



Portfolio Transformation Update:  
InSinkErator Acquisition  
MONDAY, AUGUST 8, 2022

# Cautionary Statement

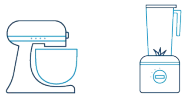


This document contains forward-looking statements about Whirlpool Corporation and its consolidated subsidiaries ("Whirlpool") within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Whirlpool intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and includes this statement for purposes of complying with those safe harbor provisions. Any statements made that are not statements of historical fact, including statements regarding our future financial results, long-term value creation, tax benefits and portfolio transformation as a result of the anticipated acquisition, acquisition-related synergies, tax benefits and financial impacts, acquisition funding sources and the timing of such funding, and the timing of the transaction closing are forward-looking statements and should be evaluated as such. Such statements can be identified by the use of terminology such as "may," "could," "will," "should," "possible," "plan," "predict," "forecast," "potential," "anticipate," "estimate," "expect," "project," "intend," "believe," "may impact," "on track," and similar words or expressions. Many risks, contingencies and uncertainties could cause actual results to differ materially from Whirlpool's forward-looking statements, including the risk that the transaction does not close within our expected timeframe or at all, and that we may not realize the synergies and financial benefits from the transaction. Additional risks and uncertainties that could materially affect such forward-looking statements include, but are not limited to: (1) the ongoing Russian invasion of Ukraine and related conflict and sanctions; (2) COVID-19 pandemic-related business disruptions and economic uncertainty; (3) intense competition in the home appliance industry reflecting the impact of both new and established global competitors, including Asian and European manufacturers, and the impact of the changing retail environment, including direct-to-consumer sales; (4) Whirlpool's ability to maintain or increase sales to significant trade customers and the ability of these trade customers to maintain or increase market share; (5) Whirlpool's ability to maintain its reputation and brand image; (6) the ability of Whirlpool to achieve its business objectives and leverage its global operating platform, and accelerate the rate of innovation; (7) Whirlpool's ability to understand consumer preferences and successfully develop new products; (8) Whirlpool's ability to obtain and protect intellectual property rights; (9) acquisition, divestiture and investment-related risks, including risks associated with the InSinkErator acquisition and our past acquisitions; (10) Whirlpool's ability to navigate risks associated with our presence in emerging markets; (11) risks related to our international operations, including changes in foreign regulations; (12) Whirlpool's ability to respond to unanticipated social, political and/or economic events; (13) information technology system failures, data security breaches, data privacy compliance, network disruptions, and cybersecurity attacks; (14) product liability and product recall costs; (15) the ability of suppliers of critical parts, components and manufacturing equipment to deliver sufficient quantities to Whirlpool in a timely and cost-effective manner; (16) our ability to attract, develop and retain executives and other qualified employees; (17) the impact of labor relations; (18) fluctuations in the cost of key materials (including steel, resins, copper and aluminum) and components and the ability of Whirlpool to offset cost increases; (19) Whirlpool's ability to manage foreign currency fluctuations; (20) impacts from goodwill impairment and related charges; (21) triggering events or circumstances impacting the carrying value of our long-lived assets; (22) inventory and other asset risk; (23) health care cost trends, regulatory changes and variations between results and estimates that could increase future funding obligations for pension and postretirement benefit plans; (24) litigation, tax, and legal compliance risk and costs, especially if materially different from the amount we expect to incur or have accrued for, and any disruptions caused by the same; (25) the effects and costs of governmental investigations or related actions by third parties; (26) changes in the legal and regulatory environment including environmental, health and safety regulations, and taxes and tariffs; (27) Whirlpool's ability to respond to the impact of climate change and climate change regulation; and (28) the uncertain global economy and changes in economic conditions which affect demand for our products. Additional information concerning these and other factors can be found in Whirlpool's filings with the Securities and Exchange Commission, including the most recent annual report on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K. These cautionary statements should not be construed by you to be exhaustive and the forward-looking statements are made only as of the date of this event. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

### THREE STRONG PILLARS

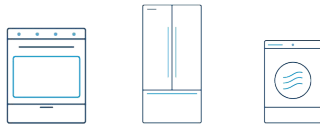
#### **SMALL APPLIANCES** (GROW, ALSO INORGANICALLY)

- More global in nature
- Serve 'full' cooking journey
- Structurally attractive margin
- EBIT<sup>(1)</sup> > 15%



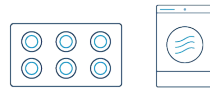
#### **MAJOR APPLIANCES** (STRENGTHEN + REFOCUS)

- Invest in 'Win Americas' (#1 position)
- Accelerate India growth
- Invest in Consumer direct business
- EBIT<sup>(1)</sup> > 12%



#### **COMMERCIAL APPLIANCES** (GROW, ALSO INORGANICALLY)

- Structurally attractive business
- Technology 'cascades' to residential
- EBIT<sup>(1)</sup> > 15%



in sink erator®

***Invest in high growth and high margin businesses***

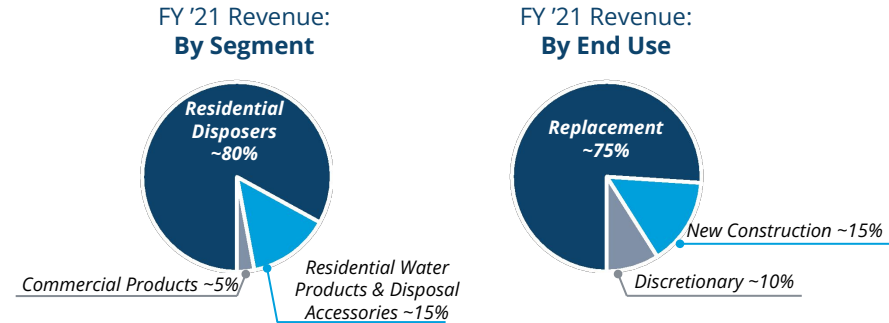
### Delivering Long-Term Value Creation

- ✓ 'Win Americas'
- ✓ Structurally attractive business
- ✓ Accelerated growth and margins

## Overview of InSinkErator

- ✓ Brand reputation for highest quality and performance
- ✓ Predictable, recurring sales driven by installed base
- ✓ Strong growth, margins and free cash flow

## FY 2021 Revenue



>70% Market Share

U.S. Food Waste Disposal  
Market Share in 2021

80+

Years of Experience  
in Food Waste Disposal Industry

~1,400

Employees Primarily  
Across 3 U. S. Locations

4%+ CAGR

Delivering Growth  
Over 5 and 10 Years

## Residential Food Waste Disposers



*Standard Series*



*Power Series*



*Quiet Series*

## Residential Water Products & Disposal Accessories



**Designer Faucets**



**Accessories**



**Instant Hot Water Systems**



**Chillers**



**Food Waste Disposers**



*April '22 Launch*

**Instant Warm Handwash**



**Other (Pulpers, Collectors, Instant Hot Water, Grind2Energy)**

## Immediately Accretive

## Synergies and Value Creation Upside

Incremental from InSinkErator

Pro Forma

<b>Sales</b> <i>2022E Sales</i>	<b>~\$650M</b>
<b>EBITDA<sup>(1)</sup></b> <i>2022E EBITDA</i>	<b>\$170M+</b>
<b>Free Cash Flow<sup>(2)</sup></b>	<b>~\$100M</b>
<b>EBIT<sup>(1)</sup></b> <i>Consolidated EBIT Lift</i>	<b>~50bps</b>

- Long-term U.S. housing growth, leveraging #1 position
- International penetration potential
- Ability to expand brand offering
- Synergies driven by Whirlpool's leading scale and infrastructure (manufacturing, procurement and product design)

Expected to add \$1.25 of EPS accretion in 2023

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### Transaction Considerations

- Purchase price of \$3B, initially funded from available liquidity
- 14.0x EBITDA multiple, including synergies and ~\$300M of future tax benefits

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### Capital Structure

- Maintain commitment to strong investment grade rating; New debt to be put in place at a later date
- Capital allocation priorities remain unchanged

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### Approval and Closing

- Closing expected in 2022
  - Subject to regulatory approvals and other customary conditions
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Closing Remarks  
and  
Q&A





# Use of Non-GAAP Financial Measures



This presentation includes certain non-GAAP financial measures, including earnings before interest and taxes (EBIT), EBIT margin, EBITDA, and free cash flow. These measures should not be considered as alternatives to, or more meaningful than, net earnings (calculated in accordance with GAAP) or other GAAP financial measures. Non-GAAP performance measures have limitations as they do not include all items of income and expense that affect operations, and accordingly, should always be considered as supplemental financial results to those calculated in accordance with GAAP.

(1) EBIT margin and EBITDA are non-GAAP measures. A forward-looking reconciliation of pro-forma EBIT margin contribution and EBITDA for the InSinkErator business, each a non-GAAP measure, to net earnings for the InSinkErator business, a GAAP measure, is not provided as certain elements of the estimated pro-forma EBIT margin contribution and EBITDA measures cannot be precisely calculated without unreasonable effort or expense and the significance of these elements are indeterminable at this time. Further, forecasting the timing or amount of items that have not yet occurred and are out of our control is inherently uncertain and unavailable without unreasonable effort or expense.

(2) Free cash flow is a non-GAAP measure. The Company defines free cash flow as cash provided by operating activities less capital expenditures. The Company anticipates approximately \$130 million in cash provided by operating activities and \$30 million in capital expenditures on an incremental basis from the InSinkErator business.



\* Whirlpool Corporation ownership of the *Hotpoint* brand in EMEA and Asia Pacific regions is not affiliated with the *Hotpoint* brand sold in the Americas