



# INTERIM REPORT – 3 MONTHS 1 January–31 March 2022

## FIRST QUARTER (1 Jan–31 Mar 2022)

- ▶ Net sales increased by 16 percent to SEK 1,773 million (1,523), of which currency-adjusted sales rose by 12 percent.
- ▶ Operating profit before depreciation and amortisation (EBITDA) excluding non-recurring items of SEK -11 million (-14) amounted to SEK 175 million (179). <sup>1)</sup>
- ▶ Operating profit amounted to SEK 92 million (102) and the operating margin was 5.2 percent (6.7). Operating profit was charged with non-recurring items of SEK -21 million (-14). <sup>1)</sup>
- ▶ Profit after financial items totalled SEK 87 million (69).
- ▶ Profit after tax amounted to SEK 61 million (50).
- ▶ Earnings per share totalled SEK 0.25 (0.38). <sup>2)</sup>
- ▶ Cash flow from operating activities amounted to SEK -59 million (102).
- ▶ The equity/assets ratio at the end of the quarter was 46 percent (43).
- ▶ Net debt excluding lease liabilities amounted to SEK 718 million (222).

*"We noted healthy demand and results in line with the previous year for the first quarter of 2022, despite challenges in the operating environment that have led to shortages of critical components and rising prices for input goods."*

**Andréas Elgaard**  
President & CEO

[Read more on page 2](#)

## SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

- ▶ The acquisition of Checkmark, one of the leading suppliers of retail technology solutions such as checkouts in the Nordic region, further strengthens ITAB's market position.
- ▶ Due to the invasion of Ukraine, a decision was made to discontinue ITAB's current operations in Russia. These operations correspond to approximately 2.5 percent of the Group's annual sales.
- ▶ In connection with the annual financial statements for 2021, the Board adopted new financial targets focused on sustainable growth, increased profitability, and capital efficiency. [Read more on page 15.](#)

## THE GROUP IN SUMMARY

*For definitions, see pages 13-14*

	QUARTER		Δ	FULL YEAR		Δ
	JAN-MAR 2022	JAN-MAR 2021		ROLLING 12 MONTHS, 31 MAR 2022	JAN-DEC 2021	
Net sales, SEK million	1,773	1,523	16%	6,495	6,245	4%
EBITDA excl. non-recurring items <sup>1)</sup> , SEK million	175	179	-2%	652	656	-1%
EBITDA margin, %	9.8	11.7		10.3	10.5	
Operating profit excl. non-recurring items <sup>1)</sup> , SEK million	113	116	-3%	387	390	-1%
Operating margin, %	6.3	7.6		6.0	6.2	
Profit after financial items excl. non-recurring items <sup>1)</sup> , SEK million	108	83	30%	347	322	8%
Profit margin, %	6.1	5.4		5.0	5.2	
Profit after tax, SEK million	61	50	22%	114	103	11%
Earnings per share, SEK <sup>2)</sup>	0.25	0.38	-34%	0.46	0.50	-8%
Cash flow from operating activities, SEK million	-59	102	N/A	-326	-165	N/A
Equity/assets ratio, %	46	43		46	46	
Interest-bearing net debt excl. lease liabilities, SEK million	718	222	496	718	609	109

<sup>1)</sup> Non-recurring items mainly consist of costs relating to transformation work under ITAB's One ITAB strategy. Refer to Note 4 on page 10.

<sup>2)</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.

# RESULTS IN LINE WITH THE PREVIOUS YEAR IN A CHALLENGING ENVIRONMENT

We noted healthy demand and results in line with the previous year for the first quarter of 2022, despite challenges in the operating environment that have led to shortages of critical components and rising prices for input goods. During the quarter, we further strengthened our market position in retail technology solutions such as checkouts with the acquisition of Checkmark in Finland. Due to the Russian regime's invasion of Ukraine, we decided at the beginning of March to discontinue the Group's current operations in Russia.



Demand was healthy during the first quarter. The Group reported organic growth of approximately 11 percent, which was a result of price increases and healthy underlying demand in several of our geographic markets and customer groups. Sales increased most in Central Europe by some SEK 110 million. In terms of customer groups, Fashion and Home Improvements experienced the greatest growth during the quarter.

## RESULTS IN LINE WITH THE PREVIOUS YEAR – WITH INCREASED FOCUS ON CAPITAL EFFICIENCY

Profit was impacted positively by the increase in sales while supply disruptions combined with high inflation had a negative impact on the gross margin. Comprehensive lockdowns in China due to the COVID-19 pandemic led to problems with the supply of goods and impacted earnings negatively. The share of expenses increased somewhat at the same time as certain non-recurring costs were charged to earnings for the quarter. Over the past few quarters, we have continuously adjusted our prices and taken other cost-saving measures in the operations to offset the negative effects on profit. At present, the cost increases are very rapid and less predictable than previously, and we continue to adjust our prices accordingly but are still not in balance with this. Adjusted for non-recurring items, EBITDA amounted to SEK 175 million (179), corresponding to an EBITDA margin of 9.8 percent (11.7). Corresponding profit after financial items increased by 30 percent to SEK 108 million (83).

Our cash flow for the quarter was negatively impacted by increased inventory values due to our strong sales trend, increased raw material prices, longer lead times and higher inventory levels than normal with the aim of ensuring our delivery capacity to customers. Our efforts to reduce working capital are continuing, but the high level of inventories, mainly established during the second half of 2021, could take a longer time to normalise and improve due to supply chain challenges.

## ACQUISITION OF CHECKMAR STRENGTHENS OUR MARKET POSITION IN THE NORDIC REGION

During the quarter, the acquisition of Checkmark was completed, which is strengthening our market position in the Nordic region with a broader product and solution offering and is expected to lead to synergies for ITAB and our customers primarily in the grocery and construction sectors. Checkmark had

sales of approximately EUR 12 million in 2021, and the integration and efforts to capitalise on the business opportunities that the acquisition presented began directly after closing in March 2022.

## DISCONTINUING OPERATIONS IN RUSSIA

Due to the Russian invasion of Ukraine, we decided at the beginning of March 2022 to discontinue our Russian operations, including a production facility and a sales office with a total of some 125 employees. The decision will not have any material impact since total sales in Russia correspond to approximately 2.5 percent of the Group's annual sales. The aim is to discontinue the operations with due considerations towards our employees, customers and partners.

## OUR PRIORITIES MOVING FORWARD IN AN UNCERTAIN BUSINESS CLIMATE

Aside from the ongoing discontinuation of our own operations in Russia, the war in Ukraine will impact us through rapidly rising inflation and continued disruptions to global supply chains. Our focus is on supporting customers by ensuring deliveries with as little disruption as possible. Navigating through a time of rapidly rising inflation is demanding. Our customers are well aware of the supply disruptions, higher shipping costs and the price trend but are opposed to price increases, and it will take time to catch up and fully compensate for the rising inflation level. Our proximity to our customers and our ability to rapidly adapt to external changes remain the key to ITAB's success, and our goal is to continue to strengthen our customers' competitiveness in the best possible way. Our operational priorities for the rest of 2022 include safeguarding our service level and delivery capacity by remaining proactive in our sales and purchasing efforts, combined with the efforts to increase efficiency in our production and to reduce our working capital requirements.

The challenging circumstances in our operating environment accentuate the need to develop our operations and transition to become the leading solution provider in the retail sector. As previously announced, we are more than halfway through our transition and the heaviest measures to adapt our cost structure and the recapitalisation of the Group are behind us. We are developing new capabilities to further streamline operations and make ITAB more scalable and flexible. Our financial targets were announced in February and focus on sustainable growth, increased profitability, and strengthened capital efficiency.

A first quarter in line with the previous year and with a healthy order intake, thanks to intensive efforts on the part of the Group's employees, has created good conditions for the Group moving forward despite an uncertain business climate.

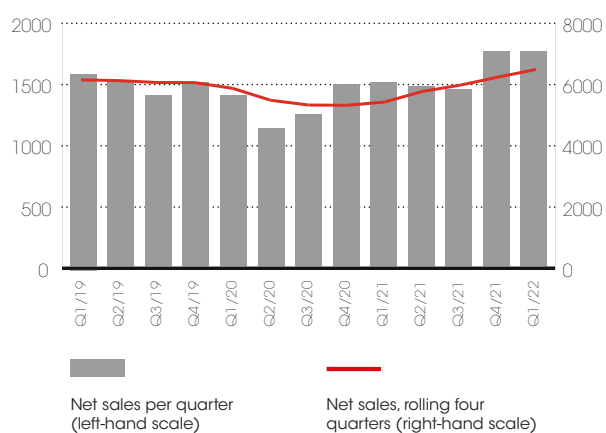
Jönköping, May 2022

**Andréas Elgaard**

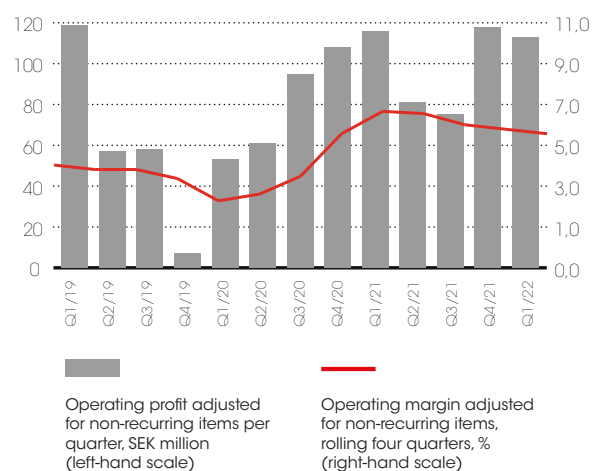
President & CEO

ITAB Shop Concept AB

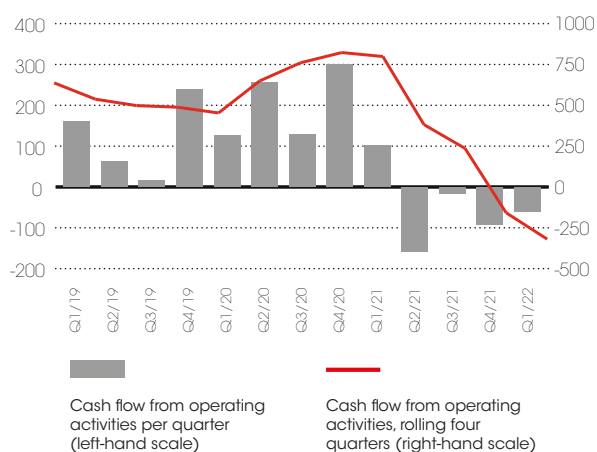
### ► NET SALES (SEK million)



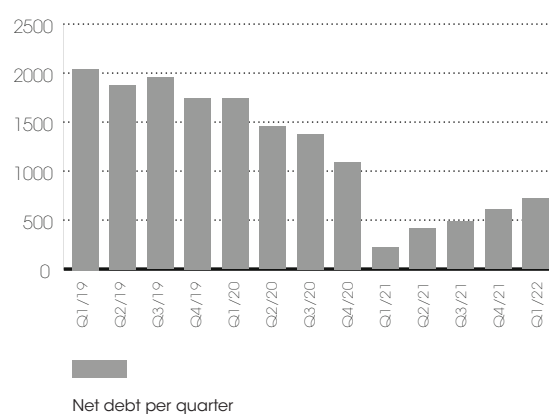
### ► OPERATING PROFIT AND OPERATING MARGIN (adjusted for non-recurring items <sup>1)</sup>)



### ► CASH FLOW FROM OPERATING ACTIVITIES (SEK million)



### ► NET DEBT (SEK million) (excluding lease liabilities)



<sup>1)</sup> Non-recurring items mainly consist of costs relating to transformation work under ITAB's One ITAB strategy. Refer to Note 4 on page 10.

# DEVELOPMENT IN 2022

ITAB

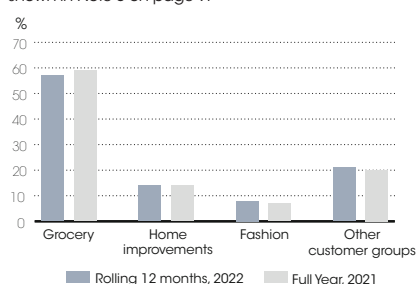
## JANUARY–MARCH

### Net sales

The Group's net sales increased by 16 percent to SEK 1,773 million (1,523) in the first quarter of the year. Currency-adjusted sales increased by 12 percent, of which the acquisition of Checkmark during the quarter contributed by 1 percent and the organic growth was 11 percent.

Organic growth was a result of price increases and healthy underlying demand in several of the Group's geographic markets and customer groups. The greatest sales increase during the quarter took place in Central Europe (by some SEK 110 million). Growth was largest in Fashion and Home Improvements, but sales to Grocery and other customer groups also increased during the start of the year. Customers' faith in the future and willingness to invest remains strong, but the challenges in the operating environment contributed to increased uncertainty and caution towards the end of the quarter.

Sales by customer group and geographic area are shown in Note 3 on page 9.



### Earnings

Operating profit for the quarter amounted to SEK 92 million (102). Profit was impacted by non-recurring items of SEK -21 million (-14), mainly pertaining to restructuring costs attributable to transformation work under the One ITAB strategy. Operating profit excluding these non-recurring items totalled SEK 113 million (116), corresponding to an operating margin of 6.3 percent (7.6). EBITDA excluding non-recurring items of SEK -11 million totalled SEK 175 million (179). Profit after financial items increased by 26 percent till SEK 87 million (69) and profit after tax by 22 percent till SEK 61 million (50).

Profit was positively impacted by the sales increase during the quarter. Continued shortages of certain electronic components and rapidly rising prices for raw materials, shipping and energy as well as continued lockdowns in China due to the COVID-19 pandemic negatively impacted the gross margin. Price increases, an increased share of coordinated purchasing and other cost-saving measures are continually being implemented with the aim of strengthening the gross margin moving forward. Continued effect from the rising inflation level with rapidly increasing costs for input goods is difficult to assess at the moment. Financial expenses were lower compared with the preceding year, partly due to changed loan terms and the discontinuation of interest rate swaps during the first quarter of 2021.

### 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 that time, the guidance indicated an underlying annualised EBITDA improvement of SEK 270–330 million (compared with EBITDA of SEK 516 million for 2019) once the One ITAB transformation is fully implemented, which is expected to take place in the middle of 2022. This guidance continues to apply. The total restructuring costs for One ITAB in the 2020–2022 financial years were estimated at SEK 275–325 million. The majority of these non-recurring costs are now settled. However, since some measures have

been more comprehensive than planned, such as the reconstruction and closure of production operations in France, certain costs have exceeded the original estimates. Consequently, restructuring costs to date total approximately SEK 340 million, of which about SEK 70 million pertains to impairment losses related to restructuring. These losses were initially difficult to assess and not entirely included in the original cost estimate. Some additional restructuring costs may arise during the coming quarters, but are not expected to be material.

### Cash flow, financing and liquidity

Cash flow from operating activities for the first quarter amounted to SEK -59 million (102). Cash flow was negatively impacted by inventories continuing to increase with the aim of satisfying customer needs despite disruptions to the supply of raw materials and component shortages combined with longer lead times. At the same time, rising raw material prices have impacted the value of inventories. The short-term consequences of the major global uncertainty are difficult to remedy, but we are working actively with a number of measures to minimise the negative effects and gradually reduce working capital in the Group.

Net debt excluding lease liabilities amounted to SEK 718 million (222). Net debt including lease liabilities amounted to SEK 1,311 million (878). Indebtedness has increased during the last 12 months compared with a historically low level immediately following the recapitalisation. This is a consequence of the increased working capital requirement as a result of sales growth, supply disruptions and the rising prices of raw materials and components. ITAB's financial position remains strong.

The Group's cash and cash equivalents, including granted unutilised credits, amounted to SEK 647 million (1,503) on the balance sheet date on 31 March 2022. The equity/assets ratio was 46 percent (43).

### Investments

The Group's net investments amounted to SEK 35 million (35) during the first quarter, of which SEK 26 million (23) was attributable to corporate acquisitions. For more information on corporate acquisitions, refer to Note 2 on page 9.

### Employees

The average number of employees for the interim period was 2,888 (2,962).

### 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 44 million (46) for the quarter. Profit after financial items amounted to SEK 11 million (-41) and includes impairment of shares and receivables from subsidiaries of SEK -2 million (-8) in connection with the restructuring as carried out in the Group.

### Acquisitions

On 28 February 2022, ITAB Group acquired, through its Finnish subsidiary ITAB Finland Holding Oy, all of the shares of Oy Checkmark Ltd. Checkmark is one of the leading suppliers of retail technology solutions for checkouts and store guidance for retailers in the Nordic region. The acquisition further strengthens ITAB's market position and creates opportunities for a broader product and solution offering for new and existing customers as well as providing distinct synergies.

Checkmark has annual sales of approximately EUR 12 million and 44 employees. Closing took place immediately and the acquisition was consolidated in the Group as of 1 March 2022.

Refer also to Note 2 on page 9.

### Discounting operations in Russia

ITAB decided at the beginning of March 2022 to discontinue its operations in Russia due to the Russian regime's invasion of Ukraine. The Group has a production facility and sales offices in Russia with a total of some 125 employees. Total sales in Russia amounted to approximately SEK 170 million in 2021, corresponding to about 2.5 percent of ITAB's total annual sales, and the decision to discontinue operations will not have any material impact on the company's revenue and earnings. The aim is to discontinue operations with due considerations towards employees, customers and business partners, but may entail some impairment losses.

### 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 can be found in Note 4 of ITAB's Annual Report for 2021. 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 for 2021 on pages 37–42. Sustainability risks are described on page 8 of the Group's Sustainability Report for 2021. In addition, the outcome of ongoing strategy and transition work within the framework of One ITAB and the ongoing discontinuation of operations in Russia may affect the future valuation of specific balance sheet items. Like other global companies, ITAB is affected by geopolitical conditions such as Russia's ongoing invasion of Ukraine and the COVID-19 pandemic. The risks that are most prominent from a short-term perspective are the continued impact of the war and the pandemic on the supply of components and other input goods, disruptions in supply chains, and the impact of inflation and economic developments on customers and suppliers.

#### Estimates and judgements

The preparation of the interim report requires Group management to make assessments and estimates as well as assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, revenue and expenses. The actual outcome may deviate from these estimates and judgements. The ongoing military conflict in Ukraine and the subsequent sanctions between countries, the 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.

#### Related party transactions

There have been no transactions between ITAB Shop Concept and related parties that have significantly affected the company's position and results during the reporting period.

In connection with the offset issue in the first quarter of 2021, SEK 100 million in shareholder loans was converted into equity and the remaining shareholder loan of SEK 40 million was repaid. For more information, see Note 6 on page 10.

#### Events after the end of the reporting period

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



# THE GROUP IN SUMMARY



## ► INCOME STATEMENT

(SEK million)	Note	3 MONTHS JAN-MAR 2022	3 MONTHS JAN-MAR 2021	ROLLING 12 MONTHS, 31 MAR 2022	FULL YEAR JAN-DEC 2021
Revenue from contracts with customers	3	1,773	1,523	6,495	6,245
Costs of goods sold		-1,298	-1,078	-4,785	-4,565
<b>Gross profit</b>		<b>475</b>	<b>445</b>	<b>1,710</b>	<b>1,680</b>
Selling expenses		-298	-266	-1,133	-1,101
Administrative expenses		-85	-72	-351	-338
Other operating income and expenses	4	0	-5	-12	-17
<b>Operating profit</b>		<b>92</b>	<b>102</b>	<b>214</b>	<b>224</b>
Financial income		7	4	17	14
Financial expenses	5	-12	-37	-57	-82
<b>Profit after financial items</b>	4	<b>87</b>	<b>69</b>	<b>174</b>	<b>156</b>
Tax expenses		-26	-19	-60	-53
<b>NET PROFIT FOR THE PERIOD</b>		<b>61</b>	<b>50</b>	<b>114</b>	<b>103</b>
<b>Net profit for the period attributable to:</b>					
Parent Company shareholders		54	49	100	95
Non-controlling interests		7	1	14	8
Depreciation and amortisation for the period amount to		72	63	284	275
Tax expenses for the period account for		30%	27%	35%	34%
Earnings per share, SEK <sup>1)</sup>		0.25	0.38	0.46	0.50
Average number of outstanding shares, thousand <sup>1)</sup>	6	218,100	131,313	218,100	191,396
Number of outstanding shares, thousand <sup>1)</sup>	6	218,100	218,100	218,100	218,100

<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 JAN-MAR 2022	3 MONTHS JAN-MAR 2021	ROLLING 12 MONTHS, 31 MAR 2022	FULL YEAR JAN-DEC 2021
<b>NET PROFIT FOR THE PERIOD</b>		<b>61</b>	<b>50</b>	<b>114</b>	<b>103</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		31	68	81	118
Hedging of net investments, net	5	-2	0	-3	-1
Cash flow hedges, net	5	14	5	30	21
Tax on items that may be reclassified		-3	-1	-7	-5
		<b>40</b>	<b>72</b>	<b>101</b>	<b>133</b>
<b>Total other comprehensive income after tax</b>		<b>40</b>	<b>72</b>	<b>99</b>	<b>131</b>
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>101</b>	<b>122</b>	<b>213</b>	<b>234</b>
<b>Comprehensive income for the period attributable to:</b>					
Parent Company shareholders		91	114	190	213
Non-controlling interests		10	8	23	21

## ► STATEMENT OF FINANCIAL POSITION

(SEK million)	Note	31 MAR 2022	31 MAR 2021	31 DEC 2021
<b>ASSETS</b>				
<b>Non-current assets</b>				
<i>Intangible assets</i>				
Goodwill		1,675	1,637	1,644
Other intangible assets		107	138	112
		<b>1,782</b>	<b>1,775</b>	<b>1,756</b>
Property, plant and equipment		1,318	1,421	1,366
Participations in associated companies		10	11	11
Deferred tax assets		112	100	117
Financial non-current receivables		17	18	18
<b>Total non-current assets</b>		<b>3,239</b>	<b>3,325</b>	<b>3,268</b>
<b>Current assets</b>				
Inventories		1,315	853	1,176
Current receivables		1,489	1,098	1,372
Cash and cash equivalents		254	993	208
<b>Total current assets</b>		<b>3,058</b>	<b>2,944</b>	<b>2,756</b>
<b>TOTAL ASSETS</b>		<b>6,297</b>	<b>6,269</b>	<b>6,024</b>
<b>EQUITY AND LIABILITIES</b>				
Equity attributable to Parent Company shareholders	6	2,745	2,555	2,654
Non-controlling interests		138	137	128
Deferred tax liabilities		45	44	45
Other non-current liabilities	5	1,083	1,615	1,143
Current liabilities	5	2,286	1,918	2,054
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,297</b>	<b>6,269</b>	<b>6,024</b>
Interest-bearing net debt		1,311	878	1,239
Interest-bearing net debt excluding lease liabilities		718	222	609

## ► STATEMENT OF CHANGES IN EQUITY

(SEK million)	Note	Share capital	Other contributed capital	Other reserves <sup>1)</sup>	Profit brought forward	Attributable to Parent Company shareholders	Attributable to non- controlling interests	Total equity
<b>EQUITY AS OF 1 JANUARY 2021</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					49	49	1	50
Other comprehensive income				65		65	7	72
<b>Comprehensive income January–March 2021</b>				<b>65</b>	<b>49</b>	<b>114</b>	<b>8</b>	<b>122</b>
Acquisition of partly owned companies	2						11	11
New and offset issue	6	48	786			834		834
<b>EQUITY AS OF 31 MARCH 2021</b>		<b>91</b>	<b>1,090</b>	<b>-13</b>	<b>1,387</b>	<b>2,555</b>	<b>137</b>	<b>2,692</b>
Net profit for the period					46	46	7	53
Other comprehensive income				55	-2	53	6	59
<b>Comprehensive income April–December 2021</b>				<b>55</b>	<b>44</b>	<b>99</b>	<b>13</b>	<b>112</b>
Acquisitions of non-controlling interests	2				1	1	-22	-21
New and offset issue	6		-1			-1		-1
<b>EQUITY AS OF 31 DECEMBER 2021</b>		<b>91</b>	<b>1,089</b>	<b>42</b>	<b>1,432</b>	<b>2,654</b>	<b>128</b>	<b>2,782</b>
Net profit for the period					54	54	7	61
Other comprehensive income				37		37	3	40
<b>Comprehensive income January–March 2022</b>				<b>37</b>	<b>54</b>	<b>91</b>	<b>10</b>	<b>101</b>
<b>EQUITY AS OF 31 MARCH 2022</b>		<b>91</b>	<b>1,089</b>	<b>79</b>	<b>1,486</b>	<b>2,745</b>	<b>138</b>	<b>2,883</b>

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

## ► STATEMENT OF CASH FLOWS

(SEK million)	Note	3 MONTHS JAN-MAR 2022	3 MONTHS JAN-MAR 2021	ROLLING 12 MONTHS, 31 MAR 2022	FULL YEAR JAN-DEC 2021
<b>Operating profit</b>		<b>92</b>	<b>102</b>	<b>214</b>	<b>224</b>
Interest paid and received, tax and adjustments for items not included in the cash flow		46	32	214	200
<b>Cash flow from operating activities before change in working capital</b>		<b>138</b>	<b>134</b>	<b>428</b>	<b>424</b>
<b>Change in working capital</b>					
Change in inventories		-107	-106	-423	-422
Change in operating receivables		-107	-173	-328	-394
Changes in operating liabilities		17	247	-3	227
<b>Cash flow from change in working capital</b>		<b>-197</b>	<b>-32</b>	<b>-754</b>	<b>-589</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>-59</b>	<b>102</b>	<b>-326</b>	<b>-165</b>
<b>Investing activities</b>					
Acquisition/divestment of companies and operations	2	-26	-23	-43	-40
Other net investments		-9	-12	-60	-63
<b>Cash flow from investing activities</b>		<b>-35</b>	<b>-35</b>	<b>-103</b>	<b>-103</b>
<b>CASH FLOW AFTER INVESTING ACTIVITIES</b>		<b>-94</b>	<b>67</b>	<b>-429</b>	<b>-268</b>
<b>Financing activities</b>					
New share issue	6	-	734	-1	733
Repayment of lease liabilities		-31	-30	-135	-134
Cash flow from other financing activities		169	-501	-182	-852
<b>Cash flow from financing activities</b>		<b>138</b>	<b>203</b>	<b>-318</b>	<b>-253</b>
<b>CASH FLOW FOR THE PERIOD</b>		<b>44</b>	<b>270</b>	<b>-747</b>	<b>-521</b>
Cash and cash equivalents at the start of the period		208	692	993	692
Translation differences on cash and cash equivalents		2	31	8	37
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>254</b>	<b>993</b>	<b>254</b>	<b>208</b>
<b>Cash flow from operating activities per share, SEK</b>		<b>-0.27</b>	<b>0.78</b>	<b>-1.50</b>	<b>-0.86</b>

# THE PARENT COMPANY IN SUMMARY



## ► INCOME STATEMENT

(SEK million)	Note	3 MONTHS JAN-MAR 2022	3 MONTHS JAN-MAR 2021	FULL YEAR JAN-DEC 2021
Net sales <sup>1)</sup>		44	46	171
Costs of goods sold		-5	-4	-21
<b>Gross profit</b>		<b>39</b>	<b>42</b>	<b>150</b>
Selling expenses		-12	-9	-47
Administrative expenses		-14	-11	-56
Other operating income and expenses		2	0	4
<b>Operating profit</b>		<b>15</b>	<b>22</b>	<b>51</b>
Profit from participations in Group companies		-2	-8	-5
Financial income and expenses	5	-2	-55	-59
<b>Profit after financial items</b>		<b>11</b>	<b>-41</b>	<b>-13</b>
Year-end appropriations		-	-	-56
<b>Profit before tax</b>		<b>11</b>	<b>-41</b>	<b>-69</b>
Tax expenses for the period		0	0	15
<b>NET PROFIT FOR THE PERIOD</b>		<b>11</b>	<b>-41</b>	<b>-54</b>

## ► STATEMENT OF OTHER COMPREHENSIVE INCOME

Net profit for the period	11	-41	-54
Other comprehensive income	-	-	-
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>11</b>	<b>-41</b>	<b>-54</b>

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

## ► BALANCE SHEET

(SEK million)	Note	31 MAR 2022	31 MAR 2021	31 DEC 2021
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		6	6	6
Financial assets		2,066	2,104	2,066
Deferred tax assets		32	17	32
<b>Total non-current assets</b>		<b>2,104</b>	<b>2,127</b>	<b>2,104</b>
<b>Current assets</b>				
Current receivables		619	141	502
Cash and bank balance		36	738	54
<b>Total current assets</b>		<b>655</b>	<b>879</b>	<b>556</b>
<b>TOTAL ASSETS</b>		<b>2,759</b>	<b>3,006</b>	<b>2,660</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Restricted equity		98	98	98
Non-restricted equity		1,736	1,739	1,725
<b>Total equity</b>	6	<b>1,834</b>	<b>1,837</b>	<b>1,823</b>
Non-current liabilities		537	947	541
Current liabilities		388	222	296
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,759</b>	<b>3,006</b>	<b>2,660</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 acquisitions and divestments

### Acquisitions in 2022

On 28 February 2022, ITAB Group acquired, through its Finnish subsidiary ITAB Finland Holding Oy, all of the shares of Oy Checkmark Ltd. Checkmark is one of the leading suppliers of retail technology solutions for checkouts and store guidance for retailers in the Nordic region. Checkmark has its head office in Pieksämäki in Finland and has subsidiaries in Sweden, Norway and Denmark. The Checkmark group has annual sales of approximately EUR 12 million and 44 employees. Closing took place immediately and the acquisition was consolidated in the Group as of 1 March 2022.

Expenses in connection with the acquisition are recognised on an ongoing basis as expenses. The acquisition had an impact of SEK 0 million on operating profit and SEK -20 million on cash flow in the first quarter of 2022. The preliminary effect of the acquisition was reported in Note 5 of ITAB's Annual Report for 2021.

Cash flow for the first quarter of 2022 has also been impacted by partial payments of acquisitions from 2021 of SEK 6 million.

### Acquisitions in 2021

#### Cefla Retail Solutions

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 strengthens its leading position in Southern Europe and creates opportunities to offer ITAB's solutions to a wider customer base.

The business unit was transferred to a newly established Italian limited liability company, Imola Retail Solution Srl. ITAB owns 81 percent of Imola Retail Solution and Cefla owns 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. Expenses in connection with the acquisition were expensed on an ongoing basis and impacted operating profit by SEK -1 million. The acquisition impacted cash flow by SEK -23 million during the first quarter and by SEK -6 million during the third quarter of 2021. The final acquisition calculation was recognised in Note 5 of ITAB's Annual Report for 2021.

#### Acquisitions of non-controlling interest

In April 2021, a subsidiary acquired the remaining 15 percent of the partly owned company La Fortezza Sudamericana S.A. (Argentina). The purchase consideration amounted to EUR 2 million. The difference between valued non-controlling interests prior to the acquisition and the purchase consideration was 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. Refer also to Note 5 in the Annual Report for 2021.

### Divestments in 2021

In connection with the restructurings in the Group, ITAB sold 100 percent of the shares in the company Pulverlacken i Hillerstorp AB through a subsidiary in November 2021. The purchase consideration amounted to SEK 8 million. The divestment impacted operating profit by SEK 0 million and cash flow during the fourth quarter of 2021 by SEK 8 million. The final effects of the divestment were reported in Note 5 in the Annual Report for 2021.

## 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 13 percent of external sales, and none of the ITAB Group's other customers account for more than 6 percent of external sales.

	3 MONTHS JAN-MAR 2022	3 MONTHS JAN-MAR 2021	ROLLING 12 MONTHS, 31 MAR 2022	FULL YEAR JAN-DEC 2021
<b>SALES BY CUSTOMER GROUP <sup>1)</sup></b>				
Grocery	930	880	3,730	3,680
Home Improvements	326	270	922	866
Fashion	169	85	500	416
Other customer groups	348	288	1,343	1,283
<b>TOTAL</b>	<b>1,773</b>	<b>1,523</b>	<b>6,495</b>	<b>6,245</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 JAN-MAR 2022	3 MONTHS JAN-MAR 2021	ROLLING 12 MONTHS, 31 MAR 2022	FULL YEAR JAN-DEC 2021
<b>SALES BY GEOGRAPHIC AREA <sup>2)</sup></b>				
Northern Europe	483	427	1,554	1,498
Southern Europe	363	381	1,412	1,430
Central Europe	359	252	1,286	1,179
UK & Ireland	233	249	986	1,002
Eastern Europe	203	132	726	655
Rest of the World	132	82	531	481
<b>TOTAL</b>	<b>1,773</b>	<b>1,523</b>	<b>6,495</b>	<b>6,245</b>

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

## Note 4 – Non-recurring items

The Group's earnings were charged with non-recurring costs in accordance with the below. These primarily consist of restructuring costs in connection with the transformation work under ITAB's One ITAB strategy, of which approximately 50 percent pertains to personnel costs. Of the non-recurring items for the first quarter of 2022, approximately SEK 10 million pertains from the impairment of right-of-use assets in rental contracts.

NON-RECURRING ITEMS, SEK million	3 MONTHS JAN-MAR 2022	3 MONTHS JAN-MAR 2021	ROLLING 12 MONTHS, 31 MAR 2022	FULL YEAR JAN-DEC 2021
Restructuring	-21	-14	-173	-166
<b>Total non-recurring items</b>	<b>-21</b>	<b>-14</b>	<b>-173</b>	<b>-166</b>
<b>Impact of non-recurring items on profit and loss items in the income statement</b>				
Operating profit before depreciation and amortisation (EBITDA)	-11	-14	-154	-157
Operating profit	-21	-14	-173	-166
Profit after financial items	-21	-14	-173	-166

## 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.

In 2021, financial expenses were 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.

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 2021.

## 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. Previous shareholder loans were converted into equity in conjunction with the offset issue. For more information about this shareholder loan, see Note 34 in the Annual Report for 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>

## ► QUARTERLY OVERVIEW FOR THE GROUP

	PER QUARTER							
(SEK million)	JAN-MAR 2022	JAN-MAR 2021	OCT-DEC 2021	OCT-DEC 2020	JUL-SEP 2021	JUL-SEP 2020	APR-JUN 2021	APR-JUN 2020
Revenue from contracts with customers	1,773	1,523	1,770	1,507	1,464	1,258	1,488	1,142
Costs of goods sold	-1,298	-1,078	-1,310	-1,182	-1,090	-888	-1,087	-809
<b>Gross profit</b>	<b>475</b>	<b>445</b>	<b>460</b>	<b>325</b>	<b>374</b>	<b>370</b>	<b>401</b>	<b>333</b>
Selling expenses	-298	-266	-308	-281	-250	-225	-277	-230
Administrative expenses	-85	-72	-102	-82	-78	-63	-86	-67
Other operating income and expenses	0	-5	-11	-8	-1	1	0	-2
<b>Operating profit</b>	<b>92</b>	<b>102</b>	<b>39</b>	<b>-46</b>	<b>45</b>	<b>83</b>	<b>38</b>	<b>34</b>
Financial items	-5	-33	-5	-39	-8	-32	-22	-27
<b>Profit after financial items</b>	<b>87</b>	<b>69</b>	<b>34</b>	<b>-85</b>	<b>37</b>	<b>51</b>	<b>16</b>	<b>7</b>
Tax expenses	-26	-19	-10	8	-17	-18	-7	-3
<b>NET PROFIT FOR THE PERIOD</b>	<b>61</b>	<b>50</b>	<b>24</b>	<b>-77</b>	<b>20</b>	<b>33</b>	<b>9</b>	<b>4</b>
<i>Net profit for the period attributable to:</i>								
Parent Company shareholders	54	49	18	-76	20	32	8	3
Non-controlling interests	7	1	6	-1	0	1	1	1
Non-recurring items, SEK million	-21	-14	-79	-154	-30	-12	-43	-27
Operating profit excl. non-recurring items, SEK million	113	116	118	108	75	95	81	61
Operating margin excl. non-recurring items, %	6.3	7.6	6.7	7.2	5.1	7.6	5.5	5.4
Cash flow from operating activities, SEK million	-59	102	-92	300	-17	128	-158	257
Earnings per share, SEK <sup>1)</sup>	0.25	0.38	0.09	-0.74	0.09	0.30	0.03	0.04
Equity per share, SEK <sup>1)</sup>	12.59	11.72	12.17	15.69	11.90	16.94	11.70	16.84
Return on equity per annum, %	8.0	9.5	2.8	neg.	3.1	7.3	1.2	0.8
Share price at the end of the period, recalculated after issues, SEK	12.40	16.84	13.42	11.75	13.44	8.74	15.70	7.28

<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)	31 MAR 2022	31 DEC 2021	30 SEP 2021	30 JUN 2021	31 MAR 2021	31 DEC 2020	30 SEP 2020	30 JUN 2020
Revenue from contracts with customers	6,495	6,245	5,982	5,776	5,430	5,323	5,333	5,488
Costs of goods sold	-4,785	-4,565	-4,437	-4,235	-3,957	-3,906	-3,879	-4,020
<b>Gross profit</b>	<b>1,710</b>	<b>1,680</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>
Selling expenses	-1,133	-1,101	-1,074	-1,049	-1,002	-1,015	-1,060	-1,113
Administrative expenses	-351	-338	-318	-303	-284	-285	-278	-280
Other operating income and expenses	-12	-17	-14	-12	-14	-5	3	6
<b>Operating profit</b>	<b>214</b>	<b>224</b>	<b>139</b>	<b>177</b>	<b>173</b>	<b>112</b>	<b>119</b>	<b>81</b>
Financial items	-40	-68	-102	-126	-131	-112	-97	-81
<b>Profit after financial items</b>	<b>174</b>	<b>156</b>	<b>37</b>	<b>51</b>	<b>42</b>	<b>0</b>	<b>22</b>	<b>0</b>
Tax expenses	-60	-53	-35	-36	-32	-22	-25	-14
<b>NET PROFIT FOR THE PERIOD</b>	<b>114</b>	<b>103</b>	<b>2</b>	<b>15</b>	<b>10</b>	<b>-22</b>	<b>-3</b>	<b>-14</b>
<i>Net profit for the period attributable to:</i>								
Parent Company shareholders	100	95	1	13	8	-21	-3	-13
Non-controlling interests	14	8	1	2	2	-1	0	-1
Non-recurring items, SEK million	-173	-166	-241	-223	-207	-205	-97	-98
Operating profit excl. non-recurring items, SEK million	387	390	380	400	380	317	216	179
Operating margin excl. non-recurring items, %	6.0	6.2	6.3	6.9	7.0	6.0	4.0	3.2
Cash flow from operating activities, SEK million	-326	-165	227	372	787	811	749	638
Earnings per share, SEK <sup>1)</sup>	0.46	0.50	0.00	0.09	0.08	-0.21	-0.04	-0.12
Equity per share, SEK <sup>1)</sup>	12.59	12.17	11.90	11.70	11.72	15.69	16.94	16.84
Return on equity per annum, %	3.8	4.0	0.0	0.6	0.5	neg.	neg.	neg.

<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 JAN-MAR 2022	3 MONTHS JAN-MAR 2021	ROLLING 12 MONTHS, 31 MAR 2022	FULL YEAR JAN-DEC 2021
Revenue from contracts with customers, SEK million	1,773	1,523	6,495	6,245
EBITDA, SEK million	164	165	498	499
EBITDA margin, %	9.2	10.8	7.7	8.0
EBITDA excl. non-recurring items, SEK million	175	179	652	656
EBITDA margin excl. non-recurring items, %	9.8	11.7	10.3	10.5
Operating profit, SEK million	92	102	214	224
Operating margin, %	5.2	6.7	3.3	3.6
Operating profit excl. non-recurring items, SEK million	113	116	387	390
Operating margin excl. non-recurring items, %	6.3	7.6	6.0	6.2
Profit after financial items, SEK million	87	69	174	156
Profit margin, %	4.9	4.5	2.7	2.5
Profit after financial items excl. non-recurring items, SEK million	108	83	347	322
Profit margin excl. non-recurring items, %	6.1	5.4	5.0	5.2
Profit after tax, SEK million	61	50	114	103
Cash flow from operating activities, SEK million	-59	102	-326	-165
Earnings per share, SEK <sup>1)</sup>	0.25	0.38	0.46	0.50
Cash flow from operating activities per share, SEK <sup>1)</sup>	-0.27	0.78	-1.50	-0.86
Number of shares at the end of the period <sup>1)</sup>	218,100,192	218,100,192	218,100,192	218,100,192
Average number of shares <sup>1)</sup>	218,100,192	131,312,621	218,100,192	191,396,324
Share price at the end of the period, recalculated after issues, SEK	12.40	16.84	12.40	13.42
Balance sheet total, SEK million	6,297	6,269	6,297	6,024
Interest-bearing net debt, SEK million	1,311	878	1,311	1,239
Interest-bearing net debt excl. lease liabilities, SEK million	718	222	718	609
Equity attributable to Parent Company shareholders, SEK million	2,745	2,555	2,745	2,654
Equity per share, SEK <sup>1)</sup>	12.59	11.72	12.59	12.17
Equity/assets ratio, %	45.8	42.9	45.8	46.2
Return on equity per annum, %	8.0	9.5	3.8	4.0
Return on capital employed per annum, %	9.1	9.7	3.8	5.6
Return on total capital per annum, %	6.4	7.2	3.8	4.0
Interest-coverage ratio, multiple	7.9	2.9	4.0	2.9
Net investments, SEK million	35	35	103	103
Net investments excl. corporate acquisitions, SEK million	9	12	60	63
Average number of employees	2,888	2,962	2,893	2,930

<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 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 JAN-MAR 2022	3 MONTHS JAN-MAR 2021	ROLLING 12 MONTHS, 31 MAR 2022	FULL YEAR JAN-DEC 2021
Operating profit	92	102	214	224
Depreciation and amortisation	72	63	284	275
<b>EBITDA</b>	<b>164</b>	<b>165</b>	<b>498</b>	<b>499</b>
Reversal of non-recurring items, Note 4	11	14	154	157
<b>EBITDA EXCL. NON-RECURRING ITEMS</b>	<b>175</b>	<b>179</b>	<b>652</b>	<b>656</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 JAN-MAR 2022	3 MONTHS JAN-MAR 2021	ROLLING 12 MONTHS, 31 MAR 2022	FULL YEAR JAN-DEC 2021
Interest-bearing non-current liabilities	1,013	1,533	1,013	1,071
Interest-bearing current liabilities	558	338	558	380
Interest-bearing assets	-6	0	-6	-4
Cash and cash equivalents	-254	-993	-254	-208
<b>INTEREST-BEARING NET DEBT</b>	<b>1,311</b>	<b>878</b>	<b>1,311</b>	<b>1,239</b>
Reversal of interest-bearing lease liabilities	-593	-656	-593	-630
<b>INTEREST-BEARING NET DEBT EXCL. LEASE LIABILITIES</b>	<b>718</b>	<b>222</b>	<b>718</b>	<b>609</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 the shareholders' capital invested in the ITAB Group.*

(SEK million)	3 MONTHS JAN-MAR 2022	3 MONTHS JAN-MAR 2021	ROLLING 12 MONTHS, 31 MAR 2022	FULL YEAR JAN-DEC 2021
Annualised net profit attributable to Parent Company shareholders	217	197	100	95
Equity attributable to Parent Company shareholders	2,745	2,555	2,745	2,654
Average equity attributable to Parent Company shareholders	2,700	2,081	2,621	2,393
<b>RETURN ON EQUITY, %</b>	<b>8.0</b>	<b>9.5</b>	<b>3.8</b>	<b>4.0</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 JAN-MAR 2022	3 MONTHS JAN-MAR 2021	ROLLING 12 MONTHS, 31 MAR 2022	FULL YEAR JAN-DEC 2021
Annualised profit after financial items plus financial expenses	397	426	231	238
Average balance sheet total less non interest-bearing liabilities	4,344	4,365	6,114	4,266
<b>RETURN ON CAPITAL EMPLOYED, %</b>	<b>9.1</b>	<b>9.7</b>	<b>3.8</b>	<b>5.6</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 JAN-MAR 2022	3 MONTHS JAN-MAR 2021	ROLLING 12 MONTHS, 31 MAR 2022	FULL YEAR JAN-DEC 2021
Annualised profit after financial items plus financial expenses	397	426	231	238
Average total capital	6,160	5,894	6,094	5,939
<b>RETURN ON TOTAL CAPITAL, %</b>	<b>6.4</b>	<b>7.2</b>	<b>3.8</b>	<b>4.0</b>

## ► OTHER DEFINITIONS

PERFORMANCE MEASURE	DEFINITION	MOTIVE
<b>EQUITY PER SHARE</b>	Equity at the end of the period attributable to Parent Company shareholders in relation to the number of shares at the end of the period.	Measure to describe how much equity belongs to the shareholders of the Parent Company.
<b>CASH FLOW FROM OPERATING ACTIVITIES PER SHARE</b>	Cash flow from operating activities in relation to the average number of outstanding shares.	This measure highlights ITAB's ability to generate cash flow and pay dividends to its shareholders.
<b>AVERAGE NUMBER OF EMPLOYEES</b>	Number of worked hours divided by normal annual working time.	This measure shows the size of ITAB's workforce.
<b>EARNINGS PER SHARE</b>	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 dividends to its shareholders.
<b>INTEREST-COVERAGE RATIO</b>	Profit after financial items plus financial interest expenses in relation to financial borrowing costs.	Shows ITAB's ability to cover its financial expenses.
<b>OPERATING MARGIN</b>	Operating profit in relation to revenue.	Relevant for assessing ITAB's efficiency and added value.
<b>EQUITY/ASSETS RATIO</b>	Equity in relation to total capital.	This measure highlights financial risk.
<b>TOTAL CAPITAL</b>	Total equity and liabilities (balance sheet total).	This measure highlights the size of the company's total assets.
<b>CURRENCY-ADJUSTED SALES</b>	Translation of the foreign subsidiaries' income statements are conducted at each period's average exchange rate. For comparison of profit excluding currency effects, the companies are recalculated at the previous year's average exchange rate for the same period. ITAB uses the European Central Bank's average exchange rates for the entire period for the relevant currencies that the bank provides exchange rates for.	Relevant for showing the sales and earnings trend without any effect from currency rates fluctuations.
<b>PROFIT MARGIN</b>	Profit after financial items in relation to revenue.	Relevant for assessing ITAB's efficiency and added value.



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

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

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

ITAB has operations in 24 countries and 15 production facilities in Europe and China. ITAB also has a network of partners across large parts of Europe. Working in close collaboration with the customer, ITAB contributes its experience and expertise to the customer's specific needs and requests.

ITAB offers solutions in the following areas with services for analysis, insight, design, logistics, installation and maintenance:



## ► RETAIL INTERIOR

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



## ► RETAIL TECHNOLOGY

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



## ► RETAIL LIGHTING

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

## ► FINANCIAL TARGETS

### GROWTH

Average growth in net sales (CAGR) of 4-8 percent per annum over a business cycle. Growth is to be achieved by sustainable organic growth and strategic acquisitions.

# 4-8%

Sales growth

### EARNINGS

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

# 7-9%

EBIT margin

### CAPITAL EFFICIENCY

Average cash conversion ratio (operational cash flow in relation to operating profit before depreciation and amortisation) of at least 80 percent over a business cycle.

# >80%

Cash conversion

### DIVIDEND POLICY

Dividends over a longer period should follow the result and correspond to at least 30 percent of the company's profit after tax. However, dividends will be adjusted to the company's investment requirements and any share repurchase program.

# >30%

Proportion of profit after tax



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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 31 Mar 2022</b>
ITAB	SEK 12.40

**Sector classification**  
Industrial Goods & Services

## FINANCIAL CALENDAR

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
Year-end 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 (EU Regulation No 596/2014). The information was submitted for publication, through the agency of the contact persons set out, at **7:00 a.m. CEST on 10 May 2022.**

This report 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.