

Press Release

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Electrolux to discontinue production at Nyíregyháza factory in Hungary

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Electrolux has decided to discontinue production at the Nyíregyháza factory in Hungary from the beginning of 2024. The company will take a restructuring charge of approximately SEK 550 million which will be reported as a non-recurring item affecting operating income for Business Area Europe in the first quarter of 2023.

The decision follows a review of production capacity needs including an investigation into the competitiveness of the Nyíregyháza factory, which employs around 650 people and manufactures refrigeration products. The strategic direction is to optimize the refrigeration production footprint from a cost perspective through both outsourcing and own-production leveraging Group scale.

The decision means that remaining investments in refrigeration products that are part of the earlier communicated global re-engineering investments of SEK 8 billion, which started in 2018, will be revised and redirected in line with the strategic direction of Electrolux.

Electrolux is exploring possibilities to divest the factory in Nyíregyháza and is committed to collaborating with relevant authorities and stakeholders to support its employees in the best possible way during this phase.

The cash flow impact is estimated to be approximately SEK 300 million, mainly in 2024-2025. The final operating income and cash flow effects will be determined by the exchange rate on the relevant recording dates.

Electrolux will publish its results for the fourth quarter tomorrow February 2, 2023, at 08.00 CET. [A telephone conference](#) will be held following the release of the results, starting at 09.00 CET. Questions related to this announcement will be addressed during and following the telephone conference.

This is information that AB Electrolux is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 12.45 CET on February 1, 2023.