



DORO

Q3 Interim Report

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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



Third quarter 2024



Closing Q&A



Key highlights

DORO Interim Report



Key highlights in the quarter

Sell-out stronger than Sell-in

Q3 revenue of **SEK 217.7 million, -20,2%**, compared to same quarter last year.

Sell-out and market share of Doro mobile phones **remain robust, even growing** despite the shrinking market for feature phones.

Focus for the remainder of the year is to ensure the **successful launch** of our Leva, our **new range of feature phones** with a new marketing campaign.

Margins improving Costs under control

Gross margin for Q3 was 50.3%, +7,1pts vs Q3, 2023.

Structural improvement in margin from product mix moving from 2G to 4G feature phones & **growth in our D2C business**. One-off margin improvement from the release of provisions held for royalties and inventory depreciation.

Reduction in air freight and tight control of operating expenses.

Driving transformation

Alignment of **revised strategic direction** with the board.

Engagement of strategic partners for consumer insight, brand communications and media planning along with **kick-off of brand re-stage project**.

Began with the recruitment of **key commercial roles**.



Third quarter 2024

DORO Interim Report



Q3 – Sales per market

-30.8%

NORDICS

- Net sales of SEK 49.3 million which is up SEK 0.6 million vs Q2 but a drop of 30.8% vs Q3 last year.
- The main driver is the exceptional quarter for B2B sales in Q3, 2023 supply DECT phones to replace landlines as operators closed some fixed line services.
- Market share (volume) of Feature Phones increased 0,5 pts* vs end June 2024.

-18.8%

WEST AND SOUTH EUROPE

- Net sales of SEK 86.4 million which is down SEK 0.7 million vs Q2 and a decrease of 18.8% vs Q3 last year.
- Customers pulled forward orders from first half July in June due to changes in WEEE fees from July 1st and a delay in the launch of the new range of feature phones.
- Market share (volume) of Feature Phones flat vs end June 2024 and up 3.7pts vs Q3, 2023.

-6,9%

UK AND IRELAND

- Net sales of SEK 47.0 million which is up SEK 5.9 million vs Q2 but a decrease of 6.9% vs Q3 last year.
- Market share (volume) of Feature Phones increased 0,9 pts* vs end June 2024
- D2C sales continue to grow strongly.

-21,5%

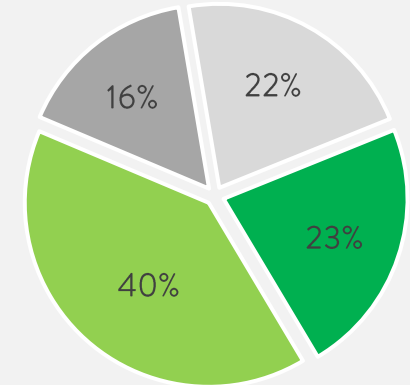
CENTRAL AND EASTERN EUROPE

- Net sales of SEK 35.0 which is up SEK 5.2 million vs Q2 and a decrease of 21.5% vs Q3 last year.
- IVS GmbH remains part of Doro Group with restructuring of operations focused upon Doro branded products.
- Market share (volume) in Germany up 0.7pts vs end June 2024.

Sales per Region Q3'24

Central & E. Europe

UK & Ireland



West & S. Europe

Nordics

Q3 – Sales & Profitability

Sales

- Net sales SEK 217.7 million (272.7), a decrease of 20.1% compared to Q3 2023.
- Transition quarter: anticipated sales in France in previous quarter, boost from shift to 4G last year, launch of new phone category this year to take place in fourth quarter

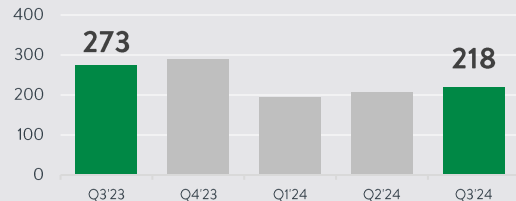
Margin

- Gross margin at 50.3 percent (43.4).
- Favourable portfolio mix; some one-offs in terms of decrease of reserve (royalty, stock depreciation) but overall great achievement from supply chain.

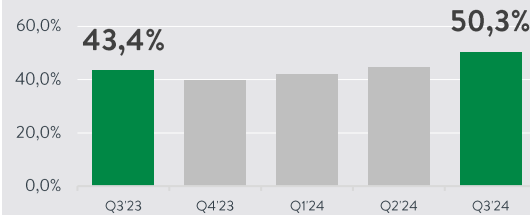
Profit

- EBITDA SEK 40.5 million (48.4), a decrease of 16.3%.
- EBIT SEK 30.3 million (38.9) corresponding to an operating margin of 13.9% (14.3).
- Profit after tax SEK 24.2 million (22.0) and earnings per share SEK 0.99 (0.90).

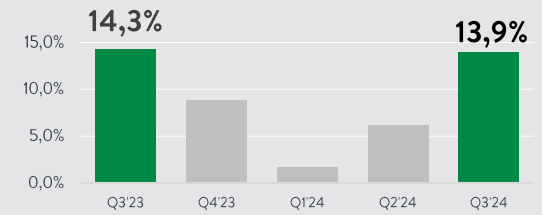
NET SALES (MSEK)



GROSS MARGIN



OPERATING MARGIN



Q3 – Cash flow & Financial position

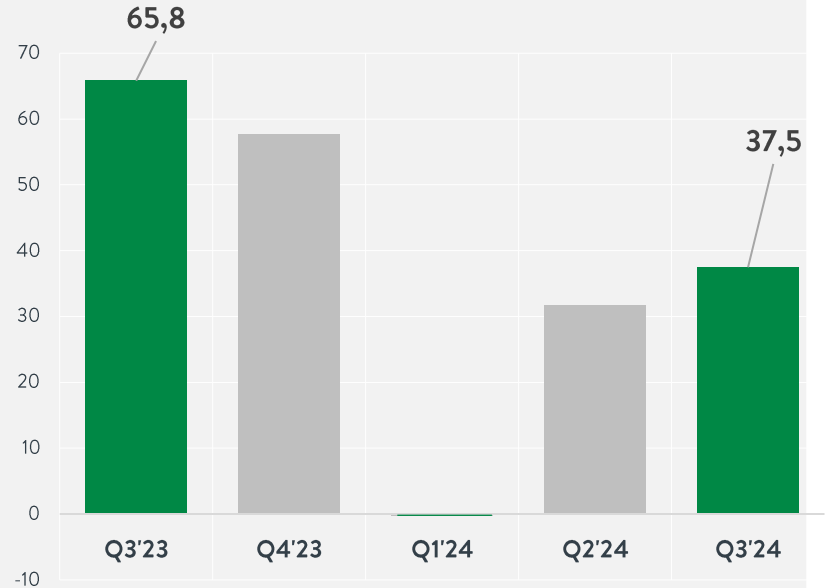
Cash flow

- Cash flow from operating activities during Q3 '24 SEK 46.8 million (73.1). Good EBITDA and improvement of working capital, but in a lesser extent than same quarter previous year
- Free cash flow after investments SEK 37.5 million (65.8) with investments at SEK 9.3 million (7.3).

Net debt

- Cash and cash equivalents totalled SEK 215.0 million (167.4) at the end of Q3. The equity ratio was 58.5 percent (55.9).
- Net cash position SEK 200.2 million, compared to net cash of SEK 163.7 million at end of previous quarter, and a net cash of SEK 135.3 million at the end of Q3 '23.

FREE CASH FLOW (MSEK)





Closing Q&A

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An elderly couple is sitting on a wooden chair outdoors. The woman on the left is wearing a light blue shirt and is holding a small blue cup. The man on the right is wearing a grey cardigan and is looking at a tablet. They are both smiling and appear to be enjoying their time together. The background is a lush green garden with trees and plants.

**Thank you
for your attention!**

Next report: Q4 13th February, 2025

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Thank you!

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