

QUARTERLY REPORT Q1 2023

Solna, April 26, 2023

EBITA MARGIN OF 11.6% AND SIGNIFICANTLY IMPROVED OPERATING CASH FLOW

FIRST QUARTER 2023

- Net sales were SEK 7,289 m (7,518); a decrease of -3%, of which -13% was organic growth.
- Operating profit (EBITA¹⁾) before items affecting comparability²⁾ was SEK 847 m (1,114), corresponding to a margin of 11.6% (14.8%).
- Items affecting comparability were SEK -26 m (-159).
- Operating profit (EBITA¹⁾) was SEK 821 m (955), corresponding to a margin of 11.3% (12.7%).
- Operating profit (EBIT) was SEK 667 m (812), corresponding to a margin of 9.2% (10.8%).
- Profit (loss) for the quarter was SEK 334 m (494).
- Earnings per share were SEK 1.04 (1.54).
- Adjusted earnings per share³⁾ were SEK 1.44 (2.27).
- Cash flow for the quarter was SEK -37 m (-1,305). Operating cash flow was SEK 294 m (-398).
- Net debt to EBITDA leverage ratio at the end of the quarter was 3.2x (2.7x). The ratio at year end 2022 was 3.0x.
- Credit facilities agreement with bank group renewed and new credit facility with Svensk Exportkredit signed.

FINANCIAL OVERVIEW

SEK m	Q1 2023	Q1 2022	LTM 2023	FY 2022
Net sales	7,289	7,518	29,535	29,764
Operating profit (EBITA ¹⁾) before items affecting comparability ²⁾	847	1,114	3,664	3,931
% of net sales	11.6%	14.8%	12.4%	13.2%
Operating profit (EBITA ¹⁾)	821	955	3,266	3,399
% of net sales	11.3%	12.7%	11.1%	11.4%
Operating profit (EBIT)	667	812	2,644	2,789
% of net sales	9.2%	10.8%	9.0%	9.4%
Profit (loss) for the period	334	494	1,624	1,784
Earnings per share, SEK	1.04	1.54	5.10	5.58
Adjusted earnings per share, SEK ³⁾	1.44	2.27	7.49	8.32
Cash flow for the period	-37	-1,305	1,141	-127
Operating cash flow	294	-398	2,962	2,268
Net debt to EBITDA leverage ratio	3.2x	2.7x	3.2x	3.0x
RoOC, excluding goodwill and trademarks	20.5%	34.1%	20.5%	23.1%

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

The first quarter result 2023, with a solid double-digit EBITA¹⁾ margin despite extremely challenging market conditions and macroeconomic uncertainty, shows how our strategic initiatives are transforming Dometic into a more diversified and resilient company. RV (Recreational Vehicle) industry production in the US declined by 54 percent year to date, while high retailer inventory levels continued to affect our Service & Aftermarket business globally. In this environment, net sales for the quarter reached SEK 7,289 m (7,518) and both the Marine and Global segments reported organic net sales growth. For the Group, organic net sales declined by 13 percent. Service & Aftermarket organic net sales declined by 19 percent, a sequential improvement compared with the fourth quarter of 2022. We expect a continued gradual improvement over the coming quarters. Operating cash flow improved significantly to SEK 294 m (-398), supported primarily by sequentially reduced inventories.

EBITA¹⁾ was SEK 847 m (1,114), corresponding to a margin of 11.6 percent (14.8). The decline was attributable to the EMEA and Americas segments, while the margin improved in the APAC, Marine and Global segments. The margin for the Americas segment continued to be negatively impacted by significantly lower net sales in both RV OEM (Recreational Vehicle manufacturers) and Service & Aftermarket. The sales mix, with a lower share of Service & Aftermarket net sales, also had a negative effect on the margin for the EMEA segment. In addition, extraordinary logistics-related costs and inefficiencies in manufacturing linked to the factory transfer from Germany to our existing site in Hungary, continued to have an adverse impact on the EMEA result. We are taking additional measures to improve the results in EMEA and Americas, and expect to see gradual improvements in 2023. The global restructuring programs announced in 2019 and 2022 are continuing at high pace, and today there are 14 percent fewer FTEs (full-time equivalents) in the company than a year ago. At the same time we are increasing our investments in product development and in strategic structural growth areas such as Mobile Power Solutions and Mobile Cooling.

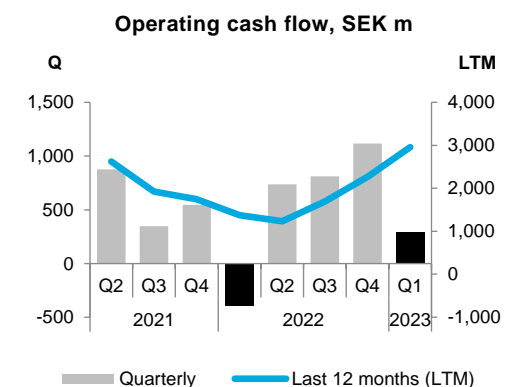
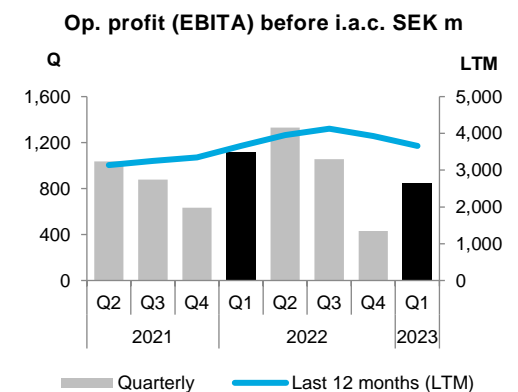
The Igloo business continues to perform well, with mid-single-digit organic net sales growth and an improved EBITA¹⁾ margin compared with the same period last year. There is nothing new to report regarding the lawsuit filed by the sellers of Igloo, which we communicated in the fourth quarter of 2022.

The innovation index was 14 percent (21 percent), as earlier semiconductor supply constraints impacted product launches in 2022. Our focus on reducing inventories, by driving sales on existing products, is also having a temporary negative impact on the index. Our pipeline of new products is strong, we have increased investments in product development, and we expect to see improvements towards our innovation target of 25 percent as inventories of existing products are sold.

Our sustainability activities are generating results and all four KPIs reported on a quarterly basis on page 6 in this report are tracking well towards our targets for 2024.

Operating cash flow improved and our inventory levels continued to decline. Net debt to EBITDA leverage ratio increased as expected to 3.2x compared to 3.0x at the end of 2022, due to normal seasonality patterns. We have established a solid and flexible financing solution for our business, and at the end of March we proactively refinanced part of the credit facilities agreement with our bank group. In addition, we signed a new 3.5-year loan with Svensk Exportkredit, which further broadens our funding sources. The focus on cash flow across the Group is strong, inventories will continue to decline, and we are committed to achieving our net debt to EBITDA leverage ratio target of around 2.5x.

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 the Distribution sales channel. In the OEM sales channel we foresee a gradual weakened demand over the coming quarters, with the exception of RV Americas where we expect to see a stabilization in demand by the end of the year. 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 short-term market trends.



FINANCIAL SUMMARY – FIRST QUARTER 2023

Net sales were SEK 7,289 m (7,518), a decrease of -3% compared with the same quarter last year. This comprised -13% organic growth, 9% currency translation and 0% M&A.

Gross profit was SEK 1,928 m (2,050) corresponding to 26.5% (27.3%) of net sales. The reduction is mainly due to the sales mix with a lower share of Service & Aftermarket net sales, and due to extraordinary logistics-related costs and inefficiencies in manufacturing in segment EMEA.

Sales and administrative expenses totaled SEK -949 m (-872). Excluding currency effects and acquisitions, Sales and administrative expenses were flat compared with the same quarter last year. Investments in strategic structural growth areas such as Mobile Power Solutions and Mobile Cooling continued. Sales and administrative expenses in percent of net sales was 13.0% (11.6%).

Research and development expenses were SEK -144 m (-122) negatively impacted by currency effects, acquisitions and investments in product development. In addition, Research and development expenses of SEK -11 m (-4) were capitalized in the quarter. In total, this corresponds to 2.1% (1.7%) of net sales.

Other operating income and expenses were SEK 10 m (58) positively impacted by 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 847 m (1,114). The corresponding margin was 11.6% (14.8%). The decline was attributable to segments EMEA and Americas, while the margin improved in segments APAC, Marine and Global. Currency effects had a positive impact on the margin.

Amortization of acquisition-related intangible assets were SEK -154 m (-143).

Items affecting comparability totaled SEK -26 m (-159) and were mainly related to activities in the previously announced global restructuring programs.

Operating profit (EBIT) was SEK 667 m (812). The corresponding margin was 9.2% (10.8%).

Financial items totaled a net amount of SEK -196 m (-127), including SEK -191 m (-100) in interest on external bank loans. Other FX revaluations and other items amounted to SEK -17 m (-43) and financial income amounted to SEK 11 m (16).

Taxes totaled SEK -137 m (-192), corresponding to 29% (28%) of profit before tax. Current tax amounted to SEK -217 m (-206) and

deferred tax to SEK 80 m (15). Paid tax was SEK 199 m (134) and includes tax payments related to previous years.

Profit (loss) for the period was SEK 334 m (494).

Earnings per share were SEK 1.04 (1.54).

Adjusted earnings per share were SEK 1.44 (2.27).

Operating cash flow was SEK 294 m (-398). Operating cash flow was supported by reduced Inventories while Accounts Receivables increased due to normal sales seasonality.

Cash flow was SEK -37 m (-1,305). Net cash flow from investments was SEK -114 m (-737). Net cash flow from financing was SEK -129 m (-149).

Financial position. Net debt to EBITDA leverage ratio was 3.2x (2.7x) at the end of the quarter.

Dometic has refinanced part of its credit facilities agreement with its bank group. A floating rate term loan of USD 210 m previously expiring in 2024, was replaced with a USD 220 m floating rate term loan with a 3 year maturity including two 1-year extension options. A revolving credit facility of EUR 200 m previously expiring in 2024 was replaced with a 3 year maturity including two 1-year extension options.

In addition, Dometic has signed a 3.5 year floating rate term loan of USD 44 m with Svensk Exportkredit.

Return on Operating Capital (RoOC) excluding goodwill and trademarks was 20.5% (34.1%).

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 -19 m (-136). Since the start, 24 sites and 1,800 employees have been affected by the programs with a total cost of SEK -836 m.

Employees. Number of employees in terms of headcount was 8,480 (9,333) at the end of the quarter.

Significant events after the quarter. At the 2023 Annual Shareholders Meeting held on April 12, 2023, Fredrik Cappelen was re-elected as member and Chairman of the Board of Directors. Heléne Vibbleus, Peter Sjölander, Erik Olsson, Jacqueline Hoogerbrugge, Rainer Schmückle and Mengmeng Du were re-elected and Patrik Frisk was elected as members of the Board of Directors. The proposed dividend of SEK 1.30 per share was approved.

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

FINANCIAL PERFORMANCE BY SEGMENT

SEK m	Q1	Q1	Change (%)		LTM	FY
	2023	2022	Reported	Organic ⁽¹⁾	2023	2022
Americas	1,234	1,927	-36%	-48%	6,087	6,780
EMEA	2,170	2,179	0%	-7%	7,961	7,970
APAC	501	535	-8%	-13%	2,190	2,231
Marine	1,756	1,486	19%	8%	6,972	6,695
Global	1,628	1,390	17%	5%	6,324	6,086
Net sales	7,289	7,518	-3%	-13%	29,535	29,764
Americas	-61	130			141	330
EMEA	185	385			642	838
APAC	130	136			549	555
Marine	462	371			1,839	1,743
Global	130	91			491	464
Operating profit (EBITA⁽²⁾) before i.a.c.⁽³⁾	847	1,114			3,664	3,931
Americas	-5.0%	6.8%			2.3%	4.9%
EMEA	8.5%	17.7%			8.1%	10.5%
APAC	25.9%	25.3%			25.1%	24.9%
Marine	26.3%	25.0%			26.4%	26.0%
Global	8.0%	6.6%			7.8%	7.6%
Operating profit (EBITA) before i.a.c. %	11.6%	14.8%			12.4%	13.2%

⁽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).

SEGMENT AMERICAS

FIRST QUARTER 2023 NET SALES AND OPERATING PROFIT

Segment Americas reported net sales of SEK 1,234 m (1,927), representing 17% (26%) of Group net sales. Total growth was -36%, of which -48% was organic growth, 12% currency translation and 0% M&A. Net sales declined in all application areas. The organic net sales decline was mainly due to significantly lower RV OEM net sales as well as lower Service & Aftermarket net sales.

Operating profit (EBITA) before amortization of acquisition-related intangible assets and items affecting comparability was SEK -61 m (130), corresponding to a margin of -5.0% (6.8%). The decline was driven by the significant net sales reduction. Items affecting comparability totaled SEK -1 m (-131). Amortization of acquisition-related intangible assets totaled SEK -30 m (-27). Operating profit (EBIT) was SEK -92 m (-28), corresponding to a margin of -7.5% (-1.4%).

SEGMENT EMEA

FIRST QUARTER 2023 NET SALES AND OPERATING PROFIT

Segment EMEA reported net sales of SEK 2,170 m (2,179), representing 30% (29%) of Group net sales. Total growth was 0%, of which -7% was organic growth, 6% currency translation and 1% M&A. Net sales growth in application areas Food & Beverage and Other applications was offset by decline in application areas Climate and Power & Control. The organic net sales decline was due to lower Service & Aftermarket and Distribution net sales. This was partly offset by stronger CPV OEM (Commercial and passenger vehicles) and RV OEM net sales.

Operating profit (EBITA) before amortization of acquisition-related intangible assets and items affecting comparability was SEK 185 m (385), corresponding to a margin of 8.5% (17.7%). The sales mix, with a lower share of Service & Aftermarket net sales, had a negative effect on the margin. In addition, extraordinary logistics-related costs and inefficiencies in manufacturing linked to the factory transfer from Germany to an existing site in Hungary, continued to have an adverse impact on the result. Currency effects had a positive impact on the margin. Items affecting comparability totaled SEK -18 m (-27). Amortization of acquisition-related intangible assets totaled SEK -19 m (-20). Operating profit (EBIT) was SEK 149 m (338), corresponding to a margin of 6.9% (15.5%).

SEGMENT APAC

FIRST QUARTER 2023 NET SALES AND OPERATING PROFIT

Segment APAC reported net sales of SEK 501 m (535), representing 7% (7%) of Group net sales. Total growth was -8%, of which -13% was organic growth, 5% currency translation and 0% M&A. The net sales decline was mainly driven by application area Food & Beverage, partly offset by growth in application area 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 130 m (136), corresponding to a margin of 25.9% (25.3%) supported by cost reductions. Items affecting comparability totaled SEK -2 m (-). Amortization of acquisition-related intangible assets totaled SEK -5 m (-6). Operating profit (EBIT) was SEK 122 m (130), corresponding to a margin of 24.4% (24.2%).

SEGMENT MARINE

FIRST QUARTER 2023 NET SALES AND OPERATING PROFIT

Segment Marine reported net sales of SEK 1,756 m (1,486), representing 24% (20%) of Group net sales. Total growth was 19%, of which 8% was organic growth, 9% currency translation and 1% M&A. Net sales growth was driven by application areas Power & Control and Climate. The organic net sales growth was driven by strong OEM net sales, partly offset by lower Service & Aftermarket net sales.

Operating profit (EBITA) before amortization of acquisition-related intangible assets and items affecting comparability was SEK 462 m (371), corresponding to a margin of 26.3% (25.0%). 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 - m (-).

Amortization of acquisition-related intangible assets totaled SEK -51 m (-46). Operating profit (EBIT) was SEK 412 m (325), corresponding to a margin of 23.4% (21.9%).

SEGMENT GLOBAL

FIRST QUARTER 2023 NET SALES AND OPERATING PROFIT

Segment Global consists of the Igloo business and Other global verticals. Other global verticals includes the businesses of Residential, Hospitality and Mobile deliveries.

Segment Global reported net sales of SEK 1,628 m (1,390), representing 22% (18%) of Group net sales. Total growth was 17%, of which 5% was organic growth, 12% currency translation and 0% M&A. The organic net sales growth was driven by the Igloo and Hospitality businesses.

Operating profit (EBITA) before amortization of acquisition-related intangible assets and items affecting comparability was SEK 130 m (91), corresponding to a margin of 8.0% (6.6%). The improvement was supported by net sales growth. Both the Igloo business and Other global verticals delivered a margin above the same quarter last year. Items affecting comparability totaled SEK -5 m (-). Amortization of acquisition-related intangible assets totaled SEK -49 m (-44). Operating profit (EBIT) was SEK 76 m (47), corresponding to a margin of 4.7% (3.4%).

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.

Actual result, Baseline and Targets in the table below are excluding acquisitions in 2021 and 2022. The process of including acquired companies has started and actual result including acquisitions is included for some KPIs in the text below.

Focus area	KPI	Actual result	Previous year ⁽²⁾	Baseline (Year) ⁽³⁾	Target 2024
People	LTIFR	1.6	2.0	2.4 (2021)	<2.0
People	Share of female managers	26%	24%	24% (2021)	27% (increase 1% point per year)
Planet	Reduction in CO ₂ ton / net sales SEK m ⁽¹⁾	-41%	-29%	2.0 (2020)	-30%
Governance	Share of new suppliers being ESG audited	94%	100%	n/a	90%

⁽¹⁾Adjusted for acquisitions and currency translation effects.

⁽²⁾ Previous year refers to actual results for the same reporting period previous year.

⁽³⁾Baseline refers to actual results (and year) used as starting point for Dometic's targets.

LTIFR (Lost Time Injury Frequency Rate). The LTIFR for the first quarter 2023 was 1.6 (2.0), corresponding to an improvement of 18% compared with the same period last year and an improvement of 20% compared with the target for 2024. The result is supported by all segments through a continued focus on injury prevention. Including acquisitions in 2021 and 2022, the LTIFR actual result was 1.5.

Share of female managers. The share of female managers has increased to 26% (24%). The company is accelerating its efforts in this area and all segments are continuing to work on segment-specific Diversity & Inclusion targets with corresponding action plans. Including acquisitions in 2021 and 2022, the share of female managers actual result was 26%.

Reduction of CO₂ ton¹⁾/net sales SEK m. Emissions in relation to net sales has decreased by -41% (-29%) compared with the baseline year (2020). Main driver for the improvement is the transition to renewable electricity supply in all European manufacturing facilities, as well as at sites in the US. Absolute CO₂ emissions decreased by 29% compared with the baseline year, while the share of renewable indirect energy (scope 2) LTM (last twelve months) increased to 36% compared with 6% in the baseline year.

Share of new suppliers being ESG audited. As of last year Dometic extended its proactive focus on supplier audits, ensuring that at least 90% of all new significant direct material suppliers are audited regarding ESG compliance. In the first quarter of 2023, 94% (100%) of the new significant suppliers have been audited for ESG compliance with a satisfactory result. The remaining new suppliers are scheduled to be audited during the second quarter of 2023.

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

PARENT COMPANY DOMETIC GROUP AB (PUBL)

First quarter 2023

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 2 m (-1), including administrative expenses of SEK -51 m (-60) and other operating income of SEK 53 m (59), of which the full amount relates to income from subsidiaries.

Profit (loss) from financial items totaled SEK -110 m (44), including interest income from Group companies of SEK 203 m (72) and other financial income and expenses of SEK -312 m (-28).

Group contributions were SEK 107 m (-).

Profit (loss) for the quarter amounted to SEK -4 m (44).

For further information, please refer to the Parent Company's condensed financial statements on page 12.

Solna, April 26, 2023

Juan Vargues
President and CEO

REVIEW

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

CONSOLIDATED INCOME STATEMENT

SEK m	Q1 2023	Q1 2022	FY 2022
Net sales	7,289	7,518	29,764
Cost of goods sold	-5,361	-5,468	-21,883
Gross Profit	1,928	2,050	7,880
Sales expenses	-562	-524	-2,185
Administrative expenses	-387	-348	-1,376
Research and development expenses	-144	-122	-531
Other operating income and expenses	10	58	143
Items affecting comparability	-26	-159	-532
Amortization of acquisition-related intangible assets	-154	-143	-611
Operating profit	667	812	2,789
Financial income	11	16	45
Financial expenses	-208	-143	-396
Net financial expenses	-196	-127	-351
Profit (loss) before tax	471	685	2,438
Taxes	-137	-192	-654
Profit (loss) for the period	334	494	1,784
Profit (loss) for the period attributable to owners of the Parent Company	334	494	1,784
Earnings per share before and after dilution, SEK - Owners of the Parent Company	1.04	1.54	5.58
Average number of shares, million	319.5	319.5	319.5

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK m	Q1 2023	Q1 2022	FY 2022
Profit (loss) for the period	334	494	1,784
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit pension plans, net of tax	2	121	178
	2	121	178
Items that may be reclassified subsequently to profit or loss:			
Cash flow hedges, net of tax	6	-5	-73
Gains/losses from hedges of net investments in foreign operations, net of tax	-48	150	573
Exchange rate differences on translation of foreign operations	-203	664	2,289
	-245	809	2,788
Other comprehensive income for the period	-243	931	2,966
Total comprehensive income for the period	91	1,424	4,751
Total comprehensive income for the period attributable to Owners of the Parent Company	91	1,424	4,751

CONSOLIDATED BALANCE SHEET (IN SUMMARY)

SEK m	Mar 31, 2023	Mar 31, 2022	Dec 31, 2022
ASSETS			
Non-current assets			
Goodwill and trademarks	27,813	27,182	28,107
Other intangible assets	7,410	7,362	7,580
Tangible assets	2,507	2,353	2,540
Right-of-use assets	1,319	1,010	972
Deferred tax assets	626	640	513
Other non-current assets	175	160	168
Total non-current assets	39,850	38,707	39,879
Current assets			
Inventories	8,994	8,227	9,314
Trade receivables	4,045	4,098	2,807
Current tax assets	116	27	109
Derivatives, current	77	159	147
Other current receivables	425	452	506
Prepaid expenses and accrued income	247	214	289
Cash and cash equivalents	4,356	3,138	4,399
Total current assets	18,260	16,315	17,572
TOTAL ASSETS	58,109	55,022	57,451
EQUITY AND LIABILITIES			
EQUITY	26,506	23,871	26,415
LIABILITIES			
Non-current liabilities			
Liabilities to credit institutions, non-current	15,357	16,314	15,304
Deferred tax liabilities	3,114	2,952	3,113
Other non-current liabilities	52	3,166	90
Leasing liabilities, non-current	1,053	803	740
Provisions for pensions	528	594	528
Other provisions, non-current	260	276	255
Total non-current liabilities	20,365	24,105	20,030
Current liabilities			
Liabilities to credit institutions, current	3,382	-	3,339
Trade payables	3,054	3,941	2,978
Current tax liabilities	314	555	296
Advance payments from customers	47	49	47
Leasing liabilities, current	387	322	351
Derivatives, current	71	31	111
Other provision, current	599	461	594
Other current liabilities*	1,790	242	1,919
Accrued expenses and prepaid income	1,594	1,445	1,371
Total current liabilities	11,239	7,045	11,007
TOTAL LIABILITIES	31,604	31,150	31,037
TOTAL EQUITY AND LIABILITIES	58,109	55,022	57,451

* Other current liabilities includes short-term considerations not yet paid from Q3 2022.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IN SUMMARY)

SEK m	Q1 2023	Q1 2022	FY 2022
Opening balance for the period	26,415	22,447	22,447
Profit (loss) for the period	334	494	1,784
Other comprehensive income for the period	-243	931	2,966
Total comprehensive income for the period	91	1,424	4,751
Transactions with owners			
Dividend paid to shareholders of the Parent Company	-	-	-783
Total transactions with owners	-	-	-783
Closing balance for the period	26,506	23,871	26,415

CONSOLIDATED STATEMENT OF CASH FLOW

SEK m	Q1 2023	Q1 2022	FY 2022
Cash flow from operating activities			
Operating profit	667	812	2,789
<i>Adjustment for non-cash items</i>			
Depreciation and amortization	365	335	1,477
Other non-cash items	32	39	421
<i>Changes in working capital</i>			
Changes in inventories	307	-884	-1,247
Changes in trade receivables	-1,233	-1,288	231
Changes in trade payables	74	599	-609
Changes in other working capital*	191	103	-200
Income tax paid	-199	-134	-991
Net cash flow from operations	205	-418	1,869
Cash flow from investments			
Acquisition of operations, net of cash acquired*	-	-628	-847
Investments in fixed assets	-110	-115	-593
Proceeds from sale of fixed assets	0	-	4
Other investing activities	-4	5	10
Net cash flow from investments	-114	-737	-1,426
Cash flow from financing			
Borrowings from credit institutions	-	-	1,000
Repayment of loans to credit institutions	-	-	-
Payment of lease liabilities related to lease agreements	-88	-78	-343
Paid interest	-118	-49	-492
Received interest	4	1	3
Other financing activities	73	-24	45
Dividend paid to shareholders of the Parent Company	-	-	-783
Net cash flow from financing	-129	-149	-570
Cash flow for the period	-37	-1,305	-127
Cash and cash equivalents at beginning of period	4,399	4,408	4,408
Exchange differences on cash and cash equivalents	-6	35	117
Cash and cash equivalents at end of period	4,356	3,138	4,399

*As from Q4 2022 the cash flow effect from paid deferred considerations is classified within Cash flow from investments on row Acquisition of operations, net of cash acquired.

PARENT COMPANY INCOME STATEMENT

SEK m	Q1 2023	Q1 2022	FY 2022
Administrative expenses	-51	-60	-228
Other operating income	53	59	225
Operating profit (loss)	2	-1	-3
Interest income from Group companies	203	72	509
Interest expenses to Group companies	-	-	-
Other financial income and expenses	-312	-28	-503
Profit (loss) from financial items	-110	44	6
Group contributions	107	-	-
Profit (loss) before tax	-0	44	3
Taxes	-4	-	-14
Profit (loss) for the period	-4	44	-11

PARENT COMPANY BALANCE SHEET (IN SUMMARY)

SEK m	Mar 31, 2023	Mar 31, 2022	Dec 31, 2022
ASSETS			
Non-current assets			
Shares in subsidiaries	16,228	16,228	16,228
Other non-current assets	4,672	11,183	12,521
Total non-current assets	20,900	27,411	28,749
Current assets			
Current assets	10,431	2,694	2,462
Total current assets	10,431	2,694	2,462
TOTAL ASSETS	31,331	30,105	31,212
EQUITY	12,056	12,897	12,060
PROVISIONS			
Provisions	108	106	104
Total provisions	108	106	104
LIABILITIES			
Non-current liabilities			
Non-current liabilities	15,357	16,314	15,304
Total non-current liabilities	15,357	16,314	15,304
Current liabilities			
Current liabilities	3,810	789	3,745
Total current liabilities	3,810	789	3,745
TOTAL LIABILITIES	19,275	17,208	19,152
TOTAL EQUITY AND LIABILITIES	31,331	30,105	31,212

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 2022 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 1–20 and pages 1–11 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 2023 adopted by the Group

A detailed description of the accounting and valuation principles for new or amended accounting policies for 2023 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

2023, of the 2022 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. Dometic’s risks and risk management are described on pages 63-67 and on pages 94-97 in the 2022 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 77 m (159) and SEK 71 m (31). 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

Mar 31, 2023	Balance sheet carrying amount	Financial instruments at amortized cost	Financial instruments at fair value	Derivatives used for hedging
Per category				
Derivatives	77	-	34	42
Financial assets	9,000	9,000	-	-
Total financial assets	9,077	9,000	34	42
Derivatives	71	-	16	54
Financial liabilities	23,636	22,118	1,518	-
Total financial liabilities	23,706	22,118	1,534	54

NOTE 4 | SEGMENT INFORMATION

CONSOLIDATED OPERATING SEGMENTS

SEK m	Q1 2023	Q1 2022	FY 2022
Net sales, external			
Americas	1,234	1,927	6,780
EMEA	2,170	2,179	7,970
APAC	501	535	2,231
Marine	1,756	1,486	6,695
Global	1,628	1,390	6,086
Total net sales, external	7,289	7,518	29,764
Operating profit (EBITA) before items affecting comparability			
Americas	-61	130	330
EMEA	185	385	838
APAC	130	136	555
Marine	462	371	1,743
Global	130	91	464
Total operating profit (EBITA) before items affecting comparability	847	1,114	3,931
Operating profit (EBITA) before items affecting comparability %			
Americas	-5.0%	6.8%	4.9%
EMEA	8.5%	17.7%	10.5%
APAC	25.9%	25.3%	24.9%
Marine	26.3%	25.0%	26.0%
Global	8.0%	6.6%	7.6%
Total operating profit (EBITA) before items affecting comparability %	11.6%	14.8%	13.2%
Amortization of acquisition-related intangible assets			
Americas	-30	-27	-118
EMEA	-19	-20	-74
APAC	-5	-6	-21
Marine	-51	-46	-202
Global	-49	-44	-196
Total amortization of acquisition-related intangible assets	-154	-143	-611
Items affecting comparability			
Americas	-1	-131	-151
EMEA	-18	-27	-370
APAC	-2	-	-4
Marine	-	-0	-1
Global	-5	-0	-7
Total items affecting comparability	-26	-159	-532
Operating profit (EBIT)			
Americas	-92	-28	61
EMEA	149	338	394
APAC	122	130	531
Marine	412	325	1,541
Global	76	47	262
Total operating profit (EBIT)	667	812	2,789
Operating profit (EBIT) %			
Americas	-7.5%	-1.4%	0.9%
EMEA	6.9%	15.5%	4.9%
APAC	24.4%	24.2%	23.8%
Marine	23.4%	21.9%	23.0%
Global	4.7%	3.4%	4.3%
Total operating profit (EBIT) %	9.2%	10.8%	9.4%
Financial income	11	16	45
Financial expenses	-208	-143	-396
Taxes	-137	-192	-654
Profit (loss) for the period	334	494	1,784

NET SALES BY APPLICATION AREAS

SEK m	Q1 2023	Q1 2022	FY 2022
Segment Americas			
Food & Beverage	255	439	1,494
Climate	491	847	2,970
Power & Control	197	296	1,032
Other applications	290	344	1,284
Segment Americas net sales, external	1,234	1,927	6,780
Segment EMEA			
Food & Beverage	803	764	2,871
Climate	1,025	1,065	3,763
Power & Control	241	255	925
Other applications	101	95	412
Segment EMEA net sales, external	2,170	2,179	7,970
Segment APAC			
Food & Beverage	181	230	919
Climate	174	177	734
Power & Control	107	91	431
Other applications	39	37	147
Segment APAC net sales, external	501	535	2,231
Segment Marine			
Food & Beverage	53	50	217
Climate	390	280	1,262
Power & Control	1,061	876	3,939
Other applications	252	280	1,278
Segment Marine net sales, external	1,756	1,486	6,695
Segment Global			
Food & Beverage	1,603	1,373	6,009
Climate	1	1	4
Power & Control	0	0	3
Other applications	24	16	71
Segment Global net sales, external	1,628	1,390	6,086
Net sales, external			
Food & Beverage	2,895	2,856	11,509
Climate	2,081	2,370	8,732
Power & Control	1,606	1,519	6,331
Other applications	706	772	3,191
Total net sales, external	7,289	7,518	29,764

Inter-segment sales were as follows.

SEK m	Q1 2023	Q1 2022	FY 2022
Segment Americas	66	35	170
Segment EMEA	68	102	340
Segment APAC	569	995	3,316
Segment Marine	9	14	49
Segment Global	-	-	-
Eliminations	712	1,146	3,875

NOTE 5 | NET SALES BY SALES CHANNEL

SEK m	Q1	Q1	Change (%)		FY 2022
	2023	2022	Reported	Organic ⁽¹⁾	
Net sales, external					
OEM	3,171	3,309	-4%	-14%	13,034
Distribution	2,190	2,087	5%	-5%	8,688
Service & Aftermarket	1,929	2,121	-9%	-19%	8,041
Total net sales, external	7,289	7,518	-3%	-13%	29,764

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

NOTE 6 | ITEMS AFFECTING COMPARABILITY

SEK m	Q1 2023	Q1 2022	FY 2022
Global restructuring program	-19	-136	-499
Other	-7	-23	-33
Total	-26	-159	-532

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

Global restructuring program		Q1	Q1	FY
SEK m		2023	2022	2022
Cost of goods sold		-15	-135	-476
Sales expenses		-4	-	-3
Administrative expenses		-	-	-8
Research and development expenses		-	-	-11
Other operating income and expenses		-	-1	-2
Total		-19	-136	-499

Other		Q1	Q1	FY
SEK m		2023	2022	2022
Cost of goods sold		-	-	-
Sales expenses		-	-22	-21
Administrative expenses		-	-	-1
Research and development expenses		-	-	-
Other operating income and expenses		-7	-1	-11
Total		-7	-23	-33

Total		Q1	Q1	FY
SEK m		2023	2022	2022
Cost of goods sold		-15	-135	-476
Sales expenses		-4	-22	-24
Administrative expenses		-	-	-8
Research and development expenses		-	-	-11
Other operating income and expenses		-7	-2	-13
Total		-26	-159	-532

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	Amortization	Amortization	Amortization	Total
			of Trademarks	of Customer Relationship Assets	of Technology	of intellectual property	
Cost of goods sold							
	Q1	2023	-	-	-18	-1	-19
	Q1	2022	-	-	-17	-0	-17
	FY	2022	-	-	-74	-1	-75
Sales expenses							
	Q1	2023	-23	-112	-	-	-135
	Q1	2022	-22	-104	-	-	-126
	FY	2022	-91	-444	-	-	-535
Total Amortization of acquisition-related intangible assets							
	Q1	2023	-23	-112	-18	-1	-154
	Q1	2022	-22	-104	-17	-0	-143
	FY	2022	-91	-444	-74	-1	-611

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	Q1 2023	Q1 2022	FY 2022
Profit (loss) before tax, reported	471	685	2,438
A) Adjustment for amortization of acquisition-related intangible assets	154	143	611
B) Adjustment for items affecting comparability	26	159	532
Profit (loss) before tax, adjusted	651	987	3,581
Taxes, reported	-137	-192	-654
Taxes, adjustment for A) and B)	-52	-69	-270
Profit (loss) for the period, adjusted	462	726	2,658
Average number of shares	319.5	319.5	319.5
Earnings per share, adjusted	1.44	2.27	8.32

NOTE 9 | NET DEBT TO EBITDA LEVERAGE RATIO

Specification of Net debt to EBITDA leverage ratio.

SEK m	Mar 31, 2023	Mar 31, 2022	Dec 31, 2022
Liabilities to credit institutions, non-current	15,357	16,314	15,304
Liabilities to credit institutions, current	3,382	0	3,339
Add back capitalized transaction costs	35	56	41
Liabilities to credit institutions excluding capitalized transaction costs	18,774	16,369	18,683
Total cash and cash equivalents	-4,356	-3,138	-4,399
Net Debt	14,417	13,231	14,284
EBITDA before items affecting comparability (i.a.c) LTM	4,550	4,282	4,797
EBITDA Acquisitions proforma LTM	-	572	10
EBITDA before i.a.c. incl acquisitions proforma LTM	4,550	4,854	4,807
Net debt to EBITDA leverage ratio	3.2x	2.7x	3.0x

NOTE 10 | RIGHT-OF-USE ASSETS

Right-of-use assets information is specified below:

Depreciation & amortization	Q1	Q1	FY
SEK m	2023	2022	2022
Depreciation and amortization	-365	-335	-1,477
Add back depreciation related to right-of-use assets	88	77	338
Total	-278	-257	-1,138

	Mar	Mar	Dec
Right-of-use assets	31,	31,	31,
SEK m	2023	2022	2022
Buildings	1,251	930	903
Machinery, equipment and other technical installations	67	81	68
Total	1,319	1,010	972

NOTE 11 | TRANSACTIONS WITH RELATED PARTIES

No transactions between Dometic and related parties that have significantly affected the company's position and earnings took place during Q1 2023.

NOTE 12 | ACQUISITIONS AND DIVESTMENTS

2023

Dometic has not made any acquisitions or divestments during Q1 2023.

2022

Acquisitions during the year

The purchase price allocation of Cadac International, NDS Energy and Treeline Capital are considered to be final.

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.

Effect on group cash flow

Effect on group cash flow amounts to SEK – m (-847).

See the Annual and Sustainability Report 2022 note 29 for details on acquisitions completed in 2022.

NOTE 13 | SIGNIFICANT EVENTS AFTER THE PERIOD

At the 2023 Annual Shareholders Meeting held on April 12, 2023, Fredrik Cappelen was re-elected as member and Chairman of the Board of Directors. Heléne Vibbleus, Peter Sjölander, Erik Olsson, Jacqueline Hoogerbrugge, Rainer Schmückle and Mengmeng Du was re-elected and Patrik Frisk were elected as members of the Board of Directors. The proposed dividend of SEK 1.30 per share was approved.

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. See note 8.
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	Operating profit (EBIT) before Amortization of acquisition-related intangible assets.
EBITA margin	EBITA divided by net sales.
EBITA bef i.a.c.	Operating profit (EBIT) before Amortization of acquisition-related intangible assets and items affecting comparability.
EBITA bef i.a.c. margin	EBITA before i.a.c. divided by net sales.
Net debt	Total borrowings including provisions for pensions, accrued interest and capitalized transaction costs, less cash and cash equivalents.
Net debt to EBITDA leverage ratio	Net debt excluding provisions for pensions, accrued interest and capitalized transaction costs in relation to last twelve months EBITDA before items affecting comparability and including acquisitions proforma. Any cash deposits with tax authorities are treated as cash in the leverage calculation. See note 9.
Operating cash flow	Cash flow from operations after investments in fixed assets excluding income tax paid. Paid interest/received interest is part of net cash flow from 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) for the four previous quarters, divided by the average operating capital for the previous four quarters, excluding goodwill and trademarks.

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. Excludes acquisitions made in 2021 and 2022.
EPS – Earnings per share	Net profit for the period divided by average number of shares.
FY 2022	Full Year. January to December 2022 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 twelve months with 1 months delay in reporting. Excludes acquisitions made in 2021 and 2022.
LTM	Last twelve months.
Net profit	Profit (loss) for the period.
OCI	Other Comprehensive Income.
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.
Q1 2023 and Q1 2022	January to March 2023 and 2022 for Income Statement.
Share of female managers	Percentage of female managers in the company at the end of each period. Excludes acquisitions made in 2021 and 2022.
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. Excludes acquisitions made in 2021 and 2022.
Working capital	Core working capital plus other current assets less other current liabilities and provisions relating to operations.

PRESENTATION OF THE INTERIM REPORT

Analysts and media are invited to participate in a telephone conference at 10.00 (CEST), April 26, 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/2023-04-26-q1-2023/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=100356>

FOR FURTHER INFORMATION, PLEASE CONTACT

Rikard Tunedal

Head of Investor Relations

Phone: +46 730 56 97 35

E-mail: rikard.tunedal@dometic.com

Dometic Group AB (publ)

Hemvärnsgatan 15

SE-171 54 Solna, Sweden

Phone: +46 8 501 025 00

www.dometic.com

Corporate registration number 556829-4390

This information is information that Dometic Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08.00 CEST on April 26, 2023.

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

July 18, 2023

Interim report for the second quarter 2023

October 26, 2023

Interim report for the third quarter 2023

January 31, 2024

Q4 and full year report 2023