



# INTERIM REPORT 9 MONTHS – JANUARY–SEPTEMBER 2021

## THIRD QUARTER – JULY–SEPTEMBER 2021

- ▶ Net sales increased by 16 percent to SEK 1,464 million (1,258)
- ▶ Operating profit amounted to SEK 45 million (83)
- ▶ Profit after financial items totalled SEK 37 million (51)
- ▶ Profit after tax amounted to SEK 20 million (33)
- ▶ Earnings per share totalled SEK 0.09 (0.30) <sup>1)</sup>
- ▶ Cash flow from operating activities amounted to SEK -17 million (128)

*In the third quarter, profit after financial items was impacted by non-recurring items of SEK -30 million (-12). <sup>2)</sup>*

- ▶ Operating profit before depreciation and amortisation (EBITDA) excluding non-recurring items amounted to SEK 145 million (157)
- ▶ Profit after financial items excluding non-recurring items amounted to SEK 67 million (63)
- ▶ Net debt totalled SEK 1,185 million (2,082)
- ▶ Net debt excluding leases decreased to SEK 488 million (1,378)

## INTERIM PERIOD – JANUARY–SEPTEMBER 2021

- ▶ Net sales increased by 17 percent to SEK 4,475 million (3,816)
- ▶ Operating profit amounted to SEK 185 million (158)
- ▶ Profit after financial items totalled SEK 122 million (85)
- ▶ Profit after tax amounted to SEK 79 million (55)
- ▶ Earnings per share totalled SEK 0.42 (0.53) <sup>1)</sup>
- ▶ Cash flow from operating activities amounted to SEK -73 million (511)

*In the interim period, profit after financial items was impacted by non-recurring items of SEK -87 million (-54). <sup>2)</sup>*

- ▶ Operating profit before depreciation and amortisation (EBITDA) excluding non-recurring items amounted to SEK 468 million (406)
- ▶ Profit after financial items excluding non-recurring items amounted to SEK 209 million (139)

*"As society opens up after varying degrees of lockdown during the pandemic, we are seeing increasing signs that consumers in most of our markets are returning to stores and are once again seeking out social shopping experiences that stimulate all of the senses, something that only physical trade can offer. Our customers have also become increasingly optimistic and are once again planning to make investments for the future, which has been reflected in a favourable order intake for ITAB in 2021 to date."*

**Andreas Elgaard**  
President & CEO

[Read more on page 2](#)

## SIGNIFICANT EVENTS IN 2021

- ▶ The recapitalisation of ITAB was completed.
  - The rights issue contributed SEK 768 million to equity before issue costs.
  - The offset issue contributed SEK 100 million to equity
  - All Class A shares in ITAB have been reclassified as Class B shares.
- ▶ Closing took place on the acquisition of 81 percent of Cella's business unit for retail solutions for the grocery sector in southern Europe.

## THE GROUP IN SUMMARY

*For definitions, see page 13*

	THIRD QUARTER		Δ	INTERIM PERIOD		Δ	FULL YEAR		Δ
	JUL–SEP 2021	JUL–SEP 2020		JAN–SEP 2021	JAN–SEP 2020		ROLLING 12 MONTHS, 30 SEP 2021	JAN–DEC 2020	
Net sales, SEK million	1,464	1,258	16%	4,475	3,816	17%	5,982	5,323	12%
EBITDA excl. non-recurring items, SEK million	145	157	-8%	468	406	15%	640	578	11%
EBITDA margin, %	9.9	12.5		10.5	10.7		10.8	11.0	
Profit after financial items excl. non-recurring items, SEK million	67	63	6%	209	139	50%	278	208	34%
Profit margin, %	4.5	5.1		4.7	3.7		4.6	3.9	
Profit after tax, SEK million	20	33	-39%	79	55	44%	2	-22	N/A
Earnings per share, SEK <sup>1)</sup>	0.09	0.30	N/A	0.42	0.53	N/A	0.00	-0.21	N/A
Cash flow from operating activities, SEK million	-17	128	N/A	-73	511	N/A	227	811	-72%
Interest-bearing net debt, SEK million	1,185	2,082	-897	1,185	2,082	-897	1,185	1,748	-563
Interest-bearing net debt excl. leases, SEK million	488	1,378	-890	488	1,378	-890	488	1,092	-604

<sup>1)</sup> In connection with ITAB's recapitalisation in 2021, the number of shares increased by 115,716,762 to a total of 218,100,192 shares.

<sup>2)</sup> Non-recurring items mainly consist of expenses relating to transformation work under ITAB's One ITAB strategy. Refer to Note 4 on page 11.

# CONTINUED POSITIVE PERFORMANCE DESPITE EXTERNAL CHALLENGES

ITAB

As society opens up after varying degrees of lockdown during the pandemic, we are seeing increasing signs that consumers in most of our markets are returning to stores and are once again seeking out social shopping experiences that stimulate all of the senses, something that only physical trade can offer. Our customers have also become increasingly optimistic and are once again planning to make investments for the future, which has been reflected in a favourable order intake for ITAB in 2021 to date. With our complete solutions, broad product and service offering and all of our passionate employees, we at ITAB are able to strengthen our customers' competitiveness in an optimal manner, despite challenges in the form of disruptions in the global supply chain and high raw material prices, which are having a short-term impact on our production and sales.



## FAVOURABLE DEMAND IN ALL MARKETS

Demand remained strong in our various geographic markets during the third quarter. Currency-adjust sales for the full interim period increased by approximately 21 percent, of which the acquisition of Cefla Retail Solutions, which was completed in January 2021, contributed 11 percent. We continue to support our customers with as complete solutions as possible despite the ongoing disruptions to the global supply chain due to a shortage of certain components and input goods, and disruptions to logistics flows. Altogether, organic growth for the first nine months amounted to 10 percent but our sales could have been even higher during the third quarter if we have had normal access to purchased components and material.

Our largest customer sector, Grocery, continued to display the strongest growth, with about 21 percent for the year to date, but we are seeing signs of a recovery in most of our customer sectors. In geographic terms, southern Europe made the most significant contribution to the Group's sales growth during the year through both organic growth and the acquisition of Cefla Retail Solutions, but our other geographic markets in Europe also continued to deliver a positive performance. Of ITAB's three solution areas, sales in Retail Interior and Retail Technology performed the best. It was particularly gratifying to see that the Group's focus on offering digital and more technical solutions and on being a competitive supplier of complete solutions for physical stores continuously strengthens our market position. At the same time, our Retail Lighting solution area has noted a slightly weaker sales trend during the year, partly due to the global shortage of electronic components.

## PROFIT FOR THE YEAR NEGATIVELY IMPACTED BY SUPPLY DISRUPTIONS ...

Increased sales continued to have a positive impact on the earnings trend, while the fast and relatively sharp price increases for raw materials and other input goods earlier in the year as well as the currency trend have had a negative effect on profit. At the same time, the negative effects of the global supply disruptions and their impact on ITAB and the efficiency of our

production, logistics and installations, with component and material shortages in many areas, continued to have an adverse impact on profit during the third quarter and we continuously take steps to be able to continue to serve our customers in the best possible way. Over the past few quarters, we have adjusted – and continue to adjust – our prices and taken other cost-saving measures to offset the negative effects on profit. EBITDA (excluding non-recurring items) for the first nine months amounted to SEK 468 million (406), corresponding to an EBITDA margin of 10.5 percent (10.7). In the comparative figures for 2020, earnings were also positively impacted by non-recurring effects from that year's higher sales of protective products, with the aim of reducing the spread of COVID-19, with generally higher margins.

## ... BUT UNDERLYING PROFITABILITY CONTINUES TO IMPROVE

As today's high raw material prices and shipping costs stabilise and expanded capacity globally will reduce the component shortages in the coming years, we are convinced that it will once again become clearer that we are continuing to improve our underlying profitability. This improvement in profitability is mainly being driven by the ongoing transformation of the business and cost reductions, which are continuing according to plan, with several production relocations and more efficient and flexible production and market cultivation. Following the recapitalisation carried out during the year, our financial position remains strong.

## FOCUS ON GROWTH AND PROFITABILITY ON THE PATH TO 'ONE ITAB'

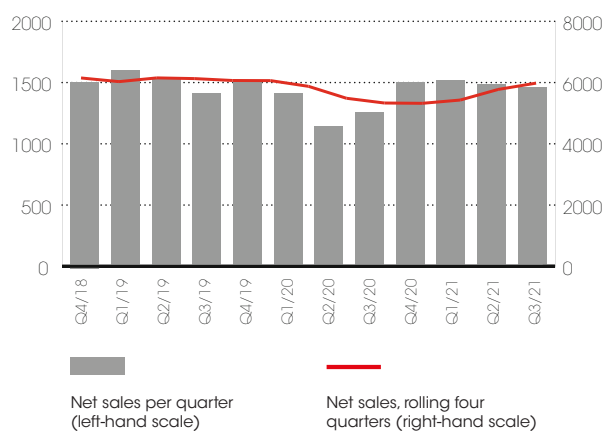
In summary, considerable uncertainty remains in our operating environment and markets, despite the positive signals we are seeing from customers. This is reflected in high raw material prices, component shortages and logistics disruptions. Our proximity to our customers and our ability to rapidly adapt to external changes are the key to ITAB's success, and our priorities for the coming quarters will be to safeguard our own service level and ability to deliver to customers by remaining proactive in our purchasing efforts, maintain higher own stock levels than normal for the time being and hereby be able to increase our production efficiency. We are also continuing to implement cost-saving measures in our various operations when necessary.

At the same time, our transformation work and ambition to reposition ITAB as a competitive and efficient solution provider to both new and existing customers provide a foundation for further growth, with improved underlying profitability. This provides us with the conditions to grow faster through both organic growth and acquisitions, particularly in Retail Technology and through our offerings of digital solutions and services. Our efforts to formulate a clearer ambition for our future expansion and financial targets focused on growth and profitability as well as activities to achieve these targets are continuing according to plan and we will provide more information about this work in the coming quarters.

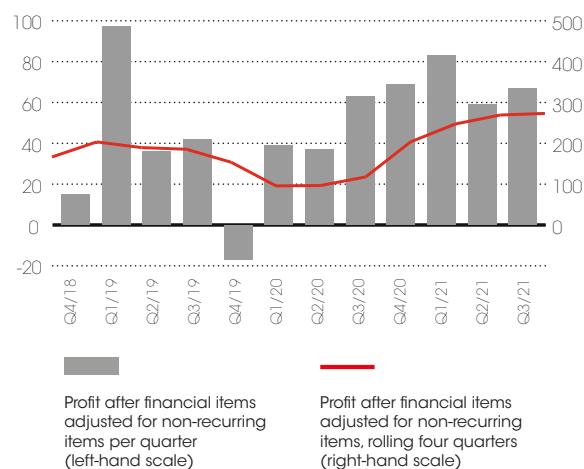
Jönköping, November 2021

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

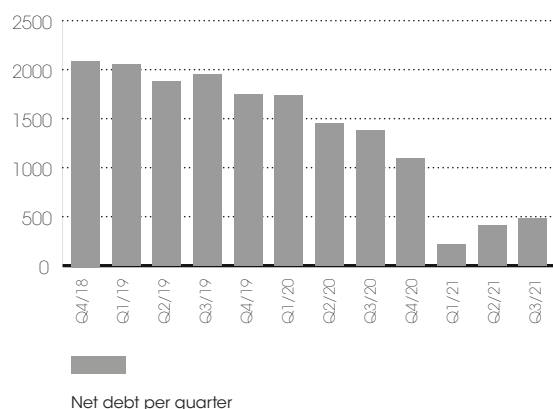
### ► NET SALES (SEK million)



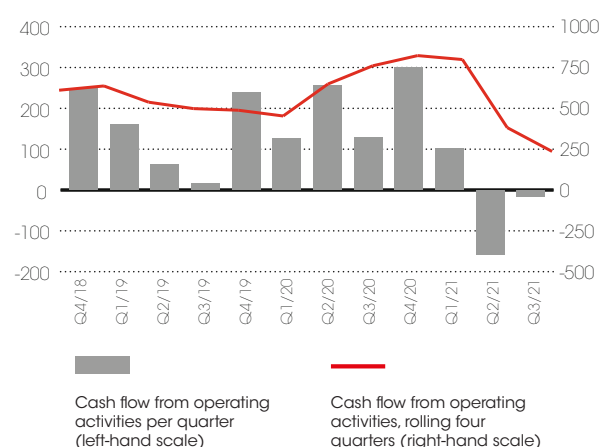
### ► PROFIT AFTER FINANCIAL ITEMS (SEK million) (adjusted for non-recurring items)



### ► NET DEBT (SEK million) (excluding leases)



### ► CASH FLOW FROM OPERATING ACTIVITIES (SEK million) (NB: 2018 adjusted for the introduction of IFRS 16)



### ► NON-RECURRING ITEMS

	3 MONTHS JUL-SEP 2021	3 MONTHS JUL-SEP 2020	9 MONTHS JAN-SEP 2021	9 MONTHS JAN-SEP 2020	ROLLING 12 MONTHS, 30 SEP 2021	FULL YEAR JAN-DEC 2020
<b>NON-RECURRING ITEMS, SEK million</b>						
Restructuring <sup>1)</sup>	-30	-12	-87	-54	-189	-156
Inventory impairment of a non-recurring nature	-	-	-	-	-52	-52
<b>Total non-recurring items</b>	<b>-30</b>	<b>-12</b>	<b>-87</b>	<b>-54</b>	<b>-241</b>	<b>-208</b>
<b>Impact of non-recurring items on profit items in the income statement</b>						
Operating profit before depreciation and amortisation (EBITDA)	-30	-12	-87	-51	-238	-202
Operating profit	-30	-12	-87	-51	-241	-205
Profit after financial items	-30	-12	-87	-54	-241	-208

<sup>1)</sup> Restructuring mainly consists of expenses relating to transformation work under ITAB's One ITAB strategy. Refer to Note 4 on page 11.

# DEVELOPMENTS DURING 2021

## JANUARY–SEPTEMBER

### Net sales

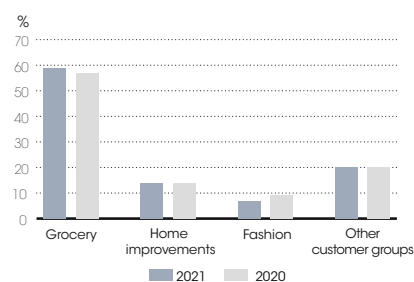
#### Third quarter

The Group's net sales increased by 16 percent to SEK 1,464 million (1,258). Currency-adjusted sales also increased by 16 percent, with organic growth accounting for 6 percent and the acquisition of Cefla Retail Solutions in the first quarter of 2021 contributing 10 percent. The positive sales trend noted at the beginning of 2021, when society opened up after being locked down during the pandemic, continued in the Group's geographic markets in the third quarter. Compared with earlier years, sales in southern Europe displayed particularly positive growth as a result of both strong organic growth and the acquisition of Cefla Retail Solutions, but central and eastern Europe also delivered a strong performance during the quarter. In terms of the Group's customer sectors, Grocery once again made the largest contribution to the sales increase in the quarter.

#### Interim period

The Group's net sales increased by 17 percent to SEK 4,475 million (3,816). Currency-adjusted sales increased by 21 percent, with organic growth accounting for 10 percent and the acquisition of Cefla Retail Solutions contributing 11 percent. Following the start of a post-pandemic recovery in northern and central Europe in late 2020, growth also gained momentum in southern Europe during the first nine months of 2021 as a result of both strong organic growth and the acquisition of Cefla Retail Solutions. Although the pandemic and the major uncertainty it created had a negative impact on the Group's sales, particularly in the first quarter of 2021, customers' faith in the future and willingness to invest have begun to return over the past two quarters. At the same time, the shortage of raw materials and certain components as well as global logistics interruptions impacted ITAB's delivery capacity and had a certain negative impact on sales, despite a favourable order intake in recent quarters. Sales to the Grocery customer sector have displayed the strongest growth to date this year, while ITAB's smallest customer sector, Fashion, has noted a downturn.

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



### Earnings

#### Third quarter

The Group's operating profit amounted to SEK 45 million (83) and profit after financial items to

SEK 37 million (51). Profit after financial items was impacted by non-recurring items of SEK -30 million (-12) pertaining to restructuring costs attributable to transformation work under the new One ITAB strategy. Excluding non-recurring items, operating profit amounted to SEK 75 million (95) and profit after financial items to SEK 67 million (63). EBITDA excluding non-recurring items totalled SEK 145 million (157). This corresponds to an EBITDA margin of 9.9 percent (12.5), with earnings for the corresponding period in the previous year impacted by non-recurring effects from increased sales of protective products, with the aim of reducing the spread of COVID-19, within Retail Technology solution area, with higher margins.

Earnings were positively impacted by the increase in sales during the quarter, and with the acquisition of Cefla Retail Solutions contributing according to plan. This was counteracted by the shortage of certain raw materials and components that intensified during the third quarter, which caused a certain degree of production inefficiency in various parts of the operations as well as the relatively high raw material prices. The negative impact on the gross margin is expected to be temporary until raw material prices and access to components and raw materials stabilise. Customer price increases and measures to coordinate purchasing were continuously implemented during the quarter. The financial expenses for the quarter were lower than in the preceding year due to a lower level of indebtedness.

#### Interim period

The Group's operating profit amounted to SEK 185 million (158) and profit after financial items to SEK 122 million (85). Profit after financial items was impacted by non-recurring items of SEK -87 million (-54) pertaining to restructuring costs attributable to transformation work under the new One ITAB strategy. Excluding non-recurring items, operating profit amounted to SEK 272 million (209) and profit after financial items to SEK 209 million (139). EBITDA excluding non-recurring items totalled SEK 468 million (406), corresponding to an EBITDA margin of 10.5 percent (10.7).

The increase in sales during the year to date has had a positive impact on earnings, with the acquisition of Cefla Retail Solutions contributing according to plan. Transformations of previously loss-making units also had a positive effect on earnings in the interim period. At the same time, the increasing raw material prices and shortage of certain components during the year had a negative impact on all of the Group's markets, while targeted initiatives to coordinate purchasing and price increases are continuously being implemented. Earnings for the 2020 comparative year were also positively affected by non-recurring effects from increased sales of protective products within Retail Technology, with generally higher margins. Earnings for the interim period were also negatively impacted by currency effects and weaker net financial items during the first quarter of 2021, when financial expenses were affected by changed loan terms and the settlement of interest rate swaps which had a negative impact of approximately SEK 6 million on net financial items. The lower level of

indebtedness in the Group, which was partly due to the recapitalisation of ITAB in spring 2021, will result in improved net financial items going forward, and financial expenses were significantly lower in the second and third quarters of 2021 than in the preceding year.

#### Guidance from 10 July 2020

On 10 July 2020, ITAB issued guidance regarding an earnings improvement and its total restructuring costs upon the implementation of the Group's One ITAB strategy and transformation. Based on the conditions prevailing at the time, the guidance indicated an underlying annual EBITDA improvement of SEK 270–330 million compared with full-year 2019 once the One ITAB transformation is fully implemented, which is expected to take place around the middle of 2022. EBITDA excluding non-recurring items totalled SEK 516 million for 2019 and SEK 578 million for 2020. The total restructuring costs for One ITAB in the 2020–2022 financial years were estimated at SEK 275–325 million. This guidance continues to apply. The restructuring costs for One ITAB to date total SEK 242 million.

### Cash flow, financing and liquidity

Cash flow from operating activities amounted to SEK -17 million (128) for the third quarter and to SEK -73 million (511) for the January–September 2021 interim period. Cash flow has been negatively affected by higher working capital, where raw material inventories in particular continued to increase during the third quarter in order to meet customer needs despite disruptions in raw material supply and component shortages in combination with high order intake and longer lead times. Rising commodity prices have also affected inventory value together with a more short-term need for slightly higher inventory levels during the process of relocating production operations as part of the restructuring work with One ITAB. The build-up of the acquired company Cefla Retail Solutions' operations as a newly established subsidiary and increased sales in southern Europe, where customer credit periods are generally longer than in the rest of Europe, also had a negative impact on working capital and cash flow during the interim period. Net debt excluding lease liabilities declined to SEK 488 million (1,378). Net debt including lease liabilities amounted to SEK 1,185 million (2,082). The reduction in net debt is mainly due to new share issue completed during the first quarter of 2021 as well as to the positive cash flow over the past year.

The Group's cash and cash equivalents, including granted unutilised credits, amounted to SEK 880 million (1,012) on the balance sheet date on 30 September 2021. The equity/assets ratio was 45 percent (32) and the share of risk-bearing capital was 46 percent (33). During the second quarter of 2021, an extra repayment of bank loans of approximately EUR 30 million was made.

#### Recapitalisation and rights issue in 2021

In December 2020, ITAB announced its intention to carry out a recapitalisation of the Group, including a rights issue of SEK 768 million and an offset issue of SEK 100 million, in order to strengthen the



► balance sheet, contribute to greater financial flexibility and finance the One ITAB transformation plan. The Board of Directors subsequently decided on 9 February 2021 to implement the offset issue and rights issue based on the issue authorisation granted at the Extraordinary General Meeting on 15 January 2021. In December 2020, it was also announced that the current principal owners, in conjunction with the recapitalisation, would sell the majority of their subscription rights in the rights issue to enable the entry of the new strategic principal owner, WQZ Investments Group Ltd. In January 2021, a supplementary agreement was entered into whereby all of WQZ Investments Group Ltd's rights and obligations related to ITAB's recapitalisation were taken over by the investment company Aeternum Capital A/S, which is a company related to WQZ Investments Group Ltd.

On 12 March 2021, ITAB announced that the recapitalisation had been fully completed and that the rights issue of SEK 768 million had been fully subscribed. ITAB's offset issue of SEK 100 million was also fully subscribed and all Class A shares were reclassified to a corresponding number of Class B shares. Following the recapitalisation, ITAB has 218,100,192 shares outstanding. Aeternum Capital A/S is ITAB's largest shareholder with nearly 25 percent of the shares.

#### Investments

The Group's net investments in the third quarter amounted to SEK 20 million (12), of which SEK 6 million (0) is attributable to corporate acquisitions. For the interim period, the Group's net investments amounted to SEK 92 million (39), of which SEK 48 million (0) is attributable to corporate acquisitions during the period. For more information on corporate acquisitions and divestments, refer to Note 2 on page 10.

#### Employees

The average number of employees amounted to 2,891 (3,007) in the third quarter and 2,927 (3,071) in the interim period.

#### Parent Company

The Parent Company ITAB Shop Concept AB's operations mainly consist of Group-wide functions. The Parent Company's net sales pertain to revenue from subsidiaries and amounted to SEK 25 million (42) for the third quarter and SEK 117 million (114) for the interim period. Profit after financial items amounted to SEK 5 million (-3) for the quarter and SEK 26 million (53) for the interim period, including dividends from subsidiaries of SEK 0 million (0) in the quarter and SEK 46 million (45) in the interim period. Impairment of shares and receivables from subsidiaries had an impact of SEK -1 million (-7) on profit for the quarter and SEK -9 million (-8) on profit for the interim period in connection with the restructuring carried out in the Group.

#### Acquisitions

##### *Cefla Retail Solutions*

ITAB's Italian subsidiary La Fortezza s.p.a. entered into an agreement with Cefla soc. coop. on 8 October 2020 to acquire 81 percent of Cefla's business unit for

retail solutions ("Cefla Retail Solutions"). Cefla Retail Solutions primarily offers interior design and checkout solutions to its customers, which predominantly operate in the grocery sector in southern Europe. Through the acquisition and collaboration with Cefla, ITAB has strengthened its leading position in southern Europe and created opportunities to offer ITAB's solutions to a wider customer base.

The acquisition was completed in January 2021, and the acquired business unit was carved out from Cefla's existing structure and transferred to a newly established Italian limited liability company, Imola Retail Solution Srl, of which ITAB owns 81 percent and Cefla the remaining 19 percent. The acquisition of Cefla Retail Solutions is consolidated in ITAB as of 1 January 2021. The positive EBITDA effect on ITAB is expected to amount to at least SEK 30 million, and the transaction will create opportunities for further synergy effects in the coming years. ITAB has the right to acquire Cefla's minority stake in Imola Retail Solution three years after the completion of the transaction.

##### *Other acquisitions*

In April 2021, a subsidiary acquired the remaining 15 percent of the partly owned company La Fortezza Sudamericana S.A. (Argentina). The purchase price amounted to EUR 2 million. Cash flow was impacted in an amount of SEK -19 million in the second quarter of 2021.

Refer to Note 2 on page 10.

#### OTHER INFORMATION

##### **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 is available in Note 4 on page 67 in ITAB's Annual Report for 2020. ITAB's business risks are associated with its own operations, customers, suppliers and other external factors. A summary of some of ITAB's significant business risks is available in the Annual Report on page 47. Sustainability risks are described in the Annual Report on page 17. In addition, the outcome of ongoing strategy work may affect the future valuation of specific balance sheet items. Like other global companies, ITAB is being affected by the ongoing COVID-19 pandemic. The risks that are most prominent from a short-term perspective are the pandemic's impact on customers and suppliers as well as price and currency risks.

##### **Estimates and judgements**

The preparation of the interim report requires management to make assessments and estimates as well as assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, revenue and expenses. The actual outcome may deviate from these estimates and judgements. The ongoing pandemic and restructuring in connection with One ITAB affect the Group's assessments of impairment of assets as well as estimates of lease liabilities and right of use when determining the lease term. Other critical

assessments and sources of uncertainty in estimates when preparing this interim report are the same as in the most recent Annual Report.

##### **Transactions with related parties**

During the third quarter of 2020, ITAB entered into short-term shareholder loans amounting to SEK 140 million with companies related to three Directors of the Board who are also principal owners. With the aim of securing liquidity in connection with the repayment of convertible loans to employees, the shareholder loans were approved at an Extraordinary General Meeting on 22 July 2020. A total of SEK 40 million of the net proceeds from the rights issue carried out in early 2021 was used to repay part of the shareholder loans mentioned above. In accordance with a decision at an Extraordinary General Meeting on 15 January 2021, the remaining SEK 100 million was set off against Class B shares at a conversion price corresponding to the subscription price in the rights issue. Other than the above, there have been no other transactions between ITAB and related parties that have significantly affected the company's position and results.

##### **Events after the end of the interim period**

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

# THE GROUP IN SUMMARY



## ► INCOME STATEMENT

(SEK million)	Note	3 MONTHS JUL-SEP 2021	3 MONTHS JUL-SEP 2020	9 MONTHS JAN-SEP 2021	9 MONTHS JAN-SEP 2020	ROLLING 12 MONTHS, 30 SEP 2021	FULL YEAR JAN-DEC 2020
Revenue from contracts with customers	3	1,464	1,258	4,475	3,816	5,982	5,323
Costs of goods sold		-1,090	-888	-3,255	-2,724	-4,437	-3,906
<b>Gross profit</b>		<b>374</b>	<b>370</b>	<b>1,220</b>	<b>1,092</b>	<b>1,545</b>	<b>1,417</b>
Selling expenses		-250	-225	-793	-734	-1,074	-1,015
Administrative expenses		-78	-63	-236	-203	-318	-285
Other operating income and expenses	4	-1	1	-6	3	-14	-5
<b>Operating profit</b>		<b>45</b>	<b>83</b>	<b>185</b>	<b>158</b>	<b>139</b>	<b>112</b>
Financial income		2	0	6	5	4	5
Financial expenses	5	-10	-32	-69	-78	-106	-117
<b>Profit after financial items</b>	4	<b>37</b>	<b>51</b>	<b>122</b>	<b>85</b>	<b>37</b>	<b>0</b>
Tax expenses		-17	-18	-43	-30	-35	-22
<b>NET PROFIT FOR THE PERIOD</b>		<b>20</b>	<b>33</b>	<b>79</b>	<b>55</b>	<b>2</b>	<b>-22</b>
<b>Net profit for the period attributable to:</b>							
Parent Company shareholders		20	32	77	55	1	-21
Non-controlling interests		0	1	2	0	1	-1
Depreciation and amortisation for the period amount to		70	62	196	197	263	264
Tax expenses for the period account for		44%	37%	35%	36%	93%	N/A
Earnings per share, SEK <sup>1)</sup>		0.09	0.30	0.42	0.53	0.00	-0.21
Average number of outstanding shares, thousand <sup>1)</sup>	6	218,100	102,383	183,385	102,383	164,692	102,383
Number of outstanding shares, thousand <sup>1)</sup>	6	218,100	102,383	218,100	102,383	218,100	102,383

<sup>1)</sup> On 9 February 2021, the Board decided to implement an offset issue and rights issue based on the issue authorisation decided at an Extraordinary General Meeting of ITAB Shop Concept AB on 15 January 2021. On 12 March 2021, ITAB announced that the recapitalisation had been fully completed and that the rights issue of SEK 768 million had been fully subscribed. The number of shares in ITAB increased by a total of 115,716,762 and totals 218,100,192 shares after the issues.

## ► STATEMENT OF OTHER COMPREHENSIVE INCOME

(SEK million)	Note	3 MONTHS JUL-SEP 2021	3 MONTHS JUL-SEP 2020	9 MONTHS JAN-SEP 2021	9 MONTHS JAN-SEP 2020	ROLLING 12 MONTHS, 30 SEP 2021	FULL YEAR JAN-DEC 2020
<b>NET PROFIT FOR THE PERIOD</b>		<b>20</b>	<b>33</b>	<b>79</b>	<b>55</b>	<b>2</b>	<b>-22</b>
<b>OTHER COMPREHENSIVE INCOME</b>							
<b>Items that will not be reclassified to the income statement</b>							
Revaluation of defined-benefit pension commitments		-	-	-	-	2	2
Tax relating to items not to be reclassified		-	-	-	-	0	0
		-	-	-	-	2	2
<b>Items that may be reclassified to the income statement</b>							
Translation differences		25	-23	73	-66	8	-131
Hedging of net investments, net	5	0	1	0	2	3	5
Cash flow hedges, net	5	1	-1	15	-8	18	-5
Tax on items that may be reclassified		0	0	-3	1	-4	0
		<b>26</b>	<b>-23</b>	<b>85</b>	<b>-71</b>	<b>25</b>	<b>-131</b>
<b>Total other comprehensive income after tax</b>		<b>26</b>	<b>-23</b>	<b>85</b>	<b>-71</b>	<b>27</b>	<b>-129</b>
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>46</b>	<b>10</b>	<b>164</b>	<b>-16</b>	<b>29</b>	<b>-151</b>
<b>Comprehensive income for the period attributable to:</b>							
Parent Company shareholders		43	9	154	-14	27	-141
Non-controlling interests		3	1	10	-2	2	-10

## ► STATEMENT OF FINANCIAL POSITION

(SEK million)	Note	30 SEP 2021	30 SEP 2020	31 DEC 2020
<b>ASSETS</b>				
<b>Non-current assets</b>				
<i>Intangible assets</i>				
Goodwill		1,629	1,666	1,599
Other intangible assets		126	153	144
		<b>1,755</b>	<b>1,819</b>	<b>1,743</b>
Property, plant and equipment		1,436	1,467	1,367
Participations in associated companies		11	12	12
Deferred tax assets		99	105	101
Financial non-current assets		17	10	6
<b>Total non-current assets</b>		<b>3,318</b>	<b>3,413</b>	<b>3,229</b>
<b>Current assets</b>				
Inventories		1,076	888	698
Current receivables		1,276	950	900
Cash and cash equivalents		323	498	692
<b>Total current assets</b>		<b>2,675</b>	<b>2,336</b>	<b>2,290</b>
<b>TOTAL ASSETS</b>		<b>5,993</b>	<b>5,749</b>	<b>5,519</b>
<b>EQUITY AND LIABILITIES</b>				
Equity attributable to Parent Company shareholders	6	2,595	1,734	1,607
Non-controlling interests		117	126	118
Deferred tax liabilities		40	43	41
Other non-current liabilities	5	1,262	1,418	1,283
Current liabilities	5, 7	1,979	2,428	2,470
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,993</b>	<b>5,749</b>	<b>5,519</b>
Interest-bearing net debt		1,185	2,082	1,748
Interest-bearing net debt excluding lease liabilities		488	1,378	1,092

## ► STATEMENT OF CHANGES IN EQUITY

(SEK million)	Note	Share capital	Other contributed capital	Other reserves <sup>*)</sup>	Profit brought forward	Attributable to Parent Company shareholders	Attributable to non-con- trolling interests	Total equity
<b>EQUITY AS OF 1 JANUARY 2020</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		-69	-2	-71
<b>Comprehensive income Jan-Sep 2020</b>				<b>-69</b>	<b>55</b>	<b>-14</b>	<b>-2</b>	<b>-16</b>
Effect from repayment of convertible debenture loan KV5B			-11		11	0		0
<b>EQUITY AS OF 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>
Net loss for the period					-76	-76	-1	-77
Other comprehensive income				-53	2	-51	-7	-58
<b>Comprehensive income Oct-Dec 2020</b>				<b>-53</b>	<b>-74</b>	<b>-127</b>	<b>-8</b>	<b>-135</b>
<b>EQUITY AS OF 31 DECEMBER 2020</b>		<b>43</b>	<b>304</b>	<b>-78</b>	<b>1,338</b>	<b>1,607</b>	<b>118</b>	<b>1,725</b>
Net profit for the period					77	77	2	79
Other comprehensive income				77		77	8	85
<b>Comprehensive income Jan-Sep 2021</b>				<b>77</b>	<b>77</b>	<b>154</b>	<b>10</b>	<b>164</b>
Acquisition of non-controlling interests	2				1	1	-22	-21
Acquisition of partly owned companies	2						11	11
New and offset issue	6	48	785			833		833
<b>EQUITY AS OF 30 SEPTEMBER 2021</b>		<b>91</b>	<b>1,089</b>	<b>-1</b>	<b>1,416</b>	<b>2,595</b>	<b>117</b>	<b>2,712</b>

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

## ► STATEMENT OF CASH FLOWS

(SEK million)	Note	3 MONTHS JUL-SEP 2021	3 MONTHS JUL-SEP 2020	9 MONTHS JAN-SEP 2021	9 MONTHS JAN-SEP 2020	ROLLING 12 MONTHS, 30 SEP 2021	FULL YEAR JAN-DEC 2020
<b>Operating profit</b>		<b>45</b>	<b>83</b>	<b>185</b>	<b>158</b>	<b>139</b>	<b>112</b>
Paid and received interest, tax and adjustments for items not included in the cash flow		70	42	127	139	293	305
<b>Cash flow from operating activities before change in working capital</b>		<b>115</b>	<b>125</b>	<b>312</b>	<b>297</b>	<b>432</b>	<b>417</b>
<b>Change in working capital</b>							
Change in inventories		-119	-6	-335	15	-265	85
Change in operating receivables		-24	-81	-352	57	-319	90
Change in operating liabilities		11	90	302	142	379	219
<b>Cash flow from change in working capital</b>		<b>-132</b>	<b>3</b>	<b>-385</b>	<b>214</b>	<b>-205</b>	<b>394</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>-17</b>	<b>128</b>	<b>-73</b>	<b>511</b>	<b>227</b>	<b>811</b>
<b>Investing activities</b>							
Acquisition/divestment of companies and operations	2	-6	0	-48	0	-48	0
Other net investments		-14	-12	-44	-39	-50	-45
<b>Cash flow from investing activities</b>		<b>-20</b>	<b>-12</b>	<b>-92</b>	<b>-39</b>	<b>-98</b>	<b>-45</b>
<b>CASH FLOW AFTER INVESTING ACTIVITIES</b>		<b>-37</b>	<b>116</b>	<b>-165</b>	<b>472</b>	<b>129</b>	<b>766</b>
<b>Financing activities</b>							
New share issue	6	-	-	733	-	733	-
Repayment of convertible loan KV5B		-	-	-	-168	-	-168
Amortisation of lease liabilities		-39	-28	-99	-92	-129	-122
Cash flow from other financing activities		-51	187	-864	-1	-916	-53
<b>Cash flow from financing activities</b>		<b>-90</b>	<b>159</b>	<b>-230</b>	<b>-261</b>	<b>-312</b>	<b>-343</b>
<b>CASH FLOW FOR THE PERIOD</b>		<b>-127</b>	<b>275</b>	<b>-395</b>	<b>211</b>	<b>-183</b>	<b>423</b>
Cash and cash equivalents at the start of the period		444	230	692	302	498	302
Translation differences on cash and cash equivalents		6	-7	26	-15	8	-33
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>323</b>	<b>498</b>	<b>323</b>	<b>498</b>	<b>323</b>	<b>692</b>
<b>Cash flow from operating activities per share, SEK</b>		<b>-0.07</b>	<b>1.26</b>	<b>-0.40</b>	<b>5.00</b>	<b>2.52</b>	<b>7.92</b>



# THE PARENT COMPANY IN SUMMARY



## ► INCOME STATEMENT

(SEK million)	Note	3 MONTHS JUL-SEP 2021	3 MONTHS JUL-SEP 2020	9 MONTHS JAN-SEP 2021	9 MONTHS JAN-SEP 2020	FULL YEAR JAN-DEC 2020
Net sales <sup>1)</sup>		25	42	117	114	169
Costs of goods sold		-4	-4	-15	-12	-20
<b>Gross profit</b>		<b>21</b>	<b>38</b>	<b>102</b>	<b>102</b>	<b>149</b>
Selling expenses		-9	-10	-33	-31	-48
Administrative expenses		-11	-9	-39	-34	-53
Other operating income and expenses		4	1	5	-2	1
<b>Operating profit</b>		<b>5</b>	<b>20</b>	<b>35</b>	<b>35</b>	<b>49</b>
Profit/loss from participations in Group companies		-1	-7	37	37	-56
Financial income and expenses	5	1	-16	-46	-19	22
<b>Profit after financial items</b>		<b>5</b>	<b>-3</b>	<b>26</b>	<b>53</b>	<b>15</b>
Year-end appropriations		-	-	-	-	-29
<b>Profit before tax</b>		<b>5</b>	<b>-3</b>	<b>26</b>	<b>53</b>	<b>-14</b>
Tax expenses for the period		-	-	-	-	-14
<b>NET PROFIT FOR THE PERIOD</b>		<b>5</b>	<b>-3</b>	<b>26</b>	<b>53</b>	<b>-28</b>

## ► STATEMENT OF OTHER COMPREHENSIVE INCOME

Net profit for the period	5	-3	26	53	-28
Other comprehensive income	-	-	-	-	-
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>5</b>	<b>-3</b>	<b>26</b>	<b>53</b>	<b>-28</b>

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

## ► BALANCE SHEET

(SEK million)	Note	30 SEP 2021	30 SEP 2020	31 DEC 2020
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		7	7	7
Financial non-current assets		2,086	2,114	2,102
Deferred tax assets		17	31	17
<b>Total non-current assets</b>		<b>2,110</b>	<b>2,152</b>	<b>2,126</b>
<b>Current assets</b>				
Current receivables		366	477	251
Cash and bank balance		161	264	449
<b>Total current assets</b>		<b>527</b>	<b>741</b>	<b>700</b>
<b>TOTAL ASSETS</b>		<b>2,637</b>	<b>2,893</b>	<b>2,826</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Restricted equity		98	50	50
Non-restricted equity		1,805	1,075	994
<b>Total equity</b>	6	<b>1,903</b>	<b>1,125</b>	<b>1,044</b>
Non-current liabilities		588	704	626
Current liabilities	7	146	1,064	1,156
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,637</b>	<b>2,893</b>	<b>2,826</b>

## Note 1 – Accounting policies

ITAB applies International Financial Reporting Standards (IFRS). This interim report has been prepared in accordance with IAS 34 *Interim Financial Reporting*, the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 1 *Supplementary Accounting Rules for Groups* and RFR 2 *Accounting for Legal Entities*. The accounting policies applied correspond with the accounting policies used in the preparation of the most recent Annual Report.

## Note 2 – Corporate acquisition and divestments

### Acquisition of Cefla Retail Solutions in 2021

ITAB Shop Concept AB's Italian subsidiary La Fortezza s.p.a. entered into an agreement with Cefla soc. coop. on 8 October 2020 to acquire 81 percent of Cefla's business unit for retail solutions ("Cefla Retail Solutions"). Cefla Retail Solutions primarily offers interior design and checkout solutions to its customers, which predominantly operate in the grocery sector in southern Europe. Through the acquisition and collaboration with Cefla, ITAB has strengthened its leading position in southern Europe and created opportunities to offer ITAB's solutions to a wider customer base.

The acquisition was completed in January 2021, and the business unit was carved out from Cefla's existing structure and transferred to a newly established Italian limited liability company, Imola Retail Solution Srl. ITAB owns 81 percent of Imola Retail Solution and Cefla the remaining 19 percent. ITAB has the right to acquire Cefla's minority stake in the aforementioned company three years after the transaction date. The acquisition is consolidated from 1 January 2021. The positive EBITDA effect on ITAB in 2021 is expected to amount at least SEK 30 million and the transaction will create opportunities for further synergy effects in the coming years.

Expenses in connection with the acquisition are recognised on an ongoing basis as expenses. The acquisition had an impact of SEK -1 million on operating profit and SEK -23 million on cash flow in the first quarter and an impact of SEK -6 million in the third quarter of 2021. The preliminary effect of the acquisition was recognised in Note 5 of ITAB's Annual Report for 2020.

### Acquisition of non-controlling interest in 2021

In April 2021, a subsidiary acquired the remaining 15 percent of the partly owned company La Fortezza Sudamericana S.A. (Argentina). The purchase price amounted to EUR 2 million. The entity approach is applied for acquisitions, which means that all assets and liabilities as well as income and expenses are included in their entirety at the time of the initial acquisition, even for partly owned subsidiaries, and no further goodwill is therefore linked to the acquisition. The difference between valued non-controlling interests prior to acquisition and the purchase price is recognised directly in equity attributable to Parent Company shareholders (SEK 1 million). Cash flow in the second quarter of 2021 was impacted in an amount of SEK -19 million.

## Note 3 – Revenue from contracts with customers by customer group and geographic area

Revenue recognition takes place when the Group satisfies a performance obligation by transferring promised goods and the customer gains control of the asset. This normally takes place on delivery in accordance with applicable delivery terms. In the case of concept sales where a service assignment is included, revenue recognition for the projects takes place over time. The projects are primarily short-term projects. The largest customer accounts for approximately 12 percent of external sales, and none of the ITAB Group's other customers account for more than 6 percent of external sales.

	3 MONTHS JUL-SEP 2021	3 MONTHS JUL-SEP 2020	9 MONTHS JAN-SEP 2021	9 MONTHS JAN-SEP 2020	ROLLING 12 MONTHS, 30 SEP 2021	FULL YEAR JAN-DEC 2020
<b>SALES BY CUSTOMER GROUP <sup>1)</sup></b>						
Grocery	855	736	2,633	2,170	3,557	3,094
Home improvements	185	167	624	549	808	733
Fashion	123	81	304	330	394	420
Other customer groups	301	274	914	767	1,223	1,076
<b>TOTAL</b>	<b>1,464</b>	<b>1,258</b>	<b>4,475</b>	<b>3,816</b>	<b>5,982</b>	<b>5,323</b>

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

	3 MONTHS JUL-SEP 2021	3 MONTHS JUL-SEP 2020	9 MONTHS JAN-SEP 2021	9 MONTHS JAN-SEP 2020	ROLLING 12 MONTHS, 30 SEP 2021	FULL YEAR JAN-DEC 2020
<b>SALES BY GEOGRAPHIC AREA <sup>2)</sup></b>						
Northern Europe	321	330	1,118	1,086	1,532	1,500
Southern Europe	348	190	1,061	572	1,308	819
Central Europe	295	254	818	722	1,127	1,031
UK & Ireland	242	273	745	744	1,055	1,054
Eastern Europe	149	111	413	390	532	509
Rest of the World	109	100	320	302	428	410
<b>TOTAL</b>	<b>1,464</b>	<b>1,258</b>	<b>4,475</b>	<b>3,816</b>	<b>5,982</b>	<b>5,323</b>

<sup>2)</sup> Northern Europe consists of the Nordic countries. Southern Europe consists primarily of Italy, France and Spain. Central Europe's largest markets are Germany, the Netherlands and the Czech Republic. Eastern Europe's largest markets are the Baltic countries, Poland and Russia. The USA, China, Argentina and Saudi Arabia account for almost half of the market in the Rest of the World.

## Note 4 – Non-recurring items

Earnings for the third quarter and the full interim period have been charged with non-recurring costs.

These primarily consist of restructuring costs in connection with the transformation work under ITAB's One ITAB strategy, of which approximately 50 percent pertains to personnel costs.

NON-RECURRING ITEMS, SEK million	3 MONTHS JUL-SEP 2021	3 MONTHS JUL-SEP 2020	9 MONTHS JAN-SEP 2021	9 MONTHS JAN-SEP 2020	ROLLING 12 MONTHS, 30 SEP 2021	FULL YEAR JAN-DEC 2020
Restructuring	-30	-12	-87	-54	-189	-156
Inventory impairment of a non-recurring nature	-	-	-	-	-52	-52
<b>Total non-recurring items</b>	<b>-30</b>	<b>-12</b>	<b>-87</b>	<b>-54</b>	<b>-241</b>	<b>-208</b>
<b>Impact of non-recurring items on profit items in the income statement</b>						
Operating profit before depreciation and amortisation (EBITDA)	-30	-12	-87	-51	-238	-202
Operating profit	-30	-12	-87	-51	-241	-205
Profit after financial items	-30	-12	-87	-54	-241	-208

## Note 5 – Financial assets and liabilities

ITAB has derivative instruments measured at fair value. The derivative instruments consist of currency futures and interest rate swaps and are used for hedging purposes. All derivative instruments are classified in level 2 in accordance with IFRS 13 and fair value is calculated through discounted future cash flows according to the terms of the contracts and maturity dates, with all variables, such as discount rates and exchange rates, taken from market quotations for calculations.

The fair value of the derivative instruments for hedging purposes is recognised as a change in other comprehensive income. Any ineffective portion is recognised immediately in net financial items in the income statement.

Financial expenses have been charged with SEK 6 million for hedges that have been assessed as ineffective after the refinancing in 2021, of which SEK 5 million during the first quarter and SEK 1 million during the second quarter.

Additional purchase prices are recognised as financial liabilities and classified in level 3 in accordance with IFRS 13. These are dependent on parameters in the respective agreements, which are mainly linked to the expected earnings for the acquired companies over the next few years. The additional purchase prices have been reported at assessed value and revaluation is made in the income statement.

Carrying amount is considered to be a reasonable estimate of fair value for all financial assets and liabilities. No financial assets and liabilities have been moved between the valuation categories and the valuation techniques are unchanged during the year. For other information, refer to ITAB's Annual Report for 2020.

## Note 6 – New and offset issues

On 9 February 2021, the Board decided to implement an offset issue and rights issue based on the issue authorisation decided at the Extraordinary General Meeting of ITAB Shop Concept AB (publ) on 15 January 2021. On 12 March 2021, ITAB announced that the recapitalisation had been fully completed and that the rights issue of SEK 768 million had been fully subscribed. Through these issues, the number of shares increased by a total of 115,716,762 and amounts to 218,100,192 shares after the issues.

	NO. OF SHARES	SHARE CAPITAL, SEK MILLION	SHARE PREMIUM RESERVE, SEK MILLION	TOTAL, SEK MILLION
New share issue	102,383,430	42	726	768
Offset issue	13,333,332	6	94	100
Issue costs			-35	-35
	<b>115,716,762</b>	<b>48</b>	<b>785</b>	<b>833</b>

## Note 7 – Shareholder loans

Current liabilities as of 31 December 2020 include short-term shareholder loans from Pomona-Gruppen AB (related to Director of the Board Fredrik Rapp), VIEM Invest AB (related to Director of the Board Anna Benjamin) and Övre Kullen AB (related to Director of the Board Petter Fägersten). The loans amounted to a total of SEK 140 million and were approved at an Extraordinary General Meeting of ITAB Shop Concept AB (publ) on 22 July 2020. In connection with an offset issue in March 2021 (refer to Note 6 above), SEK 100 million of these loans was converted into equity. The remaining SEK 40 million was repaid in March 2021 and none of these shareholder loans remains on the balance sheet date.

## ► QUARTERLY OVERVIEW FOR THE GROUP

	PER QUARTER							
(SEK million)	JUL-SEP 2021	JUL-SEP 2020	APR-JUN 2021	APR-JUN 2020	JAN-MAR 2021	JAN-MAR 2020	OCT-DEC 2020	OCT-DEC 2019
Revenue from contracts with customers	1,464	1,258	1,488	1,142	1,523	1,416	1,507	1,517
Costs of goods sold	-1,090	-888	-1,087	-809	-1,078	-1,027	-1,182	-1,155
<b>Gross profit</b>	<b>374</b>	<b>370</b>	<b>401</b>	<b>333</b>	<b>445</b>	<b>389</b>	<b>325</b>	<b>362</b>
Selling expenses	-250	-225	-277	-230	-266	-279	-281	-326
Administrative expenses	-78	-63	-86	-67	-72	-73	-82	-75
Other operating income and expenses	-1	1	0	-2	-5	4	-8	0
<b>Operating profit</b>	<b>45</b>	<b>83</b>	<b>38</b>	<b>34</b>	<b>102</b>	<b>41</b>	<b>-46</b>	<b>-39</b>
Financial items	-8	-32	-22	-27	-33	-14	-39	-24
<b>Profit after financial items</b>	<b>37</b>	<b>51</b>	<b>16</b>	<b>7</b>	<b>69</b>	<b>27</b>	<b>-85</b>	<b>-63</b>
Tax expenses	-17	-18	-7	-3	-19	-9	8	5
<b>NET PROFIT FOR THE PERIOD</b>	<b>20</b>	<b>33</b>	<b>9</b>	<b>4</b>	<b>50</b>	<b>18</b>	<b>-77</b>	<b>-58</b>
Net profit for the period attributable to:								
Parent Company shareholders	20	32	8	3	49	20	-76	-58
Non-controlling interests	0	1	1	1	1	-2	-1	0
Non-recurring items, SEK million	-30	-12	-43	-30	-14	-12	-154	-46
Profit after financial items excl. non-recurring items, SEK million	67	63	59	37	83	39	69	-17
Profit margin excl. non-recurring items, %	4.5	5.1	4.0	3.2	5.4	2.7	4.5	neg
Earnings per share, SEK <sup>1)</sup>	0.09	0.30	0.03	0.04	0.38	0.19	-0.74	-0.57
Return on equity per annum, %	3.1	7.3	1.2	0.8	9.5	4.4	neg	neg
Equity per share, SEK <sup>1)</sup>	11.90	16.94	11.70	16.84	11.72	17.47	15.69	17.07
Cash flow from operating activities per share, SEK <sup>1)</sup>	-0.40	1.26	-0.72	2.51	0.78	1.23	2.92	2.34
Share price at the end of the period, recalculated after issues, SEK	13.44	9.74	15.70	8.11	16.84	5.65	13.10	12.08

<sup>1)</sup> In connection with ITAB's recapitalisation in 2021, the number of shares increased by 115,716,762 to a total of 218,100,192 shares.

## ► FULL-YEAR OVERVIEW FOR THE GROUP

	ROLLING 12 MONTHS AS OF							
(SEK million)	30 SEP 2021	30 JUN 2021	31 MAR 2021	31 DEC 2020	30 SEP 2020	30 JUN 2020	31 MAR 2020	31 DEC 2019
Revenue from contracts with customers	5,982	5,776	5,430	5,323	5,333	5,488	5,877	6,064
Costs of goods sold	-4,437	-4,235	-3,957	-3,906	-3,879	-4,020	-4,330	-4,441
<b>Gross profit</b>	<b>1,545</b>	<b>1,541</b>	<b>1,473</b>	<b>1,417</b>	<b>1,454</b>	<b>1,468</b>	<b>1,547</b>	<b>1,623</b>
Selling expenses	-1,074	-1,049	-1,002	-1,015	-1,060	-1,113	-1,173	-1,183
Administrative expenses	-318	-303	-284	-285	-278	-280	-287	-286
Other operating income and expenses	-14	-12	-14	-5	3	6	53	103
<b>Operating profit</b>	<b>139</b>	<b>177</b>	<b>173</b>	<b>112</b>	<b>119</b>	<b>81</b>	<b>140</b>	<b>257</b>
Financial items	-102	-126	-131	-112	-97	-81	-75	-83
<b>Profit after financial items</b>	<b>37</b>	<b>51</b>	<b>42</b>	<b>0</b>	<b>22</b>	<b>0</b>	<b>65</b>	<b>174</b>
Tax expenses	-35	-36	-32	-22	-25	-14	-29	-54
<b>NET PROFIT FOR THE PERIOD</b>	<b>2</b>	<b>15</b>	<b>10</b>	<b>-22</b>	<b>-3</b>	<b>-14</b>	<b>36</b>	<b>120</b>
Net profit for the period attributable to:								
Parent Company shareholders	1	13	8	-21	-3	-13	38	120
Non-controlling interests	1	2	2	-1	0	-1	-2	0
Non-recurring items, SEK million	-241	-223	-210	-208	-100	-101	-35	16
Profit after financial items excl. non-recurring items, SEK million	278	274	252	208	122	101	100	158
Profit margin excl. non-recurring items, %	4.6	4.7	4.5	3.9	2.3	1.8	1.7	2.6
Earnings per share, SEK <sup>1)</sup>	0.00	0.09	0.08	-0.21	-0.04	-0.12	0.36	1.17
Return on equity per annum, %	0.0	0.6	0.5	neg	neg	neg	2.1	6.9
Equity per share, SEK <sup>1)</sup>	11.90	11.70	11.72	15.69	16.94	16.84	17.47	17.07
Cash flow from operating activities per share, SEK <sup>1)</sup>	2.52	2.70	7.08	7.92	7.34	6.25	4.33	4.68

<sup>1)</sup> In connection with ITAB's recapitalisation in 2021, the number of shares increased by 115,716,762 to a total of 218,100,192 shares.

# KEY RATIOS & DEFINITIONS



## ► KEY RATIOS

	3 MONTHS JUL-SEP 2021	3 MONTHS JUL-SEP 2020	9 MONTHS JAN-SEP 2021	9 MONTHS JAN-SEP 2020	ROLLING 12 MONTHS, 30 SEP 2021	FULL YEAR JAN-DEC 2020
Revenue from contracts with customers, SEK million	1,464	1,258	4,475	3,816	5,982	5,323
EBITDA, SEK million	115	145	381	355	402	376
EBITDA margin, %	7.9	11.6	8.5	9.3	6.7	7.1
EBITDA excl. non-recurring items, SEK million	145	157	468	406	640	578
EBITDA margin excl. non-recurring items, %	9.9	12.5	10.5	10.7	10.8	11.0
Operating profit, SEK million	45	83	185	158	139	112
Operating margin, %	3.0	6.6	4.1	4.1	2.3	2.1
Operating profit excl. non-recurring items, SEK million	75	95	272	209	380	317
Operating margin excl. non-recurring items, %	5.1	7.6	6.1	5.5	6.3	6.0
Profit after financial items, SEK million	37	51	122	85	37	0
Profit margin, %	2.5	4.1	2.7	2.2	0.6	0.0
Profit after financial items excl. non-recurring items, SEK million	67	63	209	139	278	208
Profit margin excl. non-recurring items, %	4.5	5.1	4.7	3.7	4.6	3.9
Cash flow from operating activities, SEK million	-17	128	-73	511	227	811
Profit after tax, SEK million	20	33	79	55	2	-22
Share price at the end of the period, recalculated after issues, SEK	13.44	9.74	13.44	9.74	13.44	13.10
Earnings per share, SEK <sup>1)</sup>	0.09	0.30	0.42	0.53	0.00	-0.21
Cash flow from operating activities per share, SEK <sup>1)</sup>	-0.07	1.26	-0.40	5.00	2.52	7.92
Number of shares at the end of the period <sup>1)</sup>	218,100,192	102,383,430	218,100,192	102,383,430	218,100,192	102,383,430
Average number of shares <sup>1)</sup>	218,100,192	102,383,430	183,385,163	102,383,430	164,692,456	102,383,430
Balance sheet total, SEK million	5,993	5,749	5,993	5,749	5,993	5,519
Interest-bearing net debt, SEK million	1,185	2,082	1,185	2,082	1,185	1,748
Interest-bearing net debt excl. lease liabilities, SEK million	488	1,378	488	1,378	488	1,092
Equity attributable to Parent Company shareholders, SEK million	2,595	1,734	2,595	1,734	2,595	1,607
Equity per share, SEK <sup>1)</sup>	11.90	16.94	11.90	16.94	11.90	15.69
Equity/assets ratio, %	45.3	32.4	45.3	32.4	45.3	31.3
Share of risk-bearing capital, %	45.9	33.1	45.9	33.1	45.9	32.0
Return on equity per annum, %	3.1	7.3	4.4	4.2	0.0	-1.2
Return on capital employed per annum, %	4.4	7.7	6.0	4.8	3.2	2.5
Return on total capital per annum, %	3.1	6.0	4.3	3.8	2.4	2.0
Interest-coverage ratio, multiple	4.6	2.6	2.8	2.1	1.3	1.0
Net investments, SEK million	20	12	92	39	98	45
Net investments excl. corporate acquisitions, SEK million	14	12	44	39	50	45
Average number of employees	2,891	3,007	2,927	3,071	2,958	3,030

<sup>1)</sup> In connection with ITAB's recapitalisation in 2021, the number of shares increased by 115,716,762 to a total of 218,100,192 shares.

## ► ALTERNATIVE PERFORMANCE MEASURES

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

### ▼ EBITDA (Operating profit before depreciation and amortisation)

Operating profit before depreciation, amortisation and impairment of property, plant and equipment and intangible assets.

*A relevant profit measure to assess the profit trend of the company over time.*

(SEK million)	3 MONTHS JUL-SEP 2021	3 MONTHS JUL-SEP 2020	9 MONTHS JAN-SEP 2021	9 MONTHS JAN-SEP 2020	ROLLING 12 MONTHS, 30 SEP 2021	FULL YEAR JAN-DEC 2020
Operating profit	45	83	185	158	139	112
Depreciation and amortisation	70	62	196	197	263	264
<b>EBITDA</b>	<b>115</b>	<b>145</b>	<b>381</b>	<b>355</b>	<b>402</b>	<b>376</b>
Reversal of non-recurring items, Note 4	30	12	87	51	238	202
<b>EBITDA EXCL. NON-RECURRING ITEMS</b>	<b>145</b>	<b>157</b>	<b>468</b>	<b>406</b>	<b>640</b>	<b>578</b>

### ▼ Interest-bearing net debt

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

*A relevant measure to show ITAB's total loan financing. This measure is included in the covenants in ITAB's loan agreements with the company's banks.*

(SEK million)	3 MONTHS JUL-SEP 2021	3 MONTHS JUL-SEP 2020	9 MONTHS JAN-SEP 2021	9 MONTHS JAN-SEP 2020	ROLLING 12 MONTHS, 30 SEP 2021	FULL YEAR JAN-DEC 2020
Interest-bearing non-current liabilities	1,190	1,367	1,190	1,388	1,190	1,239
Interest-bearing current liabilities	320	1,213	320	1,192	320	1,202
Interest-bearing assets	-2	0	-2	0	-2	-1
Cash and cash equivalents	-323	-498	-323	-498	-323	-692
<b>INTEREST-BEARING NET DEBT</b>	<b>1,185</b>	<b>2,082</b>	<b>1,185</b>	<b>2,082</b>	<b>1,185</b>	<b>1,748</b>
Reversal of interest-bearing lease liabilities	-697	-704	-697	-704	-697	-656
<b>INTEREST-BEARING NET DEBT EXCL. LEASES</b>	<b>488</b>	<b>1,378</b>	<b>488</b>	<b>1,378</b>	<b>488</b>	<b>1,092</b>

### ▼ Share of risk-bearing capital

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

*Relevant for assessing ITAB's potential to fulfill its financial obligations.*

(SEK million)	3 MONTHS JUL-SEP 2021	3 MONTHS JUL-SEP 2020	9 MONTHS JAN-SEP 2021	9 MONTHS JAN-SEP 2020	ROLLING 12 MONTHS, 30 SEP 2021	FULL YEAR JAN-DEC 2020
Equity attributable to Parent Company shareholders	2,595	1,734	2,595	1,734	2,595	1,607
Equity attributable to non-controlling interests	117	126	117	126	117	118
Provision for deferred tax liabilities	40	43	40	43	40	41
<b>RISK-BEARING CAPITAL</b>	<b>2,752</b>	<b>1,903</b>	<b>2,752</b>	<b>1,903</b>	<b>2,752</b>	<b>1,766</b>
Total capital	5,993	5,749	5,993	5,749	5,993	5,519
<b>SHARE OF RISK-BEARING CAPITAL, %</b>	<b>45.9</b>	<b>33.1</b>	<b>45.9</b>	<b>33.1</b>	<b>45.9</b>	<b>32.0</b>



### ▼ Return on equity

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

*This measure shows the return on ITAB Group's investments of its shareholders' capital.*

(SEK million)	3 MONTHS JUL-SEP 2021	3 MONTHS JUL-SEP 2020	9 MONTHS JAN-SEP 2021	9 MONTHS JAN-SEP 2020	ROLLING 12 MONTHS, 30 SEP 2021	FULL YEAR JAN-DEC 2020
Annualised net profit attributable to Parent Company shareholders	80	126	102	73	1	-21
Equity attributable to Parent Company shareholders	2,595	1,734	2,595	1,734	2,595	1,607
Average equity attributable to Parent Company shareholders	2,574	1,729	2,327	1,749	2,209	1,720
<b>RETURN ON EQUITY, %</b>	<b>3.1</b>	<b>7.3</b>	<b>4.4</b>	<b>4.2</b>	<b>0.0</b>	<b>-1.2</b>

### ▼ Return on capital employed

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

*This measure is relevant for assessing ITAB's efficiency and added value from the business.*

(SEK million)	3 MONTHS JUL-SEP 2021	3 MONTHS JUL-SEP 2020	9 MONTHS JAN-SEP 2021	9 MONTHS JAN-SEP 2020	ROLLING 12 MONTHS, 30 SEP 2021	FULL YEAR JAN-DEC 2020
Annualised profit after financial items plus financial expenses	185	333	255	218	139	112
Average balance sheet total less non interest-bearing liabilities	4,185	4,335	4,275	4,510	4,308	4,441
<b>RETURN ON CAPITAL EMPLOYED, %</b>	<b>4.4</b>	<b>7.7</b>	<b>6.0</b>	<b>4.8</b>	<b>3.2</b>	<b>2.5</b>

### ▼ Return on total capital

Annualised profit after financial items for the period plus financial borrowing costs in relation to average total capital.

*This measure is relevant for assessing the ability to generate profit on the Group's assets regardless of financing costs.*

(SEK million)	3 MONTHS JUL-SEP 2021	3 MONTHS JUL-SEP 2020	9 MONTHS JAN-SEP 2021	9 MONTHS JAN-SEP 2020	ROLLING 12 MONTHS, 30 SEP 2021	FULL YEAR JAN-DEC 2020
Annualised profit after financial items plus financial expenses	185	333	255	218	139	112
Average total capital	5,941	5,591	5,917	5,779	5,884	5,727
<b>RETURN ON TOTAL CAPITAL, %</b>	<b>3.1</b>	<b>6.0</b>	<b>4.3</b>	<b>3.8</b>	<b>2.4</b>	<b>2.0</b>

## ► OTHER DEFINITIONS

### ► Average number of employees

Number of worked hours divided by normal annual working time.

*This measure shows the size of ITAB's workforce.*

### ► Cash flow from operating activities per share

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

*This measure highlights ITAB's ability to generate cash flow and pay its shareholders.*

### ► Earnings per share

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

*A valuation measure that highlights ITAB's ability to pay its shareholders.*

### ► Equity/assets ratio

Equity in relation to total capital.

*This measure highlights financial risk.*

### ► Equity per share

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

*Measure to describe how much equity belongs to the shareholders of the Parent Company.*

### ► Interest-coverage ratio

Profit after financial items plus financial interest expenses in relation to financial borrowing costs.

*Shows ITAB's ability to cover its financial expenses.*

### ► Operating margin

Operating profit in relation to revenue.

*Relevant for assessing ITAB's efficiency and added value.*

### ► Profit margin

Profit after financial items in relation to revenue.

*Relevant for assessing ITAB's efficiency and added value.*

### ► Total capital

Total equity and liabilities (balance sheet total)

*This measure highlights the size of the company's total assets.*

At ITAB we help customers turn consumer brand experience into physical reality with our know-how, solutions and ecosystem of partners. Together with our customers, we create effective solutions that contribute to versatile and inspirational experiences. Our offering includes solution design, customised shop fittings, checkouts, consumer flow solutions, professional lighting systems and digitally interactive solutions for the physical store.

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

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

ITAB has operations in 26 countries and 19 production facilities in Europe and China. 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 offers solutions in the following areas with services for analysis, insight, design, logistics, installation and maintenance:



## ► RETAIL INTERIOR

ITAB co-creates modern store experiences with its customers through an iterative design process. Solutions that better display products, enable efficiency for both the consumer and the store with the help of innovative solutions and both traditional and environmentally friendly materials.



## ► RETAIL TECHNOLOGY

ITAB offers efficient and inspiring solutions for entrance and exit as well as in-store guidance via both digital and physical solutions. Traditional checkout and self-checkout solutions based on consumer analysis and insights create effective solutions, optimal flows and experiences.

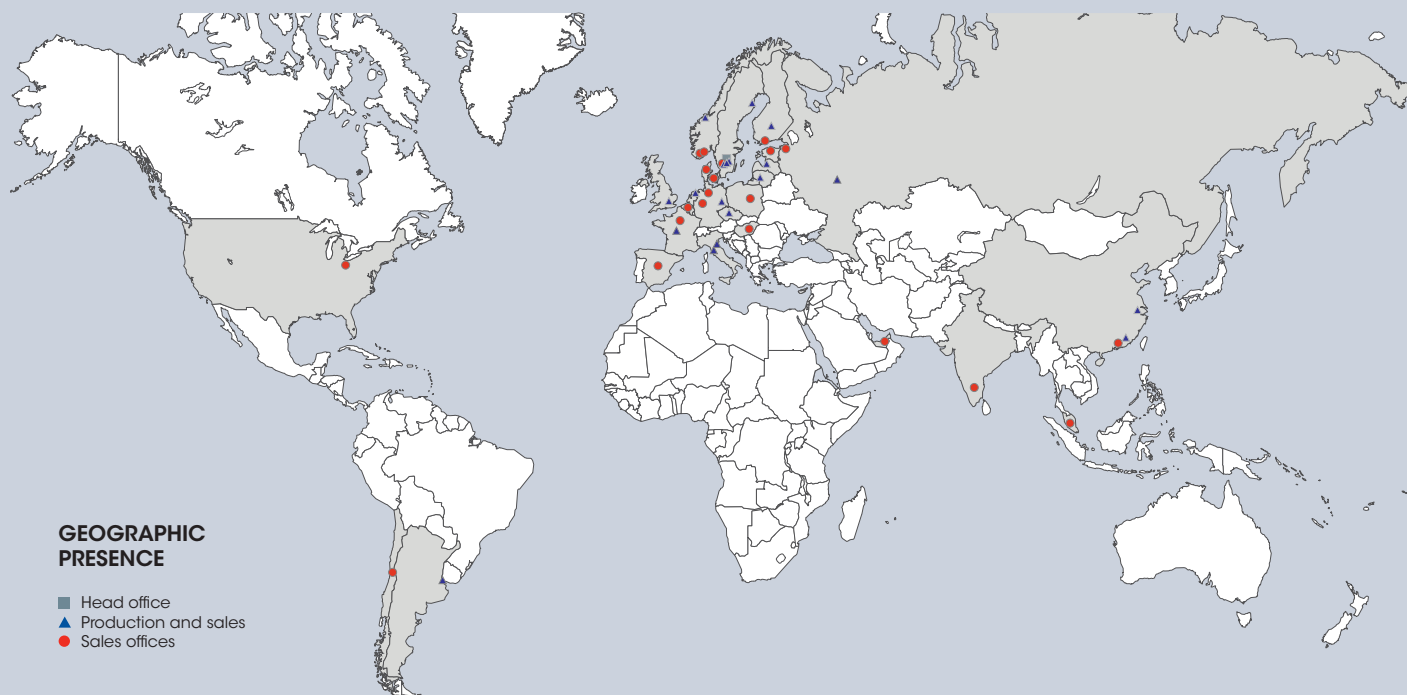


## ► RETAIL LIGHTING

In line with increased knowledge about the way light affects people, lighting has become an increasingly central part of the store concept. During refurbishments and new construction, energy efficiency is also becoming increasingly important. ITAB develops, manufactures and sells complete professional lighting systems, light planning and light services.

## RETHINK RETAIL.TOGETHER.

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



# AUDITOR'S REVIEW REPORT

ITAB Shop Concept AB (publ), Corp. Reg. No. 556292-1089

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

## Introduction

We have reviewed the condensed interim financial information (interim report) for ITAB Shop Concept AB (publ) as of 30 September 2021 and the nine-month period then ended. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## Scope and focus of the review

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

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

## Conclusion

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

Jönköping, 2 November 2021  
Ernst & Young AB

Joakim Falck  
Authorised Public Accountant



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## SHARE INFORMATION

<b>Listing</b>	<b>ISIN</b>
Nasdaq Stockholm Mid Cap list	SE0015962097
<b>Ticker symbol</b>	<b>Share price on 30 Sep 2021</b>
ITAB	SEK 13.44
<b>Sector classification</b>	
Industrial Goods & Services	

## FINANCIAL CALENDAR

Financial report 2021 – 1 Jan–31 Dec 2021	8 February 2022
Annual Report 2021	April 2022
Interim report 3 months – 1 Jan–31 Mar 2022	10 May 2022
Annual General Meeting 2022 in Jönköping	10 May 2022
Interim report 6 months – 1 Jan–30 Jun 2022	13 July 2022
Interim report 9 months – 1 Jan–30 Sep 2022	28 October 2022
Financial report 2022 – 1 Jan–31 Dec 2022	8 February 2023

The information in this report is such that ITAB Shop Concept AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons specified, **at 7:00 a.m. CET on 2 November 2021.**

This document is in all respects a translation of the Swedish original interim report. In the event of any discrepancies between this translation and the Swedish original, the latter shall prevail.