



Interim report

December 1, 2020 – February 28, 2021

Q2

dustingroup.com

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“Strong market position and cost focus contribute to record earnings”

Second quarter

- Net sales rose 4.0 per cent to SEK 3,683 million (3,543).
- Organic sales growth was 6.4 per cent (4.0), of which SMB accounted for 8.3 per cent (2.8), LCP 4.9 per cent (4.1) and B2C 5.5 per cent (12.5).
- The gross margin amounted to 16.1 per cent (15.7).
- Adjusted EBITA amounted to SEK 201 million (154), corresponding to an adjusted EBITA margin of 5.5 per cent (4.3).

- EBIT totalled SEK 177 million (133), including items affecting comparability of negative SEK 1 million (pos: 3).
- Profit for the quarter totalled SEK 122 million (92).
- Earnings per share before dilution totalled SEK 1.38 (1.04).
- Cash flow from operating activities amounted to SEK 218 million (155).

September 2020–February 2021

- Net sales rose 4.7 per cent to SEK 7,379 million (7,051).
- Organic sales growth was 7.2 per cent (5.0), of which SMB accounted for 7.7 per cent (1.4), LCP 6.5 per cent (9.3) and B2C 10.4 per cent (neg: 7.6).
- The gross margin amounted to 15.8 per cent (15.8).
- Adjusted EBITA amounted to SEK 372 million (310), corresponding to an adjusted EBITA margin of 5.0 per cent (4.4).
- EBIT totalled SEK 308 million (251), including items affecting comparability of a negative SEK 15 million (neg: 11).

- Profit for the period amounted to SEK 213 million (178).
- Earnings per share before dilution totalled SEK 2.40 (2.00).
- Cash flow from operating activities amounted to SEK 483 million (380).
- At the end of the period, net debt in relation to adjusted EBITDA over the past 12-month period was 2.0 (3.1), excluding the effects of IFRS 16 Leases. When calculated including these effects, the figure was 2.2 (3.5).

Financial key ratios

All amounts in SEK million, unless otherwise indicated	Q2	Q2	Q1-Q2	Q1-Q2	Rolling	Full-year
	20/21	19/20	20/21	19/20	12 months	19/20
Net sales	3,683.1	3,542.8	7,379.1	7,051.1	13,523.4	13,195.4
Organic sales growth (%)	6.4	4.0	7.2	5.0	3.6	2.3
Gross margin (%)	16.1	15.7	15.8	15.8	15.5	15.5
Adjusted EBITA	201.3	153.5	371.8	310.0	579.1	517.3
Adjusted EBITA margin (%)	5.5	4.3	5.0	4.4	4.3	3.9
EBIT	176.7	132.6	308.4	250.9	444.7	387.2
Profit for the period	122.4	92.0	212.5	177.7	312.1	277.3
Items affecting comparability*	-0.8	3.0	-14.8	-11.2	-34.6	-31.0
Earnings per share before dilution (SEK)	1.38	1.04	2.40	2.00	3.52	3.13
Cash flow from operating activities	217.7	155.2	483.0	379.9	930.2	867.7
Net debt/adjusted EBITDA (multiple) (excl. IFRS 16)	-	-	-	-	2.0	2.2
Net debt/adjusted EBITDA (multiple) (incl. IFRS 16)**	-	-	-	-	2.2	2.7
Return on equity (%)	-	-	-	-	12.6	11.3

* Refer to Note 4 Items affecting comparability for more information.

** Refer to the section on alternative performance measures for the source of the calculation.

Strong market position and cost focus contribute to record earnings

We have strengthened our position in the market and reported organic sales growth of just over 6 per cent for the second quarter. Our proactivity and strong position in the value chain benefited our performance in the market, which has been impacted by component shortages and supply chain disruption due to the pandemic. This, in combination with continued cost focus, resulted in our adjusted EBITA increasing by more than 30 per cent to SEK 201 million (154) and the EBITA margin strengthening to 5.5 per cent (4.3). In addition, our online core business performed strongly in pace with a higher share of online retail and a greater need for mobility, cloud services and security.

Favourable market trend

The demand for hardware was favourable during the quarter, mainly driven by home office upgrades in the wake of the pandemic. At the same time, the market was impacted by shortages of components, such as processors and graphic cards, and delayed deliveries. We benefited from a proactive approach to our purchasing and our strong position in the value chain, with close relationships with suppliers and distributors, which has ensured good access to hardware. In combination with our dynamic price model, this has strengthened our price leadership in the market. We anticipate continued favourable demand, although the risk of supply chain disruptions remains difficult to assess from a short-term perspective.

Healthy sales growth

Net sales for the second quarter rose 4.0 per cent to SEK 3,683 million (3,543), of which 6.4 per cent was organic. Our contracted recurring sales of services advanced well and increased 6.3 per cent during the quarter, with an annual rate of SEK 838 million during the most recent 12-month period. Organic growth in the segments was 8.3 per cent for SMB, 4.9 percent for LCP and 5.5 per cent for B2C. In SMB, demand for hardware was healthy in all customer groups. New sales of services and project-related installations remained cautious, although we saw a slightly positive trend compared with the first quarter. In LCP, sales to the public sector were strong, while sales to large companies were more negatively affected by component shortages and delayed deliveries. B2C displayed a positive trend, mainly due to continued favourable volumes related to home offices.

Strong earnings performance

Adjusted EBITA increased 31 per cent to SEK 201 million (154) and the adjusted EBITA margin rose to 5.5 per cent (4.3). The earnings improvement is largely attributable to higher volumes and previously implemented strategic initiatives and cost reductions. These comprised the closure of small local offices, reductions in the workforce, mainly in services and solutions, the automation of our central warehouse and our ongoing data centre consolidation.

The gross margin increased to 16.1 per cent (15.7), which was mainly attributable to continued strong

sales of private labels, good access to hardware and a dynamic pricing model. This development was partly offset by the sales mix, with a continued low number of project-related installations and services with a higher margin. EBIT increased to SEK 177 million (133), including items affecting comparability of a negative SEK 1 million (neg: 3), primarily related to the integration of previously acquired companies.

Leading position in the Benelux region

With the acquisition of Centralpoint we become the leading IT-partner in the Benelux region, continuing to build on our strategy of combining hardware and software sales with an attractive service offering. In 2020, Centralpoint had net sales of approximately SEK 7 billion and an EBITA result of approximately SEK 280 million. We see great potential in building on Centralpoint's strong position within large corporate and public sales, combined with our current portfolio of offerings towards small and medium sized businesses and with that continuing to scale our online sales.

Social equality activities

Ahead of the financial year, we established new and clear targets for zero climate impact in our value chain, a 100-per cent circular offering and to have taken one hundred actions to achieve social equality by 2030. In the second quarter, we already completed four of the ten activities for social equality that we have established as interim targets for the financial year. These included training in diversity and inclusion, skills-based recruitment training for managers and the activation of anonymous recruitment in our recruitment system.

Summary and outlook

To summarise, I am – in light of the market conditions – proud of what we achieved through strong teamwork in the second quarter. We lived up to the demand for hardware by being proactive in our purchases and through close relationships with our suppliers, while at the same time, improving our profitability through continued strong cost discipline and a dynamic pricing model.

Through the acquisition of Centralpoint, we take the position as the leading IT partner in both the Nordic and the Benelux region. We are well positioned to benefit from the strong underlying market trends, such as online retail and greater demand for mobility, cloud services and security. Despite a market trend that is difficult to assess from a short-term perspective regarding availability of hardware, we foresee favourable opportunities to further strengthen our market position going forward.

Nacka, April 2021

Thomas Ekman, President and CEO

Dustin at glance

Dustin is a leading online IT partner serving the Nordic region and the Netherlands. We help our customers to stay at the forefront by providing them with the right IT solution at the right time and at the right price. With our high-level IT expertise, broad offering and pragmatic attitude, we act as a strategic IT partner primarily for small and medium-sized businesses, but also for large-sized businesses, the public sector and consumers.

Focus on business customers

We have a total of three business segments: SMB (Small and Medium Sized Businesses) with a sales share of about 43 per cent, LCP (Large, Corporate and Public) with a sales share of about 52 per cent and B2C (Business to Consumer) with a sales share of about 5 per cent. Our sales are mainly made online and a complemented by consultative selling.

Growing service sales

The demand for standardised and managed services is increasing as the companies' needs for mobility and accessibility grow. We are broadening our already

extensive product offering with services to help our customers with a large share of their IT needs.

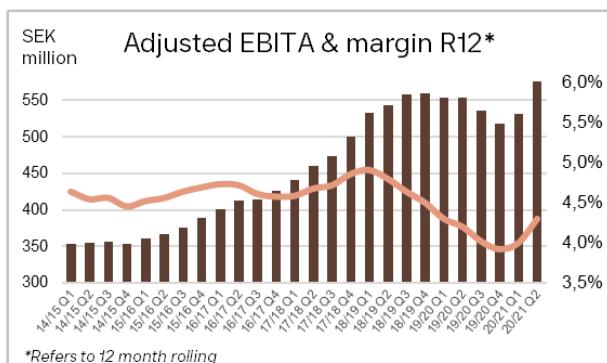
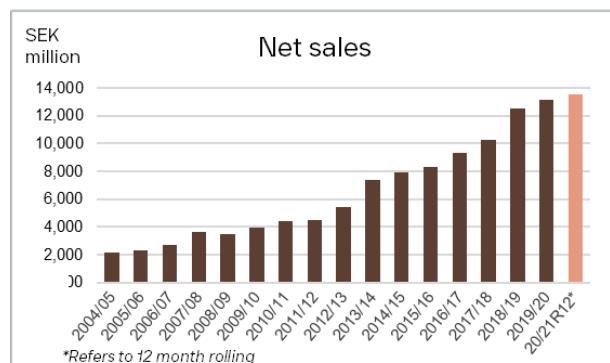
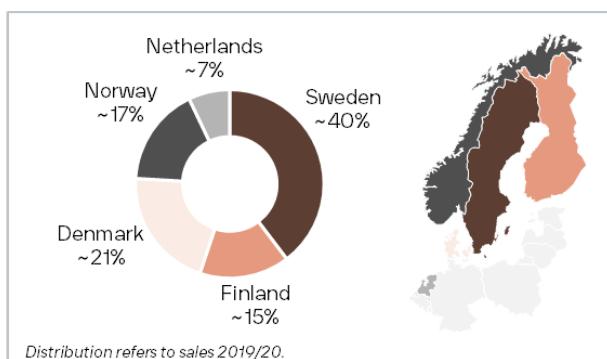
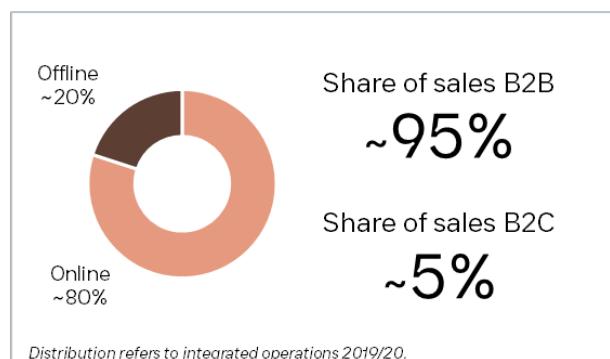
Leading online position

The share of products and services purchased online is growing. We have been online since 1995 and have built a strong position, making us the Nordic region's largest e-retailer for the B2B segment.

Focus on sustainability

The future is circular. Responsible business is a prerequisite for modern, sound and successful operations. For us, this entails that we assume responsibility across the value chain. This involves everything from how we compose our offering to how we make it possible for our customers to make more sustainable choices and move toward more circular business models.

Dustin Group AB is a Swedish public limited company with its head office in Nacka Strand. The share was listed on Nasdaq Stockholm's Mid Cap Index in 2015.



Vision

Our vision is to help our customers to be at the forefront. We achieve this by providing the right IT solution to the right customer and user. At the right time and the right price. That's why our promise to our

customers is – “We keep things moving.” Our vision and our customer promise were updated in conjunction with our new profile and brand platform launched on March 2020.

Financial targets

Dustin's Board of Directors has established the following financial targets:

Growth

Dustin's target is to achieve average annual organic growth of 8 per cent over a business cycle. In addition to this, Dustin intends to expand 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 for the year. However, the Company's financial position, cash flow, acquisition opportunities and future prospects should be taken into consideration.

Our sustainability efforts

We have integrated sustainability aspects as a natural part of our operations in order to promote sustainable business and to help our customers make more sustainable choices. For us, sustainable business encompasses the entire Group's long-term impact on society and the environment.

New corporate responsibility strategy

Ahead of the financial year 2020/21, we launched our new corporate responsibility strategy and our 2030 commitments. The strategy consists of three measurable goals, which state that by 2030 Dustin shall have:

- 0 climate impact across the value chain
- a 100 per cent circular offering
- taken 100 actions for social equality

- Disclosure of salary differences between the genders and an action plan to reduce these (in progress)
- Health and safety training for our private label suppliers (in progress)
- Training in diversity and inclusion (completed)
- Stamp with “Factory Audited by Dustin” on private labels sold online as a guarantee for fair working conditions (in progress)
- Form partnerships with organisations that support diversity and inclusion (in progress)
- Competence-based recruitment training for managers (completed)
- Work toward competitive parental leave for all employees (completed)
- Activation of anonymised recruitment in our recruitment system (completed)

Our initiatives for social equality

We want to enable an open and inclusive working environment, in which people can be themselves and be accepted for who they are. It is our responsibility as a company to work together with our stakeholders to contribute to a positive social impact throughout our value chain. This starting point is the basis for our 100 actions for social equality.

Through a dialogue with our stakeholders, we have gained a clear view of what the actions are to comprise. The majority of the proposals comprise activities that contribute to increasing diversity and inclusion throughout the organisation, create fair working conditions in the value chain and continue to work for an even gender distribution in the business. The actions will be distributed over time, with ten activities per year until 2030. Examples of activities identified for the 2020/21 financial year are listed on the right and the final result will be presented in detail in the Annual and Corporate Responsibility Report.

Other activities

As part of our responsible manufacturing work, we conduct regular factory audits among our manufacturers. During the second quarter, five audits were conducted (0) and a further ten are scheduled for the third quarter. Our established target is to conduct 20 factory audits (31) during the financial year.

We also work continuously to ensure that new suppliers adopt our Supplier Code of Conduct and conduct a risk assessment to evaluate their ability to comply with the Code. At the end of the second quarter, 99.7 per cent of our suppliers* had adopted our Code of Conduct or corresponding requirements and 97.9 per cent had conducted a risk assessment.

* Refers to hardware suppliers with annual purchase volumes exceeding SEK 200,000.

Financial overview

Income statement items and cash flows are compared with the year-earlier periods. Balance-sheet items pertain to the position at the end of the period and are compared with the corresponding year-earlier date. The quarter refers to December 2020–February 2021.

Second quarter

Net sales

Net sales for the quarter increased 4.0 per cent to SEK 3,683 million (3,543). Organic growth was 6.4 per cent (4.0), of which SMB accounted for 8.3 per cent (2.8), LCP 4.9 per cent (4.1) and B2C 5.5 per cent (12.5). Acquisition-related growth was 0.4 percentage points (5.6) and exchange-rate differences had a negative impact of 2.8 percentage points (pos: 0.6).

Gross profit

During the quarter, gross profit increased SEK 35 million to SEK 591 million (557), corresponding to 6.2 per cent. The gross margin increased to 16.1 per cent (15.7), primarily due to a positive product mix in hardware and our dynamic pricing model. Higher volumes and strong sales of private label products made a positive contribution. Furthermore, the sales mix had a negative impact on the gross margin with a continued low share of project-related income with a high margin.

Adjusted EBITA

Adjusted EBITA increased 31 per cent to SEK 201 million (154). The adjusted EBITA margin amounted to 5.5 per cent (4.3). The increase was mainly attributable to cost reductions and strategic initiatives implemented earlier, combined with higher volumes. Adjusted EBITA excludes items affecting comparability of negative SEK 1 million (pos: 3) pertaining to integration and acquisition-related costs. For more information, refer to Note 4 Items affecting comparability. For a comparison of adjusted EBITA and EBIT, see Note 2 Segments.

EBIT

Operating profit amounted to SEK 177 million (133). Operating profit included items affecting comparability amounting to a negative SEK 1 million (pos: 3).

Financial items

Financial expenses amounted to a negative SEK 14 million (neg: 14). During the quarter, expenses mainly pertained to external financing costs of SEK 10 million (neg: 11). The financial expenses were also impacted by interest expenses related to leases in an amount of SEK 4 million (neg: 3). Financial income amounted to SEK 0.3 million (0.3).

Tax

The tax expense for the quarter was SEK 40 million (neg: 27), corresponding to an effective tax rate of 24.8 per cent (22.5). Higher effective tax for the quarter was mainly attributable to the remeasurement of deferred Dutch taxes following the withdrawal of the earlier

decision to reduce corporate tax. The tax effect amounts to SEK 5 million.

Profit for the quarter

Profit for the quarter totalled SEK 122 million (92). Earnings per share amounted to SEK 1.38 (1.04) before and after dilution (1.04).

Cash flow

Cash flow for the quarter was a negative SEK 32 million (neg: 9).

Cash flow from operating activities amounted to SEK 218 million (155). Cash flow from changes in working capital was SEK 10 million (neg: 4) for the quarter. An increase in inventory of SEK 68 million (neg: 65) during the quarter made a negative contribution to cash flow. The change in current receivables and liabilities is mainly explained by a reduction in accounts receivable which resulted in a positive cash flow effect of SEK 136 million (299) which was offset by reduced accounts payable of SEK 9 million (neg: 417).

Cash flow from investing activities amounted to a negative SEK 18 million (neg: 123). The change was mainly due to earn-outs paid in the preceding year of SEK 96 million. Cash flow from investments in tangible and intangible assets was a negative SEK 18 million (neg: 27), of which a negative SEK 9 million (neg: 9) pertained to investments in the IT platform and a negative SEK 9 million (neg: 18) mainly pertained to investments in the e-commerce domains in the Netherlands, IT equipment for service provision and in cars. For more information, refer to Note 5 Investments.

Cash flow from financing activities amounted to a negative SEK 231 million (neg: 42). The change was mainly due to bank loans raised during the year-earlier quarter of SEK 256 million. The quarter was negatively impacted by a dividend to shareholders of SEK 195 million (neg: 266) and positively by SEK 4 million (pos: 4) attributable to the payment of warrants issued relating to Dustin's long-term incentive (LTI) programmes. Repayment of lease liabilities amounted to SEK 40 million (neg: 34).

Significant events in the second quarter

Introduction of long-term incentive programme

At the Annual General Meeting on December 14, 2020, it was resolved to adopt a long-term incentive programme in the form of not more than 1,329,710 warrants which, after the three-year vesting period, will confer entitlement to the subscription of one share, as well as the issuance of not more than 373,252 synthetic options which, after the three-year vesting period, will confer entitlement to a cash payment.

September 1, 2020 – February 28, 2021

Net sales

Net sales rose 4.7 per cent to SEK 7,379 million (7,051) during the period. Organic growth was 7.2 per cent (5.0), of which SMB accounted for 7.7 per cent (1.4), LCP 6.5 per cent (9.3) and B2C 10.4 per cent (neg: 7.6). Acquisition-related growth was 0.3 percentage points (5.4) and exchange-rate differences had a negative impact of 2.9 percentage points (pos: 0.8).

Gross profit

During the period, gross profit rose SEK 51 million, corresponding to 4.6 per cent, to SEK 1,168 million (1,117). The gross margin was unchanged at 15.8 per cent (15.8), with higher volumes and strong sales of private label goods offsetting a somewhat changed sales mix with a higher share of computer hardware at a generally lower margin and a reduced share of project-related income with a high margin.

Adjusted EBITA

During the period, adjusted EBITA rose 20 per cent to SEK 372 million (310). The adjusted EBITA margin rose to 5.0 per cent (4.4). Adjusted EBITA excluded items affecting comparability of negative SEK 15 million (neg: 11), primarily attributable to restructuring costs related to closure of the Dustin Business Center in Stockholm. For more information, refer to Note 4 Items affecting comparability. For a comparison of adjusted EBITA and EBIT, see Note 2 Segments.

EBIT

Operating profit amounted to SEK 308 million (251). Operating profit included items affecting comparability amounting to a negative SEK 15 million (neg: 11).

Financial items

Financial expenses amounted to negative SEK 29 million (neg: 27), with the expenses for the period primarily pertaining to costs of SEK 21 million (neg: 20) for external financing. The financial expenses were also impacted by interest expenses related to leases in an amount of SEK 8 million (neg: 6). Financial income amounted to SEK 0.5 million (0.5).

Tax

Tax expense for the period was negative SEK 67 million (neg: 47), corresponding to an effective tax rate of 24.1 per cent (20.8). Higher effective tax for the period was mainly attributable to the remeasurement of deferred Dutch taxes following the withdrawal of the earlier decision to reduce corporate tax. The tax effect amounts to SEK 5 million.

Profit for the period

Profit for the period amounted to SEK 213 million (178). Earnings per share amounted to SEK 2.40 (2.00) before and after dilution (2.00).

Cash flow

Cash flow for the period was SEK 145 million (100).

Cash flow from operating activities amounted to SEK 483 million (380). The period's impact from changes in working capital amounted to SEK 106 million (51), with

the positive change compared with the preceding period primarily due to a higher level of accounts payable at the end of the period. However, the effect was offset by increased inventory and accounts receivable due to a higher transaction volume. For further information regarding working capital, refer to the Net working capital section.

Cash flow from investing activities amounted to negative SEK 70 million (neg: 201). The change was mainly due to the earn-out payment of SEK 138 million made in the preceding year. During the period, the acquisition of the Danish company Exato A/S generated a negative cash flow effect of SEK 39 million. Investments in tangible and intangible assets amounted to a negative SEK 31 million (neg: 62), of which a negative SEK 17 million (neg: 21) pertained to IT development and a negative SEK 14 million (neg: 41) mainly to investments in IT equipment for service provision, improvements of leased properties and in cars.

Cash flow from financing activities amounted to a negative SEK 268 million (neg: 79). The change was mainly due to bank loans raised during the year-earlier quarter of SEK 256 million. The period was negatively impacted by a dividend to shareholders of SEK 195 million (neg: 266) and positively by SEK 4 million (4) attributable to the payment of warrants issued relating to Dustin's long-term incentive (LTI) programmes. Repayment of lease liabilities amounted to SEK 78 million (neg: 72).

Net working capital

Net working capital amounted to a negative SEK 549 million (neg: 154) at the end of the period. Inventory increased by SEK 79 million from the preceding year, with the higher inventory volume attributable to larger purchases made due to the risk of extended delivery times. Higher accounts payable were mainly attributable to increased business volumes and favourable credit terms from distributors. Dustin exercised the tax credits offered as a result of the pandemic, which increased current liabilities by approximately SEK 135 million.

SEK million	Feb 28, 2021	Feb 29, 2020	Aug 31, 2020
Inventories	574.0	495.3	482.9
Accounts receivable	1,489.3	1,401.8	1,256.6
Tax assets and other current receivables	337.2	372.3	256.5
Accounts payable	-2,030.7	-1,795.5	-1,543.6
Tax liabilities and other current liabilities	-918.4	-627.5	-874.2
Net working capital	-548.7	-153.6	-421.8

Net debt and cash and cash equivalents

At the end of the period, net debt amounted to SEK 1,735 million (2,322). The change was mainly attributable to higher cash and cash equivalents. In total, cash and cash equivalents amounted to SEK 890

million (398). The increase is primarily attributable to increased business volumes and tax credits received. At the end of the period, there was also an unutilised overdraft facility of SEK 100 million (270) and an unutilised credit facility of EUR 5 million (5) in the Dutch operations.

At the end of the period, net debt in relation to adjusted EBITDA in the past 12-month period, excluding the effects of IFRS 16 Leases, was 2.0 (3.1). When calculated including these effects, the net debt ratio would have amounted to 2.2 (3.5). For calculation, see source of alternative performance measures.

SEK million	Feb 28, 2021	Feb 29, 2020	Aug 31, 2020
Liabilities to credit institutions	2,127.1	2,230.5	2,159.0
Lease- and other financial liabilities	497.5	489.5	511.5
Cash and cash equivalents	-889.8	-397.6	-730.1
Net debt	1,734.8	2,322.4	1,940.4

Employees

The average number of full-time employees during the period was 1,696, compared with 1,811 in the year-earlier period. The reduction is primarily attributable to restructuring measures, which resulted in a reduction in the workforce.

Events after the balance sheet date

Reduced office space

Dustin has decided to leave one of the office premises in Nacka Strand and move the affected business to existing premises at the head office. The cost of resolving the company's obligations regarding the lease in question is estimated at approximately SEK 4 million and will be reported as an item affecting comparability in the third quarter. The decision means savings of about 3 million SEK annually.

Dustin acquires Centralpoint in the Benelux region

Today, Dustin acquired Benelux based Centralpoint, which is the leading IT provider in the region with around 600 employees and a market share of about 5 percent. In 2020, Centralpoint had net sales of approximately SEK 7 billion and an EBITA result of approximately SEK 280 million. 93 percent of sales are in the Netherlands, with emphasis on larger companies and the public sector, and the remaining 7 percent in Belgium. Dustin acquires Centralpoint for a total consideration of EUR 425 million on a cash and debt free basis from Infotheek Holding B.V..

Parent company

Dustin Group AB (Corp. Reg. No. 556703-3062), which is domiciled in Nacka, Sweden, only conducts holding operations. Furthermore, external financing is gathered in the Parent Company.

During the period, net sales amounted to SEK 0.2 million (0.2) and profit totalled SEK 277 million (129).

The change was mainly due to dividends received from Group companies of SEK 260 million (106). The net currency position amounted to SEK 34 million (31) and was primarily due to external financing. The Group applies hedge accounting, whereby the net currency position is recognised against equity.

Risks and uncertainties

The corona pandemic is having a long and short-term impact on our business. The company assesses that the risks have increased regarding disruptions to the supply chain.

Dustin has a structured and Group-wide process to identify, classify, manage and monitor a number of strategic, operative and external risks.

- The strategic risks are normally identified in conjunction with risk discussions linked to a strategic initiative. These risks include acquisition and integration projects and the preparation of profitable and attractive customer offerings.
- Operational risks arise in the business and are identified mainly through process reviews. These risks include the ability to attract and retain customers.
- External risks consist of risks that are outside the direct control of the Group. These risks include regulatory changes or changed market conditions.

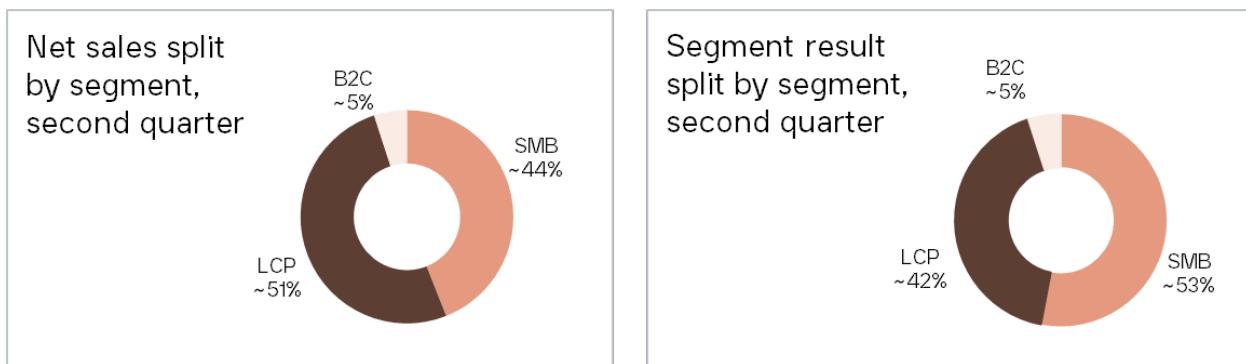
For a detailed description of the risks that are expected to be particularly significant for the future development of the Group, refer to pages 58-63 of Dustin's 2019/20 Annual Report.

The share

The Parent Company's share has been listed on Nasdaq Stockholm since February 13, 2015, and is included in the Mid Cap index. At February 26, 2021, the price was SEK 83.60 per share (62.90), representing a total market capitalisation of SEK 7,411 million (5,576). At February 26, 2021, the company had a total of 13,627 shareholders (9,970). The company's three largest shareholders were AxMedia AB (Axel Johnson Gruppen) with 29.8 per cent, AMF Försäkring & Fonder with 11.0 per cent and Fidelity Investments with 6.5 per cent. Dustin's shareholder register with the largest shareholders is presented on the company's website.

Review of business segment

Dustin operates through three business segments: SMB (Small and Medium-sized Businesses), LCP (Large Corporate and Public sector) and B2C (Business to Consumer). Within the SMB and LCP segments, customers are served through both the online platform and relationship selling. In the B2C segment, customers are served through the online platform.



SMB - Small and Medium-sized Businesses

SEK million	Q2	Q2	Change	Q1-Q2	Q1-Q2	Change	Rolling 12 months	Full-year	Change
	20/21	19/20	%	20/21	19/20	%			
Net sales	1,614.6	1,510.7	6.9	3,236.2	3,065.6	5.6	5,888.1	5,717.4	3.0
Segment results	170.3	140.1	21.6	332.1	296.8	11.9	545.9	510.6	6.9
Segment margin (%)	10.6	9.3	-	10.3	9.7	-	9.5	8.9	-

Net sales

Net sales for the quarter increased 6.9 per cent to SEK 1,615 million (1,511) due to the continued healthy demand for hardware. Organic growth was 8.3 per cent (2.8). Acquisition-related growth (including customer transfers between segments) accounted for 0.9 percentage points and negative exchange-rate differences accounted for 2.3 percentage points.

Sales of hardware in the form of computer peripherals, such as keyboards and webcams, and consumer electronics, such as game consoles, had a strong performance in combination with private label goods. The development of project-related services, such as customers signing up to new services and the installation of conference rooms and suchlike remained cautious, but improved somewhat compared with the first quarter. There was a positive trend for sales in all geographic markets, with Norway and the Netherlands standing out.

Software and services as a percentage of sales declined to 21.6 per cent (22.8) in the segment during the second quarter (see Note 2 Segments).

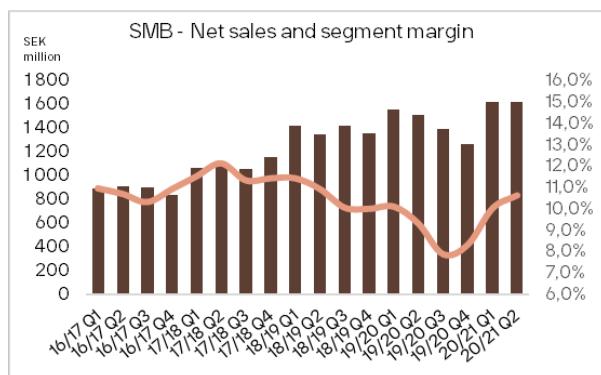
Segment results

Profit for the segment rose 21.6 per cent to SEK 170 million (140). The segment margin

amounted to 10.6 per cent (9.3), which is a significant improvement compared with the year-earlier quarter.

The change was primarily attributable to:

- positive effects from implemented cost reductions and strategic initiatives
- generally higher volumes
- our dynamic pricing model
- strong sales trend in private label goods
- a lower share of project-related income with a high margin had a negative impact



LCP - Large Corporate and Public sector

SEK million	Q2	Q2	Change	Q1-Q2	Q1-Q2	Change	Rolling	Full-year	Change
	20/21	19/20	%	20/21	19/20	%	12 months	19/20	%
Net sales	1,893.9	1,863.1	1.7	3,800.5	3,668.6	3.6	7,012.8	6,880.9	1.9
Segment results	136.2	118.1	15.4	263.3	218.1	20.7	456.0	410.9	11.0
Segment margin (%)	7.2	6.3	-	6.9	5.9	-	7.0	6.0	-

Net sales

Net sales increased 1.7 per cent to SEK 1,894 million (1,863) for the quarter. Organic growth amounted to 4.9 per cent (4.1) and was mainly attributable to continued strong sales to the public sector. Negative exchange-rate differences accounted for 3.2 percentage points, while acquisitions (including customer transfers between segments) had no impact.

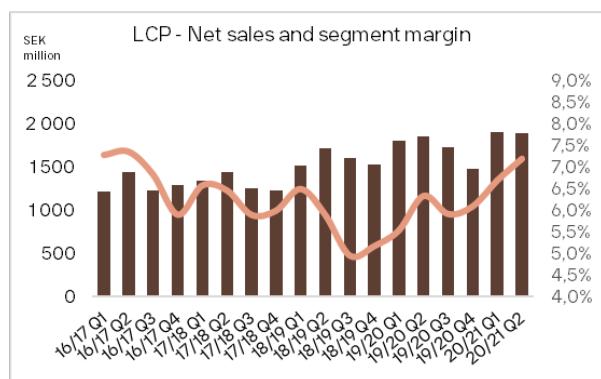
Sales to the public sector remained strong and were less affected to date by the ongoing pandemic and low availability of specific product models. Sales to large companies declined somewhat and were negatively affected by both component shortages and delayed deliveries. Geographically, segment sales were strongest in Denmark and Norway.

Segment results

Profit for the segment increased to SEK 136 million (118) and the segment margin improved to 7.2 per cent (6.3) compared with the year-earlier quarter.

The change was primarily attributable to:

- improved margins in major framework agreements for the public sector as the contracts mature,
- generally higher volumes
- good cost control.



B2C - Business to Consumer

SEK million	Q2	Q2	Change	Q1-Q2	Q1-Q2	Change	Rolling	Full-year	Change
	20/21	19/20	%	20/21	19/20	%	12 months	19/20	%
Net sales	174.7	169.0	3.3	342.4	316.9	8.0	622.5	597.0	4.3
Segment results	15.1	9.2	64.3	25.7	18.3	40.8	44.6	37.1	20.1
Segment margin (%)	8.6	5.4	-	7.5	5.8	-	8.0	6.2	-

Net sales

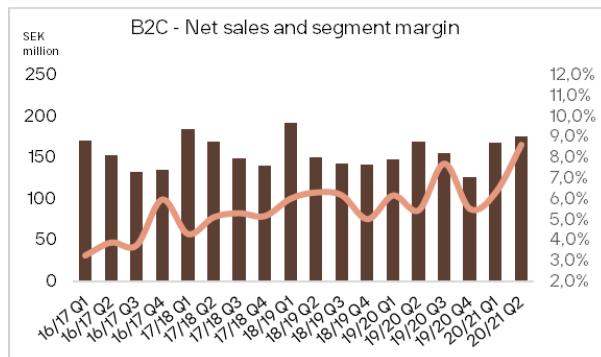
Net sales for the quarter increased 3.3 per cent to SEK 175 million (169). Organic growth was 5.5 per cent (12.5). Negative exchange-rate differences accounted for 2.1 percentage points.

The positive trend during the quarter was primarily due to continued healthy demand for such computer hardware as monitors, web cameras, cables and accessories for home offices. Geographically, segment sales were strongest in the Netherlands and Norway.

Segment results

Profit for the segment increased to SEK 15 million (9) during the quarter and the segment margin improved

to 8.6 per cent (5.4), due to the continued focus on margin ahead of volume in the consumer business.



Central functions

SEK million	Q2 20/21	Q2 19/20	Change %	Q1-Q2 20/21	Q1-Q2 19/20	Change %	Rolling 12 months	Full-year 19/20	Change %
Cost for central functions	120.4	-113.8	5.8	-249.4	-223.3	11.7	-467.5	-441.3	5.9
Costs for central functions in relation to net sales (%)	-3.3	-3.2	-	-3.4	-3.2	-	-3.6	-3.3	-

Central functions

Dustin's central functions hold the key to efficient delivery of the Group's offerings in all markets, the generation of economies of scale and the simplification of the integration of acquired operations. In the second quarter, costs for central functions amounted to 3.3 per cent (3.2) in relation to sales. Costs for central functions amounted to SEK 120 million (114), with the increase mainly related to the integration of previously acquired businesses.

The positive effect on earnings from IFRS 16 is included in costs for central functions and amounts to SEK 3 million (1) in the quarter. For additional financial data on the segments, refer to Note 2 Segments on page 19, and to Segment information by quarter on page 26.

The undersigned certify that this interim report gives a true and fair presentation of the Parent Company's and the Group's operations, financial position and profits and describes the material risks and uncertainties facing the Parent Company and the companies in the Group.

Nacka, April 13, 2021

Mia Brunell Livfors
Chairman of the board

Stina Andersson

Gregor Bieler

Gunnel Duveblad

Johan Fant

Tomas Franzén

Mattias Miksche

Morten Strand

Thomas Ekman
President and CEO

This report has not been reviewed by the company's auditors.

Consolidated income statement

SEK million	Note	Q2		Q2		Q1-Q2 20/21	Q1-Q2 19/20	Rolling 12 months	Full-year 19/20
		20/21	19/20	20/21	19/20				
Net sales	2	3,683.1	3,542.8	7,379.1	7,051.1	13,523.4	13,195.4		
Cost of goods and services sold		-3,092.0	-2,986.3	-6,211.3	-5,934.6	-11,428.8	-11,152.0		
Gross profit		591.2	556.5	1167.8	1116.5	2,094.6	2,043.3		
Selling and administrative expenses		-412.3	-424.2	-842.0	-850.1	-1,609.9	-1,617.9		
Items affecting comparability	4	-0.8	3.0	-14.8	-11.2	-34.6	-31.0		
Other operating income		3.4	1.4	6.9	3.8	17.6	14.5		
Other operating expenses		-4.8	-4.0	-9.5	-8.2	-23.1	-21.8		
EBIT	2	176.7	132.6	308.4	250.9	444.7	387.2		
Financial income and other similar income statement items		0.3	0.3	0.5	0.5	1.3	1.3		
Financial expenses and other similar income statement items		-14.1	-14.3	-29.0	-27.0	-55.2	-53.3		
Profit after financial items		162.8	118.6	279.9	224.4	390.8	335.2		
Tax		-40.4	-26.6	-67.4	-46.7	-78.7	-57.9		
Profit for the period, attributable in its entirety to Parent Company shareholders		122.4	92.0	212.5	177.7	312.1	277.3		
Other comprehensive income (all items will be transferred to the income statement)									
Translation differences		-3.9	16.1	-28.8	-37.0	-87.3	-95.5		
Cash-flow hedging		21.5	-36.1	47.8	26.6	117.2	96.0		
Tax attributable to cash-flow hedges		-4.6	7.7	-10.2	-5.7	-25.1	-20.6		
Other comprehensive income		13.0	-12.2	8.8	-16.1	4.8	-20.0		
Comprehensive income for the period is attributable in its entirety to Parent Company shareholders		135.4	79.8	221.3	161.6	316.9	257.3		
Earnings per share before dilution (SEK)		1.38	1.04	2.40	2.00	3.52	3.13		
Earnings per share after dilution (SEK)		1.38	1.04	2.40	2.00	3.52	3.13		

Condensed consolidated balance sheet

SEK million	Note	Feb 28, 2021	Feb 29, 2020	Aug 31, 2020
ASSETS				
Non-current assets				
Goodwill		3,724.1	3,790.6	3,706.5
Intangible assets attributable to acquisitions	3	555.4	618.5	579.6
Other intangible assets	5	136.3	142.9	144.3
Tangible assets	5	95.1	102.1	99.3
Right-of-use assets	5	486.0	483.9	502.2
Deferred tax assets		7.7	5.2	9.7
Derivative instruments	6	0.1	0.3	0.2
Other non-current assets		7.5	6.8	8.3
Total non-current assets		5,012.3	5,150.3	5,050.0
Current assets				
Inventories		574.0	495.3	482.9
Accounts receivable		1,489.3	1,401.8	1,256.6
Derivative instruments	6	-	0.5	-
Tax assets		6.7	52.0	9.5
Other current assets		330.4	320.4	247.0
Cash and cash equivalents		889.8	397.6	730.1
Total current assets		3,290.2	2,667.5	2,726.1
TOTAL ASSETS		8,302.5	7,817.8	7,776.1
EQUITY AND LIABILITIES				
Equity				
Equity attributable to Parent Company shareholders		2,485.9	2,360.2	2,455.6
Total equity		2,485.9	2,360.2	2,455.6
Non-current liabilities				
Deferred tax and other long-term provisions		209.5	205.0	210.0
Liabilities to credit institutions		2,127.1	2,230.5	2,159.0
Non-current lease liabilities		356.8	353.2	370.3
Derivative instruments	6	12.5	25.6	25.5
Total non-current liabilities		2,705.8	2,814.2	2,764.8
Current liabilities				
Other provisions		28.9	-	31.5
Current lease liabilities		140.7	136.4	141.3
Accounts payable		2,030.7	1,795.5	1,543.6
Tax liabilities		69.2	35.4	46.2
Derivative instruments	6	0.4	0.1	1.7
Other current liabilities		820.5	591.9	791.5
Acquisition-related liabilities	6	20.4	84.1	-
Total current liabilities		3,110.8	2,643.5	2,555.8
TOTAL EQUITY AND LIABILITIES		8,302.5	7,817.8	7,776.1

Condensed consolidated statement of changes in equity

SEK million	Feb 28, 2021	Feb 29, 2020	Aug 31, 2020
Balance as at September 1	2,455.6	2,460.3	2,460.3
Profit for the period	212.5	177.7	277.3
Other comprehensive income			
Translation difference	-28.8	-37.0	-95.5
Cash-flow hedging	47.8	26.6	96.0
Tax attributable to cash-flow hedges	-10.2	-5.7	-20.6
Total other comprehensive income	8.8	-16.1	-20.0
Total comprehensive income	221.3	161.6	257.3
Dividends	-195.0	-265.9	-265.9
Subscription with the support of warrants	4.1	4.2	3.9
Total transactions with shareholders	-190.9	-261.7	-262.0
Closing equity as per the balance sheet date, attributable to Parent Company shareholders in its entirety	2,485.9	2,360.2	2,455.6

Consolidated statement of cash flow

SEK million	Note	Q2	Q2	Q1-Q2	Q1-Q2	Full-year
		20/21	19/20	20/21	19/20	19/20
Operating activities						
EBIT		176.7	132.6	308.4	250.9	387.2
Adjustment for non-cash items		62.9	69.1	137.8	151.7	302.8
Interest received		0.3	0.3	0.5	0.5	1.3
Interest paid		-13.2	-10.6	-27.4	-20.5	-53.4
Income tax paid		-19.3	-32.4	-42.6	-54.1	-90.8
Cash flow from operating activities before changes in working capital		207.4	159.0	376.8	328.5	547.1
Decrease (+)/increase (-) in inventories		-67.6	65.0	-92.5	-30.7	-23.6
Decrease (+)/increase (-) in receivables		127.3	357.3	-326.0	-14.0	238.3
Decrease (-)/increase (+) in current liabilities		-49.5	-426.1	524.7	96.1	105.9
Cash flow from changes in working capital		10.3	-3.8	106.2	51.4	320.6
Cash flow from operating activities		217.7	155.2	483.0	379.9	867.7
Investing activities						
Acquisition of intangible assets	5	-10.6	-12.2	-19.5	-39.9	-68.5
Acquisition of tangible assets	5	-7.3	-14.5	-11.4	-22.4	-42.8
Acquisition of operations	3	-	-	-38.8	-	-
Divestment of intangible assets		-	-	-	-	4.7
Earn-out paid		-	-95.8	-	-138.3	-209.0
Cash flow from investing activities		-17.9	-122.5	-69.7	-200.6	-315.6
Financing activities						
Cash flow from LTI programme		4.1	4.2	4.1	4.2	4.2
Dividends		-195.0	-265.9	-195.0	-265.9	-265.9
New loans raised		66.3	316.7	93.2	316.7	390.1
Repayment of loans		-66.5	-61.4	-92.5	-61.4	-134.4
Paid borrowing expenses		-	-0.9	-	-0.9	-1.5
Repayment of lease liabilities		-40.2	-34.4	-78.2	-71.8	-148.7
Cash flow from financing activities		-231.3	-41.7	-268.4	-79.1	-156.1
Cash flow for the period		-31.5	-9.1	144.9	100.2	395.9
Cash and cash equivalents at beginning of period		918.6	414.2	730.1	281.3	281.3
Cash flow for the period		-31.5	-9.1	144.9	100.2	395.9
Exchange rate differences in cash and cash equivalents		2.8	-7.6	14.8	16.1	53.0
Cash and cash equivalents at end of period		889.8	397.6	889.8	397.6	730.1

Condensed Parent Company income statement

SEK million	Q2	Q2	Q1-Q2	Q1-Q2	Rolling	Full-year
	20/21	19/20	20/21	19/20	12 months	19/20
Net sales	0.1	0.1	0.2	0.2	0.4	0.4
Selling and administrative expenses	-1.8	-1.7	-3.7	-3.3	-7.0	-6.7
Other operating expenses	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	-1.7	-1.6	-3.5	-3.1	-6.7	-6.3
Financial income and other similar income-statement items	275.7	92.0	305.2	157.6	398.8	251.2
Financial expenses and other similar income-statement items	-10.2	-10.4	-20.4	-19.7	-37.9	-37.2
Profit/loss after financial items	263.7	80.0	281.4	134.7	354.2	207.6
Appropriations	-	-	-	-	87.0	87.0
Tax	-0.8	5.6	-4.6	-6.1	-39.0	-40.6
Profit/loss for the period	262.9	85.6	276.8	128.6	402.2	254.0

Parent Company statement of comprehensive income

SEK million	Q2	Q2	Q1-Q2	Q1-Q2	Rolling	Full-year
	20/21	19/20	20/21	19/20	12 months	19/20
Profit for the period	262.9	85.6	276.8	128.6	402.2	254.0
Other comprehensive income	-	-	-	-	-	-
Comprehensive income for the period	262.9	85.6	276.8	128.6	402.2	254.0

Condensed Parent Company balance sheet

SEK million	Feb 28, 2021	Feb 29, 2020	Aug 31, 2020
	20/21	19/20	20/20
ASSETS			
Non-current assets	1,211.6	1,211.6	1,211.6
Current assets	2,759.6	2,582.8	2,713.6
TOTAL ASSETS	3,971.1	3,794.4	3,925.1
EQUITY AND LIABILITIES			
Restricted equity			
Share capital	443.2	443.2	443.2
Total restricted equity	443.2	443.2	443.2
Non-restricted equity			
Share premium reserve	1,091.3	1,087.3	1,091.3
Retained earnings	-229.1	-288.0	-292.2
Profit for the period	276.8	128.6	254.0
Total non-restricted equity	1,139.0	928.0	1,053.1
Total equity	1,582.2	1,371.2	1,496.4
Untaxed reserves	244.8	182.8	244.8
Non-current liabilities	2,127.7	2,230.5	2,159.0
Current liabilities	16.4	9.9	24.9
TOTAL EQUITY AND LIABILITIES	3,971.1	3,794.4	3,925.1

Note 1 Accounting policies

This report has been prepared by applying IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The accounting policies are consistent with those presented in the Group's Annual Report for the 2019/20 financial year, except for the new standards described below. The Parent Company applies the Swedish Annual Accounts Act, and the

Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities.

This report has been prepared in SEK million, unless otherwise stated. Rounding-off differences may occur in this report.

Note 2 Segments

All amounts in SEK million, unless otherwise indicated	Q2	Q2	Q1-Q2	Q1-Q2	Rolling	Full-year
	20/21	19/20	20/21	19/20	12 months	19/20
Net sales						
LCP	1,893.9	1,863.1	3,800.5	3,668.6	7,012.8	6,880.9
of which, hardware	1,644.4	1,603.1	3,352.1	3,220.7	6,211.2	6,079.8
of which, software and services	249.6	259.9	448.4	447.9	801.6	801.1
SMB	1,614.6	1,510.7	3,236.2	3,065.6	5,888.1	5,717.4
of which, hardware	1,265.4	1,166.3	2,544.1	2,353.9	4,530.3	4,340.1
of which, software and services	349.2	344.4	692.1	711.7	1,357.8	1,377.4
B2C	174.7	169.0	342.4	316.9	622.5	597.0
of which, hardware	173.7	167.8	340.4	314.6	619.5	593.7
of which, software and services	1.0	1.2	2.0	2.3	3.0	3.3
Total	3,683.1	3,542.8	7,379.1	7,051.1	13,523.4	13,195.4
of which, hardware	3,083.5	2,937.2	6,236.5	5,889.2	11,360.9	11,013.6
of which, software and services	599.7	605.6	1,142.6	1,161.9	2,162.4	2,181.7
Segment results						
LCP	136.2	118.1	263.3	218.1	456.0	410.9
SMB	170.3	140.1	332.1	296.8	545.9	510.6
B2C	15.1	9.2	25.7	18.3	44.6	37.1
Total	321.7	267.4	621.1	533.2	1,046.6	958.6
Central functions	-120.4	-113.8	-249.4	-223.3	-467.5	-441.3
<i>Of which, effects related to IFRS 16</i>	2.5	0.6	4.7	1.7	9.2	6.2
Adjusted EBITA	201.3	153.5	371.8	310.0	579.1	517.3
Segment margin						
LCP, segment margin (%)	7.2	6.3	6.9	5.9	7.0	6.0
SMB, segment margin (%)	10.6	9.3	10.3	9.7	9.5	8.9
B2C, segment margin (%)	8.6	5.4	7.5	5.8	8.0	6.2
Segment margin	8.7	7.5	8.4	7.6	7.7	7.3
Costs for central functions, excluding items affecting comparability in relation to net sales (%)	-3.3	-3.2	-3.4	-3.2	-3.6	-3.3
Reconciliation with profit after financial items						
Items affecting comparability	-0.8	3.0	-14.8	-11.2	-34.6	-31.0
Amortisation and impairment of intangible assets	-23.8	-23.9	-48.6	-47.9	-99.9	-99.1
EBIT, Group	176.7	132.6	308.4	250.9	444.7	387.2
Financial income and other similar income statement items	0.3	0.3	0.5	0.5	1.3	1.3
Financial expenses and other similar income statement items	-14.1	-14.3	-29.0	-27.0	-55.2	-53.3
Profit after financial items, Group	162.8	118.6	279.9	224.4	390.8	335.2

Note 3 Acquisition of businesses during the period

Acquisition of Exato A/S

Dustin acquired all of the shares in Danish company Exato A/S during the first quarter. The company specialises in standardised services, including IT security, where more than half of the revenue derives from subscription services, primarily to small and medium-sized businesses. The acquisition contributes

to Dustin's strategy of increasing sales of services and complements Dustin's offering in Denmark. The company reported sales of approximately DKK 30 million during the latest financial year and has approximately 20 employees.

Aggregated effects of preliminary acquisition analyses

SEK million

Fair value of acquired assets and liabilities	Exato A/S	Total
Intangible assets	7.2	7.2
Tangible assets	0.5	0.5
Inventories	0.2	0.2
Accounts receivable and other receivables	6.3	6.3
Cash and cash equivalents	4.4	4.4
Liabilities to credit institutions	-	-
Other current liabilities	9.5	9.5
Total identifiable net assets	9.1	9.1
Goodwill	55.0	55.0
Purchase consideration including estimated contingent earn-out	64.2	64.2
 Less:		
Cash and cash equivalents	4.4	4.4
Estimated contingent earn-out	21.0	21.0
Net cash outflow	38.8	38.8

Acquisitions are strategically important for complementing Dustin's service offering of advanced products and services. The total acquisition costs are presented in Note 4 Items affecting comparability. Acquired goodwill comprises more advanced services

and employee expertise. The fair value of the acquired receivables is expected to be fully settled. The contracted gross amounts essentially correspond to the fair values of the receivables.

Note 4 Items affecting comparability

Items affecting comparability amounted to negative SEK 0.8 million (pos: 3) for the quarter and pertained to integration costs of negative SEK 0.5 million (neg: 5.1)

and acquisition-related costs of negative SEK 0.3 million (pos: 0.5) relating to the acquisition of Exato A/S.

SEK million	Q2	Q2	Q1-Q2	Q1-Q2	Rolling	Full-year
	20/21	19/20	20/21	19/20	12 months	19/20
Acquisition and divestment-related expenses	-0.3	0.5	-1.5	0.7	-2.7	-0.4
Integration costs	-0.5	-5.1	-0.5	-11.6	-4.9	-15.9
Restructuring reserve	-	-	-12.7	-	-39.6	-26.9
Change in value of acquisition-related liabilities	-	7.6	-	7.6	12.5	20.1
Costs for launch of online sales	-	-	-	-7.9	-	-7.9
Total	-0.8	3.0	-14.7	-11.2	-34.6	-31.0

Note 5 Investments

SEK million	Q2	Q2	Q1-Q2	Q1-Q2	Rolling	Full-year
	20/21	19/20	20/21	19/20	12 months	19/20
Capitalised expenditure for IT development (integrated IT platform and other long-term strategic IT systems)	9.1	8.9	17.1	21.3	33.3	37.5
Investments in tangible and intangible assets	23.6	191.3	57.1	234.4	158.3	335.6
<i>Of which, leased assets</i>	19.6	178.1	50.6	199.7	137.6	286.7
Investments in assets related to service provision	10.0	15.5	21.8	22.0	60.0	60.1
<i>Of which, leased assets</i>	5.2	10.7	14.6	15.6	34.2	35.2
Total investments	42.7	215.6	96.0	277.6	251.6	433.2
<i>Of which, affecting cash flow</i>	17.9	26.8	30.9	62.4	79.8	111.3

Dustin's right-of-use assets mainly relate to buildings and IT equipment. During the quarter, new agreements totalling SEK 28 million (188) were added and are

mainly attributable to IT equipment for internal use and to service provision, such as servers and network solutions, and cars.

SEK million	Feb 28, 2021	Feb 29, 2020	Aug 31, 2020
Buildings	243.8	316.4	270.8
Vehicles	56.2	49.8	58.3
IT equipment for internal use	99.6	61.5	103.9
IT equipment related to service provision	85.4	54.9	68.4
Other items	1.1	1.3	0.8
Right-of-use assets	486.0	483.9	502.2

Note 6 Financial instruments

Financial instruments measured at fair value consist of derivative instruments and acquisition and divestment-related assets and liabilities. As regards other financial items, these essentially match fair value and book value.

Derivative instruments

Derivative instruments measured at fair value consist of interest-rate derivatives and currency futures. Derivative instruments have been structured as hedges for variable interest on external bank loans. Currency futures pertain to hedging for USD purchases from China and hedging investment of foreign subsidiaries. The Group applies hedge accounting for derivatives and currency futures, and the fair value measurement

is Level 2, according to the definition in IFRS 13. The measurement level remains unchanged compared with August 31, 2020.

At February 28, 2020, the fair value of derivative instruments amounted to SEK 13 million (25).

Acquisition-related liabilities

Acquisition-related liabilities pertain to contingent earn-outs. Measurement is carried out on a continuous basis at fair value through profit or loss. However, if a change in value occurs before the purchase price allocation has been determined, and is not the result of events after the acquisition date, measurement is carried out via the balance sheet.

Acquisition related assets and liabilities

Change in acquisition-related liabilities measured at fair value based on inputs that are not based on observable market data (Level 3)	Feb 28, 2021	Feb 29, 2020	Aug 31, 2020
Opening balance	-	244.8	244.8
Remeasurements recognised in profit or loss:			
Unrealised revaluation of contingent earn-out recognised under items affecting comparability	-	-7.6	-20.1
Discount of contingent earn-out recognised under Financial expenses and other similar income-statement items	-	0.3	0.3
Remeasurements recognised under other comprehensive income:			
Unrealised exchange rate differences recognised under Translation differences	-0.6	-4.7	-5.6
Changes recognised via the balance sheet:			
Payment of deposit related to contingent earn-out	-	-10.5	-10.5
Payments attributable to previous acquisitions	-	-138.2	-209.0
Acquisitions	21.0	-	-
Closing balance	20.4	84.1	-

Note 7 Seasonal variations

Dustin is impacted by seasonal variations. Each quarter is comparable between years. Sales volumes are normally higher in November and December, and lower during the summer months when sales and marketing activities are less intense. Similar seasonal variations occur in all geographical markets.

Note 8 Related-party transactions

There were no significant related-party transactions during the current period or comparative period.

Key ratios

All amounts in SEK million, unless otherwise indicated	Q2	Q2	Q1-Q2	Q1-Q2	Rolling	Full-year
	20/21	19/20	20/21	19/20	12 months	19/20
Income statement						
Organic sales growth (%)	6.4	4.0	7.2	5.0	3.6	2.3
Gross margin (%)	16.1	15.7	15.8	15.8	15.5	15.5
EBIT	176.7	132.6	308.4	250.9	444.7	387.2
Adjusted EBITDA (excl. IFRS 16)	209.7	163.6	389.0	329.5	613.7	554.2
Adjusted EBITDA (incl. IFRS 16)	252.7	201.3	473.2	406.9	336.7	715.0
Adjusted EBITA	201.3	153.5	371.8	310.0	579.1	517.3
Adjusted EBITA margin (%)	5.5	4.3	5.0	4.4	4.3	3.9
Return on equity (%)	-	-	-	-	12.6	11.3
Balance sheet						
Net working capital	-548.7	-153.6	-548.7	-153.6	-548.7	-421.8
Capital employed	184.0	587.7	184.0	587.7	184.0	338.0
Net debt	1,734.8	2,322.4	1,734.8	2,322.4	1,734.8	1,940.4
Net debt/adjusted EBITDA (multiple) (excl. IFRS 16)	-	-	-	-	2.0	2.2
Net debt/adjusted EBITDA (multiple) (incl. IFRS 16)	-	-	-	-	2.2	2.7
Maintenance investments	-17.9	-26.8	-30.9	-62.3	-79.9	-111.3
Equity/assets ratio (%)	-	-	-	-	29.9	31.6
Cash flow						
Operating cash flow	245.2	170.7	548.6	396.2	1 076.9	904.1
Cash flow from operating activities	217.7	155.2	483.0	379.9	970.8	867.7
Data per share						
Earnings per share before dilution (SEK)	1.38	1.04	2.40	2.00	3.52	3.13
Earnings per share after dilution (SEK)	1.38	1.04	2.40	2.00	3.52	3.13
Equity per share before dilution (SEK)	28.04	26.62	28.04	26.62	28.04	27.70
Cash flow from operating activities per share before dilution (SEK)	2.46	1.75	5.45	4.29	10.95	9.79
Cash flow from operating activities per share after dilution (SEK)	2.46	1.75	5.45	4.27	10.95	9.79
Average number of shares	88,647,339	88,647,339	88,647,339	88,647,339	88,647,339	88,647,339
Average number of shares after dilution	88,647,339	88,713,664	88,647,339	88,951,135	88,647,339	88,647,339
Number of shares issued at end of period	88,647,339	88,647,339	88,647,339	88,647,339	88,647,339	88,647,339

Source of alternative performance measures

Dustin applies financial measures that are not defined under IFRS. Dustin believes that these financial measures provide the reader of the report with valuable information, and constitute a complement when assessing Dustin's performance. The performance measures that Dustin has chosen to present are relevant in relation to its operations and the Company's financial targets for growth, margins and capital structure and in terms of Dustin's dividend policy. The alternative performance measures are not

always comparable with those applied by other companies since these may have calculated in a different way. Definitions on page 27 present how Dustin defines its performance measures and the use of each performance measure. The data presented below are supplementary information from which all alternative performance measures can be derived. The sources of the performance measures Net working capital and Net debt are described on pages 7-8.

	Q2 20/21	Q2 19/20	Q1-Q2 20/21	Q1-Q2 19/20	Rolling 12 months	Full-year 19/20
Total						
Organic growth						
Sales growth (%)	4.0	10.2	4.7	11.2	2.1	5.3
Acquired growth (%)	-0.4	-5.6	-0.3	-5.4	-0.8	-3.4
Currency effects in sales growth (%)	2.8	-0.6	2.9	-0.8	2.4	0.5
Organic sales growth (%)	6.4	4.0	7.2	5.0	3.6	2.3
SMB	Q2 20/21	Q2 19/20	Q1-Q2 20/21	Q1-Q2 19/20	Rolling 12 months	Full-year 19/20
Organic growth						
Sales growth (%)	6.9	12.2	5.6	11.1	0.8	3.3
Acquired growth (%)	-0.9	-8.7	-0.1	-8.8	-0.5	-4.8
Currency effects in sales growth (%)	2.3	-0.6	2.3	-0.9	1.7	0.1
Organic sales growth (%)	8.3	2.8	7.7	1.4	2.1	-1.4
LCP	Q2 20/21	Q2 19/20	Q1-Q2 20/21	Q1-Q2 19/20	Rolling 12 months	Full-year 19/20
Organic growth						
Sales growth (%)	1.7	8.4	3.6	13.2	3.0	7.9
Acquired growth (%)	0.0	-3.7	-0.5	-3.1	-1.2	-2.6
Currency effects in sales growth (%)	3.2	-0.6	3.4	-0.8	2.9	0.7
Organic sales growth (%)	4.9	4.1	6.5	9.3	4.7	6.1
B2C	Q2 20/21	Q2 19/20	Q1-Q2 20/21	Q1-Q2 19/20	Rolling 12 months	Full-year 19/20
Organic growth						
Sales growth (%)	3.3	12.8	8.0	-7.2	3.5	-4.6
Currency effects in sales growth (%)	2.1	-0.3	2.3	-0.4	2.2	0.8
Organic sales growth (%)	5.5	12.5	10.4	-7.6	5.7	-3.9
Adjusted EBITA	Q2 20/21	Q2 19/20	Q1-Q2 20/21	Q1-Q2 19/20	Rolling 12 months	Full-year 19/20
EBIT	176.7	132.6	308.4	250.9	444.7	387.2
Amortisation and impairment of intangible assets	23.8	23.9	48.6	47.9	99.9	99.1
Items affecting comparability	0.8	-3.0	14.8	11.2	34.6	31.0
Adjusted EBITA	201.3	153.5	371.8	310.0	579.1	517.3

	Q2 20/21	Q2 19/20	Q1-Q2 20/21	Q1-Q2 19/20	Rolling 12 months	Full-year 19/20
Adjusted EBITDA (excl. IFRS 16)						
EBIT (excl. IFRS 16)	174.1	132.0	303.6	249.2	435.4	381.0
Depreciation and impairment of tangible assets (excl. IFRS 16)	11.0	10.7	22.0	21.3	43.8	43.1
Amortisation and impairment of intangible assets	23.8	23.9	48.6	47.9	99.9	99.1
Items affecting comparability	0.8	-3.0	14.8	11.2	34.6	31.0
Adjusted EBITDA (excl. IFRS 16)	209.7	163.6	389.0	329.5	613.7	554.2
Adjusted EBITDA (incl. IFRS 16)						
EBIT	176.7	132.6	308.4	250.9	444.7	387.2
Depreciation and impairment of tangible assets	51.5	47.8	101.5	96.9	202.2	197.7
Amortisation and impairment of intangible assets	23.8	23.9	48.6	47.9	99.9	99.1
Items affecting comparability	0.8	-3.0	14.8	11.2	34.6	31.0
Adjusted EBITDA (incl. IFRS 16)	252.7	201.3	473.2	406.9	336.7	715.0

Segment information by quarter

All amounts in SEK million, unless otherwise indicated	Q2 20/21	Q1 20/21	Q4 19/20	Q3 19/20	Q2 19/20	Q1 19/20	Q4 18/19	Q3 18/19	Q2 18/19	Q1 18/19
	20/21	20/21	19/20	19/20	19/20	19/20	18/19	18/19	18/19	18/19
Net sales	3,683.1	3,696.0	2,873.8	3,270.6	3,542.8	3,508.3	3,025.7	3,168.5	3,214.7	3,126.7
Organic sales growth (%)	6.4	8.0	-2.3	1.3	4.0	6.1	11.2	15.3	7.8	5.9
Gross margin (%)	16.1	15.6	15.1	15.1	15.7	16.0	16.2	16.8	16.3	17.4
Adjusted EBITA	201.3	170.5	101.3	106.0	153.5	156.4	120.1	123.8	153.5	162.3
Adjusted EBITA margin (%)	5.5	4.6	3.5	3.2	4.3	4.5	4.0	3.9	4.8	5.2
Net sales per segment:										
LCP	1,893.9	1,906.5	1,483.0	1,729.4	1,863.1	1,805.5	1,530.8	1,606.1	1,718.3	1,521.7
SMB	1,614.6	1,621.7	1,265.3	1,386.6	1,510.7	1,554.9	1,353.4	1,419.6	1,346.5	1,413.4
B2C	174.7	167.7	125.5	154.6	169.0	147.9	141.6	142.8	149.8	191.7
Segment results:										
LCP	136.2	127.0	90.4	102.4	118.1	100.1	79.6	79.6	100.9	99.3
SMB	170.3	161.8	105.0	108.8	140.1	156.7	134.7	142.4	146.7	160.5
B2C	15.1	10.6	7.0	11.9	9.2	9.1	7.1	8.8	9.4	11.5
Segment margin (%):										
LCP	7.2	6.7	6.1	5.9	6.3	5.5	5.2	5.0	5.9	6.5
SMB	10.6	10.0	8.3	7.8	9.3	10.1	10.0	10.0	10.9	11.4
B2C	8.6	6.3	5.5	7.7	5.4	6.2	5.0	6.2	6.3	6.0
Central functions										
Central functions	-120.4	-129.0	-101.1	-117.0	-113.8	-109.4	-101.3	-107.0	-103.5	-109.0
Percentage of net sales	-3.3	-3.5	-3.5	-3.6	-3.2	-3.1	-3.3	-3.4	-3.2	-3.5

Definitions

IFRS measures:	Definition/Calculation	
Earnings per share	Net profit/loss in SEK in relation to average number of shares, according to IAS 33.	
Alternative performance measures:		
Return on equity	Definition/Calculation	Usage
Return on equity	Net profit for the year in relation to equity at the end of the period.	Dustin believes that this performance measure shows how profitable the Company is for its shareholders.
Gross margin	Gross profit in relation to net sales.	Used to measure product and service profitability.
Equity per share	Equity at the end of the period in relation to the number of shares at the end of the period.	Shows Dustin's equity per share.
Acquired growth	Net sales for the relevant period attributable to acquired and divested companies as well as internal customer transfers in conjunction with integration, in relation to net sales for the comparative period.	Acquired growth is eliminated in the calculation of organic growth.
Adjusted EBITA	EBIT according to the income statement before items affecting comparability and amortisation and impairment of intangible assets.	Dustin believes that this performance measure shows the underlying earnings capacity and facilitates comparisons between quarters.
Adjusted EBITDA	EBIT according to the income statement before items affecting comparability and amortisation/depreciation and impairment of intangible and tangible assets.	Dustin believes that this performance measure shows the underlying earnings capacity and facilitates comparisons between periods.
Adjusted EBITDA (excl. IFRS 16)	EBIT according to the income statement before items affecting comparability and amortisation/depreciation and impairment of intangible and tangible assets and excluding the effects of recognition of IFRS 16.	Dustin believes that this performance measure shows the underlying earnings capacity and facilitates comparisons between periods.
Adjusted EBITA margin	Adjusted EBITA in relation to net sales.	This performance measure is used to measure the profitability level of the operations.
Items affecting comparability	Items affecting comparability relate to material income and expense items recognised separately due to the significance of their nature and amounts.	Dustin believes that separate recognition of items affecting comparability increases comparability of EBIT over time.
Cash flow from operating activities	Cash flow from operating activities, after changes in working capital.	Used to show the amount of cash flow generated from operating activities.

Cash flow from operating activities per share	Cash flow from operating activities as a percentage of the average number of shares outstanding.	Used to show the amount of cash flow generated from operating activities per share.
Net working capital	Total current assets less cash and cash equivalents and current non-interest-bearing liabilities at the end of the period.	This performance measure shows Dustin's efficiency and capital tied up.
Net debt	Non-current and current interest-bearing liabilities, excluding acquisition-related liabilities, less cash and cash equivalents at the end of the period.	This performance measure shows Dustin's total interest-bearing liabilities less cash and cash equivalents.
Net debt/EBITDA	Net debt in relation to EBITDA.	This performance measure shows the Company's ability to pay its debt.
Net debt, excl. IFRS 16	Non-current and current interest-bearing liabilities, excluding acquisition-related liabilities and lease liabilities, less cash and cash equivalents at the end of the period.	This performance measure shows Dustin's total interest-bearing liabilities excluding lease liabilities, less cash and cash equivalents.
Organic growth	Growth in net sales for the relevant period adjusted for acquired and divested growth, customer transfers between segments, and currency effects.	Provides a measure of the growth achieved by Dustin in its own right.
Sales growth	Net sales for the relevant period in relation to net sales for the comparative period.	Used to show the development of net sales.
Operating cash flow	Adjusted EBITDA less maintenance investments plus cash flow from changes in working capital.	Used to show the amount of cash flow generated from operating activities and available for payments in connection with dividends, interest and tax.
EBIT	EBIT is a measurement of the company's earnings before income tax and financial items.	This measure shows Dustin's profitability from operations.
Equity/assets ratio	Equity at the end of the period in relation to total assets at the end of the period.	Dustin believes that this measure provides an accurate view of the company's long-term solvency.
Segment results	The segment's operating profit excluding amortisation/depreciation and items affecting comparability.	Dustin believes that this performance measure shows the earnings capacity of the segment.
Capital employed	Working capital plus total assets, excluding goodwill and other intangible assets attributable to acquisitions, and interest-bearing receivables pertaining to finance leasing, at the end of the period.	Capital employed measures utilisation of capital and efficiency.
Maintenance investments	Investments required to maintain current operations excluding financial leasing.	Used to calculate operating cash flow.

Currency effects	The difference between net sales in SEK for the comparative period and net sales in local currencies for the comparative period converted to SEK using the average exchange rate for the relevant period.	Currency effects are eliminated in the calculation of organic growth.
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Glossary

Word/Term	Definition/Calculation
B2B	Pertains to sales to companies and organisations, divided into LCP and SMB according to the definition below.
B2C	Pertains to all sales to consumers.
Central functions	Includes all non-allocated central expenses, including amortisation and depreciation, and excluding items affecting comparability.
Integration costs	Integration costs comprise costs for integrating acquired companies into the Dustin platform. The Dustin platform is defined as integration of e-commerce into the IT platform combined with organisational integration.
Clients	Umbrella term for the product categories computers, mobile phones and tablets.
Contractual recurring sales	Recurring sales of services, such as subscriptions, that are likely to have a duration of several years.
Launch costs	Launch costs comprise the costs for the launch of online retail in the Netherlands.
LCP	Pertains to all sales to large corporate and public sector. As a general rule, this segment is defined as companies and organisations with more than 500 employees or public sector operations.
LTI	Long-term incentive programme that encompasses Group Management and other key individuals at Dustin.
LTM	Last twelve months, also known as rolling 12 months. Refers to going back 12 months regardless of financial year.
SMB	Pertains to all sales to small and medium-sized businesses.

Financial calendar

June 30, 2021

Interim report for the third quarter,
March 1, 2021-May 31, 2021

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October 6, 2021

Year-end report,
September 1, 2020-August 31, 2021

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November 17, 2021

2020/21 Annual Report

December 15, 2021

2020/21 Annual General Meeting

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