

YEAR-END REPORT 2020

January – December 2020

Fourth quarter, Oct – Dec 2020

- Total revenue increased by MSEK 33.0, or 4.7 per cent, to MSEK 739.8 (706.8). Behind this were sales increases in Aurora, Deltaco and Sominis, and a sales decrease in Septon.
- The sales mix in the Group was positively affected by strong demand for consumer electronics, Aurora's and Deltaco's strategy within concepts of own brands, and the fact that the pandemic situation continued to drive the shift from traditional retail to e-commerce. On the other hand, government restrictions continued to have a negative effect on those parts of the business that are focused on the partially shut-down traditional retail within Aurora, and on events within Septon.
- The gross margin increased to 23.5 per cent (22.3).
- The operating result after depreciation/amortisation (EBIT) increased to MSEK 50.8 (38.0), or 33.7 per cent.
- Government support related to Covid-19 had a positive impact on EBIT of MSEK 0.5 during the quarter.
- The results for the reporting period increased to MSEK 37.0 (29.5).
- Earnings per share increased to SEK 2.99 (2.34).
- Revenue from own branded products (*Sw: EMV*) for the entire DistIT Group increased to MSEK 221.1 (151.2), corresponding to 46.2 per cent compared to the previous period, and to a share of total revenue of 29.9 per cent (21.4).
- Liquid assets as of the end of December amounted to MSEK 53.7 (10.7) in cash and MSEK 84.2 (82.0) in unused overdraft facilities.
- Interest-bearing net debt, excluding leasing liabilities in accordance with IFRS 16, amounted to MSEK 127.0 (193.0) at the end of December 2020.

Full year, Jan – Dec 2020

- Total revenue increased by MSEK 27.3, or 1.2 per cent, to MSEK 2 358.2 (2 330.9).
- The gross margin increased to 22.0 per cent (21.9).
- The operating result after depreciation/amortisation (EBIT) increased to MSEK 87.4 (16.1). The operating result for the period 2019 was, however, burdened by restructuring costs of MSEK 25.3, and an impairment of an ERP system of MSEK 30.2 (not affecting cash flow), which resulted in an adjusted EBIT of MSEK 71.6. For the full year 2020, EBIT increased by 22.1 per cent against the adjusted EBIT for 2019.
- Government support related to Covid-19 had a positive impact on EBIT during the period of MSEK 8.9, of which MSEK 5.5 was in the form of furlough support reported as other income, and MSEK 3.4 in the form of other government support that reduced the operating costs.
- The results for the reporting period increased to MSEK 58.0 (41.4).
- Earnings per share increased to SEK 4.57 (3.12).
- Revenue from own branded products (*Sw: EMV*) for the entire DistIT Group increased to MSEK 629.2 (507.2), an increase of 24.0 per cent compared to the previous period, and a share of total revenue of 26.7 per cent (21.8).

Significant events in Q4 2020

- On 8 December 2020, DistIT purchased its own bond for a nominal MSEK 18.0 at an average cost of 99.75 per cent of nominal value. Subsequently, DistIT owns MSEK 74.4 of its outstanding bond totalling MSEK 240.0.

Significant events after the end of the year

- The Board of Directors proposes a dividend of SEK 2.00 (0.00) per share for the 2020 financial year.

KEY FINANCIAL RATIOS, MSEK	OCT – DEC		JAN – DEC	
	2020	2019	2020	2019
Total revenue	739.8	706.8	2 358.2	2 330.9
Operating result before depreciation/amortisation (EBITDA)	57.6	45.1	113.9	71.4
Operating result after depreciation/amortisation (EBIT)	50.8	38.0	87.4	16.1
Adjusted operating result after depreciation/amortisation (EBIT)	50.8	38.0	87.4	71.6
Result for the reporting period	37.0	29.5	58.0	41.4
Gross margin, %	23.5	22.3	22.0	21.9
Operating margin after depreciation/amortisation (EBIT), %	6.9	5.4	3.7	0.7
Number of employees at the end of the reporting period	259	259	259	259
Cash flow from operating activities per share, SEK	1.95	-0.93	7.38	-0.80
Earnings per share, SEK ¹	2.99	2.34	4.57	3.12

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



A WORD FROM OUR CEO

FINANCIAL PERFORMANCE

DistIT ended the year with a record quarter and achieved an operating result after depreciation/amortisation (EBIT) of MSEK 50.8, which was 33.7 per cent higher than the corresponding period in 2019. EBIT for the full year 2020 amounted to MSEK 87.4 (71.6 adjusted). This equalled the upper ranges of the preliminary figures published on 18 January. The result was the highest in the company's history, on both a quarterly and annual basis. This is proof that our strategy is working, the transition is paying off, and we are on the right track.

The business impact effects of Covid-19, such as constraints on traditional retail and logistics disruptions, had a limited impact on the fourth quarter. However, we see increased constraints at the beginning of 2021, with resulting store closures in several Nordic countries. This will affect both demand and supply of goods. We are, however, financially strong, and the companies have invested a great deal of energy in logistics and delivery planning. Sales will also continue to focus on relevant channels that have been shown to work during closures, such as e-commerce and grocery stores.

The profitability of the group is strengthened by the increased cost efficiency, which is a result of restructuring and improvement work. The efficiency will become even more apparent with increased volume. In December, we purchased MSEK 18.0 of our own bond.

AURORA AND DELTACO

The Group's focus on own brands (Sw: EMV) is developing across the field and accounted for 29.9 per cent (21.4) of the total sales for DistIT in the fourth quarter of 2020. The upgrade from the so-called 'Private label' to own brands has been successful, and we see that our EMV concepts are doing well, even in completely new channels.

A selection of how our new concepts develop:

- Deltaco Smart Home was launched in 2020 and there have already been 85 000 downloads of the app to date, which gives us a stable base in the market. Sales of Deltaco Smart Home amounted to MSEK 30.2 in 2020.
- The profiling of our gaming brands L33t Gaming and Deltaco Gaming is strengthened by, among other things, sponsorship of Nordic gaming events, competitions, and our own webshop for L33t Gaming. The sale of the two brands amounted to MSEK 96.9 during 2020, which represents a growth of 49.5 per cent against the previous year.

- We continue to build our position in other trends, such as home offices, electric car charging, and digitisation within B2B.

SEPTON

We are making a similar transition in Septon as was made in Aurora and Deltaco, and confidently look forward as to how the business will develop after Covid-19. The major features of the Septon strategy are work on efficiency, with a changed organisation and a common business system (ERP), which was implemented during the fourth quarter of 2020. In addition, we are placing great emphasis on developing our own brands, even within Septon, which will provide a gradual effect over time.

CONTINUED FOCUS ON SUSTAINABILITY

The work with sustainability is progressing, and we see even greater opportunities to be able to influence this through increased product ownership. We are proud to have been selected as a top supplier in terms of environment and sustainability by our major customer, ATEA. Positive customer reviews are very important and affirm that our focus on sustainability is appreciated.

THE WAY AHEAD

Covid-19 will continue to create uncertainty in the short-term for all DistIT's subsidiaries with regard demand and supply of goods. However, we continue our chosen path with the implementation of our long-term strategy. The past year's proof that our strategy is working gives us strength, and we look to the future with great optimism.

The absolute strength of the DistIT Group, with approximately 6 000 active customers in the Nordic and Baltic countries, including almost all major players, creates a fantastic platform for our continued development. We therefore continue our chosen path of building brands within structural trends to offer to existing and new customers.

With a refined strategy and a strong financial position, we can also develop our acquisition agenda more efficiently.

I want to take this opportunity to thank all employees, customers, suppliers, and investors for a fantastic 2020!

CEO DistIT AB, Robert Rosenzweig

IMPROVEMENT WORK WITHIN THE SEPTON GROUP, IN LINE WITH AURORA AND DELTACO

Following the successful improvement work in Aurora and Deltaco, a similar project is now being implemented in Septon.

A common ERP project for the Septon Group was completed during the fourth quarter of 2020. The focus is on identifying the most successful and efficient processes for achieving cost synergies and includes a new centralised organisation. In addition, the offer is improved with new complementary brands, external as well as own. Septon is taking further steps to expand its range with its own brand, Tight AV, as part of accessories for professional installations. This is done through collaboration with other product development and marketing in Aurora's and Deltaco's already established organisation.

Septon's lower EBIT of MSEK 8.5 for the full year 2020 is largely due to government restrictions because of Covid-19, which has limited event activities. In 2019, Septon's EBIT amounted to MSEK 19.3. A new, more cost-effective organisation with a common platform was introduced during the year. In line with the launch of an ever-increasing range of own brands, Septon has sound potential to deliver good results when the restrictions ease.

Operating costs and inventory depreciation within the framework of the restructuring work within the Septon Group amounted to MSEK 2.4 in the fourth quarter of 2020.

Consumer products have had a higher share of the sales mix during the pandemic, which has resulted in a slightly lower total gross margin.

DistIT estimates that the Septon Group will be able to achieve an operating result after depreciation/amortisation (EBIT) of 8 - 10 per cent in relation to revenue in normal market conditions.

FINANCIAL INFORMATION

FOURTH QUARTER 2020

REVENUE AND RESULTS

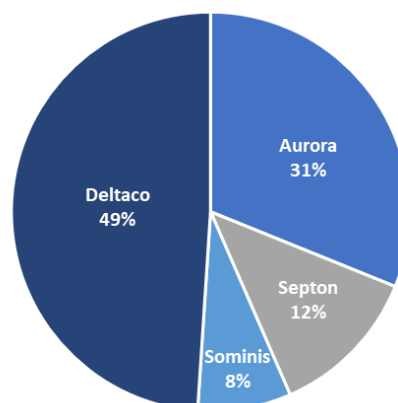
Revenue for the quarter increased to MSEK 739.8 (70.,8), attributable to revenue increases in Aurora, Deltaco and Sominis, and a decrease in revenue in Septon. Covid-19 continued to affect market conditions for all subsidiaries, though to varying degrees, due to government restrictions. Septon, with product sales intended for events, among other things, reduced its revenue by MSEK 23.8 to MSEK 89.0, which is an effect of the restrictions that limit event activities. Aurora's sales increased by MSEK 5.5 to MSEK 254.1, which was an effect of successful measures in the transition to e-commerce and continued healthy demand for consumer electronics. Deltaco's revenue increased by MSEK 57.6 to MSEK 366.2, driven by strong demand for consumer electronics in product categories such as Gaming and Networks. Sominis continued to have favourable market conditions and increased sales by MSEK 7.7 to MSEK 50.4.

The gross margin increased to 23.5 per cent (22.3) for the DistIT Group, mainly due to an increased share of own brands with strong sales in the Christmas shopping period and during 'Black Friday'.

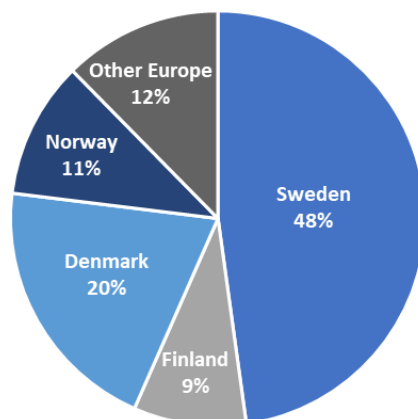
The operating result after depreciation/amortisation (EBIT) increased to MSEK 50.8 (38.0).

The result for the quarter increased to MSEK 37.0 (29.5).

NET REVENUE PER SUBSIDIARY



NET REVENUE PER COUNTRY



CASH FLOW

Cash flow from operating activities amounted to MSEK 23.9 (-11.4). In comparison with the end of September 2020, receivables increased by MSEK 79.2, accounts payable increased by MSEK 55.8 and inventories increased by MSEK 8.7. In total, the change in working capital had a negative effect on the operating cash flow during the quarter of MSEK -30.5 (8.0).

A repurchase of own bonds during the fourth quarter had a negative effect on cash flow of MSEK 18.0.

COVID-19

Government restrictions have continued to limit all event activities and reduced traffic in traditional trade, which had a negative effect on business volume in the quarter, although more limited restrictions gradually improved the situation from October to December.

FULL YEAR JAN – DEC 2020

REVENUE AND RESULTS

Revenue for the period January to December increased to MSEK 2 358.2 (2 330.9). Deltaco and Sominis increased their revenue by MSEK 140.2 and MSEK 48.7, respectively, while Aurora and Septon reduced their revenue by MSEK 71.0 and MSEK 54.6, respectively.

The gross margin for the period increased to 22.0 per cent (21.9).

The operating result after depreciation/amortisation (EBIT) increased to MSEK 87.4 (16.1). The operating result for the period 2019 was, however, burdened by restructuring costs of MSEK 25.3, and an impairment of a previous ERP systems with MSEK 30.2 (not affecting cash flow), which resulted in an adjusted EBIT of MSEK 71.6.

The result for the period increased to MSEK 58.0 (41.4), where the result from the divested operations of MSEK 44.5 is included in the comparative figure.

CASH FLOW AND WORKING CAPITAL

Cash flow from operating activities amounted to MSEK 90.6 (-9.8). In comparison with the end of December 2019, receivables increased by MSEK 45.7, accounts payable increased by MSEK 54.2, and inventories decreased by MSEK 1.2. In total, the change in working capital had a positive effect on the operating cash flow of MSEK 8.0 (-59.9).

Working capital at the end of the year amounted to MSEK 514.8 (526.4) for the Group as a whole. Working capital as a percentage of 12-month rolling sales at the end of December 2020 amounted to 21.8 per cent (22.6).

Cash flow from investment activities was affected by the change in tangible and intangible fixed assets by MSEK -20.1 (-19.0). Investments in tangible fixed assets were affected by MSEK -17.5 (2.4), and investments in intangible fixed assets by MSEK -2.6 (-15.9).

A repurchase of own bonds during 2020 had a negative effect on cash flow of MSEK 18.0.

COVID-19

The general uncertainty that Covid-19 has created in the market and the government restrictions that have been introduced in the countries where the DistIT Group operates have had a negative effect on business volume during the period January to December 2020. Significant negative effects have been event restrictions and store closures. The negative effects have been offset by an increased focus on e-commerce and increased sales of products that have benefited from market conditions, such as products intended for home offices, and other home electronics, such as products within Gaming and Smart Homes. The Group's operating result was positively affected by government support related to Covid-19 of MSEK 8.9, of which MSEK 5.5 was in the form of furlough support reported as other income, and MSEK 3.4 in the form of other government support which reduced operating costs. The furloughs ceased during the second and third quarters, with a few exceptions, due to increased market activity and when lower staffing was deemed to have a negative effect on business development.

The Group continues to monitor the situation regarding the pandemic and plans logistics according to demand and supply of goods.

NET LIABILITIES AND LIQUID ASSETS

Interest-bearing net liabilities, excluding leasing liability in accordance with IFRS 16, amounted to MSEK 127.0 (193.0) at the end of December 2020. The effect of IFRS 16 constitutes MSEK 32.5 (41.7) 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 December 2020 amounted to MSEK 53.7 (10.7) 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 15.1 was used as of the end of December 2020. In addition, the Group has access to MSEK 10.5 in other overdraft facilities, of which MSEK 0.5 was used as of the end of December 2020.

Available liquid assets at the end of December 2020 thereby amounted to MSEK 53.7 net cash, and MSEK 84.2 in unused overdraft facilities.

RELATED PARTY TRANSACTIONS

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

ACQUISITION AND GOODWILL

Goodwill is tested on an ongoing basis to identify any impairment needs and is recognised at acquisition value less accumulated impairments. The impairment test carried out at the turn of the year showed that there was no need for impairment. Covid-19 has been considered in the impairment test. Goodwill as of 31 December 2020 amounted to MSEK 89.5 (89.8).

PERSONNEL

The number of employees totalled 259 (259) 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 is intra-group, amounted to MSEK 4.0 (7.8) for the fourth quarter of 2020. The operating result amounted to MSEK -2.6 (1.9). At the end of the period, the number of employees in the Parent Company totalled 2 (3).

DIVIDEND

The Board of Directors proposes a dividend of SEK 2.00 (0.00) per share for the 2020 financial year.

The Board intends to annually propose a dividend, or other equivalent value transfer, which shall amount to 30-50 per cent of the profit after tax. The dividend proposal is prepared in the light of a strengthened balance sheet and the company's completed work on efficiency, which has created the conditions for increased earnings. Consideration has also been given to the value-creating initiatives the company is facing within its own brands, as well as uncertainties related to Covid-19.

AGM 2020

The Annual General Meeting took place on 20 April 2020 in Stockholm. In view of the significant uncertainty because 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 found on the company's website.

NOMINATION COMMITTEE PRIOR TO THE AGM 2021

Prior to the 2021 Annual General Meeting, the Nomination Committee consists of Anders Bladh (appointed and representing Ribbskottet AB), Daniel Nyhren (Athanase), Carl Rosvall (appointed and representing Hajsikäret Invest AB) and Stefan Charette (Chairman of the Board of DistIT AB). Daniel Nyhren is the Chair of the Nomination Committee. The Nomination Committee represents approximately 43 per cent of the number of shares and votes. Anders Bladh and Stefan Charette are both board members of the company and represent shareholders, each with more than ten per cent of the shares and votes. The Nomination Committee thereby deviates from the "Swedish Code of Corporate Governance". The reason for this deviation is that participation in the Nomination Committee is a central aspect of the exercise of ownership of shares in the company. The Nomination Committee represents a broad experience of working on boards and nomination procedures. The Nomination Committee has held two minute-recorded meetings. An account of the Nomination Committee's work and principles will be provided in the Nomination Committee's proposal and observations prior to the 2021 Annual General Meeting, which will be published in conjunction with the notice of the Annual General Meeting, which is expected to be published in the second half of March 2021.

SUBSIDIARIES

AURORA

Through the distribution of EMV and branded products within consumer electronics, Aurora provides added value for Nordic retail trade, e-commerce and B2B. Aurora's customers include, among others, Elgiganten, COOP, Power and Salling group.

Revenue during the fourth quarter of 2020 increased by 2.2 per cent to MSEK 254.1 (248.6). The increase in Aurora's revenue can be attributed to increased sales to e-commerce, where Aurora historically has had a lower share of business volume. The gross margin increased to 25.2 per cent (23.5), which is a result of an increased share of own brands.

The operating result after depreciation/amortisation (EBIT) for the quarter increased to MSEK 23.2 (19.8). The increase in EBIT, in addition to an increased sales volume, is mainly because of restructuring work carried out in the company.

AURORA ¹	OCT – DEC		JAN – DEC	
	2020	2019	2020	2019
Net revenue, MSEK	254.1	248.6	747.6	818.6
Operating result before depreciation/amortisation (EBITDA), MSEK	23.7	20.1	38.8	11.1
Operating result after depreciation/amortisation (EBIT), MSEK	23.2	19.8	37.3	9.9
Gross margin, %	25.2	23.5	23.7	23.0
Operating margin after depreciation/amortisation (EBIT), %	9.1	7.9	5.0	1.2

DELTACO

Deltaco distributes quality products within IT and consumer electronics. Deltaco develops and markets, among other things, its own brands Streetz™, DELTACO™, Nordic Home™ and DELTACO Gaming™. The customer base consists of, among others, ATEA, Dustin, Mediamarkt and Webhallen.

Revenue during the fourth quarter of 2020 increased by 18.7 per cent to MSEK 366.2 (308.6). The gross margin in the quarter increased to 21.5 per cent (20.1) because of a volume increase of EMV. EBIT for the quarter increased to MSEK 27.7 (12.3), which is a result of increased efficiency and cost control.

DELTACO ¹	OCT – DEC		JAN – DEC	
	2020	2019	2020	2019
Net revenue, MSEK	366.2	308.6	1 176.6	1 036.4
Operating result before depreciation/amortisation (EBITDA), MSEK	29.6	14.5	63.3	45.5
Operating result after depreciation/amortisation (EBIT), MSEK	27.7	12.3	55.4	7.4
Gross margin, %	21.5	20.1	20.2	20.4
Operating margin after depreciation/amortisation (EBIT), %	7.6	4.0	4.7	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), and lighting equipment, intended for the professional market and consumers. The company represents well-known brands, such as Harman Pro, Klipsch and Marantz. Customers include Dustin, Effektgruppen, SCAN AV and CDON.COM.

Revenue during the fourth quarter of 2020 decreased by 21.1 per cent to MSEK 89.0 (112.8). The decrease in revenue is attributable to government restrictions due to Covid-19, above all, product sales intended for events were negatively affected. The gross margin decreased to 27.1 per cent (29.0), due to an increased share of business volume to consumers. EBIT decreased to MSEK 2.1 (9.8) in the quarter.

SEPTON	OCT – DEC		JAN – DEC	
	2020	2019	2020	2019
Net revenue, MSEK	89.0	112.8	296.7	351.3
Operating result before depreciation/amortisation (EBITDA), MSEK	2.5	9.9	9.5	19.9
Operating result after depreciation/amortisation (EBIT), MSEK	2.1	9.8	8.5	19.3
Gross margin, %	27.1	29.0	27.4	28.1
Operating margin after depreciation/amortisation (EBIT), %	2.4	8.7	2.9	5.5

SOMINIS

Sominis Technology UAB, Lithuania, is a sales partner to distributors of products within IT, office supplies and consumer electronics. Customers are international companies within hardware sales, the retail trade, e-commerce, telecommunications, and hotels.

Revenue during the fourth quarter of 2020 increased by 18.0 per cent to MSEK 50.4 (42.7). EBIT for the quarter increased to MSEK 3.1 (1.1), which was a result of continued favourable market conditions, especially via digital marketplaces.

SOMINIS	OCT – DEC		JAN – DEC	
	2020	2019	2020	2019
Net revenue, MSEK	50.4	42.7	182.5	133.8
Operating result before depreciation/amortisation (EBITDA), MSEK	3.3	1.5	10.0	4.6
Operating result after depreciation/amortisation (EBIT), MSEK	3.1	1.1	9.3	4.0
Gross margin, %	12.4	9.7	11.9	9.4
Operating margin after depreciation/amortisation (EBIT), %	6.1	2.6	5.1	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. As the average share price during the period was lower than the exercise price, the number of shares with any dilution effect is not reported. The maximum dilution effect is 5.5 per cent.

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.

SHARE DATA

	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Share data as of the record date	2020-03-31	2020-06-30	2020-09-30	2020-12-31
Share price (SEK)	30.0	34.6	42.0	47.4
Market value (MSEK)	368.5	425.0	515.8	582.2
Number of shares (pcs.)	12 281 961	12 281 961	12 281 961	12 281 961
Average number of trades per day during the quarter	44	28	39	58
Average trading volume per day during the quarter (shares/day)	18 181	17 620	10 774	14 761
Average revenue per day during the quarter (SEK/day)	695 329	554 348	422 847	605 643

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 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 December 2020, DistIT AB owns a nominal MSEK 74.4 of its own bond.

SHARE FACTS

The closing share price during the year varied from SEK 26.7 (29.9) at its lowest, to SEK 47.5 (50.0) at its highest. The closing share price on 30 December 2020 was SEK 47.4 (41.5), corresponding to an increase of 14.22% compared with the closing share price on the last day of trading in 2019. As of 30 December 2020, DistIT's market capitalisation amounted to MSEK 582.2 (509.7).

The number of DistIT shareholders totalled 6 254 on 30 December 2020. Of these, 421 had more than 1 000 shares each. On average, 15 252 shares (23 295) were traded per trading day during 2020. On 30 December 2020, DistIT's share capital amounted to SEK 24 563 922, distributed across 12 281 961 shares.

SHARE DISTRIBUTION, 31 DECEMBER 2020

Shareholding	Shareholders	Number of shares
1-500	5 512	441 376
501-1000	321	255 429
1001-5000	305	700 383
5001-10000	41	296 729
10001-15000	23	293 522
15001-20000	8	141 719
20001-	44	10 152 803
Total	6 254	12 281 961

10 LARGEST SHAREHOLDERS – 31 DECEMBER 2020

NAME	NUMBER OF SHARES	SHARE OF CAPITAL AND VOTES, %
Athanase Industrial Partner	3 211 193	26.1%
Ribbskottet AB	1 550 000	12.6%
Försäkringsaktiebolaget, Avanza Pension	1 023 996	8.3%
Humle Kapitalförvaltning AB	705 176	5.7%
Theodor Jeansson	501 254	4.1%
Hajskäret Invest AB	358 459	2.9%
TAMT AB	292 051	2.4%
Måns Ola Flodberg	202 000	1.6%
Jonas Mårtensson	200 092	1.6%
Kristoffer Jeansson	200 000	1.6%
Total 10 largest owners	8 244 221	67.1%
Total other owners	3 924 639	32.9%
Total	12 281 961	100.0%

This information is that 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 February 2021 at 08:00 (CET).

This quarterly report has not been subject to review by DistIT's auditors.

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 February 2021, 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 2021

The Annual Report 2020 is published on the Company's website no later than three weeks before the Annual General Meeting (week 14).

Q1 report January - March 2021, 29 April 2021

The Annual General Meeting will take place in Stockholm on 29 April 2021

Q2 report January – June 2021, 18 August 2021

Q3 report January – September 2021, 22 October 2021

CONTACTS

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THE GROUP

INCOME STATEMENT - THE GROUP, MSEK	OCT – DEC		JAN – DEC	
	2020	2019	2020	2019
Net revenue	739.8	707.0	2 350.1	2 320.6
Other operating income	0.0	-0.2	8.1	10.3
Total revenue	739.8	706.8	2 358.2	2 330.9
Commodities	-565.7	-549.4	-1 839.4	-1 820.1
Gross result	174.1	157.4	518.8	510.8
Operating costs	-116.5	-112.3	-404.9	-439.4
Operating result before depreciation/amortisation	57.6	45.1	113.9	71.4
Depreciation tangible assets	-4.6	-4.8	-17.9	-17.7
Amortisation intangible assets	-2.2	-2.3	-8.6	-37.6
Operating result	50.8	38.0	87.4	16.1
Net financial result	-7.7	-4.2	-18.5	-12.0
Result after financial items	43.1	33.8	68.9	4.1
Deferred tax	-1.1	-1.5	-1.1	-1.5
Tax on profit for the year	-5.0	-2.8	-9.8	-5.7
Results for the period from continued operations for the period	37.0	29.5	58.0	-3.1
Results from divested operations	0.0	0.0	0.0	44.5
Results for the period	37.0	29.5	58.0	41.4
Attributable to:				
Parent company's shareholders	36.7	28.7	56.1	38.3
Non-controlling interests	0.3	0.8	1.9	3.1
Results for the period	37.0	29.5	58.0	41.4
Other comprehensive income				
Translation differences for the period due to conversion of foreign subsidiaries	-9.7	-0.9	-11.1	4.4
Total comprehensive income for the period	27.3	28.6	46.9	45.8
Total comprehensive income attributable to:				
Parent company shareholders	27.0	27.8	45.0	42.7
Non-controlling interests	0.3	0.8	1.9	3.1

DATA PER SHARE	OCT – DEC		JAN – DEC	
	2020	2019	2020	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
Average number of shares (before dilution)	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
Earnings per share				
Earnings per share for the period (before dilution) ¹ , SEK	2.99	2.34	4.57	3.12
Earnings per share for the period (after dilution) ¹ , SEK	2.99	2.34	4.57	3.12
Earnings per share for the period from continued operations ² , SEK	3.01	2.4	4.72	-0.25
Earnings per share for the period from divested operations, SEK	0.00	0.0	0.00	3.62
Equity per share				
Equity per share at the end of the period, SEK	36.00	32.19	36.00	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	31 DECEMBER	
	2020	2019
ASSETS		
Fixed assets		
Goodwill	89.5	8,8
Other intangible fixed assets	18.8	24.4
Tangible fixed assets	5.7	6.2
Right-of-use assets	31.8	41.4
Financial fixed assets	6.3	10.2
Total fixed assets	152.1	172.0
Current assets		
Inventories	431.0	432.2
Accounts receivable	458.3	412.6
Other current assets	57.6	49.0
Cash and bank balances	53.7	10.7
Total current assets	1 000.6	904.5
TOTAL ASSETS	1 152.7	1 076.5
EQUITY AND LIABILITIES		
Equity		
Share capital	24.6	24.6
Other contributed capital	164.9	165.8
Retained earnings including results for the period	252.7	205.0
Total attributable to parent company shareholders	442.2	395.4
Non-controlling interests	12.6	12.1
Total equity	454.8	407.5
Long-term liabilities		
Provision	1.0	0.0
Lease liability	17.4	26.7
Bond loan <i>Note 3</i>	16,6	183.6
Deferred tax liability	5.9	6.3
Other long-term liabilities	0.0	1.1
Total long-term liabilities	189.9	217.7
Short-term liabilities		
Liabilities to credit institutions	15.1	20.1
Lease liability	15.1	15.0
Accounts payable	337.2	283.0
Accrued expenses and deferred income	45.7	48.5
Other short-term liabilities	94.9	84.4
Total short-term liabilities	508.0	451.3
TOTAL EQUITY AND LIABILITIES	1 152.7	1 076.5

THE GROUP

CHANGES IN EQUITY - THE GROUP, MSEK	OCT – DEC		FULL YEAR	
	2020	2019	2020	2019
Opening balance equity	426.7	379.7	407.5	374.8
Effect of transition to IFRS 16	0.0	-0.3	0.0	-0.3
Issue of subscription warrants	0.0	0.0	0.9	1.4
Dividend	0.0	-0.2	-0.6	-12.5
Non-controlling interests	1.1	0.5	2.0	1.0
Total result for the period attributable to parent company shareholders	27.0	27.8	45.0	43.1
Closing balance equity	454.8	407.5	454.8	407.5

CASH FLOW STATEMENT SUMMARY - THE GROUP, MSEK	OCT – DEC		FULL YEAR	
	2020	2019	2020	2019
Operating result	50.8	38.0	87.4	16.1
Adjustment for items not included in the cash flow	1.7	3.0	20.4	55.8
Net financial result	-7.7	-4.2	-18.5	-12.2
Paid tax	.,6	4.3	-6.7	-9.6
Change in total working capital	-30.5	-52.5	8.0	-59.9
Cash flow from operating activities	23.9	-11.4	90.6	-9.8
Change in tangible and intangible fixed assets	-4.7	1.5	-20.1	-19.0
Change in financial fixed assets	2.8	2.2	9.5	1.5
Acquisition of subsidiaries/non-controlling interests	0.0	0.0	0.0	0.0
Cash flow from investment activities	-1.9	3.7	-10.6	-17.5
Loan change <i>Note 6</i>	-8.9	6.2	-33.4	-50.5
Dividend to shareholder without controlling interest	0.0	0.0	-0.6	-0.2
Dividend/options	0.0	0.0	0.9	-12.2
Cash flow from financing activities	-8.9	6.2	-33.1	-62.9
Cash flow for the year continued operations	13.1	-1.5	46.9	-90.2
Cash flow for the year from divested operations	0.0	0.0	0.0	58.4
Cash flow for the year	13.1	-1.5	46.9	-31.8
Exchange rate difference in liquid assets	-2.9	-1.7	-3.9	-0.4
Change of liquid assets	10.2	-3.2	43.0	-32.2
Reconciliation of change in liquid assets				
Opening balance liquid assets <i>Note 6</i>	43.5	13.9	10.7	42.9
Closing balance liquid assets <i>Note 6</i>	53.7	10.7	53.7	10.7
Change of liquid assets	10.2	-3.2	43.0	-32.2

THE PARENT COMPANY

INCOME STATEMENT - THE PARENT COMPANY, MSEK	OCT – DEC		FULL YEAR	
	2020	2019	2020	2019
Net revenue	4.0	7.8	16.3	15.1
Total income	4.0	7.8	16.3	15.1
Operating costs	-6.3	-5.5	-24.0	-24.4
Operating result before depreciation/amortisation	-2.3	2.3	-7.7	-9.3
Amortisation intangible assets	-0.3	-0.4	-0.8	-0.4
Operating result	-2.6	1.9	-8.4	-9.7
Net financial result	-2.5	-1.2	-0.5	8.9
Result after financial items	-5.1	0.7	-8.9	-0.8
Appropriations	34.7	2.0	34.7	2.0
Result before tax	29.6	2.7	25.8	1.2
Tax on profit for the year	-3.7	0.0	-3.7	0.0
Result for the period	25.9	2.7	22.1	1.2

BALANCE SHEET - THE PARENT COMPANY, MSEK	31 DECEMBER		31 DECEMBER	
	2020		2019	
ASSETS				
Fixed assets				
Shares in subsidiaries		206.6		206.1
Other intangible fixed assets		1.1		1.8
Other fixed assets		3.8		7.5
Total fixed assets		211.5		215.4
Current assets				
Receivables from group companies		305.2		295.8
Other receivables		5.0		7.1
Cash and bank balances		0.0		1.2
Total current assets		310.2		304.1
TOTAL ASSETS		521.7		519.5
EQUITY AND LIABILITIES				
Equity				
Share capital		24.6		24.6
Non-restricted reserves		305.5		303.3
Result for the period		22.1		1.2
Total equity		352.2		329.1
Long-term liabilities				
Bond loan		165.6		183.6
Total long-term liabilities		165.6		183.6
Short-term liabilities				
Accounts payable		0.2		0.6
Liabilities to group companies		0.0		0.0
Accrued expenses and deferred income		3.3		5.3
Other short-term liabilities		0.4		0.9
Total short-term liabilities		3.9		6.8
TOTAL EQUITY AND LIABILITIES		521.7		519.5

FINANCIAL INFORMATION SUMMARY

	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
INCOME STATEMENT (MSEK)	2020	2020	2020	2020	2019	2019	2019	2019
Total revenue	739.8	548.1	505.4	564.9	706.8	535.9	532.7	555.5
Result								
Gross result	174.1	115.9	111.8	117.0	157.4	107.0	127.0	119.4
Operating result before depreciation/amortisation (EBITDA)	57.6	22.1	18.3	15.9	45.1	13.1	2.6	10.6
Operating result after depreciation/amortisation (EBIT)	50.8	15.5	11.7	9.4	38.0	-23.6	-3.1	4.8
Result for the period continued operations	37.0	12.9	3.8	4.3	29.5	-27.2	-6.5	1.1
Result for the period operations under sale	0.0	0.0	0.0	0.0	0.0	44.9	-0.4	0.0
Margin and return measurements in %								
Gross margin, %	23.5	21.1	22.1	20.7	22.3	20.0	23.8	21.5
EBIT margin, %	6.9	2.8	2.3	1.7	5.4	-4.4	-0.6	0.9
ROCE, %	7.6	2.4	1.8	1.4	5.8	-3.8	-0.5	0.8
ROE, %	8.1	3.0	0.9	1.0	7.2	-7.2	-1.8	0.3
BALANCE SHEET (MSEK)								
Assets								
Total fixed assets	152.1	160.8	166.2	174.8	172.0	178.7	203.3	197.3
Total current assets ¹	1 000.6	908.9	799.5	892.9	904.5	886.3	854.2	886.9
Assets in operations under sale	0.0	0.0	0.0	0.0	0.0	0.0	64.5	65.6
Total assets	1 152.7	1 069.7	965.7	1 067.7	1 076.5	1 065.0	1 122.0	1 149.8
Equity and liabilities								
Total equity	454.8	426.7	413.2	416.7	407.5	379.7	361.3	378.4
Total long-term liabilities	189.9	209.8	212.3	216.1	217.7	220.7	222.3	224.0
Total short-term liabilities ²	508.0	433.2	340.2	434.9	451.3	464.6	491.7	498.1
Liabilities in operations under sale	0.0	0.0	0.0	0.0	0.0	0.0	46.7	49.3
Total equity and liabilities	1 152.7	1 069.7	965.7	1 067.7	1 076.5	1 065.0	1 122.0	1 149.8
FINANCIAL MEASURES								
Cash flow from operating activities per share, SEK	1.95	-0.05	0.85	4.63	-0.93	-0.75	-2.43	3.31
Earnings per share, SEK	2.99	1.03	0.26	0.29	2.34	1.40	-0.66	0.04
Interest-bearing net debt, including leasing in accordance with IFRS 16	-159.5	-177.5	-175.3	-187.3	-234.7	-225.4	-274.6	-225.2
Interest-bearing net debt, excluding leasing in accordance with IFRS 16	-127.0	-142.1	-137.3	-146.1	-193.0	-181.7	-229.9	-178.5
Debt/equity ratio - times	0.3	0.4	0.4	0.4	0.6	0.6	0.8	0.6
Solvency %	39.5	39.9	42.8	39.0	37.9	35.7	32.2	32.9
Share price, SEK	47.4	42.0	34.6	30.0	41.5	42.2	44.2	44.0
CASH FLOW								
Net from continued operations	23.9	-0.6	10.4	56.9	-11.4	-9.2	-29.9	40.7
Investment operations	-1.9	-1.0	1.9	-9.6	3.7	9.1	-27.7	-2.6
Financial operations	-8.9	-6.9	-16.1	-1.2	6.2	-88.7	53.6	-33.9
Cash flow from divested operations	0.0	0.0	0.0	0.0	0.0	72.2	-1.7	-12.1
Cash flow for the period	13.1	-8.5	-3.8	46.1	-1.5	-16.6	-5.7	-7.9

1) As of the fourth quarter 2019, the Group has changed the accounting principle so that the Group's cash pool is recognised net 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.

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 loan and other interest-bearing liabilities, less cash and bank balances.
EBIT margin	(<i>Earnings Before Interest and Taxes</i>) The operating result after depreciation/amortisation as a percentage of the net revenue for the period.
ROCE	(<i>Return on Capital Employed</i>) The operating result after depreciation/amortisation divided by employed capital
ROE	(<i>Return on Equity</i>) 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, except that the accounting principle for government support has been added, see below.

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	
	2020-12-31	2019-12-31	2020-12-31	2019-12-31
Company mortgages	75.6	73.0	5.0	5.0
Shares in subsidiaries	256.4	232.8	180.6	180.6
Assets pledged as collateral security	17.6	28.6	0.0	0.0
Other guarantees	21.2	4.7	0.0	0.0

The decrease in the Group's pledged assets is due to inventory consolidation within the Septon Group, and the increase in other guarantees is largely attributable to supplier guarantees within the Deltaco Group.

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 31 December 2020, DistIT AB nominally owns

MSEK 74.4 of its own bond loan. The loan is reported net as MSEK 165.6 in the balance sheet.

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

Revenue per segment	OCT – DEC		JAN – DEC	
	2020	2019	2020	2019
Aurora	254.1	248.6	747.6	81.6
Deltaco	366.2	308.6	1 176.6	1 036.4
Septon	89.0	112.8	296.7	351.3
Sominis	50.4	42.7	182.5	133.8
Other/eliminations	-19.9	-5.9	-45.2	-9.2
Total	739.8	706.8	2 358.2	2 330.9

Revenue per country	OCT – DEC		JAN – DEC	
	2020	2019	2020	2019
Sweden	350.3	330.1	1 127.5	1 138.4
Finland	59.5	58.2	207.3	205.6
Denmark	170.4	153.0	479.9	464.7
Norway	77.7	99.2	251.5	302.3
The rest of Europe	81.9	66.3	292.0	219.9
Total	739.8	706.8	2 358.2	2 330.9

EBIT per segment	OCT – DEC		JAN – DEC	
	2020	2019	2020	2019
Aurora	23.2	19.8	37.3	9.9
Deltaco	27.7	12.3	55.4	7.4
Septon	2.1	9.8	8.5	19.3
Sominis	3.1	1.1	9.3	4.0
Other/eliminations	-5.3	-5.0	-23.1	-24.5
Total	50.8	38.0	87.4	16.1

NOTE 5 – EXCHANGE RATE DIFFERENCES

Exchange rate differences of an operating nature are reported in accordance with IFRS in operating result as other operating income/costs. This refers to all currency differences that arise because 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 – LOAN CHANGE

A change in loans during 2020 amounts to MSEK -33.4 (-50.5), of which MSEK -18.0 (-46.4) is a repurchase of own bond, MSEK -9.2 (-5.0) is amortisation of the leasing debt, and lower liabilities to credit institutions of MSEK -6.2 (-0.9).

ENGLISH VERSION

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