

Statement by the Board of Directors of AB Electrolux pursuant to Chapter 18, Section 4 of the Swedish Companies Act regarding the dividend proposal

The Board of Directors has proposed that the Extraordinary General Meeting resolves on a dividend to the shareholders of SEK 7.00 per share, totalling SEK 2,011,782 thousand. The record date is proposed to be November 5, 2020. On account hereof, the Board of Directors hereby makes the following statement according to Chapter 18, Section 4 of the Swedish Companies Act.

As of December 31, 2019, Electrolux non-restricted equity amounted to SEK 22,893,842 thousand. On February 21, 2020, an Extraordinary General Meeting resolved on a distribution of all the shares in the wholly-owned subsidiary Electrolux Professional AB (publ), reg.no. 556003-0354, including the underlying group, which reduced the non-restricted equity by SEK 7,749,120 thousand. Accordingly, the amount available for distribution under Chapter 17, Section 3, Paragraph 1 of the Swedish Companies Act, is SEK 15,144,722 thousand.

The Annual General Meeting held on March 31, 2020 authorized the Board of Directors to resolve on acquisitions of as a maximum so many Electrolux B shares that, following each acquisition, the Company holds at a maximum 10 per cent of all shares issued by the Company. As of this date, the Board of Directors has not resolved on any acquisitions of own shares based on the authorization from the Annual General Meeting 2020.

The Board of Directors finds that there will be full coverage for the restricted equity of the Company, after distribution of the proposed dividend and considering the authorization to resolve on acquisitions of own shares.

It is the Board of Directors' assessment that after distribution of the proposed dividend, the equity of the Company and the Group will be sufficient with respect to the nature, scope, and risks of the operations. The Board of Directors has hereby considered, among other things, the Company's and the Group's historical development, the budgeted development and the state of the market.

If financial instruments currently valued at actual value in accordance with Chapter 4, Section 14 a of the Swedish Annual Accounts Act instead had been valued according to the lower of cost or net realizable value, including cumulative revaluation of external shares, the equity of the Company would, based on the most recently adopted balance sheet, have decreased by SEK 178,985 thousand.

After the proposed dividend, the financial strength of the Company and the Group is assessed to continue to be good in relation to the industry in which the Group is operating. The dividend will not affect the ability of the Company and the Group to comply with their payment obligations. The Board of Directors finds that the Company and the Group are well prepared to handle any changes in respect of liquidity, as well as unexpected events.

The Board of Directors is of the opinion that the Company and the Group have the ability to take future business risks and also cope with potential losses. The proposed dividend will not negatively affect the Company's and the Group's ability to make further commercially motivated investments in accordance with the strategy of the Board of Directors.

Reflecting this, the Board of Directors considers the proposed dividend to be justified considering the rules of reason expressed in Chapter 17, Section 3, Paragraphs 2-3 of the Swedish Companies Act.

Stockholm in September 2020
AB Electrolux (publ)
THE BOARD OF DIRECTORS