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## REPORT ON THE FIRST QUARTER 2020

- Net sales for the quarter were SEK 4,199 m (4,650); a decrease of -10%, of which -14% was organic growth.
  - Operating profit before depreciation and amortization (EBITDA) for the quarter was SEK 597 m (818), representing a margin of 14.2% (17.6%).
  - Operating profit (EBIT) before items affecting comparability for the quarter was SEK 421 m (618), representing a margin of 10.0% (13.3%).
  - Items affecting comparability for the quarter were SEK -32 m (-), of which SEK -23 m related to restructuring costs in the quarter from the global restructuring program.
  - Operating profit (EBIT) for the quarter was SEK 389 m (618), representing a margin of 9.3% (13.3%).
  - Cash flow for the quarter was SEK -112 m (1,233). Operating cash flow was SEK 181 m (84).
  - Profit for the quarter was SEK 204 m (344).
  - Earnings per share for the quarter were SEK 0.69 (1.16).
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### CEO COMMENT

“During the first quarter of 2020, the world faced an extreme and unparalleled situation with the spread of the corona pandemic (Covid-19). We have yet to discover the full impact on society and our businesses, but what we do know is that now is the time to act responsibly, decisively and collaboratively. We acted quickly as soon as we became aware of the Covid-19 outbreak in China at the beginning of the year. We have taken robust action to adjust our operations in factories and offices around the world to adapt to the current situation. We are reducing our cost base, adjusting the entire business and have implemented layoffs, furloughs and temporary work reductions across the organization.

The first quarter was negatively affected by the rapid changes in the trading environment. We were able to effectively manage supply chain disruptions in China, but the close-down of entire markets in Europe and in the US in March had a negative impact on demand. Total growth for the quarter was -10 percent and estimated net sales impact due to Covid-19 was around SEK -400 million. The operating margin before items affecting comparability was 10.0 percent, despite an impact due to Covid-19 of around SEK -120 million and a tariff impact of SEK -77 million.

During the first quarter, we continued to deliver on our strategy. The innovation index continues to improve and reached 18 percent, compared with 14 percent the same quarter last year. We introduced a new generation of mobile coolers, the CFX3, and we also presented our first range of residential products with the Dometic Mobar patio cooler for beverages. We are continuing to implement activities under our global restructuring program. So far, 14 locations and around 500 employees have been affected. Implementing this program remains a priority and we intend to accelerate the execution going forward.

Due to the current uncertainties, we proactively negotiated an amended financing agreement with our bank group. According to our current assessment, this amended financing agreement creates the necessary flexibility and covenant headroom for the coming four quarters. We have full focus on ensuring continued positive cash flow and maintaining a solid financial position.

At the moment it is difficult to predict how the situation will develop over the coming months. Considering the close-down of main markets in April to reduce the spread of Covid-19, and the difficulties to assess when the markets will open up and how demand will be affected, we expect that sales and profitability will be significantly affected in the second quarter of 2020.”

*Juan Vargues President and CEO*

### PRESENTATION OF THE REPORT

Analysts and media are invited to participate in a telephone conference at 10.00 (CEST) April 24, 2020, during which President and CEO, Juan Vargues, and CFO, Stefan Fristedt, will present the report and answer questions.

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Webcast URL and presentation are available at [www.dometic.com](http://www.dometic.com).

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### FOR FURTHER INFORMATION, PLEASE CONTACT

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### ABOUT DOMETIC

Dometic is a global market leader in branded solutions for mobile living in the areas of Food & Beverage, Climate, Power & Control and Other Applications. Dometic operates in the Americas, EMEA and Asia Pacific, providing products for use in recreational vehicles, pleasure and workboats, trucks and premium cars and for a variety of other uses. Our motivation is to create smart and reliable products with outstanding design. We sell our products in approximately 100 countries and we have a global distribution and dealer network in place to serve the aftermarket. Dometic employs approximately 7,200 people worldwide, had net sales of approximately SEK 18.5 billion in 2019 and is headquartered in Stockholm, Sweden.