



INTERIM REPORT
JANUARY – JUNE 2022
www.distit.se

Q2

INTERIM REPORT FOR THE SECOND QUARTER, 2022

1 APRIL – 30 JUNE 2022

- Operating income increased by MSEK 64.4, or 11.8 per cent, to MSEK 609.8 (545.3). EFUEL contributed MSEK 73.4 to the increase. Excluding currency effects, operating income increased by 11.3 per cent.
- The gross margin amounted to 20.3 per cent (21.0). Excluding currency effects, the gross margin amounted to 21.2 per cent (21.1).
- EBITA decreased by MSEK 11.0 to MSEK -6.0 (5.0), including restructuring costs of MSEK 4.1 related to the merger of Aurora Deltaco. Adjusted EBITA amounted to MSEK -1.9 (5.0). Excluding currency effects, adjusted EBITA amounted to MSEK 2.8 (5.9).
- The result for the period decreased to MSEK -10.8 (-2.9), and the earnings per share before dilution reduced to SEK -0.76 (-0.25).
- Revenue from own brand labels (OBL) for the entire DistIT Group increased to MSEK 165.0 (154.0), corresponding to an increase of 7.1 per cent, and to a share of operating income of 27.1 per cent (28.2).
- Liquid assets at the end of June 2022 amounted to MSEK 32.8 (MSEK 35.6 at the end of December 2021) in cash and bank balances, as well as MSEK 89.0 (MSEK 94.4 at the end of December 2021) in unused overdraft facilities. Interest-bearing net liabilities, including leasing liabilities, amounted to MSEK 386.6 at the end of June 2022 (MSEK 380.7 at the end of December 2021).

1 JANUARY – 30 JUNE 2022

- Operating income increased by MSEK 127.8, or 11.7 per cent, to MSEK 1 222.7 (1 094.9). EFUEL contributed MSEK 127.8 to the increase. Excluding currency effects, operating income increased by 11.5 per cent.
- The gross margin amounted to 21.1 per cent (21.5). Excluding currency effects, the gross margin amounted to 21.7 per cent (22.0).
- EBITA decreased by MSEK 13.5 to MSEK 4.9 (18.4), including restructuring costs of MSEK 4.1 related to the merger of Aurora Deltaco. Adjusted EBITA amounted to MSEK 9.0 (18.4). Excluding currency effects, adjusted EBITA amounted to MSEK 15.9 (23.8).
- The result for the period decreased to MSEK -10.4 (8.5), and the earnings per share before dilution reduced to SEK -0.75 (0.73).
- Revenue from own brand labels (OBL) for the entire DistIT Group increased to MSEK 335.8 (306.6), corresponding to an increase of 9.5 per cent, and to a share of operating income of 27.5 per cent (28.0).

SIGNIFICANT EVENTS DURING THE SECOND QUARTER, 2022

- Tomas Fällman was appointed as the new CFO and member of the group management for DistIT AB (publ) with effect from 1 August 2022. Former CFO, Philip Gunnarsson, chose to resign his employment for a new assignment outside the company but will remain during the third quarter.
- Cost synergies were announced within Aurora Deltaco in conjunction with the merger of the companies, which is expected to lead to annual cost savings of a total of MSEK 22, and related one-off costs of a total of MSEK 9, distributed over the second and third quarters of 2022. Please refer to the press release from 29 April 2022 on DistIT AB's (publ) website. One-off costs related to the programme during the second quarter amounted to MSEK 4.1, and the quarter had a less positive effect from the cost savings, as part of the programme expired during the month of June.
- Septon Holding AB acquired the minority shareholding of 15 per cent in LiteNordic AB.
- The 2022 Annual General Meeting resolved on a dividend of SEK 2.00 (2.00) per share for the financial year 2021, with a mandate until the next Annual General Meeting for the Board of Directors to determine the timing of the dividend. The Board of Directors announced, in connection with the Annual General Meeting, that the dividend would tentatively be implemented during the third quarter of 2022. Due to the continued uncertain economic situation globally, which, among other things, has led to continued uncertainty in the development of demand among end consumers, the Board of Directors has chosen to further investigate the timing of the dividend and will return with confirmation during the fourth quarter of 2022, which is the Group's largest quarter in terms of income, and as such most indicative of the market's development.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- The subscription warrant programme of 450 000 subscription warrants approved by the 2022 AGM was subscribed with 300 000 subscription warrants, distributed among the CEO and other senior executives. The programme was fully subscribed except for the subscription warrants allocated to DistIT's CFO, Philip Gunnarsson, who chose not to subscribe for his share given the end of his employment with the Company.

SELECTED KEY FINANCIAL RATIOS

MSEK	APR-JUN		JAN-JUN		FULL YEAR
	2022	2021	2022	2021	2021
Operating income	609.7	545.3	1 222.7	1 094.9	2 524.2
Gross margin, %	20.3	21.0	21.1	21.5	21.7
EBITA	-6.0	5.0	4.9	18.4	79.5
EBITA margin, %	-1.0	0.9	0.4	1.7	3.1
Adjusted EBITA	-1.9	5.0	9.0	18.4	91.4
Adjusted EBITA margin, %	-0.3	0.9	0.7	1.7	3.6
Result for the period	-10.8	-2.9	-10.4	8.5	44.2
Number of employees at the end of the period	261	246	261	246	264
Cash flow from operating activities per share, SEK	-1.79	-1.34	0.87	-1.59	-7.58
Earnings for the period per share (before dilution), SEK	-0.76	-0.25	-0.75	0.73	3.39
Earnings for the period per share (after dilution), SEK	-0.76	-0.25	-0.75	0.69	3.33

A FEW WORDS FROM OUR CEO

FINANCIAL DEVELOPMENT DURING THE QUARTER

The second quarter was turbulent for large parts of the subsidiaries' markets. The Group's operating income for the second quarter increased by 11.8 per cent to MSEK 609.8. EFUEL increased operating income by 158.3 per cent, compared to the same period last year, with increased market shares. Aurora Deltaco increased sales of own brand labels but decreased total revenue, due to a challenging market climate in trade stemming from inflation, interest rate rises, and geopolitics. In addition, the Company has ceased external distribution within batteries that did not have time to rebuild due to the investments carried out with own and external brands with a higher margin structure. Septon grew its business during the quarter by 27.1 per cent, while Sominis decreased operating income by 3.2 per cent.

The gross margin amounted to 20.3 per cent in the second quarter, compared to 21.0 per cent in the corresponding period last year, or 21.2 per cent (21.1) excluding the currency effect. EFUEL had a negative impact on gross margin via its current business mix. Aurora Deltaco strengthened the gross margin, primarily through an increased share of own brand labels. The gross margins at Septon and Sominis were negatively affected by currency effects and a changed business mix, respectively.

The gross result for the Group increased during the quarter by MSEK 9.3, or MSEK 13.1 excluding currency, but increased operating expenses in relation to the merger of Aurora Deltaco, increased inventory levels and freight costs, as well as investments in growth and software-related service deals, which resulted in an adjusted EBITA of MSEK -1.6 compared to MSEK 5.0 in the corresponding period last year, or MSEK 3.1 against MSEK 5.9, excluding the currency effect.

The restructuring programme in Aurora Deltaco burdened the quarter with MSEK 4.4 in one-off costs. The total announced programme in this phase is estimated to provide MSEK 22 in annual cost savings, against one-off costs of MSEK 9 during the second and third quarters of 2022. The positive effects of the programme will gradually emerge as of June in the current quarter. The programme is also expected to lead to improved commercial working methods, as well as more efficient logistics and inventory management, which will strengthen Aurora Deltaco's business, competitiveness, and cost efficiency during continued growth.

The IT integration of Aurora Deltaco continues and is expected to be completed in the latter part of 2022, with additional efficiency gains as a result. The measures are also the basis for the creation of DistIT Services which, in addition to acting as an operational platform for Aurora Deltaco, is also developed as a synergy platform for other DistIT companies within product development, purchasing, logistics and marketing. This creates added value by realising operational synergy opportunities between the subsidiaries, which leads to increased operational efficiency.

CHALLENGES IN THE ENVIRONMENT AND MEASURE

Environmental factors such as inflation, logistics challenges and component shortages have had direct and secondary effects on DistIT's business with IT accessories, as well as increased inventory costs. In addition, the turbulence in the environment has resulted in volatility for the Swedish krona, which has created challenging conditions for DistIT's margin structure, where prices to customers cannot be increased in Swedish krona at the same rate as increased purchase prices, as there is a varying delay effect on implementation of typically two to three months. The consequence of this has led to a series of activities in the short term which include, among other things, adapting offers to low-cost channels in the Nordic countries where DistIT's own brands have a strong position. Freight and logistics agreements have been renegotiated to take advantage of our group-wide size, and inventory levels are being gradually adjusted to reduce inventory costs and free up capital, but with a balanced focus on maintaining high delivery reliability to customers. Price negotiations with suppliers are in focus, with a close follow-up of exchange rate impacts and implementation of price increases for customers. In addition, activities continue to increase the export business of own brand labels, with sales in Euro and USD, which results in a more balanced currency mix. We also see further cost synergies in the work with the merger of Aurora Deltaco.



DISTIT'S STRATEGY

The Group stands by the pillars of DistIT's strategy, which are (i) growth in megatrends and niche categories, (ii) gross margin expansion through own brand labels (OBL), (iii) establishing service businesses, and (iv) scalability through efficient operational platforms in the subsidiaries. In addition, strategic and tactical investments are carried out within sustainability (v).

(i), (ii): We note that the investment in OBL within megatrends is developing well with a total OBL growth for the Group of approximately 7%, to MSEK 738.8 of rolling 12-month operating income, in an otherwise challenging quarter. This provides a higher base and stronger position for further brand building. In Aurora and Deltaco, OBL accounts for close to 40 per cent of sales, and the range of OBL in EFUEL is expanding in close collaboration with the OBL organisation in Aurora Deltaco. Septon is launching a newly developed range within its own brand Tight, and is currently building a distribution network in Europe. The development of Tight has taken place through collaboration between Septon's marketing and technology departments and Aurora Deltaco's sourcing and logistics organisation.

(iii): The establishment of service businesses is progressing according to plan with EFUEL's newly formed 'tech-team', but there are also other areas where we see opportunities for software-based service revenue. For example, with the Deltaco brand's smart home application for the control of hardware products, which has over 200 000 downloads in Sweden. The concept is being launched on a broad front in other Nordic markets. In this way, the brand moves closer to the end customer, which in the long run creates conditions for recurring revenue and higher margins.

(iv): Aurora Deltaco's merger project is following the plan, and the announced cost synergies are progressing as previously communicated. 2023 will be the year where the scalability of Aurora Deltaco will become visible, and additional cost efficiency will be realised and create better conditions for increased business with a joint offer to the Company's customers. The work on the Septon group's internal merger is in the final phase, and intensive further development of EFUEL's operational platform continues.

(v): The development of the Group's sustainability strategy continues as part of the business, where commercial factors are in line with the sustainability goals of the Companies' customers. We can see that increased focus on, for example, quality assurance, reduced freight costs, and material selection and product categories, make the DistIT Companies even more competitive.

We see that the strategy strengthens the conditions for DistIT to be able to carry out successful synergistic acquisitions.

Älvsjö, 18 August 2022

Robert Rosenzweig
CEO DistIT AB

THE GROUP'S DEVELOPMENT

SECOND QUARTER 2022

INCOME AND RESULT

Operating income for the second quarter of 2022 increased by MSEK 64.4, or 11.8 per cent, to MSEK 609.8 (545.3). Aurora Deltaco's operating income reduced by MSEK 29.8, mainly related to long lead times for delivery of external products combined with a negative impact on demand in B2C channels from increased inflationary pressure and geopolitical factors. In addition, the cessation of external distribution, which has not yet been compensated by the establishment of own brand labels in the category, had an effect. Septon increased operating income by MSEK 22.1 to MSEK 103.7. Sominis reduced operating income by MSEK 1.6 to MSEK 49.0. EFUEL contributed MSEK 73.4 to the increase in operating income. Excluding currency effects, the Group's operating income increased by 11.3 per cent.

Revenue from own brand labels (OBL) for the entire DistIT Group increased to MSEK 165.0 (154.0), corresponding to an increase of 7.1 per cent, and to a share of operating income of 27.1 per cent (28.2). The decrease as a share of total operating income is explained by the fact that EFUEL currently has a lower share of own brand labels.

The gross margin for the second quarter of 2022 amounted to 20.3 per cent (21.0). Aurora Deltaco's gross margin was positively affected by price increases and increased sales of own brand labels. Septon's gross margin was mainly affected by the negative effect from exchange rate movements, compared to a positive effect from exchange rate movements in the comparison period. Furthermore, the gross margin has been negatively affected by a changed sales mix in Sominis, with a lower proportion of products sold with a relatively higher margin, and that EFUEL contributed a relatively lower gross margin compared to the Group as a whole. Excluding currency effects, the gross margin amounted to 21.2 per cent (21.1).

EBITA decreased by MSEK 11.0 to MSEK -6.0 (5.0), including restructuring costs of MSEK 4.1 related to the merger of Aurora Deltaco. The restructuring programme had only a minor positive effect on the second quarter. Adjusted EBITA amounted to MSEK -1.9 (5.0). Excluding currency effects, EBITA amounted to MSEK -1.3 (5.9), and adjusted EBITA to MSEK 2.8 (5.9). EBITA was negatively affected by a combination of reduced business volume in Aurora Deltaco and Sominis, as well as reduced gross margin in Septon and Sominis. In addition, the result was negatively affected by increased operating expenses in Aurora Deltaco related to the relatively larger inventory, increased freight costs, and one-off costs in relation to the merger of the companies (in addition to the above-mentioned restructuring programme).

The result for the period decreased to MSEK -10.8 (-2.9). In addition to the factors influencing EBITA, the result for the period was negatively affected by acquisition-related depreciation and interest on the additional consideration related to the acquisition of EFUEL.

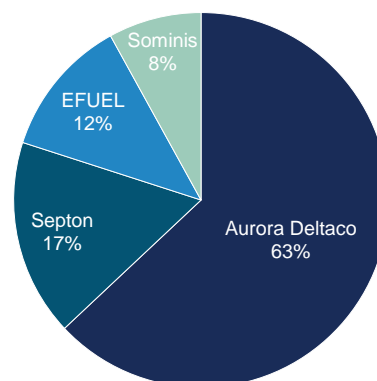
CASH FLOW AND WORKING CAPITAL

Cash flow from operating activities amounted to MSEK -25.2. The change in working capital had a negative effect on cash flow from operating activities during the quarter of MSEK -21.8, where accounts payable was affected by MSEK -40.8, inventory by MSEK 10.1, accounts receivable by MSEK -6.4, and other items by MSEK 15.3.

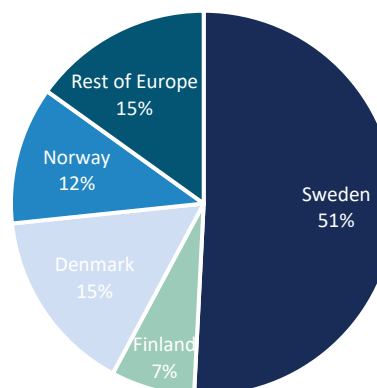
Cash flow from investment activities in the quarter amounted to MSEK -11.8, and consisted for the most part of acquisitions of tangible and intangible fixed assets, for MSEK -7.5 acquisitions of non-controlling interests for MSEK -4.2.

Cash flow from financing activities of MSEK 35.0 (86.3) was mainly affected by the increased use of overdraft facilities of MSEK 39.2 (-20.2). In the comparison period, dividends of MSEK -24.6 and MSEK 134.4, attributable to the Company's redemption of an old bond loan and issuance of a new one, had an effect.

OPERATING INCOME PER SUBSIDIARY



OPERATING INCOME PER COUNTRY



HALF-YEAR, JAN – JUN 2022

INCOME AND RESULT

Operating income for the period January to June 2022 increased by MSEK 127.8, or 11.7 per cent, to MSEK 1 222.7 (1 094.9). Aurora Deltaco's operating income reduced by MSEK 47.4. Septon and Sominis increased operating income by MSEK 47.2 MSEK and MSEK 7.5, respectively. EFUEL contributed MSEK 127.8 to the increase in operating income.

The gross margin for the period amounted to 21.1 per cent (21.5). Excluding currency effects, the gross margin amounted to 21.7 per cent (22.0).

EBITA decreased by MSEK 13.5 to MSEK 4.9 (18.4), including restructuring costs of MSEK 4.1 related to the merger of Aurora Deltaco. Adjusted EBITA amounted to MSEK 9.0 (18.4). Excluding currency effects, adjusted EBITA amounted to MSEK 15.9 (23.8).

The result for the period decreased to MSEK -10.4 (8.5).

CASH FLOW AND WORKING CAPITAL

Cash flow from operating activities amounted to MSEK 12.2 (-19.5). The change in working capital had a positive effect on cash flow from operating activities during the quarter of MSEK 5.9 (-31.9). In comparison with the end of December 2021, accounts payable was affected by MSEK -165.4, inventory by MSEK 23.3, accounts receivable by MSEK 139.3, and other items by MSEK 8.7.

LIQUIDITY AND FINANCIAL POSITION

Available liquid assets at the end of June 2022 amounted to MSEK 32.8 in net cash and MSEK 73.3 in unused overdraft facilities.

Interest-bearing net liability, including leasing liability, amounted to MSEK 386.6 (226.0) as of 30 June 2022. The increase in interest-bearing net liability is mainly attributable to the previously communicated strategy of increasing inventory in Aurora Deltaco in the face of expected supply disruptions from mainly Asian suppliers and the cash payment for the EFUEL acquisition.

For information on the Group's bond loans, see Note 3.

PORTFOLIO COMPANIES' DEVELOPMENT

Aurora Deltaco

Aurora Deltaco is a leading distributor of quality products and accessories in IT, mobility, consumer electronics, networks and data communication in the Nordic region, on its way into Europe. The combination of offering both relevant own brand labels (OBL) and external brands in niche product categories that are in demand in both physical and digital channels creates additional sales with customers, within both B2B and B2C. OBLs include a base range within several product lines and concepts, such as gaming, smart homes, electric car charging, safety and offices. Examples of own brand labels are DELTACO™, DELTACO Gaming™, L33T Gaming™ and Panzer™. The distribution of external brands is developed separately to maintain updated and complete product portfolios.

SELECTED KEY FINANCIAL RATIOS	APR-JUN		JAN-JUN		FULL YEAR
	2022	2021	2022	2021	2021
MSEK					
Operating income	384.9	414.7	795.4	842.8	1 908.4
Gross margin, %	22.3	21.7	22.7	22.5	22.6
EBIT	-4.8	7.8	4.6	26.9	95.1
EBIT margin, %	-1.2	1.9	0.6	3.2	5.0
Adjusted EBIT ¹	-0.7	7.8	8.7	26.9	95.1
Adjusted EBIT margin, % ¹	-0.2	1.9	1.1	3.2	5.0

Operating income in the second quarter of 2022 decreased by 7.2 per cent to MSEK 384.9 (414.7), mainly related to long lead times for delivery of external products combined with a negative impact on demand within B2C channels from increased inflationary pressures and geopolitical factors. In addition, sales were negatively affected by the Company ceasing distribution of an external brand within batteries. The corresponding volume of replacement own and external brands is in place, but requires a gradual build-up to reach the same volume. The investment in own batteries has also been delayed by the global logistical challenges, but began to have an impact at the end of the quarter.

The gross margin increased to 22.3 per cent (21.7), mainly attributable to the fact implemented price increases have begun to cover the increased freight costs, combined with a changed sales mix with an increased share of business volume from own brand labels.

EBIT decreased to MSEK -4.8 (7.8), mainly attributable to reduced business volume, increased inventory and freight costs from the relatively larger inventory and restructuring costs of approximately MSEK 4.1. In addition, one-off costs, besides the restructuring program, related to the merger of the companies burdened EBIT with MSEK 0.4 during the quarter. These costs are not included in the adjusted EBIT for Aurora Deltaco or the DistIT Group.

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 BRL.

SELECTED KEY FINANCIAL RATIOS	APR-JUN		JAN-JUN		FULL YEAR
	2022	2021	2022	2021	2021
MSEK					
Operating income	103.7	81.6	196.6	149.4	352.7
Gross margin, %	19.8	23.3	23.0	22.3	23.0
EBIT	1.1	1.8	5.9	-1.4	9.1
EBIT margin, %	1.1	2.2	3.0	-0.9	2.6

Operating income in the second quarter of 2022 increased by 27.1 per cent to MSEK 103.7 (81.6), mainly attributable to strong sales linked to B2B-oriented business areas. In addition, the company saw continued normalisation of demand in the event industry, which was negatively affected by government restrictions as a result of Covid-19.

EBIT decreased to MSEK 1.1 (1.8), mainly attributable to a deteriorating gross margin combined with an increase in costs for travel and trade fairs that did not exist in the comparison period due to restrictions resulting from Covid-19.

The gross margin decreased to 19.8 per cent (23.3), mainly due to the negative effect from exchange rate movements, compared to a positive effect from exchange rate movements in the comparative period. In addition, a combination of increased purchase prices for strategically important products and a changed sales mix with a continued significant share of business volume towards the consumer segment had a negative effect on the gross margin.

¹ The second quarter of 2022 was negatively affected by restructuring costs of approximately MSEK 4.1.

EFUEL

EFUEL is a hybrid distributor and operator in electric car charging, and its strategy is to expand its revenue streams and operating margin with payment and administration services. This will also build a strong market position towards the end customer, and create a positive margin profile with recurring revenue streams. In addition, the company is building additional positive development of the gross margin through further development of own brand labels in installation products and accessories, such as charging cables. The company's position, with an estimated market share of approximately 30 per cent on sales of charging boxes in Sweden, creates good conditions for continued growth in an expanding domestic market. In addition, EFUEL will gradually add new geographic markets, primarily in the Nordic region and Northern Europe.

SELECTED KEY FINANCIAL RATIOS	APR-JUN	JAN-JUN	FULL YEAR
MSEK	2022	2022	18 AUG – 31 DEC
Operating income	73.4	127.8	65.2
Gross margin, %	18.2	17.9	18.0
EBIT	3.2	6.0	-6.4
EBIT margin, %	4.4	4.7	-9.8
Adjusted EBIT ¹	3.2	6.0	3.6
Adjusted EBIT margin, % ¹	4.4	4.7	5.5

Operating income in the second quarter of 2022 amounted to MSEK 73.4 (28.4), which was an increase of 158.3 per cent, or MSEK 45.0, compared with the second quarter of 2021 (when DistIT did not own the company).

EBIT for the second quarter of 2022 amounted to MSEK 3.2. In addition to the factors affecting gross result, EBIT is also affected by a gradually increasing cost base to support continued growth and the development of service-related software sales.

The gross margin for the second quarter of 2022 amounted to 18.2 per cent, which was negatively affected by delayed deliveries of own goods with a relatively higher margin, as well as continued competitive external distribution of charging boxes, which creates challenges in the short term in offsetting exchange rate changes with price increases.

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.

SELECTED KEY FINANCIAL RATIOS	APR-JUN	JAN-JUN	FULL YEAR
MSEK	2022	2021	2021
Operating income	48.9	50.6	202.0
Gross margin, %	8.9	10.6	11.1
EBIT	0.9	1.3	7.2
EBIT margin, %	1.8	2.5	3.6

Operating income in the second quarter of 2022 decreased by 3.2 per cent to MSEK 48.9 (50.6).

EBIT decreased to MSEK 0.9 (1.3), which was mainly a result of a reduced gross margin.

The gross margin decreased to 8.9 per cent (10.6), mainly due to a changed sales mix with a reduced share of sales of consumer-related goods with a relatively higher margin. Sales and demand for consumer-related products are judged to have decreased, primarily due to uncertainties as a result of the ongoing geopolitical situation and increased inflationary pressure.

¹ The second quarter of 2022 was negatively affected by restructuring costs of approximately MSEK 4.1.

OTHER FINANCIAL INFORMATION

EXCHANGE RATE DIFFERENCES

Exchange rate differences of an operating nature are reported in the operating result as other operating income/expenses. This includes all currency differences that arise due to commitments to customers and suppliers. Other exchange rate differences are classified as financial, which include exchange rate differences on loans and bank balances in foreign currencies. Currency adjustments due to the translation of foreign operations are reported in other comprehensive income.

The quarter's exchange rate differences of an operating nature amounted to MSEK -4.7 (-0.9).

ACQUISITIONS, DIVESTMENTS AND GOODWILL

The value of goodwill is assessed on an ongoing basis in order to identify any need for impairment, and is reported at acquisition value less accumulated impairments. The Company has not identified any indications of impairment as of 30 June. Goodwill as of 30 June 2022 amounted to MSEK 376.5 (90.2), of which MSEK 283.4 is attributable to the acquisition of EFUEL, see page 20.

During the second quarter, the minority share of 15 per cent in LiteNordic AB was acquired, and the transaction is reported in the Group's equity as a transaction with the owners. The acquisition has affected the cash flow by MSEK -4.2.

COVID-19 AND THE INVASION OF UKRAINE

The Covid-19 pandemic continued to affect the first half of 2022 in the form of, among other things, long lead times for the delivery of goods and sharply increased freight prices.

During the first quarter of 2022, DistIT and its subsidiaries decided to stop all sales to Russia and Belarus due to the ongoing invasion of Ukraine. The invasion has not had any direct material effect on the Group, but indirect effects, such as inflation, have been judged to have a negative effect on the Group's companies.

RELATED-PARTY TRANSACTIONS

The Group did not carry out any material transactions with related parties during the first or second quarter of 2022, except for remuneration to the Board of Directors and the CEO, and the repurchase of subscription warrants from the CEO (see section "Subscription warrants" below for further information).

SUBSCRIPTION WARRANTS

Information on DistIT's outstanding subscription warrant programme is provided in the section "DistIT's stock and shareholders" on page 16.

PERSONNEL

The number of employees at the end of the period was 261 (246), of which 17 were added through the acquisition of EFUEL.

SIGNIFICANT RISKS AND UNCERTAINTIES

The risks and uncertainties applicable to DistIT are described in the Annual Report for 2021, pages 70-77. They can also be found on the Company's website, www.distit.se, in the Corporate Governance Report for 2021. Apart from the risks and uncertainties described in the Annual Report for 2021 and the Corporate Governance Report for 2021, no significant risks or uncertainties are deemed to have arisen or lapsed, with the exception of the invasion of Ukraine and associated geopolitical and inflation-related effects.

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, amounted to MSEK 5.6 (4.3) for the second quarter of 2022. The operating result amounted to MSEK -0.8 (-1.4). At the end of the period, the number of employees in the Parent Company totalled 2 (2).

DIVIDEND

The 2022 Annual General Meeting resolved on a dividend of SEK 2.00 (2.00) per share for the financial year 2021, with a mandate until the next Annual General Meeting for the Board of Directors to determine the timing of the dividend. The Board of Directors announced, in connection with the Annual General Meeting, that the dividend would tentatively be implemented during the third quarter of 2022. Due to the continued uncertain economic situation globally, which, among other things, has led to continued uncertainty in the development of demand among end consumers, the Board of Directors has chosen to further investigate the timing of the dividend and will return with confirmation during the fourth quarter of 2022, which is the Group's largest quarter in terms of income, and as such most indicative of the market's development. The dividend thereby amounts to a total of SEK 28 080 932, given the number of outstanding shares on 31 March 2022 of 14 040 466. Justification for the dividend proposal is given in the section "DistIT's stock and shareholders", under the heading "Dividend policy", on page 15.

NOMINATION COMMITTEE PRIOR TO THE AGM 2023

In accordance with the guidelines for the Nomination Committee's work in DistIT AB, resolved at the Annual General Meeting on 28 April 2022, the Nomination Committee will be constituted on the basis of known ownership in the Company as of 31 August 2022. The composition of the Nomination Committee will be announced no later than six months before the 2023 Annual General Meeting.

FINANCIAL CALENDAR

- 28 October 2022: Interim Report, January - September 2022
- 22 February 2023: Year-end Report 2022
- 27 April 2023: Interim Report, January - March 2023
- 27 April 2023: AGM 2023, to be held in Stockholm
- 18 August 2023: Interim Report, January - June 2023
- 27 October 2023: Interim Report, January - September 2023

DECLARATION

The Board of Directors and the CEO confirm that the report provides a true and fair view of the Company and the Group's operations, position and performance, and describes significant risks and uncertainties faced by the Company and the Companies included in the Group.

Älvsjö, 18 August 2022
DistIT AB (publ)

Stefan Charette
Chair of the Board

Anders Bladh
Board member

Charlotte Hansson
Board member

Mikael Nilsson
Board member

Per Kaufmann
Board member

Robert Rosenzweig
President and CEO

The report has not been subject to a review by the Company's auditor.

NOTE

This information is that which DistIT AB (publ) is obliged to publish in accordance with the EU Market Abuse Regulation (MAR). The information was submitted on 18 August 2022, 08.00 (CET).

FOR FURTHER INFORMATION CONTACT:

Robert Rosenzweig
Group CEO
+46 70 768 50 42
robert.rosenzweig@distit.se

Philip Gunnarsson
Group CFO (outgoing)
+46 73 086 96 82
philip.gunnarsson@distit.se

Tomas Fällman
Group CFO (appointed)
+46 70 224 71 07
tomas.fallman@distit.se

DistIT AB (publ)
Glasfibergatan 8
125 45 Älvsjö, Sweden
+46 8 555 76 200

ABOUT DIST IT

DistIT AB (publ) with its subsidiaries is a stable and well-established distribution group within IT accessories, data communication, consumer electronics, networks, and AV products in the Nordic region, on its way into Europe. Companies within the Group are niche distributors with strong market positions. The companies' products are aimed at both consumers and companies whose customers are in consumer electronics chains, online retailers, installers, Telecom operators, discount chains, grocery stores, and independent specialist retailers. Each subsidiary constitutes its own profit centre, with responsibility for its chosen strategy. Common to the companies is a value-creating strategy for own brand labels (OBL) that increases the relevance of customers and creates prerequisites for growth and profitability. DistIT is a reliable business partner with high delivery reliability and service level, guaranteed product quality, and fast deliveries. DistIT's share is listed on Nasdaq First North Premier Growth Market under the ticker DIST, and the Company's Certified Adviser is Erik Penser Bank AB.

Please visit www.distit.se

THE GROUP

INCOME STATEMENT – THE GROUP

MSEK	NOTE	APR-JUN		JAN-JUN		FULL YEAR
		2022	2021	2022	2021	2021
Net revenue		607.4	545.8	1 219.3	1 093.3	2 520.2
Other operating income		2.3	-0.5	3.4	1.6	4.0
Total operating income	4	609.7	545.3	1 222.7	1 094.9	2 524.2
Commodities		-485.8	-430.8	-964.5	-859.8	-1 977.1
Gross result		123.9	114.5	258.2	235.1	547.1
Operating costs		-124.2	-104.4	-242.3	-207.0	-448.4
Operating result before depreciation		-0.3	10.1	15.9	28.1	98.7
Depreciation, tangible assets		-4.7	-4.6	-9.4	-8.7	-17.3
Depreciation and impairment, intangible assets		-2.9	-0.5	-5.4	-1.0	-5.0
Operating result		-7.9	5.0	1.1	18.4	76.4
Net financial result		-2.4	-6.9	-9.2	-7.4	-17.5
Result after financial items		-10.3	-1.9	-8.1	11.0	58.9
Deferred tax		0.3	0.0	0.7	0.0	-1.8
Tax on the result for the year		-0.8	-1.0	-3.0	-2.5	-12.9
Result for the period		-10.8	-2.9	-10.4	8.5	44.2
Result for the period attributable to:						
Parent Company's shareholders		-10.6	-3.1	-10.5	9.0	43.5
Non-controlling interests		-0.2	0.2	0.1	-0.5	0.7

OTHER COMPREHENSIVE INCOME

Items that may be reclassified to the income statement

Translation differences in the translation of foreign subsidiaries		2.5	-2.8	7.0	2.8	5.4
Other comprehensive income after tax		2.5	-2.8	7.0	2.8	5.4
Comprehensive income for the period		-8.3	-5.7	-3.4	11.3	49.6
Comprehensive income for the period attributable to:						
Parent Company's shareholders		-8.1	-5.9	-3.5	11.8	48.9
Non-controlling interests		-0.2	0.2	0.1	-0.5	0.7

DATA PER SHARE

	NOTE	APR-JUN		JAN-JUN		FULL YEAR
		2022	2021	2022	2021	2021
Number of shares						
Number of shares at the end of the period		14 040 466	12 281 961	14 040 466	12 281 961	13 908 247
Average number of shares (before dilution)		13 931 753	12 281 961	13 986 410	12 281 961	12 816 630
Average number of shares (after dilution)		14 040 466	12 281 961	13 986 410	12 961 815	13 046 651
Earnings per share						
Earnings per share for the period (before dilution), SEK		-0.76	-0.25	-0.75	0.73	3.39
Earnings per share for the period (after dilution), SEK		-0.76	-0.25	-0.75	0.69	3.33
Equity per share						
Equity per share at the end of the period, SEK		42.28	33.94	42.28	33.94	43.03

BALANCE SHEET – THE GROUP

MSEK		NOTE	30 JUNE		31 DECEMBER	
			2022	2021	2021	2021
ASSETS						
Fixed assets						
Goodwill	5	376.5	90.2	374.4		
Other intangible fixed assets		65.6	20.1	60.6		
Tangible fixed assets		5.0	5.0	5.2		
Right-of-use assets		30.2	26.8	36.8		
Financial fixed assets		4.1	7.3	4.2		
Total fixed assets		481.4	149.4	481.2		
Current assets						
Inventory		639.7	560.3	663.0		
Accounts receivable		362.0	293.5	501.4		
Other current assets		60.2	62.5	69.0		
Cash and bank balances		32.8	101.3	35.6		
Total fixed assets		1 094.7	1 017.6	1 269.0		
TOTAL ASSETS		1 576.1	1 167.0	1 750.2		
EQUITY AND LIABILITIES						
Equity						
Share capital		28.1	24.6	27.8		
Other contributed capital		305.6	165.8	305.8		
Retained earnings including the result for the period		260.0	226.4	264.9		
Total attributable to Parent Company's shareholders		593.7	416.8	598.5		
Non-controlling interests		-0.1	7.2	2.7		
Total equity		593.6	424.0	601.2		
Long-term liabilities						
Provision	5	136.1	1.0	133.3		
Lease liability		14.8	13.3	20.1		
Bond loan	3	300.0	300.0	300.0		
Deferred tax liability		11.6	5.9	12.2		
Total long-term liabilities		462.5	320.2	465.6		
Short-term liabilities						
Liabilities to credit institutions		89.1	0.0	79.6		
Lease liability		15.5	14.0	16.6		
Accounts payable		265.9	285.9	431.2		
Accrued expenses and deferred income		48.5	46.7	57.2		
Other short-term liabilities		101.0	76.2	98.8		
Total short-term liabilities		520.0	422.8	683.4		
TOTAL EQUITY AND LIABILITIES		1 576.1	1 167.0	1 750.2		

CHANGES IN EQUITY– THE GROUP

MSEK	NOTE	APR-JUN		JAN-JUN		FULL YEAR
		2022	2021	2022	2021	2021
Equity at the beginning of the period		606.1	453.4	601.2	454.8	454.8
Equity attributable to the Parent Company's shareholders, beginning of the period		603.1	446.5	598.5	442.2	442.2
Comprehensive income for the period		-8.1	-5.9	-3.5	11.8	48.9
New issue of shares		0.0	0.0	0.0	0.0	140.0
Issue of subscription warrants		0.0	0.9	0.0	0.9	4.2
Dividend		0.0	-24.6	0.0	-24.6	-24.6
Change of non-controlling interests		-1.3	-0.1	-1.3	-13.5	-12.2
Equity attributable to the Parent Company's shareholders, end of the period		593.7	416.8	593.7	416.8	598.5
Non-controlling interests, beginning of the period		3.0	6.9	2.7	12.6	12.6
Comprehensive income for the period		-0.2	0.2	0.1	-0.5	0.7
Change of non-controlling interests		-2.9	0.1	-2.9	-4.9	-10.6
Non-controlling interests, end of the period		-0.1	7.2	-0.1	7.2	2.7
Equity at the end of the period		593.6	424.0	593.6	424.0	601.2

CASH FLOW SUMMARY – THE GROUP

MSEK	NOTE	APR-JUN		JAN-JUN		FULL YEAR
		2022	2021	2022	2021	2021
Operating result		7.8	5.0	1.1	18.4	76.4
Adjustment for items not included in the cash flow		15.0	3.6	24.6	10.5	27.1
Net financial result		-5.6	-7.0	-10.4	-7.4	-18.1
Paid tax		-5.0	-4.0	-9.0	-9.1	-0.4
Changes in total working capital		-21.8	-14.0	5.9	-31.9	-182.2
Cash flow from operating activities		-25.2	-16.4	12.2	-19.5	-97.1
Change in tangible and intangible fixed assets		-7.5	0.1	-13.0	-3.1	-18.4
Change in financial fixed assets		-0.1	-0.8	0.1	-0.9	-0.9
Acquisition of subsidiaries	5	0.0	0.0	0.0	0.0	-39.3
Acquisition of non-controlling interests		-4.2	-0.1	-4.2	-18.4	-22.9
Divestment of shares in subsidiaries		0.0	0.0	0.0	0.2	0.2
Cash flow from investment activities¹		-11.8	-0.8	-17.1	-22.2	-81.3
Issued bond loans		0.0	300.0	0.0	300.0	300.0
Amortisation of bond loans		0.0	165.6	0.0	-165.6	-165.6
Amortisation of lease liabilities		-4.2	-4.2	-8.5	-8.2	-16.5
Credit institutions and overdraft facilities		39.2	20.2	9.4	-15.1	59.8
Dividend to shareholders		0.0	24.6	0.0	-24.6	-24.6
Payment of subscription warrants		0.0	0.9	0.0	0.9	4.2
Cash flow from financing activities¹		35.0	86.3	0.9	87.7	157.3
Cash flow for the year		-2.0	69.1	-4.0	45.7	-21.1
Liquid assets at the beginning of the period		35.4	33.3	35.6	53.7	53.7
Exchange rate difference in liquid assets		-0.6	-1.1	1.2	1.9	3.0
Liquid assets at the end of the period		32.8	101.3	32.8	101.3	35.6

¹ As of the annual report 2021, there has been a reclassification between investment activities and financing activities of MSEK 15.7, and for the first quarter of 2021 of MSEK 2.2

THE PARENT COMPANY

INCOME STATEMENT – THE PARENT COMPANY

MSEK	NOTE	APR-JUN		JAN-JUN		FULL YEAR
		2022	2021	2022	2021	2021
Net revenue		5.6	4.3	10.2	8.3	17.5
Total operating income		5.6	4.3	10.2	8.3	17.5
Operating costs		-6.2	-5.6	-13.4	-11.7	-25.0
Operating result before depreciation		-0.6	-1.3	-3.2	-3.4	-7.5
Depreciation, intangible assets		-0.2	-0.1	-0.4	-0.3	-0.7
Operating result		-0.8	-1.4	-3.6	-3.7	-8.2
Net financial result		-1.9	-0.8	0.1	-1.2	-4.5
Result after financial items		1.1	-2.2	-3.5	-4.9	-12.7
Appropriations		0.0	0.0	0.0	0.0	48.1
Result before tax		1.1	-2.2	-3.5	-4.9	35.4
Tax on the result for the year		0.0	0.0	0.0	0.0	-7.1
Result for the period		1.1	-2.2	-3.5	-4.9	28.3

BALANCE SHEET – THE PARENT COMPANY

MSEK	NOTE	30 JUNE		31 DECEMBER
		2022	2021	2021
ASSETS				
Fixed assets				
Other intangible fixed assets		0.0	0.7	0.4
Shares in Group companies	5	554.9	219.1	553.9
Deferred tax asset		0.0	3.8	0.0
Receivables from Group companies		118.7	113.7	118.7
Total fixed assets		673.6	337.3	673.0
Current assets				
Receivables from Group companies		322.7	211.7	330.7
Other receivables		10.8	10.2	6.9
Cash and bank balances		0.0	69.9	0.0
Total current assets		333.5	291.8	337.6
TOTAL ASSETS		1 007.1	629.1	1 010.6
EQUITY AND LIABILITIES				
Equity				
Share capital		28.1	24.6	27.8
Free reserves		472.0	304.0	440.0
Result for the period		-3.5	-4.9	28.3
Total equity		496.6	323.7	500.1
Long-term liabilities				
Provisions	5	140.0	-	140.0
Bond loan	3	300.0	300.0	300.0
Total long-term liabilities		440.0	300.0	440.0
Short-term liabilities				
Liabilities to credit institutions		56.7	-	61.1
Accounts payable		0.1	1.2	0.1
Liabilities to Group companies		1.0	0.1	-
Accrued expenses and deferred income		5.2	3.8	5.5
Other short-term liabilities		7.5	0.3	3.8
Total short-term liabilities		70.5	5.4	70.5
TOTAL EQUITY AND LIABILITIES		1 007.1	629.1	1 010.6

FINANCIAL INFORMATION IN SUMMARY

INCOME STATEMENT (MSEK)

	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
	2022	2022	2021	2021	2021	2021	2020	2020
Operating income	609.7	613.0	818.8	610.5	545.3	549.6	739.8	548.1
Gross result	123.9	134.3	186.2	125.8	114.5	120.6	174.1	115.9
Operating result before depreciation (EBITDA)	-0.3	16.2	58.8	11.8	10.1	18.0	57.6	22.1
Operating result after depreciation (EBIT)	-7.9	9.0	50.7	7.3	5.0	13.4	50.8	15.5
Result for the period	-10.8	0.4	35.2	0.5	-2.9	11.4	37.0	12.9

BALANCE SHEET (MSEK)

Assets								
Total fixed assets	481.4	480.5	481.2	479.3	149.4	153.0	152.1	160.8
Total current assets	1 094.7	1 099.3	1 269.0	1 140.4	1 017.6	904.5	1 000.6	908.9
Total assets	1 576.1	1 579.8	1 750.2	1 619.7	1 167.0	1 057.5	1 152.7	1 069.7
Equity and liabilities								
Total equity	593.6	606.1	601.2	561.4	424.0	453.4	454.8	426.7
Total long-term liabilities	462.5	464.3	465.6	466.5	320.2	188.1	189.9	209.8
Total short-term liabilities	520.0	509.4	683.4	591.8	422.8	416.0	508.0	433.2
Total equity and liabilities	1 576.1	1 579.8	1 750.2	1 619.7	1 167.0	1 057.5	1 152.7	1 069.7

CASH FLOW (MSEK)

Net from operating activities	-25.2	37.4	34.0	-111.6	-16.4	-3.1	23.9	-0.6
Investment activities	-11.8	-5.3	-18.0	-54.2	-1.6	-23.6	-4.7	-1.0
Financial activities	35.0	-34.1	-12.6	95.5	87.1	3.3	-6.1	-6.9
Cash flow for the period	-2.0	-2.0	3.4	-70.3	69.1	-23.4	13.1	-8.5

FINANCIAL MEASURES (MSEK)

Gross margin, %	20.3	21.9	22.7	20.6	21.0	21.9	23.5	21.1
Operating margin (EBIT), %	-1.3	1.5	6.2	1.2	0.9	2.4	6.9	2.8
Return on capital employed (ROCE), % ¹	-0.8	1.0	5.9	1.0	0.7	2.0	7.8	2.4
Return on equity (ROE), % ¹	-1.8	0.1	6.9	0.1	-0.7	2.6	8.6	3.1
Revenue OBL	165.0	170.8	241.3	161.7	154.0	152.6	221.1	141.9
OBL of total revenue, %	27.1	27.9	29.5	26.5	28.2	27.8	29.9	25.9
Cash flow from operating activities per share, SEK	-1.79	2.68	2.44	-8.70	-1.34	-0.25	1.95	-0.05
Earnings for the period per share (before dilution), SEK	-0.76	0.01	2.50	-0.02	-0.25	0.98	2.99	1.03
Interest-bearing net liabilities, including leasing, in accordance with IFRS 16	-386.6	-348.2	-380.7	-396.2	-226.0	-183.1	-159.5	-177.5
Interest-bearing net liabilities, excluding leasing, in accordance with IFRS 16	-356.3	-314.5	-344.0	-364.2	-198.7	-152.4	-127.0	-142.1
Debt/equity ratio - multiplied	0.6	0.5	0.6	0.6	0.5	0.3	0.3	0.4
Solvency %	37.7	38.4	34.4	34.7	36.3	42.9	39.5	39.9
Share price, SEK	49.9	72.8	114.0	115.5	96.0	100.0	47.4	42.0

¹ As of 2021, the key financial ratios are based on 12 months' rolling capital employed and equity, respectively.

DISTIT'S STOCK AND SHAREHOLDERS

SHARE FACTS

DistIT's share is listed on Nasdaq First North Premier Growth Market under the ticker DIST, and the Company's Certified Adviser is Erik Penser Bank AB.

During the second quarter of 2022, the share's closing price varied from SEK 49.5 (78.6) at its lowest, and to SEK 71.9 (98.6) at its highest. The closing price of the share on 30 June 2022 was SEK 49.9 (96.0) which meant a decrease of 56.2 per cent compared to the closing price of the share on the last trading day in 2021. DistIT's market value as of 30 June 2022 was MSEK 699.9 (1 179.1). The number of shareholders in DistIT on the same date totalled 6 600. Of these, 420 had more than 1 000 shares each. On average, 10 543 shares (15 641) were traded per trading day during the quarter. DistIT's share capital on 30 June 2022 amounted to SEK 28 080 932, divided into 14 040 466 shares.

DIVIDEND POLICY

The Board of Directors intends to annually propose a dividend, or other equivalent value transfer, which shall amount to 30-50 per cent of the profit after tax. In addition, the Board of Directors may propose a further return of capital to the shareholders, provided that the Board of Directors deems this to be justified with regard to the expected future cash flow and the Company's investment plans.

The 2022 Annual General Meeting resolved on dispositions of the Company's profit for a dividend of SEK 2.00 (2.00) per share for the business year 2021, provisionally to be paid during the third quarter. The proposed dividend thereby amounts to a total of SEK 28 080 932, given the number of outstanding shares on 31 March 2022 of 14 040 466.

The current proposal entails a dividend share of 63.5% of the profit after tax, which is above the target range of 30-50 per cent. However, the dividend share adjusted for one-off costs of MSEK 11.9 will be 50.1%. The dividend proposal has been prepared on the basis of the Company's earnings and capital ties. The balance sheet also consists, for the most part, of liquid products. Uncertainty factors related to Covid-19 and the effects of the geopolitical situation have also been taken into account. The 2022 Annual General Meeting resolved on a dividend of SEK 2.00 (2.00) per share for the financial year 2021, with a mandate until the next Annual General Meeting for the Board of Directors to determine the timing of the dividend. The Board of Directors announced, in connection with the Annual General Meeting, that the dividend would tentatively be implemented during the third quarter of 2022. Due to the continued uncertain economic situation globally, which, among other things, has led to continued uncertainty in the development of demand among end consumers, the Board of Directors has chosen to further investigate the timing of the dividend and will return with confirmation during the fourth quarter of 2022, which is the Group's largest quarter in terms of income, and as such most indicative of the market's development.

SHARE DISTRIBUTION, 30 JUNE 2022

No. of shares	NO. OF SHAREHOLDERS	NO. OF SHARES
1 - 500	5 848	458 041
501 - 1 000	332	267 867
1 001 - 5 000	306	672 490
5 001 - 10 000	37	273 486
10 001 - 15 000	19	252 049
15 001 - 20 000	8	145 667
20 001 -	50	11 970 866
Total	6 600	14 040 466

DE 10 STÖRSTA AKTIEÄGARNÄ DEN 30 JUNI 2022

Name	NO. OF SHARES	SHARE OF CAPITAL AND VOTES, %
Athanase Industrial Partner	2 999 885	21.4%
Redstone Investment Group SA	1 753 539	12.5%
Ribbskottet AB	1 550 000	11.0%
Försäkringsaktiebolaget, Avanza Pension	800 306	5.7%
JP Morgan Bank Luxembourg S.A.	652 334	4.6%
Humle Kapitalförvaltning AB	466 979	3.3%
Theodor Jeansson	410 000	2.9%
FE Småbolag Sverige	262 597	1.9%
Robert Rosenzweig	254 652	1.8%
Måns Flodberg	215 000	1.5%
Total 10 largest owners	9 365 292	66.6%
Total other owners	4 675 174	33.4%
Total	14 040 466	100.0%

AUTHORISATION

The 2022 Annual General Meeting authorised the Board of Directors to decide on a new issue of shares in conjunction with an agreement on company acquisitions. The authorisation comprises a maximum of 1 404 046 shares, corresponding to a maximum of 10% of the Company's existing share capital on the day of the Annual General Meeting. The Board of Directors has not, during the first half of 2022, used the General Meeting's authorisation.

As part of the Company's acquisition of EFUEL, it was resolved at the Extraordinary General Meeting on 3 September 2021 to increase the Company's share capital through a new share issue. The right to subscribe for new shares, with a deviation from the shareholders' preferential rights, appertained only to Redstone Investment Group SA, the seller of EFUEL. The Board of Directors' authorisation for a new share issue was accordingly not used.

SHARE-RELATED KEY FINANCIAL RATIOS

	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022
KEY FINANCIAL RATIOS	2021-06-30	2021-09-30	2021-12-31	2022-03-31	2022-06-30
Share price at the end of the period (SEK)	96.0	115.5	114.0	72.8	49.9
Highest/lowest closing price during the quarter (SEK)	98.6/78.6	120.0/88.2	151.0/112.5	130.0/70.6	71.9/49.5
Number of shares at the end of the period	12 281 961	13 908 247	13 908 247	14 040 466	14 040 466
Market value at the end of the period (MSEK)	1 179.1	1 606.4	1 585.5	1 022.1	699.9
Average number of trades per day during the quarter	92	111	197	143	63
Average trading volume per day during the quarter (shares/day)	15 641	26 026	22 675	20 552	10 543
Average revenue per day during the quarter (SEK/day)	1 375 235	2 835 772	2 978 729	2 074 405	655 355

DEFINITIONS

DistIT presents alternative key financial ratios used by the company management and investors in order to analyse trends and the development of the Group's operations that cannot be directly deduced or derived from the financial reports. These financial measurements are intended to make it easier for the company management and investors to analyse the Group's development. Investors should not consider these alternative key financial ratios as substitutes, but rather as a complement to the financial reporting prepared in accordance with IFRS. Note that the alternative key financial ratios defined below may differ from other companies' definitions of the same terms.

The table below describes the definition of the Group's key financial ratios.

KEY FINANCIAL RATIO	DESCRIPTION	JUSTIFICATION FOR ALTERNATIVE KEY FINANCIAL RATIO
Return on equity (ROE)	The result for the period divided by 12 months' rolling equity, including non-controlling interests.	The key financial ratio illustrates how the owners' capital has been remunerated during the period.
Return on capital employed (ROCE)	The operating result divided by 12 months' rolling capital employed.	The key financial ratio illustrates how the Group has remunerated the capital that shareholders and lenders together have made available.
Gross margin	Gross result divided by operating income.	The key financial ratio is a key measure of profitability, as it shows how much of the operating income is left after direct costs linked to the Group's core operations have been deducted.
EBITA	The operating result before depreciation and amortisation of intangible fixed assets that came about in conjunction with company acquisitions. Depreciation and amortisation of tangible fixed assets and other intangible fixed assets are included.	The key financial ratio allows comparisons of profitability over time, regardless of the effects of depreciation and amortisation of acquisition-related intangible fixed assets, financing structure and corporate tax rate. Depreciation and amortisation of tangible fixed assets, as well as other intangible fixed assets, are included as it is a measure of resource consumption that is necessary to generate results. EBITA is the business's main measure of profit.
EBITA margin, %	EBITA divided by operating income.	Same justification as for EBITA.
Adjusted EBITA	EBITA excluding items affecting comparability.	Same justification as for EBITA but also adjusted for items affecting comparability to increase comparability over time.
Adjusted EBITA margin, %	Adjusted EBITA divided by operating income.	Same justification as for Adjusted EBITA.
Operating result before depreciation (EBITDA)	Operating result before depreciation.	The key figure enables comparisons of profitability over time, regardless of the effects of the depreciation rate on fixed assets, financing structure and corporate tax rate.
Items affecting comparability	One-off costs in connection with restructuring, acquisitions, and government compensation for Covid-19	In order to clarify the development in the Group's underlying operations and increase comparability over time, we consider it appropriate to analyse certain key financial ratios, excluding items affecting comparability.
Cash flow from operating activities per share	Cash flow from operating activities divided by the average number of shares.	The key financial ratio illustrates the Group's ability to generate cash flow from the business, expressed in SEK per share.
Earnings per share	Result for the period attributable to the Parent Company's shareholders divided by the average number of shares before/after dilution.	No alternative key financial ratio. Defined according to IFRS.
Interest-bearing net liability	Liabilities to credit institutions plus bond loans, other interest-bearing liabilities and long-term and short-term leasing liabilities minus cash and bank balances.	The key financial ratio highlights the indebtedness of the Group.
Operating result (EBIT)	Operating result.	The key financial ratio allows comparisons of profitability over time, regardless of the effects of financing structure and corporate tax rate.
Operating margin (EBIT), %	Operating result (EBIT) divided by operating income.	Same justification as for operating result (EBIT).
Adjusted operating result (EBIT)	Operating result (EBIT) excluding items affecting comparability.	Same justification as for operating result (EBIT) but also adjusted for items affecting comparability to increase comparability over time.

Adjusted operating margin (EBIT), %	Adjusted operating result (EBIT) divided by operating income.	Same justification as for Adjusted operating result (EBIT).
Debt/equity ratio	Interest-bearing net liability in relation to equity, including non-controlling interests at the end of the period.	The key financial ratio highlights financial risk.
Solvency	Equity, including non-controlling interests, as a percentage of total assets at the end of the period.	The key financial ratio highlights financial risk.
Capital employed	Total assets less non-interest-bearing provisions and liabilities (provisions, deferred tax liabilities, accounts payable, accrued expenses and prepaid income, and other current liabilities).	The Group uses capital employed to calculate the alternative key figure Return on capital employed (ROCE).
Total working capital	Inventory plus accounts receivable and other current assets less accounts payable and other current liabilities.	No alternative key financial ratio. Used as a term in the cash flow statement.

CALCULATION OF THE ALTERNATIVE KEY FINANCIAL RATIOS ARE SHOWN IN THE TABLES BELOW

	APR-JUN		JAN-JUN		FULL YEAR
EBITA	2022	2021	2022	2021	2021
Operating result (EBIT)	-7.9	5.0	1.1	18.4	76.4
Depreciation related to acquisition	-1.9	0.0	-3.8	0.0	-3.1
EBITA	-6.0	5.0	4.9	18.4	79.5
Items affecting comparability ¹	-4.1	0.0	-4.1	0.0	-11.9
Adjusted EBITA	-1.9	5.0	9.0	18.4	91.4
Currency impact	-4.7	-0.9	-6.9	-5.4	-13.3
Adjusted EBITA, excluding currency impact	2.8	5.9	15.9	23.8	104.7
EBITA, excluding currency impact	-1.3	5.9	11.8	23.8	92.8

	APR-JUN		JAN-JUN		FULL YEAR
Operating income and gross margin, excluding currency impact	2022	2021	2022	2021	2021
Operating income	609.7	545.3	1 222.7	1 094.9	2 524.2
Currency impact	1.8	-0.8	2.4	0.1	1.5
Operating income, excluding currency impact	607.9	546.1	1 220.3	1 094.8	2 522.7
Commodities	-485.8	-430.8	964.5	-859.8	-1 977.1
Currency impact	-6.5	-0.1	-9.3	-5.5	-14.9
Commodities, excluding currency impact	-479.3	-430.7	-955.2	-854.3	-1 962.2
Gross result	123.9	114.5	258.2	235.1	547.1
Gross margin, %	20.3	21.0	21.1	21.5	21.7
Gross result, excluding currency impact	128.6	115.4	265.1	240.5	560.5
Gross margin, excluding currency impact, %	21.2	21.1	21.7	22.0	22.2

¹ Items affecting comparability for 2021 consist of 'sign-on' bonuses for key employees in EFUEL (this according to previous communication regarding the transaction structure), as well as one-off costs related to the business combination. For 2022, items affecting comparability consist of restructuring costs of approximately MSEK 4.1 related to the merger of Aurora Deltaco.

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.

New or revised IFRS standards and interpretative statements for 2022 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	THE GROUP		THE PARENT COMPANY	
	2022-06-30	2021-12-31	2022-06-30	2021-12-31
Business mortgages	77.1	77.1	5.0	5.0
Shares in subsidiaries	264.6	267.0	174.7	174.7
Assets pledged as collateral security	47.2	20.8	0.0	0.0
Other guarantees	35.0	20.8	0.0	0.0

NOTE 3 – BOND LOAN

On 19 May 2021, DistIT AB issued a new four-year senior, unsecured bond loan of MSEK 300 within a framework of MSEK 800 with ISIN SE0015949359. The bond loan has a variable interest rate of three months STIBOR plus 450 bps. The bonds were registered for trading on Nasdaq Stockholm on 17 June 2021. The loan is reported net of MSEK 300.0 in the balance sheet. The bond loan matures on 19 May 2025, and is therefore classified as long-term. In conjunction with the issue of the new bonds, DistIT AB called for early redemption of the Company's outstanding senior unsecured bonds 2018/2022, with ISIN SE0011166842, with a maximum framework amount of MSEK 500, of which MSEK 240 was issued at the time, and MSEK 74.4 was owned by DistIT AB. MSEK 100 of the bonds were redeemed at a price of SEK 100.75, and the remaining bonds, at a nominal value of MSEK 66, were redeemed irrevocably on the redemption date, 4 June 2021, at a price corresponding to 100.50 per cent of the outstanding nominal amount (SEK 1 005 000 per bond), together with accrued but unpaid interest in accordance with the terms of the bonds.

BOND LOAN (TSEK)	30 JUNE		31 DECEMBER	
	2022	2021	2021	2021
Opening liability	300.0	165.6	165.6	165.6
Bond loan 2018/2022	-	-165.6	-165.6	-165.6
Bond loan 2021/2024	-	300.0	300.0	300.0
Total change	-	134.4	134.4	134.4
Closing liability	300.0	300.0	300.0	300.0

NOTE 4 – SEGMENT INFORMATION AND DISCLOSURES ON CATEGORIES OF OPERATING INCOME AND EBIT, MSEK

OPERATING INCOME PER BRAND	APR-JUN				JAN-JUN				FULL YEAR	
	2022	%	2021	%	2022	%	2021	%	2021	%
Own brand labels	165.0	27.1	154.0	28.2	335.8	27.5	306.6	28.0	709.6	28.1
External brands	443.5	72.7	391.8	71.9	884.6	72.3	786.7	71.9	1 810.6	71.7
Other income	1.2	0.2	-0.5	-0.1	2.3	0.2	1.6	0.1	4.0	0.2
Total	609.7		545.3		1 227.7		1 094.9		2 524.2	

OPERATING INCOME PER SEGMENT ¹	APR-JUN				JAN-JUN				FULL YEAR	
	2022	%	2021	%	2022	%	2021	%	2021	%
Aurora Deltaco	384.9	63.1	414.7	76.0	795.4	65.1	842.8	77.0	1 908.4	75.6
Septon	103.7	17.0	81.6	15.0	196.6	16.1	149.4	13.6	352.7	14.0
EFUEL	73.4	12.0	N/A	N/A	127.8	10.5	N/A	N/A	65.2	2.6
Sominis	49.0	8.0	50.6	9.3	111.7	9.1	104.2	9.5	202.0	8.0
Other/eliminations	-1.3	-0.1	-1.6	-0.3	-8.8	-0.8	-1.5	-0.1	-4.1	-0.2
Total	609.7		545.3		1 222.7		1 094.9		2 524.2	

OPERATING INCOME PER COUNTRY	APR-JUN				JAN-JUN				FULL YEAR	
	2022	%	2021	%	2022	%	2021	%	2021	%
Sweden	312.7	51.3	253.3	46.5	622.6	50.9	509.5	46.5	1 233.3	48.9
Finland	42.8	7.0	44.3	8.1	85.6	7.0	92.1	8.4	195.0	7.7
Denmark	88.9	14.6	105.6	19.4	188.6	15.4	212.4	19.4	501.2	19.9
Norway	74.5	12.2	56.2	10.3	138.0	11.3	114.1	10.4	247.8	9.8
Rest of Europe	90.8	14.9	85.9	15.7	187.9	15.4	166.8	15.3	346.9	13.7
Total	609.7		545.3		1 222.7		1 094.9		2 524.2	

EBIT PER SEGMENT ¹	APR-JUN		JAN-JUN		FULL YEAR
	2022	2021	2022	2021	2021
Aurora Deltaco	-4.8	7.8	4.6	26.9	95.1
Septon	1.1	1.8	5.9	-1.4	9.1
EFUEL	3.2	N/A	6.0	N/A	-6.4
Sominis	0.9	1.3	1.8	4.4	7.2
Other/eliminations	-8.3	-5.9	-17.2	-11.5	-28.6
Total	-7.9	5.0	1.1	18.4	76.4

NOTE 5 – BUSINESS ACQUISITIONS DURING 2021

On 18 August 2021, DistIT AB (publ.) entered into an agreement to acquire 100 per cent of the shares in Electric Fuel Infrastructure Sweden 2 AB (EFUEL). EFUEL is one of the largest companies in Sweden in electric car charging, with a market share of approximately 30 per cent of all delivered charging boxes. Access took place on the same day, 18 August, and EFUEL became consolidated with DistIT as of this date. The acquisition constitutes a significantly strengthened exposure to one of today's most defined structural trends and societal changes. In addition, DistIT sees collaboration effects between EFUEL and other subsidiaries.

For the fourth quarter of 2021, a preliminary acquisition analysis is presented below. According to the agreement, DistIT acquired EFUEL for a purchase price of MSEK 185.0, of which MSEK 45.0 was in the form of cash and MSEK 140.0 was through a private placement of shares in DistIT, which comprises 1 626 286 shares at an issue price corresponding to approximately SEK 86.09 per share. The issue price was based on the volume-weighted average price for the DistIT share during 90 trading days before 23 July 2021. In addition, a contingent consideration of MSEK 140.0 will be paid when EFUEL delivers a gross result of MSEK 70.0 on a rolling 12-month basis, whenever this occurs in the future. The Extraordinary General Meeting further decided on a new subscription warrant programme, aimed at employees of EFUEL. In addition, there was a cost for 'sign-on' bonuses for key individuals in EFUEL of MSEK 10.0, in accordance with the transaction structure.

Of the identified intangible assets of MSEK 36.4, the majority is attributed to customer relations and is depreciated over five years. The depreciation period of five years is governed by an assessment of an annual loss of parts of the revenue attributable to the respective asset. Valuation of identified intangible assets has taken place through estimation of future discounted cash flows.

Deferred tax liabilities attributable to the identified intangible assets in the acquisition analysis amount to MSEK -7.5, and are dissolved in line with depreciation. Depreciation will affect the operating result by MSEK -7.3 per year, and the result will be affected by MSEK -5.8. The contingent consideration amounting to MSEK 140.0 is calculated at present value, and amounts to MSEK 131.1 at the time of acquisition. The difference of MSEK 8.9 is reported as an interest expense over the forecast earnings period of 18 months, which affects the year 2021 by MSEK -2.2, and on an annual basis by MSEK -5.9. Net assets, including identified intangible assets and deferred tax liabilities, amount to MSEK 37.8 in the acquisition analysis. Goodwill amounts to MSEK 283.4, and relates to the company's expected earning capacity and key expertise of EFUEL's personnel.

¹ In 2019, an organisational merger of the companies Aurora and Deltaco and a full integration of the operations was carried out. Since the first quarter of 2021, these companies are reported as a merged segment. A new segment was added in the third quarter of 2021 with the acquisition of EFUEL, whose result was negatively affected by MSEK 10.0 for 'sign-on' bonuses for key employees.

Acquisition costs of MSEK 1.9 are included in operating expenses during 2021.

EFUEL contributed MSEK 65.2 in net revenue, and MSEK -6.4 in operating result (EBIT) during 2021 from the time of acquisition (18 August 2021). Excluding 'sign-on' bonuses, EFUEL contributed MSEK 3.6 to the operating result. If the acquisition date had instead been 1 January 2021, EFUEL would have contributed MSEK 125.4 in net revenue, and MSEK 0.5 in operating result (or MSEK 10.5 in operating result without the incurrence of 'sign-on' bonuses).

PRELIMINARY ACQUISITION ANALYSIS	REPORTED AT THE TIME OF ACQUISITION	ADJUSTMENT TO FAIR VALUE	FAIR VALUE
Fair value of remuneration transferred			
Purchase price paid, settled in cash			45.0
Purchase price paid, shares issued			140.0
Contingent consideration regarding the year's acquisitions			131.6
Total			316.1
Fair value of acquired assets and liabilities			
Intangible assets	1.9	36.4	38.3
Inventory	11.3	-	11.3
Short-term receivables	9.8	-	9.8
Liquid assets	6.4	-	6.4
Deferred tax liability	-	-7.5	-7.5
Long-term liabilities, other	-4.8	-	-4.8
Short-term liabilities	-20.8	-	-20.8
Total	3.8	37.8	32.7
Goodwill			283.4
Change in Group's liquid assets upon acquisition			
Purchase price paid regarding the year's acquisitions			45.0
Liquid assets in acquired subsidiaries			-6.4
Total			38.6

	30 JUNE	31 DECEMBER
SHARES IN GROUP COMPANIES	2022	2021
Opening acquisition value	777.2	429.9
Acquisition of subsidiaries	1.0	-
Acquisition of non-controlling interests	-	12.5
Closing acquisition value	778.2	442.4
Opening impairment	-223.3	-223.3
Closing reported value	554.9	219.1

	30 JUNE	31 DECEMBER
PROVISIONS	2022	2021
Opening provisions	133.3	1.0
New provisions	-	-
Payments	-	-
Reclassification, including present value calculation	2.8	-
Closing provisions	136.1	1.0

New provision as of 31 December 2021 refers to additional purchase price acquisition of EFUEL, adjusted with a present value calculation.

ENGLISH VERSION

This English version of the Q2 report is provided as a service and is therefore superseded by the original publication in Swedish in the event of any discrepancies.

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