

Q4

2021



Ending a record year with solid execution in Q4

- In full-year 2021, strong price execution and attractive product and brand offering resulted in record net sales of SEK 125,631m (115,960), operating income excl. non-recurring items of SEK 7,528m (5,778), and operating margin excl. non-recurring items of 6.0% (5.0). Income for the period excl. non-recurring items was SEK 5,220m (3,988).
- In the fourth quarter 2021, net sales amounted to SEK 35,372m (33,902) and operating income to SEK 882m (2,498), corresponding to a margin of 2.5% (7.4).
- Operating income includes costs of SEK 727m, relating to arbitration in U.S. tariff case, impacting the business area North America. Excluding this non-recurring item, operating income amounted to SEK 1,609m, corresponding to a margin of 4.5% (7.4).
- Price offset significant cost inflation. Global supply chain constraints continued to limit product availability and result in higher costs.
- Income for the period amounted to SEK 596m (1,860) and earnings per share was SEK 2.09 (6.47).
- Operating cash flow after investments was SEK 2,103m (5,364).
- The Board proposes a dividend for 2021 of SEK 9.20 (8.00) per share, to be paid in two equal installments.
- The Board proposes the AGM 2022 to resolve on cancellation of repurchased shares and to renew the mandate to acquire own shares. The Board intends to thereafter initiate a new share buyback program for an amount of approximately SEK 2.5bn.

Financial overview

SEKM	Q4 2021	Q4 2020	Change, %	Full-year 2021	Full-year 2020	Change, %
Continuing operations¹						
Net sales	35,372	33,902	4	125,631	115,960	8
Sales growth, % ²	4.9	17.7		14.3	3.3	
Organic growth, %	4.8	17.5		14.2	3.2	
Acquisitions, %	0.1	0.2		0.2	0.1	
Divestments, %	-	-		-	-	
Changes in exchange rates, %	-0.6	-11.8		-6.0	-5.8	
Operating income ³	882	2,498	-65	6,801	5,778	18
Operating margin, %	2.5	7.4		5.4	5.0	
Income after financial items	700	2,339	-70	6,255	5,096	23
Income for the period	596	1,860	-68	4,678	3,988	17
Earnings per share, SEK ⁴	2.09	6.47	-68	16.31	13.88	17
Return on net assets, %	-	-		28.5	22.6	
Operating cash flow after investments	2,103	5,364		3,200	8,552	
Total Group, including discontinued operations¹						
Income for the period ⁵	596	1,860	-68	4,678	6,584	-29
Earnings per share, SEK ⁴	2.09	6.47	-68	16.31	22.91	-29

¹ Discontinued operations refers to first quarter of 2020 and Electrolux Professional, which was separated from the Electrolux Group March 23, 2020. For more information see Note 5. ² Change in net sales adjusted for currency translation effects. ³ Operating income in the fourth quarter of 2021 includes a non-recurring item of SEK -727m, relating to arbitration in U.S. tariff case, impacting the business area North America. Excluding this non-recurring item, operating income amounted to SEK 1,609m, corresponding to a margin of 4.5% (7.4), see pages 12 and 20. ⁴ Basic. ⁵ Income for the period for the first quarter of 2020 included a settlement gain from the distribution of Electrolux Professional of SEK 2,379m. For definitions, see pages 28-29. Note: n.m. (not meaningful) is used when the calculated number is considered not relevant.

President and CEO Jonas Samuelson's comment

I am proud of what we have achieved in 2021. We delivered record sales and earnings and met or exceeded all our financial targets through an attractive product and brand offering, and we successfully offset significant cost inflation through strong price execution. In 2021, sales growth was 14.3%, operating margin excl. non-recurring items 6.0% and return on net assets 28.5%. One other important achievement was that already this year we almost reached our 2025 science-based climate target for our own operations – to reduce CO₂ emissions by 80%.

The second year of the pandemic presented different opportunities and challenges – increasing production to meet strong demand, while managing higher input material prices as well as global supply chain constraints. In the fourth quarter, these constraints resulted in significantly higher costs for express logistics and spot buys compared to an already high level in the third quarter, and had a similar impact with regards to planned production output. Despite this, I am pleased how we managed to increase sales of our higher margin products and started the ramp-up in three additional factories, on top of the two that are already up and running within our SEK 8bn re-engineering investment program. Sales growth in the fourth quarter was 4.9% and operating margin excl. non-recurring items was 4.5%.

Looking into 2022, we expect demand levels to be above pre-pandemic levels, as people are likely to continue to invest in their homes. We assess market demand in terms of value to increase in all regions in 2022. However, compared to strong 2021 levels we don't expect demand growth in terms of units in all regions. Global supply chain constraints are expected to continue to impact the industry's ability to fully meet demand. We are collaborating closely with our suppliers to mitigate these constraints, but we estimate that the first quarter will be at least as challenging as the fourth quarter 2021, with significant risks of disruptions relating to the resurgence of the coronavirus. We expect sequential improvements from mid-2022.

In 2021, the volume/price/mix contribution to operating income was nearly SEK 9bn. We expect this organic year-

over-year contribution to be even higher in 2022, mainly driven by price but also increased sales of innovative high margin products and aftermarket solutions.

For the 2022 full year, price is estimated to fully offset cost inflation, mainly in raw material, electronic components and logistics. Over the past four years, we have offset this type of cost inflation with price. Given recent acceleration in cost inflation, we are implementing further price increases in early 2022. However, due to timing differences we expect price to only partly offset cost inflation in the first quarter.

Cost efficiency in 2022 is expected to be negative in total, as significant benefits from the re-engineering program are more than offset by the cost inflation on logistics and components.

2022 will be the most intense product launch year ever, partly enabled by our re-engineering program. This gives us confidence that consumer demand for our products will remain healthy and provides us with a great platform to drive mix improvements. We intend to invest more in innovation and marketing to support these launches. In recent years, mix improvements have contributed an average of SEK 1bn to operating income.

In addition to the total cash distribution of SEK 25 per share that was paid out in 2021, more than 4.3 million shares, corresponding to 1.4% of total shares, were bought back in the fourth quarter. As previously communicated, it is the Board's intention to continue with share buybacks over time. In line with this, the Board has today announced its intention to proceed with a new share buyback program after the AGM 2022 for an amount of approximately SEK 2.5bn.

The increased distribution to shareholders underlines the efficiency and flexibility with which Electrolux has managed market volatility during the two pandemic years. I would therefore like to take this opportunity to thank all my colleagues warmly for their hard and diligent work. As the pandemic continues into 2022, we will continue to create value – safely and sustainably.

Outlook

Market outlook, units year-over-year ¹	FY 2022	Market outlook, units year-over-year ¹	FY 2022
Europe	Neutral	Latin America	Negative
North America	Positive	Asia-Pacific, Middle East and Africa	Positive

Business outlook ² , year-over-year	FY 2022
Volume/price/mix	Volume/mix - positive Price - offsetting cost inflation ³
Investments in consumer experience innovation and marketing ⁴	Negative
Cost efficiency ⁵	Negative
External factors ⁶	Negative SEK 6 - 9bn
Capital expenditure	SEK -8bn

¹ Electrolux estimates for industry shipments of core appliances. ² Business outlook range: Positive - Neutral - Negative, in terms of impact on earnings.

³ Cost inflation comprise of "External factors" and cost inflation in electronic components and logistics. The two latter are included in "Cost efficiency". ⁴ Comprise of costs of R&D, marketing/brand, connectivity, CRM, aftermarket sales capability etc. ⁵ Efficiencies in variable costs (excl. raw material, trade tariffs and labor cost inflation >2%) and structural costs (excl. consumer experience innovation and marketing). ⁶ 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 +4% and operating income by SEK +200m. Note: Business outlook in the above table excludes non-recurring items. Market and business outlook assume no significant additional impact from the coronavirus pandemic.



Summary of the fourth quarter

SEKM	Q4 2021	Q4 2020	Change, %	Full-year 2021	Full-year 2020	Change, %
Net sales	35,372	33,902	4	125,631	115,960	8
Operating income						
Europe	1,034	1,319	-22	4,002	3,643	10
North America	-559	697	-180	688	1,215	-43
Latin America	200	424	-53	1,336	666	101
Asia-Pacific, Middle East and Africa	445	376	18	1,511	1,038	46
Other, Group common costs, etc.	-237	-318	25	-737	-783	6
Total	882	2,498	-65	6,801	5,778	18
Operating margin, %	2.5	7.4		5.4	5.0	
Operating margin excl. non-recurring items, % ¹	4.5	7.4		6.0	5.0	

¹The non-recurring item of SEK -727m in the fourth quarter of 2021 refers to business area North America, see pages 6, 12 and 20

Note: n.m. (not meaningful) is used when the calculated number is considered not relevant.

Net sales

Sales increased by 4.9% in the quarter, excluding currency translation effects. Higher price in all business areas contributed. This as a result of list price increases implemented during the year. Promotional activity remained at significantly lower levels. Mix improved although global supply chain constraints impacted the ability to fully meet market demand in terms of product availability. Market demand was down in most regions compared to a strong last year. Hence, volumes declined. Aftermarket sales increased compared to last year.

Compared to the fourth quarter in 2019, sales growth for the Group was 23.3%.

Operating income

Operating income amounted to SEK 882m (2,498), corresponding to a margin of 2.5% (7.4). Operating income includes a non-recurring item of SEK -727m, relating to arbitration in U.S. tariff case, impacting the business area North America, see pages 6 and 12. Excluding this non-recurring item, operating income amounted to SEK 1,609m,

corresponding to a margin of 4.5% (7.4). Higher price offset significant increase in cost inflation in external factors, mainly raw material, as well as in electronic components and logistics. Mix improved, while volumes declined. Supply chain constraints also resulted in higher additional costs, such as spot buys of components and increased use of airfreight. The North American business area was especially affected since the congestion at important U.S. ports amplified the supply constraints. Investment in innovation and marketing increased to support strategic growth initiatives.

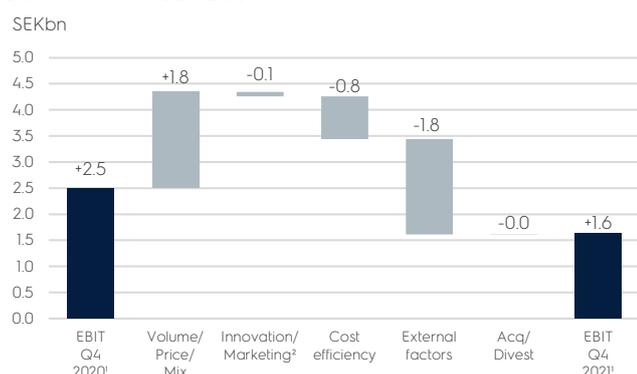
Financial net

Net financial items amounted to SEK -181m (-159).

Income for the period

Income for the period amounted to SEK 596m (1,860), corresponding to SEK 2.09 (6.47) in earnings per share. Excluding non-recurring items, income for the period amounted to SEK 1,139m (1,860), corresponding to SEK 3.99 (6.47) in earnings per share.

OPERATING INCOME BRIDGE



¹Operating income (EBIT) excluding non-recurring items.

²Investments in consumer experience innovation and marketing.

For more information on definitions, see page 2 under Business Outlook.

OPERATING INCOME AND MARGIN



EBIT margin - 12 months is excluding non-recurring items, see page 20.

Dividend proposal and share buybacks

The Board of Directors proposes a dividend for 2021 of SEK 9.20 (8.00) per share, for a total dividend payment of approximately SEK 2,604m* (2,299). The proposed dividend corresponds to approximately 50% of income for the period, excl. non-recurring items, continuing operations. Last year's dividend corresponded to approximately 58% of income for the period, continuing operations.

The Board's intention is to continue with share buybacks over time and to continue to reduce Electrolux number of shares through subsequent share cancellations, which will further improve earnings per share. In line with this, the Board has today announced its intention to proceed with a new share buyback program after the AGM 2022 for an amount of approximately SEK 2.5bn. Additional details of the intended buyback program will be communicated as and when decided. For more information, see page 13. *Calculated on the number of outstanding shares as per December 31, 2021.



Full year 2021

Sales growth was 14.3% in the full year, excluding currency translation effects. Organic sales increased by 14.2% and acquisitions impacted sales positively with 0.2%.

Operating income amounted to SEK 6,801m (5,778), corresponding to a margin of 5.4% (5.0). Operating income includes a non-recurring item of SEK -727m, see page 12. Excluding this non-recurring item, operating income amounted to SEK 7,528m, corresponding to a margin of 6.0%. Income for the period amounted to SEK 4,678m (3,988), corresponding to SEK 16.31 (13.88) in earnings per share. Excluding non-recurring item, income for the period amounted to SEK 5,220m (3,988), corresponding to SEK 18.20 (13.88) in earnings per share.

Income for the period for the total Group, amounted to SEK 4,678m (6,584) corresponding to SEK 16.31 (22.91) in earnings per share. Comparative figures for the total Group 2020 included a settlement gain from the distribution of Electrolux Professional of SEK 2,379m, see Note 5.

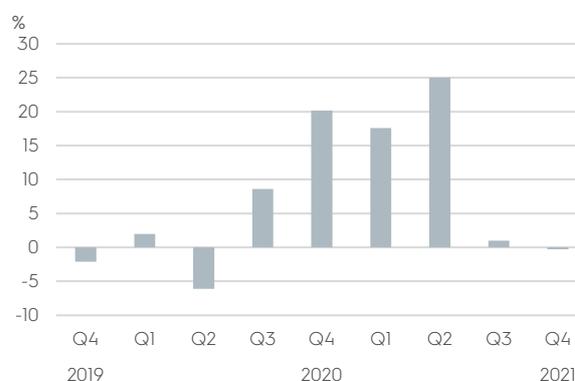
Market overview

In the fourth quarter, overall market demand in Europe, driven by Western Europe, declined compared to a strong quarter last year. Supply constraints during the quarter affected the ability to meet demand. In the U.S., consumers' spending on home improvement continued to be strong and the market demand for core appliances was in line with last year's strong quarter. For more information about the markets, please see the Business areas section.

INDUSTRY SHIPMENTS OF CORE APPLIANCES IN EUROPE*



INDUSTRY SHIPMENTS OF CORE APPLIANCES IN THE U.S.*



*Units year-over-year, %.

Sources: Europe: Electrolux estimate, US: AHAM. For definitions see below. For other markets, there are no comprehensive market statistics.

Industry shipment of appliances

Europe, units, year-over-year, %*	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Western Europe	-9	9	7	1
Eastern Europe (excluding Turkey)	1	12	9	8
Total Europe	-6	10	7	3

*Source: Electrolux estimates for core appliances. Core appliances include: Refrigerators, Freezers, Washing machines, Tumble dryers, Free-standing Cookers, Built-in Ovens, Built-in Hobs, Hoods and Dishwashers.

U.S., units, year-over-year, %*	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Core appliances	0	20	10	6
Microwave ovens and home-comfort products	12	8	15	-1
Total major appliances	2	17	11	4

*Source: Based on the AHAM Factory Shipment Report. Q4 2021 is comparison of weeks between October 3, 2021 - December 31, 2021 vs October 4, 2020 - December 31, 2020. Consistent to historical methodology. Core appliances includes AHAM 6 (Washers, Dryers, Dishwashers, Refrigerators, Freezers, Ranges and Ovens) and Cooktops.



Business areas

Europe

During the quarter, market demand in Europe declined by 6% compared to a strong quarter last year. Supply constraints during the quarter affected the ability to meet underlying demand. Compared to the fourth quarter of 2019, demand was 5% higher following increased consumer spending on home improvement. Demand continued to normalize in the fourth quarter.

Electrolux reported organic sales growth of 1.9%, driven by positive price development following list price increases implemented during the year, including the fourth quarter. Volume declined compared to the strong last year and due to supply constraints. Mix was flat, also impacted by supply constraints and compared to last year's strong sales mix. The value market share remained unchanged. Aftermarket sales continued to grow.

Operating income declined year-over-year. Price fully compensated for significant higher raw material costs, but not fully for cost inflation in electronic components and logistics. Further list price increases were announced to be implemented during the first quarter of 2022. Additional costs for spot buys of electronics and for increased use of airfreight related to supply chain constraints continued to negatively impact earnings.

OPERATING INCOME AND MARGIN



EBIT margin - 12 months is excluding non-recurring items, see page 20.

SEKM	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Net sales	14,122	13,925	49,384	46,038
Organic growth, %	1.9	9.3	10.6	3.3
Acquisitions, %	0.2	-	0.1	-
Operating income	1,034	1,319	4,002	3,643
Operating margin, %	7.3	9.5	8.1	7.9



North America

During the quarter, market demand for core appliances in the U.S. was in line with last year's strong quarter and increased by 11% compared to the fourth quarter in 2019. Consumers' spending on home improvement continued to be strong. Supply constraints impacted producers' ability to fully meet underlying demand. Market demand for all major appliances, including microwave ovens and home-comfort products, increased by 2% year-over-year.

Electrolux reported organic sales increase of 4.4%. Price continued to develop favorably driven by list price increases implemented in previous quarters. List price increases implemented during the fourth quarter started to have effect towards the end of the quarter. Promotion activities remained at a very low level. Supply chain constraints impacted the ability to meet market demand in terms of volume and mix, especially with regards to more premium products produced in Juarez, Mexico.

As previously announced, a non-recurring item of SEK -727m was charged to operating income. This item includes costs relating to arbitration in U.S. tariff case on washing machines imported into the U.S. from Mexico in 2016/2017, see page 12. Operating income excluding this item declined to SEK 168m.

Volume declined, while mix was slightly positive. Price fully offset the significant cost inflation, mainly in raw material, and for logistics and electronic components. However, the supply chain constraints also resulted in additional costs for spot buys of electronics and for increased use of airfreight, as well as production inefficiencies due to limited planning visibility. High absenteeism due to the coronavirus also impacted earnings negatively. The legacy Anderson factory was closed towards the end of the quarter. New list price increases were announced to be implemented during the first quarter of 2022.

OPERATING INCOME AND MARGIN



EBIT margin - 12 months is excluding non-recurring items, see page 20.

SEKM	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Net sales	10,955	10,281	40,468	38,219
Organic growth, %	4.4	29.2	12.7	0.9
Operating income	-559	697	688	1,215
Operating margin, %	-5.1	6.8	1.7	3.2
Operating margin excl. non-recurring items, % ¹	1.5	6.8	3.5	3.2

¹For information on non-recurring items, see pages 12 and 20.



Latin America

In the quarter, consumer demand for core appliances is estimated to have declined in the region. This was driven by Brazil, where higher general inflation negatively impacted consumers' purchasing power compared to last year when government stimulus measures had a positive impact on demand. Demand increased in Argentina and Chile. Demand in all three countries declined at the end of the fourth quarter.

The organic sales growth of 11.9% for Electrolux in Latin America was driven by list price increases implemented in previous quarters. Promotional activity increased slightly. Weaker consumer demand in the business' main market Brazil resulted in lower volumes but also in a negative impact on mix as consumers mixed down. Aftermarket sales increased during the quarter.

Operating income declined. Lower volumes as well as costs for spot buys of components and for increased use of airfreight related to supply chain constraints impacted earnings negatively. Price compensated for cost inflation, mainly raw materials and currency. New list price increases were announced to be implemented during the first quarter of 2022. Mix was slightly positive despite softer Brazilian demand

SEKM	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Net sales	5,750	5,488	19,958	16,915
Organic growth, %	11.9	25.4	33.7	10.0
Operating income	200	424	1,336	666
Operating margin, %	3.5	7.7	6.7	3.9

Asia-Pacific, Middle East and Africa

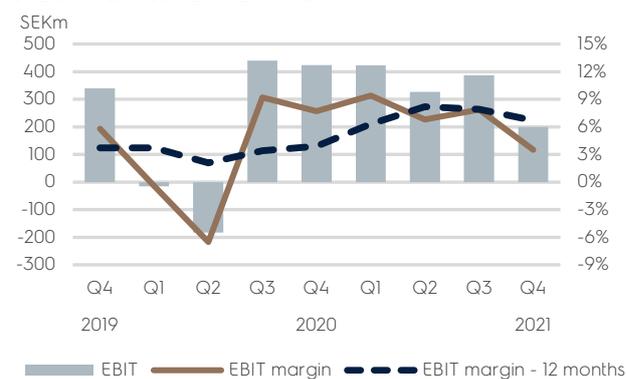
During the fourth quarter, market demand in the region is estimated to have increased, mainly as pandemic restrictions eased. In Australia, however, market demand was flat compared to a strong quarter last year but was still at a high level compared to the fourth quarter in 2019.

Electrolux reported organic sales growth of 6.7%. Mix continued to improve, mainly from increased sales of premium products in Egypt due to a successful product launch execution. The positive price development was primarily due to list price increases implemented in previous quarters. Volumes were positively impacted by released lockdowns.

Operating income increased compared to last year, due to positive mix development, higher volumes and continuous cost improvements. Mix improved in most regions where sales growth of premium products in Australia and China as well as new product launches in Egypt contributed. However, supply constraints impacted ability to fully drive mix in Southeast Asia. Price increases could not fully offset significant cost inflation, driven by currency and raw material, as well as in logistics and electronic components. New list price increases were announced to be implemented during the first quarter of 2022.

SEKM	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Net sales	4,545	4,209	15,820	14,788
Organic growth, %	6.7	9.7	8.4	1.7
Acquisitions, %	-	1.8	0.9	0.6
Operating income	445	376	1,511	1,038
Operating margin, %	9.8	8.9	9.6	7.0

OPERATING INCOME AND MARGIN



EBIT margin - 12 months is excluding non-recurring items, see page 20.

and supply constraints. Investments in brand strengthening initiatives and marketing activities increased.

OPERATING INCOME AND MARGIN



EBIT margin - 12 months is excluding non-recurring items, see page 20.



Cash flow

Operating cash flow after investments amounted to SEK 2,103m (5,364) in the quarter. The decreased cash flow compared to the previous year was mainly a result of lower operating income and timing effects in working capital.

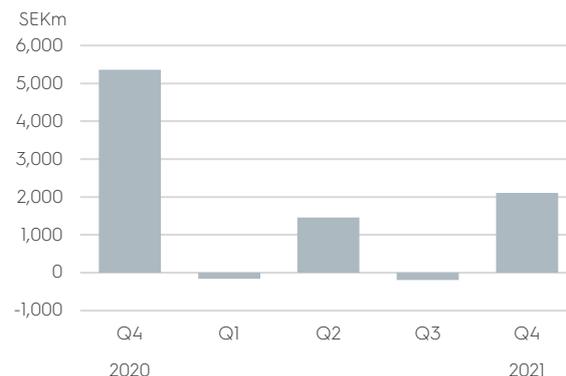
The headquarter building is now fully owned by AB Electrolux as the remaining 50% of the shares in the company owning the building were acquired in the quarter for SEK 990m.

The second of two installments for the 2020 dividend of SEK 8.00 per share and an extra cash distribution of SEK 17.00 per share through an automatic redemption procedure were distributed to shareholders during the quarter, impacting cash flow by SEK -1,150m and SEK -4,886m respectively. In addition, shares of series B were repurchased for a total amount of SEK -894m.

Operating cash flow after investments for the full year 2021 amounted to SEK 3,200m (8,552). The year-over-year comparison reflects an increase in inventory compared to last year's unusually low levels. Supply-demand mismatches, cost inflation and increased time in-transit due to logistic constraints contributed to the inventory increase. A higher level of investments also impacted cash flow negatively, while an increased operating income contributed positively.

The 2020 dividend payment impacted cash flow by SEK -2,299m for the full year. Together with the automatic share redemption and the repurchase of shares, the total impact was SEK -8,079m in 2021.

OPERATING CASH FLOW AFTER INVESTMENTS



SEKM	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Operating income adjusted for non-cash items ¹	2,680	3,662	12,185	10,807
Change in operating assets and liabilities	1,546	3,677	-3,175	2,852
Operating cash flow	4,225	7,338	9,010	13,659
Investments in tangible and intangible assets	-2,284	-2,026	-6,043	-5,338
Changes in other investments	161	52	233	230
Operating cash flow after investments	2,103	5,364	3,200	8,552
Acquisitions and divestments of operations	-990	-0	-1,006	-8
Operating cash flow after structural changes	1,113	5,364	2,194	8,544
Financial items paid, net ²	-160	-171	-470	-596
Taxes paid	-499	-561	-1,480	-1,132
Cash flow from operations and investments	454	4,632	244	6,816
Payment of lease liabilities	-217	-226	-880	-911
Redemption of shares	-4,886	-	-4,886	-
Repurchase of shares	-894	-	-894	-
Dividend	-1,150	-2,012	-2,299	-2,012
Share-based payments	21	0	-259	0
Total cash flow, excluding changes in loans and short-term investments	-6,672	2,394	-8,975	3,894

¹ Operating income adjusted for depreciation, amortization and other non-cash items.

² For the period January 1 to December 31: interest and similar items received SEK 58m (72), interest and similar items paid SEK -430m (-504) and other financial items received/paid SEK -98m (-163).



Financial position

Net debt

As of December 31, 2021, Electrolux had a financial net debt position (excluding lease liabilities and post-employment provisions) of SEK 4,645m, compared to the financial net cash position of SEK 4,741m as of December 31, 2020. Net provisions for post-employment benefits were SEK 891m and lease liabilities amounted to SEK 3,055m as of December 31, 2021. In total, net debt amounted to SEK 8,591m, an increase by SEK 7,035m compared to SEK 1,556m per December 31, 2020.

Long-term borrowings and long-term borrowings with maturities within 12 months amounted to a total of SEK 14,392m as of December 31, 2021 with average maturity of 1.9 years, compared to SEK 14,400m and 2.8 years at the end of 2020. In the fourth quarter, amortization of long-term borrowings amounted to SEK 64m. In November Electrolux signed a EUR 250m loan credit facility with the European Investment Bank. In December this facility was fully utilized when Electrolux borrowed USD 282m, 7-year at a fixed rate with start January 2022. In December Electrolux also entered into a new EUR 1,000m multi-currency revolving credit facility linked to its sustainability goals, with a group of 11 banks. The facility has a five-year maturity, with options to extend for up to two more years. The new facility refinanced an existing EUR 1,000m syndicated facility due to mature in May 2023. During 2022, long-term borrowings amounting to approximately SEK 4.2bn will mature. For more information see www.electroluxgroup.com.

Liquid funds as of December 31, 2021, amounted to SEK 11,236m, a decrease of SEK 9,231m compared to SEK 20,467m as of December 31, 2020. In the fourth quarter 2021, SEK 6,035m were distributed to shareholders through dividend and automatic share redemption procedure and SEK 894m was used for repurchases of shares of series B.

Return on equity was 24.4% (34.1). The comparative year 2020 was impacted by a settlement gain from the distribution of Electrolux Professional, see Note 5. Adjusted for the settlement gain, return on equity was 21.7% for the full year 2020.

Working capital and net assets

Working capital as of December 31, 2021, amounted to SEK -17,726m (-19,191), corresponding to -13.7% (-17.9) of annualized net sales. Operating working capital amounted to SEK 5,407m (1,851), corresponding to 4.2% (1.7) of annualized net sales, see page 22.

Average net assets for the full year 2021 amounted to SEK 23,860m (25,563), corresponding to 19.0% (22.0) of annualized net sales. Net assets as of December 31, 2021, amounted to SEK 27,201m (20,265).

Return on net assets was 28.5% (22.6).

Net debt

SEKM	Dec. 31, 2021	Dec. 31, 2020
Short-term loans	1,288	1,012
Short-term part of long-term loans	4,187	277
Trade receivables with recourse	87	40
Short-term borrowings	5,563	1,329
Financial derivative liabilities	48	210
Accrued interest expenses and prepaid interest income	65	64
Total short-term borrowings	5,675	1,603
Long-term borrowings	10,205	14,123
Total borrowings¹	15,881	15,727
Cash and cash equivalents	10,923	20,196
Short-term investments	165	172
Financial derivative assets	144	81
Prepaid interest expenses and accrued interest income	4	18
Liquid funds²	11,236	20,467
Financial net debt	4,645	-4,741
Lease liabilities	3,055	2,618
Net provisions for post-employment benefits	891	3,679
Net debt	8,591	1,556
Net debt/equity ratio	0.46	0.08
Total equity	18,610	18,709
Equity per share, SEK	65.74	65.10
Return on equity, %	24.4	34.1
Equity/assets ratio, %	19.3	23.6

¹ Whereof interest-bearing liabilities amounting to SEK 15,681m as of December 31, 2021 and SEK 15,412m as of December 31, 2020.

² Electrolux also has an unused committed multicurrency revolving credit facility of EUR 1,000m, approximately SEK 10,244m, maturing 2026, and a revolving credit facility of SEK 10,000m, maturing 2025. In January 2022, Electrolux decided to cancel the SEK 10,000m revolving credit facility.



Other items

Share buybacks

During the period October 28 - December 31, 2021 AB Electrolux has repurchased 4,320,057 own series B shares at a total amount of SEK 894m, as part of the buyback program initiated by the Board of Directors. AB Electrolux holding of own shares as of December 31, 2021 amounts to 25,842,915 series B shares. All acquisitions have been carried out on Nasdaq Stockholm by Exane BNP Paribas on behalf of AB Electrolux.

The share buybacks form part of the buyback program of a maximum of 9,369,172 series B shares for a total maximum amount of SEK 2,800m, which AB Electrolux announced on October 27, 2021.

The buyback program, which runs between October 28, 2021 - March 25, 2022, is being carried out in accordance with

the Market Abuse Regulation (EU) No 596/2014 ("MAR") and the Commission Delegated Regulation 2016/1052 (the "Safe Harbour Regulation").

The objective of the share buybacks is to optimize the company's capital structure and the intention is to reduce Electrolux number of shares through subsequent share cancellations.

For more information see page 13 and www.electroluxgroup.com/en/share-buybacks/

Asbestos litigation in the U.S.

Litigation and claims related to asbestos are pending against the Group in the U.S. Almost all of the cases refer to externally supplied components used in industrial products manufactured by discontinued operations prior to the early 1970s. The cases involve plaintiffs who have made substantially identical allegations against other defendants who are not part of the Electrolux Group.

As of December 31, 2021, the Group had a total of 3,315 (3,403) cases pending, representing approximately 3,324 (approximately 3,440) plaintiffs. During the fourth quarter of

2021, 298 new cases with 298 plaintiffs were filed and 269 pending cases with approximately 269 plaintiffs were resolved.

It is expected that additional lawsuits will be filed against Electrolux. It is not possible to predict the number of future lawsuits. In addition, the outcome of asbestos lawsuits is difficult to predict and Electrolux cannot provide any assurances that the resolution of these types of lawsuits will not have a material adverse effect on its business or on results of operations in the future.

Risks and uncertainty factors

Active risk management is essential for Electrolux to drive successful operations. The Group is impacted by various types of risks including strategic and external risks but also business risks such as operational and financial risks.

The current spread of the global coronavirus pandemic adds uncertainty and impacts Electrolux operations as well as supply and demand. Constraints in the supply chain might affect the Group's financial result and market shares negatively in case of shortfall in delivery and quality related issues.

Risk management in Electrolux aims to identify, control and reduce risks. Risks, risk management and risk exposure are described in more detail in the 2020 Annual Report: <http://www.electroluxgroup.com/annualreport2020>



Sustainable consumer experience innovation

Innovation to improve the consumer experience in the Taste, Care & Wellbeing areas is a key driver for long term profitable growth. Electrolux innovative product portfolio, with a strong sustainability focus, enables consumers to live better lives while often also saving energy, water and resources. The product portfolio as well as Electrolux well-established brands with a strong innovation heritage are competitive assets, enabling the company to also strengthen its position in emerging markets and within aftermarket.

Deep consumer insight is a competitive advantage in an age of greater consumer awareness. Consumers increasingly prioritize sustainability and research shows that 2/3 of global consumers are willing to pay more for sustainable products¹. Electrolux most resource-efficient products have consistently had a higher margin for many years and in 2020 these products accounted for 26% of total units sold and 36% of gross profit.

Leveraging the Swedish heritage

During 2019, the 'Swedish thinking. Better living.' campaign was launched in Australia to sharpen the Electrolux brand. By leveraging consumer associations of Sweden with innovation, sleek design and quality, the campaign supported the roll out of new products aimed at more premium market segments.

Emphasizing brand values and experience

The campaign included 70 models across 6 categories in the laundry and kitchen segments. This rollout introduced dark stainless-steel colorways across the cooking range, for a sleek, modern look that accentuated the minimalist designs. With specific messages based on innovative product features and how these benefit the consumer, the assets for the first time showcased a premium range of items across the whole home offering, while uniting them under the simple, evocative story at the heart of the campaign.

Putting sustainability in focus

Having established the brand's Swedish heritage and built greater brand credibility through this campaign, the priority moving forward is to further emphasize Electrolux commitment to sustainability. With 90% of Australian consumers concerned about sustainability and 69% placing importance on a brand's sustainable reputation², conveying this key brand value is vital for securing a competitive advantage.

Capturing consumers' attention

The campaign has been a great ongoing success, far surpassing the set goals for all measures of its effectiveness – achieving nearly ten times the expected click-through rate in 2019 and over ten times the planned number of conversions, indicating high consumer engagement with the campaign. This trend continued into 2021 with both of these campaign metrics still far exceeding expectations, and growing year-on-year.



Driving strong profitable growth

In turn, sales for the Electrolux brand in Australia increased significantly since the campaign launch with a CAGR of 6% in net sales over the period 2018-2021. Earnings for the Electrolux brand in Australia have reflected this and show sustained growth over this period at a CAGR of 27%.

¹Eco Ethical Report, June 2019.

²Source: '4 Key Insights Into Consumers and Brand Sustainability in Australia' (Latana, 2020)



Find more inspiring business cases on how Electrolux put its profitable growth strategy into action and the key pillars to create further value in **How we create value** on our website.

www.electroluxgroup.com/ir/create-value



Events during the quarter

October 27. Electrolux resolves on repurchase of own shares

The Board of Directors in AB Electrolux has, based on the authorization granted by the Annual General Meeting held on March 25, 2021, resolved to repurchase a maximum of 9,369,172 own series B shares on Nasdaq Stockholm during the period October 28, 2021 up to and including March 25, 2022 for a total maximum amount of SEK 2,800m.

December 10. Electrolux signs inaugural sustainability linked revolving credit facility

Electrolux has entered into a new EUR 1,000m multi-currency revolving credit facility agreement linked to its sustainability goals, with a group of 11 banks.

The facility is for general corporate purposes and has a five-year maturity, with options to extend for up to two more years. The new facility refinances an existing EUR 1,000m syndicated facility due to mature in May 2023.

The facility was oversubscribed during syndication, allowing Electrolux to upsize from the initial launch amount of EUR 900m to EUR 1,000m.

For more information, visit www.electroluxgroup.com

Events after the quarter

January 26. Electrolux charges MUSD 85 to Q4 2021 result after arbitration in U.S. tariff case

Electrolux will charge USD 85m (SEK 727m) to earnings in the fourth quarter of 2021 after an appeals panel upheld a U.S. Department of Commerce (DOC) decision regarding tariffs on washing machines imported into the U.S. from Mexico in 2016/2017.

As previously communicated, Electrolux North America appealed a 2017 decision by the DOC to set a tariff rate of 72.41% on Electrolux washing machines imported into the U.S. from Mexico between February 2016 and January 2017. Electrolux argued that the DOC decision lacked legal merit and that a correctly set tariff should have been significantly lower.

The arbitration panel, appointed by the NAFTA Secretariat to rule on the matter, has now denied the appeal and upheld the original DOC decision. The 72.41% tariff rate was set by the DOC after Electrolux prior external counsel failed to timely file responses to requests for data. Electrolux will pursue appropriate legal action to recover the amount of the increased tariff rate and other costs from its prior counsel. Further, for comparison, the final rates since 2016-17 have been between 2% and 4%.

Electrolux believed that the DOC exceeded its discretion when it failed to accept Electrolux data. It should be noted that the disputed tariff only related to the 2016/2017 review period.

Electrolux has not previously made a provision related to this process. Although appealing administrative determinations is inherently challenging, Electrolux believed it had a strong case and that success was more likely than not. As further appeals of this type of arbitration ruling are rarely successful, Electrolux will pay the outstanding tariff plus accrued interest. Payment is expected to occur during 2022 and until then the amount is recognized as a current liability.

The expense of USD 85m (SEK 727m) will impact the operating profit of business area North America in the fourth quarter 2021 and will be reported as a non-recurring item. Income for the period will be reduced by USD 63m (SEK 543m).

For more information, visit www.electroluxgroup.com



Annual General Meeting 2022

Electrolux Annual General Meeting will be held on March 30, 2022, in Stockholm, Sweden.

Additional information about the Annual General Meeting will be published in the notice convening the Annual General Meeting.

Proposed dividend

The Board of Directors proposes a dividend for 2021 of SEK 9.20 (8.00) per share, for a total dividend payment of approximately SEK 2,604m* (2,299). The proposed dividend corresponds to approximately 50% of income for the period excl. non-recurring items, continuing operations. Last year's dividend corresponded to approximately 58% of income for the period, continuing operations.

The dividend is proposed to be paid in two equal installments, the first with the record date April 1, 2022 and the second with the record date September 30, 2022. The first installment is estimated to be paid on April 6, 2022 and the second installment on October 5, 2022.

Proposal for cancellation of shares and simultaneous bonus issue

The Board of Directors proposes the Annual General Meeting 2022 to resolve to cancel all shares of series B that Electrolux owns on December 31, 2021, with a simultaneous bonus issue without issuing any new shares to restore the share capital to its current level.

As of December 31, 2021, Electrolux held 25,842,915 shares of series B in Electrolux, corresponding to approximately 8.4% of the total number of shares in the company.

Proposal for resolution on acquisition of own shares

Electrolux has, for several years, had a mandate from the Annual General Meetings to acquire own shares.

The Board of Directors proposes the Annual General Meeting 2022 to authorize the Board of Directors, for the period until the next Annual General Meeting, to resolve on acquisitions of shares in the company and that the company may acquire as a maximum so many shares of series B that, following each acquisition, the company holds at a maximum 10% of all shares issued by the company.

The purpose of the proposal is to be able to adapt the company's capital structure, and to use repurchased shares on account of potential company acquisitions and the company's share related incentive programs.

The Board's intention is to continue with share buybacks over time and to continue to reduce Electrolux number of shares through subsequent share cancellations, which will further improve earnings per share. In line with this, the Board has today announced its intention to proceed with a new share buyback program after the AGM 2022 for an amount of approximately SEK 2.5bn. Additional details of the intended buyback program will be communicated as and when decided.

Nomination Committee

The Electrolux Nomination Committee comprises Johan Forssell, Investor AB, Chairman of the committee. The other members are Carina Silberg, Alecta, Tomas Risbecker, AMF – Försäkring och Fonder and Marianne Nilsson, Swedbank Robur Funds. The committee also includes Staffan Bohman and Fredrik Persson, Chairman and Director, respectively, of Electrolux.

The Nomination Committee will prepare proposals for the Annual General Meeting in 2022 regarding Chairman of the Annual General Meeting, Board members, Chairman of the Board, remuneration for Board members, Auditor, Auditor's fees and, to the extent deemed necessary, proposal regarding amendments of the current instruction for the Nomination Committee.

*Calculated on the number of outstanding shares as per December 31, 2021

For more information, visit www.electroluxgroup.com



Parent Company AB Electrolux

The Parent Company comprises the functions of the Group's head office, as well as five companies operating on a commission basis for AB Electrolux.

Net sales for the Parent Company, AB Electrolux, for the full year 2021 amounted to SEK 43,805m (40,621) of which SEK 36,581m (33,349) referred to sales to Group companies and SEK 7,224m (7,272) to external. Income after financial items was 4,535m (6,637), including dividends from subsidiaries in the amount of SEK 3,434m (6,782). Income for the period amounted to SEK 4,110m (6,464).

Capital expenditure in tangible and intangible assets was SEK 860m (935). Liquid funds at the end of the period amounted to SEK 6,705m, compared to SEK 15,049m at the start of the year.

Undistributed earnings in the Parent Company at the end of the period amounted to SEK 15,002m, compared to SEK 19,453m at the start of the year. Dividend payment to shareholders for 2020 amounted to SEK 2,299m. Distribution to the shareholders of SEK 17 per share through a share redemption procedure, amounted to SEK 4,886m.

The income statement and balance sheet for the Parent Company are presented on page 23.

Stockholm, January 28, 2022

AB Electrolux (publ)
556009-4178

Board of Directors

The report has not been audited by external auditors.



Consolidated statement of comprehensive income

SEKM	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Net sales	35,372	33,902	125,631	115,960
Cost of goods sold	-29,155	-26,183	-101,647	-93,689
Gross operating income	6,218	7,720	23,984	22,272
Selling expenses	-3,609	-3,402	-11,835	-11,071
Administrative expenses	-1,376	-1,633	-4,972	-5,116
Other operating income/expenses	-350	-187	-376	-307
Operating income	882	2,498	6,801	5,778
Financial items, net	-181	-159	-546	-681
Income after financial items	700	2,339	6,255	5,096
Taxes	-104	-480	-1,577	-1,108
Income for the period, continuing operations	596	1,860	4,678	3,988
Income for the period, discontinued operations (see Note 5)	-	-	-	2,595
Income for the period, total Group	596	1,860	4,678	6,584
Items that will not be reclassified to income for the period:				
Remeasurement of provisions for post-employment benefits	1,097	345	2,746	189
Income tax relating to items that will not be reclassified	-212	-76	-584	-46
	885	269	2,161	143
Items that may be reclassified subsequently to income for the period:				
Cash flow hedges	0	35	-35	32
Exchange-rate differences on translation of foreign operations	450	-1,338	1,284	-3,326
Income tax relating to items that may be reclassified	0	-2	9	48
	451	-1,305	1,258	-3,246
Other comprehensive income, net of tax	1,336	-1,035	3,419	-3,103
Total comprehensive income for the period	1,932	825	8,097	3,481
Income for the period attributable to:				
Equity holders of the Parent Company	596	1,860	4,677	6,584
Non-controlling interests	-0	0	0	0
Total	596	1,860	4,678	6,584
Total comprehensive income for the period attributable to:				
Equity holders of the Parent Company	1,932	825	8,096	3,481
Non-controlling interest	0	-0	0	-0
Total	1,932	825	8,097	3,481
Earnings per share, SEK				
Basic, continuing operations	2.09	6.47	16.31	13.88
Basic, discontinued operations	-	-	-	9.03
Basic, Group total	2.09	6.47	16.31	22.91
Diluted, continuing operations	2.07	6.46	16.21	13.86
Diluted, discontinued operations	-	-	-	9.02
Diluted, Group total	2.07	6.46	16.21	22.88
Average number of shares¹				
Basic, million	285.6	287.4	286.9	287.4
Diluted, million	287.6	287.9	288.5	287.7

¹ Average numbers of shares excluding shares held by Electrolux.



Consolidated balance sheet

SEKM	Dec. 31, 2021	Dec. 31, 2020
Assets		
Property, plant and equipment, owned	25,422	20,452
Property, plant and equipment, right-of-use	2,771	2,351
Goodwill	6,690	6,369
Other intangible assets	4,000	3,480
Investments in associates	76	274
Deferred tax assets	5,746	6,064
Financial assets	65	65
Pension plan assets	1,732	1,272
Other non-current assets	634	878
Total non-current assets	47,136	41,205
Inventories	20,478	13,213
Trade receivables	23,110	19,944
Tax assets	959	894
Derivatives	204	135
Other current assets	4,632	3,846
Short-term investments	165	172
Cash and cash equivalents	10,923	20,196
Total current assets	60,471	58,399
Total assets	107,607	99,604
Equity and liabilities		
Equity attributable to equity holders of the Parent Company		
Share capital	1,545	1,545
Other paid-in capital	2,905	2,905
Other reserves	-3,335	-4,593
Retained earnings	17,489	18,846
Equity attributable to equity holders of the Parent Company	18,604	18,702
Non-controlling interests	6	7
Total equity	18,610	18,709
Long-term borrowings	10,205	14,123
Long-term lease liabilities	2,173	1,834
Deferred tax liabilities	476	476
Provisions for post-employment benefits	2,623	4,951
Other provisions	4,664	5,567
Total non-current liabilities	20,142	26,952
Accounts payable	38,182	31,306
Tax liabilities	1,704	562
Other liabilities	19,745	17,114
Short-term borrowings	5,563	1,329
Short-term lease liabilities	882	784
Derivatives	75	332
Other provisions	2,704	2,516
Total current liabilities	68,854	53,943
Total equity and liabilities	107,607	99,604

Change in consolidated equity

SEKM	Full-year 2021	Full-year 2020
Opening balance	18,709	22,574
Total comprehensive income for the period	8,097	3,481
Share-based payments	-116	70
Dividend to equity holders of the Parent Company ¹	-2,299	-7,415
Redemption of shares	-4,886	-
Repurchase of shares	-894	-
Dividend to non-controlling interests	-0	-0
Acquisition of non-controlling interests	-1	-0
Total transactions with equity holders	-8,196	-7,346
Closing balance	18,610	18,709

¹ 2020; Dividend payment to shareholders SEK 2,012m. Distribution of Electrolux Professional AB of SEK 5,403m, equivalent to the fair market value of Electrolux Professional at listing at Nasdaq Stockholm on March 23, 2020.



Consolidated cash flow statement

SEKM	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Operations				
Operating income	882	2,498	6,801	5,778
Depreciation and amortization ¹	1,117	1,117	4,489	4,587
Other non-cash items	681	47	895	442
Financial items paid, net ²	-160	-171	-470	-596
Taxes paid	-499	-561	-1,480	-1,132
Cash flow from operations, excluding change in operating assets and liabilities	2,021	2,930	10,235	9,079
Change in operating assets and liabilities				
Change in inventories	1,158	-58	-6,401	1,236
Change in trade receivables	-1,603	-1,973	-2,253	-2,401
Change in accounts payable	2,199	4,646	5,372	1,737
Change in other operating assets, liabilities and provisions	-207	1,061	106	2,279
Cash flow from change in operating assets and liabilities	1,546	3,677	-3,175	2,852
Cash flow from operations	3,567	6,606	7,059	11,932
Investments				
Acquisition of operations	-990	-0	-1,006	-8
Capital expenditure in property, plant and equipment	-1,914	-1,730	-4,847	-4,325
Capital expenditure in product development	-172	-125	-578	-563
Capital expenditure in software and other intangibles	-198	-171	-618	-450
Other	161	52	233	230
Cash flow from investments	-3,113	-1,975	-6,815	-5,115
Cash flow from operations and investments	454	4,632	244	6,816
Financing				
Change in short-term investments	-1	3	8	16
Change in short-term borrowings	-410	-1,331	-291	-308
New long-term borrowings	0	-0	1	9,793
Amortization of long-term borrowings ³	-64	-163	-284	-4,555
Payment of lease liabilities	-217	-226	-880	-911
Dividend	-1,150	-2,012	-2,299	-2,012
Redemption of shares	-4,886	-	-4,886	-
Repurchase of shares	-894	-	-894	-
Share-based payments	21	0	-259	0
Cash flow from financing	-7,600	-3,729	-9,785	2,023
Total cash flow, continuing operations	-7,146	902	-9,541	8,839
Total cash flow, discontinued operations (see Note 5)	-	-	-	1,177
Total cash flow, total Group	-7,146	902	-9,541	10,016
Cash and cash equivalents at beginning of period	17,973	19,460	20,196	11,458
Exchange-rate differences referring to cash and cash equivalents	95	-166	267	-667
Cash and cash equivalents in distributed operations	-	-	-	-611
Cash and cash equivalents at end of period	10,923	20,196	10,923	20,196

¹ For the period January 1 to December 31: depreciation related to right-of-use assets amounted to SEK -876m (-876).

² For the period January 1 to December 31: interest and similar items received SEK 58m (72), interest and similar items paid SEK -430m (-504) and other financial items received/paid SEK -98m (-163).

³ For the period January 1 to December 31, 2020 the amount includes loan repurchases and early repayment of loan of SEK 3,085m.



Key ratios

SEKM unless otherwise stated	Q4 2021	Q4 2020	Full-year 2021	Full year 2020
Continuing operations				
Net sales	35,372	33,902	125,631	115,960
Organic growth, %	4.8	17.5	14.2	3.2
EBITA	1,048	2,701	7,592	6,603
EBITA margin, %	3.0	8.0	6.0	5.7
Operating income	882	2,498	6,801	5,778
Operating margin, %	2.5	7.4	5.4	5.0
Operating margin excl. non-recurring items, % ¹	4.5	7.4	6.0	5.0
Income after financial items	700	2,339	6,255	5,096
Income for the period	596	1,860	4,678	3,988
Capital expenditure property, plant and equipment	-1,914	-1,730	-4,847	-4,325
Operating cash flow after investments	2,103	5,364	3,200	8,552
Earnings per share, SEK ²	2.09	6.47	16.31	13.88
Capital turnover rate, times/year ³	-	-	5.3	4.5
Return on net assets, % ³	-	-	28.5	22.6
Net debt	8,591	1,556	8,591	1,556
Net debt/equity ratio	0.46	0.08	0.46	0.08
Average number of employees	52,025	50,560	51,590	47,543
Total Group, including discontinued operations⁴				
Income for the period	596	1,860	4,678	6,584
Earnings per share, SEK ²	2.09	6.47	16.31	22.91
Equity per share, SEK	65.74	65.10	65.74	65.10
Return on equity, % ⁵	-	-	24.4	34.1
Average number of shares excluding shares owned by Electrolux, million	285.6	287.4	286.9	287.4

¹ The full-year 2021 includes non-recurring item. Year 2020 did not include any non-recurring items. For more information regarding non-recurring items in previous years, see page 27.

² Basic.

³ To facilitate comparison, net assets excludes assets and liabilities of Electrolux Professional for all periods.

⁴ Discontinued operations refers to first quarter of 2020 and Electrolux Professional, which was separated from the Electrolux Group March 23, 2020. For more information see Note 5.

⁵ Return on equity for full year 2020 include a settlement gain from the distribution of Electrolux Professional. Adjusted for the settlement gain, return on equity was 21.7%.

For definitions, see pages 28-29.

Exchange rates

SEK	Dec. 31, 2021		Dec. 31, 2020	
	Average	End of period	Average	End of period
Exchange rate				
ARS	0.0904	0.0880	0.1320	0.0973
AUD	6.42	6.57	6.34	6.28
BRL	1.59	1.62	1.81	1.58
CAD	6.82	7.07	6.84	6.41
CHF	9.40	9.88	9.77	9.26
CLP	0.0113	0.0107	0.0116	0.0115
CNY	1.33	1.42	1.33	1.25
EUR	10.15	10.24	10.48	10.06
GBP	11.78	12.21	11.83	11.14
HUF	0.0283	0.0277	0.0298	0.0276
MXN	0.4216	0.4407	0.4317	0.4126
RUB	0.1159	0.1207	0.1275	0.1095
THB	0.2685	0.2705	0.2938	0.2735
USD	8.57	9.04	9.18	8.19



Net sales and operating income by business area

SEKM	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Full year 2021	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Full year 2020
Europe										
Net sales	11,637	11,721	11,905	14,122	49,384	10,908	8,888	12,317	13,925	46,038
Sales growth, %	14.1	37.3	-1.1	2.1	10.8	0.3	-14.2	15.7	9.3	3.3
EBITA	1,166	1,057	885	1,097	4,205	600	290	1,565	1,362	3,816
EBITA margin, %	10.0	9.0	7.4	7.8	8.5	5.5	3.3	12.7	9.8	8.3
Operating income	1,122	1,013	833	1,034	4,002	558	244	1,522	1,319	3,643
Operating margin, %	9.6	8.6	7.0	7.3	8.1	5.1	2.8	12.4	9.5	7.9
North America										
Net sales	9,002	10,132	10,378	10,955	40,468	8,409	8,537	10,993	10,281	38,219
Sales growth, %	22.9	33.7	-1.9	4.4	12.7	-13.1	-17.9	8.6	29.2	0.9
EBITA	543	602	240	-510	875	-247	-126	1,033	752	1,413
EBITA margin, %	6.0	5.9	2.3	-4.7	2.2	-2.9	-1.5	9.4	7.3	3.7
Operating income	493	558	196	-559	688	-299	-173	990	697	1,215
Operating margin, %	5.5	5.5	1.9	-5.1	1.7	-3.6	-2.0	9.0	6.8	3.2
Latin America										
Net sales	4,516	4,782	4,910	5,750	19,958	3,826	2,822	4,779	5,488	16,915
Sales growth, %	58.3	90.4	10.9	11.9	33.7	-1.9	-24.2	37.8	25.4	10.0
EBITA	464	371	430	227	1,492	32	-141	481	464	837
EBITA margin, %	10.3	7.8	8.8	4.0	7.5	0.8	-5.0	10.1	8.5	4.9
Operating income	423	327	387	200	1,336	-15	-183	440	424	666
Operating margin, %	9.4	6.8	7.9	3.5	6.7	-0.4	-6.5	9.2	7.7	3.9
Asia-Pacific, Middle East and Africa										
Net sales	3,871	3,668	3,736	4,545	15,820	3,434	3,230	3,916	4,209	14,788
Sales growth, %	20.1	17.8	-3.9	6.7	9.3	-3.2	-10.9	10.1	11.5	2.3
EBITA	416	333	426	434	1,609	78	188	484	403	1,153
EBITA margin, %	10.7	9.1	11.4	9.5	10.2	2.3	5.8	12.4	9.6	7.8
Operating income	393	312	362	445	1,511	44	159	459	376	1,038
Operating margin, %	10.1	8.5	9.7	9.8	9.6	1.3	4.9	11.7	8.9	7.0
Group common costs, etc.	-134	-226	-139	-237	-737	-165	-109	-191	-318	-783
Total, continuing operations										
Net sales	29,026	30,303	30,929	35,372	125,631	26,578	23,476	32,004	33,902	115,960
Sales growth, %	23.0	39.3	-0.0	4.9	14.3	-5.1	-16.6	15.3	17.7	3.3
EBITA	2,492	2,173	1,878	1,048	7,592	340	146	3,416	2,701	6,603
EBITA margin, %	8.6	7.2	6.1	3.0	6.0	1.3	0.6	10.7	8.0	5.7
Operating income	2,297	1,983	1,639	882	6,801	122	-62	3,220	2,498	5,778
Operating margin, %	7.9	6.5	5.3	2.5	5.4	0.5	-0.3	10.1	7.4	5.0
Total Group, including discontinued operations¹										
Income for the period, Group total	1,556	1,383	1,143	596	4,678	2,509	-141	2,356	1,860	6,584
Earnings per share, Group total, SEK ²	5.41	4.81	3.98	2.09	16.31	8.73	-0.49	8.20	6.47	22.91

¹ Discontinued operations refers to first quarter of 2020 and Electrolux Professional, which was separated from the Electrolux Group March 23, 2020. For more information see Note 5.

² Basic



Non-recurring items by business area

SEKM	Q1 2021	Q2 2021	Q3 2021	Q4 2021 ¹	Full year 2021	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Full year 2020
Europe	-	-	-	-	-	-	-	-	-	-
North America	-	-	-	-727	-727	-	-	-	-	-
Latin America	-	-	-	-	-	-	-	-	-	-
Asia-Pacific, Middle East and Africa	-	-	-	-	-	-	-	-	-	-
Group common costs, etc.	-	-	-	-	-	-	-	-	-	-
Total, continuing operations	-	-	-	-727	-727	-	-	-	-	-

¹ The non-recurring item of SEK -727m in the fourth quarter of 2021 refers to business area North America and arbitration in U.S. tariff case on washing machines imported into the U.S. from Mexico in 2016/2017. The cost is included in Other operating income/expenses and the amount is recognized as an Other current liability.

Operating income excluding non-recurring items (NRI)

SEKM	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Full year 2021	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Full year 2020
Europe										
Operating income excl. NRI	1,122	1,013	833	1,034	4,002	558	244	1,522	1,319	3,643
Operating margin excl. NRI, %	9.6	8.6	7.0	7.3	8.1	5.1	2.8	12.4	9.5	7.9
North America										
Operating income excl. NRI	493	558	196	168	1,415	-299	-173	990	697	1,215
Operating margin excl. NRI, %	5.5	5.5	1.9	1.5	3.5	-3.6	-2.0	9.0	6.8	3.2
Latin America										
Operating income excl. NRI	423	327	387	200	1,336	-15	-183	440	424	666
Operating margin excl. NRI, %	9.4	6.8	7.9	3.5	6.7	-0.4	-6.5	9.2	7.7	3.9
Asia-Pacific, Middle East and Africa										
Operating income excl. NRI	393	312	362	445	1,511	44	159	459	376	1,038
Operating margin excl. NRI, %	10.1	8.5	9.7	9.8	9.6	1.3	4.9	11.7	8.9	7.0
Group common cost etc										
Operating income excl. NRI	-134	-226	-139	-237	-737	-165	-109	-191	-318	-783
Total, continuing operations										
Operating income excl. NRI	2,297	1,983	1,639	1,609	7,528	122	-62	3,220	2,498	5,778
Operating margin excl. NRI, %	7.9	6.5	5.3	4.5	6.0	0.5	-0.3	10.1	7.4	5.0



Net sales by business area

SEKM	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Europe	14,122	13,925	49,384	46,038
North America	10,955	10,281	40,468	38,219
Latin America	5,750	5,488	19,958	16,915
Asia-Pacific, Middle East and Africa	4,545	4,209	15,820	14,788
Total, continuing operations	35,372	33,902	125,631	115,960

Change in Net sales by business area, %

Year-over-year, %	Q4 2021	Q4 2021 currency adjusted	Full-year 2021	Full-year 2021 currency adjusted
Europe	1	2	7	11
North America	7	4	6	13
Latin America	5	12	18	34
Asia-Pacific, Middle East and Africa	8	7	7	9
Total change, continuing operations	4	5	8	14

Operating income by business area

SEKM	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Europe	1,034	1,319	4,002	3,643
Margin, %	7.3	9.5	8.1	7.9
North America	-559	697	688	1,215
Margin, %	-5.1	6.8	1.7	3.2
Latin America	200	424	1,336	666
Margin, %	3.5	7.7	6.7	3.9
Asia-Pacific, Middle East and Africa	445	376	1,511	1,038
Margin, %	9.8	8.9	9.6	7.0
Group common costs, etc.	-237	-318	-737	-783
Operating income, continuing operations	882	2,498	6,801	5,778
Margin, %	2.5	7.4	5.4	5.0

Change in operating income by business area, SEK M

Year-over-year, SEK M	Q4 2021	Q4 2021 currency adjusted	Full-year 2021	Full-year 2021 currency adjusted
Europe	-285	-261	359	524
North America	-1,256	-1,243	-527	-473
Latin America	-224	-169	671	815
Asia-Pacific, Middle East and Africa	68	86	474	501
Group common costs, etc.	81	77	46	18



Working capital and net assets

SEKM	Dec. 31, 2021	% ¹	Dec. 31, 2020	% ¹
Inventories	20,478	15.9	13,213	12.3
Trade receivables	23,110	17.9	19,944	18.6
Accounts payable	-38,182	-29.6	-31,306	-29.2
Operating working capital	5,407	4.2	1,851	1.7
Provisions	-7,368		-8,083	
Prepaid and accrued income and expenses	-14,371		-12,777	
Taxes and other assets and liabilities	-1,394		-181	
Working capital	-17,726	-13.7	-19,191	-17.9
Property, plant and equipment, owned	25,422		20,452	
Property, plant and equipment, right-of-use	2,771		2,351	
Goodwill	6,690		6,369	
Other non-current assets	4,775		4,696	
Deferred tax assets and liabilities	5,269		5,588	
Net assets	27,201	21.1	20,265	18.9
Annualized net sales, calculated at end of period exchange rates	129,124		107,142	
Average net assets	23,860	19.0	25,563	22.0
Annualized net sales, calculated at average exchange rates	125,631		115,960	

¹ % of annualized net sales.

Net assets by business area

SEKM	Assets		Equity and liabilities		Net assets	
	Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2020
Europe	30,165	25,796	28,416	24,390	1,749	1,406
North America	26,890	20,667	17,513	14,582	9,376	6,086
Latin America	14,830	11,190	8,937	6,663	5,893	4,526
Asia-Pacific, Middle East and Africa	12,579	11,414	7,679	7,418	4,900	3,996
Other ¹	10,175	8,798	4,893	4,546	5,282	4,252
Total operating assets and liabilities	94,639	77,865	67,437	57,599	27,201	20,265
Liquid funds	11,236	20,467	-	-	-	-
Total borrowings	-	-	15,881	15,727	-	-
Lease liabilities	-	-	3,055	2,618	-	-
Pension assets and liabilities	1,732	1,272	2,623	4,951	-	-
Total equity	-	-	18,610	18,709	-	-
Total	107,607	99,604	107,607	99,604	-	-

¹ Includes common functions and tax items.



Parent Company income statement

SEKM	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Net sales	12,502	12,054	43,805	40,621
Cost of goods sold	-10,697	-9,583	-36,717	-34,106
Gross operating income	1,805	2,471	7,088	6,515
Selling expenses	-1,292	-1,134	-3,746	-3,582
Administrative expenses	-662	-711	-1,992	-2,096
Other operating expenses	-75	-375	-75	-382
Operating income	-224	251	1,275	455
Financial income	2,064	653	3,717	7,248
Financial expenses	-182	-191	-457	-1,066
Financial items, net	1,882	462	3,260	6,182
Income after financial items	1,658	713	4,535	6,637
Appropriations	-	-73	-20	-36
Income before taxes	1,658	640	4,515	6,601
Taxes	-48	-142	-405	-137
Income for the period	1,610	498	4,110	6,464

Parent Company balance sheet

SEKM	Dec. 31, 2021	Dec. 31, 2020
Assets		
Non-current assets	39,927	33,674
Current assets	24,984	37,838
Total assets	64,911	71,512
Equity and liabilities		
Restricted equity	6,114	5,724
Non-restricted equity	15,002	19,453
Total equity	21,116	25,177
Untaxed reserves	586	547
Provisions	1,496	1,550
Non-current liabilities	10,214	14,128
Current liabilities	31,499	30,110
Total equity and liabilities	64,911	71,512

Shares

Number of shares	A-shares	B-shares	Shares total	Shares held by	
				Electrolux	other shareholders
Number of shares as of January 1, 2021	8,192,539	300,727,769	308,920,308	21,522,858	287,397,450
Change during the year	-41	41	0	4,320,057	-4,320,057
Number of shares as of December 31, 2021	8,192,498	300,727,810	308,920,308	25,842,915	283,077,393
As % of total number of shares				8.4%	



Notes

Note 1 Accounting principles

Electrolux applies International Financial Reporting Standards (IFRS) as adopted by the European Union. This report has been prepared in accordance with IAS 34, Interim Financial Reporting, the Swedish Annual Accounts Act and RFR 2 'Accounting for legal entities' issued by the Swedish Financial Reporting Board.

Electrolux interim reports contain a condensed set of financial statements. For the Group this chiefly means that the disclosures are limited compared to the consolidated financial statements presented in the annual report. For the Parent Company this means that the financial statements in general are presented in condensed versions and with limited disclosures compared to the annual report.

The accounting policies applied are consistent with those applied in the preparation of the Group's Annual Report 2020, except for the adoption of standard amendments effective as of January 1, 2021. The amendments have not had any material impact on the financial statements. See section 'New or amended accounting standards to be applied after 2020' in the Annual Report 2020 for more information.

Note 2 Disaggregation of revenue

Electrolux manufactures and sells appliances mainly in the wholesale market to customers being retailers. Electrolux products include refrigerators, dishwashers, washing machines, cookers, vacuum cleaners, air conditioners and small domestic appliances. Electrolux has four regional Consumer Products business areas with focus on the consumer market.

Sales of products are revenue recognized at a point in time, when control of the products has transferred. Revenue from services related to installation of products, repairs or maintenance service is recognized when control is transferred being over the time the service is provided. Sales of services are not material in relation to Electrolux total net sales.

Geography and product category are considered important attributes when disaggregating Electrolux revenue. The business areas, also being the Group's segments, are based on geography: Europe, North America, Latin America and Asia-Pacific, Middle East and Africa. For business area information, see pages 5-7. In addition, the table below presents net sales by product area Taste (cooking appliances), Care (dish and laundry appliances) and Wellbeing (e.g. cleaning appliances and small domestic appliances). Products within all product areas are sold in each of the reportable segments, i.e. the Business Areas.

SEKM	Full-year 2021	Full-year 2020
Product areas		
Taste	77,457	70,593
Care	36,415	34,298
Wellbeing	11,758	11,069
Total	125,631	115,960

Note 3 Fair values and carrying amounts of financial assets and liabilities

SEKM	Dec. 31, 2021		Dec. 31, 2020	
	Fair value	Carrying amount	Fair value	Carrying amount
Per category				
Financial assets at fair value through profit and loss	227	227	225	225
Financial assets measured at amortized cost	34,036	34,036	40,152	40,152
Derivatives, financial assets at fair value through profit and loss	204	204	89	89
Derivatives in hedge accounting	-	-	46	46
Total financial assets	34,467	34,467	40,512	40,512
Financial liabilities measured at amortized cost	54,206	53,950	47,123	46,758
Derivatives, financial liabilities at fair value through profit and loss	68	68	329	329
Derivatives in hedge accounting	7	7	3	3
Total financial liabilities	54,281	54,025	47,455	47,090

The Group strives for arranging master netting agreements (ISDA) with the counterparts for derivative transactions and has established such agreements with the majority of the counterparties, i.e., if a counterparty will default, assets and liabilities will be netted. Derivatives are presented gross in the balance sheet.

Fair value estimation

Valuation of financial instruments at fair value is done at the most accurate market prices available. Instruments which are quoted on the market, e.g., the major bond and interest-rate future markets, are all marked-to-market with the current price. The foreign-exchange spot rate is used to convert the value into SEK. For instruments where no reliable price is available on the market, cash flows are discounted using the deposit/swap curve of the cash flow currency. If no proper cash flow schedule is available, e.g., as in the case with forward-rate agreements, the underlying schedule is used for valuation purposes.



To the extent option instruments are used, the valuation is based on the Black & Scholes' formula. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate for similar financial instruments. The Group's financial assets and liabilities are measured at fair value according to the following hierarchy:

Level 1: Quoted prices in active markets for identical assets or liabilities. At December 31, 2021, the fair value for Level 1 financial assets was SEK 162m (160) and for financial liabilities SEK 0m (0).

Level 2: Inputs other than quoted prices included in Level 1 that are observable for assets or liabilities either directly or indirectly. At December 31, 2021, the fair value of Level 2 financial assets was SEK 204m (135) and financial liabilities SEK 75m (332).

Level 3: Inputs for the assets or liabilities that are not entirely based on observable market data. At December 31, 2021, the fair value of Level 3 financial assets was SEK 65m (65) and financial liabilities SEK 0m (0).

Note 4 Pledged assets and contingent assets and liabilities

SEKM	Dec. 31, 2021	Dec. 31, 2020
Group		
Pledged assets	-	-
Guarantees and other commitments	1,108	893
Parent Company		
Pledged assets	-	-
Guarantees and other commitments	996	927

Update on legal proceedings

Update regarding the order issued by the Italian Environmental Authority in 2019 for certain remediation actions connected to contamination at a manufacturing site in Aviano (Italy), a site that Electrolux subsidiary INFA s.p.a. ("INFA") divested to the current operator of the site, Sarinox s.p.a. ("Sarinox"), in 2001.

As stated in Note 25 in the Annual Report 2020, the order was objected by Sarinox. Following certain court proceedings, the order became final against Sarinox in Q4 2021. Pursuant to the order, Sarinox shall, inter alia, participate in projects to improve the groundwater quality in the Friuli region, Italy (whereby interventions for a cost of EUR 42m are mentioned in the order), and take certain other measures to clean 42m cubic meters of contaminated groundwater in the region. Although INFA is not liable to perform the obligations under the order from the Environmental Authority, it is possible that the situation can evolve and result in a liability for INFA in its capacity as former owner and operator or seller of the site. However, it is at this stage not possible to evaluate the extent of such a potential liability. No provision relating to this matter has been set.

For more information on these matters and other contingent liabilities, see Note 25 in the Annual Report 2020.



Note 5 Acquisitions and discontinued operations

Acquisition during the third quarter 2021

On July 8, 2021, Electrolux acquired La Compagnie du SAV (CSAV) a French service provider specialized in repairing domestic appliances. Through the acquisition Electrolux strengthens its service network in France. CSAV is headquartered in Lisses, south of Paris, and employs around 200 people. Net sales in 2020 amounted to around EUR 25m. The operations are included in Business Area Europe.

Acquisition during the fourth quarter 2021

On December 7, 2021, Electrolux acquired 50% of the shares in the Swedish company Gångaren Holding AB. Before the acquisition, Electrolux held 50% of the shares in the company. The acquired company is accounted for as a fully owned subsidiary as from the acquisition date. Gångaren Holding is the owner of Electrolux corporate head office in Stockholm. The purchase price for the additional 50% amounts to SEK 990m and as the acquisition mainly comprises a property, it has been classified as an asset acquisition, which means that it is included in the group accounts at accumulated cost.

Discontinued operations

Business area Electrolux Professional was separated from the Electrolux Group in the first quarter of 2020 as it was distributed to the shareholders and listed at Nasdaq Stockholm on March 23, 2020. A settlement gain was calculated as the difference between the carrying amount of the assets distributed and the carrying amount of the dividend payable, measured at the fair market value of Electrolux Professional at listing. For more information, see Notes 1 and 26 in the Annual Report 2020.

The income statement and cash flow statement presented below consists of Electrolux Professional's contribution to Electrolux Group consolidated financial information up until the separation on March 23, 2020.

SEKM	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Net sales	-	-	-	1,884
Cost of goods sold	-	-	-	-1,191
Gross operating income	-	-	-	693
Selling expenses	-	-	-	-349
Administrative expenses	-	-	-	-161
Other operating income and expenses	-	-	-	2
Operating income	-	-	-	185
Financial items, net	-	-	-	-1
Income after financial items	-	-	-	184
Taxes	-	-	-	-40
Income for the period, Electrolux Professional	-	-	-	144
Translation difference recycled from OCI	-	-	-	72
Settlement gain from distribution of Electrolux Professional	-	-	-	2,379
Income for the period, discontinued operations	-	-	-	2,595

SEKM	Q4 2021	Q4 2020	Full-year 2021	Full-year 2020
Cash flow from operations	-	-	-	68
Cash flow from investments	-	-	-	-87
Cash flow from financing	-	-	-	1,195
Total cash flow	-	-	-	1,177



Operations by business area yearly

SEKM	2017 ¹	2018	2019	2020	2021
Europe					
Net sales	39,231	43,321	45,420	46,038	49,384
Operating income	2,772	2,128	2,493	3,643	4,002
Margin, %	7.1	4.9	5.5	7.9	8.1
North America					
Net sales	42,083	39,804	38,954	38,219	40,468
Operating income	2,796	1,104	-516	1,215	688
Margin, %	6.6	2.8	-1.3	3.2	1.7
Latin America					
Net sales	18,277	17,963	19,653	16,915	19,958
Operating income	483	492	1,821	666	1,336
Margin, %	2.6	2.7	9.3	3.9	6.7
Asia-Pacific, Middle East and Africa					
Net sales	13,457	14,375	14,954	14,788	15,820
Operating income	1,077	979	446	1,038	1,511
Margin, %	8.0	6.8	3.0	7.0	9.6
Other					
Group common cost, etc.	-775	-527	-1,055	-783	-737
Total, continuing operations					
Net sales	113,048	115,463	118,981	115,960	125,631
Operating income	6,353	4,176	3,189	5,778	6,801
Margin, %	5.6	3.6	2.7	5.0	5.4
Non-recurring items in operating income²					
	2017	2018 ³	2019 ⁴	2020	2021 ⁵
Europe	-	-747	-752	-	-
North America	-	-596	-1,071	-	-727
Latin America	-	-	1,101	-	-
Asia-Pacific, Middle East and Africa	-	-	-398	-	-
Group common cost	-	-	-224	-	-
Total, continuing operations	-	-1,343	-1,344	-	-727

¹ 2017 has been restated due to IFRS 15.

² For more information, see Note 7 in the annual reports.

³ Non-recurring items 2018: SEK -596m refers to the consolidation of freezer production in North America, SEK -747m refers to business area Europe and includes a fine of SEK -493m, relating to an investigation by the French Competition Authority, and a cost of SEK -254m relating to an unfavorable court ruling in France.

⁴ Non-recurring items 2019 includes SEK -829m related to the consolidation of U.S. cooking production and SEK -225m to the closure of a refrigeration production line in Latin America, recovery of overpaid sales tax in Brazil of SEK 1,403m, a legal settlement in the U.S. of SEK -197m and restructuring charges for efficiency measures and outsourcing projects across business areas and Group common costs of SEK -1,496m.

⁵ Non-recurring item of SEK -727m in the fourth quarter of 2021 refers to business area North America and arbitration in U.S. tariff case on washing machines imported into the U.S. from Mexico in 2016/2017.



Five-year review

Total Group 2017-2018 and Continuing operations 2018 (restated)-2021

SEKM unless otherwise stated	2017 ¹	2018	Restated 2018 ²	2019 ³	2020	2021
Net sales	120,771	124,129	115,463	118,981	115,960	125,631
Organic growth, %	-0.4	1.3	1.2	-1.0	3.2	14.2
Operating income	7,407	5,310	4,176	3,189	5,778	6,801
Operating margin, %	6.1	4.3	3.6	2.7	5.0	5.4
Income after financial items	6,966	4,887	3,754	2,456	5,096	6,255
Income for the period	5,745	3,805	2,854	1,820	3,988	4,678
Non-recurring items in operating income ⁴	-	-1,343	-1,343	-1,344	-	-727
Capital expenditure, property, plant and equipment	-3,892	-4,650	-4,506	-5,320	-4,325	-4,847
Operating cash flow after investments	6,877	3,649	2,646	2,280	8,552	3,200
Earnings per share, SEK ⁵	19.99	13.24	9.93	6.33	13.88	16.31
Equity per share, SEK	71.26	75.67	-	78.55	65.10	65.74
Dividend per share, SEK ⁶	8.30	8.50	8.50	7.00	8.00	9.20
Capital-turnover rate, times/year	5.9	5.3	5.6	4.5	4.5	5.3
Return on net assets, %	36.0	22.7	20.2	12.0	22.6	28.5
Return on equity, % ⁷	31.9	18.2	-	11.4	34.1	24.4
Net debt	197	1,825	-	7,683	1,556	8,591
Net debt/equity ratio	0.01	0.08	-	0.34	0.08	0.46
Average number of shares excluding shares owned by Electrolux, million	287.4	287.4	287.4	287.4	287.4	286.9
Average number of employees	55,692	54,419	51,253	48,652	47,543	51,590

¹ 2017 has been restated due to IFRS 15.

² Excluding discontinued operations.

³ Equity in key ratio calculations include discontinued operations

⁴ For more information, see table on page 27 and Note 7 in the annual reports.

⁵ Basic.

⁶ 2021, proposed by the Board

⁷ Return on equity for the full year 2020 include a settlement gain from the distribution of Electrolux Professional. Adjusted for the settlement gain, return on equity was 21.7%.

Financial goals over a business cycle

The financial goals set by Electrolux aim to strengthen the Group's leading, global position in the industry and to assist in generating a healthy total yield for Electrolux shareholders. The objective is growth with consistent profitability.

Financial goals

- Operating margin of at least 6%
- Capital turnover-rate of at least 4 times
- Return on net assets >20%
- Average annual sales growth of at least 4%

Definitions

This report includes financial measures as required by the financial reporting framework applicable to Electrolux, which is based on IFRS. In addition, there are other measures and indicators that are used to follow-up, analyze and manage the business and to provide Electrolux stakeholders with useful financial information on the Group's financial position, performance and development in a consistent way. On the following page is a list of definitions of all measures and indicators used, referred to and presented in this report.

Computation of average amounts and annualized income statement measures

In computation of key ratios where averages of capital balances are related to income statement measures, the average capital balances are based on the opening balance and all quarter-end closing balances included in the reporting period, and the income statement measures are annualized, translated at average rates for the period. In computation of key ratios where end-of-period capital balances are related to income statement measures, the latter are annualized, translated at end-of-period exchange rates. Adjustments are made for acquired and divested operations.



Definitions (continued)

Growth measures

Change in net sales

Current year net sales for the period less previous year net sales for the period as a percentage of previous year net sales for the period.

Sales growth

Change in net sales adjusted for currency translation effects.

Organic growth

Change in net sales, adjusted for changes in exchange rates, acquisitions and divestments.

Acquisitions

Change in net sales, adjusted for organic growth, changes in exchange rates and divestments. The impact from acquisitions relates to net sales reported by acquired operations within 12 months after the acquisition date.

Divestments

Change in net sales, adjusted for organic growth, changes in exchange rates and acquisitions. The impact from divestments relates to net sales reported by the divested operations within 12 months before the divestment date.

Profitability measures

EBITA

Operating income excluding amortization of intangible assets.

EBITA margin

EBITA expressed as a percentage of net sales.

Operating margin (EBIT margin)

Operating income (EBIT) expressed as a percentage of net sales.

Operating margin (EBIT margin) excluding non-recurring items

Operating income (EBIT) excluding non-recurring items, expressed as a percentage of net sales.

Return on net assets

Operating income (annualized) expressed as a percentage of average net assets.

Return on equity

Income for the period (annualized) expressed as a percentage of average total equity.

Capital measures

Net debt/equity ratio

Net debt in relation to total equity.

Equity/assets ratio

Total equity as a percentage of total assets less liquid funds.

Capital turnover-rate

Net sales (annualized) divided by average net assets.

Share-based measures

Earnings per share, Basic

Income for the period attributable to equity holders of the Parent Company divided by the average number of shares excluding shares held by Electrolux.

Earnings per share, Diluted

Income for the period attributable to equity holders of the Parent Company divided by the average number of shares after dilution, excluding shares held by Electrolux.

Equity per share

Total equity divided by total number of shares excluding shares held by Electrolux.

Capital indicators

Liquid funds

Cash and cash equivalents, short-term investments, financial derivative assets¹ and prepaid interest expenses and accrued interest income¹.

Operating working capital

Inventories and trade receivables less accounts payable.

Working capital

Total current assets exclusive of liquid funds, less non-current other provisions and total current liabilities exclusive of total short-term borrowings.

Net assets

Total assets exclusive of liquid funds and pension plan assets, less deferred tax liabilities, non-current other provisions and total current liabilities exclusive of total short-term borrowings.

Total borrowings

Long-term borrowings and short-term borrowings, financial derivative liabilities¹, accrued interest expenses and prepaid interest income¹.

Total short-term borrowings

Short-term borrowings, financial derivative liabilities¹, accrued interest expenses and prepaid interest income¹.

Interest-bearing liabilities

Long-term borrowings and short-term borrowings exclusive of liabilities related to trade receivables with recourse¹.

Financial net debt

Total borrowings less liquid funds.

Net provision for post-employment benefits

Provisions for post-employment benefits less pension plan assets.

Net debt

Financial net debt, lease liabilities and net provision for post-employment benefits.

Other measures

Operating cash flow after investments

Cash flow from operations and investments adjusted for financial items paid, taxes paid and acquisitions/divestments of operations.

Non-recurring items

Material profit or loss items in operating income which are relevant for understanding the financial performance when comparing income for the current period with previous periods.

¹ See table Net debt on page 9.



Shareholders' information

President and CEO Jonas Samuelson's comments on the fourth quarter results 2021

Today's press release is available on the Electrolux website www.electroluxgroup.com/ir

Telephone conference 09.00 CET

A telephone conference is held at 09.00 CET today, January 28. Jonas Samuelson, President and CEO and Therese Friberg, CFO will comment on the report.

Details for participation by telephone are as follows:

Participants in Sweden: +46 8 566 426 51

Participants in UK/Europe: +44 3333 000 804

Participants in US: +1 631 9131 422

Pin code: 33623325#

Slide presentation for download:

www.electroluxgroup.com/ir

Link to webcast:

<https://edge.media-server.com/mmc/p/fknf6yku>

For further information, please contact:

Sophie Arnius, Head of Investor Relations

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Calendar 2022

Annual Report, week 8	February 21-25
AGM	March 30
Interim report January - March	April 29
Interim report January - June	July 21
Interim report January - September	October 28

This report 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 considering new information or future events.

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Shape living for the better

Electrolux is a leading global appliance company that has shaped living for the better for more than 100 years. We reinvent taste, care and wellbeing experiences for millions of people around the world, always striving to be at the forefront of sustainability in society through our solutions and operations. Under our brands, including Electrolux, AEG and Frigidaire, we sell approximately 60 million household products in approximately 120 markets every year. In 2021 Electrolux had sales of SEK 126 billion and employed 52,000 people around the world. For more information go to www.electroluxgroup.com