

Whirlpool Nordic A/S
Postbox 113, Oliefabriksvej 51, 2770 Kastrup
CVR No. 39 94 58 19

Annual report 2022

Approved at the annual general meeting of shareholders on 22.06.2023

As chairman



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Dimitri Maurice W. Storme

Statement by management on the annual report	1
Independent auditor's reports	2
Management's review	5
Company details	5
Financial statements	
Income statement	7
Balance sheet	8
Statement of changes in equity	10
Notes	
Accounting policies	11
Staff costs	13
Financial income	13
Financial expenses	13
Tax for the year	13
Share capital	14
Contingent liabilities and other financial obligations	14
Related parties	14

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Whirlpool Nordic A/S for the financial year 1 January – 31 December 2022.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, date: 22.06.2023

Executive Board:



Pasquale Russo

Board of Directors:

Dimitri Maurice W. Storme
Chairman

Alessandro Negri



Pasquale Russo

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Copenhagen, date: 22.06.2023

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Copenhagen, date 22.06.2023

Executive Board

Pasquale Russo

Board of Directors

Dirk W. Storme
Chairman



Alexandra Negri

Pasquale Russo

Independent auditor's report**To the shareholders of Whirlpool Nordic A/S****Opinion**

We have audited the financial statements of Whirlpool Nordic A/S for the financial year 1 January – 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

22/6-2023

Aarhus,
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28
Lone Nørgaard Eskildsen
State Authorised
Public Accountant
mne32085



Management's review

Company details

Address, Postal code, City Postbox 113, Oliefabriksvej 51,
2770 Kastrup

CVR No. 39 94 58 19

Financial Year 1 January - 31 December 2022

Phone +45 44 88 02 22

Supervisory board Dimitri Maurice W. Storme
Alessandro Negri
Pasquale Russo

Executive board Pasquale Russo

Auditors EY Godkendt
Revisionspartnerselskab
Værkmestergade 25
8000 Århus C, Denmark

Bankers CITIBANK EUROPE PLC

Management's review

The company's business review

Whirlpool Nordic A/S is a wholly-owned subsidiary of Whirlpool Europe B.V. incorporated in the Netherlands.

Whirlpool Nordic A/S is a management company administering the sales activities of the Whirlpool Group in Denmark. According to the commission agreement signed by the company, the bulk of its expenses are refunded.

The sales activities managed by the company include sales of white goods to wholesalers.

Whirlpool Corporation acquired Indesit Company SPA in 2015. Since then Whirlpool Nordic A/S has also been administering the sales activities of Indesit products in Denmark.

Financial Review

In 2022 the company revenue came in at DKK 4 081 212 against DKK 4 349 477 last year.

The profit before tax was DKK 180 416 against DKK 186 783 last year.

The balance sheet of December 31st 2022 shows total equity of DKK 18 682 151.

Post balance sheet events

On January 16, 2023, Whirlpool entered into a contribution agreement with Arçelik B.V. ("Arçelik") to carve out and contribute our major domestic appliance European business operations into a newly formed European appliance company which constitutes a combination of Arçelik's and Whirlpool's European businesses. Whirlpool will own approximately 25% and Arçelik will own approximately 75% of the European appliance company. Separately, Whirlpool agreed in principle to the sale of Whirlpool's Middle East and Africa business to Arçelik. These transactions are collectively referred to as European major domestic appliance business. The sale includes the Company's major domestic appliance business in EMEA, including nine production sites. The transaction is subject to customary conditions at closing and expected to be completed in the second half of 2023.

European major domestic appliance business is reported within our EMEA reportable segment and met the criteria for held for sale accounting during the fourth quarter of 2022. The operations of the European disposal group did not meet the criteria to be presented as discontinued operations. Upon closing, the transaction will result in the deconsolidation of the European major appliances business. In connection with the sale, we recorded a loss on disposal of \$1,521 million in the fourth quarter of 2022. The loss includes a write-down of the net assets of \$1,151 million of the disposal group to a fair value of \$139 million and also includes \$393 million of cumulative currency translation adjustments, \$98 million release of other comprehensive loss on pension and \$18 million of other transaction related costs. No goodwill is included in the disposal group. For additional information see Note 11 to the Consolidated Financial Statements (https://www.whirlpoolcorp.com/2022Annual/Whirlpool_2022_AR.pdf).

Outlook

As from mid-year 2022, Q1 2023 experienced a steady reduction in sales, driven by lower market demand and high competition. Furthermore, as published also on the company's website, the Whirlpool EMEA business will enter into a Joint venture with Arçelik global from Q4 2023.

2022 was a challenging year and the result was poor in terms of volumes delivered (330k pcs). This was driven by increase in raw material costs (Ukraine war and geopolitical tensions). Price increases were applied across all the customers in order to offset this impact.

The main concern for the future thus refers to product availability and also inflation on raw materials that the Company is proactively trying to offset with cross-functional dedicated initiatives.

Income statement for the year ended 31 December 2022

		<u>2022</u> DKK	<u>2021</u> DKK
Revenue		4,081,212	4,349,477
Other external costs		<u>1,528,090</u>	<u>1,123,412</u>
Gross profit		<u>2,553,122</u>	<u>3,226,065</u>
Staff costs	2	<u>2,345,403</u>	<u>3,070,750</u>
Operating Profit		207,719	155,315
Financial income	3	2,532	46,929
Financial expenses	4	<u>29,835</u>	<u>15,461</u>
Profit/ loss before tax		180,416	186,783
Tax for the year	5	<u>52,868</u>	<u>59,367</u>
Profit/ loss for the year		<u>127,548</u>	<u>127,416</u>
Proposed profit appropriation		<u>127,548</u>	<u>127,416</u>
Retained earnings		<u>127,548</u>	<u>127,416</u>

Balance sheet at 31 December 2022

	<u>2022</u>	<u>2021</u>
	DKK	DKK
Current assets		
Receivables		
Trade receivables	0	0
Receivables from group entities	19,874,812	19,764,902
Deferred tax assets	6,587	8,783
Other receivables	142,183	75,424
Prepayments	0	9,955
	<u>20,023,582</u>	<u>19,859,065</u>
Total current assets	<u>20,023,582</u>	<u>19,859,065</u>
TOTAL ASSETS	<u>20,023,582</u>	<u>19,859,065</u>

Balance sheet at 31 December 2022

		<u>2022</u> DKK	<u>2021</u> DKK
EQUITY AND LIABILITIES			
Equity			
Share capital	6	13,001,000	13,001,000
Retained earnings/Accumulated loss		<u>5,681,151</u>	<u>5,553,603</u>
Total equity		<u>18,682,151</u>	<u>18,554,603</u>
Liabilities other than provisions			
Current liabilities other than provisions			
Trade payables		469,710	191,892
Income taxes payables		50,537	54,200
Other payables		<u>821,184</u>	<u>1,058,370</u>
		<u>1,341,431</u>	<u>1,304,462</u>
Total liabilities other than provisions		<u>1,341,431</u>	<u>1,304,462</u>
TOTAL EQUITY AND LIABILITIES		<u>20,023,582</u>	<u>19,859,065</u>
Accounting policies	1		
Contractual obligations and contingencies, etc.	7		
Related parties	8		

Notes

1. Accounting policies

The annual report of Whirlpool Nordic A/S has been presented in accordance with the provisions of the Danish Financial Statements Act as regards reporting class B enterprises and elective choice of certain provisions applying to reporting class C entities.

The accounting policies applied by the company are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Leases

All leases are considered operating leases. Payments relating to operating leases and any other leases are recognized in the income statement over the term of the lease. The Company's total liabilities related to operating leases and other leases are disclosed under contingencies etc.

INCOME STATEMENT

Revenue

Income is composed of commission earnings and cost refund with a mark-up.

Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to sale, advertising, administration, premises, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that concern the financial year. The items comprise interest income and expenses, e.g. from group entities and associates, realised and unrealised capital gains and losses relating to exchange gains and losses and allowances under the advance-payment-of-tax-scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/ loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Notes

BALANCE SHEET

Prepayments

Prepayments recognised under 'Assets' comprise prepaid expenses regarding subsequent financial reporting years.

Income tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is recognised using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/ loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured at the enacted tax rates applicable at the expected time of its utilization. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Receivables from Group entities

Receivables from group entities are measured at amortised cost, usually equalling nominal value less write-downs for bad or doubtful debts.

Payables

Payables are measured at net realisable value.

Notes

2. Staff Costs

	<u>2022</u> DKK	<u>2021</u> DKK
Wages/salaries	2,107,774	2,827,773
Pensions	187,630	200,130
Other social security costs	32,188	21,277
Other staff costs	17,811	21,569
	<u>2,345,403</u>	<u>3,070,749</u>

	<u>2022</u>	<u>2021</u>
Average number of full-time employees	4	5

3. Financial income

Interest income, other entities	87	0
Interest income, group entities	0	46,664
Exchange gains	2,445	265
	<u>2,532</u>	<u>46,928</u>

4. Financial expenses

Interest expenses, group entities	21,089	0
Other interest expenses	421	5,867
Exchange losses	2,920	4,517
Other financial expenses	5,405	5,078
	<u>29,835</u>	<u>15,462</u>

5. Tax for the year

Tax under / (over) provided in previous years	0	0
Estimated tax charge for the year	50,672	56,439
Deferred tax adjustments in the year	2,196	2,928
	<u>52,868</u>	<u>59,367</u>

Notes

6. Share Capital

	<u>2022</u> DKK	<u>2021</u> DKK
The share capital consists of the following:		
1 share(s) of DKK 5,000,000 each	5,000,000	5,000,000
1 share(s) of DKK 8,000,000 each	8,000,000	8,000,000
1 share(s) of DKK 1,000 each	<u>1,000</u>	<u>1,000</u>
	<u>13,001,000</u>	<u>13,001,000</u>

The company's share capital has remained DKK 13,001,000 over the past 6 years.

7. Contractual obligations and contingencies, etc.

Other financial obligations

Lease commitments	<u>568,546</u>	<u>753,276</u>
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The company has commitments on non-cancellable operating leases for cars (568 546 DKK)

8. Related parties

Whirlpool Nordic A/S' related parties comprise the following:

Information about consolidated financial statements

Parent

Whirlpool Corporation

Domicile

2000 N. M-63, Benton Harbor, MI 49022-2692, USA

Requisitioning of the parent's consolidated financial

The Consolidated financial statements of the company