

Press release

Stockholm, February 4, 2025

Husqvarna Group continues transformation in North America for increased flexibility and long-term profitability

Husqvarna Group today announces a strategic partnership with Flex Ltd., an advanced, end-to-end global manufacturer, which includes the divestment of its manufacturing operations in Orangeburg, South Carolina, USA, effective immediately. Flex will manufacture Husqvarna Group's products in the factory under a long-term supply agreement, ensuring continued production of the company's wheeled products and assembly of handheld products for the North American market. The partnership aims to increase profitability, improve capital efficiency, enhance production flexibility and strengthen the Group's competitiveness in North America.

With Flex assuming manufacturing responsibilities of the Orangeburg facility, the current workforce will be offered employment with Flex. The partnership is expected to result in cost-savings of approximately SEK 350m after five years. The one-time costs for Husqvarna Group, booked in Q4 2024, amount to approximately SEK 250m in addition to a limited one-time cost in Q1, 2025.

"This strategic measure is a significant step towards driving long-term profitability and enhancing our operational efficiency within the Husqvarna Forest & Garden Division. The partnership secures our manufacturing of important products for the North American market, while enhancing flexibility and customer focus" says Pavel Hajman, CEO of Husqvarna Group.

All Husqvarna Group's three divisions are represented on the American market, where the Orangeburg factory is producing for the Husqvarna Forest & Garden division. Husqvarna Group will continue to lead the innovation and design of the product portfolio, with continued commitment to delivering high-performing, quality products and solutions for the North American market.

In recent years, the Husqvarna Forest & Garden Division has taken decisive actions to improve results in North America. Low-margin business has been discontinued, and the production structure has been consolidated. North America is Husqvarna Group's largest market with approximately a third of the company's total sales in 2024.

(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 below, at 22:01 CET on February 4th, 2024.)

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Husqvarna Group

Founded in 1689, Husqvarna Group has evolved into a global leader in manufacturing innovative products and solutions for managing forests, parks, and gardens. Our diverse product range includes robotic lawnmowers, chainsaws, trimmers, riding lawnmowers, and watering solutions. Husqvarna Group is also a leader in equipment and diamond tools for the light construction industry and diamond tools for the natural stone industry. Operating mainly under the global brands of Husqvarna and Gardena, our products and solutions reach consumers and professional users through direct sales, dealers, and retailers across more than 100 countries. Net sales in 2023 amounted to SEK 53.3 billion and the Group has approximately 13,800 employees in 40 countries. The headquarter is in Stockholm, Sweden and the company is listed on Nasdaq Stockholm.