

# Interim Report Q3 – 9 months

## 1 January–30 September 2024

### Third quarter (1 Jul–30 Sep 2024)

- Net sales increased by 2 percent to MSEK 1,553 (1,529). Currency-adjusted sales rose by 4 percent.
- Operating profit before depreciation and amortisation (EBITDA) excluding non-recurring items of MSEK -21 (0) amounted to MSEK 154 (180). <sup>1)</sup>
- Operating profit amounted to MSEK 69 (129) and the operating margin was 4.4 percent (8.5). Operating profit was charged with non-recurring items of MSEK -21 (0). <sup>1)</sup>
- Profit after financial items totalled MSEK 73 (113). <sup>2)</sup>
- Profit after tax amounted to MSEK 50 (79).
- Earnings per share before and after dilution totalled SEK 0.19 (0.32). <sup>2)</sup>
- Cash flow from operating activities amounted to MSEK 160 (229).

### Reporting period (1 Jan–30 Sep 2024)

- Net sales increased by 6 percent to MSEK 4,814 (4,538). Currency-adjusted sales rose by 7 percent.
- Operating profit before depreciation and amortisation (EBITDA) excluding non-recurring items of MSEK -21 (0) amounted to MSEK 589 (477). <sup>1)</sup>
- Operating profit increased by 31 percent to MSEK 380 (290), corresponding to an operating margin of 7.9 percent (6.4). Operating profit was charged with non-recurring items of MSEK -21 (0). <sup>1)</sup>
- Profit after financial items totalled MSEK 357 (248). <sup>2)</sup>
- Profit after tax amounted to MSEK 250 (173).
- Earnings per share before and after dilution increased by 49 percent to SEK 1.09 (0.73). <sup>2)</sup>
- Cash flow from operating activities amounted to MSEK 301 (434).
- The equity/assets ratio at the end of the period was 59 percent (51). <sup>2)</sup>
- Net debt excluding lease liabilities amounted to MSEK -392 (306). During the quarter, the Group received MSEK 544 in issue proceeds from a direct share issue (see Note 6).

### Discontinued Operations

In March 2022, ITAB decided to discontinue its operations in Russia due to the Russian regime's invasion of Ukraine. For this reason, the Russian subsidiary has been recognised as Discontinued Operations in accordance with IFRS 5 as of ITAB's interim report for the third quarter of 2022. The discontinuation of the Russian operations was completed on 27 March 2024 through the divestment of all shares in the Russian subsidiary. For more information, see Note 8 Discontinued Operations on page 13. Comments and figures in this report pertain to Continuing Operations, unless otherwise stated.

### Events during the reporting period

- ITAB commenced delivery of 7,200 self-checkouts to the stores of a leading grocery chain in multiple countries in Europe during January.
- In January, ITAB 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.
- In early April, ITAB signed an agreement with a leading grocery chain for the delivery of entrance and exit gates, aimed at improving loss prevention measures in their stores across Europe.
- In May, ITAB made a strategic investment in Signatrix GmbH, a technology and Retail AI startup.
- At the end of August, ITAB signed a framework agreement for the manufacturing, delivery and installation of shopfitting and signage solutions for a major financial services provider throughout the UK.
- In September, ITAB signed a framework agreement with a world-leading manufacturer of window coverings for the roll-out of a new shop-in-shop concept in some 900 stores in their reseller network throughout Europe.
- With the aim of strengthening ITAB's position and complementing the Group's current offering, ITAB agreed to acquire Financière HMY for a cash consideration of MEUR 320 at the end of September. HMY is a leading European supplier of shop fittings, checkouts and store design to the retail industry and had sales of just over MEUR 541 in 2023. The acquisition is intended to be financed through a combination of new debt (see page 4) and equity (see Note 6). The transaction is conditional upon signing of a final and definitive share purchase agreement, necessary regulatory approvals as well as other customary closing conditions. Closing is expected to occur at the end of the fourth quarter of 2024 or beginning of the first quarter of 2025.

### Acquisition of HMY creates a strong platform for the future

The first nine months of the year were characterised by higher sales and stronger earnings for ITAB, with the historically strong start to the year in the first two quarters followed by a weaker third quarter. The project-based nature of our operations entails that customer investments may be adjusted in time, and project postponements resulted in the product mix having a negative impact on the gross margin and earnings during the quarter. We are now focused on continuing our efforts to fill our order book in the quarters ahead, and on underlying long-term earnings improvement. At the same time, we are also creating a stronger platform for the future through the intended acquisition of HMY."

**Andreas Elgaard**  
President & CEO

Read more on page 2. ▶

## The Group in summary

For key ratios and definitions, see pages 16–19.

	Third quarter			Reporting period			Full year		
	Jul–Sep 2024	Jul–Sep 2023	Δ	Jan–Sep 2024	Jan–Sep 2023	Δ	Rolling 12 months as of 30 Sep 2024	Jan–Dec 2023	Δ
Net sales, MSEK	1,553	1,529	+2%	4,814	4,538	+6%	6,415	6,139	+4%
EBITDA excl. non-recurring items, MSEK	154	180	-14%	589	477	+19%	798	686	+16%
EBITDA margin, %	9.9	11.8		12.2	10.5		12.4	11.2	
Operating profit excl. non-recurring items, MSEK	90	129	-30%	401	290	+38%	543	432	+26%
Operating margin, %	5.8	8.5		8.3	6.4		8.5	7.0	
Profit after financial items excl. non-recurring items, MSEK	94	113	-17%	378	248	+52%	515	385	+34%
Profit margin, %	6.1	7.4		7.9	5.5		8.0	6.3	
Profit after tax, MSEK	50	79	-37%	250	173	+45%	369	292	+26%
Earnings per share before dilution <sup>2)</sup> , SEK	0.19	0.32	-41%	1.09	0.73	+49%	1.60	1.24	+29%
Cash flow from operating activities, MSEK	160	229	-30%	301	434	-31%	677	810	-16%
Equity/assets ratio <sup>2)</sup> , %	59	51		59	51		59	56	
Interest-bearing net debt excl. lease liabilities, MSEK	-392	306	-698	-392	306	-698	-392	45	-437

<sup>1)</sup> EBITDA, operating profit and profit after financial items for the third quarter as well as for the 2024 reporting period were charged with non-recurring items of MSEK -21. The non-recurring items pertain to acquisition costs in conjunction with the intended acquisition of HMY.

<sup>2)</sup> Comparative periods including Discontinued Operations.

## Acquisition of HMY strengthens our position in key markets

The announcement of our intended acquisition of Financière HMY at the end of September was well received by our customers and employees as well as new and existing shareholders. The strengths and geographic presence of HMY complements ITAB and we look forward to uniting our two companies and begin to work together. Some steps still need to be taken before the acquisition is entirely complete, and closing is expected to take place at the end of 2024 or the start of 2025 following the relevant regulatory approvals.

For ITAB, the first nine months of the year were characterised by higher sales and stronger earnings. For the full period, net sales increased by 6 percent to MSEK 4,814 (4,538) and operating profit (excluding non-recurring costs of MSEK 21 related to the intended acquisition of HMY) increased by 38 percent to MSEK 401 (290), corresponding to an operating margin of 8.3 percent (6.4). The historically strong start to the year in the first two quarters was followed by a weaker third quarter in which the operating margin was 5.8 percent (8.5) excluding non-recurring items. The postponement of projects related to our loss-prevention solutions, including smart gates, led to the product mix having a negative impact on the gross margin and earnings. Our assessment is that we are not losing any customer assignments but that the project-based nature of our operations means that customer investments may be adjusted in time. This is affected by external factors or customer-specific reasons that we are not always able to influence. We are focused on continuing our efforts to fill our order book for the quarters ahead, and on underlying long-term earnings improvement as part of our strategic focus.

### Higher sales despite postponed customer projects

In total, the Group's sales performance remained positive in the third quarter with a number of new customer assignments including in the finance sector and for shop-in-shop solutions. Increased demand in our largest customer group, Grocery, was the primary reason for the positive impact. However, total growth was lower compared with the previous quarters of the year, and we see that several customers in many different industries are remaining cautious with their investment decisions. Interest in our loss-prevention solutions and increased self-service in stores remains considerable, but the outcome for a quarter can be impacted by individual project being postponed. Compared with 2023, the timing of our deliveries of loss-prevention measures is different this year. The sales trend for our self-checkout solutions, customised shop fittings and traditional checkouts was positive during the year. At the same time, competition for customer assignments remains intense, which means that we need to continue our sales initiatives to win more new customer projects. For the full reporting period, currency-adjusted net sales increased by approximately 7 percent, with the highest growth, over 40 percent, noted in Eastern Europe. Sales to primarily countries outside Europe decreased in relation to the strong comparative figures in the preceding year.

### Focus on continuing the positive margin trend

The Group's earnings trend was strong during the first nine months of the year, primarily driven by a relatively high gross margin combined with a positive sales

trend. Our favourable product and customer mix, with a higher share of sales of our loss-prevention solutions, smart gates, self-checkouts and other technical solutions, combined with the measures we have taken such as price adjustments and adaptation of the cost structure, has gradually strengthened our gross margin in recent years. However, our share of sales of technical solutions declined somewhat in the third quarter due to postponed customer projects. As a result, the product mix did not have the same positive impact on the gross margin and earnings in the third quarter as in the last four quarters, when the margin strengthened year-on-year. As demand has increased, capacity utilisation at the Group's production facilities has also improved. For the full nine-month period, operating profit (excluding non-recurring costs of MSEK 21 related to the intended acquisition of HMY) increased by 38 percent to MSEK 401 (290), corresponding to an operating margin of 8.3 percent (6.4). Profit after financial items excluding non-recurring items increased by 52 percent to MSEK 378 (248).

Cash flow from operating activities for the period of MSEK 301 (434) was impacted by higher gross margin and operating profit, while increased sales also resulted in higher accounts receivable and accounts payable. However, as a result of measures taken to increase capital efficiency, we can report lower inventory levels and accounts receivable for the Group compared with the same time last year, despite increased volumes. Our capital efficiency target, measured as cash conversion, amounted to 87 percent for the past 12-month period.

### Strategic acquisition of HMY creates a strong platform for the future

We see the past year's positive performance and ITAB's strong financial position as confirmation that our strategy is working, and we are now building an increasingly strong platform for the future through the intended acquisition of HMY. We look forward to welcoming HMY and all its customers and employees to ITAB in the near future. As two equal companies joining forces, and with HMY's annual sales of over MEUR 540, ITAB will double in size. Together, we will form Europe's leading solution provider, thereby benefiting our customers and employees. The intended acquisition will provide a significant increase in scale and relevance to our customer base, strengthen our footprint in the Western and Southern European retail markets, and provide geographically complementary advantages given HMY's presence, especially in Spain, France, Turkey, and Central and South America. The acquisition is a strategic and cultural fit with clear synergies and values that we can deliver to our customers and shareholders in the years ahead. However, the transaction is conditional upon signing of a final and definitive share purchase agreement, necessary regulatory approvals and other customary closing conditions and closing is therefore expected to occur at the end of the fourth quarter of 2024 or beginning of the first quarter of 2025. Until that time, it is unfortunately not possible to provide further information about the acquisition other than what we have already presented in press releases and on our website.



Together with HMY, we are creating a strong platform for the future

At the same time, our short-term focus remains on our dedicated work to improve our own operational efficiency, on active sales efforts close to our customers, on enhancing the efficiency of our production and on reducing tied-up capital with the aim of continuing to strengthen our profitability in both the short and the long term. The modernisation of our operations is continuing as planned through investments in shared values, leadership, capabilities, ways of working and modern operational support systems with the aim of making us more scalable and flexible in a dynamic world. Together with HMY, ITAB will continue to contribute to improved operational efficiency, reduced costs and increased competitiveness for the retail sector with our solutions. This will enable us to better respond to the opportunities and challenges of the coming years together.

Jönköping, October 2024

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

# Development in 2024

1 January–30 September

## Net sales

### Third quarter

The Group's net sales increased by 2 percent to MSEK 1,553 (1,529) in the third quarter of the year. Currency-adjusted sales increased by 4 percent compared with the preceding year.

In total, the Group's sales performance remained positive in the quarter with a number of new customer assignments. Among other assignments, ITAB signed a framework agreement for the manufacturing, delivery and installation of shopfitting and signage solutions for a major financial services provider throughout the UK at the end of August. In September, a framework agreement was signed with a world-leading manufacturer of window coverings for the roll-out of a new shop-in-shop concept in some 900 stores in their reseller network throughout Europe. The implementation of both of these agreements has commenced and the total value of the agreements is expected to amount to at least MEUR 42 across four years. At the same time, the market remained generally cautious in several product and customer groups, for example with a couple of major customer projects in loss-prevention measures being postponed during the quarter. Compared with the preceding year, a major customer project in loss-prevention solutions in Australia is also included in the third and fourth quarters of 2023.

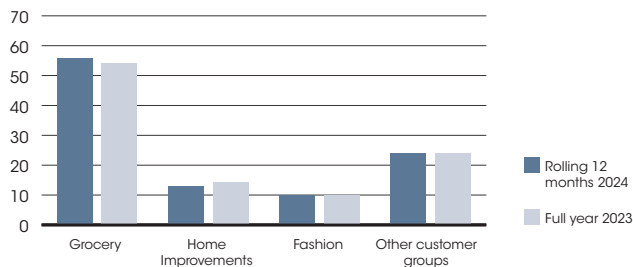
Sales to Grocery and Fashion increased during the quarter, while the Home Improvements and Other customer groups reported a negative trend. Sales in the Group's geographic markets increased in Southern and Eastern Europe, while sales to other countries, primarily outside Europe, decreased in relation to the strong comparative figures for the same quarter last year.

### Reporting period

The Group's net sales increased by 6 percent to MSEK 4,814 (4,538) in the first nine months of the year. Currency-adjusted sales increased by 7 percent compared with the preceding year.

The sales performance for the first nine months of the year was positive overall in several of ITAB's solution areas and geographic markets, with multiple new and expanded contracts signed with both existing and new customers. Nevertheless, sales growth levelled out somewhat in the third quarter, primarily due to the postponement of a number of customer projects. Uncertainty around the conditions for future economic development in the retail market in Europe on the back of inflation and interest

## Sales by customer group, % of total net sales



rates has gradually declined since the autumn 2023, but some customers and customer groups still remain cautious in their investment decisions. Demand for the Group's technical and digital solutions for loss prevention, self-checkouts and other self-service solutions has trended positively during the year, and sales of customised shop fittings and traditional checkouts have also risen. At the same time, competition for customer assignments remains intense, which implies the need for active sales initiatives close to the customers to continue to win customer projects in all product and solution areas.

To date this year, sales have been strongest in Eastern and Northern Europe, while sales to primarily countries outside Europe decreased in relation to the strong comparative figures in the preceding year. The Group's largest customer group, Grocery, experienced the highest growth. Sales by customer group and geographic area are shown in Note 3 on page 11.

## Earnings

### Third quarter

Operating profit for the third quarter totalled MSEK 69 (129), corresponding to an operating margin of 4.4 percent (8.5). Earnings were impacted by non-recurring items of MSEK -21 (0) pertaining to acquisition costs to date in conjunction with the intended acquisition of HMY. Operating profit excluding these non-recurring items totalled MSEK 90 (129), corresponding to an operating margin of 5.8 percent (8.5). EBITDA excluding non-recurring items totalled MSEK 154 (180).

Continued increased sales positively impacted the earnings trend, while the product and customer mix for the quarter, with a somewhat lower share of sales of ITAB's technical solutions for loss-prevention measures and self-service, had a negative impact on the gross margin for the third quarter. This is natural given that the Group's operations are project-based and earnings for individual quarters depend on specific project outcomes. Compared with the preceding year, a major customer project in loss-prevention solutions in Australia is also included in the third and fourth quarters of 2023. At the same time, increased sales of customised shop fittings and traditional checkouts during the quarter positively impacted capacity utilisation at the production facilities. The operations are continually carrying out various sales activities and measures to increase efficiency and implement cost adaptations in their respective areas.

Profit after financial items amounted to MSEK 73 (113) and profit after tax to MSEK 50 (79). Earnings per share before and after dilution totalled SEK 0.19 (0.32).

### Reporting period

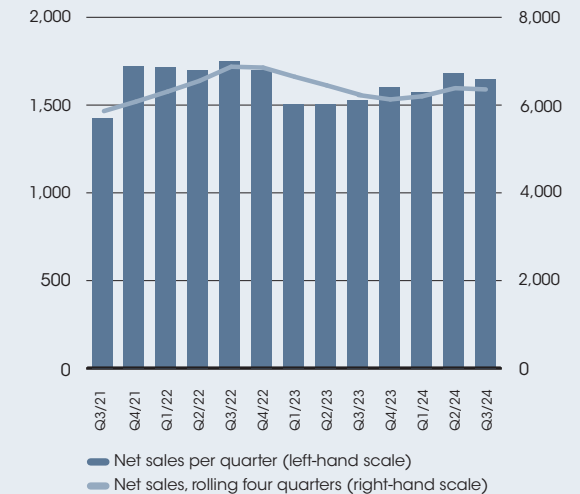
Operating profit for the full reporting period amounted to MSEK 380 (290), corresponding to an operating margin of 7.9 percent (6.4). Earnings were impacted by non-recurring items of MSEK -21 (0) pertaining to acquisition costs to date in conjunction with the intended acquisition of HMY. Operating profit excluding these non-recurring items totalled MSEK 401 (290), corresponding to an operating margin of 8.3 percent (6.4).

The Group's earnings trend was strong during the first nine months of the year, primarily driven by a relatively high gross margin combined with a positive sales trend. The gross margin was strengthened by the favourable product and customer mix, with an increased share of sales of ITAB's

## Net sales (MSEK)

Per quarter

Rolling four quarters

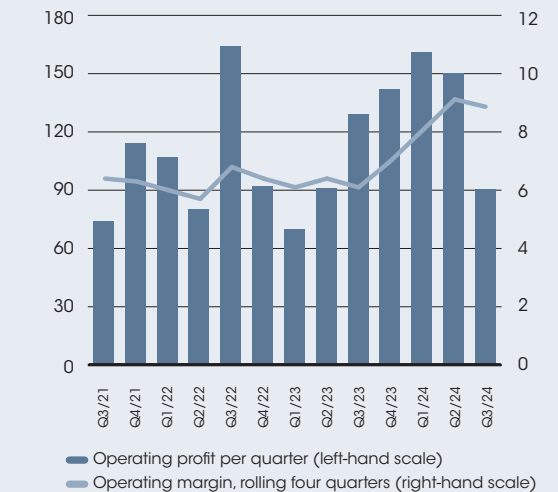


## Operating profit and operating margin <sup>1)</sup>

(adjusted for non-recurring items)

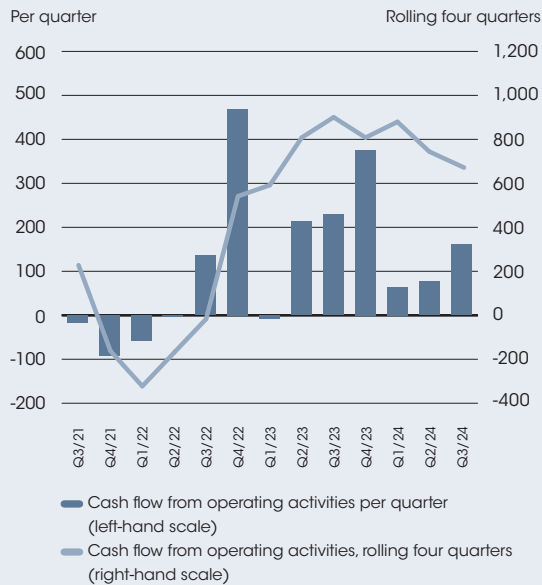
Operating profit per quarter, MSEK

Operating margin rolling four quarters, %

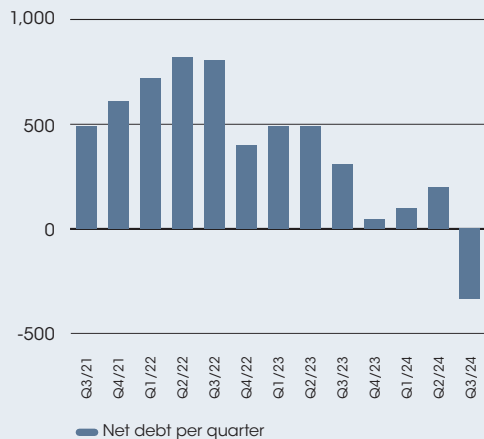


<sup>1)</sup> Non-recurring items in 2021–2022 consisted mainly of costs relating to transformation work under ITAB's One ITAB strategy. Non-recurring items for 2024 pertained to acquisition costs in conjunction with the intended acquisition of HMY.

### Cash flow from operating activities <sup>1)</sup> (MSEK)



### Net debt <sup>1)</sup> (MSEK) (excluding lease liabilities)



<sup>1)</sup> Comparative periods in 2021 and 2022 have not been restated with regard to Discontinued Operations.

technical solutions for loss prevention and self-service in stores in the past few years, but increased sales of customised shop fittings also positively impacted earnings. The lower share of sales of technical solutions in the third quarter is a natural outcome due to the postponement of a couple of major customer projects. The Group's operations are project-based and earnings for individual quarters can depend on specific project outcomes and natural seasonal variations. Adapted price increases were largely able to compensate for the cost increases in the preceding year. Continued measures for increased sales, efficiency and cost adjustments, as well as improvements to capacity utilisation at the Group's production facilities, have yielded positive effects during the year.

Profit after financial items amounted to MSEK 357 (248) and profit after tax to MSEK 250 (173). Earnings per share before and after dilution totalled SEK 1.09 (0.73).

### Cash flow, financing and liquidity

Cash flow from operating activities amounted to MSEK 160 (229) for the third quarter and MSEK 301 (434) for the full reporting period. The relatively strong gross margin and operational measures to reduce the Group's working capital contributed to the cash flow performance. Compared with the corresponding quarter of the preceding year, both inventories and accounts receivable declined despite increased volumes, which impacted cash flow from operating activities. Cash conversion for the past 12-month period amounted to 87 percent.

The intended acquisition of HMY announced on 25 September 2024 will be financed through a combination of new debt and equity. As a result, ITAB has obtained a binding commitment letter regarding debt financing provided by Danske Bank, Nordea and Swedbank, consisting of MEUR 255 in long-term credit facilities, also aimed at refinancing some of ITAB's existing debt outstanding under the MEUR 150 long-term credit facility entered into with Nordea and Swedbank in June 2022. To further strengthen the Group's financing capacity, the binding commitment letter also includes a MEUR 100 revolving credit facility that can be used for general business purposes and a refinancing of ITAB's existing debt under the above-mentioned MEUR 150 long-term credit facility. For more information about partial financing through equity, see page 5 and Note 6.

Net debt on the balance sheet date of 30 September 2024 excluding lease liabilities amounted to MSEK -392 (306). Net debt including lease liabilities amounted to MSEK 129 (829). As of 30 September 2024, the Group had received MSEK 544 in issue proceeds from the completed directed share issue (see below and Note 6).

The Group's cash and cash equivalents, including granted unutilised credits, amounted to MSEK 2,235 (1,526) on the balance sheet date on 30 September 2024. The equity/assets ratio was 59 percent (51).

### Investments

The Group's net investments/divestments in the third quarter amounted to MSEK 35 (20), of which net MSEK -3 (0) was attributable to corporate acquisitions/divestments. For the full reporting period, the Group's net investments amounted to MSEK 96 (56), of which MSEK -17 (-9) was attributable to corporate acquisitions/divestments. ITAB's current investments include shared operational support systems for the Group, which corresponded to approximately 46 percent of total investments during the reporting period.

### Employees

The average number of employees amounted to 2,548 (2,512) for the third quarter and 2,537 (2,545) for the full reporting period.

### 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 50 (40) for the third quarter and MSEK 153 (112) for the reporting period. Profit after financial items totalled MSEK -5 (6) for the quarter and MSEK 31 (-91) for the reporting period. Profit includes dividends from subsidiaries of MSEK 0 (0) for the quarter and MSEK 65 million (3) for the reporting period as well as impairment of shares and receivables in subsidiaries of MSEK -1 (0) for the quarter and MSEK -5 (0) for the reporting period.

### Corporate acquisitions, divestments and discontinued operations

On 25 September, ITAB agreed to acquire Financière HMY for a cash consideration of MEUR 320. HMY is a leading European supplier of shop fittings, checkouts and store design to the retail industry, primarily in Europe, South America and the Middle East. In 2023, HMY had sales of just over MEUR 541. The aim of the intended acquisition is to strengthen ITAB's position and complement the Group's current offering. The acquisition is intended to be financed through a combination of new debt and equity (for more information, refer to "Cash flow, financing and liquidity" on page 4 regarding debt financing and "Directed share issue" on page 5). The transaction is conditional upon signing of a final and definitive share purchase agreement, necessary regulatory approvals as well as other customary closing conditions. Closing is expected to occur at the end of the fourth quarter of 2024 or beginning of the first quarter of 2025.

On 2 May 2024, ITAB's Italian subsidiary La Fortezza S.p.A. exercised its right to acquire the minority holding of 19 percent of the shares in its subsidiary Imola Retail Solution S.r.l. in accordance with the original acquisition agreement from October 2020. The purchase consideration for the outstanding minority holding amounted to approximately MEUR 1. Imola Retail Solution subsequently became a wholly owned subsidiary in the ITAB Group.

Through an investment of MEUR 2, ITAB acquired a minority holding of approximately 18 percent of the shares in Signatrix GmbH, a technology and retail AI startup, at the end of May. Since 2022, ITAB and Signatrix have together created frictionless security deterrents that reduce product loss for the retail sector. The partnership is now strengthened with this investment. The ITAB Group has not completed any other new acquisitions to date in 2024.

Refer also to Note 2 on page 11.

### Discontinuation of operations in Russia

In March 2022, ITAB decided to discontinue its operations in Russia due to the Russian regime's invasion of Ukraine. For this reason, the Russian subsidiary has been recognised as Discontinued Operations in accordance with IFRS 5 as of ITAB's interim report for the third quarter of 2022. The discontinuation of the operations was completed on 27 March 2024 through the divestment of all shares in the Russian subsidiary. For more information, see Note 8 Discontinued Operations on page 13.

## Other information

### Directed share issue

In order to partly finance the intended acquisition of HMY, ITAB's Board of Directors resolved on 26 September 2024 to carry out a directed share issue of a total of 38,200,000 ordinary shares at a subscription price of SEK 22.70 per share, consequently raising proceeds for ITAB of approximately MSEK 867 before transaction costs. The subscription price corresponded to a discount of approximately 9.9 percent in relation to the closing price of the ITAB share on Nasdaq Stockholm on 25 September 2024 and was determined through an accelerated bookbuilding procedure. The issue was oversubscribed and a large number of Swedish and international institutional investors participated in the directed share issue including Handelsbanken Funds, Nordea Funds, Third AP Fund, Fourth AP Fund and Alcur, as well as certain existing shareholders. The directed share issue also secures new long-term credit facilities.

24,719,827 of the newly issued ordinary shares were issued based on the authorisation from the Annual General Meeting held on 15 May 2024 and have consequently been taken into account in the preparation of this interim report. As of 30 September 2024, a total of MSEK 544 has been provided to the company in issue proceeds after transaction costs, of which MSEK 10 is share capital. The remaining 13,480,173 shares were issued following subsequent approval at the Extraordinary General Meeting (EGM) held on 21 October 2024 and will be taken into account in the preparation of future interim reports.

See also Note 6 Share incentive program, directed share issue and number of shares after dilution on page 12.

### Repurchases of own shares

On 28 September 2023, ITAB initiated a share buyback program with a maximum purchase amount of MSEK 50. The buyback program was completed on 22 March 2024 when the maximum amount for share repurchases was reached. A total of 3,079,659 ordinary shares were repurchased within the framework of the program. The purpose of the buyback program was to optimise the capital structure with the aim of reducing ITAB's share capital by cancelling repurchased shares. Following the resolution of the Annual General Meeting on 15 May 2024, the cancellation of all 3,079,659 repurchased ordinary shares was completed. Refer also to Note 5 Repurchases of own shares on page 12.

### Risks and uncertainties

The Group's significant risks and uncertainties include strategic risks, operational risks, financial risks, compliance and regulatory risks, and sustainability risks. For a more detailed account of the Group's significant risks and risk management, refer to pages 29–33 in ITAB's Annual Report for 2023. The Group's key financial risks are also described in more detail in Note 4 on pages 55–56 in the Annual Report, and the sustainability risks on pages 89–90. The risks that are most prominent from a short-term perspective are risks and assessments regarding the intended acquisition of HMY, the impact of inflation and the economic climate on customers and suppliers and the continued impact of the changed global geopolitical conditions, with potential supply chain disruptions and continued high prices for raw materials and energy.

### Estimates and assessments

The preparation of this interim 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. 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

On 21 October 2024, ITAB held an Extraordinary General Meeting (EGM) to approve the Board's resolution to carry out a directed share issue of a total of 38,200,000 ordinary shares. The EGM approved the Board's resolution. See Note 6 Share incentive program, directed share issue and number of shares after dilution on page 12 for more information.

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

# The Group in summary

## Income statement – Group

(MSEK)	Note	3 months Jul-Sep 2024	3 months Jul-Sep 2023	9 months Jan-Sep 2024	9 months Jan-Sep 2023	Rolling 12 months as of 30 Sep 2024	Full year Jan-Dec 2023
Revenue from contracts with customers	3	1,553	1,529	4,814	4,538	6,415	6,139
Costs of goods sold		-1,137	-1,089	-3,424	-3,298	-4,546	-4,420
<b>Gross profit</b>		<b>416</b>	<b>440</b>	<b>1,390</b>	<b>1,240</b>	<b>1,869</b>	<b>1,719</b>
Selling expenses		-243	-217	-731	-696	-970	-935
Administrative expenses		-102	-81	-277	-244	-360	-327
Other operating income and expenses		-2	-13	-2	-10	-17	-25
<b>Operating profit</b>		<b>69</b>	<b>129</b>	<b>380</b>	<b>290</b>	<b>522</b>	<b>432</b>
Financial income		6	8	20	29	35	34
Financial expenses	4	-2	-24	-43	-71	-63	-81
<b>Profit after financial items</b>		<b>73</b>	<b>113</b>	<b>357</b>	<b>248</b>	<b>494</b>	<b>385</b>
Tax expenses		-23	-34	-107	-75	-125	-93
<b>Net profit for the period – Continuing Operations</b>		<b>50</b>	<b>79</b>	<b>250</b>	<b>173</b>	<b>369</b>	<b>292</b>
<b>Discontinued Operations – ITAB Rus JSC</b>							
Profit from Discontinued Operations, net after tax	8	-	-5	1	-7	-4	-12
<b>Net profit for the period</b>		<b>50</b>	<b>74</b>	<b>251</b>	<b>166</b>	<b>365</b>	<b>280</b>
<b>Net profit for the period attributable to:</b>							
Parent Company shareholders		43	70	238	159	349	270
Non-controlling interests		7	4	13	7	16	10
Depreciation and amortisation for the period amount to		64	51	188	187	255	254
Tax expenses for the period account for		32%	30%	30%	30%	25%	24%
Earnings per share incl. Discontinued Operations before dilution, SEK		0.19	0.32	1.09	0.73	1.60	1.24
Earnings per share incl. Discontinued Operations after dilution, SEK	5, 6	0.19	0.32	1.09	0.73	1.59	1.23
Earnings per share excl. Discontinued Operations before dilution, SEK		0.19	0.34	1.09	0.76	1.62	1.29
Average number of ordinary shares outstanding, thousands	5, 6	221,200	218,097	218,073	218,099	218,036	218,015
Average number of ordinary shares outstanding after dilution, thousands	5, 6	222,426	219,357	219,299	219,359	219,262	219,275
Number of ordinary shares outstanding, thousands	5, 6	239,740	218,087	239,740	218,087	239,740	217,558

## Statement of other comprehensive income – Group

(MSEK)	Note	3 months Jul-Sep 2024	3 months Jul-Sep 2023	9 months Jan-Sep 2024	9 months Jan-Sep 2023	Rolling 12 months as of 30 Sep 2024	Full year Jan-Dec 2023
<b>Net profit for the period</b>		<b>50</b>	<b>74</b>	<b>251</b>	<b>166</b>	<b>365</b>	<b>280</b>
<b>Other comprehensive income</b>							
<b>Items that will not be reclassified to the income statement</b>							
Revaluation of defined-benefit pension commitments		–	–	–	–	0	0
Tax relating to items not to be reclassified		–	–	–	–	0	0
		–	–	–	–	<b>0</b>	<b>0</b>
<b>Items that may be reclassified to the income statement</b>							
Translation differences	1	-31	-76	73	2	-73	-144
Hedging of net investments, net	4	0	16	-5	23	-2	26
Cash flow hedges, net	4	-10	2	-14	1	-22	-7
Tax on items that may be reclassified		2	-4	4	-5	5	-4
		<b>-39</b>	<b>-62</b>	<b>58</b>	<b>21</b>	<b>-92</b>	<b>-129</b>
<b>Total other comprehensive income after tax</b>		<b>-39</b>	<b>-62</b>	<b>58</b>	<b>21</b>	<b>-92</b>	<b>-129</b>
<b>Comprehensive income for the period</b>		<b>11</b>	<b>12</b>	<b>309</b>	<b>187</b>	<b>273</b>	<b>151</b>
<b>Comprehensive income for the period attributable to:</b>							
Parent Company shareholders		8	9	294	179	264	149
Non-controlling interests		3	3	15	8	9	2

## Statement of financial position – Group

(MSEK)	Note	30 Sep 2024	30 Sep 2023	31 Dec 2023
<b>Assets</b>				
<b>Non-current assets</b>				
<i>Intangible assets</i>				
Goodwill		1,819	1,852	1,786
Other intangible assets		182	127	133
		<b>2,001</b>	<b>1,979</b>	<b>1,919</b>
Property, plant and equipment		1,182	1,216	1,222
Deferred tax assets		79	100	78
Financial non-current receivables		114	83	79
<b>Total non-current assets</b>		<b>3,376</b>	<b>3,378</b>	<b>3,298</b>
<b>Current assets</b>				
Inventories		886	936	793
Current receivables		1,227	1,271	1,033
Cash and cash equivalents		949	660	578
<b>Total current assets</b>		<b>3,062</b>	<b>2,867</b>	<b>2,404</b>
Assets held for sale	8	–	68	66
<b>Total assets</b>		<b>6,438</b>	<b>6,313</b>	<b>5,768</b>

(MSEK)	Note	30 Sep 2024	30 Sep 2023	31 Dec 2023
<b>Equity and liabilities</b>				
Equity attributable to Parent Company shareholders	5	3,701	3,085	3,049
Non-controlling interests		130	165	159
Deferred tax liabilities		38	38	39
Other non-current liabilities	4	991	1,403	1,057
Current liabilities	4	1,578	1,607	1,447
Liabilities attributable to assets held for sale	8	–	15	17
<b>Total equity and liabilities</b>		<b>6,438</b>	<b>6,313</b>	<b>5,768</b>
Interest-bearing net debt		129	829	591
Interest-bearing net debt excl. lease liabilities		-392	306	45

## Statement of changes in equity – Group

(MSEK)	Note	Share capital	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 2023</b>		<b>93</b>	<b>1,091</b>	<b>224</b>	<b>1,604</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 program	6		3			3		3
Repurchase of own ordinary shares	5				0	0		0
<b>Equity as of 30 September 2023</b>		<b>93</b>	<b>1,094</b>	<b>244</b>	<b>1,654</b>	<b>3,085</b>	<b>165</b>	<b>3,250</b>
Net profit for the period					111	111	3	114
Other comprehensive income				-141		-141	-9	-150
<b>Comprehensive income October–December 2023</b>				<b>-141</b>	<b>111</b>	<b>-30</b>	<b>-6</b>	<b>-36</b>
Share incentive program	6		-1			-1		-1
Repurchase of own ordinary shares	5				-5	-5		-5
<b>Equity as of 31 December 2023</b>		<b>93</b>	<b>1,093</b>	<b>103</b>	<b>1,760</b>	<b>3,049</b>	<b>159</b>	<b>3,208</b>
Net profit for the period					238	238	13	251
Other comprehensive income				56		56	2	58
<b>Comprehensive income January–September 2024</b>				<b>56</b>	<b>238</b>	<b>294</b>	<b>15</b>	<b>309</b>
Dividends					-161	-161	-15	-176
Acquisition of non-controlling interests	2				18	18	-29	-11
Share incentive program	6		2			2		2
Repurchase of own ordinary shares	5				-45	-45		-45
Bonus issue	5	1			-1	0		0
Cancellation of ordinary shares	5	-1			1	0		0
New share issue of ordinary shares	6	10	534			544		544
<b>Equity as of 30 September 2024</b>		<b>103</b>	<b>1,629</b>	<b>159</b>	<b>1,810</b>	<b>3,701</b>	<b>130</b>	<b>3,831</b>

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



## Statement of cash flows – Group

(MSEK)	Note	3 months Jul-Sep 2024	3 months Jul-Sep 2023	9 months Jan-Sep 2024	9 months Jan-Sep 2023	Rolling 12 months as of 30 Sep 2024	Full year Jan-Dec 2023
<b>Operating profit</b>		<b>69</b>	<b>129</b>	<b>380</b>	<b>290</b>	<b>522</b>	<b>432</b>
Interest paid and received, tax and adjustments for items not included in the cash flow		34	38	139	60	170	91
<b>Cash flow from operating activities before change in working capital</b>		<b>103</b>	<b>167</b>	<b>519</b>	<b>350</b>	<b>692</b>	<b>523</b>
<b>Change in working capital</b>							
Change in inventories		-17	23	-93	106	-18	181
Change in operating receivables		87	-18	-218	-21	4	201
Change in operating liabilities		-13	57	93	-1	-1	-95
<b>Cash flow from change in working capital</b>		<b>57</b>	<b>62</b>	<b>-218</b>	<b>84</b>	<b>-15</b>	<b>287</b>
<b>Cash flow from operating activities</b>		<b>160</b>	<b>229</b>	<b>301</b>	<b>434</b>	<b>677</b>	<b>810</b>
<b>Investing activities</b>							
Acquisition/divestment of companies and operations	2	3	0	17	9	17	9
Other net investments		-38	-20	-113	-65	-164	-116
<b>Cash flow from investing activities</b>		<b>-35</b>	<b>-20</b>	<b>-96</b>	<b>-56</b>	<b>-147</b>	<b>-107</b>
<b>Cash flow after investing activities</b>		<b>125</b>	<b>209</b>	<b>205</b>	<b>378</b>	<b>530</b>	<b>703</b>
<b>Financing activities</b>							
New share issue of ordinary shares	6	544	-	544	-	544	-
Dividends to shareholders		-	-	-161	-109	-161	-109
Dividends to non-controlling interests		-15	-	-15	-	-15	-
Repurchase of ordinary shares		-	0	-45	0	-50	-5
Repayment of lease liabilities		-31	-20	-96	-95	-132	-131
Cash flow from other financing activities		-32	-97	-73	-243	-395	-565
<b>Cash flow from financing activities</b>		<b>466</b>	<b>-117</b>	<b>154</b>	<b>-447</b>	<b>-209</b>	<b>-810</b>
<b>Cash flow for the period</b>		<b>591</b>	<b>92</b>	<b>359</b>	<b>-69</b>	<b>321</b>	<b>-107</b>
Cash and cash equivalents at the start of the period		366	584	578	756	660	756
Translation differences on cash and cash equivalents		-8	-16	12	-27	-32	-71
<b>Cash and cash equivalents at the end of the period</b>		<b>949</b>	<b>660</b>	<b>949</b>	<b>660</b>	<b>949</b>	<b>578</b>
<b>Cash flow from operating activities per share, SEK</b>		<b>0.73</b>	<b>1.05</b>	<b>1.38</b>	<b>1.99</b>	<b>3.12</b>	<b>3.73</b>

# The Parent Company in summary

## Income statement – Parent Company

(MSEK)	Note	3 months Jul-Sep 2024	3 months Jul-Sep 2023	9 months Jan-Sep 2024	9 months Jan-Sep 2023	Full year Jan-Dec 2023
Net sales <sup>1)</sup>		50	40	153	112	184
Costs of goods sold		-1	-5	-18	-19	-31
<b>Gross profit</b>		<b>49</b>	<b>35</b>	<b>135</b>	<b>93</b>	<b>153</b>
Selling expenses		-48	-14	-87	-57	-81
Administrative expenses		-7	-15	-48	-52	-78
Other operating income and expenses		0	-7	1	-11	-17
<b>Operating profit</b>		<b>-6</b>	<b>-1</b>	<b>1</b>	<b>-27</b>	<b>-23</b>
Profit from participations in Group companies		0	0	60	3	-5
Financial income and expenses	4	1	7	-30	-67	-41
<b>Profit after financial items</b>		<b>-5</b>	<b>6</b>	<b>31</b>	<b>-91</b>	<b>-69</b>
Year-end appropriations		-	-	-	-	125
<b>Profit before tax</b>		<b>-5</b>	<b>6</b>	<b>31</b>	<b>-91</b>	<b>56</b>
Tax expenses for the period		-	-	2	1	-15
<b>Net profit for the period</b>		<b>-5</b>	<b>6</b>	<b>33</b>	<b>-90</b>	<b>41</b>

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

## Statement of other comprehensive income – Parent Company

(MSEK)	Note	3 months Jul-Sep 2024	3 months Jul-Sep 2023	9 months Jan-Sep 2024	9 months Jan-Sep 2023	Full year Jan-Dec 2023
Net profit for the period		-5	6	33	-90	41
Other comprehensive income		-	-	-	-	-
<b>Comprehensive income for the period</b>		<b>-5</b>	<b>6</b>	<b>33</b>	<b>-90</b>	<b>41</b>

## Balance sheet – Parent Company

(MSEK)	Note	30 Sep 2024	30 Sep 2023	31 Dec 2023
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment		3	4	4
Financial assets		2,047	2,052	2,047
Deferred tax assets		19	33	18
<b>Total non-current assets</b>		<b>2,069</b>	<b>2,089</b>	<b>2,069</b>
<b>Current assets</b>				
Current receivables		167	303	360
Cash and bank balance		653	384	292
<b>Total current assets</b>		<b>820</b>	<b>687</b>	<b>652</b>
<b>Total assets</b>		<b>2,889</b>	<b>2,776</b>	<b>2,721</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Restricted equity		110	100	100
Non-restricted equity		1,953	1,465	1,590
<b>Total equity</b>	5, 6	<b>2,063</b>	<b>1,565</b>	<b>1,690</b>
Non-current liabilities		563	938	590
Current liabilities		263	273	441
<b>Total equity and liabilities</b>		<b>2,889</b>	<b>2,776</b>	<b>2,721</b>

# Notes

## 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*, relevant sections of 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.

### 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 have been adjusted in 2023 to correct for the effects of inflation in accordance with IAS 29 *Financial Reporting in Hyperinflationary Economies*. Refer to Note 35 in ITAB's Annual Report for 2023 for further information.

The adjustment for inflation was made in accordance with the Argentinian consumer price index (National CPI). The base consumer price index at 30 September 2024 was preliminarily 7,124.4. The consumer price adjustment index at 31 December 2023 was 3,533.2. To hedge monetary assets against inflation, long-term investments have been made in an amount corresponding to MSEK 71. These are recognised at fair value through net financial items in the income statement.

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

## NOTE 2 Corporate acquisitions and divestments

### Acquisitions and divestments in 2024

On 25 September, ITAB agreed to acquire Financière HMY for a cash consideration of MEUR 320 on a cash and debt free basis. HMY is a leading European supplier of shop fittings, checkouts and store design to the retail industry, primarily in Europe, South America and the Middle East. In 2023, HMY had sales of just over MEUR 541. The aim of the intended acquisition is to strengthen ITAB's position and complement the Group's current offering. The acquisition is intended to be financed through a combination of new debt and equity (for more information, refer to page 4 regarding debt financing and Note 6 on page 12 regarding the directed share issue). The transaction is conditional upon signing of a final and definitive share purchase agreement, necessary regulatory approvals as well as other customary closing conditions. Closing is expected to occur at the end of the fourth quarter of 2024 or beginning of the first quarter of 2025.

At the start of May 2024, ITAB's Italian subsidiary La Fortezza S.p.A. exercised its right to acquire the minority holding of 19 percent of the shares in its subsidiary Imola Retail Solution S.r.l. in accordance with the original acquisition agreement from October 2020. The purchase consideration for the outstanding minority holding amounted to approximately MEUR 1. The entity approach is applied for acquisitions, which means that all assets and liabilities as well as income and expenses are included in their entirety at the time of the initial acquisition, even for partly owned subsidiaries, and no further goodwill is therefore linked to the acquisition. The difference between valued non-controlling interests prior to acquisition and the

purchase consideration is recognised directly in equity attributable to Parent Company shareholders. Cash flow from investing activities in the second quarter was impacted in an amount of MSEK -12.

Cash flow for the second quarter was also impacted by MSEK -23 pertaining to an investment in a minority holding of approximately 18 percent of the shares in Signatrix GmbH, a technology and retail AI startup. Since 2022, Signatrix and ITAB have together created frictionless security deterrents that reduce thefts and shrinkage for the retail sector.

The Group's Russian subsidiary, ITAB Rus JSC, has been recognised as Discontinued Operations in accordance with IFRS 5 since ITAB's interim report for the third quarter of 2022. The discontinuation of the operations was completed on 27 March 2024 through the divestment of all shares in the subsidiary. Cash flow was positively impacted by MSEK 3 for the third quarter and by MSEK 52 for the full reporting period. For more information, see Note 8 Discontinued Operations on page 13.

### Acquisitions and divestments in 2023

The ITAB Group did not complete any new acquisitions in 2023. During the second quarter, 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.

Cash flow was also impacted in an amount of MSEK -6 by partial payments of acquisitions from 2021.

Sales by customer group <sup>1)</sup>	3 months Jul-Sep 2024	3 months Jul-Sep 2023	9 months Jan-Sep 2024	9 months Jan-Sep 2023	Rolling 12 months as of 30 Sep 2024	Full year Jan-Dec 2023
Grocery	913	781	2,688	2,373	3,541	3,226
Home Improvements	143	213	546	572	743	769
Fashion	172	155	510	482	617	589
Other customer groups	325	380	1,070	1,111	1,514	1,555
<b>Total</b>	<b>1,553</b>	<b>1,529</b>	<b>4,814</b>	<b>4,538</b>	<b>6,415</b>	<b>6,139</b>

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

Sales by geographic area <sup>2)</sup>	3 months Jul-Sep 2024	3 months Jul-Sep 2023	9 months Jan-Sep 2024	9 months Jan-Sep 2023	Rolling 12 months as of 30 Sep 2024	Full year Jan-Dec 2023
Northern Europe	335	348	1,300	1,099	1,709	1,508
Southern Europe	372	335	1,053	1,059	1,402	1,408
Central Europe	316	318	940	923	1,186	1,169
UK & Ireland	192	204	535	491	724	680
Eastern Europe	187	110	478	334	619	475
Rest of the World	151	214	508	632	775	899
<b>Total</b>	<b>1,553</b>	<b>1,529</b>	<b>4,814</b>	<b>4,538</b>	<b>6,415</b>	<b>6,139</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 Czechia. 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, Canada, China and Argentina accounting for over 50 percent of sales.

## NOTE 4 Financial assets and liabilities

ITAB has derivative instruments measured at fair value. The derivative instruments consist of currency derivatives and interest rate derivatives 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. In the first quarter of 2024, a reduction of MSEK 1 in financial expenses was recognised, pertaining to hedges that were deemed ineffective.

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 5 Repurchases of own shares 2023–2024

On 28 September 2023, ITAB initiated a share buyback program with a maximum purchase amount of MSEK 50. The buyback program ran from 29 September 2023 until 22 March 2024, when the maximum amount for share repurchases of MSEK 50 was reached. A total of 3,079,659 ordinary shares were repurchased within the framework of the program.

The purpose of the buyback program was to optimise the capital structure with the aim of reducing ITAB's share capital by cancelling repurchased shares. In accordance with the Annual General Meeting's decision on 15 May 2024, the share capital was subsequently reduced by SEK 1,284,218 through the cancellation of the 3,079,659 repurchased ordinary shares. In order to restore the share capital, the Annual General Meeting simultaneously resolved to increase the company's share capital by SEK 1,284,218 through a bonus issue without issuing new shares by transferring the amount from the company's non-restricted equity. Following the cancellation of ordinary shares and the bonus issue, the company's restricted equity and share capital are unchanged.

At 30 September 2024, ITAB held all 4,400,000 Class C shares in the company in treasury.

## NOTE 6 Share incentive program, directed share issue and number of shares after dilution

### Share incentive programme

The 2022 Annual General Meeting (AGM) resolved on a new long-term incentive program 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 2023.

The Group and the Parent Company recognise the program 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 2024, 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 program.

	3 months Jul-Sep 2024	3 months Jul-Sep 2023	9 months Jan-Sep 2024	9 months Jan-Sep 2023	Full year Jan-Dec 2023
Number of ordinary shares outstanding at the start of the period	215,020,533	218,100,192	217,558,444	218,100,192	218,100,192
New share issue of ordinary shares	24,719,827	-	24,719,827	-	-
Repurchase of ordinary shares <sup>1)</sup>	-	-13,622	-2,537,911	-13,622	-541,748
<b>Number of ordinary shares outstanding at the end of the period</b>	<b>239,740,360</b>	<b>218,086,570</b>	<b>239,740,360</b>	<b>218,086,570</b>	<b>217,558,444</b>
Effect of LTIP 2022	1,225,838	1,260,208	1,225,838	1,260,208	1,260,208
<b>Number of ordinary shares outstanding after dilution</b>	<b>240,966,198</b>	<b>219,346,778</b>	<b>240,966,198</b>	<b>219,346,778</b>	<b>218,818,652</b>
<b>Average number of ordinary shares outstanding</b>	<b>221,200,490</b>	<b>218,096,787</b>	<b>218,072,839</b>	<b>218,098,830</b>	<b>218,015,094</b>
<b>Average number of ordinary shares outstanding after dilution</b>	<b>222,426,328</b>	<b>219,356,995</b>	<b>219,298,677</b>	<b>219,359,038</b>	<b>219,275,302</b>

<sup>1)</sup> The purpose of the buyback of ordinary shares was to optimise the capital structure with the aim of reducing ITAB's share capital by cancelling repurchased shares. Following the resolution of the Annual General Meeting on 15 May 2024, the cancellation of all 3,079,659 repurchased ordinary shares was completed.

## NOTE 7 Pledged assets and contingent liabilities

For pledged assets and contingent liabilities, refer to the Group's Annual Report for 2023 since no other major changes have taken place to date in 2024.

## NOTE 8 Discontinued Operations

In March 2022, ITAB decided to discontinue its operations in Russia due to the Russian regime's invasion of Ukraine. The Russian operations consisted of a production facility and sales offices with some 140 employees in total. Total sales in Russia corresponded to approximately 1.5 percent of the Group's annual sales for 2023.

Given that the discontinuation of the Group's operations in the Russian subsidiary ITAB Rus JSC was in progress and deemed highly probable, and otherwise fulfilled the stated criteria in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*, this company was 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. 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.

Discontinuation of the Russian operations was completed on 27 March 2024 through ITAB divesting all shares in the Russian subsidiary ITAB Rus JSC through its Italian subsidiary, La Fortezza S.p.A. The purchase consideration amounted to MSEK 52, of which MSEK 49 was paid in April 2024 and MSEK 3 in August 2024. Since the Russian company has been recognised as Discontinued Operations in accordance with the above, only the line item Discontinued Operations in the consolidated income statement has been impacted due to this divestment. Cash flow was impacted in an amount of MSEK 3 for in third quarter and MSEK 52 in the full reporting period.

### ITAB Rus JSC on divestment date

(MSEK)	Fair value
Property, plant and equipment	0
Inventories	36
Current receivables	20
Cash and bank balances	13
Current liabilities	-17
<b>Net identifiable assets and liabilities</b>	<b>52</b>

### Income statement in summary for Discontinued Operations 2023

(MSEK)	3 months Jul-Sep 2023	9 months Jan-Sep 2023	Full year Jan-Dec 2023
Revenue from contracts with customers	22	75	85
Costs of goods sold	-21	-67	-79
<b>Gross profit</b>	<b>1</b>	<b>8</b>	<b>6</b>
Selling expenses	-4	-13	-16
Administrative expenses	-1	-4	-6
Impairment of assets measured at fair value	-2	-1	-1
Other operating income and expenses	0	0	0
<b>Operating profit</b>	<b>-6</b>	<b>-10</b>	<b>-17</b>
Financial items	0	1	2
<b>Profit after financial items</b>	<b>-6</b>	<b>-9</b>	<b>-15</b>
Tax expenses for the period	1	2	3
<b>Net profit for the period</b>	<b>-5</b>	<b>-7</b>	<b>-12</b>

### Cash flow statement in summary for Discontinued Operations 2023

(MSEK)	3 months Jul-Sep 2023	9 months Jan-Sep 2023	Full year Jan-Dec 2023
Operating profit	-6	-10	-17
Interest paid and received, tax and adjustments for items not included in the cash flow	-10	7	9
Change in working capital	13	24	17
<b>Cash flow from operating activities</b>	<b>-3</b>	<b>21</b>	<b>9</b>

### Balance sheet in summary for Discontinued Operations 2023

(MSEK)	30 Sep 2023	31 Dec 2023
<b>Assets</b>		
Non-current assets	0	0
Current assets	44	56
Cash and cash equivalents	24	13
<b>Total assets</b>	<b>68</b>	<b>69</b>
<b>Equity and liabilities</b>		
Equity	53	52
Deferred tax liabilities	0	0
Current liabilities	15	17
<b>Total equity and liabilities</b>	<b>68</b>	<b>69</b>

## Quarterly overview for the Group

(MSEK)	Per quarter							
	Jul-Sep 2024	Jul-Sep 2023	Apr-Jun 2024	Apr-Jun 2023	Jan-Mar 2024	Jan-Mar 2023	Oct-Dec 2023	Oct-Dec 2022
Revenue from contracts with customers	1,553	1,529	1,685	1,504	1,576	1,505	1,601	1,702
Costs of goods sold	-1,137	-1,089	-1,187	-1,103	-1,100	-1,106	-1,122	-1,301
<b>Gross profit</b>	<b>416</b>	<b>440</b>	<b>498</b>	<b>401</b>	<b>476</b>	<b>399</b>	<b>479</b>	<b>401</b>
Selling expenses	-243	-217	-253	-236	-235	-243	-239	-231
Administrative expenses	-102	-81	-91	-81	-84	-82	-83	-87
Other operating income and expenses	-2	-13	-4	7	4	-4	-15	8
<b>Operating profit</b>	<b>69</b>	<b>129</b>	<b>150</b>	<b>91</b>	<b>161</b>	<b>70</b>	<b>142</b>	<b>91</b>
Financial items	4	-16	-7	-13	-20	-13	-5	-15
<b>Profit after financial items</b>	<b>73</b>	<b>113</b>	<b>143</b>	<b>78</b>	<b>141</b>	<b>57</b>	<b>137</b>	<b>76</b>
Tax expenses	-23	-34	-46	-25	-38	-16	-18	-18
<b>Net profit for the period - Continuing Operations</b>	<b>50</b>	<b>79</b>	<b>97</b>	<b>53</b>	<b>103</b>	<b>41</b>	<b>119</b>	<b>58</b>
Net profit for the period - Discontinued Operations	-	-5	-	5	1	-7	-5	3
<b>Net profit for the period</b>	<b>50</b>	<b>74</b>	<b>97</b>	<b>58</b>	<b>104</b>	<b>34</b>	<b>114</b>	<b>61</b>
<i>Net profit for the period attributable to:</i>								
Parent Company shareholders	43	70	95	56	100	33	111	66
Non-controlling interests	7	4	2	2	4	1	3	-5
Non-recurring items <sup>1)</sup> , MSEK	-21	-	-	-	-	-	-	-1
Operating profit excl. non-recurring items, MSEK	90	129	150	91	161	70	142	92
Operating margin excl. non-recurring items, %	5.8	8.5	8.9	6.0	10.2	4.7	8.9	5.4
Cash flow from operating activities <sup>2)</sup> , MSEK	160	229	77	213	64	-8	376	469
Earnings per share before dilution <sup>3,4)</sup> , SEK	0.19	0.32	0.44	0.26	0.46	0.15	0.51	0.30
Earnings per share after dilution <sup>3,4)</sup> , SEK	0.19	0.32	0.44	0.26	0.46	0.15	0.50	0.30
Equity per share <sup>3,4)</sup> , SEK	15.44	14.15	14.64	14.10	14.95	14.02	14.01	13.81
Return on equity per annum <sup>3)</sup> , %	5.0	9.0	12.0	7.4	12.8	4.4	14.4	8.9
Share price at the end of the period, SEK	30.00	9.00	25.90	9.74	20.30	12.26	12.10	11.00

<sup>1)</sup> Non-recurring items in 2022 consisted mainly of costs relating to transformation work under ITAB's One ITAB strategy. Non-recurring items for 2024 pertained to acquisition costs in conjunction with the intended acquisition of HMY.

<sup>2)</sup> Excluding Discontinued Operations from 2023.

<sup>3)</sup> Including Discontinued Operations.

<sup>4)</sup> Refer to Note 6 on page 12 for information about the number of shares after dilution.

## Full-year overview for the Group

(MSEK)	Rolling 12 months as of							
	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023	31 Dec 2022
Revenue from contracts with customers	6,415	6,391	6,210	6,139	6,240	6,461	6,657	6,868
Costs of goods sold	-4,546	-4,498	-4,414	-4,420	-4,599	-4,826	-5,058	-5,286
<b>Gross profit</b>	<b>1,869</b>	<b>1,893</b>	<b>1,796</b>	<b>1,719</b>	<b>1,641</b>	<b>1,635</b>	<b>1,599</b>	<b>1,582</b>
Selling expenses	-970	-944	-927	-935	-927	-910	-900	-871
Administrative expenses	-360	-339	-329	-327	-331	-331	-343	-344
Other operating income and expenses	-17	-28	-17	-25	-2	21	31	36
<b>Operating profit</b>	<b>522</b>	<b>582</b>	<b>523</b>	<b>432</b>	<b>381</b>	<b>415</b>	<b>387</b>	<b>403</b>
Financial items	-28	-48	-54	-47	-57	-56	-62	-55
<b>Profit after financial items</b>	<b>494</b>	<b>534</b>	<b>469</b>	<b>385</b>	<b>324</b>	<b>359</b>	<b>325</b>	<b>348</b>
Tax expenses	-125	-136	-115	-93	-93	-106	-98	-105
<b>Net profit for the period – Continuing Operations</b>	<b>369</b>	<b>398</b>	<b>354</b>	<b>292</b>	<b>231</b>	<b>253</b>	<b>227</b>	<b>243</b>
Net profit for the period – Discontinued Operations	-4	-9	-4	-12	-4	-55	-64	-53
<b>Net profit for the period</b>	<b>365</b>	<b>389</b>	<b>350</b>	<b>280</b>	<b>227</b>	<b>198</b>	<b>163</b>	<b>190</b>
<i>Net profit for the period attributable to:</i>								
Parent Company shareholders	349	376	337	270	225	190	149	170
Non-controlling interests	16	13	13	10	2	8	14	20
Non-recurring items <sup>1)</sup> , MSEK	-21	-	-	-	-1	-2	-19	-40
Operating profit excl. non-recurring items, MSEK	543	582	523	432	382	417	406	443
Operating margin excl. non-recurring items, %	8.5	9.1	8.4	7.0	6.1	6.4	6.1	6.4
Cash flow from operating activities <sup>2)</sup> , MSEK	677	746	882	810	903	810	593	542
Earnings per share before dilution <sup>3,4)</sup> , SEK	1.60	1.73	1.55	1.24	1.03	0.87	0.68	0.78
Earnings per share after dilution <sup>3,4)</sup> , SEK	1.59	1.72	1.54	1.23	1.03	0.87	0.68	0.78
Equity per share <sup>3,4)</sup> , SEK	15.44	14.64	14.95	14.01	14.15	14.10	14.02	13.81
Return on equity per annum <sup>3)</sup> , %	10.8	12.0	10.9	8.8	7.4	6.4	5.1	6.0

<sup>1)</sup> Non-recurring items in 2022 consisted mainly of costs relating to transformation work under ITAB's One ITAB strategy. Non-recurring items for 2024 pertained to acquisition costs in conjunction with the intended acquisition of HMY.

<sup>2)</sup> Excluding Discontinued Operations from 2023.

<sup>3)</sup> Including Discontinued Operations.

<sup>4)</sup> Refer to Note 6 on page 12 for information about the number of shares after dilution.

# Key ratios & definitions

Key ratios	3 months Jul-Sep 2024	3 months Jul-Sep 2023	9 months Jan-Sep 2024	9 months Jan-Sep 2023	Rolling 12 months as of 30 Sep 2024	Full year Jan-Dec 2023
Revenue from contracts with customers, MSEK	1,553	1,529	4,814	4,538	6,415	6,139
EBITDA, MSEK	133	180	568	477	777	686
EBITDA margin, %	8.5	11.8	11.8	10.5	12.1	11.2
EBITDA excl. non-recurring items, MSEK	154	180	589	477	798	686
EBITDA margin excl. non-recurring items, %	9.9	11.8	12.2	10.5	12.4	11.2
Operating profit, MSEK	69	129	380	290	522	432
Operating margin, %	4.4	8.5	7.9	6.4	8.1	7.0
Operating profit excl. non-recurring items, MSEK	90	129	401	290	543	432
Operating margin excl. non-recurring items, %	5.8	8.5	8.3	6.4	8.5	7.0
Profit after financial items, MSEK	73	113	357	248	494	385
Profit margin, %	4.7	7.4	7.4	5.5	7.7	6.3
Profit after financial items excl. non-recurring items, MSEK	94	113	378	248	515	385
Profit margin excl. non-recurring items, %	6.1	7.4	7.9	5.5	8.0	6.3
Profit after tax, MSEK	50	79	250	173	369	292
Cash flow from operating activities, MSEK	160	229	301	434	677	810
Cash conversion, %	121	127	53	91	87	118
Earnings per share before dilution, SEK <sup>1,2)</sup>	0.19	0.32	1.09	0.73	1.60	1.24
Earnings per share after dilution, SEK <sup>1,2)</sup>	0.19	0.32	1.09	0.73	1.59	1.23
Earnings per share excl. Discontinued Operations before dilution, SEK	0.19	0.34	1.09	0.76	1.62	1.29
Cash flow from operating activities per share, SEK	0.73	1.05	1.38	1.99	3.12	3.73
Number of ordinary shares outstanding at the end of the period	239,740,360	218,086,570	239,740,360	218,086,570	239,740,360	217,558,444
Average number of ordinary shares outstanding	221,200,490	218,096,787	218,072,839	218,098,830	218,035,726	218,015,094
Average number of ordinary shares outstanding after dilution <sup>2)</sup>	222,426,328	219,356,995	219,298,677	219,359,038	219,261,564	219,275,302
Share price at the end of the period, SEK	30.00	9.00	30.00	9.00	30.00	12.10
Balance sheet total <sup>1)</sup> , MSEK	6,438	6,313	6,438	6,313	6,438	5,768
Interest-bearing net debt, MSEK	129	829	129	829	129	591
Interest-bearing net debt excl. lease liabilities, MSEK	-392	306	-392	306	-392	45
Equity attributable to Parent Company shareholders <sup>1)</sup> , MSEK	3,701	3,085	3,701	3,085	3,701	3,049
Equity per share, SEK <sup>1)</sup>	15.44	14.15	15.44	14.15	15.44	14.01
Equity/assets ratio <sup>1)</sup> , %	59	51	59	51	59	56
Return on equity per annum <sup>1)</sup> , %	5.0	9.0	9.7	6.9	10.8	8.8
Return on capital employed per annum, %	7.2	10.7	11.5	8.3	11.9	9.6
Return on total capital per annum, %	5.5	8.2	8.8	6.4	9.1	7.4
Interest-coverage ratio, multiple	7.2	7.6	9.4	5.4	8.8	6.0
Net investments, MSEK	35	20	96	56	147	107
Net investments excl. corporate acquisitions/divestments, MSEK	38	20	113	65	164	116
Average number of employees	2,548	2,512	2,537	2,545	2,529	2,533

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

<sup>2)</sup> Refer to Note 6 on page 12 for information about the number of shares after dilution.



## 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 statement of financial position, 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 2024	3 months Jul-Sep 2023	9 months Jan-Sep 2024	9 months Jan-Sep 2023	Rolling 12 months as of 30 Sep 2024	Full year Jan-Dec 2023
Operating profit	69	129	380	290	522	432
Depreciation and amortisation	64	51	188	187	255	254
<b>EBITDA</b>	<b>133</b>	<b>180</b>	<b>568</b>	<b>477</b>	<b>777</b>	<b>686</b>
Reversal of non-recurring items	21	-	21	-	21	-
<b>EBITDA excl. non-recurring items</b>	<b>154</b>	<b>180</b>	<b>589</b>	<b>477</b>	<b>798</b>	<b>686</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 2024	3 months Jul-Sep 2023	9 months Jan-Sep 2024	9 months Jan-Sep 2023	Rolling 12 months as of 30 Sep 2024	Full year Jan-Dec 2023
Operational cash flow (cash flow from operating activities)	160	229	301	434	677	810
EBITDA	133	180	568	477	777	686
<b>Cash conversion, %</b>	<b>121</b>	<b>127</b>	<b>53</b>	<b>91</b>	<b>87</b>	<b>118</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 2024	3 months Jul-Sep 2023	9 months Jan-Sep 2024	9 months Jan-Sep 2023	Rolling 12 months as of 30 Sep 2024	Full year Jan-Dec 2023
Interest-bearing non-current liabilities	947	1,342	947	1,342	947	1,001
Interest-bearing current liabilities	209	212	209	212	209	235
Interest-bearing assets	-78	-65	-78	-65	-78	-67
Cash and cash equivalents	-949	-660	-949	-660	-949	-578
<b>Interest-bearing net debt</b>	<b>129</b>	<b>829</b>	<b>129</b>	<b>829</b>	<b>129</b>	<b>591</b>
Reversal of interest-bearing lease liabilities	-521	-523	-521	-523	-521	-546
<b>Interest-bearing net debt excl. lease liabilities</b>	<b>-392</b>	<b>306</b>	<b>-392</b>	<b>306</b>	<b>-392</b>	<b>45</b>

## Alternative performance measures, cont.

### 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 2024	3 months Jul-Sep 2023	9 months Jan-Sep 2024	9 months Jan-Sep 2023	Rolling 12 months as of 30 Sep 2024	Full year Jan-Dec 2023
Annualised net profit attributable to Parent Company shareholders	172	278	318	212	349	270
Equity attributable to Parent Company shareholders	3,701	3,085	3,701	3,085	3,701	3,049
Average equity attributable to Parent Company shareholders	3,425	3,081	3,278	3,058	3,240	3,056
<b>Return on equity, %</b>	<b>5.0</b>	<b>9.0</b>	<b>9.7</b>	<b>6.9</b>	<b>10.8</b>	<b>8.8</b>

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

### Return on capital employed

Annualised profit after financial items for the period plus financial borrowing costs for the period in relation to average balance sheet total less non interest-bearing liabilities.

*Relevant measure for assessing ITAB's efficiency and added value from the business.*

(MSEK)	3 months Jul-Sep 2024	3 months Jul-Sep 2023	9 months Jan-Sep 2024	9 months Jan-Sep 2023	Rolling 12 months as of 30 Sep 2024	Full year Jan-Dec 2023
Annualised profit after financial items plus financial borrowing costs	342	522	533	406	556	461
Average balance sheet total less non interest-bearing liabilities	4,740	4,877	4,623	4,865	4,660	4,781
<b>Return on capital employed, %</b>	<b>7.2</b>	<b>10.7</b>	<b>11.5</b>	<b>8.3</b>	<b>11.9</b>	<b>9.6</b>

### Return on total capital

Annualised profit after financial items for the period plus financial borrowing costs for the period 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 2024	3 months Jul-Sep 2023	9 months Jan-Sep 2024	9 months Jan-Sep 2023	Rolling 12 months as of 30 Sep 2024	Full year Jan-Dec 2023
Annualised profit after financial items plus financial borrowing costs	342	522	533	406	556	461
Average total capital	6,207	6,388	6,055	6,366	6,106	6,246
<b>Return on total capital, %</b>	<b>5.5</b>	<b>8.2</b>	<b>8.8</b>	<b>6.4</b>	<b>9.1</b>	<b>7.4</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 program. 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 program.	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. As of the 2023 financial year, the effects of the Group's operations in hyperinflationary countries are excluded from the calculation of currency effects.	Relevant to show the sales and profit trend without any effects from currency rate fluctuations. This measure is included in ITAB's financial targets.
<b>Profit margin</b>	Profit after financial items in relation to revenue.	Relevant for assessing ITAB's efficiency and added value.

## About ITAB

ITAB develops, manufactures, sells and installs a broad range of solutions and services in interior fixtures, technology and lighting for stores in the retail sector. The ITAB Group has operations in 23 countries with approximately SEK 6.4 billion in annual sales, some 2,500 employees and 15 production facilities in Europe, South America and China.



## Our offering

### Retail Tech

ITAB offers efficient and inspiring solutions for self-service and checkouts, smart gates, in-store guidance and traditional checkouts.

### Retail Interior

ITAB co-creates modern store experiences with retailers through an iterative design process.

### Retail Lighting

ITAB develops, manufactures and sells complete professional lighting systems, light planning and lighting services for the retail sector.

### Retail Services

ITAB's service offering includes concept creation, store and solution design, and installation.

## 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.

**Outcome for 2023:** -15 percent

**>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.

**Outcome for 2023:** 118 percent

**7-9%**  
EBIT margin

### Earnings

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

**Outcome for 2023:** 7.0 percent

**>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 program.

**Outcome for 2023:** 60 percent

## Sustainability targets

### Good working conditions

A pleasant and attractive workplace with equal opportunities for all and a safe and healthy environment.

### High level of business ethics

Fair and honest relationships with business partners and zero tolerance of corruption and cartels.

### Efficiency in the value chain

Monitoring and benchmarking the value chain's efficiency, energy consumption, and carbon emissions.

### Sustainable business development

Creating in-store solutions that assist retailers through offering energy-efficient and cost-effective products.

## Why invest in ITAB

### The leading solution provider

ITAB builds new capabilities by investing in skills, partnerships, modern operational support systems, and common ways of working to improve the Group's competitiveness and growth. As a solution provider, ITAB will deliver a wider and more relevant portfolio of products and services, driving more strategic partnerships with retailers. This enables increased service sales and recurring revenue streams.

### Growth opportunities ahead

ITAB's focus is on profitable growth by penetrating the Group's core market with increased cross-selling initiatives, broadening the offering with new Retail Tech solutions, and expanding into new geographic markets and customer segments. The Group's strong financial position also provides ITAB with opportunities for further growth through strategic acquisitions.

Translation from the Swedish original.

# 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 2024 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, 29 October 2024

Ernst & Young AB

Joakim Falck  
Authorised Public Accountant

## Share information

**Listing**  
Nasdaq Stockholm Mid Cap list

**ISIN**  
SE0015962097

**Ticker symbol**  
ITAB

**Share price on 30 Sep 2024**  
SEK 30.00

**Sector classification**  
Industrial Goods & Services

## Financial calendar

Year-End Report 2024 – 1 Jan–31 Dec 2024	7 February 2025
Annual & Sustainability Report 2024	April 2025
Interim Report 3 months – 1 Jan–31 Mar 2025	29 April 2025
Annual General Meeting 2025 in Jönköping	7 May 2025
Interim Report 6 months – 1 Jan–30 Jun 2025	11 July 2025
Interim Report 9 months – 1 Jan–30 Sep 2025	30 October 2025
Year-End Report 2025 – 1 Jan–31 Dec 2025	10 February 2026

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. The information was submitted for publication, through the agency of the contact persons set out below, **at 7:00 a.m. CET on 29 October 2024**.

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.

This report has been subject to special review by the Company's auditors.

## For further information:



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ITAB