



# Shaping GREAT experiences



## Q1 2021 results presentation

April 22, 2021

Henric Andersson, CEO

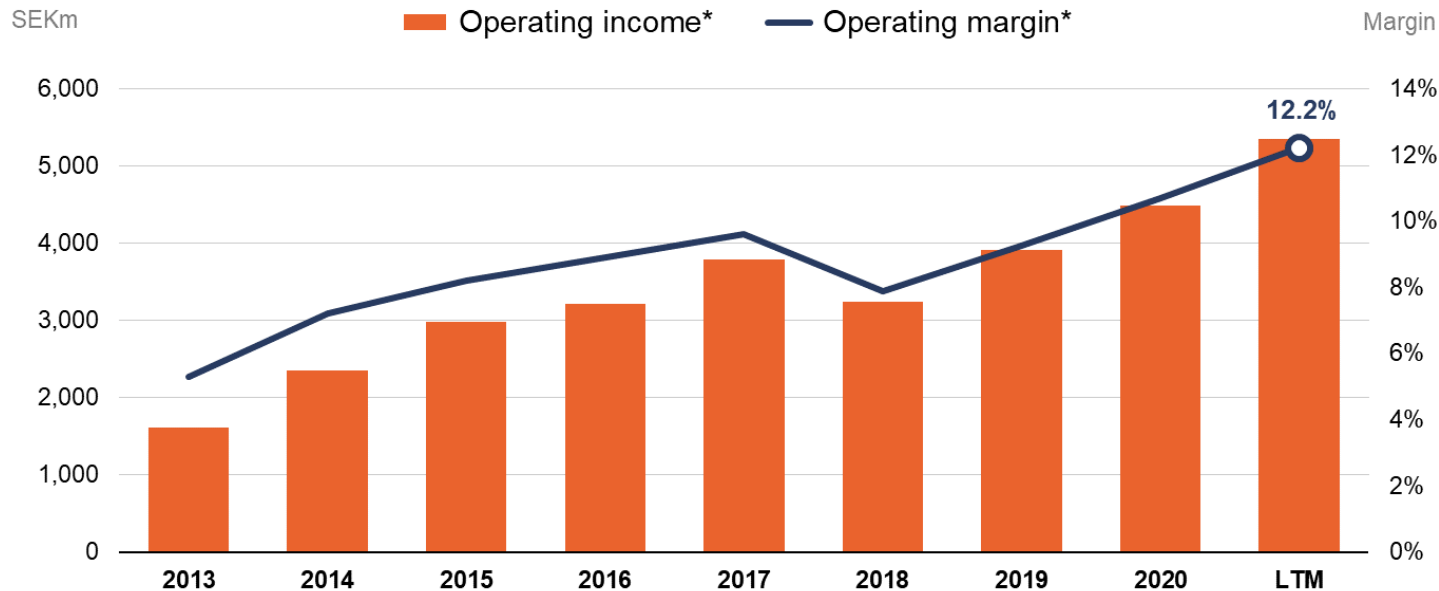
Glen Instone, CFO

# Strong start of the year

- Continued momentum and well positioned going into the gardening season
- Record first quarter
- Executing on strategy - strong growth in key categories



# Building a stronger Husqvarna Group



*\*Excluding items affecting comparability.*

# Record first quarter



NET SALES

SEK **14,030**m (12,208)

ORGANIC GROWTH

**+24%**

- Strong sell-in ahead of the gardening season
- Trade partners are filling inventory levels, this year from low levels



OPERATING INCOME

SEK **2,293**m (1,424)

**+61%**

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



DIRECT OPERATING  
CASH FLOW

SEK **143**m (-132)

- Good cash flow from operations, net debt - 54%
- AGM approved dividend of SEK 2.40 (2.25)



ROBOTICS AND BATTERY

**17%** of  
Group sales (R12)

- Strong growth in both consumer & pro segments
- Solid product line up and pipeline

# Husqvarna Division



## Q1: organic growth +21%

- Strong growth in all key regions, and categories, particularly for robotics & battery
- Good contribution from new launches such as Automower® 405X & 415X
- Strengthened market positions

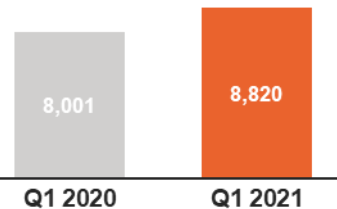
## Q1: operating income +58%

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

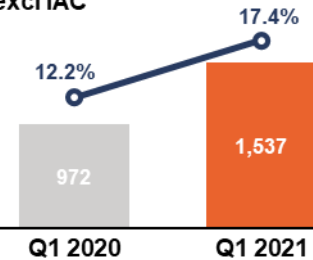
**Rolling 12-months: organic growth +12%, operating income +50%**

Q1 2021 (SEKm)

### Net sales

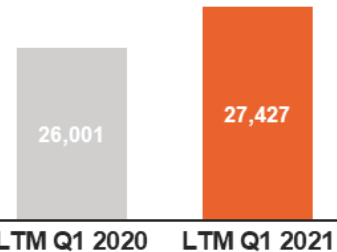


### Operating income, excl IAC

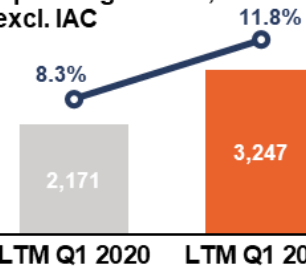


April 2020 – March 2021 (SEKm)

### Net sales



### Operating income, excl. IAC



# Gardena Division



## Q1: organic growth +37%

- Strong growth in key product categories – particularly good growth for watering, robotics and hand tools.
- Solid launch of “Power-for-all” battery system
- Strong growth in online sales

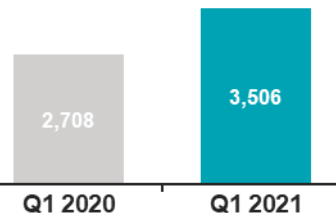
## Q1: operating income +64%

- Strong growth, product mix, price increases
- Higher raw material & logistics costs and negative currency effects

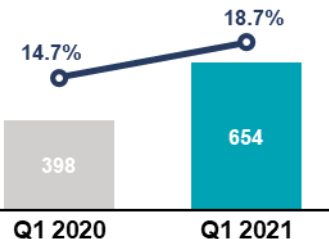
**LTM: organic growth +26%,  
operating income +94%**

Q1 2021 (SEKm)

Net sales

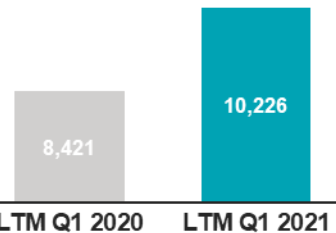


Operating income,  
excl. IAC

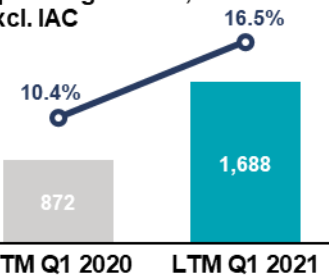


April 2020 – March 2021 (SEKm)

Net sales



Operating income,  
excl. IAC



# Construction Division



## Q1 – organic growth +14%

- Strong growth, especially in Europe and in emerging markets
- Improved market situation in first quarter
- Blastrac acquisition completed, contributed with +9%

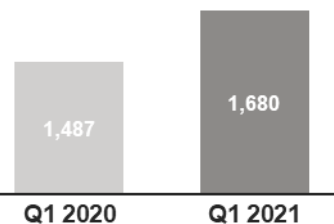
## Q1 – operating income +55%

- Volume growth and product mix (power cutters, light compaction solutions)
- Higher costs for raw materials and negative currency effects

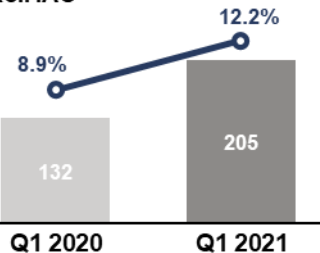
**LTM – organic growth -1%, operating margin at 11.7% (excl. IAC)**

Q1 2021 (SEKm)

Net sales

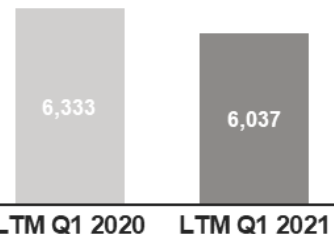


Operating income, excl. IAC

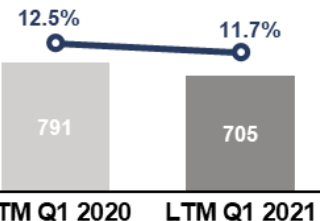


April 2020 – March 2021 (SEKm)

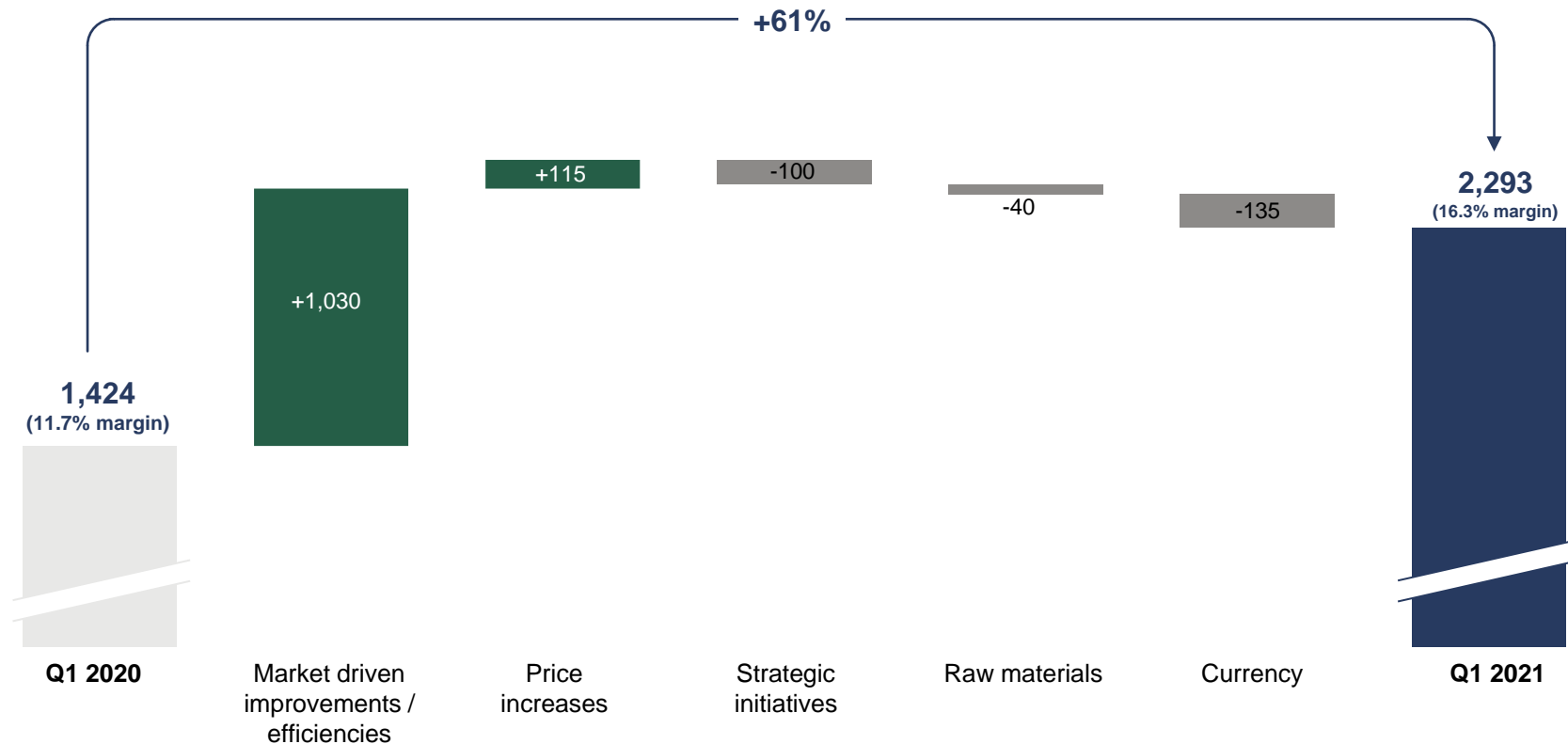
Net sales



Operating income, excl. IAC



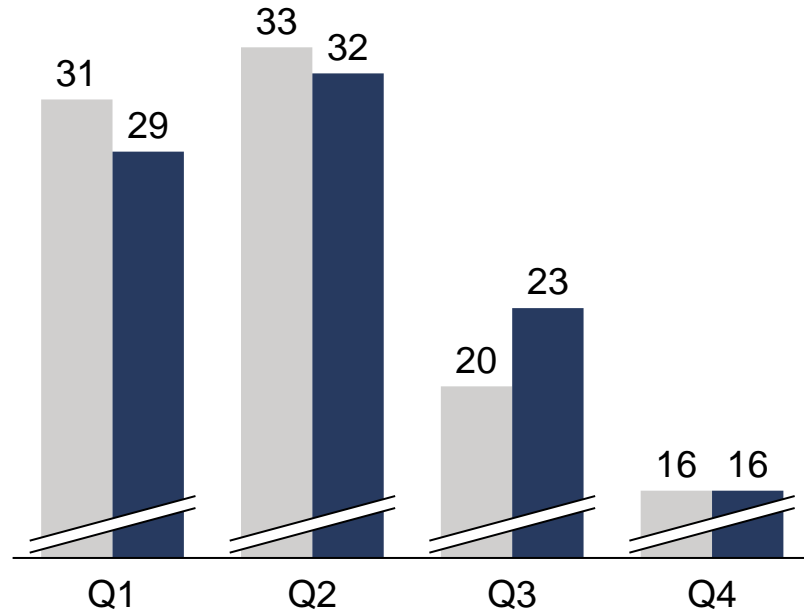
# EBIT bridge



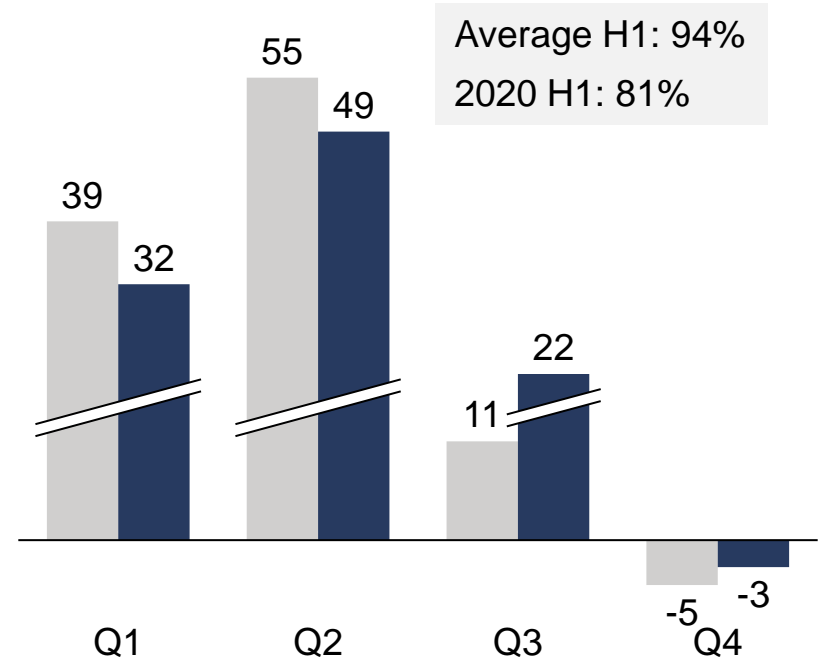


# 2020 was a special year in terms of quarterly distribution

## Net sales distribution by quarter

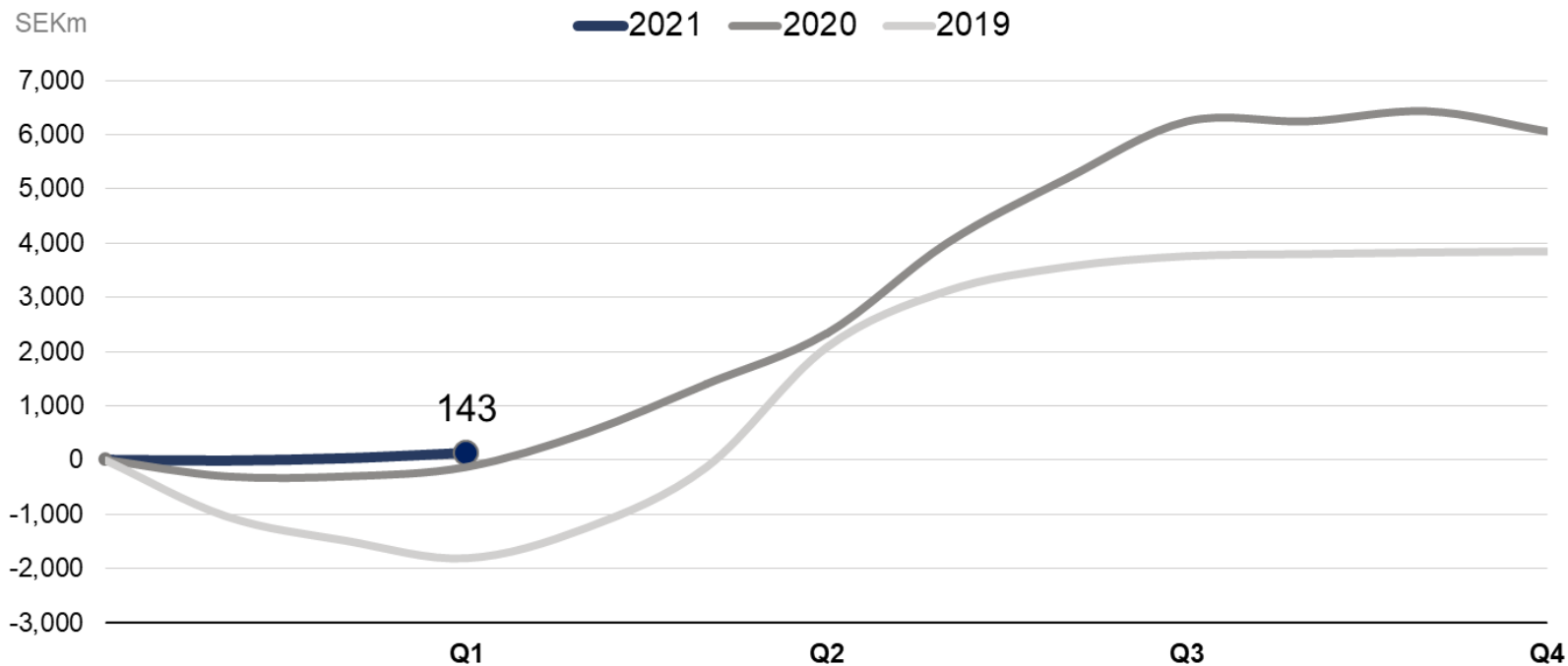


## Operating Income distribution by quarter

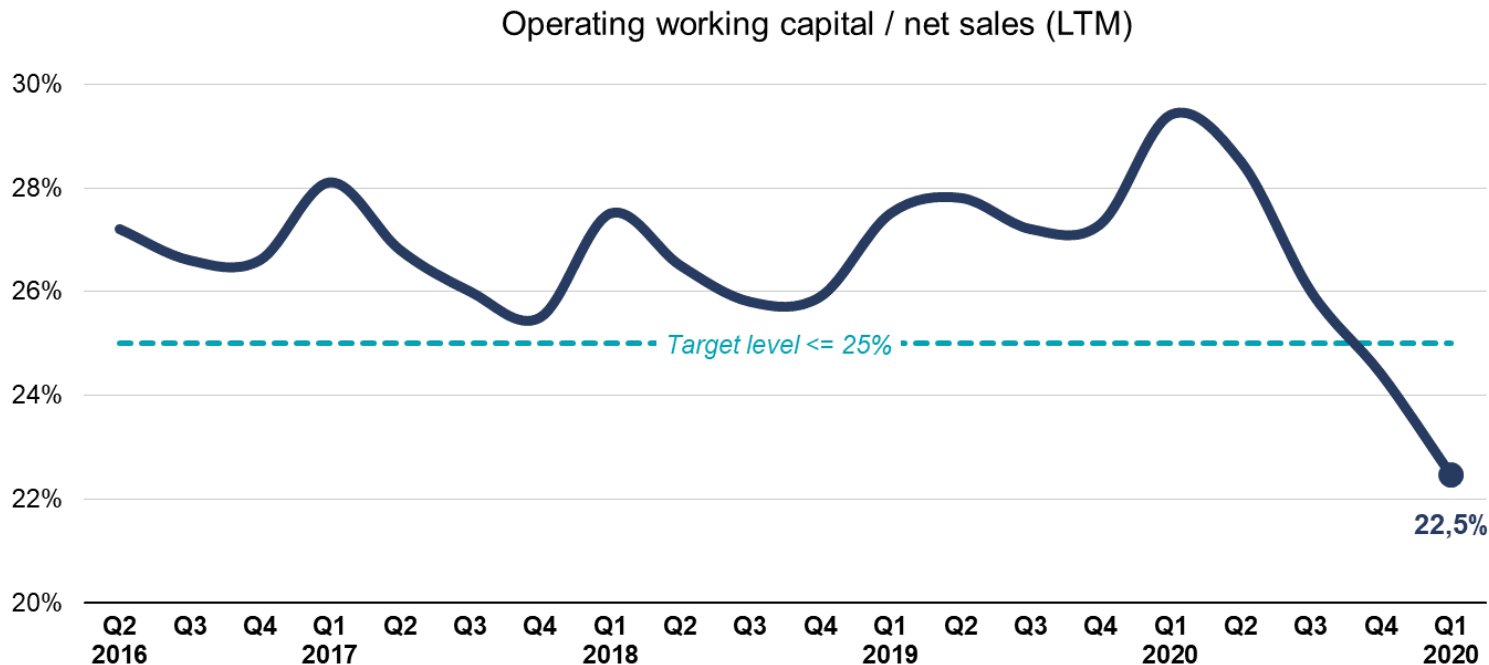


■ Average 2015 - 2019 ■ 2020

# Continued positive cash generation



# Improved capital efficiency

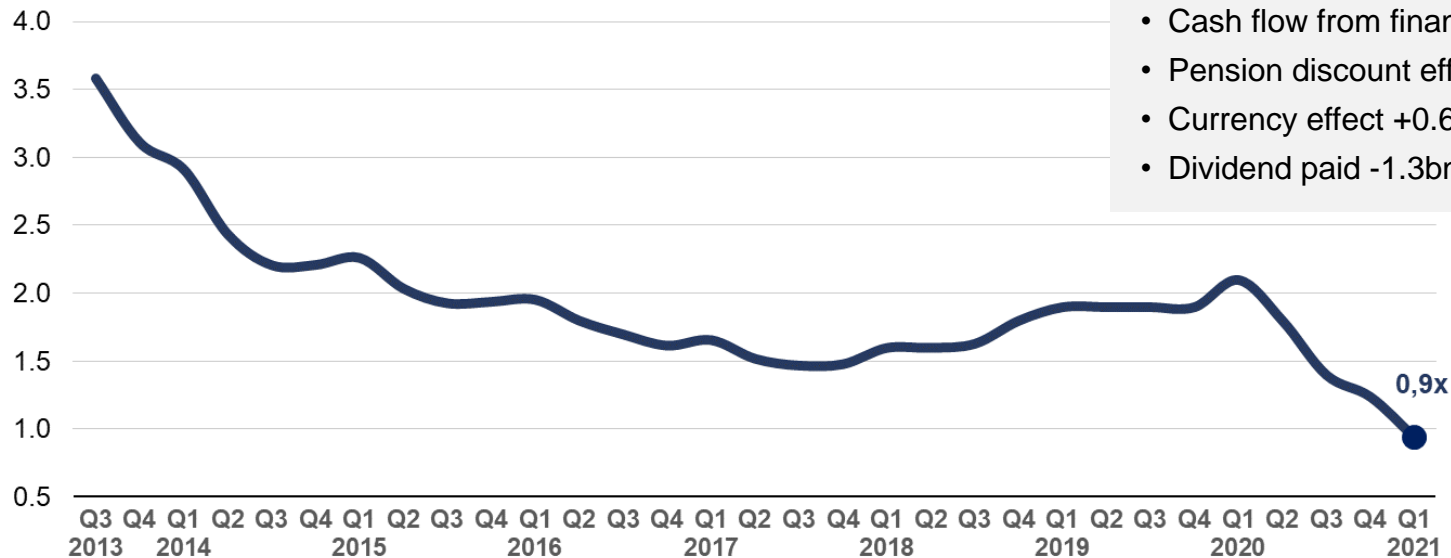


# Consolidated balance sheet

| SEKm                                | March 31<br>2021 | March 31<br>2020 |
|-------------------------------------|------------------|------------------|
| Non-current assets                  | 22,979           | 24,691           |
| Inventories                         | 9,947            | 11,179           |
| Trade receivables                   | 7,108            | 6,764            |
| Other current assets                | 1,498            | 1,837            |
| Cash and short term investments     | 8,067            | 2,446            |
| <b>Total assets</b>                 | <b>49,599</b>    | <b>46,915</b>    |
| Total equity                        | 19,514           | 18,739           |
| Borrowings                          | 9,585            | 9,780            |
| Lease liabilities                   | 1,654            | 1,706            |
| Provisions for pensions             | 2,352            | 2,815            |
| Other provisions                    | 1,903            | 1,397            |
| Trade payables                      | 6,253            | 5,618            |
| Other current liabilities           | 8,337            | 6,861            |
| <b>Total equity and liabilities</b> | <b>49,599</b>    | <b>46,915</b>    |

- Continued good inventory management
- Increase in receivables in line with volume growth
- High production levels in quarter impacting trade payables
- Solid cash and short-term investments position of SEK 8.1bn
- Undrawn revolving credit facilities of SEK 5 bn

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



Net debt of SEK -5.3bn (-11.6)

- Cash from operations +6.8bn
- Cash flow from financing +0.6bn
- Pension discount effect -0.4bn
- Currency effect +0.6bn
- Dividend paid -1.3bn

# Delivering on our strategy



Customer  
experience

Robotics &  
battery

**Sustainovate**

Services &  
solutions

A winning  
core

# Embarking on 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

# Embarking on Sustainovate 2025

## CARBON



Q1/2021  
**-31%**

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

## CIRCULAR



Q1/2021  
**2**  
innovations

Launch  
**50**  
new circular  
innovations

## PEOPLE



Q1/2021  
**-**  
people

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



# Delivering on our strategy

- Continued momentum and well positioned going into the gardening season
- Record first quarter
- Executing on strategy - strong growth in key categories





**Husqvarna**  
**Group**