



Shaping GREAT experiences



Year-end results 2022

February 1, 2023

Pavel Hajman, acting CEO

Terry Burke, CFO

Strong finish to a challenging year

- High growth in Q4
- Strategy execution in a challenging environment
- Delivering on the sustainability targets
- Good progress in the program to accelerate our transformation
- Innovation leadership. Successful launches 2022 and strong product portfolio for 2023



High growth in the fourth quarter



NET SALES

SEK **10,353**m (8,234)

ORGANIC GROWTH
+8%

- Strong growth for robotic mowers and battery-powered products
- Gardena's volumes impacted by continued retailer destocking during the end of the year



OPERATING INCOME

SEK **-13**m (-180)

- Price increases offset higher raw materials and logistics costs
- Sales growth and favorable product mix
- Negative currency effect



DIRECT OPERATING
CASH FLOW

SEK **-1,261**m (-1,131)

- Higher accounts receivables mainly due to increased sales
- Inventory stabilized, but still on high levels – focus on inventory management
- BoD will propose a dividend of SEK 3.00 (3.00)



ROBOTICS AND BATTERY

15% (18) of Group R12

- Robotics growth driven by improving supply chain situation, continued good demand and re-stocking
- Strong product line up 2023 in both robotics and battery

Husqvarna Forest & Garden Division



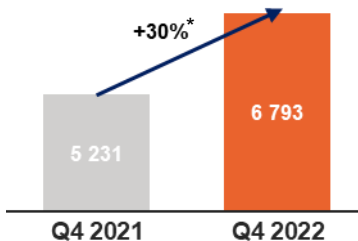
Q4: Organic sales growth 15% Operating margin 4.0%

- Strong growth for robotic mowers, both pro (CEORA) and residential – favorable product mix
- Price increases offsetting higher raw material and logistics costs
- Negative currency effect SEK -60m on operating income

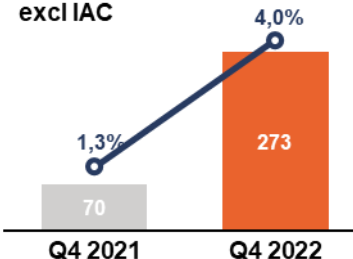
FY 2022: Organic sales flat Operating margin 10.0%

- Good growth in pro hand held and recovery in robotics in H2
- Lower volumes and unfavorable product mix

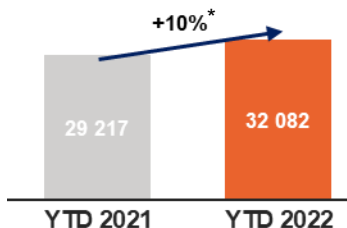
Net sales



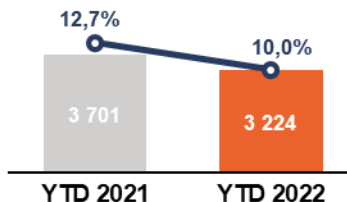
Operating income, excl IAC



Net sales



Operating income, excl. IAC



Note: Operating income excluding items affecting comparability

*Reported sales growth in SEK

Gardena Division



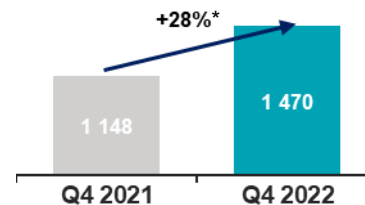
Q4: Organic sales growth -11% Operating margin -21.4%

- Retailer destocking continued through the end of the year
- Lower volumes impacting operating income, however price compensated for higher raw material and logistics costs
- Orbit contributed with 26% to sales, no dilution effect

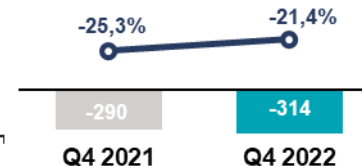
FY 2022: Organic sales growth -7% Operating margin 8.6%

- Sell-out higher than sell-in due to retailer destocking with improved market positions
- Orbit contributed with 31% to sales, 1.4 pts dilution effect

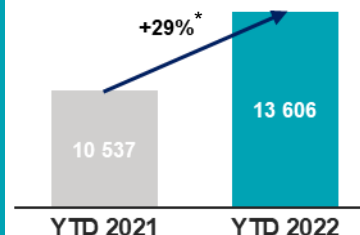
Net sales



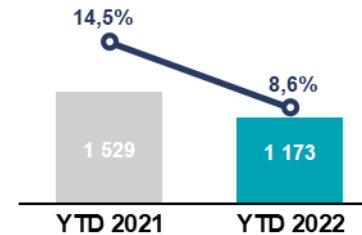
Operating income, excl. IAC



Net sales



Operating income, excl. IAC



Husqvarna Construction Division



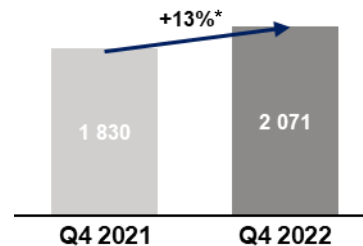
Q4: Organic sales growth -1% Operating margin 6.1%

- Lower volumes and negative mix impacted operating income
- Growth for demolition robots and diamond tools
- Price increases compensated for higher raw material and logistics costs

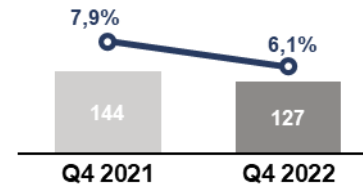
FY 2022: Organic sales growth 2% Operating margin 10.4%

- Good growth for power cutters
- Higher costs related to supply chain disturbances
- Lower volumes

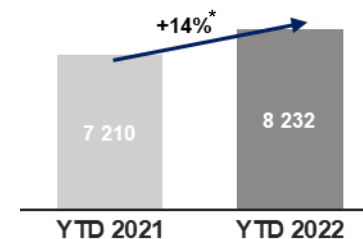
Net sales



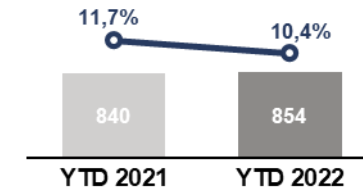
Operating income, excl. IAC



Net sales



Operating income, excl. IAC



Acceleration of strategic transformation on track

Value creation levers

Accelerating value creation levers

- Additional SEK 400m per year to be invested in the value creation levers by 2025
- Proactively exiting SEK 2bn of low-margin petrol-powered consumer business from 2024 and reducing installed capacity

Financial effects

- Yearly savings of SEK 800m by 2025
- Items affecting comparability charged in Q4: SEK 1.8bn



Robotic
mowers



Battery-powered
products

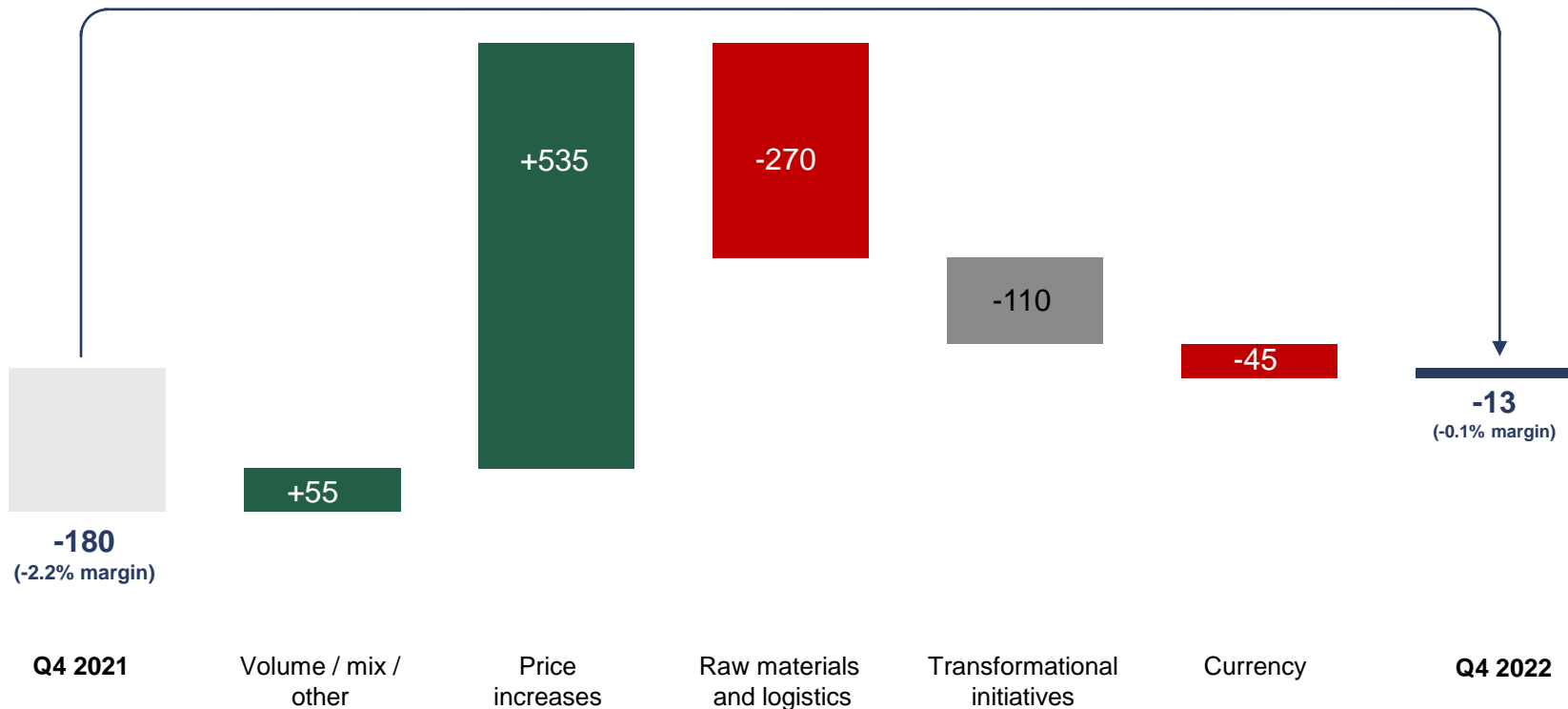


Professional
solutions

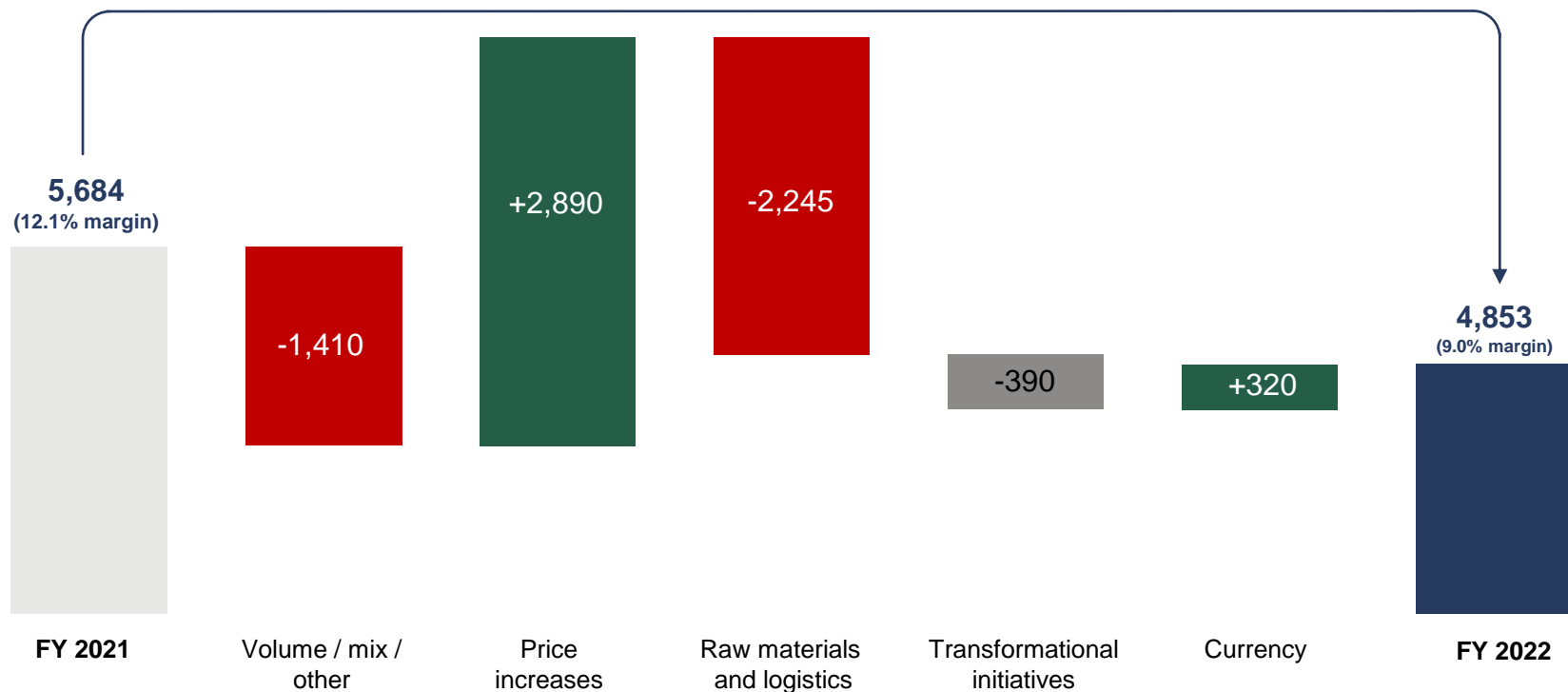


Watering
products

Q4 2022 EBIT bridge (excl. IAC)



FY 2022 EBIT bridge (excl. IAC)



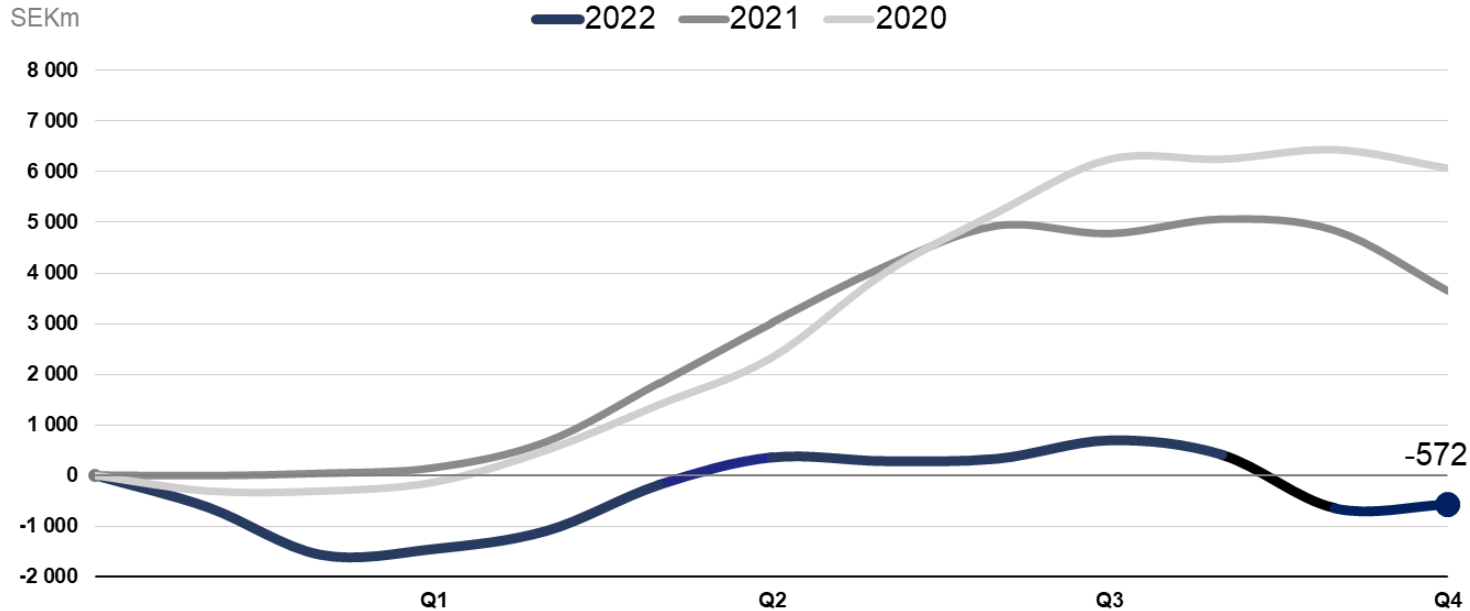
Consolidated balance sheet

| SEKm | Dec 31, 2022 | Dec 31, 2021 |
|-------------------------------------|---------------|---------------|
| Non-current assets | 30 849 | 28 571 |
| Inventories | 19 334 | 14 030 |
| Trade receivables | 6 267 | 4 310 |
| Other current assets | 2 858 | 1 801 |
| Cash and cash equivalents | 2 328 | 2 208 |
| Total assets | 61 636 | 50 920 |
| Total equity | 24 011 | 21 646 |
| Borrowings | 16 627 | 8 215 |
| Lease liabilities | 2 358 | 1 849 |
| Provisions for pensions | 1 681 | 2 192 |
| Other provisions | 2 116 | 1 512 |
| Trade payables | 7 111 | 6 990 |
| Other current liabilities | 7 732 | 8 515 |
| Total equity and liabilities | 61 636 | 50 920 |

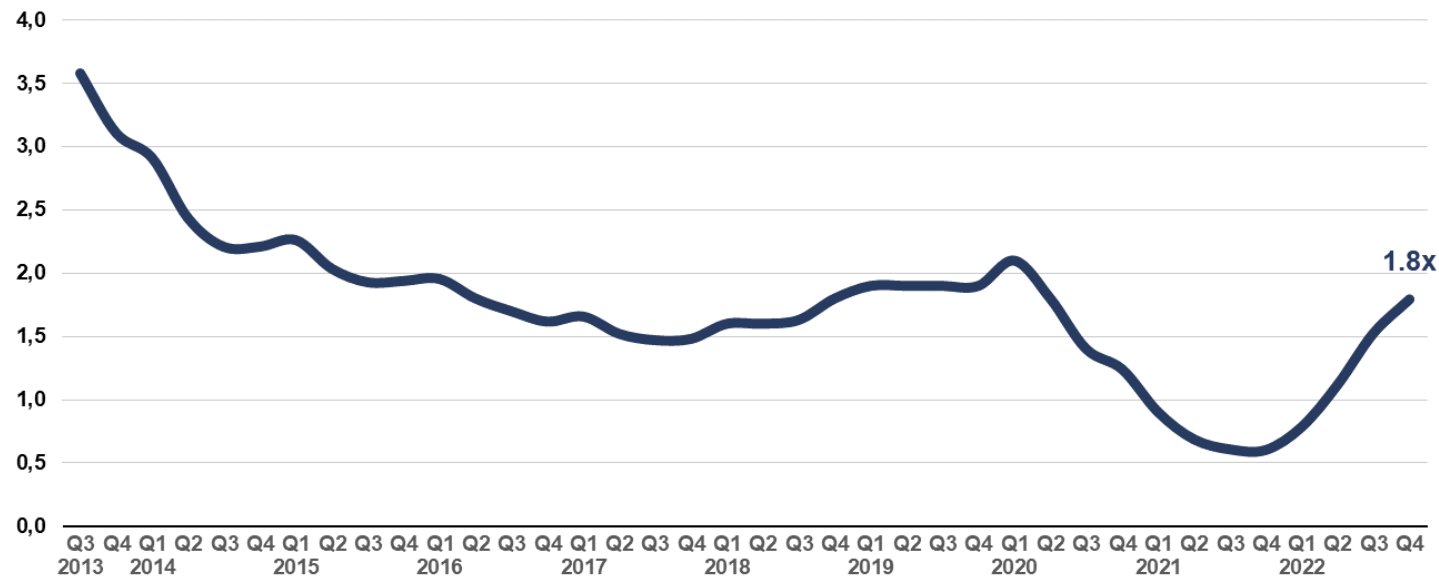
- Solid financial position
- Higher working capital
 - Higher receivables mainly due to increased net sales
- Stabilization of inventory levels
 - Currency effect
 - Cost increase of input goods
 - Increase in components and finished goods
 - Focus on inventory management

Cash flow – impacted by higher inventory levels

Direct operating cash flow



Net debt / EBITDA



Unchanged dividend proposed

- Confidence in long-term strategy
- Strengthened capabilities in value-creating levers
- Expecting improved cash flow going forward

Board proposal for 2022 – SEK **3:00** (3:00)



Sustainovate 2025 targets – progress 2022



CARBON

Reduce absolute CO₂ emissions by -35%

-32%



CICRULAR

Launch 50 new circular innovations

10



PEOPLE

Empower 5 million people to make sustainable choices

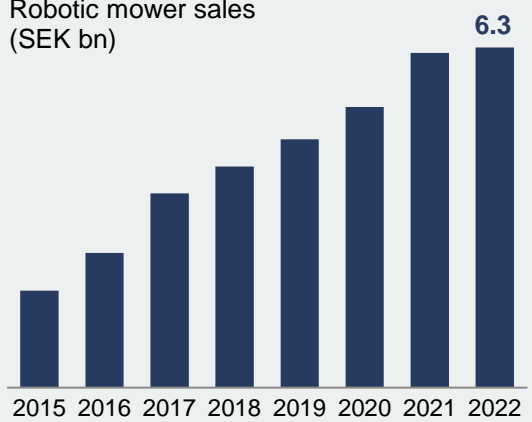
572K

Our operational ambitions (to 2026)

Double sales of robotic mowers

~12

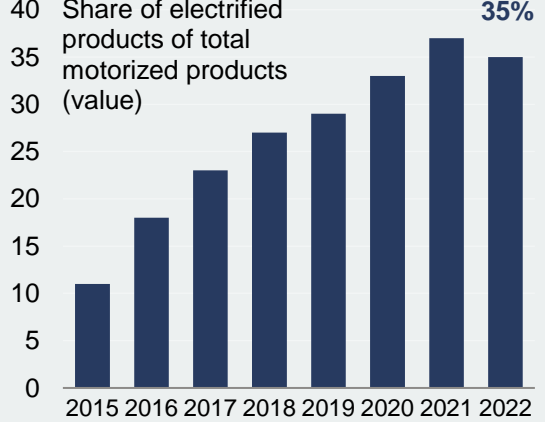
Robotic mower sales (SEK bn)



Electrified solutions to reach 2/3

~67%

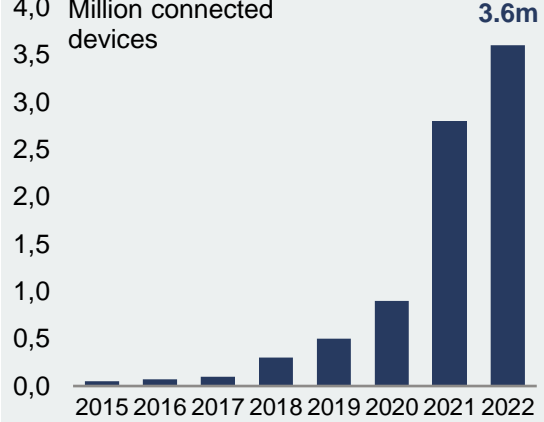
Share of electrified products of total motorized products (value)



Double number of connected devices

>6m

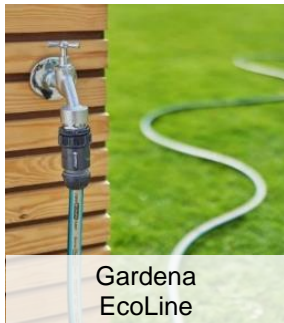
Million connected devices



Innovative product portfolio for 2023



Watering



Gardena
EcoLine



Gardena MicroDrip
System



Robotic
mowers



Husqvarna CEORA™
low-cut deck



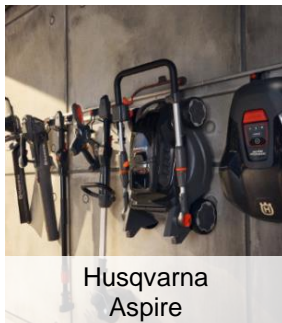
Husqvarna
Automower® NERA



Battery
solutions



Husqvarna
MAX series



Husqvarna
Aspire



Professional
solutions



Husqvarna
BLi-X battery system



New generation
powerful chainsaws

Strong finish to a challenging year

- High growth in Q4
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- Good progress in the program to accelerate our transformation
- Innovation leadership. Successful launches 2022 and strong product portfolio for 2023





**Husqvarna
Group**