



YEAR-END REPORT

JANUARY - DECEMBER 2019

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- ▶ Net sales increased 1 % to SEK 6 064 million (6 031)
- ▶ Operating profit amounted to SEK 257 million (230)
- ▶ Profit after financial items amounted to SEK 174 million (157)
- ▶ Profit after tax amounted to SEK 120 million (97)
- ▶ Earnings per share amounted to SEK 1,17 (0,88)
- ▶ Cash flow from operating activities amounted to SEK 353 million (500)

▶ Net debt incl. lease liability amounted to SEK 1 755 million (2 104) excl. effects by IFRS 16 Leases SEK 2 509 million incl. lease liability.
2019 has been affected by IFRS 16 Leases. For further information, see page 5, as well as Note 1 on page 11.

IMPORTANT EVENTS JANUARY - DECEMBER 2019

- ▶ Andréas Elgaard took up the position as CEO and President of ITAB, September 1st.
- ▶ Agreements signed, among others, with Circle K, Megamark Group and leading German retail chain.
- ▶ 30 % of Ombori Apps AB was acquired in July.
- ▶ Repayment of the purchase sum in respect of the acquisition of the D. Lindner companies had in Q1 a positive impact on the Group's profit after financial items amounting to SEK 42 million.
- ▶ Properties in Sweden and the UK have been sold, which affected earnings after financial items by SEK 42 million in Q2 and by SEK 2 million in Q4.
- ▶ Restructuring costs have affected earnings after financial items by SEK -70 million (-3m in Q1, -6m in Q2, -13m in Q3, -48m i Q4).
- ▶ In September ITAB signed a new five-year credit agreement of EUR 200 million with Nordea.
- ▶ After year-end ITAB has introduced a new Group structure and extended Group Management. A new CFO and a new COO has been assigned.

Q4 (OCTOBER - DECEMBER)

- ▶ Net sales decreased to SEK 1 517 million (1 521)
- ▶ Operating profit amounted to SEK -39 million (-7)
- ▶ Profit after financial items amounted to SEK -63 million (-28)
- ▶ Profit after tax amounted to SEK -58 million (-39)
- ▶ Earnings per share amounted to SEK -0,57 (-0,38)
- ▶ Cash flow from operating activities amounted to SEK 193 million (223)



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Polestar's first-ever Spaces open in close collaboration with ITAB. For further information see page 15.

A WORD FROM CEO ANDRÉAS ELGAARD

During my initial period at ITAB, my focus has been to understand the market, get to know the company and evaluate the current strategy and business model. My conclusion is that our main challenge is not growth or size; our challenge is to be effective with acceptable profitability in the current market dynamics. The market is characterized by shorter-term planning and reduced order values, as well as greater need for flexibility and short lead times. It places higher demands on the whole value chain, from the sales process to purchasing, production and delivery, something on which we'll be placing greater focus in the future.

Following the change in behavior of our customers in recent years, it is clear that we at ITAB need to consolidate our operations and place broad focus on driving synergies and internal efficiency.



OUR DEVELOPMENT

The operating profit for 2019 is in line with the previous year, whilst the fourth quarter is less good. We see a distinct trend in long-term customer programs being replaced by lower-volume projects, demanding changes in our ways of working in order to maintain cost-effectiveness. At the same time, shopfitting prices are under pressure in most of our markets. ITAB has a competitive advantage in a varied portfolio with a complete offer of products and services, which eases the pressure from a demanding market climate.

This year's results are weighed down by having added considerable resources to our work on new customers and markets, whilst the United Kingdom – one of our key markets – has faced the distinct impact of the current political uncertainty. Further, the establishment of a new production facility in China has placed stress on the results through moving and startup costs as well as doubled factory costs during the establishment period.

The growth and streamlining programme, launched in 2018 and progressed during 2019, has been completed, but with a weaker than expected net impact. The reason for this is that the growth section of the program and its associated investments failed to give the expected impact. The program has therefore been reappraised ahead of 2020. Towards the end of the year, we started work on further activities relating to the downsizing of our organization, and have begun restructuring parts of our value chain. The direct restructuring costs in 2019 totalled MSEK 70.

During 2019, company turnover increased by 1 percent on the previous year, while the currency-adjusted turnover fell by 1 percent. Northern Europe weakened, Southern and Eastern Europe and the UK grew slightly, while other markets saw sales comparable to the previous year. At the customer group level, sales increased by 5 percent on the previous year for Convenience

goods, our largest customer group. Construction and Home Furnishings shrank by 13 percent and Fashion by 12 percent. Other customer categories grew by 11 percent, mainly within gas stations, cafés and restaurants.

Our work to free up capital has resulted in lower capital ties during 2019, mainly by focusing on reduction of working capital, but also through sale of real estate. In doing so, stronger cashflow was achieved, meaning net liability is lower than the previous year. This work will continue to be important during 2020. To further strengthen the balance sheet, the Board recommends issuing no dividend for 2019.

OUTLOOK

For many years we've grown through acquisitions, but we haven't fully consolidated all of these into one combined and effective entity. Since acquisitions have proven such a successful model, it's only in hindsight that we see how consolidation work should've begun earlier. We must improve how we take advantage of economies of scale, and implement connected ways of working to better leverage our capabilities. This work lies ahead, and will set the tone for 2020-22, as well as for our financial goals.

Growth and acquisitions won't be featuring heavily in the coming years, rather consolidation, focus on profitability, and transformation. We'll be working on our structures, our ways of working, and our approach to how we meet the market: a transformation of our market position, our offer, our competence and our industrial capacity. This ongoing strategic work can also impact the valuation of certain balance sheet items.

Our work towards a new strategy and transformation plan goes by the name of One ITAB. The strategy will be our guiding star in the coming years, and will govern the direction and speed of travel for our journey to becoming a modern, cost-effective and even more

strongly positioned ITAB. A new organizational structure has been launched to support ITAB's transformation, and as part of this, a new and extended executive board has also been appointed. We already have a unique market position that we can build upon and strengthen further through more consistent implementation across all markets. We're now in the final phase of our strategy work, and my intention is to present this externally in the spring. I'm convinced that there is real potential for market growth in the long term, however the current market climate and our transformational work both mean we cannot expect significant improvements in our key figures during 2020.

Jönköping, February 6, 2020

A stylized, handwritten signature in black ink, consisting of several loops and a long horizontal stroke.

Andréas Elgaard,
CEO & President
ITAB Shop Concept AB

2019 IN BRIEF

SUMMARY 2019

- ▶ Net sales increased 1 % to SEK 6 064 million (6 031)
- ▶ Operating profit increased by 12 % to SEK 257 million (230)
- ▶ Profit after financial items increased by 11 % to SEK 174 million (157)
- ▶ Earnings per share increased by 33 % to SEK 1,17 kr (0,88)

Engångsposter Q1-Q4 2019, SEK million:

Structuring costs	-70
Repayment of purchase price D Lindner-companies	42
Sale of property	44
Total non-recurring items Q1-Q4 2019	16

Non-recurring items Q1-Q4 2018, SEK million:

Structuring costs	-63
Negotiations, additional purchase sum, D. Lidner companies	20
Sale of property and structuring work, Belgium	15
Final negotiations, additional purchase sum La Fortezza	14
Total non-recurring items Q1-Q4 2018	-14

SUMMARY Q4

- ▶ Net sales amounted to SEK 1 517 million (1 521)
- ▶ Operating profit amounted to SEK -39 million (-7)
- ▶ Profit after financial items amounted to SEK -63 million (-28)
- ▶ Earnings per share amounted to SEK -0,57 (-0,38)

Non-recurring items Q4 2019, SEK million:

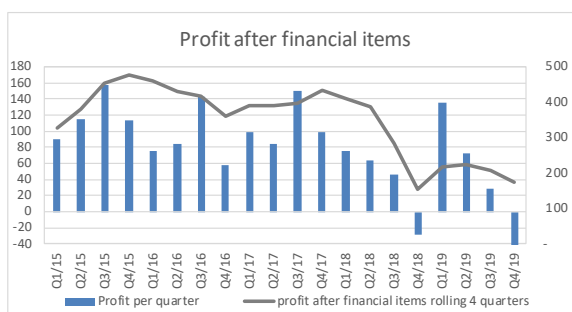
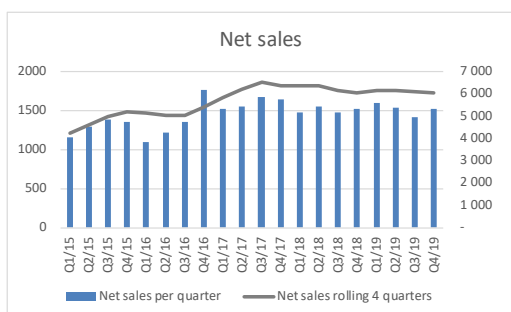
Structuring costs	-48
Sale of property	2
Total non-recurring items Q4 2019	-46

Non-recurring items Q4 2018, SEK million:

Structuring costs	-63
Negotiations, additional purchase sum, D. Lidner companies	20
Total non-recurring items Q4 2018	-43

IMPORTANT EVENTS

- ▶ In April, ITAB signed an agreement with the Italian grocery chain Megamark Group for the Checkout system ScanMate, also including complementary Checkout products. In June, ITAB was elected to deliver self-checkout solutions to a leading German retail chain with roll-out in 2019. At the end of the period, ITAB signed a three-year agreement with Circle K, one of Northern Europe's major players in fuel stations.
- ▶ In Q1, ITAB received a refund of the purchase price for the acquisition of the D Lindner companies, which had a positive impact on earnings of SEK 42 million.
- ▶ ITAB divested properties in Sweden and the UK. The transactions entailed capital gains of SEK 42 million in Q2 and SEK 2 million in Q4.
- ▶ 30 % of Ombori Apps AB was acquired in July.
- ▶ Andréas Elgaard took up the position as CEO and President of ITAB, September 1st.
- ▶ In September ITAB signed a new credit agreement of 200 mEUR with Nordea.
- ▶ ITAB has, of February 1st 2020 extended Group Management to 10 people. The purpose is to support ITABs transformation and simplify the organisations common ways of working.
- ▶ As new CFO Ulrika Bergmo Sköld has been assigned. Ulrika starts at the latest July 8th 2020.
- ▶ As new COO Jesper Blomquist has been assigned. Jesper starts no later than April 30th 2020.



ITAB GROUP IN FIGURES

	3 MONTHS OCT-DEC 2019	3 MONTHS OCT-DEC 2018	FULL-YEAR JAN-DEC 2019	FULL-YEAR JAN-DEC 2018
Net sales, SEK m	1 517	1 521	6 064	6 031
Operating profit, SEK m*	-39	-7	257	230
Operating margin, %	neg.	neg.	4,2	3,8
Profit after net financial items, SEK m*	-63	-28	174	157
Profit margin, %	neg.	neg.	2,9	2,6
Net profit, SEK m	-58	-39	120	97
Earnings per share, SEK	-0,57	-0,38	1,17	0,88
Equity per share, SEK	17,07	15,61	17,07	15,61
Return on equity, %	neg.	neg.	6,9	5,4
Share of risk-bearing capital, %	35,4	36,2	35,4	36,2
Cash flow from operating activities, SEK m	193	223	353	500
Average number of employees	3 241	3 329	3 247	3 384

2019 has been affected by IFRS 16 Leases. According to the simplified transition method, the comparative figures have not been recalculated. For further information, see page 5, as well as Note 1 on page 11.

2019, the profit after financial items was affected by a net effect of SEK 14 million regarding final settlement acquisition purchase consideration D Lindner companies (SEK 42 million in Q1), capital gains on property sales (SEK 42 million in Q2, SEK 2 million in Q4) and restructuring costs for the growth and efficiency program (SEK -3 million in Q1, SEK -6 million in Q2 and -13 million in Q3 and -48 million in Q4). During the comparative period, the profit after financial items were in Q1 2018 affected by a net effect of MSEK 15 on property sales and structuring in Belgium. During Q2 2018, final negotiations have been made regarding the additional purchase price of La Fortezza, which had an impact of SEK 14 million on the profit after financial items. During Q4, negotiations have been held regarding the additional purchase price of the D Lindner companies, which affected the profit after financial items by SEK 20 million. In Q4, the profit after financial items were charged with SEK -63 million relating to restructuring costs for the growth and efficiency program.

DEVELOPMENT IN 2019

JANUARY-DECEMBER

Net sales

Full year

The Group's net sales increased by 1 percent to MSEK 6,064 (6,031). Currency-adjusted sales fell by 1 percent. Sales rose somewhat in Southern Europe, Eastern Europe and Great Britain, and decreased in Northern Europe. Other geographies reported sales in parity with the preceding year. Sales per geography are presented in note 3.

Fourth quarter

The group's net sales amounted to MSEK 1,517 (1,521). Currency-adjusted sales fell by 1 percent. Sales went up in Southern Europe, Eastern Europe and Great Britain, and went down in other geographies compared to the preceding year.

Result

Full year

Operating results increased by 12 percent to MSEK 257 (230). Result after financial items increased by 11 percent to MSEK 174 (157).

The result was positively impacted by an MSEK 42 repayment of the purchase price related to the acquisition of lighting companies D&L Lichtplanung and D Lindner (resulting from the seller's failure to live up to guarantees made in the purchase agreement). The result was further lifted by profits amounting to MSEK 44 from the sale of properties.

Restructuring costs amounting to MSEK 70 has impacted the 2019 result. These costs are attributable to the growth and streamlining programme that was launched in the preceding year, and also follow from decisions regarding write off of assets, organizational changes and reductions in staff which aim to adapt the group to its future direction.

Fourth quarter

The operating result decreased to MSEK -39 (-7). Result after financial items fell to MSEK -63 (-28). The result was negatively impacted by restructuring costs to the amount of MSEK 48, mostly attributable to the write off of assets, organizational changes and reductions in staff which aim to adapt the group to its future direction. The result was further lifted by profits amounting to MSEK 2 from the sale of properties.

Financial position

IFRS 16, the new financial reporting standard for leases, has affected the net debt with an additional MSEK 754. The net debt excluding the impact of

IFRS 16 decreased to MSEK 1,755 (2,104). The net debt including the lease liabilities according to IFRS 16 amounted to MSEK 2,509. The impact of the transition to the new lease standard IFRS 16 on the balance sheet, income statement and indicators is presented in note 1.

The Group's cash and cash equivalents, including undrawn committed credit facilities, amounted to MSEK 993 (860) on the balance sheet date. Solidity amounted to 32 percent (32).

The share of risk-bearing capital was 35 percent (36). IFRS 16 adversely affected both of these indicators by approximately 5 percentage points.

In September, ITAB entered into a new five-year banking agreement with Nordea. The agreement is a "Senior Facility Agreement" to the amount of EUR 200 million, extending over three years with an option to extend for one plus one year more.

Investments

Full year

The Group's net investments amounted to MSEK -34 (242), MSEK -141 (-51) of which can be attributed to properties and MSEK -27 (142) to corporate transactions. A rental agreement for the sold properties has been concluded, and is recognized on the balance sheet to the value of MSEK 83, in accordance with IFRS 16.

Fourth quarter

The Group's net investments amounted to MSEK 26 (31), MSEK 0 (0) of which can be attributed to properties and MSEK -4 (0) to corporate transactions during the period.

For more information about corporate transactions, see Note 1 on page 11.

Staff

The average number of full-time equivalent employees amounted to 3 247 (3 384) for the period, and to 3 241 for the fourth quarter (3 329).

Parent company

The parent company ITAB Shop Concept AB's activities principally comprise Group-wide functions. The parent company's net sales amounted to MSEK 166 (48) for the year 2019 as a whole, and to MSEK 49 (0) for the fourth quarter (referring to income from subsidiaries). The result after financial items amounted to MSEK 134 (128) for the interim period, which includes dividends from subsidiaries to the amount of MSEK 221 (370) as well as impairment of shares and receivables from subsidiaries to an amount of MSEK 75 (99) in connection with the

restructuring operations that are being carried out.

The result after financial items amounted to MSEK -17 (-122) for the fourth quarter. This includes impairment of shares and receivables from subsidiaries totalling MSEK 52 (98) in connection with the restructuring operations that are being carried out.

OTHER DISCLOSURES

Risks and uncertainties

The Group's significant risks and uncertainties include business risks, financial risks and sustainability risks.

The Group's significant financial risks are discussed at depth in Note 4 on page 70 of the 2018 Annual Report.

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 summarized on page 55 of the 2018 Annual Report. Sustainability risks are described at page 41 of the 2018 Annual Report. In addition, the ongoing strategy work may have consequences for the future valuation of specific balance sheet items.

Convertible debenture loan 2016/2020

On 11 May 2016, the Annual General Meeting of ITAB Shop Concept AB decided to approve the Board's proposal to issue a maximum of 1,950,000 convertibles with a maximum total nominal value of SEK 275,000,000, and a term from 1 July 2016 to 30 June 2020. The level of interest in the convertible programme was considerable – approximately 440 employees in 13 countries decided to participate, and the issue was oversubscribed by more than 50 percent.

Employees of the ITAB Group have been allocated 1,950,000 convertibles at an issue price of SEK 86, representing a nominal value of SEK 167,700,000. The interest rate is STIBOR 3M plus 2.20 percentage points; interest is paid annually in arrears.

The convertibles can be converted into B shares in ITAB during the period from 1 June 2020 to 12 June 2020 inclusive. If all the convertibles are converted into shares, the dilution effect will be approximately 1.9 percent on the share capital and approximately 0.6 percent on the voting rights, based on the current total number of shares.

Accounting policies

ITAB is applying the International Financial Reporting Standards (IFRS). This interim financial report has

been prepared in accordance with IAS 34, Interim Financial Reporting, and applicable provisions in the Swedish Annual Accounts Act, as well as the Swedish Financial Reporting Board's recommendations RFR 1 Supplementary accounting regulations for Groups and RFR 2 Accounting for Legal Entities.

Transition to IFRS 16 Leases

IFRS 16 Leases is replacing IAS17 as of 1 January 2019. The new standard eliminates the classification of leases into operational or financial leases for the lessee, and introduces a joint model for the reporting of all leasing.

The lessee will recognize an entitlement to use an asset during the anticipated term of the lease, as well as financing over time, as a liability. In addition, the depreciation of leased assets will be recognized separately from the interest on the debt for leasing in the income statement.

ITAB applies the new standard by using the modified retrospective transition method, which means that the comparative figures are not recalculated. The cumulative effect of applying IFRS 16 is recognized at the date of application, 1 January 2019. As of this date, longterm operational leases are recognized as fixed assets and financial liabilities in the Group's balance statement. Instead of operational leasing costs, ITAB recognizes depreciation and interest expenses in the Group's income statement.

Lease liabilities attributable to lease agreements, which previously according to IAS 17 would have been classified as operational leases, are now valued at the present value of the remaining lease payments, discounted using the marginal borrowing rate as of 1 January 2019. ITAB recognizes the right of use to an amount corresponding to the lease liability. Hence, the transition to IFRS 16 has not impacted equity on 1 January 2019 significantly. ITAB is applying the practical expedients that allow payments attributable to short-term and low-value asset leases to be recognized as expenses in the income statement. ITAB does not apply IFRS 16 for intangible assets. Non-lease components are expensed and are not recognized as part of the right of use or the lease liability.

The transition to IFRS 16 has the following impact on the Group's balance statement at the time of the transition, i.e. 1 January 2019:

Right of use	MSEK 725
Financial lease liability	MSEK 725

ITAB has identified leases attributable to properties,

machines and vehicles. When determining the above amounts, the most significant assessments are attributable to the establishment of the term of the leases. The majority of ITAB's leases include options to either extend or terminate the agreement. When the term of the lease is established, ITAB takes into consideration all facts and circumstances that provide a financial incentive to utilize an option to extend or renounce an option to terminate the agreement. Examples of factors that are considered include strategic plans, restructuring programmes, the importance of the underlying asset to ITAB's activities and/or costs attributable to not extending or terminating leases.

Other accounting policies

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.

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.

The new standard for leases (IFRS 16) coming into force on 1 January 2019 requires substantial assessments to be made to determine right of use and lease liabilities. The assessment of the likelihood that the Group will use an option to extend a lease impacts the lease period, and thus also has significant effect on the size of the financial lease liability as well as the value of the asset with right of use.

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.

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 categorized 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 recognized 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.

Recognized 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

No transactions with related parties have occurred that significantly have affected the result or financial position of the company.

Next reporting date

The interim report for the period January to March 2020 will be presented on Friday, 8 May 2020.

KEY RATIOS

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 55 of the annual report for 2018.

DEFINITIONS

Portion 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.

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.

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 operational 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.

Average number of employees

Number of worked hours divided by normal annual working time.

THE GROUP

This year-end report has been prepared in accordance with the new standard for leases, IFRS 16.

The effects in the income statement, financial position and the key ratios that the transition to IFRS 16 entails are reported in Note 1, page 11.

INCOME STATEMENT IN SUMMARY

(SEK million)	3 MONTHS OCT-DEC 2019	3 MONTHS OCT-DEC 2018	FULL-YEAR JAN-DEC 2019	FULL-YEAR JAN-DEC 2018
Net sales	1 517	1 521	6 064	6 031
Cost of goods sold	-1 155	-1 186	-4 441	-4 423
Gross profit	362	335	1 623	1 608
Selling expenses	-326	-297	-1 183	-1 140
Administrating expenses	-75	-66	-286	-294
Other operating income and expenses	0	21	103	56
Operating profit	-39	-7	257	230
Financial income	0	5	7	6
Financial expenses	-24	-26	-90	-79
Profit after financial items	-63	-28	174	157
Tax expenses	5	-11	-54	-60
NET PROFIT FOR THE PERIOD	-58	-39	120	97
Net profit for the period attributable to:				
Parent Company shareholders	-58	-39	120	90
Non-controlling interests	0	0	0	7
Depreciation/amortisation for the period	84	37	275	142
Tax expense for the period amounts to	e.t	e.t	31%	38%
Earnings per share				
basic, SEK	-0,57	-0,38	1,17	0,88
diluted, SEK	-0,56	-0,38	1,17	0,88
Average number of outstanding shares ¹⁾				
basic (thousands)	102 383	102 383	102 383	102 383
diluted (thousands)	104 333	104 333	104 333	104 333

1) During June 2016 a subscription for convertible shares were conducted for employees. The scheme is running during the period 1 July 2016 to 30 June 2020 and conversion to a maximum of 1,950,000 Class B shares can take place during the period 1-12 June 2020 at a subscription price of SEK 86.00. The total number of shares after full dilution will then be 104,333,430.

STATEMENT OF OTHER COMPREHENSIVE INCOME IN SUMMARY

(Mkr)	3 MONTHS OCT-DEC 2019	3 MONTHS OCT-DEC 2018	FULL-YEAR JAN-DEC 2019	FULL-YEAR JAN-DEC 2018
Net profit for the period	-58	-39	120	97
Other comprehensive income:				
Items that will not be reclassified to the income statement				
Revaluation of defined-benefit pension commitments	-6	1	-6	1
Tax on items that will not be reclassified	1	0	1	0
	-5	1	-5	1
Items that may be reclassified to the income statement				
Translation differences	-36	-17	48	13
Hedging of net investments, net	4	0	-2	5
Cash flow hedges, net	16	-5	-12	12
Tax on items that may be reclassified	-4	1	3	-4
	-20	-21	37	26
Total other comprehensive income after tax	-25	-20	32	27
Comprehensive income for the period	-83	-59	152	124
Comprehensive income for the period attributable to:				
Parent Company shareholders	-79	-59	150	115
Non-controlling interests	-4	0	2	9

STATEMENTS OF FINANCIAL POSITION - SUMMARY

(SEK millions)	2019 31-DEC	2018 31-DEC
Assets		
Non-current assets		
<i>Intangible assets</i>		
Goodwill	1 669	1 634
Other intangible assets	168	173
	1 837	1 807
Property, plant and equipment	1 606	939
Deferred tax assets	107	102
Financial non-current assets	23	7
Total non-current assets	3 573	2 855
Current assets		
Inventory	926	1 019
Current receivables	1 095	1 219
Cash and cash equivalents	302	271
Total current assets	2 323	2 509
TOTAL ASSETS	5 896	5 364
Equity and liabilities		
Equity attributable to Parent Company's shareholders	1 748	1 598
Non-controlling interests	128	128
Deferred tax liabilities	48	54
Other non-current liabilities	1 989	1 712
Current liabilities	1 983	1 872
TOTAL EQUITY AND LIABILITIES	5 896	5 364
Interest-bearing net debt	2 509	2 104
Interest-bearing net debt excl. IFRS 16 Leases	1 755	2 104
of which convertible debenture loans are included at	165	162

SUMMARY OF STATEMENT OF CHANGES IN EQUITY

(SEK millions)	Share capital	Other contributed capital	Other reserves ^{*)}	Profit brought forward	Attributable to Parent Company's shareholders	Related to holdings without controlling influence	Total equity
SHAREHOLDERS EQUITY 1 JAN 2018	43	315	-15	1 321	1 664	120	1 784
Net profit for the period				90	90	7	97
Other comprehensive income			24	1	25	2	27
COMPREHENSIVE INCOME JAN-DEC 2018			24	91	115	9	124
Dividend				-179	-179	0	-179
Acquisition of non-controlling interests, note 2				-2	-2	-1	-3
SHAREHOLDERS EQUITY 31 DEC 2018	43	315	9	1 231	1 598	128	1 726
Net profit for the period				120	120	0	120
Other comprehensive income			35	-5	30	2	32
COMPREHENSIVE INCOME JAN-DEC 2019			35	115	150	2	152
Acquisition of non-controlling interests, note 2				0	0	-2	-2
SHAREHOLDERS EQUITY 31 DEC 2019	43	315	44	1 346	1 748	128	1 876

* Other reserves comprise a translation reserve and a hedging reserve.

STATEMENTS OF CASH FLOWS - SUMMARY

(SEK millions)	3 MONTHS OCT-DEC 2019	3 MONTHS OCT-DEC 2018	FULL-YEAR JAN-DEC 2019	FULL-YEAR JAN-DEC 2018
Operating profit	-39	-7	257	230
Paid and received interest, tax and adjustments for items not included in the cash flow.	34	-7	-97	-67
Cash flow from operating activities before changes in working capital	-5	-14	160	163
Changes in working capital				
Changes in inventories	75	134	90	178
Changes in operating receivables	248	236	163	202
Changes in operating liabilities	-125	-133	-60	-43
Cash flow from operating activities	193	223	353	500
Investing activities				
Acquisition of companies and operations, Note 2	4	-	27	-142
Disposal properties	-	-	141	51
Other sales / investments	-30	-31	-134	-151
Cash flow after investing activities	167	192	387	258
Financing activities				
Dividends to shareholders	-	-	-	-179
Cash flow from other financing activities	-150	-261	-364	-101
Cash flow for the period	17	-69	23	-22
Cash and cash equivalents at the start of the period	296	335	271	285
Translation differences on cash and cash equivalents	-11	5	8	8
Cash and cash equivalents at the end of the period	302	271	302	271
Cash flow from operating activities per share	1,89	2,17	3,45	4,88

KEY RATIOS

	3 MONTHS OCT-DEC 2019	3 MONTHS OCT-DEC 2018	FULL-YEAR JAN-DEC 2019	FULL-YEAR JAN-DEC 2018
Operating margin, %	neg.	neg.	4,2	3,8
Profit margin, %	neg.	neg.	2,9	2,6
Share price at the end of the period, SEK	16,82	15,00	16,82	15,00
Earnings per share before dilution, SEK	-0,57	-0,38	1,17	0,88
Earnings per share after dilution, SEK	-0,56	-0,38	1,17	0,88
Cash flow from operating activities per share, SEK	1,89	2,17	3,45	4,88
Number of shares at the end of the period, SEK	102 383 430	102 383 430	102 383 430	102 383 430
Balance sheet total, SEK millions	5 896	5 364	5 896	5 364
Interest-bearing net debt, SEK millions	2 509	2 104	2 509	2 104
Interest-bearing net debt excl. IFRS Leasing, SEK millions	1 755	2 104	1 755	2 104
Equity related to the Parent Company's shareholders, SEK millions	1 748	1 598	1 748	1 598
Equity per share, SEK	17,07	15,61	17,07	15,61
Equity/assets ratio, %	31,8	32,2	31,8	32,2
Share of risk-bearing capital, %	35,4	36,2	35,4	36,2
Return on equity p.a., %	neg.	neg.	6,9	5,4
Return on capital employed p.a., %	neg.	neg.	5,4	5,5
Return on total capital p.a., %	neg.	neg.	4,3	4,1
Interest-coverage ratio, multiple	neg.	neg.	2,9	3,0
Net investments, SEK millions	26	31	-34	242
Net investments (excl. business acquisitions), SEK millions	30	31	-7	100
Average no. employees, no.	3 241	3 329	3 247	3 384

QUARTERLY FINANCIAL STATEMENTS AND KPIs

(SEK millions)	2019 OCT-DEC	2018 OCT-DEC	2019 JUL-SEP	2018 JUL-SEP	2019 APR-JUN	2018 APR-JUN	2019 JAN-MAR	2018 JAN-MAR
Revenues from contracts with customers	1 517	1 521	1 413	1 475	1 531	1 554	1 603	1 481
Cost of goods sold	-1 155	-1 186	-1 029	-1 077	-1 119	-1 113	-1 138	-1 047
Gross profit	362	335	384	398	412	441	465	434
Selling expenses	-326	-297	-278	-265	-290	-295	-289	-283
Administrating expenses	-75	-66	-65	-75	-74	-79	-72	-74
Other operating income and expenses	0	21	4	6	45	16	54	13
Operating profit	-39	-7	45	64	93	83	158	90
Financial items	-24	-21	-16	-18	-21	-19	-22	-15
Profit after financial items	-63	-28	29	46	72	64	136	75
Tax expenses	5	-11	-7	-19	-18	-19	-34	-19
NET PROFIT FOR THE PERIOD	-58	-39	22	35	54	45	102	56
Net profit for the period attributable to:								
Parent Company shareholders	-58	-39	22	33	54	44	102	52
Non-controlling interests	0	0	0	2	0	1	0	4
Operating margin, %	neg.	neg.	3,2	4,4	6,0	5,3	9,9	6,1
Basic earnings per share, SEK	-0,57	-0,38	0,22	0,32	0,52	0,43	1,00	0,51
Diluted earnings per share, SEK	-0,56	-0,38	0,22	0,32	0,52	0,43	0,99	0,51
Return on equity, %	neg.	neg.	5,0	8,0	12,1	10,2	24,6	12,1
Equity per share, SEK	17,07	15,61	17,84	16,19	17,47	16,15	16,93	17,36
Cash flow from operating activities per share, SEK	1,89	2,17	-0,11	0,31	0,34	1,32	1,33	1,08
Share price at end of period, SEK	16,82	15,00	23,75	24,40	29,20	35,50	20,25	36,90

PARENT COMPANY

INCOME STATEMENT - SUMMARY

(SEK million)	3 MTHS OKT-DEC 2019	3 MTHS OKT-DEC 2018	FULL YEAR JAN-DEC 2019	FULL YEAR JAN-DEC 2018
Net sales ¹⁾	49	0	166	48
Cost of goods sold	-3	-3	-15	-13
Gross profit	46	-3	151	35
Selling expenses	-14	-7	-56	-28
Administrating expenses	-11	-7	-45	-33
Other operating income and expenses	-2	1	2	1
Operating profit	19	-16	52	-25
Profit from participations in Group companies	-52	-98	146	271
Financial income and expenses	16	-8	-64	-118
Profit after financial items	-17	-122	134	128
Year-end appropriations	-7	42	-7	42
Profit before tax	-24	-80	127	170
Tax expenses for the period	-1	18	-1	18
NET PROFIT FOR THE PERIOD	-25	-62	126	188
STATEMENT OF OTHER COMPREHENSIVE INCOME				
Net profit for the period	-25	-62	126	188
Other comprehensive income	-	-	-	-
COMPREHENSIVE INCOME FOR THE PERIOD	-25	-62	126	188

BALANCE SHEET - SUMMARY

(SEK million)	2019 31-DEC	2018 31-DEC
Non-current assets		
Property, plant and equipment	8	9
Financial assets	2 135	2 148
Deferred tax assets	31	32
Total non-current assets	2 174	2 189
Current assets		
Current receivables	934	1 003
Cash and bank balance	0	0
Total current assets	934	1 003
TOTAL ASSETS	3 108	3 192
Equity		
Restricted equity	50	50
Non-restricted equity	1 022	896
TOTAL EQUITY	1 072	946
Non-current liabilities	1 267	1 548
Current liabilities	769	698
TOTAL EQUITY AND LIABILITIES	3 108	3 192

1) 100% of the parent company's net sales comes from subsidiary.

NOTES

Note 1

Effects in respect of the transition to IFRS 16, Leases

As from 1 January 2019, the new accounting principle in respect of leases (IFRS 16) is being applied. For the lessee, the new standard is eliminating the classification of leases into operational or financial leases, and is introducing a joint model for the reporting of all leasing. The lessee reports an entitlement to use an asset during the anticipated term of the lease, as well as financing over time, as a liability. In addition, the depreciation of leased assets will be reported separately from the interest on the debt for leasing in the income statement.

ITAB applies the new standard by using the simplified transition method, which means that the comparative figures are not recalculated. The cumulative effect of applying IFRS 16 was reported on 1 January 2019. The lease liability is valued at the current value of the remaining lease fees for long-term leases discounted by the marginal interest rate as at 1 January 2019, and the right of use is recognised as a fixed asset at an amount corresponding to the lease liability on 1 January 2019. Instead of operational leasing costs, ITAB is recognising depreciation and interest expenses in the Group's income statement.

ITAB applies the practical exemptions regarding reporting payments attributable to short-term leases and leases for assets of a low value as a cost in the income statement. ITAB does not apply IFRS 16 for intangible assets. Non-lease components are expensed and are not reported as part of the right of use or the lease liability.

For more information about the new leasing standard, see pages 64 and 84 in the annual report for 2018.

The interim report for the period up to 30 September has been prepared in accordance with this new standard. The effects that the transition to the new leasing standard entails are presented below in the balance sheet and income statement, as well as in key ratios.

THE GROUP

INCOME STATEMENT IN SUMMARY

(SEK millions)	12 MONTHS JAN-DEC 2019 incl. IFRS16	12 MONTHS JAN-DEC 2019 IFRS16 effect	12 MONTHS JAN-DEC 2019 excl. IFRS16	12 MONTHS JAN-DEC 2018 excl. IFRS16
Revenue from contracts with customers	6 064		6 064	6 031
Costs of goods sold	-4 441	-4	-4 445	-4 423
Gross Profit	1 623	-4	1 619	1 608
Selling expenses	-1 183	-4	-1 187	-1 140
Administrating expenses	-286	-1	-287	-294
Other operating income and expenses	103	0	103	56
Operating profit	257	-9	248	230
Financial items	-83	15	-68	-73
Profit after financial items	174	6	180	157
Tax expenses	-54	-1	-55	-60
NET PROFIT FOR THE PERIOD	120	5	125	97
Net Profit for the period related to:				
Parent Company shareholders	120	5	125	90
Non-controlling interests	0		0	7
Depreciation during the period amounts to	275	-132	143	142
Tax expense during the period amounts to	31%		31%	38%

STATEMENT OF FINANCIAL POSITION IN SUMMARY

(SEK millions)	IB/UB - Analysis						
	2019 31-DEC incl. IFRS16	2019 31-DEC IFRS16 effect	2019 31-DEC excl. IFRS16	2018 31-DEC excl. IFRS16	2018 31-DEC UB	IFRS16 effect	2019 01-JAN IB
Assets							
Total non-current assets	3 573	-748	2 825	2 855	2 855	725	3 580
Total current assets	2 323	-	2 323	2 509	2 509	-	2 509
TOTAL ASSETS	5 896	-748	5 148	5 364	5 364	725	6 089
Equity and liabilities							
Equity attributable to Parent Company's	1 748	6	1 754	1 598	1 598	-	1 598
Non-controlling interests	128	-	128	128	128	-	128
Non-current liabilities	2 037	-633	1 404	1 766	1 766	625	2 391
Current liabilities	1 983	-121	1 862	1 872	1 872	100	1 972
TOTAL EQUITY AND LIABILITIES	5 896	-748	5 148	5 364	5 364	725	6 089
Interest-bearing net debt	2 509	-754	1 755	2 104	2 104	725	2 829

Note 1 continued.

THE GROUP'S KEY RATIOS

	12 MONTHS JAN-DEC 2019 incl. IFRS16	12 MONTHS JAN-DEC 2019 excl. IFRS16	12 MONTHS JAN-DEC 2018 excl. IFRS16
Operating margin, %	4,2	4,1	3,8
Profit margin, %	2,9	3,0	2,6
Earnings per share before dilution, SEK	1,17	1,22	0,88
Earnings per share after dilution, SEK	1,17	1,22	0,88
Cash flow from operating activities per share, SEK	3,45	3,45	4,88
Balance sheet total, SEK millions	5 896	5 148	5 364
Interest-bearing net debt, SEK millions	2 509	1 755	2 104
Equity rel. to the Parent Company's shareholders, mSEK	1 748	1 754	1 598
Equity per share, SEK	17,07	17,13	15,61
Equity/assets ratio, %	31,8	36,6	32,2
Share of risk-bearing capital, %	35,4	40,7	36,2
Return on equity p.a., %	6,9	7,2	5,4
Return on capital employed p.a., %	5,4	6,2	5,5
Return on total capital p.a., %	4,3	4,7	4,1
Interest-coverage ratio, multiple	2,9	3,4	3,0

Note 2

2019

Acquisitions and divestment have affected 2019's net investment by a total of SEK 27 million. The 2019 net investments also 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 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.

2018

Acquisition of non-controlling participations, 2018

The MB Shop Design group, which comprised three wholly-owned and one part-owned company (91%), was acquired in May 2016. In April 2018, the remaining 9% of the part-owned company Pulverlacken i Hillerstorp AB was acquired. The purchase sum amounted to SEK 1.5 million, as well as a supplementary purchase sum of a further max. SEK 1.5 million based on the company's performance between 2018-2019. In the event of acquisitions, the entity theory is applied, which means that all assets and liabilities as well as income and expenses are included in their entirety, including for part-owned subsidiaries, at the time of the initial acquisition, which is why no additional goodwill is linked to the acquisition. The difference between valued holdings without a controlling influence prior to acquisition and the purchase price is recognised directly in equity attributable to the Parent Company's shareholders at SEK -2 million.

The acquisition has impacted on net investments for 2018 in the cash flow in the amount of SEK 2 million. Net investments for 2018 also include paid additional cash and cash equivalents relating to the acquisition of the La Fortezza Group from 2016, amounting to SEK 140 million.

Note 3

Income from contracts with customers divided by customer group and geographic market

The Group applies IFRS 15 Revenue from contracts with customers. Revenue recognition takes place when the Group satisfies a performance commitment by transferring promised goods and customers gain 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.

	FULL YEAR JAN-DEC 2019	FULL YEAR JAN-DEC 2018
Sales per category¹⁾		
Grocery	3 053	2 917
Home improvement	913	1 042
Fashion	824	936
Other customer categories	1 274	1 136
	6 064	6 031

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

	FULL YEAR JAN-DEC 2019	FULL YEAR JAN-DEC 2018
Sales per geographic area²⁾		
Northern Europe	1 635	1 743
UK & Ireland	1 145	1 083
Southern Europe	1 008	1 028
Central Europe	1 002	936
Eastern Europe	701	650
Rest of the world	573	591
	6 064	6 031

²⁾ 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, Argentina and China make up almost half the market for Rest of the world.

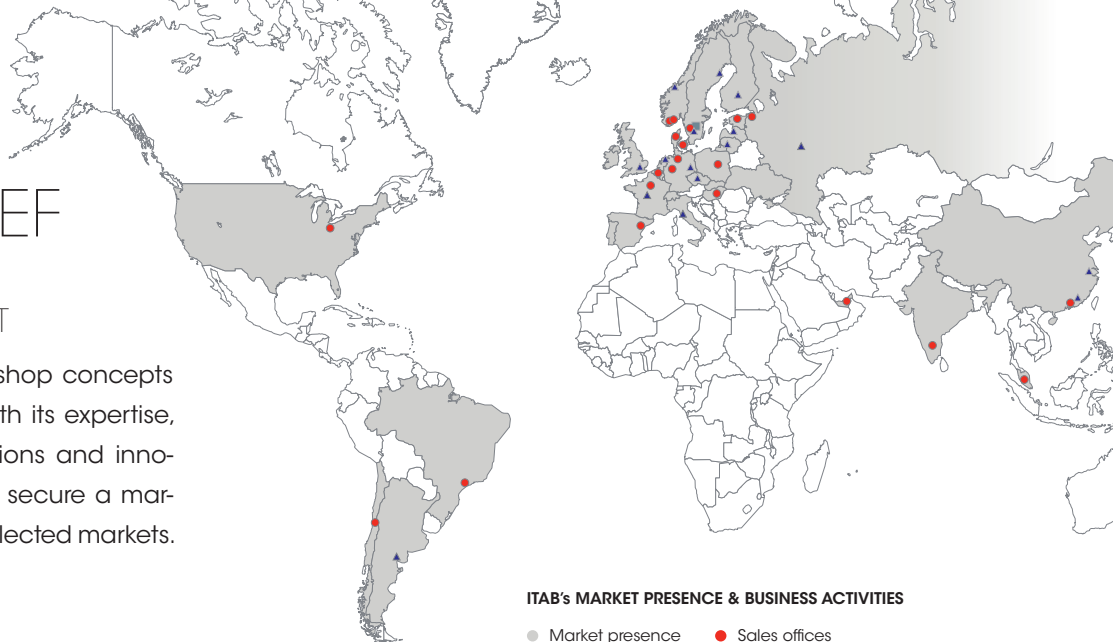
Note 4

	THE GROUP 31 DEC 2019	THE GROUP 31 DEC 2018	PARENT COM- PANY 31 DEC 2019	PARENT COM- PANY 31 DEC 2018
Pledged assets and contingent liabilities				
Pledged assets	1 787	1 716	1 354	1 319
Contingent liabilities	46	66	855	993

ITAB IN BRIEF

BUSINESS CONCEPT

ITAB will offer complete shop concepts for retail chain stores. With its expertise, long-term business relations and innovative products, ITAB will secure a market-leading position in selected markets.



ITAB's MARKET PRESENCE & BUSINESS ACTIVITIES

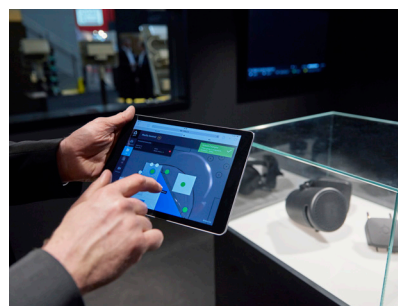
- Market presence
- Sales offices
- Head office
- ▲ Production & Sales

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 arena and professional lighting systems.

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.

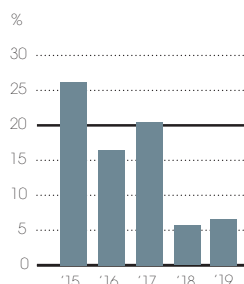


▲ ITAB Shop Concept is a leader in the market for retail checkouts in Europe and is also one of Europe's largest suppliers of shop fittings and lighting systems.

ITAB'S FINANCIAL TARGETS

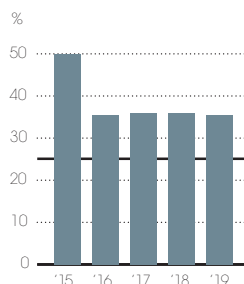
RETURN ON EQUITY

Over an extended period, ITAB will have a minimum 20% return on equity.



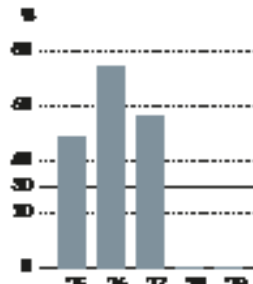
RISK-BEARING CAPITAL

ITAB will have at least 25% risk-bearing capital.



DIVIDENDS

ITAB's share dividends will, over an extended period, mirror the company's earnings and correspond to at least 30% of the company's profit after tax. The dividend will, however, be adjusted to the company's investment needs and share repurchase schemes when relevant.



ITAB's financial targets are calculated excl. the impact of IFRS 16

SHARE INFORMATION

- ▶ **LISTING**
Nasdaq Stockholm
Mid Cap list
- ▶ **TICKER SYMBOL**
ITAB B
- ▶ **TRADING LOT**
1 share
- ▶ **SECTOR CLASSIFICATION**
Industrial Goods & Services
- ▶ **ISIN-CODE**
SE0008375117
- ▶ **SHARE PRICE ON CLOSING DAY**
SEK 16,82 kr (15,00)

ITAB'S BUSINESS TARGETS

▶ TARGETS

ITAB will achieve an annual growth rate of at least 15% over an extended period.

▶ REALISATION

Sales increased by about 1 % in 2019. Over the past five years, average growth was about 9 % per year.

▶ TARGETS

ITAB will maintain and enhance its market-leading position in Europe and develop market share in new markets.

▶ REALISATION

ITAB retained its position in Europe during 2019 and is one of the leading players. As part of its work of following major customers into new markets, ITAB continues with operations in Asia, South America and the USA.

▶ TARGETS

ITAB will develop its all-inclusive offer of complete shop concepts through custom-made fitting concepts, innovative solutions for checkout arena and professional lighting systems.

▶ REALISATION

ITAB has been offering shop fitting concepts to retail chains for many years. In recent years, ITAB has enhanced its offer with professional lighting systems, self-checkout systems and interactive solutions for the physical shop. ITAB continues to be a one-stop supplier of complete shop concepts.

ITAB'S BUSINESS TARGETS

▶ LONG-TERM BUSINESS RELATIONSHIPS

ITAB will develop and nurture long-term business relations with chain stores within the food and non-food segments by working closely with its customers and their markets.

▶ EXPERTISE, COMMITMENT AND BUSINESS ACUMEN

Through the expertise, commitment and business acumen that characterise the Group, ITAB aims to instil trust and confidence in each and every customer.

▶ ALL-INCLUSIVE SOLUTIONS

ITAB will offer all-inclusive solutions by assuming responsibility for the entire process - from concept, design, project management and construction to production, logistics and installation.

▶ MARKET KNOWLEDGE AND INNOVATIVE CAPABILITY

ITAB will develop new concepts, products and solutions by utilising its extensive market expertise and innovativeness while working closely with its customers.

▶ HIGHLY EFFICIENT AND FLEXIBLE PRODUCTION RESOURCES

ITAB will use its highly efficient and flexible production resources, well-developed logistics and selected partners to offer the market competitive terms coupled with precise delivery accuracy and quality.

▶ EXPANSION IN SELECTED MARKETS

ITAB will use its leading position in Northern Europe to cultivate conditions for further growth and expansion in other selected markets.



POLESTAR'S FIRST-EVER SPACES IN CHINA AND NORWAY OPEN SUCCESSFULLY IN CLOSE COLLABORATION WITH ITAB

In 2019, the Polestar 2 was revealed as the company's first full electric, higher volume premium car. Their first-ever retail environments, known as Polestar Spaces, opened in Beijing and Oslo in close collaboration with ITAB.

Polestar was looking for a partner that could deliver and work globally. But preferably also someone that could produce locally. That way, the possibility to visit the concept factory to see the ongoing progress became much easier in the start-up process. They also wanted a partner that understood their love for and had the ability to work with high quality materials and excellent finish.

Polestar chose ITAB thanks to global coverage and support in designated markets. A partner that can supply complete and full-scale experiences including, concept, lighting and digital solutions.

The importance of the concept was to reflect the same minimalistic and uncompromising design as Polestar's cars and developed to show elements of Polestar's design language and brand experience.

In the Polestar Spaces you'll find a high-quality display wall, delivered by ITAB, that houses individual components revealed from behind closed doors or through interactive proximity modules designed to stimulate conversation and interest.

The lighting concept was developed together with ITAB Prolight to create excellent illumination of the Space and of course highlight the cars on display with perfect lighting and high colour rendering. All Polestar Spaces in future will be lit with specially designed Skylights from ITAB Nordic Light to guarantee the optimal photographic studio-quality light without distracting shadows.

"We are very happy with the result, both regarding service, the overall look and the high-quality finish," says Marcus Olausson - Head of Construction at Polestar.



ANNUAL GENERAL MEETING 2020

The Annual General Meeting will be held Friday 8th of May 2020 at 13.00 p.m. in Jönköping. The annual report for 2019 will be available in mid-April at ITAB Shop Concept's head office and in digital format on the website www.itab.se. The annual report together with the material for the AGM will be published on www.itab.se.

Proposal for dividend

The Board proposes to the Annual General Meeting that there will be no dividend for the financial year 2019.

Authorisation of repurchase of company shares

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

Authorisation of new share issue

The Board of Directors will propose that the AGM grants the Board renewed authorisation to make decisions regarding the new issue of class B shares amounting to at most one-tenth of

the company's issued shares. Such a mandate would allow the Board to resolve on new share issues up until the next AGM. The terms and conditions of an issue, including the issue price, will be based on a market evaluation in which the issue price in each case is set as close to the market value as possible, less any discount that may be required to generate interest in the offering.

Nomination Committee

At the 2019 AGM, a Nomination Committee was appointed comprising Anders Rudgård as chairman, Fredrik Rapp and Ulf Hedlundh. The Nomination Committee's task for the 2020 AGM is to propose candidates for Chairman of the Board and Board members, for the post of meeting chairman and auditors, as well as fees and other remuneration for the Board and auditors.

Jönköping den 6th of February 2020

ITAB Shop Concept AB (publ)

The Board of Directors



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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 report contains information that ITAB Shop Concept AB (publ) is required to disclose under the Swedish MAR. The information was submitted for publication in Swedish at 12.00 noon on 6th of February 2020.

FINANCIAL INFORMATION

Interim report Jan-Mar 2020	8 May 2020
Annual General Meeting 2020	8 May 2020
Interim report Jan-Jun 2020	10 July 2020
Interim report Jan-Sep 2020	27 October 2020
Year-end report 2020	9 February 2021