

REPORT ON THE THIRD QUARTER 2019

NET SALES	OPERATING PROFIT (EBIT)	OPERATING PROFIT (EBIT) BEFORE ITEMS AFFECTING COMPARABILITY	OPERATING CASH FLOW
4,605 SEK MILLION (4,501)	583 SEK MILLION (702)	619 SEK MILLION (702)	1,301 SEK MILLION (843)

THIRD QUARTER 2019

- Net sales for the quarter were SEK 4,605 m (4,501); an increase of 2%, of which -6% was organic growth.
- Operating profit before depreciation and amortization (EBITDA) for the quarter was SEK 792 m (835), representing a margin of 17.2% (18.6%).
- Operating profit (EBIT) for the quarter was SEK 583 m (702), representing a margin of 12.7% (15.6%).
- Items affecting comparability for the quarter were SEK -37 m (-) and related to initial restructuring measures executed in the quarter.
- Operating profit (EBIT) before items affecting comparability for the quarter was SEK 619 m (702), representing a margin of 13.5% (15.6%).
- Cash flow for the quarter was SEK 990 m (1,941). Operating cash flow was SEK 1,301 m (843).
- Profit for the quarter was SEK 372 m (435).
- Earnings per share: SEK 1.26 (1.47).
- In line with the strategic direction presented at the capital markets day, a global restructuring program was launched after the end of the quarter.

NINE MONTHS 2019

- Net sales for the period were SEK 14,584 m (14,204); an increase of 3%, of which -6% was organic growth.
- Operating profit before depreciation and amortization (EBITDA) for the period was SEK 2,710 m (2,644), representing a margin of 18.6% (18.6%).
- Operating profit (EBIT) for the period was SEK 2,101 m (2,259), representing a margin of 14.4 % (15.9%).
- Items affecting comparability for the period were SEK -37 m (-) and related to initial restructuring measures executed in the period.
- Operating profit (EBIT) before items affecting comparability for the period was SEK 2,138 m (2,259), representing a margin of 14.7% (15.9%).
- Cash flow for the period was SEK 1,483 m (1,825). Operating cash flow was SEK 2,804 m (1,757).
- Profit for the period was SEK 1,278 m (1,440).
- Earnings per share: SEK 4.32 (4.87).

FINANCIAL OVERVIEW

SEK m	Q3	Q3	YTD	YTD	LTM	FY
	2019	2018	2019	2018	2019	2018
Net sales	4,605	4,501	14,584	14,204	18,654	18,274
EBITDA	792	835	2,710	2,644	3,179	3,113
% of net sales	17.2%	18.6%	18.6%	18.6%	17.0%	17.0%
Operating profit (EBIT)	583	702	2,101	2,259	2,429	2,587
% of net sales	12.7%	15.6%	14.4%	15.9%	13.0%	14.2%
Operating profit (EBIT) before items affecting comparability	619	702	2,138	2,259	2,558	2,679
% of net sales	13.5%	15.6%	14.7%	15.9%	13.7%	14.7%
Profit for the period	372	435	1,278	1,440	1,414	1,576
Earnings per share, SEK	1.26	1.47	4.32	4.87	4.78	5.33
Cash flow for the period	990	1,941	1,483	1,825	578	920
Operating cash flow ⁽¹⁾	1,301	843	2,804	1,757	3,663	2,616
Core working capital	4,031	4,317	4,031	4,317	4,031	3,986
Capital expenditure in fixed assets	-71	-100	-247	-305	-364	-422
RoOC	28.8%	29.3%	28.8%	29.3%	28.8%	30.5%

⁽¹⁾Net cash flow from operations after investments in fixed assets and excluding income tax paid.

CEO COMMENTS

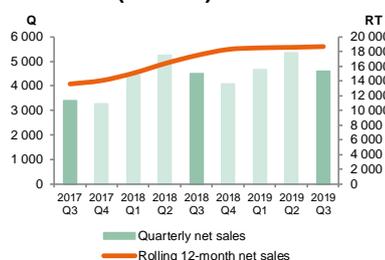


Market conditions in the quarter remained similar to what we have seen throughout 2019. Despite a challenging global trading environment impacting us in the quarter, we are pleased with our underlying performance delivering net sales growth of 2 percent, continued high operating profit and a strong cash flow.

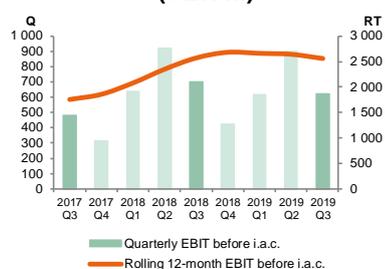
Our focus continues to be delivering on initiatives that support our long-term strategy. A number of key hirings are in place to drive new growth areas and aftermarket focus. The innovation index is rising and is now at 16 percent and we have seen a 14 percent SKU reduction during the first nine months. I am also pleased to see inventory reduction progressing at a good rate whilst the opening of a larger site in Mexico in August will make us more competitive going forward.

During the last 18 months we revised and started the execution of our strategy to build an even stronger and more profitable company long term by broadening our addressable market, increasing our efficiency and further reducing our exposure to cyclical and seasonality. As part of our strategy, and considering the current market situation, we are now accelerating the optimization of operational structures by launching a global restructuring program. The program focuses on outsourcing of non-core activities and consolidation of locations. The execution of this program, in combination with a strong financial position, will allow us to deliver on our financial targets and take full advantage of the many opportunities ahead.

Net sales (SEK m)



Operating profit (EBIT) before i.a.c (SEK m)



Previous full year 2019 outlook (presented on July 17, 2019): negative organic growth and an EBIT margin above 14 percent. Leverage excluding acquisitions is expected to be around 2x by the end of 2019.

All references to EBIT and EBIT margin on this page refer to EBIT before items affecting comparability unless otherwise stated.

The restructuring program is estimated to generate positive annualized effects on earnings of approximately SEK 400 m when fully implemented. We anticipate that the effect will gradually become apparent from the beginning of 2021, achieving its full impact in the middle of 2022. The cost of implementing the program will be around SEK 750 m. It is estimated that the majority of the cost will be charged in the coming 18 months. Approximately 20 locations, including manufacturing, warehouses and offices, and 1,500 employees working in these locations will be affected by the program.

Americas reported net sales growth of -3 percent in the quarter, of which -12 percent was organic. The sales decline was driven by a negative development in Food & Beverage, while Other Applications showed a strong performance. The EBIT margin was 12.0 percent. The additional US tariffs and the continued volume decline in the US RV market could not be fully offset by all the actions taken in the Americas region. Total impact from tariffs was SEK 86 m in the quarter and SEK 176 m for the first nine months, and it has been more of a challenge to offset the impact to the same extent as during the first half of 2019. We will continue our efforts to reduce the tariff impact moving forward by pricing, transferring of production and outsourcing, and we expect to see improvements in 2020.

EMEA reported net sales growth of 13 percent in the quarter, of which 3 percent was organic. The sales growth was driven by a strong performance in Climate and Power & Control. Kampa continued to develop in a highly positive way, exhibiting strong growth and improved profitability. The EBIT margin was 13.8 percent, and the positive trend was a result of continued efficiency improvements and pricing.

APAC reported net sales growth of -3 percent in the quarter, of which -7 percent was organic. Climate and Power & Control displayed a positive sales trend. Food & Beverage was negatively impacted by a weak performance in Australia. The EBIT margin remained at a high level at 20.9 percent, although impacted by a continued soft market in Pacific.

Operating cash flow was SEK 1,301 m, an increase of 54 percent compared with the same quarter last year. Leverage improved to 2.7x (3.0x) by the end of the third quarter 2019. Leverage is expected to continue to come down in a good way also during the fourth quarter, creating opportunities for acquisitive growth.

In the short term, the uncertainty in some of our markets remains. Due to continued challenging market conditions in the Americas and the additional impact of US tariffs, the new full year 2019 outlook is negative organic growth, an EBIT margin around 13.5 percent. Leverage excluding acquisitions is expected to be around 2.4x by the end of 2019.

We are confident about the long-term positive trends in the Mobile Living industry and the opportunities for acquisitive growth, and we will continue to deliver on our strategic direction to take Dometic to the next level.

Juan Vargues, President and CEO

FINANCIAL SUMMARY – THIRD QUARTER 2019

Net sales were SEK 4,605 m (4,501), an increase of 2% compared with the same quarter last year. This comprised -6% organic growth, 6% currency translation and 2% M&A.

Operating profit before depreciation and amortization (EBITDA) was SEK 792 m (835). The EBITDA margin was 17.2% (18.6%).

Operating profit (EBIT) was SEK 583 m (702). The EBIT margin was 12.7% (15.6%). IFRS 16 impacted EBIT positively by SEK 1 m.

Items affecting comparability totaled SEK -37 m (-) and related to initial restructuring measures executed in the quarter.

Operating profit (EBIT) before items affecting comparability was SEK 619 m (702). The EBIT margin before items affecting comparability was 13.5% (15.6%).

Financial items totaled a net amount of SEK -82 m (-137), including SEK -110 m (-103) in interest on external bank loans and SEK -5 m (-) for interest on leases as an effect of IFRS 16. FX revaluations and other items amounted to SEK 31 m (-35) whereof realized accrued bank fees after refinancing of outstanding bank loans amounted to SEK -18 m and financial income amounted to SEK 2 m (1).

Taxes totaled SEK -129 m (-130), corresponding to 26% (23%) of profit before tax. The total effective tax rate is higher compared with 2018 mainly due to BEAT ("Base Erosion Anti-avoidance Tax"), which is an additional minimum tax that was introduced in the 2017 US tax reform. In 2019, the BEAT tax rate increased from 5% to 10%. Current tax amounted to SEK -100 m (-70) and deferred tax to SEK -29 m (-60). Paid tax of 20% (4%) is higher compared with the same quarter last year, mainly due to the Group's tax paying positions in Canada and the US.

Profit for the quarter was SEK 372 m (435).

Earnings per share were SEK 1.26 (1.47).

Operating cash flow was SEK 1,301 m (843).

Cash flow for the quarter was SEK 990 m (1,941).

Financial position. Leverage was 2.7x (3.0x) at the end of the third quarter. In constant currency, leverage was 2.6x.

FINANCIAL SUMMARY – NINE MONTHS 2019

Net sales were SEK 14,584 m (14,204), an increase of 3% compared with the same period last year. This comprised -6% organic growth, 6% currency translation and 3% M&A

Operating profit before depreciation and amortization (EBITDA) was SEK 2,710 m (2,644). The EBITDA margin was 18.6% (18.6%).

Operating profit (EBIT) was SEK 2,101 m (2,259). The EBIT margin was 14.4% (15.9%). IFRS 16 impacted EBIT positively by SEK 4 m.

Items affecting comparability totaled SEK -37 m (-) and related to initial restructuring measures executed in the period.

Operating profit (EBIT) before items affecting comparability was SEK 2,138 m (2,259). The EBIT margin before items affecting comparability was 14.7% (15.9%).

Financial items totaled a net amount of SEK -347 m (-335), including SEK -331 m (-302) in interest on external bank loans and SEK -14 m (-) for interest on leases as an effect of IFRS 16. FX revaluations and other items amounted to SEK -12 m (-39) whereof realized accrued bank fees after refinancing of outstanding bank loans amounted to SEK -35 m and financial income amounted to SEK 9 m (6).

Taxes totaled SEK -475 m (-484), corresponding to 27% (25%) of profit before tax. Total effective tax rate is higher compared with 2018 mainly due to BEAT ("Base Erosion Anti-avoidance Tax"), which is an additional minimum tax that was introduced in the 2017 US tax reform. In 2019, the BEAT tax rate increased from 5% to 10%. Current tax amounted to SEK -410 m (-242) and deferred tax to SEK -65 m (-242). Paid tax of 24% (13%) is higher compared with the same period last year, mainly due to the Group's tax paying positions in Canada and the US.

Profit for the period was SEK 1,278 m (1,440).

Earnings per share were SEK 4.32 (4.87).

Operating cash flow was SEK 2,804 m (1,757).

Cash flow for the period was SEK 1,483 m (1,825).

Significant events after the period. Stefan Fristedt joined Dometic as the new CFO on October 1, 2019.

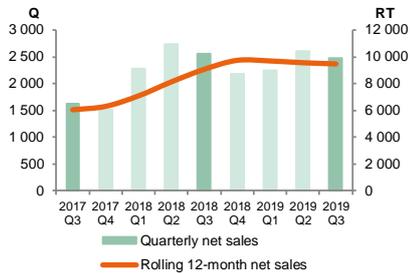
A global restructuring program was launched after the end of the quarter. Total estimated cost of the program amounts to SEK 750 m. The majority of the cost will be charged in the coming 18 months. The program is estimated to generate positive effects on earnings of around SEK 400 m when fully implemented, with full annualized impact in the middle of 2022.

SEK m	Q3	Q3	Change (%)		YTD	YTD	Change (%)		LTM	FY
	2019	2018	Rep.	Adj. ⁽¹⁾	2019	2018	Rep.	Adj. ⁽¹⁾	2019	2018
Americas	2,472	2,557	-3%	-11%	7,316	7,581	-4%	-11%	9,493	9,758
EMEA	1,732	1,530	13%	10%	6,023	5,290	14%	10%	7,438	6,706
APAC	402	414	-3%	-6%	1,245	1,333	-7%	-9%	1,723	1,810
Net sales	4,605	4,501	2%	-4%	14,584	14,204	3%	-3%	18,654	18,274
Americas	296	427	-31%	-37%	953	1,236	-23%	-30%	1,187	1,470
EMEA	239	183	31%	26%	918	728	26%	21%	1,004	814
APAC	84	91	-8%	-16%	267	295	-10%	-16%	367	395
Operating profit (EBIT) bef. i.a.c.⁽²⁾	619	702	-12%	-18%	2,138	2,259	-5%	-12%	2,558	2,679
Americas	12.0%	16.7%			13.0%	16.3%			12.5%	15.1%
EMEA	13.8%	12.0%			15.2%	13.8%			13.5%	12.1%
APAC	20.9%	22.1%			21.4%	22.2%			21.3%	21.8%
Operating profit % bef. i.a.c.⁽²⁾	13.5%	15.6%			14.7%	15.9%			13.7%	14.7%

⁽¹⁾Represents change in comparable currency. ⁽²⁾Before items affecting comparability.

AMERICAS

Net sales (SEK m)



NET SALES AND OPERATING PROFIT (EBIT)

Third quarter 2019

Americas reported net sales of SEK 2,472 m (2,557), representing 54% of Group net sales. Total growth was -3%, of which -12% was organic growth, 9% currency translation and 0% M&A.

Operating profit (EBIT) was SEK 259 m (427); a decrease of 39% compared with the same quarter last year. The EBIT margin was 10.5% (16.7%). Total impact from tariffs was SEK 86 m in the quarter.

Items affecting comparability totaled SEK -37 m (-) and related to initial restructuring measures executed in the quarter.

Operating profit (EBIT) before items affecting comparability was SEK 296 m (427); a decrease of 31% compared with the same quarter last year. The EBIT margin was 12.0% (16.7%).

Nine months 2019

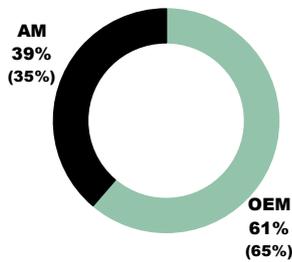
Americas reported net sales of SEK 7,316 m (7,581). Total growth was -4%, of which -12% was organic growth, 8% currency translation and 0% M&A.

Operating profit (EBIT) was SEK 916 m (1,236); a decrease of 26% compared with the same period last year. The EBIT margin was 12.5% (16.3%). Total impact from tariffs was SEK 176 m for the first nine months.

Items affecting comparability totaled SEK -37 m (-) and related to initial restructuring measures executed in the period.

Operating profit (EBIT) before items affecting comparability was SEK 953 m (1,236); a decrease of 23% compared with the same period last year. The EBIT margin was 13.0% (16.3%).

Sales split AM/OEM



Q3

NET SALES

2,472

SEK MILLION
(2,557)

OPERATING PROFIT (EBIT)*

296

SEK MILLION
(427)

OPERATING MARGIN (EBIT%)*

12.0%

(16.7%)

Business highlights, Q3

Total OEM sales growth was -9%, of which growth in constant currency was -17%.

Total Aftermarket sales growth was 8%, of which growth in constant currency was -1%.

Food & Beverage reported negative sales growth, as a result of a weaker US RV OEM market. There was strong growth for mobile cooling.

Climate reported negative sales growth affected by the weak RV OEM market. Professional workshop equipment reported strong growth.

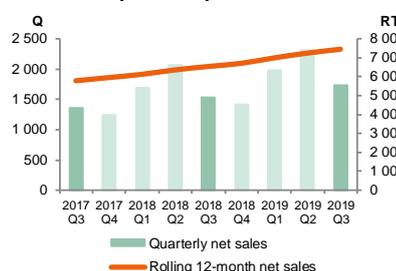
Power & Control reported good sales growth.

Other Applications reported strong sales growth, supported by a strong performance for spare parts.

*EBIT before items affecting comparability.

EMEA

Net sales (SEK m)



NET SALES AND OPERATING PROFIT (EBIT)

Third quarter 2019

EMEA reported net sales of SEK 1,732 m (1,530), representing 38% of Group net sales. Total growth was 13%, of which 3% was organic growth, 3% currency translation and 7% M&A.

Operating profit (EBIT) was SEK 239 m (183), an increase of 31% compared with the same quarter last year. The EBIT margin was 13.8% (12.0%).

There were no Items affecting comparability (-).

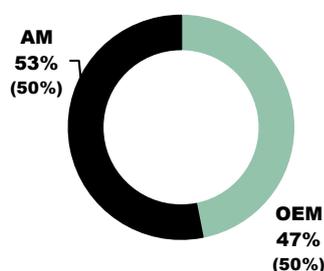
Nine months 2019

EMEA reported net sales of SEK 6,023 m (5,290). Total growth was 14%, of which 3% was organic growth, 3% currency translation and 8% M&A.

Operating profit (EBIT) was SEK 918 m (728), an increase of 26% compared with the same period last year. The EBIT margin was 15.2% (13.8%).

There were no Items affecting comparability (-).

Sales split AM/OEM



Business highlights, Q3

Total OEM sales growth was 6%, of which growth in constant currency and excluding the acquisition of Kampa was 2%.

Total Aftermarket sales growth was 21%, of which growth in constant currency and excluding the acquisition of Kampa was 4%.

Q3

NET SALES

1,732

SEK MILLION
(1,530)

OPERATING PROFIT (EBIT)*

239

SEK MILLION
(183)

OPERATING MARGIN (EBIT%)*

13.8%

(12.0%)

Food & Beverage reported sales growth. A positive trend for mobile cooling was partly offset by a negative performance for cooking products.

Climate reported strong sales growth, mainly driven by awnings, workshop equipment and climate control.

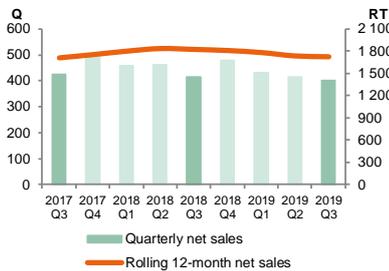
Power & Control reported strong sales growth, driven by new product launches such as the PLB40 portable battery and increased market presence.

Other Applications reported negative sales growth, mainly as a result of lower sales for sanitation and complementary products.

*EBIT before items affecting comparability

APAC

Net sales (SEK m)



NET SALES AND OPERATING PROFIT (EBIT)

Third quarter 2019

APAC reported net sales of SEK 402 m (414), representing 9% of Group net sales. Total growth was -3%, of which -7% was organic growth, 4% currency translation and 0% M&A.

Operating profit (EBIT) was SEK 84 m (91); a decrease of 8% compared with the same quarter last year. The EBIT margin was 20.9% (22.1%).

There were no Items affecting comparability (-).

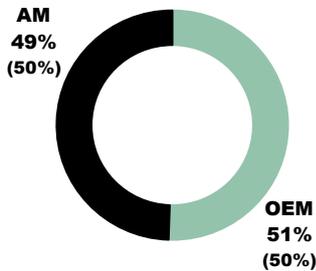
Nine months 2019

APAC reported net sales of SEK 1,245 m (1,333). Total growth was -7%, of which -10% was organic growth, 3% currency translation and 0% M&A.

Operating profit (EBIT) was SEK 267 m (295); a decrease of 10% compared with the same period last year. The EBIT margin was 21.4% (22.2%).

There were no Items affecting comparability (-).

Sales split AM/OEM



Business highlights, Q3

Total OEM sales growth was -2%, of which growth in constant currency was -5%. Total Aftermarket sales growth was -4%, of which growth in constant currency was -8%.

Food & Beverage reported negative sales growth. Strong development for hot and cooking products was more than offset by weak development for RV refrigerators and a negative performance for mobile cooling.

Climate reported good sales growth, mainly as a result of strong development for climate control and workshop equipment.

Power & Control reported strong sales growth, impacted by a positive development for generators and battery products.

Other Applications reported negative sales growth, mainly due to a weaker performance for complementary products.

Q3

NET SALES

402

SEK MILLION
(414)

OPERATING PROFIT (EBIT)*

84

SEK MILLION
(91)

OPERATING MARGIN (EBIT%)*

20.9%

(22.1%)

*EBIT before items affecting comparability

**PARENT COMPANY DOMETIC GROUP AB
(PUBL)***Third quarter 2019*

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

For the third quarter of 2019, the Parent Company had an operating profit (loss) of SEK 8 m (2), including administrative expenses of SEK -34 m (-42) and other operating income of SEK 42 m (44), of which the full amount relates to income from subsidiaries.

Profit (loss) from financial items totaled SEK -309 m (49), including interest income from subsidiaries of SEK 71 m (70), interest expenses to subsidiaries of SEK 0 m (0) and other financial expenses of SEK -379 m (-22).

Profit (loss) for the quarter amounted to SEK -3 m (-2).

Nine months 2019

For the first nine months of 2019, the Parent Company had an operating profit (loss) of SEK 6 m (-4), including administrative expenses of SEK -144 m (-134) and other operating income of SEK 150 m (130), of which the full amount relates to income from subsidiaries.

Profit (loss) from financial items totaled SEK -640 m (-470), including interest income from subsidiaries of SEK 219 m (188), interest expenses to subsidiaries of SEK 0 m (0) and other financial expenses of SEK -859 m (-657).

Profit (loss) for the first nine months amounted to SEK -14 m (-7).

For further information, please refer to the Parent Company's condensed financial statements on page 11.

Solna, October 24, 2019

Juan Vargues
President and CEO

ANNUAL GENERAL MEETING

Dometic Group's Annual General Meeting will be held on April 7, 2020, in Stockholm.

AUDITOR'S REPORT

Dometic Group AB (publ) reg. no. 556829-4390

Introduction

We have reviewed the condensed interim financial information (interim report) of Dometic Group AB (publ) as of 30 September 2019 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, October 24, 2019
PricewaterhouseCoopers AB

Anna Rosendal
Authorized Public Accountant

**NOMINATION COMMITTEE – ANNUAL
GENERAL MEETING 2020**

In accordance with the resolution taken by the 2019 Annual General Meeting (AGM), the Nomination Committee ahead of the 2020 AGM shall be composed of the chairman of the board of directors together with one representative of each three largest shareholders, based on the ownership structure as of August 31, 2019. More details about the Nomination Committee are available on our website. www.dometic.com

CONSOLIDATED INCOME STATEMENT

SEK m	Q3 2019	Q3 2018	YTD 2019	YTD 2018	FY 2018
Net sales	4,605	4,501	14,584	14,204	18,274
Cost of goods sold	-3,081	-2,962	-9,789	-9,529	-12,323
Gross Profit	1,525	1,539	4,795	4,675	5,951
Sales expenses	-620	-569	-1,809	-1,686	-2,259
Administrative expenses	-237	-213	-690	-631	-855
Other operating income and expenses	27	0	67	61	61
Items affecting comparability	-37	-	-37	-	-92
Amortization of acquisition related intangible assets	-75	-55	-226	-161	-219
Operating profit	583	702	2,101	2,259	2,587
Financial income	2	1	9	6	11
Financial expenses	-84	-138	-356	-341	-442
Loss from financial items	-82	-137	-347	-335	-431
Profit (loss) before tax	500	565	1,753	1,924	2,156
Taxes	-129	-130	-475	-484	-580
Profit (loss) for the period	372	435	1,278	1,440	1,576
Profit (loss) for the period attributable to owners of the Parent Company	372	435	1,278	1,440	1,576
Earnings per share before and after dilution, SEK - Owners of the Parent Company	1.26	1.47	4.32	4.87	5.33
Average number of shares, million	295.8	295.8	295.8	295.8	295.8

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK m	Q3 2019	Q3 2018	YTD 2019	YTD 2018	FY 2018
Profit (loss) for the period	372	435	1,278	1,440	1,576
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss:					
Remeasurements of defined benefit pension plans, net of tax	-45	8	-127	38	-3
	-45	8	-127	38	-3
Items that may be reclassified subsequently to profit or loss:					
Cash flow hedges, net of tax	4	-15	-31	-2	8
Gains/losses from hedges of net investments in foreign operations, net of tax	-3	55	-116	-29	-14
Exchange rate differences on translation of foreign operations	684	-244	1,396	709	554
	684	-203	1,249	678	548
Other comprehensive income for the period	639	-195	1,122	716	545
Total comprehensive income for the period	1,011	240	2,400	2,156	2,121
Total comprehensive income for the period attributable to Owners of the Parent Company	1,011	240	2,400	2,156	2,121

CONSOLIDATED BALANCE SHEET (IN SUMMARY)

SEK m	Sep 30, 2019	Sep 30, 2018	Dec 31, 2018
ASSETS			
Non-current assets			
Goodwill and trademarks	19,578	17,959	18,203
Other intangible assets	4,799	4,394	4,507
Tangible assets	2,178	2,083	2,111
Right-of-use assets	606	–	–
Deferred tax assets	479	623	627
Derivatives, long-term	–	6	0
Other non-current assets	97	73	71
Total non-current assets	27,737	25,138	25,519
Current assets			
Inventories	3,405	3,628	3,772
Trade receivables	2,182	2,045	1,705
Current tax assets	63	202	86
Derivatives, short-term	65	110	107
Other current receivables	611	615	681
Prepaid expenses and accrued income	116	112	128
Cash and cash equivalents	3,623	3,020	2,113
Total current assets	10,065	9,732	8,592
TOTAL ASSETS	37,802	34,870	34,111
EQUITY AND LIABILITIES			
EQUITY	17,793	16,064	16,029
LIABILITIES			
Non-current liabilities			
Liabilities to credit institutions, long-term	12,703	11,338	11,217
Deferred tax liabilities	1,989	1,972	1,944
Other non-current liabilities	163	44	153
Leasing liabilities, long-term	456	–	–
Provisions for pensions	910	670	739
Other provisions, long-term	197	183	191
Total non-current liabilities	16,418	14,207	14,244
Current liabilities			
Liabilities to credit institutions, short-term	–	1,366	393
Trade payables	1,556	1,356	1,491
Current tax liabilities	392	363	399
Advance payments from customers	27	35	38
Leasing liabilities, short-term	164	–	–
Derivatives, short-term	61	80	108
Other provisions, short-term	296	250	295
Other current liabilities	221	303	203
Accrued expenses and prepaid income	874	846	911
Total current liabilities	3,591	4,599	3,838
TOTAL LIABILITIES	20,009	18,806	18,082
TOTAL EQUITY AND LIABILITIES	37,802	34,870	34,111

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IN SUMMARY)

SEK m	YTD 2019	YTD 2018	FY 2018
Opening balance for the period	16,029	14,514	14,514
Profit (loss) for the period	1,278	1,440	1,576
Other comprehensive income for the period	1,122	716	545
Total comprehensive income for the period	2,400	2,156	2,121
Transactions with owners			
Dividend paid to shareholders of the Parent Company	-636	-606	-606
Total transactions with owners	-636	-606	-606
Closing balance for the period	17,793	16,064	16,029

CONSOLIDATED STATEMENT OF CASH FLOW

SEK m	Q3 2019	Q3 2018	YTD 2019	YTD 2018	FY 2018
Cash flow from operating activities					
Operating profit	583	702	2,101	2,259	2,587
<i>Adjustment for other non-cash items</i>					
Depreciation and amortization	209	133	609	385	526
Adjustments for other non-cash items	34	30	2	99	122
<i>Changes in working capital</i>					
Changes in inventories	224	22	637	-76	-41
Changes in trade receivables	465	433	-342	-477	-112
Changes in trade payables	-102	-202	92	-170	-80
Changes in other working capital	-41	-175	-48	42	36
Income tax paid	-95	-21	-423	-257	-313
Net cash flow from operations	1,277	922	2,628	1,805	2,725
Cash flow from investments					
Acquisition of operations, net of cash acquired	-	-	-	16	-492
Investments in fixed assets	-71	-100	-247	-305	-422
Proceeds from sale of fixed assets	3	1	15	68	70
Deposit	-	-	-	-233	-233
Other investing activities	-1	-1	-2	-3	1
Net cash flow from investments	-69	-100	-234	-457	-1,076
Cash flow from financing					
Borrowings from credit institutions	5,060	2,736	9,762	3,174	3,183
Repayment of loans to credit institutions	-5,073	-1,483	-9,546	-1,717	-2,849
Payment of lease liabilities related to lease agreements	-43	-	-120	-287	-
Paid interest	-134	-100	-309	-	-376
Received interest	2	1	4	3	7
Other financing activities	-30	-35	-66	-90	-88
Dividend paid to shareholders of the Parent Company	-	-	-636	-606	-606
Net cash flow from financing	-218	1,119	-911	477	-729
Cash flow for the period	990	1,941	1,483	1,825	920
Cash and cash equivalents at beginning of period	2,618	1,089	2,113	1,159	1,159
Exchange differences on cash and cash equivalents	15	-10	27	36	34
Cash and cash equivalents at end of period	3,623	3,020	3,623	3,020	2,113

PARENT COMPANY INCOME STATEMENT

SEK m	Q3 2019	Q3 2018	YTD 2019	YTD 2018	FY 2018
Administrative expenses	-34	-42	-144	-134	-171
Other operating income	42	44	150	130	166
Operating profit	8	2	6	-4	-5
Interest income subsidiaries	71	70	219	188	259
Interest expenses subsidiaries	0	0	0	0	–
Result from shares in subsidiaries	–	–	–	–	528
Other financial expenses	-379	-22	-859	-657	-777
Profit (loss) from financial items	-309	49	-640	-470	10
Group contributions	297	-54	620	466	510
Profit (loss) before tax	-3	-2	-14	-7	516
Taxes	–	0	–	0	1
Profit (loss) for the period	-3	-2	-14	-7	517

PARENT COMPANY BALANCE SHEET (IN SUMMARY)

SEK m	Sep 30, 2019	Sep 30, 2018	Dec 31, 2018
ASSETS			
Non-current assets			
Shares in subsidiaries	16,228	16,622	16,228
Other non-current assets	6,123	5,528	5,573
Total non-current assets	22,351	22,150	21,801
Current assets			
Current assets	699	2,043	1,825
Total current assets	699	2,043	1,825
TOTAL ASSETS	23,050	24,193	23,626
EQUITY	10,105	10,232	10,755
PROVISIONS			
Provisions	55	39	42
Total provisions	55	39	42
LIABILITIES			
Non-current liabilities			
Non-current liabilities	12,703	11,338	11,217
Total non-current liabilities	12,703	11,338	11,217
Current liabilities			
Current liabilities	188	2,584	1,611
Total current liabilities	188	2,584	1,611
TOTAL LIABILITIES	12,945	13,961	12,870
TOTAL EQUITY AND LIABILITIES	23,050	24,193	23,626

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 adopted by the EU. 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 2018 Annual Report and should be read in conjunction with that Annual Report, available at www.dometic.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 1-18 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 and amended accounting principles for 2019 adopted by the Group

IFRS 16 Leases

IFRS 16 Leases came into effect as of January 1, 2019. The Group has adopted IFRS 16 Leases and it is applied by the Group since January 1, 2019. This supersedes all lease requirements under IFRS.

For the IFRS 16 transition, Dometic decided to apply the simplified retrospective approach and has not restated comparative amounts for 2018, the year prior to first adoption. All right-of-use assets are measured at the amount of the lease liability on adoption, and are adjusted for any prepaid or accrued lease expense.

The Group uses the practical expedient for non-lease components, which means that each lease component and any associated non-lease component will not be treated separately but accounted for as one. Leases with similar characteristics can as a practical expedient be treated under the so-called portfolio approach. Dometic Group does not use this practical expedient but will account for leases on an individual basis. Dometic Group is using the recognition exemption for short-term leases and low-value leases and classifies all IT and office equipment as low-value assets and hence does not include them in the balance sheet.

The impact on the Group’s consolidated financial statements was an opening balance increase, deriving from a lease liability and right-of-use asset of around SEK 500 m, each adjusted by the amount of prepaid or accrued lease payment. There was no effect in equity. The details below illustrate the link to recognized IFRS 16 opening lease liabilities from the previously classified operating lease commitments of IAS 17 Leases.

Future minimum lease charges for operating leases at nominal value on December 31, 2018 amounted to SEK 698 m. This amount is reduced by short-term lease agreements of SEK 164 m, low-value asset lease agreements of SEK 16 m, increased by lease term extensions of SEK 25 m, and reduced by the impact

of discounting of SEK 26 m. This results in an opening lease liability of SEK 517 m for January 1, 2019.

The detailed description of the accounting and valuation principles for leases applied by the Group in this interim report can be found in Note 2.1.1 Changes in accounting policies, New and amended accounting policies for 2019 and later, of the 2018 Annual Report.

IFRIC 23 Uncertainty over Income Tax Treatments

IFRIC 23 – Interpretation 23 Uncertainty over Income Tax Treatments is effective as of January 1, 2019. The transition has no impact. The Group has applied IFRIC 23 as of January 1, 2019.

NOTE 2 | RISKS AND UNCERTAINTIES

Risks are part of any business and Dometic is no exception. As a global Group with production and distribution all over the world, Dometic faces risks that can impact its ability to achieve established goals, including financial targets. Effective risk management of business and market risks, operational risks (including sustainability risks), compliance and regulatory risks and financial risks creates opportunities and effective risk protection.

Dometic works according to an established risk management process with risk identification, risk assessment, risk prioritization, risk response and monitoring. The risk universe together with global and regional risk registers, risk assessments, risk maps, risk owners and the Risk Committee constitute the cornerstones of the Group’s risk management. Risk responses could be avoiding the risk, reducing the risk, sharing the risk or accepting the risk. Examples of risk responses are internal control frameworks, internal quality programs, whistle blowing functions, insurance programs and crisis management procedures for offices and management, as well as for local factories and warehouses, as part of business continuity plans, and also to follow the development of external risks in order to be able to act quickly. Risks and risk responses are assessed annually and documented in a risk register that generates risk maps at Group and regional levels. These risk maps are the foundation for the Group’s operational risk ownership and also serve as a foundation for the Group’s control functions, such as Internal Control and Internal Audit, for their prioritization of focus areas. Dometic’s risk owners are members of Group senior management as well as specialists and functional heads of departments. Risk owners assess their respective risks in terms of likelihood and impact and discuss and approve risk responses in terms of risk mitigating activities.

The Risk Committee is the operational forum at Group level with the purpose to discuss and make decisions on risk-mitigating activities and is represented by Finance, Operations, Product Development, HR including Health and Safety, Legal, Quality, Internal Control and Internal Audit. The CFO is the chairman of the Risk Committee. The main tasks of the Risk Committee are to assess Group risks, discuss recent risk-related issues, facilitate input from Risk Committee members and review risk-related reports and evaluate and approve risk mitigating activities. Formal minutes with agreed actions are recorded and

reviewed at the next meeting. The work of the Risk Committee is regularly reported to the Audit Committee and the Board of Directors annually.

Financial risks are risks associated with Dometic's global presence and can influence the profit and financial position, as well the ability to achieve established goals. Financial risks are managed in accordance with the Finance Policy approved by the Board. Financial risks are divided into currency risks, interest rate risks, liquidity risks, financing risks, credit risks and tax risks.

As Dometic is a global Group with operations in many countries, Dometic is exposed to both transaction risks and translation risks. Transaction risk arises where assets and liabilities are stated in different currencies and certain net sales and costs arise in different currencies. Translation risk arises when the Group's financial statements are consolidated, and the currencies differ from the functional currency of certain operating subsidiaries. Changes in interest rates can impact the Group's profit and cash flow. Liquidity risk refer to the inability to meet payment obligations due to insufficient funds or inability to meet payment obligation without significant higher financing cost. Maintaining the Group's capital structure and reducing the cost of capital through optimal capital structure are crucial for the Group's ability to continue to generate returns for shareholders. Failure by counterparties to meet payment obligations can have a negative impact on the Group's profit and financial position.

Changes in tax laws could increase Dometic's tax burden or otherwise have a material adverse effect on the company's business, financial position and profit. The cancellation or restriction on the use of the Group's tax loss carry forwards may have a significant impact on the Group's tax burden, including a potential imposition of tax surcharges, and could have a material adverse effect on the company's business, financial position and profit. Dometic's tax burden could increase if tax authorities consider that Dometic does not act in accordance with applicable rules on transfer pricing. Dometic's risk and risk management are described on pages 67-71 and on pages 97-100 of the 2018 Annual Report.

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 65 m (Q3 2018: SEK 116 m) and SEK 61 m, (Q3 2018: SEK 80 m). 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

Sep 30, 2019	Balance sheet carrying amount	Financial instruments at amortized cost	Financial instruments at fair value	Derivatives used for hedging
Per category				
Derivatives	65	–	6	59
Financial assets	6,513	6,513	–	–
Total financial assets	6,578	6,513	6	59
Derivatives	61	–	17	44
Financial liabilities	14,643	14,643	–	–
Total financial liabilities	14,704	14,643	17	44

NOTE 4 | SEGMENT INFORMATION

SEK m	Q3 2019	Q3 2018	YTD 2019	YTD 2018	FY 2018
Net sales, external					
Americas					
OEM	1,515	1,669	4,802	5,211	6,736
Aftermarket	957	888	2,514	2,370	3,022
Americas net sales, external	2,472	2,557	7,316	7,581	9,758
RV	1,333	1,472	3,921	4,462	5,595
Marine	1,040	970	3,098	2,821	3,757
CPV	44	63	145	171	229
Other (Lodging and Retail)	54	52	151	127	177
Americas net sales, external	2,472	2,557	7,316	7,581	9,758
EMEA					
OEM	813	770	2,771	2,649	3,532
Aftermarket	919	760	3,252	2,641	3,173
EMEA net sales, external	1,732	1,530	6,023	5,290	6,706
RV	833	686	2,993	2,442	3,180
Marine	192	191	659	606	805
CPV	478	450	1,474	1,414	1,769
Other (Lodging and Retail)	229	203	896	828	951
EMEA net sales, external	1,732	1,530	6,023	5,290	6,706
APAC					
OEM	203	207	599	655	857
Aftermarket	199	207	647	678	954
APAC net sales, external	402	414	1,245	1,333	1,810
RV	227	221	672	700	925
Marine	29	30	94	87	112
CPV	33	31	108	120	153
Other (Lodging and Retail)	114	132	373	426	620
APAC net sales, external	402	414	1,245	1,333	1,810
Net sales, external					
Americas	2,472	2,557	7,316	7,581	9,758
EMEA	1,732	1,530	6,023	5,290	6,706
APAC	402	414	1,245	1,333	1,810
Total net sales, external	4,605	4,501	14,584	14,204	18,274
Operating profit (EBIT) before i.a.c.					
Americas	296	427	953	1,236	1,470
EMEA	239	183	918	728	814
APAC	84	91	267	295	395
Total operating profit before i.a.c.	619	702	2,138	2,259	2,679
Items affecting comparability					
Americas	-37	-	-37	-	-34
EMEA	-	-	-	-	-57
APAC	-	-	-	-	-1
Total items affecting comparability	-37	-	-37	-	-92
Operating profit (EBIT)					
Americas	259	427	916	1,236	1,437
EMEA	239	183	918	728	756
APAC	84	91	267	295	394
Total operating profit (EBIT)	583	702	2,101	2,259	2,587
Financial income	2	1	9	6	11
Financial expenses	-84	-138	-356	-341	-442
Taxes	-129	-130	-475	-484	-580
Profit (loss) for the period	372	435	1,278	1,440	1,576

SEK m	Q3 2019	Q3 2018	YTD 2019	YTD 2018	FY 2018
Net sales, external					
Americas					
Food & Beverage	410	545	1,335	1,684	2,135
Climate	974	1,020	2,768	3,012	3,797
Power & Control	867	809	2,611	2,367	3,161
Other applications	221	183	601	519	664
Americas net sales, external	2,472	2,557	7,316	7,581	9,758
EMEA					
Food & Beverage	608	595	2,236	2,172	2,662
Climate	861	682	2,940	2,290	2,986
Power & Control	128	112	432	404	522
Other applications	135	141	414	425	536
EMEA net sales, external	1,732	1,530	6,023	5,290	6,706
APAC					
Food & Beverage	184	207	588	661	937
Climate	174	164	526	527	685
Power & Control	9	8	24	32	38
Other applications	35	35	109	113	150
APAC net sales, external	402	414	1,245	1,333	1,810
Net sales, external					
Americas	2,472	2,557	7,316	7,581	9,758
EMEA	1,732	1,530	6,023	5,290	6,706
APAC	402	414	1,245	1,333	1,810
Total net sales, external	4,605	4,501	14,584	14,204	18,274

Segment performance is primarily assessed based on sales and operating profit. Information regarding income for each region is based on where customers are located. Management follow-up is based on the integrated result in each segment. For further information, please refer to Note 5 of the 2018 Annual Report. As part of the strategic repositioning of Dometic presented on May 28, 2019, Dometic identified four application areas. Dometic will during a transition period from Q2 2019 to Q4 2019 report net sales by region, by application area, by business area and by sales channels. As of Q1 2020, regions will remain as segments and net sales will be by region, by application area and by sales channels.

Inter-segment sales were as follows.

SEK m	Q3 2019	Q3 2018	YTD 2019	YTD 2018	FY 2018
Americas	88	100	303	309	389
EMEA	91	97	292	372	464
APAC	607	747	1,947	2,491	3,165
Eliminations	785	945	2,542	3,172	4,017

NOTE 5 | ITEMS AFFECTING COMPARABILITY

SEK m	Q3 2019	Q3 2018	YTD 2019	YTD 2018	FY 2018
Relocation China	–	–	–	–	9
Restructuring charges	–	–	–	–	-101
Initial restructuring measures executed in Q3	-37	–	-37	–	–
Total	-37	–	-37	–	-92

The table below lists items affecting comparability by function.

SEK m	Relocation China					Restructuring charges					Initial restructuring measures executed in Q3					Total				
	Q3 2019	Q3 2018	YTD 2019	YTD 2018	FY 2018	Q3 2019	Q3 2018	YTD 2019	YTD 2018	FY 2018	Q3 2019	Q3 2018	YTD 2019	YTD 2018	FY 2018	Q3 2019	Q3 2018	YTD 2019	YTD 2018	FY 2018
Costs of goods sold	–	–	–	–	9	–	–	–	–	-66	–	–	–	–	–	–	–	–	–	-57
Sales expenses	–	–	–	–	–	–	–	–	–	-6	–	–	–	–	–	–	–	–	–	-6
Administrative expenses	–	–	–	–	–	–	–	–	–	-29	–	–	-5	–	–	-5	–	-5	–	-29
Other operating income and expenses	–	–	–	–	–	–	–	–	–	–	-32	–	-32	–	–	-32	–	-32	–	–
Total	–	–	–	–	9	–	–	–	–	-101	-37	–	-37	–	–	-37	–	-37	–	-92

NOTE 6 | AMORTIZATION OF ACQUISITION RELATED INTANGIBLE ASSETS BY FUNCTION

SEK m			Amortization of		Amortization of		Total
			Trademarks	Customer Relationship Assets	Technology	intellectual property	
Costs of goods sold							
	Q3	2019	–	–	-11	-6	-17
	Q3	2018	–	–	-11	-6	-17
	YTD	2019	–	–	-35	-17	-52
	YTD	2018	–	–	-33	-17	-50
	FY	2018	–	–	-44	-23	-67
Sales expenses							
	Q3	2019	-11	-47	–	–	-59
	Q3	2018	–	-38	–	–	-38
	YTD	2019	-36	-138	–	–	-174
	YTD	2018	–	-111	–	–	-111
	FY	2018	–	-152	–	–	-152
Total Amortization of acquisition related intangible assets							
	Q3	2019	-11	-47	-11	-6	-75
	Q3	2018	–	-38	-11	-6	-55
	YTD	2019	-36	-138	-35	-17	-226
	YTD	2018	–	-111	-33	-17	-161
	FY	2018	–	-152	-44	-23	-219

NOTE 7 | RIGHT-OF-USE ASSETS

Right-of-use assets information is specified below:

Total depreciation and amortization of SEK 609 m (385) includes depreciation of right-of-use assets of SEK 131 m (-) for the first nine months.

SEK m	Depreciation and amortization				
	Q3 2019	Q3 2018	YTD 2019	YTD 2018	FY 2018
Depreciation and amortization	-209	-134	-609	-385	-526
Add back depreciation related to right-of-use assets	45	–	131	–	–
Total	-164	-134	-478	-385	-526

SEK m	Right-of-use assets		
	Sep 30, 2019	Sep 30, 2018	Dec 31, 2018
Buildings	565	–	–
Machinery, equipment and other technical installations	41	–	–
Total	606	–	–

NOTE 8 | TRANSACTIONS WITH RELATED PARTIES

No transactions between Dometic and related parties that have significantly affected the company's position and earnings took place during the first nine months of 2019.

NOTE 9 | ACQUISITIONS AND DIVESTMENTS 2019

Dometic has not made any acquisitions or divestments during the first nine months of 2019.

2018*Acquisition of Kampa*

On December 3, 2018, Dometic acquired Kampa, an innovative provider of Retail and Aftermarket products based in the UK.

Kampa significantly broadens Dometic's Retail and Aftermarket

offering in EMEA, with good potential for further expansion and profitable growth.

The cash purchase price was GBP 50 m on a debt and cash free basis excluding potential earnout elements. The total cash purchase price amounted to GBP 57.9 m including earnout elements of GBP 8.5 m. GBP 8.5 m has been accounted for as a non-interest-bearing liability to the sellers.

If the acquisition had been consolidated as of January 1, 2018, the effect on proforma net sales would have been GBP 40 m and EBITDA of 7 m. Aftermarket sales account for 100% of revenue. The business operates with a small fixed asset base, which requires limited Capex each year.

The summary of value adjustments recognized as a result of the preliminary purchase price allocation of Kampa totals SEK 512 m, including goodwill of SEK 309 m, trademarks and tradenames of SEK 16 m, customer relationships of SEK 208 m, other intangible assets of SEK 1 m, operating assets of SEK 222 m, cash of SEK 31 m, other non-current liabilities of SEK 47 m and operating liabilities of SEK 229 m.

Goodwill is justified by new potential customer relationships and market position. Acquisition-related costs in the consolidated income statement for Q4 2018 amount to SEK 10 m. Sales and cost synergies are expected to be limited. The acquisition has affected consolidated net sales with SEK 12 m and operating profit of SEK -3.5 m, including step-up inventory of SEK -2.6 m.

NOTE 10 | SIGNIFICANT EVENTS AFTER THE PERIOD.

Stefan Fristedt joined Dometic as the new CFO on October 1, 2019.

A global restructuring program was launched after the end of the quarter. Total estimated cost of the program amounts to SEK 750 m. The majority of the cost will be charged in the coming 18 months. The program is estimated to generate positive effects on earnings of around SEK 400 m when fully implemented, with full annualized impact in the middle of 2022.

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.dometic.com for the detailed reconciliation.

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 as of January 1, 2019, when IFRS 16 Leases came into effect.

EBITDA margin

EBITDA divided by net sales.

Leverage

Net debt excluding pensions 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.

Net debt

Total borrowings including pensions and accrued interest less cash and cash equivalents.

Operating cash flow

Cash flow from operations after investments in fixed assets excluding income tax paid.

Organic growth

Sales growth excluding acquisitions/divestments and currency translation effects. Quarters are calculated at comparable currency, applying 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 quarter.

DEFINITIONS AND KEY RATIOS

AM

Aftermarket.

Capital expenditure

Expenses related to the purchase of tangible and intangible assets.

CPV

Commercial and Passenger Vehicles.

EPS – Earnings per share

Net profit for the period divided by average number of shares.

FY 2018

Financial Year ended December 31, 2018.

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 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.

Interest-bearing debt

Liabilities to credit institutions plus liabilities to related parties plus provisions for pensions.

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.

RV

Recreational Vehicles.

Q3 2019

July to September 2019 for Income Statement.

Q3 2018

July to September 2018 for Income Statement.

Working capital

Core working capital plus other current assets less other current liabilities and provisions relating to operations.

YTD 2019

Year to date. January to September 2019 for Income statement.

YTD 2018

Year to date. January to September 2018 for Income statement.

PRESENTATION OF THE INTERIM REPORT

Analysts and media are invited to participate in a telephone conference at 10.00 (CEST), October 24, 2019, 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:

Sweden: +46 8 519 993 83

UK: +44 333 300 9261

US: +1 646 722 4956

The webcast URL and presentation are available at www.dometic.com

FOR FURTHER INFORMATION, PLEASE CONTACT

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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 October 24, 2019.

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

FINANCIAL CALENDAR

JANUARY 31, 2020: Year-end report 2019

APRIL 7, 2020: Annual General Meeting

APRIL 24, 2020: Interim report for the first quarter 2020

JULY 16, 2020: Interim report for the second quarter 2020

OCTOBER 23, 2020: Interim report for the third quarter 2020

ABOUT DOMETIC

Dometic is a global market leader in branded solutions for mobile living in the areas of Food & Beverage, Climate, Power & Control and Other Applications. Dometic operates in the Americas, EMEA and APAC, providing products for use in recreational vehicles, pleasure and workboats, trucks and premium cars, and for a variety of other uses. Our motivation is to create smart and reliable products with outstanding design. We have a global distribution and dealer network in place to serve the aftermarket. Dometic employs approximately 8,000 people worldwide, had net sales of SEK 18.0 billion in 2018 and is headquartered in Stockholm, 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.