

Q4

ITAB

STRONG CONCLUSION OF THE YEAR WITH HIGH PROFITABILITY

"ITAB's sales have gradually stabilised starting in the autumn, and a favourable product mix strengthened our gross margin for the full year. 2023 was otherwise characterised by rising inflation and interest-rate levels, which had a negative impact on demand. In total, we posted an increased operating margin of 7.0 percent (5.9) despite a reduction in net sales by over MSEK 700, and our cash flow increased to MSEK 810 for the year."

Andreas Elgaard
President & CEO

Read more on page 2. ▶

YEAR-END REPORT – 12 MONTHS

1 January–31 December 2023

Fourth quarter (1 Oct–31 Dec 2023)

- ▶ Net sales declined by 6 percent to MSEK 1,601 (1,702). Currency-adjusted sales declined by 8 percent.
- ▶ Operating profit before depreciation and amortisation (EBITDA) excl. non-recurring items of MSEK 0 (-1) increased by 23 percent to MSEK 209 (170) ¹⁾.
- ▶ Operating profit increased by 56 percent to MSEK 142 (91) ¹⁾, corresponding to an operating margin of 8.9 percent (5.3).
- ▶ Profit after financial items increased by 80 percent to MSEK 137 (76).
- ▶ Profit after tax amounted to MSEK 119 (58).
- ▶ Earnings per share before dilution increased by 70 percent to SEK 0.51 (0.30). Earnings per share after dilution totalled SEK 0.50 (0.30). ²⁾
- ▶ Cash flow from operating activities amounted to MSEK 376 (469). ³⁾

Financial year (1 Jan–31 Dec 2023)

- ▶ Net sales declined by 11 percent to MSEK 6,139 (6,868). Currency-adjusted sales declined by 15 percent.
- ▶ Operating profit before depreciation and amortisation (EBITDA) excl. non-recurring items of MSEK 0 (-30) amounted to MSEK 686 (704) ¹⁾.
- ▶ Operating profit amounted to MSEK 432 (403) ¹⁾, corresponding to an operating margin of 7.0 percent (5.9).
- ▶ Profit after financial items totalled MSEK 385 (348).
- ▶ Profit after tax amounted to MSEK 292 (243).
- ▶ Earnings per share totalled SEK 1.24 (0.78) before dilution and SEK 1.23 (0.78) after dilution. ²⁾
- ▶ Cash flow from operating activities amounted to MSEK 810 (542). ³⁾
- ▶ The equity/assets ratio at the end of the year was 56 percent (48). ²⁾
- ▶ Net debt excluding lease liabilities amounted to MSEK 45 (399).
- ▶ The Board of Directors proposes a dividend of SEK 0.75 (0.50) per ordinary share for 2023.

Events during the financial year

- ▶ 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 1.5 percent of the Group's annual sales in 2023. 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.

	FOURTH QUARTER			FULL YEAR		
	Oct–Dec 2023	Oct–Dec 2022	Δ	Jan–Dec 2023	Jan–Dec 2022	Δ
CONTINUING OPERATIONS						
Net sales, MSEK	1,601	1,702	-6%	6,139	6,868	-11%
EBITDA excl. non-recurring items ¹⁾ , MSEK	209	170	+23%	686	704	-3%
EBITDA margin, %	13.1	10.0		11.2	10.2	
Operating profit excl. non-recurring items ¹⁾ , MSEK	142	92	+54%	432	443	-2%
Operating margin, %	8.9	5.4		7.0	6.4	
Profit after financial items excl. non-recurring items ¹⁾ , MSEK	137	77	+78%	385	388	-1%
Profit margin, %	8.5	4.5		6.3	5.7	
Profit after tax, MSEK	119	58	+105%	292	243	+20%
Earnings per share before dilution ²⁾ , SEK	0.51	0.30	+70%	1.24	0.78	+59%
Cash flow from operating activities ³⁾ , MSEK	376	469	-20%	810	542	+49%
Equity/assets ratio ²⁾ , %	56	48		56	48	
Interest-bearing net debt excl. lease liabilities, MSEK	45	399	-354	45	399	-354

¹⁾ EBITDA and operating profit for the comparative periods were charged with non-recurring items of MSEK -1 (fourth quarter of 2022) and MSEK -30 and MSEK -40, respectively (full 2022 financial year). Non-recurring items mainly consist of costs relating to transformation work under ITAB's One ITAB strategy. Refer to Note 4 on page 11.

²⁾ Including Discontinued Operations.

³⁾ Comparative periods have not been restated related to Discontinued Operations.

HIGH PROFITABILITY AND STRONG CASH FLOW CONCLUDE A YEAR CHARACTERISED BY ECONOMIC DOWNTURN

ITAB's sales have gradually stabilised starting in the autumn, and a product mix with an increased share of sales for our technical solutions strengthened our gross margin for the full year. 2023 was otherwise characterised by rising inflation and interest-rate levels, which negatively impacted the retail sector's willingness to invest and demand for ITAB's products and solutions. In parallel, we also continued to reduce the Group's need for working capital and strengthened the cash flow. We posted an increased operating margin of 7.0 percent (5.9) despite a reduction in net sales by over MSEK 700 during the year. The cash flow increased by close to 50 percent to MSEK 810 for 2023. We see signs of an increased willingness to invest among our customers and our focus in 2024 will be on continuing this positive trend and investing for the future. Our ambition is for our solutions to continue to contribute to improved operational efficiency and competitiveness for our customers.

FOCUS ON LOSS PREVENTION SOLUTIONS

The negative economic development that characterised 2023 was most evident in ITAB's geographic markets in the Nordic region and the UK. Sales declined most substantially in traditional shop fittings and checkouts as new establishments and renovations of existing stores in the retail sector were cut back as a result of increased uncertainty and higher capital expenses. The retail sector's investments are primarily focused on different preventative measures to reduce the risk of increased theft and loss and to boost efficiency. Consequently, customer interest in our loss prevention solutions remains considerable, and there is also a clear ambition to increase the share of self-service and other measures to improve efficiency and reduce costs. During the year, we noted increased interest in our offering among customers in Australia and the US. In total, ITAB's currency-adjusted net sales declined by 15 percent in 2023.

POSITIVE EARNINGS TREND DESPITE A DECLINE IN SALES

The gross margin and other profit margins were positively impacted during the year by a favourable product mix with increased share of sales for our technical solutions and services, as well as by price adjustments and a review of the cost structure. At the same time, lower sales and capacity utilisation in our production facilities negatively impacted earnings. The reported operating profit for 2023 amounted to MSEK 432 (403), corresponding to an operating margin of 7.0 percent (5.9). Profit after financial items totalled MSEK 385 (348). The comparative period includes non-recurring costs totalling MSEK 40.

Cash flow improved to MSEK 810 (542), mainly driven by the positive gross margin trend and our efforts to reduce working capital with lower inventory levels. Our financial position is stronger than ever before, and our focus on capital efficiency will remain intense in 2024.

All in all, our performance during the year resulted in a couple of clearly positive steps toward our financial targets (see page 17) despite a decline in growth compared with our target of currency-adjusted sales growth of 4-8 percent per year. The Group's operating margin (EBIT) increased from 5.9 to 7.0 percent, which means that we just reached our target of 7-9 percent for 2023. At the same time, our share of cash conversion, which measures capital efficiency in the Group, increased to 118 percent (80) compared with the target of >80 percent. In accordance with our financial target of achieving a payout ratio of at least 30 percent of profit after tax over time, the Board also resolved to propose a dividend of SEK 0.75 (0.50) per ordinary share for 2023, corresponding to 60 percent of earnings per share. We are continuing to focus on sustainable growth, increased profitability, a strong cash flow and favourable returns to our shareholders over time.

CREATING A STRONGER ITAB IN 2024

ITAB's ambition is for our solutions to contribute to improved operational efficiency, reduced costs and increased competitiveness for the retail sector. This has strengthened our position in the market over the past few years despite a weaker economy. At the end of 2023, we saw indications of customers becoming more willing to invest in previously postponed projects with the aim of improving the customer experience in their stores. The decline in currency-adjusted net sales recovered somewhat in the fourth quarter of the year (corresponding to a decline of 8 percent).



The customers' increased willingness to invest is exemplified by the two major agreements that we announced at the start of 2024. We have already commenced the delivery of 7,200 self-checkouts to a leading grocery chain in Europe, and signed an agreement with a leading fashion chain in Europe for the delivery of customised interiors, checkouts and fitting rooms for the refurbishment of existing stores and in upcoming new stores over three years.

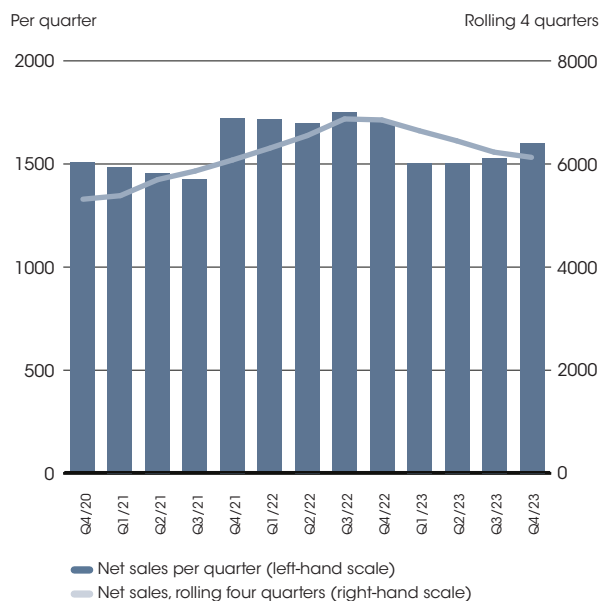
Our primary short-term focus will remain on operational efficiency as we carry out targeted sales efforts, enhance the efficiency of our operations and reduce our tied-up capital. Our sales of various sustainability services to the retail sector are increasing and we have also intensified our environmental, social and corporate governance (ESG) efforts with the aim of preparing the Group for a review of our sustainability targets and increased ESG reporting requirements in 2024. 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 systems with the aim of making ITAB more scalable and flexible in an increasingly dynamic world. The current market situation and our strong financial position are also providing us with the opportunity for further growth through strategic acquisitions.

In conclusion, I would like to extend my sincere thanks to all of our customers, partners and employees for their many outstanding contributions in another eventful and challenging year. When reflecting on the past four years, it is impressive how well our employees have succeeded in strengthening ITAB's position while balancing global challenges and customer expectations with ITAB's internal transition. I look forward to 2024 together with all of you.

Jönköping, February 2024

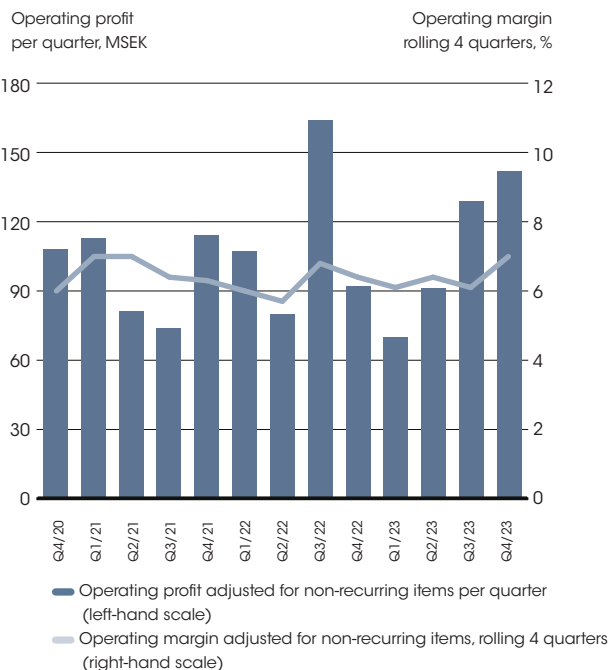
Andrés Elgaard
President & CEO
ITAB Shop Concept AB

NET SALES (MSEK)

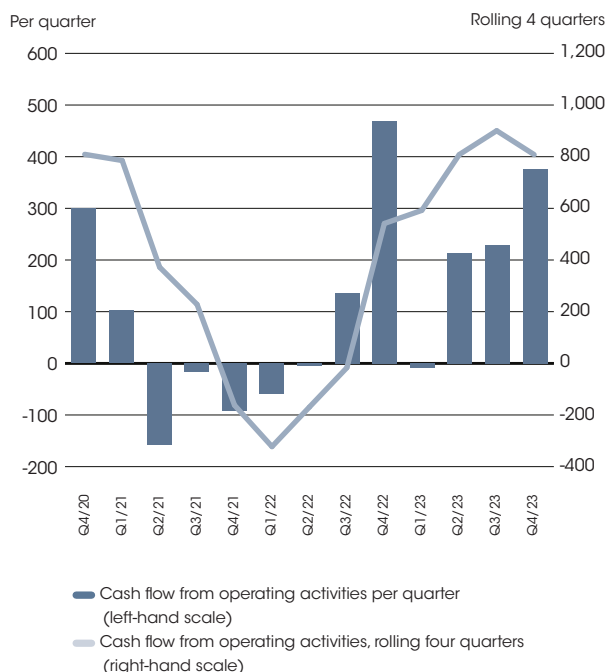


OPERATING PROFIT AND OPERATING MARGIN ¹⁾

(adjusted for non-recurring items)

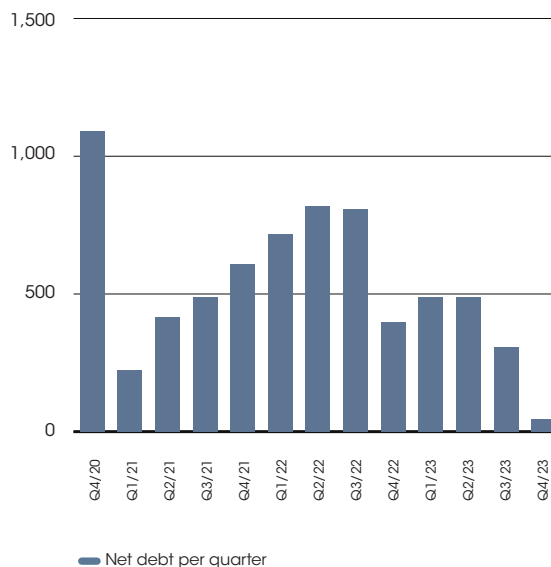


CASH FLOW FROM OPERATING ACTIVITIES ²⁾ (MSEK)



NET DEBT ²⁾ (MSEK)

(excluding lease liabilities)



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

²⁾ Comparative periods have not been restated related to Discontinued Operations.

DEVELOPMENT IN 2023

JANUARY–DECEMBER

NET SALES

Fourth quarter

The Group's net sales declined by 6 percent to MSEK 1,601 (1,702) in the fourth quarter of the year. Currency-adjusted sales fell by 8 percent.

As uncertainty concerning the future economic trend gradually subsided during the year, the retail sector began to show indications of an increased willingness to invest in traditional shop fittings and checkouts in store upgrades and new establishments across several geographic markets. During the quarter, the positive trend for sales of ITAB's loss prevention solutions with security gates and various types of self-service checkouts also continued. However, the Group's total net sales declined year-on-year, but the decline in volume compared with previous quarters was significantly less. During the quarter, the development was strongest in Eastern Europe and countries outside of Europe.

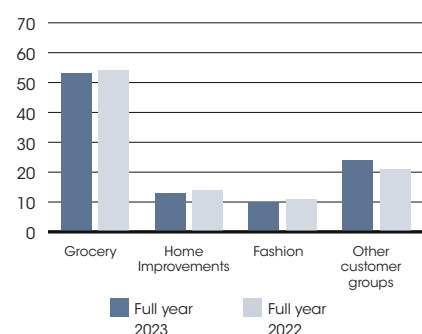
Financial year

The Group's net sales for the full financial year decreased by 11 percent to MSEK 6,139 (6,868). Currency-adjusted sales fell by 15 percent during the year.

For ITAB, 2023 was dominated by uncertainty concerning the future economic trend, with rising inflation and interest rates impacting both consumer behaviour and the retail sector's general willingness to invest in existing stores and new establishments. At the same time, new unique and competitive technological and digital solutions in loss prevention, increased efficiency and lower in-store costs as well as in improved consumer experiences attracted considerable interest among customers. Targeted sales measures in all of the Group's operations and markets positively impacted sales of smart gates and various types of self-service solutions in stores.

The economic effects during the year negatively impacted sales in all of the Group's geographic markets except for countries outside Europe where sales increased by over 10 percent. In terms of customer groups, sales in Grocery, Home Improvements and Fashion were negatively impacted year-on-year, while Other customer groups such as pharmacies, consumer electronics, and health and beauty developed more positively.

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



EARNINGS

Fourth quarter

Operating profit increased in the fourth quarter by 56 percent to MSEK 142 (91). Profit for the corresponding quarter in 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 8.9 percent (5.3).

In the fourth quarter, the positive trend for the Group's gross margin continued despite lower net sales, primarily due to the favourable product mix with an increasing share of sales of ITAB's technical solutions. Measures implemented to improve efficiency in the Group also yielded positive effects. Combined with a somewhat stronger sales trend compared with earlier in the year, this positively impacted earnings for the quarter. During the fall, the Argentinian peso was devalued, which negatively impacted earnings for the Group. ITAB has partially made adjustments for this in the financial statements for its Argentinian subsidiary in accordance with IAS 29 *Financial Reporting in Hyperinflationary Economies* (read more on Note 1 on page 10). Sales for the Argentinian subsidiary correspond to less than 2 percent of ITAB's total annual sales.

Profit after financial items increased by 80 percent to MSEK 137 (76) and profit after tax by 105 percent to MSEK 119 (58). Earnings per share including Discontinued Operations before dilution totalled SEK 0.51 (0.30). Earnings per share after dilution totalled SEK 0.50 (0.30).

Financial year

Operating profit for the full financial year amounted to MSEK 432 (403). Profit for the corresponding period in 2022 was impacted by non-recurring items of MSEK -40 pertaining to restructuring costs attributable to transformation work under the One ITAB strategy. Operating profit corresponded to an operating margin of 7.0 percent (5.9).

The Group's increased share of sales for loss prevention and other technical solutions, implemented price increases and measures to reduce Group expenses gradually strengthened both the gross margin and the operating margin during the year. At the same time, lower net sales had a negative impact on capacity utilisation and profitability at the Group's production facilities. Due to this, cost adaptations were carried out, and the operations were able to shift their production capacity to products in growth areas in the Retail Tech offering, such as security gates, to a certain degree.

Earnings for the year were negatively impacted by the cost for participating in the EuroShop trade fair at the start of the year and adjustments for the effects of the devaluation of the Argentinian peso in the fourth quarter. Refer to the above and Note 1 on page 10.

Profit after financial items amounted to MSEK 385 (348) and profit after tax to MSEK 292 (243). Earnings per share including discontinued operations totalled SEK 1.24 (0.78) before dilution and SEK 1.23 (0.78) after dilution for the financial year.

CASH FLOW, FINANCING AND LIQUIDITY

Cash flow from operating activities amounted to MSEK 376 (469) for the fourth quarter and MSEK 810 (542) for the full financial year. The strong gross margin and measures taken to reduce working capital with more normalised inventory levels continued to have a positive impact on cash flow. The Group's operations are continuing to implement measures to further increase their capital efficiency. Cash flow for the financial year was negatively impacted in an amount of approximately MSEK -137 as a result of paid tax liabilities.

Net debt excluding lease liabilities amounted to MSEK 45 (399). Net debt including lease liabilities amounted to MSEK 591 (1,080).

The Group's cash and cash equivalents, including granted unutilised credits, amounted to MSEK 1,783 (1,449) on the balance sheet date on 31 December 2023. The equity/assets ratio including Discontinued Operations was 56 percent (48).

INVESTMENTS

The Group's net investments/divestments during the fourth quarter amounted to MSEK 51 (14), of which MSEK 0 (0) is attributable to corporate acquisitions/divestments. For the full financial year, the Group's net investments amounted to MSEK 107 (150), of which MSEK -9 (66) was attributable to corporate acquisitions/divestments. ITAB's current investments include shared operational support systems for the Group, which corresponded to approximately 16 percent of total investments in 2023. For more information on corporate acquisitions and divestments, refer to Note 2 on page 10.

EMPLOYEES

The average number of employees amounted to 2,498 (2,698) in the fourth quarter and 2,533 (2,715) in the full financial year, excluding Discontinued Operations. In 2023, 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 72 (45) for the fourth quarter and MSEK 184 (174) for the full financial year. Profit after financial items totalled MSEK 22 (-10) for the quarter and MSEK -69 (-57) for the financial year. Profit includes dividends from subsidiaries of MSEK 24 (0) for the quarter and MSEK 27 million (31) for the full financial year. Impairment of shares and receivables from subsidiaries had an impact of MSEK -32 (-2) on earnings for the quarter and MSEK -32 (-91) on earnings for the financial year. Of these impairments 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

ITAB Group did not complete 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 85 in 2023, corresponding to about 1.5 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 will be 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 buyback programme is to optimise the capital structure with the aim of reducing ITAB's share capital by cancelling repurchased shares. Refer also to Note 6 Repurchases of own shares and new share issue on page 11.

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 Year-End Report requires 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 Year-End 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 financial year.

Events after the end of the financial year

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

INCOME STATEMENT

(MSEK)	Note	3 MONTHS Oct-Dec 2023	3 MONTHS Oct-Dec 2022	FULL YEAR Jan-Dec 2023	FULL YEAR Jan-Dec 2022
Revenue from contracts with customers	3	1,601	1,702	6,139	6,868
Costs of goods sold	1	-1,122	-1,301	-4,420	-5,286
Gross profit		479	401	1,719	1,582
Selling expenses	1	-239	-231	-935	-871
Administrative expenses		-83	-87	-327	-344
Other operating income and expenses		-15	8	-25	36
Operating profit	4	142	91	432	403
Financial income		5	8	34	16
Financial expenses	5	-10	-23	-81	-71
Profit after financial items	4	137	76	385	348
Tax expenses		-18	-18	-93	-105
NET PROFIT FOR THE PERIOD – CONTINUING OPERATIONS		119	58	292	243
Discontinued Operations – ITAB Rus JSC					
Profit from Discontinued Operations, net after tax	8	-5	3	-12	-53
NET PROFIT FOR THE PERIOD		114	61	280	190
Net profit for the period attributable to:					
Parent Company shareholders		111	66	270	170
Non-controlling interests		3	-5	10	20
Depreciation and amortisation for the period amount to		67	78	254	271
Tax expenses for the period account for		13%	24%	24%	30%
Earnings per share incl. Discontinued Operations before dilution, SEK		0.51	0.30	1.24	0.78
Earnings per share incl. Discontinued Operations after dilution ¹⁾ , SEK		0.50	0.30	1.23	0.78
Earnings per share excl. Discontinued Operations before dilution, SEK		0.53	0.29	1.29	1.02
Average number of ordinary shares outstanding, thousands	6, 7	217,824	218,100	218,015	218,100
Average number of ordinary shares outstanding after dilution ¹⁾ , thousands	6, 7	219,084	219,558	219,275	219,558
Number of ordinary shares outstanding, thousands	6, 7	217,558	218,100	217,558	218,100

¹⁾ 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 31 December 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 Oct-Dec 2023	3 MONTHS Oct-Dec 2022	FULL YEAR Jan-Dec 2023	FULL YEAR Jan-Dec 2022
NET PROFIT FOR THE PERIOD		114	61	280	190
OTHER COMPREHENSIVE INCOME					
Items that will not be reclassified to the income statement					
Revaluation of defined-benefit pension commitments		0	5	0	5
Tax relating to items not to be reclassified		0	-1	0	-1
		0	4	0	4
Items that may be reclassified to the income statement					
Translation differences	1	-147	-12	-145	188
Hedging of net investments, net	5	4	4	27	-19
Cash flow hedges, net	5	-8	-10	-7	23
Tax on items that may be reclassified		1	1	-4	-1
		-150	-17	-129	191
Total other comprehensive income after tax		-150	-13	-129	195
COMPREHENSIVE INCOME FOR THE PERIOD		-36	48	151	385
Comprehensive income for the period attributable to:					
Parent Company shareholders		-30	58	149	356
Non-controlling interests		-6	-10	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	31 Dec 2023	31 Dec 2022
ASSETS			
Non-current assets			
<i>Intangible assets</i>			
Goodwill		1,786	1,790
Other intangible assets		133	107
		1,919	1,897
Property, plant and equipment		1,222	1,408
Participations in associated companies		-	9
Deferred tax assets		78	104
Financial non-current receivables		79	40
Total non-current assets		3,298	3,458
Current assets			
Inventories		793	1,030
Current receivables		1,033	1,244
Cash and cash equivalents		578	756
Total current assets		2,404	3,030
Assets held for sale	8	66	88
TOTAL ASSETS		5,768	6,576
EQUITY AND LIABILITIES			
Equity attributable to Parent Company shareholders	6	3,049	3,012
Non-controlling interests		159	157
Deferred tax liabilities		39	44
Other non-current liabilities	5	1,057	1,624
Current liabilities	5	1,447	1,720
Liabilities attributable to assets held for sale	8	17	19
TOTAL EQUITY AND LIABILITIES		5,768	6,576
Interest-bearing net debt		591	1,080
Interest-bearing net debt excl. lease liabilities		45	399

STATEMENT OF CHANGES IN EQUITY

(MSEK)	Note	Share capital	Repurchased own shares	Other contributed capital	Other reserves ¹⁾	Profit brought forward	Attributable to Parent Company shareholders	Attributable to non-controlling interests	Total equity
EQUITY AS OF 1 JANUARY 2022		91		1,089	42	1,432	2,654	128	2,782
Net profit for the period						170	170	20	190
Other comprehensive income					182	4	186	9	195
Comprehensive income January–December 2022					182	174	356	29	385
Share incentive programme	7			2			2		2
New share issue of Class C shares	6	2		0			2		2
Repurchases of own Class C shares	6		-2				-2		-2
EQUITY AS OF 31 DECEMBER 2022		93	-2	1,091	224	1,606	3,012	157	3,169
Net profit for the period						270	270	10	280
Other comprehensive income					-121		-121	-8	-129
Comprehensive income January–December 2023					-121	270	149	2	151
Dividends						-109	-109		-109
Share incentive programme	7			2			2		2
Repurchase of own ordinary shares	6		-5				-5		-5
EQUITY AS OF 31 DECEMBER 2023		93	-7	1,093	103	1,767	3,049	159	3,208

¹⁾ Other reserves consist of translation reserve and hedging reserve.

STATEMENT OF CASH FLOWS ¹⁾

(MSEK)	Note	3 MONTHS Oct-Dec 2023	3 MONTHS Oct-Dec 2022	FULL YEAR Jan-Dec 2023	FULL YEAR Jan-Dec 2022
Operating profit from Continuing Operations		142	91	432	403
Profit from Discontinued Operations, net after tax		-	7	-	-53
Interest paid and received, tax and adjustments for items not included in the cash flow		31	20	91	177
Cash flow from operating activities before change in working capital		173	118	523	527
Change in working capital					
Change in inventories		75	193	181	184
Change in operating receivables		222	301	201	212
Change in operating liabilities		-94	-143	-95	-381
Cash flow from change in working capital		203	351	287	15
CASH FLOW FROM OPERATING ACTIVITIES		376	469	810	542
Investing activities					
Acquisition/divestment of companies and operations	2	0	0	9	-66
Other net investments		-51	-14	-116	-84
Cash flow from investing activities		-51	-14	-107	-150
CASH FLOW AFTER INVESTING ACTIVITIES		325	455	703	392
Financing activities					
Dividends to shareholders		-	0	-109	-
Repurchase of ordinary shares		-5	-	-5	-
Repayment of lease liabilities		-36	-48	-131	-140
Cash flow from other financing activities		-322	-177	-565	293
Cash flow from financing activities		-363	-225	-810	153
CASH FLOW FOR THE PERIOD		-38	230	-107	545
<i>Of which, cash flow from Discontinued Operations</i>	8	<i>N/A</i>	<i>-19</i>	<i>N/A</i>	<i>-1</i>
Cash and cash equivalents at the start of the period		660	513	756	208
Adjustment for cash and cash equivalents from Discontinued Operations	8	-	34	-	-7
Translation differences on cash and cash equivalents		-44	-14	-71	10
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		578	763	578	756
Cash flow from operating activities per share, SEK		1.74	2.14	3.73	2.49

¹⁾ Excluding Discontinued Operations from 2023.

THE PARENT COMPANY IN SUMMARY

INCOME STATEMENT

(MSEK)	Note	3 MONTHS Oct-Dec 2023	3 MONTHS Oct-Dec 2022	FULL YEAR Jan-Dec 2023	FULL YEAR Jan-Dec 2022
Net sales ¹⁾		72	45	184	174
Costs of goods sold		-12	-8	-31	-25
Gross profit		60	37	153	149
Selling expenses		-24	-20	-81	-58
Administrative expenses		-26	-22	-78	-69
Other operating income and expenses		-6	3	-17	19
Operating profit		4	-2	-23	41
Profit from participations in Group companies		-8	21	-5	-60
Financial income and expenses	5	26	-29	-41	-38
Profit after financial items		22	-10	-69	-57
Year-end appropriations		125	-7	125	-7
Profit before tax		147	-17	56	-64
Tax expenses for the period		-16	1	-15	1
NET PROFIT FOR THE PERIOD		131	-16	41	-63

STATEMENT OF OTHER COMPREHENSIVE INCOME

Net profit for the period		131	-16	41	-63
Other comprehensive income		-	-	-	-
COMPREHENSIVE INCOME FOR THE PERIOD		131	-16	41	-63

¹⁾ Pertains to revenue from subsidiaries.

BALANCE SHEET

(MSEK)	Note	31 Dec 2023	31 Dec 2022
ASSETS			
Non-current assets			
Property, plant and equipment		4	5
Financial assets		2,047	2,066
Deferred tax assets		18	33
Total non-current assets		2,069	2,104
Current assets			
Current receivables		160	537
Cash and bank balance		292	402
Total current assets		452	939
TOTAL ASSETS		2,521	3,043
EQUITY AND LIABILITIES			
Equity			
Restricted equity		100	100
Non-restricted equity		1,590	1,662
Total equity	6, 7	1,690	1,762
Non-current liabilities		590	1,028
Current liabilities		241	253
TOTAL EQUITY AND LIABILITIES		2,521	3,043

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, with the addition of IAS 29 as described below.

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 Year-End Report have also been restated as a result of this. Shipping costs to customers impacted Costs of goods sold by MSEK -70 (-73) in the fourth quarter and MSEK -263 (-307) for the full 2022 financial year.

IAS 29 Financial Reporting in Hyperinflationary Economies

Argentina's economy is considered to have been in a state of hyperinflation since 1 July 2018. Following the devaluation of the Argentinian peso in autumn 2023, the financial statements for ITAB's subsidiary in Argentina were adjusted in 2023 to correct for the effects of inflation in accordance with IAS 29 *Financial Reporting in Hyperinflationary Economies*. This means that:

- ▶ The different items in the income statement have been adjusted in line with Argentina's national consumer price index (CPI).
- ▶ All of the components in the subsidiary's financial statements have been restated at the closing day rate. Translation differences arising in the translation to SEK have been recognised in Other comprehensive income in accordance with IAS 21.
- ▶ The figures for the financial years that began prior to 1 January 2023 have not been changed.

NOTE 2 Corporate acquisitions and divestments

Acquisitions and divestments in 2023

ITAB Group did not complete 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.

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 Oct-Dec 2023	3 MONTHS Oct-Dec 2022	FULL YEAR Jan-Dec 2023	FULL YEAR Jan-Dec 2022
SALES BY CUSTOMER GROUP ¹⁾				
Grocery	853	902	3,226	3,703
Home Improvements	197	268	769	969
Fashion	107	160	589	734
Other customer groups	444	372	1,555	1,462
TOTAL	1,601	1,702	6,139	6,868

¹⁾ 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 Oct-Dec 2023	3 MONTHS Oct-Dec 2022	FULL YEAR Jan-Dec 2023	FULL YEAR Jan-Dec 2022
SALES BY GEOGRAPHIC AREA ²⁾				
Northern Europe	409	419	1,508	1,704
Southern Europe	349	382	1,408	1,530
Central Europe	246	387	1,169	1,434
UK & Ireland	189	224	680	881
Eastern Europe	141	110	475	525
Rest of the World	267	180	899	794
TOTAL	1,601	1,702	6,139	6,868

²⁾ 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, Romania and Slovakia. Rest of the World comprises all countries outside Europe, with the US, Australia, China and Argentina accounting for 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.

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.

	3 MONTHS Oct-Dec 2023	3 MONTHS Oct-Dec 2022	FULL YEAR Jan-Dec 2023	FULL YEAR Jan-Dec 2022
NON-RECURRING ITEMS, MSEK				
Restructuring	-	-1	-	-40
Total non-recurring items	-	-1	-	-40
Impact of non-recurring items on profit items in the income statement				
Operating profit before depreciation and amortisation (EBITDA)	-	-1	-	-30
Operating profit	-	-1	-	-40
Profit after financial items	-	-1	-	-40

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 will be 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 buyback programme is to optimise the capital structure with the aim of reducing ITAB's share capital by cancelling repurchased ordinary shares. As of 31 December 2023, ITAB held 541,748 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 31 December 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 Oct-Dec 2023	3 MONTHS Oct-Dec 2022	FULL YEAR Jan-Dec 2023	FULL YEAR Jan-Dec 2022
Number of ordinary shares outstanding at the start of the period	218,086,570	218,100,192	218,100,192	218,100,192
Repurchase of ordinary shares	-528,126	-	-541,748	-
Number of ordinary shares outstanding at the end of the period	217,558,444	218,100,192	217,558,444	218,100,192
Effect of LTIP 2022	1,260,208	1,457,367	1,260,208	1,457,367
Number of ordinary shares outstanding after dilution	218,818,652	219,557,559	218,818,652	219,557,559
Average number of ordinary shares outstanding	217,823,624	218,100,192	218,015,094	218,100,192
Average number of ordinary shares outstanding after dilution	219,083,832	219,557,559	219,275,302	219,557,559

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 85 in 2023, corresponding to about 1.5 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 Oct-Dec 2023	3 MONTHS Oct-Dec 2022	FULL YEAR Jan-Dec 2023	FULL YEAR Jan-Dec 2022
Revenue from contracts with customers	10	39	85	173
Costs of goods sold	-12	-29	-79	-142
Gross profit	-2	10	6	31
Selling expenses	-3	-5	-16	-25
Administrative expenses	-2	-2	-6	-8
Impairment of assets measured at fair value	0	1	-1	-52
Other operating income and expenses	0	2	0	0
Operating profit	-7	6	-17	-54
Financial items	1	-2	2	0
Profit after financial items	-6	4	-15	-54
Tax expenses for the period	1	-1	3	1
NET PROFIT FOR THE PERIOD	-5	3	-12	-53

CASH FLOW STATEMENT FOR DISCONTINUED OPERATIONS IN SUMMARY

(MSEK)	3 MONTHS Oct-Dec 2023	3 MONTHS Oct-Dec 2022	FULL YEAR Jan-Dec 2023	FULL YEAR Jan-Dec 2022
Operating profit	-7	6	-17	-54
Interest paid and received, tax and adjustments for items not included in the cash flow	2	-25	9	54
Change in working capital	-7	0	17	-1
CASH FLOW FROM OPERATING ACTIVITIES	-12	-19	9	-1

BALANCE SHEET FOR DISCONTINUED OPERATIONS IN SUMMARY

(MSEK)	31 Dec 2023	31 Dec 2022
ASSETS		
Non-current assets	0	0
Current assets	56	81
Cash and cash equivalents	13	7
TOTAL ASSETS	69	88
EQUITY AND LIABILITIES		
Equity	52	69
Deferred tax liabilities	0	1
Current liabilities	17	18
TOTAL EQUITY AND LIABILITIES	69	88

NOTE 9 Pledged assets and contingent liabilities

(MSEK)	GROUP 31 Dec 2023	GROUP 31 Dec 2022	PARENT COMPANY 31 Dec 2023	PARENT COMPANY 31 Dec 2022
Pledged assets	0	4	-	-
Contingent liabilities	10	13	97	120

QUARTERLY OVERVIEW FOR THE GROUP

(MSEK)	PER QUARTER							
	Oct-Dec 2023	Oct-Dec 2022	Jul-Sep 2023	Jul-Sep 2022	Apr-Jun 2023	Apr-Jun 2022	Jan-Mar 2023	Jan-Mar 2022
Revenue from contracts with customers	1,601	1,702	1,529	1,750	1,504	1,700	1,505	1,716
Costs of goods sold	-1,122	-1,301	-1,089	-1,316	-1,103	-1,335	-1,106	-1,334
Gross profit	479	401	440	434	401	365	399	382
Selling expenses	-239	-231	-217	-200	-236	-226	-243	-214
Administrative expenses	-83	-87	-81	-81	-81	-93	-82	-83
Other operating income and expenses	-15	8	-13	10	7	17	-4	1
Operating profit	142	91	129	163	91	63	70	86
Financial items	-5	-15	-16	-15	-13	-19	-13	-6
Profit after financial items	137	76	113	148	78	44	57	80
Tax expenses	-18	-18	-34	-47	-25	-17	-16	-23
NET PROFIT FOR THE PERIOD – CONTINUING OPERATIONS	119	58	79	101	53	27	41	57
Net profit/loss for the period – Discontinued Operations	-5	3	-5	-56	5	-4	-7	4
NET PROFIT FOR THE PERIOD	114	61	74	45	58	23	34	61
<i>Net profit for the period attributable to:</i>								
Parent Company shareholders	111	66	70	35	56	15	33	54
Non-controlling interests	3	-5	4	10	2	8	1	7
Non-recurring items, MSEK	0	-1	0	-1	0	-17	0	-21
Operating profit excl. non-recurring items, MSEK	142	92	129	164	91	80	70	107
Operating margin excl. non-recurring items, %	8.9	5.4	8.5	9.4	6.0	4.7	4.7	6.2
Cash flow from operating activities ¹⁾ , MSEK	376	469	229	136	213	-4	-8	-59
Earnings per share before dilution ^{2,3)} , SEK	0.51	0.30	0.32	0.16	0.26	0.07	0.15	0.25
Earnings per share after dilution ^{2,3)} , SEK	0.50	0.30	0.32	0.16	0.26	0.07	0.15	0.25
Equity per share ^{2,3)} , SEK	14.01	13.81	14.15	13.54	14.10	13.28	14.02	12.59
Return on equity per annum ²⁾ , %	14.4	8.9	9.0	4.9	7.4	2.1	4.4	8.0
Share price at the end of the period, recalculated after issues, SEK	12.10	11.00	9.00	7.70	9.74	10.16	12.26	12.40

¹⁾ Excluding Discontinued Operations from 2023.

²⁾ Including Discontinued Operations.

³⁾ 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							
	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023	31 Dec 2022	30 Sep 2022	30 Jun 2022	31 Mar 2022
Revenue from contracts with customers	6,139	6,240	6,461	6,657	6,868	6,888	6,563	6,318
Costs of goods sold	-4,420	-4,599	-4,826	-5,058	-5,286	-5,340	-5,152	-4,945
Gross profit	1,719	1,641	1,635	1,599	1,582	1,548	1,411	1,373
Selling expenses	-935	-927	-910	-900	-871	-861	-837	-816
Administrative expenses	-327	-331	-331	-343	-344	-357	-352	-343
Other operating income and expenses	-25	-2	21	31	36	17	6	-11
Operating profit	432	381	415	387	403	347	228	203
Financial items	-47	-57	-56	-62	-55	-45	-38	-42
Profit after financial items	385	324	359	325	348	302	190	161
Tax expenses	-93	-93	-106	-98	-105	-97	-67	-57
NET PROFIT FOR THE PERIOD – CONTINUING OPERATIONS	292	231	253	227	243	205	123	104
Net profit/loss for the period – Discontinued Operations	-12	-4	-55	-64	-53	-52	5	10
NET PROFIT FOR THE PERIOD	280	227	198	163	190	153	128	114
<i>Net profit for the period attributable to:</i>								
Parent Company shareholders	270	225	190	149	170	122	107	100
Non-controlling interests	10	2	8	14	20	31	21	14
Non-recurring items, MSEK	0	-1	-2	-19	-40	-118	-147	-173
Operating profit excl. non-recurring items, MSEK	432	382	417	406	443	465	375	376
Operating margin excl. non-recurring items, %	7.0	6.1	6.4	6.1	6.4	6.8	5.7	6.0
Cash flow from operating activities ¹⁾ , MSEK	810	903	810	593	542	-19	-172	-326
Earnings per share before dilution ^{2,3)} , SEK	1.24	1.03	0.87	0.68	0.78	0.56	0.49	0.46
Earnings per share after dilution ^{2,3)} , SEK	1.23	1.03	0.87	0.68	0.78	0.56	0.49	0.46
Equity per share ^{2,3)} , SEK	14.01	14.15	14.10	14.02	13.81	13.54	13.28	12.59
Return on equity per annum ²⁾ , %	8.8	7.4	6.4	5.1	6.0	4.4	4.0	3.8

¹⁾ Excluding Discontinued Operations from 2023.

²⁾ Including Discontinued Operations.

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

KEY RATIOS & DEFINITIONS

KEY RATIOS	3 MONTHS Oct-Dec 2023	3 MONTHS Oct-Dec 2022	FULL YEAR Jan-Dec 2023	FULL YEAR Jan-Dec 2022
Revenue from contracts with customers, MSEK	1,601	1,702	6,139	6,868
EBITDA, MSEK	209	169	686	674
EBITDA margin, %	13.1	9.9	11.2	9.8
EBITDA excl. non-recurring items, MSEK	209	170	686	704
EBITDA margin excl. non-recurring items, %	13.1	10.0	11.2	10.2
Operating profit, MSEK	142	91	432	403
Operating margin, %	8.9	5.3	7.0	5.9
Operating profit excl. non-recurring items, MSEK	142	92	432	443
Operating margin excl. non-recurring items, %	8.9	5.4	7.0	6.4
Profit after financial items, MSEK	137	76	385	348
Profit margin, %	8.5	4.4	6.3	5.1
Profit after financial items excl. non-recurring items, MSEK	137	77	385	388
Profit margin excl. non-recurring items, %	8.5	4.5	6.3	5.7
Profit after tax - Continuing Operations, MSEK	119	58	292	243
Cash flow from operating activities ³⁾ , MSEK	376	469	810	542
Cash conversion, %	180	277	118	80
Earnings per share before dilution, SEK ^{1,2)}	0.51	0.30	1.24	0.78
Earnings per share after dilution, SEK ^{1,2)}	0.50	0.30	1.23	0.78
Earnings per share excl. Discontinued Operations before dilution, SEK	0.53	0.29	1.29	1.02
Cash flow from operating activities per share, SEK ³⁾	1.74	2.14	3.73	2.49
Number of ordinary shares outstanding at the end of the period	217,558,444	218,100,192	217,558,444	218,100,192
Average number of ordinary shares outstanding	217,823,624	218,100,192	218,015,094	218,100,192
Average number of ordinary shares outstanding after dilution ²⁾	219,083,832	219,557,559	219,275,302	219,557,559
Share price at the end of the period, SEK	12.10	11.00	12.10	11.00
Balance sheet total ¹⁾ , MSEK	5,768	6,576	5,768	6,576
Interest-bearing net debt, MSEK	591	1,080	591	1,080
Interest-bearing net debt excl. lease liabilities, MSEK	45	399	45	399
Equity attributable to Parent Company shareholders ¹⁾ , MSEK	3,049	3,012	3,049	3,012
Equity per share, SEK ¹⁾	14.01	13.81	14.01	13.81
Equity/assets ratio ¹⁾ , %	56	48	56	48
Return on equity per annum ¹⁾ , %	14.4	8.9	8.8	6.0
Return on capital employed per annum, %	13.6	7.8	9.6	8.9
Return on total capital per annum, %	10.4	5.9	7.4	6.8
Interest-coverage ratio, multiple	7.6	4.5	6.0	6.0
Net investments, MSEK	51	14	107	150
Net investments excl. corporate acquisitions, MSEK	51	14	116	84
Average number of employees	2,498	2,698	2,533	2,715

¹⁾ Including Discontinued Operations.

²⁾ 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 31 December 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⁾ 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 Oct-Dec 2023	3 MONTHS Oct-Dec 2022	FULL YEAR Jan-Dec 2023	FULL YEAR Jan-Dec 2022
Operating profit	142	91	432	403
Depreciation and amortisation	67	78	254	271
EBITDA	209	169	686	674
Reversal of non-recurring items, Note 4	0	1	0	30
EBITDA EXCL. NON-RECURRING ITEMS	209	170	686	704

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 Oct-Dec 2023	3 MONTHS Oct-Dec 2022	FULL YEAR Jan-Dec 2023	FULL YEAR Jan-Dec 2022
Operational cash flow (cash flow from operating activities)	376	469	810	542
EBITDA	209	169	686	674
CASH CONVERSION, %	180	278	118	80

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 Oct-Dec 2023	3 MONTHS Oct-Dec 2022	FULL YEAR Jan-Dec 2023	FULL YEAR Jan-Dec 2022
Interest-bearing non-current liabilities	1,001	1,565	1,001	1,565
Interest-bearing current liabilities	235	296	235	296
Interest-bearing assets	-67	-25	-67	-25
Cash and cash equivalents	-578	-756	-578	-756
INTEREST-BEARING NET DEBT	591	1,080	591	1,080
Reversal of interest-bearing lease liabilities	-546	-681	-546	-681
INTEREST-BEARING NET DEBT EXCL. LEASE LIABILITIES	45	399	45	399

Return on equity ¹⁾

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 Oct-Dec 2023	3 MONTHS Oct-Dec 2022	FULL YEAR Jan-Dec 2023	FULL YEAR Jan-Dec 2022
Annualised net profit attributable to Parent Company shareholders	442	264	270	171
Equity attributable to Parent Company shareholders	3,049	3,012	3,049	3,012
Average equity attributable to Parent Company shareholders	3,067	2,983	3,056	2,852
RETURN ON EQUITY, %	14.4	8.9	8.8	6.0

¹⁾ 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 Oct-Dec 2023	3 MONTHS Oct-Dec 2022	FULL YEAR Jan-Dec 2023	FULL YEAR Jan-Dec 2022
Annualised profit after financial items plus financial borrowing costs	627	388	461	418
Average balance sheet total less non interest-bearing liabilities	4,624	4,989	4,781	4,688
RETURN ON CAPITAL EMPLOYED, %	13.6	7.8	9.6	8.9

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 Oct-Dec 2023	3 MONTHS Oct-Dec 2022	FULL YEAR Jan-Dec 2023	FULL YEAR Jan-Dec 2022
Annualised profit after financial items plus financial borrowing costs	627	388	461	418
Average total capital	6,040	6,634	6,246	6,189
RETURN ON TOTAL CAPITAL, %	10.4	5.9	7.4	6.8

OTHER DEFINITIONS

PERFORMANCE MEASURE	DEFINITION	MOTIVE
Equity per share	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.
Cash flow from operating activities per share	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.
Average number of employees	Number of worked hours divided by normal annual working time.	This measure shows the size of ITAB's workforce.
Earnings per share after dilution	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.
Earnings per share before dilution	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.
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 / EBIT margin	Operating profit in relation to revenue.	Relevant for assessing ITAB's efficiency and added value. This measure is included in ITAB's financial targets.
Equity/assets ratio	Equity in relation to total capital.	This measure highlights financial risk.
Total capital	Total equity and liabilities (balance sheet total).	This measure highlights the size of the company's total assets.
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. As of the 2023 financial year, the effects of the Group's operations in hyperinflationary economies are excluded from the calculation of currency effects.	Relevant to show the sales and profit trend without any effects from currency rates fluctuations.
Profit margin	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 Group's profit after tax. However, dividends will be adjusted to the Group's investment requirements and any share repurchase programme.

ANNUAL GENERAL MEETING 2024

ITAB Shop Concept AB's Annual General Meeting (AGM) will take place in Jönköping on Wednesday, 15 May 2024. The Annual Report for 2023 will be made available in digital format at the end of March/beginning of April on ITAB's website www.itabgroup.com and later also in printed format at ITAB's head office. The notice for the AGM will be published on itabgroup.com.

Proposal for dividend

The Board of Directors has resolved to propose to the AGM that a dividend of SEK 0.75 (0.50) per ordinary share be paid for the 2023 financial year. Calculated based on the number of ordinary shares outstanding at the end of the financial year, the proposed dividend amounts to a total of MSEK 163.

Authorisation of repurchases of own shares

The Board of Directors will propose that the AGM 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 AGM. 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 AGM 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 AGM. 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

ITAB's AGM 2022 resolved that the company's Nomination Committee ahead of the next AGM is to comprise three members, and the Chairman of the Board was tasked with contacting the three largest shareholders and requesting that they appoint one member each. In accordance with this, Åsa Otterlund (appointed by Aeternum Capital AS/ACapital ITAB HoldCo AB), Ulf Hedlundh (appointed by Pomona-gruppen AB) and Petter Fägersten (appointed by Övre Kullen AB) were appointed in October 2023, with Åsa Otterlund as Chairperson. The Nomination Committee's tasks and other instructions are presented on itabgroup.com. Shareholders who wish to present proposals to the Nomination Committee may do so by e-mail at ir@itab.com or by post at: Nomination Committee, ITAB Shop Concept AB (publ), Box 9054, SE-550 09 Jönköping, Sweden.

Jönköping, 7 February 2024

ITAB Shop Concept AB (publ)

The Board of Directors

ITAB

For further information:



Andréas Elgaard
President & CEO
+46-36 31 73 00



Mats Karlqvist
Head of Investor Relations
+46-70 660 31 32

ITAB Shop Concept AB (publ)
Box 9054, SE-550 09 Jönköping
Corp. Reg. No. 556292-1089
Tel: +46-36 31 73 00
info@itab.com • ir@itab.com
itabgroup.com • itab.com

SHARE INFORMATION

Listing	ISIN
Nasdaq Stockholm Mid Cap list	SE0015962097
Ticker symbol	Share price on 31 Dec 2023
ITAB	SEK 12.10
Sector classification	
Industrial Goods & Services	

FINANCIAL CALENDAR

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 7 February 2024.**

This report is in all respect 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.