



Q1 Results 2022 presentation

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Q1 Highlights

Volume driven sales decline

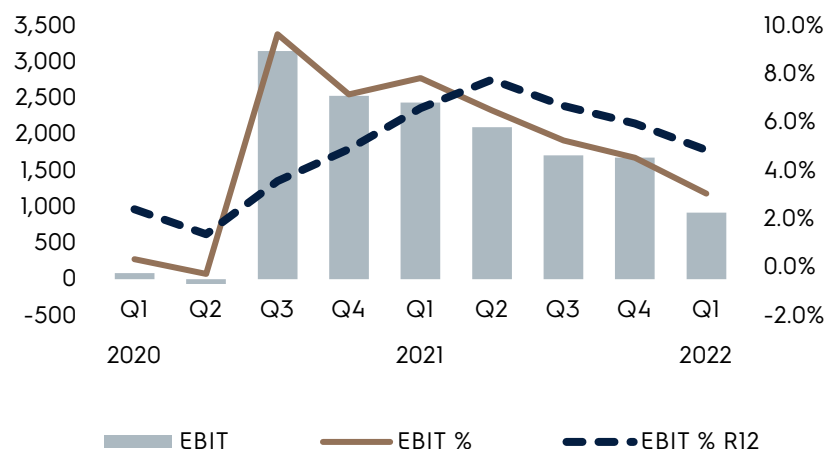
- Supply constraints impacted product availability
- Continued strong price execution
- New product launches contributed to positive mix across regions

Price largely offset cost inflation

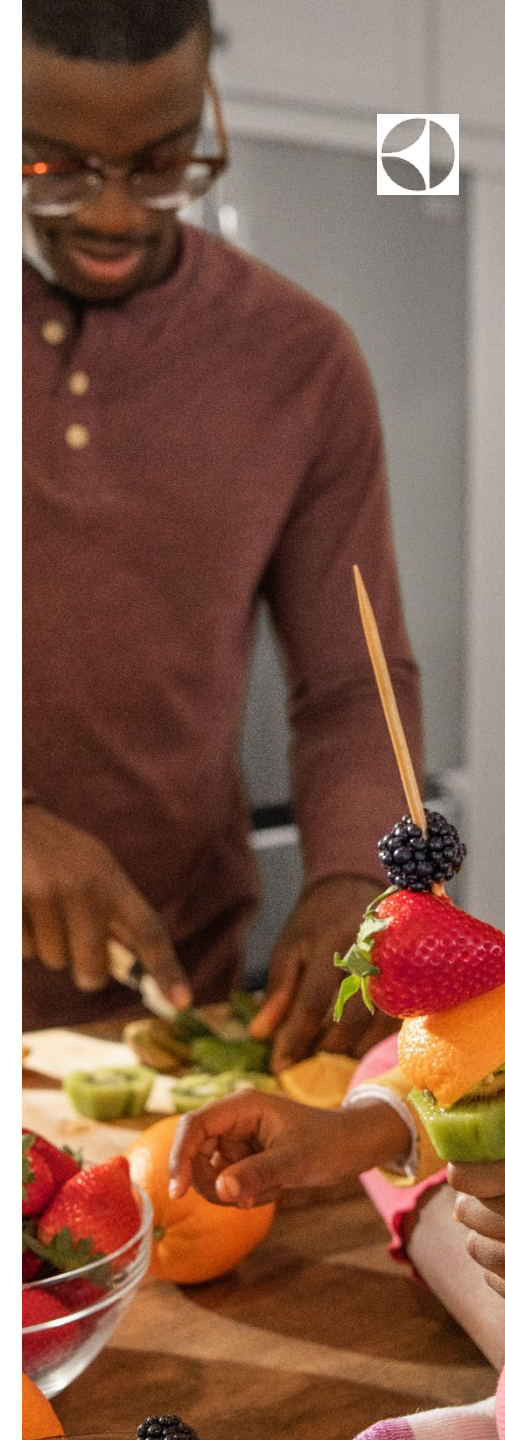
- Strong organic contribution
- Significant cost inflation, mainly raw material and logistics
- Continued challenging supply chain, resulting in high cost for express logistics and spot buys

SEKm	Q1 2022	Q1 2021	Change
Net sales	30,118	29,026	3.8%
Organic growth	-3.4%	22.8%	-26.2pts
Acquisitions	0.1%	0.2%	-0.1pts
Currency	7.1%	-13.8%	20.9pts
EBIT	1,575	2,297	-31.5%
Margin	5.2%	7.9%	-2.7pts
EBIT excl. NRI	919	2,297	-60.0%
EBIT margin excl. NRI	3.1%	7.9%	-4.9pts

EBIT and margin*



*Excluding non-recurring items (NRI) and currency adjusted.



Sales and EBIT Bridge



SEKm	Q1 2021	Volume/ price/mix	Innovation/ marketing ¹	Cost efficiency ²	External factors ³	Acq/Divest.	Q1 2022
Net Sales	29,026	-1,058			2,120	31	30,118
Growth %		-3.4%			7.1%	0.1%	3.8%
EBIT excl NRI ⁴	2,297	1,771	-165	-1,207	-1,755	-23	919
EBIT excl NRI %	7.9%						3.1%
Accretion/ Dilution		6.6 pts	-0.6 pts	-4.3 pts	-6.5 pts	-0.1 pts	

¹ Investments in consumer experience innovation and marketing, comprise of costs for R&D, marketing/brand, connectivity, CRM, aftermarket sales capability etc.

² Efficiencies in variable costs (excl. raw material, trade tariffs and labor cost inflation >2%) and structural costs (excl. consumer experience innovation and marketing).

³ Comprise of raw material costs, trade tariffs as well as direct and indirect currency impact and labor cost inflation >2%. Currency translation amounted to SEK 140m on EBIT and 7.1% on net sales.

⁴ EBIT in Q1 2022 excludes a positive non-recurring item of SEK 656m, after a settlement relating to a U.S. tariff case.

Earnings contribution from price/mix



Business Area	Q1	Comments
Europe	Positive	Strong price, positive mix
North America	Positive	Strong price and mix
Latin America	Positive	Strong price, positive mix
Asia-Pacific, Middle East and Africa	Positive	Strong price, slightly positive mix
Group EBIT % accretion	10.4%	

Driving sustainable consumer experience innovation



Sharpened offer enabled by U.S. investment

- Step up in competitiveness with new fridge and freezer factory in Anderson, U.S.
- Accelerated innovation speed and global scale leverage
- Increased flexibility and efficiency
- Environmental gains throughout full product life cycle



Largest product launch ever in Latin America

- 60 new products launched, additional 100 coming in Q2/Q3
- Taste/Care/Wellbeing innovation areas
- Successful product launch event
- New and innovative products under the Electrolux and Continental brands



Operating Cash Flow



SEKm	Q1 2022	Q1 2021
EBIT	1 575	2 297
D/A and other non-cash items	672	1 189
Change in operating assets and liabilities	-6 182	-2 925
Investments in intangible and tangible assets	-1 339	-816
Changes in other investments	-6	94
Cash flow after investments*	-5 280	-161

*Before acquisitions and divestments

Optimizing capital structure through share buybacks

**Board's intention to propose share buybacks
with subsequent share cancellations over
several years**

**Maintain a solid investment grade rating:
 $ND/EBITDA < 2$**

✓ **First buyback program**

Oct 28, 21 – Feb 3, 22

~ 9.4 million B shares

SEK ~ 1.9bn

✓ **Cancellation of shares**

April 2022

~ 25.8 million B shares

❑ **Next round of buybacks**
aim SEK ~ 2.5bn until next AGM

❑ **Step 1:**

May 2, 22 – Oct 21, 22

Max. 8 million B shares

Max. SEK 1.25bn

Europe

Volume driven sales decline

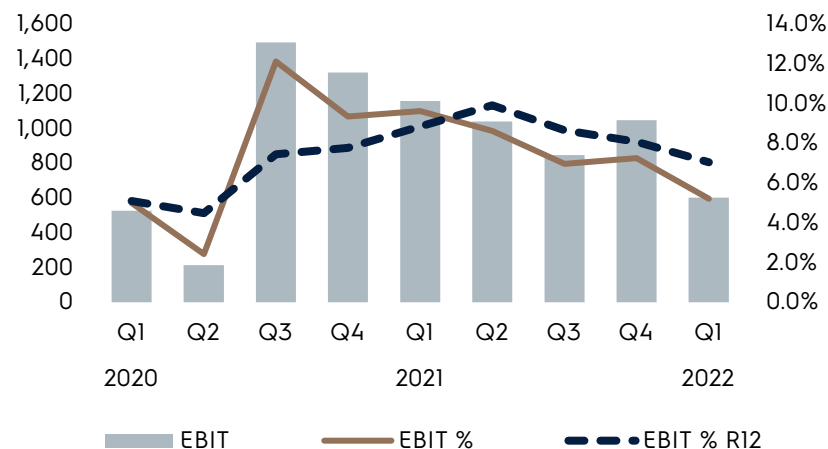
- Supply constraints impacted product availability, especially laundry
- Continued list price increases
- Positive mix across innovation areas
- Further improved consumer star ratings

Lack of components lowered EBIT

- Price offset significant cost inflation
- New list price increases announced
- Continued high cost for spot buys and air freight

SEKm	Q1 2022	Q1 2021	Change
Net sales	11 535	11 637	-0.9%
Organic growth	-4.3%	14.1%	-18.4pts
Acquisitions	0.3%	0.0%	0.3pts
Currency	3.1%	-7.4%	10.6pts
EBIT	602	1 122	-46.4%
Margin	5.2%	9.6%	-4.4pts

EBIT and margin*

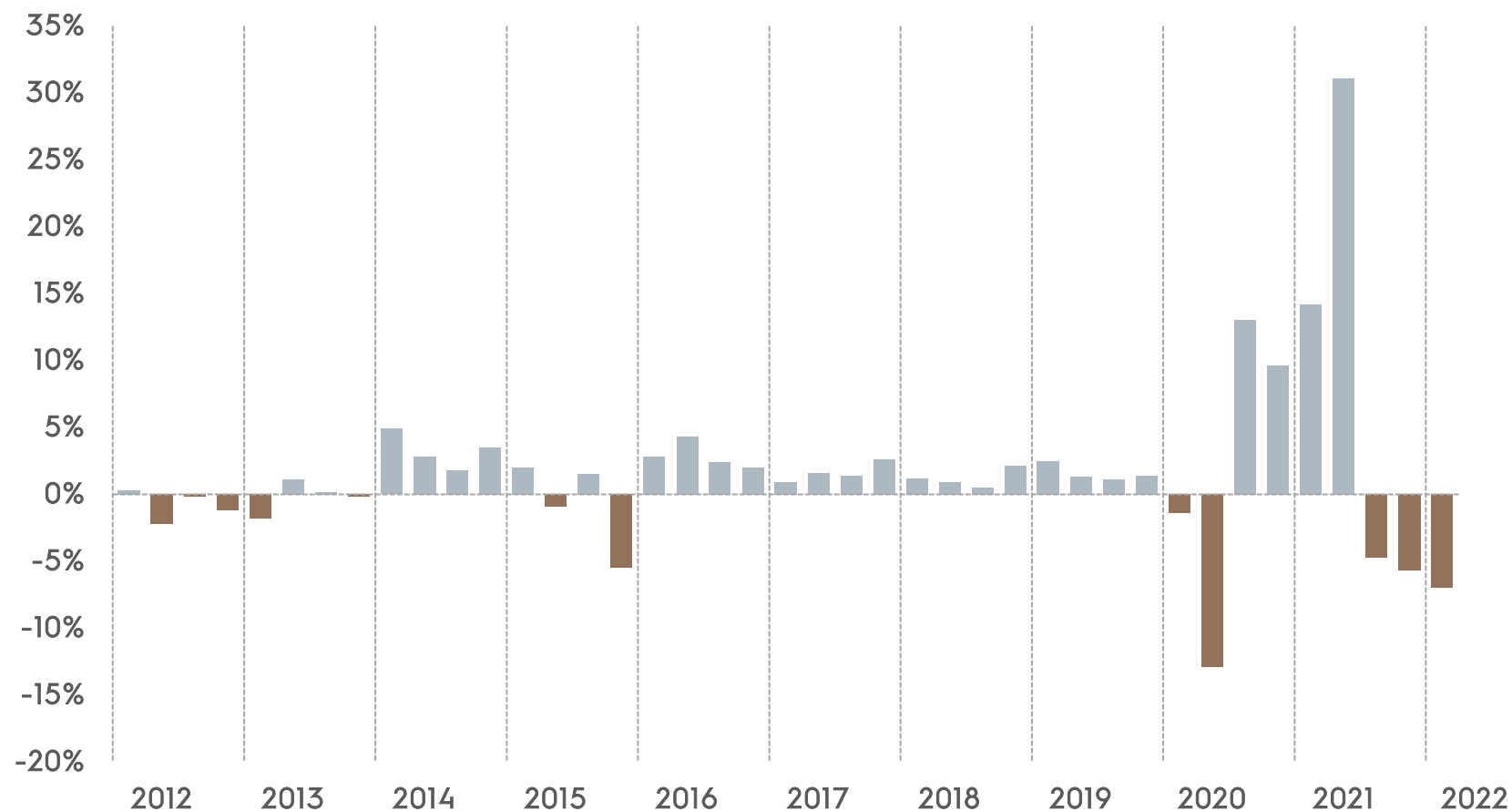


*Excluding non-recurring items (NRI) and currency adjusted.



European Core Appliances Market

Total European shipments, quarterly unit comparison y-o-y



Source: Electrolux estimates



North America

Flat organic sales growth

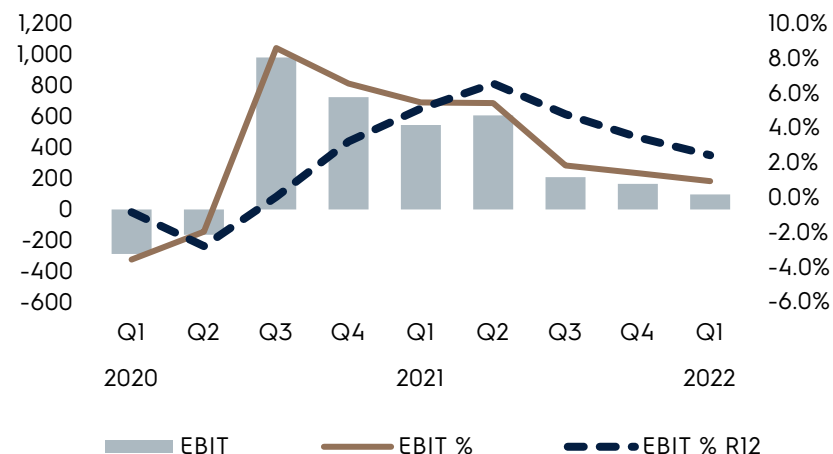
- List price increases
- Strong mix execution
- Volume decline resulting from constraints

EBIT impacted by supply chain constraints

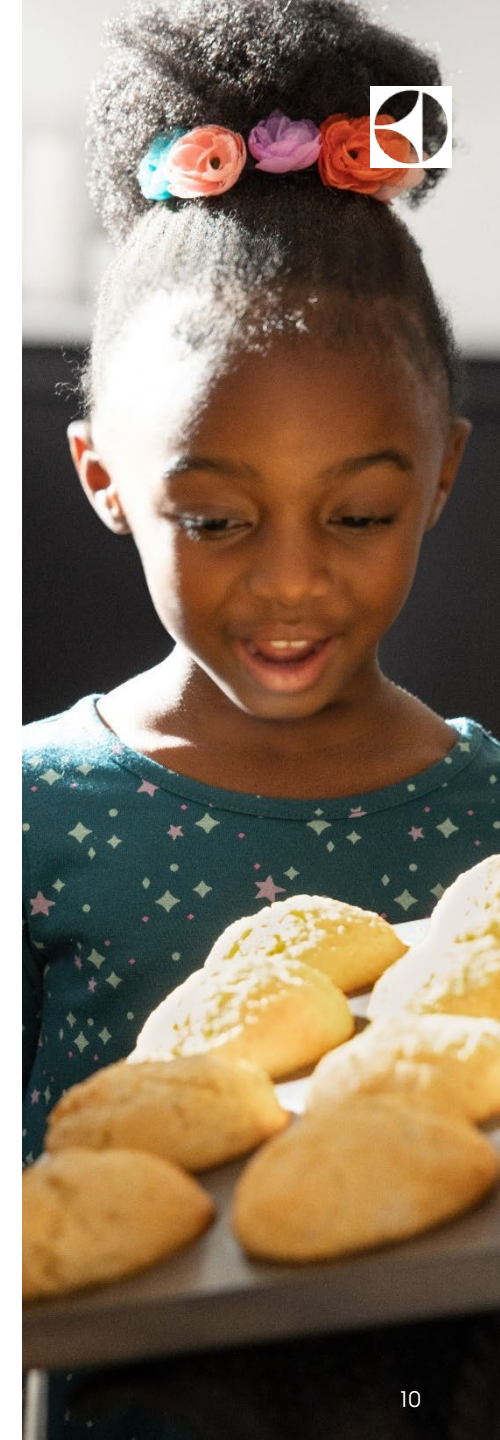
- Price not fully offsetting significant cost inflation
- High costs for spot buys and airfreight
- EBIT included a positive non-recurring item of SEK 656m after a settlement relating to a U.S. tariff case

SEKm	Q1 2022	Q1 2021	Change
Net sales	9,940	9,002	10.4%
Organic growth	-0.3%	22.9%	-23.2pts
Currency	10.7%	-15.9%	26.6pts
EBIT	752	493	52.5%
Margin	7.6%	5.5%	2.1pts
EBIT excl. NRI	96	493	-80.5%
EBIT margin excl. NRI	1.0%	5.5%	-4.5pts

EBIT and margin*

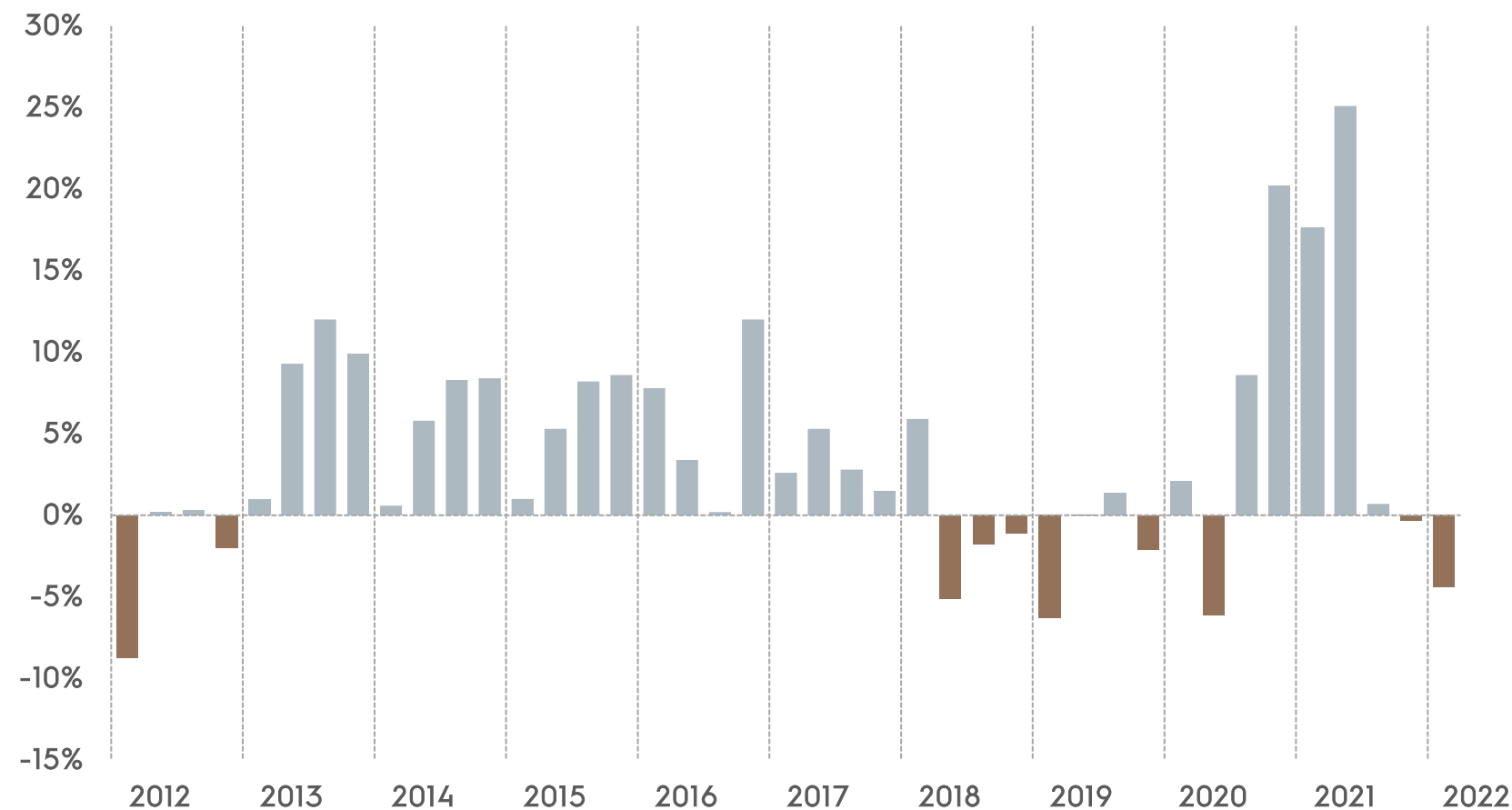


*Excluding non-recurring items (NRI) and currency adjusted.



U.S. Core Appliances Market

U.S. shipments, quarterly unit comparison y-o-y



*Source: Based on the AHAM Factory Shipment Report. Q1 2022 is comparison of weeks between January 1 – April 2, 2022 vs January 1 – April 3, 2021. Consistent to historical methodology. Core appliances includes AHAM 6 (Washers, Dryers, Dishwashers, Refrigerators, Freezers, Ranges and Ovens) and Cooktops.



Latin America

Organic sales decline

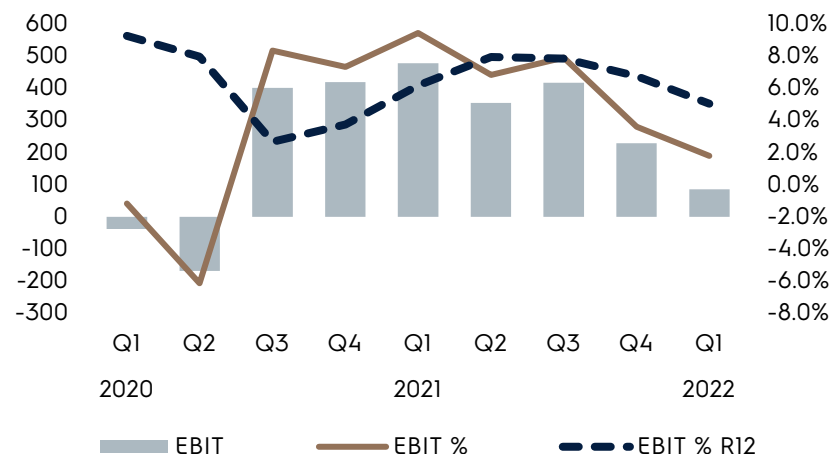
- Decreased consumer demand in Brazil and Chile, while up in Argentina
- Continued strong price execution
- Positive mix through attractive product portfolio

EBIT impacted by lower volumes

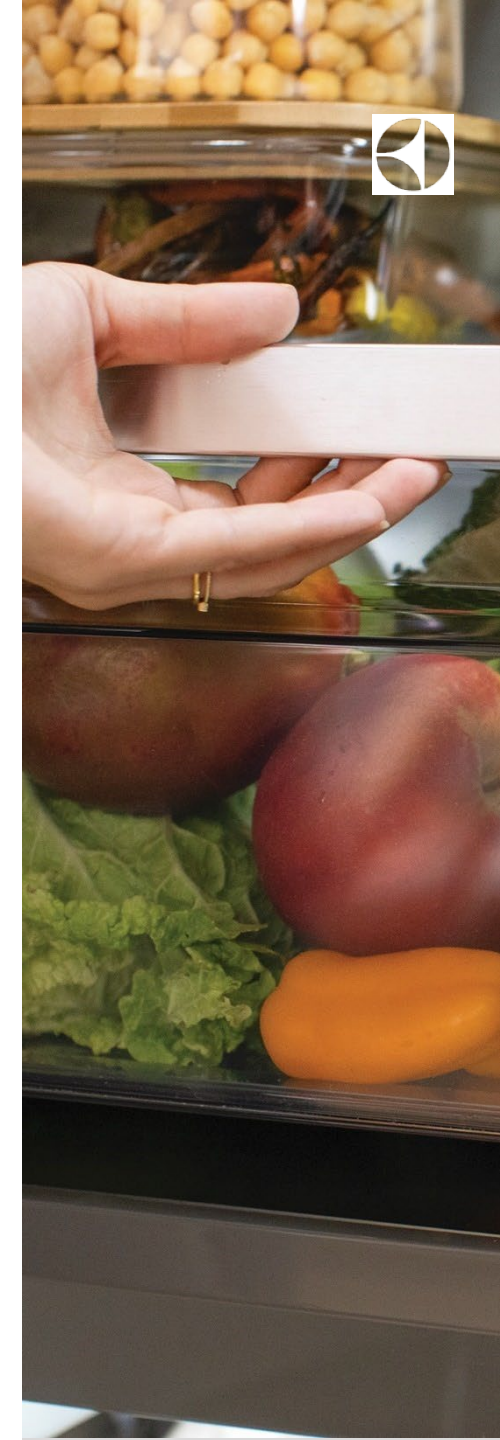
- Price fully offset high cost inflation
- Normalized seasonal patterns with weaker first half of the year

SEKm	Q1 2022	Q1 2021	Change
Net sales	4 761	4 516	5.4%
Organic growth	-6.0%	58.3%	-64.3pts
Currency	11.4%	-40.3%	51.7pts
EBIT	85	423	-79.8%
Margin	1.8%	9.4%	-7.6pts

EBIT and margin*



*Excluding non-recurring items (NRI) and currency adjusted.



Asia-Pacific, Middle East and Africa

Supply constraints resulted in organic sales decline

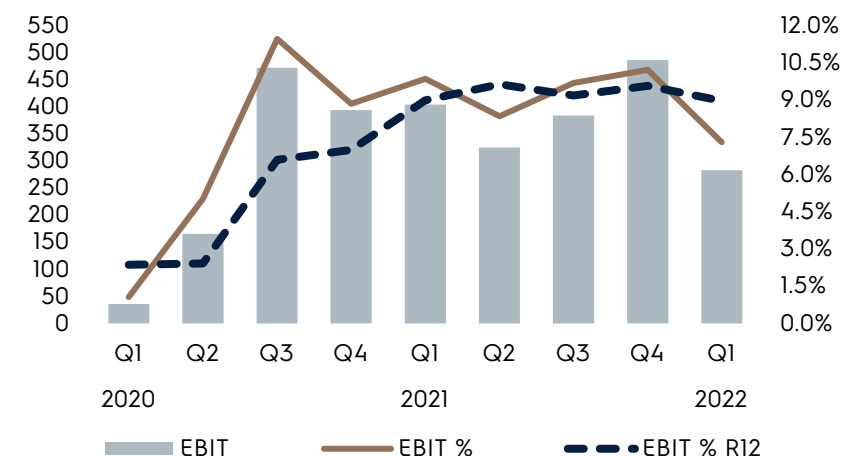
- Lower volumes
- Price increases
- Favorable mix despite supply constraints
- Continued strong market demand

SEKm	Q1 2022	Q1 2021	Change
Net sales	3 882	3 871	0.3%
Organic growth	-5.2%	18.9%	-24.1pts
Acquisitions	0.0%	1.2%	-1.2pts
Currency	5.5%	-7.4%	12.9pts
EBIT	284	393	-27.8%
Margin	7.3%	10.1%	-2.8pts

Solid earnings

- Supply chain constraints impacted product availability
- Price fully offsetting significant cost inflation, including currency headwind

EBIT and margin*



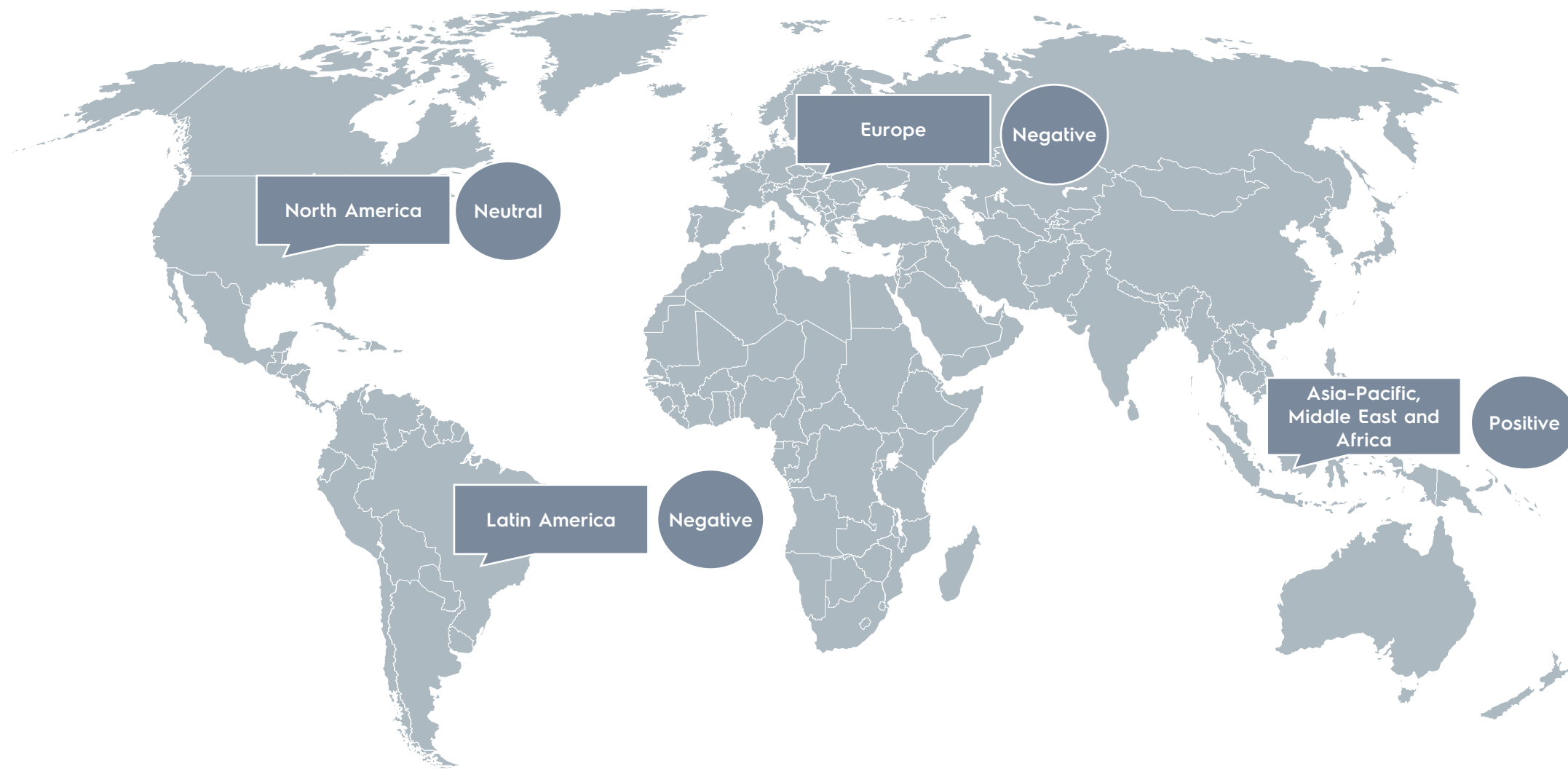
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Outlook and summary

Market outlook FY 2022 per region



- Electrolux estimates for industry shipments of core appliances, units year-over-year
- Latin America includes the ABC-countries, Asia-Pacific, Middle East and Africa includes, ANZ, SEA and MEA.
- Note: Market outlook assumes no additional significant additional impact from the coronavirus pandemic or the global geopolitical situation.

Electrolux business outlook



Business Outlook ¹ y-o-y	FY 2022	Comments
Volume/price/mix	Volume/mix - positive	Increased sales of innovative high margin products and aftermarket solutions.
	Price – offsetting cost inflation ²	Price offset cost inflation, mainly in raw material, logistics and sourcing of finished goods
Investments in consumer experience innovation and marketing ³	Negative	Higher investments in innovation, marketing and digitalization of consumer interaction.
Cost efficiency ⁴	Negative	Significant benefits from re-engineering programs more than offset by cost inflation in logistics, sourcing of finished goods and components.
External factors ⁵	Negative SEK 8-10bn	Primarily from raw material costs.
Capex	SEK ~8bn	

¹ Business outlook range: Positive – Neutral – Negative, in terms of impact on earnings

² Cost inflation comprise of “External factors” and cost inflation in sourcing of finished goods, electronic components and logistics. The three latter are included in “Cost efficiency”.

³ Comprise of costs of R&D, marketing/brand, connectivity, CRM and aftermarket sales capability etc.

⁴ Efficiencies in variable costs (excl. raw materials, trade tariffs and labor cost inflation >2%) and structural costs (excl. consumer experience innovation and marketing).

⁵ Comprise of raw material costs, trade tariffs as well as direct and indirect currency impact and labor cost inflation >2%. Currency translation effects are estimated to impact 2022 net sales by +7% and operating income by SEK +400m.

Note: Business outlook in the above table excludes non-recurring items and assumes no significant additional impact from the coronavirus pandemic or the global geopolitical situation.

Well positioned to create value

Financial targets for profitable growth*

OPERATING
MARGIN

≥6%

RONA**

>20%

SALES
GROWTH

≥4%



Driving sustainable
consumer experience
innovation



Increasing efficiency
through digitalization,
automation and
modularization

Solid balance sheet facilitates
profitable growth

Strategic drivers executed in Q1:

- Strong execution on price
- Mix improvements despite supply chain constraints
- Strong product range, with significant new launches
- Agile and flexible short term, while keeping focus on long-term value creation

* Financial targets are over a business cycle

** Return on net assets

Factors affecting forward-looking statements



This presentation contains “forward-looking” statements that reflect the company’s current expectations. Although the company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations prove to have been correct as they are subject to risks and uncertainties that could cause actual results to differ materially due to a variety of factors. These factors include, but are not limited to, changes in consumer demand, changes in economic, market and competitive conditions, supply and production constraints, currency fluctuations, developments in product liability litigation, changes in the regulatory environment and other government actions. Forward-looking statements speak only as of the date they were made, and, other than as required by applicable law, the company undertakes no obligation to update any of them in light of new information or future events.



Q & A



Well positioned to create value

Financial targets for profitable growth*

OPERATING
MARGIN

≥6%

RONA**

>20%

SALES
GROWTH

≥4%



Driving sustainable
consumer experience
innovation



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Electrolux