

INTERIM PRESENTATION

Q2 2021

July 16, 2021





JUAN VARGUES

PRESIDENT & CEO

Q2 2021 HIGHLIGHTS

Market development

- Market demand remains strong across all segments
- Record high backlog for the period
- Critical components and freight capacity remain challenging
- Retail inventory levels are low, restocking period likely to be extended

Performance

- All time high sales and profit
- Organic sales growth 66%, compared to a weak Q2 2020
- High M&A activity – six acquisitions announced in 2021
- EBIT margin 17.2% (10.9%)
- Innovation index reaching 24% (18%)
- Continued focus on cost reductions



Q2 2021 FINANCIAL SUMMARY

Net sales of SEK 5,571 m, +67% total growth

- +66% organic
- -7% FX
- +8% M&A

EBIT before i.a.c. of SEK 955 m (361)

- EBIT margin of 17.2% (10.9%)

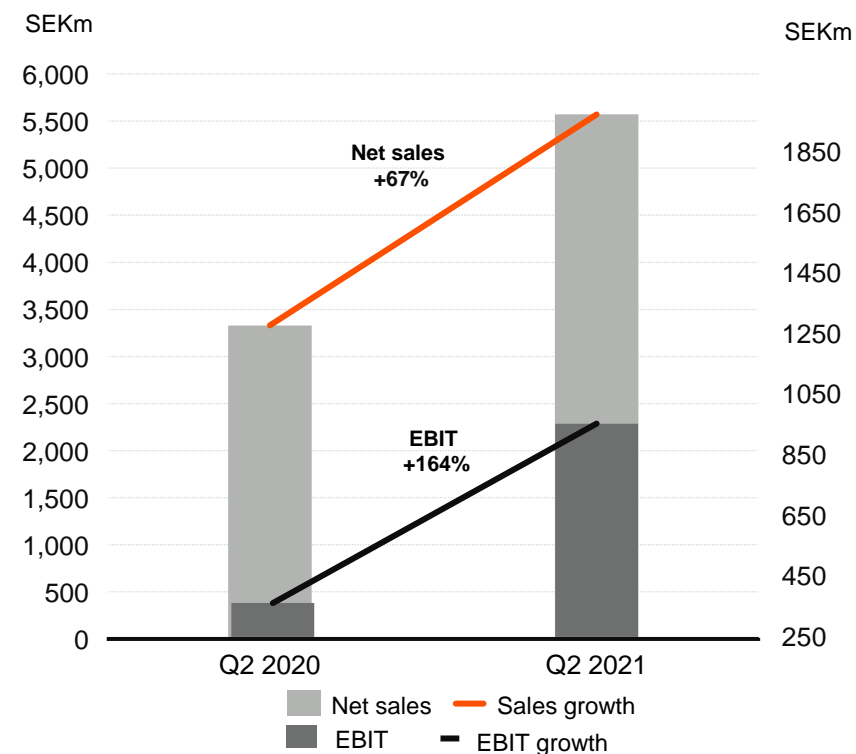
EBITA before i.a.c. of SEK 1,036 m (437)

- EBITA margin of 18.6% (13.1%)

Operating cash flow of SEK 875 m (311)

Leverage 1.4x (3.1x)

EPS of SEK 1.85 (0.42)



YTD JUNE 2021 FINANCIAL SUMMARY

Net sales of SEK 10,428 m, +39% total growth

- +41% organic
- -7% FX
- +4% M&A

EBIT before i.a.c. of SEK 1,686 m (783)

- EBIT margin of 16.2% (10.4%)

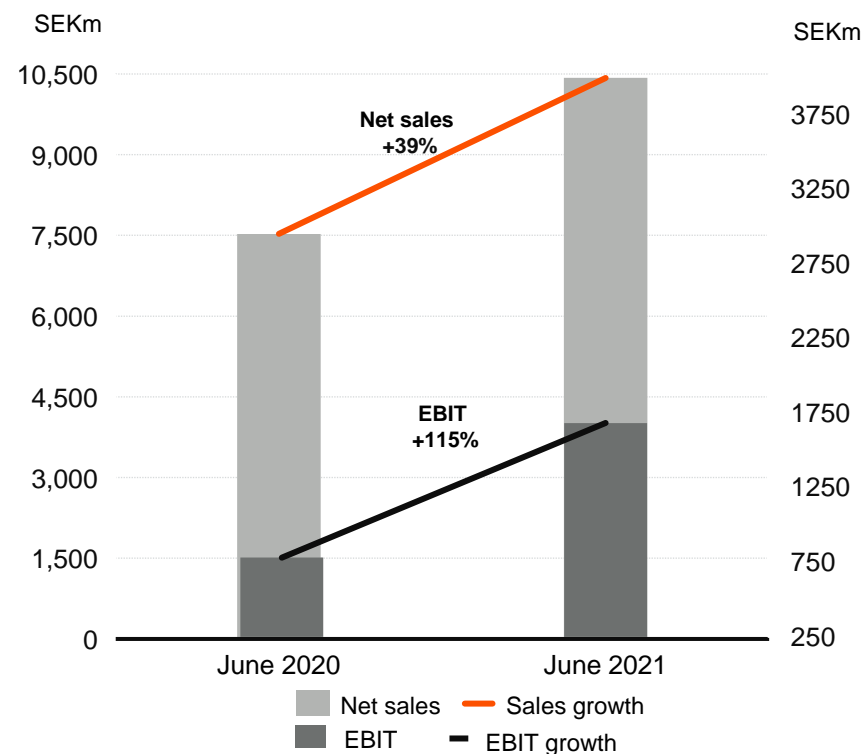
EBITA before i.a.c. of SEK 1,837 m (936)

- EBITA margin of 17.6% (12.4%)

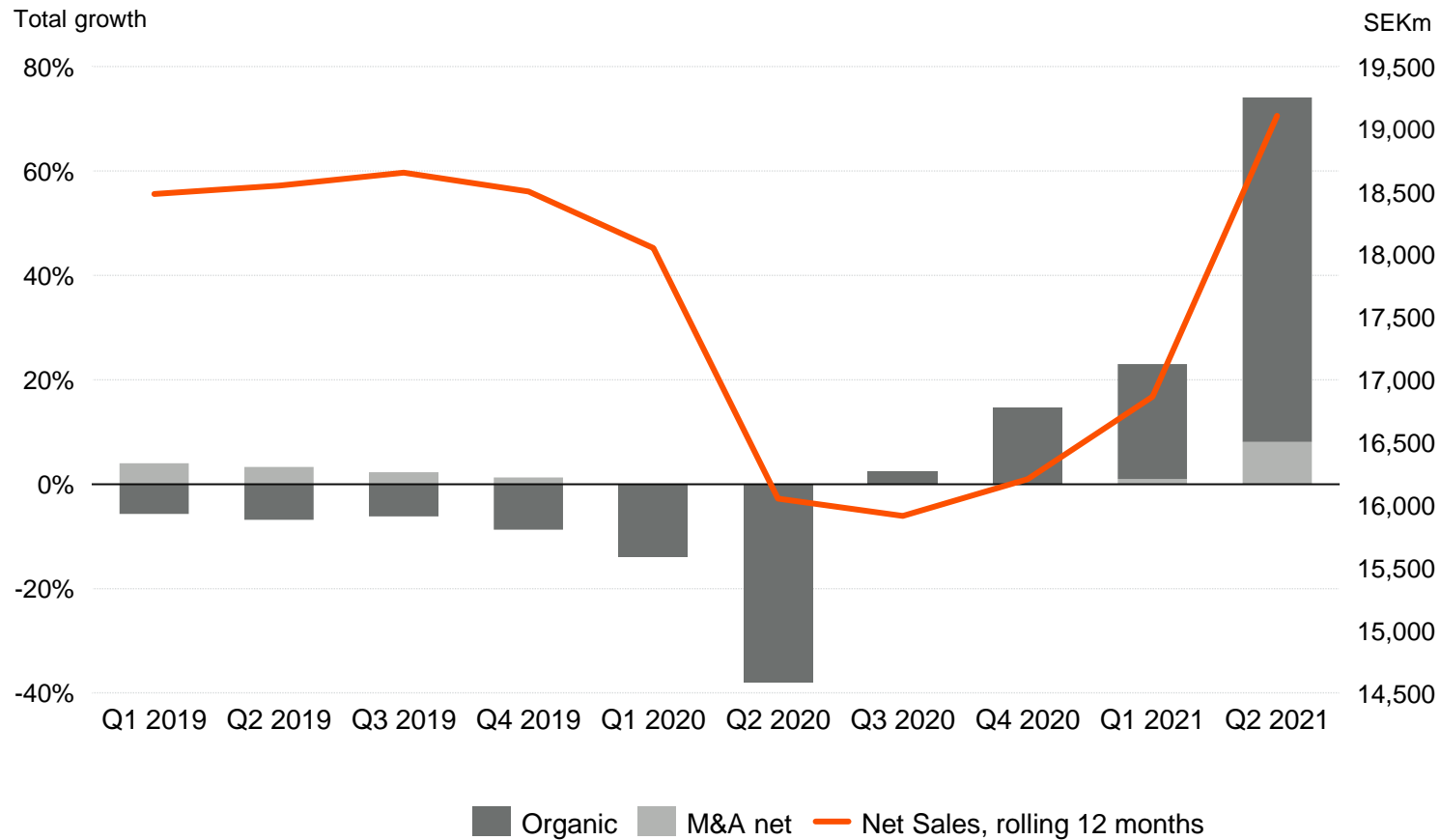
Operating cash flow of SEK 857 m (491)

Leverage 1.4x (3.1x)

EPS of SEK 3.50 (1.12)



SALES GROWTH Q2 2021



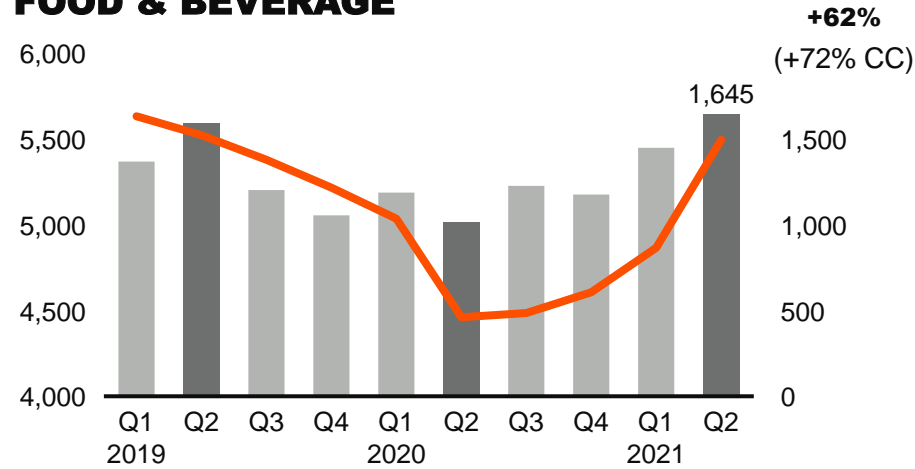
Q2 2021

SEK 5,571 m, +66% organic growth

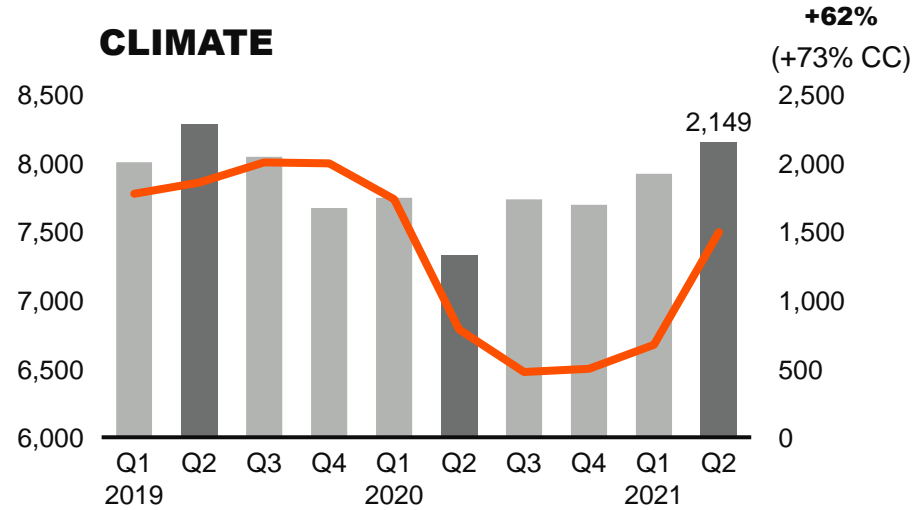
- Americas +66%
- EMEA +63%
- APAC +65%
- Global +70%

APPLICATION AREAS

FOOD & BEVERAGE



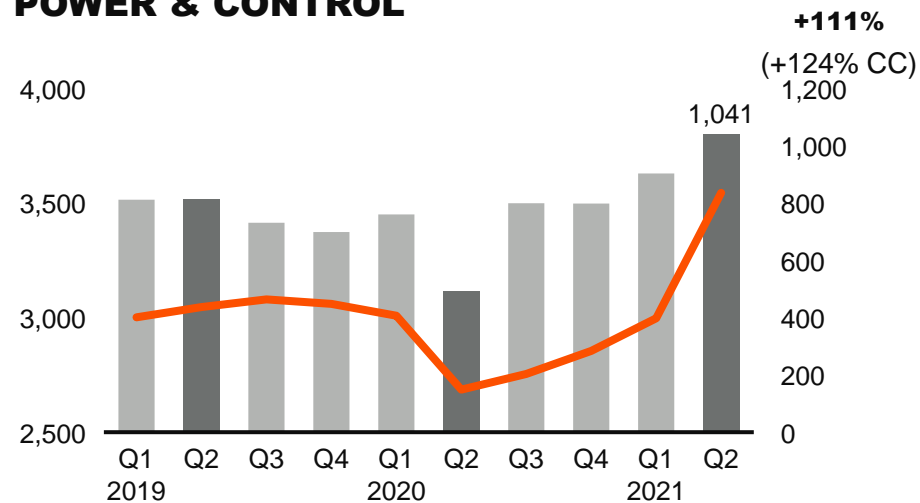
CLIMATE



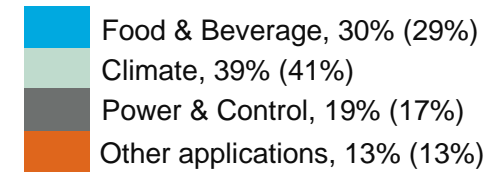
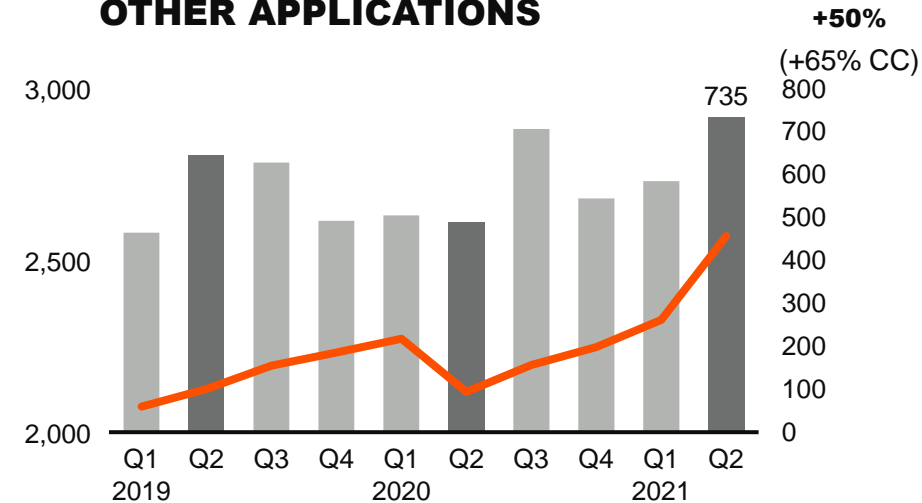
SALES SPLIT, APPLICATION AREA*



POWER & CONTROL



OTHER APPLICATIONS

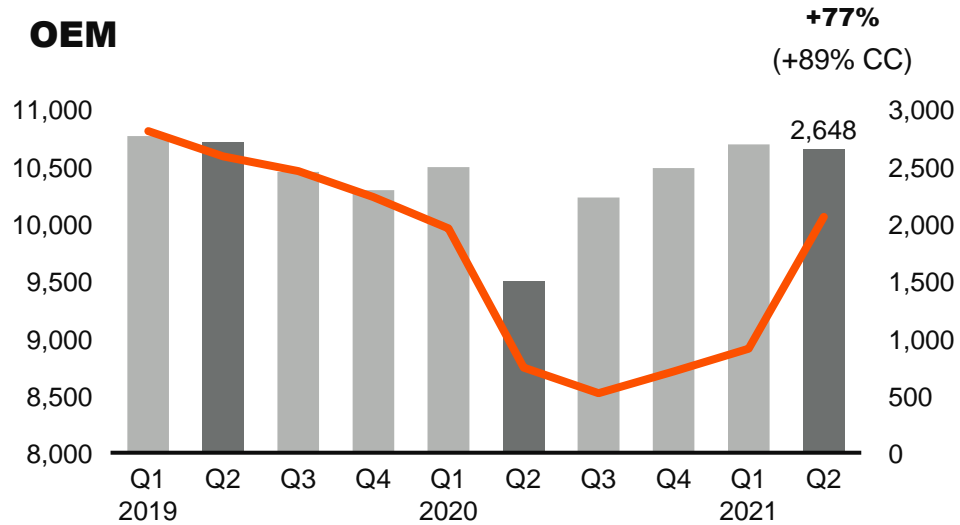


*YTD June, 2021 split

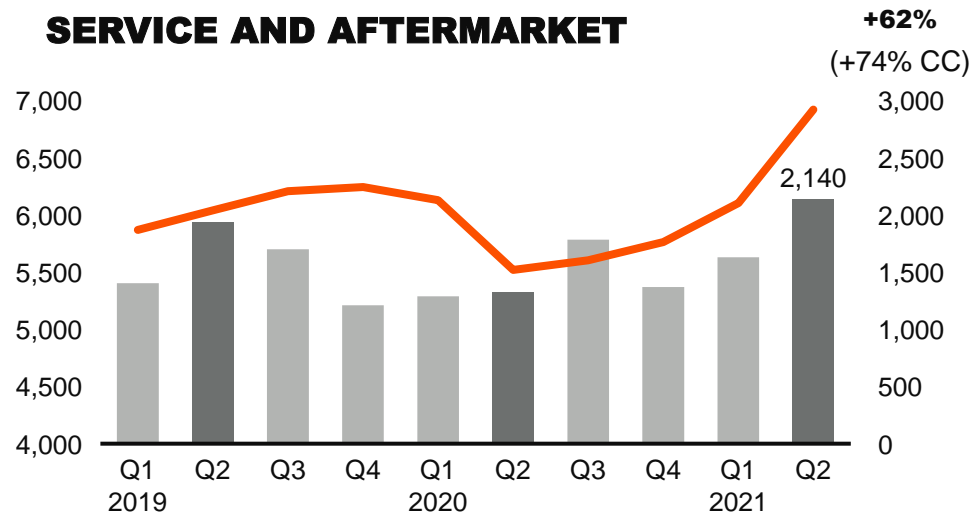
Actual currency rolling 12 months Actual currency Quarter

SALES CHANNELS

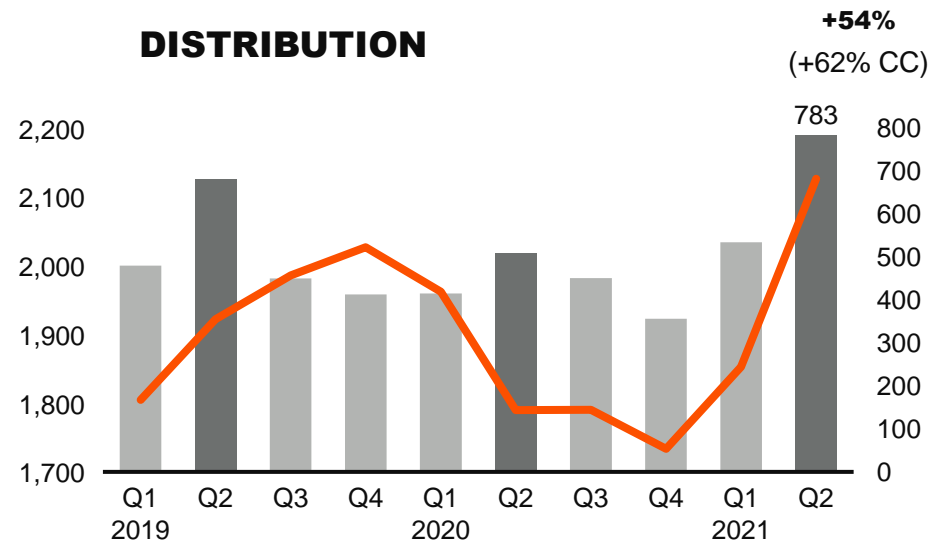
OEM



SERVICE AND AFTERMARKET



DISTRIBUTION



SALES SPLIT, SALES CHANNEL *



- OEM, 51% (53%)
- SAM, 36% (35%)
- DIST, 13% (12%)

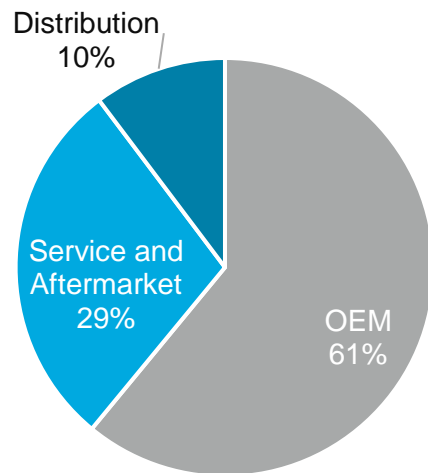
*YTD June, 2021 split

— Actual currency rolling 12 months ■ Actual currency Quarter

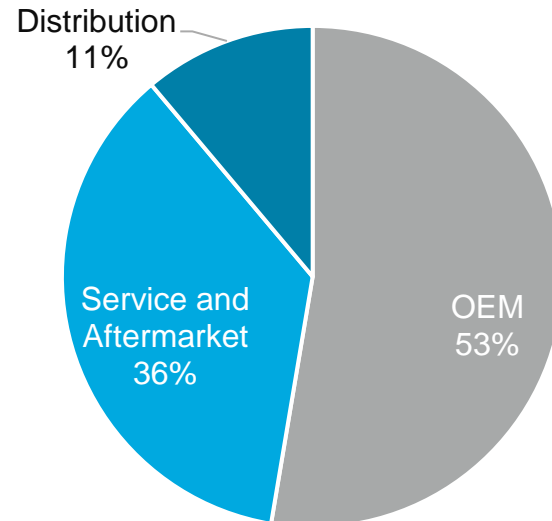
SALES CHANNEL DEVELOPMENT

DISTRIBUTION + SERVICE AND AFTERMARKET FROM 39% TO 47% IN THREE YEARS

2018 Q2 rolling 12 months
Total sales SEK 16.4 b



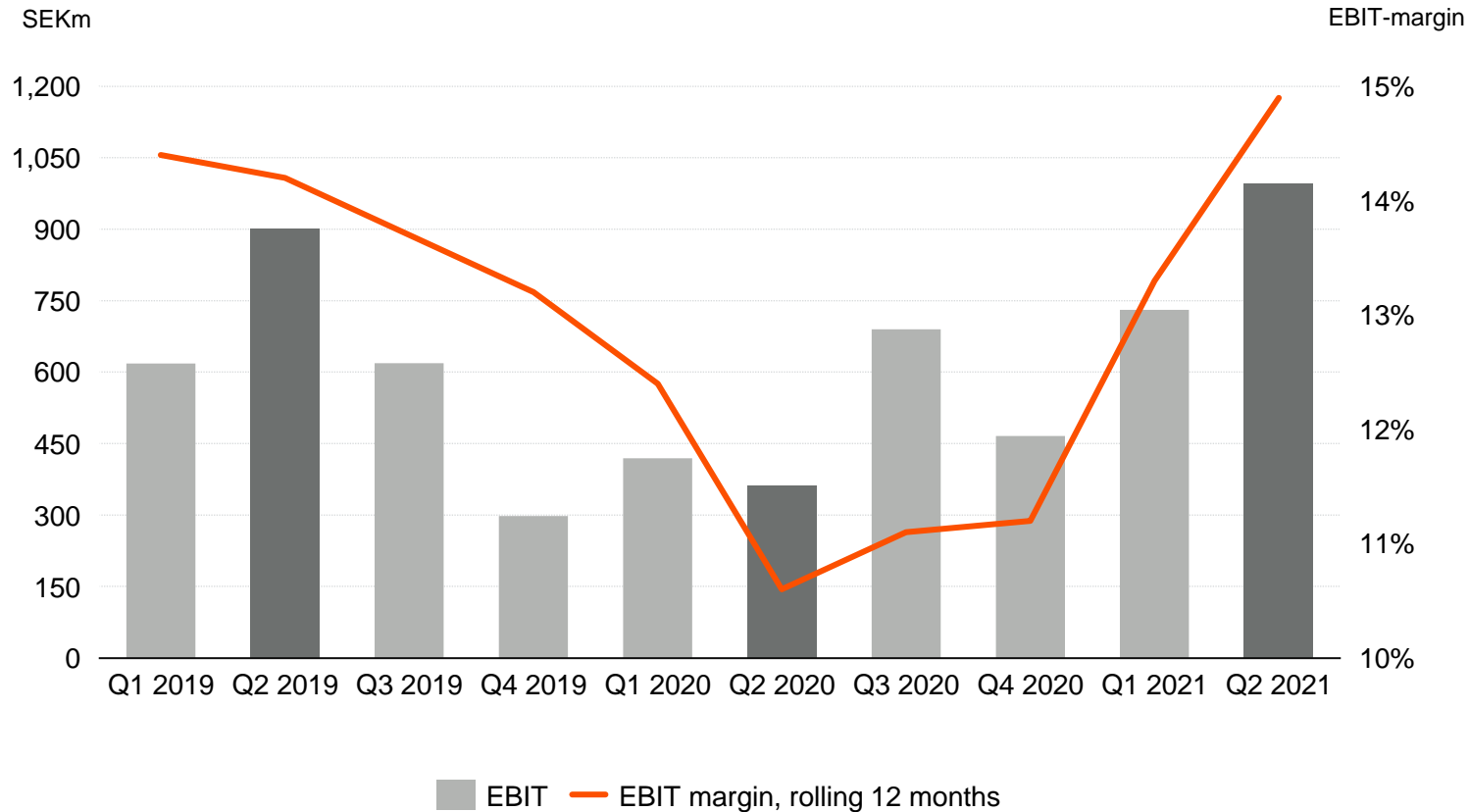
2021 Q2 rolling 12 months
Total sales SEK 19.1 b



- In line with strategy of having >50% of sales outside OEM
 - Drives margin expansion
 - Reduces sales volatility
- M&A agenda supports further increase

EBIT AND EBIT MARGIN BEFORE I.A.C

EBIT Run rate 14.9% (10.6%)



Q2 2021

EBIT margin 17.2% (10.9%)

- + Sales growth
- + Price management
- + Less negative impact from US trade tariffs
- + Cost saving activities
- Supply constraints
- Raw material prices and freight costs
- Negative FX evolution

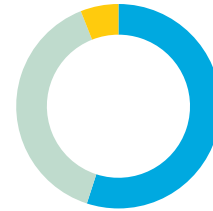
AMERICAS Q2

Net sales of SEK 1,438 m, +66% organic

- Growth in all application areas
- Strong performance in OEM in all verticals
- Continued strong growth in Distribution and Service & Aftermarket
- Valterra and Zamp Solar acquisitions completed

EBIT before i.a.c. of SEK 105 m (-12)

- EBIT Margin of 7.3% (-1.4%)
 - + Sales growth and sales channel mix
 - + Lower US trade tariffs
 - + Price management
 - + Efficiency improvements
 - Supply chain constraints
 - Raw material prices and freight costs
 - FX effects

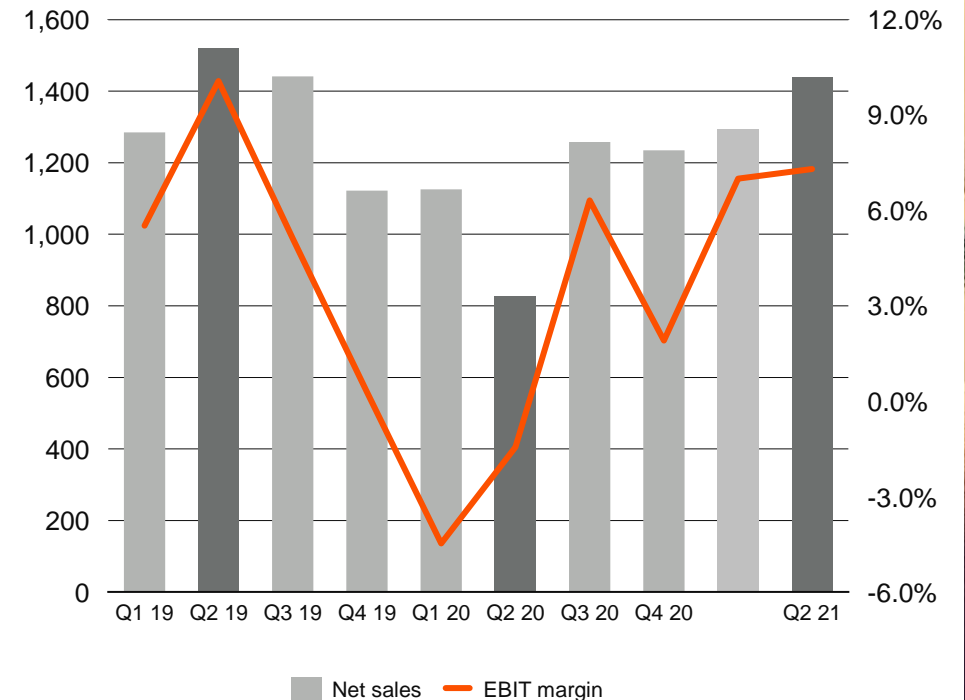


- OEM, 55%
- SAM, 39%
- Dist, 6%



- Americas, 26%
- Rest of Group, 74%

NET SALES AND EBIT MARGIN BEFORE I.A.C.



EMEA Q2

Net sales of SEK 2,050 m, +63% organic

- Growth in all application areas
- Strong performance in OEM in all verticals
- Continued strong growth in Distribution and Service & Aftermarket
- Acquisitions of Front Runner and Büttner announced

EBIT before i.a.c. of SEK 343 m (166)

- EBIT Margin of 16.7% (12.9%)
 - + Sales growth
 - + Efficiency improvements
 - + Price management
 - Supply chain constraints
 - Raw material prices and freight costs
 - Sales channel mix
 - FX effects and M&A transaction costs

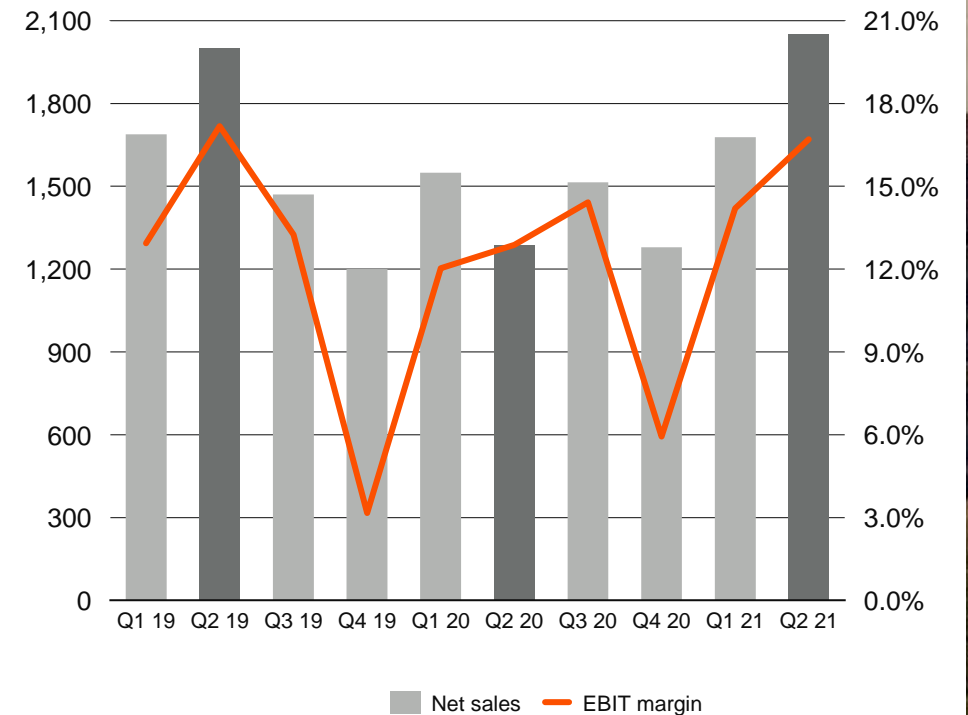


OEM, 42%
SAM, 39%
Dist, 19%



EMEA, 37%
Rest of Group, 63%

NET SALES AND EBIT MARGIN BEFORE I.A.C.



APAC Q2

Net sales of SEK 466 m, +65% organic

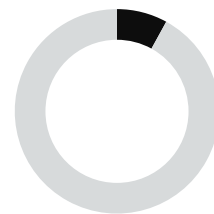
- Growth in all application areas
- All sales channels showing strong growth
- All time high backlog
- Enerdrive acquisition completed in the quarter

EBIT before i.a.c. of SEK 138 m (37)

- EBIT Margin of 29.5% (13.7%)
 - + Sales growth
 - + Efficiency improvements
 - + Price management
 - + Regional sales mix
 - + Gain from sale of certain assets
 - Supply chain constraints
 - Raw material prices and freight costs
 - M&A transaction costs

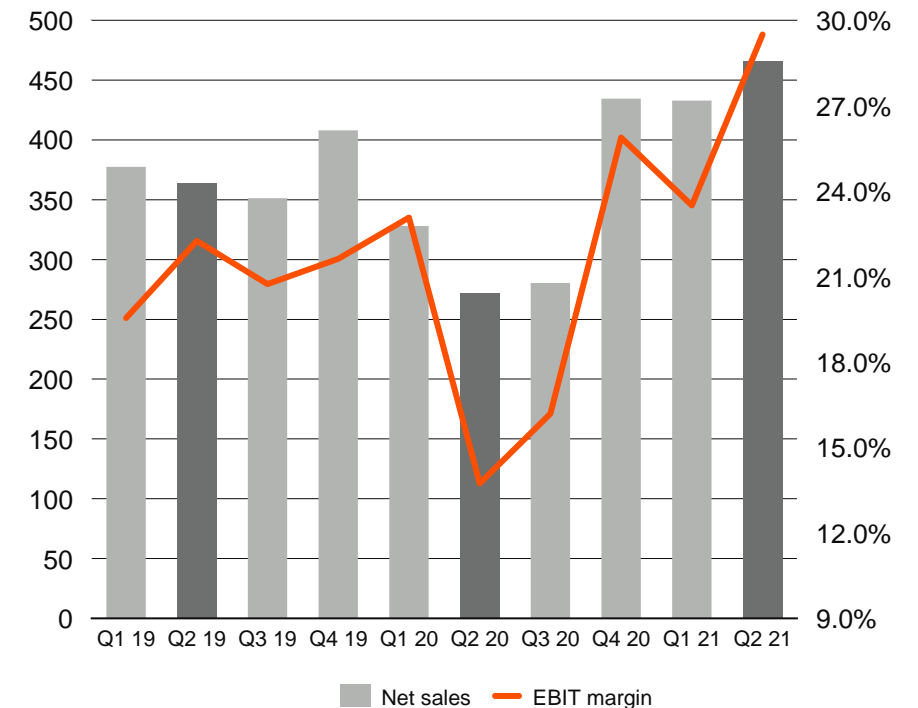


- OEM, 52%
- SAM, 21%
- Dist, 27%



- APAC, 8%
- Rest of Group, 92%

NET SALES AND EBIT MARGIN BEFORE I.A.C.



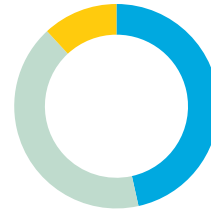
GLOBAL Q2

Net sales of SEK 1,616 m, +70% organic

- Growth in all application areas
- Marine backlog all time high
- Hospitality turning back to growth
- Strong demand for the Dometic Residential offering
- Mobile Deliveries – field tests ongoing

EBIT before i.a.c. of SEK 370 m (171)

- EBIT Margin of 22.9% (18.2%)
 - + Sales growth
 - + Efficiency improvements
 - + Price management
 - Supply chain constraints
 - Raw material prices and freight costs
 - Sales mix

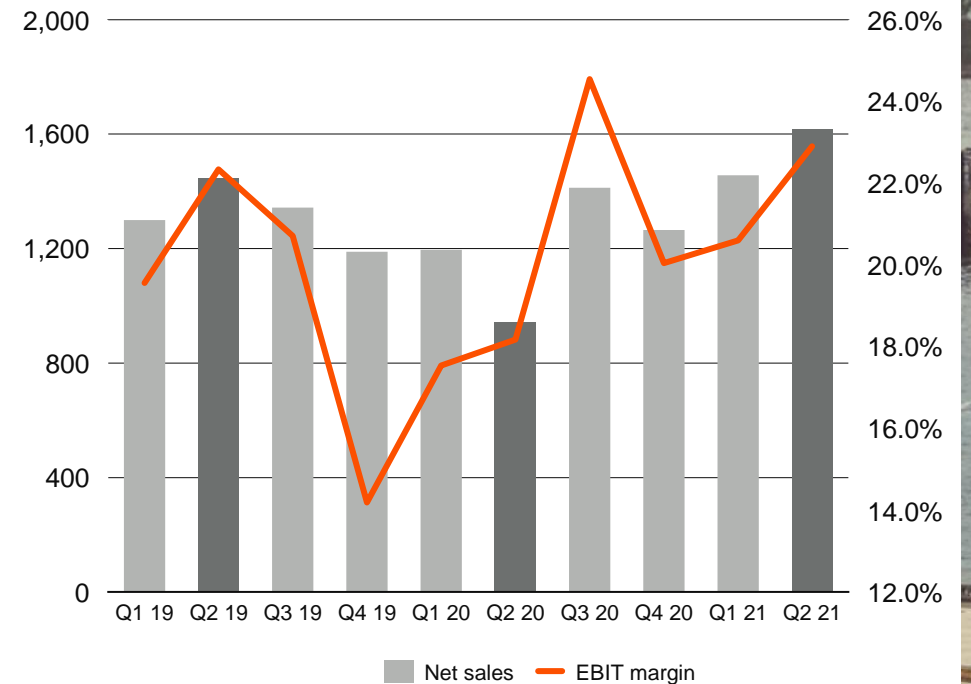


- OEM, 47%
- SAM, 42%
- Dist, 12%



- GLOBAL, 29%
- Rest of Group, 71%

NET SALES AND EBIT MARGIN BEFORE I.A.C.



2021 STRATEGY EXECUTION

1 Profitable expansion

- Strong growth in Distribution and Service and Aftermarket, LTM sales share 47% (39% in LTM Q2 2018)
- Six acquisitions year to date
- Rapid growth in B2C

2 Product leadership

- Innovation Index 24% (18%)
- Several new products launched
- Strong pipeline of product launches

3 Cost reductions

- SKU complexity significantly reduced
- High activity level in cost reductions
 - One additional site closed
 - Committed to cost reduction target



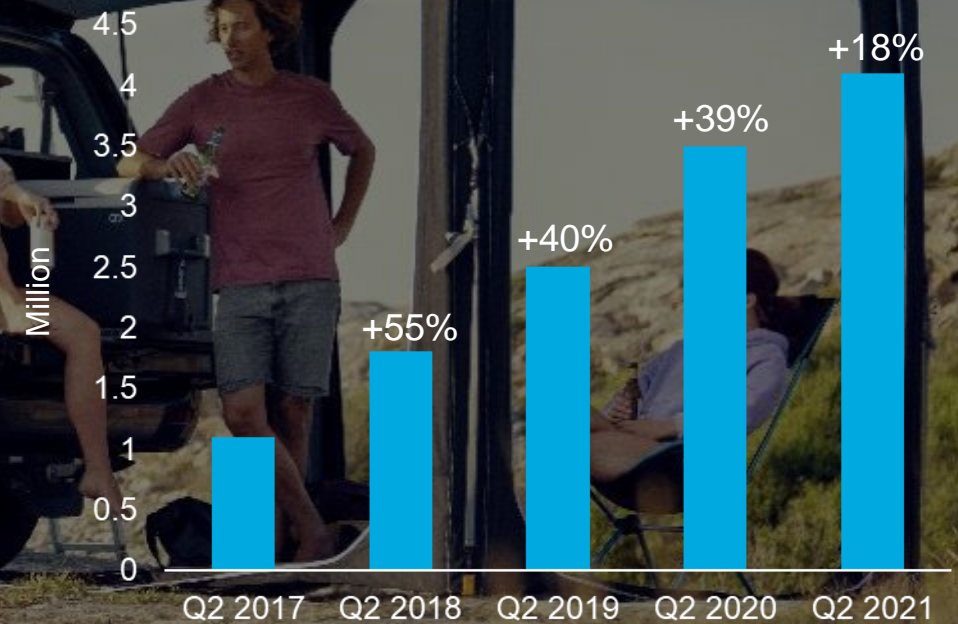
18% MORE TOTAL VISITS TO DOMETIC.COM IN Q2 -21

STEADY INCREASE IN VISITS TO DOMETIC.COM

Yearly Trend

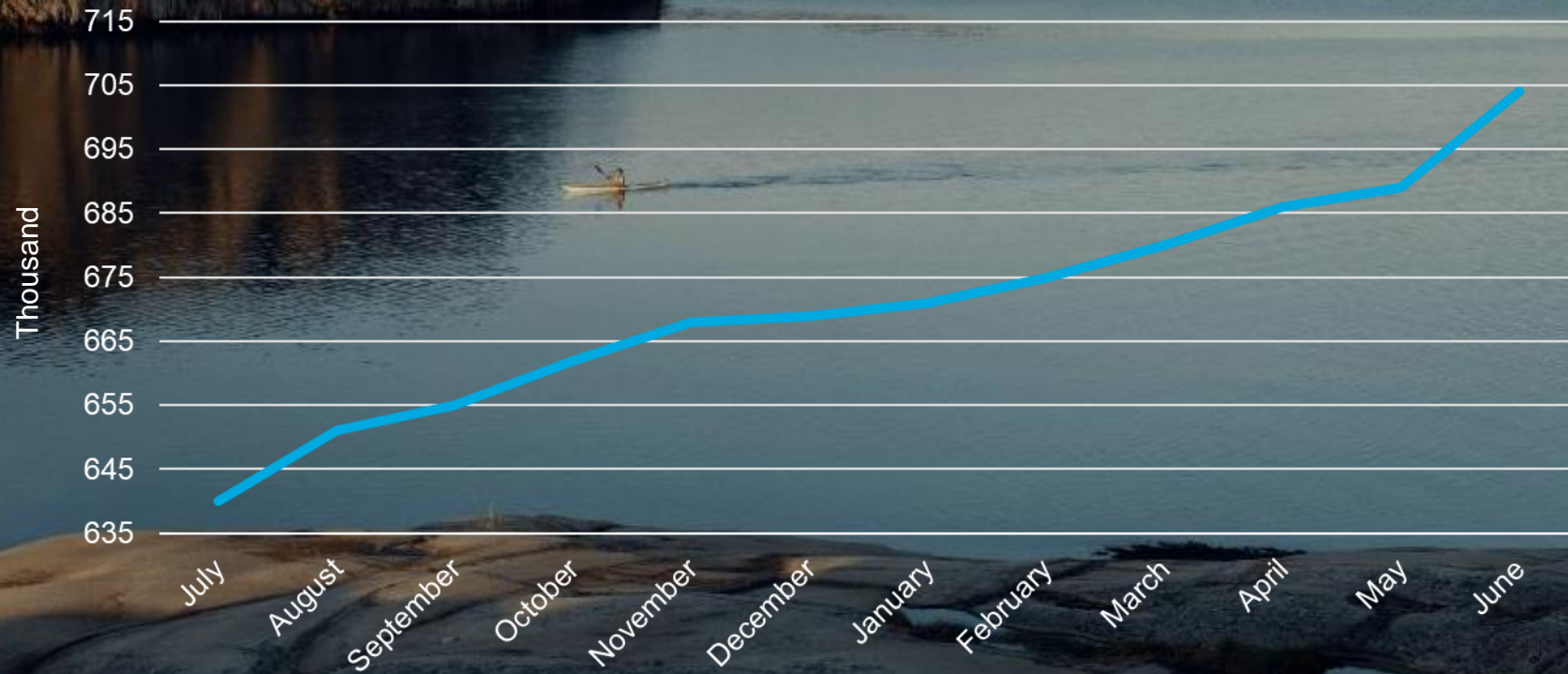


Quarterly trend



SOCIAL MEDIA GROWTH

19% INCREASE YoY



Combined social media followers

Audience



NEW ADDITION FOR THE LEISURE MARINE BUSINESS

DOMETIC PRO-TRIM ENGINE TRIM CONTROL SYSTEM

- Expands the Marine Aftermarket portfolio
- Next-generation engine trim control system
- “Bolt-on” upgrade with easy DIY installation



GEOGRAPHIC OUTDOOR EXPANSION

DOMETIC DRINKWARE AND PATROL ICE BOXES

- Launched in EMEA and Americas, following the successful market introduction in Australia
- Strengthen the Outdoor offering
- High-performance design and quality



NEW MINIBAR ACHIEVES 40% ENERGY REDUCTION

DOMETIC HIPRO MINIBAR

- Reduce energy consumption by 40%
- Boosts cooling performance
- Unique, innovative features
 - Full-glass door with rack
 - Unique interior illumination to highlight beverages



FOOD DELIVERY MARKET INTRODUCTION

DOMETIC DELIBOX

- Ongoing field test
- The industry-first product now ready to order
- Temperature-controlled transportation solution from kitchen to table without compromising on food quality
- Offers restaurants and ghost kitchens last mile delivery platform to create business opportunity



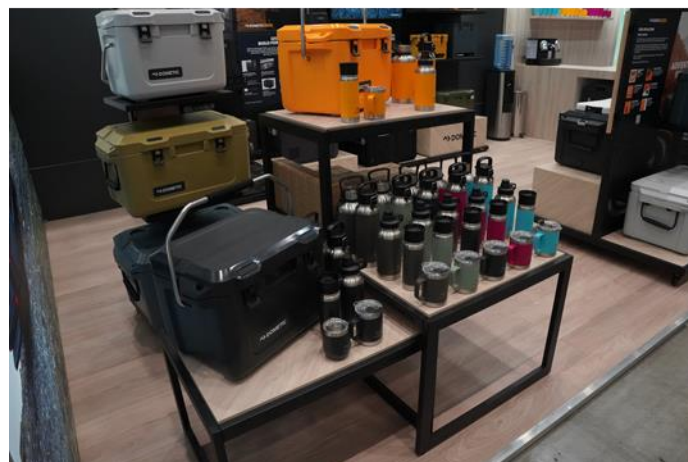
OUTDOOR TRADE SHOW IN EUROPE

UK, JUNE 29 - JULY 1

- Launching the “Vehicle based outdoor” concept at Liverpool Outdoor trade show
- Successfully profile Dometic as a superior brand with premium products
- New products showcased including rooftop tent, camping gears and 2022 camping concept with furniture



DOMETIC OUTDOOR



ACCELERATED ACQUISITIVE JOURNEY

SIX ACQUISITIONS IN 2021 TARGETING THE OUTDOOR MARKET

Residential Outdoor



 TWIN EAGLES

Vehicle based Outdoor activities



 **FRONT
RUNNER**
ROOF RACKS | ACCESSORIES | ADVENTURE GEAR

Service and Aftermarket expansion



Outdoor Mobile Power Solutions



ZAMP  SOLAR



 **Enerdrive**
DRIVING YOUR ENERGY NEEDS



BÜTTNER
ELEKTRONIK

MOBILE POWER SOLUTIONS

BUILDING A GLOBAL PLATFORM TO LEAD THE FUTURE

- Rapidly increased end-user demand for sustainable and effective off-grid products
- Building a global platform of Mobile Power Solutions, including solar power products
- Acquisitions complement Dometic's current Power & Control offering of batteries, chargers etc.
- Combined sales in 2020 of more than SEK 1 b.
- Additional scale, portfolio, know-how and distribution network to lead market development
- Shorter product cycles and higher margins



SUSTAINABILITY

COMMITTED TO DRIVE SUSTAINABILITY IN OUR INDUSTRY

- LTIFR improved 23%
- Share of female managers remain at 24%
 - Three-year action plans being implemented in all segments since 2020
- % audited spend in Low-Cost Countries improved to 84% (77%) despite travel restrictions
- CO₂ ratio already better than 2021 target
 - Committed to reduce by 50% to 2030
 - Three new sites switched to renewable electricity supply in Q2

KPI	Focus area	Actual	Same period prev. year	2021 Target
LTIFR	People	2.8	3.6	2.0
% female managers	People	24%	24%	26%
% audited spend in LCC	Ethics	84%	77%	90%
CO ₂ tonne / Net sales SEK m	Environment	-12%	N/A	-5%



RESTRUCTURING PROGRAM

- **Locations**

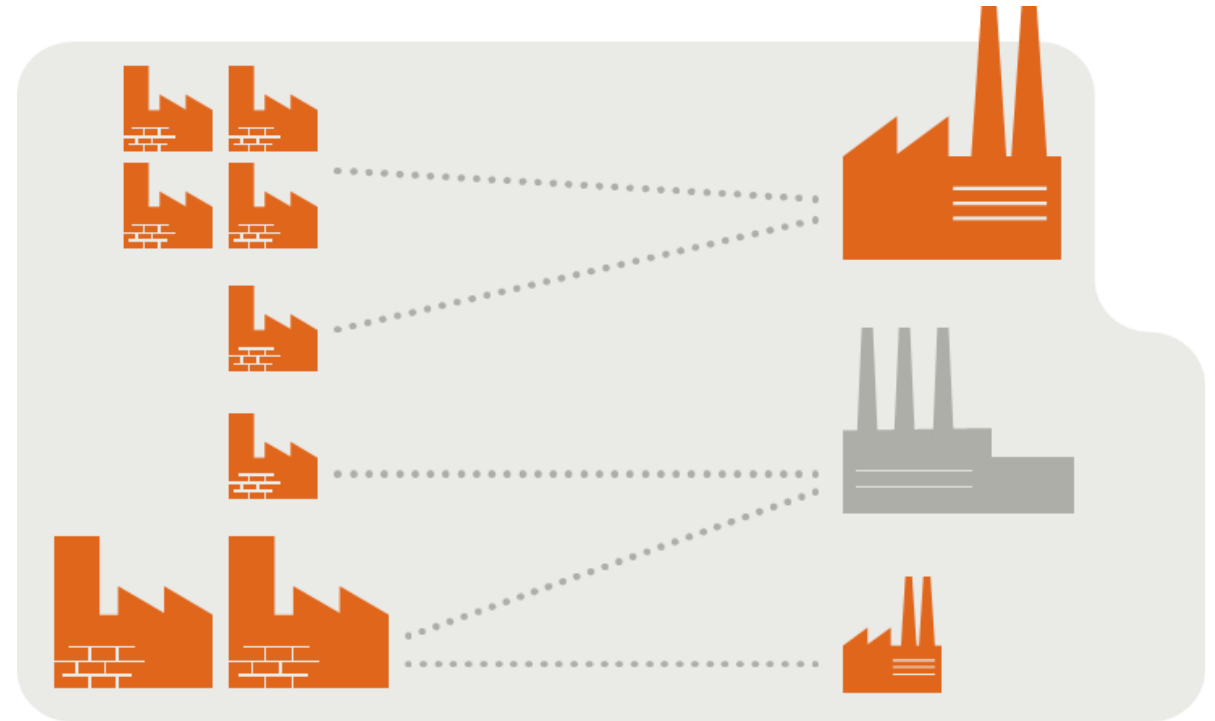
- One location affected in the quarter, 22 so far

- **Employees**

- 26 employees affected in the quarter, 804 so far

- **Costs**

- SEK 24 m in the quarter, SEK 266 m so far
- COVID-19 related travel restrictions combined with strong market demand are slowing down some projects





STEFAN FRISTEDT

CFO

NET SALES AND EBIT BRIDGE, SEK M

Q2 2020 TO Q2 2021. EBIT BEFORE I.A.C.

	Q2 2020	Of which Kampa earn out	Q2 2020 excl earn out	Currency	M&A	Volume, price, mix, cost, other	Q2 2021
Net Sales	3,329		3,329	-225	270	2,197	5,571
Growth %				-7%	8%	66%	67%
EBIT bef i.a.c.	361	98	263	-34	39	687	955
EBIT %	10.9%		7.9%				17.2%
Accretion/Dilution				0.1%	-0.1%	9.3%	

- Currency translation and transaction effects
- PPA amortizations impact on M&A

- + Sales growth
- + Price management
- + Less negative impact from US trade tariffs
- + Operational leverage and cost saving activities
- Supply constraints
- Raw material prices and freight costs

2021 ACQUISITIONS

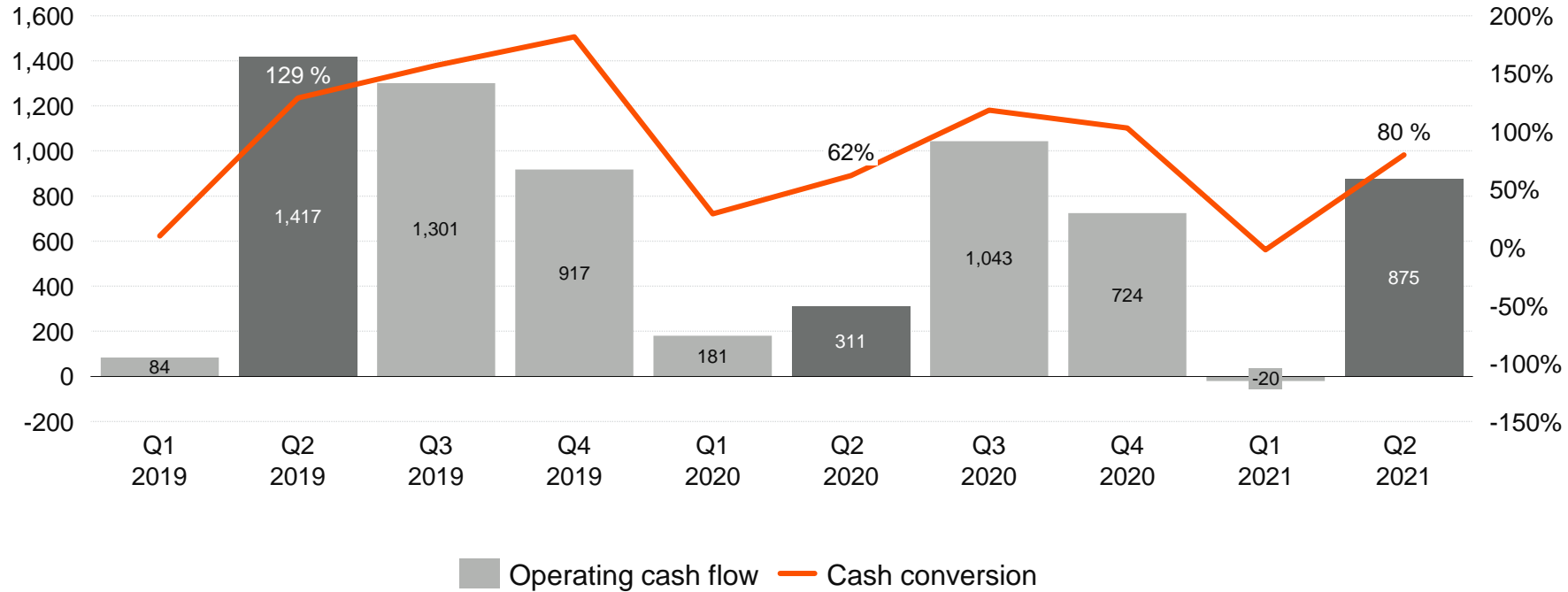
- SEK 270 m in Q2 net sales or 8% growth from M&A
- EBITA margin 18,9%, above Dometic Group avg
- Material M&A transaction costs reported as i.a.c.
- See interim report note 10 for more details

Q2 2021 SEK m	2021 acquisitions	Dometic total
Sales	270	5,571
EBITA bef i.a.c.	51	1,036
	18,9%	18,6%
Amortization of acquisition related intangible assets	-12	-81
EBIT bef i.a.c.	39	955
	14,3%	17,2%

	Announced	Included from	Segment
Twin Eagles	Feb 2	Feb	Global
Valterra	Apr 22	May	Americas
Enerdrive	May 18	June	APAC
Front Runner	May 20	Expected in Q3	EMEA
Zamp Solar	May 26	May	Americas
Büttner Elektroniks	July 2	July	EMEA

OPERATING CASH FLOW

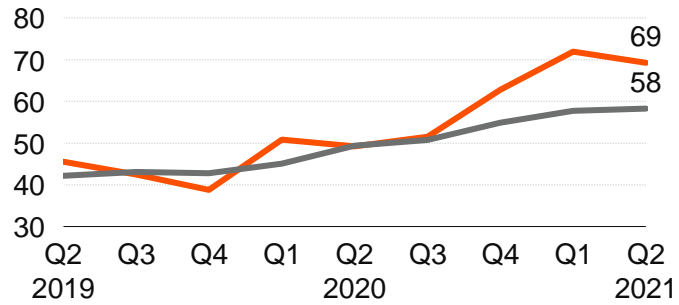
SEKm



WORKING CAPITAL

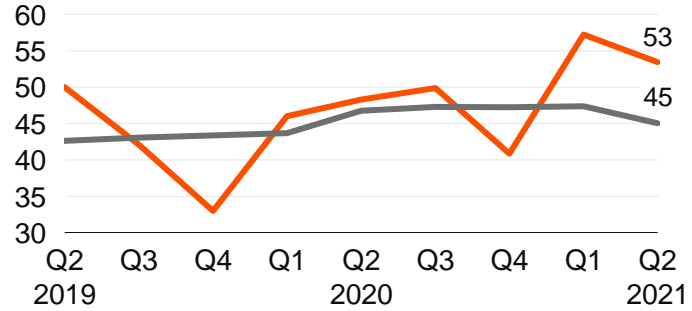
DAYS, NORMAL CURRENCY

DPO



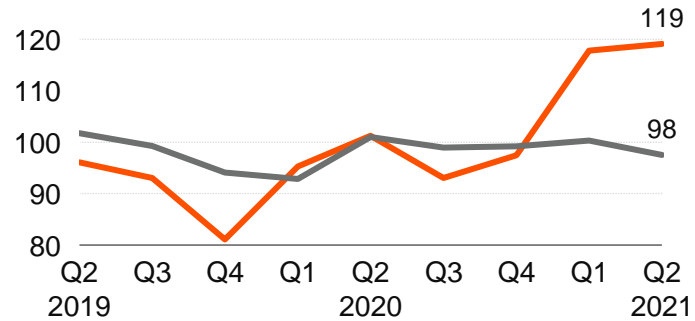
— DPO quarter — DPO LTM

DSO



— DSO quarter — DSO LTM

DIO

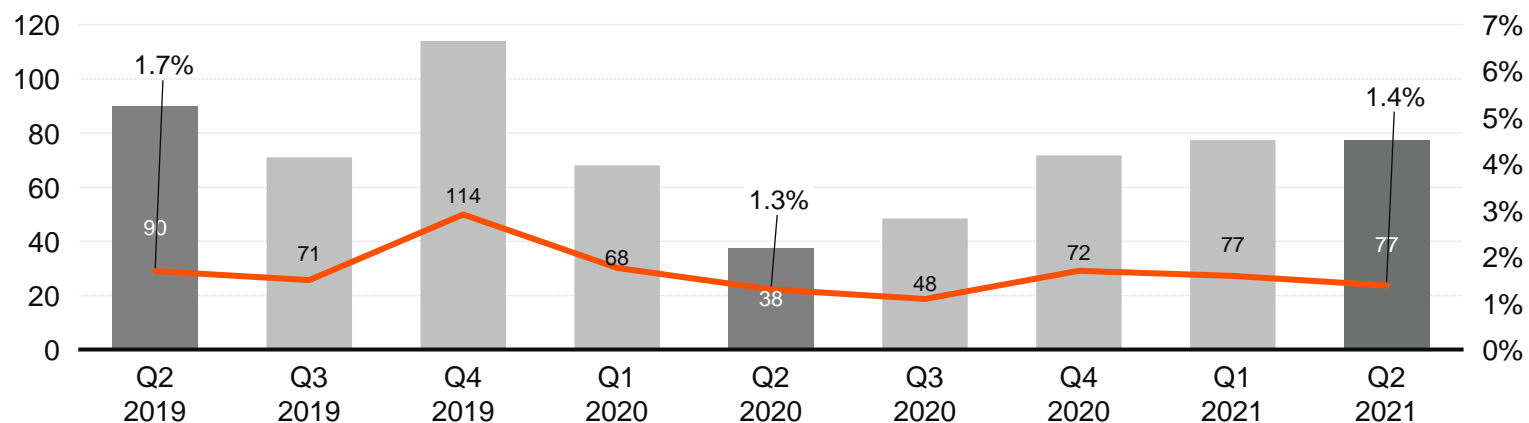


— DIO quarter — DIO LTM

CAPEX & RESEARCH & DEVELOPMENT

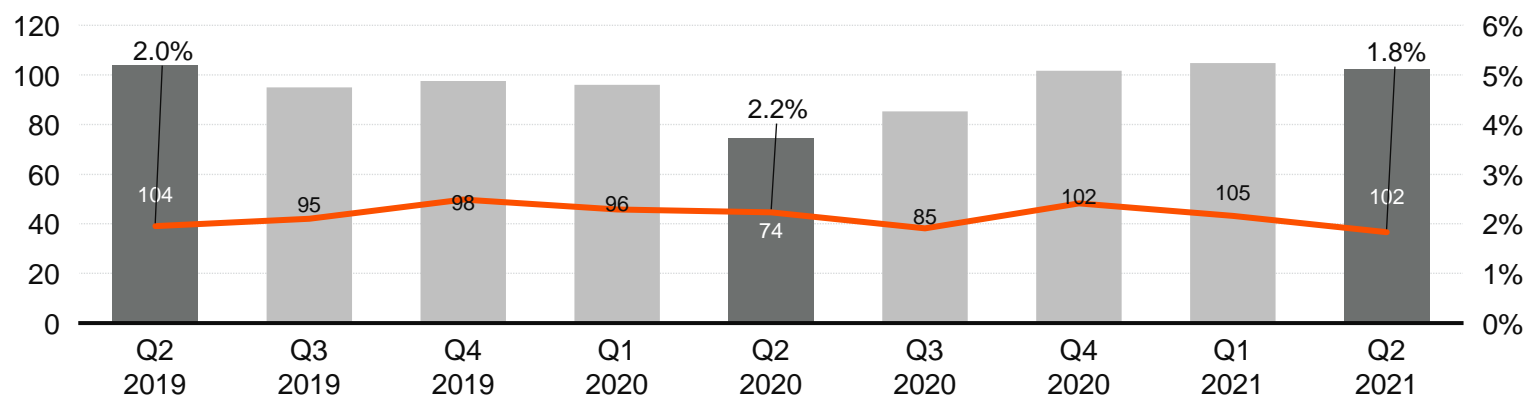
(SEKm, % OF NET SALES)

CAPEX



- **Q2 2021 CAPEX:**
1.4% of net sales
(1.3% in Q2 2020)

R&D



- **Q2 R&D:**
1.8% of net sales
(2.2% in Q2 2020)
- Includes capitalized development expenses

CASH FLOW FOR THE PERIOD

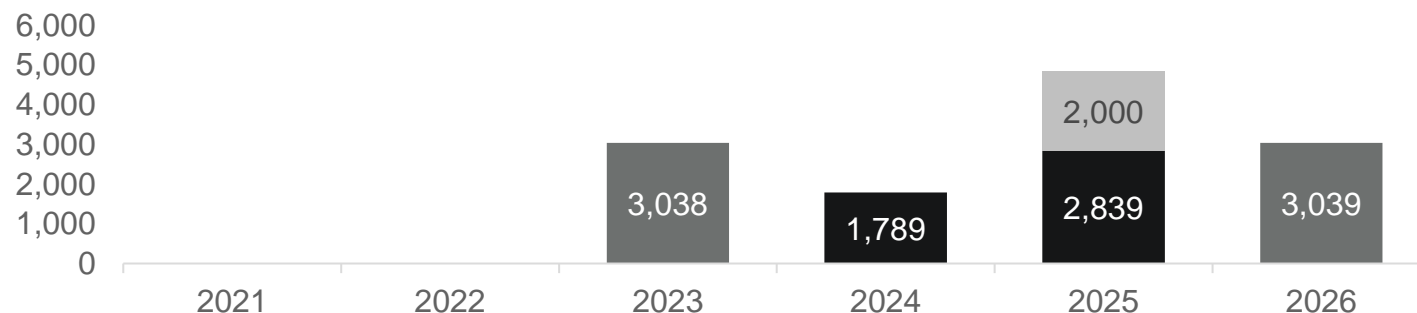
SEK m	Q2 2021	Q2 2020
EBIT	898	300
Adjustments for non-cash items	136	40
Changes in Working Capital	-79	14
Investments in fixed assets	-80	-43
Operating cash flow	875	311
Income tax paid	-95	-51
Acquisitions/divestments net	-1,618	0
Other	18	-3
Net cash flow from financing	2,464	1,774
Cash flow for the period	1,644	2,031

- Operating cash flow improved to SEK 875 m
- Acquisitions SEK -1,618 m
 - Three acquisitions completed in Q2 2021
- Net cash flow from financing SEK 2,464 m
 - Directed share issue, appr SEK 3.35 b before transaction costs
 - Dividend payout SEK -680 m

DEBT MATURITY PROFILE AND LEVERAGE

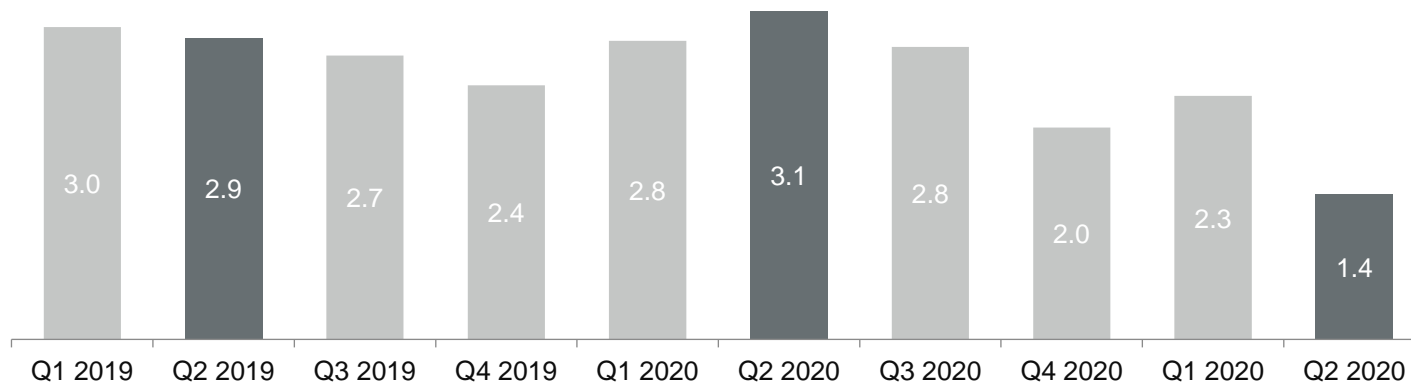
Debt maturity profile, SEK m

■ USD loans ■ EUR bonds ■ EKN loan



- Undrawn revolving credit facility of EUR 200 m
- EKN loan extended with 2 years to 2025

Net debt leverage



- Q2 Net debt leverage 1.4x (3.1x)
- Target around 2.5x over a business cycle

Q2 SUMMARY

Business highlights

- All-time high sales and EBIT
- Order backlog record high for the period
- Continued strong market demand
- Optimistic about the outlook for forthcoming quarters
- Likely to see longer than normal retail inventory restocking period


Strategic highlights

- Continuously improved innovation index
- High focus on costs and efficiency
- Distribution and Service and Aftermarket sales share 47%
- Six acquisitions announced year to date
- Financial strength for a continued high M&A activity



SAVE THE DATE
NOVEMBER 30, 2021. 14:00 – 17:30 CET

DOMETIC CAPITAL MARKETS UPDATE
PLANNING ASSUMPTION: LIVE AUDIENCE IN STOCKHOLM, SWEDEN



Q&A

A scenic landscape featuring a winding asphalt road with yellow double lines, a calm lake, and snow-capped mountains in the distance under a clear sky. Tall pine trees are scattered throughout the scene.

DISCLAIMER

SOME STATEMENTS HEREIN ARE FORWARD-LOOKING AND THE ACTUAL OUTCOME COULD BE MATERIALLY DIFFERENT. IN ADDITION TO THE FACTORS EXPLICITLY COMMENTED UPON, THE ACTUAL OUTCOME COULD BE MATERIALLY AFFECTED BY OTHER FACTORS, (A) CHANGES IN ECONOMIC, MARKET AND COMPETITIVE CONDITIONS, (B) SUCCESS OF BUSINESS AND OPERATING INITIATIVES, (C) CHANGES IN THE REGULATORY ENVIRONMENT AND OTHER GOVERNMENT ACTIONS, (D) FLUCTUATIONS IN EXCHANGE RATES AND (E) BUSINESS RISK MANAGEMENT.

A scenic landscape at sunset. In the foreground, a dark grey Volvo station wagon is parked on a grassy field. To its left, a green tent is set up on a rocky outcrop. Two people are sitting on chairs outside the tent, talking. In the background, another car with a roof rack is parked on a higher rocky ledge, with two more people standing nearby. The sky is filled with soft, golden light from the setting sun, with scattered clouds. The overall mood is peaceful and adventurous.

DOMETIC