

## Strong margins despite continued corona impact

### The quarter in summary

- Doro's net sales amounted to SEK 336.7 million (424.2), a decrease of 20.6 percent.
- Net sales for business area Doro Care were SEK 138.0 million (130.3), an increase of 5.9 percent and for business area Doro Phones were SEK 198.7 million (293.9), a decrease of 32.4 percent.
- Gross margin increased to 37.7 percent (33.7). For Doro Care, the gross margin increased to 41.5 percent (40.8) and for Doro Phones the gross margin increased to 35.1 percent (30.6).
- EBITDA amounted to SEK 47.9 million (43.7), an increase of 9.6 percent.
- Operating profit (EBIT) amounted to SEK 18.4 million (15.2), excluding project costs for the separation and listing of business area Doro Care of SEK 1.0 million, corresponding to an operating margin of 5.5 percent (3.6). Including project costs, EBIT amounted to SEK 17.4 million (15.2) with an operating margin of 5.2 percent (3.6).
- Profit after tax for the period was SEK 18.8 million (14.5) and profit per share was SEK 0.78 (0.61).
- Free cash flow before acquisitions was SEK -47.6 million (-22.0).

**-20.6%**

Net sales

**5.5%**

Adjusted EBIT  
margin

### KEY FIGURES

(SEK million)

	2021 Quarter 1	2020 Quarter 1	%	2020 Jan-Dec
Net sales	336.7	424.2	-20,6	1,689.3
Sales growth, %	-20.6	-9.0		-18.1
EBITDA	47.9	43.7	9,6	203.9
EBITDA margin, %	14.2	10.3		12.1
EBIT	17.4	15.2	14,5	85.7
EBIT margin, %	5.2	3.6		5.1
Adjusted EBIT*	18.4	15.2	21,1	101.6
Adjusted EBIT margin*, %	5.5	3.6		6.0
Profit per share	0.78	0.61	28,4	2.06
Equity ratio, %	56.4	50.2		50.9

\*EBIT excluding project costs for separation and listing of business area Doro Care

## Message from the CEO

During the quarter we have seen a positive development and increased activity in some of our main markets, although the situation is still uncertain. For business area Doro Phones, France delivered a strong quarter and for business area Doro Care we see an increased tender activity in the Swedish market.

Sales during the first quarter amounted to SEK 336.7 million (424.2), a decrease of 20.6 percent compared to the first quarter of 2020. During the quarter we have experienced increased problems in the supply chain with constraints in components, increased lead times and continued high freight costs. So far, we have succeeded in meeting the demand from our customers, but with increased problems, there is a risk that this will have a negative effect in the coming quarters. Despite all challenges, we have delivered an improved gross margin of 37.7 percent (33.7) and a strong operating profit of SEK 17.4 million (15.2). The positive development is proof that we effectively managed to adapt the business to the current situation, while at the same time focusing on the future.

We have during the first quarter seen a positive development within business area Doro Care, despite the continued impact of the pandemic, mainly on the Swedish market where procurements once again gained momentum. The increased tender activity is mainly an effect of Addas (former SKL Kommentus) temporary framework agreement. We are experiencing an increased confidence in us as a supplier as we won several new agreements in Sweden and the UK during the quarter. We expect to see a positive impact on sales from the new contracts in the coming quarters. Gross margin amounted 41.5 percent (40.8), an improvement compared to the first quarter of 2020. During the quarter we carried out a number of activities, mainly in the UK, where we reduced the number of platforms in our alarm receiving centres in order to streamline our service delivery. To achieve the margins we aim for, we need to continue the efficiency work in the future as well.

During the quarter, as part of our growth strategy, we carried out one acquisition and a product launch within business area Doro Care. At the beginning of February, we acquired FirstCall 24/7, which together with our other operations in the UK creates a strong position in the market. At the end of the quarter, we launched the Doro 450, our new mobile social alarm, which increases safety in the home and on the go. The launch is a step forward in our ambition to create a safer and more independent life for the senior.

Business area Doro Phones has continued to suffer from lockdowns, restrictions and decrease in sales as a result of the pandemic. Although the business area as a whole has been negatively affected by the pandemic, France has shown a positive development and delivered a strong quarter. On the other hand, we see a continued negative trend in Germany where we performed below our target. As a result of this and as a final part of the restructuring program, we have initiated a restructuring of the region. With continued strong cost control, we have been able to balance the effects of weaker sales, delivering an improved gross margin of 35.1 percent (30.6) and a strong operating profit.

At the beginning of the quarter, we communicated that the board intends to separately list business area Doro Care and the preparations are in full swing. The purpose of the separate listing is to create the best conditions for both businesses to develop more favorably. We are convinced that a separation creates better opportunities for the business areas to fulfill their strategies. The work of separating the business areas is proceeding according to plan with the aim of listing Doro Care on the stock exchange during the fourth quarter of 2021. We have an incredibly exciting and intense journey ahead of us and I look forward to working with the organisation to create a better foundation for the business areas to reach their full potential.



***“Despite the challenges we faced, we delivered an improved gross margin and a strong operating profit during the quarter”***

***“We are convinced that a separate listing improves the conditions for both business areas to reach their full potential”***

***Carl-Johan Zetterberg Boudrie, President and CEO***

## NET SALES

### Highlights during the first quarter

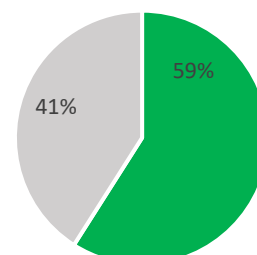
Doro's net sales for the first quarter amounted to SEK 336.7 million (424.2), a decrease of 20.6 percent compared with the first quarter of 2020. Adjusted for currency effects, the decrease was 16.4 percent.

Sales in business area Doro Care increased by 5.9 percent, while sales in business area Doro Phones decreased by 32.4 percent compared with the first quarter of 2020. Organic growth within Doro Care was -4.0 percent, adjusted for currency effect the organic growth was 0.4 percent.

### NET SALES BY BUSINESS AREA

(SEK million)	2021 Quarter 1	2020 Quarter 1	%	2020 Jan-Dec
Doro Care	138.0	130.3	5.9	524.1
Doro Phones	198.7	293.9	-32.4	1,165.2
<b>Total</b>	<b>336.7</b>	<b>424.2</b>	<b>-20.6</b>	<b>1,689.3</b>

Net sales  
by business area  
for the quarter



- Doro Phones
- Doro Care

## OPERATING PROFIT

### Highlights during the first quarter

The gross margin increased compared with the first quarter of 2020 and amounted to 37.7 percent (33.7).

EBITDA for the first quarter increased by 9.6 percent to SEK 47.9 million (43.7), which corresponds to an EBITDA margin of 14.2 percent (10.3).

EBITA for the first quarter increased to SEK 19.9 million (18.3). Planned depreciation of intangible assets from company acquisitions was SEK -2.5 million (-3.1) during the quarter, resulting in an EBIT of SEK 18.4 million excluding project costs for the separation and listing of business area Doro Care of SEK 1.0 million and an EBIT margin of 5.5 percent. Including project costs EBIT amounted SEK 17.4 million (15.2) with an EBIT margin of 5.2 percent (3.6). The improved operating margin is mainly explained by the earlier implemented saving initiatives and the improved gross margin.

Net financial items for the first quarter totalled SEK 8.3 million (4.7) including revaluation of financial instruments in foreign currency. The increase is mainly due to the weakening of SEK against the EUR, GBP and USD currencies. Group tax for the quarter was SEK -6.9 million (-5.4). Profit after tax for the period was SEK 18.8 million (14.5).

### OPERATING PROFIT BY BUSINESS AREA

(SEK million)	2021 Quarter 1	2020 Quarter 1	%	2020 Jan-Dec
<b>Doro Care</b>				
Gross profit	57.3	53.2	7.7	217.2
Gross margin	41.5	40.8		41.4
Operating profit (EBIT)	7.7	7.2	6.9	38.7
EBIT margin	5.6	5.5		7.4
<b>Doro Phones</b>				
Gross profit	69.7	89.8	-22.4	352.7
Gross margin	35.1	30.6		30.3
Operating profit (EBIT)	12.7	9.9	28.3	71.5
EBIT margin	6.4	3.4		6.1
Unallocated operating expenses	-3.0	-1.9	57.9	-24.5
<b>Group</b>				
Gross profit	127.0	143.1	-11.3	570.0
Gross margin	37.7	33.7		33.7
Operating profit (EBIT)	17.4	15.2	14.5	85.7
EBIT margin	5.2	3.6		5.1

## HIGHLIGHTS BY BUSINESS AREA

### DORO CARE

#### First quarter

Net sales in business area Doro Care for the first quarter amounted to SEK 138.0 million (130.3), an increase of 5.9 percent compared with the first quarter of 2020. Sales of services increased by 7.6 percent to SEK 111.5 million (SEK 103.6 million) and product sales decreased by 0.4 percent to SEK 26.5 million (26.6).

The gross margin for the first quarter was 41.5 percent (40.8). The improved margin is partly a result of the efficiency measures that were implemented in the UK during the quarter. We have, among other things, reduced the number of platforms for our alarm receiving centres, which contributes to a more efficient service delivery.

EBIT amounted to SEK 7.7 million (7.2) during the first quarter, which is equivalent to an EBIT margin of 5.6 percent (5.5). The improved operating profit is mainly explained by the improved gross margin. The number of subscriptions at the end of the period was 371,000 (316,000).

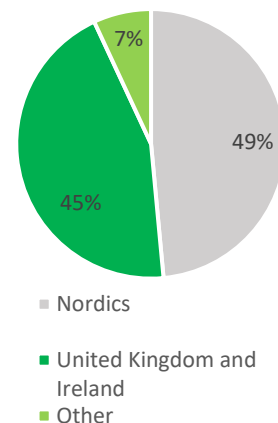
Sales in the Nordics decreased by 3.7 percent compared with the first quarter of 2020. The decrease in sales is mainly due to lost contracts in both Norway and Sweden during last year. During the quarter tender activity continued to increase and we won a number of new contracts in Sweden. The increased activity is mainly a consequence of Addas (former SKL Kommentus) temporary framework agreement\* and we expect to see a positive effect on sales in coming quarters.

Sales in the UK and Ireland increased by 14.7 percent compared with the first quarter of 2020. This increase in sales is partly a result of the acquisition of Eldercare, which was incorporated in the group in August 2020, partly a result of the acquisition of Connexus Careline which was incorporated in the group in October 2020 and partly a result of the acquisition of FirstCall 24/7 which was incorporated in the group in February 2021. In the quarter we won a few new contracts which will affect sales positively in the coming quarters.

Sales for Other regions during the first quarter totalled SEK 9.2 million (6.8), the increase is mainly due to increased product sales.

*\*The temporary framework agreement includes social alarms. Furthermore, alarm reception, the communication between the social alarm and the alarm reception as well as associated services and products such as alarms, installation, training, service, and support is included in the procurement.*

Sales by market



#### KEY FIGURES DORO CARE

(SEK million)

	2021 Quarter 1	2020 Quarter 1	%	2020 Jan-Dec
Net sales	138.0	130.3	5.9	524.1
Cost of goods and services sold	-80.7	-77.1	4.7	-306.9
<b>Gross profit</b>	<b>57.3</b>	<b>53.2</b>	<b>7.7</b>	<b>217.2</b>
Gross margin %	41.5	40.8		41.4
Other operating expenses	-49.6	-46.0	7.8	-178.5
<b>Operating profit after depreciation and write-downs (EBIT)</b>	<b>7.7</b>	<b>7.2</b>	<b>6.9</b>	<b>38.7</b>
EBIT margin %	5.6	5.5		7.4
Number of subscriptions (thousand)	371.0	316.0	17.4	372.0
Product sales	26.5	26.6	-0.4	105.4
Sales of services	111.5	103.6	7.6	418.7
Investment in product development	7.4	5.0	48.0	21.9

#### NET SALES BY MARKET

(SEK million)

	2021 Quarter 1	2020 Quarter 1	%	2020 Jan-Dec
Nordics	67.3	69.9	-3.7	265.1
United Kingdom and Ireland	61.5	53.6	14.7	226.1
Other	9.2	6.8	35.3	32.9
<b>Total</b>	<b>138.0</b>	<b>130.3</b>	<b>5.9</b>	<b>524.1</b>

## DORO PHONES

### First quarter

Net sales in business area Doro Phones for the first quarter amounted to SEK 198.7 million (293.9), a decrease of 32.4 percent compared with the first quarter of 2020. COVID-19 continues to have a negative effect on the business area with closed markets and restrictions. In addition to a strong impact by the pandemic, sales are negatively affected by the phase out of less profitable markets such as North America.

The order book decreased by 23.6 percent compared to the first quarter of 2020 but increased with 25.0 percent compared to the fourth quarter of 2020. The decrease is mainly explained by the phase out of North America, and the lower sales due to COVID-19.

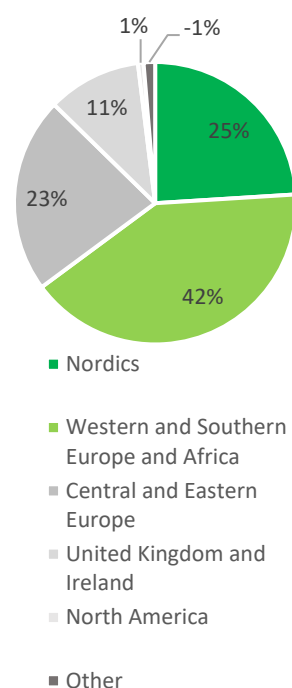
The gross margin for the first quarter was 35.1 percent (30.6). The improved gross margin is partly explained by a more profitable product and customer mix and partly due to more favourable exchange rates. EBIT amounted to SEK 12.7 million (9.9) during the first quarter, which is equivalent to an EBIT margin of 6.4 percent (3.4). The improved profitability is explained by the earlier initiated cost savings and the fact that less profitable markets have been phased out, and by a strong gross margin.

Sales in the Nordics decreased by 9.3 percent compared with the first quarter of 2020 and sales in Western and Southern Europe and Africa decreased by 6.4 percent. Despite stricter restrictions and the impact of the pandemic the markets have managed to deliver a good quarter. Sales were positively affected by increased demand in smartphones and a positive development in online sales.

Sales in the United Kingdom and Ireland decreased by 48.2 percent compared with the first quarter of 2020 and sales in Central and Eastern Europe decreased by 36.2 percent. The decrease in sales in the United Kingdom and Ireland is mainly a result of COVID-19 with lockdowns and stricter restrictions. Sales were also negatively affected by Brexit as many customers secured their inventory already in the fourth quarter of 2020. We also see a continued negative trend in Germany, where sales have been below our target, which is why we have initiated a restructuring of the region as a last part of the restructuring program.

As previously communicated, less profitable markets have been phased out as part of the restructuring of business area Doro Phones. North America, which is one of these markets, decreased by 96.9 percent during the quarter compared to the first quarter of 2020.

Sales by market



### KEY FIGURES DORO PHONES

(SEK million)

	2021 Quarter 1	2020 Quarter 1	%	2020 Jan-Dec
Net sales	198.7	293.9	-32.4	1,165.2
Cost of goods and services sold	-129.0	-204.1	-36.8	-812.5
<b>Gross profit</b>	<b>69.7</b>	<b>89.8</b>	<b>-22.4</b>	<b>352.7</b>
Gross margin %	35.1	30.6		30.3
Other operating expenses	-57.0	-79.9	-28.7	-281.2
<b>Operating profit after depreciation and write-downs (EBIT)</b>	<b>12.7</b>	<b>9.9</b>	<b>28.3</b>	<b>71.5</b>
EBIT margin %	6.4	3.4		6.1
Order book	88.5	115.9	-23.6	70.8
New orders	216.4	311.4	-30.5	1,137.6
Investment in product development	3.1	8.5	-63.5	25.2

### NET SALES BY MARKET

(SEK million)

	2021 Quarter 1	2020 Quarter 1	%	2020 Jan-Dec
Nordics	49.0	54.0	-9.3	232.1
West and South Europe and Africa	83.4	89.1	-6.4	366.0
Central and Eastern Europe	45.8	71.8	-36.2	292.6
UK and Ireland	21.9	42.3	-48.2	171.5
North America	1.3	42.0	-96.9	99.9
Other	-2.7	-5.3	-49.1	3.1
<b>Total</b>	<b>198.7</b>	<b>293.9</b>	<b>-32.4</b>	<b>1,165.2</b>

## FINANCIAL DEVELOPMENT

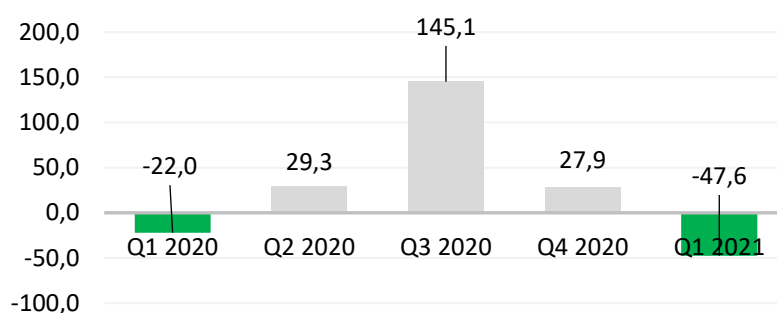
### Cash flow, investments, and financial position

Cash flow from operating activities during the first quarter was SEK -36.4 million (-2.5). The decrease is mainly due to a negative change in working capital compared with the first quarter of 2020. The low cash flow is mainly explained by the fact that we have returned to normal payment terms with our suppliers. Free cash flow, after investments but before acquisitions, amounted to SEK -47.6 million (-22.0). Investments during the period amounted to SEK 11.2 million (19.5).

Cash and cash equivalents totalled SEK 123.8 million (172.4) at the end of the first quarter. At the same time, the equity ratio was 56.4 percent (50.2).

Net debt amounted to SEK 32.3 million at the end of the first quarter, compared with a net cash of SEK 12.1 million at the end of the previous quarter and a net debt of SEK 129.6 million at the end of the first quarter of 2020.

### FREE CASH FLOW



### Significant events during the period

- In January Doro acquired the assets of FirstCall 24/7 from Trent and Dove Housing.
- In February 2021, it was announced that Doro intends to separately list business area Doro Care. To prepare a separate listing of business area Doro Care work has been initiated with the aim to propose a stock exchange listing to a shareholders meeting during the fourth quarter of 2021. There are no guarantees that a decision on an actual listing will be made.

### Significant events after the period

- No significant events after the period

## OTHER INFORMATION

### Equity and the Doro share

Doro's share is listed on Nasdaq Stockholm, Small Cap, in the segment Telecom/IT. On 31 March 2021, the number of issued shares was 24,204,568, of which Doro AB holds 206,286 Doro shares. Total equity amounted to SEK 849.7 million (809.3).

### Employees

On 31 March 2021, Doro had 1,075 (978) employees, corresponding to 790 (673) full-time equivalents. Of these employees, 365 (359) are based in the Nordic region, 35 (45) in Central and Eastern Europe, 24 (24) in Western and Southern Europe and Africa, 641 (540) in the United Kingdom and Ireland and 10 (10) in the rest of the world.

### Risks

In the present situation, the most significant risks are those relating to the COVID-19 pandemic. Stores remaining closed and a general downturn in the economy would have a major impact on sales of telephones. Within Doro Care, the pandemic may result in problems meeting demand for services if a large number of our alarm centre staff are absent from work while at the same time there is an increase in the number of alarms being generated. Risks relating to information security are slightly increased (personal data) due to a large number of staff working from home, including alarm receiving centre staff. Procurements and product launches are in danger of being postponed as a result of the pandemic.

As a consequence of the pandemic and the situation in the world, with higher shipping costs and an increased shortage of components, there is a risk of increased costs and challenges in the supply chain.

Other risks are described on pages 40–42 of the Annual Report 2020.

### Parent company

The parent company's net sales during the first quarter totalled SEK 233.8 million (313.5). Profit after tax amounted to SEK 6.6 million (15.6).

### Accounting principles

This interim report has been prepared for the group in accordance with IAS 34, "Interim Financial Reporting", and for the parent company in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2, "Accounting for legal entities". Government assistance received is reported as other income. The accounting principles and calculation methods applied correspond to those that were used to prepare the most recent annual report.

### Seasonal variations

Doro's sales in business area Doro Phones are affected by seasonal variations. Normally, sales are lowest during the first quarter, improve during the second and third quarters and peak during the fourth quarter. Sales in business area Doro Care usually experience only small seasonal variations.

# FINANCIAL REPORTS

## Group

### INCOME STATEMENT

Doro – Group (SEKm)

Note	Quarter 1 2021	Quarter 1 2020	Jan-Dec 2020
Net sales	336.7	424.2	1,689.3
Cost of goods and services sold	-209.7	-281.1	-1,119.3
<b>Gross profit</b>	<b>127.0</b>	<b>143.1</b>	<b>570.0</b>
Selling, distribution and marketing expenses	-52.3	-69.4	-224.4
Research and development expenses	-27.4	-22.7	-108.4
Administrative expenses	-31.0	-34.6	-160.9
Other income and expense	1.1	-1.2	9.4
<b>Total operating expenses</b>	<b>-109.6</b>	<b>-127.9</b>	<b>-484.3</b>
whereof depreciation and amortisation of intangible and tangible fixed assets	-30.5	-28.5	-118.2
<b>Operating profit/loss before depreciation and amortisation (EBITDA)</b>	<b>47.9</b>	<b>43.7</b>	<b>203.9</b>
<b>Operating profit/loss after depreciation and amortisation (EBIT)</b>	<b>17.4</b>	<b>15.2</b>	<b>85.7</b>
Net financial items	8.3	4.7	-17.1
<b>Profit/loss before taxes</b>	<b>25.7</b>	<b>19.9</b>	<b>68.6</b>
Taxes	-6.9	-5.4	-19.5
<b>Profit/loss for the period</b>	<b>18.8</b>	<b>14.5</b>	<b>49.1</b>

Average number of shares, thousands	23,998	23,766	23,890
Average number of shares after dilution, thousands*	23,998	23,766	23,890
Earnings per share, SEK	0.78	0.61	2.06
Earnings per share after dilution, SEK*	0.78	0.61	2.06

\*The effect of dilution is considered only when the effect on earnings per share is negative.

\*\*Other income and expenses refer mainly to government assistance for employees on short-term leave

### STATEMENT OF COMPREHENSIVE INCOME

Doro – Group (SEKm)

Note	Quarter 1 2021	Quarter 1 2020	Jan-Dec 2020
Profit/loss for the period	18.8	14.5	49.1
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</b>			
Translation differences	19.6	7.8	-34.4
Effects from cash flow hedges	8.5	6.7	-3.3
Deferred tax	-1.7	-1.4	0.7
<b>Total Result related to Parent company's shareholders</b>	<b>45.2</b>	<b>27.5</b>	<b>12.2</b>



## STATEMENT OF FINANCIAL POSITION

Doro – Group (SEKm)	2021 31-Mar	2020 31-Mar	2020 31-Dec
<b>Non-current assets</b>			
Intangible assets	761.6	698.4	752.6
Property, plant and equipment	120.7	139.6	123.0
Financial assets	4.0	6.8	4.2
Deferred tax asset	13.2	16.0	13.9
<b>Current assets</b>			
Inventories	207.0	250.9	224.4
Current receivables	276.6	326.7	292.6
Cash and cash equivalents	123.8	172.4	170.6
<b>Total assets</b>	<b>1,506.9</b>	<b>1,610.8</b>	<b>1,581.3</b>
Shareholders' equity attributable to Parent company's shareholders	849.7	809.3	804.5
Long term liabilities	225.3	357.4	261.0
Current liabilities	431.9	444.1	515.8
<b>Total shareholders' equity and liabilities</b>	<b>1,506.9</b>	<b>1,610.8</b>	<b>1,581.3</b>

### Financial instruments valued at fair value on the balance sheet. SEK million

	2021 31-Mar	2020 31-Mar	2020 31-Dec
Exchange rate contracts recorded as current liability	3.0	8,3	12,8
Exchange rate contracts recorded as current receivable	7.3	14,5	3,1
Financial instruments valued at fair value consist of currency derivatives and these are valued at level 2			

## STATEMENT CASH FLOWS

Doro – Group (SEKm)	Quarter 1 2021	Quarter 1 2020	Jan-Dec 2020
Operating profit/loss after depreciation and write-downs.	17.4	15.2	85.7
EBIT			
Depreciation according to plan	30.5	28.5	118.2
Net paid financial items	-0.9	-1.5	-6.3
Unrealized exchange rate differences in cash flow hedges	-4.4	5.8	0.6
Taxes paid	-10.7	-26.2	-26.7
Changes in working capital (incl changes in provisions)	-68.3	-24.3	72.3
<b>Cash flow from current activities</b>	<b>-36.4</b>	<b>-2.5</b>	<b>243.9</b>
Investments in intangible and tangible fixed assets	-11.2	-19.5	-63.5
<b>Total Free Cash flow before acquisitions</b>	<b>-47.6</b>	<b>-22.0</b>	<b>180.4</b>
Acquisitions	0.0	-0.7	-38.2
<b>Cash flow from investment activities</b>	<b>-11.2</b>	<b>-20.2</b>	<b>-101.7</b>
Amortisation of debt	-5.4	-5.2	-155.3
Warrant program, new/buy back	0.0	0.0	0.0
<b>Cash flow from financial activities</b>	<b>-5.4</b>	<b>-5.2</b>	<b>-155.3</b>
Exchange rate differences in cash and cash equivalents	6.2	1.8	-14.8
<b>Change in liquid funds</b>	<b>-46.8</b>	<b>-26.1</b>	<b>-27.9</b>
<b>Net cash</b>	<b>0.0</b>	<b>0.0</b>	<b>12.1</b>
<b>Net debt</b>	<b>32.3</b>	<b>129.6</b>	<b>0.0</b>

## STATEMENT OF CHANGES IN EQUITY

Doro – Group (SEKm)

	2021 31-Mar	2020 31-Mar	2020 31-Dec
<b>Opening balance</b>	<b>804.5</b>	<b>781.8</b>	<b>781.8</b>
Total Result related to Parent company's shareholders	45.2	27.5	12.2
Acquisition of subsidiaries net assets	0.0	0.0	10.5
<b>Closing balance</b>	<b>849.7</b>	<b>809.3</b>	<b>804.5</b>

## OTHER KEY FIGURES

Doro – Group (SEKm)

	2021 31-Mar	2020 31-Mar	2020 31-Dec
EBITA, SEKm	19.9	18.3	95.0
Equity/assets ratio, %	56.4	50.2	50.9
Number of shares at the end of the period, thousands	23,998	23,766	23,998
Number of shares at the end of the period after dilution, thousands*	23,998	23,766	23,998
Equity per share, SEK	35.41	34.05	33.52
Equity per share, after dilution SEK*	35.41	34.05	33.52
Return on average share holders' equity, %	6.5	9.7	2.6
Return on average capital employed, %	10.2	11.8	9.9
Share price at period's end, SEK	59.00	26.65	46.70
Market value, SEKm	1,415.9	633.4	1,120.7

\*The effect of dilution is considered only when the effect on earnings per share is negative.

## INCOME STATEMENT

Business Area (SEKm)

	Note	Quarter 1 2021	Quarter 1 2020	Jan-Mar 2020
Net sales Doro Care		138.0	130.3	524.1
Net sales Doro Phones		198.7	293.9	1,165.2
<b>Total Net sales</b>		<b>336.7</b>	<b>424.2</b>	<b>1,689.3</b>
Gross profit Doro Care		57.3	53.2	217.2
Gross profit Doro Phones		69.7	89.8	352.7
<b>Total Gross profit</b>		<b>127.0</b>	<b>143.1</b>	<b>570.0</b>
Operating profit/loss (EBIT) Doro Care		7.7	7.2	38.7
Operating profit/loss (EBIT) Doro Phones		12.7	9.9	71.5
Non-allocated operating expenses		-3.0	-1.9	-24.5
<b>Total Operating profit/loss after depreciation and amortisation (EBIT)</b>		<b>17.4</b>	<b>15.2</b>	<b>85.7</b>

## DORO CARE

### INCOME STATEMENT

Doro Care (SEKm)	Note	Quarter 1 2021	Quarter 1 2020	Jan-Dec 2020
Net sales		138.0	130.3	524.1
Cost of goods and services sold		-80.7	-77.1	-306.9
<b>Gross profit</b>		<b>57.3</b>	<b>53.2</b>	<b>217.2</b>
Gross margin, %		41.5	40.8	41.4
Other operating expenses		-49.6	-46.0	-178.5
<b>Operating profit (EBIT)</b>		<b>7.7</b>	<b>7.2</b>	<b>38.7</b>
Operating margin (EBIT margin), %		5.6	5.5	7.4

### NET SALES PER MARKET

Doro Care (SEKm)	Note	Quarter 1 2021	Quarter 1 2020	Jan-Dec 2020
Nordics		67.3	69.9	265.1
UK and Ireland		61.5	53.6	226.1
Other		9.2	6.8	32.9
<b>Total</b>		<b>138.0</b>	<b>130.3</b>	<b>524.1</b>

### KEY RATIOS DORO CARE

Doro Care (SEKm)	Note	Quarter 1 2021	Quarter 1 2020	Jan-Dec 2020
Number of subscriptions (thousands)		371.0	316.0	372.0
Product sales		26.5	26.6	105.4
Service sales		111.5	103.6	418.7
Investments in product development		7.4	5.0	21.9

## DORO PHONES

### INCOME STATEMENT

Doro Phones (SEKm)	Note	Quarter 1 2021	Quarter 1 2020	Jan-Dec 2020
Net sales		198.7	293.9	1,165.2
Cost of goods and services sold		-129.0	-204.1	-812.5
<b>Gross profit</b>		<b>69.7</b>	<b>89.8</b>	<b>352.7</b>
Gross margin, %		35.1	30.6	30.3
Other operating expenses		-57.0	-79.9	-281.2
<b>Operating profit (EBIT)</b>		<b>12.7</b>	<b>9.9</b>	<b>71.5</b>
Operating margin (EBIT margin), %		6.4	3.4	6.1

### NET SALES PER MARKET

Doro Phones (SEKm)	Note	Quarter 1 2021	Quarter 1 2020	Jan-Dec 2020
Nordics		49.0	54.0	232.1
West and South Europe and Africa		83.4	89.1	366.0
Central and Eastern Europe		45.8	71.8	292.6
UK and Ireland		21.9	42.3	171.5
North America		1.3	42.0	99.9
Other		-2.7	-5.3	3.1
<b>Total</b>		<b>198.7</b>	<b>293.9</b>	<b>1,165.2</b>

### KEY RATIOS PHONES

Doro Phones (SEKm)	Note	Quarter 1 2021	Quarter 1 2020	Jan-Dec 2020
Order book		88.5	115.9	70.8
Order intake		216.4	311.4	1,137.6
Investments product development		3.1	8.5	25.2

## PARENT COMPANY

### INCOME STATEMENT

Parent company (SEKm)

	Note	Quarter 1 2021	Quarter 1 2020	Jan-Dec 2020
Net sales		233.8	313.5	1 266.8
Cost of goods and services sold		-146.8	-207.9	-853.3
<b>Gross profit</b>		<b>87.0</b>	<b>105.6</b>	<b>413.5</b>
Operating expenses		-88.0	-91.5	-365.2
<b>Operating profit/loss (EBIT)</b>		<b>-1.0</b>	<b>14.1</b>	<b>48.3</b>
Net financial items		10.2	6.9	-13.5
<b>Profit/loss after financial items</b>		<b>9.2</b>	<b>21.0</b>	<b>34.8</b>
Group contribution		0.0	0.0	0.0
Taxes		-2.6	-5.4	-11.3
<b>Profit/loss for the period</b>		<b>6.6</b>	<b>15.6</b>	<b>23.5</b>

### STATEMENT OF COMPREHENSIVE INCOME

Parent Company (SEKm)

	Note	Quarter 1 2021	Quarter 1 2020	Jan-Dec 2020
Profit/loss for the period		6.6	15.6	23.5
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</b>				
Effects from cash flow hedges		8.5	6.7	-3.3
Deferred tax		-1.7	-1.4	0.7
<b>Total Result related to Parent company's shareholders</b>		<b>13.4</b>	<b>20.9</b>	<b>20.9</b>

### STATEMENT OF FINANCIAL POSITION

Parent Company (SEKm)

	2021 31-Mar	2020 31-Mar	2020 31-Dec
<b>Non-current assets</b>			
Intangible assets	280.7	323.1	292.1
Property, plant and equipment	20.6	22.0	21.3
Financial assets	410.4	301.8	402.5
<b>Current assets</b>			
Inventories	162.6	197.0	181.3
Current receivables	359.6	501.0	432.8
Cash and cash equivalents	73.0	101.3	109.9
<b>Total assets</b>	<b>1,306.9</b>	<b>1 446.2</b>	<b>1,439.9</b>
Shareholders' equity attributable to Parent company's shareholders	555.7	531.8	542.3
Provisions	60.7	70.2	67.0
Long term liabilities	126.7	220.0	125.9
Current liabilities	563.8	624.2	704.7
<b>Total shareholders' equity and liabilities</b>	<b>1,306.9</b>	<b>1,446.2</b>	<b>1,439.9</b>

## Note 1 - Business combinations

### FirstCall 24/7

On 1 February 2021, Doro acquired FirstCall 24/7 from Trent and Dove Hpusing. The acquisition means that Doro takes over the customer agreements for the business. The purchase price was paid in cash, GBP 1.00 on a debt free basis. FirstCall 24/7 had annual sales in 2019/20 of 0.5 million GBP.

### Preliminary information about the acquisition is given below, fair value SEK million

Intangible assets	1.5
Accrued expenses	-1.5
Acquired net assets	0.0
Goodwill	0.0
<b>Total purchase price</b>	<b>0.0</b>
<b>Effect of the acquisition on group cash flow</b>	<b>0.0</b>

## FINANCIAL DEFINITIONS

<b>Average number of shares after dilution</b>	The average number of shares adjusted for the dilution effect of subscription options calculated as the difference between the presumed number of shares issued at the redemption price and the presumed number of issued shares at the average market price for the period.
<b>Profit per share</b>	Profit after tax divided by the average number of shares for the period.
<b>Profit per share after dilution</b>	Profit after tax divided by the average number of shares for the period after the dilution effect.
<b>Number of shares at end of period after dilution effect</b>	The number of shares at the end of the period adjusted for the dilution effect of subscription options calculated as the difference between the presumed number of shares issued at the redemption price and the presumed number of issued shares at the market price at the end of the period.
<b>Equity per share</b>	Equity on the balance date divided by the number of shares on the balance date.
<b>Equity per share after dilution</b>	Equity on the balance date divided by the number of shares at the end of the period after dilution effects.
<b>Net liabilities/Net cash</b>	Cash and bank deposits less interest-bearing liabilities
<b>Market value, SEK million</b>	Share price at the end of the period times the number of shares at the end of the period.

### Use of non-IFRS results measurement

Guidelines regarding alternative key figures for companies with securities listed on a regulated market within the EU have been issued by the ESMA (European Securities and Markets Authority). These guidelines shall be applied to alternative key figures that are used with effect from 3 July 2016. The interim report has references to a number of non-IFRS result measurements that are used to help both investors and management in analysing the company's activities. Below we describe the non IFRS result measurements that are used as a supplement to the financial information that is reported according to IFRS.

## Description of financial result measurements that are not found in the IFRS rules

Non-IFRS result measurement	Description	Reason for use of measurement
<b>Restructuring costs</b>	Costs of impairment and personnel costs in connection with restructuring.	This measurement shows the specific costs that arise in connection with restructuring of a specific activity, which contributes to better understanding of the underlying cost level in the ongoing operational activities.
<b>Gross margin %</b>	Net sales minus cost of goods and services sold as a percentage of net sales.	The gross margin is an important measurement for showing the margin before other costs.
<b>Sales growth comparable units %</b>	Net sales for the period minus net sales for companies acquired during the period minus net sales for the corresponding period in the previous year as a percentage of net sales for the corresponding period in the previous year.	Sales growth comparable units shows the group's organic growth excluding company acquisitions.
<b>Currency adjusted sales growth %</b>	Net sales for the period recalculated with exchange rates for the corresponding period the previous year minus net sales for the corresponding period the previous year as a percentage of net sales for the corresponding period the previous year.	This measurement shows sales growth with currency effects cancelled out.
<b>Equity ratio</b>	Equity expressed as a percentage of total assets	A traditional measurement for showing financial risk, expressed as the percentage of the total capital that is financed by the owners.
<b>Return on average equity</b>	Rolling 12-month profit, after financial items and tax, divided by average equity.	Shows from a shareholder perspective what the return is on the owners' invested capital.
<b>Capital employed</b>	Total assets less non-interest-bearing liabilities and cash and bank deposits.	The measurement shows how much total capital is used in the operation and is thus the only component in measuring return from the activities.
<b>Return on average capital employed</b>	Rolling 12-month operating profit divided by the average quarterly capital employed	The key measurement for measuring the return on all the capital in the company.
<b>Number of subscription customers</b>	Number of subscription customers connected to alarm reception.	This measurement shows the volume of customers in the services activities.
<b>Unallocated operating expenses</b>	Central operating expenses not allocated to the business segments. Doro Care and Doro Phones. These expenses include acquisition costs, restructuring costs, amortisation of values identified at company acquisitions and effects of accounting of leases in accordance with IFRS 16.	These operating expenses are not allocated to the business segments so that the EBIT of the business segments shows the profitability excluding costs related to restructuring, acquisitions and IFRS 16-effects. This agree with how the business segments are measured internally.

## Calculation of financial result measurements that are not found in the IFRS rules

	Quarter 1 2021	Quarter 1 2020	Quarter 1 2021	Quarter 1 2020
<b>Currency adjusted sales growth (SEK million)</b>				
Currency adjusted sales growth	-69.6	-52.7		
Currency effect	-17.9	10.7		
<b>Reported sales growth</b>	<b>-87.5</b>	<b>-42.0</b>		
<b>Capital employed</b>				
Total assets			1,506.9	1,610.8
-non-interest-bearing liabilities			459.3	502.0
-cash and cash equivalents			123.8	172.4
<b>Reported capital employed</b>			<b>923.8</b>	<b>936.4</b>

## Confirmation by the Board

The board and managing director affirm that this interim report provides an accurate overview of the operations, position and earnings of the company and group and that it also describes the principal risks and uncertainty factors faced by the company and its subsidiaries.

This interim report has not been reviewed by the Company's auditors

Malmö, 29 April 2021

Lennart Jacobsen  
Chairman of the Board

Henri Österlund  
Deputy Chairman of the Board

Tova Jexmark  
Board member

Juha Mört  
Board member

Josephine Salenstedt  
Board member

Cecilia Ardström  
Board member

Mona Sahlberg  
Board member

Carl-Johan Zetterberg Boudrie  
CEO



## REPORT DATES

Q2-report. January-June 2021:  
Q3-report. January-October 2021:

16 July 2021  
22 October 2021

The Annual General Meeting 2021 will be held in Malmö on 29 April 2021, and will be conducted pursuant to so called mail-in procedures.

## CONTACT

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E-mail: [ir@doro.com](mailto:ir@doro.com)

## WEBCAST

A webcast conference call will be held on Thursday 29 April at 9.00 am (CET) when President and CEO Carl-Johan Zetterberg Boudrie will present the report. The webcast is accessed at <https://tv.streamfabriken.com/doro-q1-2021>. The presentation material is available on Doro's financial website <http://www.doro.com/corporate>.

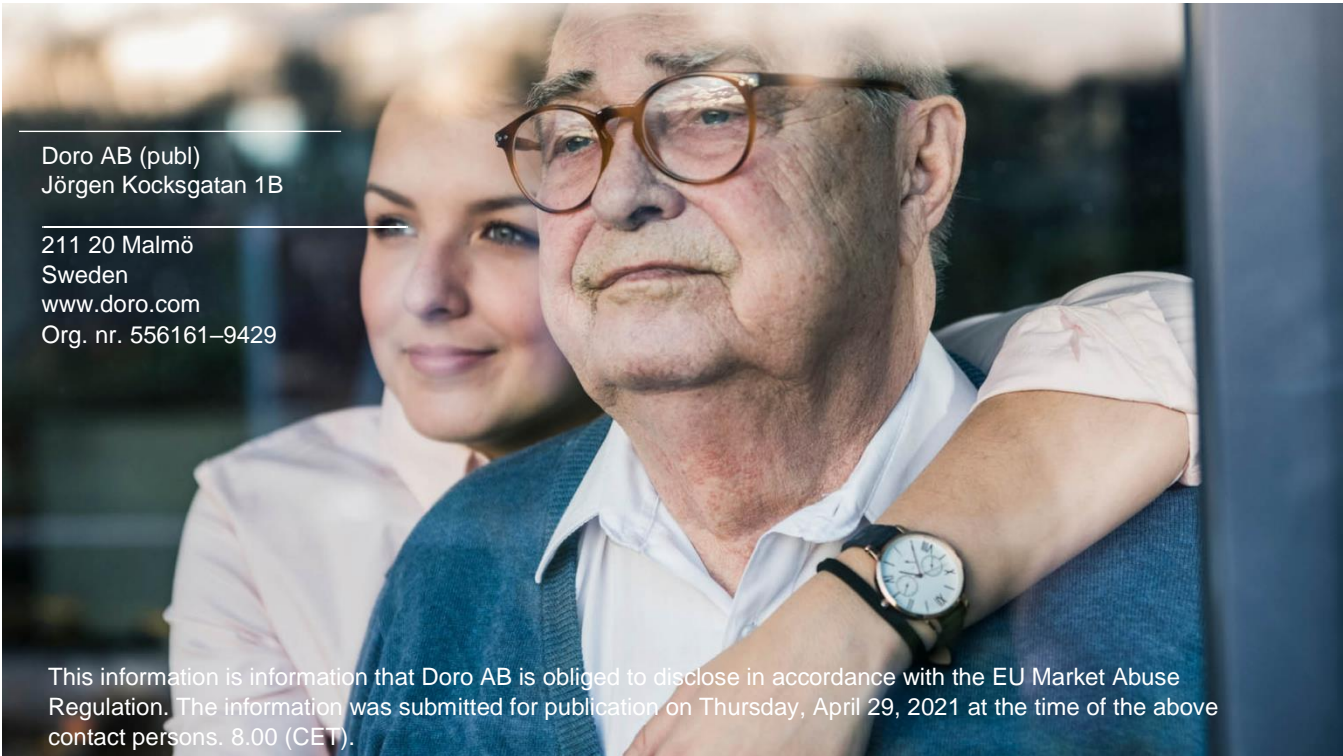
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This information is information that Doro AB is obliged to disclose in accordance with the EU Market Abuse Regulation. The information was submitted for publication on Thursday, April 29, 2021 at the time of the above contact persons. 8.00 (CET).