



Husqvarna  
Group



## Q4 Results – February 5, 2025

Pavel Hajman, CEO  
Terry Burke, CFO

# Strong cash flow for the year

## Q4 Summary

- Results in line with our market guidance
- Growth for seasonal products
- Delivery on cost savings and operational efficiencies
- Improved cash flow
- Further structural changes in North America

## Full-year 2024

- Continued strategy execution and cost savings
- Strong growth in pro robotics and battery products
- Reduced EBIT - lower volumes and capacity utilization
- Strong cash flow of SEK 6.9bn, reduced net debt
- Delivery on our Sustainovate targets



# Stable cash flow in Q4



NET SALES

SEK **8,464**<sub>m</sub> (8,605)

ORGANIC SALES -3%

- Challenging market conditions and restrained consumer spending
- Growth in handheld, wheeled, battery products and P&A
- Decline in watering, robotic mowers and for construction products



OPERATING INCOME

SEK **-694**<sub>m</sub> (-168)

- Lower volumes and capacity utilization
- Higher promotional activities
- Delivering on cost savings programs



DIRECT OPERATING  
CASH FLOW

SEK **582**<sub>m</sub> (523)

- Inventory reduced by SEK 3.3bn (FX adjusted for FY 2024)
- Positive effect from higher trade payables
- Lower net debt



ROBOTICS AND BATTERY

**20%** (20) of Group R12

- Continued growth for boundary wire-free residential robotic sales
- Solid product lineup for the gardening season with 13 new boundary wire-free models

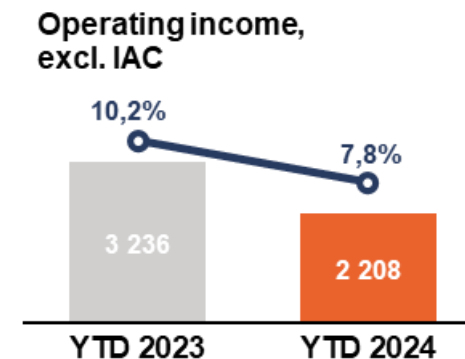
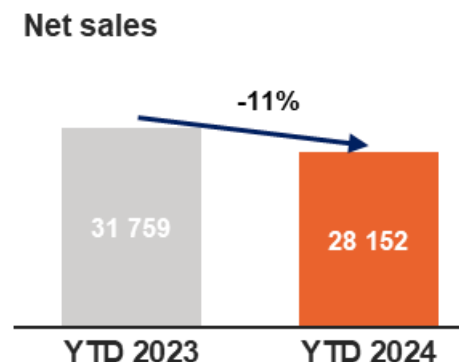
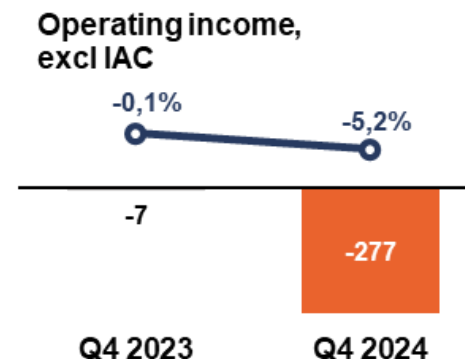
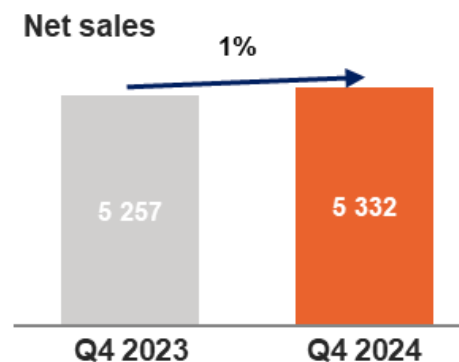
# Husqvarna Forest & Garden Division



## Q4: Flat organic sales; operating margin at -5.2%

- Growth for handheld, wheeled, battery products and P&A
- Operating income impacted by lower capacity utilization, higher promotional activities and unfavourable mix
- Partly offset by cost savings

**YTD 2024: Organic sales declined 8%; operating margin at 7.8%**



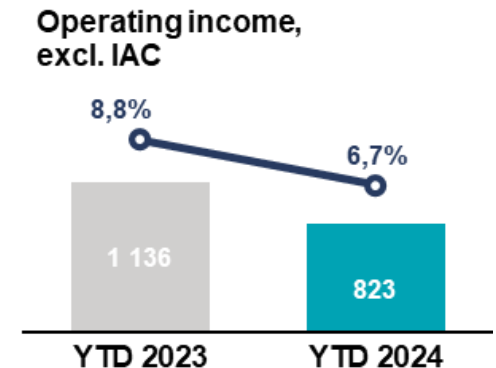
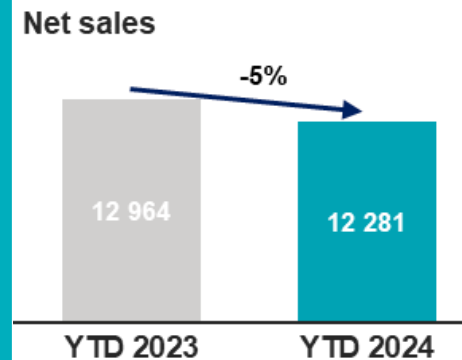
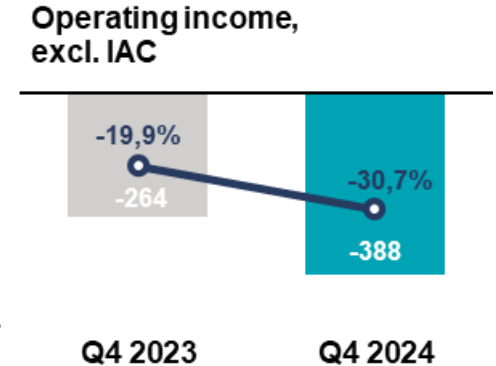
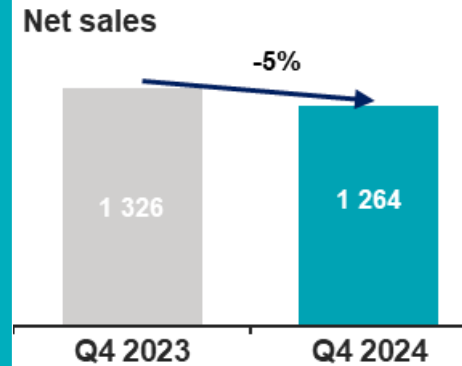
# Gardena Division



**Q4: Organic sales declined 8%; operating margin at -30.7%**

- Growth in hand tools segment
- Watering business decreased, following unfavourable weather in the season
- Cautious retail partners
- Negative volume and mix impacting profitability, partly offset by cost savings

**YTD 2024: Organic sales declined 5%; operating margin at 6.7%**



# Husqvarna Construction Division

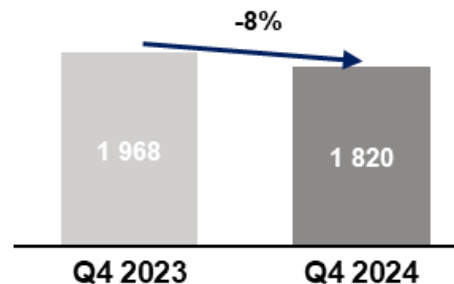


**Q4: Organic sales declined 9%; operating margin at 5.0%**

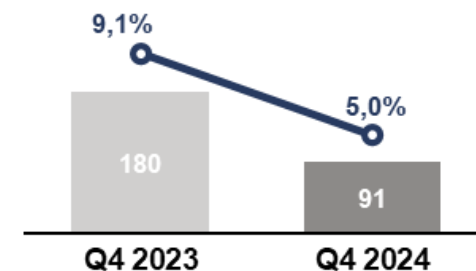
- Sales growth in Europe. Weak market and lower sales in North America
- Good performance for power cutters, demolition robots and P&A
- Lower volumes and capacity utilization impacting profitability, partly offset by cost savings

**YTD 2024: Organic sales declined 7%; operating margin at 8.4%**

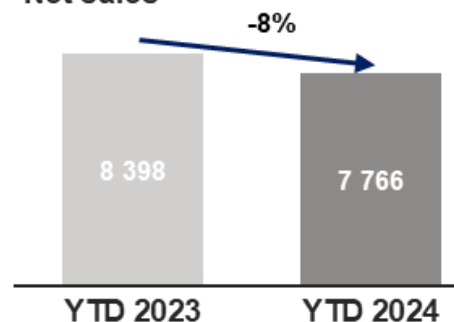
Net sales



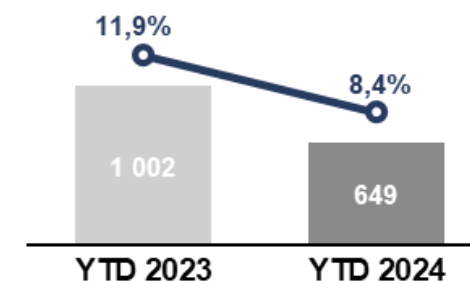
Operating income, excl. IAC



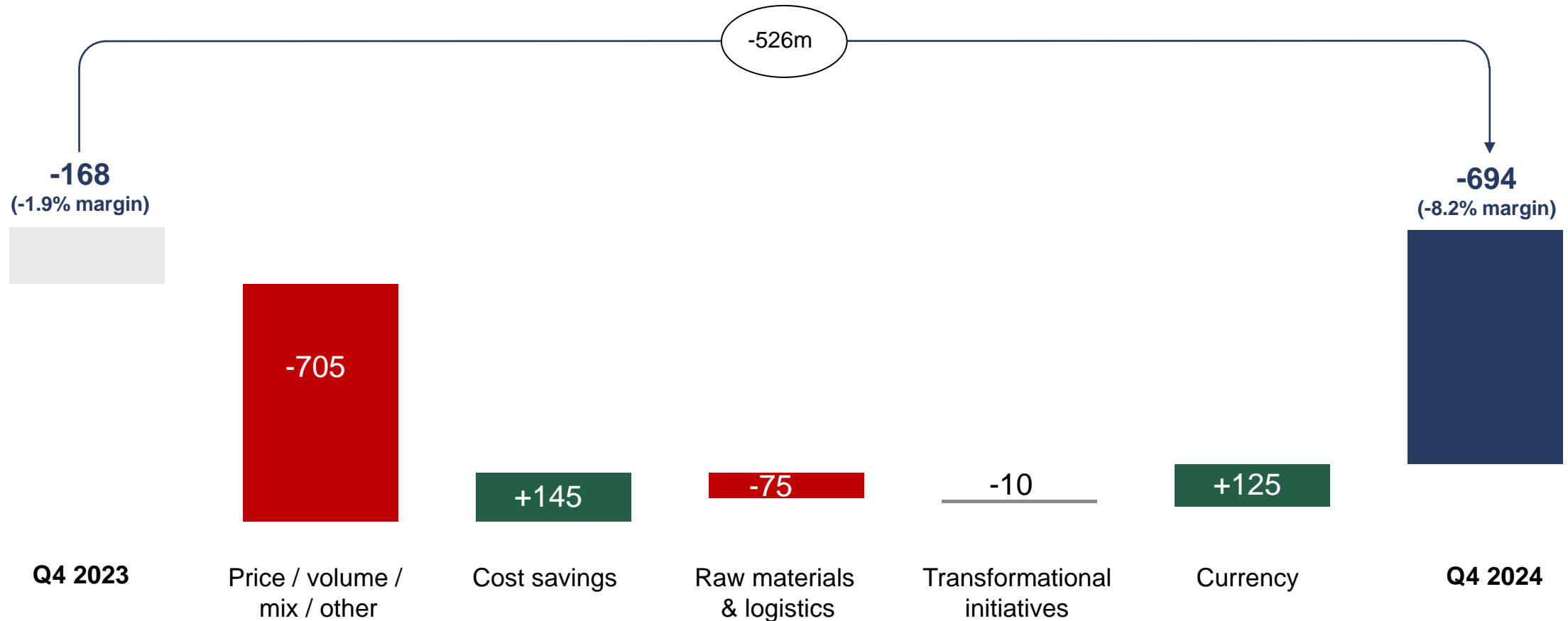
Net sales



Operating income, excl. IAC



# Q4 2024 EBIT bridge (excl. IAC)



# 2024 EBIT bridge (excl. IAC)





# Current savings programs on track, SEK 1.1bn realized

## 2022 & 2023 programs

Variable & fixed costs, production structure, reduction of 1,300 positions

Expected savings:

SEK 1,200m

Realized savings:

2023: SEK 380m

2024: SEK 735m

## 2024 program

Fixed costs, >400 positions

Expected savings:

SEK 500m

Majority of savings planned for 2025



# Entering strategic partnership with Flex

- Priority to enhance competitiveness in the North American market
- Divestment of manufacturing facility in Orangeburg to Flex
- Long-term supply agreement to continue local wheeled manufacturing and assembly of hand-held products
- 900 employees at the Orangeburg facility will be offered employment with Flex
- Leading to improved profitability, cost savings, and capital efficiency
  - Total savings of SEK 350m by 2030
  - IAC: approx. SEK 250m in Q4 2024
  - Cash flow from sale of assets
- Enhanced strategy execution with improved customer focus



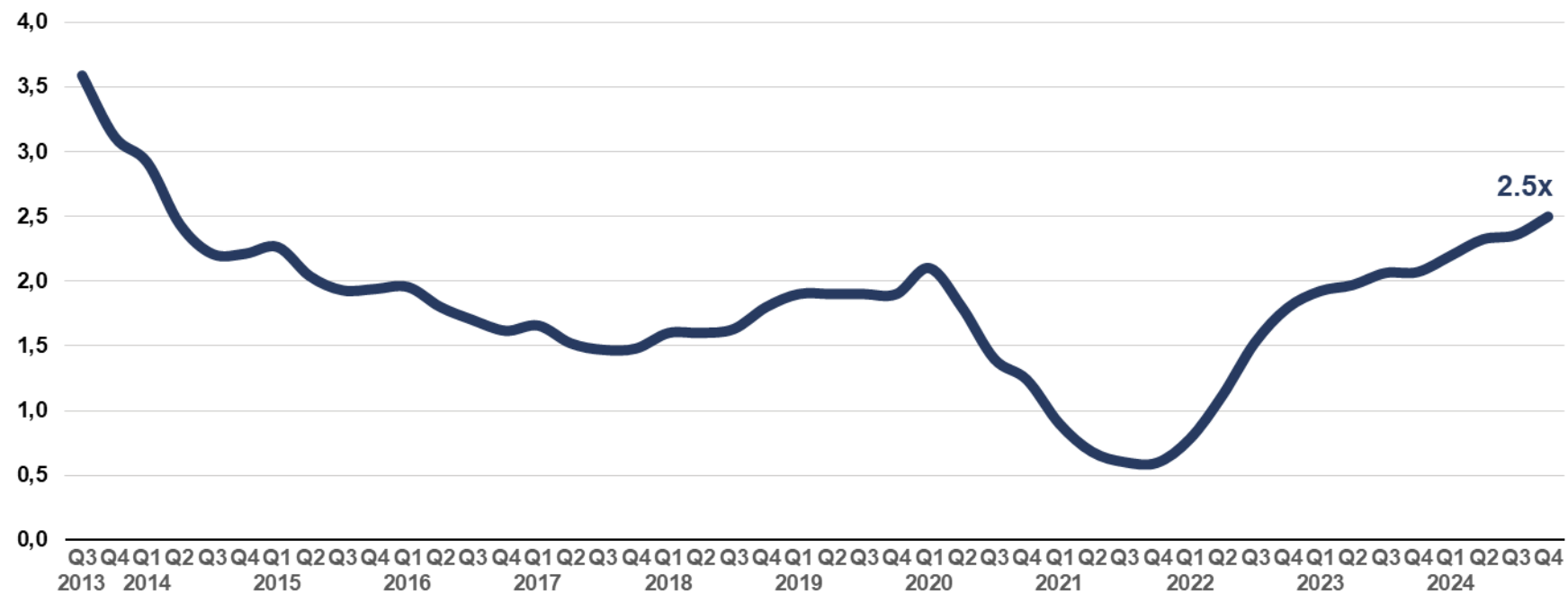
# Consolidated balance sheet

SEKm	Dec 31, 2024	Dec 31, 2023
Non-current assets	31 942	30 592
Inventories	13 828	17 184
Assets held for sale	1 410	-
Trade receivables	5 552	5 289
Other current assets	2 101	3 018
Cash and cash equivalents	1 970	1 527
<b>Total assets</b>	<b>56 803</b>	<b>57 610</b>
Total equity	24 622	23 772
Borrowings	12 519	14 586
Lease liabilities	2 003	2 084
Provisions for pensions	2 056	2 209
Other provisions	1 902	2 035
Trade payables	5 896	5 487
Other liabilities	7 665	7 436
Liabilities attributable to assets held for sale	140	-
<b>Total equity and liabilities</b>	<b>56 803</b>	<b>57 610</b>

- Solid financial position
- Inventory reduction SEK 3.3bn (fx adjusted)
- Lower borrowings
- Assets held for sale to Flex, include reclassifications from inventories (SEK 909m) and property, plant and equipment (SEK 501m)

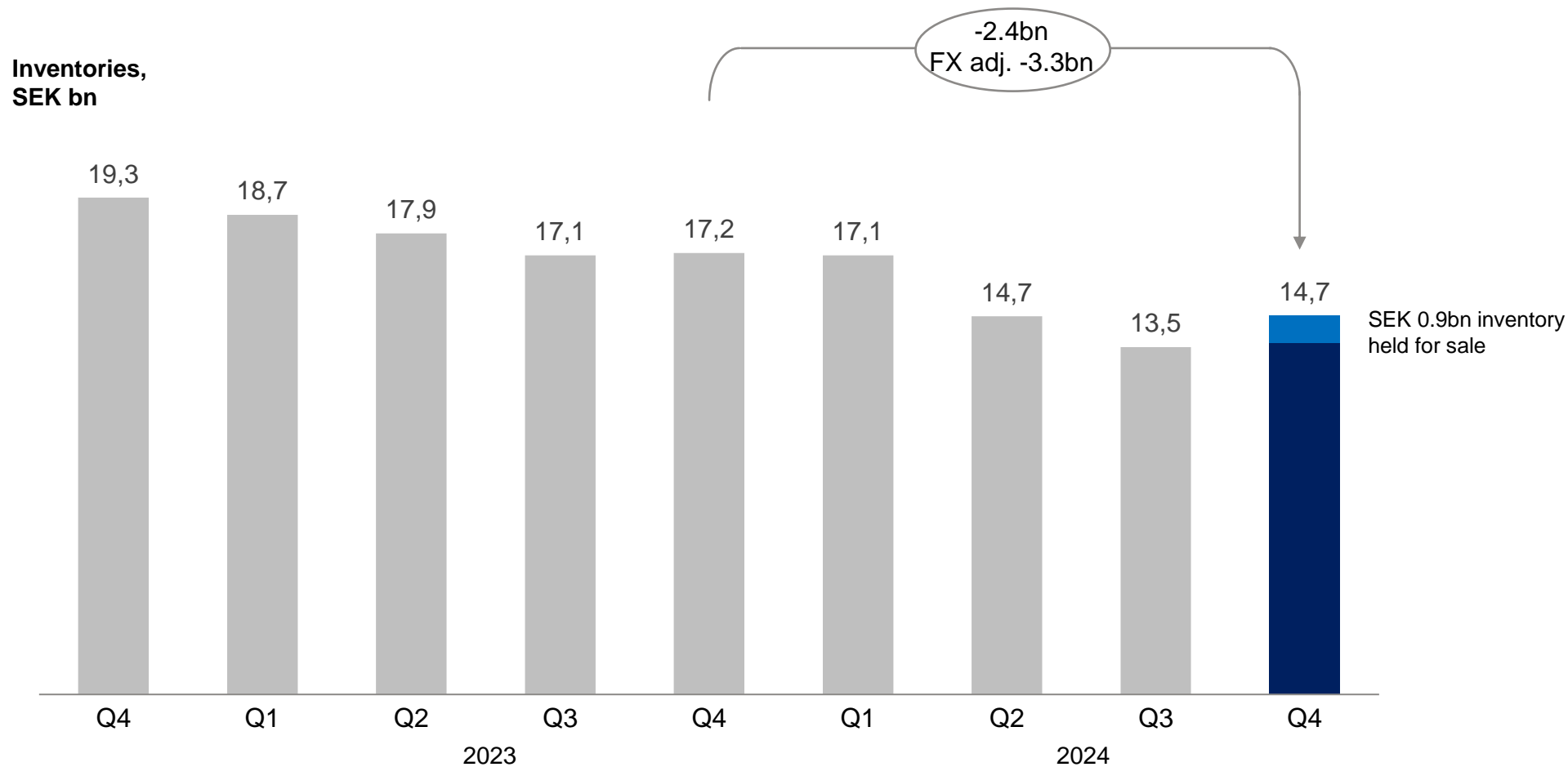
# Net debt / EBITDA (R12)

Net debt /  
EBITDA

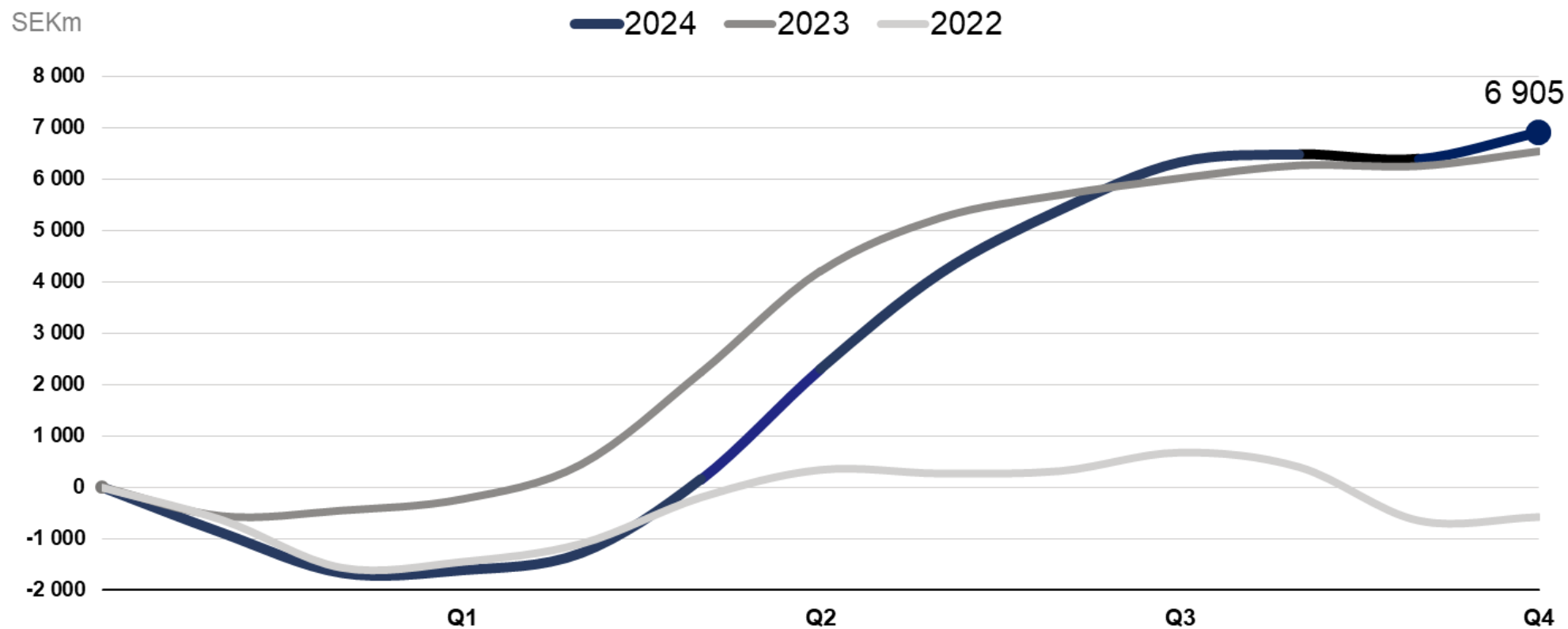


2.5x

# Inventory reduction of SEK 3.3bn (fx adjusted)



# Record direct operating cash flow



*Trade receivables financing used in H1 2022 and H1 2023*

# Dividend proposal

- Payout: 43% of reported EPS and 32% of adjusted EPS
- Dividend policy >40%
- Balanced view of current market conditions, financial position and focus on reducing net debt

Board proposal for 2024 – SEK 1.00 (3.00)



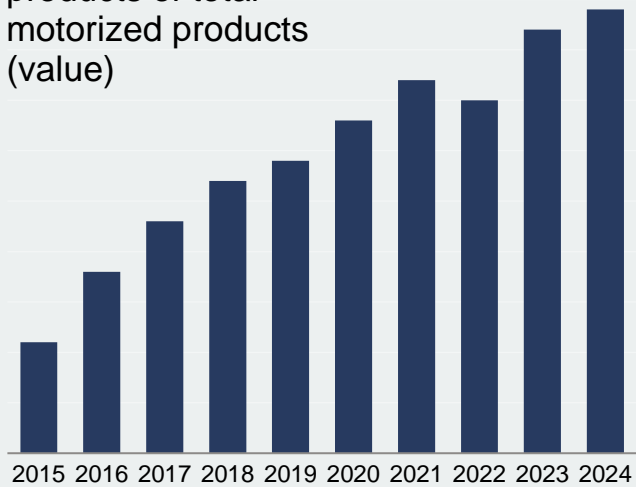
# Operational ambitions

## Electrified solutions to reach 2/3

~67%

Share of electrified products of total motorized products (value)

44%

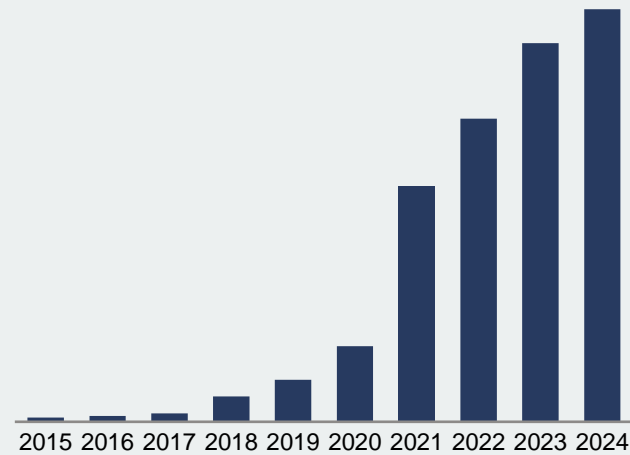


## Double number of connected devices

>6m

Million connected devices

4.9m

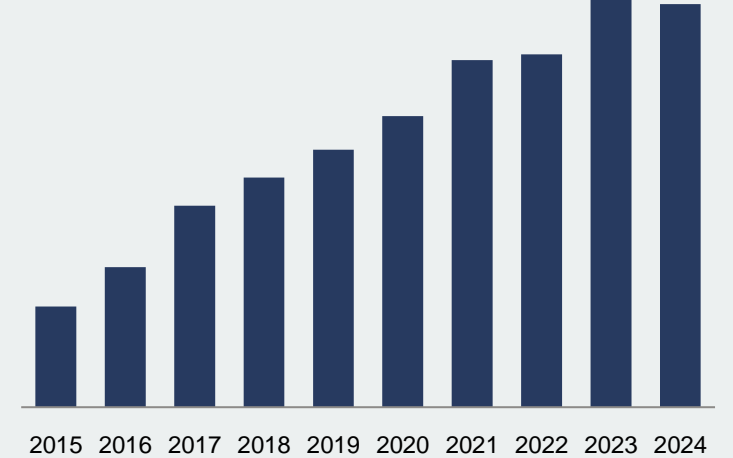


## Double sales of robotic mowers

~12

Robotic mower sales (SEK bn)

7.2







# Husqvarna strengths anchored in professional & mid/high residential segments

			Share of Husqvarna robotic sales (SEK 7.2bn in 2024)	Market position
Professional segment		<ul style="list-style-type: none"><li>• Golf, sports, private and public spaces etc.</li><li>• High service level, fleet software systems</li><li>• Expansion of professional dealer network</li></ul>	 ~15%	No. 1
Mid- to high end residential		<ul style="list-style-type: none"><li>• Core segment for Husqvarna brand; larger gardens, highest quality &amp; extensive durability</li><li>• Advice, installation, support and service from dealer network</li><li>• Husqvarna positioned as premium brand</li></ul>	 ~70%	No. 1
Entry residential segment		<ul style="list-style-type: none"><li>• Typical retail segment</li><li>• Traditional high competition from retailer brands and other manufacturers</li><li>• Gardena brand positioned as the premium choice</li></ul>	 ~15%	No. 2

# Focus on our areas for value creation



Robotic mowers



Battery-powered products



Professional solutions



Watering products



Entering a new strategic period  
Capital Markets Day in Q4 2025

# Innovative product launches for 2025



Watering



GARDENA AquaPrecise



GARDENA AquaBloom



Robotic mowers



GARDENA  
Sileno Free BWF



Automower NERA  
BWF models  
with systematic mowing



Battery solutions



New chainsaws and more  
powerful batteries



Husqvarna battery  
Rider AWD



Professional solutions



Expansion of BWF  
PRO Robotics



Husqvarna Autogrinder: a new  
era of surface preparation

# Good progress on our Sustainovate 2025 targets



## CARBON

Reduce absolute CO<sub>2</sub> emissions by -35%

Status 2024:

**-56%**



## CIRCULAR

Launch 50 new circular innovations

Status 2024:

**37**



## PEOPLE

Empower 5 million people to make sustainable choices

Status 2024:

**3.9m**



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