

THE FUTURE IS...

AGENDA

09.00 OUR COMPANY

Introduction (CEO) ▪ Financial (CFO)

09.30 FROM STRATEGY TO ACTION

Strategic direction (CEO)

10.30 BREAK

10.45 PROFITABLE EXPANSION

Branding (CMO) ▪ Organic growth (CEO) ▪ Acquisitions (CFO)

11.45 PRODUCT LEADERSHIP

Product and Technologies (CTO) ▪
Innovation (Head of Product Design)

12.30 LUNCH

13.15 COST REDUCTIONS

Complexity reductions (COO) ▪ Manufacturing footprint (COO) ▪
Digitalization (CFO)

14.05 REGIONAL EXECUTION

Profitable expansion (President Americas) ▪ Product leadership
(President APAC) ▪ Cost reductions (President EMEA)

15.05 BREAK

15.20 FINANCIALS & TARGETS

15.35 Q&A

15.50 CONCLUDING REMARKS (CEO)

16.00 END OF DAY

DOMETIC TODAY IS A GREAT SUCCESS STORY

JUAN VARGUES, PRESIDENT & CEO AND PER-ARNE BLOMQUIST, CFO

GLOBAL PRESENCE

REVENUE,
SEKm

18,274

NO. OF
EMPLOYEES

8,000



● Sales offices

PRODUCTS SOLD
IN MORE THAN

100

COUNTRIES

SALES
OFFICES IN OVER

30

COUNTRIES

OUR MISSION IS...

**MOBILE LIVING
MADE EASY.**

OUR ARENA IS MOBILE

RETAIL

RV

MARINE

LODGING

CPV

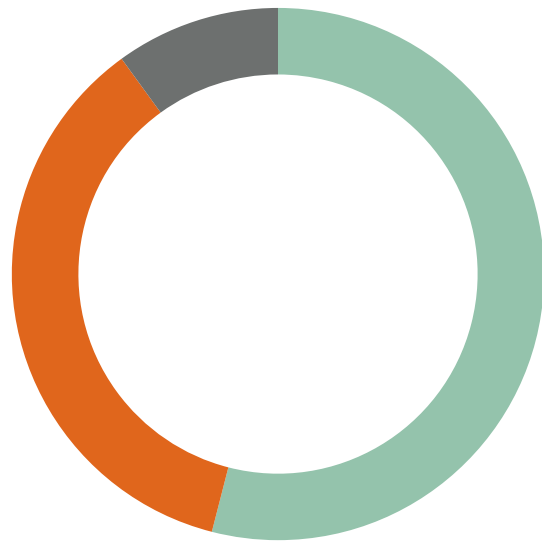
ADDRESSABLE
MARKET

SEK
60bn

■ Dometic today

OUR NET SALES ARE BECOMING MORE DIVERSIFIED

NET SALES BY REGION



Americas, 54% EMEA, 36% APAC, 10%

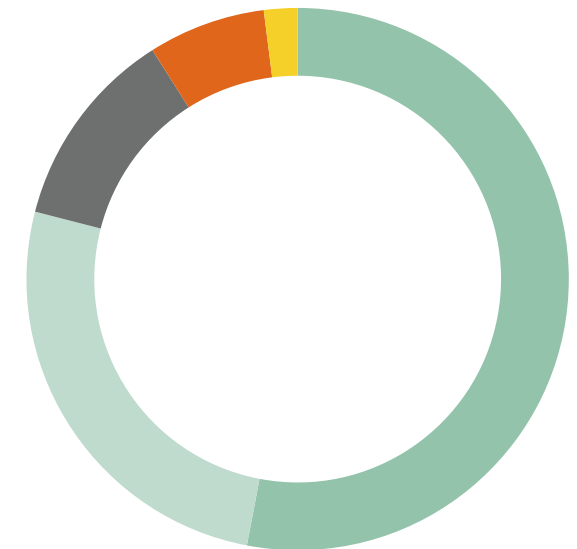
*All numbers refer to full-year 2018

NET SALES BY CHANNEL



OEM, 61% Aftermarket, 39%

NET SALES BY BUSINESS AREA



RV, 53% Marine, 26% CPV, 12%
Retail, 7% Lodging, 2%

OUR APPLICATION AREAS ARE ATTRACTIVE

FOOD &
BEVERAGE

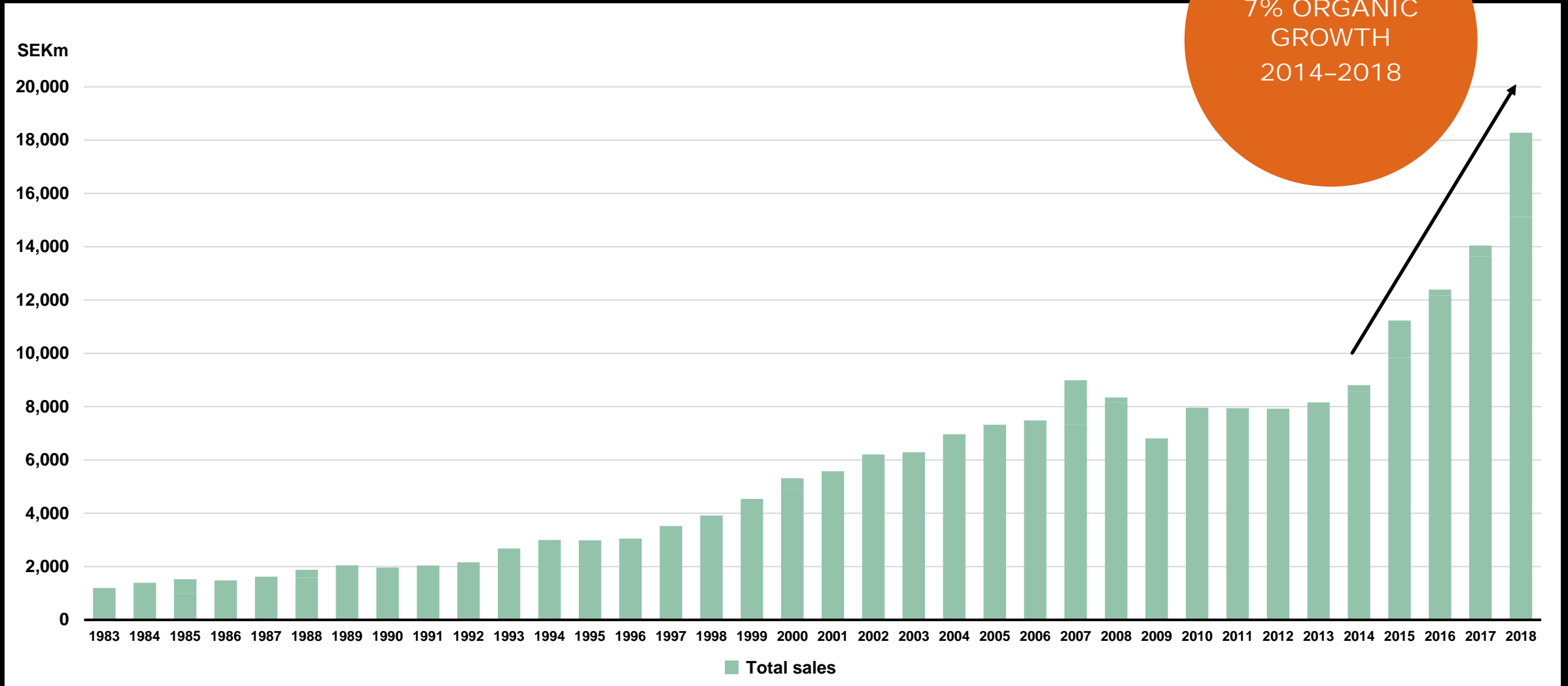
SAFETY &
SECURITY

CLIMATE

HYGIENE &
SANITATION

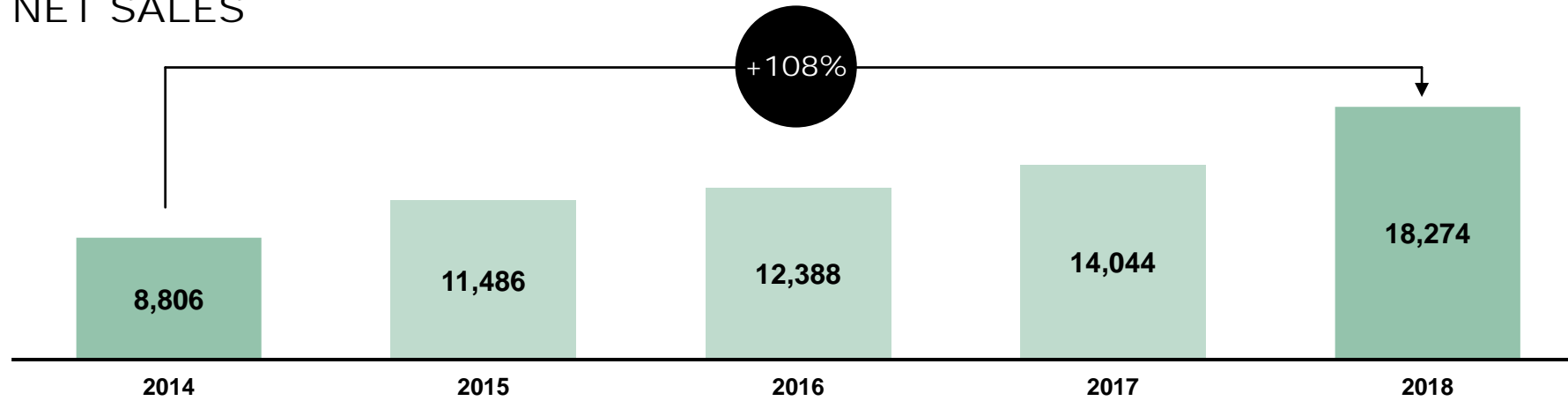
POWER &
CONTROL

LONG TERM GROWTH AND STABILITY



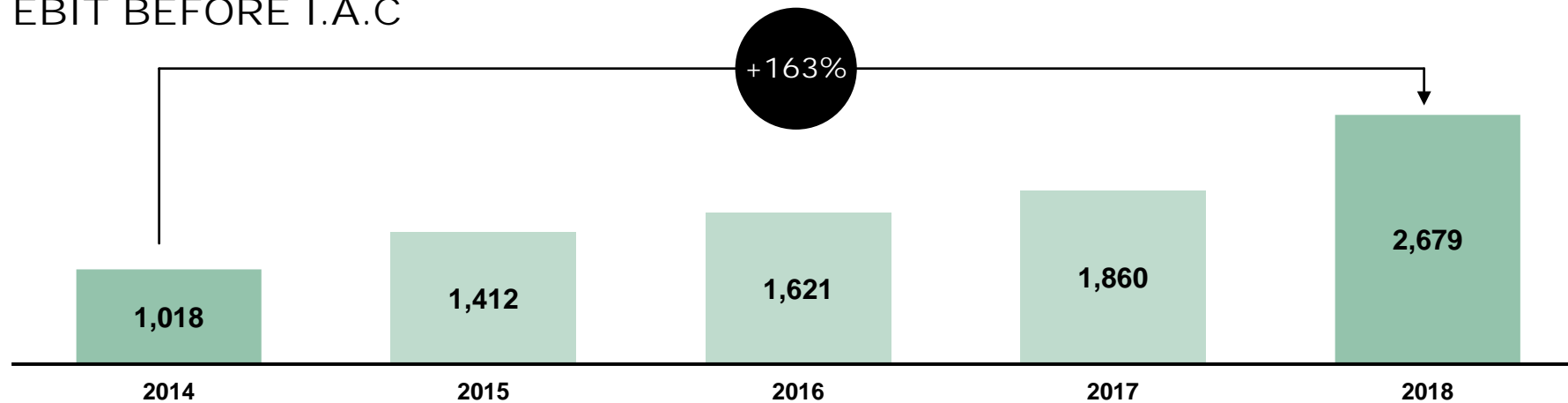
5 YEARS SALES AND EBIT DEVELOPMENT

NET SALES



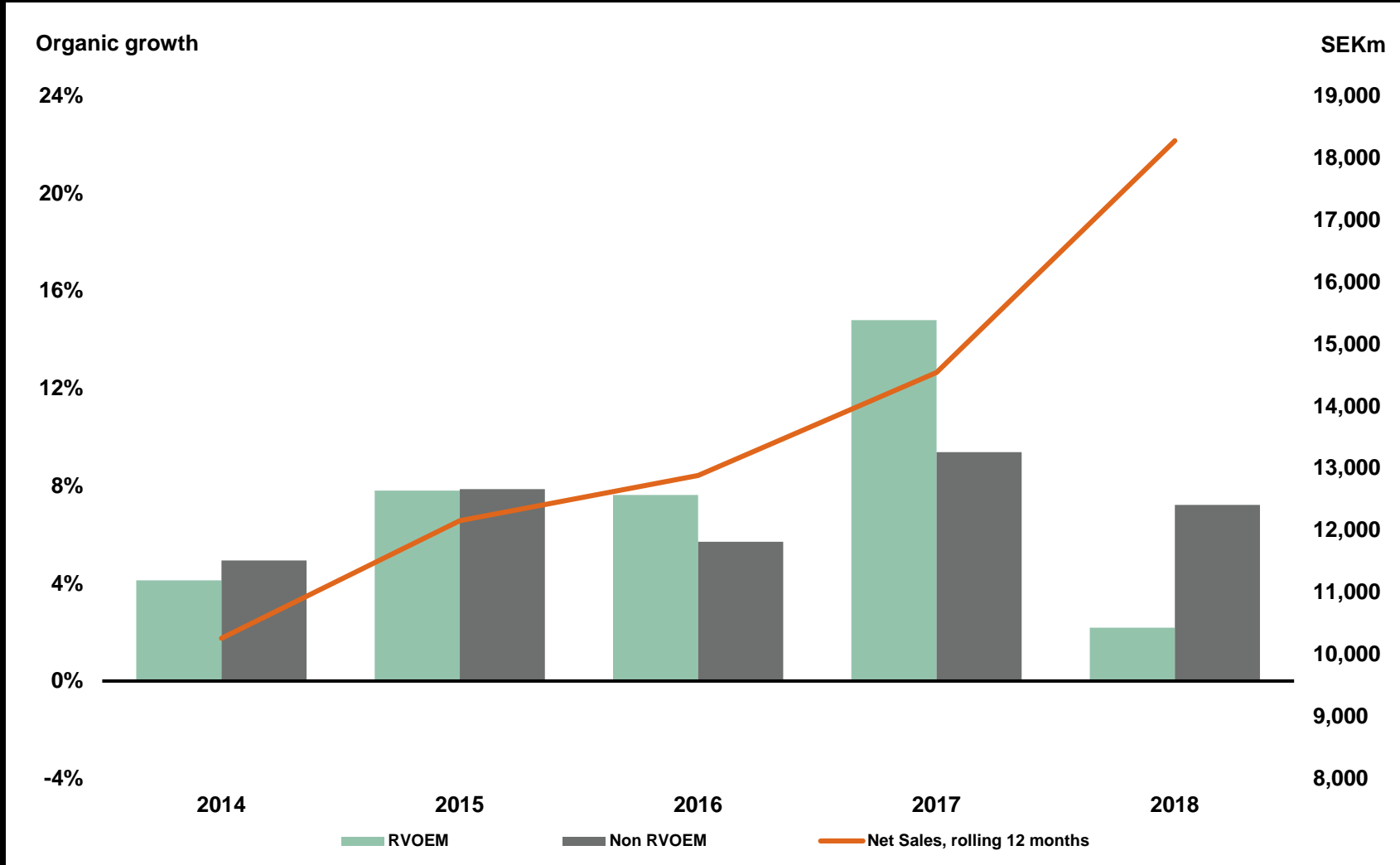
SALES GROWTH
+108%

EBIT BEFORE I.A.C



EBIT BEFORE
I.A.C +163%

STRONGER GROWTH IN NON RV OEM



STRONG
DESPITE
US RV OEM
DOWNTURN

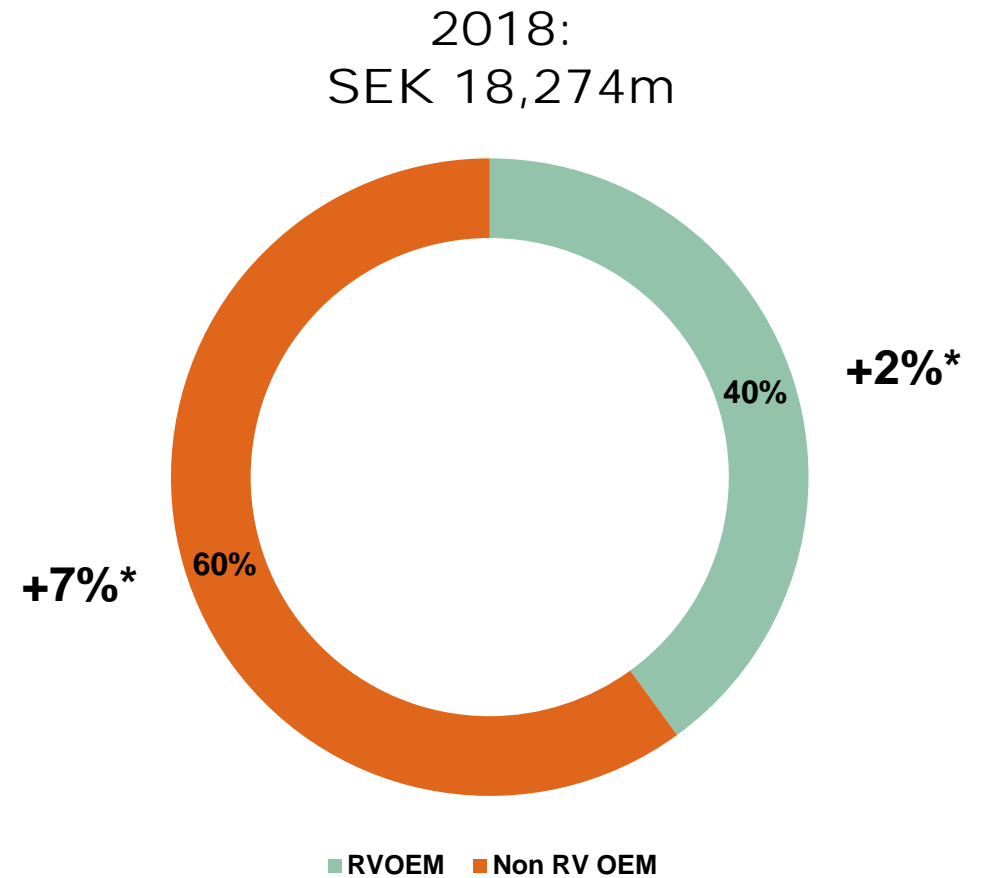
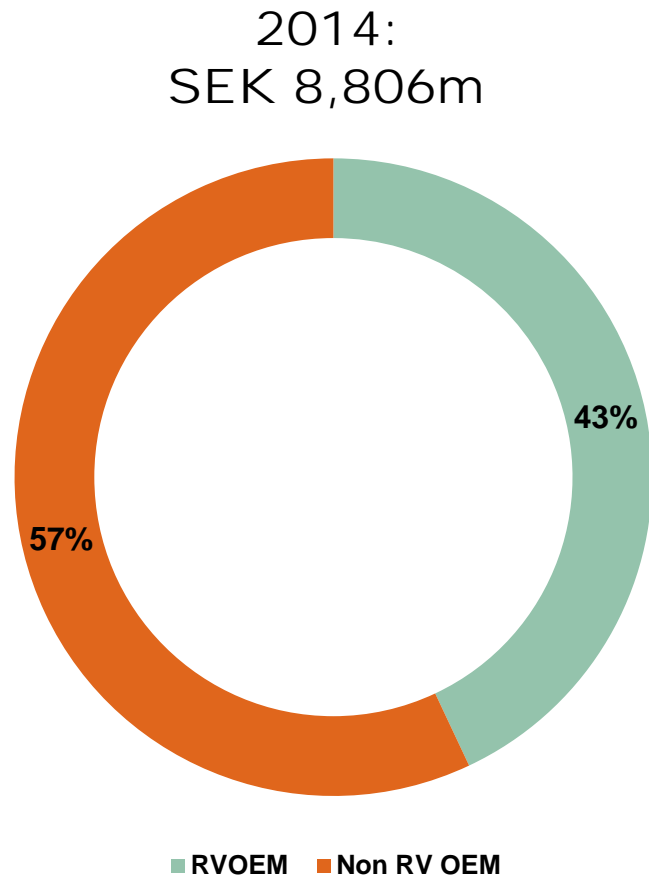
TOTAL GROWTH
2014-2018

Non RV OEM:	+110%
RV OEM:	+70%

AVERAGE ORGANIC
GROWTH 2014-2018

Non RV OEM:	+7%
RV OEM:	+7%

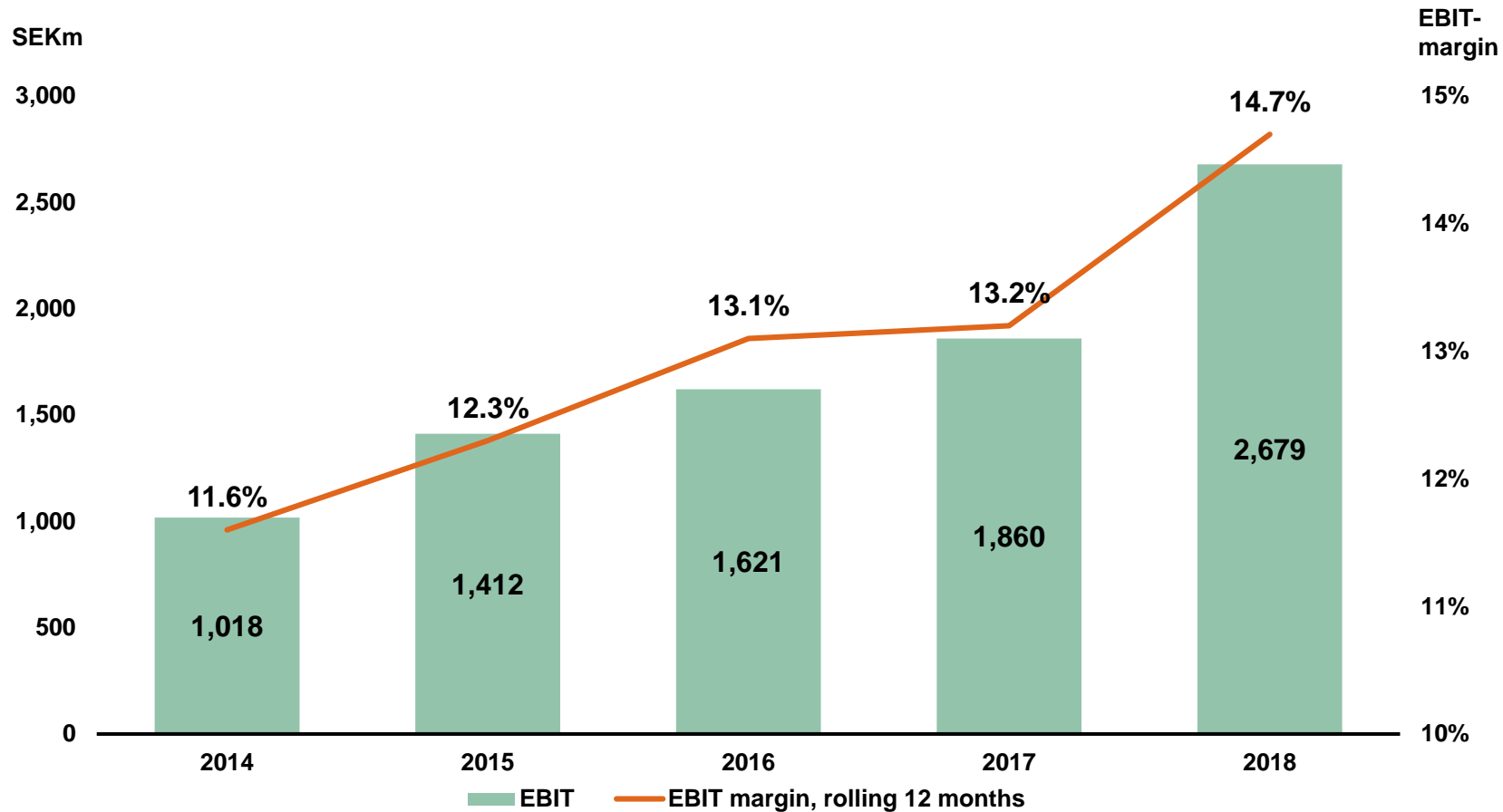
A MORE DIVERSIFIED DOMETIC



* In constant currency

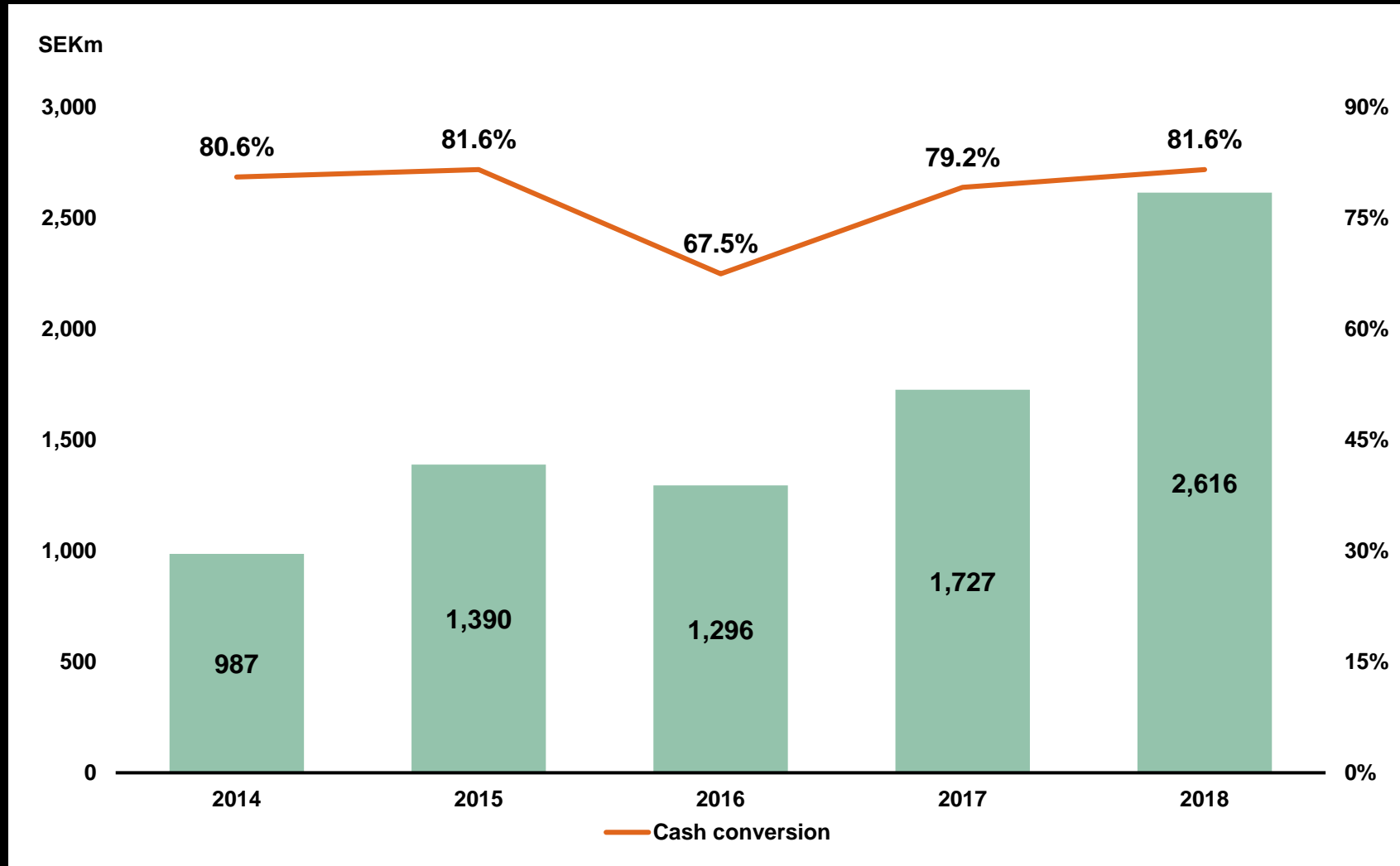
EBIT AND EBIT MARGIN BEFORE I.A.C

EBIT RUN RATE 14.7%



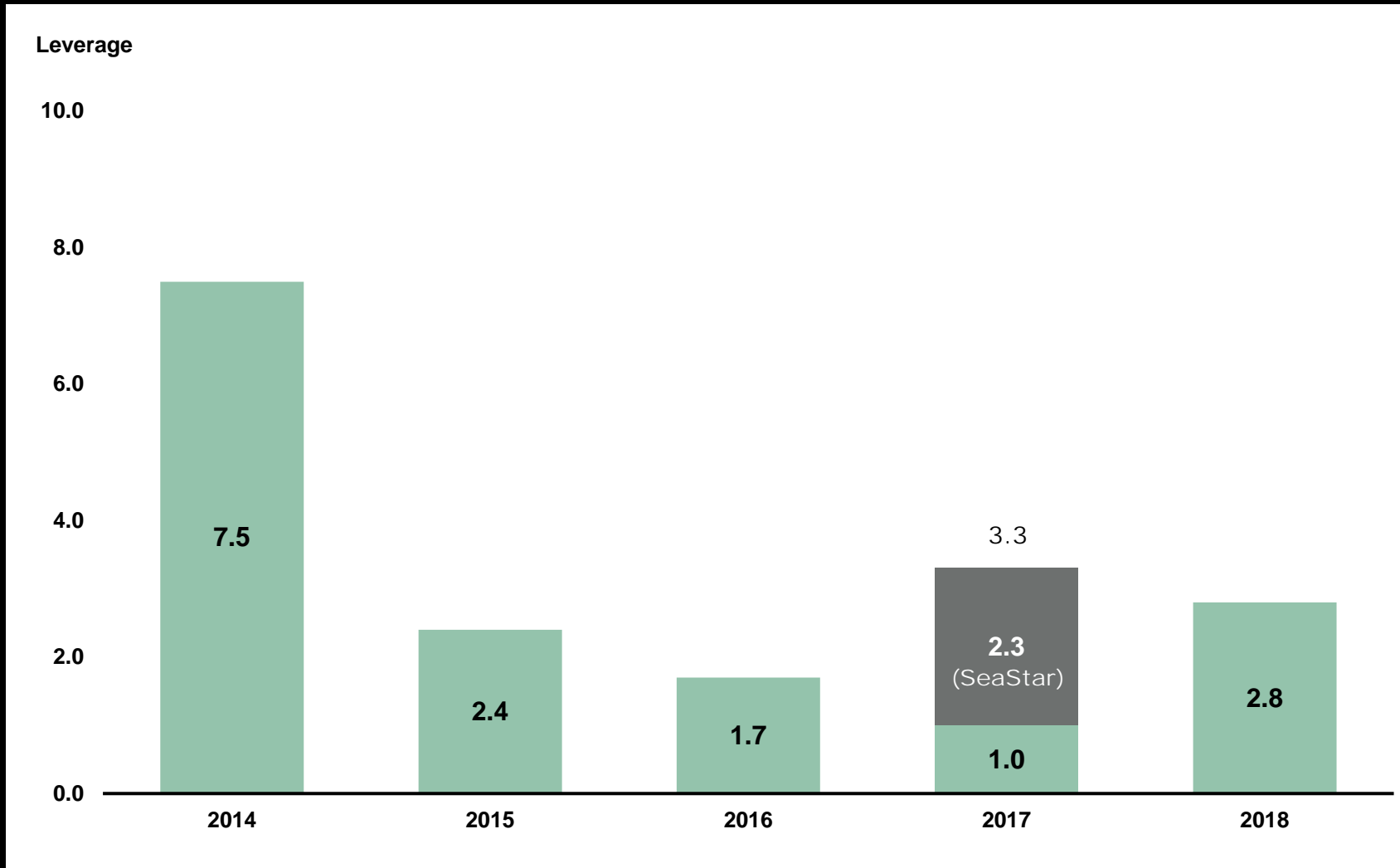
3.1 pp
PROFITABILITY
IMPROVEMENT

STRONG CASH GENERATION...



80% CASH
CONVERSION

...LEADS TO QUICK DELEVERAGE



LEVERAGE
DOWN BY 0.7x
EVERY YEAR

FINANCIAL TARGETS SET AT IPO 2015

	FY 2015	FY 2016	FY 2017	FY 2018	MID/LONG TERM FINANCIAL TARGET
NET SALES GROWTH ¹⁾	8%	7%	12%	5%	5%
EBIT MARGIN ²⁾	12.3%	13.1%	13.2%	14.7%	15%
NET DEBT/EBITDA	2.4x	1.7x	3.3x	2.8x ³⁾	2.0x
DIVIDEND POLICY	No dividend	40%	40%	40%	40%

¹⁾ Organic sales growth

²⁾ EBIT before I.A.C.

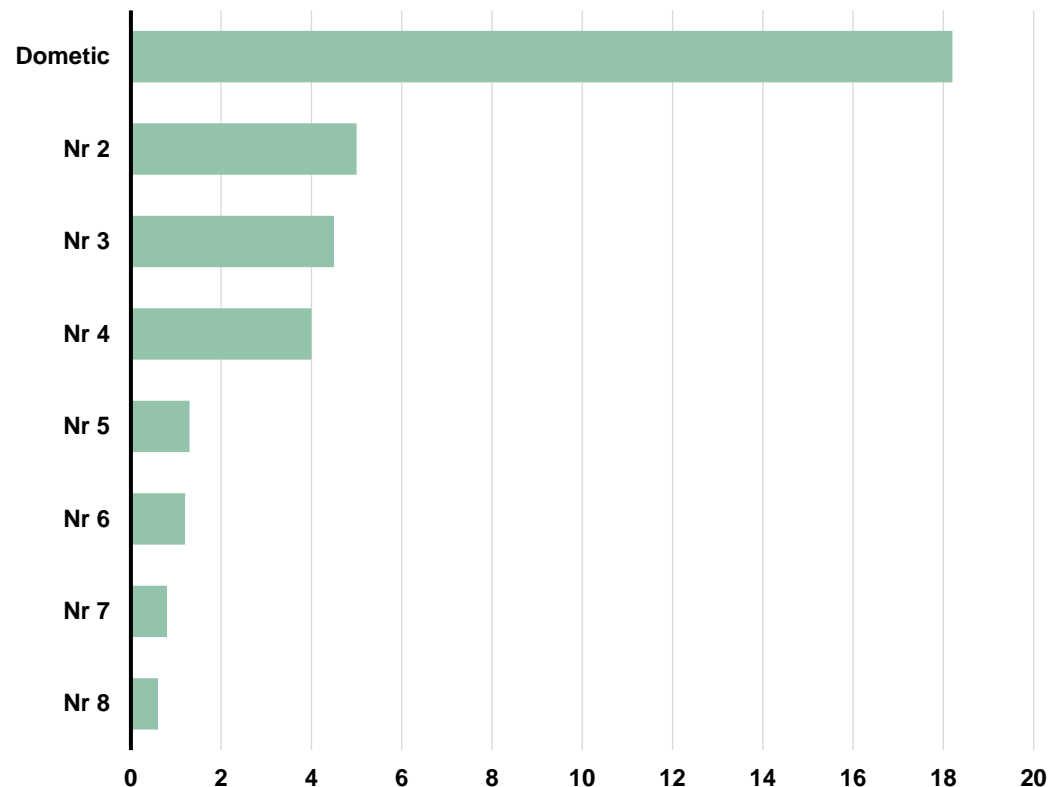
³⁾ Leverage of 2.6x if excluding acquisition of Kampa and currency effects

LEADING POSITIONS - STILL MANY GROWTH OPPORTUNITIES

#1 GLOBALLY

- REFRIGERATION
- AIR CONDITIONING
- ACTIVE MOBILE COOLING
- COOKING
- STEERING SYSTEMS

SALES IN OUR MOBILE LIVING MARKETS¹⁾



¹⁾ Dometic FY 2018 net sales, in SEKbn

DOMETIC TODAY IS A GREAT COMPANY...

A TRUE SUCCESS STORY

- **Strong position in existing markets**
- **Deep know-how in core technologies**
- **A global organization**
- **The largest dealer network in the industry**
- **Strong historic M&A track record**
- **Successful profitable expansion**
- **Strong cash generation**

STRONG POSITION IN EXISTING MARKETS



~ 30%

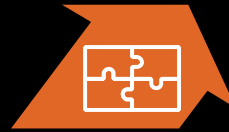
ESTIMATED AVERAGE
MARKET SHARE

BUT IT IS TIME TO OPEN
THE DOOR TO AN EVEN
GREATER FUTURE

MAJOR TRENDS DRIVING OPPORTUNITIES



INCREASED LEISURE
SPENDING



MARKET
CONSOLIDATION



SUSTAINABILITY
IS AN OPPORTUNITY



THE WORLD IS BECOMING
MORE MOBILE



INNOVATION
INCREASINGLY IMPORTANT



DIGITALIZATION AND
E-COMMERCE REVOLUTION

LEISURE FOCUS – OUTDOOR LIFESTYLE

MORE WEALTH
AND FREE TIME

OUTDOOR
LIFESTYLE

INCREASED
LEISURE
SPENDING

NEW
DEMOGRAPHICS

MOBILE
WORKPLACES

LEISURE FOCUS – OUTDOOR LIFESTYLE

GAS BARBECUES
GLOBAL ANNUAL
GROWTH OF 5%
REACHING
SEK 46bn IN 2025

Source: Spotherld

OUTDOOR INDUSTRY
US MARKET SIZE OF
SEK 4 TRILLION IN 2016

Source: <https://www.rej.com/blog/news/outdoor-recreation-is-2-2-percent-of-the-u-s-economy-new-report-finds>

MARKET CONSOLIDATION

FRAGMENTED
INDUSTRIES

BRAND AND
UNIQUENESS

SIZE
MATTERS

CLOSER TO
END USERS

SPEED
IS KEY

MARKET CONSOLIDATION

25% OF
BRANDS MATTER TO
CONSUMERS, THE REST
ARE MEANINGLESS

Source: Ogilvy & Mather's make brands matter research

SINCE 2000, MORE
THAN 790,000
TRANSACTIONS HAVE
BEEN ANNOUNCED
WORLDWIDE AT A
VALUE OF USD 57
TRILLION

Source: <http://gpminstitute.com/publications-resources/Global-Payroll-Magazine/march-2019/surprise-you%27re-going-global>

SUSTAINABILITY IS AN OPPORTUNITY

ENVIRONMENTAL
REGULATIONS

CUSTOMER
REQUIREMENTS

SMARTER
SOLUTIONS

CHANGED TRAVEL
TRENDS

INCREASED
EFFICIENCIES

SUSTAINABILITY IS AN OPPORTUNITY

CORPORATIONS
MANAGING CLIMATE
CHANGE SECURE AN
18% HIGHER RETURN
ON INVESTMENT THAN
THOSE WHO DON'T

Source: <https://www.challenge.org/sustainable-profitability/>

REGULATIONS DRIVE
NEW WAYS OF
TRANSPORTS AND
SOLUTIONS

THE WORLD IS BECOMING MOBILE

INCREASED
TRAVELLING

MOBILE
WORKPLACES

NEW TRANSPORT
TRENDS

MOBILE
DELIVERIES

AUTONOMOUS
DRIVING

THE WORLD IS BECOMING MOBILE

FOOD DELIVERIES

GLOBAL ANNUAL
GROWTH OF 10% 2018–
2026, REACHING
SEK 820bn IN 2017

Source: Global Online Food Delivery Services Market Size, Market Share, Application Analysis, Regional Outlook, Growth Trends, Key Players, Competitive Strategies and Forecasts, 2018 To 2026" report

FOOD TRUCKS

US GROWTH 20% IN
2018, REACHING
SEK 10bn

Source: Statista: Value of the U.S. food truck industry from 2014 to 2020

INNOVATION – INCREASINGLY IMPORTANT

NEW
APPLICATIONS

ENERGY
EFFICIENCY

CONSUMER
EXPERIENCE

CONNECTED
SOLUTIONS

DESIGN AND
QUALITY

INNOVATION – INCREASINGLY IMPORTANT

TOP GLOBAL
INNOVATORS OUTGROW
COMPETITORS
BY 300%

Source: Bain innovation Assessment survey

42% OF US
MILLENNIALS SAY THEY
WOULD LEAVE THEIR
CURRENT JOB FOR A
“MORE INNOVATIVE
ENVIRONMENT”

Source: <https://www.hrdiver.com/news/winning-the-talent-war-how-innovation-attracts-and-retains-employees/524662/>

DIGITAL REVOLUTION

DIGITAL
MARKETING

E-COMMERCE

SEAMLESS FLOW

DIGITAL
CUSTOMER
SUPPORT

CONNECTIVITY

DIGITAL REVOLUTION

RETAIL E-COMMERCE

GLOBAL GROWTH OF
89% 2014-2018,
TO SEK 25 TRILLION

Source: <https://www.invespcro.com/blog/global-online-retail-spending-statistics-and-trends/>

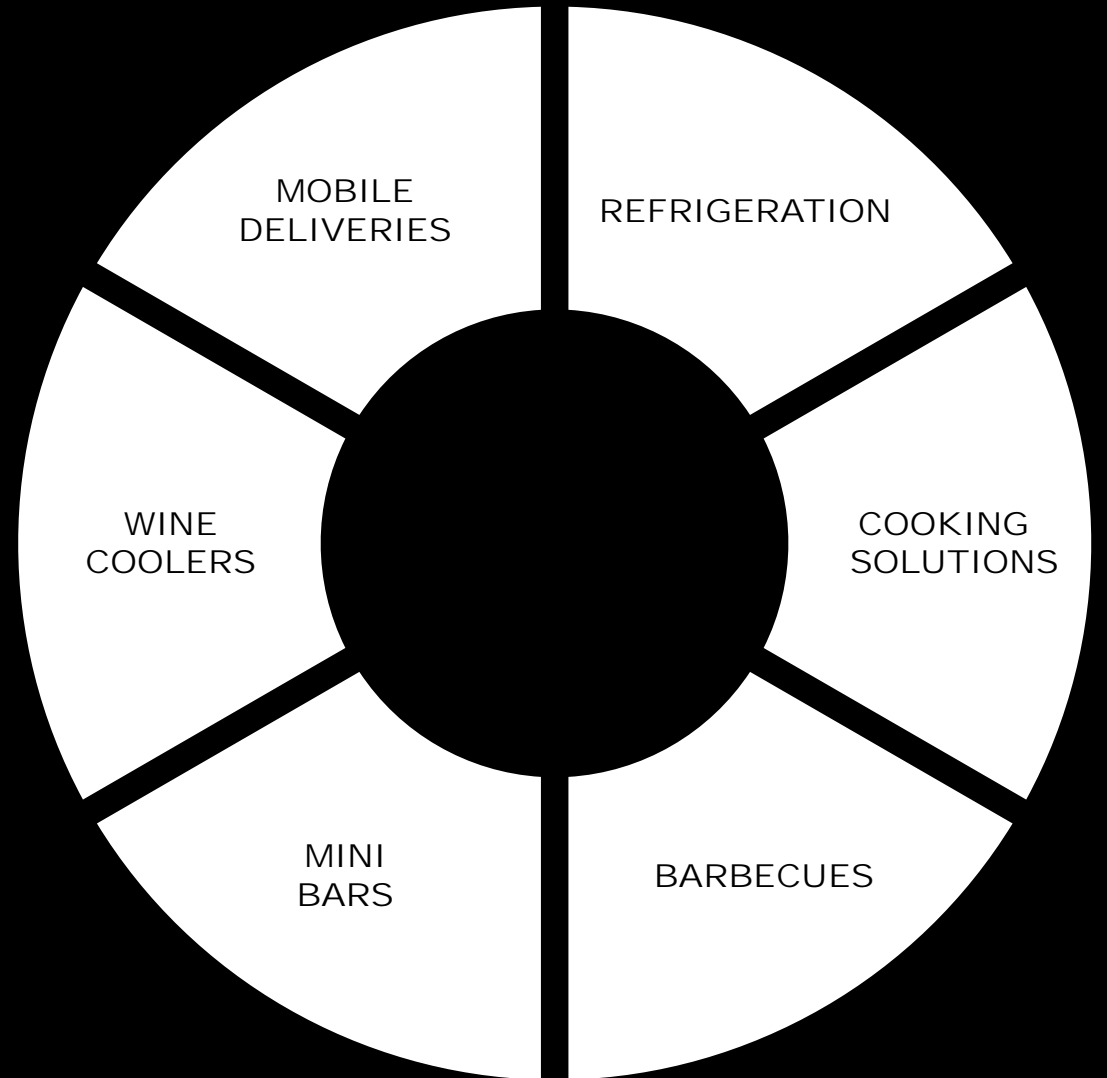
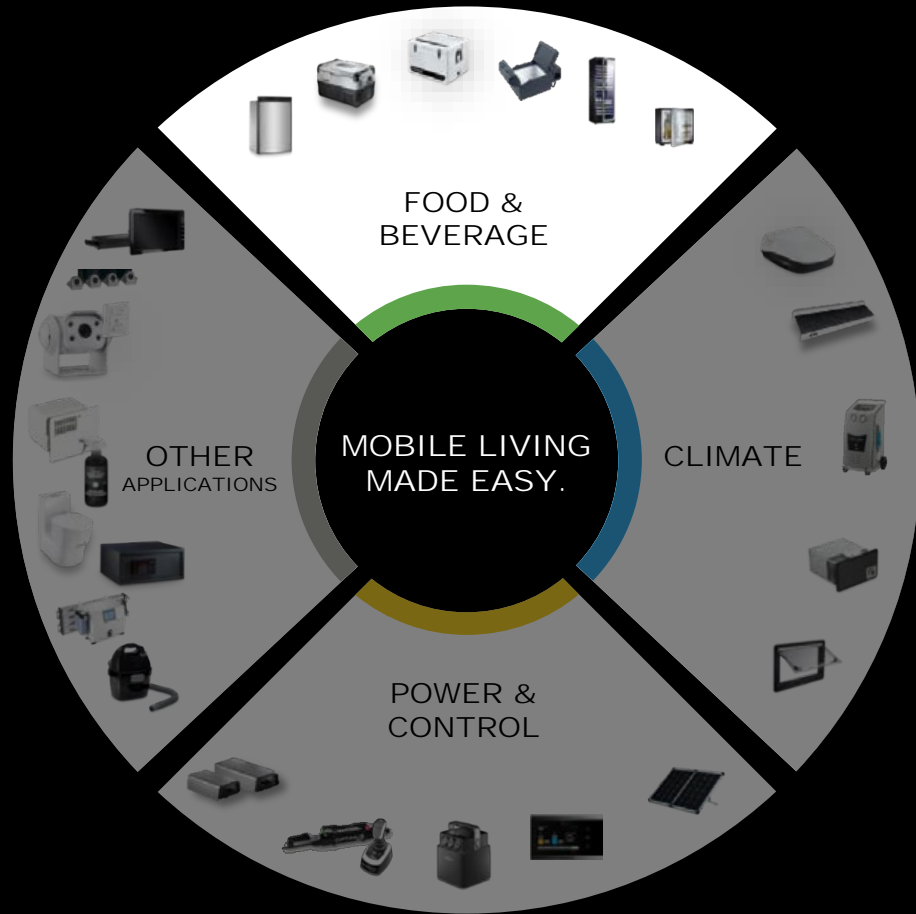
NUMBER OF GLOBAL BUYERS

1.92 BILLION GLOBAL
DIGITAL BUYERS
IN 2019

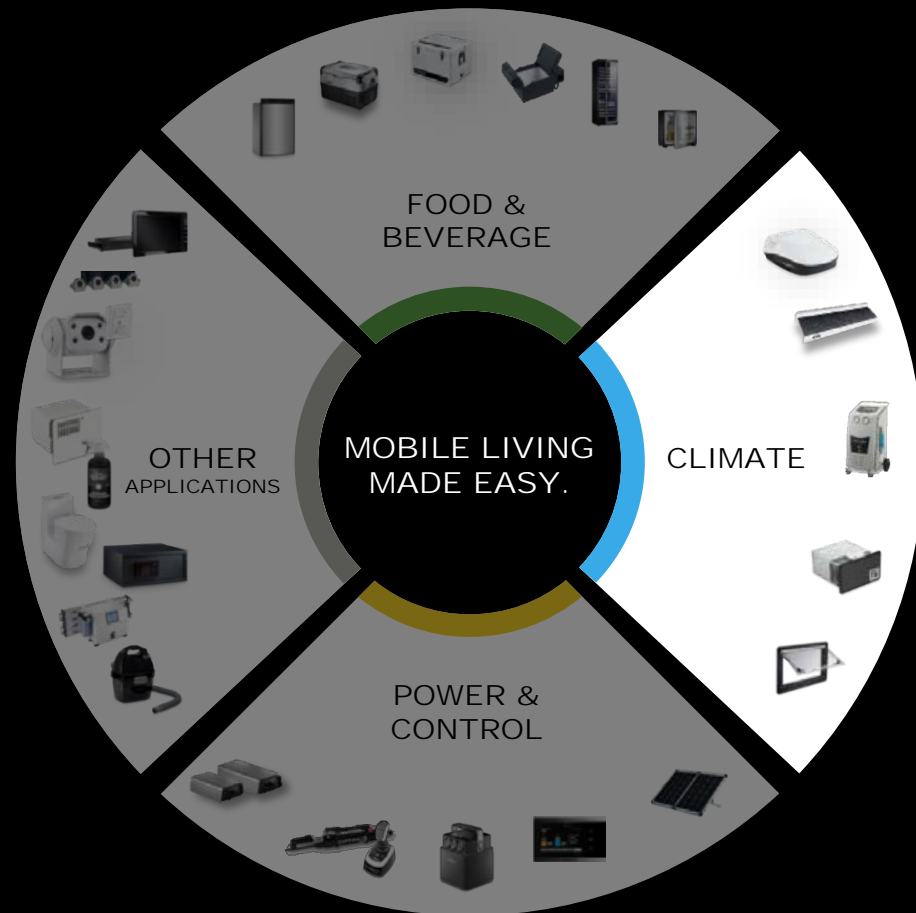
Source: <https://99firms.com/blog/e-commerce-statistics/>

DOMETIC'S CORE ASSET IS THE
TECHNOLOGY KNOW-HOW WITHIN
KEY APPLICATION AREAS

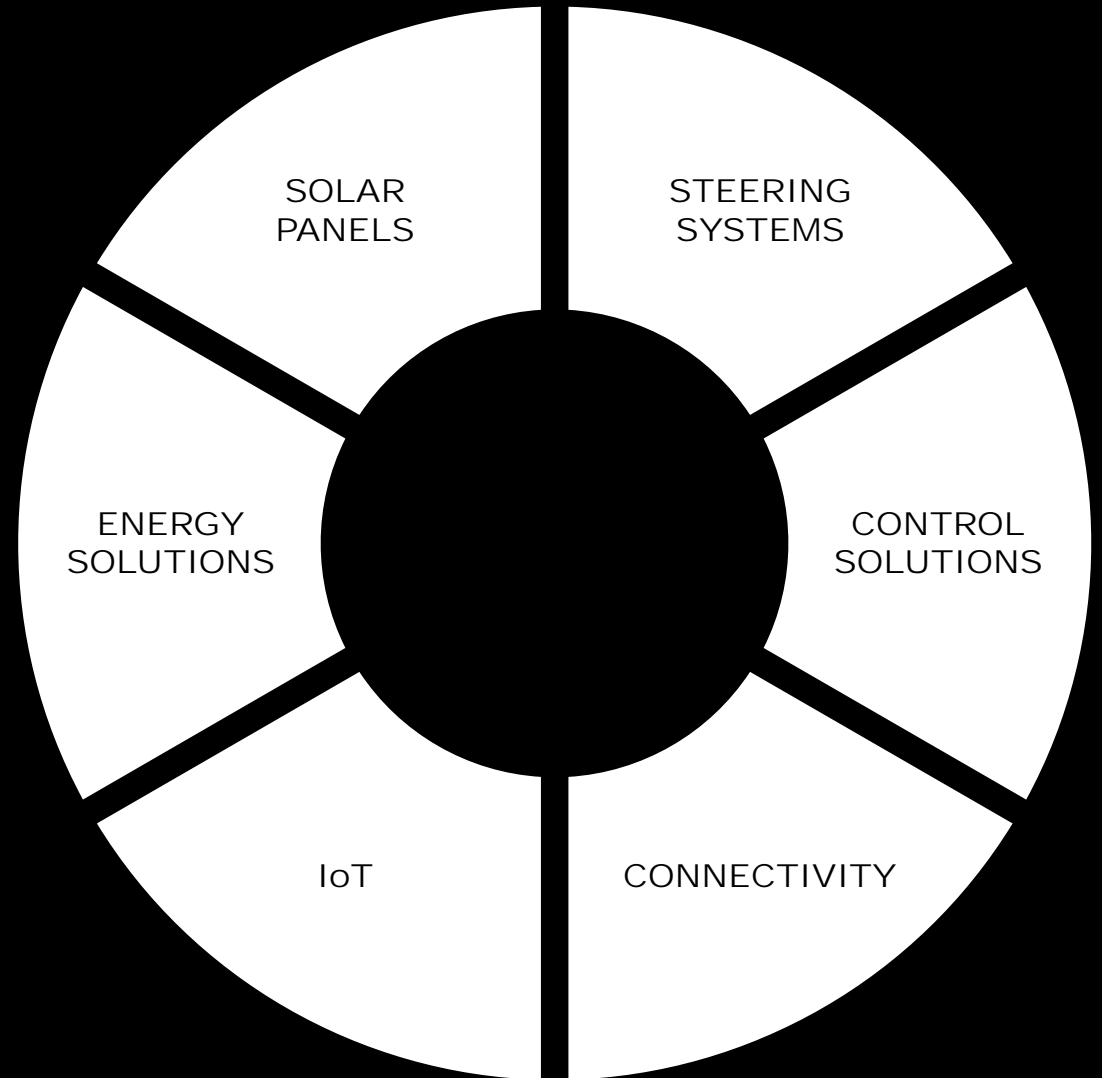
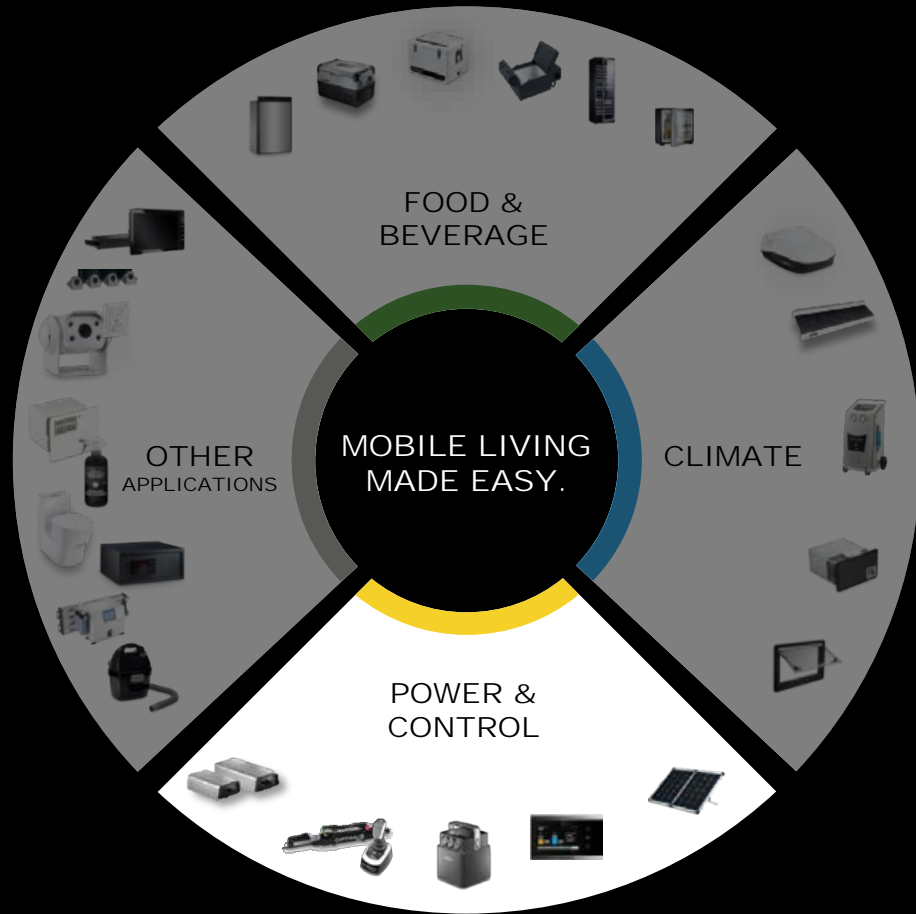
OUR PORTFOLIO BRINGS OPPORTUNITIES



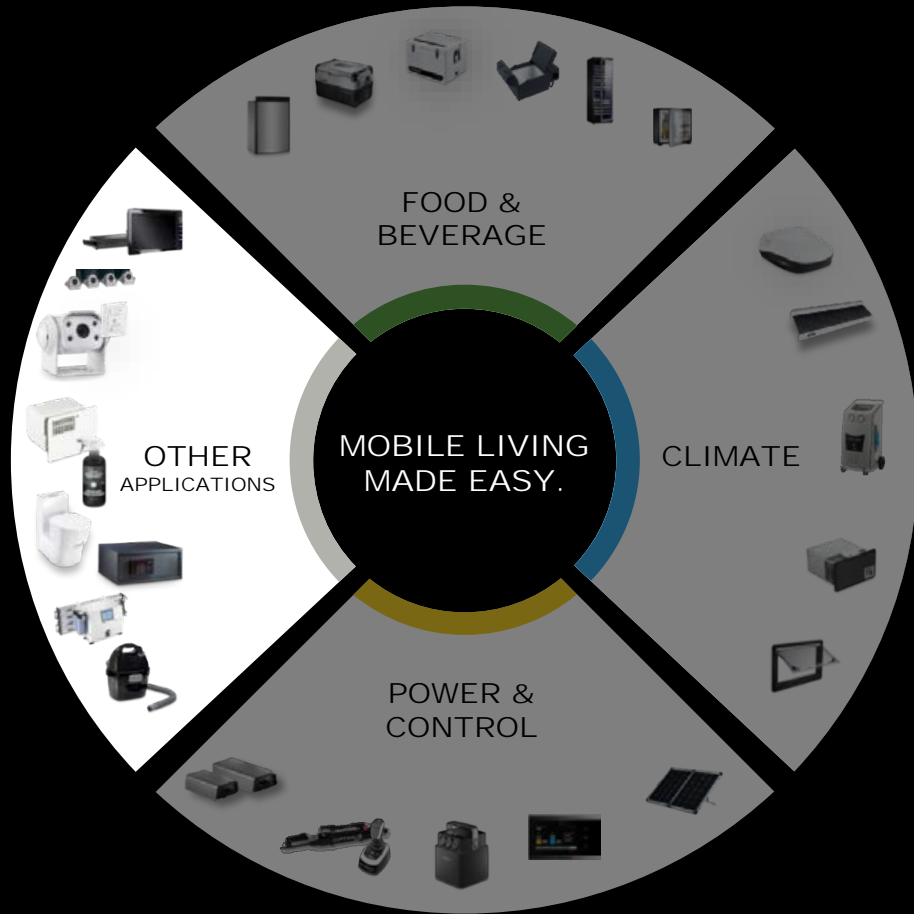
OUR PORTFOLIO BRINGS OPPORTUNITIES



OUR PORTFOLIO BRINGS OPPORTUNITIES

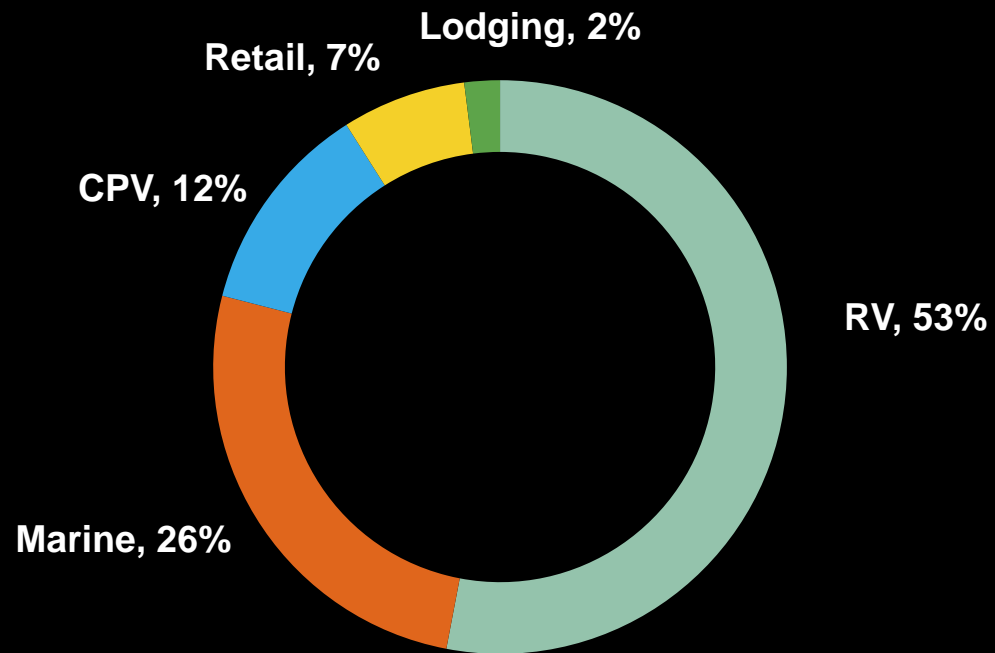


OUR PORTFOLIO BRINGS OPPORTUNITIES

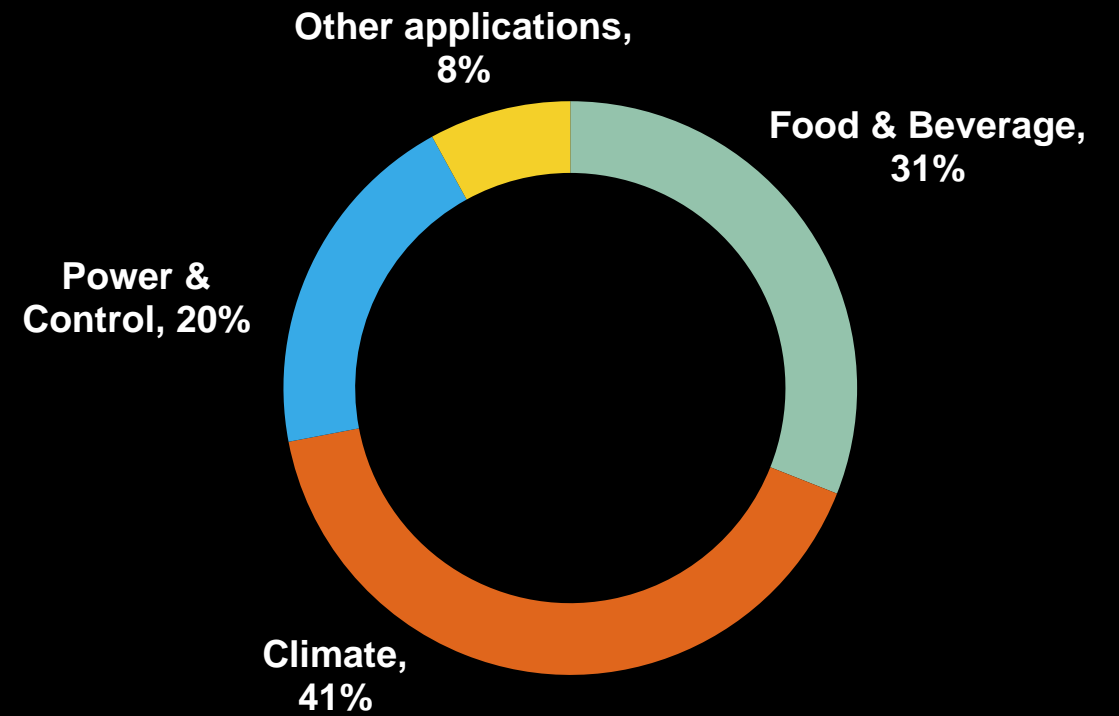


REVENUE BREAKDOWN

SALES SPLIT, BUSINESS AREAS



SALES SPLIT, APPLICATION AREAS

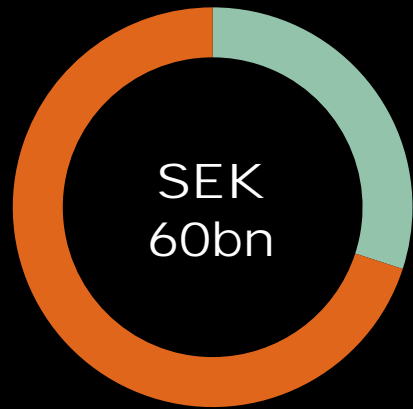


POTENTIAL FOR GROWTH

	FOOD & BEVERAGE	CLIMATE	POWER & CONTROL	OTHER APPLICATIONS	TOTAL
ESTIMATED GLOBAL MARKET SIZE	SEK >120bn	SEK >40bn	SEK >40bn	SEK >10bn	SEK >200bn
AREAS	<ul style="list-style-type: none"> ▪ Refrigerators ▪ Mobile cooling ▪ Mobile deliveries ▪ Cooling compartments ▪ Minibars ▪ Cooking & barbecues 	<ul style="list-style-type: none"> ▪ Air conditioning ▪ Parking coolers ▪ Heating solutions ▪ Blinds ▪ Awnings ▪ Windows & Doors 	<ul style="list-style-type: none"> ▪ Steering systems ▪ Control solutions ▪ Power solutions ▪ Storage 	<ul style="list-style-type: none"> ▪ Hygiene & Sanitation ▪ Safety solutions ▪ Security solutions 	
MARKET GROWTH	5–10%	2–7%	2–7%	~5%	
MARKET DRIVERS	<ul style="list-style-type: none"> ▪ Outdoor interest ▪ Mobile living ▪ Convenience 	<ul style="list-style-type: none"> ▪ Convenience ▪ Energy savings ▪ Penetration 	<ul style="list-style-type: none"> ▪ Energy efficient solutions ▪ More tech content ▪ Weight control ▪ Connectivity 	<ul style="list-style-type: none"> ▪ Convenience ▪ Other equipment for Mobile Living 	

DOMETIC'S ADDRESSABLE MARKET

2018



■ Dometic today

TOMORROW



■ Dometic today

A REPOSITIONING OF DOMETIC

BUSINESS AREAS

RV
MARINE
CPV
RETAIL
LODGING

APPLICATION AREAS

FOOD & BEVERAGE
CLIMATE
POWER & CONTROL
OTHER APPLICATIONS

DOMETIC'S CORE ASSET IS THE TECHNOLOGY
KNOW-HOW WITHIN KEY APPLICATION AREAS

BROADENING THE MARKET FOR OUR APPLICATION AREAS





WE ARE OPENING THE DOOR
TO NEW OPPORTUNITIES



LEISURE SOLUTIONS – OUTDOOR



LEISURE SOLUTIONS – PATIO



PROFESSIONAL SOLUTIONS – MARINE



PROFESSIONAL SOLUTIONS – MOBILE DELIVERIES



FROM STRATEGY TO ACTION



STRATEGY EXECUTION HAS STARTED

NEW
ASPIRATION

REFINED
STRATEGY

TOOLBOX FOR
EXECUTION

EXECUTION
PROCESS HAS
STARTED

FOCUSING ON PROFITABLE GROWTH

PROFITABLE EXPANSION IN MOBILE LIVING

- **Expand Mobile Living scope through acquisitions**
- **Increase presence in aftermarket**
- **Expand outdoor businesses**
- **Grow Professional – Equipment and services globally**

PRODUCT LEADERSHIP THROUGH INNOVATION

- **Smart and reliable products with outstanding design**
- **Global products and modularity**
- **Design for consumables, service parts and upgrade kits**

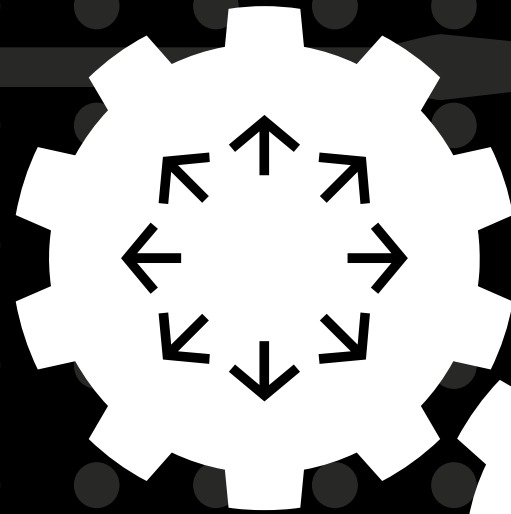
CONTINUOUS COST REDUCTIONS

- **Complexity reduction in everything we do**
- **Common processes and continuously improved competitiveness**
- **Optimize manufacturing and distribution footprint**
- **Digitalization**

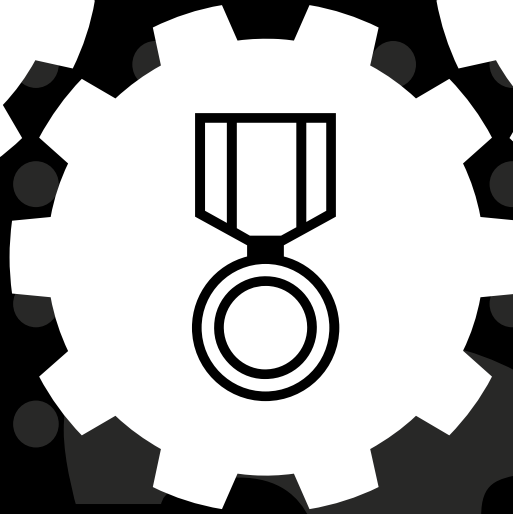
DECENTRALIZATION WITH COORDINATION – GROUP



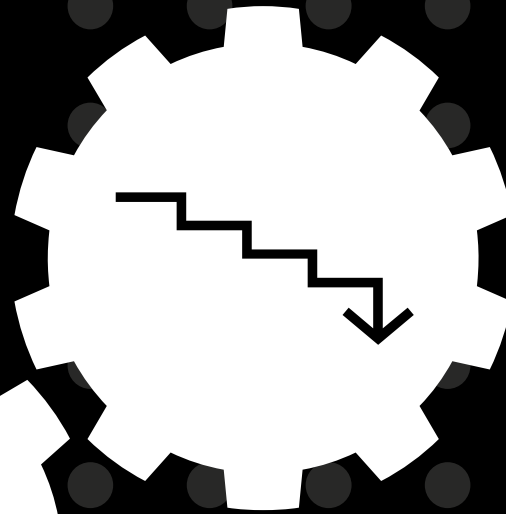
TOOLBOX FOR EXECUTION



PROFITABLE
EXPANSION

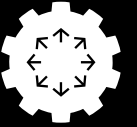


PRODUCT
LEADERSHIP



COST
REDUCTIONS

PROFITABLE EXPANSION – TOOLBOX



BRANDING

E-COMMERCE



CHANNEL
MANAGEMENT

MARKETING

PRICING

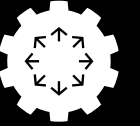


SEGMENTATION AND
COMMERCIAL
SPECIALIZATION

ACQUISITIONS

PROFITABLE EXPANSION

FOCUS ON SPECIALIZATION AND AFTERMARKET PAYS OFF



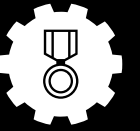
AMBITION TO REACH

SEK 30bn

NET SALES

- **Build an even more diversified company**
 - Increase aftermarket to >50% of total sales
 - Reduce RV OEM exposure to <20% of total sales
 - Grow faster in leisure products – outdoor lifestyle
 - Expand into professional segments
 - More services and recurring revenue streams to further reduce seasonality and cyclicity
- **Get closer to the end users**
- **Increased brand awareness**
- **Drive PULL instead of PUSH**
- **Product innovation – more new products, more often and to lower cost**

PRODUCT LEADERSHIP – TOOLBOX



ROBUST COMMON
TOOLS AND
PROCESSES

GLOBAL APPROACH
WITH CENTERS OF
EXCELLENCE

PRODUCT
MANAGEMENT

MODULARITY
THROUGH
PLATFORMS

VOICE OF THE
CUSTOMER

QUALITY FROM
START TO FINISH

PRODUCT
DEVELOPMENT
PROCESS

PRODUCT LEADERSHIP

INNOVATION IS THE MOST IMPORTANT DRIVER FOR ORGANIC GROWTH



AMBITION TO REACH

25%

OF SALES FROM
PRODUCTS LAUNCHED IN
THE LAST THREE YEARS

TO ACHIEVE THIS, WE MUST:

- **Common processes for innovation**
- **Coordinated approach**
- **Implement generation planning, common platforms and modularity**
- **Global Products and Global Technologies to drive innovation, speed and benefits of scale**
- **Develop more products, more often and to lower cost**

COST REDUCTIONS – TOOLBOX



COMPLEXITY
REDUCTION

AUTOMATION WHEN
POSSIBLE

MANUFACTURING
FOOTPRINT
OPTIMIZATION

LOGISTIC AND
WAREHOUSE
EXCELLENCE

SOURCING
EXCELLENCE

DIGITALIZATION

LEAN
EXCELLENCE

COST REDUCTIONS

INDUSTRIALIZING DOMETIC



AMBITION OF

0.5 pp

LOWER COST INCREASE
THAN GENERAL ANNUAL
INFLATION RATE

COST EFFICIENCY – KEY TO OUR
COMPETITIVENESS

- **Relentlessly work on reducing complexity and cost in all areas of our business**

OUR TARGETS:

- **Reduced product cost for every new product introduction**
- **Fully compensate for annual labor cost**
- **Reduced manufacturing cost every year**
- **Reduce exposure to cyclicity and seasonality through professional outsourcing and asset light setup**

THE FUTURE IS...

...EVEN MORE SUSTAINABLE

SUSTAINABILITY MATTERS – CLEAR OWNERSHIP



PRODUCTS (CTO – Anton Lundqvist)

5%

REDUCE ENERGY CONSUMPTION

10%

REDUCE THE USE OF GREENHOUSE GASES

40%

REDUCE STOCK KEEPING UNITS (SKU)

90%

IMPROVE MATERIAL CONTROL



ENVIRONMENT (COO – Eva Karlsson)

15%

REDUCE SPACE

10%

ACCELERATE ENERGY SAVINGS

10%

REDUCE WATER CONSUMPTION

75%

INCREASE RECYCLING



ETHICS (Group Legal – Anna Smieszek)

100%

CONTINUE TO IMPLEMENT THE CODE OF CONDUCT

100%

IMPLEMENT TRAINING PROGRAM ON ANTI-TRUST AND SANCTIONS

90%

CONDUCT SUPPLIER AUDITS



PEOPLE (Group HR – Silke Ernst)

RATE OF 2

REDUCE INJURY RATE

26%

FEMALE MANAGERS

100%

PERFORMANCE REVIEW

THE FUTURE IS...

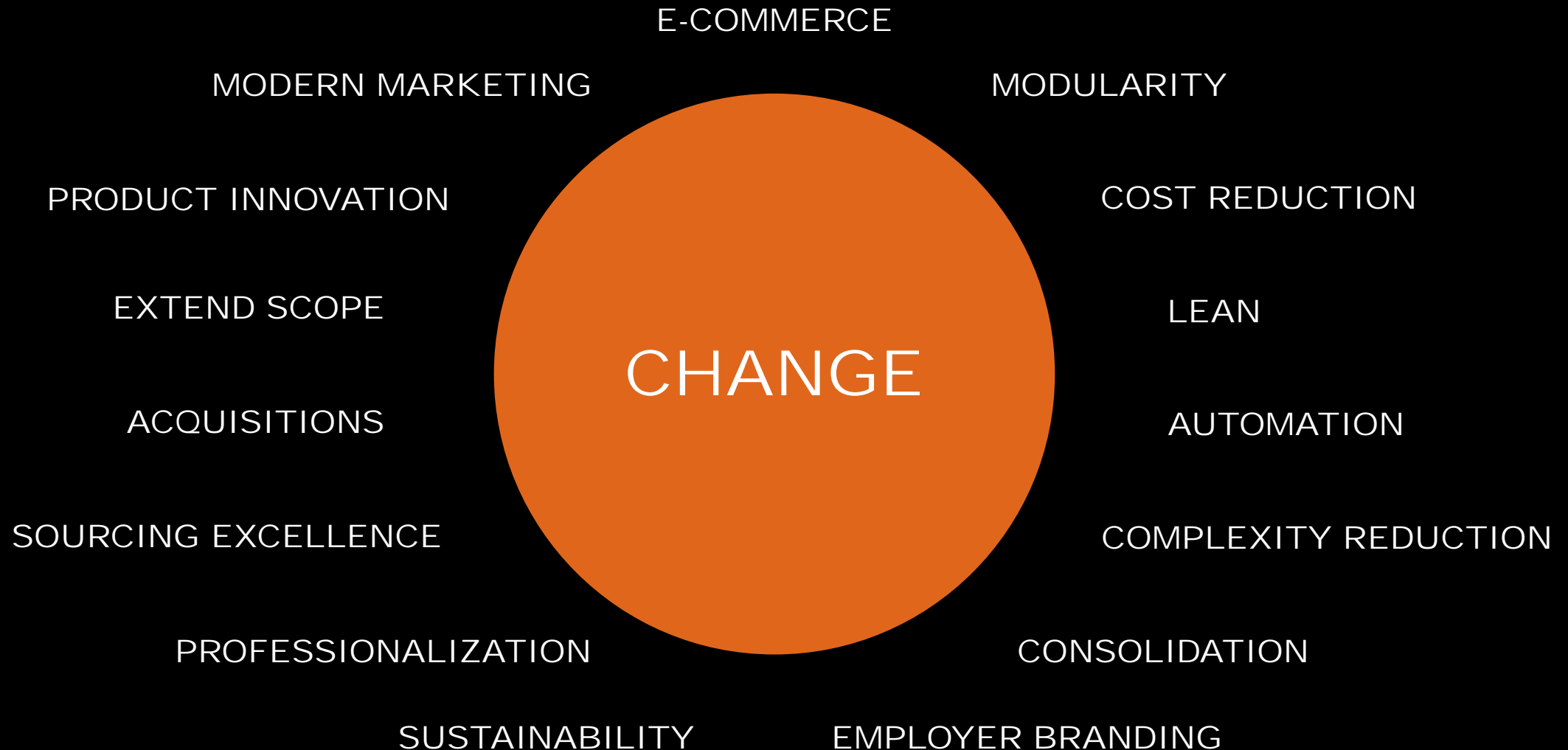
...CLEAR



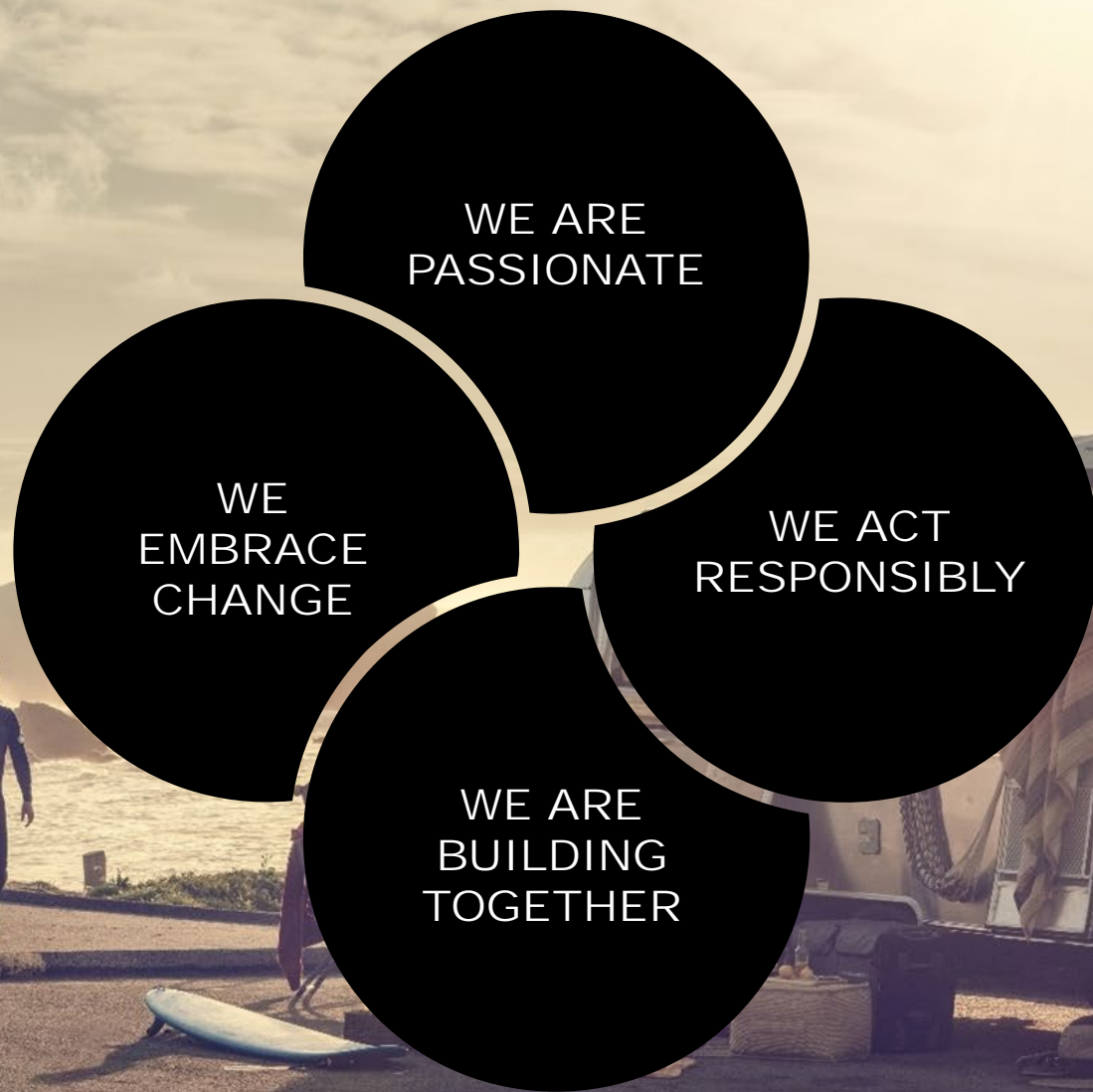
WE ARE OPENING THE DOOR
TO NEW OPPORTUNITIES



REACHING OUR ASPIRATIONS WILL REQUIRE CHANGE!



CORE VALUES



A photograph of two female workers in a factory setting. They are wearing safety glasses and dark blue t-shirts with the Dometic logo. The worker on the left is smiling and has her arm around the worker on the right. They are leaning on a metal workbench. The background is a blurred factory floor with other workers.

WE ARE BUILDING TOGETHER

WE BELIEVE IN DECENTRALIZATION

CLARITY

CLEAR STRATEGY

+

+

RESPONSIBILITY

DECENTRALIZATION AND
ACCOUNTABILITY

=

=

SPEED

FAST DECISIONS
AND EXECUTION

AN EXCITING JOURNEY AHEAD

FROM:

Strong market positions

Growth and reaching critical mass

Push strategy and OEM channel

Specialized niche brand

Strong technology know-how

Presence in new niche markets

Initiated industrialization

Perceived cyclicality

Perceived sub-supplier to the RV industry



TO:

Expanding the Mobile Living scope

Accelerating profitable growth

Pull strategy and end-user focus

Global brand recognition

Become a true innovation leader

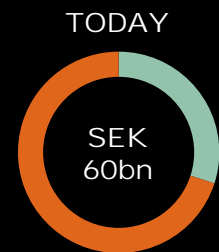
Leading in new niche markets

Completed industrialization

Reduced exposure to cyclicality and seasonality

Industrial company – leisure & professional solutions

THE FUTURE IS DOMETIC



REDEFINING
MOBILE
LIVING

