



Press release Stockholm, February 20, 2023

Dustin presents updated financial targets and segment reporting

Today, 20 February, Dustin will host a digital Capital Market Update. At today's presentation, Dustin's CEO Thomas Ekman and CFO and incoming CEO Johan Karlsson, together with members of the Group Management, gives a presentation of the company's updated financial targets, updated segment reporting and the company's and the segments' strategic focus.

Updated financial targets

In connection with the Capital Market Update, the company's updated financial targets that have been adopted by the Board are presented.

In recent years, the company has developed through acquisitions and strong growth, which has greatly affected the segment mix compared to the mix that existed when the current financial targets were adopted in connection with the stock market listing in 2015.

The updated targets provide increased transparency, increased growth and cost focus as well as shareholder value and reflect the new segment reporting and the company Dustin is today. The updated targets focus on sustainable and profitable growth, financial stability as well as dividends and consist of:

- Growth in earnings per share of at least 10% (3-year average annual growth rate).
- Net debt of 2.0–3.0 times adjusted EBITDA for the last twelve-month period. (unchanged)
- 25% reduction in CO₂e/MSEK Net Sales in the coming 3-year period. Contributing towards the unchanged 2030 commitment of being fully climate neutral.
- To distribute more than 70 percent of the year's profit, with the company's financial status taken into consideration. (unchanged)

With the following supporting goals regarding growth in earnings per share:

- Organic annual growth in net sales for SMB of 8% and for LCP of 5% (annual average over a 3-year period).
- Achieve a segment margin of at least 6.5% for SMB and at least 4.5% for LCP within the next 3-year period.

The new target for growth in earnings per share replaces the company's previous financial targets of organic annual growth of at least 8% over a business cycle and an adjusted EBITA margin of 5-6%. The target for the capital structure of a net debt in relation to EBITDA of between 2.0 and 3.0 times remains unchanged. The dividend policy is left unchanged with a dividend corresponding to more than 70 percent of the year's net profit, with the company's financial status at the time taken into consideration.

- Through the strong growth Dustin has had in recent years and through the acquisition of Centralpoint we have developed and today have a different segment mix compared to when the previous targets were set in connection with the IPO in 2015. With updated financial targets, we better reflect the company we are today, says Thomas Ekman, CEO of Dustin.
- The updated financial targets focus more clearly on shareholder value and long-term sustainable growth. The high level of ambition is unchanged and takes its origin in our customer mix after the acquisition of Centralpoint. The targets contribute to increased transparency and profitability improvements as we continue to develop Dustin, says Johan Karlsson, CFO and incoming CEO Dustin.

The updated financial targets indicates that a net sales corresponding to approximately SEK 30 billion, an adjusted EBITA of approximately SEK 1.4 billion and an earnings per share of approximately SEK 6.5 will be achieved during the 2025/26 financial year, excluding any acquisitions.

Increased transparency through updated segment reporting

As part of adaptation to the development of the business and the updated financial targets, a change in segment reporting is also implemented with two clear segments SMB and LCP. Former segment B2C is incorporated into segment SMB, as B2C as a share of sales has decreased over time (currently around 2% of net sales) and sales for both customer groups are similar and mainly take place online. As both segments have grown strongly in recent years and are more self-sufficient, a larger proportion of previously reported central functions will be allocated to the segments and the remaining parts consisting of finance, HR, legal and management will be gathered in Corporate functions.

Of the total costs for central functions during the financial year 2021/22 of SEK 984 million, the equivalent of SEK 475 million is allocated to segment LCP and the equivalent of SEK 383 million to segment SMB. The remaining SEK 126 million (corresponding to approximately 0.5% of net sales) is the new base for Corporate functions. That the segments to a greater extent take in the costs, provides increased transparency as well as a higher cost focus where the costs actually arise. The new segment reporting is implemented immediately and will be reported for the first time in the interim report for the second quarter 2022/23, which will be published on 29 March 2023. Historical comparative figures will be published in connection with the interim report for the second quarter.

Debt level and net working capital

The presentation will address the company's current debt level of 4.3 times at the end of the first quarter and the steps to reach the target range of a net debt in relation to adjusted EBITDA of 2.0-3.0 times in the 2023/24 financial year. Furthermore, the net working capital, which at the end of the first quarter amounted to SEK 336 million, and the path to the target of a net working capital of between SEK -100 and -200 million are discussed. Part of this work relates to the company's plan to reduce a temporarily higher inventory level that arose after disruptions in the logistics chains during the past year. The

target is for inventory levels to decrease to approximately SEK 1,100 million by the end of the 2022/23 financial year, compared to SEK 1,610 million at the end of the first quarter.

Integration and synergies

The integration of Centralpoint and Vincere is progressing according to plan and all operations in Benelux operate under the Dustin brand. In the presentation, more details are highlighted regarding the synergies that the company has identified related to the integration. Synergies amounting to a total of SEK 200-220 million are estimated to give full effect in the financial year 2023/24, of which the majority during the latter part of the current financial year.

About Capital Market Update

The event will be held digitally today, 20 February, 2023 at 14.00-15.30 CET.

Registration is mandatory and is done via the link [here](#) The presentation will be held in English and will also be available on the company's website www.dustingroup.com after the event.

*This is one of Dustin's three sustainability commitments for 2030, the other two also remain and include being 100% circular and to have taken 100 actions for social equality.

For additional information, please contact:

Fredrik Sätterström, Head of Investor Relations: fredrik.satterstrom@dustin.se, +46 705 10 10 22

Contact person:

Eva Ernfors, Head of Communication: eva.ernfors@dustin.se, +46 702 58 62 94

This information is information that Dustin Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08:00 CET on February 20, 2023.

About Dustin

Dustin is a leading online based IT partner in the Nordics and the Benelux. We help our customers to stay in the forefront by providing them with the right IT solution for their needs.

We offer approximately 280,000 products with related services to companies, the public sector and private individuals. Sales for the financial year 2021/22 amounted to approximately SEK 23.6 billion and more than 90 per cent of the revenues came from the corporate market.

Dustin has approximately 2,500 employees and has been listed on Nasdaq Stockholm since 2015 with headquarters in Nacka Strand just outside central Stockholm.