

REPORT ON THE FOURTH QUARTER 2020

STRONG GROWTH AND SIGNIFICANT MARGIN IMPROVEMENT

FOURTH QUARTER 2020

- Net sales were SEK 4,213 m (3,919); an increase of 8%. Organic growth was 15%.
- Operating profit before depreciation and amortization (EBITDA) improved to SEK 701 m (445), representing a margin of 16.6% (11.4%).
- Operating profit (EBIT) before items affecting comparability improved to SEK 466 m (298), representing a margin of 11.1% (7.6%).
- Items affecting comparability were SEK 48 m (-60), of which SEK 66 m related to a gain from a sale of fixed assets.
- Operating profit (EBIT) more than doubled to SEK 514 m (238), representing a margin of 12.2% (6.1%).
- Cash flow was SEK 1,017 m (679). Operating cash flow was SEK 724 m (918).
- Profit (loss) was SEK -160 m (47) negatively impacted by a tax provision for an ongoing tax dispute. Excluding this provision, profit was SEK 258 m.
- Earnings per share were SEK -0.54 (0.16). Excluding the tax provision, EPS was 0.87.
- The Board of Directors proposes a dividend of SEK 2.30 (-) per share for 2020.

CEO COMMENT

"The substantial market recovery that started in the third quarter continued into the fourth quarter. We delivered a strong performance in the quarter with an organic net sales growth of 15 percent, significantly improved profitability and a solid cash flow. All regions showed organic net sales growth and improved profitability.

Customer demand remained high and we are pleased to enter 2021 with a substantially higher order backlog than a year ago. Capacity has been added to our supply chain and our supply performance has considerably improved in the quarter. However, access to key components and freight capacity remains challenging for many industries.

The EBIT margin before items affecting comparability showed a strong improvement to 11.1 (7.6) percent in the quarter despite negative currency effects and increased freight costs. The improvement was supported by strategic initiatives to increase growth in the Aftermarket business, invest in innovation and to reduce costs in several different areas of the company. Aftermarket organic net sales grew by 22 percent. Costs for tariffs impacted the quarter by SEK -37 (-81) million. Taxes for the quarter were SEK -525 (-30) million impacted by a tax provision for an ongoing foreign tax dispute related to previous years.

The Innovation Index continues to improve and reached 22 percent compared to 16 percent a year ago. Our pipeline of new products guarantees a continuous increase.

Acquisitive growth is a key strategic priority for Dometic and on February 2, 2021, we announced the agreement to acquire Twin Eagles, a leading US manufacturer of grills and outdoor kitchen solutions for the fast-growing residential outdoor market. The transaction is expected to close during the first quarter of 2021.

The global restructuring program announced in 2019 is progressing well. We are committed to our cost reduction target of SEK 400 m, however, current COVID-19 related travel restrictions combined with strong market demand are factors that are slowing the pace of some of our ongoing projects.

2020 was a challenging year, impacted by the COVID-19 pandemic. We are very grateful for the major efforts made by the entire organization to keep operations going despite the changed circumstances the pandemic brought with it. We successfully balanced significant short-term fluctuations in demand and COVID-19-related disruptions in our factories with long-term investments and structural improvements. Despite the unprecedented challenges, we delivered a solid EBIT margin before items affecting comparability of 12.0 percent (13.2) for the full year and our leverage ratio improved to 2.0x (2.4x) at the end of the year.

While the COVID-19 pandemic continues to impact us, albeit at a lesser level, and creates uncertainty, we remain positive regarding the outlook for the coming quarters. We are optimistic about the long-term trends in the Mobile Living industry and see good opportunities for acquisitive growth. We will continue to deliver on our strategic direction and remain fully committed to delivering on our financial targets."

Juan Vargues President and CEO

PRESENTATION OF THE REPORT

Analysts and media are invited to participate in a telephone conference at 10.00 (CET) February 3, 2021, during which President and CEO, Juan Vargues, and CFO, Stefan Fristedt, will present the report and answer questions.

Sweden: +46 8 566 426 95 UK: +44 333 300 92 72 US: +1 646 722 49 56

Webcast URL and presentation are available at www.dometic.com.

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 6,500 people worldwide, had net sales of approximately SEK 16.2 billion in 2020 and is headquartered in Stockholm, Sweden.

This information is information that Dometic Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08:00 CET on February 3, 2021.

FOR FURTHER INFORMATION, PLEASE CONTACT

Rikard Tunedal, Head of Investor Relations

Phone: +46 730 56 97 35, Email: ir@dometicgroup.com

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 6,500 people worldwide, had net sales of approximately SEK 16.2 billion in 2020 and is headquartered in Stockholm, Sweden.