Q3 2024/25

July, 2025
dustingroup.com

Dustin

Q3

Today´ s agenda

- The third quarter 2024/25
- Strengthened financial position through an oversubscribed rights issue
- Sharpened strategic focus with a clear plan to increase profitability
- Q&A

Strengthened financial position and continued focus on improving profitability

Financial Highlights

Net sales was 5,089 (5,455) MSEK, corresponding to a decline of 6.7%

- Organic growth was -2.9%, of which SMB -2.6% and LCP -3.0%
- Cautious development, but signs of market stabilisation in the Nordics

Gross profit was 680 (821) MSEK

- Gross margin amounted to 13.4% (15.0%)
- Stable margin development in the Nordics, but high share of new agreements and price pressure burdens development in the Benelux

Adjusted EBITA was 72 (130) MSEK

- Adjusted EBITA margin was 1.4% (2.4%)

Cash flow from operating activities was -139 (454) MSEK

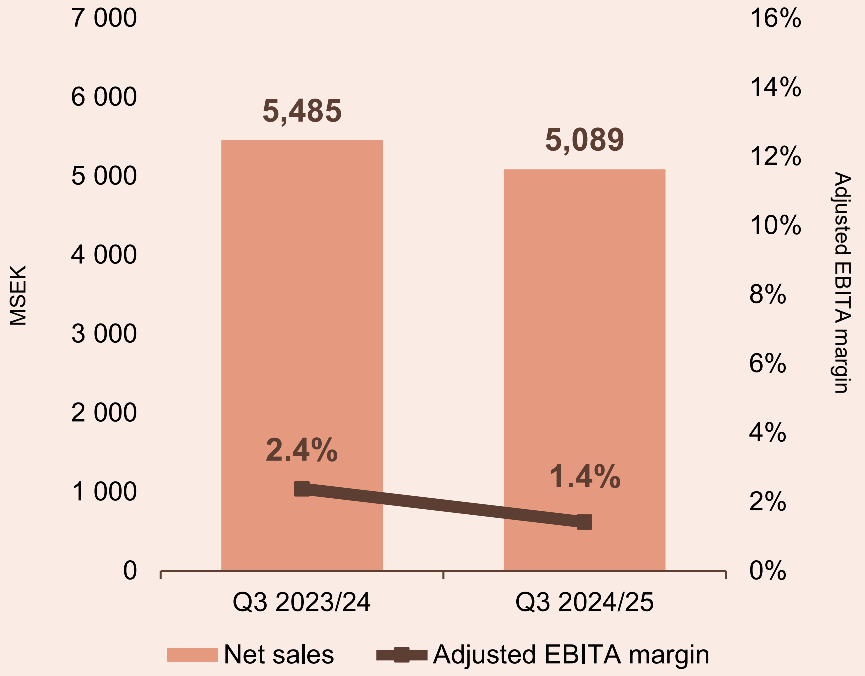
Leverage was 4.3x in the past 12-month period (4.0x FY 23/24)

Rights issue completed, raising net proceeds of approximately 1,240 MSEK

Earlier announced efficiency measures near completion

Strategic assessment conducted to drive long-term profitability improvement

Net sales and adjusted EBITA margin

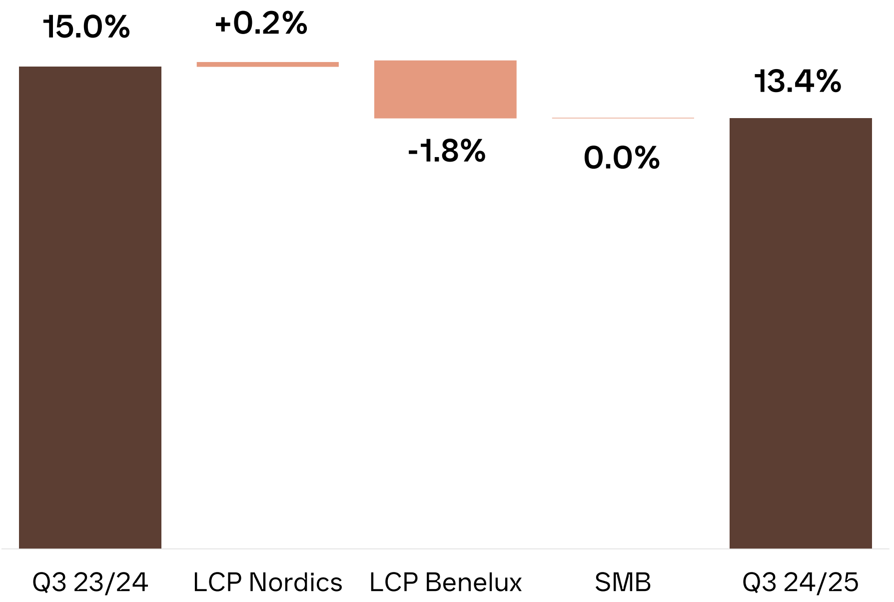


Gross margin decline mainly due to price pressure and new contracts in LCP Benelux

Gross margin volatility

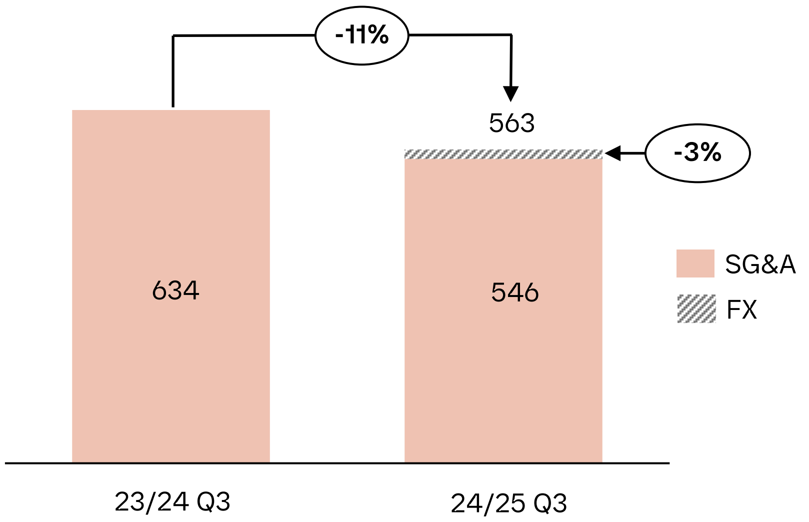
- Q3 gross margin was 13.4 per cent (15.0), where the decline was primarily explained by the development in LCP Benelux
  - Stable development for LCP in the Nordics
  - Increased competition and price pressure in specific multi-supplier framework agreements and a higher share of sales in new public sector agreements in LCP Benelux compresses margin development
  - Stable gross margin development within SMB following continued price discipline

Group gross margin Q3 year-on-year

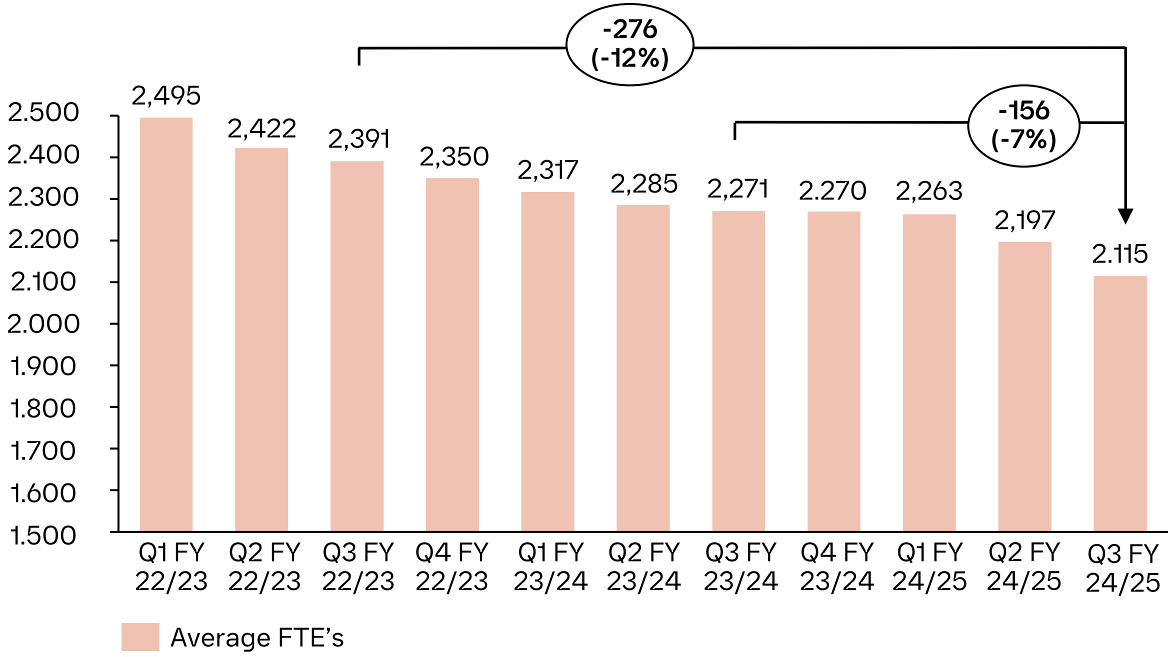


Efficiency measures partly compensating for slow market and currency effects

Total SG&A Q3



Average FTE's per quarter



Efficiency measures reducing cost level

- Earlier announced efficiency measures with annual savings of 150-200 MSEK nearing completion
- Currency fluctuations explain approximately 3 percent of the decrease in SG&A

Adapting number of FTE's to market situation

- Average number of FTE's reduced by 7% over the past year
- Average number of FTE's reduced by 12% over the past two years
- In addition, significantly reduced number of consultants and temporary staff

SMB – Signs of stabilisation from a low level

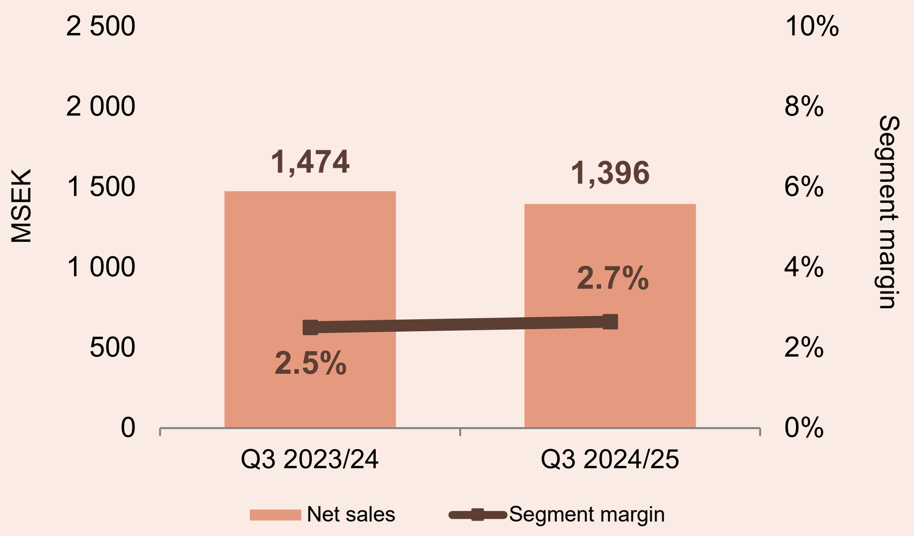
Net sales decline in SMB of 5.3% y/y
- Organic growth of -2.6%

Segment result was 37 (37) MSEK
- Segment margin increased to 2.7% (2.5%)

Continued tentative sales development
- Signs of some stabilisation, but market development remain tentative due to the ongoing economic uncertainty
- Slight increase in demand among larger SMB companies, mainly in the Nordic region
- The share of software and services sales increased to 13.8% (12.2%)

Slightly improved segment margin
- Stable gross margin year-on-year and a clear quarter-on-quarter improvement
- Efficiency measures contributed to a lower cost base and had a positive impact on the segment margin

Net sales and segment margin



MSEK	Q3 2024/25	Q3 2023/24	Organic growth	Q3 y/y growth
Net sales	1,396	1,474	-2.6%	-5.3%
Segment result	37	37	–	1.5%
Segment margin	*2.7%*	*2.5%*	–	–

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LCP – Lower volumes and price pressure within multi-supplier framework agreements

Net sales growth in LCP of -7.2% y/y

- Organic growth was -3.0%

Segment result was 63 (130) MSEK

- Segment margin decreased to 1.7% (3.3%)

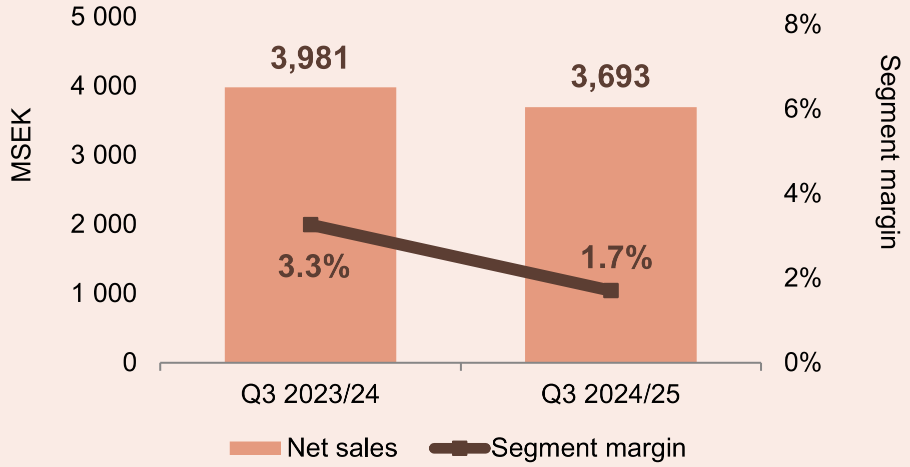
Stabilisation in the Nordics but challenges in the Netherlands

- Economic uncertainty continue to affect market development
- Challenging in the Netherlands, specific framework agreements subject to increased price pressure
- Positive progress in Sweden and Finland mainly driven by defense investments, alongside new agreements secured in Belgium

Segment margin impacted by lower gross margin

- Gross margin decreased mainly due to price pressure in specific multi-supplier framework agreements, primarily in the Netherlands
- High share of sales within new framework agreements with initially lower margin
- Higher volumes and improved profitability in takeback and private label products had a positive margin impact

Net sales and segment margin



MSEK	Q3 2024/25	Q3 2023/24	Organic growth	Q3 y/y growth
Net sales	3,693	3,981	-3.0%	-7.2%
Segment result	63	130	–	-51.1%
Segment margin	*1.7%*	*3.3%*	–	–

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Cash flow burdened by changes in net working capital

Cash flow burdened by temporary changes in working capital

- Cash flow from operating activities, before changes in working capital, decreased mainly due to lower EBIT
- Negative cash flow from changes in working capital, mainly due to higher inventory and delayed payment flows linked to public holidays
- Cash flow from financing activities impacted by the completed rights issue

Reduced level of capex in the quarter

- Total investments decreased to 69 (141) MSEK, of which 47 (65) MSEK affecting cash flow
- Capex related to IT development decreased to 37 (45) MSEK, and affecting cash flow.
- Investments in tangible and intangible assets lower at 28 (78) MSEK, of which 10 (20) MSEK affecting cash flow
- Investments in assets related to service provision, mainly related to data center capacity, was 4 (18) MSEK, not affecting cash flow

Changes in Cash Flow Y/Y

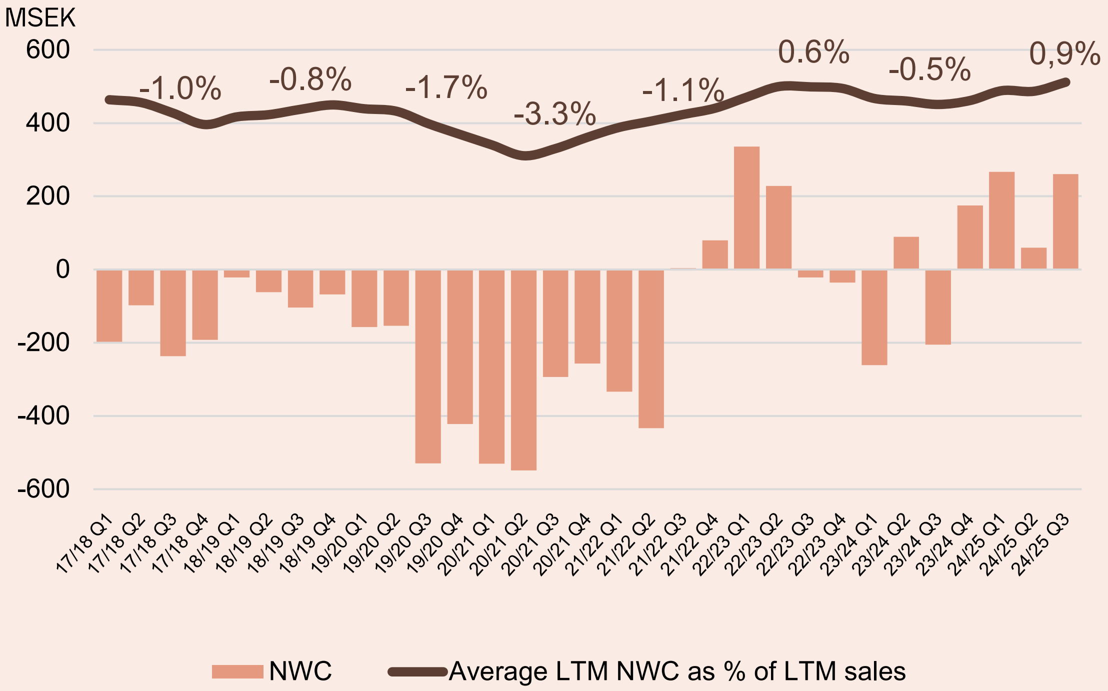
MSEK	Q3 2024/25	Q3 2023/24	Q3 y/y change
Cash flow from operating activities before changes in working capital	27	81	-54
Changes in working capital	-167	373	-540
Cash flow from operating activities	**-139**	**454**	**-593**
Cash flow from investing activities	-47	-65	18
Cash flow from financing activities	1,194	-49	1,243
Cash flow for the period	**1,008**	**340**	**668**

Net working capital temporary higher

Net working capital impacted by holiday-related payment flows

- Net working capital increased to 261 MSEK (-205), due to higher inventory and delayed payment flows linked to public holidays
- Inventory increased by 173 MSEK to 1,098 MSEK (925) year-on-year, mainly due to lower quarter-end activity than planned
- Accounts payable decreased by 535 MSEK compared to last year, impacted by timing and volume in larger specific customer deals in the comparable quarter
- Accounts receivable decreased by 176 MSEK, which is less than payables, with receivables impacted by delayed payment flows due to public holidays at quarter-end
- Other payables and receivables had a net impact of -67 MSEK, compared to the corresponding quarter last year
- Long-term target level for net working capital of around -100 MSEK

Net working capital



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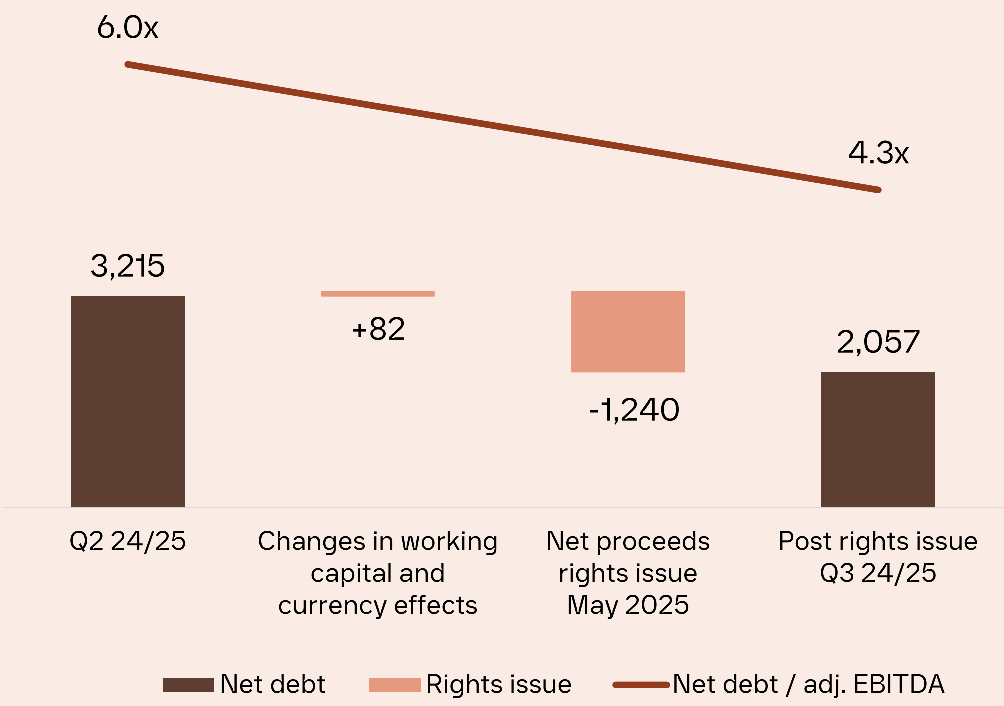
Strengthened financial position through oversubscribed rights issue

Supportive conditions for intensified focus on our strategic plan

- Raised net proceeds of approximately 1,240 MSEK in successfully completed rights issue, ensuring a solid capital structure and a strengthened balance sheet
- The net proceeds from the rights issue will be used to reduce net debt
- Established financial stability to support a high pace of change according to our plan to improve profitability over time
- The leverage decreased from 6.0x net debt/adjusted EBITDA* as of Q2 24/25 to 4.3x post rights issue, still affected by challenges in the earlier quarters
- We continue to work towards a leverage within our financial target range of 2.0-3.0x through improved profitability and thereby strengthened operating cash flow

Change in leverage from Q2 24/25 to Q3 24/25 post rights issue



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Sharpened strategic focus with a clear plan to increase profitability

High pace of change for increased profitability

- Implemented a new organisation, structured around the offering, the sales channels, delivery and support functions, enabling a higher pace of execution of the company's strategy (Q2 24/25)
- Efficiency measures, with full impact of SEK 150–200 million annually, are now nearing completion and involve more than 200 positions and a reduced number of offices (Q4 24/25)
- Continue transformation with strategic focus towards the business customers and our standardised service offering, phasing out our consumer market proposition (first half-year 25/26)
- Strengthen and develop our B2B-customer offering across sales channels, both online and through relationship-based sales
- Long term process improvements and increased automation following the implementation of the common IT platform in Benelux

Summary of the third quarter 2024/25

Organic net sales growth of -2.9%

- Net sales growth of -6.7%
- Cautious development, but signs of market stabilisation in the Nordics

Gross margin at 13.4% (15.0%)

- Stable margin development in the Nordics
- High share of new agreements and price pressure burdens development in the Netherlands

Adjusted EBITA margin of 1.4% (2.4%)

- Decline due to lower gross margin

Rights issue completed, raising net proceeds of approximately 1,240 MSEK

Earlier announced efficiency measures near completion

Strategic assessment conducted to drive long-term profitability improvement

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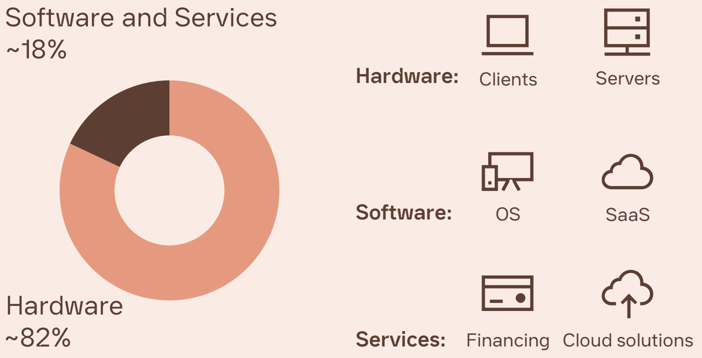
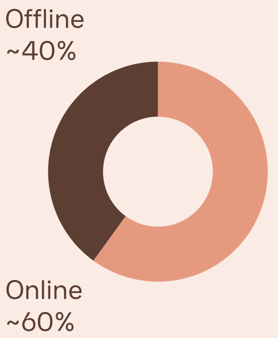
Dustin at a glance

280,000 hardware and software products…

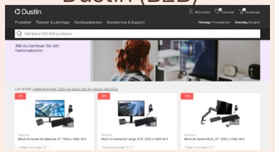


Refers to the financial year 2023/24

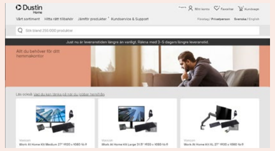
…primarily sold online…



Dustin (B2B)

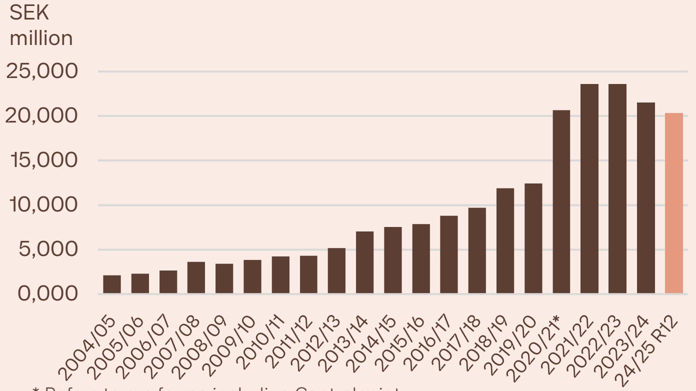


Dustin Home (B2C)



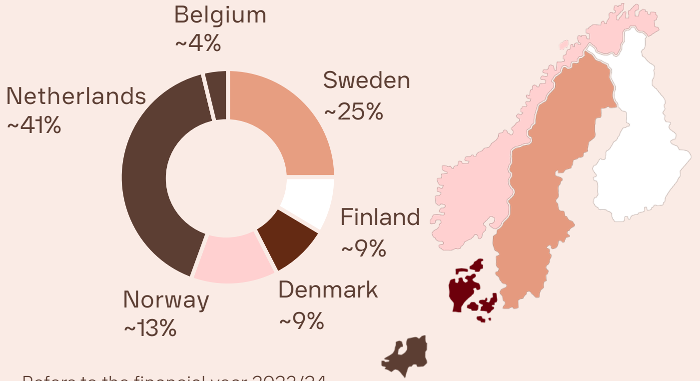
Refers to the financial year 2023/24

Net sales



* Refers to pro forma including Centralpoint

…across the Nordics and Benelux…



Refers to the financial year 2023/24

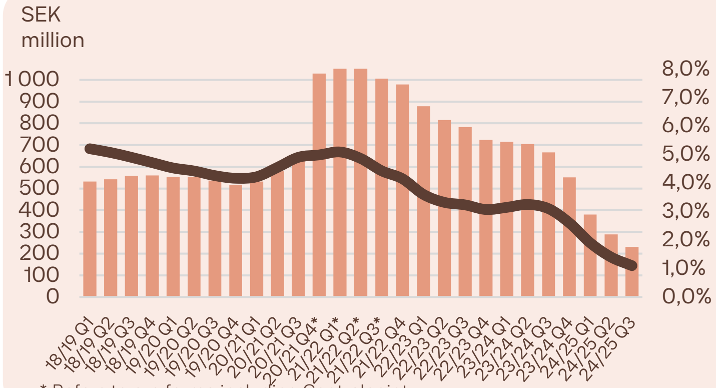
…to B2B customers

% net sales	Customers	Offering	Avg. order
98%	LCP	Large roll-outs, volume services, takeback	SEK 15,000
	SMB	Full assortment	SEK 10,000
2%	B2C	IT products	SEK 2,000

~ 2 million orders annually

Refers to the Nordics in the financial year 2023/24

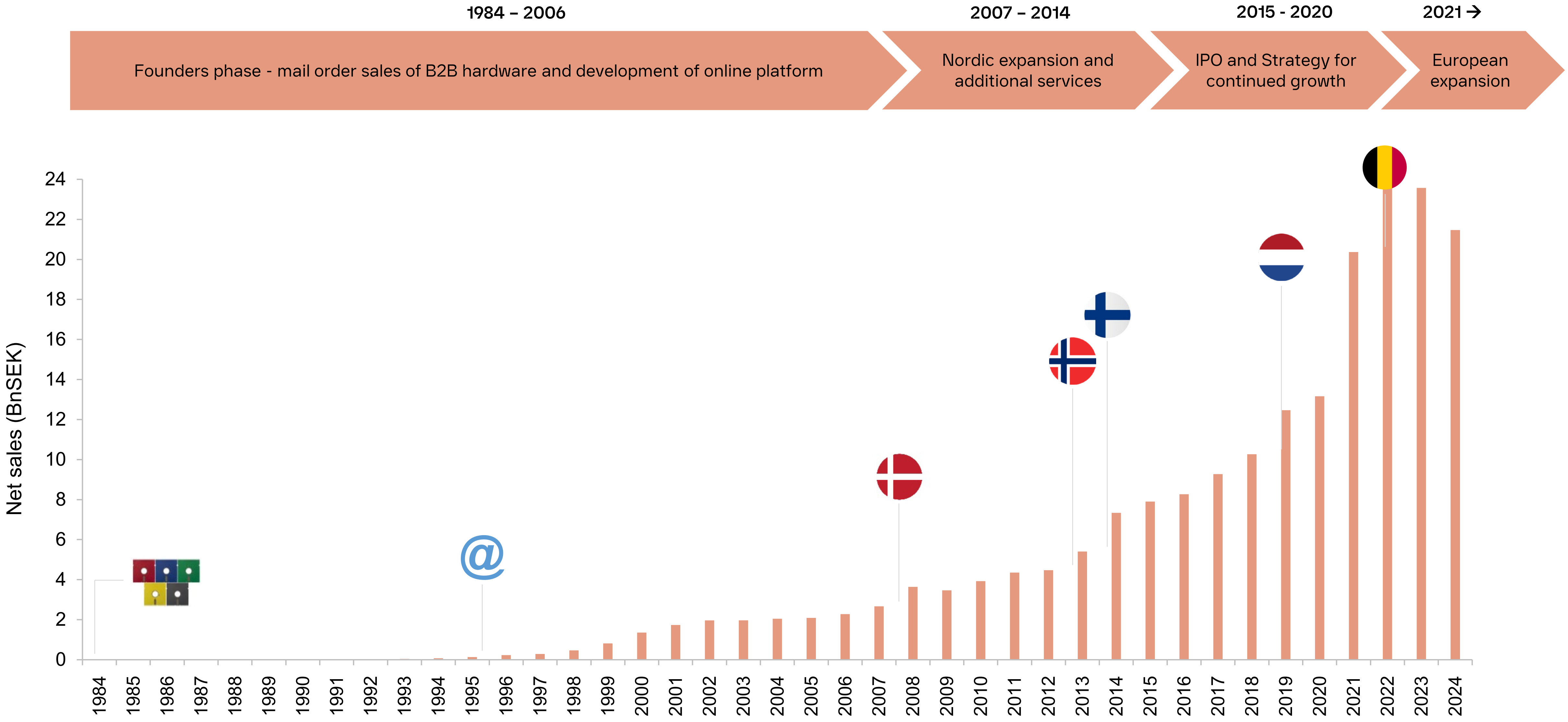
Adjusted EBITA and margin, R12**



* Refers to pro forma including Centralpoint

** R12 refers to 12 month rolling

Long and strong history of profitable growth



Dustin – the aggregator and destination

Hardware, software & services

acer, Adobe, APC, aruba, ASUS, cisco, Contour, DELL Technologies, EPSON, hp, Hewlett Packard Enterprise, Jabra, Lenovo, LG Electronics, logitech, Microsoft, ORACLE, Panasonic, PHILIPS, poly, SAMSUNG, SONY, UBIQUITI, vmware, ZEBRA

+ 3.500

Dustin services

Distributors

ALSO, INGRAM MICRO, exertis, Gandalf (PART OF ELKO GROUP), TD SYNNEX

Dustin products

cirafon, GILFORD, TRANZIP, voxicon, PROKORD

LCP (Large Corporate and Public)

~10,000

SMB (Small and Medium Sized Businesses)

~100,000

B2C (Business to Consumer)

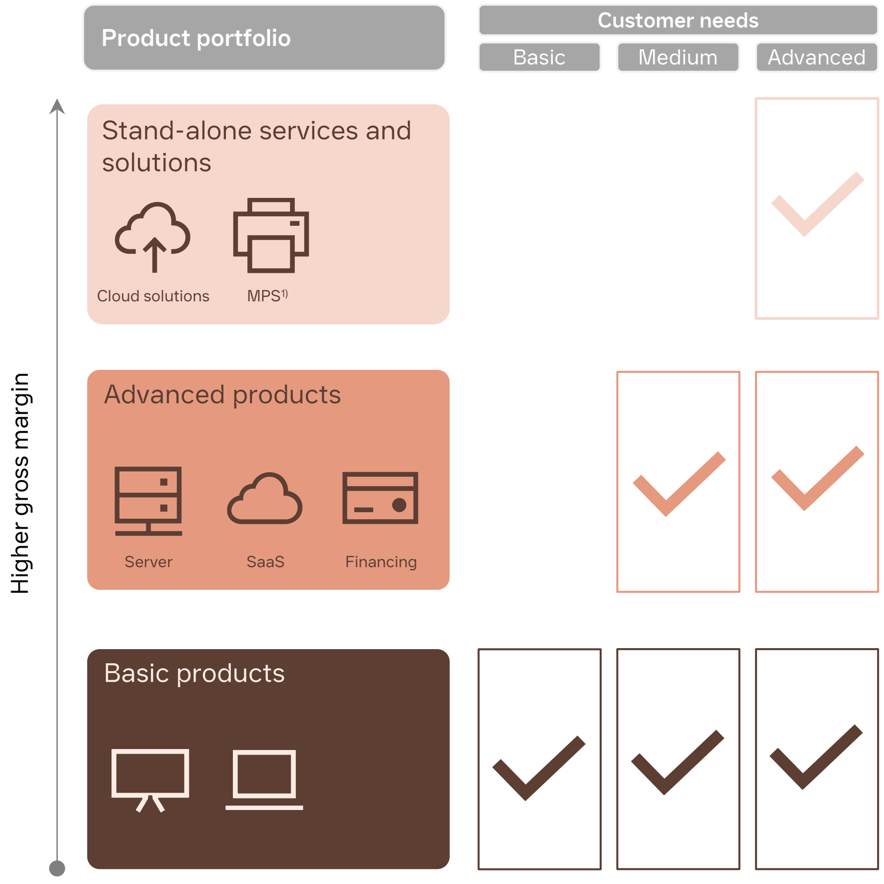
~200,000

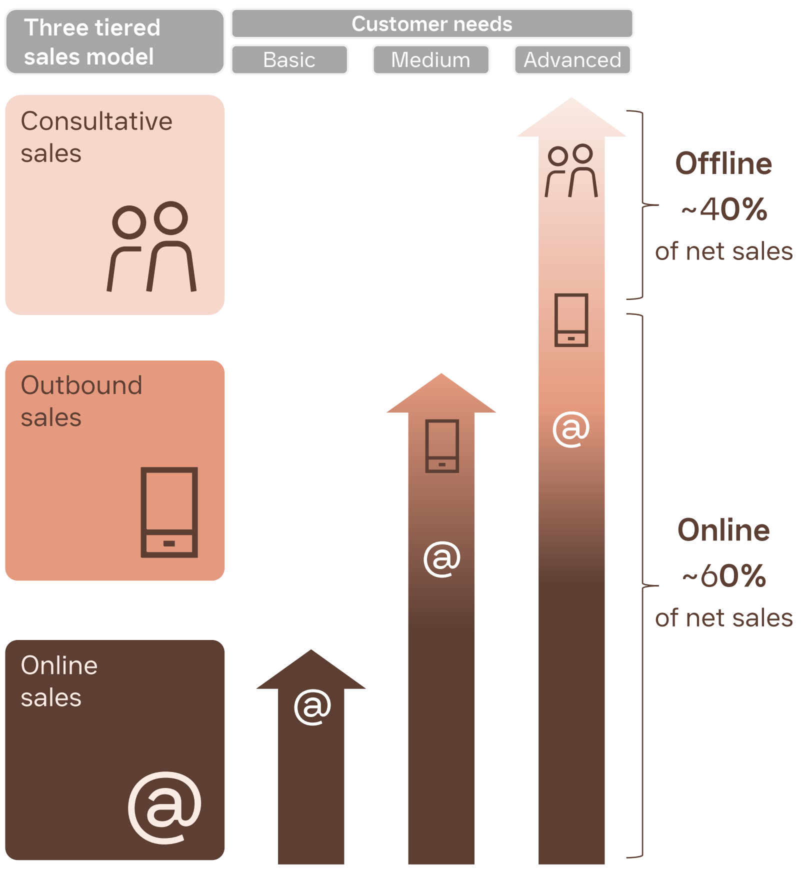
A large number of suppliers…

needs an aggregator with a strong brand to interact with…

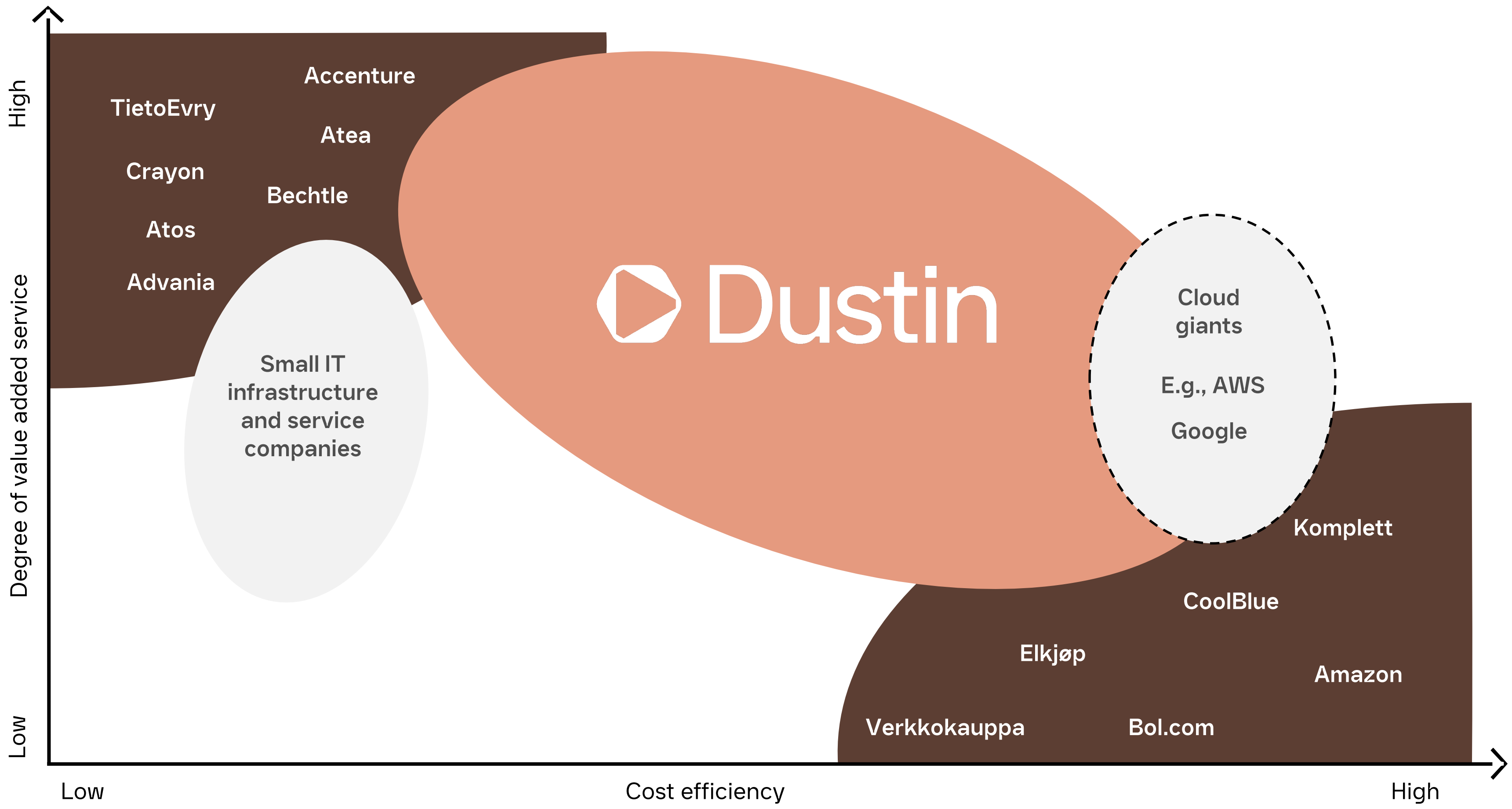
a large number of customers.

Multi-channel approach to drive growth and margins





We are well positioned to cater for both SMB and LCP customers



Comments

- Starting from hardware box moving to adding services as customer expectations move to want more around HW
- Low cost / efficient backbone and origin
- IT focused with high competence and high touch where needed
- European and standardised but local presence

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One IT Platform enables cost synergies

One IT Platform

One Dynamics	One Web Experience	One Service Management	One Data Platform
ERP & CRM	Portals & Open Web	ConnectWise & Service Management	Business Intelligence & Data Innovation

Our future platform is:

- Geographically scalable
- Aligning our ways of working
- Leveraging from standard processes
- Digitalising our customer journey
- Catering for efficiency and automation

We will be able to:

- Be more efficient in many of our core processes
- Increase our level of automation
- Reduce integration time of acquired companies
- Quicker implement new functions thanks to one development process
- Communicate internally and externally as One Dustin

Medium-term financial targets

EPS Growth

>10%

3-year average annual growth rate

Leverage

2.0-3.0 Net debt/EBITDA

Unchanged

CO_2 emission

25% reduction

in CO_2e/MSEK Net Sales in the coming 3-year period.

Towards the unchanged 2030 commitment of being fully climate neutral*

Dividend Policy

>70%

Dividend policy pay out of net profit depending on the financial position

Unchanged

Supporting targets for EPS growth

Organic net sales growth

SMB: 8% 3-year avg

LCP: 5% 3-year avg

Segment margin

SMB >6.5% FY25/26

LCP >4.5% FY25/26

*Describing one of Dustin's three 2030 commitments – the others are Fully Circular and Social Equality

Committed to long-term sustainable growth

Trends

- Climate reduction increasingly important in procurement
- Demand for circular products and solutions
- Responsibility and transparency in supply chain management

Sustainability is becoming an integral part of buying IT

Today

- Launch of in-house takeback
- Advantage in tenders
- Sustainability linked loan connected to two KPIs: CO_2e per shipment and number of takebacks. Discount of -2,5 bps on margin if the two KPIs are reached
- Full value chain approach, including Scope 3
- Compliant with TCFD
- External integrated reporting, same level for sustainability as financial auditing

Strong ambitions with tangible steps towards the 2030 commitments

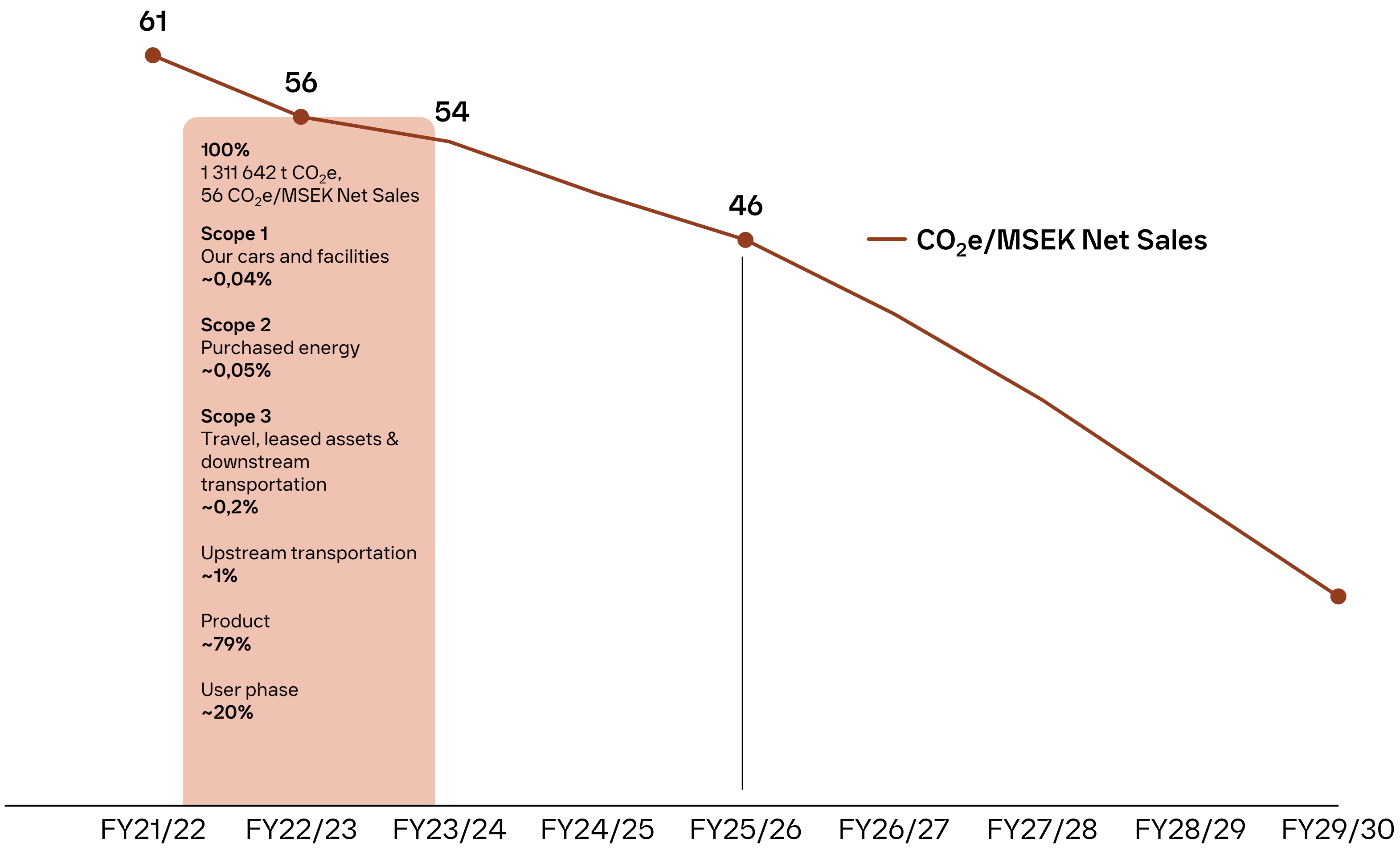
Potential

- Sell refurbished products online
- Use data to help customers make sustainable choices
- Offer circular options that add clear customer value
- LCP customer expectations driving change within SMB
- Given our position and size in our market we can have a positive impact in the entire value chain

Making sustainable IT easy for our customers and contributing to margin development

Our path to decrease our CO_2 impact

25% reduction in CO_2e/ MSEK Net Sales until FY25/26



Our main levers – share of total improvement

Expanding services such as managed services and takeback.

~25%

Promoting solutions and products with lower negative environmental impact to actively support customers reduction.

~20%

Co-operate with committed vendors to reduce CO_2e.

~25%

Partnering with stakeholders towards climate action.

~10%

Carbon neutral in own operations.

~5%

Residual - Certified off-setting.

~15%

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Our mission, vision, guiding direction and promise

Mission	To provide the right IT solution, to the right customer and user. At the right time. At the right price.
Vision	To help our customers stay in the forefront
Guiding direction	Enabling the circularity movement
Promise	We keep things moving

Thank you

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