

Press release

Stockholm, September 21, 2021

Husqvarna Group sees potential negative financial impact in 2022 from supplier dispute

Briggs & Stratton LLC (B&S) has informed Husqvarna Group that B&S will only deliver a very small portion of the engines for ride-on mowers that Husqvarna Group had ordered in advance of the 2022 season, mainly for North America. At this late stage, Husqvarna Group's ability to secure an alternative supply of engines for the 2022 season is extremely limited. Therefore, to protect its customers and operations, Husqvarna Group yesterday filed a lawsuit in South Carolina to compel B&S to deliver all engines covered by its orders.

In a worst case scenario, the lack of engine supply could result in a loss of top line sales of up to approximately SEK 2 bn, mainly in 2022 with limited impact in Q4 2021. Husqvarna Group is optimistic, however, that the legal proceedings will have a satisfactory outcome, in which case there could be limited (or no) impact on operations, suppliers, customers and financial position. Given the early stage of these proceedings, and range of possible outcomes, it is too early to estimate the likely net EBIT impact of this supply dispute. It is, however, noteworthy that the affected product category has a lower profitability than the Group average.

Husqvarna Group will provide an update on the issue in conjunction with the Q3 interim report, which will be published on October 20th 2021.

For additional information

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This press release contains insider information that Husqvarna AB is required to disclose under the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the contact person set out above, at 08.00 CET on September 21, 2021.

Husqvarna Group

Husqvarna Group is a global leading producer of outdoor power products and innovative solutions for forest, park and garden care. Products include chainsaws, trimmers, robotic lawn mowers and ride-on lawn mowers. The Group is also the European leader in garden watering products and a global leader in cutting equipment and diamond tools for the construction and stone industries. The Group's products and solutions are sold under brands including Husqvarna, Gardena, McCulloch, Flymo, Zenoah and Diamant Boart via dealers and retailers to consumers and professionals in more than 100 countries. Net sales in 2020 amounted to SEK 42bn and the Group has around 13,000 employees in 40 countries.