



Husqvarna
Group



Q2 Results – July 18, 2024

Pavel Hajman, CEO
Terry Burke, CFO

Solid cash flow in a quarter affected by weak market conditions

- Weak market conditions with cautious consumer spending gradually impacted the quarter
- Unfavorable weather conditions that significantly impacted the Gardena Division in particular
- Strong growth in strategic focus areas: pro robotics, consumer battery and parts & accessories
- Stable gross margin driven by execution of cost-saving programs and positive effect from planned product exits
- Solid cash flow driven by lower inventory levels



Solid cash flow in the quarter



NET SALES

SEK **15,430**_m (16,976)

ORGANIC SALES -6%

- Strong growth in pro robotics, consumer battery and P&A
- Weather significantly impacted Gardena's watering business
- Lower sales of petrol-powered products, partly due to exits
- Lower sales for Construction in North America



OPERATING INCOME

SEK **1,906**_m (2,313)

- Stable gross margin
- Lower volumes and capacity utilization
- Negative product mix effect
- Delivering on the cost savings programs



DIRECT OPERATING
CASH FLOW

SEK **3,917**_m (4,443)

- Reduced inventory levels
- No trade receivables financing, adjusted for this, cash flow decreased by SEK 252m



ROBOTICS AND BATTERY

20% (20) of Group R12

- Strong growth in pro robotics
- Good growth for the Husqvarna NERA range, ~1/3 of residential robotic sales in Q2
- Solid product pipeline for the 2025 season

Husqvarna Forest & Garden Division

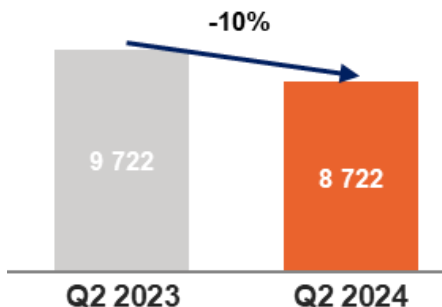


Q2: Organic sales declined 6%; operating margin improved to 13.2%

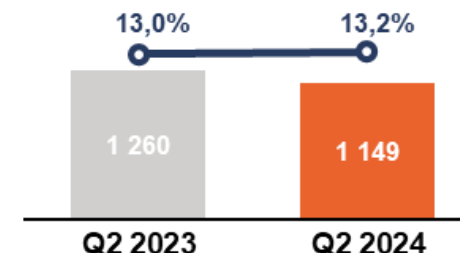
- Improved operating margin driven by product exits, cost savings and FX
- Good growth for pro robotics, consumer battery-powered products and P&A
- Sequentially improved residential robotics sales
- Lower sales in petrol-powered products, particularly wheeled in North America

H1 2024: Organic sales declined 12%; operating margin at 13.8%

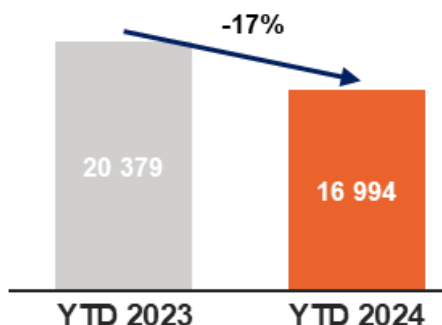
Net sales



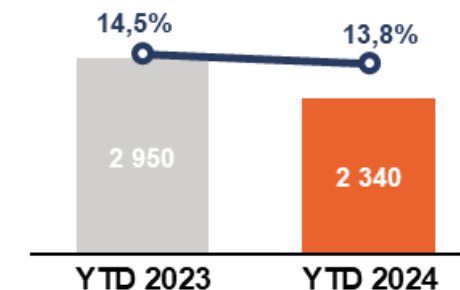
Operating income, excl. IAC



Net sales



Operating income, excl. IAC



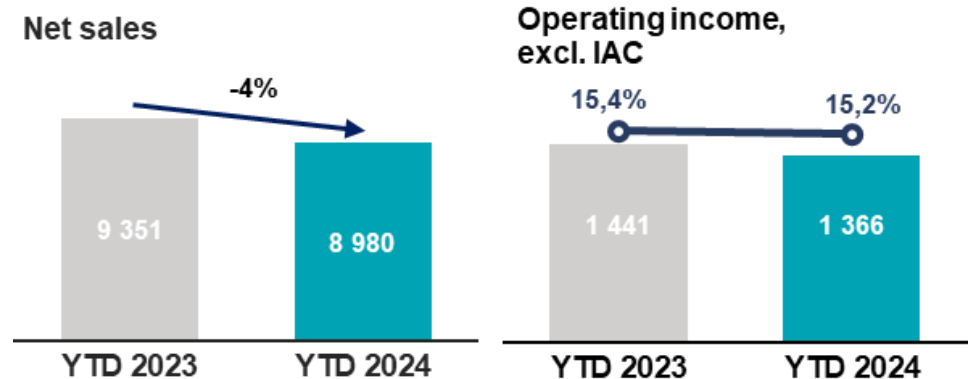
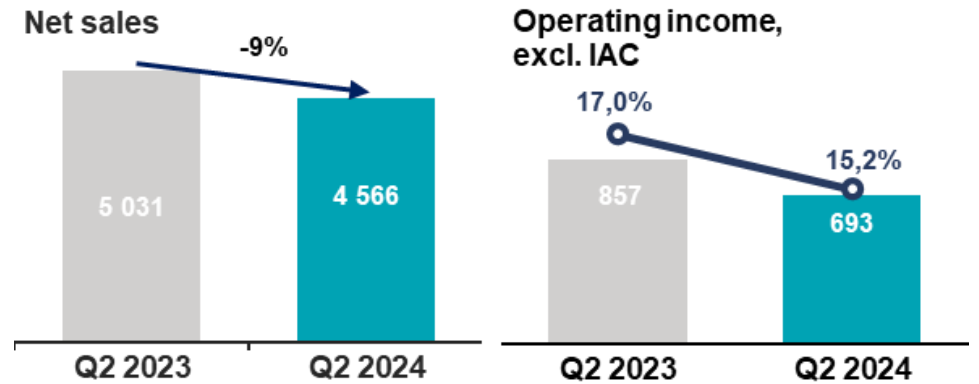
Gardena Division



Q2: Organic sales declined 9%; operating margin at 15.2%

- Watering business significantly impacted by unfavourable weather in Europe and North America
- Good sales for battery handheld products
- Negative volume and mix impacting profitability, partly offset by cost savings

H1 2024: Organic sales declined 4%; operating margin at 15.2%



Note: Operating income excluding items affecting comparability

Husqvarna Construction Division

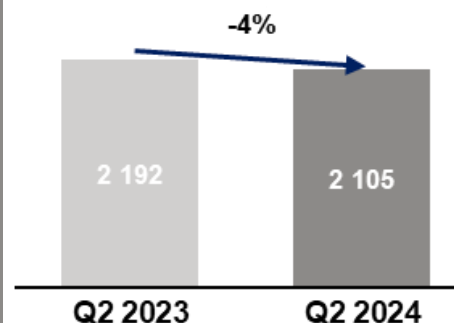


Q2: Organic sales declined 3%; operating margin at 9.7%

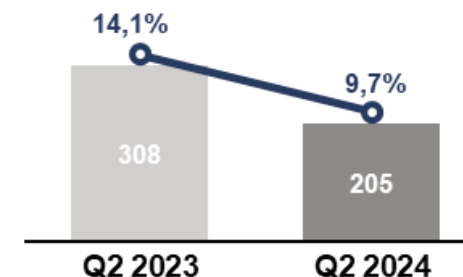
- Good sales growth in emerging markets, stable in Europe, decline in North America
- Strong performance: demolition robots & diamond tools
- Negative sales mix, volumes and capacity utilization impacting profitability, partly offset by cost savings

H1 2024: Organic sales declined 5%; operating margin at 9.9%

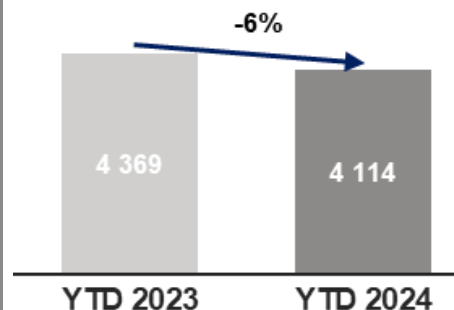
Net sales



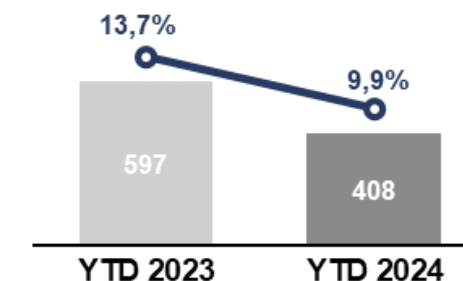
Operating income, excl. IAC



Net sales



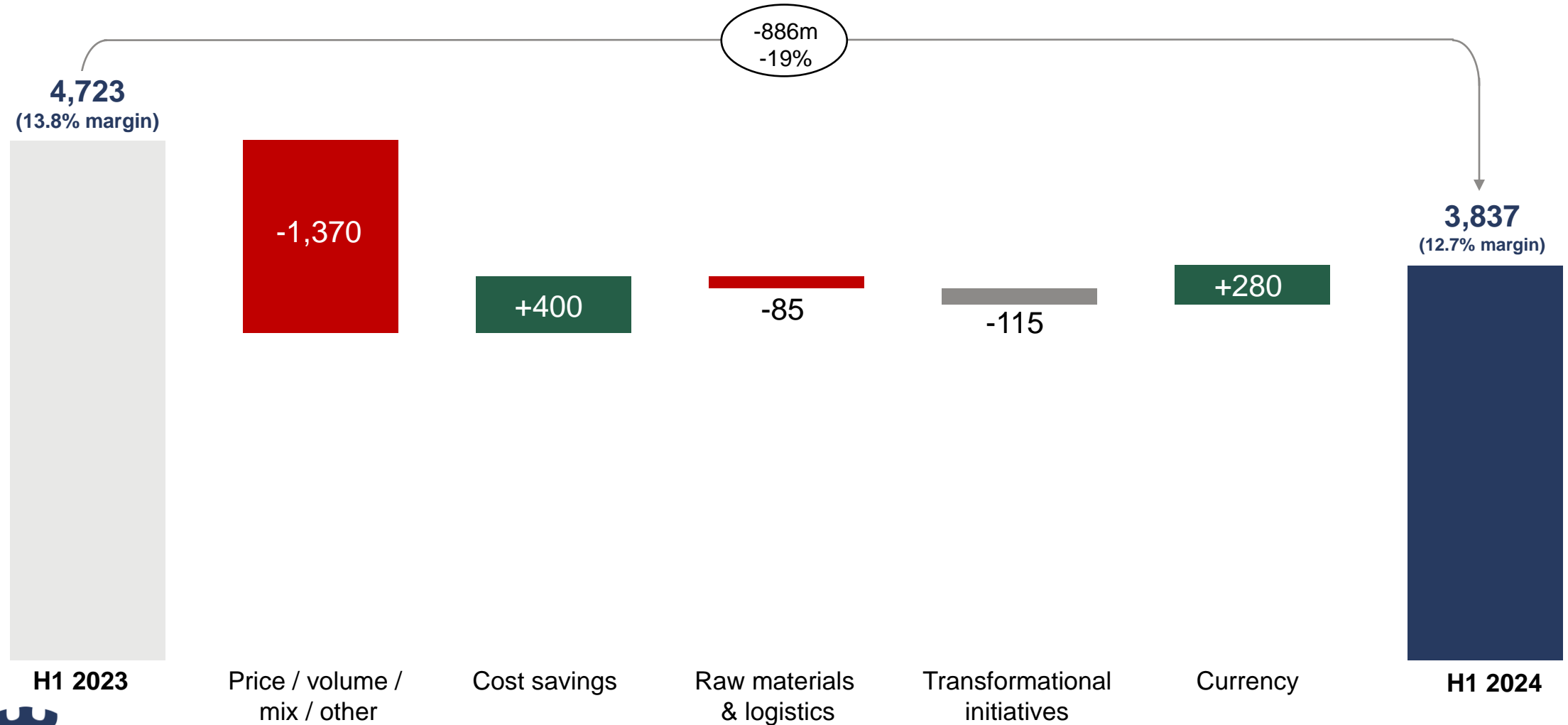
Operating income, excl. IAC



Q2 2024 EBIT bridge (excl. IAC)



H1 2024 EBIT bridge (excl. IAC)

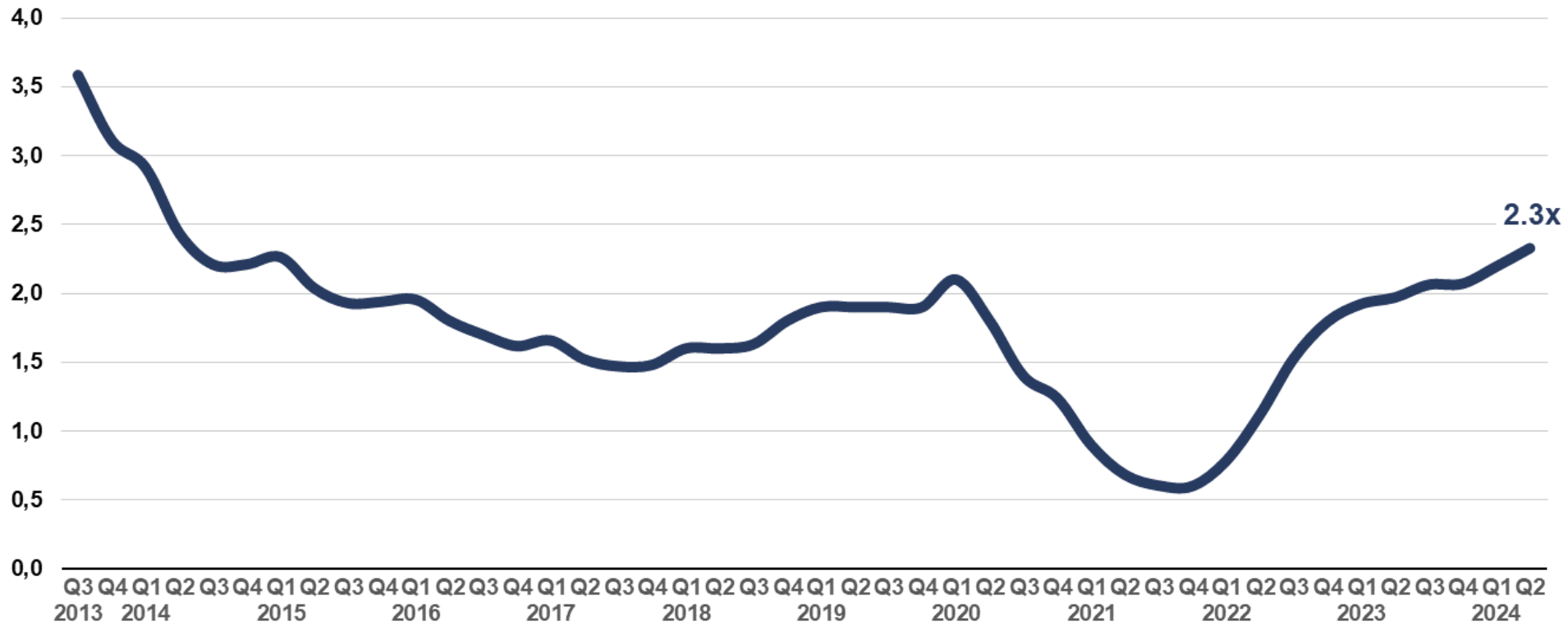


Consolidated balance sheet

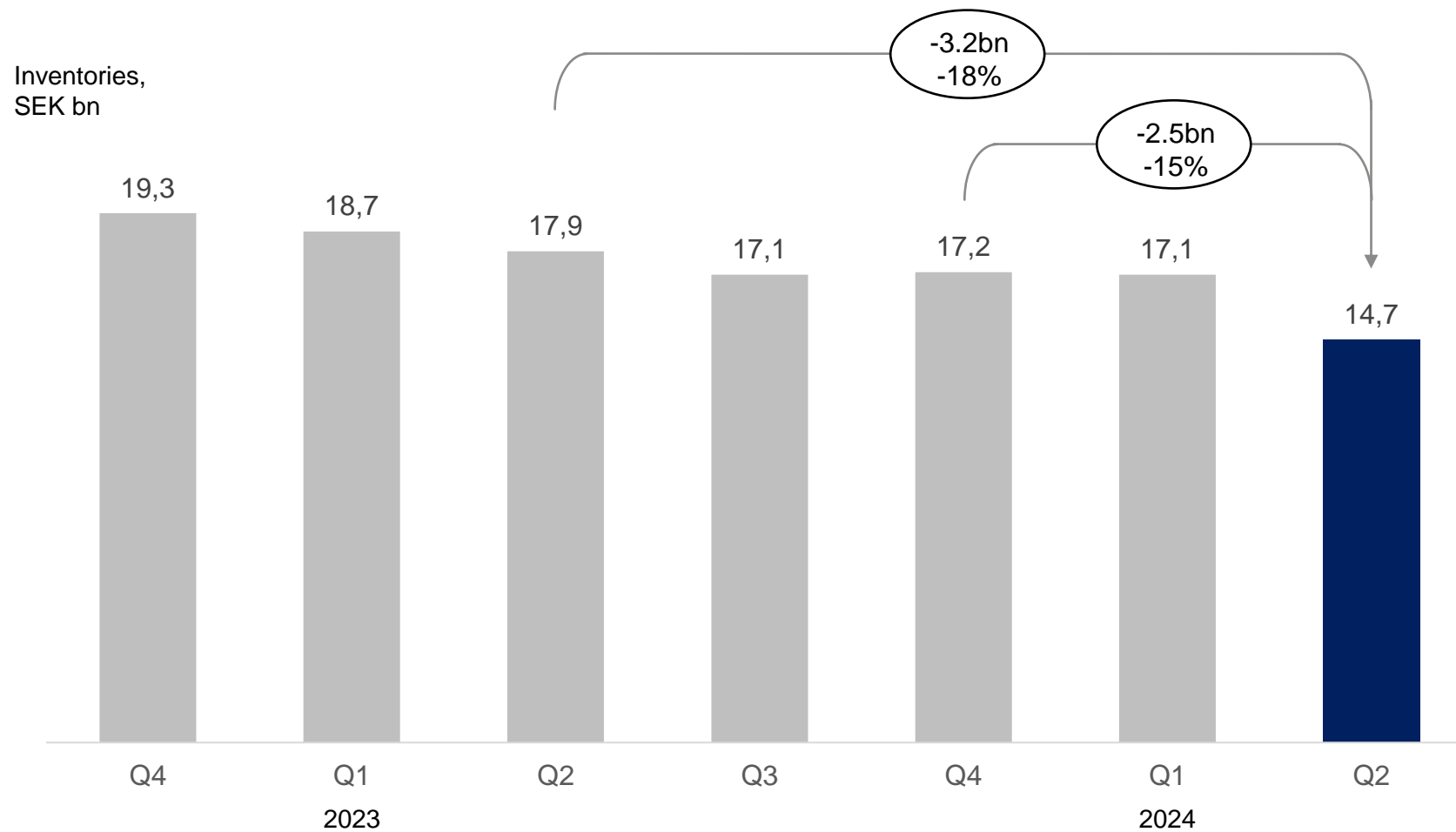
SEKm	June 30, 2024	June 30, 2023	Dec 31, 2023
Non-current assets	31 262	32 338	30 592
Inventories	14 720	17 949	17 184
Trade receivables	10 519	9 373	5 289
Other current assets	1 922	2 620	3 018
Cash and cash equivalents	2 059	3 990	1 527
Total assets	60 482	66 270	57 610
Total equity	25 516	26 279	23 772
Borrowings	13 276	14 432	14 586
Lease liabilities	2 081	2 249	2 084
Provisions for pensions	1 935	1 713	2 209
Other provisions	2 143	2 420	2 035
Trade payables	5 934	7 017	5 487
Other liabilities	9 597	12 159	7 436
Total equity and liabilities	60 482	66 270	57 610

- Solid financial position
- Trade receivables impacted by the planned reduction of trade receivables financing
- Good results from active efforts to reduce inventory levels
- Lower payables due to reducing manufacturing and inventory

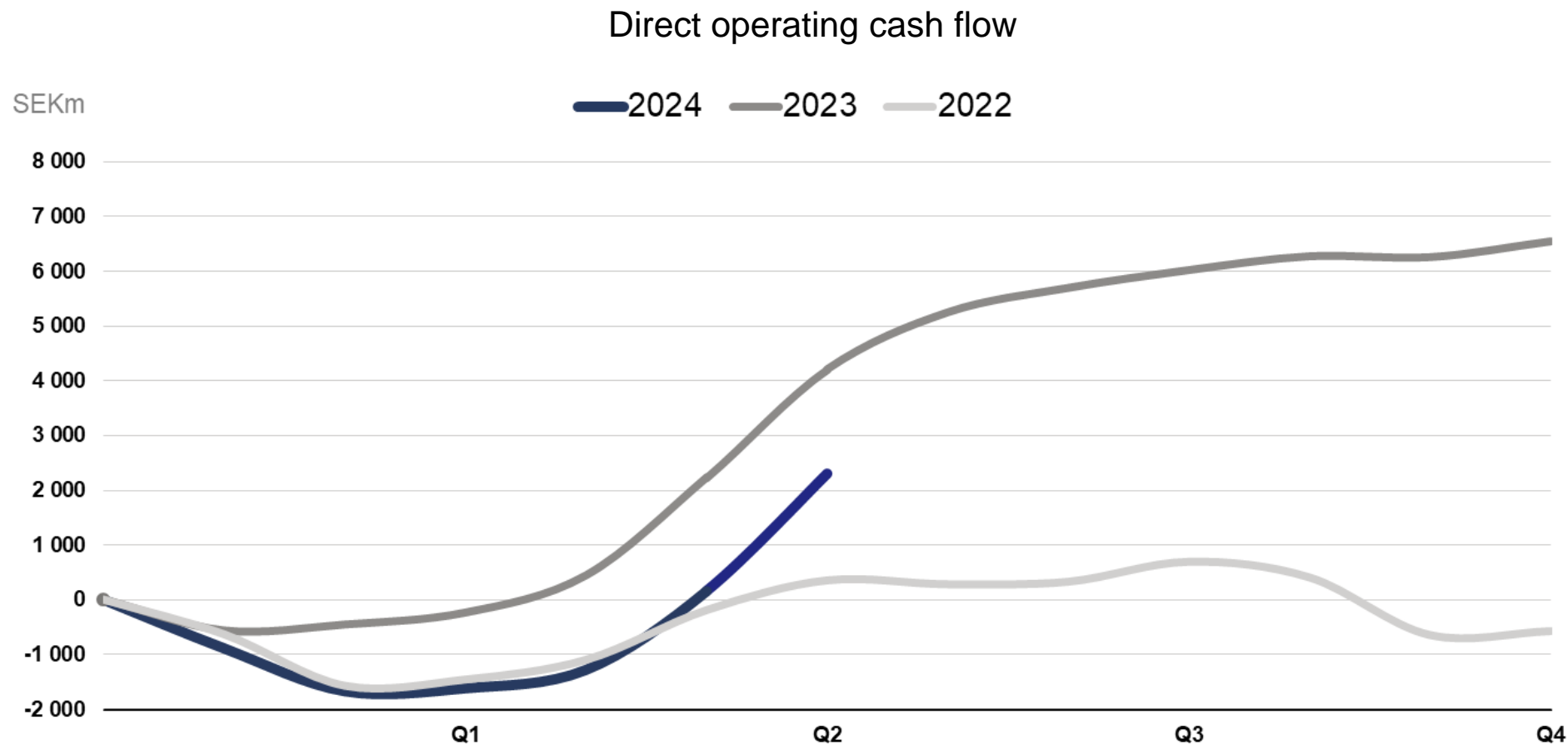
Net debt / EBITDA



Reducing inventory levels

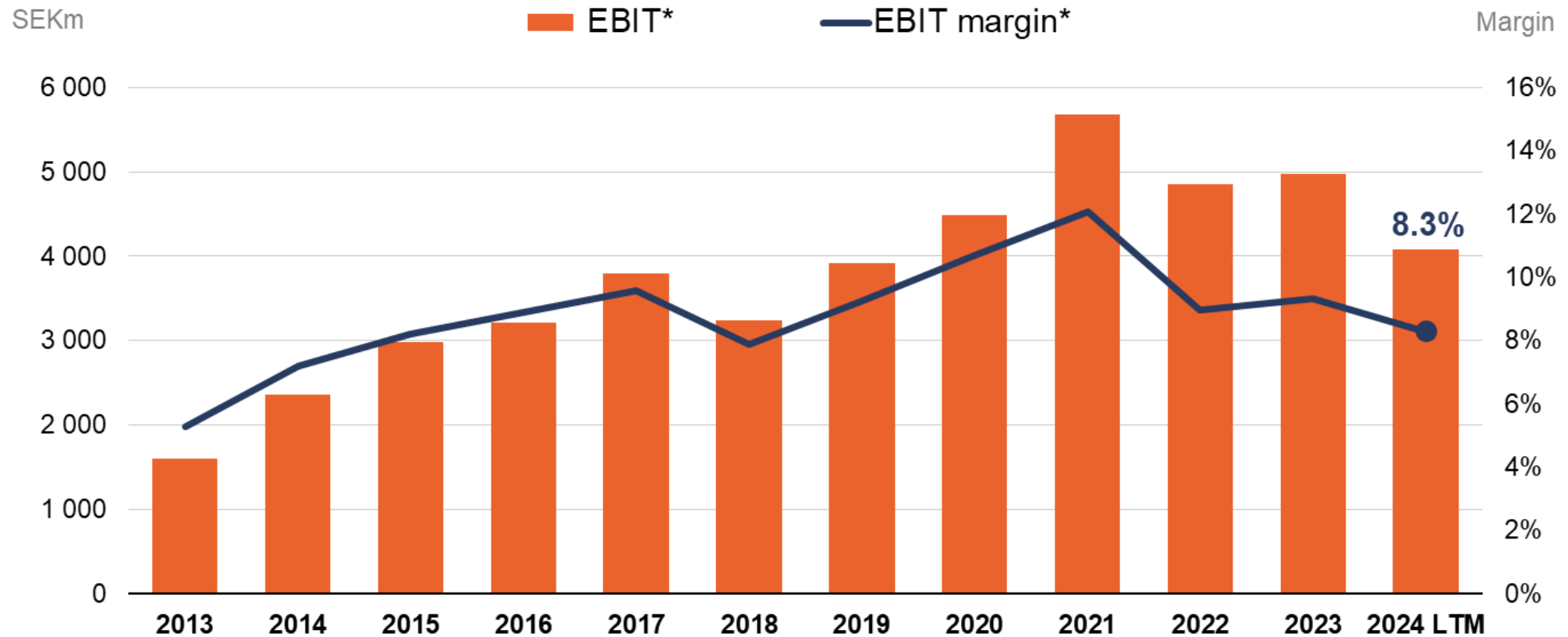


Direct operating cash flow



Trade receivables financing used in H1 2022 and H1 2023

Husqvarna Group – EBIT development



Husqvarna
Group

**Operating income excluding items affecting comparability*

Investing in our value creation areas



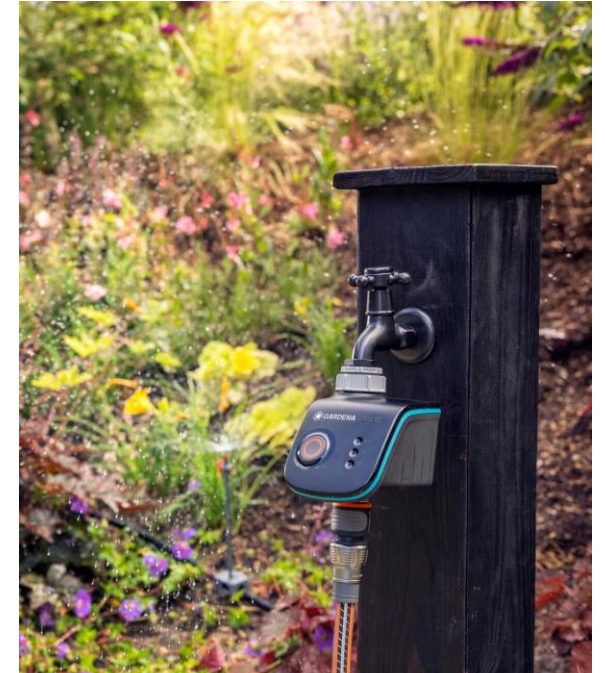
Robotic mowers



Battery-powered products



Professional solutions



Watering products



Highlights from the Group in Q2



Husqvarna
Group

Husqvarna Group
top ranked on
global innovation
and sustainability
rankings

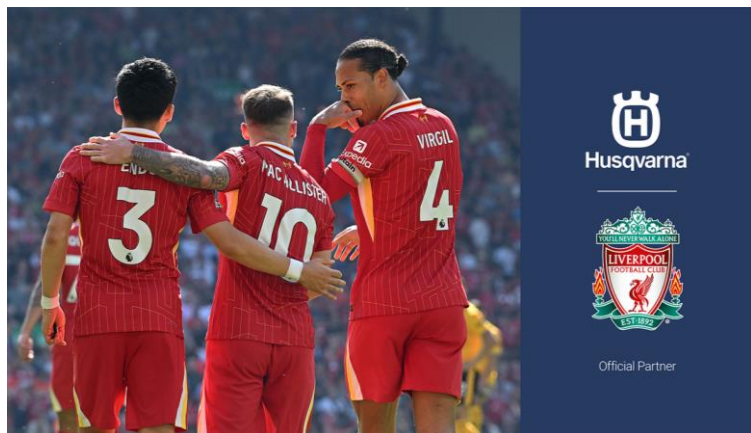


Four new web
stores launched in
key markets



Husqvarna

Husqvarna
partners with
Liverpool FC for
global robotics
promotion



Husqvarna

New DXR 95
boosts sales of
demolition robots



Good progress on our Sustainovate 2025 targets



CARBON

Reduce absolute CO₂ emissions by -35%

Status Q2 2024:

-56%



CIRCULAR

Launch 50 new circular innovations

Status Q2 2024:

31



PEOPLE

Empower 5 million people to make sustainable choices

Status Q2 2024:

3.3m



Husqvarna
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- Weak market conditions with cautious consumer spending gradually impacted the quarter
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- Strong growth in strategic focus areas: pro robotics, consumer battery and parts & accessories
- Stable gross margin and solid cash flow
- Good execution of cost-savings programs with further acceleration to mitigate market dynamics





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www.husqvarnagroup.com