

Q1 2023



- Net sales increased to SEK 32,734m (30,118), corresponding to an organic growth of 2.2%. Price remained solid, while weaker market demand resulted in lower volumes for the Group as a whole. New product ranges contributed to higher volumes and market share gains for the business areas North America and Latin America.
- Operating income amounted to SEK -256m (1,575), corresponding to a margin of -0.8% (5.2). Operating income included non-recurring item of SEK -561m (656), that for the first quarter of 2023 related to the discontinuation of production at the Nyíregyháza factory in Hungary in 2024. Excluding non-recurring items, operating income amounted to SEK 305m (919), corresponding to a margin of 0.9% (3.1).
- The year-over-year decline in underlying operating income was mainly a result of lower volumes. North America's earnings improved significantly sequentially, although the business area still reported a loss in the quarter. The Group-wide cost reduction and North America turnaround program is progressing according to plan and had a positive contribution.
- Income for the period amounted to SEK -588m (950) and earnings per share were SEK -2.18 (3.40).
- Operating cash flow after investments was SEK -5,092m (-5,280).

Financial overview

SEKM	Q1 2023	Q1 2022	Change, %
Net sales	32,734	30,118	9
Sales growth, % ¹	1.1	-3.3	
Organic growth, %	2.2	-3.4	
Acquisitions, %	-	0.1	
Divestments, %	-1.1	-	
Changes in exchange rates, %	7.6	7.1	
Operating income ²	-256	1,575	n.m.
Operating margin, %	-0.8	5.2	
Income after financial items	-770	1,323	n.m.
Income for the period	-588	950	n.m.
Earnings per share, SEK ³	-2.18	3.40	n.m.
Return on net assets, %	-2.4	20.0	
Net debt/EBITDA	5.1	1.4	
Operating cash flow after investments	-5,092	-5,280	

¹ Changes in net sales adjusted for currency translation effects.

² Operating income in the first quarter of 2023 includes a previously announced non-recurring item of SEK -561m (656), relating to the discontinuation of production at the Nyíregyháza factory in Hungary in 2024. The non-recurring item in the first quarter of 2022 refers to a US tariff case. Excluding these non-recurring items, operating income amounted to SEK 305m (919), corresponding to a margin of 0.9% (3.1), see pages 12 and 19.

³ Basic

For definitions, see pages 26-27. Note: n.m. (not meaningful) is used when the calculated number is considered not relevant.

President and CEO Jonas Samuelson's comment

Our number one priority for 2023 is a successful implementation of the Group-wide cost reduction and North America turnaround program. I am therefore pleased that the execution is going according to plan with positive contribution in the quarter. Underlying operating income improved sequentially to SEK 305m in the first quarter 2023 compared to SEK -612m in the fourth quarter 2022, mainly driven by business area North America. Organic sales growth in the quarter was 2.2%. Our solid price execution continued, while volumes declined as a result of the weaker market demand compared to last year. Lower consumer purchasing power also resulted in pressure on sales mix.

Our strategy with the consistent focus on innovation and efficiency, has in recent years delivered good financial results in three of our four business areas. It is our North American business area operating margin that has been challenged, impacting our ability to meet Group financial targets. The investments made in modularized product architectures and in highly automated and modern factories have laid the foundation to lift our performance and take out both the temporary cost challenges and the more structural impediments to profitability in North America. I am pleased to see good traction on these actions in the quarter.

At the Capital Markets Update on March 20, the focus was on our path to reach an operating margin of at least 6% mid-term, both for the Group and for business area North America. A key component is the estimated earnings contribution of above SEK 7bn in 2024 compared to 2022 from the cost reduction program, whereof SEK 4-5bn is expected in 2023. The actions and performance in the first quarter are fully aligned with our 2023 full-year cost reduction plan.

Another key earnings contributor to reach a Group operating margin of at least 6% mid-term is commercial growth in all four business areas. This is mainly enabled by leveraging recent investments in innovative, modularized product architectures that have resulted in very competitive product ranges. For North America, the aim is to grow in

higher value categories, and already now the new products launched are winning in the marketplace with industry-leading consumer star ratings. This, combined with significant operational and cost improvements, makes me confident in our ability to significantly improve profitability in North America.

Aftermarket growth is also an important component to deliver on the commercial growth for the Group. The aftermarket business also has a more than four times higher profit margin than the appliance business. Electrolux aims to increase aftermarket sales to approximately 10% of Group sales by 2025, from around 7% in 2022.



Sustainability is at the core of our strategy and I am proud that we reached both of our 2025 science-based targets three years ahead of plan. We were not only among the first 100 companies to set a global ambitious climate target, but we are also among the very first companies to meet it.

The business and market outlooks for 2023 full year provided in the fourth quarter 2022 earnings report remain unchanged.

I am convinced that we have the right strategy as well as the experience and the organizational structure needed to navigate in a volatile environment and seize opportunities to deliver on our financial targets.

Outlook

Market outlook, units year-over-year ¹	FY 2023	Previous outlook for FY 2023 ⁶	Market outlook, units year-over-year ¹	FY 2023	Previous outlook for FY 2023 ⁶
Europe	Negative	Negative	Latin America	Negative	Negative
North America	Negative	Negative	Asia-Pacific, Middle East and Africa	Neutral	Neutral
Business outlook ² , year-over-year			FY 2023		
Volume/price/mix			Volume/mix - negative		
			Price - partly offsetting external factors		
Investments in consumer experience innovation and marketing ³			Positive SEK 4-5bn, combined		
Cost efficiency ⁴			Negative		
External factors ⁵			SEK 6-7bn		
Capital expenditure			SEK 6-7bn		

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

³ Comprise of costs of R&D, marketing/brand, connectivity, CRM, aftermarket sales capability etc. ⁴ Efficiencies in variable costs (excl. raw material, energy, trade tariffs and labor cost inflation >2%) and structural costs (excl. consumer experience innovation and marketing). ⁵ Comprise of raw material costs, energy costs, trade tariffs, direct and indirect currency impact and labor cost inflation >2%. ⁶ Published on February 2, 2023. Note: Business outlook in the above table excludes non-recurring items. Market and business outlook assume no significant additional impact from the coronavirus pandemic or the global geopolitical situation.



Summary of the first quarter

SEKM	Q1 2023	Q1 2022	Change, %
Net sales	32,734	30,118	9
Operating income			
Europe	-41	602	n.m.
North America	-439	752	n.m.
Latin America	236	85	176
Asia-Pacific, Middle East and Africa	124	284	-56
Other, Group common costs, etc.	-136	-148	8
Total	-256	1,575	n.m.
Operating margin, %	-0.8	5.2	
Operating margin excl. non-recurring items, % ¹	0.9	3.1	

¹ For information on non-recurring items, see pages 12 and 19.

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

Net sales

Sales increased by 1.1% in the quarter, excluding currency translation effects. Organic sales increased by 2.2% and the exit from the Russian market had a negative impact of 1.1%.

The organic sales growth was a result of a positive price development, mainly from price increases implemented during last year, while promotional activity remained on normal levels, increasing year-over-year. Volumes declined for the Group, driven by the business areas Europe and Asia-Pacific, Middle East and Africa, due to the weaker market environment. The business areas North America and Latin America reported higher volumes and gained market shares, supported by new product ranges. Aftermarket sales grew at a higher pace than finished goods sales.

Operating income

Operating income amounted to SEK -256m (1,575), corresponding to a margin of -0.8% (5.2). Operating income included a previously announced non-recurring item of SEK -561m (656) relating to the closure of the Nyíregyháza factory in Hungary in 2024. Excluding this item, operating income was SEK 305m (919), corresponding to a margin of 0.9% (3.1), see pages 12 and 19. The decline was mainly a result

of lower volumes due to the weaker market demand and remaining impacts of higher cost levels compared to the first quarter 2022. The Group-wide cost reduction and North America turnaround program contributed positively to earnings, in line with plan, and the underlying operating income improved sequentially from the fourth quarter 2022. Price largely offset the negative earnings impact from products sold in the quarter that were produced and transported at last year's higher cost levels, as well as additional headwinds from external factors. Product mix was flat with negative market pressure in combination with the strong mix execution in the prior-year quarter offsetting the favorable impact from new product introductions.

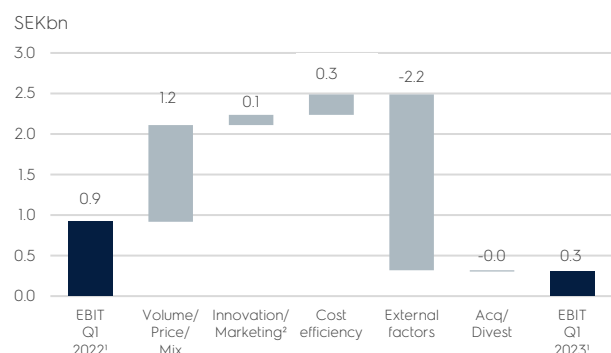
Financial net

Net financial items amounted to SEK -513m (-252). The change was mainly a result of higher interest rates and debt levels.

Income for the period

Income for the period amounted to SEK -588m (950), corresponding to SEK -2.18 (3.40) in earnings per share.

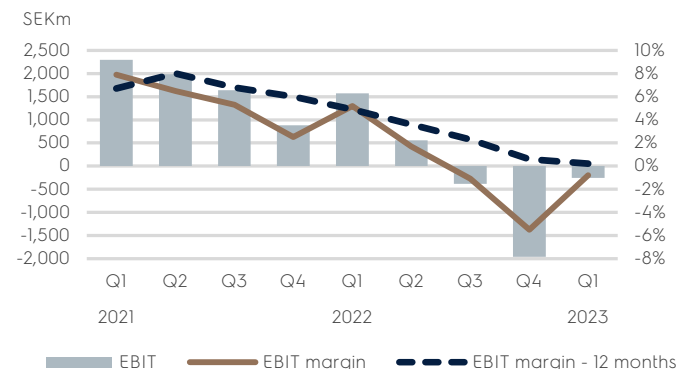
OPERATING INCOME BRIDGE



¹ Operating income (EBIT) excluding non-recurring items, all numbers are rounded.

² Investments in consumer experience innovation and marketing. For more information on definitions, see page 2 under Business Outlook.

OPERATING INCOME AND MARGIN



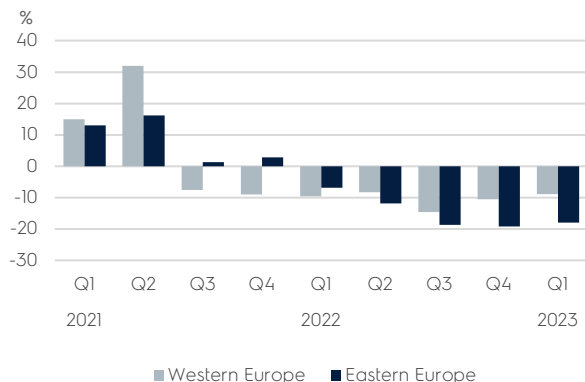
EBIT margin - 12 months is excluding non-recurring items, see pages 12 and 19.



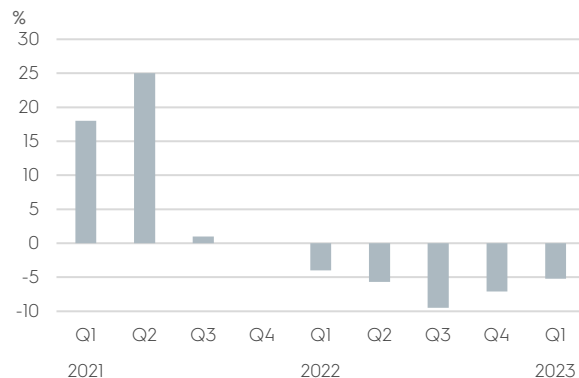
Market overview

In the first quarter, the overall market demand in Europe and in the U.S. declined year-over-year. Consumer demand was negatively impacted by high general inflation, increased interest rates and geopolitical tensions. Reduced purchasing power led to increased polarization with more consumers shifting to lower price points. 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, excluding Russia. US: AHAM. For definitions see below. For other markets, there are no comprehensive market statistics.

Industry shipment of appliances

Europe, units, year-over-year, %*	Q1 2023	Q1 2022	Full year 2022
Western Europe	-9	-10	-10
Eastern Europe	-18	-7	-13
Total Europe	-10	-9	-10

*Source: Electrolux estimates for core appliances. Europe and Eastern Europe exclude Turkey and Russia. 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, %*	Q1 2023	Q1 2022	Full year 2022
Core appliances	-5	-4	-7
Microwave ovens and home-comfort products	-20	5	-11
Total major appliances	-10	-1	-8

*Source: Based on the AHAM Factory Shipment Report. Q1 2023 is a comparison of weeks between January 1, 2023 – April 1, 2023 vs January 1, 2022 – April 2, 2022. Core appliances include AHAM 6 (Washers, Dryers, Dishwashers, Refrigerators, Freezers, Ranges and Ovens) and Cooktops.



Business areas

Europe

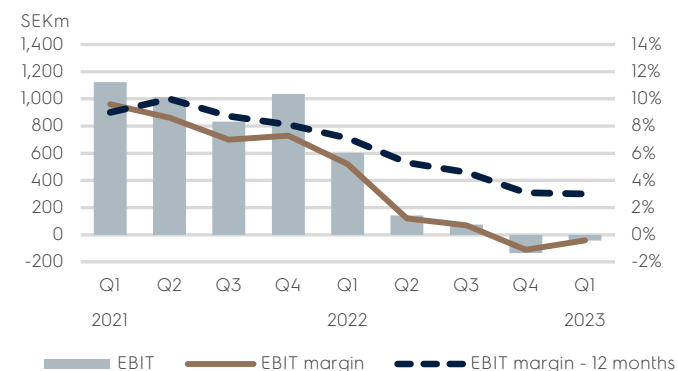
Market demand in Europe, excluding Russia, continued to decline throughout the quarter and was down 10%, year-over-year. Consumer confidence levels remained low, negatively impacted by high general inflation, increased interest rates and geopolitical tensions. The reduced purchasing power continued to result in an increased polarization with more consumers shifting to lower price points. Western Europe declined by 9% and Eastern Europe by 18%. Compared to the first quarter of 2019, demand in Europe declined by 7%.

The business area reported an organic sales decline of 4.9%, driven by lower volumes across product categories mainly as result of declining consumer demand. Price increases implemented in 2022 impacted sales positively. Mix improved across product categories through a clear focus on the more premium brands Electrolux and AEG. Net sales were negatively impacted by the exit from the Russian market in September 2022.

As previously announced, operating income included a non-recurring item of SEK -561m related to the closure of the Nyíregyháza factory in Hungary in 2024, see page 12. Operating income excluding this item was SEK 520m.

The decrease in operating income was driven by significantly lower volumes year-over-year. The Group-wide cost reduction program contributed positively to earnings. Price offset the negative earnings impact from products sold in the quarter that were produced and transported at last year's higher cost levels.

OPERATING INCOME AND MARGIN



EBIT margin - 12 months is excluding non-recurring items, see pages 19 and 25.

SEKm	Q1 2023	Q1 2022	Full year 2022
Net sales	11,339	11,535	46,573
Organic growth, %	-4.9	-4.3	-8.6
Acquisitions, %	-	0.3	0.1
Divestments, %	-3.0	-	-2.2
Operating income	-41	602	683
Operating margin, %	-0.4	5.2	1.5
Operating margin excl. non-recurring items, % ¹	4.6	5.2	3.1

¹ For information on non-recurring items, see pages 12 and 19.



North America

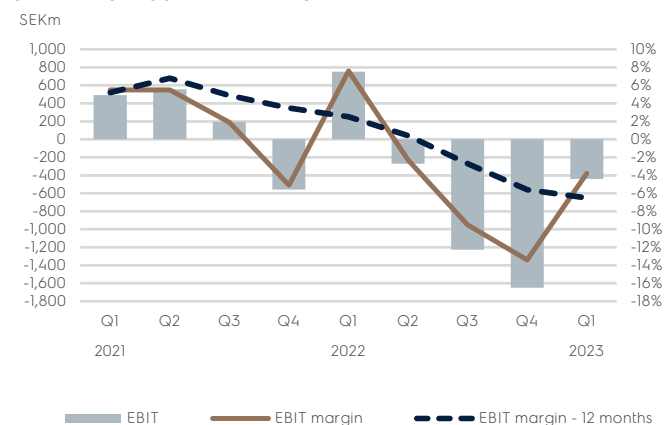
During the quarter, market demand for core appliances in the U.S. decreased by 5%, year-over-year. Compared to the first quarter of 2019, market demand increased by 18%. High general inflation and increased interest rates impacted consumer sentiment negatively. Reduced purchasing power started to show in more consumers shifting to lower price points. Market demand for all major appliances, including microwave ovens and home-comfort products, decreased by 10% year-over-year.

The business area reported an organic sales increase of 4.0%. Volumes increased and the business area gained market share. This was driven by better product availability, both related to supply chain and production, and a new attractive product offering, but also a result of positive timing effects for the quarter. Price was flat. List price increases implemented early 2022 had a positive effect, while promotional activities increased compared to the first quarter last year and were at normal levels.

The business area reported an operating loss. This as the products sold in the quarter were mostly produced at last year's elevated cost levels, mainly relating to the ongoing production transformation including two new facilities and several new product platforms. In the quarter, efficiency improved in both production and logistics, including cost for spot buys and freight. Structural costs were reduced as actions under the North America turnaround program progressed according to plan. Despite solid sales, product mix declined compared to a strong mix execution in the first quarter last year. Earnings were negatively impacted by external factors, mainly from raw material and currency.

Operating income in the first quarter 2022 included a positive non-recurring item of SEK 656m related to a US tariff case.

OPERATING INCOME AND MARGIN



EBIT margin - 12 months is excluding non-recurring items, see pages 19 and 25.

SEKm	Q1 2023	Q1 2022	Full year 2022
Net sales	11,504	9,940	47,021
Organic growth, %	4.0	-0.3	-0.9
Operating income	-439	752	-2,394
Operating margin, %	-3.8	7.6	-5.1
Operating margin excl. non-recurring items, % ¹	-3.8	1.0	-5.6

¹ For information on non-recurring items, see page 19.



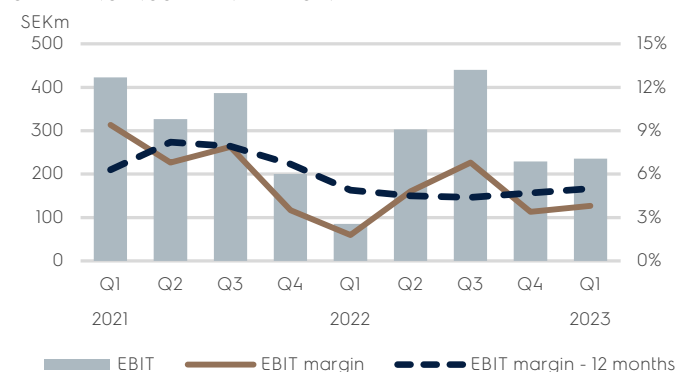
Latin America

During the quarter, consumer demand for core appliances is estimated to have declined in the region, year-over-year. This was driven by Brazil and Chile, where higher general inflation and interest rates continued to negatively impact consumer purchasing power and consumer confidence, while in Argentina the highly inflationary environment pushed consumer spending higher in the quarter. For the region overall, the reduced purchasing power led to an increased polarization with more consumers shifting to lower price points.

The business area reported an organic sales increase of 20.9% driven by increased volumes in Brazil where the new product ranges contributed to market share gains and a favorable mix. In Argentina, import restrictions negatively impacted product availability. Price developed strongly as a result of list price increases implemented last year, while promotional activities continued on a normal level, increasing year-over-year. In the quarter, selected regional price increases were implemented to offset mainly currency driven inflation. Aftermarket sales continued to develop strongly.

Operating income increased year-over-year, mainly driven by higher volumes in Brazil. Price offset the negative earnings impact from products sold in the quarter that were produced and transported at last year's higher cost levels, as well as

OPERATING INCOME AND MARGIN



EBIT margin - 12 months is excluding non-recurring items, see pages 19 and 25.

currency headwinds and labor cost inflation. The Group-wide cost reduction program contributed positively to earnings. Investments increased in brand building activities and consumer direct capabilities.

SEKM	Q1 2023	Q1 2022	Full year 2022
Net sales	6,196	4,761	24,303
Organic growth, %	20.9	-6.0	4.2
Operating income	236	85	1,058
Operating margin, %	3.8	1.8	4.4
Operating margin excl. non-recurring items, % ¹	3.8	1.8	4.7

¹ For information on non-recurring items, see page 19.

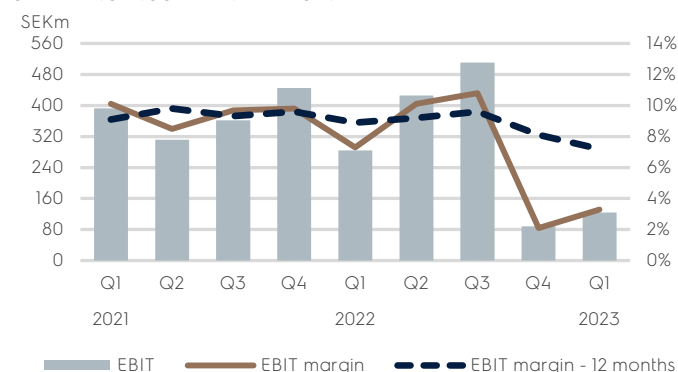
Asia-Pacific, Middle East and Africa

During the quarter, consumer demand is estimated to have decreased year-over-year, driven by Australia and Southeast Asia. Consumer confidence and purchasing power were negatively affected by higher interest rates and general inflation. Reduced purchasing power started to show in more consumers shifting to lower price points.

The business area reported an organic sales decline of 5.5%. The weaker consumer demand resulted mainly in lower volumes, but also in negative mix. Price continued to develop positively, driven primarily by list price increases implemented last year.

Operating income declined year-over-year, mainly due to lower volumes, especially in high-value categories. Price largely offset the negative earnings impact from products sold in the quarter that were produced and transported at last year's higher cost levels, as well as currency headwinds. The Group-wide cost reduction program contributed positively to earnings.

OPERATING INCOME AND MARGIN



EBIT margin - 12 months is excluding non-recurring items, see pages 19 and 25.

SEKM	Q1 2023	Q1 2022	Full year 2022
Net sales	3,695	3,882	16,984
Organic growth, %	-5.5	-5.2	-0.5
Operating income	124	284	1,308
Operating margin, %	3.3	7.3	7.7
Operating margin excl. non-recurring items, % ²	3.3	7.3	8.1

² For information on non-recurring items, see page 19.

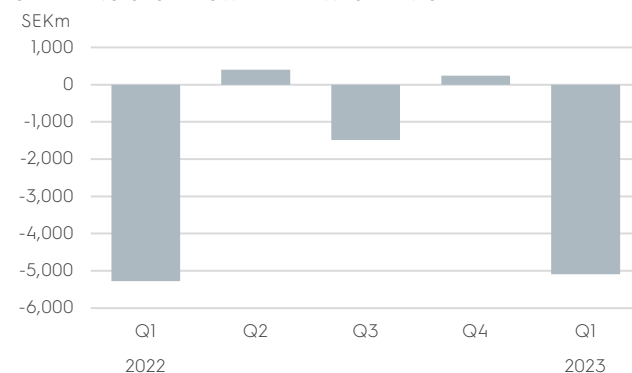


Cash flow

Operating cash flow after investments amounted to SEK -5,092m (-5,280) in the quarter, reflecting a normal seasonal outflow from operating working capital.

As a result of inventory management in a weaker market demand environment, accounts payable decreased.

OPERATING CASH FLOW AFTER INVESTMENTS



SEKM	Q1 2023	Q1 2022	Full year 2022
Operating income adjusted for non-cash items ¹	1,810	2,247	6,845
Change in operating assets and liabilities	-5,799	-6,182	-6,367
Operating cash flow	-3,990	-3,935	478
Investments in tangible and intangible assets	-1,131	-1,339	-7,389
Changes in other investments	28	-6	793
Operating cash flow after investments	-5,092	-5,280	-6,118
Acquisitions and divestments of operations	-	2	-366
Operating cash flow after structural changes	-5,092	-5,278	-6,484
Financial items paid, net ²	-351	-221	-1,238
Taxes paid	-206	-352	-1,514
Cash flow from operations and investments	-5,648	-5,851	-9,236
Payment of lease liabilities	-230	-228	-960
Repurchase of shares	-	-1,000	-2,138
Dividend	-	-	-2,521
Share-based payments	17	-243	-217
Total cash flow, excluding changes in loans and short-term investments	-5,861	-7,322	-15,073

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

² For the period January 1 to March 31: interest and similar items received SEK 68m (5), interest and similar items paid SEK -393m (-169) and other financial items received/paid SEK -26m (-57).



Financial position

Net debt

As of March 31, 2023, Electrolux had a financial net debt (excluding lease liabilities and post-employment provisions) of SEK 25,963m, compared to the financial net debt of SEK 19,828m as of December 31, 2022. Net provisions for post-employment benefits amounted to a surplus of SEK 174m and lease liabilities amounted to SEK 4,313m as of March 31, 2023. In total, net debt amounted to SEK 30,102m, an increase of SEK 6,254m compared to SEK 23,848m per December 31, 2022.

Long-term borrowings and long-term borrowings with maturities within 12 months amounted to a total of SEK 30,982m as of March 31, 2023, with an average maturity of 3.8 years, compared to SEK 31,343m and 4.0 years at the end of 2022.

In the first quarter, amortization of long-term borrowings amounted to SEK 501m, and no new long-term debt of significance was issued. During the remaining part of 2023, long-term borrowings amounting to approximately SEK 2,100m and commercial papers of SEK 2,550m will mature.

For more information see www.electroluxgroup.com.

Liquid funds as of March 31, 2023, amounted to SEK 11,878m, a decrease of SEK 5,922m compared to SEK 17,800m as of December 31, 2022.

Net debt/EBITDA was 5.1 (1.4) and return on equity was -14.5% (20.8).

Working capital and net assets

Working capital as of March 31, 2023, amounted to SEK -8,233m (-11,124), corresponding to -6.3% (-9.2) of annualized net sales. Operating working capital amounted to SEK 10,913m (8,767), corresponding to 8.4% (7.2) of annualized net sales, see page 21.

Average net assets as of March 31, 2023, amounted to SEK 43,175m (31,435), corresponding to 33.0% (26.1) of annualized net sales. Net assets as of March 31, 2023, amounted to SEK 46,054m (35,668).

Return on net assets was -2.4% (20.0).

Net debt

SEKM	Mar. 31, 2023	Mar. 31, 2022	Dec. 31, 2022
Short-term loans	6,118	3,831	5,732
Short-term part of long-term loans	3,111	2,389	2,605
Trade receivables with recourse	56	27	40
Short-term borrowings	9,285	6,247	8,377
Financial derivative liabilities	459	347	445
Accrued interest expenses and prepaid interest income	411	94	254
Total short-term borrowings	10,155	6,688	9,076
Long-term borrowings	27,871	13,902	28,738
Total borrowings¹	38,026	20,590	37,813
Long-term financial receivables	185	-	185
Cash and cash equivalents	11,551	7,965	17,559
Short-term investments	168	166	168
Financial derivative assets	136	53	51
Prepaid interest expenses and accrued interest income	22	9	21
Liquid funds²	11,878	8,192	17,800
Financial net debt	25,963	12,398	19,828
Lease liabilities	4,313	3,303	4,264
Net provisions for post-employment benefits	-174	-470	-245
Net debt	30,102	15,231	23,848
Net debt/EBITDA	5.1	1.4	3.8
Net debt/equity ratio	1.89	0.85	1.45
Total equity	15,952	17,879	16,449
Equity per share, SEK	59.07	64.31	60.92
Return on equity, %	-14.5	20.8	-7.0
Equity/assets ratio, %	14.4	17.1	15.0

¹ Whereof interest-bearing liabilities amounting to SEK 37,100m as of March 31, 2023, and SEK 20,123m as of March 31, 2022.

² Electrolux also has an unused committed multicurrency revolving credit facility of EUR 1,000m, approximately SEK 11,300m, maturing 2027, a revolving credit facility of SEK 2,500m, maturing 2023, and a revolving credit facility of SEK 3,000m, maturing 2024.



Other items

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 March 31, 2023, the Group had a total of 3,388 (3,344) cases pending, representing approximately 3,394 (approximately 3,353) plaintiffs. During the first quarter of 2023,

289 new cases with 289 plaintiffs were filed and 266 pending cases with approximately 266 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 the 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. Risk management in Electrolux aims to identify, control and reduce risks. Risks, risk management and risk exposure are described in more detail in the 2022 Annual Report:

www.electroluxgroup.com/annualreport2022



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 nearly 75% of consumers globally think it is more important than before the pandemic for companies to behave more sustainably¹ and nearly 60% of affluent Americans are willing to pay more for products that are environmentally friendly². Electrolux most resource-efficient products have consistently had a higher margin for many years and in 2022 these products accounted for 24% of total units sold and 39% of gross profit.

Strengthened consumers relations and higher margins with stronger aftermarket presence

Today's consumers expect more than high-quality appliances – they are expecting a positive experience throughout the life span of the products.

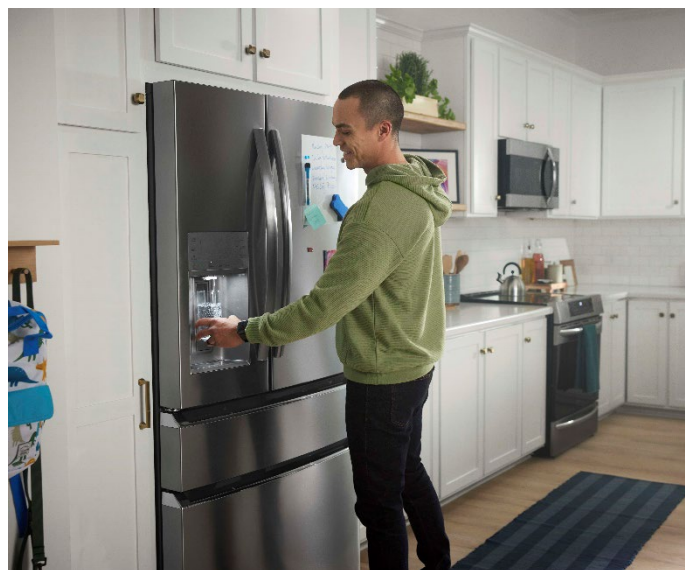
Being truly consumer-centric, Electrolux innovation focus has expanded to delivering not just an outstanding product, but a complete consumer experience and lifetime value. To be relevant throughout the consumer journey, an important part is to strengthen Electrolux position on the aftermarket.

On Electrolux Capital Markets Update, held on March 20, 2023, this was one of the main topics explored in detail. A more pronounced presence on the aftermarket presents several opportunities to further enhance consumer relations, drive brand loyalty and increase recurring sales. The aftermarket business also has a more than four times higher profit margin than the appliance business. Electrolux aims to increase aftermarket sales to approximately 10% of Group sales by 2025, from around 7% in 2022, and has a long-term ambition of approximately 15%.

Significantly increased sales of water filters

A notable example is the significantly increased sales on the aftermarket for water filters in North America. Refrigerators that provide clean and healthy water and ice are important to North American households. Accordingly, they want to feel confident that they are purchasing quality filters designed for their specific appliances.

Thus, in recent years Electrolux has increased its innovative focus on refrigerators' water filtration systems and ice-making accessories with a dedicated team and state of the art laboratory working on advanced filtration solutions and ice-making. Based on thorough research on consumer behavior and through co-creation with target audiences, Electrolux has further enhanced the quality of the water filters, to eliminate harmful contaminants, and added features to remind the consumers of the filter replacement cycle.



Electrolux has also established new and efficient communication channels to reach consumers and to raise awareness of the importance to use the right filter for their appliance for optimal water taste and safety. At present, Electrolux receives about 2 million page visits per year to the water filter site and the year-over-year growth of visitors has been double-digit.

The targeted approach has resulted in an average of 10% annual sales growth of water filters over the last five years in North America. The successful growth of this water filter business has also entailed sustainability gains. This as increased use of clean water from refrigerators is estimated to have led to a significant decrease in the consumption of mineral water in plastic bottles.

The filter technology developed for North America has been extended to refrigerators sold across all regions.

¹ Global WebIndex (GWI) (2020). Coronavirus research. Survey in 20 countries.

² Ipsos (2022). Who are the affluent environmentalists? An Ipsos point of View.



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

January 11. Electrolux announces loss for the fourth quarter 2022

Electrolux announced that operating income in the fourth quarter of 2022 was estimated to be approximately SEK -2.0bn (0.9), including non-recurring items of SEK -1.4bn (-0.7). This included, in addition to previously communicated items, the termination of a US pension plan.

February 1. Electrolux to discontinue production at Nyiregyháza factory in Hungary

Electrolux has decided to discontinue production at the Nyiregyháza factory in Hungary from the beginning of 2024.

The decision follows a review of production capacity needs including an investigation into the competitiveness of the Nyiregyháza 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.

February 22. Electrolux Group has received a Statement of Objections from the French Competition Authority

The French Competition Authority has issued a Statement of Objections involving various parties within the home appliance sector and where Electrolux France is alleged to have acted in breach of antitrust rules in France between 2009 and 2014.

As previously disclosed in press releases and annual reports, the company became in 2013 the subject of an investigation by the French Competition Authority regarding possible violations of antitrust rules. The Authority has thereafter decided to conduct two separate investigations one of which was completed in December 2018. The Statement of Objections that now has been issued relates to the other investigation.

Given the alleged infringements and the nature of this investigation, it cannot be ruled out that the outcome could have a material impact on the Group's financial result and cash flow. At this stage it is however not possible to evaluate the extent of such an impact.

March 20. Electrolux Group Capital Markets Update 2023

The Capital Markets Update in Stockholm and online provided an update on how Electrolux is executing its strategy to drive profitable growth in order to deliver on its financial targets. The main focus was on:

Harnessing the growth opportunities in the aftermarket, while gaining deeper consumer insights and relationships via new touch points.

Creating stability in Business Area North America to pave the way for sustainable growth and profitability in the region.

An on-demand recording of the event is available on www.electroluxgroup.com/cmu

March 29. Annual General Meeting

The Annual General Meeting was held at Münchenbryggeriet in Stockholm. Shareholders and other also had the opportunity to follow the Meeting live via the Group's website. A recording from the Meeting of CEO Jonas Samuelson's reflections of the past year, and the strategy going forward is available on the Group's website.

Staffan Bohman, Petra Hedengran, Henrik Henriksson, Ulla Litzén, Karin Overbeck, Fredrik Persson, David Porter and Jonas Samuelson were re-elected to the Board of Directors. Staffan Bohman was also re-elected Chairman of the Board.

In accordance with the Board's proposal, the Meeting resolved to not distribute any dividend for the fiscal year 2022. Full details on the proposals adopted by the AGM can be found at www.electroluxgroup.com/agm2023

For more information, visit www.electroluxgroup.com

Events after the quarter

April 11. Electrolux Group seeks alternative buyer to Memphis factory following terminated contract

The divestment of the Electrolux Group manufacturing facility in Memphis, Tennessee, USA, will not be completed as expected since the intended buyer has failed to proceed to closing. Electrolux Group will now seek an alternative buyer.

As earlier communicated, completion of the divestment of the facility was contingent on various factors. The intended buyer has defaulted on its obligations and the agreement is therefore terminated.

In the now terminated contract, communicated on October 12 and December 19, 2022, Electrolux Group had agreed to divest the Memphis factory for a cash consideration of USD 82.5m (approx. SEK 930m). Production in Memphis stopped on June 30, 2022, and the operations have been transferred to the new facility in Springfield, Tennessee.

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 first quarter 2023 amounted to SEK 10,193m (10,633) of which SEK 8,476m (8,760) referred to sales to Group companies and SEK 1,717m (1,873) to external customers. Income after financial items was SEK -849m (803), including dividends from subsidiaries in the amount of SEK 0m (554). Income for the period amounted to SEK -652m (758).

Capital expenditure in tangible and intangible assets was SEK 263m (246). Liquid funds at the end of the period amounted to SEK 7,854m, compared to SEK 12,899m at the start of the year.

Undistributed earnings in the Parent Company at the end of the period amounted to SEK 8,599m, compared to SEK 9,353m at the start of the year. Dividend payment to shareholders for 2022 amounted to SEK 0m.

The income statement and balance sheet for the Parent Company are presented on page 22.

Stockholm, April 28, 2023

AB Electrolux (publ)
556009-4178

Jonas Samuelson
President and CEO

The report has not been audited by external auditors



Consolidated statement of comprehensive income

SEKM	Q1 2023	Q1 2022	Full year 2022
Net sales	32,734	30,118	134,880
Cost of goods sold	-28,438	-24,927	-117,177
Gross operating income	4,296	5,191	17,703
Selling expenses	-3,160	-2,885	-12,997
Administrative expenses	-1,468	-1,472	-5,752
Other operating income/expenses	75	740	830
Operating income	-256	1,575	-215
Financial items, net	-513	-252	-1,457
Income after financial items	-770	1,323	-1,672
Taxes	181	-373	352
Income for the period	-588	950	-1,320
Items that will not be reclassified to income for the period:			
Remeasurement of provisions for post-employment benefits	124	1,304	1,614
Income tax relating to items that will not be reclassified	-38	-323	-411
	86	981	1,204
Items that may be reclassified subsequently to income for the period:			
Cash flow hedges	-19	-3	39
Exchange-rate differences on translation of foreign operations	-41	1,096	2,643
Income tax relating to items that may be reclassified	6	2	1
	-54	1,095	2,684
Other comprehensive income, net of tax	33	2,076	3,887
Total comprehensive income for the period	-556	3,026	2,568
Income for the period attributable to:			
Equity holders of the Parent Company	-588	950	-1,320
Non-controlling interests	-0	1	-0
Total	-588	950	-1,320
Total comprehensive income for the period attributable to:			
Equity holders of the Parent Company	-556	3,026	2,567
Non-controlling interest	0	0	0
Total	-556	3,026	2,568
Earnings per share, SEK			
Basic	-2.18	3.40	-4.81
Diluted	-2.16	3.37	-4.75
Average number of shares¹			
Basic, million	270.0	279.5	274.7
Diluted, million	272.3	282.0	278.0

¹ Average numbers of shares excluding shares held by Electrolux.



Consolidated balance sheet

SEKM	Mar. 31, 2023	Mar. 31, 2022	Dec. 31, 2022
Assets			
Property, plant and equipment, owned	29,547	26,441	29,876
Property, plant and equipment, right-of-use	3,935	3,010	3,906
Goodwill	6,931	6,995	7,081
Other intangible assets	5,386	4,309	5,223
Investments in associates	22	77	24
Deferred tax assets	7,953	5,706	7,672
Financial assets	263	69	259
Pension plan assets	1,909	2,509	2,164
Other non-current assets	1,034	737	904
Total non-current assets	56,980	49,853	57,108
Inventories	24,497	26,364	24,374
Trade receivables	22,435	21,691	21,487
Tax assets	1,343	1,070	1,208
Derivatives	211	56	99
Other current assets	5,534	5,777	5,098
Short-term investments	168	166	168
Cash and cash equivalents	11,551	7,965	17,559
Total current assets	65,740	63,089	69,994
Total assets	122,719	112,942	127,102
Equity and liabilities			
Equity attributable to equity holders of the Parent Company			
Share capital	1,545	1,545	1,545
Other paid-in capital	2,905	2,905	2,905
Other reserves	-705	-2,240	-651
Retained earnings	12,200	15,664	12,644
Equity attributable to equity holders of the Parent Company	15,945	17,873	16,443
Non-controlling interests	7	7	7
Total equity	15,952	17,879	16,449
Long-term borrowings	27,871	13,902	28,738
Long-term lease liabilities	3,195	2,360	3,210
Deferred tax liabilities	599	552	731
Provisions for post-employment benefits	1,735	2,039	1,919
Other provisions	4,845	4,802	4,655
Total non-current liabilities	38,246	23,655	39,253
Accounts payable	36,019	39,288	38,357
Tax liabilities	1,621	1,749	1,453
Dividend payable	-	2,558	-
Other liabilities	15,970	17,345	17,543
Short-term borrowings	9,285	6,247	8,377
Short-term lease liabilities	1,118	943	1,054
Derivatives	552	449	578
Other provisions	3,957	2,827	4,037
Total current liabilities	68,522	71,407	71,400
Total equity and liabilities	122,719	112,942	127,102

Change in consolidated equity

SEKM	Three months 2023	Three months 2022	Full year 2022
Opening balance	16,449	18,610	18,610
Total comprehensive income for the period	-556	3,026	2,568
Share-based payments	58	-198	-72
Dividend to equity holders of the Parent Company	-	-2,558	-2,521
Repurchase of shares	-	-1,000	-2,138
Acquisition of non-controlling interests	0	-0	2
Total transactions with equity holders	58	-3,757	-4,729
Closing balance	15,952	17,879	16,449



Consolidated cash flow statement

SEKM	Q1 2023	Q1 2022	Full year 2022
Operations			
Operating income	-256	1,575	-215
Depreciation and amortization	1,501	1,232	5,390
Other non-cash items	565	-560	1,670
Financial items paid, net ¹	-351	-221	-1,238
Taxes paid	-206	-352	-1,514
Cash flow from operations, excluding change in operating assets and liabilities	1,253	1,674	4,093
Change in operating assets and liabilities			
Change in inventories	-126	-4,909	-1,556
Change in trade receivables	-825	2,536	4,074
Change in accounts payable	-2,564	-486	-4,026
Change in other operating assets, liabilities and provisions	-2,284	-3,322	-4,859
Cash flow from change in operating assets and liabilities	-5,799	-6,182	-6,367
Cash flow from operations	-4,546	-4,508	-2,274
Investments			
Acquisition of operations	-	2	-
Divestment of operations	-	-	-367
Capital expenditure in property, plant and equipment	-739	-969	-5,649
Capital expenditure in product development	-154	-159	-740
Capital expenditure in software and other intangibles	-237	-211	-1,001
Other	28	-6	795
Cash flow from investments	-1,103	-1,343	-6,962
Cash flow from operations and investments	-5,648	-5,851	-9,236
Financing			
Change in short-term investments	-0	-1	-4
Change in short-term borrowings	434	2,384	5,355
New long-term borrowings	2	4,648	22,244
Amortization of long-term borrowings	-501	-2,801	-6,158
Payment of lease liabilities	-230	-228	-960
Dividend	-	-	-2,521
Repurchase of shares	-	-1,000	-2,138
Share-based payments	17	-243	-217
Cash flow from financing	-278	2,760	15,601
Total cash flow	-5,926	-3,091	6,365
Cash and cash equivalents at beginning of period	17,559	10,923	10,923
Exchange-rate differences referring to cash and cash equivalents	-82	133	271
Cash and cash equivalents at end of period	11,551	7,965	17,559

¹ For the period January 1 to March 31: interest and similar items received SEK 68m (5), interest and similar items paid SEK -393m (-169) and other financial items received/paid SEK -26m (-57).



Key ratios

SEKM unless otherwise stated	Q1 2023	Q1 2022	Full year 2022
Net sales	32,734	30,118	134,880
Organic growth, %	2.2	-3.4	-2.8
EBITA	6	1,780	698
EBITA margin, %	0.0	5.9	0.5
Operating income	-256	1,575	-215
Operating margin, %	-0.8	5.2	-0.2
Operating margin excl. non-recurring items, % ¹	0.9	3.1	0.6
Income after financial items	-770	1,323	-1,672
Income for the period	-588	950	-1,320
Capital expenditure property, plant and equipment	-739	-969	-5,649
Operating cash flow after investments	-5,092	-5,280	-6,118
Earnings per share, SEK ²	-2.18	3.40	-4.81
Equity per share, SEK	59.07	64.31	60.92
Capital turnover rate, times/year	3.0	3.8	3.7
Return on net assets, %	-2.4	20.0	-0.6
Return on equity, %	-14.5	20.8	-7.0
Net debt	30,102	15,231	23,848
Net debt/EBITDA	5.1	1.4	3.8
Net debt/equity ratio	1.89	0.85	1.45
Average number of employees	47,114	51,035	50,769
Average number of shares excluding shares owned by Electrolux, million	270.0	279.5	274.7

¹ The first quarter of 2023 and the full year 2022 include non-recurring items respectively. For more information regarding non-recurring items in previous years, see page 19.

² Basic.

For definitions, see pages 26-27.

Exchange rates

SEK	Mar. 31, 2023		Mar. 31, 2022		Dec. 31, 2022	
Exchange rate	Average	End of period	Average	End of period	Average	End of period
ARS	0.0544	0.0496	0.0874	0.0839	0.0785	0.0589
AUD	7.10	6.93	6.75	6.97	7.00	7.09
BRL	2.02	2.04	1.80	1.97	1.95	2.00
CAD	7.71	7.65	7.33	7.44	7.73	7.70
CHF	11.27	11.32	10.07	10.07	10.59	11.29
CLP	0.0127	0.0131	0.0115	0.0118	0.0116	0.0121
CNY	1.52	1.51	1.47	1.47	1.50	1.51
EUR	11.21	11.28	10.42	10.34	10.63	11.12
GBP	12.72	12.83	12.43	12.22	12.45	12.54
HUF	0.0290	0.0297	0.0284	0.0280	0.0272	0.0277
MXN	0.5584	0.5744	0.4560	0.4679	0.5028	0.5333
THB	0.3046	0.3040	0.2807	0.2801	0.2881	0.3019
USD	10.43	10.37	9.31	9.31	10.09	10.43



Net sales and operating income by business area

SEKM	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Full year 2023	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Full year 2022
Europe										
Net sales	11,339					11,535	11,345	11,107	12,586	46,573
Sales growth, %	-7.8					-4.0	-7.4	-11.6	-17.0	-10.5
EBITA	63					670	222	161	-44	1,009
EBITA margin, %	0.6					5.8	2.0	1.4	-0.4	2.2
Operating income	-41					602	142	75	-135	683
Operating margin, %	-0.4					5.2	1.2	0.7	-1.1	1.5
North America										
Net sales	11,504					9,940	11,905	12,909	12,266	47,021
Sales growth, %	4.0					-0.3	0.7	2.3	-6.1	-0.9
EBITA	-366					807	-214	-1,169	-1,588	-2,164
EBITA margin, %	-3.2					8.1	-1.8	-9.1	-12.9	-4.6
Operating income	-439					752	-270	-1,227	-1,649	-2,394
Operating margin, %	-3.8					7.6	-2.3	-9.5	-13.4	-5.1
Latin America										
Net sales	6,196					4,761	6,268	6,518	6,755	24,303
Sales growth, %	20.9					-6.0	12.9	13.5	-1.6	4.2
EBITA	276					115	338	478	261	1,191
EBITA margin, %	4.5					2.4	5.4	7.3	3.9	4.9
Operating income	236					85	303	440	229	1,058
Operating margin, %	3.8					1.8	4.8	6.8	3.4	4.4
Asia-Pacific, Middle East and Africa										
Net sales	3,695					3,882	4,231	4,710	4,162	16,984
Sales growth, %	-5.5					-5.2	6.4	13.7	-14.1	-0.5
EBITA	142					300	439	527	104	1,370
EBITA margin, %	3.8					7.7	10.4	11.2	2.5	8.1
Operating income	124					284	426	511	88	1,308
Operating margin, %	3.3					7.3	10.1	10.8	2.1	7.7
Group common costs, etc: operating income										
	-136					-148	-41	-184	-497	-870
Total Group										
Net sales	32,734					30,118	33,749	35,244	35,769	134,880
Sales growth, %	1.1					-3.3	0.4	0.4	-10.4	-3.6
EBITA	6					1,780	786	-144	-1,724	698
EBITA margin, %	0.0					5.9	2.3	-0.4	-4.8	0.5
Operating income	-256					1,575	560	-385	-1,964	-215
Operating margin, %	-0.8					5.2	1.7	-1.1	-5.5	-0.2
Income for the period	-588					950	257	-605	-1,922	-1,320
Earnings per share, SEK ¹	-2.18					3.40	0.93	-2.23	-7.12	-4.81

¹ Basic



Non-recurring items by business area

SEKM	Q1 2023 ¹	Q2 2023	Q3 2023	Q4 2023	Full year 2023	Q1 2022 ²	Q2 2022	Q3 2022 ³	Q4 2022 ⁴	Full year 2022
Europe	-561					-	-	-350	-424	-774
North America	-					656	-	-	-415	241
Latin America	-					-	-	-	-80	-80
Asia-Pacific, Middle East and Africa	-					-	-	-	-66	-66
Group common costs, etc.	-					-	-	-	-367	-367
Total Group	-561					656	-	-350	-1,352	-1,046

¹ The non-recurring item of SEK -561m in the first quarter of 2023 refers to the business area Europe and the restructuring charge related to the discontinuation of production at the Nyíregyháza factory in Hungary from the beginning of 2024. The cost is included in Cost of goods sold.

² The non-recurring item of SEK 656m in the first quarter of 2022 refers to business area North America and a settlement regarding the arbitration in U.S. tariff case on washing machines imported into the U.S. from Mexico in 2016/2017. The positive NRI is included in Other operating income/expenses.

³ The non-recurring item of SEK -350m in the third quarter of 2022 refers to the business area Europe and the exit from the Russian market. The cost is included in Other operating income/expenses.

⁴ The non-recurring items of SEK -1,352m in the fourth quarter of 2022 refer to a restructuring charge of SEK -1,536m for the Group-wide cost reduction and North America turnaround program, a capital gain of SEK 394m for the divestment of Electrolux office facility in Zürich, Switzerland, and SEK -210m from the termination of a U.S. pension plan, transferred to a third party. The capital gain from the facility divestment and the cost for the pension plan termination are included in Other operating income/expenses, the restructuring costs for the Group-wide cost reduction and North America turnaround program are included in the applicable functional lines of the income statement.

Operating income excluding non-recurring items (NRI)

SEKM	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Full year 2023	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Full year 2022
Europe										
Operating income excl. NRI	520					602	142	425	289	1,457
Operating margin excl. NRI, %	4.6					5.2	1.2	3.8	2.3	3.1
North America										
Operating income excl. NRI	-439					96	-270	-1,227	-1,234	-2,635
Operating margin excl. NRI, %	-3.8					1.0	-2.3	-9.5	-10.1	-5.6
Latin America										
Operating income excl. NRI	236					85	303	440	309	1,138
Operating margin excl. NRI, %	3.8					1.8	4.8	6.8	4.6	4.7
Asia-Pacific, Middle East and Africa										
Operating income excl. NRI	124					284	426	511	154	1,374
Operating margin excl. NRI, %	3.3					7.3	10.1	10.8	3.7	8.1
Group common cost etc										
Operating income excl. NRI	-136					-148	-41	-184	-130	-503
Total Group										
Operating income excl. NRI	305					919	560	-35	-612	831
Operating margin excl. NRI, %	0.9					3.1	1.7	-0.1	-1.7	0.6



Net sales by business area

SEKM	Q1 2023	Q1 2022	Full year 2022
Europe	11,339	11,535	46,573
North America	11,504	9,940	47,021
Latin America	6,196	4,761	24,303
Asia-Pacific, Middle East and Africa	3,695	3,882	16,984
Total Group	32,734	30,118	134,880

Change in Net sales by business area, %

Year-over-year, %	Q1 2023	Q1 2023 currency adjusted
Europe	-2	-8
North America	16	4
Latin America	30	21
Asia-Pacific, Middle East and Africa	-5	-6
Total change Group	9	1

Operating income by business area

SEKM	Q1 2023	Q1 2022	Full year 2022
Europe	-41	602	683
Margin, %	-0.4	5.2	1.5
North America	-439	752	-2,394
Margin, %	-3.8	7.6	-5.1
Latin America	236	85	1,058
Margin, %	3.8	1.8	4.4
Asia-Pacific, Middle East and Africa	124	284	1,308
Margin, %	3.3	7.3	7.7
Group common costs, etc.	-136	-148	-870
Operating income Group	-256	1,575	-215
Margin, %	-0.8	5.2	-0.2

Change in operating income by business area, SEKM

Year-over-year, SEKM	Q1 2023	Q1 2023 currency adjusted
Europe	-643	-693
North America	-1,191	-1,278
Latin America	151	151
Asia-Pacific, Middle East and Africa	-160	-176
Group common costs, etc.	12	9
Total change Group	-1,831	-1,987



Working capital and net assets

SEKM	Mar. 31, 2023	% ¹	Mar. 31, 2022	% ¹	Dec. 31, 2022	% ¹
Inventories	24,497	18.7	26,364	21.7	24,374	17.7
Trade receivables	22,435	17.2	21,691	17.9	21,487	15.6
Accounts payable	-36,019	-27.6	-39,288	-32.4	-38,357	-27.8
Operating working capital	10,913	8.4	8,767	7.2	7,504	5.4
Provisions	-8,802		-7,629		-8,693	
Prepaid and accrued income and expenses	-10,787		-11,730		-12,567	
Taxes and other assets and liabilities	443		-532		24	
Working capital	-8,233	-6.3	-11,124	-9.2	-13,731	-9.9
Property, plant and equipment, owned	29,547		26,441		29,876	
Property, plant and equipment, right-of-use	3,935		3,010		3,906	
Goodwill	6,931		6,995		7,081	
Other non-current assets	6,520		5,192		6,224	
Deferred tax assets and liabilities	7,354		5,154		6,940	
Net assets	46,054	35.2	35,668	29.4	40,297	29.2
Annualized net sales, calculated at end of period exchange rates	130,679		121,411		138,040	
Average net assets	43,175	33.0	31,435	26.1	36,684	27.2
Annualized net sales, calculated at average exchange rates	130,938		120,473		134,880	

¹ Of annualized net sales.

Net assets by business area

SEKM	Assets			Equity and liabilities			Net assets		
	Mar. 31, 2023	Mar. 31, 2022	Dec. 31, 2022	Mar. 31, 2023	Mar. 31, 2022	Dec. 31, 2022	Mar. 31, 2023	Mar. 31, 2022	Dec. 31, 2022
Europe	33,115	30,756	32,041	24,383	26,883	26,273	8,731	3,873	5,768
North America	30,290	30,555	30,229	17,379	18,287	18,375	12,911	12,268	11,854
Latin America	18,766	17,204	18,141	9,367	9,210	9,417	9,399	7,995	8,724
Asia-Pacific, Middle East and Africa	13,347	13,261	13,821	6,571	7,600	7,451	6,776	5,661	6,370
Other ¹	13,230	10,463	12,722	4,994	4,593	5,141	8,236	5,871	7,581
Total operating assets and liabilities	108,747	102,240	106,953	62,694	66,573	66,657	46,054	35,668	40,297
Liquid funds	11,878	8,192	17,800						
Long-term financial receivables	185	-	185						
Total borrowings				38,026	20,590	37,813			
Lease liabilities				4,313	3,303	4,264			
Pension assets and liabilities	1,909	2,509	2,164	1,735	2,039	1,919			
Dividend payable				-	2,558	-			
Total equity				15,952	17,879	16,449			
Total	122,719	112,942	127,102	122,719	112,942	127,102			

¹ Includes common functions and tax items.



Parent Company income statement

SEKM	Q1 2023	Q1 2022	Full year 2022
Net sales	10,193	10,633	42,063
Cost of goods sold	-9,473	-8,927	-37,873
Gross operating income	720	1,706	4,190
Selling expenses	-816	-817	-3,320
Administrative expenses	-622	-652	-2,470
Other operating expenses	-	-	-1,860
Operating income	-718	237	-3,460
Financial income	419	641	3,920
Financial expenses	-550	-75	-1,073
Financial items, net	-131	566	2,847
Income after financial items	-849	803	-613
Appropriations	47	7	-60
Income before taxes	-802	810	-673
Taxes	150	-52	437
Income for the period	-652	758	-236

Parent Company balance sheet

SEKM	Mar. 31, 2023	Mar. 31, 2022	Dec. 31, 2022
Assets			
Non-current assets	41,481	40,106	41,189
Current assets	35,767	26,358	36,019
Total assets	77,248	66,464	77,208
Equity and liabilities			
Restricted equity	6,964	6,236	6,813
Non-restricted equity	8,599	11,876	9,353
Total equity	15,563	18,112	16,166
Untaxed reserves	661	583	668
Provisions	2,101	1,450	1,926
Non-current liabilities	27,904	13,911	28,771
Current liabilities	31,019	32,408	29,677
Total equity and liabilities	77,248	66,464	77,208

Shares

Number of shares	A-shares	B-shares	Shares total	Shares held by Electrolux	Shares held by other shareholders
Number of shares as of January 1, 2023	8,192,348	274,885,045	283,077,393	13,049,115	270,028,278
Change during the year	-	-	-	-	-
Number of shares as of March 31, 2023	8,192,348	274,885,045	283,077,393	13,049,115	270,028,278
As % of total number of shares				4.6%	



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 2022, except for the adoption of standard amendments effective as of January 1, 2023. The amendments have not had any material impact on the financial statements. See section 'New or amended accounting standards to be applied after 2022 in the Annual Report 2022 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, freezers, dishwashers, washing machines, dryers, cookers, microwave ovens, 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, refrigeration and freezer appliances), Care (dish and laundry appliances) and Wellbeing (e.g. air conditioners, 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	Three months 2023	Three months 2022
Product areas		
Taste	20,403	19,035
Care	9,666	8,601
Wellbeing	2,665	2,482
Total	32,734	30,118

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

SEKM	Mar. 31, 2023		Mar. 31, 2022		Dec. 31, 2022	
	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount
Per category						
Financial assets at fair value through profit and loss	429	429	231	231	425	425
Financial assets measured at amortized cost	33,988	33,988	29,659	29,659	39,048	39,048
Derivatives, financial assets at fair value through profit and loss	211	211	54	54	60	60
Derivatives in hedge accounting	-	-	2	2	39	39
Total financial assets	34,628	34,628	29,946	29,946	39,572	39,572
Financial liabilities measured at amortized cost	72,150	72,973	59,189	59,438	74,123	75,472
Derivatives, financial liabilities at fair value through profit and loss	494	494	422	422	279	279
Derivatives in hedge accounting	58	58	27	27	299	299
Total financial liabilities	72,702	73,525	59,638	59,887	74,701	76,050

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. On March 31 the fair value for Level 1 financial assets was SEK 166m (163) 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. On March 31 the fair value of Level 2 financial assets was SEK 211m (56) and financial liabilities SEK 552m (449).

Level 3: Inputs for the assets or liabilities that are not entirely based on observable market data. On March 31 the fair value of Level 3 financial assets was SEK 263m (69) and financial liabilities SEK 0m (0).

Note 4 Pledged assets and contingent assets and liabilities

SEKM	Mar. 31, 2023	Mar. 31, 2022	Dec. 31, 2022
Group			
Pledged assets	-	-	-
Guarantees and other commitments	1,396	1,508	1,491
Parent Company			
Pledged assets	-	-	-
Guarantees and other commitments	1,123	1,002	1,097

Update on legal proceedings

Update regarding the French Competition Authority's investigation regarding possible violation of antitrust rules.

As previously disclosed in press releases and annual reports, the company became in 2013 the subject of an investigation by the French Competition Authority regarding possible violations of antitrust rules. The Authority has thereafter decided to conduct two separate investigations one of which was completed in December 2018. In February 2023, the Authority issued a Statement of Objections relating to the other investigation and Electrolux France is alleged to have breached the antitrust rules by conducting resale price maintenance in the home appliance sector between 2009 and 2014 and by exchanging with other parties competitively sensitive information relating small appliances in France between 2009 and 2014. Given the alleged infringements and the nature of this investigation, it cannot be ruled out that the outcome could have a material impact on the Group's financial result and cash flow. At this stage it is however not possible to evaluate the extent of such an impact.

For more information on this matter and other contingent liabilities, see Note 25 in the Annual Report 2022.

Note 5 Acquisitions and divestments

Acquisitions and divestments in 2023

There were no acquisitions or divestments completed in the first quarter of 2023.

Divestments in 2022

Electrolux decided to exit Russia and has divested the business to local management through a sale of its Russian subsidiary on September 9, 2022. A capital loss of SEK 350m was recorded as a non-recurring item affecting the operating income for Business Area Europe in the third quarter of 2022.

Acquisitions in 2022

There were no acquisitions completed during 2022.



Operations by business area yearly

SEKM	2018 ¹	2019	2020	2021	2022
Europe					
Net sales	43,321	45,420	46,038	49,384	46,573
Operating income	2,128	2,493	3,643	4,002	683
Margin, %	4.9	5.5	7.9	8.1	1.5
North America					
Net sales	39,804	38,954	38,219	40,468	47,021
Operating income	1,104	-516	1,215	688	-2,394
Margin, %	2.8	-1.3	3.2	1.7	-5.1
Latin America					
Net sales	17,963	19,653	16,915	19,958	24,303
Operating income	492	1,821	666	1,336	1,058
Margin, %	2.7	9.3	3.9	6.7	4.4
Asia-Pacific, Middle East and Africa					
Net sales	14,375	14,954	14,788	15,820	16,984
Operating income	979	446	1,038	1,511	1,308
Margin, %	6.8	3.0	7.0	9.6	7.7
Other					
Group common cost, etc.	-527	-1,055	-783	-737	-870
Total Group					
Net sales	115,463	118,981	115,960	125,631	134,880
Operating income	4,176	3,189	5,778	6,801	-215
Margin, %	3.6	2.7	5.0	5.4	-0.2
Non-recurring items in operating income²					
	2018 ³	2019 ⁴	2020	2021 ⁵	2022 ⁶
Europe	-747	-752	-	-	-774
North America	-596	-1,071	-	-727	241
Latin America	-	1,101	-	-	-80
Asia-Pacific, Middle East and Africa	-	-398	-	-	-66
Group common cost	-	-224	-	-	-367
Total Group	-1,343	-1,344	-	-727	-1,046

¹ 2017 has been restated due to IFRS 15. IFRS 16 was applied from 2019 without restatement of comparatives, see Annual Report 2018 for more information.

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 include SEK -829m related to the consolidation of North America 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.

⁶ Non-recurring items of SEK -1,046m in 2022 whereof SEK 656m refers to a settlement regarding the arbitration in a U.S. tariff case, SEK -350m to a loss from the exit from the Russian market, SEK -1,536m to restructuring charges across business areas and Group common cost for the Group-wide cost reduction and North America turnaround program, SEK 394m to the divestment of the office facility in Zürich, Switzerland, and SEK -210m to the termination of a U.S pension plan, transferred to a third party.



Five-year review

Total Group 2018 and Continuing operations 2018 (restated)-2022

SEKM unless otherwise stated	2018 ¹	Restated 2018 ²	2019 ³	2020	2021	2022
Net sales	124,129	115,463	118,981	115,960	125,631	134,880
Organic growth, %	1.3	1.2	-1.0	3.2	14.2	-2.8
Operating income	5,310	4,176	3,189	5,778	6,801	-215
Operating margin, %	4.3	3.6	2.7	5.0	5.4	-0.2
Income after financial items	4,887	3,754	2,456	5,096	6,255	-1,672
Income for the period	3,805	2,854	1,820	3,988	4,678	-1,320
Non-recurring items in operating income ⁴	-1,343	-1,343	-1,344	-	-727	-1,046
Capital expenditure, property, plant and equipment	-4,650	-4,506	-5,320	-4,325	-4,847	-5,649
Operating cash flow after investments	3,649	2,646	2,280	8,552	3,200	-6,118
Earnings per share, SEK ⁵	13.24	9.93	6.33	13.88	16.31	-4.81
Equity per share, SEK	75.67	-	78.55	65.10	65.74	60.92
Dividend per share, SEK	8.50	8.50	7.00	8.00	9.20	-
Capital-turnover rate, times/year	5.3	5.6	4.5	4.5	5.3	3.7
Return on net assets, %	22.7	20.2	12.0	22.6	28.5	-0.6
Return on equity, % ⁶	18.2	-	11.4	34.1	24.4	-7.0
Net debt	1,825	-	7,683	1,556	8,591	23,848
Net debt/EBITDA	-	0.2	0.8	0.2	0.7	3.8
Net debt/equity ratio	0.08	-	0.34	0.08	0.46	1.45
Average number of shares excluding shares owned by Electrolux, million	287.4	287.4	287.4	287.4	286.9	274.7
Average number of employees	54,419	51,253	48,652	47,543	51,590	50,769

¹ 2017 has been restated due to IFRS 15. IFRS 16 was applied from 2019 without restatement of comparatives, see Annual Report 2018 for more information.

² Excluding discontinued operations.

³ Equity in key ratio calculations include discontinued operations

⁴ For more information, see table on page 25 and Note 7 in the annual reports.

⁵ Basic.

⁶ 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 and reconciliations of alternative performance measures

This report includes financial measures as required by the financial reporting framework applicable to Electrolux, which is based on IFRS. In addition, Electrolux presents certain measures that are not defined under IFRS (alternative performance measures – "APMs"). These are used by management to assess the financial and operational performance of the Group. Management believes that these APMs provide useful information regarding the Group's financial and operating performance. Such measures may not be comparable to similar measures presented by other companies. Consequently, APMs have limitations as analytical tools and should not be considered in isolation or as a substitute for related financial measures prepared in accordance to IFRS. The APMs have been derived from the Group's internal reporting and are not audited. The APM reconciliations can be found on the Group's website www.electroluxgroup.com/ir/definitions

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 and reconciliations of alternative performance measures

(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.

EBITDA

Operating income excluding depreciation and amortization.

Operating income excluding non-recurring items

Operating income adjusted for non-recurring items.

Operating income excluding non-recurring items for the period.

Operating income adjusted for non-recurring items for the period.

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.

Net debt/EBITDA

Net debt at end of period in relation to 12-months rolling EBITDA, excluding non-recurring items.

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.

Earnings per share excluding non-recurring items

Net income excluding non-recurring items divided by average number of shares.

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

Operating income adjusted for depreciation, amortization and other non-cash items plus/minus change in operating assets and liabilities.

Operating cash flow after investments

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

Operating cash flow after structural changes

Operating cash flow adjusted for structural changes.

Cash flow excluding change in loans and short-term investments for the period

Cash flow adjusted for change in loans and short-term investments for the period.

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 first quarter results 2023.

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, April 28. Jonas Samuelson, President and CEO, Therese Friberg, CFO, and Anna Ohlsson-Leijon, CCO, will comment on the report.

To only listen to the telephone conference, use the link:

<https://edge.media-server.com/mmc/p/z6tdbuoz>

OR

To both listen to the telephone conference and ask questions, use the link:

<https://register.vevent.com/register/BI3b5735a6e6734367af19229c58b765d7>

Presentation material available for download
www.electroluxgroup.com/ir

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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 Group is a leading global appliance company that has shaped living for the better for more than 100 years. We reinvent lifetime 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 2022 Electrolux Group had sales of SEK 135 billion and employed 51,000 people around the world. For more information go to www.electroluxgroup.com