



# YEAR-END REPORT – JANUARY–DECEMBER 2021

## FOURTH QUARTER – OCTOBER–DECEMBER 2021

- ▶ Net sales increased by 17 percent to SEK 1,770 million (1,507)
- ▶ Operating profit amounted to SEK 39 million (-46)
- ▶ Profit after financial items amounted to SEK 34 million (-85)
- ▶ Profit after tax amounted to SEK 24 million (-77)
- ▶ Earnings per share totalled SEK 0.09 (-0.74) <sup>1)</sup>
- ▶ Cash flow from operating activities amounted to SEK -92 million (300)

*In the quarter, non-recurring items had an impact of SEK -70 million (-151) on EBITDA and SEK -79 million (-154) on profit after financial items. <sup>2)</sup>*

- ▶ Operating profit before depreciation and amortisation (EBITDA) excluding non-recurring items amounted to SEK 188 million (172)
- ▶ Profit after financial items excluding non-recurring items amounted to SEK 113 million (69)
- ▶ Net debt totalled SEK 1,239 million (1,748)
- ▶ Net debt excluding leases decreased to SEK 609 million (1,092)

## FINANCIAL YEAR – JANUARY–DECEMBER 2021

- ▶ Net sales increased by 17 percent to SEK 6,245 million (5,323)
- ▶ Operating profit amounted to SEK 224 million (112)
- ▶ Profit after financial items amounted to SEK 156 million (0)
- ▶ Profit after tax amounted to SEK 103 million (-22)
- ▶ Earnings per share totalled SEK 0.50 (-0.21) <sup>1)</sup>
- ▶ Cash flow from operating activities amounted to SEK -165 million (811)

*During the year, non-recurring items had an impact of SEK -157 million (-202) on EBITDA and SEK -166 million (-208) on profit after financial items. <sup>2)</sup>*

- ▶ Operating profit before depreciation and amortisation (EBITDA) excluding non-recurring items amounted to SEK 656 million (578)
- ▶ Profit after financial items excluding non-recurring items amounted to SEK 322 million (208)

*"Following an eventful year that was characterised by operational challenges, it is gratifying to present a close to record-breaking conclusion to 2021, with favourable sales and earnings trends. ITAB's transformation work and investments for the future proceeded according to plan, and several important steps were taken to establish ITAB as the retail sector's leading solution provider with a focus on sustainable growth and increased profitability."*

**Andréas Elgaard**  
President & CEO

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## SIGNIFICANT EVENTS IN 2021

- ▶ The recapitalisation of ITAB was completed.
  - The rights issue contributed SEK 768 million to equity before issue costs.
  - The offset issue contributed SEK 100 million to equity
  - All Class A shares in ITAB have been reclassified as Class B shares.
- ▶ Closing took place on the acquisition of 81 percent of Cella's business unit for retail solutions for the grocery sector in southern Europe.
- ▶ The Board intends to resolve on new financial targets that focus on sustainable growth and increased profitability in conjunction with the annual financial statements. The targets will be presented in a separate press release.

## THE GROUP IN SUMMARY

*For definitions, see page 13*

	FOURTH QUARTER		Δ	FULL YEAR		Δ
	OCT–DEC 2021	OCT–DEC 2020		JAN–DEC 2021	JAN–DEC 2020	
Net sales, SEK million	1,770	1,507	17%	6,245	5,323	17%
EBITDA excl. non-recurring items <sup>2)</sup> , SEK million	188	172	9%	656	578	13%
EBITDA margin, %	10.6	11.4		10.5	10.9	
Profit after financial items excl. non-recurring items <sup>2)</sup> , SEK million	113	69	64%	322	208	55%
Profit margin, %	6.4	4.5		5.2	3.9	
Profit after tax, SEK million	24	-77	N/A	103	-22	N/A
Earnings per share, SEK <sup>1)</sup>	0.09	-0.74	N/A	0.50	-0.21	N/A
Cash flow from operating activities, SEK million	-92	300	N/A	-165	811	N/A
Interest-bearing net debt, SEK million	1,239	1,748	-509	1,239	1,748	-509
Interest-bearing net debt excl. leases, SEK million	609	1,092	-483	609	1,092	-483

<sup>1)</sup> In connection with ITAB's recapitalisation in 2021, the number of shares increased by 115,716,762 to a total of 218,100,192 shares.

<sup>2)</sup> Non-recurring items mainly consist of expenses relating to transformation work under ITAB's One ITAB strategy. Refer to Note 4 on page 11.

# STRONG CONCLUSION TO AN EVENTFUL YEAR

Following an eventful year that was characterised by operational challenges, it is gratifying to present a close to record-breaking conclusion to 2021 with favourable sales and earnings trends. ITAB's transformation work and investments for the future proceeded according to plan, and several important steps were taken to establish ITAB as the retail sector's leading solution provider with a focus on sustainable growth and increased profitability. I am particularly proud of how our employees have succeeded in meeting increased demand while managing supply disruptions, component and material shortages, and increased shipping, energy and material costs as a result of the pandemic.



## HEALTHY DEMAND DURING THE YEAR AND A STRENGTHENED POSITION

The sales trend was strong for the full year 2021, with currency-adjusted growth of 19 percent, of which organic growth accounted for 8 percent and the acquisition of Cefla Retail Solutions at the beginning of the year for 11 percent. Our focus throughout the year has been on supporting customers by providing them with the most complete solutions possible despite global supply disruptions, which was reflected in strong organic growth for the full year as well as the fourth quarter.

In terms of our customer sectors, Grocery and Home Improvements reported the highest growth, and geographically, southern Europe made the most significant contribution to the Group's sales increase during the year. The strategic acquisition of Cefla Retail Solutions has strengthened ITAB's market position in southern Europe and is a good example of a successful integration. Of ITAB's three solution areas, sales in Retail Interior and Retail Technology performed the best, while Retail Lighting reported a somewhat weaker sales trend during the year, mainly due to the global shortage of electrical components. At the end of 2021, we can confirm that we have a favourable order book.

## POSITIVE EARNINGS TREND DESPITE EXTERNAL CHALLENGES

The positive earnings trend is mainly the result of increased sales and our ongoing efforts to transform our operations, including completed production relocations and cost adaptations, more shared ways of working and more efficient and flexible market cultivation. The rapid and sharp increase in the prices of raw materials, shipping and other input goods in the first two quarters of the year negatively impacted earnings. During the year, we also experienced negative earnings effects from global supply disruptions and their impact on ITAB and the efficiency of our production, logistics and installations, with component and material shortages in many areas, but we are continually taking measures to continue to serve our customers in the best possible way. This has had a stabilising effect toward the end of 2021. Over the past few quarters, we have continuously adjusted our prices and taken other cost-saving measures to offset the negative operational effects. At the same time, our cash flow for the year was negatively impacted by the increased inventory values in 2021 due to our strong sales trend, increased raw material prices, longer lead times and higher inventory levels than normal in the autumn with the aim of ensuring our own delivery capacity to customers. We expect a gradual normalisation of inventory levels in the coming quarters and our efforts to reduce the need for

working capital in the Group continue. For the full year 2021, EBITDA excluding non-recurring items increased 13 percent to SEK 656 million (578), corresponding to an EBITDA margin of 10.5 percent (10.9). Cash flow from operating activities amounted to SEK -165 million (811).

In terms of profit performance, ITAB's shift since we began the implementation of "One ITAB" in spring 2020 has generally been satisfactory, especially in light of the global challenges we have faced that were not a part of our plan. Compared with 2019, EBIT excluding non-recurring items has increased by over 60 percent to SEK 390 million for 2021. With our focus on reducing working capital in combination with the recapitalisation in 2021, we have lowered the Group's indebtedness excluding leases at the end of 2021 by SEK 1,352 million compared with its peak in September 2019, which significantly strengthened our financial position. As a result, our profit after financial items excluding non-recurring items has doubled since 2019 to SEK 322 million for 2021.

## ITAB'S FOCUS IN 2022

We are halfway through our transition, with the heaviest measures behind us, which focused on adapting our cost structure with the aim of stabilising ITAB's financial position. We have already begun the phase of investing in and developing new capabilities in 2021, which will remain the focus of our transformation work in 2022 and is expected to be concluded in 2023. In 2022, we will see continued expansion organically and through acquisitions, with a clear focus on Europe, and by following our strategic customers' global expansion. We expect ITAB to make decisive progress toward a position as "The retail sector's leading solution provider", with the aim of increasing our share of services and solutions in Retail Technology. Following the completed recapitalisation, our financial position is strong, providing us with favourable conditions to grow organically and through acquisitions and to continue to strengthen our profitability over time. As previously announced, the Board intends to resolve on new financial targets that focus on sustainable growth and increased profitability in conjunction with the annual financial statements, which will be presented in a separate press release.

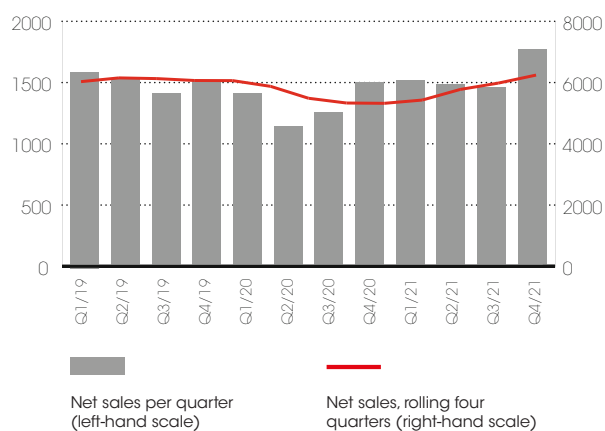
The uncertainty in our operating environment and markets remains exceptional, and we are closely monitoring the development. Our proximity to our customers and our ability to rapidly adapt to external changes are the key to ITAB's success, and our goal is to continue to strengthen our customers' competitiveness in the best possible way. As such, our priorities for 2022 include safeguarding our own service level and ability to deliver to customers by remaining proactive in our sales and purchasing efforts, combined with additional efforts to increase efficiency in our production and delivery capacity. As the relatively high raw material prices and shipping costs continue to stabilise and expanded capacity globally reduces the component shortages in the coming years, we are convinced it will become even clearer that we are continuing to improve our underlying profitability.

In conclusion, I would like to extend my sincere thanks to all our employees for their many fine contributions in an eventful and challenging year, and to our customers and partners for their continued confidence in us. I look forward to an exciting new year in 2022.

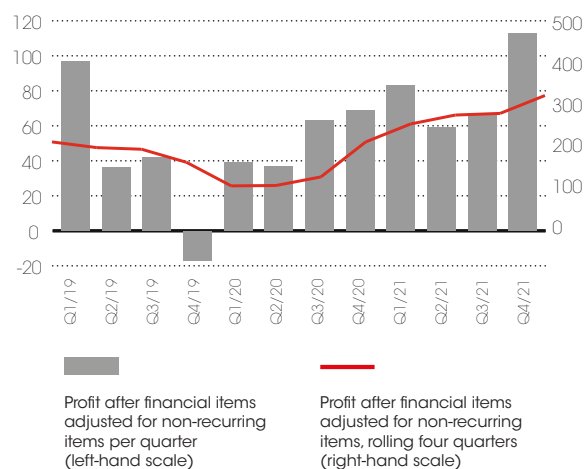
Jönköping, February 2022

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

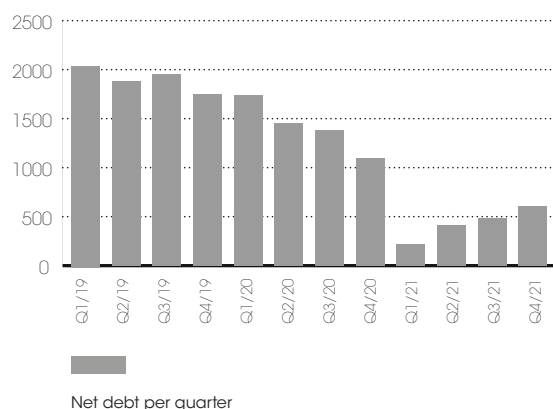
### ► NET SALES (SEK million)



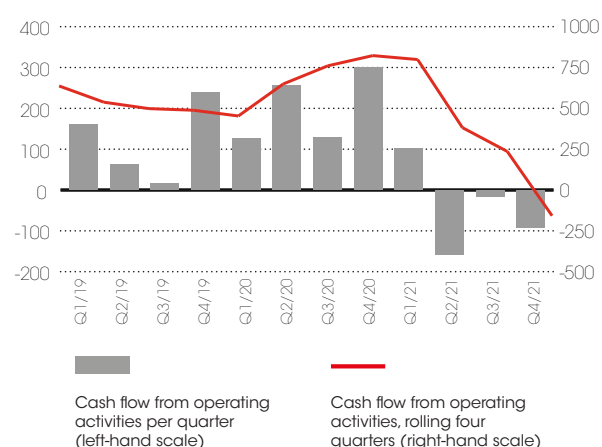
### ► PROFIT AFTER FINANCIAL ITEMS (SEK million) (adjusted for non-recurring items)



### ► NET DEBT (SEK million) (excluding leases)



### ► CASH FLOW FROM OPERATING ACTIVITIES (SEK million)



### ► NON-RECURRING ITEMS

#### NON-RECURRING ITEMS, SEK million

	3 MONTHS OCT-DEC 2021	3 MONTHS OCT-DEC 2020	FULL YEAR JAN-DEC 2021	FULL YEAR JAN-DEC 2020
Restructuring <sup>1)</sup>	-79	-102	-166	-156
Inventory impairment of a non-recurring nature	-	-52	-	-52
<b>Total non-recurring items</b>	<b>-79</b>	<b>-154</b>	<b>-166</b>	<b>-208</b>
<b>Impact of non-recurring items on profit items in the income statement</b>				
Operating profit before depreciation and amortisation (EBITDA)	-70	-151	-157	-202
Operating profit	-79	-154	-166	-205
Profit after financial items	-79	-154	-166	-208

<sup>1)</sup> Restructuring mainly consists of expenses relating to transformation work under ITAB's One ITAB strategy. Refer to Note 4 on page 11.



## JANUARY–DECEMBER

### Net sales

#### Fourth quarter

The Group's net sales increased by 17 percent to SEK 1,770 million (1,507). Currency-adjusted sales increased by 16 percent, with organic growth accounting for 5 percent and the acquisition of Cefla Retail Solutions, which was completed in the first quarter of 2021, contributing 11 percent.

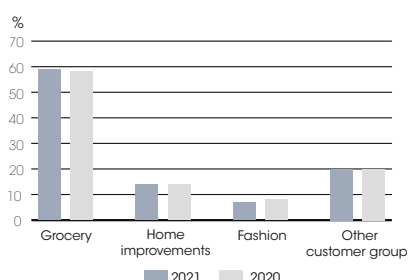
The negative impact on sales from the global delivery disruptions stabilised somewhat during the quarter. The markets in Eastern and Southern Europe performed the strongest compared with the preceding year, both organically and through the acquisition of Cefla Retail Solutions in Italy, despite renewed restrictions at the end of the year. In total, sales in the UK & Ireland declined in the fourth quarter. Of ITAB's customer sectors, sales in Grocery continued to increase the most.

#### Financial year

The Group's net sales increased by 17 percent to SEK 6,245 million (5,323). Currency-adjusted sales increased by 19 percent, with organic growth accounting for 8 percent and the acquisition of Cefla Retail Solutions contributing 11 percent.

The sales trend was favourable in 2021 as societies and the retail sectors opened up following the widespread lockdowns as a result of the COVID-19 pandemic. Customers' faith in the future and willingness to invest has gradually recovered, which was reflected in a stable order intake for ITAB for the full year. The shortage of raw materials and certain components as well as global logistics disruptions impacted ITAB's delivery capacity and had a certain negative impact on net sales in autumn 2021. Sales developed positively as delivery disruptions and raw material shortages recovered somewhat during the year's final quarter. In 2021, sales to the Grocery and Home Improvements customer sectors increased the most, while sales to the customer sector Fashion remained essentially unchanged.

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



### Earnings

#### Fourth quarter

The Group's operating profit amounted to SEK 39 million (-46) and profit after financial items to SEK 34 million (-85). Profit after financial items was impacted by non-recurring items of SEK -79 million (-154) pertaining to restructuring costs mainly attributable to transformation work under the One ITAB strategy. Excluding non-recurring items, operating profit amounted to SEK 118 million (108) and profit after financial items to SEK 113 million (69). EBITDA

excluding non-recurring items of SEK -70 million (-151) totalled SEK 188 million (172), corresponding to an EBITDA margin of 10.6 percent (11.4).

Earnings were positively impacted by the increase in sales during the quarter. The impact on sales and profit from the shortages of certain raw materials and components, and the production inefficiency in various parts of the operations that this has led to, stabilised somewhat during the quarter, even if these global challenges largely remain. The negative impact on the gross margin from this is expected to be temporary until raw material prices and access to components and raw materials stabilise. Customer price increases and measures to coordinate purchasing are continuously implemented and strengthen the gross margin gradually. The financial expenses for the quarter were lower than in the preceding year due to a lower level of indebtedness.

#### Financial year

The Group's operating profit amounted to SEK 224 million (112) and profit after financial items to SEK 156 million (0). Profit after financial items was impacted by non-recurring items of SEK -166 million (-208) pertaining to restructuring costs mainly attributable to the transformation work under the One ITAB strategy. Profit after financial items excluding non-recurring items amounted to SEK 322 million (208). Operating profit excluding non-recurring items of SEK -166 million (-205) totalled SEK 390 million (317). EBITDA excluding non-recurring items of SEK -157 million (-202) totalled SEK 656 million (578), corresponding to an EBITDA margin of 10.5 percent (10.9).

Profit for the year was positively impacted by increased sales and the ongoing efforts to transform the operations, including completed production relocations and cost adaptations, more shared ways of working and more efficient and flexible market cultivation. The integration of the acquired Cefla Retail Solutions is working well and its contribution to the Group's earnings during the year was in line with our expectations. At the same time, the sharp increase in raw material prices and shortages of certain components during the first two quarters of the year had a negative impact on all of the Group's markets. Targeted initiatives to coordinate purchasing and price increases are continuously being implemented. Earnings for the 2020 comparative year were also positively affected by non-recurring effects from increased sales of protective products in Retail Technology with generally higher margins. Earnings for the financial year were also negatively impacted by weaker net financial items during the first quarter of 2021, when financial expenses were affected by changed loan terms and the settlement of interest rate swaps which had a negative impact of approximately SEK 6 million on net financial items. The lower level of indebtedness in the Group, which was partly due to the recapitalisation of ITAB in spring 2021, has resulted in improved net financial items going forward, and financial expenses were significantly lower from the second quarter of 2021 than in the preceding year.

#### Guidance from 10 July 2020

On 10 July 2020, ITAB issued guidance regarding an earnings improvement and its total restructuring costs upon the implementation of the Group's One

ITAB strategy and transformation. Based on the conditions prevailing at that time, the guidance indicated an underlying annualised EBITDA improvement of SEK 270–330 million (compared with EBITDA of SEK 516 million for 2019) once the One ITAB transformation is fully implemented, which is expected to take place in the middle of 2022. The total restructuring costs for One ITAB in the 2020–2022 financial years were estimated at SEK 275–325 million. This guidance continues to apply. The restructuring costs for One ITAB to date total SEK 320 million, of which approximately SEK 60 million refer to impairments in connection with restructurings.

### Cash flow, financing and liquidity

Cash flow from operating activities amounted to SEK -92 million (300) for the fourth quarter and to SEK -165 million (811) for the full 2021 financial year. Cash flow was negatively impacted by higher working capital, with inventories of raw materials in particular continuing to grow in the fourth quarter due to the strong increase in sales and to satisfy customer needs despite disruptions to the supply of raw materials and component shortages combined with longer lead times. Rising raw material prices during the year also affected the inventory value together with a more short-term need for slightly higher inventory levels during the process of relocating production operations as part of the restructuring work under One ITAB. The build-up of the acquired Cefla Retail Solutions' operations in a newly established subsidiary and increased sales in southern Europe, where customer credit periods are longer than in the rest of Europe, also had a negative impact on working capital and cash flow. Net debt excluding lease liabilities declined to SEK 609 million (1,092). Net debt including lease liabilities amounted to SEK 1,239 million (1,748). The reduction in net debt is mainly due to the new share issue completed during the first quarter of 2021.

The Group's cash and cash equivalents, including granted unutilised credits, amounted to SEK 746 million (1,199) on the balance sheet date on 31 December 2021. The equity/assets ratio was 46 percent (31) and the share of risk-bearing capital was 47 percent (32).

#### Recapitalisation and rights issue in 2021

In December 2020, ITAB announced its intention to carry out a recapitalisation of the Group, including a rights issue of SEK 768 million and an offset issue of SEK 100 million, in order to strengthen the balance sheet, contribute to greater financial flexibility and finance the One ITAB transformation plan. The Board of Directors subsequently decided on 9 February 2021 to implement the offset issue and rights issue based on the issue authorisation granted at the Extraordinary General Meeting on 15 January 2021. In December 2020, it was also announced that the current principal owners, in conjunction with the recapitalisation, would sell the majority of their subscription rights in the rights issue to enable the entry of the new strategic principal owner, WQZ Investments Group Ltd. In January 2021, a supplementary agreement was entered into whereby all of WQZ Investments Group Ltd's rights and obligations related to ITAB's recapitalisation were taken over by the investment company Aeternum Capital AS, which is a company related to WQZ Investments Group Ltd.

- On 12 March 2021, ITAB announced that the recapitalisation had been fully completed and that the rights issue of SEK 768 million had been fully subscribed. ITAB's offset issue of SEK 100 million was also fully subscribed and all Class A shares were reclassified to a corresponding number of Class B shares. Following the recapitalisation, ITAB has 218,100,192 shares outstanding. Aeternum Capital AS is ITAB's largest shareholder with nearly 25 percent of the shares.

#### Investments

The Group's net investments in the fourth quarter amounted to SEK 11 million (6), of which SEK -8 million (0) is attributable to corporate acquisitions. For the full financial year, the Group's net investments amounted to SEK 103 million (45), of which SEK 40 million (0) is attributable to corporate acquisitions during the year. For more information on corporate acquisitions and divestments, refer to Note 2 on page 10.

#### Employees

The average number of employees amounted to 2,861 (2,881) in the fourth quarter and 2,930 (3,030) in the full financial year.

#### Parent Company

The Parent Company ITAB Shop Concept AB's operations mainly consist of Group-wide functions. The Parent Company's net sales pertain to revenue from subsidiaries and amounted to SEK 54 million (55) for the fourth quarter and SEK 171 million (169) for the full financial year. Profit after financial items amounted to SEK -39 million (-38) for the quarter and SEK -13 million (15) for the year, including dividends from subsidiaries of SEK 0 million (0) for the quarter and SEK 46 million (50) for the year. Impairment of shares and receivables from subsidiaries had an impact of SEK -42 million (-98) on earnings for the quarter and SEK -51 million (-106) for the financial year in connection with the restructuring carried out in the Group.

#### Acquisitions and divestments

##### *Acquisition of Cefla Retail Solutions*

ITAB's Italian subsidiary La Fortezza s.p.a. entered into an agreement with Cefla soc. coop. on 8 October 2020 to acquire 81 percent of Cefla's business unit for retail solutions ("Cefla Retail Solutions"). Cefla Retail Solutions primarily offers interior design and checkout solutions to its customers, which predominantly operate in the grocery sector in southern Europe. Through the acquisition and collaboration with Cefla, ITAB has strengthened its leading position in southern Europe and created opportunities to offer ITAB's solutions to a wider customer base.

The acquisition was completed in January 2021, and the acquired business unit was carved out from Cefla's existing structure and transferred to a newly established Italian limited liability company, Imola Retail Solution Srl, of which ITAB owns 81 percent and Cefla the remaining 19 percent. The acquisition of Cefla Retail Solutions is consolidated in ITAB as of 1 January 2021. The positive EBITDA effect on ITAB is expected to amount to at least SEK 30 million, and the transaction will create opportunities for further synergy effects in the coming years. ITAB has the right to acquire Cefla's minority stake in Imola Retail Solution three years after the completion of the transaction.

##### *Other acquisitions*

In April 2021, a subsidiary acquired the remaining 15 percent of the partly owned company La Fortezza Sudamericana S.A. (Argentina). The purchase consideration amounted to EUR 2 million. Cash flow was impacted in an amount of SEK -19 million in the second quarter of 2021.

##### *Divestments*

In connection with the restructurings in the Group, ITAB sold 100 percent of the shares in the company Pulverlacken i Hillerstorp AB through a subsidiary in November 2021. The purchase consideration amounted to SEK 8 million. The disposal impacted the operating profit by SEK 0 million and the cash flow in the fourth quarter by SEK 8 million.

Refer to Note 2 on page 10.

#### OTHER INFORMATION

##### **Risks and uncertainties**

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

##### **Estimates and judgements**

The preparation of the year-end report requires Group management to make assessments and estimates as well as assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, revenue and expenses. The actual outcome may deviate from these estimates and judgements. The ongoing pandemic and restructuring in connection with One ITAB affect the Group's 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 year-end report are the same as in the most recent Annual Report.

##### **Transactions with related parties**

During the third quarter of 2020, ITAB entered into short-term shareholder loans amounting to SEK 140 million with companies related to three Directors of the Board who were also principal owners. With the aim of securing liquidity in connection with the repayment of convertible loans to employees, the shareholder loans were approved at an Extraordinary General Meeting on 22 July 2020. A total of SEK 40 million of the net proceeds from the rights issue carried out in early 2021 was used to repay part of the shareholder loans mentioned above. In accordance with a decision at an Extraordinary General Meeting on 15 January 2021, the remaining SEK 100 million was set off against Class B shares at a conversion price corresponding to the subscription price in the rights issue. Other than the above, there have been no other transactions between ITAB and related parties that have significantly affected the company's position and results.

##### **Events after the end of the financial year**

No significant events for the Group have taken place after the end of the financial year.

# THE GROUP IN SUMMARY



## ► INCOME STATEMENT

(SEK million)	Note	3 MONTHS OCT-DEC 2021	3 MONTHS OCT-DEC 2020	FULL YEAR JAN-DEC 2021	FULL YEAR JAN-DEC 2020
Revenue from contracts with customers	3	1,770	1,507	6,245	5,323
Costs of goods sold		-1,310	-1,182	-4,565	-3,906
<b>Gross profit</b>		<b>460</b>	<b>325</b>	<b>1,680</b>	<b>1,417</b>
Selling expenses		-308	-281	-1,101	-1,015
Administrative expenses		-102	-82	-338	-285
Other operating income and expenses	4	-11	-8	-17	-5
<b>Operating profit</b>		<b>39</b>	<b>-46</b>	<b>224</b>	<b>112</b>
Financial income		8	-1	14	5
Financial expenses	5	-13	-38	-82	-117
<b>Profit after financial items</b>	4	<b>34</b>	<b>-85</b>	<b>156</b>	<b>0</b>
Tax expenses		-10	8	-53	-22
<b>NET PROFIT FOR THE PERIOD</b>		<b>24</b>	<b>-77</b>	<b>103</b>	<b>-22</b>
<b>Net profit for the period attributable to:</b>					
Parent Company shareholders		18	-76	95	-21
Non-controlling interests		6	-1	8	-1
Depreciation and amortisation for the period amount to		79	67	275	264
Tax expenses for the period account for		31%	11%	34%	N/A
Earnings per share, SEK <sup>1)</sup>		0.09	-0.74	0.50	-0.21
Average number of outstanding shares, thousand <sup>1)</sup>	6	218,100	102,383	191,396	102,383
Number of outstanding shares, thousand <sup>1)</sup>	6	218,100	102,383	218,100	102,383

<sup>1)</sup> On 9 February 2021, the Board decided to implement an offset issue and rights issue based on the issue authorisation decided at an Extraordinary General Meeting of ITAB Shop Concept AB on 15 January 2021. On 12 March 2021, ITAB announced that the recapitalisation had been fully completed and that the rights issue of SEK 768 million had been fully subscribed. The number of shares in ITAB increased by a total of 115,716,762 and totals 218,100,192 shares after the issues.

## ► STATEMENT OF OTHER COMPREHENSIVE INCOME

(SEK million)	Note	3 MONTHS OCT-DEC 2021	3 MONTHS OCT-DEC 2020	FULL YEAR JAN-DEC 2021	FULL YEAR JAN-DEC 2020
<b>NET PROFIT FOR THE PERIOD</b>		<b>24</b>	<b>-77</b>	<b>103</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	-2	2
Tax relating to items not to be reclassified		0	0	0	0
		<b>-2</b>	<b>2</b>	<b>-2</b>	<b>2</b>
<b>Items that may be reclassified to the income statement</b>					
Translation differences		45	-65	118	-131
Hedging of net investments, net	5	-1	3	-1	5
Cash flow hedges, net	5	6	3	21	-5
Tax on items that may be reclassified		-2	-1	-5	0
		<b>48</b>	<b>-60</b>	<b>133</b>	<b>-131</b>
<b>Total other comprehensive income after tax</b>		<b>46</b>	<b>-58</b>	<b>131</b>	<b>-129</b>
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>70</b>	<b>-135</b>	<b>234</b>	<b>-151</b>
<b>Comprehensive income for the period attributable to:</b>					
Parent Company shareholders		59	-127	213	-141
Non-controlling interests		11	-8	21	-10

## ► STATEMENT OF FINANCIAL POSITION

(SEK million)	Note	31 DEC 2021	31 DEC 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
<i>Intangible assets</i>			
Goodwill		1,644	1,599
Other intangible assets		112	144
		<b>1,756</b>	<b>1,743</b>
Property, plant and equipment		1,366	1,367
Participations in associated companies		11	12
Deferred tax assets		117	101
Financial non-current assets		18	6
<b>Total non-current assets</b>		<b>3,268</b>	<b>3,229</b>
<b>Current assets</b>			
Inventories		1,176	698
Current receivables		1,372	900
Cash and cash equivalents		208	692
<b>Total current assets</b>		<b>2,756</b>	<b>2,290</b>
<b>TOTAL ASSETS</b>		<b>6,024</b>	<b>5,519</b>
<b>EQUITY AND LIABILITIES</b>			
Equity attributable to Parent Company shareholders	6	2,654	1,607
Non-controlling interests		128	118
Deferred tax liabilities		45	41
Other non-current liabilities	5	1,143	1,283
Current liabilities	5, 7	2,054	2,470
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,024</b>	<b>5,519</b>
Interest-bearing net debt		1,239	1,748
Interest-bearing net debt excluding lease liabilities		609	1,092

## ► STATEMENT OF CHANGES IN EQUITY

(SEK million)	Note	Share capital	Other contributed capital	Other reserves <sup>*)</sup>	Profit brought forward	Attributable to Parent Company shareholders	Attributable to non- controlling interests	Total equity
<b>EQUITY AS OF 1 JANUARY 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					-21	-21	-1	-22
Other comprehensive income				-122	2	-120	-9	-129
<b>Comprehensive income Jan-Dec 2020</b>				<b>-122</b>	<b>-19</b>	<b>-141</b>	<b>-10</b>	<b>-151</b>
Effect from repayment of convertible debenture loan KV5B			-11		11	0		0
<b>EQUITY AS OF 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					95	95	8	103
Other comprehensive income				120	-2	118	13	131
<b>Comprehensive income Jan-Dec 2021</b>				<b>120</b>	<b>93</b>	<b>213</b>	<b>21</b>	<b>234</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>EQUITY AS OF 31 DECEMBER 2021</b>		<b>91</b>	<b>1,089</b>	<b>42</b>	<b>1,432</b>	<b>2,654</b>	<b>128</b>	<b>2,782</b>

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

## ► STATEMENT OF CASH FLOWS

(SEK million)	Note	3 MONTHS OCT-DEC 2021	3 MONTHS OCT-DEC 2020	FULL YEAR JAN-DEC 2021	FULL YEAR JAN-DEC 2020
<b>Operating profit</b>		<b>39</b>	<b>-46</b>	<b>224</b>	<b>112</b>
Paid and received interest, tax and adjustments for items not included in the cash flow		73	166	200	305
<b>Cash flow from operating activities before change in working capital</b>		<b>112</b>	<b>120</b>	<b>424</b>	<b>417</b>
<b>Change in working capital</b>					
Change in inventories		-87	70	-422	85
Change in operating receivables		-42	33	-394	90
Changes in operating liabilities		-75	77	227	219
<b>Cash flow from change in working capital</b>		<b>-204</b>	<b>180</b>	<b>-589</b>	<b>394</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>-92</b>	<b>300</b>	<b>-165</b>	<b>811</b>
<b>Investing activities</b>					
Acquisition/divestment of companies and operations	2	8	0	-40	0
Other net investments		-19	-6	-63	-45
<b>Cash flow from investing activities</b>		<b>-11</b>	<b>-6</b>	<b>-103</b>	<b>-45</b>
<b>CASH FLOW AFTER INVESTING ACTIVITIES</b>		<b>-103</b>	<b>294</b>	<b>-268</b>	<b>766</b>
<b>Financing activities</b>					
New share issue	6	-	-	733	-
Repayment of convertible loan KV5B		-	-	-	-168
Repayment of lease liabilities		-35	-30	-134	-122
Cash flow from other financing activities		12	-52	-852	-53
<b>Cash flow from financing activities</b>		<b>-23</b>	<b>-82</b>	<b>-253</b>	<b>-343</b>
<b>CASH FLOW FOR THE PERIOD</b>		<b>-126</b>	<b>212</b>	<b>-521</b>	<b>423</b>
Cash and cash equivalents at the start of the period		323	498	692	302
Translation differences on cash and cash equivalents		11	-18	37	-33
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>208</b>	<b>692</b>	<b>208</b>	<b>692</b>
<b>Cash flow from operating activities per share, SEK</b>		<b>-0.42</b>	<b>2.92</b>	<b>-0.86</b>	<b>7.92</b>



# THE PARENT COMPANY IN SUMMARY



## ► INCOME STATEMENT

(SEK million)	Note	3 MONTHS OCT-DEC 2021	3 MONTHS OCT-DEC 2020	FULL YEAR JAN-DEC 2021	FULL YEAR JAN-DEC 2020
Net sales <sup>1)</sup>		54	55	171	169
Costs of goods sold		-6	-8	-21	-20
<b>Gross profit</b>		<b>48</b>	<b>47</b>	<b>150</b>	<b>149</b>
Selling expenses		-14	-17	-47	-48
Administrative expenses		-17	-19	-56	-53
Other operating income and expenses		-1	3	4	1
<b>Operating profit</b>		<b>16</b>	<b>14</b>	<b>51</b>	<b>49</b>
Profit from participations in Group companies		-42	-93	-5	-56
Financial income and expenses	5	-13	41	-59	22
<b>Profit after financial items</b>		<b>-39</b>	<b>-38</b>	<b>-13</b>	<b>15</b>
Year-end appropriations		-	-29	-56	-29
<b>Profit before tax</b>		<b>-39</b>	<b>-67</b>	<b>-69</b>	<b>-14</b>
Tax expenses for the period		-	-14	15	-14
<b>NET PROFIT FOR THE PERIOD</b>		<b>-39</b>	<b>-81</b>	<b>-54</b>	<b>-28</b>

## ► STATEMENT OF OTHER COMPREHENSIVE INCOME

Net profit for the period	-39	-81	-54	-28
Other comprehensive income	-	-	-	-
<b>NET PROFIT FOR THE PERIOD</b>	<b>-39</b>	<b>-81</b>	<b>-54</b>	<b>-28</b>

<sup>1)</sup> Pertains to revenue from subsidiaries.

## ► BALANCE SHEET

(SEK million)	Note	31 DEC 2021	31 DEC 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		6	7
Financial assets		2,066	2,102
Deferred tax assets		32	17
<b>Total non-current assets</b>		<b>2,104</b>	<b>2,126</b>
<b>Current assets</b>			
Current receivables		502	251
Cash and bank balance		54	449
<b>Total current assets</b>		<b>556</b>	<b>700</b>
<b>TOTAL ASSETS</b>		<b>2,660</b>	<b>2,826</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Restricted equity		98	50
Non-restricted equity		1,725	994
<b>Total equity</b>	6	<b>1,823</b>	<b>1,044</b>
Non-current liabilities		541	626
Current liabilities	7	296	1,156
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,660</b>	<b>2,826</b>

## Note 1 – Accounting policies

ITAB applies International Financial Reporting Standards (IFRS). This year-end report has been prepared in accordance with IAS 34 *Interim Financial Reporting*, the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 1 *Supplementary Accounting Rules for Groups* and RFR 2 *Accounting for Legal Entities*. The accounting policies applied correspond with the accounting policies used in the preparation of the most recent Annual Report.

## Note 2 – Corporate acquisitions and divestments

### Acquisition of Cefla Retail Solutions in 2021

ITAB Shop Concept AB's Italian subsidiary La Fortezza s.p.a. entered into an agreement with Cefla soc. coop. on 8 October 2020 to acquire 81 percent of Cefla's business unit for retail solutions ("Cefla Retail Solutions"). Cefla Retail Solutions primarily offers interior design and checkout solutions to its customers, which predominantly operate in the grocery sector in southern Europe. Through the acquisition and collaboration with Cefla, ITAB has strengthened its leading position in southern Europe and created opportunities to offer ITAB's solutions to a wider customer base.

The acquisition was completed in January 2021, 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 Cefla the remaining 19 percent. ITAB has the right to acquire Cefla's minority stake in the aforementioned company three years after the transaction date. The acquisition is consolidated from 1 January 2021. The positive EBITDA effect for ITAB in 2021 is expected to amount to at least SEK 30 million and the transaction will create opportunities for further synergy effects in the coming years.

Expenses in connection with the acquisition are recognised on an ongoing basis as expenses. The acquisition had an impact of SEK -1 million on operating profit and SEK -23 million on cash flow in the first quarter and an impact of SEK -6 million in the third quarter of 2021. The preliminary effect of the acquisition was reported in Note 5 of ITAB's Annual Report for 2020.

### Acquisition of non-controlling interest in 2021

In April 2021, a subsidiary acquired the remaining 15 percent of the partly owned company La Fortezza Sudamericana S.A. (Argentina). The purchase consideration amounted to EUR 2 million. The entity approach is applied for

acquisitions, which means that all assets and liabilities as well as income and expenses are included in their entirety at the time of the initial acquisition, even for partly owned subsidiaries, and no further goodwill is therefore linked to the acquisition. The difference between valued non-controlling interests prior to acquisition and the purchase consideration is recognised directly in equity attributable to Parent Company shareholders (SEK 1 million). Cash flow in the second quarter of 2021 was impacted in an amount of SEK -19 million.

### Divestments 2021

In connection with the restructurings in the Group, ITAB sold 100 percent of the shares in the company Pulverlacken i Hillerstorp AB through a subsidiary in November 2021. The purchase consideration amounted to SEK 8 million. The divestment impacted the operating profit by SEK 0 million and the cash flow in the fourth quarter by SEK 8 million.

PULVERLACKEN I HILLERSTORP AB AT THE TIME OF DIVESTMENT	FAIR VALUE, SEK MILLION
Property, plant and equipment	4
Inventory	8
Accounts receivable	7
Deferred tax	-1
Current liabilities	-10
<b>NET IDENTIFIABLE ASSETS AND LIABILITIES</b>	<b>8</b>

## Note 3 – Revenue from contracts with customers by customer group and geographic area

Revenue recognition takes place when the Group satisfies a performance obligation 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 case 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 approximately 12 percent of external sales, and none of the ITAB Group's other customers account for more than 6 percent of external sales.

SALES BY CUSTOMER GROUP <sup>1)</sup>	3 MONTHS OCT-DEC 2021	3 MONTHS OCT-DEC 2020	FULL YEAR JAN-DEC 2021	FULL YEAR JAN-DEC 2020
Grocery	1,047	924	3,680	3,094
Home Improvements	242	184	866	733
Fashion	112	90	416	420
Other customer groups	369	309	1,283	1,076
<b>TOTAL</b>	<b>1,770</b>	<b>1,507</b>	<b>6,245</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.

SALES BY GEOGRAPHIC AREA <sup>2)</sup>	3 MONTHS OCT-DEC 2021	3 MONTHS OCT-DEC 2020	FULL YEAR JAN-DEC 2021	FULL YEAR JAN-DEC 2020
Northern Europe	380	414	1,498	1,500
Southern Europe	369	247	1,430	819
Central Europe	361	309	1,179	1,031
UK & Ireland	257	310	1,002	1,054
Eastern Europe	242	119	655	509
Rest of the World	161	108	481	410
<b>TOTAL</b>	<b>1,770</b>	<b>1,507</b>	<b>6,245</b>	<b>5,323</b>

<sup>2)</sup> Northern Europe consists of the Nordic countries. Southern Europe consists mainly 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

Earnings for the fourth quarter and the full financial year have been charged with non-recurring costs.

These primarily consist of restructuring costs in connection with the transformation work under ITAB's One ITAB strategy, of which approximately 50 percent pertains to personnel costs.

NON-RECURRING ITEMS, SEK million	3 MONTHS OCT-DEC 2021	3 MONTHS OCT-DEC 2020	FULL YEAR JAN-DEC 2021	FULL YEAR JAN-DEC 2020
Restructuring	-79	-102	-166	-156
Inventory impairment of a non-recurring nature	-	-52	-	-52
<b>Total non-recurring items</b>	<b>-79</b>	<b>-154</b>	<b>-166</b>	<b>-208</b>
<b>Impact of non-recurring items on profit and loss items in the income statement</b>				
Operating profit before depreciation and amortisation (EBITDA)	-70	-151	-157	-202
Operating profit	-79	-154	-166	-205
Profit after financial items	-79	-154	-166	-208

## Note 5 – Financial assets and liabilities

ITAB has derivative instruments measured 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 in accordance with IFRS 13 and fair value is calculated through discounted future cash flows according to the terms of the contracts and maturity dates, with all variables, such as discount rates and exchange rates, taken from market quotations for calculations.

The fair value of the derivative instruments for hedging purposes is recognised as a change in other comprehensive income. Any ineffective portion is recognised immediately in 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, of which SEK 5 million during the first quarter and SEK 1 million during the second quarter.

Additional purchase considerations are recognised as financial liabilities and classified in level 3 in accordance with IFRS 13. These are dependent on parameters in the respective agreements, which are mainly linked to the expected earnings for the acquired companies over the next few years. The additional purchase considerations 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. For other information, refer to ITAB's Annual Report for 2020.

## Note 6 – New and offset issues

On 9 February 2021, the Board decided to implement an offset issue and rights issue based on the issue authorisation decided at the Extraordinary General Meeting of ITAB Shop Concept AB (publ) on 15 January 2021. On 12 March 2021, ITAB announced that the recapitalisation had been fully completed and that the rights issue of SEK 768 million had been fully subscribed. Through these issues, the number of shares increased by a total of 115,716,762 and amounts to 218,100,192 shares after the issues.

	NO. OF SHARES	SHARE CAPITAL, SEK MILLION	SHARE PREMIUM RESERVE, SEK MILLION	TOTAL, SEK MILLION
New share issue	102,383,430	42	726	768
Offset 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 as of 31 December 2020 include short-term shareholder loans from Pomona-Gruppen AB (related to Director of the Board Fredrik Rapp), VIEM Invest AB (related to Director of the Board Anna Benjamin) and Övre Kullen AB (related to Director of the Board Petter Fägersten). The loans amounted to a total of SEK 140 million and were approved at an Extraordinary General Meeting of ITAB Shop Concept AB (publ) on 22 July 2020. In connection with an offset issue in March 2021 (refer to Note 6 above), SEK 100 million of these loans was converted into equity. The remaining SEK 40 million was repaid in March 2021 and none of these shareholder loans remains on the balance sheet date.

## Note 8 - Pledged assets and contingent liabilities

SEK million	GROUP 31 DEC 2021	GROUP 31 DEC 2020	PARENT COMPANY 31 DEC 2021	PARENT COMPANY 31 DEC 2020
Pledged assets	1,898	1,825	1,353	1,353
Contingent liabilities	12	22	399	123

## ► QUARTERLY OVERVIEW FOR THE GROUP

	PER QUARTER							
	OCT-DEC 2021	OCT-DEC 2020	JUL-SEP 2021	JUL-SEP 2020	APR-JUN 2021	APR-JUN 2020	JAN-MAR 2021	JAN-MAR 2020
(SEK million)								
Revenue from contracts with customers	1,770	1,507	1,464	1,258	1,488	1,142	1,523	1,416
Costs of goods sold	-1,310	-1,182	-1,090	-888	-1,087	-809	-1,078	-1,027
<b>Gross profit</b>	<b>460</b>	<b>325</b>	<b>374</b>	<b>370</b>	<b>401</b>	<b>333</b>	<b>445</b>	<b>389</b>
Selling expenses	-308	-281	-250	-225	-277	-230	-266	-279
Administrative expenses	-102	-82	-78	-63	-86	-67	-72	-73
Other operating income and expenses	-11	-8	-1	1	0	-2	-5	4
<b>Operating profit</b>	<b>39</b>	<b>-46</b>	<b>45</b>	<b>83</b>	<b>38</b>	<b>34</b>	<b>102</b>	<b>41</b>
Financial items	-5	-39	-8	-32	-22	-27	-33	-14
<b>Profit after financial items</b>	<b>34</b>	<b>-85</b>	<b>37</b>	<b>51</b>	<b>16</b>	<b>7</b>	<b>69</b>	<b>27</b>
Tax expenses	-10	8	-17	-18	-7	-3	-19	-9
<b>NET PROFIT FOR THE PERIOD</b>	<b>24</b>	<b>-77</b>	<b>20</b>	<b>33</b>	<b>9</b>	<b>4</b>	<b>50</b>	<b>18</b>
<i>Net profit for the period attributable to:</i>								
Parent Company shareholders	18	-76	20	32	8	3	49	20
Non-controlling interests	6	-1	0	1	1	1	1	-2
Non-recurring items, SEK million	-79	-154	-30	-12	-43	-30	-14	-12
Profit after financial items excl. non-recurring items, SEK million	113	69	67	63	59	37	83	39
Profit margin excl. non-recurring items, %	6.4	4.5	4.5	5.1	4.0	3.2	5.4	2.7
Earnings per share, SEK <sup>1)</sup>	0.09	-0.74	0.09	0.30	0.03	0.04	0.38	0.19
Return on equity per annum, %	2.8	neg	3.1	7.3	1.2	0.8	9.5	4.4
Equity per share, SEK <sup>1)</sup>	12.17	15.69	11.90	16.94	11.70	16.84	11.72	17.47
Cash flow from operating activities per share, SEK <sup>1)</sup>	-0.42	2.92	-0.40	1.26	-0.72	2.51	0.78	1.23
Share price at the end of the period, recalculated after share issues, SEK	13.42	11.75	13.44	8.74	15.70	7.28	16.84	5.07

<sup>1)</sup> In connection with ITAB's recapitalisation in 2021, the number of shares increased by 115,716,762 to a total of 218,100,192 shares.

## ► FULL-YEAR OVERVIEW FOR THE GROUP

	ROLLING 12 MONTHS AS OF							
	31 DEC 2021	30 SEP 2021	30 JUN 2021	31 MAR 2021	31 DEC 2020	30 SEP 2020	30 JUN 2020	31 MAR 2020
(SEK million)								
Revenue from contracts with customers	6,245	5,982	5,776	5,430	5,323	5,333	5,488	5,877
Costs of goods sold	-4,565	-4,437	-4,235	-3,957	-3,906	-3,879	-4,020	-4,330
<b>Gross profit</b>	<b>1,680</b>	<b>1,545</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>
Selling expenses	-1,101	-1,074	-1,049	-1,002	-1,015	-1,060	-1,113	-1,173
Administrative expenses	-338	-318	-303	-284	-285	-278	-280	-287
Other operating income and expenses	-17	-14	-12	-14	-5	3	6	53
<b>Operating profit</b>	<b>224</b>	<b>139</b>	<b>177</b>	<b>173</b>	<b>112</b>	<b>119</b>	<b>81</b>	<b>140</b>
Financial items	-68	-102	-126	-131	-112	-97	-81	-75
<b>Profit after financial items</b>	<b>156</b>	<b>37</b>	<b>51</b>	<b>42</b>	<b>0</b>	<b>22</b>	<b>0</b>	<b>65</b>
Tax expenses	-53	-35	-36	-32	-22	-25	-14	-29
<b>NET PROFIT FOR THE PERIOD</b>	<b>103</b>	<b>2</b>	<b>15</b>	<b>10</b>	<b>-22</b>	<b>-3</b>	<b>-14</b>	<b>36</b>
<i>Net profit for the period attributable to:</i>								
Parent Company shareholders	95	1	13	8	-21	-3	-13	38
Non-controlling interests	8	1	2	2	-1	0	-1	-2
Non-recurring items, SEK million	-166	-241	-223	-210	-208	-100	-101	-35
Profit after financial items excl. non-recurring items, SEK million	322	278	274	252	208	122	101	100
Profit margin excl. non-recurring items, %	5.2	4.6	4.7	4.5	3.9	2.3	1.8	1.7
Earnings per share, SEK <sup>1)</sup>	0.50	0.00	0.09	0.08	-0.21	-0.04	-0.12	0.36
Return on equity per annum, %	4.0	0.0	0.6	0.5	neg	neg	neg	2.1
Equity per share, SEK <sup>1)</sup>	12.17	11.90	11.70	11.72	15.69	16.94	16.84	17.47
Cash flow from operating activities per share, SEK <sup>1)</sup>	-0.86	2.52	2.70	7.08	7.92	7.34	6.25	4.33

<sup>1)</sup> In connection with ITAB's recapitalisation in 2021, the number of shares increased by 115,716,762 to a total of 218,100,192 shares.

# KEY RATIOS & DEFINITIONS



## ► KEY RATIOS

	3 MONTHS OCT-DEC 2021	3 MONTHS OCT-DEC 2020	FULL YEAR JAN-DEC 2021	FULL YEAR JAN-DEC 2020
Revenue from contracts with customers, SEK million	1,770	1,507	6,245	5,323
EBITDA, SEK million	118	21	499	376
EBITDA margin, %	6.7	1.4	8.0	7.1
EBITDA excl. non-recurring items, SEK million	188	172	656	578
EBITDA margin excl. non-recurring items, %	10.6	11.4	10.5	10.9
Operating profit, SEK million	39	-46	224	112
Operating margin, %	2.2	-3.0	3.6	2.1
Operating profit excl. non-recurring items, SEK million	118	108	390	317
Operating margin excl. non-recurring items, %	6.7	7.2	6.2	6.0
Profit after financial items, SEK million	34	-85	156	0
Profit margin, %	1.9	-5.7	2.5	0.0
Profit after financial items excl. non-recurring items, SEK million	113	69	322	208
Profit margin excl. non-recurring items, %	6.4	4.5	5.2	3.9
Cash flow from operating activities, SEK million	-92	300	-165	811
Profit after tax, SEK million	24	-77	103	-22
Share price at the end of the period, recalculated after share issues, SEK	13.42	11.75	13.42	11.75
Earnings per share, SEK <sup>1)</sup>	0.09	-0.74	0.50	-0.21
Cash flow from operating activities per share, SEK <sup>1)</sup>	-0.42	2.92	-0.86	7.92
Number of shares at the end of the period, <sup>1)</sup>	218,100,192	102,383,430	218,100,192	102,383,430
Average number of shares <sup>1)</sup>	218,100,192	102,383,430	191,396,324	102,383,430
Balance sheet total, SEK million	6,024	5,519	6,024	5,519
Interest-bearing net debt, SEK million	1,239	1,748	1,239	1,748
Interest-bearing net debt excl. lease liabilities, SEK million	609	1,092	609	1,092
Equity attributable to Parent Company shareholders, SEK million	2,654	1,607	2,654	1,607
Equity per share, SEK <sup>1)</sup>	12.17	15.69	12.17	15.69
Equity/assets ratio, %	46.2	31.3	46.2	31.3
Share of risk-bearing capital, %	46.9	32.0	46.9	32.0
Return on equity per annum, %	2.8	neg	4.0	neg
Return on capital employed per annum, %	4.5	neg	5.6	2.5
Return on total capital per annum, %	3.1	neg	4.0	2.0
Interest-coverage ratio, multiple	3.7	neg	2.9	1.0
Net investments, SEK million	11	6	103	45
Net investments excl. corporate acquisitions, SEK million	19	6	63	45
Average number of employees	2,861	2,881	2,930	3,030

<sup>1)</sup> In connection with ITAB's recapitalisation in 2021, the number of shares increased by 115,716,762 to a total of 218,100,192 shares.



## ▶ ALTERNATIVE PERFORMANCE MEASURES

Key ratios included in this report derive primarily from the disclosure requirements according to IFRS and the Swedish Annual Accounts Act. In addition, reference is made to a number of performance measures that are not defined in the IFRS regulations or directly in the income statement or balance sheet, with the aim of illustrating the company's profit trend and 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 performance measures 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 ratios can be found below.

### ▼ EBITDA (Operating profit before depreciation and amortisation)

Operating profit before depreciation, amortisation and impairment of property, plant and equipment and intangible assets.

*A relevant profit measure to assess the profit trend of the company over time.*

(SEK million)	3 MONTHS OCT-DEC 2021	3 MONTHS OCT-DEC 2020	FULL YEAR JAN-DEC 2021	FULL YEAR JAN-DEC 2020
Operating profit	39	-46	224	112
Depreciation and amortisation	79	67	275	264
<b>EBITDA</b>	<b>118</b>	<b>21</b>	<b>499</b>	<b>376</b>
Reversal of non-recurring items, Note 4	70	151	157	202
<b>EBITDA EXCL. NON-RECURRING ITEMS</b>	<b>188</b>	<b>172</b>	<b>656</b>	<b>578</b>

### ▼ Interest-bearing net debt

Non-current and current interest-bearing liabilities including lease liabilities less interest-bearing assets as well as cash and cash equivalents.

*A relevant measure to show ITAB's total loan financing. This measure is included in the covenants in ITAB's loan agreements with the company's banks.*

(SEK million)	3 MONTHS OCT-DEC 2021	3 MONTHS OCT-DEC 2020	FULL YEAR JAN-DEC 2021	FULL YEAR JAN-DEC 2020
Interest-bearing non-current liabilities	1,071	1,239	1,071	1,239
Interest-bearing current liabilities	380	1,202	380	1,202
Interest-bearing assets	-4	-1	-4	-1
Cash and cash equivalents	-208	-692	-208	-692
<b>INTEREST-BEARING NET DEBT</b>	<b>1,239</b>	<b>1,748</b>	<b>1,239</b>	<b>1,748</b>
Reversal of interest-bearing lease liabilities	-630	-656	-630	-656
<b>INTEREST-BEARING NET DEBT EXCL. LEASES</b>	<b>609</b>	<b>1,092</b>	<b>609</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 million)	3 MONTHS OCT-DEC 2021	3 MONTHS OCT-DEC 2020	FULL YEAR JAN-DEC 2021	FULL YEAR JAN-DEC 2020
Equity attributable to Parent Company shareholders	2,654	1,607	2,654	1,607
Equity attributable to non-controlling interests	128	118	128	118
Provision for deferred tax liabilities	45	41	45	41
<b>RISK-BEARING CAPITAL</b>	<b>2,827</b>	<b>1,766</b>	<b>2,827</b>	<b>1,766</b>
Total capital	6,024	5,519	6,024	5,519
<b>SHARE OF RISK-BEARING CAPITAL, %</b>	<b>46.9</b>	<b>32.0</b>	<b>46.9</b>	<b>32.0</b>

## ▼ Return on equity

Annualised net profit for the period attributable to the Parent Company's shareholders in relation to average equity attributable to the Parent Company's shareholders.  
*This measure shows the return on the shareholders' capital invested in the ITAB Group.*

(SEK million)	3 MONTHS OCT-DEC 2021	3 MONTHS OCT-DEC 2020	FULL YEAR JAN-DEC 2021	FULL YEAR JAN-DEC 2020
Annualised net profit attributable to Parent Company shareholders	74	-304	95	-21
Equity attributable to Parent Company shareholders	2,654	1,607	2,654	1,607
Average equity attributable to Parent Company shareholders	2,625	1,670	2,393	1,720
<b>RETURN ON EQUITY, %</b>	<b>2.8</b>	<b>-18.2</b>	<b>4.0</b>	<b>-1.2</b>

## ▼ Return on capital employed

Annualised profit after financial items for the period plus financial borrowing costs in relation to average balance sheet total less non interest-bearing liabilities.  
*This measure is relevant for assessing ITAB's efficiency and added value from the business.*

(SEK million)	3 MONTHS OCT-DEC 2021	3 MONTHS OCT-DEC 2020	FULL YEAR JAN-DEC 2021	FULL YEAR JAN-DEC 2020
Annualised profit after financial items plus financial expenses	188	-207	238	112
Average balance sheet total less non interest-bearing liabilities	4,227	4,303	4,266	4,441
<b>RETURN ON CAPITAL EMPLOYED, %</b>	<b>4.5</b>	<b>-4.8</b>	<b>5.6</b>	<b>2.5</b>

## ▼ Return on total capital

Annualised profit after financial items for the period plus financial borrowing costs in relation to average total capital.  
*This measure is relevant for assessing the ability to generate profit on the Group's assets regardless of financing costs.*

(SEK million)	3 MONTHS OCT-DEC 2021	3 MONTHS OCT-DEC 2020	FULL YEAR JAN-DEC 2021	FULL YEAR JAN-DEC 2020
Annualised profit after financial items plus financial expenses	188	-207	238	112
Average total capital	6,008	5,634	5,938	5,727
<b>RETURN ON TOTAL CAPITAL, %</b>	<b>3.1</b>	<b>-3.7</b>	<b>4.0</b>	<b>2.0</b>

## ► OTHER DEFINITIONS

### ► Average number of employees

Number of worked hours divided by normal annual working time.

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

### ► Cash flow from operating activities per share

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

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

### ► Currency-adjusted sales

Translation of the foreign subsidiaries' income statements are conducted at each period's average currency rate. For comparison of profit excluding currency effects, the companies are recalculated at the previous year's average currency rate for the same period. ITAB applies the European Central Bank's average rates for the whole period.

*Relevant to show the sales and profit development excluding effects from currency rates fluctuations.*

### ► Earnings per share

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

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

### ► Equity/assets ratio

Equity in relation to total capital.

*This measure highlights financial risk.*

### ► Equity per share

Equity at the end of the period attributable to Parent Company shareholders in relation to the number of shares at the end of the period.

*Measure to describe how much equity belongs to the shareholders of the Parent Company.*

### ► Interest-coverage ratio

Profit after financial items plus financial interest expenses in relation to financial borrowing costs.

*Shows ITAB's ability to cover its financial expenses.*

### ► Operating margin

Operating profit in relation to revenue.

*Relevant for assessing ITAB's efficiency and added value.*

### ► Profit margin

Profit after financial items in relation to revenue.

*Relevant for assessing ITAB's efficiency and added value.*

### ► Total capital

Total equity and liabilities (balance sheet total)

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

At ITAB we help customers turn consumer brand experience into physical reality with our know-how, solutions and ecosystem of partners. Together with our customers, we create effective solutions that contribute to versatile and inspirational experiences. Our offering includes solution design, customised shop fittings, checkouts, consumer flow solutions, professional lighting systems and digitally interactive solutions for the physical store.

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. The business operations are founded on long-term business relationships and delivery reliability in combination with streamlined production resources. ITAB is today the market leader in checkouts for retailers in Europe, and one of Europe's largest suppliers of shop fitting concepts and lighting systems.

ITAB has operations in 26 countries and 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.

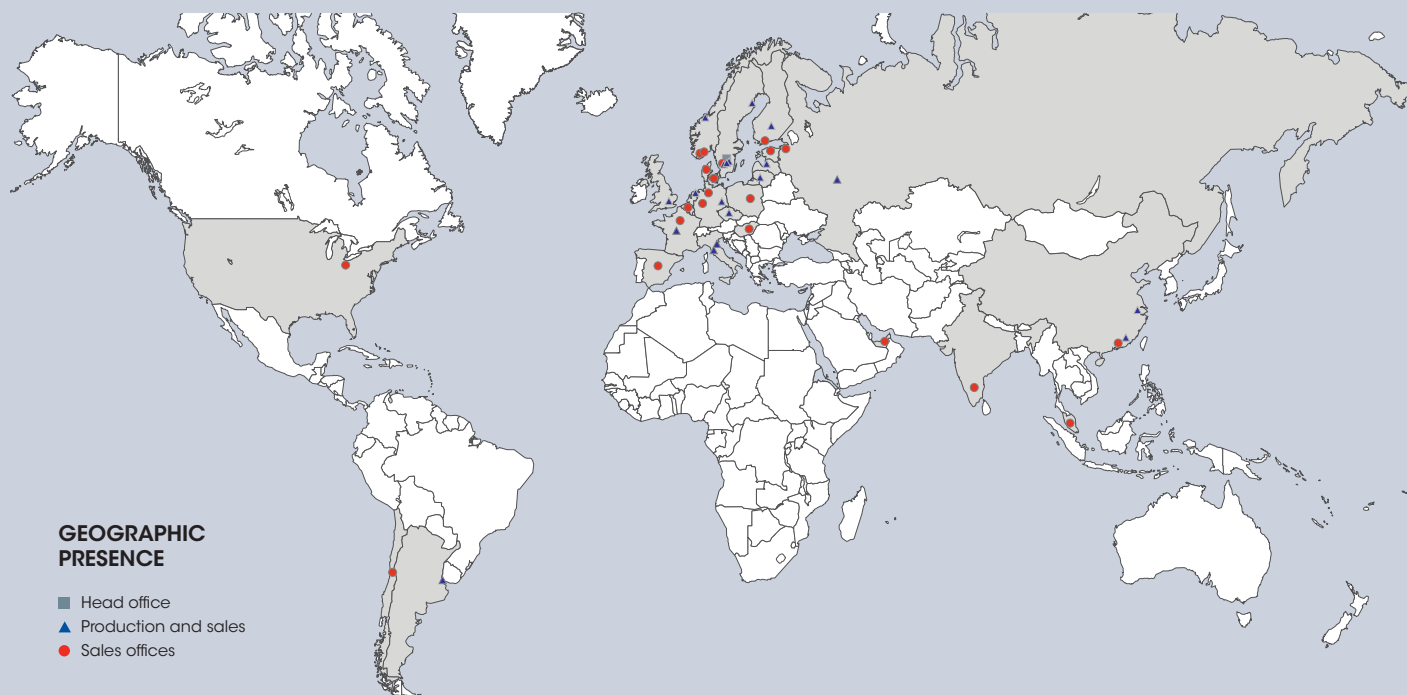


## ► RETAIL LIGHTING

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.



# ANNUAL GENERAL MEETING 2022

The Annual General Meeting will be held on Tuesday, 10 May 2022. The Annual Report for 2021 will be available in digital format on [www.itabgroup.com](http://www.itabgroup.com) in the beginning of April and later also in printed format at ITAB Shop Concept's head office. The notice for the Annual General Meeting will be published on [www.itabgroup.com](http://www.itabgroup.com).

## Proposal for dividend

The Board proposes to the Annual General Meeting that no dividend be paid for the 2021 financial year.

## Authorisation for repurchases of own shares

The Board of Directors will propose that the Annual General Meeting grant the Board a renewed authorisation to decide on share repurchases. Such an authorisation would allow the Board to resolve on repurchases of company shares up until the next Annual General Meeting. Any such repurchase may take place via the stock exchange or through offers to shareholders. The Board's mandate would include an option to convey repurchased shares within the framework of the law.

## Authorisation for new share issues

The Board of Directors will propose that the Annual General Meeting grant the Board renewed authorisation to make decisions regarding issues of new shares amounting to at most one-tenth of the company's issued shares. Such mandate would allow the Board to resolve on new share issues up until the next Annual General Meeting. The terms and conditions of any issue, including the issue price, are to be based on a market valuation in which the issue price in each case is set as close to the market value as possible, less any discount that may be required to generate interest in the offering.

## Nomination Committee

At the 2021 Annual General Meeting, a Nomination Committee was appointed comprising Ulf Hedlundh as Chairman, Fredrik Rapp and Per Robert. The Nomination Committee's task ahead of the 2022 Annual General Meeting is to propose candidates for Chairman of the Board and Board members, Auditors and Chairman for the Meeting and to present proposals regarding fees and other remuneration for the Board, Committees and Auditors.

Jönköping, 8 February 2022  
ITAB Shop Concept AB (publ)

Board of Directors

# ITAB

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## SHARE INFORMATION

**Listing**  
Nasdaq Stockholm Mid Cap list

**ISIN**  
SE0015962097

**Ticker symbol**  
ITAB

**Share price on 31 Dec 2021**  
SEK 13.42

**Sector classification**  
Industrial Goods & Services

## FINANCIAL CALENDAR

Annual Report 2021	April 2022
Interim report 3 months – 1 Jan–31 Mar 2022	10 May 2022
Annual General Meeting 2022 in Jönköping	10 May 2022
Interim report 6 months – 1 Jan–30 Jun 2022	13 July 2022
Interim report 9 months – 1 Jan–30 Sep 2022	28 October 2022
Year-end report 2022 – 1 Jan–31 Dec 2022	8 February 2023

The information in this report is such that ITAB Shop Concept AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation (EU No. 596/2014). The information was submitted for publication, through the agency of the contact persons set out, **at 7:00 a.m. CET on 8 February 2022.**

This report is in all respects a translation of the Swedish original year-end report. In the event of any discrepancies between this translation and the Swedish original, the latter shall prevail.