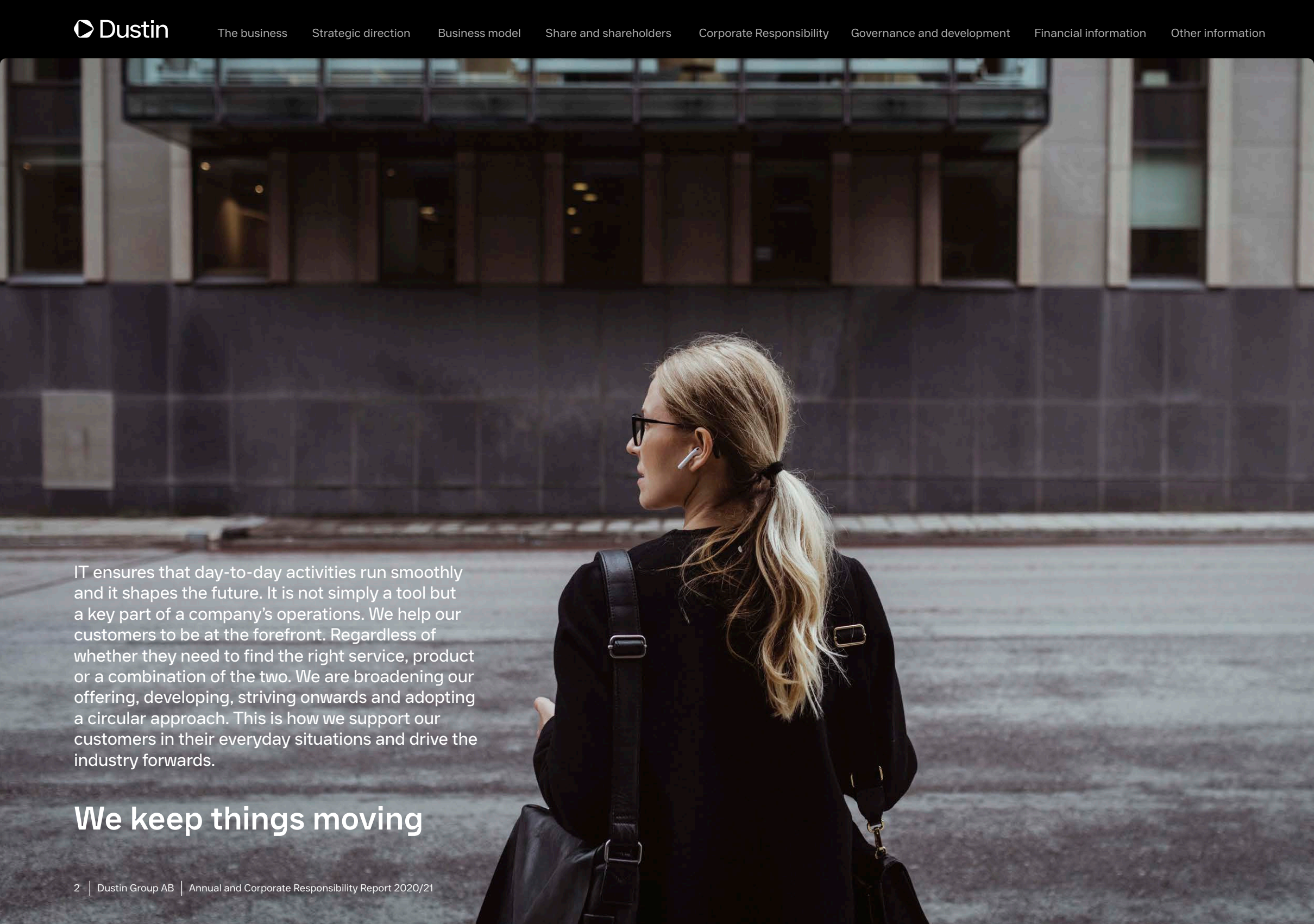


2020 2021

Annual and Corporate Responsibility Report
September 1, 2020 – August 31, 2021



A woman with blonde hair in a ponytail, wearing glasses and a black top, is seen from the side, looking towards a modern building with large windows. She has a black bag slung over her shoulder and is wearing a white earbud.

IT ensures that day-to-day activities run smoothly and it shapes the future. It is not simply a tool but a key part of a company's operations. We help our customers to be at the forefront. Regardless of whether they need to find the right service, product or a combination of the two. We are broadening our offering, developing, striving onwards and adopting a circular approach. This is how we support our customers in their everyday situations and drive the industry forwards.

We keep things moving

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Dustin's Annual and Corporate Responsibility Report provides a summary of operations, the financial results and the sustainability efforts undertaken during the 2020/21 financial year. We present financial information and sustainability information in a joint report.

The audited annual accounts, consolidated financial statements and sustainability information of Dustin Group AB (publ) can be found on pages 34-67 and 80-113. The Annual and Corporate Responsibility Report is published in Swedish and English. The Swedish publication is the original version.

Dustin Group AB (publ) is a Swedish public limited liability company with its head office in Nacka Strand outside Stockholm, Sweden. The share has been listed on Nasdaq Stockholm's Mid Cap Index since 2015.

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This is Dustin

What we do

We help our customers to be at the forefront by providing them with the right IT solution at the right time and at the right price. Through online sales supplemented by relationship selling and a team focused on public procurement, we are a strategic IT partner for small and medium-sized businesses, as well as large-sized businesses, the public sector and consumers.

Who we are

We are a leading, online IT partner in the Nordic region and Benelux that is constantly evolving and believes in digitalisation and its opportunities. In total, we are about 2,400 colleagues who combine our extensive experience with curiosity and a pragmatic approach to make everyday situations easier for our customers.

What we offer

Different circumstances create different customer needs. With about 280,000 products and a number of different services from more than 3,500 brands, we are a strategic IT partner for small and medium-sized businesses, but also for large-sized businesses, the public sector and consumers.

What we believe in

We believe in and want to enable a circular development in the industry. We can influence both upstream and downstream in the value chain by how we choose our offering, responsibly use resources or how we offer guidance towards more sustainable choices.

Our history

We were founded in 1984 and have been online since 1995. Together we have built a strong position, making us a leading online IT partner to the B2B segment in the Nordics and Benelux.

Our values

- Strive to improve
- Keep it simple
- Live up to promise
- Challenge all cost
- Win as a team

Our customers

SMB-customers:

~120,000

LCP-customers:

~10,000

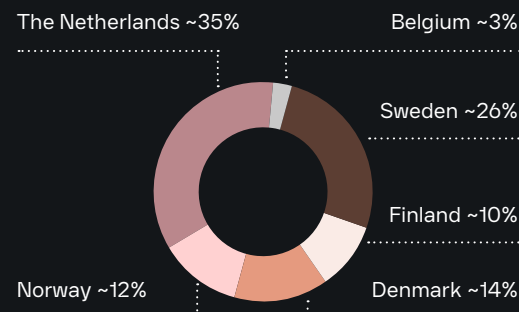
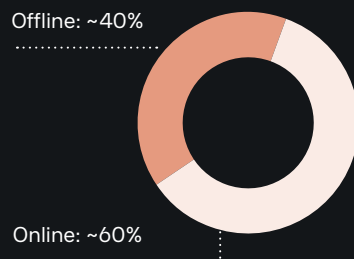
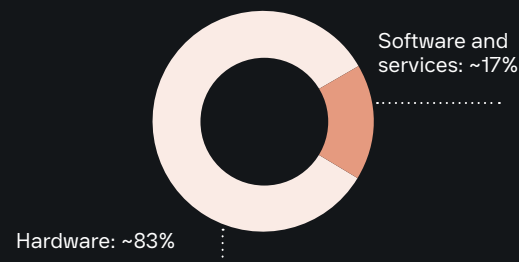
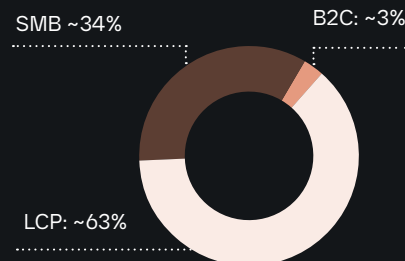
B2C-customers:

~350,000

Our promise

We keep things moving

Our business*



Our markets



*Refers to pro forma 2020/21 including Centralpoint

The year in brief

During the 2020/21 financial year, we met increased demand, reported strong organic growth and earnings development and, with the acquisition of Centralpoint, established Dustin as one of the largest players in Europe. This at the same time as we have dealt with the consequences of the corona pandemic, component shortages and disruptions in the supply chains.

Net sales

15,878 million

EBIT

576 million

Organic growth

9.6%

Earnings per share

SEK 3.82

Gross margin

15.6%

Proposed dividend per share

SEK 2.21

Adjusted EBITA

759 million

Cash flow from operating activities

169 million

Adjusted EBITA-margin

4.8%

Number of shareholders

+14%

CEO comment

This has been an important year for us. A year that signalled the start of the next chapter in Dustin's history. The acquisition of Centralpoint in Benelux has significantly enhanced our footprint in Europe and will pave the way for continued growth and the export of our strong business model. The acquisition makes us a leading online IT partner, not only in the Nordic region but also in Benelux. This was also a year marked by the coronavirus pandemic and the challenges and opportunities this presented. The pandemic has led to a new attitude towards where and how we work, which has accelerated a number of market trends that strengthen our business.

Updated attitude to role of the workplace

During the coronavirus pandemic, large sections of society switched to working from home. The lessons learnt from hybrid working and the opportunities it offers are being utilised as countries begin to open up again. This had a positive impact on sales of equipment for home offices but has also changed attitudes to the role of the workplace and the type of equipment needed for collaboration moving forward. In parallel, it has reinforced trends in relation to mobility, security and privacy. Trends that favour our market position. The year was also marked by disruptions to the supply chain and by component shortages resulting from the coronavirus pandemic. Thanks to positive relationships with our partners, we retained good access to products although we

"With the acquisition of Centralpoint in Benelux, we have significantly strengthened our footprint in Europe and pave the way for continued growth and export of our strong business model."

experienced longer delivery times on custom orders. I am incredibly proud of how everyone at Dustin – despite the challenges we faced this year – continued to work with the best interests of the customer in mind.

Sustainability focus creating new opportunities

Society was also marked by a particular focus on the environmental challenges that confront us. The size of our operations means we have a responsibility but above all an opportunity to influence and drive positive development in our industry. We have set three overall sustainability targets for 2030: to have zero climate impact in the value chain, to be 100 per cent circular, and to have taken 100 actions for social equality. Achieving these targets requires active collaboration with partners and other stakeholders, and we are taking, and will continue to take, responsibility to ensure even closer cooperation.

In order to clarify the impact of climate change on us as a company and what we in turn can do to contribute towards a positive shift, we have implemented reporting in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) to further strengthen the link between our strategy and the overarching sustainability issues. This is also the third consecutive year in which we have published a fully reviewed and audited Corporate Responsibility Report.

"A greater focus on sustainability also entails new business opportunities. For example, we will grow in our markets by increasing investments in end-of-life returns and the re-use of IT products as well as a raising the share of circular solutions."

A greater focus on sustainability also entails new business opportunities. For example, we will grow in our markets by increasing investments in end-of-life returns and the re-use of IT products as well as a raising the share of circular solutions.

Stronger position in Europe

The acquisition of Centralpoint in the last quarter of the year significantly strengthened our position and we are now the eighth largest IT partner in Europe. Centralpoint is market leader in the large corporate and public sector segment in Benelux.

Combined with our existing operations in the Netherlands, this means we now hold a similar position in both the Nordic region and Benelux. During the year we also acquired the Danish company Exato, which specialises in standardised services in IT security and IT infrastructure. Each acquisition not only broadens our offering but develops and builds on our culture. Our success is founded on the expertise and commitment of everyone who works at Dustin. And as the company develops, it offers new opportunities for everyone at Dustin to continue to grow. This enables us to meet the needs of our customers together and continuously help customers to be at the forefront.

I am very pleased with the strong support and trust shown by our shareholders during the year when our rights issue was fully subscribed. The issue provided the company with approximately SEK 1,200 million, which was used to repay part of the loan facility raised in connection with the acquisition of Centralpoint.

Continued growth

Sales amounted to SEK 15,878 million (13,195), up 20.3 per cent, of which 9.6 per cent represented organic growth. Growth was primarily driven by strong demand and our dynamic way of working within purchasing, pricing and delivery models.

The gross margin was 15.6 per cent (15.5). Higher volumes, increased sales of private labels and an active pricing model offset low project-related revenues with a high margin, and a changed customer mix with the acquisition of Centralpoint.

During the year, adjusted EBITA rose 46.6 per cent to SEK 759 million (517). The adjusted EBITA margin rose to 4.8 per cent (3.9). The increase is largely attributable to a higher gross margin, higher volumes and previously implemented strategic initiatives and cost reductions. EBIT amounted to SEK 576 million, including items affecting comparability of a negative SEK 73 million. Net profit for the year was SEK 357 million (277), corresponding to earnings per share of SEK 3.82 (3.04).

Given the above, and Dustin's sustained strong cash flow, robust balance sheet and good financial flexibility, the Board of Directors proposes a dividend of SEK 2.21 per share (2.20), corresponding to a total dividend of SEK 250 million (195).

Sights set on Europe

During the year, we continued to strengthen our position through the acquisition of Centralpoint, an intensified focus on sustainability

and the fact that current market trends are working in our favour. Both during the pandemic and as restrictions now ease, we have been proactive in helping our customers with an offering and delivery model that have proven both robust and relevant. Buoyed by the past year, we will continue to develop Dustin, ensuring that it grows and carves out an even stronger position in Europe.

Thomas Ekman
President and CEO

Nine reasons to invest in Dustin

Leading player in our markets

- 1** We are a leading online player in Europe with a strong position in our markets in the Nordic region and Benelux. We demonstrate this through our pro forma sales of just over SEK 21 billion and average annual growth of 7 per cent over the past ten years.
- 2** The broadest offering of products, services and solutions in the market. We are the destination for customers, offering the right IT solution for their needs.
- 3** Our business model has low capital requirements and generates strong and stable cash flows. This creates scope for further acquisitions and an attractive dividend while maintaining our debt/equity ratio.

Positioned for market trends

- 4** We are correctly positioned to meet the strong market trends. We are benefiting from growth in online retail, the need for mobility and security, as well as increased demand for sustainable, digital and circular solutions.
- 5** Leading player in the Nordic region with extensive online experience, providing us with an opportunity to continuously develop our offering and customer experience. Our aim is now to establish the same position in Benelux.
- 6** We have made investments to efficiently address changing customer needs in our markets. Using standardised solutions, we can sell and deliver services online in a cost-effective manner.

The sustainable alternative

- 7** We have set new industry-leading sustainability targets. By 2030, we aim to be climate-neutral across the value chain, be entirely circular and have conducted 100 activities to promote social equality.
- 8** Clear and integrated sustainability strategy where our capacity to act and priorities enable long-term profitable growth and an ever more sustainable IT industry.
- 9** Through our focus on optimising purchasing, inventory levels and transportation, we will increase efficiency and reduced our climate impact. Our strong position enables us to exert an influence and take an active role for a more sustainable value chain.



"During the year, we continued to strengthen our position through the acquisition of Centralpoint, an intensified focus on sustainability and the fact that current market trends are working in our favour"

– Thomas Ekman, CEO

Powerful market trends

Our markets are characterised by the digitalisation trend and increased focus on sustainability. These trends were dramatically amplified during the coronavirus pandemic, even if they have been clear for some time. Several years' worth of digital transformation took place over a very short period. Our ability to understand how these drivers will impact us and to translate this knowledge into our daily and strategic operations is the basis of our future success.

Increased sales online

The recent move to online retail has accelerated sharply in the past year, spurred on by the coronavirus pandemic. This is primarily the case for hardware, though the trend is also becoming increasingly evident in services.

A growing number of people want to buy hardware, software and standardised services online together with a digital specialist for advisory services and support.

- Sharp increase in hardware sales online
- Increased online presence driving digital advisory services and support online
- Greater willingness to buy standardised IT services online

Growth of online retail in Europe in 2020¹

~20%

Share of B2B customers worldwide who prefer digital services and online shopping rather than physical retail²

>75%

Expected sales growth for PCs in the EMEA region³

~20%

How we are responding to this trend

- We are driving online development supported by our extensive experience, large volume of customer data, the launch of online retail in the Netherlands and the acquisition of Centralpoint
- The proportion of digital advisory services and support online has increased by 26 per cent during the financial year
- About 45 per cent of our smaller B2B customers who plan to buy a computer as a service prefer to do the purchase online

Growth for mobility and cloud services

The past year was characterised by an accelerating pace of digitalisation with changes to behaviour and needs in society.

We hold more digital meetings and work from several different locations. This has led to a sharp increase in demand for flexible IT solutions that work everywhere. Cloud services have become the fastest growing delivery model for IT services. In parallel, they contribute to greater productivity and cost control and a more sustainable digital environment.

- Changed behaviour and needs have increased interest in mobility and cloud services
- A greater need for IT services that can manage flexible workplaces and changing ways of working
- Greater focus on business value and IT solutions that develop the business

Share of companies in Europe that use cloud service in 2020⁵

36%

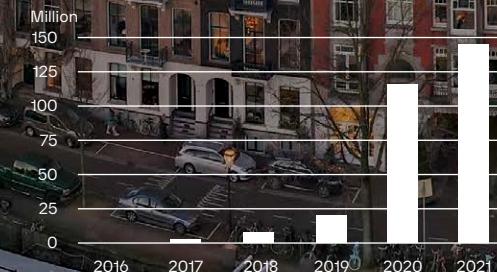
How we are responding to this trend

- A broader portfolio of standardised solutions for a more flexible workplace, such as Modern Workplace
- We drive development by standardising our service offering to make a growing share of our offering available online

Forecast annual growth rate for SaaS configurations in Europe until 2025⁶

~16%

Number of daily active users of Microsoft Teams 2016–2021⁴



Demand for predictable costs

Sharing and leasing digital services has increased significantly and spread to more industries in recent years. This is a convenient way for customers to take control of their IT costs.

Paying a fixed and predictable monthly fee reduces the risk of large and unexpected investments. The subscription model provides greater flexibility and cost control for customers.

- Increased demand for a fixed monthly cost and subscription services
- Greater need for more predictable IT costs and lower risk of large and unexpected investments
- Desire for easier administration

Share of corporate leaders who consider subscription models as key to future growth and expansion for the business⁷

70%

Annual growth rate in the US market for subscription-based e-commerce over the past five year⁸

>100%

Growth in customer base for SaaS configurations in Dustin's integrated operations in the Nordic region 2020/21⁹

40%

How we are responding to this trend

- Packaging a combination of products and services creates new subscription solutions.
- A growing range of solutions at a fixed monthly cost, such as Easy Workplace, Meeting Room as a Service, Managed Print and Takeback as a Service
- By packaging, for example, end-of-life returns as a service in our solutions, we are encouraging a transition to a circular approach

Focus on security and integrity

The number of cyber threats and data breaches has risen sharply as a consequence of rapid technological developments and increased digitalisation, accelerated by the pandemic and distance working.

There are substantial security challenges and many businesses are the target of unauthorised access and fraud without their knowledge. We offer client management and services that include integrated security solutions that can deal with the new challenges and secure the customer's IT environment and information security.

- Mobility, cloud solutions and a sharp increase in distance working increase the need for security
- Rising number of cyber threats and data breaches as criminals become more digital
- Growing number of personal data breaches and stricter requirements for information security

Share of companies world-wide targeted by phishing attacks in 2019¹⁰

88%

Growth in number of ransomware attacks in 2020 compared with one year earlier¹¹

435%

Increase in number of reported personal data breaches in Europe in 2020¹²

19%

How we are responding to this trend

- Broader offering of security solutions, that includes the acquisition of Exato
- Third-party services for basic protection that secure the IT environment and more advanced security solutions for IT infrastructure
- Integrated security solutions that address GDPR and other requirements for information security

Sustainability

The focus on sustainability has increased over the past year. New regulations and more stringent requirements for transparency will continue to drive developments forward. A greater awareness in society and in particular among larger companies has led to changed customer behaviour patterns and increased demand and requirements for sustainable and circular solutions. This also imposes demands on us as a company. The adoption of a clear position and taking concrete action for a sustainable and circular future are becoming increasingly important from a business and risk perspective.

These drivers are clearly leading to a change in customer requirements on us as a company.

- Increased demand for sustainable and circular IT solutions through re-use and recycling
- Greater expectations for responsibility and transparency with respect to social responsibility, inclusion and climate risk
- Sustainable public procurements as an instrument to achieve social policy objectives in terms of the entire life cycle

Share of consumers with changed purchasing preferences based on social responsibility, inclusion or environmental impact ¹³

79%

Increase in number of companies that report climate impact through the CDP platform (Carbon Disclosure Project) ¹⁴

14%

Recycled materials as a percentage of total material use in Europe in 2019, (Eurostat's Circularity rate) ¹⁵

~12%

How we are responding to this trend

- Adopted a long-term commitment to be climate-neutral throughout the value chain and be completely circular by 2030, and to be a transparent and reliable IT partner
- Prepared our reporting in accordance with the TCFD (Task force on Climate-related Financial Disclosures) framework to describe how we work strategically with climate-related financial risks and opportunities and report our climate impact through CDP's ¹⁷ platform
- Transition to a more circular business model by developing our offering of responsible and climate-neutral IT solutions that we can offer our SMB customers

Strong market position

Following the acquisition of Centralpoint, we have strengthened our market position and established ourselves as a leading player in Europe. Digitalisation has accelerated over the past year with an increase in shopping online and digital interaction as well as greater demand for mobility and cloud services. We are well positioned to benefit from these trends, where online sales together with sustainability and circular offerings are driving us and the market forward.

Market-leading online IT partner

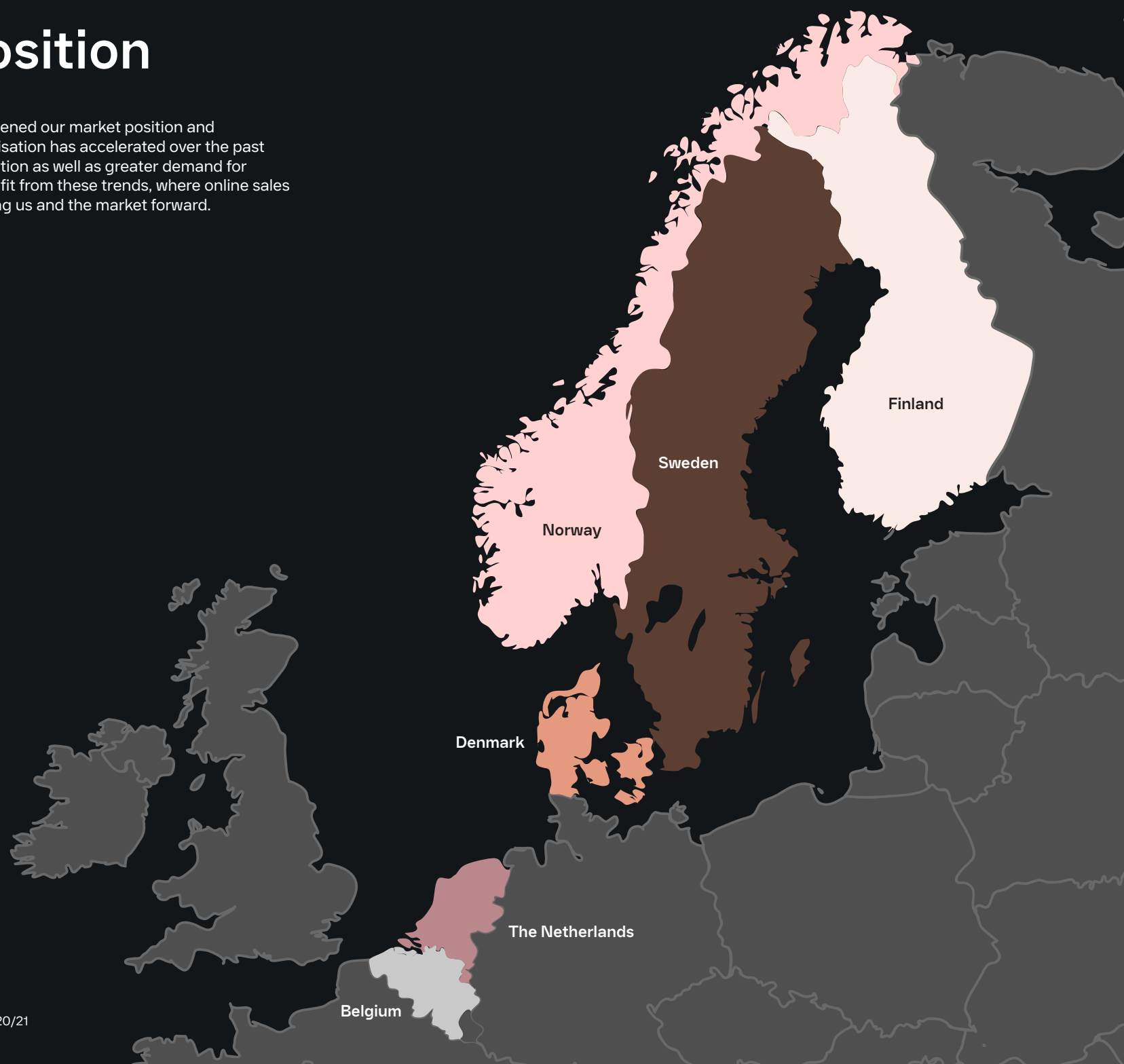
With a market share of about 7 per cent in the Nordic region and about 5 per cent in Benelux, we have established ourselves as one of the largest players in Europe. Our addressable market is valued at more than SEK 300 billion. This includes hardware and software as well as services and solutions for both the private and public sectors.

Growing market

The total market in Europe is growing organically by an average of 2-3 per cent each year, and with significantly higher growth for online sales, mobility and cloud services and for a number of service areas, such as security. Over the past year, the market has seen strong demand for hardware, increased digital interaction and online sales.

Unique position with strong IT expertise

We have created a unique position in our markets, strengthened by our long history and strong IT expertise. Through interactive and cost-efficient online sales, specialist expertise in public procurements and a broad and standardised service offering, we will continue to grow and build stronger relationships with customers. This has made us a leading IT partner in our markets.



Market in change

Our market is fragmented with many minor players. We are witnessing an accelerating consolidation of the IT market as digitalisation increases. Our acquisition strategy combined with organic growth offer us good opportunities to benefit from these changes and further strengthen our position.

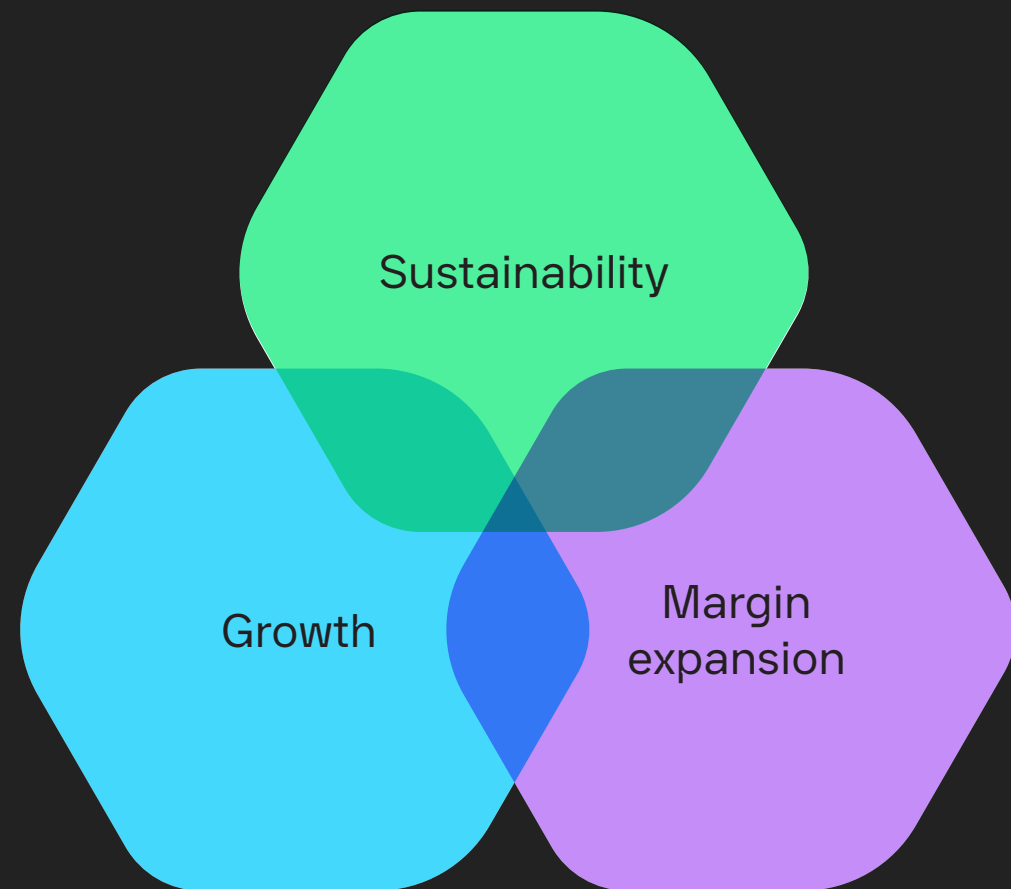
Hardware has been sold online for some time and this shift has accelerated in the past year. We are convinced that customers want to and will become more digital and buy more online. Companies are more willing to allow employees to work from anywhere, which means an increase in the number of and more dispersed workplaces, in addition to a growing need for flexible solutions and partners. We are a strong force and well positioned to meet the strong market trends and drive change in our markets.

Our continued transformation

By standardising our range of services and solutions, we can increasingly digitalise our processes and flows. This means a growing share of our offering can be sold and delivered online. By offering a fully-integrated online experience with a complete range of climate-smart and circular solutions, combined with digital advisory services and support, we can meet the demand from customers. Everything in one place and at a fixed monthly cost. Simple, sustainable and flexible for the customer. This is the future and our way forward to strengthen our position as the leading IT partner in our markets.

Strategy for profitable and sustainable growth

Our strategy is based on creating long-term profitable growth and leading change towards a more sustainable IT industry. During the year, we prepared a long-term plan to fully integrate sustainability into our business strategy and to achieve zero climate impact throughout our value chain and become entirely circular and carry out 100 activities to drive social equality by 2030.



Sustainability

Our sustainability strategy is based on enabling responsible, circular and climate-neutral IT solutions using our strong position in the value chain. We work broadly with sustainability and our responsibility and have identified three areas where we want to push for a greater shift:

1

A climate-neutral value chain

Our ambition is to reduce our climate impact to zero throughout the entire value chain by 2030. The calculations will take into account our Scope 1, 2 and 3 emissions.

2

Entirely circular

Our ambition is to become entirely circular by 2030. We believe in a transition to an increasingly circular business model, where we offer our customers different types of IT solutions. If customers wish to own their hardware, we will guarantee a circular flow through re-use and recycling.

3

100 social equality initiatives

We want to carry out 100 activities to drive social equality in our value chain until 2030. There is more to be done to break norms and drive positive development. We therefore work with 100 initiatives for diversity, inclusion and social equality.

Progress during the year for sustainability

- Prepared a long-term plan to fully integrate sustainability into our business strategy in line with our commitments for 2030
- Prepared our reporting in accordance with the recommendations of TCFD's framework to describe how we work strategically with climate-related financial risks and opportunities
- Broadened our circularity both in terms of volume and geographically, with a circular sales share of 18.3 per cent (18.7), while sales grew by 20.3 per cent
- Implemented an energy transition, with all premises in our integrated operations powered by renewable energy and solar panels installed at our Nordic central warehouse
- Reduced our comparable emissions by 36 per cent and increased transparency by including all of Scope 3 and thus our entire value chain in our reporting

Growth

Our growth strategy is built on five pillars based on a strong market position, expansion and a broader customer offering.

1 Leading online position

Based on our extensive experience of online sales, we will leverage our expertise and our wider geographic presence through continued digitalisation to address market trends and strengthen our position with customers.

2 Broader customer offering

By continuing to develop the market's broadest and increasingly personalised IT offering, both organically and through acquisitions, we can create greater value and strengthen our relationships and attract new customers.

3 Geographical expansion

By increasing penetration in existing markets and expanding to new markets, the new presence also offers added value to our current customers, since existing services and solutions are provided in more geographical locations and our offering becomes more competitive.

4 Increased sales to existing customers

We are broadening our online sales to include consultative and relationship selling as well as specialist expertise in public procurements to increase the share of sales and loyalty among selected parts of our existing customer base.

5 Introduction of the offering in all markets

When we – through knowledge-sharing and adaption – provide our customers access to our entire portfolio of products, services and solutions in all markets, we can increase sales and create synergies.

Progress during the year for long-term growth

- Adaptation and roll-out of our standardised service offering online in the Nordic region
- A broader portfolio of standardised solutions for a more flexible workplace, such as Modern Workplace
- Increased expertise in IT security through the acquisition of Exato creates opportunities to grow sales to existing customers
- Updated plan for accelerated integration of acquisitions completed earlier to realise synergies
- The acquisition of Centralpoint strengthens our position and creates opportunities to continue expanding in Benelux and accelerate growth in the Nordic region

Margin expansion

Sustained growth creates conditions to improve profitability. We have identified five areas with the potential to strengthen our profitability over time.

1 Customer mix and efficiency

We strive to achieve relatively higher organic growth in the SMB segment and increase the share of mature contracts in the LCP segment to improve our margins. By digitalising and automating our flows, we can streamline and increase profitability.

2 Private label products

We can increase our profitability by replacing existing products with private label products, both geographically and through higher volumes.

3 Value-creating acquisitions

Acquisitions broaden our expertise and our offering while we also reach new customers. This strengthens opportunities for growth and margin expansion through economies of scale and cross-selling.

4 Managed services

The integration of acquired operations gives us the capacity to efficiently produce, standardise and deliver a growing range of services and solutions to our customers in larger volumes.

5 Synergies from acquisition of Centralpoint

We can increase our margins by realising synergies in areas such as procurement, improving penetration for private labels, IT and technical platforms, knowledge sharing and SMB online.

Progress during the year for margin expansion

- A more mature portfolio of contracts within LCP has improved our profitability, despite a relatively lower share of sales within SMB following the acquisition of Centralpoint
- The automation of our Nordic central warehouse has reduced our costs and strengthened our margins
- Through the acquisition of Centralpoint, we can expand our private label range to a larger geographic market
- Major opportunities to gain market share online through establishing operations in Benelux with Centralpoint
- Launch of standardised and packaged solutions and greater efficiency by consolidating the Nordic data centre structure

Our targets

The Board of Directors has established sustainability targets, financial targets and a dividend policy for our operations. The targets aim to consolidate and strengthen our leading position as well as to create shareholder value over time. Ahead of the financial year, we established new industry-leading sustainability targets based on three global challenges that society at large is facing: climate change, unsustainable resource consumption and social inequalities. The targets guide us in our governance of operations and help us to improve our earnings and increase our competitiveness.



Sustainability targets

Climate

Starting in 2020/21, to reduce our climate impact to zero emissions in Scope 1, 2 and 3 by 2030.

Outcome 2020/21: Our total CO₂ emissions for Dustin amounted to 934,000 tonnes of CO₂e in 2020/21. We are now taking full responsibility and include all Scope 1, Scope 2 and Scope 3 when calculating our total emissions. The acquisitions of Exato and Centralpoint are not included in the figures.

Circularity

Starting in 2020/21, to strive for 100 per cent circularity by 2030, of which the equivalent of 20 per cent by the end of 2020/21.

Outcome 2020/21: At the end of the financial year, we had achieved 18.3 (18.7) per cent circularity, which is slightly below our interim target of 20 per cent for 2020/21. This is mainly explained by a very strong growth in hardware sales during the year.

Social equality

Starting in 2020/21, to have conducted 100 initiatives for social equality in our value chain by 2030, of which ten initiatives in 2020/21.

Outcome 2020/21: We conducted a total of ten activities for social equality during the year, which is in line with the interim target of ten activities per year until 2030.

Financial targets

Growth

To achieve average annual organic sales growth of 8 per cent over a business cycle. In addition to this, Dustin intends to expand through acquisitions.

Target: 8 per cent over a business cycle

Outcome 2020/21: Total growth was 20.3 per cent, of which organic growth of 9.6 per cent (CAGR 5 years 6.4 per cent).

Margin

To increase the adjusted EBITA margin over time, and to achieve an adjusted EBITA margin of between 5 and 6 per cent in the medium term.

Target: 5–6 per cent

Outcome 2020/21: 4.8 per cent.

Capital structure

The capital structure should enable a high degree of financial flexibility and provide scope for acquisitions. The net debt target is a 2.0–3.0 multiple of adjusted EBITDA for the past 12-month period.

Target: 2.0–3.0 multiple

Outcome 2020/21: 3.4 (2.6) multiple, including the 12-month earnings effect for Centralpoint and excluding the effects of IFRS 16 Leases. When calculated including these effects, the figure was 3.3 (2.7).

Dividend policy

To payout more than 70 per cent of net profit for the year. However, the Company's financial position, cash flow, acquisition opportunities and future prospects will be taken into consideration.

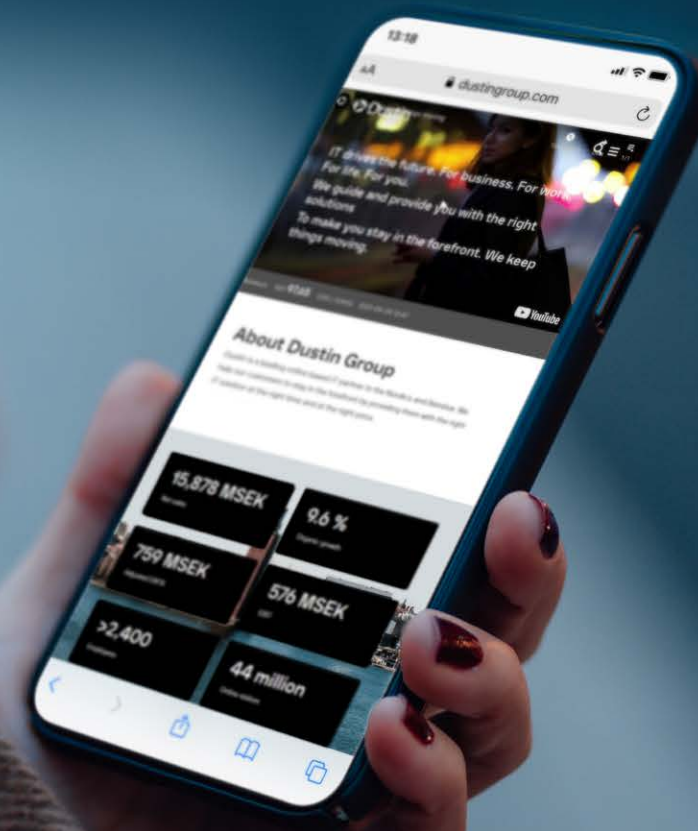
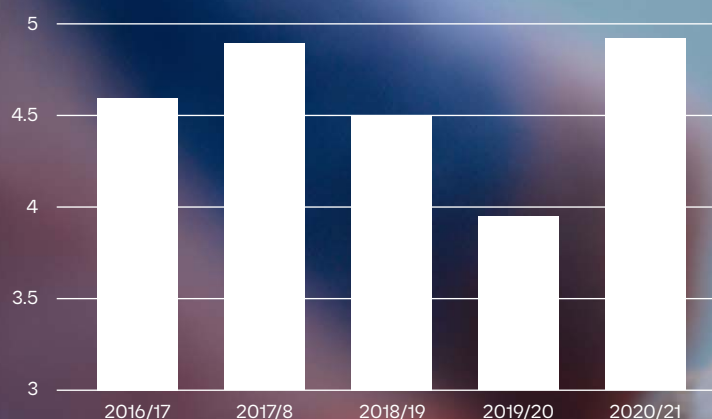
Target: 70 per cent of net profit for the year

Proposal by the Board 2020/21: 70 per cent of net profit for the year, corresponding to SEK 2.21 per share and totalling SEK 250 million.

Net sales growth (%)



Adjusted EBITA margin (%)



Our culture

We who work at Dustin and our culture is what makes us unique and forms the fundamental basis of our business. A strong and healthy culture is the foundation for us to generate value for our customers, suppliers, shareholders and other stakeholders.

Our core

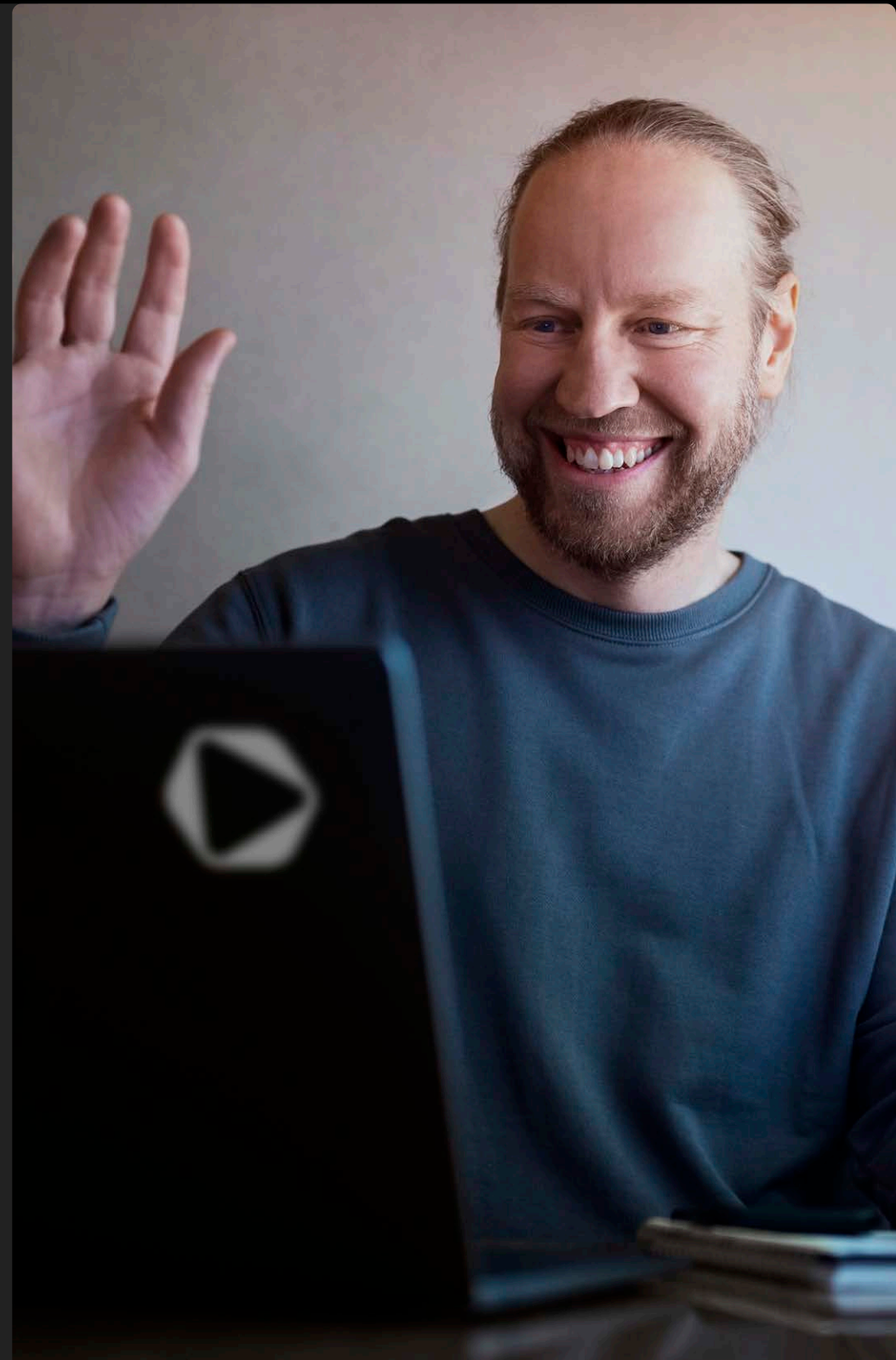
At Dustin, we are proud of our friendly, inclusive, helpful and pragmatic way that we treat each other and our customers and partners. We listen with interest and maintain a good culture of cooperation. It is also important for everyone working at Dustin that we are given the opportunity to develop through new ways of working, new projects and work duties. Our employee promise is therefore: You keep us moving. We keep you moving. Because when individuals develop, the company also develops. Our values and our Code of Conduct provide support for how we are to act towards each other and our customers and partners. The Code of Conduct is based on our values and our business principles, which include responsible business and regulatory compliance.

Changing culture

We strive for a diversity of backgrounds, experiences, perspectives and opinions. In pace with the recruitment of new colleagues and as we acquire and integrate new companies, our culture also evolves. But it also evolves through the deliberate work of the company to remain a modern and sustainable company. Support is provided by the systems and processes for employees' professional development, leadership support and employee surveys.

Our values

- Strive to improve
- Keep it simple
- Live up to promise
- Challenge all cost
- Win as a team



Our business segments

We have divided our operations into three business segments based on customer categories and how we serve them, to ensure that we offer the right support to the right customer. In turn, operations are supported by scalable and shared central functions.

SMB

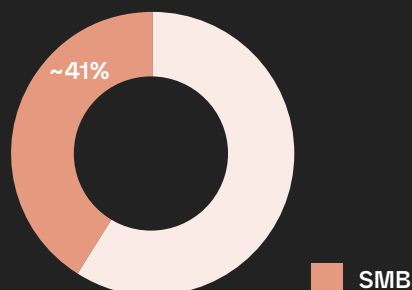
One of our two main target groups is small and medium-sized businesses (SMB) with up to 500 employees. This is where we have our history and the core of the business and we develop our standardised service offering for SMB.

The small business customers are looking for a full-service partner who can provide advice and an extensive offering of products, services and solutions. They appreciate a broad selection, personal and flexible purchasing experience and fast and reliable delivery when buying products. In service sales, a personal relationship and an understanding of the needs of the business are crucial criteria.

Customer contacts are mainly conducted online and through relationship and consultative selling.

The hardware market segment is characterised by many small direct purchases as the need arises. SMB customers are generally not tied to specific hardware models and buy whatever is available. When it comes to services and solutions, customers want full-service solutions with one partner.

Share of total net sales



2020/21

- Percentage of total sales: 41 per cent (43)
- Percentage of segment results: 50 per cent (53)
- Sales growth: 14.3 per cent (3.3), of which 11.6 per cent (-1.4) organic
- Segment margin: 10.1 per cent (8.9)
- Number of customers: approx. 120,000
- Average order value: approx. SEK 8,000 in the Nordics and about SEK 9,000 in the Benelux
- Typical customer: 1–100 employees
- Geographical presence: Sweden, Norway, Denmark, Finland, the Netherlands and Belgium

The year in brief

In the SMB segment, sales of hardware in the form of clients and peripherals, such as keyboards, webcams, and consumer electronics, have developed strongly in all customer groups. The development of consulting and project-related services such as connecting customers to new services and similar has been weak but gradually improved during the latter part of the year, as customers' offices have opened up to a larger extent. The segment has to a lesser degree been affected by component shortages and disruptions in the supply chains.



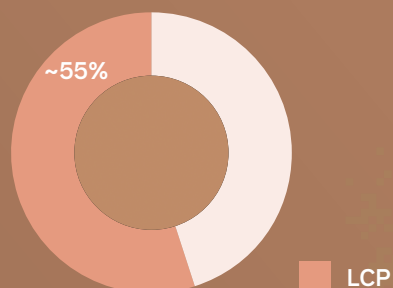
LCP

Larger companies and organisations with more than 500 employees and the public sector make up our second main target group. Larger companies highly value our broad offering and efficient deliveries. For these customers, we primarily offer hardware and software as well as product-related services, such as configuration, customer-specific stockholding and anti-theft marking.

The larger business customers are mainly attracted by the long-term and personal relationship and a partner who understands their business. Procurements and larger orders are managed by our specialised teams in public procurements or by the sales team, while repetitive and minor orders are handled online.

The hardware market in the segment often concerns larger purchases of computers for all or some employees. The awarded public sector contracts often stipulate specific models or performance. As regards services and solutions, customers often request individual solutions as a complement to the overall IT environment.

Share of total net sales



2020/21

- Percentage of total sales: 55 per cent (52)
- Percentage of segment results: 46 per cent (43)
- Sales growth: 26.4 per cent (7.9), of which 8.0 per cent (6.1) organic
- Segment margin: 6.9 per cent (6.0)
- Number of customers: approx. 10,000
- Average order value: approx. about SEK 12,000 in the Nordics and about SEK 19,000 in the Benelux
- Typical customer: smaller municipalities and the public sector
- Geographical presence: Sweden, Norway, Denmark, Finland, the Netherlands and Belgium

The year in brief

The sales development to the public sector has been favorable for most of the year, but was negatively affected by component shortages and disruptions in the supply chains and thus longer delivery times. This customer category is more governed by specific product models in the procurement agreements and thus has limited alternatives. Sales development to larger companies has been strong and has been affected to a lesser extent by the market situation.



B2C

B2C relates to consumers and is our smallest segment. Customers are mainly interested in hardware and software. They appreciate the broad range of IT products, the option to compare products and attractive prices. This is the most price-sensitive of our customer groups.

The B2C market is a secondary but relevant market for us. It is here we can see trend shifts and changes in customer behaviour patterns at an early stage. Consumers are only served online.

The B2C market for hardware is often governed by price and availability and customers tend therefore to buy from different suppliers over time.

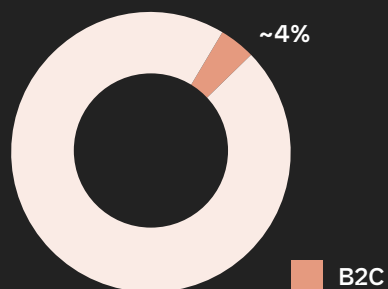
2020/21

- Percentage of total sales: 4 per cent (5)
- Percentage of segment results: 4 per cent (4)
- Sales growth: 7.3 per cent (-4.6), of which 8.8 per cent (-3.9) organic
- Segment margin: 8.1 per cent (6.2)
- Number of customers: approx. 350,000
- Average order value: approx. SEK 2,000
- Typical customer: Consumers who are interested in technology
- Geographical presence: Sweden, Norway, Denmark, Finland and the Netherlands

The year in brief

The sales trend towards consumers has been positive during the year, which is mainly explained by healthy demand for mobile phones, computers and basic hardware such as screens, webcams, cables and accessories. Growth has mainly been driven by upgrades of home offices.

Share of total net sales



Dustin – the destination

We have complemented the widest assortment of hardware and software in the market with our standardised services and sustainable solutions. Together with our collective competence, we are the destination that can satisfy the entire IT needs of customers. Customers appreciate a partner who understands their business and with whom they can build a long-term and personal relationship. Our pragmatic approach allows us to make the complex simple and create greater value. Regardless of whether it involves complete solutions, hardware, software or services.



A wide assortment from a large number of suppliers...



needs an aggregator to interact with...



a large number of customers.

Our customer offering

A wide product range for the new working life

For the workplace, home office and remote work, we have the market's widest range of hardware, including approximately 280,000 products from more than 3,500 brands. Everything our customers need within IT to take on the new working life.

Sustainability-labeled products and circular solutions for a reduced climate footprint

Customers should be able to easily choose products and solutions that help them reduce their impact on the climate and the environment.

A predictable IT environment through standardised services

To enable a simple and functional IT environment with predictable costs for our customers, we offer a portfolio of standardised services.

Broad competence and professional support

We help and support our customers so that IT will be an enabler for their business.

Our delivery model

We believe in a digital and sustainable future. Through standardisation, we create simple, energy-efficient and reliable services and solutions that can be offered online. We take the model from our efficient and scalable hardware business, where the majority of our sales have taken place online for a long time. This means that we can ensure cost-effective purchasing, production, delivery and operation of both products, services and solutions.

How we deliver our products

Our close relationship with our suppliers makes us competitive

The availability of our wide range is based on purchases from a large number of suppliers, both distributors and manufacturers. Through a close relationship, we ensure a stable supply of goods and reduce the risk of disruptions in the supply chain.

Fast delivery with optimised logistics model

We combine regional logistics centers and local warehouses to always offer fast deliveries, with the capacity to handle large volumes of configured, customer-specific products with great precision.

Responsible purchasing with a focus on sustainability is an important and integrated part

Our supplier code of conduct is part of the purchase agreement for direct purchases of products. We conduct regular risk analyses and factory audits to ensure that suppliers and manufacturers in the value chain act in accordance with the commitments in our code of conduct.

How we deliver our services

Economies of scale through standardisation

We standardise our range of services to achieve economies of scale through central and efficient development, distribution, operation and monitoring and support as volumes increase. It creates simplicity for the customer to build an IT environment with us based on our standardised components.

Optimised structure for operation and storage

During the year, we completed the consolidation of our smaller Nordic data centers to four. Our data centers are now based on the same technology and are monitored from one and the same place. We have the ambition to consolidate new acquisitions into the same structure.

This creates the opportunity to fully standardise and harmonise our range of services for sales online. We are at the same time reducing our climate impact through increased energy efficiency and operation with renewable energy. For customers, complexity is reduced and we can help them take the next step in their digitalisation.



Our share and shareholders

Dustin's shares were listed in the Mid Cap segment on Nasdaq Stockholm on February 13, 2015 at a price of SEK 50.00 per share. At the end of the financial year, the price was SEK 98.20, corresponding to an increase of 74.1 per cent during the year.

The share

We have one type of share and each share entitles the holder to one vote and an equal stake in the company's assets and earnings. The total number of shares issued was increased by 24,375,664 during the period and amounted to 113,023,003 at the end of the financial year.

Market value and share price performance

On August 31, 2021, Dustin's share price was SEK 98.20 (56.40) per share. The change represents an increase of 74.1 per cent compared with the year-earlier date. The market capitalisation amounted to SEK 11,099 million (5,000). The OMX Stockholm Mid Cap PI index increased 58.3 per cent during the same period.

Turnover

Total turnover during the financial year was approximately 70.6 million shares (64.4) with a total value of SEK 5.6 billion (3.9). The average daily turnover amounted to about 280,000 shares (259,000), corresponding to a daily value of approximately SEK 22.1 million (15.9).

Incentive programme

The incentive programme for senior executives introduced at the 2017 Annual General Meeting carries entitlement to subscribe for new shares in the company during the first half of 2021. During the period, a total of 48,292 shares were subscribed for through the exercise of warrants received under the incentive programme. The total number of shares and votes in the company increased as a result to 88,695,631.

Non-cash issue

In connection with the transfer of ownership of Centralpoint, Dustin's Board of Directors resolved, based on the authorisation granted by an Extraordinary General Meeting, to carry out a non-cash issue of shares to the former owners of Centralpoint, Rotla B.V. (indirectly). The number of newly issued shares amounted to 8,254,587. In conjunction with this, the total number of shares and votes in Dustin increased to 96,950,218 shares.

Rights issue

The number of shares and votes in Dustin Group AB increased by 16,064,052 shares due to the rights issue resolved at an Extraordinary General Meeting on May 18, 2021. On August

31, 2021, the total number of shares and votes in the company amounted to 113,023,003. The rights issue encompassed a total of 16,159,825 shares, of which the remaining 95,773 shares were registered with the Swedish Companies Registration Office in September 2021.

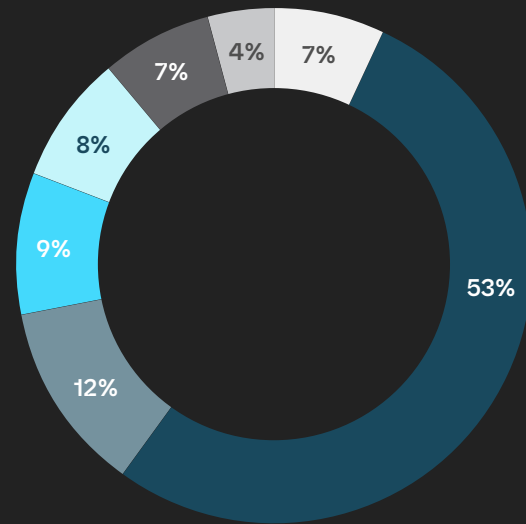
Dividends

In accordance with the dividend policy adopted by the Board of Directors, Dustin's target is to pay dividends of more than 70 per cent of net profit for the year. For the 2020/21 financial year, the Board of Directors proposes a dividend of SEK 2.21 (2.20) per share, corresponding to SEK 250 million (195) or 70 per cent (70) of net profit for the period.

Shareholders	Shares	Capital and voting rights
Axel Johnson Gruppen	30,846,825	27.3%
AMF Pension & Fonder	15,474,788	13.7%
Rotla B.V. (säljaren av Centralpoint, Altor)	9,630,351	8.5%
ODIN Fonder	8,633,333	7.6%
Allianz I.A.R.D. S.A.	5,833,333	5.2%
Fidelity Investments (FMR)	5,588,675	4.9%
CRUX Asset Management Ltd	1,853,795	1.6%
JP Morgan Asset Management	1,832,460	1.6%
Länsförsäkringar Fonder	1,601,124	1.4%
Swedbank Robur Fonder	1,435,000	1.3%

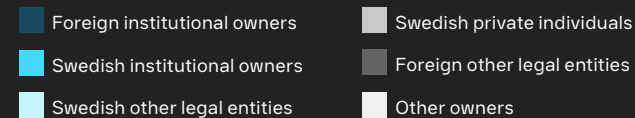
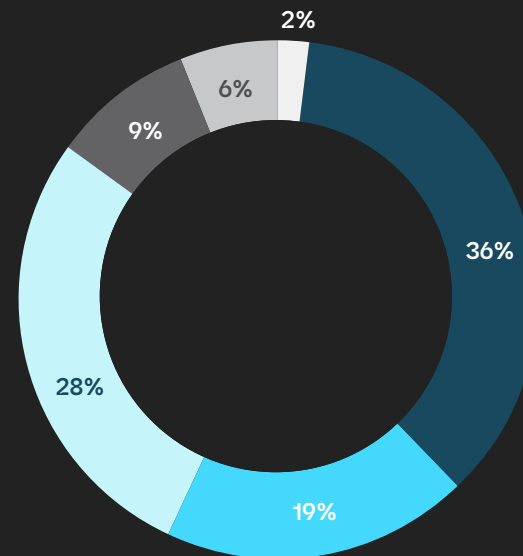
Source: Modular Finance

Ownership by country as of August 31, 2021



Source: Modular Finance

Ownership by category as of August 31, 2021



Source: Modular Finance

Ownership structure

At the end of the period, the company had a total of 14,151 (12,428) shareholders, equivalent to an increase of 14 per cent. The table on the previous page shows the ten largest shareholders and their holdings on August 31, 2021.

Analyst coverage

The following analysts cover Dustin:

ABG Sundal Collier
Carnegie Investment Bank AB
Handelsbanken Capital Markets
Kepler Cheuvreux
Nordea Equities
SEB

Daniel Thorsson
Mikael Laséen
Erik Elander
Lars Peder Kallar Devold
Fredrik Stenkil
Ramil Koria

Directors' Report

The Board of Directors and the CEO of Dustin Group AB (publ), Corporate Registration Number 556703-3062, hereby present the Annual and Corporate Responsibility Report, and the Consolidated Financial Statements for the financial year from September 1, 2020 to August 31, 2021.

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“The size of our operations means we have a responsibility but above all an opportunity to influence and drive positive development in our industry.”

– Thomas Ekman, President and CEO

Sustainability

Responsible business is a given for us and a prerequisite for conducting long-term, successful operations. Our sustainability work are part of this, with the ambition of being a leader and actively contributing to positive development in the industry. We also know that well defined sustainability efforts are important for our customers, investors, employees and society at large. As the eighth largest IT partner in Europe, we have both a responsibility and a major opportunity to positively impact developments.

We operate in a rapidly changing world

A growing population and higher living standard are increasing the use of natural resources; rapid technological development requires new business models, and concerns over climate change and the earth's resources are affecting decision making on all levels. These global megatrends create challenges for our operations, but also business opportunities. The need to reduce emissions of greenhouse gases and society's adaptation to a changed climate and limited natural resources will change customer behaviour and drive companies towards increasingly circular business models.

With our strategy, we want to demonstrate our ambition for sustainability and social responsibility as well as our contribution to the UN's global goals for sustainable development (see further on page 108). The strategy focuses on three areas: climate, circularity and social equality.

The goals entail that Dustin 2030 shall:

- be climate neutral throughout the value chain
- be 100 per cent circular
- taken 100 actions for social equality

Progress during the 2020/21 financial year

- Our climate footprint in Scope 1 declined by 31 per cent and in Scope 2, we reported a decrease of a full 61 per cent. Within Scope 3, we are including our climate footprint throughout the value chain as of 2020/21. The aspects of Scope 3 that are comparable with the preceding year declined by 34 per cent. Overall, our total climate footprint (Scope 1, 2 and 3) amounted to 934,000 tonnes of CO₂ equivalents (CO₂e).
- Our end-of-life returns increased to 90,010 (57,079), while the circular share of our net sales declined somewhat to 18.3 per cent (18.7), as a result of strong growth in hardware sales.
- We completed the ten activities for social equality in the value chain that we established as Sub-goal for the financial year.

Climate reporting in accordance with TCFD

We are transparent and highlight both our progress and our challenges. Accordingly, we have now begun to report our potential physical climate risks and opportunities, as well as transition risks, in accordance with the recommendations in the Task force on Climate-related Financial Disclosures (TCFD) framework. This pertains to the financial impact on the company of environment and climate, instead of, as previously, the impact the company has on the environment and climate. In this way, we can describe how climate change could impact our operations in the long term.

Material sustainability issues and goals

We have established goals that surpass the goals of the Paris Agreement and the UN Global Sustainable Development Goals, and established a plan to fully integrate sustainability into the business strategy. The focus is on areas in which we can make the most difference by either reducing our negative impact or increasing our positive impact. Core sustainability issues were identified using a materiality assessment and comprise those that represent our most important economic, environmental and social impacts. The materiality assessment aims to identify and understand the areas that are important for our stakeholders and for the business strategy. This is conducted at least every third year, but may occur more frequently if there are major changes in strategy or operations. The most recent materiality assessment was conducted in 2019/20, see page 107. The core issues identified form the basis of our strategy and our goals for corporate and social responsibility until 2030, see also pages 35-51.

Scenario analysis

Using the materiality assessment as a starting point, during the spring, we conducted an initial scenario analysis related to climate change. It encompassed all of Dustin, except for Centralpoint, which was acquired later. Group Management discussed risks and opportunities based on two scenarios, together with the sustainability team. These scenarios comprised "aggressive mitigation", or so-called RCP 2.6 (UN IPCC climate panel scenario), where the world's emissions of CO₂e are completely eliminated in 2050, and "business as usual", with an anticipated temperature increase of more than 4 degrees by 2050. The scenario

analysis comprised climate-related trends within nine areas and our most important stakeholders and culminated in a list of our risks and opportunities. Subsequently, there was an evaluation of the potential financial impact that these could have for the company in the short, medium and long term. The risks and opportunities were then classified into three groups: transition risks, transition opportunities and physical risks.

Identified risks and opportunities

The transition risks identified as being greatest in the medium term are:

- the risk that we are unable to meet future demand from primarily large customers for sustainable products and services

- the risk of reduced ability to attract investments through a declining sustainability ranking if we do not accelerate the sustainability agenda and measures in line with market expectations
- the risk of being unable to attract employees and future talent if we do not have a clear sustainability agenda

The transition risks identified as limited to the medium term are:

- the risk of failed innovation activities and projects that are not in line with new regulations or demand from customers
- the risk of not meeting expectations regarding our products' carbon footprint

TCFD

The Financial Stability Board (FSB) established an industry-led working group in 2015, the Task force on Climate-related Financial Disclosures (TFCD), aimed at preparing recommendations for a more transparent and informative climate-related financial reporting. The recommendations were approved in 2017 and form the basis of being able to identify companies' climate-related financial risks and opportunities. This pertains to the financial impact on the company of environment and climate, instead of, as previously, the impact the company has on the environment and climate. The recommendations focus on four areas: governance, strategy, risk management, and metrics and targets.

The greatest transition opportunities were identified as:

- competitive advantages if we exceed the stakeholders' demands for sustainability
- lower operating costs through lower costs for transports, packaging and energy consumption

The physical risk identified as significant in the medium-term perspective was:

- the risk that changes in weather patterns and extreme weather events could cause rising prices for purchased goods and supply chain disruptions

From a long-term perspective, all of the above risks can be regarded as critical, which is why the work on our ambitious 2030 targets has been validated. An updated climate scenario from the UN IPCC climate panel has emphasised the importance of our work.

Climate reporting in accordance with TCFD

We have structured reporting in accordance with the four areas for follow-up and reporting included in the TCFD's recommendations, including governance, strategy, risk management, and metrics and targets.

Governance

We have established governance systems to effectively manage climate-related risks and opportunities. Together with Group Management, the Board of Directors actively participated in the preparation and approval of the sustainability strategy and our targets. Group Management approves and follows up on the annual goals in relation to our 2030 commitments. During the year, Group Management participated in the work on the scenario analysis and also signed off on the risk management process. The Corporate Responsibility Report is audited with the same level of certainty as the financial statements and the Board's Audit Committee is an integrated part of the audit process.

Strategy

Our sustainability strategy is based on our ambition to be climate neutral throughout the value chain by 2030 and we are expanding our responsibility by including all relevant aspects within Scope 3 (refer also to pages 40–44). We have identified risks and opportunities through the scenario analysis and the financial impact they could have on our operations over periods of varying length. The strategy aims to minimise these risks, make use of opportunities and continuously reduce our climate footprint throughout the value chain, for example, through changes in our product portfolio, transportation, direct emissions, increased circularity and various initiatives and collaborations (refer also to pages 44–48).

Risk management

The identified sustainability risks and sustainability-related financial risks above are integrated with other risks in the risk management process. The Head of Sustainability is responsible for the implementation of the sustainability strategy, where Group Management has an active role in implementation. The Board is involved in the review of the risk process at least once a year. The Board's Audit Committee monitors deviations in the area of sustainability, in the same way as it does in the financial area. In our opinion, the current sustainability strategy addresses the identified sustainability risks (refer also to Risks on pages 38 and 65).

Metrics and targets

We have a reporting system that includes a large number of various metrics and targets to assess and manage relevant climate-related risks and opportunities in operations. Dustin reports in accordance with the GRI standards. The following climate-related metrics are reported in the Corporate Responsibility Report.

- Energy consumption within the organisation (GRI 302-1), see also page 43
- Direct and indirect CO₂ emissions, including emissions of volatile substances (GRI 305-1, 305-2), see also page 40–44
- GHG emissions intensity, tonnes CO₂ per SEK 1 million (GRI 305-4), see also page 42
- Reduction of GHG emissions (GRI 305-5), see also pages 40 and 42

Climate impact

We shall achieve a fully climate-neutral value chain by 2030. This entails that we will exceed the Paris Agreement and take greater responsibility and increase transparency by including all relevant parts of Scope 3 and not only emissions under Scope 1, Scope 2 and parts of Scope 3.

We already work actively with the transition to renewable energy at our premises, data centres and to more environmentally compatible vehicles. Now that we report emissions for the full value chain, the scope of the reported emissions is increasing sharply. Production and inbound deliveries that were not previously included comprise approximately 80 per cent of our total emissions. In addition, we add the customer's climate impact in the use of products and services. Our new and broader approach provides us with a more complete view of the total environmental impact generated by purchasing, production, use and end of use of our products.

Targets for the financial year were:

- To have 100 per cent renewable energy in all of our premises, warehouses and data centres in the Nordic region
- At least 28 per cent of our sold products are to be eco-labeled
- To set interim targets for our climate impact in the value chain by 2023/24

Progress during the 2020/21 financial year:

- reduced our direct emissions within Scope 1 by 31 per cent, primarily by working actively to replace fossil fuel-driven vehicles with electric and hybrid vehicles.
- reduced our indirect emissions within Scope 2 by 61 per cent through increasing purchases of renewable energy for our premises and warehouses in the Nordic region
- reduced our previously reported and comparable indirect emissions within Scope 3 by 34 per cent, through less business travel, an increased share of electric and hybrid operation for our leased cars, and higher purchases of renewable energy in our data centres.
- analysed our value chain and broadened the scope of our reported emissions as a result of us now including all of Scope 3 and thereby our complete value chain.
- increased the share of sold eco-labeled products to 32 per cent
- estimated interim targets for 2023/24 with the objective of establishing these during the first six months of 2021/22

Our climate impact through the value chain

Our calculations and our reporting are conducted as previously in accordance with the Greenhouse Gas (GHG) protocol and the activities are distributed among three areas:

- Scope 1
- Scope 2
- Scope 3

The emissions are reported in carbon equivalents, CO₂e, which are measurements of GHG emissions. Using the term CO₂e, we gain a common measurement for all of the various GHG emissions and their climate impact. The emissions' impact is quite simply translated to how much carbon dioxide that would cause the same greenhouse effect.

As of the 2020/21 financial year, we are including all applicable parts of Scope 3 in our reported figures, which also comprise the indirect emissions that occur upstream in the supply chain and downstream in the user chain (see image). This provides us with a more complete view of the total climate impact generated by the purchasing, production, use and final disposal of our products and the 2020/21 financial year is thus the base year for a climate-neutral value chain in 2030.



Results and development

During the financial year, our total emissions amounted to 934,000 tonnes of CO₂ equivalents (CO₂e). The result for the year includes all applicable parts of Scope 3 and is therefore not comparable with the result for the 2019/20 financial year. We reduced our emissions in all of the areas we already reported previously, although our business grew organically and through acquisitions. The emission intensity of greenhouse gases, measured as tonnes of CO₂ per million SEK in net sales, amounted to approximately 64, excluding Centralpoint. The graph below shows the distribution of emissions between various scopes and categories.

Within Scope 1, we reduced our direct emissions by 31 per cent, primarily by working actively to replace fossil fuel-driven vehicles with electric and hybrid vehicles, as well as reducing the total number of cars. This year, we also drove a lower number of kilometres as a result of the pandemic.

Within Scope 2, our indirect emissions were reduced by 61 per cent, mainly through the transition to renewable energy sources in the operation of our warehouses and offices.

Within Scope 3, our previously reported and comparable other indirect emissions decreased by 34 per cent during the financial year. Emissions from business travel declined by 98 per cent compared with 2019/20. The pandemic and the subsequent restrictions were a significant reason for this, but we are convinced that some of this reduction is of a lasting nature as a result of the higher acceptance of digital meetings. Emissions from our off-premises data centres decreased by 95 per cent, due to the purchase of renewable energy. Emissions from leased cars declined by 56 per cent compared with the preceding year. The reduction in our emissions is primarily the result of our transition to electric and hybrid vehicles in combination with a lower number of cars. This year, we also drove a lower number of kilometres as a result of the pandemic. Outbound shipments of our products to customers increased 9 per cent during the financial year, as a direct result of higher sales.

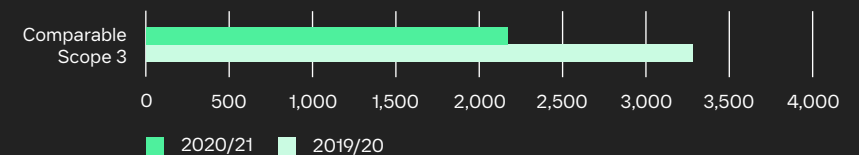
Emissions Scope 1, tonnes of CO₂e



Emissions Scope 2, tonnes of CO₂e



Emissions Scope 3, tonnes of CO₂e



CO ₂ e emissions Dustin	2020/21	2019/20
GHG Scope 1 - Direct emissions		
Direct emissions from owned cars	151	221
GHG Scope 2 - indirect emissions from purchased electricity, steam, heating and cooling for own use		
Indirect emissions - Market based	132	342
GHG Scope 3 - Other indirect emissions		
Category 9 - Downstream transportation and distribution	1,797	1,654
Category 6 - Business travel	10	424
Category 8 - Upstream leased assets - datacenters	21	383
Category 8 - Upstream leased assets - cars	332	750
Total comparable Scope	2,443	3,833
Extended Scope 3*		
Category 1 - Purchased goods & services	737,000	
Category 4 - Upstream transportation and distribution	8,000	
Category 11 - Use of sold products	187,000	
Total extended Scope	932,000	
Total including extended Scope	934,000	

* Categories 1,4 and 11 within Scope 3 is presented in thousands of tonnes of CO₂. Calculation factors and assumptions will be improved and will be presented with more accuracy in the coming years.

Energy

Our total energy use during the 2020/21 financial year decreased by 2 per cent and amounted to 7,729 MWh (7,862), where electricity use and heating account for the entire reduction. This is driven by reduced load on the offices, which has reduced electricity and heat use somewhat, as well as lower net consumption of electricity in data centers.

Energy use	2020/21	2019/20
Electricity use, total (kWh)	5,706,636	5,838,378
Heating, total (kWh)	1,647,139	1,672,528
Cooling, total (kWh)	375,405	350,746
Total energy (kWh)	7,729,180	7,861,652



Our focus to achieve a net zero climate footprint



Products

The manufacture of IT products accounts for by far the largest share of our total carbon emissions. Approximately 79 per cent of the emissions derive from the manufacturing process. This is an area in which we will drive change by collaborating with our manufacturers and strategic partners for a transition to renewable energy in the factories. We will also actively help customers choose more energy efficient products and services.



Transportation

In the logistics chain, the largest emissions are generated during the long freight distances from the production facilities to the central warehouses, but also in connection with transportation from our warehouses to the end customer. We can influence this by streamlining the logistics flow and collaborating with freight providers. During the year, we engaged in active dialogue with our freight partners to identify better logistics solutions, including alternative fuel types.



Circularity

A key aspect for achieving net zero climate impact is also the transition towards circular solutions, in which we focus on both products and services. It involves end-of-life returns and the re-use of products and products that can replace several individual products, and with components that are designed for long life to reduce the climate impact of production. Within services, it involves replacing current solutions with software services and cloud-based services. In turn, this will contribute to reduced emissions and play an important role in helping us to achieve zero climate impact.

Circularity

Our goal is to be 100 per cent circular by 2030. This will entail new business opportunities, at the same time as it will address the increased resource usage, which historically has been a result of the global economic development.

To achieve this goal, we must increase the proportion of circular solutions and re-used products and materials to an ever greater extent. Examples of circular solutions are to lease instead of buying and shifting services to the cloud, thereby enabling us to include returns with re-use in the offering and to secure more energy-efficient products and services. This reduces both the amount of waste and the need to protect untouched resources. Increased circularity has a positive impact on the climate, while it reduces costs and creates opportunities for new business.

Targets for the financial year were:

- To achieve at least 20 per cent circularity in relation to our net sales
- To achieve end-of-life returns of 80,000 products

Progress during the 2020/21 financial year:

- circularity in the operations of 18.3 per cent of our net sales (18.7), due to strong growth in hardware sales.
- end-of-life returns of 90,010 products, compared with 57,079 products in the preceding year
- established a new unit for the processing and refurbishment of end-of-life IT products that have been returned.



What we do

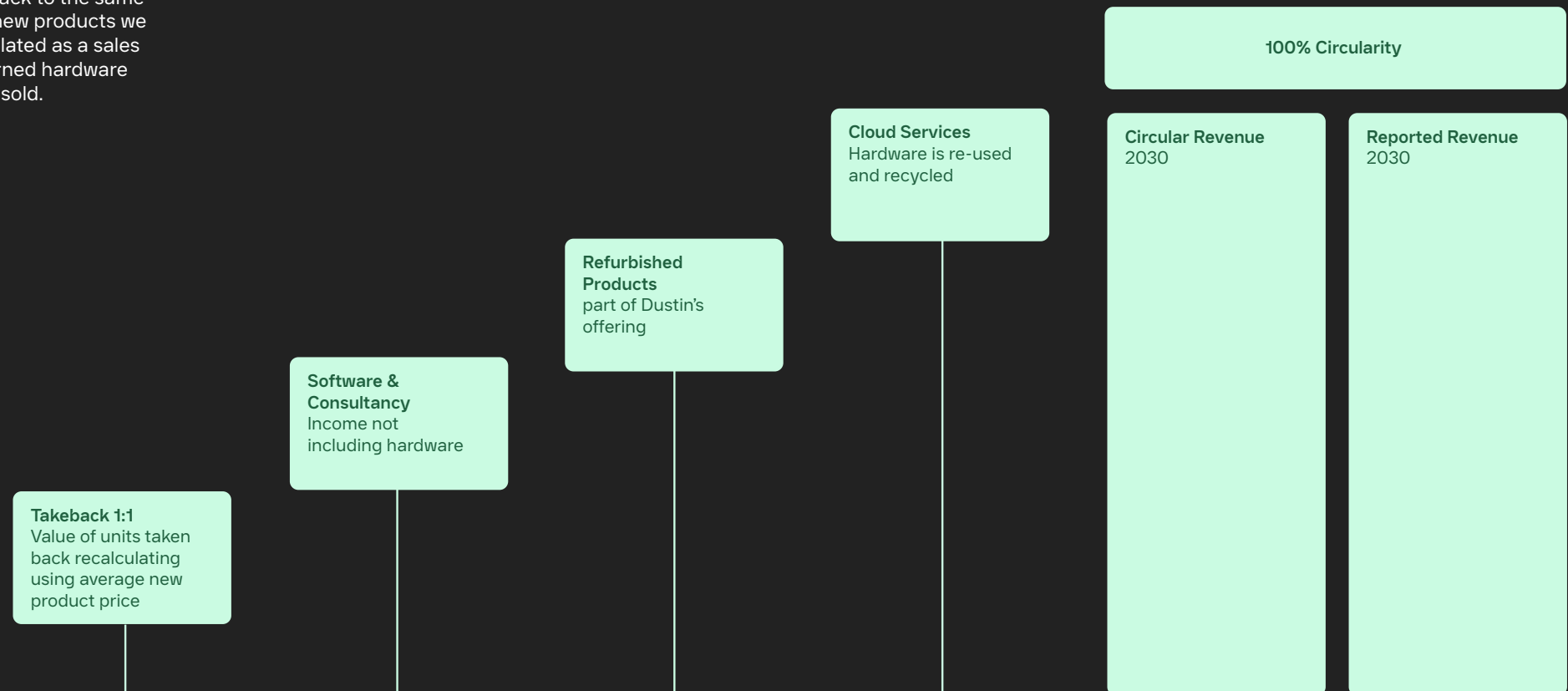
The work toward 100-per cent circularity is based on four sub-areas, which combine to contribute to our circular revenues matching our total net sales.

The four sub-areas comprise end-of-life returns, software and consulting services, re-used hardware as part of the offering and cloud-based services and solutions.

When we calculate circular revenues, we add together revenues from sales in the four sub-areas and ensure that the hardware that is included to enable, for example, cloud solutions, is re-used and recycled. Our commitment to do takeback to the same extent as the volume of new products we sell by 2030 will be calculated as a sales equivalent, with the returned hardware offsetting new hardware sold.

Our calculation model

- Takeback are calculated at a revenue value that corresponds to the number of returned units multiplied by an average selling price.
- Software and advisory services pertain to non-material revenue streams and are regarded as completely circular.
- Refurbished products pertains to revenues from sales of refurbished products
- Revenues from sales of cloud services comprise the return, re-use and recycling of the hardware included in the service.



Results and development

During the 2020/21 financial year, we had strong growth in hardware sales. This meant that we reduced the circular share of our net sales somewhat to 18.3 per cent in total, from 18.7 per cent a year earlier.

End-of-life returns 1:1

Under verksamhetsåret 2020/21 har vi återtagit totalt 90 010 produkter (57 079), vilket är en ökning jämfört med föregående år.

Software and consulting services

Software and consulting services were impacted by the pandemic, making it difficult to visit customers' offices. Accordingly, this area had weak development during the year.

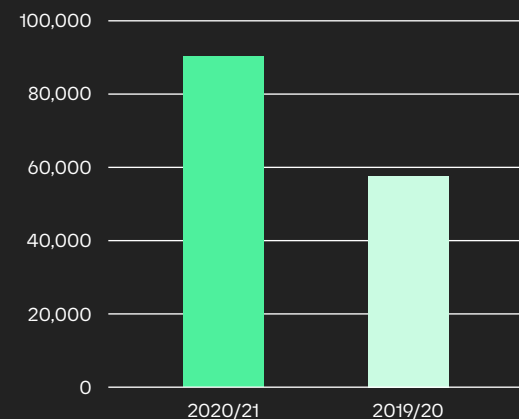
Used hardware

Over time, we will develop this area by offering used products to a greater extent. During the year, sales of used hardware was limited.

Cloud-based services and solutions

The trend with cloud-based services and solutions was slightly positive. The need and acceptance has increased significantly as a result of changed work methods and behaviour in conjunction with the pandemic. In recent years, it has also become more common for companies to purchase services that include the use of IT equipment instead of buying it separately. This has many financial and security advantages, and also ensures that the product is taken care of and reused in the loop.

End-of-life returns 1:1



Action for 100-per cent circularity

To achieve circularity, we focus on both products and services.

End-of-life returns 1:1

As part of the work, we have established a completely new unit that strengthens the offering in the end-of-life returns of IT products. By managing the returns ourselves we gain more control and this also entails that we can assume greater responsibility throughout the process. The operations are located in Växjö, in southern Sweden, with local departments in the other Nordic countries. This is where we collect returned products, which are then refurbished, anonymised, securely erased and reconditioned to enable them to be used again. We have similar operations in the Netherlands through the acquisition of Centralpoint.

Software and consulting services

The offering of software and consulting services is non-material and regarded as a circular revenue flow. When the customer has more complex needs or specific demands on its IT environment, our specialists help to develop a climate-smart solution based on cloud-based services combined with any hardware connected to end-of-life returns.

Used hardware

In conjunction with the establishment of the new unit in Växjö, we have also opened up the possibility to re-use IT products on a larger scale. Today, as a first step, we will sell the hardware onward to resellers of used IT products. The ambition, in time, is to begin reselling our refurbished products online ourselves. That is when the customers will have the possibility to make a positive contribution to the climate and at the same time, reduce their IT costs, using resource-smart products.

Cloud-based services and solutions

We work continuously to develop more resource-smart services and solutions that make it easy for customers to contribute to a circular economy and reduced climate impact. The foundation of this solution builds on our environmentally friendly service for end-of-life returns and re-use of used electronic products. By leasing hardware or purchasing services, where the use of hardware is included as part of the service, we can secure the end-of-life return of the hardware at the end of the period already at the time of sale. This includes networks as a service and infrastructure as a service. Another example is Managed Print, where the customer invests in a sustainable solution, in addition to a secure print and document management environment. The printers are made of recycled plastic and we assume full responsibility for the printer being returned and re-used or recycled.

Waste from operations

Waste

Waste is part of our circular flows, where an increasingly large share can be recycled and re-used. Our waste is mainly connected with the sale of hardware. We sort the waste into various categories in order to maximise opportunities for recycling. Operations at our Nordic central warehouse and head office generated 569 tonnes (835) of waste during 2020/21. The main reason for the reduced amount of waste is that the previous year's outcome was affected by the installation of the robot at the central warehouse in Rosersberg. We take back waste consisting of electrical and electronic products as part of our producer responsibility, but this is not included in the reported figures, but instead included in El-kretsen's collection system to which we are affiliated.

Waste	2020/21	2019/20
Recycling (kg)	187,655	416,720
Energy recovery (kg)	380,841	417,678
Landfill (kg)	483	901
Total amount of waste (kg)	568,983	835,299

Hazardous waste

The amount of hazardous waste generated at our Nordic central warehouse and head office declined significantly to five tonnes (121) during the financial year. The reduced amount is also due to the installation of the robot in Rosersberg, affecting the amount of hazardous waste last year. The hazardous waste mainly comprises end-of-life electronic equipment and, to a lesser degree, batteries, fluorescent tubes and aerosols that are flammable or toxic to humans and the environment. Hazardous waste is managed in accordance with local legislation. Of this, the largest share went to recycling or energy recovery. The "Other treatment method" in the table below related to the final disposal of hazardous waste in accordance with applicable laws and regulations, which differ depending on the type of waste.

Hazardous waste	2020/21	2019/20
Recycling (kg)	5,003	109,571
Energy recovery (kg)	79	11,328
Landfill (kg)	0	11
Other treatment method	7.5	8,688
Total amount of hazardous waste (kg)	5,090	121,092



Social Equality

We have an opportunity to work actively with our partners for social equality throughout the value chain. It is a challenge that is present in all areas, from raw materials supply and production to delivery. We also want to have an open and inclusive work environment. By 2030, we aim to conduct 100 activities to promote increased social equality in our value chain.

Survey of gender pay gap

During the year, we mapped gender wage differences for equal work. This is part of the legislation in Sweden, but Dustin has chosen to carry out the survey also for the operations in Denmark, Finland and Norway.

In our Swedish operations, we noticed 11 deviations, which are discussed and remedied as part of the action plan. In the other countries, no unexplained deviations were noticed.

During the year, we plan to continue our work to reduce the gender pay gap by revising our policies, routines and behaviors to ensure that they are inclusive in practice.

Ten activities conducted for social equality in the value chain 2020/21

The activities we identified and implemented during the financial year are presented below.

1

Gender pay gap

We surveyed our Nordic operations to ensure that there were no discrepancies between gender and remuneration. Wherever there were discrepancies, we have introduced an action plan to reduce and eliminate salary differences between the genders.

5

Partnerships with organisations that support diversity and inclusion

During the year, we initiated partnerships with Yrkesdörren and Luckan. These provide the opportunity for new perspectives and to encourage employees to become involved in and contribute to increased diversity and inclusion in society.

9

Strategy planning for diversity and inclusion

The management team held a workshop to secure the right tools to engage their respective employees in diversity and inclusion.

2

Health and safety training for private label suppliers

As part of the programme, we give our suppliers, regardless of size, the opportunity to improve their production methods. We offered and conducted health and safety training free of charge for all of our suppliers of private labels in China.

6

Focus week for diversity and inclusion

We have conducted a week focusing on diversity and inclusion. During the week, our employees were able to participate in workshops on inclusive leadership, networking events and listen to inspiring speakers.

10

Anonymised recruitment

To be able to work more skills-based and free of prejudice in a recruitment process, we have activated features in our internal recruitment system, by which all candidates' personal information is anonymised for the first stage of recruitment.

3

Training in diversity and inclusion

To provide all of our employees with the possibility to understand the full perspective of diversity and inclusion, we held seminars, in which we discussed everything from the principles of inclusion to addressing inadvertent prejudices.

7

Competence-based recruitment training for managers

Managers have been trained to have the right conditions when it comes to recruiting new employees. We want to take advantage of the benefits of diversity in the workplace in terms of skills and increased opportunities for innovation and growth.

4

Developed an informative website for our private labels

We have developed an informative website that explains what happens during the audit of the production of our private labels. It shows that the products are manufactured in factories where we have assured fair working conditions and other requirements in accordance with our Code of Conduct.

8

Competitive parental leave for all employees

During the year, we worked for a competitive parental leave for all employees. All our employees should have the same right to parental leave regardless of the country in which they live and work.

Work on responsible manufacturing

We believe that to achieve sound working conditions and responsible manufacturing, it is necessary to have collaboration, transparency, presence and continuous work in the area. Since 2018, Dustin has been a member of the Responsible Business Alliance (RBA), which is the world's largest industry coalition dedicated to corporate social responsibility in global supply chains dealing within industry. As one of few partners dealing in IT, we also elect to be on-site in the factories where the manufacturing takes place, conducting audits and conversing with people who work there. During the financial year, 21 (31) factory audits were conducted, which is in line with the target of conducting 20 audits in 2020/21.

Model for a responsible value chain

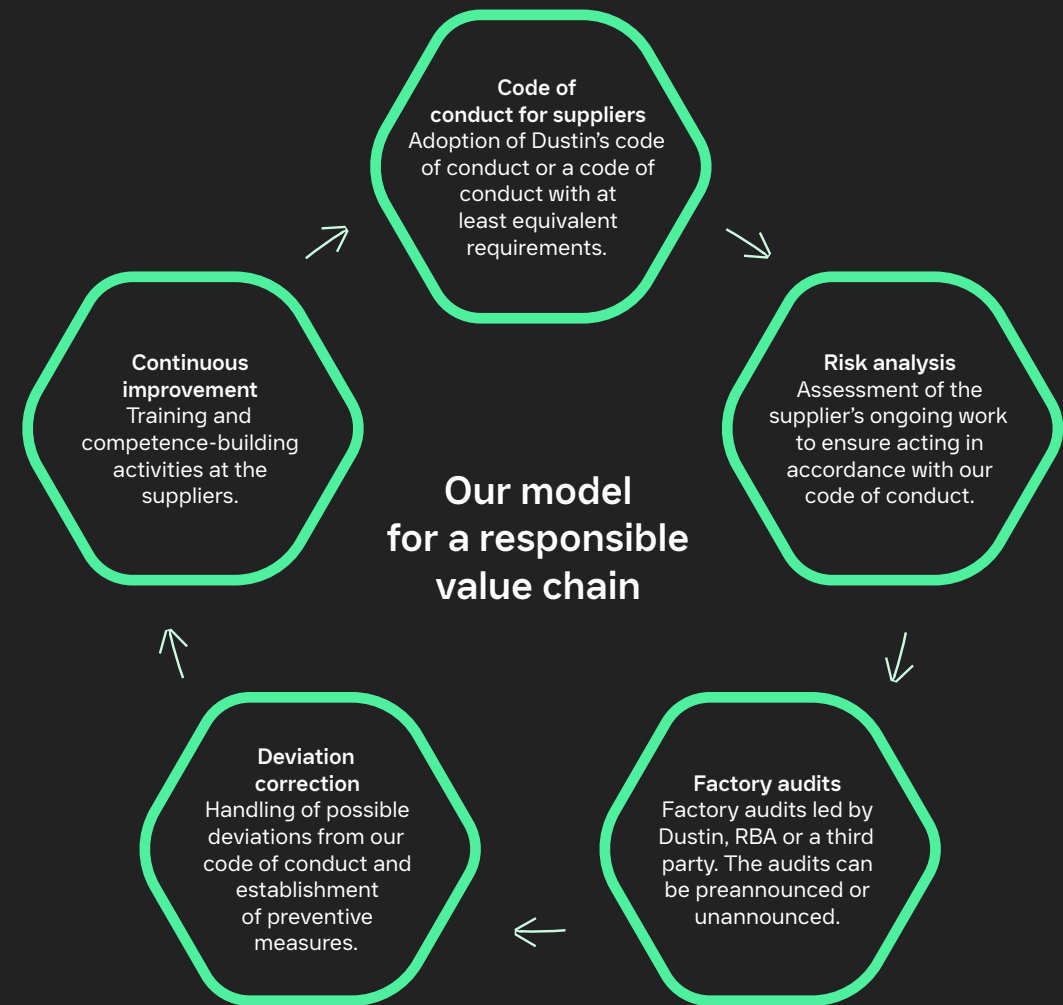
Our ambition is to work and collaborate systematically with our suppliers and our suppliers' suppliers based on our model for a responsible value chain. We offer a range of approximately 280,000 products and services from more than 3,500 brands. In 2020/21, about 83 per cent (76) of purchases were made from distributors and about 17 per cent (24) directly from manufacturers. Through close cooperation with the world's largest hardware manufacturers and global distributors, we believe that we can make a difference together.

Responsible Business Alliance (RBA)

Together with other members of the RBA, we can promote improved working conditions in the global supply chain and a conflict-free IT industry. Membership also provides us with access to a number of different programmes and tools for training and evaluation that we can use for continuous improvement plans in the supply chain and for manufacturing.

Work against conflict minerals

Our ambition is that all of our private labels will be free of conflict minerals and to work together with the RBA for a conflict-mineral-free IT industry. The Supplier Code of Conduct covers requirements concerning conflict minerals. We perform annual risk assessments in the supply chain for our private labels regarding minerals and their origins. This means that we will ensure that the minerals in our products come from certified conflict-free smelters that have passed a review under the Responsible Minerals Initiative (RMI).



Our key ratios for responsible manufacturing



Supplier code of conduct

99.8%

of our hardware suppliers* for direct purchases have adopted Dustin's code of conduct or a code of conduct with at least equivalent requirements.

88%

of new hardware suppliers* for direct purchases have adopted Dustin's code of conduct or have a code of conduct with at least equivalent requirements.

90.3%

of the next level in the supply chain, hardware manufacturers, where the annual purchase volume exceeds a value of SEK 2 million, has adopted our code.



Risk analysis

98%

of our hardware suppliers* has carried out a risk assessment regarding ongoing work to ensure action in accordance with our code of conduct.

87%

of our new hardware suppliers* who have carried out a risk assessment regarding ongoing work to ensure action in accordance with our code of conduct.

100%

of the products under our own brand are conflict-free. This means that the minerals come from certified conflict-free smelters and have passed a smelter inspection according to the Responsible Minerals Initiative (RMI).



Factory audits

21

factory audits, none of which were unannounced.



Registered non-conformance

655

identified non-conformances from our code of conduct during this year's audits, none of which were so-called zero tolerance deviations. For non-conformances, see page 111.

95%

of identified deviations are corrected.

* Refers to hardware suppliers with an annual purchase volume of more than SEK 200,000.

Diversity and inclusion

With increased diversity and broad representation of individuals in the company, we will become a better partner to our customers. We have made progress in recent years and the result for the most recent year was impacted by our acquisition of Centralpoint.

At the end of the financial year, Group Management had a gender distribution of 30/70 (50/50) and the Board of Directors 38/62 (43/57). The gender distribution (women/men) at senior level was 27/73 (38/62) at the end of the financial year. The gender balance in Dustin as a whole was 25/75 (30/70).

Gender distribution Dustin Employment	Quantity			Percentage distribution	
	Total	Women	Men	Women	Men
Total	2,426 (1,171)	609 (349)	1,822 (822)	25 (30)	75 (70)
New employment	535 (142)	167 (47)	368 (95)	31 (33)	69 (67)
Employment terminated	514 (212)	121 (56)	393 (156)	24 (26)	76 (74)
Managers	287	78	209	27	73
Group Management	10	3	7	30	70
Board of Directors	8	3	5	38	62

*Including Centralpoint



Business ethics and anti-corruption

We always aim to be a safe partner for our customers, partners and other stakeholders. As such, we maintain consistent dialogue regarding business ethics and anti-corruption. We scrutinise the organisation regularly and work in particular with training and discussions concerning the dilemmas so these it becomes a natural part of our day-to-day working lives.

Share of business areas that underwent an annual risk assessment

	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16
Dustin Group	100%	100%	100%	100%	100%	100%

Share of employees undergoing online training in our Code of Conduct

	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16
Dustin Group	93.6%	96.7%	85.6%	87.7%	94.1%	-

Guidance and compliance

Our business ethics guidelines contain a clear framework for our employees to comply with. It is required that all employees read and comply with these. They are prepared based on the Code to Prevent Corruption in Business, published by the Swedish Anti-Corruption Institute (IMM). We apply the following principles in order to avoid the risk of bribery:

- Our employees may not offer or accept any types of gifts or benefits, directly or indirectly, to or from a third party if it is not considered to be within the boundaries of generally accepted business practices and applicable laws.
- In case of any doubt, our employees are expected to seek the advice of their immediate manager, Group Management or the company's General Counsel.

All employees are encouraged and expected to report suspected violations to their immediate manager, Group Management or the company's General Counsel.

We also have a whistle-blower system that allows employees to anonymously report suspected violations. The function is based on a secure web-based reporting system and managed by the Chair of the Audit Committee. In 2020/21, no whistleblower cases were registered.

Business ethics are fundamental to responsible business for us and for our stakeholders. We never accept bribes or other violations of our principles of business ethics. We make clear that violations of these principles may lead to the end of a partnership, and may also have consequences in labour law and criminal law for the perpetrator. The purpose is to create a responsible corporate culture and awareness of risks, thus strengthening trust on the part of our stakeholders.



Financial overview

Operations

Dustin Group AB ("Dustin") is a leading online IT partner in the Nordic region and Benelux. We help our customers to stay at the forefront by providing them with the right IT solution at the right time and at the right price. With our high-level IT expertise, broad offering and pragmatic attitude, we act as a strategic IT partner primarily for small and medium-sized businesses, but also for large-sized businesses, the public sector and consumers. Dustin is a Swedish public limited company with its headquarters in Nacka Strand outside Stockholm. The share was listed in the Mid Cap segment on Nasdaq Stockholm on February 13, 2015.

Dustin employs a multichannel model where the majority of sales take place online, supplemented by relationship-based and consultative selling over the telephone or through customer visits. Dustin conducts operations in Sweden, Denmark, Finland, Norway, the Netherlands and Belgium through the business segments: SMB (Small and Medium-sized Businesses), LCP (Large Corporate and Public sector) and B2C (Business to Consumer). These are supported in turn by a number of scalable and shared central functions, including the online platform, purchasing, warehousing and logistics, pricing, marketing, IT and HR. Sales to the SMB and LCP segments amount to approximately 96 per cent of total sales.

Net sales

SEK **15,878** million

Proposed dividend per share

SEK **2.21**

Gross margin

15.6 %

EBIT

SEK **576** million

Organic sales growth

9.6 %

Adjusted EBITA margin

4.8 %

Significant events during the year

Q1

- The Danish company Exato A/S was acquired during the quarter. The company specialises in standardised services, including IT security. The acquisition contributes to Dustin's strategy of increasing sales of services and complements Dustin's offering in Denmark.

Q2

- During the quarter, warrants were allotted to management and other key personnel as part of a new long-term incentive programme, LTI 2021.
- Stina Andersson and Gregor Bieler were elected as new Board members after Caroline Berg declined re-election.

Q3

- Dustin signed an agreement to acquire Centralpoint Holding B.V., thereby supplementing Dustin's existing operations in the Netherlands and creating a market position similar to that in the Nordic region. Centralpoint combines hardware and software sales to the SMB and LCP segments.

Q4

- All of the final terms for the acquisition of Centralpoint Holding B.V. were met and finalised on June 3, 2021. The total purchase consideration comprised a cash leg of SEK 3,080 million and 8,254,587 newly issued shares in Dustin.
- The prospectus for the rights issue in Dustin Group AB was approved and registered by the Swedish Financial Supervisory Authority on August 5, 2021. The sum of the result of the rights issue showed that 16,159,825 shares were subscribed and the rights issue was thus fully subscribed and Dustin gained approximately SEK 1,212 million before issue costs.
- To continue to strengthen its position in Europe, Dustin is implementing changes in its organisation and Group Management after the acquisition of Centralpoint. Four new roles in Group Management as of July 1, 2021: COO Nordic, COO Benelux, EVP SMB Benelux and EVP LCP Benelux. Alexandra Fürst was appointed COO Nordic, Gijsbert Geerders was appointed COO Benelux, Morten Jakobi was appointed EVP SMB Benelux and Luuk Slaats, previously CEO of Centralpoint, became acting EVP LCP Benelux.

Net sales and earnings

Condensed income statement

SEK million	20/21	19/20	Change, %
Net sales	15,877.6	13,195.4	20.3
EBIT	576.2	387.2	48.8
Profit after net financial items	469.2	335.2	39.9
Net profit for the year	357.0	277.3	28.7

Net sales for the year increased 20.3 per cent to SEK 15,878 million (13,195). Organic growth was 9.6 per cent (2.3), of which SMB accounted for 11.6 per cent (neg: 1.4), LCP for 8.0 per cent (6.1) and B2C for 8.8 per cent (neg: 3.9). Acquired growth was 12.9 percentage points (3.4) and exchange-rate differences had a negative impact of 2.1 percentage points (neg: 0.5).

Net sales are distributed between the segments as follows:

SEK million	20/21	19/20	Change, %
SMB	6,536.8	5,717.4	14.3
LCP	8,700.4	6,880.9	26.4
B2C	640.4	597.0	7.3
Total	15,877.6	13,195.4	20.3

During the year, gross profit rose SEK 440 million to SEK 2,483 million (2,043), corresponding to 21.5 per cent. The gross margin increased to 15.6 per cent (15.5). Higher volumes, increased sales of private labels and an active pricing model offset low project-related revenues with a high margin, and a changed customer mix with the acquisition of Centralpoint.

EBIT totalled SEK 576 million (387). During the year, adjusted EBITA rose 46.6 per cent to SEK 759 million (517). The adjusted EBITA margin rose to 4.8 per cent (3.9). The increase is largely attributable to a higher gross margin, higher volumes and previously implemented strategic initiatives and cost reductions. Adjusted EBITA excluded items

affecting comparability of negative SEK 73 million (neg: 31), which were primarily attributable during the year to acquisition-related costs, integration costs for the Netherlands and restructuring costs related to closure of the Dustin Business Center in Stockholm. For more information, refer to Note 5. For a comparison of adjusted EBITA and EBIT, see Note 3.

Financial items

Financial expenses amounted to negative SEK 108 million (neg: 53), with the expenses for the period primarily pertaining to costs of SEK 64 million (neg: 40) for external financing. Borrowing expenses of SEK -26 million (-) relating to loans raised in conjunction with the acquisition of Centralpoint were charged to the year and are of a non-recurring nature. Costs of external financing increased due to higher loans during the fourth quarter. The completed new share issue and changed conditions for new financing will reduce the costs of external financing going forward. The financial expenses were also impacted by interest expenses related to leases in a negative amount of SEK 16 million (neg: 14) and the remeasurement of synthetic options by negative SEK 3 million (pos: 2). Financial income amounted to SEK 1 million (1).

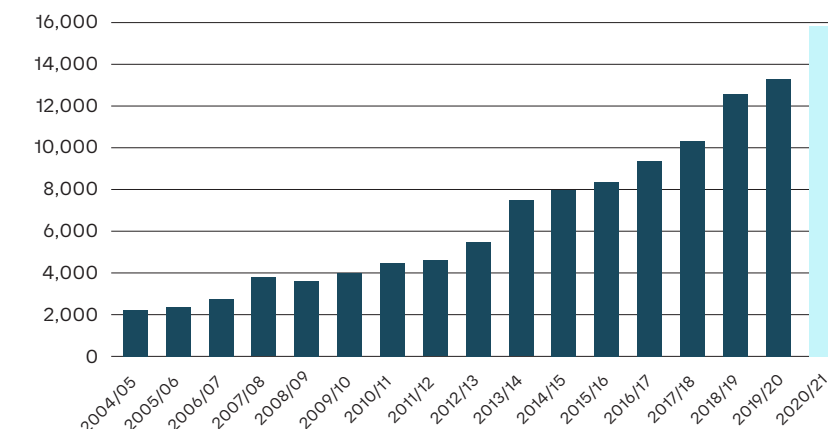
Tax and net profit for the year

Tax expense for the year was SEK 112 million (neg: 58), corresponding to an effective tax rate of 23.8 per cent (17.3). The preceding year's lower effective tax rate was mainly attributable to the remeasurement of Dutch deferred taxes.

Net profit for the year amounted to SEK 357 million (277). Earnings per share amounted to SEK 3.82 (3.04), before and after dilution (3.04).

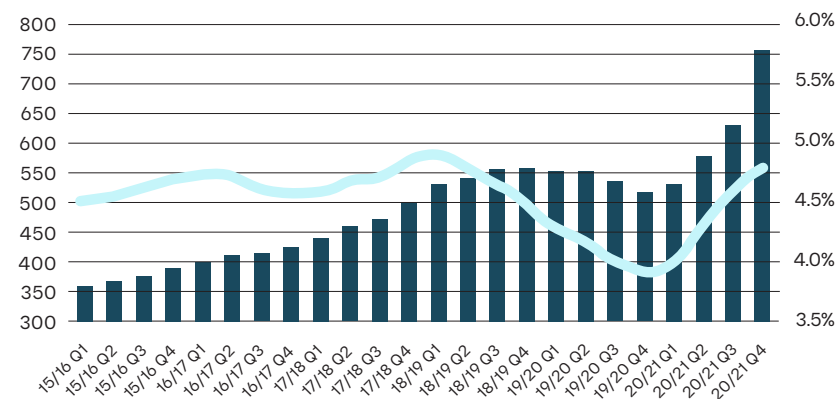
Net sales

SEK million



Adjusted EBITA & margin, rolling 12 months

SEK million



Net sales and SMB segment earnings

SEK million	20/21	19/20	Change, %
Net sales	6,536.8	5,717.4	14.3
Segment result	663.2	510.6	29.9
Segment margin, %	10.1	8.9	-

Net sales

Net sales for the year increased 14.3 per cent (3.3) to SEK 6,537 million (5,717). Acquisition-related growth accounted for 4.7 percentage points (4.8) of the growth while exchange-rate differences accounted for a negative 1.9 percentage points (neg: 0.1). Organic growth was 11.6 per cent (neg: 1.4), where the increase was mainly due to high demand for hardware.

Sales of hardware in the form of clients and computer peripherals, such as keyboards and webcams, and consumer electronics, have reported a strong performance in all customer groups during the financial year. The development for consulting and project-related services, such as upgrading of conference rooms and connecting customers to new services, has been weak but gradually improved during the latter part of the financial year, as customers' offices opened up to a greater extent. The segment was affected to a lesser extent by component shortages and disruptions in the supply chain.

The segment's sales of software and services as a share of sales declined to 21.7 per cent (24.1) for the financial year, due to a strong sales trend in hardware.

Segment results

Profit for the segment rose 30 per cent, corresponding to approximately SEK 153 million, to SEK 663 million (511). The segment margin increased to 10.1 per cent (8.9).

The change was primarily attributable to:

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

Net sales and LCP segment earnings

SEK million	20/21	19/20	Change, %
Net sales	8,700.4	6,880.9	26.4
Segment result	603.0	410.9	46.8
Segment margin, %	6.9	6.0	-

Net sales

Net sales for the year increased 26.4 per cent (7.9) to SEK 8,700 million (6,881). Acquisition-related growth accounted for 20.8 percentage points (2.6), mainly through the acquisition of Centralpoint, while exchange-rate differences accounted for a negative 2.4 percentage points (neg: 0.7). Organic growth was 8.0 per cent (6.1), where the growth was mainly due to high demand for hardware.

Sales to the public sector were favourable during the year, but were negatively impacted by a shortage of components and disruptions in the supply chain and the resulting longer delivery times. This customer category is more steered by specific product models in the procurement agreements and therefore has limited alternatives. Sales to larger companies displayed a strong trend and were impacted to a lesser degree by the market situation.

Segment results

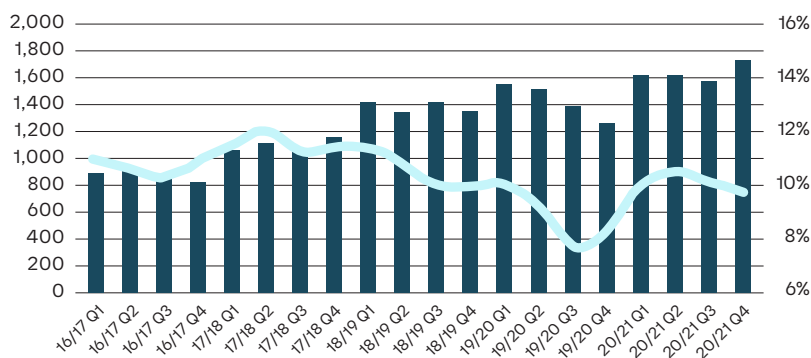
Profit for the segment rose 47 per cent, corresponding to approximately SEK 192 million, to SEK 603 million (411). The segment margin increased to 6.9 per cent (6.0).

The change was primarily attributable to:

- acquisition of Centralpoint
- improved margins in major framework agreements for the public sector as the contracts mature,
- strong sales trend and economies of scale due to higher volumes, and
- good cost control.

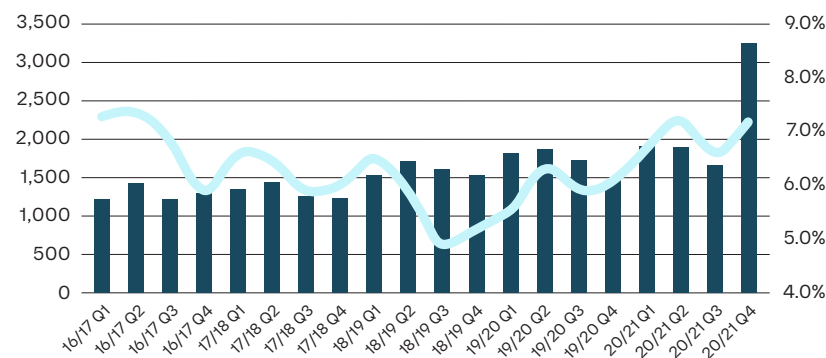
SMB – Net sales and segment margin

SEK million



LCP – Net sales and segment margin

SEK million



Net sales and B2C segment earnings

SEK million	20/21	19/20	Change, %
Net sales	640.4	597.0	7.3
Segment result	52.0	37.1	40.2
Segment margin, %	8.1	6.2	-

Net sales

During the year, net sales rose 7.3 per cent (neg: 4.6) to SEK 640 million (597). Organic growth was 8.8 per cent (neg: 3.9). Exchange-rate differences accounted for a negative 1.5 percentage points (neg: 0.8).

The positive sales trend during the financial year was primarily due to healthy demand for mobile phones and computers for such computer hardware as monitors, webcams, cables and accessories for home offices.

Segment results

The segment result increased 40.2 per cent to SEK 52 million (37). The segment margin increased to 8.1 per cent (6.2), due to the continued focus on margin ahead of volume in the consumer business.

Central functions

SEK million	20/21	19/20	Change, %
Cost for central functions	-559.7	-441.3	26.8
Costs in relation to net sales (%)	-3.5	-3.3	-

Central functions

Dustin's central functions hold the key to efficient delivery of the Group's offerings in all markets, the generation of economies of scale and the simplification of the integration of acquired operations. Costs in the financial year for central functions amounted to 3.5 per cent (3.3) of sales. Costs for central functions amounted to SEK 560 million (441), with the increase mainly related to the integration of acquired businesses as well as pandemic-related cost reductions.

A positive earnings effect from IFRS 16, which arises when operating expenses are replaced by depreciation, of SEK 11 million (6) is included in the costs for central functions for the year. For additional financial data on the segments, refer to Note 3.

Financial position

Condensed consolidated balance sheet

SEK million	Aug 31, 2021	Aug 31, 2020
Non-current assets	9,416.4	5,050.0
Current assets	4,900.8	2,726.1
Total assets	14,317.2	7,776.1
Equity	4,676.4	2,455.6
Non-current liabilities	5,149.4	2,764.8
Current liabilities	4,491.4	2,555.7
Total equity and liabilities	14,317.2	7,776.1

Net working capital

At year end, net working capital amounted to a negative SEK 256 million (neg: 422). Inventory increased by SEK 533 million, with Centralpoint accounting for SEK 397 million. The higher inventory volume was attributable to growth and also to increased purchasing due to active purchase activity in order to improve availability. Higher accounts receivable were attributable to an increase in the operations' scope and that Centralpoint contributed SEK 735 million. The higher accounts payable were mainly attributable to Centralpoint, whose participation comprises SEK 1,128 million. Higher purchase volumes during the period also contributed to the change.

SEK million	Aug 31, 2021	Aug 31, 2020
Inventories	1,015.7	482.9
Accounts receivable	2,455.8	1,256.6
Tax assets, other current receivables, as well as prepaid expenses and accrued income	565.2	256.5
Accounts payable	-3,147.4	-1,543.6
Tax liabilities, other current liabilities, accrued expenses and deferred income	-1,145.7	-874.2
Net working capital	-256.4	-421.8

Net debt and cash and cash equivalents

At the end of the year, net debt amounted to SEK 4,211 million (1,940). The change was attributable to increased liabilities to credit institutions due to the acquisition of Centralpoint. At the end of the year, there was an unutilised overdraft facility of SEK 100 million (100).

At the end of the year, net debt in relation to adjusted EBITDA during the past 12-month period, including the 12-month effect of Centralpoint, but excluding the effects of IFRS 16 Leases, was 3.4 (2.6). When calculated including these effects, the net debt ratio would have amounted to 3.3 (2.7).

SEK million	Aug 31, 2021	Aug 31, 2020
Liabilities to credit institutions	4,481.4	2,159.0
Lease liabilities	577.0	511.5
Cash and cash equivalents	-847.4	-730.1
Net debt	4,211.1	1,940.4

Investments

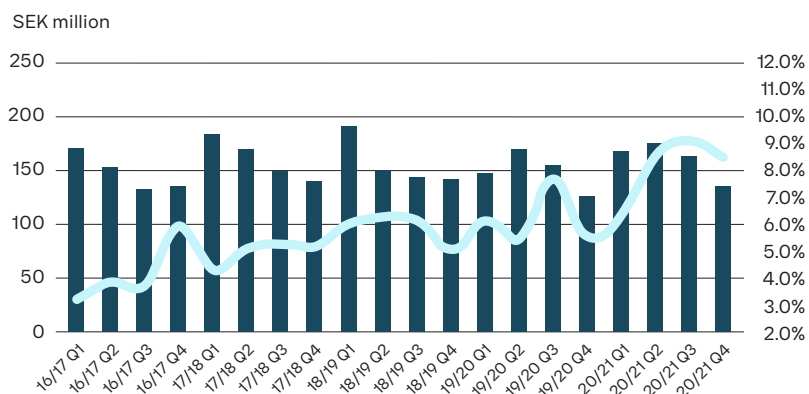
Investments made during the year mainly refer to IT development and investments in IT equipment for service provision totalling SEK 205 million (433), of which SEK 85 million (111) affected cash flow. Improvements of leased properties and investments in IT equipment for internal use were also made during the year.

SEK million	20/21	19/20
Capitalised expenditure for IT development (integrated IT platform and other long-term strategic IT systems)	42.9	37.5
Investments in tangible and intangible assets	99.6	335.6
of which, affecting cash flow	18.5	48.9
Investments in assets related to service provision	62.3	60.1
of which, affecting cash flow	23.6	24.9
Total	204.8	433.2
of which, affecting cash flow	85.0	111.3

Acquisitions of businesses during the year

Dustin acquired all of the shares in Danish company Exato A/S in September 2020. The company specialises in standardised services, including IT security, where more than half of the revenue derives from subscription services, primarily to small and medium-sized businesses. The acquisition contributes to Dustin's strategy of increasing sales of services and complements Dustin's offering in Denmark. The company reported sales of approximately DKK 30 million during the latest financial year and has approximately 20 employees.

B2C – Net sales and segment margin



In June 2021, Dustin acquired Centralpoint Group, which is a leading IT partner in the Benelux region. With the acquisition of Centralpoint, Dustin is expanding its home market and paving the way for continued expansion in the Benelux region. As a result of the acquisition, Dustin is now a leading online IT Partner in the Nordic region and Benelux. In 2020, Centralpoint reported sales of approximately SEK 7 billion and has about 600 employees in the Netherlands and Belgium.

Cash flow

Cash flow, condensed

SEK million	Aug 31, 2021	Aug 31, 2020
Cash flow from operating activities	168.6	867.7
Cash flow from investing activities	-3,165.5	-315.6
Cash flow from financing activities	3,105.0	-156.1
Cash flow for the period	108.1	395.9

Cash flow for the year was SEK 108 million (396).

Cash flow from operating activities amounted to SEK 169 million (868). For the year, the effect of changes in working capital was a negative SEK 545 million (pos: 321), with the negative year-on-year change primarily due to higher accounts receivable and inventory levels, offset by higher accounts payable. For further information regarding working capital, refer to the Net working capital section.

Cash flow from investing activities was a negative SEK 3,166 million (neg: 316). The change was primarily attributable to the acquisition of operations of negative SEK 3,081 million kronor. Investments in tangible and intangible assets amounted to a negative SEK 85 million (neg: 111), of which a negative SEK 43 million (neg: 38) pertained to IT development and a negative SEK 24 million (neg: 74) mainly related to investments in IT equipment for service provision and improvements of leased properties. Investments in IT equipment for internal use were also made during the year.

Cash flow from financing activities amounted to SEK 3,105 million (neg: 156). The change was attributable to new loans raised of SEK

3,630 million (390) combined with repayment corresponding to a negative SEK 1,322 million (neg: 134). The effect of the rights issue conducted amounted to SEK 1,187 million, which was used for the repayment of loans. The year was impacted by a dividend to shareholders of a negative SEK 195 million (neg: 266) and negatively by SEK 11 million attributable to Dustin's long-term incentive programme, LTI 2018, offset by warrants issued under LTI 2021 of SEK 4 million. Repayment of lease liabilities amounted to negative SEK 162 million (neg: 149).

Key ratios

Dustin applies financial measures that are not defined under IFRS. Dustin believes that these financial measures provide the reader of the financial statements with valuable information, and constitute a complement when assessing Dustin's performance. The performance measures that Dustin has chosen to present are relevant in relation to its operations and the company's financial targets for growth, margins and capital structure and in terms of Dustin's dividend policy. The alternative performance measures are not always comparable with those applied by other companies since these companies may have used different calculation methods. Definitions on page 122 present how Dustin defines its performance measures and the purpose of each performance measure. The data presented on page 121 is supplementary information from which all performance measures can be derived.

Market overview and outlook

In 2020/21, Dustin reported organic growth of 9.6 per cent (2.3), in which SMB totalled 11.6 per cent (neg: 1.4), LCP 8.0 per cent (6.1) and B2C 8.8 per cent (neg: 3.9) Organic growth was above or in line with Dustin's financial targets for each individual segment. The development was mainly the result of high demand for hardware and that the company mostly meet this demand. The market situation with a shortage of components and disruptions in the supply chain and the resulting longer delivery times had a negative impact on performance, mainly related to sales to the public sector. The performance of the company's online core business was favourable during the financial year. Limited access to customers' offices had a negative impact on the services and solutions business.

The coronavirus pandemic has accelerated digitalisation in society with an increase in shopping online and greater demand for mobility and cloud solutions. Dustin is well positioned for these trends with a unique digital relationship to hundreds of thousands of customers, a more optimised e-commerce platform as well as the ongoing build-up of an offering of standardised services to further increase relevance and benefits for customers. Furthermore, Dustin's healthy financial position is expected to provide opportunities to further strengthen its position in existing markets and we are well-equipped to face the opportunities and challenges presented by the business climate and our customers.

Seasonal variations

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

The share

The Parent Company's share has been listed on Nasdaq Stockholm since February 13, 2015, and is included in the Mid Cap index. At August 31, 2021, the price was SEK 98.20 per share (56.40), representing a total market capitalisation of SEK 11,099 million (5,000). At August 31, 2021 the company had a total of 14,151 shareholders (12,428). The company's three largest shareholders were AxMedia AB (Axel Johnson Gruppen) with 27.3 per cent, AMF Pension & Fonder with 13.7 per cent and Rotla B.V (seller of Centralpoint, Altor) with 8.5 per cent. Dustin's shareholder register with the largest shareholders is presented on the company's website.

Employees

The average number of full-time employees during the period was 1,858, compared with 1,700 in the year-earlier period.

Guidelines for remuneration of senior executives

The most recently resolved guidelines for remuneration of senior executives are described in Note 7.

Multi-year overview

All amounts in SEK million, unless otherwise indicated	20/21	19/20	18/19	17/18	16/17
Net sales	15,877.6	13,195.4	12,535.7	10,300.5	9,306.2
Organic sales growth (%)	9.6	2.3	9.9	2.0	8.6
Gross margin (%)	15.6	15.5	16.7	15.9	14.8
Adjusted EBITA	758.6	517.3	559.7	500.6	426.1
Adjusted EBITA margin (%)	4.8	3.9	4.5	4.9	4.6
EBIT	576.2	387.2	489.1	443.8	349.5
Net profit for the year	357.0	277.3	356.2	305.1	239.1
Earnings per share before dilution (SEK)*	3.82	3.04	4.00	3.79	2.99
Cash flow from operating activities	168.6	867.7	264.0	747.9	213.6
Net debt/adjusted EBITDA (multiple) (excl. IFRS 16)**	4.6	2.6	2.9	3.3	2.3
Net debt/adjusted EBITDA (multiple) (incl. IFRS 16)**	4.3	2.7	-	-	-
Return on equity (%)***	7.6	11.3	14.5	18.5	16.1

* Key ratios have been restated in comparative periods to take into account the terms and conditions of the new share issue carried out in August 2021.

** Net debt/EBITDA was calculated for the most recent 12-month period, with an earnings effect of only three months for Centralpoint. When calculating the 12-month earnings effect for Centralpoint the key ratio amounts to 3.4 excluding the effects of IFRS 16 and including the effects to 3.3.

*** Reduction attributable to new share issue conducted in August 2021.

The Board of Directors' proposal for guidelines for remuneration of the CEO and other senior executives, to be applied for the period from the next Annual General Meeting, is unchanged compared with last year.

For more information regarding the guidelines, refer to page 68 of the Corporate Governance Report and Note 7.

Significant events after the balance-sheet date

New financing structure

In September, Dustin negotiated a new bank agreement with three Scandinavian banks. The new guaranteed credit volume amounts to approximately SEK 5,000 million, of which approximately SEK 4,500 million will be initially utilised. In connection with this, all former external loan agreements were repaid in their entirety. Under the new bank agreement, the company is, as previously, to report all established financial targets to the banks every quarter.

Changes to Dustin's Group Management

Angelo Bul is to become the new EVP for LCP in Benelux and a new member of Dustin Group Management. He will assume this position on October 1, 2021 and replaces Luuk Slaats who has been acting EVP LCP Benelux.

Parent Company

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

During the year, net sales amounted to SEK 0.4 million (0.4) and profit for the year totalled SEK 335 million (254). The change was mainly due to dividends received from Group companies of SEK 260 million (106) and intra-Group interest income

of SEK 54 million (44). The net currency position amounted to negative SEK 7 million (pos: 101) and was primarily due to external financing. The Parent Company does not apply hedge accounting, whereby the net currency position is recognised in profit or loss.

Annual General Meeting

Information about this year's Annual General Meeting can be found on page 118.

Dividends

Dustin's target is to distribute not less than 70 per cent of the profit for the year. However, the Company's financial position, cash flow, acquisition opportunities and future prospects will be taken into consideration. The Board of Directors proposes a dividend of SEK 2.21 (2.20) per share, totalling SEK 250 million (195).

Proposed appropriation of earnings

The Board of Directors proposes that available earnings totalling SEK 3,115,482,199 be distributed at SEK 2.21 per share as an ordinary dividend. The proposal states that this amount be appropriated as follows:

Appropriation of earnings

SEK	
Dividends	249,992,495
To be carried forward	2,865,489,704
Total	3,115,482,199

In its proposed appropriation of earnings, the Group has taken into consideration the company's operations, need for consolidation, liquidity and financial position in general. The Board of Director's complete statement regarding the proposed dividend is available on our website, www.dustingroup.com.

Risks and risk management

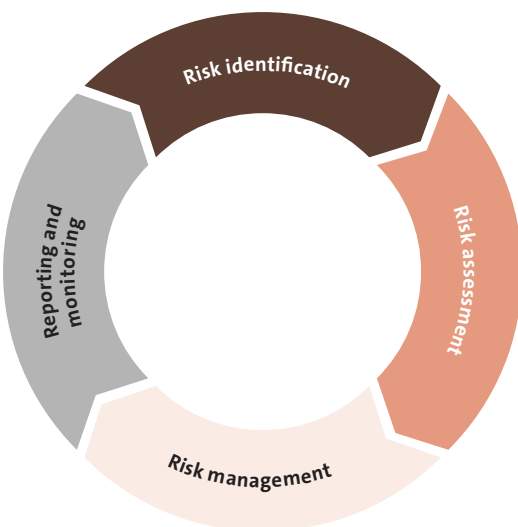
Risks are, like for any company, a natural part of our business operations and a certain amount of risk-taking is a prerequisite for our Group's financial growth. Appropriate risk management is therefore fundamental in order to operate and develop a sustainable and profitable business. Our risk management function aims to ensure proper control of our Group's collective risk exposure and assures a cost-efficient, systematic and value creating management of risks and opportunities in our operations. This way, we improve our decision-making processes and increase our opportunities to achieve our strategic, financial and operational targets while complying with laws and regulations.

Risk management process

Our Group-wide risk management process is a natural and important part of governing operations. We define risk as a future uncertain event that could have an adverse impact on our ability to achieve our strategic, financial and operational targets, and comply with laws and regulations.

Our risk management process consists of four primary activities:

- (i) risk identification,
- (ii) risk assessment,
- (iii) risk management, and
- (iv) reporting and monitoring.



Risk identification

Our risk identification is carried out by the Group's executive management teams. Each team identifies the most important risks for their area of responsibility and appoints a risk owner for each risk (normally a member of the team or the expanded team). During the fourth quarter, Centralpoint was acquired and the executive management team was expanded by two new members, a COO Benelux and an EVP LCP Benelux. The Group's framework for risk management will be implemented for the members' areas of responsibility during the 2021/22 financial year. Until implementation, Centralpoint will apply its risk management process separately from the rest of the Group.

We classify all risks in one of the following three categories:

- strategic risks,
- operational risks, or
- external risks.

This allocation provides support when we choose suitable methods to identify current, new and emerging risks, the link between them and how to manage them.

- Strategic risks are associated with the development of our operations, and are often identified during discussions about our strategic plans or strategic initiatives. These risks are usually managed by measures restricting both the impact and the probability of the risk occurring.
- Operational risks are associated with our operational activities, and identified primarily

in procedural and business reviews. Our management of operational risks focuses primarily on limiting the probability of the risk occurring, for example, through internal controls as well as guidelines and instructions for internal procedures.

- External risks are associated with uncertainties outside our direct control, for example, changes in regulations or altered market conditions. We manage external risks through measures such as routine monitoring of changes in regulations and trends in the market.

Risk assessment

When we have identified the risks, we evaluate them based on each risk's potential effects and the likelihood that it will happen during a defined period of time. Assessment of the total risk exposure is our foundation for deciding on risk management measures.

Our executive management teams report the most important risks to our Risk Committee. The Committee assesses the risks and decides which ones will be followed up on at Group level.

Risk management

Our risk owners are responsible for identifying applicable risk management measures based on the risk assessment. Decisions about risk management measures are made based on the risk assessment and can include:

- (i) avoidance, which means the risk is avoided entirely,
- (ii) reduction, which means that we take measures to reduce the risk exposure,
- (iii) monitoring, which means that the risk exposure is accepted but that the risk development is monitored, or

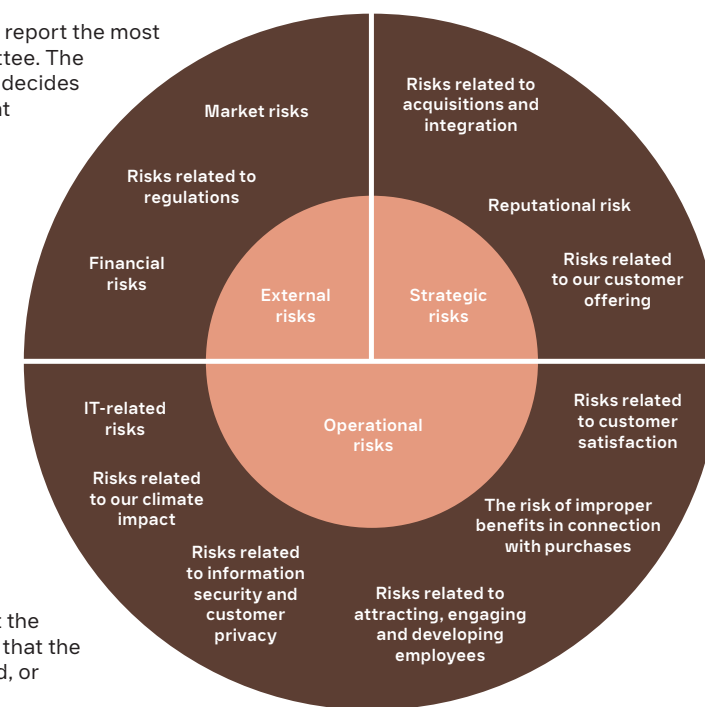
- (iv) increasing risk, which means that we take measures to increase the risk exposure.

Reporting and monitoring

Our risk owners monitor and report risk development to the Risk Committee. The Risk Committee compiles, coordinates and develops our risk management, and thereafter reports to our Group Management and the Board of Directors. Our largest risks and their development are reported at least twice per year to Audit Committee and/or the entire Board.

Our largest risk areas and the measures taken to manage the risks are presented in the following section.

Risk areas



Strategic risks

Risks related to acquisitions and integration

Description An important part of our strategy is to support growth and margin trends through value-adding acquisitions. Acquisitions, for example, to expand the customer base or customer offering will remain part of the strategy moving forward. There is a risk that we may not find suitable acquisition targets.

In addition, we also expect that the efficient integration of acquisitions (including synergy effects on costs and revenue) and positive performance in the units acquired will improve our short-and long-term results, but there is a risk that this will not happen.

Mitigation We continuously assess a number of companies to identify operations that could strengthen our offering and contribute to the positive development of the company. Prior to a potential acquisition, the target company and its operations are evaluated to identify and assess possibilities and risks in the investment.

A structured integration and transformation programme tailored to the acquired company is implemented in order to expand the possibilities into a positive earnings effect. During the 2020/21 financial year, a new process was developed which is more value-oriented and focuses on transformation and gradual integration between the acquired company and Dustin.

Reputational risk

Description A good reputation is of great significance to our success, since one of our success factors is a strong brand. It is important that we continue to act in accordance with our values and business principles, which are characterised by a responsible entrepreneurial attitude and value creation for the customer.

If any of our suppliers, distributors, other partners or employees do not comply with our strong values, business principles, policies and guidelines, there is a risk that our reputation and brand is damaged.

Mitigation We undertake thorough work with responsible entrepreneurial attitude in our areas of focus, as well as provide continuous information and training concerning our values and business principles. Read more about our values and sustainability commitments on page 24 and pages 36–55, respectively.

Moreover, we believe that correct, transparent and reliable communication can prevent the emergence of reputational risk and alleviate the consequences of any incidents.

Risks related to the customer offering

Description We operate in a dynamic market, and this could have an impact on our role in the market and the value chain.

Changes include new market strategies from manufacturers (for example, manufacturers' acquisitions of companies that supply advanced products and services), new customer behaviour patterns (for example, heightened demand for packaged services, or greater focus on new sustainable offerings) and the development of new technology (including new storage technology where hardware-based storage systems move to cloud-based storage services).

If we are unable to create attractive and profitable customer offerings, this could have an adverse impact on our earnings and market position.

Mitigation To adapt our strategy to this changeable market, our Group Management closely monitors any changes in the market, our customers' expectations and technological developments.

We work continuously to develop new and attractive offerings for our customers. To further strengthen our position and grow our customer base, we acquired Centralpoint in Benelux during the year. With the acquisition of Centralpoint, we assume a leading position in the Benelux region, similar to that in the Nordic region, with an equally strong offering to the SMB and LCP segments and can continue to build on our strategy of combining hardware and software sales with an attractive service offering and complete IT solutions. In addition, during the year, we created a uniform organisation in the Nordic region and Benelux, with a focus on scaling the operations, improving the customer experience and building strong business segments.

In recent years, we have developed and strengthened the service offering in the Nordic region and during the year, service development and sales were transferred to the SMB and LCP segments, giving us enhanced possibilities to customise the offering for each segment and to better meet customer needs.

Operational risks

IT-related risks

Description Our operations are highly dependent on an efficient IT platform. Increasing digitalisation has raised the threat from cyber attacks, and these attacks pose a constant and increasing risk for us. Inadequate protection and incident management could lead to considerable disruptions to our IT platform and extensive damage in the event of the loss of valuable information.

If we are unable to ensure a modern, secure and operationally adapted IT infrastructure and IT platform, this could have a considerable adverse effect on our operations and our earnings.

Mitigation We work continuously to restrict the number of disruptions in our systems and their consequences, as well as increasing security for both our customers and ourselves. Furthermore, we regularly follow up on our customers' views of the accessibility and response of the IT platform to ensure a high level of customer satisfaction. We also carry out regular assessments to identify improvement measures and the source of potential errors.

To protect ourselves from cyber attacks, our security system and software are updated continuously. We conduct regular penetration tests and ensure strong incident and escalation procedures.

Risks related to attracting, engaging and developing employees

Description We have enjoyed strong growth over the past few years, which in turn places great demands on our employees and executives.

Our ability to attract, recruit, engage and develop the right employees is crucial to achieve the targets we have set and to drive our development in accordance with our strategic plan. If we do not have access to the right skills at the right time, our operations and earnings could be negatively impacted.

Mitigation We work continuously on skill development with the aim to develop operations and achieve set targets. We have a well-defined talent development process that aims to identify our employees' performance and potential, help our managers focus on the future development of their staff and enable our managers to obtain qualitative input from their staff. We have also created a uniform working method to increase clarity for our managers as well as our other employees.

To identify areas of focus which are expected to increase our employee satisfaction, we regularly carry out employee surveys that are followed up on in each team. During the 2020/21 financial year, this process was further developed to enable more frequent follow-ups of employee feedback and thus strengthen our continuous improvement work for our employees.

Risks related to customer satisfaction

Description Our ability to retain customers could decline if we cannot provide satisfactory customer service or match competitors' offerings in the market.

If we are unable to retain and attract new customers, this could have a significantly adverse impact on our operations and our earnings.

Mitigation We continuously work to follow up and improve our customers' experience by using the Net Promoter Score (NPS), which is used to measure customer satisfaction and customer loyalty. These factors are evaluated and updated continuously in order to pinpoint new factors that have an impact on the overall experience. If the results of the surveys fail to achieve the expected level, we take measures to increase customer satisfaction and customer loyalty.

The risk of improper benefits in connection with purchases

Description One of the largest business ethics risks for us is in the purchasing process and is related to the risk that our employees receive improper benefits in connection with purchases.

Mitigation We continuously work to reduce the risk of bribes and other improper benefits by increasing awareness internally about how responsible collaboration with suppliers, customers and other partners should be conducted. In addition to awareness on a general level for all employees, key individuals are trained more thoroughly in, for example, sales, to reduce the risk of improper benefits.

The purchasing organisation has been given in-depth training in how they can work together with our partners on activities within the framework of our business ethics guidelines. Moreover, we were in continuous dialogue with strategically important suppliers during the year regarding our requirements and expectations for ethically correct behaviour.

During the year, all employees received training in our Code of Conduct, and separate sessions on business ethics were held with the units in which risks had been identified. New employees (including employees in newly acquired companies) received introduction training in our Code of Conduct and dilemma discussions were conducted in newly acquired companies.

Risks related to information security and customer privacy

Description We process large amounts of data, and strive to ensure privacy and data security as well as to protect our customers' personal data. As a result of increased digitalisation, cloud-based services, data transfer across borders, heightened expectations and tightened legislation, the mitigation of risks associated with customer privacy has become increasingly important. In addition, there are stringent requirements for security and privacy in the IT products and services we sell. If we are unable to comply with legal requirements and our customers' requirements for security, this could result in a high level of financial penalties, loss of consumer confidence in us and significant negative impact on our brand.

Mitigation We have a security programme to develop and monitor the work to secure our data and that of our customers. Our work is governed by established guidelines for handling of personal data, which specify principles for collecting, processing and storing personal data as well as security and our customers' rights.

Dustin's data protection programme is managed by an inter-function steering group that is responsible for safeguarding risk management, making strategic decisions and ensuring that our actions comply with laws and internal requirements. The administrative organisation works actively to improve systems and procedures, update security and ensure thorough incident management in order to guarantee that our customers' personal data is processed and protected responsibly.

We have also designated an external data protection officer whose duties include monitoring our compliance with GDPR. Using such documents as the framework for internal controls in data protection efforts, our data protection officer regularly submits reports to the steering group and the Board of Directors.

Risks related to our climate impact

Description Since there is broad agreement that companies and society need to transition to a fossil-free world, Dustin expanded its climate commitment significantly in 2020/21 to include the entire value chain and to reduce emissions to net zero. If Dustin does not conduct solid work within this area, Dustin will risk being regarded as a company that is not at the forefront in addressing this societal challenge.

Mitigation During 2019/20, we set a new ambition for the climate area and launched new goals for 2030. During the year, these goals were broken down into interim goals to increase clarity and create specific action plans with distinct timeframes aimed at ensuring that we achieve our goals for 2030.

To strengthen our knowledge of, increase our resistance against and become more transparent towards the market regarding long-term climate-related risks, we conducted a scenario analysis during the year and began to report opportunities and risks related to the climate in accordance with the Task Force on Climate-Related Financial Disclosures.

External risks

Market risks

Description Our operations are impacted by the general economic climate, structural changes, as well as procurement and distribution costs, primarily in the Nordic region and the Netherlands. The market has experienced continual growth over the last few years, but there is a risk that the market will not continue to grow, which will lead to reduced demands for our products and services.

The coronavirus pandemic has had major consequences for the global market and action to prevent the spread of infection has entailed changes for individuals and companies worldwide, not least in product supplies and global distribution networks. Market recovery and changed customer behaviour may also be a risk, unless we adapt our offering to match what customers are demanding.

A significant economic downturn or shortage of products, raw materials or components could have a negative impact on sales of our products and services. Lower sales can, to a certain extent, be offset by lower costs, but there would likely be an adverse impact on our earnings.

Mitigation We continuously monitor market development and continue to work to strengthen our digital platform, and to adapt our product range and service offering to ensure a relevant, competitive and sustainable customer offering that helps our customers to stay at the forefront. During the 2020/21 financial year, we also changed our purchasing strategy to a more dynamic model, aimed at securing products so that we can deliver in accordance with our customer commitment.

Through our partners in China, we have been following the pandemic and its consequences carefully since its early stages. Where local restrictions require it, alternative work places have been used for our employees. Our procurement and sales organisations have regular and transparent dialogues with our customers and suppliers to manage any logistics or transportation challenges. We have updated our contingency plans so that we can better manage challenging circumstances.

Risks related to regulations

Description Our possibilities for efficiently adapting operations to new or amended laws, regulations or decisions by public authorities (e.g. GDPR) could have a significant impact on our operations and competitive situation in the market.

Mitigation We continually monitor trends regarding regulations in the markets where we conduct operations in order to proactively manage changes.

Financial risks

Description Financial uncertainty and major changes in exchange rates and interest rates can have negative effects. Our ability to secure financing and ensure that the financial exposure is in line with policies and guidelines is essential to fulfilling our financial targets.

Mitigation Financial risks, such as foreign exchange risk, credit and counterparty risk, liquidity risk and interest rate risk, are managed in accordance with our financial management policy that regulates the distribution of responsibility between the Board of Directors, the CFO and the Head of Financial Reporting and Internal Control. You can read more below for a more detailed description of financial risks and its management.

Foreign exchange risk

Description Our risks connected to foreign exchange risk are divided into transactional exposure and translation exposure. Transactional exposure refers to risks associated with purchases and sales in foreign currencies. Translation exposure refers to the exposure of the net assets of our foreign subsidiaries in Belgium, Denmark, Finland, the Netherlands and Norway.

Mitigation In accordance with our financial policy, transactions with a net exposure exceeding SEK 50 million in each currency must be hedged. Our CFO has the right to hedge transactions with suppliers based on assessed risk. However, transaction exposure is limited since we primarily operate in the Nordic market and the Benelux region, where purchases and sales are chiefly conducted in the local currencies. Our outstanding currency hedging on the balance-sheet date is presented in Note 18.

Our financial policy states that currency hedging must be conducted in foreign subsidiaries. This is mainly by raising external bank loans corresponding to the currency and supplemented by currency futures when appropriate primarily at the same level as the net investment. Our CFO has the right to deviate from this hedge level for up to SEK 100 million in net exposure per currency. Our loans raised in the respective currency (DKK, NOK and EUR) are specified in Note 25.

Credit and counterparty risk

Description Our credit and counterparty risk refers to the risk that the counterparty may fail to meet its obligations in a transaction, thereby resulting in a loss for us.

Mitigation We have established procedures to ensure that sales are only made to customers with a good payment history. Our credit instruction includes credit limits, depending on the size and risk category of the company. The creditworthiness of our corporate customers is verified before any supply of goods takes place. When private customers utilise credit, an external party acts as a guarantor for the entire credit risk. The maximum credit risk exposure is the carrying amount recognised in the balance sheet for each financial asset.

Our counterparty risk is specified in our financial policy and manages risk levels for the counterparty, maturities and amounts. Our counterparties mainly comprise Scandinavian banks, authorities and municipalities. Our counterparty risk was limited during the financial year and we adhered to our financial policy.

Liquidity risk

Description Our liquidity risk pertains to the risk of not being able to reach agreements on external credit facilities and external bank loans. This also includes our ability to finance short-term payment obligations.

Mitigation The financial management policy includes short- and long-term cash flow planning. Our current financing is based on external bank loans, which are subject to covenants and all covenants were fulfilled. Our short- and long-term borrowing is specified in Note 25.

Interest rate risk

Description Our interest rate risk pertains to the risk that material changes in market interest rates will affect the variable interest rate of our external bank loans.

Mitigation The Company has signed interest rate hedging agreements with banks to reduce the share of variable interest in the debt portfolio. The hedge agreements have different maturities to reduce the risk of simultaneous new subscriptions.

We apply hedge accounting, which is described in our accounting policies. Our external loans in each currency are specified in the additional information. If market interest rates increase one percentage point, profit before tax would be reduced by about SEK 9.2 million based on the balance-sheet date's loan structure, fixed-income futures and the distribution of currencies.

Corporate Governance Report

Our Corporate Governance

Good corporate governance is about ensuring that we conduct Dustin's¹ operations in a sustainable, responsible and efficient manner. Governance comprises an important basis for achieving our long-term strategic goals and maintaining confidence among shareholders and other stakeholders.

We value good corporate governance and regard governance as a prerequisite for being able to conduct our operations with profitable and sustainable growth. Governance lends us stability and enables us to more easily convert, adapt to and capitalise on changed conditions. Corporate governance provides the basis for a clear division of responsibility and decision-making structure, which contributes to the right decisions being made in the right place in our organisation. When decisions are made in the right place within the organisation, it also means that the correct decision data is available. Well-informed decisions are fundamental to a responsible entrepreneurial approach.

Our model for Corporate Governance

Our corporate governance is based on legislation, self-regulation in the stock market and established practice. The most central regulations are the Swedish Companies Act, the Swedish Annual Accounts Act, the Global Reporting Initiatives (GRI), the International Financial Reporting Standards (IFRS), Nasdaq Stockholm's Rule Book for Issuers, the Swedish Corporate Governance Code (the "Code"), the Articles of Association, the rules of procedure for the Board of Directors and Board committees, instructions to the CEO, instruction for financial reporting and the Group-wide policies adopted by the Board of Directors each year.

The shareholders exercise their influence by voting at the general meetings of Dustin Group AB, which is the Parent Company of the Group, and resolve in this way on the composition of the Board of Directors and the election of auditors. Election of the Board of Directors and auditor is

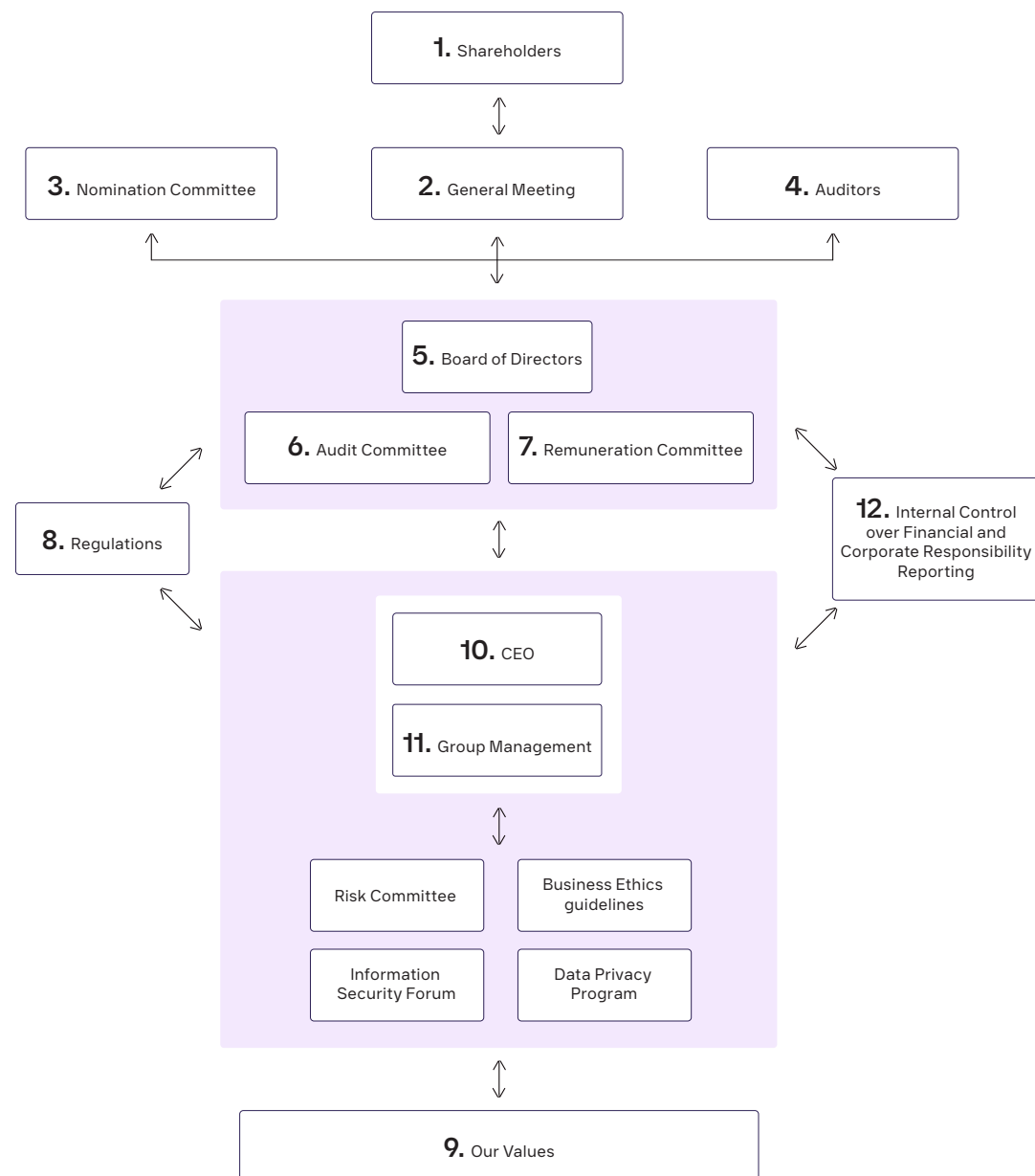
prepared by our Nomination Committee. Our Board of Directors is responsible for our organisation and the administration of the company's affairs. Our CEO is responsible for ensuring that the ongoing administration is conducted in accordance with the Board's guidelines and instructions. Our CEO, in dialogue with our Chair of the Board, compiles the agenda for Board meetings and is otherwise responsible for preparing information and decision data for the Board of Directors. In this way, we create sustainable, responsible and efficient governance.

Our organisation and our governance principles are described in more detail below.



Swedish Corporate Governance Code

The Corporate Governance Report is prepared in accordance with the Swedish Corporate Governance Code and the Swedish Annual Accounts Act. The Corporate Governance Report forms part of the Directors' Report and has been reviewed by the company's auditor, Ernst & Young AB, whose statement is available as part of the Auditor's Report.

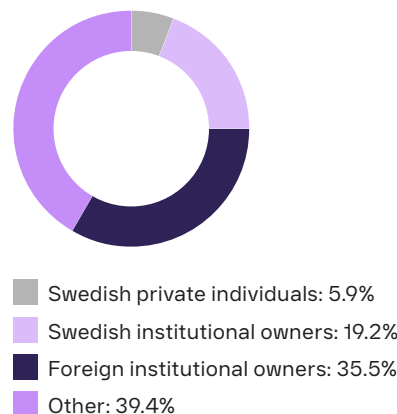


¹ The name Dustin or "we" refer to Dustin Group AB (publ) or the Group for which Dustin Group AB (publ) is the parent company, depending on the context.

1. The Share and Shareholders

Our share has been listed on Nasdaq Stockholm since 2015. All of our shares carry equal voting rights and equal entitlement to our profits and our equity. At the end of the financial year, we had 14,151 shareholders. As of August 31, 2021, our three largest shareholders were Axmedia (Axel Johnson) with 27.3 per cent of the shares and voting rights, AMF Pension & Fonder with 13.7 per cent of the shares and voting rights, and Rotla B.V. (seller of Centralpoint, Altor) with 8.5% of the shares and voting rights. At the same date, we had no other shareholders representing a minimum of 10 per cent of the share capital.

Ownership in percentage terms
(voting rights and capital)



Source: Modular Finance

2. General Meeting

Our highest decision-making body is the general meeting of shareholders. At our general meetings all shareholders are entitled to attend, raise issues for discussion and exercise voting rights for all of their shares. In addition to the statutory rights for our shareholders to participate at the meeting, our Articles of Association set out a requirement for notification to attend within the time period stated in the notice.

2019/20 Annual General Meeting

Our most recent Annual General Meeting was held on December 14, 2020 and pertained to the 2019/20 financial year. In light of the effects from the coronavirus pandemic and trends in society, the 2019/20 Annual General Meeting was held via postal voting, without the possibility for

shareholders or proxies to physically take part in the meeting. Instead, shareholders participated in the Annual General Meeting by voting and submitting questions in advance.

The minutes of the Annual General Meeting and other relevant documents are available on our website, www.dustingroup.com.

2020/21 Annual General Meeting

Our next Annual General Meeting will be held on December 15, 2021 and relates to the 2020/21 financial year. For further information about the next Annual General Meeting, see page 118 and our website, www.dustingroup.com.

3. Nomination Committee

The Nomination Committee prior to our Annual General Meeting comprises representatives of our largest shareholders who choose to appoint a representative. The Nomination Committee is appointed in accordance with an instruction for the Nomination Committee resolved by the Annual General Meeting. The principal task of the Nomination Committee is to prepare and present nominations for Board members and the Chair, remuneration for Board and committee work, and the remuneration of the auditor. In addition, the Nomination Committee presents proposals for the composition of the Nomination Committee until the next Annual General Meeting, and if there is reason to change the instruction that applies until further notice.

In its preparations, the Nomination Committee evaluates the Board's work and assesses the Board's collective competence, breadth and experience.

On June 26, 2021, we presented our Nomination Committee ahead of the 2020/21 AGM. According to the instruction for the Nomination Committee,

it is to be appointed based on the ownership structure on the final trading day in March. Since one of our largest shareholders increased their ownership after this date, we have taken this into consideration in the composition of the Committee. Ahead of the 2020/21 Annual General Meeting, the Nomination Committee comprises the following members:

- Caroline Berg, Axel Johnson/Axmedia, Chair of the Nomination Committee,
- Tomas Risbecker, AMF Försäkring & Fonder,
- Jens Browaldh, Altor/Rotla B.V.,
- Hans Christian Bratterud, ODIN Fonder, and
- Mia Brunell Livfors, Chair of the Board of Directors (co-opted to the Nomination Committee)

The composition of the Nomination Committee fulfils the requirements of the Code. The Committee's mandate period extends until such time as a new Nomination Committee has been appointed.

The Nomination Committee has held five meetings to date. In addition to meetings, the members of the Nomination Committee had talks and conducted individual interviews with the Board members and CEO. The Chair of the Board has informed the Nomination Committee of the work of the Board and its committees and presented the Board's evaluation of its work. Together with our company-specific requirements, this evaluation has formed the basis of the Nomination Committee's work.

No special remuneration was paid to the members of the Nomination Committee, but the Nomination Committee is entitled to remuneration for certain expenses.

The Nomination Committee's proposal and motivation for the proposal to the Board of Directors can be found on our website, www.dustingroup.com.

4. Auditors

Our auditor reviews the Annual and Corporate Responsibility Report for Dustin and the Group, and conducts a review of the quarterly report for the third quarter.

The auditor reports the result of the audit of the Annual and Corporate Responsibility Report and the review of the Sustainability Report and presents her conclusions ahead of the Annual General Meeting.

At the 2019/20 Annual General Meeting, Ernst & Young AB was re-elected as the audit firm, with Jennifer Rock-Baley as the Auditor in Charge for the period up to the end of the 2020/21 Annual General Meeting. In addition to her assignment with us, Jennifer Rock-Baley is also the Auditor in Charge for companies including DeLaval International AB, HKScan AB, Recipharm AB, Swedfund International AB and Volkswagen Group Sverige AB.

If Ernst & Young AB is engaged to provide services other than the ordinary audit, decisions pertaining to the nature, scope and fees of this work are made by the Audit Committee. Information about fees paid to the auditors for the 2020/21 financial year can be found in Note 6.

5. Board of Directors

Our Board of Directors has overall responsibility for our organisation and the administration of the operations. The Board of Directors establishes our strategies and goals, and makes decisions concerning major investments and operational changes. The Chair of the Board has a leading role and is responsible for ensuring that the Board's work is well organised and performed efficiently.

Pursuant to the Articles of Association, our Board of Directors is to comprise a minimum of three and a maximum of ten members with no deputy members. The Board of Directors currently comprises eight members:

- Mia Brunell Livfors (chair),
- Stina Andersson,
- Gregor Bieler,
- Gunnel Duveblad,
- Johan Fant,
- Tomas Franzén,
- Mattias Miksche, and
- Morten Strand.

Our Board of Directors met the independence requirement of the Code during the 2020/21 financial year. The requirement entails that the majority of the members elected at the Annual General Meeting must be independent in relation to the company and company management. In addition, at least two of the members must be independent in relation to the company's major shareholders. Our Board members' level of dependence is presented in the Board presentation on page 71.

The Board of Directors has adopted rules of procedure that regulate the Board's work methods and assignments, as well as instructions to the CEO, including instructions for financial reporting. The Board has also adopted policies for important parts of the operations, for example, communication and a Code of Conduct. All policies are evaluated when necessary and at least once per year.

The Board does not have any specific internal distribution of work except for certain issues being prepared by committees. We have established an Audit Committee and a Remuneration Committee. The members of the committees are elected annually and the duties are regulated in

the instructions established for each committee annually. The committees have a preparatory and administrative role. The issues considered at committee meetings are recorded in minutes and reported at the next Board meeting.

Evaluation of the Board's work

The work of the Board of Directors and CEO is evaluated annually. This is achieved through a systematic and structured process. The aim is to prepare a good basis for the Board's own development with respect to work methods and efficiency, as well as provide the Nomination Committee with a basis for the nomination work. The Chair of the Board is responsible for the evaluation.

The annual evaluation for the 2020/21 financial year was conducted using an evaluation tool that was produced by an external party. When the results were ready, they were reported and discussed in the Board of Directors. The survey focused on how the Board's work is progressing, as well as the Board's commitment and competence. The results of the evaluation were also presented to the Nomination Committee.

As in previous years, the Board work was deemed to function very well. The members are considered to be making a constructive contribution to both the strategic discussion and the governance of the company. The discussions are seen as open and the dialogue between the Board and management is perceived to be positive.

The Board of Directors is also evaluated by the Nomination Committee. The Nomination Committee held meetings with all members of the Board and the CEO in order to put questions to individual members as to how the Board's work is progressing.

Board remuneration

Remuneration and fees that were approved by the 2019/20 Annual General Meeting and the attendance of Board members at meetings during the 2020/21 financial year are described in the presentation of the Board of Directors on page 71 and in Note 7. Board members are not entitled to any benefits after their assignments as Board members have come to an end.

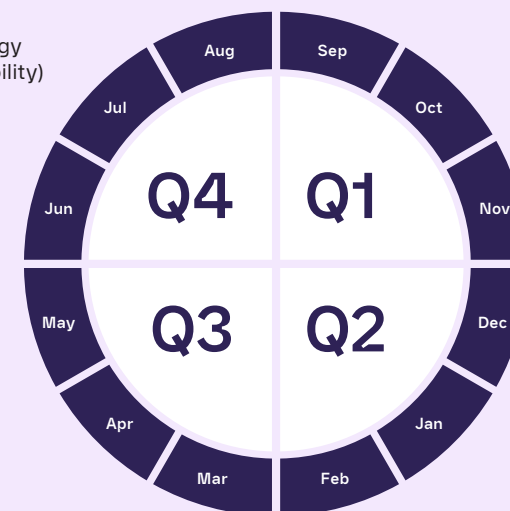
The Board's Annual Calendar

Fourth quarter

- Monitoring of strategy (including sustainability) and risks
- Q3 Interim Report*
- Budget and financial outlook
- Evaluation of the Board's work

Third quarter

- Q2 Interim Report*
- Strategy Day



First quarter

- Year-end report
- Annual and Corporate Responsibility Report

Second quarter

- Inaugural Board meeting
- Q1 Interim Report*
- Significant instructions and policies

*The interim reports also include sustainability information.

Board committees

6. Audit Committee

The main task of the Audit Committee is to ensure the quality of the financial and sustainability reporting, risk management and efficiency in the company's internal control and regulatory compliance.

The Committee currently comprises three members: Johan Fant (Chair), Gunnel Duveblad and Morten Strand. During the 2020/21 financial year, the Committee held six meetings, which were recorded in minutes. The company's CEO,

CFO, external auditors and representatives from specific functions of the organisation present reports at the committee meetings.

The work of the Audit Committee focused mainly on monitoring improvements pertaining to financial reporting and financial processes, with a special focus on identifying risks and evaluating the internal control environment, as well as following up the results of the review by external auditors.

The review of the company's financial statements, examination of the material risks in the operations, examination and updating of internal control and the follow-up of reported whistle-blowing cases were standing items on the agenda. During the financial year, the Audit Committee also reviewed the annual impairment test of goodwill, evaluated the Group's dividend policy, discussed the audit plans of the external auditors and evaluated the independence of the auditors.

7. Remuneration Committee

The main task of the Remuneration Committee is to review and provide recommendations to the Board of Directors pertaining to principles for remuneration of senior executives and long-term incentive programmes.

The Committee currently comprises three members: Mia Brunell Livfors (Chair), Gregor Bieler and Tomas Franzén. During the 2020/21 financial year, the Committee held two meetings and work pertained primarily to remuneration of the CEO and senior executives (including the long-term incentive programme), the structure for target

formulation, financial targets and the performance management model.

Our CEO and CFO are present at the Committee meetings. However, they do not participate in the items on the agenda that relate to remuneration of the CEO or the CFO.

Composition of the Board and attendance in 2020/2021

Board member	Position			Attendance					
	Board of directors	Audit Committee	Remuneration Committee	Board meetings	Audit Committee meetings	Remuneration Committee meetings	Total fee, SEK*	Independent in relation to the Company	Independent in relation to the Company's principal owners
Mia Brunell Livfors	Chair	-	Chair	27/27	-	2/2	680,000	Yes	No
Stina Andersson**	Member	-	-	23/23	-	-	315,000	Yes	No
Caroline Berg***	Member	-	Member	4/4	-	-	-	Yes	No
Gregor Bieler**	Member	-	Member	18/23	-	1/2	345,000	Yes	Yes
Gunnel Duveblad	Member	Member	-	27/27	6/6	-	375,000	Yes	Yes
Johan Fant	Member	Chair	-	27/27	6/6	-	425,000	Yes	No
Tomas Franzén	Member	-	Member	27/27	-	2/2	345,000	Yes	No
Mattias Miksche	Member	-	-	27/27	-	-	315,000	Yes	Yes
Morten Strand	Member	Member	-	27/27	6/6	-	375,000	Yes	Yes

* Total fee includes fee for committee work, which were adopted by the AGM in December 2020.

** Stina Andersson and Gregor Bieler were elected to the Board at the AGM in December 2020.

*** Caroline Berg declined re-election and resigned from the Board after the AGM in December 2020.

Our board of directors



Mia Brunell Livfors
Chair of the Board



Stina Andersson
Board member



Gregor Bieler
Board member



Gunnel Duveblad
Board member



Johan Fant
Board member



Tomas Franzén
Board member



Mattias Miksche
Board member



Morten Strand
Board member

	Mia Brunell Livfors Chair of the Board	Stina Andersson Board member	Gregor Bieler Board member	Gunnel Duveblad Board member	Johan Fant Board member	Tomas Franzén Board member	Mattias Miksche Board member	Morten Strand Board member
Born	1965	1983	1970	1955	1959	1962	1968	1965
Elected	2016 Chair of the Board since 2017	2020	2020	2016	2016	2013	2006	2017
Education	Business at Stockholm University.	MSc in Finance from the Stockholm School of Economics, CEMS Master in International Management from SSE and HEC Paris.	Master's Degree, Law from University of Munich, Degree in Business Administration from University of Applied Science Munich, and EMBA from International Institute for Management Development (IMD).	Systems Scientist, Umeå University.	MSc in Business and Economics from the Stockholm School of Economics.	Studies in Engineering, Industrial Economy at Linköping University.	MSc in Economics from the Stockholm School of Economics with a focus on Financial Economics.	BA in Business and Information Management, University of San Francisco, USA.
Other current assignments	CEO of Axel Johnson. Chair of the board of, i.a., Axel Johnson International, Axfood, Kicks Kosmetikkedjan and Åhléns. Board member of Axsol, Efva Attling Stockholm, Martin & Servera and Stena.	CEO of Bonnier Group. Board member of Axfood, Bonnier News, Fram Skandinavien and Clinic Friends.	Board member of GlobalLogic Inc. Board advisor for ATOSS Software AG and ROBUR Industry Service Group GmbH.	Chair of the board of, i.a., Team Olivia and Ruter Dam Foundation. Board member of, i.a., Sweco and Kindred Group plc.	CEO of AltoCumulus. Chair of the board of Perlavita and Frantzén Productions. Board member of, i.a., AltoCumulus Asset Management, AltoCumulus Investment, Perituskliniken and Axfast.	Chair of the board of, i.a., Bonnier News Group, Elajo Invest, TietoEVRY Corporation and Sappa Holding. Board member of, i.a., Axel Johnson, Martin & Servera and Thunderful Group.	Chairman of the board of Hem Design Studio Sweden. Board member of, i.a., Avanza Bank Holding AB, EuroFlorist Intressenter, Stratsys and StickerApp Holding. Advisor to Altor Funds.	CEO and board member of ABAX Group. Chair of the board of EMHA Holding AS. Board member of ABAX AS and CXM B.V. Senior Industry Advisor at Nordic Capital.
Previous assignments (in recent years)	CEO of Kinnevik. Chair of the board of Novax. Board member of, i.a., Svensk Handel and Mekonomen.	Chair of the board of Åhléns and Axsol. Board member of, i.a., Kicks Kosmetikkedjan, Skincity Sweden, Axel Johnson International and Novax. COO of Axel Johnson, Head of Strategy and Business Development at Tele2, Investment Director and Head of Strategy at Kinnevik, management consultant at McKinsey.	Chair of the board of InMoDo. General Manager at Microsoft Germany.	Chair of the board of Global Scanning A/S and HiQ International. Board member of, i.a., PostNord.	CFO of Axel Johnson. Board member of Novax.	CEO of Bonnier and Com Hem.	Board member of New Bubbleroom Sweden, Pricerunner Group and Sportamore.	Board member and CEO of Cint. Board member of Teamleader B.V. COO of Visma Software International AS.
Shareholding at August 31, 2021	-	-	-	2,666	-	67,300	33,628	-

Regulations and governing documents

The regulations and governing documents that comprise the framework for the way in which we conduct our operations are both external and internal.

External rules

Since we are a Swedish public limited company listed on Nasdaq Stockholm, we are obliged to comply with a number of laws and EU regulations such as the Swedish Companies Act, and a number of self-regulations such as the Nasdaq Stockholm's Rule Book for Issuers and the Code.

Deviations from the Code, Nasdaq Stockholm's Rule Book for Issuers or good stock market practice

In the 2020/21 financial year, we did not contravene or deviate from Nasdaq Stockholm's Rule Book for Issuers, the Code or good stock market practice.

We had no violation of Nasdaq Stockholm's Rule Book for Issuers or of good stock market practice.

Internal rules

We have a number of internal governance documents that supplement the external regulations and in combination, comprise the frameworks for our operations. The internal governance documents are divided into separate levels depending on where decisions are made and the governance document at which they are aimed.



- **The Articles of Association** are adopted by our shareholders at the Annual General Meeting and the content is largely defined by the Swedish Companies Act. The purpose is to enable external stakeholders to easily access, and compare, information regarding the number of shares, the limits of our share capital and other basic information.

- **The rules of procedure for the Board of Directors and the Board committees**, instructions for the CEO and instructions for financial reporting are adopted by the Board of Directors at its statutory meeting following the Annual General Meeting. The purpose of these steering documents is to distribute responsibility between the Board, the Board committees, the CEO and to a certain extent, Group Management.

- Other very important components for our internal control are our **vision, strategy and business plan**. We have a structured strategy and business planning process, in which objectives and resource allocation are established for the Group and each business area and Group function. To ensure that the entire operation makes the right priorities to achieve the established goals and continues to work in accordance with our strategy, we conduct regular business follow-ups with reporting of developments and KPIs. Reporting of sustainability data is integrated with financial reporting. See pages 8 and 17-23 for further information about our mission, vision and promise, as well as strategy and goals.

- Another key aspect of our governance are **policies and instructions**, such as the Code of Conduct and responsibility and authorisation structures that contain Group-wide rules for the operations.

Our Policies

We have adopted seven policies, which all have different focus areas.

• Code of Conduct

Our Code of Conduct includes our values and business principles, and describes our commitment to conduct business in a responsible, efficient and transparent manner. The policy is intended to provide guidance in our everyday work and is integrated in processes, methods, decisions and activities.

• Supplier Code of Conduct

Just as we make demands on our employees in our Code of Conduct, we expect that our suppliers, including subcontractors, manufacturers and other business partners who are part of our products, services and solutions, to adapt their operations according to the principles in our Code of Conduct and Supplier Code of Conduct. This is a criterion for us, as we build and maintain new and existing business relations.

• Communication Policy

Well-functioning communication is essential for us, and to ensure that we can provide correct, relevant, clear, fact-based, transparent and reliable communication for external stakeholders and employees, we have adopted a communication policy that describes the principles for communication between our employees and between us and our external stakeholders. The Communication Policy is also supported by a number of underlying instructions.

• Insider Policy

To ensure the continued confidence of the public and the stock market, we have adopted an insider policy that describes the principles for trading in our share and how we are to manage inside information.

• Information Security Policy

The purpose of our information security policy is to protect our information and the flow of information from coming into the wrong hands, being altered or destroyed in a prohibited manner. The aim is to protect the privacy of our employees and customers and this is described in more detail in our Data Privacy work on page 78.

• Risk Management Policy

Risk-taking is a natural part of all business operations and is required for financial growth. To be able to control our collective risk-taking and manage risks effectively, we have adopted a risk management policy that describes the principles for our work on risks and risk management.

• Policy for Financial Control

To achieve transparent, cohesive and correct financial reporting, proactive risk management and constant improvement of our financial processes, we have adopted a Financial Management Policy that provides us with a framework for deploying appropriate measures in respect to our financial situation and business strategy.

Compliance

All employees are personally responsible for following our external and internal regulations, which also includes acting in compliance with our values policies and instructions.

Our employees must complete online training every other year. Online training is targeted at all employees, and in conjunction with the course, employees confirm that they undertake to follow the Code of Conduct. During the financial year, we also implemented a follow-up for employees who did not complete the online training course last year. At the end of the financial year, 93.6 per cent of our active employees had completed the training.

Our employees are encouraged to report suspected violations to their immediate supervisor, safety representative, Group Management or our General Counsel. There is also a whistle-blower system that provides our employees with anonymous access to the Chair of the Audit Committee. It is a secure web-based reporting system. The function is managed by the Chair of the Audit Committee. The whistle-blower service contains clear procedures and processes for the way in which reported cases are to be managed. No whistle-blower cases were recorded in 2020/21.

9. Our values

Our values are the heart of our culture and identity. Together with our business principles, they guide us in our daily work. Our values are *keep it simple, strive to improve, challenge all costs, live up to promises and win as a team*. These values create positive conditions for our employees to remain engaged. Engaged employees ensure, in turn, that we have well-functioning corporate governance and risk management. Refer to page 24 for more about our values.

Our Business Ethics Work

Our active work on business ethics is something we regard as central to creating a high level of trust among our stakeholders. To determine what is most relevant for us, we conduct annual risk assessments in all of our business areas and Group functions. We also hold separate risk discussions as necessary with selected employees in particularly exposed areas of the organisation.

We have adopted business ethics guidelines that apply for all employees. Our focus areas are highlighted in our Code of Conduct and are part of the mandatory online training for all employees. The number of employees who have completed the online training is followed up and reported externally. As a complement to the online training, classroom teaching is also held for the employee groups most exposed to the business ethics dilemma. During the year, we produced and launched additional opportunities for working groups or individual employees to learn more about the business ethics dilemma through a digital platform we call “Dilemma Games”. Dilemma Games consists of a set of dilemmas based on risk situations that the user is being trained to manage.

To ensure that all employees have good awareness of our business ethics guidelines and how we assess issues, all new employees are introduced to our Business Ethics work

in conjunction with their induction days. We also conduct training in conjunction with the acquisition of companies and discuss these issues with our strategic partners.

We take a zero-tolerance approach to all forms of bribes

We do not offer, give, ask for, accept or receive any form of bribe or inappropriate benefits, either directly or through middlemen.

We are cautious when offering and accepting gifts and hospitality

We make sure that gifts, rewards and other benefits in business always support a clear business purpose, are openly disclosed, are of reasonable value and appropriate in relation to the nature of the business relationship.

We do not give or accept gifts or other remuneration if its purpose can be perceived as improperly influencing a business decision. Also, we do not offer or accept any cash or cash equivalents as gifts.

We act in the best interests of Dustin

We always act in the best interest of the Dustin Group. Any activities that might lead to or suggest a conflict between the personal interest of an employee and the business of Dustin Group or any activities where the employee’s ability to perform job tasks objectively is questionable shall be avoided.

We compete in a fair manner

We compete in a fair and honest manner. We shall not exchange information or enter into agreements or understandings with competitors, customers or suppliers in a way that improperly influences the market or the outcome of a bidding process in breach of competition laws.

Our focus areas

We have identified a number of focus areas, in which we are often faced with business ethics dilemmas. Our focus areas are:

- Sales competitions and other incentives for sales representatives,
- Sponsored events, both events we organise ourselves and events to which we are invited,
- Gifts, particularly from our manufacturers and distributors, but also from other partners, and
- Conflicts of interest, both in employment and when retaining consultants and service providers.

To provide support for employees within our focus areas, there are specially trained employees who review invitations and arrangements and they can serve as a sounding board.

10. CEO

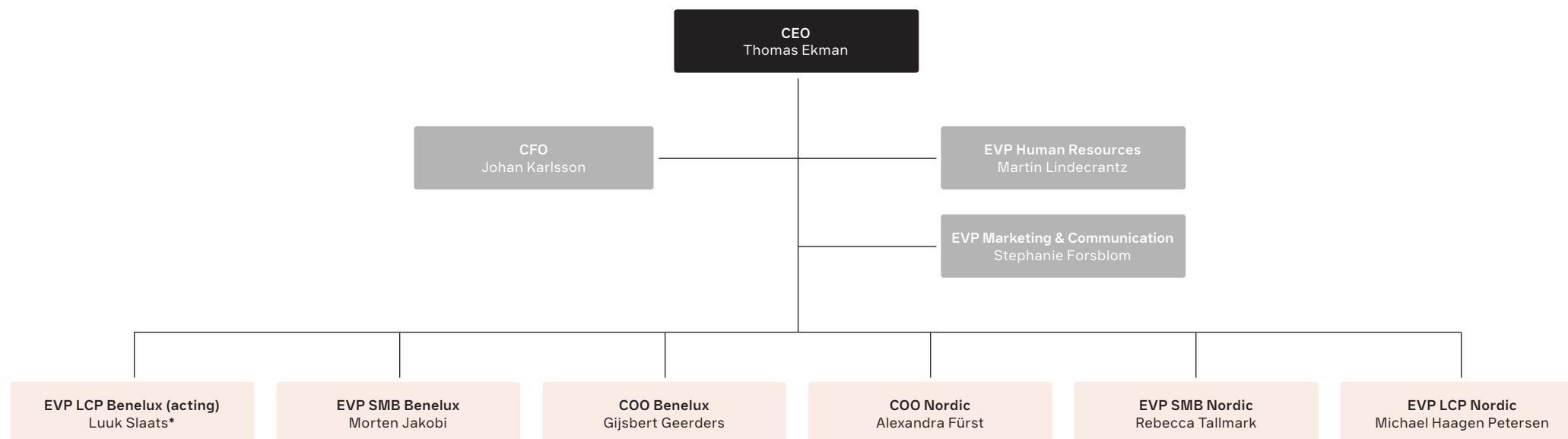
The CEO is responsible for the day-to-day management and daily operations. Distribution of work between the Board and CEO is set out in the rules of procedure for the Board and instructions to the CEO.

Our CEO reports to the Board of Directors and ensures that the Board receives the information required to be able to make well-founded decisions. The CEO must keep the Board continuously informed about the development of our operations, the sales trend, our earnings and financial position, liquidity projections, important business events, as well as all other events, circumstances or conditions that may be considered material to the operations.

11. Group Management

Our CEO leads Group Management's work and makes decisions pertaining to the operations in consultation with other senior executives in the Group. At the end of the 2020/21 financial year, Group Management comprised ten individuals with each member holding responsibility for one of our business areas or Group functions.

Group Management meetings are held every other week and otherwise as necessary. The meetings focus primarily on strategic and operative monitoring and development, as well as performance follow-up. In addition to these meetings, there is close daily collaboration within management. A presentation of the members of Group Management is available under the section "Group Management" on page 77.



* Angelo Bul took office as EVP LCP Benelux on October 1, 2021.

Remuneration of senior executives

The successful implementation of our business strategy and promotion of our long-term interests, including sustainability, requires that we recruit and retain qualified employees with the appropriate competence. Doing this requires being able to offer competitive remuneration. The remuneration guidelines make it possible for senior executives to be offered competitive total remuneration that is within the framework of that resolved on by the Annual General Meeting.

The shareholders resolve on guidelines for remuneration of the CEO and other senior executives at the Annual General Meeting. Remuneration of the CEO and other members of Group Management is thereafter decided by the Board, based on recommendations from the Remuneration Committee.

Remuneration 2020/21

Guidelines for remuneration 2020/21

The 2019/20 Annual General Meeting resolved to adopt guidelines for remuneration of senior executives, consisting of a fixed salary, short-term variable remuneration incentive (STI), which is linked to the achievement of the company's financial targets and individual performance targets, and a long-term share-based or share-related incentive programme (LTI), in addition to pension and other benefits.

In exceptional circumstances, the Board of Directors may deviate from the guidelines. In the event of this, the Board must report the reason for the deviation at the next Annual General Meeting. The guidelines can be found on www.dustingroup.com/sv/ersattning.

Outcome 2020/21:

During the 2020/21 financial year, the remuneration of Group Management consisted of a fixed salary, short-term variable remuneration of between 30 and 60 per cent of fixed salary, long-term incentive programmes, pension and other customary benefits. The variable salary is linked to the company's financial targets and individual performance targets.

During the 2020/21 financial year, the total remuneration of Group Management amounted to SEK 55.2 million and is reported in more detail in Note 7.

The current guidelines, as approved by the Annual General Meeting on December 14, 2020, have been followed and all approved remuneration was within the stipulated guidelines, with two exceptions. Two senior executives from Centralpoint received a special compensation package in order to settle their right to unlimited variable salary. The compensation package involved a right to a fixed bonus that exceeds the ceiling in the remuneration guidelines for the share of variable salary in their annual salaries. The Board's justification for introducing this special compensation package was to provide incentives for a successful integration of Centralpoint and to achieve the established goals pertaining to synergies for the new Group after the completion of the acquisition. These special compensation packages were given only for 2020/2021, and no similar bonus arrangements exist for 2021/2022. For further information, refer to Dustin's 2020/2021 remuneration report, which is available on Dustin's website, www.dustingroup.com.

Long-term incentive programme

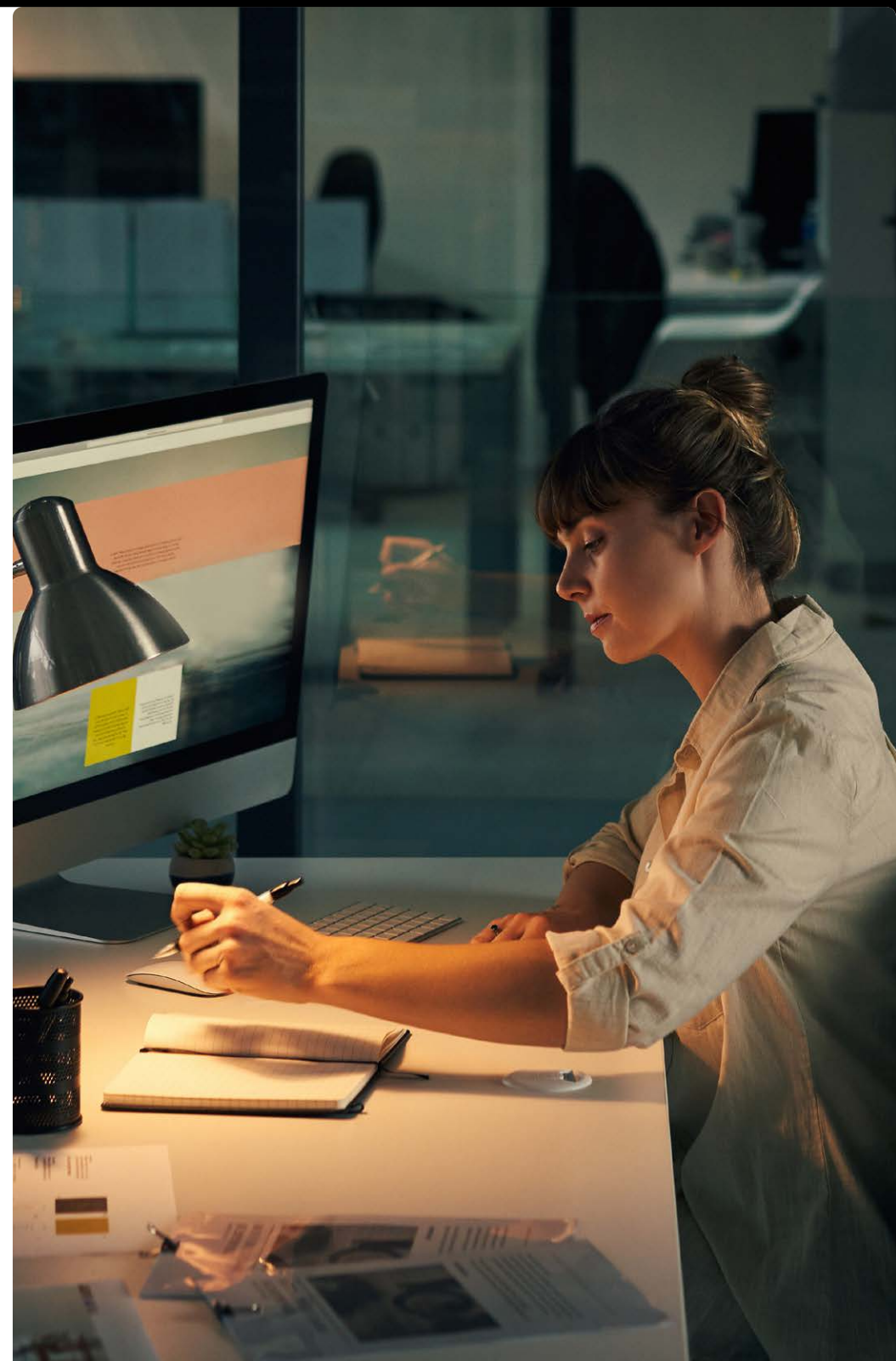
On an annual basis, the Board evaluates whether or not a long-term incentive programme is to be proposed to the Annual General Meeting. Dustin has three outstanding incentive programmes: LTI 2019, LTI 2020 and LTI 2021. None of these programmes include the Board.

The Annual General Meeting on December 14, 2020 resolved to introduce a new incentive programme for senior executives (LTI 2021). The programme encompassed a total of not more than 1,329,710 warrants, of which 804,817 were acquired. The acquisitions were made at a market value totalling approximately SEK 4.1 million. We have reserved the right to repurchase warrants if the participant's employment or assignment at the company comes to an end or the participant wishes to transfer the warrants.

For further information, see Note 7.

Further information

Further information on fixed and variable remuneration can be found on our website, in the Board report on the Remuneration Committee evaluation in accordance with the Code, the notification of the Annual General Meeting and in Note 7.



Our Group Management



Thomas Ekman



Johan Karlsson



Stephanie Forsblom



Alexandra Fürst



Gijsbert Geerders



Morten Jakobi



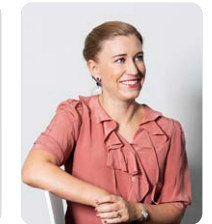
Martin Lindecratz



Michael Haagen Petersen



Luuk Slaats*



Rebecca Tallmark

Title	President and CEO	CFO & EVP Business Support	EVP Marketing & Communication	EVP COO Nordic	EVP COO Benelux	EVP SMB Benelux	EVP Human Resources	EVP Large Corporate & Public Nordic	EVP LCP Benelux (acting)	EVP SMB Nordic
Born	1969	1965	1983	1973	1969	1975	1980	1971	1975	1976
Employed at Dustin since	2018	2009	2016	2019	2021	2004	2020	2008	2021	2017
Education	MSc in Business Administration and Economics from Stockholm University.	MSc in Business and Economics from the Gothenburg School of Economics.	M.Sc (Tech.) from Helsinki University of Technology and M.Sc (Econ.) from Hanken School of Economics and Business Administration in Helsinki.	MSc in Industrial Engineering and Management, Faculty of Science and Engineering at Linköping University	Education in telematics at HTS Utrecht.	BA in History and Social Science from Aarhus University.	Master's in Business Administration, Uppsala University.	BSc in Economics from Aarhus University School of Business and Social Science.	NEVI 3 from Erasmus University Rotterdam.	MSc in Economics from the Stockholm School of Economics.
Other assignments	Chair of the Board of AxSol AB and Board member of Pierce Group AB.	Chair of the Board of Adlibris and Board member of Kontext Agency of Scandinavia and Permascand Top Holding.	–	Board member of Polarscape Consulting and Ngenic.	–	Board member of Langebjerggaard ApS, 2people A/S and Dansk HR.	–	–	–	Board member of Giving Wings Foundation.
Previous assignments	CEO Cabonline Group, CEO of Tele2 Sweden and board member of Com Hem and Sportamore.	Regional Finance Director at Tech Data AB as well as CFO at ACO Hud Nordic.	VP Sustainability, Communication & Brand at Dustin Group, Head of Sustainability at Dustin Group and Supply Chain Sustainability Manager at Microsoft Corporation.	EVP Business Development & IT at Wasa Kredit, VP Financial Services Sweden at Tieto.	COO of Centralpoint.	EVP People & Culture at Dustin, Executive Assistant at Dustin A/S. Senior Team Manager at Computerstore A/S.	Acting EVP and Head of HR at AFRY, Director Talent and Rewards at AFRY, Nordic HR lead at Accenture Strategy. Management Consultant at Accenture.	Sales Manager at thy:data A/S. Market Manager at Logica A/S.	CEO of Centralpoint.	Head of Strategy and Business Development at Systembolaget, Business Area Manager Finance and M&A at Axel Johnson International and consultant at McKinsey.
Shareholding on August 31, 2021	74,083	379,052	1,474	2,333	–	11,666	–	100,000	–	48,044
Warrants	439,728	302,641	94,832	126,656	–	–	23,328	151,320	–	143,010

* Angelo Bul took office as EVP LCP Benelux on October 1, 2021.

Our Data Privacy Program

We are committed to processing personal data in a responsible manner and in accordance with privacy law and stakeholder expectations. Our business is built on enabling our customers to stay at the forefront so that they succeed in their businesses. One part of that is ensuring that customers trust us with their data so that we have insight to provide relevant offerings. Another part is to help our customers become trusted controllers of their customers' data.

Since August 2018, we have a structured Data Privacy Program headed by our General Counsel. Our General Counsel is also Chair of the Data Privacy Program Steering Group, which convenes on a quarterly basis. We have also, on a voluntary basis, appointed a Data Protection Officer, Caroline Olstedt Carlström, partner at legal firm Cirio advokatbyrå. Each quarter, our Data Protection Officer submits a report that is presented to the Steering Group and she also reports annually to the Board of Directors.

To ensure that all employees have basic knowledge of data protection, we have a web-based training course that is held once a year. We also have a network of ambassadors, comprising employees from our various markets, who represent all business areas and Group functions. Through our network of ambassadors, we can effectively target relevant information and training adapted to the recipients.

Although the responsibility for data protection is part of each employee's assignment, we have appointed an administrative organisation, our Data Privacy Team. The team's responsibilities include:

- supporting the operations in data privacy matters,
- ensuring that we observe the rights of the individual,
- ensuring that we maintain a correct personal data processing record, including documentation of legal basis,
- ensuring that we conduct risk and consequence analyses as required, and
- ensuring that training courses are prepared and conducted.

In addition to our dedicated Data Privacy Team, there are a number of different functions that are key components in our Data Privacy work, including Information Security, Procurement, and Service Product Management. Risk management is also a natural part of our Data Privacy work and in this respect, we follow our general risk management policy. To ensure that we follow and constantly improve our processes and procedures in relation to our largest risks, we have implemented Data Privacy Controls that are conducted in accordance with a framework established by the Steering Group.

12. Internal Control over Financial and Sustainability Reporting

Internal control of the financial and sustainability reporting is a central component in Dustin's corporate governance. Our internal control process is based on the framework for internal control published by COSO, and has been adapted for our operations.

The framework consists of the following five components:

- control environment,
- risk assessment,
- control activities,
- information and communication, and
- monitoring activities.

Our Board of Directors has overall responsibility for financial and sustainability reporting. Monitoring the efficiency of our internal control and risk management is primarily managed by the Audit Committee.

We have an internal control function aimed at supporting the Audit Committee and management in providing a strong internal control environment. This function reports to the Audit Committee.

Control environment

The control environment forms the basis of the internal control. One important part is that decision-making paths, authorisations and responsibilities are clearly defined and communicated within our Group. The Board of Directors has adopted fundamental internal policy documents such as Rules of Procedure for the Board and committees as well as instructions to the CEO. In addition, there is a Group-wide delegation order that sets out the responsibilities and authorities for different levels and functions within the Group.

Another important part is maintaining a high ethical standard through establishing values and governing documents in the form of policies, instructions and procedures.

Our internal control function works on developing, improving and safeguarding the Group's framework for the internal control environment. The intent is to maintain a framework that is appropriate and effective, and to enable reliable financial statements and sustainability reports.

Risk assessment

In risk assessment, we identify and evaluate the most substantial risks that impact internal control in the Group. The assessment forms the basis for how risks are to be managed through various controls. The risk assessment is updated regularly, and the results are reported to the Audit Committee.

Control activities

The control activities are defined in a Group-wide framework for internal control, divided into the Group's most important processes related to financial and sustainability reporting. The most substantial risks from the risk assessment are managed through the control activities. The controls are to ensure both effectiveness in the Group's procedures and proper internal control.

Every control has an assigned control owner who routinely evaluates whether the control covers the risk identified, as well as the performance of the control.

Examples of control activities are authorised approval of business transactions, accounts reconciliation, analysis of income statement items and control of the allocation of responsibility in decision-making procedures.

Information and communication

The internal control documents are available on our intranet. We also ensure that control documents relevant to accounting and financial reporting are available to the employees concerned in newly acquired companies in an electronic handbook. We review the control documents at least once annually.

Our internal control function reports on the results of its work on internal control during Audit Committee meetings. In turn, the Audit Committee reports continuously to the Board of Directors, mainly regarding observations, recommendations and measures.

The Board is provided with the minutes from the Audit Committee and the Chair of the Audit Committee reports on its work at the following Board meeting.

External financial and sustainability reporting takes place in accordance with the relevant external and internal control instruments, such as the Group's communication policy.

Monitoring activities

We continuously monitor the effectiveness of the internal control environment through self-evaluations. Any deviations are reported to the control owner responsible for correcting the shortcomings noted.

Internal control developments are reported on a continuous basis to the Audit Committee. Our auditor also reports her assessment of the internal control environment to the Audit Committee.

Focus areas during the year

During the financial year, we implemented changes to processes and produced new features in the service offering. As a consequence, we have developed and focused on the internal control environment in the service offering.

During the financial year, Dustin established new objectives in sustainability, which has resulted in new processes and reporting flows. Moreover, we have further developed the internal control environment in the area of sustainability, with a focus on reporting flows.

Centralpoint's internal control environment

Centralpoint, a company in the Netherlands, was acquired in the fourth quarter. Dustin's internal control function evaluated the control environment in Centralpoint together with our auditors. We have established that the internal control environment is a relatively informal one, originating in the environment that Centralpoint came from. The control environment is deemed to be properly functional, and going forward will be integrated into Dustin's control environment.

Evaluation of a specific review function

There is currently no specific review function at Dustin (internal audit). The Board has examined the issue and determined that the current monitoring structure and activities conducted within the risk management and internal control frameworks provide a satisfactory basis.

The Board evaluates the need for a specific review function annually.

Consolidated income statement

SEK million	Note	20/21	19/20
Net sales	3	15,877.6	13,195.4
Cost of goods and services sold	4	-13,394.7	-11,152.0
Gross profit		2,482.9	2,043.3
Selling and administrative expenses	4, 6, 7	-1,825.2	-1,617.9
Items affecting comparability	5	-73.4	-31.0
Other operating income		14.1	14.5
Other operating expenses		-22.2	-21.8
EBIT		576.2	387.2
Financial income and other similar income-statement items	8	1.2	1.3
Financial expenses and other similar income-statement items	8	-108.3	-53.3
Profit after financial items		469.2	335.2
Tax	9	-112.2	-57.9
Net profit for the year attributable in its entirety to Parent Company shareholders		357.0	277.3
Other comprehensive income (all items will be transferred to the income statement)			
Translation differences		4.2	-95.5
Cash-flow hedging		13.4	96.0
Tax		-2.9	-20.6
Other comprehensive income		14.8	-20.0
Comprehensive income for the year attributable in its entirety to Parent Company shareholders		371.8	257.3
Earnings per share before dilution (SEK)*	10	3.82	3.04
Earnings per share after dilution (SEK)*	10	3.82	3.04

* Key ratios have been restated in comparative periods to take into account the terms and conditions of the new share issue carried out in August 2021.

Consolidated balance sheet

SEK million	Note	Aug 31, 2021	Aug 31, 2020
ASSETS			
Non-current assets			
Goodwill	11	7,752.7	3,706.5
Intangible assets attributable to acquisitions	12	752.8	579.6
Intangible assets	12	172.3	144.3
Tangible assets	13	172.9	99.3
Right-of-use assets	14	552.8	502.2
Deferred tax assets	16	4.6	9.7
Derivative instruments	18, 22	1.0	0.2
Other non-current assets		7.3	8.3
Total non-current assets		9,416.4	5,050.0
Current assets			
Inventories	19	1,015.7	482.9
Accounts receivable	20, 22	2,455.8	1,256.6
Derivative instruments	18, 22	16.8	-
Tax assets	9	7.8	9.5
Other receivables	22	56.0	15.7
Prepaid expenses and accrued income	21	501.4	231.3
Cash and cash equivalents	23	847.4	730.1
Total current assets		4,900.8	2,726.1
TOTAL ASSETS		14,317.2	7,776.1
EQUITY AND LIABILITIES			
Equity	24		
Share capital		565.1	443.2
Other contributed capital		3,021.7	1,099.5
Reserves		3.0	-11.8
Retained earnings including net profit for the year		1,086.6	924.6
Total equity (attributable to Parent Company shareholders in its entirety)		4,676.4	2,455.6
Non-current liabilities			
Other provisions	17	2.3	4.9
Deferred tax liabilities	16	246.3	205.0
Liabilities to credit institutions	22, 25	4,481.4	2,159.0
Non-current lease liabilities	14	404.9	370.3
Derivative instruments	18, 22	14.6	25.5
Total non-current liabilities		5,149.4	2,764.8
Current liabilities			
Other provisions	17	3.4	31.5
Current lease liabilities	14	172.1	141.3
Accounts payable	22, 25	3,147.4	1,543.6
Tax liabilities	9	73.3	46.2
Derivative instruments	18, 22	7.2	1.7
Other current liabilities	22, 25	380.6	347.7
Acquisition-related liabilities	15, 22, 26	20.5	-
Accrued expenses and deferred income	27	687.0	443.8
Total current liabilities		4,491.4	2,555.7
TOTAL EQUITY AND LIABILITIES		14,317.2	7,776.1

Consolidated statement of changes in equity

SEK million	Equity attributable to Parent Company shareholders					
	Share capital	Other contributed capital	Translation reserve	Hedge reserve	Retained earnings	Total equity
Opening balance, Sep 1, 2020	443.2	1,099.5	-11.7	-0.1	924.6	2,455.6
Net profit for the year	-	-	-	-	357.0	357.0
Other comprehensive income						
Translation differences	-	-	4.2	-	-	4.2
Cash-flow hedging, changes in fair value	-	-	-	13.4	-	13.4
Tax attributable to cash-flow hedges	-	-	-	-2.9	-	-2.9
Total other comprehensive income	-	-	4.2	10.5	-	14.8
Total comprehensive income	-	-	4.2	10.5	357.0	371.8
Dividends to shareholders	-	-	-	-	-195.0	-195.0
Holdings of own warrants	-	-0.5	-	-	-	-0.5
New share issue	121.9	1,947.5	-	-	-	2,069.3
Issue costs	-	-18.0	-	-	-	-18.0
Repurchase and subscription with the support of warrants	-	-6.8	-	-	-	-6.8
Total transactions with shareholders	121.9	1,922.2	-	-	-195.0	1,849.0
Closing balance, Aug 31, 2021	565.1	3,021.7	-7.4	10.4	1,086.6	4,676.4

SEK million	Equity attributable to Parent Company shareholders					
	Share capital	Other contributed capital	Translation reserve	Hedge reserve	Retained earnings	Total equity
Opening balance, Sep 1, 2019	443.2	1,095.6	83.9	-75.6	913.2	2,460.3
Net profit for the year	-	-	-	-	277.3	277.3
Other comprehensive income						
Translation differences	-	-	-95.5	-	-	-95.5
Cash-flow hedging, changes in fair value	-	-	-	96.0	-	96.0
Tax attributable to cash-flow hedges	-	-	-	-20.6	-	-20.6
Total other comprehensive income	-	-	-95.5	75.5	-	-20.0
Total comprehensive income	-	-	-95.5	75.5	277.3	257.3
Dividends to shareholders	-	-	-	-	-265.9	-265.9
Subscription with the support of warrants	-	3.9	-	-	-	3.9
Total transactions with shareholders	-	3.9	-	-	-265.9	-262.0
Closing balance, Aug 31, 2020	443.2	1,099.5	-11.7	-0.1	924.6	2,455.6

Consolidated statement of cash flow

SEK million	Note	20/21	19/20
Operating activities			
EBIT		576.2	387.2
Adjustment for non-cash items	28	314.4	302.8
Interest received		1.2	1.3
Interest paid		-77.3	-53.4
Income tax paid		-101.0	-90.8
Cash flow from operating activities before changes in working capital		713.6	547.1
Decrease (+)/increase (-) in inventories		-270.3	-23.6
Decrease (+)/increase (-) in receivables		-640.9	238.3
Decrease (-)/increase (+) in current liabilities		366.1	105.9
Cash flow from changes in working capital		-545.0	320.6
Cash flow from operating activities		168.6	867.7
Investing activities			
Acquisition of intangible assets		-49.8	-68.5
Acquisition of tangible assets		-35.2	-42.8
Acquisition of operations	26	-3,080.5	-
Divestment of intangible assets		-	4.7
Contingent earn-out paid	15, 26	-	-209.0
Cash flow from investing activities		-3,165.5	-315.6
Financing activities			
New share issue	24	1,187.1	-
Cash flow from LTI programme		-7.3	4.2
New loans raised	25	3,629.9	390.1
Repayment of loans	25	-1,321.8	-134.4
Paid borrowing expenses	25	-25.5	-1.5
Dividends		-195.0	-265.9
Repayment of lease liabilities		-162.3	-148.7
Cash flow from financing activities		3,105.0	-156.1
Cash flow for the year		108.1	395.9
Cash and cash equivalents at the start of the year		730.1	281.3
Cash flow for the year		108.1	395.9
Exchange-rate differences in cash and cash equivalents		9.1	53.0
Cash and cash equivalents at the end of the year		847.4	730.1

Consolidated notes

Note 1 Overall accounting policies

Preparation of consolidated financial statements

The consolidated financial statements for Dustin have been prepared in accordance with the Swedish Annual Accounts Act and International Financial Reporting Standards (IFRS) as adopted by the EU. In addition, the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups is applied in respect of Swedish conditions. The Board and the CEO approved this Annual Report and the consolidated financial statements for publication on November 17, 2021. The consolidated and Parent Company income statements and balance sheets will be adopted by the Annual General Meeting on December 15, 2021.

Valuation basis in the preparation of the financial statements

Assets and liabilities are recognised at historical cost, except for certain financial assets and liabilities that are measured at fair value. Financial assets and liabilities measured at fair value consist of synthetic options, derivative instruments and acquisition-related earn-outs.

Functional currency and presentation currency

The consolidated financial statements are presented in Swedish krona (SEK), which is the Parent Company's functional currency. Functional currency is the currency of the primary economic environment in which the entity operates, meaning that the local currency corresponds to the functional currency for the companies. Upon consolidation, this means that all assets and liabilities included in the foreign subsidiaries' balance sheets are translated at the closing day rate and all profit or loss items are translated at the average exchange rate. Any translation differences are recognised in other comprehensive income and accumulated in the translation reserve in equity.

Classification of current and non-current items

Assets and liabilities are allocated as non-current or current. Non-current assets and liabilities consist primarily of assets and liabilities that are expected to fall due for payment more than 12 months after

the balance-sheet date. Current receivables and liabilities consist primarily of assets and liabilities that are expected to fall due for payment within 12 months of the balance-sheet date.

Estimates and assessments in the financial statements

Preparing the financial statements in accordance with IFRS requires management to make estimates and assumptions that impact the application of the accounting policies and the carrying amounts for assets, liabilities, income and expenses. These estimates and assumptions are based on historical experience and various other factors that under current circumstances seem reasonable and are regularly reviewed. The actual outcome may differ from these estimates and assumptions, but not significantly. A change in estimates is recognised in the period in which the change occurred. The areas that involve a high degree of assessment and that are of material importance to the Group are described in Note 2.

Consolidation policies

The financial statements of subsidiaries are consolidated in the consolidated financial statements as of the date on which the controlling influence is attained and until the date on which controlling influence no longer exists. Intra-Group receivables and payables, income and expenses arising from intra-Group transactions are eliminated when the consolidated financial statements are prepared. An overview of all consolidated companies in the Group can be found in Note P8.

Translation of foreign currency

Foreign currency transactions are translated to the functional currency using the exchange rates prevailing on the transaction date. Exchange-rate differences arising in connection with the settlement of such transactions, or when translating exchange rates for monetary assets and liabilities in foreign currencies on the balance-sheet date, are recognised in profit or loss.

Exchange-rate differences attributable to operating assets and liabilities are recognised in profit or loss under Other operating income or Other operating expenses.

New and amended accounting policies for the financial year

The amendments that took place in the existing reporting standards and are approved for the financial year are not deemed to have any significant effect on the consolidated financial statements. The accounting policies outlined are applied consistently to all external reporting, unless otherwise stated.

New and amended accounting policies that enter force after the end of the financial year

New published changes and interpretations of existing reporting standards not yet applied have not been applied in advance and are not expected to have any significant effect on the company's financial statements.

All amounts, unless otherwise stated, are rounded to the nearest million SEK.

Note 2

Important estimates and assessments

The preparation of these financial statements involves management making estimates and assessments. These assumptions and estimates are based on historical experience and other factors considered for these important areas, and the estimates and assessments are evaluated continuously. The conclusions drawn serve as the basis for the carrying amounts of assets and liabilities, in cases when these cannot be obtained through information from other sources. The actual outcome may differ from these estimates and assessments. The identified key estimates are:

Impairment of assets

Goodwill is considered to be the most important asset for which impairment testing is deemed to be critical. The need for impairment is tested based on management's best assessment of the recoverable amount. The calculated recoverable amount of identified cash-generating units is built on future cash flows based on internal business plans and forecasts. Changes to these could have a material effect on the recoverable amount. The

most significant assumptions are outlined in Note 11 and Note 26. The sensitivity analysis shows that reasonable changes in assumptions made would not result in a lower recoverable amount than the carrying amount of goodwill. The impairment tests for the current financial year did not indicate any need of impairment.

Business combinations

Dustin acquires operations on a regular basis. In conjunction with the acquisition, a purchase price allocation is prepared that measures assets and liabilities at fair value. This valuation is in part based on senior executives' assessment of the future earnings capacity of the acquired company. The acquisition may include earn-outs based on the outcome of the acquired company's future earnings for a pre-determined period. The fair value of the recognised liability for the earn-out that includes the senior executives' assessment of future earnings capacity for the acquisition is regularly evaluated. An inaccurate assessment of the above may mean the acquired assets and liabilities for the earn-out are overvalued.

Note 3 Net sales and segment reporting

Accounting policies

Net sales

Net sales include income measured at the transaction price that has been or is expected to be received for sold goods and services, excluding VAT and after taking into account variable remuneration such as the expected value of volume discounts. The expected values of volume discounts is based on historical data and is recognised as an accrued expense and as a reduction in revenue.

Dustin believes the use of returns has had an immaterial impact on revenue and accordingly no loss allowance for the impact of returns has been made and separate information relating to returns is deemed immaterial. Dustin performs quarterly checks to ensure that the level remains immaterial.

Dustin's sales include the sale of IT products and advanced products and services to businesses (B2B) in the SMB (Small and Medium-sized Businesses) segment, and LCP (Large Corporate and Public Sector) as well as B2C (consumers).

Revenue is recognised at the point in time when Dustin has fulfilled its performance obligation by transferring control of a good or service to a customer. Invoicing takes place in conjunction with the delivery and the normal payment period is 10–30 days.

Guarantees offered as optional extras for a product where Dustin is the reseller means that the performance obligation is to mediate guarantee commitments from another party. When Dustin fulfils the performance obligation as an agent this is recognised as revenue.

Dustin primarily recognises revenue from the following revenue streams:

Sales of hardware

Sales of hardware comprise the largest share of the Group's total revenue. Revenue is recognised at the point in time that control of the hardware is passed to the customer. This occurs when the hardware is delivered to the carrier if the customer is a company (B2B) and when the product is delivered by the carrier if the customer is a consumer (B2C).

Sales of licenses

Dustin is the reseller of licenses and does not sell its own licenses to customers. Depending on the type of software license sold, Dustin has identified certain customer contracts in which Dustin is the principal in some licensing agreements but acts as agent in others.

When Dustin is the principal, the performance obligation is considered to be fulfilled at the point in time that control of the license is passed to the customer, which is typically upon delivery.

When Dustin acts as agent, the performance obligation consists of Dustin mediating the sale between the supplier and the customer and receiving a commission. The income is recognised when the obligation to mediate the sale has been met, which is typically when the license is delivered to the customer.

Consulting services

Dustin has consultants who perform services on cost-plus contracts or at fixed prices.

For consulting services on cost-plus contracts, the performance obligation can be considered fulfilled as the customer receives and uses the benefits provided. This takes place when Dustin fulfils the obligations specified in the contract, which is normally when the consulting hours have been delivered.

For fixed-price services, income is typically recognised when the assignment stipulated in the contract is completed.

Revenue from bundled services

To recognise revenue for various bundled services, an assessment is made of whether a service and hardware is to be deemed a performance obligation or if the service and hardware are to be recognised separately. The assessment is based on whether the customer can benefit from the hardware separately from the service and if it is possible to separate the service from the hardware in the contract with the customer.

The main part of bundled services comprises separate performance obligations where the service and hardware are recognised separately. Revenue from the hardware is recognised when control is passed to the customer, meaning upon delivery of the hardware to the carrier, and the service is recognised over time. The transaction price is allocated to each performance obligation based on the independent selling price.

Dustin also has certain contracts with customers where the service and hardware are to be considered a performance obligation and are recognised on a continuous basis over the contract

period pertaining to the performance obligation. The progress of a completely fulfilled performance obligation is measured on the basis of the work Dustin has performed in relation to the total work expected.

Segment reporting

In Dustin, segment reporting is based on the Group's end-customers and corresponds to the internal reporting structure used by management, the Board of Directors and the chief operating decision maker (the CEO). Dustin's operations are divided into three business segments: SMB, LCP and B2C. The segments are followed up using the key performance indicators of net sales and segment earnings. A central function also exists, to which all non-allocated costs and amortisation/depreciation are recognised.

Note 3 Net sales and segment reporting – cont'd.

Net sales	20/21	19/20
LCP	8,700.4	6,880.9
of which, hardware	7,468.8	6,079.8
of which, software and services	1,231.6	801.1
SMB	6,536.8	5,717.4
of which, hardware	5,119.7	4,340.1
of which, software and services	1,417.0	1,377.4
B2C	640.4	597.0
of which, hardware	637.5	593.7
of which, software and services	2.9	3.3
Total net sales	15,877.6	13,195.4
of which, hardware	13,226.1	11,013.6
of which, software and services	2,651.5	2,181.7
Segment results		
LCP	603.0	410.9
SMB	663.2	510.6
B2C	52.0	37.1
Total, segment results	1,318.3	958.6
Central functions	-559.7	-441.3
of which, effects related to IFRS 16	10.7	6.2
Adjusted EBITA	758.6	517.3
Segment margin		
LCP, segment margin (%)	6.9	6.0
SMB, segment margin (%)	10.1	8.9
B2C, segment margin (%)	8.1	6.2
Segment margin (%)	8.3	7.3
Costs for central functions, excluding items affecting comparability, in relation to net sales (%)	-3.5	-3.3
Reconciliation with EBIT		
Items affecting comparability	-73.4	-31.0
Amortisation and impairment of intangible assets	-108.9	-99.1
EBIT, Group	576.2	387.2
Financial income and other similar income-statement items	1.2	1.3
Financial expenses and other similar income-statement items	-108.3	-53.3
Profit after financial items, Group	469.2	335.2

By geographic area	Net sales		Assets*	
	20/21	19/20	Aug 31, 2021	Aug 31, 2020
Sweden	5,573.3	5,228.6	2,127.9	2,182.1
Finland	2,219.0	2,047.8	665.4	678.5
Denmark	3,017.9	2,740.4	913.0	874.3
The Netherlands	2,417.9	937.2	5,210.6	814.2
Norway	2,496.0	2,241.3	481.2	482.8
Belgium	153.5	-	5.4	-
Total	15,877.6	13,195.4	9,403.5	5,031.8

* Assets excluding divestment-related receivables, deferred tax assets, derivative instruments and other assets.

Business segments

Within the LCP and the SMB segments, customers are served through both the online platform and relationship selling. Dustin's sales model has been adapted to meet customer needs as efficiently as possible. In addition to the core LCP and SMB segments, Dustin also serves private customers in the B2C business segment. In the B2C segment, customers are only served through the online platform. Through this customer segment, Dustin gains insight into trends and pricing as well as increased sales with limited additional costs.

These three business segments are supported by a number of Group-wide functions including product procurement, pricing, online, finance, marketing, business support and people development. Dustin's central functions hold the key to delivery of the Group's offerings in all markets, the generation of economies of scale and the simplification of the integration of acquired operations.

Note 4 Expenses by type of cost**Accounting policies****Cost of goods and services sold**

The cost of goods and services sold from suppliers refers to direct costs for purchases of goods and direct costs related to the delivery of services. This includes, for example, the purchase price, customs, inbound delivery costs, expenses for consultants and other directly attributable costs. Discounts from suppliers, cash discounts, vendor bonuses and similar items reduce the cost of goods and services sold. Personnel costs included in cost of goods and services sold refers to personnel costs that are directly attributable to the provision of a service.

Dustin has utilised the practical solution available in IFRS 15 that allows a company to recognise subsequent expenditure to obtain a contract as an expense when this arises if the period of amortisation for the asset that Dustin would otherwise have recognised is not more than one year.

Personnel costs

Personnel costs that are not directly related to the provision of a service are included in the item selling

and administrative expenses and refer to payroll expenses including social security expenses.

Selling and administrative expenses

Selling expenses includes costs directly attributable to sales of goods and services. This item includes the cost of freight to customers, marketing, remuneration of sellers, debt collection, credit information, etc. Administrative expenses include costs not attributable to the cost of goods and services sold or selling expenses. Administrative expenses include costs for the finance department, HR department, IT department, depreciation and other expenses.

Government grants are recognised in profit or loss when there is reasonable assurance that the company will comply with the conditions attached to them and the grants will be received. The government grants were received in the previous financial year and are recognised as a reduction in selling and administrative expenses.

	20/21	19/20
Cost of goods and services sold from suppliers	13,029.6	10,779.5
Personnel costs	312.2	335.0
Depreciation/amortisation	52.9	37.6
Cost of goods and services sold	13,394.7	11,152.0
Personnel costs	1,164.3	994.6
Depreciation/amortisation	268.2	259.3
Other selling and administrative expenses including items affecting comparability	466.1	395.0
Selling and administrative expenses including items affecting comparability	1,898.6	1,648.9
Total	15,293.3	12,800.9

Depreciation/amortisation encompasses intangible and tangible assets and right-of-use assets and is included on the lines cost of goods and services and selling and administrative expenses in the income statement. Pandemic-related government grants totaling SEK 3 million were received in the previous financial year. Other selling and

administrative expenses including items affecting comparability refer to costs for temporary employees, marketing, IT and other personnel costs not related to salaries or social security contributions, in addition to the Items affecting comparability specified in Note 5.

Note 5 Items affecting comparability**Accounting policies**

Items affecting comparability relate to income and expense items that, due to their size or as a consequence of the significance of their nature, are recognised separately in order to facilitate understanding of the Group's

financial performance. These items are primarily attributable to restructuring costs, costs related to acquisitions and disposals, and other significant items of a non-recurring nature that are not expected to arise regularly.

	20/21	19/20
Acquisition and divestment-related expenses	-25.7	-0.4
Integration costs	-32.1	-15.9
Restructuring reserve	-12.7	-26.9
Change in value of acquisition-related liabilities	-	20.1
Costs for launch of online retail	-	-7.9
Lease termination costs	-2.9	-
Total	-73.4	-31.0

Items affecting comparability for the year amounted to a negative SEK 73 million (neg: 31), which primarily pertained to acquisition-related costs of SEK 26 million (neg: 0.4). This is mainly attributable to payments to consultants and lawyers for financial and legal advice arising in connection with the acquisition of Centralpoint and Exato. Integration costs amounted to a negative SEK 32 million (neg: 16) relating to Vincere and Centralpoint in the Netherlands. The operations

in the Netherlands comprise several units and to achieve the desired level of synergies, the units must be integrated with Dustin. Restructuring costs of SEK 13 million (neg: 27) were primarily attributable to the closure of the Business center in Stockholm. Termination costs for leases of SEK 3 million (-) pertain to premises in Nacka strand. Dustin has chosen to move the operations in question into existing premises at the head office.

Note 6 Auditor's remuneration and expenses

	20/21	19/20
Audit assignment	4.4	3.7
Audit activities other than audit assignment	0.6	1.3
Tax consultations	-	0.1
Other services	0.3	0.1
Total	5.3	5.2

Audit assignments are defined as the examination of the Annual Report and accounting records and of the Board of Directors' and CEO's administration of the Company, other tasks incumbent on the auditor, as well as advice and other services occasioned by observations made in the course of such examinations or the performance of such other tasks. Expenditure for the review of the prospectus is not included in the summary and amounted to SEK 1 million.

Audit activities other than audit assignment primarily relate to the auditor's review of interim reports and review of the company's Corporate Responsibility Report. For the 19/20 and 20/21 financial years, Ernst & Young AB was appointed the auditor of the Group.

Note 7 Number of employees, employee benefits expense and remuneration of senior executives**Accounting policies****Current remuneration**

Current remuneration of employees is determined without discounting and recognised as a cost in pace with earnings. Liabilities for the expected cost of variable cash salary and profit sharing programme to employees are recognised when there is an existing legal or informal obligation that can be calculated in a reliable manner.

contributions are recognised as expenses for employee benefits when the amounts become due for payment. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments accrues to Dustin.

Pension plans

The Group only has defined-contribution pension plans, meaning the company's obligations are limited to the payment of fixed contributions. Dustin has no legal or informal obligations to pay further contributions should the fund not have sufficient assets to pay all employee benefits relating to employee service in current and prior periods. For defined-contribution plans, Dustin pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The

Share-based remuneration

A number of senior executives and other key individuals at Dustin have been allotted warrants under the framework of the Group's share-based remuneration plan. Dustin receives services from these employees as payment for the Group's equity instruments (warrants). Furthermore, the programme also includes a limited number of warrants that are settled in cash, known as synthetic options. Synthetic options are continuously measured at fair value through profit or loss with a corresponding change in liabilities until the liability to the holder is settled. All warrants were issued on market-based terms on the subscription date.

Dustin issues new shares when the warrants are utilised. Payments received, less any transaction costs, increase the share capital and other

contributed capital to the extent exceeding the quotient value.

	20/21			19/20		
Average number of employees	Women	Men	Total	Women	Men	Total
Subsidiaries						
Sweden	243	519	761	239	560	800
Norway	38	125	163	29	133	162
Finland	55	170	224	50	164	214
Denmark	40	174	214	25	118	143
The Netherlands	54	389	443	43	339	382
Belgium	20	32	52	-	-	-
Total	449	1,408	1,858	386	1,314	1,700

	20/21			19/20		
Distribution of Board members and senior executives at the balance-sheet date	Women	Men	Total	Women	Men	Total
Board members	3	5	8	3	4	7
Group Management, including CEO	3	7	10	5	5	10
Total	6	12	18	8	9	17

	20/21			
Salaries and other remuneration of the CEO, Group Management and other employees	CEO and Group Management	of which, CEO Thomas Ekman	Other employees	Total
Salaries and other remuneration	37.4	9.3	1,108.5	1,145.9
of which, variable remuneration	10.3	3.2	73.3	83.6
Social security expenses	16.0	4.7	314.6	330.7
of which, pension costs	6.6	1.8	102.8	109.5
Total	53.4	14.0	1,423.1	1,476.5

	19/20			
Salaries and other remuneration of the CEO, Group Management and other employees	CEO and Group Management	of which, CEO Thomas Ekman	Other employees	Total
Salaries and other remuneration	24.8	5.7	1,005.2	1,030.0
of which, variable remuneration	1.9	0.3	62.3	64.2
Social security expenses	11.9	3.4	287.6	299.5
of which, pension costs	5.8	1.6	95.7	101.5
Total	36.7	9.1	1,292.8	1,329.5

Note 7

Number of employees, employee benefits expense and remuneration of senior executives, cont'd.**Guidelines for remuneration of senior executives**

Guidelines for the remuneration of senior executives are resolved by the shareholders at the Annual General Meeting. The Annual General Meeting, which is to be held on December 15, 2021, will take a decision about the guidelines for remuneration of senior executives. The proposal ahead of the Annual General Meeting is that the guidelines for the next year remain unchanged compared with the established guidelines. The proposal is available at www.dustingroup.com.

Board members

Remuneration and fees that were approved for 2020/21 are described in the section "Our Board of Directors" on pages 70–71. During the 2020/21 financial year, separate remuneration was paid for committee work, as resolved by the Annual General Meeting on December 14, 2020.

CEO and other Group Management

Remuneration of the CEO Thomas Ekman comprises fixed salary, pension and other standard benefits, as well as variable remuneration. The CEO is entitled to a fixed annual salary of SEK 6,384,000 and annual variable remuneration of a maximum of 60 per cent of the fixed salary. The retirement age for the CEO is 65. Until the agreed retirement age, the company is to contribute a monthly amount corresponding to 30 per cent of the fixed salary in a pension. The CEO has 12 months' notice of termination from the company and six months' notice on his/her own initiative.

Remuneration of other Group Management comprises fixed salary, pension and other standard benefits, as well as variable remuneration of a maximum of 60 per cent of the fixed salary. Pension for other Group Management is paid as a percentage of the fixed salary or premium-based pension scheme. In the event of termination of other Group Management by the company, the notice of termination is a maximum of 12 months. In the event of termination of other senior executives on their own initiative, the notice of termination is six months.

Long-term incentive programme

At the Annual General Meeting on December 14, 2020, the shareholders resolved to adopt a long-term incentive programme (LTI 2021) for senior executives and other identified key individuals. The programme has the same structure as the previous year's incentive programme, and consists of warrants and synthetic options. Each warrant carries the entitlement to subscribe for one new share in the company. The programme encompasses a total of 793,153 options and consist exclusively of warrants. The duration period for the warrants is 3.5 years. There are also two long-term incentive programmes from prior years (LTI 2020 and LTI 2019) that encompass a total of 939,752 and 999,610 warrants, respectively, with a duration period of 3.5 years. Full exercise of the warrants would result in a dilution of approximately 2.2 per cent. The aim of the options programmes is to increase the proportion of ownership among senior executives and other identified key individuals, and to motivate them to remain at the company. In addition, the ownership is expected to increase long-term commitment to Dustin and its earnings performance.

The long-term incentive programme LTI 2018 was exercised during the financial year. Of the warrants outstanding, 56,854 were redeemed as shares. The exercise price per warrant was SEK 87.10 and as a result, the share capital increased by SEK 0.3 million and the share premium reserve by SEK 5 million. The remaining 801,298 warrants were repurchased in accordance with the repurchase offer presented to participants. For more information, refer to the press release published on April 15, 2021.

Programme	Period of utilisation	Warrants outstanding*	Exercise price, SEK**	Dilution on full exercise
LTI 2021	Jan 30, 2024–Jun 30, 2024	793,153	86.0	0.7%
LTI 2020	Jan 30, 2023–Jun 30, 2023	939,752	90.9	0.8%
LTI 2019	Jan 30, 2022–Jun 30, 2022	999,610	94.0	0.7%
Total		2,732,515		2.2%

* The number of shares that each warrant entitles to subscribe for has been adjusted by a factor of 1.03 for all LTI programmes after the rights issue completed in 2021.

** The exercise price for all LTI programmes has been adjusted for the rights issue during their terms.

Participant	Number of warrants to exercise per programme		
	LTI 2021	LTI 2020	LTI 2019
CEO Thomas Ekman	116,641	103,883	219,204
Other Group Management	303,264	261,919	276,604
Other participants	373,248	501,234	476,402
Holdings of own warrants through Dustin Aktiebolag	–	72,716	27,400
Total	793,153	939,752*	999,610**

* Of which 49,862 warrants are synthetic options.

** Of which 191,802 warrants are synthetic options.

Note 7

Number of employees, employee benefits expense and remuneration of senior executives, cont'd.

Board remuneration (annual fees in SEK)	20/21			
	Board fee	Audit Committee	Remuneration Committee	Total
Stina Andersson	236,250	-	-	236,250
Caroline Berg	78,750	-	-	78,750
Gregor Bieler	236,250	-	22,500	258,750
Mia Brunell Livfors	620,000	-	60,000	680,000
Gunnel Duveblad	315,000	60,000	-	375,000
Johan Fant	315,000	110,000	-	425,000
Tomas Franzén	315,000	-	30,000	345,000
Mattias Miksche	315,000	-	-	315,000
Morten Strand	315,000	60,000	-	375,000
Total	2,746,250	230,000	112,500	3,088,750

Board remuneration (annual fees in SEK)	19/20			
	Board fee	Audit Committee	Remuneration Committee	Total
Caroline Berg	315,000	-	30,000	345,000
Mia Brunell Livfors	620,000	-	60,000	680,000
Gunnel Duveblad	315,000	60,000	-	375,000
Johan Fant	315,000	110,000	-	425,000
Tomas Franzén	315,000	-	30,000	345,000
Mattias Miksche	315,000	-	-	315,000
Morten Strand	315,000	60,000	-	375,000
Total	2,510,000	230,000	120,000	2,860,000

Board members

Remuneration and fees that were approved for 2020/21 at the Annual General Meeting are presented on www.dustingroup.com. The above tables show remuneration received for the financial years. Dustin Group's Board has received remuneration during the period which was settled through Dustin Group AB. No Board fees were paid to subsidiaries during the period. Mia Brunell Livfors was Chairman in 2020/21.

Audit Committee

The task of the Audit Committee is to monitor financial reporting, risk management and efficiency in the company's internal control and regulatory compliance. Johan Fant was Chairman in 2020/21.

Remuneration Committee

The main task of the Remuneration Committee is to review and provide recommendations to the Board of Directors pertaining to principles for remuneration of senior executives and long-term incentive programmes. Mia Brunell Livfors was Chairman in 2020/21. For 2021/22 financial year, the Committee will submit a proposal for remuneration of the CEO for the Board's approval.

Note 8

Financial items

Accounting policies

Finansiella intäkter och kostnader består av ränte-intäkter på banktillgodohavanden och fordringar samt räntekostnader på extern finansiering.

Interest income and similar income-statement items	20/21	19/20
Interest income	1.2	1.3
Total	1.2	1.3

Interest expenses and similar income-statement items	20/21	19/20
Borrowing costs for external financing	90.3	40.2
Interest expenses for leases	16.1	13.5
Discount on contingent earn-out	-	0.3
Other financial expenses	1.9	-0.8
Total	108.3	53.3

Financial income and expenses consist of interest income from bank deposits and receivables, and interest expenses from external financing.

Borrowing costs of external financing increased year-on-year due to higher loans. The year was also charged with borrowing expenses of SEK 26 million (-) relating to bridging loans raised in conjunction with the acquisition of Centralpoint.

Note 9 Tax**Accounting policies**

The Group's tax expense consists of current and deferred tax.

The Group's current tax and deferred tax is calculated using the tax rates that have been decided or decided in practice on the balance-sheet date. Current tax is calculated on the taxable earnings for the period based on the tax rules that apply in the countries where Group companies operate. Current tax also includes adjustments of current tax attributable to prior periods.

Deferred tax is recognised on all temporary differences, which arise between the taxable and reportable value of assets and liabilities in the consolidated financial statements. For deferred tax, see Note 16.

Tax is recognised in profit or loss. For items recognised in other comprehensive income or directly in equity, the related tax effect is recognised in other comprehensive income or directly in equity.

Recognised effective tax

Tax expense	20/21	19/20
The following components are included in the tax expense in the income statement:		
Current tax	-126.0	-61.3
Deferred tax	14.9	6.2
Adjustments of current tax attributable to prior periods	-1.1	-2.8
Recognised effective tax	-112.2	-57.9
Recognised effective tax rate	23.9%	17.3%
Recognised profit before tax	469.2	335.2
Reconciliation of effective tax rate		
Tax according to current tax rate for the Parent Company	-100.4	-71.7
Tax effect of:		
Non-deductible expenses	-36.9	-1.7
Non-taxable income	15.4	18.0
Standardised income attributable to tax allocation reserve	-0.3	-0.2
Adjustment of tax for previous years and others	10.0	-2.8
Difference in tax rate between Parent Company and subsidiaries	0.1	0.5
Recognised effective tax	-112.2	-57.9
Current tax in the balance sheet		
Current tax liabilities	-73.3	-46.2
Current tax assets	7.8	9.5
Total	-65.5	-36.7

Note 10 Earnings per share**Accounting policies****Earnings per share before dilution**

The calculation of earnings per share before dilution has been based on net profit for the year in relation to the weighted average number of shares outstanding according to the above.

Earnings per share after dilution

When calculating earnings per share after dilution, the weighted average number of shares outstanding according to the above is adjusted for a potential dilution effect of the warrants outstanding.

Earnings per share before dilution	20/21	19/20
Net profit for the year, SEK million	357.0	277.3
Weighted number of shares outstanding	93,455,077	91,306,759
Number of shares when calculating earnings per share	93,455,077	91,306,759
Earnings per share before dilution, SEK	3.82	3.04**
Earnings per share after dilution		
Net profit for the year, SEK million	357.0	277.3
Weighted number of shares outstanding	93,455,077	91,306,759
Adjustment for adopted dilution through incentive programme*	-	-
Number of shares when calculating earnings per share	93,455,077	91,306,759
Earnings per share after dilution, SEK	3.82	3.04**

* For more information about the incentive programme, refer to Note 7.

** Key ratios have been restated in comparative periods to take into account the terms and conditions of the new share issue carried out in August 2021.

Note 11 Goodwill**Accounting policies****Goodwill**

Goodwill arises when operations are acquired where the cost exceeds the fair value of the acquired operations' identifiable net assets. Goodwill is recognised at cost less any impairment. Impairment of goodwill is tested annually or whenever indications emerge showing that there has been a decline in value.

The carrying amount of goodwill is compared with the recoverable amount, which is the highest of the value in use and the fair value less selling expenses. If the estimated recoverable amount falls below

the carrying amount, the asset is impaired. Any impairment is recognised as an expense and is never reversed.

The valuation is based on Dustin's business plan and a discounted cash flow analysis, as the main approach in estimating the recoverable amount. A sensitivity analysis of the discount rate, growth assumptions and margins is made after each impairment test in order to determine whether the remaining value (the difference between the recoverable amount and the carrying amount) is sufficient.

Change in goodwill for the year	Aug 31, 2021	Aug 31, 2020
Opening cost	3,706.5	3,839.8
Acquisition of operations	4,045.8	-
Exchange-rate differences	0.5	-133.4
Closing residual value according to plan	7,752.7	3,706.5

Goodwill is attributable to surplus values upon acquisitions of new entities. In conjunction with each acquisition, an analysis is carried out to allocate the surplus value arising in connection

with the acquisition to intangible assets. Identified goodwill is primarily related to know-how and organisational structures.

Goodwill per segment	Aug 31, 2021	Aug 31, 2020
B2C	7.4	7.4
LCP	4,351.6	945.3
SMB	3,393.7	2,753.8
Total	7,752.7	3,706.5

Impairment testing

Impairment testing is conducted based on the cash-generating units' value in use and these units are on an equal footing with the Group's reporting segments. The calculation of the value of Dustin's cash-generating units is based on management's cash flow forecasts for a period of five years. Cash flow for the ensuing years has been extrapolated by applying a growth assumption of 2.5 per cent (2.5) for LCP and SMB as well as 1.0

per cent (1.0) for B2C. The main assumptions used by management in the calculation of forecasts of future cash flows are market growth, the cash-generating units' expected market shares, the trend in product margins and personnel costs. The estimated market was based on external industry estimates. The market share trend, product margin and personnel costs were determined based on previous experience.

When calculating the value in use of the three cash-generating units, a discount rate of 8.5 per cent (8.2) before tax was used. The main assumptions used pertain primarily to a risk-free interest rate of 1.1 per cent (1.4), stock market premium of 6.3 per cent (6.0), share beta of 1.08 per cent (1.08) and an expected credit margin of 0.85 per cent (0.85).

In impairment tests for the past two years, the estimated value exceeded the carrying amount for all units and no impairment was required.

Note 12 Intangible assets**Accounting policies****Intangible assets attributable to acquisitions**

Intangible assets attributable to acquisitions are assets obtained as part of a business combination and comprise acquired customer relationships, technology and brands. Intangible assets are recognised in the balance sheet if they meet the criteria for intangible assets according to IAS 38 Intangible Assets.

The brand is recognised as an intangible asset with an indefinite useful life since the Group is actively continuing to support the brand via continuous further development and strengthening. The brand is not amortised but is tested for impairment every year and whenever there is an indication of a decline in value.

Intangible assets

Intangible assets consist mainly of capitalised IT expenditure for the integrated IT platform and pricing platform.

Capitalisation of IT expenditure for the integrated IT platform (refer to definitions) is only applied to systems that are considered strategic long-term systems. Expenditure for other systems is expensed immediately. Capitalised IT expenditure consists of:

- System development and upgrades that improve system functionality. These activities include functional and technical design, upgrades,

A sensitivity analysis with respect to growth assumptions and the discount rate has been carried out. The analysis shows that if the discount rate increased 0.5 percentage points the recoverable amount decreased 7.7 per cent (8.4). If the discount rate decreased 0.5 percentage points the recoverable amount decreased 6.3 per cent (6.9). The analysis also included a calculation involving a 5-percentage point increase in the discount rate (5) without any indication of an impairment requirement. The sensitivity analysis revealed the risk of impairment is low.

development/configuration, deployment, migration and project management of said activities within the framework of the architecture principles.

- Costs to develop the use of the IT platforms in new parts of the organisation.

Amortisation is recognised on a straight-line basis over the estimated useful life and is recognised in profit or loss under Selling and administrative expenses. Intangible assets with a finite useful life are amortised as from the date the asset is available for use.

The expected useful lives for intangible assets are as follows:

Estimated useful lives:*Attributable to acquisitions:*

Customer relationships	3-10 years
Technology	3-5 years

IT platform:

ERP platform	3-15 years
Web platform	3-6 years
Other technology	2-4 years

Other:

Data platform	5 years
Licenses	3 years
Pricing platform	3 years

Note 12 Intangible assets, cont'd.

Intangible assets attributable to acquisitions

	Customer relationships and technology		Brands		Total	
	Aug 31, 2021	Aug 31, 2020	Aug 31, 2021	Aug 31, 2020	Aug 31, 2021	Aug 31, 2020
Opening cost	579.7	608.2	312.0	312.0	891.7	920.2
Purchases	–	3.5	–	–	–	3.5
Acquisition of operations	234.7	–	–	–	234.7	–
Divestments and disposals	–	–	–	–	–	–
Exchange-rate differences	-4.8	-32.0	–	–	-4.8	-32.0
Closing cost	809.6	579.7	312.0	312.0	1,121.6	891.7
Opening amortisation	-312.2	-278.7	–	–	-312.2	-278.7
Acquisition of operations	–	–	–	–	–	–
Amortisation for the year according to plan	-55.9	-51.6	–	–	-55.9	-51.6
Divestments and disposals	–	–	–	–	–	–
Exchange-rate differences	-0.8	18.2	–	–	-0.8	18.2
Closing amortisation according to plan	-368.9	-312.2	–	–	-368.8	-312.2
Closing residual value according to plan	440.7	267.5	312.0	312.0	752.8	579.6

Dustin's brand

Brands refer to Dustin's brand of SEK 312 million. The Dustin brand was acquired in 2006 and has been assigned an indefinite life given that the Dustin brand is well established and it is difficult to estimate when it will cease generating revenues.

Intangible assets

	IT platform		Other		Total	
	Aug 31, 2021	Aug 31, 2020	Aug 31, 2021	Aug 31, 2020	Aug 31, 2021	Aug 31, 2020
Opening cost	253.1	215.6	79.2	58.8	332.2	274.4
Purchases	42.9	37.5	6.8	27.6	49.8	65.1
Acquisition of operations	–	–	73.5	–	73.5	–
Reclassification	–	–	-5.7	–	-5.7	–
Divestments and disposals	–	–	-12.2	-4.7	-12.2	-4.7
Exchange-rate differences	–	–	2.3	-2.5	2.3	-2.5
Closing cost	296.0	253.1	143.9	79.2	439.9	332.2
Opening amortisation	-123.5	-83.6	-40.8	-34.2	-164.3	-117.8
Acquisition of operations	–	–	-31.2	–	-31.2	–
Amortisation for the year according to plan	-42.8	-39.9	-10.3	-7.6	-53.0	-32.6
Divestments and disposals	–	–	4.8	–	4.8	22.0
Exchange-rate differences	–	–	-0.3	1.0	-0.3	-0.1
Closing amortisation according to plan	-166.3	-123.5	-77.7	-40.8	-244.0	-164.3
Opening impairment	-23.6	-23.6	–	–	-23.6	-23.6
Impairment for the year	–	–	–	–	–	–
Closing impairment	-23.6	-23.6	–	–	-23.6	-23.6
Closing residual value according to plan	106.1	105.9	66.2	38.4	172.3	144.3

Note 13 Tangible assets**Accounting policies**

Tangible assets are recognised as assets in the balance sheet when it is probable that the future financial benefits associated with the assets will accrue to the company and the cost of the asset can be measured reliably. Tangible assets are recognised at cost less accumulated depreciation and impairment losses. Cost includes the purchase price and costs directly attributable to the asset for delivering it to its intended place and in a condition that matches the intended purpose.

The carrying amount of tangible assets is derecognised from the balance sheet when the item is disposed of or sold or when no future financial benefits are expected to accrue from the asset. Gains or losses on the sale or disposal of an asset are calculated as the difference between the

selling price (less direct selling expenses) and the carrying amount of the asset. Gains or losses are recognised as other operating income/expenses in profit or loss when control has been transferred to the purchaser.

Depreciation is applied on a straight-line basis over the estimated useful life and recognised in selling and administrative expenses in profit or loss. Useful lives are continuously assessed. The expected useful lives for tangible assets are as follows:

Estimated useful lives:	
Mobile phones	2 years
Computers and accessories	3 years
Equipment, tools, fixtures and fittings	5 years
Cost of improvements on external properties	5–10 years

	Cost of improvements on external properties		Equipment		Total	
	Aug 31, 2021	Aug 31, 2020	Aug 31, 2021	Aug 31, 2020	Aug 31, 2021	Aug 31, 2020
Opening cost	31.4	22.2	264.6	248.9	296.0	271.0
Purchases	3.4	7.0	37.7	35.8	41.1	42.8
Acquisition of operations	24.3	–	79.9	–	104.2	–
Reclassification	–	2.5	5.7	-2.5	5.7	–
Divestments and disposals	–	0.0	-28.3	-7.0	-28.3	-7.0
Exchange-rate differences	-0.1	-0.2	-1.3	-10.6	-1.4	-10.9
Closing cost	59.0	31.4	358.4	264.6	417.4	296.0
Opening depreciation	-19.6	-15.6	-177.2	-149.7	-196.7	-165.3
Acquisition of operations	-2.1	–	-23.1	–	-25.3	–
Depreciation for the year according to plan	-3.5	-1.9	-44.8	-41.2	-48.3	-43.1
Reclassification	–	-2.3	–	2.3	–	–
Divestments and disposals	–	0.0	24.8	4.2	24.8	4.2
Exchange-rate differences	0.1	0.2	0.9	7.2	1.0	7.4
Closing depreciation according to plan	-25.2	-19.6	-219.3	-177.2	-244.5	-196.7
Closing residual value according to plan	33.8	11.8	139.1	87.4	172.9	99.3

Note 14 Leasing**Accounting policies****Dustin as a lessee**

As a lessee, Dustin recognises a right-of-use asset that represents the right to use the asset and a lease liability that comprises the obligation to render lease payments during the lease period. The Group has chosen to apply the exemptions under IFRS 16 for right-of-use agreements of low value and for those with a lease term of less than 12 months. These leases are not recognised in the balance sheet; the cost is allocated on a straight-line basis over the lease period in the income statement.

When a contract is signed, Dustin assesses whether the contract is or contains a lease. Contracts can contain both lease and non-lease components (e.g. service components) and other variable components that are not depend on an index or price. If the components can be distinguished in the contracts pertaining to the leased asset, the non-lease components are recognised as a cost.

Right-of-use assets

Right-of-use assets are initially measured at cost, which consists of the initial amount of the lease liability adjusted for any lease payments that were paid on or before the start date and any initial direct expenditures. The asset is depreciated straight-line

from the start date through the end of the lease period. Depreciation is primarily recognised in profit or loss under selling and administrative expenses. The depreciation of assets used in manufacturing are recognised in cost of goods and services sold. The residual value and useful life of the asset is reviewed and adjusted as needed on the balance-sheet date of every quarter.

Lease liabilities

Lease liabilities are separated into non-current and current, which are initially measured at the present value of the remaining lease payments for the lease period. Lease payments are discounted at the incremental borrowing rate. The incremental borrowing rate is divided into different maturities depending on the duration of the leases. Lease liabilities are increased by interest expenses and decreased by lease payments.

Lease liabilities are revalued when it is reasonably certain that there will be a change in future lease payments in the form of changes to estimated future payments. This could be the result of changes to the index or price during the guaranteed remaining term of the lease, or in conjunction with changes to assessments in the event of a purchase, or extension or termination of the contract.

Dustin as a lessee

Right-of-use assets			IT equipment for internal use	IT equipment related to service provision	Other	Total
	Buildings	Vehicles				
Opening balance, Sep 1, 2020	270.8	58.3	103.9	68.4	0.8	502.2
Right-of-use assets during the year	77.1	66.0	9.5	60.7	1.2	214.4
Depreciation during the year	-68.1	-30.9	-27.3	-36.2	-1.3	-163.8
Closing balance, Aug 31, 2021	279.8	93.4	86.0	92.8	0.7	552.8
Opening balance, Sep 1, 2019	340.7	83.6	136.3	94.3	1.9	656.9
Depreciation during the year	-69.9	-25.4	-32.4	-25.9	-1.1	-154.6
Closing balance, Aug 31, 2020	270.8	58.3	103.9	68.4	0.8	502.2

Note 14 Leases, cont'd.

Leases

The leases that have been recognised in Dustin's balance sheet are categorised as buildings (i.e. offices, warehouses), vehicles, IT equipment for internal use (e.g. robots, servers, computers), IT equipment linked to service provision (i.e. network solutions) and other equipment.

Many leases contain options for extension or premature termination. These options will be reflected in the valuation of the lease liability to the extent that Dustin is reasonably certain that the option to either extend or terminate the contract prematurely will be exercised.

Amounts recognised in profit or loss:	20/21	19/20
Depreciation of right-of-use assets	163.8	154.6
Interest on lease liabilities	15.9	13.4
Cost of short-term leases	1.4	3.9
Cost of low-value leases	0.7	2.1
Total	181.9	174.0

Cash flow from leases

The lease liability consists of future lease payments and impact of leases on cash flow for the year

was SEK 162 million (149). Annual payment commitments for leases fall due for payment as shown in the table below:

Future annual payment commitments	20/21	19/20
Within 1 year	179.4	146.2
1–5 years	365.8	307.8
More than 5 years	66.4	92.0
Total	611.6	545.9

Note 15 Acquisition and divestment-related assets and liabilities

Accounting policies

Acquisition-related liabilities pertain to contingent earn-outs. Measurement is carried out on a continuous basis at fair value and changes in value are recognised in profit or loss under items affecting comparability. If a change in value occurs before the purchase price allocation has been finalised, and the change is of such a nature that the event arose from the acquisition date, measurement is carried out via the balance sheet. Liabilities for contingent earn-outs are discounted and the effect of the discounting is expensed under financial expenses.

The fair value is calculated as defined for Level 3 in IFRS 13, meaning according to inputs that are not based on observable market data. For further information regarding purchase price allocation, see Note 26. The calculation of the contingent earn-out liability is based on the parameters of each acquisition agreement. These parameters are usually linked to the outcome of performance measures taken for up to three years from the date of acquisition.

Change in acquisition-related liabilities measured at fair value based on inputs that are not based on observable market data (Level 3)	20/21	19/20
Opening balance	-	244.8
Remeasurements recognised in profit or loss:		
Unrealised revaluation of contingent earn-outs recognised under items affecting comparability	-	-20.1
Discount of contingent earn-out recognised under financial expenses and other similar income-statement items	-	0.3
Remeasurements recognised under other comprehensive income:		
Unrealised exchange-rate differences recognised under translation differences	-0.5	-5.6
Changes recognised via the balance sheet:		
Payment of deposit related to contingent earn-out	-	-10.5
Payments attributable to previous acquisitions	-	-209.0
Acquisitions	21.0	-
Closing balance	20.5	-

Earn-out liability

For the 2020/21 financial year, an earn-out liability of SEK 21 million (-) was recognised, attributable to the acquisition of Exato with the assessment that the maximum earn-out will be paid.

Note 16 Deferred tax**Accounting policies**

Deferred tax is recognised on all temporary differences, which arise between the taxable and reportable value of assets and liabilities in the consolidated financial statements. Deferred tax assets are recognised only to the extent that it is probable that future taxable surplus will be

available for offsetting the temporary differences within the foreseeable future. Deferred tax assets and tax liabilities are offset when attributable to income tax charged by the same authority and when the Group intends to settle the tax with a net amount.

	Non-current assets	Appropriations	Financial instruments	Other	Total deferred tax liabilities	Non-current assets	Other	Total deferred tax assets
Opening balance, Sep 1, 2020	134.2	76.3	-5.7	0.2	205.0	4.8	4.9	9.7
Recognised in net profit for the year	-1.3	-18.8	-	-	-20.1	-2.4	-2.7	-5.1
Recognised in statement of financial position	58.2	-	-	-	-	-	-	-
Recognised in other comprehensive income	-1.4	-	4.5	-	3.0	0.0	-	0.0
Closing balance, Aug 31, 2021	189.8	57.5	-1.3	0.2	246.3	2.4	2.2	4.6
Opening balance, Sep 1, 2019	153.3	64.8	-4.9	-	213.1	5.5	-	5.5
Recognised in net profit for the year	-14.8	11.6	-	0.2	-3.0	-0.4	3.6	3.2
Recognised in statement of financial position	-	-	-	-	-	-	-	-
Recognised in other comprehensive income	-4.3	-	-0.8	-	-5.1	-0.2	-	-0.2
Closing balance, Aug 31, 2020	134.2	76.3	-5.7	0.2	205.0	4.8	4.9	9.7

There are no unrecognised deferred tax assets or tax liabilities in the Group at the end of accounting period or in the corresponding period of the previous year.

Note 17 Provisions**Accounting policies**

A provision is recognised in the balance sheet when Dustin has an existing legal or informal obligation as a result of a past event, and it is probable that an outflow of financial benefits will be required to settle the obligation and when a reliable estimate of the amount can be made.

A provision for restructuring is recognised when the Group has established a detailed restructuring plan, and implementation has either begun or been

publicly announced. The cost estimate is based on detailed action plans that are expected to improve the Group's cost structure and productivity. If the effect of the date of payment is material, provisions are calculated by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

	Restructuring		Other		Total	
	Aug 31, 2021	Aug 31, 2020	Aug 31, 2021	Aug 31, 2020	Aug 31, 2021	Aug 31, 2020
Opening balance	19.1	-	17.4	22.4	36.4	22.4
Provisions during the period	12.7	27.2	-	6.4	12.7	33.5
Increase through acquisition of operations	-	-	2.9	-	2.9	-
Utilised during the period	-29.5	-7.8	-16.3	-	-45.9	-7.8
Reversed during the period	-	-	-0.3	-11.2	-0.3	-11.2
Reclassification	-	-	-0.4	-	-0.4	-
Exchange-rate differences	-	-0.3	0.2	-0.3	0.2	-0.6
Closing balance	2.2	19.1	3.5	17.4	5.7	36.4
of which current	2.2	14.1	1.2	17.4	3.4	31.5
of which non-current	-	4.9	2.3	-	2.3	4.9

Restructuring

Changes in provisions for restructuring in the current financial year are mainly attributable to the closure of the Dustin Business Center in Stockholm.

Other provisions

Other provisions consist primarily of provisions for disputes concerning legal actions.

Note 18 Derivative instruments and hedge accounting**Accounting policies**

Derivative instruments are recognised on the contract date and are measured at fair value in accordance with Level 2 in IFRS 13, both initially and in subsequent revaluations via other comprehensive income, in the hedge reserve in shareholders' equity, on condition that the hedge is effective. When the hedge is realised, the realised portion is reversed to profit or loss for interest-rate derivatives and to the carrying amount of the purchased balance-sheet item for hedged purchases of foreign currency.

If the hedge accounting ceases, the cumulative gain or loss on the hedging instrument remains until such time as the forecast transaction occurs. If the forecast transaction is no longer expected to occur, the cumulative gain or loss on the hedging instrument is immediately recognised in net financial items in profit or loss. If the derivative is discontinued prematurely and replaced with a new, similar derivative, the derivative's cost is recognised

on an accruals basis in profit or loss over the original remaining term.

Under IFRS 9, hedge accounting is applied to net investments in foreign subsidiaries. This means that exchange-rate differences on external loans are recognised in other comprehensive income. Efficacy analyses are carried out every quarter and in accordance with Dustin's Financial Policy. Any gains or losses from hedging instruments attributable to the effective portion of the hedge are recognised in other comprehensive income. Gains or losses attributable to the ineffective portion are recognised in profit or loss under Financial expenses and other similar income-statement items. Accumulated gains and losses in other comprehensive income are recognised in profit or loss when the foreign operations are fully or partly offset. The Group meets the requirements for applying hedging of net investments.

Measurement

Derivative instruments measured at fair value consist of interest-rate derivatives and currency futures. Interest-rate derivatives are intended as hedges for variable interest on external bank loans. Currency futures pertain partly to hedging of foreign investments in EUR, and partly for USD purchases from China. No profit or loss was

recorded in the income statement due to inefficient hedging during the financial year and all hedged items as of August 31, 2021 qualify for continued hedge accounting.

In total, the market value of outstanding futures was SEK 10 million (2) as per the balance-sheet date.

Note 19 Inventories**Accounting policies**

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the operating activities, less the estimated costs for accomplishing a sale. Goods are considered to be included in Dustin's inventory from the date on which the goods are owned by Dustin according to civil law. The cost of inventories is measured according to a moving

average method. This averaging approach is considered to yield a safe and conservative approach to recognising financial results. Calculation of the moving average cost is made by dividing the total cost of the items purchased by the number of items in inventories. The average cost includes all inventory items in stock and is re-calculated after every inventory purchase.

	Aug 31, 2021	Aug 31, 2020
Current assets		
Interest-rate swaps	-	-
Currency futures	16.8	-
Total	16.8	-
Non-current assets		
Interest-rate swaps	1.0	0.2
Currency futures	-	-
Total	1.0	0.2
Current liabilities		
Interest-rate swaps	0.2	0.2
Currency futures	7.0	1.5
Total	7.2	1.7
Non-current liabilities		
Interest-rate swaps	14.6	25.5
Currency futures	-	-
Total	14.6	25.5

	Aug 31, 2021	Aug 31, 2020
Goods for resale	1,015.7	482.9
Total	1,015.7	482.9
Cost of goods sold	-13,029.6	-10,779.5

Impairment amounted to SEK 22 million (12) at the end of the year. The cost of inventory impairment totalled SEK 3 million (6) for the period.

Note 20 Accounts receivable**Accounting policies**

A receivable is recognised in the balance sheet once Dustin has performed and the counterparty has a contractual obligation to pay, even if the invoice has not been sent. Since the expected maturity of an account receivable is short, the value is recognised without discounting.

Accounts receivable and contract assets are recognised at the transaction price on initial recognition, and other receivables are measured at fair value plus directly attributable transaction costs. Contract assets, other receivables and

accounts receivable are subsequently recognised at amortised cost less any impairment. Impairment losses are based on expected credit losses and recognised in profit or loss under administrative expenses. For accounts receivable and contract assets, Dustin applies the simplified approach under IFRS 9 that entails the measurement of the loss allowance to an amount corresponding to the expected credit losses for the remaining time to maturity regardless of whether or not the credit is credit-impaired.

Maturity structure of accounts receivable outstanding	Aug 31, 2021	Aug 31, 2020
0-30	2,216.0	1,193.1
31-90	120.1	48.8
91-	142.6	19.2
Impairment due to doubtful accounts receivable	-22.9	-4.5
Total	2,455.8	1,256.6

Changes in the provision for doubtful accounts receivable	Aug 31, 2021	Aug 31, 2020
Opening balance	4.5	3.9
Acquisition of operations	17.9	-
Provision for expected credit losses	3.1	2.8
Confirmed credit losses	-2.2	-1.6
Reversed credit losses	-0.4	-0.6
Exchange-rate differences	-0.1	-0.1
Closing balance	22.9	4.5

Due to the short-term nature of accounts receivable, the effect of discounting is not deemed to be material and the carrying amount is considered to be consistent with the fair value. This is thus the maximum exposure. The Group's risk exposure in foreign currencies is deemed to be low.

Accounts receivable attributable to acquired operations amounted to SEK 743 million (-). The provision due to doubtful accounts receivable was SEK 23 million (5), of which SEK 18 million (-) attributable to acquisition of operations, and amounted to 0.9 per cent (0.4) in relation to accounts receivable. Dustin has historically had low credit losses and continuously obtains credit information for all corporate customers and does not offer any credit itself to private customers.

Note 21 Prepaid expenses and accrued income

	Aug 31, 2021	Aug 31, 2020
Prepaid expenses to suppliers	51.1	51.2
Accrued marketing subsidies	34.4	22.5
Accrued discounts from suppliers	147.6	61.3
Accrued income attributable to delivered but not invoiced	72.2	18.6
Other prepaid expenses and accrued income	196.0	77.7
Total	501.4	231.3

Accrued marketing subsidies relate to payments that Dustin is waiting to receive from suppliers on the basis that Dustin has fulfilled an obligation to carry out marketing activities on behalf of a supplier. Accrued discounts from suppliers relate

to payments from suppliers for which there is no obligation to the supplier.

Contract assets corresponds to accrued income attributable to delivered but not invoiced.

Note 22 Financial assets and liabilities**Accounting policies**

Financial instruments recognised in the balance sheet include on the asset side derivatives, accounts receivable and other receivables as well as cash and cash equivalents. The liabilities side includes liabilities to credit institutions, derivatives, accounts payable, issued debt and equity instruments, contingent earn-outs as well as other current liabilities. A financial asset or financial liability is recognised in the balance sheet when the company becomes party to this in accordance with the instrument's contractual conditions. A financial asset is derecognised from the balance sheet when the contractual rights are realised, expire or the company loses control over these. The same applies to a portion of a financial asset. A financial liability is derecognised from the balance sheet when the contractual obligation is met or otherwise

extinguished. The same applies to a portion of a financial liability. Acquisition and divestment of financial assets are recognised on the transaction date, which constitutes the date the company commits to acquire or divest the asset.

Financial instruments that are not derivatives are initially measured at cost corresponding to the instrument's fair value. Derivative instruments used for hedging of future cash flows are recognised in the balance sheet at fair value. The changes in value are recognised in other comprehensive income (cash-flow hedges). Assets and liabilities that are continuously measured at fair value with changes in the period recognised in net profit for the year, pertain to earn-outs and synthetic options.

Note 22 Financial assets and liabilities – cont'd.

	Items measured at fair value through profit or loss	Financial assets and liabilities at amortised cost	Derivatives used in hedge accounting	Total carrying amount	Fair value
Aug 31, 2021					
Assets					
Derivative instruments (Level 2)	–	–	17.8	17.8	17.8
Accounts receivable and other receivables	–	2,511.8	–	2,511.8	2,511.8
Accrued income	–	254.3	–	254.3	254.3
Cash and cash equivalents	–	847.4	–	847.4	847.4
Total assets	–	3,613.4	17.8	3,631.2	3,631.2
Liabilities					
Liabilities to credit institutions	–	4,481.4	–	4,481.4	4,481.4
Derivative instruments (Level 2)	–	–	21.7	21.7	21.7
Accounts payable	–	3,147.4	–	3,147.4	3,147.4
Acquisition-related liabilities (Level 3)	20.5	–	–	20.5	20.5
Other current liabilities	2.5	378.1	–	380.6	380.6
Accrued expenses	–	675.7	–	675.7	675.7
Total liabilities	23.0	8,682.6	21.7	8,727.3	8,727.3

	Items measured at fair value through profit or loss	Financial assets and liabilities at amortised cost	Derivatives used in hedge accounting	Total carrying amount	Fair value
Aug 31, 2020					
Assets					
Derivative instruments (Level 2)	–	–	0.2	0.2	0.2
Accounts receivable and other receivables	–	1,272.3	–	1,272.3	1,272.3
Accrued income	–	103.8	–	103.8	103.8
Cash and cash equivalents	–	730.1	–	730.1	730.1
Total assets	–	2,106.2	0.2	2,106.4	2,106.4
Liabilities					
Liabilities to credit institutions	–	2,159.0	–	2,159.0	2,159.0
Derivative instruments (Level 2)	–	–	27.2	27.2	27.2
Accounts payable	–	1,543.6	–	1,543.6	1,543.6
Other current liabilities	–	347.7	–	347.7	347.7
Accrued expenses	–	431.3	–	431.3	431.3
Total liabilities	–	4,481.5	27.2	4,508.7	4,508.7

Note 23 Cash and cash equivalents**Accounting policies**

Cash and cash equivalents include cash and bank balances that are readily available. Cash and cash equivalents are measured at amortised cost. Utilised bank overdrafts are recognised under short-term loans.

	Aug 31, 2021	Aug 31, 2020
Cash and cash equivalents	847.4	730.1
Closing balance	847.4	730.1

The unutilised overdraft facility amounted to SEK 100 million (100) at the end of the financial year. Dustin has a global cash pool with Nordea. The Parent Company is the main account holder for the Group account, which enables subsidiaries to utilise cash and cash equivalents with the bank in one or more currencies. The purpose of this is to enhance the efficiency of liquidity management with daily payments in different currencies and countries in operating activities. The Group account enables these transactions without needing the necessary funds to be allocated in each currency, on condition that equivalent funds are available in the Group account.

Note 24 Equity**Accounting policies**

Ordinary shares are classified as equity. Transaction costs directly attributable to the issue of new shares or warrants are recognised (net of tax) in equity as a deduction from the issue proceeds.

Share capital

There is only one class of share in the Dustin Group and, accordingly, all shares carry the same number of votes per share. During the financial year, the

share capital increased by 24,318,639 shares following the completed rights issue, directed non-cash issue and the dissolution of the warrants programme. As of August 31, 2021, the number of shares amounted to 113,023,003 (88,647,339). Due to the share issues, the share capital increased SEK 121 million (–) and as a result of the warrant programme, the share capital increased SEK 0.5 million (–). Operating profit at the balance-sheet date amounted to SEK 565 million (443).

Other contributed capital

This item pertains to equity that has been contributed by the owners. Other contributed capital on the balance-sheet date amounted to SEK 3,022 million (1,100). During the year, other contributed capital increased SEK 1,922 million (4), of which SEK 1,948 million (–) on account of the new share issue and SEK -18 million was attributable to issue costs. Repurchase and subscription with the support of warrants represents a decrease of SEK 7 million (4).

Translation reserve

The translation reserve pertains to all exchange-rate differences arising on the translation of foreign operations that have prepared their financial statements in a currency other than SEK.

Hedge reserve

The hedge reserve includes the effective portion of the fair value measurement of derivatives that were entered into to hedge the variable interest rate on external bank loans.

Retained earnings

Retained earnings include net profit for the year and profit earned in the preceding year in the Parent Company and the Group's subsidiaries.

Capital management

Dustin's financial strategy is based on a capital structure with a high degree of financial flexibility and provides scope for, among other factors, acquisitions. The company's net debt target is a 2.0–3.0 multiple of adjusted EBITDA for the past 12-month period. In conjunction with the acquisition of Centralpoint, Dustin obtained an exemption from the bank to permit a higher net debt ratio.

Note 25 Borrowing

Accounting policies

External loans and drawdowns are initially measured at the fair value of the amount received, net after transaction costs. Transaction costs include costs that arise in connection with raising loans or loan commitments if it is deemed probable that loan or credits will be utilised. The cost is recognised as prepaid expenses until the credits or loan is utilised. Borrowing is thereafter recognised at amortised cost and any difference between the

amount received (net after transaction costs) and the repayment amount is recognised in profit or loss distributed over the borrowing period, applying the effective interest method.

Loans are classified as current liabilities unless Dustin has an unconditional right to defer payment of the liability for at least 12 months after the balance-sheet date.

Aug 31, 2021	Total borrowing	Maturity within one year	Maturity longer than one year but within two years	Maturity longer than two years but within five years	Maturity longer than five years
Liabilities to credit institutions including future interest payments	4,671.2	83.8	2,420.6	2,166.7	-
Accounts payable	3,147.4	3,147.4	-	-	-
Tax liabilities	73.3	73.3	-	-	-
Derivative instruments	21.7	7.2	-	14.6	-
Other current liabilities	380.6	380.6	-	-	-
Acquisition-related liabilities	20.5	20.5	-	-	-
Accrued expenses	687.0	687.0	-	-	-
Total	9,001.6	4,399.7	2,420.6	2,181.3	-

Aug 31, 2020	Total borrowing	Maturity within one year	Maturity longer than one year but within two years	Maturity longer than two years but within five years	Maturity longer than five years
Liabilities to credit institutions including future interest payments	2,230.7	22.2	22.2	2,186.2	-
Accounts payable	1,543.6	1,543.6	-	-	-
Tax liabilities	46.2	46.2	-	-	-
Derivative instruments	27.2	1.7	1.0	7.9	16.7
Other current liabilities	347.7	347.7	-	-	-
Accrued expenses	443.8	443.8	-	-	-
Total	4,639.2	2,405.2	23.2	2,194.0	16.7

Maturity structure of borrowing

The tables above show the maturity structure for Dustin's contractual financial liabilities. The figures are for non-discounted future cash flow and thus may differ from reported figures.

Summary of cash flow from financing activities pertaining to external loans

Change in liabilities to credit institutions for the year	20/21	19/20
Opening balance	2,159.0	2,006.1
Change in financial cash flow		
New loans raised	3,629.9	390.1
Paid borrowing expenses	-25.5	-1.5
Repayment of debt	-1,321.8	-134.4
Total change in financial cash flow	2,282.6	254.2
Other changes		
Borrowing expenses expensed in financial expenses	25.5	-
Amortisation/impairment capitalised borrowing expenses	2.3	2.1
Exchange-rate differences, NOK, DKK and EUR	12.0	-103.5
Total other changes	39.8	-101.3
Closing balance	4,481.4	2,159.0

Loans

New credit facilities have been utilised, corresponding to SEK 2,308 million and consisting of new bridging loans of SEK 3,630 million in combination with SEK 1,322 million in repayments. The bank agreement matures in September 2023. The loan is free from regular repayment during its term, and the interest terms for utilised bank loans are described in the table below.

Fair value of external loans

The fair value of external loans is deemed to correspond to the carrying amount. The interest rate on the bank loans is variable, and is hedged in part using derivative instruments. Finance and liquidity risks are not considered to have changed significantly since entering into the loans.

Group and Parent Company, Aug 31, 2021	Liabilities to credit institutions	Interest terms	Interest period
Bank loan DKK	493.2	Cibor + interest margin 0.65-1.45%	3 + 1 + 1 years
Bank loan EUR	115.8	Euribor + interest margin 0.65-1.45%	3 + 1 + 1 years
Bank loan NOK	297.0	Nibor + interest margin 0.65-1.45%	3 + 1 + 1 years
Bank loan SEK	1.0	Stibor + interest margin 0.65-1.45%	3 + 1 + 1 years
Bridging loan EUR	230.0	Euribor + interest margin 2.50-4.50%	2 years

Covenants

The current financing for the Group is based on external bank loans, which are subject to covenants that are reported to the banks each quarter. All conditions were fulfilled throughout the financial year.

Note 26 Acquisition of businesses**Accounting policies**

Acquisitions of businesses are recognised in accordance with the purchase method. Using this method, the acquisition of a subsidiary is regarded as a transaction whereby Dustin indirectly acquires the subsidiary's assets and assumes its liabilities and contingent liabilities.

In the event of an acquisition, the purchase price allocation is prepared to determine the cost of the shares or the business and the fair value at the acquisition date of identifiable assets, liabilities and contingent liabilities. The difference between the purchase consideration and the fair value of identified assets and liabilities assumed is allocated to goodwill. If the purchase consideration is lower

than the fair value of the acquired company's net assets, the difference is recognised as revenue in the income statement. Transaction costs directly attributable to the acquisition are expensed continuously under items affecting comparability. Any contingent earn-out to be paid after the acquisition date is recognised as a liability at fair value. Measurement is subsequently carried out on a continuous basis at fair value and changes in value are recognised in profit or loss under items affecting comparability. If a change in value occurs before the purchase price allocation has been finalised, and the change is of such a nature that the event arose from the acquisition date, measurement is carried out via the balance sheet.

Acquisitions 2020/21

In 2020/2021, Dustin conducted two acquisitions. The total purchase consideration including estimated contingent earn-out amounted to SEK 4,009 million, of which the total net cash outflow was SEK 3,081 million.

Dustin acquired all of the shares in Danish company Exato A/S in September 2020. The company specialises in standardised services, including IT security, where more than half of the revenue derives from subscription services, primarily to small and medium-sized businesses. The acquisition contributes to Dustin's strategy of increasing sales of services and complements Dustin's offering in Denmark. Exato had sales of approximately DKK 30 million during its most recent financial year. The company has around 20 employees at the offices in Copenhagen and Odense.

In June 2021, Dustin acquired all of the shares in Centralpoint Holding B.V., which is a leading IT partner in the Benelux region. With the acquisition

of Centralpoint, Dustin is expanding its home market and paving the way for continued expansion in the Benelux region. As a result of the acquisition, Dustin is now a leading online IT Partner in the Nordic region and Benelux. The total purchase consideration was financed through increased credit facilities and 8,254,587 newly issued shares in Dustin. In 2020, Centralpoint reported sales of approximately SEK 7 billion and has about 600 employees in the Netherlands and Belgium.

The effects of the acquisitions on the Group's financial position are specified below. The purchase price allocations are preliminary and the final analyses of acquired assets will take place within one year from the acquisition date. The purchase price allocations are preliminary to ensure high quality in internal processes and procedures for the acquired companies before the preliminary analyses are concluded and finalised. Acquisition-related costs amounted to SEK 26 million (neg: 1).

Preliminary purchase price allocations

Fair value of acquired assets and liabilities	Exato A/S	Centralpoint B.V.	Total
Intangible assets	7.2	267.7	275.0
Tangible assets	0.5	71.8	72.3
Inventories	0.2	262.1	262.3
Accounts receivable and other receivables	6.3	869.7	876.0
Cash and cash equivalents	4.4	39.0	43.4
Other current liabilities	9.5	1,549.9	1,559.3
Total identified assets and liabilities	9.1	-39.5	-30.3
Goodwill	55.0	3,984.5	4,039.5
Purchase consideration including estimated contingent earn-out	64.2	3,945.0	4,009.2
Less:			
Cash balances (acquired)	4.4	39.0	43.4
Estimated contingent earn-out	21.0	-	21.0
Paid via new issue (directed non-cash issue)	-	864.3	864.3
Net cash outflow	38.8	3,041.7	3,080.5

Income and earnings attributable to acquired companies

The acquisitions during the financial year of Exato and Centralpoint contributed a total of SEK 1,699 million to the Group's income during the year and SEK 83 million to the Group's EBITA.

Goodwill

In the preliminary purchase price allocations, acquired surplus values have been allocated in part to goodwill. Goodwill is deemed to be attributable to employee know-how and expected synergies. Goodwill is not deemed to be tax deductible.

Acquisition-related liabilities

Acquisition-related liabilities pertain to contingent earn-outs. For further information on contingent earn-outs, refer to Note 15.

Note 27 Accrued expenses and deferred income

	20/21	19/20
Accrued personnel costs	327.7	252.5
Accrued expenses from suppliers	307.2	145.2
Accrued discounts to customers	4.0	3.9
Deferred marketing subsidies	8.4	7.8
Advance invoicing	2.9	4.8
Other accrued expenses and deferred income	36.8	29.7
Total	687.0	443.8

Note 28 Cash-flow statement

Adjustment for non-cash items	Aug 31, 2021	Aug 31, 2020
Depreciation of tangible assets	212.2	197.7
Amortisation of intangible assets	108.9	99.1
Unrealised revaluation of contingent earn-outs recognised under items affecting comparability	-	-20.1
Changes in provisions	-1.6	14.1
Capital gain/loss	0.5	-0.4
Exchange-rate differences	-1.0	-0.1
Other items	-4.5	12.5
Total	314.4	302.8

Note 29 Pledged assets and contingent liabilities**Accounting policies****Contingent liabilities**

Disclosures about a contingent liability are provided when there is a possible obligation depending on whether some uncertain future

event occurs or when there is an existing obligation for which payment is not probable or the amount cannot be measured reliably.

For loans and bank overdrafts	Aug 31, 2021	Aug 31, 2020
Floating mortgages	90.8	90.8
Total	90.8	90.8

Parent Company guarantee

In accordance with Article 403, Book 2 of the Civil Code of the Netherlands, Dustin has guaranteed the liabilities of some of the majority-owned Dutch subsidiaries. Separate financial statements from this subsidiary are therefore not filed at the Trade Register of the Chamber of Commerce in the

Netherlands. At August 31, 2021, a 403-statement has been issued for the following companies: Switch IT Solutions B.V., Xcellent Automatisering B.V., NORISK IT Groep B.V., Dustin Supply Chain Netherlands B.V., Dustin Netherlands B.V., Centralpoint Holding B.V. and Centralpoint B.V.

Note 30 Related-party transactions**Transactions with related suppliers and customers**

Dustin has transactions with suppliers and customers that have been defined as related parties. These transactions are normal business transactions and the amounts have not been deemed to be material to the Group and thus are not presented.

All Group companies referred to in Note P8 are considered related. Transactions between Group companies are eliminated on consolidation. With respect to salaries and remuneration of Board members and senior executives, refer to Note 7.

Note 31 Significant events after the balance-sheet date**New financing structure**

In September 2021, Dustin negotiated a new bank agreement with three Scandinavian banks. The new guaranteed credit volume amounts to approximately SEK 5,000 million, of which approximately SEK 4,500 million will be initially

utilised. In connection with this, all former external loan agreements were repaid in their entirety. Under the new bank agreement, the company is, as previously, to report all established financial targets to the banks every quarter.

Note 32 Proposed appropriation of the company's profit

The Board of Directors proposes that available earnings totalling SEK 3,115,482,199 be distributed at SEK 2.21 per share as an ordinary dividend.

The proposal states that this amount be appropriated as follows:

Appropriation of earnings

SEK	
Dividends	249,992,495
To be carried forward	2,865,489,704
Total	3,115,482,199

In its proposed appropriation of earnings, the Group has taken into consideration the company's operations, need for consolidation, liquidity and financial position in general. The Board of Director's complete statement regarding the proposed dividend is available on our website, www.dustingroup.com.

Parent Company income statement

SEK million	Note	20/21	19/20
Net sales		0.4	0.4
Net sales	P2, P6	0.4	0.4
Operating expenses	P2, P3		
Selling and administrative expenses	P3, P4	-10.2	-6.7
Other operating expenses		-0.1	0.0
EBIT		-9.9	-6.3
Financial income and other similar income-statement items	P5	313.6	251.2
Financial expenses and other similar income-statement items	P5	-97.1	-37.2
Profit after financial items		206.7	207.6
Appropriations	P6	141.4	87.0
Tax	P7	-13.4	-40.6
Net profit for the year		334.7	254.0

Parent Company statement of comprehensive income

SEK million	20/21	19/20
Net profit for the year	334.7	254.0
Other comprehensive income	-	-
Comprehensive income for the year	334.7	254.0

Parent Company balance sheet

SEK million	Note	Aug 31, 2021	Aug 31, 2020
ASSETS			
Non-current assets			
Participations in Group companies	P8	1,211.6	1,211.6
Total non-current assets		1,211.6	1,211.6
Current assets			
Receivables from Group companies	P16	6,799.9	2,095.5
Tax assets	P7	14.2	-
Prepaid expenses and accrued income	P9	6.5	1.9
Other receivables		11.4	-
Cash and bank balances	P10	372.3	616.2
Total current assets		7,204.2	2,713.6
TOTAL ASSETS		8,415.8	3,925.1
Equity and liabilities			
Restricted equity	P11		
Share capital		565.1	443.2
Total restricted equity		565.1	443.2
Non-restricted equity	P11		
Share premium reserve		3,014.0	1,091.3
Retained earnings		-233.2	-292.2
Net profit for the year		334.7	254.0
Total non-restricted equity		3,115.5	1,053.1
Total equity		3,680.6	1,496.4
Untaxed reserves	P12	243.5	244.8
Non-current liabilities			
Liabilities to credit institutions	P13	4,481.4	2,159.0
Other non-current liabilities		0.6	-
Total non-current liabilities		4,482.0	2,159.0
Current liabilities			
Accounts payable	P13	0.7	0.1
Tax liabilities	P7, P13	-	19.1
Other current liabilities	P13	2.2	0.3
Accrued expenses and deferred income	P14	6.8	5.4
Total current liabilities		9.7	24.9
TOTAL EQUITY AND LIABILITIES		8,415.8	3,925.1

Parent Company statement of changes in equity

SEK million	Equity attributable to Parent Company shareholders			
	Share capital	Share premium reserve	Retained earnings	Total equity
Opening balance, Sep 1, 2020	443.2	1,091.3	-38.1	1,496.4
Net profit for the year	-	-	334.7	334.7
Total comprehensive income	-	-	334.7	334.7
Dividends	-	-	-195.0	-195.0
New share issue	121.9	1,947.5	-	2,069.3
Issue costs	-	-18.0	-	-18.0
Repurchase and subscription with the support of warrants	-	-6.8	-	-6.8
Total transactions with shareholders	121.9	1,922.7	139.7	2,184.2
Closing balance, Aug 31, 2021	565.1	3,014.0	101.5	3,680.6

SEK million	Equity attributable to Parent Company shareholders			
	Share capital	Share premium reserve	Retained earnings	Total equity
Opening balance, Sep 1, 2019	443.2	1,087.3	-26.2	1,504.3
Net profit for the year	-	-	254.0	254.0
Total comprehensive income	-	-	254.0	254.0
Dividends	-	-	-265.9	-265.9
New share issue	-	-	-	-
Issue costs	-	-	-	-
Subscription with the support of warrants	-	3.9	-	3.9
Total transactions with shareholders	-	3.9	-11.9	-8.0
Closing balance, Aug 31, 2020	443.2	1,091.3	-38.1	1,496.4

Parent Company statement of cash flow

SEK million	Note	20/21	19/20
Operating activities			
EBIT		-9.9	-6.3
Adjustment for non-cash items	P15	140.0	149.0
Interest received		53.6	145.1
Interest paid		-56.8	-138.2
Income tax paid		-47.1	-25.0
Cash flow from operating activities before changes in working capital		79.9	124.6
Decrease (+)/increase (-) in receivables		-4,720.4	194.8
Decrease (-)/increase (+) in current liabilities		4.5	-2.9
Cash flow from changes in working capital		-4,715.9	191.9
Cash flow from operating activities		-4,636.0	316.4
Investing activities			
Acquisition of operations		-3,080.7	-
Divestment of operations		3,945.0	-
Cash flow from investing activities		864.3	-
Financing activities			
New share issue	P11	1,187.1	-
Cash flow from LTI programme		-6.8	4.2
New loans raised		3,629.9	390.1
Repayment of loans		-1,321.8	-134.4
Paid borrowing expenses	P13	-25.5	-1.5
Dividends received		260.0	106.1
Dividends		-195.0	-265.9
Cash flow from financing activities		3,527.9	98.6
Cash flow for the year		-243.9	415.0
Cash and cash equivalents at the start of the year		616.2	201.2
Cash flow for the year		-243.9	415.0
Cash and cash equivalents at the end of the year		372.3	616.2

Parent Company notes

Note P1 Parent Company's accounting policies

Accounting policies

General

The Parent Company Dustin Group AB's financial statements have been prepared in accordance with the Swedish Annual Accounts Act and the standard RFR 2 Accounting for Legal Entities. RFR 2 requires that, to the extent possible, financial statements for the Parent Company should comply with all IFRS standards and interpretations approved by the EU. Furthermore, the recommendation specifies permissible exceptions from IFRS, as well as additions to IFRS that are required in order for the Parent Company to be compliant with Swedish legislation. The Parent Company applies the same accounting policies as the Group except for the cases described below.

Financial instruments

The Parent Company does not apply IFRS 9 Financial Instruments. Financial instruments are recognised at cost in accordance with the Annual Accounts Act. Unlike the Group, the Parent Company does not apply hedge accounting to net investments in foreign subsidiaries. This means the Parent Company's income statement

recognises the exchange-rate effect of loans in foreign currency. In accordance with Dustin's Financial Policy, derivatives are to be used for hedging of variable interest rates on external loans. To minimise the risk of fluctuations in interest expenses for the Group, the derivatives must be structured so that maturities are spread over several periods.

During the current and preceding financial years, derivatives were prematurely discontinued and replaced with new derivatives with wider maturity spreads. The effect of the derivatives being prematurely discontinued is that the early payment is recognised as an asset (prepaid expense) in the balance sheet and the cost is recognised on an accruals basis in net financial items over the original remaining duration.

Leases

IFRS 16 Leases is not applied by the Parent Company; the exemption in RFR 2 is applied instead. This means that the Parent Company recognises existing leases in profit or loss.

Note P3 Number of employees, employee benefits expense and remuneration of senior executives

Number of FTEs and gender distribution	20/21			19/20		
Distribution of Board members and senior executives at the balance-sheet date	Women	Men	Total	Women	Men	Total
Board members	3	5	8	3	4	7
Total	3	5	8	3	4	7

The Parent Company has no employees. Information about the remuneration of the company's Board of Directors is outlined in Note 7 for the Group.

Note P4 Auditor's remuneration

Costs for the Parent Company audit are paid by the subsidiary Dustin Aktiebolag. For further information, see Note 6.

Note P5 Financial items

Interest income and similar income-statement items	20/21	19/20
Interest income	53.6	44.1
Dividends	260.0	106.1
Exchange-rate differences on liabilities to credit institutions	–	101.0
Total	313.6	251.2

Interest expenses and similar income-statement items	20/21	19/20
Borrowing costs on external financing	89.9	37.2
Exchange-rate differences on liabilities to credit institutions	7.0	–
Other financial expenses	0.2	0.0
Total	97.1	37.2

Note P2 Information on income and expenses within the Group

	20/21	19/20
Income	100%	100%
Expenses	0%	0%

Note P6 Appropriations**Accounting policies****Group contributions**

Dustin applies alternative regulations pursuant to RFR 2, which means that Group contributions are recognised as appropriations.

	20/21	19/20
Group contributions received	140.0	149.0
Change in tax allocation reserve	1.4	-62.0
Total	141.4	87.0

Note P7 Tax**Recognised effective tax**

Tax expense	20/21	19/20
The following components are included in the tax expense in the income statement:		
Current tax	-15.0	-40.5
Adjustments of current tax attributable to prior periods	1.6	0.0
Recognised effective tax	-13.4	-40.6
Recognised effective tax rate	3.8%	13.8%
Recognised profit before tax	348.1	294.6
Reconciliation of effective tax rate		
Tax according to current tax rate	-74.5	-63.0
Tax effect of:		
Non-deductible expenses	0.0	0.0
Non-taxable income	59.8	22.7
Adjustment of tax for previous years and others	1.4	-0.2
Recognised effective tax	-13.4	-40.5
Current tax	20/21	19/20
Current tax liabilities	-	-19.1
Current tax assets	14.2	-
Total	14.2	-19.1

The Parent Company has no recognised or unrecognised deferred tax assets or liabilities.

Note P8 Participations in Group companies**Accounting policies**

Shares in subsidiaries are recognised in the Parent Company according to the cost method. Any dividend from subsidiaries is recognised in profit or loss for the Parent Company as financial income. If there is an indication that the value of the shares in the subsidiaries has decreased, an impairment test is conducted. Anticipated dividends from

subsidiaries are to be recognised in cases where the Parent Company has exclusive rights to decide about the size of the dividend, and whether the Parent Company made a decision about the size of the dividend before the Parent Company published its financial statements.

Parent Company's holdings in Group companies

Company name	Corp. Reg. No.	Domicile	Number of shares	Participation	Equity	Net profit for the year	Carrying amount	
							Aug 31, 2021	Aug 31, 2020
Dustin AB	556237-8785	Stockholm	25,000,000	100%	283.0	97.9	1,211.6	1,211.6
Total							1,211.6	1,211.6

Note P8 Participations in Group companies – cont'd.

The following companies are included in the Group in addition to the Parent Company's direct holdings:

Company name	Corp. Reg. No.	Aug 31, 2021 Participating interest	Aug 31, 2020 Participating interest
Centralpoint België N.V.	0841648610	100%	–
Centralpoint B.V.	09078252	100%	–
Centralpoint Holding B.V.	28035220	100%	–
ComPromise Domino B.V.	04062532	100%	100%
Chilit Group Oy	2768847-4	100%	100%
Chilit Oy	2768846-6	100%	100%
Dustin A/S	26092183	100%	100%
Dustin Finland Oy	0935141-3	100%	100%
Dustin Netherlands B.V.	06088974	100%	100%
Dustin Netherlands Holding B.V.*	71903968	100%	100%
Dustin Norway AS	939483969	100%	100%
Dustin Supply Chain Netherlands B.V.	73864994	100%	100%
Dustin Sverige AB	556666-1012	100%	100%
Exato A/S	30505980	100%	–
Issys ICT B.V.	37104253	100%	100%
Inventio IT A/S	26112001	100%	100%
ITaito Oy	2201996-8	100%	100%
JML-System AB	556643-2802	100%	100%
NORISK Beheer B.V.	04039918	100%	100%
NORISK IT Groep B.V.	04073648	100%	100%
NORISK Facilitair B.V.	56499248	100%	100%
NORISK Visionair B.B	58806687	40%	40%
Sincerus B.V.	51450976	100%	100%
Sincerus Consultancy B.V.	08142104	100%	100%
Switch IT Solutions B.V.	06070240	100%	100%
TopCrowd B.V.	08142105	100%	100%
Unilogic B.V.	14053559	100%	100%
Unilogic Networks 2 B.V.	68329210	100%	100%
Vincere Group B.V.	06070239	100%	100%
Xcellent Automatisering B.V.	32119865	100%	100%

* Previously Vincere Netherlands Holding B.V.

Note P9 Prepaid expenses and accrued income

	Aug 31, 2021	Aug 31, 2020
Pre-paid interest-rate swaps	2.1	0.6
Other prepaid expenses and accrued income	4.4	1.3
Total	6.5	1.9

Note P10 Cash and bank balances

	Aug 31, 2021	Aug 31, 2020
Cash and cash equivalents	372.3	616.2
Closing balance	372.3	616.2

The Parent Company is the main account holder for the Group account with Nordea. For more information about the cash pool and overdraft facility, see Group Note 23.

Note P11 Equity

Accounting policies

Shareholders' contributions

Shareholders' contributions are capitalised in shares and participations. Any impairment requirements are taken into account.

Share capital

See Group Note 24 for information about the Parent Company's share capital.

Retained earnings

Retained earnings include net profit for the year and profit earned in the preceding year.

Dividends

During the financial year, a total dividend of SEK 195 million was distributed in line with the resolution by the Annual General Meeting on December 14, 2020. For the current financial year, the proposed dividend is SEK 250 million.

Share premium reserve

During the year, other contributed capital increased SEK 1,923 million (4), of which SEK 1,948 million (–) on account of the new share issue and SEK -18 million was attributable to issue costs. Repurchase and subscription with the support of warrants represents a decrease of SEK 7 million (increase: 4).

Note P12 Untaxed reserves

	Aug 31, 2021	Aug 31, 2020
Tax allocation reserve	243.5	244.8
Total	243.5	244.8

Note P13 Borrowing

Aug 31, 2021	Total borrowing	Maturity within one year	Maturity longer than one year but within two years	Maturity longer than two years but within five years	Maturity longer than five years
Liabilities to credit institutions including future interest payments	4,671.2	83.8	2,420.6	2,166.7	-
Other non-current liabilities	0.6	-	0.6	-	-
Accounts payable	0.7	0.7	-	-	-
Other current liabilities	2.2	2.2	-	-	-
Accrued expenses	6.8	6.8	-	-	-
Total	4,681.5	93.5	2,421.2	2,166.7	-

Aug 31, 2020	Total borrowing	Maturity within one year	Maturity longer than one year but within two years	Maturity longer than two years but within five years	Maturity longer than five years
Liabilities to credit institutions including future interest payments	2,230.7	22.2	22.2	2,186.2	-
Accounts payable	0.1	0.1	-	-	-
Tax liabilities	19.1	19.1	-	-	-
Other current liabilities	0.3	0.3	-	-	-
Accrued expenses	5.4	5.4	-	-	-
Total	2,255.6	47.1	22.2	2,186.2	-

The Group's external financing is with the Parent Company. Total external loans amount to SEK 4,481 million (2,159). For more information about loans, refer to Group Note 25.

Maturity structure of borrowing

The table above shows the maturity structure for the Parent Company's contractual financial liabilities. The figures are for non-discounted future cash flow and thus may differ from reported figures.

Note P14 Accrued expenses and deferred income

	20/21	19/20
Accrued financial expenses	4.5	5.0
Other accrued expenses	2.3	0.4
Total	6.8	5.4

Note P15 Cash-flow statement

Adjustment for non-cash items	20/21	19/20
Group contributions outstanding	140.0	149.0
Total	140.0	149.0

Note P16 Related-party transactions

Transactions with subsidiaries	20/21	19/20
Purchases	-	-
Sales	0.4	0.4
Receivables as of August 31	6,799.9	2,095.5
Liabilities as of August 31	-	-

The increase in Intra-Group receivables for the year arose from the acquisition of Centralpoint. For information about direct and indirect shareholdings in subsidiaries, refer to Parent Company Note P8.

Corporate Sustainability

About this report

Dustin's Annual and Corporate Responsibility Report provides a summary of the financial results and the sustainability efforts we have carried out during the 2020/21 financial year. This is the fourth time we are presenting financial information and sustainability information in a joint report. Dustin has used the Global Reporting Initiative's (GRI) guidelines in its reporting since 2014/15. For 2020/21, Dustin is following the GRI standards and reporting at "Core" level. This means Dustin has identified the aspects that are material for the company and has reported at least one indicator per topic.

This report encompasses the Group's sustainability

Materiality assessment

efforts during the financial year from September 1, 2020 to August 31, 2021. Dustin presents sustainability data every year, and the report for the preceding year was published on November 17, 2020.

Materiality assessment

We conduct a materiality assessment at least once every three years. In the event of significant changes to the company's strategy or operational activities, such as geographic expansion or the launch of new product categories, more frequent materiality assessments may be required. Our

materiality assessment was updated in 2020/21.

Our stakeholders comprise customers, employees, owners, manufacturers, distributors and non-state organisations. The aim of stakeholder dialogue is to continually gather our stakeholders' views on the sustainability topics that they consider material.

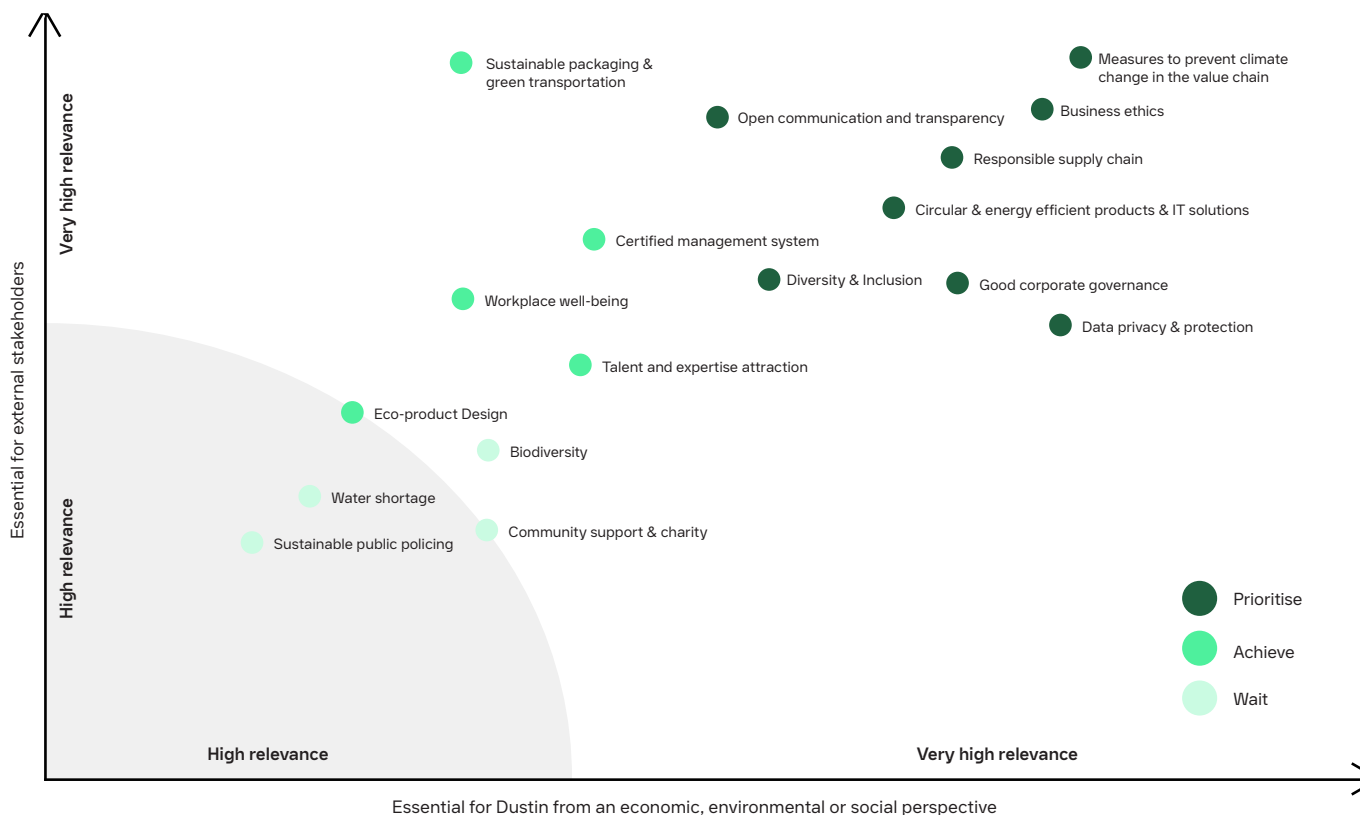
The areas of sustainability are considered material for the entire organisation, as well as our external stakeholder groups.

Over the year, based on the results of the

materiality assessment, we have continued worked on a long-term sustainability strategy with commitments until 2030 that were decided on by the Board.

Figures in the sustainability section for Dustin Group are reported excluding Centralpoint, which was acquired in the final quarter, except in Business ethics and anti-corruption and in Diversity and inclusion that encompass the entire Dustin Group, including Centralpoint. All of Dustin, including Centralpoint, is included in employee data and the figure for Code of Conduct training.

By 2030, Dustin will be completely climate neutral throughout the entire value chain, we will be 100 per cent circular and we will have taken 100 actions in total to further improve our work with social equality throughout the entire value chain.



Dustin's contribution to the UN's Sustainable Development Goals

Net zero climate footprint

Dustin is to be climate neutral throughout the value chain by 2030. This entails that we will exceed the Paris Agreement and take greater responsibility and increase transparency by including all relevant parts of Scope 3.



SDG 13:
Climate action

Targets that we indirectly contribute to:



Circularity

Dustin's goal is to be 100 per cent circular by 2030. This entails both new business opportunities and opportunities to reduce the sharp rise in resource usage in society.



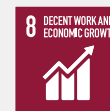
SDG 12:
Responsible consumption and production

Targets that we indirectly contribute to:



Social equality

Dustin has a possibility, together with our partners, to contribute to reducing the social inequalities throughout our value chain, with 100 activities for social equality by 2030.



SDG 8:
Decent work and economic growth

Targets that we indirectly contribute to:



Diversity and inclusion

With increased diversity and broad representation of individuals in the company, we will become a better partner to our customers.



SDG 5:
Gender equality

Targets that we indirectly contribute to:



Business ethics and anti-corruption

Dustin must be a safe partner for customers, partners and other stakeholders. The dialogue regarding business ethics and anti-corruption must remain relevant through regular training and discussions concerning dilemmas.



SDG 16:
Peace, justice and strong institutions

Targets that we indirectly contribute to:



Stakeholder overview

Dialogue with our stakeholders is conducted on an ongoing basis. Below is a presentation of the stakeholders we have identified as most significant for our sustainability efforts, the dialogue channels and important issues during the year.

Stakeholders	Dialogue channels	Key issues during the year
Customer	<ul style="list-style-type: none"> • Customer contact and customer meetings • Concept store • Customer magazine and IT trade fair (Dustin Expo) • Information on website, customer service and social media • Customer surveys and brand tracker 	<ul style="list-style-type: none"> • Responsible use of resources, circularity • Climate • Responsible manufacturing, Dustin Supplier Code of Conduct • Conflict minerals • Systematic work • Business ethics and anti-corruption • Ecolabelling • Transparency
Shareholders	<ul style="list-style-type: none"> • Individual investor meetings • Webcasts/telephone conferences for interim reports • Presentations for investor lunches, seminars and other meetings • Board of Directors and General Meeting 	<ul style="list-style-type: none"> • Climate • Responsible use of resources, circularity • Social equality, diversity • Long-term sustainability targets • Business ethics and anti-corruption
Employees	<ul style="list-style-type: none"> • Daily meetings and interaction • All-staff meetings (All Dustin) • Training, classroom and e-learning courses • Monthly employee surveys • Annual appraisals 	<ul style="list-style-type: none"> • Long-term sustainability efforts • Climate • Dustin's Code of Conduct • Social issues
Suppliers	<ul style="list-style-type: none"> • Separate meetings in purchasing process • Supplier assessments under framework of Dustin's Code of Conduct • Seminars and panel discussions • Factory audits 	<ul style="list-style-type: none"> • Climate • Responsible use of resources • Responsible production
Voluntary organisations and partners	<ul style="list-style-type: none"> • Individual meetings • Conferences, training courses and panel discussions 	<ul style="list-style-type: none"> • Climate • Responsible use of resources • Transparency • Sustainability targets

Employees

A more detailed presentation is given below of age distribution among new employees and employees leaving the company as well as the distribution between countries, in addition to the employee data reported on page 54. Dustin has few part-time employees and the age distribution at Dustin is comparable with the age distribution at medium-sized companies in the IT industry.

The collective bargaining agreement for employees in Finland is generally binding. Since the spring of 2017, the majority of employees in Sweden are also covered by collective bargaining agreements. No employees in Denmark and Norway are covered by collective bargaining agreements.

Age distribution employees	Aged <29	Aged 30–49	Aged >50
New employees (number)	217 (51)	274 (77)	44 (14)
New employees (%)	41 (36)	51 (54)	8 (10)
Employees leaving (number)	126 (63)	305 (122)	83 (27)
Employees leaving (%)	25 (30)	59 (57)	16 (13)

Employment GRI 401-1	Total	Sweden	Norway	Denmark	Finland	Benelux
Employee turnover		12%	18%	25%	14%	
New employees (number)	535 (142)	178 (91)	33 (19)	56 (16)	48 (8)	220 (8)
New employees (%)		33.3% (64%)	6.1% (13%)	10.5% (11%)	9% (6%)	41.1% (6%)
Employees leaving (number)	514 (212)	147 (154)	38 (29)	69 (20)	36 (7)	224 (2)
Employees leaving (%)		29% (73%)	7% (14%)	13% (9%)	7% (3%)	44% (1%)

Age distribution executive management teams and Board of Directors	Aged <29	Aged 30–49	Aged >50
Executive management teams	0 (0%)	66.6% (73%)	33.3% (27%)
Board of Directors	0 (0%)	12% (0%)	88% (100%)
Total	0 (0%)	44% (45%)	56% (55%)

Employees	Total	Women	Men
Total	2,426 (1,171)	609 (349)	1,817 (822)
New employees	535 (142)	167 (47)	368 (95)
Employees leaving	514 (212)	121 (56)	393 (156)
Managers	287	78	209
Executive management teams	10	3	7
Board of Directors	8	3	5

Full-time and part-time employees	Total	Women	Men	
Dustin's workforce	2,356 (1,743)	571 (415)	1,785 (1,328)	Long-term sick leave (more than three months) not included
Full-time employees	2,142 (1,695)	486 (391)	1,656 (1,304)	Long-term sick leave (more than three months) not included
Part-time employees	214 (48)	85 (24)	129 (24)	

Registered non-conformance cases during the financial year's factory audits

Area	Requirement	Number of non-conformances	Examples of non-conformance
Human rights and labour	Right to Freedom of Association and Collective Bargaining	10	Shortcomings in dialogue with factory management and employees
	Non-discrimination	11	Discovery of discrimination regarding age and gender
	Grievance Systems	4	Lack of complaint mechanism
	Fair Compensation	38	Lack of social insurance or correct remuneration for overtime work
	Decent Working Hours	44	Overly long working days and poor control of ensuring at least one day of rest per week
	Child Labour Avoidance	7	Lack of action plan if a child is discovered at the workplace
	Juvenile and Student Worker Protection	23	Poor control in preventing overtime for young employees
	Freely Chosen Employment	16	Lack of employment contract
	Inhumane Treatment	7	Shortcomings in training around humiliation
Health and safety	Health and Safety Management System	45	Shortcomings in management system for occupational health and safety
	Health And Safety Permits	5	Lack of occupational health and safety permits
	Emergency Preparedness	11	Lack of emergency preparedness plan
	Injury and Incident Management	7	Deficient documentation and follow-up of work-related injuries and accidents
	Physically Demanding Work	6	Moving very heavy packages without technical tools
	Machine Safety	57	Insufficient safety devices
	Chemical Safety	82	Deficiencies in knowledge and handling of chemicals
	Personal Protective Equipment (PPE)	39	Lack of, or incorrect, protective equipment in use
	Fire Protection	49	The workplace has not ensured that all employees have taken part in fire drills
	First Aid	10	Deficient knowledge of first aid
Housing conditions	Food and Water	22	Shortcomings in hygiene related to food handling
	Worker Dormitories	27	Shortcomings in fire safety for employee housing
Environmental protection	Resource Reduction and Continuous Improvement	11	Lack of improvement targets
	Environmental Management System	33	Shortcomings in environmental management system
	Environmental Permits and Reporting	4	Lack of environmental permits
	Storm Water Management	6	Deficiencies in preventing hindrances to proper storm water drainage
	Hazardous and Non-hazardous Waste Management	11	Deficiencies in control over amount of waste and hazardous waste generated
	Air Emissions	15	Deficiencies in keeping air emissions under control
	Storm Water Management	5	Deficiencies in collecting storm water from a licensed handler
	Materials Restrictions	9	Discovery of prohibited process chemicals
Legal compliance and ethical business principles	Legal and Regulatory Compliance	26	Shortcomings in monitoring routines regarding legal requirements
	Anti-corruption	0	Lack of training for employees exposed to risks related to corruption and bribes
	Conflict minerals	6	Lack of policy concerning risk assessment and use of conflict minerals
	Whistleblower Protection and Anonymous Complaints	9	Lack of opportunities for managing anonymous complaints
	Information Protection	0	Shortcomings in the handling of sensitive information
	Total	655	

Accounting policies for sustainability

Data collection and measurement

Environmental data, energy and emissions are collected through the Group's environmental reporting process. The consolidation principles used for environmental data include all companies within the Group. Acquired operations report environmental data 12 months after the date of acquisition. All data have been collected in accordance with Dustin's financial year. The collection of data related to emissions and energy uses the reporting period August 1 to July 31, to ensure the quality of reported data.

Greenhouse gas emissions

Climate data produced by companies are often associated with uncertainty. This is because of scientific uncertainty about measurement methods but also uncertainty about the data used in the measurement methods. The total amount of greenhouse gas emissions is reported in kg CO₂ equivalents (CO₂e), and primarily includes CO₂ greenhouse gases. Biogenic emissions are insignificant and have not been reported. The reporting is performed in accordance with the Greenhouse Gas (GHG) Protocol, and includes Scope 1, Scope 2 and Scope 3 emissions. The approach chosen for consolidating greenhouse gas emissions extends from "operational control" to encompass all categories of the GHG protocol that exceed 1 per cent and are therefore considered significant. For this reason, the following emission sources are used:

Scope 1

- Direct emissions from vehicles owned by Dustin Data collected for the first three quarters and the fourth quarter was calculated on the basis of the first three quarters.

Scope 2

- Electricity use, heating and cooling of Dustin's offices in Sweden, Norway, Denmark, Finland and the Netherlands with more than 15 employees. The Dustin Concept Store, Dustin's central warehouses and smaller warehouses in Finland are also included.

Scope 3

- Outbound shipments from warehouses to customers. This includes shipments from Dustin's central warehouse in Sweden and warehouses in Finland, Norway and Denmark, as well as direct deliveries from distributors or manufacturers to customers (known as "drop shipments").
- Dustin's off-premises data centres
- Leasing vehicles for staff Data collected for the first three quarters and the fourth quarter was calculated on the basis of the first three quarters. This also includes private vehicles driven for business
- Business travel by train and air
- Recycling and energy recovery of waste from the head office and central warehouse
- Additional categories according to the GHG protocol:
- Category 1 purchased goods and services where we use carbon dioxide indicators from the IVL Swedish Environmental Research Institute that cover about 73 per cent of products sold by Dustin and assumed the remaining products had the same average carbon footprint 4 Upstream shipments collected from distributors and private label suppliers. Subsequently increased with the assumption that other upstream shipments follow the same patterns in CO₂ per shipment
- Category 11 use of sold products These are based on an assumption that 20 per cent of energy is required in the use phase
- Category 2 Capital goods where we used the same average carbon dioxide indicators as in category 1 to calculate an indicative carbon footprint under 1 per cent and can then be considered as insignificant according to the GHG protocol.
- The calculations found that other categories were non-existent or significantly below 1 per cent and were therefore not included.

Specific emission factors have been used to calculate all Scope 1, Scope 2 and Scope 3 emissions, in accordance with the "market-based" method. Calculating Scope 2 emissions in accordance with the "location-based" method uses Nordic and Dutch residual mix respectively for 2020, which amounts to 365.30 g and 451.7 g CO₂/kWh respectively. As a comparison, the Nordic residual mix for 2019 amounted to 338.52 g CO₂/kWh and our Dutch emissions were 555.2 g CO₂/kWh. CO₂ savings through re-use in connection with end-of-life returns have been calculated using the same method for all end-of-life returns partners. The method is based on the IVL Swedish Environmental Research Institute: Product databases: the environmental benefits of reuse The climate benefits of reusing IT products and the method for creating data bases.

Energy

The total quantity of energy used is reported in kilowatt hours and includes electricity use, heating and cooling. The boundary is in accordance with the calculations of Scope 2 emissions.

The office properties in Sweden, Norway, Denmark, Finland the Netherlands are used only partly by Dustin, and their heat consumption is allocated based on space. The same applies to the consolidation warehouse in Norway as well as the Dustin Concept Store.

The calculations of kilowatt-hours also encompass electricity use and cooling of data centres.

Circularity

Our calculation of end-of-life returns is based on revenues classified as circular compared with total sales.

End-of life returns or take back aims to take back as many products as those sold in 2030. The number of returned products is then multiplied by the average price for relevant categories to achieve a value of new sales corresponding to the take back. This was carried out solely through

external end-of-life returns partners throughout 2020/2021. The method used in calculating CO₂ savings comparing a reused product with a new product has been taken from the IVL Swedish Environmental Research Institute: Product databases: the environmental benefits of reuse The climate benefits of reusing IT products and the method for creating data bases.

Software and consulting activities are considered circular as these are non-material revenue flows

Refurbished products Revenues from sales of reused products Services that include managed services, cloud and device as a service are considered circular as the hardware in the products can be reused or recycled.

Waste

The total reported quantity of waste encompasses Dustin's waste from its head office and central warehouse. The quantity of waste from the head office is reported by Veolia and from the central warehouse from Stena Recycling. Waste contractors report each waste fraction in kg broken down into separate EWC waste codes. The processing method used for the different waste fractions varies and Dustin checks with the waste contracts as regards the processing method for each waste fraction before reporting.

Hazardous waste

The total reported quantity of waste encompasses Dustin's waste from its head office, central warehouse and the quantity of waste collected by El-Kretsen. Dustin is affiliated to El-Kretsen, which is a nationwide collection and recycling system for electronics and battery products. In addition to statistics from waste contractors, other statistics are obtained from El-Kretsen pertaining to the collected volume of other electrical equipment and batteries. El-Kretsen reports for a calendar year, so figures for 2020/2021 are based on El-Kretsen's figures reported to the Environmental Protection Agency for the 2020 calendar year.

Employee data

Employee data is collected in a separate HR system. The consolidation principles for employee data include all majority-owned companies within the Group. Individuals on parental leave or on long-term sick leave are not included. Consultants are not included in the employee data figures.

Certain GRI indicators concerning our employees have not been broken out by age group and country, when the difference between the ages was not considered important.

Changed information compared with preceding Corporate Responsibility Report

In 2020/21, no key information has changed compared with the information in the preceding Corporate Responsibility Report.

Significant changes concerning scope and boundaries

- Historical integration of acquired companies: 2016/17–IKT Group integrated
- 2017/18–Commsec integrated 2018/19–Idenet and Norriq integrated
- 2019/20–Salda, Purity and Core Services integrated
- 2020/21 no integration took place during the year

Acquired growth:

In the sustainability section, Dustin has been consistently reported the whole Dustin Group excluding the latest acquisition Centralpoint, which was approved at the beginning of the final quarter. All of Dustin, including Centralpoint, is included in employee data and the figure for training in the Code of Conduct.

Precautionary principle

The precautionary principle is one of the fundamental principles for sound accounting standards applied by Dustin. The precautionary principle is currently being applied to sustainability as needed, for issues such as estimated emissions from leasing vehicles. The principle is defined in the company's Code of Conduct.

Statutory Corporate Responsibility Report

Dustin is subject to the requirements for statutory Corporate Responsibility Report in accordance with the Annual Accounts Act.

The Act encompasses reporting requirements including the environment, social responsibility, personnel, human rights and anti-corruption.

The statutory Corporate Responsibility Report is available in the Annual and Corporate Responsibility Report under the following headings:

- Business model and value creation, pp. 15–20
- Targets and key performance indicators, pp. 20–23
- Privacy and risk management, pp. 62–67
- Internal governance, pp. 68–79
- Materiality assessment and stakeholders, p. 107
- Responsible purchasing, pp. 31 and 52–52
- Human rights, pp. 50–53
- Environment, pp. 37–50 and 53
- Personnel, pp. 24, 54 and 74

External assurance

The corporate responsibility information in the Annual and Corporate Responsibility Report for 2020/21 has been reviewed by Dustin's auditors, Ernst & Young. In addition, it has been approved by Dustin's Board of Directors.

The consolidated income statement and balance sheet will be put before the Annual General Meeting on December 15, 2021 for adoption. The Annual Report and the consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and present a true and fair view of the Group's financial position and earnings. The Annual Report was prepared in accordance with generally accepted accounting principles and presents a true and fair view of the Parent Company's financial position and earnings. The Directors' Report for the Group and the Parent Company presents a fair review of the Group's and the Parent Company's operations, financial position and earnings and describes the material risks and uncertainties facing the Parent Company and the companies included in the Group. The statutory Sustainability Report for Dustin Group AB (publ), the content of which is presented in the Directors' Report, was approved for publication by the Board of Directors.

Mia Brunell Livfors
Chairman of the Board

Stina Andersson

Gregor Bieler

Gunnel Duveblad

Johan Fant

Tomas Franzén

Mattias Miksche

Morten Strand

Thomas Ekman
CEO

Stockholm, November 17, 2021

Our Auditor's Report was submitted on November 17, 2021
Ernst & Young AB

Jennifer Rock-Baley
Authorised Public Accountant

Auditor's report

To the general meeting of the shareholders of Dustin Group AB, corporate identity number 556703-3062.

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Dustin Group AB (publ) except for the corporate governance statement on pages 70-71, 73-76 and 78-79 for the year 2020-09-01 – 2021-08-31. The annual accounts and consolidated accounts of the company are included on pages 34-113 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of August 31, 2021 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of August 31, 2021 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 70-71, 73-76 and 78-79. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements. For each matter below, our description of how our audit addressed the matter is provided in that context.

Valuation of goodwill and other intangible assets with indefinite useful life

Goodwill and other intangible assets with an indefinite life represents a significant portion of Dustin Group AB's total assets, totaling SEK 8,064.7 million as of August 31, 2021 That equals 56% of the group's total assets and 172% of the group's Equity. Goodwill and intangible assets with indefinite life are recorded at historical acquisition value and are annually tested for impairment in addition to when there are indications of impairment. An impairment is recorded if the recoverable value of an asset is lower than its carrying value.

The recoverable value of the assets is based on the Company's value in use from future potential and ability to generate cash flows. The Company's assessment of the recoverable value is based on the Company's forecast of future cash flows. The assessment also considers the discount rate to be used and the annual growth rate after the initial five-year period.

As the value of goodwill and other intangible assets with indefinite life in proportion to the total assets are substantial this is a focus area for our audit. This, in combination with the uncertainty normally present with estimating recoverable values, we have assessed valuation of goodwill and other intangible assets with indefinite life as a key audit matter.

Our audit procedures included assessing the Company's process for preparing the impairment test. We evaluated the forecast of future cash flow which the Company base their impairment test on. The forecast was evaluated by comparing to our knowledge of the Company's business, historical information as well as the Company's past accuracy in developing forecasts. We have in our audit included our internal valuation specialists to help evaluate the interest rate used and whether the valuation model used is in line with conventional methods. The reasonability of the used rates and long term growth for the individual cash generating units was compared to similar companies. We have evaluated the company's identification of cash generating units and the allocation of Goodwill that has been allocated to these units during the year.

Refer to note 1 for accounting principles related to valuation of goodwill and intangible assets with an indefinite life and to note 2 and 11 for the company's description of assumptions used for preparing the impairment test. Finally, we have assessed if the disclosed information related to the Key audit matter are appropriate.

Acquisition of Centralpoint

In June 2021, Dustin acquired Centralpoint, a group operating in Benelux, for SEK 3,945 million. The acquisition is accounted for as a business acquisition in accordance with IFRS 3 where acquired assets and liabilities are recognized at fair value based on the for the asset applicable accounting principles. After determining the fair value of the identifiable assets and liabilities, the remaining purchase price is accounted for as goodwill. As the process for identifying assets and liabilities and their fair value includes judgement and complicated valuation models in addition to considering the size of the acquisition, we have determined the acquisition of Centralpoint as a Key Audit Matter.

As part of our audit procedures we have evaluated the Group's processes and controls related to accounting for business combinations. We have reviewed the used model for allocating the

purchase price and determining fair value in accordance with IFRS 3 in addition to agreeing input to underlying support, such as the share purchase agreement. We have also performed audit procedures on ingoing balances as of the acquisition date in addition to determining the effects of implementing Dustin's Accounting Principles.

With the support of our internal valuation specialist we have evaluated the valuation models used and the significant estimates, such as the discount rate, estimated future cash flows, estimated useful life and the growth estimate. The models and estimates have been tested by comparing to historical outcomes, cash flow forecast and external sources and to established valuation methods.

Refer to note 1 for the accounting principles applied to business combinations and notes 2, 14 and 24 for the Company's disclosures on the methodology applied. Finally, we have assessed if the disclosed information related to the Key audit matter are appropriate.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-33 and 118-123. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in

the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or

error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in

preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the

auditor's report unless law or regulation precludes disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in the auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Dustin Group AB (publ) for the period 2020-09-01 – 2021-08-31 and the proposed appropriations of the company's profit.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size

and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 70-71, 73-76 and 78-79 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's auditing standard RevU 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

The auditor's opinion regarding the statutory sustainability report

The Board of Directors is responsible for the statutory sustainability report that has been defined on page 113, and that it is prepared in accordance with the Annual Accounts Act.

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

Ernst & Young AB, Box 7850, 103 99 Stockholm with Jennifer Rock-Baley as auditor-in-charge, was appointed auditor of Dustin Group AB by the general meeting of the shareholders on December 14, 2020 and has been the company's auditor since February 13, 2015 (Ernst & Young AB has been appointed auditors since October 2, 2006). Dustin Group AB (publ) has been a company of public interest since February 13, 2015.

Stockholm, November 17, 2021
Ernst & Young AB

Jennifer Rock-Baley
Authorized Public Accountant

Auditor's Limited Assurance Report on Dustin Group AB's Sustainability Report

To Dustin Group AB (publ), Corp. id. 556703-3062

Introduction

We have been engaged by the Board of Directors of Dustin Group AB to undertake a limited assurance engagement of Dustin Group AB's Sustainability Report for the year 1 September 2020 – 31 August 2021. The company has defined the scope of the Sustainability Report to the areas referred to in the GRI Index on page 119.

Responsibilities of the Board of Directors and the Executive Management for the Sustainability Report

The Board of Directors and the Executive Management are responsible for the preparation of the Sustainability Report in accordance with the applicable criteria, as explained on the pages 112-113, and are the parts of the Sustainability Reporting Guidelines published by GRI (Global Reporting Initiative) that are applicable to the Sustainability Report, as well as the accounting and calculation principles that the Company has developed. This responsibility also includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or error.

Responsibilities of the Auditor

Our responsibility is to express a conclusion on the Sustainability Report based on the limited assurance procedures we have performed.

We conducted our limited assurance engagement in accordance with ISAE 3000 Assurance engagements other than audits or reviews of historical financial information. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report, and applying analytical and other limited assurance procedures. The procedures performed in a limited assurance engagement vary in nature from, and are less in scope than for, a reasonable assurance engagement conducted in accordance with IAASB's Standards on Auditing and other generally accepted auditing standards.

The firm applies ISQC 1 (International Standard on Quality Control) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of Dustin Group AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The procedures performed, consequently, do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance conclusion.

Our procedures are based on the criteria defined by the Board of Directors and the Executive Management as described above. We consider these criteria suitable for the preparation of the Sustainability Report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion below.

Conclusion

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that the Sustainability Report is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and Executive Management.

Stockholm, November 17, 2021
Ernst & Young AB

Jennifer Rock-Baley
Authorized Public Accountant

2020/21 Annual General Meeting

Our 2020/21 Annual General Meeting will be held on Wednesday, 15 December 2021 at 15:00 at IVA Konferenscenter, Grev Turegatan 16 in Stockholm, Sweden. Registration for the Annual General Meeting will commence on 14:00.

Registration and notification of attendance

Shareholders who wish to attend the Annual General Meeting shall:

- be registered in the share register maintained by Euroclear Sweden on Tuesday, 7 December 2021; and
- notify the Company of their intention to participate in the Annual General Meeting no later than on Thursday, 9 December 2021.

Notification may be given in any of the following manners:

- On Dustin's website, <https://www.dustingroup.com/en/general-meetings>;
- by telephone, +46 (0)8 402 91 33; or
- by mail to Dustin Group AB, "AGM", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden.

Name, personal identity number/corporate registration number, address and telephone number, and number of assistants, if any (not more than two), should be stated when notification is given.

To be entitled to participate in the Annual General Meeting, shareholders whose shares are registered in the names of nominees must, in addition to giving notice to participate, re-register such shares in their own name so that the shareholder is recorded in the presentation of the share register as of 7 December 2021. Such re-registration may be temporary ("voting rights registration") and can be requested from the nominee in accordance with the

nominee's procedures in such time in advance as the nominee determines. Voting rights registrations effected no later than the second banking day after 7 December 2021 will be considered in the presentation of the share register.

Shareholders represented by proxyholder must issue a power of attorney to the proxyholder. Anyone representing a legal entity must present a copy of the registration certificate, not older than one year, or equivalent authorization documents, listing the authorized signatories. Powers of attorney in original, registration certificates and other authorization documents should be sent to Dustin at the above-mentioned postal address, well in advance of the meeting. A template proxy form is available at Dustin's website, <https://www.dustingroup.com/en/general-meetings>.

Postal voting

The Board has resolved, based on Article 10 of Dustin's Articles of Association, that the shareholders may exercise their voting rights at the Annual General Meeting through postal voting.

A special form shall be used for postal voting. The form is available on the Company's website, <https://www.dustingroup.com/en/general-meetings>. The completed and signed postal voting form can be submitted either by email to GeneralMeetingService@euroclear.com, or by post to Dustin Group AB, "AGM", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden. Shareholders who are natural persons may also cast their postal votes digitally through verification with BankID as per instructions available on <https://anmalan.vpc.se/euroclearproxy>.

Postal voting forms and digital postal votes must be received by Dustin no later than 9 December 2021. A correctly completed postal voting form is considered as notification of participation in the Annual General Meeting.

The shareholders may not provide special instructions or conditions to the postal vote. If so, the entire postal vote is invalid. Further instructions and conditions can be found in the postal voting form.

Dividend

The Board proposes a total dividend of SEK 250 million for 2020/21, corresponding to a dividend of SEK 2.21 per share. The proposed dividend represents approximately 70 per cent of the net profit for the year. Friday, 17 December 2021 is proposed as the record date for the dividend. The estimated payment date for the dividend is Wednesday, 22 December 2021.

GRI-index

GRI Standard	Description/disclosures	Page	Outstanding information
GRI 102: General information			
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102-4	Location of operations	56	
102-5	Ownership and legal form	56	
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102-14	Statement from senior decision-maker	7	
Ethics and integrity			
102-16	Values, principles, standards, and norms of behaviour	24, 73–74	
Governance			
102-18	Governance structure	68–74	
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102-40	List of stakeholder groups	109	
102-41	Collective bargaining agreements	110	
102-42	Identifying and selecting stakeholders	107	
102-43	Approach to stakeholder engagement	109	
102-44	Key topics and concerns raised	107, 109	
Reporting practice			
102-45	Entities included in the consolidated financial statements	105	
102-46	Defining report content and topic Boundaries	107	
102-47	List of material topics	107	
102-48	Restatements of information	119	In 2020/21, no key information has changed compared with the information in the preceding Corporate Responsibility Report.
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GRI Standard	Description/disclosures	Page	Outstanding information
Cont'd. Reporting practice			
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GRI 205: Anti-corruption			
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301-3	Reclaimed products and their packaging materials	45	Focus on the number as it is key for Dustin's 2030 target
GRI 302: Energy			
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103-1/2/3	Management Approach 305	40–43	
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305-2	Energy indirect (Scope 2) GHG emissions	40–43	
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GRI 308: Supplier environmental assessment			
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308-1	New suppliers that were screened using environmental criteria	52–53	
GRI 401: Employment			
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401-1	New employee hires and employee turnover	110	
GRI 405: Diversity and equal opportunity			
103-1/2/3	Management Approach 405	50–51, 54, 110	
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414-1	New suppliers that were screened using social criteria	53	

Multi-year overview

All amounts in SEK million, unless otherwise indicated	Full-year 20/21	Full-year 19/20	Full-year 18/19	Full-year 17/18	Full-year 16/17
Income statement					
Organic sales growth (%)	9.6	2.3	9.9	2.0	8.6
Gross margin (%)	15.6	15.5	16.7	15.9	14.8
EBIT	576.2	387.2	489.1	443.8	349.5
Adjusted EBITDA (excl. IFRS 16)	795.7	554.2	601.1	521.2	438.4
Adjusted EBITDA (incl. IFRS 16)	970.8	715.0	-	-	-
Adjusted EBITA	758.6	517.3	559.7	500.6	426.1
Adjusted EBITA margin (%)	4.8	3.9	4.5	4.9	4.6
Return on equity (%)*	7.6	11.3	14.5	18.5	16.1
Balance sheet					
Net working capital	-256.4	-421.8	-67.6	-192.0	118.1
Capital employed	654.5	338.0	196.6	48.5	269.1
Net debt	4,211.1	1,940.4	1,736.4	1,730.6	998.3
Net debt/adjusted EBITDA (excl. IFRS 16)**	4.6	2.6	2.9	3.3	2.3
Net debt/adjusted EBITDA (incl. IFRS 16)**	4.3	2.7	-	-	-
Maintenance investments	-85.0	-111.3	-79.5	-52.1	-27.3
Equity/assets ratio (%)	32.7	31.6	33.8	26.7	35.6
Cash flow					
Operating cash flow	340.7	904.1	395.5	854.8	301.2
Cash flow from operating activities	168.6	867.7	264.0	747.9	213.6
Data per share					
Earnings per share, including discontinued operations before dilution (SEK)***	3.82	3.04	4.00	3.79	2.99
Earnings per share, including discontinued operations after dilution (SEK)***	3.82	3.04	3.99	3.78	2.98
Equity per share before dilution (SEK)	41.38	27.70	27.75	21.32	19.50
Cash flow from operating activities per share before dilution (SEK)***	1.80	9.50	2.96	9.30	2.67
Cash flow from operating activities per share after dilution (SEK)***	1.80	9.50	2.95	9.26	2.66
Average number of shares***	90,742,103	88,647,339	86,766,793	78,449,771	77,890,381
Average number of shares after dilution***	93,455,077	91,306,759	89,360,972	80,792,141	80,221,278
Number of shares issued at end of period	113,023,003	88,647,339	88,647,339	77,226,502	76,173,115
Dividend per share	2.21	2.20	3.00	2.71	2.80

* Reduction attributable to new share issue conducted in August 2021.

** Net debt/EBITDA was calculated for the most recent 12-month period, with an earnings effect of only three months for Centralpoint. When calculating the 12-month earnings effect for Centralpoint the key ratio amounts to 3.4 excluding the effects of IFRS 16 and including the effects to 3.3.

*** Key ratios have been restated in comparative periods to take into account the terms and conditions of the new share issue carried out in August 2021.

Source of alternative performance measures

All amounts in SEK million, unless otherwise indicated	Full-year 20/21	Full-year 19/20	Full-year 18/19	Full-year 17/18	Full-year 16/17	Full-year 15/16
Organic growth						
Sales growth (%)	20.3	5.3	21.7	10.7	12.1	4.6
Acquired growth (%)	-12.9	-3.4	-9.9	-7.3	-1.7	-1.2
Currency effects in sales growth (%)	2.1	0.5	-1.9	-1.4	-1.8	1.0
Organic sales growth (%)	9.6	2.3	9.9	2.0	8.6	4.4
Earnings before financial items including EBIT from discontinued operations						
EBIT from continuing operations	576.2	387.2	489.1	443.8	349.5	323.5
EBIT from discontinued operations	-	-	-	-	0.0	0.4
Total	576.2	387.2	489.1	443.8	349.5	323.9
Adjusted EBITA						
EBIT	576.2	387.2	489.1	443.8	349.5	323.9
Amortisation and impairment of intangible assets	108.9	99.1	74.1	57.8	69.3	60.6
Items affecting comparability	73.4	31.0	-3.5	-1.0	7.3	5.0
Adjusted EBITA	758.6	517.3	559.7	500.6	426.1	389.6
Adjusted EBITDA (excl. IFRS 16)						
EBIT (excl. IFRS 16)	565.5	381.0	489.1	443.8	349.5	323.9
Depreciation and impairment of tangible assets (excl. IFRS 16)	47.8	43.1	41.5	20.5	12.3	10.6
Amortisation and impairment of intangible assets	108.9	99.1	74.1	57.8	69.3	60.6
Items affecting comparability	73.4	31.0	-3.5	-1.0	7.3	5.0
Adjusted EBITDA (excl. IFRS 16)	795.7	554.2	601.1	521.2	438.4	400.2
Adjusted EBITDA (incl. IFRS 16)						
EBIT including discontinued operations	576.2	387.2	489.1	443.8	349.5	323.9
Depreciation and impairment of tangible assets	212.2	197.7	41.5	20.5	12.3	10.6
Amortisation and impairment of intangible assets	108.9	99.1	74.1	57.8	69.3	60.6
Items affecting comparability	73.4	31.00	-3.5	-1.0	7.3	5.0
Adjusted EBITDA (incl. IFRS 16)	970.8	715.0	601.1	521.2	438.4	400.2

Definitions

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

Net working capital	Total current assets less cash and cash equivalents, current financial lease assets and current non-interest-bearing liabilities, at the end of the period.	This performance measure shows Dustin's efficiency and capital tied up.
Net debt	Non-current and current interest-bearing liabilities, excluding acquisition-related liabilities, less cash and cash equivalents at the end of the period.	This performance measure shows Dustin's total liabilities adjusted for cash and cash equivalents.
Net debt/EBITDA (net debt ratio)	Net debt in relation to adjusted EBITDA.	This performance measure shows the Company's ability to pay its debt.
Net debt, excl. IFRS 16	Non-current and current interest-bearing liabilities, excluding acquisition-related liabilities and lease liabilities, less cash and cash equivalents at the end of the period.	This performance measure shows Dustin's total interest-bearing liabilities excluding lease liabilities, less cash and cash equivalents.
Organic growth	Growth in net sales for the relevant period adjusted for acquired and divested growth, customer transfers between segments, and currency effects.	Provides a measure of the growth achieved by Dustin in its own right.
Sales growth	Net sales for the relevant period in relation to net sales for the comparative period.	Used to show the development of net sales.
Operating cash flow	Adjusted EBITDA less maintenance investments plus cash flow from changes in working capital.	Used to show the amount of cash flow generated from operating activities and available for payments in connection with dividends, interest and tax.
Pro forma	Financial information included in pro forma is obtained from the acquired company's accounting system for the relevant period. Translation to SEK uses an average exchange rate. Accounting policies applied are aligned with IFRS.	To assist in comparisons of financial information after an acquisition with material impact.
EBIT	EBIT is a measurement of the company's earnings before income tax and financial items.	This measure shows Dustin's profitability from operations.
Equity/assets ratio	Equity at the end of the period in relation to total assets at the end of the period.	Dustin believes that this measure provides an accurate view of the company's long-term solvency.
Segment results	The segment's operating profit excluding amortisation/depreciation and items affecting comparability.	Dustin believes that this performance measure shows the earnings capacity of the segment.
Capital employed	Working capital plus total assets, excluding goodwill and other intangible assets attributable to acquisitions, and interest-bearing receivables pertaining to financial leases, at the end of the period.	Capital employed measures utilisation of capital and efficiency.
Maintenance investments	Investments required to maintain current operations excluding financial leases.	Used to calculate operating cash flow.
Currency effects	The difference between net sales in SEK for the comparative period and net sales in local currencies for the comparative period converted to SEK using the average exchange rate for the relevant period.	Currency effects are eliminated in the calculation of organic growth.

Glossary

Word/Term	Definition/Calculation
B2B	Pertains to sales to companies and organisations, divided into LCP and SMB according to the definition below.
B2C	Pertains to all sales to consumers.
Central functions	Cost for central functions comprise all non-allocated central expenses, including amortisation and depreciation, and excluding items affecting comparability.
EMEA	Refers to Europe, Middle East and Africa
Integration costs	Integration costs comprise costs for integrating acquired companies into the Dustin platform. The Dustin platform is defined as Dustin's IT platform for e-commerce and its organisation.
Clients	Umbrella term for the product categories computers, mobile phones and tablets.
Contractual recurring revenues	Recurring revenues, such as subscriptions, that are likely to have a duration of several years.
LCP	Pertains to all sales to large corporate and public sector. As a general rule, this segment is defined as companies and organisations with more than 500 employees or public sector operations.
LTI	Long-term incentive programme that encompasses Group Management and other key individuals at Dustin.
SaaS	Software as a service (SaaS) is a type of cloud service that provides software over the Internet.
SMB	Pertains to all sales to small and medium-sized businesses.

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Financial calendar

December 15, 2021
2020/21 Annual General Meeting

January 12, 2022
Interim report for the first quarter,
September 1, 2021–November 30, 2022

April 12, 2022
Interim report for the second quarter,
December 1, 2021–February 28, 2022

July 5, 2022
Interim report for the third quarter,
March 1, 2022–May 31, 2022

October 11, 2022
Year-end report,
September 1, 2022[1]–August 31, 2022

November 17, 2022
2021/22 Annual Report

December 15, 2022
2021/22 Annual General Meeting

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