

QUARTERLY REPORT



July – September 2020

Third Quarter, Jul – Sep 2020

- Total revenue increased by MSEK 12.2, or 2.3 per cent, to MSEK 548.1 (535.9). Behind this were sales increases in Deltaco, Septon, and Sominis, and a sales decrease in Aurora.
- The sales mix was affected by the pandemic situation, with event restrictions and a shift in demand from traditional trade to e-commerce.
- The gross margin increased to 21.1 per cent (20.0).
- Operating result after depreciation/amortisation (EBIT) increased to MSEK 15.5 (-23.6). The operating result during the third quarter of 2019 was, however, burdened by restructuring costs of MSEK 8.8 and an impairment of an ERP system of SEK 30.2, which resulted in an adjusted EBIT of MSEK 15.4.
- Government support related to Covid-19 had a positive impact on EBIT during the quarter of MSEK 1.0, mostly reported as reduced operating costs.
- The results for the reporting period reduced to MSEK 12.9 (17.7). Notably, in the comparable period, the third quarter of 2019, DistIT Fastigheter AB was divested, which had a positive impact of MSEK 44.5 on the results for the reporting period.
- Earnings per share decreased to SEK 1.03 (1.40).
- Revenue from own branded products (*Sw: EMV*) for the entire DistIT Group increased to MSEK 141.9 (126.9), corresponding to 11.8 per cent.
- Liquid assets as of the end of September totalled MSEK 43.5 (13.9) in cash and MSEK 104.3 in total unused overdraft facilities.

Period Jan – Sep 2020

- Total revenue decreased by MSEK 5.7, or 0.4 per cent, to MSEK 1 618.4 (1 624.1).
- The gross margin reduced to 21.3 per cent (21.8).
- Operating result after depreciation/amortisation (EBIT) increased to MSEK 36.6 (-21.9). The operating result during the period was, however, burdened by restructuring costs of MSEK 25.3 and an impairment of an ERP system of SEK 30.2, which resulted in an adjusted EBIT of MSEK 33.6.
- Government support related to Covid-19 had a positive impact on EBIT during the period of MSEK 8.4, of which MSEK 5.5 was in the form of furlough support reported as other income, and MSEK 1.9 was in the form of other government support that reduced operating costs.
- The results for the period increased to MSEK 21.0 (11.9).
- Earnings per share increased to SEK 1.58 (0.78).
- Revenue from own branded products (*Sw: EMV*) for the entire DistIT Group increased to MSEK 408.1 (356.0), corresponding to 14.6 per cent.

Significant Events in Q3 2020

- No significant events have occurred during the period.

Significant Events After the Reporting Period

- No significant events have occurred after the end of the period.

KEY FINANCIAL RATIOS, MSEK ¹	JUL-SEP		JAN-SEP		FULL YEAR
	2020	2019	2020	2019	2019
Total revenue	548.1	535.9	1 618.4	1 624.1	2 330.9
Operating result before depreciation/amortisation (EBITDA)	22.1	13.1	56.3	26.3	71.4
Operating result after depreciation/amortisation (EBIT)	15.5	-23.6	36.6	-21.9	16.1
Adjusted operating result after depreciation/amortisation (EBIT)	15.5	15.4	36.6	33.6	71.6
Result for the period	12.9	17.7	21.0	11.9	41.4
Gross margin, %	21.1	20.0	21.3	21.8	21.9
Operating margin after depreciation/amortisation (EBIT), %	2.8	-4.4	2.3	-1.3	0.7
Number of employees at the end of the period	255	251	255	251	259
Cash flow from operating activities per share, SEK	-0.05	-0.75	5.43	0.13	-0.80
Earnings per share, SEK ²	1.03	1.40	1.58	0.78	3.12

1) The figures include effects related to the introduction of IFRS 16, and include divested operations (DistIT Fastigheter AB) in the third quarter of 2019.

2) Earnings per share for the period are calculated on the results attributable to the Parent Company shareholders.



A WORD FROM OUR CEO

ALTERED SALES MIX

The DistIT Group increased total sales by 2.3 per cent during the third quarter of 2020, and delivered an operating profit on a par with the corresponding period last year, despite the ongoing pandemic.

Behind this are several, partly discouraging, factors, such as a negative impact from lower demand in traditional trade and severe restrictions on events related to Covid-19, which was, however, offset by stable earnings in other business areas. Parts of the business are also favourably affected in turbulent times, and, with a strong position in the market, we have been able to find new business opportunities together with our customers. Sales to e-commerce and product categories intended for home offices, gaming, and smart homes contributed positively during the quarter.

We are stably equipped financially, with liquid assets of MSEK 43.5, and a net debt that has decreased by MSEK 39.6 to MSEK 142.1 compared with the previous year. This enables a continued focus on our strategic work and provides scope for potential acquisitions that fit this plan.

PORTFOLIO OF NICHE CATEGORIES IN STRUCTURAL GROWTH

The Group's further developed strategic agenda is being implemented, and we are already seeing the effects in that more efficient working methods are able to create new business within the current structure. To realise our vision of being the leading partner for IT, technology and AV products in the Nordic region, and in selected parts of Europe, we will build niche categories consisting of own and external brands within selected product trends. Examples of categories are smart homes, security, electric car infrastructure, gaming, and ergonomic and space-efficient offices. It is there we see that our category range with own and external brands are developing positively, which gives us clear signals that we are on the right track.

STRENGTHENED ESG PROFILE

An important piece of the puzzle in the Group's new strategy is our increased focus on sustainability. We have worked with quality assurance of products for a long time, and have gradually increased the demands on our suppliers. With an increased share of own brands, we gain greater control over the quality and design of products in accordance with our guidelines. Through an improved process for logistics planning, we can greatly reduce the environmental impact of transportation, which also reduces costs. We also see substantial opportunities to strengthen the profiling of our brands with more climate-smart packaging and energy consumption.

CONTINUED FURTHER DEVELOPMENT OF OWN BRANDS

Our development towards more EMV sales, which provides increased control over sales channels and end customers, is driven by our own resources. This is possible because we have added key competencies and now have a management team in line with our strategic approach, and which at the same time contributes to a cost-effective execution where the expertise and know-how remain in the Group.

Execution of the strategic agenda is what will create the real value in DistIT. We are developing a structured project business all the way from the company management teams down to each individual employee. Priority areas are sales work, category development, and logistics flows, at the same time as we shift our focus to new sales channels and exports to Europe.

I look to the future with confidence, and have the conviction that, in line with the roll out, we will create great value for our shareholders, financiers, employees, customers and suppliers. It is an exciting and all-encompassing journey of change, where the effects become apparent over time.

Robert Rosenzweig

A handwritten signature in black ink, appearing to read 'Robert Rosenzweig', written over a thin horizontal line.

FINANCIAL INFORMATION

THIRD QUARTER 2020

REVENUE AND RESULTS

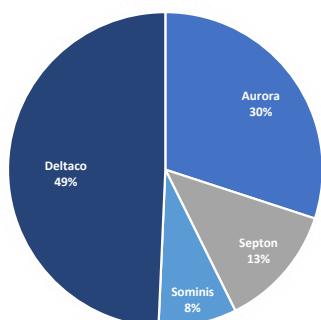
Revenue for the quarter increased to MSEK 548.1 (535.9), which is attributable to revenue increases in Deltaco, Sominis and Septon, and a decrease in Aurora. Covid-19 continued to some extent to affect the market conditions for all subsidiaries to varying degrees, as a result of various government restrictions. Aurora's sales decreased by MSEK 23.6, to MSEK 168.1, and continued to be negatively affected by the exposure to traditional trade, which had a lower demand as a result of the pandemic. Septon, with product sales intended for events, increased its sales by MSEK 0.5, to MSEK 62.4, despite difficult challenges from restrictions. Deltaco's sales increased by MSEK 30.2, to MSEK 281.2, driven by sales to e-commerce, network products and home offices. Sominis continued to have favourable market conditions and increased sales by MSEK 15.8, to MSEK 46.2.

The gross margin increased to 21.1 per cent (20.0) for the DistIT Group, mainly due to a larger share of revenue from EMV, with a higher gross margin compared with the corresponding quarter in 2019.

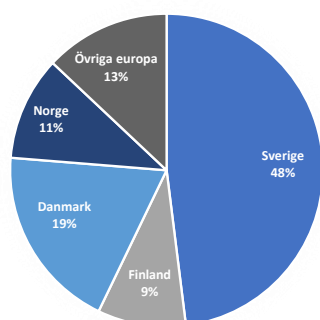
The operating result after depreciation/amortisation (EBIT) increased to MSEK 15.5 (-23.6). The operating result during the third quarter of 2019 was burdened by restructuring costs of MSEK 8.8, which resulted in an adjusted EBIT of MSEK 15.4.

The result for the period increased to MSEK 12.9 (17.7), including results from divested operations in the comparable period.

NET REVENUE PER SUBSIDIARY



NET REVENUE PER COUNTRY



CASH FLOW AND WORKING CAPITAL

Cash flow from operating activities totalled MSEK -0.6 (-9.2). In comparison with the end of June 2020, receivables increased by MSEK 48.1, accounts payable increased by MSEK 92.0 and inventories increased by MSEK 60.9. In total, the change in working capital had a negative effect on the operating cash flow in the quarter working capital of MSEK -16.2 (-24.7).

Working capital at the end of the quarter amounted to MSEK 490.9 (486.4) for the Group as a whole. Working capital as a percentage of 12-month rolling sales at the end of September 2020 amounted to 21.1 per cent (20.7).

COVID-19

Government restrictions on events and reduced traffic in traditional trade had a negative effect on business volume in the quarter. This was offset to some extent by increased sales to e-commerce channels, and by products intended for home offices. The Group's operating result was positively affected by government support of MSEK 1.0 related to Covid-19, of which MSEK 0.8 was attributable to lower employer contributions and rents. The remaining part was related to furlough support, which was reported as other income. The furloughs have ceased, with a few exceptions, at various stages during the quarter, due to increased market activity.

NET LIABILITIES, LIQUID ASSETS AND INVESTMENTS

Interest-bearing net liabilities, excluding leasing liability in accordance with IFRS 16, totalled MSEK 142.1 (181.7) at the end of September 2020. The effect of IFRS 16 constitutes MSEK 35.4 (43.7) for short- and long-term liabilities.

In the fourth quarter of 2019, DistIT changed the accounting principle, where assets and overdraft liabilities are now recognised net, from previously having been recognised gross. Net cash for the Group at the end of September 2020 totalled MSEK 43.5 (13.9) according to the same accounting principle.

The DistIT Group has a so-called cash pool with a credit capacity of MSEK 89.3, of which MSEK 0.8 was used as of the end of September 2020. In addition, the Group has access to MSEK 17.8 in other overdraft facilities, of which MSEK 2.0 was used as of the end of September 2020.

Available liquid assets at the end of September 2020 thereby totalled MSEK 43.5 net cash, and MSEK 104.3 in unused overdraft facilities.

RELATED PARTY TRANSACTIONS

The Group has not conducted any material transactions with related parties during 2020.

ACQUISITION AND GOODWILL

Assessments as to whether there are indications of impairment are made on an ongoing basis. If this is the case, an impairment test is conducted. The company has not, as of 30 September, identified any indications of impairment. As of 30 September 2020, goodwill totalled MSEK 89.7 (91.3).

PERSONNEL

The number of employees totalled 255 (251) at the end of the reporting period.

SIGNIFICANT EVENTS AND UNCERTAINTY FACTORS

The risks and uncertainty factors applicable to DistIT are described on pages 23 to 27 of the 2019 Annual Report. They can also be found on the Company's website, www.distit.se, in the Corporate Governance Report for 2019. Apart from the situation regarding Covid-19, which is described in this report, as well as in the Annual Report and previous quarterly reports for 2020, no significant changes have occurred which would give rise to a change in these descriptions.

PARENT COMPANY

Operations in the Parent Company comprise group management, finance and IR/PR. The Parent Company's revenue, which as a whole is intra-group, totalled MSEK 3.6 (2.3) for the third quarter of 2020. The operating result totalled MSEK -1.8 (-2.1). At the end of the period, the number of employees in the Parent Company totalled 2 (3).

AGM 2020

The Annual General Meeting took place on 20 April 2020 in Stockholm. In view of the significant uncertainty as a result of the spread of Covid-19, the Annual General Meeting decided not to pay a dividend for 2019. For other information about the Annual General Meeting and the decisions made, please refer to the company's communiqué from the Annual General Meeting, which can be read on the company's website.

NOMINATION PREPARATION PRIOR TO THE 2021 AGM

In accordance with guidelines for the Nomination Committee's work in DistIT AB, decided at the Annual General Meeting on 20 April 2020, the Nomination Committee has been constituted on the basis of known ownership in the company as of 31 August 2020. The Nomination Committee's composition was announced in a press release on 22 October, which was six months prior to the 2021 Annual General Meeting.

SUBSIDIARIES

AURORA

Aurora provides added value for Nordic retail trade, e-commerce and B2B by way of EMV distribution and branded products within consumer electronics. Aurora's customers include Clas Ohlson, MediaMarkt, Elgiganten and Salling group.

Revenue during the third quarter of 2020 decreased by 12.3 per cent to MSEK 168.1 (191.7). The decline in Aurora's business volume against the previous period was affected by the discontinuation of some external brands with low-margins, and by the shift from traditional trade to e-commerce in the wake of Covid-19, where Aurora historically has a lower share of business volume. EBIT for the quarter increased to MSEK 8.3 (-0.2). The increase, despite the fall in volume, is mainly due to the effects of the restructuring work carried out in the company, and that the comparable period was burdened with costs for this work.

AURORA ¹	JUL-SEP		JAN-SEP		FULL YEAR
	2020	2019	2020	2019	2019
Net revenue, MSEK	168.1	191.7	493.5	569.9	818.6
Operating result before depreciation/amortisation (EBITDA), MSEK	8.7	0.1	15.1	-9.0	11.1
Operating result after depreciation/amortisation (EBIT), MSEK	8.3	-0.2	14.0	-9.8	9.9
Gross margin, %	23.4	22.8	23.0	22.8	23.0
Operating margin after depreciation/amortisation (EBIT), %	4.9	-0.1	2.8	-1.7	1.2

DELTACO

Deltaco supply quality products within the IT and consumer electronic industry. Deltaco manufactures and markets its own brands Streetz™, DELTACO™, Nordic Home™ and DELTACO Gaming™. The customer base consists of, among others, ATEA, Kjell & Company, Dustin, Mediamarkt and OKQ8.

Revenue during the third quarter of 2020 increased by 12.0 per cent to MSEK 281.2 (251.0). The gross margin in the quarter decreased to 18.9 per cent (19.2), as a result of a volume increase in network products with a significantly lower margin. EBIT for the quarter increased to MSEK 8.9 (-20.9), which includes costs in the organisation for own brands and the new ERP system. The comparable period was burdened with restructuring costs and an impairment of ERP systems.

DELCATO ¹	JUL-SEP		JAN-SEP		FULL YEAR
	2020	2019	2020	2019	2019
Net revenue, MSEK	281.2	251.0	810.4	727.8	1 036.4
Operating result before depreciation/amortisation (EBITDA), MSEK	10.8	11.2	33.7	31.0	45.5
Operating result after depreciation/amortisation (EBIT), MSEK	8.9	-20.9	27.7	-4.9	7.4
Gross margin, %	18.9	19.2	19.6	20.5	20.4
Operating margin after depreciation/amortisation (EBIT), %	3.2	-8.3	3.4	-0.7	0.7

1) An organisational merger between Aurora and Deltaco was completed during the third quarter of 2019 and further integration of the subsidiaries is ongoing.

SEPTON

Septon is a distributor of high-quality audio and video equipment (AV products) intended for the professional market and consumers. The company represents well-known brands, such as Harman Pro, Klipsch and Marantz on the Swedish market. Customers include Dustin, Effektgruppen, SCAN AV and CDON.COM.

Revenue in the third quarter of 2020 increased by 0.8 per cent to MSEK 62.4 (61.9). The increase is attributable to a strong consumer market, however sales continued to be heavily affected by restrictions due to Covid-19, primarily for product sales intended for events. Vigorous measures and a continued focus on costs, however, compensated for this, which led to an operating profit (EBIT) of MSEK 0.7 (2.3) in the quarter.

SEPTON	JUL-SEP		JAN-SEP		FULL YEAR
	2020	2019	2020	2019	2019
Net revenue, MSEK	62.4	61.9	207.7	238.5	351.3
Operating result before depreciation/amortisation (EBITDA), MSEK	0.9	2.5	7.0	10.0	19.9
Operating result after depreciation/amortisation (EBIT), MSEK	0.7	2.3	6.4	9.5	19.3
Gross margin, %	26.9	22.1	27.5	27.8	28.1
Operating margin after depreciation/amortisation (EBIT), %	1.1	3.7	3.1	4.0	5.5

SOMINIS

Sominis Technology UAB, Lithuania, currently acts as a sales partner (B2B) of surplus stock across Europe. Customers are international companies, hardware retailers, the retail trade, online stores, telecommunication companies, and hotel chains.

Revenue during the third quarter of 2020 increased by 52.0 per cent to MSEK 46.2 (30.4). EBIT for the quarter increased to MSEK 2.4 (0.7), due to continued favourable market conditions, especially via digital marketplaces, as a result of the pandemic.

SOMINIS	JUL-SEP		JAN-SEP		FULL YEAR
	2020	2019	2020	2019	2019
Net revenue, MSEK	46.2	30.4	132.1	91.1	133.8
Operating result before depreciation/amortisation (EBITDA), MSEK	2.5	0.8	6.8	3.1	4.6
Operating result after depreciation/amortisation (EBIT), MSEK	2.4	0.7	6.2	2.9	4.0
Gross margin, %	12.9	8.5	11.7	9.3	9.4
Operating margin after depreciation/amortisation (EBIT), %	5.2	2.3	4.7	3.2	3.0

DISTITS SHARE AND OWNERSHIP

PLACE OF LISTING

DistIT's share has been listed on NASDAQ OMX First North since 19 April 2011, and on Nasdaq First North Premier Growth Market ("First North Premier"), previously Nasdaq OMX First North Premier, since 28 April 2015. Companies affiliated with First North Premier are required to have a Certified Adviser, who shall, among other things, be responsible for supervision. Erik Penser Bank AB is DistIT's Certified Adviser.

Share information	
Ticker symbol	DIST
ISIN code	SE0003883800
Number of shares	12 281 961
Trading item	1 share
Voting rights	1 vote per share

SUBSCRIPTION WARRANTS

The 2020 Annual General Meeting approved an offer to senior executives of a maximum of 379 854 subscription warrants, with the accompanying right to subscribe for a maximum of 379 854 new shares in DistIT AB. The subscription warrant programme was fully subscribed and all participants, nine senior executives in DistIT, Aurora, Deltaco and Septon, took their full allocation. The subscription warrants have an exercise price of SEK 50 per share.

An Extraordinary General Meeting of DistIT AB (publ) on 21 February 2019 decided to issue up to a total of 300 000 subscription warrants with a subscription price of SEK 40. Only the CEO of the Company, Robert Rosenzweig, had the right to subscribe for the subscription warrants, who took his full allocation.

More complete information on subscription warrants can be found on DistIT's website.

BOND LOANS

On 3 May 2018, DistIT AB issued a four-year senior unsecured bond loan of MSEK 240 within a framework of MSEK 500. The bond loan matures on 16 May 2022. The bond loan carries a coupon rate of a 3-months' *STIBOR* (Stockholm Interbank Offered Rate) plus 5.0 per cent. The bonds were registered for trading on Nasdaq Stockholm on 6 July 2018. As of 30 September 2020, DistIT AB owns a nominal MSEK 56.4 of its own bond loan.

SHARE FACTS

The closing share price during the third quarter of 2020 varied from SEK 34.2 (38.5) at its lowest, to SEK 44.9 (44.8) at its highest. The closing share price on 30 September 2020 was SEK 42.0 (42.2), corresponding to an increase of 1.2 per cent compared with the closing share price on the last day of trading in 2019. As of 30 September 2020, DistIT's market capitalisation totalled MSEK 518.8 (518.3). The number of DistIT shareholders totalled 6 163 on 30 September 2020. Of these, 392 had more than 1 000 shares each. On average, 10 013 shares (20 215) were traded per trading day during July - September. On 30 September 2020, DistIT's share capital totalled SEK 24 563 922, distributed across 12 281 961 shares.

SHARE DISTRIBUTION, 30 SEPTEMBER 2020

Shareholding	Shareholders	Number of shares
1-500	5 474	424 690
501-1000	297	238 693
1001-5000	276	618 017
5001-10000	40	283 745
10001-15000	21	269 421
15001-20000	10	176 967
20001-	45	10 270 428
Total -	6 163	12 281 961

SHARE DATA

Share data as of the record date	Q1 2020	Q2 2020	Q3 2020
	2020-03-31	2020-06-30	2020-09-30
Share price (SEK)	30.0	34.6	42.0
Market value (MSEK)	368.5	425.0	515.8
Number of shares (pcs.)	12 281 961	12 281 961	12 281 961
Average number of trades per day during the quarter	44	28	35
Average trading volume per day during the quarter (shares/day)	18 181	17 620	10 013
Average revenue per day during the quarter (SEK/day)	695 329	554 348	389 819

10 LARGEST SHAREHOLDERS – 30 SEPTEMBER 2020

NAME	NUMBER OF SHARES	SHARE OF CAPITAL AND VOTES, %
Athanase Industrial Partner	3 211 193	26.1%
Ribbskottet AB	1 541 146	12.5%
Försäkringsaktiebolaget, Avanza Pension	982 204	8.0%
Humle Kapitalförvaltning AB	848 307	6.9%
Theodor Jeansson	515 000	4.2%
Hajskäret Invest AB	358 459	2.9%
TAMT AB	292 051	2.4%
Måns Ola Flodberg	208 870	1.7%
Jonas Mårtensson	200 092	1.6%
Kristoffer Jeansson	200 000	1.6%
Total 10 largest owners	8 357 322	68.0%
Total other owners	3 924 639	32.0%
Total	12 281 961	100.0%

This information is such which DistIT AB (publ) is obliged to publish in accordance with the EU Market Abuse Regulation and the Securities Market Act (Vpml). The information was submitted on 23 October at 08:00 (CET).

CEO'S SIGNATURE

I, the undersigned, confirm that this interim report provides a true and fair view of the Parent Company and the Group's operations, position and performance, and describes significant risks and uncertainties faced by the Parent Company and the companies included in the Group.

23 October 2020, Älvsjö

Robert Rosenzweig
President and CEO

The report has been signed by the President and CEO, following authorisation of the Board of Directors.

FINANCIAL CALENDER 2020

Year-end report 2020, 23 February 2021

Q1 report January - March 2021, 22 April 2021

The Annual General Meeting will take place in Stockholm on 22 April 2021

CONTACTS

Robert Rosenzweig, Group CEO, robert.rosenzweig@distit.se

Philip Gunnarsson, Group CFO, philip.gunnarsson@distit.se

AUDITOR'S REPORT ON THE SUMMARY REVIEW OF THE FINANCIAL INTERIM INFORMATION IN BRIEF (INTERIM REPORT) PREPARED IN ACCORDANCE WITH IAS 34 AND 9 CHAPTER OF THE ANNUAL REPORT ACT (1995:1554)

INTRODUCTION

We have carried out a summary review of the financial interim information in brief (interim report) for DistIT AB (publ), corporate identity number 556116-4384, as of 30 September 2020 and the nine-month period that ended as of this date. The Board of Directors and the CEO are responsible for preparing and presenting this interim report, in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our summary review.

FOCUS AND SCOPE OF THE SUMMARY REVIEW

We carried out our review in accordance with the International Standard on Review Engagements ISRE 2410. A summary review of financial interim information is performed by the Company's chosen auditor. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, carrying out an analytical review, and taking other summary review measures. A summary review has a different focus and a much smaller scope compared with the focus and scope of an audit, in accordance with ISA and good auditing practice in general. The review measures taken during a summary review do not allow us to obtain such assurance that we become aware of all the important circumstances that could have been identified if an audit had been performed. The stated conclusion based on a summary review therefore does not have the certainty that a stated conclusion based on an audit has.

CONCLUSION

Based on our summary review, no circumstances have emerged that give us reason to believe that the interim report, not in all material respects, has been prepared for the Group's part in accordance with IAS 34 and the Swedish Annual Accounts Act, and for the Parent Company's part in accordance with the Swedish Annual Accounts Act.

Stockholm 23 October 2020
Grant Thornton Sweden AB
Daniel Forsgren
Chartered Accountant
Principal Auditor

THE GROUP

INCOME STATEMENT - THE GROUP, MSEK	JUL-SEP		JAN -SEP		FULL YEAR
	2020	2019	2020	2019	2019
Net revenue	547.5	532.6	1 610.3	1 613.6	2 320.6
Other operating income	0.6	3.3	8.1	10.5	10.3
Total revenue	548.1	535.9	1 618.4	1 624.1	2 330.9
Commodities	-432.2	-428.9	-1 273.7	-1 270.7	-1 820.1
Gross result	115.9	107.0	344.7	353.4	510.8
Operating costs	-93.8	-93.9	-288.4	-327.1	-439.4
Operating result before depreciation/amortisation	22.1	13.1	56.3	26.3	71.4
Depreciation tangible assets	-4.4	-4.9	-13.3	-12.9	-17.7
Amortisation intangible assets	-2.2	-31.8	-6.4	-35.3	-37.6
Operating result	15.5	-23.6	36.6	-21.9	16.1
Net financial result	-1.4	-1.0	-10.8	-7.8	-12.0
Result after financial items	14.1	-24.6	25.8	-29.7	4.1
Deferred tax liabilities	0.0	0.0	0.0	0.0	-1.5
Tax on profit for the year	-1.2	-2.6	-4.8	-2.9	-5.7
Profit from continued operations for the period	12.9	-27.2	21.0	-32.6	-3.1
Results from divested operations	0.0	44.9	0.0	44.5	44.5
Results for the period	12.9	17.7	21.0	11.9	41.4
Attributable to:					
Parent company's shareholders	12.7	17.2	19.4	9.6	38.3
Non-controlling interests	0.2	0.5	1.6	2.3	3.1
Results for the period	12.9	17.7	21.0	11.9	41.4
Other comprehensive income					
Translation differences for the period due to conversion of foreign subsidiaries	0.7	1.1	-1.4	5.3	4.4
Total comprehensive income for the period	13.6	18.8	19.6	17.2	45.8
Total comprehensive income attributable to:					
Parent company shareholders	13.4	18.2	18.0	15.3	42.7
Non-controlling interests	0.2	0.6	1.6	1.9	3.1

DATA PER SHARE	JUL-SEP		JAN -SEP		FULL YEAR
	2020	2019	2020	2019	2019
Number of shares					
Number of shares at the end of the period	12 281 961	12 281 961	12 281 961	12 281 961	12 281 961
Average number of shares (before dilution)	12 281 961	12 281 961	12 281 961	12 281 961	12 281 961
Average number of shares (after dilution)	12 281 961	12 281 961	12 281 961	12 281 961	12 281 961
Earnings per share					
Earnings per share for the period (before dilution) ¹ , SEK	1.03	1.40	1.58	0.78	3.12
Earnings per share for the period (after dilution) ¹ , SEK	1.03	1.40	1.58	0.78	3.12
Earnings per share for the period from continued operations ² , SEK	1.05	-2.21	1.71	-2.65	-0.25
Earnings per share for the period from divested operations, SEK	0.00	3.65	0.00	3.62	3.62
Equity per share					
Equity per share at the end of the period, SEK	33.72	29.99	33.72	29.99	32.19

1) The key figure refers to the Parent Company's shareholders earnings per share

2) The key figure refers to earnings per share from continued operations (for the Parent Company's shareholders and non-controlling interests)

THE GROUP

BALANCE SHEET - THE GROUP, MSEK	30 SEPTEMBER		31 DECEMBER
	2020	2019	2019
ASSETS			
Fixed assets			
Goodwill	89.7	91.3	89.8
Other intangible fixed assets	21.3	26.6	24.4
Tangible fixed assets	5.1	6.7	6.2
Right-of-use assets	34.7	43.5	41.4
Financial fixed assets	10.0	10.6	10.2
Total fixed assets	160.8	178.7	172.0
Current assets			
Inventories	422.3	471.4	432.2
Accounts receivable	379.1	346.3	412.6
Other current assets	64.0	54.7	49.0
Cash and bank balances <i>Note 6</i>	43.5	13.9	10.7
Total current assets	908.9	886.3	904.5
TOTAL ASSETS	1069.7	1 065.0	1 076.5
EQUITY AND LIABILITIES			
Equity			
Share capital	24.6	24.6	24.6
Other contributed capital	166.7	164.0	165.8
Retained earnings including results for the period	222.9	179.7	205.0
Total attributable to parent company shareholders	414.2	368.3	395.4
Non-controlling interests	12.5	11.4	12.1
Total equity	426.7	379.7	407.5
Long-term liabilities			
Liabilities to credit institutions	0.0	0.0	0.0
Lease liability	19.7	29.5	26.7
Bond loans <i>Note 3</i>	183.6	183.6	183.6
Deferred tax liability	6.4	7.2	6.3
Other long-term liabilities	0.1	0.4	1.1
Total long-term liabilities	209.8	220.7	217.7
Short-term liabilities			
Liabilities to credit institutions <i>Note 6</i>	2.0	11.1	20.1
Lease liability	15.7	14.2	15.0
Other interest-bearing liabilities	0.0	0.9	0.0
Accounts payable	281.4	306.7	283.0
Accrued expenses and deferred income	41.0	52.3	48.5
Other short-term liabilities	93.1	79.3	84.4
Total short-term liabilities	433.2	464.6	451.3
TOTAL EQUITY AND LIABILITIES	1 069.7	1 065.0	1 076.5

THE GROUP

CHANGES IN EQUITY - THE GROUP, MSEK	JUL-SEP		JAN-SEP		FULL YEAR
	2020	2019	2020	2019	2019
Opening balance equity	413.2	361.3	407.5	374.8	374.8
Effect of transition to IFRS 16	0.0	-0.3	0.0	-0.3	-0.3
Issue of subscription warrants	0.0	0.0	0.9	1.4	1.4
Dividend	0.0	-0.2	-0.6	-12.5	-12.5
Non-controlling interests	-0.4	0.7	0.9	1.0	1.0
Total result for the period attributable to parent company shareholders	13.9	18.2	18.0	15.3	43.1
Closing balance equity	426.7	379.7	426.7	379.7	407.5

CASH FLOW STATEMENT SUMMARY - THE GROUP, MSEK	JUL-SEP		JAN-SEP		FULL YEAR
	2020	2019	2020	2019	2019
Operating result	15.5	-23.6	36.6	-21.9	16.1
Adjustment for items not included in the cash flow	7.5	43.6	18.7	52.8	55.8
Net financial result	-1.4	-1.1	-10.8	-8.0	-12.2
Paid tax	-6.0	-3.4	-16.3	-13.9	-9.6
Change in total working capital	-16.2	-24.7	38.5	-7.4	-59.9
Cash flow from operating activities	-0.6	-9.2	66.7	1.6	-9.8
Change in tangible and intangible fixed assets	-3.9	9.2	-15.4	-20.5	-19.0
Change in financial fixed assets	2.9	-0.1	6.7	-0.7	1.5
Acquisition of subsidiaries/non-controlling interests	0.0	0.0	0.0	0.0	0.0
Cash flow from investment activities	-1.0	9.1	-8.7	-21.2	-17.5
Loan change <i>Note 6</i>	-6.9	-87.4	-24.5	-56.7	-50.5
Dividend to shareholder without controlling interest	0.0	0.0	-0.6	-0.2	-0.2
Dividend/options	0.0	-1.4	0.9	-12.2	-12.2
Cash flow from financing activities	-6.9	-88.8	-24.2	69.1	-62.9
Cash flow for the year continued operations	-8.5	-88.9	33.8	-88.7	-90.2
Cash flow for the year from divested operations	0.0	72.2	0.0	58.4	58.4
Cash flow for the year	-8.5	-16.7	33.8	-30.3	-31.8
Exchange rate difference in liquid assets	-0.3	0.1	-1.0	1.3	-0.4
Change of liquid assets	-8.8	-16.6	32.8	-29.0	-32.2
Reconciliation of change in liquid assets					
Opening balance liquid assets <i>Note 6</i>	52.3	30.5	10.7	42.9	42.9
Closing balance liquid assets <i>Note 6</i>	43.5	13.9	43.5	13.9	10.7
Change of liquid assets	-8.8	-16.6	32.8	-29.0	-32.2

THE PARENT COMPANY

INCOME STATEMENT - THE PARENT COMPANY, MSEK	JUL-SEP		JAN-SEP		HELÅR
	2020	2019	2020	2019	2019
Net revenue	3.6	2.3	12.3	7.4	15.1
Total income	3.6	2.3	12.3	7.4	15.1
Operating costs	-5.3	-4.4	-17.7	-18.9	-24.4
Operating result before depreciation/amortisation	-1.7	-2.1	-5.4	-11.5	-9.3
Amortisation intangible assets	-0.1	0.0	-0.4	0.0	-0.4
Operating result	-1.8	-2.1	-5.8	-11.5	-9.7
Net financial result	1.1	12.5	2.0	10.1	8.9
Result after financial items	-0.7	10.5	-3.8	-1.4	-0.8
Year-end appropriations	0.0	0.0	0.0	0.0	2.0
Result before tax	-0.7	10.5	-3.8	-1.4	1.2
Tax on profit for the year	0.0	0.0	0.0	0.0	0.0
Result for the period	-0.7	10.5	-3.8	-1.4	1.2

BALANCE SHEET - THE PARENT COMPANY, MSEK	30 SEPTEMBER		31 DECEMBER
	2020	2019	2019
ASSETS			
Fixed assets			
Shares in subsidiaries	206.1	206.1	206.1
Other intangible fixed assets	1.3	3.2	1.8
Other fixed assets	7.5	7.5	7.5
Total fixed assets	214.9	216.8	215.4
Current assets			
Receivables from group companies	290.5	292.8	295.8
Other receivables	7.8	9.7	7.1
Cash and bank balances	0.0	0.0	1.2
Total current assets	298.3	302.5	304.1
TOTAL ASSETS	513.2	519.3	519.5
EQUITY AND LIABILITIES			
Equity			
Share capital	24.6	24.6	24.6
Free reserves	305.5	303.3	303.3
Result for the period	-3.7	-1.4	1.2
Total equity	326.4	326.5	329.1
Long-term liabilities			
Bond loans	183.6	183.6	183.6
Total long-term liabilities	183.6	183.6	183.6
Short-term liabilities			
Accounts payable	0.2	1.7	0.6
Liabilities to group companies	0.0	0.0	0.0
Accrued expenses and deferred income	2.8	7.3	5.3
Other short-term liabilities	0.2	0.2	0.9
Total short-term liabilities	3.2	9.2	6.8
TOTAL EQUITY AND LIABILITIES	513.2	519.3	519.5

FINANCIAL INFORMATION SUMMARY

	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
INCOME STATEMENT (MSEK)	2020	2020	2020	2019	2019	2019	2019	2018
Total revenue	548.1	505.4	564.9	706.8	535.9	532.7	555.5	723.6
Result								
Gross result	115.9	111.8	117.0	157.4	107.0	127.0	119.4	157.1
Operating result before depreciation/amortisation (EBITDA)	22.1	18.3	15.9	45.1	13.1	2.6	10.6	35.0
Operating result after depreciation/amortisation (EBIT)	15.5	11.7	9.4	38.0	-23.6	-3.1	4.8	31.9
Result for the period continued operations	12.9	3.8	4.3	29.5	-27.2	-6.5	1.1	21.9
Result for the period operations under sale	0.0	0.0	0.0	0.0	44.9	-0.4	0.0	0.0
Margin and return measurements in %								
Gross margin, %	21.1	22.1	20.7	22.3	20.0	23.8	21.5	21.7
EBIT margin, %	2.8	2.3	1.7	5.4	-4.4	-0.6	0.9	4.4
ROCE, %	2.4	1.8	1.4	5.8	-3.8	-0.5	0.8	4.9
ROE, %	3.0	0.9	1.0	7.2	-7.2	-1.8	0.3	5.8
BALANCE SHEET (MSEK)								
Assets								
Total fixed assets	160.8	166.2	174.8	172.0	178.7	203.3	197.3	194.3
Total current assets	908.9	799.5	892.9	904.5	886.3	854.2	886.9	1 015.9
Assets in operations under sale	0.0	0.0	0.0	0.0	0.0	64.5	65.6	0.0
Total assets	1 069.7	965.7	1 067.7	1 076.5	1 065.0	1 122.0	1 149.8	1 210.2
Equity and liabilities								
Total equity	426.7	413.2	416.7	407.5	379.7	361.3	378.4	374.8
Total long-term liabilities	209.8	212.3	216.1	217.7	220.7	222.3	224.0	238.9
Total short-term liabilities	433.2	340.2	434.9	451.3	464.6	491.7	498.1	596.5
Liabilities in operations under sale	0.0	0.0	0.0	0.0	0.0	46.7	49.3	0.0
Total equity and liabilities	1 069.7	965.7	1 067.7	1 076.5	1 065.0	1 122.0	1 149.8	1 210.2
FINANCIAL MEASURES								
Cash flow from operating activities per share, SEK	-0.05	0.85	4.63	-0.93	-0.75	-2.43	3.31	4.52
Earnings per share, SEK	1.03	0.26	0.29	2.34	1.40	-0.66	0.04	1.69
Interest-bearing net debt, including leasing in accordance with IFRS 16	-177.5	-175.3	-187.3	-234.7	-225.4	-274.6	-225.2	-233.3
Interest-bearing net debt, excluding leasing in accordance with IFRS 16	-142.1	-137.3	-146.1	-193.0	-181.7	-229.9	-178.5	-233.3
Debt/equity ratio - times	0.4	0.4	0.4	0.6	0.6	0.8	0.6	0.6
Solvency %	39.9	42.8	39.0	37.9	35.7	32.2	32.9	31.0
Share price, SEK	42.0	34.6	30.0	41.5	42.2	44.2	44.0	36.4
CASH FLOW								
Net from continued operations	-0.6	10.4	56.9	-11.4	-9.2	-29.9	40.7	55.5
Investment operations	-1.0	1.9	-9.6	3.7	9.1	-27.7	-2.6	-2.9
Financial operations	-6.9	-16.1	-1.2	11.5	-88.7	53.6	-33.9	-12.1
Cash flow from divested operations	0.0	0.0	0.0	0.0	72.2	-1.7	-12.1	0.0
Cash flow for the period	-8.5	-3.8	46.1	3.8	-16.6	-5.7	-7.9	40.5

DEFINITIONS

Total revenue and Revenue	Net revenue, including currency effects and other operating income.
Gross margin	The gross result as a percentage of the net revenue for the period.
EBITDA	(Earnings Before Interest, Taxes, Depreciation, and Amortisation) The operating result after depreciation and amortisation.
Interest-bearing net debt	Liabilities to credit institutions, bond loans and other interest-bearing liabilities, less cash and bank balances.
EBIT margin	(Earnings Before Interest and Taxes) The operating result after depreciation/amortisation as a percentage of the net revenue for the period.
ROCE	(Return on Capital Employed) The operating result after depreciation/amortisation divided by employed capital
ROE	(Return on Equity) The net result for the period after tax divided by equity
Cash flow from operating activities per share	Cash flow from operating activities divided by the average number of shares during the period
Earnings per share	The net result for the period divided by the average number of shares during the period.
Solvency	Equity as a percentage of total assets at the end of the period
Debt/equity ratio	Net interest-bearing liabilities in relation to equity at the end of the period
Other comprehensive income	Translation differences for the period due to conversion of foreign subsidiaries.
Working capital as a percentage of a 12-month rolling revenue	Total of inventories, accounts receivable and accounts payable as a percentage a 12-month rolling revenue.
Total working capital	Total of inventories, accounts receivable and accounts payable, as well as other current assets and other short- term liabilities.

NOTES

NOTE 1 - ACCOUNTING PRINCIPLES

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations of the IFRS Interpretations Committee (IFRS IC) as endorsed by the EU. The Group has also applied the Swedish Financial Reporting Board recommendation RFR 1, Supplementary Accounting Rules for Groups. This interim report has been prepared in accordance with the Swedish Annual Accounts Act (ÅRL), and IAS 34, Interim Financial Reporting, for the Group, and in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendations RFR 2, Accounting for Legal Entities, for the Parent Company. The accounting principles applied for the Group and the Parent Company are consistent with those used in the preparation of the latest Annual Report.

DistIT applies IFRS 16 according to the simplified transition method from the transition date 1 January 2019. In accordance with the standard, comparative figures have not been recalculated, but rather the accumulated effect of the transition is reported as an opening balance adjustment on 1 January 2019.

In accordance with IAS 20, government grants are reported in the income statement when there is reasonable assurance that the company will meet the requirements that come with the grants and that the grants will be received. Government grants have been reported as other income and reduction of operating expenses and increased interim receivables.

New or revised IFRS standards and interpretative statements for 2020 have had no material effect on the Group's financial position, results or disclosures.

NOTE 2 - PLEDGED COLLATERAL FOR OWN PROVISIONS AND LIABILITIES, MSEK:

LIABILITIES TO CREDIT INSTITUTIONS	GROUP		PARENT COMPANY	
	2020-09-30	2019-12-31	2020-09-30	2019-12-31
Company mortgages	75.0	73.0	5.0	5.0
Shares in subsidiaries	254.5	232.8	180.6	180.6
Assets pledged as collateral security	15.6	28.6	0.0	0.0
Other guarantees	21.7	4.7	0.0	0.0

NOTE 3 - BOND LOAN

On 3 May 2018, DistIT AB issued a four-year senior unsecured bond loan of MSEK 240 within a framework of MSEK 500. The bond loan matures on 16 May 2022. The bond loan carries a coupon rate of three months' STIBOR (Stockholm Interbank Offered Rate) plus 5.0 per cent. The bonds were registered for trading at Nasdaq Stockholm on 6 July 2018. As of 30 September 2020, DistIT AB nominally owns MSEK 56.4 of its own bond loans. The loan is reported net of SEK 183.6 million in the balance sheet.

NOTE 4 – SEGMENT INFORMATION AND DETAILS ON CATEGORIES OF REVENUE AND EBIT

Revenue per segment	JUL-SEP		JAN-SEP		FULL YEAR
	2020	2019	2020	2019	2019
Aurora	168.1	191.7	493.5	569.9	818.6
Deltaco	281.2	251.0	810.4	727.8	1 036.4
Septon	62.4	61.9	207.7	238.5	351.3
Sominis	46.2	30.4	132.1	91.1	133.8
Other/eliminations	-9.8	0.9	-25.3	-3.2	-9.2
Total	548.1	535.9	1 618.4	1 624.1	2 330.9

Revenue per country	JUL-SEP		JAN-SEP		FULL YEAR
	2020	2019	2020	2019	2019
Sweden	266.3	251.2	777.2	808.3	1 138.4
Finland	50.5	52.3	147.8	147.4	205.6
Denmark	99.9	106.7	309.5	311.7	464.7
Norway	54.4	70.8	173.8	203.1	302.3
The rest of Europe	77.0	54.9	210.1	153.6	219.9
Total	548.1	535.9	1 618.4	1 624.1	2 330.9

EBIT per segment	JUL-SEP		JAN-SEP		FULL YEAR
	2020	2019	2020	2019	2019
Aurora	8.3	-0.2	14.0	-9.8	9.9
Deltaco	8.9	-20.9	27.7	-4.9	7.4
Septon	0.7	2.3	6.4	9.5	19.3
Sominis	2.4	0.7	6.2	2.9	4.0
Other/eliminations	-4.8	-5.5	-17.7	-19.6	-24.5
Total	15.5	-23.6	36.6	-21.9	16.1

NOTE 5 - EXCHANGE RATE DIFFERENCES

Exchange rate differences of an operating nature are reported in accordance with IFRS in operating income as other operating income/expenses. This refers to all currency differences that arise as a result of commitments to customers and suppliers. Other exchange rate differences are classified as financials, which include, among other things, exchange rate differences on loans and bank balances in foreign currencies.

Currency adjustments due to the conversion of foreign operations are reported in "Other comprehensive income".

NOTE 6 - ADJUSTMENT TO RECOGNISING LIQUID ASSETS

The DistIT Group has previously recognised liquid assets in accordance with the principle that bank accounts within the cash pool of subsidiaries have been reported with their gross values, i.e. a positive account has been reported as current assets and negative accounts as current liabilities. As of the fourth quarter 2019, the Group has changed the accounting principle so that the Group's cash pool is reported in its entirety as liquid assets in the Parent Company. The subsidiaries' share of the cash pool accounts is recognised as a short-term receivable or liability in relation to the Parent Company.

The amounts previously recognised as of the end of June 2019 for liquid assets and short-term liabilities to credit institutions were MSEK 129.3 and MSEK 126.6 respectively.

The amounts previously reported in the cash flow statement were as follows; Q3 2019: loan change MSEK -75.8, opening balance liquid assets MSEK 177.8, closing balance liquid assets MSEK 129.3.

ENGLISH VERSION

This English version of the Q3 report is provided as a service, and is therefore superseded by the original publication in Swedish in the event of any discrepancies.