

DistIT initiates a written procedure regarding amendment of the terms and conditions for the Company's bonds

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DistIT AB reg. no 556116-4384 ("DistIT" or "Company"), through Nordic Trustee & Agency AB (publ) ("Agent"), initiates a written procedure ("Written Procedure") to resolve on certain amendments of the Company's senior Unsecured Callable Floating Rate Bonds of up to MSEK 800 due 2025, listed on Nasdaq Stockholm with ISIN SE0015949359 ("Bonds"). The Company has utilized MSEK 300 within the total framework of MSEK 800 of the Bonds. Furthermore, the Company publishes a financial forecast for 2024 and announces that the previously announced financial targets for 2025 cease to apply.

Financial forecast for 2024 and withdrawn financial targets for 2025

Negotiations have taken place with holders of the Bonds in order to ensure access to working capital for the Company going forward, as well as to secure short term liquidity for the Company and to find a solution for the Company's financing.

During ongoing negotiations, the Company has deemed it necessary to communicate company-specific information to the parties that has not previously been communicated to the market and the Company has provided the parties with an unaudited financial forecast for 2024 which indicates the Company's estimated sales volumes, cash flow and EBITDA.

The forecast has been based on the following assumptions.

With continued challenging macroeconomic market conditions, the Company expects that the market as a whole for the full year 2024 will be on the same level as in 2023.

- **Aurdel:** The demand is anticipated to be at 2023 level. Cost saving programs launched are expected to be completed, resulting in improved profitability.
- **Septon:** At a cautious market, the Company expects a continued profitable business with a slight improvement in the second half of the year.
- **EFUEL:** The Company expects that several chargers will be added to the range of products and expect that the relaunch of two Easee-chargers, together with the organizational adjustments carried out during 2023, will bring the business back to profitability at a lower turnover level.
- **Sominis:** The Company expects that the business will continue at the current level.

In light of the above factors taking into account the market conditions and the Company's

ongoing initiatives, mainly the Written Procedure as described below, DistIT expects that the sales for 2024 will amount to between MSEK 2,300 and MSEK 2,500. Further, the Company expects that adjusted EBITDA of 2024 will amount to between MSEK 40 and MSEK 80.

During 2024 the Company expects a strengthened operational cash flow generation, which in combination with a reduction of existing inventory is estimated to significantly reduce the Company's net debt until the Bonds are to be refinanced.

In view of the high level of uncertainty in the market in general, the sales ban of Easee's current charging boxes as well as the uncertainty regarding the date of the relaunch of Easee's new announced charging boxes, the board of directors of the Company has decided to withdraw the financial targets for 2025 which have previously been communicated. The ambition will be to regain the market share which the Company had before the sales ban by the National Electrical Safety Board of Easee's charging boxes. The board of directors intends to return with new financial targets when Easee's new generation of charging boxes have been launched and when the market potential can be better assessed.

Written Procedure

As part of reaching the figures indicated in the forecast above, and to further strengthen the Company's financial position ahead of future periods, the Company has decided to initiate the Written Procedure. The Written Procedure concerns resolutions on, inter alia:

- that the Company, during the remaining maturity of the Bonds, does not have to comply with the continuous requirements to maintain certain financial key ratios (so called "Maintenance Tests") as set out in the terms and conditions of the Bonds and that the Company will no longer have the opportunity to raise financial indebtedness and make value transfers to its owners in the event of fulfilment of certain financial key ratios (so called "Incurrence Tests"),
- that the right the holders of the Bond have to request a mandatory partial redemption of up to twenty per cent of the Nominal Amount on the interest payment date occurring on 19 February 2024 is eliminated,
- that a partial, and for the Company voluntary, redemption on all interest payment dates falling prior to the final redemption date (subject to a minimum redemption amount in each case of 10 per cent of the nominal amount of the Bonds) will be possible,
- that certain net cash amounts accrued to the Company in the event of a sale of subsidiaries or businesses are to be used to repayment and/or repurchase of the Bonds,
- that the Company no longer may issue additional Bonds within the credit frame applicable to the same, and
- that certain other amendments shall be made to the terms and conditions of the Bonds, such as that the Company may not pay dividends or make any other value transfers to the shareholders before the final redemption date and that the amount per Bond to be redeemed at the final redemption date shall be 105 per cent of the nominal amount per Bond.

Only bondholders who are registered as holders of a one or several Bonds in the debt register kept by Euroclear Sweden AB at the record date 30 November 2023 are eligible to vote in the Written Procedure.

For a complete description of the proposed resolutions, please refer to the notice to the Written Procedure which is available at the website of DistIT AB.

In order for the changes to the terms and conditions to be approved by the Written Procedure a quorum of at least twenty per cent of the adjusted nominal amount must be achieved and a majority of at least 66 2/3 per cent of the adjusted nominal amount for which the bondholders reply in the Written Procedure must consent to the amendments of the terms and conditions. The result of the Written Procedure will be published on or about 13 December 2023, which is the last day of voting in the Written Procedure. A majority of holders of the Bonds have undertaken to vote in favor of the proposed resolutions by binding undertakings.

The notice to the Written Procedure, containing complete proposals and voting instructions, will be available at DistIT AB's website (www.distit.se) and will be sent out today to direct registered owners (Sw. *direktregistrerad ägare*) and registered authorized nominees (Sw. *förvaltare*) of the Bonds which as per 23 November 2023 were registered in the debt register kept by Euroclear Sweden AB. Any individual or company whose Bonds are held by a nominee must contact the nominee in order to participate in the Written Procedure.

For questions regarding the administration of the Written Procedure, please contact the Agent at voting.sweden@nordictrustee.com or +46 8 783 79 00.

ABG Sundal Collier AB acts as Financial Advisor in connection with the Written Procedure.

Forward-looking statements

This press release contains forward-looking statements that reflect DistIT AB's current view of future events as well as financial and operational development.

Words such as "intend", "assess", "expect", "may", "plan", "estimate" and other expressions involving indications or predictions regarding future development or trends, not based on historical facts, identify forward-looking statements and reflect DistIT AB's beliefs and expectations and involve a number of risks, uncertainties and assumptions which could cause actual events and performance to differ materially from any expected future events or performance expressed or implied by the forward-looking statement. The information contained in this press release is subject to change without notice and, except as required by applicable law, DistIT AB does not assume any responsibility or obligation to update publicly or review any of the forward-looking statements contained in it and nor does it intend to. You should not place undue reliance on forward-looking statements, which speak only as of the date of this press release. As a result of these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements as a prediction of actual future events or otherwise.

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About DistIT AB

DistIT acquires, owns and develops niche distributors of IT, mobility, consumer electronics, networking and data communications products in Europe. Companies within the DistIT Group deliver B2B as well as B2C products to the IT markets in Europe. The DistIT stock is listed on the Nasdaq First North Premier Growth Market exchange and DistIT's Certified Adviser is Erik Penser Bank AB.

This information is information that DistIT is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2023-11-24 08:00 CET.

Attachments

[DistIT initiates a written procedure regarding amendment of the terms and conditions for the Company's bonds](#)