

QUARTERLY REPORT

Q4 2022

Solna, January 27, 2023

STRONG OPERATING CASH FLOW

FOURTH QUARTER 2022

- Net sales were SEK 6,172 m (5,542); an increase of 11%, of which -11% was organic growth.
- Operating profit (EBITA¹⁾) before items affecting comparability²⁾ was SEK 430 m (632), corresponding to a margin of 7.0% (11.4%).
- Items affecting comparability were SEK -32 m (-37) and were mainly related to activities in the previously announced global restructuring programs.
- Profit for the quarter was SEK 27 m (197).
- Earnings per share were SEK 0.09 (0.62). Adjusted earnings per share³⁾ were SEK 0.54 (0.98).
- Cash flow for the quarter was SEK 331 m (-5,593). Operating cash flow was SEK 1,117 m (546).
- Net debt to EBITDA leverage ratio at the end of the period was 3.0x (2.6x) and at the same level as at the end of the third quarter 2022.

FULL YEAR 2022

- Net sales were SEK 29,764 m (21,516); an increase of 38%, of which -3% was organic growth.
- Operating profit (EBITA¹⁾) before items affecting comparability²⁾ was SEK 3,931 m (3,348), corresponding to a margin of 13.2% (15.6%).
- Items affecting comparability were SEK -532 m (-123) and were mainly related to activities in the previously announced global restructuring programs.
- Profit for the period was SEK 1,784 m (1,726).
- Earnings per share were SEK 5.58 (5.58). Adjusted earnings per share³⁾ were SEK 8.32 (6.75).
- Cash flow for the period was SEK -127 m (-3,579). Operating cash flow was SEK 2,268 m (1,749).
- The Board of Directors proposes a dividend of SEK 1.30 (2.45) per share for 2022.

FINANCIAL OVERVIEW

SEK m	Q4 2022	Q4 2021	FY 2022	FY 2021
Net sales	6,172	5,542	29,764	21,516
Operating profit (EBITA ¹⁾) before items affecting comparability ²⁾	430	632	3,931	3,348
% of net sales	7.0%	11.4%	13.2%	15.6%
Operating profit (EBITA ¹⁾)	398	595	3,399	3,224
% of net sales	6.4%	10.7%	11.4%	15.0%
Operating profit (EBIT)	236	470	2,789	2,855
% of net sales	3.8%	8.5%	9.4%	13.3%
Profit (loss) for the period	27	197	1,784	1,726
Earnings per share, SEK	0.09	0.62	5.58	5.58
Adjusted earnings per share, SEK ³⁾	0.54	0.98	8.32	6.75
Cash flow for the period	331	-5,593	-127	-3,579
Operating cash flow	1,117	546	2,268	1,749
Net debt to EBITDA leverage ratio	3.0	2.6	3.0	2.6
RoOC	23.1%	36.9%	23.1%	36.9%

¹⁾Before Amortization of acquisition-related intangible assets

²⁾See Note 6 Items affecting comparability

³⁾Excludes the impact from Amortization of acquisition-related intangible assets and items affecting comparability

See definitions of measures and KPIs at the end of the report. See detailed reconciliation tables on www.dometicgroup.com/investors for reconciliation of non-IFRS measures to IFRS



CEO COMMENTS

In 2022 we continued to take significant steps forward on our transformational agenda. In an extremely challenging macroenvironment impacted by geopolitical uncertainty, high inflation, increasing interest rates and high retail inventories, we delivered record-high net sales of SEK 29.8 b (21.5) with an EBITA¹⁾ of SEK 3,9 b (3.3). We are continuing to transition into a more diversified and resilient company with greater exposure to low-ticket discretionary spend products. Our net sales have more than doubled compared to five years ago, and Distribution and Service & Aftermarket's share has grown to 56 percent (39).

In the fourth quarter of 2022 net sales growth was 11 percent and operating cash flow more than doubled to SEK 1,117 m (546). Organic net sales declined by -11 percent mainly due to reduced Service & Aftermarket sales as retailers globally are rebalancing their inventory levels. In addition, sales to Recreational Vehicle manufacturers (RV OEM) in the US declined as expected.

EBITA¹⁾ was SEK 430 m (632), corresponding to a margin of 7.0 percent (11.4). The decline was mainly attributable to the EMEA and Americas segments, while the Marine segment continued to deliver strong results, with 11 percent organic net sales growth and improved EBITA¹⁾ margins of 25.5 percent (22.9). The sales mix, with lower share of Service & Aftermarket net sales, as well as currency movements had negative effects on the margin for the EMEA segment. In addition, the EMEA result was impacted by extraordinary logistics-related costs and by inefficiencies in manufacturing, which are expected to gradually decline in 2023. The margin for the Americas segment was negatively impacted by significantly lower net sales in both RV OEM and Service & Aftermarket. The global restructuring programs are running at high pace, and our workforce has declined by more than 1,600 resources compared to a year ago (pro forma²⁾). We are taking further measures to address the situation in EMEA and Americas and we expect to see gradual improvements during 2023.

In its seasonally weakest quarter, the Igloo business delivered a result in line with last year with a mid single-digit negative EBITA margin. The Igloo business has shown significant improvement in 2022 and the synergy activities are progressing as planned. Full-year 2022 organic net sales growth for Igloo was 16 percent, and the EBITA margin was significantly above that of last year. ACON, the seller of Igloo, has filed a lawsuit against Dometic making certain claims related to the Stock Purchase Agreement ("SPA"). We are confident that the lawsuit lacks any merit, are vehemently contesting this lawsuit and have filed a motion to dismiss the case. With respect to the class action complaint against Dometic, pending from 2016, a federal court in Florida has dismissed the case in its entirety. The case has been closed with no liability for Dometic.

The innovation index was 17 percent (26) and improved compared to the third quarter. Semiconductor supply constraints have impacted product launches in 2022, but our pipeline of new products is strong and we are confident on achieving our target of 25 percent.

Operating cash flow improved and our inventory levels declined as expected in the quarter. The net debt to EBITDA leverage ratio remained as in the third quarter at 3.0x. The focus on cash flow across the Group is strong and we are committed to achieving our net debt to EBITDA leverage ratio target of around 2.5x.

We are very proud of the results that the entire organization has achieved in an extremely challenging 2022. Thanks to our dedicated and highly professional employees, we have taken several important steps on our strategic journey, while at the same time taking necessary short-term cost reduction actions to protect margin and cash flow.

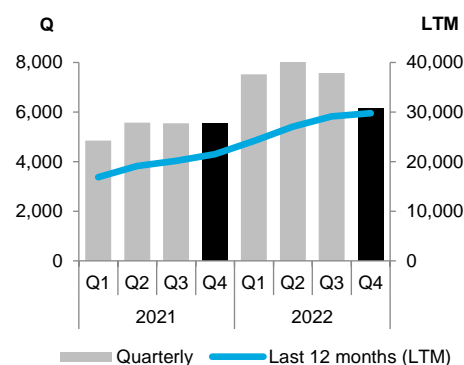
We are optimistic about the long-term trends in the Mobile Living industry, however it is difficult to predict how the current macroeconomic situation will impact the business in the short term. We anticipate a gradual recovery in demand in Service & Aftermarket over the coming quarters, and continued stable development in Distribution. In OEM we foresee persistently weakened demand over the coming quarters. In this environment we will continue to drive our strategic agenda to deliver on our targets, while at the same time remaining agile to quickly respond to the short-term market trends.

Given the current uncertain market conditions and the last two years' extensive M&A activities, the Board of Directors proposes a dividend for 2022 of SEK 1.30 (2.45).

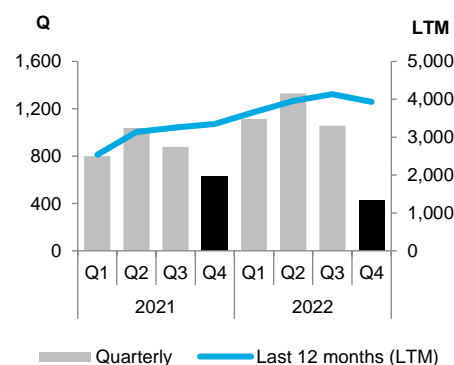
Juan Vargues, President and CEO

¹⁾ before items affecting comparability ²⁾ Pro forma including acquisitions

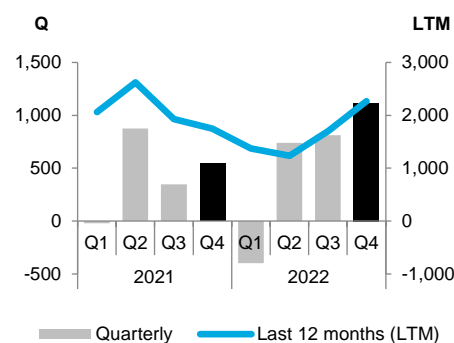
Net Sales, SEK m



Op. profit (EBITA) before i.a.c., SEK m



Operating cash flow, SEK m



FINANCIAL SUMMARY – FOURTH QUARTER 2022

Net sales were SEK 6,172 m (5,542), an increase of 11% compared with the same quarter last year. This comprised -11% organic growth, 15% currency translation and 8% M&A.

Gross profit was SEK 1,448 m (1,444) corresponding to 23.4% (26.1%) of net sales. A majority of the margin decline is due to an expected dilutive effect from the Igloo business that was consolidated from November, 2021.

Sales and administrative expenses totaled SEK -849 m (-759) corresponding to 13.8% (13.7%) of net sales. The increase is mainly related to acquired companies.

Research and development expenses were SEK -126 m (-110). In addition, Research and development expenses of SEK -23 m (-3) were capitalized in the quarter. In total, this corresponds to 2.4% (2.0%) of net sales.

Other operating income and expenses were SEK -43 m (57) negatively impacted by currency revaluation effects and currency hedge effects. The currency hedge effects were partly offset by currency transaction effects mainly impacting gross profit.

Operating profit (EBITA) before amortization of acquisition-related intangible assets and items affecting comparability was SEK 430 m (632). The corresponding margin was 7.0% (11.4%). The decline was mainly attributable to segments EMEA and Americas. The EBITA for segment EMEA was negatively impacted by the sales mix with a lower share of Service & Aftermarket net sales, currency effects, extraordinary logistics-related costs and inefficiencies in manufacturing. Segment Americas EBITA was negatively impacted by significantly lower net sales in both RV OEM and Service & Aftermarket. In addition, the acquired Igloo business had as expected a dilutive effect on the Group margin. Currency revaluation and currency hedge effects had also a negative impact on the margin. The gross impact from tariffs was SEK -32 m (-39).

Amortization of acquisition-related intangible assets were SEK -162 m (-125).

Items affecting comparability totaled SEK -32 m (-37) and were mainly related to activities in the previously announced global restructuring programs.

Operating profit (EBIT) was SEK 236 m (470). The corresponding EBIT margin was 3.8% (8.5%). The margin was negatively impacted by a lower EBITA¹⁾ margin and by increased amortization of acquisition-related intangible assets.

Financial items totaled a net amount of SEK -166 m (-187), including SEK -161 m (-104) in interest on external bank loans. Other FX revaluations and other items amounted to SEK -25 m (-84) and financial income amounted to SEK 20 m (1).

Taxes totaled SEK -43 m (-86), corresponding to 61% (30%) of profit before tax. Paid tax was SEK -415 m (-132) and impacted by deferred tax payments related to previous years.

Profit (loss) for the period was SEK 27 m (197).

Earnings per share were SEK 0.09 (0.62). Adjusted earnings per share were SEK 0.54 (0.98).

Operating cash flow was SEK 1,117 m (546).

Cash flow was SEK 331 m (-5,593). Net cash flow from investments was SEK -410 m (-6,015). Net cash flow from financing was SEK -183 m (-146).

Global restructuring programs. Dometic has two programs running. The first program was initiated 2019 targeting an annual saving of SEK 400 m to be fully realized by mid 2023 with a total cost estimated to SEK 750 m. An additional program was announced in the second quarter 2022, targeting an annual

saving of SEK 200 m to be fully realized by the end of 2023 with a total cost estimated to SEK 200 m. During the quarter total costs related to the two programs amounted to SEK -20 m (-36).

Other significant events in the quarter. A federal court in Florida has dismissed an alleged class action complaint against Dometic with prejudice. The case had been pending since 2016. Dometic always remained firm in its position that the allegations were without merit. The case is now closed, with no liability for Dometic.

ACON, the seller of Igloo, has filed a lawsuit against Dometic making certain claims related to the Stock Purchase Agreement ("SPA"). Dometic is confident that the lawsuit lacks any merit, is vehemently contesting this lawsuit and has filed a motion to dismiss the case.

Significant events after the quarter. Brian Garofalo, Dometic CMO, left the Company on January 6, 2023 for another external assignment. An interim CMO has been appointed and the recruitment process for a permanent CMO has started.

There have been no other significant events that have impacted the financial reporting after the balance sheet date.

FINANCIAL SUMMARY – FULL YEAR 2022

Net sales were SEK 29,764 m (21,516), an increase of 38% compared with full year 2021. This comprised -3% organic growth, 11% currency translation and 30% M&A.

Operating profit (EBITA) before amortization of acquisition-related intangible assets and items affecting comparability was SEK 3,931 m (3,348). The corresponding margin was 13.2% (15.6%). The acquired Igloo business had as expected a dilutive effect on Group margin. In addition, the margin was negatively impacted by the sales mix, with a lower share of Service & Aftermarket net sales. Furthermore the margin was negatively impacted by extraordinary logistic related costs in EMEA. Currency effects had a positive impact on the margin. The gross impact from tariffs was SEK -163 m (-189).

Items affecting comparability totaled SEK -532 m (-123) and were mainly related to activities in the previously announced global restructuring programs.

Operating profit (EBIT) was SEK 2,789 m (2,855). The corresponding EBIT margin was 9.4% (13.3%). The margin was negatively impacted by a lower EBITA¹⁾ margin, by increased items affecting comparability and by increased amortization of acquisition-related intangible assets.

Financial items totaled a net amount of SEK -351 m (-499), including SEK -531 m (-374) in interest on external bank loans. Other FX revaluations and other items amounted to SEK 135 m (-138) and financial income amounted to SEK 45 m (13).

Taxes totaled SEK -654 m (-630), corresponding to 27% (27%) of profit before tax. Current tax amounted to SEK -723 m (-715) and deferred tax to SEK 70 m (84). Paid tax was SEK -991 m (-1,009), corresponding to a paid tax rate of 41% (43%). Paid tax was impacted by deferred tax payments related to previous years.

Profit (loss) for the period was SEK 1,784 m (1,726).

Earnings per share were SEK 5.58 (5.58). Adjusted earnings per share were SEK 8.32 (6.75).

Operating cash flow was SEK 2,268 m (1,749).

Cash flow was SEK -127 m (-3,579). Net cash flow from investments was SEK -1,426 m (-8,760), of which acquisitions were SEK -847 m (-8,555) and investments in fixed assets were SEK -593 m (-413). Net cash flow from financing was SEK -570 m (4,028).

Financial position. Net debt to EBITDA leverage ratio was 3.0x (2.6x) at the end of the period. During the fourth quarter the annual impairment test of all Cash Generating Units (CGU), which is required under IFRS, was performed. None of the CGU's tested were impaired as carrying amount exceeded the recoverable amount. Consequently, no impairment losses have been recognized in 2022.

Return on Operating Capital (RoOC) was 23.1% (36.9%).

Global restructuring programs. During the period total costs amounted to SEK -499 m (-86). Two additional sites and more than 900 additional employees were affected. Since the start, 24 sites and more than 1,700 employees have been affected with a total cost of SEK -817 m.

Employees. Number of employees in terms of headcount was 8,487 (9,095) at the end of the period.

¹⁾ before items affecting comparability

FINANCIAL PERFORMANCE BY SEGMENT

SEK m	Q4		Change (%)		FY		Change (%)	
	2022	2021	Reported	Organic ⁽¹⁾	2022	2021	Reported	Organic ⁽¹⁾
Americas	1,192	1,516	-21%	-41%	6,780	5,970	14%	-15%
EMEA	1,602	1,520	5%	-6%	7,970	6,981	14%	-2%
APAC	586	546	6%	-2%	2,231	1,961	13%	-4%
Marine	1,651	1,272	30%	11%	6,695	5,404	24%	8%
Global	1,142	688	66%	-3%	6,086	1,201	407%	4%
Net sales	6,172	5,542	11%	-11%	29,764	21,516	38%	-3%
Americas	-60	72			330	398		
EMEA	-62	93			838	948		
APAC	129	149			555	525		
Marine	422	292			1,743	1,375		
Global	1	25			464	102		
Operating profit (EBITA⁽²⁾) before i.a.c.⁽³⁾	430	632			3,931	3,348		
Americas	-5.1%	4.7%			4.9%	6.7%		
EMEA	-3.8%	6.1%			10.5%	13.6%		
APAC	22.0%	27.3%			24.9%	26.8%		
Marine	25.5%	22.9%			26.0%	25.4%		
Global	0.1%	3.6%			7.6%	8.5%		
Operating profit (EBITA) before i.a.c. %	7.0%	11.4%			13.2%	15.6%		

⁽¹⁾ Net sales growth excluding acquisitions/divestments and currency translation effects.

⁽²⁾ Before Amortization of acquisition-related intangible assets.

⁽³⁾ See note 4 for Operating profit (EBIT) by segment and note 6 for details on i.a.c. (Items affecting comparability).

Previous periods have been restated according to the new segment reporting structure, see note 4 for further details on the financial performance by segment and the 2021 Annual and Sustainability Report note 5.

SEGMENT AMERICAS

FOURTH QUARTER 2022 NET SALES AND OPERATING PROFIT

Segment Americas reported net sales of SEK 1,192 m (1,516), representing 19% (27%) of Group net sales. Total growth was -21%, of which -41% was organic growth, 20% currency translation and 0% M&A. Net sales declined in all application areas. The organic net sales decline was due to significantly lower RV OEM and Service & Aftermarket net sales. This was partly offset by stronger CPV (Commercial and passenger vehicles) OEM net sales.

Operating profit (EBITA) before amortization of acquisition-related intangible assets and items affecting comparability was SEK -60 m (72), corresponding to a margin of -5.1% (4.7%). The decline was driven by the significant net sales reduction. Items affecting comparability totaled SEK -5 m (-30). Amortization of acquisition-related intangible assets totaled SEK -31 m (-27). Operating profit (EBIT) was SEK -97 m (15), corresponding to a margin of -8.1% (1.0%).

FULL YEAR 2022 NET SALES AND OPERATING PROFIT

Segment Americas reported net sales of SEK 6,780 m (5,970), representing 23% (28%) of Group net sales. Total growth was 14%, of which -15% was organic growth, 17% currency translation and 12% M&A. Net sales growth in application areas Climate, Power & Control and Other applications was partly offset by decline in application area Food & Beverage. The organic net sales decline was driven by lower Service & Aftermarket net sales.

Operating profit (EBITA) before amortization of acquisition-related intangible assets and items affecting comparability was SEK 330 m (398), corresponding to a margin of 4.9% (6.7%). The sales mix, with a lower share of Service & Aftermarket, had a negative impact on the margin. This was partly offset by currency effects. Items affecting comparability totaled SEK -151 m (-55) and were mainly related to activities in the global restructuring programs. Amortization of acquisition-related intangible assets totaled SEK -118 m (-97). Operating profit (EBIT) was SEK 61 m (246), corresponding to a margin of 0.9% (4.1%).

SEGMENT EMEA

FOURTH QUARTER 2022 NET SALES AND OPERATING PROFIT

Segment EMEA reported net sales of SEK 1,602 m (1,520), representing 26% (27%) of Group net sales. Total growth was 5%, of which -6% was organic growth, 8% currency translation and 3% M&A. Net sales growth was driven by application areas Power & Control and Food & Beverage. The organic net sales decline was driven by lower Service & Aftermarket net sales.

Operating profit (EBITA) before amortization of acquisition-related intangible assets and items affecting comparability was SEK -62 m (93), corresponding to a margin of -3.8% (6.1%). The margin was negatively impacted by the sales mix with a lower share of Service & Aftermarket net sales. In addition, inefficiencies in manufacturing and currency effects had a negative impact. Furthermore, extraordinary logistics-related costs, as a consequence of the congestions and leadtimes in the supply chain combined with a decline in market demand, had a negative impact on the margin. Items affecting comparability totaled SEK -24 m (-6). Amortization of acquisition-related intangible assets totaled SEK -19 m (-16). Operating profit (EBIT) was SEK -105 m (72), corresponding to a margin of -6.6% (4.7%).

FULL YEAR 2022 NET SALES AND OPERATING PROFIT

Segment EMEA reported net sales of SEK 7,970 m (6,981), representing 27% (32%) of Group net sales. Total growth was 14%, of which -2% was organic growth, 5% currency translation and 11% M&A. Net sales growth was driven by application areas Food & Beverage, Climate and Power & Control. The organic net sales decline was driven by lower Service & Aftermarket net sales.

Operating profit (EBITA) before amortization of acquisition-related intangible assets and items affecting comparability was SEK 838 m (948), corresponding to a margin of 10.5% (13.6%). The margin was negatively impacted by the sales mix with a lower share of Service & Aftermarket net sales and by inefficiencies in manufacturing. In addition extraordinary logistics-related costs, as a consequence of the congestions and leadtimes in the supply chain combined with a decline in market demand, had a negative impact on the margin. Items affecting comparability totaled SEK -370 m (-28) and were mainly related to activities in the global restructuring programs. Amortization of acquisition-related intangible assets totaled SEK -74 m (-46). Operating profit (EBIT) was SEK 394 m (874), corresponding to a margin of 4.9% (12.5%).

SEGMENT APAC

FOURTH QUARTER 2022 NET SALES AND OPERATING PROFIT

Segment APAC reported net sales of SEK 586 m (546), representing 9% (10%) of Group net sales. Total growth was 6%, of which -2% was organic growth, 8% currency translation and 0% M&A. Net sales growth was driven by application areas Food & Beverage, Climate and Power & Control. The organic net sales decline was due to lower Distribution and Service & Aftermarket net sales.

Operating profit (EBITA) before amortization of acquisition-related intangible assets and items affecting comparability was SEK 129 m (149), corresponding to a margin of 22.0% (27.3%). The margin was negatively impacted by currency effects, increased logistic costs and the sales mix with a lower share of Distribution and Service & Aftermarket net sales. Items affecting comparability totaled SEK 0 m (-). Amortization of acquisition-related intangible assets totaled SEK -5 m (-5). Operating profit (EBIT) was SEK 124 m (144), corresponding to a margin of 21.1% (26.3%).

FULL YEAR 2022 NET SALES AND OPERATING PROFIT

Segment APAC reported net sales of SEK 2,231 m (1,961), representing 7% (9%) of Group net sales. Total growth was 13%, of which -4% was organic growth, 9% currency translation and 8% M&A. Net sales growth was driven by application area Power & Control, however all application areas showed net sales growth. The organic net sales decline was mainly due to lower Distribution net sales.

Operating profit (EBITA) before amortization of acquisition-related intangible assets and items affecting comparability was SEK 555 m (525), corresponding to a margin of 24.9% (26.8%). EBITA in 2021 was positively impacted by a gain from sale of fixed assets of SEK 21 m. Currency effects had a positive impact on the margin. Items affecting comparability totaled SEK -4 m (-). Amortization of acquisition-related intangible assets totaled SEK -21 m (-15). Operating profit (EBIT) was SEK 531 m (510), corresponding to a margin of 23.8% (26.0%).

SEGMENT MARINE

FOURTH QUARTER 2022 NET SALES AND OPERATING PROFIT

Segment Marine reported net sales of SEK 1,651 m (1,272), representing 27% (23%) of Group net sales. Total growth was 30%, of which 11% was organic growth, 15% currency translation and 4% M&A. Net sales growth was driven by application areas Power & Control and Climate, however all application areas showed net sales growth. The organic net sales growth was driven by strong development in the OEM sales channel. This was partly offset by lower Service & Aftermarket net sales.

Operating profit (EBITA) before amortization of acquisition-related intangible assets and items affecting comparability was SEK 422 m (292), corresponding to a margin of 25.5% (22.9%). The improvement was supported by net sales growth, partly offset by the sales mix with a lower share of Service & Aftermarket net sales. Items affecting comparability totaled SEK 0 m (-1). Amortization of acquisition-related intangible assets totaled SEK -54 m (-44). Operating profit (EBIT) was SEK 368 m (247), corresponding to a margin of 22.3% (19.4%).

FULL YEAR 2022 NET SALES AND OPERATING PROFIT

Segment Marine reported net sales of SEK 6,695 m (5,404), representing 22% (25%) of Group net sales. Total growth was 24%, of which 8% was organic growth, 13% currency translation and 3% M&A. Net sales growth was driven by application area Power & Control. The organic net sales growth was driven by strong development in the OEM sales channel. This was partly offset by lower Service & Aftermarket net sales.

Operating profit (EBITA) before amortization of acquisition-related intangible assets and items affecting comparability was SEK 1,743 m (1,375), corresponding to a margin of 26.0% (25.4%). The improvement was supported by net sales growth and currency effects, partly offset by the sales mix with a lower share of Service & Aftermarket net sales. Items affecting comparability totaled SEK -1 m (-33). Amortization of acquisition-related intangible assets totaled SEK -202 m (-171). Operating profit (EBIT) was SEK 1,541 m (1,171), corresponding to a margin of 23.0% (21.7%).

SEGMENT GLOBAL

FOURTH QUARTER 2022 NET SALES AND OPERATING PROFIT

Segment Global consists of the Igloo business (acquired in October 2021 and consolidated from November 2021), and Other global verticals. Other global verticals includes the businesses of Residential, Hospitality and Mobile deliveries.

Segment Global reported net sales of SEK 1,142 m (688), representing 19% (12%) of Group net sales. Total growth was 66%, of which -3% was organic growth, 21% currency translation and 48% M&A. The organic net sales decline was due to lower net sales in the Residential business. The Igloo business organic net sales growth was flat.

Operating profit (EBITA) before amortization of acquisition-related intangible assets and items affecting comparability was SEK 1 m (25), corresponding to a margin of 0.1% (3.6%). The acquired Igloo business had as expected a dilutive effect on the margin for segment Global. In its seasonally weakest quarter, the Igloo business delivered a fourth quarter result in line with last year with a mid single digit negative EBITA margin. Items affecting comparability for segment Global totaled SEK -2 m (-1). Amortization of acquisition-related intangible assets totaled SEK -52 m (-32). Operating profit (EBIT) was SEK -52 m (-8), corresponding to a margin of -4.6% (-1.2%).

FULL YEAR 2022 NET SALES AND OPERATING PROFIT

Segment Global reported net sales of SEK 6,086 m (1,201), representing 20% (6%) of Group net sales. Total growth was 407%, of which 4% was organic growth, 17% currency translation and 386% M&A. The organic net sales growth was driven by the Hospitality business.

Operating profit (EBITA) before amortization of acquisition-related intangible assets and items affecting comparability was SEK 464 m (102), corresponding to a margin of 7.6% (8.5%). The acquired Igloo business was the driver for the increased operating profit, but had as expected a dilutive effect on the margin for segment Global. Other global verticals margin was in line with last year. Items affecting comparability totaled SEK -7 m (-9). Amortization of acquisition-related intangible assets totaled SEK -196 m (-41). Operating profit (EBIT) was SEK 262 m (52), corresponding to a margin of 4.3% (4.3%).

SUSTAINABILITY UPDATE

As a pioneer in the Mobile Living arena, Dometic is committed to driving sustainability in its industry. This means offering innovative, durable, low-carbon products that inspire an active, comfortable, and responsible life in the outdoors. Dometic also provides a safe, healthy, diverse, and inclusive workplace and ensures business practices meet the highest ethical standards.

Dometic's sustainability platform consists of three focus areas – People, Planet, Governance – with strong ownership in Group management and with clear KPIs, targets and activities implemented in daily operations. Progress on all defined targets is reported externally as part of the Annual and Sustainability Report. In addition, on four of the KPIs, progress is reported on a quarterly basis.

Focus area	KPI	Actual	Baseline (Year)	Target 2024
People	LTIFR	1.5	2.4 (2021)	<2.0
People	Share of female managers	24%	24% (2021)	27% (increase 1% point per year)
Planet	Reduction in CO ₂ ton / net sales SEK m ⁽¹⁾	-38%	2.0 (2020)	-30%
Governance	Share of new suppliers being ESG audited	100%	n/a (new measurement as of 2022)	90%

⁽¹⁾Adjusted for acquisitions and currency translation effects.

For definitions of KPIs, and what the actual period refers to for each KPI, see Definitions and Key ratios at the end of the report.

LTIFR (Lost Time Injury Frequency Rate). Safety performance continued to improve with a LTIFR well below the target. The LTIFR for the fourth quarter was 1.5 which corresponds to an improvement of 35 % compared to the baseline year (2021). The Dometic Health & Safety program is supported by a strong commitment across the organization to continuously make improvements. Strengthening the safety tools with focus on risk prevention activities, sharing information and experience are all ongoing efforts made throughout the organization to keep below the target.

Share of female managers. As of 2022, Dometic has set a new target for 2024 to increase the proportion of female managers by one percentage point per year. The company is accelerating its efforts in this area, and all segments are continuing to work on segment-specific Diversity & Inclusion targets and corresponding action plans. After a temporary reduction in the third quarter, the share of female managers increased to 24%. The company will continue its efforts throughout the organization to further increase the proportion of female managers. All segments continue to work on segment-specific Diversity & Inclusion targets and corresponding action plans.

CO₂ ton⁽¹⁾/net sales SEK m. Emissions per net sales decreased by 38% compared to the baseline year (2020), driven by the transition to renewable electricity supply in all European manufacturing facilities, as well as at a few sites in the US. Absolute CO₂ emissions decreased by 24% compared to the baseline year, while the share of renewable indirect energy (scope 2) LTM (last twelve months) increased to 31% compared to 6% in the baseline year. The implementation of a roadmap for transitioning to renewable electricity in operations globally will support further reductions and target fulfillment until 2024.

Share of new suppliers being ESG audited. As of 2022, Dometic has expanded its proactive focus on supplier audits. The focus for the past three years has been on auditing the majority of the existing spend in low-cost countries, with the results revealing a strong improvement. Work on auditing our existing suppliers continues, but as of from January 2022, Dometic is also ensuring that at least 90% of all new significant direct material suppliers are audited regarding ESG compliance. At the end of November 2022, 100% of the new suppliers had been audited for ESG compliance with a satisfactory result.

¹⁾ Scope 1 and 2 emissions represented by fuel combustion, electricity and district heating used on operation sites.

PARENT COMPANY DOMETIC GROUP AB (PUBL)

Fourth quarter 2022

The Parent Company Dometic Group AB (publ) comprises the functions of the Group's head office, such as Group management and administration. The Parent Company invoices its costs to subsidiaries.

For the quarter, the Parent Company had an operating profit (loss) of SEK -3 m (-1), including administrative expenses of SEK -33 m (-66) and other operating income of SEK 29 m (65), of which the full amount relates to income from subsidiaries.

Profit (loss) from financial items totaled SEK -636 m (135), including interest income from subsidiaries of SEK 205 m (62), interest expenses to subsidiaries of SEK - m (-) and other financial income and expenses of SEK -841 m (72).

Profit (loss) for the quarter amounted to SEK -653 m (385).

Full year 2022

For the period, the Parent Company had an operating profit (loss) of SEK -3 m (-2), including administrative expenses of SEK -228 m (-282) and other operating income of SEK 225 m (280), of which the full amount relates to income from subsidiaries.

Profit (loss) from financial items totaled SEK 6 m (33), including interest income from subsidiaries of SEK 509 m (191), interest expenses to subsidiaries of SEK - m (-1) and other financial income and expenses of SEK -503 m (-156).

Profit (loss) for the period amounted to SEK -11 m (278).

For further information, please refer to the Parent Company's condensed financial statements on page 13.

ANNUAL GENERAL MEETING 2023

Dometic Group's Annual General Meeting will be held on April 12, 2023, in Stockholm.

NOMINATION COMMITTEE – ANNUAL GENERAL MEETING 2022

In accordance with the resolution adopted by the 2021 Annual General Meeting (AGM), the Nomination Committee ahead of the 2023 AGM shall be composed of the Chairman of the Board of Directors together with one representative from each of the three largest shareholders, based on the ownership structure at August 31. Further details about the Nomination Committee are available on the website. www.dometicgroup.com

PROPOSED DIVIDEND

For the 2022 full year, the Board of Directors proposes a cash dividend of SEK 1.30 (2.45) per share.

Solna, January 27, 2023

Board of Directors

REVIEW

This interim report has not been subject to review by the Dometic Group AB (publ)'s external auditor.

CONSOLIDATED INCOME STATEMENT

SEK m	Q4 2022	Q4 2021	FY 2022	FY 2021
Net sales	6,172	5,542	29,764	21,516
Cost of goods sold	-4,724	-4,099	-21,883	-15,155
Gross Profit	1,448	1,444	7,880	6,361
Sales expenses	-541	-445	-2,185	-1,593
Administrative expenses	-308	-314	-1,376	-1,086
Research and development expenses	-126	-110	-531	-412
Other operating income and expenses	-43	57	143	78
Items affecting comparability	-32	-37	-532	-123
Amortization of acquisition-related intangible assets	-162	-125	-611	-369
Operating profit	236	470	2,789	2,855
Financial income	20	1	45	13
Financial expenses	-186	-189	-396	-512
Net financial expenses	-166	-187	-351	-499
Profit (loss) before tax	70	283	2,438	2,357
Taxes	-43	-86	-654	-630
Profit (loss) for the period	27	197	1,784	1,726
Profit (loss) for the period attributable to owners of the Parent Company	27	197	1,784	1,726
Earnings per share before and after dilution, SEK - Owners of the Parent Company	0.09	0.62	5.58	5.58
Average number of shares, million	319.5	319.5	319.5	309.6

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK m	Q4 2022	Q4 2021	FY 2022	FY 2021
Profit (loss) for the period	27	197	1,784	1,726
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurements of defined benefit pension plans, net of tax	-70	-19	178	79
	-70	-19	178	79
Items that may be reclassified subsequently to profit or loss:				
Cash flow hedges, net of tax	-48	33	-73	108
Gains/losses from hedges of net investments in foreign operations, net of tax	-647	281	573	294
Exchange rate differences on translation of foreign operations	-896	573	2,289	1,389
	-1,590	887	2,788	1,790
Other comprehensive income for the period	-1,660	868	2,966	1,869
Total comprehensive income for the period	-1,633	1,064	4,751	3,595
Total comprehensive income for the period attributable to Owners of the Parent Company	-1,633	1,064	4,751	3,595

CONSOLIDATED BALANCE SHEET (IN SUMMARY)

SEK m	Dec 31, 2022	Dec 31, 2021
ASSETS		
Non-current assets		
Goodwill and trademarks	28,107	25,947
Other intangible assets	7,580	7,016
Tangible assets	2,540	2,280
Right-of-use assets	972	1,000
Deferred tax assets	513	686
Other non-current assets	168	145
Total non-current assets	39,879	37,075
Current assets		
Inventories	9,314	6,983
Trade receivables	2,807	2,686
Current tax assets	109	74
Derivatives, short-term	147	119
Other current receivables	506	488
Prepaid expenses and accrued income	289	197
Cash and cash equivalents	4,399	4,408
Total current assets	17,572	14,955
TOTAL ASSETS	57,451	52,030
EQUITY AND LIABILITIES		
EQUITY	26,415	22,447
LIABILITIES		
Non-current liabilities		
Liabilities to credit institutions, long-term	15,304	16,099
Deferred tax liabilities	3,113	2,822
Other non-current liabilities	90	2,910
Leasing liabilities, long-term	740	881
Provisions for pensions	528	704
Other provisions, long-term	255	246
Total non-current liabilities	20,030	23,661
Current liabilities		
Liabilities to credit institutions, short-term	3,339	-
Trade payables	2,978	3,193
Current tax liabilities	296	477
Advance payments from customers	47	51
Leasing liabilities, short-term	351	233
Derivatives, short-term	111	13
Other provisions, short-term	594	332
Other current liabilities*	1,919	193
Accrued expenses and prepaid income	1,371	1,429
Total current liabilities	11,007	5,921
TOTAL LIABILITIES	31,037	29,583
TOTAL EQUITY AND LIABILITIES	57,451	52,030

* Other current liabilities includes short-term considerations not yet paid.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IN SUMMARY)

SEK m	FY 2022	FY 2021
Opening balance for the period	22,447	16,201
Profit (loss) for the period	1,784	1,726
Other comprehensive income for the period	2,966	1,869
Total comprehensive income for the period	4,751	3,595
Transactions with owners		
New share issue	-	3,331
Dividend paid to shareholders of the Parent Company	-783	-680
Total transactions with owners	-783	2,651
Closing balance for the period	26,415	22,447

CONSOLIDATED STATEMENT OF CASH FLOW

SEK m	Q4 2022	Q4 2021	FY 2022	FY 2021
Cash flow from operating activities				
Operating profit	236	470	2,789	2,855
<i>Adjustment for other non-cash items</i>				
Depreciation and amortization	401	301	1,477	920
Adjustments for other non-cash items	-184	-106	421	-204
<i>Changes in working capital</i>				
Changes in inventories	310	-1,011	-1,247	-2,275
Changes in trade receivables	788	624	231	141
Changes in trade payables	-71	518	-609	600
Changes in other working capital*	-140	-94	-200	125
Income tax paid	-415	-132	-991	-1,009
Net cash flow from operations	924	569	1,869	1,153
Cash flow from investments				
Acquisition of operations, net of cash acquired*	-194	-5,883	-847	-8,555
Investments in fixed assets	-222	-155	-593	-413
Proceeds from sale of fixed assets	1	26	4	61
Deposit	-	-	-	147
Other investing activities	5	-3	10	1
Net cash flow from investments	-410	-6,015	-1,426	-8,760
Cash flow from financing				
New share issue	-	-	-	3,326
Borrowings from credit institutions	-	-	1,000	3,062
Repayment of loans to credit institutions	-	-	-	-1,000
Payment of lease liabilities related to lease agreements	-98	-70	-343	-225
Paid interest	-73	-61	-492	-385
Received interest	-	1	3	4
Other financing activities	-12	-15	45	-74
Dividend paid to shareholders of the Parent Company	0	-	-783	-680
Net cash flow from financing	-183	-146	-570	4,028
Cash flow for the period	331	-5,593	-127	-3,579
Cash and cash equivalents at beginning of period	4,093	9,959	4,408	7,913
Exchange differences on cash and cash equivalents	-25	42	117	74
Cash and cash equivalents at end of period	4,399	4,408	4,399	4,408

*In Q4 the cash flow effect from paid deferred considerations during 2022 has been reclassified from Changes in other working capital (Net cash from operations) to Acquisition of operations, net of cash acquired (Cash flow from investments).

PARENT COMPANY INCOME STATEMENT

SEK m	Q4 2022	Q4 2021	FY 2022	FY 2021
Administrative expenses	-33	-66	-228	-282
Other operating income	29	65	225	280
Operating profit (loss)	-3	-1	-3	-2
Interest income subsidiaries	205	62	509	191
Interest expenses subsidiaries	-	-	-	-1
Other financial income and expenses	-841	72	-503	-156
Profit (loss) from financial items	-636	135	6	33
Group contributions	-	346	-	346
Profit (loss) before tax	-639	480	3	378
Taxes	-14	-94	-14	-99
Profit (loss) for the period	-653	385	-11	278

PARENT COMPANY BALANCE SHEET (IN SUMMARY)

SEK m	Dec 31, 2022	Dec 31, 2021
ASSETS		
Non-current assets		
Shares in subsidiaries	16,228	16,228
Other non-current assets	12,521	10,892
Total non-current assets	28,749	27,120
Current assets		
Current assets	2,462	2,695
Total current assets	2,462	2,695
TOTAL ASSETS	31,212	29,815
EQUITY	12,060	12,853
PROVISIONS		
Provisions	104	99
Total provisions	104	99
LIABILITIES		
Non-current liabilities		
Non-current liabilities	15,304	16,099
Total non-current liabilities	15,304	16,099
Current liabilities		
Current liabilities	3,745	764
Total current liabilities	3,745	764
TOTAL LIABILITIES	19,152	16,962
TOTAL EQUITY AND LIABILITIES	31,212	29,815

CONDENSED NOTES

NOTE 1 | ACCOUNTING PRINCIPLES

Dometic Group AB (publ) and its subsidiaries (together “the Dometic Group”, “Dometic” or “the Group”) applies International Financial Reporting Standards (IFRS), as endorsed by the European Union. This consolidated Interim Financial Report has been prepared in accordance with IAS 34 ‘Interim Financial Reporting’.

The accounting and valuation principles in this interim report correspond to principles applied by the Group in the 2021 Annual and Sustainability Report and should be read in conjunction with that Annual and Sustainability Report, available at www.dometicgroup.com.

The Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities, issued by the Swedish Financial Reporting Board, have been applied for the Parent Company. The interim report comprises pages 1–22 and pages 1–12 are thus an integral part of this financial report (IAS 34.16A).

Totals quoted in tables and statements may not always be the exact sum of the individual items because of rounding differences. The aim is for each line item to correspond to its source, and rounding differences may therefore arise.

New or amended accounting policies for 2022 adopted by the Group

A detailed description of the accounting and valuation principles for new or amended accounting policies for 2022 applied by the Group in this interim report can be found in Note 2.1.1 Changes in accounting policies, New or amended accounting policies for 2022, of the 2021 Annual and Sustainability Report available at www.dometicgroup.com.

NOTE 2 | RISKS AND UNCERTAINTIES

Risks are part of any business and as a global Group with production and distribution all over the world, Dometic faces risks that can impact its ability to achieve established strategic and other objectives, including financial targets. Effective risk management of strategic, execution, compliance & regulatory and reporting risks creates opportunities and effective risk mitigation.

The key to effective risk management is identifying known risks and preparing for any unknown risks to which the Group is exposed. While mitigating risks usually comes at a cost, effective risk management adds value by establishing clear risk and process ownership combined with risk identification, assessment, prioritization and risk response i.e. risk mitigating actions as well as effective monitoring.

In line with Dometic’s Three Lines Model, Risk Management as part of the second line of responsibility constitutes an important role by providing and supporting management and the business operations with a risk framework including a risk management process and a risk universe for identification, assessment, and prioritization of risks, and for providing risk response i.e. risk mitigating actions as well as effective monitoring.

The risk framework aligns strategic risks with the Group strategic objectives and the strategy toolbox for execution. Each defined tool in the strategy toolbox represents both risks and opportunities that, correctly managed, help the Group deliver on its strategy. Risks in the risk framework and especially the strategic risks are connected to the objectives defined for each of the three pillars in the Group strategy

The Risk Committee, which comprises the members of Group Management, hold meetings in connection with Group Management meetings, during which significant time was dedicated to plan for and present results from risk assessments as well as review of risk mitigating actions. Strategic risks are assessed top-down by Group Management, while execution, compliance & regulatory and reporting risks are assessed bottom-up by segment management and process and risk owners, as well as top-down by Group Management and global process and risk owners, as applicable. The Risk Committee discusses and

makes decisions on risk mitigating actions and the members of Group Management act as global process and risk owners as applicable. The work of the Risk Committee is regularly reported to the Audit Committee and annually to the Board of Directors.

With strategic, execution, compliance & regulatory and reporting risks identified and assessed annually, the results thereof in terms of risk registers and risk maps help raise risk awareness and support management and the business operations at different levels of the organization in prioritization of risk mitigating actions. The annual risk assessment, including risk registers and risk maps, also serves as a foundation for the Group’s control functions, such as Internal Control and Internal Audit, for their prioritization of focus areas.

The risk framework includes a universe of risks that could impact Dometic’s ability to achieve established strategic and other objectives including financial targets. The risks to which Dometic is exposed are classified into four main categories: strategic risks, execution risks, compliance & regulatory risks and reporting risks. Each main category has subcategories with defined underlying risks. Sustainability risks are integrated in the main categories and subcategories. Risks are mapped to strategic and other objectives including financial targets. Risk ownership is identified for each risk in the risk universe.

Strategic risks can impact Dometic’s ability to achieve strategic objectives including financial targets. Strategic risks are divided into the following subcategories: market and sales risks, product risks, manufacturing, distribution and sourcing risks, organizational risks and external risk factors. External risk factors could be political, geopolitical, climate change, weather-related, hazards and risks related to compensation and external crime.

Execution risks are operational, commercial and financial risks associated with business operations.

Compliance & Regulatory risks are both internal compliance with governing documents as well as external compliance with laws, rules and regulations.

Reporting risks are risks associated with Dometic’s reporting, information and communication, both financial and non-financial.

The COVID-19 pandemic had a negative impact on Dometic’s business and operations, primarily during the first half of 2020. Future development of the pandemic create uncertainty and external as well as internal measures to contain COVID-19 cases may impact the business and operations. The current situation in China, with new COVID-19 pandemic breakouts, creates further uncertainty on future development.

Supply chain disturbances including rising raw material prices and freight costs, as well as availability of critical components and transport capacity, have impacted profitability and cash flow since the end of 2020. Mitigating actions from Dometic to safeguard Company profitability and cash flow includes price increases as well as close collaboration with suppliers and freight partners.

Dometic continues to follow the development in Ukraine as well as in all neighbouring countries and will take necessary actions needed to protect employees and the Group. In 2021 total net sales in Ukraine, Russia and Belarus were SEK 67 million (0,3 percent of Group net sales). Dometic has stopped all business activities in Russia and as a consequence SEK -22 m mainly related to write down of assets were recorded in the first quarter 2022.

The current macroeconomic situation brings uncertainty, and it is difficult to predict how geopolitical developments and increased inflation will impact the business. Dometic is actively working to balance capacity and resources with demand across the organization. While closely monitoring and acting on short-term market developments, Dometic will continue to implement its strategic agenda to deliver on its targets.

Dometic’s risks and risk management are described on pages 64-67 and on pages 92-95 in the 2021 Annual and Sustainability Report, available at www.dometicgroup.com.

NOTE 3 | FINANCIAL INSTRUMENTS

Dometic uses interest rate swaps to hedge senior facility term loans to move from a floating interest rate to a fixed interest rate. The Group also uses currency forward agreements to hedge part of its cash flow exposure.

The fair values of Dometic's derivative assets and liabilities were SEK 147 m (119) and SEK 111 m (13). The value of derivatives is

based on published prices in an active market. No transfers between levels of the fair value hierarchy have occurred during the period.

For financial assets and liabilities other than derivatives, fair value is assumed to be equal to the carrying amount.

TABLE TO NOTE 3 – FINANCIAL INSTRUMENTS

Dec 31, 2022	Balance sheet carrying amount	Financial Instruments at amortized cost	Financial Instruments at fair value	Derivatives used for hedging
Per category				
Derivatives	147	-	101	46
Financial assets	7,880	7,880	-	-
Total financial assets	8,028	7,880	101	46
Derivatives	111	-	46	66
Financial liabilities	23,629	21,933	1,697	-
Total financial liabilities	23,741	21,933	1,743	66

NOTE 4 | SEGMENT INFORMATION

CONSOLIDATED OPERATING SEGMENTS

Dometic has a new segment reporting structure starting from the reporting of the first quarter 2022. The Marine business is reported as a new separate segment while Other global verticals and the Igloo business remain in segment Global. Segments Americas, EMEA and APAC remain as before. Management follow-up is based on the integrated result in each segment. For further information, see the 2021 Annual and Sustainability Report note 5 available at www.dometicgroup.com

SEK m	Q4 2022	Q4 2021	FY 2022	FY 2021
Net sales, external				
Americas	1,192	1,516	6,780	5,970
EMEA	1,602	1,520	7,970	6,981
APAC	586	546	2,231	1,961
Marine	1,651	1,272	6,695	5,404
Global	1,142	688	6,086	1,201
Total net sales, external	6,172	5,542	29,764	21,516
Operating profit (EBITA) before items affecting comparability				
Americas	-60	72	330	398
EMEA	-62	93	838	948
APAC	129	149	555	525
Marine	422	292	1,743	1,375
Global	1	25	464	102
Total operating profit (EBITA) before items affecting comparability	430	632	3,931	3,348
Operating profit (EBITA) before items affecting comparability %				
Americas	-5.1%	4.7%	4.9%	6.7%
EMEA	-3.8%	6.1%	10.5%	13.6%
APAC	22.0%	27.3%	24.9%	26.8%
Marine	25.5%	22.9%	26.0%	25.4%
Global	0.1%	3.6%	7.6%	8.5%
Total operating profit (EBITA) before items affecting comparability %	7.0%	11.4%	13.2%	15.6%
Amortization of acquisition-related intangible assets				
Americas	-31	-27	-118	-97
EMEA	-19	-16	-74	-46
APAC	-5	-5	-21	-15
Marine	-54	-44	-202	-171
Global	-52	-32	-196	-41
Total amortization of acquisition-related intangible assets	-162	-125	-611	-369
Items affecting comparability				
Americas	-5	-30	-151	-55
EMEA	-24	-6	-370	-28
APAC	-0	-	-4	-
Marine	-0	-1	-1	-33
Global	-2	-1	-7	-9
Total items affecting comparability	-32	-37	-532	-123
Operating profit (EBIT)				
Americas	-97	15	61	246
EMEA	-105	72	394	874
APAC	124	144	531	510
Marine	368	247	1,541	1,171
Global	-52	-8	262	52
Total operating profit (EBIT)	236	470	2,789	2,855
Operating profit (EBIT) %				
Americas	-8.1%	1.0%	0.9%	4.1%
EMEA	-6.6%	4.7%	4.9%	12.5%
APAC	21.1%	26.3%	23.8%	26.0%
Marine	22.3%	19.4%	23.0%	21.7%
Global	-4.6%	-1.2%	4.3%	4.3%
Total operating profit (EBIT) %	3.8%	8.5%	9.4%	13.3%
Financial income	20	1	45	13
Financial expenses	-186	-189	-396	-512
Taxes	-43	-86	-654	-630
Profit (loss) for the period	27	197	1,784	1,726

Previous periods have been restated according to the new segment reporting structure.

NET SALES BY APPLICATION AREAS

SEK m	Q4 2022	Q4 2021	FY 2022	FY 2021
Segment Americas				
Food & Beverage	241	362	1,494	1,580
Climate	513	639	2,970	2,733
Power & Control	189	212	1,032	546
Other applications	249	302	1,284	1,111
Segment Americas net sales, external	1,192	1,516	6,780	5,970
Segment EMEA				
Food & Beverage	521	488	2,871	2,484
Climate	768	795	3,763	3,451
Power & Control	223	151	925	632
Other applications	89	86	412	414
Segment EMEA net sales, external	1,602	1,520	7,970	6,981
Segment APAC				
Food & Beverage	267	242	919	901
Climate	177	177	734	726
Power & Control	106	101	431	232
Other applications	35	25	147	102
Segment APAC net sales, external	586	546	2,231	1,961
Segment Marine				
Food & Beverage	47	46	217	221
Climate	346	239	1,262	1,033
Power & Control	975	739	3,939	3,017
Other applications	284	248	1,278	1,133
Segment Marine net sales, external	1,651	1,272	6,695	5,404
Segment Global				
Food & Beverage	1,125	671	6,009	1,146
Climate	1	1	4	4
Power & Control	0	0	3	0
Other applications	16	17	71	52
Segment Global net sales, external	1,142	688	6,086	1,201
Net sales, external				
Food & Beverage	2,201	1,810	11,509	6,331
Climate	1,805	1,851	8,732	7,946
Power & Control	1,493	1,204	6,331	4,427
Other applications	673	678	3,191	2,812
Total net sales, external	6,172	5,542	29,764	21,516

Inter-segment sales were as follows:

SEK m	Q4 2022	Q4 2021	FY 2022	FY 2021
Segment Americas	39	28	170	146
Segment EMEA	58	91	340	376
Segment APAC	589	794	3,316	3,472
Segment Marine	9	8	49	30
Segment Global	-	-	-	-
Eliminations	696	920	3,875	4,025

NOTE 5 | NET SALES BY SALES CHANNEL

SEK m	Q4	Q4	Change (%)		FY	FY	Change (%)	
	2022	2021	Reported	Organic ⁽¹⁾	2022	2021	Reported	Organic ⁽¹⁾
Net sales, external								
OEM	2,997	2,758	9%	-6%	13,034	10,848	20%	4%
Distribution	1,592	1,130	41%	-7%	8,688	3,127	178%	-2%
Service & Aftermarket	1,583	1,654	-4%	-22%	8,041	7,541	7%	-14%
Total net sales, external	6,172	5,542	11%	-11%	29,764	21,516	38%	-3%

⁽¹⁾Net sales growth excluding acquisitions/divestments and currency translation effects.

NOTE 6 | ITEMS AFFECTING COMPARABILITY

SEK m	Q4	Q4	FY	FY
	2022	2021	2022	2021
Global restructuring program	-20	-36	-499	-86
Other	-13	-1	-33	-37
Total	-32	-37	-532	-123

The table below specifies items affecting comparability by function and other operating income and expenses.

Global restructuring program		Q4	Q4	FY	FY
SEK m		2022	2021	2022	2021
Cost of goods sold		-5	-31	-476	-81
Sales expenses		0	-	-3	-1
Administrative expenses		-6	-	-8	-
Research and development expenses		-11	-	-11	-
Other operating income and expenses		2	-5	-2	-5
Total		-20	-36	-499	-86

Other		Q4	Q4	FY	FY
SEK m		2022	2021	2022	2021
Cost of goods sold		-	-	-	-
Sales expenses		-3	-	-21	-
Administrative expenses		-1	-	-1	-
Research and development expenses		-	-	-	-
Other operating income and expenses		-9	-1	-11	-37
Total		-13	-1	-33	-37

Total		Q4	Q4	FY	FY
SEK m		2022	2021	2022	2021
Cost of goods sold		-5	-31	-476	-81
Sales expenses		-3	-	-24	-1
Administrative expenses		-7	-	-8	-
Research and development expenses		-11	-	-11	-
Other operating income and expenses		-8	-6	-13	-42
Total		-32	-37	-532	-123

NOTE 7 | AMORTIZATION OF ACQUISITION-RELATED INTANGIBLE ASSETS BY FUNCTION

The table below specifies amortization of acquisition-related intangible assets by function and other operating income and expenses.

SEK m			Amortization of Customer Relationship Assets		Amortization of Technology		Amortization of intellectual property		Total
			Amortization Trademarks						
Cost of goods sold									
	Q4	2022	-	-	-19	-0	-20		
	Q4	2021	-	-	-15	-3	-18		
	FY	2022	-	-	-74	-1	-75		
	FY	2021	-	-	-49	-20	-69		
Sales expenses									
	Q4	2022	-24	-118	-	-	-142		
	Q4	2021	-20	-87	-	-	-107		
	FY	2022	-91	-444	-	-	-535		
	FY	2021	-63	-238	-	1	-301		
Total Amortization of acquisition-related intangible assets									
	Q4	2022	-24	-118	-19	-0	-162		
	Q4	2021	-20	-87	-15	-3	-125		
	FY	2022	-91	-444	-74	-1	-611		
	FY	2021	-63	-238	-49	-19	-369		

NOTE 8 | ADJUSTED EARNINGS PER SHARE

Specification of Adjusted earnings per share. Adjusted earnings per share excludes the impact from amortization of acquisition-related intangible assets and items affecting comparability.

SEK m	Q4	Q4	FY	FY
	2022	2021	2022	2021
Profit (loss) before tax, reported	70	283	2,438	2,357
A) Adjustment for amortization of acquisition-related intangible assets	162	125	611	369
B) Adjustment for items affecting comparability	32	37	532	123
Profit (loss) before tax, adjusted	264	445	3,581	2,849
Taxes, reported	-43	-86	-654	-630
Taxes, adjustment for A) and B)	-49	-45	-270	-129
Profit (loss) for the period, adjusted	172	314	2,658	2,090
Average number of shares	319.5	319.5	319.5	309.6
Earnings per share, adjusted	0.54	0.98	8.32	6.75

NOTE 9 | RIGHT-OF-USE ASSETS

Right-of-use assets information is specified below:

Depreciation & amortization	Q4	Q4	FY	FY
SEK m	2022	2021	2022	2021
Depreciation and amortization	-401	-301	-1,477	-920
Add back depreciation related to right-of-use assets	99	71	338	223
Total	-302	-230	-1,138	-697

Right-of-use assets	Dec 31,	Dec 31,
SEK m	2022	2021
Buildings	903	919
Machinery, equipment and other technical installations	68	81
Total	972	1,000

NOTE 10 | TRANSACTIONS WITH RELATED PARTIES

No transactions between Dometic and related parties that have significantly affected the company's position and earnings took place during 2022.

NOTE 11 | ACQUISITIONS AND DIVESTMENTS

Acquisition	Date of announcement	Included and controlled from	Segment	Previous year net sales⁽¹⁾	Number of employees⁽¹⁾
Cadac International	Sept 16, 2021	Jan 4, 2022	EMEA	17 MEUR	40
NDS Energy	Nov 11, 2021	Feb 1, 2022	EMEA	11 MUSD	25
Treeline Capital LLC	March 2, 2022	March 2, 2022	Marine	16 MUSD	70

⁽¹⁾Annual net sales and number of employees as disclosed in the press release when announced.

See the Annual and Sustainability Report 2021 note 29 for details on acquisitions completed in 2021.

2022

Acquisitions during the year

Cadac International

Dometic has acquired Cadac International, a provider of premium outdoor barbecue equipment for the vehicle based outdoor market. The acquisition of Cadac International is a perfect fit to Dometic's existing offering of cooling boxes, tents, mobile power solutions and other outdoor equipment.

NDS Energy

Dometic has acquired NDS Energy, a provider of Mobile Power Solutions for the outdoor market based in Italy. The acquisition of NDS Energy strengthens Dometic's offering and market presence within Mobile Power Solutions in the European outdoor market.

Treeline Capital LLC

Dometic has acquired Treeline Capital LLC, a leading provider of value-adding engineered Service & Aftermarket products and Mobile Power Solutions for the North American Marine market under the CDI Electronics and Balmar brands.

Acquisitions summary

The purchase price paid amounts to SEK 691 m on a debt and cash free basis excluding potential earn-out elements. The total purchase price amounts to SEK 949 m.

In the purchase price allocation below, calculation of intangible assets and goodwill are only preliminary. The purchase price allocation for acquisitions are finalized no later than one year after the acquisition is made. Goodwill is generally not tax deductible.

Goodwill is justified by customer relationships, market position and new future technologies. Acquisition-related costs in the consolidated income statement for the full year 2022 amount to SEK 8 m reported as Other operating income and expenses.

The proportion of equity in all acquired companies are 100%.

The acquisitions have affected consolidated net sales from the date of acquisitions by SEK 577 m and EBITA before i.a.c. by SEK 130 m. If the acquisitions had been acquired and consolidated as of January 1, 2022, the total pro forma net sales would have been SEK 618 m and EBITA of SEK 139 m. This excludes amortization of acquisition-related intangible assets.

Purchase price allocation preliminary, SEK m	Total
Trademarks and tradenames	15
Other intangible assets (technology, customer relationship assets)	154
Tangible assets	21
Right-of-use assets	6
Other non-current assets	1
Operating assets	246
Cash and cash equivalents	54
Provisions and other non-current liabilities	-35
Deferred tax liabilities	-27
Leasing liabilities, long- and short-term	-3
Operating liabilities	-88
Fair value of net assets	343
Goodwill	606
Purchase price	949
Consideration transferred	-745
Cash and cash equivalents in acquired companies	54
Consideration paid relating to acquisitions from previous years	-156
Cash flow effect on Group's cash and cash equivalents	-847

Effect on group cash flow

Effect on group cash flow amounts to SEK -847 m full year 2022.

Acquisitions made 2021

The purchase price allocation of Twin Eagles, Zamp Solar, Büttner Elektronik and Enerdrive are to be considered as final.

Valterra Products

The fair value of acquired net assets was adjusted in the second quarter of 2022, increasing goodwill with SEK 9 m. After the adjustment, the purchase price allocation is to be considered final.

Front Runner

The fair value of acquired net assets was adjusted in Q2 2022, reducing goodwill with SEK 6 m. After the adjustment, the purchase price allocation is to be considered final.

Igloo

The preliminary purchase price allocation of Igloo has been adjusted due to a net working capital adjustment, and an adjustment of a fair value of acquired net assets increasing goodwill by SEK 16 m. After the adjustment, the purchase price allocation is to be considered final.

See the Annual and Sustainability Report 2021 note 29 for details on acquisitions completed in 2021.

NOTE 12 | SIGNIFICANT EVENTS AFTER THE PERIOD

Brian Garofalo, Dometic CMO, left the Company on January 6, 2023 for another external assignment. An interim CMO has been appointed and the recruitment process for a permanent CMO has started. There have been no other significant events that have impacted the financial reporting after the balance sheet date.

RECONCILIATION OF NON-IFRS MEASURES TO IFRS (ALTERNATIVE PERFORMANCE MEASURES)

Dometic presents some financial measures in this interim report, which are not defined by IFRS. The company believes that these measures provide valuable additional information to investors and management for evaluating the company's financial performance, financial position and trends in the company's operations. It should be noted that these measures, as defined, may not be comparable to similarly titled measures used by other companies. These non-IFRS measures should not be considered as substitutes for financial reporting measures prepared in accordance with IFRS. See Dometic's website www.dometicgroup.com for the detailed reconciliation.

Adjusted earnings per share	Net profit for the period, excluding the impact from amortization of acquisition-related intangible assets and items affecting comparability, divided by average number of shares.
Core working capital	Consists of inventories and trade receivables less trade payables.
EBITDA	Operating profit (EBIT) before Depreciation and Amortization. Depreciation also includes depreciation of right-of-use assets in accordance with IFRS 16 Leases.
EBITDA margin	EBITDA divided by net sales.
EBITA bef i.a.c.	Operating profit (EBIT) before Amortization of acquisition-related intangible assets and items affecting comparability.
EBITA margin	EBITA divided by net sales.
Net debt	Total borrowings including pensions and accrued interest less cash and cash equivalents.
Net debt to EBITDA leverage ratio	Net debt excluding pensions, leasing and accrued interest in relation to EBITDA before items affecting comparability and including acquisitions proforma. Any cash deposits with tax authorities are treated as cash in leverage calculation.
Operating cash flow	Cash flow from operations after investments in fixed assets excluding income tax paid. Paid interest/received interest is a part of the net cashflow of financing.
Organic growth	Sales growth excluding acquisitions/divestments and currency translation effects. Quarters are calculated at comparable currency, applying the latest period average rate.
RoOC – Return on Operating Capital	Operating profit (EBIT) divided by operating capital. Based on the operating profit (EBIT) for the four previous quarters, divided by the average operating capital for the previous four quarters, excluding goodwill and trademarks for the previous quarters.

DEFINITIONS AND KEY RATIOS

Capital expenditure	Expenses related to the purchase of tangible and intangible assets.
CO₂ ton / net sales SEK m	CO ₂ emissions from own operations (scope 1 and 2) divided by currency adjusted net sales. Rolling 12 months with one month delay in reporting. Scope 1 = energy from fuel combustion used at operation sites (factories, warehouses, distribution centers), Scope 2 = electricity and district heating used at operation sites. (excl M&A).
EPS – Earnings per share	Net profit for the period divided by average number of shares.
FY 2022 and 2021	Full Year. January to December 2022 and 2021 for Income statement.
i.a.c. – items affecting comparability	Items affecting comparability are events or transactions with significant financial effects, which are relevant for understanding the financial performance when comparing profit (loss) for the current period with previous periods. Items included are for example restructuring programs, expenses related to major revaluations, gains and losses from acquisitions or disposals of subsidiaries, or major transaction costs related to mergers and acquisitions.
Interest-bearing debt	Liabilities to credit institutions plus liabilities to related parties plus provisions for pensions.
LTIFR	Lost Time Injury Frequency Rate. Work related accidents with lost time ≥ 1 day per million working hours. Rolling 12 months.
LTM	Last twelve months.
Net profit	Profit (loss) for the period.
OCI	Other Comprehensive Income.
OEM	Original Equipment Manufacturers.
Operating capital excluding goodwill and trademarks	Interest-bearing debt plus equity less cash and cash equivalents, excluding goodwill and trademarks.
Operating profit (EBIT)	Operating profit (EBIT) before financial items and taxes.
Operating profit (EBIT) margin	Operating profit (EBIT) divided by net sales.
Product development costs	Research and development costs including capitalized spend.
Q4 2022 and Q4 2021	October to December 2022 and October to December 2021 for Income Statement.
RoOC	Return on Operating Capital, excluding goodwill and trademarks.
Share of female managers	Percentage of female managers in the company at the end of each period, with one quarter delay in reporting. The manager definition has been updated compared to previous measurements.
Share of new suppliers being ESG audited	Percentage of new significant direct material suppliers that have been ESG audited (on-site, remote or 3rd party audits), with one month delay in reporting. Measuring period to be included as a new supplier is January 1, 2022 until end of 2024.
Working capital	Core working capital plus other current assets less other current liabilities and provisions relating to operations.
YTD 2022 and YTD 2021	Year to date. January to December 2022 and January to December 2021 for Income statement.

PRESENTATION OF THE INTERIM REPORT

Analysts and media are invited to participate in a telephone conference at 10.00 (CET), January 27, 2023, during which President and CEO, Juan Vargues and CFO, Stefan Fristedt, will present the report and answer questions. To participate in the webcast/telephone conference, please dial in five minutes prior to the start of the conference call. The webcast URL and presentation are available at www.dometicgroup.com.

Webcast link:

<https://dometic.videosync.fi/2023-01-27-q4-2022/register>

To participate in conference call to ask questions

Those who wish to participate in the conference call to ask questions in connection with the webcast are welcome to register on the link below. After the registration you will be provided phone numbers and a conference ID to access the conference.

Registration link:

<https://events.inderes.se/teleconference/?id=100330>

FOR FURTHER INFORMATION, PLEASE CONTACT

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This document is a translation of the Swedish version of the interim report. In the event of any discrepancy, the Swedish wording shall prevail.

ABOUT DOMETIC

Dometic is a global market leader in the mobile living industry. Millions of people around the world use Dometic products in outdoor, residential, and professional applications. Our motivation is to create smart, sustainable, and reliable products with outstanding design for an outdoor and mobile lifestyle in the areas of Food & Beverage, Climate, Power & Control, and Other Applications. Dometic employs approximately 8,500 people worldwide, had net sales of SEK 29.8 billion in 2022 and is headquartered in Solna, Sweden.

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.

FINANCIAL CALENDAR

April 12, 2023

Annual General Meeting 2023

April 26, 2023

Interim report for the first quarter 2023

July 18, 2023

Interim report for the second quarter 2023

October 26, 2023

Interim report for the third quarter 2023