



# DORO

---

## Q2 Interim Report

Julian Read, CEO  
Isabelle Sengès, CFO

July 17<sup>th</sup>, 2024

# Disclaimer

## Forward-looking statements

This presentation contains forward-looking statements with words such as “believes”, “anticipates”, “outlook”, “confident”, “meeting” and “expects” about expected revenues and earnings, anticipated demand, internal estimates and liquidity.

These forward-looking statements involve several unknown risks, uncertainties and other factors that could cause actual results to differ materially.

Unknown risks, uncertainties and other factors are discussed in the “Risk” section of the Annual Report 2021 and in the Interim Report.

## Consolidated financial results

Doro provides financial information adjusted for items such as currency effects and one-off cost items solely as supplemental financial information to help investors and the financial community make meaningful comparisons of Doro’s operating results from one financial period to another. These adjustments might not be in accordance with IFRS.



# Agenda

DORO Interim Report



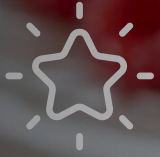
Key highlights



Second quarter 2024



Closing Q&A



# Key highlights

DORO Interim Report



# Key highlights in the quarter

## Solid sales

Q2 revenue of **SEK 206.7 million, +1.8%**, compared to same quarter last year.

**Sales of Doro mobile phones remain robust** despite the shrinking market for feature phones.

Our **focus** for the remainder of the year is to ensure the **successful launch** of our **new range of feature phones**.

## Margins improving Costs under control

Gross margin for Q2 was **44.6%**, **+4.3pts** vs Q2, 2023.

Product mix moving from 2G to 4G feature phones & smart phones - **higher prices and with higher margins**.

**Operational efficiency:** Reduction in air freight and tight control of operating expenses.

## Low inventory Solid operating profit Strong cashflow

Proactive stock management ahead of USB-C regulation change resulted in lowest inventory for two and half years.

Operating profit of **6,1% / SEK 12,6M** (SEK 1,0M) for the quarter and **3,9% / SEK 15,7M** year to date (4,2M).

Cashflow from operations of **SEK 44,2M** for the quarter (21,6M). Net cash of **SEK 180,1M**.



# Second quarter 2024

DORO Interim Report



# Q2 – Sales per market

**-13.2%**

**NORDICS**

- Net sales decreased to SEK 48.7 million (56.1) vs the same period last year.
- The main driver was a weaker than normal B2B sales combined with boosted B2B sales in Q2, 2023.
- Operators delaying the switch from 2G to 4G from end 2025 until end 2027 momentarily reduces pressure for consumers to upgrade.

**0%**

**UK AND IRELAND**

- Net sales for the quarter remained flat year-on-year at SEK 41,1M.
- Margins increasing as volumes is traded up to 4G products whilst retaining sale of the declining 2G market.
- D2C sales of Doro products via its on-line channels continue to grow strongly.

**+19.5%**

**WEST AND SOUTH EUROPE**

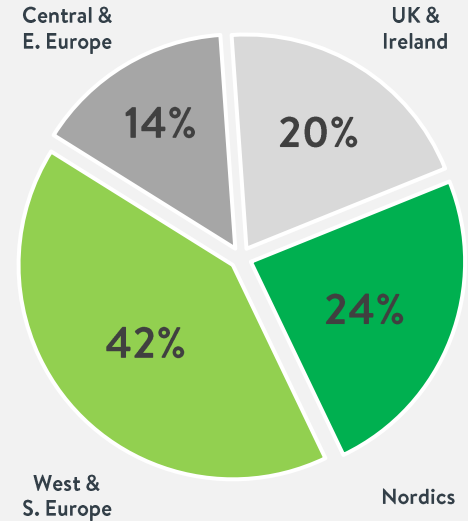
- Net sales increased to SEK 87.1 million (72.9), through strong performance of both feature phones and smart phones plus some customers accelerating orders from first half July due to changes in WEEE fees from July 1<sup>st</sup>.
- Strongest margin delivery in a single quarter to date as a result of higher sales and strong product mix.

**-9.4%**

**CENTRAL AND EASTERN EUROPE**

- Net sales dropped to SEK 29.8 million (32.9) mainly due to the planned shift of focus away from non-Doro branded products.
- Working intensively with Fonua to complete the closing conditions of the IVS divestment following the signing of a Share Purchase Agreement with Corstrom Ltd in mid-June.

**Sales per Region Q2'24**



# Q2 – Sales & Profitability

## Sales

- Net sales SEK 206.7 million (203.0), an increase of 1.8% compared to Q2 2023.
- Stable sales of feature phones and smartphones year on year, with France and UK mitigating more modest results in the Nordic and DACH regions

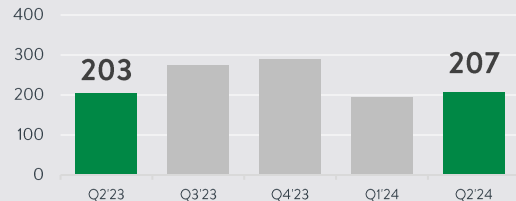
## Margin

- Gross margin at 44.6 percent (41,3).
- A great achievement in terms of gross margin this quarter, mainly from a favourable portfolio mix. Operations costs kept under control. Good management of inventory.

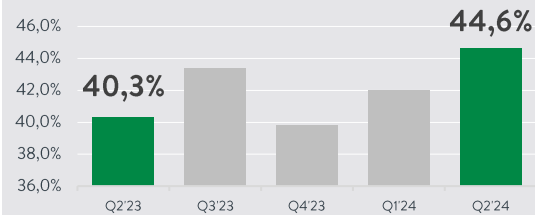
## Profit

- EBITDA SEK 20.4 million (12.8), an increase of 59.3%.
- EBIT SEK 12.6 million (1.0) corresponding to an operating margin of 6.1% (0.5).
- Profit after tax SEK 14.2 million (1.0) and earnings per share SEK 0.58 (0.05).

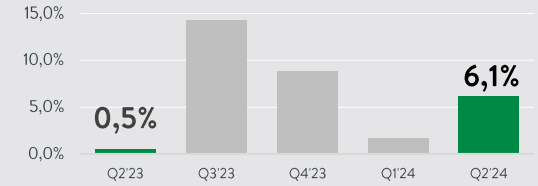
### NET SALES (MSEK)



### GROSS MARGIN



### OPERATING MARGIN





# Q2 – Cash flow & Financial position

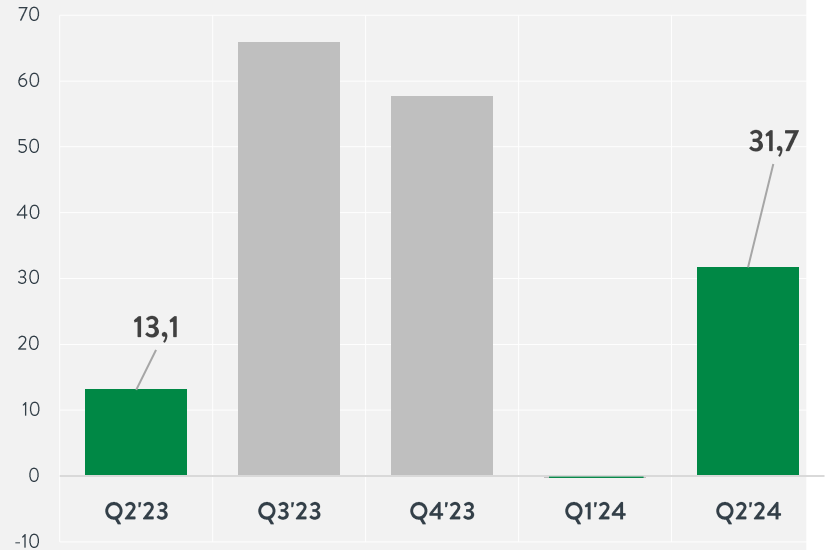
## Cash flow

- Cash flow from operating activities during Q2 '24 SEK 44.2 million (21.6). Improvement of cash flow due to higher result and better working capital.
- Free cash flow after investments SEK 31.7 million (13.1) with investments at SEK 12.5 million (8.5).

## Net debt

- Cash and cash equivalents totalled SEK 180.1 million (138.3) at the end of Q2. The equity ratio was 58.1 percent (55.4).
- Net cash position SEK 163.7 million, compared to net cash of SEK 186.7 million at end of previous quarter, and a net cash of SEK 74.9 million at the end of Q2 '23.

### FREE CASH FLOW (MSEK)





# Closing Q&A

DORO Interim Report

**Thank you  
for your attention!**

**Next report: Q3 25<sup>th</sup> October, 2024**

**Contact: [ir@doro.com](mailto:ir@doro.com)**

**DORO Interim Report**



Thank you!

---

[ir@doro.com](mailto:ir@doro.com)