

Well positioned for the gardening season

First quarter 2024

- Net sales decreased by 14% to SEK 14,719m (17,167). Changes in exchange rates had a neutral effect.
- Planned exits of low-margin petrol-powered business impacted with -4%. Organic sales* decreased by 11%.
- The Gardena Division achieved an organic growth of 2%.
- Operating income was SEK 1,930m (2,364) and the operating margin was 13.1% (13.8).
- Earnings per share before dilution amounted to SEK 2.31 (2.90) and earnings per share after dilution amounted to SEK 2.31 (2.88).
- Cash flow from operations and investments was SEK -1,057m (588). Direct operating cash flow was SEK -1,614m (-239), impacted by the planned reduction of trade receivables financing.
- Husqvarna Group acquired ETwater – expanding the Gardena Division's commercial irrigation offering in North America, see page 7.

Financial summary

Group, SEKm	**Q1 2024**	Q1 2023	Δ%	**LTM***	Full year 2023
Net sales	14,719	17,167	-14	50,813	53,261
Organic growth, %*	*-11*	*2*		*-9*	*-5*
Operating income (EBIT)	1,930	2,364	-18	3,447	3,880
Operating margin, %	*13.1*	*13.8*		*6.8*	*7.3*
Operating income excl. items affecting comparability*	1,930	2,410	-20	4,491	4,970
Operating margin excl. items affecting comparability, %*	*13.1*	*14.0*		*8.8*	*9.3*
Income after financial items	1,702	2,119	-20	2,461	2,878
Net income for the period	1,322	1,653	-20	1,847	2,177
Earnings per share before dilution, SEK	2.31	2.90	-20	3.23	3.81
Earnings per share after dilution, SEK	2.31	2.88	-20	3.23	3.81
Direct operating cash flow*	-1,614	-239		5,166	6,541
Operating working capital / net sales*, %	38.3	32.7		38.3	36.9

*Alternative Performance Measure, refer to "Definitions".

Well positioned for the gardening season

“As the first quarter progressed, which is a sell-in period, sales gradually improved. We went from a cautious start among our trade partners, to a more favorable development as the gardening season now begins. The Group’s organic sales declined by 11% during the quarter, coming from a record first quarter last year. The operating income amounted to SEK 1,930m (2,364). Our cost savings program is progressing as planned, with savings of SEK 185m in the quarter.

The Gardena Division achieved organic growth, driven by the watering category and hand tools in Europe. The division delivered improved operating income and higher operating margin from the sales growth and result from operational efficiency measures. In addition, good progress in North America contributed to an improved operating income.

In the Husqvarna Forest & Garden Division, sales of robotic mowers for the professional market and battery-powered products were strong. However, sales of petrol-powered wheeled products continued on a low level, partly due to lower demand and the fact that we are proactively exiting parts of this segment in North America.

Net sales in the Husqvarna Construction Division declined, with growth in emerging markets, but lower sales in Europe and North America. The operating margin declined due to the lower volumes.

Direct operating cash flow for the Group amounted to SEK -1.6bn (-0.2), impacted by the planned reduction of trade receivables financing. We are actively focusing on our inventory levels, which continued to decrease.

Strategic progress

We continue to deliver on our strategy. A key aspect of our transformation is to expand in segments such as robotic mowers, battery-powered products, watering and solutions for the professional market. Several innovative products within these areas were launched prior to the season and achieved strong growth. This includes new robotic mowers, both for residential users and professionals, chainsaw models, watering products and an expanded product range in the Husqvarna Construction Division.

Another strategic aspect is our commitment to sustainability. The Group’s efforts to reduce its carbon footprint are developing well. To date, CO_2 emissions (Scope 1, 2 and 3) have decreased by -51% compared with the base year of 2015. This is driven by the electrification of our industry and lower sales of petrol-powered products, primarily wheeled. With that, we have exceeded our target of a -35% reduction by 2025.

In summary, the sales trend improved gradually during the quarter and we achieved growth in the Gardena Division. We continue to build a stronger Group and to deliver on our strategic transformation. With a strong range of innovative products, we have a solid platform and are well positioned for the gardening season.”



Pavel Hajman, CEO

Financial Performance

Financial targets and performance

Husqvarna Group has three financial targets; organic sales growth, operating margin and capital efficiency.

Metric	Financial targets	Achievement 2023	Achievement LTM
Organic sales growth	5%	-5%	-9%
Operating margin*	13%	9.3%	8.8%
Capital efficiency**	20%	36.9%	38.3%

*Excluding items affecting comparability
**Operating working capital / net sales, rolling 12-months

First quarter 2024

Net sales

Net sales for the first quarter decreased by 14% to SEK 14,719m (17,167). Planned exits impacted with -4% and changes in exchange rates had a neutral effect. Organic sales declined by 11%. Net sales grew in segments such as robotic mowers for professional users, battery-powered products, watering, hand tools and aftermarket parts and accessories. Sales of petrol-powered wheeled products continued on a low level during the quarter.

Operating income

Operating income for the first quarter amounted to SEK 1,930m (2,364) and the operating margin was 13.1% (13.8). The decline was mainly a result of lower volumes with lower capacity utilization in the production. This was partly offset by cost savings and lower costs for logistics. Acquisition related amortizations amounted to SEK -56m (-56).

Changes in exchange rates had a positive effect of approximately SEK 200m compared to last year, mainly related to hedging results compared with last year and a weaker SEK.

Financial items net

Financial items net amounted to SEK -229m (-245).

Income after financial items

Income after financial items amounted to SEK 1,702m (2,119).

Taxes

Income tax amounted to SEK -379m (-466), corresponding to an effective tax rate of 22.3% (22.0).

Earnings per share

Net income attributable to equity holders of the Parent Company amounted to SEK 1,322m (1,653), corresponding to SEK 2.31 (2.88) per share after dilution.

Cash flow

Cash flow from operations and investments for the first quarter amounted to SEK -1,057m (588). Direct operating cash flow was SEK -1,614m (-239). The decline was related to lower operating income and negative cash flow from change in trade receivables, due to planned reduction of trade receivables financing. Cash flow from change in inventories amounted to SEK 778m (729), cash flow from change in trade receivables amounted to SEK -5,716m (-4,062) and cash flow from change in trade payables amounted to SEK 1,164m (479).

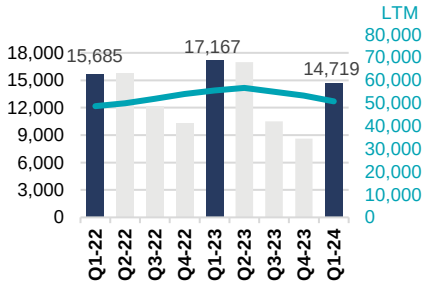
Due to the seasonal build-up of working capital, cash flow is normally weaker in the first quarter, followed by stronger cash flow in the second and third quarters. Cash flow in the fourth quarter is usually negatively impacted by the pre-season production for the next year.

Financial position

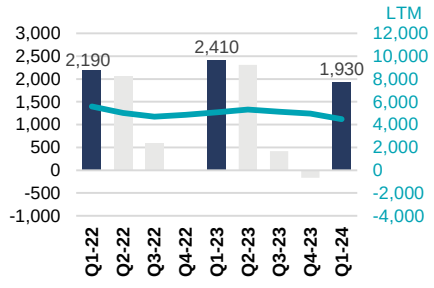
Net debt increased to SEK 17,762m (17,178). The net pension liability increased to SEK 2,026m (1,345). Other interest-bearing liabilities decreased to SEK 18,545m (19,436) and liquid funds and other interest-bearing assets decreased to SEK 2,809m (3,604). During the quarter the Group's first Green Bond amounting to SEK 1.75bn maturing in 2027 was issued. In addition, two new bilateral loans equivalent to approximately SEK 1.15bn maturing in 2030 and 2031 were issued.

The net debt/EBITDA ratio, excluding items affecting comparability, increased to 2.2 (1.9). The equity/assets ratio was 40% (39).

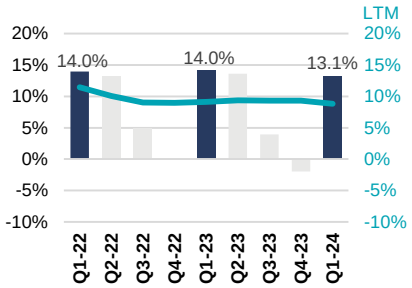
Net sales, SEKm



Operating income excl. IAC, SEKm



Operating margin excl. IAC



Financial summary

SEKm	Q1 2024	Q1 2023	Δ%	LTM*	Full year 2023
Net sales	8,272	10,656	-22	29,375	31,759
Organic growth, %*	*-17*	*14*		*-13*	*-4*
Operating income	1,191	1,670	-29	2,226	2,706
Operating margin, %	*14.4*	*15.7*		*7.6*	*8.5*
Operating income excl. items affecting comparability*	1,191	1,690	-30	2,737	3,236
Operating margin excl. items affecting comparability, %*	*14.4*	*15.9*		*9.3*	*10.2*

* Alternative Performance Measure, refer to "Definitions".

First quarter 2024

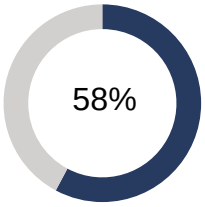
Net sales decreased by 22% to SEK 8,272m (10,656) during the quarter. Planned exits had an impact of -5% and currency had a neutral effect. Organic sales declined by 17%.

Robotic mowers for the professional market achieved strong growth, supported by an expanded product range. Sales of robotic mowers for the residential market were lower during the quarter compared with last year, which at that time was positively impacted by an improved supply chain situation and backlog deliveries. However, sales of robotic mowers in the first quarter of this year were higher or in line with the corresponding quarter in previous years.

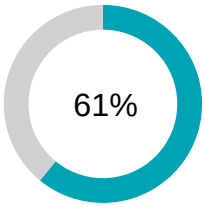
Ahead of the season, the product range of Husqvarna Automower® NERA was expanded with new products for medium-size gardens and a new edge cut system. Automower® NERA is a good example of the Group's technology leadership and innovation capacity in terms of robotic mower technology. Sales of petrol-powered, wheeled products continued on a low level. This was due to decreased demand and that the Group is proactively exiting parts of this segment in North America.

Operating income amounted to SEK 1,191m (1,670) and the operating margin was 14.4% (15.7). The decrease was mainly related to lower volumes and was partly offset by cost savings and lower costs for logistics. Changes in exchange rates had a positive contribution of approximately SEK 190m compared with the preceding year.

Share of Group net sales, LTM



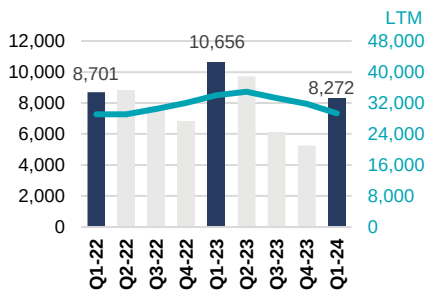
Share of Group operating income excl. IAC, LTM



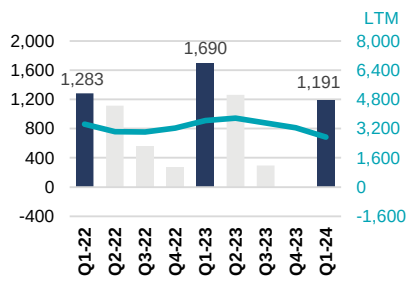


Ahead of the gardening season 2024, the range of robotic mowers has been expanded.

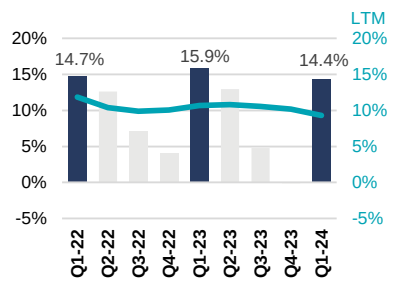
Net sales, SEKm



Operating income excl. IAC, SEKm



Operating margin excl. IAC



Financial summary

SEKm	Q1 2024	Q1 2023	Δ%	LTM*	Full year 2023
Net sales	4,414	4,321	2	13,057	12,964
Organic growth, %*	*2*	*-20*		*-2*	*-10*
Operating income	673	585	*15*	1,039	950
Operating margin, %	*15.3*	*13.5*		*8.0*	*7.3*
Operating income excl. items affecting comparability*	673	584	*15*	1,225	1,136
Operating margin excl. items affecting comparability, %*	*15.3*	*13.5*		*9.4*	*8.8*

* Alternative Performance Measure, refer to "Definitions".

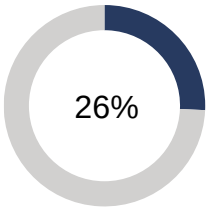
First quarter 2024

Net sales increased by 2% to SEK 4,414m (4,321). Changes in exchange rates had a neutral effect and organic sales increased by 2%. Sales were strong for the watering category and for hand tools in Europe.

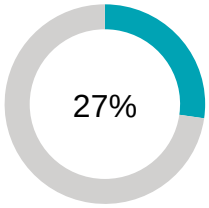
Operating income increased by 15% to SEK 673m (585) and the operating margin improved to 15.3% (13.5). Sales growth, good cost control and cost savings as well as lower logistics costs contributed positively. In addition, progress in North America contributed to the improved operating income. Acquisition-related amortization amounted to SEK -29m (-29). Changes in exchange rates had an impact of approximately SEK -5m compared with the preceding year.

ETwater, a pioneer in smart watering in the North American commercial market, was acquired during the quarter. This acquisition creates a new unit within the division, with a focus on commercial watering. Ahead of the 2024 season, the product range under the Gardena brand was expanded in the North American market.

Share of Group net sales, LTM



Share of Group operating income excl. IAC, LTM

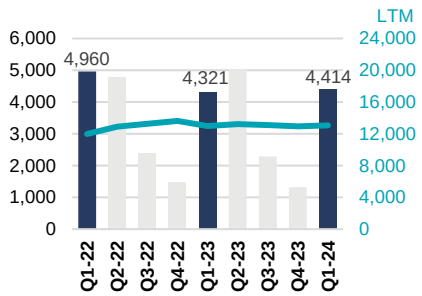




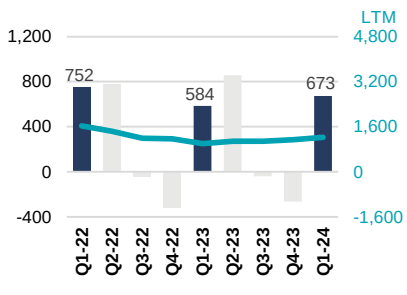


New products for the 2024 season includes expansion of battery-powered products and products for cleaning.

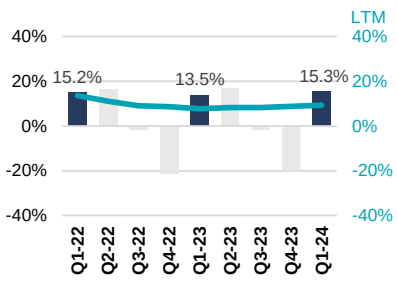
Net sales, SEKm



Operating income excl. IAC, SEKm



Operating margin excl. IAC



Financial summary

SEKm	Q1 2024	Q1 2023	Δ%	LTM*	Full year 2023
Net sales	2,008	2,177	-8	8,230	8,398
Organic growth, %*	*-8*	*0*		*-5*	*-3*
Operating income	203	262	-22	696	755
Operating margin, %	*10.1*	*12.0*		*8.5*	*9.0*
Operating income excl. items affecting comparability*	203	289	-30	916	1,002
Operating margin excl. items affecting comparability, %*	*10.1*	*13.3*		*11.1*	*11.9*

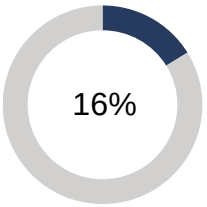
* Alternative Performance Measure, refer to "Definitions".

First quarter 2024

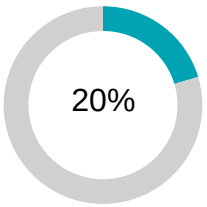
Net sales decreased by 8% to SEK 2,008m (2,177). Changes in exchange rates had a neutral effect. Organic sales decreased by 8%, with growth in emerging markets while sales declined in Europe and North America. Product categories achieving good growth in the first quarter included demolition robots and battery-powered power cutters.

Operating income was SEK 203m (262), and the operating margin was 10.1% (12.0). The decline was primarily related to lower volumes, but partly offset by cost savings and lower logistics costs. Acquisition-related amortization amounted to SEK -27m (-25). Changes in exchange rates had a positive contribution of approximately SEK 15m compared with the preceding year.

Share of Group net sales, LTM



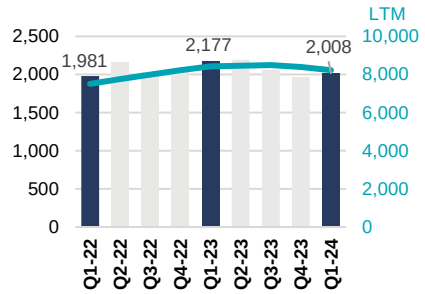
Share of Group operating income excl. IAC, LTM



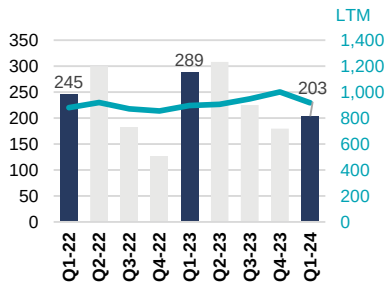


Products with good sales growth included new demolition robots and battery-powered power cutters.

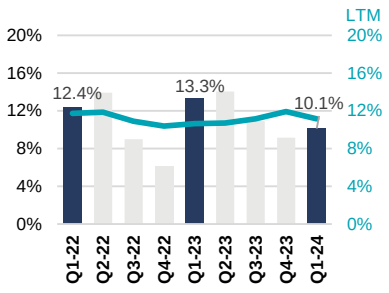
Net sales, SEKm



Operating income excl. IAC, SEKm



Operating margin excl. IAC



Additional information

Sustainovate 2025

Sustainovate 2025 is designed to maximize the Group's contribution to tackle climate change and resource scarcity. The five-year framework covers three opportunities and associated targets to 2025.

2025 targets and status

- Reduce absolute CO_2 emissions across the value chain by -35%, current result is -51%.
- Launch 50 circular innovations, the number of approved innovations is now 30.
- Empower 5 million People to make sustainable choices, achieved so far is 2.7 million.

Carbon – drive the transition to low-carbon solutions

As of the first quarter 2024, the Group has further reduced its CO_2 emissions by -7 percentage points compared to Q4 2023 and exceeded the 2025 target. The reduction is primarily linked to the product mix driven by the electrification of the industry and lower sales of petrol-powered products, primarily wheeled.

The CO_2 KPI is absolute and in direct relation to volume performance which implies a rather volatile behavior. Despite the clear long-term reduction trend, fluctuations between quarters are expected to continue.

Circular – rethink and redesign for a resource-smart customer experience

The circular innovations will make smarter use of materials and will extend product lifecycles. The target addresses resource impacts across the value chain, from suppliers and operations to product use and end-of-life.

Three circular innovations were approved in the first quarter:

- A refurbishment program in the UK where returned robotic mowers are refurbished and sold as second hand machines via the Flymo Outlet Store on eBay.
- Husqvarna Construction's new series of electric dust extractors with a patented automatic filter cleaning technology, combined with an e-flow function, enabling reduction of materials used in both the pre-filter and the entire machine, as well as reduction in energy consumption while still improving the productivity.
- Husqvarna EPOS (Exact Positioning Operating System) is a satellite-based technology enabling robotic mowers to work within virtual boundaries, eliminating the need for a boundary wire in copper and plastic.

People – inspire actions that make a lasting difference

During the first quarter, the Group has continued its communication campaigns and sold another 0.3 million products qualified as Sustainable Choices.

Year-end 2023 accumulated figures have been restated to 2.4 million sold sustainable choice products (from 1.9), due to data collection improvements in 2022 and 2023. The majority of the increase was in 2023.

Parent Company

Net sales for the Parent Company, Husqvarna AB (publ), in the first quarter amounted to SEK 6,520m (7,668), of which SEK 5,189m (6,280) referred to sales to Group companies and SEK 1,331m (1,388) to external customers. Income after financial items decreased to SEK -450m (1,401). The financial items are affected negatively by an equity hedge. Income for the quarter decreased to SEK -374m (1,079). Investments in property, plant and equipment and intangible assets amounted to SEK 338m (360). Cash and cash equivalents amounted to SEK 156m (258) at the end of the quarter. Undistributed earnings in the Parent Company amounted to SEK 28,528m (30,398).

Significant events

Husqvarna Group acquired ETwater

On March 13, 2024, Husqvarna Group announced the acquisition of ETwater, a pioneer in smart irrigation management for the commercial market in North America. As part of Orbit within the Gardena Division, ETwater will become the nucleus for a newly formed unit, dedicated to providing solutions for professional customers. ETwater has ten employees and sales amounted to USD 2.6m in 2023.

Changes to Group Management

Pär Åström, President of the Gardena Division, has decided to take a position outside of Husqvarna Group. His last day at Husqvarna Group is planned to be June 30, 2024.

Significant events after the quarter

Annual General Meeting 2024

The Annual General Meeting of Husqvarna AB (publ) was held on April 18, 2024. The dividend was set at SEK 3.00 per share to be paid in two installments, firstly SEK 1.00 per share with Monday, April 22 as the first record day, and secondly SEK 2.00 per share with Tuesday, October 22, as the second record day. The

estimated dates for payment are Thursday, April 25, and Friday, October 25, 2024.

Risks and uncertainty factors

A number of factors may affect Husqvarna Group's operations in terms of operational and financial risks. Geopolitical uncertainties and war, can have a significant impact on Husqvarna Group's operations, both in terms of difficulties of supply of raw materials and components as well as difficulties to purchase transportation and logistics services and related cost increases. It can also affect demand of Husqvarna Group's products and solutions.

Operational risks include general economic conditions, as well as trends in consumer and professional spending, particularly in North America and Europe, where the majority of the Group's products are sold. An economic downturn in these markets may have an adverse effect on Group sales and earnings. Shifts in product technology as well as shifts in distribution structure and sales channels could also have a negative impact, as will fluctuations in prices of sourced raw materials and components. Short term, demand for the Group's products is impacted by weather conditions. The Group's production processes and supply chain are therefore adapted to respond to changes in weather conditions.

In the ordinary course of business, the Group is exposed to legal risks such as commercial, product liability and other disputes and provides for them as appropriate.

Financial risks refer primarily to currency exchange rates, interest rates, financing, tax and credit risks.

Risk management within Husqvarna Group is regulated by a financial policy established by the Board of Directors. For further information on risks and uncertainty factors, see the Annual and Sustainability Report 2023 which is available at www.husqvarnagroup.com.

Accounting Principles

This interim report has been prepared in accordance with IAS 34, Interim financial reporting and the Swedish Annual Accounts Act. The financial statement of the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act, chapter 9 and the Swedish Financial Reporting Board's standard RFR 2 Accounting for Legal Entities. The accounting principles adopted are consistent with those presented in the Annual and Sustainability Report 2023, which is available at www.husqvarnagroup.com.

Auditors' review report

This interim report has not been subject to review by the auditors.

Stockholm, April 24, 2024

Pavel Hajman
CEO

Condensed consolidated income statement

SEKm	Q1 2024	Q1 2023	LTM*	Full year 2023
Net sales	14,719	17,167	50,813	53,261
Cost of goods sold	-9,753	-11,477	-35,412	-37,136
Gross income	**4,966**	**5,690**	**15,401**	**16,125**
Gross margin, %	*33.7*	*33.1*	*30.3*	*30.3*
Selling expenses	-2,158	-2,373	-8,818	-9,034
Administrative expenses	-879	-934	-3,156	-3,211
Other operating income/expense	1	-19	20	0
Operating income	**1,930**	**2,364**	**3,447**	**3,880**
Operating margin, %	*13.1*	*13.8*	*6.8*	*7.3*
Financial items, net	-229	-245	-986	-1,002
Income after financial items	**1,702**	**2,119**	**2,461**	**2,878**
Margin, %	*11.6*	*12.3*	*4.8*	*5.4*
Income tax	-379	-466	-615	-702
Net income for the period	**1,322**	**1,653**	**1,847**	**2,177**
Net income for the period attributable to:				
Equity holders of the Parent Company	1,322	1,653	1,846	2,177
Non-controlling interest	1	0	0	-1
Earnings per share:				
Before dilution, SEK	2.31	2.90	3.23	3.81
After dilution, SEK	2.31	2.88	3.23	3.81
Weighted average number of shares outstanding:				
Before dilution, millions	571.5	570.5	571.7	570.9
After dilution, millions	572.5	573.0	571.0	571.6

Condensed consolidated comprehensive income statement

SEKm	Q1 2024	Q1 2023	LTM*	Full year 2023
Net income for the period	**1,322**	**1,653**	**1,847**	**2,177**
Other comprehensive income				
Items that will not be reclassified to the income statement:				
Remeasurements on defined benefit pension plans, net of tax	11	77	-491	-426
Total items that will not be reclassified to the income statement, net of tax	**11**	**77**	**-491**	**-426**
Items that may be reclassified to the income statement:				
Translation differences	1,655	-61	877	-839
Net investment hedge, net of tax	-722	78	-397	403
Cash flow hedges, net of tax	-96	46	96	238
Total items that may be reclassified to the income statement, net of tax	**836**	**64**	**576**	**-197**
Other comprehensive income, net of tax	**847**	**141**	**84**	**-622**
Total comprehensive income for the period	**2,170**	**1,793**	**1,931**	**1,554**
Total comprehensive income attributable to:				
Equity holders of the Parent Company	2,169	1,793	1,931	1,555
Non-controlling interest	1	0	0	-1

Condensed consolidated balance sheet

SEKm	Mar 31 2024	Mar 31 2023	Dec 31 2023
Assets			
Property, plant and equipment	7,360	7,128	7,205
Right of use assets	2,147	2,202	2,068
Goodwill	10,374	10,176	9,920
Other intangible assets	8,667	8,447	8,400
Investments in associated companies	14	16	14
Derivatives	-	29	0
Other non-current assets	871	851	843
Deferred tax assets	2,243	2,379	2,143
Total non-current assets	**31,675**	**31,228**	**30,592**
Inventories	17,094	18,670	17,184
Trade receivables	11,302	10,355	5,289
Derivatives	413	510	1,604
Current tax receivables	292	629	242
Other current assets	1,669	1,604	1,171
Cash and cash equivalents	1,898	2,571	1,527
Total current assets	**32,668**	**34,340**	**27,018**
Total assets	**64,343**	**65,568**	**57,610**
Equity and liabilities			
Equity attributable to equity holders of the Parent Company	25,961	25,807	23,770
Non-controlling interests	3	10	2
Total equity	**25,964**	**25,817**	**23,772**
Borrowings	11,549	11,301	8,556
Lease liabilities	1,473	1,642	1,436
Deferred tax liabilities	2,378	2,522	2,334
Provisions for pensions and other post-employment benefits	2,229	1,599	2,209
Other provisions	677	710	620
Total non-current liabilities	**18,306**	**17,774**	**15,155**
Trade payables	6,841	7,613	5,487
Current tax liabilities	728	785	662
Other liabilities	5,448	5,639	3,866
Borrowings	4,145	5,213	6,031
Lease liabilities	691	608	648
Derivatives	688	672	575
Other provisions	1,532	1,447	1,415
Total current liabilities	**20,072**	**21,978**	**18,683**
Total equity and liabilities	**64,343**	**65,568**	**57,610**

Condensed consolidated cash flow statement

SEKm	Q1 2024	Q1 2023	Full year 2023
Cash flow from operations			
Operating income	1,930	2,364	3,880
Non cash items	900	916	3,586
Cash items			
Paid restructuring expenses	-75	-88	-565
Net financial items, received/paid	-166	-174	-862
Taxes paid/received	-253	-620	-493
Cash flow from operations, excluding change in operating assets and liabilities	**2,336**	**2,398**	**5,546**
Operating assets and liabilities			
Change in inventories	778	729	1,918
Change in trade receivables	-5,716	-4,062	917
Change in trade payables	1,164	479	-1,579
Change in other operating assets/liabilities	898	1,583	264
Cash flow from operating assets and liabilities	**-2,876**	**-1,271**	**1,521**
Cash flow from operations	**-540**	**1,127**	**7,067**
Investments			
Acquisitions of subsidiaries/operations	-5	-	-9
Proceeds from sale of property, plant and equipment	3	11	5
Investments in property, plant and equipment and intangible assets	-507	-522	-2,627
Investments and divestments of financial assets	-8	-28	-22
Cash flow from investments	**-517**	**-539**	**-2,652**
Cash flow from operations and investments	**-1,057**	**588**	**4,414**
Financing			
Dividend paid to shareholders	-	-	-1,714
Dividend paid to non-controlling interests	-	-	-2
Proceeds/repayment of borrowings	971	-205	-2,066
Other financing activities	393	-132	-1,380
Cash flow from financing	**1,364**	**-337**	**-5,161**
Total cash flow	**307**	**251**	**-746**
Cash and cash equivalents at the beginning of the period	1,527	2,328	2,328
Exchange rate differences referring to cash and cash equivalents	64	-8	-55
Cash and cash equivalents at the end of the period	**1,898**	**2,571**	**1,527**

Direct operating cash flow, SEKm	Q1 2024	Q1 2023	Full year 2023
EBITDA excl. items affecting comparability	2,667	3,137	7,911
Change in inventories	778	729	1,918
Change in trade receivables	-5,716	-4,062	917
Change in trade payables	1,164	479	-1,579
Investments in property, plant and equipment and intangible assets	-507	-522	-2,627
Direct operating cash flow	**-1,614**	**-239**	**6,541**

Key performance indicators

Income statement

EBITDA*, SEKm	**Q1 2024**	Q1 2023	**LTM***	Full year 2023
Operating income	1,930	2,364	3,447	3,880
Reversals				
Depreciation	485	496	1,980	1,992
Amortization	249	216	964	931
Impairment	2	29	155	182
Depreciation, amortization and impairment	737	741	3,100	3,105
EBITDA*	**2,667**	**3,105**	**6,547**	**6,985**
Excl. items affecting comparability*	2,667	3,137	7,441	*7,911*
EBITDA margin, %	*18.1*	*18.1*	*12.9*	*13.1*
Excl. items affecting comparability, %*	*18.1*	*18.3*	*14.6*	*14.9*

Organic growth*

Net sales, January - March

SEKm	Reported Net sales	Acquisitions / divestments	Planned exits	Organic net sales before currency translation	Currency translation	Organic net sales
2024	14,719	0		14,719		14,719
2023	17,167		-674	16,493	9	16,502
Growth	-2,448			-1,774		-1,783
Growth, %	***-14.3***			***-10.8***		***-10.8***

*Alternative Performance Measure, refer to "Definitions".

Other Key performance indicators

Key data	Mar 31 2024	Mar 31 2023	Dec 31 2023
Operating working capital, SEKm	21,556	21,412	16,986
Average operating working capital LTM, SEKm	19,468	18,167	19,631
Operating working capital/net sales, %*	*38.3*	*32.7*	*36.9*
Return on capital employed, %	*7.5*	*7.4*	*8.4*
Excl. items affecting comparability, %*	*9.8*	*11.5*	*10.8*
Return on equity, %	*7.2*	*7.8*	*8.5*
Excl. items affecting comparability, %*	*10.4*	*13.4*	*11.8*
Capital turn-over rate, times	1.2	1.4	1.3
Equity/assets ratio, %	*40*	*39*	*41*
Equity per share after dilution, SEK	45.3	45.0	41.6
Average number of employees	13,963	14,512	13,755

Net debt*, SEKm	Mar 31 2024	Mar 31 2023	Dec 31 2023
Net pension liability	2,026	1,345	1,994
Other interest-bearing liabilities	18,545	19,436	17,245
Less: Liquid funds and other interest-bearing assets	-2,809	-3,604	-3,600
Net debt*	**17,762**	**17,178**	**15,640**
Net debt/equity ratio	0.68	0.67	0.66
Net debt/EBITDA excl. items affecting comparability*	2.2	1.9	2.1

Return on capital employed*, SEKm	Mar 31 2024	Mar 31 2023	Dec 31 2023
Total equity and liabilities	64,343	65,568	57,610
Deduction; Non interest bearing liabilities:	-17,604	-18,716	-14,383
Deferred tax liabilities	-2,378	-2,522	-2,334
Other provisions	-2,209	-2,157	-2,035
Trade payables	-6,841	-7,613	-5,487
Current tax liabilities	-728	-785	-662
Other liabilities	-5,448	-5,639	-3,866
Capital employed*	**46,739**	**46,852**	**43,227**
Capital employed* (LTM Average)	**45,702**	**43,929**	**45,956**
Operating income, LTM	3,447	3,247	3,880
Return on capital employed*, %	***7.5***	***7.4***	**8.4**
Operating income excl. items affecting comparability*, LTM	4,491	5,073	4,970
Return on capital employed excl. items affecting comparability*, %	***9.8***	***11.5***	**10.8**

* Alternative Performance Measure, refer to "Definitions".

Change in Group equity, condensed

SEKm	Attributable to equity holders of the Parent Company	Non-controlling interests	Total equity
Opening balance January 1, 2023	**24,002**	**10**	**24,011**
Share-based payment	11	-	11
Shareholder contribution from non-controlling interest		1	1
Total comprehensive income	1,793	0	1,793
Closing balance March 31, 2023	**25,807**	**10**	**25,817**
Opening balance January 1, 2024	**23,770**	**2**	**23,772**
Share-based payment	22	-	22
Total comprehensive income	2,169	1	2,170
Closing balance March 31, 2024	**25,961**	**3**	**25,964**

Fair value of financial instruments

The Group's financial instruments carried at fair value are derivatives. Derivatives belong to Level 2 in the fair value hierarchy. Future cash flows have been discounted using current quoted market interest rates and exchange rates for similar instruments. Further information about the accounting principles for financial instruments and methods used for estimating the fair value of the financial instruments are described in note 1 and note 20, respectively, in the Annual and Sustainability Report 2023. The carrying value approximates fair value for all financial instruments.

Net sales and income by division and quarter

SEKm	2024	2023				2022			
Group	**Q1**	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	**14,719**	8,605	10,512	16,976	17,167	10,353	12,206	15,792	15,685
Net sales, LTM*	**50,813**	53,261	55,009	56,703	55,519	54,037	51,918	49,892	48,714
Operating income	**1,930**	-983	398	2,101	2,364	-1,737	555	2,065	2,159
Operating margin, %	***13.1***	*-11.4*	*3.8*	*12.4*	*13.8*	*-16.8*	*4.5*	*13.1*	*13.8*
Operating income excl. IAC*	**1,930**	-168	415	2,313	2,410	-13	601	2,075	2,190
Operating margin excl. IAC, %*	***13.1***	*-1.9*	*3.9*	*13.6*	*14.0*	*-0.1*	*4.9*	*13.1*	*14.0*
Operating income, LTM*	**3,447**	3,880	3,126	3,283	3,247	3,043	4,647	5,018	5,612
Operating margin, LTM, %*	***6.8***	*7.3*	*5.7*	*5.8*	*5.8*	*5.6*	*9.0*	*10.1*	*11.5*
Operating income excl. IAC*, LTM*	**4,491**	4,970	5,125	5,311	5,073	4,853	4,686	5,011	5,580
Operating margin excl. IAC, LTM*, %*	***8.8***	*9.3*	*9.3*	*9.4*	*9.1*	*9.0*	*9.0*	*10.0*	*11.5*
Net income for the period	**1,322**	-1,011	125	1,411	1,653	-1,392	269	1,417	1,638
Husqvarna Forest & Garden	**Q1**	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	**8,272**	5,257	6,123	9,722	10,656	6,793	7,761	8,826	8,701
Net sales, LTM*	**29,375**	31,759	33,295	34,933	34,037	32,082	30,519	29,089	29,099
Operating income	**1,191**	-379	291	1,123	1,670	-1,252	560	1,107	1,392
Operating margin, %	***14.4***	*-7.2*	*4.8*	*11.6*	*15.7*	*-18.4*	*7.2*	*12.5*	*16.0*
Operating income excl. IAC*	**1,191**	-7	293	1,260	1,690	273	555	1,113	1,283
Operating margin excl. IAC, %*	***14.4***	*-0.1*	*4.8*	*13.0*	*15.9*	*4.0*	*7.2*	*12.6*	*14.7*
Operating income, LTM*	**2,226**	2,706	1,833	2,101	2,085	1,807	3,129	3,127	3,554
Operating margin, LTM, %*	***7.6***	*8.5*	*5.5*	*6.0*	*6.1*	*5.6*	*10.3*	*10.8*	*12.2*
Operating income excl. IAC*, LTM*	**2,737**	3,236	3,516	3,779	3,631	3,224	3,021	3,024	3,447
Operating margin excl. IAC, LTM*, %*	***9.3***	*10.2*	*10.6*	*10.8*	*10.7*	*10.0*	*9.9*	*10.4*	*11.8*
Gardena	**Q1**	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	**4,414**	1,326	2,287	5,031	4,321	1,470	2,400	4,775	4,960
Net sales, LTM*	**13,057**	12,964	13,108	13,222	12,966	13,606	13,284	12,915	11,991
Operating income	**673**	-407	-46	818	585	-468	-93	773	706
Operating margin, %	***15.3***	*-30.7*	*-2.0*	*16.3*	*13.5*	*-31.8*	*-3.9*	*16.2*	*14.2*
Operating income excl. IAC*	**673**	-264	-41	857	584	-314	-42	776	752
Operating margin excl. IAC, %*	***15.3***	*-19.9*	*-1.8*	*17.0*	*13.5*	*-21.4*	*-1.7*	*16.3*	*15.2*
Operating income, LTM*	**1,039**	950	889	842	797	918	1,109	1,398	1,603
Operating margin, LTM, %*	***8.0***	*7.3*	*6.8*	*6.4*	*6.2*	*6.8*	*8.3*	*10.8*	*13.4*
Operating income excl. IAC*, LTM*	**1,225**	1,136	1,086	1,085	1,005	1,173	1,197	1,434	1,627
Operating margin excl. IAC, LTM*, %*	***9.4***	*8.8*	*8.3*	*8.2*	*7.7*	*8.6*	*9.0*	*11.1*	*13.6*
Husqvarna Construction	**Q1**	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	**2,008**	1,968	2,061	2,192	2,177	2,071	2,024	2,157	1,981
Net sales, LTM*	**8,230**	8,398	8,500	8,463	8,428	8,232	7,992	7,763	7,511
Operating income	**203**	-4	225	272	262	80	183	299	152
Operating margin, %	***10.1***	*-0.2*	*10.9*	*12.4*	*12.0*	*3.9*	*9.0*	*13.9*	*7.7*
Operating income excl. IAC*	**203**	180	225	308	289	127	182	300	245
Operating margin excl. IAC, %*	***10.1***	*9.1*	*10.9*	*14.1*	*13.3*	*6.1*	*9.0*	*13.9*	*12.4*
Operating income, LTM*	**696**	755	839	796	823	713	778	826	787
Operating margin, LTM, %*	***8.5***	*9.0*	*9.9*	*9.4*	*9.8*	*8.7*	*9.7*	*10.6*	*10.5*
Operating income excl. IAC*, LTM*	**916**	1,002	948	905	897	854	871	920	880
Operating margin excl. IAC, LTM*, %*	***11.1***	*11.9*	*11.2*	*10.7*	*10.6*	*10.4*	*10.9*	*11.9*	*11.7*
Group Common	**Q1**	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	**24**	54	41	31	13	20	22	34	43
Operating income	**-137**	-193	-72	-112	-154	-97	-95	-114	-90
Operating income excl. IAC*	**-137**	-76	-62	-112	-154	-98	-95	-114	-90

The majority of net sales are recognized at a certain point in time.

*Alternative Performance Measure, refer to "Definitions".

Items affecting comparability

SEKm	Q1 2024	Q1 2023	Full year 2023
Restructuring costs			
Impairment of non-current assets	-	-14	-163
Write-down of inventory	-	0	-272
Other restructuring costs	-	-32	-567
Non-recurring costs relating to Russia			
Write-down / reversal of current assets	-	-	15
Write-down / reversal of inventory	-	-	0
Other restructuring costs	-	-	-102
Other			
Sale of property	-	-	-
Total items affecting comparability	**-**	**-46**	**-1,090**

In 2023 items affecting comparability was SEK -1,090m. This was mainly related to the expansion of the Group's cost saving initiatives (announced in October 2023), including the consolidation of operations and brands from previous acquisitions, a write-down of inventory related to exits of petrol-powered, low-margin consumer wheeled products (announced in October 2022), as well as non-recurring costs related to Russia.

Classification in the income statement

SEKm	Q1 2024	Q1 2023	Full year 2023
Cost of goods sold	-	-25	-725
Selling expenses	-	-6	-172
Administrative expenses	-	-16	-193
Other operating income/expense	-	-	0
Total items affecting comparability	**-**	**-46**	**-1,090**

Net assets by division [1]

	Assets		Liabilities		Net Assets	
SEKm	Mar 31 2024	Mar 31 2023	Mar 31 2024	Mar 31 2023	Mar 31 2024	Mar 31 2023
Husqvarna Forest & Garden	28,170	29,076	7,976	9,896	20,194	19,180
Gardena	20,636	20,245	4,591	4,070	16,045	16,175
Husqvarna Construction	9,262	9,217	1,436	1,653	7,825	7,564
Other [2]	3,263	3,173	3,601	3,097	-338	76
Total	**61,330**	**61,711**	**17,604**	**18,716**	**43,726**	**42,995**

[1] Liquid assets, other interest-bearing assets, interest-bearing liabilities and equity are not included in the table above.
[2] Other includes tax items, associates and common Group functions such as Treasury and Risk Management.

Parent Company

Condensed income statement

SEKm	Q1 2024	Q1 2023	Full year 2023
Net sales	6,520	7,668	23,454
Cost of goods sold	-4,761	-5,058	-18,366
Gross income	**1,759**	**2,610**	**5,089**
Selling expense	-481	-515	-2,129
Administrative expense	-551	-584	-2,721
Other operating income/expense	0	0	-1
Operating income	**726**	**1,511**	**238**
Financial items, net	-1,176	-110	1,474
Income after financial items	**-450**	**1,401**	**1,711**
Appropriations	-19	-39	-266
Income before taxes	**-469**	**1,363**	**1,445**
Tax on profit for the year	95	-284	80
Income for the period	**-374**	**1,079**	**1,525**

Condensed balance sheet

SEKm	Mar 31 2024	Mar 31 2023	Dec 31 2023
Non-current assets	50,333	48,239	50,263
Current assets	18,334	22,802	15,616
Total assets	**68,666**	**71,041**	**65,880**
Equity	31,558	33,209	32,030
Untaxed reserves	1,424	1,400	1,424
Provisions	592	498	542
Non-current liabilities	11,394	11,128	8,406
Current liabilities	23,698	24,807	23,478
Total equity and liabilities	**68,666**	**71,041**	**65,880**

Number of shares

	Outstanding A-shares	Outstanding B-shares	Repurchased B-shares [1]	Total
Number of shares as of December 31, 2023	**109,451,449**	**462,067,132**	**4,825,197**	**576,343,778**
Conversion of A-shares into B-shares	-1,576,146	1,576,146		0
Number of shares as of March 31, 2024	**107,875,303**	**463,643,278**	**4,825,197**	**576,343,778**

[1] All repurchased B-shares are included in a third party share swap agreement.

Definitions

This report includes financial measures as required by the financial reporting framework applicable to Husqvarna Group, which is based on IFRS. In addition, there are other measures (Alternative Performance Measures) used by management and other stakeholders to analyze trends and performance of the Group's operations that cannot be directly read or derived from the financial statements. Husqvarna stakeholders should not consider these as substitutes, but rather as additions, to the financial reporting measures prepared in accordance with IFRS. Please note that the Alternative Performance Measures as defined, may not be comparable to similarly titled measures used by other companies. Refer below for a list of definitions of all measures and indicators used, referred to and presented in this report.

Computation of average amounts

The computation of key ratios is based on averages of affected balance sheet items the last 12 months.

Roundings

All items are stated in SEKm and, accordingly, rounding differences can occur.

Last twelve months (LTM)

Last twelve months rolling has been included to assist stakeholders in their analysis of the seasonality that Husqvarna Group's business is exposed to.

Earnings per share, after dilution

Earnings per share is expressed as net income attributable to equity holders of the Parent Company divided by the weighted average number of shares outstanding (net of treasury shares), after dilution. Earnings per share is a good measure of the company's profitability and is used to determine the value of the company's outstanding shares.

Growth measures

Net sales growth

Change in net sales compared to previous period in percent.

Organic growth

Change in net sales, adjusted for acquisitions, divestments, planned exits and currency translation effects. The measure is important in order to understand the underlying performance of the operations and increases the comparability between periods.

Profitability measures

EBITDA

EBITDA is a measure of earnings before interest, taxes, depreciation, amortization and impairment charges. EBITDA measures Husqvarna Group's operating performance and the ability to generate cash from operations, without considering the capital structure of the Group or its fiscal environment. For a reconciliation of EBITDA refer to section Key Performance Indicators.

EBITDA margin

EBITDA as a percentage of net sales.

Gross margin

Gross income as a percentage of net sales.

Operating margin

Operating income as a percentage of net sales.

Return on capital employed

Operating income during the last twelve months as a percentage of average capital employed. A central ratio for measuring return on capital tied up in operations.

Return on equity

Net income attributable to equity holders of the Parent Company last twelve months as a percentage of average equity attributable to equity holders of the Parent Company. The indicator shows how share holders' capital yields interest during the period.

Share-based measures

Equity per share, after dilution

Equity attributable to equity holders of the Parent Company divided by the weighted average number of shares outstanding (net of treasury shares), after dilution. A measure of the amount of equity that exists per outstanding share and is used for measuring the share against the share price.

Capital indicators

Capital employed

Total equity and liabilities less non-interest-bearing debt including deferred tax liabilities. This measure shows the amount of capital that is used in the operations and is an important component for measuring the return from operations.

Capital expenditure

Investments in property, plant and equipment, right of use assets and intangible assets.

Interest bearing liabilities

Long-term and short-term borrowings, net pension liability and fair value derivative liabilities.

Liquid funds
Cash and cash equivalents, short-term investments and fair value derivative assets.

Net assets
Total assets excluding liquid funds and interest-bearing assets less operating liabilities, non-interest-bearing provisions and deferred tax liabilities.

Net debt
Net debt describes the Group's gearing and its ability to repay its debts from cash generated from the Group´s ordinary business, if they were all due today. It is also used to analyze how future net interest costs will impact earnings. Net debt is defined as total interest-bearing liabilities plus dividend payable, less liquid funds and interest-bearing assets.

Operating working capital
Inventories and trade receivables less trade payables. This measure shows how much working capital is tied up in the operations and can be put in relation to sales to understand how efficient working capital is managed.

Capital measures

Equity/assets ratio
Equity attributable to equity holders of the Parent Company as a percentage of total assets. A measure for showing financial risk, expressing the percentage of total assets that is financed by the owners.

Capital turnover rate
Net sales last twelve months divided with average net assets. Shows how effectively capital is managed and is a key measure for monitoring value creation.

Net debt/EBITDA excl. items affecting comparability
Average net debt in relation to EBITDA last twelve months, excluding items affecting comparability. Shows the company's capacity to repay its debt, adjusted for the impact of items affecting comparability.

Net debt/equity ratio
Net debt in relation to total equity. Shows financial risk and is a useful measure to monitor the level of the company's indebtedness.

Operating working capital/net sales
Average operating working capital as a percentage of net sales last twelve months. This measure is an important indicator for how efficient working capital is managed.

Other measures

Direct operating cash flow
EBITDA, excluding items affecting comparability, adjusted for change in trade payables, inventory and trade receivables and investments in property, plant and equipment and intangible assets. For a reconciliation of direct operating cash flow refer to the table below the cash flow statement. Direct operating cash flow provides a measure of the cash generated by the Groups operating business.

Items affecting comparability (IAC)
Under Items affecting comparability, Husqvarna includes items that have the character of being non-recurring, such as restructuring costs, and are relevant when comparing earnings for one period with those of another. Separate reporting of items affecting comparability between periods provides a better understanding of the company's underlying operating activities.



Webcast presentation and telephone conference

A webcast presentation of the Q1 report hosted by Pavel Hajman, CEO and Terry Burke, CFO will be held at 10:00 CET on April 24, 2024.

To view the presentation, please use the link:
husqvarnagroup.creo.se/891cd80d-8cee-477f-9645-78b81c459fa2

The dial-in to the telephone conference (in order to ask questions):
+46 (0) 8 505 100 31 (Sweden) or +44 207 107 06 13 (UK).

Dates for Financial Reports 2024

July 18	Interim report for January-June 2024
October 23	Interim report for January-September 2024

Contacts

Terry Burke, CFO and Executive Vice President, Finance, IR & Communication
+46 8 738 90 00

Johan Andersson, Vice President, Investor Relations
+46 702 100 451

Husqvarna AB (publ), P.O. Box 7454, SE-103 92 Stockholm
Regeringsgatan 28, +46 8 738 90 00, www.husqvarnagroup.com

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This report contains insider information that Husqvarna AB is required to disclose under the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the contact person set out above, at 07.00 CET on April 24, 2024.

Factors affecting forward-looking statements

This report contains forward-looking statements in the sense referred to in the American Private Securities Litigation Reform Act of 1995. Such statements comprise, among other things, financial goals, goals of future business and financial plans. These statements are based on present expectations and are subject to risks and uncertainties that may give rise to major deviations in the result due to several aspects. These aspects include, among other things: consumer demand and market conditions in the geographical areas and lines of business in which Husqvarna operates, the effects of currency fluctuations, downward pressure on prices due to competition, a material reduction in sales by important distributors, success in developing new products and in marketing, outcome of product responsibility litigation, progress in terms of reaching the goals set for productivity and efficient use of capital, successful identification of growth opportunities and acquisition objects, integration of these into the existing business and successful achievement of goals for making the supply chain more efficient.