



ANNUAL REPORT 2022
WITH SUSTAINABILITY REPORT

A photograph of two men walking on a dirt path on a golf course. The man on the left is wearing a pink polo shirt, green trousers, and a white glove on his left hand. He is pushing a golf trolley. The man on the right is wearing a blue polo shirt, tan trousers, and a brown hat. They are surrounded by tall grass and large trees with green leaves. The scene is brightly lit, suggesting a sunny day.

A safe and fulfilling life
with senior-friendly technology

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The formal annual accounts can be found on pages 29-31, 43-73 and on page 83.



” Doro makes technological breakthroughs available to seniors – helping them to live better lives.

Europe's leading technology brand for seniors

909

SEK million in turnover
in 2022

>1.7

million units sold

4

strong regions – the Nordics,
FraBel, UK and DACH

200

telecom operators, distributors, specialists and
resellers in Doro's own network in 27 countries

Founded in 1974 in Sweden, Doro has a strong heritage of Swedish innovation and customer focus as part of our offering. Helping seniors is at the heart of our business. By adapting today's and tomorrow's technology, we ensure that seniors can live active and independent lives. Our customers' trust in the Doro brand is our most important asset. Seniors and their families know that when they buy Doro, they are getting a high-quality product specifically tailored to their needs.

THE FUTURE OF SENIOR-FRIENDLY TECHNOLOGY COMES FROM DORO

Products and services based on senior-friendly technology are an underdeveloped market with huge potential. Doro leverages its strong brand and broadens its offering beyond telephony to a number of defined segments where seniors' needs for customised technology are greatest. In 2022, we introduced a Smartwatch and a Tablet that have been well received across our markets.

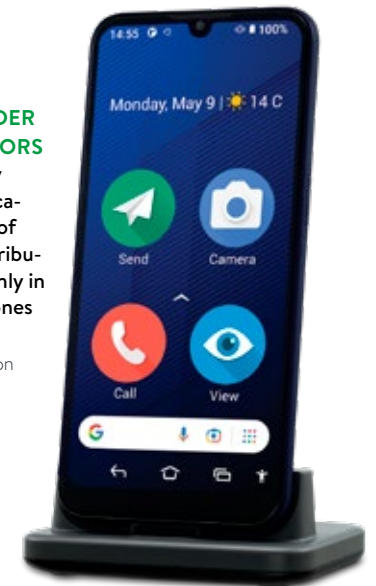
» Read more about the adapted technology of the future on pages 18–19.



THE EUROPEAN MARKET LEADER IN MOBILE PHONES FOR SENIORS

Doro's proprietary senior-friendly phones, mobile phones and applications are sold through a network of over 300 telecom operators, distributors, specialists and retailers, mainly in Europe. More than 1.7 million phones were sold in 2022.

» Read more about Doro's wide offer on pages 16–17.



A year marked by global challenges

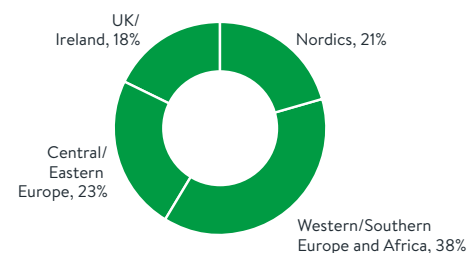
2022 turned out not to be the recovery year that many had hoped for. Two years of a pandemic were succeeded by the brutal conflict in Ukraine and the ensuing challenges that have affected both people and businesses. Doro has been impacted heavily by the economic situation, but still managed to deliver a positive result and to start its diversification strategy with launches of new product areas during the year.

The year was characterized early on by difficulties in the supply chain and by a generally dampened buying desire in the wake of the conflict in Ukraine. This was followed by rapidly increasing energy prices, rampant inflation and high interest rates, which resulted in low demand throughout the year. Doro had to put a lot of work into securing components and shipping in the first half of the year but managed to maintain a good delivery level, even though we were hit with increased costs. Despite the many challenges, Doro

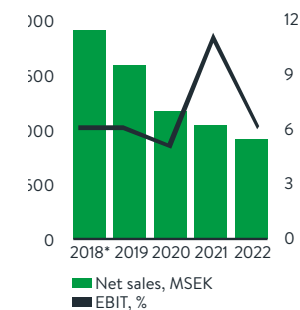
largely managed to maintain our market shares and achieve a positive result. In line with our strategy to develop a complete Doro ecosystem, during the year we introduced our first product outside the phone family, the Doro Smart Watch, which was launched in September at the IFA fair in Berlin. In addition, we presented our new generation of 4G phones, which were received very positively. Our work around direct sales was also intensified as were new ways of working together to increase our visibility in consumer electronics stores.



SHARE OF NET SALES BY REGION



NET SALES AND EBIT



*Prior to 2019, no standalone income statement was reported for Phones which means that the 2018 figures cover the entire Doro business.

ANNUAL COMPARISON KEY FIGURES

	2022	2021
Net sales, SEK million	909.5	1,039.6
Gross margin, %	34.9	36.5
EBITDA, SEK million	100.4	184.2
EBITDA margin, %	11.0	17.7
EBIT	55.4	118.7
EBIT margin, %	6.1	11.4
Equity/assets ratio, %	52.6	42.7
Number of employees	110	116
Free cash flow, SEK million	35.1	-49.2

THIS YEAR'S HIGHLIGHTS

• DORO STRENGTHENS ITS 4G OFFER FOR FEATUREPHONES

With the phasing out of 2G and 3G networks, securing a strong position within 4G telephony has been crucial for our featurephones business.

Solid in-house design and development work over time resulted in us being able to launch a completely new generation of 4G phones in 2022. These are so-called back-to-basics models with a clear focus on simplicity and ease-of-use rather than complex functions. The reaction from the market has been very positive and demand from our largest operators has been high.

» Read more about Doro's DNA and our development work on page 11.

• DORO ANCHORING ITS NEW STRATEGY WITH LAUNCHES OUTSIDE TELEPHONY

In 2022, we began the implementation of our new strategy which focuses on strengthening our leading position in senior phones, while at the same time leveraging our strong brand to broaden our offer outside of telephony to a number of well-defined segments where there is a great need for adapted technology for seniors.

Much focus has been on developing new products for categories outside of telephony and meeting customers and presenting the products.

In the second half of the year, Doro returned after the years of the pandemic as an exhibitor to the large IFA fair in Berlin. It was inspiring to once again be able to meet so many of our customers and consumers all at the same place. At IFA, we introduced our first products outside the phone family, the Doro Smart Watch and Doro Tablet, as a start in our strategy to develop a complete Doro ecosystem. Both launches received very positive feedback, not least the Doro Smart Watch, which fulfils an overlooked need for simplicity and easy-to-use features.

» Read more about Doro's expanded offer on pages 18–19.

• DORO INTRODUCES INNOVATIVE WAYS TO MEET ITS CUSTOMERS

With fewer sales channels and new consumption patterns, it has become more and more important to find creative solutions to meet our customers in the right way and in the right place, not least in times of declining demand.

During the year, we expanded our online operations in the UK with the launch of our products on a new platform. We also relaunched our own web shop with logistical solutions adapted to post-Brexit conditions. At the same time, Doro has initiated collaborations with traditional customers that allows us to achieve better visibility in stores via so-called end-cap solutions and shop-in-shop. On the marketing side, Doro has been active with, among other things, increased co-operation with several "old influencers". Doro also launched a new collaboration with senior German rock star Doro Pesch and the German Golf Association.

» Read more about our vision and our strategies on pages 12–13.



Four reasons for investing in Doro

Doro has been listed on Nasdaq Stockholm Small Cap (DORO) since 1993. Over time, we have built one of Europe's leading brands for senior-friendly technology. There are four strong factors that help create value and point the way forward.

1 GREAT POTENTIAL FOR THE FUTURE – DORO IS WELL POSITIONED FOR GROWTH

Doro's business is characterised by a long history of innovation, technology development and a deep understanding of the needs of seniors. With our position and strong brand, we will continue to strengthen our phone offerings while expanding our offering into other areas where senior-friendly technology can make a difference.

3 LEADING POSITION IN EUROPE, STRONGEST BRAND

With more than 1.7 million phones sold per year, Doro is the market leader in Europe in senior-friendly phones. Surveys in our key markets show that more than 40 million customers recognise the value of our brand. Doro stands for quality and reliability and belongs to the premium segment of the market.

2 OPERATING IN A MARKET WITH ATTRACTIVE AND LONG-TERM GROWTH

By 2030, 23 percent of the EU population will be 65+, approximately 123 million seniors (2015: 96 million). Seniors (born 1945–1964) control 70 percent of disposable income but 89 percent of them feel that brands are not interested in seniors. As the strongest senior brand in Europe, Doro can take advantage of these trends.

4 CONTRIBUTING TO THE SUSTAINABLE DEVELOPMENT OF SOCIETY

The core of our business is based on the needs of senior citizens. Reducing the exclusion of older people is an important contribution to the sustainable development of society. In addition, we take our responsibility to reduce our environmental footprint by, for example, extending the lifetime of products and making greener material and logistics choices, as well as ensuring high business ethics.



The Doro share

PRICE DEVELOPMENT AND MARKET VALUE

The Doro share is listed on Nasdaq Stockholm and is part of the small cap segment for companies with a market value of up to EUR 150 million. After the spin-off of the Care business (Careium) in December 2021 the Doro share is traded based on the company's operations without the business area Doro Care (Careium). On December 30, 2022 the Doro share closed at SEK 14.86, a decrease of 48.0 percent.

Doro's market value at the end of 2022 amounted to SEK 362 million (752). A total of around 5.6 million shares were traded in 2022 (9.9) with an average daily turnover of 22,014 shares (39,302). The Stockholm Stock Exchange's industry index OMX technology, which includes the Doro share, went down a total of 36.4 percent in 2022. The Stockholm Stock Exchange as a whole went down 12.2 percent.

SHARE CAPITAL

At the Annual General Meeting in April 2022, it was decided, in accordance with the Board's proposal, to authorise the

Board on one or more occasions and before the next Annual General Meeting to decide on a new issue of shares to a number not exceeding 10 percent of the total number of outstanding shares in the Company.

At the same Annual General Meeting, it was resolved, in accordance with the Board's proposal, to authorise the Board to make decisions on the acquisition of own shares to a number that at any given time does not exceed 10 percent of all shares in the Company.

The authorization to carry out a new share issue was not exercised in 2022.

INVESTOR RELATION

The Doro share is regularly monitored by analysts at Redeye, for current analyses see www.redeye.se/bolag/doro.

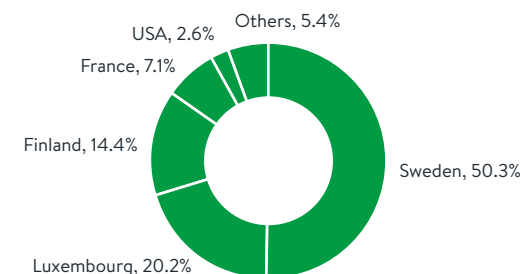
In connection with the Company publishing quarterly reports, the CEO chairs a webcast presentation of the report. The webcast, which is normally run at 9:00 a.m. on the reporting day, can be accessed via the Company's website <https://doro.com/>

corporate. For those who so wish, it is also possible to ask the CEO questions in connection with these presentations. In addition to the quarterly report presentations, the CEO is also available for meetings and telephone conferences with investors, analysts and owners throughout the year.

DIVIDEND

Dividends to shareholders shall constitute 33 percent of the net profit (however, taking into account the capital structure and share repurchases). The Board proposes that no dividend be paid for 2021.

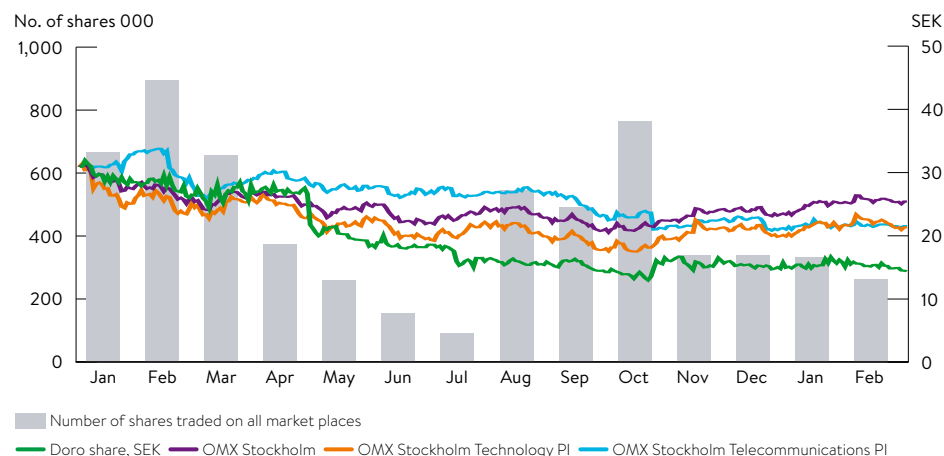
INVESTORS BY COUNTRY



SHARE DISTRIBUTION IN SIZE CLASSES

Shareholding	Number of shareholders	% of all owners
1-500	4,004 (4,358)	78.8 (78.4)
501-1,000	520 (568)	10.2 (10.2)
1,001-5,000	410 (482)	8.1 (8.6)
5,001-10,000	70 (59)	1.4 (1.1)
10,001-15,000	16 (25)	0.3 (0.4)
15,000-20,000	6 (3)	0.1 (0.1)
Over 20,001	58 (65)	1.1 (1.2)
Total	5,084 (5,560)	100.0

SHARE PRICE DEVELOPMENT TURNOVER, 2022



LARGEST SHAREHOLDERS

31 December 2022		
Ten largest owners	Number of shares	Share of capital and votes, %
RBCB LUX UCITS EX-MIG	4,294,059	17.5
CIDRO FÖRVALTNING AB	3,450,100	14.1
NORDEA NORDIC SMALL CAP FUND	2,785,552	11.4
LAZARD FRERES BANQUE, W8IMY	1,694,000	6.9
FÖRSÄKRINGSAKTIEBOLAGET, AVANZA PENSION	1,398,079	5.7
NORDNET PENSIONS FÖRSÄKRING	960,614	3.9
NORDEA LIVFÖRSÄKRING SVERIGE AB	934,795	3.8
NORDEA BANK ABP, NORDEA BANK AB(PUBL)	588,288	2.4
ORIGINAT AB	500,000	2.0
CBNY-DFA-INT SML CAP V	416,350	1.7
Total	17,021,837	69.4
Total number of shares	24,532,500	100.0

SHARE CAPITAL DEVELOPMENT

Year	Transaction	Change in number of shares	Issue price, SEK	Increase in share capital, SEK million	Paid-in amount, SEK million	Total number of shares
2001	Directed new issue	11,764,705	8.50	11.8	100.0	21,467,859
2005	New share issue	7,141	1.00	0.0	0.0	21,475,000
2005	Reverse split, 5:1	-17,180,000	0.00	0.0	0.0	4,295,000
2006	New share issue, 3:1	12,885,000	6.00	64.4	71.2	17,180,000
2006	Offset issue	227,631	7.66	1.1	1.5	17,407,631
2009	Directed new issue	1,700,000	9.50	1.7	16.2	19,107,631
2011	Directed new issue	241,543	25.56	0.2	6.3	19,349,174
2013	Directed new issue	1,457,000	27.89	1.5	40.6	20,806,174
2014	Option programme	398,309	35.30	0.4	14.1	21,204,483
2015	Directed new issue	2,033,772	41.50	2.0	84.4	23,238,255
2017	Option programme	517,000	42.00	0.5	21.7	23,755,255
2018	Directed new issue	449,313	42.60	0.4	19.2	24,204,568
2021	Option programme	327,932	63.8	0.4	20.9	24,532,500

DATA PER SHARE

Transaction	2022	2021	2020	2019	2018	2017
Number of shares at year-end, thousands ¹⁾	24,326	24,326	23,998	23,766	23,766	23,755
Share price at year end, SEK	14.90	30.90	46.70	50.50	34.15	43.70
Highest paid	31.90	70.00	51.20	52.20	48.55	60.75
Lowest paid	13.00	26.20	25.60	32.20	33.35	42.10
Market value at year-end, SEK million	362	752	1,121	1,200	812	1,038
Quota value, SEK	1.00	1.00	1.00	1.00	1.00	1.00
Profit for the year, SEK*	1.70	3.46	2.06	3.28	3.86	2.83
Cash flow per share ²⁾ *	3.00	1.27	10.16	10.20	9.33	5.03
Visible equity, SEK	19.50	17.38	33.52	32.89	28.77	24.57
Dividend, SEK	0	0	0	0	0	0
Dividend, share of net profit, %	0	0	0	0	0	0
P/E-figure ³⁾ *	8.9	8.9	22.7	15.4	8.85	15.44
Direct return, % ⁴⁾ *	0	0	0	0	0	0

1) Share excl. treasury shares.
 2) Cash-flow from operating activities divided by the number of shares before dilution at year-end.
 3) Share price at year-end divided by profit per share for the year.
 4) Dividend per share divided by share price at year-end.
 *For the remaining activities for 2021.

Doro stands strong despite the global challenges

The Covid pandemic had an impact on the home electronics industry throughout 2021 and that negative trend also to some extent continued into 2022. Just when the last restrictions had been lifted and the industry started to hope for a return to more normal conditions, Russia brutally invaded Ukraine.

Not only did a humanitarian crisis with great suffering and millions of people on the run follow in the wake of the Russian invasion but also it also amplified the problems caused by the pandemic. The rise in prices of raw materials and energy did not abate, goods that had not previously been in short supply became hard to come by. Furthermore, costs for shipping and logistics remained high and faced further challenges as transport could no longer take place over Ukrainian airspace.

Consumers in Europe felt concerned for their own safety as well as their personal finances and were hit by both sky-high interest rates and higher inflation with sharply rising costs in many areas, not least food, heating and fuel costs. As a consequence of this, consumer interest for making purchases decreased sharply and the uncertain political and economic situation

” Despite challenges, we are still satisfied with being able to deliver good numbers in 2022.

made consumers adopt a very cautious and wait-and-see attitude in general for discretionary goods and for home electronics in particular.

The consumer electronics industry also had a difficult year in 2022 too. This was perhaps above all true in Sweden, where there were few or no store closures during Covid, but where the peak in the home electronics industry then quickly subsided once the pandemic had dissipated. In other European markets, on the other hand, satisfying the purchasing needs that had been depressed during the pandemic took a little longer. For the consumer electronics industry in general, the contrast was significant compared to the pandemic years of 2020 and 2021, when people – isolated in their homes – purchased large amounts of consumer electronics.

Despite the many difficulties during the year, Doro has stood strong. Certainly, we



were also affected by much higher dollar rates and major problems in our sourcing and our product lines, for example in terms of integrated circuits, microchips and semiconductors, which resulted in longer waiting times, and without these delays and supply chain issues, our sales could have been higher. But despite these challenges, we are still satisfied that we can deliver great numbers in 2022, in terms of EBIT and cash flow.

Our market share at the end of the year has remained largely unchanged, with Doro products listed with all major operators, wholesalers and retailers, giving us good hope of a return to growth once the market picks up. During the past year, the shift in technology within feature phones also increased from 2G and 3G to 4G networks, and here we are well positioned, not least through the launches of our new generation of back-to-basic 4G models. In other words, our telephone business has flowed on despite reduced demand.

But in addition, to our great delight, we have also succeeded in launching two completely new non-telephone-based categories during the year. First, the Doro SmartWatch, a simple but high-quality watch in a classically elegant design, which, with its large display, very long battery life and smart functions such as step and heart-rate counters is ideal for seniors. The Doro

” To our great delight, we have succeeded in launching two completely new non-telephone-based categories during the year.

SmartWatch can be used both with Doro and non-Doro phones, although a Doro phone is needed to access the total alarm function. In addition, we also launched the Doro Tablet, our Android-based tablet, which has all the functions a modern tablet needs but is also tailored to meet the special needs of seniors, such as a very bright screen with large icons, four powerful speakers for optimal sound, robust shell that can withstand handling, and very good battery life.

Other great news during the year is that our work to reduce licencing costs has progressed and we have seen a clearly positive development in 2022. The challenges during the year in the consumer electronics industry meant that some of our customers had to close stores and that in turn mean fewer sales channels for us. Therefore, we expanded our strategic investment in direct sales and in marketing, we increased our investment in digital campaigns with good success, especially during

the latter part of the year. As part of this, we also created a dedicated e-commerce team with both central functions and managers in each region and where we will be recruiting more eCom specialists going forward. At the same time, we started an innovative collaboration with selected traditional customers hoping to increase the visibility of our products in their physical stores.

We shall continue to develop the measures we took during the year to strengthen our operations, such as an increased focus on direct sales and our ongoing innovation work around both existing and new categories in the coming years. With our strong positions and our unique customer and technology know-how, I look forward to 2023 and our continued exciting journey towards diversification.

By way of conclusion, I would like to say a big thank you to our customers, suppliers and shareholders for your trust and good cooperation in 2022, and not least to our fantastic employees around the world who reliably continue to deliver high-quality and simple senior-friendly products – a warm thank you to all of you!

Malmö, March 2023

Jörgen Nilsson, CEO Doro AB

WE BRIDGE THE GAP BETWEEN SENIORS AND NEW TECHNOLOGY – IT'S IN DORO'S DNA

The greatly increasing digitization and technology development has given rise to a technology gap between many seniors and younger generations. The goal of Doro's products and services is to close the technology gap by offering value-added, easy-to-use and secure solutions.

The conditions differ from individual to individual as not everyone is blessed to continue enjoying an old age in full health. Even normal aging often means impaired vision, hearing and hand motor skills. In addition, many seniors experience everything from increasing limitations in mobility to the need quickly to contact relatives or care staff to get help in various situations.

Our development expertise is based on in-depth insights into seniors' communication patterns and specific needs. We regularly conduct comprehensive customer research to increase insights into the target group's behavioural patterns. In 2020, the survey included more than 2,000 65-year-old users in our main markets.

A new survey will be conducted in 2023 to measure the impact of the pandemic.

With our own design, testing and development staff in Sweden, France, Great Britain, Norway and China, we adapt modern technology to the needs and preferences of seniors. Clear and conscious requirements means that we can ensure that Doro's hardware and interface provide an improved user experience. Our product development is quality certified according to ISO 9001 and we have clear processes for producing products that meet our customers' requirements.



DORO DNA – DESIGN 100% FOCUSED ON SENIORS

In our design and development work, we focus on what we do best – our strong Doro DNA. Loud and clear sound. Large and clear display. Ergonomic to hold and handle. Increased security in everyday life.

Everything is made to be simple and that the seniors should recognize themselves, but still with modern technology that will work for a long time.

LOUD AND CLEAR SOUND.

Sound optimised for seniors. Different settings and compatibility with hearing aids. Strong vibrations and optimised ringtones. Loudspeaker function. HD Voice that reduces unwanted background noise when speaking.

BIG AND CLEAR

DISPLAY. Quality displays optimised for seniors' vision. Large and clear icons and optimisation of font size.

ERGONOMIC TO HOLD AND HANDLE. Design that makes it easier for the senior. Protective shell in a matt, soft material. Large separated buttons and high visual contrast. Shortcut keys. LEDs that indicate status when the phone is not in use. Easy navigation with Doro's own patented, intuitive action-based interface – EVA. Simple charging is facilitated with table chargers.

INCREASED SECURITY IN EVERYDAY LIFE. SAFETY button that can call for assistance from relatives. Long standby and talk time. Some models can also position itself. Teamviewer app so that relatives can assist with installation.



Doro – the obvious choice for seniors' needs for simple technology products

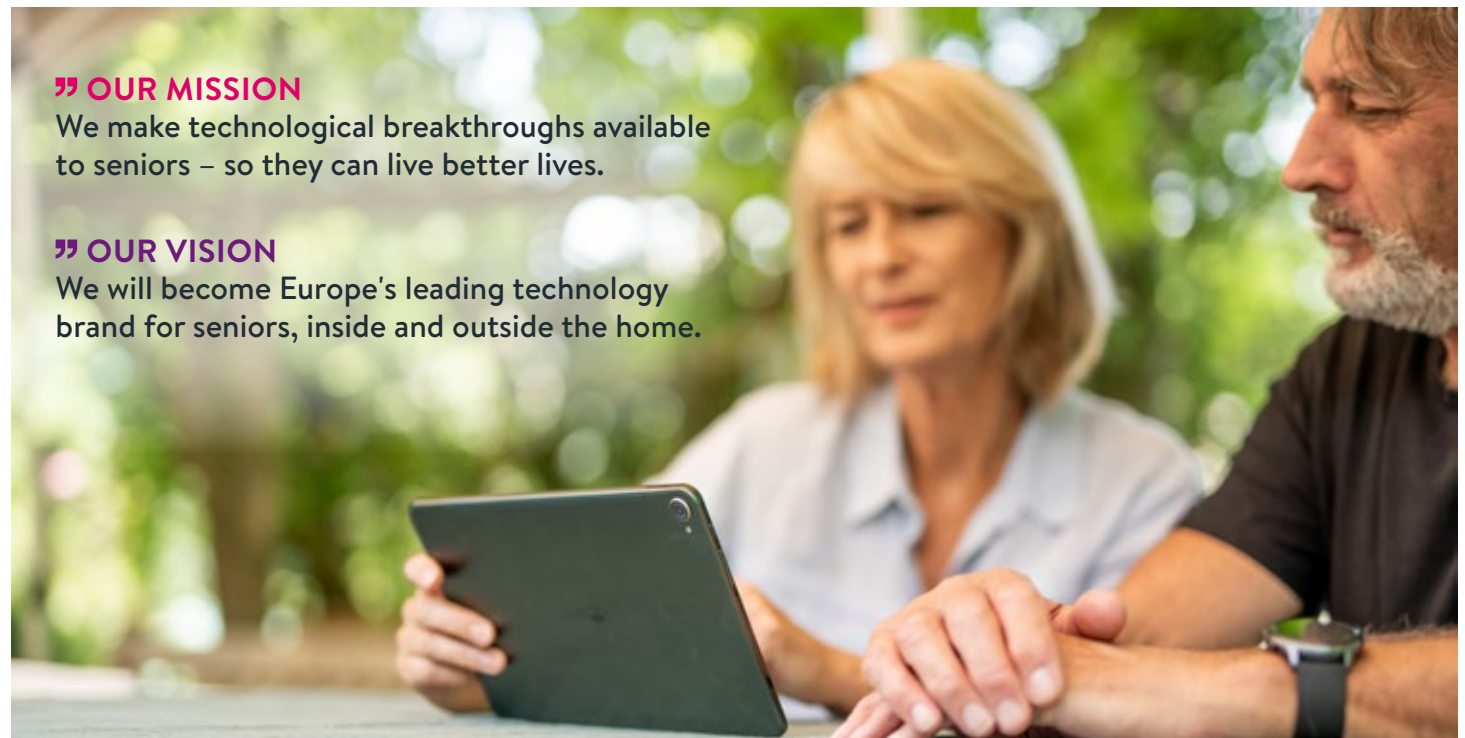
Doro is the market leader in the European market for seniors' phones and has almost 50 years of experience in introducing new technology solutions for seniors. Our new strategy to expand our product portfolio to neighbouring areas remains in place and we are convinced that we can continue to develop our position of strength and create growth in the future as well.

OUR BUSINESS IS BASED ON THE NEEDS OF SENIORS

Doro's vision and mission are clear and reflect both our current position of strength within senior telephones and the future position whose strategy we are now implementing.

The aim of Doro's products and services is to develop today's and tomorrow's technology into safe solutions specially adapted for seniors. We strive always to create premium products with a design that is completely focused on seniors which facilitates and engages seniors with society so that they can continue to live active and content-rich lives despite the challenges that may arise.

The strategy we introduced in 2022 aims to continue developing our position of strength as a European market leader, but will also create further growth by broadening our offer of technology solutions for seniors. The aim is to become the obvious choice for the customised technology needs of all seniors. At home and when out and about



” OUR MISSION

We make technological breakthroughs available to seniors – so they can live better lives.

” OUR VISION

We will become Europe's leading technology brand for seniors, inside and outside the home.

MARKET LEADER IN EUROPE, STRONGEST BRAND FOR SENIORS

With 1.7 million senior phones sold, Doro is the segment's market leader in Europe. Our position provides a valuable platform to take additional market shares and continue to develop the segment.

Annual surveys also show the value of our brand. More than 40 million customers across Europe know our brand and its values. Customers know that Doro stands for senior products that are easy to use, accessible, affordable and reliable. Our strong brand, the only one in the market that caters exclusively to seniors, is of great benefit to us as we accelerate our capabilities and broaden our offering beyond telephony.

A CLEAR STRATEGY WITH TWO DEFINED ELEMENTS

In 2021, Doro decided on a new strategy that focuses on strengthening our already leading position in senior phones and easily accessible safety services such as Response by Doro.

At the same time, we have decided to expand our offering of products and technologies that can be made available to seniors in their homes and daily lives. Categories covered in the strategy relate to technology adapted for seniors in home entertainment, smart home solutions, digital health solutions and senior-adapted communication aids.



Doro's three well-established core values:

TRUST

We build trust by always delivering what we promise.

EASE

Simplicity in our own work and in what we do to simplify everyday life.

CARE

Care and compassion for the needs of others.

AN IMPORTANT CONTRIBUTION TO SOCIETY

Functionality and durability go hand-in-hand and Doro's customers should be able to rely on our products.

Doro's most important contribution to the sustainable development of society is to work to reduce the exclusion of seniors. Our senior-friendly products and services help the elderly to live a more independent, safer and better life.

In addition, we take our responsibility

to reduce our environmental footprint by, for example, increasing product lifetime and making greener material and logistics choices.

Our long-established core values Trust – Ease – Care not only permeate our business culture but are guiding principles when we develop products and not least in collaboration with our employees, customers and end-users. Our Code of Ethics is the bridge to translate these principles into behaviour and action.

THREE STRATEGIC AMBITIONS FOR THE COMING YEARS:

- Growth
- Conservative balance sheet
- Good EBIT margin

The senior market is large, growing and undeveloped

We are living longer and the number of seniors is increasing. At the same time, today's seniors feel that many brands are not interested in them. As the strongest senior brand in Europe, we will take advantage of this companies.

A LARGE AND GROWING MARKET

Rising prosperity, medical advances and large cohorts of people in their 40s, 50s and 60s mean a sharp rise in the number of people who are, or in a few years will be, 65+. By 2030, 23 percent or 123 million, of the EU population will be over 65. This is an increase from 2015 of almost 30 percent.¹

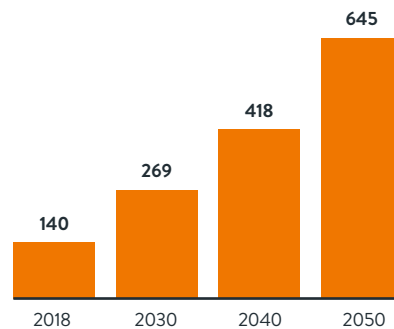
Seniors are a strong and brand loyal group controlling 70 percent of disposable income² and their appetite for technology in everyday life is increasing. Studies in the US show that the market share of seniors 50+ today represents about 50 percent of all technology consumption and the value of their consumption is expected to grow from \$140 billion in 2018 to more than \$400 billion by 2040³. Europe is likely to experience a similar trend.

At the same time, no more than 5–10 percent of marketing is targeted at seniors⁴ and 89 percent of them believe that

brands are not interested in them, their conditions and needs.⁵

Doro is now a well-known senior brand with a platform that can meet the needs of seniors for customised technology. We should take advantage of this.

SPENDING ON TECHNOLOGY, AGE 50+, US MARKET, BILLION USD³



KEY MARKET EVENTS DURING THE YEAR

INCREASED SUSTAINABILITY REQUIREMENTS ON MOBILE PHONES HAVE A MAJOR IMPACT
 During 2022, the EU developed new directives regarding the lifespan and durability of telephones. The directives cover, among other things, spare parts so that end users can carry out simpler repairs themselves and that manufacturers must be able to recycle components. The directives were not fully achieved during the year, but show the way forward and will have a major impact on the industry.

THE DECOMMISSIONING OF THE OLDER TELEPHONE NETWORKS WAS ACCELERATED IN 2022

The technology shift from 2G and 3G to 4G began in earnest during the year, and although the phase-out of the networks takes place at different speeds depending on the market and operator, phone manufacturers already need to adapt to a future where only 4G and 5G are available.

MARKET LEADER WITH STRONG COVERAGE IN EUROPE

In 2022, Doro sold more than 1.7 million senior phones mainly in Europe. In Europe's largest markets, Doro's market share of senior mobile phones is more than half in terms of volume (55.6 percent) and even higher in terms of value (60.3 percent).

Doro's proprietary senior-friendly phones and mobile phones are sold through a network of over 200 telecom

operators, distributors, specialists and retailers in 27 countries.

Doro's marketing organisation is divided into five areas: Nordics (Denmark, Finland, Iceland, Norway and Sweden), FraBel (France, Belgium, Netherlands), UK (including Ireland), DACH (Germany, Austria, Switzerland) and Other markets.

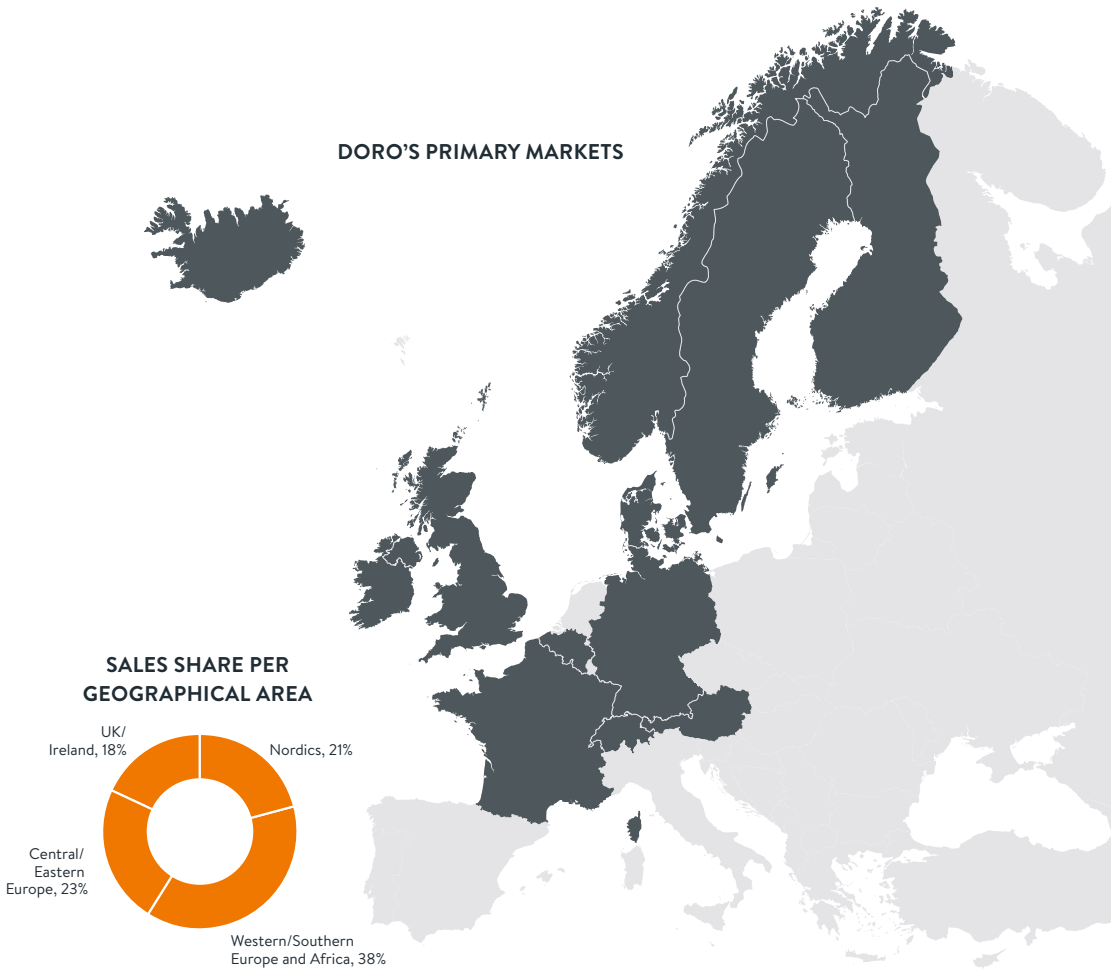
Doro has its strongest position in the Nordic region with a market share of close to 90 percent and is an iconic brand with which almost everyone is familiar. In FraBel and the UK, Doro has a leading position and is a well-known brand among seniors and their families. DACH is Europe's largest market, but also the most competitive market with the greatest growth potential for Doro.

DORO IS THE PREMIUM OPTION WITH THE HIGHEST MARGINS

The market is clearly consolidated and the main competitors in Europe are Nokia, Alcatel and Emporia, which also offer feature phones and smart mobile phones for seniors. Doro is also seeing increased competition from traditional mobile phone manufacturers with applications suitable for seniors.

With a long experience in senior-friendly products and a clear focus on quality and functionality, Doro is the obvious premium option. Over time, the strong brand and Doro's premium products have created difficulties to entry for competitors and allowed Doro to develop strong margins.

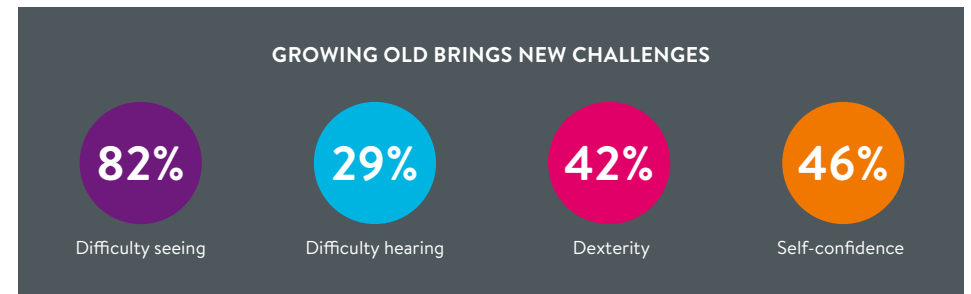
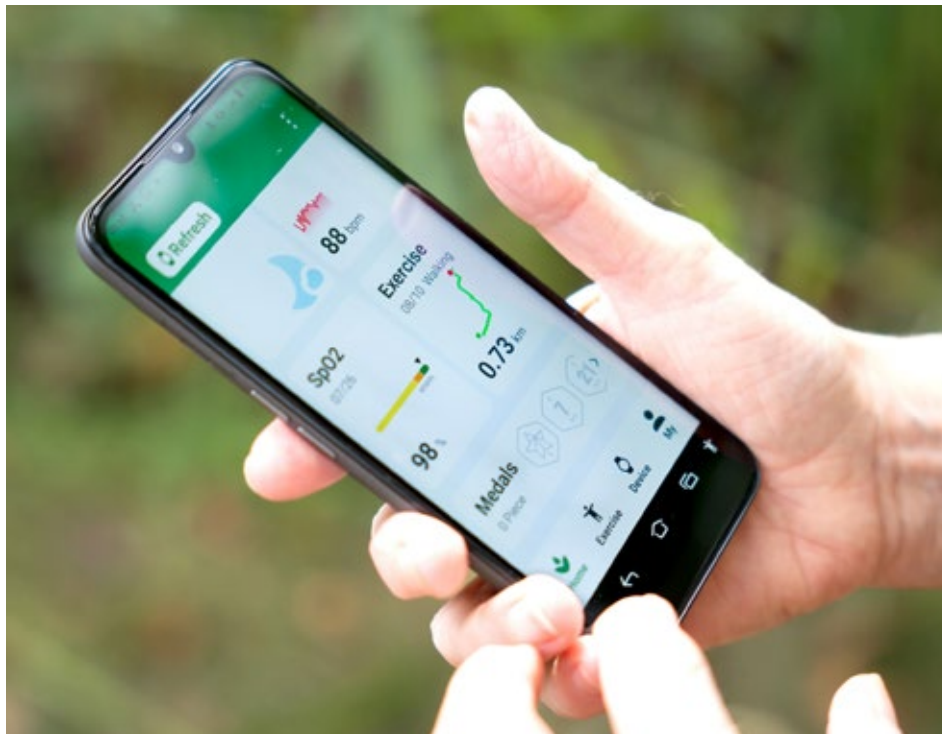
DORO'S PRIMARY MARKETS



- Sources:
 1 Eurostat.
 2 US News Baby Boomers Report (born 1945–1964).
 3 AARP.
 4 Venture Capital Review.
 5 ConsumerCast.

Products and services putting the needs of seniors in focus

At Doro, we want everyone, including seniors, to be part of the digital world. Leaving out an already large and fast-growing segment of the population would be alien to us, which is why we put our heart and soul into designing, developing and producing products and services that make it easier for seniors to continue to be full citizens in the digital society too.



LONG EXPERIENCE OF SENIOR TECHNOLOGY

The digitalisation of society is now rapid and communication via mobile phones, the Internet and social media is constantly increasing in importance. This places many demands on new solutions. Therefore, the need for seniors to be able to take part in digitisation and to be able to communicate on their own terms is also increasing.

Doro's products and services aim to reduce exclusion and enable seniors to participate in the digital world.

We develop easy-to-use services and

products that make it easier for seniors to keep in touch with family and friends and be part of the community.

We have experienced development teams in Sweden and Asia with long experience of working with seniors and technology. We conduct ongoing surveys with seniors to identify their needs and preferences. We also conduct recurring customer and market surveys.

Thanks to our insights, we can develop and offer a range that better meets the needs of seniors and makes everyday life easier and safer.

CHALLENGES REQUIRE SOLUTIONS

Doro's senior products are both smart and easy to use, and customers choose whether they want many or few functions.

All products are tailored to the needs and abilities of seniors – they should be easy to pick up, hold and operate and all are also equipped with large and clearly separated buttons, clear sound specifically adapted to seniors' hearing, easy-to-read screens and Doro's security button.

Doro Feature phones.

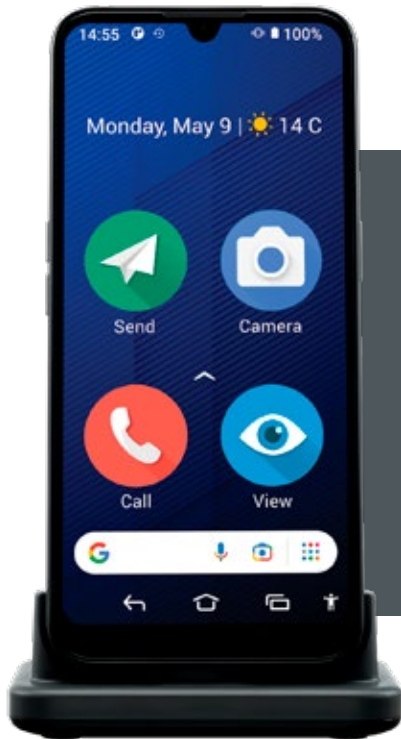
Doro's classic mobile phones are logical and designed to be very easy to use. The functions include sound that is adapted to how seniors' hearing changes over the years, a safety button on the back of the phone and clear and easy-to-read menus in several different colours. The mobile phones are easy to hold and use and make it easy to both make and receive calls and messages. All models are also equipped with a camera and several also have apps for, for example, Internet and social media.

Doro Smartphones.

Doro's smart mobile phones enable the user to take full advantage of the digital society as a senior. All smartphone products are equipped with the capability of digital bank IDs and payments and can be easily used for surfing the Internet, listen to music, make video calls and watch films on the phone. It is also easy to adjust the number of functions in the phone and keep in touch with relatives via calls and text messages. Doro's smart mobile phones have a sleek and user-friendly design, and in the newer models, there is also the option for the user to control the phone with their voice via Google Assistant.

Response by Doro.

When you choose a Doro mobile, you also get access to valuable features and services at no extra cost. With our free Response by Doro service, friends and relatives can be there to help seniors no matter how far away they are. With the service, seniors can easily call for help in case of an accident with a simple press of the security button on the back of the phone. The senior's loved ones can also quickly help with important settings on the senior's phone, directly from their own Android or iOS-based smartphones.



DORO'S NEW SERIES OF FUTURE-PROOF FEATURE PHONES

In 2022, Doro launched three new mobile phones which all combine ease of use and modern design with our classic Doro interface.

Doro 5860, Doro 6820 and Doro 6880 focus on what is most important for seniors – which is also what we do best and refer to as our "Doro DNA" – that is, audible and clear sound, large and clear display with high contrast and ergonomic design that makes the handset easy to hold and handle.

The three phones are expertly tuned and suitable for use with hearing aids. They have large, clearly separated buttons and soft, curved edges that lie comfortably and securely in the hand and also come with an assist-button for extra security if needed.

The new series of feature phones is equipped with all the latest technology such as 4G, VoLTE and FOTA and meet all mobile operators' requirements which means that the phones future-proof.



An expanded offer in senior-friendly technology

Seniors' need to use and understand new technology is increasing in line with rapid digitization. More users than ever before are embracing the technology. But despite the increased interest, there are many who hesitate around modern technology or simply opt out of it because of the complexity. For many years, Doro has successfully used its brand and expertise to meet seniors' ever-increasing needs for easily accessible technology, and we will continue to meet these.

A BROADENED OFFERING WITH GREAT POTENTIAL FOR GROWTH

Since the beginning of 2022, Doro has entered a new phase with a strategy that, in addition to focusing on strengthening its leadership position in senior phones, also includes expanding our offering to other products and technologies that can be made available to seniors in their homes and everyday lives.

Today's seniors are not only an affluent group, they are increasingly embracing technological products to simplify their daily lives. The use of smartphones, tablets, various wearables such as headphones, smart watches and activity bracelets as well as smart home products has also received a further boost as a result of the covid pandemic.

But while 53 percent of seniors 70+ in the US own a tablet, half of them say they would like to understand the product better. More than a third say they lack the knowledge and confidence to use the product fully.

Few if any of the popular product groups have technology tailored for seniors. At Doro, we want to change that.

DORO – A FULL SERVICE COMPANY FOR SENIOR TECHNOLOGY

The long-term ambition is for Doro to be a full-service company for senior technology.

The categories covered in the strategy in the first stage are primarily technology for seniors in the areas of Smart Home and Smart Health.

For the Smart Home area, examples of products that can be adapted for seniors are tablets and smart TVs, but also various types of smart home products such as surveillance sensors and speakers.

Smart health customisable products include communication aids and wearables such as headphones, hearing aids and activity bracelets as well as various health monitoring products such as blood pressure monitors and thermometers.

This new range will include proprietary products and services as well as third-party and own-label products. We will also continuously monitor the potential to add products and expertise through acquisitions.

In 2022, Doro, in line with its strategy, launched two completely new products fully loaded with senior-friendly technology.

Doro Watch is the multifunctional companion for activity, convenience and peace of mind. Paired with a Doro smartphone, the watch has a security button and Doro's health and activity app. Read more about Doro Watch on page 20.

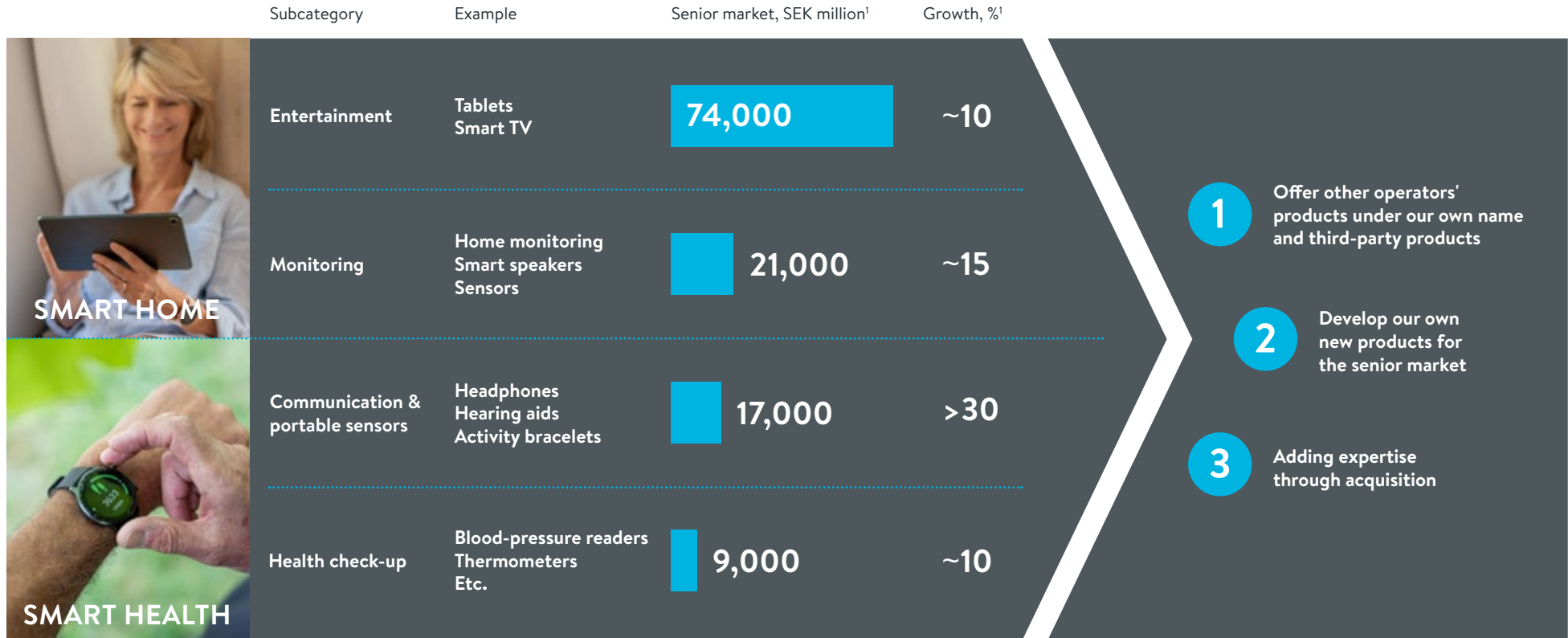
Doro Tablet is the tablet that is easy to use and easy to love. An extra bright screen provides outstanding viewing angles. Four speakers provide better sound when listening to music, streaming movies or for video calls with family and friends. Our intuitive, action-based interface with large icons and text combined with Doro's built-in guidance simplifies and clarifies. Read more about Doro Tablet on page 28.

Both products have been well received in Doro's main markets with good initial sales.



Seniors have a growing need for adaptive technology ...

... we will use the Doro brand to meet these needs

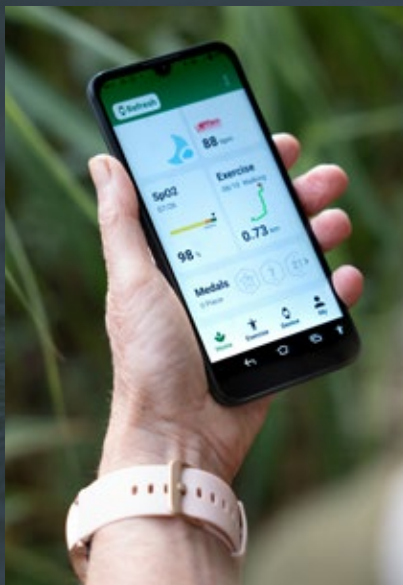


¹ Total technology spending by seniors, globally. Based on internal estimates. Growth rate of the total market, i.e. all ages included. Based on internal estimates.

THE MULTIFUNCTIONAL COMPANION FOR ACTIVITY, CONVENIENCE AND PEACE OF MIND

With the Doro Watch, it is easy to stay active and at the same time feel safer with an elegant smartwatch that provides both motivation and peace of mind during every step of an active life. This smartwatch is specially designed to be easier to read, all thanks to large icons and text that appear one by one on a large, bright and sharp display. By swiping the display, you can access the functions you want – from checking the time and notifications to activity tracking and health monitoring. To get even more out of Doro Watch, our health and activity app Doro Companion is available for download on the Appstore and Google Apps. Paired with a Doro smartphone (Android 10.0 and later), you can also use the watch's security button to alert relatives if help is needed. In addition, the Doro Watch has an amazing battery life that lasts an entire week and comes with a table charger that is easy to connect. It also comes with instructions for quick and easy installation.

- Easy to use with large icons and easy navigation
- Easy to read thanks to bright display with high contrast
- Full control for convenience and peace of mind









OUR SMART DEVICES

Doro's easy-to-use smart devices are designed to empower seniors to live an active and independent life, while allowing them to feel safe when it really matters. The devices have intuitive interfaces and unique functions. These include audible and clear audio, large, easy-to-identify icons and adjustable text sizes, security button, and activity tracking.

Doro contributes to a sustainable and inclusive society

Doro's most important contribution to a sustainable society is to reduce the exclusion of the elderly. Our senior-friendly products and services help seniors live a more independent, social, safe and better life in motion. We contribute to a sustainable and inclusive society. Every day.

PRODUCT DEVELOPMENT	SUPPLY CHAIN	EMPLOYEES	USERS
Doro products are designed for longevity, reparability and easy recycling!	In our supply chain we choose sustainable companies!	At Doro we make sure that the right person gets the job and that everyone has an equal right to development!	With our products and services, we empower people to take part in digital life, regardless of their previous experience!
	 		 

Our sustainability work is an integral part of our business. We see sustainability in our products and operations as a prerequisite for future value creation and a way to mitigate the risks associated with sustainability issues. Active sustainability work gives us a competitive advantage as the leading technology brand for seniors and is clearly linked to our vision, mission and values: it's part of our DNA.

Our mission is to make technological breakthroughs available to seniors to help them live safe, independent and active lives online as well as offline.

Our vision is to be Europe's leading technology brand for seniors, at home and out and about.

Our values form the basis of all our activities, both internally and externally. Care is reflected in our sustainability work through Doro's stance for inclusion, diversity and a good physical and psychosocial workplace. Trust and Ease are reflected in the way we do business.

A HOLISTIC APPROACH BASED ON THE 2030 AGENDA

Doro has signed up to the UN's 17 Sustainable Development Goals under Agenda 2030 and focuses on the economic, social and environmental issues that are most relevant to Doro and where our business directly or indirectly have the greatest impact.

Functionality and sustainability go hand-in-hand and our customers must be able to rely on Doro products. Our sustainability work therefore runs through the entire business, from product development through the supply chain to employees and users of our products.

The last few years have meant increased interest in sustainability, above all in the environment and most of all in the climate area. Doro's sustainability strategy, with a clear emphasis on the social inclusion of seniors, remains firm, but was in 2022 expanded. With the launch of the Doro Watch, we hope to inspire seniors to an active lifestyle, which can lead to improved health.

The target for increased share of shipping by sea has been exceeded and thus contributed to reduced emissions of greenhouse gases.

Doro's products were already easy to repair and this has been improved further in the past year. Spare parts are available for a longer period of time and reparability requirements are set and evaluated earlier in the development projects.

In addition to increased expectations from customers and users, the European Commission is very active in putting forward proposals and releasing new regulations and directives. Doro actively works at being well prepared for future demands on products, supply chain and accounting.

Doro is subject to the EU taxonomy accounting rules, but no part of the business is eligible according to the current technical review criteria. The Board is responsible for the sustainability report.

Doro creates sustainable values. Every day.



In 2022, Doro sold more than 1.7 million units for seniors and the functionally diverse. Products that facilitate users' ability to continue living an active and safe life. Doro's services, products, expertise and

people create sustainable value by promoting safety and well-being.

Responsible business practices create long-term value for our owners and partners.

HOW DORO CREATES VALUE FOR ITS STAKEHOLDERS

Stakeholder	Dialogue	How Doro create sustainable value
Users	Needs assessments and field tests with seniors in the development of new products. Guidance, answers to questions and repairs.	Ease-of-use for millions of users of Doro phones. Social inclusion through products that work for older and disabled people. Encouragement to activity.
Direct customers (mobile operators, electronics chains, private individuals)	Quotes. Sales meetings and trade fairs. Sustainability assessments. Answers to questions and repairs.	A flexible partner for direct customers. Great quality and function correspond to the price of the product.
Employees	Open dialogue, involvement in work environment work, information in case of changes. Annual cycle of staff interviews. Bi-weekly measurements of employee satisfaction.	Safe workplace with a good physical and psychosocial work environment. Opportunity for personal and professional development.
Society	Doro monitors social issues, especially in respect of the elderly. Ongoing identification of new legal requirements and annual control of compliance.	Stable Company that complies with legal requirements and works in an ethical manner, including the prevention of corruption. Contributing to the achievement of the UN Sustainable Development Goals.
Suppliers	Ongoing dialogue. Formal follow-ups at least annually. Audits, risk-based frequency. Handling complaints.	Financial compensation for services and products that contribute to provision in the supply chain. The CSR policy for suppliers sets requirements for working conditions in the supply chain according to international conventions and the UN's sustainability goals for human rights and environmental requirements.
Owners	Board meetings. Annual general meeting. Dialogue with investors.	Long-term financial sustainability. Balanced risks, which require good governance of both finances and sustainability issues.

Products and services you can trust



PRODUCT DEVELOPMENT

Doro products are designed for longevity, repairability and easy recycling!

Goal 12.2

By 2030, achieve sustainable management and efficient use of natural resources.

Goal 12.4

By 2030, achieve environmentally sound management of chemicals and all types of wastes throughout their life cycle, in accordance with the agreed international framework, and significantly reduce their release into air, water and soil in order to minimise their negative impacts on human health and the environment.

Goal 12.5

By 2030, significantly reduce the amount of waste through measures to prevent, reduce, reuse and recycle waste.

Goal 12.6

Encourage companies, especially large and multinational ones, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.

LIFE EXPECTANCY A DECISIVE FACTOR

Life-cycle analyzes show that the greatest environmental impact occurs in the supply chain. This means that extending the life of the product is among the most important things we can do for the environment. Doro therefore develops phones and products that not only make life easier for the company's customers, but also make it easy to use and keep them for a long time. Seventy percent of Doro's feature phone customers use their phones for more than three years, 40 percent keep them for more than five years. 30 percent of Doro's smartphone customers use their products for more than three years.¹

DORO PRODUCTS AND PRODUCT DEVELOPMENT

In addition to safety and user-friendliness, the most important environmental aspects to consider during product development are input materials and ensuring at an early stage that the product is easily repairable and recyclable. In 2022, the availability of energy has become a very important issue, and thus the energy efficiency of products is increasingly important.

Doro's product development is quality certified according to ISO 9001 and environmentally certified according to ISO 14001. This means, among other things, that clear processes and structures for the development of products and services are defined and continuously improved in order to meet customer requirements, reduce environmental impact and comply with legislation. In 2022, a process update



has been carried out that, among other things, ensures repairability and recyclability earlier when there is greater opportunity to influence the design. Already in 2022, repairability has improved for new products compared to previous models.

REDUCED ENVIRONMENTAL IMPACT FROM PRODUCT PACKAGING AND TRANSPORT

Doro has taken several steps to reduce the environmental impact of its products' packaging and transport of products, and plans to continue. One of the improvements implemented in recent years is that products are shipped from Asia but are packed individually in the Czech Republic. This enables more efficient transport via shipping from Asia while maintaining the possibility of customer customization within Europe. During 2022, the proportion of goods shipped via sea shipping has increased by 13 percent to 63 percent which

means a reduction in CO₂e-emissions by close to 500 tonnes. Doro is actively working with carriers to find alternative transport routes, such as other ports and combinations of sea and truck transport, to reduce lead times and thus avoid air transport. Such a combination started during the year has on average 30 days less lead time.

Product packaging is also continuously adapted. In 2020, a project was launched to reduce the environmental impact of mobile phone packaging. The implementation process is being carried out gradually on different phone models. Unnecessary plastic in packaging is removed. FSC materials are used for boxes and printed materials such as labels and manuals. To reduce waste and the CO₂-footprint further, accessories in the product packaging are removed, where we believe that the customer does not need them.

¹ Customer survey, 2020.

A well-functioning supply chain



SUPPLY CHAIN

In our supply chain we choose sustainable companies!

Goal 8.7

Take immediate and effective measures to eliminate forced labour, modern slavery and human trafficking and ensure that the worst forms of child labour, including the recruitment and use of child soldiers, are prohibited and ended. Eliminate all forms of child labour by 2025.

Goal 8.8

Protect workers' rights and promote a safe and secure working environment for all workers, including migrant workers, especially women migrants, and people in precarious employment.

Goal 9.4

By 2030, upgrade infrastructure and adapt industry to make them sustainable, with more efficient use of resources and more clean and environmentally friendly technologies and industrial processes.

Each country will take action according to its own circumstances.

LONG-TERM COOPERATION WITH SUPPLIERS

Doro has long-term partnerships with its suppliers. Suppliers are regularly audited to ensure compliance. For all deliveries from the product suppliers, a quality check is performed by one of Doro's quality controllers. In 2022, more than 1,000 quality inspections were carried out.

All suppliers must accept Doro's CSR policy for suppliers, which was updated in 2022. The updates mean increased requirements, especially in the social area, for example labour law and work environment. The policy is based on Doro's policy for business ethics, the Responsible Business Code of Conduct and the UN Global Compact's ten principles for human rights, labour law, the environment and anti-corruption, as well as international conventions.

If a supplier violates the Code or any other requirement, we make it clear that this will not be accepted. Continued co-operation requires the supplier to develop and follow an action plan. Should the supplier still fail to meet the requirements, we have the right to suspend co-operation. So far, no collaborations have had to be interrupted due to a violation of Doro's CSR policy. Based on risk assessment of the suppliers, based on operations, geographical location and potential financial impact on Doro, Doro focuses on the major suppliers used in China for production.

- All have ISO 9001 quality certificates.
- Six have environmental certificates, ISO 14001.



- Five have a working environment certificate, ISO 45001 and two also has SA 8000.
- Two have an information security certificate, ISO 27001.
- CSR audits by an external partner hired by Doro have been carried out at nine suppliers, and Doro has taken part in a third-party audit of one more supplier. Identified deviations have been rectified or measures have been planned.
- All have policies on conflict-free minerals.

ETHICAL BUSINESS CONDUCT

All operations have been risk assessed according to the UN Global Compact "Guide for Anti-Corruption Risk Assessment". The

highest rated risk is that the company's limits for representation are exceeded.

All employees have completed a digital course on ethical business behaviour in 2022. No cases of corruption have been detected in 2022.

Doro has further developed its business ethics policy, which applies to employees, suppliers, customers and the Board of Directors. This should provide clear advice and guidance in the event of ethical dilemmas in working life, as well as making it easier to maintain good contact with stakeholders. To involve all employees and ensure that they are aware of and understand Doro's business ethics, a digital course has been sent to all employees.

Motivated employees, equal organisation



EMPLOYEES

At Doro we make sure that the right person gets the job and that everyone has an equal right to development!

Goal 5.5

Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.



KNOWLEDGEABLE AND MOTIVATED STAFF

Doro shall be an attractive and stimulating place to work for the diversity of professional groups represented by its employees, including engineers, developers, economists and marketers. To promote Doro as an employer, we have a careers page that includes information on values, the link to the UN Sustainable Development Goals and references from employees. Doro wants to give new employees a good first impression and an early introduction to the values, which is done through pre- and on-boarding. Here you will learn about our policies and guidelines, and mission, vision and values. Evidence of this work is that Doro has been named a Career Company in 2023:

”Doro is a dynamic employer that attracts talent with their important purpose and unique development opportunities. At Doro, there is an open workplace where employees can make a difference, influence and get the right tools to develop. Very impressive and with a playful and cordial communication Doro further strengthens their attractiveness as an employer.

In 2022, the method for employee surveys has changed to short probing surveys every two weeks. This allows us to see changes in attitudes more quickly and link these to events in the company, as well as providing a basis for strategic planning. eNPS, Employee Net Promoter Score, has increased from -22 in 2021 (including

Careium) to 2 in 2022. In all measurement areas, Doro is at or above the average of 1,141 compared companies. Leadership, team spirit and commitment are identified strengths in the temperature measurements. The response rate averages 90 percent, which is a similarly high level as last year.

In close dialogue with the unions, 2022 was characterised by active work to strengthen the organisation with key recruitments and to further confirm Doro's core values. 2023 is launched with the right conditions, a focused organisation with expertise to strengthen its position as a market leader in Europe and enable growth in new technology segments.

FOCUS ON DIVERSITY

Doro is an international group with a strong belief in the responsibility of the individual employee. Diversity is a focus area that is monitored annually and reflected in our values.

Diversity is good in terms of gender, age and background. At year-end 2022, women made up 37 of the total workforce and 46 of people in management roles are women. The management team include 36 per cent women. At Doro, we speak more than 20 languages!

DEVELOPMENT AND HEALTH

Doro's organisation is flat with the aim of creating good conditions for knowledge transfer, high ceilings and creative ideas.

All employees have an annual appraisal interview with their immediate supervisor. At the last check, the percentage of completed interviews was only 75 of the Group's employees, affected by re-prioritisation due to a number of new employees who started after the annual employee interviews which are conducted in the period January to March.

Doro works actively continuously to improve the working environment and reduce identified risks related to health and safety and fire. Several training courses have been carried out locally, including Better Working Environment for managers and trade union representatives in Sweden. The highest identified work environment risk is stress. Stress and sleep affect each other, for example poor sleep can lead to higher stress sensitivity and stress can lead to poorer sleep which is why, in autumn 2022 all employees have had the opportunity to participate in a programme with the aim of improving sleep quality and finding methods for falling asleep and falling asleep again, if you wake up during the night.

Doro has further developed its business ethics policy, which applies to employees, suppliers, customers and the Board of Directors. This should provide clear advice and guidance in the event of ethical dilemmas in working life, as well as making it easier to maintain good contact with stakeholders. To involve all employees and ensure that they are aware of and understand Doro's business ethics, a digital course has been sent to all employees.

A meaningful everyday life for seniors



USERS

With our products and services, we empower people to take part in digital life, regardless of their previous experience!

Goal 3.4

By 2030, through prevention and treatment, reduce the number of people who die prematurely from non-communicable diseases by a third and promote mental health and well-being.

Goal 10.2

By 2030, enable and promote the inclusion of all people, regardless of age, gender, disability, race, ethnicity, origin, religion or economic or other status, in social, economic and political life.

At Doro, we make technology accessible to seniors so they can live a better life. Our products and services empower seniors to lead active and independent lives and ensure peace of mind when it matters most.

We use smart innovations and technology specifically tailored to the needs of seniors to ensure that everyone – regardless of age – can connect digitally, both at home and on the go. Our technology-led solutions enable seniors to belong, feel safe and be a natural part of society – just like everyone else.

Offering seniors participation and inclusion on their terms is our single biggest contribution to a sustainable society.

In 2022, the Doro Watch was launched, which provides the opportunity to follow up on your own everyday exercise as well as training sessions. Exercise counteracts poor health and prevents, alleviates or even counteracts many diseases so the hope is that Doro Watch will inspire healthy exercise!



DORO'S WORK FOR INCLUSIVE SOCIAL DEVELOPMENT

Doro is part of society and wants to influence in a positive way!

SmartPhone school live! Doro makes the Smartphone School available to everyone on the web. This is aimed at beginners in using smartphones and includes tips and tricks about useful functions of a smartphone and what is important to know about online safety. The Smartphone School is independent of mobile phone manufacturers. During

2022, two instances of the Smartphone School were offered live in collaboration with Vellinge Municipality with sessions where staff from Doro explain smartphone functionality and also answer questions.

Russia's invasion of Ukraine has upset us all. Doro has contributed telephones and money, and provided warehouse space for relief shipments. Employees have also collected clothes and other items which have then been sent through local aid organizations to Ukraine.

As a result of the increased energy prices, the Child Cancer Foundation Södra has been forced to close its recreational facilities. Children with cancer and their families really need a break from everyday life, so these response facilities are very important. Together with Barncancerfonden Södra, Doro has created a collection aimed at other Scanian companies for investments in energy savings and alternative energy production, for example solar or wind, at the recreation facilities. Together with Careium, Doro was the initia-

tor of the Loneliness Commission, which has worked in various ways to reduce loneliness among seniors: Nobody should have no-one! The Loneliness Commission is now ending according to plan, but that does not mean that the need has gone away. Doro will look for other ways to continue this important work.

» Read more at www.ensamhetskommisionen.se about how, together, we can make Sweden a little less lonely.



AUDITOR'S STATEMENT ON THE STATUTORY SUSTAINABILITY REPORT

For the Annual General Meeting of Doro AB (publ), company no. 556161-9429.

Mission and responsibilities

The Board of Directors is responsible for the Sustainability Report for the year 2022 on pages 21–26 and 74–82 and for its preparation in accordance with the Annual Accounts Act.

The direction and scope of the investigation

Our investigation has been performed according to FAR's recommendation RevR 12 Auditor's statement on the statutory sustainability report. This means that our investigation of the sustainability report has a different approach from and a much smaller scope than an audit in accordance with International Standards on Auditing and generally accepted auditing practice in Sweden. We believe that this investigation provides us with a sufficient basis for our statement.

Statement

A sustainability report has been prepared.

Malmö, 4 April 2023
PricewaterhouseCoopers AB

Vicky Johansson
Authorised Public Accountant
Chief Auditor



THE TABLET THAT'S EASY TO USE AND EASY TO LOVE

Almost everything we love about our smartphones can now be enjoyed on a fun and easy-to-use tablet. Doro has developed the Android-based Doro Tablet, which is tailored to meet the needs of senior citizens. A bright, high-contrast screen makes it a pleasure to look at photos, browse the web, play online games or check social media, even in very bright light conditions. Four speakers provide better sound when listening to music, streaming movies or having video calls with family and friends. Our intuitive, action-based interface with large icons and text, combined with Doro's built-in guides and Google Assistant, simplifies everything you want to do. The Doro Tablet also comes with the TeamViewer app pre-installed to enable remote assistance from a trusted contact. Its low weight makes it easy to hold and the accompanying stand is handy for keeping your hands free during video calls and viewing. An easy-to-plug-in keyboard (sold separately) makes the tablet ideal in the home for email, web browsing and other errands.

- Easy to use with intuitive interface and large icons
- Extra bright screen with outstanding viewing angles
- Four speakers for fuller sound



OUR SMART DEVICES

Doro's easy-to-use smart devices are designed to empower seniors to live an active and independent life, while allowing them to feel safe when it really matters. The devices have intuitive interfaces and unique functions. These include audible and clear sound, large, easy-to-identify icons and adjustable text sizes, security button and activity tracking.



Directors' Report 2022

The Board of Directors and the CEO of Doro AB (publ), with postal address: Jörgen Kocksgatan 1B, 211 20 Malmö and corporate identity number 556161-9429 hereby present the annual report for the group and the parent company for the year 2022. Comparisons in brackets refer to the previous year.

INFORMATION

Doro AB ("Doro", the "Company" or the "Group") develops telecom products and services for seniors so that they can lead independent, empowering and fulfilling lives. Doro is the European market leader in mobile phones for seniors. Doro's broad portfolio of products and services helps connect generations digitally and creates a secure and independent life for seniors in and outside the home.

THE MARKET

Doro is the European market leader in senior phones with more than 1.7 million phones, accessories and other technology products sold in 2022 in approximately 27 countries. Proprietary senior-friendly phones and mobile phones are sold through a network of over 200 telecom operators, distributors, specialists and retailers, and now also through various online channels. In Europe's largest markets (UK, France, Germany and Sweden), the market

share of senior mobile phones is close to half. With a new strategy, Doro will defend its position as European market leader while broadening its offering to products and technology that can be made available to seniors in their homes and daily lives.

THE SHARE

Information on the Doro share can be found on pages 7–8.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR:

Macroeconomic challenges. The start of the financial year was marked by difficulties in the supply chain with shortages of components and challenging transport conditions from Asia. This affected margins and forced Doro to increase prices several times during the year. The conflict in Ukraine with subsequent inflation, increased energy prices and higher interest rates early in the year also affected the Group in terms of weakening demand and increased operating costs. The strong USD resulted in increased purchase prices for products as almost all product purchases are made in USD. Currency management was complicated by currency market fluctuations resulting in large currency items in the income statement, positive in some quarters and negative in others, due to forward exchange contracts.

Doro continues to work on its strategy, expanding into other segments. In 2022, Doro launched its new strategy towards a broader offering in technology for seniors and was able to launch the first product outside the phone family, Doro Smart Watch, during the year. The development team has been expanded to better match the new strategy, as has our product management team. Recruitment has sometimes been a challenge in software development and recruitment efforts will continue in 2023. With the new teams formed, Doro will be able to develop its strategy and eventually build a complete Doro ecosystem.

Doro's new 4G generation was launched during the year. The new generation of feature phones are so-called back-to-basics models with a clear focus on simplicity and ease of use rather than complex features. The reaction from the markets has been very positive. During the year, our purchasing team worked hard and succeeded in producing the new products at a better production cost, which helped to slightly balance the increased costs.

NET SALES AND PROFIT

Doro's revenue in 2022 amounted to SEK 909.5 million (1,039.6), a decrease of -12.5 percent compared to 2021. The recovery

that we expected as societies returned to more normalcy after two years of the pandemic did not materialize. Shortages of components, conflict in Ukraine, inflation and the rising cost of living affected the retail sector and especially the telecommunications industry. Demand for phones declined due to reduced purchasing power and public concern, affecting our sales. Supply chains and international transport were very challenging in the first half of the year and resulted in increased costs as we chose to prioritise a good level of delivery to our customers. Positive effects on our margin came from lower royalty costs as a result of solid work on our licensing contracts. Warranty costs decreased again this year, in relation to sales, and we were able to restore provisions for doubtful receivables as we were able to resolve the open cases. EBIT, as a consequence of failing sales and deteriorating margins, decreased to SEK 55.4 million (118.7), which corresponds to an operating margin of 6.1 percent (11.4).

The financial net was SEK -10.9 million (-4.3). It includes a SEK 15 million devaluation of the hybrid loan that Doro issued to Careium AB in connection with the special listing in December 2021.

Effective tax rate for the year amounted to 26.6 per cent (30.1). The lower tax rate is explained by, among other things, an

adjustment of the previous year's tax for the German subsidiaries.

Profit after tax for the year was SEK 40.9 million (83.1) and earnings per share were SEK 1.68 (3.46).

CASH FLOW, INVESTMENTS AND FINANCIAL POSITION

Cash flow from current activities amounted to SEK 73.1 million (21.6). The group's net cash flow, which during the year amounted to SEK -47.3 million (-4.1) includes a amortization of SEK 75 million. The investments are primarily related to product development. No dividend was paid. At year-end, Doro had an interest-bearing liability of SEK 93.6 million (171.7) and cash and cash equivalents of SEK 154.4 million (179.1). The equity/assets ratio increased to 52.6 percent (42.7) at the end of the period.

THE BOARD

The Board consists of chair Henri Österlund and ordinary members Victor Saeijs, Juha Mört, Noora Jayasekara and Fredrik Löthgren (employee representative). CEO Jörgen Nilsson also attends Board meetings. The company's CFO Isabelle Senges has been co-opted to the Board as secretary.

PRODUCT DEVELOPMENT AND DEVELOPMENT EXPENSES

Doro performs product development and design projects together with various external partners. In addition to the company's own development costs, there are significant development costs at the manufacturing partners. Doro employs design companies from different countries and the costs are either fixed or variable.

Doro sometimes also buys technology from various external companies. Doro also invests in various mould tools and pattern protection to protect the products' designs. These costs are capitalised until the product is ready for delivery when depreciation begins. For 2022, the Group's costs for development work amounted to SEK 37.5 million (21.9).

INVESTMENTS

Investments are made in design, mould

tools, certification processes, control equipment, inventory, leased alarm units, computers and software systems. Investments amounted to SEK 38.0 million (70.8). See also under Accounting principles.

LEGAL PROCESSES

Doro has not, during the year, been involved in any disputes that have affected or will affect the company's position in any significant way.

QUALITY

Doro's product development is quality certified according to ISO 9001 and has clear processes and structures for how to develop products that meet customer requirements. Regular, quarterly monitoring of supplier quality is carried out using a so-called "Doro score card". The follow-up focuses on suppliers' manufacturing processes and sets escalation points for reported quality deficiencies and response to these. The product quality of individual shipments is checked.



REGULATIONS

Doro's procedures and division of responsibilities ensure that the company's products at least comply with applicable legal and regulatory requirements in current markets, technical specifications and environmental requirements.

RISKS

Doro is exposed to a variety of risks that the company continuously monitors, analyses and acts upon to mitigate potential risks. The most significant risks are described on pages 32–33.

SUSTAINABILITY

Doro's Sustainability Report, in accordance with the requirements of the Annual Accounts Act, can be found on pages 21–26 and in the sustainability notes on pages 74–82.

DIVIDEND

The Board has decided not to propose any dividend for 2022.

PARENT COMPANY

In addition to group management and financial functions, the parent company Doro AB also has a number of support functions for the rest of the group. Marketing, product development, purchasing and logistics are coordinated by the parent company. The Parent Company's turnover

amounted to SEK 808.0 million (1,069.3). Profit after financial items amounted to SEK 12.2 million (44.5). Doro AB is responsible for the financing of subsidiary companies. The Parent Company's net debt on 12/31/2022 was SEK -49.9 million (2.0). Equity amounted to SEK 225.3 million (222.0).

ANNUAL GENERAL MEETING

The ordinary Annual General Meeting will be held in Malmö on 28 April 2023.

PROPOSAL FOR THE APPROPRIATION OF THE COMPANY'S PROFIT

The following funds in the parent company are at the disposal of the annual general meeting:

Premium fund	221.5
Reserve for fair value	-2.9
Balanced income	-101.0
Profit for the year	5.6
Total unrestricted equity	123.2

The Board of Directors proposes that funds at the disposal of the annual general meeting are carried forward.

EVENTS AFTER THE END OF THE YEAR

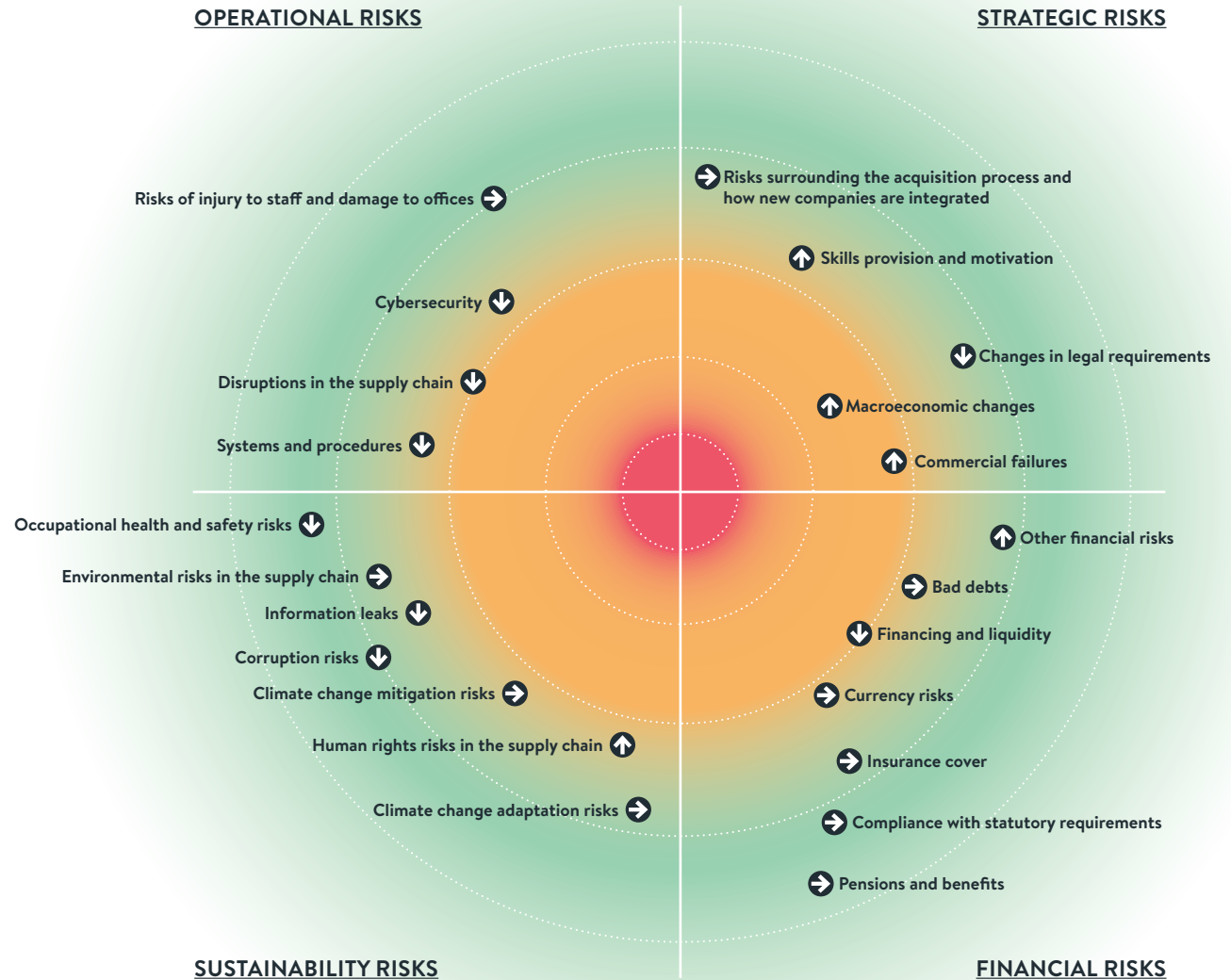
On March 17, Doro AB filled a report to the Swedish Data Protection Authority (IMY) for potential breach of the Data Protection Regulation (GDPR). The case is ongoing.

Overview of risks

Doro has a general risk assessment model that is adapted for the current risk assessment, through clear criteria for assessing probability and consequence. Risks are assessed at several levels, by different groups. Risks are marked in colour according to their severity and addressed progressively. Risks in red should normally be short-term, green risks do not need to be addressed and for yellow risks, it is up to the risk owner to decide whether action should be taken. All risks have an owner. The owner of the risk is the party that has the financial responsibility for the area to which the risk relates. Risk reduction is planned and implemented on the basis of the severity of the risk. Doro's top risks have been assessed and followed up by the Group management and have the following distribution.

Risk level in comparison with 2021
(only risk linked to Doro's operations):

⬆️ Up
 ➡️ Unchanged
 ⬇️ Down



Risk management 2022

RISK MANAGEMENT

Risks are identified through market intelligence and internal experience gathering. Risk monitoring takes place broadly in several channels. All risks are evaluated based on the probability with which they might occur and how serious it would be if they occur. Probability is graded from that the risks will most likely occur within a year to that they most likely will not occur. Severity is graded from risk to the company's survival or life-threatening injuries to annoying but no major impact. Probability and Severity is multiplied for a comparable risk number. The same scale is used for all risks to enable comparison and prioritization of measures.

STRATEGIC RISKS

Macroeconomic changes is the highest identified risk given the uncertainties around the impact of Russia's conflict in Ukraine and whether other unrest follows. Inflation, increased interest costs and energy prices negatively affect the ability to buy consumer goods.

Commercial failures include failure to bring profitable services and products to market and to meet customer requirements for products and services. This group of risks has increased as Doro expands the portfolio with new types of products. The risks are evaluated and remedied continuously during the course of the development projects and based on feedback from the market. The ending of the 2G and 3G net-

works in each market is carefully followed to minimize the risks for Doro and the users of our products.

Skills provision and motivation include attracting and retaining staff and keeping them motivated. This is described in the employee section on page 25. The risk is expected to remain at the same level as in previous years as it is increasingly challenging to find staff with the right skills, especially in software development, and retirements are expected in the coming years. Our employee surveys and the applications we receive spontaneously and for open positions show a strong employer brand.

Compliance with regulatory requirements has been slightly reduced. The number of new requirements is increasing, but the monitoring of upcoming requirements and the implementation of new requirements has improved.

Acquisitions and integration of new companies are handled by senior management and the Board. The risk remains at the same level.

OPERATIONAL RISKS

Disruptions in the supply chain occur regularly and the pandemic, the conflict in Ukraine, etc. have increased the risk of disruptions. Risks are mitigated through the use of multiple suppliers, good communication and planning for component shortages.

Cyber security is managed by the IT function and management. In general, the risk of attacks has increased in society, but the installation of modern protection, staff training and other measures have been taken, so the overall risk is considered lower than in previous years.

Operational continuity was previously divided between infrastructure in each country and damage to staff and offices. Thanks to the pandemic, we know we can manage all staff working from home if needed, reducing the risk of negative consequences. The Business Continuity Plan is defined and updated regularly.

FINANCIAL RISKS

Other financial risks, see note 22.

SUSTAINABILITY RISKS

Limitation due to climate change includes increased demands and expectations from customers within the environment in general and climate in particular. Doro's products are manufactured in Asia and shipped to markets in Europe, with climate impacts in both production and transport and increased demands for circularity, i.e. the possibility of repair and reuse/recycling. Routines and follow-up are in place and are updated as needed.

Adaptations due to climate change are mainly risks of supply chain disruptions. Doro's offices in Europe are not located in places with a high impact of extreme weather. The Hong Kong office is exposed to tropical storms, but they are used to dealing with this and there are clear procedures for staff safety and continued operation of the business.

Human rights and environmental risks in the supply chain are estimated to have increased slightly due to increased demands from customers and regulatory requirements. The CSR policy, which includes environmental and social responsibility requirements, has been updated to reflect the increased demands. Third-party audits, reporting on the origin of so-called conflict minerals and other monitoring are carried out on relevant suppliers, focusing on those where the risks are deemed to be greatest.

Information leaks could lead to, among other things, loss of important information, disclosure of personal data or breach of market rules for listed companies. The risk is deemed to have been reduced by updating procedures and training all employees and on-site consultants.

Corruption risks have been assessed, based on the Global Compact 'Guide for Anti-Corruption Risk Assessment' and Transparency International's country risk figures. There is a digital training session held annually for all employees. Doro's whistleblowing policy can be found on the company's website; no instances of corruption have been received in 2022.

Occupational health and safety risks are assessed on a site-by-site basis, in accordance with local legislation and in line with Doro's guidelines. Occupational health and safety risks are relatively low thanks to the activities carried out, and continuous improvement work and training to make staff aware of residual risks is ongoing.

Corporate governance

This report describes Doro's corporate governance principles. Doro AB is a Swedish public limited company listed on OMX Nasdaq Stockholm (Stockholm Stock Exchange). The company has corporate registration number 556161-9429 and has its registered office and head office in Malmö. This Corporate Governance Report has been prepared by the Board of Directors of Doro AB in accordance with the Swedish Annual Accounts Act and the Swedish Corporate Governance Code (the "Code") and forms part of the Company's formal annual report and is reviewed by the Company's auditors.

EXTERNAL AND INTERNAL CONTROL INSTRUMENTS

Doro's corporate governance is based on Swedish legislation, mainly the Companies Act, but also the Stockholm Stock Exchange regulations, the Code and other applicable rules and regulations. In addition

to these, the company is governed by its articles of association, internal instructions and policies, as well as recommendations issued by relevant organisations and authorities.

SHAREHOLDERS

According to the shareholder register kept by Euroclear Sweden as of 31 December 2022, Doro AB had 5,084 shareholders. Of the total number of shares, foreign shareholders accounted for 49.7 percent. On 31 December 2022, the number of shares in Doro AB amounted to 24,532,500 and, on the same date, Doro's market capitalisation amounted to SEK 362 million. Doro's largest shareholder is Accendo capital (RBCB LUX UCITS EX-MIG), which owns 17.5 percent of the company's shares.

GENERAL MEETING

The general meeting is the company's highest decision-making body. At the

annual general meeting, Doro AB's Board of Directors and the chair of the Board are elected. The company's auditors are also appointed. The annual general meeting establishes the income statement and balance sheet and the allocation of profit for the year. Other matters follow from the Swedish Companies Act. The annual general meeting shall be held within six months after the end of the financial year. Shareholders who are registered in Euroclear Sweden's shareholder register as of the record date and have registered have the right to participate at the general meeting. Fees for the Board of Directors were determined in accordance with the resolution at Doro's Annual General Meeting 2022.

NOMINATION COMMITTEE

The nomination committee's tasks consist of:

- Evaluating the composition and work of the Board

- Submitting proposals to the meeting regarding the election of the Board and the chair of the Board
- Submitting proposals, where applicable, for the selection of auditors
- Proposing remuneration for work within the Board and its committees
- Submitting proposals regarding the chair of the meeting.

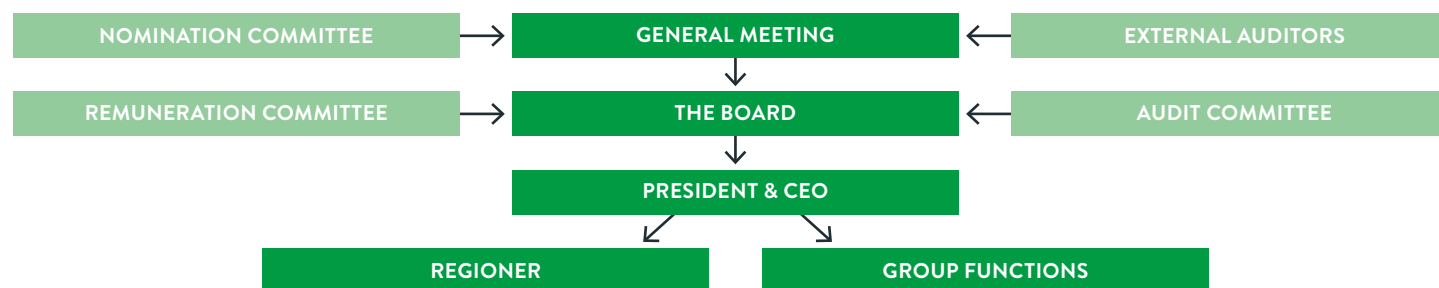
For the 2023 Annual General Meeting, the Nomination Committee consists of Chairman Mark Shay (Accendo Capital), Peter Lindell (Cidro förvaltning), Mats Hellström (Nordea Fonder) and Henri Österlund, Chairman of Doro AB, who has been co-opted to the Nomination Committee.

THE BOARD

The Board of Doro has overall responsibility for creating a value-creating and sustainable business for shareholders and other stakeholders with continuity and long-term sustainability. The Board is responsible for the overall strategy of the company, ensures a well-founded decision-making process and has a good perception of how the industry and Doro's world is developing.

Board members

Up until the 2022 Annual General Meeting, Doro AB's Board consisted of three members elected by the Extraordinary General Meeting held in November 2021 as well as an employee representative. Henri Öster-



lund was elected chair of the Board. The three members were independent of the Company and its management. The chair of the Board, Henri Österlund, is linked to the Company's largest shareholder. At the Annual General Meeting 2022, the Meeting decided to re-elect Henri Österlund, Juha Mört and Victor Saeijs as members of the Board for the period until the end of the next Annual General Meeting. The meeting elected a new member, Noora Jayasekara, independent of the company and its management. The meeting also decided to re-elect Henri Österlund as Chair of the Board. Doro complies with the 2022 requirements of the Stockholm Stock Exchange and the rules of the Swedish Code of Corporate Governance regarding the independence of Board members. The trade union Akademikerna decided to re-elect Fredrik Löthgren as employee representative. The composition of the Board and a detailed presentation of each member can be found on page 38.

The rules of procedure for the Board

The Board's rules of procedure lay down the working methods of Doro AB's Board of Directors. The Board's rules of procedure are based on the Articles of Asso-

ciation, the Companies Act and the code. The Board has overall responsibility for the Doro group. The Board's responsibilities also include Doro's relations with the shareholders, the public, authorities and other organisations and interest groups. The Board is responsible for executing decisions taken by the annual general meeting and for achieving the business objectives specified in the company's articles of association. The Board's authorisation is described in the articles of association and in the Swedish Companies Act.

The work of the Board

The Board met ten times in 2022. CEO Jörgen Nilsson takes part in all meetings of the Board. Doro's CFO Isabelle Senges attends the Board meetings and acts as secretary to the Board.

Other senior executives participate in Board meetings as rapporteurs.

The Board deals with current issues such as market situation, budget, profit and loss for the period and cost-effectiveness. All Board meetings follow a pre-approved agenda. This is sent to each Board member one week before each meeting, along with relevant documentation and a list of open items from the previous meeting.

Board meetings normally start with a discussion of the deal and the company's financial performance. Quarterly reports and the annual report are reviewed and approved before publication. Other issues that have been discussed and dealt with at Board meetings in 2022 are risks, policies, sustainability issues, the company's strategy, restructuring and reorganisation, as well as acquisition issues.

The remuneration and Audit Committees' meetings are reported to the Board of Directors and minutes of these meetings are distributed to the Board. The Board also receives regular monthly reports.

Evaluation of the work of the Board

Doro's Chair Henri Österlund is responsible for ensuring that an evaluation of the work of the Board, including its committees, is carried out. The evaluation is conducted annually together with an independent party.

Remuneration of the Board

Remuneration for Board members, the chair of the Board and for committee work is decided annually by the annual general meeting. A proposal for remuneration is being prepared by the company's Nomination Committee.

The 2022 Annual General Meeting determined the fees for the Board as follows:

Fees to the Board shall amount to SEK 550,000 to the Chair of the Board and SEK 300,000 each to the other members elected by the Annual General Meeting who are not employees of Doro. In addition, it was decided that compensation for committee work will not be paid. In total,

the remuneration for Board and committee work amounted to SEK 1,403 thousand (2,070) thousand, which follows the decision of the Annual General Meeting.

Diversity policy on the Board

As a group, the members of Doro's Board shall have a composition that is characterised by the diversity and breadth of competence, experience and background of the members elected by the general meeting, taking into account the company's activities, stages of development and conditions in other respects. An even gender division shall always be sought.

Distribution of work between the Board and the CEO

The company's Board of Directors appoints its CEO. The distribution of work between the Board and the CEO is described in the rules of procedure for the Board and in the instructions to the CEO.

These documents establish that the Board of Directors is responsible for the company's governance, supervision of day-to-day operations, organisation, strategies, internal control and policies. The Board also decides on issues concerning major investments, policy issues regarding governance of subsidiaries, as well as the election of Board members and managing directors of subsidiaries. The Board ensures the quality of financial reporting.

In turn, the CEO is responsible for managing the company in accordance with the Board's guidelines and instructions. In addition, the CEO is responsible for the budget work and the planning of the company's activities in order to achieve specific objectives.

Name	Board meetings	Audit committee	Remuneration committee
Number of meetings 2022	10	4	2
Henri Österlund	9	4	2
Juha Mört	10	4	0
Victor Saeijs	9	0	2
Noora Jayasekara	6	3	0
Fredrik Löthgren	10	0	0

The CEO shall ensure a good control environment and that the group's risk-taking always complies with the Board's instructions. Any deviations must be reported to the Board. The Board also receives regular updates from the CEO in the form of monthly reports.

THE AUDIT COMMITTEE

The Board has appointed an audit committee consisting of Henri Österlund as chair and Juha Mört and Noora Jayasekara as ordinary members at the 2022 Annual General Meeting. Previously, the Audit Committee consisted of Henri Österlund, chair, and Juha Mört, ordinary member. The Audit Committee is responsible for the preparation of questions and supporting documentation for the Board, as well as quality-assuring the company's financial reporting. The audit of the quarterly financial statements as at 30 September, the audit of the company's internal control and the audit of the annual financial statements are reported to the Audit Committee. The focus and scope of the audit is presented by the company's auditor. During the year, the Audit Committee held four recorded meetings, which were reported to the Board. The Company's auditor attended all of these meetings. The Audit Committee fulfils the requirement for independence in the Swedish Corporate Governance Code.

THE REMUNERATION COMMITTEE

The Board has appointed a Remuneration Committee comprising Henri Österlund as chair, and Victor Saeijs as an ordinary member. The Remuneration Committee prepares questions and supporting documentation for the Board. The Committee

has held two minuted meetings during the year, which have been reported to the Board. The Board as a whole decides on remuneration issues and other conditions of employment for group management. The Chair of the Board shall approve the terms and conditions of managers reporting to the Chief Executive. The Board of Directors shall determine the remuneration of the CEO.

AUDITOR

The auditors monitor and review the management of the company by its Board of Directors and Chief Executive Officer and the quality of the company's financial reporting. The Annual General Meeting 2022 appointed the auditing firm PricewaterhouseCoopers AB as Doro AB's auditors for a period of one year. In the last three years, fees for audit work within the Doro Group have amounted to SEK 1.7 million (2022), SEK 4.5 million (2021) and SEK 2.6 million (2020) for each year.

CHAIR AND CEO AND GROUP MANAGEMENT

Doro's Group Management consists of Doro's Chair and CEO and twelve other executives. The composition of group management and a detailed presentation of the Chair and CEO and the respective managers can be found on page 39.

Remuneration to group management

The annual general meeting on 29 April 2022 decided on guidelines for remuneration to the CEO and other senior executives for the financial year 2022. The total remuneration will be reviewed annually to ensure that it is market-based and compet-

itive. The remuneration to senior executives and employees within Doro Group must reflect the individual's performance, behaviour and responsibilities, both in the short and the long term. When assessing the performance of the CEO and the group management, in relation to a number of predetermined, well-defined goals (individual, departmental and team-related), Doro applies a structured process in order to assess performance accurately. In addition to fixed basic salary, members of the management team can also receive variable cash remuneration, which must have a predetermined ceiling and be based on measurable targets (qualitative, quantitative, general and individual). Terms and conditions for variable salary must be designed in such a way that the Board of Directors has the potential to limit or refuse to pay variable salary if such a measure is deemed reasonable. Such remuneration must not exceed an amount corresponding to 30 percent of the fixed annual salary, and must not be paid more than once per year per individual for a member of the group management, with the exception of the CEO, who may receive up to 50 percent.

Decisions regarding such remuneration must be made by the Board of Directors following a proposal by the Remuneration Committee. The company's current CEO received a salary and remuneration of SEK 2,651 thousand for his work. No variable remuneration has been paid for 2022. In accordance with the employment contracts in force, the CEO and the company have a mutual period of notice of twelve months. During the period of notice, the CEO is entitled to full salary and other employ-

ment benefits. Salaries and remuneration to other members of Group Management amounted to SEK 5,497 thousand. Variable remuneration of SEK 0 thousand has been paid for 2022. The company's other senior executives have a notice period of six months.

GOVERNANCE OF SUBSIDIARIES

The eight subsidiaries are governed and supervised by their own Boards in each country, mainly consisting of representatives of Doro AB in Sweden. Either Doro AB's Chair, Group CEO or CFO is the Chair of the Board of each subsidiary. The subsidiaries report to Doro AB's Board of Directors at all meetings. The reports contain information on the performance and financial position of each company.

THE BOARD'S REPORT ON INTERNAL CONTROL FOR THE 2022 FINANCIAL YEAR

According to the Swedish Code of Corporate Governance, the Board of Directors must ensure that the company has good internal control and continuously keep itself informed about and evaluate how the company's system of internal control is functioning. Furthermore, the Board shall report on how the internal control over financial reporting is organised and, if there is no internal audit function, evaluate the need for such a function and give reasons for its position.

CONTROL ENVIRONMENT

In order to create and maintain an effective control environment, the Board has established a number of basic documents relevant to financial reporting, including in particular the Rules of Procedure of the

Board and the Instructions to the CEO and the Committees. There is a precise instruction to the CEO that is reviewed annually and approved by the Board. It is primarily the responsibility of the CEO to maintain the control environment directed by the Board in day-to-day work. The CEO regularly reports to the Board according to established procedures. In addition to this, there is reporting from the company's auditors. The internal control structure is also based on a management system based on the company's organisation and way of running the business, with clearly defined roles and responsibilities and delegation of authority. Governing documents, such as policies and guidelines, also play an important role in the control structure.

RISK ASSESSMENT

Risk and risk management in Doro's operations are described in more detail in the Risk Management section on pages 32–33. The specific financial risks are described in more detail in note 22. Doro continually carries out risk assessments to identify significant risks. Risk management is embedded in each process and various methods are used to assess and mitigate risks and to ensure that the risks to which Doro is exposed are managed in accordance with established regulations, instructions and monitoring procedures. The purpose of this is to reduce any risks and promote correct accounting, reporting and information disclosure.

CONTROL ACTIVITIES

Control activities are designed to manage the risks that the Board and the Company's management deem to be material to

the business, internal control and financial reporting. The control structure consists of, among other things, clear roles within the organisation that enable an effective division of responsibility for specific control activities, the purpose of which is timely detection and prevention of the risk of errors in reporting.

Examples of such control activities are a clear decision-making procedure and clear decision-making processes for major decisions, such as acquisitions, other types of major investments, divestments, contracts and analysis. An important task for Doro's group functions is to implement, develop further and maintain the group's control routines and to perform internal control focused on business-critical issues. Process controllers at different levels are responsible for the performance of the necessary controls on financial reporting. The year-end and reporting processes include controls on valuation, accounting principles and estimates. The continuous analysis carried out on financial reporting, together with the analysis performed at group level, is very important in order to ensure that financial reporting does not contain any material inaccuracies.

INFORMATION AND COMMUNICATION

Doro's Board of Directors receives monthly financial reports on the Group's position and performance. Regular updates and notifications inform the relevant employees about changes in accounting principles, changes in reporting requirements or other information. The organisation has access to policies and guidelines. External information and communication is governed, among other things, by the company's

information policy, which describes Doro's general principles for providing information.

FOLLOW-UP

Doro's compliance with adopted policies and guidelines is followed up by the Board and executive management. The company's financial situation is discussed at every Board meeting. Before publication of interim reports and the annual report, the Board and management review the financial reporting. Doro's management performs a monthly follow-up of financial results, with analysis of deviations from the budget, forecasts and the previous year. It is also part of the external auditors' task to review annually the internal control of the Group's subsidiaries. The Board meets with the auditors twice a year, partly to go through internal control and partly to give the auditors the task of carrying out special audits aimed at any area. In view of this combined background, the Board of Directors has not considered it necessary to establish a separate internal audit.

Malmö, March 2023

Board of Directors of Doro AB

Board of Directors



HENRI ÖSTERLUND
Chair of the Board

Main occupation: Managing Partner, Accendo Capital.

Education: Master of Business Administration from Helsinki School of Economics.

Elected: 2015.

Born: 1971.

Nationality: Finnish.

Other assignments: Founder and Partner: Accendo Capital. Board member: Remedy Entertainment Oyj.

Previous experience: Board member: Okmetic Oyj, Talentum Oyj, Comptel Oyj, Partner: Conventum Corporate Finance, Triton in London, Associate: Doughty Hanson.

Interests: Company: No. Owner: Yes.

Own and related party shareholdings: 6,830 shares.



JUHA MÖRT
Board member

Main occupation: CEO at Innohome Group Oy.

Education: Civil engineer from Oulu University, Finland.

Elected: 2020.

Born: 1972.

Nationality: Finnish.

Other assignments: CEO at Innohome Group Oy, Chair: Teknos Group.

Previous experience: Juha has an extensive background in the telecom industry, where he has held senior positions in Filtronic Wireless Infrastructure, Elektrobit Group, Powerwave Technologies and Prism Microwave.

Interests: Company: No. Owner: No.

Own and related party shareholdings: –



VICTOR SAEIJS
Board member

Main occupation: Regional Chair, Western Europe at The LEGO Group.

Education: Master in Business Engineering.

Elected: 2021.

Born: 1965.

Nationality: Dutch.

Other assignments: –

Previous experience: Regional President Western Europe, The LEGO Group; Director Indirect Channels at Amazon Devices Europe; SVP Europe Nokia, VP Eurasia Nokia.

Interests: Company: No. Owner: No.

Own and related party shareholdings: –



NOORA JAYASEKARA
Board member

Main occupation: CFO, Humana.

Education: M.Sc. Econ with a major in Business Finance from Södertörn University, Stockholm.

Elected: 2022

Born: 1978.

Nationality: Finnish.

Other assignments: –

Previous experience: Group Finance Director at Humana 2018–2020. Previously, manager and consultant in accounting for the consultancy group EY.

Interests: Company: No. Owner: No.

Own and related party shareholdings: 2,000 shares.



FREDRIK LÖTHGREN
Employee member

Member since 2021

Born: 1973.

Trade union: Swedish Association of Graduate Engineers.

Own and related party shareholdings: –

VICKY JOHANSSON
Auditor

PricewaterhouseCoopers AB.

Born: 1984.

Other assignments: Lifco AB, Arjo, BHG Group, Cloetta.

Management



JÖRGEN NILSSON
Chair & CEO

Education: Bachelor of Science in Systems Analysis, Lund University.
Employed since: 2015.
Born: 1970.
Nationality: Swedish.
Previous experience: Saudi Telecom, Telenor, Mobinil, Orange, Cap Gemini Ernst & Young.
Own and related party shareholdings: 33,500 shares.



ISABELLE SENGES
CFO

Education: Master of Science in International Banking and Financial Services, University of Reading.
Employed since: 2012.
Born: 1970.
Nationality: French.
Previous experience: Vestas, Danone.
Own and related party shareholdings: 3,000 shares.



FREDRIK BENGTSOON
Technology and R&D Director

Education: Industrial Economy & Marketing, Linköping.
Employed since: 1993.
Born: 1971.
Nationality: Swedish.
Own and related party shareholdings: 1,950 shares.



THERESE BRAHED
Human Resources Director

Education: Master of Science in organizational development, Malmö University.
Employed since: 2020.
Born: 1978.
Nationality: Swedish.
Own and related party shareholdings: 154 shares.



JENNY SÄLL KARLSSON
Operations Director

Education: Business administration.
Employed since: 2018.
Born: 1978.
Nationality: Swedish.
Own and related party shareholdings: –



YUCEL YASAR
Director Category

Education: Technical Preparatory Lund University.
Employed since: 2009.
Born: 1984.
Nationality: Swedish.
Own and related party shareholdings: 208 shares.



MARTIN TÖRNGREN
Procurement Director

Education: Master of Science in Business Administration, Lund University.
Employed since: 2000.
Born: 1969.
Nationality: Swedish.
Own and related party shareholdings: 1,463 shares.



PETER SKATTENBORG
Pricing Director

Education: Technical school, Electronics, Audio, Video and Telecom.
Employed since: 2009.
Born: 1966.
Nationality: Norwegian.
Own and related party shareholdings: 20 shares.



JOHNNY DAVOU
Regional Director Nordic & Baltics

Education: Power Electronics, Lund. Leadership, Sales and Marketing training.
Employed since: 1996.
Born: 1969.
Nationality: Swedish.
Own and related party shareholdings: 10,000 shares.



VALÉRIE OLEK
Regional Director Frabel & Southern Europe

Education: ESSCA Business School of Management, Angers France.
Employed since: 1998.
Born: 1967.
Nationality: French.
Own and related party shareholdings: 1,244 shares.



PETER MARSDEN
Regional Director UK & IE

Education: VP and Global Head of Sales Sony Ericsson.
Employed since: 2017.
Born: 1963.
Nationality: British.
Own and related party shareholdings: 6,000 shares.



CALLE KROKSTÄDE
Regional Director Hong Kong

Education: Master of Business Administration, Executive MBA, Hull University.
Employed since: 1995.
Born: 1973.
Nationality: Swedish.
Own and related party shareholdings: 1,088 shares.



MICHAEL RABENSTEIN
Regional Director DACH

Education: Economics, University Vienna.
Employed since: 2019.
Born: 1973.
Nationality: Austrian.
Own and related party shareholdings: 388 shares.

Remuneration Report

In accordance with the Swedish Companies Act, Chapter 8, Section 53 a below a report on remuneration to Board members and the CEO (the Report). Any remuneration to Board members in addition to Board fees is also covered by this report, if applicable. The report describes how the guidelines for remuneration to senior executives for Doro AB, adopted by the 2022 Annual General Meeting, were applied during 2022. The report also contains information on remuneration to the CEO and a summary of the Company's outstanding share and share price-related incentive programmes. The report has been prepared in accordance with the Swedish Companies Act and the Swedish Corporate Governance Board.

Rules on remuneration to senior executives and on incentive programmes

Further information on remuneration to senior executives can be found in Note 5 (Employees and personnel costs) on pages 57–59 in the Annual Report for 2021. Information about the remuneration committee's work during 2021 can be found in the Corporate Governance Report on page 36 in the Annual Report for 2021. Board fees are not covered by this report. Such fees are decided annually by the Annual General Meeting and are reported in Note 5 on page 58 in the Annual Report for 2022.

DEVELOPMENT IN 2022

The CEO summarises the Company's overall results in their report on pages 9–10 in the Annual Report for 2021.

The main purpose of the Report is to give shareholders the opportunity to form an opinion on how the guidelines have been applied with regard to such remuneration as is covered by the guidelines in accordance with the Swedish Companies Act, Chapter 8, Section 51, that is guidelines for salary and other remuneration to Board members, the CEO and the deputy CEO.

Principles and governance model for remuneration are set out in the Policy, which states that remuneration must be in line with the Company's business strategy, long-term interests and sustainability and that it must ensure that conflicts of interest are avoided.

In connection with the special listing of Carieum, Jörgen Nilsson was appointed as the new president and CEO at an extraordinary general meeting in November 2021. No vice president is registered.

At the 2022 annual general meeting, Noora Jayasekara was elected as a Board member. The meeting decided on the re-election of Henri Österlund, Juha Mört and Victor Saeijs. Henri Österlund was elected chairman of the Board.

Fredrik Löthgren was re-elected as employee representative.

EXCERPT FROM THE POLICY IS MARKED WITH “” BELOW AND THEN FOLLOWS A DESCRIPTION IN FIGURES WITH COMPARATIVE MATERIAL;

““The guidelines' promotion of the Company's business strategy, long-term interests and sustainability

In order for Doro successfully to implement the Company's business strategy described on the website and the safeguarding of the Company's long-term interests, including its sustainability, the Company must be able to recruit and retain and continue to motivate qualified employees.

Remuneration to senior executives and employees of Doro Group shall in both the short and long term reflect the individual's performance, behaviour and their responsibilities. When assessing the performance of the CEO and the Group CEO, in relation to a number of predetermined well-defined goals (both individually, departmentally and for a group), Doro applies a structured process to be able to correctly assess performance. This process not only takes

into account "what" is delivered but also "how" it is delivered, that is performance in combination with behaviour. Decisions on the payment of compensation shall only be made, based on the guidelines set out in policies and instructions. Discrimination related to factors such as race, gender, age, religious or ethnicity is not permitted under any circumstances.

Remuneration to senior executives and employees normally consist of:

- Fixed base salary
- Short-term variable remuneration paid in cash (key personnel) and
- Pension and other customary benefits

The fixed base salary shall consist of a fixed annual cash salary that corresponds to a remuneration for the role and position. The size of the remuneration is affected by: the complexity of the work, responsibilities, performance, local market conditions and in what way it contributes to achieving the

TABLE 1 – TOTAL REMUNERATION TO THE CEO 2022 (SEK THOUSAND)*

CEO	Fixed remuneration	Variable remuneration	Pension cost	Other benefits	Total remuneration	Share of fixed or variable remuneration**
Jörgen Nilsson	1,958	0	606	87	2,651	100/0

* The table presents remuneration payable in 2022. This applies regardless of whether or not payment has been made in the same year.

** Pension costs (column 4), which relate in their entirety to Basic salary and are defined contribution, have been recognised in full as fixed remuneration.

business goals. Because the fixed salary must reflect the performance of the executive, it is individual and differentiated."

It is noted that the CEO has not received any remuneration from another company within the same group.

Furthermore, it is noted that there was no deviation from the decision-making process prescribed in the guidelines for determining the compensation.

A fixed-term variable remuneration shall be based on the achievement of predetermined set targets and the variable remuneration shall have a predetermined ceiling. The result must be linked to measurable goals (qualitative, quantitative, general and individual). No remuneration can be paid unless there is a clear connection to the goals being achieved. With regard

to financial targets, the assessment shall be based on the most recently published financial information by the Company. A short-term programme with variable pay aims to ensure the Company's long-term sustainability and a maximum cost including social security contributions for variable remuneration must not exceed the fixed remuneration to the Company's senior executives.

Conditions for variable salary must be designed so that the Board has the opportunity to limit or omit payment of variable salary if such a measure is deemed reasonable. Such remuneration may not exceed an amount corresponding to 30 percent of the fixed annual salary and may not be paid more than once a year and per individual for a member of Group Manage-

ment, with the exception that for the CEO, this may amount to 50 percent. Decisions on such remuneration shall be made by the Board on the proposal of the Remuneration Committee.

Additional variable cash compensation may be paid in exceptional circumstances, provided that such extraordinary arrangements are limited in time and are only made at the individual level either for the purpose of recruiting or retaining executives, or as compensation for extraordinary work in addition to the person's ordinary duties.

The Board's view is that the total remuneration to the CEO is in accordance with the Company's guidelines. The remuneration contributes to the Company's long-term results in that it is market-based and that it is based on predetermined set goals. The CEO's remuneration is a consequence of the fact that measurable goals (qualitative, quantitative, general and individual) have been achieved. These goals are stated in the Policy and the process reported in it in accordance with the follow-up and assessment thereof carried out by the Board. During the period, the Company did not recover any variable remuneration. The Company's process with regard to the payment of variable remuneration is such that payment is made only after verification that the relevant goals have been achieved, but provides an opportunity for recovery, if a situation arises that raises the issue.

include preparing principles for remuneration to Group Management and for the Board's decision on proposals for guidelines for remuneration to senior executives. New guidelines shall be drawn up at least every four years and submitted for resolution at the Annual General Meeting. The guidelines always apply until new guidelines have been adopted by the Annual General Meeting.

The Remuneration Committee shall also monitor and evaluate programmes for variable remuneration to Group Management, the application of guidelines for remuneration to senior executives and current remuneration structures and remuneration levels in the Company. The CEO's remuneration shall be decided within the framework of approved principles by the Board after preparation and recommendation by the Remuneration Committee. The CEO's decision on remuneration to other senior executives shall be made within the framework of established principles and following reconciliation with the Remuneration Committee. The members of the Remuneration Committee are independent in relation to the Company and Group Management. The CEO or other persons in Group Management, insofar as they are affected by the issues, do not attend the processing of and decisions on remuneration-related issues.

Deviation from the Guidelines

The Board may decide to deviate from the guidelines in whole or in part, if in an individual case there are special reasons for this and a deviation is necessary to satisfy the Company's long-term interests, including its sustainability, or to ensure

TABLE 2 – CHANGES IN REMUNERATION AND THE COMPANY'S RESULTS IN THE LAST FIVE REPORTED FINANCIAL YEARS (SEK THOUSAND)*

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022
Remuneration to the CEO*	+413 (+23%)	+1,555 (+37%)	-2,294 (-40%)	+769 (+22%)	-1,565 (-54%)	1,958
Group operating profit	+30,374 (+33%)	-10,242 (-8%)	-26,440 (-24%)	+33,063 (+39%)	-63,370 (-47%)	55,355
Average remuneration based on the number of full-time equivalent employees in the parent company**	-122.5 (-23%)	14.2 (+3%)	-4 (-1%)	+58.1 (+14%)	+13.5 (+3%)	492.8

* The remuneration excludes severance pay (for more information, see Note 5 in the annual report).

** Excluding members of the group management.

*** The result for 2021 is without discontinued operations.

TABLE 3 – SHARE OPTION PROGRAMME (CEO) *

CEO	Programme	Period	Date of allocation	Share options at the beginning of the year	Change during the year	Share options at the end of the year
Jörgen Nilsson	-	-	-	-	-	-

* No share option program for the present.

EXCERPT FROM THE POLICY "" Preparation and Decision-Making Process

There is a remuneration committee within the Board and the committee's tasks

the Company's financial viability. As stated above, it is part of the remuneration committee's tasks to prepare the Board's decisions on remuneration issues, which includes decisions on deviations from the guidelines.""

It follows from the Swedish Companies Act Chapter 8, Section 52, second paragraph 6 that the guidelines for remuneration to senior executives must contain a description of the decision-making process applied to establish, review and implement the guidelines and what measures are taken to avoid or manage conflicts of interest. At the same time, the Board is given an opportunity under certain conditions that in accordance with the Swedish Companies Act Chapter 8, Section 53 if there is support for this in the guidelines, temporarily and in individual cases deviate from these. However, there has been no deviation from the guidelines or from the decision-making process. The auditor's opinion on the Company's compliance with the guidelines is available on the Company's website <https://www.doro.com/sv-se/corporate>.

In connection with a consideration at the Annual General Meeting of a previous report on remuneration, no comments have been made that give reason to provide any supplementary information or account of the Board's assessment in the Report.



Consolidated Income statement

The Group

SEK m	Note	2022	2021
Net sales	2,3	909.5	1039.6
Cost of goods and services sold		-591.9	-660.3
Gross profit		317.6	379.3
Selling, distribution and marketing expenses		-152.5	-134.3
Research and development expenses		-64.4	-76.4
Administration expenses		-50.9	-54.1
Other income and expenses	2	5.6	4.2
Operating profit/loss	4, 5, 28	55.4	118.7
Profit/loss from financial items			
Financial income	6	11.3	8.3
Financial expenses	6	-22.2	-12.6
Profit/loss before taxes		44.5	114.4
Income tax expense	16	-3.6	-31.4
PROFIT/LOSS FOR THE YEAR FOR CONTINUING OPERATIONS		40.9	83.1
Profit/loss for the year for distributed operations	30	0	286.1
PROFIT/LOSS FOR THE YEAR		40.9	369.2
Attributable to:			
Parent company's shareholders		40.9	369.2
Key figures			
Average number of shares, thousands	11	24,326	24,028
Average number of shares after dilution, thousands		24,326	24,028
Earnings per share for continuing operations before dilution, SEK		1.68	3.46
Earnings per share for continuing operations after dilution, SEK		1.68	3.46
Earnings per share before dilution, SEK		1.68	15.37
Earnings per share after dilution, SEK		1.68	15.37

Statement of comprehensive Income

The Group

SEK m	2022	2021
Profit/loss for the year for continuing operations	40.9	83.1
Profit/loss for the year for discontinued operations	0.0	286.1
PROFIT/LOSS FOR THE YEAR	40.9	369.2
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Translation differences for continuing operations	13.5	8.4
Translation differences for discontinued operations	0.0	8.7
Effects from cash flow hedges	-2.8	5.0
Deferred tax	0.5	-1.0
Other comprehensive income	11.2	21.1
Total result	52.1	390.3
Attributable to:		
Parent company's shareholders	52.1	390.3

Balance Sheet

The Group

Assets, SEK m	Note	2022	2021	Shareholders' equity and liabilities, SEK m	Note	2022	2021
ASSETS				SHAREHOLDERS' EQUITY			
NON-CURRENT ASSETS				SHAREHOLDERS' EQUITY			
Goodwill	7	230.9	223.0	Share capital	11	24.5	24.5
Capitalized expenditure for development work	7	54.6	54.8	Other allocated capital		305.5	305.5
Right-to-use assets	4	15.3	18.4	Reserves		33.7	22.5
Equipment, tools and rental equipment	8	2.1	2.1	Retained earnings		111.3	70.4
Other financial non-current assets	29	38.6	50.6	Total shareholders' equity		475.0	422.9
Deferred tax asset	16	14.2	14.0				
		355.7	362.9	LONG TERM LIABILITIES			
				Interest-bearing liabilities			
CURRENT ASSETS				Provisions for pension	20	2.8	3.3
Inventories	18	208.4	225.1	Liabilities to credit institutions	23	75.0	150.0
Prepayments to supplier		19.3	11.8	Leasing liabilities	4	8.5	11.5
Accounts receivable – trade	22	147.0	191.9	Total interest-bearing liabilities		86.3	164.8
Other current receivables	10	14.6	15.4				
Prepaid expenses and accrued income	10	4.4	4.7	Non interest-bearing liabilities			
Cash and bank balances	22	154.4	179.1	Other provisions	21	48.1	48.8
		548.1	628.0	Total non interest-bearing liabilities		48.1	48.8
TOTAL ASSETS		903.8	990.9				
				CURRENT LIABILITIES			
				Interest-bearing liabilities			
				Leasing liabilities	4	7.3	6.9
				Total interest-bearing liabilities		7.3	6.9
				Non interest-bearing liabilities			
				Provisions for guarantees	19	29.7	34.1
				Accounts payable – trade		86.6	125.8
				Other liabilities		18.1	16.4
				Current tax liability		6.5	24.5
				Accrued expenses and prepaid income	12	146.2	146.7
				Total non interest-bearing liabilities		287.1	347.5
				TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		903.8	990.9

Changes in shareholders' equity

The Group

	Share capital	Other allocated capital	Reserves ¹⁾	Profit brought forward	Total shareholders' equity
Shareholders' Equity December 31, 2020	24.2	284.9	1.4	494.0	804.5
Profit/loss for the year	0	0	0	369.2	369.2
Other comprehensive income	0	0	21.1	0	21.1
Total result	0	0	21.1	369.2	390.3
Distribution of Careium shares	0	0	0	-780.9	-780.9
Transaction costs for discontinued operations	0	0	0	-11.9	-11.9
New share issue	0.3	20.6	0	0	20.9
Total transactions with shareholders	0.3	20.6	0	-792.8	-771.9
Shareholders' Equity December 31, 2021	24.5	305.5	22.5	70.4	422.9
Profit/loss for the year	0	0	0	40.9	40.9
Other comprehensive income	0	0	11.2	0	11.2
Total result	0	0	11.2	40.9	52.1
Total transactions with shareholders	0	0	0	0	0
Shareholders' Equity December 31, 2022	24.5	305.5	33.7	111.3	475.0

1) Specification of reserves

	2022	2021
Accumulated translation differences, January 1	23.1	6.0
Translation differences for the year, remaining operations	13.5	8.4
Translation differences for the year, remaining operations	0	8.7
Accumulated translation differences, December 31	36.6	23.1
Accumulated effects of cash flow hedges, January 1	-0.6	-4.6
Effects of cash flow hedges for the year	-2.8	5.0
Deferred tax in effects of cash flow hedges	0.5	-1.0
Accumulated effects of cash flow hedges, December 31	-2.9	-0.6
Total reserves, December 31	33.7	22.5

Cash flow statement

The Group

SEK m	Note	2022	2021
CURRENT ACTIVITIES			
Operating profit		55.4	117.2
Adjusted for items not in cash flow			
Change in provisions	19, 20, 21	-6.4	-30.2
Depreciation and write downs	4, 7, 8, 28	45.0	114.2
Unrealized exchange differences in cash flow hedges		11.9	-5.2
Total adjustment for other non-cash items		50.5	78.8
Interest received		0.5	0.8
Interest paid		-2.7	-5.5
Taxes paid	16	-25.6	-27.7
Cash flow from current activities before changes in working capital		78.1	163.6
Change in working capital			
Change in stocks	18	20.1	-35.4
Change in receivables		39.8	-67.3
Change in non-interest-bearing liabilities		-64.9	-39.3
Cash flow from current activities		73.1	21.6

SEK m	Note	2022	2021
INVESTMENT ACTIVITIES			
Acquisitions of subsidiaries	17	0.0	-112.5
Acquisition of intangible assets	7	-37.5	-55.6
Acquisition of tangible fixed assets	8	-0.5	-15.2
Distribution of activities		0.0	92.1
Cash flow from investment activities		-38.0	-91.2
FINANCING ACTIVITIES			
New share issue		0.0	20.9
Amortization of leasing liabilities		-7.4	-20.4
Amortization of loans		-75.0	-85.0
Loans raised		0.0	150.0
Cash flow from financing activities		-82.4	65.5
Cash flow for the year		-47.3	-4.1
Liquid assets at start of year		179.1	170.6
Exchange rate difference in liquid assets		22.6	12.6
Liquid assets at end of year		154.4	179.1

Income Statement

Parent company

SEK m	Note	2022	2021
Net sales	2,3	808.0	1,069.3
Cost of goods and services sold		-543.5	-690.5
Gross profit		264.5	378.8
Selling, distribution and marketing expenses		-82.6	-99.6
Research and development expenses		-58.2	-89.3
Administration expenses		-109.6	-278.5
Other income and expenses		5.1	4.1
Operating profit/loss	4, 5, 28	19.2	-84.5
Profit/loss from financial items			
Financial income	6	14.8	140.9
Financial expenses	6	-21.8	-11.9
Profit/loss after financial items		12.2	44.5
Income tax expense	16	-6.6	-16.9
PROFIT/LOSS FOR THE YEAR		5.6	27.6

Statement of comprehensive income

Parent company

SEK m	2022	2021
PROFIT/LOSS FOR THE YEAR	5.6	27.6
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Effects from cash flow hedges	-2.8	5.0
Deferred tax	0.5	-1.0
Other Comprehensive income	-2.3	4.0
Total result	3.3	31.6

Balance Sheet

Parent company

Assets, SEK m	Note	2022	2021
FIXED ASSETS			
Intangible assets			
Capitalized expenditure for development work	7	54.6	54.8
Tangible assets			
Equipment, tools and rental equipment	8	0.9	0.6
Financial assets			
Participations in Group companies	9, 24	68.3	68.3
Other financial non-current assets	29	38.0	50.2
Deferred tax asset	16	3.9	4.2
Total fixed assets		165.7	178.1
CURRENT ASSETS			
Inventories			
Goods for resale	18	171.5	178.7
Advanced payment to suppliers		19.3	11.8
Current receivables			
Accounts receivable – trade		115.8	169.9
Receivables from Group companies		217.1	360.4
Other current receivables	10	15.5	12.5
Prepaid expenses and accrued income	10	3.0	3.7
Cash and bank balances	22	142.4	164.7
Total current assets		684.6	901.7
TOTAL ASSETS		850.3	1,079.8

Balance Sheet

Parent company

Shareholders' equity and liabilities, SEK m	Note	2022	2021
SHAREHOLDERS' EQUITY			
Restricted equity			
Share capital	11	24.5	24.5
Revaluation reserve		0.5	0.5
Other allocated capital		55.5	55.5
Reserve for development expenses		21.6	21.8
Total restricted equity		102.1	102.3
Non-restricted equity			
Share premium reserve		221.5	221.5
Fair value reserve		-2.9	-0.6
Profit/loss brought forward		-101.0	-128.8
Profit/loss for the year		5.6	27.6
Total non-restricted equity		123.2	119.7
Total shareholders' equity		225.3	222.0
PROVISIONS			
Provisions for guarantees	19	26.0	30.3
Other provisions	21	46.2	46.3
Total provisions		72.2	76.6

Shareholders' equity and liabilities, SEK m	Note	2022	2021
LONG-TERM LIABILITIES			
Interest-bearing liabilities			
Liabilities to credit institutes		75.0	150.0
Total interest-bearing liabilities		75.0	150.0
CURRENT LIABILITIES			
Interest-bearing liabilities			
Liabilities to Group companies		17.5	16.7
Total interest-bearing liabilities		17.5	16.7
Non interest-bearing liabilities			
Account payable - trade		75.7	120.7
Liabilities to Group companies		259.0	363.8
Other liabilities		16.7	10.5
Current tax liability		6.4	21.8
Accrued expenses and prepaid income	12	102.5	97.7
Total non interest-bearing liabilities		460.3	614.5
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		850.3	1,079.8

Changes in shareholders' equity

Parent company

SEK m	Share capital	Revaluation reserve	Statutory reserve	Development expenses reserve	Share premium reserve	Fair value reserve	Retained earnings	Total share holders' equity
Shareholders' Equity December 31, 2020	24.2	0.5	55.5	100.4	200.9	-4.6	165.4	542.3
Profit for the year	0	0	0	0	0	0	27.6	27.6
Other comprehensive income	0	0	0	0	0	4.0	0	4.0
Total result	0	0	0	0	0	4.0	27.6	31.6
Reversal of development expenditure fund (incl. reversing allocation to Care development reserve)	0	0	0	-78.6	0	0	78.6	0
Dividend	0	0	0	0	0	0	-372.8	-372.8
New share issue	0.3	0	0	0	20.6	0	0	20.9
Total transactions with shareholders	0.3	0	0	-78.6	20.6	0	-294.2	-351.9
Shareholders' Equity December 31, 2021	24.5	0.5	55.5	21.8	221.5	-0.6	-101.2	222.0
Profit for the year	0	0	0	0	0	0	5.6	5.6
Other comprehensive income	0	0	0	0	0	-2.3	0	-2.3
Total result	0	0	0	0	0	-2.3	5.6	3.3
Reversal of development expenditure fund	0	0	0	-0.2	0	0	0.2	0
Total transactions with shareholders	0	0	0	-0.2	0	0	0.2	0
Shareholders' Equity December 31, 2022	24.5	0.5	55.5	21.6	221.5	-2.9	-95.4	225.3

Cash flow statement

Parent company

SEK m	Note	2022	2021
OPERATING ACTIVITIES			
Operating profit		19.2	-84.5
Adjusted for items not in cash flow			
Change in provisions	19, 20, 21	-4.4	9.5
Depreciation and write downs	7, 8	37.2	227.8
Unrealized exchange differences in cash flow hedges		11.9	-5.2
Total adjustment for non-cash items		44.7	232.1
Received interest		4.1	5.8
Paid interest		-2.2	-3.4
Taxes paid		-21.2	-17.0
Cash flow from current activities before changes in working capital		44.6	133.0
Change in working capital			
Change in stocks	18	7.3	2.5
Change in receivables		178.4	2.3
Change in non-interest-bearing liabilities		-148.7	-66.5
Cash flow from operating activities		81.6	71.3

SEK m	Note	2022	2021
INVESTMENT ACTIVITIES			
Acquisition of intangible fixed assets	7	-37.5	-40.0
Divestment of intangible fixed assets	7	0.0	54.4
Acquisition of tangible fixed assets	8	-0.4	-8.9
Divestment of tangible fixed assets	8	0.0	24.7
Cash flow from investment activities		-37.9	30.2
FINANCING ACTIVITIES			
New share issue		0.0	20.9
Net effects from dividends to Careium		0.0	-132.6
Dividends from subsidiaries		9.0	0.0
Loans raised		0.0	150.0
Amortization of loan		-75.0	-85.0
Cash flow from financing activities		-66.0	-46.7
Cash flow for the year		-22.3	54.8
Liquid assets at start of year		164.7	109.9
Liquid assets at end of year	22	142.4	164.7

Notes

Note 1 Accounting principles

The Annual Accounts and Consolidated Accounts were approved for publication by the Board of Directors and Chief Executive Officer on March 30, 2023 and will be presented to the AGM on April 28, 2023 for approval.

The Consolidated Accounts were prepared in accordance with International Financial Reporting Standards (IFRS/IAS) as issued by the International Accounting Standards Board (IASB) as endorsed by the EU.

The Consolidated Accounts were also prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 1 (Supplementary Accounting Rules for Groups).

The Annual Accounts of the Parent Company were prepared in accordance with the Swedish Annual Accounts Act and applying the Swedish Financial Reporting Board's recommendation RFR 2 (Accounting for Legal Entities). State-ments applicable to listed companies issued by the Swedish Financial Reporting Board have also been applied.

SIGNIFICANT CHANGES IN THE CURRENT REPORTING PERIOD

No significant changes happened during the reporting period.

For a detailed report about the Group's performance and financial position we refer to our administration report on page 29–31.

NEW ACCOUNTING POLICIES FOR 2022

IASB has issued some minor standards modifications (IFRS3, IAS16 and IAS37) effective on January 1, 2022. None of these have had a material impact on Doro's financial statements.

NEW ACCOUNTING POLICIES FOR 2023 AND ONWARDS

A new standard, IFRS17 (Insurance contracts) and some minor changes in existing standards

(IAS1, IAS8 and IAS12) are effective starting January 1, 2023 and have not been applied in this financial report. These standard changes or interpretations are not expected to have a significant effect on the Group's consolidated financial statements in current or future periods or on future transactions. On January 1, 2024, amendments related to IFRS16 and IAS1 will become effective.

Basis for the preparation of the financial statements

Assets, provisions and liabilities are based on historical cost unless otherwise stated below. All amounts, unless otherwise stated, are in millions of Swedish kronor (SEK m).

GROUP

Consolidated Accounts PRINCIPLES

The Group includes the Parent Company Doro AB, and the companies in which the Parent Company, directly or indirectly owns shares controlling more than half of the voting rights. This means that Doro AB exerts a controlling influence over Group companies. Acquired companies are included in the Consolidated Accounts from the acquisition date or when control of the company is obtained. Sold companies are included up to and including the date they are sold. The Consolidated Accounts are prepared in accordance with the purchase method, which means that the historical cost of participations in Group companies is divided between identifiable assets and liabilities at their fair value on the acquisition date.

Unused loss carry-forwards for tax purposes in the acquired company are converted into deferred tax assets in the Consolidated Accounts if the assessed earnings capacity is such that utilising them is deemed possible. Furthermore, deferred tax is calculated on the difference between the fair values of assets and liabilities and their tax base. In cases where the historical cost of participations in Group companies exceeds the net of acquired assets and liabilities, as above, the difference is recognized

as goodwill, which is tested at least once a year for impairment.

For company acquisitions, the purchase price can be earnings dependent. The calculation is then based on future profit and hence the total purchase price. On a quarterly basis, an assessment is made as well as an adjustment of the expected purchase price. Changes in the item in question are recognized in profit or loss.

Intra-Group balances and unrealized internal gains are eliminated in the Consolidated Accounts. When eliminating internal transactions, tax effects are also taken into account on the basis of nominal tax rates in each country.

Exchange rates

TRANSLATION OF FOREIGN OPERATIONS

All of the assets and liabilities of foreign Group companies are translated at the closing day rate, while all items in the income statements are translated at the average rate for the financial year. The exchange rate differences arising in this context are partly an effect of the differences between the income statements' average rates and closing day rates, and partly of the fact that net assets are translated at a different rate at the end of the year than at the beginning of the year. Translation differences are recognized in the Statement of Comprehensive Income.

EXCHANGE RATES

The following exchange rates have been used in the translation of foreign operations:

Currency	Average rate		Closing day rate	
	2022	2021	2022	2021
EUR	10.63	10.15	11.15	10.26
HKD	1.29	1.10	1.33	1.16
NOK	1.05	0.99	1.05	1.03
GBP	12.46	11.79	12.58	12.22
USD	10.07	8.59	10.41	9.04

EFFECTS OF ALTERED EXCHANGE RATES

Receivables and liabilities in foreign currencies are translated at the closing day rates and unrealized exchange gains and losses related

to operations are included in operating result. Exchange rate differences related to non-operational items, such as cash and cash equivalents and bank loans, are recognised in net financial income/expense.

Revenue from contracts with customers

Following the separation from Care activities Doro's revenues now includes product sales of mainly telephone handsets. Product sales are recognised when control of a good transfers to a customer, which usually occurs on delivery. Doro has discount agreements with most customers. Contracted discounts reduce sales revenue in the period the sale is recognised. The Group's commitment to repair or replace defective products, in accordance with normal warranty conditions, is provided for.

Government assistance

Government assistance received is reported as other income.

Employee benefits

Employees' compensation is reported based on earned and paid wages and earned bonus. Accrued holiday pay and social security contributions are recognized as accrued expenses.

Pensions

The predominant share of Doro's obligations towards employees consists of various defined-contribution pension plans.

A defined-contribution pension plan is a pension plan according to which the Group pays fixed fees to a separate legal entity. The Group has no legal or informal obligations to pay further fees if this legal entity lacks sufficient funds to pay all remuneration to employees associated with the employees' service during current or previous periods.

For defined-contribution pension plans, the Group pays fees to publicly or privately managed pension insurance plans on a compulsory, contractual or voluntary basis. The Group has no further payment obligations once these fees have been paid. The fees are recognized as

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personnel costs when they become due for payment. Prepaid fees are recognized as an asset to the extent that cash repayment or reductions in future payments may accrue to the Group.

In addition, employees at the Group's French subsidiaries have defined-benefit pension plans. A defined-benefit pension plan is one that is not a defined-contribution plan. Characteristic of defined-benefit plans is that they specify an amount for the pension benefit to be received by an employee following retirement. This is normally based on one or more factors such as age, period of service and salary.

All obligations for which provisions are made are assessed by an actuary to determine the amount of the provision. The liability recognized in the Balance Sheet for defined-benefit pension plans is the present value of the defined-benefit obligation at the end of the reporting period.

Research and development

Product development is conducted in collaboration with various manufacturing partners and most expenditure is borne by them. Doro works in an environment of rapid technological progress. Product development refers to expenditure for product adaptations, design, model approval, etc.

Expenses relating to the development phase are capitalized as an intangible asset if it is likely, with a high degree of reliability, that they will result in future financial benefits for the Group.

This means that strict criteria must be met before a development project results in intangible assets being capitalized. Such criteria include the option of ending a project, proof that a project is technically feasible and that a market exists, and that there is an intention and opportunity to use or sell the intangible asset. There must also be an opportunity to reliably measure expenses during the development phase.

External partners' moulds for manufacturing products are, however, owned by Doro and expenditure for them is capitalized and depreciated according to plan if the lifespan of the product is expected to exceed one year. Doro has no research expenses.

Property, plant and equipment and intangible fixed assets

Property, plant and equipment and intangible fixed assets are recognized at historical cost less accumulated depreciation/amortization according to plan, except goodwill and rented premises, which are not amortized in the Group.

Financial instruments INVESTMENTS

The Group classifies its investments in debt instruments into three categories, which are amortised cost, fair value through other comprehensive income and fair value through profit and loss. The classification is made according to IFRS 9 standard, based on the business model and contractual cash flow characteristics of debt instruments. Management determines the classification of its investments at the time of the purchase. Investments in debt instruments for which the business model objective is to hold the financial instruments to collect contractual cash flows and those cash flows are solely payments of principal and interest, are classified as amortised cost and presented in current and non-current assets. Purchases and sales of financial instruments are recognised based on trade date accounting, which is the date on which the Group commits to purchasing or selling the financial instrument. Financial instruments are derecognised when the rights to receive or the cash flows from the financial instruments have expired or have been transferred and the Group has substantially transferred all risks, rewards and obligations of the ownership of the financial asset or liability.

LOAN RECEIVABLES

Loan receivables are debt instruments with fixed or determinable payments that are not quoted on an active market. They are recorded at fair value.

Loss allowance for expected credit losses is calculated based on the simplified method. According to the simplified method, the calculation is based on the expected losses of the receiv-

ables full term. In the calculation the receivables are grouped based on number of days delayed. Interest income on loan receivables is included in financial income and expense. Loan receivables with a maturity less than 12 months are included in current assets under interest-bearing receivables and those with maturities greater than 12 months, in non-current loan receivables.

DEBT

Debt is recognised initially at fair value, net of transaction costs incurred. In subsequent periods, it is stated at amortised cost using the effective interest method; any difference between proceeds, net of transaction costs, and redemption value is recognised in the Consolidated income statement over the period of the borrowings. Interest expenses are accrued for and recorded in the Consolidated income statement for each period. Debt with an original maturity greater than 12 months is classified as non-current debt in the Consolidated statement of financial position, though repayments falling due within 12 months are presented in current liabilities under the current portion of non-current debt. Short-term commercial paper, bank and other interest-bearing borrowings for which the original maturity is less than 12 months are presented in current liabilities under interest-bearing liabilities.

FAIR VALUE HIERARCHY

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- **Level 1:** quoted (unadjusted) prices in active markets for identical assets or liabilities.
- **Level 2:** other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- **Level 3:** techniques which use inputs which have a significant effect on the recorded fair values that are not based on observable market data.

Derivative financial instruments and hedge accounting

Financial derivatives are initially recognised in the Consolidated Statement of Financial Position at fair value and subsequently measured at their fair value at each reporting date, though the method of recognising the resulting gains or losses is dependent on the nature of the item being hedged. When derivative contracts are entered into, the Group designates them as either hedges of highly probable forecast transactions or firm commitments (cash flow hedges), hedges of the exposure to changes in the fair value of recognised assets or liabilities (fair value hedges), hedges of net investments in foreign entities or derivative financial instruments not meeting the hedge accounting criteria in accordance with IFRS 9.

At the inception of a hedge, the Group documents the relationship between the hedging instrument and the hedged item, as well as its risk management objective and strategy for undertaking various hedging transactions. This process includes linking all financial instruments designated under hedge accounting to specific assets and liabilities or to specific firm commitments or highly probable forecast transactions in order to verify and document hedge relationship between the hedged item and the hedging instrument as required by IFRS 9. For operational cash flow hedging purposes, foreign currency forwards and options are denominated in the same currency as the highly probable forecast transactions resulting in a hedge designation where critical terms of the hedging instrument and the hedged item will coincide. The Group also documents its qualitative prospective assessment at the hedge inception of whether the derivatives used in a hedge relationship are highly effective in offsetting changes in fair value or cash flows of hedged items. Hedge effectiveness will be assessed in accordance with IFRS 9 requirements.

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Cash flow hedges

Changes in the fair value of derivatives designated and qualifying as cash flow hedges, and which are effective, are recognised in cash flow hedges reserve within OCI, the movements of which are disclosed in the Consolidated Statement of Comprehensive Income. In case of currency options, the time value of an option is excluded from the hedge designation and only the intrinsic value component of an option is designated as the hedging instrument. The changes in option time value are recognised in cost of hedging reserve within OCI. The cumulative gain or loss of a derivative deferred in equity is transferred to the Consolidated Income Statement and classified as income or expense in the same period in which the hedged item affects the Consolidated Income Statement. Realised results of hedge accounted derivative instruments hedging foreign currency sales transactions or purchases are booked as adjustments to sales or materials and services depending on the nature of the underlying hedged item.

In respect of hedges of exposures to foreign currency risk of future transactions resulting in the recognition of non-financial assets, the gains and losses deferred to cash flow hedges reserve within OCI are transferred from equity to be included in the initial acquisition cost of the non-financial asset at the time of recognition. The deferred amounts are ultimately recognised in the Income Statement through depreciation over the lifetime of the non-financial assets.

When a hedging instrument expires or is sold, terminated or exercised or no longer meets the hedge accounting criteria under IFRS 9, any cumulative gain or loss deferred in equity at that time remains in equity and is accounted for as an adjustment to income or expense when the committed or forecast transaction is ultimately recognised in the Consolidated Income Statement. However, if the underlying forecasted transaction is no longer expected to occur, the cumulative gain or loss reported in equity from the period when the hedge was effective

is immediately recognised in the Consolidated Income Statement.

Impairment

At least at every year-end at the close of accounts, an assessment is made as to whether there is any indication of impairment of the carrying amounts of the Group's assets. When there is such an indication, the recoverable amount of the asset is measured. The recoverable amount is the greater of an asset's net realizable value and its value in use. When establishing value in use, present value measurement is performed for estimated future payments that the asset is expected to generate during its useful life.

In present value measurement, an interest rate before tax is used for the purpose of the measurement that reflects the current market interest rate and the risk attributable to the asset.

If the recoverable amount is less than the carrying amount, the asset is impaired to its recoverable amount.

Reversals of impairment are recognized if there are no grounds for such impairment, except for goodwill. Impairment and reversals of impairment are recognized in profit or loss.

At least once a year, an assessment of forecast future earnings and cash flow trends is made with regard to goodwill, capitalised expenditure for ongoing development projects and leasehold rights on premises. When the carrying amount exceeds the recoverable amount, it is impaired.

Depreciation of property, plant and equipment

Depreciation according to plan is on a straight-line basis on the historical cost of the asset category and the estimated useful life:

Equipment and tools	2-5 years
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Amortization of intangible assets

Intangible assets are amortized over their estimated useful life. For capitalized product devel-

opment, amortization commences as of market launch of the product in question. Amortization according to plan is on a straight-line basis on the historical cost of the asset category:

Capitalized expenditure for development work	1-3 years
Trademarks and brands	1-5 years
Customer register and distribution agreements	3-7 years

Leasing

Doro leases offices, premises, office equipment and vehicles. Lease terms are negotiated separately for each lease agreement and contains many conditions. The lease agreements are recognized as right-to-use assets with a corresponding liability, from the point in time the leased assets can be used by the Group. Assets and liabilities derived from lease agreements are recognized at fair value. Leasing liabilities includes the fair value of the following lease payments:

- fixed fees reduced by any benefits related to the signing of the lease agreement, variable fees depending on an index or a price, initially valued on basis of an index or a price at commencement date
- amounts expected to be paid by the lessee due to guaranteed residual value
- exercise price for a buy option if the Group is reasonably convinced that the buy option will be used
- penalty fees to be paid at termination of a lease agreement if the lease term reflects that the Group will use the opportunity to terminate the lease agreement.

Lease payments for extension periods that are reasonably certain are also included in the valuation of the liability. Lease payments are measured at the present value using the implicit interest rate of the lease agreement. If this interest rate cannot be easily established, which normally applies for the Group's lease agreements, the

lessees' incremental borrowing rate is used. The incremental borrowing rate is the interest rate the lessee would have to pay to lend the funds to buy an asset of similar value as the right-to-use asset in a similar economic environment with similar conditions and securities.

Lease payments are split between amortization of leasing liability and interest expense. The interest expense is recognised in the income statement over the lease term applying a fixed interest rate on the leasing liability in each period. The right-to-use assets are valued at acquisition cost which includes the following:

- the original value of the leasing liability
- lease fees paid at or before the commencement date, after deduction of any benefits received when signing the lease agreement
- start-up expenses
- cost to restore the asset as prescribed in the lease agreement.

Right-to-use assets are normally depreciated on a straight-line basis over the shorter of the estimated useful life and the lease term. If the Group is reasonably certain that a buy option will be exercised, the assets are depreciated over the underlying asset's estimated use life. Short contracts are agreement with a lease term shorter than 12 months. Contracts of lower value mainly includes IT equipment and office furniture.

Inventory

Inventories are measured at the lower of cost (in accordance with the first-in, first-out principle-FIFO) and net realizable value (in accordance with the lowest value principle). Cost is calculated for each delivery.

Technological development is rapid, and prices fall regularly. Impairment of inventory is recognized according to a model whereby older inventory gives greater impairment. Different product groups have varying rates of impairment. The net sales value is defined as the selling price less selling expenses. Impairment to the

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net realizable value includes impairment due to technological and commercial obsolescence made in the Group company in question.

Provisions

Provisions are defined as liabilities that are uncertain in term of amounts or time of settlement. A provision is recognized when there is an undertaking ensuring from a transpired event, it is probable that an outflow of resources will be required in order to settle the undertaking and that the amount can be reliably estimated. Pensions, guarantee commitments, disputes and additional expenses are recognized as provisions in the Balance Sheet.

Warranties and repairs

Provisions are made for estimated repair expenditure and losses of margins regarding goods that may be returned within the warranty period (between one and two years from the sale to the end user).

A statistical program has been developed that captures outcomes regarding the time at which products are sold until they are returned, the proportion that is repaired, scrapped, compensated for through product exchange or crediting as well as cost for checking, repairs (including parts) and transport. In the event of variances (mainly in the share of returned products), warranty provision requirements are changed. The total warranty reserve is classified as current liabilities as majority of guarantees falls within one year.

Taxes

All tax expected to be payable on reported profit is recognized in the Income Statement. Such taxes have been computed according to each country's tax regulations and are recognized under the item tax on profit for the year.

The Group's total tax in the Income Statement consists of current tax on taxable profits for the period, and deferred tax. Deferred tax mainly consists of changes in deferred tax assets with respect to loss carry-forwards and for tax

purposes and other temporary differences.

The Group uses the balance sheet method for calculating deferred tax assets and liabilities. According to the balance sheet method, computation is based on tax rates on the closing date applied to temporary differences between an asset or liability's value in terms of accounting and taxation, and loss carry-forwards for tax purposes. Deferred tax assets are recognized in the Balance Sheet only to the extent of value that can probably be utilized within the foreseeable future. An individual assessment is performed of the situation for companies in each country.

Cash flow statement

Cash flow statements are prepared using the indirect method, which means that profit/loss after financial income/expense is adjusted for transactions that did not entail incoming and outgoing payments during the period, and for income and expenses relating to the cash flow of investment activities.

Cash and cash equivalents

Cash and equivalents comprise cash, bank balances and current investments.

Share warrants

On the sale of share warrants, the purchase consideration received is recognised as an increase in Other paid-up capital. On the purchase of share warrants, the purchase consideration is recognised as a reduction in other paid-up capital

Segment reporting

Following the separation from Care activities, only one operating segment is now reported, the segment previously reported as Doro Phones. For more information about Doro's segment reporting, see Note 2.

Classification

The balance sheet items entitled current assets and current liabilities are expected to be re-

covered or paid within a twelve-month period. All other balance sheet items are recovered or repaid later.

Critical accounting matters and uncertainty in estimates

In their preparation of Doro's Consolidated Accounts, the Board of Directors and the CEO, besides estimates made, have made a series of judgments regarding critical accounting matters that can significantly affect the amounts recognized. These relate to the following:

GOODWILL MEASUREMENT

When testing carrying amounts of goodwill for impairment, assumptions are made about the future expected profit and cash flow trend for the lowest possible cash-generating unit. This is described in more detail in – Note 7.

DEFERRED TAX RELATED TO LOSS CARRY-FORWARDS

When measuring deferred tax assets, an assessment of future surpluses for tax purposes of each company is made, and thereby of the ability to utilize the loss carry-forwards. The size of the loss carry-forwards is detailed in Note 16.

CREDIT RISKS IN ACCOUNTS RECEIVABLE

Individual assessments are made when evaluating credit risks in accounts receivable. The assessment is based on past payment capacity and other information. Doro has in the past had very low realized bad debt losses but is active in follow-up. Refer to Note 22 for more information.

MEASUREMENT OF INVENTORY

Measurement of inventory is based on an inventory turnover model. In addition, individual assessments are performed based on past sale statistics and sales forecasts compared with product volumes in inventory and in production with suppliers.

Discontinued operations

A discontinued operation is a part of a company's operations that represents an independent line of business or a significant business within a geographical area.

Classification as a discontinued operation takes place upon divestment.

Profit after tax from discontinued operations is reported on a separate line in the statement of earnings and other comprehensive income.

When an activity is classified as discontinued, the format of the comparison year's report for the profit and loss and other comprehensive income is changed so that it is reported as if the discontinued activity had been discontinued at the beginning of the comparison year.

The format of the financial position report for the current and previous years does not change correspondingly.

PARENT COMPANY

Impairment of participation in Group companies and impairment reversals

Participations in Group companies are measured at historical cost. If the recoverable amount (see section above entitled "impairment") should prove to be lower, there is an impairment. Impairment of the value of participations in subsidiaries is reversed when there are no longer grounds for such impairment.

Financial instruments

The parent company applies fair value accounting for financial instruments in accordance with Annual Accounts Act Chap 4:14.

Leasing

Lease fees are recognized as operating expenses. Information concerning remaining lease fees under lease contracts is disclosed in Note 4.

Note 2 Net sales per segment and category and other income and expenses

Segment reporting

The listing of the previous operations within Doro Care and the creation of two separate listed companies was completed during Q4 2021. Doro now consists of the former Doro Phones division, which includes mainly In-house developed senior adapted phones, mobile phones and senior adapted applications sold through a network of over 100 telecom operators, distributors, specialists, and retailers in Europe in particular.

The Group	2022	2021
Net sales of products	909.5	1,039.6
Total	909.5	1,039.6
Cost of goods and services sold	-591.9	-660.3
Gross profit	317.6	379.3
Other operating expenses, non-allocated	-262.2	-260.6
Operating profit after depreciation and write-downs (EBIT)	55.4	118.7

The Group	2022	2021
Assets	903.8	990.9
Total Assets	903.8	990.9
Liabilities	428.8	568.0
Total Liabilities	428.8	568.0

All material and intangible assets are controlled by the Swedish parent company. The location of customers forms the basis for the division of sales into geographical regions. No single customer accounts for more than 10 percent of net sales.

Net sales per region	2022	2021
Nordic	187.1	267.1
West and South Europe and Africa	348.4	379.6
Central- and Eastern Europe	212.5	224.7
UK and Ireland	161.6	169.0
North America	0.0	1.5
Other	-0.2	-2.2
Total	909.5	1,039.6
whereof Sweden	152.5	220.4

Other income and expenses	The Group		Parent Company	
	2022	2021	2022	2021
Government assistance received	-0.8	0.1	-1.0	0.1
Other income	6.4	4.1	6.1	4.0
Other expenses	0.0	0.0	0.0	0.0
	5.6	4.2	5.1	4.1

Note 3 Intra Group transactions

Of the Parent Company's invoicing SEK 91.5m (103.1) relates to subsidiaries. Invoicing from subsidiaries to the Parent Company amounted to SEK 71.9m (66.9). Invoicing between subsidiaries amounted to SEK 0.0m (0).

Note 4 Rental and leasing agreements

Operational leasing where the Group is lessee 2022

In the balance sheet the following amounts relate to leasing agreements.

Right-to-use assets	Group	
	2022	2021
Premises	13.1	15.5
Equipment	0.5	0.7
Vehicles	1.7	2.1
Total	15.3	18.4

Leasing liabilities	Group	
	2022	2021
Current	7.3	6.9
Long-term	8.5	11.5
Total	15.8	18.4

New Right-to-use assets during 2022 amounted to SEK 3.4m (8.8). Amortisation of lease liabilities amounted to SEK 7.4m (20.4).

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In the income statement the following amounts relate to leasing agreements.

	Group	
	2022	2021
Depreciation of right-to-use assets		
Premises	-5.8	-16.5
Equipment	-0.4	-1.4
Vehicles	-1.1	-2.5
Total	-7.3	-20.4
Interest expenses (included in financial expenses)	-0.5	-1.8
Expenses related to leasing with a lease term of less than 12 months, leasing at low value and variable lease payments not included in leasing liability (included in operating expenses)	-1.0	-1.4

Total cash flow related to leasing agreements during 2022 was SEK -8.9m (-23.6 including Careium contracts until distribution date).

Note 5 Employees

Average number of employees	2022	Of whom		2021	Of whom	
		men	women		men	women
Parent Company	53	30	23	124	60	64
Other companies Sweden	0	0	0	198	92	106
Norway	3	3	0	104	55	49
United Kingdom	8	6	2	492	137	355
France	13	5	8	14	5	9
Hong Kong	11	8	3	11	8	3
Germany	21	16	5	31	22	9
Netherlands	0	0	0	14	6	8
Spain	0	0	0	10	7	3
Total	109	68	41	998	392	606

Salaries and remuneration

Salaries, remuneration, social charges and pension cost have appeared with the following amounts:

	The Group		Parent Company	
	2022	2021	2022	2021
Salaries and other remuneration	73.7	317.6	31.8	71.0
	73.7	317.6	31.8	71.0
Payroll overheads, excluding pension costs	20.0	56.1	12.6	24.1
	20.0	56.1	12.6	24.1
Pension costs	6.5	21.5	5.8	9.3
fixed fee plan	7.4	21.1	5.8	9.3
	6.5	21.5	5.8	9.3

Gender of senior managers	2022, total	Women, %	2021, total	Women, %
Board	4	25	6	38
Group Management	5	60	6	30

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Salaries and remuneration including board fee breakdown between board managers, CEO and other employees

	2022		2021	
	Board and CEO	Other employees	Board and CEO	Other employees
Sweden	3.4	29.8	6.3	95.5
Norway	0.0	2.3	0.0	43.9
United Kingdom	0.0	8.2	0.0	123.9
France	0.0	9.6	0.0	8.2
Germany	0.0	12.5	0.0	24.6
Hong Kong	0.0	9.3	0.0	7.4
Netherlands	0.0	0.0	0.0	4.2
Spain	0.0	0.0	0.0	5.7
Total	3.4	71.7	6.3	313.4

Management remuneration (SEK k)

The Board 2022	Fees	Pension	Other remuneration		Total
Chairman of the Board	613	0	0	0	613
Other Board members	790	0	0	0	790
Total	1,403	0	0	0	1,403

Chairman of the board Henri Österlund received SEK 613.3k. Juha Mört received SEK 296.7k, Viktor Saeijs received SEK 293.3k and Noora Jayasekara, new board member since April 29, 2022 received SEK 200.0k.

Senior Executives 2022	Salary	Bonus and variable remuneration	Pension	Other benefits	Total
Jörgen Nilsson	1,958	0	606	87	2,651
Other senior executives	4,183	0	1,299	16	5,497
Total	6,140	0	1,905	103	8,148

The above amounts include salaries and remuneration of senior executives. In 2022 the management team consisted of 5 persons.

The Board 2021	Fees	Pension	Other remuneration	Total
Chairman of the Board	677	0	0	677
Other Board members	1,393	0	0	1,393
Total	2,070	0	0	2,070

Chairman of the board until Nov 22, 2021 Lennart Jacobsen received SEK 599.1k. Chairman of the board from Nov 22, 2021 Henri Österlund received SEK 78.3k. As board member until Nov 22, 2021 Henri Österlund received SEK 366.6k. Towa Jexmark resigned Nov 22, 2021 received SEK 223.5k. Josephine Salenstedt resigned April 29, 2021 received SEK 83.3k. Viktor Saeijs, new board member April 29, 2021, received SEK 169.8k. Cecilia Ardström resigned Nov 22, 2021 received SEK 295.1k. Juha Mört received SEK 254.2k.

Senior Executives 2021	Salary	Bonus and variable remuneration	Pension	Other benefits	Total	
Carl-Johan Zetterberg Boudrie (CEO until Dec 7, 2021)	2,779		1,271	741	112	4,903
Jörgen Nilsson (CEO från Dec 7, 2021)	135		31	37	12	215
Other senior executives	6,856		1,054	1,766	233	9,909
Total	9,770	2,356	2,544	357	15,027	

The above amounts include salaries and remuneration of senior executives. From 1 January 2021 to 30 June 2021, the management team consisted of six persons. At the end of June 2021, the then CFO resigned and from this date until the delisting of Careium, the management team consisted of 5 persons. In connection with the delisting, the then CEO Carl-Johan Zetterberg Boudrie resigned on 7 December 2021. Jörgen Nilsson was appointed as the new President and CEO and a new management team of five persons was established.

Principles

Fees are paid to the Chairman and other Board members in accordance with decisions made by the AGM. Payment for work on the boards of subsidiaries is made separately. Remuneration to the CEO and other senior executives comprises a basic salary, variable remuneration, other benefits (primarily a company car) and pension premiums. The balance between basic salary and variable remuneration should be in proportion to the executive's responsibilities and authorities. Average number of senior executives in the management team in 2022: 5 (6).

Pensions

The retirement age for CEO and other senior executives of the Group is 65 and pensions are usually paid in accordance with the general pension plan plus full remuneration for the entire amount of salaries according to the ITP/ITPK plans. All pension benefits are irrevocable, i.e. not dependent on continued employment. The retirement age for the CEO is 65 years. No agreements have been signed concerning pension commitments or the equivalent, more than is mentioned in the periods of notice mentioned above, whether for board members or senior executives. Pension schemes for senior executives are substantially premium-based with premiums of SEK 1.9m (2.5) paid.

NOTES

Notice

If notice is served by the company or by the CEO himself, the period of notice is one year. The CEO has the right to salary over 12 months during the period of notice. No severance pay will be paid if notice is given by CEO. Other senior executives have agreement of salary during notice between 3 and 6 months.

Nominations and decision-making processes

These procedures are explained in the Directors' Report.

Share-related compensation & Options

The options program decided during the 2018 AGM came to a close in 2021. No new option program was decided during the 2022 AGM.

Note 6 Interest and similar items

Income	The Group		Parent Company	
	2022	2021	2022	2021
Interest income, external	0.5	0.7	0.5	0.6
Interest income, internal	0.0	0.0	3.6	5.4
Exchange rate gain	7.9	7.6	7.9	7.6
Dividend from subsidiaries	0.0	0.0	0.0	127.8
Other	2.9	0.0	2.8	0.0
Total	11.3	8.3	14.8	141.4
Expenses				
Interest expenses, external	-2.6	-3.6	-2.2	-3.5
Exchange rate losses	-4.6	-9.0	-4.6	-8.6
Write-down of shares in subsidiaries	0.0	0.0	0.0	-0.3
Revaluation of hybrid loan	-15.0	0.0	-15.0	0.0
Total	-22.2	-12.6	-21.8	-12.4
Financial net	-10.9	-4.3	-7.0	129.0

Note 7 Intangible fixed assets

The Group/Goodwill	2022	2021
Acquisition value brought forward	223.0	556.7
Acquisitions (transferred to divested operations)	0.0	65.8
Divested operations	0.0	-416.2
Exchange rate difference	7.9	16.7
Closing accumulated costs	230.9	223.0
The Group/Customer register and distribution agreements	2022	2021
Acquisition value brought forward	14.7	98.3
Divested operations	0.0	-63.9
Sales/Disposals	0.0	-23.0
Exchange rate difference	1.3	3.3
Closing accumulated acquisition value	15.9	14.7
Amortisations brought forward	-14.7	-64.2
Amortisation*	0.0	-8.0
Divested operations	0.0	35.9
Sales/Disposals	0.0	22.9
Exchange rate difference	-1.3	-1.3
Closing amortisations	-15.9	-14.7
Closing residual value	0.0	0.0

* Depreciation for the year 2021 of SEK 8.0m refers to divested operations.

Parent company/Goodwill	2022	2021
Acquisition value brought forward	15.9	224.5
Write-down	0.0	-208.6
Closing accumulated acquisition value	15.9	15.9
Amortisations brought forward	-15.9	-63.5
Amortisation	0.0	-7.2
Write-down	0.0	54.8
Closing amortisations	-15.9	-15.9
Closing residual value	0.0	0.0

Parent company/Customer register	2022	2021
Acquisition value brought forward	0.0	22.9
Sales/Disposals	0.0	-22.9
Closing accumulated acquisition value	0.0	0.0
Amortisations brought forward	0.0	-22.9
Sales/Disposals	0.0	22.9
Closing amortisations	0.0	0.0
Closing residual value	0.0	0.0

The Group assesses the need for goodwill to be written down on an annual basis or when indications of impairment arise. Impairment testing is applied at the lowest level where separable cash flows can be identified.

The recoverable value of the unit has been established based on the current value in use of future cash flows. Future cash flows are estimated on the basis of expected growth rate in accordance with established forecasts for the next five years. These forecasts are based on historical experience, but also takes expected future development into account. Assumptions regarding future growth and profitability are based on external and internal estimates of market growth, past performance and management's assessment of market shares.

The WACC discount factor, has been set using the Capital Asset Pricing Model (CAPM). As part of the WACC the risk-free interest equivalent to the yield on 10-year government-bonds has been applied with the addition of stock market's risk premium for small companies. The return requirement has been ascertained based on the optimum capital structure as derived from the capital market. Since the recoverable amount exceeds the carrying amount, no need for impairment is deemed to exist.

Sensitivity analysis

Growth after year 4: In the impairment test Doro used a sustainable growth rate of 2 percent (2). A change in the growth rate from 2 to 1 percent implies no impairment. Discount rate before tax increases by 1 percentage point: In the impairment test Doro used a WACC discount factor of 12.0 percent (11.3) before tax. A change of the discount rate to 13.0 percent (12.3) implies no impairment.

The Group/Brands	2022	2021
Acquisition value brought forward	3.7	4.2
Divested operations	0.0	-0.7
Exchange rate difference	0.3	0.2
Closing accumulated acquisition value	4.1	3.7
Amortisations brought forward	-3.7	-3.1
Amortisation*	0.0	-0.4
Exchange rate difference	-0.3	-0.2
Closing amortisations	-4.1	-3.7
Closing residual value	0.0	0.0

* Depreciation for the year 2021 of SEK 0.4m refers to divested operations.

NOTES

The Group's capitalised expenditure for development work / IT	2022	2021
Acquisition value brought forward	375.0	498.2
Investments	37.5	55.6
Divested operations	0.0	-134.3
Sales/Disposals	-0.6	-44.9
Write-down during the period	-1.8	0.0
Exchange rate difference	0.0	0.3
Closing accumulated acquisition value	410.1	375.0
Depreciation brought forward	-320.2	-337.5
Depreciation*	-35.3	-65.2
Divested operations	0.0	37.6
Sales/Disposals	0.0	44.9
Exchange rate difference	0.0	0.0
Closing depreciation	-355.5	-320.2
Closing residual value	54.6	54.8

* Depreciation for the year 2021 of SEK 8.2m refers to divested operations.

Parent company's capitalized expenditure for development work / IT	2022	2021
Acquisition value brought forward	375.0	480.6
Investments	37.5	40.0
Sales/Disposals	-0.6	-145.6
Write-down during the period	-1.8	0.0
Closing accumulated acquisition value	410.1	375.0
Depreciation brought forward	-320.2	-349.5
Depreciation	-35.3	-61.9
Sales/Disposals	0.0	91.2
Closing depreciation	-355.5	-320.2
Closing residual value	54.6	54.8

Note 8 Tangible fixed assets

Equipment and tools, SEK m	The Group		Parent Company	
	2022	2021	2022	2021
Acquisition value brought forward	18.7	120.2	6.7	66.1
Investments	0.5	15.2	0.4	8.9
Acquisitions (in divested operations)	0.0	5.9	0.0	0.0
Divested operations	0.0	-110.6	0.0	0.0
Sales/Disposals	-0.9	-15.9	-0.7	-68.3
Exchange rate difference	1.1	3.9	0.0	0.0
Closing acquisition value	19.4	18.7	6.4	6.7
Depreciation according to plan brought forward	-16.6	-68.4	-6.1	-44.8
Depreciation*	-0.6	-20.2	-0.1	-4.9
Divested operations	0.0	58.1	0.0	0.0
Sales/Disposals	0.9	15.9	0.7	43.6
Exchange rate difference	-1.0	-2.0	0.0	0.0
Closing depreciation	-17.3	-16.6	-5.5	-6.1
Closing residual value	2.1	2.1	0.9	0.6

* Depreciation for 2021 of SEK 19.4m refers to divested operations.

Note 9 Participation in Group companies

Subsidiary	No. of shares	%	Book value	
			2022	2021
Doro AS	200	100	0.6	0.6
Doro UK Ltd	3,013,400	100	4.2	4.2
Doro SAS	66,667	100	11.6	11.6
Doro Hong Kong Ltd	4,500	100	5.1	5.1
Doro Inc	3,000	100	0.0	0.0
Doro Incentive AB	50,000	100	0.1	0.1
Doro Deutschland GmbH	1	100	0.2	0.2
IVS Industrivertretung Schweiger GmbH ¹	9,239	33.33	46.5	46.5
Total			68.3	68.3

1. IVS industrivertretung Schweiger GmbH is included in the Group to 100 percent. Doro AB owns 33,33 percent and Doro Deutschland GmbH owns 66,67 percent.

	2022	2021
Opening balance	68.3	307.5
Acquisition	0.0	0.0
Distributed operations	0.0	-239.2
Write-down	0.0	0.0
Closing balance	68.3	68.3

Subsidiary – Company reg. no	Registered office
Doro A/S – 934210719	Fredrikstad, Norway
Doro UK Ltd – 1180330	Chalfont St Peter, United Kingdom
Doro SAS – 309 662 195	Versailles, France
Doro Hong Kong Ltd – 08194263-000-12-98-6	Kowloon, Hong Kong
Doro Inc. – 4706937 810 0 090679976	New York, USA
Doro Incentive AB – 556843-4962	Malmö, Sweden
Doro Deutschland GmbH – HRB75859	Köln, Germany
IVS Industrivertretung Schweiger GmbH – HRB2040	Amberg, Germany

Note 10 Other current receivables and Prepaid expenses and accrued income

Other current receivables	The Group		Parent Company	
	2022	2021	2022	2021
VAT receivable	2.9	7.3	2.9	7.1
Currency futures	0.1	3.2	0.1	3.2
Other current receivables	11.6	4.8	12.5	2.2
Total	14.6	15.4	15.5	12.5

Prepaid expenses and accrued income	The Group		Parent Company	
	2022	2021	2022	2021
Rent	0.9	0.8	0.8	0.7
Insurance premiums	0.7	0.8	0.3	0.3
IT costs	1.0	0.9	0.8	0.8
Licence costs	0.8	1.6	0.7	1.5
Other prepaid expenses	1.0	0.6	0.4	0.4
Total	4.4	4.7	3.0	3.7

Contract assets includes accrued revenue on customer contracts in the service business when the services are invoiced in arrears. This kind of assets do no longer exist in Doro since they belong to divested operations to Careium.

NOTES

Note 11 Share capital and dividends

	No. of shares	Voting rights	Class
A shares	24,352,500	1 vote per share	Normal

Share capital

24,352,500 shares at a quota value of SEK 1.00 per share = SEK 24,352,500.

Dividend

The Board of Directors proposes no dividend for the 2022 financial year.

Warrant program

Previous option program was terminated after the third interim report in 2021. No new option program was decided during the 2022 general assembly.

Note 12 Accrued expenses and prepaid income

	The Group		Parent Company	
	2022	2021	2022	2021
Holiday pay liability	10.7	12.8	5.7	5.2
Payroll overheads	6.8	6.0	3.0	2.6
Other staff liabilities	0.4	0.3	0.0	0.0
Accrued Royalty	33.0	28.8	22.0	17.3
Contract liabilities	38.7	40.7	38.7	40.7
Other accrued expenses	56.6	58.1	33.1	31.9
Total	146.2	146.7	102.5	97.7

Contract liabilities relate to provisions for agreed customer bonuses. An agreed customer bonus is a financial compensation paid to the customer in arrears based on the terms agreed in the customer contract (volume targets are the most common).

Note 13 Pledged assets for liabilities to credit institutions

The Group and the Parent company have pledged collateral for liabilities (in the form of a corporate guarantee) to credit institutions amounting to SEK 170m (170).

Note 14 Contingent liabilities

The Group and the Parent company has no contingent liabilities.

Note 15 Auditors

The 2022 Annual General Meeting elected PricewaterhouseCoopersAB (PwC) to be the auditors of the Parent Company, Doro AB. PwC has appointed Vicky Johansson to be responsible for the assignment. PwC will carry out the audit of all large entities for the period of one year.

Fees and costs	The Group		Parent Company	
	2022	2021	2022	2021
PwC				
Auditing assignments	1.7	4.3	1.1	1.1
<i>whereof to PricewaterhouseCoopers AB</i>	<i>1.7</i>	<i>2.1</i>	<i>1.1</i>	<i>1.1</i>
Auditing outside the assignment	0.0	0.0	0.0	0.0
<i>whereof to PricewaterhouseCoopers AB</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
Tax assignments	0.0	0.0	0.0	0.0
<i>whereof to PricewaterhouseCoopers AB</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
Other advisory services by auditors	0.1	1.8	0.0	0.0
<i>whereof to PricewaterhouseCoopers AB</i>	<i>0.1</i>	<i>0.2</i>	<i>0.0</i>	<i>0.0</i>
Other				
Auditing assignments	0.0	0.2	0.0	0.0
Auditing outside the assignment	0.0	0.0	0.0	0.0
Tax assignments	0.0	0.0	0.0	0.0
Other advisory services by auditors	0.7	0.0	0.3	0.0
Total	2.5	6.3	1.4	1.1

Note 16 Taxes

Taxes on profit/loss for the year	The Group		Parent Company	
	2022	2021	2022	2021
Current tax	-2.8	-36.1	-5.8	-19.1
Deferred tax	-0.8	5.3	-0.8	2.2
Total tax on profit/loss for the year	-3.6	-30.8	-6.6	-16.9

Tax relating to

Result from continued operations	-3.6	-31.4
Result from divested operations	0.0	0.6
Total tax	-3.6	-30.8

Connection between the tax expense for the year and the reported earnings before tax:

Taxes	The Group		Parent Company	
	2022	2021	2022	2021
Reported profit/loss before tax continued operations	44.5	114.4	12.2	44.5
Reported profit/loss before tax divested operations	0.0	-3.3	0.0	0.0
Total profit/loss before tax	44.5	111.1	12.2	44.5
Tax at current rate 20.6% (20.6 %).	-9.2	-22.9	-2.5	-9.2
Non-deductible expenses	-5.2	-4.5	-4.1	-36.1
Non-taxable income	0.9	-1.4	0.9	26.3
Change in valuation of temporary differences	-0.8	2.3	-0.8	2.2
Tax cost/revenue concerning previous year	12.2	-0.5	-0.1	-0.1
Adjustment for tax rates in foreign Group company	-1.5	-3.8	0.0	0.0
Reported tax	-3.6	-30.8	-6.6	-16.9

Temporary differences arise in those cases where accounted values of assets or liabilities and their tax value are different. Temporary differences, unutilized losses carry forward and other future tax deductions have led to deferred tax liabilities and tax assets for the following:

Deferred tax asset	The Group		Parent Company	
	2022	2021	2022	2021
Unutilized losses carry forward	5.4	5.3	0.0	0.0
Temporary differences, provisions	2.0	2.1	0.0	0.0
Temporary differences, other	6.8	6.5	3.9	4.2
Total reported deferred tax asset	14.2	13.9	3.9	4.2

Deferred tax assets are shown for unutilized losses carried forward and temporary differences in the balance sheet, when they are calculated to be used in the near future. A single calculation is made for each company with respect to past earnings trends, future plans and the option of using losses carried forward. Of the consolidated losses carried forward, SEK 5.4m (5.3) can be used without a time limit being imposed. The remaining losses are in the United Kingdom.

Losses carry forward fall due as follows:	2022	2021
Without limit	5.4	5.3
Total	5.4	5.3

Non-accounted deferred tax assets in the balance sheet concerning unutilized taxable losses carry forward amount to:

	The Group		Parent Company	
	2022	2021	2022	2021
	0	0	0	0

Gross changes of deferred taxes	The Group		Parent Company	
	2022	2021	2022	2021
Opening balance	13.9	13.9	4.2	3.0
Tax attributable to the income statement	-0.8	5.3	-0.8	2.2
Tax attributable to other comprehensive income	0.5	-1.0	0.5	-1.0
Divested operations	0.0	-4.3	0.0	0.0
Translation differences	0.6	0.0	0.0	0.0
Closing balance	14.2	13.9	3.9	4.2

Note 17 Acquisitions

ACQUISITIONS 2021

FirstCall 24/7

On 1st of February 2021, Doro acquired FirstCall 24/7 from Trent and Dove Housing. 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 GBP 0.5m.

The figures for the acquired net assets and goodwill are presented below

Fair value	mio.
Intangible assets	1.5
Accrued costs	-1.5
Acquired net assets	0.0
Goodwill etc.	0.0
Total purchase price	0.0
Effect of the acquisition on the group cash flow	0.0

Innocom

On 1st of September 2021 Doro acquired the Dutch company Innocom Bureau voor Bedrijfscommunicatie B.V. ("Innocom"). The purchase price was paid in cash and amounted to around SEK 72m on a cash and debt-free basis. Goodwill is linked to the strengthened position in the Dutch market, which Innocom sales channels provide. Innocom had annual sales in 2020 of EUR 4.9m (approximately SEK 50m). At the time of acquisition, the company had about 40 employees and supports 26,000 end-users.

The figures for the acquired net assets and goodwill are presented below

Fair value	mio.
Intangible assets	0.0
Property, plant and equipment	2.5
Inventories	5.8
Current receivables	4.9
Cash and cash equivalents	1.4
Current liabilities	-3.6
Acquired net assets	11.0
Goodwill etc.	65.4
Total purchase price	76.4
Cash in acquired company	1.4
Estimated Additional Purchase Price	4.4
Effect of the acquisition on the group cash flow	70.6

Note 18 Inventory

The Group	2022	2021
Opening gross stock	255.6	246.4
Acquisition in divested operations	0.0	3.0
Divested operations	0.0	-39.1
Change in gross stock	-17.6	44.3
Exchange rate difference	4.2	1.0
Closing gross stock	242.1	255.6
Opening write-downs of stock	-30.6	-22.1
Acquisition	0.0	0.0
Divested operations	0.0	0.5
Change in write-downs of stock	-2.5	-8.9
Exchange rate difference	-0.6	-0.1
Closing write-downs of stock *	-33.7	-30.6
Net stock in balance sheet	208.4	225.0

* Acquisition value for the inventory that write-downs of stock of SEK -33.7m (-30.6) relates to is based on inventory book value of SEK 108.5m (146,6).

Parent company	2022	2021
Opening gross stock	204.3	195.7
Change in gross stock	-11.6	8.6
Closing gross stock	192.7	204.3
Opening write-downs of stock	-25.5	-14.4
Change in write-downs of stock	4.3	-11.1
Closing write-downs of stock *	-21.2	-25.5
Net stock in balance sheet	171.5	178.8

* Acquisition value for the inventory reserve of SEK 21.2m (25.5) is based on inventory book value of SEK 86.9m (138.3).

Note 19 Provision for guarantees

	The Group		Parent Company	
	2022	2021	2022	2021
Opening balance	34.1	38.6	30.3	32.0
Amount released	-38.6	-46.3	-37.4	-43.5
New provisions	34.0	41.9	33.1	41.8
Exchange rate difference	0.2	-0.1	0.0	0.0
Closing balance	29.7	34.1	26.0	30.3

Note 20 Pension allocations

The Group	2022	2021
Opening balance	3.3	43.0
Redemption of pension debt	-0.9	-42.3
New provisions	0.0	0.4
Exchange rate difference	0.4	2.2
Closing balance	2.8	3.3

Doro has a limited number of employees at the Group's French subsidiary that have a defined benefit pension plan. Since the recognized liability regarding the plan is an insignificant amount, the assumptions on which the actuarial calculations are based are not presented in the Annual Accounts.

In 2021, Doro paid the pension liability for a defined benefit pension plan that was included in the acquisition of Centra Pulse 2019. The acquisition was part of Careium, which was distributed in December 2021.

Note 21 Other allocations

	The Group		Parent Company	
	2022	2021	2022	2021
Opening balance	48.8	38.5	46.3	35.0
Divested operations	0.0	-5.9	0.0	0.0
Amount released	-5.4	-11.5	-3.7	-10.4
New provisions	4.5	29.4	3.6	21.7
Unutilized amount cancelled	0.0	-1.8	0.0	0.0
Exchange rate difference	0.2	0.1	0.0	0.0
Closing balance	48.1	48.8	46.2	46.3

	The Group		Parent Company	
	2022	2021	2022	2021
Additional royalty costs	46.2	42.5	46.2	42.5
Other provisions	1.9	6.3	0.0	3.8
Closing balance	48.1	48.8	46.2	46.3

Additional royalty costs

Additional royalty costs include costs that are known but that have not been debited at the time of invoicing and those that are unknown but expected at the time of invoicing. The provision for additional costs is charged against costs for goods sold.

Note 22 Risk Management and Financial Instruments

FINANCIAL RISK MANAGEMENT

The Board of Directors of Doro has adopted a treasury policy that regulates how financial risks are to be identified and managed. Risk Management aims to reduce or eliminate risks. The main objective is to achieve a financial low risk profile.

Doro AB (parent company) has the overall responsibility for the Group's financial risk management including currency risk management, liquidity management and cash management. Centralisation and coordination enable substantial economies of scale with respect to the terms obtained for financial transactions and financing. The risk to which Doro is exposed are described below.

CREDIT AND COUNTERPARTY RISK

The Group is primarily exposed to credit risk associated with commercial transactions with customers but also in financial transactions. The latter as counterparty risk associated with foreign exchange hedging and issuer risk in potential short-term investments. Credit and counterparty risks are managed centrally by the parent company Doro AB. Financial instruments may only be done with approved banks. Short-term investments may only be done with the counterparty categories government, municipalities and banks. In 2022 there were no short-term investments carried out.

Accounts receivable amounted to SEK 147.0m (191.9). In recent years Doro has experienced low credit losses (less than 0.5 percent of sales) due to the fact that the main customer group is large business with regular trade. The single largest customer accounts for less than 10 percent of Group sales. In most countries Doro operates without credit insurance.

Age analysis of accounts receivable	The Group	
	2022	2021
Not yet due	122.4	168.9
Due for payment < 60 days	23.9	24.8
Due for payment > 60 days	6.7	10.1
Total accounts receivable	153.0	203.8
Expected bad debt losses	-6.0	-11.9
Accounts receivable in the financial statements	147.0	191.9

Impaired accounts receivable	The Group	
	2022	2021
Opening balance	-11.9	-16.0
Divested operations	0.0	3.4
Expected bad debt losses	-0.9	0.2
Confirmed bad debt losses	0.0	-4.0
Translation differences	-0.5	0.0
Amount reversed	7.3	4.5
Closing balance	-6.0	-11.9

Other receivables

Other receivables are not yet due.

LIQUIDITY RISK

At December 31, 2022, the Group had SEK 93.6m (171.7) in interest-bearing financial liabilities, including financial lease agreements, amounting to SEK 15.3m (18.4). Doro has a Revolving Facility Agreement, amounting to SEK 150m. Termination date is November 2024.

At December 31, 2022, Group liquidity amounted to SEK 154.4m (179.1).

The overall objective is to meet the short-term financing need from Group operations, while minimizing surplus liquidity. Doro should have a liquidity reserve at minimum SEK 40m.

FOREIGN EXCHANGE RISK

Doro is exposed to foreign exchange risks caused by unfavourable exchange rate fluctuations that may affect sales, earnings and equity. Foreign exchange risk are described below, broken down into transaction exposure and translation exposure.

Transaction exposure

Transaction exposure arises as Doro has sales and purchases in various currencies. Goods are primarily purchased in USD, while sales are commonly in EUR, GBP, USD and the Nordic currencies. In accordance with the treasury policy, forecasted net flows are hedged on a quarterly basis for periods for which the price list is set at between 70 to 90 percent. The hedge horizon can thus vary between three to six months at each point in time. Foreign exchange management is centralised at the finance department of Doro AB, which buys and sells currencies under the treasury policy. Doro applies hedge accounting in accordance with IFRS. See Note 1 Accounting principles for further information.

Transaction volumes Outstanding exposure (SEK m) 2022-12-31 and sensitivity analysis (SEK m) (Before and after hedging)

	Before hedging 2022-12-31	After hedging 2022-12-31	Sensitivity at 5% weaker SEK	Before hedging 2021-12-31	After hedging 2021-12-31	Sensitivity at 5% weaker SEK
NOK	6.6	6.6	0.3	6.8	6.8	0.3
EUR	179.6	40.3	2.0	187.7	40.0	2.0
GBP	42.9	9.6	0.5	54.2	10.2	0.5
USD	-200.1	-4.4	-0.2	-202.1	-73.0	-3.7

The table shows outstanding transaction exposure at year-end for the hedged period. The hedged period as per the end of December refers to flows through the end of May, 2023. The net market value for all outstanding currency futures amounts to SEK -14.0m at December 31, 2022, whereof SEK -14.0m refers to transaction exposures recognised as hedge.

Translation exposure

Translation exposure arises when foreign assets and liabilities, as well as the income statements of foreign subsidiaries, are translated into SEK upon consolidation. Doro does not hedge the translation exposure.

NOTES

At year-end the value of foreign net assets was SEK 127m (102). The breakdown by currency is shown in the table below.

Value of foreign assets	2022	2021
USD	19	17
NOK	4	4
EUR	53	37
GBP	46	41
HKD	5	3
Total	127	102

INTEREST RATE RISK

Interest rate risk is the risk that the Group's net interest result declines due to rising market interest levels.

Doro's existing debt portfolio is entirely denominated in SEK and with floating interest rate condition. Average rate of interest during 2022 amounts to 2.2 percent. If the interest rate would increase by 1 p.p. Doro's financial net would deteriorate by SEK 0.75m based on the debt position at December 31, 2022

Term analysis for derivatives and financial liabilities as per December 31, 2022

Group SEKm	Currency	0-3 months	3 months -1 year	1-3 years	3 years or more	Total contractual cash flows	Carrying amount
Bank loan	SEK	0.7	2.1	77.6	0.0	80.4	75.0
Futures inflow	Mixed	-100.8	-68.6	0.0	0.0	-169.4	-2.8
Futures outflow	Mixed	151.9	54.1	0.0	0.0	206.0	-11.2
Leasing liability	Mixed	1.6	5.7	6.9	1.6	15.8	15.8
Accounts payable	Mixed	86.6	0.0	0.0	0.0	86.6	86.6
Total		140.0	-6.7	84.5	1.6	219.4	163.4

NOTES

Financial instruments – fair value

Group 2022	Fair value through profit and loss	Derivatives included in comprehensive income	Amortised cost	Carrying amount	Fair value
Accounts receivable	0.0	0.0	147.0	147.0	147.0
Hybrid loan	38.0	0.0	0.0	38.0	38.0
Other receivable	0.0	0.0	19.7	19.7	19.7
Derivatives (hedge accounting)	0.0	0.1	0.0	0.1	0.1
Derivatives (non-hedge accounting)	0.0	0.0	0.0	0.0	0.0
Assets	38.0	0.1	166.7	204.8	204.8
Derivatives (hedge accounting)	0.0	3.8	0.0	3.8	3.8
Liabilities to credit institutions	0.0	0.0	75.0	75.0	75.0
Accounts payable	0.0	0.0	86.6	86.6	86.6
Derivatives (non-hedge accounting)	10.3	0.0	0.0	10.3	10.3
Other liabilities	0.0	0.0	111.9	111.9	111.9
Liabilities	10.3	3.8	273.5	287.6	287.6
Group 2021					
Accounts receivable	0.0	0.0	191.9	191.9	191.9
Hybrid loan	50.2	0.0	0.0	50.2	50.2
Other receivable	0.0	0.0	14.5	14.5	14.5
Derivatives (hedge accounting)	0.0	0.0	0.0	0.0	0.0
Derivatives (non-hedge accounting)	3.2	0.0	0.0	3.2	3.2
Assets	53.4	0.0	206.4	259.8	259.8
Derivatives (hedge accounting)	0.0	0.8	0.0	0.8	0.8
Liabilities to credit institutions	0.0	0.0	150.0	150.0	150.0
Accounts payable	0.0	0.0	125.8	125.8	125.8
Derivatives (non-hedge accounting)	1.6	0.0	0.0	1.6	1.6
Other liabilities	0.0	0.0	121.1	121.1	121.1
Liabilities	1.6	0.8	396.9	399.3	399.3

NOTES

Financial instruments – fair value

Parent company 2022	Fair value through profit and loss	Derivatives included in comprehensive income	Amortised cost	Carrying amount	Fair value
Accounts receivable	0.0	0.0	115.8	115.8	115.8
Receivables from Group companies	0.0	0.0	217.1	217.1	217.1
Hybrid loan	38.0	0.0	0.0	38.0	38.0
Other receivable	0.0	0.0	19.3	19.3	19.3
Derivatives (hedge accounting)	0.0	0.1	0.0	0.1	0.1
Derivatives (non-hedge accounting)	0.0	0.0	0.0	0.0	0.0
Assets	38.0	0.1	352.2	390.3	390.3
Derivatives (hedge accounting)	0.0	3.8	0.0	3.8	3.8
Derivatives (non-hedge accounting)	10.3	0.0	0.0	10.3	10.3
Liabilities to credit institutions	0.0	0.0	75.0	75.0	75.0
Accounts payable	0.0	0.0	75.7	75.7	75.7
Liabilities to Group companies	0.0	0.0	259.0	259.0	259.0
Other liabilities	0.0	0.0	94.3	94.3	94.3
Liabilities	10.3	3.8	504.0	518.1	518.1
Parent company 2021					
Accounts receivable	0.0	0.0	169.9	169.9	169.9
Receivables from Group companies	0.0	0.0	360.4	360.4	360.4
Hybrid loan	50.2	0.0	0.0	50.2	50.2
Other receivable	0.0	0.0	11.9	11.9	11.9
Derivatives (hedge accounting)	0.0	0.0	0.0	0.0	0.0
Derivatives (non-hedge accounting)	3.2	0.0	0.0	3.2	3.2
Assets	53.4	0.0	542.2	595.6	595.6
Derivatives (hedge accounting)	0.0	0.8	0.0	0.8	0.8
Derivatives (non-hedge accounting)	1.6	0.0	0.0	1.6	1.6
Liabilities to credit institutions	0.0	0.0	150.0	150.0	150.0
Accounts payable	0.0	0.0	120.7	120.7	120.7
Liabilities to Group companies	0.0	0.0	363.8	363.8	363.8
Other liabilities	0.0	0.0	94.1	94.1	94.1
Liabilities	1.6	0.8	728.6	731.0	731.0

The breakdown of fair value determination is performed at the following three levels:

- Level 1: According to quoted prices on an active market for the same instrument.
- Level 2: Based on directly or indirectly observable market data not included in Level 1.
- Level 3: Based on input data not observable on the market.

Derivates at fair value in the table above have been valued according to Level 2. The fair value of forward exchange contracts is determined as the present value of future cash flows based on exchange rate forward rates on the balance sheet date. For other financial instruments, the carrying amount is a reasonable estimate of fair value.

Note 23 Liabilities to credit institutes

	The Group		Parent Company	
	2022	2021	2022	2021
Long-term				
Bank loans	75.0	150.0	75.0	150.0
Total	75.0	150.0	75.0	150.0
Short-term				
Bank loans	0.0	0.0	0.0	0.0
Total	0.0	0.0	0.0	0.0
Total liabilities to credit institutes	75.0	150.0	75.0	150.0

The bank loan has an interest rate of 1.25 percent as of 31 December 2022 ("margin") + STIBOR ("base rate"). STIBOR is defined as the applicable screen rate as of 11:00 a.m. on the offer date for the SEK offer and for a period equal to the interest period for that loan. In case that rate is less than zero, STIBOR shall be deemed to be zero.

The level of interest on the bank loan is linked to the Company's leverage ratio, with 1.25 percent as the minimum level and 1.55 percent as the maximum level.

The parent Company's liabilities to credit institutions are in Swedish kronor.

	The Group		Parent Company	
	2022	2021	2022	2021
Maturity dates of long-term liabilities				
1-2 years	75.0	0.0	75.0	0.0
2-5 years	0.0	150.0	0.0	150.0
More than 2 years	0.0	0.0	0.0	0.0
Total	75.0	150.0	75.0	150.0

Note 26 Net debt changes

	Other assets		Liabilities related to financing activities			
	Cash and bank/ bank overdraft	Financial leases due within 1 year	Financial leases due after 1 year	Liabilities to credit institutions due within 1 year	Liabilities to credit institutions due after 1 year	Total
Net Debt December 31, 2021	-179.1	6.9	11.5	0.0	150.0	-10.7
Cash flow	47.3	0.0	-7.4	0.0	-75.0	-35.1
Exchange rate differences	-22.6	0.0	1.4	0.0	0.0	-21.2
New Right-to-use assets	0.0	0.4	3.0	0.0	0.0	3.4
Net Debt December 31, 2022	-154.4	7.3	8.5	0.0	75.0	-63.6

Note 24 Related Party Transactions

No related party transactions during the year, apart from salaries and remunerations in Note 5.

Note 25 Significant events after year-end

No significant event has taken place after the end of the year.

Note 27 Use of non-international financial reporting standards ("IFRS") measures

Guidelines on Alternative Performance Measures (APMs) for companies with securities listed on a regulated market within the European Union have been issued by ESMA (the European Securities and Markets Authority). These guidelines apply to APMs disclosed when publishing regulated information on or after July 3, 2016.

Reference is made in the annual report to a number of non-IFRS performance measures that are used to help investors as well as management analyse the company's operations. Described below are the non-IFRS performance measures that are used as a complement to the financial information that is reported in accordance with IFRS.

Description of financial performance measures that are not used in IFRS

Non-IFRS performance measure	Description	Reason for use of the measure
Restructuring costs	Costs for impairment together with personnel costs in connection with restructuring.	This measure shows the specific costs that have arisen in connection with restructuring of a specific operation, which contributes to a better understanding of the underlying cost level in the continuing operations.
Gross Margin %	Net Sales minus costs of sales of goods and services in percentage of Net Sales.	Gross Margin is an important measure for showing the margin before Personnel expenses and Other external expenses.
Sales growth comparable entities %	Net Sales for the period minus Net Sales for entities acquired during the year minus Net Sales for the corresponding period last year in percentage of Net Sales for the corresponding period last year.	Sales growth for comparable entities shows the Group's organic growth excluding acquired businesses.
Equity/assets ratio	Equity expressed as a percentage of total assets.	A traditional measure for showing financial risk, expressing the amount of restricted equity that is financed by the owners.
Return on average shareholders' equity	Profit/Loss rolling twelve months after financial items and tax divided by average shareholders' equity.	Shows from a shareholder perspective the return that is generated on the owners' capital that is invested in the company.
Capital employed	Total assets reduced with non-interest bearing debt and cash and bank balances.	This measure shows the amount of total capital that is used in the operations and is thus one component for measuring the return from operations.

Return on average capital employed	Operating profit/loss rolling twelve months, divided by the quarterly average capital employed excluding cash and bank balances.	This is the central ratio for measuring the return on the capital tied up in operations.
Leverage ratio	Interest bearing liabilities divided by Equity.	The measure shows the company's financial risk (interest rate sensitivity).
Dividend yield	Dividend per share divided by the share price at year-end.	Return measure on investment in the company's shares.
P/E ratio	The share price at year-end divided by earnings per share for the year.	Measure on the value of the company's shares.
Capital turnover rate	Net sales divided by the average total assets.	The measure shows how much capital the operation requires.
Cash conversion rate %	Cash flow from operating activities divided by EBIT.	Measures the proportion of profit that are converted to cash flow.

Calculation of financial performance measures that are not defined in IFRS	2022	2021
Capital employed		
Total assets	903.8	990.9
Non interest-bearing liabilities	335.2	399.6
Cash and bank	154.4	179.1
Reported Capital employed	414.2	412.2
Leverage ratio		
Interest-bearing liabilities	93.6	171.7
Equity	475.0	422.9
Reported leverage ratio	0.20	0.41
Capital turnover rate		
Net sales	909.5	1,039.6
Average total assets	947.4	1,286.1
Reported capital turnover rate	1.0	0.8

Note 28 Operating Expenses per cost type

THE GROUP, SEK m	2022	2021
Merchandise	-591.9	-612.7
Other external costs	-118.9	-146.1
Personnel costs	-103.9	-103.2
Depreciation and impairments of tangible fixed assets	-43.2	-8.4
Depreciation and impairments of intangible assets	-1.8	-57.0
Other operating expenses	-0.8	0.0
Total costs	-860.5	-927.5

PARENT COMPANY, SEK m	2022	2021
Merchandise	-543.5	-611.5
Other external costs	-161.8	-219.1
Personnel costs	-51.5	-103.7
Depreciation and impairments of tangible fixed assets	-35.3	-4.9
Depreciation and impairments of intangible assets	-1.8	-222.9
Other operating expenses	-1.0	0.0
Total costs	-794.9	-1,162.1

Note 29 Other financial non-current assets

In connection with the distribution of the shares in Careium, Doro and Careium entered into a loan agreement through which Careium raised a hybrid loan of SEK 50m. The loan has no fixed due date, but Careium have the right to redeem the loan at certain point of times. The loan is classified as a financial instrument and is valued at fair value. A down-writing of SEK 15m has been reported in 2022.

Note 30 Distributed operations

On 22 November 2021, an Extraordinary General Meeting of Doro resolved, in accordance with the proposal of the Board of Directors, to distribute all shares in the wholly owned subsidiary Careium to the shareholders of Doro. The record date for the dividend was 7 December 2021. In this report, Careium is presented as distributed operations in the consolidated income statement with retroactive effect for prior periods and in accordance with IFRS 5.

INCOME STATEMENT, SEK m	2021
Net sales	530.4
Costs	-533.7
Profit/loss before tax	-3.3
Income tax	0.6
Profit/loss for the period	-2.7
Profit on distribution of subsidiaries after tax	288.8
Profit/loss from distributed operations	286.1

CASH FLOW FROM DISTRIBUTED OPERATIONS, SEK m	
Net cash flow from operating activities	8.0
Net cash flow from investment activities	-133.4
Net cash flow from Financing activities	-11.7
Cash flow for the period	-137.1

The reported amounts of assets and liabilities at the date of the dividend 10/12/2021	2021
Fixed assets	
Intangible assets	541.0
Tangible assets	93.9
Financial assets	7.1
Deferred tax assets	3.7
Current assets	
Inventory	38.5
Short-term receivables	181.0
Cash and cash equivalents	63.9
Total assets	929.2
Equity attributable to owners of the parent company	494.7
Long-term liabilities	73.8
Short-term liabilities	360.6
Total equity and liabilities	929.2

Notes on Sustainability

Note 1 Materiality Analysis

	Manufacturing products	Transporting products	Doro internal (management and provision of services)	Use of products and services	Repairability, reuse and recycling of products
Affected stake-holders	Suppliers	Suppliers	Staff Owners	Customers Society	Society
Environmental Impact	Emissions and other environmental impacts of material extraction and production. Manufacturing mainly in Asia.	CO ₂ and other emissions from aircraft, ships and trucks.	Heating, electricity and water for Doro's offices. Staff transport.	Energy consumption of products.	Energy consumption. Use of finite resources. Waste.
Significance	High Life cycle analyses of electronics such as mobile phones show that 85 percent of the climate footprint comes from manufacturing. In addition, waste and emissions are generated in this part.	Medium Life-cycle analysis of electronics such as mobile phones shows that about 10 percent of the carbon footprint comes from transport.	Low Relatively low environmental impact. Impact through management of other steps.	Low Life cycle analysis of electronics such as mobile phones shows that about 5 percent of the carbon footprint comes from the use of the products.	Medium Longevity and repairability are important to reduce the relative life cycle impact of production.
Possibility	Low Limited choice of components and manufacturers.	Medium Customer demands and difficulties in stock planning lead to more air freight than desired.	Medium Green electricity is available. Vehicles can be selected according to their environmental performance.	Medium Construction made for low energy use.	Medium In the design, emphasis is placed on durability and repairability. Products are labelled to facilitate recycling.
Doro Governance	CSR policy for suppliers as well as product specification and evaluation of product environmental performance. Selection and evaluation of suppliers.	Supplier selection. Mode of transport. Cooperation with suppliers to identify alternative routes and modes.	Increased awareness, measurements and control of environmental impact.	Product specification and evaluation of product energy efficiency, availability of repair and spareparts.	Product and packaging specification to facilitate recycling.
Social Impact	Occupational health and safety and human rights. Conflict minerals. Provisions in supply chain.	Occupational health and safety and human rights. Provisions.	Occupational health and safety and human rights. Provisions for staff. Profit for owners.	Security and autonomy for end-users. Information security/personal data. Product safety.	Occupational health and safety and human rights in recycling. Repairability and longevity for economic sustainability.
Significance	High The main risks regarding the working environment and human rights lie in the manufacturing chain.	Low Relatively low social impact.	Low Doro's own operations are located in countries with low social risks.	High Aging population and fast technology evolution leads to risk of exclusion of seniors. Positive impact on users.	Low Relatively low social impact.
Possibility	Medium Manufacturing is done in Asia to achieve competitive products. Selection and management of suppliers is done, but risks exist.	Medium Established logistics companies are selected.	High Work environment and culture can be controlled.	High Products and services are developed for good social impact. Quality of products and services that meet customer requirements.	Medium In the design, emphasis is placed on durability and repairability, but Doro has limited possibility to influence working conditions in recycling.

NOTES ON SUSTAINABILITY

Doro Governance	CSR policy for suppliers and Business ethics policy. Selection and evaluation of suppliers, including annual CSR audit of key suppliers.	CSR policy for suppliers and Business ethics policy.	Business ethics policy, Occupational health policy and other work place policies. Whistleblower function. Annual online training. Measurement and actions to continuously improve eNPS and occupational health and environment.	Products adapted for the needs of seniors. Quality assurance and testing to ensure product safety.	CSR policy for suppliers. Selection of suppliers for repair. Repairability and recyclability in product specifications. To the extent possible selection of cooperations for recycling and reuse.
Finance and Governance, Impact	Risk of corruption. Provisions in supply chain.	Risk of corruption. Provisions.	Risk of unethical governance. Risk of insider trading. Provisions for staff. Profit for owners.	Risk of corruption, price cartels and misleading marketing. Tax collection. Products and services that increase people's opportunities for a good life.	Risk of corruption. Repairability and longevity for economic sustainability.
Significance	Medium The main corruption risks are in the manufacturing chain.	Medium Relatively small customer for each supplier.	High Management/staff control the business and have the opportunity to influence all aspects.	High An ageing population is a challenge in the countries where Doro operates. Positive impact on users, carers and communities.	Low Relatively small impact.
Possibility	Medium Manufacturing is done in Asia to achieve competitive products. Selection and management of suppliers is done, but risks exist.	Medium Established logistics companies are selected.	High Measurement and management of finance and corporate governance.	High Products and services are developed for good economic sustainability.	Medium Suppliers with a good reputation are selected.
Doro Governance	CSR policy for suppliers. Whistleblower function. Annual CSR audit of key suppliers.	Supplier selection. Business Ethics policy.	Business ethics, Insider policy and other policies. Annual online training, Whistleblower function. Financial follow up.	Business ethics policy.	CSR policy for suppliers. Selection of suppliers for repair.

Explanations for the table: Significance is Doro's actual impact in an area, opportunity is what control Doro has over that impact. Environment is the external environment, how the planet is affected. Social is any impact on people. Economics and governance is what is called Governance in English; this is essentially ethical governance of the company, which includes anti-corruption, paying taxes properly, not having insider deals, etc.

Strategy Based on Materiality

The mission of Doro is to through our products decrease the exclusion of seniors, which gives the focus towards social sustainability for consumers which is also the conclusion in materiality analyses above. This is how Doro make a difference in a way that would not be possible if the company had been in another business, or targeted a different consumer segment. This way value is created for users and society.

Doro as a mid size company has limited possibility to influence deep down in the supply chain, but sets requirements and follows up that the requirements are followed.

Note 2 Environmental Data

Environmental Governance

Environmental certification according to ISO 14001 exists for our central operations.

Environmental performance of products

Products are developed as far as possible to facilitate repair, updating and reuse.

Increasing longevity and reparability has been a focus in 2022.

We have signed up to the new product label for mobile phones: Ecorating. Through EcoRating a limited LCA is done.

Our product development are certified according to ISO 9001 and ISO 14001 and has clearly defined processes and models for development of products and services to fulfill requirements and meet legislation. Crucial subject is what materials that are allowed to be used, how requirements of waste and recycling are met and how to make the design user friendly.

Product quality is managed through systematic quality controls, follow up and close dialogue with our production partners. When suppliers are involved in the supply chain, agreements ensure the service level.

Climate footprint

GREENHOUSE GASES

Emissions, tonnes CO ₂ e (carbon dioxide equivalent)	2022	2021	2020
Direct greenhouse gas emissions, Scope 1	85	75	78
Indirect greenhouse gas emissions, Scope 2	29	45	45
Emissions from transport of goods, Scope 3 (see below for delimitation)	1,410	1,904	2,840

Report of green house gas emissions prior to 2020 has been joint for Doro and Careium which makes comparison with earlier years irrelevant and are thus excluded from table above.

GREENHOUSE GASES, CALCULATION METHODS AND COMMENT

Emissions	How we calculated and what we included
General	All calculations refer to the climate impact of using the fuel. Impacts from production and distribution of the fuel are not included. Calculations and reporting is based on the GHG protocol, operational control approach. Emission factors, unless defined differently below, are collected from suppliers or from GHG protocol emission factors.
Direct greenhouse gas emissions, Scope 1	Owned and leased cars, as well as combustion for heating, constitute Doro's Scope 1 emissions. Heating of the site in Germany has during 2022 been changed from own gas furnace to partially by electricity which has reduced CO ₂ e by 10 tonnes. At the same time fuel consumption of company cars has increased as all remaining restrictions due to the pandemic has been lifted and customer visits resumed.
Indirect greenhouse gas emissions, Scope 2	Energy consumption for Doro's premises constitutes our Scope 2 emissions. Where Doro does not have its own electricity and heating contracts for offices, the calculation is based on the total figure for the building and what proportion of the building Doro's offices make up. One additional office has change to a Green electricity agreement which has resulted in reduction of green house gas emissions. In total 3 offices have green electricity agreements. 2020 to 2022 have emission factors from suppliers been used. In the cases where emission factors per kWh is not available from the energy providers or other corresponding sources "European Residual mixes 2021" from AIB has been used.
Emissions from freight transport, Scope 3	All freight is transported by external freight forwarders, who calculated Doro's freight transport according to EN 16258:2012. Only transports from Asia to warehouse are reported. Therefore, transport from warehouse to end customer is not included. More detailed figures from the forwarders are provided in the table below (in the table below both WTW and TTW are shown, but in the GHG table above TTW is used). Where only WTW has been reported conversion has been made according to GLEC Framework version 2.0 from Smart Freight Center. Emission from transports has been reduced primarily by higher percent of the goods is transported via sea freight, 63% of the weight via sea versus 34% via air. In 2021 the transported weight was equal between sea and air. In later part of the year a combination of sea and truck has been used to reduce lead time and thus enable further reduction of air shipments.
Other Scope 3 emissions	Scope 3 emissions other than those mentioned above are not reported due to lack of data. Examples include air and rail passenger transport, staff commuting, emissions from the manufacture of products and energy use of products by our customers. Business travel, commuting and impact of own products are estimated to enable evaluation of aspects in the environmental management system.

NOTES ON SUSTAINABILITY

Emissions figures from carriers

SCOPE 3, TRANSPORT OF GOODS		
Mode of transport	Tonne CO ₂ e, WTW	Tonne CO ₂ e, TTW
Air	1,455	1,192
Sea	71	59
Truck	192	158
Total	1,717	1,410

WTW=Well to wheel, TTW=Tank to wheel.

Energy consumption and other environmental metrics

ENERGY CONSUMPTION								
	Group 2022	Sweden	United Kingdom	Norway	France	Germany	Hong Kong	Group 2021
Passenger transport, company-owned vehicles (Scope 1), MWh	242	3,7	35	0	64	139	0	189
Electricity consumption, MWh* (total, including electricity for heating)	246	55	12	13	21	125	20	255
District heating, MWh*	126	108	18	0	0	0	0	126
Cooling with district cooling, MWh	3	0	3	0	0	0	0	0
Consumption of steam	0	0	0	0	0	0	0	0
Heating with own combustion, MWh	120	0	0	0	0	120	0	146

* District heating is calculated as a share of the total consumption of the house, as separate meters are not available. In some offices this also applies to electricity consumption. No energy has been sold.

ENVIRONMENTAL FACTS								
	Group 2022	Sweden	United Kingdom	Norway	France	Germany	Hong Kong	Group 2021
Office space, square meters	4,516	963	110	107	274	2,900	162	4,618
Water consumption, cubic meters*		896	No information	No information	No information	122	No information	No information
Waste excluding electronics and batteries	1,843	153	No information	40	No information	1,650	No information	No information
Electronics and waste	7,915	80	0	22	0	7,798	15	4,213
Other hazardous waste	0	0	0	0	0	0	0	

* Water consumption Sweden is calculated as a percentage of the total consumption of the house, as there is no separate meter. At unaccounted offices, figure is missing because water is included in the rent and not measured separately. Due to the unaccounted offices, the total for the group is not available.

ENERGY CONSUMPTION AND ENVIRONMENTAL FACTS – COMMENTS

Transportation, business travel and commuting	See calculations and comments regarding climate foot print above.
Energy consumption	District heating is calculated as share of total consumption of the building, since separate meters is not available. In some offices this applies also for electricity consumption. No energy has been sold.
Water consumption	Water consumption Sweden is calculated as share of total consumption of the building, since separate meters are not available. In offices where information is missing water is included in the rent of the office and is not measured separately. We do not know or influence water consumption at our suppliers but no process water is required in final assembly of our products.
Waste	Reported waste above is from Doro sites and does not include production at our suppliers or aftermarket. No hazardous waste is generated at our sites except electronic waste and batteries which is reported separately. Sites where no waste is reported either has waste handling included in office rent or the amount is to reported by the waste handling suppliers.

NOT REPORTED ENVIRONMENTAL FACTS

Biodiversity	We do not have any own land and our products have no specific influence on flora and fauna.
Usage of chemicals	In our operations chemicals are used for general cleaning, but his is in low quantity and using chemicals with low risk to harm. Chemicals are managed within occupational health and safety management system.
Air quality	Our operations does not result in emissions to air, Production and transport have an impact, which is part of supplier operations where Doro has limited insight and control. Requirements related to emissions to air is covered in CSR policy for suppliers.
Noise	Our operations does not cause noise.

Note 3 Staff data

Besides Business ethics policy that gives general direction also around diversity, Doro has a Equality policy. Share of employed women has slightly reduced, while women in management position has increased, and in several sites the distribution between women and men is completely equal. Employment, promotion and so on is based on competence and interest.

eNPS (Employer Net Promotion Score) measures loyalty and engagement of the employees. eNPS in 2021 includes Careium since the measurement was made before the companies where split, but eNPS has clearly increased. Furthermore is Doro on or above average in all measurement points among 1141 compared companies. Further description of the work around employee satisfaction is found on page 25.

STAFF FACTS 2022								
	Group 2022	Sweden	United Kingdom	Norway	France	Germany	Hong Kong	Group 2021
Number of employees, Head count, at the end of the year, (full-time + part-time)	114	53	8	3	13	26	11	112
Share of women in total number of employees at the end of the year, %	37	38	25	0	62	35	27	39
Percentage of women in management positions at the end of the year, %	46	50	50	0	50	40	0	41
Percentage of staff who have had an appraisal interview, %	75	74	75	100	85	38	73	77
Part-time work (proportion working part-time), end of year, %	6	2	13	0	8	15	0	5
Staff turnover % permanent employees leaving Doro in 2022	10							15
Average age, employees at the end of the year	45	46	49	48	49	39	46	45
There is a collective bargaining agreement	Yes	No	No	No	No	No	No	
eNPS (Employee Net Promotor Scope)	2							-22

Note 4 Working environment

Doro has a Group-wide health and safety policy and guideline. Based on these, each site manager is responsible for steering and monitoring of the work environment, including compliance with legal requirements. At Group level, an annual follow-up of all business locations is carried out to verify that everyone has an active health and safety management system in place and that the relevant requirements are checked. All Group employees are covered by the health and safety management system.

The last two years no occupational injuries has occurred. Safeguarding rounds has been made in 4 of the Doro sites with participation of representatives of the employees. Fire inspections and/or fire drill has been performed at all sites.

OCCUPATIONAL HEALTH AND SAFETY FACTS 2022

	Group 2022	Sweden	United Kingdom	Norway	France	Germany	Hong Kong
Health and safety procedures are documented in the local language		Yes	Yes	No	Yes	Yes	No
Safeguarding rounds are held at least annually		2	0	1	1	1	0
Fire inspection and/or fire drill has been executed in 2022		Yes	Yes	Yes	Yes	Yes	Yes
Number of reported occupational injuries and incidents	0	0	0	0	0	0	0
Sick leave due to occupational injuries and incidents, hours	0	0	0	0	0	0	0
Number of reported cases of discrimination	0	0	0	0	0	0	0
Work environment risk assessment has been updated in 2022		Yes	Yes	No	Yes	Yes	No

Note 5 Whistleblowing, anti-corruption and human rights

Business Ethics policy has been updated during the year and all employees has received an online training, including among other topics trustworthy external communication, insider information, anti corruption, human rights and the importance of diversity as well as policy against discrimination or other separate treatment.

CSR audits has been conducted of 10 suppliers. Identified issues mainly concern occupational health and safety. No issues has been found regarding child and young workers.

Anti-Corruption

One hundred percent of operations have been risk assessed according to the UN Global Compact "Guide for Anti-Corruption Risk Assessment". Figures from Transparency International have been used to assess risks in different countries. There were no cases of corruption detected in 2022.

Whistleblowing

Doro has information on the website on how whistleblowing can be done. It is also included in business ethics policies, internally and for suppliers.

WHISTLEBLOWING 2022

	Group 2022	Group 2021
Number of whistleblowing cases reported	0	0

Note 6 Sustainability Goals

ENVIRONMENTAL GOALS 2022

Goals	Results	Comment
Reduction of share of air shipments from Asia in favour of sea shipment	OK	63% was shipped by sea or sea + truck, compared to 50% in 2021.
Increase of the life time of products and reduction of share of returned telephones that are scrapped through improved repairability of new launched products and continued trend regarding reduction of returns.	OK	A strategic decision has been made to take back more of consumer returned products to repair centers. During 2021 65% of the consumer returns was sent to repair centers and during 2022 this share has increased to 74%.

SUSTAINABILITY OBJECTIVES

2023

Green House Gas emissions, Scope 1 and 2 (tonnes)	Scope 1: 80 Scope 2: 25
Share of transport by sea, truck and train (%)	65
Employee satisfaction (eNPS)	10
Occupational accidents	0
Corruption cases	0

Note 7 TCFD (Task Force on Climate Related Financial Disclosures)

TCFD is used by companies better to identify their climate-related financial risks and opportunities.

Governance	Strategy	Risk management	Indicators & targets
<p>A. Board monitoring of climate-related risks and opportunities</p> <p>The Board manages climate risks alongside other risks, at least once a year. Targets and action plans for climate action are agreed with other targets.</p>	<p>A. Climate-related risks and opportunities the organization has identified.</p> <p>Risks are presented together with other risks. See page 33. Main identified climate related risks relates to meeting increasing requirements, availability and prices of raw materials and transports and access to trustworthy data in the supply chain.</p>	<p>A. The organisation's processes for identifying climate-related risks.</p> <p>See page 33 Risk management 2022. Climate risks are identified and evaluated according to the same principles and criteria as other risks. Review is made at least once per year, but occasional risks are added or updated at other time if needed. Identification takes place through environmental monitoring, e.g. EU Green deal and Fit for 55, scientific reports such as the IPCC and information from stakeholders.</p>	<p>A. The organisation's indicators for assessing climate-related risks and opportunities.</p> <p>Climate indicators are included in the Sustainability Report, see sustainability note "Environmental data".</p>
<p>B. Management's role in assessing and managing climate-related risks and opportunities.</p> <p>The company's overall risks are assessed by Group Management, following the development of evidence by various groups. Group Management is responsible for prioritizing actions and allocating resources to risk management. The Group Environmental Steering Committee manages risks, targets, etc.</p>	<p>B. Impact of risks and opportunities on the organisation's operations, strategy and financial planning.</p> <p>Changed requirements are managed in the strategic planning. Critical risks are covered by the company business continuity plan which includes climate related risks, for example the possibility to work in other locations than the office and how to prepare for tropical storms.</p>	<p>B. The organisation's processes for managing climate-related risks.</p> <p>Risks related to climate change are managed through Business Continuity plan and close cooperation with suppliers.</p>	<p>B. Emissions of Scope 1, 2 and 3 under the Greenhouse Gas Protocol.</p> <p>Scope 1, 2 and 3 emissions are reported in the Sustainability note Environmental data/Greenhouse gases.</p>
	<p>C. Readiness of the organisation's strategy with respect to different climate-related scenarios.</p> <p>See Risk assessment 2022. Risk assessment based on IPCC climate scenarios has not yet been carried out at a detailed level. The main risks are in the supply chain and can be managed by switching suppliers.</p>	<p>C. Integration of the above processes into the organisation's overall risk management.</p> <p>All risks are managed in accordance with same principles and criteria, see Risk management 2022.</p>	<p>C. Targets for addressing climate-related risks and opportunities.</p> <p>Targets for addressing climate related risks has so far been focused around transports and circular economy, i.e. increased live time of products through reparability and availability of spareparts. See Hållbarhetsmål 2022.</p>

SIGNATURES

The undersigned declare that the consolidated and annual accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and with generally accepted accounting principles and give a true and fair view of the position and performance of the group and the parent company, and that the management report gives a true and fair view of the development of the group's and the parent company's business, position and performance and of the principal risks and uncertainties that the parent company and its group companies face

Malmö on 31 March 2023

Henri Österlund
Chair of the Board

Juha Mört
Board Member

Victor Saeijs
Board Member

Noora Jayasekara
Board Member

Fredrik Löthgren
Employee
Representative

Jörgen Nilsson
Managing Director

Our Audit Report was submitted on 4 April 2023
PricewaterhouseCoopers AB

Vicky Johansson
Authorised auditor
Principle auditor

Fredrik Aprili
Authorised auditor



Auditor's report

To the Annual General Meeting of Doro AB (publ), company identity number 556161-9429

REPORT ON THE ANNUAL REPORT AND CONSOLIDATED ACCOUNTS Statements

We have performed an audit of the Annual Report and Consolidated Accounts for Doro AB (publ) for the year 2022 with the exception of the Corporate Governance Report on pages 34–37. The Company's Annual Report and Consolidated Accounts are included 29–39, 43–73 and 83 in this document.

In our opinion, the Annual Report has been prepared in accordance with the Annual Accounts Act and provides a true and fair view of the parent company's financial position as of 31 December 2022 and of its financial results and cash flow for the year in accordance with the Annual Accounts Act. The Consolidated Accounts have been prepared in accordance with the Annual Accounts Act and provide a true and fair view of the Group's financial position as of 31 December 2022 and of its financial results and cash flow for the year in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our statements do not include the Corporate Governance Report pages 34–37.

The Management Report is consistent with the other parts of the Annual Report and Consolidated Accounts.

We therefore recommend that the Annual General Meeting approve the income statement and balance sheet for the Parent Company and the Group.

Our statements in this report on the Annual Report and the Consolidated Accounts are consistent with the content of the supplementary report that has been submitted to the Parent Company's audit committee in accordance with Article 11 of the Auditors Ordinance (537/2014).

Basis for Statements

We performed the audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities in accordance with these standards are described in more detail under the heading Auditor's Responsibilities. We are independent in relation to the Parent Company and the Group in accordance with good auditing practice in Sweden and have otherwise fulfilled our professional ethical responsibility in accordance with these requirements. This means that, based on our best knowledge and belief, no prohibited services referred to in Article 5 (1) of the Auditors' Regulation (537/2014) have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our statements.

Our Audit Approach

The focus and scope of the audit

We designed our audit by determining the materiality level and assessing the risk of material misstatement of the financial statements. We paid particular attention to the areas where the CEO and the Board have made subjective assessments, such as important accounting estimates that have been made on the basis of assumptions and forecasts of future events, which are inherently uncertain. As with all audits, we have also taken into account the risk of the Board and the CEO being in breach of the internal control, and among other things considered whether there is evidence of systematic deviations that have given rise to a risk of material misstatement due to irregularities.

We adapted our audit to carry out an appropriate audit in order to be able to express an opinion on the financial statements as a whole, taking into account the Group's structure, accounting processes and controls and the industry in which the Group operates.

Significance

The scope and focus of the audit were affected by our assessment of materiality. An audit is designed to achieve a reasonable degree of certainty as to whether the financial statements contain any material inaccuracies. There may be errors as a result of irregularities or mistakes. They are considered significant if they individually or together reasonably can be expected to influence the financial decisions that users make on the basis of the financial statements.

Based on professional judgement, we determined certain quantitative materiality figures, including for the financial reporting as a whole. Using these and qualitative considerations, we determined the focus and scope of the audit and the nature, timing and extent of our audit procedures, as well as assessing the effect of individual and total inaccuracies on the financial statements as a whole.

Information in Addition to the Annual Report and Consolidated Accounts

This document also contains information that is in addition to the Annual Report and Consolidated Accounts and can be found at pages 1–28, 40–42, 74–82 and 89–90. The Board and the CEO are responsible for this additional information.

Particularly Significant Areas

Particularly significant areas for the audit are the areas that, in our professional assessment, were the most important for the audit of the Annual Report and the Consolidated Accounts for the relevant period. These areas were addressed within the framework of the audit of, and in our position on, the Annual Report and the Consolidated Accounts as a whole, but we do not make separate statements about these areas.

Particularly Important Area

Valuation of Goodwill

Reference to Note 1 and Note 7 in the Annual Report.

Goodwill and other intangible assets form a significant part of Doro's balance sheet. The Company annually assesses the value of the assets, which is based on the calculation of discounted future cash flow for the cash-generating units where goodwill and other intangible assets are reported.

The impairment test is based on a high degree of assessments and assumptions about future cash flows. Notes 1 and 7 show how the Company carried out this assessment, as well as an account of important assumptions and sensitivity analyses. The assumptions that have the greatest impact on the test are the assessment of future growth rate and the discount factor.

It also appears that no need for impairment has been identified based on the assumptions made.

How our Audit Took the Particularly Important Area into Account

In our audit, we have assessed the calculation model used by the company.

We have reconciled and critically examined important assumptions against the Company's budget and strategic plan. We have analysed the accuracy of previous years' assumptions as well as any adjustments that have been made to assumptions from previous years, as a result of the development of the business and external factors.

We have tested the sensitivity of the most important assumptions to assess the risk that a need for impairment would arise.

We have also assessed the accuracy of the information that appears in the Annual Report.

The Board and the CEO are responsible for this additional information.

Our statement regarding the Annual Report and Consolidated Accounts does not include this information and we do not make a statement with confirmation regarding this additional information.

In connection with our audit of the Annual Report and the Consolidated Accounts, it is our responsibility to read the information identified above and consider whether the information is to a significant extent incompatible with the Annual Report and the Consolidated Accounts. In this review, we also take into account the knowledge we otherwise acquired during the audit and assess whether the information otherwise appears to contain significant inaccuracies.

If we, based on the work that has been done regarding this information, conclude that the other information contains a material error, we are obliged to report this. We have nothing to report in that regard.

Responsibilities of the Board and the CEO

The Board and the CEO are responsible for preparing the Annual Report and Consolidated Accounts and for giving a true and fair view in accordance with the Annual Accounts Act and, as regards the consolidated accounts, in accordance with IFRS, as adopted by the EU, and the Annual Accounts Act. The Board and the CEO are also responsible for the internal control that they deem necessary to prepare an annual report and Consolidated Accounts that do not contain any material errors, whether these are due to irregularities or mistakes.

In preparing the Annual Report and Consolidated Accounts, the Board and

the CEO are responsible for assessing the company's and the Group's ability to continue operations. They disclose, where applicable, conditions that may affect the ability to continue operations and to use the assumption of continued operation. However, the assumption of continued operation is not applied if the Board and the CEO intend to liquidate the Company, cease operations or have no realistic alternative to doing any of these.

The Board's audit committee shall, without affecting the Board's responsibilities and tasks in general, monitor the Company's financial reporting.

Auditor's Responsibility

Our goal is to achieve a reasonable degree of certainty as to whether the Annual Report and Consolidated Accounts as a whole contain any material inaccuracies, whether due to irregularities or mistakes, and to submit an audit report containing our statements. Reasonable assurance is a high degree of assurance, but is no guarantee that an audit performed in accordance with ISA and good auditing practice in Sweden will always detect a material error if one exists. Errors can occur due to irregularities or mistakes and are considered significant if they individually or together reasonably can be expected to influence the financial decisions that users make on the basis of the Annual Report and consolidated accounts.

A further description of our responsibility for the audit of the Annual Report and the Consolidated Accounts can be found on the Auditor's Inspectorate's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

REPORT ON OTHER REQUIREMENTS ACCORDING TO LAWS AND OTHER REGULATIONS

Statements

In addition to our audit of the Annual Report and Consolidated Accounts, we have also performed an audit of the Boards' and the CEO's administration of Doro AB (publ) for the year 2022 and of the proposed appropriations regarding the Company's profit or loss.

We recommend that the Annual General Meeting dispose of the profit in accordance with the proposal in the management report and grant the members of the Board and the CEO discharge from liability for the financial year.

Basis for Statements

We performed the audit in accordance with generally accepted auditing standards in Sweden. Our responsibility according to this is described in more detail under the heading Auditor's Responsibility. We are independent in relation to the Parent Company and the Group in accordance with good auditing practice in Sweden and have otherwise fulfilled our professional ethical responsibility in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our statements.

Responsibilities of the Board and the CEO

The Boards is responsible for the proposed dispositions regarding the Company's profit or loss. When proposing a dividend, this includes an assessment of whether

the dividend is justifiable with regard to the requirements that the Company's and the group's business type, scope and risks place on the size of the parent company and the Group's equity, consolidation needs, liquidity and other position.

The Board is responsible for the Company's organisation and for the management of the Company's affairs. This includes, among other things, continuously assessing the Company's and the Group's financial situation, and ensuring that the Company's organisation is designed so that the accounting, asset management and financial affairs are otherwise controlled in a satisfactory manner. The CEO shall manage the day-to-day administration in accordance with the Board's guidelines and instructions and, among other things, take the measures necessary for the Company's book-keeping to be carried out in accordance with law and for the asset management to be conducted in a secure manner.

Auditor's Responsibility

Our goal regarding the audit of the management, and thus our statement on discharge from liability, is to obtain audit evidence in order to be able to assess with a reasonable degree of certainty whether any Board member or the CEO in any significant respect:

- undertook any action or committed any negligence that may give rise to liability for damages against the Company
- in any other way acted in violation of the Swedish Companies Act, the Annual Accounts Act or the Articles of Association.

Our goal regarding the revision of the proposal for dispositions of the Company's profit or loss, and thus our statement on this, is to assess with a reasonable degree of certainty whether the proposal is compatible with the Swedish Companies Act.

Reasonable security is a high degree of security, but no guarantee that an audit performed in accordance with good auditing practice in Sweden will always detect measures or omissions that may give rise to liability for damages against the company, or that a proposal for dispositions of the Company's profit or loss is not compatible with the Swedish Companies Act.

A further description of our responsibility for the audit of the administration can be found on the Auditors' Inspectorate's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

AUDITOR'S REVIEW OF THE ESEF REPORT

Statements

In addition to our audit of the Annual Report and Consolidated accounts, we have also performed a review of the fact that the Board and the CEO have prepared the Annual Report and Consolidated Accounts in a format that enables uniform electronic reporting (the Esef-report) in accordance with Chapter 16, Section 4 a of the Act (2007: 528) on the securities market for Doro AB (publ) for the year 2021.

Our review and our statement relate only to the statutory requirement.

In our opinion, the Esef report has been prepared in a format that essentially enables uniform electronic reporting.

Basis for Statements

We performed our audit in accordance with FAR's recommendation RevR 18 Auditor's audit of the ESF report. Our responsibilities in accordance with this recommendation are described in more detail under the heading Auditor's Responsibilities. We are independent in relation to Doro AB (publ) in accordance with good auditing practice in Sweden and have otherwise fulfilled our professional ethical responsibility in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate as a basis for our statement.

Responsibilities of the Board and the CEO

The Board and the CEO are responsible for ensuring that the Esef report has been prepared in accordance with Chapter 16, Section 4 a of the Securities Market Act (2007: 528), and for there is such internal control as the Board and the CEO deem necessary to prepare the Esef report without significant inaccuracies, whether these are due to irregularities or mistakes.

Auditor's Responsibility

Our task is to express ourselves with reasonable certainty if the Esef report is in all material respects prepared in a format that meets the requirements in Chapter 16, Section 4 a of the Securities Market Act (2007: 528), on the basis of our review.

RevR 18 requires that we plan and implement our audit procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high degree of assurance, but is no guarantee that an audit performed in accordance with RevR 18 and good auditing practice in Sweden will always detect a material error if such exists. Errors can occur due to irregularities or mistakes and are considered significant if they individually or together reasonably can be expected to influence the financial decisions that users make on the basis of the Esef report.

The auditing firm applies ISQC 1 Quality control for audit firms that perform audits and review of financial reports as well as other certification assignments and related services and thus has a comprehensive quality control system which includes documented guidelines and routines regarding compliance with professional ethical requirements, standards for professional practice and applicable requirements and other statutes.

The review includes obtaining evidence through various measures that the Esef report has been prepared in a format that enables uniform electronic reporting of the Annual Report and the consolidated accounts. The auditor chooses which measures are to be performed, among other things by assessing the risks of significant errors in the reporting, whether these are due to irregularities or mistakes. In this risk assessment, the auditor considers the parts of the internal control that are relevant to how the Board and the CEO produce the documentation in order to design audit measures that are appropriate in the circumstances, but not in order to make

a statement on the effectiveness of the internal control. The review also includes an evaluation of the appropriateness and reasonableness of the Board's and the CEO's assumptions.

The audit measures mainly include a technical validation of the Esef report, that is if the file containing the Esef report complies with the technical specification set out in Commission Delegated Regulation (EU) 2019/815 and a reconciliation with the audited annual and consolidated financial statements of the Esef report.

Furthermore, the review also includes an assessment of whether the Esef report has been marked with iXBRL, which enables a fair and complete machine-readable version of the Group's income statement, balance sheet and equity accounts and the cash flow statement.

Auditor's Review of the Corporate Governance Report

The Board is responsible for the Corporate Governance Report pages 34–37 and for it having been prepared in accordance with the Annual Accounts Act.

Our review has taken place in accordance with FAR's statement RevR 16 Auditor's review of the Corporate Governance Report. This means that our review of the Corporate Governance Report has a different focus and a significantly smaller scope compared with the focus and scope of an audit in accordance with International Standards on Auditing and good auditing practice in Sweden. We believe that this review provides us with a sufficient basis for our statements.

A corporate Governance Report has been prepared. Information in accordance with Chapter 6, Section 6, second paragraph, items 2–6 of the Annual Accounts Act and Chapter 7, Section 31, second paragraph, of the same Act is compatible with the other parts of the Annual Report and Consolidated Accounts and is in accordance with the Annual Accounts Act.

PricewaterhouseCoopers AB, box 4009, 203 11 Malmö, was appointed auditor of Doro AB (publ) by the Annual General Meeting on April 29, 2021 and has been the Company's auditor since April 27, 2017.

Malmö on 4 April 2023

PricewaterhouseCoopers AB

Vicky Johansson
Chartered Accountant
Principal Auditor

Fredrik Aprili
Chartered Accountant

Five-year summary

SEKm	2022	2021*	2020*	2019*	2018
Income statement					
Income	909.5	1,039.6	1,165.2	1,586.3	1,906.4
Operating profit/loss before depreciation and write-downs, EBITDA	100.4	184.2	127.0	143.4	194.3
Operating profit/loss after depreciation and write-downs, EBIT	55.4	118.7	57.3	89.5	122.3
Net financial items	-10.9	-4.3	-15.0	-3.7	0.7
Profit/loss before tax	44.5	114.4	42.3	85.8	12.3
Balance sheet					
Fixed assets	355.7	362.9	431.6	445.5	667.5
Current assets	548.1	448.9	401.6	540.1	662.7
Cash and bank balances	154.4	179.1	138.4	144.6	134.2
Shareholders' equity	475.0	422.9	418.0	398.2	638.7
Long-term liabilities	134.4	213.6	138.7	275.4	284.4
Current liabilities	294.4	354.4	415	456.7	496.5
Balance sheet total	903.8	990.9	971.7	1,130.3	1,464.4
KEY FIGURES (Definitions on page 90)					
Return ratios					
Average return on capital employed, %	9.1	13.2	18.5	12.8	16.1
Average return on shareholders' equity, %	13.1	13.5	7.4	11.1	14.4
Cash Conversion Rate	131.9	19.9	349.2	198.9	181.0
Margins					
Operating margin, EBITDA, %	11.0	17.7	10.9	9.0	10.2
Operating margin, EBIT, %	6.1	11.4	4.9	5.6	6.4
Net margin, %	4.9	11.0	3.6	5.4	6.5
Capital turnover					
Capital turnover rate (multiple)	1.0	0.8	1.1	1.2	1.4
Financial data					
Equity/assets ratio, %	52.6	42.7	43.0	35.2	46.7
Cash flow from current activities	73.1	23.6	200.1	178.0	221.8
Number of employees**	110	116	1081	988	685
Liquid assets (incl. unused credit)	154.4	179.1	138.4	144.6	134.2
Investments (incl. acquisitions)	38.0	27.6	25.2	77.9	210.0

* 2019, 2020 and 2021 show comparable data for the remaining business.

** Employee numbers for years prior to 2021 refer to the entire Group.

Definitions

Average number of shares

Number of shares at the end of the month divided by the number of months, excluding shares in own custody.

Average number of shares, diluted

Average number of shares adjusted for the dilution effect from warrants is calculated as the difference between the assumed number of shares issued at the redemption price and the assumed number of shares issued at the average share price for the period.

Capital employed

Total assets less non-interest-bearing liabilities and cash and cash equivalents.

Capital turnover rate

Net sales for the year divided by the average balance sheet total.

Cash conversion rate

Cash flow from operating activities divided by EBIT.

Cash flow

Cash flow from operating activities.

Cash flow per share

Cash flow from operating activities divided by the average number of shares.

Ebit margin

Operating profit/loss (after depreciation/amortisation) as a percentage of sales for the year.

Ebitda margin

Profit/loss before depreciation/amortisation as a percentage of sales for the year.

Equity per share

Shareholders' equity at the end of the period divided by the number of shares at the end of the period.

Equity per share, diluted

Shareholders' equity at the end of the period divided by the number of shares at the end of the period, after dilution.

Equity/assets ratio

Shareholders' equity as a percentage of the balance sheet total.

Interest coverage ratio

Profit/loss after net financial items plus interest expenses divided by financial expenses.

Market capitalisation, SEKm

Share price at the end of the period multiplied by the number of shares at the end of the period.

Net debt/equity ratio

Interest-bearing liabilities minus cash position as a percentage of shareholders' equity.

Net margin

Profit/loss after financial items as a percentage of sales for the year.

Number of shares at end of period

Number of shares at the close of the period.

Number of shares at end of period, diluted

The number of shares at the end of the period adjusted for the dilution effect from warrants is calculated as the difference between the assumed number of shares issued at the redemption price and the assumed number of shares issued at the average share price at the end of the period.

Reported equity per share

Shareholders' equity divided by the number of shares at year-end.

Return on average capital employed

Operating profit/loss divided by the quarterly average capital employed excluding cash and bank balances.

Return on average shareholders' equity

Profit/loss after financial items and tax divided by average shareholders' equity.

Share price at period end, SEK

Closing price at the end of the period.

ANNUAL GENERAL MEETING 2023

The Annual General Meeting will be conducted pursuant to so called mail-in procedures at Friday, April 28, 2023.



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Jörgen Kocksgatan 1B
211 20 Malmö, Sweden
www.doro.com
Org nr: 556161-9429

