



ITAB

**2020**  
**INTERIM REPORT**  
JANUARY - SEPTEMBER

## THE INTERIM PERIOD JANUARY - SEPTEMBER 2020

- ▶ Net sales decreased -16% to SEK 3,816 million (4,547)
- ▶ Operating profit amounted to SEK 158 million (296)
- ▶ Profit after financial items amounted to SEK 85 million (237)
- ▶ Profit after tax amounted to SEK 55 million (178)
- ▶ Earnings per share amounted to SEK 0.53 (1.74)
- ▶ Cash flow from operating activities amounted to SEK 511 million (240)

In 2020, non-recurring items impacted the profit after financial items by SEK -54 million (62).

- ▶ EBITDA excl. non-recurring items amounted to SEK 406 million (425)

## JULY - SEPTEMBER 2020

- ▶ Net sales decreased -11% to SEK 1,258 million (1,413)
- ▶ Operating profit amounted to SEK 83 million (45)
- ▶ Profit after financial items amounted to SEK 51 million (29)
- ▶ Profit after tax amounted to SEK 33 million (22)
- ▶ Earnings per share amounted to SEK 0.30 (0.22)
- ▶ Cash flow from operating activities amounted to SEK 128 million (17)

In 2020, non-recurring items impacted the profit after financial items by SEK -12 million (-13).

- ▶ EBITDA excl. non-recurring items amounted to SEK 157 million (123)
- ▶ Net debt amounted to SEK 2,082 million (2,689)
- ▶ Net debt excl. lease liability amounted to SEK 1,378 million (1,951)

## IMPORTANT EVENTS DURING JANUARY - SEPTEMBER 2020

- ▶ The interim period was overshadowed by the COVID-19 pandemic, where focus has been on ensuring the health and safety of our employees and customers. Extensive measures in the form of cost adjustments, redundancy notices, temporary layoffs and redundancies has been made to adapt our operations to the reduced demand caused by the pandemic (see pg. 5).
- ▶ ITAB has renegotiated terms of its credit facilities and entered into short-term shareholders' loans (see pg. 5).
- ▶ A new CFO and a new COO has been assigned.
- ▶ ITAB and Ombori have developed the next generation of Ombori Grid, a digital platform, that together with our development partners Microsoft and Samsung will support retailers in their ambitions to create seamless multichannel experiences.
- ▶ ITAB Group has appointed adviser with respect to its financial options to transform its business and consolidate its market position as the leading retail solution provider.
- ▶ ITAB's Board of Directors has decided to announce the intention to raise new capital in order to strengthen the company's balance sheet and provide additional financing flexibility, as well as to invest in the One ITAB transformation plan. The funds from a capital raise will be used to both reduce current bank debt and fund the One ITAB transformation plan.

## EVENTS AFTER THE REPORTING PERIOD

- ▶ ITAB Shop Concept AB's (publ) Italian subsidiary ITAB La Fortezza s.p.a. has on October 8th, 2020 entered into an agreement with Cefla soc. coop. to acquire 81% of Cefla's retail solutions business unit.

ITAB's staff and partners have continued to support our customers in a very good way during the quarter. This includes developing solutions to protect our customers, their staff and consumers, as well as managing challenges with to closed borders and countries through immediate cost savings.

**Andreas Elgaard**  
CEO & President

Read more on pg. 4

## KEY RATIOS JANUARY - SEPTEMBER

SEK **3,816** millions  
Net sales

SEK **158** millions  
Operating profit

**0,53** kr  
Earnings per share

SEK **511** millions  
Cash flow  
Operating activities

## KEY RATIOS JULY - SEPTEMBER

SEK **1,258** millions  
Net sales

SEK **83** millions  
Operating profit

**0,30** kr  
Earnings per share

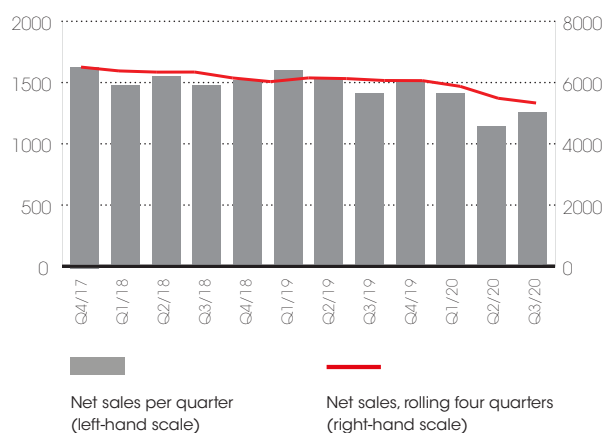
SEK **128** millions  
Cash flow  
Operating activities

SEK **1,378** millions  
Net debt  
Excl. leasing

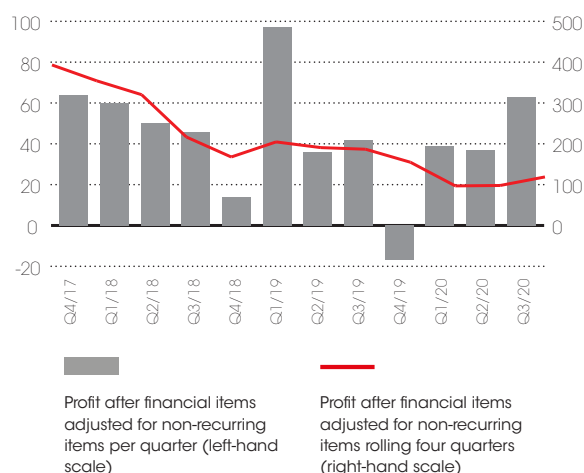
**32,4%**  
Equity/assets ratio

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

## ► NET SALES



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



## ► ITAB GROUP IN FIGURES

	3 MONTHS JUL-SEP 2020	3 MONTHS JUL-SEP 2019	9 MONTHS JAN-SEP 2020	9 MONTHS JAN-SEP 2019	ROLLING 12 MONTHS OCT-SEP 2019/2020	FULL-YEAR JAN-DEC 2019
Net Sales, SEK million	1,258	1,413	3,816	4,547	5,333	6,064
EBITDA, SEK million	145	110	355	487	400	532
EBITDA, excl. non-recurring items, SEK million*	157	123	406	425	497	516
Operating profit, SEK million	83	45	158	296	119	257
Operating margin, %	6.6	3.2	4.1	6.5	2.2	4.2
Operating profit excl non-recurring items, SEK million*	95	58	209	234	216	241
Operating margin excl non-recurring items, %	7.6	4.1	5.5	5.1	4.1	4.0
Profit after net financial items, SEK million	51	29	85	237	22	174
Profit margin, %	4.1	2.1	2.2	5.2	0.4	2.9
Profit after net financial items excl non-recurring items, SEK million*	63	42	139	175	122	158
Profit margin excl non-recurring items, %	5.0	3.0	3.6	3.8	2.3	2.6
Profit after tax, SEK million	33	22	55	178	-3	120
Earnings per share, SEK	0.30	0.22	0.53	1.74	-0.04	1.17
Equity per share, SEK	16.94	17.84	16.94	17.84	16.94	17.07
Return on equity, %	7.3	5.0	4.2	13.7	-0.2	6.9
Equity/assets ratio, %	32.4	31.2	32.4	31.2	32.4	31.8
Share of risk-bearing capital, %	33.1	34.5	33.1	34.5	33.1	35.4
Cash flow from operating activities, SEK millions	128	17	511	240	749	478
Average no. employees, no.	3,007	3,277	3,071	3,291	3,137	3,247
<b>*Non-recurring items, SEK million</b>						
Structuring costs <sup>1)</sup>	-12	-13	-54	-22	-102	-70
Repayment of purchase price for the acquisition of the D. Lindner companies				42		42
Profits from sale of properties				42	2	44
<b>Total non-recurring</b>	<b>-12</b>	<b>-13</b>	<b>-54</b>	<b>62</b>	<b>-100</b>	<b>16</b>
<b>Impact of non-recurring items in the income statement, SEK millions</b>						
EBITDA	-12	-13	-51	62	-97	16
Operating profit	-12	-13	-51	62	-97	16
Profit after net financial items	-12	-13	-54	62	-100	16

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



# CEO ANDRÉAS ELGAARD COMMENTS Q3

Revenue during the third quarter amounted to SEK 1,258 million, which corresponds to a decrease of 7%, adjusted for currency effects, compared to the third quarter of 2019. We are satisfied with developments during the quarter, bearing in mind the challenging market situation. Above all, our sales to the Grocery sector and to Home improvements have stabilised, and even grown compared to the second quarter. ITAB's staff and partners have continued to support our customers in a very good way during the quarter. This includes developing solutions to protect our customers, their staff and consumers, as well as managing challenges with closed borders and countries through immediate cost savings. In this challenging environment, we have succeeded in improving our financial results as well as further strengthening our operational cash flow. Our results during the first three quarters of the year are strengthening our belief that we will achieve the goals set out in the EBITDA guidance that has been communicated previously.

Our operations have been heavily affected by COVID-19 in the form of reduced demand, lock down of some customers' operations as well as parts of our own operational activities. We took steps at an early stage to safeguard liquidity and adapt our costs to the reduced demand. I am proud to state that, through their intensive efforts, our employees and managers have been able to handle the challenges resulting from the pandemic, at the same time as we are working hard to adapt ITAB in line with our One ITAB strategy. We are now seeing clear signs of the effects of the transformation in our results. The Group's EBITDA, adjusted for non-recurring items, improved by 28% compared to last year, while the operational cash flow improved to SEK 128 million (17).

Grocery is our most important customer segment, and we have continued to supply solutions from our existing portfolio, supplemented with new COVID-19 related solutions, to ensure a safe environment for both customers and store personnel. These products mainly relate to contact barriers or solutions to avoid overcrowding and queueing. During the third quarter we witnessed the start of a recovery towards normal incoming orders, primarily within Grocery and Home improvements although the situation is still difficult within for example the Fashion sector.

## OUR DEVELOPMENT

2020 is entirely dominated by the effects of COVID-19, which makes it difficult to draw comparisons with previous years. We conclude that, during the first nine months of the year, currency-adjusted sales fell by 15% compared to previous year, which was initially relatively strong in terms of sales. We are seeing continued strong demand for our more technical solutions with associated services that add clear added value for our customers. We also have an advantage in terms of our strength within customer categories that are less impacted by COVID-19, such as Grocery and Pharmacy. Even though the overall demand for ITAB's solutions and products has been negatively affected, we have seen new creative solutions for managing queues, stopping the spread of infection and resolving the pick-up of goods ordered online. Screens for the protection of personnel, mobile queueing systems to reduce queueing in groups and ensuring limited numbers of people in shops are other examples of solutions that didn't exist just a few months ago. This has meant that the Grocery and the Home improvements customer groups have increased their sales compared to the second quarter.

Compared to last year, all of the Group's geographic markets declined, with the largest share of the reduction taking place in Southern Europe. At customer group level, the downward trend for Fashion accelerated, while the rate of reduction slowed in the Group's other customer groups. So far this year, our largest customer group, Grocery, has recorded sales that are almost on a par with last year.

In terms of profits, the results after nine months reflect the developments in recent years, with

squeezed margins as a consequence of tough price competition driven by reduced demand. Long-term customer programmes have also been replaced by projects with smaller volumes, which has reduced profits. We are continuing to work intensively to adapt our product development and costs to the new situation.

Excluding non-recurring items, the operating profit for the first nine months of the year was SEK 209 million, compared to SEK 234 million last year. The majority of the reduction in profits is due to lower sales, primarily of our interiors and lighting solutions. It is pleasing to note that our operating margin is better than last year, largely due to an improved third quarter, where we saw, in addition to a favourable product mix, the effects of cost savings in line with our One ITAB strategy.

We have continued to focus on reducing the Group's debt, which is reflected in the strong operating cash flow. The cash flow from operating activities was SEK 511 million (240), while the cash flow after investments stood at just over SEK 472 million (300) during the period. This has meant that our net debt, excluding lease liability, fell to SEK 1,378 million (1,951).

## FUTURE OUTLOOK

We are continuing to focus our efforts on implementing our transformation plan. This is part of our One ITAB strategy, which aims to establish a business model with the ability to deliver innovative solutions that generate clear value for our customers. The transformation plan encompasses activities aimed at adapting our organisation and restructuring our value chain. We are implementing consolidation and simplification within ITAB, with the focus on promoting synergies from our operational activities. Our costs will decrease over the coming years as a result of changed working methods, increased efficiency as well as through a simplified and less capital-intensive structure. The work on implementing the transformation plan was launched at the beginning of the year, supported by a structured process of change and a more clear internal structure. In our results, we are seeing signs that the restructuring work is starting to pay off, and that it will strengthen our position as a leading player in our sector. We are continuing to reduce capital employed and net debt, and have cut back our workforce. We have identified savings within our purchasing that will have an impact over the next few years, and we are continuing to work to develop our value chain, with particular focus on efficiency and the reduction of fixed costs.

As a result of COVID-19 and its impact, a preliminary EBITDA guidance was communicated in a press release on July 10<sup>th</sup> 2020. This assessment, which is still valid, is that ITAB's EBITDA for 2020 will be in the range SEK 380 million to SEK 420 million, before non-recurring costs. The non-recurring costs are estimated to amount to approximately SEK 100 million for 2020, and principally relate to restructuring costs.

After the reporting period, we were able to communicate that we have entered into a Sale



and Purchase Agreement to acquire 81% of Cefla's operation for retail solutions in Southern Europe, where their main strength lies within Grocery. This acquisition is part of our market strategy of becoming the leading partner for the Grocery sector in Europe, as well as improving our future prospects to deliver good results for our customers, shareholders and employees.

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

## JANUARY - SEPTEMBER

### Net sales

#### Interim period

The Group's net sales decreased with 16% to SEK 3,816 million (4,547). Currency-adjusted sales decreased by 15%. Sales have decreased on all geographic markets compared with last year. The largest decrease was in Southern Europe. Sales have been greatly affected by the COVID-19 situation even though the Group had significant sales of products attributable to COVID-19 related solutions.

Sales per customer segment and per geographic area are presented in Note 2.

#### Third quarter

The Group's net sales decreased by 11% to SEK 1,258 million (1,413). Currency-adjusted sales decreased by 7%. Sales have decreased on all geographic markets, except Central Europe, compared with last year. Sales have decreased most in Southern Europe and Rest of the world. Compared with the second quarter, sales increased by more than 10%, with the geographical areas; United Kingdom, Ireland, Central Europe and Southern Europe showing upward trends, mainly within the customer groups Grocery and Home improvements.

Sales per customer segment and per geographic area are presented in Note 2.

### Result

#### Interim period

Operating profit decreased to SEK 158 million (296). Result after financial items decreased to SEK 85 million (237). Non-recurring items with impact on profit after fin. items amounted to SEK -54 million (62). Operating profit excl. non-recurring items amounted to SEK 209 million (234) and profit after financial items excl. non-recurring items amounted to SEK 139 million (175).

Earnings have been negatively affected, principally as a result of our reduced sales. Due to the COVID-19 outbreak, five of the Group's factories have been completely or partially closed during the interim period. Governmental support linked to COVID-19 has reduced costs in the order of SEK 50 million in the interim period, but this must be seen in the light of the COVID-19 situation's strongly negative impact on sales.

Non-recurring items comprise restructuring costs, attributed to the transformation work, in the form of a new strategy known as One ITAB.

#### Third quarter

Operating profit increased to SEK 83 million (45). Profit after financial items increased to SEK 51 million (29). Non-recurring items with impact on profit after fin. items amounted to SEK -12 million (-13). Operating profit excl. non-recurring items amounted to SEK 95 million (58) and profit after financial items excl. non-recurring items amounted to SEK 63 million (42).

The result has been positively affected by a favorable product mix and the cost savings, mainly in the form of reduced staff that have been implemented during the past year. Government support linked to Covid-19 also had a positive effect to some extent on earnings during the quarter. The result was negatively affected, due to sales decrease and a deteriorating net financial items attributable mainly to loan terms changes.

Third quarter non-recurring items comprise restructuring costs, attributed to the transformation work, in the form of a new strategy known as One ITAB.

### Cashflow, Financing and liquidity

Cash flow from operating activities during the interim period January - September amounted to SEK 511 million (240) and for the third quarter to SEK 128 million (17). The improved cash flow is due to a reduced working capital partly attributable to lower sales, but mainly an

effect of the organisation having had a strong focus on reducing working capital for a long time. Cash flow has also been positively affected by the fact that tax and VAT payments could be postponed in connection with Covid-19 related measures. Net debt excluding lease liability decreased to SEK 1,378 million (1,951). Net debt including lease liability decreased to SEK 2,082 million (2,689).

As previously communicated, ITAB and Nordea have reached an agreement regarding restructuring the current credit agreement. ITAB has also reached agreement to enter into a short-term shareholder loan amounting to SEK 140 million with related companies of three of the Board's members and principal owners. The shareholder loan, which is intended to safeguard liquidity in conjunction with the repayment of convertible loans to employees, is subject to approval at an Extraordinary General Meeting on 22 July 2020. Furthermore, ITAB's Board of Directors has decided to strengthen the balance sheet by adding new capital. This to contribute to greater financial flexibility and to finance the transformation plan One ITAB. Additional information on raising capital will be published as soon as possible. The Group's cash and cash equivalents, including undrawn committed credit facilities, amounted to SEK 1,012 million (868) on the balance sheet date. Solidity amounted to 32% (31) and the share of risk-bearing capital was 33% (35).

### Investments

#### Interim period

Consolidated net investments amounted to SEK 39 million (-60), of which SEK 0 million (-141) relates to properties and SEK 0 million (-23) is attributable to corporate transactions during the period.

For more information about corporate transactions, see Note 1 on page 12.

#### Third quarter

The Group's net investments amounted to SEK 12 million (44), of which SEK 0 million (-18) relates to properties during the period.

For more information about corporate transactions, see Note 1 on page 12.

### Employees

The average number of employees for the interim period amounted to 3,071 (3,291) and for the third quarter to 3,007 (3,277).

### COVID-19

Our customers within Grocery and Pharmacy experience increased activity while most other customer segments experience a visible slowdown. It is difficult to predict the consequences of COVID-19 with any degree of certainty, but most of ITAB's companies notice signals of decline in demand due to the current concern. During the second and third quarters of the year, ITAB had significant sales of products and solutions that facilitate stores' handling of the COVID-19 situation. We are monitoring the course of events closely, while following the recommendations and complying with the decisions by local authorities in order to continuously adapt our operations on the markets where we are active.

ITAB has made changes to its operations, e.g. by implementing a personnel reduction, both through permanent as well as temporary measures that mainly includes:

- Temporary lay-offs and/or reduction of approximately 200 staff members with the support of state subsidies.
- Announcement of approximately 350 redundancies.
- Reductions of approximately 200 temporary workers.
- Review and control of all purchasing, inventory and receivables.
- Review, simplification and streamlining of our operations while maintaining our ability to deliver.

### Parent company

The parent company ITAB Shop Concept AB's activities principally comprise Group-wide functions. The parent company's net sales for the interim period 2020 amounted to SEK 114 million (117) and for the third quarter to SEK 42 million (38) and refers to income from subsidiaries. Profit after financial items for the interim period amounted to SEK 53 million (151) and includes dividends from subsidiaries of SEK 45 million (221) and write-downs of shares and receivables from subsidiaries of SEK -8 million (-22) in connection with the restructurings that is being carried out. Profit after financial items for the third quarter amounted to SEK -3 million (64).

### Important events after the reporting period

ITAB Shop Concept AB's Italian subsidiary ITAB La Fortezza s.p.a. as on October 8th, 2020 entered into an agreement with Cefla soc. coop. to acquire 81% of Cefla's retail solutions business unit. The business unit will be carved-out of Cefla's existing structure and transferred to a newly established Italian limited liability company. ITAB has the right to acquire Cefla's minority stake held in said company after 3 years from the transaction's completion date.

Cefla is an Italian corporation headquartered in Imola and comprises multiple business units. Cefla's retail solutions business unit primarily offers interior design and checkout solutions to its customers, who are predominantly located in southern Europe and within the grocery sector. Cefla has taken a strategic decision to exit the retail solutions business and focus on its core business.

Through the acquisition and collaboration with Cefla, ITAB strengthens its leading position in southern Europe and creates opportunities to offer ITAB's solutions to a wider customer base. The positive EBITDA effect in 2021 on ITAB is estimated to at least 30 MSEK and the transaction will create opportunities for further synergy effects the coming years.

### Guidance

Due to COVID-19 and its impact on our customers, preliminary EBITDA guidance was issued in a press release on July 10, 2020. The assessment, which still applies, is that ITAB's EBITDA for the financial year 2020 will be in the range between SEK 380 million and SEK 420 million before non-recurring items. Non-recurring items are estimated to amount to approximately SEK 100 million and mainly refer to restructuring costs. The total restructuring costs for the transformation plan One ITAB are estimated to amount to between SEK 275 million and SEK 325 million during the period 2020-2022. The majority of the restructuring costs will occur in 2021.

### 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 the Annual Report for 2019, on page 70.

ITAB's business risks are associated with the own operations, customers and suppliers, and other external factors. Some of the most significant business risks are summarised on page 55 of the 2019 Annual Report. Sustainability risks are described at page 25 of the 2019 Annual Report. In addition, the ongoing strategy work may have consequences for the future valuation of specific balance sheet items.

ITAB is affected by pandemics, just like other global companies, and the Group is being affected by COVID-19 in 2020. The most prominent risks in the shorter perspective are the pandemic's impact on customers and suppliers, as well as price and currency risks.

### Convertible debentures 2016/2020

ITABs convertible debenture loan 2016/2020, ►

- signed by the employees, ran until 30 June 2020. No conversions were conducted and the nominal value of SEK 167,700,000 was repaid in all 30 June 2020.

#### Accounting policies

ITAB is applying the International Financial Reporting Standards (IFRS). This interim report has been prepared in accordance with IAS 34, Interim Reporting, the Annual Accounts Act as well as the Swedish Financial Reporting Board's RFR 1, Supplementary Accounting Rules for Groups, and RFR 2, Accounting for Legal Entities.

As regards other accounting policies that are applied, these correspond with the accounting policies that were used in the preparation of the most recent Annual Report.

IAS 20 Accounting for Government Grants and Disclosure of Government Assistance – due to the extraordinary situation of COVID-19, ITAB has received government support in a number of companies. ITAB has chosen to report these grants as a cost reduction on the posts to which the grants refer, over the same period as to when the costs arise. The contributions are reported in income statement and balance sheet when it is reasonably certain that the grants will hold and any conditions for the grants are met.

#### Estimates and judgements

The preparation of the interim report requires the management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may ultimately differ from those estimates and judgements.

Other critical judgements and sources of uncertainty in the estimates used in the preparation of this interim report are the same as in the most recent Annual Report.

The ongoing pandemic may further influence assessments of the need for the impairment of assets, estimates of lease liabilities as well as the right to use when, and determination of leasing terms.

#### Financial assets and liabilities

ITAB holds derivative financial instruments that are accounted for at fair value. The derivative instruments consist of foreign exchange forward contracts and interest rate swaps used for hedging purposes.

All derivative instruments are categorised as Level 2, and fair value is calculated using discounted future cash flows according to the terms and due dates of the contracts. All variables for the calculations, such as discount rates and exchange rates, are obtained from market listings.

Additional considerations are recognised as financial liabilities and categorized as Level 3. These are determined by the parameters of each contract, that mainly are linked to the anticipated performance of the acquired companies over the next few years. The additional considerations have been recognized at estimated fair value and are revaluated through the income statement.

Recognised value is considered to constitute a reasonable estimate of the actual value of all financial assets and liabilities. No financial assets or financial liabilities have been transferred between the valuation categories and the same valuation techniques have been used throughout the year. For more information, please refer to the most recent Annual Report.

#### Related party transactions

During the third quarter, ITAB entered into short-term shareholder loans amounting to SEK 140 million with related companies to three of the Board members, also principal shareholders. The shareholder loans, with the aim of securing liquidity in connection with the repayment of convertible loans to employees, were approved at the Extraordinary General Meeting on July 22, 2020. There have been no other transactions, in addition to this, between ITAB and related parties that have significantly affected the company's position and results.

#### Next report date

The interim report for the period January to December 2020 will be presented on Tuesday 9 February 2021.

## KEY RATIOS

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

Key ratios are defined below. Further definitions and reconciliation can be found on page 52 of the Annual Report for 2019.

## DEFINITIONS

### Share of risk-bearing capital

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

### Return on equity

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

### Return on capital employed

Profit after financial items plus financial expenses in relation to average balance sheet total minus non interest-bearing liabilities.

### Return on total capital

Profit after financial items plus financial expenses in relation to average total capital.

### EBITDA

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

### Equity per share

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

### Cash flow from operating activities per share

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

### Average number of employees

Number of worked hours divided by normal annual working time.

### Earnings per share

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

### Earnings per share after dilution

Net profit for the period that is attributable to the Parent Company's shareholders plus costs attributable to convertible loans in relation to the number of shares, including shares that are added on conversion of outstanding convertibles.

### Interest-bearing net debt

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

### Interest-bearing net debt excl. IFRS 16 Leasing

Non-current and current interest-bearing liabilities, excluding lease liabilities, minus interest-bearing assets as well as cash and cash equivalents.

### Interest coverage ratio

Income after financial items plus financial expenses in relation to financial expenses.

### Operating margin

Operating profit in relation to net sales.

### Equity/assets ratio

Equity in relation to total capital.

### Total capital

Total equity and liabilities (balance sheet total).

### Profit margin

Profit after financial items in relation to net sales.

## ► INCOME STATEMENT IN SUMMARY

(SEK millions)	3 MONTHS JUL-SEP 2020	3 MONTHS JUL-SEP 2019	9 MONTHS JAN-SEP 2020	9 MONTHS JAN-SEP 2019	ROLLING 12 MONTHS OCT-SEP 2019/2020	FULL-YEAR JAN-DEC 2019
Revenue from contracts with customers, Note 2	1,258	1,413	3,816	4,547	5,333	6,064
Costs of goods sold	-888	-1,029	-2,724	-3,286	-3,879	-4,441
<b>Gross Profit</b>	<b>370</b>	<b>384</b>	<b>1,092</b>	<b>1,261</b>	<b>1,454</b>	<b>1,623</b>
Selling expenses	-225	-278	-734	-857	-1,060	-1,183
Administrating expenses	-63	-65	-203	-211	-278	-286
Other operating income and expenses	1	4	3	103	3	103
<b>Operating profit</b>	<b>83</b>	<b>45</b>	<b>158</b>	<b>296</b>	<b>119</b>	<b>257</b>
Financial income	0	3	5	7	5	7
Financial expenses	-32	-19	-78	-66	-102	-90
<b>Profit after financial items</b>	<b>51</b>	<b>29</b>	<b>85</b>	<b>237</b>	<b>22</b>	<b>174</b>
Tax expenses	-18	-7	-30	-59	-25	-54
<b>NET PROFIT FOR THE PERIOD</b>	<b>33</b>	<b>22</b>	<b>55</b>	<b>178</b>	<b>-3</b>	<b>120</b>
Net Profit for the period related to:						
Parent Company shareholders	32	22	55	178	-3	120
Non-controlling interests	1	0	0	0	0	0
Depreciation during the period amounts to	62	65	197	191	281	275
Tax rate during the period amounts to	37%	25%	36%	25%	119%	31%
Earnings per share						
basic, SEK	0.30	0.22	0.53	1.74	-0.04	1.17
diluted, SEK	0.30	0.22	0.53	1.73	-0.04	1.17
Average number of outstanding shares <sup>1)</sup>						
before dilution, thousands	102,383	102,383	102,383	102,383	102,383	102,383
after dilution, thousands	102,383	104,333	102,383	104,333	102,383	104,333

<sup>1)</sup> Up until 30 June 2020, the Group had one outstanding convertible programme. The programme ran during the period 1 July 2016 to 30 June 2020 and conversion to a maximum of 1,950,000 Class B shares could take place during the period 1-12 June 2020 at a subscription price of SEK 86.00. No conversions were conducted and the convertible debenture was repaid 30 June 2020.

## ► STATEMENT OF OTHER COMPREHENSIVE INCOME IN SUMMARY

(SEK millions)	3 MONTHS JUL-SEP 2020	3 MONTHS JUL-SEP 2019	9 MONTHS JAN-SEP 2020	9 MONTHS JAN-SEP 2019	ROLLING 12 MONTHS OCT-SEP 2019/2020	FULL-YEAR JAN-DEC 2019
<b>Net profit for the period</b>	<b>33</b>	<b>22</b>	<b>55</b>	<b>178</b>	<b>-3</b>	<b>120</b>
<b>Other comprehensive income:</b>						
<b>Items that will not be reclassified to the income statement</b>						
Revaluation of defined-benefit pension commitments	-	-	-	-	-6	-6
Tax relating to items not to be reclassified	-	-	-	-	1	1
	-	-	-	-	-5	-5
<b>Items that may be reclassified to the income statement</b>						
Translation differences	-23	25	-66	84	-102	48
Hedging of net investments, net	1	-2	2	-6	6	-2
Cash flow hedges, net	-1	-7	-8	-28	8	-12
Tax on items that may be reclassified	0	2	1	7	-3	3
	-23	18	-71	57	-91	37
<b>Total other comprehensive income after tax</b>	<b>-23</b>	<b>18</b>	<b>-71</b>	<b>57</b>	<b>-96</b>	<b>32</b>
<b>Comprehensive income for the period</b>	<b>10</b>	<b>40</b>	<b>-16</b>	<b>235</b>	<b>-99</b>	<b>152</b>
Comprehensive income for the period attributable to:						
Parent Company shareholders	9	38	-14	229	-93	150
Non-controlling interests	1	2	-2	6	-6	2



## ► STATEMENT OF FINANCIAL POSITION IN SUMMARY

(SEK millions)	2020 30-SEP	2019 30-SEP	2019 31-DEC
<b>Assets</b>			
<b>Non-current assets</b>			
<i>Intangible assets</i>			
Goodwill	1,666	1,699	1,669
Other intangible assets	153	170	168
	1,819	1,869	1,837
Property, plant and equipment	1,467	1,606	1,606
Deferred tax assets	105	103	107
Financial non-current assets	22	23	23
<b>Total non-current assets</b>	<b>3,413</b>	<b>3,601</b>	<b>3,573</b>
<b>Current assets</b>			
Inventory	888	1,041	926
Current receivables	950	1,342	1,095
Cash and cash equivalents	498	296	302
<b>Total current assets</b>	<b>2,336</b>	<b>2,679</b>	<b>2,323</b>
<b>TOTAL ASSETS</b>	<b>5,749</b>	<b>6,280</b>	<b>5,896</b>
<b>Equity and liabilities</b>			
Equity attributable to Parent Company's shareholders	1,734	1,827	1,748
Non-controlling interests	126	132	128
Deferred tax liabilities	43	46	48
Other non-current liabilities	1,418	2,011	1,989
Current liabilities, note 3	2,428	2,264	1,983
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>5,749</b>	<b>6,280</b>	<b>5,896</b>
Interest-bearing net debt amounts to	2,082	2,689	2,509
of which convertible debenture loans are included at	-	164	165
Net debt excluding lease liability	1,378	1,951	1,746

## ► SUMMARY OF STATEMENT OF CHANGES IN EQUITY

(SEK millions)	Share capital	Other contributed capital	Other reserves <sup>*</sup>	Profit brought forward	Attributable to Parent Company's shareholders	Related to holdings without controlling influence	Total equity
<b>SHAREHOLDERS' EQUITY 1 JANUARY 2019</b>	<b>43</b>	<b>315</b>	<b>9</b>	<b>1,231</b>	<b>1,598</b>	<b>128</b>	<b>1,726</b>
Net profit for the period				178	178	0	178
Other comprehensive income			51	0	51	6	57
<b>COMPREHENSIVE INCOME JANUARY-SEPTEMBER 2019</b>			<b>51</b>	<b>178</b>	<b>229</b>	<b>6</b>	<b>235</b>
Acquisition of non-controlling interests, Note 1				0	0	-2	-2
<b>SHAREHOLDERS' EQUITY 30 SEPTEMBER 2019</b>	<b>43</b>	<b>315</b>	<b>60</b>	<b>1,409</b>	<b>1,827</b>	<b>132</b>	<b>1,959</b>
Net profit for the period				-58	-58	0	-58
Other comprehensive income			-16	-5	-21	-4	-25
<b>COMPREHENSIVE INCOME OCTOBER-DECEMBER 2019</b>			<b>-16</b>	<b>-63</b>	<b>-79</b>	<b>-4</b>	<b>-83</b>
<b>SHAREHOLDERS' EQUITY 31 DECEMBER 2019</b>	<b>43</b>	<b>315</b>	<b>44</b>	<b>1,346</b>	<b>1,748</b>	<b>128</b>	<b>1,876</b>
Net profit for the period				55	55	0	55
Other comprehensive income			-69	0	-69	-2	-71
<b>COMPREHENSIVE INCOME JANUARY-SEPTEMBER 2020</b>			<b>-69</b>	<b>55</b>	<b>-14</b>	<b>-2</b>	<b>-16</b>
Effect of repayment convertible debenture loan KV5B		-11		11	0		0
<b>SHAREHOLDERS' EQUITY 30 SEPTEMBER 2020</b>	<b>43</b>	<b>304</b>	<b>-25</b>	<b>1,412</b>	<b>1,734</b>	<b>126</b>	<b>1,860</b>

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

## ► STATEMENT OF CASH FLOWS IN SUMMARY

	3 MONTHS JUL-SEP 2020	3 MONTHS JUL-SEP 2019	9 MONTHS JAN-SEP 2020	9 MONTHS JAN-SEP 2019	ROLLING 12 MONTHS OCT-SEP 2019/2020	FULL-YEAR JAN-DEC 2019
(SEK millions)						
<b>Operating profit</b>	<b>83</b>	<b>45</b>	<b>158</b>	<b>296</b>	<b>119</b>	<b>257</b>
Paid and received interest, tax and adjustments for items not included in the cash flow.	42	14	139	-51	218	28
<b>Cash flow from operating activities before changes in working capital</b>	<b>125</b>	<b>59</b>	<b>297</b>	<b>245</b>	<b>337</b>	<b>285</b>
<b>Changes in working capital</b>						
Changes in inventories	-6	-46	15	15	90	90
Changes in operating receivables	-81	24	57	-85	305	163
Changes in operating liabilities	90	-20	142	65	17	-60
<b>Cash flow from operating activities</b>	<b>128</b>	<b>17</b>	<b>511</b>	<b>240</b>	<b>749</b>	<b>478</b>
<b>Investing activities</b>						
Acquisition of companies and operations, Note 1	0	-18	0	23	4	27
Disposal properties	-	-	-	141	-	141
Other sales / investments	-12	-26	-39	-104	-69	-134
<b>Cash flow after investing activities</b>	<b>116</b>	<b>-27</b>	<b>472</b>	<b>300</b>	<b>684</b>	<b>512</b>
<b>Financing activities</b>						
Amortised convertible loan KV5B	-	-	-168	-	-168	-
Cash flow from other financing activities	159	-53	-93	-294	-288	-489
<b>Cash flow for the period</b>	<b>275</b>	<b>-80</b>	<b>211</b>	<b>6</b>	<b>228</b>	<b>23</b>
Cash and cash equivalents at the start of the period	230	368	302	271	296	271
Translation differences on cash and cash equivalents	-7	8	-15	19	-26	8
<b>Cash and cash equivalents at the end of the period</b>	<b>498</b>	<b>296</b>	<b>498</b>	<b>296</b>	<b>498</b>	<b>302</b>
Cash flow from operating activities per share, SEK	1.26	0.17	5.00	2.34	7.34	4.68
<sup>1)</sup> Cash flow from operating activities excluding effect of IFRS16 leasing.	107	-11	419	160	612	353

## ► KEY RATIOS

	3 MONTHS JUL-SEP 2020	3 MONTHS JUL-SEP 2019	9 MONTHS JAN-SEP 2020	9 MONTHS JAN-SEP 2019	ROLLING 12 MONTHS OCT-SEP 2019/2020	FULL-YEAR JAN-DEC 2019
EBITDA, SEK	145	111	355	488	399	532
Operating margin, %	6.6	3.2	4.1	6.5	2.2	4.2
Profit margin, %	4.1	2.1	2.2	5.2	0.4	2.9
Share price at the end of the period, SEK	13.56	23.75	13.56	23.75	13.56	16.82
Earnings per share before dilution, SEK	0.30	0.22	0.53	1.74	-0.04	1.17
Earnings per share after dilution, SEK	0.30	0.22	0.53	1.73	-0.03	1.17
Cash flow from operating activities per share, SEK	1.26	0.17	5.00	2.34	7.34	4.68
Number of shares at the end of the period, SEK	102,383,430	102,383,430	102,383,430	102,383,430	102,383,430	102,383,430
Balance sheet total, SEK millions	5,749	6,280	5,749	6,280	5,749	5,896
Interest-bearing net debt, SEK millions	2,082	2,689	2,082	2,689	2,082	2,509
Interest-bearing net debt excl. lease liability, SEK millions	1,378	1,951	1,378	1,951	1,378	1,746
Equity related to the Parent Company's shareholders, SEK millions	1,734	1,827	1,734	1,827	1,734	1,748
Equity per share, SEK	16.94	17.84	16.94	17.84	16.94	17.07
Equity/assets ratio, %	32.4	31.2	32.4	31.2	32.4	31.8
Share of risk-bearing capital, %	33.1	34.5	33.1	34.5	33.1	35.4
Return on equity p.a., %	7.3	5.0	4.2	13.7	-0.2	6.9
Return on capital employed p.a., %	7.7	4.0	4.8	8.3	2.7	5.4
Return on total capital p.a., %	6.0	3.1	3.8	6.5	2.1	4.3
Interest-coverage ratio, multiple	2.6	2.5	2.1	4.6	1.2	2.9
Net investments/divestments, SEK millions	12	44	39	-60	65	-34
Net investments/divestments, (excl. business acquisitions), SEK millions	12	26	39	-37	69	-7
Average no. employees, no.	3,007	3,277	3,071	3,291	3,137	3,247

## ► QUARTERLY INCOME STATEMENTS AND KEY RATIOS

(SEK millions)	2020 JUL-SEP	2019 JUL-SEP	2020 APR-JUN	2019 APR-JUN	2020 JAN-MAR	2019 JAN-MAR	2019 OCT-DEC	2018 OCT-DEC
Net Sales	1,258	1,413	1,142	1,531	1,416	1,603	1,517	1,521
Costs of goods sold	-888	-1,029	-809	-1,119	-1,027	-1,138	-1,155	-1,186
<b>Gross Profit</b>	<b>370</b>	<b>384</b>	<b>333</b>	<b>412</b>	<b>389</b>	<b>465</b>	<b>362</b>	<b>335</b>
Selling expenses	-225	-278	-230	-290	-279	-289	-326	-297
Administrating expenses	-63	-65	-67	-74	-73	-72	-75	-66
Other operating income and expenses	1	4	-2	45	4	54	0	21
<b>Operating profit</b>	<b>83</b>	<b>45</b>	<b>34</b>	<b>93</b>	<b>41</b>	<b>158</b>	<b>-39</b>	<b>-7</b>
Financial items	-32	-16	-27	-21	-14	-22	-24	-21
<b>Profit after financial items</b>	<b>51</b>	<b>29</b>	<b>7</b>	<b>72</b>	<b>27</b>	<b>136</b>	<b>-63</b>	<b>-28</b>
Tax expenses	-18	-7	-3	-18	-9	-34	5	-11
<b>NET PROFIT FOR THE PERIOD</b>	<b>33</b>	<b>22</b>	<b>4</b>	<b>54</b>	<b>18</b>	<b>102</b>	<b>-58</b>	<b>-39</b>
Net Profit for the period related to:								
Parent Company shareholders	32	22	3	54	20	102	-58	-39
Non-controlling interests	1	0	1	0	-2	0	0	0
Operating margin, %	6.6	3.2	3.0	6.0	2.9	9.9	neg	neg
Earnings per share before dilution, SEK	0.30	0.22	0.04	0.52	0.19	1.00	-0.57	-0.38
Earnings per share after dilution, SEK	0.30	0.22	0.04	0.52	0.19	0.99	-0.56	-0.38
Return on equity, %	7.3	5.0	0.8	12.1	4.4	24.6	neg	neg
Equity per share, SEK	16.94	17.84	16.84	17.47	17.47	16.93	17.07	15.61
Cash flow from operating activities per share, SEK	1.26	0.17	2.51	0.59	1.23	1.58	2.34	2.17
Share price on closing day, SEK	13.56	23.75	11.30	29.20	7.87	20.25	16.82	15.00

## ► INCOME STATEMENT IN SUMMARY

(SEK millions)	3 MONTHS JUL-SEP 2020	3 MONTHS JUL-SEP 2019	9 MONTHS JAN-SEP 2020	9 MONTHS JAN-SEP 2019	FULL YEAR JAN-DEC 2019
Net sales <sup>1)</sup>	42	38	114	117	166
Costs of goods sold	-4	-4	-12	-12	-15
<b>Gross Profit</b>	<b>38</b>	<b>34</b>	<b>102</b>	<b>105</b>	<b>151</b>
Selling expenses	-10	-14	-31	-42	-56
Administrating expenses	-9	-11	-34	-34	-45
Other operating income and expenses	1	0	-2	4	2
<b>Operating profit</b>	<b>20</b>	<b>9</b>	<b>35</b>	<b>33</b>	<b>52</b>
Result from participations in Group companies	-7	72	37	198	146
Financial income and expenses	-16	-17	-19	-80	-64
<b>Profit after financial items</b>	<b>-3</b>	<b>64</b>	<b>53</b>	<b>151</b>	<b>134</b>
Year-end appropriations	-	-	-	-	-7
<b>Profit before tax</b>	<b>-3</b>	<b>64</b>	<b>53</b>	<b>151</b>	<b>127</b>
Tax expenses for the period	-	-	-	-	-1
<b>NET PROFIT FOR THE PERIOD</b>	<b>-3</b>	<b>64</b>	<b>53</b>	<b>151</b>	<b>126</b>

## STATEMENT OF OTHER COMPREHENSIVE INCOME

Net profit for the period	-3	64	53	151	126
Other comprehensive income	-	-	-	-	-
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>-3</b>	<b>64</b>	<b>53</b>	<b>151</b>	<b>126</b>

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

## ► BALANCE SHEET IN SUMMARY

(SEK millions)	2020 30-SEP	2019 30-SEP	2019 31-DEC
<b>Non-current assets</b>			
Property, plant and equipment	7	8	8
Financial non-current assets	2,114	2,121	2,135
Deferred tax assets	31	33	31
<b>Total non-current assets</b>	<b>2,152</b>	<b>2,162</b>	<b>2,174</b>
<b>Current assets</b>			
Current receivables	477	1,077	934
Cash and bank balance	264	0	0
<b>Total current assets</b>	<b>741</b>	<b>1,077</b>	<b>934</b>
<b>TOTAL ASSETS</b>	<b>2,893</b>	<b>3,239</b>	<b>3,108</b>
<b>Shareholders' Equity</b>			
Restricted equity	50	50	50
Non-restricted equity	1,075	1,047	1,022
<b>Total equity</b>	<b>1,125</b>	<b>1,097</b>	<b>1,072</b>
Non-current liabilities	704	1,262	1,260
Current liabilities, note 3	1,064	880	776
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,893</b>	<b>3,239</b>	<b>3,108</b>



## Note 1

### Acquisition 2020

ITAB Shop Concept AB's (publ) Italian subsidiary ITAB La Fortezza s.p.a. ("ITAB") has on October 8th, 2020 entered into an agreement with Cefla soc. coop. ("Cefla") to acquire 81% of Cefla's retail solutions business unit. The business unit will be carved-out of Cefla's existing structure and transferred to a newly established Italian limited liability company. ITAB has the right to acquire Cefla's minority stake held in said company after 3 years from the transaction's completion date. Cefla's retail solutions business unit primarily offers interior design and checkout solutions to its customers, who are predominantly located in southern Europe and within the grocery sector. Through the acquisition and collaboration with Cefla, ITAB strengthens its leading position in southern Europe and creates opportunities to offer ITAB's solutions to a wider customer base. The positive EBITDA effect in 2021 on ITAB is estimated to at least 30 MSEK and the transaction will create opportunities for further synergy effects the coming years. The acquisition of 81% of the newly established Italian limited liability company has been approved by both companies' board of directors as well as from Cefla's shareholders meeting. The acquisition is subject to customary terms and conditions and transaction is expected to be completed by the end of 2020 and consolidated from 1 January 2021.

### Acquisition 2019

Acquisitions and divestment have affected 2019's net investment by a total of SEK 27 million. The 2019 net investments include paid additional purchase sum from the acquisition of the subsidiary Pulverlacken in Hillerstorp AB in Sweden and Reklamepartner A / S in Norway from previous years' acquisitions of SEK 1 million.

### Acquisition of associated companies

In July 2019, ITAB acquired a 30 percent stake in Ombori Apps AB to a purchase price of SEK 15 million. Ombori has developed a platform that provides opportunities for interaction between a digital store and the consumer and can be quickly adapted for different applications in the store. With Ombori as a long-term strategic partner, ITAB, in combination with other products and services, can continue to design and deliver unique stores with unique customer experiences. During 2018, Ombori Apps AB had

sales of approximately SEK 7 million. Holdings in Ombori are managed as associated companies according to the equity method and are initially valued at cost. ITAB's reported value of the holding includes intangible assets and goodwill identified at the acquisition. Ombori conducts similar operations as the Group in general and the share of profit, including depreciation of surplus values, will therefore be reported in operating profit. Cash flow during the third quarter of 2019 was affected by the purchase price SEK 15 million.

### Acquisition of shares without controlling influence in 2019

In July 2019, the remaining 10% of the jointly owned company La Fortezza Asia SDN was acquired through subsidiaries. BHD. (Malaysia). The purchase price was SEK 2 million. For acquisitions, the unit view is applied, which means that all assets and liabilities, as well as income and expenses, are included in their entirety even for partly owned subsidiaries at the first acquisition, so no further goodwill is linked to the acquisition. The difference between valued holdings without controlling influence prior to acquisition and purchase price is reported directly in equity attributable to the Parent Company's shareholders (SEK 0m). Cash flow during the third quarter of 2019 was affected by the purchase price of SEK 2 million.

### Repayment of purchase price for the D. Lindner companies

In July 2017, through subsidiaries, ITAB acquired the companies D&L Lichtplanung GmbH and D. Lindner Lichttechnische Grosshandlung GmbH, which have their registered offices in Menden, Germany. During February 2019, part of the purchase price was repaid, with ITAB receiving EUR 4 million as a result of shortcomings in vendor guarantees in the purchase agreement. The cash flow and operating profit have consequently been positively impacted by approximately SEK 42 million during the first quarter.

### Divestment 2019

#### Divestment of subsidiary

In October 2019, ITAB, through subsidiaries, sold 100 percent of the shares in the property company Projektfinans in Hillerstorp AB to a purchase price of SEK 3 million. Sales have affected operating profit by SEK 2 million and cash flow during the fourth quarter of 2019 was affected by the purchase price SEK 3 million.

## Note 2

### Income from agreements with customers divided by customer group and geographic market

Revenue recognition takes place when the Group satisfies a performance commitment by transferring promised goods and the customer gains control of the asset. This normally takes place on delivery in accordance with applicable delivery terms. In the event of concept sales where a service assignment is included, revenue recognition for the projects takes place over time. The projects are primarily short-term projects.

	3 MONTHS JUL-SEP 2020	3 MONTHS JUL-SEP 2019	9 MONTHS JAN-SEP 2020	9 MONTHS JAN-SEP 2019	FULL-YEAR JAN-DEC 2019
<b>Sales per customer group<sup>1)</sup></b>					
Grocery	736	748	2,170	2,253	3,053
Home improvements	167	175	549	697	913
Fashion	81	207	330	660	824
Other customer categories	274	283	767	937	1,274
	<b>1,258</b>	<b>1,413</b>	<b>3,816</b>	<b>4,547</b>	<b>6,064</b>

<sup>1)</sup> The customer groups are divided up according to the sectors within which the customers operate. Almost half of Other customer categories are made up of consumer electronics, pharmacies and health/beauty.

	3 MONTHS JUL-SEP 2020	3 MONTHS JUL-SEP 2019	9 MONTHS JAN-SEP 2020	9 MONTHS JAN-SEP 2019	FULL-YEAR JAN-DEC 2019
<b>Sales per geographic area<sup>2)</sup></b>					
Northern Europe	330	357	1,086	1,242	1,635
UK & Ireland	273	281	744	827	1,145
Central Europe	254	242	722	765	1,008
Southern Europe	190	233	572	760	1,002
Eastern Europe	111	139	390	507	701
Rest of the world	100	161	302	446	573
	<b>1,258</b>	<b>1,413</b>	<b>3,816</b>	<b>4,547</b>	<b>6,064</b>

<sup>2)</sup> Northern Europe consists of the Nordic countries. Central Europe's largest markets are Germany, the Netherlands and the Czech Republic. Southern Europe mainly comprises Italy, France and Spain. Eastern Europe's largest markets are Russia, the Baltic States and Poland. The USA, Australia, China and Argentina make up almost half the market for Rest of the world.

## Note 3

### Shareholder loan

Short-term shareholder loan is included in Current liabilities to Pomona-gruppen AB (controlled by board member Fredrik Rapp), VIEM Invest AB (controlled by board member Anna Benjamin) and Övre Kullen AB (controlled by board member Petter Fägersten). The loans equals a total of SEK 140 million and has been approved at the Extraordinary General Meeting on 22 July 2020.

## Note 4

### Pledged assets and contingent liabilities

With regard to pledged assets and contingent liabilities, please refer to the Group's most recent annual accounts, as there have been no other major changes during the year.

# ABOUT ITAB

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

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

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

ITAB has operations in some 30 countries and has 18 production facilities in Europe, China and Argentina. ITAB also has a network of partners across large parts of Europe. Working in close collaboration with the customer, ITAB contributes its experience and expertise to the customer's specific needs and requests.



## ► ALL-INCLUSIVE OFFER

ITAB works according to a model that entails the assumption of responsibility for the entire process – from initial idea to turnkey concept. ITAB is working to develop and improve the environment for chain-based customers, with the aim of creating a better experience for the consumer as well as improving efficiency.

## ► CHECKING IN AND OUT

Guidance & Checkout relate to solutions that are associated with checking in and checkout out in the shop. The correct mix of more efficient systems and functions delivers higher throughput and better choice and service for the consumer. ITAB develops entry and exit systems, checkouts and self-checkout solutions for retail chains.

## ► LIGHTING

Lighting systems have become an increasingly central part of the shop concept. During refurbishments and new construction, energy efficiency is becoming increasingly important. ITAB develops, manufactures and sells complete professional lighting systems, light planning and light services for the food and non-food sectors.



## Review report

ITAB Shop Concept AB (publ), corporate identity number 556292-1089

To the Board of Directors of ITAB Shop Concept AB (publ)

### Introduction

We have reviewed the condensed interim report for ITAB Shop Concept AB (publ) as at September 30, 2020 and for the nine months period then ended. The Board of Directors and the Managing Director 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 of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 Review of Interim Financial Statements Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden.

The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

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

Jönköping, October 27, 2020  
Ernst & Young AB

Joakim Falck  
Authorized Public Accountant



### For further information:

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## SHARE INFORMATION

<b>Listing</b>	<b>Sector classification</b>
Nasdaq Stockholm Mid Cap list	Industrial Goods & Services
<b>Ticker symbol</b>	<b>ISIN-code</b>
ITAB B	SE0008375117
<b>Trading lot</b>	<b>Share price on closing day</b>
1 share	SEK 13,56 kr (11,30)

## FINANCIAL INFORMATION

Year-end report 2020

February 9, 2021

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

This information is such information that ITAB Shop Concept AB (publ) is obliged to make public under the EU's Market Abuse Regulation. The information was submitted for publication at **1 pm October 27, 2020**.