

# INTERIM REPORT JANUARY – JUNE 2021

## APRIL – JUNE 2021

- ▶ Net sales increased by 30.3 % to SEK 1,488 million (1,142)
- ▶ Operating profit amounted to SEK 38 million (34)
- ▶ Profit after financial items amounted to SEK 16 million (7)
- ▶ Profit after tax amounted to SEK 9 million (4)
- ▶ Earnings per share amounted to SEK 0.03 (0.04)
- ▶ Cash flow from operating activities amounted to SEK -158 million (257)

In 2021, non-recurring items impacted the profit after financial items by SEK -43 million (-30).

- ▶ EBITDA excluding non-recurring items amounted to SEK 144 million (128)
- ▶ Net debt amounted to SEK 1,034 million (2,149)
- ▶ Net debt excl. lease liability decreased to SEK 415 million (1,453)

## JANUARY – JUNE 2021

- ▶ Net sales increased by 17.7 % to SEK 3,011 million (2,558)
- ▶ Operating profit amounted to SEK 140 million (75)
- ▶ Profit after financial items amounted to SEK 85 million (34)
- ▶ Profit after tax amounted to SEK 59 million (22)
- ▶ Earnings per share amounted to SEK 0.34 (0.23)
- ▶ Cash flow from operating activities amounted to SEK -56 million (383)

In 2021, non-recurring items impacted the profit after financial items by SEK -57 million (-42).

- ▶ EBITDA excluding non-recurring items amounted to SEK 323 million (249)

"Compared to last year 2021 we have had a good start and during the second quarter the currency adjusted growth was 34% with 13% coming from the acquisition of Cefla Retail Solutions. The customer sector Grocery is leading the growth with 24% for the first half year."

**Andreas Elgaard**  
CEO & President

[Read more on pg. 2](#)

## IMPORTANT EVENTS JANUARY – JUNE 2021

- ▶ ITAB's recapitalisation completed
  - The rights issue has contributed SEK 768 million before equity issue costs
  - The offset issue has contributed SEK 100 million to equity
  - All A shares have been reclassified to B shares
- ▶ Acquisition of 81% of Cefla's business unit for retail solutions completed.

## THE GROUP IN SUMMARY

For definitions, see p. 13

	SECOND QUARTER		Δ	JAN-JUN		Δ	FULL YEAR		Δ
	2021	2020		2021	2020		JUL-JUN ROLLING 12 MONTHS	JAN-DEC 2020	
Net Sales, SEK millions	1,488	1,142	30%	3,011	2,558	18%	5,776	5,323	2%
EBITDA excl. non-recurring items, SEK millions	144	128	13%	323	249	30%	652	578	10%
EBITDA-margin, %	9.7	11.5		10.7	9.9		11.3	11.0	
Profit after net financial items excl. non-recurring items	59	37	59%	142	76	87%	274	208	21%
Profit margin, %	4.0	3.2		4.7	3.0		4.7	3.9	
Profit after tax, SEK millions	9	4	125%	59	22	168%	15	-22	e/t
Earnings per share, SEK <sup>1)</sup>	0.03	0.04	e/t	0.34	0.23	e/t	0.09	-0.21	e/t
Cash flow from operating activities, SEK millions	-158	257	e/t	-56	383	e/t	372	811	-3%
Interest-bearing net debt, SEK millions	1,034	2,143	-1,115	1,034	2,149	-1,115	1,034	1,748	-714
Interest-bearing net debt excluding lease liability, SEK millions	415	1,453	-1,038	415	1,453	-1,038	415	1,092	-870

<sup>1)</sup> In connection with ITAB's recapitalisation, the number of shares has increased from 102,383,430 to 218,100,192 shares.

# STRONG GROWTH IN THE FACE OF DIFFICULT SUPPLY SITUATION



Compared to last year 2021 have had a good start and during the second quarter the currency adjusted growth was 34% with 13% coming from the acquisition of Cefla Retail Solutions. The customer sector Grocery is leading the growth with 24% for the first half year. The recovery that began in the second half of 2020 in Northern Europe and Central Europe has also gained momentum in Southern Europe during the first half of the year. Most of the Group's sales increase took place in Southern Europe, both through strong organic growth and through the acquisition of Cefla Retail Solutions. The solution areas Retail Interiors and Retail Technology is leading the growth and as example so far this year we have grown more than 25% within Retail Technology compared to growth of 10% the first half year in 2020. See page 17 for a description of our solution areas.

## IMPROVED RESULT DESPITE SEVERE SUPPLY DISRUPTION

The Groups positive trend of improved underlying profitability continues in the face of temporary effects relating to the global supply disruption that affects also ITAB. The current effect is caused by efficiency loss due to lack of critical material and components that affects production, logistics and installation. Profitability is also affected by difficulty to adjust for resulting rapid and sharply increased sourcing costs. We are convinced that once the global supply and sourcing situation is more balanced it will become more evident how the underlying profitability continue to improve. Our turnover could have been higher for the quarter if the access to material and components had been normal. Overall, customers are more optimistic and ready to invest at the same levels as before the pandemic, only with concerns about price increases. It is clear that consumers want to return to stores and experience

social shopping experiences that stimulate all senses, something that only physical trade can offer. EBITDA adjusted for non-recurring costs amounted to SEK 144 million for the quarter compared to SEK 128 million last year and for the first six months with SEK 323 million compared to SEK 249 million previous year.

The underlying improvement of profits is mainly relating to cost savings from the ongoing transformation of the business whereas currency effects are influencing negatively. The right issue concluded in March is significantly reducing our finance cost compared to last year's level.

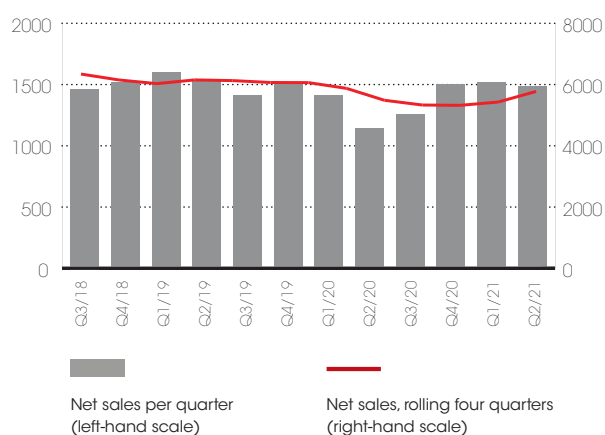
## NEXT STEP IN THE TRANSFORMATION LEADING TO FURTHER EXPANSION

The transformation activities we have communicated are being executed according to plan. Worth mentioning is the transfer of production and investments in common ways of working and shared information aimed at increasing efficiency in how we approach the market and in operations. The repositioning into a solution provider, that is the aim with the ongoing One ITAB execution, will set the foundation for further growth with improved underlying profitability. We will grow faster both organically and through acquisitions once the implementation is completed. Our new website, launched in June, supports our transformation and now gives each visitor a clear picture of what ITAB together with customers and partners can offer.

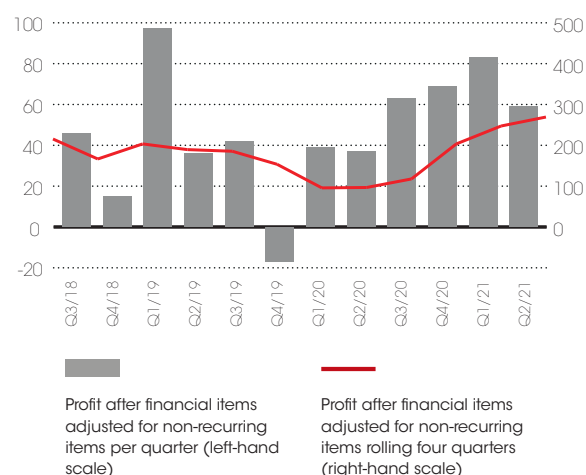
A more clear ambition will be formed in quarter three relating to the future expansion with connected financial targets for growth and profitability with the activities required to create preconditions to achieve our goals. We will clarify our leading position within Retail technology and further develop an enhanced communication of our digital capabilities.

**Andrés Elgaard**  
CEO & President  
ITAB Shop Concept AB

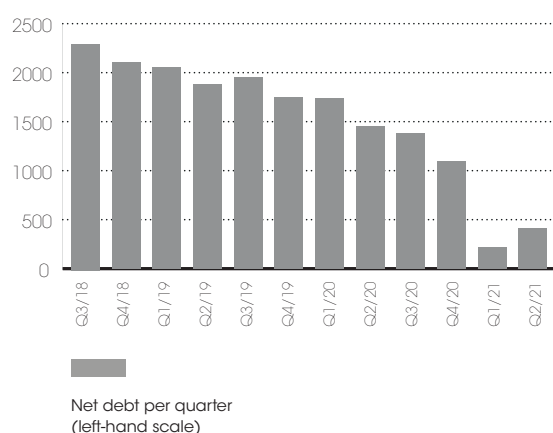
### ▶ NET SALES (SEK millions)



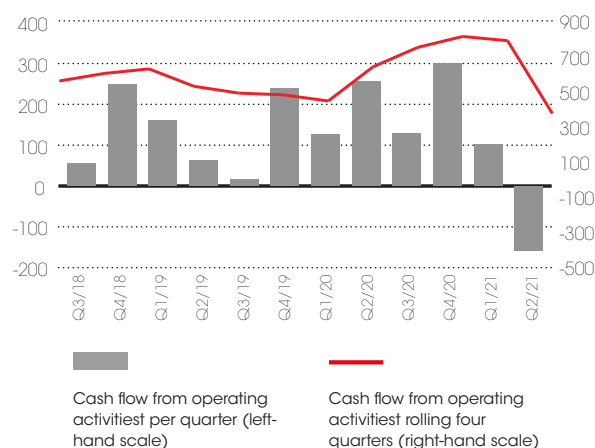
### ▶ PROFIT AFTER FINANCIAL ITEMS (SEK millions) (adjusted for non-recurring items)



### ▶ NET DEBT (SEK millions) (excl. leasing)



### ▶ CASH FLOW FROM OPERATING ACTIVITIES (SEK million) (2018 adjusted for the introduction of IFRS-16)



### ▶ ITAB GROUP IN FIGURES

	3 MONTHS APR–JUN 2021	3 MONTHS APR–JUN 2020	6 MONTHS JAN–JUN 2021	6 MONTHS JAN–JUN 2020	ROLLING 12 MONTHS JUL–JUN 2020/2021	FULL YEAR JAN–DEC 2020
<b>Non-recurring items, SEK millions</b>						
Structuring costs <sup>1)</sup>	-43	-30	-57	-42	-171	-156
Inventory write-down of a non-recurring nature	-	-	-	-	-52	-52
<b>Total non-recurring</b>	<b>-43</b>	<b>-30</b>	<b>-57</b>	<b>-42</b>	<b>-223</b>	<b>-208</b>
<b>Impact of non-recurring items in the income statement, SEK millions</b>						
EBITDA	-43	-27	-57	-39	-220	-202
Operating profit	-43	-27	-57	-39	-223	-205
Profit after net financial items	-43	-30	-57	-42	-223	-208

<sup>1)</sup> Structuring costs mainly consists of expenses relating to the new strategy transformation known as One ITAB.

## JANUARY–MARCH

### Net sales

#### Second quarter

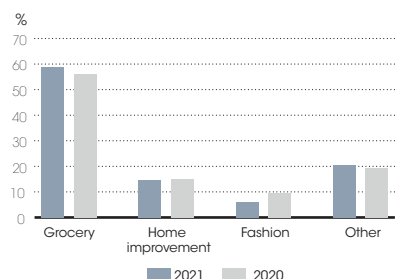
The Group's net sales increased by 30 percent to SEK 1,488 million (1,142). Currency-adjusted sales increased by 34 percent, with organic growth being 21 percent and the acquisition of Cefla Retail Solutions contributing 13 percent. The recovery from the pandemic, which began at the end of 2020, continued during the second quarter in all of the Group's geographical areas. Most of the Group's sales increase compared with the previous year took place in Southern Europe, both through strong organic growth and through the acquisition of Cefla Retail Solutions. Central Europe also developed strongly during the quarter. Sales to the largest customer group Grocery trade contributed most to the Group's increase during the second quarter.

#### The interim period

The Group's net sales increased by 18 percent to SEK 3,011 million (2,558). Currency-adjusted sales increased by 23 percent, with the acquisition of Cefla Retail Solutions contributing 12 percent and organic growth being 11 percent. The recovery that began in the second half of 2020 in Northern Europe and Central Europe has also gained momentum in Southern Europe during the first half of the year. Most of the Group's sales increase took place in Southern Europe, both through strong organic growth and through the acquisition of Cefla Retail Solutions. COVID-19 affected sales mainly in the first quarter, during the latter part of the half year, our customers' faith in the future and willingness to invest began to return, but we also had a shortage of raw materials and components that affected our deliveries and sales negatively to some extent.

Sales per customer group and by geographical area are shown in Note 3.

### Share of the Group's sales



### Result

#### Second quarter

Operating profit increased to SEK 38 million (34). Profit after financial items increased to SEK 16 million (7). Non-recurring items that affected earnings after financial items amounted to SEK -43 million (-30). Operating profit excluding non-recurring items amounted to SEK 81 million (61) and profit after financial items excluding non-recurring items amounted to SEK 59 million (37). EBITDA excluding non-recurring items amounted to SEK 144 million (128). The result was positively affected by the increased sales, where the acquired unit Cefla Retail Solutions made a positive contribution according to plan. During the quarter, raw material prices rose sharply at the same time as the shortage of both raw materials and components increased, which caused some inefficiency in production. Overall, the quarter's gross margin was negatively affected by this situation. Price increases towards end customers are implemented at the same time and we assess that the negative impact on the gross margin is temporary until the situation stabilizes. The result has also been negatively affected by currency effects. The financial

costs are lower than last year, which is a consequence of the lower indebtedness. As in the previous year, non-recurring items consist of restructuring costs attributable to the transformation work with the new strategy One ITAB.

#### The interim period

Operating profit increased to SEK 140 million (75). Profit after financial items increased to SEK 85 million (34). Non-recurring items that affected earnings after financial items amounted to SEK -57 million (-42). Operating profit excluding non-recurring items amounted to SEK 197 million (114) and profit after financial items excluding non-recurring items amounted to SEK 142 million (76). EBITDA excluding non-recurring items amounted to SEK 323 million (249). The result has been positively affected by the increased sales where the acquired Cefla Retail Solutions unit also made a positive contribution according to plan. Adjustments of previously loss-making units have also had a positive effect on earnings. Negatives have been the sharp rise in raw material prices and the lack of components that have strongly affected all markets. The result has also been negatively affected by currency effects and a deteriorating net financial items related to the first quarter. The financial costs have been affected mainly by changed loan terms but also by the liquidation of interest interest swaps, which has burdened net financial items by approximately SEK 5 million. The lower indebtedness, partly due to the recapitalisation, will mean an improved financial net in the future and we can see a trend break in the second quarter where the financial costs are lower than last year. As in the previous year, the non-recurring items consist of restructuring costs attributable to the transformation work with the new strategy One ITAB.

The guidance on the Group's estimated EBITDA level and total restructuring costs that was notified on 10 July 2020 still applies. The guidance indicates an underlying EBITDA improvement of SEK 270 - 330 million at an annual rate compared with the full year 2019 when the One ITAB transformation is fully implemented, which is expected to be in the middle of 2022. EBITDA before non-recurring costs amounted to SEK 578 million in 2020 and SEK 516 million in 2019. The total restructuring costs for One ITAB are estimated at between SEK 275 and 325 million during the financial years 2020 - 2022. To date, these restructuring costs amount to SEK 213 million.

### Cashflow, Financing and liquidity

Cash flow from operating activities for the second quarter amounted to SEK -158 M (257) and for the interim period January to June to SEK -56 M (383). Cash flow is affected by higher working capital, mainly due to the build-up of the the structure of Cefla Retail Solutions operations in the newly formed subsidiary, and the increased sales in Southern Europe, where customers have longer credit periods than in the rest of Europe. The increase in inventory value mainly refers to the raw material inventory, where disruptions in raw material supply and component shortages in combination with high order intake and longer lead times have meant increased inventory levels. The sharp rise in raw material prices has also led to an increase in inventory value together with a short-term need for slightly higher inventory levels during the process of moving production operations as part of the work with One ITAB. Net debt excluding lease liabilities decreased to SEK 415 million (1,453). Net debt including leasing debt amounted to SEK 1,034 million (2,149). The reduction in net debt is mainly due to the past year's positive cash flow and to the new share issue completed during the first quarter.

In December 2020, ITAB announced the intention to carry out a recapitalisation, including a rights issue of SEK 768 million and a set-off issue of SEK 100 million to strengthen the balance sheet, contribute to greater

financial flexibility and finance the transformation plan One ITAB. The Board of Directors decided on 9 February 2021 on the implementation of the set-off issue and the rights issue with the support of the issue authorisation decided on at the Extraordinary General Meeting on 15 January 2021. In December it was also announced that the current principal owners would sell the majority of their rights in the rights issue to enable the entry of the new strategic main owner WQZ Investments Group Ltd. In January 2021, a supplementary agreement was entered into whereby all WQZ Investments Group Ltd's rights and obligations related to ITAB's recapitalisation were taken over by the investment company Aeternum Capital A/S, which is a company related to WQZ Investments Group Ltd.

On March 12, 2021, ITAB announced that the recapitalisation has been fully completed and that the rights issue of SEK 768 million was fully subscribed. Furthermore, ITAB's set-off issue of SEK 100 million was fully subscribed and all A shares were reclassified to the corresponding number of B shares. Following the recapitalisation, ITAB has 218,100,192 shares outstanding. Aeternum Capital A/S is ITAB's new principal owner with a holding of almost 25 percent of the shares.

The Group's cash and cash equivalents, including granted unutilized credits, amounted to SEK 957 million (736) on the balance sheet date. The equity/assets ratio was 45 percent (34) and the share of risk-bearing capital was 46 percent (35). During the second quarter, an extra repayment of bank loans of approximately EUR 30 million was made.

### Investments

#### Second quarter

The Group's net investments amounted to SEK 37 million (7), of which SEK 19 million (0) is attributable to corporate transactions during the period. For more information on corporate transactions, see Note 2 on page 10.

#### The interim period

The Group's net investments amounted to SEK 72 million (27), of which SEK 42 million (0) is attributable to corporate transactions during the period. For more information on corporate transactions, see Note 2 on page 10.

### Employees

The average number of employees for the second quarter was 2,936 (3,075) and for the interim period 2,944 (3,121).

### Parent company

The parent company ITAB Shop Concept AB's operations mainly consist of Group-wide functions. The parent company's net sales for the second quarter amounted to SEK 46 million (59) and for the interim period to SEK 92 million (72) and refer to income from subsidiaries. Profit after financial items for the second quarter amounted to SEK 62 million (133) and for the interim period to SEK 21 million (56) and includes dividends from subsidiaries of SEK 46 million (11) in the quarter and SEK 46 million (12) in the half year as well as write-downs of shares and receivables, on subsidiaries of SEK -8 million (-1) both in the quarter and in the first half of the year in connection with the restructuring that is being carried out.

### Acquisition

ITAB Shop Concept AB's Italian subsidiary La Fortezza s.p.a. entered into an agreement with Cefla soc on 8 October 2020 coop. to acquire 81 percent of Cefla's business unit for retail solutions. In January 2021, the transaction was completed and the business unit was carved-out from Cefla's existing structure and transferred to a newly established Italian limited

► liability company where ITAB owns 81 percent. The acquisition of Cefla is consolidated from 1 January 2021. ITAB has the right to acquire Cefla's minority stake in the said company after three years from the completion of the transaction. Cefla is an Italian group headquartered in Imola and consists of several business units. Cefla's business unit for retail solutions mainly offers interior design and checkout solutions to its customers, mainly in Grocery in southern Europe. Cefla has made a strategic decision to cease its operations in retail solutions in order to focus on its core business. Through the acquisition and collaboration with Cefla, ITAB strengthens its market position in southern Europe and creates opportunities to offer ITAB's solutions to a wider customer base. The positive EBITDA effect for ITAB 2021 is estimated at at least SEK 30 million and the transaction will create opportunities for further synergy effects in the coming years.

In April 2021, a subsidiary acquired a remaining 15% of the partly owned company La Fortezza Sudamericana S.A. (Argentina). The purchase price amounted to EUR 2 million. Cash flow during the second quarter of 2021 was affected by SEK 19 million.

#### OTHER INFORMATION

##### Risks and uncertainties

The Group's significant risk and uncertainty factors include business risks, financial risks and sustainability risks. A more detailed account of the Group's significant financial risks can be found in the Annual Report for 2020 in Note 4 on page 67. ITAB's business risks are associated with its own operations, customers, suppliers and other external factors. A summary of some of the significant business risks can be found in the Annual Report for 2020 on page 47. Sustainability risks are described in the Annual Report for 2020 on page 17. In addition, the outcome of ongoing strategy work may affect future valuation of specific balance sheet items. Like other global companies, ITAB is affected by pandemics and the Group is affected by COVID-19. The risks that are most prominent in a shorter perspective are the pandemic's impact on customers and suppliers, as well as price and currency risks.

##### Estimates and judgements

The preparation of the interim report requires management to make assessments and estimates as well as assumptions that affect the application of the accounting principles and the reported amounts of assets, liabilities, income and expenses. The actual outcome may deviate from these estimates and judgments. The ongoing pandemic and restructuring in connection with One ITAB affect assessments of impairment of assets as well as estimates of lease liabilities and right of use when determining the lease term. Other critical assessments and sources of uncertainty in estimates when preparing this interim report are the same as in the most recent Annual Report.

##### Related party transactions

During the third quarter, ITAB entered into short-term shareholder loans amounting to SEK 140 million with related companies to three of the Board members, also principal shareholders. The shareholder loans, with the aim of securing liquidity in connection with the repayment of convertible loans to employees, were approved at the Extraordinary General Meeting on July 22, 2020. The net proceeds of the Rights Issue, SEK 40 million, was used to re-pay part of the shareholder loans mentioned above. The remainder amounting to SEK 100 million will, according to a decision at the Extraordinary General Meeting on January 15, 2021, be set-off against B shares at a conversion price corresponding to the the subscription price in the rights issue. There have been no other transactions, in addition to this, between ITAB and related parties that have significantly affected the company's position and results.

We, the undersigned, declare that the half-yearly report for the period 1 January 2021 - 30 June 2021 provides a fair and true view of the Parent company's and Group's business activities, position and financial results and describes significant risks and uncertainties that the companies within the Group face.

Jönköping 12 July 2021

Anders Moberg  
Chairman of the Board

Anna Benjamin  
Board member

Jan Frykhammar  
Board member

Petter Fägersten  
Board member

Fredrik Rapp  
Board member

Eva Karlsson  
Board member

Roberto Monti  
Board member

Ruthger de Vries  
Board member

Vegard Søråunet  
Board member

Andreas Elgaard  
CEO & President

## ► INCOME STATEMENT IN SUMMARY

(SEK millions)	Not	3 MONTHS APR–JUN 2021	3 MONTHS APR–JUN 2020	6 MONTHS JAN–JUN 2021	6 MONTHS JAN–JUN 2020	ROLLING 12 MONTHS JUL–JUN 2020/2021	FULL YEAR JAN–DEC 2020
Revenue from contracts with customers	3	1,488	1,142	3,011	2,558	5,776	5,323
Costs of goods sold		-1,087	-809	-2,165	-1,836	-4,235	-3,906
<b>Gross Profit</b>		<b>401</b>	<b>333</b>	<b>846</b>	<b>722</b>	<b>1,541</b>	<b>1,417</b>
Selling expenses		-277	-230	-543	-509	-1,049	-1,015
Administrating expenses		-86	-67	-158	-140	-303	-285
Other operating income and expenses	4	0	-2	-5	2	-12	-5
<b>Operating profit</b>		<b>38</b>	<b>34</b>	<b>140</b>	<b>75</b>	<b>177</b>	<b>112</b>
Financial income		0	-2	4	6	3	5
Financial expenses	5	-22	-25	-59	-47	-129	-117
<b>Profit after financial items</b>	4	<b>16</b>	<b>7</b>	<b>85</b>	<b>34</b>	<b>51</b>	<b>0</b>
Tax expenses		-7	-3	-26	-12	-36	-22
<b>NET PROFIT FOR THE PERIOD</b>		<b>9</b>	<b>4</b>	<b>59</b>	<b>22</b>	<b>15</b>	<b>-22</b>
Net Profit for the period related to:							
Parent Company shareholders		8	3	57	23	13	-21
Non-controlling interests		1	1	2	-1	2	-1
Depreciation during the period amounts to							
Tax rate during the period amounts to		63	67	126	135	255	264
		48%	39%	31%	35%	71%	ET
Earnings per share		0.03	0.04	0.34	0.23	-0.09	-0.21
Average number of outstanding shares <sup>1)</sup>	6	218,100	102,383	168,507	102,383	137,989	102,383
Number of outstanding shares <sup>1)</sup>	6	218,100	102,383	218,100	102,383	218,100	102,383

<sup>1)</sup> The Board decided on February 9, 2021 on the implementation of the offset issue and the rights issue based on the issue authorization decided at the Extraordinary General Meeting on January 15, 2021. On March 12, 2021, ITAB announced full recapitalization completed and that the rights issue of SEK 768 million was fully subscribed. The number of shares increased by 115,716,762 and was 218,100,192 after the issue.

## ► STATEMENT OF OTHER COMPREHENSIVE INCOME IN SUMMARY

(SEK millions)	Not	3 MONTHS APR–JUN 2021	3 MONTHS APR–JUN 2020	6 MONTHS JAN–JUN 2021	6 MONTHS JAN–JUN 2020	ROLLING 12 MONTHS JUL–JUN 2020/2021	FULL YEAR JAN–DEC 2020
<b>Net profit for the period</b>		<b>9</b>	<b>4</b>	<b>59</b>	<b>22</b>	<b>15</b>	<b>-22</b>
<b>Other comprehensive income:</b>							
<b>Items that will not be reclassified to the income statement</b>							
Revaluation of defined-benefit pension commitments		-	-	-	-	2	2
Tax relating to items not to be reclassified		-	-	-	-	0	0
		-	-	-	-	2	2
<b>Items that may be reclassified to the income statement</b>							
Translation differences		-20	-88	48	-43	-40	-131
Hedging of net investments, net	5	0	9	0	1	4	5
Cash flow hedges, net	5	9	7	14	-7	16	-5
Tax on items that may be reclassified		-2	-4	-3	1	-4	0
		-13	-76	59	-48	-24	-131
<b>Total other comprehensive income after tax</b>		<b>-13</b>	<b>-76</b>	<b>59</b>	<b>-48</b>	<b>-22</b>	<b>-129</b>
<b>Comprehensive income for the period</b>		<b>-4</b>	<b>-72</b>	<b>118</b>	<b>-26</b>	<b>-7</b>	<b>-151</b>
Comprehensive income for the period attributable to:							
Parent Company shareholders		-3	-63	111	-23	-7	-141
Non-controlling interests		-1	-9	7	-3	0	-10

## ► STATEMENT OF FINANCIAL POSITION IN SUMMARY

(SEK millions)	Note	2021 30 JUN	2020 30 JUN	2020 31 DEC
<b>Assets</b>				
<b>Non-current assets</b>				
<i>Intangible assets</i>				
Goodwill		1,618	1,662	1,599
Other intangible assets		131	161	144
		1,749	1,823	1,743
Property, plant and equipment		1,372	1,480	1,367
Shares in Associated Companies				12
Deferred tax assets		99	105	101
Financial non-current assets		30	24	6
<b>Total non-current assets</b>		<b>3,250</b>	<b>3,432</b>	<b>3,229</b>
<b>Current assets</b>				
Inventory		956	887	698
Current receivables		1,239	883	900
Cash and cash equivalents		444	230	692
<b>Total current assets</b>		<b>2,639</b>	<b>2,000</b>	<b>2,290</b>
<b>TOTAL ASSETS</b>		<b>5,889</b>	<b>5,432</b>	<b>5,519</b>
<b>Equity and liabilities</b>				
Equity attributable to Parent Company's shareholders	6	2,552	1,725	1,607
Non-controlling interests		114	125	118
Deferred tax liabilities		41	45	41
Other non-current liabilities	5	1,212	1,382	1,283
Current liabilities	5, 7	1,970	2,155	2,470
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,889</b>	<b>5,432</b>	<b>5,519</b>
Interest-bearing net debt amounts to		1,034	2,149	1,748
Net debt excluding lease liability		415	1,453	1,092

## ► SUMMARY OF STATEMENT OF CHANGES IN EQUITY

(SEK millions)	Note	Share capital	Other contributed capital	Other reserves <sup>*)</sup>	Profit brought forward	Attributable to Parent Company's shareholders	Related to holdings without controlling influence	Total equity
<b>SHAREHOLDERS' EQUITY 1 JAN 2020</b>		<b>43</b>	<b>315</b>	<b>44</b>	<b>1,346</b>	<b>1,748</b>	<b>128</b>	<b>1,876</b>
Net profit for the period					23	23	-1	22
Other comprehensive income				-46		-46	-2	-48
<b>COMPREHENSIVE INCOME JAN-JUN 2020</b>				<b>-46</b>	<b>23</b>	<b>-23</b>	<b>-3</b>	<b>-26</b>
Effect on repayment convertible debenture loan KV5B			-11		11	0		0
<b>SHAREHOLDERS' EQUITY 30 JUNE 2020</b>		<b>43</b>	<b>304</b>	<b>-2</b>	<b>1,380</b>	<b>1,725</b>	<b>125</b>	<b>1,850</b>
Net profit for the period					-44	-44	0	-44
Other comprehensive income				-76	2	-74	-7	-81
<b>COMPREHENSIVE INCOME JULY-DEC 2020</b>				<b>-76</b>	<b>-42</b>	<b>-118</b>	<b>-7</b>	<b>-125</b>
<b>SHAREHOLDERS' EQUITY 31 DECEMBER 2020</b>		<b>43</b>	<b>304</b>	<b>-78</b>	<b>1,338</b>	<b>1,607</b>	<b>118</b>	<b>1,725</b>
Net profit for the period					57	57	2	59
Other comprehensive income				54		54	5	59
<b>COMPREHENSIVE INCOME JAN-JUNE 2021</b>				<b>54</b>	<b>57</b>	<b>111</b>	<b>7</b>	<b>118</b>
Acquisition of non-controlling interests	2				1	1	-22	-21
Acquisition of partly owned companies	2						11	11
New and offset issue	6	48	785			833		833
<b>SHAREHOLDERS' EQUITY 30 JUNE 2021</b>		<b>91</b>	<b>1,089</b>	<b>-24</b>	<b>1,396</b>	<b>2,552</b>	<b>114</b>	<b>2,666</b>

\*Other reserves consist of translation reserve and hedging reserve.

## ▶ STATEMENT OF CASH FLOWS IN SUMMARY

(SEK millions)	Not	3 MONTHS APR–JUN 2021	3 MONTHS APR–JUN 2020	6 MONTHS JAN–JUN 2021	6 MONTHS JAN–JUN 2020	ROLLING 12 MONTHS JUL–JUN 2020/2021	FULL YEAR JAN–DEC 2020
<b>Operating profit</b>		<b>38</b>	<b>34</b>	<b>140</b>	<b>75</b>	<b>177</b>	<b>112</b>
Paid and received interest, tax and adjustments for items not included in the cash flow.		25	73	57	97	265	305
<b>Cash flow from operating activities before changes in working capital</b>		<b>63</b>	<b>107</b>	<b>197</b>	<b>172</b>	<b>442</b>	<b>417</b>
<b>Changes in working capital</b>							
Changes in inventories		-110	24	-216	21	-152	85
Changes in operating receivables		-155	188	-328	138	-376	90
Changes in operating liabilities		44	-62	291	52	458	219
<b>Cash flow from change in working capital</b>		<b>-221</b>	<b>150</b>	<b>-253</b>	<b>211</b>	<b>-70</b>	<b>394</b>
<b>Cash flow from operating activities</b>		<b>-158</b>	<b>257</b>	<b>-56</b>	<b>383</b>	<b>372</b>	<b>811</b>
<b>Investing activities</b>							
Acquisition of companies and operations	2	-19	0	-42	0	-42	0
Other sales / investments		-18	-7	-30	-27	-48	-45
<b>Cash flow from investing activities</b>		<b>-37</b>	<b>-7</b>	<b>-72</b>	<b>-27</b>	<b>-90</b>	<b>-45</b>
<b>Cash flow after investing activities</b>		<b>-195</b>	<b>250</b>	<b>-128</b>	<b>356</b>	<b>282</b>	<b>766</b>
<b>Financing activities</b>							
Rights issue	6	-1	-	733	-	733	-
Amortisation convertible loan KV5B		0	-168	-	-168	0	-168
Amortization of lease liabilities		-30	-32	-60	-64	-118	-122
Cash flow from other financing activities		-312	-95	-813	-188	-678	-53
<b>Cash flow for the period</b>		<b>-538</b>	<b>-45</b>	<b>-268</b>	<b>-64</b>	<b>219</b>	<b>423</b>
Cash and cash equivalents at the start of the period		993	290	692	302	230	302
Translation differences on cash and cash equivalents		-11	-15	20	-8	-5	-33
<b>Cash and cash equivalents at the end of the period</b>		<b>444</b>	<b>230</b>	<b>444</b>	<b>230</b>	<b>444</b>	<b>692</b>
Cash flow from operating activities, per share		-0.72	2.51	-0.33	3.74	2.70	7.92



## ► INCOME STATEMENT IN SUMMARY

(SEK millions)	Not	3 MONTHS APR–JUN 2021	3 MONTHS APR–JUN 2020	6 MONTHS JAN–JUN 2021	6 MONTHS JAN–JUN 2020	FULL YEAR JAN–DEC 2020
Net sales <sup>1)</sup>		46	59	92	72	169
Costs of goods sold		-7	-4	-11	-8	-20
<b>Gross Profit</b>		<b>39</b>	<b>55</b>	<b>81</b>	<b>64</b>	<b>149</b>
Selling expenses		-15	-10	-24	-21	-48
Administrating expenses		-17	-13	-28	-25	-53
Other operating income and expenses		1	-1	1	-3	1
<b>Operating profit</b>		<b>8</b>	<b>31</b>	<b>30</b>	<b>15</b>	<b>49</b>
Result from participations in Group companies		46	44	38	44	-56
Financial income and expenses	5	8	58	-47	-3	22
<b>Profit after financial items</b>		<b>62</b>	<b>133</b>	<b>21</b>	<b>56</b>	<b>15</b>
Year-end appropriations		-	-	-	-	-29
<b>Profit before tax</b>		<b>62</b>	<b>133</b>	<b>21</b>	<b>56</b>	<b>-14</b>
Tax expenses for the period		-	-	-	-	-14
<b>NET PROFIT FOR THE PERIOD</b>		<b>62</b>	<b>133</b>	<b>21</b>	<b>56</b>	<b>-28</b>

## STATEMENT OF OTHER COMPREHENSIVE INCOME

Net profit for the period		62	133	21	56	-28
Other comprehensive income		-	-	-	-	-
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>62</b>	<b>133</b>	<b>21</b>	<b>56</b>	<b>-28</b>

<sup>1)</sup> 100% of the Parent Company's income relates to subsidiaries.

## ► BALANCE SHEET IN SUMMARY

(SEK millions)	Not	2021 30 JUN	2020 30 JUN	2020 31 DEC
<b>Non-current assets</b>				
Property, plant and equipment		6	7	7
Financial non-current assets		2,086	2,118	2,102
Deferred tax assets		17	31	17
<b>Total non-current assets</b>		<b>2,109</b>	<b>2,156</b>	<b>2,126</b>
<b>Current assets</b>				
Current receivables		164	623	251
Cash and bank balance		277	0	449
<b>Total current assets</b>		<b>441</b>	<b>623</b>	<b>700</b>
<b>TOTAL ASSETS</b>		<b>2,550</b>	<b>2,779</b>	<b>2,826</b>
<b>Shareholders' Equity</b>				
Restricted equity		98	50	50
Non-restricted equity		1,800	1,078	994
<b>Total equity</b>	6	<b>1,898</b>	<b>1,128</b>	<b>1,044</b>
Non-current liabilities		589	728	626
Current liabilities	7	63	923	1,156
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,550</b>	<b>2,779</b>	<b>2,826</b>

## Note 1 - Accounting principles

ITAB applies International Financial Reporting Standards (IFRS). This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, the Annual Accounts Act and the Swedish Financial Reporting Board RFR 1, supplementary accounting rules for the Group and RFR 2, Accounting for Legal Entities. The accounting principles applied are in accordance with the accounting principles used in the preparation of the most recent Annual Report.

## Note 2 - Acquisition and divestments

### Acquisition 2020

ITAB Shop Concept AB's Italian subsidiary La Fortezza s.p.a. entered October 8th, 2020 into an agreement with Cefla soc. coop. ("Cefla") to acquire 81 percent of Cefla's retail solutions business unit. In January 2021, the transaction was completed and the business unit was carved-out from Cefla's existing structure and transferred to a newly established Italian limited liability company Imola Retail Solution Srl. ITAB owns 81 percent of Imola Retail Solution and has the right to acquire Cefla's minority stake in the said company three years from the transaction date. The acquisition of Cefla are consolidated from January 1, 2021.

Cefla's retail solutions business unit primarily offers interior design and checkout solutions to its customers, who are predominantly located in southern Europe and within the grocery sector. Through the acquisition and collaboration with Cefla, ITAB strengthens its leading position in southern Europe and creates opportunities to offer ITAB's solutions to a wider customer base. The positive EBITDA effect in 2021 on ITAB is estimated to at least 30 MSEK and the transaction will create opportunities for further synergy effects the coming years.

Expenses in connection with the acquisition are reported on an ongoing basis as expenses. The acquisition affected operating profit by SEK 1 million and cash flow during the first quarter by SEK 23 million. The effect of acquisitions is reported in the Annual Report 2020 Note 5.

### Acquisition of non-controlling interest in 2021

In April 2021, the remaining 15 per cent of the jointly owned company La Fortezza Sudamericana S.A. (Argentina) was acquired through subsidiaries. The purchase price amounted to EUR 2 million. In the event of acquisition, the entity theory is applied, which means that all assets and liabilities as well as income and expenses, are include in their entirety even for partly owned subsidiaries at the time of the initial acquisition, why no further goodwill is linked to the acquisition. The difference between valued holdings without controlling influence prior to acquisition and purchase price is reported directly in equity attributable to the Parent Company's shareholders (SEK 1 million). Cash flow during the second quarter of 2021 was affected by the purchase price of SEK 19 million.

## Note 3 - Revenue from agreements with customers distributed by customer group and geographical area

Revenue recognition takes place when the Group satisfies a performance commitment by transferring promised goods and the customer gains control of the asset. This normally takes place on delivery in accordance with applicable delivery terms. In the event of concept sales where a service assignment is included, revenue recognition for the projects takes place over time. The projects are primarily short-term projects. The largest customer accounts for 11 percent of external sales, but none of the other ITAB Group customers account for more than 6 percent of external sales.

	3 MONTHS APR-JUN 2021	3 MONTHS APR-JUN 2020	6 MONTHS JAN-JUN 2021	6 MONTHS JAN-JUN 2020	FULL YEAR JAN-DEC 2020
<b>Sales per customer group<sup>1)</sup></b>					
Grocery	898	701	1,778	1,434	3,094
Home improvements	169	143	439	382	733
Fashion	96	88	181	249	420
Other customer categories	325	210	613	493	1,076
	<b>1,488</b>	<b>1,142</b>	<b>3,011</b>	<b>2,558</b>	<b>5,323</b>

<sup>1)</sup> The customer groups are divided according to the industries in which the customers operate. Other customer groups largely consist of distributors, consumer electronics, pharmacies and health/beauty.

	3 MONTHS APR-JUN 2021	3 MONTHS APR-JUN 2020	6 MONTHS JAN-JUN 2021	6 MONTHS JAN-JUN 2020	FULL YEAR JAN-DEC 2020
<b>Sales per geographic area<sup>2)</sup></b>					
Northern Europe	370	322	797	756	1,500
Southern Europe	332	156	713	382	819
Central Europe	271	211	523	468	1,031
UK & Ireland	254	218	503	471	1,054
Eastern Europe	132	127	264	279	509
Rest of the world	129	108	211	202	410
	<b>1,488</b>	<b>1,142</b>	<b>3,011</b>	<b>2,558</b>	<b>5,323</b>

<sup>2)</sup> Northern Europe consists of the Nordic countries. Southern Europe consists mostly of Italy, France and Spain. Central Europe's largest markets are Germany, the Netherlands and the Czech Republic. Eastern Europe's largest markets are the Baltic countries, Poland and Russia. The USA, China, Argentina and Saudi Arabia account for almost half of the market in the rest of the world.

## Note 4 - Non-recurring items

The result during the period is charged with non-recurring costs.

For the most part, these consist of restructuring costs in connection with the transformation work according to the new strategy One ITAB.

	3 MONTHS APR–JUN 2021	3 MONTHS APR–JUN 2020	6 MONTHS JAN–JUN 2021	6 MONTHS JAN–JUN 2020	ROLLING 12 MONTHS JUL–JUN 2020/2021	FULL YEAR JAN–DEC 2020
<b>Non-recurring items, SEK millions</b>						
Structuring costs	-43	-30	-57	-42	-171	-156
Inventory write-down of a non-recurring nature	-	-	-	-	-52	-52
<b>Total non-recurring</b>	<b>-43</b>	<b>-30</b>	<b>-57</b>	<b>-42</b>	<b>-223</b>	<b>-208</b>
<b>Impact of non-recurring items in the income statement</b>						
Impact on Operating profit before depreciation (EBITDA)	-43	-27	-57	-39	-220	-202
Impact on Operating profit	-43	-27	-57	-39	-223	-205
Impact on Profit after net financial items	-43	-30	-57	-42	-223	-208

## Note 5 - Financial assets and liabilities

ITAB has derivative instruments valued at fair value. The derivative instruments consist of currency futures and interest rate swaps and are used for hedging purposes. All derivative instruments are classified in level 2 and fair value is calculated through discounted future cash flows according to the terms of the contracts and due dates where all variables, such as discount rates and exchange rates, are taken from market quotations for calculations.

The fair value of the derivative instruments for hedging purposes is reported as a change in other comprehensive income. Any inefficiency is reported immediately in the net financial items in the income statement.

Financial expenses have been charged with SEK 6 million for hedges that have been assessed as ineffective after the refinancing in 2021. SEK 5 million during the first quarter and SEK 1 million in the second quarter.

Additional purchase payments are reported as financial liabilities and classified in level 3. These are dependent on parameters in the respective agreements, which are mainly linked to the expected result in the next few years for the acquired companies.

The additional purchase prices have been reported at assessed value and revaluation is made in the income statement.

Carrying amount is considered to be a reasonable estimate of fair value for all financial assets and liabilities. No financial assets and liabilities have been moved between the valuation categories and the valuation techniques are unchanged during the year. In other respects, reference is made to the most recent annual report.

## Note 6 - New and offset issue

The Board of Directors decided on 9 February 2021 on the implementation of the set-off issue and the rights issue with the support of the issue authorization decided at the Extraordinary General Meeting on 15 January 2021. On 12 March 2021, ITAB announced that the recapitalization had been fully completed and that the rights issue of SEK 768 million was fully subscribed. The number of shares increased by 115,716,762 and was 218,100,192 after the issue.

	NO. SHARES	SHARE- CAPITAL	SHARE PREMIUM FUND	TOTAL SEK MILLION
Rights issue	102,383,430	42	726	768
Offsetting issue	13,333,332	6	94	100
Issue costs			-35	-35
	<b>115,716,762</b>	<b>48</b>	<b>785</b>	<b>833</b>

## Note 7 - Shareholder loans

Current liabilities at year-end 2020 include short-term shareholder loans to Pomona-Gruppen AB (related to board member Fredrik Rapp), VIEM Invest AB (related to board member Anna Benjamin) and Övre Kullen AB (related to board member Petter Fägersten). The loans amounted to a total of SEK 140 million and were approved at the Extraordinary General Meeting on July 22, 2020. In connection with the offset issue in March 2021, SEK 100 million was converted into equity. The remaining SEK 40 million was amortised in March 2021.

## ► CONSOLIDATED QUARTERLY DATA

(SEK millions)	2021 APR-JUN	2020 APR-JUN	2021 JAN-MAR	2020 JAN-MAR	2020 OCT-DEC	2019 OCT-DEC	2020 JUL-SEP	2019 JUL-SEP
Net Sales	1,488	1,142	1,523	1,416	1,507	1,517	1,258	1,413
Costs of goods sold	-1,087	-809	-1,078	-1,027	-1,182	-1,155	-888	-1,029
<b>Gross Profit</b>	<b>401</b>	<b>333</b>	<b>445</b>	<b>389</b>	<b>325</b>	<b>362</b>	<b>370</b>	<b>384</b>
Selling expenses	-277	-230	-266	-279	-281	-326	-225	-278
Administrating expenses	-86	-67	-72	-73	-82	-75	-63	-65
Other operating income and expenses	0	-2	-5	4	-8	0	1	4
<b>Operating profit</b>	<b>38</b>	<b>34</b>	<b>102</b>	<b>41</b>	<b>-46</b>	<b>-39</b>	<b>83</b>	<b>45</b>
Financial items	-22	-27	-33	-14	-39	-24	-32	-16
<b>Profit after financial items</b>	<b>16</b>	<b>7</b>	<b>69</b>	<b>27</b>	<b>-85</b>	<b>-63</b>	<b>51</b>	<b>29</b>
Tax expenses	-7	-3	-19	-9	8	5	-18	-7
<b>NET PROFIT FOR THE PERIOD</b>	<b>9</b>	<b>4</b>	<b>50</b>	<b>18</b>	<b>-77</b>	<b>-58</b>	<b>33</b>	<b>22</b>
Net Profit for the period related to:								
Parent Company shareholders	8	3	49	20	-76	-58	32	22
Non-controlling interests	1	1	1	-2	-1	0	1	0
Non-recurring items	-43	-30	-14	-12	-154	-46	-12	-13
Profit after financial items excluding non-recurring items, SEK million	59	37	83	39	69	-17	63	42
Profit margin, % excluding non-recurring costs	4.0	3.2	5.4	2.7	4.5	neg	5.1	3.0
Earnings per share, SEK	0.03	0.04	0.38	0.19	-0.74	-0.57	0.30	0.22
Return on equity, %	1.2	0.8	9.5	4.4	neg	neg	7.3	5.0
Equity per share, SEK	11.70	16.84	11.72	17.47	15.69	17.07	16.94	17.84
Cash flow from operating activities per share, SEK	-0.72	2.51	0.78	1.23	2.92	2.34	1.26	0.17
Share price on balance sheet date, SEK recalculated after issue	15.70	8.11	16.84	5.65	13.10	12.08	9.74	17.05

## ► CONSOLIDATED ROLLING 12 MONTHS

(SEK millions)	JUL 2020 – JUN 2021	APR 2020 – MAR 2021	JAN 2020 – DEC 2020	OCT 2019 – SEP 2020	JUL 2019 – JUN 2020	APR 2019 – MAR 2020	JAN 2019 – DEC 2019	OCT 2018 – SEP 2019
Net Sales	5,776	5,430	5,323	5,333	5,488	5,877	6,064	6,068
Costs of goods sold	-4,235	-3,957	-3,906	-3,879	-4,020	-4,330	-4,441	-4,472
<b>Gross Profit</b>	<b>1,541</b>	<b>1,473</b>	<b>1,417</b>	<b>1,454</b>	<b>1,468</b>	<b>1,547</b>	<b>1,623</b>	<b>1,596</b>
Selling expenses	-1,049	-1,002	-1,015	-1,060	-1,113	-1,173	-1,183	-1,154
Administrating expenses	-303	-284	-285	-278	-280	-287	-286	-277
Other operating income and expenses	-12	-14	-5	3	6	53	103	124
<b>Operating profit</b>	<b>177</b>	<b>173</b>	<b>112</b>	<b>119</b>	<b>81</b>	<b>140</b>	<b>257</b>	<b>289</b>
Financial items	-126	-131	-112	-97	-81	-75	-83	-80
<b>Profit after financial items</b>	<b>51</b>	<b>42</b>	<b>0</b>	<b>22</b>	<b>0</b>	<b>65</b>	<b>174</b>	<b>209</b>
Tax expenses	-36	-32	-22	-25	-14	-29	-54	-70
<b>NET PROFIT FOR THE PERIOD</b>	<b>15</b>	<b>10</b>	<b>-22</b>	<b>-3</b>	<b>-14</b>	<b>36</b>	<b>120</b>	<b>139</b>
Net Profit for the period related to:								
Parent Company shareholders	13	8	-21	-3	-13	38	120	139
Non-controlling interests	2	2	-1	0	-1	-2	0	0
Non-recurring items	-223	-210	-208	-100	-101	-35	16	19
Profit after financial items excluding non-recurring items, SEK millions	274	252	208	122	101	100	158	190
Profit margin, % excluding non-recurring costs	4.7	4.5	3.9	2.3	1.8	1.7	2.6	3.1
Earnings per share after dilution, SEK	0.09	0.08	-0.21	-0.04	-0.12	0.36	1.17	1.36
Return on equity, %	0.6	0.5	neg	neg	neg	2.1	6.9	8.1
Equity per share, SEK	11.70	11.72	15.69	16.94	16.84	17.47	17.07	17.84
Cash flow from operating activities per share, SEK	2.70	7.08	7.92	7.34	6.25	4.33	4.68	4.51

# KEY RATIOS & DEFINITIONS



## ▶ KEY RATIOS

	3 MONTHS APR–JUN 2021	3 MONTHS APR–JUN 2020	6 MONTHS JAN–JUN 2021	6 MONTHS JAN–JUN 2020	ROLLING 12 MONTHS JUL–JUN 2020/2021	FULL YEAR JAN–DEC 2020
Revenue from contracts with customer, SEK millions	1,488	1,142	3,011	2,558	5,776	5,323
EBITDA, SEK millions	101	101	266	210	432	376
EBITDA margin, %	6.8	8.8	8.8	8.2	7.5	7.1
EBITDA excl. non-recurring costs, SEK millions	144	128	323	249	652	578
EBITDA margin, % excluding non-recurring costs	9.7	11.5	10.7	9.9	11.3	11.0
Operating profit, SEK millions	38	34	140	75	177	112
Operating margin, %	2.6	3.0	4.7	2.9	3.1	2.1
Operating profit excluding non-recurring costs, SEK millions	81	61	197	114	400	317
Operating margin, % excluding non-recurring costs	5.5	5.4	6.6	4.5	6.9	6.0
Profit after net financial items, SEK millions	16	7	85	34	51	0
Profit margin, %	1.1	0.6	2.8	1.3	0.9	0.0
Operating profit after net financial items, excl. non-recurring items, SEK millions	59	37	142	76	274	208
Profit margin, % excluding non-recurring costs	4.0	3.2	4.7	3.0	4.7	3.9
Cash flow from operating activities, SEK millions	-158	257	-56	383	372	811
Profit after tax, SEK millions	9	4	59	22	15	-22
Share price at the end of the period, recalculated after issue, SEK	15.70	8.11	15.70	8.11	15.70	13.10
Earnings per share, SEK	0.03	0.04	0.34	0.23	0.09	-0.21
Cash flow from operating activities per share, SEK	-0.72	2.51	-0.33	3.74	2.70	7.92
Number of shares at the end of the period, SEK	218,100,192	102,383,430	218,100,192	102,383,430	218,100,192	102,383,430
Number of shares in average	218,100,192	102,383,430	168,507,294	102,383,430	137,988,588	102,383,430
Balance sheet total, SEK millions	5,889	5,432	5,889	5,432	5,889	5,519
Interest-bearing net debt, SEK millions	1,034	2,149	1,034	2,149	1,034	1,748
Interest-bearing net debt excl. lease liability, SEK millions	415	1,453	415	1,453	415	1,092
Equity related to the Parent Company's shareholders, SEK millions	2,552	1,725	2,552	1,725	2,552	1,607
Equity per share, SEK	11.70	16.84	11.70	16.84	11.70	15.69
Equity/assets ratio, %	45.3	34.1	45.3	34.1	45.3	31.3
Share of risk-bearing capital, %	46.0	34.9	46.0	34.9	46.0	32.0
Return on equity p.a., %	1.2	0.8	5.1	2.7	0.6	-1.2
Return on capital employed p.a., %	3.5	2.8	6.7	3.5	2.7	2.5
Return on total capital p.a., %	2.5	2.2	4.9	2.8	3.1	2.0
Interest-coverage ratio, multiple	1.7	1.3	2.4	1.7	1.4	1.0
Net investments, SEK millions	37	7	72	27	90	45
Net investments (excl. business acquisitions), SEK millions	18	7	30	27	48	45
Average no. employees, no.	2,936	3,075	2,944	3,121	2,942	3,030

## ► RECONCILIATION OF KEY RATIOS

Key figures included in the Annual Report derive primarily from the disclosure requirements according to IFRS and the Annual Accounts Act. In addition, reference is made to a number of key ratios that are not defined within the IFRS regulations or directly in the income statement or balance sheet, with the aim of illustrating the company's profit trend, financial position and how the company has invested its capital. These financial measures are not always calculated in the same way by all companies. The main alternative key ratios presented in this report are EBITDA, interest-bearing net debt, share of risk-bearing capital and return on equity, capital employed and total capital. The definitions of these as well as other key figures can be found below.

### ▼ EBITDA (OPERATING PROFIT BEFORE DEPRECIATION)

Operating profit before depreciation, amortisation and impairment of non current assets.

*A central profit measure to assess the profit development for the company over time.*

(SEK millions)	3 MONTHS APR–JUN 2021	3 MONTHS APR–JUN 2020	6 MONTHS JAN–JUN 2021	6 MONTHS JAN–JUN 2020	ROLLING 12 MONTHS JUL–JUN 2020/2021	FULL YEAR JAN–DEC 2020
Operating profit	38	34	140	75	177	112
Depreciation and amortisation	63	67	126	135	255	264
<b>EBITDA</b>	<b>101</b>	<b>101</b>	<b>266</b>	<b>210</b>	<b>432</b>	<b>376</b>
Non-recurring items, note 4	-43	-27	-57	-39	-220	-202
<b>EBITDA EXCL. NON-RECURRING ITEMS</b>	<b>144</b>	<b>128</b>	<b>323</b>	<b>249</b>	<b>652</b>	<b>578</b>

### ▼ INTEREST-BEARING NET DEBT

Non-current and current interestbearing liabilities minus interestbearing assets as well as cash and cash equivalents.

*Measures to show ITAB's total loan financing.*

(SEK millions)	3 MONTHS APR–JUN 2021	3 MONTHS APR–JUN 2020	6 MONTHS JAN–JUN 2021	6 MONTHS JAN–JUN 2020	ROLLING 12 MONTHS JUL–JUN 2020/2021	FULL YEAR JAN–DEC 2020
Interest-bearing long-term liabilities	1,134	1,329	1,134	1,329	1,134	1,239
Interest-bearing current liabilities	347	1,050	347	1,050	347	1,202
Interest-bearing assets	-3	0	-3	0	-3	-1
Cash and cash equivalents	-444	-230	-444	-230	-444	-692
<b>INTEREST-BEARING NET DEBT</b>	<b>1,034</b>	<b>2,149</b>	<b>1,034</b>	<b>2,149</b>	<b>1,034</b>	<b>1,748</b>
Of which interest-bearing lease liabilities	619	696	619	696	619	656
<b>INTEREST-BEARING NET DEBT EXCL. LEASING</b>	<b>415</b>	<b>1,453</b>	<b>415</b>	<b>1,453</b>	<b>415</b>	<b>1,092</b>

### ▼ SHARE OF RISK-BEARING CAPITAL

Equity plus provisions for deferred tax liabilities as well as convertible debenture loans in relation to total capital.

*Relevant for assessing ITAB's potential to fulfill its financial obligations.*

(SEK millions)	3 MONTHS APR–JUN 2021	3 MONTHS APR–JUN 2020	6 MONTHS JAN–JUN 2021	6 MONTHS JAN–JUN 2020	ROLLING 12 MONTHS JUL–JUN 2020/2021	FULL YEAR JAN–DEC 2020
Equity attributable to Parent Company's shareholders	2,552	1,725	2,552	1,725	2,552	1,607
Equity related to non controlling interests	114	125	114	125	114	118
Provision for deferred tax liabilities	41	45	41	45	41	41
<b>RISK-BEARING CAPITAL</b>	<b>2,707</b>	<b>1,895</b>	<b>2,707</b>	<b>1,895</b>	<b>2,707</b>	<b>1,766</b>
Total capital	5,889	5,432	5,889	5,432	5,889	5,519
<b>SHARE OF RISK-BEARING CAPITAL, %</b>	<b>46.0</b>	<b>34.9</b>	<b>46.0</b>	<b>34.9</b>	<b>46.0</b>	<b>32.0</b>

### ▼ RETURN ON EQUITY

The net profit for the year attributable to the Parent Company's shareholders in relation to average equity attributable to the Parent Company's shareholders.  
*Relevant to assess how ITAB uses its assets to generate results in the company.*

(SEK millions)	3 MONTHS APR–JUN 2021	3 MONTHS APR–JUN 2020	6 MONTHS JAN–JUN 2021	6 MONTHS JAN–JUN 2020	ROLLING 12 MONTHS JUL–JUN 2020/2021	FULL YEAR JAN–DEC 2020
Net profit for the year attributable to Parent Company's shareholders	30	15	114	47	12	-21
Equity attributable to Parent Company's shareholders	2,552	1,725	2,552	1,725	2,552	1,607
Average equity attributable to Parent Company's shareholders	2,554	1,757	2,238	1,754	2,035	1,720
<b>RETURN ON EQUITY, %</b>	<b>1.2</b>	<b>0.8</b>	<b>5.1</b>	<b>2.7</b>	<b>0.6</b>	<b>-1.2</b>

### ▼ RETURN ON CAPITAL EMPLOYED

Profit after financial items plus financial borrowing costs in relation to average balance sheet total minus non interest-bearing liabilities.  
*Relevant to assess ITAB's efficiency and value creation from the business.*

(SEK millions)	3 MONTHS APR–JUN 2021	3 MONTHS APR–JUN 2020	6 MONTHS JAN–JUN 2021	6 MONTHS JAN–JUN 2020	ROLLING 12 MONTHS JUL–JUN 2020/2021	FULL YEAR JAN–DEC 2020
Profit for the year after financial items plus financial borrowing costs	153	127	289	161	176	112
Average balance sheet total minus non interest-bearing liabilities	4,356	4,457	4,292	4,534	6,599	4,441
<b>RETURN ON CAPITAL EMPLOYED, %</b>	<b>3.5</b>	<b>2.8</b>	<b>6.7</b>	<b>3.5</b>	<b>2.7</b>	<b>2.5</b>

### ▼ RETURN ON TOTAL CAPITAL

Profit after financial items plus financial borrowing costs in relation to average total capital.  
*Relevant to assess the ability to generate results on the Group's assets regardless of financing costs.*

(SEK millions)	3 MONTHS APR–JUN 2021	3 MONTHS APR–JUN 2020	6 MONTHS JAN–JUN 2021	6 MONTHS JAN–JUN 2020	ROLLING 12 MONTHS JUL–JUN 2020/2021	FULL YEAR JAN–DEC 2020
Profit for the year after financial items plus financial borrowing costs	153	127	289	161	176	112
Average* total capital	4,356	5,736	5,892	5,789	5,771	5,727
<b>RETURN ON TOTAL CAPITAL, %</b>	<b>2.5</b>	<b>2.2</b>	<b>4.9</b>	<b>2.8</b>	<b>3.1</b>	<b>2.0</b>

## ▶ OTHER DEFINITIONS

### ▶ Return on equity

The net profit for the year attributable to the Parent Company's shareholders in relation to average equity attributable to the Parent Company's shareholders.

*Relevant to assess how ITAB uses its assets to generate results in the company.*

### ▶ Cash flow from operating activities per share

Cash flow from operating activities in relation to the average number of outstanding shares.

*The measure highlights ITAB's ability to generate cash flow and pay its shareholders.*

### ▶ Earnings per share

Net profit for the year attributable to the Parent Company's shareholders in relation to average number of shares.

*A valuation measure that highlights ITAB's ability to pay its shareholders.*

### ▶ Interest-bearing net debt

Non-current and current interestbearing liabilities minus interestbearing assets as well as cash and cash equivalents.

*Measures to show ITAB's total loan financing.*

### ▶ Profit margin

Profit after financial items in relation to net sales.

*Relevant to assess ITAB's efficiency and added value.*

### ▶ Equity/assets ratio

Equity in relation to total capital.

*Highlights financial risk.*

### ▶ Total capital

Total equity and liabilities (total assets)

*The measure highlights the size of the company's total assets.*

### ▶ Operating margin

Operating profit in relation to net sales.

*Relevant to assess ITAB's efficiency and added value.*

### ▶ Average number of employees

Number of worked hours divided by normal annual working time.

*The measure shows the size of ITAB's workforce.*



**ITAB Shop Concept sells, develops, manufactures and installs complete shop fitting concepts for retail chain stores. The all-inclusive offer includes custom-made fitting concepts, innovative solutions for the checkout area, professional lighting systems and interactive products. Customers include the major players throughout most of Europe.**

ITAB works within a number of different areas that all contribute to realising the experience of a brand in physical environments. The aim is to improve the customer experience, increase sales/service and reduce costs for our customers. The work is based on extensive experience of the sector, customised innovative solutions and a network of selected business partners.

Customers include the major players throughout most of Europe. Business operations are founded on long-term business relationships and delivery reliability in combination with streamlined production resources. ITAB is currently the market leader of checkouts to retailers in Europe, and one of Europe's largest suppliers of shop fitting concepts and lighting systems.

ITAB has operations in some 26 countries and has 19 production facilities in Europe and China. ITAB also has a network of partners across large parts of Europe. Working in close collaboration with the customer, ITAB contributes its experience and expertise to the customer's specific needs and requests.

ITAB offers solutions in the following areas with services for analysis, insight, design, logistics, installation and maintenance:



### ▶ RETAIL INTERIOR

ITAB co-creates modern store experiences with its customers through an iterative design process. Solutions that better display products, enable efficiency for both the consumer and the store with the help of innovative solutions and both traditional and environmentally friendly materials.



### ▶ RETAIL TECHNOLOGY

ITAB offers efficient and inspiring solutions for entrance and exit as well as in-store guidance via both digital and physical solutions. Traditional checkout and self-checkout solutions, based on consumer analysis and insights, create effective solutions, optimal flows and experiences.



### ▶ RETAIL LIGHTING

In line with increased knowledge about the way light affects people, lighting has become an increasingly central part of the store concept. During refurbishments and new construction, energy efficiency is also becoming increasingly important. ITAB develops, manufactures and sells complete professional lighting systems, light planning and light services.

RETHINK RETAIL.TOGETHER.

At ITAB we help customers turn consumer brand experience into physical reality with our know-how, solutions and ecosystem of partners.





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## SHARE INFORMATION

<b>Listing</b> Nasdaq Stockholm Mid Cap list	<b>Sector classification</b> Industrial Goods & Services
<b>Ticker symbol</b> ITAB	<b>ISIN-code</b> SE0015962097
<b>Trading lot</b> 1 share	<b>Share price on closing day</b> SEK 15,70 kr (8,11)

## FINANCIAL CALENDAR

Interim Report Jan-Sep	29 October 2021
Year-End Report 2021	7 February 2022
Annual Report 2021	March/April 2022
Annual General Meeting 2022	May 2022

This document is a translation of the report for ITAB Shop Concept AB published in Swedish. In the event of discrepancy between the English text and the Swedish, the Swedish text shall prevail.

This information is information that ITAB Shop Concept AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Market Act. The information was submitted for publication at **1 pm July 12, 2021.**