Q4 2020/21

October, 2021
dustingroup.com

Robust organic growth and earnings performance

Financial Highlights

Net sales was 5,105 (2,874) MSEK

- Reported net sales grew by 77.6%
- Organic growth was 20.5%, of which SMB 17.9%, LCP 23.7% and B2C 7.9%

Gross profit was 758 (434) MSEK

- Gross margin of 14.8% (15.1%) (proforma 14.0%)

Adjusted EBITA was 229 (101) MSEK

- Adjusted EBITA margin of 4.5% (3.5%)

Items affecting comparability of -37.9 (8.9) MSEK

EBIT was 154 (84.5) MSEK

Earnings per share of 0.65 (0.75) SEK

Cash flow from operating activities before changes in working capital was 201 (110) MSEK

Leverage of 3.4x (2.6x) including the 12-month earnings effect for Centralpoint and excluding the effects of IFRS 16

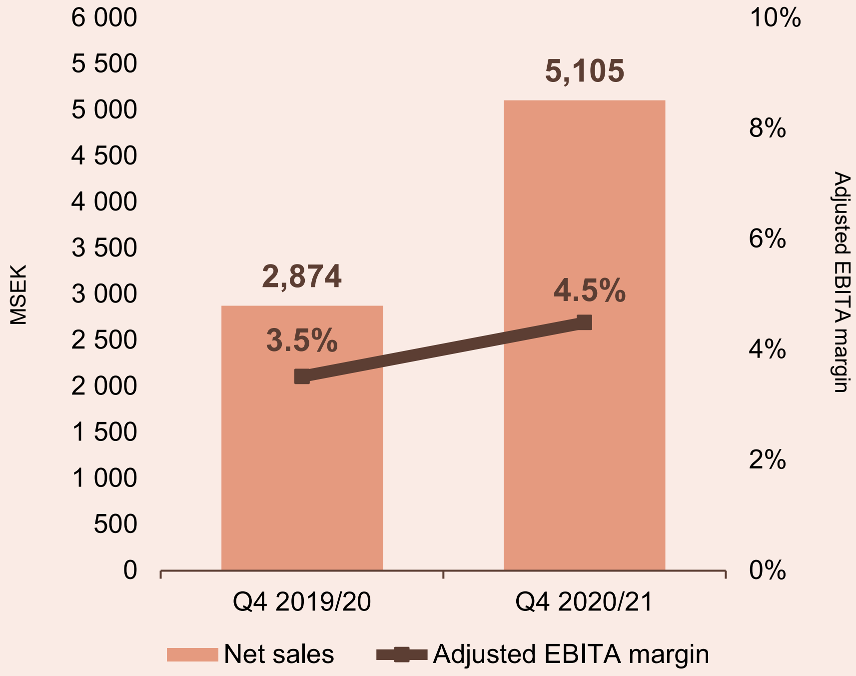
The Board proposes a dividend of 2.21 (2.20) SEK per share, totalling 250 (195) MSEK

Operational Highlights

Acquisition of Benelux based Centralpoint completed and consolidated on June 3

Fully subscribed rights issue of approximately 1,200 MSEK

Net sales and adjusted EBITA margin



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Financial development – SMB

Strong sales growth and improved profitability

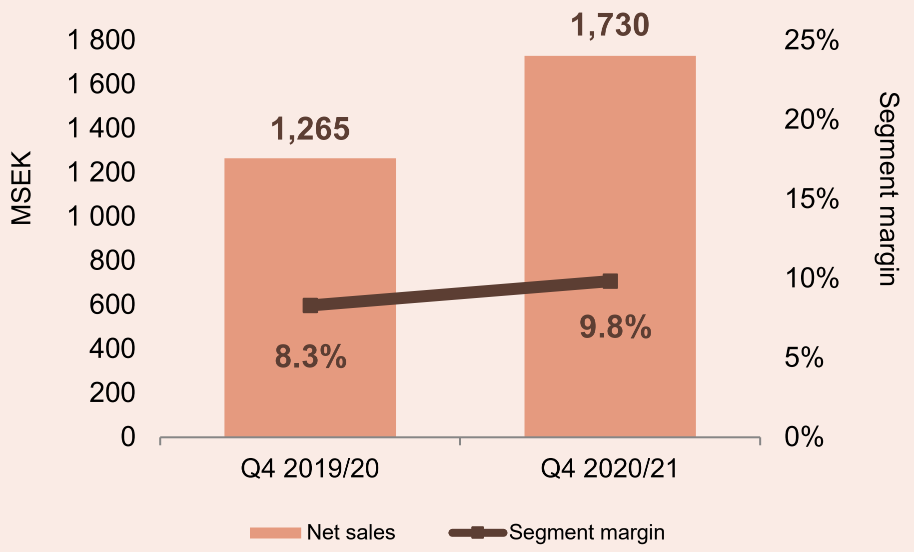
Net sales growth in SMB of 36.7% y/y
- Organic growth of 17.9%

Segment result increased to 170 (105) MSEK
- Segment margin of 9.8% (8.3%)

Strong development in online core business
- Continued healthy development within hardware sales
- Solid demand in all customer groups within the segment
- Weak development of consulting and project-related services, but gradually improved during the quarter
- Geographically, sales were strongest in Norway and Finland

Strong margin improvement
- Higher volumes and a dynamic pricing model
- Acquisition of Centralpoint
- Strong sales trend in private label products
- Earlier initiated cost reductions generates profitability improvement
- Impacted by lower share of high margin project-related income and advanced hardware
- Software and services sales grew by 15.2% but declined to 22.5% (26.7%) as share of sales for the segment, mainly due to strong growth in hardware sales

Net sales and segment margin



MSEK	Q4 2020/21	Q4 2019/20	Organic growth	Q4 y/y growth
Net sales	1,730.0	1,265.3	17.9%	36.7%
Segment result	170.1	105.0	–	62.0%
Segment margin	*9.8%*	*8.3%*	–	–

Financial development – LCP

Strong growth development and improved margin

Net sales growth in LCP of 118.5% y/y

- Organic growth of 23.7%

Segment result increased to 230 (90) MSEK

- Segment margin increased to 7.1% (6.1%)

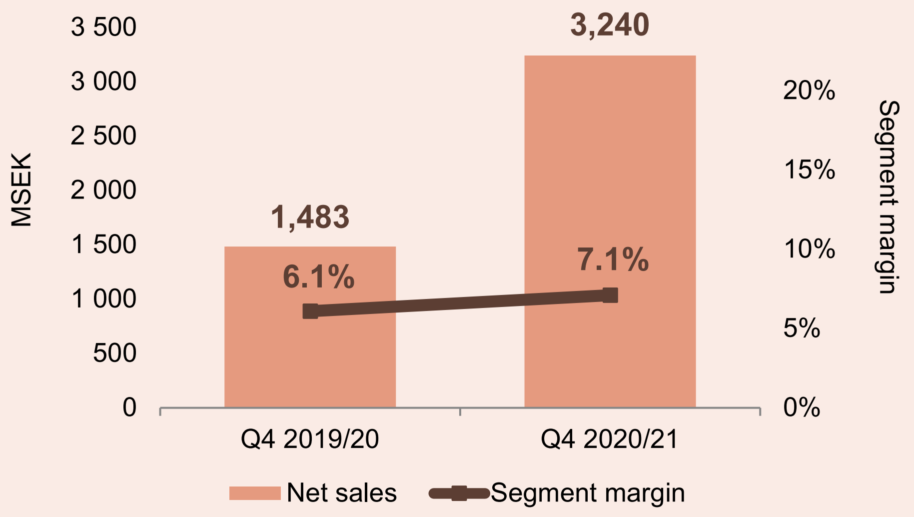
Sales driven by acquisition and organic growth

- Sales to the public sector displayed a strong trend, despite continued component shortages and long delivery times
- Sales to larger companies performed strongly and were impacted to a lesser degree by the market situation
- Strong sales development in Sweden and Finland

Maturing portfolio and scale lift margin

- Acquisition of Centralpoint
- Improved margins in major framework agreements for the public sector as the contracts mature
- Strong sales performance generates scale benefits
- Good cost control

Net sales and segment margin



MSEK	Q4 2020/21	Q4 2019/20	Organic growth	Q4 y/y growth
Net sales	3,239.9	1,483.0	23.7%	118.5%
Segment result	230.0	90.4	–	154.4%
Segment margin	*7.1%*	*6.1%*	–	–

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Financial development – B2C

<u>Positive margin development in the consumer segment</u>

Net sales growth in B2C of 7.6% y/y

- Organic growth of 7.9%

Segment result improved to 11.4 (7.0) MSEK

- Segment margin at 8.5% (5.5%)

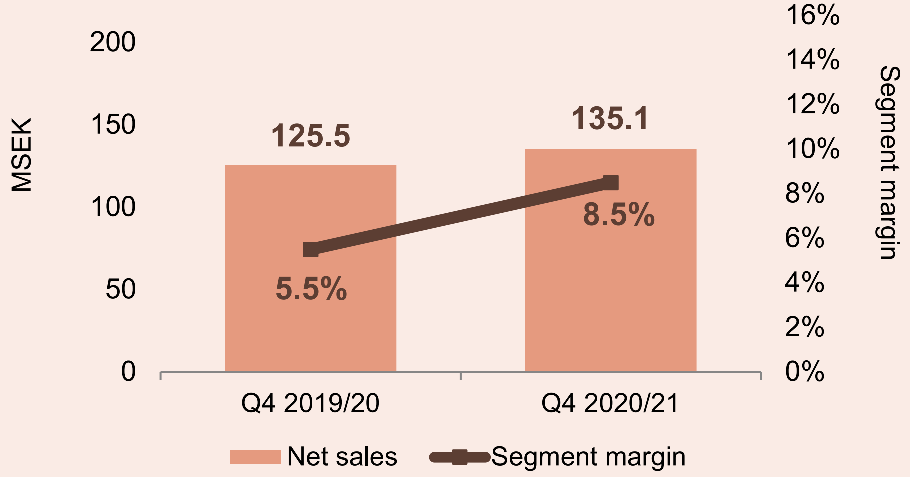
Positive segment growth

- Continued healthy demand for such basic hardware as mobile phones and computers
- Strong sales performance in Norway

Strong margin improvement

- Continued focus on margin ahead of volume
- Dynamic pricing model and a flexible cost base

<u>Net sales and segment margin</u>



MSEK	Q4 2020/21	Q4 2019/20	Organic growth	Q4 y/y growth
Net sales	135.1	125.5	7.9%	7.6%
Segment result	11.4	7.0	–	64.2%
Segment margin	*8.5%*	*5.5%*	–	–

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Net working capital and Leverage

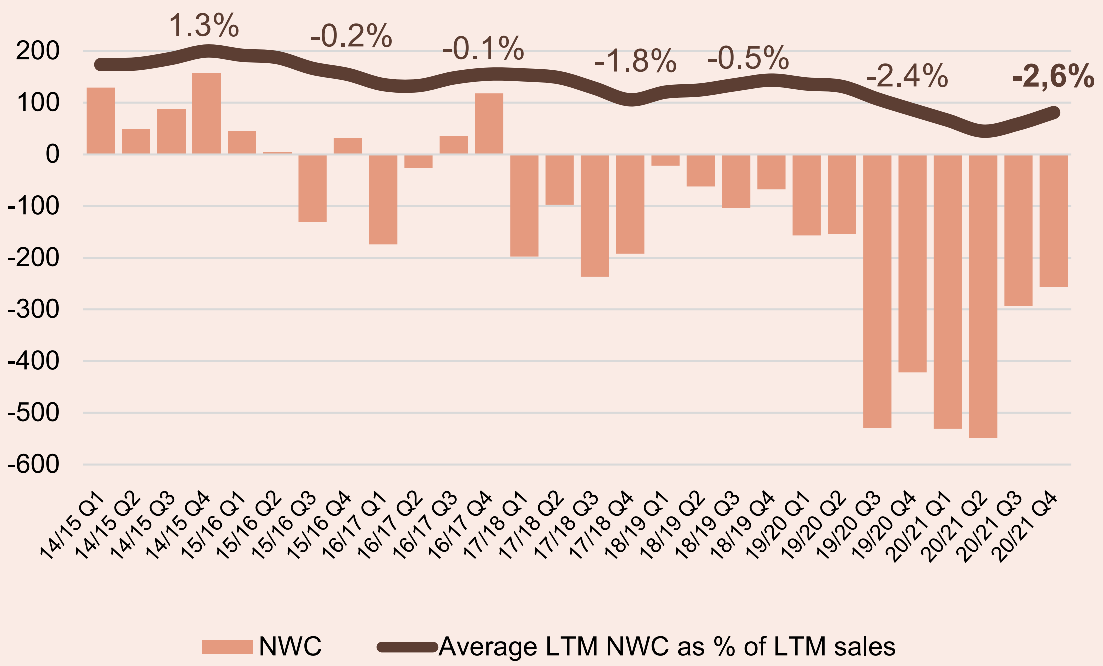
Negative net working capital

- Net working capital was -256 MSEK (-422)
- Inventory increased in the quarter, mainly attributable to Centralpoint (approx. 400 MSEK) and larger purchases made due to the risk of extended delivery times
- Accounts receivable higher than last year, mainly attributable to Centralpoint (735 MSEK) and increased business volumes
- Accounts payable higher, mainly attributable to Centralpoint (1,128 MSEK)
- Tax liabilities and other current liabilities increased, mainly attributable to Centralpoint (approx. 180 MSEK)
- Robust business model – even tighter relationship in turbulent times

Leverage temporary above the target range

- Net debt in relation to adjusted EBITDA in the past 12-month period, including the 12-month effect of Centralpoint, (excluding effects from IFRS 16), was 3.4x (2.6x at the end of 2019/20)
- Leverage increased substantially in the beginning of June when closing the acquisition of Centralpoint, partly reduced by the rights issue in August of 1,187 MSEK
- Net debt amounted to 4,211 MSEK (1,940)

Net Working Capital



Cash flow and Investments

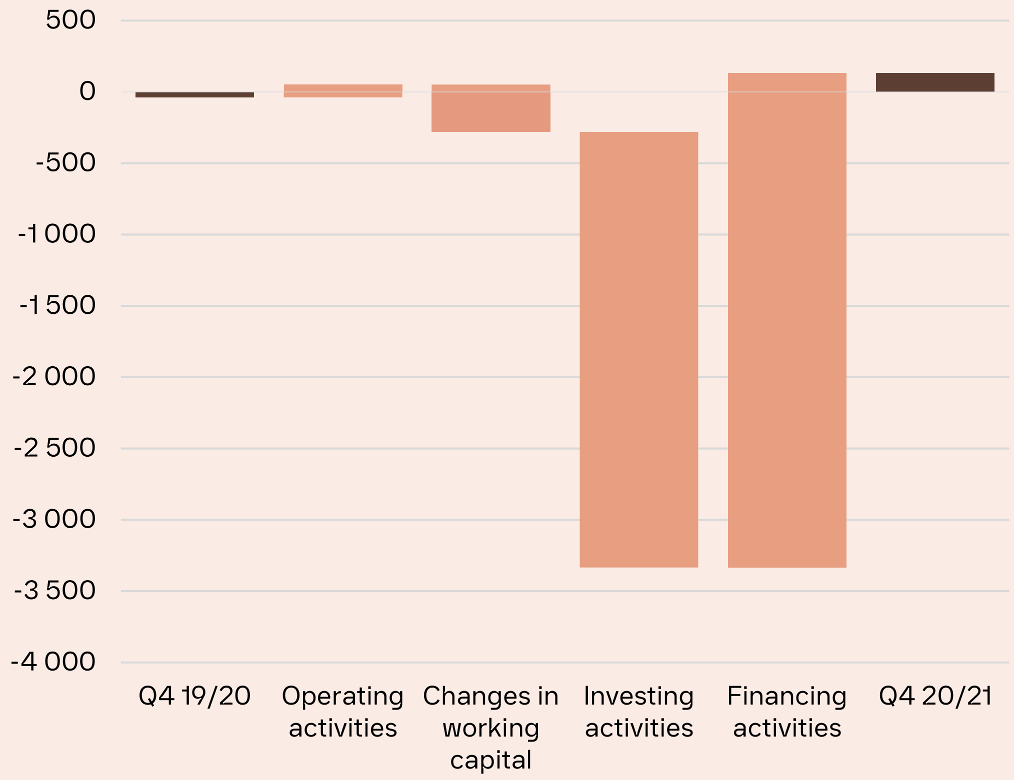
Strong underlying cash flow generation

- Cash flow for the quarter was 130 (-38) MSEK
- Cash flow from operating activities, before changes in working capital, was 201 (110) MSEK
- Cash flow from changes in working capital was -423 (-90) MSEK, mainly as a result of higher accounts receivable and inventory levels, offset by higher accounts payable
- Cash flow from investing activities was -3,072 (-19) MSEK, primarily attributable to the acquisition of Centralpoint
- Cash flow from financing activities was 3,424 (-39) MSEK, mainly attributable to new loans raised of 3,537 (73) MSEK in combination with the rights issue of 1,187 (-) MSEK and repayment of loans of 1,229 (73) MSEK

Low investment needs

- Total investments amounted to 54.5 (30.6) MSEK, of which Centralpoint 13,6 MSEK
- Capex related to IT development increased to 15.1 (6.1) MSEK, of which Centralpoint 6,2 MSEK
- Investments in tangible and intangible assets increased to 24.4 (7.3) MSEK, of which Centralpoint 7,4 MSEK. 5.9 (4.2) MSEK has affected cash flow
- Investments in assets related to service provision decreased slightly to 14.9 (17.1) MSEK, of which 9.3 (10.7) MSEK has affected cash flow

Cash Flow



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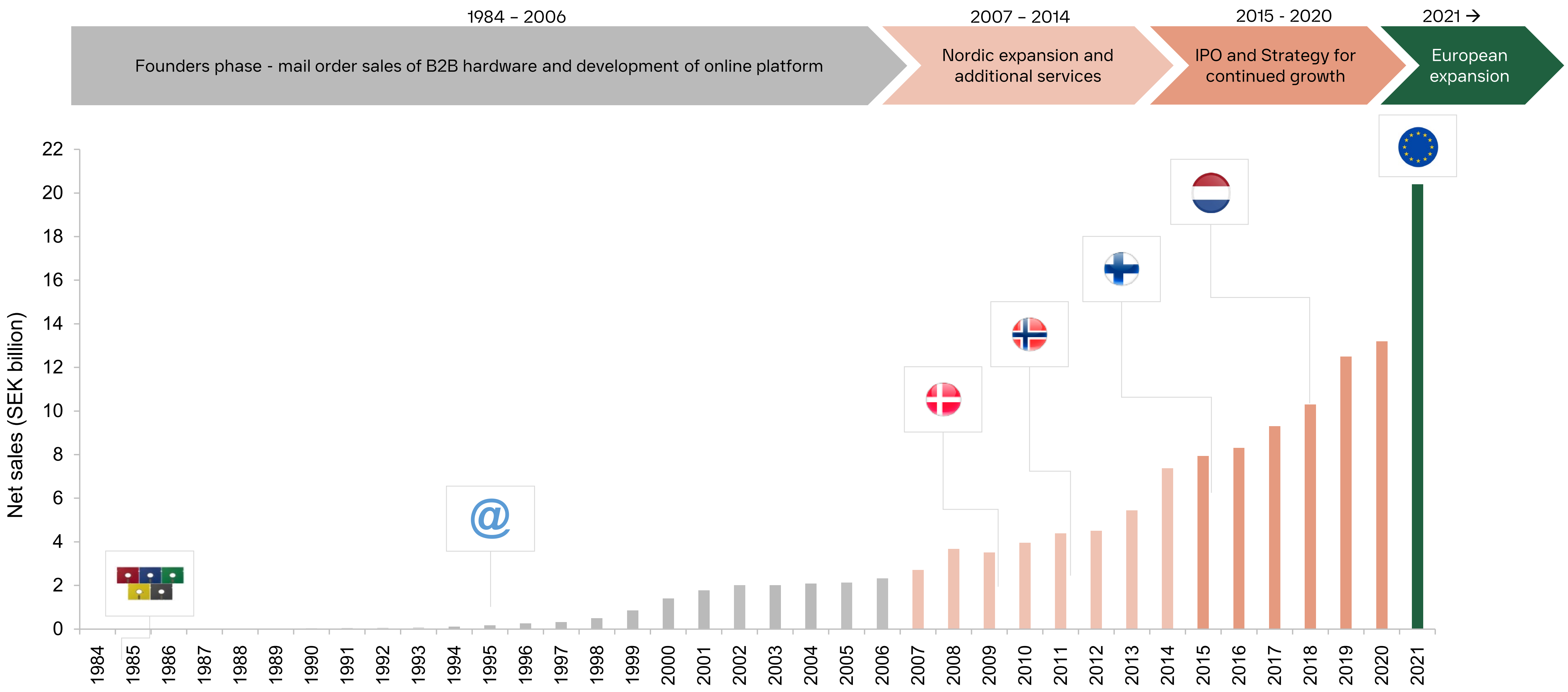
Entering the next chapter



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A leader in the Nordics entering Benelux and...

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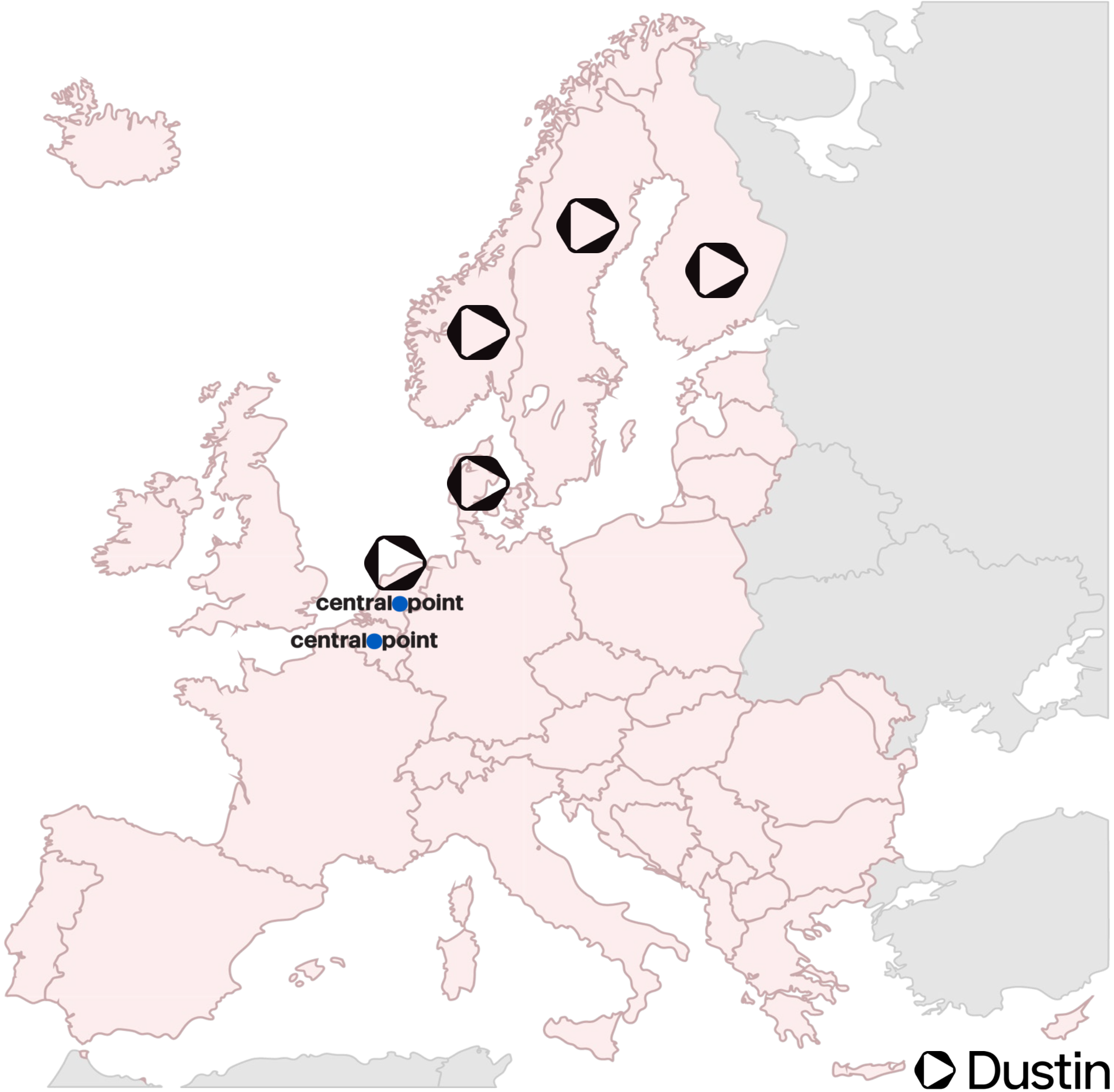
- ~1,700 co-workers
- ~14.2 BSEK in revenue
- ~690 MSEK in adjusted EBITA
- ~450,000 customers

centralpoint

- ~700 co-workers
- ~7.4 BSEK in revenue
- ~330 MSEK in adjusted EBITA
- ~50,000 customers



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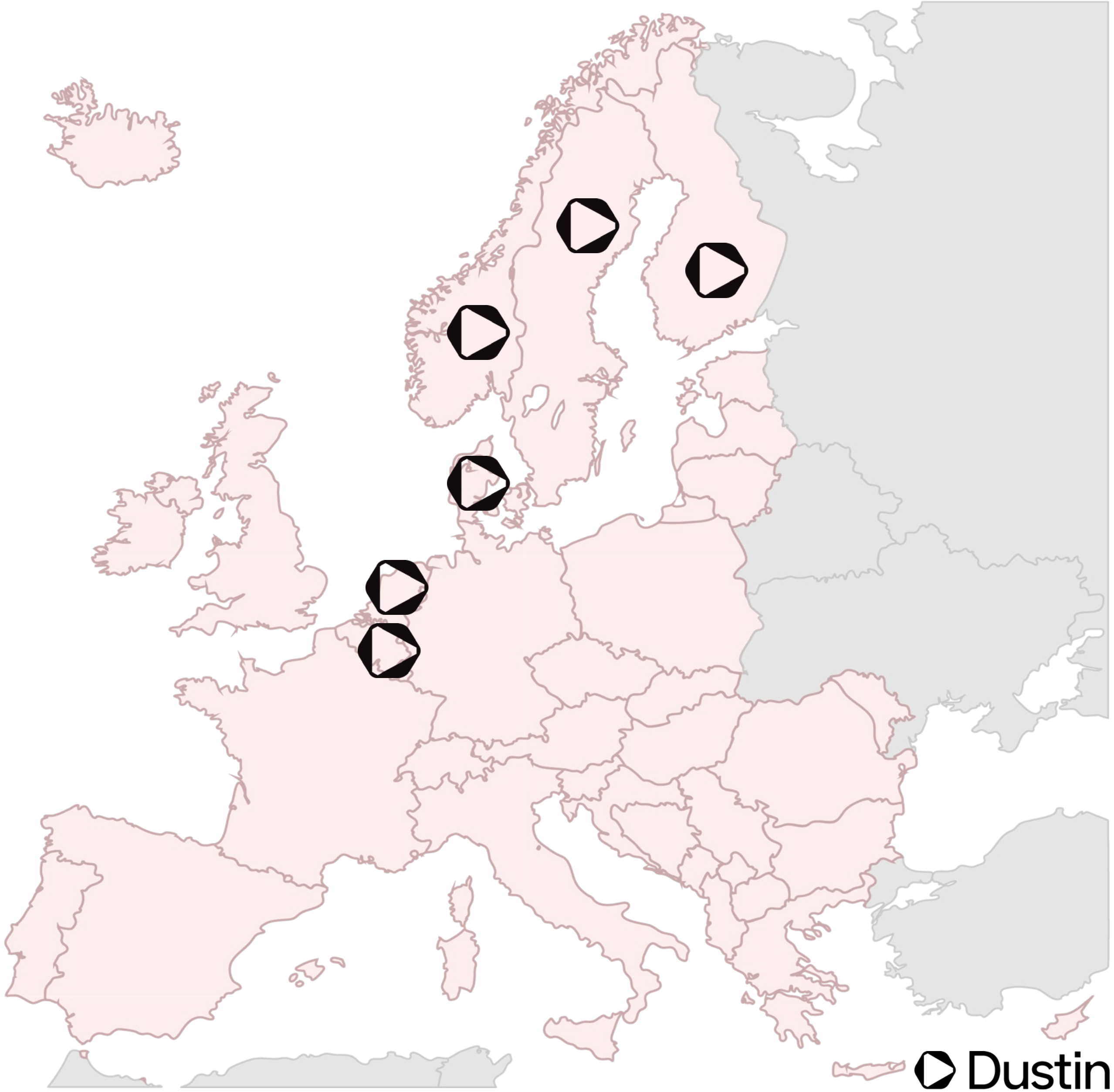
…paving the way for a European IT-powerhouse

Dustin

- **~2,400 co-workers**
- **~21.7 BSEK in revenue proforma**
- **~1,030 MSEK in adjusted EBITA proforma**
- **~500,000 customers**
- **8th largest EMEA IT-partner and reseller**



Attractive value creation agenda to speed up ability to achieve long-term targets

Keep strong momentum in Benelux in core LCP segment and continue to deliver on the ambitious growth agenda

Realize sales and efficiency synergies of SEK 150 million annually on both a local and on group level

Accelerate growth in both the Nordics and Benelux through targeted capability transfers for both SMB and LCP

Continue roll-up expansion in Benelux based on our proven Nordic recipe

- Synergies expected in areas such as procurement, increased private label penetration, IT and technical platform, knowledge sharing and SMB online operations
- Expected annual sales and efficiency synergies of approximately SEK 150 million, fully implemented by 2023/24
- Investments of approximately SEK 50 million to accelerate the extraction of synergies. A majority of the one-off integration costs are estimated to incur during 2021/22

Our 2030 commitments

The international community recognizes that three of the main challenges for our society and our planet are ***climate change***, ***resource use***, and ***social inequality.***

As a response we have launched our 2030 commitments.

Commitments to keep things moving.

Climate impact
Zero carbon emissions across the value chain

0 CO_2

Circularity
To be fully circular

100%

Social Equality
With our colleagues, customer, partners and suppliers

100#

Our achievements in 2020/21:

Climate impact	Circularity	Social Equality
• Total emissions in Scope 1, Scope 2 and broader Scope 3 of 933,000 tons of CO2, where our comparable Scope was reduced by 36% in 2020/21	• Circularity in the business of 18.3 percent of our reported net sales in 2020/21	• Conducted the planned 10 activities for social equality in the value chain

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Well positioned for life post the pandemic

- Accelerated market trends with increased digitalisation and distinct changes in customer behaviour with higher demand for hardware to cater for dual office situation
- Increased IT service demand among larger SMBs and corporates as official restrictions are easing in most markets.
- Increased demand for availability online as well as for mobility, security, cloud services and remote management both in the Nordics and Benelux.
- Extensive experience of providing managed IT services and products to help customers take their necessary steps and use of tools to become more digital
- Robust business model – even tighter relationship in turbulent times
- Well positioned to meet the demand based on our strong position in the value chain, ensuring good access to hardware and enabling strong margin development

Summary of the financial year 2020/21

<u>Robust organic growth and earnings performance</u>

Net sales grew 20.3% to 15,878 (13,195) MSEK

- Group organic net sales growth of 9.6% in constant currency
- Organic growth in SMB of 11.6%, LCP of 8.0% and B2C of 8.8%

Gross margin at 15.6% (15.5%)

- Higher volumes, increased sales of private labels and an active pricing model has offsetting low project-related revenues with a high margin, and a changed customer mix with the acquisition of Centralpoint

Adjusted EBITA increased to 759 (517) MSEK

- Adjusted EBITA margin of 4.8% (3.9%)

EBIT was 576 (387) MSEK

Earnings per share before dilution at SEK 3.82 (3.04)

Cash flow from operating activities before changes in working capital of 714 (547) MSEK

Leverage of 3.4x (2.6x) in the past 12-month period including the 12-month earnings effect for Centralpoint (excl IFRS 16)

The Board proposes a dividend of 2.21 (2.20) SEK per share, totalling 250 (195) MSEK

<u>Operational Highlights</u>

Acquisition of Benelux based Centralpoint

Fully subscribed rights issue of approximately 1,200 MSEK

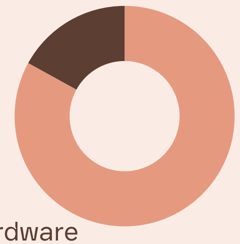
Corporate presentation

Dustin

Dustin at a glance

255,000 hardware and software products…

Software and Services
~17%



Hardware
~83%

Hardware: Clients | Servers

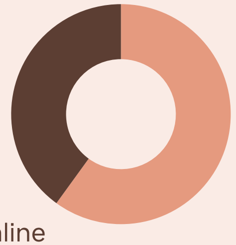
Software: OS | SaaS

Services: Financing | Cloud solutions

Refers to the financial year 2020/21, incl Centralpoint as of June 3, 2021

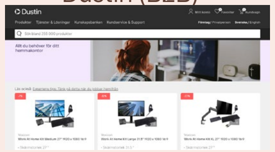
…sold online…

Offline
~40%

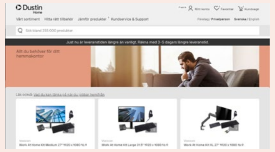


Online
~60%

Dustin (B2B)

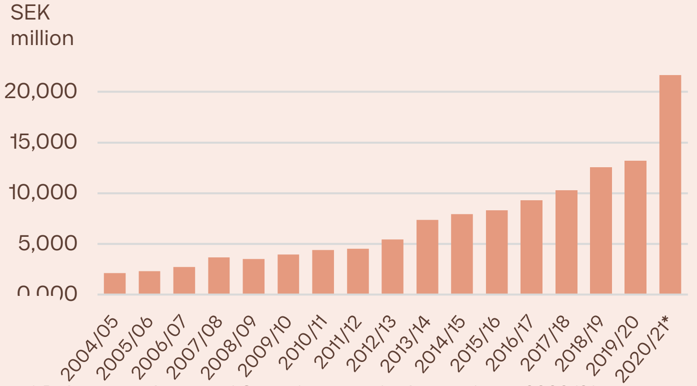


Dustin Home (B2C)



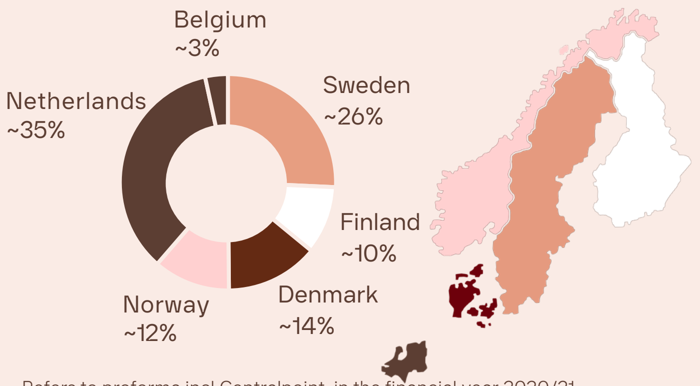
Refers to proforma incl Centralpoint in the financial year 2020/21

Net sales



* Refers to proforma incl Centralpoint in the financial year 2020/21

…across the Nordics and Benelux…



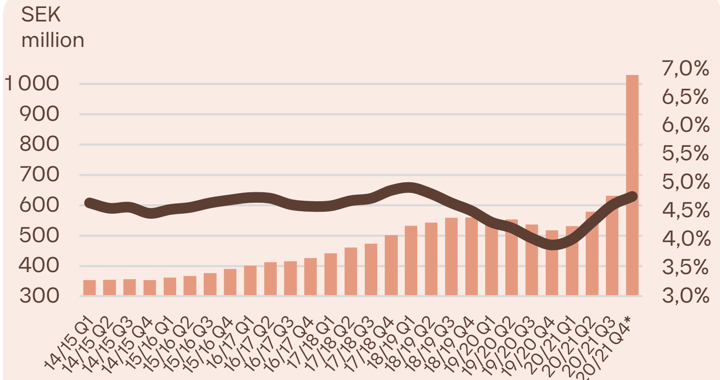
Refers to proforma incl Centralpoint in the financial year 2020/21

…to B2B customers

% net sales	Customers	Offering
97%	SMB	Full assortment
	LCP	Replienishment IT, larger roll-outs
3%	B2C	IT products

Refers to proforma incl Centralpoint in the financial year 2020/21

Adjusted EBITA and margin, R12**



* Refers to proforma incl Centralpoint in the financial year 2020/21

** R12 refers to 12 month rolling

Dustin – the aggregator and destination

Dustin Services

Hardware, Software & Services

Hewlett Packard Enterprise, Lenovo, Dell Technologies, hp, GoPro, Canon, aruba, PHILIPS, logitech, Jabra, SONY, intel, SAMSUNG, AMD, dji, NVIDIA, poly, Microsoft, HUAWEI, Apple, CISCO, Google, Adobe, Microsoft, F-Secure, IBM, TREND MICRO, McAfee, CITRIX, sitevision, Red Hat, TechSmith, Smartsign, BLUEBEAM, Autodesk, Symantec, VERITAS, aws

Distributors

Tech Data, gandalf, ALSO, INGRAM MICRO, exertis CapTech

Private label

TRANZIP, GILFORD, cirafon, PROKORD, voxicon

centralpoint

CORE PART OF DUSTIN, VINCERE GROEP ICT & SECURITY, itaito PART OF DUSTIN, JML SYSTEM PART OF DUSTIN, PURITY PART OF DUSTIN, Chili, EXATO Part of Dustin, saldab PART OF DUSTIN, Idenet PART OF DUSTIN, INVENTIO.IT

LCP (Large Corporate and Public)
Approx. 5,000 customers

Centralpoint contributing with 36 000 B2B customers

SMB (Small and Medium-sized Businesses)
Approx. 100,000 customers

B2C (Business to Consumer)
Approx. 350,000 customers

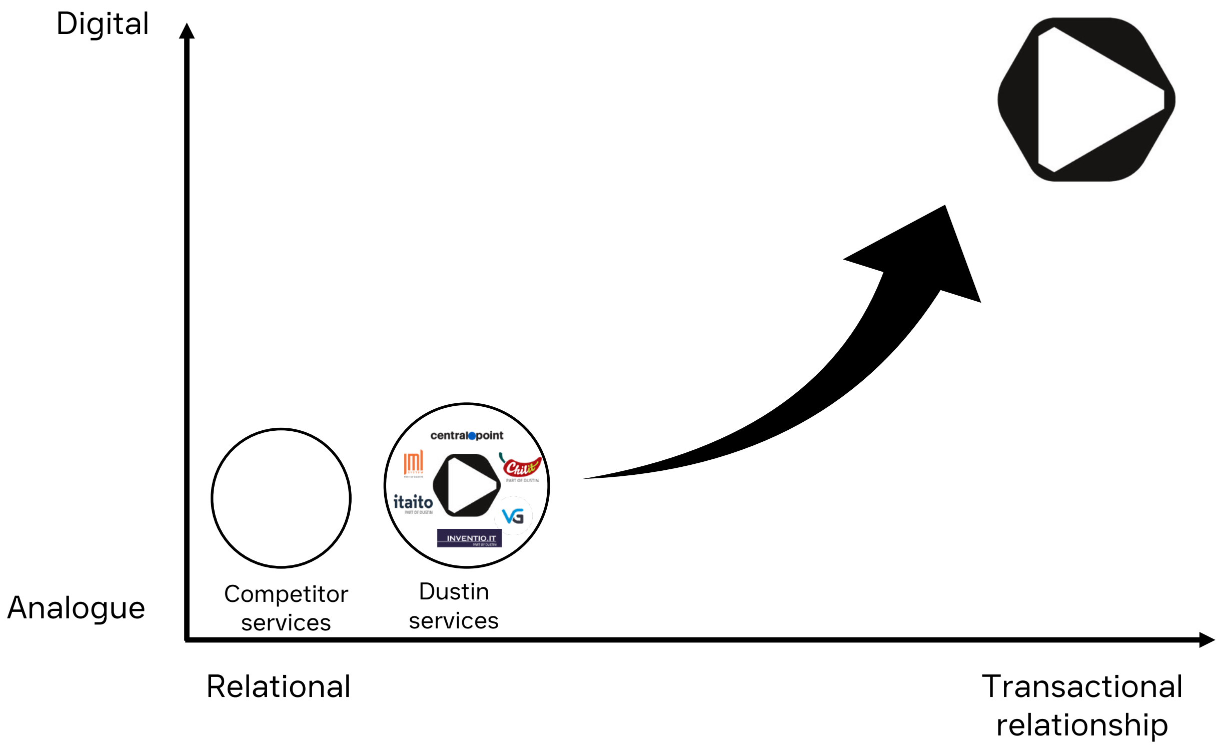
A large number of suppliers ... › ... need an aggregator to interact with ... ‹ ... a large number of customers

Dustin

Our opportunity in services

Opportunities and strengths

- Services are primarily sold in a relational, analogue, non-standardised and non-scalable way
- Strong demand in access anytime and anywhere is pushing digital and online behaviour - accelerated by rapid change in behaviour due to the coronavirus
- Opportunity to utilise our strong digital and low cost sales model to sell and deliver services online
- Trusted partner with strong reputation and strong online presence
- A unique - digital - relationship to 100,000+ customers



Our way forward

- The standardisation of our service offering creates an opportunity for economies of scale through central and efficient production, distribution, operation and monitoring and support as volumes increase
- Integration of acquired companies enable cross-selling opportunities through Dustin sales force and customer base
- Recurring revenues will exceed growth in ordinary business due to market dynamics and low market penetration
- Services enables long term customer relationship, and the recurring and scalable nature allows strong focus on winning new business

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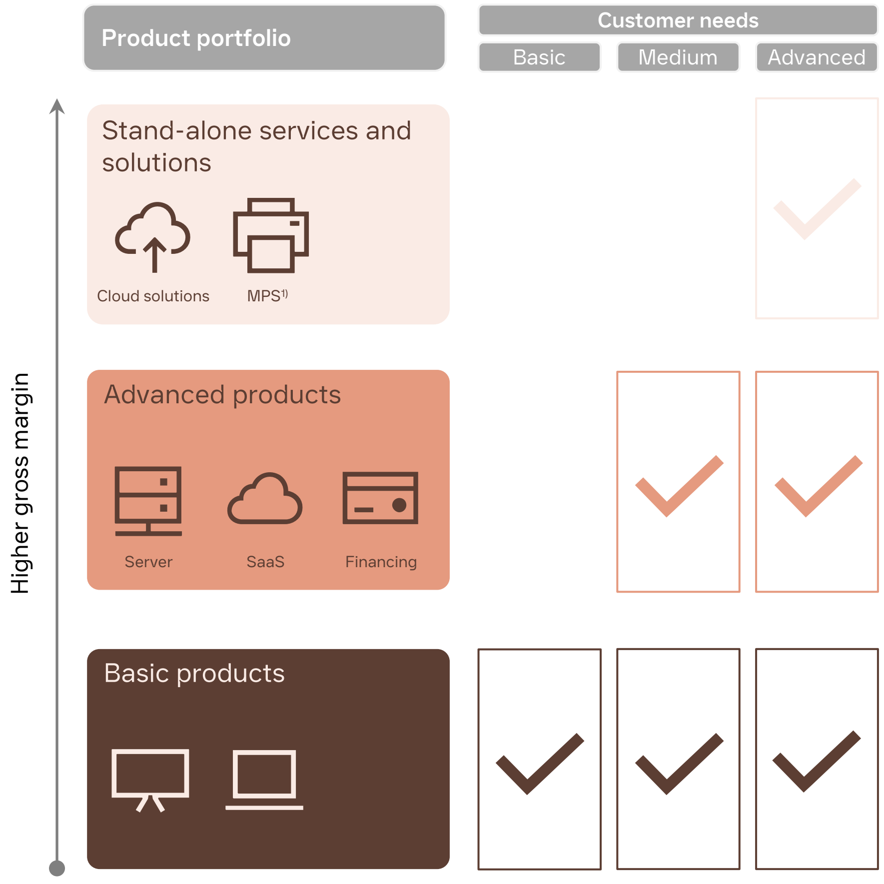
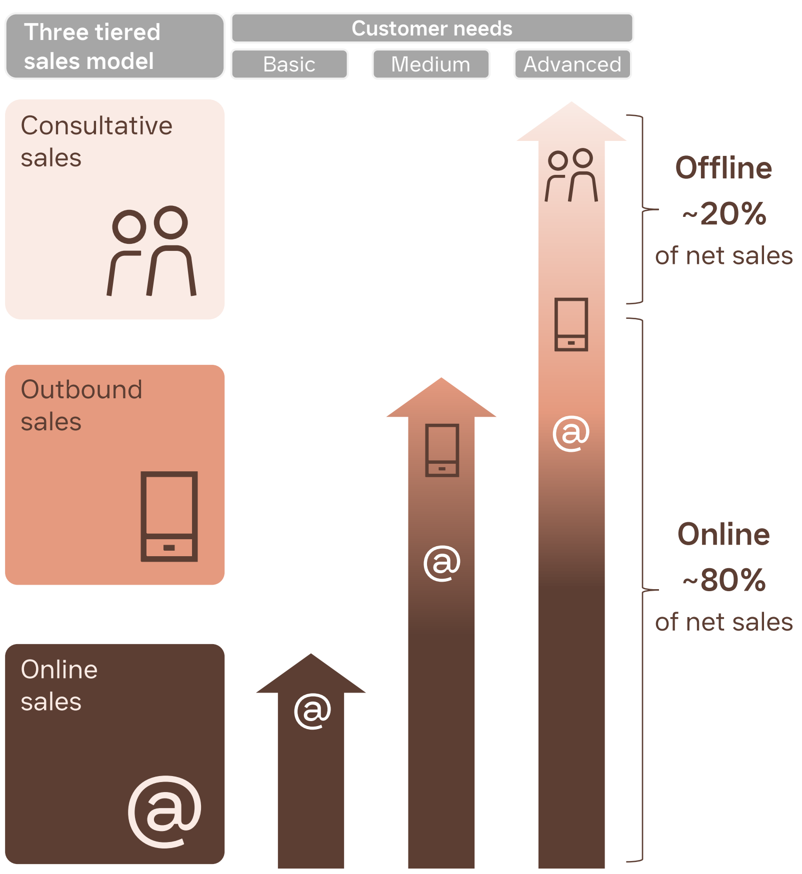
Multi-channel approach to drive growth and margins

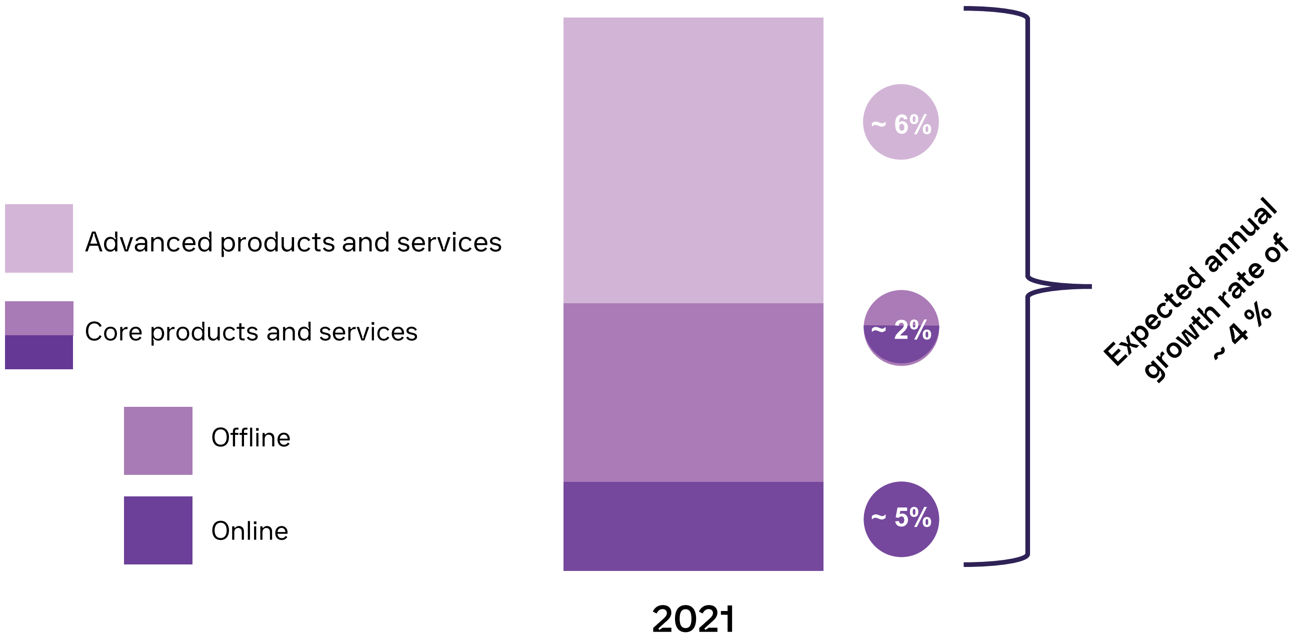




High growth position in a large market

Large and fragmented addressable market

Addressable B2B market in the Nordic and Benelux market ~ SEK 300 billion



Key market trends

- Increased share of sales online
- Increased demand in mobility, cloud and security
- Rising demand for sustainable IT
- Digitalisation increases importance of IT in organisations

Dustin share of addressable market

- Market share Nordics ~7%
- Market share Benelux ~5%

*Compound Annual Growth Rate
Note: Market data based on calendar year. The addressable market refers to hardware sales to the B2B segment and selected parts of software and services to the customer group small and medium enterprises.
Source: Dustin's estimates based on market data from IDC and market analysis from a senior advisor.

Dustin

A unique position in the SMB segment

ERP implementation

Strategic IT consultancy

Integrated solutions

On-site services

Product-near services

High IT knowledge

Fast and reliable delivery

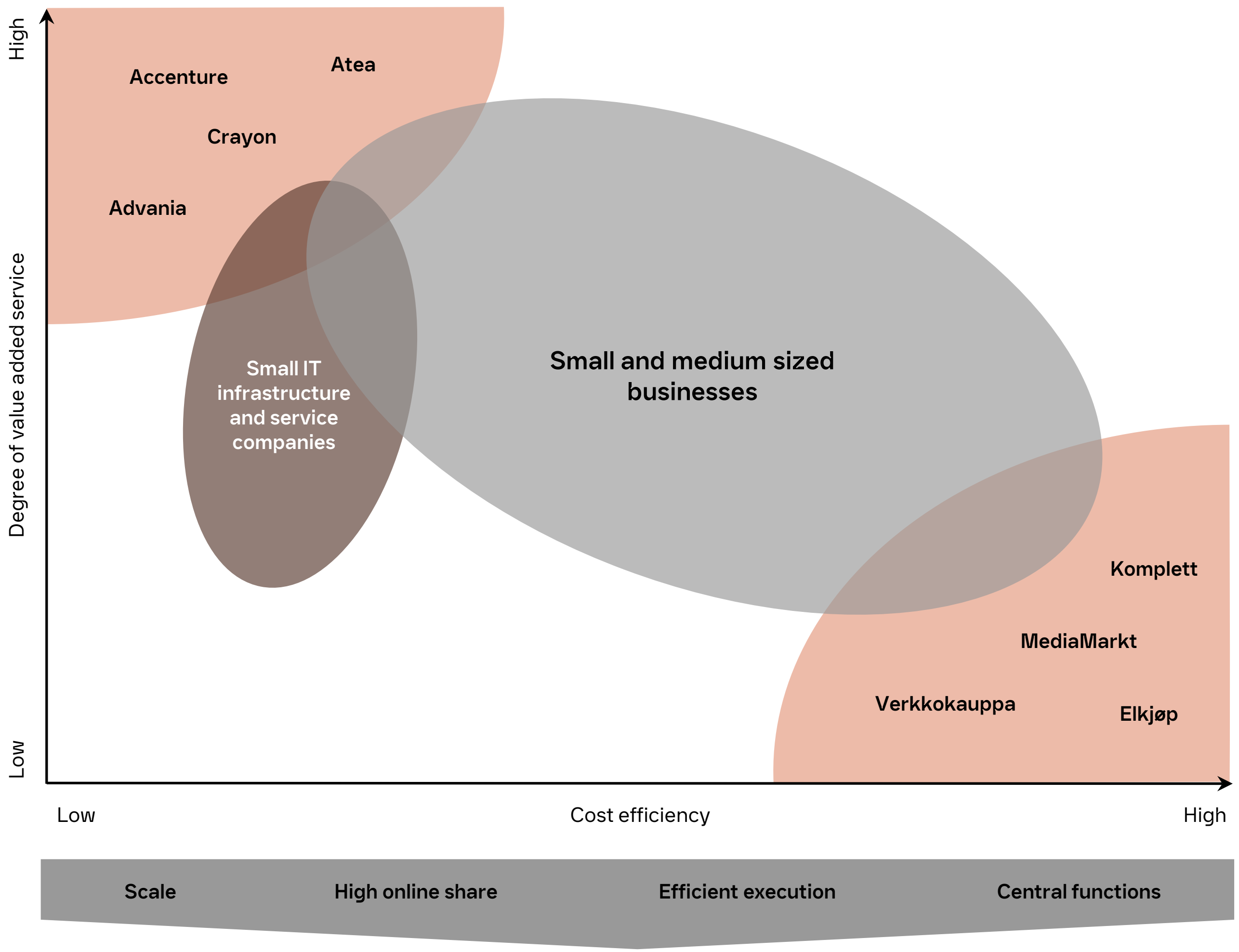
Wide offering of ~255k IT products

Strong brand name

Non-IT related consumer products

Dustin's focus areas

Non SMB related services

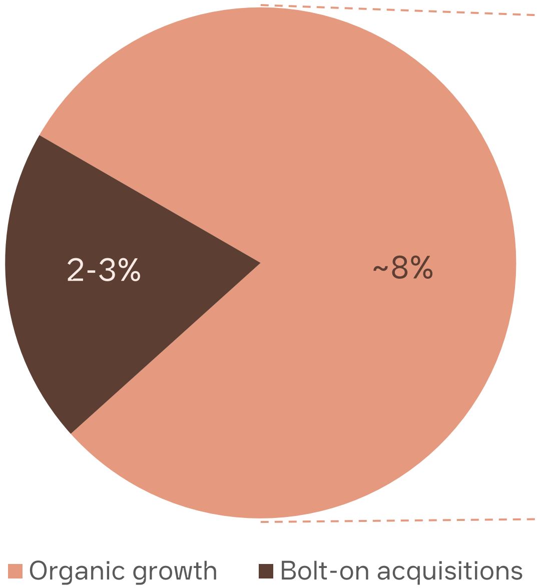


Positioned to outgrow the market supported by strong market trends

Total growth over a cycle of ~10% of which organic ~8% and bolt-on acquisitions 2-3%

Average expected annual growth over a cycle

Continued strong inflow of attractive acquisition targets



Premium growth in services 2-3%

Premium growth due to online excellence 2-3%

Underlying hardware market growth 2-3%

Dustin's position

- A leading online position
- Broader customer offering through increased service offering
- Increased sales to existing customers
- Introduction of the offering in all markets

B2B market trends

- Increased share of sales online
- Increased demand in mobility, cloud and security
- Rising demand for sustainable IT
- Digitalisation increases importance of IT in organizations

Source: Dustin's estimates based on market data from IDC and market analysis from a senior advisor.

Our five-year plan to increase growth

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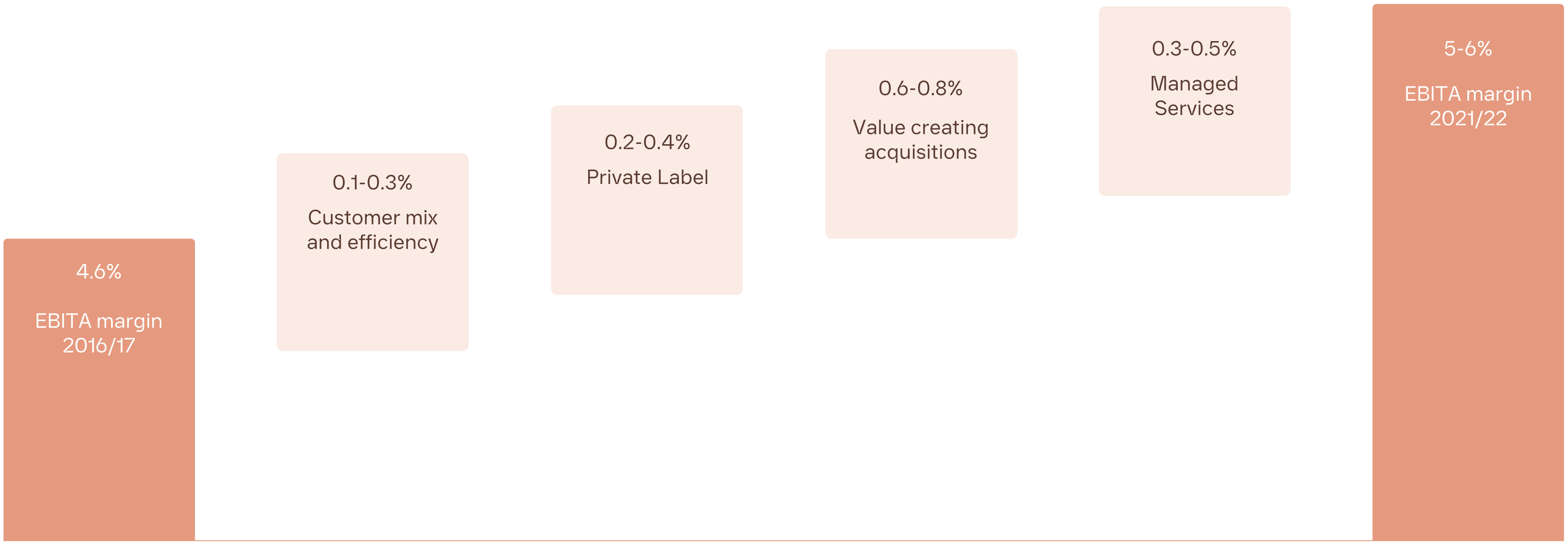
Our five-year plan for margin expansion



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Our financial targets – promise to our shareholders

GROWTH	Dustin's target is an average annual organic growth rate of 8 per cent over a business cycle. In addition to this, Dustin intends to grow through acquisitions.
MARGIN	Dustin's target is to increase the adjusted EBITA margin over time, and to achieve an adjusted EBITA margin of between 5 and 6 per cent in the medium term.
CAPITAL STRUCTURE	Dustin's capital structure should enable a high degree of financial flexibility and provide scope for acquisitions. The company's net debt target is a 2.0-3.0 multiple of adjusted EBITDA for the past 12-month period.
DIVIDEND POLICY	Dustin's dividend payout target is 70 per cent of net profit. However, the company's financial position, cash flow, acquisition opportunities and future prospects should be taken into consideration.

Our 2030 commitments

Commitments are designed to redefine the impact of our business, how we behave and how we act.

To find new radical ideas, innovations and solutions we promise to collaborate with those around us, work together and bring in different perspectives.

An action to enable responsible, circular and climate neutral IT solutions in a collaborative and transparent manner. Making an impact at scale.

A commitment to keep things moving.

Climate impact Zero carbon emissions across the value chain		0 CO_2
Circularity To be fully circular		100%
Social Equality With our colleagues, customer, partners and suppliers		100#

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

Dustin