



# Q3

# ITAB

## STRONG GROSS MARGIN AND IMPROVED CASH FLOW

"The sales trend for ITAB's solutions for retailers has been varied across our different geographic markets during the first nine months of the year. We have continued to compensate for the economic climate during the year with an improved gross margin thanks to our favourable product mix and the implementation of efficiency measures to lower costs."

**Andreas Elgaard**  
President & CEO

Read more on page 2. ▶

# INTERIM REPORT – 9 MONTHS

## 1 January–30 September 2023

### Third quarter (1 Jul–30 Sep 2023)

- ▶ Net sales declined by 13 percent to MSEK 1,529 (1,750). Currency-adjusted sales declined by 15 percent.
- ▶ Operating profit before depreciation and amortisation (EBITDA) excluding non-recurring items of MSEK 0 (-1) amounted to MSEK 180 (223)<sup>1)</sup>.
- ▶ Operating profit amounted to MSEK 129 (163)<sup>1)</sup>, corresponding to an operating margin of 8.5 percent (9.3).
- ▶ Profit after financial items totalled MSEK 113 (148).
- ▶ Profit after tax amounted to MSEK 79 (101).
- ▶ Earnings per share before and after dilution totalled SEK 0.32 (0.16)<sup>2)</sup>
- ▶ Cash flow from operating activities amounted to MSEK 229 (136)<sup>3)</sup>

### Reporting period (1 Jan–30 Sep 2023)

- ▶ Net sales declined by 12 percent to MSEK 4,538 (5,166). Currency-adjusted sales declined by 15 percent.
- ▶ Operating profit before depreciation and amortisation (EBITDA) excluding non-recurring items of MSEK 0 (-29) amounted to MSEK 477 (534)<sup>1)</sup>.
- ▶ Operating profit amounted to MSEK 290 (312)<sup>1)</sup>, corresponding to an operating margin of 6.4 percent (6.0).
- ▶ Profit after financial items totalled MSEK 248 (272).
- ▶ Profit after tax amounted to MSEK 173 (185).
- ▶ Earnings per share before and after dilution totalled SEK 0.73 (0.48)<sup>2)</sup>
- ▶ Cash flow from operating activities amounted to MSEK 434 (73)<sup>3)</sup>
- ▶ The equity/assets ratio at the end of the period was 51 percent (47)<sup>2)</sup>
- ▶ Net debt excluding lease liabilities amounted to MSEK 306 (806).

### Events during the reporting period

- ▶ In January, ITAB signed an agreement for the delivery of checkouts and merchandising solutions to a leading European grocery chain for a total value of at least MEUR 12 over three years.
- ▶ In February, new partnerships were signed with Rapitag, Signatrix and Theory+Practice with the aim of strengthening ITAB's ecosystem of partners.
- ▶ ITAB participated in the world's leading retail trade fair, EuroShop 2023, in Düsseldorf at the turn of the month February–March.
- ▶ In March, ITAB launched Onred, a unique technology platform for retailers that links together the Group's portfolio of digital and physical solutions for increased efficiency and an improved store experience.
- ▶ In May, ITAB signed an agreement with a leading grocery chain in Argentina for the delivery of interiors and checkouts for a total value of approximately MEUR 13 over two years.
- ▶ In cooperation with its local partner, ITAB began delivering smart gates for entrance and exit solutions in approximately 650 stores for one of Australia's largest grocery chains. The value of the installed products amounts to approximately MEUR 25 for the Group over two years.
- ▶ At the end of September, ITAB initiated a share buyback programme with a maximum purchase amount of MSEK 50 until the 2024 Annual General Meeting.

### DISCONTINUED OPERATIONS

Due to the Russian regime's invasion of Ukraine in February 2022, ITAB has decided to discontinue its operations in Russia, which corresponded to approximately 2.5 percent of the Group's annual sales. In accordance with IFRS 5, ITAB's Russian operations are recognised as discontinued operations in the Group's financial reports until further notice. Other operations comprise Continuing Operations. Comments and figures pertain to Continuing Operations, unless otherwise stated. Comparative figures in the consolidated income statement have been restated. For more information, see Note 8 Discontinued Operations on page 12.

### THE GROUP IN SUMMARY

For definitions, see pages 15–16.

	THIRD QUARTER			REPORTING PERIOD			FULL YEAR		
	Jul–Sep 2023	Jul–Sep 2022	Δ	Jan–Sep 2023	Jan–Sep 2022	Δ	Rolling 12 months, 30 Sep 2023	Jan–Dec 2022	Δ
<b>CONTINUING OPERATIONS</b>									
Net sales, MSEK	1,529	1,750	-13%	4,538	5,166	-12%	6,240	6,868	-9%
EBITDA excl. non-recurring items <sup>1)</sup> , MSEK	180	223	-19%	477	534	-11%	647	704	-8%
EBITDA margin, %	11.8	12.7		10.5	10.3		10.4	10.2	
Operating profit excl. non-recurring items <sup>1)</sup> , MSEK	129	164	-21%	290	351	-17%	382	443	-14%
Operating margin, %	8.5	9.4		6.4	6.8		6.1	6.4	
Profit after financial items excl. non-recurring items <sup>1)</sup> , MSEK	113	149	-24%	248	311	-20%	325	388	-16%
Profit margin, %	7.4	8.5		5.5	6.0		5.2	5.7	
Profit after tax, MSEK	79	101	-22%	173	185	-6%	231	243	-5%
Earnings per share before and after dilution <sup>2)</sup> , SEK	0.32	0.16	100%	0.73	0.48	52%	1.03	0.78	32%
Cash flow from operating activities <sup>3)</sup> , MSEK	229	136	68%	434	73	495%	903	542	67%
Equity/assets ratio <sup>2)</sup> , %	51	47		51	47		51	48	
Interest-bearing net debt excl. lease liabilities, MSEK	306	806	-500	306	806	-500	306	399	-93

<sup>1)</sup> EBITDA and operating profit for the comparative periods were charged with non-recurring items of MSEK -1 (third quarter of 2022) and MSEK -29 and MSEK -39, respectively (full 2022 reporting period). Non-recurring items mainly consist of costs relating to transformation work under ITAB's One ITAB strategy. Refer to Note 4 on page 11.

<sup>2)</sup> Including Discontinued Operations.

<sup>3)</sup> Comparative periods have not been restated related to Discontinued Operations.

## STRONG GROSS MARGIN AND IMPROVED CASH FLOW DESPITE A CHALLENGING MARKET

The sales trend for ITAB's solutions to retailers has been varied across our different geographic markets during the first nine months of the year. The demand for and interest in our loss prevention measures was considerable, while the sales of more traditional shop fittings were lower. At the same time, we have continued to compensate for the economic climate during the year with an improved gross margin thanks to our favourable product mix and the implementation of efficiency measures to lower costs. Combined with activities to reduce our working capital, this strong margin enabled us to report a robust cash flow of MSEK 434 (73) for the nine-month reporting period. Ahead of the coming quarters, we are now also seeing some signs of retailers being slightly more willing to invest and once again plan for the future.

### CONSIDERABLE INTEREST IN "SMART GATES"

So far this year, customers have been more cautious in investing in traditional checkouts and shop fittings. This is primarily a result of the current uncertain economic situation with increased interest rates and the impact this has had on consumer behaviour and future priorities. At the same time, interest in our efficient and modern solutions to combat theft and shrinkage, in increasing the level of self-service, and in measures to enhance efficiency and lower costs remains substantial. In the past few months, we have also seen some indications of customers becoming more willing to invest in previously postponed projects with the aim of improving the consumer experience in their stores.

Overall, currency-adjusted net sales for the year have declined by 15 percent during the reporting period. The negative economic effects have been clearest in our geographic markets in northern and central Europe as well as in the UK. However, we have also seen increased interest for our offer from customers in particularly Australia and the US during the year.

One example of this is ITAB's collaboration with a leading grocery chain in Australia for which we commenced the installation of smart gates for entrance and exit solutions in up to 650 stores earlier this year. The aim of the project is to reduce theft in the chain's supermarkets, which has increased by over 20 percent so far this year. According to representatives from the grocery chain, they now have "world-class loss-prevention technology" in their stores.

### UNDERLYING PROFITABILITY CONTINUES TO IMPROVE

We can confirm that underlying profitability in the form of both our gross margin and our EBITDA margin continues to improve, and that our other profit margins are in line with the preceding year. Our margins have been positively impacted in the past year primarily by our favourable product mix with increased sales of our technical solutions, services and energy-efficient lighting systems as well as price adjustments and a review of the cost structure, while lower sales and capacity utilisation in our production facilities have had a negative impact. However, the comparative figures for the preceding year in this interim report for the third quarter were our highest operating profit for a single quarter since 2017, which, combined with over 10 percent lower sales this year, makes it difficult to report a positive earnings trend for the year to date compared with the previous year.

The reported operating profit for the first nine months of the year amounted to MSEK 290 (312), corresponding to an EBITDA margin of 6.4 percent (6.0). Profit after financial items totalled MSEK 248 (272). The comparative period includes non-recurring costs totalling MSEK 39.

In the same period, our cash flow improved to MSEK 434 (73), mainly driven by the positive gross margin trend and our efforts to reduce working capital with lower inventory levels. We are now continuing to implement measures to maintain this capital efficiency trend in the coming quarters.



### CONTINUED DEVELOPMENT IN ACCORDANCE WITH OUR FINANCIAL TARGETS

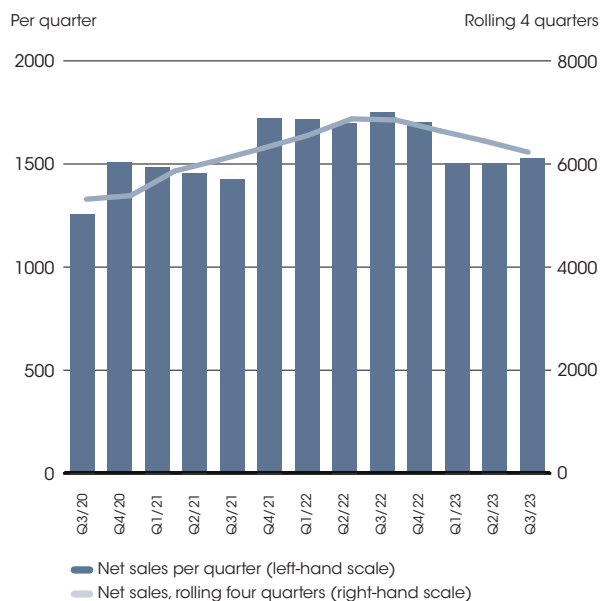
ITAB's goal is for our solutions to contribute to improved operational efficiency, reduced costs and increased competitiveness for the retail sector, which has strengthened our market position in the past few years. We believe that we can grow profitably over time with this approach, generating strong cash flow and providing favourable returns for our shareholders in accordance with our financial targets. The current market situation and our strong financial position are also providing us with the opportunity for further growth through strategic acquisitions.

Although we are currently seeing some signs of a recovery among our customers, the uncertainty concerning future developments remains considerable. Our primary short-term focus will thus remain on operational efficiency as we carry out targeted sales efforts, enhance the efficiency of our operations and reduce our tied-up capital. At the same time, we are continuing to develop our operations in line with our strategy. We are investing in the transition to become the leading solution provider in the retail sector. The modernisation of our operations is continuing through investments in shared values, capabilities, ways of working and modern operational support with the aim of making ITAB more scalable and flexible in an increasingly dynamic world.

Jönköping, October 2023

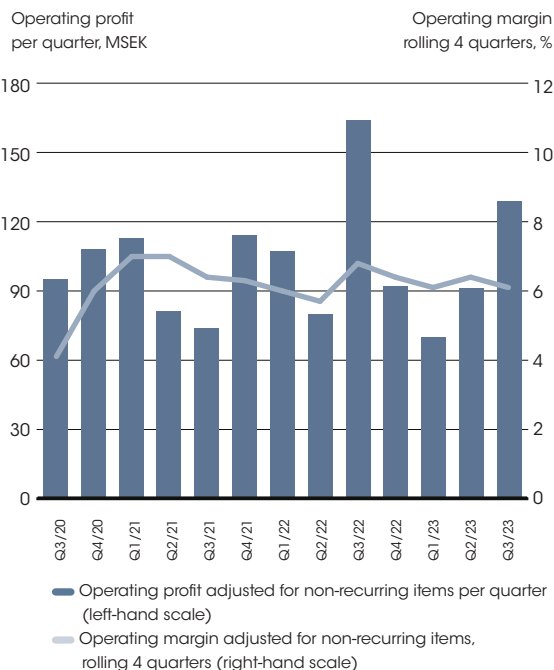
**Andréas Elgaard**  
President & CEO  
ITAB Shop Concept AB

### NET SALES (MSEK)

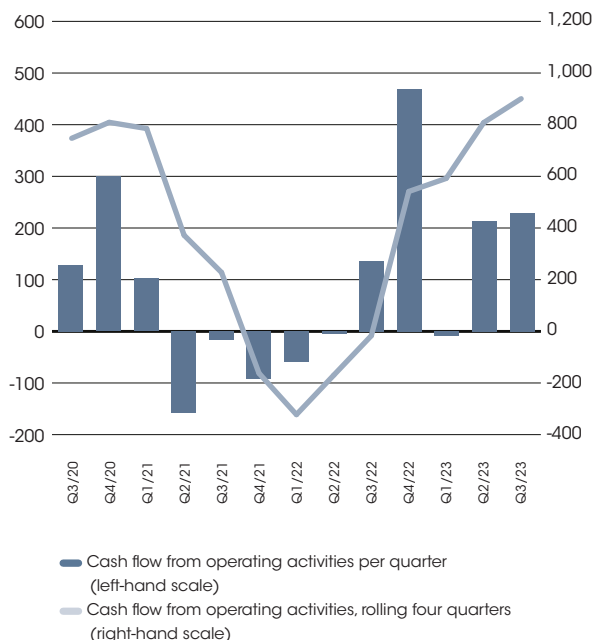


### OPERATING PROFIT AND OPERATING MARGIN <sup>1)</sup>

(adjusted for non-recurring items)

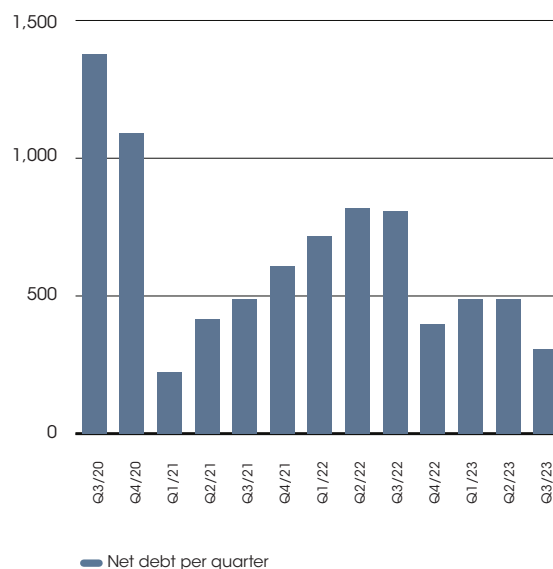


### CASH FLOW FROM OPERATING ACTIVITIES <sup>2)</sup> (MSEK)



### NET DEBT <sup>2)</sup> (MSEK)

(excluding lease liabilities)



<sup>1)</sup> Non-recurring items mainly consist of costs relating to transformation work under ITAB's One ITAB strategy. Refer to Note 4 on page 11.

<sup>2)</sup> Comparative periods have not been restated related to Discontinued Operations.

# DEVELOPMENT IN 2023

## JANUARY–SEPTEMBER

### NET SALES

#### Third quarter

The Group's net sales declined by 13 percent to MSEK 1,529 (1,750) in the third quarter of the year. Currency-adjusted sales fell by 15 percent.

Net sales for the quarter were impacted negatively by the fact that many retailers in the Group's markets continued to take a cautious approach to investing in the establishment of new stores and upgrading existing stores with traditional check-outs and interiors due to the current economic trend. However, there is considerable interest in ITAB's solutions for preventing shrinkage and theft, increasing in-store operational efficiency and reducing energy consumption, and there were some signs toward the end of the quarter of an increase in the willingness to invest in previously postponed projects. Targeted sales measures continue to be carried out in all of the Group's operations and markets.

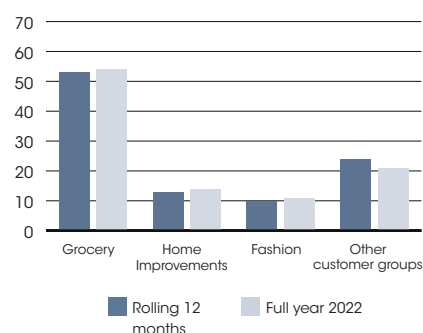
#### Reporting period

The Group's net sales for the full reporting period decreased by 12 percent to MSEK 4,538 (5,166). Currency-adjusted sales fell by 15 percent during the period.

ITAB's unique and competitive technological and digital solutions in loss prevention measures, increased efficiency and lower costs, and improved consumer experiences have attracted considerable interest among customers during the year, with increased sales mainly of in-store smart gates and self-service solutions. However, rising inflation and interest rates, in combination with the war in Ukraine, have influenced consumer behaviour and retailers' overall willingness to invest in more traditional checkouts and shop fittings. Targeted sales measures are ongoing in all of the Group's operations and markets.

In terms of customer groups, sales in Grocery, Home Improvements and Fashion have been negatively impacted while Other customer groups such as pharmacies, consumer electronics, and health and beauty have developed more positively. The negative economic effects so far this year have been clearest in the Group's geographic markets in northern and central Europe as well as in the UK.

Sales per customer group and geographic area are shown in Note 3 on page 10.



### EARNINGS

#### Third quarter

Operating profit for the third quarter amounted to MSEK 129 (163). Profit for the corresponding quarter 2022 was impacted by non-recurring items of MSEK -1 pertaining to restructuring costs attributable to transformation work under the One ITAB strategy. Operating profit corresponded to an operating margin of 8.5 percent (9.3).

Earnings for the quarter were negatively impacted by lower sales and capacity utilisation in the production facilities at the beginning of the quarter. A more favourable product mix with increased sales of smart gates and other technological solutions for loss prevention and self-service as well as an improved consumer experience in stores, and measures implemented for increased efficiency and cost reductions continue to positively impact the gross margin.

Profit after financial items amounted to MSEK 113 (148) and profit after tax to MSEK 79 (101). Earnings per share including Discontinued Operations before and after dilution totalled SEK 0.32 (0.16).

#### Reporting period

Operating profit for the full reporting period amounted to MSEK 290 (312). Profit for the corresponding period 2022 was impacted by non-recurring items of MSEK -39 pertaining to restructuring costs attributable to transformation work under the One ITAB strategy. Operating profit corresponded to an operating margin of 6.4 percent (6.0).

Earnings for the year to date were negatively impacted by lower sales and capacity utilisation in the Group's production facilities as well as rising cost inflation. The implemented price increases, measures taken to reduce costs and a more favourable product mix with increased sales of Retail Tech solutions had a positive impact on the gross margin during the year. The cost for participating in the EuroShop trade fair at the start of the year negatively impacted earnings.

Profit after financial items amounted to MSEK 248 (272) and profit after tax to MSEK 173 (185). Earnings per share including Discontinued Operations before and after dilution totalled SEK 0.73 (0.48) for the reporting period.

### CASH FLOW, FINANCING AND LIQUIDITY

Cash flow from operating activities amounted to MSEK 229 (136) for the third quarter and MSEK 434 (73) for the full reporting period. The strong gross margin and efforts to reduce working capital with more normalised inventory levels had a positive impact on cash flow. The Group's operations are continuing to implement measures to further increase their capital efficiency in the coming quarters. Cash flow for the reporting period was negatively impacted by approximately MSEK -110 as a result of paid tax liabilities during the period.

Net debt excluding lease liabilities amounted to MSEK 306 (806). Net debt including lease liabilities amounted to MSEK 829 (1,335).

The Group's cash and cash equivalents, including granted unutilised credits, amounted to MSEK 1,526 (1,019) on the balance sheet date on 30

September 2023. The equity/assets ratio including Discontinued Operations was 51 percent (47).

### INVESTMENTS

The Group's net investments/divestments during the third quarter amounted to MSEK 20 (34), of which MSEK 0 (6) is attributable to corporate acquisitions/divestments. For the full reporting period, the Group's net investments amounted to MSEK 56 (136), of which MSEK -9 (66) was attributable to corporate acquisitions/divestments. For more information on corporate acquisitions and divestments, refer to Note 2 on page 10.

### EMPLOYEES

The average number of employees amounted to 2,512 (2,840) during the quarter and 2,545 (2,872) in the full reporting period. The number of employees in Discontinued Operations was 138.

### 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 MSEK 40 (45) for the third quarter and MSEK 112 (129) for the full reporting period. Profit after financial items amounted to MSEK 6 (31) for the quarter and MSEK -91 (-47) for the reporting period. Profit includes dividends from subsidiaries of MSEK 0 (0) for the quarter and MSEK 3 (8) for the full reporting period. Impairment of shares and receivables from subsidiaries had an impact of MSEK 0 (0) on earnings for the quarter and MSEK 0 (-89) on earnings for the reporting period. Of this impairment for the comparative year, MSEK -86 pertained to the revaluation of intra-Group assets in Russia during the second quarter and MSEK -2 during the fourth quarter of 2022.

### ACQUISITIONS AND DIVESTMENTS

To date, ITAB Group has not completed any new acquisitions in 2023. During the second quarter, ITAB's 21-percent shareholding in the associated company OmboriGrid AB (Priv) was divested. The purchase consideration for the divested shares amounted to MSEK 15.

Refer also to Note 2 on page 10.

### DISCONTINUING OPERATIONS IN RUSSIA

ITAB decided at the beginning of March 2022 to discontinue its operations in Russia due to the Russian regime's invasion of Ukraine. The Group has a production facility and sales offices in Russia with a total of some 140 employees. Total sales in Russia amounted to approximately MSEK 170 in 2022, corresponding to about 2.5 percent of ITAB's total annual sales. The process of discontinuing the Russian operations is under way, and the aim is for this to be done in a controlled manner for our employees, customers and partners. In accordance with IFRS 5, ITAB's Russian subsidiary ITAB Rus JSC is recognised as Discontinued Operations in the Group's financial reports until further notice. Other operations comprise Continuing Operations. For more information, see Note 8 Discontinued Operations on page 12.

## OTHER INFORMATION

### Repurchases of own shares

On 28 September 2023, ITAB initiated a share buyback programme with a maximum purchase amount of MSEK 50. The share buyback programme will run from 29 September 2023 until 14 May 2024 and is being carried out in accordance with the EU Market Abuse Regulation ("MAR") and the EU Commission's Delegated Regulation 2016/1052 (the so-called "Safe Harbour Regulation"). The purpose of the buybacks is to optimise the capital structure and the intention is to reduce ITAB's share capital through subsequent cancellations of repurchased shares.

### 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 can be found in Note 4 of ITAB's Annual Report for 2022. 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 is described in the Annual Report for 2022 on pages 37–42. Sustainability risks are described in the 2022 Annual Report on pages 23–24. The risks that are most prominent from a short-term perspective are the inflation's and the economy's impact on customers and suppliers and the continued impact of the war in Ukraine in the form of disruptions in supply chains, rising prices, and the risk of energy and gas shortages.

### Estimates and assessments

The preparation of the interim 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 military conflict in Ukraine and the subsequent sanctions between countries, the decision to discontinue ITAB's operations in Russia and restructurings in the Group affect assessments of impairment of assets as well as estimates of lease liabilities and right-of-use assets 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.

### Transactions with related parties

There have been no transactions between ITAB Shop Concept and related parties that have significantly affected the company's position and results during the reporting period.

### Events after the end of the reporting period

No significant events for the Group have taken place after the end of the reporting period.

# THE GROUP IN SUMMARY

## INCOME STATEMENT

(MSEK)	Note	3 MONTHS Jul-Sep 2023	3 MONTHS Jul-Sep 2022	9 MONTHS Jan-Sep 2023	9 MONTHS Jan-Sep 2022	ROLLING 12 MONTHS as of 30 Sep 2023	FULL YEAR Jan-Dec 2022
Revenue from contracts with customers	3	1,529	1,750	4,538	5,166	6,240	6,868
Costs of goods sold	1	-1,089	-1,316	-3,298	-3,985	-4,599	-5,286
<b>Gross profit</b>		<b>440</b>	<b>434</b>	<b>1,240</b>	<b>1,181</b>	<b>1,641</b>	<b>1,582</b>
Selling expenses	1	-217	-200	-696	-640	-927	-871
Administrative expenses		-81	-81	-244	-257	-331	-344
Other operating income and expenses		-13	10	-10	28	-2	36
<b>Operating profit</b>	4	<b>129</b>	<b>163</b>	<b>290</b>	<b>312</b>	<b>381</b>	<b>403</b>
Financial income		8	0	29	8	37	16
Financial expenses	5	-24	-15	-71	-48	-94	-71
<b>Profit after financial items</b>	4	<b>113</b>	<b>148</b>	<b>248</b>	<b>272</b>	<b>324</b>	<b>348</b>
Tax expenses		-34	-47	-75	-87	-93	-105
<b>NET PROFIT FOR THE PERIOD – CONTINUING OPERATIONS</b>		<b>79</b>	<b>101</b>	<b>173</b>	<b>185</b>	<b>231</b>	<b>243</b>
<b>Discontinued Operations – ITAB Rus JSC</b>							
Profit from Discontinued Operations, net after tax	8	-5	-56	-7	-56	-4	-53
<b>NET PROFIT FOR THE PERIOD</b>		<b>74</b>	<b>45</b>	<b>166</b>	<b>129</b>	<b>227</b>	<b>190</b>
<b>Net profit for the period attributable to:</b>							
Parent Company shareholders		70	35	159	104	225	170
Non-controlling interests		4	10	7	25	2	20
Depreciation and amortisation for the period amount to		51	59	187	193	265	271
Tax expenses for the period account for		30%	32%	30%	32%	29%	30%
Earnings per share incl. Discontinued Operations before dilution, SEK		0.32	0.16	0.73	0.48	1.03	0.78
Earnings per share incl. Discontinued Operations after dilution <sup>1)</sup> , SEK		0.32	0.16	0.73	0.48	1.03	0.78
Earnings per share excl. Discontinued Operations before dilution, SEK		0.34	0.42	0.76	0.74	1.04	1.02
Average number of ordinary shares outstanding, thousands	6, 7	218,097	218,100	218,099	218,100	218,099	218,100
Average number of ordinary shares outstanding after dilution <sup>1)</sup> , thousands	6, 7	219,357	219,558	219,359	219,558	219,359	219,558
Number of ordinary shares outstanding, thousands	6, 7	218,087	218,100	218,087	218,100	218,087	218,100

<sup>1)</sup> For calculation of the number of shares after dilution, the average number of shares is adjusted taking into account the effects of dilutive potential ordinary shares, which, during the reporting periods in question, comprised rights to receive shares in ITAB within the framework of the LTIP 2022 long-term incentive programme. As of 30 September 2023, only matching share rights held by employees are considered dilutive, while the right to receive shares with performance conditions are not considered dilutive since set performance targets are yet to be met. Adjustment of the number of dilutive shares is based on the hypothetical number of shares that could have been purchased with the value of remaining positions within the framework of the incentive programme.

## STATEMENT OF OTHER COMPREHENSIVE INCOME

(MSEK)	Note	3 MONTHS Jul-Sep 2023	3 MONTHS Jul-Sep 2022	9 MONTHS Jan-Sep 2023	9 MONTHS Jan-Sep 2022	ROLLING 12 MONTHS as of 30 Sep 2023	FULL YEAR Jan-Dec 2022
<b>NET PROFIT FOR THE PERIOD</b>		<b>74</b>	<b>45</b>	<b>166</b>	<b>129</b>	<b>227</b>	<b>190</b>
<b>OTHER COMPREHENSIVE INCOME</b>							
<b>Items that will not be reclassified to the income statement</b>							
Revaluation of defined-benefit pension commitments		-	-	-	-	5	5
Tax relating to items not to be reclassified		-	-	-	-	-1	-1
		-	-	-	-	4	4
<b>Items that may be reclassified to the income statement</b>							
Translation differences		-76	24	2	200	-10	188
Hedging of net investments, net	5	16	-15	23	-23	27	-19
Cash flow hedges, net	5	2	15	1	33	-9	23
Tax on items that may be reclassified		-4	0	-5	-2	-4	-1
		-62	24	21	208	4	191
<b>Total other comprehensive income after tax</b>		<b>-62</b>	<b>24</b>	<b>21</b>	<b>208</b>	<b>8</b>	<b>195</b>
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>12</b>	<b>69</b>	<b>187</b>	<b>337</b>	<b>235</b>	<b>385</b>
<b>Comprehensive income for the period attributable to:</b>							
Parent Company shareholders		9	56	179	298	237	356
Non-controlling interests		3	13	8	39	-2	29

## STATEMENT OF FINANCIAL POSITION

Assets and liabilities related to Discontinued Operations are recognised separately as "Assets held for sale" and "Liabilities attributable to assets held for sale" in the statement of financial position below. The financial statements have been prepared in accordance with IFRS 5.

(MSEK)	Note	30 Sep 2023	30 Sep 2022	31 Dec 2022
<b>ASSETS</b>				
<b>Non-current assets</b>				
<i>Intangible assets</i>				
Goodwill		1,852	1,756	1,790
Other intangible assets		127	104	107
		<b>1,979</b>	<b>1,860</b>	<b>1,897</b>
Property, plant and equipment		1,216	1,271	1,408
Participations in associated companies		0	10	9
Deferred tax assets		100	117	104
Financial non-current receivables		83	42	40
<b>Total non-current assets</b>		<b>3,378</b>	<b>3,300</b>	<b>3,458</b>
<b>Current assets</b>				
Inventories		936	1,227	1,030
Current receivables		1,271	1,529	1,244
Cash and cash equivalents		660	513	756
<b>Total current assets</b>		<b>2,867</b>	<b>3,269</b>	<b>3,030</b>
Assets held for sale	8	68	123	88
<b>TOTAL ASSETS</b>		<b>6,313</b>	<b>6,692</b>	<b>6,576</b>
<b>EQUITY AND LIABILITIES</b>				
Equity attributable to Parent Company shareholders	6	3,085	2,954	3,012
Non-controlling interests		165	167	157
Deferred tax liabilities		38	44	44
Other non-current liabilities	5	1,403	1,671	1,624
Current liabilities	5	1,607	1,815	1,720
Liabilities attributable to assets held for sale	8	15	41	19
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,313</b>	<b>6,692</b>	<b>6,576</b>
Interest-bearing net debt		829	1,335	1,080
Interest-bearing net debt excl. lease liabilities		306	806	399

## STATEMENT OF CHANGES IN EQUITY

(MSEK)	Note	Share capital	Repurchased own shares	Other contributed capital	Other reserves <sup>1)</sup>	Profit brought forward	Attributable to Parent Company shareholders	Attributable to non-controlling interests	Total equity
<b>EQUITY AS OF 1 JANUARY 2022</b>									
		91		1,089	42	1,432	2,654	128	2,782
Net profit for the period						104	104	25	129
Other comprehensive income					194		194	14	208
<b>Comprehensive income January–September 2022</b>					<b>194</b>	<b>104</b>	<b>298</b>	<b>39</b>	<b>337</b>
Share incentive programme	7			2			2		2
<b>EQUITY AS OF 30 SEPTEMBER 2022</b>		<b>91</b>		<b>1,091</b>	<b>236</b>	<b>1,536</b>	<b>2,954</b>	<b>167</b>	<b>3,121</b>
Net profit for the period						66	66	-5	61
Other comprehensive income					-12	4	-8	-5	-13
<b>Comprehensive income October–December 2022</b>					<b>-12</b>	<b>70</b>	<b>58</b>	<b>-10</b>	<b>48</b>
New share issue of Class C shares	6	2		0			2		2
Repurchases of own Class C shares	6		-2				-2		-2
<b>EQUITY AS OF 31 DECEMBER 2022</b>		<b>93</b>	<b>-2</b>	<b>1,091</b>	<b>224</b>	<b>1,606</b>	<b>3,012</b>	<b>157</b>	<b>3,169</b>
Net profit for the period						159	159	7	166
Other comprehensive income					20		20	1	21
<b>Comprehensive income January–September 2023</b>					<b>20</b>	<b>159</b>	<b>179</b>	<b>8</b>	<b>187</b>
Dividends						-109	-109		-109
Share incentive programme	7			3			3		3
Repurchase of own ordinary shares	6		0				0		0
<b>EQUITY AS OF 30 SEPTEMBER 2023</b>		<b>93</b>	<b>-2</b>	<b>1,094</b>	<b>244</b>	<b>1,656</b>	<b>3,085</b>	<b>165</b>	<b>3,250</b>

<sup>1)</sup> Other reserves consist of translation reserve and hedging reserve.

STATEMENT OF CASH FLOWS <sup>1)</sup>

(MSEK)	Note	3 MONTHS Jul-Sep 2023	3 MONTHS Jul-Sep 2022	9 MONTHS Jan-Sep 2023	9 MONTHS Jan-Sep 2022	ROLLING 12 MONTHS as of 30 Sep 2023	FULL YEAR Jan-Dec 2022
<b>Operating profit from Continuing Operations</b>		<b>129</b>	<b>163</b>	<b>290</b>	<b>312</b>	<b>381</b>	<b>403</b>
<b>Profit from Discontinued Operations, net after tax</b>		<b>0</b>	<b>-58</b>	<b>0</b>	<b>-60</b>	<b>0</b>	<b>-53</b>
Interest paid and received, tax and adjustments for items not included in the cash flow		38	83	60	157	87	177
<b>Cash flow from operating activities before change in working capital</b>		<b>167</b>	<b>188</b>	<b>350</b>	<b>409</b>	<b>468</b>	<b>527</b>
<b>Change in working capital</b>							
Change in inventories		23	140	106	-9	299	184
Change in operating receivables		-18	-27	-21	-89	280	212
Change in operating liabilities		57	-165	-1	-238	-144	-381
<b>Cash flow from change in working capital</b>		<b>62</b>	<b>-52</b>	<b>84</b>	<b>-336</b>	<b>435</b>	<b>15</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>229</b>	<b>136</b>	<b>434</b>	<b>73</b>	<b>903</b>	<b>542</b>
<b>Investing activities</b>							
Acquisition/divestment of companies and operations	2	0	-6	9	-66	9	-66
Other net investments		-20	-28	-65	-70	-79	-84
<b>Cash flow from investing activities</b>		<b>-20</b>	<b>-34</b>	<b>-56</b>	<b>-136</b>	<b>-70</b>	<b>-150</b>
<b>CASH FLOW AFTER INVESTING ACTIVITIES</b>		<b>209</b>	<b>102</b>	<b>378</b>	<b>-63</b>	<b>833</b>	<b>392</b>
<b>Financing activities</b>							
Dividends to shareholders		-	-	-109	-	-109	-
Repayment of lease liabilities		-20	-37	-95	-92	-143	-140
Cash flow from other financing activities		-97	152	-243	470	-420	293
<b>Cash flow from financing activities</b>		<b>-117</b>	<b>115</b>	<b>-447</b>	<b>378</b>	<b>-672</b>	<b>153</b>
<b>CASH FLOW FOR THE PERIOD</b>		<b>92</b>	<b>217</b>	<b>-69</b>	<b>315</b>	<b>161</b>	<b>545</b>
<i>Of which, cash flow from Discontinued Operations</i>	8	<i>N/A</i>	<i>0</i>	<i>N/A</i>	<i>18</i>	<i>N/A</i>	<i>-1</i>
Cash and cash equivalents at the start of the period		584	328	756	208	513	208
Adjustment for cash and cash equivalents from Discontinued Operations	8	0	-34	0	-34	34	-7
Translation differences on cash and cash equivalents		-16	2	-27	24	-48	10
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>660</b>	<b>513</b>	<b>660</b>	<b>513</b>	<b>660</b>	<b>756</b>
<b>Cash flow from operating activities per share, SEK</b>		<b>1.05</b>	<b>0.63</b>	<b>1.99</b>	<b>0.34</b>	<b>4.14</b>	<b>2.49</b>

<sup>1)</sup> Excluding Discontinued Operations from 2023.



# THE PARENT COMPANY IN SUMMARY

## INCOME STATEMENT

(MSEK)	Note	3 MONTHS Jul-Sep 2023	3 MONTHS Jul-Sep 2022	9 MONTHS Jan-Sep 2023	9 MONTHS Jan-Sep 2022	FULL YEAR Jan-Dec 2022
Net sales <sup>1)</sup>		40	45	112	129	174
Costs of goods sold		-5	-5	-19	-17	-25
<b>Gross profit</b>		<b>35</b>	<b>40</b>	<b>93</b>	<b>112</b>	<b>149</b>
Selling expenses		-14	-11	-57	-38	-58
Administrative expenses		-15	-14	-52	-47	-69
Other operating income and expenses		-7	6	-11	16	19
<b>Operating profit</b>		<b>-1</b>	<b>21</b>	<b>-27</b>	<b>43</b>	<b>41</b>
Profit from participations in Group companies		0	0	3	-81	-60
Financial income and expenses	5	7	10	-67	-9	-38
<b>Profit after financial items</b>		<b>6</b>	<b>31</b>	<b>-91</b>	<b>-47</b>	<b>-57</b>
Year-end appropriations		-	-	-	-	-7
<b>Profit before tax</b>		<b>6</b>	<b>31</b>	<b>-91</b>	<b>-47</b>	<b>-64</b>
Tax expenses for the period		0	-	1	-	1
<b>NET PROFIT FOR THE PERIOD</b>		<b>6</b>	<b>31</b>	<b>-90</b>	<b>-47</b>	<b>-63</b>

## STATEMENT OF OTHER COMPREHENSIVE INCOME

Net profit for the period		6	31	-90	-47	-63
Other comprehensive income		-	-	-	-	-
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>6</b>	<b>31</b>	<b>-90</b>	<b>-47</b>	<b>-63</b>

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

## BALANCE SHEET

(MSEK)	Note	30 Sep 2023	30 Sep 2022	31 Dec 2022
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		4	5	5
Financial assets		2,052	2,066	2,066
Deferred tax assets		33	32	33
<b>Total non-current assets</b>		<b>2,089</b>	<b>2,103</b>	<b>2,104</b>
<b>Current assets</b>				
Current receivables		303	765	537
Cash and bank balance		384	227	402
<b>Total current assets</b>		<b>687</b>	<b>992</b>	<b>939</b>
<b>TOTAL ASSETS</b>		<b>2,776</b>	<b>3,095</b>	<b>3,043</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Restricted equity		100	98	100
Non-restricted equity		1,465	1,678	1,662
<b>Total equity</b>	6, 7	<b>1,565</b>	<b>1,776</b>	<b>1,762</b>
Non-current liabilities		938	1,171	1,028
Current liabilities		273	148	253
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,776</b>	<b>3,095</b>	<b>3,043</b>

## NOTE 1 Accounting policies

ITAB applies International Financial Reporting Standards (IFRS). This interim 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.

### Shipping costs to customers

ITAB announced in the 2022 Annual Report that the Group, as of the 2022 financial year, would recognise shipping costs to customers in profit or loss

under "Costs of goods sold". Shipping costs to customers are part of the costs that arise in contracts with customers, and the assessment has therefore been made that these costs should be recognised under "Costs of goods sold". These costs were previously recognised in profit or loss under "Selling expenses". Comparative figures in this interim report have also been restated as a result of this. Shipping costs to customers impacted Costs of goods sold by MSEK -67 (-76) in the third quarter and MSEK -193 (-234) for the full 2023 reporting period. Costs of goods sold were charged with costs of MSEK -307 (-286) for the full year 2022.

## NOTE 2 Corporate acquisitions and divestments

### Acquisitions and divestments in 2023

To date, ITAB Group has not completed any new acquisitions in 2023. During the second quarter of 2023, ITAB Shop Concept AB's 21-percent shareholding in the associated company OmboriGrid AB (Priv) was divested. The purchase consideration for the shares divested amounted to MSEK 15, which impacted cash flow in the second quarter of 2023.

Cash flow was also impacted in an amount of MSEK -6 by partial payments of acquisitions from 2021 during the first quarter of 2023.

### Acquisitions in 2022

On 28 February 2022, the ITAB Group acquired, through its Finnish subsidiary ITAB Finland Holding Oy, all shares in Oy Checkmark Ltd. Checkmark is one of the leading suppliers of retail technology solutions for checkouts and store guidance for retailers in the Nordic region. Checkmark has its head office in Pieksämäki in Finland and has subsidiaries in Sweden, Norway and Denmark. The acquisition has strengthened ITAB's competence and market position in concept sales in the Nordic markets. The Checkmark Group had annual sales of approximately MEUR 12 and 44 employees on the acquisition date. The purchase is assessed to have had a marginally positive effect on earnings per share.

Closing took effect immediately and the acquisition is consolidated in the Group as of 1 March 2022. The integration of Checkmark with ITAB's existing

operations began immediately after the acquisition. The assessed impact on the Group's sales in 2022 amounted to MSEK 114. Acquired net assets assessed at fair value amounted to MSEK 81 on the date of acquisition, of which goodwill accounted for MSEK 26. Goodwill that arose in the transaction primarily comprised the value of expected synergies in terms of product supply and know-how, which are not recognised separately. The purchase consideration amounted to MSEK 81, of which MSEK 48 was paid in the first quarter and final payment of the remaining amount took place in the second quarter of 2022 after adjustments of net cash and normalised operating capital.

Expenses in connection with the acquisition are recognised on an ongoing basis as expenses. The acquisition had an impact of MSEK 0 on operating profit, with an impact of MSEK -20 on cash flow in the first quarter of 2022 and MSEK -33 in the second quarter. The assets and liabilities included in the acquisition are specified in the final acquisition analysis presented in Note 5 of ITAB's 2022 Annual Report.

Cash flow for 2022 was also impacted by partial payments of acquisitions from 2021 in a total amount of MSEK -13, of which MSEK -6 in the third quarter and MSEK -13 for the full reporting period.

## 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 6 percent of external sales, and none of the ITAB Group's other customers account for more than 4 percent of external sales.

	3 MONTHS Jul-Sep 2023	3 MONTHS Jul-Sep 2022	9 MONTHS Jan-Sep 2023	9 MONTHS Jan-Sep 2022	ROLLING 12 MONTHS as of 30 Sep 2023	FULL YEAR Jan-Dec 2022
<b>SALES BY CUSTOMER GROUP <sup>1)</sup></b>						
Grocery	781	913	2,373	2,801	3,275	3,703
Home Improvements	213	210	572	702	840	969
Fashion	155	257	482	574	642	734
Other customer groups	380	370	1,111	1,089	1,483	1,462
<b>TOTAL</b>	<b>1,529</b>	<b>1,750</b>	<b>4,538</b>	<b>5,166</b>	<b>6,240</b>	<b>6,868</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 Jul-Sep 2023	3 MONTHS Jul-Sep 2022	9 MONTHS Jan-Sep 2023	9 MONTHS Jan-Sep 2022	ROLLING 12 MONTHS as of 30 Sep 2023	FULL YEAR Jan-Dec 2022
<b>SALES BY GEOGRAPHIC AREA <sup>2)</sup></b>						
Northern Europe	348	345	1,099	1,285	1,518	1,704
Southern Europe	335	399	1,059	1,148	1,441	1,530
Central Europe	318	351	923	1,047	1,310	1,434
UK & Ireland	204	244	491	657	715	881
Eastern Europe	110	121	334	415	444	525
Rest of the World	214	290	632	614	812	794
<b>TOTAL</b>	<b>1,529</b>	<b>1,750</b>	<b>4,538</b>	<b>5,166</b>	<b>6,240</b>	<b>6,868</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 Romania. Rest of the World comprises all countries outside Europe, with North America, Australia, China and Argentina accounting for just over 50 percent of sales.

## NOTE 4 Non-recurring items

The Group's earnings were charged with non-recurring costs in accordance with the below. These primarily consist of restructuring costs in connection with the transformation work under ITAB's One ITAB strategy.

	3 MONTHS Jul-Sep 2023	3 MONTHS Jul-Sep 2022	9 MONTHS Jan-Sep 2023	9 MONTHS Jan-Sep 2022	ROLLING 12 MONTHS as of 30 Sep 2023	FULL YEAR Jan-Dec 2022
<b>NON-RECURRING ITEMS, MSEK</b>						
Restructuring	0	-1	0	-39	-1	-40
<b>Total non-recurring items</b>	<b>0</b>	<b>-1</b>	<b>0</b>	<b>-39</b>	<b>-1</b>	<b>-40</b>
<b>Impact of non-recurring items on profit items in the income statement</b>						
Operating profit before depreciation and amortisation (EBITDA)	0	-1	0	-29	-1	-30
Operating profit	0	-1	0	-39	-1	-40
Profit after financial items	0	-1	0	-39	-1	-40

In non-recurring items for the first quarter of 2022, approximately MSEK 10 pertained to the impairment of right-of-use assets in rental contracts.

## 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. These 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 ineffectiveness is recognised immediately in net financial items in the income statement.

From the third quarter of 2023, ITAB also holds bonds not used for hedging purposes. These are measured at fair value and the change is recognised in net financial items 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 the latest Annual Report.

## NOTE 6 Repurchases of own shares and new share issue

### Repurchases of own shares 2023–2024

On 28 September 2023, ITAB initiated a share buyback programme with a maximum purchase amount of MSEK 50. The share buyback programme will run from 29 September 2023 until 14 May 2024 and is being carried out in accordance with the EU Market Abuse Regulation ("MAR") and the EU Commission's Delegated Regulation 2016/1052 (the so-called "Safe Harbour Regulation"). The purpose of the buybacks is to optimise the capital structure and the intention is to reduce ITAB's share capital through subsequent cancellations of repurchased ordinary shares. As of 30 September 2023, ITAB held 13,622 ordinary shares in treasury.

### New share issue of Class C shares 2022

With the support of the issue authorisation from the AGM held on 10 May 2022, the Board of Directors resolved on 14 December 2022 on a directed cash issue of 4,400,000 Class C shares to Nordea Bank at a subscription price

corresponding to the quotient value of the shares, whereby the share capital increased by MSEK 2. Moreover, the Board of Directors resolved to immediately repurchase all 4,400,000 Class C shares from Nordea Bank at the same price as the subscription price. The purpose of the issue and repurchase was to secure delivery of ordinary shares to the employees in the ITAB Group who participate in the LTIP 2022 performance-based incentive programme that was adopted by the AGM on 10 May 2022 by ITAB later converting the Class C shares to ordinary shares.

After the issue, the total number of shares amounts to 222,500,192, of which 218,100,192 are ordinary shares and 4,400,000 are Class C shares. All ordinary shares entitle the holder to an equal share of ITAB's assets and earnings, and entitle holders to one vote per share at general meetings of shareholders. The Class C shares do not carry the right to any dividend and entitle the holder to 1/10 of a vote each. ITAB holds all 4,400,000 Class C shares in treasury.

## NOTE 7 Share incentive programme and number of shares after dilution

The 2022 AGM resolved on a new long-term incentive programme for key individuals (LTIP 2022) extending from June 2022 until June 2025. For information about LTIP 2022, see Note 8 of ITAB's Annual Report for 2022.

The Group and the Parent Company recognise the programme in accordance with IFRS 2 *Share-based Payment*. The fair value of allocated share rights is recognised as a personnel cost with a corresponding increase of equity. Fair value was calculated at the time of allocation and is distributed over the vesting period. The cost recognised corresponds to the fair value of an estimate of the number of shares expected to be vested taking into account service conditions and performance conditions. This cost is adjusted in subsequent periods to ultimately reflect the actual number of shares vested. However, an adjustment is not made when forfeiture is only due to market conditions and/or conditions that are not vesting conditions not being met. Social security contributions attributable to share-based instruments for employees as remuneration for purchased services are expensed distributed over the periods in which the services are rendered. Provisions for social security contributions are based on the fair value of the share rights on the reporting date.

For calculation of the number of shares after dilution, the average number of shares is adjusted taking into account the effects of dilutive potential ordinary shares, which, during the reporting periods in question, comprised rights to receive shares in ITAB within the framework of LTIP 2022. As of 30 September 2023, only matching share rights held by employees are considered dilutive, while the right to receive shares with performance conditions are not considered dilutive since set performance targets are yet to be met. Adjustment of the number of dilutive shares is based on the hypothetical number of shares that could have been purchased with the value of remaining positions within the framework of the incentive programme.

	3 MONTHS Jul-Sep 2023	3 MONTHS Jul-Sep 2022	9 MONTHS Jan-Sep 2023	9 MONTHS Jan-Sep 2022	FULL YEAR Jan-Dec 2022
Number of ordinary shares	218,100,192	218,100,192	218,100,192	218,100,192	218,100,192
Repurchase of ordinary shares	-13,622	-	-13,622	-	-
<b>Number of ordinary shares outstanding</b>	<b>218,086,570</b>	<b>218,100,192</b>	<b>218,086,570</b>	<b>218,100,192</b>	<b>218,100,192</b>
Effect of LTIP 2022	1,260,208	1,457,367	1,260,208	1,457,367	1,457,367
<b>Number of ordinary shares outstanding after dilution</b>	<b>219,346,778</b>	<b>219,557,559</b>	<b>219,346,778</b>	<b>219,557,559</b>	<b>219,557,559</b>
<b>Average number of ordinary shares outstanding</b>	<b>218,096,787</b>	<b>218,100,192</b>	<b>218,098,830</b>	<b>218,100,192</b>	<b>218,100,192</b>
<b>Average number of ordinary shares outstanding after dilution</b>	<b>219,356,995</b>	<b>219,557,559</b>	<b>219,359,038</b>	<b>219,557,559</b>	<b>219,557,559</b>

## NOTE 8 Discontinued Operations

ITAB decided at the beginning of March 2022 to discontinue its operations in Russia due to the Russian regime's invasion of Ukraine. The Group has a production facility and sales offices in Russia with a total of some 140 employees. Total sales in Russia amounted to approximately MSEK 170 in 2022, corresponding to about 2.5 percent of ITAB's total annual sales. The process of discontinuing the Russian operations is under way, and the aim is for this to be done in a controlled manner for our employees, customers and partners.

Given that the Group's operations in the Russian subsidiary ITAB Rus JSC are being discontinued and it is deemed highly probable that the discontinuation will be completed and that it otherwise fulfilled the stated criteria in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* in the third quarter of 2022, this company is recognised as Discontinued Operations as of the interim report for the third quarter of 2022.

Discontinued operations are major lines of business that have been disposed of or comprise a disposal group held for sale. Profit after tax from discontinued operations is recognised separately in the income statement. When a group of assets and liabilities is classified as held for sale, this means that their carrying amounts will be recovered principally through sale and not through use. All assets included in the group are presented separately

under assets and all liabilities in the group are presented separately under liabilities. The group is measured at the lower of its carrying amount and fair value less selling expenses.

In the consolidated income statement, ITAB Rus JSC is therefore recognised separately under "Discontinued Operations" and comparative periods have been restated in accordance with the same policies. In the consolidated statement of financial position, the operation's net assets are recognised under "Assets held for sale" and "Liabilities attributable to assets held for sale" as of the third quarter of 2022. In accordance with IFRS, balance sheets for prior periods have not been restated. As a consequence of this, the Group's cash flow is recognised as of 2023 excluding Discontinued Operations. Financial statements for Discontinued Operations are presented below.

Assets held for sale and discontinued operations are not presented separately in the Parent Company's income statement and balance sheet as the Parent Company's income statement and balance sheet are prepared in accordance with the Swedish Annual Accounts Act. In addition, depreciation and amortisation in the Parent Company are carried out in accordance with the Swedish Annual Accounts Act.

### INCOME STATEMENT FOR DISCONTINUED OPERATIONS IN SUMMARY

(MSEK)	3 MONTHS Jul-Sep 2023	3 MONTHS Jul-Sep 2022	9 MONTHS Jan-Sep 2023	9 MONTHS Jan-Sep 2022	ROLLING 12 MONTHS as of 30 Sep 2023	FULL YEAR Jan-Dec 2022
Revenue from contracts with customers	22	32	75	134	114	173
Costs of goods sold	-21	-27	-67	-113	-96	-142
<b>Gross profit</b>	<b>1</b>	<b>5</b>	<b>8</b>	<b>21</b>	<b>18</b>	<b>31</b>
Selling expenses	-4	-7	-13	-20	-18	-25
Administrative expenses	-1	-2	-4	-6	-6	-8
Impairment of assets measured at fair value	-2	-53	-1	-53	0	-52
Other operating income and expenses	0	-1	0	-2	2	0
<b>Operating profit</b>	<b>-6</b>	<b>-58</b>	<b>-10</b>	<b>-60</b>	<b>-4</b>	<b>-54</b>
Financial items	0	1	1	2	-1	0
<b>Profit after financial items</b>	<b>-6</b>	<b>-57</b>	<b>-9</b>	<b>-58</b>	<b>-5</b>	<b>-54</b>
Tax expenses for the period	1	1	2	2	1	1
<b>NET PROFIT FOR THE PERIOD</b>	<b>-5</b>	<b>-56</b>	<b>-7</b>	<b>-56</b>	<b>-4</b>	<b>-53</b>

### CASH FLOW STATEMENT FOR DISCONTINUED OPERATIONS IN SUMMARY

(MSEK)	3 MONTHS Jul-Sep 2023	3 MONTHS Jul-Sep 2022	9 MONTHS Jan-Sep 2023	9 MONTHS Jan-Sep 2022	ROLLING 12 MONTHS as of 30 Sep 2023	FULL YEAR Jan-Dec 2022
Operating profit	-6	-58	-10	-60	-4	-54
Interest paid and received, tax and adjustments for items not included in the cash flow	-10	60	7	79	-18	54
Change in working capital	13	-2	24	-1	24	-1
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>-3</b>	<b>0</b>	<b>21</b>	<b>18</b>	<b>2</b>	<b>-1</b>

### BALANCE SHEET FOR DISCONTINUED OPERATIONS IN SUMMARY

(MSEK)	30 Sep 2023	30 Sep 2022	31 Dec 2022
<b>ASSETS</b>			
Non-current assets	0	0	0
Current assets	44	89	81
Cash and cash equivalents	24	34	7
<b>TOTAL ASSETS</b>	<b>68</b>	<b>123</b>	<b>88</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	53	82	69
Deferred tax liabilities	0	1	1
Current liabilities	15	40	18
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>68</b>	<b>123</b>	<b>88</b>

## NOTE 9 Pledged assets and contingent liabilities

For pledged assets and contingent liabilities, refer to the Group's latest Annual Report since no other major changes have taken place to date this year.

## QUARTERLY OVERVIEW FOR THE GROUP

(MSEK)	PER QUARTER							
	Jul-Sep 2023	Jul-Sep 2022	Apr-Jun 2023	Apr-Jun 2022	Jan-Mar 2023	Jan-Mar 2022	Oct-Dec 2022	Oct-Dec 2021
Revenue from contracts with customers	1,529	1,750	1,504	1,700	1,505	1,716	1,702	1,722
Costs of goods sold	-1,089	-1,316	-1,103	-1,335	-1,106	-1,334	-1,301	-1,355
<b>Gross profit</b>	<b>440</b>	<b>434</b>	<b>401</b>	<b>365</b>	<b>399</b>	<b>382</b>	<b>401</b>	<b>367</b>
Selling expenses	-217	-200	-236	-226	-243	-214	-231	-221
Administrative expenses	-81	-81	-81	-93	-82	-83	-87	-100
Other operating income and expenses	-13	10	7	17	-4	1	8	-11
<b>Operating profit</b>	<b>129</b>	<b>163</b>	<b>91</b>	<b>63</b>	<b>70</b>	<b>86</b>	<b>91</b>	<b>35</b>
Financial items	-16	-15	-13	-19	-13	-6	-15	-5
<b>Profit after financial items</b>	<b>113</b>	<b>148</b>	<b>78</b>	<b>44</b>	<b>57</b>	<b>80</b>	<b>76</b>	<b>30</b>
Tax expenses	-34	-47	-25	-17	-16	-23	-18	-10
<b>NET PROFIT FOR THE PERIOD – CONTINUING OPERATIONS</b>	<b>79</b>	<b>101</b>	<b>53</b>	<b>27</b>	<b>41</b>	<b>57</b>	<b>58</b>	<b>20</b>
Net profit for the period – Discontinued Operations	-5	-56	5	-4	-7	4	3	4
<b>NET PROFIT FOR THE PERIOD</b>	<b>74</b>	<b>45</b>	<b>58</b>	<b>23</b>	<b>34</b>	<b>61</b>	<b>61</b>	<b>24</b>
<i>Net profit for the period attributable to:</i>								
Parent Company shareholders	70	35	56	15	33	54	66	18
Non-controlling interests	4	10	2	8	1	7	-5	6
Non-recurring items, MSEK	0	-1	0	-17	0	-21	-1	-79
Operating profit excl. non-recurring items, MSEK	129	164	91	80	70	107	92	114
Operating margin excl. non-recurring items, %	8.5	9.4	6.0	4.7	4.7	6.2	5.4	6.7
Cash flow from operating activities <sup>1)</sup> , MSEK	229	136	213	-4	-8	-59	469	-92
Earnings per share before and after dilution <sup>2,3)</sup> , SEK	0.32	0.16	0.26	0.07	0.15	0.25	0.30	0.09
Equity per share <sup>2,3)</sup> , SEK	14.15	13.54	14.10	13.28	14.02	12.59	13.81	12.17
Return on equity per annum <sup>2)</sup> , %	9.0	4.9	7.4	2.1	4.4	8.0	8.9	2.8
Share price at the end of the period, recalculated after issues, SEK	9.00	7.70	9.74	10.16	12.26	12.40	11.00	13.42

<sup>1)</sup> Excluding Discontinued Operations from 2023.

<sup>2)</sup> Including Discontinued Operations.

<sup>3)</sup> Refer to Note 7 on page 11 for information about the number of shares after dilution.

## FULL-YEAR OVERVIEW FOR THE GROUP

(MSEK)	ROLLING 12 MONTHS AS OF							
	30 Sep 2023	30 Jun 2023	31 Mar 2023	31 Dec 2022	30 Sep 2022	30 Jun 2022	31 Mar 2022	31 Dec 2021
Revenue from contracts with customers	6,240	6,461	6,657	6,868	6,888	6,563	6,318	6,087
Costs of goods sold	-4,599	-4,826	-5,058	-5,286	-5,340	-5,152	-4,945	-4,727
<b>Gross profit</b>	<b>1,641</b>	<b>1,635</b>	<b>1,599</b>	<b>1,582</b>	<b>1,548</b>	<b>1,411</b>	<b>1,373</b>	<b>1,360</b>
Selling expenses	-927	-910	-900	-871	-861	-837	-816	-796
Administrative expenses	-331	-331	-343	-344	-357	-352	-343	-331
Other operating income and expenses	-2	21	31	36	17	6	-11	-17
<b>Operating profit</b>	<b>381</b>	<b>415</b>	<b>387</b>	<b>403</b>	<b>347</b>	<b>228</b>	<b>203</b>	<b>216</b>
Financial items	-57	-56	-62	-55	-45	-38	-42	-69
<b>Profit after financial items</b>	<b>324</b>	<b>359</b>	<b>325</b>	<b>348</b>	<b>302</b>	<b>190</b>	<b>161</b>	<b>147</b>
Tax expenses	-93	-106	-98	-105	-97	-67	-57	-52
<b>NET PROFIT FOR THE PERIOD – CONTINUING OPERATIONS</b>	<b>231</b>	<b>253</b>	<b>227</b>	<b>243</b>	<b>205</b>	<b>123</b>	<b>104</b>	<b>95</b>
Net profit for the period – Discontinued Operations	-4	-55	-64	-53	-52	5	10	8
<b>NET PROFIT FOR THE PERIOD</b>	<b>227</b>	<b>198</b>	<b>163</b>	<b>190</b>	<b>153</b>	<b>128</b>	<b>114</b>	<b>103</b>
<i>Net profit for the period attributable to:</i>								
Parent Company shareholders	225	190	149	170	122	107	100	95
Non-controlling interests	2	8	14	20	31	21	14	8
Non-recurring items, MSEK	-1	-2	-19	-40	-118	-147	-173	-166
Operating profit excl. non-recurring items, MSEK	382	417	406	443	465	375	376	382
Operating margin excl. non-recurring items, %	6.1	6.4	6.1	6.4	6.8	5.7	6.0	6.3
Cash flow from operating activities <sup>1)</sup> , MSEK	903	810	593	542	-19	-172	-326	-165
Earnings per share before and after dilution <sup>2,3)</sup> , SEK	1.03	0.87	0.68	0.78	0.56	0.49	0.46	0.50
Equity per share <sup>2,3)</sup> , SEK	14.15	14.10	14.02	13.81	13.54	13.28	12.59	12.17
Return on equity per annum <sup>2)</sup> , %	7.4	6.4	5.1	6.0	4.4	4.0	3.8	4.0

<sup>1)</sup> Excluding Discontinued Operations from 2023.

<sup>2)</sup> Including Discontinued Operations.

<sup>3)</sup> Refer to Note 7 on page 11 for information about the number of shares after dilution.

# KEY RATIOS & DEFINITIONS

## KEY RATIOS

	3 MONTHS Jul-Sep 2023	3 MONTHS Jul-Sep 2022	9 MONTHS Jan-Sep 2023	9 MONTHS Jan-Sep 2022	ROLLING 12 MONTHS as of 30 Sep 2023	FULL YEAR Jan-Dec 2022
Revenue from contracts with customers, MSEK	1,529	1,750	4,538	5,166	6,240	6,868
EBITDA, MSEK	180	222	477	505	646	674
EBITDA margin, %	11.8	12.7	10.5	9.8	10.4	9.8
EBITDA excl. non-recurring items, MSEK	180	223	477	534	647	704
EBITDA margin excl. non-recurring items, %	11.8	12.7	10.5	10.3	10.4	10.2
Operating profit, MSEK	129	163	290	312	381	403
Operating margin, %	8.5	9.3	6.4	6.0	6.1	5.9
Operating profit excl. non-recurring items, MSEK	129	164	290	351	382	443
Operating margin excl. non-recurring items, %	8.5	9.4	6.4	6.8	6.1	6.4
Profit after financial items, MSEK	113	148	248	272	324	348
Profit margin, %	7.4	8.5	5.5	5.3	5.2	5.1
Profit after financial items excl. non-recurring items, MSEK	113	149	248	311	325	388
Profit margin excl. non-recurring items, %	7.4	8.5	5.5	6.0	5.2	5.7
Profit after tax – Continuing Operations, MSEK	79	101	173	185	231	243
Cash flow from operating activities <sup>3)</sup> , MSEK	229	136	434	73	903	542
Cash conversion, %	127	62	91	14	140	80
Earnings per share before and after dilution, SEK <sup>1,2)</sup>	0.32	0.16	0.73	0.48	1.03	0.78
Earnings per share excl. Discontinued Operations before dilution, SEK	0.34	0.42	0.76	0.74	1.04	1.02
Cash flow from operating activities per share, SEK <sup>3)</sup>	1.05	0.63	1.99	0.34	4.14	2.49
Number of ordinary shares outstanding at the end of the period	218,086,570	218,100,192	218,086,570	218,100,192	218,086,570	218,100,192
Average number of ordinary shares outstanding	218,096,787	218,100,192	218,098,830	218,100,192	218,099,144	218,100,192
Average number of ordinary shares outstanding after dilution <sup>2)</sup>	219,356,995	219,557,559	219,359,038	219,557,559	219,359,352	219,557,559
Share price at the end of the period, SEK	9.00	7.70	9.00	7.70	9.00	11.00
Balance sheet total <sup>1)</sup> , MSEK	6,313	6,692	6,313	6,692	6,313	6,576
Interest-bearing net debt, MSEK	829	1,335	829	1,335	829	1,080
Interest-bearing net debt excl. lease liabilities, MSEK	306	806	306	806	306	399
Equity attributable to Parent Company shareholders <sup>1)</sup> , MSEK	3,085	2,954	3,085	2,954	3,085	3,012
Equity per share, SEK <sup>1)</sup>	14.15	13.54	14.15	13.54	14.15	13.81
Equity/assets ratio <sup>1)</sup> , %	51	47	51	47	51	48
Return on equity per annum <sup>1)</sup> , %	9.0	4.9	6.9	5.0	7.4	6.0
Return on capital employed per annum, %	10.7	13.4	8.3	9.3	8.2	8.9
Return on total capital per annum, %	8.2	10.4	6.4	7.0	6.2	6.8
Interest-coverage ratio, multiple	7.6	10.7	5.4	6.6	5.2	6.0
Net investments, MSEK	20	34	56	136	70	150
Net investments excl. corporate acquisitions, MSEK	20	28	65	70	79	84
Average number of employees <sup>1)</sup>	2,512	2,840	2,545	2,872	2,684	2,847

<sup>1)</sup> Including Discontinued Operations.

<sup>2)</sup> For calculation of the number of shares after dilution, the average number of shares is adjusted taking into account the effects of dilutive potential ordinary shares, which, during the reporting periods in question, comprised rights to receive shares in ITAB within the framework of the LTIP 2022 long-term incentive programme. As of 30 September 2023, only matching share rights held by employees are considered dilutive, while the right to receive shares with performance conditions are not considered dilutive since set performance targets are yet to be met. Adjustment of the number of dilutive shares is based on the hypothetical number of shares that could have been purchased with the value of remaining positions within the framework of the incentive programme.

<sup>3)</sup> Comparative periods have not been restated related to Discontinued Operations.

## 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, cash conversion, interest-bearing net debt, and return on equity, capital employed and total capital. The reconciliation of these as well as the definitions of 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 company's profit trend over time.

(MSEK)	3 MONTHS Jul-Sep 2023	3 MONTHS Jul-Sep 2022	9 MONTHS Jan-Sep 2023	9 MONTHS Jan-Sep 2022	ROLLING 12 MONTHS as of 30 Sep 2023	FULL YEAR Jan-Dec 2022
Operating profit	129	163	290	312	381	403
Depreciation and amortisation	51	59	187	193	265	271
<b>EBITDA</b>	<b>180</b>	<b>222</b>	<b>477</b>	<b>505</b>	<b>646</b>	<b>674</b>
Reversal of non-recurring items, Note 4	0	1	0	29	1	30
<b>EBITDA EXCL. NON-RECURRING ITEMS</b>	<b>180</b>	<b>223</b>	<b>477</b>	<b>534</b>	<b>647</b>	<b>704</b>

### Cash conversion

Operational cash flow in relation to EBITDA

A relevant measure to assess capital efficiency. This measure is included in ITAB's financial targets.

(MSEK)	3 MONTHS Jul-Sep 2023	3 MONTHS Jul-Sep 2022	9 MONTHS Jan-Sep 2023	9 MONTHS Jan-Sep 2022	ROLLING 12 MONTHS as of 30 Sep 2023	FULL YEAR Jan-Dec 2022
Operational cash flow (cash flow from operating activities)	229	136	434	73	903	542
EBITDA	180	222	477	505	646	674
<b>CASH CONVERSION, %</b>	<b>127</b>	<b>62</b>	<b>91</b>	<b>14</b>	<b>140</b>	<b>80</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.

(MSEK)	3 MONTHS Jul-Sep 2023	3 MONTHS Jul-Sep 2022	9 MONTHS Jan-Sep 2023	9 MONTHS Jan-Sep 2022	ROLLING 12 MONTHS as of 30 Sep 2023	FULL YEAR Jan-Dec 2022
Interest-bearing non-current liabilities	1,342	1,603	1,342	1,603	1,342	1,565
Interest-bearing current liabilities	212	270	212	270	212	296
Interest-bearing assets	-65	-25	-65	-25	-65	-25
Cash and cash equivalents	-660	-513	-660	-513	-660	-756
<b>INTEREST-BEARING NET DEBT</b>	<b>829</b>	<b>1,335</b>	<b>829</b>	<b>1,335</b>	<b>829</b>	<b>1,080</b>
Reversal of interest-bearing lease liabilities	-523	-529	-523	-529	-523	-681
<b>INTEREST-BEARING NET DEBT EXCL. LEASE LIABILITIES</b>	<b>306</b>	<b>806</b>	<b>306</b>	<b>806</b>	<b>306</b>	<b>399</b>

### Return on equity <sup>1)</sup>

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.

(MSEK)	3 MONTHS Jul-Sep 2023	3 MONTHS Jul-Sep 2022	9 MONTHS Jan-Sep 2023	9 MONTHS Jan-Sep 2022	ROLLING 12 MONTHS as of 30 Sep 2023	FULL YEAR Jan-Dec 2022
Annualised net profit attributable to Parent Company shareholders	278	142	212	139	225	171
Equity attributable to Parent Company shareholders	3,085	2,954	3,085	2,954	3,085	3,012
Average equity attributable to Parent Company shareholders	3,081	2,925	3,058	2,812	3,037	2,852
<b>RETURN ON EQUITY, %</b>	<b>9.0</b>	<b>4.9</b>	<b>6.9</b>	<b>5.0</b>	<b>7.4</b>	<b>6.0</b>

<sup>1)</sup> Including Discontinued Operations.

## 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.

(MSEK)	3 MONTHS Jul-Sep 2023	3 MONTHS Jul-Sep 2022	9 MONTHS Jan-Sep 2023	9 MONTHS Jan-Sep 2022	ROLLING 12 MONTHS as of 30 Sep 2023	FULL YEAR Jan-Dec 2022
Annualised profit after financial items plus financial borrowing costs	522	655	406	428	402	418
Average balance sheet total less non interest-bearing liabilities	4,877	4,872	4,865	4,608	4,886	4,688
<b>RETURN ON CAPITAL EMPLOYED, %</b>	<b>10.7</b>	<b>13.4</b>	<b>8.3</b>	<b>9.3</b>	<b>8.2</b>	<b>8.9</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.

(MSEK)	3 MONTHS Jul-Sep 2023	3 MONTHS Jul-Sep 2022	9 MONTHS Jan-Sep 2023	9 MONTHS Jan-Sep 2022	ROLLING 12 MONTHS as of 30 Sep 2023	FULL YEAR Jan-Dec 2022
Annualised profit after financial items plus financial borrowing costs	522	655	406	428	402	418
Average total capital	6,388	6,291	6,366	6,092	6,431	6,189
<b>RETURN ON TOTAL CAPITAL, %</b>	<b>8.2</b>	<b>10.4</b>	<b>6.4</b>	<b>7.0</b>	<b>6.2</b>	<b>6.8</b>

## OTHER DEFINITIONS

PERFORMANCE MEASURE	DEFINITION	MOTIVE
<b>Equity per share</b>	Equity at the end of the period attributable to Parent Company shareholders in relation to the number of ordinary shares outstanding at the end of the period.	Measure to describe how much equity belongs to the shareholders of the Parent Company.
<b>Cash flow from operating activities per share</b>	Cash flow from operating activities in relation to the average number of outstanding ordinary shares.	This measure highlights ITAB's ability to generate cash flow and pay dividends to its shareholders.
<b>Average number of employees</b>	Number of worked hours divided by normal annual working time.	This measure shows the size of ITAB's workforce.
<b>Earnings per share after dilution</b>	Net profit for the period attributable to Parent Company shareholders in relation to the average number of ordinary shares outstanding after dilution. For calculation of earnings per share after dilution, the average number of shares is adjusted taking into account the effects of dilutive potential ordinary shares, which, during the reporting periods in question, comprised rights to receive shares in ITAB within the framework of the LTIP 2022 long-term incentive programme. Matching share rights held by employees as of the reporting date are considered dilutive. Moreover, the right to receive shares with performance conditions is dilutive only to the extent that set performance targets are met as of the reporting date. Adjustment of the number of dilutive shares is based on the hypothetical number of shares that could have been purchased with the value of remaining positions within the framework of the incentive programme.	A valuation measure that highlights ITAB's ability to pay dividends to its shareholders.
<b>Earnings per share before dilution</b>	Net profit for the period attributable to Parent Company shareholders in relation to the average number of ordinary shares outstanding before dilution.	A valuation measure that highlights ITAB's ability to pay dividends to its shareholders.
<b>Interest-coverage ratio</b>	Profit after financial items plus financial interest expenses in relation to financial borrowing costs.	Shows ITAB's ability to cover its financial expenses.
<b>Operating margin / EBIT margin</b>	Operating profit in relation to revenue.	Relevant for assessing ITAB's efficiency and added value. This measure is included in ITAB's financial targets.
<b>Equity/assets ratio</b>	Equity in relation to total capital.	This measure highlights financial risk.
<b>Total capital</b>	Total equity and liabilities (balance sheet total).	This measure highlights the size of the company's total assets.
<b>Currency-adjusted sales</b>	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 trend without any effects from currency rates fluctuations.
<b>Profit margin</b>	Profit after financial items in relation to revenue.	Relevant for assessing ITAB's efficiency and added value.



# ABOUT ITAB

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 24 countries and 15 production facilities in Europe and China. ITAB also has a network of partners across large parts of Europe and the rest of the world. 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.

## FINANCIAL TARGETS

**4-8%**  
SALES GROWTH

**GROWTH**  
Average growth in net sales (CAGR) of 4-8 percent per annum over a business cycle. Growth is to be achieved by sustainable organic growth and strategic acquisitions.

**>80%**  
CASH CONVERSION

**CAPITAL EFFICIENCY**  
Average cash conversion ratio (operational cash flow in relation to operating profit before depreciation and amortisation) of at least 80 percent over a business cycle.

**7-9%**  
EBIT MARGIN

**EARNINGS**  
Average EBIT margin (operating profit in relation to net sales) of 7-9 percent over a business cycle.

**>30%**  
PROPORTION OF PROFIT AFTER TAX

**DIVIDEND POLICY**  
Dividends over a longer period should follow the result and correspond to at least 30 percent of the company's profit after tax. However, dividends will be adjusted to the company's investment requirements and any share repurchase programme.

# AUDITOR'S REVIEW REPORT

To the Board of Directors of ITAB Shop Concept AB (publ)  
Corp. Reg. No. 556292-1089

## Introduction

We have reviewed the condensed interim financial information (interim report) for ITAB Shop Concept AB (publ) as of 30 September 2023 and the nine-month period then ended. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## Scope and focus of the review

We have conducted our review in accordance with the International Standard on Review Engagements *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity* (ISRE 2410). A review consists of making inquiries, primarily to persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and a substantially more limited scope compared with the focus and scope of an audit conducted in accordance with the International Standards on Auditing and other generally accepted auditing standards.

The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant circumstances that might be identified in an audit. Consequently, the conclusion expressed on the basis of a review does not provide the same level of assurance as a conclusion expressed on the basis of an audit.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report for the Group has not, in all material aspects, been compiled in accordance with IAS 34 and the Swedish Annual Accounts Act, and the interim report for the Parent Company, in accordance with the Swedish Annual Accounts Act.

Jönköping, 31 October 2023

Ernst & Young AB

Joakim Falck  
Authorised Public Accountant

ITAB

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## SHARE INFORMATION

<b>Listing</b>	<b>ISIN</b>
Nasdaq Stockholm Mid Cap list	SE0015962097
<b>Ticker symbol</b>	<b>Share price on 30 Sep 2023</b>
ITAB	SEK 9.00
<b>Sector classification</b>	
Industrial Goods & Services	

## FINANCIAL CALENDAR

Year-End Report 2023 – 1 Jan–31 Dec 2023	7 February 2024
Annual Report 2023	March/April 2024
Interim Report 3 months – 1 Jan–31 Mar 2024	14 May 2024
Annual General Meeting 2024 in Jönköping	15 May 2024
Interim Report 6 months – 1 Jan–30 Jun 2024	12 July 2024
Interim Report 9 months – 1 Jan–30 Sep 2024	29 October 2024
Year-End Report 2024 – 1 Jan–31 Dec 2024	7 February 2025

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 Regulation 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 31 October 2023**.

This report is in all respect a translation of the Swedish original Interim Report. In the event of any discrepancies between this translation and the Swedish original, the latter shall prevail.