592
Financial items, net	-36	10	-61	-4
Income after financial items	248	151	895	587
Taxes	-44	-22	-209	-101
Income for the period	204	129	686	487

First page

Message  
from the CEO

Financial  
overview

Financial  
reports

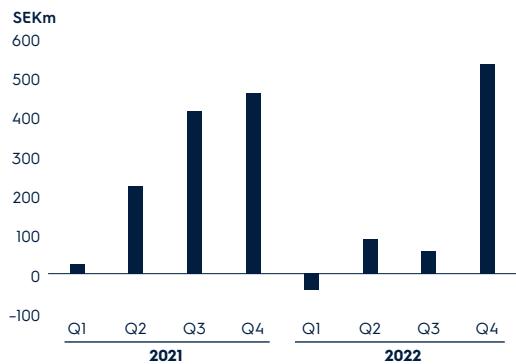
Definitions

Shareholders  
information

## Cash flow

Operating cash flow after investments amounted to SEK 533m (459) in the quarter. Inventory and trade receivables decreased.

### Operating cash flow after investments



SEKm	Fourth quarter		Full year	
	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Operating income	284	141	955	592
Depreciation	66	61	258	223
Amortization	40	24	155	72
Other non-cash items	-5	3	47	4
<b>Operating income adjusted for non-cash items</b>	<b>386</b>	<b>229</b>	<b>1,416</b>	<b>890</b>
Change in inventories	110	-30	-433	-139
Change in trade receivables	169	-10	-277	-216
Change in accounts payable	6	211	88	398
Change in other operating assets, liabilities and provisions	-79	136	-37	312
<b>Operating cash flow</b>	<b>592</b>	<b>536</b>	<b>757</b>	<b>1,245</b>
Investments in tangible and intangible assets	-76	-84	-139	-159
Changes in other investments	17	7	18	31
<b>Operating cash flow after investments</b>	<b>533</b>	<b>459</b>	<b>636</b>	<b>1,116</b>

## Operating working capital

Inventory and trade receivables decreased in the quarter, but operating working capital as percentage of rolling 12 months net sales amounted to 16.7% in the fourth quarter compared 15.6% in the third quarter of 2022.

### Operating working capital as percentage of rolling 12 months net sales



First page

Message from the CEO

Financial overview

Financial reports

Definitions

Shareholders information

## Financial position

### Net debt

As of December 31, 2022, Electrolux Professional Group had a financial net debt position (excluding lease liabilities and post-employment provisions) of SEK 1,643m compared to SEK 1,418m as of December 31, 2021. Lease liabilities amounted to SEK 304m and net provisions for post-employment benefits amounted to SEK 103m.

In total, net debt amounted to SEK 2,050m as of December 31, 2022, compared to SEK 1,705m as of December 31, 2021.

Long-term borrowings amounted to SEK 2,824m. Short-term borrowings amounted to SEK 69m. Total borrowings amounted to SEK 2,894m compared to SEK 2,268m as of December 31, 2021. Total borrowings have been negatively impacted by currency revaluation.

Liquid funds as of December 31, 2022, amounted to SEK 1,251m compared to SEK 849m as of December 31, 2021.

### Credit facilities and loans

Electrolux Professional Group 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 December 31, 2022, the revolving credit facility was unutilized.

## Net debt

SEKm	Dec 31, 2022	Dec 31, 2021
Short-term loans	7	1,045
<b>Short-term borrowings</b>	<b>7</b>	<b>1,045</b>
Financial derivative liabilities	54	5
Accrued interest expenses and prepaid interest income	8	3
<b>Total short-term borrowings</b>	<b>69</b>	<b>1,053</b>
Long-term loans	2,824	1,215
<b>Total long-term borrowings</b>	<b>2,824</b>	<b>1,215</b>
<b>Total borrowings<sup>1</sup></b>	<b>2,894</b>	<b>2,268</b>
Cash and cash equivalents	898	836
Short-term investments	200	–
Financial derivative assets	152	13
Prepaid interest expenses and accrued interest income	1	1
<b>Liquid funds</b>	<b>1,251</b>	<b>849</b>
<b>Financial net debt</b>	<b>1,643</b>	<b>1,418</b>
Lease liabilities	304	326
Net provisions for post-employment benefits	103	–39
<b>Net debt*</b>	<b>2,050</b>	<b>1,705</b>
Net debt/EBITDA ratio*	1.5	1.9
EBITDA*	1,369	886

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

1) Whereof interest-bearing borrowings amounting to SEK 2,832m as of December 31, 2022, 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

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. 455 shares were converted in the fourth quarter. The total number of registered shares in the company on December 31, 2022 amounted to 287,397,450 of which 8,045,314 are Series A and 279,352,136 are Series B. The total number of votes amounted to 35,980,527.6.

### Employees

The number of employees at the end of the quarter was 4,022 (3,973).

### 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.

### Annual General Meeting

The 2023 Annual General Meeting will be held on April 26, 2023 at 15.00 at hotel Courtyard by Marriott, Rålambshovsleden 50, Stockholm. Shareholders may exercise their voting rights also by postal voting in accordance with the provisions of Electrolux Professional's Articles of Association

### Proposed dividend

The Board of Directors proposes to distribute a dividend to the shareholders of SEK 0.70 (0.50) per share for the 2022 financial year corresponding to 30% of profit for the year. This is in line with the policy to pay approximately 30% of net income in dividend. The proposed date for the record is April 28, 2023 and payment is expected to be made on May 4, 2023.

## 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 December 31, 2022 amounted to SEK 2,963m (2,364) of which SEK 1,158m (908) referred to sales to Group Companies and SEK 1,805m (1,456) to external customers. Income after financial items was SEK 431m (519). Income for the period amounted to SEK 392m (489).

Electrolux Professional AB has in the fourth quarter impaired SEK 467m related to some of its investments in subsidiaries. The main reasons are higher discount rates as well as a change in the transfer pricing model reducing future profits in specific companies.

Capital expenditure in tangible and intangible assets was SEK 21m (42). Cash and cash equivalents at the end of the period, including short term investments, amounted to SEK 877m, 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 6,495m, 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.

[First page](#)

[Message from the CEO](#)

[Financial overview](#)

[Financial reports](#)

[Definitions](#)

[Shareholders information](#)

## Risk and uncertainty factors

Electrolux Professional Group 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 Group 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.

However, Russia's continued war on Ukraine, general political instability, global turmoil, uncertainty and war can impact the business environment, both in a specific country as well as globally, having impact on supply chain, transportation, demand and accessible markets.

Stockholm, January 31, 2023

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.

# The corporate brand Electrolux Professional Group introduced



**Electrolux  
Professional  
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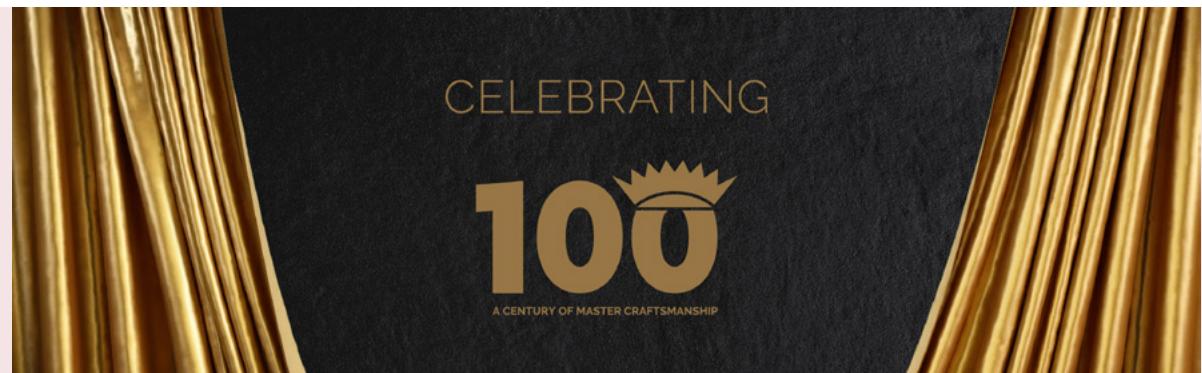
To clarify the roles of Electrolux Professional, both as a company, and a business brand, the corporate brand Electrolux Professional Group is being introduced. This will also support the development of our other brands.

The majority of sales remain under the Electrolux Professional brand, with its integrated offer of products and services across all categories, while the other brands will add "part of Electrolux Professional Group" when needed and to support the strength of being part of a larger Group.



**Crathco**

Part of  Electrolux Professional Group



First page

Message  
from the CEO

Financial  
overview

Financial  
reports

Definitions

Shareholders  
information

## Molteni - a century of master craftsmanship

2023 marks the celebration of a century of master craftsmanship for Molteni, the Electrolux Professional Group brand of luxury professional stoves, used by famous Michelin chefs all over the world.

Few brands in the world of professional cooking are as respected as Molteni, part of the Electrolux Professional Group. Each Molteni stove is hand-crafted and assembled in our workshop in Saint-Vallier, in the south of France.



Molteni stoves are at the heart of many of the world's most renowned restaurants and a popular choice for luxury hotels globally.



# Financial reports

## Consolidated statement of total comprehensive income

SEKm	Fourth quarter		Full year	
	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
<b>Net sales</b>	<b>3,040</b>	<b>2,309</b>	<b>11,037</b>	<b>7,862</b>
Cost of goods sold	-2,072	-1,553	-7,421	-5,210
<b>Gross operating income</b>	<b>968</b>	<b>756</b>	<b>3,616</b>	<b>2,653</b>
Selling expenses	-502	-387	-1,829	-1,382
Administrative expenses	-195	-186	-819	-652
Other operating income and expenses	14	-41	-13	-27
<b>Operating income</b>	<b>284</b>	<b>141</b>	<b>955</b>	<b>592</b>
Financial items, net	-36	10	-61	-4
<b>Income after financial items</b>	<b>248</b>	<b>151</b>	<b>895</b>	<b>587</b>
Taxes	-44	-22	-209	-101
<b>Income for the period</b>	<b>204</b>	<b>129</b>	<b>686</b>	<b>487</b>
<b>Items that will not be reclassified to income for the period:</b>				
Remeasurement of provisions for post-employment benefits	-6	71	-152	141
Income tax relating to items that will not be reclassified	0	-9	14	-18
	<b>-6</b>	<b>63</b>	<b>-138</b>	<b>124</b>
<b>Items that may be reclassified subsequently to income for the period:</b>				
Exchange-rate differences on translation of foreign operations	-32	58	360	154
<b>Other comprehensive income, net of tax</b>	<b>-38</b>	<b>121</b>	<b>223</b>	<b>278</b>
<b>Total comprehensive income for the period</b>	<b>166</b>	<b>250</b>	<b>909</b>	<b>764</b>
<b>Income for the period attributable to:</b>				
Shareholders of the Parent Company	204	129	686	487
<b>Total</b>	<b>204</b>	<b>129</b>	<b>686</b>	<b>487</b>
<b>Total comprehensive income for the period attributable to:</b>				
Shareholders of the Parent Company	166	250	909	764
<b>Total</b>	<b>166</b>	<b>250</b>	<b>909</b>	<b>764</b>
<b>Earnings per share, SEK</b>				
Basic, SEK	0.71	0.45	2.39	1.69
Diluted, SEK	0.71	0.45	2.39	1.69
<b>Average number of shares</b>				
Basic, million	287.4	287.4	287.4	287.4
Diluted, million	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	Dec 31, 2022	Dec 31, 2021
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment, owned	1,577	1,486
Property, plant and equipment, right-of-use	294	318
Goodwill	3,381	3,068
Other intangible assets	997	999
Deferred tax assets	428	372
Pension plan assets	0	165
Other non-current assets	19	20
<b>Total non-current assets</b>	<b>6,696</b>	<b>6,428</b>
<b>Current assets</b>		
Inventories	1,981	1,416
Trade receivables	2,028	1,625
Tax assets	70	80
Other current assets	416	225
Short-term financial assets	200	-
Cash and cash equivalents	898	836
<b>Total current assets</b>	<b>5,592</b>	<b>4,182</b>
<b>Total assets</b>	<b>12,288</b>	<b>10,609</b>
First page		
<b>Equity and liabilities</b>		
<b>Equity attributable to shareholders of the Parent Company</b>		
Share capital	29	29
Other paid-in capital	5	5
Other reserves	517	157
Retained earnings	3,719	3,334
<b>Equity attributable to shareholders of the Parent Company</b>	<b>4,270</b>	<b>3,525</b>
<b>Total equity</b>	<b>4,270</b>	<b>3,525</b>
Message from the CEO		
<b>Non-current liabilities</b>		
Long-term borrowings	2,824	1,215
Long-term lease liabilities	225	251
Deferred tax liabilities	116	135
Provisions for post-employment benefits	103	125
Other provisions	288	270
<b>Total non-current liabilities</b>	<b>3,557</b>	<b>1,996</b>
Financial overview		
<b>Current liabilities</b>		
Trade payables	2,040	1,814
Tax liabilities	416	429
Other liabilities	1,773	1,597
Short-term borrowings	7	1,045
Short-term lease liabilities	79	75
Other provisions	146	130
<b>Total current liabilities</b>	<b>4,461</b>	<b>5,088</b>
<b>Total equity and liabilities</b>	<b>12,288</b>	<b>10,609</b>
Financial reports		
Definitions		
Shareholders information		

# Change in consolidated equity

SEKm	Full year	
	Jan-Dec 2022	Jan-Dec 2021
<b>Opening balance</b>	<b>3,525</b>	<b>2,784</b>
<b>Total comprehensive income for the period</b>	<b>909</b>	<b>764</b>
Share-based incentive program	13	7
Equity swap for share-based incentive program	-33	-30
Dividend to shareholders of the Parent Company	-144	-
<b>Total transactions with equity holders</b>	<b>-164</b>	<b>-23</b>
<b>Closing balance</b>	<b>4,270</b>	<b>3,525</b>

[First page](#)

[Message  
from the CEO](#)

[Financial  
overview](#)

[Financial  
reports](#)

[Definitions](#)

[Shareholders  
information](#)

# Consolidated cash flow statement

SEKm	Fourth quarter		Full year	
	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
<b>Operations</b>				
Operating income	284	141	955	592
Depreciation and amortization	106	85	413	295
Other non-cash items	-5	3	47	4
Financial items paid, net <sup>1</sup>	-33	12	-55	-2
Taxes paid	-30	-20	-226	-141
<b>Cash flow from operations, excluding change in operating assets and liabilities</b>	<b>322</b>	<b>221</b>	<b>1,135</b>	<b>746</b>
<b>Change in operating assets and liabilities</b>				
Change in inventories	110	-30	-433	-139
Change in trade receivables	169	-10	-277	-216
Change in accounts payable	6	211	88	398
Change in other operating assets, liabilities and provisions	-79	136	-37	312
<b>Cash flow from change in operating assets and liabilities</b>	<b>206</b>	<b>307</b>	<b>-660</b>	<b>355</b>
<b>Cash flow from operations</b>	<b>528</b>	<b>528</b>	<b>475</b>	<b>1,101</b>
<b>Investments</b>				
Acquisition of operations	-	-2,103	4	-2,103
Divestment of operations	-	-	-35	-
Capital expenditure in property, plant and equipment	-70	-82	-130	-155
Capital expenditure in other intangibles	-6	-2	-9	-4
Other	17	7	18	31
<b>Cash flow from investments</b>	<b>-59</b>	<b>-2,180</b>	<b>-152</b>	<b>-2,231</b>
<b>Cash flow from operations and investments</b>	<b>470</b>	<b>-1,652</b>	<b>323</b>	<b>-1,130</b>
<b>Financing</b>				
Change in short-term investments, net	-200	-	-200	-
Change in short-term borrowings, net <sup>2</sup>	-243	1,041	-1,362	656
New long-term borrowings	-	615	1,534	615
Amortization of long-term borrowings	-0	-0	-0	-0
Payment of lease liabilities	-19	-19	-80	-74
Dividend	-	-	-144	-
Equity swap for share-based incentive program	-	-	-33	-30
<b>Cash flow from financing</b>	<b>-463</b>	<b>1,637</b>	<b>-285</b>	<b>1,166</b>
<b>Total cash flow</b>	<b>7</b>	<b>-15</b>	<b>38</b>	<b>36</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>894</b>	<b>852</b>	<b>836</b>	<b>797</b>
Exchange-rate differences referring to cash and cash equivalents	-3	-1	24	3
<b>Cash and cash equivalents at end of period</b>	<b>898</b>	<b>836</b>	<b>898</b>	<b>836</b>

1) For the period January 1 to December 31: interest and similar items received SEK 10m (3), interest and similar items paid SEK -55m (-9) and other financial items received/paid SEK 0m (11). Interest paid for lease liabilities SEK -10m (-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 5,255m (1,317), repaid loans SEK -6,617m (-661).

First page

Message from the CEO

Financial overview

Financial reports

Definitions

Shareholders information

# Alternative performance measures key figures

SEKm, if not otherwise stated	Fourth quarter		Full year	
	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Net sales	3,040	2,309	11,037	7,862
Organic growth, %*	13.4	14.2	16.9	10.6
EBITA*	324	164	1,111	663
EBITA margin, %*	10.7	7.1	10.1	8.4
EBITA excl. items affecting comparability* <sup>1</sup>	324	164	1,146	663
EBITA margin excl. items affecting comparability, %* <sup>1</sup>	10.7	7.1	10.4	8.4
Operating income*	284	141	955	592
Operating margin, %*	9.3	6.1	8.7	7.5
Operating income excl. items affecting comparability* <sup>1</sup>	284	141	990	592
Operating margin excl. items affecting comparability, %* <sup>1</sup>	9.3	6.1	9.0	7.5
Income after financial items	248	151	895	587
Income for the period	204	129	686	487
Capital expenditure*	-76	-84	-139	-159
Operating cash flow after investments*	533	459	636	1,116
Earnings per share, SEK <sup>2</sup>	0.71	0.45	2.39	1.69
Net debt*	n/a	n/a	2,050	1,705
EBITDA* <sup>3</sup>	n/a	n/a	1,369	886
Net debt/EBITDA ratio*	n/a	n/a	1.5	1.9
Operating working capital % of net sales*	n/a	n/a	16.7	14.9
Average number of shares, million <sup>2</sup>	287.4	287.4	287.4	287.4
Number of employees, end of period	4,022	3,973	4,022	3,973

\*) 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.

First page

Message from the CEO

Financial overview

Financial reports

Definitions

Shareholders information

# Quarterly data

SEKm	Full year, 2022	Q4, 2022	Q3, 2022	Q2, 2022	Q1, 2022	Full year, 2021	Q4, 2021	Q3, 2021	Q2, 2021	Q1, 2021
<b>Food &amp; Beverage</b>										
Net sales	7,290	1,904	1,840	1,949	1,597	4,704	1,377	1,211	1,210	905
EBITA	679	162	194	195	129	299	41	127	110	21
EBITA margin, %	9.3	8.5	10.5	10.0	8.1	6.4	3.0	10.5	9.1	2.3
Amortization	-137	-36	-36	-33	-33	-55	-19	-12	-12	-12
Operating income	542	126	158	162	96	244	22	115	98	9
Operating margin, %	7.4	6.6	8.6	8.3	6.0	5.2	1.6	9.5	8.1	1.0
<b>Laundry</b>										
Net sales	3,747	1,136	942	782	887	3,159	932	723	748	756
EBITA	608	209	163	82	154	492	153	110	117	111
EBITA margin, %	16.2	18.4	17.3	10.4	17.4	15.6	16.5	15.2	15.7	14.7
Amortization	-18	-4	-4	-4	-5	-17	-4	-4	-4	-4
Operating income	590	205	158	78	149	475	149	106	113	107
Operating margin, %	15.7	18.0	16.8	9.9	16.8	15.0	16.0	14.7	15.1	14.1
<b>Group common costs</b>	<b>-177</b>	<b>-47</b>	<b>-39</b>	<b>-44</b>	<b>-47</b>	<b>-128</b>	<b>-30</b>	<b>-39</b>	<b>-30</b>	<b>-28</b>
<b>Total Group</b>										
Net sales	11,037	3,040	2,782	2,731	2,484	7,862	2,309	1,935	1,958	1,661
EBITA	1,111	324	317	233	236	663	164	199	197	103
EBITA margin, %	10.1	10.7	11.4	8.5	9.5	8.4	7.1	10.3	10.1	6.2
Amortization	-155	-40	-40	-37	-37	-72	-24	-16	-16	-16
Operating income	955	284	277	196	199	592	141	183	181	88
Operating margin, %	8.7	9.3	10.0	7.2	8.0	7.5	6.1	9.5	9.2	5.3
Financial items, net	-61	-36	-22	-8	5	-4	10	-5	-5	-4
Income after financial items	895	248	255	188	203	587	151	178	176	83
Income for the period	686	204	195	132	155	487	129	135	168	55
Earnings per share, SEK <sup>1</sup>	2.39	0.71	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	Full year, 2022	Q4, 2022	Q3, 2022	Q2, 2022 <sup>1</sup>	Q1, 2022	Full year, 2021	Q4, 2021	Q3, 2021	Q2, 2021	Q1, 2021
Food & Beverage	-16	-	-	-16	-	-	-	-	-	-
Laundry	-19	-	-	-19	-	-	-	-	-	-
<b>Total Group</b>	<b>-35</b>	<b>-</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	Full year, 2022	Q4, 2022	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	990	284	277	231	199	592	141	183	181	88
Operating margin excl. items affecting comparability, %	9.0	9.3	10.0	8.5	8.0	7.5	6.1	9.5	9.2	5.3
EBITA excl. items affecting comparability	1,146	324	317	268	236	663	164	199	197	103
EBITA margin excl. items affecting comparability, %	10.4	10.7	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	-2,668	2,668	-
<b>Number of shares as of December 31, 2022</b>	<b>8,045,314</b>	<b>279,352,136</b>	<b>287,397,450</b>

Message from the CEO

Financial overview

Financial reports

Definitions

Shareholders information

## Exchange rates

SEK	Dec 31, 2022		Dec 31, 2021	
	Average	End of period	Average	End of period
CNY	1.50	1.51	1.33	1.42
CZK	0.4326	0.4612	0.3950	0.4111
DKK	1.43	1.50	1.36	1.38
EUR	10.63	11.12	10.15	10.24
GBP	12.45	12.54	11.78	12.21
JPY	0.0773	0.0791	0.0781	0.0785
NOK	1.05	1.06	1.00	1.03
RUB	0.1484	0.1452	0.1159	0.1207
THB	0.2881	0.3019	0.2685	0.2705
TRY	0.62	0.56	0.98	0.70
USD	10.09	10.43	8.57	9.04

\*) The end of period exchange rate, December 31, 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	Fourth quarter		Full year	
	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
<b>Net sales</b>	<b>964</b>	<b>700</b>	<b>2,963</b>	<b>2,364</b>
Cost of goods sold	-666	-516	-2,078	-1,691
<b>Gross operating income</b>	<b>298</b>	<b>184</b>	<b>885</b>	<b>673</b>
Selling expenses	-112	-97	-405	-349
Administrative expenses	-38	-28	-222	-185
Other operating income and expenses	-12	8	-20	11
<b>Operating income</b>	<b>136</b>	<b>67</b>	<b>238</b>	<b>150</b>
Financial Income and expenses	270	285	660	369
Impairment of shares in subsidiaries	-467	-	-467	-
<b>Financial items, net</b>	<b>-197</b>	<b>285</b>	<b>193</b>	<b>369</b>
<b>Income after financial items</b>	<b>-61</b>	<b>352</b>	<b>431</b>	<b>519</b>
Appropriations	12	5	12	5
<b>Income before taxes</b>	<b>-49</b>	<b>357</b>	<b>443</b>	<b>524</b>
Taxes	-21	-20	-51	-35
<b>Income for the period</b>	<b>-70</b>	<b>337</b>	<b>392</b>	<b>489</b>

First page

Message  
from the CEO

Financial  
overview

Financial  
reports

Definitions

Shareholders  
information

# Condensed Parent company balance sheet

SEKm	Dec 31, 2022		Dec 31, 2021	
<b>Assets</b>				
Non-current assets		9,104		9,281
Current assets		2,525		1,534
<b>Total assets</b>		<b>11,629</b>		<b>10,815</b>
<b>Equity and liabilities</b>				
Restricted equity		40		44
Non-restricted equity		6,495		6,263
<b>Total equity</b>		<b>6,535</b>		<b>6,307</b>
Untaxed reserves		97		108
Provisions		104		95
Non-current liabilities		2,824		1,215
Current liabilities		2,069		3,090
<b>Total equity and liabilities</b>		<b>11,629</b>		<b>10,815</b>

# Notes

## NOTE 1 ACCOUNTING PRINCIPLES

Electrolux Professional Group 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.

The Group's 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 the Group has analysed if hyper-

inflation 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.

### Reportable segments

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

First page

Message from the CEO

Financial overview

Financial reports

Definitions

Shareholders information

## 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 the Group's total net sales.

Geography is considered to be an important attribute when disaggregating the Group's 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 2022*	Oct-Dec 2021	Jan-Dec 2022*	Jan-Dec 2021
<b>Geographical region</b>				
Europe	1,799	1,523	6,429	5,416
Asia-Pacific, Middle East and Africa	386	330	1,377	1,164
Americas	855	456	3,232	1,282
<b>Total</b>	<b>3,040</b>	<b>2,309</b>	<b>11,037</b>	<b>7,862</b>

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

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

SEKm	Hierarchy level	Dec 31, 2022		Dec 31, 2021	
		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
Financial assets at fair value through profit and loss	1	200	200	-	-
Financial assets measured at amortized cost		2,926	2,926	2,461	2,461
Derivatives, financial assets at fair value through profit and loss	2	152	152	13	13
<b>Total financial assets</b>		<b>3,278</b>	<b>3,278</b>	<b>2,474</b>	<b>2,474</b>
Financial liabilities measured at amortized cost		4,893	4,872	4,072	4,073
Derivatives, financial liabilities at fair value through profit and loss	2	54	54	5	5
<b>Total financial liabilities</b>		<b>4,947</b>	<b>4,926</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

Instruments which are quoted on the market, e.g., the major bond and interest-rate future markets, are all mark-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		Dec 31, 2022	Dec 31, 2021
Group			
Guarantees and other commitments		10	9

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

### Covid-19

As of December 31, 2022 the amount of government grants and assistance, related to covid-19, recognized in profit or loss is SEK 0m (10) for the quarter and SEK 0m (45) year to date. The government grants received in 2021 refers mainly to short-term furlough of personnel.

### Russia's war on Ukraine

The Group 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

During the first quarter of 2022, 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. Additional adjustment to the opening balance has been made during quarter four reducing goodwill by SEK 69m.

### 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	2022	2021	2020	2019	2018
<b>Food &amp; Beverage</b>					
Net sales	7,290	4,704	4,198	5,895	5,399
EBITA	679	299	87	568	629
EBITA, %	9.3	6.4	2.1	9.6	11.7
Operating income	542	244	35	522	599
Margin, %	7.4	5.2	0.8	8.9	11.1
<b>Laundry</b>					
Net sales	3,747	3,159	3,065	3,386	3,267
EBITA	608	492	467	507	573
EBITA, %	16.2	15.6	15.2	15.0	17.6
Operating income	590	475	452	488	558
Margin, %	15.7	15.0	14.7	14.4	17.1
<b>Group common cost</b>					
Operating income	-177	-128	-100	-18	-14
<b>Total Group</b>					
Net sales	11,037	7,862	7,263	9,281	8,666
EBITA	1,111	663	456	1,058	1,188
EBITA, %	10.1	8.4	6.3	11.4	13.7
Operating income	955	592	387	992	1,143
Margin, %	8.7	7.5	5.3	10.7	13.2

First page

Message  
from the CEO

Financial  
overview

Financial  
reports

Definitions

Shareholders  
information

# Items affecting comparability yearly

SEKm	2022 <sup>1</sup>	2021	2020 <sup>2</sup>	2019 <sup>2</sup>	2018
Food & Beverage	-16	-	-55	-67	-
Laundry	-19	-	-22	35	-
<b>Total Group</b>	<b>-35</b>	<b>-</b>	<b>-77</b>	<b>-32</b>	<b>-</b>

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

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

# Five year overview

SEKm, if not otherwise stated	2022	2021	2020	2019	2018
Net sales	11,037	7,862	7,263	9,281	8,666
Organic growth, %*	16.9	10.6	-21.0	-0.3	4.1
EBITA*	1,111	663	456	1,058	1,188
EBITA, %*	10.1	8.4	6.3	11.4	13.7
Operating income*	955	592	387	992	1,143
Operating margin, %*	8.7	7.5	5.3	10.7	13.2
Income after financial items	895	587	363	978	1,134
Income for the period	686	487	278	663	952
Items affecting comparability*	-35	-	-77	-32	-
Capital expenditure*	-139	-159	-273	-257	-169
Operating cash flow after investments*	636	1,116	570	1,138	1,131
Earnings per share, SEK <sup>1</sup>	2.39	1.69	0.97	2.31	3.31
Dividend per share, SEK <sup>1,2</sup>	0.70	0.50	-	-	-
Net debt*	2,050	1,705	549	1,025	-226
EBITDA* <sup>3</sup>	1,369	886	684	1,280	1,363
Net debt/EBITDA ratio*	1.5	1.9	0.8	0.8	-0.2
Operating working capital % of net sales*	16.7	14.9	19.9	17.7	16.3
Average number of shares, million <sup>1</sup>	287.4	287.4	287.4	287.4	287.4
Number of employees, end of period	4,022	3,973	3,515	3,624	3,555

\*) Alternative performance measure

1) Basic number of outstanding shares.

2) 2022, proposed by the Board.

3) Rolling four quarters.

First page

Message  
from the CEO

Financial  
overview

Financial  
reports

Definitions

Shareholders  
information

# Definitions

## Definitions and reconciliation of alternative performance measures

Electrolux Professional Group 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 Group’s internal reporting and are not audited. The APM reconciliations can be found on the Group’s website [www.electroluxprofessional.com/corporate/interim-reports/](http://www.electroluxprofessional.com/corporate/interim-reports/)

parable 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 Group’s internal reporting and are not audited.

The APM reconciliations can be found on the Group’s 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 analyse 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>	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.  All months of the period are currency adjusted by applying the end of period average currency rate.	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 fourth quarter results 2022

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

## Telephone conference 09.00 CET

A telephone conference is held at 09.00 today, January 31. 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/230131>

## For further information, please contact:

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



## Financial calendar

	Date
Year-end report 2022	January 31, 2023
Interim report Q1 2023	April 25, 2023
Annual General Meeting	April 26, 2023
Interim report Q2 2023	July 21, 2023
Interim report Q3 2023	October 27, 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 January 31, 2023.

## 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 Group

The Electrolux Professional Group 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 2022, the Electrolux Professional Group had global sales of SEK 11bn and approximately 4,000 employees. Electrolux Professional's B-shares are listed at Nasdaq Stockholm.

For more information, visit <https://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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Professional  
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