



# Shaping GREAT experiences

Q3 2021 results presentation

October 20, 2021

Henric Andersson, CEO

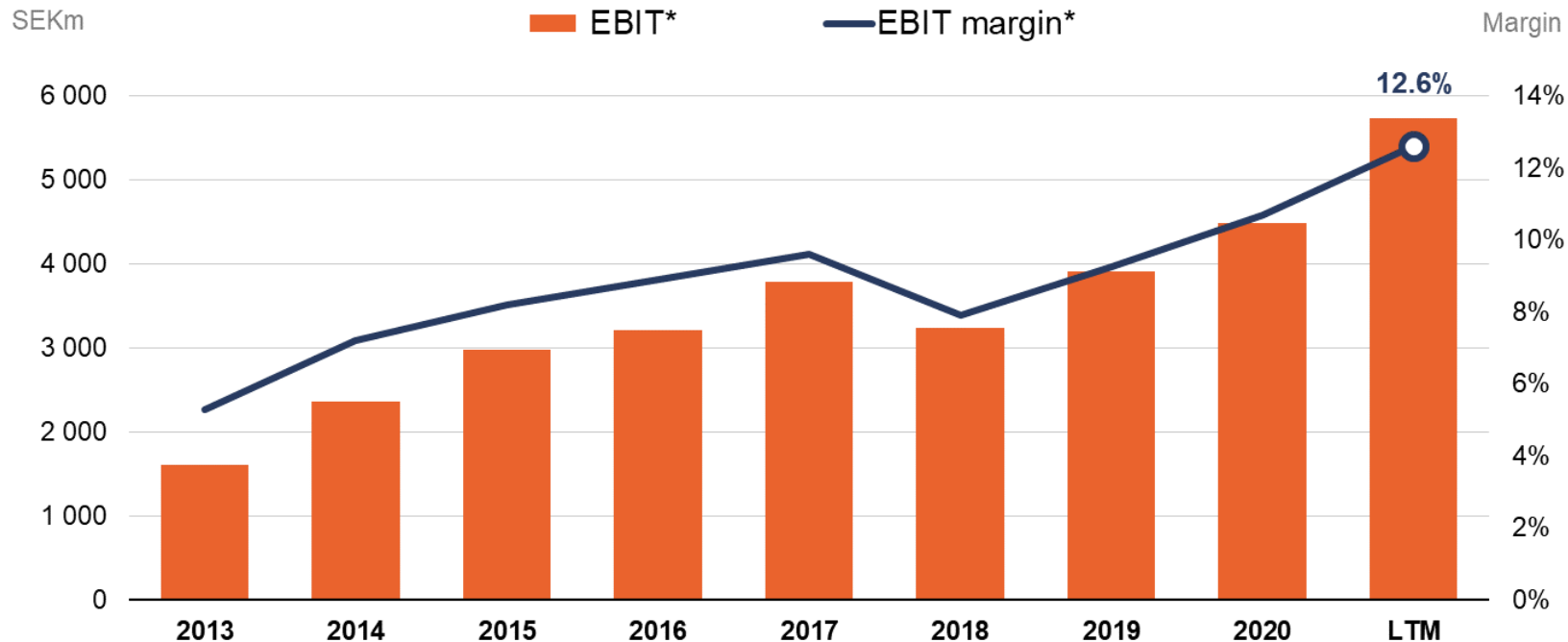
Glen Instone, CFO

# Continued growth in the third quarter

- Strong and increased demand for gardening products during the season. Supported by the stay-at-home trend and a prolonged season
- Construction market continued to rebound
- Solid growth in key categories - robotics and battery grew by 25% in Q3
- Securing deliveries ahead of 2022 season. Global supply chain constraints



# Building a stronger Husqvarna Group



*\*Operating income excluding items affecting comparability*

# Strong performance in the third quarter



NET SALES

SEK **10,180**m (9,570)

ORGANIC GROWTH  
**+6%**

- Strengthened positions; strong performance in main regions and strategic important segments
- Global supply chain constraints



OPERATING INCOME

SEK **926**m (997)

- Volume growth and price increases
- Higher raw materials and logistics costs



DIRECT OPERATING  
CASH FLOW 9M

SEK **4,782**m (6,255)

- Increasing inventories to secure deliveries for 2022 season
- Net debt / EBITDA decreased to 0.6x (1.4x)



ROBOTICS AND BATTERY

**18%** of Group (R12)

- Strong growth in both Consumer & Pro segments
- Solid product line up and pipeline

# Husqvarna Division



**Q3: organic sales growth 6%;  
operating margin: 8.8%**

- Good growth in key regions and categories, particularly for pro handheld, robotics & battery

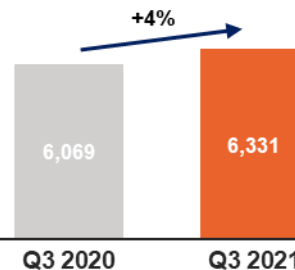
**YTD: organic sales growth; 16%;  
operating margin: 15.1%**

- Volume growth, price increases and improved mix
- Increased raw materials- & logistics costs and currency

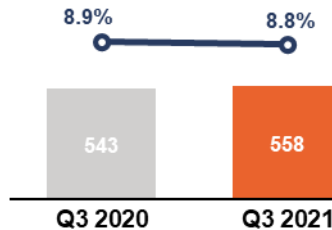
**Rolling 12-months: organic  
growth 16%, operating margin  
13.1% (9.5)**

Q3 2021 (SEKm)

Net sales

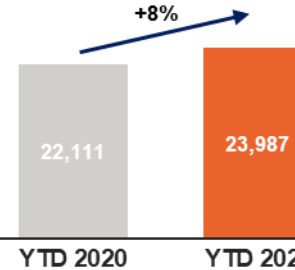


Operating income,  
excl IAC

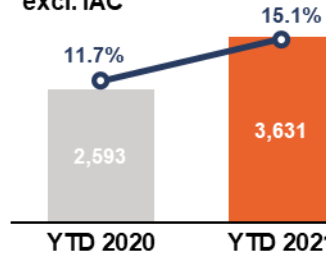


YTD 2021 (SEKm)

Net sales



Operating income,  
excl. IAC



# Gardena Division



**Q3: organic sales growth 5%;  
operating margin 9.6%**

- Solid performance in robotic mowers, hand tools and battery products, price increases
- Higher costs for raw materials and logistics

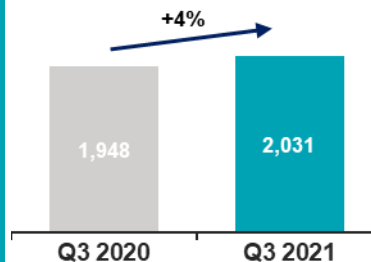
**YTD: organic sales growth 13%;  
operating margin 19.4%**

- Strong growth in strategic growth markets offset weaker watering market (heavy rainfall) in central Europe

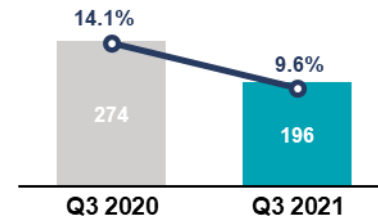
**LTM: organic growth 12%,  
operating income 15.0% (14.7)**

Q3 2021 (SEKm)

Net sales

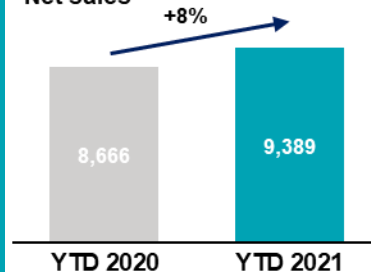


Operating income,  
excl. IAC

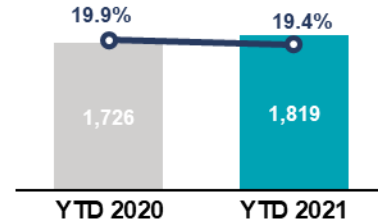


YTD 2021 (SEKm)

Net sales



Operating income,  
excl. IAC





# Construction Division



**Q3: organic growth 5%;  
operating margin 12.9%**

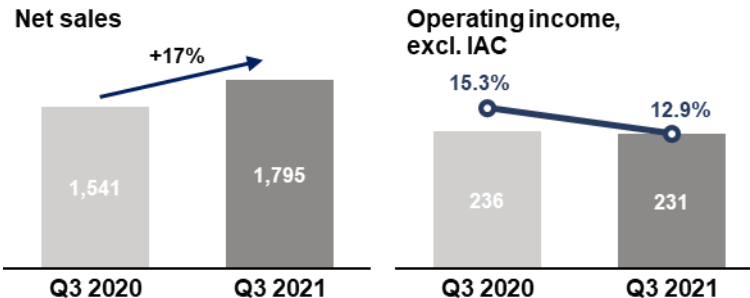
- Good growth, price increases - strengthened positions
- Higher costs for raw materials, logistics and negative currency  
Lower margin from Blastrac

**YTD: organic growth 16%;  
operating margin 12.9%**

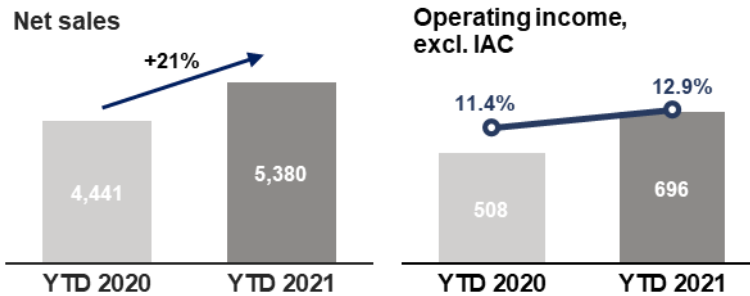
- Volume growth and price increases
- Higher costs for raw materials, logistics and negative currency effects

**LTM – organic growth 11%,  
operating margin at 12.1% (11.2)**

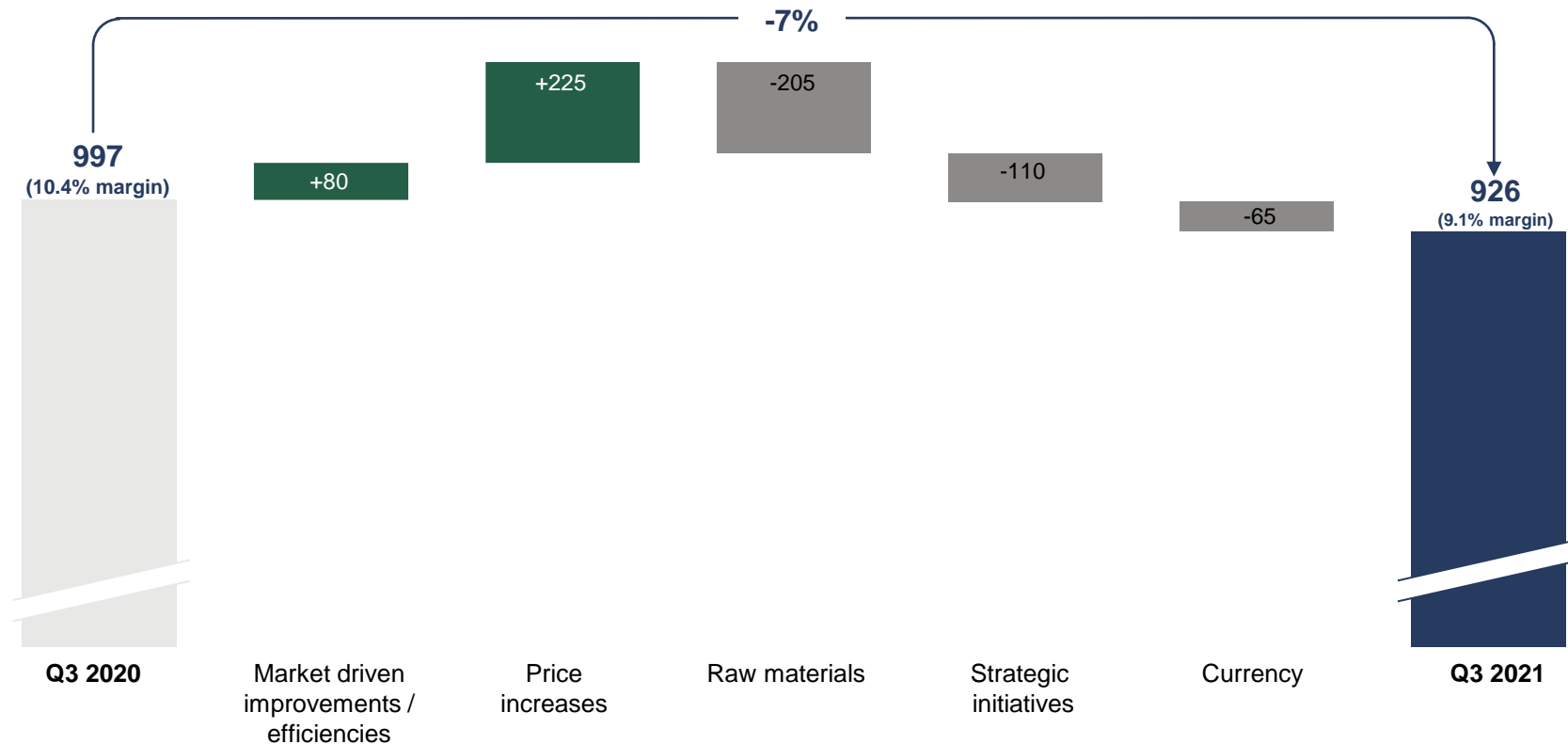
Q3 2021 (SEKm)



YTD 2021 (SEKm)



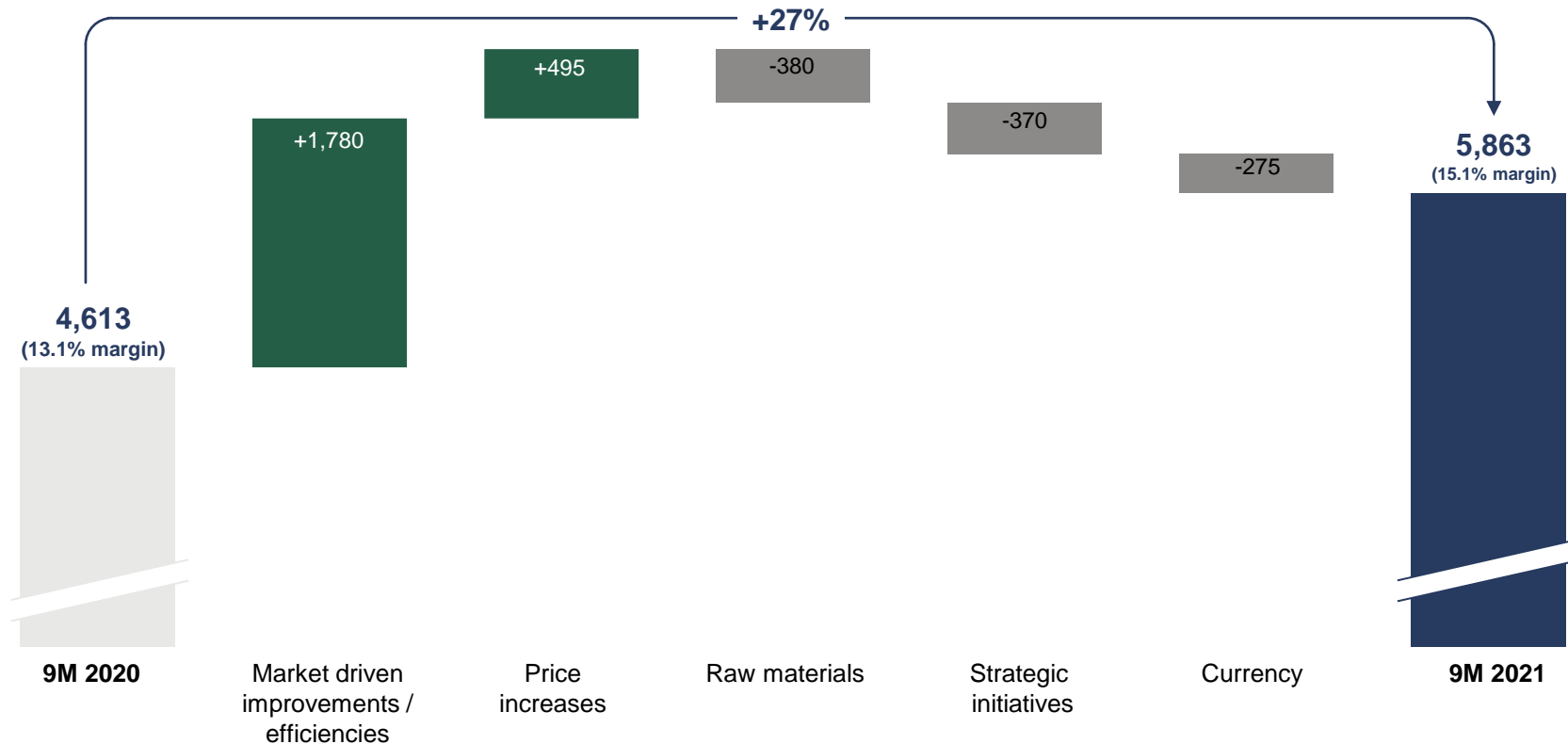
# Q3 EBIT bridge (excl. IAC)



Note: Numbers are rounded to nearest 5 or 0.



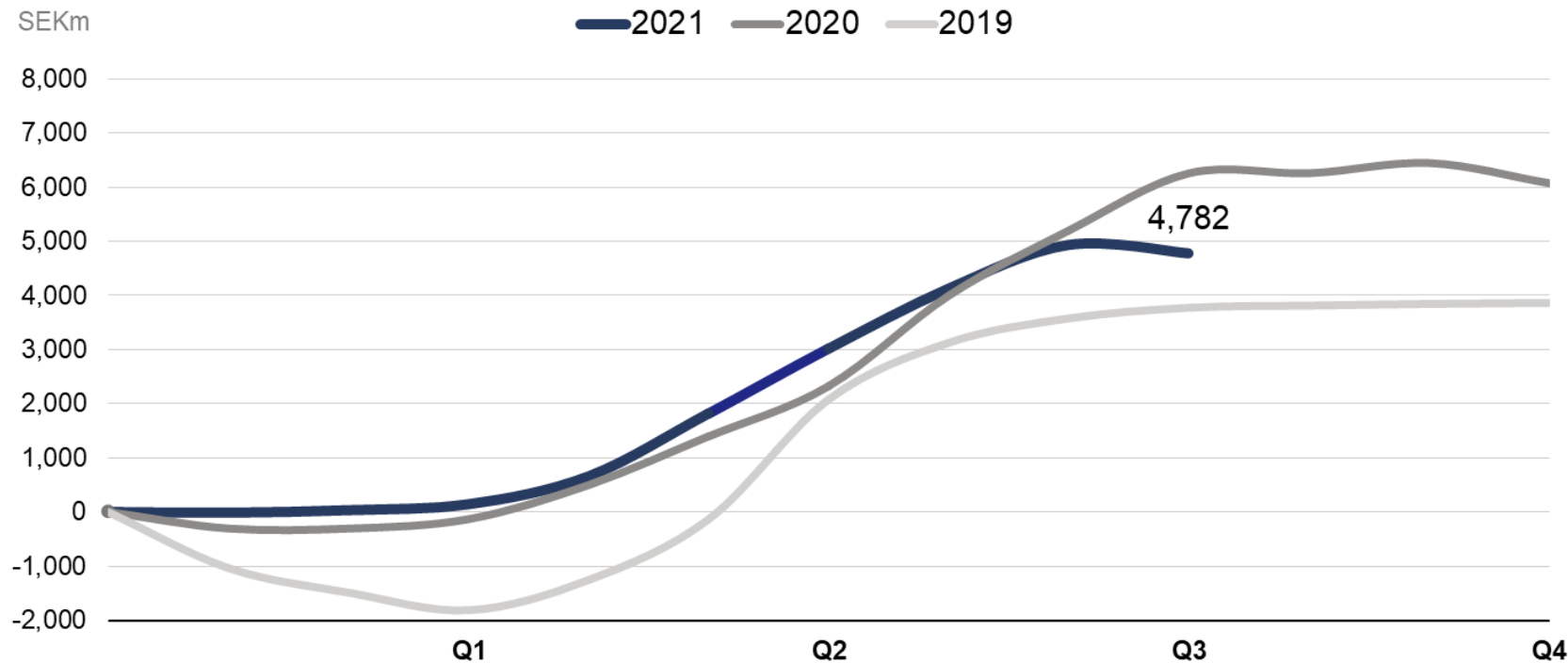
# YTD EBIT bridge (excl. IAC)



Note: Numbers are rounded to nearest 5 or 0.

# Solid cash generation

Direct operating cash flow



# Good capital efficiency

Operating working capital / net sales (LTM)

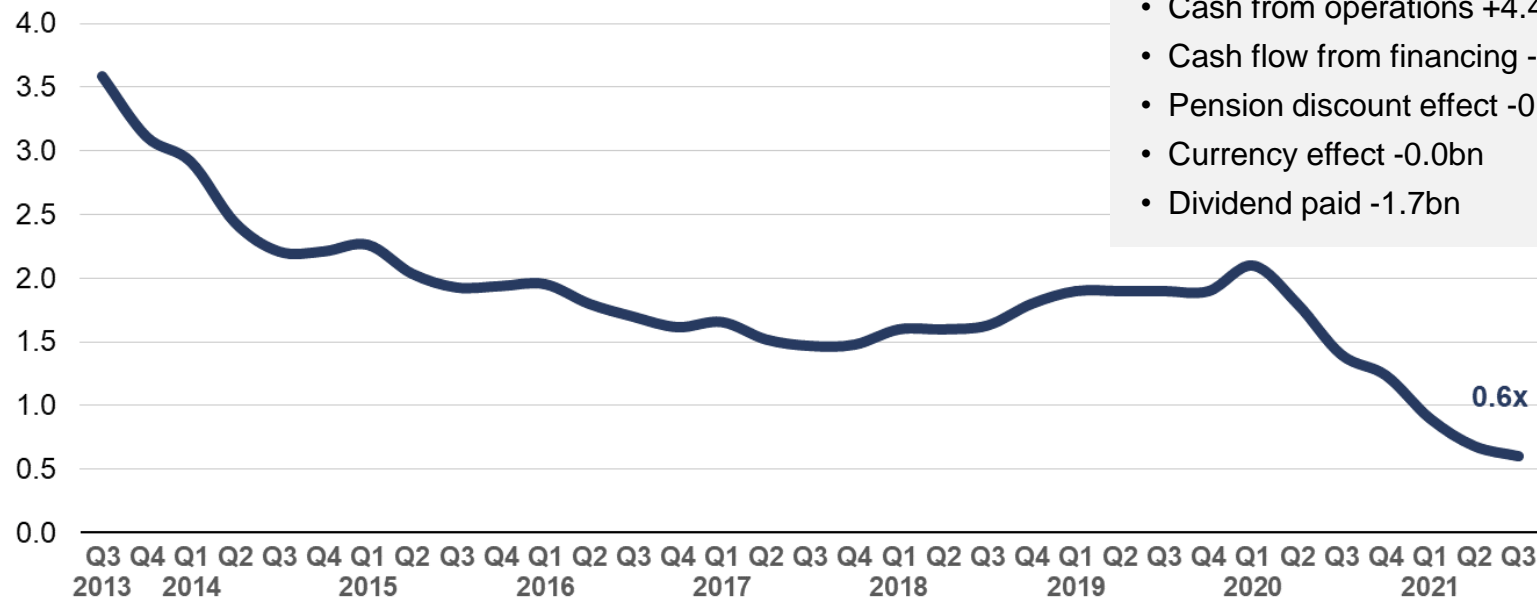


# Consolidated balance sheet

SEKm	Sept 30 2021	Sept 30 2020
Non-current assets	22,710	23,066
Inventories	10,059	8,002
Trade receivables	5,030	4,613
Other current assets	1,331	1,393
Cash and short term investments	7,315	9,063
<b>Total assets</b>	<b>46,444</b>	<b>46,138</b>
Total equity	21,179	19,750
Borrowings	5,713	9,643
Lease liabilities	1,603	1,482
Provisions for pensions	2,247	2,885
Other provisions	1,763	1,422
Trade payables	5,123	3,947
Other current liabilities	8,815	7,009
<b>Total equity and liabilities</b>	<b>46,444</b>	<b>46,138</b>

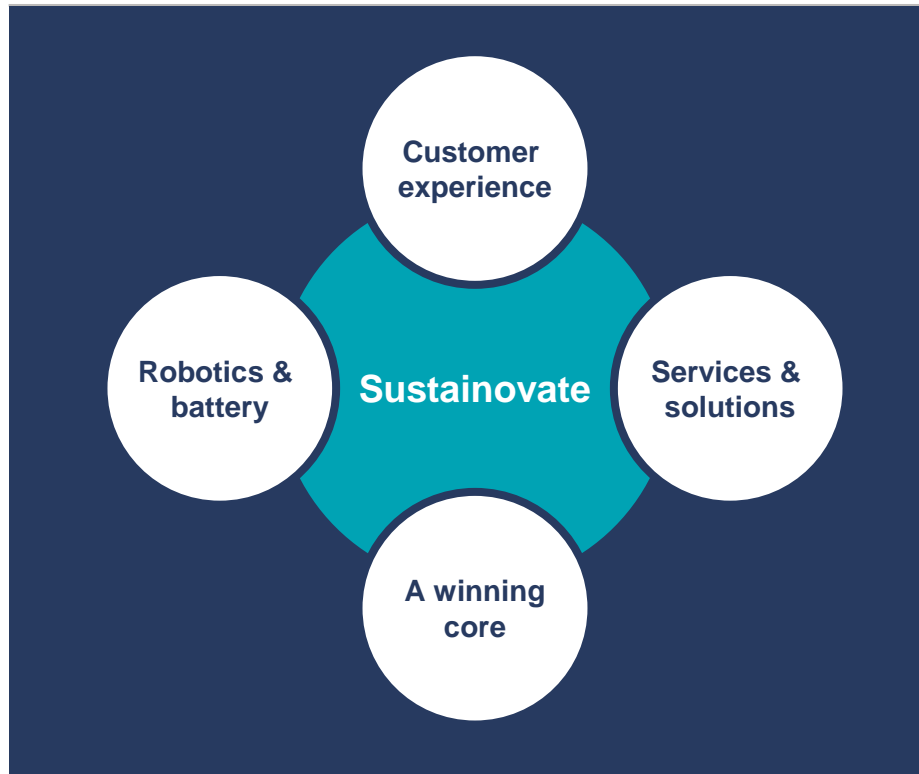
- Strong financial position
- Higher inventory levels – preparing for season 2022
- Good sales growth at the end of quarter thus increasing trade receivables
- Continued good working capital management
- Solid cash and cash equivalents position of SEK 7.3bn – prepaid debt in US during quarter

# Net debt / EBITDA (based on average net debt)



Average net debt / rolling 12 months EBITDA, excl. items affecting comparability

# Executing on our strategy





# Sustainovate 2025

## CARBON



Reduce absolute  
CO<sub>2</sub> emissions by  
**-35%**  
across our  
value chain

## CIRCULAR



Launch  
**50**  
new circular  
innovations

## PEOPLE



Empower  
**5 million**  
customers and colleagues  
to make sustainable choices

# Sustainovate 2025

## CARBON



Q3/2021  
**-27%**

Reduce absolute  
CO<sub>2</sub> emissions by  
**-35%**  
across our  
value chain

## CIRCULAR



Q3/2021  
**10**  
Innovation  
nominees

Launch  
**50**  
new circular  
innovations

## PEOPLE



Start to  
measure  
end of 2021

Empower  
**5 million**  
customers and colleagues  
to make sustainable choices

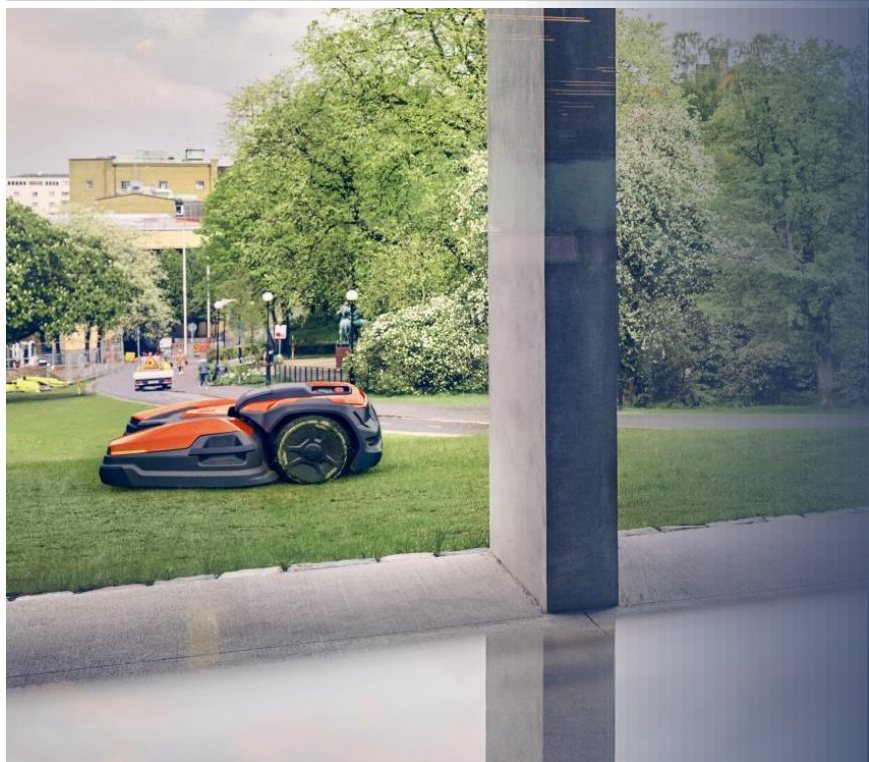


# Continued growth in the third quarter

- Strong and increased demand for gardening products during the season. Supported by the stay-at-home trend and a prolonged season
- Construction market continued to rebound
- Rolling 12-months organic sales growth +14%, operating margin 12.6%
- Securing deliveries ahead of 2022 season. Global supply chain constraints.



# Capital Markets Day – Dec 1, 2021



- Dec 1, 2021, 08:30– 13:00 CET
- Fotografiska, Stockholm
- CEO, CFO, and Group Management presentations
- Strategy execution and value creation journey ahead
- Register at: <https://husqvarnagroup-invite.creo.se/registration>



**Husqvarna  
Group**