

INTERIM PRESENTATION

Q1 2022

April 28, 2022





JUAN VARGUES

PRESIDENT & CEO

Q1 2022 HIGHLIGHTS

Market development

- Strong backlog and retail inventory levels lower than historical levels
- Continued supply chain constraints and increased raw material prices
- Uncertain macroeconomic situation

Performance

- Strategy execution is yielding results – strongest Q1 ever
- 55% sales growth with improved sales mix
- Price increases implemented
- EBITA margin before i.a.c. 14.8%
 - Stable compared to Q1 2021 excluding Igloo
 - Igloo EBITA margin above mid-single digit, an improvement compared to last year
- Net debt leverage 2.7x, three acquisitions completed
- Announced closure of manufacturing site in Elkhart, Indiana



Q1 2022 FINANCIAL SUMMARY

Net sales SEK 7,518 m, +55% total growth

- 7% organic
- 5% FX
- 43% M&A

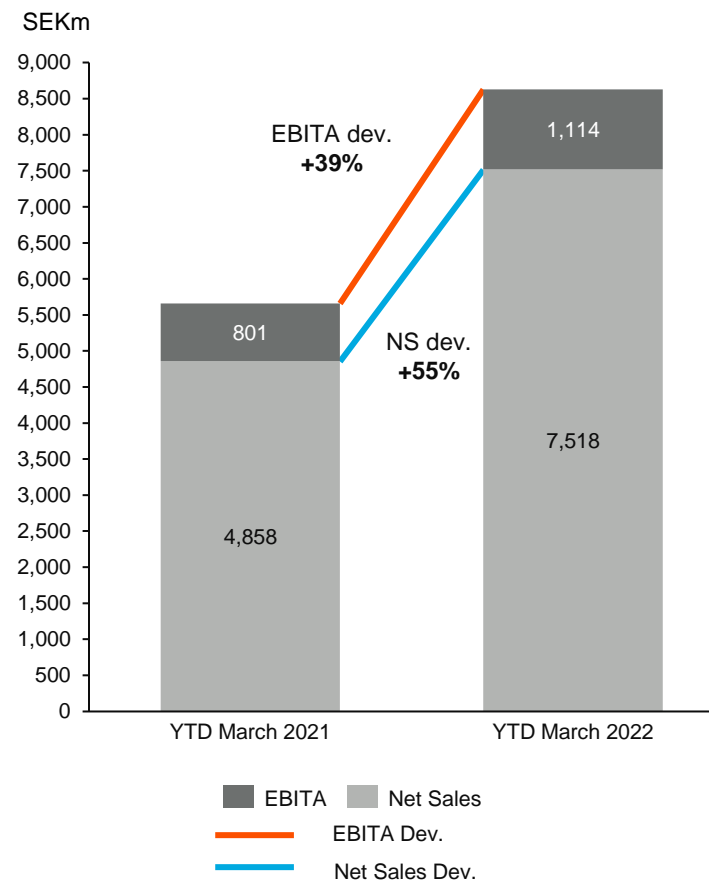
EBITA before i.a.c. SEK 1,114 m, +39%

- EBITA margin of 14.8% (16.5%)

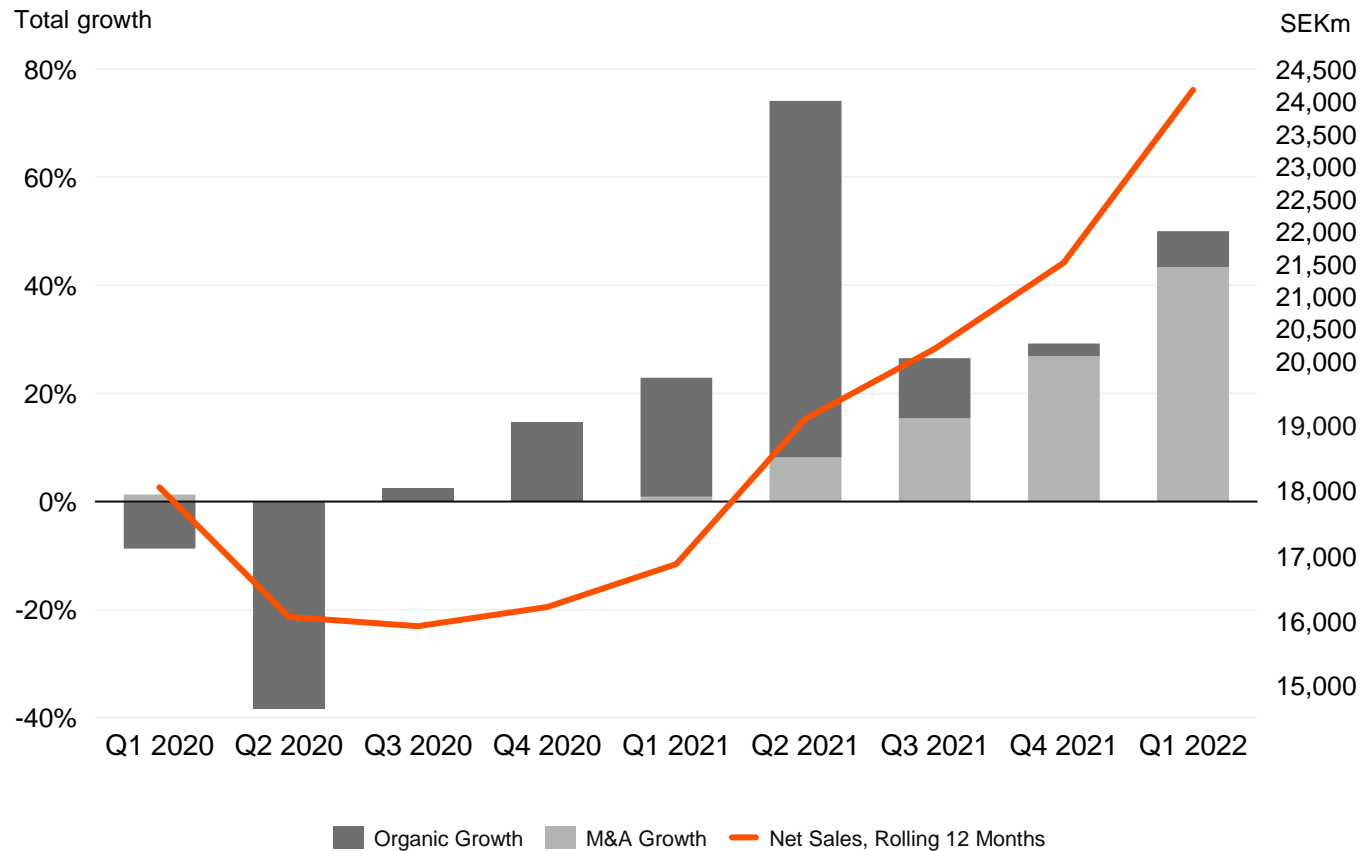
Adjusted EPS SEK 2.27 (1.85)

Operating cash flow SEK -398 m (-20)

Leverage 2.7x (2.3x)



SALES GROWTH Q1 2022



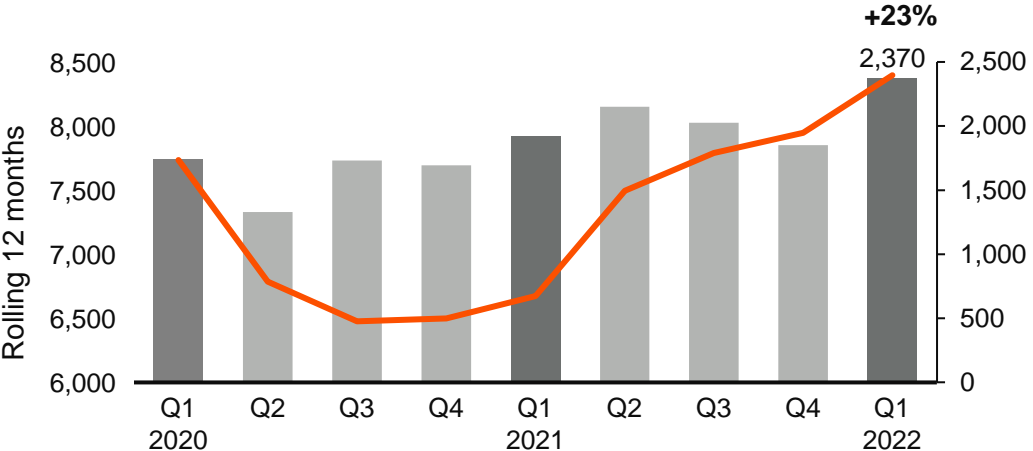
Net sales SEK 7,518 m

- **Total Growth SEK 2,660 m (+55%)**
 - Americas +49%
 - EMEA +30%
 - APAC +24%
 - Marine +12%
 - Global +1021%

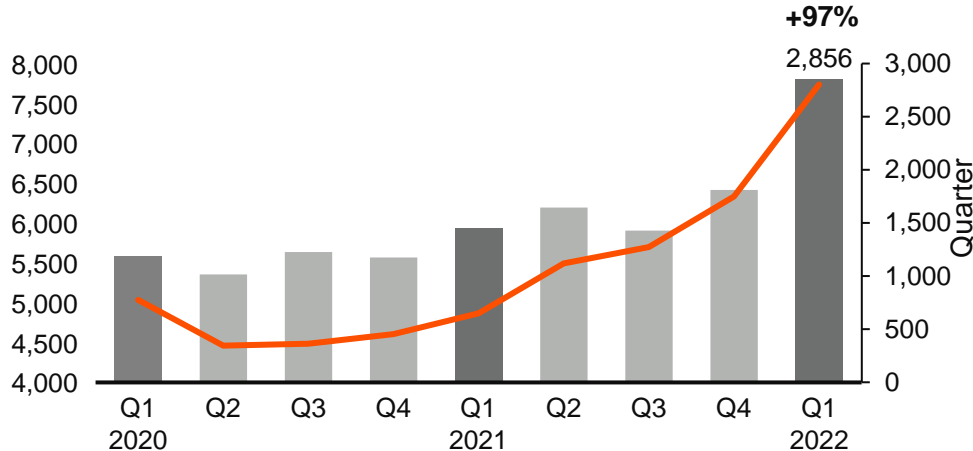
- **Organic Growth 7%**
 - Growth in all sales channels
 - Growth in four segments

APPLICATION AREAS Q1 2022

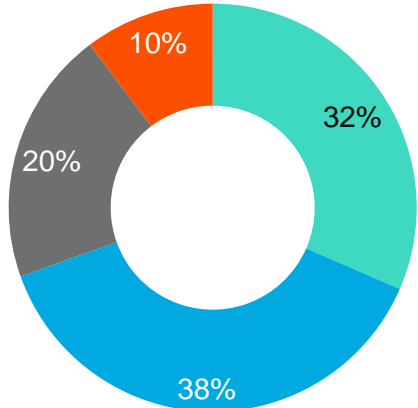
Climate



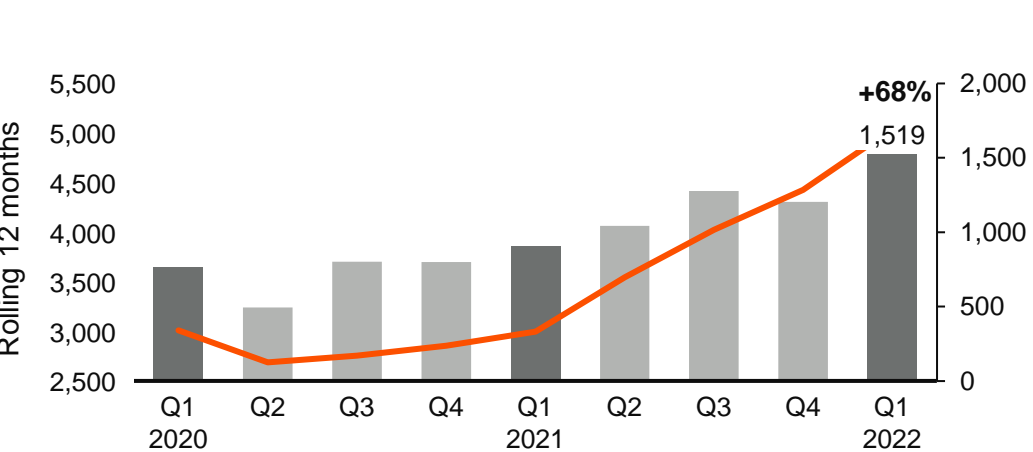
Food & Beverage



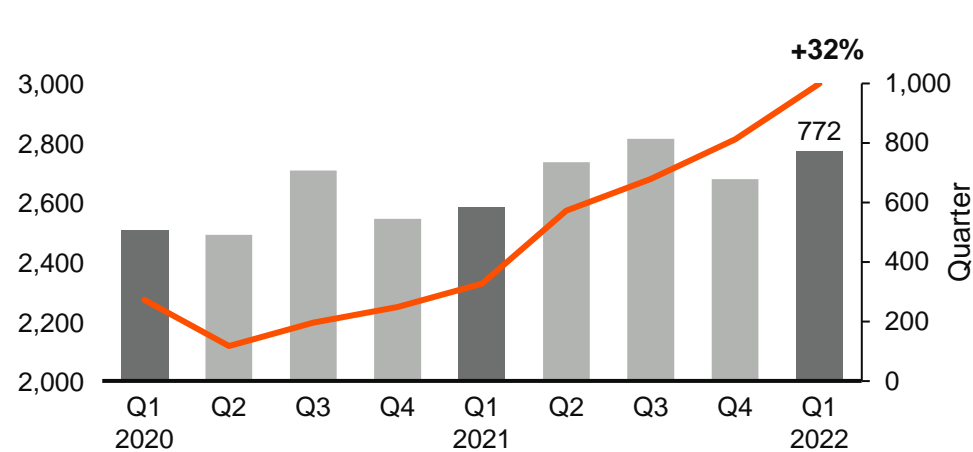
SALES SPLIT YTD, APPLICATION AREA



POWER & CONTROL



OTHER APPLICATIONS



(Prev Year)

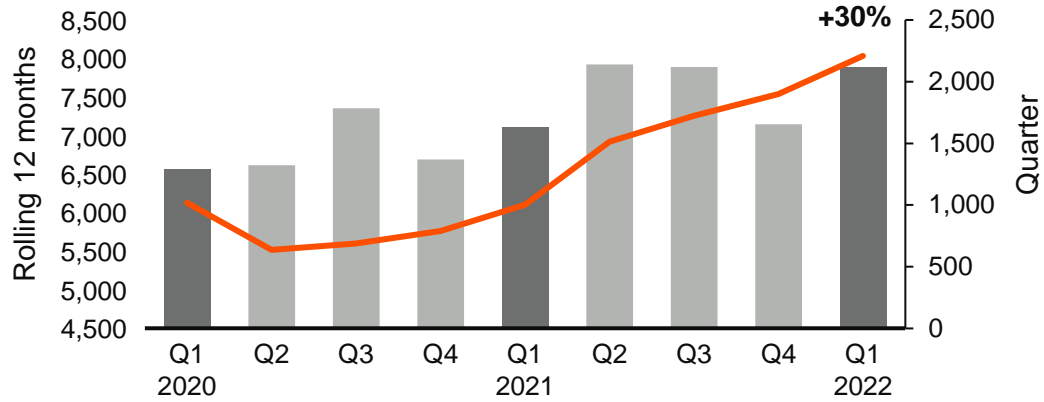
- Climate (40%)
- Food & Beverage (30%)
- Power & Control (19%)
- Other Applications (12%)

— Actual currency rolling 12 months ■ Actual currency quarter

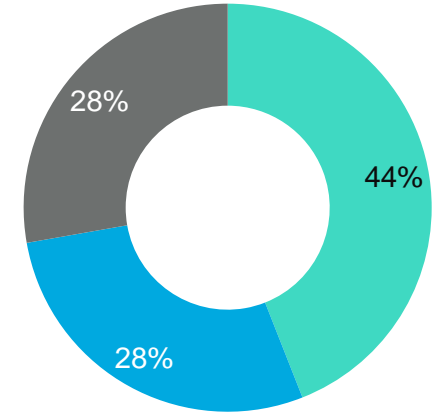


SALES CHANNELS Q1 2022

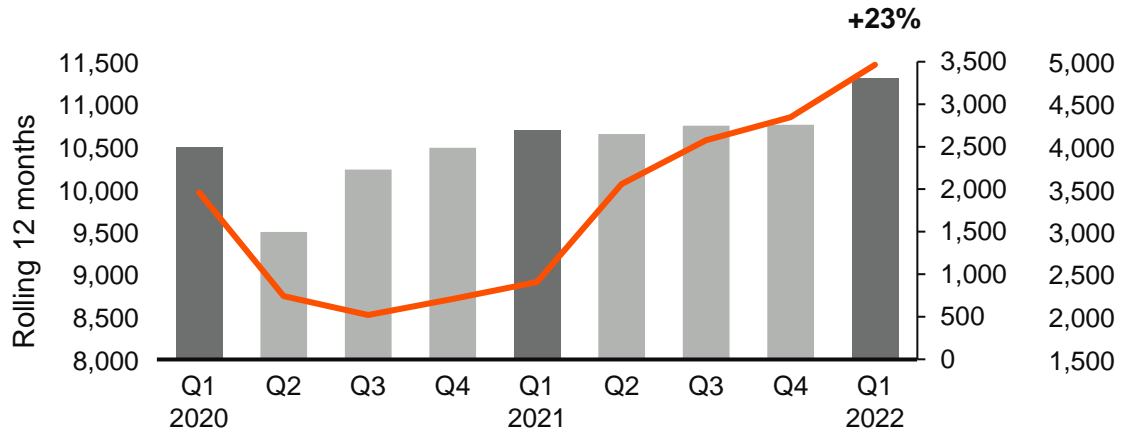
SERVICE AND AFTERMARKET



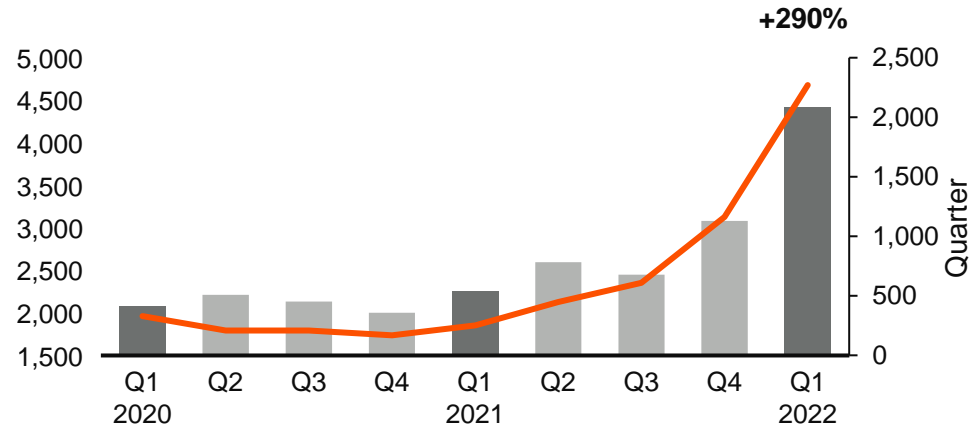
SALES SPLIT YTD, SALES CHANNEL



OEM



DISTRIBUTION



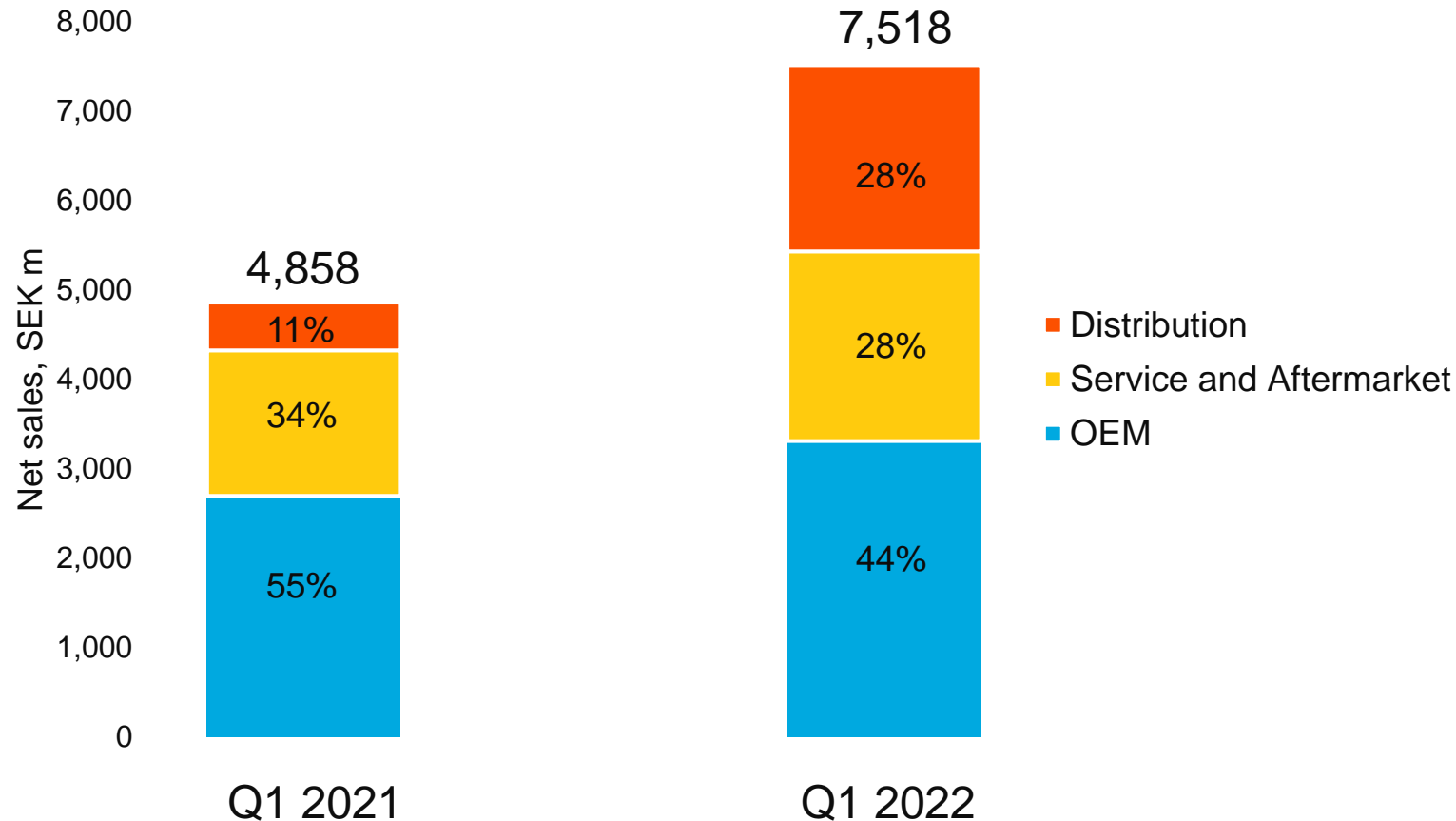
(Prev Year)

- OEM (55%)
- SAM (34%)
- DIST (11%)

— Actual currency rolling 12 months ■ Actual currency quarter

SALES CHANNEL DEVELOPMENT

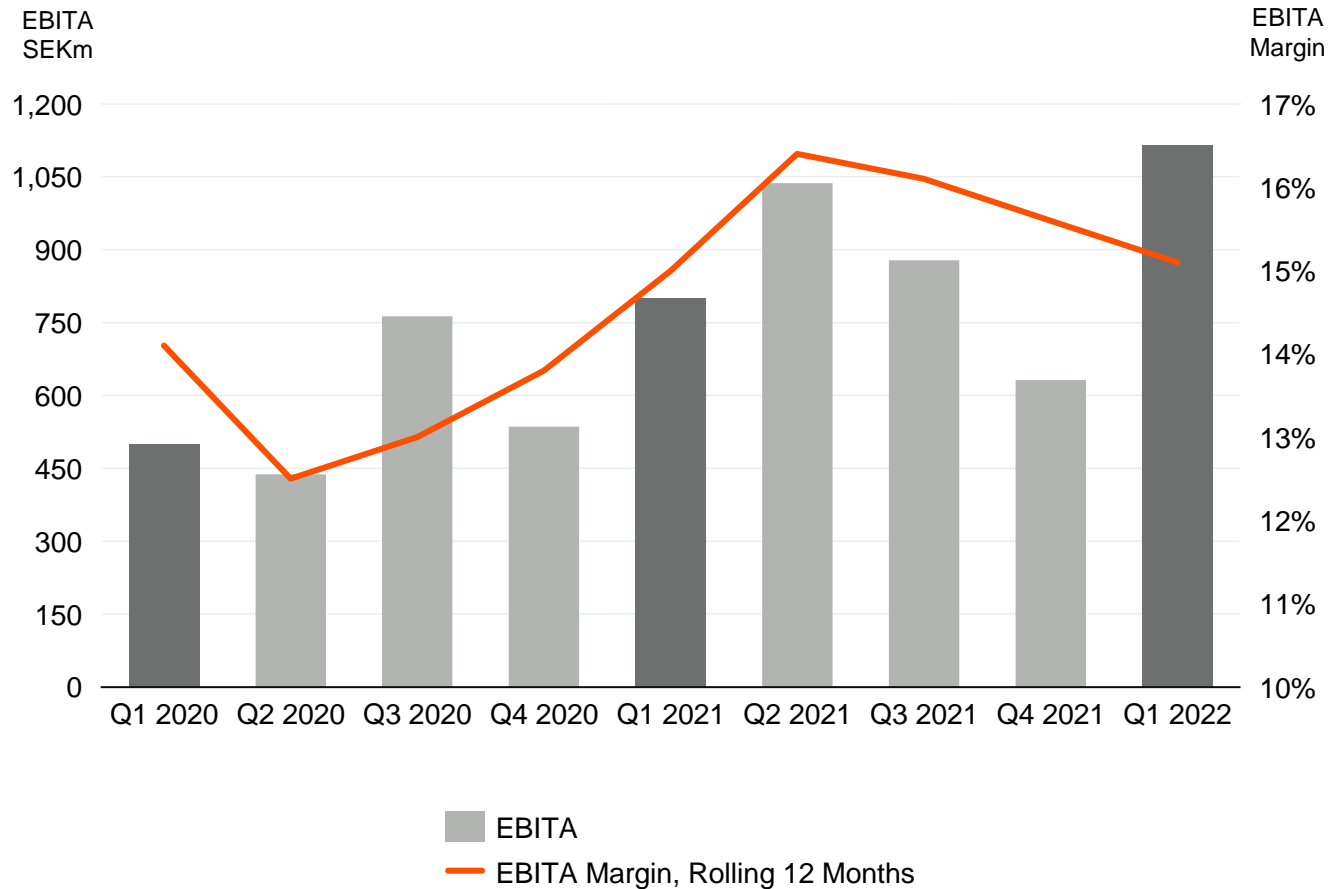
DISTRIBUTION + SERVICE & AFTERMARKET FROM 45% TO 56% IN ONE YEAR



- Organic growth in all sales channels
- In line with strategy of having >50% of sales outside OEM
- RV OEM share 28% (33%)
- M&A and divestment agenda supports continued transformation

EBITA AND EBITA MARGIN BEFORE I.A.C

EBITA Run rate +15.1% (+15.0%)



Q1 2022

EBITA margin 14.8% (16.5%)

- + Sales growth and pricing
- + Cost saving activities
- + Currency effects
- Igloo margins lower than Group average
- Segment mix and channel mix
- Freight costs and raw material prices
- Supply constraints

EBITA margin stable compared to a year ago if excluding Igloo

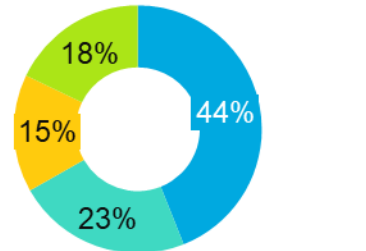
AMERICAS Q1 2022

Net sales SEK 1,927 m, +49% (organic +9%)

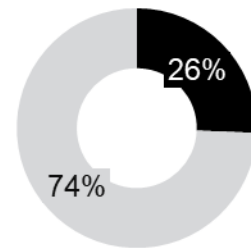
- Growth in all application areas
- Strong organic growth in OEM business
- Backlog higher than last year

EBITA before i.a.c. SEK 130 m (107)

- EBITA Margin of 6.8% (8.3%)
 - + Sales growth and pricing
 - + Efficiency improvements
 - + Lower US trade tariffs
 - + Currency effects
 - Sales mix
 - Supply constraints, raw material prices and freight costs
- Announced closure of manufacturing site in Elkhart

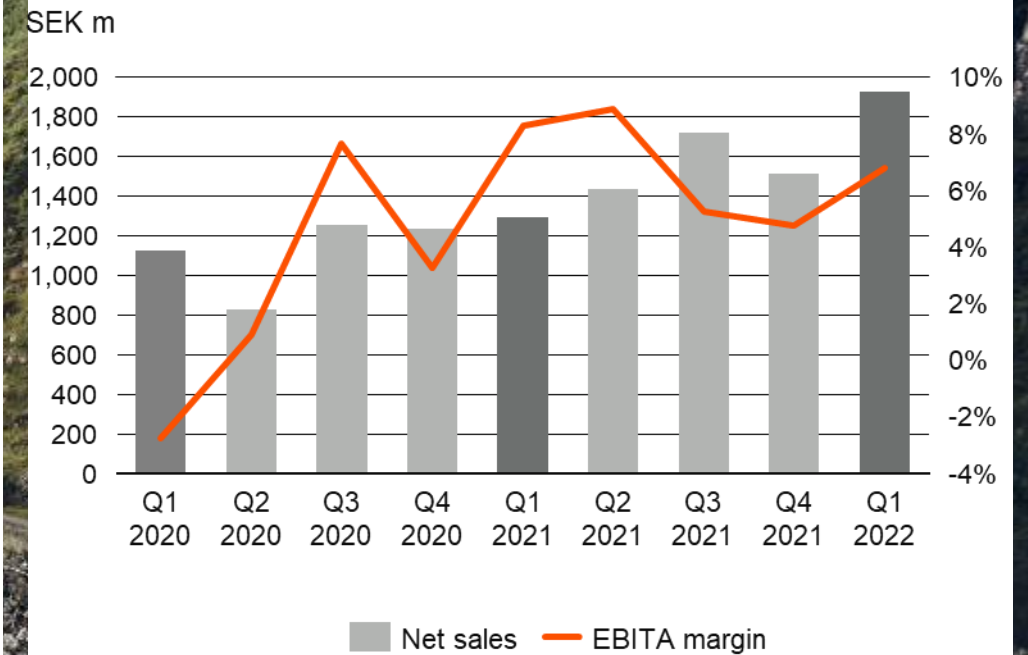


- Climate
- Food & Beverage
- Power & Control
- Other



- Americas
- Rest of Group

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



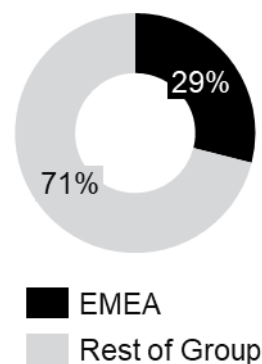
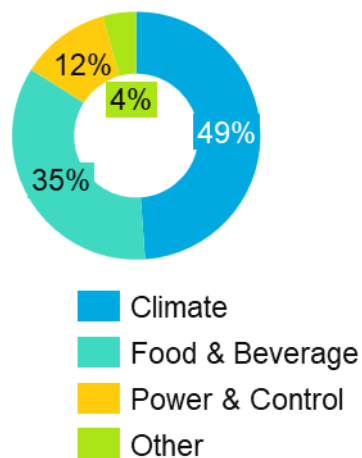
EMEA Q1 2022

Net sales SEK 2,179 m, +30% (organic +9%)

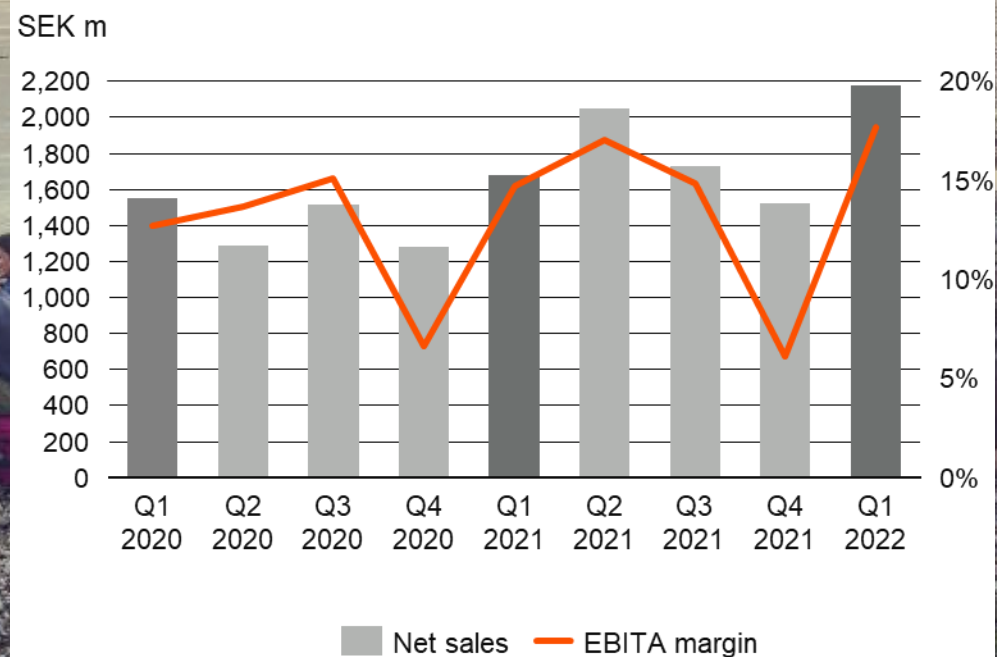
- Growth driven by application areas Climate, Food & Beverage and Power & Control
- Organic sales growth driven by Service & Aftermarket
- Lack of chassis impacts RV OEM sales
- Acquisitions of Cadac International and NDS Energy completed in the quarter

EBITA before i.a.c. SEK 385 m (247)

- EBITA Margin of 17.7% (14.7%)
 - + Sales growth and pricing
 - + Sales mix
 - + Efficiency improvements
 - + Currency effects
 - Supply constraints, raw material prices and freight costs
- Stopped all business activities in Russia



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



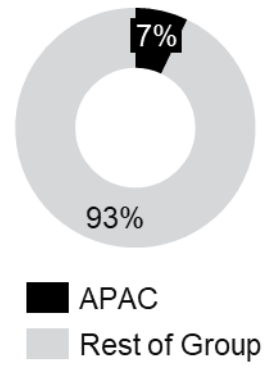
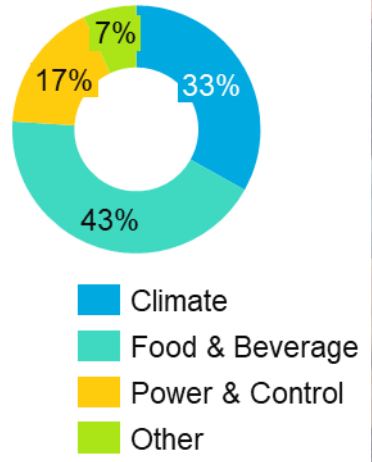
APAC Q1 2022

Net sales SEK 535 m, +24% (organic -2%)

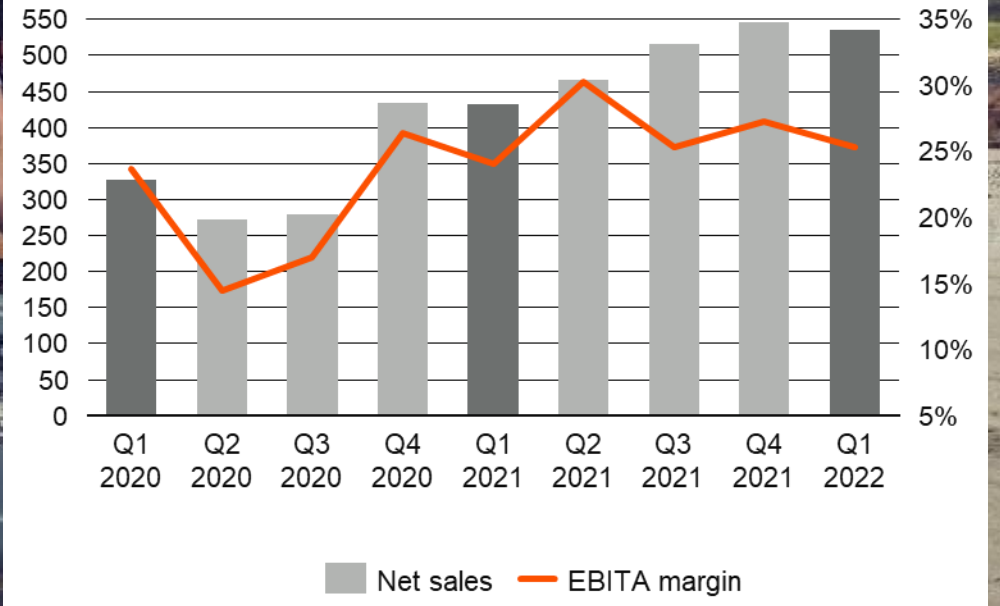
- Growth driven by application area Power & Control supported by the Enerdrive acquisition
- Organic sales growth somewhat negative compared to a strong Q1 2021
- Backlog higher than last year

EBITA before i.a.c. SEK 136 m (104)

- EBITA Margin of 25.3% (24.0%)
 - + Sales growth and pricing
 - + Sales mix
 - + Efficiency improvements
 - + Currency effects
 - Supply constraints, raw material prices and freight costs



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



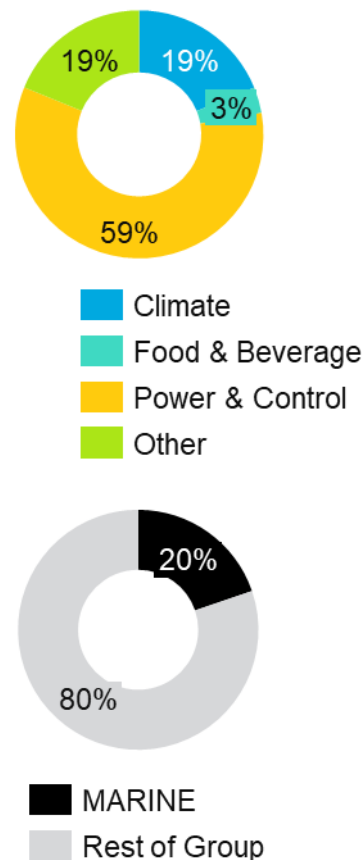
MARINE Q1 2022

Net sales SEK 1,486 m, +12% (organic +3%)

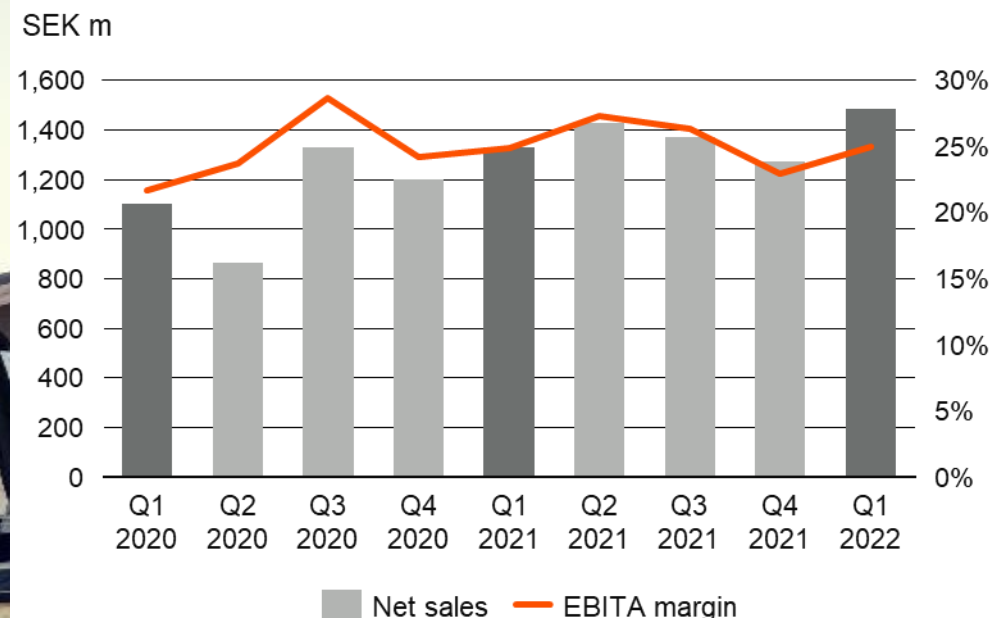
- Growth driven by application area Power & Control
- Backlog higher than last year
- Treeline Capital LLC acquired in the quarter

EBITA before i.a.c. SEK 371 m (331)

- EBITA Margin of 25.0% (24.9%)
 - + Sales growth and pricing
 - + Efficiency improvements
 - + Currency effects
 - Sales mix
 - Supply constraints, raw material prices and freight costs



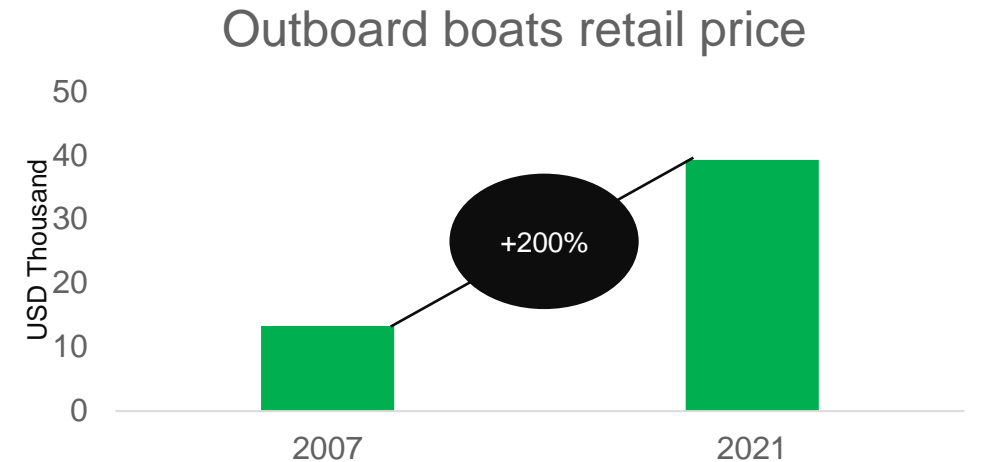
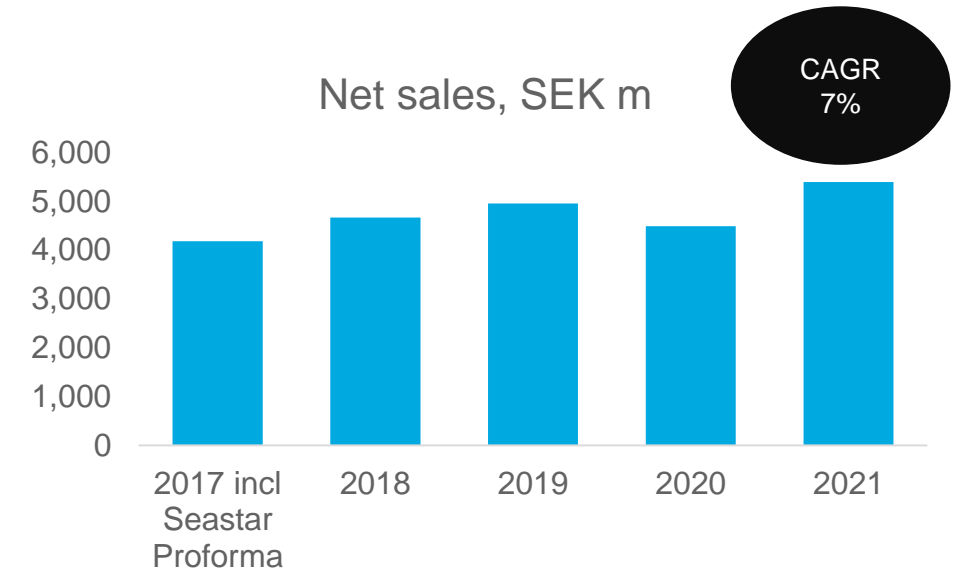
NET SALES AND EBITA MARGIN BEFORE I.A.C.



THE DOMETIC MARINE BUSINESS

A HIGHLY PROFITABLE AND GROWING BUSINESS

- Successful acquisition of Seastar in December 2017
- Current offering includes Steering and Control, Power solutions, Climate Control and Fuel systems
- More content per boat and higher price per boat driven by:
 - More engines/power per boat
 - Technology shift to hydraulic and electronic systems
- Service & Aftermarket ~45% of Dometic Marine sales
 - Move towards electronic steering offers convenience and more service opportunities over time
 - Huge installed base bring upgrade opportunities to new technology
- Opportunities for further global expansion
 - 75% of current net sales in North America



Market data US: Source NMMA

GLOBAL Q1 2022

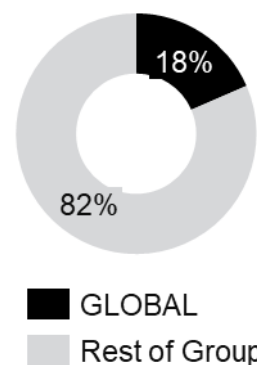
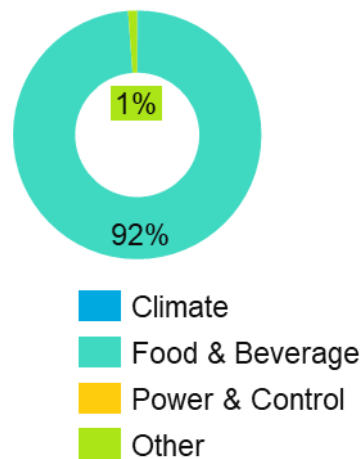
Net sales SEK 1,390 m, organic growth +12%

Includes the Igloo business acquired in October 2021, and Other global verticals (Residential, Hospitality and Mobile Deliveries)

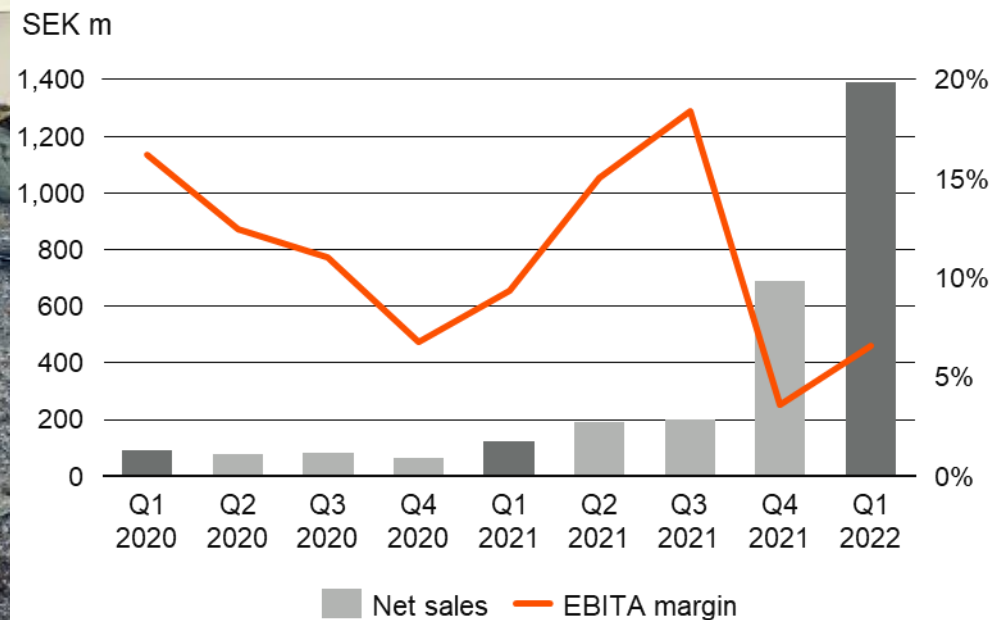
- Organic sales growth in Other Global Verticals, driven by Residential and Hospitality
- Igloo reports strong growth (proforma)

EBITA before i.a.c. SEK 91 m (12)

- EBITA Margin of 6.6% (9.3%)
 - + Sales growth and pricing
 - + Efficiency improvements
 - + Currency effects
 - + Igloo above mid-single digit EBITA margin, above the same period last year (proforma).
- Sales mix
- Supply constraints, raw material prices and freight



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

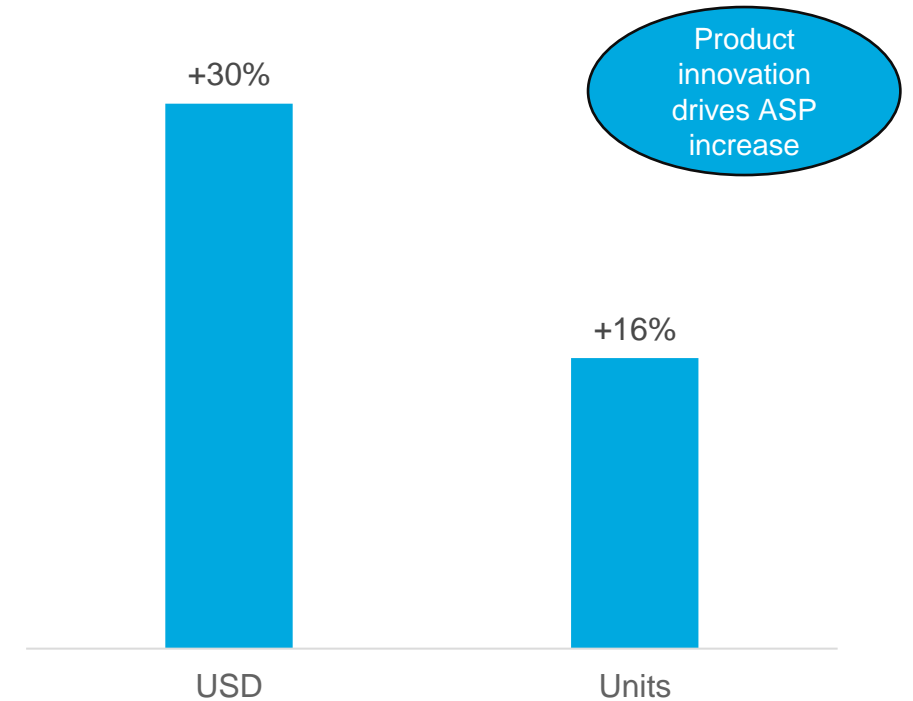


IGLOO Q1 2022

STRONG SALES GROWTH AND IMPROVED EBITA MARGINS

- Strong sales growth and increased market share
 - Volume growth
 - Increased average sales price driven by price management and product innovation
- Improved profitability
 - Above mid-single digit EBITA margins, higher than Q1 2021
 - Resin costs below 2nd half 2021, but increasing
 - Further price increases implemented
 - Integration activities progressing as planned
 - First phase investment of USD 30 m in Katy, Texas, to strengthen mobile cooling platform in North America

US Retail sales of Igloo coolers
Last 12 months



Market data: Source NPD Group

INCREASED PRICE THROUGH PRODUCT INNOVATION

FROM "GOOD" TO "BETTER"



"BETTER"



Overland 25
\$59.00



Overland 50
\$79.00



Overland 70
\$99.00



Overland 52 Roller
\$99.00



Overland 72 Roller
\$129.00

"GOOD"



Laguna 9
\$10.88



Laguna 12
\$15.88



Laguna 16R
\$21.88



Laguna 28
\$17.97



Laguna 28R
\$24.88



Laguna 48
\$19.88



Laguna 60R
\$34.88

\$ Retail price

ACQUISITION OF TREELINE CAPITAL LLC

SERVICE & AFTERMARKET PRODUCTS AND MOBILE POWER SOLUTIONS FOR THE MARINE MARKET IN NORTH AMERICA



- Strengthens offering and market presence in Service & Aftermarket
- Two leading brands to be integrated
 - CDI Electronics
 - Balmar
- 2021 net sales USD 16 m with strong growth and a good operating margin
- Acquisition completed March 2, 2022
- Increased exposure to the fast-growing business of Mobile Power Solutions

MOBILE POWER SOLUTIONS

ESTABLISHED A SEK 2 BILLION BUSINESS ON A FAST-GROWING MARKET

- Established a global platform of Mobile Power Solutions, including solar power products
- Meeting the rapidly increased end-user demand for sustainable and effective off-grid products
- Six acquisitions completed during the last 12 months across three geographical regions
- Complement Dometic's own developed Power & Control offering of batteries, chargers etc.
- Total sales last 12 months more than SEK 1.9 b (proforma). Strong sales growth in Q1 2022
- EBITA margins above Dometic average
- Will continue to invest in this fast-growing market



E-COMMERCE – DTC

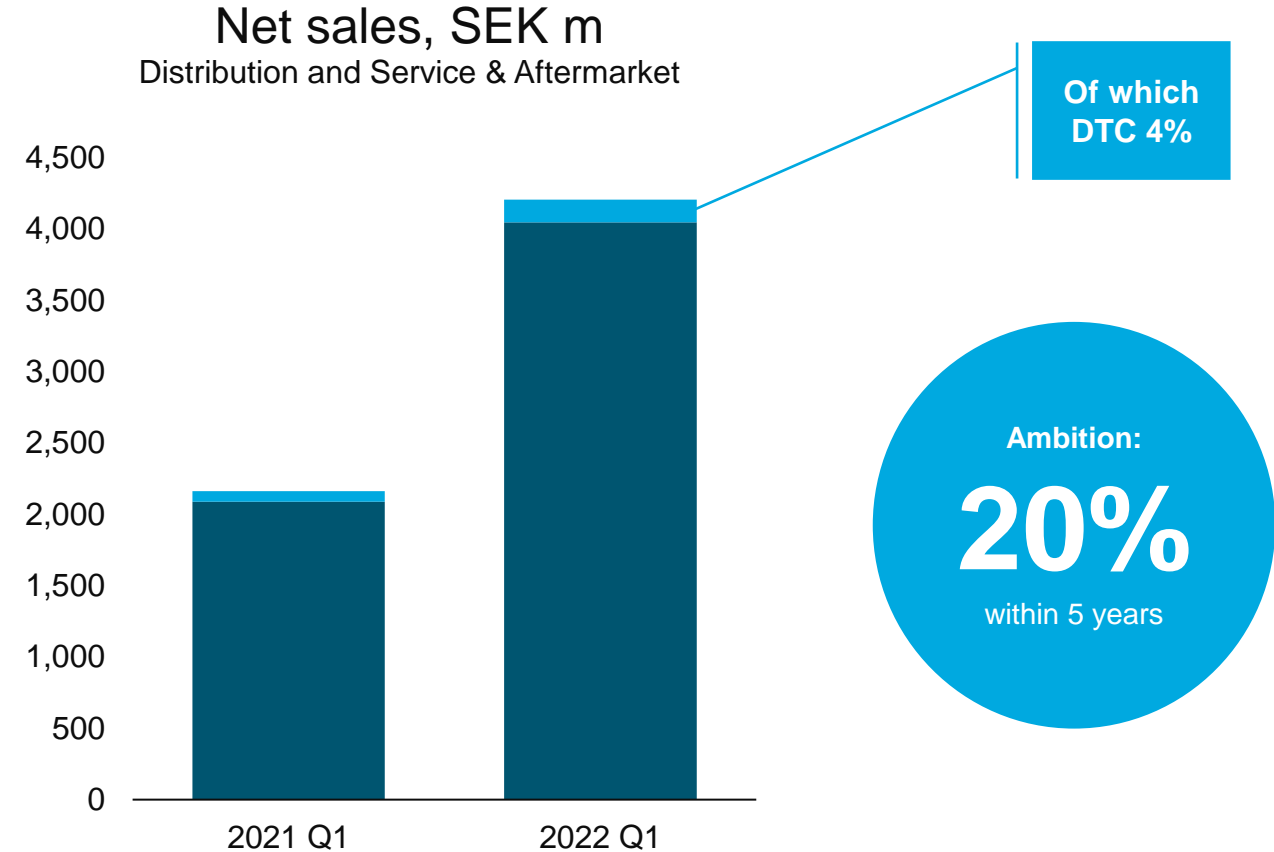
DTC SALES MORE THAN DOUBLED IN ONE YEAR SUPPORTED BY ORGANIC GROWTH AND ACQUISITIONS

Activities

- Global platform implemented in US and Australia driving organic growth
- Ongoing implementation in Europe and Marine
- Broadened Outdoor offering
- Know-how from acquisitions

Benefits

- End user interaction
- Increased end-to-end efficiency
- Profitable growth



RESTRUCTURING PROGRAM

▪ Locations

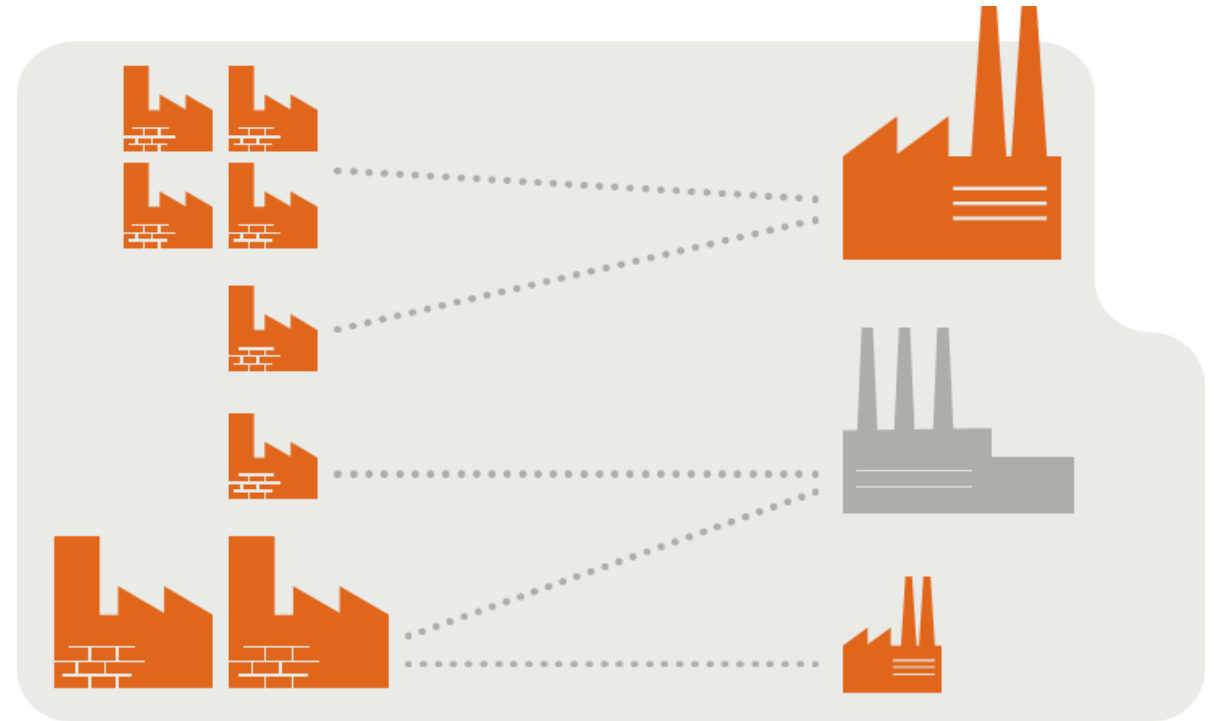
- Announced closure of manufacturing in Elkhart, US
- 23 locations impacted since program start

▪ Employees

- 154 employees affected in the quarter, 958 since program start

▪ Costs

- SEK 136 m in the quarter, SEK 455 m since program start
- Further activities planned, confident on reaching cost reduction target of SEK 400 by mid 2023



2022 STRATEGY EXECUTION

1 Profitable expansion

- Distribution and Service & Aftermarket share of sales 56% (45%)
- Organic growth in all sales channels
- Three acquisitions completed in the quarter
- DTC sales more than doubled in one year

2 Product leadership

- Innovation index 21% (23%) - component supply issues affecting new product launches
- Several design awards won in Q1
- Strong pipeline of product launches in 2022 - guarantees continued innovation increase

3 Cost reductions

- SKU reduction 65%
- Acceleration of activities in cost reduction program
- Announced closure of manufacturing site in Elkhart
- Confident on reaching cost saving target



SUSTAINABILITY

LTIFR¹ reduced 32% compared to the same period last year

Implementation of Health & Safety guidelines continues

Share of female managers 24%

Three-year action plans being implemented

CO₂ ratio reduced 29% compared to baseline year 2020

Driven by transition to renewable electricity supply

ESG audits of new suppliers

Expanding the focus, new measurement being implemented

KPI	Focus area	Baseline	Actual	2024 Target
LTIFR ¹	People	2.4	2.0	<2.0
Share of female managers	People	24%	24%	27%
CO ₂ tonne / Net sales SEK m	Planet		-29%	-30%
ESG audits of new suppliers	Governance		-	90%

OUR FOCUS AREAS AND AMBITIONS



PEOPLE

Offer a safe, inclusive, diverse and dynamic workplace – allowing every employee to reach their full potential for the best of the company as a whole.



PLANET

Sustainable Innovation
– Offer innovative, durable, circular, low carbon products
Sustainable Operation
– Minimize climate impact, increase resource efficiency & support circularity.



GOVERNANCE

Safeguard human rights at all times while pursuing fair business and labor practices.

¹LTIFR = Lost time injury frequency



STEFAN FRISTEDT

CFO

Q1 2021 INCOME STATEMENT

- **Net sales SEK m 7,518 (+55%)**
 - Organic growth 7%, with growth in all sales channels and in four segments
- **EBITA before i.a.c. SEK m 1,114 (+39%)**
 - Increased income in all segments
 - Underlying margin stable
- **Items affecting comparability SEK -159 m**
 - Accelerated implementation of cost reduction program SEK -136 m
 - Costs related to Russia SEK -22 m
 - A majority non-cash items
- **Amortization of acquisition-related intangible assets SEK -143 m**
 - 10 acquisitions in 2021-2022
- **Adjusted EPS SEK 2.27, +23%**
 - Excludes effects from items affecting comparability and amortization of acquisition-related intangible assets

SEK m	Q1 2022	Q1 2021	Change%
Net sales	7,518	4,858	55%
EBITA before i.a.c.	1,114	801	39%
in %	14.8%	16.5%	
Items affecting comparability	-159	-5	
Amortization of acquisition-related IA	-143	-70	
EBIT	812	725	12%
in %	10.8%	14.9%	
Adjusted EPS, SEK	2.27	1.85	23%

EBITA DEVELOPMENT

- **Organic + FX**

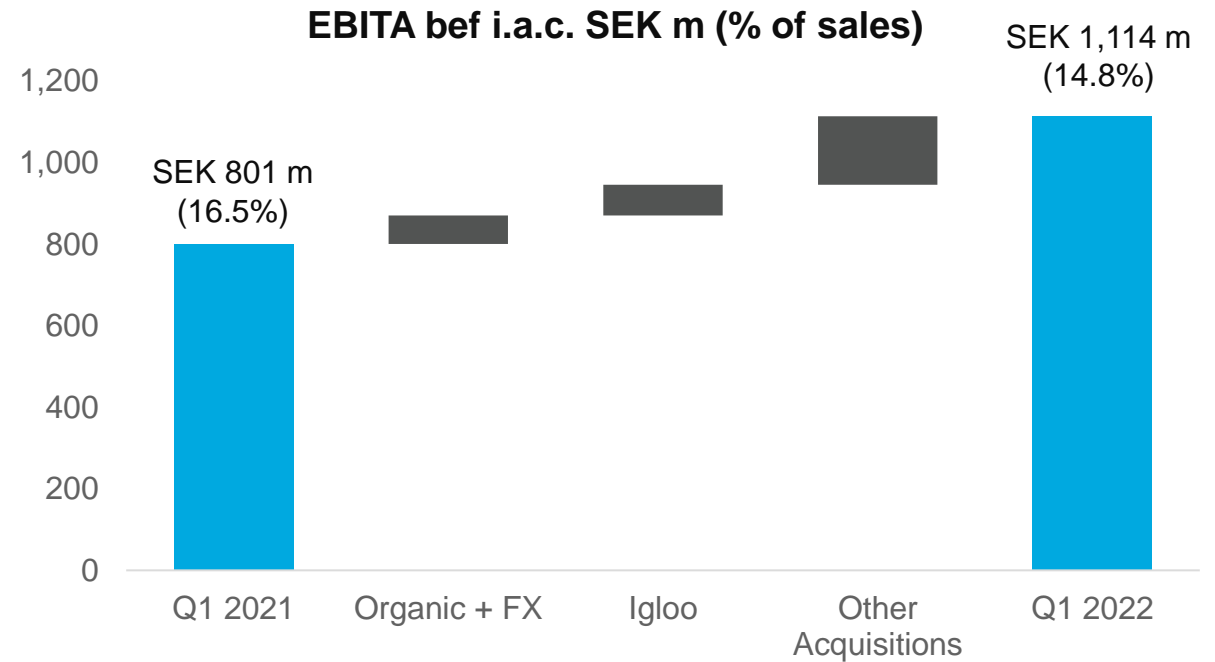
- + Currency translation and transaction effects
- + Sales growth and pricing
- + Cost saving activities
- Inefficiencies due to supply constraints
- Freight costs and raw material prices
- Channel and segment sales mix

- **Igloo**

- EBITA margin above Q1 last year (proforma), but below Dometic average margins

- **Other acquisitions**

- Accretive to Dometic margins



CASH FLOW FOR THE PERIOD

SEK m	Q1 2022	Q1 2021
EBIT	812	725
Adjustments for non-cash items	374	228
Changes in Working Capital	-1,470	-892
Investments in fixed assets	-115	-81
Operating cash flow	-398	-20
Income tax paid	-134	-685
Acquisitions/divestments net	-628	-505
Other	5	148
Net cash flow from financing	-149	-1,119
Cash flow for the period	-1,305	-2,181

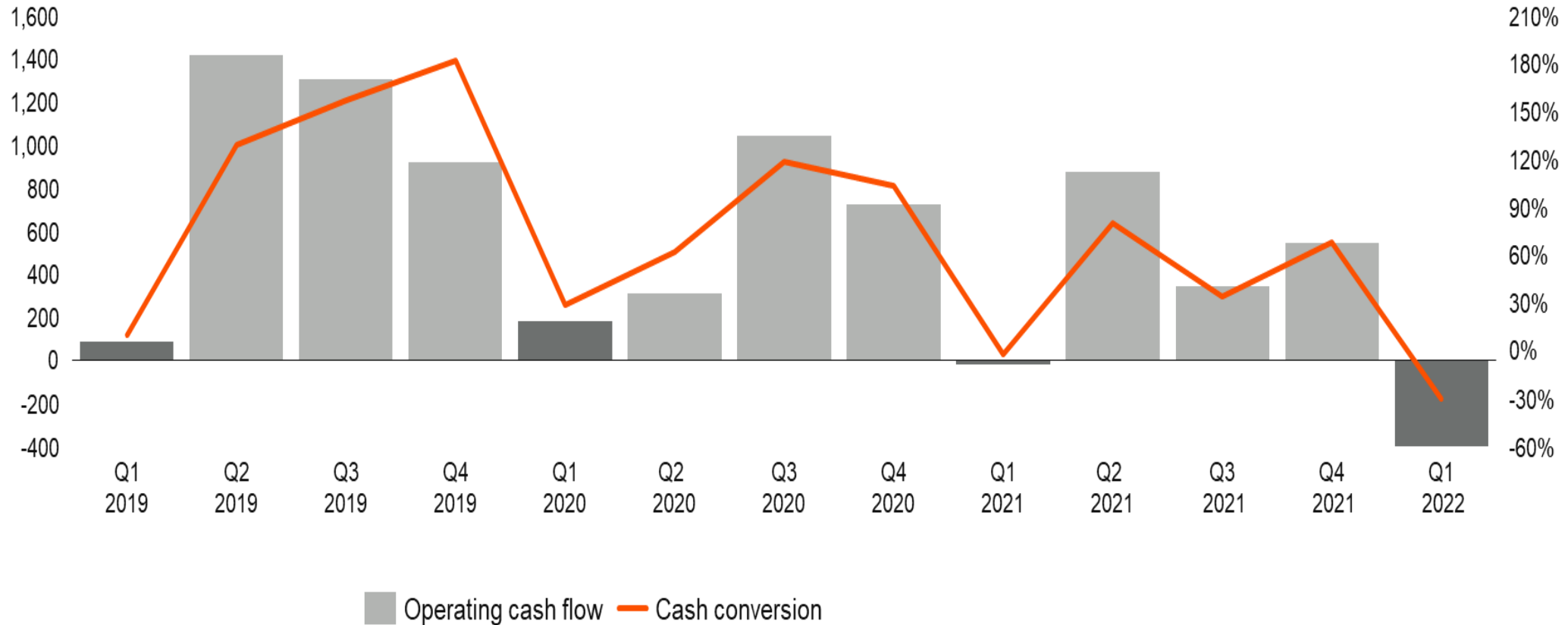
- Operating cash flow SEK -398 m (-20)
 - Strong sales and demand
 - Seasonal build-up in acquired companies
 - Secure availability of critical components
 - Supply lead-times
 - Reduced CAPEX in percent of sales

- Acquisitions SEK -628 m (-505)
 - Three acquisitions completed
 - Cadac international
 - NDS Energy
 - Treeline Capital LLC

OPERATING CASH FLOW

Q1 HISTORICALLY THE WEAKEST QUARTER

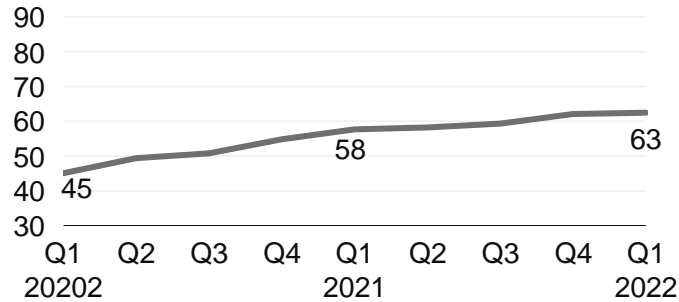
SEKm



WORKING CAPITAL DAYS

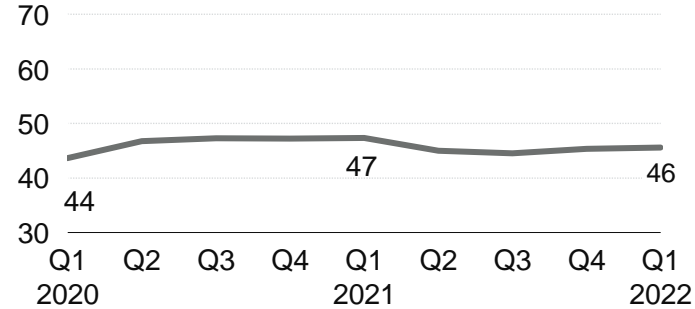
WORKING CAPITAL AMBITION 20% OF NET SALES

DPO (ACCOUNTS PAYABLES)



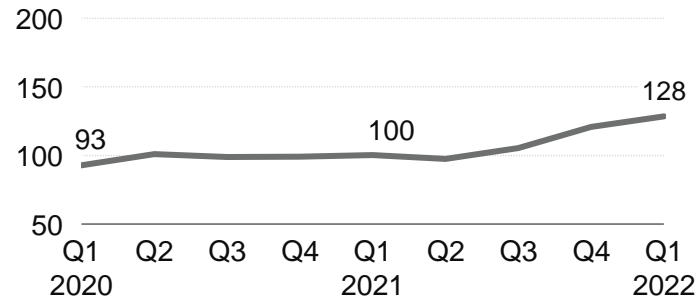
— DPO LTM

DSO (ACCOUNTS RECEIVABLES)

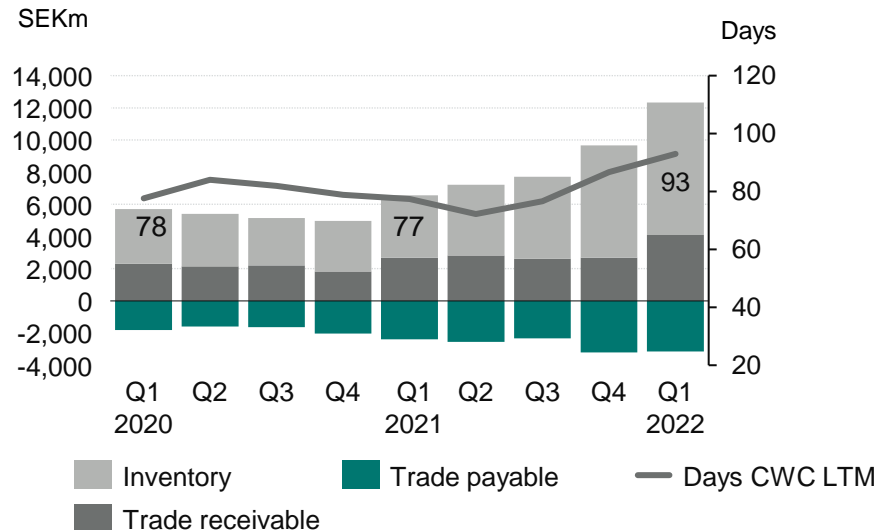


— DSO LTM

DIO (INVENTORIES)



— DIO LTM



CWC = Core Working Capital

NORMAL CURRENCY



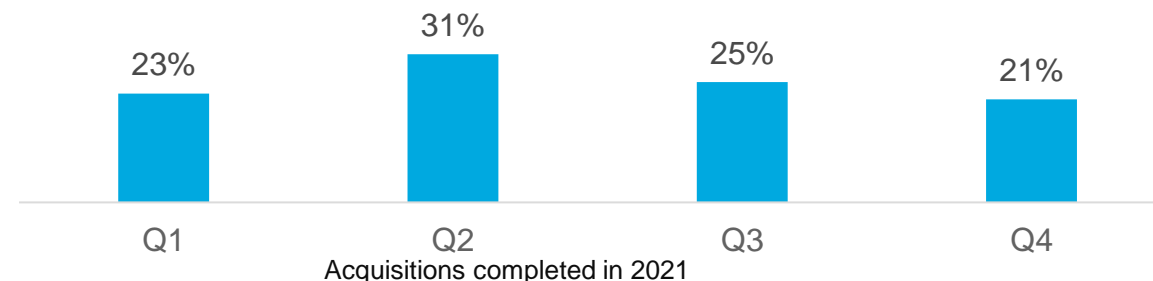
2021 - 2022 ACQUISITIONS

SEASONAL BUILD UP OF INVENTORY

- Ten acquisitions in total, mainly in markets with its high-season in Q2 and Q3
 - Nine acquisitions with its main markets in Americas and EMEA
 - High seasonality between quarters

- Sales mainly in Distribution and Service & Aftermarket
 - Reduced cyclicalty between years

Acquisitions, 2021 proforma sales by Q

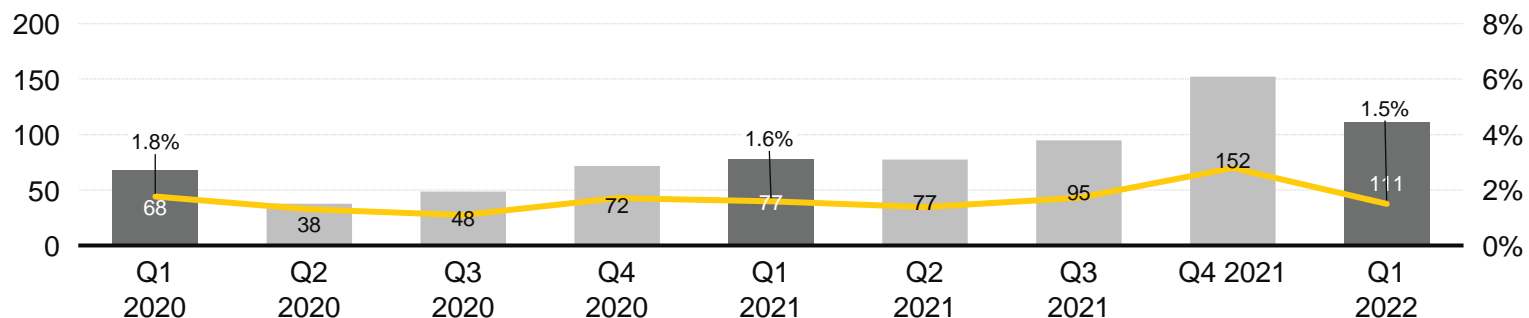


	Announced	Included from	Segment
Twin Eagles	Feb 2, 2021	Feb, 2021	Global
Valterra	Apr 22, 2021	May, 2021	Americas
Enerdrive	May 18, 2021	June, 2021	APAC
Front Runner	May 20, 2021	August, 2021	EMEA
Zamp Solar	May 26, 2021	May, 2021	Americas
Büttner Elektronik	July 2, 2021	July, 2021	EMEA
Igloo	Sep 17, 2021	Oct, 2021	Global
Cadac International	Sep 16, 2021	Jan, 2022	EMEA
NDS Energy	Nov 11, 2021	Feb, 2022	EMEA
Treeline Capital LLC	March 2, 2022	March, 2022	Marine

CAPEX AND RESEARCH & DEVELOPMENT

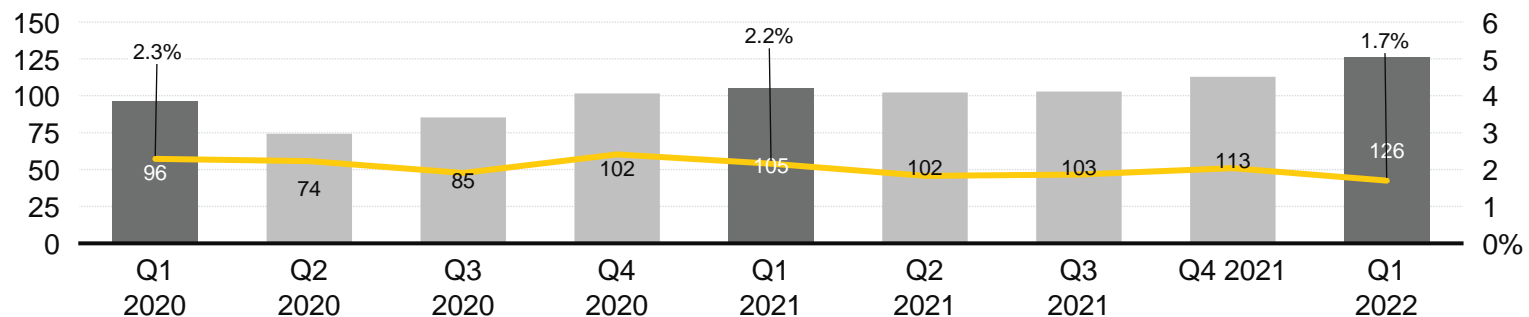
(SEK m, % OF NET SALES)

CAPEX



- **Q1 2022 CAPEX:**
1.5% of net sales
(1.6% same period 2021)

R&D



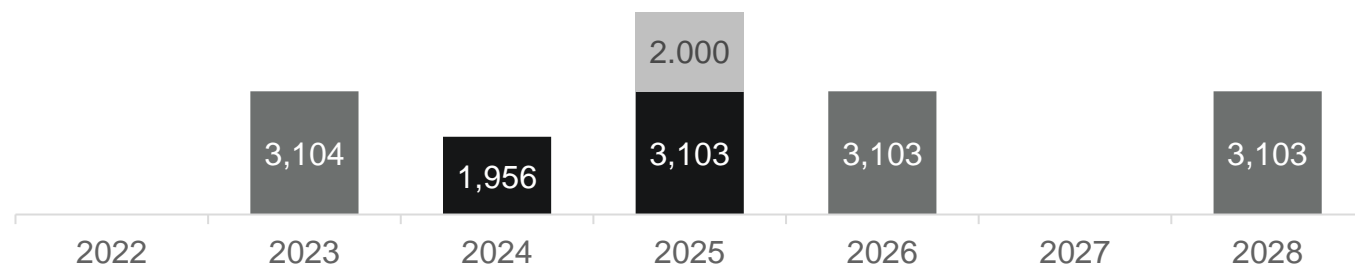
- **Q1 2022 R&D:**
1.7% of net sales
(2.2% same period 2021)
- Includes capitalized development expenses

— % of net sales

DEBT MATURITY PROFILE AND LEVERAGE

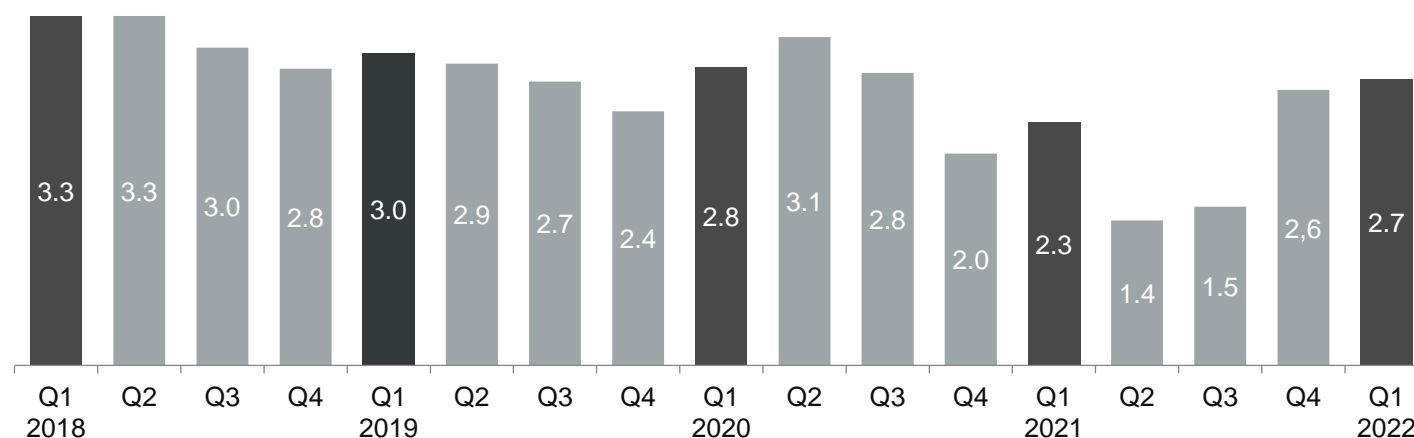
Debt maturity profile, SEK m

■ USD loans ■ EUR bonds ■ EKN loan



- Well diversified profile
- Average maturity 3,5 years
- Undrawn revolving credit facility of EUR 200 m

Net debt leverage

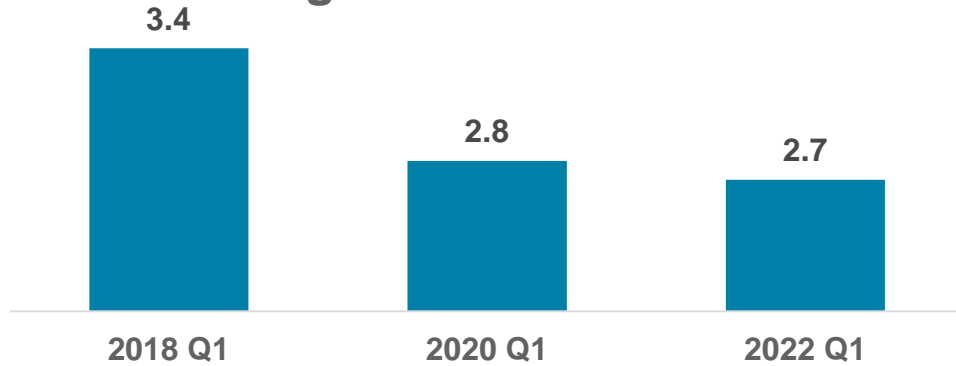


- Q1 Net debt leverage 2.7x (2.3x)
- In line with target of around 2.5x over a business cycle
- Three acquisitions completed in Q1
- Average annual de-leverage 0.6x to 0.8x driven by positive operational cash flows

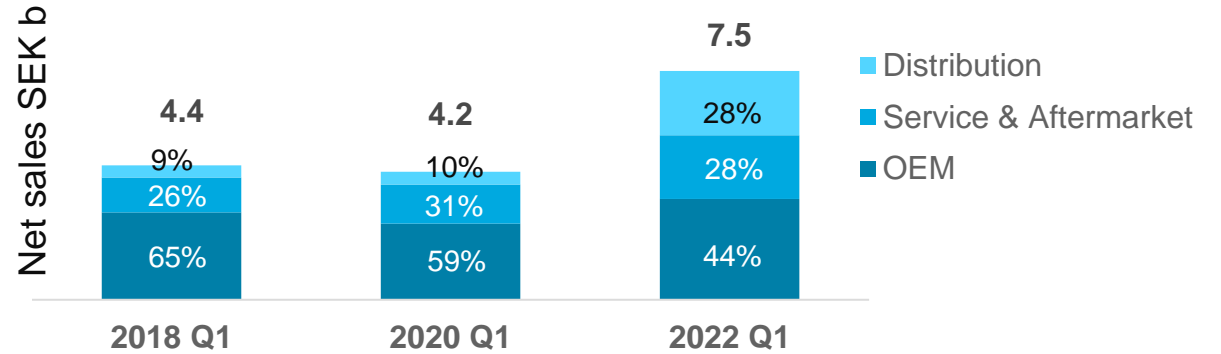
DOMETIC 4 YEAR PERSPECTIVE

A SIGNIFICANTLY STRONGER AND MORE DIVERSIFIED COMPANY

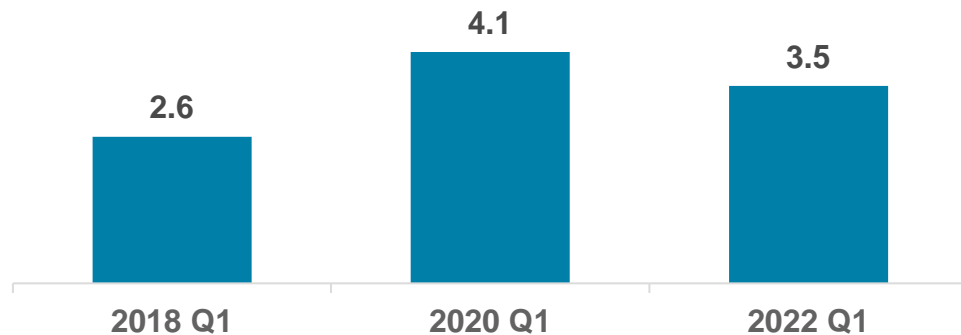
Reduced leverage in line with target of around 2.5x



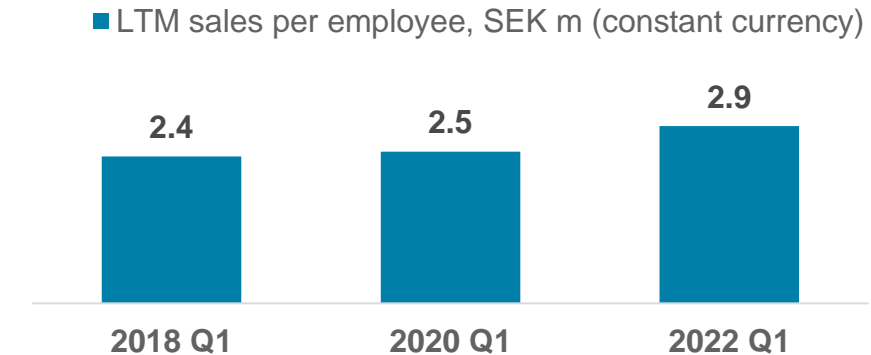
Net sales up 80%, with a more diversified mix



Healthy debt maturity profile (years)



More efficient organization and flexible cost structure



Q1 SUMMARY


Business highlights

- Strongest Q1 ever
- Strong order backlog and lower than normal retail inventory levels
- Important to protect margins through price increases
- Component supply issues continue to impact deliveries and cost
- Positive development of acquired companies
- Igloo showing strong growth and margin improvements
- Inflation and the geopolitical situation create uncertainties

Strategic highlights

- Distribution and Service & Aftermarket sales share 56%
- US based Mobile Power Solution company Treeline acquired
- Financial strength for a continued high M&A agenda
- High focus on costs and efficiency
- Announced closure of manufacturing site in Elkhart, Indiana
- Investing in mobile cooling platform in North America





Q&A



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, and two people are sitting on chairs outside it. In the background, a dark green SUV is parked on a rocky outcrop with a person 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**